

# **Agriculture & NYS Horse Breeding Development Fund**

## **ANNUAL INVESTMENT REPORT - 2011**

### INVESTMENT PROCEDURES & POLICY

Approved by the Trustees on 6/29/07

In accordance with the New York State Constitution and the guidelines of the Office of the State Comptroller, the Fund's investment program shall include four basic ingredients: legality, safety, liquidity and reasonable return. Except for U. S. Treasuries, all Fund investments will be fully collateralized and the collateral held by a third party.

1. The Fund's Executive Director, in his role as administrator, shall be responsible for all investments of the Fund.
2. All investments are to be made for the Fund by the Executive Director, with the assistance of the bookkeeper.
3. In making investments for the Fund, the financial institution shall adhere to the State of New York's "Investment Guidelines for Public Authorities," as from time to time may be revised.
4. The Fund's Board of Trustees and Executive Director will review and consult on the Fund's investments at least annually. During such consultations, all variables are to be discussed, including, but not limited to, type, term and quality of investment and rate of return. A reasonable rate of return at minimal risk shall be the foremost goal for all Fund investments.
5. The financial institution shall provide the Fund with written verification of each investment and the monthly account reconciliations showing all investments and cash balances of the Fund.
6. The Fund's Executive Director shall maintain all records relating to the Fund's investments and adhere to required reporting requirements. All records and documents relating to investments shall be periodically reviewed by the Fund's Trustees.
7. The Fund's Board of Trustees is hereby deemed its Investment Committee and shall be provided with periodic investment reports detailing the fund's investments, including the system of internal controls, collateralization of securities purchased, assessment of investment objectives and review of independent audits. The Trustees shall review said reports and make such recommendations as they may deem appropriate.
8. The Fund shall engage an independent public accounting firm to annually review its investments and to prepare the annual investment reports required by the appropriate State oversight agencies.
9. Until further notice it shall be the policy of the Fund to invest all spare cash in the NYS Office of State Comptroller Short Term Investment Program (STIP).

AGRICULTURE AND NEW YORK STATE HORSE  
BREEDING DEVELOPMENT FUND

**Investment Information for New York State - December 31, 2011**

**INVESTMENTS:**

At December 31, 2011, total Fund investments consisted of deposits with the "New York State Short Term Investment Pool" in the total amount of \$9,738,276.20. The deposits were third party collateralized at December 31, 2011.

**INVESTMENT EARNINGS:**

Investment earnings totaled \$21680.47 for the year ended December 31, 2011 and consisted of interest earned on deposits with the "New York State Short Term Investment Pool." The average yield on the Fund's investments for the year ended December 31, 2011 was approximately 0.12%.

**FEES AND COMMISSIONS:**

There were no direct fees, commissions or other charges paid for investment related services for the year ended December 31, 2011.

**2011 INVESTMENT INCOME REPORT**

	<u>Deposit</u>	<u>Month</u>	<u>Amount</u>
<b>Interest Income</b>			
	Deposit	Dec 2010 interest	2085.19
	Deposit	Jan 2011 interest	2204.85
	Deposit	Feb 2011 interest	2035.20
	Deposit	March 2011 interest	2287.49
	Deposit	April 2011 interest	2241.15
	Deposit	May 2011 interest	2347.57
	Deposit	June 2011 interest	1994.10
	Deposit	July 2011 interest	1955.73
	Deposit	August 2011 interest	1262.12
	Deposit	Sept 2011 interest	1214.31
	Deposit	Oct 2011 interest	989.86
	Deposit	Nov 2011 interest	1062.90
			<u>21680.47</u>
<b>TOTAL INTEREST INCOME 2011</b>			<u><u>21680.47</u></u>