

Turning Idle Public Funds Into Long-Term Value

Ohio Auditor of State Local Government Officials Conference



Greg Oviatt
Executive Vice President
Boyd Watterson Asset Management



John McManus
Treasurer
Montgomery County



Gregory Brush
Fiscal Officer
Butler Township (Mont. County)



Darren Andrews
Finance & Investment Director
Montgomery County Treasurer

Turning Idle Public Funds Into Long-Term Value

From Policy to Performance: Managing the Public Portfolio

&

Creating Growth through Partnership

McManus



John McManus
Montgomery County Treasurer

From Policy to Performance: Managing the Public Portfolio



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From Policy to Performance: Managing the Public Portfolio

- **Chapter 135 of the Ohio Revised Code regulates the investment activity of the county treasurer (135.35) and others (135.14, etc.) investing public funds, known as the Uniform Depository Act.**
- **“Active moneys” and “inactive moneys” have separate definitions.**
- **“Inactive moneys” means all public moneys in public depositories in excess of the amount determined to be needed as active monies (or those determined to be necessary to meet current demands upon the treasury). (135.31)**
- **For county treasurers (different requirements for political subdivisions), the law requires an “investment advisory committee” be established, which adopts “written county investment policies” and meets quarterly (135.341) to review, advise, and provide oversight.**



From Policy to Performance: Managing the Public Portfolio

ORC 135, along with Montgomery County's investment policy, provide a list of eligible investments including, generally:

- **U.S. Treasury and Federal Agency Securities**
 - **Certificates of Deposit**
 - **Bonds of Ohio and political subdivisions**
 - **STAR Ohio**
 - **Commercial paper**
 - **Corporate notes (15%)**
 - **and more**
- ***Investments are limited to a maturity limit of 5 years, with exceptions**



From Policy to Performance: Managing the Public Portfolio

The policy lists three objectives of the investment program and in priority order, including:

- Safety of Public Funds;
- Liquidity; and
- Yield

The policy, together with the ORC, allow for the retention of an investment advisor.



From Policy to Performance: Managing the Public Portfolio

PORTFOLIO REVIEW

Montgomery County portfolio as of 12/31/2025

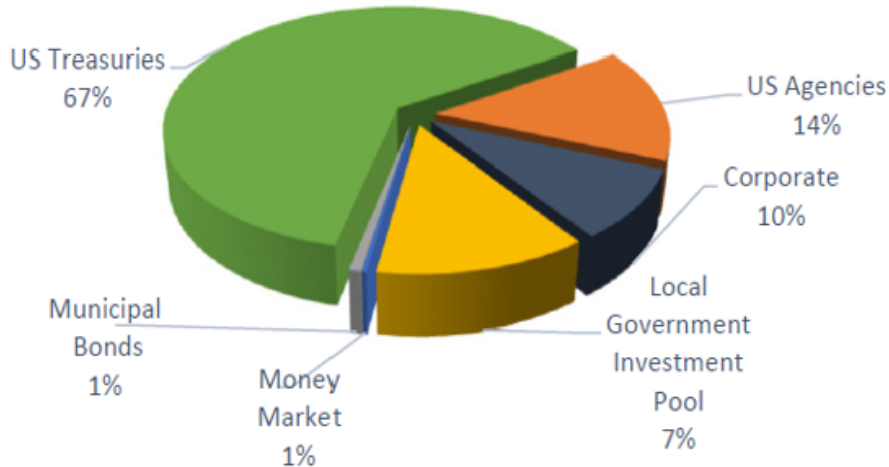
Portfolio

Cash	\$114,473,533.92
Securities	\$793,912,096.17
Total Portfolio	\$908,385,630.09

Securities (Corp, US Treasury & Agency Bonds)

Weighted Average Maturity	2.56 years
Weighted Average Yield	3.88%
Estimated Annual Interest Inc 2025	\$28,075,546.98

