

**ONEIDA-HERKIMER SOLID WASTE AUTHORITY
2013 ANNUAL INVESTMENT REPORT**

Overview:

This investment report covers the Authority's investment activity for 2013. This report is being prepared in accordance with Section 10.2 of the Authority's bylaws, Section H of the Authority's approved Investment Policy and pursuant to NYS Public Authority's laws.

Objectives of the Authority's Investment Policy

1. Establish a system whereby current funds on hand in excess of immediate needs are invested to produce maximum earnings on these funds.
2. Assure that the investments are adequately safeguarded and will minimize any risk to the Authority.
3. Assure that the Authority is receiving a competitive rate of return on its investments.
4. Assure that adequate accounts and records are maintained which accurately reflect all investment transactions.
5. Comply with applicable restrictions imposed by law, including particularly but without limitation to the Authority Act and Title 7 of the Public Authorities Law, being Section 2925 thereof, or by trust indentures governing the Authority bonds, notes or other obligations.

The following bank accounts/investments were held during 2013:

FUND	BALANCE 1/1/2013	BALANCE 12/31/2013	CHANGE IN VALUE
REVENUE	\$ 5,425,032	\$2,112,982	(\$3,312,050)
REVENUE-CD	\$ 1,500,000	\$7,511,440	\$6,011,440
OPERATING	\$ 552,070	\$451,268	(\$100,802)
UTICA	\$ 1,098,021	\$986,270	(\$111,751)
ILION	\$ 69,397	\$71,717	\$2,320
LINER EXTENSION	\$ 1,267,581	\$231,716	(\$1,035,865)
LINER EXTENSION-CD	\$ 3,800,000	\$5,228,980	\$1,428,980
ASH LANDFILL CLOSURE	\$ 624,477	\$595,080	(\$29,397)
RLF CLOSURE	\$ 3,020,654	\$3,347,314	\$326,660
TOTAL	\$17,357,231	\$20,536,767	\$3,179,536

2013 ANNUAL INVESTMENT REPORT

PAGE 2

The following investments were held by our Trustee, Bank of New York/Mellon:

ACCT NAME	BALANCE 1/1/2013	BALANCE 12/31/2013	CHANGE IN VALUE
OHSWA-1998 DEBT SERVICE RESERVE FUND	\$3,184,000	\$3,184,000	\$0
OHSWA-1998 DEBT SERVICE RESERVE FUND #2	\$0		\$0
OHSWA-1998 DEBT SERVICE FUND	\$3,382,785	\$660,610	(\$2,722,175)
OHSWA-1998 BOND REDEMPTION FUND	\$1,518,438	\$1,508,043	(\$10,395)
OHSWA-1998 SINKING FUND	\$361,578	\$1,920,749	\$1,559,171
OHSWA-1998 REBATE FUND	\$9,352	\$9,352	\$0
OHSWA-2006 DEBT SERVICE RESERVE FUND	\$3,339,667	\$3,339,667	\$0
OHSWA-2006 DEBT SERVICE FUND	\$1,622,556	\$1,468,909	(\$153,647)
OHSWA-2007 DEBT SERVICE RESERVE FUND	\$458,220	\$458,046	(\$174)
OHSWA-2007 DEBT SERVICE FUND	\$278,722	\$269,613	(\$9,109)
OHSWA-2011 DEBT SERVICE RESERVE FUND	\$1,084,651	\$1,079,215	(\$5,436)
OHSWA-2011 DEBT SERVICE FUND	\$165,510	\$1,053,042	\$887,532
OHSWA-2011 COSTS OF ISSUANCE	\$0	\$0	\$0
OHSWA-2011 CONSTRUCTION FUND	\$0	\$0	(\$0)
TOTAL	\$15,405,478	\$14,951,246	(\$454,232)

OPENING BALANCE-TRUSTEE	\$15,405,478
2013 ADDITIONS:	
2013 DEBT SERVICE DEPOSITS	\$6,343,020
2013 BOND REDEMPTION DEPOSIT	\$200,000
2013 INTEREST EARNINGS	\$383,015
SUBTOTAL	\$22,331,513
2013 REDUCTIONS:	
2013 BOND REDEMPTION	\$209,487
2013 DEBT SERVICE PAYMENTS	\$7,170,780
SUBTOTAL	\$7,380,267
AVAILABLE BALANCE 12/31/2013	\$14,951,246

2013 ANNUAL INVESTMENT REPORT

PAGE 3

The following represents the interest earnings for 2013:

SOURCE	EARNINGS
TRUSTEE-BANK OF NY MELLON	\$383,015
BANK OF UTICA	\$98,814
CHEMUNG TRUST	(\$29,397)
KEY BANK/TRUST	\$11,660
TOTAL	\$464,092

The earnings from the trustee were primarily driven from the investments for the Authority's debt service reserve funds. These funds are invested in repurchase agreements, treasury bonds and a forward delivery agreement. The Authority receives various interest rates for these investments ranging from 4.52% to 4.80%.

During 2013 the Authority did not pay any investment advisor fees.