



POLK COUNTY, WISCONSIN

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Sharon Jorgenson, County Clerk
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Minutes

POLK COUNTY INVESTMENT COMMITTEE

Government Center, 100 Polk County Plaza, Balsam Lake, WI 54810

North Conference Room

Monday, June 3, 2019

10:30 a.m.

Present: Dean Johansen, Finance Committee Chairman; Nick Osborne, County Administrator; Amanda Nissen, County Treasurer; Maggie Wickre, Finance Director; and Sharon Jorgenson, County Clerk; also present: Dave Hammers, Vice President First Bank of Baldwin

Chairman Johansen called the meeting to order at 10:30 a.m.

Chairman Johansen called for a motion to approve the agenda as published. **Motion** (Osborne/Nissen) to approve agenda as published. Chairman Johansen called for a voice vote on said motion. **Motion** carried by unanimous voice vote.

Chairman Johansen called for a motion to approve and adopt the June 14, 2018 previous minutes as published. **Motion** (Johansen/Wickre) to adopt minutes as published. Chairman Johansen called for a voice vote on said motion. **Motion** carried by unanimous voice vote.

Committee received hand-out on fund balance information and breakdown of investments and current rate of earnings from Treasurer Nissen. Nissen noted that the Bremer account includes loan proceeds. Committee received general information regarding balances in the various investment funds and reasoning for shorter certificate terms to provide for cash flow/access. Treasurer Nissen provided information regarding tax proceeds which will be paid to municipalities in August.

Administrator Osborne addressed the committee regarding using PMA for investments for larger earning potential. Committee discussed the County's historically conservative investment practices as directed by the County Board with Administrator Osborne. County Board and Treasurer opt for safe investments rather than assuming added risk. Nissen emphasized that Polk County has traditionally been very conservative with investing. Treasurer Nissen asked that the minutes reflect she follows conservative investing practices as outlined in the Investment Policy to safeguard Polk County funds rather than assuming higher risk investments offering higher interest rates. Committee received Investment Policy from Finance Director Wickre.

Committee called upon Dave Hammers, Vice President from First Bank of Baldwin and received information regarding investments.

Other options for investments will be considered, including: Local Government Investment Pool, PMA, Wisconsin Investment Series Cooperative Treasurer Nissen, Finance Director Wickre, and Administrator Osborne will meet with Sara from PMA in June regarding investment options.

Findings from the June meeting will be brought to the Investment Committee at a meeting tentatively scheduled for early July, 2019 for further consideration and recommendation. Investment Committee recommendations for investments will be brought to the General Government Committee meeting for further consideration.

The committee received information from Treasurer Nissen regarding the Banking Contract which expires December 2019. The banking contract will be brought to the July Investment Committee meeting and recommendations can be made as to whether to continue with Midwest One Bank for another year or get bids from banks.

Next meeting date to be determined, possibly early July 2019.

Chairman Johansen called for a motion to adjourn. **Motion** (Osborne/Nissen) to adjourn. Chairman Johansen called for a voice vote on said motion. **Motion to adjourn** carried by unanimous voice vote. Chairman Johansen declared meeting adjourned at 11:18 a.m.

Respectfully submitted,

Sharon E. Jorgenson, Polk County Clerk



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Notice of Meeting
Polk County Investment Committee
Polk County Government Center, North Conf. Room
100 Polk County Plaza, Balsam Lake, Wisconsin
Monday, June 3rd, 2019 at 10:30 a.m.

Order of Business: (The Committee may take up any subject matter noticed herein at any time during the meeting regardless of the location of such subject matter on the meeting notice at the time of issuance.)

1. Call to Order- Dean Johansen
2. Approval of Agenda
3. Approval of Minutes from 6-14-2018

Discussion Items- Amanda Nissen

- a. Review investments
 - b. Investment accounts and rates
 - c. Bremer Bank Account
 - d. Certificate of deposit
 - e. Local Government Investment Pool
 - f. Wisconsin Investment Series Cooperative
 - g. Midwest One Bank
 - h. Investment Policy
 - i. Banking contract review
4. Next meeting
 5. Adjourn

This meeting is open the public according to Wisconsin Statute § 19.83. Persons with disabilities wishing to attend and/or participate are asked to notify the County Clerk's office (715-485-9226) at least 24 hours in advance of the scheduled meeting time so all reasonable accommodations can be made. Requests are confidential.



