

Finance Committee
Via Teams

Meeting Agenda
July 31, 2023
10:00AM

Committee members:

Jeff Gadman, County Treasurer, Committee Chair
Mary Hall, County Auditor, Committee Secretary
Carolina Mejia, County Commissioner, Committee Member

1. Approve Minutes of April 17, 2023
2. Review 2nd quarter performance (All figures are as of June 30, 2023)

Portfolio Earnings by Month

- Yield for June – 1.97% 2023 2023 Average – 1.48%
- LGIP 2023 Average Rate – 4.94%

Portfolio Snapshot (June 2023)

- Total Investments – \$1,225,801,000
- 15.4% in invested cash (\$189,000,000) and 25.5% maturing in less than 1 year (\$312,667,000)

TCIP Portfolio Summary

- Mark to market – 95.60%
- Weighted Average Maturity – 1.59 years

3. Quarterly Commentary
4. Good of the Order

2023

Quarterly Commentary

Prepared by Nicole Muegge, Investment & Banking Officer

April: Cash patterns seem to be normalizing and certainty of funds available for investment are better able to be determined. Historical cash flows are still a bit skewed from ARPA and Cares funds though. A little over \$35mm in new purchases were made this month. All purchases made this month have a yield in excess of 4%. This helped to push the yield up a bit to 1.78%. Due to continued increase in short term rates, TCIP continues to lag behind LGIP. Though it is hoped this will correct course by year-end, and is cyclical, continue rate hikes by the Fed, will delay this reversal longer. The troubles that became apparent with First Republic last month was stirring up additional fears of the stability of the banking system. The failure of this bank led to a takeover by JPMorgan.

May: The Fed Funds rate was increased by another 25bps this month. We began to look at taking on duration, locking in rates in expectation of declines in rates expected later this year. Availability of investments in the 3-5 year bullet space are pretty limited. In order to add duration, a look at deep discount callables will provide bullet like performance and help to bring in some additional yield. An additional \$35mm was purchased again this month, however the longer dated bullet structures are yielding less than the shorter term. These will drag the yield slightly in the short term, but provide longer term benefits when the rates begin to fall.

June: The Fed chose not to raise the Fed Funds rate, but rather to leave it unchanged this month. However, it is still expected that there could be one or two more rate increases this year. Even with this expectation, lower rates overall are still likely this year. Only one additional purchase was made this month. Rates yo-yo' d throughout the month and ultimately only increased slightly. With a significant amount of securities maturing toward the end of May and in June, along with the debt payment at the beginning of the month, the total invested for June is less. Specifically, even with new purchases in May, total amount invested was \$60mm less than April, followed by an additional decrease of \$124.5mm. The reduced amount invested is due to a decrease in overall cash balance. This decrease resulted in reduced earnings for the month of June, dropping the yield slightly. Reduced cash balances in the portfolio are in part due to the debt payment and some beginning of summer construction spending.

Thurston County Investment Pool
Portfolio Earnings - By Month

2023	Portfolio (TCIP)			LGIP
	Average Daily Cash Balance	Gross Earnings	Earnings Rate	Earnings Rate
January	\$ 1,150,656,875	\$ 1,409,020	1.36%	4.17%
February	1,151,345,529	1,445,048	1.55%	4.38%
March	1,159,153,761	1,599,413	1.53%	4.51%
April	1,246,769,133	1,938,322	1.78%	4.69%
May	1,352,191,878	2,495,882	2.05%	4.89%
June	1,253,927,953	2,144,731	1.97%	4.94%
July				
August				
September				
October				
November				
December				
Average/Total	\$ 1,219,007,522	\$ 11,032,417	1.71%	4.60%

2022	Portfolio (TCIP)			LGIP
	Average Daily Cash Balance	Gross Earnings	Earnings Rate	Earnings Rate
January	\$ 1,116,435,146	\$ 609,365	0.58%	0.09%
February	1,110,868,214	637,859	0.68%	0.10%
March	1,114,359,530	684,227	0.66%	0.20%
April	1,176,561,677	742,875	0.70%	0.40%
May	1,295,664,510	918,887	0.76%	0.65%
June	1,229,161,435	995,009	0.91%	0.89%
July	1,193,840,667	1,110,510	1.02%	1.52%
August	1,179,874,923	1,135,262	1.05%	2.12%
September	1,166,188,603	1,148,695	1.12%	2.39%
October	1,262,549,500	1,464,375	1.27%	2.92%
November	1,347,825,188	1,856,787	1.58%	3.55%
December	1,174,453,987	1,433,499	1.35%	3.84%
Average/Total	\$ 1,197,315,282	\$ 12,737,349	0.97%	1.56%

