



# Environmental Facilities Corporation

**ANDREW M. CUOMO**  
Governor

**SABRINA M. TY**  
President and CEO

June 30, 2016

The Honorable Andrew M. Cuomo  
Governor  
State of New York

The Honorable Catharine M. Young  
Chair  
Senate Finance Committee

The Honorable Herman D. Farrell, Jr.  
Chair  
Assembly Ways and Means Committee

The Honorable Liz Krueger  
Ranking Democratic Member  
Senate Finance Committee

The Honorable Robert C. Oaks  
Ranking Minority Member  
Assembly Ways and Means Committee

The Honorable Thomas P. DiNapoli  
Comptroller  
State of New York

Mr. Michael Farrar  
Acting Director  
New York State Authorities Budget Office

In accordance with the requirements of Section 2800 of the Public Authorities Law, the New York State Environmental Facilities Corporation respectfully submits its annual report for fiscal year 2015-2016.

Sincerely,

Sabrina M. Ty  
President and CEO

Enclosure  
c: Commissioner Basil Seggos, Chair



# Environmental Facilities Corporation

ANDREW M. CUOMO  
Governor

SABRINA M. TY  
President and CEO

## CERTIFICATION PURSUANT TO § 2800 (3) OF THE PUBLIC AUTHORITIES LAW

In accordance with § 2800 of the Public Authorities Law, we confirm, to the best of our knowledge and belief that the Financial Statements of the New York State Environmental Facilities Corporation for the period ending March 31, 2016 have been prepared in conformity with accounting principles generally accepted in the United States of America and that:

- a) the information provided therein is accurate, correct and does not contain any untrue statement of material fact;
- b) such financial statements do not omit any material fact which, if omitted, would cause the financial statements to be misleading in light of the circumstances under which such statements are made;
- c) such financial statements fairly present in all material respects the financial condition and results of operations of the Corporation as of, and for, the periods presented in the financial statements.

Sabrina M. Ty  
President and CEO

Michael D. Malinoski  
Controller and Director of  
Corporate Operations

**The New York State Environmental Facilities Corporation**  
**Public Authorities Law Compliance Report**  
State Fiscal Year, April 1<sup>st</sup> 2015 – March 31, 2016

*Our mission is to provide low-cost capital and expert technical assistance for environmental projects in New York State. Our purpose is to help public and private entities comply with federal and State environmental protection and quality requirements in a cost effective manner that advances sustainable growth. We promote innovative environmental technologies and practices in all of our programs.*

The Environmental Facilities Corporation (EFC) has provided \$28 billion in low-cost financing and grants to more than 2,460 water and sewer infrastructure projects spanning New York State.

As a public-benefit corporation, EFC's environmental initiatives provide financial and technical assistance to municipalities, non-profits, and small businesses, ensuring that they meet water and air quality regulations. EFC programs also serve to build lasting relationships with communities, promote innovative infrastructure solutions, and allow staff to accurately project the State's future water infrastructure needs; including: the Clean Water and Drinking Water State Revolving Funds, Green Innovation Grants, New York City Watershed, Small Business Environmental Assistance, Industrial Finance, and Clean Vessel Assistance programs.

### **Statutory Authority**

*The statutory basis for substantially all EFC activity stems from Title 12 of Article 5 of the NYS Public Authorities Law (also called the "EFC Act"). EFC is a separate entity apart from the State without any power of taxation. The statute permits EFC to, among other things:*

- Administer and finance the State Revolving Funds established by the State as set forth in the EFC Act pursuant to the Federal Water Quality Act of 1987 and the Federal Safe Drinking Water Act Amendments of 1996;
- Finance, through the issuance of special obligation revenue bonds under the Industrial Finance Program, water management, solid waste disposal, brownfield clean up, sewage treatment and pollution control projects undertaken by or on behalf of private entities; and
- Render technical advice and assistance to private entities, State agencies, and local government units on sewage treatment and collection, pollution control, recycling, hazardous waste abatement, solid waste disposal and other related subjects.

## **Board Members**

*The Corporation is governed by a board of directors (the "Corporation Board"), which consists of seven directors. Three of the directors are designated in the Act as ex-officio members: the Commissioner of Environmental Conservation of the State, whom the Act also designates as the chairman of the Corporation, the Commissioner of Health of the State and the Secretary of State of the State. The four remaining directors are appointed by the Governor of the State by and with the advice and consent of the State Senate. The appointed directors serve staggered six-year terms. Pursuant to State law, after the expiration of a director's term, he or she shall hold over and continue to discharge the duties of a director of the Corporation Board until a successor has been chosen and qualified.*

### **Ex-Officio Members:**

**Basil Seggos**, Chair, was nominated by Governor Andrew Cuomo to serve as Commissioner of the New York State Department of Environmental Conservation (DEC) and began his tenure as Acting Commissioner in November 2015. Mr. Seggos was confirmed as Commissioner by the New York State Senate on June 15, 2016.

Previously, Mr. Seggos served as both Deputy Secretary for the Environment and Assistant Secretary for the Environment to Governor Cuomo, advising the Governor on environmental policy and overseeing the operations of the state's environmental agencies, including the DEC, the Office of Parks and Recreation & Historic Preservation, the Environmental Facilities Corporation, and the Adirondack Park Agency. Prior to working in the Governor's office, Basil served as Vice President of Business Development at the clean-tech private equity company Hugo Neu Corporation, Chief Investigator and Attorney at Riverkeeper, Associate at the Natural Resources Defense Council, and as a legal clerk at the White House.

Mr. Seggos graduated from Pace Law School in 2001, where he received the environmental law award and alumni achievement award, and from Trinity College in 1996 with a Bachelor of Arts. Basil is a Captain in the U.S. Army Reserve, Judge Advocate General Corps.

**Dr. Howard A. Zucker** is Commissioner of Health for New York State. In his previous role as first deputy commissioner, Dr. Zucker led the state Department of Health's preparedness and response initiatives in natural disasters and emergencies. He worked closely with the New York City Department of Health and Mental Hygiene and other health-related entities in New York City.

A native of the Bronx, Dr. Zucker earned his M.D. from George Washington University School of Medicine at age 22, becoming one of America's youngest doctors. He trained in pediatrics at Johns Hopkins Hospital, anesthesiology at the Hospital of the University of Pennsylvania, pediatric critical care medicine/pediatric anesthesiology at The Children's Hospital of Philadelphia, and pediatric cardiology at Children's Hospital Boston/Harvard Medical School.

Before joining the state Department of Health in September 2013, Dr. Zucker was a professor of Clinical Anesthesiology at Albert Einstein College of Medicine of Yeshiva University and pediatric cardiac anesthesiologist at Montefiore Medical Center in the Bronx. He was also an adjunct professor at Georgetown University Law School, where he taught biosecurity law.

Additionally, Dr. Zucker served as Associate Professor of Clinical Pediatrics and Anesthesiology at Columbia University College of Physicians & Surgeons and pediatric director of the ICU at New York Presbyterian Hospital where he launched the re-structuring of the critical care complex both from a

physical environment as well as clinical care delivery standpoint. He has also held academic appointments at Yale University School of Medicine, the National Institutes of Health and as a research affiliate in the Center for Space Research at the Massachusetts Institute of Technology.

Dr. Zucker received his B.S. degree from McGill University. As a student at McGill, he helped design zero-gravity medical experiments that ultimately were conducted aboard several Space Shuttle missions. Today, he serves on the Board of Directors of the nongovernmental organization that oversees the U.S. National Lab on the International Space Station.

Dr. Zucker holds a J.D. from Fordham University Law School and a LL.M. from Columbia Law School. He is a former ABC World News' Person of the Week and Columbia University Pediatrics Teacher of the Year. He has been listed in Best Doctors in America as well as Who's Who in the World, and is a member of the Bar of the U.S. Supreme Court.

**Rossana Rosado**, was appointed by Governor Andrew M. Cuomo in February 2016 to serve as Secretary of State. Her nomination was confirmed by the State Senate on June 15, 2016.

Secretary Rosado will lead the New York State Department of State, one of the oldest and most eclectic New York State agencies, which plays a critical role in helping to reinvigorate the State's economy and make its communities more livable. Secretary Rosado brings a diversity of experience and leadership to the position, having previously served in both the public and private sectors.

Secretary Rosado's distinguished accomplishments include being the first woman to serve as Editor and Publisher of the largest Spanish-language newspaper in the country *El Diario La Prensa*, and she was an award-winning producer. She has also championed important social causes, including prisoner re-entry and women's empowerment.

She served on the board of the Port Authority of New York and New Jersey from 2012 to 2015. Secretary Rosado was a Distinguished Lecturer at the John Jay College of Criminal Justice, and has been a member of the College's Foundation Board of Trustees since 2012.

A native New Yorker, Secretary Rosado received her B.A. in Journalism from Pace University.

*In addition to the ex-officio members of the Corporation Board, the other members of the Corporation Board and their occupations are as follows:*

**Francis T. Corcoran** is the President and Chief Administrative Officer at the National Stock Exchange, Inc. (NSX). Mr. Corcoran has been working in the financial/capital markets arena for over 25 years. He has been active on the forefront of businesses that have significantly impacted the capital markets. Before consulting to the CBOE Stock Exchange (CBSX) on its acquisition of the NSX, Mr. Corcoran was Executive Vice President for Perimeter Financial in Canada, responsible for all international asset manager and broker/dealer client relations as they related to the firms multiple ATS market place. Mr. Corcoran is an active participant in both state and local government. As a member of the Advisory Board to the Inspector General of the Metropolitan Transportation Authority, he has served as the Acting Board Chairman since 2003. He is a Board Member of the Metro-North Railroad Commuter Council and the Permanent Citizens Advisory Committee to the MTA. He serves as a Councilman for the Town of Bedford.

Mr. Corcoran is a Member of the Securities Trader Association and the National Corporate Directors Association. He is a graduate of Iona College, B.S. Cum Laude, Humanities.

**Charles Kruzansky** is the Director of Government Relations and Special Assistant to the Vice Provost for Research at Cornell University in Ithaca. Responsible for Cornell's dealings with New York State, he manages the University's legislative and budget agendas before the Legislative and Executive branches of state government. As the state's largest research university and New York's Land Grant Institution, Cornell is involved in a range of issues and programs with New York State, in addition to those that affect higher education and research. Prior to becoming director of the Albany Office of Government Relations for Cornell University in 1991, Charlie served as a legislative and fiscal analyst for the NYS Assembly Ways and Means Committee staff from 1985 to 1990. He was the State Assembly's primary negotiator on energy and other regulatory agency budgets and legislation. He was also on the board of Environmental Advocates of New York from 1993-2007 and was New York's affiliate representative or alternate to the National Wildlife Federation for several years between 1998-2004. He has a B.A. from Johns Hopkins University in Baltimore, Maryland and an MBA from Columbia University in New York City. Charlie grew up in the Hudson Valley and resides in Voorheesville with his wife and two kids.

**Vita DeMarchi** is Managing Partner and Co-Founder of Synapse Partners, LLC, the globally recognized excess/surplus line wholesale insurance brokerage and risk management firm specializing in the environmental market. Synapse connects clients, partners and investors through strategic alliances that create innovative and distinctive business advantages. Synapse is headquartered in Syracuse in a formerly decaying, mid-20<sup>th</sup> century boxing gym that was re-imagined into what became in 2012 the seventh highest ranking LEED EBOM Platinum building in the world.

Ms. DeMarchi is a strategic advisor to Fortune 500 businesses, developing businesses, real estate developers, and municipalities. She helps clients and partners manage business and environmental risk, implement sustainable business practices, analyze financial data for informed business decisions, and secure project funding and capital formation.

Ms. DeMarchi was the co-founder and a Director of Synapse Sustainability Trust, a 501c-3 Not for Profit Corporation which led important New York environmental, energy and economic development initiatives over the past decade. EVPass initiated the groundbreaking 2012 deployment of the CNY Destination Location Network for electric vehicle charging stations and infrastructure which was subsequently sold to a public company in 2013, becoming part of a larger USA network. Restoration Tree Trust, an urban and rural reforestation and habitat restoration catalyst, collaborates with municipalities, government agencies, not-for-profit organizations, educational institutions, and private sector businesses to address greenhouse gas emissions, water pollution, energy management and climate resiliency.

Vita DeMarchi is currently Chair of the Board of Trustees of the State University of New York's College of Environmental Science and Forestry. She was appointed by Governor Cuomo in 2012 as a Board of Director to the Great Lakes Protection Fund. In the past, Ms. DeMarchi served as the President of the CNY Association of Professional Geologists, and was on the Board of Directors of the NYS Council of Professional Geologists. A graduate of Syracuse University, Ms. DeMarchi was a licensed professional geologist, with Masters Studies in environmental engineering and hydrogeology.

**Timothy Bishop** was employed by Southampton College of Long Island University from 1973 to 2002 in a succession of increasingly responsible administrative positions. For the last 16 years of his tenure, Mr. Bishop held the position of campus Provost, reporting directly to the University wide President. As Provost, Bishop was the chief executive officer of the campus, supervising all administrative offices and coordinating academic leadership with the Dean for Academic Affairs. Mr. Bishop served as an Officer of Long Island University, the sixth largest private university in the Country. Mr. Bishop served Southampton College for 29 years, leaving the chief executive position of Provost in 2002 to make his first-ever run for office, when he was elected to represent New York's 1st Congressional District and continued to serve in the House of Representatives for six terms.

Rep. Bishop's priorities in the Congress included but were not exclusive to: job creation, protecting middle-class families and seniors, controlling spending, strengthening education, advocating for veterans, homeland security, fiscal responsibility and safeguarding our environment. As the Ranking Democrat of the Water Resources and Environment sub-committee, Rep. Bishop worked tirelessly to preserve our beaches and waterways. Working closely with the Army Corps of Engineers as well as state and local agencies, Rep. Bishop advocated for local dredging projects which ensured fishing and maritime industries access to important harbors. Bishop was one of four authors (2 Republicans, 2 Democrats) in the House of The Water Resources Reform and Development Act of 2013 (WRRDA). Rep. Bishop worked to build a broad coalition of advocates representing ports, harbors, maritime organizations, organized labor, and transportation and environmental groups to endorse the legislation which passed the House by a vote of 417-3. Rep. Bishop then served on the House-Senate Conference Committee to negotiate a final bi-partisan, bi-cameral agreement, thus allowing for final passage of the bill, the first such bill to pass since 2007.

At Rep. Bishop's insistence, the legislation included important revisions to the operation of the State Revolving Fund (SRF), the principle means by which the federal government assists municipalities with water infrastructure projects. The WRRDA bill included the creation of a new water infrastructure financing mechanism, WIFIA, which he insisted be implemented in a manner that protected the SRF. Rep. Bishop also successfully led the efforts to ensure the expenditure of a larger share of the proceeds of the Harbor Maintenance Trust Fund, and also to increase the utility of the Inland Water-Ways Trust Fund.

Mr. Bishop graduated from Southampton High School and holds an AB in History from The College of the Holy Cross in Worcester, MA and a Masters Degree in Public Administration from C.W. Post College of LIU in Brookville, NY.

The ex officio members of the Corporation Board are authorized to designate certain individuals to act in their absence as Directors of the Corporation.

## **Executive Staff**

**Sabrina M. Ty** was appointed President and C.E.O. of the New York State Environmental Facilities Corporation on July 1, 2015. Prior to joining the Corporation, Ms. Ty served as Special Counsel to the Commissioner in the Office of General Services, where she oversaw several of the Governor's Enterprise initiatives for achieving savings, supervised the implementation of the Service-Disabled Veteran-Owned Business Program and managed the agency's MWBE program. She previously served as Governor Cuomo's Deputy Secretary for Legislative Affairs where she played a key role in the development and production of the Executive Budget, was an integral member of the Executive team in State budget negotiations and worked on the passage of vital legislative initiatives. Ms. Ty has also held a number of positions in the New York State Assembly, culminating in Legislative Counsel to the Speaker.

A graduate of Albany Law School and McGill University, Ms. Ty began her career as an attorney at the law firm of Couch, White, Brenner, Howard & Feigenbaum.

**Maureen A. Coleman, Esq.** was appointed General Counsel to the Corporation in May 2015. Prior to joining the Corporation, she served as Assistant Counsel to the Governor, where she advised the Governor and policy staff on legal matters related to the environment, energy, and agriculture. Prior to this role, she was employed for 13 years with the Department of Environmental Conservation, where she served as legislative counsel in the Department's Office of Legislative Affairs and then as Bureau Chief of Water and Natural Resources for the Department's Office of General Counsel.

Prior to joining state service, Ms. Coleman served as Vice President, Law & Regulation at J. & W. Seligman & Co. Incorporated, a privately owned investment manager in New York City. She has a B.A. from College of Saint Rose and a J.D. from Brooklyn Law School.

**Timothy P. Burns, P.E.** was appointed Director of Engineering and Program Management in June 2009 after serving as Program Manager for the Metropolitan & Eastern Projects Section since 2003. Prior to joining EFC in February 2002, he was employed by the New York State Department of Environmental Conservation from 1990 to 2002, having served in the Region 2 office (NYC) for 10 years, his last 2 as the Acting Regional Water Engineer. Mr. Burns is a graduate of the State University of New York at Buffalo and possesses a Bachelors of Science degree in Chemical Engineering, and is also a graduate of The City College of New York and possesses a Masters of Engineering degree in Civil Engineering. He is a licensed Professional Engineer in both New York and Vermont.

**Michael D. Malinoski** was appointed Controller and Director of Corporate Operations in August 2006 after serving as the Corporation's Controller since 1996. From 1992 to 1996, Mr. Malinoski served in the position of Assistant Director of Accounts and Investments. Prior to joining the Corporation, Mr. Malinoski was previously employed for a number of local private sector companies as Controller. Mr. Malinoski possesses a Bachelor of Business Administration degree in Accounting from Siena College.

**George N. Cholakis, Esq.** was appointed Executive Deputy Counsel to the Corporation in October, 2015. Mr. Cholakis had previously served as Associate Counsel to the Corporation from 1999 to 2005, and then Assistant General Counsel until his departure in 2010. Mr. Cholakis was previously in private practice specializing in commercial transactions, and most recently in the areas of bankruptcy and loss

mitigation. He has a Juris Doctor Degree from Western New England College School of Law and a Master's of International Management Degree from the Thunderbird School of Global Management.

## **Senior Staff**

**Judith A. Blackwell** is a Deputy Counsel in the Legal Division. Ms. Blackwell was appointed on July 7, 2009.

**David S. Bradley** is the Deputy Director of the Division of Engineering and Program Management. Mr. Bradley was appointed on January 17, 2008.

**Seth G. Coulter** is the Assistant Director of Investments in the Corporate Operations Division. Mr. Coulter was appointed on May 13, 1996.

**Ryan C. Dalton** is a Deputy Director. Mr. Dalton was appointed on June 7, 2012.

**Eric D. Eichenlaub** is a Deputy Counsel in the Legal Division. Mr. Eichenlaub was appointed on October 15, 2015.

**Carl T. Ferrentino** is a Deputy Counsel in the Legal Division. Mr. Ferrentino was appointed on August 10, 2009.

**Michael P. Hale** is a Deputy Counsel in the Legal Division. Mr. Hale was appointed on January 8, 2002.

**Jeffrey M. Lanigan** is a Deputy Counsel in the Legal Division. Mr. Lanigan was appointed on March 27, 1995.

**Brian D. McClintock** is the Finance Manager in the Public Finance Division. Mr. McClintock was appointed on August 8, 1994.

**Maureen L. McGrath** is the Deputy Director of the Corporate Operations Division. Ms. McGrath was appointed on December 6, 2001.

**Audra A. Nowosielski, Ph.D.** is the Deputy Director of the Public Finance Division. Ms. Nowosielski was appointed on October 21, 2015.

**Michael R. Roizman** is the Assistant Director of Information Technology in the Corporate Operations Division. Mr. Roizman was appointed on November 15, 1994.

**Robert H. Sammons** is the Assistant to the Director in the Division of Engineering and Program Management. Mr. Sammons was appointed on November 21, 1994.

**Brenda L. Torres** is the Assistant Secretary for the Environment. Ms. Torres was appointed on January 4, 2016.

**Attendance Report**  
**Meetings of the Board of Directors | April 1, 2015 – March 31, 2016**

**April 9, 2015**

Meeting Locations: 625 Broadway, 7<sup>th</sup> Floor, Albany, New York, in the Board Room and by video conference at  
340 South Bedford Road, Bedford Corners, New York

**Members Present**

Marc Gerstman (Chair Designee), Designated Representative of the Commissioner of  
Environmental Conservation (*ex officio*)  
Mark P. Pattison, Designated Representative of the Secretary of State (*ex officio*)  
Michael J. Cambridge, Designated Representative of the Commissioner of Health (*ex officio*)  
Francis T. Corcoran (*by video conference*)  
Vita DeMarchi

**Members Absent**

Joseph Martens, Chair  
Charles Kruzansky

**May 7, 2015**

Meeting Locations: 625 Broadway, 7<sup>th</sup> Floor, Albany, New York, in the Board Room and by video conference at  
340 South Bedford Road, Bedford Corners, New York

**Members Present**

Marc Gerstman (Chair Designee), Designated Representative of the Commissioner of  
Environmental Conservation (*ex officio*)  
Michael J. Cambridge, Designated Representative of the Commissioner of Health (*ex officio*)  
Francis T. Corcoran (*by video conference*)  
Vita DeMarchi  
Charles Kruzansky

**Members Absent**

Joseph Martens, Chair  
Mark. P. Pattison, Designated Representative of the Secretary of State (*ex officio*)

## **June 4, 2015**

Meeting Locations: 625 Broadway, 7<sup>th</sup> Floor, Albany, New York, in the Board Room and by video conference at  
340 South Bedford Road, Bedford Corners, New York

### **Members Present**

Marc Gerstman (Chair Designee), Designated Representative of the Commissioner of  
Environmental Conservation (*ex officio*)  
Sandra L. Allen, Designated Representative of the Secretary of State (*ex officio*)  
Michael J. Cambridge, Designated Representative of the Commissioner of Health (*ex officio*)  
Francis T. Corcoran (*by video conference*)  
Vita DeMarchi  
Charles Kruzansky

### **Members Absent**

Joseph Martens, Chair

## **June 25, 2015**

Meeting Location: 625 Broadway, 7<sup>th</sup> Floor, Albany, New York, in the Board Room

### **Members Present**

Marc Gerstman (Chair Designee), Designated Representative of the Commissioner of  
Environmental Conservation (*ex officio*)  
Sandra L. Allen, Designated Representative of the Secretary of State (*ex officio*)  
Michael J. Cambridge, Designated Representative of the Commissioner of Health (*ex officio*)  
Vita DeMarchi  
Charles Kruzansky

### **Members Absent**

Joseph Martens, Chair  
Francis T. Corcoran

## **August 13, 2015**

Meeting Locations: 625 Broadway, 7<sup>th</sup> Floor, Albany, New York, in the Board Room and by video conference at  
St. Joseph's College, 155 West Roe Boulevard, Patchogue, New York

### **Members Present**

Marc Gerstman (Chair), Acting Commissioner of Environmental Conservation (*ex officio*)  
Michael J. Cambridge, Designated Representative of the Commissioner of Health (*ex officio*)  
Timothy H. Bishop (*via video conference*)  
Francis T. Corcoran (*via teleconference – non-voting*)  
Vita DeMarchi

## Members Absent

Charles Kruzansky

Sandra L. Allen, Designated Representative of the Secretary of State (*ex officio*)

## **September 10, 2015**

Meeting Locations: 625 Broadway, 7<sup>th</sup> Floor, Albany, New York, in the Board Room and by video conference at 340 South Bedford Road, Bedford Corners, New York

## Members Present

Marc Gerstman (Chair), Acting Commissioner of Environmental Conservation (*ex officio*)

Sandra L. Allen, Designated Representative of the Secretary of State (*ex officio*)

Michael J. Cambridge, Designated Representative of the Commissioner of Health (*ex officio*)

Francis T. Corcoran (*by video conference*)

Vita DeMarchi

## Members Absent

Timothy H. Bishop

Charles Kruzansky

## **October 8, 2015**

Meeting Locations: 625 Broadway, 7<sup>th</sup> Floor, Albany, New York, in the Board Room and by video conference at 340 South Bedford Road, Bedford Corners, New York and St. Joseph's College, 155 West Roe Boulevard, Patchogue, New York

## Members Present

Jeffrey Stefanko (Chair Designee,) Designated Representative of the Acting Commissioner of Environmental Conservation (*ex officio*)

Sandra L. Allen, Designated Representative of the Secretary of State (*ex officio*)

Michael J. Cambridge, Designated Representative of the Commissioner of Health (*ex officio*)

Timothy H. Bishop (*via video conference*)

Francis T. Corcoran (*via video conference*)

Charles Kruzansky

## Members Absent

Vita DeMarchi (*participated via teleconference – non –voting*)

## **November 5, 2015**

Meeting Locations: 625 Broadway, 7<sup>th</sup> Floor, Albany, New York, in the Board Room and by video conference at 340 South Bedford Road, Bedford Corners, New York and St. Joseph's College, 155 West Roe Boulevard, Patchogue, New York

## Members Present

Jeffrey Stefanko (Chair Designee) Designated Representative of the Acting Commissioner of Environmental Conservation (*ex officio*)

Sandra L. Allen, Designated Representative of the Secretary of State (*ex officio*)

Michael J. Cambridge, Designated Representative of the Commissioner of Health (*ex officio*)

Timothy H. Bishop (*via video conference*)

Francis T. Corcoran (*via video conference*)

Vita DeMarchi

Charles Kruzansky

## **December 10, 2015**

Meeting Locations: 625 Broadway, 7<sup>th</sup> Floor, Albany, New York, in the Board Room and by video conference at 340 South Bedford Road, Bedford Corners, New York, St. Joseph's College, 155 West Roe Boulevard, Patchogue, New York and 360 Erie Boulevard East, Syracuse, New York

## Members Present

Basil B. Seggos (Chair), Acting Commissioner of Department of Environmental Conservation (*ex officio*)

Jeffrey Stefanko (Chair Designee), Designated Representative of the Acting Commissioner of Environmental Conservation (*ex officio*)

Sandra L. Allen, Designated Representative of the Secretary of State (*ex officio*)

Michael J. Cambridge, Designated Representative of the Commissioner of Health (*ex officio*)

Timothy H. Bishop (*via video conference*)

Francis T. Corcoran (*via video conference*)

Vita DeMarchi (*via video conference*)

Charles Kruzansky

Note: Acting Commissioner Seggos exited the meeting following the approval by the Board of his Proxy designating Jeffrey Stefanko to act and vote in his absence. Following his exit from the meeting, Mr. Stefanko served as Chair Designee for the remainder of the meeting.

## **January 14, 2016**

Meeting Location: 625 Broadway, 7<sup>th</sup> Floor, Albany, New York, in the Board Room and by video conference at 340 South Bedford Road, Bedford Corners, New York

## Members Present

Jeffrey Stefanko (Chair Designee), Designated Representative of the Acting Commissioner of Environmental Conservation (*ex officio*)

Michael J. Cambridge, Designated Representative of the Commissioner of Health (*ex officio*)

Timothy H. Bishop (*via teleconference; non-voting*)

Francis T. Corcoran (*via video conference*)

Vita DeMarchi

Charles Kruzansky

## Members Absent

Sandra L. Allen, Designated Representative of the Secretary of State (*ex officio*)

## **February 11, 2016**

Meeting Locations: 625 Broadway, 7<sup>th</sup> Floor, Albany, New York, in the Board Room and by video conference at St. Joseph's College, 155 West Roe Boulevard, Patchogue, New York

## Members Present

Jeffrey Stefanko, Chair Designee for Acting Commissioner of the Department of Environmental Conservation (*ex officio*)

Sandra L. Allen, Designated Representative of the Acting Secretary of State\* (*ex officio*)

Michael J. Cambridge, Designated Representative of the Commissioner of Health (*ex officio*)

Timothy H. Bishop (*via video conference*)

Francis T. Corcoran

Charles Kruzansky

## Members Absent

Vita DeMarchi

## **March 10, 2016**

Meeting Locations: 625 Broadway, 7<sup>th</sup> Floor, Albany, New York, in the Board Room and by video conference at 340 South Bedford Road, Bedford Corners, New York, St. Joseph's College, 155 West Roe Boulevard, Patchogue, New York and 360 Erie Boulevard East, Syracuse, New York

## Members Present

Jeffrey Stefanko, Chair Designee for Acting Commissioner of the Department of Environmental Conservation (*ex officio*)

Sandra L. Allen, Designated Representative of the Acting Secretary of State (*ex officio*)

Michael J. Cambridge, Designated Representative of the Commissioner of Health (*ex officio*)

Timothy H. Bishop (*via video conference*)

Francis T. Corcoran (*via video conference*)

Vita DeMarchi (*via video conference*)

Charles Kruzansky

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\*Ms. Allen was not included in the roll call to declare the presence of a quorum as her ability to act at the meeting as an ex officio designee was subject to the approval by the Board of the Continuation of Delegation of Authority. Following approval of the Continuation of Delegation of Authority, executed by the Executive Deputy Secretary of State, Ms. Allen participated in the meeting in her capacity as a Designated Representative of the Acting Secretary of State.

## **The New York State Revolving Funds**

*Recognized as the most successful State Revolving Funds in the nation, these programs have provided over \$28 billion in low-cost financing and grants for more than 2,460 water and sewer infrastructure projects in New York.*

In the past year, EFC provided over \$2 billion in low cost financing and grants via the Clean Water and Drinking Water State Revolving Funds (CWSRF and DWSRF) to fund water infrastructure projects. The SRFs are underwritten with Federal dollars and matching funds from the State. EFC financing packages often combine this capital and AAA rated bonds, enabling the Corporation to lend at below-market interest rates to municipalities. In the case of communities suffering economic hardship, the SRFs include interest-free long-term loans and grants.

### *SRF Finance Structures:*

- **Leveraged Financing** is provided from the proceeds of bonds that EFC issues to finance eligible projects.
  - Clean Water SRF financings receive a subsidy of one-half of the market interest rate
  - Drinking Water SRF financings receive one-third of the market interest rate
- **Direct Financing** is provided with SRF capitalization grant monies, repayments, and/or interest earnings.
  - These communities may have below average credit ratings or have urgent projects that cannot wait for a pooled financing

*Interest rates on SRF leveraged financing from April 2015 through March 2016 were 2.059% for Clean Water and 2.91% for Drinking Water financings.*

### **SRF Financing and the Bond Markets**

Since 1990, EFC has utilized bond markets to keep the SRFs sustainable and allow for additional State environmental projects, issuing \$16.8 billion of tax-exempt and taxable bonds. In 2015-16, EFC closed four bond financings in for roughly \$700 million:

- \$219.8 million in Clean Water and Drinking Water SRF bonds on behalf of the New York City Municipal Water Finance Authority. Proceeds from these bonds financed \$201.5 million for Clean Water SRF projects and \$18.3 million for Drinking Water SRF projects. The true interest cost was 3.52%.
- \$80.5 million in Clean Water and Drinking Water SRF bonds on behalf of the New York State local governments. Proceeds from these bonds financed \$73.5 million for Clean Water SRF projects and \$7.0 million for Drinking Water SRF projects. The true interest cost was 3.68%.
- \$31.4 million in Clean Water SRF bonds on behalf of the New York State Energy Research & Development Authority (NYSERDA). Proceeds from these bonds financed \$31.4 million for Clean Water SRF projects. The true interest cost was 3.17%.

- \$367.5 million in Clean Water and Drinking Water refunding SRF bonds on behalf of the New York State local governments. Proceeds from these bonds refinanced \$304.0 million for Clean Water SRF projects and \$63.5 million for Drinking Water SRF projects. The true interest cost was 2.83%.

### **Wastewater Infrastructure Engineering Planning Grant**

EFC, in cooperation with the New York State Department of Environmental Conservation (DEC), have made up to \$2 million available in 2015 for municipalities that need to construct or improve their municipal wastewater system. Grant funds can be used to pay for engineering and/or consultant fees for engineering and planning services for the production of an engineering report. Municipalities can apply for the funding through the Consolidated Funding Application (CFA). Individual grants will be for up to \$100,000 and municipalities will have to provide a 20% match.

### **Storm Mitigation Loan Program**

To assist New York communities rebuild smarter and stronger following the devastation of Superstorm Sandy, Governor Andrew Cuomo has marshaled the resources of state and federal governments to protect vital services from future storms. Planning experts on the Governor's NYS 2100 Commission recommended in January 2013 that measures be undertaken to improve the resiliency of water treatment facilities that were overwhelmed by flooding caused by Sandy.

Soon afterward, President Obama signed the "Disaster Relief Appropriations Act" (DRAA), providing \$340 million for the New York State Storm Mitigation Loan Program.

The Storm Mitigation Loan Program will be administered by EFC, along with DEC and the Department of Health (DOH), and will be made available through the CWSRF and DWSRF program.

DRAA allows each state to offer up to 30% of the federal funds in the form of grant, which equates to \$84.9 million for the CWSRF and \$17 million for the DWSRF. Each state must supply a 20% match to secure the grant, which requires an additional \$56.6 million for the CWSRF and \$11.3 million for the DWSRF, bringing the total amount of financial assistance available to \$339.7 million for the CWSRF and \$67.9 million for the DWSRF.

### **The Green Innovation Grant Program**

EFC launched GIGP Round 7 as part of Governor Cuomo's Consolidated Funding Application (CFA). The CFA allows applicants to seek funding from multiple state agencies through one application. Under GIGP Round 7, \$14.85 million was allocated to 19 green stormwater infrastructure projects across the state fostering projects that spur green innovation, build green capacity, and facilitate technology transfer.

## **Implementation of the State Smart Growth Public Infrastructure Policy Act**

The State Smart Growth Public Infrastructure Policy Act was adopted on August 30, 2010 (Chapter 433 of the laws of 2010). It requires that state infrastructure agencies (including EFC) review each project that they plan to fund and find that, to the extent practicable, the project meets the relevant smart growth criteria. EFC has incorporated the provisions of this law into its procedures and has completed a guidance document and a Smart Growth Assessment for applicants which is now in effect and available on EFC's website.

## **The American Recovery and Reinvestment Act**

*Allowed New York State to provide additional funds to subsidize traditional SRF projects, including principal forgiveness, zero-interest loans, and grants to communities, in an effort to generate economic activity.*

In February 2009, President Barack Obama signed the American Recovery and Reinvestment Act, a \$790 billion package to stimulate the economy and create job opportunities. ARRA allocated \$4 billion for the nation's Clean Water SRFs with \$2 billion for the Drinking Water SRFs. New York State received approximately \$433 million for the Clean Water SRF and \$87 million for the Drinking Water SRF.

