

2019 Annual Report on
Investment of Authority Funds

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Section I

New York Power Authority Guidelines for the Investment of Funds

I. General

These Guidelines for the Investment of Funds (the “Guidelines”) are intended to effectuate the applicable provisions of the General Resolution Authorizing Revenue Obligations, adopted February 24, 1998 (the “Resolution”), the lien and pledge of which covers all accounts and funds of the Authority and that governs the Authority's existing policies and procedures concerning the investment of funds as contained in these Guidelines. In a conflict between the Guidelines and the Resolution, the latter shall prevail. In addition, these Guidelines are intended to effectuate the provisions of Section 2925 of the New York State Public Authorities Law.

II. Responsibility for Investments

The Deputy Treasurer and Investment Officer have the responsibility for the investment of Authority funds under the general supervision of the Treasury Investment Committee, formally comprised of the Executive Vice President and Chief Financial Officer, Treasurer, SVP & CRO, Controller, and VP Finance. Alternate members may include other appointees as so deemed appropriate by the EVP and CFO. The Treasurer shall ensure that an operating manual is maintained that provides a detailed description of procedures for maintaining records of investment transactions and related information.

III. Investment Goals

The Treasurer and Deputy Treasurer are responsible for maximizing the yield on investments consistent with requirements for safety, liquidity and minimization of risk. Monies will not be invested for terms in excess of the projected use of funds.

IV. Authorized Investments

A. Monies in funds established pursuant to the Resolution shall be invested in Authorized Investments or Authorized Certificates of Deposit, defined as follows:

“Authorized Investments” shall mean:

1. Direct obligations of or obligations guaranteed by the United States of America or the State of New York;
2. Bonds, debentures, notes or other obligations issued or guaranteed by any of the following: Federal National Mortgage Association (including Participation Certificates), Government National Mortgage Association, Federal Financing Bank, Federal Home Loan Mortgage Corporation and

Federal Home Loan Banks, Federal Housing Administration, Federal Farm Credit Banks Funding Corporation, Federal Farm Credit Banks, Federal Intermediate Credit Banks, Federal Banks for Cooperatives, Federal Land Banks or any other agency controlled or supervised by and acting as an instrumentality of the United States government;

3. Obligations of any state of the United States of America or any political subdivision thereof or any agency, instrumentality or local government unit of any such state or political subdivision that shall be rated at the time of the investment in any of the three highest long-term Rating Categories, as such term is defined in the Resolution, or the highest short-term Rating Category by a Rating Agency, as such term is defined in the Resolution.
4. Public Housing Bonds issued by Public Housing Authorities and fully secured as to the payment of both principal and interest by a pledge of annual contributions under an Annual Contributions Contract with the United States of America; or Project Notes issued by Local Public Agencies, in each case, fully secured as to the payment of both principal and interest by a requisition or payment agreement with the United States of America; provided that such Bonds or Notes are guaranteed by the United States of America.
5. Money market funds, as defined in the Investment Company Act of 1940, registered under the Federal Securities Act of 1933, and whose objective is to maintain a constant share value of \$1.00, provided that: (a) no more than \$50 million of the Authority's investments shall be invested in any one money market fund for more than thirty consecutive business days; and (b) no more than 40 percent of the total amount of the Authority's investments shall be invested in money market funds at any time.
6. Guaranteed Investment Contracts or GIC Funds issued by creditworthy insurance companies and collateralized by issuer's general or separate account assets, provided that no more than \$50 million of the Authority's investments shall be invested in any one contract or fund.
7. Reverse repurchase agreements with any bank or trust company organized under the laws of any state of the United States of America or any national banking association or government bond dealer reporting to, trading with, and recognized as a primary dealer by the Federal Reserve Bank of New York, which agreement is secured by any one or more of the securities described in paragraph (1) or (2) of this subdivision, which securities shall at all times have a market value of not less than the full amount of the repurchase agreement and be delivered to another bank or trust company organized under the laws of New York State or any national banking association domiciled in New York State, as custodian.

“Authorized Certificate of Deposit” shall mean a certificate of deposit authorized by the Resolution as an “Authorized Investment.” These include CDs offered through the Certificate of Deposit Account Registry Service (“CDARS”) program provided the co-operative property/casualty insurance company retains title on each CD purchased.

- B. The Authority, as an issuer of tax-exempt obligations, must not engage in any arbitrage practice prohibited by the arbitrage regulations promulgated under the Internal Revenue Code. In no event shall Authority funds be invested in a manner that would violate the provisions of such arbitrage regulations.

