

Treasurer's Monthly Report

Financial Data as of July 31, 2016

Presented August 17, 2016

- Investment Balances:

Residual (face value – principal) not including LGIP		\$63,020,944
LGIP (State Pool) Interest Rate		0.49%
o LGIP Balance		\$14,761,064
Total Cash Available		
o Key Bank	\$ 5,918,514	
o Whidbey Island Bank	\$ 2,868,693	\$ 8,787,207

- The County's July 31 investment portfolio is structured with 33% of the Residual invested with maturity dates of < 1 year, 29% of the portfolio is invested with 1-2 year maturities, 8% in 2-3 year term, and 30% in 3-5 year term. We are still heavy in short maturities, but this will change in August as investments mature and the new Opus bank account for investments is opened.

Island County's Junior Taxing Districts have \$24,422,531 invested through the Treasurer, .5% (\$120,000) of which is invested in Certificates of Deposit, and 99.5% (\$24,302,531) of which is invested in the Local Government Investment Pool. JTD investments were \$2 MM greater than in June.

Total Investments under control of the Treasurer was \$102,204,539 as of July 31, virtually the same as in June.

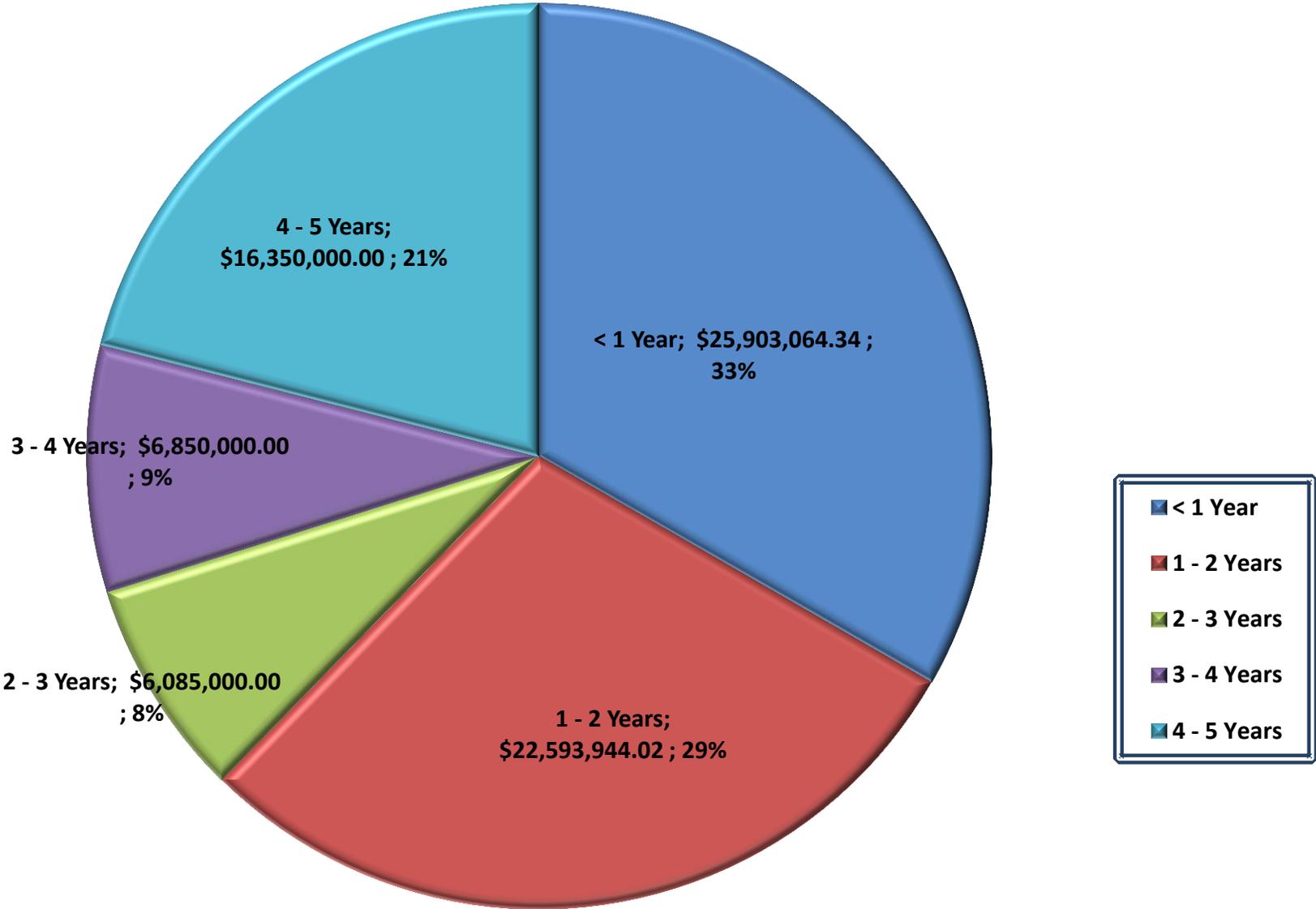
- \$65K and \$75K in Island County property taxes were collected in July for Current Expense and Roads, respectively. Collection percentage YTD is 54%. Many taxpayers paid or called in response to the reminder card.
- Foreclosure Update - Foreclosure proceedings began January 2016 with 396 properties subject to foreclosure for 2013 and prior year taxes. The certificate of delinquency was filed in Superior Court on August 1 with 39 properties included. Representatives from this office will be visiting and posting mobile homes and businesses with delinquent property taxes, in accordance with statute. Staff will be accompanied by a deputy when necessary.
- Supplement Update – 179 supplements were processed in July; the backlog as of June 30 is 241 (down from 305), as 113 were added by the Assessor related to exemption changes. Staff estimates the backlog requires 120 hours to complete. New notification program in response to complaints that mailed bills were not received is in place to advise taxpayers when adjusted tax statement is being mailed by an advance phone call.

