



**BROOME COUNTY LOCAL DEVELOPMENT CORPORATION**

**GOVERNANCE COMMITTEE MEETING**

February 19, 2020 – 11:45 a.m.  
The Agency Conference Room, 2<sup>nd</sup> Floor  
FIVE South College Drive, Suite 201  
Binghamton, NY 13905

**REVISED AGENDA**

- |  |           |
|--|-----------|
| 1. Call to Order   | R. Bucci  |
| 2. Accept the March 20, 2019 Governance Committee Meeting Minutes  | R. Bucci  |
| 3. Public Comment  | R. Bucci  |
| 4. Review/Discussion/Recommendation of the Broome County Local Development Corporation (i) Taking Official Action Toward the Issuance of up to \$295,000,000 Principal Amount of Revenue Bonds for the Purpose of Financing a Certain Project for the Benefit of United Health Services Hospitals, Inc. (ii) Describing the Forms of Financial Assistance Being Contemplated by the Issuer with Respect to Such Project; and (iii) Authorizing a Public Hearing with Respect to Such Financing and the Undertaking of Such Project | S. Duncan |
| 5. Review/Discussion/Recommendation to Approve Summary Results of Confidential Evaluation of Board Performance   | S. Duncan |
| 6. Review/Discussion/Recommendation to Approve the Readoption of the BCLDC Bylaws and Policies: Property Acquisition Guidelines, Property Disposition Guidelines, Internal Controls and Accountability Policy, Investment and Deposit Policy and Purchasing Policy with No Changes   | T. Gray   |
| 7. Adjournment   | R. Bucci  |

**BROOME COUNTY LOCAL DEVELOPMENT CORPORATION  
GOVERNANCE COMMITTEE  
March 20, 2019 - 11:00 a.m.  
FIVE South College Drive  
The Agency Conference Room, Suite 201, 2nd Floor  
Binghamton, NY 13905**

**PRESENT:** R. Bucci, J. Peduto, C. Sacco, B. Rose, W. Howard and J. Stevens

**GUESTS:** None

**ABSENT:** None

**STAFF:** K. McLaughlin, T. Gray, S. Duncan, N. Abbadessa and C. Hornbeck

**PRESIDING:** R. Bucci

**AGENDA ITEM 1:** Chairman Bucci called the meeting to order at 10:59 a.m.

**AGENDA ITEM 2:** Accept the April 18, 2018 Governance Committee meeting minutes. Chairman Bucci asked if there were any changes to the minutes; hearing none, accepted the minutes, as written.

**MOTION:** No motion necessary.

**AGENDA ITEM 3:** Public Comment: None

**AGENDA ITEM 4:** Review/Discussion/Recommendation of Additions, Corrections, and/or Amendments to the BCLDC Bylaws. Mr. Gray stated recommendations to amend the Bylaws had to do with terms of the Board of Directors. Previously, the term for the Board of Directors of the LDC was two years; this could cause a disparity between the IDA and LDC Boards. Mr. Gray explained the need for separation of the Governance and Personnel Committees. Chairman Bucci commented that members are appointed for both the IDA and LDC Boards. Mr. Gray concurred that if a member serves on a committee for the IDA; that member will serve on the same committee for the LDC. Chairman Bucci asked about ineligibility to serve, if an elected official; which Mr. Gray confirmed. Chairman Bucci requested a motion.

**MOTION:** To Recommend Additions, Corrections and/or Amendments to the BDLDC Bylaws, as

Presented. On a MOTION by Mr. Rose, seconded by Ms. Sacco, the MOTION CARRIED UNANIMOUSLY.

**AGENDA ITEM 5:** Review/Discussion/Recommendation of the Readoption of the Code of Ethics, Defense and Indemnification Policy, Whistle Blower Protection Policy, Compensation Reimbursement and Attendance Policy and Travel Policy with No Changes. Chairman Bucci explained the Code of Ethics for the BCLDC are similar to the IDA Code of Ethics, and requested a motion.

**MOTION:** Motion to Recommend Readoption of the Aforementioned Policies to the full Board. On a MOTION by Ms. Sacco; seconded by Mr. Peduto, the MOTION CARRIED UNANIMOUSLY.

**AGENDA ITEM 6:** Review/Discussion/Recommendation of the Approval of the 2018 Mission and Measurement Report. Mr. Gray stated this report states goals that are specific to the Strategic Plan that was reviewed at the end of January, 2019.

**MOTION:** Motion to Recommend Approval of 2018 Mission and Measurement Report to the full Board. On a MOTION by Mr. Peduto; seconded by Mr. Rose, the MOTION CARRIED UNANIMOUSLY.

**AGENDA ITEM 7:** Review Summary Results of Confidential Evaluation of Board Performance.

**MOTION:** Motion to Move the Results to the full Board for Approval. On a MOTION by Ms. Sacco, seconded by Mr. Rose, the MOTION CARRIED.

**AGENDA ITEM 8:** Adjournment: Chairman Bucci asked for a Motion for Adjournment. On a MOTION by Ms. Sacco, seconded by Mr. Rose, the MOTION CARRIED UNANIMOUSLY and the meeting was adjourned at 11:07 a.m.

The next scheduled meeting of the BCLDC Governance Committee is to be determined.

## APPLICATION FOR BENEFITS / LDC

### INSTRUCTIONS

1. The Agency/LDC will not consider any application unless, in the judgment of the Corporation, said application contains sufficient information upon which to base a decision whether to approve or tentatively approve an action.
2. Fill in all blanks, using "none" or "not applicable" or "N/A" where the question is not appropriate to the project which is the subject of this application (the Project).
3. If an estimate is given as the answer to a question, put "est." after the figure or answer, which is estimated.
4. If more space is needed to answer any specific question, attach a separate sheet.
5. When completed, return one (1) hard copy of this application and one (1) electronic copy to the Agency/LDC at the address indicated on the application.
6. The Agency/LDC will not give final approval to the application until the Corporation receives a completed environmental assessment form concerning the Project which is the subject of this application.
7. Please note that all records in the possession of the Agency/LDC (with certain limited exceptions) are open to public inspection and copying. If the applicant feels that there are certain elements of the Project which are in the nature of trade secrets or information, the nature of which is such that if disclosed to the public or otherwise widely disseminated would cause substantial injury to the applicant's competitive position, the applicant may identify such elements in writing and request such elements be kept confidential.
8. The Agency/LDC has established a non-refundable application fee of One Thousand (\$1,000) Dollars to cover the anticipated costs of processing this application. A check or money order payable to the Agency/LDC must accompany each application. THIS APPLICATION WILL NOT BE ACCEPTED BY THE CORPORATION UNLESS ACCOMPANIED BY THE APPLICATION FEE.
9. The Agency/LDC has established a project fee for each project in which the Corporation participates. THIS PROJECT FEE of 10% of the total Project cost IS REQUIRED TO BE PAID BY THE APPLICANT AT OR PRIOR TO THE GRANTING OF ANY FINANCIAL ASSISTANCE BY THE AGENCY/LDC. The applicant will also be expected to pay to the Agency/LDC all actual costs incurred in connection with the application including all costs incurred by general counsel and bond counsel.
10. The Agency/LDC will charge annually an administrative fee of \$1,500 to cover ongoing compliance and oversight; the fee shall be payable January 1 of each year until all financing documents shall terminate and be discharged and satisfied.

\$350,000

RB 2/1/1

## APPLICATION FOR FINANCIAL ASSISTANCE

### APPLICANT

NAME: UNITED HEALTH SERVICES HOSPITALS, INC

APPLICANT'S STREET ADDRESS: 10-42 MITCHELL AVENUE

CITY: Binghamton STATE: NY ZIP: 13903 PHONE: 607-762-3011

NAME OF PERSON(S) AUTHORIZED TO SPEAK FOR APPLICANT WITH RESPECT TO THIS APPLICATION:

Rick Borschuk PHONE: 607-762-3011

TITLE: CHIEF FINANCIAL OFFICER EMAIL: rick.borschuk@nyuhs.org

### APPLICANT'S COUNSEL

NAME: Lillian Levy

FIRM: Hinman, Howard & Kattell EMAIL: llevy@hhk.com

ADDRESS: 700 Security Mutual Building, 80 Exchange Street

CITY: Binghamton STATE: NY ZIP: 13901 PHONE: 607-231-6725

### APPLICANT'S ACCOUNTANT

NAME: Alan Gracie

FIRM: Freed Maxick EMAIL: alan.gracie@freedmaxick.com

ADDRESS: 424 Main Street, Suite 800

CITY: Buffalo STATE: NY ZIP: 14202 PHONE: 716-847-2651

PLEASE OUTLINE ON A SEPARATE SHEET OF PAPER ANY OTHER PROFESSIONALS INVOLVED IN THE PROJECT (I.E. DESIGN PROFESSIONAL, GENERAL CONTRACTOR).

## PROJECT SUMMARY

A: TYPE OF PROJECT:	<input checked="" type="checkbox"/> NOT-FOR-PROFIT	<input type="checkbox"/> OTHER-SPECIFY	
B: EMPLOYMENT IMPACT (BROOME COUNTY):	EXISTING JOBS:	4,380	
	NEW JOBS:	65	
C: PROJECT COST: \$	132,000,000		
D: AMOUNT OF BONDS REQUESTED: \$	121,500,000	E: AMOUNT OF NEW MORTGAGE(S) REQUIRED FOR PROJECT: \$	0

## APPLICANT INFORMATION

EMPLOYER'S FEDERAL ID NO.	16-1165049	NAICS CODE	622000
1. INDICATE TYPE OF BUSINESS ORGANIZATION OF APPLICANT:			
<input checked="" type="checkbox"/> CORPORATION INCORPORATED IN WHAT COUNTRY	USA	WHAT STATE	New York
DATE INCORPORATED	August 1, 1981	TYPE OF CORPORATION	501(c) (3) non-profit
AUTHORIZED TO DO BUSINESS IN NEW YORK:	<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO	

2. IS THE APPLICANT A SUBSIDIARY OR DIRECT OR INDIRECT AFFILIATE OF ANY OTHER ORGANIZATION(S)? IF SO, NAME OF RELATED ORGANIZATION(S) AND RELATIONSHIP:

United Health Services, Inc.

## MANAGEMENT OF APPLICANT

List all Board of Directors

NAME AND HOME ADDRESS	OFFICE HELD	OTHER PRINCIPAL BUSINESS
John Carrigg	Chief Executive Officer	None
Rick Borschuk	Chief Financial Officer	None
Kay Boland	Chief Nursing Officer/Chief Operating Officer	None
Dr. R Dave'	Chief Medical Officer	None

WITHIN THE PAST FIVE YEARS HAS THE APPLICANT, ANY AFFILIATE, ANY PREDECESSOR ORGANIZATION OR ENTITY, DIRECTOR, OFFICER, OR ANY CONTRACTOR AFFILIATED WITH THE PROPOSED PROJECT BEEN THE SUBJECT OF:

1. an indictment, judgment, conviction, or a grant of immunity, including pending actions, for any business-related conduct constituting a crime?