V. Provisions Relating to Qualifications of Dealers and Banks

- A.1. The purchase and/or sale of Authorized Investments shall be transacted only through banks, trust companies or national banking associations (herein collectively termed “Banks”) that are members of the Federal Reserve System and government security dealers (herein termed “Dealers”), which are Banks and Dealers reporting to, trading with and recognized as primary dealers by the Federal Reserve Bank of New York. A list of authorized Banks and Dealers shall be maintained. Banks and Dealers shall have demonstrated an ability to:
 - a) offer superior rates or prices on the types and amounts of securities required;
 - b) provide a high degree of attention to the Authority's investment objectives; and
 - c) execute trades in a timely and accurate manner.
- A.2. Authorized Investments may also be purchased or sold through minority-owned, women-owned, and service-disabled veteran owned firms authorized to transact business in the U.S. government and municipal securities markets. Such qualified firms shall demonstrate the qualities detailed in clauses (a), (b) and (c) of Section V.A.1.
- A.3.A. Municipal securities qualifying as Authorized Investments may also be purchased or sold through any municipal bond dealer registered in the State of New York that demonstrates the qualities detailed in clauses (a), (b) and (c) of Section V.A.1.
- B. Authorized Certificates of Deposit and time deposits (“Time Deposits”) shall be purchased directly from Banks that:
 - (1) are members of the Federal Reserve System transacting business in the State of New York;
 - (2) have capital and surplus aggregating at least \$50 million; and
 - (3) demonstrate all the qualities detailed in clauses (a), (b) and (c) of Section V.A.1.

- C. Authorized Investments purchased by the Authority or collateral securing its investments shall be deposited only with custodians designated by the Authority. Such custodians shall be Banks that are members of the Federal Reserve System transacting business in the State of New York or creditworthy banks or trust companies authorized to do business in the State of New York.
- D. The Authority shall file with each qualified dealer a letter agreement that designates the (1) type of authorized investments, (2) Authority employees who are authorized to transact business and (3) delivery instructions for the safekeeping of investments.
- E. The Authority shall enter into a written contract with any (1) Dealer from which Authorized Investments are purchased subject to a repurchase agreement and (2) Bank from which Authorized Certificates of Deposit are purchased.

VI. General Policies Governing Investment Transactions

- A. Competitive quotations or negotiated prices shall be obtained except in the purchase of government securities at their initial auction or upon initial offering. A minimum of three quotes shall be obtained and documented from Dealers and/or Banks, except as indicated above, and the most favorable quote accepted. The Treasurer or Deputy Treasurer may waive this or other requirements and limits on a single-transaction basis only if warranted by market conditions and documented in writing.
- B. Authorized Investments purchased shall be either delivered to the Authority's designated custodian or, in the case of securities held in a book-entry account maintained at the Federal Reserve Bank of New York or the Depository Trust Company, recorded in the Authority's name or in the name of a nominee agent or custodian designated by the Authority on the books of the Federal Reserve Bank of New York or the Depository Trust Company. Payment shall be made to the Dealer or Bank only upon receipt by the Authority's custodian of (1) the securities or (2) in the case of securities held in a book-entry account, written advice or wire confirmation from the Federal Reserve Bank of New York or the Depository Trust Company that the necessary book entry has been made.
- C. Each purchase or sale of Authorized Investments or Authorized Certificates of Deposit shall be authorized by the Treasurer or Deputy Treasurer. Investment orders may be placed by Authority employees as designated by the Treasurer. The custodian shall have standing instructions to send a transaction advice to the Authority's Controller for purposes of comparison with internal records. The Controller shall advise the Treasurer of any variances, and the Treasurer shall ensure appropriate corrections are provided.

VII. Policies Concerning Certain Types of Investment Diversification Standards Required

A. Authorized Certificates of Deposit and Time Deposits

1. Authorized Certificates of Deposit and Time Deposits shall be purchased directly from a Bank in the primary market.
2. Authorized Certificates of Deposit and Time Deposits shall be continuously secured/collateralized by Authorized Investments defined in subsection (1) or (2) of Section IV.A., having a market value (exclusive of accrued interest) at all times at least equal to the principal amount of such Certificates of Deposit or Time Deposits. Such Authorized Investments shall be segregated in a separate custodian account on behalf of the Authority. Collateral pledged for Certificates of Deposit or Time Deposits held as investments shall be market valued (marked to market) not less than once per week.
3. Investments in Authorized Certificates of Deposit or Time Deposits shall not exceed 25% of the Authority's invested funds. The par value of Authorized Certificates of Deposit purchased from any one Bank shall not exceed \$25 million.

B. Repurchase Agreements

The Authority may from time to time elect to enter into arrangements for the purchase and resale of Authorized Investments (known as "Repurchase Agreements"). This type of investment transaction shall be used only when there is no other viable, short-term investment alternative.

