

Investment Update

June 13, 2023

CLAY COUNTY CLERK OF COURT & COMPTROLLER
TARA S. GREEN



Purpose of the Investment Committee is to provide overall direction for investing under the Investment Policy approved by the Board of County Commissioners

Current Members:

- **Tara S. Green, Clerk of Court and Comptroller**
- **Betsy Condon, Chairman of Board of County Commissioners**
- **Howard Wanamaker, County Manager**
- **Rick Dingle, Chief Administrative Officer**
- **Troy Nagle, Assistant County Manager**
- **Amy Bramlitt, Finance Officer**
- **Debbie Sileo, Director of the Office of Management and Budgets**
- **Heather Boucher, Commission Auditor**

Market Update

- Federal Reserve raised targeted interest rates in May 2023 for the 10th time since March 2022 to a range of 5.00% to 5.25%
 - Inflation for December, January, February, March and April were 6.5%, 6.4%, 6.0%, 5.0% and 4.9%, respectively
 - The labor market is still tight, but hiring is cooling quickly. The Florida unemployment rate was 2.6% in April
 - Three banks failed between 3/10/2023 and 5/1/2023
 - Mixed thoughts on future rates, but some believe the Federal Reserve will take a pause in raising interest rates
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- The debt ceiling results could affect timing of Treasury Maturities
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- In this current market, we have not changed the mix of the portfolio at this time

Cash & Investments as of 3/31/2023

	Balances in Accounts	Average Returns for FY 2022/2023	Interest Collected for First Quarter	Interest Collected for Second Quarter	FY 2022/2023 Interest
Wells Fargo *	\$ 37,027,141	1.067%	\$ 102,728	\$ 56,587	\$ 159,315
US Bank Bond Investments	\$ 89,308,972	1.711%	\$ 364,058	\$ 383,494	\$ 747,552
Florida Palm Bond Investments	\$ 12,381,474	4.364%	\$ 204,451	\$ 203,070	\$ 407,521
Florida Palm BOCC Investments	\$ 20,010,829	4.941%	\$ -	\$ 10,829	\$ 10,829
Florida Class	\$ 20,148,944	3.967%	\$ 410,535	\$ 489,639	\$ 900,174
Florida Safe Investments	\$ 82,115,518	3.996%	\$ 165,846	\$ 948,790	\$ 1,114,636
Florida Prime Investments	\$ 205,083,003	4.156%	\$ 1,986,840	\$ 2,396,964	\$ 4,383,804
Total Cash & Investments	\$ 466,075,882		\$ 3,234,458	\$ 4,489,373	\$ 7,723,831

* This is actual cash in bank as of 3/31/2023

Summary of Cash & Investments Q2 FY 2023

Note: All returns are net of fees

	Florida Prime		Florida Safe		Florida Class		Florida Palm - BOCC		Florida Palm - Bond Proceeds Daily Funds/ Palm term/US Bank		Wells Fargo - Operating Acct		Total
	Annual Return for Qtr	Annual Return for Qtr	Annual Return for Qtr	Annual Return for Qtr	Annual Return for Qtr	Annual Return for Qtr	Annual Return for Qtr	Annual Return for Qtr	Annual Return for Qtr	Annual Return for Qtr	Annual Return for Qtr	Annual Return for Qtr	
Balance at 12/31/2022	\$ 206,686,039		\$ 90,166,728		\$ 50,577,227		\$ -		\$ 107,358,153				
Earnings	\$ 2,396,964	4.7%	\$ 948,790	2.7%	\$ 489,639	4.7%	\$ 10,829 *	4.9%	\$ 586,564	4.9%	\$ 56,587	1.1%	\$ 4,489,373
Changes to Investment	\$ (4,000,000)		\$ (9,000,000)		\$ (31,020,000)		\$ 20,000,000		\$ (7,000,000)				
Realized gain(loss)									\$ 4,435				
Unrealized gain/(loss)					\$ 102,078				\$ 741,295				
Balance at 3/31/2023	\$ 205,083,003		\$ 82,115,518		\$ 20,148,944		\$ 20,010,829		\$ 101,690,447		\$ 37,027,141		\$ 466,075,882
% Invested	44.00%		17.62%		4.32%		4.29%		21.82%		7.94%		100.00%
Maximum Per Investment Policy	<80%		<40%		<40%		<40%		<40%		<40%		
Total in Pools													43.76%
Maximum in Pools per Investment Policy													<80%
* Invested on 3/28/2023													
S&P Rated GIP Index Government 30-Day Gross of Fees Yield													4.74%
S&P Rated GIP Index Government 30-Day Net of Fees Yield (All pools for March's earnings were above this benchmark)													4.62%

