§ 508. Investment of funds; interest; accounts; reports. 1. The members of the retirement board shall be the trustees of the several funds created by this article, and shall determine from time to time what part of the moneys belonging to the retirement system shall be invested. When such board shall determine upon the investment of any moneys or upon the conversion or sale of any securities, it shall, by resolution duly adopted by a majority vote of the members of the board, direct the custodian to so invest the moneys or convert or sell the securities. Investments shall be made only in securities in which the trustees of a savings bank may invest the moneys deposited therein as provided by law except that the retirement system shall have the authority to own any of its nominee corporations organized pursuant to subdivision seventeen of this section. It shall be the duty of the custodian to collect the interest thereon as the same becomes due and payable and also the principal thereof and place the same when so collected to the credit of the retirement system.

2. The retirement board shall annually allow regular interest on the mean amount for the preceding year in each of the funds created by this article, excepting the expense fund. The amount so allowed shall be payable to said funds and shall be annually credited thereto by the retirement board. All interest earned upon the entire amount of the funds belonging to the retirement system shall be used for this purpose, unless the amount so earned is in excess of the requirements, in which case the excess amount shall be credited to the pension accumulation fund. Any deficiency in the amount required to cover the interest requirements of the funds, exclusive of the pension accumulation fund, shall be paid from the pension accumulation fund.

3. Except as herein provided, no member nor employee of the retirement board shall have any interest direct or indirect in the gains or profits of any investment made by the board nor as such directly or indirectly receive any pay or emolument for his services. And no member nor employee of the said board directly or indirectly, for himself or as an agent or partner of others, nor a corporation of which he is an officer, stockholder or member, shall borrow any of its funds or deposits or in any manner use the same except to make such current and necessary

payments as are authorized by the board; nor shall any member or employee of said board become an endorser or surety or become in any manner an obligor for moneys loaned by or borrowed of the board. Nothing herein contained shall be construed to prevent a member or an employee of the retirement board, who is also a member of the retirement system, from borrowing from his accumulated contributions in the retirement system in accordance with section five hundred twelve-b of this article.

4. The retirement board shall provide for maintenance of an individual account with each member showing the amount of the member's contributions and the interest accumulations thereon. It shall report annually to each member who has furnished the board with a mailing address the accumulated contributions credited to such account together with the amount of service then credited to the member. It shall collect and keep in convenient form such data as shall be necessary for the preparation of the required mortality and service tables, and for the compilation of such other information as shall be required for the actuarial valuation of the assets and liabilities of the various funds created by this article. Upon the basis of the mortality and service experience of the members and beneficiaries of the system, the retirement board from time to time shall adopt the tables to be used for valuation purposes and for determining the amount of annuities to be allowed on the basis of the contributions of members.

5. At such time as the retirement board may deem it necessary and at least once each quinquennial period, the retirement board shall have its actuary prepare a report showing a complete valuation of the present and prospective assets and liabilities of the various funds created by this article with the exception of the expense fund. The actuary shall make an investigation of the mortality and service experience of the members of the retirement system and shall report fully upon its conditions as well as estimated future investment earnings with such recommendations as he shall deem advisable for the information of the retirement board in the proper operation of the retirement system.

6. The records of the retirement board shall be open to public inspection.

7. The retirement board shall publish annually a report showing the condition of the various funds created by this article, certifying to the accumulated cash and securities of the funds and giving an account of the operation of the system.

8. The retirement system may use a part of its funds, not exceeding ten per centum of its net assets, (1) for purchasing or leasing of land within the county of Albany and the construction thereon of a suitable office building or buildings for the transaction of the business of the retirement system and (2) for purchasing or leasing of land in the cities of Albany, Binghamton, New York, Rochester and Utica and the construction thereon of a suitable office building or buildings for purposes of lease or sale to the state and (3) for purchasing or leasing of land in locations approved by the state university trustees and the construction, acquisition, reconstruction, rehabilitation or improvement of suitable buildings or facilities thereon for purposes of lease or sale to the state university construction fund, such buildings or facilities to be used by the state university or by state-operated institutions or statutory or contract colleges under the jurisdiction of the state university or by the students, faculty and staff of the state university or of any such state-operated institution or statutory or contract college, and their families.

The retirement system from time to time may lease to any public agency any portion of a building constructed for the transaction of its business which may not be required for such purpose, upon such terms and conditions as shall be deemed to be for the best interest of the retirement system.

