

**AGENDA**  
EXECUTIVE FINANCE COMMITTEE (EFC)

October 22, 2020 at 1:30 P.M.

**Location:** [Skype Meeting: 206-263-8114, Conference ID 756261#](#)

**Committee Members:** *Councilmember Jeanne Kohl-Welles, Chair; Dwight Dively, Director PSB; Ken Guy, Director FBOD; Caroline Whalen, County Administrative Officer*

**Staff:** *Carol Basile, Treasury Manager; Mike Smith, Chief Investment Officer; Christine Denis, Portfolio Manager; Eben Sutton, FAU Supervisor*

**AGENDA ITEMS**

1. **Action:** Approval of Minutes of the July 23, 2020 and August 27, 2020 EFC meetings – *Pages 3-4*
2. **Action:** Interfund Loan of Surplus King County Cash (Chapter 4.24 of KC Code): Approval of the request from the King County Public Hospital District No. 5, dba Vashon Health Care District, Fund 140050010 to modify an existing interfund loan: Increase loan amount from \$1 million to \$1.5 million and extend the term from January 31, 2025 to January 31, 2027. This loan will be repaid by property tax revenue. – *Page 5*  
*Donald Wolczko, Commissioner*  
*Eric Pryne, Commissioner*
3. **Action:** Proposal to Remove Restrictions on Wells Fargo Bank – *Page 16*  
*Nigel Lewis, Senior Debt Analyst*  
*Mike Smith, Chief Investment Officer*
4. **Action:** Interfund Loan of Surplus King County Cash (Chapter 4.24 of KC Code): Approve the request from the Open Space Non-Bond Fund 3522 to extend the term of an existing \$5 million loan to December 31, 2021. This loan will be repaid from reimbursable grants. – *Page 27*  
*Veronica Doherty, Business and Finance Officer IV, King County DNRP*
5. **Action:** Interfund Loan of Surplus King County Cash (Chapter 4.24 of KC Code): Approve the request from the KC Flood Control Capital Contract Fund 3571 to extend the term of an existing \$20 million loan to December 31, 2021. This loan will be repaid from reimbursable grants. – *Page 28*  
*Steve Klusman, Business and Finance Officer IV, King County DNRP*
6. **Action:** Interfund Loan of Surplus King County Cash (Chapter 4.24 of KC Code): Approve the request from the King County Flood Control Operating Contract Fund 1561 to increase the borrowing amount to \$5 million and to extend the term to December 31, 2021 on an existing interfund loan. This loan will be repaid from reimbursable grants. – *Page 30*  
*Steve Klusman, Business and Finance Officer IV, King County DNRP*
7. **Action:** Interfund Loan of Surplus King County Cash (Chapter 4.24 of KC Code): Approve the request from WTD’s Water Quality Short-Term (ST) Interfund Loan Fund 8923 to borrow up to \$272.5 million pursuant to the EFC Motion dated October 22, 2020 – *Page 32*  
*Nigel Lewis, Senior Debt Analyst*  
*Rob Shelley, Managing Director, Piper Sandler & Co.*
8. **Action:** Approval of the “Official Intent” reimbursement motion concerning the issuance of bonds in an aggregate principal amount of \$950,000,000 to undertake the following projects: 277th Street Bridge Replacement Project, Upper Tokul Bridge Replacement Project, WLRD Land Conservation Initiative, FMD Maleng Regional Justice Center Projects, SWD Landfill Capacity Projects, SWD Transfer Station Projects, Transit Operational Capacity Growth Projects, DCHS Transit Oriented Development Projects, and DCHS Affordable Housing Projects. – *Page 40*  
*Nigel Lewis, Senior Debt Analyst*
9. **Briefing:** Quarterly portfolio review of the King County Investment Pool by PFM (separate report)  
*Luke Schneider, CFA, Director, PFM Asset Management LLC*

**AGENDA**  
**EXECUTIVE FINANCE COMMITTEE (Continued)**

10. Briefing: King County Investment Pool Performance and Balance Trends

- Recent Pool Distribution Rates & Monthly Average Pool Balance Comparison – *Page 41*
- King County Investment Pool Yield & Duration versus Custom Benchmark – *Page 42*
- Monthly Transaction Report – *Page 43*
- Interest Rate Summary – *Page 44*

*Mike Smith, Chief Investment Officer*

11. Briefing: Interfund Borrowing Reports

- Interfund Borrowing by King County Funds by Tier – *Page 45*

*Eben Sutton, FAU Supervisor*

- Interfund Borrowing by District & Non-County Funds – *Page 46*
- EFC Approved Interfund Borrowings – *Page 47*

*Mike Smith, Chief Investment Officer*

12. Briefing: Post Bond Issuance Compliance Report – *Page 48*

*Nigel Lewis, Senior Debt Analyst*

**OTHER BUSINESS**

**ADJOURNMENT**

Appendix: Supplemental King County Investment Pool Reports – *Page 50*

- Issuer Diversification, Credit Exposure and Compliance Report – *Page 51*
- King County Investment Pool Asset Allocation – *Page 52*
- King County Investment Pool Maturity Distribution – *Page 53*
- King County Investment Pool Security Holdings – *Page 54*
- Pool-Plus Program Security Holdings by Fund – *Page 57*

**MINUTES**  
**EXECUTIVE FINANCE COMMITTEE (EFC)**  
**July 23, 2020**

The EFC Meeting was held by Skype on April 23, 2020 at 2:00 and adjourned at 2:45 p.m.

<u>Members Present</u>	<u>Others Present</u>	<u>Others Present - Continued</u>	<u>Members Absent</u>
Jeanne Kohl-Welles	Andrew Kim	Carol Basile	Ken Guy
Dwight Dively	Adam Cooper	Mike Smith	
Caroline Whalen	Patrick Hamacher	Christine Denis	
Eunjoo Greenhouse (for Key Guy)	Madelaine Yun	Jenifer Merkel	
	Evelyn Wise	Eben Sutton	
	John Molloy, PFM		

**ACTION ITEMS**

1. **Minutes** – The Committee voted unanimously to approve the Minutes of the July 23, 2020 Executive Finance Committee meeting.
2. **Interfund Loan of Surplus King County Cash (Chapter 4.24 of KC Code)** – The Committee voted unanimously to approve the request from the King County Marine Construction Fund 3591 to borrow up to \$2 million through February 28, 2021. This loan will be repaid by property tax revenues and Federal grants.

**BRIEFINGS**

1. **Quarterly Review of Investment Pool** – John Molloy of PFM presented the 2nd quarter review of the King County Investment Pool. He provided the Committee with an overview of market conditions during the quarter and noted that economic conditions had worsened due to the unprecedented conditions caused by the Covid-19 pandemic. He stated that recently the economic conditions were showing some signs of bouncing back. He then commented on the condition of the investment pool, and he stated that the pool had ample liquidity, was very well diversified, and had very strong credit quality. He also noted that the pool was complying with established policies and was well run.
2. **Investment Pool Performance and Balance Trends** – The Committee was informed that the yield of the pool is trending lower. This is the result of the Fed’s actions to lower interest rates to support the economy during the Covid-19 pandemic. While the yield trend was lower, the performance of the pool was positive versus its benchmark. The average balance of the pool for June was 900 million greater than it was a year ago. This balance increase was due to the receipt of CARES Act money, proceeds from debt sales by pool participants, and from the delay of the due date for property taxes from April 30 to June 1. The Committee was also informed that because of the current economic uncertainties that more emphasis would be placed on liquidity and safety. The high level of volatility in market had continued to make agency callable securities relatively more attractive, so more dollars were allocated to this sector. Finally, the Committee was briefed on the current interest rate environment and the market’s expectation that interest rates may be low for several years.
3. **Interfund Borrowing** – The Committee was provided a review of both County and non-county interfund borrowing. The Committee was informed that Fund 1180 was out of compliance with the approved terms at month-end but had come back into compliance in July. Fund 3310 had unexpected expenses due to the Covid-19 pandemic that resulted in it exceeding the terms of its loan. However, it is expected that CARES Act or FEMA reimbursements will bring the fund back into compliance.

**OTHER BUSINESS**

NONE

  
\_\_\_\_\_  
Mike Smith, Chief Investment Officer

**MINUTES**  
**EXECUTIVE FINANCE COMMITTEE (EFC)**  
**August 27, 2020**

The EFC Meeting was held by Skype on August 27, 2020 at 2:00 and adjourned at 2:15 p.m.