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AGENDA AND NOTICE OF MEETING

INVESTMENT COMMITTEE

Government Center, 100 Polk County Plaza, Balsam Lake, WI 54810

North Conference Room

Thursday, June 14th, 2018 at 9:30 a.m.

A quorum of the County Board may be present

Materials: Minutes from 12/1/17

1. Call to order Jeff Fuge
2. Approval of Agenda
3. Approval of Minutes from 12/1/17

4. Discussion Items
 - A. Cash Flow Chart Maggie Wickre
 - B. Wisconsin Investment Series Cooperative Resolution Jeff Fuge
 - C. Investment Policy Amanda Nissen

5. Adjourn

This meeting is open to the public according to Wisconsin State Statute 19.83. Persons with disabilities wishing to attend and/or participate are asked to notify the County Clerk's office (715-485-9226) at least 24 hours in advance of the scheduled meeting time so all reasonable accommodations can be made. Requests are confidential.

required for all service vendors; the finance director may require periodic review of those certificates and must sample sufficient service contracts to determine compliance level, reporting annually to the General Government Committee.

- 6.04. W-9 Form. Vendors doing business with the County must provide a signed form W-9 to the Department of Administration before payment will be authorized.
- 6.05. Law enforcement meal purchases. Notwithstanding any policy to the contrary, the sheriff or his/her designee may authorize the purchase of meals for law enforcement employees or volunteers at an accident or crime scene, natural disaster, search and rescue operation or a cooperative event with another law enforcement department where the required time commitment spans a traditional meal time and it is impractical to provide an adequate meal break. The maximum amount per meal may not exceed the maximum amount stated in the relevant travel policy.

SUBCHAPTER 5.3: INVESTMENT

Section 1: General

- 1.01. Scope. This policy governs the investment and management of public funds under the jurisdiction of the County pursuant to and as permitted by Wisconsin statutes, Federal law and state and federal regulations as in effect at any given time.
- 1.02. Definitions. For purposes of this policy, the following terms have the meanings given.
 - a. *Prudent person rule* means that defined in Wisconsin statutes section 881.01 or its successor as in effect at any given time.
 - b. *Investment instrument* means a security or other obligation, a deposit, bond, certificate, note, or similar investment.
 - c. *Liquidity* means the degree to which an investment instrument may be converted to cash without affecting its value and the time required to do so.
 - d. *Yield* means the earnings on any investment as determined over its lifetime expressed on an annual basis.
 - e. *Risk* means the probability that an investment will not be repaid in full, both in terms of principal and investment income.
 - f. *Investment committee* means the County Board chair, county treasurer, county administrator and finance director.
 - g. *General Government Committee* means the General Government Committee as appointed by the Polk County Board of Supervisors.
- 1.03. Responsibilities. The following agents have the responsibilities given in the administration of this policy:
 - a. *Investment committee*. Pursuant to Wisconsin statutes section 59.62 or its successor as in effect at any given time, the investment committee is responsible for the management of investment programs and cash management programs within the scope of state and federal law and regulations and may delegate responsibility for these activities at their discretion, including contracting with an external investment advisor or advisors. The investment committee must establish written procedures for operation of the County's financial management programs consistent with this policy.
 - b. *Finance director*. The finance director must annually prepare a cash-flow analysis for the County for the current and following six years, demonstrating the County's likely assets, payment liabilities, and cash needs for purposes of estimating investment terms and liquidity needs. This analysis must be completed prior to January 1 of each year. It must also be reviewed prior to the purchase of any investment instrument

and, as needed, the finance director must make adjustments to this forecast. This forecast must be distributed to the investment committee and General Government Committee. The finance director is also responsible for the preparation of all materials for consideration by the investment committee.