☐ YES ☒ NO

2. a government suspension or debarment, rejection of any bid or disapproval of any proposed contract, including pending actions, or for lack of responsibility?

☐ YES ☒ NO

3. any final governmental determination of a violation of any public works law or regulation, or labor law regulation?

☐ YES ☒ NO

4. a consent order with the NYS Dept. of Environmental Conservation?

☐ YES ☒ NO

5. an unsatisfied judgment, injunction or lien for any business-related conduct obtained by any federal, state or local government agency including, but not limited to, judgments based on taxes owed and fines and penalties assessed?

☐ YES ☒ NO

6. Has any person listed above or any concern with whom such person has been connected ever been in receivership or been adjudicated in a bankruptcy?

☐ YES ☒ NO

**IF THE ANSWER TO ANY QUESTION 1 THROUGH 6 ABOVE IS YES, PLEASE FURNISH DETAILS ON A SEPARATE ATTACHMENT.**

**APPLICANT'S PRINCIPAL BANK(S) OF ACCOUNT** M&T Bank

68 Exchange Street, 2nd Floor, Binghamton, NY 13091

**PROJECT DATA**

1. Attach a complete narrative description of Project including location, proposed product lines and market projections, square feet by usage, type of construction, machinery for products, machinery for building, office and parking
2. Attach a photo of the site or existing facility to be improved.
3. Attach copies of preliminary plans or sketches of proposed construction or floor plan of existing facility.
4. Are utilities on site or must they be brought in? If so, which ones?

For Items 1-3 see attached. For item 4, this is an addition to an existing campus so while utilities may be upgraded, moved or expanded they are already on site.

5. Who presently is legal owner of building or site? United Health Services, Hospitals Inc.

6. Is there a purchase option in force or other legal or common control in the project?  
If so, furnish details in a separate attachment.

☐ YES ☒ NO

Is there an existing or proposed lease for all or a portion of the project?

☐ YES ☒ NO

7. If applicant will not occupy 100% of the building in a real estate related transaction, provide information on tenant(s) on a separate sheet including: name, present address, employer fed. ID no., percentage of project to be leased, type of business organization, relationship to applicant, date and term of lease.

8. Zoning district in which Project is located Neighborhood Commercial - Village of Johnson City

9. Are there any variances or special permits required? If yes, please explain:

☒ YES ☐ NO

Currently working on various permits required for construction in the Village of Johnson City.

10. Will the completion of the Project result in the removal of a facility of the Applicant or another proposed occupant of the project from one area of the State of New York to another area of the State? If yes, please explain:

☐ YES ☒ NO

No this is an expansion project of the existing campus with no removal of old buildings or services.

11. Will the completion of the Project result in the abandonment/disposal of one or more facilities of the Applicant located in New York state? If yes, please explain:

☐ YES ☒ NO

No this is an expansion project of the existing campus with no removal of old buildings or services.



12. If the answer to question 10 or 11 is yes, indicate whether any of the following apply to the Project:

A. Is the Project reasonably necessary to preserve the competitive position of the Applicant or such Project Occupant? If yes, please explain: ☐ YES ☒ NO

While the project will not impact our current market share, the addition of this space will serve as a community and out of area draw to our world class medical facility and service line options for patient healthcare needs. The Project is not necessary to preserve but will in fact enhance our position in the market.

B. Is the Project reasonably necessary to discourage the Applicant or such Project Occupant from relocating outside of New York state? If yes, please explain: ☐ YES ☒ NO

The project will have no direct bearing on the commitment of UHS to continue serving as the leading health care provider in the Southern Tier. However the Project will further enhance the capability of UHS on delivering on the UHS Vision: UHS, the region's leading integrated healthcare system, will demonstrate exceptional value in the delivery of coordinated patient-centered care. High quality and financially viable health care is critical to regional economic development and sustainability for the region as a whole.

13. Indicate whether any of the following apply to the Project:

A. Will the Project be operated by a not-for-profit corporation? If yes, please explain ☒ YES ☐ NO

Yes expanded building will be owned and operated by UHS Hospitals which is a tax-exempt entity per the Internal Revenue Service.

B. Will the Project likely attract a significant number of visitors from outside the economic development region in which the Project will be located? If yes, please explain: ☒ YES ☐ NO

UHS currently already attracts patients from up to 2 hours away for several of our tertiary and specialty services. We anticipate the ER expansion project and new private rooms as well as MRI suite on site will be an important additive element to our never-ending pursuit to improve the quality of patient care that we offer.

C. Would the Project Occupant, but for the contemplated financial assistance from The Agency/LDC, locate the related jobs outside New York state? If yes, please explain: ☐ YES ☒ NO

UHS has been in Broome County for over 100 years, tracing our roots back to the formation of the Binghamton City Hospital in 1888. This project has no impact on our dedication to the region.

D. Will the Project preserve permanent private sector jobs or increase the overall number of permanent private sector jobs in the State of New York? ☒ YES ☐ NO

We anticipate a direct impact of up to 100 hires from this project by UHS and countless other construction and related jobs for the general contractor as well as all of the subcontractors who will be associated with this project.

14. Please indicate all other local agencies, boards, authorities, districts, commissions or governing bodies (including any federal, city, county and other political subdivision of the State of New York and all state departments, agencies, boards, public benefit corporations, public authorities or commissions) involved in approving or funding or directly undertaking action with respect to the Project. For example, do you need a municipal building permit to undertake the Project? State Historic Preservation? Do you need a zoning approval to undertake the Project? If so, you would list the appropriate municipal building department or planning or zoning commission which would give said approvals.

This project requires a full review by the Department of Health (DOH) through their Certificate of Need (CON) process. The CON was submitted in November and approved on 2/6/2020 with limited contingencies, which will be met with in the time frame allotted by DOH. The issuance of tax exempt bonds require the usage of the Agency (as noted in this application) to issue our tax exempt instruments to the public market. We are working with the Village of Johnson City for all required approvals needed locally. No other agencies are required as confirmed with counsel.

15. Describe the nature of the involvement of the federal, state or local agencies described above:

The DOH requires a full CON review which has been completed. We are working with the Agency to ensure our bonds can be issued on a tax exempt basis citing our status as a 503(c) non-profit healthcare organization.

16. Has construction work on this project begun? If yes, please discuss in detail the approximate extent of construction and the extent of completion. Indicate in your answer whether such specific steps have been completed as site clearance and preparation, completion of foundations, installation of footings, etc.

YES ☒ NO ☐

No physical construction has begun at this point. The CON process is complete and the financing aspect is in process. We have engaged architects and a general contractor for the project and are anticipating completing the design drawing phase of the project in March.

17. Please indicate amount of funds expended on this Project by the Applicant in the past three (3) years and the purposes of such expenditures:

We have spent approximately \$3,000,000 on the project which is composed of \$1,000,000 for a new parking lot to replace the current lot that will be closed during construction and \$2,000,000 on site design, architecture fees and other application fees.

## PROJECT BENEFITS/COSTS

### 1. NAME OF PROJECT BENEFICIARY ("APPLICANT"):

UNITED HEALTH SERVICES HOSPITALS, INC

### 2. PROJECTED PROJECT INVESTMENT:

#### A. Land-Related Costs

1. Land acquisition

\$

2. Site preparation

\$ 3,800,000

3. Landscaping

\$ 0

4. Utilities and infrastructure development

\$ 7,300,000

5. Access roads and parking development

\$ 1,000,000

6. Other land-related costs (describe)

\$ 0

#### B. Building-Related Costs

1. Acquisition of existing structures

\$ 0

2. Renovation of existing structures

\$ 11,200,000

3. New construction costs

\$ 79,000,000

#### C. Machinery and Equipment Costs

\$ 7,100,000

#### D. Furniture and Fixture Costs

\$ 2,000,000

#### E. Working Capital Costs

12,600,000

**F. Professional Services/Development Costs**

1. Architecture and Engineering	\$ 7,000,000
2. Accounting/legal	\$ 0
3. Development Fee	\$ 650,000
4. Other service-related costs (describe)	\$ 0
5. The Agency/LDC Fees	\$ 350,000

**G. Other Costs**

\$ 0

**H. Summary of Expenditures**

1. Total Land-Related Costs	\$ 12,100,000
2. Total Building-Related Costs	\$ 90,200,000
3. Total Machinery and Equipment Costs	\$ 7,100,000
4. Total Furniture and Fixture Costs	\$ 2,000,000
5. Total Working Capital Costs	\$ 12,600,000
6. Total Professional Services/Development Costs	\$ 8,000,000
7. Total Other Costs	\$ 0

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**TOTAL PROJECT EXPENDITURES \$ 132,000,000**

Have any of the above expenditures already been made by the applicant?  
If yes, please provide details

☒ YES ☐ NO

See comment in 7-18 question 17.

Please list any non-financial public benefits that the project will provide:

See Project Summary attached.

## PROJECTED CONSTRUCTION EMPLOYMENT IMPACT

Please provide estimates of total construction jobs at the Project:

YEAR	CONSTRUCTION JOBS (Annual wages and benefits \$40,000 and under)	CONSTRUCTION JOBS (Annual wages and benefits over \$40,000)
CURRENT	N/A	
YEAR 1	125	\$6,250,000
YEAR 2	125	\$6,250,000
YEAR 3	125	\$6,250,000

Please provide estimates of total annual wages and benefits of total construction jobs at the project

YEAR	TOTAL ANNUAL WAGES AND BENEFITS
CURRENT	\$ N/A
YEAR 1	\$ 8,125,000
YEAR 2	\$ 8,125,000
YEAR 3	\$ 8,125,000

*It is the policy of The Agency/LDC to require the Applicant to use local labor, contractors and suppliers in projects that The Agency/LDC is providing financial assistance for. Please refer to the Appendix A (page 16) Local labor, contractors and suppliers shall be defined as employees and companies residing in the following Counties: Broome, Chemung, Chenango, Cortland, Delaware, Otsego, Schuyler, Steuben, Tioga, and Tompkins*

## PROJECTED PERMANENT EMPLOYMENT IMPACT

<b>CURRENT EMPLOYMENT FIGURES - YEAR ONE</b>	<b>UNDER \$30,000</b>	<b>\$30,000 - \$50,000</b>	<b>\$50,000 - \$75,000</b>	<b>OVER \$75,000</b>
Number of Full-Time Employees (FTE) earning	330	472	472	141
Number of Part-Time Employees earning	370	528	528	159
Total Payroll For Full-Time Employees	\$ 7,000,000	18,000,000	29,000,000	12,500,000
Total Payroll For Part-Time Employees	\$ 6,000,000	14,000,000	19,000,000	9,500,000
Total Payroll For All Employees	\$ 13,000,000	32,000,000	48,000,000	22,000,000