**Members Present**

Jeanne Kohl-Welles  
Dwight Dively  
Caroline Whalen  
Key Guy

**Others Present**

Adam Cooper  
Patrick Hamacher  
Steve Andryszewski  
Emmy McConnell  
Chris McGowan  
Cheryl Lee  
Barb Donohue

**Others Present -**

**Continued**

Carol Basile  
Mike Smith  
Jenifer Merkel  
Eben Sutton  
Mark Thompson

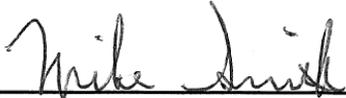
**Members Absent**

**ACTION ITEMS**

1. **Interfund Loan of Surplus King County Cash (Chapter 4.24 of KC Code)** – The Committee voted unanimously to approve the request from the King County Behavioral Health and Recovery Division Fund 1120 to borrow up to \$20 million through December 31, 2021. This loan will be repaid from a mixture of funds.

**OTHER BUSINESS**

NONE

  
\_\_\_\_\_  
Mike Smith, Chief Investment Officer



## King County DISTRICT APPLICATION FOR INTERFUND LOAN

### DISTRICT CONTACT INFORMATION

District name: King County Hospital District #5. Dba Vashon Health Care District  
 Contact name: Donald Wolczko Contact title: Secretary, commissioner  
 Phone: 206.919.9313 Fax: E-mail: don@vashonhealthcare.org  
 District address: P.O. Box 213  
 City: Vashon ZIP code: 98070

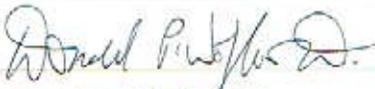
### BORROWING REQUEST DETAILS

Fund name: General fund Fund number: 140050010  
 Term of loan requested (projected start and end date): 7years (also for original \$1M loan), 2/1/20- 1/31/27  
 Maximum negative daily cash balance during term of loan (estimated): \$1,350,000 requesting additional \$500,000

### ADDITIONAL INFORMATION

Why is this borrowing necessary? We are a new district, without tax revenue until 5/21  
Why are the funds not being borrowed from another district fund (i.e., construction fund, etc)? We are a new district  
Why is bank financing not being used? We are a new district  
What will be the source of the funds to repay the interfund loan? Tax revenue, starting 5/21  
List the most recent district bond issue that has been rated by either Standard & Poor's, Moody's, or Fitch:

### DISTRICT AUTHORIZED SIGNATURE (REQUESTING INTERFUND LOAN)

Signature:   
 Print Name: Donald P. Wolczko, DVM  
 Title: Secretary, commissioner  
 Date: 10/19/20

### Please Include the Following Attachments:

- (1) Copy of monthly cash flow forecast showing district's cash needs over the expected borrowing horizon.
- (2) Copy of most recent financial statements and budget.
- (3) Copies of the two most recent Washington State Auditor's Office reports on the district.
- (4) Copy of the governing body's resolution approving and requesting the interfund loan from King County.

### KING COUNTY EXECUTIVE FINANCE COMMITTEE REVIEW (COUNTY USE ONLY)

Interfund loan approved? Yes  No  Date Approved/Denied: \_\_\_\_\_ Loan rate: \_\_\_\_\_  
 Maximum interfund loan amount approved \$ \_\_\_\_\_ Loan termination date: \_\_\_\_\_  
 Other special loan terms or comments:

### LOAN AGREEMENT

1. If the district believes it will exceed any of the terms approved by King County, they must notify King County and submit an addendum to the original loan request immediately.
2. King County may not approve an extension or modification of the original loan agreement and reserves the right to make the district's warrants interest bearing at anytime.
3. By signing below, the district's representative is accepting the terms of interfund loan approved by the Executive Finance Committee. After signing below, return by fax: 206-296-7345 or mail: Treasury Operations; 500 4<sup>th</sup> Ave, Rm 611; Seattle, WA 98104. (King County will return a signed copy to the district.)

DISTRICT SIGNATURE (AGREEING TO APPROVED LOAN TERMS)  Title: Date:	KING COUNTY SIGNATURE  Title: Date:
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Vashon Health Care District Budget, revenue supported								
	May, 2021	June, 2021	July, 2021	August, 2021	September, 2021	October, 2021	November, 2021	December, 2021
<b>Salary and Benefits</b>								
Superintendent		-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00
Employer FICA/Medicare		-\$612.00	-\$612.00	-\$612.00	-\$612.00	-\$612.00	-\$612.00	-\$612.00
FUTA/W L&I/W ES		-\$75.00	-\$75.00	-\$75.00	-\$75.00	-\$75.00	-\$75.00	-\$75.00
<b>Services</b>								
Accounting/Bookkeeping		-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00
Legal			-\$3,000.00			-\$3,000.00		
Communications/Website		-\$209.00	-\$209.00	-\$209.00	-\$209.00	-\$209.00	-\$209.00	-\$209.00
General Liability/D&O								
AWPHD								
Travel					-\$625.00			
<b>Office</b>								
Rent								
Computer hardware/software								
Tech support		-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00
Phone/internet		-\$100.00	-\$100.00	-\$100.00	-\$100.00	-\$100.00	-\$100.00	-\$100.00
Office supplies			-\$250.00			-\$250.00		
<b>Administrative Expenses; Monthly Total:</b>	<b>\$0.00</b>	<b>-\$8,809.00</b>	<b>-\$12,059.00</b>	<b>-\$8,809.00</b>	<b>-\$9,434.00</b>	<b>-\$12,059.00</b>	<b>-\$8,809.00</b>	<b>-\$8,809.00</b>
<b>Clinic services</b>								
Clinic Services, Low Est.		-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00
Debt Service, Low Est.	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40
Total Expenses, Low Est.	-\$21,370.40	-\$155,179.40	-\$158,429.40	-\$155,179.40	-\$155,804.40	-\$158,429.40	-\$155,179.40	-\$155,179.40
Tax Revenue	\$900,000.00						\$900,000.00	
Monthly Cash Flow, Low Est.	\$878,629.60	-\$155,179.40	-\$158,429.40	-\$155,179.40	-\$155,804.40	-\$158,429.40	\$744,820.60	-\$155,179.40
Payment Period	17	18	19	20	21	22	23	24
Total Cash Balance, low	\$878,629.60	\$723,450.20	\$565,020.79	\$409,841.39	\$254,036.99	\$95,607.59	\$840,428.19	\$685,248.79
Interest Incurred, low	-\$2,120.30	-\$2,328.73	-\$2,295.40	-\$2,262.02	-\$2,228.58	-\$2,195.08	-\$2,161.53	-\$2,127.91
Total debt, low	-\$1,330,700.27	-\$1,311,658.60	-\$1,292,583.60	-\$1,273,475.22	-\$1,254,333.40	-\$1,235,158.08	-\$1,215,949.20	-\$1,196,706.71

Vashon Health Care District Budget, revenue	January, 2022	February, 2022	March, 2022	April, 2022	May, 2022	June, 2022	July, 2022	August, 2022
<b>Salary and Benefits</b>								
Superintendent	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00
Employer FICA/Medicare	-\$612.00	-\$612.00	-\$612.00	-\$612.00	-\$612.00	-\$612.00	-\$612.00	-\$612.00
FUTA/W L&I/W ES	-\$75.00	-\$75.00	-\$75.00	-\$75.00	-\$75.00	-\$75.00	-\$75.00	-\$75.00
<b>Services</b>								
Accounting/Bookkeeping	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00
Legal	-\$3,000.00			-\$3,000.00			-\$3,000.00	
Communications/Website	-\$209.00	-\$209.00	-\$209.00	-\$209.00	-\$209.00	-\$209.00	-\$209.00	-\$209.00
General Liability/D&O	-\$3,500.00							
AWPHD	-\$700.00							
Travel				-\$625.00				
<b>Office</b>								
Rent								
Computer hardware/software								
Tech support	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00
Phone/internet	-\$100.00	-\$100.00	-\$100.00	-\$100.00	-\$100.00	-\$100.00	-\$100.00	-\$100.00
Office supplies	-\$250.00			-\$250.00			-\$250.00	
<b>Administrative Expenses; Monthly Total:</b>	<b>-\$16,259.00</b>	<b>-\$8,809.00</b>	<b>-\$8,809.00</b>	<b>-\$12,684.00</b>	<b>-\$8,809.00</b>	<b>-\$8,809.00</b>	<b>-\$12,059.00</b>	<b>-\$8,809.00</b>
<b>Clinic services</b>								
Clinic Services, Low Est.	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00
Debt Service, Low Est.	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40
Total Expenses, Low Est.	-\$162,629.40	-\$155,179.40	-\$155,179.40	-\$159,054.40	-\$155,179.40	-\$155,179.40	-\$158,429.40	-\$155,179.40
Tax Revenue					\$900,000.00			
Monthly Cash Flow, Low Est.	-\$162,629.40	-\$155,179.40	-\$155,179.40	-\$159,054.40	\$744,820.60	-\$155,179.40	-\$158,429.40	-\$155,179.40
Payment Period	25	26	27	28	29	30	31	32
Total Cash Balance, low	\$522,619.38	\$367,439.98	\$212,260.58	\$53,206.18	\$798,026.78	\$642,847.38	\$484,417.97	\$329,238.57
Interest Incurred, low	-\$2,094.24	-\$2,060.50	-\$2,026.71	-\$1,992.86	-\$1,958.95	-\$1,924.98	-\$1,890.95	-\$1,856.86
Total debt, low	-\$1,177,430.55	-\$1,158,120.65	-\$1,138,776.96	-\$1,119,399.42	-\$1,099,987.96	-\$1,080,542.54	-\$1,061,063.09	-\$1,041,549.55