- c. *General Government Committee.* The General Government Committee must annually review the County's investment portfolio and make recommendations on any changes in investments to the investment committee and on any change in policy to the County Board. The General Government Committee is also responsible for establishing basic standards of risk to direct the investment committee. The General Government Committee is also responsible for the determination of the County's depository on recommendation by the investment committee.
- d. *County treasurer.* Pursuant to Wisconsin statutes sections 59.62(1)(2) and 59.25(3)(s) or their successors as in effect at any given time, the authority to invest and reinvest County funds and to purchase investment instruments, provide for the safekeeping of such instruments, and to sell or exchange such instruments is delegated to the county treasurer. The county treasurer must review all monthly statements and make any recommendations from this review to the investment committee.

Section 2: Investment Procedure

- 2.01. Eligible funds for investment. The investment committee or designee may purchase securities that are permissible investments from available funds that are not required for the immediate needs of the County, and may sell or exchange for other eligible securities and reinvest the proceeds of the securities so sold or exchanged. The investment activity of the County must conform to the rules and laws regulating Wisconsin public funds as in effect at any given time.
- 2.02. Investment criteria. Provided that legal standards and liquidity needs are met, the primary criteria for investment must be risk and yield. The General Government Committee must annually, or more frequently as needed, assess the risk associated with investment options and direct the investment committee as to the general permissible level of risk in County investments.
- 2.03. Diversification. Total holdings of any one issuer may not exceed 10% of the market value of the portfolio at the time of purchase, with the exception of U.S. Government issues and issues of U.S. Government agencies fully guaranteed as to both principal and interest by the U.S. Government the State of Wisconsin Local Government Investment Pool.
- 2.04. Benchmarking. To determine whether the County's investment objectives are being met, any investment should be compared to the current U.S. Treasury bill rate for the same period as the investment including respective transaction costs.
- 2.05. Qualified investments. Pursuant to Wisconsin statutes as in effect at the time of any investment, the finance director must annually prepare a listing of investments by type as permitted by law along with an assessment of likely risk and yields. The investment committee must review this listing and make a recommendation to the General Government Committee as to those types of investments believed to minimize risk while maximizing yield. From this information, the General Government Committee must annually determine those types of qualified investments that may be made by the investment committee.
- 2.06. Investment process. The following process must be followed in making any investment of public funds on behalf of Polk County when funds become available for such investment:
 - a. The investment committee must first determine the legality of any investment option following those sections of Wisconsin statutes effective at that time.

- b. If an investment option is determined to be in compliance with these statutes, the committee must next determine that the liquidity of that investment option will allow the County to meet all its financial obligations based on the most recent cash flow analysis.
 - c. If an investment option meets the liquidity standard, the option must next be evaluated as to its risk and yield, following the prudent person rule. Risk must be evaluated in comparison to U.S. government obligations, Federally-insured deposits or similar funds, and the State of Wisconsin Local Government Investment Pool and as established by the General Government Committee. Yield is to be evaluated in accordance with the yield benchmark established in this policy.
 - d. If an investment option meets standards of risk as set by the General Government Committee, that investment which provides the greatest yield must be selected. If two investments provide the same yield, that investment which is determined to have the lowest risk as determined by the investment committee must be selected provided it meets the standards of risk as set by the General Government Committee.
 - e. Each of the steps in this process must be adequately documented and records retained as required by state or federal law, rule or regulation.
- 2.07. Purchase of investment instruments. Pursuant to Wisconsin Statutes sections 59.62(1)(2) and 59.25(3)(s), the authority to invest and reinvest County funds and to purchase investment instruments, provide for the safekeeping of such instruments, and to sell or exchange such instruments is delegated to the county treasurer.
- 2.08. Official depository. The primary provider of banking services is the County's official depository and working bank determined by the General Government Committee using the criteria of safety, cost, level of services provided, and accessibility. The depository must be located within Polk County. In addition, the committee may place funds in other public depositories defined in Wisconsin Statutes. All accounts must include the county treasurer as a signatory. In accordance with Wisconsin statutes 34.01(5) and 34.09 all Wisconsin banks, state or federal chartered, as well as the Wisconsin local government pooled investment fund, are authorized depositories. The investment committee must set minimum and maximum deposit amounts for each institution.