<b>PROJECTED EMPLOYMENT FIGURES - YEAR ONE</b>	<b>UNDER \$30,000</b>	<b>\$30,000 - \$50,000</b>	<b>\$50,000 - \$75,000</b>	<b>OVER \$75,000</b>
Number of Full-Time Employees (FTE) earning	0	20	5	40
Number of Part-Time Employees earning	0	0	0	0
Total Payroll For Full-Time Employees	\$ 0	750,000	255,000	4,600,000
Total Payroll For Part-Time Employees	\$ 0	0	0	0
Total Payroll For All Employees	\$ 0	750,000	255,000	4,600,000

<b>PROJECTED EMPLOYMENT FIGURES - YEAR TWO</b>	<b>UNDER \$30,000</b>	<b>\$30,000 - \$50,000</b>	<b>\$50,000 - \$75,000</b>	<b>OVER \$75,000</b>
Number of Full-Time Employees (FTE) earning	0	20	5	40
Number of Part-Time Employees earning	0	0	0	0
Total Payroll For Full-Time Employees	\$ 0	750,000	255,000	4,600,000
Total Payroll For Part-Time Employees	\$ 0	0	0	0
Total Payroll For All Employees	\$ 0	750,000	255,000	4,600,000

## REPRESENTATIONS BY THE APPLICANT

The Applicant understands and agrees with the Agency/LDC as follows:

1. **JOB LISTINGS:** Except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the "DOC") and with the administrative entity (collectively with the DOC, the "JTPA Entities") of the service delivery area created by the federal job training partnership act (Public Law 97-300) ("JTPA") in which the Project is located.
2. **FIRST CONSIDERATION FOR EMPLOYMENT:** In accordance with Section 858-b(2) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency/LDC, except as otherwise provided by collective bargaining agreements, where practicable, the Applicant will first consider persons eligible to participate in JTPA programs who shall be referred by the JTPA Entities for new employment opportunities created as a result of the Project.
3. **EMPLOYMENT:** The Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency/LDC, the Applicant agrees to file, or cause to be filed, with the Corporation, on an annual basis, reports regarding the number of people employed at the Project site. The Chief Executive Office shall submit to the Agency/LDC prior to February 1 of each year, a written certification setting forth
  - Number of full-time employees at the Project location in the preceding calendar year;
  - Number of part-time employees at the Project location in the preceding calendar year;
  - Gross payroll of all employees at the Project location in the preceding calendar year.
5. **ABSENCE OF CONFLICTS OF INTEREST:** The Applicant has received from the Agency/LDC a list of the members, officers and employees of the corporation which is publicly viewable at [www.theagency-ny.com](http://www.theagency-ny.com). No member, officer or employee of the Agency/LDC has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described:

Joe Mirabito is a member of the UHS Foundation Board as well as the Agency board. Joe, however in his capacity with the Foundation does not have any interest directly or indirectly in this project.

6. **APPARENT CONFLICTS:** Has the Applicant provided any personal gifts, loans or campaign contributions to any local or State political party or elected individual in the preceding 12 months?

YES ☐ NO ☒ IF YES, PLEASE DESCRIBE:

None noted.

7. **FEES:** This Application must be submitted with a non-refundable \$1,000 application fee to the Agency/LDC (Local Development Corporation).

The Agency/LDC has established a general Corporation fee in the amount of 1% of the total cost of the project.

The Agency/LDC will charge annually an administrative fee of \$1,500 to cover ongoing compliance and oversight; the fee shall be payable January 1 of each year until all financing documents shall terminate and be discharged and satisfied.

UNITED HEALTH SERVICES HOSPITALS, INC

Applicant

By Rick Borschuk

Title

Chief Financial Officer



## DOCUMENT LISTS

(A copy of this list should be provided to Applicant's legal counsel)

Please ensure that the following items are delivered with the application:

1. A \$1,000 Application Fee. ☒ YES ☐ NO
2. An EAF (Environmental Assessment Form). ☐ YES ☒ NO
3. Have financing arrangements been made ☒ YES ☒ NO

Prior to the closing of this transaction, Applicant shall deliver the following documentation (where applicable to the project) to The Agency/LDC's legal counsel:

1. Insurance Certificate  
Certificate of Worker's Compensation Insurance (Agency/LDC named as additional insured). ☒ YES ☐ NO  
Certificate of General Liability Insurance (Agency/LDC named as additional insured). Limits not less than \$1,000,000 per occurrence/accident and a blanket excess liability not less than \$3,000,000. ☒ YES ☐ NO  
Certificate of insurance against loss/damage by fire, lightning or other casualties with a uniform standard extended coverage endorsement in an amount not less than the full replacement value of the Facility (Agency/LDC named as additional insured). ☒ YES ☐ NO
2. Certificate of Incorporation/Articles of Organization together with all amendments or restatements thereto. ☒ YES ☐ NO
3. By-Laws/Operating Agreement together with any amendments thereto. ☒ YES ☐ NO
4. Good Standing Certificate(s) issued by the State of Incorporation/Organization of the Applicant and NYS. ☒ YES ☐ NO
5. Resolutions of the Board of Directors/Members of the Applicant approving the Project. ☒ YES ☐ NO
6. List of all Material Pending Litigation of the Applicant. ☒ YES ☐ NO
7. List of all Underground Storage Tanks containing Hazardous Materials at the Project. ☐ YES ☒ NO
8. List of all Required Environmental Permits for the Project. ☒ YES ☐ NO
9. Legal Description of the Project Premises. ☒ YES ☐ NO
10. Name and title of person signing on behalf of the Applicant. ☒ YES ☐ NO
11. Copy of the proposed Mortgage (if any). ☐ YES ☒ NO
12. Applicant's Federal Tax ID Number (EIN). ☒ YES ☐ NO
13. Tax Map Number of Parcel(s) comprising the Project. ☒ YES ☐ NO
14. Copy of the Certificate of Occupancy (as soon as available) ☒ YES ☐ NO



## CERTIFICATION

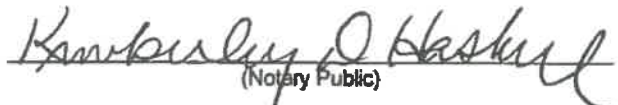
The information contained in this Application, including employment information, is true and correct. The Applicant is aware that any material misrepresentations made in this Application constitute an act of fraud, resulting in revocation of Agency/LDC benefits.

Applicant hereby releases Agency/LDC and the members, officers, servants, agents and employees thereof (hereinafter collectively referred to as the Agency/LDC) from, agrees that the Agency/LDC shall not be liable for and agrees to indemnify, defend and hold the Agency/LDC harmless from and against any and all liability arising from or expense incurred by: (i) the Agency/LDC's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the Application or the Project described therein or the issue of bonds requested therein are favorably acted upon by the Agency/LDC; and (ii) the Agency/LDC's financing of the Project described therein, including without limiting the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable, proper or requested action, or withdraws, abandons, cancels or neglects the Application, or if the Agency/LDC or the Applicant are unable to find buyers willing to purchase the total bond issue requested, then, and in that event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Agency/LDC, its agents or assigns, all actual costs incurred by the Agency/LDC in the processing of the Application, including attorneys' fees, if any.

By:  2/17/2020  
(Applicant)

Sworn to before me this

17 day of Feb, 2020.

  
(Notary Public)

KIMBERLEY D. HASKELL  
Notary Public, State of New York  
No. 01HA4999813  
Broome County  
My commission expires July 27, 2022

Section is N/A

## APPENDIX A - ATTACHMENT TO APPLICATION FOR FINANCIAL ASSISTANCE

### Local General Contractor, Subcontractor, Trades and Labor Policy

It is the goal of the Agency/LDC (the Corporation) to maximize the use of local labor for each project that receives benefits from the Agency. This policy applies to general contractors, subcontractors, trade professionals, and their employees. The Agency/LDC's Local Labor Area consists of the following New York State counties: Broome, Chemung, Chenango, Cortland, Delaware, Otsego, Schuyler, Steuben, Tioga and Tompkins.

Every applicant is obligated to provide written proof and data (see attached ... forms) to the Agency/LDC as to the physical location of all the contractors who will work on the project.

The Agency/LDC will review the data provided and determine, on a case-by-case basis and in a fully transparent manner, whether the Applicant has substantially conformed to the policy.

An Applicant will not be deficient if the proposed project requires specifically skilled labor that is unavailable in the Local Labor Area.

An Applicant will not be deficient if the proposed project utilizes parts and supplies assembled elsewhere because no such assembly is available in the Local Labor Area.

An Applicant will be held non-compliant with the Labor Policy if it imports labor from outside the Local Labor Area when equal labor that is ready, willing, cost competitive, etc. resides in the Local Labor Area.

*The Agency/LDC may determine on a case-by-case basis to waive any portion of this policy for a project or a portion of a project where consideration of warranty issues, necessity of specialized skills, significant cost differentials between local and non-local services, documented lack of workers meeting the Local Labor Requirement or if other compelling circumstances exist.*

In consideration of the extension of financial assistance by the Agency/LDC \_\_\_\_\_ (the Applicant) understands the Local Labor Policy and agrees to submit either or both a Local Labor Utilization Report or a Non Local Labor Utilization Report at the time that construction begins on the project to the Agency/LDC.

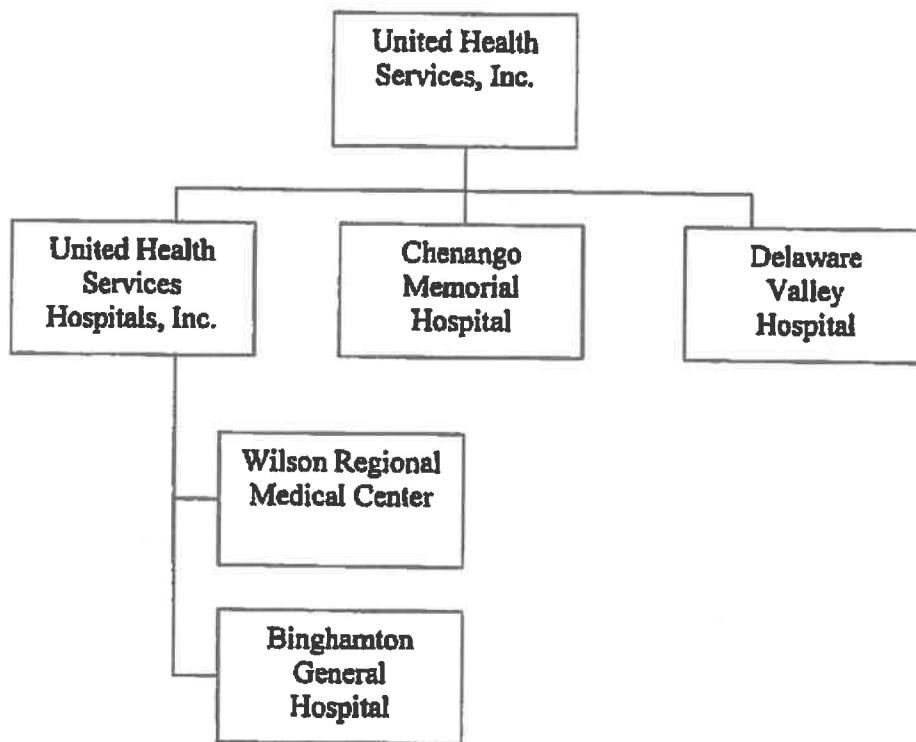
I agree to the conditions of this agreement and certify all information provided regarding the construction and employment activities for the Project as of \_\_\_\_\_ (date).

