

KENNETH SPENCER, JR

Benton County Treasurer

PO BOX 630, Prosser, WA 99350

www.bentoncountytax.com

Benton County Finance Meeting

November 15th, 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
November 15th, 2022
11:00 AM
Treasurer's Conference Room
Benton County Courthouse, Prosser, WA

11:00 AM Approval of 2nd Quarter 2022 Meeting Minutes – Ken Spencer

3rd Quarter Portfolio Analysis – Heather Hutchison

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

Other Business

Next Meeting- 4th Quarter 2022 Portfolio Review

TENTATIVE

Tuesday, February 14th, 2023, AT 11:00 am
Prosser Courthouse, Treasurer's Conference Room

AGENDA

Ken Spencer called the Benton County Finance meeting to order on August 16, 2022, at 2:04 p.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 2022 1st quarter minutes. Brenda seconded and minutes were approved.

Heather presented the 2nd Quarter, 2022, Analysis:

The 2nd quarter ending 6/30/2022 had a portfolio balance of \$393,419,846.35.

2nd quarter portfolio activity for the Treasurer's Investment Pool (TIP) included purchases of \$9,960,716.36 and maturities of (\$4,993,322.50).

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

3rd 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

No public comments

No questions from the committee

Next Meeting

The next Benton County Finance Committee Meeting will be Tuesday, November 15, 2022 at 11:00 a.m. at the Prosser Courthouse, Treasurer's Conference Room.

Shon moved to adjourn, Brenda seconded

Ken adjourned at 2:15 pm.

Approval of Minutes

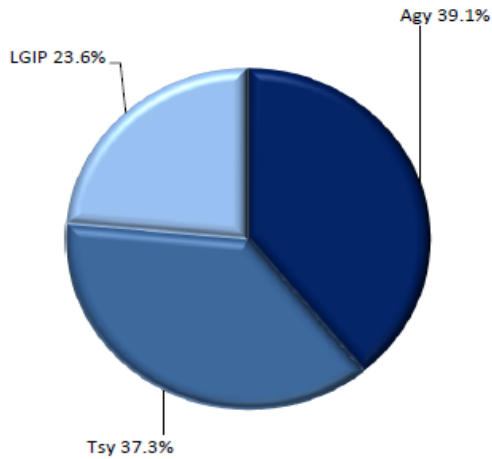
PORTFOLIO SUMMARY

Benton County, WA-TIP

Portfolio Summary

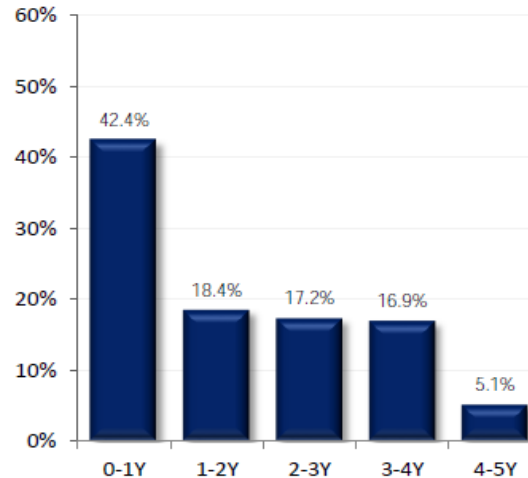
9/30/2022

SECTOR ALLOCATION



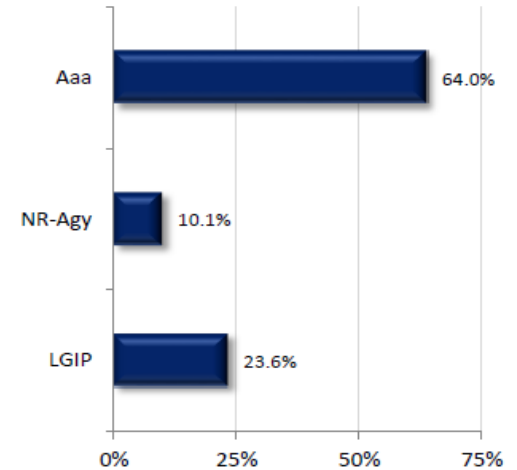
Per Book Value

MATURITY DISTRIBUTION



Per Book Value

CREDIT QUALITY (MOODY'S)