Vashon Health Care District Budget, revenue	September, 2022	October, 2022	November, 2022	December, 2022	January, 2023	February, 2023	March, 2023	April, 2023
<b>Salary and Benefits</b>								
Superintendent	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00
Employer FICA/Medicare	-\$612.00	-\$612.00	-\$612.00	-\$612.00	-\$612.00	-\$612.00	-\$612.00	-\$612.00
FUTA/W L&I/W ES	-\$75.00	-\$75.00	-\$75.00	-\$75.00	-\$75.00	-\$75.00	-\$75.00	-\$75.00
<b>Services</b>								
Accounting/Bookkeeping	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00
Legal		-\$3,000.00			-\$3,000.00			-\$3,000.00
Communications/Website	-\$209.00	-\$209.00	-\$209.00	-\$209.00	-\$209.00	-\$209.00	-\$209.00	-\$209.00
General Liability/D&O					-\$3,500.00			
AWPHD					-\$700.00			
Travel	-\$625.00							-\$625.00
<b>Office</b>								
Rent								
Computer hardware/software								
Tech support	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00
Phone/internet	-\$100.00	-\$100.00	-\$100.00	-\$100.00	-\$100.00	-\$100.00	-\$100.00	-\$100.00
Office supplies		-\$250.00			-\$250.00			-\$250.00
<b>Administrative Expenses; Monthly Total:</b>	<b>-\$9,434.00</b>	<b>-\$12,059.00</b>	<b>-\$8,809.00</b>	<b>-\$8,809.00</b>	<b>-\$16,259.00</b>	<b>-\$8,809.00</b>	<b>-\$8,809.00</b>	<b>-\$12,684.00</b>
<b>Clinic services</b>								
Clinic Services, Low Est.	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00
Debt Service, Low Est.	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40
Total Expenses, Low Est.	-\$155,804.40	-\$158,429.40	-\$155,179.40	-\$155,179.40	-\$162,629.40	-\$155,179.40	-\$155,179.40	-\$159,054.40
Tax Revenue			\$900,000.00					
Monthly Cash Flow, Low Est.	-\$155,804.40	-\$158,429.40	\$744,820.60	-\$155,179.40	-\$162,629.40	-\$155,179.40	-\$155,179.40	-\$159,054.40
Payment Period	33	34	35	36	37	38	39	40
Total Cash Balance, low	\$173,434.17	\$15,004.77	\$759,825.37	\$604,645.97	\$442,016.56	\$286,837.16	\$131,657.76	-\$27,396.64
Interest Incurred, low	-\$1,822.71	-\$1,788.50	-\$1,754.23	-\$1,719.91	-\$1,685.52	-\$1,651.07	-\$1,616.56	-\$1,581.99
Total debt, low	-\$1,022,001.86	-\$1,002,419.96	-\$982,803.79	-\$963,153.30	-\$943,468.41	-\$923,749.08	-\$903,995.24	-\$884,206.83

Vashon Health Care District Budget, revenue	May, 2023	June, 2023	July, 2023	August, 2023	September, 2023	October, 2023	November, 2023	December, 2023
<b>Salary and Benefits</b>								
Superintendent	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00
Employer FICA/Medicare	-\$612.00	-\$612.00	-\$612.00	-\$612.00	-\$612.00	-\$612.00	-\$612.00	-\$612.00
FUTA/W L&I/W ES	-\$75.00	-\$75.00	-\$75.00	-\$75.00	-\$75.00	-\$75.00	-\$75.00	-\$75.00
<b>Services</b>								
Accounting/Bookkeeping	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00
Legal			-\$3,000.00			-\$3,000.00		
Communications/Website	-\$209.00	-\$209.00	-\$209.00	-\$209.00	-\$209.00	-\$209.00	-\$209.00	-\$209.00
General Liability/D&O								
AWPHD								
Travel					-\$625.00			
<b>Office</b>								
Rent								
Computer hardware/software								
Tech support	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00
Phone/internet	-\$100.00	-\$100.00	-\$100.00	-\$100.00	-\$100.00	-\$100.00	-\$100.00	-\$100.00
Office supplies			-\$250.00			-\$250.00		
<b>Administrative Expenses; Monthly Total:</b>	<b>-\$8,809.00</b>	<b>-\$8,809.00</b>	<b>-\$12,059.00</b>	<b>-\$8,809.00</b>	<b>-\$9,434.00</b>	<b>-\$12,059.00</b>	<b>-\$8,809.00</b>	<b>-\$8,809.00</b>
<b>Clinic services</b>								
Clinic Services, Low Est.	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00
Debt Service, Low Est.	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40
Total Expenses, Low Est.	-\$155,179.40	-\$155,179.40	-\$158,429.40	-\$155,179.40	-\$155,804.40	-\$158,429.40	-\$155,179.40	-\$155,179.40
Tax Revenue	\$900,000.00						\$900,000.00	
Monthly Cash Flow, Low Est.	\$744,820.60	-\$155,179.40	-\$158,429.40	-\$155,179.40	-\$155,804.40	-\$158,429.40	\$744,820.60	-\$155,179.40
Payment Period	41	42	43	44	45	46	47	48
Total Cash Balance, low	\$717,423.96	\$562,244.56	\$403,815.15	\$248,635.75	\$92,831.35	-\$65,598.05	\$679,222.55	\$524,043.15
Interest Incurred, low	-\$1,547.36	-\$1,512.67	-\$1,477.92	-\$1,443.11	-\$1,408.24	-\$1,373.30	-\$1,338.31	-\$1,303.25
Total debt, low	-\$864,383.79	-\$844,526.06	-\$824,633.58	-\$804,706.29	-\$784,744.12	-\$764,747.02	-\$744,714.93	-\$724,647.78

Vashon Health Care District Budget, revenue	January, 2024	February, 2024	March, 2024	April, 2024	May, 2024	June, 2024	July, 2024	August, 2024
<b>Salary and Benefits</b>								
Superintendent	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00
Employer FICA/Medicare	-\$612.00	-\$612.00	-\$612.00	-\$612.00	-\$612.00	-\$612.00	-\$612.00	-\$612.00
FUTA/W L&I/W ES	-\$75.00	-\$75.00	-\$75.00	-\$75.00	-\$75.00	-\$75.00	-\$75.00	-\$75.00
<b>Services</b>								
Accounting/Bookkeeping	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00
Legal	-\$3,000.00			-\$3,000.00			-\$3,000.00	
Communications/Website	-\$209.00	-\$209.00	-\$209.00	-\$209.00	-\$209.00	-\$209.00	-\$209.00	-\$209.00
General Liability/D&O	-\$3,500.00							
AWPHD	-\$700.00							
Travel				-\$625.00				
<b>Office</b>								
Rent								
Computer hardware/software								
Tech support	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00
Phone/internet	-\$100.00	-\$100.00	-\$100.00	-\$100.00	-\$100.00	-\$100.00	-\$100.00	-\$100.00
Office supplies	-\$250.00			-\$250.00			-\$250.00	
<b>Administrative Expenses; Monthly Total:</b>	<b>-\$16,259.00</b>	<b>-\$8,809.00</b>	<b>-\$8,809.00</b>	<b>-\$12,684.00</b>	<b>-\$8,809.00</b>	<b>-\$8,809.00</b>	<b>-\$12,059.00</b>	<b>-\$8,809.00</b>
<b>Clinic services</b>								
Clinic Services, Low Est.	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00
Debt Service, Low Est.	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40
Total Expenses, Low Est.	-\$162,629.40	-\$155,179.40	-\$155,179.40	-\$159,054.40	-\$155,179.40	-\$155,179.40	-\$158,429.40	-\$155,179.40
Tax Revenue					\$900,000.00			
Monthly Cash Flow, Low Est.	-\$162,629.40	-\$155,179.40	-\$155,179.40	-\$159,054.40	\$744,820.60	-\$155,179.40	-\$158,429.40	-\$155,179.40
Payment Period	49	50	51	52	53	54	55	56
Total Cash Balance, low	\$361,413.74	\$206,234.34	\$51,054.94	-\$107,999.46	\$636,821.14	\$481,641.74	\$323,212.33	\$168,032.93
Interest Incurred, low	-\$1,268.13	-\$1,232.95	-\$1,197.71	-\$1,162.41	-\$1,127.05	-\$1,091.62	-\$1,056.13	-\$1,020.58
Total debt, low	-\$704,545.51	-\$684,408.06	-\$664,235.37	-\$644,027.38	-\$623,784.03	-\$603,505.25	-\$583,190.98	-\$562,841.17

