



Greater Tompkins County Municipal Health Insurance Consortium

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"Individually and collectively we invest in realizing high quality, affordable, dependable health insurance."

AGENDA **Investment Management RFP Subcommittee** **April 13, 2022 – 3:30 P.M.** **Remote by Zoom**

Contact consortium@tompkins-co.org for link to join meeting

1. Call to Order Hart
2. Changes to the Agenda
3. Approval of Minutes – January 25, 2022
4. Investment Policy Review Dowd/Apalovich
 - General Municipal Law Compliance
 - Investment Policy Statement
 - Level of Risk
5. Update on Liability Dowd
6. Next Steps and Set Next Meeting
7. Adjournment

MINUTES - DRAFT
Investment Management RFP Subcommittee
January 25, 2022
Remote by Zoom

Present: Rordan Hart, Steve Thayer, Peter Salton (excused at 4:07 p.m.)
Staff: Elin Dowd, Executive Director; Michelle Cocco, Clerk of the Board; Teri Apalovich, Finance Manager; Paul Pelton, Rob Spenard, Locey and Cahill; Rick Snyder, Treasurer; Judy Drake, Board Chair

Call to Order

Mr. Hart, Chair, called the meeting to order at 3:21 p.m.

Committee Organization

Ms. Dowd said this is a subcommittee of the Audit and Finance Committee that will be Chaired by that Committee's Vice Chair, Rordan Hart, with primary staff support provided by Ms. Apalovich.

Changes to the Agenda

There were no changes to the agenda.

Expectations of Investment Manager

Mr. Hart said the purpose of the meeting is to identify what the expectations are of an Investment Manager and to establish the content of the Request for Proposals (RFP). He called attention to the Investment Policy that was included in the agenda packet and noted the current Investment Manager has been operating within specific parameters with respect to how they are investing the Consortium's funds. He said they are primarily using short-term treasuries that don't produce a lot of returns; however, there is some flexibility as to how much risk the Consortium can take on, while still adhering to General Municipal Law (GML) that dictates what the Consortium can invest in. Mr. Hart asked members to consider what expectations they would like to set for an Investment Manager aside from performance.

Ms. Dowd said the biggest concern from members is whether the Consortium is taking advantage of the market that is available to the Consortium. She commented that Wilmington Trust, the current Investment Manager, has established quarterly meetings to review reports that are subsequently shared with the Audit and Finance Committee. She said staff would like an Investment Manager to provide communication that includes written materials and updates on funds as week as when funds are available for change.

Mr. Snyder said it appears over the last couple of years there have been great losses because the Consortium's securities are treasury bills and bonds that are mark to market at the end of every month. While it appears as losses those have to be offset against the previous gains that have been made. He said the goal is to make sure the Consortium never loses any principal. He noted the current advisory only deals with bonds and notes and holds them to maturity and the Consortium is never part of any pool. He said even though it looks like the Consortium has lost money over the last couple of years as the bond market has deteriorated, however, it has never lost any money. Mr. Snyder stressed the importance of knowing the difference between market gains and losses versus real gains and losses. He said if the Consortium is going to have an investment strategy the primary goal should be to never lose principal. The Consortium has been asked but cannot join a number of funds as it is not allowed to lose principal under General

Municipal Law (GML). Mr. Snyder said the Consortium has stayed away from any mutual funds or bond funds to avoid risking principal. When treasuries are bought they are held until maturity and the Consortium receives the stated interest rate; however, this doesn't mean that it could not buy and sell bonds on a more active basis. Mr. Snyder said the Consortium is greatly limited by not going into things such as stocks and bond funds.

Mr. Hart asked if it is a requirement for the Jurat the Consortium's bonds to be mark to market. Mr. Snyder said the Jurat is set up with a comprehensive schedule and DFS advised on how to fill out the forms and what information was necessary. Mr. Hart said General Municipal Law Section 10 allows municipalities to invest in specific types of bonds and securities that do carry the risk of loss of principal and suggested a topic to be discussed is how much risk the Consortium is willing to take with at least some of the Consortium's money.

