



Lewis County Treasurer

LEWIS COUNTY INVESTMENT POOL (LCIP) PARTICIPANT AGREEMENT

Participation in the Lewis County Investment Pool (LCIP) provides the advantage of keeping all cash balances held in the pool essentially fully invested, leaving no residual cash that is invested for others' benefits. In addition, joint pooling of funds allows for a mix of investment maturities resulting in better yields while maintaining sufficient liquidity to meet cash flow needs.

The Lewis County Investment Pool (LCIP) operates on an amortized cost-book value basis rather than a net asset value (NAV) basis. Earnings distributions, including any realized transactions in the pool, are calculated on the average daily balance of participant's cash in the pool and distributed monthly. The Lewis County Treasurer's Office, acting in its legal capacity as district banker, assures the return of cash amounts deposited to the Treasurer's Office.

The pool is operated under an investment policy adopted by the Finance Committee that is statutorily created. It consists of the County Auditor, County Treasurer and the Chair of the Board of County Commissioners. The Lewis County Investment Policy sets forth the safety of principal as the number one priority for daily management of the pool. A copy of the investment policy will be provided upon request.

The cost of the investment and related banking operations shall be recovered through fees deducted from the pool's earnings. These fees will be collected via a monthly charge pursuant to RCW's 36.29.020 and 36.29.024. When there is a surplus of excess funds on hand, it will be returned to the participants periodically. Any shortages will be recovered through higher fees the following year, and participants will be notified of the new fees. Participants may choose to receive monthly reports detailing the market value and composition of the pool investments.

Maintaining good communications regarding business needs and operations, especially with respect to unusual cash flow activities, allows us to operate the pool most effectively. Business managers or finance officers should maintain contact with the Investment & Banking Officer about their cash flow needs. Any expected single-day cash withdrawal from the pool, above the district's usual payroll and other expenditures, exceeding \$2 million, must be communicated to the Investment and Banking Officer at least 48 hours in advance of the expenditure.

o 360.740.1115
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PHYSICAL ADDRESS	MAILING ADDRESS
351 NW North Street Chehalis WA 98532	P.O. Box 509 Chehalis WA 98532-0509

Arny Davis, *Treasurer*
Rodney Reynolds, *Investment & Banking Officer*
Shelly Stewart, *Chief Deputy Treasurer*

This agreement shall remain in effect until amended in writing by mutual consent of both parties.

Non-pool participants, as per RCW 36.29.020, must by action of their governing bodies determine the cash not immediately needed for expenditure that can be invested. Non-pool participant's residual cash balances, as per statute, will be invested for the benefit of the county general fund.

The undersigned authorizes the Lewis County Treasurer to invest, daily, all cash balances held by the Treasurer for the benefit of the individual funds of the **District** in the Lewis County Investment Pool and accepts the conditions outlined above.

Arny Davis

(360) 740-1110

Phone Number

