

Mason County Finance Committee

Meeting Minutes

April 11, 2023

Committee Members In attendance:

Lisa Frazier, Treasurer & Committee Chair

Sharon Trask, Board of Commissioners Chair & Committee Member

Steve Duenkel, Auditor & Committee Secretary

Others in attendance:

Randy Neatherlin, Commissioner, District 1

Kevin Shutty, Commissioner, District 2

Patti McClean, Assessor (by Zoom)

Leo Kim, Chief Financial Officer (by Zoom)

Mark Neary, County Administrator

Jennifer Beierle, Finance

Meeting Summary:

Treasurer Lisa Frazier presented the 2023 Q1 Mason County Finance Committee Report. CE Cash Balance as of March 31, 2023, is \$25,415,093.32. This is a \$4,009,863.11 increase over the same period in 2022, and \$14,223,098.66 over the amount required per Contingency Policy (2021-034).

The County's Investment Portfolio Market Value as of March 31, 2023, is \$232,582,834.22. This portfolio has a cost basis of \$233,060,149.79, representing a potential loss (\$477,315.57), if the portfolio were to be sold. This loss is primarily driven by investments in Federal Home Loan Mortgage Company (FHLMC), Federal Home Loan Bank (FHLB), and Federal Farm Credit (FFCB) against gains US Treasuries. Current investments are earning interest less than the current 90 Day T-Bill Rate of 4.81%.

For 2023, Investment Interest Collections are \$484,200.25, exceeding the budgeted amount of \$250,000. Treasurer Frazier suggested that the Board of Commissioners might want to consider a budget amendment to reflect the investment returns from higher interest rates, and will review later in the year and then request a budget amendment if necessary

County Debt Outstanding as of March 31, 2023, is \$18,736,540.26. Remaining debt capacity is \$203,161,663.00.

Treasurer Frazier reviewed Old Business items. As for New Business, the Finance Committee members signed the Attestation required by the Public Disclosure Commission stating that the members have no conflicts of interest relative to the financial institutions holding County funds and investments.

Treasurer Frazier shared that the Health Department (Fund 150) and the Community Services (Fund 117) both have large cash balances due to COVID funding that should be invested on behalf of said funds. To

do so requires commissioner approval and would like a motion from the Finance Committee to recommend that the Board of Commissioners authorize such funds as not needed for immediate expenditure be invested.

Commissioner Trask concurred and made the following motion:

“The Mason County Finance Committee moves to approve recommending to the County Board of Commissioners that authorization be approved for the County Treasurer to invest excess funds which are not required for immediate expenditure in the Health Department (Fund 150) and the Community support Services (Fund 117) as provided for in RCW 36.29.020.” Auditor Duenkel seconded the motion. The Treasurer plans to invest these funds in the State Pool. Motion Passed.

Treasurer Frazier then shared that she’s not heard of any concerns with the banking institutions where the County funds are invested and emphasized the safety of these funds given that these banking institutions are approved by the Public Disclosure Commission, which requires the banks to retain reserves.

Treasurer Frazier also shared that there have been a few ‘glitches’ experienced with the Columbia Bank – Umpqua Bank merger that require some extra work by the Treasurer’s office staff and the issues are being addressed and resolved.



Steve Duenkel
Auditor