Mr. Hart said a decision could be made to never lose principal but this will mean using only government treasuries. If there is a will to allow for the possibility of any of the investments allowed by GML Section 10, the Consortium would be accepting some level of risk. He recalled conversations that took place at the time the current Investment Manager was selected and said he doesn't think the question of whether there is a willingness to accept any risk was answered. He asked others to provide feedback on whether there is interest in accepting any risk and if so, how much, noting the RFP would reflect what risk the Consortium is willing to assume.

Ms. Dowd said she would like to check Article 47 to see if there is any reference to investments. Mr. Snyder called attention to the Investment Policy provided in the agenda packet and said Articles 4 and 5 includes a list of the allowed investments; these are the sections of the Policy that would need to be changed if a decision was made to allow for more investments.

Mr. Snyder said he is not opposed to amending the Policy but believes that this question should be answered and a final Policy be in place before proceeding with the Request for Proposals. Mr. Hart said he is not necessarily recommending that the scope of what the Consortium can invest in be expanded but if the Board is looking for better yield and is willing to take on more scope of risk within the guidelines of GML that decision should be made now.

Mr. Thayer said he thinks a little risk is good as it allows for finding other investments that could provide a larger return; however, it needs to be limited as much as possible. He agreed that any adjustment to the Policy should be made prior to issuing an RFP. Ms. Dowd stated that any proposed Policy revisions would be presented to the Audit and Finance Committee, followed by the Executive Committee for approval.

In response to Mr. Salton, Mr. Hart said GML allows for a layer of risk to be added and although it is not a great risk it is more than is available at this time under the current Policy. Mr. Salton said he could support a reasonable increase in risk. Ms. Drake indicated she is could support assuming some, but very limited risk.

Ms. Dowd referenced notes on pages five and six of the agenda packet regarding securing deposits and investments. Mr. Pelton said the Consortium's Policy says 100 percent up to the aggregate amount of deposit. He said in Controller rulings they are looking for an amount in excess of 100 percent of deposits (101-105%). He recommended when looking at the Policy to consider when getting collateral agreements to consider 102% of the value of investments.

Mr. Salton was excused at this time.

Ms. Drake asked if what other entities similar to the Consortium are doing and how much risk they are assuming. Mr. Hart said it would need to be confirmed but he believes NYMIR (New York Municipal Insurance Reciprocal) and MEGA (Municipal Electric and Gas Alliance) both invest in funds on advice from their counsel that even though their members are municipalities that they are stand-alone entities and not subject to GML Section 10. He said a separate question is whether the Consortium would like to investigate or get a ruling from DFS (Department of Financial Services) as to whether GML Section 10 applies to the Consortium. Ms. Dowd said she has been looking into what the differences are between the Consortium and those entities but has not concluded anything at this time. Mr. Hart recalled an opinion was received on this a few years ago from John Powers, the Consortium's legal counsel.

There was consensus to refer the Investment Policy, specifically Articles 4 and 5, to the Audit and Finance Committee for consideration of whether investment parameters should be amended. If there is support to change those parameters the Committee should consider how much of what General Municipal Law allows the Consortium will allow.

Review Draft Request for Proposals:

At this time the Committee reviewed the draft RFP that was included in the agenda packet.

Mr. Snyder said the current fee schedule is based on the size of the portfolio and asked if there are any alternative fee arrangements, such as being based on the returns. Mr. Hart said there are generally no other fee arrangements for the Consortium's type of structure. There can be a flat investment advisor fee that is regardless of performance or assets, however, because the goal is to attract more assets under management most firms lean towards the percentage of total assets fee. He said the Investment Company Act of 1940 prohibits charging incentive-based fees except for specific classifications of funds such as hedge funds. Mr. Hart said if a decision is made to take the safest investment course possible there needs to be more emphasis on fees. If there is an expansion on what the Consortium can do from an investment standpoint, he thinks areas that should be looked at include how the Advisor manages, what their experience is within those confines, what their track record looks like, and how often are they looking to trade out of a bond issue that has appreciated in value versus holding it for its income.

Ms. Dowd suggested adding in the vendor selection a rubric that includes criteria that would present how information received will be weighed. This would inform responders of what is important to the Consortium when going out to bid.

There were no changes made to the draft RFP.

Set Next Meeting

The next meeting will be scheduled following discussion of the Investment Policy at the next Audit and Finance Committee meeting.

Adjournment

The meeting adjourned at 4:30 p.m.