Real property of the retirement system acquired or constructed pursuant to this subdivision shall be exempt from taxation as provided in the real property tax law.

10. The retirement system may invest, within the limitations authorized for investments in conventional mortgages, a part of its funds in first mortgages on real property located anywhere within the

boundaries of the United States and leased to the government of the United States, provided however, that no such investment shall be made unless the terms of the mortgage shall provide for amortization payments in an amount sufficient to completely amortize the loan within the period of the lease.

11. The funds of the retirement system may be invested in the purchase of promissory notes or bonds from the farmers home administration issued in connection with the purchase or improvement of real property and which are insured by the farmers home administration.

13. Where any benefit accruing under the provisions of this article is payable to a minor, incompetent, or any other person under a legal disability and no guardian of the property, committee or other such legal representative is duly appointed within six months of the date the benefit accrues to such person, the retirement board shall be authorized to adopt rules and regulations providing for a savings account to be established for each such person to which shall be paid the amounts of such benefits due and owing to such persons. Interest shall be credited to each savings account established pursuant to this subdivision in the same manner and amount as is credited to the accumulated contributions of members in their individual accounts in the annuity savings fund pursuant to this article. The funds in such accounts shall be payable, within a reasonable time after proper notification to the system, to a guardian of the property, committee or other such legal representative after such person is duly appointed or to the beneficiary once the legal disability is removed. A payment made pursuant to the provisions of this subdivision shall release the system from any liability whatsoever.

14. The retirement board is hereby authorized to buy securities under an agreement providing for the repurchase thereof. The retirement board is also authorized to assign commitments to invest system funds pursuant to an agreement providing for the subsequent purchase of such investments. The securities purchased pursuant to this subdivision shall meet the eligibility standards prescribed for such class of investments.

15. During the period ending June thirtieth, nineteen hundred seventy-seven, the retirement board is authorized, in order to obtain the funds necessary to make investments without the conversion or sale of securities it holds, to borrow an amount not exceeding the amount to be invested, upon such terms and conditions as the board, by resolution, shall approve, which terms may include the pledge of any assets of such system as may be necessary to secure the repayment of the amount borrowed, provided that the total amount of such borrowing at no time shall exceed five per centum of the system's assets.

16. (a) The retirement system is authorized to photograph, microphotograph, film, record, copy, image or otherwise reproduce all or any part of its records by any process which accurately reproduces or forms a durable medium for reproducing any original document or record. Whenever the retirement system shall have so reproduced such records and whenever such reproductions or media have been placed in conveniently accessible files and provision has been made for preserving, examining and using the same, the retirement system may cause the original record which has been so reproduced to be disposed of or destroyed.

(b) Any reproduction or reproduction from any media authorized pursuant to this subdivision shall have the same force and effect as the originals thereof would have had and shall be deemed to be an original record for all purposes, including introduction in evidence in all courts or administrative agencies. Duly certified or authenticated copies of such reproductions shall be admitted in evidence equally with the original reproductions.

(c) A duly authorized representative of the retirement system is hereby authorized to certify to the authenticity of any reproduction herein authorized and the retirement system shall make such charges therefor as may be authorized by law.

17. Any real estate interests acquired by the retirement system pursuant to this section, or pursuant to any other provision of law, shall be conveyed to it directly by name, or may be taken in the name of a duly authorized nominee. The retirement system shall have the authority to organize corporations for the purpose of carrying out the intent of this subdivision, and may make loans to said corporations for

the purpose of operating, preserving, or otherwise servicing any property being held by said corporations.

18. Notwithstanding any other provision of this section, the retirement board shall have the power to delegate to one or more investment managers its authority to invest moneys belonging to the retirement system. The term "investment managers" as used in this subdivision shall include but not be limited to independent contractors selected by the retirement board.

19. Whenever a statute requires that a document must be filed or moneys deposited with the system within a prescribed period of time or by a specified date in order for a member to be eligible for service credit or a benefit from the system the document shall be deemed filed or the moneys deposited with the system on the date mailed if mailed to the system either through (1) the United States postal service by registered or certified mail or (2) such other equivalent postal mail service as the retirement board may specifically permit by rule or regulation with a tracking service confirming a date of mailing. Notwithstanding the provisions hereof, no such document shall be deemed filed or moneys deposited with the system on the mailing date unless actually received by the retirement system as the result of such mailing.