

KENNETH SPENCER, JR

Benton County Treasurer

PO BOX 630, Prosser, WA 99350

www.bentoncountytax.com

Benton County Finance Meeting

August 16th, 2022

2:00 pm

Treasurer's Conference Room
Benton County Courthouse





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To join the Finance Committee Meeting telephonically:
Dial: 509-222-2397
Meeting ID: 146 111 8515##

To join via video broadcast please join from meeting link
<https://bentoncounty.webex.com/join/financecommittee>

AGENDA
BENTON COUNTY FINANCE COMMITTEE
August 16th, 2022
2:00 PM
Treasurer's Conference Room
Benton County Courthouse, Prosser, WA

2:00 PM Approval of 1st Quarter 2022 Meeting Minutes – Ken Spencer

2nd Quarter Portfolio Analysis – Heather Hutchison

- Portfolio Summary
- Portfolio Activity
- Chart by Issuer
- Chart by Dealer
- Benchmark Table
- Investment Strategy

Other Business

Next Meeting- 3rd Quarter 2022 Portfolio Review

TENTATIVE

Tuesday, November 15th, 2022, AT 11:00 am
Prosser Courthouse, Treasurer's Conference Room

AGENDA

Ken Spencer called the Benton County Finance meeting to order on May 17, 2022, at 11:03 a.m.

Present Treasurer Ken Spencer, Auditor Brenda Chilton (virtual), and Commissioner Shon Small. Also present were county staff members, Heather Hutchison, Kirsten Yniguez and Lorene Roe (virtual) of the Auditor's Office

Approval of the Minutes

Shon moved to approve the 2021 4th quarter minutes. Brenda seconded and minutes were approved.

Heather presented the 1st Quarter, 2022, Analysis:

The 1st quarter ending 3/31/2022 had a portfolio balance of \$407,452,452.49.

1st quarter portfolio activity for the Treasurer's Investment Pool (TIP) included purchases of \$4,991,446.88 and maturities of (\$7,039,321.53).

Continue to outperform benchmarks and most investments are being kept in the US Treasury.

2nd Quarter Strategy

- Continue with FHN Financial conference calls and internal discussions.
- Invest in securities according to the policy; being aware of the current market conditions which includes monitoring federal rates
- Continue focusing on future timelines to ensure cash flows can be met
- Observe upcoming maturities and discuss the best options given market conditions with FHN for reinvesting
- Finley and Kennewick School Districts had unsuccessful levies so there is anticipation of a higher cash flow need. An updated cash flow has been requested of these school districts

Approval of Minutes

Discussion

- It was reported that several Treasurer staff have become CGIP certified

No public comments

No questions from the committee

Next Meeting

The next Benton County Finance Committee Meeting will be Tuesday, August 16, 2022 at 11:00 a.m. at the Prosser Courthouse, Treasurer's Conference Room.

Shon moved to adjourn, Brenda seconded

Ken adjourned at 11:31 am.