## **UNITED HEALTH SERVICES HOSPITALS**

### **DESCRIPTION OF ARTICLE 28 NETWORK**

United Health Services Hospitals, Inc. ("UHS") is a not-for-profit corporation whose sole member is United Health Services, Inc. (a not-for-profit parent holding corporation). UHS operates various facilities within the greater Binghamton area, including but not limited to Wilson Regional Medical Center and Binghamton General Hospital. UHS is affiliated through a common parent corporation with various healthcare related organizations, including Chenango Memorial Hospital and Delaware Valley Hospital, among others. Please refer below to a diagram that documents the relationships between each of these hospitals.

UHS – Wilson is a not-for-profit, 280-bed, acute care facility located at 33-57 Harrison Street, Johnson City (Broome County), New York 13790. UHS – Binghamton is a not-for-profit, 220-bed acute care facility located at 10-42 Mitchell Avenue, Binghamton (Broome County), New York 13903. Chenango Memorial Hospital is a not-for-profit, 58-bed acute care facility located at 179 North Broad Street, Norwich (Chenango County), New York 13815. Delaware Valley Hospital is a not-for-profit, 25-bed critical access hospital located at 1 Titus Place, Walton (Delaware County), New York 13856.



# **UNITED HEALTH SERVICES HOSPITALS INC. – WILSON MEDICAL CENTER**

## **PROJECT NARRATIVE**

### **I. INTRODUCTION**

United Health Services Hospitals Inc. – Wilson Medical Center (“UHSW-Wilson” or the “Hospital”) is submitting this Full Review Certificate of Need (“C.O.N.”) Application that seeks approval for the modernization of the Hospital to meet the needs of healthcare delivery in the 21<sup>st</sup> century. UHSW-Wilson is located at 33-57 Harrison Street, Johnson City (Broome County), New York 13790. There will be no change to the Operating Certificate of the Hospital as a result of this major modernization project, which includes the following components:

- Creation of a new, right-sized Emergency Department (“ED”).
- Addition of an MRI unit. The MRI service will be new to the Hospital.
- Creation of a new all-private room medical/surgical (M/S) unit with 30 beds. Because the 30 M/S beds will come from rooms that are currently double-bedded but will become private rooms after the beds are moved, there will be no change to the total number of certified beds at the Hospital.
- Creation of shelled space for the future development of additional private rooms.

The proposed major modernization project represents a significant commitment of the Hospital to transform the delivery of health care services at UHSW-Wilson. In addition, this project is part of the UHSW-Wilson’s Facility Master Plan to modernize healthcare delivery in order to more efficiently and effectively meet the needs of the population it serves.

The historic UHSW-Wilson campus was originally constructed in 1949, and the last major renovation/addition occurred in 1989 (i.e., 30 years ago). Because of this old age, the facility is

unable to accommodate the rapidly changing demands of new healthcare technology within the existing footprint. Please refer to Appendix I for documentation of the age of the buildings at UHSH-Wilson. In addition, the ED is overcrowded, which has created operational inefficiencies (such as throughput challenges that have led to patients leaving the ED without being seen), as well as a disorienting feeling for patients. This project seeks to address these concerns in the most logical way possible, by constructing an improved and expanded Emergency Department.

Although this project impacts the ED and inpatient beds at UHSH-Wilson, the Hospital has been at the forefront of preventing avoidable inpatient admissions and ED visits. In fact, UHSH (including both its UHSH-Wilson and UHSH-Binghamton divisions, as described below) has embraced the shift from inpatient care to outpatient care fostered by New York State. To this end, the 2018 audited financial statement of UHSH shows a ratio of gross revenues for outpatient care to inpatient care of 2:1, which is not a common experience among hospitals in New York State. A cursory review of other hospitals in New York State show that most experience about a 1:1 ratio, demonstrating that UHSH is a leader in New York State when it comes to implementing activities to reduce avoidable inpatient admissions. UHSH has successfully made the transition from a focus on inpatient care to a focus on outpatient care, all while experiencing positive net income.

#### **Brief Background of United Health Services Hospitals**

United Health Services Hospitals, Inc. (UHSH) is a not-for-profit corporation whose sole member is United Health Services, Inc. (a not-for-profit parent holding corporation). UHSH operates various facilities within the greater Binghamton area, including but not limited to Wilson Regional Medical Center (UHSH-Wilson, the subject of this Application) and Binghamton General Hospital (UHSH-Binghamton). UHSH is affiliated through a common parent corporation with various healthcare-related organizations, including Chenango Memorial Hospital and Delaware Valley Hospital, among others.

UHSW – Wilson is a not-for-profit, 280-bed, acute care facility located at 33-57 Harrison Street, Johnson City (Broome County), New York 13790. UHSW – Binghamton is a not-for-profit, 220-bed acute care facility located at 10-42 Mitchell Avenue, Binghamton (Broome County), New York 13903. Chenango Memorial Hospital is a not-for-profit, 58-bed acute care facility located at 179 North Broad Street, Norwich (Chenango County), New York 13815. Delaware Valley Hospital is a not-for-profit, 25-bed critical access hospital located at 1 Titus Place, Walton (Delaware County), New York 13856.

UHSW-Wilson is a vital component to the overall healthcare delivery system in the Southern Tier of New York State. The Hospital is the region's only critical care hospital, and the facility has been designated by the New York State Department of Health (NYSDOH) as a Level II Adult Trauma Center, Primary Stroke Center and Level III Perinatal Center. In addition, the facility is a Regional Heart Center with cardiac surgery, Regional Neurosurgical Center and a Regional Neonatal Center.

#### **Preliminary Site Planning and Community Engagement**

Preliminary planning for this project commenced in December 2018. A subsequent initial kick-off meeting occurred in January 2019, and user group meetings took place in January and February 2019. User groups represented the ED, medical/surgical unit, imaging and lobby functions, and supporting operational disciplines such as the pharmacy, laboratory, biomedical engineering, cardiopulmonary, environmental services, engineering, security, infection control, and information technology were also included in the planning for this project. During these user group meetings, interviews were conducted to assess department operating assumptions such as capacity, staffing, functional requirements, services performed and current operational obstacles.

Meanwhile, data extraction and analysis were undertaken between January 2019 and March 2019, culminating in an initial feasibility analysis in March 2019. During the early stages of conceptual design, the Steering Committee (the decision-making body of UHSW for this project) and the

architectural team determined that planning for the future capacity needs was both prudent and practical. Lastly, in an effort to engage UHSH community partners at a high level, the Hospital conducted a number of meetings with a variety of leaders in the Village of Johnson City, the Supervisor of the Town of Union and representatives of Binghamton University.

The planning and programming activities for this project focused on the following goals:

- Assist in the long-term strategy to consolidate ED visits at UHSH-Wilson, leaving the ED at UHSH-Binghamton to focus on behavioral health issues from the emergency medicine perspective.
- Provide for future flexibility for M/S bed utilization at UHSH-Wilson.
- Identify strategic and functional placement of a new MRI suite.
- Create an all-private inpatient room unit.
- Provide a new front entrance to UHSH-Wilson.
- Reduce the cost of providing health care services through operating efficiencies resulting from increased productivity and throughput and reduced supply costs through standardization.

#### **Brief Description of Project**

Through this project, the Hospital will construct a new, six-(6)-story building addition (plus a basement with mechanical functions) that will house the following functions:

- Level 1: (All Article 28 Clinical)
  - Emergency Department – new construction (building addition)
  - Emergency Department – renovation construction (renovate existing ED)
  - MRI Suite
  - Parking Area
- Level 2: (Article 28 Clinical / Article 28 Shell)
  - Covered Drop-Off (Article 28 Clinical)
  - Lobby (Article 28 Clinical)
  - Shell Space (Article 28 Shell)
  - PACU & Surgery Support (Article 28 Clinical)
  - Respite Garden (Article 28 Clinical)

- Level 3: (All Article 28 Clinical)
  - Medical/Surgical Patient Unit
- Level 4: (Article 28 Shell)
  - Shell Space for Future Use
- Level 5: (Article 28 Shell)
  - Shell Space for Future Use
- Level 6: (Article 28 Shell)
  - Shell Space for Future Use

In addition, the new building will house a mechanical penthouse and helipad on the roof level of the building. Please refer to **Appendix II** for the following documents:

- Site Plan (two (2) pages)
- Selected Massing (five (5) pages)
- Stacking Diagram (one (1) page)
- Building Composition (one (1) page)

This project includes a total of 159,275 square feet of new construction and a total of 24,100 square feet of existing space that will be renovated. Please refer to C.O.N. Schedule 6 for additional architectural information, and to C.O.N. Schedule 10 for cost/SF estimates for this project.

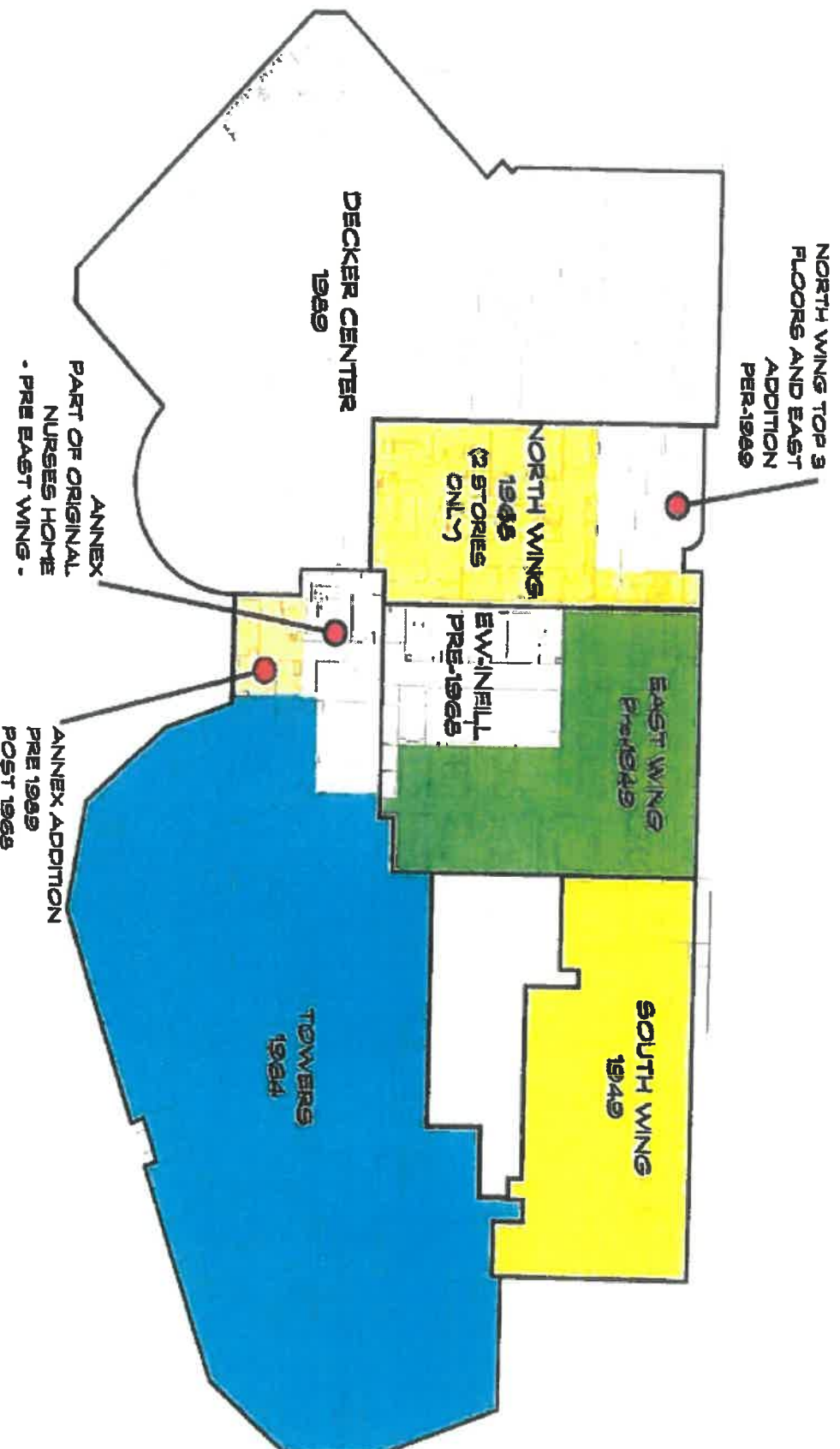
The following sections provide a description of the service area, document the public need for this project, provide a background of UHSH-Wilson and document the program management activities for the services included as part of this project.



