

Mason County External Investment Pool Policy

Drafted 11/14/2022

The External Investment Pool sponsored by Mason County through the Washington State Local Government Investment Pool (LGIP) was established on March 26, 1991. Revised Code of Washington (RCW) 36.29.022, 36.29.010, 36.29.020, authorize the County Treasurer to invest its surplus cash and any funds of municipal corporations which are not required for immediate expenditure and are in the custody or control of the county treasurer. The External Investment Pool's investments are invested pursuant to the Revised Code of Washington. Any credits or payments to pool participants are calculated and made in a manner as required by RCW 36.29.024.

The investments are managed by the Treasurer, which reports investment activity to the County Finance Committee on a quarterly basis. Additionally, the County treasurer investment activity is subject to an annual investment policy review, compliance oversight, quarterly financial review, and annual financial reporting. The County has not provided nor obtained any legally binding guarantees to support the value of shares in the Pool.

The External Investment Pool is not registered with the SEC and is not subject to any formal oversight other than that provided by the County Finance Committee. The Committee is responsible for adopting investment objectives and policies, for hiring investment advisors, and for monitoring policy implementation and investment performance. The Committee's primary role is to oversee the allocation of the Pool's portfolio among the asset classes, investment vehicles, and investment managers.

The county is a voluntary participant in the Local Government Investment Pool, an external investment pool operated by the Washington State Treasurer. The pool is not rated and not registered with the SEC. Rather oversight is provided by the State Finance Committee in accordance with Chapter 43.250 RCW. Investments in the LGIP are reported at amortized cost, which is the same as the value of the pool per share. The LGIP does not impose any restrictions on participant withdrawals. The Office of the State Treasurer prepares a stand-alone financial report for the pool. A copy of the report is available on line at www.tre.wa.gov.

The interest or other earnings of income from the funds of any municipal corporation (Treasurers Daily Cash TDC) of which the governing body has not taken any action pertaining to the investment of funds and that have been invested in accordance with state statutes, shall be deposited in the current expense fund of the county and may be used for general county purposes. These investments made by the County Treasurer on behalf of the participants is involuntary participation in the County Treasurer's Investment Pool as they are required to be invested by statute. Approximately 36% of the County Treasurer's Investment Pool through the Local Government Investment Pool, consists of these involuntary participants.

Voluntary participants in the Mason County External Investment Pool through the Washington State Local Government Investment Pool (LGIP) was established on March 26, 1991 and include (County, Cemetery, Fire, Transit, Ports, Hospital, School and Water Districts). The deposits held for voluntary entities are included in the Investment Trust Funds. This investment activity occurs separately from the County's Treasurer's Daily Cash (TDC) Pool and all activity and interest earned is reported in the individual County or District Investment Trust Fund(s).

The Mason County Treasurer does not require written consent from involuntary participants to participate in the County's External Investment Pool. The External Investment Pool's investments are invested pursuant to the Revised Code of Washington.

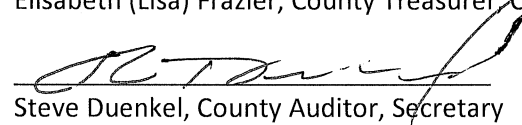
The Mason County Treasurer requires written consent and direction from voluntary participants to participate in the County's External Investment Pool. County Departments and Districts direct these investments in writing to the Treasurer's Office for processing.

Adopted this 24 day of October, 2023.

Mason County Finance Committee



Elisabeth (Lisa) Frazier, County Treasurer, Chair



Steve Duenkel, County Auditor, Secretary



Sharon Trask, Commissioner, Member