1. A Repurchase Agreement shall be transacted only with banks or trust companies authorized to do business in the State of New York or from broker dealers on the Federal Reserve Bank of New York's list of primary government securities dealers.
2. Authorized Investments purchased subject to a Repurchase Agreement shall be marked to market daily to ensure their value equals or exceeds the purchase price.
3. A Repurchase Agreement shall be limited to a maximum fixed term of 30 days. Payment for the purchased securities shall be made against delivery to the Authority's designated custodian (which shall not be a party to the transaction as seller or seller's agent) or, in the case of securities held in a book-entry account maintained at the Federal Reserve Bank of New York or the Depository Trust Company, written advice that the securities are recorded in the Authority's name or in the name of a nominee, agent or

custodian designated by the Authority on the books of the Federal Reserve Bank or the Depository Trust Company.

4. No more than \$50 million of Authorized Investments shall be purchased under a Repurchase Agreement with any one Dealer or Bank. This requirement may be waived by the Executive Vice President and Chief Financial Officer on a single- transaction basis only if warranted by special circumstances and documented in writing.
5. The aggregate amount invested in Repurchase or Reverse Repurchase Agreements may not exceed \$250 million. The Executive Vice President and Chief Financial Officer may waive this requirement on a single-transaction basis only if warranted by cash-flow requirements and documented in writing.

VIII. Review

These Guidelines and any proposed amendments shall be submitted for Trustee review and approval at least once a year.

In addition to the Authority's periodic review, the Authority's independent auditors, in connection with their examination of the Authority, shall perform an annual audit of the investment portfolio, review investment procedures and prepare a report, the results of which will be made available to the Trustees.

IX. Reports

- A. The Treasurer shall submit an investment report to the Trustees, at least quarterly. Such report shall contain a (1) detailed description of each investment; (2) summary of the dealers and banks from which such securities were purchased and (3) a list of fees, commissions or other charges, if any, paid to advisors or other entities rendering investment services.
- B. The Treasurer shall submit an annual report for approval by the Trustees. In addition to the information provided quarterly, the Annual Report shall include (i) a copy of the Guidelines; (ii) an explanation of the Guidelines and any amendments thereto since the last annual report; (iii) the results of an annual independent audit of investment inventory and procedures and (iv) a record of income earned on invested funds. The approved report shall be submitted to the State Division of the Budget with copies distributed to the Office of the State Comptroller, the Senate Finance Committee and the Assembly Ways and Means Committee. Copies shall be made available to the public upon written reasonable request.
- C. Any waivers that occurred during the prior month shall be reported to the Executive Vice President and Chief Financial Officer.

X. Miscellaneous

- A. These Guidelines are intended for guidance of officers and employees of the Authority only, and nothing contained herein is intended or shall be construed to confer upon any person, firm or corporation any right, remedy, claim or benefit under, or by reason of, any requirement or provision thereof.
- B. Nothing contained in these Guidelines shall be deemed to alter, affect the validity of, modify the terms of or impair any contract, agreement or investment of funds made or entered into in violation of, or without compliance with, the provisions of these Guidelines.
- C. No provisions in these Guidelines shall be the basis of any claim against any Trustee, officer or employee of the Authority in his or her individual or official capacity or against the Authority itself.

Section II

EXPLANATION OF INVESTMENT GUIDELINES

Section II Responsibility for Investments

Establishes responsibility for the Investment of Authority Funds and limits the number of individuals authorized to place investment orders.

Section III Investment Goal

Establishes the policy that earning a reasonable return on investments must be consistent with standards set for minimization of risk and availability of funds when needed.

Section IV Authorized Investments

Details the types of investments the Authority can undertake as prescribed in Section 101 of the Resolution.

This section also requires that investments made in each of the Funds established under the Resolution be invested for a term commensurate with cash-flow expectations and that such investments not violate the arbitrage regulations of the Internal Revenue Code.

Section V Provisions Relating to Qualifications of Dealers and Banks

Establishes criteria for the selection of banks and dealers from which the Authority may buy or sell investments. Business is transacted with firms that have demonstrated financial strength and a high degree of reliability with respect to servicing the Authority's needs. This section also directs that custody of Authority investments be maintained by banks that are members of the Federal Reserve System transacting business in the State of New York.

This section also addresses the subject of contracts with banks and dealers for the purchase or sale of Authorized Investments. The Authority has written Letters of Agreement with authorized dealers that specify the types of securities in which the Authority may invest and identify those Authority individuals authorized to give instructions related to the purchase and sale of securities. In addition, the Authority shall have a written form of agreement for use in repurchase transactions with any authorized dealer with which the Authority may transact this type of investment.

Section VI General Policies Governing Investment Transactions

Requires that the Authority solicit no less than three bids for the purchase or sale of securities in order to ensure the most favorable rate except when securities are purchased at their initial auction, upon new issue or through negotiated prices.

Requires that the Authority or its custodian, prior to payment, take possession of such securities, or in the case of book-entry securities, obtain written advice or wire confirmation that transfer or ownership has been recorded.

Establishes authorized employees to approve the purchase or sale of securities.