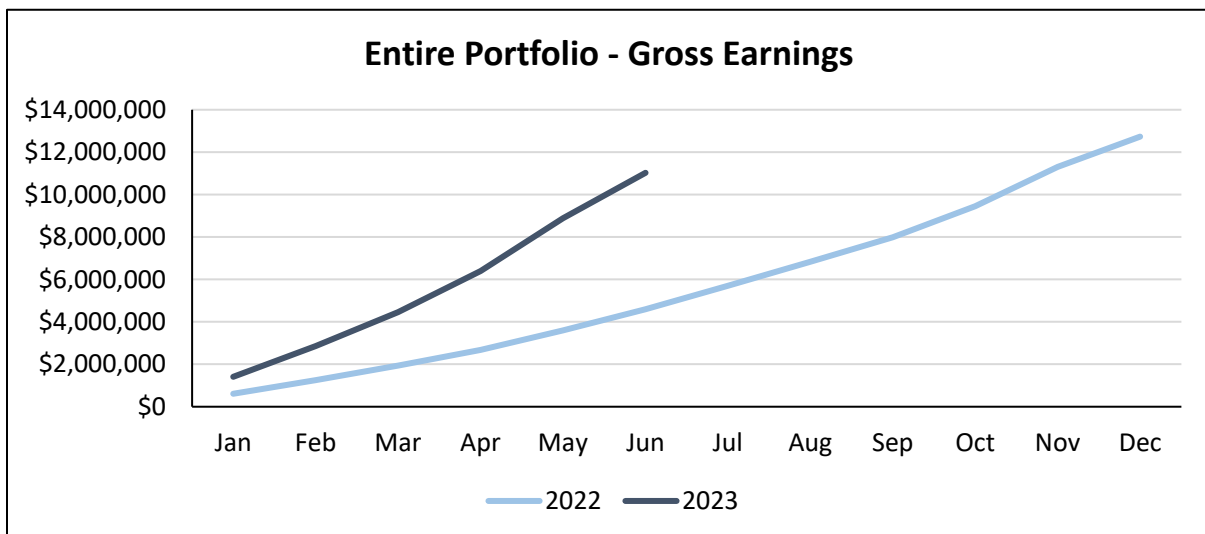
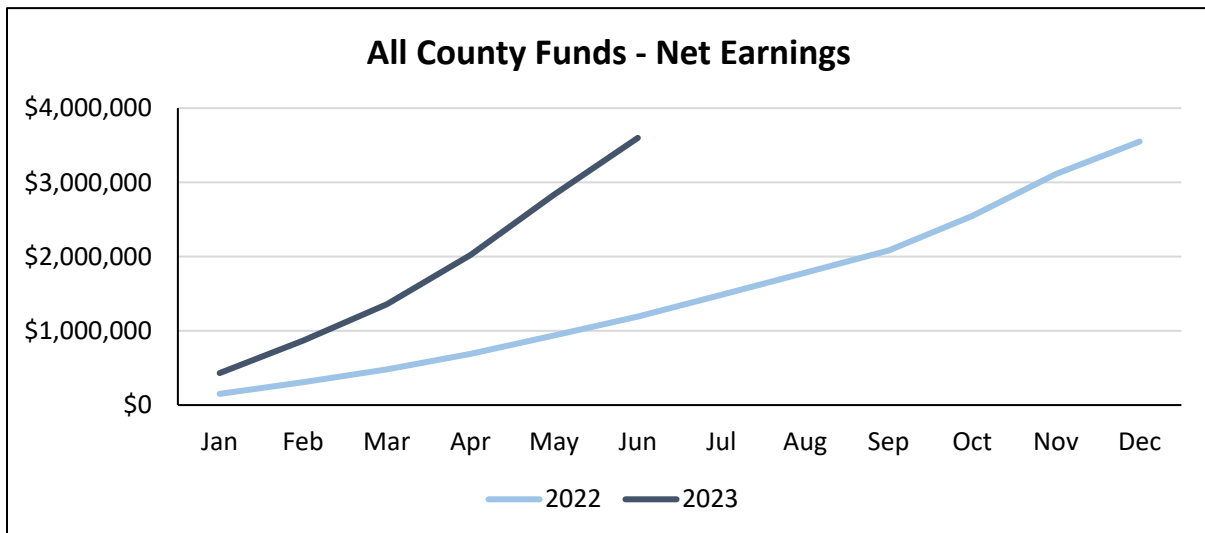
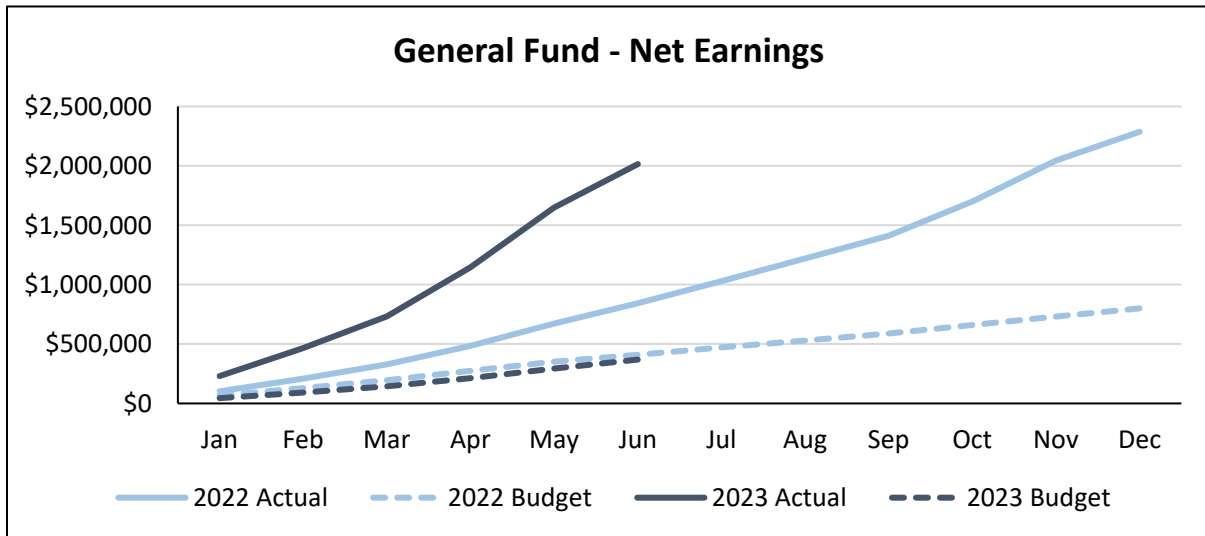
Thurston County Investment Pool
Portfolio Earnings - Year to Date (Cumulative)