Vashon Health Care District Budget, revenue	September, 2024	October, 2024	November, 2024	December, 2024	January, 2025	February, 2025	March, 2025	April, 2025
<b>Salary and Benefits</b>								
Superintendent	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00
Employer FICA/Medicare	-\$612.00	-\$612.00	-\$612.00	-\$612.00	-\$612.00	-\$612.00	-\$612.00	-\$612.00
FUTA/W L&I/W ES	-\$75.00	-\$75.00	-\$75.00	-\$75.00	-\$75.00	-\$75.00	-\$75.00	-\$75.00
<b>Services</b>								
Accounting/Bookkeeping	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00
Legal		-\$3,000.00			-\$3,000.00			-\$3,000.00
Communications/Website	-\$209.00	-\$209.00	-\$209.00	-\$209.00	-\$209.00	-\$209.00	-\$209.00	-\$209.00
General Liability/D&O					-\$3,500.00			
AWPHD					-\$700.00			
Travel	-\$625.00							-\$625.00
<b>Office</b>								
Rent								
Computer hardware/software								
Tech support	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00
Phone/internet	-\$100.00	-\$100.00	-\$100.00	-\$100.00	-\$100.00	-\$100.00	-\$100.00	-\$100.00
Office supplies		-\$250.00			-\$250.00			-\$250.00
<b>Administrative Expenses; Monthly Total:</b>	<b>-\$9,434.00</b>	<b>-\$12,059.00</b>	<b>-\$8,809.00</b>	<b>-\$8,809.00</b>	<b>-\$16,259.00</b>	<b>-\$8,809.00</b>	<b>-\$8,809.00</b>	<b>-\$12,684.00</b>
<b>Clinic services</b>								
Clinic Services, Low Est.	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00
Debt Service, Low Est.	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40
Total Expenses, Low Est.	-\$155,804.40	-\$158,429.40	-\$155,179.40	-\$155,179.40	-\$162,629.40	-\$155,179.40	-\$155,179.40	-\$159,054.40
Tax Revenue			\$900,000.00					
Monthly Cash Flow, Low Est.	-\$155,804.40	-\$158,429.40	\$744,820.60	-\$155,179.40	-\$162,629.40	-\$155,179.40	-\$155,179.40	-\$159,054.40
Payment Period	57	58	59	60	61	62	63	64
Total Cash Balance, low	\$12,228.53	-\$146,200.87	\$598,619.73	\$443,440.32	\$280,810.92	\$125,631.52	-\$29,547.88	-\$188,602.28
Interest Incurred, low	-\$984.97	-\$949.30	-\$913.56	-\$877.76	-\$841.90	-\$805.97	-\$769.99	-\$733.94
Total debt, low	-\$542,455.74	-\$522,034.63	-\$501,577.79	-\$481,085.15	-\$460,556.65	-\$439,992.22	-\$419,391.80	-\$398,755.34

Vashon Health Care District Budget, revenue	May, 2025	June, 2025	July, 2025	August, 2025	September, 2025	October, 2025	November, 2025	December, 2025
<b>Salary and Benefits</b>								
Superintendent	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00
Employer FICA/Medicare	-\$612.00	-\$612.00	-\$612.00	-\$612.00	-\$612.00	-\$612.00	-\$612.00	-\$612.00
FUTA/W L&I/W ES	-\$75.00	-\$75.00	-\$75.00	-\$75.00	-\$75.00	-\$75.00	-\$75.00	-\$75.00
<b>Services</b>								
Accounting/Bookkeeping	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00
Legal			-\$3,000.00			-\$3,000.00		
Communications/Website	-\$209.00	-\$209.00	-\$209.00	-\$209.00	-\$209.00	-\$209.00	-\$209.00	-\$209.00
General Liability/D&O								
AWPHD								
Travel					-\$625.00			
<b>Office</b>								
Rent								
Computer hardware/software								
Tech support	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00
Phone/internet	-\$100.00	-\$100.00	-\$100.00	-\$100.00	-\$100.00	-\$100.00	-\$100.00	-\$100.00
Office supplies			-\$250.00			-\$250.00		
<b>Administrative Expenses; Monthly Total:</b>	<b>-\$8,809.00</b>	<b>-\$8,809.00</b>	<b>-\$12,059.00</b>	<b>-\$8,809.00</b>	<b>-\$9,434.00</b>	<b>-\$12,059.00</b>	<b>-\$8,809.00</b>	<b>-\$8,809.00</b>
<b>Clinic services</b>								
Clinic Services, Low Est.	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00
Debt Service, Low Est.	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40
Total Expenses, Low Est.	-\$155,179.40	-\$155,179.40	-\$158,429.40	-\$155,179.40	-\$155,804.40	-\$158,429.40	-\$155,179.40	-\$155,179.40
Tax Revenue	\$900,000.00						\$900,000.00	
Monthly Cash Flow, Low Est.	\$744,820.60	-\$155,179.40	-\$158,429.40	-\$155,179.40	-\$155,804.40	-\$158,429.40	\$744,820.60	-\$155,179.40
Payment Period	65	66	67	68	69	70	71	72
Total Cash Balance, low	\$556,218.32	\$401,038.91	\$242,609.51	\$87,430.11	-\$68,374.29	-\$226,803.69	\$518,016.91	\$362,837.50
Interest Incurred, low	-\$697.82	-\$661.64	-\$625.40	-\$589.10	-\$552.73	-\$516.30	-\$479.81	-\$443.25
Total debt, low	-\$378,082.76	-\$357,374.00	-\$336,629.00	-\$315,847.70	-\$295,030.04	-\$274,175.94	-\$253,285.34	-\$232,358.19

Vashon Health Care District Budget, revenue	January, 2026	February, 2026	March, 2026	April, 2026	May, 2026	June, 2026	July, 2026	August, 2026
<b>Salary and Benefits</b>								
Superintendent	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00
Employer FICA/Medicare	-\$612.00	-\$612.00	-\$612.00	-\$612.00	-\$612.00	-\$612.00	-\$612.00	-\$612.00
FUTA/W L&I/W ES	-\$75.00	-\$75.00	-\$75.00	-\$75.00	-\$75.00	-\$75.00	-\$75.00	-\$75.00
<b>Services</b>								
Accounting/Bookkeeping	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00
Legal	-\$3,000.00			-\$3,000.00			-\$3,000.00	
Communications/Website	-\$209.00	-\$209.00	-\$209.00	-\$209.00	-\$209.00	-\$209.00	-\$209.00	-\$209.00
General Liability/D&O	-\$3,500.00							
AWPHD	-\$700.00							
Travel				-\$625.00				
<b>Office</b>								
Rent								
Computer hardware/software								
Tech support	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00	-\$250.00
Phone/internet	-\$100.00	-\$100.00	-\$100.00	-\$100.00	-\$100.00	-\$100.00	-\$100.00	-\$100.00
Office supplies	-\$250.00			-\$250.00			-\$250.00	
<b>Administrative Expenses; Monthly Total:</b>	<b>-\$16,259.00</b>	<b>-\$8,809.00</b>	<b>-\$8,809.00</b>	<b>-\$12,684.00</b>	<b>-\$8,809.00</b>	<b>-\$8,809.00</b>	<b>-\$12,059.00</b>	<b>-\$8,809.00</b>
<b>Clinic services</b>								
Clinic Services, Low Est.	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00
Debt Service, Low Est.	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40	-\$21,370.40
Total Expenses, Low Est.	-\$162,629.40	-\$155,179.40	-\$155,179.40	-\$159,054.40	-\$155,179.40	-\$155,179.40	-\$158,429.40	-\$155,179.40
Tax Revenue					\$900,000.00			
Monthly Cash Flow, Low Est.	-\$162,629.40	-\$155,179.40	-\$155,179.40	-\$159,054.40	\$744,820.60	-\$155,179.40	-\$158,429.40	-\$155,179.40
Payment Period	73	74	75	76	77	78	79	80
Total Cash Balance, low	\$200,208.10	\$45,028.70	-\$110,150.70	-\$269,205.10	\$475,615.50	\$320,436.09	\$162,006.69	\$6,827.29
Interest Incurred, low	-\$406.63	-\$369.94	-\$333.19	-\$296.37	-\$259.49	-\$222.55	-\$185.54	-\$148.47
Total debt, low	-\$211,394.42	-\$190,393.95	-\$169,356.74	-\$148,282.71	-\$127,171.81	-\$106,023.96	-\$84,839.10	-\$63,617.16

