



2017 ANNUAL INVESTMENT REPORT

Overview:

This investment report covers the Authority's investment activity for 2017. 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 2017:

FUND	BALANCE 1/1/2017	BALANCE 12/31/2017	CHANGE IN VALUE
REVENUE	\$5,468,700	\$3,244,584	(\$2,224,116)
REVENUE-CD	\$15,768,494	\$17,956,583	\$2,188,089
OPERATING	\$407,978	\$612,727	\$204,749
UTICA	\$893,828	\$730,097	(\$163,731)
UTICA-CD	\$0	\$175,000	\$175,000
ILION	\$130,740	\$110,285	(\$20,455)
LINER EXTENSION	\$1,061,477	\$4,710,196	\$3,648,719
LINER EXTENSION-CD	\$5,238,690	\$1,816,963	(\$3,421,727)
ASH LANDFILL CLOSURE	\$451,994	\$455,020	\$3,026
RLF CLOSURE	\$3,428,747	\$3,460,325	\$31,578
TOTAL	\$32,850,648	\$33,271,780	\$421,132

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

ACCT NAME	BALANCE 1/1/2017	BALANCE 12/31/2017	CHANGE IN VALUE
OHSWA- BOND REDEMPTION FUND	\$1,305,654	\$1,169,963	(\$135,691)
OHSWA-2006 DEBT SERVICE RESERVE FUND	\$2,050,284	\$2,027,296	(\$22,988)
OHSWA-2006 DEBT SERVICE FUND	\$1,325,842	\$1,424,712	\$98,870
OHSWA-2007 DEBT SERVICE RESERVE FUND	\$458,214	\$0	(\$458,214)
OHSWA-2007 DEBT SERVICE FUND	\$289,755	\$0	(\$289,755)
OHSWA-2011 DEBT SERVICE RESERVE FUND	\$1,120,738	\$1,087,347	(\$33,391)
OHSWA-2011 DEBT SERVICE FUND	\$783,166	\$829,211	\$46,045
TOTAL	\$7,333,653	\$6,538,529	(\$795,124)

The reduction in the Bond Redemption Fund was the result of a drawdown of \$591,974 for the purchase of new equipment. The 2006 Debt Service Reserve Fund decreased as a result of a reduction in annual debt service. The 2007 Debt Service Fund and 2007 Debt Service Reserve Fund are closed out due to the retirement of the 2007 debt issue.

OPENING BALANCE-TRUSTEE		\$7,333,653
2017 ADDITIONS:		
2017 DEBT SERVICE DEPOSITS		\$5,659,607
2017 BOND REDEMPTION DEPOSIT		\$450,000
2017 INTEREST EARNINGS		\$74,004
SUBTOTAL		\$13,517,264
2017 REDUCTIONS:		
2017 BOND REDEMPTION		\$591,974
2017 DEBT SERVICE PAYMENTS		\$6,386,761
SUBTOTAL		\$6,978,735
AVAILABLE BALANCE 12/31/2017		\$6,538,529

The following represents the interest earnings paid for 2017:

SOURCE	EARNINGS
TRUSTEE-BANK OF NY MELLON	\$74,004
BANK OF UTICA	\$223,175
CHEMUNG TRUST	\$64
KEY BANK/TRUST	\$31,579
TOTAL	\$328,822

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 2017 the Authority did not pay any investment advisor fees.