

KENNETH SPENCER, JR

Benton County Treasurer

PO BOX 630, Prosser, WA 99350

www.bentoncountytax.com

Benton County Finance Meeting

March 14th, 2022

11:00 am

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

March 14th, 2023

11:00 AM

Treasurer's Conference Room
Benton County Courthouse, Prosser, WA

11:00 AM Approval of 3rd Quarter 2022 Meeting Minutes – Ken Spencer

Welcome Commissioner Will McKay to the Finance Committee

4th Quarter Portfolio Analysis – Heather Hutchison

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

Other Business - PDC Disclosure Signatures
Kiona Benton School District

Next Meeting- 1st Quarter 2023 Portfolio Review

TENTATIVE

Tuesday, May 16th, 2023, AT 11:00 am
Prosser Courthouse, Treasurer's Conference Room

AGENDA

Ken Spencer called the Benton County Finance meeting to order on November 15, 2022, at 11:00 a.m.

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

Approval of the Minutes

Brenda moved to approve the 2022 2nd quarter minutes. Shon seconded and minutes were approved.

Heather presented the 3rd Quarter, 2022, Analysis:

The 3rd quarter ending 9/30/2022 had a portfolio balance of \$419,402,048.90.

3rd quarter portfolio activity for the Treasurer's Investment Pool (TIP) included purchases of \$9,830,068.75 and maturities of (\$24,937,691.51).

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

4th 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
- Reach out to school districts and districts to set up time for in-person visits to discuss rate increases and cash flow needs as staff has retired or taken other positions.

Approval of Minutes

Approval of Minutes Continued

Discussion

Ken stated that it is fortunate the county does not have investments in the housing market. The market has improved for investors vs. borrowers. There is an anticipation of a better forecast of what the county's future financial needs are with the introduction of the new finance system.

No public comments

No questions from the committee

Next Meeting

The next Benton County Finance Committee Meeting will be Tuesday, February 21, 2023 at 11:00 a.m. at the Prosser Courthouse, Treasurer's Conference Room.

Shon moved to adjourn, Brenda seconded

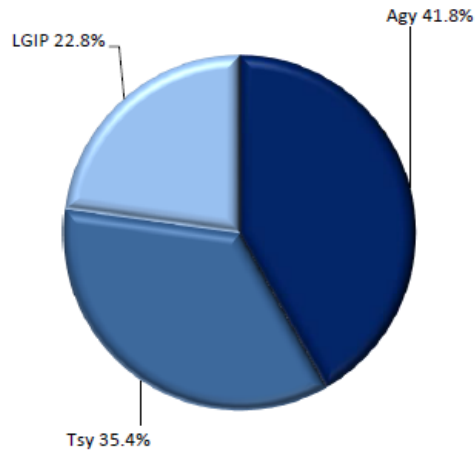
Ken adjourned at 11:17 am.

PORTFOLIO SUMMARY

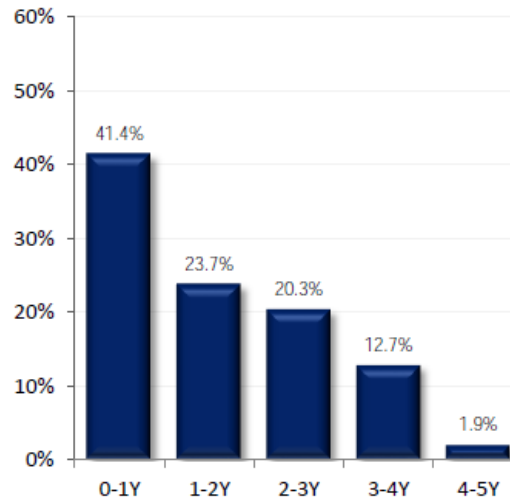
Benton County, WA-TIP

12/31/2022

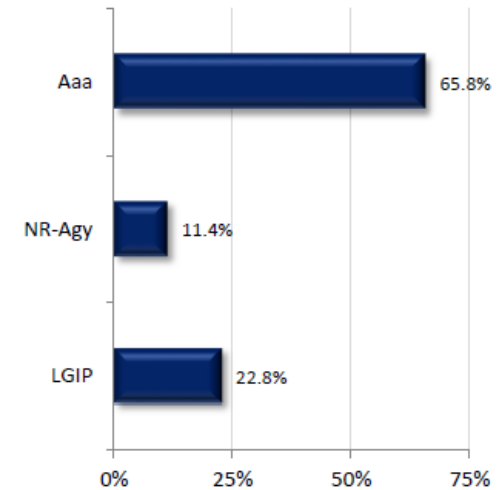
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (MOODY'S)



