

KENNETH SPENCER, JR

Benton County Treasurer

PO BOX 630, Prosser, WA 99350

www.bentoncountytax.com

Benton County Finance Meeting

August 22nd, 2023

11:00 am

Commissioner'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 22, 2023
11:00 AM
Commissioner's Conference Room- 3rd floor
Benton County Courthouse, Prosser, WA

11:00 AM Approval of 1st Quarter 2023 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 2023 Portfolio Review

TENTATIVE

Tuesday, November 14th, 2023, at 11:00 am
Benton County Courthouse, Treasurer's Conference Room

AGENDA

Benton County Finance Committee Minutes May 30, 2023

Ken Spencer called the Benton County Finance meeting to order on May 30, 2023, at 11:03 a.m.

Present Treasurer Ken Spencer, Auditor Brenda Chilton (remote), and Commissioner Will McKay (remote). Also present were county staff members, Heather Hutchison, Jeanette Ulick, Kirsten Yniguez of the Treasurer's Office, and Lorene Roe (remote) of the Auditor's Office

Approval of the Minutes

Brenda moved to approve the 2022 4th quarter minutes. Will seconded and minutes were approved.

Heather presented the 1st Quarter, 2023, Analysis:

The 1st quarter ending 03/31/2023 had a portfolio balance of \$402,363,744.40.

1st quarter portfolio activity for the Treasurer's Investment Pool (TIP) included purchases of \$24,611,884.96 and maturities of (\$17,812,568.75).

2nd Quarter Strategy

- Continue with bi-weekly FHN Financial conference calls and internal discussions.
- Invest in securities according to the policy; being aware of the current market conditions.
 - Primary focus is to ensure cash flow needs can be met while filling the upcoming year's monthly buckets with new investment purchases.
- Discuss the market conditions for upcoming maturities with FHN for reinvesting.
- Set up in-person visits for schools and districts to discuss rate increases and updated cash flow needs as staff has retired or taken other positions.

Discussion

Ken stated the County is providing better cash needs so informed investing decisions can be made. School districts need to be made aware of their cash needs, the County is offering short term cash loans with interest.

Approval of Minutes

Interest rates are still high. The County recently invested \$10,000,000 in bonds which will return at a better rate than what has been available recently.

Brenda stated the juggling investment but still having cash on hand has been well managed by the Treasurer's Department.

No public comments

Next Meeting

The next Benton County Finance Committee Meeting will be Tuesday, 8/22,2023 at 11:00 a.m. at the Prosser Courthouse, Treasurer's Conference Room.

Brenda moved to adjourn, Will seconded.

Ken adjourned at 11:14 am.

Approval of Minutes (continued)

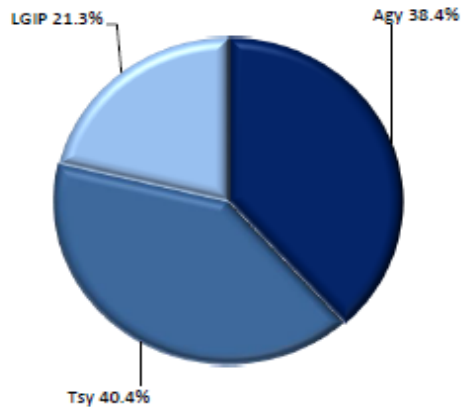
PORTFOLIO SUMMARY

Portfolio Summary

Benton County, WA-TIP

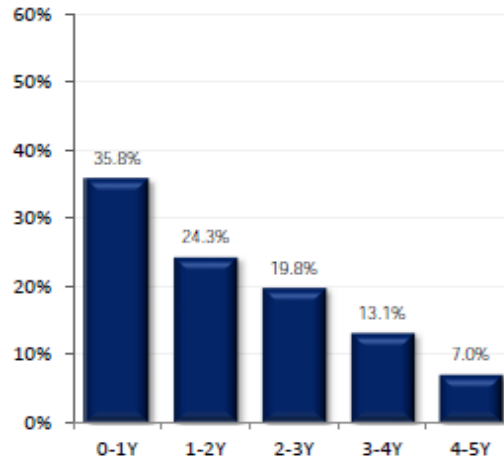
6/30/2023

SECTOR ALLOCATION



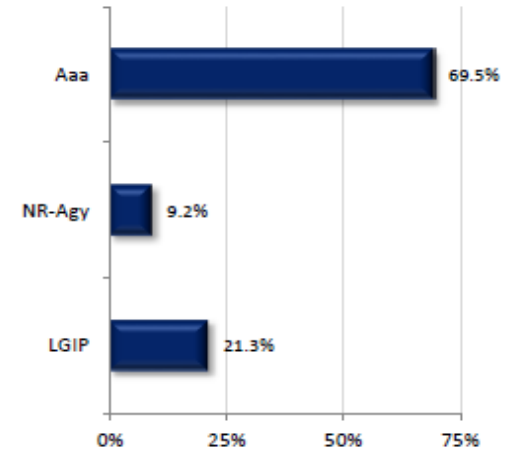
Per Book Value

MATURITY DISTRIBUTION



Per Book Value

CREDIT QUALITY (MOODY'S)