Non-Cash FMV increase adjustment

Net Earnings by Investment FY 2022/2023

	Current Investments						
	Florida	Florida	Florida	Florida	PFM/US	Florida	Wells
	Prime	Safe	Palm -	Palm	Bank *	Class	Fargo
			Bond				
Average	4.156%	3.996%	4.364%	4.941%	1.711%	3.967%	1.067%
High	4.931%	4.864%	4.623%	4.941%	1.868%	5.828%	1.202%
Low	3.173%	2.953%	3.238%	0.000%	1.631%	2.767%	0.962%

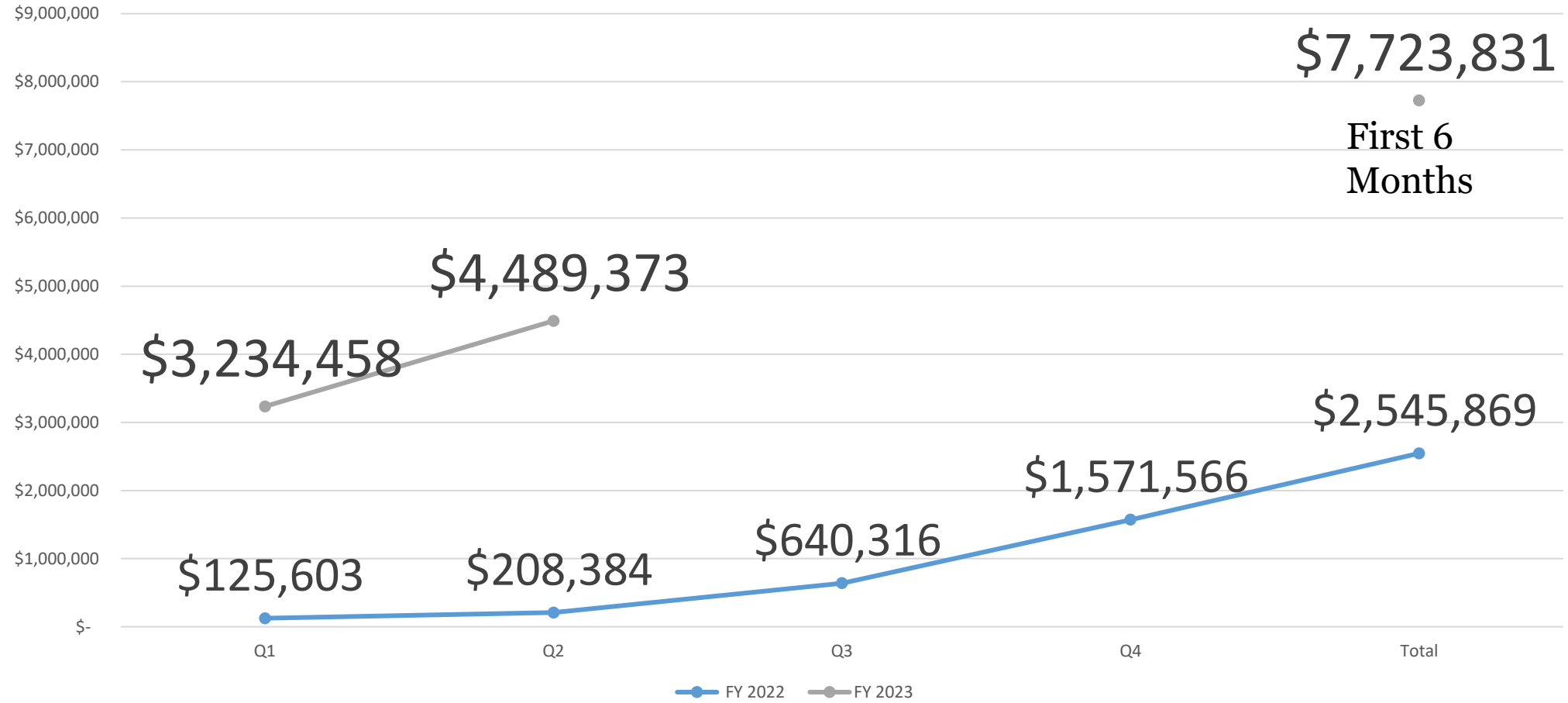
Note: All of these funds with the exception of the bond proceeds are liquid funds with same day to 3 days availability

