

SCHOHARIE COUNTY CAPITAL RESOURCE CORPORATION ANNUAL INVESTMENT REPORT

7/1/15 – 6/30/16

Section 2925(6) of New York Public Authorities Law requires that State Authorities prepare and approve an investment report annually. In addition, article six of the Authority's Investment Guidelines (the Guidelines) requires the Chairperson of the Authority to submit to the directors an Annual Investment Report prepared with the assistance of the Executive Director of the Authority. The Law and the Guidelines both require the Annual Investment Report to include the following:

1. Investment Guidelines and Amendments of SCCRC

Deposits and Investments of Agency Funds were adopted May 16, 2012.

2. Explanation of SCCRC's Investment Guidelines and Amendments

The purpose of the Guidelines is to safeguard the principal amount of invested funds. In support of that purpose, the Guidelines also aim to assist the Authority in maintaining proper levels of investment liquidity, realizing a reasonable rate of return on investments and properly diversifying investments. To do so the Guidelines govern investment activities and the monitoring, maintenance, accounting, reporting and internal controls for investment activities.

The Guidelines originally approved through Resolution on May 16, 2012 and in effect for the 2015/2016 fiscal year reflect the principles and precepts of investment safety and control contained in Section 3954(12) of New York Public Authorities Law and the State Comptroller's Investment Guidelines for Public Authorities as revised in January 1998.

3. The Annual Investment Audit resulted in no recommendations.

4. Investment Income and Activity

In fiscal year 2015/2016, the SCCRC's operating fund was maintained with NBT Bank, N.A. All bank deposits of the SCCRC were fully collateralized. Deposits of up to \$250,000 were guaranteed by the Federal Deposit Insurance Corporation (FDIC) and operating fund deposits over \$250,000 were collateralized as per Section 2 of the Resolution Amending the Deposits and Investments of the Agency Funds Policy.

In fiscal 2015/2016, the SCCRC's operating fund was interest bearing. The SCCRC's 2016 audited financial statements list \$3 in interest earned. As of June 30, 2016 the SCCRC's operating fund balance was \$46,881.

5. Investment-Related Fees

No investment-related fees were incurred during fiscal year 2015/2016.