Vashon Health Care District Budget, revenue	September, 2026	October, 2026	November, 2026	December, 2026
<b>Salary and Benefits</b>				
Superintendent	-\$7,313.00	-\$7,313.00	-\$7,313.00	-\$7,313.00
Employer FICA/Medicare	-\$612.00	-\$612.00	-\$612.00	-\$612.00
FUTA/W L&I/W ES	-\$75.00	-\$75.00	-\$75.00	-\$75.00
<b>Services</b>				
Accounting/Bookkeeping	-\$250.00	-\$250.00	-\$250.00	-\$250.00
Legal		-\$3,000.00		
Communications/Website	-\$209.00	-\$209.00	-\$209.00	-\$209.00
General Liability/D&O				
AWPHD				
Travel	-\$625.00			
<b>Office</b>				
Rent				
Computer hardware/software				
Tech support	-\$250.00	-\$250.00	-\$250.00	-\$250.00
Phone/internet	-\$100.00	-\$100.00	-\$100.00	-\$100.00
Office supplies		-\$250.00		
<b>Administrative Expenses; Monthly Total:</b>	<b>-\$9,434.00</b>	<b>-\$12,059.00</b>	<b>-\$8,809.00</b>	<b>-\$8,809.00</b>
<b>Clinic services</b>				
Clinic Services, Low Est.	-\$125,000.00	-\$125,000.00	-\$125,000.00	-\$125,000.00
Debt Service, Low Est.	-\$21,370.40	-\$21,370.40	-\$21,370.40	\$0.00
Total Expenses, Low Est.	-\$155,804.40	-\$158,429.40	-\$155,179.40	-\$133,809.00
Tax Revenue			\$900,000.00	
Monthly Cash Flow, Low Est.	-\$155,804.40	-\$158,429.40	\$744,820.60	-\$133,809.00
Payment Period	81	82	83	84
Total Cash Balance, low	-\$148,977.11	-\$307,406.51	\$437,414.09	\$303,605.09
Interest Incurred, low	-\$111.33	-\$74.13	-\$36.86	\$0.48
Total debt, low	-\$42,358.09	-\$21,061.82	\$271.73	\$272.20

## WELLS FARGO ISSUE PAPER

In February 2017, in response to many well-publicized instances of its opening of bank and credit card accounts without customer approval, the Executive Finance Committee (EFC) adopted a motion that precluded the County from doing new business with Wells Fargo.

Specifically, this EFC motion stated that:

The County Investment Pool will not invest in any eligible securities offered under the Bank's [Wells Fargo] name. This includes restrictions on investing in Wells Fargo corporate notes and Wells Fargo commercial paper;

The County will not enter into any new Direct Placement agreements ("loans") with a subsidiary of Wells Fargo Bank as a means of financing capital improvements. A Direct Placement is a form of debt financing that allows the County to take advantage of short-term variable interest rates. **Note that, in operationalizing this restriction, it has been taken to also apply to other bank facilities that provide credit and liquidity support for other types of the County's outstanding variable rate debt;** and

The County will exclude Wells Fargo Securities as a member of the County's pool of underwriters for negotiated and competitive bond sales.

This restriction remains in effect. Wells Fargo, however, is now requesting that this restriction be lifted because it believes that since 2017 it has taken many actions to correct its organizational deficiencies and corporate culture which will prevent future behavior of the type that lead to the EFC censure. Such changes are described in the attached memo that has been provided to the County by Wells Fargo.

Accordingly, having been in effect for nearly 4 years, we consider it both timely and appropriate for the EFC to consider whether or not, based on such documented improvements, to continue this prohibition on the County's doing business with Wells Fargo.

There would be potential benefits, albeit some of which are of a nature that are very hard if not impossible to quantify, to the County from lifting this restriction. Such benefits include the following:

- as an already-approved name on the County's approved credit list, it would provide another corporate issuer of notes and commercial paper that the Investment Pool could invest in. The Investment Pool estimates that, if it were able to locate Wells Fargo investments up to the maximum amount authorized by the Investment Policy, it could boost earnings by as much as \$650,000 annually;
- it would provide another potential bank bidder for the provision of liquidity or credit facilities to support the County's variable rate debt instruments or for direct placements of such debt. This is a market in which Wells Fargo is quite active, and also one that is quite limited in terms of the total number of credit-worthy participants and "fluid" inasmuch as different banks can have either heightened or lessened appetite for such business at different times and also have heightened or lessened market receptivity. As such, having an additional potential competitor could be very valuable to the County, especially over the coming 6-months when two of its outstanding variable rate debt instruments may need to be remarketed/refunded; and
- a similar benefit may accrue with regard to underwriting services. Lifting the restriction would permit an additional potential bidder for County bonds that are sold competitively and a potential proposer to be a member of the County's underwriter team for negotiated bond

issues. However, in the latter instance, it should be noted that the County has recently completed a solicitation (from which Wells Fargo was excluded) and identified a new underwriter pool to manage negotiated sales for the next 3-years, so any benefit from having an additional potential competitor would probably be well in the future.

#### A Requested Technical Amendment to the Restriction

If the EFC is not amenable to lifting the entire restriction at this time, we would nonetheless strongly request that it make a technical amendment to the language of the restriction.

As described above, the wording of this motion specifically stated that “The County will exclude Wells Fargo Securities as a member of the County’s **pool of underwriters for negotiated and competitive bond sales**”.

The highlighted language was unfortunate because the County has never had a pool of underwriters for competitive bond sales. This creates complications as we approach any competitive bond sale. Because of the language of this restriction, we have to informally attempt to dissuade them from bidding and/or craft the notice of sale to specify that if Wells Fargo still does submit a winning bid it will not be considered as a “qualified” bid, thereby possibly foregoing a lower interest rate.

Accordingly, we respectfully request that, at a minimum, the EFC strike the words “**and competitive**” from the restriction. It would be especially timely to have this matter resolved now since the County will be holding a competitive sale of two series of limited tax general obligation bonds totaling approximately \$125 million next Tuesday, October 27<sup>th</sup>.



**MEMORANDUM**

**To:** Ken Guy  
*Director of the Finance and Business Operations Division*

**From:** Wells Fargo Securities

**Date:** August 28, 2020

**Re:** Wells Fargo Update

**Executive Summary.** In 2017, the County Executive Finance Committee (“EFC”) approved restrictions on Wells Fargo related to: investing in securities offered under Wells Fargo’s name; entering into direct purchase agreements with Wells Fargo Bank, N.A. (“WFBNA”); and excluding Wells Fargo Securities (“WFS”) as a member of the King County (the “County”) pool of underwriters for negotiated and competitive sales. Since then, Wells Fargo has undergone substantial changes that include new senior leadership and board members. A summary of these changes is included in **Attachment A**. We respectfully request that the County’s EFC review the important progress Wells Fargo has made and consider lifting these restrictions so that the County may benefit from WFBNA’s capital base and WFS’s participation in both competitive and negotiated bond sales.

**Wells Fargo: Charting a New Future.** Building on the progress of the last few years, Wells Fargo new CEO **Charlie Scharf** is now focused on fixing past wrongs, operating with the highest standards of excellence and integrity, and moving the company forward for customers, employees, and communities. Since Charlie Scharf joined Wells Fargo as CEO in September 2019, more than 50% of Wells Fargo’s Operating Committee has been refreshed, in addition to bringing on strategic hires in risk management, operational excellence, and other key areas across the Company. In addition, Wells Fargo’s Board of Directors appointed a new chairman and elected a two new members to diversify financial services experience and support transformation. Select Wells Fargo corporate recognition and awards are highlighted below. A broader list is included in **Attachment B**.