Section 3: Reporting and review

- 3.01. Reporting. The following agencies have the reporting requirements listed under this policy:
- a. *Investment* Advisors and Custodians. All investment advisers and custodians retained by the County will provide detailed monthly statements to the investment committee. These reports must at a minimum contain a description of each security including units held, cost, market value and current yield as well as a detailed list, by date, of all transactions executed during the period.
 - b. *Depository* institution. The depository institution or institutions must provide the investment committee and county treasurer with detailed monthly statements and all other information as required by the County's contract with that institution.
 - c. *Investment* committee. The committee must report on investments to the General Government Committee at least quarterly and at least annually to the County Board and additionally as required by the County Board.
- 3.02. Review. This investment policy must be reviewed annually by the investment committee, who must make recommendations to the General Government Committee as to any necessary changes, and by the General Government Committee, who must make recommendations for its amendment to the County Board.

Interest Rates:

	Balance	Rate
State Investment Pool:	2,296,259	2.49%
Bremer Bank Money Market:	15,339,016	2.22% ***includes loan proceeds
MidWestOne High Interest Account:	9,146,125	1.50%

CD:	Balance	Rate	Matures
Bremer:	253,302.00	0.45%	7/2/2019
Citizens State Bank:	252,500.20	1.00%	2/14/2020
Sterling Bank:	257,295.11	0.50%	3/25/2020

PMA WISC Investment Class: - 2.36% 30 day average for May

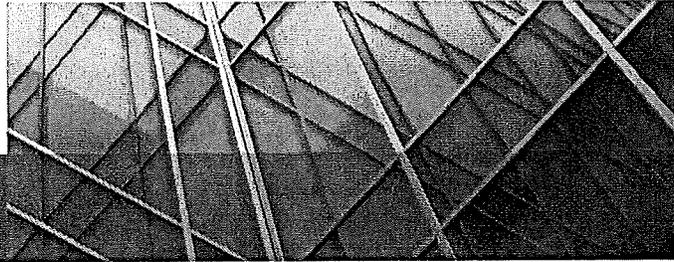
WISC:

Direct Investments High Quality Bonds

Anything over \$250,000 in CD's or Bank's, they are specifically collateralized

Semi Monthly Reviews by S&P (every other Friday) AAA rating

Expects rates to start to drop in the later part of the year, early next year



WISC WEEKLY RATE SHEET

FUND PERFORMANCE

As of Date: 05/24/19

Class/Series	Cash Management Class (CMS) %	Investment Class (IS) %	Limited Term Duration (LTD) %
Daily Rate	2.18	2.35	-
7-Day Avg. Rate	2.17	2.34	-
7-Day Effective Rate	2.19	2.37	-
Net Market Yield	-	-	2.21
1-Year Net Total Return	-	-	2.74

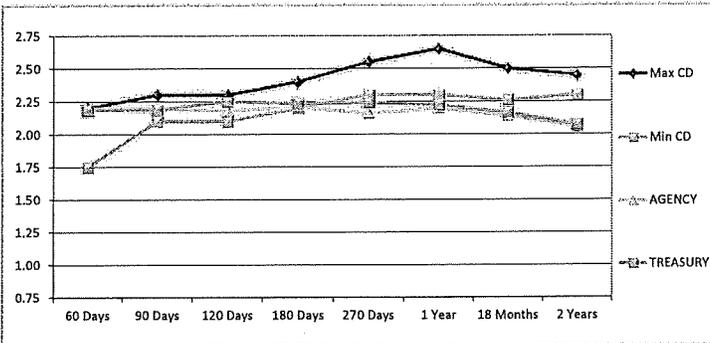
The Daily Rate refers to income generated over the previous one day period; the income is then annualized. The 7-Day Average Rate refers to income generated over the previous seven day period; the income is then annualized. The 7-Day Effective Rate is calculated in the same manner but assumes reinvestment of income over the seven day period. Due to compounding, the 7-Day Effective Rate will be slightly higher than the 7-Day Average Rate. Net Market Yield is the yield-to-worst minus portfolio expense ratio. The 1 Year Net Total Return is the actual rate of return over the past year minus portfolio expense ratio. Total return includes all interest and capital gains.