In an effort to stretch New York State's ARRA funds as far as possible, EFC combined ARRA monies with conventional SRF monies to provide ARRA's benefits to as many eligible projects as possible, while maintaining our 50% grant / 50% loan policy. EFC staff is involved in the ongoing program administration of ARRA project disbursement processing and ARRA compliance assistance inspections and outreach.

## **New York City Watershed Program**

*Serves watershed areas both east and west of the Hudson River, includes acquisition of land and easements, implements new regulations affecting activities in the watershed, and oversees more than two dozen watershed protection and partnership programs.*

EFC operates the Regulatory Upgrade Program under the New York City Watershed Program.

### ***NYC Watershed - Regulatory Upgrade Program***

*Upgrades existing public and private wastewater treatment plants (WWTPs) located in the New York City watershed to meet Watershed Rules and Regulations. The approximately 100 potentially participating WWTPs are located along the Hudson River.*

In 2015-16, EFC disbursed \$4.8 million for upgrades at WWTPs within the New York City watershed. After 19 years, the Regulatory Upgrade Program continues to deliver technical, administrative, and legal services necessary to effectively operate the program.

## **East of Hudson Septic System Rehabilitation Reimbursement Program**

*Formerly the Kensico Program, provides reimbursement to property owners in targeted New York City Watershed Basins to assist in the cost of rehabilitating their failing septic system.*

Property owners who have received a Notice of Violation on or after November 30, 2008 or believe their septic system is failing may be eligible to obtain up to 50% of eligible costs up to a maximum

reimbursement of \$25,000. This program has been designed to help reduce the potential water quality impacts that may arise from failing septic systems in the Kensico, Boyd Corners, and West Branch watersheds. To date, the East of Hudson Program has provided reimbursement to 24 property owners in the amount of \$195,416.

### **Small Business Environmental Assistance Program (SBEAP)**

*Provides free, confidential technical assistance to small businesses in New York State to help them comply with Federal or State air emission requirements.*

In the past fiscal year, EFC provided SBEAP services to more than 314 small businesses through telephone consultations, on-site visits, emails and workshops. In addition, the Corporation prepared air permit applications and supporting documents for 67 facilities.

### **Industrial Finance Program (IFP)**

*Provides low-cost financing to businesses for environmental infrastructure projects that control pollution and/or help achieve compliance with Federal and State environmental laws, regulations or permits.*

IFP low-cost loans are financed from the proceeds of special obligation revenue bonds issued by EFC and are backed by the credit of the borrower. Since 1976, EFC has loaned more than \$829 million to New York businesses for projects that manage waste, control pollution, build drinking water and wastewater treatment facilities to comply with environmental regulations.

### **Clean Vessel Assistance Program (CVAP)**

*Protects and improves water quality in New York State's navigable waterways.*

CVAP provides funding to marinas, municipalities and non-profits for the installation of pumpout and dump station facilities to help prevent water pollution from recreational boats. EFC continues to reach out to raise awareness among recreational boaters, marinas, municipalities, and non-profits about the CVAP, the role of pumpout facilities in protecting New York's waters, and the location of these services at marinas in the State.

Grant recipients can receive up to 75% of eligible project costs up to \$60,000 for installing pumpout boats and up to \$35,000 for installing or upgrading stationary pumpout units or upgrading pumpout boats. Since program inception in 1992, 1,170 projects for private/public marina owners and other participants have received approximately \$8.9 million in grant funds. Grants also are available for operation and maintenance costs, and for public education and information.



**NEW YORK STATE  
ENVIRONMENTAL FACILITIES CORPORATION**  
(A Component Unit of the State of New York)

Basic Financial Statements

March 31, 2016 and 2015

(With Independent Auditors' Report Thereon)

**NEW YORK STATE**  
**ENVIRONMENTAL FACILITIES CORPORATION**  
(A Component Unit of the State of New York)

Basic Financial Statements  
March 31, 2016 and 2015

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**KPMG LLP**  
515 Broadway  
Albany, NY 12207-2974

## **Independent Auditors' Report**

The Board of Directors  
New York State Environmental Facilities Corporation:

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the New York State Environmental Facilities Corporation (the Corporation), a component unit of the State of New York, as of and for the years ended March 31, 2016 and 2015, and the related notes to the basic financial statements, which collectively comprise the Corporation's basic financial statements, as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the New York State Environmental Facilities Corporation as of March 31, 2016 and 2015, and the changes in its financial position and cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.



## ***Other Matters***

### *Required Supplementary Information*

U.S. generally accepted accounting principles require that management's discussion and analysis and the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the management's discussion and analysis and the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming an opinion on the Corporation's basic financial statements taken as a whole. The other supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The other supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2016 on our consideration of the Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.

**KPMG LLP**

June 30, 2016  
Albany, New York

**NEW YORK STATE  
ENVIRONMENTAL FACILITIES CORPORATION**  
(A Component Unit of the State of New York)

Management's Discussion and Analysis (unaudited)

March 31, 2016 and 2015

**Introduction**

The New York State Environmental Facilities Corporation (EFC or the Corporation) is a Public Benefit Corporation whose mission is to provide low-cost capital and expert technical assistance for environmental projects in New York State. Its purpose is to help public and private entities comply with Federal and State environmental protection and quality requirements in a cost effective manner that advances sustainable growth. EFC promotes innovative environmental technologies and practices. EFC's primary activities are within its State Revolving Fund programs (SRFs).

EFC's basic financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board.

**Corporate Activities**

EFC's corporate activities include the Industrial Finance Program (IFP), the Technical Advisory Services Program (TAS), the Small Business Environmental Assistance Program (SBEAP) and the Clean Vessel Assistance Program (CVAP).

The IFP provides tax-exempt and taxable conduit financings to private entities for a variety of environmental purposes. The TAS provides administrative and technical assistance to private and public sector clients to help them comply with environmental laws and regulations. The SBEAP assists business owners in reducing discharges of pollutants into the environment by providing technical guidance. The CVAP provides grants to assist recipients install pump out and dump station facilities to receive sewage from recreational marine vessels. The program also works to raise boater awareness regarding the benefits, use and availability of pump out stations.

**State Revolving Fund Programs**

EFC's two major programs are the Clean Water and Drinking Water State Revolving Funds (CWSRF/DWSRF). These two programs account for approximately 97% of the total assets and substantially all of the increase in net position of EFC. These programs help make it financially advantageous for communities throughout the State to undertake projects that prevent water pollution and provide safe drinking water.

**Clean Water State Revolving Fund Program**

The CWSRF program provides low-interest rate financing terms and in certain cases offers loan guarantees, principal forgiveness and grants to eligible recipient entities for projects that reduce, eliminate or prevent water pollution. The program is administered jointly by EFC and the New York State Department of Environmental Conservation (DEC). As the financings are repaid, the money becomes available to finance new projects and the funds continue to revolve. The CWSRF provides up to a 50% interest rate subsidy, which saves communities money on interest costs.

Examples of eligible CWSRF projects include construction of new wastewater treatment plants, upgrades to existing plants, sewer line extensions, landfill closures, stormwater management projects, and habitat and natural living resources restoration.

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**Drinking Water State Revolving Fund Program**

The DWSRF program provides low-interest rate financing terms and in certain cases offers principal forgiveness, as well as hardship grants for publicly and privately owned community water system projects that provide safe, affordable drinking water. The program is administered jointly by EFC and the New York State Department of Health (DOH). Like the CWSRF, as the financings are repaid, the money becomes available to finance new projects. The DWSRF provides a 33⅓% interest rate subsidy, which saves communities money on interest costs.

Examples of eligible DWSRF projects include upgrades to treatment facilities to ensure compliance with Federal and State drinking water standards, installation or replacement of storage facilities to prevent contamination or provide adequate delivery pressure, and installation or replacement of transmission and distribution mains to prevent contamination.

**American Recovery and Reinvestment Act of 2009**

On February 17, 2009, President Obama signed into law the American Recovery and Reinvestment Act of 2009 (ARRA). The primary purpose of the statute was to stimulate the economy and retain or create jobs through tax relief and infrastructure investment. Nationally, the CWSRF and DWSRF received an additional Federal Fiscal Year 2010 appropriation of \$4.0 billion and \$2.0 billion, respectively. For New York State, the CWSRF and DWSRF received additional capitalization grants of approximately \$432.6 million and \$86.8 million, respectively.

ARRA requires that no less than 50% of the funds be provided as additional subsidization in the form of principal forgiveness, grants, or negative interest loans. EFC originated the majority of ARRA funds as either principal forgiveness or grants. EFC is currently working to convert the last two ARRA financings from short to long-term financings.

ARRA imposes certain new requirements for projects that receive ARRA funds. Similar to the CWSRF and DWSRF, assistance will be provided to recipients pursuant to the terms of a Project Finance Agreement.

**Disaster Relief Appropriations Act of 2013**

On January 29, 2013, the Disaster Relief Appropriations Act of 2013 (DRAA) was signed into law and funds were appropriated to reduce flood damage risk and vulnerability or to enhance resiliency to rapid hydrologic change or natural disaster at treatment works as defined by section 212 of the Federal Water Pollution Control Act or any eligible facilities under section 1452 of the Safe Drinking Water Act, and for other eligible tasks at such treatment works or facilities necessary to further such purposes. Under DRAA the CWSRF and DWSRF received additional capitalization grants and state match of \$339.8 million and \$67.9 million, respectively. EFC is currently working to commit these funds to eligible projects.

**Water Infrastructure Improvement Act of 2015**

The New York State 2015-2016 budget created the Water Infrastructure Improvement Act of 2015 (NYS Water Grants). Amended in 2016, the budget provides \$400 million over three years to fund wastewater and drinking water infrastructure projects. The grants are available for projects that improve water quality and protect public health. EFC is currently working to implement this program and to commit these funds to eligible projects.

**NEW YORK STATE  
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Management's Discussion and Analysis (unaudited)

March 31, 2016 and 2015

**Financial Highlights – 2016**

- Total assets and deferred outflows of resources decreased by \$163.7 million or 1.3% from \$12.6 billion to \$12.4 billion.
- Net position increased by \$174.9 million or 2.9% from \$6.0 billion to \$6.2 billion.
- Interest subsidy provided decreased by \$1.5 million or 1.1% from \$131.8 million to \$130.3 million.
- Project grant revenues decreased by \$16.8 million or 7.1% from \$238.4 million to \$221.6 million.
- The Corporation issued 4 series of SRF bonds in an aggregate principal amount of \$699.1 million.

**Financial Highlights – 2015**

- Total assets decreased by \$122.5 million or 1.0% from \$12.7 billion to \$12.6 billion.
- Net position increased by \$223.3 million or 3.9% from \$5.8 billion to \$6.0 billion.
- Interest subsidy provided increased by \$1.1 million or .8% from \$130.7 million to \$131.8 million.
- Project grant revenues decreased by \$129.8 million or 35.2% from \$368.2 million to \$238.4 million.
- The Corporation issued 1 series of SRF bonds in an aggregate principal amount of \$213.6 million.

**SRF Program Activity**

A summary of the SRFs' bonds issued is as follows:

<b>2016</b>				
<b>Series</b>	<b>Closed</b>	<b>CWSRF</b>	<b>DWSRF</b>	<b>Total</b>
2015A	7/2/2015	\$ 201,530,000	18,240,000	219,770,000
2015B	8/20/2015	73,530,000	6,990,000	80,520,000
2015C	8/20/2015	31,370,000	—	31,370,000
2015D	8/20/2015	303,990,000	63,465,000	367,455,000
		<u>\$ 610,420,000</u>	<u>88,695,000</u>	<u>699,115,000</u>

<b>2015</b>				
<b>Series</b>	<b>Closed</b>	<b>CWSRF</b>	<b>DWSRF</b>	<b>Total</b>
2014B	7/2/2014	\$ 186,565,000	27,070,000	213,635,000
		<u>\$ 186,565,000</u>	<u>27,070,000</u>	<u>213,635,000</u>

The preceding charts reflect the amount of SRF bonds at their original par value. SRF bonds are typically sold at a premium or discount and the proceeds of those bonds are provided to recipients. SRF bonds are rated AA or better by Standard and Poor's, Moody's Investors Service and Fitch, Inc.

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A summary of the SRFs' financings that occurred is as follows:

	<b>2016</b>		
	<b>CWSRF</b>	<b>DWSRF</b>	<b>Total</b>
Leveraged financings	\$ 740,617,845	98,863,016	839,480,861
Long-term direct financings	206,893,641	51,137,626	258,031,267
Short-term direct financings	747,080,048	274,256,065	1,021,336,113
Grants	36,284,348	21,963,790	58,248,138
	<u>\$ 1,730,875,882</u>	<u>446,220,497</u>	<u>2,177,096,379</u>
	<b>2015</b>		
	<b>CWSRF</b>	<b>DWSRF</b>	<b>Total</b>
Leveraged financings	\$ 420,850,370	41,726,116	462,576,486
Long-term direct financings	28,836,193	40,437,942	69,274,135
Short-term direct financings	657,973,721	30,864,800	688,838,521
Grants	12,672,736	12,541,500	25,214,236
	<u>\$ 1,120,333,020</u>	<u>125,570,358</u>	<u>1,245,903,378</u>

**NEW YORK STATE  
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**Summary Schedule of Net Position**

A summary of the Corporation's net position is as follows:

	<b>March 31</b>		
	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Assets and Deferred Outflows of Resources</b>			
Current assets	\$ 1,726,276,068	1,967,567,240	1,704,117,586
Noncurrent assets	<u>10,716,425,182</u>	<u>10,640,547,038</u>	<u>11,026,468,927</u>
Total assets	12,442,701,250	12,608,114,278	12,730,586,513
Deferred outflows of resources	<u>1,718,505</u>	—	—
Total assets and deferred outflows of resources	<u>\$ 12,444,419,755</u>	<u>12,608,114,278</u>	<u>12,730,586,513</u>
<b>Liabilities, Deferred Inflows of Resources, and Net Position</b>			
Current liabilities	\$ 552,870,553	558,492,365	590,619,729
Noncurrent liabilities	<u>5,730,275,318</u>	<u>6,063,317,075</u>	<u>6,376,970,326</u>
Total liabilities	6,283,145,871	6,621,809,440	6,967,590,055
Deferred inflows of resources	<u>54,172</u>	—	—
Total liabilities and deferred inflows of resources	<u>6,283,200,043</u>	<u>6,621,809,440</u>	<u>6,967,590,055</u>
Net position restricted	6,154,663,226	5,979,870,784	5,755,953,409
Net position unrestricted	<u>6,556,486</u>	<u>6,434,054</u>	<u>7,043,049</u>
Total net position	<u>6,161,219,712</u>	<u>5,986,304,838</u>	<u>5,762,996,458</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 12,444,419,755</u>	<u>12,608,114,278</u>	<u>12,730,586,513</u>

**NEW YORK STATE  
ENVIRONMENTAL FACILITIES CORPORATION**  
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Management's Discussion and Analysis (unaudited)

March 31, 2016 and 2015

**Summary Schedule of Revenues, Expenses and Changes in Net Position**

A summary of the Corporation's revenues, expenses and changes in net position is as follows:

	<b>March 31</b>		
	<b>2016</b>	<b>2015</b>	<b>2014</b>
Total operating revenues	\$ 338,315,526	344,248,134	338,696,507
Total operating expenses	433,840,925	440,103,994	472,146,753
Operating loss	(95,525,399)	(95,855,860)	(133,450,246)
Nonoperating revenues	296,593,889	360,955,296	429,268,698
Nonoperating expenses	26,211,937	41,791,056	23,107,003
Increase in net position	174,856,553	223,308,380	272,711,449
Beginning net position	5,986,304,838	5,762,996,458	5,490,285,009
Cumulative effect of change in accounting principle	58,321	—	—
Ending net position	\$ 6,161,219,712	5,986,304,838	5,762,996,458

**Statements of Net Position Analysis**

**2016**

The Corporation's total assets decreased \$163.7 million from \$12.6 billion as of March 31, 2015 to \$12.4 billion as of March 31, 2016. The decrease in assets of \$163.7 million was primarily the net result of several factors which include a decrease in investments of \$83.1 million, a decrease in cash and cash equivalents of \$296.9 million, an increase in short-term financings receivable of \$321.3 million, an increase in direct financings receivable of \$189.3 million, a decrease in bonds receivable of \$40.9 million, as well as a decrease in due from NYS appropriation bonds receivable of \$253.2 million.

The Corporation's total liabilities decreased \$338.7 million from \$6.6 billion as of March 31, 2015 to \$6.3 billion as of March 31, 2016. The decrease in liabilities of \$338.7 million was primarily the net result of several factors which include a decrease in bonds payable of \$93.3 million, a decrease in appropriation bonds payable of \$253.2 million, as well as an increase in other liabilities of \$9.2 million.

The total assets and liabilities continue to decline as bonds receivable and due from NYS appropriation bonds receivable are being paid down in conjunction with the continued refunding and defeasance of bonds and appropriation bonds payable as a result of the current low interest rate environment.

The Corporation's total net position increased \$174.9 million from \$6.0 billion as of March 31, 2015 to \$6.2 billion as of March 31, 2016. The increase in net position of \$174.9 million was primarily the result of receiving project grant revenues from the 2015 federal fiscal year capitalization grant awards.

**NEW YORK STATE**  
**ENVIRONMENTAL FACILITIES CORPORATION**  
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Management's Discussion and Analysis (unaudited)

March 31, 2016 and 2015

**2015**

The Corporation's total assets decreased \$122.5 million from \$12.7 billion as of March 31, 2014 to \$12.6 billion as of March 31, 2015. The decrease in assets of \$122.5 million was primarily the net result of several factors, which include a decrease in investments of \$609.0 million, an increase in cash and cash equivalents of \$394.5 million, an increase in short-term financings receivable of \$234.7 million, an increase in direct financings receivable of \$1.9 million, a decrease in bonds receivable of \$79.8 million, as well as a decrease in due from NYS appropriation bonds receivable of \$57.8 million.

The Corporation's total liabilities decreased \$345.8 million from \$7.0 billion as of March 31, 2014 to \$6.6 billion as of March 31, 2015. The decrease in liabilities of \$345.8 million was primarily the net result of several factors which include a decrease in bonds payable of \$255.0 million, a decrease in appropriation bonds payable of \$57.8 million, a decrease in debt service funds payable of 26.8 million, as well as a decrease in other liabilities of \$8.7 million.

The total assets and liabilities continue to decline as bonds receivable and due from NYS appropriation bonds receivable are being paid down in conjunction with the continued refunding and defeasance of bonds and appropriation bonds payable as a result of the current low interest rate environment.

The Corporation's total net position increased \$223.3 million from \$5.8 billion as of March 31, 2014 to \$6.0 billion as of March 31, 2015. The increase in net position of \$223.3 million was primarily the result of receiving project grant revenues from the 2014 federal fiscal year capitalization grant awards.

**Changes in Net Position Analysis**

**2016**

During the year ended March 31, 2016, the Corporation recorded an operating loss of \$95.5 million as compared to an operating loss of \$95.9 million during the year ended March 31, 2015. The primary reason for the decrease in operating loss of \$330 thousand was a decrease in interest income on bonds and direct financings of \$6.3 million, a decrease in interest expense on bonds payable of \$11.2 million, a decrease in interest subsidy provided of \$1.5 million, as well as an increase in principal forgiveness of \$7.3 million.

The Corporation recorded project grant revenues in its statements of revenues, expenses, and changes in net position of \$221.6 million during the year ended March 31, 2016 as compared to \$238.4 million for the year ended March 31, 2015. The decrease in project grant revenues of \$16.8 million is primarily related to the decrease in the amount of funds that the Corporation expected to draw under the DRAA capitalization grant.

The Corporation recorded an increase in net position of \$174.9 million for the year ended March 31, 2016 as compared to \$223.3 million for the year ended March 31, 2015. The decrease in the change in net position of \$48.4 million year over year is directly related to the decrease in project grant revenues discussed above, and a decrease in investment income of \$47.1 million offset by a decrease in grants disbursed of \$15.2 million.

Contributing to the decrease in investment income was an unrealized loss in the change in fair value on our long-term investment portfolio of \$5.2 million for the year ended March 31, 2016 as compared to an unrealized gain of \$31.5 million for the year ended March 31, 2015. In addition, at March 31, 2015, there was a one-time adjustment of \$10.0 million recognized to reduce the arbitrage rebate liability which did not occur in fiscal year 2016.

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ENVIRONMENTAL FACILITIES CORPORATION**  
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Management's Discussion and Analysis (unaudited)

March 31, 2016 and 2015

**2015**

During the year ended March 31, 2015, the Corporation recorded an operating loss of \$95.9 million as compared to an operating loss of \$133.5 million during the year ended March 31, 2014. The primary reason for the decrease in operating loss of \$37.6 million was an increase in interest income on bonds and direct financings of \$6.5 million, a decrease in interest expense on bonds payable of \$8.7 million, as well as a decrease in principal forgiveness of \$23.6 million.

The Corporation recorded project grant revenues in its statements of revenues, expenses, and changes in net position of \$238.4 million during the year ended March 31, 2015 as compared to \$368.2 million for the year ended March 31, 2014. The decrease in project grant revenues of \$129.8 million is primarily related to the decrease in the amount of funds available to draw under the federal capitalization grants.

The Corporation recorded an increase in net position of \$223.3 million for the year ended March 31, 2015 as compared to \$272.7 million for the year ended March 31, 2014. The decrease in the change in net position of \$49.4 million year over year is directly related to the decrease in project grant revenues discussed above offset by an increase of \$61.7 million in investment income and a decrease in operating loss as discussed above.

Contributing to the increase in investment income was an unrealized gain in the change in fair value on our long-term investment portfolio of \$31.5 million for the year ended March 31, 2015 as compared to an unrealized loss of \$31.0 million for the year ended March 31, 2014

**Liquidity**

For fiscal year 2016/2017, the Corporation expects to recover its operating costs through fees charged to clients for various services as well as through the use of the administrative portion of the CWSRF and DWSRF capitalization grants.

SRF fees are assessed and collected to cover SRF program administration costs. Fees collected and not expended against current administration costs are held in permitted investments for future use. Fees collected in excess of current administrative costs are expected to be sufficient to cover administration costs subsequent to the termination of federal grant funding.

The Corporation issues special obligation bonds under the State Clean Water and Drinking Water Revolving Funds to provide financial assistance to eligible recipients for water pollution and drinking water projects (as outlined in each programs' respective Intended Use Plan). The financial assistance is provided pursuant to a financing agreement between EFC and each recipient in which the Corporation agrees to purchase and the recipient agrees to sell its bonds in the principal amount of its financing to EFC. Payment on these bonds will serve as the primary security for EFC's bonds.

**Contacting the New York State Environmental Facilities Corporation**

This financial report is designed to provide interested parties with a general overview of the Corporation's finances and to demonstrate its accountability for funds received and expended. If you have questions about this report or would like additional information regarding EFC's programs, please visit the Corporation's website at [www.efc.ny.gov](http://www.efc.ny.gov).

**NEW YORK STATE  
ENVIRONMENTAL FACILITIES CORPORATION**  
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Statements of Net Position

March 31, 2016 and 2015

<b>Assets and Deferred Outflows of Resources</b>	<b>2016</b>	<b>2015</b>
Current assets:		
Cash and cash equivalents	\$ 12,622,330	13,524,970
Contractual services and fees receivable	237,630	248,705
Restricted assets:		
Cash and cash equivalents	928,709,926	1,224,677,583
Interest receivable on bonds and direct financings	82,270,915	90,101,804
Interest receivable on cash and cash equivalents and investments	21,009,864	21,949,641
Annual fees receivable	12,706,113	12,282,326
Prepaid expense	875,000	—
Short-term financings receivable	147,919,301	93,204,480
Direct financings receivable	70,459,258	61,591,418
Bonds receivable	391,027,037	385,592,632
Due from New York State, appropriation bonds receivable	46,300,000	57,926,000
Other restricted funds	12,138,694	6,467,681
Total current assets	<u>1,726,276,068</u>	<u>1,967,567,240</u>
Noncurrent assets:		
Restricted assets:		
Investments	1,859,764,440	1,942,899,495
Short-term financings receivable	874,171,193	607,626,999
Direct financings receivable	1,528,448,618	1,348,050,616
Bonds receivable	6,176,600,931	6,222,970,928
Due from New York State, appropriation bonds receivable	277,440,000	518,999,000
Total noncurrent assets	<u>10,716,425,182</u>	<u>10,640,547,038</u>
Total assets	<u>12,442,701,250</u>	<u>12,608,114,278</u>
Deferred outflows of resources related to pensions	<u>1,718,505</u>	<u>—</u>
Total assets and deferred outflows of resources	<u>\$ 12,444,419,755</u>	<u>12,608,114,278</u>
<b>Liabilities, Deferred Inflows of Resources and Net Position</b>		
Current liabilities:		
Accrued interest payable on bonds	\$ 75,948,142	83,470,224
Accrued interest subsidy	42,446,415	45,571,598
Bonds payable	316,435,000	315,125,000
Appropriation bonds payable	46,300,000	57,926,000
Other restricted funds	12,138,694	6,467,681
Accounts payable and accrued expenses	6,662,271	6,329,708
Debt service funds payable	3,298,715	3,426,929
Unearned revenue	409,643	418,197
Other liabilities	48,454,173	39,229,701
Other post-employment benefits	777,500	527,327
Total current liabilities	<u>552,870,553</u>	<u>558,492,365</u>
Noncurrent liabilities:		
Bonds payable	5,424,461,751	5,519,066,100
Appropriation bonds payable	277,440,000	518,999,000
Unearned revenue	5,360,765	5,646,711
Other post-employment benefits	23,012,802	19,605,264
Total noncurrent liabilities	<u>5,730,275,318</u>	<u>6,063,317,075</u>
Total liabilities	<u>6,283,145,871</u>	<u>6,621,809,440</u>
Deferred inflows of resources related to pensions	<u>54,172</u>	<u>—</u>
Total liabilities and deferred inflows of resources	<u>6,283,200,043</u>	<u>6,621,809,440</u>
Net position:		
Restricted for revolving loan fund programs	6,154,663,226	5,979,870,784
Unrestricted	6,556,486	6,434,054
Total net position	<u>6,161,219,712</u>	<u>5,986,304,838</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 12,444,419,755</u>	<u>12,608,114,278</u>

See accompanying notes to basic financial statements.

**NEW YORK STATE  
ENVIRONMENTAL FACILITIES CORPORATION**  
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Statements of Revenues, Expenses, and Changes in Net Position

Years ended March 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Operating revenues:		
Interest income on bonds and direct financings receivable	\$ 317,524,412	323,819,324
Bond financing and administrative fees	13,135,193	12,384,329
Administrative grant revenues	7,101,211	7,189,484
Advisory service fees	526,394	831,636
Other revenues	28,316	23,361
Total operating revenues	<u>338,315,526</u>	<u>344,248,134</u>
Operating expenses:		
Interest expense on bonds payable	262,486,445	273,677,628
Interest subsidy provided	130,319,713	131,810,355
Principal forgiveness	18,852,122	11,573,328
Administrative costs	22,182,645	23,042,683
Total operating expenses	<u>433,840,925</u>	<u>440,103,994</u>
Operating loss	<u>(95,525,399)</u>	<u>(95,855,860)</u>
Nonoperating revenues:		
Project grant revenues	221,566,744	238,407,345
Investment income	74,634,968	121,764,334
State assistance payments revenue	392,177	783,617
Total nonoperating revenues	<u>296,593,889</u>	<u>360,955,296</u>
Nonoperating expenses:		
Grants disbursed	25,819,760	41,007,439
State assistance payments expense	392,177	783,617
Total nonoperating expenses	<u>26,211,937</u>	<u>41,791,056</u>
Increase in net position	174,856,553	223,308,380
Beginning net position	5,986,304,838	5,762,996,458
Cumulative effect of change in accounting principle (note 2(a))	58,321	—
Ending net position	<u>\$ 6,161,219,712</u>	<u>5,986,304,838</u>

See accompanying notes to basic financial statements.

**NEW YORK STATE  
ENVIRONMENTAL FACILITIES CORPORATION**  
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Statements of Cash Flows

Years ended March 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Cash flows from operating activities:		
Bond financing and administrative fees	\$ 20,083,898	20,939,723
Personal services expense	(8,365,937)	(8,237,503)
Fringe benefits expense	(3,588,371)	(4,145,851)
Other administrative expenses	(6,179,742)	(9,753,467)
Yield reduction received	2,923,166	(7,388,021)
Yield reduction paid	(1,273,723)	(5,762,235)
Other, net	5,035,699	10,492,581
	<u>8,634,990</u>	<u>(3,854,773)</u>
Net cash provided by (used in) operating activities		
Cash flows from noncapital financing activities:		
Proceeds from bonds issued	699,115,000	213,635,000
Payments on bonds payable	(792,409,349)	(468,644,951)
Interest paid on bonds payable	(270,008,527)	(272,422,785)
New York State appropriation bond payments received	253,185,000	57,790,000
Payments on New York State appropriation bonds	(253,185,000)	(57,790,000)
Grants disbursed	(25,819,760)	(41,007,439)
Contributions received from the U.S. Environmental Protection Agency	190,975,978	208,489,398
Contributions received from New York State	30,590,766	29,917,947
	<u>(167,555,892)</u>	<u>(330,032,830)</u>
Net cash used in noncapital financing activities		
Cash flows from investing activities:		
Net proceeds from maturities of investments	83,135,055	609,026,505
Interest income on investments	75,574,745	123,155,717
Bonds purchased	(839,480,861)	(462,576,486)
Bonds repayments received	880,416,453	542,417,604
Short-term financing disbursements	(863,422,225)	(468,508,726)
Short-term financing repayments received	767,494,433	304,144,649
Principal forgiveness repayments	(244,183,344)	(81,895,830)
Direct financings issued	(258,031,267)	(69,274,135)
Direct financing repayments received	68,765,425	67,335,481
Interest income on bonds and direct financings receivable	325,355,301	322,340,163
Interest subsidy provided	(133,444,896)	(130,732,251)
Debt service funds received	885,347	1,987,201
Debt service funds paid	(1,013,561)	(28,786,526)
	<u>(137,949,395)</u>	<u>728,633,366</u>
Net cash (used in) provided by investing activities		
Net (decrease) increase in cash and cash equivalents	(296,870,297)	394,745,763
Cash and cash equivalents, beginning of year	<u>1,238,202,553</u>	<u>843,456,790</u>
Cash and cash equivalents, end of year	<u>\$ 941,332,256</u>	<u>1,238,202,553</u>

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Statements of Cash Flows

Years ended March 31, 2016 and 2015

	<b>2016</b>	<b>2015</b>
Reconciliation of operating loss to net cash provided by (used in) operating activities:		
Operating loss	\$ (95,525,399)	(95,855,860)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:		
Interest income on bonds and direct financings receivable	(317,524,412)	(323,819,324)
Interest expense	262,486,445	273,677,628
Principal forgiveness	18,852,122	11,573,328
Interest subsidy provided	130,319,713	131,810,355
Changes in assets and liabilities that provide (use) cash:		
Contractual services and fees receivable	11,075	396,661
Annual fees receivable	(423,787)	328,867
Prepaid expense	(875,000)	6,032,158
Accounts payable and accrued expenses	332,563	(2,897,905)
Unearned revenue	(294,500)	(214,615)
Other liabilities	7,618,459	(8,689,833)
Other post-employment benefits	3,657,711	3,803,767
Net cash provided by (used in) operating activities	\$ 8,634,990	(3,854,773)

See accompanying notes to basic financial statements.

**NEW YORK STATE  
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Notes to Basic Financial Statements

March 31, 2016 and 2015

**(1) General**

**(a) Organization**

The New York State Environmental Facilities Corporation (EFC or the Corporation) is a public benefit corporation formed pursuant to the New York State Environmental Facilities Corporation Act (Chapter 744 of the Laws of New York State of 1970, as amended). EFC is a component unit of New York State (State) and is exempt from Federal, State, and local income taxes. EFC is included in the State's basic financial statements. The Corporation is governed by a board of directors consisting of seven members, three of whom are required to be certain State officials – the Commissioner of Environmental Conservation (who is also designated as the chair), the Commissioner of Health and the Secretary of State. The four remaining directors are appointed by the Governor and confirmed by the State Senate.

**(b) Description of Business**

EFC provides low-cost capital and expert technical assistance to municipalities, businesses and State agencies for environmental projects in New York State. These activities include assisting businesses finance environmental projects through the Industrial Finance Program (IFP); helping municipalities, State agencies and businesses comply with environmental laws and regulations through various programs administered under the Technical Advisory Services Program (TAS); and the administration of the Clean Water State Revolving Fund program (CWSRF) and the Drinking Water State Revolving Fund program (DWSRF).

The IFP provides tax-exempt and taxable conduit financings to private entities for a variety of environmental purposes.

The TAS provides administrative and technical assistance to private and public sector clients to help them comply with environmental laws and regulations through the following programs:

1. A multi-year contract with the New York City Department of Environmental Protection (DEP) to administer Watershed Programs. Technical, financial and legal assistance is provided to DEP's Regulatory Upgrade Program and the New Sewage Treatment Infrastructure Program;
2. the Kensico Septic Rehabilitation Reimbursement Program contract with New York City DEP provides grants to reduce adverse water quality impacts from failing residential septic systems in the Kensico Watershed Basin;
3. the Small Business Environmental Assistance Program (SBEAP) assists business owners in reducing discharges of pollutants into the environment by providing technical guidance;
4. the Clean Vessel Assistance Program (CVAP) provides grants to assist recipients install pump out and dump station facilities to receive sewage from recreational marine vessels. The program also works to raise boater awareness regarding the benefits, use, and availability of pumpout stations.

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The CWSRF and the DWSRF are the Corporation’s largest programs. The CWSRF provides low-interest rate financing terms and in certain cases offers loan guarantees, principal forgiveness and grants to eligible recipient entities for projects that reduce, eliminate or prevent water pollution. The DWSRF provides low-interest rate financing terms and in certain cases offers principal forgiveness, as well as hardship grants for publicly and privately owned community water system projects that provide safe, affordable drinking water.

**(2) Summary of Significant Accounting Policies**

**(a) Basis of Accounting**

The accompanying financial statements have been prepared in conformity with U.S. generally accepted accounting principles as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The operations of the Corporation are accounted for using the accrual basis of accounting in order to recognize the flow of economic resources. Under this basis, revenues are recognized in the period in which they are earned and expenses are recognized in the period in which they are incurred. The more significant accounting policies are described below.

