

Treasurer's Monthly Report

Financial Data as of February 28, 2015

Presented March 18, 2015

- Residual (face value – principal) not including LGIP \$55,357,000.00

- LGIP (State Pool) Interest Rate .1349%
 - LGIP Balance \$10,110,222.23

- Total Cash Available
 - Key Bank \$ 7,472,470.26
 - Whidbey Island Bank \$ 2,236,337.08 \$ 9,708,807.34

- There has been very little change in the portfolio constitution since January 31, so new graphs have not been prepared for this report.

- Island County's property taxes and benefit fee assessments were certified February 25, 2015. Approximately \$4,800 attributed to 2015 was collected in February. Statements were received by taxpayers last week.

- Forest Excise Tax funds received from the State Treasurer's Office in November 2014 for redistribution to Priority 3 Junior Taxing District Levies and the County Current Expense and Roads funds were found not to have been distributed during 2014 as they should have been. This was detected March 10, 2015 and a correction was made; those funds will be distributed by April 10, 2015. The amount of the error was \$24,821.03.

- The Investment Portfolio adjustment-to-market-value calculation is currently being prepared; the calculation is not complete but an adjustment similar to that of 2013 (\$1.4MM) is expected to be recognized for 2014 based on broker statements as of December 31, 2014. This is mainly due to the high percentage (91.44%) of the non-LGIP Residual that is invested in Federal agency issues (government bonds) with maturity dates of 2 - 4 years from now. As more interest rate risk is associated with maturity dates further in the future, the market value as of the measurement date is lower.

- Economic Update – there has been very little change in the global economic factors affecting bond interest rates. It is anticipated that The Fed will raise interest rates later this year, but that has been the expectation for many months now. Bond investors are in a wait-and-see holding pattern.