2023	General Fund		All County Funds	Entire Portfolio
	Actual Net Earnings	Budgeted Earnings	Net Earnings	Gross Earnings
January	\$ 230,817	\$ 44,500	\$ 431,004	\$ 1,409,020
February	465,582	91,200	868,483	2,854,068
March	731,572	143,600	1,356,463	4,453,481
April	1,145,735	211,900	2,021,824	6,391,803
May	1,649,039	293,400	2,833,496	8,887,686
June	2,015,870	368,400	3,598,995	11,032,417
July				
August				
September				
October				
November				
December				

2022	General Fund		All County Funds	Entire Portfolio
	Actual Net Earnings	Budgeted Earnings	Net Earnings	Gross Earnings
January	\$ 101,841	\$ 65,300	\$ 150,313	\$ 609,365
February	208,507	129,100	307,603	1,247,224
March	328,564	194,100	478,633	1,931,451
April	484,656	274,200	688,580	2,674,326
May	671,234	351,400	936,469	3,593,213
June	842,735	408,700	1,190,845	4,588,222
July	1,028,540	470,300	1,483,825	5,698,732
August	1,219,975	528,500	1,781,775	6,833,993
September	1,411,148	587,400	2,081,721	7,982,688
October	1,699,957	659,700	2,546,841	9,447,063
November	2,045,120	731,200	3,111,556	11,303,850
December	2,287,428	800,000	3,550,901	12,737,349

Thurston County Investment Pool

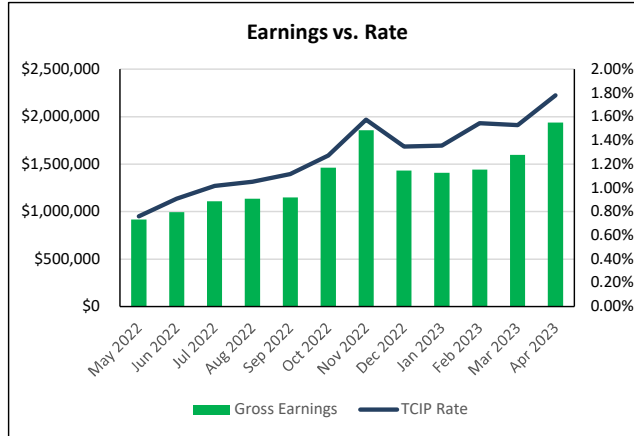
Portfolio Earnings - Year to Date (Cumulative)



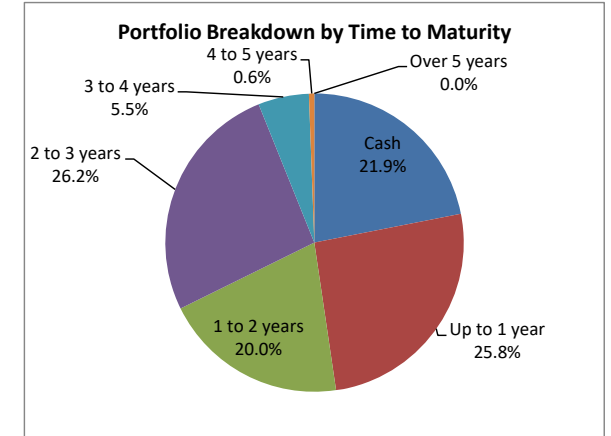
Thurston County Investment Pool Portfolio Snapshot

Date: 4/30/2023

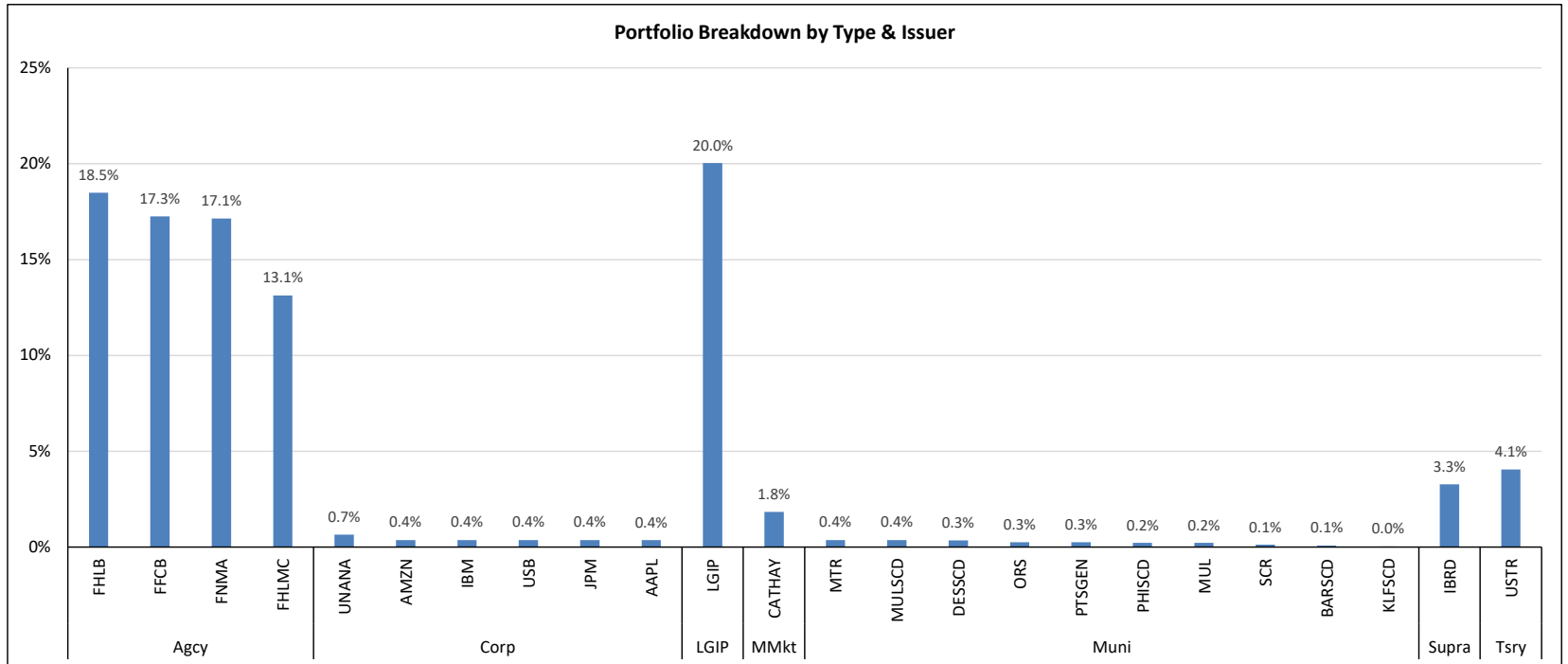
April 2023	
TCIP Rate	1.78%
LGIP Rate	4.69%
Gross Earnings	\$1,938,322
Avg Daily Cash Bal	\$1,246,769,133
12-Month Average	
TCIP Rate	1.27%
LGIP Rate	2.97%
Gross Earnings	\$1,371,236
Avg Daily Cash Bal	\$1,213,123,676