During fiscal 2016, EFC has implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* (GASB 68), as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, and GASB Statement No. 82, *Pension Issues*. For the cost sharing multiple employer pension plan that EFC participates in, the New York State and Local Employees’ Retirement System (the Plan or ERS), GASB 68 requires that a portion of the Plan’s net pension liability (asset) as well as deferred inflows and outflows of resources from pension activities be reflected in the reported amounts on the Corporation’s statement of net position. As a result of adopting this pronouncement, EFC has restated the beginning net position at April 1, 2015 and the 2016 statement of net position includes EFC’s proportionate share of the net pension liability of the ERS and related deferred inflows and outflows of resources. Net position as of April 1, 2015, has been restated as follows:

Net Position as previously reported at March 31, 2015:	\$	5,986,304,838
Net Pension Liability (measurement date as of March 31, 2014)		(1,522,835)
Deferred outflows:		
EFC contributions made during year ended March 31, 2015		1,581,156
Total prior period adjustment		58,321
Net Position as restated, April 1, 2015	\$	5,986,363,159

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to EFC’s participation in the System, as well as the related pension expense, information about the fiduciary net position of the System, and additions to/deductions from EFC’s fiduciary net position have been determined on the same basis as they are reported by the System. For this purpose, benefit payments are recognized when due and payable in accordance with the statutes governing the System. Investments of the System are reported at fair value.

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March 31, 2016 and 2015

**(b) Revenue Recognition and Accounts Receivable**

The Corporation recognizes revenue when earned. Project grant revenues under capitalization grants for the operation of the State Revolving Fund (SRF) programs are recognized when reimbursable expenses are incurred for financings originated. Fees for services are recognized, and unearned fees for services are amortized, as the related expense of the Corporation is incurred over the life of the related financing.

**(c) Cash and Cash Equivalents**

EFC considers certificates of deposit, repurchase agreements, money market funds and U.S. Treasury Bills, with remaining maturities of three months or less at the time of purchase, to be cash equivalents. At March 31, 2016 and 2015, the cash and cash equivalents, excluding U.S. Treasury Bills and U.S. Treasury Money Market Funds, are fully insured or collateralized with securities in the Corporation's name. U.S. Treasury Bills are uninsured and not collateralized, but are held in trust accounts in EFC's name and are backed by the full faith and credit of the Federal government.

**(d) Investments**

EFC's investment guidelines permit investment of funds in obligations of, or guaranteed by, the United States of America or New York State, as well as in time deposits, guaranteed investment contracts, repurchase agreements and other permitted investments such as qualified municipal obligations. All cash, time deposits, guaranteed investment contracts and repurchase agreements are collateralized by securities (obligations of, or guaranteed by, the United States of America or New York State and any FDIC coverage) having a fair value of not less than 102% of the amount currently on deposit or in accordance with their respective agreement. At March 31, 2016, EFC's guaranteed investment contracts require collateral ranging from 113% to 130% of the investment value. From time to time, the actual collateral pledged may fall below the contractual requirement of the guaranteed investment contracts. Upon notice to the investment providers, additional collateral is pledged to satisfy the contractual requirements.

Investments are recorded at fair value or amortized cost. Guaranteed investment contracts and structured debt obligations (Tennessee Valley Authority (TVA), Inter-American Development Bank (IADB) and The Nature Conservancy (TNC)) are considered nonparticipating contracts and are therefore recorded at cost. Municipal obligations are recorded at fair value. State and Local Government Series Securities (SLGS) and all other investments with original maturities at the time of purchase of one year or less are recorded at cost. EFC requires delivery to its custodian (agent) or other acceptable financial institutions of all securities purchased and collateral for guaranteed investment contracts, certificates of deposit and repurchase agreements, regardless of the seller institution.

**(e) Use of Estimates**

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

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March 31, 2016 and 2015

**(f) *Arbitrage and Yield Reduction Liability***

The Corporation estimates its arbitrage and yield reduction liabilities. At March 31, 2016 and 2015 such amounts were \$12.5 million and \$10.9 million, respectively, and are included on the statements of net position in the caption "other liabilities". While management believes that these amounts are adequate, the actual liabilities could be in excess of, or less than, the amount indicated in the financial statements. Generally, a calculation is performed by an outside consultant for each new bond issue during the third bond year and then every fifth bond year through final maturity, at which time management refines its estimate. The methods for making such estimates and for establishing the resulting liability are continually reviewed, and any adjustments are reflected in the statements of revenues, expenses and changes in net position in the year of the change.

**(g) *Net Position***

The Corporation's net position is classified in the following categories: restricted for revolving loan fund programs, consisting of assets less related liabilities restricted for the operation of the CWSRF and DWSRF programs; and unrestricted, consisting of assets reduced by related liabilities that are not classified as restricted. If both restricted and unrestricted resources are available for use, restricted resources are used first.

**(h) *Operating and Nonoperating Revenues and Expenses***

The Corporation distinguishes operating revenues and expenses from nonoperating items in the preparation of its financial statements. The principal operating revenues are generated from the interest income earned from borrowings under the long-term loan programs and fees related to these programs. The Corporation's operating expenses include interest expense on bonds payable, interest subsidy provided, principal forgiveness and expenses related to the administration of EFC's activities. The principal nonoperating revenues are generated from project grant revenues, investment income, and other nonexchange revenues. Nonoperating expenses include program grants and other nonexchange expenses.

**(3) *State Revolving Funds***

The Federal Water Quality Act of 1987 established a revolving fund program. In this regard, the New York State Water Pollution Control Revolving Fund, or CWSRF program, was established by New York State in 1989 to provide financial assistance to eligible recipient entities in connection with the construction of water pollution control facilities. EFC has been designated to be the custodian of the CWSRF in New York State. The program is administered jointly by EFC and the New York State Department of Environmental Conservation (DEC).

A DWSRF was created as a result of New York State's enactment of Chapter 413 of the Laws of 1996 (Clean Water/Clean Air Bond Act) and passage of the 1996 Amendments to the Safe Drinking Water Act by the U.S. Congress. The DWSRF provides a financial incentive for public and private water systems to undertake needed drinking water infrastructure improvements. The program is administered jointly by EFC and the New York State Department of Health (DOH).

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The American Recovery and Reinvestment Act of 2009 (ARRA) provided additional funds to the CWSRF and DWSRF to help stimulate the economy through infrastructure investment. ARRA requires that no less than 50% of the funds be provided as additional subsidization in the form of principal forgiveness, grants, or negative interest loans.

The Disaster Relief Appropriations Act of 2013 (DRAA) provided additional funds to the CWSRF and DWSRF to reduce flood damage risk and vulnerability or to enhance resiliency to rapid hydrologic change or natural disaster at treatment works as defined by section 212 of the Federal Water Pollution Control Act or any eligible facilities under section 1452 of the Safe Drinking Water Act, and for other eligible tasks such as treatment works or facilities necessary to further such purpose.

The NYS Water Infrastructure Improvement Act of 2015 (NYS Water Grants) will provide additional state funds over three years to fund wastewater and drinking water infrastructure projects. These grants are available for projects that improve water quality and protect public health.

EFC's primary activities with regard to the CWSRF and DWSRF include providing financial assistance for eligible projects, the issuance of debt in the capital markets for the purpose of providing financial assistance, the investment of program moneys, and the management and coordination of the programs.

SRF program capitalization grants are issued from the U.S. Environmental Protection Agency (USEPA) to New York State, for which the State is required to provide 20% in matching funds. New York State distributes these Federal and State moneys to DEC and DOH to administer the programs. DEC and DOH in turn distribute these moneys to EFC to provide financial assistance to eligible recipients. EFC invests the Federal and State capitalization grant moneys and uses interest earnings on these and other funds to subsidize by one-third or one-half the interest on the financings it provides. Financial assistance under the SRF program may be provided directly from the grant funds, from the proceeds of the issuance of bonds, repayments, and/or interest earnings.

Funds and accounts pertaining to the SRF programs are limited to specific uses by laws and regulations as well as Grant and Operating Agreements entered into between USEPA and the State. As a result of these limitations on uses, these funds are classified as restricted on the statements of net position.

**Reserve Allocation and Subsidy:** In connection with certain financings, amounts received from the Federal government through the U.S. Environmental Protection Agency and New York State are drawn and deposited in an unallocated equity account as an eligible recipient expends funds for costs of issuance, repayment of debt, refinancing of debt, defeasance of debt, and for acquisition and/or construction. As these funds are received by the recipient an amount equal to one-third or one-half of the expenditure is transferred from the unallocated equity account to the debt service reserve fund for the recipient. As a recipient repays its financing, a proportionate amount in the applicable debt service reserve fund will be redeposited in the unallocated equity account of the appropriate SRF. The earnings on the debt service reserve funds are utilized as subsidy to reduce the interest costs that recipients pay on their financing.

**Committed Subsidies:** In certain financings, the SRF provides contractual commitments to recipients of leveraged financings to provide specified amounts of interest subsidies from earnings on reserve allocations or other SRF program resources or a combination of both. In general, it is expected that certain leveraged

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financings will not have any associated reserve allocations. Nevertheless, we utilize other available SRF monies to provide recipients with an interest subsidy generally comparable to the subsidy that we provide from earnings on reserve allocations.

**(4) Cash and Cash Equivalents and Investments**

EFC's cash equivalents and investments include cash equivalents and investments that are insured or collateralized and that are backed by the full faith and credit of the Federal government.

As of March 31, 2016, the Corporation had the following cash equivalents and investments, credit risks and maturities:

Investment type	Credit risk range	Cost/ fair value	Investment maturities in years			
			Less than 1 year	1 – 5 years	6 – 10 years	More than 10 years
Non-U.S. government backed:						
Guaranteed investment contracts	A – AAA	\$ 559,107,371	30,008,139	142,273,712	148,483,605	238,341,915
Municipal obligations	BBB – AAA	759,376,471	28,871,444	114,716,337	174,973,403	440,815,287
Structured debt obligations	Aa2	40,337,809	5,293,333	27,870,831	7,173,645	—
U.S. government backed:						
U.S. Treasury bills		965,234,470	965,234,470	—	—	—
State and local government series		277,389	—	277,389	—	—
Structured debt obligations		448,079,630	33,272,099	167,395,926	135,987,956	111,423,649
Total		\$ 2,772,413,140	1,062,679,485	452,534,195	466,618,609	790,580,851

As of March 31, 2015, the Corporation had the following cash equivalents and investments, credit risk and maturities:

Investment type	Credit risk range	Cost/ fair value	Investment maturities in years			
			Less than 1 year	1 – 5 years	6 – 10 years	More than 10 years
Non-U.S. government backed:						
Guaranteed investment contracts	A – AAA	\$ 584,631,661	25,524,290	139,834,488	152,359,422	266,913,461
Municipal obligations	BBB – AAA	806,697,509	37,436,608	118,543,837	145,568,784	505,148,280
Structured debt obligations	Aa2	45,352,809	5,015,000	29,123,331	11,214,478	—
U.S. government backed:						
U.S. Treasury bills		1,229,398,621	1,229,398,621	—	—	—
State and local government series		4,545,719	1,160,832	1,359,887	1,075,000	950,000
Structured debt obligations		483,611,340	35,531,710	169,027,817	144,922,830	134,128,983
Total		\$ 3,154,237,659	1,334,067,061	457,889,360	455,140,514	907,140,724

With regard to the investments above, the Corporation has an investment policy that limits its exposure to losses arising from credit risk, interest rate risk, custodial credit risk, and concentration of credit risk.

Credit risk is the risk that an issuer will not fulfill its obligations. New York State law limits the investments that the Corporation can make, which minimizes the Corporation's exposure to credit risk.

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Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Corporation's policy for managing this risk is to hold investment securities to maturity, at which time the fair value of the investment is equal to its stated maturity value.

Custodial credit risk for deposits and investments is the risk that in the event of the failure of the counterparty to perform on a transaction, the Corporation will not be able to recover the value of deposits or investment securities that are in the possession of an outside party. In order to manage this risk the Corporation's deposits or investments are collateralized and held by a third party.

Other than U.S. government and U.S. Government Guaranteed securities, New York State General Obligation securities and New York State Personal Income Tax securities, EFC's investment policies limit any single obligor's uncollateralized investments to no more than 15% of the combined SRF program's long-term nonpurpose, unpledged investment buy program. Concentration of credit risk in EFC's guaranteed investment contracts portfolio is minimized by obligors providing collateralization of at least 113% of invested funds to a third party custodian.

As of March 31, 2016, the Corporation had five providers of guaranteed investment contracts, four of which were obligated for more than 5% of the total investment contract portfolio. The four providers were Societe General with \$239.2 million or 42.8% of the portfolio, JP Morgan Chase with \$146.4 million or 26.2% of the portfolio, Bank of America with \$134.7 million or 24.1% of the portfolio, and Citigroup with \$38.7 million or 6.9% of the portfolio.

As of March 31, 2015, the Corporation had five providers of guaranteed investment contracts, four of which were obligated for more than 5% of the total investment contract portfolio. The four providers were Societe General with \$248.2 million or 42.5% of the portfolio, JP Morgan Chase with \$154.9 million or 26.5% of the portfolio, Bank of America with \$140.2 million or 24.0% of the portfolio, and Citigroup with \$40.9 million or 7.0% of the portfolio.

**(5) Short-Term Financings Receivable**

Short-term financings receivable are provided with SRF capitalization grant monies, repayments, and/or interest earnings. This program assists eligible recipients with cash flow needs through project design and construction. The program provides short-term (generally up to three years) interest free and/or market rate financings to eligible recipients which have completed the facility planning process but in most instances are not ready to apply for long term (up to thirty years) financing.

Under the American Recovery and Reinvestment Act of 2009 (ARRA) the CWSRF and DWSRF are required to offer additional subsidization of no less than 50% in the form of principal forgiveness, grants, or negative interest loans. EFC has established a reserve against receivables based on amounts disbursed and categorized as subject to principal forgiveness.

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Short-term financings receivable is comprised of the following at March 31, 2016:

	<u>CWSRF</u>	<u>DWSRF</u>	<u>Total</u>
Receivable subject to principal forgiveness	\$ 12,232,974	—	12,232,974
Other short-term financing receivable	<u>742,081,007</u>	<u>280,009,487</u>	<u>1,022,090,494</u>
	754,313,981	280,009,487	1,034,323,468
Less reserve for principal forgiveness	<u>(12,232,974)</u>	—	<u>(12,232,974)</u>
Short-term financing receivable, net of reserve for principal forgiveness	<u>\$ 742,081,007</u>	<u>280,009,487</u>	<u>1,022,090,494</u>

Short-term financings receivable is comprised of the following at March 31, 2015:

	<u>CWSRF</u>	<u>DWSRF</u>	<u>Total</u>
Receivable subject to principal forgiveness	\$ 229,753,602	7,810,595	237,564,197
Other short-term financing receivable	<u>606,865,148</u>	<u>93,966,331</u>	<u>700,831,479</u>
	836,618,750	101,776,926	938,395,676
Less reserve for principal forgiveness	<u>(229,753,602)</u>	<u>(7,810,595)</u>	<u>(237,564,197)</u>
Short-term financing receivable, net of reserve for principal forgiveness	<u>\$ 606,865,148</u>	<u>93,966,331</u>	<u>700,831,479</u>

Short-term financings receivable mature as follows:

	<u>CWSRF</u>	<u>DWSRF</u>	<u>Total</u>
Year ending March 31:			
2017	\$ 119,443,754	28,475,547	147,919,301
2018	103,186,850	37,619,985	140,806,835
2019	<u>519,450,403</u>	<u>213,913,955</u>	<u>733,364,358</u>
	<u>\$ 742,081,007</u>	<u>280,009,487</u>	<u>1,022,090,494</u>

**(6) Direct Financings Receivable**

Direct financings receivable are provided with SRF capitalization grant monies, repayments, interest earnings and/or administrative fees. Direct financings receivable have been issued with interest rates that range from 0% to 4.87% and mature through the year 2045.

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Direct financings receivable mature as follows:

	<u>CWSRF</u>	<u>DWSRF</u>	<u>Total</u>
Year ending March 31:			
2017	\$ 47,055,057	23,404,201	70,459,258
2018	46,151,670	24,778,617	70,930,287
2019	41,922,385	24,741,296	66,663,681
2020	40,510,594	24,143,162	64,653,756
2021	39,964,261	23,026,754	62,991,015
2022–2026	233,821,017	108,021,226	341,842,243
2027–2031	290,312,051	86,980,128	377,292,179
2032–2036	195,778,176	73,537,816	269,315,992
2037–2041	141,114,823	42,485,679	183,600,502
2042–2046	77,067,454	14,091,509	91,158,963
	<u>\$ 1,153,697,488</u>	<u>445,210,388</u>	<u>1,598,907,876</u>

**(7) SRF Bonds Receivable and Bonds Payable**

EFC issues special obligation bonds under the SRF programs and in most cases these bond proceeds together with equity funds are used to provide financial assistance to eligible recipients. The financial assistance is provided pursuant to a financing agreement between EFC and each recipient in which EFC agrees to purchase and the recipient agrees to sell its bonds in the principal amount of its financing to EFC. These financing agreements will serve as the primary security for EFC's bonds. Additionally, SRF program debt service reserve funds may be available to collateralize the outstanding bonds. The principal and interest payments of the project financing agreements are structured to be sufficient to pay the full principal and interest payments on EFC's bonds. EFC's bonds are issued subject to the terms of a Master Trust Agreement, a Financing Indenture of Trust, and a Supplemental Financing Indenture of Trust that is issued for each bond issue.

Bond proceeds net of issuance costs, and in most cases equity funds, are deposited in construction funds simultaneously with the issuance and sale of the SRF revenue bonds and are generally held for the recipients by the SRF trustee under a third party agreement. The construction fund proceeds are recorded on the recipients' financial statements and are not included in EFC's financial statements. Moneys available and on deposit in the construction funds were \$113.9 million at March 31, 2016 and \$104.3 million at March 31, 2015.

The bonds of each series are not general obligations of EFC. Bonds are payable solely from payments made by each recipient to the trustee and any other pledged funds held by the trustee.

Certain bond series provide for optional redemption provisions from 100% to 102% of the principal amount to be redeemed.

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The following is a schedule of CWSRF bonds receivable outstanding at March 31, 2016 and March 31, 2015:

<b>Bond issue</b>	<b>Range of interest rates</b>	<b>Year of maturity</b>	<b>March 31</b>	
			<b>2016</b>	<b>2015</b>
Series 1994E, 12/1/94	6.875	2016	\$ 115,000	340,000
Series 2002K, 11/14/02	2.00 – 5.00	2017	67,830,000	99,925,000
Series 2002L, 11/26/02	4.00 – 5.00	2015	—	4,848,000
Series 2003B, 3/20/03	5.25	2015	—	4,250,000
Series 2003C, 3/20/03	5.25	2015	—	2,170,000
Series 2004B, 3/4/04	5.00	2016	3,335,000	6,595,000
Series 2004C, 4/7/04	3.375 – 5.25	2033	86,535,000	93,475,000
Series 2004F, 11/30/04	4.265 – 5.00	2034	131,795,000	137,010,000
Series 2005A, 3/3/05	3.50 – 4.75	2034	—	80,010,000
Series 2005B, 7/28/05	3.40 – 5.50	2035	—	70,435,000
Series 2005C, 10/12/05	4.125 – 5.00	2035	64,035,000	136,569,348
Series 2005D, 11/15/05	4.00 – 5.00	2024	—	7,110,000
Series 2006A, 6/22/06	4.50 – 5.43	2036	141,530,764	146,716,528
Series 2006B, 6/22/06	4.50 – 5.50	2036	181,185,717	187,721,434
Series 2006C, 7/27/06	4.125 – 5.00	2036	—	105,275,000
Series 2007A, 3/27/07	3.75 – 5.00	2036	159,818,565	166,072,130
Series 2007B, 3/27/07	4.50 – 5.00	2036	204,167,663	212,150,326
Series 2007C, 5/15/07	4.125 – 5.00	2024	106,575,000	121,440,000
Series 2007D, 7/26/07	4.00 – 5.00	2037	—	81,880,000
Series 2008A, 5/22/08	4.625 – 5.00	2037	107,669,087	111,622,116
Series 2008B, 5/22/08	5.00	2037	137,890,361	142,957,148
Series 2009A, 4/2/09	5.00 – 5.25	2038	269,550,900	276,388,625
Series 2010A, 2/11/10	3.50 – 5.00	2029	88,160,368	93,685,460
Series 2010B, 2/11/10	5.707 – 5.807	2039	111,440,000	111,440,000
Series 2010C, 6/24/10	3.00 – 5.00	2039	110,723,000	120,014,000
Series 2011A, 3/17/11	3.00 – 5.00	2021	40,270,000	56,745,000
Series 2011B, 6/17/11	5.00	2041	329,386,590	340,763,948
Series 2011C, 7/21/11	3.00 – 5.00	2041	144,171,000	154,635,000
Series 2012A, 5/31/12	2.00 – 5.00	2029	379,350,000	409,950,000
Series 2012B, 6/21/12	2.00 – 5.00	2042	144,199,488	150,350,962
Series 2012C, 6/21/12	1.123 – 3.684	2029	23,285,000	23,915,000

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<u>Bond issue</u>	<u>Range of interest rates</u>	<u>Year of maturity</u>	<u>March 31</u>	
			<u>2016</u>	<u>2015</u>
Series 2012D, 7/12/12	3.00 – 5.00	2028	\$ 299,130,000	305,105,000
Series 2012E, 11/15/12	3.00 – 5.00	2042	161,549,564	170,429,564
Series 2012F, 11/15/12	0.986 – 2.806	2024	42,727,000	47,496,000
Series 2013A, 7/11/13	3.00 – 5.00	2033	351,145,000	365,855,000
Series 2013B, 8/1/13	3.00 – 5.00	2043	252,910,859	263,694,380
Series 2014A, 3/27/14	2.00 – 5.00	2034	317,475,000	327,675,000
Series 2014B, 7/2/14	2.00 – 5.00	2044	401,815,370	416,425,370
Series 2015A, 7/2/15	2.00 – 5.00	2045	201,530,000	—
Series 2015B, 8/20/15	2.00 – 5.00	2045	163,506,713	—
Series 2015C, 8/20/15	.50 – 3.82	2030	46,357,500	—
Series 2015D, 8/20/15	2.00 – 5.00	2037	315,394,811	—
			<u>\$ 5,586,560,320</u>	<u>5,553,140,339</u>
Beginning balance			\$ 5,553,140,339	5,564,053,654
Bonds issued			740,617,845	420,850,370
Bonds retired			<u>(707,197,864)</u>	<u>(431,763,685)</u>
Ending balance			<u>\$ 5,586,560,320</u>	<u>5,553,140,339</u>

The New York City Municipal Water Finance Authority makes up 68% of the CWSRF bonds receivable at March 31, 2016 and 69% at March 31, 2015.

Included in CWSRF bonds payable are unamortized bond premiums/discounts of \$105,688,022 at March 31, 2016 and \$100,000,639 at March 31, 2015.

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The following is a schedule of DWSRF bonds receivable outstanding at March 31, 2016 and March 31, 2015:

Bond issue	Range of interest rates	Year of maturity	March 31	
			2016	2015
Series 2004B, 3/4/04	5.00	2016	\$ 195,000	385,000
Series 2004C, 4/7/04	4.50 – 5.25	2026	3,935,000	4,770,000
Series 2004F, 11/30/04	5.00	2026	2,975,000	3,240,000
Series 2005A, 3/3/05	3.50 – 4.75	2025	—	3,430,000
Series 2005B, 7/28/05	3.40 – 5.50	2025	—	4,845,000
Series 2005C, 10/12/05	4.25 – 5.00	2027	10,180,000	33,213,258
Series 2006A, 6/22/06	4.75 – 5.50	2028	12,982,348	13,899,696
Series 2006B, 6/22/06	4.625 – 5.50	2028	16,529,060	17,703,120
Series 2006C, 7/27/06	4.125 – 5.00	2028	—	35,040,000
Series 2007A, 3/27/07	3.75 – 5.00	2029	15,049,143	16,083,286
Series 2007B, 3/27/07	4.50 – 5.00	2029	19,349,151	20,658,302
Series 2007D, 7/26/07	4.00 – 5.00	2036	—	26,890,000
Series 2008A, 5/22/08	4.625 – 5.00	2030	75,518,030	85,946,240
Series 2008B, 5/22/08	5.00	2030	42,366,206	44,836,608
Series 2009A, 4/2/09	5.00 – 5.25	2031	57,059,612	59,912,015
Series 2010A, 2/11/10	4.00	2016	4,555,000	9,005,000
Series 2010B, 2/11/10	4.005 – 5.707	2029	85,020,000	85,020,000
Series 2010C, 6/24/10	3.00 – 5.00	2039	61,530,000	68,940,000
Series 2011A, 3/17/11	3.00 – 5.00	2022	55,704,174	69,187,874
Series 2011B, 6/17/11	2.00 – 5.00	2031	155,896,995	164,810,174
Series 2011C, 7/21/11	4.00 – 5.00	2041	99,423,481	105,726,335
Series 2012A, 5/31/12	5.00	2022	18,935,000	21,925,000
Series 2012B, 6/21/12	2.00 – 5.00	2032	11,603,459	12,691,206
Series 2012E, 11/15/12	3.00 – 5.00	2032	11,595,000	12,410,000
Series 2013A, 7/11/13	5.00	2026	15,935,000	17,575,000
Series 2013B, 8/1/13	3.00 – 5.00	2042	52,196,857	56,453,991
Series 2014A, 3/27/14	4.00 – 5.00	2026	18,460,000	19,710,000
Series 2014B, 7/2/14	2.00 – 5.00	2044	38,831,116	41,116,116
Series 2015A, 7/2/15	2.00 – 5.00	2027	18,240,000	—
Series 2015B, 8/20/15	3.00 – 5.00	2042	11,741,595	—
Series 2015D, 8/20/15	2.00 – 5.00	2036	65,261,421	—
			\$ 981,067,648	1,055,423,221

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<u>Bond issue</u>	<u>Range of interest rates</u>	<u>Year of maturity</u>	<u>March 31</u>	
			<u>2016</u>	<u>2015</u>
Beginning balance			\$ 1,055,423,221	1,124,351,024
Bonds issued			98,863,016	41,726,116
Bonds retired			<u>(173,218,589)</u>	<u>(110,653,919)</u>
Ending balance			<u>\$ 981,067,648</u>	<u>1,055,423,221</u>

The New York City Municipal Water Finance Authority makes up 59% of the DWSRF bonds receivable at March 31, 2016 and 2015.

Included in DWSRF bonds payable are unamortized bond premiums/discounts of \$35,353,729 at March 31, 2016 and \$37,630,461 at March 31, 2015.

Defeased in-substance debt outstanding that is no longer recorded on EFC's statements of net position amounted to \$366.9 million at March 31, 2016 and \$94.5 million at March 31, 2015.

In fiscal 2016, the Corporation issued \$699.1 million of State Revolving Funds Revenue Bonds. A portion of the proceeds, including a premium of \$84.0 million, were used to redeem six series of previously issued SRF bonds which totaled \$478.9 million. As a result of refinancing, the underlying borrowers in these transactions will realize \$42.5 million in present value savings. The remaining bond proceeds were used to provide financial assistance to eligible recipients.

In fiscal 2015, the Corporation issued \$213.6 million of State Revolving Funds Revenue Bonds. A portion of the proceeds, including a premium of \$31.1 million, were used to redeem three series of previously issued SRF bonds which totaled \$165.7 million. As a result of refinancing, the underlying borrowers in these transactions will realize \$24.8 million in present value savings. The remaining bond proceeds were used to provide financial assistance to eligible recipients.

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Principal payments on bonds receivable mature as follows:

	<u>CWSRF</u>	<u>DWSRF</u>	<u>Total</u>
Year ending March 31:			
2017	\$ 308,029,056	82,997,981	391,027,037
2018	310,153,190	83,647,406	393,800,596
2019	308,797,290	85,034,667	393,831,957
2020	307,937,406	80,243,751	388,181,157
2021	303,561,416	77,091,130	380,652,546
2022–2026	1,362,297,151	281,606,713	1,643,903,864
2027–2031	1,160,741,097	210,591,000	1,371,332,097
2032–2036	964,480,714	50,455,000	1,014,935,714
2037–2041	435,333,000	24,255,000	459,588,000
2042–2046	125,230,000	5,145,000	130,375,000
	<u>\$ 5,586,560,320</u>	<u>981,067,648</u>	<u>6,567,627,968</u>

Interest payments on bonds receivable are as follows:

	<u>CWSRF</u>	<u>DWSRF</u>	<u>Total</u>
Year ending March 31:			
2017	\$ 239,494,888	37,935,043	277,429,931
2018	229,781,118	35,573,180	265,354,298
2019	216,178,644	32,609,025	248,787,669
2020	204,258,500	29,904,133	234,162,633
2021	191,767,296	26,814,720	218,582,016
2022–2026	780,722,057	100,608,629	881,330,686
2027–2031	491,150,810	42,349,158	533,499,968
2032–2036	238,217,222	10,741,175	248,958,397
2037–2041	70,645,926	3,872,692	74,518,618
2042–2046	10,948,068	343,834	11,291,902
	<u>\$ 2,673,164,529</u>	<u>320,751,589</u>	<u>2,993,916,118</u>

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The following is a reconciliation of bonds receivable to bonds payable:

	<u>CWSRF</u>	<u>DWSRF</u>	<u>Total</u>
Bonds receivable, March 31, 2016	\$ 5,586,560,320	981,067,648	6,567,627,968
Equity funded bonds receivable	<u>(726,177,298)</u>	<u>(100,553,919)</u>	<u>(826,731,217)</u>
Bonds payable, March 31, 2016	<u>\$ 4,860,383,022</u>	<u>880,513,729</u>	<u>5,740,896,751</u>
Bonds receivable, March 31, 2015	\$ 5,553,140,339	1,055,423,221	6,608,563,560
Equity funded bonds receivable	<u>(666,224,700)</u>	<u>(108,147,760)</u>	<u>(774,372,460)</u>
Bonds payable, March 31, 2015	<u>\$ 4,886,915,639</u>	<u>947,275,461</u>	<u>5,834,191,100</u>

Equity funded bonds receivable, or the blend rate funding model, utilizes a combination of bond proceeds from the issuance of EFC special obligation bonds and equity funds available from the CWSRF and DWSRF programs to fund a portion of each underlying recipients' financing. The equity funded portion is essentially an interest free component of each financing which satisfies subsidy targets. Both bond proceeds and equity funds are included in amounts recorded to bonds receivable however, only the bond proceeds are included in amounts recorded to bonds payable. The above tables represent the reconciliation of bonds receivable to bonds payable outstanding at March 31, 2016 and 2015.

**(8) Other Restricted Funds**

EFC acts as a custodian for various funds/programs under other restricted funds. At March 31, 2016 and 2015, EFC's other restricted funds were \$12.1 million and \$6.5 million, respectively. A description of each of the funds is as follows:

DEC Escrow Fund (DEC): This fund is utilized to account for all transactions which occur relative to the agreements between DEC and EFC to administer certain escrow accounts.

Waste Water Treatment Plant Upgrade Program Fund (WWTP): This fund is utilized to account for all transactions which occur relative to the agreement between the New York City Department of Environmental Protection and EFC to administer the WWTP Program.

New Sewage Treatment Infrastructure Fund (NSTI): This fund is utilized to account for all transactions which occur relative to the agreement among the New York City Department of Environmental Protection, EFC, and the Catskill Watershed Corporation to administer the NSTI Program.

Kensico Septic Rehabilitation Reimbursement Program: This fund is utilized to account for all transactions that occur relative to the agreement between the New York City Department of Environmental Protection and EFC to administer the Kensico Program.

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The following is a summary of activities that have occurred within other restricted funds during the year ended March 31, 2016 and 2015:

	<u>DEC</u>	<u>WWTP</u>	<u>NSTI</u>	<u>KENSICO</u>	<u>Total</u>
Balance, March 31, 2015	\$ 2,807,865	1,175,451	—	2,484,365	6,467,681
Receipts:					
Program advances	—	11,278,529	—	—	11,278,529
Interest earnings	470	845	—	497	1,812
Total receipts	<u>470</u>	<u>11,279,374</u>	<u>—</u>	<u>497</u>	<u>11,280,341</u>
Disbursements:					
Project expenses	453,285	4,836,382	—	8,963	5,302,016
Administrative expenses	—	298,349	—	12,349	307,312
Total disbursements	<u>453,285</u>	<u>5,134,731</u>	<u>—</u>	<u>21,312</u>	<u>5,609,328</u>
Balance, March 31, 2016	<u>\$ 2,355,050</u>	<u>7,320,094</u>	<u>—</u>	<u>2,463,550</u>	<u>12,138,694</u>
	<u>DEC</u>	<u>WWTP</u>	<u>NSTI</u>	<u>KENSICO</u>	<u>Total</u>
Balance, March 31, 2014	\$ 3,163,737	1,198,459	129,390	2,491,795	6,983,381
Receipts:					
Program advances	—	6,355,372	63,335	—	6,418,707
Interest earnings	572	532	87	498	1,689
Total receipts	<u>572</u>	<u>6,355,904</u>	<u>63,422</u>	<u>498</u>	<u>6,420,396</u>
Disbursements:					
Project expenses	338,444	5,888,080	187,792	—	6,414,316
Administrative expenses	18,000	490,832	5,020	7,928	521,780
Total disbursements	<u>356,444</u>	<u>6,378,912</u>	<u>192,812</u>	<u>7,928</u>	<u>6,936,096</u>
Balance, March 31, 2015	<u>\$ 2,807,865</u>	<u>1,175,451</u>	<u>—</u>	<u>2,484,365</u>	<u>6,467,681</u>

**(9) Industrial Financing Program**

EFC has entered into agreements with private sector companies to provide funds for certain environmental projects and with New York State to provide funding to the State for certain programs. Industrial Financing Bonds for Private Activity Bonds are considered conduit debt and not included as obligations in the accompanying financial statements of EFC.

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Private Activity Bonds: Under the terms of the agreements, EFC issues bonds on behalf of private sector companies for use in the construction or refinancing of certain environmental projects. The bonds issued are special obligation revenue bonds payable solely from funds provided by the companies and do not constitute a liability of EFC or New York State. Private Activity Bonds outstanding totaled \$130.0 million at March 31, 2016 and \$141.2 million at March 31, 2015.