Asset Allocation

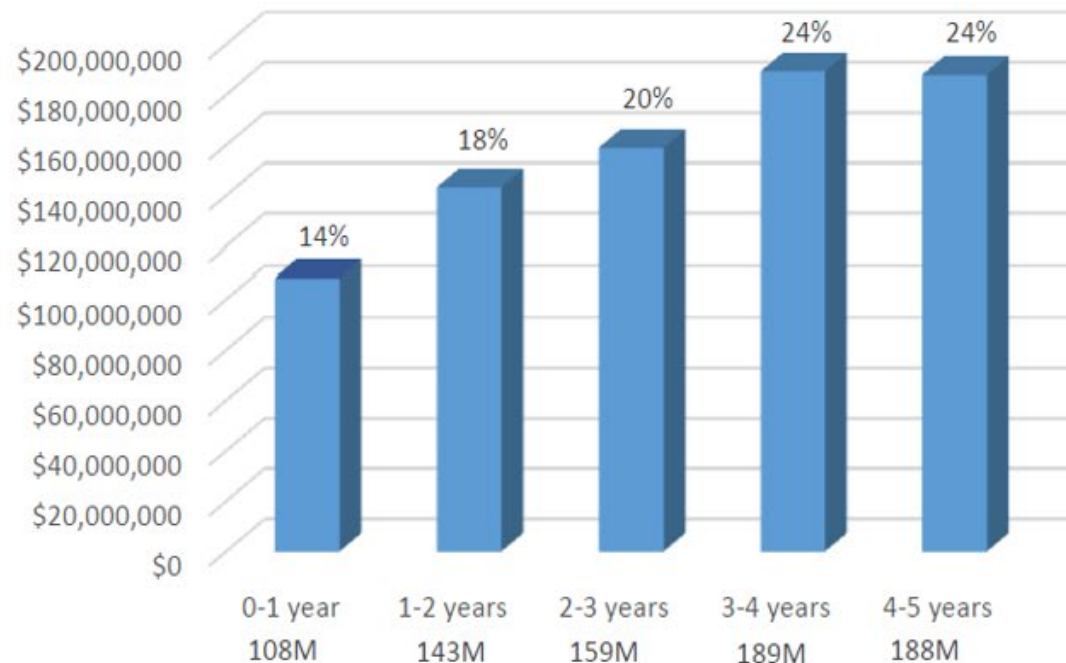


Corporate MTN	\$82,211,925.00
Local Gov Inv Pool	\$111,898,729.92
Money Market	\$2,574,804.00
Municipal Bonds	\$6,149,530.55
US Treasuries	\$569,236,621.62
US Agencies	\$136,314,019.00



From Policy to Performance: Managing the Public Portfolio

Maturity Distribution (Corp, US Treasury & Agency Bonds)



Projected Cash Flow (Corp, US Treasury & Agency Bonds)



From Policy to Performance: Managing the Public Portfolio

How does a high-performing and responsibly managed public portfolio create long term value for a community?

- **Protects public funds while generating predictable and stable earnings**
- **Alleviates tax pressure on residents**
- **Strengthens protections against economic downturns**
- **Offers funding for long-term infrastructure needs**
- **Strengthens borrowing power**
- **Enhances transparency and invites public oversight**



Creating Growth through Partnership



McManus



John McManus
Montgomery County Treasurer

Creating Growth through Partnership

- Chapter 135 of the Ohio Revised Code regulates the investment activity of the county treasurer (135.35) and others (135.14, etc.), including which investments are authorized.
- Including: “Bonds and other obligations of...the political subdivisions of this state ... must mature within five years from the date of settlement, unless the investment is matched to a specific obligation or debt of the county or to a political subdivision...and the investment is specifically approved by the investment advisory committee.”



Creating Growth through Partnership

The Investment Policy of the Montgomery County Treasurer provides for additional requirements for municipal bond purchases, including:

- The political subdivision must be located in Montgomery County.
- The bond must have an approving legal opinion from bond counsel.
- The project must be for public infrastructure.
- The project must create or retain jobs.
- The project must enhance the tax duplicate by at least \$1 million in...tax value.
- The bond is subject to final approval by the Treasurer and IAC.



Creating Growth through Partnership

Town Center Drive (2008, \$1.6 million)