Time to Maturity	Face Value
Cash	297,000,000
Up to 1 year	350,122,000
1 to 2 years	272,145,000
2 to 3 years	355,465,000
3 to 4 years	74,759,000
4 to 5 years	8,000,000
Over 5 years	-
Total	1,357,491,000



Type	Face Value
Agcy	896,036,000
CD	-
Corp	33,890,000
CP	-
LGIP	272,000,000
MMkt	25,000,000
Muni	31,080,000
Supra	44,485,000
Tbill	-
Tsry	55,000,000
Total	1,357,491,000



Thurston County Investment Pool

Compliance Verification

Date: 4/30/2023
 Status: In Compliance

				Compliance Status	
Type/Issuer	Issuer Name	Face Value	% of Portfolio	Under Max	Rule
Agcy					
FHLB	FEDERAL HOME LOAN BANK	250,925,000	18.5%		
FFCB	FEDERAL FARM CREDIT BANK	234,235,000	17.3%		
FNMA	FEDERAL NATIONAL MTG ASSN	232,661,000	17.1%		
FHLMC	FEDERAL HOME LOAN MTG CORP	178,215,000	13.1%		
Agcy Total		896,036,000	66.0%	325,705,900	Agcy <= 90%
Corp					
UNANA	UNILEVER CAPTIAL CORP	8,900,000	0.7%	31,824,730	Issuer <= 3%
USB	US BANK	5,000,000	0.4%	35,724,730	Issuer <= 3%
IBM	IBM CORP	5,000,000	0.4%	35,724,730	Issuer <= 3%
AMZN	AMAZON.COM INC	5,000,000	0.4%	35,724,730	Issuer <= 3%
JPM	JP MORGAN	5,000,000	0.4%	35,724,730	Issuer <= 3%
AAPL	APPLE INC	4,990,000	0.4%	35,734,730	Issuer <= 3%
Corp Total		33,890,000	2.5%	101,859,100	Corp+CP <= 10%
LGIP					
LGIP	LOCAL GOV'T INVESTMENT POOL	272,000,000	20.0%		
LGIP Total		272,000,000	20.0%	N/A	LGIP <= 100%
MMkt					
CATHAY	CATHAY BANK	25,000,000	1.8%		
MMkt Total		25,000,000	1.8%	517,996,400	MMkt <= 40%
Muni (In State)					
PTSGEN	PORT OF SEATTLE WA REVENUE	3,505,000	0.3%	64,369,550	Issuer <= 5%
Muni (In State) Total		3,505,000	0.3%	267,993,200	Muni-in <= 20%
Muni (Out of State)					
MTR	METRO OR	5,000,000	0.4%	62,874,550	Issuer <= 5%
MULSCD	MULTNOMAH COUNTY SCHOOL DIST	5,000,000	0.4%	62,874,550	Issuer <= 5%
DESSCD	DESCHUTES CNTY OR ADMIN SD 1	4,740,000	0.3%	63,134,550	Issuer <= 5%
ORS	OREGON ST	3,510,000	0.3%	64,364,550	Issuer <= 5%
PHISCD	PHILOMATH OR SD #17J	3,000,000	0.2%	64,874,550	Issuer <= 5%
MUL	MULTNOMAH CNTY OR	3,000,000	0.2%	64,874,550	Issuer <= 5%
SCR	SANTA CLARA CNTY CA	1,675,000	0.1%	66,199,550	Issuer <= 5%
BARSCD	BARBERS HILL TX INDEP SCH DIST	1,150,000	0.1%	66,724,550	Issuer <= 5%
KLFSCD	KLAMATH FALLS OR CITY SCHS	500,000	0.0%	67,374,550	Issuer <= 5%
Muni (Out of State) Total		27,575,000	2.0%	176,048,650	Muni-out <= 15%
Supra					
IBRD	INT'L BANK RECON & DEVELOPMENT	44,485,000	3.3%	91,264,100	Issuer <= 10%
Supra Total		44,485,000	3.3%	159,138,650	Supra <= 15%
Tsry					
USTR	U.S. TREASURY	55,000,000	4.1%		
Tsry Total		55,000,000	4.1%	N/A	Tsry <= 100%
Grand Total		1,357,491,000	100.0%		

