

Treasurer's Monthly Report

Financial Data as of December 31, 2015

Presented January 13, 2016

- Residual (face value – principal) not including LGIP \$63,642,944.02

- LGIP (State Pool) Interest Rate .2443%
 - LGIP Balance \$ 9,940,665.57

- Total Cash Available
 - Key Bank \$ 3,075,940.12
 - Whidbey Island Bank \$ 2,767,934.40 \$ 5,843,874.52

- The County's 2015 year end investment portfolio is in a balanced position with 23% of its holdings in short-term (< 1 year), 30% in 1-2 year term, 28% in 2-3 year term, and 19% in 3-5 year term.

- Island County's Junior Taxing Districts have \$20,105,507.50 invested through the Treasurer, 6.8% (\$1,370,000) of which is invested in Certificates of Deposit, and 93.2% (\$18,735,507.50) of which is invested in the Local Government Investment Pool.

Total Investments under control of the Treasurer's Office was \$93,689,117.09 as of December 31.

- Island County's Current Expense collection of 2015 property taxes was \$59,966 in December; approximately 98% of the 2015 levy is collected YTD.

- Foreclosure Update
 - 93 properties not redeemed as of April 30th

Island County went to auction on Bid4Assets with 16 tax foreclosure properties and 6 tax title properties; the auction was December 8. 11 foreclosure properties sold for a total of \$334,402 (a surplus over the minimum bid of \$274,990). A secondary auction is planned for January 20 (today).

- Supplement Update – 135 supplements were processed in December; by mutual agreement, both the Assessor and the Treasurer stopped processing supplements while the levy and benefit assessment processes are underway. Supplement processing will start again as soon as the property taxes are certified. The backlog as of December 31 is 140. Staff estimates these will require 35 hours to complete. 196 new supplements were activated by the Assessor's office in December.

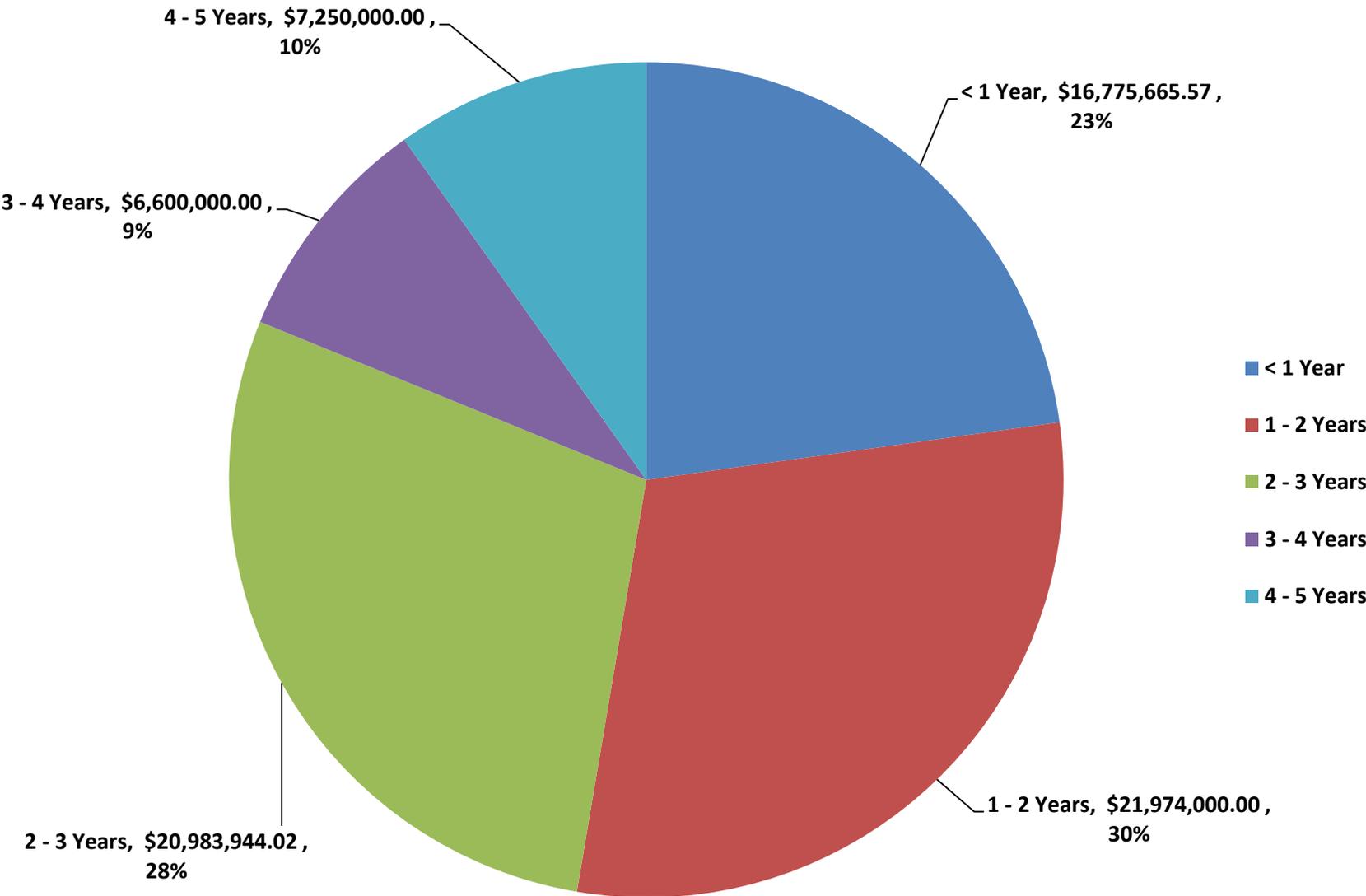
- Economic Update – The Fed met December 16 and opted to raise the bank lending rate 0.25%. As a result, short term (< 2 years) rose, and then declined. With the recent

instability in China's markets, effects on the US economy and short-term interest rates remain to be seen.