The rates and returns above represent past performance and should not be viewed as a guarantee of future results. Fund performance changes over time and current performance may be lower or higher than what is stated. The most recent yield information can be viewed at www.investwisc.com or you can call the number below.

PMA FIXED RATE INVESTMENT INDICATIONS

Please call for an updated quote
May 28, 2019

	60 Days	90 Days	120 Days	180 Days	270 Days	1 Year	18 Months	2 Years
Top Ten Certificates of Deposit (\$250K) %	1.75 - 2.20	2.10 - 2.30	2.10 - 2.30	2.20 - 2.40	2.30 - 2.55	2.30 - 2.65	2.26 - 2.50	2.30 - 2.45
Government Agency %	2.19	2.20	2.18	2.21	2.16	2.11	2.08	2.01
U.S. Government Treasury %	2.19	2.19	2.25	2.24	2.24	2.23	2.16	2.07



Fixed Rate Investment rates are quoted net of all transaction fees. Rates are subject to change and may be different than those available at the time of execution. CD rates represent the highest and lowest rates paid on the top 10 yielding banks for FDIC insured \$250,000 CDs and do not take into consideration individual portfolio holdings. CDs are quoted as yield to maturity investments and may be subject to early withdrawal penalty.

Securities, public finance services and institutional brokerage services are offered through PMA Securities, LLC. PMA Securities, LLC is a broker-dealer and municipal advisor registered with the SEC and MSRB, and is a member of FINRA and SIPC. Prudent Man Advisors, LLC, an SEC registered investment adviser, provides investment advisory services to local government investment pools. All other products and services are provided by PMA Financial Network, LLC. PMA Financial Network, LLC, PMA Securities, LLC and Prudent Man Advisors (collectively "PMA") are under common ownership.

The WISC Multi-Class Series consisting of the (i) Cash Management Class (CMS) and (ii) Investment Class (IS), and the Limited Term Duration Series are managed portfolios (collectively "Funds") whose holdings are subject to change. You should consider the applicable Fund's investment objectives, risks, charges and expenses before you invest. For more complete information about these subjects and more, please carefully read the WISC Information Statement before investing with WISC, which is provided on the WISC website or can be obtained by calling the numbers provided. The CMS Class offers check-writing privileges, while the IS Class does not. Because the CMS Class offers this privilege, its expenses are higher than those of the IS Class. This means that the IS Class is expected to have a higher net yield than the CMS Class. Although the Multi-Class Series seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in these funds. Expenses are detailed in the Information Statement. The Limited Term Duration Series seeks to provide current income while maintaining limited price volatility. The Limited Term Duration Series has a floating net asset value, and the net asset value of a Participant's investment could decline below the amount originally invested by the Participant.

The Funds are neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The information contained herein is based on sources which we believe reliable but is not guaranteed by us and is not considered all inclusive. It is not to be construed as an offer or the solicitation of an offer to sell or buy securities herein mentioned.

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If you have questions regarding this weekly rate service: Contact Sara Schnoor at PMA by Fax (414) 225-0057, Email: sschnoor@pmanetwork.com, or Phone (414) 225-0099 x1502