State Appropriation Bonds: Under these agreements, EFC issues bonds on behalf of the State to provide funding for certain programs. The bonds issued are special obligation bonds, payable solely from and collateralized by, payments from the State under various agreements. The obligations of the State to make payments under these agreements are subject to, and dependent upon, the making of annual appropriations by the State Legislature. The bonds are not general obligations of EFC and do not constitute an indebtedness against the general credit of the Corporation. State Appropriation Bonds outstanding totaled \$323.7 million at March 31, 2016 and \$576.9 million at March 31, 2015. This amount is reported as appropriation bonds payable and receivable from the State of New York in the accompanying financial statements of EFC.

Principal and interest payments on state appropriation bonds receivable/payable mature as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending March 31:			
2017	\$ 46,300,000	22,172,000	68,472,000
2018	39,800,000	17,345,000	57,145,000
2019	33,915,000	11,765,000	45,680,000
2020	32,075,000	10,006,000	42,081,000
2021	33,660,000	8,432,000	42,092,000
2022–2026	83,730,000	26,015,000	109,745,000
2027–2031	54,260,000	5,564,000	59,824,000
	<u>\$ 323,740,000</u>	<u>101,299,000</u>	<u>425,039,000</u>

Defeased in-substance debt outstanding on state appropriation bonds which is no longer recorded on EFC's statements of net position amounted to \$125.6 at March 31, 2016 and \$0 at March 31, 2015.

**(10) Retirement Plan**

**(a) General information**

Employees of EFC are members of the New York State and Local Employees' Retirement System (System), a defined benefit cost-sharing, multiple employer public employee retirement system. The net position of the System is held in the New York State Common Retirement Fund (Fund), which was established to hold all net assets and record changes in fiduciary net position allocated to the System. System benefits and required contributions are established under the provisions of the New York State Retirement and Social Security Law (RSSL). The System offers a range of programs and benefits that vary based on the date of membership, years of credited service and final average salary, vesting of retirement benefits, disability benefits and optional methods of benefit payments. Once a public employer elects to participate in the System, the election is irrevocable. As part of ERS, EFC also participates in the Public Employees Group Life Insurance Plan (GLIP), which provides death

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benefits in the form of life insurance. This system is included in the State's financial report as a pension trust fund. That report may be found at [www.osc.state.ny.us/retire/publications/index.php](http://www.osc.state.ny.us/retire/publications/index.php) or obtained by writing the New York State and Local Retirement System, 110 State St, Albany, NY 12244.

Most members of the System who joined before July 27, 1976 or who have been a member of the System for at least ten years are enrolled in a noncontributory plan; the Corporation contributes the entire amount determined to be payable to the System. Personnel who joined the System July 27, 1976 or after and have not been a member of the System for at least ten years or who joined the System after December 31, 2009 are required by law to contribute a percentage of their gross salary; the Corporation contributes the balance payable to the System for these employees.

**(b) Contributions**

System funding requirements are determined by the actuary of the System. The System calculates the employer contribution as a result of the actuarially determined rates and salaries. Contributions for the current and prior year were equal to 100 percent of the contributions required, and were as follows:

	<u>Contribution</u>
2016	\$ 1,484,327
2015	1,581,156

**(c) Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At March 31, 2016, EFC recognized a net pension liability of \$1,138,453 for its proportionate share of the System's net pension liability. The net pension liability was measured as of March 31, 2015, and was determined using an actuarial valuation as of April 1, 2014, with update procedures used to roll forward the net pension liability to March 31, 2015. EFC's proportion of the System's net pension liability was based on a projection of EFC's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At the measurement date of March 31, 2015, EFC's proportion of the net pension liability of the System was 0.0336995%, which is the same as the proportion at March 31, 2014. For the year ended March 31, 2016, EFC recognized pension expense of \$1,180,515. At March 31, 2016, EFC reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 36,443	—
Net difference between projected and actual earnings on pension plan investments	197,735	—
Changes in proportion and differences between contributions and proportionate share of contributions	—	54,172
Contributions subsequent to measurement date	1,484,327	—
Total	\$ 1,718,505	54,172

\$1,484,327 reported as deferred outflows of resources resulted from EFC's contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ended March 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year ended March 31:</b>	<b>Amount</b>
2016	\$ 45,001
2017	45,001
2018	45,001
2019	45,001
	\$ 180,004

**(d) Actuarial Assumptions**

The total pension liability at the measurement date of March 31, 2015 was determined by using an actuarial valuation as of April 1, 2014, with update procedures used to roll forward the total pension liability to March 31, 2015. The actuarial assumptions included in the actuarial valuation included an inflation factor of 2.7%, projected salary increases of 4.9% and an investment rate of return of 7.5%. Annuitant mortality rates are based on April 1, 2005 – March 31, 2010 System experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2014. The actuarial assumptions used in the April 1, 2014 valuation are based on the results of an actuarial experience study for the period April 1, 2005 – March 31, 2010.

The long-term expected rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice (ASOP) No. 27, Selection of Economic Assumptions for Measuring Pension Obligations. ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expected future real rates of return (expected returns, net of pension plan investment expense and inflation) for equities and fixed income as well as historical investment data and plan performance.

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Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2016 are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	38 %	7.30 %
International equity	13	8.55
Private equity	10	11.00
Real estate	8	8.25
Absolute return strategies	3	6.75
Opportunistic portfolio	3	8.60
Real assets	3	8.65
Bonds and mortgages	18	4.00
Cash	2	2.25
Inflation indexed bonds	2	4.00
	<u>100 %</u>	

The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon the assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore the long term expected rate of return on pension plan investments (7.5%) was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents EFC's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.5%, as well as what EFC's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5%) or 1-percentage-point higher (8.5%) than the current rate:

	1% Decrease (6.5%)	Current Assumption 7.5%	1% Increase (8.5%)
Proportionate share of the net pension liability (asset)	\$ 7,588,272	1,138,453	(4,306,796)

**(11) Other Post-Employment Benefits**

Plan Description: Medical and Prescription Drug benefits are provided through the New York State Health Insurance Program (NYSHIP).

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Funding Policy: Health insurance premiums for retired employees are equal to the premiums charged for active employees. EFC pays a portion of the premium for medical coverage for the employee and spouse for the lifetimes of the employee and spouse based on the plan chosen by the employee. EFC also reimburses retirees, spouses, and surviving spouses for their entire Medicare Part B premium payment. The dollar value of accumulated sick leave credits at the time of retirement is converted to a lifetime monthly credit, which is used to reduce the portion of the health insurance premiums paid directly by retirees and in some instances their surviving spouse for life. Contributions are made on a pay-as-you-go basis.

Annual OPEB: EFC's annual other post-employment benefit (OPEB) cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities over a period of thirty years. The following table shows the components of EFC's annual OPEB cost for 2016 and 2015, the amount actually contributed to the plan, and changes in EFC's net OPEB obligation:

	<b>2016</b>	<b>2015</b>
Annual OPEB cost:		
Annual required contribution (ARC):		
Normal cost	\$ 2,394,600	2,579,000
Past service cost	1,856,300	1,773,900
Total	4,250,900	4,352,900
ARC adjustment	(666,053)	(539,098)
Interest on net OPEB obligation	603,978	488,855
Annual OPEB cost	\$ 4,188,825	4,302,657
Net OPEB obligation:		
Net OPEB obligation at beginning of fiscal year	\$ 20,132,591	16,328,824
Annual OPEB cost	4,188,825	4,302,657
Employer contribution	(531,114)	(498,890)
Net OPEB obligation at end of fiscal year	\$ 23,790,302	20,132,591

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EFC's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2016, 2015, and 2014 were as follows:

<u>Fiscal year ended</u>	<u>Annual OPEB cost</u>	<u>Actual contribution</u>	<u>Percentage of annual OPEB cost contributed</u>	<u>Net OPEB obligation</u>
March 31, 2016	\$ 4,188,825	531,114	12.7	23,790,302
March 31, 2015	4,302,657	498,890	11.6	20,132,591
March 31, 2014	4,120,822	498,141	12.1	16,328,824

Funded Status and Funding Progress: As of January 1, 2016, the most recent actuarial valuation date, the actuarial accrued liability for benefits was \$56.1 million, all of which was unfunded.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. The following schedule of funding progress presents information about the actuarial value of plan assets relative to the actuarial accrued liabilities for benefits.

<u>Actuarial valuation date</u>	<u>Actuarial value of assets (a)</u>	<u>Actuarial Accrued liability (b)</u>	<u>Unfunded Accrued Liability (UAAL) (b-a)</u>	<u>Funded ratio (a/b)</u>	<u>Covered payroll (c)</u>	<u>UAL as a percentage of covered payroll ((b-a)/c)</u>
1/1/2016	\$ —	56,109,600	56,109,600	—%	8,378,500	669.7%

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2016 actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions included a 3% baseline discount rate. The 3% baseline discount rate assumes the benefits are not prefunded, so the discount rate is based on the expected earnings of EFC's general investments. The expected rate of increase in healthcare premiums is based on projections developed by the actuary's healthcare specialists. For the two plans with the highest enrollment, rates of 6.2% and 6.3% were assumed initially for pre-Medicare costs and 6.8% for Medicare costs, reduced to an ultimate rate of 4.5% after 55 years. The UAAL's amortization technique produces annual payments that are designed to increase over time as payroll grows. The Corporation has selected a 30 year open amortization period.

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**(12) Commitments and Contingencies**

The Corporation has entered into a five year revocable permit with the New York State Office of General Services for office space located at 625 Broadway, Albany, New York. The revocable permit includes a fixed basic fee to cover debt service on the building, as well as a pro rata share of the building's operating costs, real estate taxes, and utilities. The revocable permit expires on March 31, 2018. All costs, debt service and occupancy costs, under the revocable permit are recognized in the statements of revenues, expenses, and changes in net position as part of administrative costs. For the year ended March 31, 2016 and 2015 these costs are as follows:

	<b>2016</b>	<b>2015</b>
Debt service	\$ 249,879	249,879
Occupancy costs	378,000	36,000
	\$ 627,879	285,879

At March 31, 2016, the undisbursed balance of active SRF short-term direct loans and grants closed were \$906.6 million and \$125.4 million, respectively.

In August 2013, the Corporation through the State Revolving Fund (SRF), guaranteed \$24.3 million Series 2013A Residential Energy Efficiency Financing Revenue Bonds issued by the New York State Energy Research and Development Authority (NYSERDA). The bonds have semi-annual interest payments each January and July 1 and annual principal payments each July 1 from January 1, 2014 to July 1, 2028 and are secured with a pledge of payments from certain residential energy efficiency loans funded by NYSERDA. Under the terms of the guarantee agreement, the Corporation guarantees full and timely payment of principal and interest on the bonds in the event NYSERDA fails to pay when due and payable. NYSERDA established a Collateral Reserve account, which may be used by the Corporation to fund or reimburse the SRF if loan repayments and interest subsidies are insufficient to meet scheduled payments on the bonds, and if there are insufficient additional funds available from the residential energy efficiency loan program. As of March 31, 2016, the outstanding balance of the bonds totaled \$20.0 million and the balance in the Collateral Reserve account was \$7.8 million.

**(13) Subsequent Events**

The Corporation has evaluated subsequent events from the statement of net position date of March 31, 2016 through June 30, 2016, the date at which the financial statements were available to be issued.

On June 29, 2016, EFC issued \$500,955,000 of State Clean Water and Drinking Water Revolving Funds Revenue Bonds, (New York City Municipal Water Finance Authority Projects – Second Resolution Bonds) Series 2016A Subordinated SRF Bonds. The 2016A bonds have interest rates ranging from 2.00% to 5.00% and have a final maturity of June 2046. In addition, EFC also issued a direct loan to the New York City Municipal Water Finance Authority in the amount of \$277,615,000 as part of this financing.

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Required Supplemental Information

Schedule of Proportionate Share of the Net Pension Liability – New York State and  
Local Employees’ Retirement System Pension Plan (Unaudited)

March 31, 2016

	<b>2016</b>
Share of net pension liability	0.0336995%
Proportionate share of the net pension liability	\$ 1,138,453
Covered payroll	\$ 8,378,527
Proportionate share of the net pension liability as a percentage of its covered payroll	13.5877464%
Plan fiduciary net position as a percentage of the total pension liability	97.9%

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

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Required Supplemental Information

Schedule of Employer Contributions – New York State and  
Local Employees’ Retirement System Pension Plan (Unaudited)

March 31, 2016

		<u><b>2016</b></u>
Contractually required contribution	\$	1,484,327
Contributions in relation to the contractually required contribution		<u>1,484,327</u>
Contribution deficiency (excess)	\$	<u>-</u>
Covered payroll	\$	<u>8,378,527</u>
Contributions as a percentage of covered payroll		17.7158%

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

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Required Supplementary Information

Schedule of Funding Progress for the Retiree Health Plan (Unaudited)

March 31, 2016

Actuarial valuation date	Actuarial value of assets (a)	Accrued liability (b)	Unfunded Accrued Liability (UAL) (b-a)	Funded ratio (a/b)	Covered payroll (c)	UAL as a percentage of covered payroll ((b-a)/c)
1/1/2016	\$ —	56,109,600	56,109,600	—%	8,378,500	669.7%
1/1/2013	—	46,618,500	46,618,500	—	7,736,300	602.6
1/1/2010	—	21,591,800	21,591,800	—	8,736,700	247.1

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Other Supplementary Information – Combining Schedule of Net Position  
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	2016				2015			
	Corporate activities	CWSRF	DWSRF	Total	Corporate activities	CWSRF	DWSRF	Total
<b>Assets and Deferred Outflows of Resources</b>								
Current assets:								
Cash and cash equivalents:	\$ 12,622,330	—	—	12,622,330	13,524,970	—	—	13,524,970
Contractual services and fees receivable	237,630	—	—	237,630	248,705	—	—	248,705
Restricted assets:								
Cash and cash equivalents	—	737,448,081	191,261,845	928,709,926	886,494,340	—	—	886,494,340
Interest receivable on bonds and direct financings	—	69,848,994	12,421,921	82,270,915	75,754,435	—	—	75,754,435
Interest receivable on cash and cash equivalents and investments	—	19,011,542	1,998,322	21,009,864	14,347,369	338,183,243	—	1,224,677,583
Annual fees receivable	—	11,765,025	941,088	12,706,113	19,721,395	2,228,246	—	21,942,641
Prepaid asset	—	810,000	65,000	875,000	—	992,555	—	992,555
Short-term financings receivable	—	119,443,754	28,475,547	147,919,301	35,739,373	57,465,107	—	93,204,480
Direct financing receivable	—	47,055,057	23,404,201	70,459,258	39,864,634	21,726,784	—	61,591,418
Bonds receivable	—	308,029,056	82,997,981	391,027,037	302,554,043	83,038,589	—	385,592,632
Due from New York State, appropriation bonds receivable	46,300,000	—	—	46,300,000	57,926,000	—	—	57,926,000
Other restricted funds	12,138,694	—	—	12,138,694	6,467,681	—	—	6,467,681
Total current assets	71,298,654	1,313,411,509	341,565,905	1,726,276,068	78,167,356	1,371,417,991	517,981,893	1,967,567,240
Noncurrent assets:								
Restricted assets:								
Investments	—	1,683,555,399	176,209,041	1,859,764,440	—	1,739,220,931	203,678,564	1,942,899,495
Short-term financings receivable	—	622,637,253	251,533,940	874,171,193	—	571,125,775	36,501,224	607,626,999
Direct financings receivable	—	1,106,642,431	421,806,187	1,528,448,618	—	951,455,004	396,595,612	1,348,050,616
Bonds receivable	—	5,278,531,264	898,069,667	6,176,600,931	—	5,250,586,296	972,384,632	6,222,970,928
Due from New York State, appropriation bonds receivable	277,440,000	—	—	277,440,000	518,999,000	—	—	518,999,000
Total noncurrent assets	277,440,000	8,691,366,347	1,747,618,835	10,716,425,182	518,999,000	8,512,388,006	1,609,160,032	10,640,547,038
Total assets	348,738,654	10,004,777,856	2,089,184,740	12,442,701,250	597,166,356	9,883,805,997	2,127,141,925	12,608,114,278
Deferred outflows of resources related to pensions	328,234	—	268,087	1,718,505	—	—	—	—
Total assets and deferred outflow of resources	\$ 349,066,888	10,005,900,040	2,089,452,827	12,444,419,755	597,166,356	9,883,805,997	2,127,141,925	12,608,114,278
<b>Liabilities, Deferred Inflows of Resources and Net Position</b>								
Current liabilities:								
Accrued interest payable on bonds	—	64,224,128	11,724,014	75,948,142	—	70,065,773	13,404,451	83,470,224
Accrued interest subsidy	—	37,564,039	4,882,376	42,446,415	—	40,207,531	5,364,067	45,571,598
Bonds payable	—	250,985,000	65,450,000	316,435,000	—	250,475,000	64,650,000	315,125,000
Appropriation bonds payable	46,300,000	—	—	46,300,000	57,926,000	—	—	57,926,000
Other restricted funds	12,138,694	—	—	12,138,694	6,467,681	—	—	6,467,681
Accounts payable and accrued expenses	(1,415,965)	5,014,475	1,318,449	6,662,271	1,014,594	4,050,618	1,264,496	6,329,708
Interfund balances	—	1,124,962	291,003	1,415,965	—	512,894	118,083	600,977
Debt service funds payable	50,702	3,089,840	208,875	3,298,715	50,702	2,461,321	965,408	3,426,929
Unearned revenue	2,087,907	37,138,362	9,228,894	48,455,163	1,809,564	29,721,414	7,638,723	39,271,197
Other liabilities	77,720	559,800	139,950	777,500	84,373	358,582	84,372	527,327
Total current liabilities	59,567,535	399,700,606	93,602,412	552,870,553	66,781,937	397,853,333	93,857,095	558,492,365
Noncurrent liabilities:								
Bonds payable	—	4,609,398,022	815,063,729	5,424,461,751	—	4,636,440,639	882,635,461	5,519,066,100
Appropriation bonds payable	277,440,000	—	4,693,517	277,440,000	518,999,000	—	—	518,999,000
Unearned revenue	668,248	—	5,360,965	6,029,213	718,950	—	4,927,761	5,646,711
Other post-employment benefits	4,824,272	14,125,209	4,065,321	23,012,802	4,232,415	11,839,184	3,533,665	19,605,264
Total noncurrent liabilities	282,932,520	4,623,523,231	823,819,567	5,730,275,318	523,950,365	4,648,279,823	891,086,887	6,063,317,075
Total liabilities	342,500,055	5,023,223,837	917,421,979	6,283,145,871	590,732,302	5,046,133,156	984,943,982	6,621,809,440
Deferred inflows of resources related to pensions	10,347	35,374	8,451	54,172	—	—	—	—
Total liabilities and deferred inflows of resources	342,510,402	5,023,259,211	917,430,430	6,283,200,043	590,732,302	5,046,133,156	984,943,982	6,621,809,440
Net position:								
Restricted for revolving loan fund programs	—	4,982,640,829	1,172,022,397	6,154,663,226	—	4,837,672,841	1,142,197,943	5,979,870,784
Unrestricted	6,556,486	4,982,640,829	1,172,022,397	6,161,219,712	6,434,054	4,837,672,841	1,142,197,943	5,986,304,838
Total net position	6,556,486	4,982,640,829	1,172,022,397	6,161,219,712	6,434,054	4,837,672,841	1,142,197,943	5,986,304,838
Total liabilities, deferred inflows of resources and net position	\$ 349,066,888	10,005,900,040	2,089,452,827	12,444,419,755	597,166,356	9,883,805,997	2,127,141,925	12,608,114,278

See accompanying independent auditors' report.

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Other Supplementary Information – Combining Schedule of Revenues, Expenses, and Changes in Net Position  
Years ended March 31, 2016 and 2015

	2016				2015			
	Corporate activities	CWSRF	DWSRF	Total	Corporate activities	CWSRF	DWSRF	Total
Operating revenues:								
Interest income on bonds and direct financings receivable	\$ —	270,295,257	47,229,155	317,524,412	—	273,345,677	50,473,647	323,819,324
Bond financing and administrative fees	602,733	10,940,769	1,591,691	13,135,193	598,384	10,094,880	1,691,065	12,384,329
Administrative grant revenues	139,568	5,274,603	1,687,040	7,101,211	163,237	5,328,046	1,698,201	7,189,484
Indirect cost and other recoveries	2,000,000	(1,650,000)	(350,000)	—	1,701,054	(1,384,320)	(316,734)	—
Advisory service fees	526,394	—	—	526,394	831,636	—	—	831,636
Other revenues	28,316	—	—	28,316	23,361	—	—	23,361
Total operating revenues	3,297,011	284,860,629	50,157,886	338,315,526	3,317,672	287,384,283	53,546,179	344,248,134
Operating expenses:								
Interest expense on bonds payable	—	222,089,543	40,396,902	262,486,445	—	229,728,788	43,948,840	273,677,628
Interest subsidy provided	—	115,900,249	14,419,464	130,319,713	—	117,042,983	14,767,372	131,810,355
Principal forgiveness	—	18,954,126	(102,004)	18,852,122	—	11,573,328	—	11,573,328
Administrative costs	3,187,803	15,232,376	3,762,466	22,182,645	3,928,606	15,308,008	3,806,069	23,042,683
Total operating expenses	3,187,803	372,176,294	58,476,828	433,840,925	3,928,606	373,653,107	62,522,281	440,103,994
Operating gain (loss)	109,208	(87,315,665)	(8,318,942)	(95,525,399)	(610,934)	(86,268,824)	(8,976,102)	(95,855,860)
Nonoperating revenues:								
Project grant revenues	—	183,544,594	38,022,150	221,566,744	—	179,507,680	58,899,665	238,407,345
Investment income	2,084	68,701,224	5,931,660	74,634,968	1,939	105,551,397	16,210,998	121,764,334
State assistance payments revenue	392,177	—	—	392,177	783,617	—	—	783,617
Total nonoperating revenues	394,261	252,245,818	43,953,810	296,593,889	785,556	285,059,077	75,110,663	360,955,296
Nonoperating expenses:								
Grants disbursed	—	20,000,248	5,819,512	25,819,760	—	27,523,057	13,484,382	41,007,439
State assistance payments expense	392,177	—	—	392,177	783,617	—	—	783,617
Total nonoperating expenses	392,177	20,000,248	5,819,512	26,211,937	783,617	27,523,057	13,484,382	41,791,056
Increase (decrease) in net position	111,292	144,929,905	29,815,356	174,856,553	(608,995)	171,267,196	52,650,179	223,308,380
Beginning net position	6,434,054	4,837,672,841	1,142,197,943	5,986,304,838	7,043,049	4,666,405,645	1,089,547,764	5,762,996,458
Cumulative effect of change in accounting principle (note 2(a))	11,140	—	9,098	58,321	—	—	—	—
Ending net position	\$ 6,556,486	4,982,640,829	1,172,022,397	6,161,219,712	6,434,054	4,837,672,841	1,142,197,943	5,986,304,838

See accompanying independent auditors' report.

**NEW YORK STATE  
ENVIRONMENTAL FACILITIES CORPORATION**  
(A Component Unit of New York State)

Other Supplementary Information – Combining Schedule of Cash Flows  
Years ended March 31, 2016 and 2015

	2016				2015			
	Corporate activities	CWSRF	DWSRF	Total	Corporate activities	CWSRF	DWSRF	Total
Cash flows from operating activities:								
Bond financing and administrative fees	3,257,384	14,090,115	2,736,399	20,083,898		14,424,424	2,817,577	20,939,723
Personal services expense	(1,625,157)	(5,450,342)	(1,290,438)	(8,365,937)	(1,458,679)	(5,555,013)	(1,223,811)	(8,237,503)
Fringe benefits expense	(681,920)	(2,355,709)	(550,742)	(3,588,371)	(754,368)	(2,746,630)	(644,853)	(4,145,851)
Other administrative expenses	(969,600)	(3,937,141)	(1,273,001)	(6,179,742)	(1,151,307)	(7,099,148)	(1,503,012)	(9,753,467)
Yield reduction received	—	2,827,419	95,747	2,923,166	—	(7,040,702)	(347,319)	(7,388,021)
Yield reduction paid	(885,431)	(1,273,723)	—	(1,273,723)	(86,422)	(5,577,969)	(184,266)	(5,762,235)
Other, net	(904,724)	4,578,512	1,342,618	5,035,699	246,946	9,019,156	1,559,847	10,492,581
		8,479,131	1,060,583	8,634,990		(4,575,882)	474,163	(3,854,773)
Net cash (used in) provided by operating activities								
Cash flows from noncapital financing activities:								
Proceeds from noncapital financing activities:								
Payments on bonds issued	—	610,420,000	88,695,000	699,115,000	—	186,565,000	27,070,000	213,635,000
Payments on bonds payable	—	(636,952,617)	(155,456,732)	(792,409,349)	—	(372,267,649)	(96,377,302)	(468,644,951)
Interest paid on bonds payable	—	(227,931,188)	(42,077,339)	(270,008,527)	—	(227,751,400)	(44,671,385)	(272,422,785)
New York State appropriation bond payments received	253,185,000	—	—	253,185,000	57,990,000	—	—	57,990,000
Payments on New York State appropriation bonds	(253,185,000)	—	—	(253,185,000)	(57,990,000)	—	—	(57,990,000)
Grants disbursed	—	(20,000,248)	(5,819,512)	(25,819,760)	—	(27,523,057)	(13,484,382)	(41,007,439)
Contributions received from the U.S. EPA	—	152,953,828	38,022,150	190,975,978	—	149,589,733	58,899,665	208,489,398
Contributions received from New York State	—	30,590,766	—	30,590,766	—	29,917,947	—	29,917,947
		(90,919,459)	(76,636,433)	(167,555,892)		(261,469,426)	(68,563,404)	(330,032,830)
Net cash used in noncapital financing activities								
Cash flows from investing activities:								
Net proceeds from investing activities:								
Interest income from maturities of investments	—	55,665,532	27,469,523	83,135,055	—	536,201,304	72,825,201	609,026,505
Bonds purchased	2,084	69,411,077	6,161,584	75,574,745	1,939	106,938,269	16,215,509	123,155,717
Bonds repurchased	—	(740,617,845)	(98,863,016)	(839,480,861)	—	(420,850,370)	(41,726,116)	(462,576,486)
Bonds repayments received	—	707,197,864	173,218,589	880,416,453	—	431,763,685	110,653,919	542,417,604
Short-term financing disbursements	—	(623,796,829)	(239,625,396)	(863,422,225)	—	(433,989,257)	(34,519,469)	(468,508,726)
Short-term financing repayments received	—	706,101,598	61,392,835	767,494,433	—	251,944,891	52,199,758	304,144,649
Principal forgiveness repayments	—	(236,474,754)	(7,708,590)	(244,183,344)	—	(80,388,255)	(1,507,575)	(81,895,830)
Direct financings issued	—	(206,893,641)	(51,137,626)	(258,031,267)	—	(28,836,193)	(40,437,942)	(69,274,135)
Direct financing repayments received	—	44,515,791	24,249,634	68,765,425	—	44,608,273	22,727,208	67,335,481
Interest income on bonds and direct financings receivable	—	276,200,698	49,154,603	325,355,301	—	271,058,414	51,281,749	322,340,163
Interest subsidy provided	—	(118,543,741)	(14,901,155)	(133,444,896)	—	(115,968,015)	(14,764,236)	(130,732,251)
Debt service funds received	—	1,108,094	(222,747)	885,347	—	1,428,433	558,768	1,987,201
Debt service funds paid	—	(479,775)	(533,786)	(1,013,561)	—	(26,050,153)	(2,736,373)	(28,786,526)
		(66,605,931)	(71,345,548)	(137,949,395)		537,861,026	190,770,401	728,633,366
Net cash provided by (used in) investing activities	2,084			(137,949,395)	1,939			728,633,366
Net (decrease) increase in cash and cash equivalents	(902,640)	(149,046,259)	(146,921,398)	(296,870,297)	248,885	271,815,718	122,681,160	394,745,763
Cash and cash equivalents, beginning of year	13,524,970	886,494,340	338,183,243	1,238,202,553	13,276,085	614,678,622	215,502,083	843,456,790
Cash and cash equivalents, end of year	12,622,330	737,448,081	191,261,845	941,332,256	13,524,970	886,494,340	338,183,243	1,238,202,553

**NEW YORK STATE  
ENVIRONMENTAL FACILITIES CORPORATION**  
(A Component Unit of New York State)

Other Supplementary Information – Combining Schedule of Cash Flows  
Years ended March 31, 2016 and 2015

	2016				2015			
	Corporate activities	CWSRF	DWSRF	Total	Corporate activities	CWSRF	DWSRF	Total
\$	109,208	(87,315,665)	(8,318,942)	(95,525,399)	(610,934)	(86,268,824)	(8,976,102)	(95,855,860)
Reconciliation of operating gain (loss) to net cash (used in) provided by operating activities:								
Operating gain (loss)	—	(270,295,257)	(47,229,155)	(317,524,412)	—	(273,345,677)	(50,473,647)	(323,819,324)
Adjustments to reconcile operating gain (loss) to net cash (used in) provided by operating activities:								
Interest income on bonds and direct financings receivable	—	222,089,543	40,396,902	262,486,445	—	229,728,788	43,948,840	273,677,628
Interest expense	—	18,954,126	(102,004)	18,852,122	—	11,573,328	—	11,573,328
Principal forgiveness	—	115,900,249	14,419,464	130,319,713	—	117,042,983	14,767,372	131,810,355
Interest subsidy provided	—	—	—	—	—	—	—	—
Changes in assets and liabilities that provide (use) cash:								
Contractual services and fees receivable	11,075	—	—	11,075	270,753	83,666	42,242	396,661
Annual fees receivable	—	(475,254)	51,467	(423,787)	—	302,152	26,715	328,867
Prepaid expense	—	(810,000)	(65,000)	(875,000)	—	5,846,406	185,752	6,032,158
Accounts payable and accrued expenses	(685,248)	963,857	53,954	332,563	(6,313)	(2,717,382)	(174,210)	(2,897,905)
Interfund balances	(784,988)	612,068	172,920	—	(18,683)	6,231	12,452	—
Unearned revenue	(50,702)	—	(243,798)	(294,500)	109,298	—	(323,913)	(214,615)
Other liabilities	(89,303)	6,368,221	1,339,541	7,618,459	(67,740)	(9,452,152)	830,059	(8,689,833)
Other post-employment benefits	585,234	2,487,243	585,234	3,657,711	570,565	2,624,599	608,603	3,803,767
Net cash (used in) provided by operating activities	(904,724)	8,479,131	1,060,583	8,634,990	246,946	(4,575,882)	474,163	(3,854,773)

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# Authorities Budget Office Policy Guidance



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## Authority Mission Statement and Performance Measurements

### **Name of Public Authority:**

New York State Environmental Facilities Corporation

### **Public Authority's Mission Statement:**

Our mission is to provide low-cost capital and expert technical assistance for environmental projects in New York State. Our purpose is to help public and private entities comply with federal and State environmental protection and quality requirements in a cost effective manner that advances sustainable growth. We promote innovative environmental technologies and practices in all of our programs.

### **Date Adopted:**

April 15, 2010

### **List of Performance Goals (If additional space is needed, please attach):**

- Maintain Superior Client Services
- Achieve/Sustain Operational Excellence
- Develop/Advance Program Improvements & Innovations

### **Additional questions:**

1. Have the board members acknowledged that they have read and understood the mission of the public authority?

Yes

2. Who has the power to appoint the management of the public authority?

The President and Chief Executive Officer is appointed by the Board of Directors. All officers of the Corporation are appointed by the President subject to approval by resolution of the Board of Directors. All other staff are appointed by the President and Chief Executive Officer.

3. If the Board appoints management, do you have a policy you follow when appointing the management of the public authority?

The Board of Directors does not appoint the management of EFC.

4. Briefly describe the role of the Board and the role of management in the implementation of the mission.

The business and affairs of the Corporation are managed by the Board of Directors. The Board is responsible for direct oversight of the President and CEO and other officers and senior management of the Corporation in the effective and ethical management of the Corporation. Each director is responsible for understanding, reviewing and monitoring the implementation of fundamental financial and management controls and operational decisions of the Corporation. Management of the Corporation is responsible for the execution of the programs and policies as established by the Board of Directors.

5. Has the Board acknowledged that they have read and understood the responses to each of these questions?

Yes.



**PERFORMANCE MEASUREMENTS REPORT**

**April 1, 2015 – March 31, 2016**

**Maintain Superior Client Services**

- EFC provides outstanding customer support throughout the life of a project financing, during development, closing, disbursement, and debt servicing. EFC has implemented a proactive approach to client interactions, and not only provides team support (including EFC engineering, finance, and legal staff) but encourages and seeks out interactions with several points of contact in municipalities. During this period, EFC made site visits to several communities to assist them with project development and financing.
- EFC continues to maintain a high level of community and public outreach, which is accomplished through a variety of means, from direct outreach and one-on-one consultations with municipalities, to reaching broader audiences by participating in conferences, and conducting webinars on EFC programs. During this period, EFC participated in events held by a number of statewide organizations, including New York Conference of Mayors, New York State Association of Counties, New York State Government Finance Officers' Association, Association of Towns of the State of New York, and American Council of Engineering Companies of New York. In addition, EFC offered a webinar and public hearing on the 2016 Intended Use Plan and three webinars on the NYS water Grants program and application process. In total, more than 900 persons participated on the NYS water grant webinars.
- EFC works very closely with its Green Innovation Grant Program (GIGP) grant recipients, which include several not-for profit and other private entities, to develop sustainable green infrastructure projects and to assist them throughout the grant process. During this period, EFC received positive feedback on staff efficiency, professionalism, attentiveness, and efforts throughout the grant process.

**Achieve/Sustain Operational Excellence**

- For Federal Fiscal Year (FFY) 2015, the Clean Water State Revolving Fund (CWSRF) provided \$1,613,723,846 in financial assistance to 188 clean water projects.
- EFC maintained its 2010 Master Financing Indenture's AAA credit rating for the State Revolving Funds Series 2015 B/C/D bond issuance.
- EFC continues to enhance internal controls to minimize programmatic and operational risks.
- Management implemented staff changes to achieve greater efficiencies and to better align work functions.
- On July 8, 2015, the CWSRF received its FFY 2014 Program Evaluation Report (PER) from the Environmental Protection Agency (EPA). In the report, EPA concludes that based on the documents it reviewed, New York is committed to ensuring the financial stability of the CWSRF program and that its personnel are focused on protecting water quality by

implementing the CWSRF effectively. EPA states further that New York's CWSRF is in sound condition, well managed, and responsive to new initiatives and commended New York for the continued operation of a very successful CWSRF program.