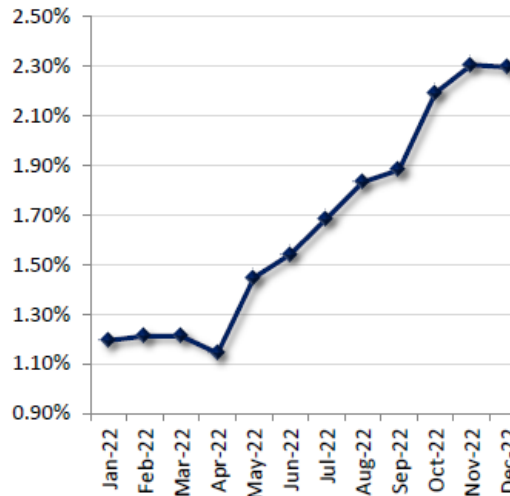
Per Book Value

ACCOUNT SUMMARY

	12/31/22	9/30/22
Market Value	\$372,374,009	\$417,659,148
Book Value	\$387,112,889	\$433,610,710
Variance	-\$14,738,880	-\$15,951,562
Par Value	\$390,088,119	\$436,940,386
Net Asset Value	\$96.193	\$96.321
Purchase Yield	2.30%	1.88%
Years to Maturity	1.57	1.58
Effective Duration	1.46	1.31

*Book Value is held at cost

MONTH-END PORTFOLIO BOOK YIELD



NR: Not Rated

TOP ISSUERS

Issuer	% Portfolio
U.S. Treasury	35.4%
Local Gov't Investment Pool	22.8%
Federal Farm Credit Bank	16.3%
Federal Agricultural Mtg Corp	11.4%
Federal National Mtg Assn	6.5%
Federal Home Loan Bank	6.4%
Federal Home Loan Mtg Corp	1.3%

Per Book Value

4th QUARTER PORTFOLIO ACTIVITY

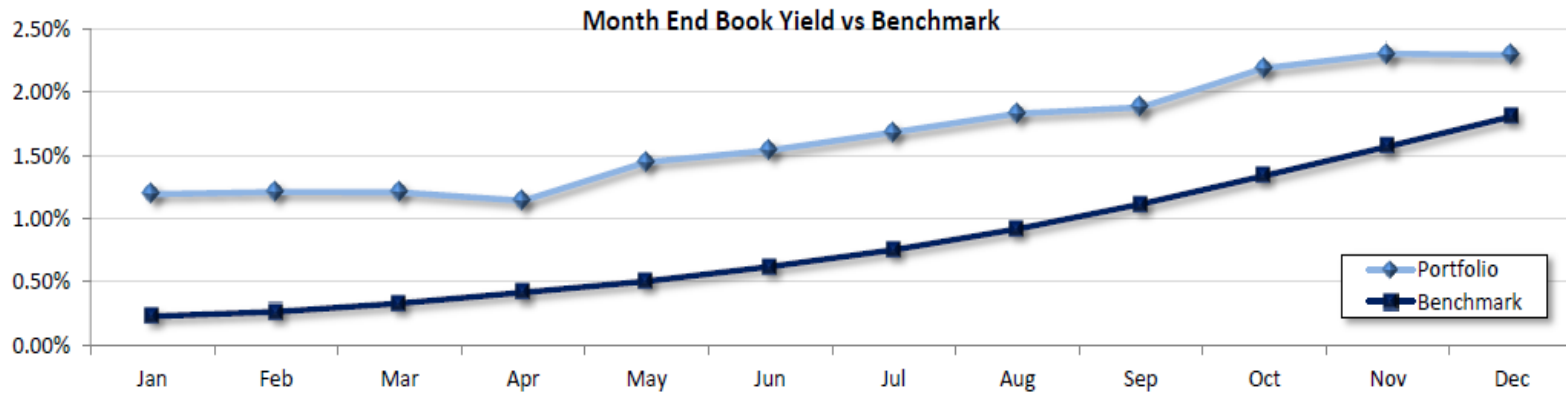
	<u>AMOUNT</u>
3rd QUARTER ENDING 09/30/2022	\$419,402,048.90
<u>INVESTMENT MATURITIES/CALLS</u>	
Treasurer's Investment Pool	(\$32,837,620.71)
<u>INVESTMENT PURCHASES</u>	
Treasurer's Investment Pool	\$0.00
<u>STATE POOL</u>	
12/31/2022	LGIP (\$1,000,000.00)
4th QUARTER ENDING 12/31/2022	\$385,564,428.19