Approval
of Minutes
Continued

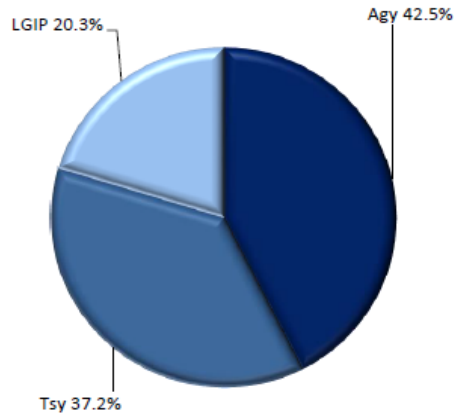
PORTFOLIO SUMMARY

Portfolio Summary

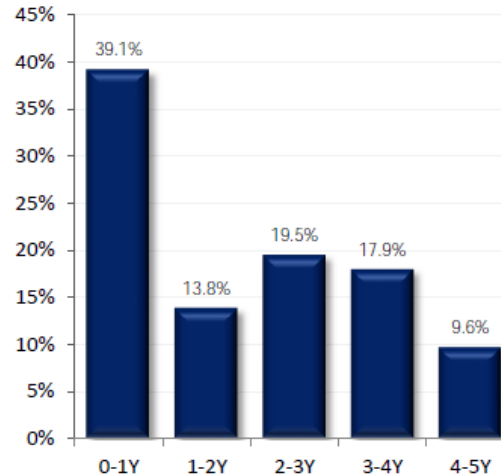
Benton County, WA-TIP

6/30/2022

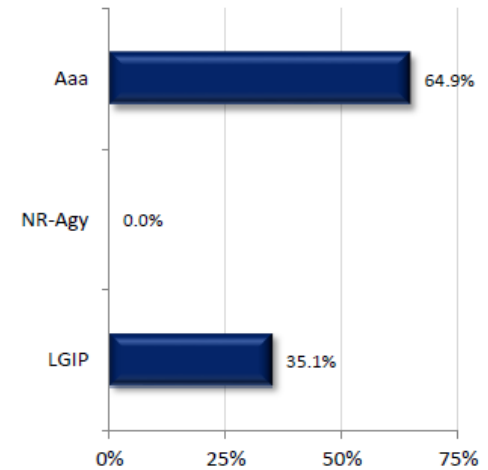
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (MOODY'S)



Per Book Value

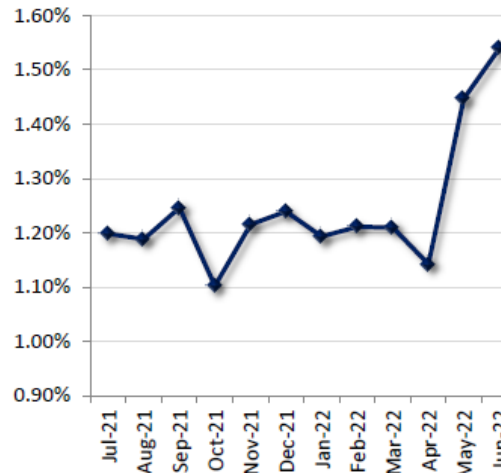
ACCOUNT SUMMARY

	6/30/22	3/31/22
Market Value	\$424,919,688	\$401,761,956
Book Value	\$434,367,957	\$408,036,817
Variance	-\$9,448,269	-\$6,274,861
Par Value	\$437,830,775	\$409,026,786
Net Asset Value	\$97.825	\$98.462
Purchase Yield	1.54%	1.21%
Years to Maturity	1.76	1.68
Effective Duration	1.42	1.37

*Book Value is held at cost

Per Book Value

MONTH-END PORTFOLIO BOOK YIELD



NR: Not Rated

TOP ISSUERS

Issuer	% Portfolio
U.S. Treasury	37.2%
Local Gov't Investment Pool	20.3%
Federal Farm Credit Bank	15.6%
Federal Agricultural Mtg Corp	10.1%
Federal National Mtg Assn	8.7%
Federal Home Loan Bank	6.8%
Federal Home Loan Mtg Corp	1.2%

Per Book Value

1ST QUARTER PORTFOLIO ACTIVITY

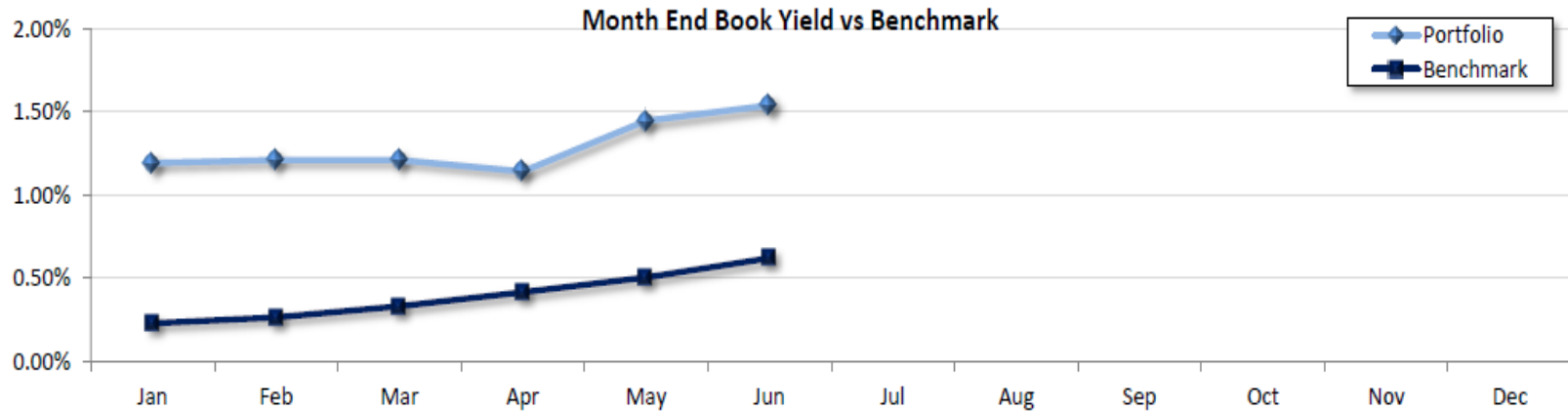
	<u>AMOUNT</u>
1st QUARTER ENDING 03/31/2022	\$407,452,452.49
 <u>INVESTMENT MATURITIES/CALLS</u>	
Treasurer's Investment Pool	(\$4,993,322.50)
 <u>INVESTMENT PURCHASES</u>	
Treasurer's Investment Pool	\$ 9,960,716.36
 <u>STATE POOL</u>	
6/30/2022	LGIP (\$19,000,000.00)
2nd QUARTER ENDING 06/30/2022	\$393,419,846.35