- The CWSRF continues to achieve high Minority and Women-Owned Business Enterprises (MWBE) participation. For the most current Annual Report to EPA, the CWSRF reported that of \$890M disbursed, 35% (\$311M) was paid to certified MWBEs.

### **Develop/Advance Program Improvements and Innovations**

- New York State Water Grants Program – The New York State Water Infrastructure Improvement Act of 2015 authorizes EFC to provide grants to assist municipalities in funding their clean water and drinking water infrastructure projects. \$400 million has been appropriated over a three-year period for the capital costs of water quality infrastructure projects as authorized by the Act. \$50 million was available in State fiscal year 2015-2016. On December 15, 2015, \$50M in water grant was awarded to 26 municipalities (14 clean water projects and 12 drinking water projects). EFC worked with the communities to complete their financing applications and during this period, EFC's Board of Directors authorized NYS Water Grants totaling \$3,963,500 for clean water projects and \$7,136,200 for drinking water projects.

In February 2016, EFC announced the availability of Round 2 grant funding.

- Municipal Sewage System Asset Management Pilot Program – EFC has been working with the Department of Environmental Conservation (DEC) in developing a municipal sewage system asset management program to assist municipalities in managing their wastewater systems' critical components, or assets, in a way that protects public health and the environment while minimizing the total cost of owning and operating those assets and delivering the desired service levels. DEC solicited communities to participate in a Pilot Program and EFC anticipates issuing a Request for Proposals in summer 2016 to hire an engineering consultant to work with up to 20 of these communities to develop asset management plans and to implement them over several years.
- Hardship Financing - Beginning October 1, 2015, the State Revolving Funds modified and streamlined the Hardship financing policy, as detailed in the SRF's 2016 Intended Use Plans. A municipality with a population below 300,000 and Median Household Income (MHI) below the U.S. Census Bureau's 2013 published statewide MHI (\$58,003) is eligible for a zero interest loan, and grant if available, and no longer needs to submit a hardship application. Municipalities with an MHI of \$58,003 up to 125% of the 2013 statewide MHI (\$72,504) may submit a hardship application to be reviewed by EFC for hardship eligibility. The limit on the amount of hardship financing and grant a municipality may receive was also raised to \$20 million.
- Green Bonds (bonds which finance environmentally beneficial projects) – In 2014, EFC was the first state Revolving Fund to issue Green Bonds. During this period, EFC issued State Revolving Funds Revenue Bonds, Series 2015 B/C/D with the Green Bonds designation, allowing investors to more easily identify environmentally beneficial projects. EFC may issue Green Bonds in the future to finance or refinance clean water and drinking water projects that

are designed to improve the quality of the State's drinking water or reduce pollution in the State's water supply, and to refund certain bonds previously issued to finance or refinance such projects.

- Wastewater Infrastructure Engineering Planning Grant (EPG) Program (Round 5) – In December 2015, \$2 million in grants was awarded to 31 communities for planning and engineering services for preparation of an engineering report for needed construction or upgrades to municipal wastewater systems. Since the beginning of this program in 2012, EPG awards have been made to 195 municipalities.
- GIGP (Round 7) – In December 2015, \$14.85 million in GIGP grants was awarded to 19 projects. During this period, EFC disbursed more than \$11 million for project costs on previously awarded grants. EFC released final grant payments to close out 21 projects, which in total received approximately \$13.5 million in grant dollars. These projects included green infrastructure practices such as green streets, stormwater parking lot retrofits, and neighborhood revitalization projects that implemented green roofs, wetland creation and restoration, porous pavement, bioretention, stormwater street trees, dam removal and stream restoration, and rainwater harvest and use.

**NYS Environmental Facilities Corporation**  
**Annual Debt Report**  
**Period Ending March 31, 2016**

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<b>Schedule 1</b>	<b>Schedule of Debt - State Revolving Fund</b>
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<b>Schedule 4</b>	<b>Detail of Costs of Issuance</b>

NYS Environmental Facilities Corporation  
Schedule of Debt for Fiscal Year Ending 3/31/16  
State Revolving Fund

Schedule 1

Series	Date of Issuance	Original Par	Outstanding 3/31/15	Redeemed	Issued	Outstanding 3/31/16	Maturity	Interest Rates
1994E	12/8/1994	118,380,000	340,000	225,000		115,000	6/15/2016	6.875%-6.875%
2002K	11/14/2002	640,950,000	99,925,000	32,095,000		67,830,000	6/15/2017	3.875%-5.50%
2002L	11/26/2002	75,700,000	4,890,000	4,890,000		0	11/15/2015	3.70%-5.00%
2003B	3/20/2003	110,415,000	4,560,000	4,560,000		0	12/15/2015	5.25%-5.25%
2003C	3/20/2003	59,225,000	2,250,000	2,250,000		0	7/15/2015	5.25%-5.25%
2004B	3/4/2004	66,655,000	6,800,000	3,340,000		3,460,000	11/15/2016	3.25%-5.00%
2004C	4/7/2004	245,965,000	98,245,000	7,775,000		90,470,000	6/15/2033	3.10%-5.25%
2004F	11/30/2004	374,295,000	140,250,000	5,480,000		134,770,000	6/15/2034	3.40%-5.25%
2005A	3/3/2005	132,530,000	82,675,000	82,675,000		0	11/15/2034	3.375%-5.00%
2005B	7/28/2005	104,715,000	67,595,000	67,595,000		0	4/15/2035	3.25%-5.50%
2005C	10/12/2005	221,010,000	168,950,000	94,735,000		74,215,000	6/15/2035	4.00%-5.00%
2005D	11/15/2005	57,885,000	7,160,000	7,160,000		0	11/15/2024	3.625%-5.00%
2006A	6/22/2006	196,600,000	159,610,000	5,600,000		154,010,000	6/15/2036	4.00%-5.50%
2006B	6/22/2006	250,460,000	204,185,000	7,090,000		197,095,000	6/15/2036	4.00%-5.50%
2006C	7/27/2006	192,510,000	138,020,000	138,020,000		0	4/15/2036	4.00%-5.00%
2007A	3/27/2007	218,830,000	180,220,000	6,320,000		173,900,000	6/15/2036	3.60%-5.00%
2007B	3/27/2007	277,930,000	230,235,000	8,005,000		222,230,000	6/15/2036	3.625%-5.00%
2007C	5/15/2007	185,080,000	123,715,000	15,705,000		108,010,000	6/15/2024	4.00%-5.00%
2007D	7/26/2007	146,030,000	106,380,000	106,380,000		0	3/15/2037	4.00%-5.00%
2008A	5/22/2008	260,415,000	193,450,000	13,280,000		180,170,000	6/15/2037	3.25%-5.00%
2008B	5/22/2008	213,800,000	183,305,000	6,415,000		176,890,000	6/15/2037	4.00%-5.00%
2009A	4/2/2009	364,150,000	334,150,000	9,260,000		324,890,000	6/15/2038	2.25%-5.25%
2010A	2/11/2010	132,660,000	98,595,000	9,020,000		89,575,000	6/15/2029	2.00%-5.00%
2010B	2/11/2010	196,460,000	196,460,000			196,460,000	6/15/2039	4.005%-5.807%
2010C	6/24/2010	140,850,000	103,735,000	8,555,000		95,180,000	10/15/2039	3.00%-5.00%
2011A	3/17/2011	132,745,000	71,700,000	16,255,000		55,445,000	8/15/2021	3.00%-5.00%
2011B	6/17/2011	520,675,000	475,860,000	15,580,000		460,280,000	6/15/2041	2.00%-5.00%
2011C	7/21/2011	191,735,000	161,395,000	9,790,000		151,605,000	5/15/2041	3.00%-5.00%
2012A	5/31/2012	496,145,000	431,875,000	33,590,000		398,285,000	6/15/2029	2.00%-5.00%
2012B	6/21/2012	88,950,000	80,995,000	3,490,000		77,505,000	2/15/2042	2.00%-5.00%
2012C	6/21/2012	14,440,000	13,275,000	315,000		12,960,000	12/15/2029	0.504%-3.684%
2012D	7/12/2012	316,790,000	305,105,000	5,975,000		299,130,000	6/15/2028	2.00%-5.00%
2012E	11/15/2012	98,640,000	90,445,000	4,210,000		86,235,000	11/15/2042	1.00%-5.00%
2012F	11/15/2012	33,465,000	27,060,000	3,185,000		23,875,000	11/15/2024	0.25%-2.806%
2013A	7/11/2013	401,090,000	383,430,000	16,350,000		367,080,000	6/15/2033	3.00%-5.00%
2013B	8/1/2013	166,585,000	161,095,000	7,115,000		153,980,000	5/15/2043	2.00%-5.00%
2014A	3/27/2014	347,385,000	347,385,000	11,450,000		335,935,000	6/15/2034	2.00%-5.00%
2014B	7/2/2014	213,635,000	211,240,000	7,050,000		204,190,000	5/15/2044	1.00%-5.00%
2015A	7/2/2015	219,770,000			219,770,000	219,770,000	6/15/2045	2.00%-5.00%
2015B	8/20/2015	80,520,000		2,190,000	80,520,000	78,330,000	3/15/2045	2.00%-5.00%
2015C	8/20/2015	31,370,000			31,370,000	31,370,000	7/15/2030	.50%-3.82%
2015D	8/20/2015	367,455,000		12,845,000	367,455,000	354,610,000	9/15/2035	2.00%-5.00%
		8,704,895,000	5,696,560,000	795,820,000	699,115,000	5,599,855,000		

Note

The above bonds are special limited obligations, payable solely from amounts pledged as security. Pledged recipient payments are the primary source of payment on the above bonds.

NYS Environmental Facilities Corporation  
 Schedule of Debt for Fiscal Year Ending 3/31/16  
 State Appropriation Bonds

Schedule 2

Series	Date of Issuance	Original Par	Outstanding 3/31/15	Redeemed	Issued	Outstanding 3/31/16	Maturity	Interest Rates %
2004A	12/2004	129,180,000	13,045,000	6,360,000		6,685,000	12/15/2016	3 - 5.25
2006A	1/2006	110,595,000	80,495,000	80,495,000		0	12/15/2025	3.6 - 5
2007	1/2007	38,575,000	32,145,000	3,455,000		28,690,000	4/1/2022	4 - 5
2007A	1/2007	162,900,000	137,210,000	62,875,000		74,335,000	12/15/2026	4 - 5.25
2007D	7/2007	6,400,000	1,000,000	1,000,000		0	3/15/2016	3.63 - 4.13
2008A	3/2008	121,160,000	103,910,000	83,910,000		20,000,000	12/15/2027	4 - 5
2009A	3/2009	252,465,000	209,120,000	15,090,000		194,030,000	12/15/2028	3 - 5.25
		821,275,000	576,925,000	253,185,000	0	323,740,000		

Note

The above bonds are special obligation bonds payable solely from and collateralized by payments from the State under various agreements. The obligation of the State to make payments under these agreements are subject to and dependent upon the making of annual appropriations by the State Legislature.

NYS Environmental Facilities Corporation  
 Schedule of Debt for Fiscal Year Ending 3/31/16  
 Private Activity Bonds

Schedule 3

Series	Borrower	Date of Issuance	Original Par	Outstanding 3/31/15	Redeemed	Issued	Outstanding 3/31/16	Maturity
2002A	United Water	3/2002	12,000,000	11,235,000	11,235,000		0	3/1/2034
2002B	Waste Management	11/2002	25,000,000	25,000,000			25,000,000	5/1/2019
2004A	Waste Management	7/2004	20,000,000	20,000,000			20,000,000	7/1/2017
2010A	United Water	9/2010	35,000,000	35,000,000			35,000,000	9/1/2040
2012	Waste Management	5/2012	25,000,000	25,000,000			25,000,000	5/1/2030
2014	Casella Waste	12/2014	25,000,000	25,000,000			25,000,000	12/1/2044
			142,000,000	141,235,000	11,235,000	0	130,000,000	

**Note**

The above bonds are special obligation revenue bonds payable solely from funds provided by the underlying borrower.

**NYS Environmental Facilities Corporation**  
**Detail of Costs of Issuance for Fiscal Year Ending 3/31/16**

**Series 2015A (NYCMWFA) - Closed 7/2/2015**

<u>Description</u>	<u>Actual</u>
Bond Counsel	108,854.80
Financial Advisor	105,000.00
Printer	2,020.94
Trustee and Counsel	19,527.38
S&P	26,400.00
Moody's	50,000.00
Fitch	45,000.00
	<hr/>
	356,803.12

**Series 2015BCD (Pool) - Closed 8/20/2015**

<u>Description</u>	<u>Actual</u>
Bond Counsel	272,533.57
Financial Advisor	277,336.79
Printer	1,931.37
Trustee and Counsel	32,727.26
S&P	96,000.00
Moody's	117,000.00
Fitch	55,000.00
Bidding Agent	60,000.00
Verification Agent	12,500.00
	<hr/>
	925,028.99



**RATINGS:**  
 Fitch: AA+  
 Moody's: Aaa  
 Standard & Poor's: AAA

**\$219,770,000**  
**New York State Environmental Facilities Corporation**  
**State Clean Water and Drinking Water Revolving Funds Revenue Bonds**  
**(New York City Municipal Water Finance Authority Projects –**  
**Second Resolution Bonds) Series 2015 A**  
**Subordinated SRF Bonds**

**DATED:** Date of Delivery

**DUE:** June 15, as shown on the inside cover

This cover page is only a brief general summary. You must read this entire official statement to obtain essential information for making an informed investment decision.

**PURPOSES**

We will use the proceeds of the State Clean Water and Drinking Water Revolving Funds Revenue Bonds (New York City Municipal Water Finance Authority Projects – Second Resolution Bonds) Series 2015 A Subordinated SRF Bonds (the “offered bonds”) to provide financial assistance to the New York City Municipal Water Finance Authority (the “Authority” or “NYCMWFA”) to finance or refinance water pollution control projects and to refund certain bonds previously issued for water pollution control and drinking water projects.

**THE OFFERED BONDS**

Interest on the offered bonds is payable on June 15 and December 15 of each year commencing December 15, 2015. The offered bonds are issued in \$5,000 denominations. The DTC book-entry system will apply to all offered bonds, so you will not be registered as a bondowner. You will not receive physical delivery of certificates evidencing ownership of the offered bonds.

**REDEMPTION**

The offered bonds are subject to redemption prior to maturity as described herein.

**SECURITY AND SOURCES OF PAYMENT**

The offered bonds are our *special limited* obligations, payable *solely* from amounts pledged as security as described in this official statement. The offered bonds are issued as Subordinated SRF Bonds under the Master Trust Agreement. As security for the offered bonds, we have pledged: (i) repayments we receive on related bonds issued by the Authority; (ii) moneys available from time to time in the General Reserve Fund under the 2006 Indenture (as defined herein); and (iii) on a subordinated basis, moneys available from time to time in the De-allocated Reserve Account and the Deficiency Reserve Account (as such terms are defined herein) after such moneys are applied, to the extent necessary, in connection with all Senior SRF Bonds secured by the Master Trust Agreement, as described in this official statement. The General Reserve Fund secures all bonds issued under the 2006 Indenture, including the offered bonds. Amounts available from the De-allocated Reserve Account and Deficiency Reserve Account secure the offered bonds on a parity basis with all other subordinated NYCMWFA bonds issued and outstanding and to be issued in the future, all as described herein.

**The offered bonds are not our general obligations and are not a charge against our general credit. The offered bonds are not a debt of the State of New York, The City of New York (the “City”) or the Authority. We have no taxing power.**

**TAX EXEMPTION**

In the opinion of Barclay Damon, LLP, acting as our Bond Counsel, under existing statutes and court decisions, and relying on certain representations and assuming compliance with certain covenants, interest on the offered bonds is

- excluded from a bondholder’s federal gross income under the Internal Revenue Code,
- not a preference item for a bondholder under the federal alternative minimum tax, and
- included in the adjusted current earnings of certain corporations under the federal corporate alternative minimum tax.

Also, in Bond Counsel’s opinion, under existing statutes, interest on the offered bonds is exempt from personal income taxes imposed by the State of New York and its political subdivisions, including The City of New York.

**DELIVERY**

The offered bonds are offered subject to prior sale, when, as and if issued and received by the Underwriters, subject to certain conditions. The offered bonds are expected to be delivered, through DTC’s facilities, on or about July 2, 2015.

**FURTHER INFORMATION**

We have prepared an Annual Information Statement dated October 1, 2014, as it may be amended from time to time (“Annual Information Statement”), which describes our various financing programs. We have included by specific cross-reference in this official statement portions of our Annual Information Statement. We have filed copies of the Annual Information Statement with the MSRB as described in this official statement. You may obtain our Annual Information Statement from our website at [www.efc.ny.gov](http://www.efc.ny.gov) or you may obtain a hard copy from us directly.

**SIEBERT BRANDFORD SHANK & CO., L.L.C.**

Academy Securities Inc.  
 BMO Capital Markets  
 Citigroup  
 Janney Montgomery Scott LLC  
 KeyBanc Capital Markets Inc.  
 Morgan Stanley  
 RBC Capital Markets  
 The Williams Capital Group, L.P.

Alamo Capital  
 BNY Mellon Capital Markets, LLC  
 Estrada Hinojosa & Company, Inc.  
 Jefferies  
 Loop Capital Markets LLC  
 Ramirez & Co., Inc.  
 Rice Financial Products Company

**BofA MERRILL LYNCH**

Baird  
 CastleOak Securities, L.P.  
 Goldman, Sachs & Co.  
 J.P.Morgan  
 Mesirow Financial, Inc.  
 Raymond James  
 Roosevelt & Cross Incorporated  
 Wells Fargo Securities



**NEW ISSUE - BOOK-ENTRY ONLY**



**Environmental  
Facilities Corporation**

**RATINGS:**  
Fitch: AAA  
Moody's: Aaa  
Standard & Poor's: AAA  
(see "RATINGS" herein)

**\$367,455,000**  
**New York State**  
**Environmental Facilities Corporation**  
**State Revolving Funds Revenue Bonds**  
**(2010 Master Financing Program) (Green Bonds)**  
**Series 2015 D (Tax-Exempt)**

**DATED:** Date of Delivery

**DUE:** As shown on the inside cover

This cover page is only a brief general summary. You must read this entire official statement to obtain essential information for making an informed investment decision.

**PURPOSES** We will use the proceeds of the State Revolving Funds Revenue Bonds, Series 2015 D (2010 Master Financing Program) (Green Bonds) (the "offered bonds") to provide financial assistance to eligible recipients in the State of New York (the "State") to refund certain bonds previously issued to provide financial assistance to eligible recipients in the State to finance or refinance clean water and drinking water projects.

**THE OFFERED BONDS** Interest on the offered bonds is payable on March 15 and September 15 of each year commencing March 15, 2016. The offered bonds are issued in \$5,000 denominations. The DTC book-entry system will apply to all offered bonds, so you will not be registered as a bondholder. You will not receive physical delivery of certificates evidencing ownership of bonds.

**REDEMPTION** The offered bonds are subject to redemption prior to maturity as described herein.

**SOURCES OF PAYMENT AND SECURITY** The offered bonds are our special limited obligations, payable solely from amounts pledged as security as described in this official statement. As security, we have pledged payments we receive on bonds issued by recipients of our financial assistance under our 2010 master financing indenture program ("2010 MFI program") and certain other funds made available by the New York State Environmental Facilities Corporation (the "Corporation") to Manufacturers and Traders Trust Company, as trustee, or any successor thereto ("2010 MFI Trustee"), all as described in this official statement.

**The offered bonds are not our general obligations and are not a charge against our general credit. The offered bonds are not a debt of the State of New York or of its local governmental units or other public entities, including recipients of our financial assistance. We have no taxing power.**

**TAX EXEMPTION** In the opinion of Hawkins Delafield & Wood LLP and Gonzalez Saggio & Harlan LLP, acting as our Co-Bond Counsel, under existing statutes and court decisions, and relying on certain representations and assuming compliance with certain covenants, interest on the offered bonds is:

- excluded from a bondholder's federal gross income under the Internal Revenue Code,
- not a preference item for a bondholder under the federal alternative minimum tax, and
- included in the adjusted current earnings of certain corporations under the federal corporate alternative minimum tax.

Also, in Co-Bond Counsel's opinion, under existing statutes, interest on the offered bonds is exempt from personal income taxes imposed by the State of New York and its political subdivisions, including The City of New York.

**DELIVERY** The offered bonds are offered subject to prior sale, when, as and if issued and received by the Underwriters, subject to certain conditions. The offered bonds are expected to be delivered, through DTC's facilities, on or about August 20, 2015.

**FURTHER INFORMATION** We have prepared an Annual Information Statement dated October 1, 2014 (as amended from time to time, the "Annual Information Statement"), which describes our various financing programs. We have included by specific cross-reference in this official statement portions of our Annual Information Statement. We have filed copies of the Annual Information Statement with the MSRB as described herein.

**CITIGROUP**

Academy Securities Inc.  
BofA Merrill Lynch  
CastleOak Securities, L.P.  
Janney Montgomery Scott LLC  
KeyBanc Capital Markets Inc.  
Ramirez & Co., Inc.  
Rice Financial Products Company  
The Williams Capital Group, L.P.

Alamo Capital  
BMO Capital Markets  
Estrada Hinojosa & Company, Inc.  
Jefferies  
Mesirow Financial, Inc.  
Raymond James  
Roosevelt & Cross Incorporated

**LOOP CAPITAL MARKETS LLC**

Baird  
BNY Mellon Capital Markets, LLC  
Goldman, Sachs & Co.  
J.P.Morgan  
Morgan Stanley  
RBC Capital Markets  
Siebert Brandford Shank & Co., L.L.C.  
Wells Fargo Bank, N.A.

August 5, 2015

**New York State Environmental Facilities Corporation**  
**List of Employees at \$100,000 or more as of 3/31/16**

<u>Name</u>	<u>Title</u>	<u>Grade Level</u>	<u>Salary</u>
Sabrina M. Ty	President and CEO	Non-equated	\$159,181
Maureen A. Coleman	General Counsel	M-7	\$154,000
Michael D. Malinoski	Controller and Director of Corporate Operations	M-6	\$149,486
George N. Cholakis	Executive Deputy Counsel	M-6	\$146,000
Timothy P. Burns	Director of Engineering and Program Management	M-6	\$144,381
Eric D. Eichenlaub	Deputy Counsel	M-5	\$122,368
David S. Bradley	Deputy Director of Engineering and Prog. Mgmt.	M-4	\$121,997
Maureen L. McGrath	Deputy Director of Corporate Operations	M-4	\$121,997
Carl T. Ferrentino	Deputy Counsel	M-4	\$121,997
Judith A. Blackwell	Deputy Counsel	M-4	\$121,997
Brenda L. Torres	Assistant Secretary for the Environment	Non-equated	\$120,000
Robert H. Sammons	Asst. to the Director of Eng. and Prog. Mgmt.	M-3	\$110,451
Michael R. Roizman	Assistant Director of Information Technology	M-3	\$110,451
Seth G. Coulter	Asst. Director of Investments and Financial Svcs.	M-3	\$110,451
Michael P. Hale	Deputy Counsel	M-3	\$110,451
Brian D. McClintock	Financial Development Manager	M-3	\$110,451
Ryan C. Dalton	Deputy Director	Non-equated	\$109,000
Audra A. Nowosielski	Deputy Director of Public Finance	M-4	\$107,883
Jeffrey M. Lanigan	Deputy Counsel	M-3	\$104,025

**SFY 16/17 State Revolving Fund Financings**

**Clean Water Long-Term Direct**

	<b>Financing</b>	<b>Grant</b>	<b>Total</b>
City of Auburn	537,316		537,316
City of Glens Falls	968,768		968,768
City of Troy	2,540,000		2,540,000
Nassau County	1,168,949		1,168,949
NYCMWFA	161,055,000		161,055,000
NYSEFC (Pilgrim Psychiatric Ctr.)	1,000,000		1,000,000
Orange County	220,000		220,000
Town of Aurelius	2,352,103		2,352,103
Town of Brookhaven	1,420,000		1,420,000
Town of Canandaigua	550,000		550,000
Town of Inlet	601,500		601,500
Town of Malone	330,733		330,733
Town of Nassau	3,049,785		3,049,785
Town of Ontario	45,000		45,000
Town of Plattekill	75,000		75,000
Town of Salina	2,869,101		2,869,101
Town of Sanford	820,000		820,000
Town of Thompson	420,565	366,000	786,565
Town of Wappinger	170,000		170,000
Village of Antwerp	2,717,424		2,717,424
Village of Cayuga	3,758,083		3,758,083
Village of Clayton	3,569,000		3,569,000
Village of Ellenville	6,945,180		6,945,180
Village of Oxford	450,000		450,000
Village of Parish	552,918		552,918
Village of Penn Yan	3,639,963		3,639,963
Village of Stillwater	3,593,153		3,593,153
Village of Wolcott	1,254,100	272,002	1,526,102
Wayne County Water and Sewer Authority	220,000		220,000
	<b>206,893,641</b>	<b>638,002</b>	<b>207,531,643</b>

**Clean Water Long-Term Leveraged**

	<b>Financing</b>
Albany County	6,404,853
Buffalo Sewer Authority	7,094,679
City of Binghamton	13,790,000
City of Elmira	950,000
City of Hornell	2,343,470
City of Ithaca	1,625,000
City of Kingston	850,000
City of Lockport	1,050,934

City of Middletown	2,840,000
City of Oswego	10,582,499
City of Rome	2,865,000
City of Utica	9,022,035
Cortland County	7,849,513
Erie County	8,203,068
Niagara Falls Public Water Authority	4,380,000
NYCMWFA	201,530,000
NYSERDA	46,357,500
Oneida County	12,602,509
Oneida-Herkimer Solid Waste Authority	20,272,593
Onondaga County	74,705,000
Orange County	1,676,269
Rockland County	86,507,000
Suffolk County	27,438,877
Town of Amenia	983,103
Town of Blooming Grove	1,490,000
Town of Carmel	3,500,000
Town of Cortlandville	1,535,000
Town of East Hampton	2,470,000
Town of Farmington	10,280,000
Town of Grand Island	220,000
Town of Greenport	530,000
Town of Haverstraw	1,845,000
Town of Henrietta	535,000
Town of Hyde Park	1,265,000
Town of Inlet	90,000
Town of Macedon	735,000
Town of Marcy	2,635,000
Town of Milo	3,865,000
Town of North Castle	3,345,000
Town of North Greenbush	200,000
Town of North Hempstead	2,660,000
Town of Orleans	785,000
Town of Queensbury	3,650,000
Town of Ramapo	670,000
Town of Salina	3,759,982
Town of Sullivan	1,170,000
Town of Tonawanda	11,033,525
Town of Wawayanda	1,125,000
Town of Wells	1,815,000
Town of Yorktown	9,720,000
Village of Athens	335,000
Village of Cayuga Heights	150,000
Village of Cold Spring	340,000
Village of East Aurora	3,440,000
Village of East Syracuse	1,310,092

Village of Geneseo	1,695,000
Village of Goshen	23,535,000
Village of Johnson City	11,370,000
Village of Kiryas Joel	636,911
Village of Lake George	1,663,041
Village of Lake Placid	11,667,635
Village of Maybrook	5,239,180
Village of Northport	1,045,000
Village of Rouses Point	2,565,000
Village of Silver Creek	6,204,221
Village of Sylvan Beach	5,736,252
Village of Tuxedo Park	380,000
Village of Union Springs	1,032,015
Village of Waterloo	1,680,000
Westchester County	37,741,089
	<b>740,617,845</b>

#### Clean Water Short-Term Direct

	<b>Financing</b>	<b>Grant</b>	<b>Total</b>
City of Glens Falls	3,169,933	1,058,438	4,228,371
City of Newburgh	1,781,225	600,375	2,381,600
Erie County	15,396,390		15,396,390
Madison County	3,310,000		3,310,000
Nassau County	21,906,563	7,302,187	29,208,750
NYCMWFA	425,000,000		425,000,000
Oneida County	11,586,562		11,586,562
Onondaga County	36,231,436		36,231,436
Rensselaer County	8,000,000		8,000,000
Rockland County	6,327,441	2,372,480	8,699,921
Suffolk County	68,017,300	3,627,500	71,644,800
Town of Carrollton	824,625	273,375	1,098,000
Town of Catskill	11,089,000		11,089,000
Town of Champion	1,995,000		1,995,000
Town of Greenville	6,285,081		6,285,081
Town of North Hempstead	10,851,395	3,733,797	14,585,192
Town of Orangetown	1,500,000	500,000	2,000,000
Town of Orleans	2,500,000		2,500,000
Town of Owasco	6,192,100		6,192,100
Town of Poughkeepsie	11,817,781		11,817,781
Town of Tonawanda	12,901,494		12,901,494
Village of Endicott	2,763,750	906,250	3,670,000
Village of Fort Plain	819,000	273,000	1,092,000
Village of Greene	4,987,500	1,662,500	6,650,000
Village of Hamilton	8,200,000		8,200,000
Village of Hoosick Falls	3,792,350		3,792,350

Village of Medina	1,128,000		1,128,000
Village of Pawling	6,500,000		6,500,000
Village of Penn Yan	1,260,000		1,260,000
Village of Saranac Lake	3,400,000		3,400,000
Village of Trumansburg	6,475,200		6,475,200
Village of Whitehall	1,340,000		1,340,000
Village of Woodridge	594,122	198,040	792,162
Westchester County	39,136,800	119,066	39,255,866
	<b>747,080,048</b>	<b>22,627,008</b>	<b>769,707,056</b>

#### Drinking Water Grant and Long-Term Direct

	<b>Financing</b>	<b>Grant</b>	<b>Total</b>
City of Amsterdam	3,913,128		3,913,128
Town of Hounsfield	2,378,688	17,637	2,396,325
Town of Louisville	7,145,000	71,817	7,216,817
Town of Marcellus	2,936,128		2,936,128
Town of New Berlin	937,207		937,207
Town of Pomfret	3,369,017	9,374	3,378,391
Town of Sandy Creek	13,828,000		13,828,000
Village of Angelica	94,893	13,319	108,212
Village of Hoosick Falls	470,744		470,744
Village of North Collins	5,194,821		5,194,821
Village of Saranac Lake	10,870,000		10,870,000
	<b>51,137,626</b>	<b>112,147</b>	<b>51,249,773</b>

#### Drinking Water Long-Term Leveraged

	<b>Financing</b>
Buffalo Municipal Water Finance Authority	13,140,000
City of Kingston	239,221
City of Peekskill	26,125,000
City of Poughkeepsie	376,631
Monroe County Water Authority	16,425,000
NYCMWFA	18,240,000
Suffolk County Water Authority	4,039,184
Town of Aurora	12,086,595
Town of Benton	145,000
Town of LaFayette	575,000
Town of Paris	855,000
Town of Patterson	145,000
Town of Poughkeepsie	321,385
Town of Richmond	1,030,000
Town of Ticonderoga	1,270,000
Village of Groton	155,000
Village of Norwood	740,000

Village of Springville	1,720,000
Village of Voorheesville	1,235,000
	<b>98,863,016</b>

**Drinking Water Grant and Short-Term Direct**

	<b>Financing</b>	<b>Grant</b>	<b>Total</b>
City of Kingston	2,039,213	679,737	2,718,950
City of Poughkeepsie	19,585,000	2,000,000	21,585,000
Great Neck North Water Authority	11,175,500	3,862,500	15,038,000
NYCMWFA	200,358,869		200,358,869
Suffolk County Water Authority	16,538,558	5,512,851	22,051,409
Town of Babylon	1,200,000	1,800,000	3,000,000
Town of Cape Vincent	2,045,497	806,503	2,852,000
Town of Mamaroneck	83,730	27,909	111,639
Town of Newcomb	684,665	2,000,000	2,684,665
Town of Poughkeepsie	7,113,000		7,113,000
Town of Wallkill	2,221,348	716,238	2,937,586
Village of Brocton	1,946,120		1,946,120
Village of Greenwich	1,097,500		1,097,500
Village of Harrison	221,735	73,911	295,646
Village of Mamaroneck	115,286	38,428	153,714
Village of Ocean Beach	1,875,000	625,000	2,500,000
Village of Pawling	1,139,044	1,708,566	2,847,610
Village of Sinclairville	4,816,000	2,000,000	6,816,000
	<b>274,256,065</b>	<b>21,851,643</b>	<b>296,107,708</b>

