

**ONEIDA-HERKIMER SOLID WASTE AUTHORITY
2014 ANNUAL INVESTMENT REPORT**

Overview:

This investment report covers the Authority's investment activity for 2014. 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 2014:

FUND	BALANCE 1/1/2014	BALANCE 12/31/2014	CHANGE IN VALUE
REVENUE	\$2,112,982	\$2,690,294	\$577,312
REVENUE-CD	\$7,511,440	\$13,569,915	\$6,058,475
OPERATING	\$451,268	\$368,926	(\$82,342)
UTICA	\$986,270	\$1,027,880	\$41,610
ILION	\$71,717	\$78,786	\$7,069
LINER EXTENSION	\$231,716	\$1,635,734	\$1,404,018
LINER EXTENSION-CD	\$5,228,980	\$1,500,000	(\$3,728,980)
ASH LANDFILL CLOSURE	\$595,080	\$626,189	\$31,109
RLF CLOSURE	\$3,347,314	\$3,377,438	\$30,124
TOTAL	\$20,536,767	\$24,875,162	\$4,338,395

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

ACCT NAME	BALANCE 1/1/2014	BALANCE 12/31/2014	CHANGE IN VALUE
OHSWA-1998 DEBT SERVICE RESERVE FUND	\$3,184,000	\$0	(\$3,184,000)
OHSWA-1998 DEBT SERVICE RESERVE FUND #2	\$0	\$0	\$0
OHSWA-1998 DEBT SERVICE FUND	\$660,610	\$0	(\$660,610)
OHSWA-1998 BOND REDEMPTION FUND	\$1,508,043	\$1,843,000	\$334,957
OHSWA-1998 SINKING FUND	\$1,920,749	\$0	(\$1,920,749)
OHSWA-1998 REBATE FUND	\$9,352	\$0	(\$9,352)
OHSWA-2006 DEBT SERVICE RESERVE FUND	\$3,339,667	\$3,339,667	\$0
OHSWA-2006 DEBT SERVICE FUND	\$1,468,909	\$1,461,483	(\$7,426)
OHSWA-2007 DEBT SERVICE RESERVE FUND	\$458,046	\$468,807	\$10,761
OHSWA-2007 DEBT SERVICE FUND	\$269,613	\$256,103	(\$13,510)
OHSWA-2011 DEBT SERVICE RESERVE FUND	\$1,079,215	\$1,094,112	\$14,897
OHSWA-2011 DEBT SERVICE FUND	\$1,053,042	\$747,213	(\$305,829)
OHSWA-2011 COSTS OF ISSUANCE	\$0	\$0	\$0
OHSWA-2011 CONSTRUCTION FUND	\$0	\$0	\$0
TOTAL	\$14,951,246	\$9,210,385	(\$5,740,861)

OPENING BALANCE-TRUSTEE	\$14,951,246
2014 ADDITIONS:	
2014 DEBT SERVICE DEPOSITS	\$4,036,964
2014 BOND REDEMPTION DEPOSIT	\$400,000
2014 INTEREST EARNINGS	\$277,425
SUBTOTAL	\$19,665,635
2014 REDUCTIONS:	
2014 BOND REDEMPTION	\$74,873
2014 DEBT SERVICE PAYMENTS	\$6,897,276
2014(1998) DSR RELEASE	\$3,483,101
SUBTOTAL	\$10,455,250
AVAILABLE BALANCE 12/31/2014	\$9,210,385

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The following represents the interest earnings for 2014:

SOURCE	EARNINGS
TRUSTEE-BANK OF NY MELLON	\$277,425
BANK OF UTICA	\$83,305
CHEMUNG TRUST	\$31,109
KEY BANK/TRUST	\$30,124
TOTAL	\$421,963

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 2014 the Authority did not pay any investment advisor fees.