EXHIBIT "A"

INVESTMENT POLICY

FOR

GREATER TOMPKINS COUNTY MUNICIPAL INSURANCE CONSORTIUM

Article I

Purpose and Objectives

A. The purpose of this Investment Policy (the "**Policy**") is to set forth the parameters within which the funds of the Greater Tompkins County Municipal Health Insurance Consortium (the "**Consortium**") are to be managed. In methods, procedures, and practices, the Policy formalizes the framework for the Consortium's investment activities that must be exercised to ensure effective and judicious management of its funds.

B. This Policy applies to all moneys and other financial resources of the Consortium with regard to depositing and investing its assets, and the Policy shall represent the investment constraints of all invested assets.

C. The primary objectives for implementation of the Policy, in priority order, are: (1) to conform with all applicable federal, state and other legal requirements; (2) to adequately safeguard principal; (3) to provide sufficient liquidity to meet all operating requirements of the Consortium; and (4) to obtain a reasonable rate of return.

Article II

Delegation of Authority

A. Pursuant to Section J(5) of the Municipal Cooperation Agreement of the Consortium,¹ the Board of Directors of the Consortium (the "**Board**") may delegate certain responsibilities set forth herein to the Chief Fiscal Officer of the Consortium (the "**CFO**").

B. As set forth in Article II, Section (A) above, the Board hereby delegates to the CFO, the authority to administer the Consortium's investment program (the "**Investment Program**"), and to establish written procedures for the operation of the Investment Program consistent with this Policy, and all applicable federal and state laws². However, any such written procedures shall become effective only upon approval by the Board.

Article III

Standards of Care

A. Prudence.

1. Each person responsible for managing and investing the Consortium's financial assets shall act in good faith and with the care an ordinary prudent person in a like position would exercise under similar circumstances. When making investment and management decisions, the primary objectives for implementation of the Policy set forth in Article I, Section (C) above shall be considered.

¹ See Section J(5) of the 2014 Amendment to the Municipal Cooperation Agreement.

² See Section 10 and 11 of the New York State (the "**State**") General Municipal Law, and Section 4706(b) of the State Insurance Law.

2. In making decisions regarding management and investment of the Consortium's financial assets, the following non-exclusive factors shall be considered, if relevant:

- i. general economic conditions;
- ii. the possible effect of inflation or deflation;
- iii. the role that each investment or course of action plays within the overall investment portfolio of the Consortium;
- iv. the expected total return from income and the appreciation of its investments;
- v. other resources of the Consortium;
- vi. the needs of the Consortium and the specific funds to make distributions and to preserve capital; and
- vii. an asset's special relationship or special value, if any, to the purposes of the Consortium.

B. Ethics and Conflicts of Interest. Officers, members, and employees of the Consortium involved in the investment process shall refrain from personal activity that could conflict with the proper execution and management of the Investment Program, or that could impair their ability to make impartial investment decisions. Officers, members, and employees involved in the investment process shall disclose to the Consortium's Executive Director and the Board any material financial interests they have in financial institutions that conduct business with the Consortium, and shall further disclose any personal financial/investment positions that could be related to the performance of the Consortium's investment portfolio. Officers, members, and employees involved in the Investment Program shall refrain from undertaking any personal investment transactions with the same individual with whom business is conducted on behalf of the Consortium; and shall be bound by the Consortium's Code of Ethics Policy.

Article IV Suitable and Authorized Investments

A. The following investments are permitted by the Policy:

1. U.S. Treasury & Government Guaranteed. Direct obligations of the United States of America and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, provided that the Full Faith and Credit of the United States of America must be pledged to any such direct obligation or guarantee ("**Direct Obligations**").

2. Municipals. Obligations issued or guaranteed by any of the following:

- i. Obligations of ~~the~~ **New York** State; or
- ii. With the approval of the State Comptroller, obligations issued pursuant to Section 24.00 or 25.00 of the State Local Finance Law (i.e. Tax Anticipation Notes and Revenue Anticipation Notes), by any municipality, school district or district corporation in the State, other than the Consortium.

3. Time Deposits. Special time deposit accounts, or non-negotiable certificates of deposit ("**CD**") in a State "banking institution"³ or federally chartered banks, savings and loans or credit unions in excess of insured amounts which are fully collateralized with securities in accordance with State Law.