Community Reinvestment Act (CRA)	Corporate Responsibility	Diversity & Inclusion
<p>Received <b>Community Reinvestment Act (CRA) ratings of “Outstanding”</b> achieving an Outstanding rating in all three exam categories – lending, investments, and services – in both <b>Washington State</b> and <b>Nationally</b>.</p>	<p><b>#1 Banking and Financial Services</b> (2019) U.S. Environmental Protection Agency’s Green Power Partnership National Top 100</p>	<p><b>#1 of the Top 16 Companies for People with Disabilities</b> (2020) National Organization on Disability</p>
	<p><b>#2 Top Company for Philanthropy</b> (2020) DiversityInc.</p>	<p><b>Top Companies for LGBT Employees</b> (2020) DiversityInc.</p>
	<ul style="list-style-type: none"> <li>Wells Fargo Foundation will distribute \$175 million in total donations to help address food, shelter, small business and housing stability, as well as to provide help to public health organizations</li> </ul>	<p><b>#6 of the Top 15 Companies for Supplier Diversity</b> (2020) DiversityInc.</p>
	<ul style="list-style-type: none"> <li>Initial investment of \$320,000 to nine (9) Community Foundations across WA in support of COVID-19 response funds, including a \$150,000 donation to the Seattle Foundation</li> </ul>	<p><b>21st Best Company for Latinas</b> (2019) <i>LATINA Style</i></p> <p><b>#11 of the Top 50 Companies for Diversity</b> (2020) DiversityInc.</p>

**Wells Fargo in King County.** Wells Fargo continues to serve and invest in King County. A broader description of the following highlights is located in **Attachment C**.

More than <b>1,500</b> team members employed in the market	<b>78</b> community banking branches	<b>\$2.2 million</b> donated to <b>151</b> nonprofits and schools in 2018	<b>\$2.8 billion</b> in <b>4,600</b> home mortgage loans in 2018, including low- and moderate income	<b>\$295 million</b> extended through more than <b>5,100</b> small business loans
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Source: Wells Fargo Community Investment Program Highlights, June 2020

**Recent Financings and Credit Commitments for Washington Issuers.** In 2020, WFS has been active with Washington issuers on both negotiated and competitive sales. Select financings are highlighted below.

<b>Seattle Municipal Light and Power</b>  \$198,305,000  Sole Manager* July 2020  	<b>State of Washington</b>  \$36,455,000  Sole Manager* July 2020  	<b>Energy Northwest</b>  \$356,545,000  Co-Manager May 2020  	<b>State of Washington</b>  \$410,735,000  Senior Manager April 2020  	<b>State of Washington</b>  \$608,080,000  Sole Manager* February 2020  
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\*Competitive sale.

Additionally, WFBNA has continued to be an active provider of direct purchase agreements to Washington clients:

<b>Energy Northwest</b>  \$150,000,000  Direct Purchase May 2020  	<b>Seattle Arena Company</b>  \$600,000,000  Direct Purchase March 2020  	<b>Providence St. Joseph Health</b>  \$250,000,000  Direct Purchase March 2020  	<b>City of Tacoma</b>  \$150,000,000  Direct Purchase December 2019  	<b>Seattle's Children Hospital</b>  \$55,490,000  Direct Purchase March 2019  
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<sup>1</sup>Tradename of certain capital markets functions of Wells Fargo Bank, NA.

**Conclusion.** Wells Fargo has undergone substantial changes that include new senior leadership and board members. During this period of transition, Wells Fargo has continued its strong commitment to King County with more than 1,500 team members in 78 locations. As underwriter, WFS is currently the #6 ranked senior manager of municipal new issues in 2020YTD with over \$15bn in par underwritten. **WFS served as senior manager on more than \$1.2 billion of both competitive and negotiated bond transaction for Washington issuers in 2020 alone. Also in 2020, WFBNA executed \$1 billion of credit facilities to Washington clients.** In light of these facts, we respectfully request that the County EFC review the important progress Wells Fargo has made and consider lifting these restrictions so that the County may benefit from WFBNA's capital base and WFS's participation in both competitive and negotiated bond sales. We are available to discuss this information further, answer questions and provide additional information, if helpful. Thank you for your consideration.

**Public Finance**

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**Government Banking\***

Brennan Church

(206) 446-8460

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\*Part of Wells Fargo Bank N.A., not FINRA registered

Source: Bloomberg; Represents negotiated and competitive municipal new issues underwritten from 1/1/2020 to 8/24/2020 by Wells Fargo Securities. Par amount only includes lead-managed credit.

Note: The above tombstones represents selected deals in Washington based on the size and the role that Wells Fargo played in the financing

(Three pages of disclaimers deleted by King County staff)

# Wells Fargo: Charting a New Future

On Sept. 27, 2019, Wells Fargo's Board of Directors named Charles W. Scharf as new CEO and president and a member of the Board of Directors, effective Oct. 21. The Board was committed to hiring someone from outside the company to bring new thinking to help move forward from the past and look toward the future. Previously, Scharf served as chairman and CEO of Bank of New York Mellon and CEO of Visa, Inc.

Building on the progress of the last few years, Scharf is now focused on fixing past wrongs, operating with the highest standards of excellence and integrity, and moving the company forward for customers, employees, and communities.

## New Leadership Changes

*Since Charlie Scharf joined Wells Fargo as CEO, more than 50% of Wells Fargo's Operating Committee has been refreshed, in addition to bringing on strategic hires in risk management, operational excellence, and other key areas across the Company. In addition, Wells Fargo's Board of Directors appointed a new chairman and elected a new member to diversify financial services experience and support transformation.*

**Oct. 21, 2019**, Scharf officially joins Wells Fargo. Soon thereafter, Scharf begins to establish a new slate of company leaders bringing in eight individuals from outside Wells Fargo to help drive the future.

**Nov. 7, 2019**, *William M. Daley* joins as Vice Chairman of Public Affairs and member of the Operating Committee, reporting to Scharf, and leading Corporate Communications, Government Relations & Public Policy, Sustainability & Corporate Responsibility, and Corporate Philanthropy & Community Relations.

**Nov. 20, 2019**, Scharf announces the appointment of *Ray Fischer* as the new Head of Cards, Retail and Merchant Services to lead development of innovative products and services enhancing customer and team member experiences.

**Dec. 2, 2019**, Scharf hires *Christel Kennedy* as Head of Business Continuity and Resiliency to help govern and execute the company's Business Continuity Program and continue to integrate and strengthen the bank's Corporate Security infrastructure.

**Dec. 9, 2019**, *Scott Powell* joins the company as Chief Operating Officer, a new position created by Scharf to oversee regulatory execution and relations, enterprise shared services, and a range of operational functions across the company, and serve on the company's Operating Committee.

*Scharf also announces plans to expand his leadership team to further build the company's operations and controls, including a lead control executive to oversee control personnel across the enterprise, and a strategy and operations planning leader.*

**Dec. 13, 2019**, *Muneera Carr* joins the company as Controller to manage corporate tax, accounting and reporting, as well as financial controls and oversight policies, and processes for the company's business groups and enterprise functions.

**Feb. 4, 2020**, *Michael Cleary* joins the COO leadership team as Head of Sales Practices Oversight and Management to help ensure Wells Fargo has the sales practices right policies and procedures in place and customers have the necessary support when problems arise.

**Feb. 11, 2020**, Scharf announces that *Mike Weinbach* will join Wells Fargo as the new Chief Executive Officer of Consumer Lending, which includes many of the products Wells Fargo's customers interact with most closely — from home and auto loans to personal lines of credit. Also, on Feb. 11, *Andrew Heller* joins the company as the new Strategy and Operations Planning Leader, reporting to COO *Scott Powell*.

**March 9, 2020**, Wells Fargo announces *Chuck Noski* as new Chair of the Wells Fargo Board of Directors following the resignation of Betsy Duke, who had been chair; Jim Quigley also announced his resignation from the Board. Noski is a retired vice chairman and former chief financial officer of Bank of America Corporation.

**March 13, 2020**, Scharf announces that *Ellen Patterson* will join Wells Fargo as General Counsel, overseeing all legal affairs as a member of the Operating Committee and reporting to the CEO.

**April 27, 2020**, Scharf announces that *Lester Owen* will join the COO leadership team as Head of Operations, a new role responsible for building integration across Wells Fargo's business operations functions serving on the Operating Committee.

**April 28, 2020,** *Steven D. Black* is elected to the Wells Fargo Board of Directors.

**May 13, 2020,** Scharf announces *Nate Hurst* will join the Public Affairs leadership team to oversee Corporate Responsibility, Philanthropy, Community Relations, and Sustainability, and serve as the President of the Wells Fargo Foundation.