## Disbursement Report

### New York City Watershed WWTP Upgrade Program

April 1, 2015 through March 31, 2016

#### Regulatory

Facility Name	Contracted	April 1, 2015 through March 31, 2016			Total			Balance Remaining	
		Net Requested	Retained	Released	Net Requested	Retained	Released		
Bataviakill Recreation Area	C	\$752,104.00	\$0.00	\$0.00	\$0.00	\$752,104.00	\$0.00	\$752,104.00	\$0.00
Bedford Hills Correctional Facility	A	\$3,862,466.00	\$0.00	\$0.00	\$0.00	\$3,591,381.64	\$0.00	\$3,591,381.64	\$271,084.36
Bedford Lake Apartments	A	\$1,148,844.00	\$79,843.75	\$0.00	\$79,843.75	\$413,007.24	\$0.00	\$413,007.24	\$735,836.76
Bedford Park Apartments		\$692,563.00	\$0.00	\$0.00	\$0.00	\$150,414.05	\$0.00	\$150,414.05	\$542,148.95
Black Bear Enterprises, Inc.	C	\$2,229,959.32	\$0.00	\$0.00	\$0.00	\$2,229,959.32	\$0.00	\$2,229,959.32	\$0.00
Blackberry Hill Sanitary Sewer District	C	\$5,138,529.91	\$0.00	\$0.00	\$0.00	\$5,138,529.91	\$683.97	\$5,137,845.94	\$0.00
Bread Alone	C	\$377,976.08	\$0.00	\$0.00	\$0.00	\$377,976.08	\$0.00	\$377,976.08	\$0.00
Brewster Central Schools	C	\$3,716,098.81	\$0.00	\$0.00	\$0.00	\$3,716,098.81	\$358.84	\$3,715,739.97	\$0.00
Brewster Heights Sewer District #1	A	\$4,282,101.00	\$0.00	\$0.00	\$0.00	\$4,126,392.76	\$0.00	\$4,126,392.76	\$155,708.24
Camp Edward Isaacs	A	\$4,396,533.00	\$10,167.21	(\$27,166.95)	\$37,334.16	\$4,303,599.67	\$0.00	\$4,303,599.67	\$92,933.33
Camp L'man Achai	C	\$1,326,920.26	\$0.00	\$0.00	\$0.00	\$1,326,920.26	\$0.00	\$1,326,920.26	\$0.00
Camp Loyaltown	C	\$499,454.94	\$0.00	\$0.00	\$0.00	\$499,454.94	\$0.00	\$499,454.94	\$0.00
Camp Ludington	C	\$3,785,195.70	\$0.00	\$0.00	\$0.00	\$3,785,195.70	\$0.00	\$3,785,195.70	\$0.00
Camp Nubar	C	\$3,441,112.75	\$0.00	\$0.00	\$0.00	\$3,441,112.75	\$6,700.00	\$3,434,412.75	\$0.00
Camp Oh-Neh-Tah	C	\$3,909,981.59	\$0.00	\$0.00	\$0.00	\$3,909,981.59	\$0.00	\$3,909,981.59	\$0.00
Camp RE	C	\$5,343,002.06	\$0.00	\$0.00	\$0.00	\$5,343,002.06	\$0.00	\$5,343,002.06	\$0.00
Camp Timber Lake	C	\$3,952,986.74	\$0.00	\$0.00	\$0.00	\$3,952,986.74	\$0.00	\$3,952,986.74	\$0.00
Carmel Sewer District #2	A	\$7,694,008.00	\$0.00	\$0.00	\$0.00	\$7,554,191.81	\$56,195.23	\$7,497,996.58	\$139,816.19
Carmel Sewer District #4	A	\$5,194,922.00	\$0.00	\$0.00	\$0.00	\$5,154,679.40	\$37,986.72	\$5,116,692.68	\$40,242.60
Carmel Sewer District #7	C	\$4,021,973.09	\$0.00	\$0.00	\$0.00	\$4,021,973.09	\$16,500.00	\$4,005,473.09	\$0.00
Clearpool Education Center	C	\$3,838,018.05	\$0.00	\$0.00	\$0.00	\$3,838,018.05	\$0.00	\$3,838,018.05	\$0.00
Clock Tower Commons	C	\$2,010,646.66	\$0.00	\$0.00	\$0.00	\$2,010,646.66	\$0.00	\$2,010,646.66	\$0.00
Colonel Chair Estates-Block 8	C	\$658,039.96	\$0.00	\$0.00	\$0.00	\$658,039.96	\$0.00	\$658,039.96	\$0.00
Cortina Valley Ski Center	C	\$33,765.73	\$0.00	\$0.00	\$0.00	\$33,765.73	\$0.00	\$33,765.73	\$0.00
Crystal Pond	C	\$1,267,678.81	\$0.00	\$0.00	\$0.00	\$1,267,678.81	\$0.00	\$1,267,678.81	\$0.00
Delaware-Chenango BOCES	C	\$2,220,009.40	\$0.00	\$0.00	\$0.00	\$2,220,009.40	\$0.00	\$2,220,009.40	\$0.00

## Disbursement Report

### New York City Watershed WWTP Upgrade Program

April 1, 2015 through March 31, 2016

#### Regulatory

Facility Name	Contracted	April 1, 2015 through March 31, 2016			Total			Balance Remaining	
		Net Requested	Retained	Released	Net Requested	Retained	Released		
Elka Park Association	C	\$3,426,585.30	\$0.00	\$0.00	\$0.00	\$3,426,585.30	\$0.00	\$3,426,585.30	\$0.00
Field Home / Holy Comforter	C	\$1,967,489.88	\$0.00	\$0.00	\$0.00	\$1,967,489.88	\$0.00	\$1,967,489.88	\$0.00
Forester Motor Lodge	C	\$501,921.62	\$0.00	\$0.00	\$0.00	\$501,921.62	\$0.00	\$501,921.62	\$0.00
Fox Lane Campus Treatment Center	C	\$6,668,534.02	\$0.00	\$0.00	\$0.00	\$6,668,534.02	\$0.00	\$6,668,534.02	\$0.00
Fox Run Condominiums	C	\$7,434,837.20	\$0.00	\$0.00	\$0.00	\$7,434,837.20	\$0.00	\$7,434,837.20	\$0.00
Frangel Realty Company	A	\$6,549,465.00	\$327,814.53	\$15,311.38	\$312,503.15	\$3,723,569.21	\$62,941.36	\$3,660,627.85	\$2,825,895.79
Frog's House Restaurant	C	\$11,079.59	\$0.00	\$0.00	\$0.00	\$11,079.59	\$0.00	\$11,079.59	\$0.00
Fulmar Road Elementary School	C	\$1,210,915.35	\$0.00	\$0.00	\$0.00	\$1,210,915.35	\$0.00	\$1,210,915.35	\$0.00
George Fischer Middle School	C	\$5,256,775.37	\$0.00	\$0.00	\$0.00	\$5,256,775.37	\$0.00	\$5,256,775.37	\$0.00
Harriman Lodge	C	\$1,263,855.85	\$0.00	\$0.00	\$0.00	\$1,263,855.85	\$0.00	\$1,263,855.85	\$0.00
Heritage Hills Pollution Control Plant	A	\$12,728,550.00	\$0.00	\$0.00	\$0.00	\$12,243,244.63	\$0.00	\$12,243,244.63	\$485,305.37
Hill-Sparrow WWTP	C	\$5,042,039.93	\$0.00	\$0.00	\$0.00	\$5,042,039.93	\$0.00	\$5,042,039.93	\$0.00
Holly Stream Condominiums	C	\$3,523,180.63	\$0.00	\$0.00	\$0.00	\$3,523,180.63	\$0.00	\$3,523,180.63	\$0.00
Hostel No. 1228 Welfare Rd.	C	\$15,312.87	\$0.00	\$0.00	\$0.00	\$15,312.87	\$0.00	\$15,312.87	\$0.00
Hunter Highlands	C	\$2,232,975.18	\$0.00	\$0.00	\$0.00	\$2,232,975.18	\$0.00	\$2,232,975.18	\$0.00
Hunter's Glen Master Association, Inc.	C	\$4,801,637.40	\$0.00	\$0.00	\$0.00	\$4,801,637.40	\$0.00	\$4,801,637.40	\$0.00
I-684 Rest Area #45	A	\$2,536,149.00	\$0.00	\$0.00	\$0.00	\$2,536,149.00	\$0.00	\$2,536,149.00	\$0.00
Increase Miller Elem. School	C	\$5,556,221.42	\$0.00	\$0.00	\$0.00	\$5,556,221.42	\$0.00	\$5,556,221.42	\$0.00
Katonah Elementary School	A	\$1,300,879.00	\$220,218.49	\$0.00	\$220,218.49	\$1,061,648.90	\$0.00	\$1,061,648.90	\$239,230.10
K'Hal Adas Kashau Rabbinical College	C	\$4,509,965.27	\$0.00	\$0.00	\$0.00	\$4,509,965.27	\$0.00	\$4,509,965.27	\$0.00
KJ Western Campground	C	\$10,465.00	\$0.00	\$0.00	\$0.00	\$10,465.00	\$0.00	\$10,465.00	\$0.00
Lake Plaza Shopping Center	C	\$1,935,723.00	\$0.00	\$0.00	\$0.00	\$1,935,723.00	\$0.00	\$1,935,723.00	\$0.00
Latvian American Disabled Veterans, Ir	C	\$9,460.75	\$0.00	\$0.00	\$0.00	\$9,460.75	\$0.00	\$9,460.75	\$0.00
Latvian Church Camp	C	\$965,158.79	\$0.00	\$0.00	\$0.00	\$965,158.79	\$0.00	\$965,158.79	\$0.00
Lewisboro Elementary School	C	\$5,999,275.94	\$0.00	\$0.00	\$0.00	\$5,999,275.94	\$0.00	\$5,999,275.94	\$0.00
Lifside at Hunter Mountain	C	\$842,021.31	\$0.00	\$0.00	\$0.00	\$842,021.31	\$0.00	\$842,021.31	\$0.00

## Disbursement Report

### New York City Watershed WWTP Upgrade Program

April 1, 2015 through March 31, 2016

#### Regulatory

Facility Name	Contracted	April 1, 2015 through March 31, 2016			Total			Balance Remaining	
		Net Requested	Retained	Released	Net Requested	Retained	Released		
Lincoln Hall School	C	\$5,244,707.03	\$0.00	\$0.00	\$0.00	\$5,244,707.03	\$0.00	\$5,244,707.03	\$0.00
Mahopac Central Schools	A	\$6,758,721.00	\$0.00	\$0.00	\$0.00	\$6,518,763.46	\$0.00	\$6,518,763.46	\$239,957.54
Mahopac Village Center	C	\$2,375,810.96	\$0.00	\$0.00	\$0.00	\$2,375,810.96	\$0.00	\$2,375,810.96	\$0.00
Maple Hill Estates H. O. A. Inc. Sewage	C	\$3,521,973.71	\$0.00	\$0.00	\$0.00	\$3,521,973.71	\$0.00	\$3,521,973.71	\$0.00
Meadows at Cross River	C	\$5,080,092.24	\$0.00	\$0.00	\$0.00	\$5,080,092.24	\$0.00	\$5,080,092.24	\$0.00
Michelle Estates Sewer Works Corp.	C	\$4,238,731.76	\$0.00	\$0.00	\$0.00	\$4,238,731.76	\$0.00	\$4,238,731.76	\$0.00
Morningstar Foods, Inc./Ultra Dairy	C	\$1,129,880.16	\$0.00	\$0.00	\$0.00	\$1,129,880.16	\$0.00	\$1,129,880.16	\$0.00
Mountain View Estates	C	\$3,616,134.98	\$0.00	\$0.00	\$0.00	\$3,616,134.98	\$0.00	\$3,616,134.98	\$0.00
Mt. Ebo Corporate Center	C	\$3,886,790.69	\$0.00	\$0.00	\$0.00	\$3,886,790.69	\$0.00	\$3,886,790.69	\$0.00
North Salem Middle School	A	\$3,868,380.00	\$30,168.00	\$0.00	\$30,168.00	\$744,277.65	\$0.00	\$744,277.65	\$3,124,102.35
NYS DOT Engineer's HQs	C	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Olive Woods	A	\$2,573,445.00	\$0.00	\$0.00	\$0.00	\$2,548,621.32	\$0.00	\$2,548,621.32	\$24,823.68
Onteora Jr.-Sr. High School	C	\$845,723.47	\$0.00	\$0.00	\$0.00	\$845,723.47	\$0.00	\$845,723.47	\$0.00
Oorah Catskill Retreat, LLC	C	\$3,882,569.34	\$0.00	\$0.00	\$0.00	\$3,882,569.34	\$26,911.88	\$3,855,657.46	\$0.00
Palace Hotel	C	\$70,520.87	\$0.00	\$0.00	\$0.00	\$70,520.87	\$0.00	\$70,520.87	\$0.00
Pepsi-Cola	C	\$666,466.19	\$0.00	\$0.00	\$0.00	\$666,466.19	\$0.00	\$666,466.19	\$0.00
Putnam National Golf Club	C	\$3,420,081.62	\$0.00	\$0.00	\$0.00	\$3,420,081.62	\$0.00	\$3,420,081.62	\$0.00
Putnam Nursing and Rehabilitation Center	C	\$2,598,614.50	\$0.00	\$0.00	\$0.00	\$2,598,614.50	\$0.00	\$2,598,614.50	\$0.00
Ralph Morando Bldg.	C	\$1,525,908.91	\$0.00	\$0.00	\$0.00	\$1,525,908.91	\$0.00	\$1,525,908.91	\$0.00
Random Farms Homeowners Association	A	\$478,865.00	\$0.00	\$0.00	\$0.00	\$240,734.93	\$0.00	\$240,734.93	\$238,130.07
Reed Farm Condominiums	C	\$1,923,755.81	\$0.00	\$0.00	\$0.00	\$1,923,755.81	\$0.00	\$1,923,755.81	\$0.00
Regis Hotel	C	\$663,907.90	\$0.00	\$0.00	\$0.00	\$663,907.90	\$0.00	\$663,907.90	\$0.00
Riverwoods/ Fox Hollow	A	\$826,626.00	\$0.00	\$0.00	\$0.00	\$447,706.85	\$0.00	\$447,706.85	\$378,919.15
Ron De Voo Restaurant	C	\$1,292,970.74	\$0.00	\$0.00	\$0.00	\$1,292,970.74	\$0.00	\$1,292,970.74	\$0.00
Roxbury Run Village	C	\$986,152.59	\$0.00	\$0.00	\$0.00	\$986,152.59	\$0.00	\$986,152.59	\$0.00
Selena's Diner	C	\$144,634.55	\$0.00	\$0.00	\$0.00	\$144,634.55	\$0.00	\$144,634.55	\$0.00

## Disbursement Report

### New York City Watershed WWTP Upgrade Program

April 1, 2015 through March 31, 2016

#### Regulatory

Facility Name	Contracted	April 1, 2015 through March 31, 2016			Total			Balance Remaining	
		Net Requested	Retained	Released	Net Requested	Retained	Released		
SEVA Institute	A	\$2,586,670.00	\$68,741.43	\$0.00	\$68,741.43	\$2,428,217.56	\$25,651.56	\$2,402,566.00	\$158,452.44
Seven Springs Sewer Corp.	C	\$3,679,969.07	\$0.00	\$0.00	\$0.00	\$3,679,969.07	\$0.00	\$3,679,969.07	\$0.00
Shop-Rite Plaza	C	\$1,113,529.85	\$0.00	\$0.00	\$0.00	\$1,113,529.85	\$0.00	\$1,113,529.85	\$0.00
Society Hill Condominiums	C	\$2,624,436.01	\$0.00	\$0.00	\$0.00	\$2,624,436.01	\$0.00	\$2,624,436.01	\$0.00
Somers High School	C	\$6,563,957.58	\$0.00	\$0.00	\$0.00	\$6,563,957.58	\$75.00	\$6,563,882.58	\$0.00
Somers Intermediate School	C	\$2,526,104.00	\$0.00	\$0.00	\$0.00	\$2,526,104.00	\$0.00	\$2,526,104.00	\$0.00
Somers Manor Nursing Home	C	\$3,479,825.89	\$0.00	\$0.00	\$0.00	\$3,479,825.89	\$0.00	\$3,479,825.89	\$0.00
Somers Office Building Complex	C	\$6,025,469.28	\$0.00	\$0.00	\$0.00	\$6,025,469.28	\$0.00	\$6,025,469.28	\$0.00
South Kortright Center for Boys	C	\$2,551,640.10	\$0.00	\$0.00	\$0.00	\$2,551,640.10	\$0.00	\$2,551,640.10	\$0.00
St. Mary of the Assumption	A	\$1,347,587.00	\$170,397.38	\$0.00	\$170,397.38	\$514,235.11	\$0.00	\$514,235.11	\$833,351.89
Thompson House	C	\$788,165.26	\$0.00	\$0.00	\$0.00	\$788,165.26	\$0.00	\$788,165.26	\$0.00
Thunder Ridge Ski Area	A	\$1,297,000.00	\$134,458.98	\$0.00	\$134,458.98	\$908,581.56	\$0.00	\$908,581.56	\$388,418.44
Town of Patterson	A	\$4,489,530.91	\$0.00	\$0.00	\$0.00	\$4,489,530.91	\$0.00	\$4,489,530.91	\$0.00
Towne Centre	A	\$5,595,120.00	\$3,443,328.36	\$158,153.33	\$3,285,175.03	\$4,238,479.87	\$158,153.33	\$4,080,326.54	\$1,356,640.13
Village of Delhi	A	\$7,510,788.58	\$0.00	\$0.00	\$0.00	\$7,510,788.58	\$0.00	\$7,510,788.58	\$0.00
Village of Hobart	A	\$3,919,862.55	\$0.00	\$0.00	\$0.00	\$3,914,539.40	\$0.00	\$3,914,539.40	\$5,323.15
Village of Stamford	C	\$5,244,635.99	\$0.00	\$0.00	\$0.00	\$5,244,635.99	\$29,094.12	\$5,215,541.87	\$0.00
Village of Walton	C	\$9,962,308.34	\$0.00	\$0.00	\$0.00	\$9,962,308.34	\$55,714.63	\$9,906,593.71	\$0.00
Waccabuc Country Club	C	\$4,632,425.36	\$0.00	\$0.00	\$0.00	\$4,632,425.36	\$0.00	\$4,632,425.36	\$0.00
Walter Panas High School	A	\$4,489,890.00	\$92,120.70	\$3,008.00	\$89,112.70	\$4,294,129.13	\$160,295.39	\$4,133,833.74	\$195,760.87
Watchtower Educational Center	C	\$2,409,067.22	\$0.00	\$0.00	\$0.00	\$2,409,067.22	\$0.00	\$2,409,067.22	\$0.00
Whistle Tree	C	\$615,405.23	\$0.00	\$0.00	\$0.00	\$615,405.23	\$0.00	\$615,405.23	\$0.00
White Birches Campsites, Inc.	C	\$16,607.05	\$0.00	\$0.00	\$0.00	\$16,607.05	\$0.00	\$16,607.05	\$0.00
Wild Oaks Utilities	C	\$8,243,444.73	\$0.00	\$0.00	\$0.00	\$8,243,444.73	\$0.00	\$8,243,444.73	\$0.00
Williamsburg Ridge Homeowners Assoc	C	\$1,497,878.46	\$0.00	\$0.00	\$0.00	\$1,497,878.46	\$0.00	\$1,497,878.46	\$0.00
Windham Mountain	C	\$748,821.73	\$0.00	\$0.00	\$0.00	\$748,821.73	\$0.00	\$748,821.73	\$0.00

## Disbursement Report

### New York City Watershed WWTP Upgrade Program

April 1, 2015 through March 31, 2016

#### Regulatory

Facility Name	Contracted	April 1, 2015 through March 31, 2016			Total			Balance Remaining	
		Net Requested	Retained	Released	Net Requested	Retained	Released		
Windham Mountain Village	\$187,201.49	\$0.00	\$0.00	\$0.00	\$187,201.49	\$0.00	\$187,201.49	\$0.00	
Windham Ridge Club	\$1,219,718.99	\$0.00	\$0.00	\$0.00	\$1,219,718.99	\$0.00	\$1,219,718.99	\$0.00	
Worcester Creameries, Corp.	\$10,873,703.00	\$51,247.20	(\$332,730.20)	\$383,977.40	\$10,625,106.99	\$0.00	\$10,625,106.99	\$248,596.01	
Yeshiva Kehilath Yakov	\$4,105,567.02	\$0.00	\$0.00	\$0.00	\$4,105,567.02	\$0.00	\$4,105,567.02	\$0.00	
Yorktown Heights S.D.	\$19,957,837.59	\$0.00	\$0.00	\$0.00	\$19,957,837.59	\$0.00	\$19,957,837.59	\$0.00	
<b>Regulatory Totals:</b>		\$354,020,998.83	\$4,628,506.03	(\$183,424.44)	\$4,811,930.47	\$341,300,321.42	\$637,262.03	\$340,663,059.39	\$12,720,677.41

**A** = Contracted Amount includes one or more amendments. Details of the amendments are shown on the Upgrade Contract Amendment Amounts Report.

**C** = Facility has been closed out. Details of the closeout are shown on the Upgrade Contract Amendment Amounts Report.

## Disbursement Report

### New York City Watershed WWTP Upgrade Program

April 1, 2015 through March 31, 2016

**SPT**

Facility Name	Contracted	April 1, 2015 through March 31, 2016			Total			Balance Remaining	
		Net Requested	Retained	Released	Net Requested	Retained	Released		
Bataviakill Recreation Area	C	\$13,519.93	\$0.00	\$0.00	\$0.00	\$13,519.93	\$0.00	\$13,519.93	\$0.00
Blackberry Hill Sanitary Sewer District	A	\$118,400.00	\$0.00	\$0.00	\$0.00	\$118,400.00	\$0.00	\$118,400.00	\$0.00
Brewster Central Schools	C	\$236,397.14	\$0.00	\$0.00	\$0.00	\$236,397.14	\$0.00	\$236,397.14	\$0.00
Brewster Heights Sewer District #1	A	\$117,150.00	\$0.00	\$0.00	\$0.00	\$117,150.00	\$0.00	\$117,150.00	\$0.00
Camp L'man Achai	A	\$49,854.00	\$0.00	\$0.00	\$0.00	\$49,854.00	\$0.00	\$49,854.00	\$0.00
Camp Ludington	A	\$63,468.33	\$0.00	\$0.00	\$0.00	\$63,468.33	\$0.00	\$63,468.33	\$0.00
Camp Oh-Neh-Tah	C	\$54,404.33	\$0.00	\$0.00	\$0.00	\$54,404.33	\$0.00	\$54,404.33	\$0.00
Camp Timber Lake	A	\$27,000.00	\$0.00	\$0.00	\$0.00	\$27,000.00	\$0.00	\$27,000.00	\$0.00
Carmel Sewer District #2	A	\$294,284.00	(\$55,918.85)	\$0.00	(\$55,918.85)	\$238,365.15	\$0.00	\$238,365.15	\$55,918.85
Carmel Sewer District #4	A	\$206,492.00	(\$22,649.42)	\$0.00	(\$22,649.42)	\$183,842.58	\$0.00	\$183,842.58	\$22,649.42
Carmel Sewer District #7	C	\$145,654.77	(\$4,345.23)	\$0.00	(\$4,345.23)	\$145,654.77	\$0.00	\$145,654.77	\$0.00
Clearpool Education Center	C	\$194,545.00	\$0.00	\$0.00	\$0.00	\$194,545.00	\$0.00	\$194,545.00	\$0.00
Clock Tower Commons	A	\$122,833.00	\$0.00	\$0.00	\$0.00	\$122,833.00	\$0.00	\$122,833.00	\$0.00
Delaware-Chenango BOCES	C	\$42,854.51	\$0.00	\$0.00	\$0.00	\$42,854.51	\$0.00	\$42,854.51	\$0.00
Elka Park Association	A	\$120,838.00	\$0.00	\$0.00	\$0.00	\$120,838.00	\$0.00	\$120,838.00	\$0.00
Fox Lane Campus Treatment Center	C	\$112,406.78	\$0.00	\$0.00	\$0.00	\$112,406.78	\$0.00	\$112,406.78	\$0.00
Fox Run Condominiums	C	\$141,889.72	(\$13,110.28)	\$0.00	(\$13,110.28)	\$141,889.72	\$0.00	\$141,889.72	\$0.00
George Fischer Middle School	A	\$83,524.80	\$0.00	\$0.00	\$0.00	\$45,465.58	\$0.00	\$45,465.58	\$38,059.22
Heritage Hills Pollution Control Plant	A	\$361,375.00	\$0.00	\$0.00	\$0.00	\$358,268.47	\$0.00	\$358,268.47	\$3,106.53
Hill-Sparrow WWTP	C	\$96,054.15	(\$55,411.15)	\$0.00	(\$55,411.15)	\$96,054.14	\$0.00	\$96,054.14	\$0.01
Holly Stream Condominiums	C	\$104,981.48	\$0.00	\$0.00	\$0.00	\$104,981.48	\$0.00	\$104,981.48	\$0.00
Hunter Highlands	C	\$97,500.05	\$0.00	\$0.00	\$0.00	\$97,500.05	\$0.00	\$97,500.05	\$0.00
Hunter's Glen Master Association, Inc.	A	\$163,403.48	\$0.00	\$0.00	\$0.00	\$163,403.48	\$0.00	\$163,403.48	\$0.00
Increase Miller Elem. School	C	\$52,078.96	\$0.00	\$0.00	\$0.00	\$52,078.96	\$0.00	\$52,078.96	\$0.00
K'Hal Adas Kashau Rabbinical College	C	\$158,154.53	\$0.00	\$0.00	\$0.00	\$158,154.53	\$0.00	\$158,154.53	\$0.00
Lewisboro Elementary School	C	\$76,290.02	\$0.00	\$0.00	\$0.00	\$76,290.02	\$0.00	\$76,290.02	\$0.00

## Disbursement Report

### New York City Watershed WWTP Upgrade Program

April 1, 2015 through March 31, 2016

**SPT**

Facility Name		Contracted	April 1, 2015 through March 31, 2016			Total			Balance Remaining
			Net Requested	Retained	Released	Net Requested	Retained	Released	
Lincoln Hall School	C	\$130,209.00	\$0.00	\$0.00	\$0.00	\$130,209.00	\$0.00	\$130,209.00	\$0.00
Mahopac Central Schools	A	\$180,000.00	\$0.00	\$0.00	\$0.00	\$180,000.00	\$0.00	\$180,000.00	\$0.00
Mahopac Village Center	A	\$75,000.00	\$0.00	\$0.00	\$0.00	\$75,000.00	\$0.00	\$75,000.00	\$0.00
Maple Hill Estates H. O. A. Inc. Sewage	A	\$150,035.00	\$0.00	\$0.00	\$0.00	\$150,035.00	\$0.00	\$150,035.00	\$0.00
Meadows at Cross River	A	\$225,478.33	\$0.00	\$0.00	\$0.00	\$225,478.33	\$0.00	\$225,478.33	\$0.00
Michelle Estates Sewer Works Corp.	A	\$148,418.56	\$0.00	\$0.00	\$0.00	\$96,311.81	\$0.00	\$96,311.81	\$52,106.75
Mountain View Estates	C	\$104,579.75	\$0.00	\$0.00	\$0.00	\$104,579.75	\$0.00	\$104,579.75	\$0.00
Mt. Ebo Corporate Center	C	\$214,045.00	\$0.00	\$0.00	\$0.00	\$214,045.00	\$0.00	\$214,045.00	\$0.00
Olive Woods	A	\$36,775.00	\$0.00	\$0.00	\$0.00	\$28,990.37	\$0.00	\$28,990.37	\$7,784.63
Oorah Catskill Retreat, LLC	A	\$31,652.00	\$0.00	\$0.00	\$0.00	\$31,652.00	\$0.00	\$31,652.00	\$0.00
Pepsi-Cola	A	\$55,092.00	\$0.00	\$0.00	\$0.00	\$55,092.00	\$0.00	\$55,092.00	\$0.00
Putnam National Golf Club	A	\$114,320.00	\$0.00	\$0.00	\$0.00	\$114,320.00	\$0.00	\$114,320.00	\$0.00
Putnam Nursing and Rehabilitation Center	A	\$82,284.00	\$0.00	\$0.00	\$0.00	\$82,284.00	\$0.00	\$82,284.00	\$0.00
Reed Farm Condominiums	C	\$129,007.86	\$0.00	\$0.00	\$0.00	\$129,007.86	\$0.00	\$129,007.86	\$0.00
Roxbury Run Village	A	\$88,559.00	\$0.00	\$0.00	\$0.00	\$88,559.00	\$0.00	\$88,559.00	\$0.00
Seven Springs Sewer Corp.	C	\$152,942.68	\$0.00	\$0.00	\$0.00	\$152,942.68	\$0.00	\$152,942.68	\$0.00
Society Hill Condominiums	C	\$92,408.89	\$0.00	\$0.00	\$0.00	\$92,408.89	\$0.00	\$92,408.89	\$0.00
Somers High School	C	\$88,271.36	\$0.00	\$0.00	\$0.00	\$88,271.36	\$0.00	\$88,271.36	\$0.00
Somers Manor Nursing Home	A	\$161,466.00	\$0.00	\$0.00	\$0.00	\$161,466.00	\$0.00	\$161,466.00	\$0.00
Somers Office Building Complex	C	\$134,239.72	\$0.00	\$0.00	\$0.00	\$134,239.72	\$0.00	\$134,239.72	\$0.00
Town of Patterson	A	\$158,060.00	\$0.00	\$0.00	\$0.00	\$158,060.00	\$0.00	\$158,060.00	\$0.00
Village of Delhi	C	\$330,746.86	\$0.00	\$0.00	\$0.00	\$330,746.86	\$0.00	\$330,746.86	\$0.00
Village of Hobart	A	\$142,909.45	\$0.00	\$0.00	\$0.00	\$142,909.45	\$0.00	\$142,909.45	\$0.00
Village of Stamford	C	\$317,893.64	\$0.00	\$0.00	\$0.00	\$317,893.64	\$0.00	\$317,893.64	\$0.00
Village of Walton	C	\$646,337.28	\$0.00	\$0.00	\$0.00	\$646,337.28	\$0.00	\$646,337.28	\$0.00
Waccabuc Country Club	C	\$124,848.37	\$0.00	\$0.00	\$0.00	\$124,848.37	\$0.00	\$124,848.37	\$0.00

## Disbursement Report

### New York City Watershed WWTP Upgrade Program

April 1, 2015 through March 31, 2016

**SPT**

Facility Name		Contracted	April 1, 2015 through March 31, 2016			Total			Balance Remaining
			Net Requested	Retained	Released	Net Requested	Retained	Released	
Walter Panas High School	A	\$156,680.00	\$78,340.00	\$0.00	\$78,340.00	\$156,680.00	\$0.00	\$156,680.00	\$0.00
Watchtower Educational Center	A	\$66,293.88	\$0.00	\$0.00	\$0.00	\$66,293.88	\$0.00	\$66,293.88	\$0.00
Wild Oaks Utilities	C	\$126,958.94	(\$38,586.06)	\$0.00	(\$38,586.06)	\$126,958.94	\$0.00	\$126,958.94	\$0.00
Williamsburg Ridge Homeowners Assn	A	\$58,248.36	\$0.00	\$0.00	\$0.00	\$58,248.36	\$0.00	\$58,248.36	\$0.00
Worcester Creameries, Corp.	A	\$231,072.00	\$0.00	\$0.00	\$0.00	\$223,956.71	\$0.00	\$223,956.71	\$7,115.29
Yeshiva Kehilath Yakov	C	\$76,107.42	\$0.00	\$0.00	\$0.00	\$76,107.42	\$0.00	\$76,107.42	\$0.00
Yorktown Heights S.D.	A	\$776,948.00	\$0.00	\$0.00	\$0.00	\$776,948.00	\$0.00	\$776,948.00	\$0.00
<b>SPT Totals:</b>		\$8,863,242.33	(\$111,680.99)	\$0.00	(\$111,680.99)	\$8,676,501.63	\$0.00	\$8,676,501.63	\$186,740.70

A = Contracted Amount includes one or more amendments. Details of the amendments are shown on the Upgrade Contract Amendment Amounts Report.

C = Facility has been closed out. Details of the closeout are shown on the Upgrade Contract Amendment Amounts Report.

## Disbursement Report

### New York City Watershed WWTP Upgrade Program

April 1, 2015 through March 31, 2016

**SPDES**

Facility Name	Contracted	April 1, 2015 through March 31, 2016			Total			Balance Remaining	
		Net Requested	Retained	Released	Net Requested	Retained	Released		
Bread Alone	A	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Camp L'man Achai		\$72,500.00	\$0.00	\$0.00	\$72,500.00	\$0.00	\$72,500.00	\$0.00	
Camp Loyaltown	C	\$270,228.21	\$0.00	\$0.00	\$270,228.21	\$0.00	\$270,228.21	\$0.00	
Colonel Chair Estates-Block 8	C	\$534,823.50	\$0.00	\$0.00	\$534,823.50	\$0.00	\$534,823.50	\$0.00	
Delaware-Chenango BOCES	C	\$421,385.69	\$0.00	\$0.00	\$421,385.69	\$0.00	\$421,385.69	\$0.00	
Elka Park Association	C	\$25,170.54	\$0.00	\$0.00	\$25,170.54	\$0.00	\$25,170.54	\$0.00	
Hunter Highlands	A	\$25,543.22	\$0.00	\$0.00	\$25,543.22	\$0.00	\$25,543.22	\$0.00	
Latvian Church Camp	A	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Liftside at Hunter Mountain	A	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Mountain View Estates	A	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Olive Woods	A	\$7,219.00	\$0.00	\$0.00	\$7,218.99	\$0.00	\$7,218.99	\$0.01	
Onteora Jr.-Sr. High School	C	\$410,272.16	\$0.00	\$0.00	\$410,272.16	\$0.00	\$410,272.16	\$0.00	
Oorah Catskill Retreat, LLC	C	\$5,172.25	\$0.00	\$0.00	\$5,172.25	\$0.00	\$5,172.25	\$0.00	
Roxbury Run Village	C	\$46,810.00	\$0.00	\$0.00	\$46,810.00	\$0.00	\$46,810.00	\$0.00	
SEVA Institute	A	\$22,064.30	\$0.00	\$0.00	\$22,064.30	\$0.00	\$22,064.30	\$0.00	
Village of Delhi	A	\$19,535.69	\$0.00	\$0.00	\$19,535.69	\$0.00	\$19,535.69	\$0.00	
Village of Hobart	A	\$864,230.00	\$142,826.17	\$6,693.68	\$136,132.49	\$840,433.17	\$15,331.21	\$825,101.96	\$23,796.83
Village of Stamford	A	\$1,157,068.73	\$0.00	\$0.00	\$0.00	\$1,157,068.73	\$10,905.88	\$1,146,162.85	\$0.00
Village of Walton	C	\$1,210,864.26	\$0.00	\$0.00	\$0.00	\$1,210,864.26	\$0.00	\$1,210,864.26	\$0.00
Windham Mountain	C	\$14,501.50	\$0.00	\$0.00	\$0.00	\$14,501.50	\$0.00	\$14,501.50	\$0.00
<b>SPDES Totals:</b>		<b>\$5,107,389.05</b>	<b>\$142,826.17</b>	<b>\$6,693.68</b>	<b>\$136,132.49</b>	<b>\$5,083,592.21</b>	<b>\$26,237.09</b>	<b>\$5,057,355.12</b>	<b>\$23,796.84</b>

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**C** = Facility has been closed out. Details of the closeout are shown on the Upgrade Contract Amendment Amounts Report.

