

MARYSVILLE FIRE DISTRICT
RESOLUTION 2009B-9

RESOLUTION AUTHORIZING INVESTMENT
OF MARYSVILLE FIRE DISTRICT MONIES IN THE
SNOHOMISH COUNTY INVESTMENT POOL

WHEREAS, pursuant to RCW 36.29.022 a local government may authorize the Snohomish County Treasurer to combine their monies for the purpose of investment; and

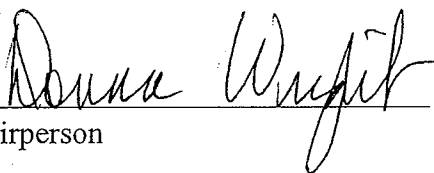
WHEREAS, the Marysville Fire District does hereby find that the deposit and withdrawal of money in the Snohomish County Investment Pool in accordance with the provisions of this RCW for the purpose on investment as stated therein are in the best interests of the Marysville Fire District; and

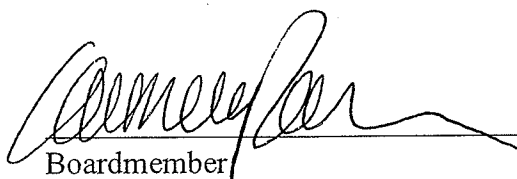
WHEREAS, we attest by our signature that we have been duly authorized and empowered to enter into this agreement.

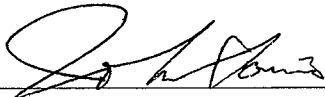
NOW, THEREFORE BE IT RESOLVED, that the Marysville Fire District Board of Directors hereby adopt the following:


1. Authorization of the deposit and withdrawal of Marysville Fire District monies in the Snohomish County Investment Pool in the County Treasury in accordance with this RCW for the purpose of investment as stated therein.
2. The Fire Chief and the appointed Investment Officer shall be authorized to order the deposit or withdrawal of monies in the Snohomish County Investment Pool.

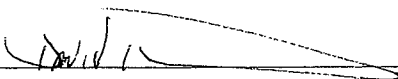
ADOPTED at the regular meeting of the Board of Directors of the Marysville Fire District this 18th day of November 2009.

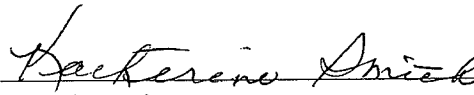

Chairperson


Boardmember

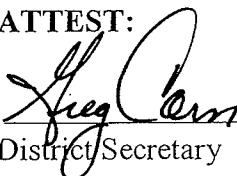

Boardmember


Boardmember

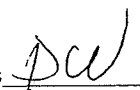

Boardmember


Boardmember

ATTEST:


District Secretary

Board Chair initials



**SNOHOMISH COUNTY FIRE DISTRICT NO.12
RESOLUTION 2009A-2**

**RESOLUTION AUTHORIZING INVESTMENT
OF SNOHOMISH COUNTY FIRE DISTRICT NO. 12 MONIES IN THE
SNOHOMISH COUNTY INVESTMENT POOL**

WHEREAS, pursuant to RCW 36.29.022 a local government may authorize the Snohomish County Treasurer to combine their monies for the purpose of investment; and

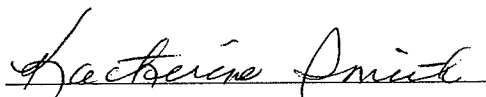
WHEREAS, Snohomish County Fire District No. 12 does hereby find that the deposit and withdrawal of money in the Snohomish County Investment Pool in accordance with the provisions of this RCW for the purpose on investment as stated therein are in the best interests of Snohomish County Fire District No. 12; and


WHEREAS, we attest by our signature that we have been duly authorized and empowered to enter into this agreement.

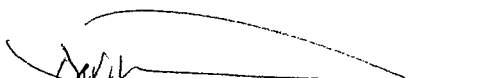
NOW, THEREFORE BE IT RESOLVED, that Snohomish County Fire District No. 12 Board of Commissioners hereby adopt the following:

1. Authorization of the deposit and withdrawal of Snohomish County Fire District No. 12 monies in the Snohomish County Investment Pool in the County Treasury in accordance with this RCW for the purpose of investment as stated therein.
2. The Fire Chief and the appointed Investment Officer shall be authorized to order the deposit or withdrawal of monies in the Snohomish County Investment Pool.


ADOPTED at the regular meeting of the Board of Commissioners of Snohomish County Fire District No. 12 this 18th day of November 2009.

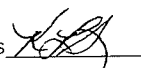

Chairperson


Commissioner


Commissioner

ATTEST:


District Secretary

Board Chair initials 

Snohomish County Investment Memo of Understanding

The Snohomish County Treasurer is authorized to offer investment pooling opportunities to Districts located in the County. This is authorized by RCW 36.29.020, 36.29.022, and 36.29.024.