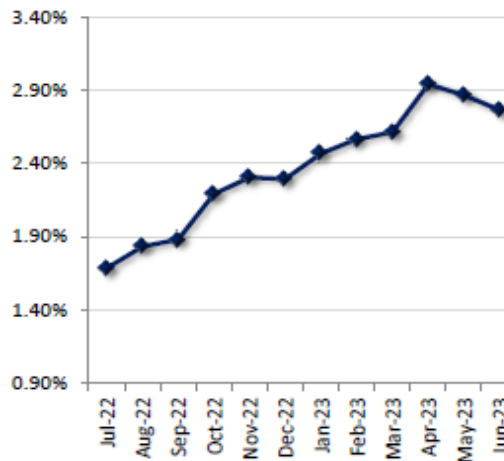
NR: Not Rated

ACCOUNT SUMMARY

	6/30/23	3/31/23
Market Value	\$395,790,949	\$392,272,963
Book Value	\$411,302,960	\$404,140,876
Variance	-\$15,512,011	-\$11,867,913
Par Value	\$415,385,231	\$407,150,860
Net Asset Value	\$96.229	\$97.063
Purchase Yield	2.77%	2.61%
Years to Maturity	1.62	1.50
Effective Duration	1.48	1.37

*Book Value is held at cost

MONTH-END PORTFOLIO BOOK YIELD



TOP ISSUERS

Issuer	% Portfolio
U.S. Treasury	41.6%
Local Gov't Investment Pool	21.3%
Federal Farm Credit Bank	13.4%
Federal Agricultural Mtg Corp	9.2%
Federal Home Loan Bank	7.2%
Federal National Mtg Assn	6.1%
Federal Home Loan Mtg Corp	1.2%

Per Book Value

2nd QUARTER PORTFOLIO ACTIVITY

	<u>AMOUNT</u>
1st QUARTER ENDING 03/31/2023	\$402,363,744.40
 <u>INVESTMENT MATURITIES/CALLS</u>	
Treasurer's Investment Pool	(\$15,952,403.33)
 <u>INVESTMENT PURCHASES</u>	
Treasurer's Investment Pool	\$33,690,946.64
 <u>STATE POOL</u>	
6/30/2023	LGIP (\$11,000,000.00)
2nd QUARTER ENDING 06/30/2023	\$ 409,102,287.71

2nd QUARTER PORTFOLIO ACTIVITY

Purchases & Redemptions

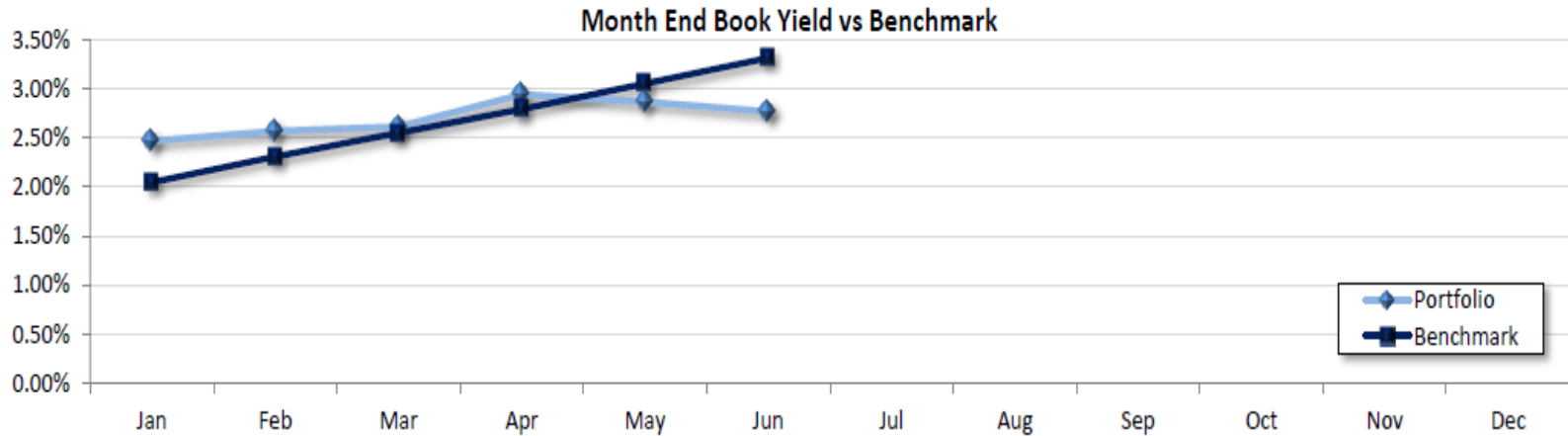
2nd QUARTER PURCHASES **\$38,690,410.40**