## Disbursement Report

### New York City Watershed WWTP Upgrade Program

April 1, 2015 through March 31, 2016

#### Reimb. SPDES

Facility Name	Contracted	April 1, 2015 through March 31, 2016			Total			Balance Remaining
		Net Requested	Retained	Released	Net Requested	Retained	Released	
Camp L'man Achai	\$2,000.00	\$0.00	\$0.00	\$0.00	\$2,000.00	\$0.00	\$2,000.00	\$0.00
Camp Loyaltown	\$240,234.90	\$0.00	\$0.00	\$0.00	\$240,234.90	\$0.00	\$240,234.90	\$0.00
Camp Nubar	\$21,670.11	\$0.00	\$0.00	\$0.00	\$21,670.11	\$0.00	\$21,670.11	\$0.00
Camp Timber Lake	\$19,623.22	\$0.00	\$0.00	\$0.00	\$19,623.22	\$0.00	\$19,623.22	\$0.00
Frog's House Restaurant	\$14,221.85	\$0.00	\$0.00	\$0.00	\$14,221.85	\$0.00	\$14,221.85	\$0.00
Harriman Lodge	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Hunter Highlands	\$5,620.08	\$0.00	\$0.00	\$0.00	\$5,620.08	\$0.00	\$5,620.08	\$0.00
Lifside at Hunter Mountain	\$23,998.50	\$0.00	\$0.00	\$0.00	\$23,998.50	\$0.00	\$23,998.50	\$0.00
Onteora Jr.-Sr. High School	\$25,000.00	\$0.00	\$0.00	\$0.00	\$25,000.00	\$0.00	\$25,000.00	\$0.00
Oorah Catskill Retreat, LLC	\$3,200.00	\$0.00	\$0.00	\$0.00	\$3,200.00	\$0.00	\$3,200.00	\$0.00
Regis Hotel	\$33,750.00	\$0.00	\$0.00	\$0.00	\$33,750.00	\$0.00	\$33,750.00	\$0.00
South Kortright Center for Boys	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Windham Mountain	\$97,409.39	\$0.00	\$0.00	\$0.00	\$97,409.39	\$0.00	\$97,409.39	\$0.00
<b>Reimb. SPDES Totals:</b>	<b>\$486,728.05</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$486,728.05</b>	<b>\$0.00</b>	<b>\$486,728.05</b>	<b>\$0.00</b>

**A** = Contracted Amount includes one or more amendments. Details of the amendments are shown on the Upgrade Contract Amendment Amounts Report.

**C** = Facility has been closed out. Details of the closeout are shown on the Upgrade Contract Amendment Amounts Report.

## Disbursement Report

### New York City Watershed WWTP Upgrade Program

April 1, 2015 through March 31, 2016

#### SPDES I&I

Facility Name		Contracted	April 1, 2015 through March 31, 2016			Total			Balance Remaining
			Net Requested	Retained	Released	Net Requested	Retained	Released	
Camp L'man Achai	A	\$50,598.00	\$0.00	\$0.00	\$0.00	\$50,598.00	\$0.00	\$50,598.00	\$0.00
Camp Timber Lake	A	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Delaware-Chenango BOCES	A	\$194,127.21	\$0.00	\$0.00	\$0.00	\$194,127.21	\$0.00	\$194,127.21	\$0.00
Elka Park Association	A	\$59,000.00	\$0.00	\$0.00	\$0.00	\$59,000.00	\$0.00	\$59,000.00	\$0.00
Onteora Jr.-Sr. High School	C	\$73,844.00	\$0.00	\$0.00	\$0.00	\$73,844.00	\$0.00	\$73,844.00	\$0.00
<b>SPDES I&amp;I Totals:</b>		\$377,569.21	\$0.00	\$0.00	\$0.00	\$377,569.21	\$0.00	\$377,569.21	\$0.00

A = Contracted Amount includes one or more amendments. Details of the amendments are shown on the Upgrade Contract Amendment Amounts Report.

C = Facility has been closed out. Details of the closeout are shown on the Upgrade Contract Amendment Amounts Report.

## Disbursement Report

### New York City Watershed WWTP Upgrade Program

April 1, 2015 through March 31, 2016

**I/O&M**

Facility Name		Contracted	April 1, 2015 through March 31, 2016			Total			Balance Remaining
			Net Requested	Retained	Released	Net Requested	Retained	Released	
Brewster Central Schools	C	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Brewster Heights Sewer District #1	A	\$39,050.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$39,050.00
Camp L'man Achai	A	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Camp Timber Lake	C	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Clearpool Education Center	C	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Clock Tower Commons	C	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Delaware-Chenango BOCES	C	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Elka Park Association	C	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Holly Stream Condominiums	C	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Hunter's Glen Master Association, Inc.	C	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
K'Hal Adas Kashau Rabbinical College	C	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Lincoln Hall School	C	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Mahopac Village Center	C	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Maple Hill Estates H. O. A. Inc. Sewage	C	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Meadows at Cross River	A	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Mt. Ebo Corporate Center	C	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Oorah Catskill Retreat, LLC	A	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Putnam Nursing and Rehabilitation Center	C	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Roxbury Run Village		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Seven Springs Sewer Corp.	C	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Society Hill Condominiums	C	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Waccabuc Country Club	C	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Wild Oaks Utilities	C	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

## Disbursement Report

### New York City Watershed WWTP Upgrade Program

April 1, 2015 through March 31, 2016

**I/O&M**

Facility Name	Contracted	April 1, 2015 through March 31, 2016			Total			Balance Remaining
		Net Requested	Retained	Released	Net Requested	Retained	Released	
Yeshiva Kehilath Yakov <span style="float: right;">[C]</span>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>I/O&amp;M Totals:</b>	\$39,050.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$39,050.00
<b>TOTALS:</b>		\$368,894,977.47	\$4,659,651.21 (\$176,730.76)	\$4,836,381.97	\$355,924,712.52	\$663,499.12	\$355,261,213.40	\$12,970,264.95

[A] = Contracted Amount includes one or more amendments. Details of the amendments are shown on the Upgrade Contract Amendment Amounts Report.

[C] = Facility has been closed out. Details of the closeout are shown on the Upgrade Contract Amendment Amounts Report.

## Kensico Septic System Remediation Reimbursement Program FINANCIAL STATEMENT (4/1/2015 through 3/31/2016)

**Basins:** Boyd Corners Reservoir, Kensico, West Branch Reservoir

**Summary Information:**

**Number of properties contacted:**   
**Number of properties responded:**  (5.6%)  
**Number of properties participating:**  (.7%)

**Amount disbursed this period:**   
**Amount disbursed to date:**

**Program Total Amount:**   
**Program Amount Available:**

Owner	Swis	Received Date	Requested Amount	Approved Amount	Funded Amount	Inv Rev'd	Proof of Pmt	Check Date	Check Amount
Ardito, Richard	55348910701400010140000000	1/13/2016	\$5,100.00	\$5,100.00	\$2,550.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1/26/2016	\$2,550.00
Borer, Alan H	553800107.04-1-18					<input type="checkbox"/>	<input type="checkbox"/>		
Charnas, Howard	0000					<input type="checkbox"/>	<input type="checkbox"/>		
Dearman, John & Danielle	37220004300000000000000000					<input type="checkbox"/>	<input type="checkbox"/>		
Evans, George	0000					<input type="checkbox"/>	<input type="checkbox"/>		
Feighan, Richard	55348910701700010400000000					<input type="checkbox"/>	<input type="checkbox"/>		
Flynn, Stephen M	55348910700900020440000000					<input type="checkbox"/>	<input type="checkbox"/>		
Flynn, Stephen M	55348910700900020440000000					<input type="checkbox"/>	<input type="checkbox"/>		
Giacomo, Angelo	5528001012-006					<input type="checkbox"/>	<input type="checkbox"/>		
Giorgio, Stephen	5528001032-007					<input type="checkbox"/>	<input type="checkbox"/>		
Gore, Lawrence E	55360010101300020200000000					<input type="checkbox"/>	<input type="checkbox"/>		
Hoffman, Ari	55348910001700010370000000					<input type="checkbox"/>	<input type="checkbox"/>		
Lashins, Edward	553800107.02-1-20					<input type="checkbox"/>	<input type="checkbox"/>		
Lepore, Sivano	37200005400900000000000000					<input type="checkbox"/>	<input type="checkbox"/>		
Magliocchino, Patrick	55348910701700010190000000					<input type="checkbox"/>	<input type="checkbox"/>		
Maher, Mary J	55348910701700030170000000					<input type="checkbox"/>	<input type="checkbox"/>		
Maron, James A	37200004301700000000000000	8/21/2015	\$3,575.00	\$3,575.00	\$1,787.50	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	10/29/2015	\$1,787.50
Morris-Albert, Kathleen	55360010800500020010000000					<input type="checkbox"/>	<input type="checkbox"/>		
Motto, Irene M	5528001012-042					<input type="checkbox"/>	<input type="checkbox"/>		
Nayeem, Syed A	55348910700500030230000000					<input type="checkbox"/>	<input type="checkbox"/>		
Nicotina, Christina	37200004200000000000000000	8/18/2015	\$4,200.00	\$4,200.00	\$2,100.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	9/17/2015	\$2,100.00
Olson, Theresa	37220001900000000000000000	9/14/2015	\$5,050.00	\$5,050.00	\$2,525.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	10/15/2015	\$2,525.00
Plousadis, James	553800107.02-1-4					<input type="checkbox"/>	<input type="checkbox"/>		
Samaha, Ameen L	553800107.01-1-18					<input type="checkbox"/>	<input type="checkbox"/>		
Tulman, Scott B	55360010101300030030000000					<input type="checkbox"/>	<input type="checkbox"/>		

**Clean Vessel Assistance Program  
Disbursement Summary Report  
04/01/2015 to 03/31/2016**

<b>Program</b>	<b>Count*</b>	<b>Requested Amt*</b>	<b>Contract Amt*</b>	<b>Disbursed Amt*</b>
<b>Construction:</b>	<b>3</b>	<b>\$128,474.13</b>	<b>\$94,613.10</b>	<b>\$77,145.72</b>
<b>Information &amp; Education:</b>	<b>2</b>	<b>\$18,410.16</b>	<b>\$10,000.00</b>	<b>\$10,000.00</b>
<b>O&amp;M Program Year 2014:</b>	<b>23</b>	<b>\$2,666.66</b>	<b>\$76,000.00</b>	<b>\$57,935.51</b>
<b>O&amp;M Program Year 2015:</b>	<b>42</b>	<b>\$0.00</b>	<b>\$107,250.00</b>	<b>\$73,565.72</b>
<b>Upgrade:</b>	<b>11</b>	<b>\$216,865.26</b>	<b>\$174,702.50</b>	<b>\$173,530.06</b>
<b>Grand Totals:</b>	<b>81</b>	<b>\$366,416.21</b>	<b>\$462,565.60</b>	<b>\$392,177.01</b>

\*Amounts are for projects with a disbursement

RESOLUTION NO. 2005

A RESOLUTION OF THE NEW YORK STATE ENVIRONMENTAL  
FACILITIES CORPORATION ADOPTING GUIDELINES FOR  
THE DISPOSITION OF PROPERTY

WHEREAS, the Corporation is required by the provisions of Title 5-A of Article 9 of the Public Authorities Law, as added by the Public Authorities Accountability Act of 2005, to adopt guidelines detailing the Corporation's operative policy and instructions regarding the use, awarding, monitoring and reporting of contracts for the disposal of property, and to designate a Contracting Officer who shall be responsible for the Corporation's compliance with and enforcement of such guidelines, which shall be reviewed and approved annually by the Board of Directors, and filed with the State Comptroller; and

WHEREAS, the Board of Directors desires to adopt Guidelines for the Disposition of Property and to designate a Contracting Officer;

NOW, THEREFORE, BE IT RESOLVED BY THE DIRECTORS OF THE NEW YORK STATE ENVIRONMENTAL FACILITIES CORPORATION, AS FOLLOWS:

Section 1. The Corporation shall not acquire real property without the Corporation first adopting a policy and procedures with respect to both acquisition and disposition of real property.

Section 2. The Corporation hereby continues its policy of disposition of personal property through coordination with the State's Office of General Services.

Section 3. The Corporation's Procurement Integrity Officer is hereby designated as Contracting Officer under these Guidelines.

Section 4. This resolution shall take effect immediately upon its adoption.



# Environmental Facilities Corporation

**ANDREW M. CUOMO**  
Governor

**SABRINA M. TY**  
President and CEO

## **Report on Personal and Real Property Transactions**

*Nothing to report for SFY 2015-16.*

# **NEW YORK STATE ENVIRONMENTAL FACILITIES CORPORATION**

## **Code of Ethical Conduct For Board Members, Officers and Employees**

### **I. Purpose**

This Policy is intended to describe the implementation of Section 74 of the Public Officers Law (“POL”) and 19 NYCRR Section 932.5 which describes and requires standards of conduct for uncompensated and per diem directors, members and officers such as the Board members of the New York State Environmental Facilities Corporation (“EFC”). In addition, this Policy is intended to describe the implementation of the Public Authorities Accountability Act of 2005 as enacted in Chapter 766 of the Laws of 2005, as amended (the “Public Authorities Act”) as well as certain Executive Orders.

### **II. Background**

Ethics regulations require a Code of Ethical Conduct for uncompensated and per diem board members (19 NYCRR 932.5). In addition, the Public Authorities Act requires a Code of Ethical Conduct for all Board Members, officers and employees of EFC. In accordance with these and other mandates, the following provisions apply to all EFC Board Members, officers and employees.

### **III. EFC Board Code of Ethical Conduct**

#### **Ethical Standards**

No Board Member, officer or employee should have any interest, financial or otherwise, direct or indirect, or engage in any business or transaction or professional activity or incur any obligation of any nature, which is in substantial conflict with the proper discharge of his or her duties in the public interest to EFC.

No Board Member, officer or employee should accept other employment which will impair that individual’s independence of judgment in the exercise of his or her official duties to EFC.

No Board Member, officer or employee should accept employment or engage in any business or professional activity which will require that individual to disclose confidential information gained by reason of his or her official position or authority with EFC.

No Board Member, officer or employee should disclose confidential information acquired by that individual in the course of his or her official duties with EFC nor use such information to further personal interests.

No Board Member, officer or employee should use or attempt to use that individual's official position with EFC to secure unwarranted personal privileges or exemptions for the Member or others, including but not limited to, the misappropriation to himself, herself or to others of the property, services or other resources of EFC for private business or other compensated non-governmental purposes.

No Board Member, officer or employee should engage in any transaction as representative or agent of EFC with any business entity in which that individual has a direct or indirect financial interest that might reasonably tend to conflict with the proper discharge of his or her official duties with EFC.

No Board Member, officer or employee should by that individual's conduct give reasonable basis for the impression that any person can improperly influence him or her, or unduly enjoy his or her favor in the performance of his or her official duties to EFC, or that he or she is affected by the kinship, rank, position or influence of any party or person.

Board Members, officers and employees should abstain from making personal investments in enterprises which that individual has reason to believe may be directly involved in decisions to be made by him or her or which will otherwise create substantial conflict between his or her duty to EFC in the public interest and his or her private interest.

Board Members, officers and employees, should endeavor to pursue a course of conduct that will not raise suspicion among the public that he or she is likely to be engaged in acts that are in violation of his or her trust with EFC.

### **Outside Activity**

State officers who are required to file annual statements of financial disclosure are prohibited from receiving compensation for appearing or rendering services against the interests of EFC in relation to any matter in the Court of Claims. [Public Officers Law §73(3)(b)]

Board Members, officers and employees who are required to file annual statements of financial disclosure are prohibited from serving as an officer of any political party or political organization or as a member of any political party committee including political party district leader or as a member of a national committee of a political party. [19 NYCRR Part 932.2]

No officer or employee employed on a full time basis, or any firm or association of which such officer or employee is a member, or any corporation, a substantial portion of the stock of which is owned or controlled directly or indirectly by such officer or employee, should sell goods or services to any person, firm, corporation or association which is licensed or whose rates are fixed by EFC.<sup>1</sup>

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<sup>1</sup> On April 10, 2006, NYS Ethics Commission staff confirmed that "rates" as contemplated by this subsection do not include interest rates set by EFC on EFC's financings.

## **Executive Orders**

The provisions of the following Executive Orders shall apply as set forth therein to EFC Board members, officers and employees:

1. Governor Paterson's Executive Order No. 7, dated June 18, 2008, with regard to use of state property and prohibited campaign contributions to the Governor; and
2. Governor Cuomo's Executive Order No. 3, dated January 2, 2011, with regard to ethics training.

## **IV. Violations**

In addition to any penalties imposed by an ethics regulatory entity, any Board Member, officer or employee who knowingly and intentionally violates any of the provisions of this policy may be suspended or removed from office or employment in the manner provided by law.

## **V. Legal Effect**

This policy is not intended to set forth a fixed, general principle to be rigidly applied. Rather, its tenets are to be utilized solely as guidance and should be applied only after taking into account the specific facts and circumstances of each particular instance where an ethical question arises. This Code of Ethical Conduct may be amended by majority vote of the Board Members present at any meeting at which a quorum is in attendance. In addition, with respect to officers and employees of EFC, the provisions of this Code of Ethical Conduct shall be in addition to any existing policies, guidelines or rules of EFC.

EFC has reviewed and readopted this Code of Ethical Conduct, effective June 9, 2016.

## 2015-16 INTERNAL CONTROL SUMMARY & CERTIFICATION FORM

The Internal Control Summary and Certification Form provides supporting justification for an agency's or authority's level of compliance with the requirements of the Internal Control Act as outlined below.

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NYS Environmental Facilities Corp.	6/28/16	Maureen L. McGrath	(518)486-9267
Agency Name	Date	Completed by (Name)	Phone

**A. Establish and maintain guidelines for a system of internal controls for the agency or authority.** Internal control guidelines communicate an organization's management and programmatic objectives to its employees and provide the methods and procedures used to assess the effectiveness of its internal controls in supporting those objectives. Internal control guidelines should:

1. State the agency head's support of internal controls to provide staff with an understanding of the benefits of effective controls;
2. Identify the agency's primary responsibilities and the objectives;
3. Explain how internal controls are organized and managed;
4. Define responsibilities of agency management and supervisors and agency staff;
5. Acknowledge that internal controls adhere to accepted standards; and,
6. Describe the organization's process for evaluating internal controls.

**For this requirement, the agency/authority is:**

**Fully Compliant**       **Partially Compliant**       **Not Compliant**

**Provide a thorough explanation of the specific actions your agency has taken, or are needed, to comply with this requirement.**

*The NYS Environmental Facilities Corporation ("EFC" or "Corporation") has consistently maintained a well-developed system of Internal Controls. The current and past Presidents of the Corporation have continually stressed the importance of maintaining effective controls over the Corporation's operations through orientation manuals, periodic distribution of procedural information to all employees, staff meetings, as well as meetings of the Board of Directors, and again at the onset of the yearly external audit. The current President and CEO has suggested an additional testing criteria for each function requiring review, which was established for the 2015-2016 review cycle. EFC's mission is to provide low-cost capital and expert technical assistance for environmental projects in New York State. Our purpose is to help public and private entities comply with federal and state environmental protection and quality requirements in a cost effective manner that advances sustainable growth. We promote innovative environmental technologies and practices in all of our programs. EFC's Internal Controls are organized first by division, then by unit or individual responsible for the management of each function. Each function has an assigned risk level that determines how often that function requires review. Each responsible individual is then required to submit the completed Internal Control Function Review worksheets and Internal Control Review (ICR) Testing worksheets to their respective Division*

*Directors for review and certification of proper completion. EFC's Executive Staff are required to certify that their specific functions are operating effectively and as intended. This is completed with input from supervisors and program staff. If a function is not operating effectively, a Corrective Action Plan (CAP) must be established prior to Division Director certification. Although the oversight of EFC's Internal Controls program no longer resides with the Division of Budget, EFC management feels it is an effective means of monitoring and maintaining its program and continues to follow the Division of Budget guidance, with input from other outside sources, including the New York State Internal Controls Association, Office of the State Comptroller and Authorities Budget Office. As updates in the field are established, EFC incorporates these where applicable. In addition, because EFC's success is in large part dependent on the rating of its bonds, the ratings agencies review operations on the whole, which strengthens the overall internal control process, due to the additional levels of review for higher risk functions.*

**B. Establish and maintain a system of internal controls and a program of internal control review for the agency or authority.** The system of internal control should be developed using the COSO (Committee of Sponsoring Organizations of the Treadway Commission) conceptual framework adopted in the *Standards for Internal Controls in New York State Government*, and should incorporate COSO's five basic components of internal control: control environment, risk assessment, control activities, information and communication and monitoring.

The program of internal control review shall be a structured, continuing and well documented system designed to identify internal control weaknesses, identify actions that are needed to correct these weaknesses, monitor the implementation of necessary corrective actions and periodically assess the adequacy of the agency's or authority's internal controls.

Organizations can adopt a system of internal control review tailored to their needs, size and degree of centralization. The procedures for evaluating the adequacy of that system also vary, but at a minimum should:

1. Identify and clearly document the primary operating responsibilities (functions) of the agency or authority;
2. Define the objectives of these functions so they are easily understood by staff accountable for carrying out the functions;
3. Identify/document the policies and procedures used to execute functions;
4. Identify the major functions of each of the agency's assessable units;
5. Develop a process or cycle to assess risk and test controls for major functions;
6. Assess the risks and consequences associated with controls failing to promote the objectives of major functions;
7. Test controls to ensure they are working as intended (see the "Manager's Testing Guide" which can be downloaded from BPRM Item B-350);
8. Institute a centrally monitored process to document, monitor and report deficiencies and corrective actions.

**For this requirement, the agency/authority is:**

Fully Compliant       Partially Compliant       Not Compliant

**Provide a thorough explanation of the specific actions your agency has taken, or are needed, to comply with this requirement and specifically address the following points:**

1. Describe the process used to review the agency's/authority's internal controls.
2. List all high-risk activities and indicate which were reviewed during 2015-16.
3. Identify the significant deficiencies revealed during the 2015-16 review process. Outline the actions taken, or planned, to eliminate deficiencies, highlighting the most important improvements made during the year.
4. Describe the monitoring system installed by the agency to verify that corrective actions are taken. Discuss the extent to which IT systems are used to track corrective actions.
5. Summarize specific actions the agency has taken to install a compliance testing program. Describe actions taken during 2015-16 to verify test results and expand the testing program.
6. Describe measures instituted to sustain the effectiveness of the internal control program during 2015-16. Include information on reorganizations and other revisions in the program to enhance operations.
7. Describe efforts agency/authority management has taken to coordinate and integrate the documentation and reporting of activities the Office of the State Comptroller's *Standards for Internal Controls in New York State Government* recognize as supporting a good internal control system: evaluation, strategic planning and internal audit.
8. Describe efforts agency/authority management has taken to effectively communicate information within the organization. Information should be communicated to management and other employees who need it in a form and within a time frame that helps them to carry out their responsibilities. Communication is not an isolated internal control component. It affects every aspect of an organization's operations and helps support its system of internal control. The feedback from this communication network can help management evaluate how well the various components of the system of internal control are working.

*EFC continues to utilize the Four-Step process for Internal Control. This process works efficiently for EFC due to the smaller size of the Corporation. The volume of identified functions is smaller, therefore, all of the steps identified in the framework of COSO are addressed. Because all of the Internal Control function duties are completed by one individual, the four-step process continues to be an effective means for reviewing Internal Control submissions, monitoring or making*

recommendations to modify risk levels, and maintaining a centralized location for the monitoring of CAPs.

For 2015-16, no functions have been identified as being high-risk. No significant deficiencies were noted during this review cycle. However, as a result of the new testing function established, there are a small number of CAPs needed for functions identified as having weaknesses. For example, after testing the Internal Communication function, it has been determined that procedures should be established for requesting and confirming that pertinent information is placed on the employee intranet site. Staff must have access to all benefit information, administrative policies and procedures, and reference materials to effectively perform their duties. If a request is made to upload information onto the intranet site, it must be done in a timely manner with no required follow-up. Another weakness identified was within the External Communication function and the public internet site. This website must be accessible and easy to use for our clients and the public. The corrective action will include transferring all current content onto a new web platform, which will continue to comply with the NYS branding requirements.

Due to the smaller size of EFC, the monitoring of CAPs is maintained efficiently. This year, because of the established review cycle, there were many functions requiring review. This allowed supervisors and Division Directors to closely review almost all corporate functions. The Internal Control Officer reviews the timelines for completion of CAPs and has created a computer generated calendar that includes the proposed due date for completion. The division that has any functions requiring corrective action is notified prior to the due date and is required to follow up with either notification that CAP has been completed or a new estimated date of completion.

Each division is responsible for the testing of their individual functions, through the review of internal policies and procedures. Each Division Director has been provided with a copy of the Manager's Guide: Testing Compliance with the Internal Control Requirements. All Internal Control reviews are monitored by the Internal Control Officer to ensure that each function is reviewed appropriately. Any reviews that are not completed in its entirety are returned to the reviewer for completion. The Division Director certifies that all appropriate procedures for Internal Control and review are completed successfully for each state fiscal year.

The one significant change made to the Internal Controls program during 2015-16 was the requirement that reviewers complete an ICR Testing Form for each function requiring review, in addition to the Internal Control Review required in the Four-Step Process.

All divisions were provided a copy of OSC's Standards for Internal Controls in New York State Government, which was recently updated for 2015-2016. The consensus is that EFC currently follows much of the documentation and all reporting requirements. Strategic planning is a continuing discussion and functions are continually modified and reviewed to meet the needs of the Corporation and outside entities. Each year at its annual meeting, the Board of Directors discuss whether or not an Internal Auditor is needed, and continues to determine there is no need at this time. In addition, EFC is required by law to have an audit conducted each year. KPMG is EFC's contracted outside auditor and is currently on site conducting its financial audit for 2015/2016.

*EFC's intranet site is the central repository for all of the Corporation's information. Management generally does not communicate information to all staff via e-mail unless urgent or required, in an effort to encourage staff to visit the intranet site on a regular basis. This site contains all information an employee needs to effectively contribute to the mission of the Corporation. Some of the subject matter includes Legal information - whistleblower and conflict of interest policies, current legislation and ethics requirements; Internal Controls; Human Resources - including policies and procedures, benefit information and required documentation; emergency information; information technology tips; and OGS and OSC purchasing and travel policies and procedures.*

- C. Make available to each officer and employee of the agency or authority a clear and concise statement of the generally applicable management policies and standards with which the officer or employee of such agency or authority shall be expected to comply along with detailed policies and procedures the employees are expected to adhere to in completing their work.** The statement should set the tone at the top. It should be issued periodically and emphasize the importance of effective internal controls to the agency or authority and the responsibility of each officer and employee for effective internal controls.

Managerial policies and procedures for the performance of specific functions are articulated in administrative manuals, employee handbooks, job descriptions and applicable policy and procedure manuals. While it is not necessary for all employees to possess all manuals, employees should be provided with, or have access to, applicable policies and procedures for their position.

**For this requirement, the agency/authority is:**

**Fully Compliant**       **Partially Compliant**       **Not Compliant**

**Provide a thorough explanation of the specific actions your agency has taken, or are needed, to comply with this requirement.**

*As a NYS public authority, EFC is subject to the guidance provided by the Authorities Budget Office, who is authorized to oversee the operations of public authorities pursuant to Chapter 506 of the Laws of 2009 ("The 2009 Public Authorities Reform Act"). As such, EFC has issued many policies and procedures outlining acceptable management practices including EFC's Code of Ethical Conduct, Conflict of Interest, Procurement Integrity, Equal Employment Opportunity, Whistleblower Protection, Workplace Violence Prevention, to name just a few. Each year, the fundamental policies of the Corporation are reviewed and approved by the Board of Directors. These policies outline the duties and responsibilities of all staff, management, officers and members of the Board of Directors. In addition, every position in the Corporation has a position description and classification specification, which outlines all the duties, responsibilities and qualifications of each. All employees of EFC have access to all policies, procedures, manuals, and guidance documents via the employee intranet website.*

**D. Designate an Internal Control Officer (ICO), who shall report to the head of the agency or authority or to their designee within the executive office, to implement and review the internal control responsibilities established pursuant to this Item. The designation of the ICO should be communicated to all employees.**

The ICO works with appropriate personnel within the agency or authority to coordinate the internal control activities and to help ensure that the internal control program meets the requirements established by BPRM Item B-350. Although the ICO evaluates the adequacy of the internal control reviews performed by agency or authority staff, program and line managers are primarily responsible for conducting reviews to assure adherence to controls and analyzing and improving control systems. The ICO should be an individual with sufficient authority to act on behalf of the agency head in implementing and reviewing the agency's internal control program. This individual should have a broad knowledge of agency operations, personnel and policy objectives.

**For this requirement, the agency/authority is:**

**Fully Compliant**       **Partially Compliant**       **Not Compliant**

**Provide a thorough explanation of the specific actions your agency has taken, or are needed, to comply with this requirement.**

*EFC's designated Internal Control Officer is the Deputy Director of Corporate Operations. The Deputy Director reports to the Controller and Director of Corporate Operations for the functions of the position, but reports directly to the President and CEO for all aspects of EFC's Internal Controls program. The Deputy Director is senior staff and has direct access to all Executive staff as well as other senior staff and staff of the Corporation. Because of the general programmatic knowledge the Deputy Director of Corporate Operations is required to maintain, the Internal Controls Officer designation is ideally suited to the individual in this position.*

**E. Implement education and training efforts to ensure that officers and employees have achieved adequate awareness and understanding of internal control standards and, as appropriate, evaluation techniques.**

Agencies and authorities should identify staff requiring internal control training and the depth and content of that training. Such education and training should be on-going with specific courses directed at line staff, middle managers and executive management. For organizations that have established internal audit functions, training and education should be offered on the appropriate role of the internal auditor within the organization's internal control system.

**For this requirement, the agency/authority is:**

**Fully Compliant**       **Partially Compliant**       **Not Compliant**

**Provide a thorough explanation of the specific actions your agency has taken, or are needed, to comply with this requirement.**

*Every employee of the Corporation receives informational brochures on the importance of Internal Controls at the onset of employment. These are also permanently available on the Human Resources page of the Corporation's intranet site. In addition, the Governor's Office and GOER have established state-wide training required of all employees, of which Internal Controls is one. Every employee must certify yearly that they have taken the online Internal Controls training. For managers who are required to complete a review of their Internal Controls, the ICO will meet with those staff requiring assistance and offers that assistance at the beginning of the review cycle. New staff who are directly involved in the review of Internal Controls are encouraged by the President and CEO to meet with the ICO to learn the process and requirements of completing their necessary reviews. All staff who have input in their division's Internal Controls have at some point met with the Internal Controls Officer. Because EFC is a small authority, this is the most effective means of training those responsible for their respective Internal Controls.*

*Each individual responsible for Internal Controls is annually provided with the Manager's Guide, the Standards for Internal Controls in New York State Government and the step by step procedures for completing a review of each function.*

**F. Periodically evaluate the need for an internal audit (IA) function. If an IA function exists, it should be maintained in compliance with generally accepted professional auditing standards. Agencies on the Division of the Budget's list of agencies required to establish IA functions – and those choosing to have an IA function – are required to comply with The Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing* (see BPRM Item B-350 Section III "IA Responsibilities").**

As outlined in BPRM Item B-350, agencies and authorities are required to periodically evaluate the need to establish, maintain or modify an IA function utilizing the *Internal Audit Evaluation Criteria* (Attachment C).

Agencies concluding that an IA function is warranted should submit their evaluation to DOB as outlined in BPRM Item B-350. Periodically thereafter, agencies with IA functions should review current operations to determine whether the function should be altered or maintained.

Agencies concluding an IA function is not warranted should periodically reevaluate the need for such a function using Attachment C, especially when organizational, operating, fiscal, program, legal or personnel changes occur which affect the agency's exposure to risk or which could otherwise change the results of the initial assessment.

Pursuant to BPRM Item B-350, agencies required to have – and those entities choosing to have – an internal audit unit should comply with The Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing*. Therefore, IA units should comply with the guidance outlined below regarding organizational placement, independence and reporting.

1. Directors of Internal Audit (DIA) should report functionally to the agency head or audit committee and may report administratively to the designated executive deputy (or equivalent position). If the executive deputy has line or staff duties, the DIA should report directly to the agency head.
2. A current organizational chart should be available that identifies the placement of the IA unit, the individual that has responsibility for overseeing the internal audit activity and other organizations/activities under its purview.
3. The IA function should be independent of the ICO, but should work closely with the ICO. Limitations should be established on IC activities where those duties overlap. Agencies should identify impairments to the independence of the DIA that may be created where the DIA is performing the ICO function. Furthermore, IA units should not assume operating responsibilities, perform management functions, make management decisions or assume other monitoring roles (e.g., Information Security Officer).
4. Internal audit staff should complete an annual independence statement identifying actual/potential impairments to independence and notifying the DIA whenever a new actual/potential impairment arises.
5. At a minimum, DIAs should hold quarterly meetings with agency executive management and the audit committee, where applicable, to report on audit results. Final reports should be distributed to the agency head, executive deputy, auditee, ICO and the audit committee.
6. The DIA should assure that agency audit staff have the skills, knowledge and ability to perform the audit work required and that the size of the audit staff is appropriate given the size and complexity of the organization.
7. IA units should take steps to ensure sufficient audit resources are available given the size and complexity of the organization. This can be accomplished by exploring in-sourcing, outsourcing and sharing audit services.

**For this requirement, the agency/authority is:**

**Not Applicable – This agency/authority does not have an IA function.**

**Fully Compliant**

**Partially Compliant**

**Not Compliant**

**Provide a thorough explanation of the specific actions your agency has taken, or are needed, to comply with this requirement by providing the following information:**

1. A current organizational chart identifying the placement of the IA unit, the name and title of the IA director, other organizations/activities under the IA function's purview and the name and title of the person to whom the IA director reports.
2. A description of how the internal audit director's credentials, education and experience meets the minimum qualifications established in BPRM Item B-350.
3. A description of how continuing professional education requirements are met by the director and each staff member.
4. A description of how quality assurance review requirements are being met.
5. A description of how the IA function ensures that it does not compromise its independence if it is also responsible for other functions (i.e., internal control, information security or other duties).
6. A copy of your 2015-2016 internal audit plans.
7. Documentation pertaining to the risk-assessment utilized in formulating the 2015-16 audit plans.
8. An indication of which audits in the audit plan for FY 2015-16 were not conducted, and an explanation as to why they were not conducted.
9. An estimate of the cost savings to be achieved by virtue of implementing the recommendations contained in each conducted audit described in the FY 2015-16 audit plans and any audits that were conducted during that time period that were not in the audit plan. If it is not feasible to provide a cost estimate for savings, please identify process improvements, risk mitigation, fraud prevention or cost avoidance measures that result from implementation of such recommendations.
10. Identify the recommendations contained in the audits described in the FY 2015-16 audit plans that were not implemented, if any, and provide a full explanation why they were not implemented.
11. Identify the recommendations contained in final audits issued by the Office of State Comptroller between April 1, 2015 and March 31, 2016 that were not implemented, if any, and provide a full explanation why they were not implemented.