4th QUARTER PORTFOLIO ACTIVITY

Purchases & Redemptions

4th QUARTER PURCHASES	\$0.00	
4th QUARTER REDEMPTIONS	\$32,837,620.71	MATURITIES
		0 CALLS
	\$32,837,620.71	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%	1.68%	1.83%	1.88%	2.19%	2.30%	2.29%
Custom Benchmark*	0.23%	0.27%	0.33%	0.42%	0.50%	0.62%	0.75%	0.92%	1.12%	1.34%	1.57%	1.81%
Variance	0.96%	0.95%	0.88%	0.73%	0.94%	0.92%	0.93%	0.91%	0.76%	0.85%	0.73%	0.49%

*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

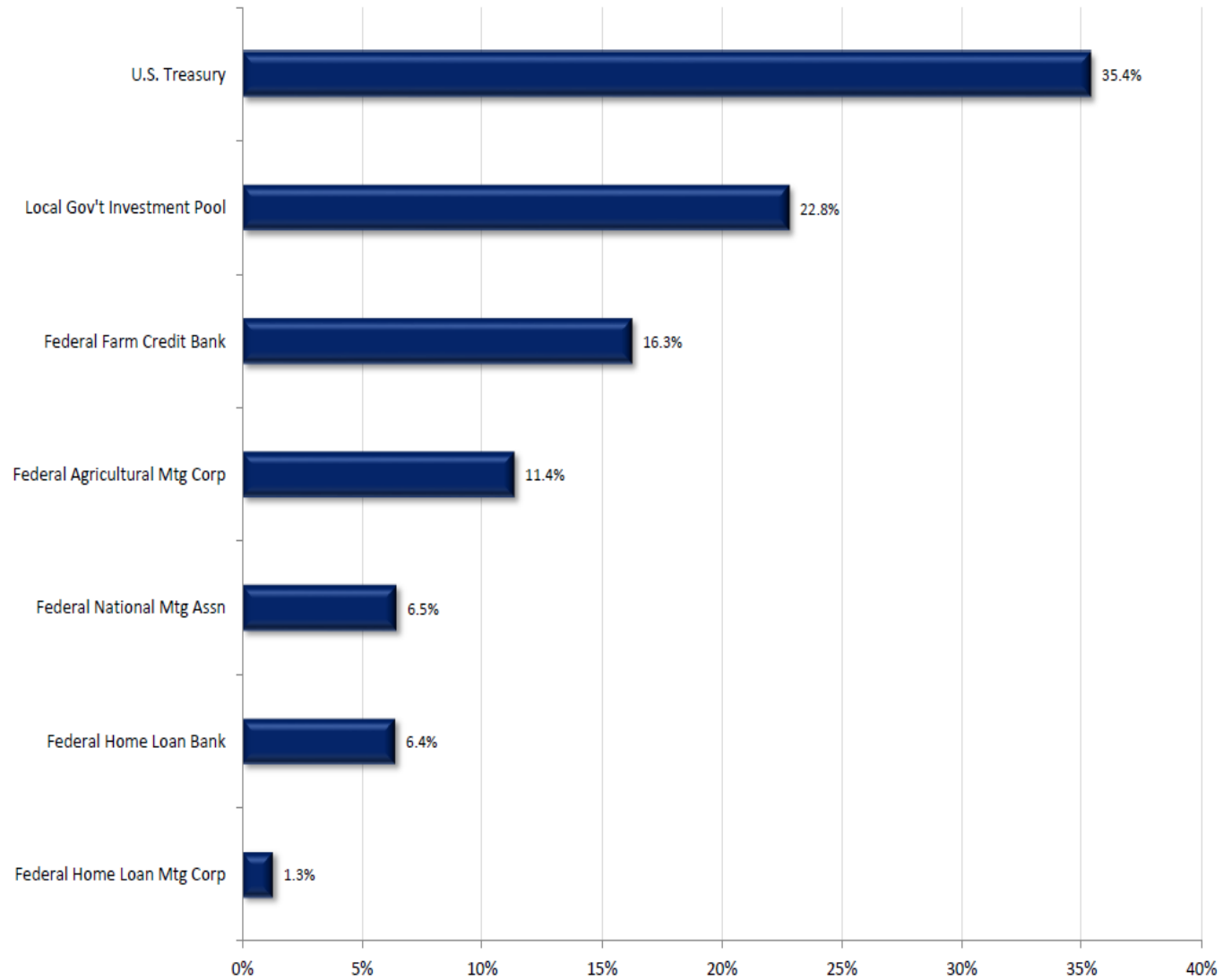
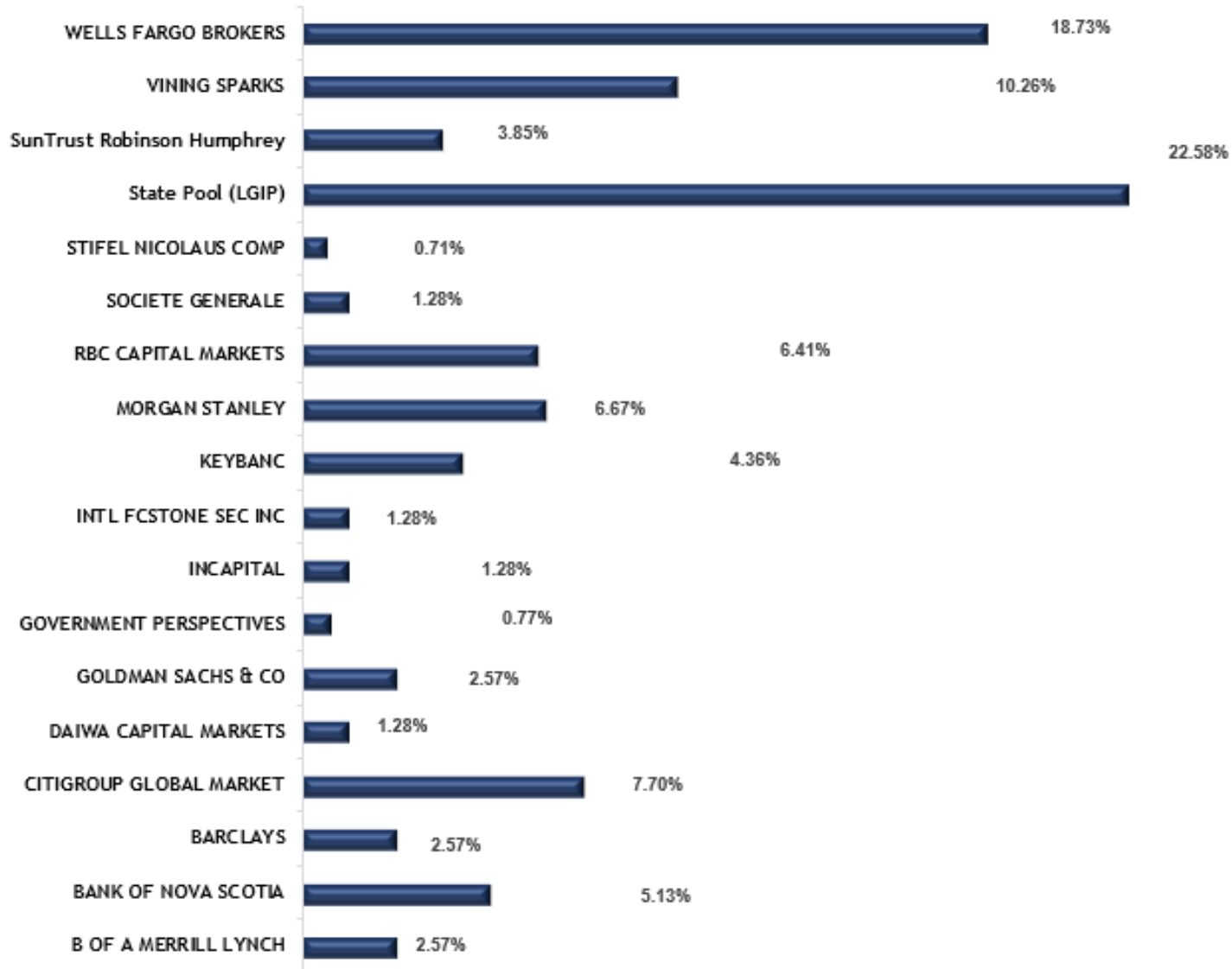
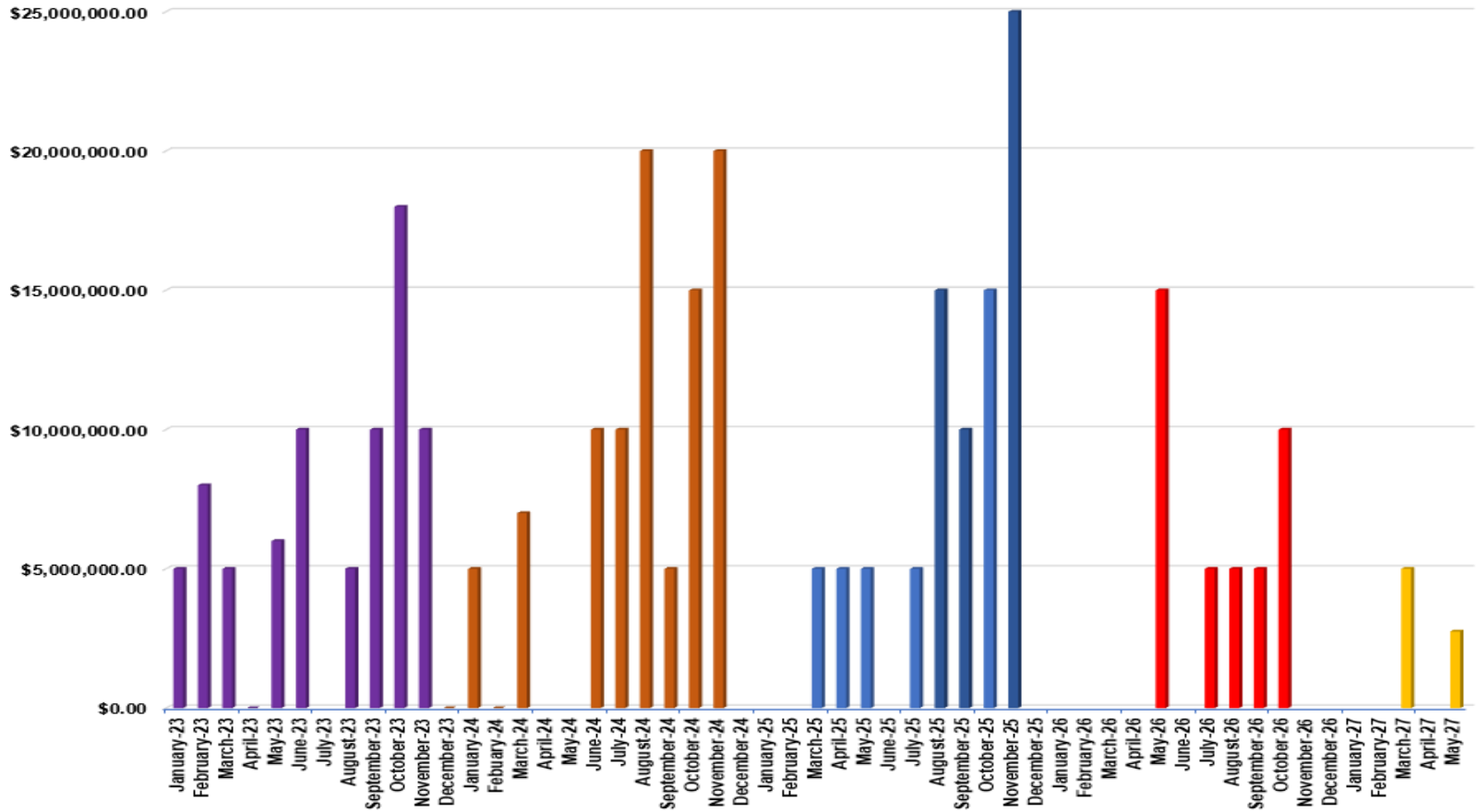


CHART BY DEALER



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
- ❖ Reach out to school districts and districts to set up time for in person visits to discuss rate increases and cash flow needs as staff has retired or taken other positions.

1ST QUARTER 2023 STRATEGY

NEXT FINANCE COMMITTEE MEETING

TENTATIVE
TUESDAY, May 16th, 2023
11:00 AM
TREASURER'S CONFERENCE ROOM
BENTON COUNTY COURTHOUSE
PROSSER, WA 99350