1st QUARTER PORTFOLIO ACTIVITY

Purchases & Redemptions

2nd QUARTER PURCHASES	\$9,960,716.36	
2nd QUARTER REDEMPTIONS	\$4,993,322.50	MATURITIES
		0 CALLS
	\$ 4,993,322.50	GRAND TOTAL

BENCHMARK TABLES



Fiscal YTD	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Month End Book Yield	1.19%	1.21%	1.21%	1.14%	1.45%	1.54%						
Custom Benchmark*	0.23%	0.27%	0.33%	0.42%	0.50%	0.62%						
Variance	0.96%	0.95%	0.88%	0.73%	0.94%	0.92%						

*Benchmark: 18 Month Mov Avg BofAML 0-3Yr Tsy Indx 20%, 1-3Yr Agy Indx 40%, 0-1Yr Agy Indx 10%, LGIP 40%

CHART BY ISSUER

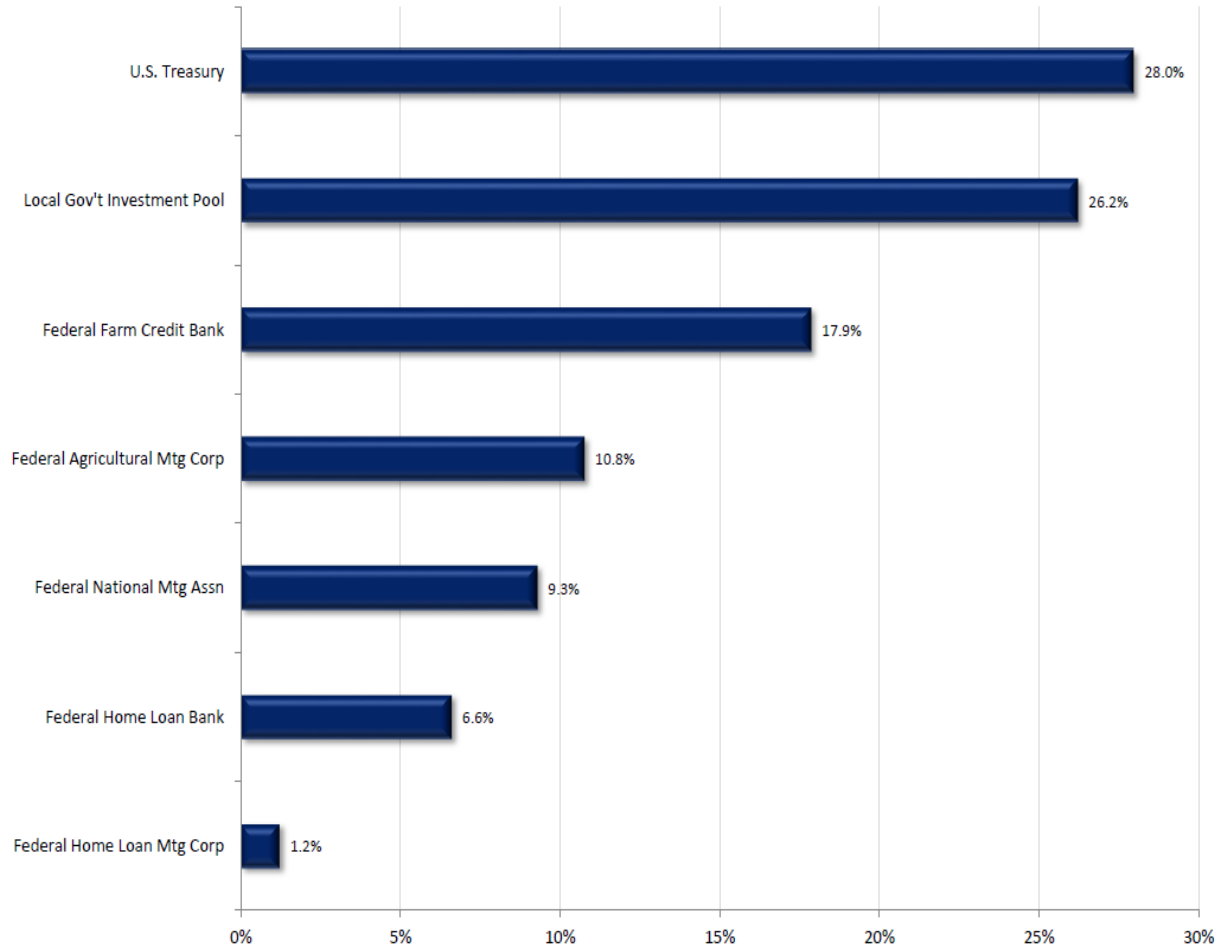
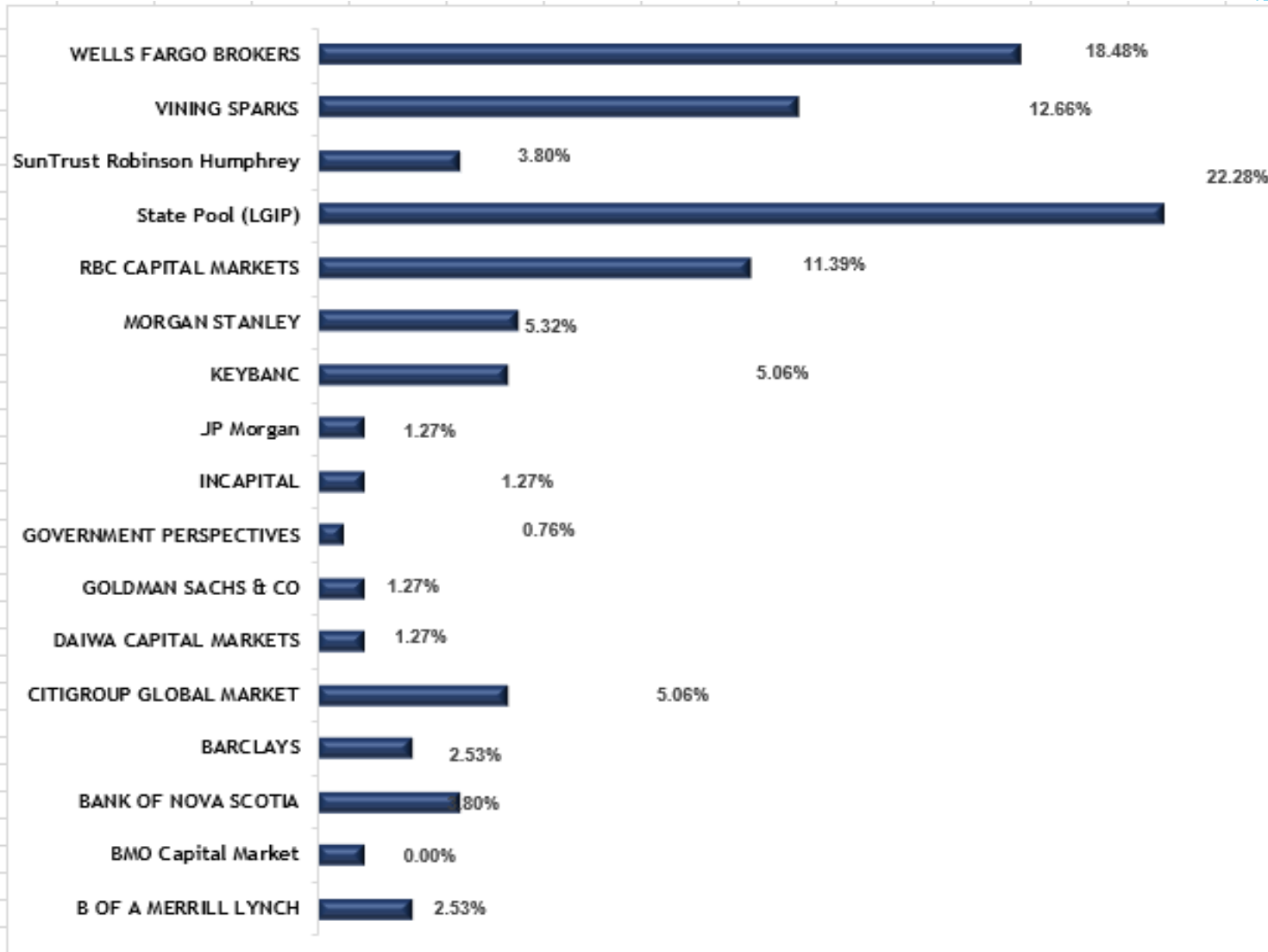
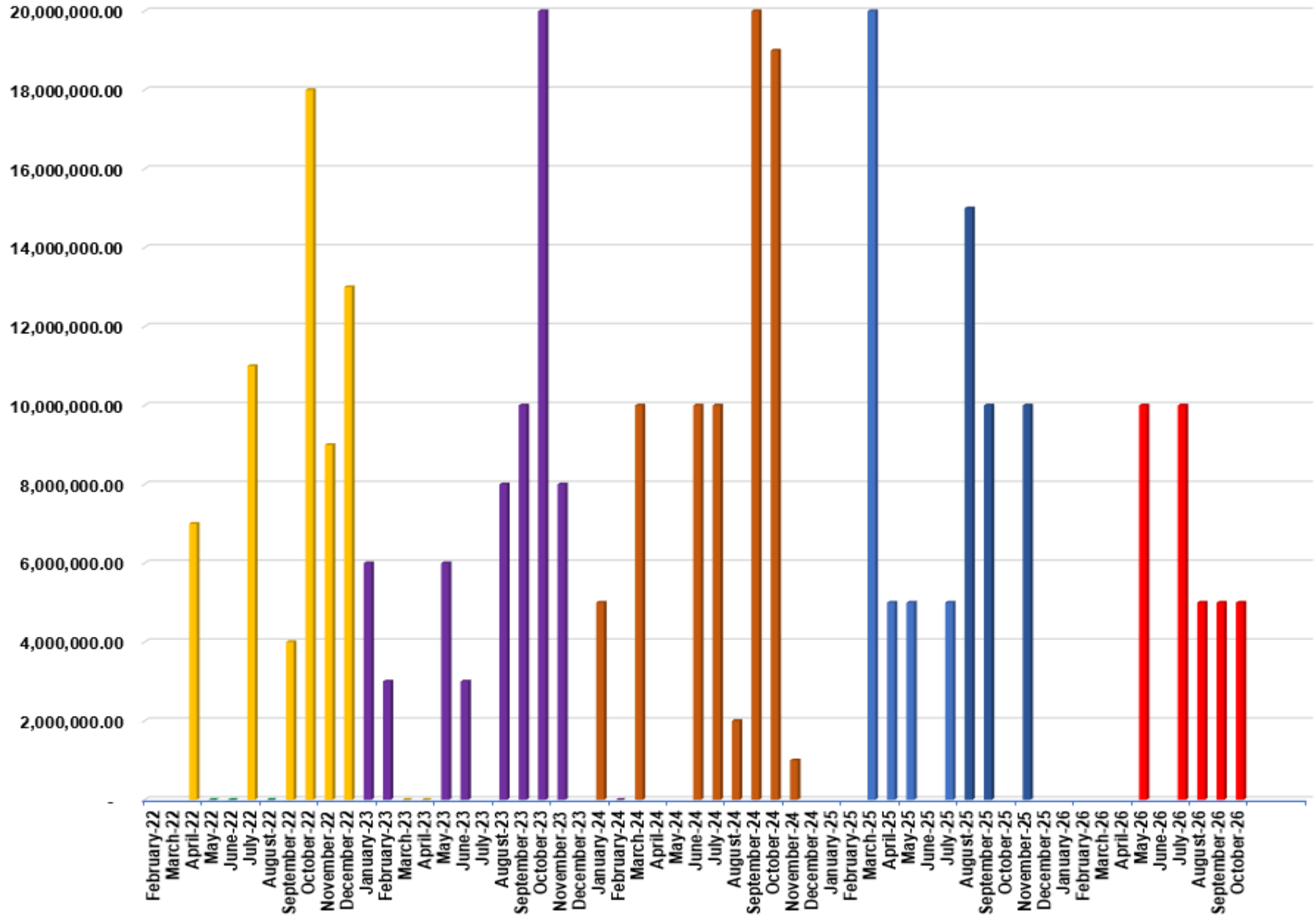


CHART BY DEALER



MATURITY CHART



- ❖ Continue with FHN Financial conference calls and internal discussions
- ❖ Invest in securities according to the policy; being aware of the current market conditions
 - ❖ Continue Monitoring Fed rates
- ❖ Continue our focus on future timelines to ensure cash flows can be met
- ❖ Observe upcoming maturities and discuss the best options given market conditions with FHN for reinvesting

3rd QUARTER 2022 STRATEGY

NEXT FINANCE COMMITTEE MEETING

TENTATIVE
TUESDAY, NOVEMBER 15th, 2022
11:00 AM
TREASURER'S CONFERENCE ROOM
BENTON COUNTY COURTHOUSE
PROSSER, WA 99350