- The number of REET affidavits processed decreased to 399 from 525 for June, down 46 from last June but still up 137 in a YTD comparison with 2015. The County's portion of excise revenue was \$304,552 in July, on sales of \$93 MM. YTD excise revenue (\$1,839,313) is up over that of 2015 for the January – July time period. The end of August is expected to be busy with local real estate closings, according to local escrow offices.

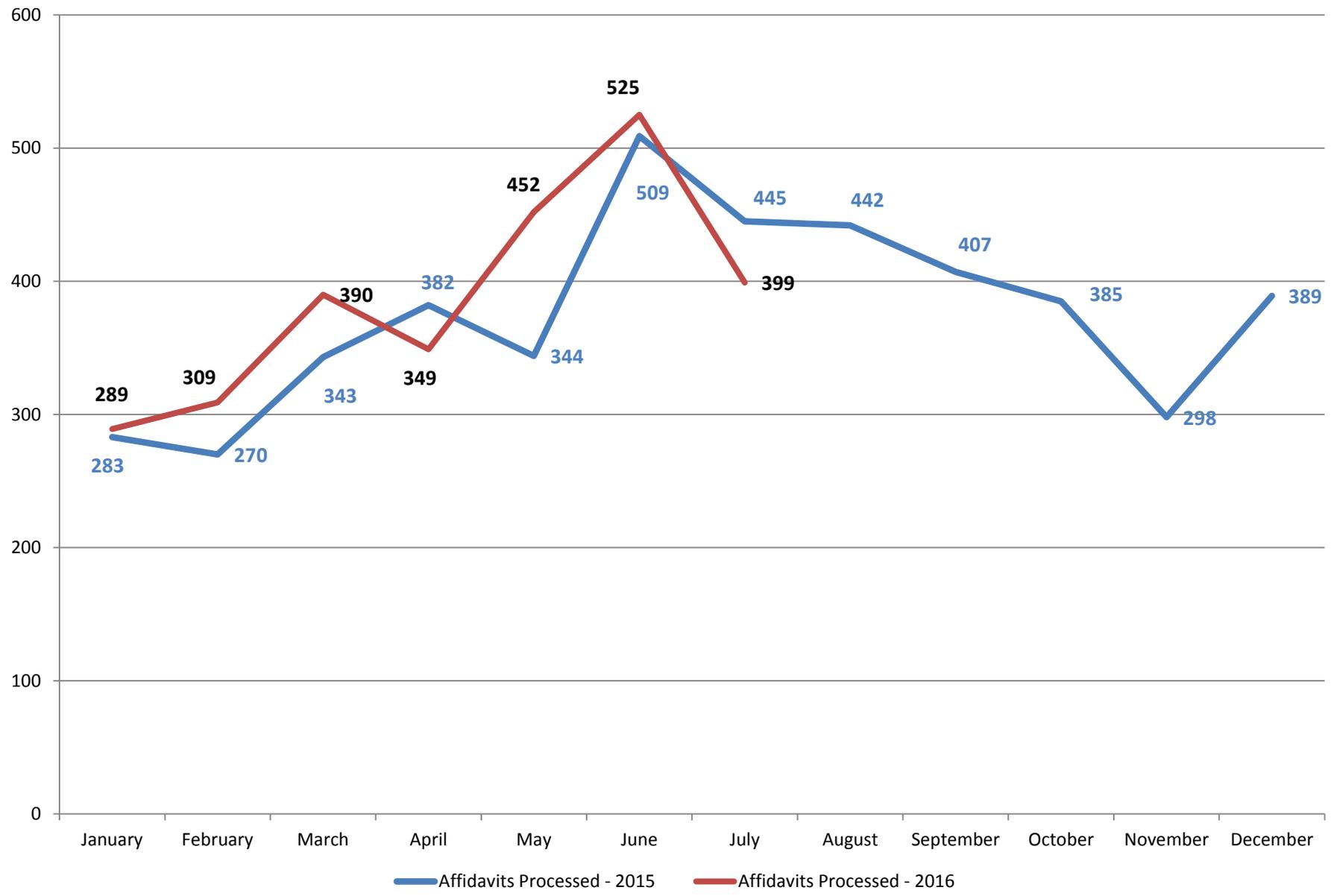
Six staff members are now trained to process REET, four on eREET, with three at a highly proficient level. The Assessor came online to eREET this month and can now electronically review and sign off on current use changes as part of the real estate transaction and REET affidavit. Our office began importing REET data into PACS last week, utilizing the full functionality between SimpliFile and PACS. These advancements improve efficiency of operations in County offices as well as help our escrow companies with shorter wait times and speedier closing. Lastly, the County receives payment for excise tax transactions (including the Assessor's fees, recording fees, and excise tax collections) the next day, in the form of an ACH transaction. Land Title came online with eREET last week, raising the count to four Island County escrow agencies participating.

- Economic Update – the market value of Island County's portfolio (the Residual) fluctuated significantly between May to July due to international markets' reactions to England's exit from the European Union in mid-June. England is formulating new economic strategies to stimulate its markets and world markets seem to have stabilized. Bond earnings rates have increased slightly over last month and a few earnings opportunities have presented themselves.

Distribution of Portfolio Maturities - Island County Residual Investments - July 31, 2016



Island County 2015-16 REET - Number of Affidavits Processed by Month



REET - County portion of Excise Tax Collections: 2013 - 2016