Town Center Drive before partnership with the Treasurer's Office

Brush



John McManus
Montgomery County Treasurer

Creating Growth through Partnership

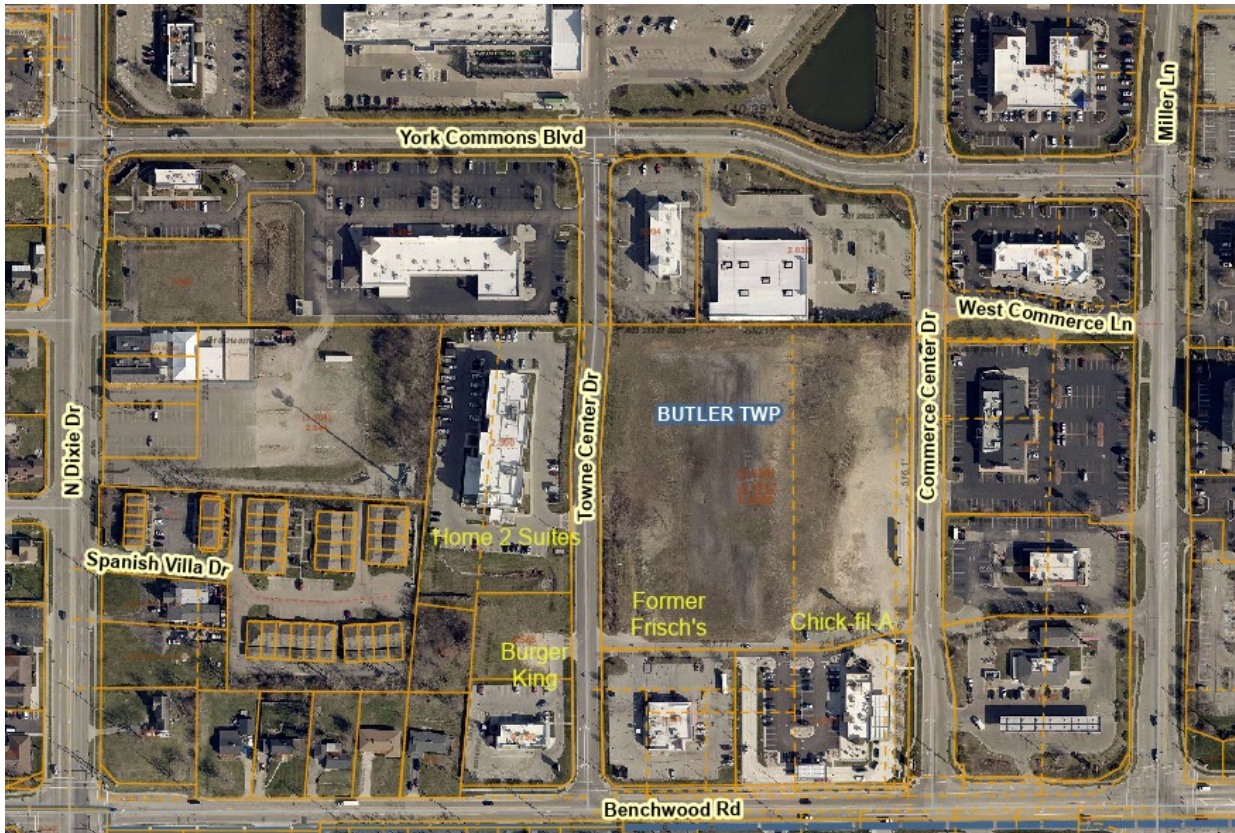
Building the Foundation for Benchwood Station

- Phase 1 completed by developer
- Township needed to complete through-street to unlock development
- Worked closely with County Treasurer and bond counsel
- \$1.6 million financed through County Treasurer using TIF-backed bonds
- Designed to open corridor for future commercial growth
- Property owner obligated to cover any TIF shortfall
- Provided protection during the initial development ramp-up



Creating Growth through Partnership

Town Center Drive (2008, \$1.6 million)



Town Center Drive after partnership with the Treasurer's Office

Brush



John McManus
Montgomery County Treasurer

Creating Growth through Partnership

Town Center Drive (2008, \$1.6 million)



Brush



John McManus
Montgomery County Treasurer

Creating Growth through Partnership

Results and Economic Impact

- Completed public roadway and strengthened corridor connectivity
- Demonstrated successful use of TIF-backed financing
- Paved the way for: Burger King, Home2 Suites, Frisch's, Chick-fil-A, and more
- Anchored growth in what is now known as Benchwood Station Business District
- Bond fully paid off in 2027
- Established a financing model later expanded in 2010
- Provided protection during the initial development ramp-up.



Creating Growth through Partnership

Cloverleaf Drive and Singing Ridge Blvd. (2010, \$2.5 million)



Cloverleaf and Singing Ridge
before partnership
with the Treasurer's Office

Brush



John McManus
Montgomery County Treasurer

Creating Growth through Partnership

Cloverleaf Drive and Singing Ridge Blvd. (2010, \$2.5 million)



