



2016 ANNUAL INVESTMENT REPORT

Overview:

This investment report covers the Authority’s investment activity for 2016. 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 2016:

FUND	BALANCE 1/1/2016	BALANCE 12/31/2016	CHANGE IN VALUE
REVENUE	\$1,733,392	\$5,468,700	\$3,735,308
REVENUE-CD	\$16,662,177	\$15,768,494	(\$893,683)
OPERATING	\$428,092	\$407,978	(\$20,114)
UTICA	\$864,843	\$893,828	\$28,985
ILION	\$102,401	\$130,740	\$28,339
LINER EXTENSION	\$519,237	\$1,061,477	\$542,240
LINER EXTENSION-CD	\$4,211,252	\$5,238,690	\$1,027,438
ASH LANDFILL CLOSURE	\$631,560	\$451,994	(\$179,566)
RLF CLOSURE	\$3,402,790	\$3,428,747	\$25,957
TOTAL	\$28,555,744	\$32,850,648	\$4,294,904

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

ACCT NAME	BALANCE 1/1/2016	BALANCE 12/31/2016	CHANGE IN VALUE
OHSWA- BOND REDEMPTION FUND	\$1,729,958	\$1,305,654	(\$424,304)
OHSWA-2006 DEBT SERVICE RESERVE FUND	\$2,084,285	\$2,050,284	(\$34,001)
OHSWA-2006 DEBT SERVICE FUND	\$1,450,435	\$1,325,842	(\$124,593)
OHSWA-2007 DEBT SERVICE RESERVE FUND	\$458,151	\$458,214	\$63
OHSWA-2007 DEBT SERVICE FUND	\$272,870	\$289,755	\$16,885
OHSWA-2011 DEBT SERVICE RESERVE FUND	\$1,108,482	\$1,120,738	\$12,256
OHSWA-2011 DEBT SERVICE FUND	\$762,489	\$783,166	\$20,677
TOTAL	\$7,866,670	\$7,333,653	(\$533,017)

The reduction in the Bond Redemption Fund was the result of a drawdown of \$833,000 for the purchase of new equipment. The 2006 Debt Service Fund and Debt Service Reserve Fund, were also decreased as a result of a reduction in annual debt service.

OPENING BALANCE-TRUSTEE		\$7,866,670
2016 ADDITIONS:		
2016 DEBT SERVICE DEPOSITS		\$3,256,000
2016 BOND REDEMPTION DEPOSIT		\$400,000
2016 INTEREST EARNINGS		\$85,662
	SUBTOTAL	\$11,608,662
2016 REDUCTIONS:		
2016 BOND REDEMPTION		\$833,464
2016 DEBT SERVICE PAYMENTS		\$3,441,215
	SUBTOTAL	\$4,274,679
AVAILABLE BALANCE 12/31/2016		\$7,333,653

The following represents the interest earnings paid for 2016:

SOURCE	EARNINGS
TRUSTEE-BANK OF NY MELLON	\$85,662
BANK OF UTICA	\$156,167
CHEMUNG TRUST	\$434
KEY BANK/TRUST	\$25,956
2015 EFC REFINANCING INVESTMENT	\$464,215
TOTAL	\$732,434

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.

During 2016 the Authority did not pay any investment advisor fees.