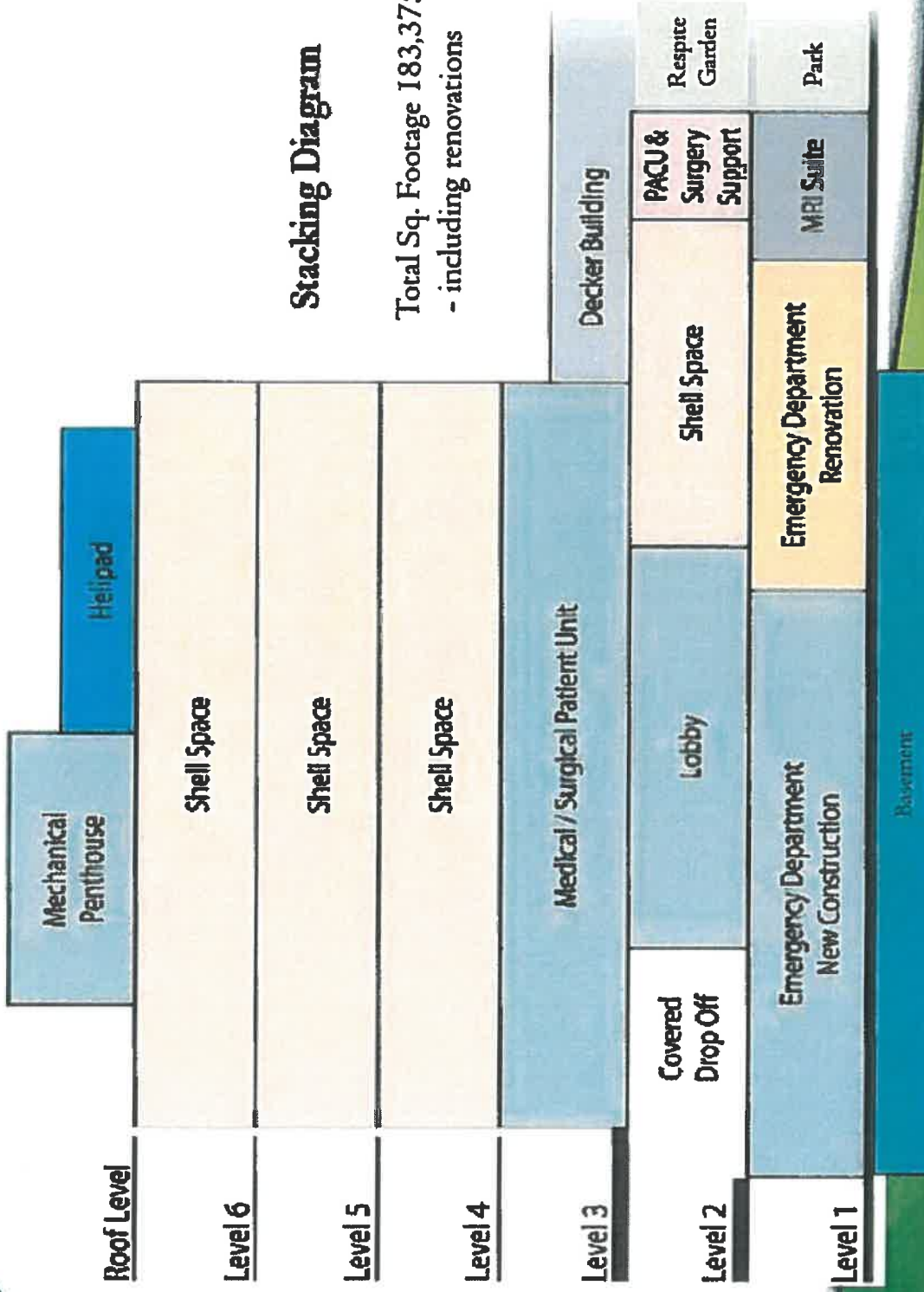


# Life Safety Documentation

## Building Construction Timeline









Rooftop Penthouse & Heliport



**Confidential Evaluation of Board Performance**  
**BCLDC**

<b>Criteria</b>	<b>Agree</b>	<b>Somewhat Agree</b>	<b>Somewhat Disagree</b>	<b>Disagree</b>
Board members have a shared understanding of the mission and purpose of the Authority.	9			
The policies, practices and decisions of the Board are always consistent with this mission.	8	1		
Board members comprehend their role and fiduciary responsibilities and hold themselves and each other to these principles.	9			
The Board has adopted policies, by-laws, and practices for the effective governance, management and operations of the Authority and reviews these annually.	9			
The Board sets clear and measurable performance goals for the Authority that contribute to accomplishing its mission.	8	1		
The decisions made by Board members are arrived at through independent judgment and deliberation, free of political influence, pressure or self-interest.	8	1		
Individual Board members communicate effectively with executive staff so as to be well informed on the status of all important issues.	9			
Board members are knowledgeable about the Authority's programs, financial statements, reporting requirements, and other transactions.	6	3		
The Board meets to review and approve all documents and reports prior to public release and is confident that the information being presented is accurate and complete.	9			
The Board knows the statutory obligations of the Authority and if the Authority is in compliance with state law.	9			
Board and committee meetings facilitate open, deliberate and thorough discussion, and the active participation of members.	8	1		
Board members have sufficient opportunity to research, discuss, question and prepare before decisions are made and votes taken.	9			
Individual Board members feel empowered to delay votes, defer agenda items, or table actions if they feel additional information or discussion is required.	9			
The Board exercises appropriate oversight of the CEO and other executive staff, including setting performance expectations and reviewing performance annually.	9			
The Board has identified the areas of most risk to the Authority and works with management to implement risk mitigation strategies before problems occur.	9			
Board members demonstrate leadership and vision and work respectfully with each other.	9			

Date Completed: \_\_\_\_\_ 02/11/2020 \_\_\_\_\_

**BYLAWS**

**Of The**

**BROOME COUNTY**

**LOCAL DEVELOPMENT**

**CORPORATION**

**Adopted 9/13/2013**

Amended date 11/15/2017

Amended date 3/20/2019

**ARTICLE I**  
**THE CORPORATION**

**SECTION 1:           NAME.**

The name of the Corporation shall be "BROOME COUNTY LOCAL DEVELOPMENT CORPORATION".

**SECTION 2:           OFFICES.**

The principal office of the Corporation shall be in the Town of Dickinson, County of Broome, and State of New York.

**SECTION 3:           PURPOSE AND POWERS.**

A. The purpose of the Corporation shall be to vigorously advance the prosperity, growth and economic development of the residents of Broome County by undertaking activities and projects within Broome County and the surrounding counties while always acting in a highly ethical, transparent and cost-effective manner.

B. The powers of the Corporation shall include but not be limited to:

Accept grants or gifts;

Borrow money;

Make investments in and hold real and personal property;

Create and hold intellectual property;

Loan money or property;

Execute contracts;

Engage in partnerships or joint ventures;

Hire employees and vendors; and

Do anything else that may be necessary or proper to accomplish its purpose or that may be authorized by the Not

For Profit Corporation Law.

## **ARTICLE II BOARD OF DIRECTORS**

### **SECTION 1: APPOINTMENT.**

The strategic management of the Corporation shall be vested in its Board of Directors who shall be appointed by the Broome County Legislature (hereafter "Legislature").

### **SECTION 2: NUMBER OF DIRECTORS.**

The number of Directors shall be fixed by the Legislature but shall not be less than nine (9) voting members.

### **SECTION 3: INDEPENDENCE.**

Pursuant to the Public Authorities Law, the majority of the Directors shall be "Independent".

An Independent Director is one who:

- A. is not, and in the past two (2) years has not been, employed by the Corporation or the Legislature, or served as an elected Member of the Legislature ;
- B. is not a parent, spouse, sibling or child of a current employee of the Corporation or the Legislature, or a current elected Member of the Legislature;
- C. is not, and in the past two (2) years has not been, employed by an entity that either received more than fifteen thousand dollars (\$15,000) for goods or services provided to the Corporation, or received other financial assistance valued at more than fifteen thousand dollars (\$15,000) from the Corporation; and
- D. is not, and in the past two (2) years has not been, a lobbyist registered under a State or local law and paid by a client to influence the management decisions, contract awards, investments or any other similar actions of the Corporation.



**SECTION 4:           TERM OF DIRECTORS.**

Following appointment by the Legislature, Directors shall hold office for a term of three (3) years or less. The Directors shall hold over in office after the expiration of their terms until their successors are appointed by the Legislature and then qualify by taking their oaths of office.

**SECTION 5:           NOTICE AND MEETINGS OF THE BOARD.**

The Board of Directors shall meet at least annually, and as needed otherwise, at a time and location designated by the Chairman.

Written notice of all meetings, together with minutes of the preceding meeting, an agenda, and appropriate supporting materials, shall be mailed, emailed or hand delivered to each Director not less than ten(10) days before each meeting. Public notice shall also be provided on the website maintained or shared by the Corporation and in such manner as the Open Meetings Law shall require.

**SECTION 6:           QUORUM OF DIRECTORS.**

A majority of the Directors then serving shall be a quorum.