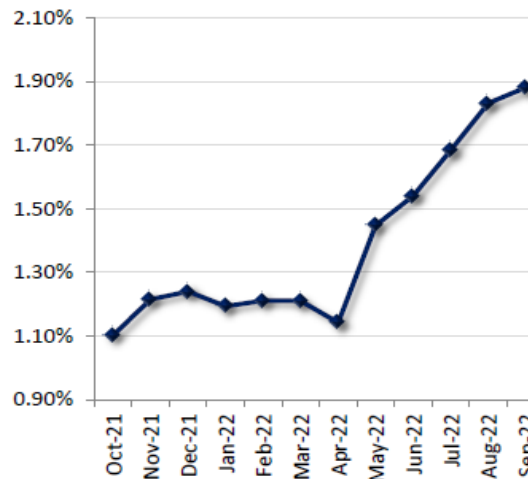
NR: Not Rated

ACCOUNT SUMMARY

	9/30/22	6/30/22
Market Value	\$417,659,148	\$424,919,688
Book Value	\$433,610,710	\$434,367,957
Variance	-\$15,951,562	-\$9,448,269
Par Value	\$436,940,386	\$437,830,775
Net Asset Value	\$96.321	\$97.825
Purchase Yield	1.88%	1.54%
Years to Maturity	1.58	1.76
Effective Duration	1.31	1.42

*Book Value is held at cost

MONTH-END PORTFOLIO BOOK YIELD



TOP ISSUERS

Issuer	% Portfolio
U.S. Treasury	37.3%
Local Gov't Investment Pool	23.6%
Federal Farm Credit Bank	14.5%
Federal Agricultural Mtg Corp	10.1%
Federal Home Loan Bank	6.9%
Federal National Mtg Assn	6.4%
Federal Home Loan Mtg Corp	1.2%

Per Book Value

3RD QUARTER PORTFOLIO ACTIVITY

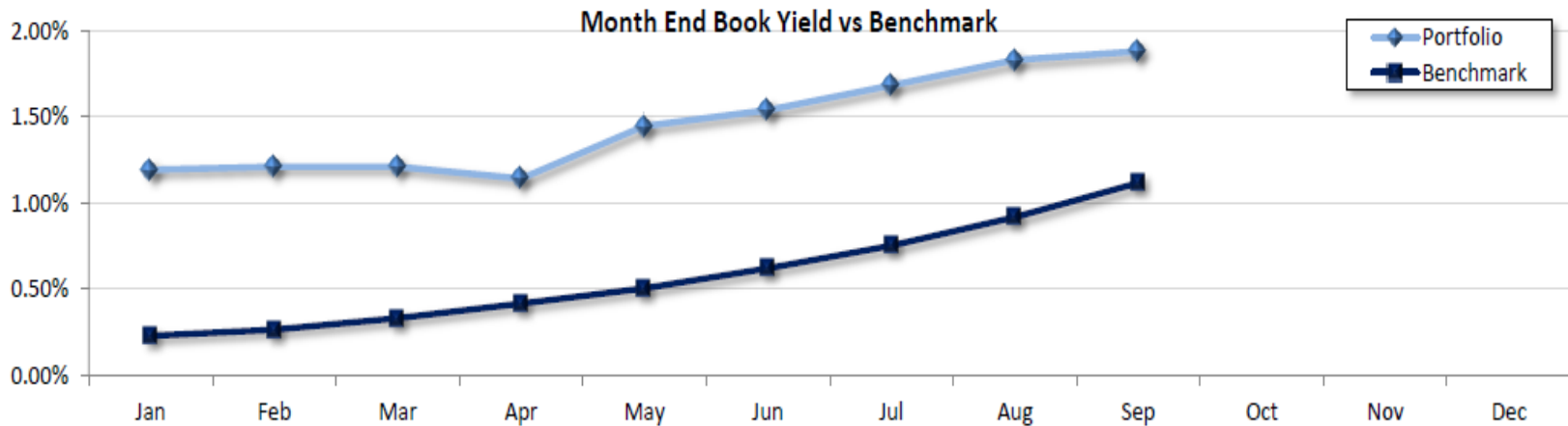
	<u>AMOUNT</u>
2nd QUARTER ENDING 06/30/2022	\$433,509,671.66
<u>INVESTMENT MATURITIES/CALLS</u>	
Treasurer's Investment Pool	(\$24,937,691.51)
<u>INVESTMENT PURCHASES</u>	
Treasurer's Investment Pool	\$ 9,830,068.75
<u>STATE POOL</u>	
6/30/2022	LGIP \$1,000,000.00
3rd QUARTER ENDING 09/30/2022	\$419,402,048.90