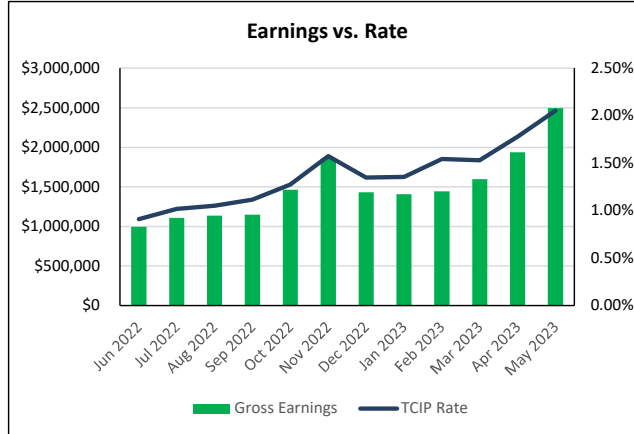
			Compliance Status	
Yrs to Mat	Face Value	% of Portfolio	Over Min	Rule
0-1	647,122,000	47.7%	375,623,800	0-1 yr >= 20%
1-2	272,145,000	20.0%		
2-3	355,465,000	26.2%		
3-4	74,759,000	5.5%		
4-5	8,000,000	0.6%		
Grand Total	1,357,491,000	100.0%		
			Weighted Average Maturity	
WAM	1.29	Under Max	1.71	Rule
				WAM <= 3.0

Thurston County Investment Pool Portfolio Snapshot

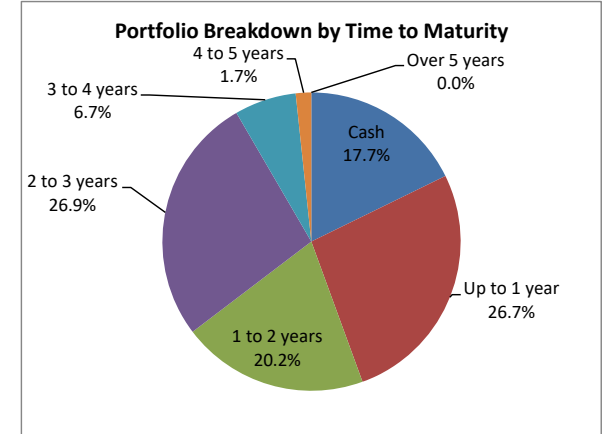
Date: 5/31/2023

May 2023	
TCIP Rate	2.05%
LGIP Rate	4.89%
Gross Earnings	\$2,495,882
Avg Daily Cash Bal	\$1,352,191,878

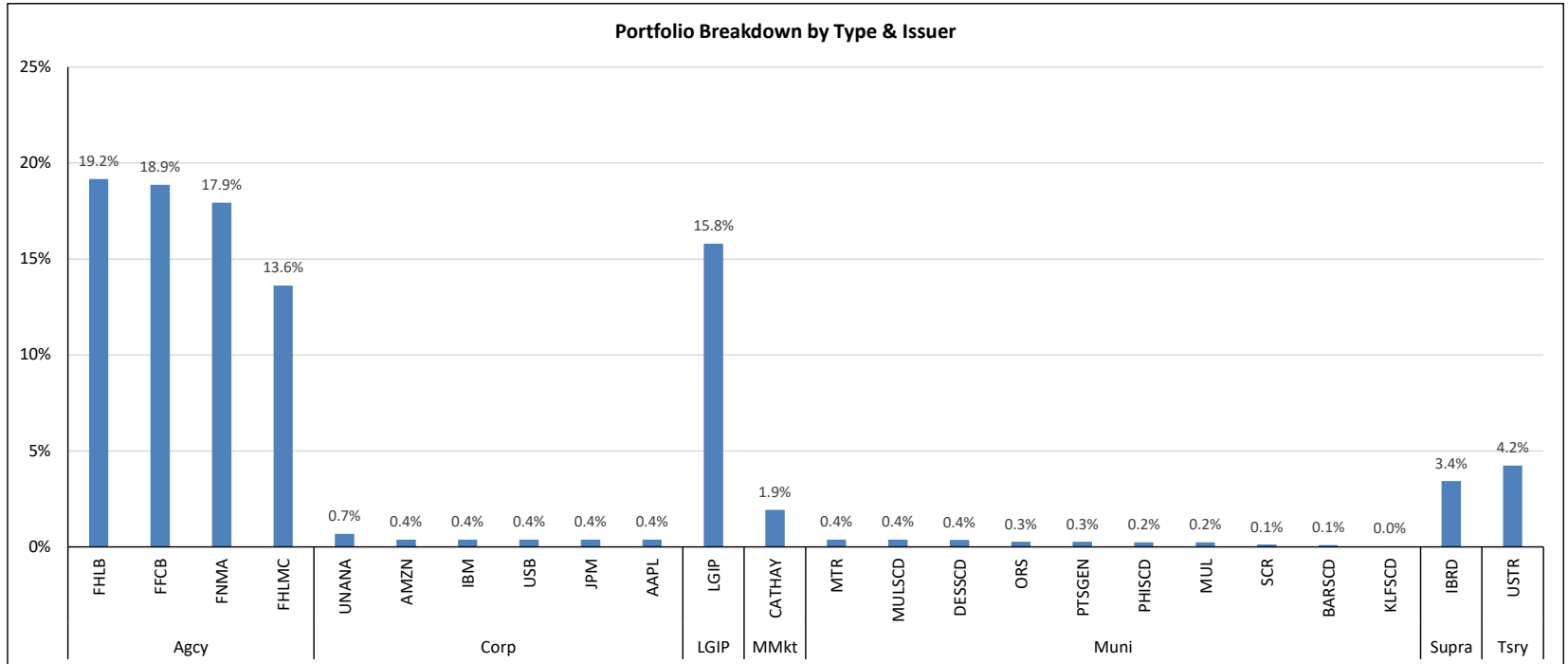
12-Month Average	
TCIP Rate	1.38%
LGIP Rate	3.32%
Gross Earnings	\$1,502,652
Avg Daily Cash Bal	\$1,217,834,290