Establishes control procedures whereby the Controller shall compare the custodian's confirmation to Authority records.

Section VII Policy Concerning Certain Types of Investment Diversification Standards Required

Establishes a policy concerning the purchase of Authorized Certificates of Deposit and Time Deposits intended to minimize the risk associated with such transactions. Authorized Certificates of Deposit or Time Deposits may be purchased directly from a bank that is a member of the Federal Reserve System transacting business in the State of New York. Such deposits shall be continuously secured by Authorized Investments as outlined in subsection (1) or (2) of Section IV.A. This collateral shall be regularly priced to current market to assure the Authority's security interest is continuously protected. Aggregate holdings of Authorized Certificates of Deposit shall not exceed 25% of the Authority's total investment. Authorized Certificates of Deposit purchased from any one bank shall not exceed \$25 million.

Establishes a policy intended to minimize the risk associated with arrangements for the purchase and resale of Authorized Investments known as Repurchase Agreements ("Repos"). Repos purchased from any one qualified dealer or bank shall not exceed \$50 million and shall be limited to a maximum fixed term of five business days. Aggregate investments in Repos shall not exceed the greater of 5% of the Authority's total investments or \$100 million. All securities purchased under the terms of a Repo shall be held in safekeeping by a designated custodian for the Authority. Such securities shall be priced to market on a daily basis to assure the Authority's security interest.

Section VIII Review

Establishes policy requiring review of the Guidelines at least once a year. Requires an annual audit by the Authority's independent auditors of the Authority's investment portfolio and compliance with the guidelines established by the Authority and the State Comptroller.

Section IX Reports

Establishes policy requiring submission of reports to the Authority's Trustees concerning the management and performance of the Authority's portfolio.

This Section also requires that an annual report be submitted for approval by the Authority's Trustees. Copies of the approved report shall be sent to the State Division of the Budget, Office of the State Comptroller, Senate Finance Committee and Assembly Way and Means Committee.

Section III

A. Investment Income Record

During 2019, the Authority's investment portfolio market value averaged approximately \$927 million and earned approximately \$18.4 million.

The earnings, by fund, were as follows (dollars in millions):

Operating Fund	\$17.9
Capital (Construction Funds)	<u>0.5</u>
Total	\$ 18.4

The 2019 investment income was higher than investment income earned in 2018. Maturing securities rolled off the portfolio and the proceeds from matured securities and investment of new cash flows were invested in higher yielding securities throughout the year.

B. Fees Paid for Other Post-Employment Benefits Trust Fund Investment/Advisory Services

\$ 39,556	Ariel Investments
\$ 223,709	CenterSquare Investment Management
\$ 62,888	Garcia Hamilton
\$ 380,004	Lazard Asset Management
\$ 39,029	Loomis Sayles
\$ 196,977	MacKay & Shields
\$ 25,186	Matarin Capital Management
\$ 70,459	New Amsterdam
\$ 294,524	NEPC (Advisory Services)
\$ 88,254	State Street Global Advisors
\$ 391,021	Wellington International
<u>\$ 222,451</u>	Wells Capital Management Inc.
\$2,034,056	Total

Fees were paid from the OPEB Trust Fund.

C. Results of the Annual Independent Audit

In connection with its examination of the Authority's financial statements, KPMG LLP ("KPMG") performed tests of the Authority's compliance with certain provisions of the Investment Guidelines, the State Comptroller's Investment Guidelines and Section 2925 of the Public Authorities Law. Based on discussions with KPMG, Staff is of the opinion that KPMG's written report, which will be delivered upon approval of the financial statements by the Board, will state that the Authority complied, in all material respects, with the requirements during the year ended December 31, 2019. Consequently, staff believes the Authority is in compliance with the Investment Guidelines, the State Comptroller's Investment Guidelines and Section 2925 of the Public Authorities Law.



KPMG LLP
345 Park Avenue
New York, NY 10154-0102

Independent Accountants' Report

The Board of Trustees
New York Power Authority:

We have examined the Power Authority of the State of New York's (the Authority) compliance with the requirements of Section 201.3 of Title Two of the *Official Compilation of Codes, Rules, and Regulations of the State of New York* for the year ended December 31, 2019. The Authority's management is responsible for the Authority's compliance with those requirements. Our responsibility is to express an opinion on the Authority's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and in accordance with the standards applicable to attestation engagements contained in *Government Auditing Standards* established by the Comptroller General of the United States. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion about compliance with the specified requirements is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about whether management's assertion is fairly stated, in all material respects. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the Authority's compliance with specified requirements.

In our opinion, the Authority complied with the requirements of Section 102.3 of Title Two of the *Official Compilation of Codes, Rules and Regulations of the State of New York* for the year ended December 31, 2019, in all material respects.

