

Investment Update

August 23, 2022

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**
- **Wayne Bolla, 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 July by 75 basis points to a range of 2.25% to 2.50%
- Inflation for April, May and June was 8.3%, 8.6% and 9.1% respectively
- June was the highest monthly reading since November 1981
- Anticipates that future interest rate increases will be needed to curb inflation
- Short term fed funds rate projected to reach 3.25%-3.75% by year end
- In this current market, we have not changed the mix of the portfolio at this time

We will continue to watch the market to invest prudently to improve yields

Cash & Investments as of 6/30/2022

	<u>Balances in Accounts</u>	<u>Average Returns for FY 2021/2022</u>	<u>Net Interest Collected for First Quarter</u>	<u>Net Interest Collected for Second Quarter</u>	<u>Net Interest Collected for Third Quarter</u>	<u>FY 2021/2022 Interest</u>
Wells Fargo *	\$ 86,805,231	0.041%	\$ 13,350	\$ 5,816	\$ 6,574	\$ 25,741
US Bank Bond Investments	\$ 93,776,852	0.256%	\$ 62,701 **	\$ 56,811	\$ 60,285	\$ 179,797
Florida Palm Bond Investments	\$ 26,087,833	0.428%	\$ 1,628	\$ 11,659	\$ 72,513	\$ 85,800
Florida Class	\$ 50,139,413	0.463%	\$ 10,676	\$ 35,709	\$ 93,028	\$ 139,413
Florida Safe Investments	\$ 876	0.041%	\$ 2,573	\$ -	\$ -	\$ 2,573
Florida Prime Investments	\$ 181,696,390	0.352%	\$ 34,675	\$ 98,389	\$ 407,916	\$ 540,980
Total Cash & Investments	\$ 438,506,596		\$ 125,603	\$ 208,384	\$ 640,317	\$ 974,304
PFM Fees for Bond Porfolio	\$ (53,917)					
Amount of Investments net of fees	\$ 438,452,679					

* This is actual cash in bank as of 6/30/2022

** PFM Fees netted from interest earnings

Summary of Cash & Investments

Note: All returns are net of fees

	Florida Prime	Annual Return for Qtr	Florida Safe	Annual Return for Qtr	Florida Class	Annual Return for Qtr	Florida Palm - Bond Proceeds Daily Funds/ Palm term/US Bank	Annual Return for Qtr	Wells Fargo - Operating Acct	Annual Return for Qtr	Total
Balance at 3/31/2022	\$ 201,288,474		\$ 876		\$ 50,046,385		\$ 119,731,888				
Earnings	\$ 407,916	0.762%	\$ -	0.000%	\$ 93,028	0.743%	\$ 132,798	1.114%	\$ 66,860	0.039%	
Changes to Investment	\$ (20,000,000)		\$ -		\$ -		\$ -				
Balance at 6/30/2022	\$ 181,696,390		\$ 876		\$ 50,139,413		\$ 119,864,686		\$ 86,805,231		\$ 438,506,596
% Invested	41.44%		0.00%		11.43%		27.33%		19.80%		100.00%
Maximum Per Investment Policy	<80%		<40%		<40%		<40%		<40%		
Total in Pools											38.77%
Maximum in Pools per Investment Policy											<80%
S&P Rated GIP Index Government 30-Day Gross of Fees Yield											0.98%
S&P Rated GIP Index Government 30-Day Net of Fees Yield (All pools for June's earnings were above this benchmark)											0.92%
FMV of Investments					\$ 49,839,211		\$ 92,884,842				
Unrealized Gain /(Loss)					\$ (300,202) ²		\$ (3,521,248) ¹				

¹ Loss will only be recognized if investment is sold prior to maturity. This long term investment guarantees returns through maturity.

² Due to recent interest rate drop and long term nature. Average Maturity of fund is 4 months and should turn around in next 6-12 months.

Net Earnings by Investment FY 2021/2022

	Current Investments					
	Florida Prime	Florida Safe	Florida Palm	PFM/US Bank *	Florida Class	Wells Fargo
Average	0.352%	0.041%	0.428%	0.256%	0.463%	0.041%
High	1.047%	0.063%	1.371%	0.294%	0.971%	0.065%
Low	0.095%	0.061%	0.007%	0.142%	0.236%	0.011%

*** Since invested in Treasury Investments**

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

Questions

Appendix

Detail Earnings for FY 2021/2022

Note: All returns are net of fees except US Bank

	Florida Prime	Annual Return	Florida Safe	Annual Return	Florida Class	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 9/30/2021	\$ 201,288,474		\$ 876		\$ 50,046,385		\$ 26,015,320		\$ 93,716,567		\$ 69,925,086		\$ 382,681,677
Interest April 2022	\$ 74,919	0.45%		0.00%	\$ 21,233	0.51%	\$ 29,716	1.37%			\$ 1,384	0.03%	
Interest May 2022	\$ 139,767	0.79%		0.00%	\$ 31,270	0.75%	\$ 17,649	0.81%	\$ 41,224	0.26%	\$ 1,298	0.03%	
Interest June 2022	\$ 193,230	1.05%	\$ -	0.00%	\$ 40,526	0.97%	\$ 25,148	1.16%	\$ 19,062	0.24%	\$ 3,892	0.06%	
Change in Principle											\$ 16,873,571		
Change in Principle-May	\$ (10,000,000)												
Change in Principle-June	\$ (10,000,000)												
		0.00%		0.00%		0.00%		0.00%		0.00%			
		0.00%		0.00%		0.00%		0.00%		0.00%			
		0.00%		0.00%		0.00%		0.00%		0.00%			
Principal to pay invoices - March													
Additional Principal - December													
Investment Premium & Accrued Interest													
Balance at 6/30/2022	\$ 181,696,390		\$ 876		\$ 50,139,413		\$ 26,087,833		\$ 93,776,852		\$ 86,805,231		\$ 438,506,596
% Invested	41.44%		0.00%		11.43%		5.95%		21.39%		19.80%		100.00%
Maximum Per Investment Policy	<80%		<40%		<40%		<40%		<40%		<40%		
Total in Pools													38.77%
Maximum in Pools per Investment Policy													<80%