2nd QUARTER REDEMPTIONS **\$15,952,403.33** **MATURITIES**

0 CALLS

\$15,952,403.33 **GRAND TOTAL**

BENCHMARK TABLES



Fiscal YTD	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Month End Book Yield	2.47%	2.57%	2.61%	2.94%	2.87%	2.77%						
Custom Benchmark*	2.04%	2.31%	2.55%	2.79%	3.05%	3.31%						
Variance	0.42%	0.26%	0.07%	0.15%	-0.18%	-0.55%						

*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

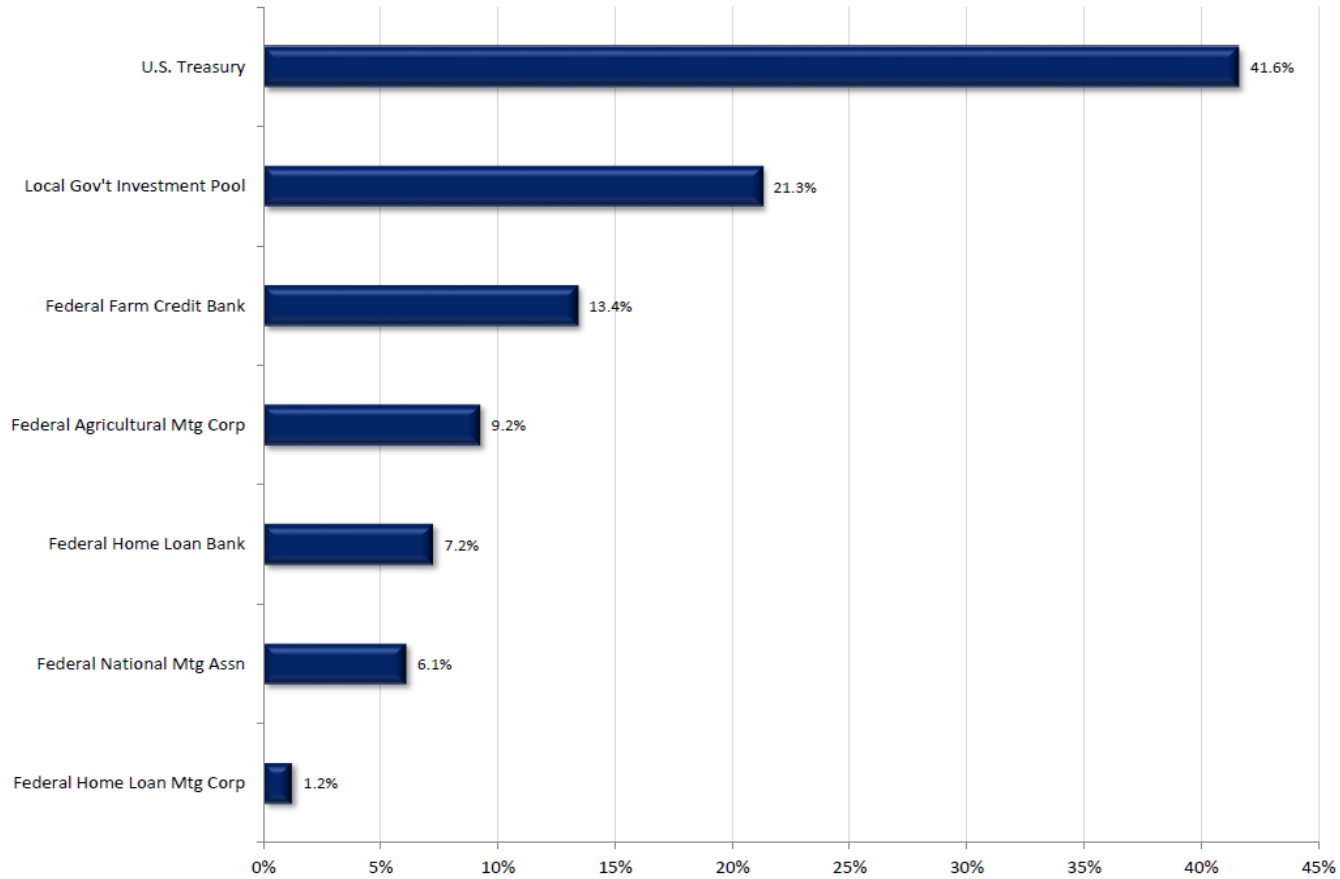
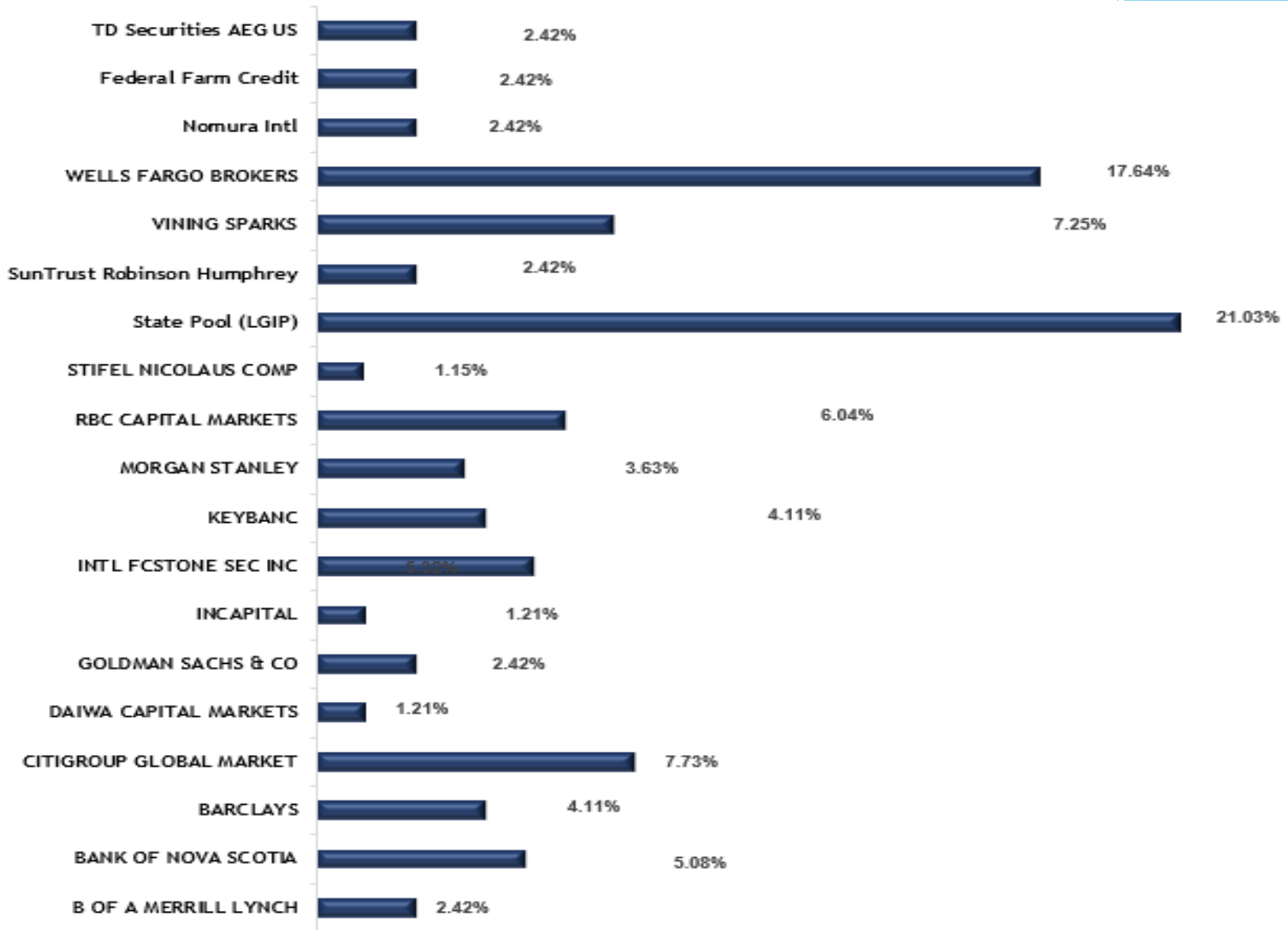
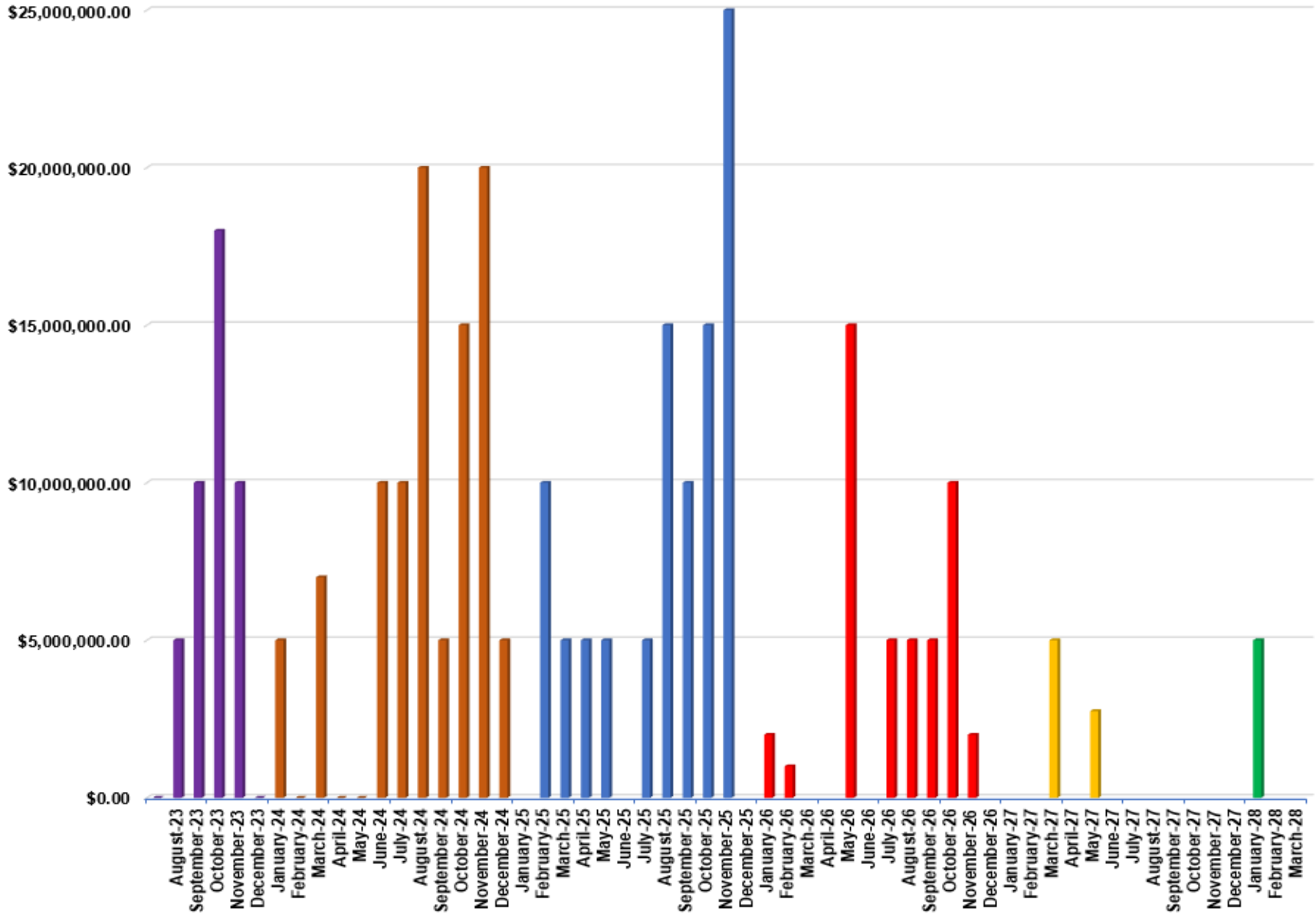


CHART BY DEALER



MATURITY CHART



- ❖ Continue our bi-weekly FHN Financial conference calls and internal discussions.
- ❖ Invest in securities according to the policy; being aware of current market conditions for upcoming maturities and discuss with FHN for reinvesting being aware of the benchmark.
- ❖ During 2nd quarter meetings were held with the districts and the County stressing the importance of updated cash flows for the portfolio, and we will continue to work diligently to ensure cashflows remain updated.

3rd

QUARTER 2023 STRATEGY

NEXT FINANCE COMMITTEE MEETING

TENTATIVE

TUESDAY, November 14th, 2023

11:00 AM

TREASURER'S CONFERENCE ROOM

BENTON COUNTY COURTHOUSE

PROSSER, WA 99350