In accordance with *Government Auditing Standards* we are required to report findings of deficiencies in internal control, violations of provisions of laws, regulations, contracts, or grant proceeds, and instances of fraud and abuse that are material to the Authority's compliance with the requirements of Section 201.3 of Title Two of the *Official Compilation of Codes, Rules, and Regulations of the State of New York* that come to our attention during our examination. We are also required to obtain the views of management on those matters. We performed our examination to express an opinion on whether the Authority complied with the aforementioned requirements and not for the purpose of expressing an opinion on the internal control over compliance with those requirements or the other matters referred to above; accordingly, we express no such opinions. The results of our tests disclosed no matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management of the Authority, members of the Authority's Board of Trustees and the New York State Office and State Comptroller, and is not intended to be and should not be used by anyone other than the specified parties.

KPMG LLP

New York, New York
March 30, 2020

NEW YORK POWER AUTHORITY
INVENTORY REPORT BY PORTFOLIO AND SECURITY TYPE
HOLDINGS AS OF 12/31/19

<u>PORTFOLIO / SECURITY</u>	<u>SECURITY DESCRIPTION</u>	<u>PAR AMOUNT</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>YIELD TO MATURITY</u>	<u>PRINCIPAL COST</u>	<u>TOTAL COST</u>
PORTFOLIO: BG ECO ENHANCEMENT							
MONEY MARKET FUND							
90262Y760	UBS Select Government Inst. Fund	<u>2,003,447.63</u>	1/1/2020	1.51	<u>1.571</u>	<u>2,003,447.63</u>	<u>2,003,447.63</u>
Subtotal:	MONEY MARKET FUND	2,003,447.63			1.571	2,003,447.63	2,003,447.63
Subtotal: PORTFOLIO: BG ECO ENHANCEMENT		2,003,447.63			1.571	2,003,447.63	2,003,447.63
PORTFOLIO: NIAGARA TAXABLE							
TREASURY							
912828J50	Treasury Note	<u>3,000,000.00</u>	2/29/2020	1.38	<u>2.596</u>	<u>2,959,335.94</u>	<u>2,959,335.94</u>
Subtotal:	TREASURY	3,000,000.00			2.596	2,959,335.94	2,959,335.94
Subtotal: PORTFOLIO: NIAGARA TAXABLE		3,000,000.00			2.596	2,959,335.94	2,959,335.94
PORTFOLIO: OPERATING NNY ECONOMIC DEVELOPMENT							
MONEY MARKET FUND							
74926P696	RBC US Government Money Market Fund	<u>4,808,400.39</u>	1/1/2020	1.58	<u>1.601</u>	<u>4,808,400.39</u>	<u>4,808,400.39</u>
Subtotal:	MONEY MARKET FUND	4,808,400.39			1.601	4,808,400.39	4,808,400.39
Subtotal: PORTFOLIO: OPERATING NNY ECONOMIC DEVELOPMENT		4,808,400.39			1.601	4,808,400.39	4,808,400.39
PORTFOLIO: OPERATING SPENT FUEL							
FREDDIE MAC							
3137FIXP9	FHLMC	<u>3,331,094.44</u>	2/25/2025	3.75	<u>3.518</u>	<u>3,379,332.02</u>	<u>3,379,332.02</u>
Subtotal:	FREDDIE MAC	3,331,094.44			3.518	3,379,332.02	3,379,332.02
HOME LOAN							
3130AF3M7	FHLB	25,000,000.00	4/15/2021	2.92	2.945	24,984,750.00	24,984,750.00
3130AHE25	FHLB	20,000,000.00	10/28/2021	2.00	1.990	20,004,000.00	20,006,222.22
Subtotal:	HOME LOAN	45,000,000.00			2.520	44,988,750.00	44,990,972.22
MUNICIPAL							
64990ANS0	NYS DORM PIT	5,215,000.00	3/15/2021	3.06	3.070	5,213,957.00	5,213,957.00
64990ANT8	NYS DORM PIT	40,000.00	3/15/2022	3.18	3.216	39,964.00	39,964.00
64990APC3	NYS DORM PIT	7,335,000.00	3/15/2022	3.18	3.187	7,333,533.00	7,333,533.00
20772J3G5	CT ST GEN OBLIG	<u>11,430,000.00</u>	8/15/2022	2.02	<u>1.828</u>	<u>11,551,843.80</u>	<u>11,551,843.80</u>
Subtotal:	MUNICIPAL	24,020,000.00			2.515	24,139,297.80	24,139,297.80
TREASURY							
912828J99	Treasury Note	<u>23,000,000.00</u>	10/31/2020	1.38	<u>1.756</u>	<u>22,906,562.50</u>	<u>22,906,562.50</u>
Subtotal:	TREASURY	23,000,000.00			1.756	22,906,562.50	22,906,562.50
PROJECT LOAN							
36225BM21	GNMA POOL #781277	<u>116,988.66</u>	12/15/2028	7.00	6.757	<u>120,461.76</u>	<u>120,461.76</u>
Subtotal:	PROJECT LOAN	116,988.66			6.757	120,461.76	120,461.76
Subtotal: PORTFOLIO: OPERATING SPENT FUEL		95,468,083.10			2.375	95,534,404.08	95,536,626.30