3RD QUARTER PORTFOLIO ACTIVITY

Purchases & Redemptions

3rd QUARTER PURCHASES	\$9,830,068.75	
3rd QUARTER REDEMPTIONS	\$24,937,691.51	MATURITIES
		0 CALLS
	\$34,767,760.26	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%			
Custom Benchmark*	0.23%	0.27%	0.33%	0.42%	0.50%	0.62%	0.75%	0.92%	1.12%			
Variance	0.96%	0.95%	0.88%	0.73%	0.94%	0.92%	0.93%	0.91%	0.76%			

*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

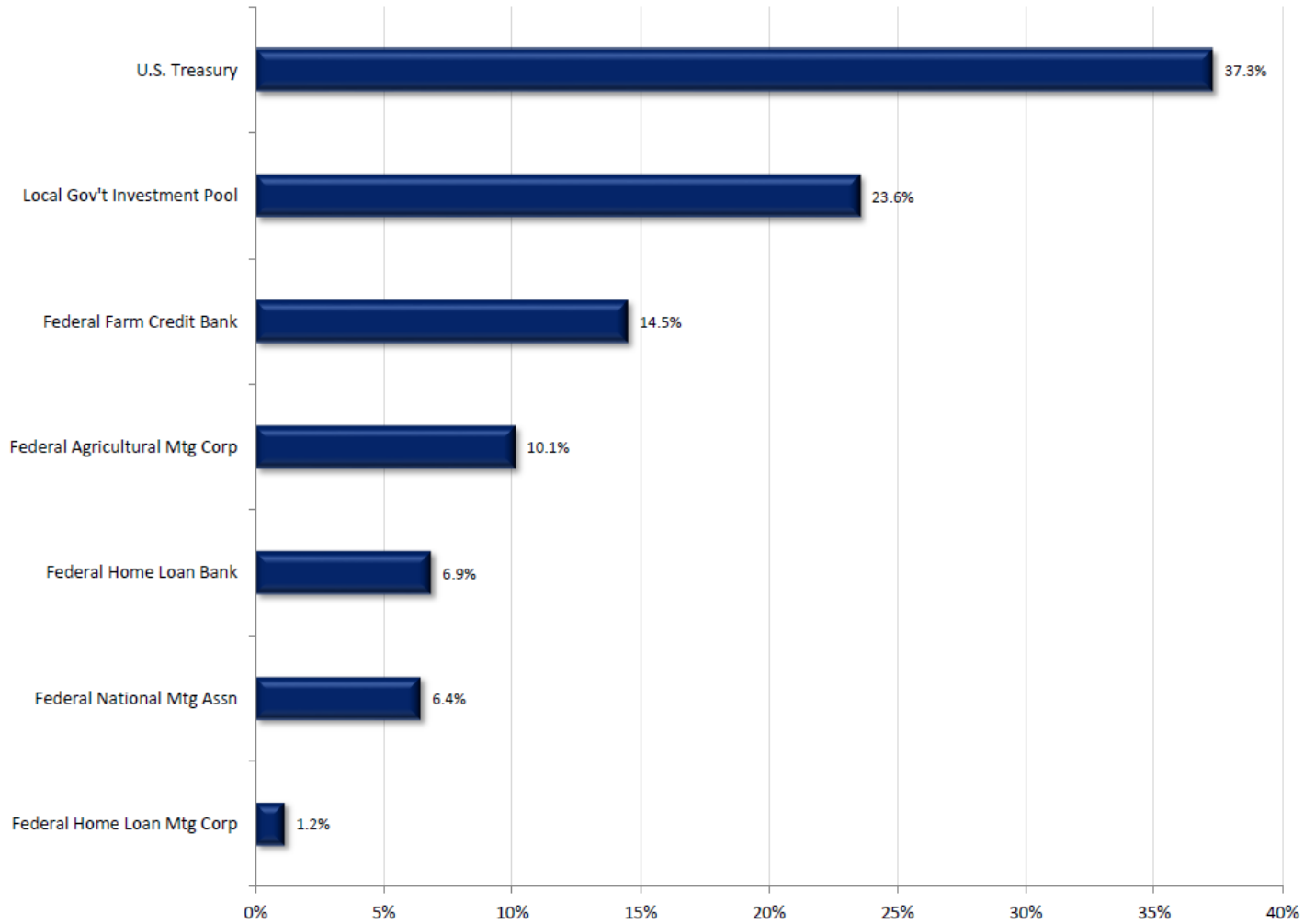
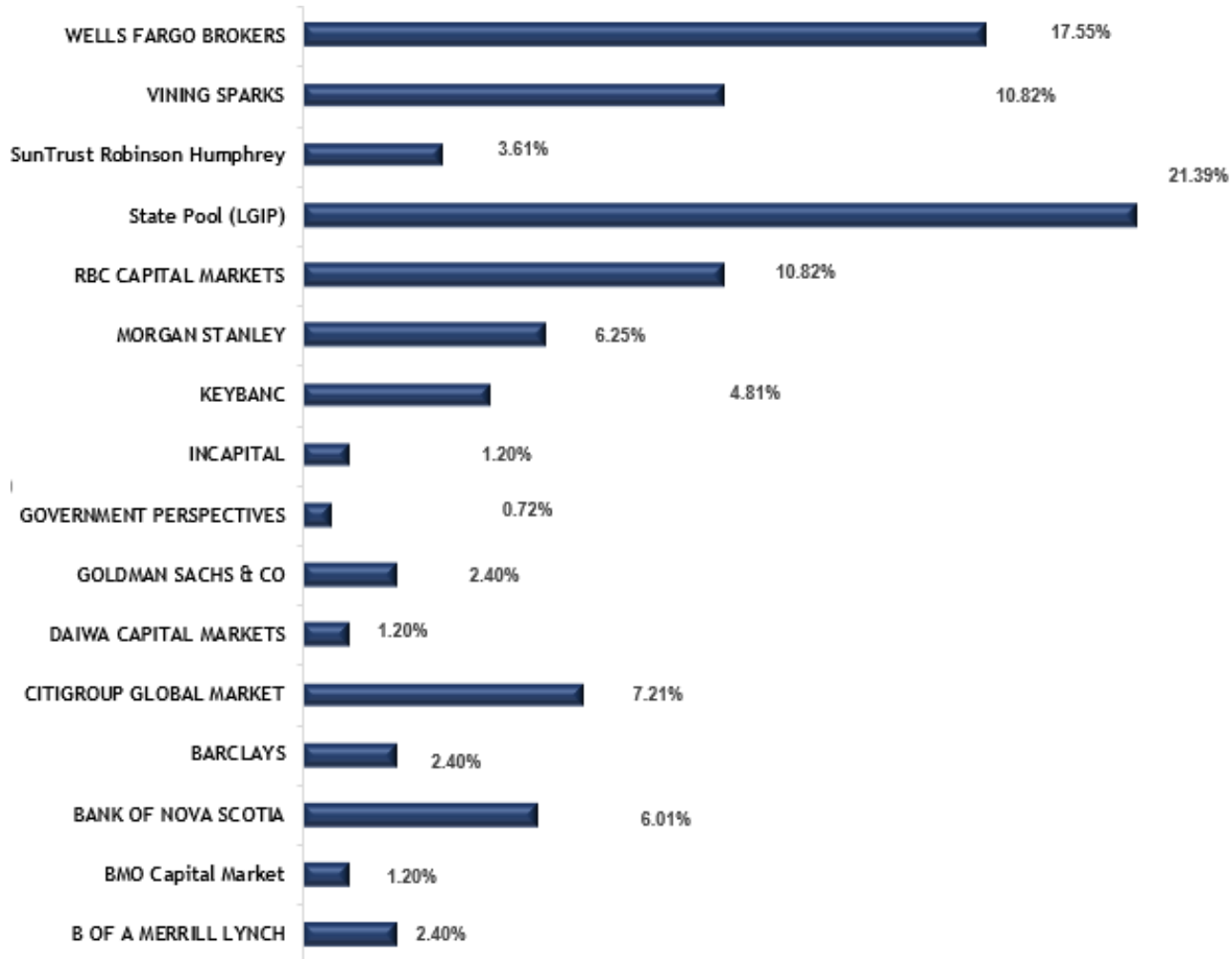
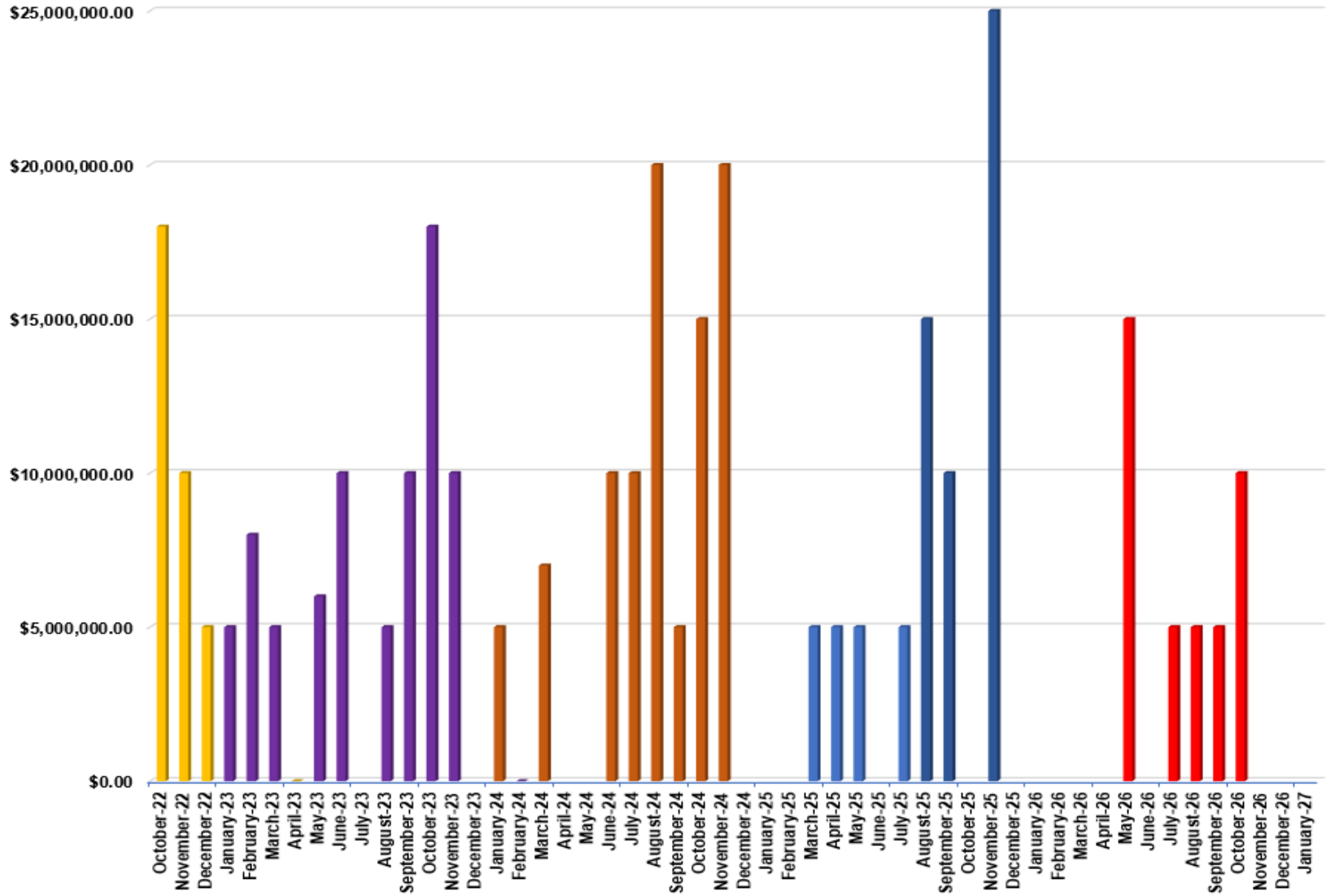


CHART BY DEALER



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.

4TH QUARTER 2022 STRATEGY

NEXT FINANCE COMMITTEE MEETING

TENTATIVE
TUESDAY, FEBRUARY 14th, 2023
11:00 AM
TREASURER'S CONFERENCE ROOM
BENTON COUNTY COURTHOUSE
PROSSER, WA 99350