Time to Maturity	Face Value
Cash	230,000,000
Up to 1 year	346,417,000
1 to 2 years	262,625,000
2 to 3 years	349,475,000
3 to 4 years	86,944,000
4 to 5 years	21,815,000
Over 5 years	-
Total	1,297,276,000



Type	Face Value
Agcy	902,821,000
CD	-
Corp	33,890,000
CP	-
LGIP	205,000,000
MMkt	25,000,000
Muni	31,080,000
Supra	44,485,000
Tbill	-
Tsry	55,000,000
Total	1,297,276,000



Thurston County Investment Pool

Compliance Verification

Date: 5/31/2023
Status: In Compliance

				Compliance Status	
Type/Issuer	Issuer Name	Face Value	% of Portfolio	Under Max	Rule
Agcy					
FHLB	FEDERAL HOME LOAN BANK	248,625,000	19.2%		
FFCB	FEDERAL FARM CREDIT BANK	244,810,000	18.9%		
FNMA	FEDERAL NATIONAL MTG ASSN	232,661,000	17.9%		
FHLMC	FEDERAL HOME LOAN MTG CORP	176,725,000	13.6%		
Agcy Total		902,821,000	69.6%	264,727,400	Agcy <= 90%
Corp					
UNANA	UNILEVER CAPTIAL CORP	8,900,000	0.7%	30,018,280	Issuer <= 3%
USB	US BANK	5,000,000	0.4%	33,918,280	Issuer <= 3%
IBM	IBM CORP	5,000,000	0.4%	33,918,280	Issuer <= 3%
AMZN	AMAZON.COM INC	5,000,000	0.4%	33,918,280	Issuer <= 3%
JPM	JP MORGAN	5,000,000	0.4%	33,918,280	Issuer <= 3%
AAPL	APPLE INC	4,990,000	0.4%	33,928,280	Issuer <= 3%
Corp Total		33,890,000	2.6%	95,837,600	Corp+CP <= 10%
LGIP					
LGIP	LOCAL GOV'T INVESTMENT POOL	205,000,000	15.8%		
LGIP Total		205,000,000	15.8%	N/A	LGIP <= 100%
MMkt					
CATHAY	CATHAY BANK	25,000,000	1.9%		
MMkt Total		25,000,000	1.9%	493,910,400	MMkt <= 40%
Muni (In State)					
PTSGEN	PORT OF SEATTLE WA REVENUE	3,505,000	0.3%	61,358,800	Issuer <= 5%
Muni (In State) Total		3,505,000	0.3%	255,950,200	Muni-in <= 20%
Muni (Out of State)					
MTR	METRO OR	5,000,000	0.4%	59,863,800	Issuer <= 5%
MULSCD	MULTNOMAH COUNTY SCHOOL DIST	5,000,000	0.4%	59,863,800	Issuer <= 5%
DESSCD	DESCHUTES CNTY OR ADMIN SD 1	4,740,000	0.4%	60,123,800	Issuer <= 5%
ORS	OREGON ST	3,510,000	0.3%	61,353,800	Issuer <= 5%
PHISCD	PHILOMATH OR SD #17J	3,000,000	0.2%	61,863,800	Issuer <= 5%
MUL	MULTNOMAH CNTY OR	3,000,000	0.2%	61,863,800	Issuer <= 5%
SCR	SANTA CLARA CNTY CA	1,675,000	0.1%	63,188,800	Issuer <= 5%
BARSCD	BARBERS HILL TX INDEP SCH DIST	1,150,000	0.1%	63,713,800	Issuer <= 5%
KLFSCD	KLAMATH FALLS OR CITY SCHS	500,000	0.0%	64,363,800	Issuer <= 5%
Muni (Out of State) Total		27,575,000	2.1%	167,016,400	Muni-out <= 15%
Supra					
IBRD	INT'L BANK RECON & DEVELOPMENT	44,485,000	3.4%	85,242,600	Issuer <= 10%
Supra Total		44,485,000	3.4%	150,106,400	Supra <= 15%
Tsry					
USTR	U.S. TREASURY	55,000,000	4.2%		
Tsry Total		55,000,000	4.2%	N/A	Tsry <= 100%
Grand Total		1,297,276,000	100.0%		

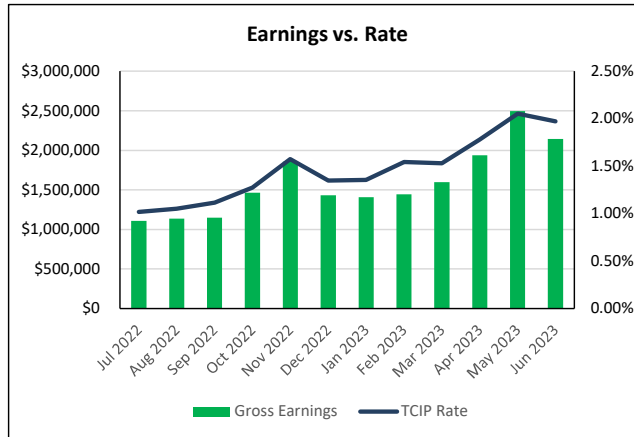
			Compliance Status	
Yrs to Mat	Face Value	% of Portfolio	Over Min	Rule
0-1	576,417,000	44.4%	316,961,800	0-1 yr >= 20%
1-2	262,625,000	20.2%		
2-3	349,475,000	26.9%		
3-4	86,944,000	6.7%		
4-5	21,815,000	1.7%		
Grand Total	1,297,276,000	100.0%		
			Weighted Average Maturity	
WAM	1.39	Under Max	1.61	Rule
				WAM <= 3.0