**May 18, 2020,** *Brian Smith* joins the Company as the Head of Government Relations & Public Policy (GRPP), and a member of the Public Affairs Leadership Team, leading Federal and State and Local Government Relations, Public Policy, Political Programs, and External Relations.

**May 29, 2020,** Scharf announces an enhanced organizational structure to manage risk across the Company, including a new model with five line-of-business Chief Risk Officers (CROs) reporting to Chief Risk Officer Mandy Norton. He also announced that *Kevin Reen* will join Wells Fargo as CRO of Consumer Lending, and *Bill Juliano* as Head of the Operational Risk Management team.

**June 17, 2020,** Scharf announces that *Barry Sommers* will join Wells Fargo as CEO of Wealth & Investment Management (WIM), overseeing Wells Fargo Advisors, Private Wealth Management — comprised of The Private Bank and Abbot Downing — Wells Fargo Asset Management, and serving as a member of the Operating Committee reporting to the CEO.

**June 22, 2020,** Scharf announces that *Barri Rafferty* will join Wells Fargo as Head of Corporate Communications and a member of the Public Affairs leadership team.

**June 22, 2020,** Wells Fargo announces *Michael Lipsitz* as Chief Policy Advisor, leading corporate policy development and implementation as a member of the Public Affairs team.

**June 24, 2020,** *David Owen* joins the Chief Operating Officer team as Wells Fargo's Chief Administrative Officer to drive execution and operational excellence.

**July 20, 2020,** Scharf announces that *Ather Williams III* will join Wells Fargo as Head of Strategy, Digital and Innovation, leading innovation priorities to drive transformation, and serving as a member of the Operating Committee reporting to the CEO.

**July 21, 2020,** Scharf announces that *Mike Santomassimo* will join the company in fall 2020 as Chief Financial Officer, reporting to the CEO and serving on the company's Operating Committee. ■

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## Organizational Improvements

**Jan. 2020,** Wells Fargo launches a transformational human resources program, New Experience for the Team (NEXT) HR. Under this multi-year program, the company will invest in leading technology and create policies to create a consistent employee experience globally. This is part of the company's commitment and strategic investment to reduce operational risk and improve the employee experience.

**Feb. 11, 2020,** Scharf unveils a flatter line of business organizational structure that reorganizes leader responsibilities. This includes creating five principal lines of business to ensure clear authority, accountability, and responsibility. All line of business leaders will report directly to Scharf and will sit on Wells Fargo's Operating Committee.

*Scharf also forms the new Corporate Strategy, Digital Platform & Innovation team to enhance the company's focus on planning for the digital future and investing in the customer experience. The company is conducting a search for this new leader role, which will report to the CEO.*

**Feb. 18, 2020,** Scharf unveils an updated Risk Management Framework, a foundational document that includes clear and concise instructions on the approach to risk management across the company. The risk framework also directs employees to important new tools and resources, including mandatory trainings and Risk University – a new internal site for all employees.

**March 4, 2020,** Scharf announces the company will raise the minimum hourly pay levels for Wells Fargo employees in the majority of U.S. markets within a range of \$15 to \$20 per hour, based on cost of living. The change increases pay for more than 20,000 U.S.-based individuals, and goes into effect by the end of 2020. ■

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## Culture

**Oct. 21, 2019,** his first day at the company, Scharf outlines his 10 guiding leadership principles, which underscore Wells Fargo's responsibility to operate with the highest standards of integrity and fulfill commitments to a broad range of stakeholders.

**Oct. 29, 2019,** Scharf signs onto Business Roundtable's Statement on the Purpose of a Corporation, a clear statement that businesses are responsible to a broad set of constituents including employees and communities and that corporations should act with all stakeholders in mind.

**Jan. 21, 2020,** Wells Fargo receives top honors for the second consecutive year by the Bloomberg 2020 Gender-Equality Index (GEI), which recognizes the company's commitment to transparency in gender reporting and advancing women's equality. The Human Rights Campaign (HRC) also awards Wells Fargo a 100 percent rating and the designation of being a "Best Place to Work for LGBTQ Equality" for the 17th year in a row.

**Feb. 12, 2020,** Wells Fargo announces the company will no longer require arbitration for employees in connection with any future sexual harassment claims. Wells Fargo made the decision following internal dialogue and feedback from various stakeholders, including the proponents of a shareholder proposal.

**March 6, 2020**, Scharf announces accelerated efforts to build a diverse and inclusive workforce. These include a focus on recruiting, hiring, and promoting to increase gender, racial, and ethnic diversity in senior-level roles, a formal development program to build a more diverse and inclusive talent pipeline, and increased accountability for senior leadership to reach diversity and inclusion goals in a consistent manner, among others.

**June 16, 2020**, Scharf builds on commitment to improve diversity by announcing goals to double Black and African American representation in senior leadership over the next five years, expand diverse representation on the Operating Committee, and institute live anti-racism training for all managers. He also directly tied compensation of Operating Committee members to improvement of diversity and inclusion in their areas of oversight, and announced a new and expanded diversity role reporting to the CEO. ■

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## Customers

**March 3, 2020**, Wells Fargo announces plans to introduce two new bank accounts to meet the financial needs of more customers by expanding access to mainstream banking services. This includes a no overdraft fee bank account, a checkless account that limits spending to the amount available to prevent overdrafts or insufficient funds fees, and an account that includes checks and eliminates or limits overdraft fees with a check and caps overdraft or insufficient funds fees at one per month. Both accounts are expected to be available by early 2021.

**March 5, 2020**, Scharf announces plans to expand credit offerings to Deferred Action for Childhood Arrivals (DACA) recipients with access to products that enhance their opportunity for success in the United States. These include education loans, personal lines and loans, credit cards, auto loans, and small business credit for eligible DACA customers. In addition, Wells Fargo will make mortgage and home equity loans to certain eligible DACA customers except where prohibited by specific investors. Access to these products will be completed by early 2021.

**March 10, 2020**, Scharf announces that Wells Fargo plans to invest up to \$50 million in African American Minority Depository Institutions (MDIs). This investment is part of Wells Fargo's commitment to African American communities where MDIs, often community-based banks, provide mortgage credit, small business lending, and other banking services. ■



As the CEO of Wells Fargo, I can commit that our company will do all we can to support our diverse communities and foster a company culture that deeply values and respects diversity and inclusion. ...I firmly believe a diversity of insights and perspectives will drive Wells Fargo to the best ideas and outcomes possible. Part of our journey is about being able to listen to the experiences of others and having honest, open dialogue across differences.

Charlie Scharf



July 2020 | 2Q20

## Wells Fargo Today

Wells Fargo & Company (NYSE: WFC) is a diversified, community-based financial services company with \$1.97 trillion in assets. Wells Fargo's vision is to satisfy our customers' financial needs and help them succeed financially. News, insights, and perspectives from Wells Fargo are also available at [Wells Fargo Stories](#).

### Key Facts

Locations <b>7.3K</b>	Customers <b>70M+</b>	Mobile Banking <b>24.4M</b> mobile active users	Households Served <b>1 in 3</b>
ATMs <b>13K</b>	Wellsfargo.com <b>30.3M</b> digital (online and mobile) active customers	Employees <b>266K</b>	Market value of stock* <b>\$105B</b>

\*Based on sales, profits, assets, and market value as of June 30, 2020

### Wells Fargo helps create solutions for stronger communities through:

**Diversity & Inclusion:** Ensure all people feel respected and have equal access to resources and opportunities to succeed.

**Economic empowerment:** Strengthen financial self-sufficiency and economic opportunities in underserved communities.

**Environmental sustainability:** Accelerate a just transition to a low-carbon economy to help reduce climate change impacts.

WELLS  
FARGO



[Read](#) about how Wells Fargo employees got creative following the CCD recommendations to wear face coverings.

