



Finance Committee Meeting

February 4th, 2019

Kayla Meise, Adams County Treasurer
Finance Committee Chairman

Heidi Hunt, Adams County Auditor
Finance Committee Secretary

John N. Marshall, Adams County Commissioner
Finance Committee Member

Agenda

- Banking Fees

- **Banking Fees/CD Interest**

The US Bank fees for January 2018-December 2018 were \$17,671.42 which is lower than it has been. In order to offset some of the burden of the banking fees the previous Treasurer has always had a CD with residual cash and has used the interest earned off of that CD to help offset the banking fees. On December 31st our CD matured and was earning 1.30% the amount earned was \$12,176.70 which when deducted from the analysis fee we were charged equals a cost of \$5,494.72 that we paid for banking fees this year. I am meeting with US Bank in February to go through our analysis statement line by line and to renegotiate our contract.

In 2017 and 2016 the fees were around \$25,000. In 2018 our fees went down because we have been carrying a larger balance in our checking account at US Bank and in our USB MIA Checking account due to being at 70% invested in the state pool. The MIA only earns .02%. I am looking into investment options for a good portion of residual cash that is in the MIA account. The balance of this account has been averaging \$4,000,000 in residual cash.

- Investment Policy

- Investment Firms

- Debt Policy

- Per RCW 36.48.070 each county must have a debt policy that provides parameters for issuing and managing debt with the goal of ensuring that debt is issued prudently and cost effectively.

- Investing Residual Cash

- In 2015 we had \$2,226,936.15 agency investments for residual cash that we let mature and did not reinvest. As a result, we have been missing out on investment interest. I have been working with Time Value Investments to explore different agency investments and investment strategies. I would like to stagger our investments for residual cash so that if the market slows down we would still have some higher yielding investments in our portfolio. I have not placed any investments yet because tax collections have not started coming in. As of now these are the investments we have for residual cash their interest rates, and amounts of interest that are earned and when. This spring I would like purchase some agency investments of \$2,000,000.00 in residual cash. My decision is based on our cash flow needs

during the leaner months of December through March. Per our investment policy the minimum standard for rate of return is equal to the LGIP interest.

- State Revenue Distribution

- Property Tax Collections
 - \$3,654,295.81 was billed for current expense. As of 12/31/18 we were at 96% collected for the 2018 tax year.

- 2019 Ending Cash

- Reserves
 - Should be 16% of previous years' expenditures