4. Obligations of other United States state (non New York) rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization.

5. Obligations of counties, cities and other governmental entities of another state having the power to levy taxes that are backed by the full faith and credit of such governmental entity and rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization.

6. Obligations of Puerto Rico rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization

7. Obligations of domestic corporations rated in one of the four highest rating categories by at least one nationally recognized statistical rating organization

8. Any mortgage related securities, as defined in the Securities Exchange Act of 1934, as amended, which may be purchased by banks under the limitations established by federal bank regulatory agencies.

9. Commercial paper and bankers' acceptances issued by a bank (other than the bank with which the money is being deposited or invested) rated in the highest short-term category by one nationally recognized statistical rating organization and having maturities of not longer than sixty days from the date they are pledged.

Article V
Investment Parameters

A. **Diversification.** Investments of funds of the Consortium shall be diversified to limit the risk of loss resulting from the concentration of assets in a specific type of investment, specific maturity, specific issuer or specific sector. The diversification strategy shall be reviewed as frequently as circumstances require, but at least annually.

The following diversification parameters have been established:

Sector Type	Sector Max (%)	Issuer Max (%)	Ratings Requirement ¹	Max Maturity
US Treasury and Government Guaranteed	100%	N/A	N/A	10 Years ²
Municipals	30%	5%	Top Three Ratings Categories	10 Years
Time Deposits and Certificates of Deposit	50%	FDIC Limit	N/A, so long as FDIC-guaranteed	5 Years
Non New York State Municipals	0%	N/A	Top Three Ratings Categories	10 Years
Puerto Rico	0%	N/A	Top Three Ratings Categories	10 Years
Domestic Corporations	0%	N/A	Top Four Ratings Categories	10 Years
Mortgage Related Securities	0%	N/A		10 Years
Commercial Paper	0%	N/A	Highest short-term category	10 Years
¹ By a Nationally Recognized Statistical Ratings Organization ("NRSRO") ² Government guaranteed mortgage backed securities shall have a maximum weighted average life of 10 years				

B. **Subsequent Credit Downgrades.** In the event of a downgrade of a security below the minimum credit standards for a new investment of that security, the CFO shall evaluate the downgrade on a case-by-case basis, and promptly notify the Board and recommend a course of action. If the CFO and/or the Board has retained a professional investment advisor, the investment advisor shall promptly notify the CFO of any downgrade below the minimum credit standards and recommend a course of action.

Article VI
Investment Institutions

A. All financial institutions and dealers with which the Consortium transacts business shall be creditworthy, and have an appropriate level of experience, capitalization, size and other factors that make the financial institution or the dealer capable and qualified to transact business with the Consortium.

B. The CFO shall evaluate the financial position of all financial institutions and dealers with which the Consortium transacts business, and maintain a listing of proposed depositaries, trading partners, and custodians. Recent Reports of Condition and Income (i.e. call reports) shall be obtained for proposed banks, and security dealers that are 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."

Article VII

³ As such term is defined in Section 9-r of the State Banking Law.

Qualifications of Broker-Dealers

A. The Consortium shall maintain a list of approved security broker-dealers selected by a process of due diligence, which process shall require all broker-dealer candidates to supply the following:

1. Audited financial statements demonstrating compliance with State and federal capital adequacy guidelines;
2. Proof of certification from the Financial Industry Regulatory Authority;
3. Proof of State Registration required by the State General Municipal Law;
4. Evidence of adequate insurance coverage; and
5. Certification and acknowledgement of having read, understood and agreeing to comply with this Policy.

B. Approved security broker-dealers may include primary dealers or regional dealers registered with the Securities Exchange Commission ("**SEC**") that comply with SEC net capital standards under Section 15c3-1 of the Securities Exchange act of 1934 (the "**Exchange Act**").

C. The Consortium is authorized to employ an external investment advisor that shall maintain its own list of approved and qualified security broker-dealers, subject to the same process of due diligence set forth in Article VII, Section (A) above.

Article VIII
Competitive Transactions

A. To ensure that transactions meet best execution requirements, the Consortium has established the following procedures:

1. The CFO or the investment advisor, to the extent applicable, shall seek to obtain at least three (3) competitive bids or offers on any necessary contract related to the purchase and sale of investments; and
2. The CFO or the investment advisor, to the extent applicable, shall document any competitive bids, offers, or quotations received in reliance on this Article.