## Company

**3rd in Total Deposits** (2019) FDIC data

**6th in Total Assets** (2020) *Fortune*

**8th Most Profitable Company in the U.S.** (2020) *Fortune*

**17th Largest Public Company in the World\*** (2020) *Forbes*

**20th Biggest Employer in the U.S.** (2020) *Fortune*

**30th on Fortune 500** (2020) *Fortune*

\*Based on sales, profits, assets, and market value

## Innovation

**Best Corporate/Institutional Digital Bank in the U.S.** (2019) *Global Finance*

**1st in Overall Performance, tied with Bank of America and Chase, and 1st in Mobile Web Banking Experience and Privacy and Security** (March 2020) Keynova Mobile Banking Scorecard

**#1 Overall performance - small business banking experience through digital channels** (2020) Keynova Small Business Banking Scorecard

## Corporate Responsibility

**#1 Banking and Financial Services** (2019) U.S. Environmental Protection Agency's Green Power Partnership National Top 100

**#2 Top Company for Philanthropy** (2020) DiversityInc.

**'Outstanding' Community Reinvestment Act Rating** (2020) Office of the Comptroller of the Currency

**100 Best Corporate Citizens of 2020** (2020) 3BL Media

## Additional Recognition

**#1 Asset-Based Lending Bookrunner** (4Q19) Thomson Reuters LPC

**#2 Primary and master servicer of commercial real estate loans by volume in the U.S.** (2019) MBA Commercial/Multifamily Mortgage Servicer Rankings

**#3 U.S. full-service retail brokerage provider** (1Q20) Company and competitor reports

**#4 U.S. IRA provider** (4Q19) Cerulli Associates

## Homeowners & Consumers

**#1 Home loan servicer** (1Q20) *Inside Mortgage Finance*

**#1 Best No-Fee Credit Card, Wells Fargo Propel® Card** (2019) Money.com

**#1 Provider of private student loans among banks** (2019) Company and competitor reports

**#1 Debit card issuer by purchase and transaction volume** (2020) Nilson Report<sup>1</sup>

**#2 Retail mortgage lender** (1Q20) *Inside Mortgage Finance*

**#3 Overall auto lender, noncaptive, excluding leases** (June 2019 - May 2020) AutoCount

<sup>1</sup>April 2020, total 2019 debit and prepaid transaction volume for consumer and small business

## Brand

**Most Valuable Banking Brand in the U.S.** (2020) Brand Finance®

**5th Most Valuable Banking Brand in the World** (2020) Brand Finance®

**13th Most Valuable Brand in the U.S.** (2020) Brand Finance®

**25th Top Company to Work for in the U.S.** (2019) LinkedIn

## Diversity & Inclusion

**#1 of the Top 16 Companies for People with Disabilities** (2020) National Organization on Disability

**Top Companies for LGBT Employees** (2020) DiversityInc.

**#6 of the Top 15 Companies for Supplier Diversity** (2020) DiversityInc.

**21st Best Company for Latinas** (2019) *LATINA Style*

**Top Military Friendly Employer** (2020) Victory Media

**#11 of the Top 50 Companies for Diversity** (2020) DiversityInc.

## Connect with Wells Fargo



### Investment and Insurance Products:

<b>NOT FDIC-Insured</b>	<b>NO Bank Guarantee</b>	<b>MAY Lose Value</b>
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Brokerage products and services are offered through Wells Fargo Advisors. Wells Fargo Advisors is a trade name used by Wells Fargo Clearing Services, LLC and Wells Fargo Advisors Financial Network, LLC, Members SIPC, separate registered broker-dealers and non-bank affiliates of Wells Fargo & Company. Wells Fargo Securities is the trade name for the capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including but not limited to Wells Fargo Securities, LLC, a member of NYSE, FINRA, NFA and SIPC, Wells Fargo Prime Services, LLC, a member of FINRA, NFA and SIPC, and Wells Fargo Bank, N.A. Wells Fargo Securities, LLC and Wells Fargo Prime Services, LLC are distinct entities from affiliated banks and thrifts. Wells Fargo Bank, N.A. is a bank affiliate of Wells Fargo & Company.

# Investing in Seattle

Helping local communities grow

Wells Fargo is committed to Seattle communities

More than **1,500** team members employed in the market

**78** community banking branches

**\$2.2 million** donated to **151** nonprofits and schools in 2018

**\$2.8 billion** in **4,600** home mortgage loans in 2018, including low- and moderate-income

**\$295 million** extended through more than **5,100** small business loans

\*Seattle region defined as the Seattle-Tacoma-Bellevue MSA



**Communicator contact information:**

**David Kennedy**  
[kenneddj@wellsfargo.com](mailto:kenneddj@wellsfargo.com)



## Reinvesting in Lake City and Rainier Valley

During the 2018 Summer Othello-bration event, HomeSight of Washington and the Rainier Valley Community Development Fund announced almost \$2 million in grants and lending capital from Wells Fargo. The funds will help improve the Othello/Rainier Valley community and create more diverse small business ownership in South Seattle.

Wells Fargo also presented Children’s Home Society of Washington with a \$550,000 Wells Fargo Foundation grant to implement a comprehensive, resident-driven neighborhood plan that will help improve the quality of life for families in Lake City. In addition, Wells Fargo supported the opening of the Lake City Skatespot at Virgil Flaim Park with a \$30,000 donation through its LIFT the Block neighborhood revitalization program, and volunteers helped make commemorative buttons.

The LIFT the Block program is part of Wells Fargo’s \$5 million NeighborhoodLIFT® initiative, launched in July 2016 to boost homeownership in the Puget Sound area through down payment assistance grants and homebuyer education.

Wells Fargo has invested \$1.5 million in Lake City and Rainier Valley through its National Neighborhood Grants Program pilot. Seattle is one of six communities nationwide that was selected to participate in the program aimed at revitalizing neighborhoods. ■



## Rebuilding homes and lives in the Seattle area

Every year, Wells Fargo’s Washington team members trade in their pens and calculators for paint brushes and hammers during Habitat for Humanity and Rebuilding Together volunteer projects.

In 2018, Washington team members volunteered 600 hours on seven projects with Habitat for Humanity and Rebuilding Together, resulting in a total of \$155,000 donated through the Wells Fargo Builds program. Over the last 20 years, team members have contributed 4.7 million volunteer hours through the program to build and refurbish 7,600 homes across the country.

In October 2018, Goodwill of the Olympics and Rainier Region, NeighborWorks America, and Wells Fargo hosted a free training seminar and Community Conversation in Tacoma with 22 housing counselors from 14 nonprofits across the state. The NeighborWorks training, called “Counseling the homeless and those at risk of being homeless,” equips housing counselors with financial education tools, resources, and outreach strategies to reduce homelessness and increase homeownership. The event concluded with a \$50,000 Wells Fargo grant presentation to Goodwill for its Career Readiness Program.

Wells Fargo also presented a \$100,000 grant to Housing Hope during a ribbon-cutting ceremony for the Twin Lakes Landing

development in Marysville. The grant will help Housing Hope provide adult life skills training and child development services for homeless and low-income families to help them break the cycle of poverty. Housing Hope is one of 47 nonprofits to receive a total of \$6 million through the Wells Fargo Foundation 2017 Priority Markets Program to help remove barriers to sustainable homeownership.

In 2017, Wells Fargo invested \$59.9 million in two affordable housing developments in downtown Seattle in exchange for low-income housing tax credits (LIHTC), including Thai Binh Apartments in the Little Saigon neighborhood of the international district. Wells Fargo's LIHTC investments will help create 368 much-needed affordable housing apartments. ■



## Investing in diverse small businesses

Wells Fargo helped celebrate the opening of Ventures' Holiday Marketplace at Pike Place Market with a \$250,000 grant presentation. Ventures is a nonprofit organization that helps diverse, low-income entrepreneurs realize their dreams and escape poverty. The \$200,000 Diverse Community Capital grant and \$50,000 Economic Opportunity grant will enable Ventures to deploy 133 small business microloans and expand its business coaching and hands-on incubation model for 200 local, diverse entrepreneurs.

Da'Mony Anderson, a Ventures entrepreneur and the owner of Phil Me Up catering, received a \$4,500 loan in April 2018 to buy a food cart to sell his food at festivals and events. His business has continued to grow, and he was the featured food vendor at Ventures' inaugural Advocacy Night event in October 2018.

"Helping small business owners fulfill their dreams is one of the most important things we do at Wells Fargo. This investment in Ventures will go a long way to help diverse small business owners in the Pacific

Northwest gain access to the capital they need to succeed, creating more local jobs and strengthening the Puget Sound economy," said Wells Fargo Washington Community Development Officer Dwight Prevo.

The Northwest Native Development Fund, another nonprofit Community Development Financial Institution (CDFI) Wells Fargo supports, and their client Theresa Desautel, were featured on the Wells Fargo Stories site, including a video highlighting Theresa's Red Willow Café small business success story on the Colville Reservation. ■



## Supporting Seattle-area veterans

In November, Wells Fargo and Marysville Ford presented retired U.S. Army Sergeant Matt Watters with a payment-free 2019 Ford Ecosport. Sergeant Watters was deployed to Iraq in 2002, where he was wounded while supporting combat operations and received the Purple Heart.

Wells Fargo supports Military Warriors Support Foundation's Transportation4Heroes program, which provides payment-free vehicles and family and financial mentorship to smooth the transition from the military to civilian life.

In addition, this past June Wells Fargo and its Washington Veterans' