

RESOLUTION APPROVING REDEPOSIT AND SPREADER AGREEMENT BETWEEN TOWN AND CAYUGA LAKE NATIONAL BANK TO SUPPORT USE OF INTRAFI CASH SERVICE FOR TOWN CLERK DEPOSITS

RESOLUTION 25-

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The following Resolution was duly presented for consideration by the Town Board:

WHEREAS, General Municipal Law (“GML”) §§ 10 and 11 allow municipalities to conditionally utilize reciprocal depository plans, which can help obtain more FDIC insurance coverage upon municipal deposits; and

WHEREAS, the Cayuga Lake National Bank (“CLNB”) holds certain town deposits and has proposed and delivered agreements and documents respecting the IntraFi deposit placement program, which allows CLNB to place reciprocal deposit accounts with participating federal chartered banks, each in an amount not to exceed \$250,000, so as to increase the level of FDIC insurance on town deposits as the primary stop-gap loss protection; and

WHEREAS, upon consideration of the foregoing, the Town Board has duly

RESOLVED, that the ICS Deposit Placement Agreement (the “Agreement”) between CLNB and the Town be and hereby is approved, and the same may be executed by the Town Supervisor or Deputy Town Supervisor by and for the Town; and be it further

RESOLVED, that the Town Clerk, Accountant, and Bookkeeper each and all track the performance of deposits under this Agreement, including to assure that at all times transfers, deposits, and reciprocal deposits meet the requirements of the GML, including specifically that (i) any amount earmarked or held for reciprocal deposits be fully securitized by FDIC insurance or eligible securities as required by law, particularly to the extent any individual account, deposit, or reciprocal deposit may exceed \$250,000; and (ii) the full amount of any redeposited funds and all interest thereupon be fully covered by FDIC insurance; and be it further

RESOLVED, that these requirements (among others set forth in GML §§ 10 and 11, and the guidance of the State Comptroller) be fully met by a combination of one or both of the following: (i) existing agreements with CLNB and required securitization requirements for Town deposits; and/or (ii) that individual deposits be periodically audited, as well as audited whenever there appears to be any risk of non-compliance and, if any lack of security is found, the same be promptly remediated.

The question of the adoption of such proposed Resolution was duly motioned by Councilperson _____, duly seconded by Councilperson _____, and put to a roll call vote with the following results:

Councilperson Judy Drake –
Councilperson Christine Montague –
Supervisor Ruth Groff –

Councilperson Laurie Hemmings –
Councilperson Joseph Wetmore –

Accordingly, the foregoing Resolution was approved, carried, and duly adopted on
January 15, 2025.