NEW YORK POWER AUTHORITY
INVENTORY REPORT BY PORTFOLIO AND SECURITY TYPE
HOLDINGS AS OF 12/31/19

PORTFOLIO / SECURITY	SECURITY DESCRIPTION	PAR AMOUNT	MATURITY DATE	Coupon RATE	YIELD TO MATURITY	PRINCIPAL COST	TOTAL COST
PORTFOLIO: OPERATING WNY ECONOMIC DEVELOPMENT							
MONEY MARKET FUND							
74926P696	RBC US Government Money Market Fund	7,412,950.62	1/1/2020	1.58	1.601	7,412,950.62	7,412,950.62
Subtotal:	MONEY MARKET FUND	7,412,950.62			1.601	7,412,950.62	7,412,950.62
Subtotal: PORTFOLIO: OPERATING WNY ECONOMIC DEVELOPMENT							
PORTFOLIO: OPERATING LINKED DEPOSIT PROGRAM							
CERTIFICATES OF DEPOSIT							
	Community Bank N.A	153,581.00	1/8/2020		0.000	153,581.00	153,581.00
	M & T TRUST CO.	197,000.00	1/30/2020		0.000	197,000.00	197,000.00
	M & T TRUST CO.	450,000.00	3/11/2020		0.000	450,000.00	450,000.00
	NBT BANK, N.A.	205,596.00	5/1/2020		0.000	205,596.00	205,596.00
	M & T TRUST CO.	344,000.00	5/22/2020		0.000	344,000.00	344,000.00
	GLEN FALLS NATIONAL BANK & TRUST CO	285,373.00	6/1/2020		0.000	285,373.00	285,373.00
	Glen Falls National Bank and Trust Co	161,290.00	8/5/2020		0.000	161,290.00	161,290.00
	M & T TRUST CO.	94,000.00	8/13/2020		0.000	94,000.00	94,000.00
	M & T TRUST CO	154,000.00	8/28/2020		0.000	154,000.00	154,000.00
	NBT BANK	458,945.00	9/9/2020		0.000	458,945.00	458,945.00
	M & T TRUST CO.	107,000.00	10/22/2020		0.000	107,000.00	107,000.00
	Glen's Falls National Bank & Trust Co	53,987.00	12/17/2020		0.000	53,987.00	53,987.00
	Manufacturers and Traders Co	142,000.00	12/17/2020		0.000	142,000.00	142,000.00
Subtotal:	CERTIFICATES OF DEPOSIT	2,806,772.00			0.000	2,806,772.00	2,806,772.00
Subtotal: PORTFOLIO: OPERATING LINKED DEPOSIT PROGRAM							
PORTFOLIO: OPERATING FUND							
FANNIE MAE							
3135G0A78	FNMA	20,000,000.00	1/21/2020	1.63	1.737	19,901,400.00	19,901,400.00
3135G0D75	FNMA	10,000,000.00	6/22/2020	1.50	1.455	10,020,300.00	10,020,300.00
3135G0F73	FNMA	23,501,000.00	11/30/2020	1.50	1.133	23,850,929.89	23,850,929.89
3135G0K69	FNMA	12,500,000.00	5/6/2021	1.25	1.213	12,520,500.00	12,520,500.00
3135G0Q89	FNMA	30,000,000.00	10/7/2021	1.38	1.621	29,653,800.00	29,653,800.00
3135G0S38	FNMA	15,000,000.00	1/5/2022	2.00	2.154	14,894,550.00	14,894,550.00
3135G0T78	FNMA	30,000,000.00	10/5/2022	2.00	2.014	29,980,200.00	29,980,200.00
Subtotal:	FANNIE MAE	141,001,000.00			1.648	140,821,679.89	140,821,679.89
FEDERAL FARM CREDIT							
3133EEW55	FFCB	20,000,000.00	6/15/2020	1.80	1.905	19,900,297.40	19,900,297.40
3133EFJF5	FFCB	25,000,000.00	10/9/2020	1.38	1.457	24,901,500.00	24,901,500.00
3133EHZA4	FFCB	10,000,000.00	9/20/2021	1.66	1.726	9,974,600.00	9,974,600.00
3133EHCT8	FFCB	20,000,000.00	3/15/2022	2.15	1.927	20,206,200.00	20,206,200.00
3133EHZP1	FFCB	30,000,000.00	9/20/2022	1.85	1.959	29,844,697.80	29,844,697.80
3133EJNB1	FFCB	40,000,000.00	11/2/2023	2.98	2.939	40,082,950.00	40,082,950.00
Subtotal:	FEDERAL FARM CREDIT	145,000,000.00			2.115	144,910,245.20	144,910,245.20