**SECTION 7:           ACTION BY THE BOARD.**

- A.    The vote of a majority of Directors present at the time of the vote shall be the act of the Board.
- B.    Any one or more Directors may, with the consent of the Chairman or Committee Chair, participate in a meeting of such Board or Committee thereof by means of a conference telephone, video conferencing or similar equipment that allows all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at such a meeting.

**SECTION 8:           VACANCIES.**

A Director elected by the Legislature to fill a vacancy caused by removal, resignation, permanent disability or death shall hold office for the unexpired term of his or her predecessor.

**SECTION 9:           REMOVAL.**

A Director may be removed from office by the Legislature.

**SECTION 10:           RESIGNATION.**

A Director may resign at any time by giving written notice to the Secretary and the Clerk of the Broome County Legislature.

**ARTICLE III  
OFFICERS**

**SECTION 1:           ELECTION OF OFFICERS.**

The Officers of the Corporation shall consist of a Chairman, a Vice-Chairman, a Treasurer, a Secretary, and an Ethics and Compliance Officer. At the first meeting of the year, the Chairman shall nominate Officers who may then be confirmed by the Board. Officers shall hold office for a period of one (1) year or until a successor shall be nominated and confirmed. Officers shall not hold office for more than nine (9) consecutive one (1) year terms.

**SECTION 2:           CHAIRMAN.**

The Chairman shall provide leadership to the Board of Directors and the ranking employee of the Corporation. He or she shall set Board agendas, preside at Board meetings, and perform such other duties as may be necessary or proper.

**SECTION 3:           VICE-CHAIRMAN.**

During the absence or disability of the Chairman, the Vice-Chairman shall perform all the duties of the Chairman.

**SECTION 4:           TREASURER.**

The Treasurer shall have the care and custody of all funds of the Corporation and shall oversee their deposit in such banks as the Board may select pursuant to its Investment Policy. The Treasurer shall give such bond, if any, for the faithful performance of duties as the Board may determine.

**SECTION 5: SECRETARY.**

The Secretary shall oversee the taking of minutes at Board meetings, shall have the care and custody of all significant records of the Corporation, and shall maintain the oaths of office of Directors.

**SECTION 6: ETHICS AND COMPLIANCE OFFICER.**

Pursuant to the Public Authorities Law, the Ethics and Compliance Officer, who need not be a Director, shall be responsible for monitoring the mandatory Authorities Budget Office-approved training of Directors; monitoring the filing of annual personal Disclosure Reports by Directors; serving as the Corporation's Contracting Officer with regard to disposition of property; and for such other duties as the Board may prescribe.

**ARTICLE IV  
COMMITTEES**

**SECTION 1: APPOINTMENT OF COMMITTEES.**

The Board of Directors shall have the following three (3) Committees:

***Audit and Finance Committee  
Governance Committee  
Personnel Committee***

At the first meeting each year of the Board of Directors, the Chairman shall appoint Directors to Committees and shall designate Chairs of Committees.

Each Committee shall have at least three (3) Directors serving on it and shall be supported by such employees or vendors as may be necessary.

**SECTION 2: COMMITTEE MEETINGS.**

The rules set forth in Article II, Sections 5 through 7, governing Notice, Meetings, Quorums and Action by Directors at Board Meetings shall also apply to Directors at Committee Meetings.

### **SECTION 3:           AUDIT AND FINANCE COMMITTEE.**

To the extent practicable, the Chairman shall appoint the Treasurer to serve as Chair of this Committee.

The Committee shall be responsible for the general supervision of the financial operations of the Corporation.

The Committee shall each year:

Recommend to the full Board the hiring of a certified independent accounting firm to perform the annual audit, and provide oversight of the performance of the annual audit;

Recommend to the full Board the hiring of outside Counsel to provide bonding legal advice;

Recommend to the full Board the adoption of an Investment Policy, a Procurement Policy, a Disposal of Property Policy, and such other policies as may fall within the Committee's jurisdiction; and

Review any proposed bonding in detail and recommend to the full Board whether to adopt the related bonding resolutions.

### **SECTION 4:           GOVERNANCE COMMITTEE.**

To the extent practicable, the Chairman shall appoint the Secretary to serve as Chair of this Committee.

The Committee shall be responsible for the general supervision of the managerial operations of the Corporation.

The Committee shall each year:

Recommend to the full Board the execution of contracts with outside vendors to provide operational services;

Recommend to the full Board the hiring of outside Counsel to provide operating legal advice;

Recommend to the full Board the adoption of a Code of Ethics, Whistle-Blower Protection Policy, Defense and Indemnification Policy, and such other policies as may fall within the Committee's jurisdiction; and

Recommend to the full Board any desired changes to these Bylaws.

**SECTION 5: PERSONNEL COMMITTEE.**

**The Chairman shall appoint a Board Member to serve as Chair of this Committee.**

**The Committee shall be responsible for the general personnel functions of the Corporation.**

**The Committee shall each year:**

**Recommend to the full Board the hiring and compensation of employees and adoption of Personnel Policies.**

**Recommend to the full Board the hiring of outside Counsel to provide operating legal advice;**

**Recommend to the full Board the adoption of policies that may fall within the Committee's jurisdiction.**

**ARTICLE V  
ETHICS**

**SECTION 1: GOALS AND ENFORCEMENT.**

Ethical Goals. The Board Members, Employees and others affected by this article of the Bylaws should strive to conduct the Corporation's efforts in a highly ethical, moral and transparent manner that benefits the residents of Broome County.

Enforcement. Any sworn, written allegation of a violation of Sections 2 or 3 shall be referred to the Chair of the Personnel and Governance Committee for investigation, dismissal, remedial action or referral, by vote of the Committee, to the County Legislature, County Board of Ethics or any other agency with jurisdiction.

## **SECTION 2:**

### **PROHIBITED CONFLICTS.**

Board Action. No Board Member or Employee shall allow any matter to come before the Board for action from which personal financial benefit may accrue to him or her or a Family Member.

Employee Action. No Employee shall take any action on behalf of the Corporation from which personal financial benefit may accrue to him or her or a Board Member or Family Member.

Gifts. No Board Member, Employee or Family Member shall accept any personal gifts, exceeding nominal value, from a Vendor, or from anyone else who might seek to influence their conduct on behalf of the Corporation.

Loans. No Board Member, Employee or Family Member shall negotiate or accept any loans, from the Corporation or a Vendor, from which they enjoy personal financial benefit.

Property. No Board Member, Employee or Family Member shall buy or sell any real or personal property, to or from the Corporation or a Vendor, from which they enjoy personal financial benefit.

Confidential Information. No Board Member or Employee shall disclose confidential information, acquired on behalf of the Corporation, to others who aren't Board Members or Employees without the express consent of the information's source or legal process. Nor shall any Board Member or Employee take any action based on such confidential information from which they enjoy personal financial benefit.

## **SECTION 3:**

### **APPARENT CONFLICTS.**

Board Member Action. Absent a Prohibited Conflict set forth in Section 2, any Board Member should disclose any other conflict to his or her fellow Board Members if it might create the appearance of impropriety. The Board Member should thereafter refrain from discussing or voting on any Board action that might affect such conflict.

Employee Action. Absent a Prohibited Conflict set forth in Section 2, any Employee should disclose any other conflict to his or her supervisor and to the Chair of the Personnel and Governance

Committee if it might create the appearance of impropriety. The Employee should thereafter refrain from taking any action on behalf of the Corporation that might affect such conflict.

**SECTION 4:           DEFINITIONS.**

- A.     "Board Member" refers to a Member of the Corporation's Board, appointed by the County Legislature and whose term of office hasn't expired.
- B.     "Employee" refers to an employee hired by the Corporation or whose services are otherwise secured by the Corporation by inter-municipal or private agreement.
- C.     "Family Member" refers to the parents, spouses, siblings, or children of any Board Member or Employee.
- D.     "Vendor" refers to those who provide property, goods or services to the Corporation in exchange for a payment of over fifteen thousand dollars (\$15,000) per calendar year from the Corporation.
- E.     "Personal Financial Benefit" refers to an item valued at over fifty (\$50) per calendar year that is under the dominion and control of the affected person solely for his or her personal purposes.

**SECTION 5:           CODE OF ETHICS.**

The Board shall adopt a Code of Ethics which shall then be distributed, along with these Bylaws, to all Board Members and Employees.

**SECTION 6:           COMPENSATION.**

No Employee shall receive or be lawfully entitled to receive any compensation except as reasonable compensation for services. No Board Member shall receive any compensation other than as reimbursement of actual and necessary expenses incurred in the performance of his or her duties.

**ARTICLE VI  
GENERAL**

**SECTION 1.           PUBLIC RECORDS.**

There shall be kept at the office of the Corporation for public inspection: (1) a copy of these Bylaws; (2) a current list of Board Members and their mailing addresses; (3) minutes of the proceedings of the Board and its Committees for the past two (2) years; (4) copies of Policies adopted by the Board that are currently in effect; (5) current statements of financial account; and (6) copies of the past three (3) years' information returns (Form 990) submitted to the Internal Revenue Service. All such records shall also be posted on the Corporation's own or shared website as soon as practicable.

**SECTION 2: FISCAL YEAR.**

The fiscal year shall begin on January 1 and end on December 31.

**SECTION 3: BYLAW AMENDMENTS.**

These Bylaws may be amended by vote of the Board.

Any proposed amendment must be provided in writing to Board Members for review, as part of the duly-noticed Meeting agenda, prior to a Board Meeting.

The proposed amendment may be presented, discussed and approved at that Board Meeting.



**BROOME COUNTY LOCAL DEVELOPMENT CORPORATION  
PROPERTY DISPOSITION GUIDELINES**

The Broome County Local Development Corporation ("Corporation") is required by the Public Authorities Law to adopt by resolution comprehensive guidelines regarding the use, awarding, monitoring and reporting of contracts for the disposal of Property (as defined herein). The following guidelines ("Guidelines") are adopted upon approval by the Corporation's Board and are applicable with respect to the use, awarding, monitoring and reporting of all Property Disposition Contracts which are entered into by the Corporation.

**ARTICLE I  
DEFINITIONS**

1. "Contracting Officer" shall mean the Executive Director of the Corporation to be responsible for the disposition of Property of the Corporation.
2. "Dispose" or "disposal" or "disposition" shall mean the transfer of title or any other beneficial interest in Property from the Corporation to any other party.
3. "Property" shall mean personal property in excess of Five Thousand Dollars (\$5,000.00) in value, real property, or any other legally transferable interest in such property, to the extent that such interest may be conveyed to another person for any purpose, excluding an interest securing a loan or other financial obligation of another party.
4. "Property Disposition Contracts" shall mean written agreements for the sale, lease, transfer or other disposition of Property from the Agency to any other party.
5. "Real Property" shall mean real property and interests therein.

**ARTICLE II  
APPOINTMENT AND DUTIES OF CONTRACTING OFFICER**

**A. Appointment**

The Contracting Officer shall be the Executive Director of the Corporation, appointed by the Directors, who is responsible for the supervision and direction over the custody, control and disposition of Property and responsible for Corporation compliance with and enforcement of these Guidelines.