REET affidavits processed per month started with 290 in January increasing to a high of 497 in June, decreasing by month to 298 in November and finishing the year up, with 389 in the month of December. The Treasurer's fee revenue for processing REET for 2015 is \$167,023 (\$90,000 was budgeted). The County's portion of excise revenue was \$2,797,778 in 2015, up from \$2,235,181 in 2014 and \$1,937,688 in 2013 – see graphs for comparison.

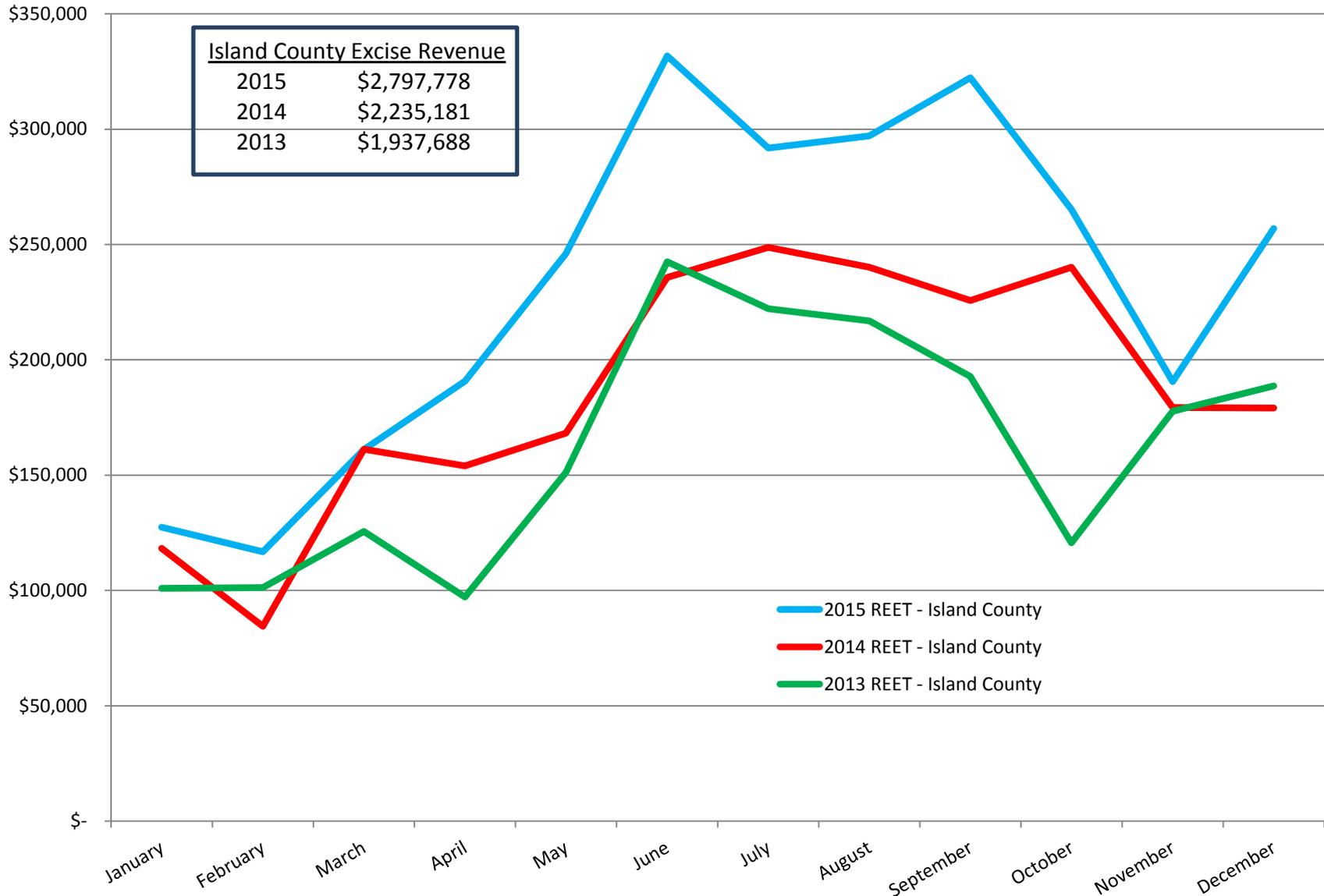
New mortgage and refinance mortgage applications dropped in late December and January. Some of this is probably due to the pulling forward of pending applications in December in order to close prior to any rate increase, but some is also due to decreased interest in the housing market purchases in connection with expectation of mortgage rate increases.

Island County Investments December 31, 2015 - Duration to Maturity



REET - County portion of Excise Tax Collections: 2013 - 2015

Island County Excise Revenue	
2015	\$2,797,778
2014	\$2,235,181
2013	\$1,937,688



— 2015 REET - Island County
— 2014 REET - Island County
— 2013 REET - Island County

Island County 2015 REET - Number of Affidavits Processed by Month