The following terms and provisions are agreed between the District and Snohomish County Treasurer (Treasurer) as follows:

A. Treasurer

1. Treasurer will be responsible for management of the Snohomish County Investment Pool (SCIP) as well as calculation of interest earnings and fees. The SCIP will hold only securities authorized under state law. The purchase of securities is outlined in the Snohomish County Investment Policy.
2. Interest earnings will be distributed to the District based on the average daily cash balance maintained in the fund. Earnings and fees will be calculated by the 2nd business day of the following month. The actual distribution will be posted in the month earned.
3. The monthly interest rate used for SCIP distributions will be calculated using earnings of the SCIP on an accrual basis as well as gains or losses on investment sales. Earnings and fees will be calculated on 360 day basis.
4. Treasurer will issue monthly SCIP reports to the District and comply with GAAP (Generally Accepted Accounting Principles) annual reporting requirements.

B. District

1. The District will be responsible for notifying Treasurer when depositing funds in the SCIP. For deposits or withdrawals of over 10 million, the district will notify the Investment Officer in advance (See SCIP operations).
2. When requesting funds the District will notify Treasurer in advance for withdrawals over 10 million (See SCIP operations).
3. The District understands that participation in the investment SCIP should be considered a long-term commitment, and that the investment SCIP is not intended to meet the District's daily liquidity needs.
4. District will need to retain SCIP investment reports to comply with IRS record retention requirements.
5. Written notice is required for large withdrawals the SCIP. 10 business days notice is required if a disbursement exceeding 10mm is to be made.
6. The District investing official has reviewed the SCIP operations document and completed the Resolution authorizing participation.

Acknowledgement:

I have read the memo of understanding will comply with the terms:

Authorizing Official 

Investment Officer 

OPERATIONS

SNOHOMISH COUNTY INVESTMENT POOL (SCIP)

Background.

The Snohomish County Investment Pool (SCIP) is a portfolio of a combination of investments with varying maturities designed to control investment risk and maximize earnings. The portfolio has an average maturity of more than 90 days. It has been established to provide Snohomish County and Districts a tool for investment of cash from operations, capital funds and bond proceeds.

Participants may include, but are not limited to districts, (such as the following: school, fire, port, drainage, road improvement, emergency management, fire districts) cities, transportation agencies and other public entities who desire to participate. Participants will be unlimited provided that the bond proceeds plus other funds associated with that one participant do not exceed 25% of the total assets of the pool.

Purpose of Pooling.

The Snohomish County Treasurer invests funds collectively in order to efficiently meet investment objectives. The purpose of the pool is to allow Participants to pool funds available for investments in order to achieve a potentially higher yield while maintaining adequate diversification and liquidity. The "Prudent Investor" rule as defined by RCW 43.250.040 (and spelled out in the Snohomish County Investment Policy) applies to all investments purchased on behalf of the pool.

The pool has been created to promote a more efficient mechanism for investing Public funds in large dollar amounts in order to take advantage of market conditions which generally result in higher yields over time.

Participants are provided with a convenient method of pooling their liquid cash, as well as bond proceeds and other capital and reserve resources for temporary investing pending their expenditures.

The pool seeks to provide the following benefits:

- Preservation of principal – Investments are only made in instruments authorized by the Washington State law, and in accordance with the Snohomish County Investment Policy. To preserve principal, Investments are restricted to those with the highest credit rating at the time of purchase.
- Liquidity – Portfolio shall remain sufficiently liquid to enable its participants to have funds available to pay operating and capital expenditures.

- Income – The pool seeks to earn a market rate of return throughout budgetary and variable economic cycles consistent with preserving principal and maintaining liquidity.

Interest Earnings.

Interest is allocated based on the weighted average daily balance a participant's fund maintains in the Pool. Earnings will be calculated on a 360 day basis. Earnings and fees will be calculated by the 2nd business day of the following month. The monthly interest rate used for Pool distributions will be calculated using earnings of the Pool on an accrual basis as well as gains or losses from the sale of investment instruments.

Administrative fees.

Pool participants will be charged an investment fee based on RCW 36.29.024. The rate is determined based on the **actual costs** of running the pool.

The average periodic investment fee is currently 6.5 basis points (.065%) on an annualized basis, and will be based on the daily principal balance maintained in the pool by the participants. The rate may fluctuate due to the actual average principal balances being maintained in the pool differing from projected balances

Rebate.

At the end of the Fiscal year, the Snohomish County Investment Pool will prepare a final accounting for pool expenses. The participants will be rebated administrative fees that are in excess of operational requirements. The proportionate share of the rebate is based on the participant's average daily balance for the fiscal year in which the rebate was posted.

Reporting requirements.

Snohomish County will provide to the participants a monthly Pool statement that will show the average cash balance maintained by the Fund, the Pool earnings rate, the Fund's earnings, and the fees paid.

Instructions to participate in the Pool

How to open an account

To participate in the Pool, a participant must sign a resolution and a service agreement prior to investing any funds in the Pool. Pool participants are allowed to have multiple accounts and sub accounts.

To open an account please contact:

Investment Officer
Snohomish County Treasurer's Office
3000 Rockefeller Ave M/S 501
Everett, WA 98201
(425) 388-3630

Investing for Snohomish County Investment Pool Participants.