The Governor's Office of Taxpayer Accountability (OTA) and the Division of the Budget (DOB) will be conducting a review of these State agency and authority internal and contract audit plans and audit recommendations to assess (i) whether the audit plans are based on a documented risk assessment which captures areas for review that have the greatest risk exposure, (ii) the

percentage of audits identified in each audit plan that were conducted, (iii) whether recommendations contained in audits were implemented, and any reasons for non-implementation, and (iv) cost savings and other benefits attributable to the audits. In addition, the OTA and DOB will assess whether recommendations contained in audits conducted by the Office of the State Comptroller were implemented, and any reasons for non-implementation.

*The Audit Committee of EFC's Board of Directors discusses the need for an Internal Audit function at the Annual Meeting of the Board of Directors each year. This discussion includes input from EFC's outside auditor as well as EFC's Executive and Senior Staff. It has been determined that EFC does not require an Internal Audit function at this time.*

2015/2016 INTERNAL CONTROL CERTIFICATION

New York State Environmental Facilities Corporation  
Agency/Authority Name

Sabrina M. Ty, President and CEO/Basil Seggos, Chairman  
Agency Head/Chairperson Governing Board

625 Broadway, Albany, NY 12207-2997  
Agency/Authority Address

(518) 402-6924  
Telephone Number

Maureen L. McGrath  
Name of Internal Control Officer

(518) 486-9267  
Telephone Number

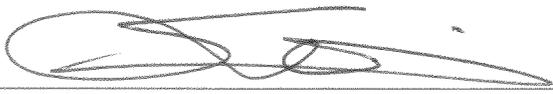
maureen.mcgrath@efc.ny.gov  
Email Address of Internal Control Officer

I hereby certify the agency or authority is:

- Fully Compliant (Full compliance with all provisions)
- Partially Compliant (Partial compliance with some or all provisions)
- Not Compliant (Noncompliance with all provisions)

With the New York State Governmental Accountability, Audit and Internal Control Act.

This certification is supported with detailed justification of actions taken and/or outlines specific actions needed to address areas of partial compliance or noncompliance as described in the preceding Internal Control Summary.

  
Signature/Agency Head or Chairperson of Governing Board

6/28/16  
Date

**“Legislation that forms the statutory basis of the authority”**

§ 1282. New York state environmental facilities corporation. 1. The "New York state pure waters authority" is hereby reconstituted and continued as the "New York state environmental facilities corporation". Reference in any provision of law, general, special or local, or in any rule, regulation or public document to the New York state pure waters authority shall be deemed to be and construed as a reference to the corporation continued by this section. The corporation shall be a body corporate and politic constituting a public benefit corporation. Its membership shall consist of seven directors: the commissioner of Environmental conservation who shall be chair, the commissioner of health, the secretary of state, and four directors appointed by the governor by and with the advice and consent of the senate. The directors appointed by the governor who are not state officers, shall serve for terms of six years each, provided, however, that of the directors first appointed, two shall serve for terms of two years, the remaining two for terms of four and six years, respectively, from January first next succeeding their appointment. The appointed members of the New York state pure waters authority in office on the effective date of this title shall be deemed to be directors first appointed in accordance with the foregoing and shall hold office for the balance of the terms for which they were severally appointed. Any vacancy occurring otherwise than by expiration of term shall be filled in the same manner as the original appointment for the balance of the unexpired term. The board of directors of the corporation shall appoint, by resolution, the president of the corporation. The president shall be the chief executive officer of the corporation and shall serve at the pleasure of the board of directors of the corporation.

2. Each director shall not receive a salary or other compensation, but shall be entitled to reimbursement for actual and necessary expenses incurred in the performance of his or her official duties.

3. Such directors other than the commissioner of environmental conservation, the commissioner of health and the secretary of state may engage in private employment, or in a profession or business, subject to the limitation contained in sections seventy-three and seventy-four of the public officers law. The corporation shall, for the purposes of sections seventy-three and seventy-four of the public officers law, be a "state agency," and such directors shall be "officers" of the corporation for the purposes of said sections.

4. Four directors of the corporation shall constitute a quorum for the transaction of any business or the exercise of any power of the corporation. For the transaction of any business or the exercise of any power of the corporation, the corporation shall have power to act by a

majority of the directors present at any meeting at which a quorum is in attendance. Videoconferencing may be used for attendance and participation by the directors. Any director attending and participating by the use of videoconferencing in compliance with article seven of the public officers law shall be considered to be present at the meeting. The corporation may delegate to one or more of its directors, or its officers, agents and employees, such powers and duties as it may deem proper. The commissioner of environmental conservation, the commissioner of health and the secretary of state may, by official proxy, filed with and approved by the corporation, designate an officer in their respective department, to perform, in their absence, their respective duties under this article. The term "director" as used in this subdivision shall include such persons so designated as provided herein. The designation of such persons shall be deemed temporary only and shall not affect the civil service or retirement rights of any persons so designated.

5. Notwithstanding any inconsistent provisions of this or any other law, general, special or local, no officer or employee of the state, or of any civil division thereof, shall be deemed to have forfeited or shall forfeit his office or employment or any benefits provided under the retirement and social security law by reason of his acceptance of membership on the corporation, provided, however, a director who holds such other public office or employment shall receive no additional compensation for services rendered pursuant to this title, but shall be entitled to reimbursement for his actual and necessary expenses incurred in the performance of such services.

6. The governor may remove any director for inefficiency, neglect of duty or misconduct in office after giving him a copy of the charges against him and an opportunity to be heard, in person or by counsel in his defense, upon not less than ten days' notice. If any director shall be so removed, the governor shall file in the office of the department of state a complete statement of charges made against such director, and his findings thereon, together with a complete record of the proceedings.

7. The corporation shall continue so long as it shall have bonds or other obligations outstanding and until its existence shall be terminated by law. Upon the termination of the existence of the corporation, all its rights and properties shall pass to and be vested in the state.

## “A description of the authority and its board structure”

The New York State Environmental Facilities Corporation (EFC or Corporation) administers the most successful State Revolving Fund (SRF) Programs in the nation. As a public benefit corporation, EFC’s environmental initiatives extend financial and technical assistance to municipalities, non-profits, and small businesses, ensuring that they meet water and air quality regulations. EFC programs also serve to build positive relationships with communities, promote innovative infrastructure solutions, and allow staff to pinpoint the State’s future infrastructure needs.

Our programs include the Clean Water SRF, Drinking Water SRF, Green Innovation Grant Program, Storm Mitigation Loan Program, Disaster Assistance Loan Program, Clean Vessel Assistance Program, NYC Watershed Program, Small Business Environmental Assistance Program, Industrial Finance Program, and the East of Hudson Septic System Rehabilitation Reimbursement Program.

The EFC Board is comprised of seven directors, four of whom are appointed with the advice and consent of the NYS Senate. The remaining directors are the Commissioners of the Department of Environmental Conservation (who serves as Chair) and Health, and Secretary of State.

- (i) - Audit Committee – Charles Kruzansky, Chair, Francis T. Corcoran, Vita DeMarchi  
- Governance Committee – Vita DeMarchi, Chair, Charles Kruzansky, Francis T. Corcoran  
- Finance Committee – Francis T. Corcoran, Chair, Charles Kruzansky, Vita DeMarchi  
- Policy Committee – All directors are members of the Policy Committee and the committee is chaired by the Chairman of the Corporation’s Board of Directors.
- (ii) see attached schedule of board meetings and attendance
- (iii) There are five divisions within EFC: **Executive Division** - Responsibilities include oversight of all of the functions of the Corporation, and encompasses the Communications Unit, Green Policy, Planning and Infrastructure Unit, and Secretary to the Corporation; **Legal Division** – Responsibilities include providing legal advice for all Corporate matters, litigation management, ethics, contract review, and Public Authorities Control Board matters; **Corporate Operations Division** – Responsibilities include all accounting functions, investment activities, payroll processing, human resources, support services, budget, procurement and contracts, corporate M/WBE program, internal controls, FOIL, information technology, and debt service billings; **Public Finance Division** – Responsibilities include loan structuring, bond sales, credit/borrower surveillance, bond ratings, and disbursement of funds; **Division of Engineering and Program Management** – Responsibilities include preparing EFC’s Intended Use Plan, program management and guidance to loan applicants, review and approval of

engineering agreements, reports/plans and specifications, and to administer the SRF M/WBE program for EFC.

EFC has no subsidiaries.

- (iv) As of 3/31/16, EFC had 103 employees (which includes two employees assigned from the NYS Department of Environmental Conservation) and they receive the same benefits as New York State employees.

**BY-LAWS  
OF  
NEW YORK STATE  
ENVIRONMENTAL FACILITIES CORPORATION**

**ARTICLE I**

**THE CORPORATION**

Section 1. The Corporation. The New York State Environmental Facilities Corporation (the "Corporation") is a body corporate and politic constituting a public benefit corporation, formerly known as the "New York State Pure Waters Authority", reconstituted and continued and having the powers, purposes and functions set forth in the New York State Environmental Facilities Corporation Act, as amended (the "Act"), constituting Title 12 of Article 5 of the Public Authorities Law of the State of New York.

Section 2. Seal of the Corporation. The Seal of the Corporation shall be circular in form and about the periphery thereof shall appear the words "NEW YORK STATE ENVIRONMENTAL FACILITIES CORPORATION". Such Seal of the Corporation may include such other insignia as may be approved by resolution of the Board of Directors of the Corporation (the "Board").

Section 3. Offices of the Corporation. The principal office and place of business of the Corporation shall be located in the County of Albany, State of New York. The Corporation may maintain such other offices at such other place or places within the State of New York as may be deemed necessary by the Board.

Section 4. Fiscal Year. The Fiscal Year of the Corporation shall begin on the first day of April in each year and end on the last day of March the following year.

**ARTICLE II**

**BOARD OF DIRECTORS**

Section 1. Board of Directors. The business and affairs of the Corporation shall be managed by the Board consisting of the Commissioner of Environmental Conservation, who shall be the Chair of the Board, the Commissioner of Health, the Secretary of State and four members appointed by the Governor as prescribed by applicable law. In the absence of the Chair from any meeting, the Directors of the Corporation (the "Directors") may elect a chair pro tem.

The Board shall execute direct oversight of the President of the Corporation and other officers and senior management of the Corporation in the effective and ethical management of the Corporation. Each Director shall understand, review and monitor the implementation of fundamental financial and management controls and operational decisions of the Corporation. No Director, including the Chair, shall serve as the President, Executive Vice President or Chief Financial Officer while also serving as a Director.

Section 2. Chair. The Commissioner of Environmental Conservation is Chair of the Board. The Chair shall preside at all meetings of the Board. The Chair shall exercise powers and duties as prescribed by applicable law and as delegated to him or her by the Board.

Section 3. Compensation of Directors. Each Director is entitled to reimbursement for actual and necessary expenses incurred in the performance of his or her official duties and may receive such other compensation as prescribed by applicable law.

Section 4. Designees. The Commissioner of Environmental Conservation, the Secretary of State and the Commissioner of Health may, by official proxy filed with and approved by the Board, designate an officer in their respective Department to perform, in their absence, their respective duties to the Corporation.

### ARTICLE III

#### OFFICERS - EMPLOYEES - CONSULTANTS - INDEMNIFICATION

Section 1. Officers. The President is the chief executive officer of the Corporation, which office shall not be held by any other officer of the Corporation. The Board shall appoint, by resolution, the President, as prescribed by applicable law. In addition to the President, the officers of the Corporation shall be the Executive Vice President, Senior Vice President, Chief Financial Officer, Secretary and such other officers as may be deemed necessary by the President to transact the business and exercise the general and special powers and duties of the Corporation. With the exception of the President, all officers of the Corporation shall be appointed by the President subject to approval by resolution of the Board of Directors. All officers of the Corporation shall report to the President. Any two or more offices may be held by the same person, except the President, as chief executive officer, shall hold no other office.

Section 2. President. The President is to have executive supervision over, and be in administrative charge of the Corporation. The President shall perform all such duties subject to the direction of the Board. The President shall also be responsible for the execution of the policies and programs of the Corporation as established by the Board. The President may delegate any of his or her executive and administrative duties to any officer or employee of the Corporation, except where the Act or a resolution of the Board provides otherwise. Any such delegation shall be revocable at will by the President. The President shall be paid the salary prescribed by resolution of the Board for such position.

Section 3. Executive Vice President. The Executive Vice President shall perform such duties as are delegated to him or her by the President.

Section 4. Senior Vice President. The Senior Vice President shall perform such duties as are delegated to him or her by the President.

Section 5. Chief Financial Officer. The Chief Financial Officer,

at the direction of the President, shall supervise and direct the activities of the Finance Division, give advice to the President regarding the financial and investment policies of the Corporation, supervise the Corporation's investment program, recommend and implement financial policies of the Corporation, participate in the preparation of the financial reports of the Corporation required by applicable law, and exercise such other powers and perform such other duties as the President may determine.

Section 6. Secretary. The Secretary shall prepare and certify the minutes of the meetings of the Board and shall cause them to be kept in one or more books provided for that purpose. The Secretary shall ensure that all notices are duly given in accordance with the provisions of these By-laws or as required by statute, be custodian and shall certify, when required, records, proceedings, documents or resolutions of the Board, attest and affix the seal of the Corporation to all contracts and instruments executed on behalf of the Corporation, keep a register of the contact information for each Director, which information shall be furnished to the Secretary by such Director, and in general perform all duties incident to the office of Secretary, and such other duties as from time to time may be assigned by the Chair, the Board or the President.

Section 7. Personnel. Subject to budgetary restriction, the President may from time to time appoint employees as he or she may deem necessary to exercise the powers, duties and functions of the Corporation as prescribed by applicable law. The selection, qualification, and compensation of such employees shall be determined by the President subject to applicable law. The President shall report in writing to the Board on the employment, qualification and compensation of all officers and employees of the Corporation.

Section 8. Controller. The Corporation shall have a Controller. The Controller, under the direction of the President and other designated senior management, shall be responsible for the care and custody of all funds of the Corporation, including, in consultation with the Chief Financial Officer, the placement of investments, and deposit all such funds in the name of the Corporation in such banks, trust companies or other depositories as shall be designated by the Board, receive and give receipts for monies due and payable to the Corporation from any source whatsoever, and shall perform such other duties as from time to time may be assigned by the President. The Controller shall also supervise the preparation of the financial reports of the Corporation required by applicable law, and prepare and deliver quarterly reports to the Board concerning the financial status of the Corporation.

Section 9. Consultants. Except for those persons or firms employed in furtherance of a project authorized by resolution of the Board as prescribed by applicable law, or whose employment was delegated by the Board to a committee of the Board, counsel, auditors, engineers and other consultants may be retained on a contract basis or otherwise for rendering professional or technical services or advice by appointment of the President subject to specific or categorical approval by resolution of the Board.

Section 10. Removal of Officers of the Corporation. Officers of

the Corporation shall be removed from office with or without cause by resolution of the Board. The action to remove an officer from office shall be taken by vote at a meeting, provided that fourteen (14) days' actual written notice of such proposed action is given to all Directors.

Section 11. Removal of Employees by the President. All employees shall hold employment at the pleasure of the President and may be removed either with or without cause, at any time, by the President.

Section 12. Indemnification of Directors, Officers and Employees. The Corporation shall indemnify and hold harmless all Directors, officers and employees of the Corporation to the full extent permitted by, and in the manner as State employees are indemnified in their official actions by, applicable law, as the same may exist at the time such person may become entitled to indemnification by the Corporation.

## ARTICLE IV

### MEETINGS

Section 1. Annual Meeting. The annual meeting of the Board shall be held in June of each year on a date and at a place and time designated by the Chair. The agenda for the annual meeting shall be transmitted to each Director at least seven (7) days prior to the scheduled annual meeting.

Section 2. Regular Meetings. Regular meetings of the Board may be held upon the request of the Chair or the President, but shall be held at least every other month at locations within New York State, in accordance with a schedule reviewed and established annually by the Board.

Section 3. Special Meetings. The Chair may, when he or she deems it expedient, call a special meeting of the Board. A majority of the Directors, when they deem it expedient, may request the Chair to call a special meeting of the Board and the Chair or, in his or her absence, the Secretary, thereupon, shall call for such a special meeting. The call for a special meeting, specifying the time and place of such meeting, shall be by telephone or delivered in person or mail to the business or home address of each Director, or otherwise by a means most likely to confer actual notice, at least two (2) days prior to the date of such special meeting. The agenda for the meeting and all proposals and resolutions must be delivered in writing. Special meetings must be limited to the purpose explicitly indicated in the notice; no other subject matter shall be covered.

Section 4. Adjournment of Meetings. A majority of Directors whether or not a quorum is present, may adjourn any meeting to another time and place. Notice of such adjourned time and place shall be given to each Director not present at such meeting or, if no announcement of such adjourned time and place was made at such meeting at least seven (7) days' notice of the newly scheduled meeting must be given to all Directors. No such adjournment shall be used to defeat a notice provision.

Section 5. Quorum. Four (4) or more Directors shall constitute a quorum for the transaction of any business or the exercise of any power of the Corporation. For the transaction of any business or the exercise of any power, the Corporation shall have power to act by a majority of the Directors present at any meeting at which a quorum is in attendance. Videoconferencing may be used for attendance and participation by the Directors, as prescribed by applicable law.

Section 6. Order of Business. At a regular meeting of the Board, the following agenda shall be the order of business.

1. Roll Call and Declaration of Quorum
2. Approval of the Minutes of the Previous Meeting
3. Report of the Chair
4. Report of the President
5. Committee Reports
6. Unfinished Business
7. Resolutions
8. New Business
9. Adjournment

Section 7. Agenda. The proposed agenda for a regular meeting shall be transmitted to each Director at least seven (7) days prior to the date of such meeting.

Section 8. Approval of the Minutes of the Previous Meeting. A draft copy of the minutes of the previous meeting shall be sent to each Director expeditiously after the meeting at which same were recorded but not later than seven (7) days prior to the next meeting.

Section 9. Resolutions to be Written in Plain Language. All resolutions presented for consideration by the Board shall be written in plain language and, upon a vote having been taken, shall be attached to a certified copy of the minutes of the meeting at which action on the resolution was taken. Proposed resolutions to be considered at a regular meeting shall be transmitted to each Director at least seven (7) days in advance of the meeting. Notwithstanding the foregoing, with the consent of a majority of the quorum, resolutions may be presented at any meeting of the Board but such resolutions must be reduced to writing and a summary thereof read aloud prior to a vote.

Section 10. Manner of Voting. The voting on all questions at meetings of the Board and the votes of each Director expressed as a yea, nay or abstention shall be recorded by the Secretary and entered upon the minutes of each meeting.

Section 11. Attendance and Failure to Object. Attendance of a Director at a meeting shall constitute waiver of notice of the meeting except where such attendance is for a special purpose.

## ARTICLE V

### COMMITTEES

Section 1. Committees. The Board or the Chair, subject to prior approval by the Board, may appoint committees from among its membership and a chairperson thereof to conduct studies or investigations as shall be determined to be in the interests of the Corporation and make recommendations to the Board. Each member of a committee shall serve until the next annual meeting of the Board and thereafter until his or her successor is appointed. One member of each committee shall be appointed chairperson. The committee chairperson shall be responsible for convening the committee, keeping records of transactions and reporting to the Board at each regular meeting of the Board. A majority of the members of a committee shall constitute a quorum, and the recommendation of a majority of the members present at a meeting at which a quorum is present shall be the recommendation of the committee and not that of the Board. Each committee may adopt rules for its own management. To the extent prescribed by applicable law, each committee shall be constituted and undertake the activities in the manner so prescribed.

Section 2. Audit Committee. The Board shall establish an Audit Committee. The Board or the Chair, subject to prior approval by the Board, shall designate the members and chairperson of the Audit Committee in the same manner as provided in Section 1 hereof. This Committee shall make recommendations concerning the management of all funds of the Corporation, its general accounting system, and shall render advice with regard to financial policies. The Audit Committee shall also recommend to the Board the hiring of certified independent accounting firm(s) for the Corporation, establish the compensation to be paid to the accounting firm and provide direct oversight of the performance of the independent audit performed by the accounting firm hired for such purposes. The Board shall retain an independent auditor in accordance with Article III, Section 8 of these By-laws and any other applicable law. Any report resulting from an audit of the Corporation shall be filed with this Committee and reported on by the Committee to the Board.

Section 3. Governance Committee. The Board shall establish a Governance Committee. The Board or the Chair, subject to prior approval by the Board, shall designate the members and chairperson of the Governance Committee in the same manner as provided in Section 1 hereof. This Committee shall keep the Board informed of current best governance practices; review corporate governance trends; update the Corporation's corporate governance principles; and render advice on the skills and experiences required of potential board members. The Governance Committee shall also establish policies, including but not limited to the following: (a) policies regarding the payment of salary, compensation and reimbursements to, and establish rules for the time and attendance of, the President and other officers and senior management of the Corporation; (b) a code of ethics; (c) a defense and indemnification policy; (d) written policies and procedures on personnel including policies protecting employees from retaliation for disclosing information concerning acts of wrongdoing, misconduct, malfeasance, or other improper behavior by a Director, Officer or employee of the Corporation; and (e) written policies concerning

investments, travel, the acquisition of real property, the disposition of real and personal property, and the procurement of goods and services. These policies shall be presented to and voted on by the Board.

Section 4. Finance Committee. The Board shall establish a Finance Committee. The Board or the Chair, subject to prior approval by the Board, shall designate the members and chairperson of the Finance Committee in the same manner as provided in Section 1 hereof. This Committee shall receive and consider staff recommendations and assist the Board in reviewing, approving or recommending to the full Board of Directors, as required, the issuance of bonds or notes by the Corporation, developing and regularly reviewing and updating as necessary, policies relating to the issuance of bonds or notes by the Corporation and form and delegate authority to any subcommittee(s) consisting of one or more members when appropriate. The Finance Committee shall also have the authority to the extent it deems necessary or appropriate to: (a) retain independent professional advisors with notice to the Board; and (b) consult with any appropriate commission or office relating to public authority finance or the Corporation's Directors, senior management or employees on issues related to its duties. The Finance Committee shall also develop for approval by the Board all reports as may be required to be submitted from time to time to any appropriate commission or office relating to debt issuance by public authorities.

Section 5. Compliance with Open Meetings Law. Any committee or subcommittee established by the Board shall be noticed and open to the general public in the same manner as provided for a regular meeting of the Board.

## **ARTICLE VI**

### **CORPORATE FINANCES**

Section 1. Corporation Finances. The funds of the Corporation will be deposited in such financial institutions as may be designated by the Board. All Corporation officers or employees involved in handling or disbursing such funds shall be required to furnish a bond guaranteeing the faithful performance of their duties. Such bonds shall be paid for by the Corporation and in an amount set by the Board.

## **ARTICLE VII**

### **AMENDMENTS**

Section 1. Amendments. The By-laws may be amended by resolution duly adopted at any meeting, provided that written notice of intention to present such resolution shall be given at least fourteen (14) days in advance of the meeting at which the motion to adopt such resolution is made. Such notice shall have appended thereto the complete, written text of the By-laws being proposed. Approval of amended By-laws requires affirmative vote of a majority of the Directors present at a meeting at which a quorum is in attendance.

**ARTICLE VIII**

**SUSPENSION OF BY-LAWS**

Section 1. Suspension of By-laws. By affirmative vote of a majority of Directors present at a meeting at which a quorum is in attendance, the provisions of any or all of these By-laws, except as may be otherwise prescribed by applicable law, may be temporarily suspended.

Readopted this 9<sup>th</sup> day of  
June, 2016, in Albany  
County, State of New York  
with the official seal of  
the Corporation affixed hereto.

# BUDGET & FINANCIAL PLAN

## BUDGETED REVENUES, EXPENDITURES, AND CHANGES IN CURRENT NET ASSETS

	Next Year (Adopted) 2017	Proposed 2018	Proposed 2019	Proposed 2020
<b><u>REVENUE &amp; FINANCIAL SOURCES</u></b>				
<b>Operating Revenues</b>				
Charges for services	\$400,000.00	\$400,000.00	\$400,000.00	\$400,000.00
Rental & financing income	12,842,000.00	13,516,000.00	13,938,000.00	13,925,000.00
Other operating revenues	336,500,000.00	339,500,000.00	339,500,000.00	341,500,000.00
<b>Nonoperating Revenues</b>				
Investment earnings	77,012,000.00	77,012,000.00	77,012,000.00	77,012,000.00
State subsidies/grants	26,000,000.00	51,000,000.00	51,000,000.00	51,000,000.00
Federal subsidies/grants	10,450,000.00	9,950,000.00	9,950,000.00	9,950,000.00
Municipal subsidies/grants	0	0	0	0
Public authority subsidies	0	0	0	0
Other nonoperating revenues	18,000.00	18,000.00	18,000.00	18,000.00
<b>Proceeds from the issuance of debt</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>Total Revenues &amp; Financing Sources</b>	<b>\$463,222,000.00</b>	<b>\$491,396,000.00</b>	<b>\$491,818,000.00</b>	<b>\$493,805,000.00</b>
 <b><u>EXPENDITURES</u></b>				
<b>Operating Expenditures</b>				
Salaries and wages	9,452,000.00	9,735,000.00	10,027,000.00	10,328,000.00
Other employee benefits	8,431,000.00	8,570,000.00	8,713,000.00	8,860,000.00
Professional services contracts	1,158,700.00	1,214,000.00	1,270,900.00	1,329,800.00
Supplies and materials	0	0	0	0
Other operating expenditures	6,445,600.00	6,249,900.00	6,296,000.00	6,344,400.00
<b>Nonoperating Expenditures</b>				
Payment of principal on bonds and financing arrangements	0	0	0	0
Interest and other financing charges	281,000,000.00	287,500,000.00	287,100,000.00	289,200,000.00
Subsidies to other public authorities	0	0	0	0
Capital asset outlay	0	0	0	0
Grants and donations	83,000,000.00	108,000,000.00	108,000,000.00	108,000,000.00
Other nonoperating expenditures	152,000,000.00	152,000,000.00	152,000,000.00	153,000,000.00
<b>Total Expenditures</b>	<b>\$541,487,300.00</b>	<b>\$573,268,900.00</b>	<b>\$573,406,900.00</b>	<b>\$577,062,200.00</b>
<b>Capital Contributions</b>	<b>\$270,000,000.00</b>	<b>\$270,000,000.00</b>	<b>\$270,000,000.00</b>	<b>\$295,000,000.00</b>
<b>Excess (deficiency) of revenues and capital contributions over expenditures</b>	<b>\$191,734,700.00</b>	<b>\$188,127,100.00</b>	<b>\$188,411,100.00</b>	<b>\$211,742,800.00</b>

**NYS Environmental Facilities Corporation**  
**Statement of Revenues, Expenses and Changes in Net Position (Unaudited)**  
**For SFY 2015 - 2016, Through March 31, 2016**  
**Actual versus Budget**

	<u>Actual</u>	<u>Budget</u>	\$ (Under) Over <u>Budget</u>	% (Under) Over <u>Budget</u>
<b><u>Revenues</u></b>				
Bond Financing Fees	424,707	400,000	24,707	6%
Administrative Fees	16,210,486	16,338,000	(127,514)	-1%
Less Transferred to DEC	(3,500,000)	(3,500,000)	-	0%
Administrative Grant Revenues	7,985,208	8,850,000	(864,792)	-10%
Less Transferred to DEC	(883,997)	(900,000)	16,003	-2%
Advisory Service Fees	526,394	700,000	(173,606)	-25%
Interest Income on Investments	74,634,968	78,025,000	(3,390,032)	-4%
Interest Income on Bonds	297,289,784	315,000,000	(17,710,216)	-6%
Interest Income on Direct Financings	20,234,628	21,500,000	(1,265,372)	-6%
State Assistance Payments Revenue	392,177	1,000,000	(607,823)	-61%
Other Revenues	28,316	18,000	10,316	57%
Total Revenues	413,342,671	437,431,000	(24,088,329)	-6%
<b><u>Expenses</u></b>				
Interest Subsidy Provided	130,319,713	152,000,000	(21,680,287)	-14%
Interest Expense on Bonds Payable	262,486,445	276,800,000	(14,313,555)	-5%
State Assistance Payments Expense	392,177	1,000,000	(607,823)	-61%
Grants Disbursed/Principal Forgiveness	44,671,882	57,000,000	(12,328,118)	-22%
Personal Service Costs	8,378,527	9,476,000	(1,097,473)	-12%
Fringe Benefits	3,646,691	4,643,000	(996,309)	-21%
Other Post Employment Benefits	3,657,711	3,800,000	(142,289)	-4%
Supplies and Materials	53,241	35,300	17,941	51%
Travel	20,610	28,600	(7,990)	-28%
Equipment Purchases and Maintenance	197,112	213,400	(16,288)	-8%
Rent	627,880	628,000	(120)	0%
Consultants	371,045	751,500	(380,455)	-51%
Postage	10,399	13,000	(2,601)	-20%
Printing	4,667	5,300	(633)	-12%
Board Expenses	4,023	5,000	(977)	-20%
Training and Conferences	5,498	21,000	(15,502)	-74%
Telephone	86,383	96,800	(10,417)	-11%
Miscellaneous Contractual	74,401	51,200	23,201	45%
Insurance	20,899	21,700	(801)	-4%
Books and Journals	18,103	18,800	(697)	-4%
Trustee	196,005	334,600	(138,595)	-41%
Reimbursable Contractual	82,450	100,000	(17,550)	-18%
CWSRF Admin Expense Account	-	530,000	(530,000)	-100%
NYS Cost Recovery Fee	4,727,000	4,727,000	-	0%
Total Expenses	460,052,862	512,300,200	(52,247,338)	-10%
(Decrease)	(46,710,191)	(74,869,200)	28,159,009	-38%
Project Grant Revenues	221,566,744	240,000,000	(18,433,256)	-8%
Increase in Net Position	174,856,553	165,130,800	9,725,753	6%

**Summary Results of Confidential Evaluation of Board Performance**

<b>Criteria</b>	<b>Agree</b>	<b>Somewhat Agree</b>	<b>Somewhat Disagree</b>	<b>Disagree</b>
Board members have a shared understanding of the mission and purpose of the Authority.	7			
The policies, practices and decisions of the Board are always consistent with this mission.	6	1		
Board members comprehend their role and fiduciary responsibilities and hold themselves and each other to these principles.	7			
The Board has adopted policies, by-laws, and practices for the effective governance, management and operations of the Authority and reviews these annually.	6	1		
The Board annually reviews the Performance Goals and Measurements Report for the Authority that contribute to accomplishing its mission.	6	1		
The decisions made by Board members are arrived at through independent judgment and deliberation, free of political influence or self- interest.	6	1		
Individual Board members communicate effectively with executive staff so as to be well informed on the status of all important issues.	6	1		
Board members are knowledgeable about the Authority's programs, financial statements, reporting requirements, and other transactions.	6	1		
The Board meets to review and approve all documents and reports prior to public release and is confident that the information being presented is accurate and complete.	6		1	
The Board knows the statutory obligations of the Authority and if the Authority is in compliance with state law.	6	1		
Board and committee meetings facilitate open, deliberate and thorough discussion, and the active participation of members.	6	1		
Board members have sufficient opportunity to research, discuss, question and prepare before decisions are made and votes taken.	7			
Individual Board members feel empowered to delay votes, defer agenda items, or table actions if they feel additional information or discussion is required.	7			
The Board exercises appropriate oversight of the CEO and other executive staff in relation to the operation and performance of the programs of the Authority.	5	2		
The Board has identified the areas of most risk to the Authority and works with management to implement risk mitigation strategies before problems occur.	4	2	1	
Board members demonstrate leadership and vision and work respectfully with each other.	7			

Name of Authority: Environmental Facilities Corporation

Date Completed: June 9, 2016



# Environmental Facilities Corporation

**ANDREW M. CUOMO**

Governor

**SABRINA M. TY**

President and CEO

## “Description of Services Purchased Without Competitive Bidding”

Nothing to report for 2015-16.

**Statement of Material Pending Litigation**  
**Pursuant to Public Authorities Law Section 2800.1(a)(17)**  
**For the Reporting Period April 1, 2015 through March 31, 2016**

1. Identity of Action: *Riverkeeper, Inc., Waterkeeper Alliance, Inc., Environmental Advocates of New York, Inc., and Paul Gallay v. Joseph Martens, acting in his capacity as Commissioner of the New York State Department of Environmental Conservation and as Chair and a voting Member of the Board of Directors of the New York State Environmental Facilities Corporation, et. al.*, (Supreme Court, Albany County) Index No. 5463/14

Claim for Relief: This is a hybrid proceeding and action for declaratory and equitable relief brought by plaintiffs alleging various illegal actions and determinations by defendants in approving EFC Clean Water State Revolving Fund (“CWSRF”) financing for certain aspects of the defendant New York State Thruway Authority’s (“NYSTA”) New New York Bridge (the “Bridge”). Plaintiffs served a Notice of Verified Petition and Complaint dated October 26, 2014 and a Verified Petition and Complaint dated October 25, 2014 on EFC. Plaintiffs further served on EFC a First Amended Verified Petition and Complaint dated February 24, 2015. The plaintiffs allege that defendants’ determinations and approvals of EFC’s financing of NYSTA’s seven project components of the Bridge are substantively ineligible for CWSRF financing under federal and state law and were made without first fulfilling mandatory federal and state public participation and other procedural requirements, and therefore, constitute wrongful expenditures, misappropriations, misapplications, and/or illegal disbursements of state funds or state property pursuant to Article 7A of the State Finance Law, Sections 123-b and 123-e and were made in violation of lawful procedure, affected by errors of law, and were arbitrary, capricious, and abuses of discretion pursuant to Section 7803 of the New York Civil Practice Law and Rules. In addition to the requested declaratory and equitable relief, Plaintiffs seek reasonable legal fees, costs and disbursements pursuant to State Finance Law Section 123-g.

Status of Claim: EFC forwarded the Notice and Verified Petition and Complaint to Squire Patton Boggs (US) LLP for representation. EFC and defendants New York State Department of Environmental Conservation, Joseph Martens, Howard Zucker, Cesar A. Perales, Francis T. Corcoran, Vita DeMarchi, Charles J. Krusansky, and Matthew J. Driscoll filed a Motion to Dismiss the complaint, dated March 24, 2015, with an adjourned return date of May 29, 2015. This matter was concluded by a Stipulation of Discontinuance with Prejudice signed by all parties and dated May 28, 2015, and filed with the Court on May 29, 2015.