

**Erie County Industrial Development Agency
Investment Report**

For the year ended December 31, 2016

Erie County Industrial Development Agency

2016 Annual Investment Report

Purpose of Report:

Under Section 2925(6) of the Public Authorities Law, the ECIDA is required to prepare and approve an annual Investment Report. The Investment Report is to include: the investment guidelines (see below), the results of the annual independent investment audit (see below), a list of the total investment income received by the corporation and a list of the fees, commissions or other charges paid to each investment banker, broker, agent, dealer and advisor rendering investment associated services to the corporation since the last Investment Report.

The attached schedule details the corporation's investment income and related fees for the year ended December 31, 2016 and were approved by the ECIDA membership on March 22, 2017.

Investment Guidelines:

In accordance with Section 2925 of the Public Authorities Law, the ECIDA is required to adopt Investment Guidelines which detail its operative policy and instructions to staff regarding the investing, monitoring and reporting of funds of the Agency. In addition, the ECIDA is subject to the deposit and investment restrictions contained in Sections 10 and 11 of the General Municipal Law.

The Investment Guidelines were approved by the ECIDA membership on March 22, 2017 and are posted on the ECIDA website at <http://www.ecidany.com/about-us-corporate-policies>. The Investment Guidelines are consistent with the prior Guidelines adopted on March 30, 2016.

Investment Audit:

The auditors for the ECIDA have audited the corporation's compliance with the Investment Guidelines for Public Authorities. In their report dated March 13, 2017 Lumsden & McCormick indicated that the Agency complied, in all material respects, with these Investment Guidelines.

Erie County Industrial Development Agency (ECIDA)

Annual Investment Report

For the year ended December 31, 2016

Account Type	Financial Institution	G/L Balance		Interest Rate** Dec 2016	Investment Income	Fees	Restricted	Purpose
		1/1/2016	12/31/2016					
1 Checking	First Niagara	\$ 10,280,922	\$ -	N/A	\$ 7,960	\$ -	✓	General ECIDA Checking account
2 Checking	First Niagara	221,440	-	N/A	92	-	✓	Restricted account for Erie County shortline railroad related activities
3 Checking	First Niagara	2,307,680	-	N/A	1,667	-	✓	Restricted account for BLCF, Riverbend and Northland development
4 Checking	First Niagara	1,497,719	-	N/A	467	-	✓	Restricted account for North Youngman Commerce Center
5 Checking	First Niagara	85,008	-	N/A	34	-	✓	Restricted account for Buffalo Urban Development Corporation
6 Checking	First Niagara	14,034	-	N/A	1	-	✓	Restricted account for Buffalo Economic Renaissance Corporation
7 Checking	First Niagara	5,570,809	-	N/A	13	-	✓	Restricted account for Infrastructure Improvements in the Seneca Street Corridor District
8 Checking	First Niagara	100	-	N/A	9,428	-	✓	ECIDA UDAG Fund general operating/investment account
9 Petty Cash	n/a	-	-	-	-	-	-	General Petty Cash account
10 Checking	KeyBank	-	9,569,925	0.10%	10,184	-	✓	General ECIDA Checking account
11 Checking	KeyBank	-	116,017	0.11%	130	-	✓	Restricted account for Erie County shortline railroad related activities
12 Checking	KeyBank	-	2,287,283	0.10%	2,156	-	✓	Restricted account for BLCF, Riverbend and Northland development
13 Checking	KeyBank	-	1,087,094	0.11%	747	-	✓	Restricted account for North Youngman Commerce Center
14 Checking	KeyBank	-	106,713	0.11%	58	-	✓	Restricted account for Buffalo Urban Development Corporation
15 Checking	KeyBank	-	28,467	0.02%	2	-	✓	Restricted account for Buffalo Economic Renaissance Corporation
16 Checking	KeyBank	-	202,896	0.09%	43	-	✓	Restricted account for Infrastructure Improvements in the Seneca Street Corridor District
17 Checking	KeyBank	-	14,807,635	0.10%	12,984	-	✓	ECIDA UDAG Fund general operating/investment account
18 Preferred Custody Account	Citibank	-	1,000,000	0.00%	-	-	✓	Field in escrow in accordance with Gemcor II sale agreement
		\$ 19,977,712	\$ 29,206,029		\$ 45,965	\$ -		

Notes:

During 2016, BUIDC and BBRC's accounts were transferred from First Niagara to KeyBank, upon KeyBank's acquisition of First Niagara.

** The Interest Rate is the annualized rate for the month of December 2016 and is prior to the deduction of any fees.