1. Investment Purchases are transacted in the following time frames.
2. Investment requests must be recorded by **9:00 AM** of the Investment day.
3. The transaction amount for Pool Participants is a minimum of \$10,000 per transaction. The \$10,000 minimum applies to each fund that an investment is made in.

Withdrawing for Snohomish County Investment Pool Participants.

1. Investment Sales are transacted in the following time frames.
2. Investment sale requests must be recorded by **9:00 AM** of the Investment day.
3. The transaction amount for Pool Participants is a minimum of \$10,000 per transaction. The \$10,000 minimum applies to each fund that an investment sale is made in.

Large deposits and withdrawals.

To allow the investment officer to manage cash flows, the following are guidelines for investing and selling large sums of money

1. SCIP participants will notify the Treasurer's Office 10 business days in advance if a disbursement exceeding \$10 million is to be made.
2. Participation in the investment pool should be considered a long-term commitment. Participants will not withdraw and deposit funds into the pool for speculative purposes as such actions may negatively impact other participants in the pool, hence, withdrawals from the pool are to be made only for planned operating and capital expenditures.
3. In order to operate the pool efficiently, the investing official should disclose to the Treasurer's Office a significant changes of the investment balance maintained in each fund on a quarterly basis.
4. Participants in the pool are required to provide cash flow projections for capital funds and bond proceeds. This allows the Treasurer to enhance returns while maintaining sufficient liquidity for all pool participants.

Closing a SCIP account.

Participants will not use the Snohomish County Investment Pool for speculative purposes. For this reason, once a fund is removed from the SCIP (other than for operating expenses), it

cannot be reinvested in this pool without approval of the County Treasurer. In no case will the removal and reinstatement be approved if such actions negatively impact other participants.

SCIP participants must give written notice to withdraw completely from the pool.

1. For accounts of \$5,000,000 or less, Participants must notify the County's Investment Officer in writing of intent to close account at least 10 business days in advance.
2. For accounts over \$5,000,000, Participants must notify the County's Investment Officer in writing of intent to close the SCIP account at least 14 business days in advance.

Legal Criteria

Excerpt from RCW 36.29.020

“.....Any municipal corporation may by action of its governing body authorize any of its funds which are not required for immediate expenditure, and which are in the custody of the county treasurer or other municipal corporation treasurer, to be invested by such treasurer.”

RCW 36.29.022 - Combining of moneys for investment.

Upon the request of one or several units of local government that invest their money with the county under the provisions of RCW 36.29.020, the treasurer of that county may combine those units' moneys for the purposes of investment.

Excerpt from RCW 36.29.024

“The county treasurer may deduct the amounts necessary to reimburse the treasurer's office for the actual expenses the office incurs and to repay any county funds appropriated and expended for the initial administrative costs of establishing a county investment pool provided in RCW 36.29.022. These funds shall be used by the county treasurer as a revolving fund to defray the cost of administering the pool without regard to budget limitations.....”

Feb-06	4.73%	4.42%	4.61%
Mar-06	4.81%	4.50%	4.78%
Apr-06	4.88%	4.65%	4.86%
May-06	4.99%	4.85%	5.02%
Jun-06	5.27%	4.98%	5.15%
Jul-06	5.16%	5.16%	4.92%
Aug-06	5.29%	5.19%	4.73%
Sep-06	5.45%	5.20%	4.60%
Oct-06	5.26%	5.19%	4.58%
Nov-06	5.38%	5.22%	4.44%
Dec-06	5.28%	5.21%	4.73%
Jan-07	5.29%	5.21%	4.80%
Feb-07	5.66%	5.28%	4.49%
Mar-07	5.31%	5.24%	4.60%
Apr-07	5.34%	5.23%	4.59%
May-07	5.23%	5.19%	4.93%
Jun-07	5.39%	5.21%	4.84%
Jul-07	5.22%	5.20%	4.51%
Aug-07	5.34%	5.23%	4.16%
Sep-07	5.25%	5.12%	3.98%
Oct-07	5.20%	4.91%	3.81%
Nov-07	5.19%	4.70%	3.75%
Jan-08	5.21%	4.36%	2.71%
Feb-08	4.94%	3.79%	2.65%
Mar-08	4.09%	3.14%	2.67%
Apr-08	3.70%	2.70%	2.49%
May-08	3.43%	2.43%	2.50%
Jun-08	3.45%	2.29%	2.61%
Jul-08	3.40%	2.28%	2.49%
Aug-08	3.50%	2.33%	2.39%
Sep-08	3.57%	2.39%	1.96%
Oct-08	3.62%	2.39%	1.56%
Nov-08	3.35%	2.19%	1.15%
Dec-08	3.54%	1.81%	1.12%
Jan-09	3.29%	1.06%	0.98%
Feb-09	2.91%	1.03%	0.80%
Mar-09	2.88%	0.89%	0.93%
Apr-09	2.61%	0.67%	0.91%
May-09	2.72%	0.74%	0.98%
Jun-09	2.62%	0.62%	1.16%
Jul-09	2.68%	0.57%	0.94%
Aug-09	2.81%	0.47%	0.91%
Sep-09			
Oct-09			
Nov-09			