NEW YORK POWER AUTHORITY
INVENTORY REPORT BY PORTFOLIO AND SECURITY TYPE
HOLDINGS AS OF 12/31/19

PORTFOLIO / SECURITY	SECURITY DESCRIPTION	PAR AMOUNT	MATURITY DATE	COUPON RATE	YIELD TO MATURITY	PRINCIPAL COST	TOTAL COST
PORTFOLIO: OPERATING FUND (Cont.)							
FEDERAL HOME LOAN							
3130A5Z77	FHLB	5,000,000.00	7/29/2020	1.83	1.478	5,081,700.00	5,081,700.00
3130A66T9	FHLB	30,000,000.00	9/11/2020	1.63	1.660	29,948,027.30	29,948,027.30
3130AACHJ6	FHLB	15,000,000.00	3/24/2021	1.80	1.800	15,000,000.00	15,000,000.00
3130AABG2	FHLB	24,665,000.00	11/29/2021	1.88	1.918	24,618,901.12	24,618,901.12
3130AAZ50	FHLB	30,000,000.00	4/29/2022	2.13	2.066	30,085,219.00	30,085,219.00
313379Q69	FHLB	20,000,000.00	6/10/2022	2.13	1.904	20,211,400.00	20,211,400.00
3130ABCY0	FHLB	20,000,000.00	7/5/2022	1.96	1.955	20,000,000.00	20,000,000.00
3130ADRG9	FHLB	30,000,000.00	3/10/2023	2.75	2.875	29,830,500.00	29,830,500.00
Subtotal:	FEDERAL HOME LOAN	174,665,000.00			2.043	174,775,747.42	174,775,747.42
FREDDIE MAC							
3137EAD7	FHLMC	15,000,000.00	5/1/2020	1.38	1.818	14,663,550.00	14,663,550.00
3134GRB46	FHLMC	25,000,000.00	4/16/2021	1.85	1.852	25,000,000.00	25,000,000.00
Subtotal:	FREDDIE MAC	40,000,000.00			1.840	39,663,550.00	39,663,550.00
MONEY MARKET FUNDS							
665279808	Northern Inst. Treasury Portfolio	58,000,000.00	1/1/2020	1.57	1.569	58,000,000.00	58,000,000.00
857492888	State Street Inst. Treasury Fund	4,000,000.00	1/1/2020	1.49	1.550	4,000,000.00	4,000,000.00
Subtotal:	MONEY MARKET FUNDS	62,000,000.00			1.568	62,000,000.00	62,000,000.00
MORTGAGE							
30306RAC2	FRESB 2018-SB50 A5F	6,980,844.56	4/25/2023	3.06	3.152	6,958,254.55	6,958,254.55
30306RAJ7	FRESB 2018-SB50 A7F	9,378,372.38	4/25/2025	3.13	3.374	9,252,458.35	9,252,458.35
30306RAF5	FRESB 2018-SB50 A5F	8,524,911.79	4/25/1938	3.00	3.084	8,442,936.24	8,442,936.24
Subtotal:	MORTGAGE	24,884,128.73			3.212	24,653,649.14	24,653,649.14
MUNICIPAL							
64971WN97	NYC TRANSITIONAL FIN AUTH	5,000,000.00	8/1/2020	1.35	1.674	4,954,050.00	4,954,050.00
13063DAC2	CALI ST GEN OBLIG	7,000,000.00	4/1/2021	2.63	2.218	7,106,750.00	7,106,750.00
13066VTV5	CAL ST DPT WTR RES PWR	14,170,257.16	5/1/2021	1.71	1.712	14,170,257.16	14,170,257.16
64971WSX4	NYC TRANSITIONAL FIN AUTH	10,000,000.00	5/1/2021	2.06	2.022	10,014,500.00	10,014,500.00
13063DAD0	CALI ST GEN OBLIG	2,200,000.00	4/1/2022	2.37	2.367	2,200,000.00	2,200,000.00
64966LN64	NEW YORK, NY	2,000,000.00	6/1/2022	2.74	1.986	2,067,620.00	2,067,620.00
73474TAM2	PORT OF MORROW OR TRANSMISSION	11,250,000.00	9/1/2022	1.81	2.108	11,091,425.00	11,091,425.00
60412AKS1	MINNESOTA BOND	13,500,000.00	10/1/2022	2.02	2.041	13,486,500.00	13,486,500.00
Subtotal:	MUNICIPAL	65,120,257.16			1.978	65,091,102.16	65,091,102.16
Subtotal: PORTFOLIO: OPERATING FUND		652,670,385.89			1.954	651,915,973.81	651,915,973.81