PMA Financial Network, LLC | PMA Securities, LLC

Polk County Government Trial Balance Report

Account Number	Description	Beginning Balance	1/1/2019 to 12/31/2019		Ending Balance
			Total Debits	Total Credits	
11100 - TREASURERS CASH					
101-00-11100-000-000-00	TREASURERS CASH	(\$6,862,668.18)	\$19,687,707.45	\$10,007,944.97	\$2,817,094.30
	<i>Totals for 11100 - TREASURERS CASH:</i>	<i>(\$6,862,668.18)</i>	<i>\$19,687,707.45</i>	<i>\$10,007,944.97</i>	<i>\$2,817,094.30</i>
11102 - REPLACEMENT CHECKS					
101-00-11102-000-000-00	REPLACEMENT CHECKS	(\$120.27)	\$3,150.55	\$2,830.75	\$199.53
	<i>Totals for 11102 - REPLACEMENT CHECKS:</i>	<i>(\$120.27)</i>	<i>\$3,150.55</i>	<i>\$2,830.75</i>	<i>\$199.53</i>
11301 - CERTIFICATE OF DEPOSIT					
101-00-11301-000-000-00	CERTIFICATE OF DEPOSIT	\$764,282.83	\$0.00	\$0.00	\$764,282.83
	<i>Totals for 11301 - CERTIFICATE OF DEPOSIT:</i>	<i>\$764,282.83</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$764,282.83</i>
11310 - STATE INVESTMENT POOL					
101-00-11310-000-000-00	STATE INVESTMENT POOL	\$2,277,692.62	\$0.00	\$0.00	\$2,277,692.62
	<i>Totals for 11310 - STATE INVESTMENT POOL:</i>	<i>\$2,277,692.62</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$2,277,692.62</i>
11320 - MONEY MARKET					
101-00-11320-000-000-00	MONEY MARKET	\$15,195,215.51	\$0.00	\$0.00	\$15,195,215.51
	<i>Totals for 11320 - MONEY MARKET:</i>	<i>\$15,195,215.51</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$15,195,215.51</i>
11400 - LWRD CERTIFICATE OF DEPOSIT					
101-00-11400-000-000-00	LWRD CERTIFICATE OF DEPOSIT	\$11,639.20	\$0.00	\$0.00	\$11,639.20
	<i>Totals for 11400 - LWRD CERTIFICATE OF DEPOSIT:</i>	<i>\$11,639.20</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$11,639.20</i>
11800 - PETTY CASH					
101-00-11800-000-000-00	PETTY CASH	\$1,285.00	\$0.00	\$0.00	\$1,285.00
	<i>Totals for 11800 - PETTY CASH:</i>	<i>\$1,285.00</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$1,285.00</i>
11802 - PETTY CASH					
101-00-11802-000-000-00	PETTY CASH - RECYCLING	\$5,000.00	\$0.00	\$0.00	\$5,000.00
	<i>Totals for 11802 - PETTY CASH:</i>	<i>\$5,000.00</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$5,000.00</i>
11803 - PETTY CASH					
101-00-11803-000-000-00	PETTY CASH-VET GAS CARDS	\$1,200.00	\$0.00	\$0.00	\$1,200.00
	<i>Totals for 11803 - PETTY CASH:</i>	<i>\$1,200.00</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$1,200.00</i>
11902 - CASH DED.HELD BY CO.MUTUAL INS					

Polk County Government Trial Balance Report

Account Number	Description	Beginning Balance	1/1/2019 to 12/31/2019		Ending Balance
			Total Debits	Total Credits	
101-00-11902-000-000-00	CASH DED.HELD BY CO.MUTUAL INS	\$68,140.00	\$0.00	\$0.00	\$68,140.00
	<i>Totals for 11902 - CASH DED.HELD BY CO.MUTUAL INS:</i>	<i>\$68,140.00</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$68,140.00</i>
12310 - TAX CERTIFICATES					
101-00-12310-000-000-00	TAX CERTIFICATES	\$3,340,649.69	\$1,654.87	\$465,071.29	\$2,877,233.27
	<i>Totals for 12310 - TAX CERTIFICATES:</i>	<i>\$3,340,649.69</i>	<i>\$1,654.87</i>	<i>\$465,071.29</i>	<i>\$2,877,233.27</i>
12401 - TAX DEEDS					
101-00-12401-000-000-00	TAX DEEDS	\$1,072,401.30	\$0.00	\$0.00	\$1,072,401.30
	<i>Totals for 12401 - TAX DEEDS:</i>	<i>\$1,072,401.30</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$1,072,401.30</i>
	GRAND TOTALS:	\$15,874,717.70	\$19,692,512.87	\$10,475,847.01	\$25,091,383.56