B. If the Consortium hires an external investment advisor as permitted by Article VII, Section C of this Policy, the advisor must retain documentation demonstrating compliance with this Article, to the extent it is applicable, and provide such documentation to the Consortium upon request.

Article IX Securing Deposits and Investments

A. All deposits and investments at a bank or trust company, including all demand deposits, certificates of deposit and special time deposits (hereinafter, collectively, the "**Deposits**") made by officers of the Consortium that are in excess of the amount insured under the provisions of the Federal Deposit Insurance Act, including pursuant to a Deposit Placement Program in accordance with applicable law, shall be secured by:

1. A pledge of "**eligible securities**"⁴ with an aggregate market value that is at least equal to the aggregate amount of the Deposits;
2. A pledge of a pro rata portion of a pool of eligible securities, having in the aggregate a market value at least equal to the aggregate amount of the Deposits;
3. An "**eligible surety bond**"⁵ payable to the government for an amount at least equal to one hundred percent (100%) of the aggregate amount of the Deposits and the agreed-upon interest, if any, executed by an insurance company authorized to do business in the State, whose claims-paying ability is rated in the highest rating category by at least two (2) nationally recognized statistical rating organizations;
4. An "**eligible letter of credit**,"⁶ payable to the Consortium as security for the payment of one hundred forty percent (140%) of the aggregate amount of the Deposits and the agreed-upon interest, if any. An "eligible letter of credit" shall be an irrevocable letter of credit issued in favor of the Consortium for a term not to exceed ninety (90) days, by a qualified bank (other than the bank where the secured money is deposited). A qualified bank is either one whose commercial paper and other unsecured short-term debt obligations (or, in the case of a bank which is the principal subsidiary of a holding company, whose holding company's commercial paper and other unsecured short-term debt obligations) are rated in one (1) of the three (3) highest rating categories by at least one (1) nationally recognized statistical rating organization, or one that is in compliance with applicable federal minimum risk-based capital requirements; and/or
5. An irrevocable letter of credit issued in favor of the Consortium by a federal home loan bank whose commercial paper and other unsecured short-term debt obligations are rated in the highest rating category by at least one (1) nationally recognized statistical rating organization, as security for the payment of one hundred percent (100%) of the aggregate amount of the Deposits, and the agreed-upon interest, if any.

Article X Safekeeping and Custody

A. Third-Party Safekeeping. All investment securities purchased for or held as collateral on deposits or investments shall be held by an independent third-party safekeeping institution, such as a bank, trust company, or third-party custodial agent who may not otherwise be a counter-party to an investment transaction, selected by the Consortium (the "**Independent Safekeeping Institution**"), and subject to security and custodial agreements as follows:

1. Consistent with Section 10(3)(a) of the State General Municipal Law, the security agreement shall provide that eligible securities are being pledged to secure the Deposits together with agreed-upon interest, if any, and any costs or expenses arising out of the collection of the Deposits upon a default. It shall also provide the conditions under which the securities held may be sold, presented for payment, substituted or released and the events of default which will enable the local government⁷ to exercise its rights against the pledged securities. Such agreement shall include all provisions deemed necessary and sufficient to secure in a satisfactory manner the local government's interest in the collateral.

2. The custodial agreement shall provide that the pledged securities will be held by the Independent Safekeeping Institution as agent of, and custodian for, a local government, and will be kept separate and apart from the general assets of the Independent Safekeeping Institution, and it shall also provide for the manner in which the Independent Safekeeping Institution shall confirm the receipt, substitution or release of the collateral. Such agreement shall further provide for the frequency of revaluation of collateral by the Independent Safekeeping Institution, and the substitution of collateral when a change in the rating of a security causes ineligibility pursuant to the State General Municipal Law.⁸

3. The security and custodial agreements shall also include all other provisions necessary to provide the Consortium with a perfected security interest in the eligible securities and to otherwise secure the local government's interest in the collateral, and may contain other provisions that the Board deems necessary.

⁴ As defined in Section 10(1)(f) of the State General Municipal Law, and as further set forth in Schedule "A" attached hereto and made a part hereof.

⁵ See State General Municipal Law Section 11(1)(g).

