



Erie County Fiscal Stability Authority



2023 INVESTMENT REPORT

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:

- a copy of the Guidelines and any amendments to those guidelines since the last Annual Investment Report;
- an explanation of the Guidelines and any amendments;
- results of the Annual Investment Audit;
- the investment income record of the Authority; and
- a list of the total fees, commissions or other charges paid to each investment banker, broker, agent, dealer and adviser rendering investment associated services to the Authority since the last investment report;

The following information is presented to fulfill those requirements.

Explanation of the Authority'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 23-05 on May 31, 2023 and in effect for the 2023 calendar 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. There were no amendments to the Guidelines in 2023.

Investment Income and Activity

In calendar year 2023, the Authority's primary operating account is maintained with JP Morgan Chase Bank and has one other operating account with Key Bank. The Authority's investment accounts are maintained by M & T Bank/Wilmington Trust. All bank deposits of the Authority 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 by U.S. Treasury obligations. All operating fund collateral was held by Key Bank, JP Morgan Chase Bank, NA and M&T Bank.

Monies are held in trust accounts with M&T Bank/Wilmington Trust to meet escrow requirements related to ECFSA bondholder payments. Escrow funds are collateralized up to \$250,000 through the FDIC. Funds in excess of that amount are collateralized by US Treasury bonds.

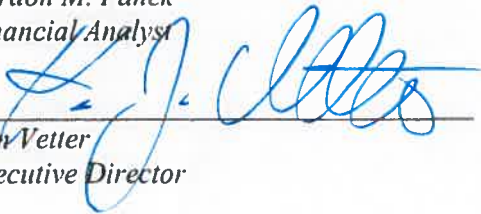
In 2023, the Authority's main operating account (JP Morgan Chase) and Key bank accounts were interest bearing. The Authority's 2023 audited financial statements list \$4,806 of interest earned from both JP Morgan Chase & Key Bank accounts.

Investment-Related Fees

Custodial / Trustee fees of \$7,000 were paid to Wilmington Trust in 2023 for maintaining ECFSA's bond debt service accounts. No other investment-related or bank fees were incurred during calendar year 2023.



Gordon M. Panek
Financial Analyst



Ken Vetter
Executive Director

Date: March 25, 2024