## **B. Duties**

The duties of the Contracting Officer shall include the following:

1. Maintaining adequate inventory controls and accountability systems for all Property under the control of the Corporation.
2. Periodically conducting an inventory of Property to determine which Property may be disposed of.
3. Preparing a periodic written report of all Property of the Corporation. Each report shall include a list of all Real Property, a full description of all real and personal property disposed of during the reporting period, the price received and the name of the purchaser for all Property sold during each reporting period. Each report shall be completed and delivered to the New York State Comptroller, the Director of the Budget, the Commissioner of General Services and the New York State Legislature no later than ninety (90) days following the completion of the fiscal year of the Agency. This report is included within and distributed with the Annual Report of the Corporation.
4. Disposing of Property as promptly as possible in accordance with these Guidelines, as directed by the Corporation.

## **ARTICLE III PROPERTY DISPOSITION REQUIREMENTS**

### **A. Method of Disposition**

Subject to such exceptions and/or requirements set forth in these Guidelines, in the event that the Corporation determines to dispose of any of its Property, the Corporation shall endeavor to dispose of such Property for at least the fair market value of the Property. The disposition of Property may be made by sale, exchange, or transfer, for cash, credit or other Property, with or without warranty, and upon such terms and conditions as are determined by the Corporation to be appropriate and reasonable and consistent with these Guidelines. Provided, however, no disposition of real property shall be made unless an appraisal of the value of such property has been made by an independent appraiser and included in the record of the transaction.

### **B. Award and Approval of Property Disposition Contracts**

1. Compliance with Guidelines; Approval Requirements. All dispositions of Property shall be conducted in accordance with these Guidelines by or under the supervision of the Contracting Officer, subject to approval of the Directors of the Corporation.

2. Disposition by Public Bid.

(a) All Property Disposition Contracts may be made only after publicly advertising for bids, unless the criteria set forth in Article III(B)(3) below has been satisfied for such contracts to be made by negotiation or public auction.

(b) Whenever public advertising for bids is required, (i) the advertisement for bids shall be made at such time prior to the disposal or contract, through such methods, and on such terms and conditions, as shall permit full and free competition consistent with the value and nature of the Property; (ii) all bids shall be publicly disclosed at the time and place stated in the advertisement; and (iii) the award shall be made with reasonable promptness by notice to the responsible bidder whose bid, conforming to the invitation for bids, will be most advantageous to the Corporation and New York State, price and other factors considered.

(c) Any public bid for the disposition of Property may be rejected, refused, or declined by the Corporation on any basis or ground allowable bylaw.

3. Disposition by Negotiated Sale/Public Auction. The following dispositions are exempt and excepted from the public bidding requirements set forth above in Article III(B)(2) and may be consummated through a negotiated sale or by public auction:

(a) The basis exist for a *Below Fair Market Value* disposition. The Corporation may dispose of Property for less than the fair market value of the Property where:

(i) Transferee is a government or public entity and terms of transfer require ownership and use to remain with the government or public entity; or

(ii) Purpose of transfer is within the purpose, mission or statue of the Corporation; or

(iii) Written notification to the Governor, Speaker, and Temporary President. Such notification is subject to denial. Denial by Governor is in the form of a certification. Denial by the legislature is in the form of a resolution. Denial must be made within 60 days of receiving notification during January through June. If legislature receives the notification in July through December, then legislature may take 60 days from January 1 of the following year. Provided there is no denial, the Agency may effectuate the transfer.

However, a local authority may obtain local approval from the chief executive and legislature of the political subdivision in lieu of the notification to the Governor, Speaker and Temporary President provided the local authority's enabling legislation provides for such approval and the property was obtained by the authority from the political subdivision.

If a below FMV transfer is proposed, the following information is required to be provided to the Corporation Board and to the public:

- (1) Description of Asset;
- (2) Appraisal of the FMV of the asset;
- (3) Description of the purpose of the transfer, the kind and amount of the benefit to the public resulting from the transfer such as jobs and wages created or preserved;
- (4) Value received compared to FMV;
- (5) Names of private parties to the transaction and value received;
- (6) Names of private parties that have made an offer, the value of offer, and purpose for which the asset would have been used.

The Board of the Corporation must make a written determination that there is no reasonable alternative to the proposed below-market transfer that would achieve the same purpose of such transfer.

(b) **Disposition of Certain Personal Property.** The Corporation may dispose of personal property where such personal property involved has qualities separate from the utilitarian purpose of such property, such as artistic quality, antiquity, historical significance, rarity or other quality of similar effect, that would tend to increase its value, or if the personal property is to be sold in such quantity that, if it were to be disposed of through public advertisement and bidding, would adversely affect the state or local market for such personal property.

(c) **Disposition of Low FMV Property.** The Corporation may dispose of Property where the fair market value of which does not exceed Fifteen Thousand Dollars (\$15,000.00).

(d) **Disposition Following Receipt of Unacceptable Bid Prices.** The Corporation may dispose of Property where the bid prices received by the Corporation after public advertising are not commercially reasonable (either as to all or some part of the Property) as determined by the Corporation in its sole discretion.

(e) **Disposition to a Political Subdivision.** The Corporation may dispose of Property to New York State or any political subdivision of New York State.

(f) **Disposition Authorized by Law.** The Corporation may dispose of Property where such disposition is otherwise authorized by law.

#### **4. Reporting Requirements Regarding Negotiated Dispositions.**

(a) **Preparation of Written Statements.** The Contracting Officer shall prepare a written statement explaining the circumstances of each negotiated disposition of Property involving any of the following:

- (i) the negotiated disposition of personal property which has an estimated fair market value in excess of Fifteen Thousand Dollars (\$15,000.00);
- (ii) the negotiated disposition of Real Property that has an estimated fair market value in excess of One Hundred Thousand Dollars (\$100,000.00);
- (iii) the negotiated disposition of Real Property that will be disposed of by lease if the estimated annual rent over the term of the lease is in excess of \$15,000; or
- (iv) the negotiated disposition of Real Property or real and related personal property where the same will be disposed of by exchange, regardless of value, or any Property any part of the consideration for which is Real Property.

(b) **Submission of Written Statements.** Written statements shall be submitted to the New York State Comptroller, the Director of the Budget, the Commissioner of General Services and the State Legislature no later than ninety (90) days prior to the date on which the disposition of Property is expected to take place. The Contracting Officer shall maintain a copy of all written statements at the Corporation's principal office.

#### **ARTICLE IV GENERAL PROVISIONS**

##### **A. Annual Review and Submission of Guidelines**

These Guidelines shall be annually reviewed and approved by the Directors of the Corporation. On or before the 31st day of March of each year, the Contracting Officer shall file a copy of the most recently reviewed and adopted Guidelines with the New York State Comptroller, and shall post the Guidelines on the Corporation's website. Guidelines posted on the Corporation's website shall be maintained at least until the Guidelines for the following year are posted on the website.

##### **B. Effect of Awarded Contracts**

These Guidelines are intended for the guidance of the officers, Directors and employees of the Corporation. Nothing contained herein is intended or shall be construed to confer upon any person, firm or corporation any right, remedy, claim or benefit under, or by reason of, any requirement or provision hereof, or be deemed to alter, affect the validity of, modify the terms of or impair any contract or agreement made or entered into in violation of, or without compliance with, these Guidelines. Without limiting the generality of the preceding sentence, any deed, bill of sale, lease, or other instrument executed by or on behalf of the Corporation, purporting to transfer title or any other interest in Property shall be conclusive evidence of compliance with these Guidelines insofar as concerns title or other interest of any bona fide grantee or transferee who has given valuable consideration for such title or other interest and has not received actual or constructive notice of lack of compliance with these Guidelines prior to the closing.

**BROOME COUNTY LOCAL DEVELOPMENT CORPORATION  
INTERNAL CONTROLS AND FINANCIAL ACCOUNTABILITY**

1. Board Members and Officers shall ensure that the Corporation is accountable for its programs and finances to its customers and the public. Accordingly, the Corporation shall comply with all applicable laws and ethical standards; adhere to its public mission; create and adhere to policies regarding conflicts of interest, ethics, personnel and accounting; prepare and file annual financial data with required federal and state regulatory authorities; and make its annual financial report available to all Members and any member of the public who requests it.
2. Internal controls are systems of policies and procedures that protect and manage the assets of the Corporation, create reliable financial reporting, promote compliance with laws and regulations and achieve effective and efficient operations.
3. The following internal controls, policies and procedures shall apply to the Corporation:
  - A. **Budget.** An annual income and expense budget will be prepared and periodic reports will be presented to the Board. The report will compare actual receipts and expenditures to the budget with timely variance explanations.
  - B. **Expenditures.** All disbursements for \$2,500 or more shall require two signatures from Chairman, Vice Chairman, Secretary, Treasurer or Executive Director. Disbursements under \$2,500 shall require the signature of one of the following: Senior Deputy Director of Operations or the Executive Director. A periodic report of all expenditures under \$2,500 will be electronically submitted to the Board for review.
  - C. **Expenditures-Approval.** No expenditures shall be made or incurred except in accordance with the purchasing policy and the duly adopted budget. All expenditures shall be prepared by the Office Business Manager and reviewed and approved by the Senior Deputy Director of Operations.
  - D. **Receipts-Checks.** All receipts by check shall be duly entered in the books of the Corporation with a copy made of each check received and attached to the invoice or bank deposit. All bank deposits shall be prepared by the Office Business Manager and reviewed by the Senior Deputy Director of Operations.
  - E. **Accounts Receivable.** All accounts receivables shall be maintained on a current basis to the extent practicable. Account receivables which are more than 90 days old shall be reported to the Board on a periodic basis. The Board may direct such action as may be appropriate as to said receivables.
  - F. **Data.** Electronic data regarding financial records and reports shall be preserved. All bank reconciliations shall be prepared by the Office Business Manager and reviewed by the Senior Deputy Director of Operations.

**G. Audit/Finance Committee.** The audit/finance committee shall have oversight over the annual audit process.

**H. Reports.** Periodic reports on the finances shall be submitted to the Board. Annual financial reports shall be filed as required by law and made available to the public.

**I. Management.** The day to day activities of the Corporation shall be managed by a person or entity designated by the Board of Directors and subject to its oversight.

**J. Assessment.** An annual assessment of the effectiveness of their internal control structures and procedures will be conducted annually by management, or an independent auditor.



**BROOME COUNTY LOCAL DEVELOPMENT CORPORATION  
INVESTMENT AND DEPOSIT POLICY**

**A. Introduction**

1. **Scope.** This Investment and Deposit Policy of the Broome County Local Development Corporation (the "Corporation") shall apply to all operating funds, bond proceeds and other funds and all investment transactions involving operating funds, bond proceeds and other funds accounted for in the financial statements of the Corporation. Each investment made pursuant to this Investment Policy must be authorized by applicable law and this written Investment Policy.
2.
  - 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 to match expected liability and expenses. (yield).
2. **Objectives.** The primary objectives of the investment activities are, in priority order:
3. **Prudence.** All participants in the investment process and all participants responsible for depositing the Corporation's funds shall seek to act responsibly as custodians of the public trust and shall avoid any transaction that might impair confidence in the Corporation to govern effectively.