Thurston County Investment Pool Portfolio Snapshot

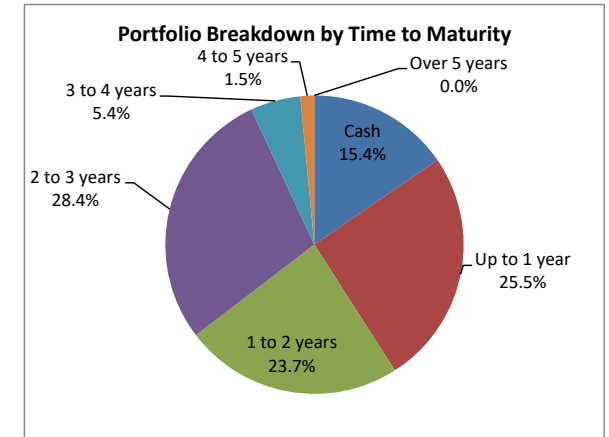
Date: 6/30/2023

June 2023	
TCIP Rate	1.97%
LGIP Rate	4.94%
Gross Earnings	\$2,144,731
Avg Daily Cash Bal	\$1,253,927,953

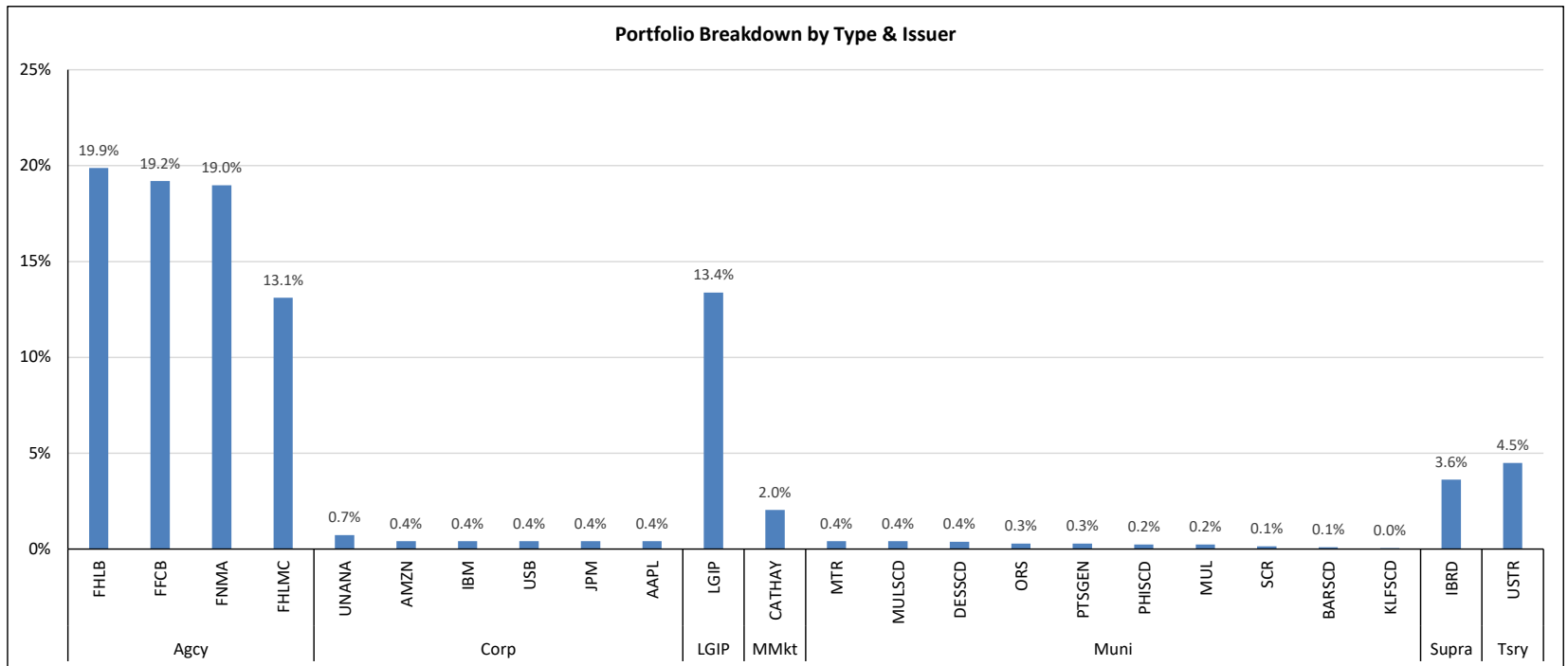
12-Month Average	
TCIP Rate	1.47%
LGIP Rate	3.66%
Gross Earnings	\$1,598,462
Avg Daily Cash Bal	\$1,219,898,166



Time to Maturity	Face Value
Cash	189,000,000
Up to 1 year	312,667,000
1 to 2 years	290,640,000
2 to 3 years	348,235,000
3 to 4 years	66,444,000
4 to 5 years	18,815,000
Over 5 years	-
Total	1,225,801,000



Type	Face Value
Agcy	872,346,000
CD	-
Corp	33,890,000
CP	-
LGIP	164,000,000
MMkt	25,000,000
Muni	31,080,000
Supra	44,485,000
Tbill	-
Tsry	55,000,000
Total	1,225,801,000