Comparison of Net Earnings by Investment

	Average Returns						
	Florida Prime	Florida Safe	Florida Palm - Bond	Florida Palm	PFM/US Bank	Florida Class	Wells Fargo
Q1 & Q2 FY 2023	4.156%	3.996%	4.364%	4.941%	1.711%	3.967%	1.067%
Full Year FY 2022	0.913%	0.919%	0.842%	NA	0.264%	0.829%	0.357%

Comparison of Net Earnings by Investment

Interest by Quarter



Interest Earnings by Fund

Through 6 months there is a \$4.6 million positive variance to budget for the General Fund and Major Capital Funds

	<u>Half the Annual Budget</u>	<u>Six Months Actual</u>	<u>Variance</u>
General Fund	\$ 120,000	\$ 1,341,745	\$ 1,221,745
American Rescue Plan Fund	\$ 15,000	\$ 692,001	\$ 677,001
Capital Improvement Fund	\$ 90,000	\$ 1,171,008	\$ 1,081,008
Bond Construction Fund	\$ 90,000	\$ 1,177,088	\$ 1,087,088
Impact Fee Funds District 2 & 3	\$ 20,000	\$ 255,634	\$ 235,634
Mobility Fee Fund	\$ 7,500	\$ 267,233	\$ 259,733
General Fund & Capital Funds	\$ 342,500	\$ 4,904,710	\$ 4,562,210
Solid Waste Fund	\$ 50,000	\$ 882,313	\$ 832,313
Universal Collections Fund	\$ 7,500	\$ 132,897	\$ 125,397
Other Funds	\$ 98,782	\$ 1,803,911	\$ 1,705,129
	<u>\$ 498,782</u>	<u>\$ 7,723,830</u>	<u>\$ 7,225,048</u>

Questions

Appendix

Detail Earnings for Q2 FY 2022/2023

	Florida Prime	Annual Return	Florida Safe	Annual Return	Florida Class	Annual Return	Florida Palm - BOCC	Annual Return	Florida Palm - Bond Proceeds Daily Funds/ Palm term	Annual Return	Florida Palm - US Bank - Treasuries	Annual Gross Return	Wells Fargo - Operating Acct	Annual Gross Return	Total
Balance at 12/31/2022	\$ 206,686,039		\$ 90,166,728		\$ 50,577,227				\$ 19,178,405		\$ 88,179,748		\$ 45,929,083		\$ 500,717,229
Interest January 2023	\$ 799,380	4.64%	\$ 318,187	4.23%	\$ 173,612	4.12%		0.00%	\$ 73,879	4.62%	\$ 130,814	1.78%	\$ 17,410	1.20%	
Interest February 2023	\$ 758,329	4.39%	\$ 299,081	4.30%	\$ 170,784	4.04%		0.00%	\$ 69,225	4.31%	\$ 119,866	1.63%	\$ 15,576	1.04%	
Interest March 2023	\$ 839,255	4.93%	\$ 331,522	4.86%	\$ 145,242	5.83%	\$ 10,829	4.94%	\$ 59,966	5.84%	\$ 132,814	1.87%	\$ 23,601	0.96%	
Payment of Invoices & Ad Hoc Payments								*					\$ (78,716,149)		
Payroll Payments													\$ (6,982,329)		
Collection of Taxes and Receipts													\$ 43,670,738		
Transfer from Florida Class					\$ (31,020,000)								\$ 31,020,000		
Transfer to Florida Palm - BOCC							\$ 20,000,000						\$ (20,000,000)		
Change in Principle- January			\$ (7,000,000)										\$ 7,000,000		
Change in Principle- February	\$ (4,000,000)		\$ (2,000,000)						\$ (2,000,000)				\$ 8,000,000		
Change in Principle- March									\$ (5,000,000)				\$ 5,000,000		
Change in value for year end GAAP Reporting					\$ 102,078						\$ 741,295 **				
Realized Gain(Loss) on sale of assets											\$ 4,435				
Unapplied cash													\$ 3,939,147		
Ad hoc bank transactions													\$ (6,108,073)		
Receipt from ACHA Deposit													\$ 4,727,887		
Other net													\$ (509,750)		
Balance at 3/31/2023	\$ 205,083,003		\$ 82,115,518		\$ 20,148,944		\$ 20,010,829		\$ 12,381,474		\$ 89,308,972		\$ 37,027,141		\$ 466,075,882
% Invested	44.00%		17.62%		4.32%		4.29%		2.66%		19.16%		7.94%		100.00%
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