



ANNUAL INVESTMENT REPORT – 2016

INVESTMENT PROCEDURES & POLICY

Approved by the Trustees on 06/29/2007

In accordance with the New York State Constitution and the guidelines of the Office of the NYS Comptroller, the Fund's investment program shall include four basic ingredients: legality, safety, liquidity and reasonable return. Except for US Treasuries, all fund investments will be fully collateralized and the collateral held by a third party.

- 1) The Fund's Acting Executive Director, in their role as administrator, shall be responsible for all investments of the Fund.
- 2) All investments are to be made for the Fund through the NYS Office of the State Comptroller, overseen by the Acting Executive Director, with the assistance of the accountant.
- 3) In making investments for the Fund, the financial institution shall adhere to the State of New York's "Investment Guidelines for Public Authorities", and as from time to time may be revised.
- 4) The Fund's Board of Trustees and Acting Executive Director will review and consult on the Fund's investments at least annually. During such consultations, all variables are to be discussed, including, but not limited to, type, term and quality of investment and rate of return. A reasonable rate of return at minimal risk shall be the foremost goal for all Fund investments.
- 5) The financial institution shall provide the Fund with written verification of each investment and the monthly account reconciliations showing all investments and cash balances of the Fund.
- 6) The Fund's Acting Executive Director shall maintain all records relating to the Fund's investments and adhere to required reporting requirements. All records and documents relating to investments shall be periodically reviewed by the Fund's trustees.
- 7) The Fund's Board of Trustees is hereby deemed the Investment Committee and shall be provided with periodic investment reports detailing the Fund's investments, including the

system of internal controls, collateralization of securities purchased assessment of investment objectives and review of independent audits. The Trustees shall review said reports and make such recommendations as they may deem appropriate.

- 8) The Fund shall engage an independent public accounting firm to annually review its investments and to prepare the annual investment reports required by the appropriate State oversight agencies.
- 9) Until further notice it shall be the policy of the Fund to invest all spare cash in the NYS Office of the State Comptroller Short Term Investment Program (STIP).

Investment Information for New York State – December 31, 2016

INVESTMENTS:

At December 31, 2016, the Fund investments consisted of deposits with the NYS STIP program in the total amount of \$8,864,062.91. The deposits were third part collateralized at year end.

INVESTMENT EARNINGS:

Investment earnings totaled \$38,343.33 for the year ended December 31, 2016 and consisted of interest earned on deposits with the NYS STIP program. The average yield on the Fund's investments was approximately 0.02% with Key Bank. The average yield rate for Trustco Bank was approximately 0.07%.

FEES AND COMMISSION:

The fees related to the Fund were \$850.07.

2016 INVESTMENT INCOME REPORT

Interest Income	<u>Deposit- Month</u>	<u>Amount</u>
	Jan 2016 Interest	\$ 226.01
	Feb 2016 Interest	\$ 287.11
	Mar 2016 Interest	\$ 332.29
	Apr 2016 Interest	\$ 346.43
	May 2016 Interest	\$ 599.05
	Jun 2016 Interest	\$ 1,598.27
	Jul 2016 Interest	\$ 7,194.42
	Aug 2016 Interest	\$ 5,257.85
	Sep 2016 Interest	\$ 4,566.21
	Oct 2016 Interest	\$ 4,086.81
	Nov 2016 Interest	\$ 4,460.28
	Dec 2016 Interest	\$ 4,888.60
	<u>Total Interest Income</u>	<u>\$ 33,843.33</u>

NOTE: The Fund switched banks from Key Bank to Trustco Bank, effective June 28, 2016.