Cloverleaf, Singing Ridge before partnership with the Treasurer's Office
Brush



John McManus
Montgomery County Treasurer

Creating Growth through Partnership

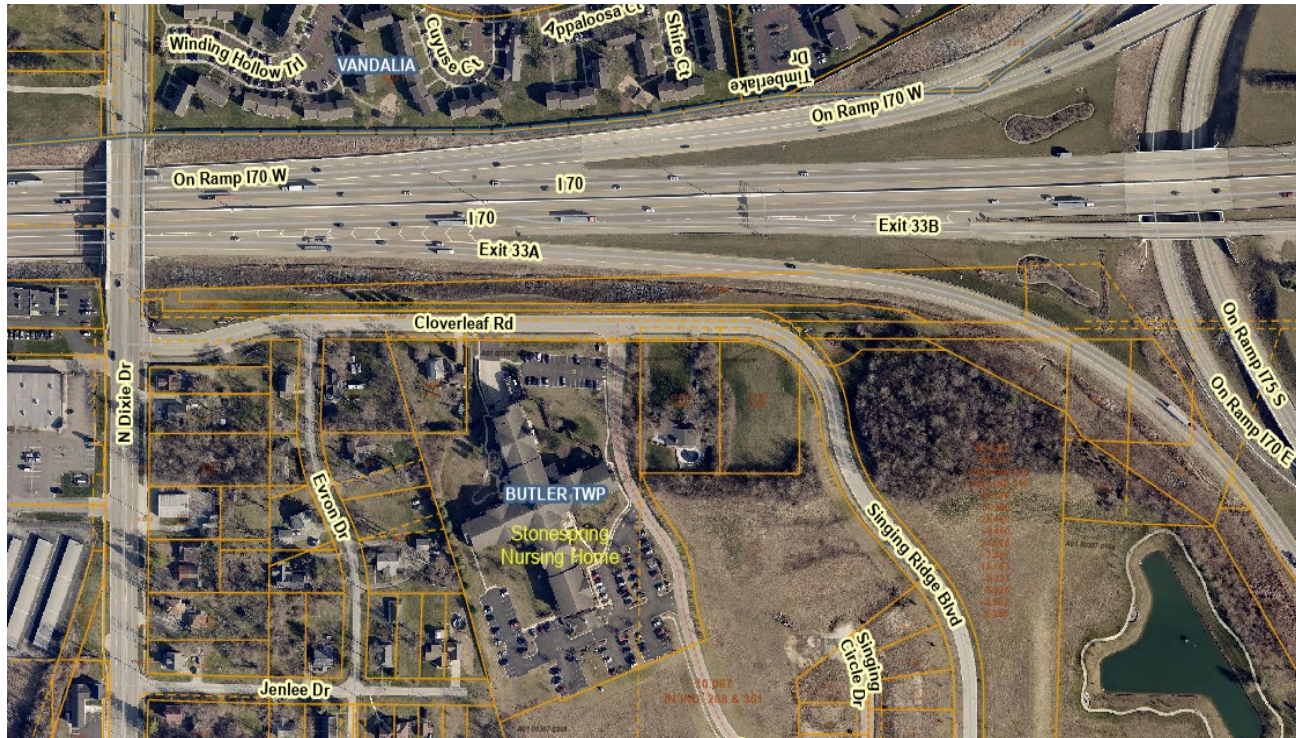
Strategic Financing in Action

- Part of a broader redevelopment effort
- Property acquisition, demolition, and construction planning was underway
- Worked closely with developer, bond counsel, and County Treasurer
- Determined county financed bonds, backed by TIF revenues were the best approach
- \$2.5 million financed through the County Treasurer
- Bonds backed by TIF service payments: (1) no general fund obligation; (2) no property tax levy needed; and (3) developer responsible for TIF shortfall



Creating Growth through Partnership

Cloverleaf Drive and Singing Ridge Blvd. (2010, \$2.5 million)



Cloverleaf and Singing Ridge
after partnership
with the Treasurer's Office

Brush



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Montgomery County Treasurer

Creating Growth through Partnership

Cloverleaf Drive and Singing Ridge Blvd. (2010, \$2.5 million)



Cloverleaf, Singing Ridge after partnership with the Treasurer's Office
Brush



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Montgomery County Treasurer

Creating Growth through Partnership

Results and Long Term Impact

- Infrastructure improvements completed
- Financing aligned repayment with economic growth
- Stonespring Nursing Facility developed (below)
- Area continues to be an economic driver
- Bond fully paid off in 2030
- TIF has accumulated an additional \$2.5 million in reserves
- Funds available for future infrastructure development



Brush



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Montgomery County Treasurer

Creating Growth through Partnership

The Bonds

- **2008 and 2010 bonds' principal payment schedules began in 2014 and last until 2027 and 2030, respectively.**
- **2008 bond carries an interest rate of 4.60%, and 2010 a 4.22% rate.**
- **Each bond is a special obligation of the township, not general obligation.**
- **The bond legislation provides for regular annual repayment dates.**
- **Each bond was issued pursuant to resolutions adopted by the Butler Township Board of Trustees.**
- **Each bond is accompanied by a legal opinion by bond counsel.**





John McManus
Montgomery County Treasurer