⁶ See State General Municipal Law Section 11(1)(h).

⁷ As such term is defined in Section 10(1)(a) of the State General Municipal Law.

B. Internal Controls. The CFO shall establish a system of internal controls, which shall be documented in writing. The internal controls shall be designed to prevent the loss of funds arising from fraud, employee error, and misrepresentation by third-parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the Consortium. The system of internal controls shall further provide a satisfactory level of accountability based upon records incorporating the description and amounts of investments, the fund(s) for which they are held, the place(s) where such funds are kept, and other relevant information, including dates of sale or other dispositions and amounts realized. In addition, the internal control procedures shall describe the responsibilities and levels of authority for key individuals involved in the Investment Program.

Article XI **Performance Standards/Evaluation**

A. Assets will be managed in accordance with the parameters specified within this Policy. Performance should be compared to a relevant benchmark or benchmark(s), at regular intervals, but at least on a quarterly basis.

B. Prior to any reporting period, a performance benchmark or benchmarks will be established by the Board. The benchmark(s) shall be reflective of the actual securities being managed and risks undertaken; and the benchmark(s) shall have a similar weighted average maturity and credit profile as the portfolio.

Article XII **Reporting/Disclosure**

A. The CFO shall prepare or have prepared an investment report each quarter, including a summary that provides an analysis of current investments (the "**Investment Report**"). The Investment Report shall be prepared in a manner that will allow the Board to ascertain whether investment activities during the reporting period have conformed to the Policy.

- B. The Investment Report shall include, at a minimum, the following:
1. An asset listing showing par value, cost and accurate and complete market value of each security, type of investment, issuer, and interest rate;
 2. Average maturity and duration of investments;
 3. Maturity distribution; and
 4. Average portfolio credit quality.

⁸ See Section 10(3)(a) of the State General Municipal Law.

Article XIII
Review of Policy

The Board shall review the Policy at least annually, within one hundred twenty (120) days of the end of the fiscal year, to reflect developments affecting the Consortium's finances and activities, and to ensure its consistency with the primary objectives set forth in Article I, Section (C) herein.

Article XIV
Policy Adoption

This Policy is adopted by the Board this 22nd day of March, 2018.

SCHEDULE “A”

Schedule of Eligible Securities for Collateralizing Deposits and Investments in Excess of FDIC Coverage ⁹

“Eligible Securities” for Collateral	For purposes of determining aggregate “market value,” eligible securities shall be valued at these percentages of “market value”:
(i) Obligations issued, or fully insured or guaranteed as to the payment of principal and interest, by the United States of America, an agency thereof or a United States government-sponsored corporation.	100%
(ii) Obligations issued or fully guaranteed by the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank and the African Development Bank.	100%
(iii) Obligations partially insured or guaranteed by any agency of the United States of America, at a proportion of the market value of the obligation that represents the amount of the insurance or guaranty.	100%
(iv) Obligations issued or fully insured or guaranteed by the State of New York, obligations issued by a municipal corporation, school district or district corporation of this State or obligations of any public benefit corporation which under a specific State statute may be accepted as security for deposit of public moneys.	100%
(v) Obligations issued by states (Other than New York State) of the United States rated in one of the three highest categories by at least one nationally recognized statistical rating organization.	100%
(vi) Obligations of Puerto Rico rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization.	100%
(vii) Obligations of counties, cities and other governmental entities of another state having the power to levy taxes that are backed by the full faith and credit of such governmental entity and rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization.	100% if rated in the highest category; 90% for 2nd highest; 80% for 3rd highest.
(viii) Obligations of domestic corporations rate in one of the four highest rating categories by at least one nationally recognized statistical rating organization.	100%
(ix) Any mortgage related securities, as defined in the Securities Exchange Act of 1934, as amended, which may be purchased by banks under the limitations established by federal bank regulatory agencies.	100%
(x) Commercial paper and bankers' acceptances issued by a bank (other than the bank with which the money is being deposited or invested) rated in the highest short-term category by at least one nationally recognized rating organization and having maturities not longer than sixty days from the date they are pledged.	100%

⁹ See State General Municipal Law Subsections (10)(1)(f) ~~(i)-(iv) and (vii)-(i)-(x)~~
<https://www.nysenate.gov/legislation/laws/GMU/10>