Investments and deposits shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the safety of the principal as well as the probable income to be derived.

All participants involved in the investment process and all participants responsible for depositing the Corporation's funds shall refrain from personal business activity that could conflict with proper execution of the investment program or the deposit of the Corporation's funds or which could impair their ability to make impartial investment decisions.

All board Directors, officers and employees of the Corporation involved in the investment process shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Nothing contained within this Policy however, shall prohibit the Directors or employees of the Corporation from obtaining interests in mutual funds which may include within its investment portfolio, bonds, debentures, notes or other evidence of indebtedness of the Corporation; provided however, that the Corporation's bonds, debentures, notes or other evidence of indebtedness may not

make up more than ten percent (10%) of the mutual fund's total portfolio and the Directors and employees may not exercise any discretion with respect to the investments made by the mutual fund company.

**4. Diversification.** It is the policy of the Corporation to diversify its deposits and investments by financial institution, by investment instrument and by maturity scheduling.

**5. Internal Controls**

The Internal Controls shall provide for receipt and review of the audited financial statements and related reports on internal control structure of all outside persons performing any of the following for the Corporation:

- investing public funds of the Corporation;
  - advising on the investment of public funds of the Corporation;
  - directing the deposit or investment of public funds of the Corporation; or
  - acting in a fiduciary capacity for the Corporation.
- a. All money's collected by an officer or employee of the Corporation shall be immediately deposited in such depositories and designated by the Corporation for the receipt of such funds.
  - b. The Corporation shall maintain or cause to be maintained a proper record of all book, notes, securities or other evidences of indebtedness held by the Corporation for investment and deposit purposes.
  - c. The Corporation is responsible for establishing and maintaining an internal control structure and investment practices to document those officers and employees responsible for elements of the investment process and to provide reasonable, but not absolute, assurance that deposits and investments are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly, and are managed in compliance with applicable laws and regulations.

**6. Designation of Depositories** – In accordance with the Not for Profit Corporation Law, the Corporation shall designate as depositories of its money those banks and trust companies authorized to serve as such pursuant to said law.

**B. Investment Policy**

**1. Permitted Investments**

The Corporation is authorized to invest moneys not required for immediate expenditure for terms not to exceed its 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 payment of principal and interest are guaranteed by the United States of America;\*\*
- e. Obligations of the State of New York;\*

\* Special time deposit accounts and certificates of deposit are permitted investments provided that (1) they shall be payable within such time as the proceeds shall be needed to meet expenditures for which the moneys were obtained, (2) they are collateralized in the same manner as set forth in Section VII (C) below for deposits of public funds, (3) Certificates of deposit and term deposits of United States domestic financial institutions which are members of the Federal Deposit Insurance Corporation, and (4) such entities have the highest credit rating assigned by a nationally recognized rating service and which may be readily sold in a secondary market at prices reflecting fair value.

\*\* All investment obligations shall be payable or redeemable at the option of the Corporation within such times as the proceeds will be needed to meet expenditures for purposes for which the moneys 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 Corporation within two years of date of purchase. Investments must carry a rating of BBB- or above at the time of purchase (investment grade), or, if unrated, be deemed to be of investment grade quality. The total of unrated investments may not exceed five (5%) of the investment portfolio value and the unrated investments of a single issuer may not exceed 2% of the portfolio value.

## **2. Authorized Financial Institutions and Dealers**

The Corporation 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 local government conducts business must be credit worthy. Banks shall provide their most recent Consolidated Report of Condition at the request of the Corporation. 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 Executive Director or Chairman is responsible for evaluating the financial position and maintaining a listing of proposed depositories, trading partners and custodians. Such listing shall be evaluated at least annually.

## **3. Purchase of Investments**

The Corporation may 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 governmental entity pursuant to Not for Profit Corporation Law where such program meets all the requirements set forth in the Office of the State Comptroller Opinion No. 88-46, and the specific program has been authorized by the governing board.
- c. By utilizing an ongoing investment program with an authorized trading partner pursuant to a contract authorized by the governing board.

All purchased obligations, unless registered or inscribed in the name of the local government, 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 Corporation by the bank or trust company shall be held pursuant to a written custodial agreement.

The custodial agreement shall provide the securities held by the bank or trust company, as agent of and custodian for, the local government, will be kept separate and apart from the general assets of the custodial bank or trust company and will not, in any circumstances, be commingled with or become part of the backing for any other deposit or other liabilities. The agreement shall describe how the custodian shall confirm the receipt and released of the securities. Such agreement shall include all provisions necessary to provide the Corporation a perfected interest in the securities.

#### **4. Repurchase Agreements**

Repurchase agreements are authorized subject to the following restrictions:

- a. All repurchase agreements must be entered into subject to a Master Repurchase Agreement.
- b. Trading partners are limited to banks or trust companies authorized to do business in New York State and primary reporting dealers.
- c. Obligations shall be limited to obligations of the United States of America and obligations guaranteed by agencies of the United States of America.
- d. No substitution of securities will be allowed.
- e. The custodian shall be a party other than the trading partner.

5. Performance Standards – Performance will be evaluated quarterly and compared to the performance of the appropriate benchmark index and peer groups

## **C. Deposit Policy**

### **1. Collateralization of Deposits**

All deposits of the Corporation, 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:

- a. By pledge of "eligible securities" with an aggregate "market value" as provided Not for Profit Corporation Law, equal to the aggregate amount of deposits from the categories designated in Exhibit A attached hereto.
- b. By an eligible "irrevocable letter of credit" issued by a qualified bank other than the bank with the deposits in favor of the government for a term not to exceed 90 days with an aggregate value equal to 140% of the aggregate amount of deposits and the agreed upon interest, if any. A qualified bank is one whose commercial paper and other unsecured short-term debt obligations are rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization or by a bank that is in compliance with applicable federal minimum risk-based capital requirements.
- c. By an eligible surety bond payable to the government for an amount at least equal to 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 nationally recognized statistical rating organizations. The terms and conditions of any eligible surety shall be approved by the governing board.

### **2. Safekeeping and Collateralization**

Eligible securities used for collateralizing deposits shall be held by the depository bank or trust company subject to security and custodial agreements.

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

The custodial agreement shall provide that securities held by the bank or trust company, or agent of and custodian for, the local government, will be kept separate and apart

from the general assets of the custodial bank or trust company and will not, in any circumstances, be commingled with or become part of backing for any other deposit or other liabilities. The agreement should also describe that the custodian shall confirm the receipt, substitution or release of the securities. The agreement shall provide for the frequency of revaluation of eligible securities and for the substitution of securities when a change in the rating of a security may cause ineligibility. Such agreement shall include all provisions necessary to provide the Agency a perfected interest in the securities.

#### **D. Reporting**

Periodically the Treasurer shall provide to the Directors a report which sets forth amounts invested, the diversification and performance of each portfolio in relation to appropriate market indices, comparative performance information that enables the reader to evaluate whether the portfolios are achieving returns that are consistent with objectives and market conditions.

Periodically the Treasurer shall provide to the Directors a report that identifies the components of the total investment portfolio.



**BROOME COUNTY LOCAL DEVELOPMENT CORPORATION  
PURCHASING POLICY**

1. The purchase of equipment, supplies, material, and non professional services shall be authorized as follows:
  - a. Where the estimated total cost does not exceed \$5,000, purchases shall be made upon verbal quotations at the discretion of Executive Director. In the event the purchase is made from a vendor not providing the lowest quote, a written explanation will be placed in the file.
  - b. Where the estimated total cost is over \$5,000 and does not exceed \$10,000, the purchase shall be made upon at least three (3) written quotations if available and shall be authorized by Executive Director.
  - c. Where the estimated total cost is over \$10,000, the purchase shall be made based upon a competitive bidding process. The Board of Directors shall authorize award of contracts for such purchases if the purchase was not anticipated in the Corporation's adopted Annual Budget.
  - d. Purchases may be made from a Federal, State, County, or other Municipal, State Authority, or Local Development Corporation contracts. Such purchases are not subject to the requirements specified in items 1.a.-1.c., above.
  - e. All purchases of \$5,000 or more shall be reported to the Board of Directors on a semi-annual basis. In the event that the purchase is made from a vendor not providing the lowest cost, an explanation shall be included in this report.
2. The procurement policy may contain circumstances when, or types of procurement for which, in the sole discretion of the Directors of the Corporation, the solicitation of alternative professionals or quotations will not be in the best interest of the Corporation. In the following circumstances, it may not be in the best interests of the Agency to solicit quotations or document the basis for not accepting the lowest bid:
  - a. **Professional Services.** Professional Services is defined as services requiring special or technical skill, training or expertise. The individual, company or firm must be chosen based on accountability, reliability, responsibility, skill, conflict of interests, reputation, education and training, judgment, integrity, continuity of service and moral worth. Furthermore, certain professional services to be provided by the Corporation; legal and accounting services, impact liability in circumstances where the Corporation is issuing bonds. These qualifications and the concerns of the Corporation regarding its liability and the liability of its Directors are not necessarily found or addressed in the individual, company or firm that offers the lowest price and the nature of these services are such that they do not readily lend themselves to competitive procurement.



b. In determining whether a service fits into this category, the Corporation shall take into consideration the following guidelines: (1) whether the services are subject to State licensing or test requirements; (2) whether substantial formal education and training is a necessary prerequisite to the performance of the services; and (3) whether the services require a personal relationship between the individual and Corporation directors. Professional or technical services shall include, but not limited to the following: services of an attorney (including bond counsel) ; services of a physician; technical services of an engineer/ planner engaged to prepare studies, plans, maps and estimates; securing insurance coverage and/or services of an insurance broker; services of a certified public accountant; investment management services; printing services involving extensive writing, editing or art work; management of Corporation owned property; and computer software or programming services for customized programs, or services involved in substantial modification and customizing or pre-packaged software.

3. Purchases may be made from a Federal, State, County, or other Municipal, State Authority, or Local Development Corporation contracts. Such purchases are not subject to the requirements specified in items 2.a.-2.c., above.

4. All purchases of \$5,000 or more shall be reported to the Board of Directors on a semi-annual basis.

5. Emergency Purchase Orders. Where an emergency condition exists posing imminent danger to public health, personal safety or public or private property the Executive Director is authorized to make such purchases of goods or services which may be necessary to meet the emergency condition without following the purchasing policy. In each case, where practicable, the Executive Director will endeavor to obtain, at a minimum, verbal quotations for the work or services necessary. Any and all emergency purchases in excess of \$5,000 shall be reported to the Board of Directors as soon as practicable and for any such purchases in excess of \$10,000 the Board shall be notified electronically and/or telephonically prior to purchase if possible.

6. Sole Source Purchases. Where the goods or the services may be purchased from just one source (defined as sole source items) the procurement of said items need not follow this purchasing policy. In order to purchase goods or services without competitive bidding or a competitive quotation the Executive Director must certify that the goods or services are only available through one source.