NEW YORK POWER AUTHORITY
INVENTORY REPORT BY PORTFOLIO AND SECURITY TYPE
HOLDINGS AS OF 12/31/19

<u>PORTFOLIO / SECURITY</u>	<u>SECURITY DESCRIPTION</u>	<u>PAR AMOUNT</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>YIELD TO MATURITY</u>	<u>PRINCIPAL COST</u>	<u>TOTAL COST</u>
PORTFOLIO: ST. LAWRENCE SPEC							
FREDDIE MAC							
313396VS9	FMCDN	1,100,000.00	4/17/2020	1.62	1.656	1,090,298.00	1,090,298.00
Subtotal:	FREDDIE MAC	1,100,000.00			1.656	1,090,298.00	1,090,298.00
Subtotal: PORTFOLIO: ST. LAWRENCE SPEC		1,100,000.00			1.656	1,090,298.00	1,090,298.00
PORTFOLIO: ST. LAWRENCE CONSTRUCTION							
MONEY MARKET FUNDS							
90262Y760	UBS Select Government Inst. Fund	13,041,999.63	1/1/2020	1.51	1.571	13,041,999.63	13,042,555.22
Subtotal:	MONEY MARKET FUNDS	13,041,999.63			1.571	13,041,999.63	13,042,555.22
MUNICIPAL							
64972HV82	NEW YORK CITY TRANS FIN AUTH	3,200,000.00	7/15/2021	3.15	3.225	3,193,504.00	3,193,504.00
Subtotal:	MUNICIPAL	3,200,000.00			3.225	3,193,504.00	3,193,504.00
TREASURY							
912796TN9	TREASURY BILL	2,500,000.00	10/8/2020		1.572	2,463,993.61	2,463,993.61
Subtotal:	TREASURY	2,500,000.00			1.572	2,463,993.61	2,463,993.61
Subtotal: PORTFOLIO: ST. LAWRENCE CONSTRUCTION		18,741,999.63			1.854	18,699,497.24	18,700,052.83
GRAND TOTAL		788,012,039.26			1.991	787,231,079.71	787,233,857.52

POWER AUTHORITY OF THE STATE OF NEW YORK
Summary of Bids/Offers Solicited for the Purchase and Sale of Securities
For the Year Ended December 31, 2019

<u>Brokers</u>	<u>Bids/Offers Accepted</u>	<u>Bids/Offers Solicited</u>	<u>Total Cost Purchases/Sales</u>	<u>Money Markets, CDs and Repurchase Agreements</u>	<u>Total Transactions</u>
Australia & New Zealand Bank	1	1	25,000,000		25,000,000
Bancroft Capital ‡	3	3	36,874,017		36,874,017
Bank of America Securities	3	3	19,107,376		19,107,376
Bank of Montreal	27	27	112,525,694	447,000,000	559,525,694
Bank of New York Mellon	1	1	15,000,000		15,000,000
Canadian Imperial Bank of Commerce	1	1	25,000,000		25,000,000
Cantor Fitzgerald	20	37	45,043,621	478,857,271	523,900,892
CastleOak Securities L.P. *	8	8	189,894,767		189,894,767
China Construction Bank	1	1		50,000,000	50,000,000
Citigroup Global Markets	1	1	1,481,632		1,481,632
Great Pacific Securities *	4	4	30,552,152		30,552,152
International Cash Distributors (MMkt Funds)	88	88		1,941,230,205	1,941,230,205
JP Morgan Securities	2	2	2,822,638		2,822,638
Key Bank	15	15		2,927,111	2,927,111
Loop Capital Markets LLC *	7	8	77,400,143		77,400,143
Mischler Securities ‡	5	5	126,892,290		126,892,290
Mizuho Securities USA Inc.	44	52	199,870,781		1,073,369,310
RBC Capital Markets	13	13	309,251,570	873,498,529	309,251,570
Siebert Cisneros Shank *	2	2	64,990,500		64,990,500
Svenska Handelsbanken	1	1	25,000,000		25,000,000
Wells Fargo	10	10	299,893,387		299,893,387
Grand Total	257	283	1,606,600,567	3,793,513,116	5,400,113,683

* Minority/Woman Owned Business dealer; accounted for 22.6% of transactions in 2019.

‡ Service Disabled Veteran Owned Dealer; accounted for 10.2% of transactions in 2019.

POWER AUTHORITY OF THE STATE OF NEW YORK
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For the Year Ended December 31, 2019

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Bank of Montreal	27	27	112,525,694	447,000,000	559,525,694
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Canadian Imperial Bank of Commerce	1	1	25,000,000		25,000,000
Cantor Fitzgerald	20	37	45,043,621	478,857,271	523,900,892
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China Construction Bank	1	1		50,000,000	50,000,000
Citigroup Global Markets	1	1	1,481,632		1,481,632
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