Thurston County Investment Pool

Compliance Verification

Date: 6/30/2023
 Status: In Compliance

				Compliance Status	
Type/Issuer	Issuer Name	Face Value	% of Portfolio	Under Max	Rule
Agcy					
FHLB	FEDERAL HOME LOAN BANK	243,625,000	19.9%		
FFCB	FEDERAL FARM CREDIT BANK	235,335,000	19.2%		
FNMA	FEDERAL NATIONAL MTG ASSN	232,661,000	19.0%		
FHLMC	FEDERAL HOME LOAN MTG CORP	160,725,000	13.1%		
Agcy Total		872,346,000	71.2%	230,874,900	Agcy <= 90%
Corp					
UNANA	UNILEVER CAPTIAL CORP	8,900,000	0.7%	27,874,030	Issuer <= 3%
USB	US BANK	5,000,000	0.4%	31,774,030	Issuer <= 3%
IBM	IBM CORP	5,000,000	0.4%	31,774,030	Issuer <= 3%
AMZN	AMAZON.COM INC	5,000,000	0.4%	31,774,030	Issuer <= 3%
JPM	JP MORGAN	5,000,000	0.4%	31,774,030	Issuer <= 3%
AAPL	APPLE INC	4,990,000	0.4%	31,784,030	Issuer <= 3%
Corp Total		33,890,000	2.8%	88,690,100	Corp+CP <= 10%
LGIP					
LGIP	LOCAL GOV'T INVESTMENT POOL	164,000,000	13.4%		
LGIP Total		164,000,000	13.4%	N/A	LGIP <= 100%
MMkt					
CATHAY	CATHAY BANK	25,000,000	2.0%		
MMkt Total		25,000,000	2.0%	465,320,400	MMkt <= 40%
Muni (In State)					
PTSGEN	PORT OF SEATTLE WA REVENUE	3,505,000	0.3%	57,785,050	Issuer <= 5%
Muni (In State) Total		3,505,000	0.3%	241,655,200	Muni-in <= 20%
Muni (Out of State)					
MTR	METRO OR	5,000,000	0.4%	56,290,050	Issuer <= 5%
MULSCD	MULTNOMAH COUNTY SCHOOL DIST	5,000,000	0.4%	56,290,050	Issuer <= 5%
DESSCD	DESCHUTES CNTY OR ADMIN SD 1	4,740,000	0.4%	56,550,050	Issuer <= 5%
ORS	OREGON ST	3,510,000	0.3%	57,780,050	Issuer <= 5%
PHISCD	PHILOMATH OR SD #17J	3,000,000	0.2%	58,290,050	Issuer <= 5%
MUL	MULTNOMAH CNTY OR	3,000,000	0.2%	58,290,050	Issuer <= 5%
SCR	SANTA CLARA CNTY CA	1,675,000	0.1%	59,615,050	Issuer <= 5%
BARSCD	BARBERS HILL TX INDEP SCH DIST	1,150,000	0.1%	60,140,050	Issuer <= 5%
KLFSCD	KLAMATH FALLS OR CITY SCHS	500,000	0.0%	60,790,050	Issuer <= 5%
Muni (Out of State) Total		27,575,000	2.2%	156,295,150	Muni-out <= 15%
Supra					
IBRD	INT'L BANK RECON & DEVELOPMENT	44,485,000	3.6%	78,095,100	Issuer <= 10%
Supra Total		44,485,000	3.6%	139,385,150	Supra <= 15%
Tsry					
USTR	U.S. TREASURY	55,000,000	4.5%		
Tsry Total		55,000,000	4.5%	N/A	Tsry <= 100%
Grand Total		1,225,801,000	100.0%		

			Compliance Status	
Yrs to Mat	Face Value	% of Portfolio	Over Min	Rule
0-1	501,667,000	40.9%	256,506,800	0-1 yr >= 20%
1-2	290,640,000	23.7%		
2-3	348,235,000	28.4%		
3-4	66,444,000	5.4%		
4-5	18,815,000	1.5%		
Grand Total	1,225,801,000	100.0%		
			Weighted Average Maturity	
WAM	1.41	Under Max	1.59	Rule
				WAM <= 3.0



Thurston Co Investment Pool Portfolio Management Portfolio Summary June 30, 2023

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Federal Agency Coupon Securities	872,346,000.00	824,912,154.56	868,106,248.35	71.00	1,322	603	1.548	1.570
Treasury Coupon Securities	55,000,000.00	51,725,000.00	55,107,998.65	4.51	1,272	547	0.717	0.727
Supranationals	44,485,000.00	40,638,660.60	44,874,364.37	3.67	1,739	855	0.515	0.522
Corporate Notes	33,890,000.00	33,224,310.00	34,210,290.98	2.80	866	296	1.562	1.584
Municipal Bonds- Out of State	27,575,000.00	26,158,215.75	27,839,115.27	2.28	1,417	830	1.630	1.653
Municipal Bonds- In State	3,505,000.00	3,212,486.04	3,501,486.89	0.29	1,417	890	1.617	1.640
LGIP	164,000,000.00	164,000,000.00	164,000,000.00	13.41	1	1	4.833	4.900
Money Market Accounts	25,000,000.00	25,000,000.00	25,000,000.00	2.04	1	1	4.784	4.850
	1,225,801,000.00	1,168,870,826.95	1,222,639,504.51	100.00%	1,121	514	1.982	2.010

Investments								
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Cash and Accrued Interest								
Accrued Interest at Purchase		118,395.20	118,395.20					
Subtotal		118,395.20	118,395.20					
Total Cash and Investments	1,225,801,000.00	1,168,989,222.15	1,222,757,899.71		1,121	514	1.982	2.010

Total Earnings	June 30	Month Ending	Fiscal Year To Date
Current Year	2,144,730.70		11,032,783.99
Average Daily Balance	1,252,085,552.77		1,214,890,007.81
Effective Rate of Return	2.08%		1.83%

Nicole Muegge, Investment & Banking Officer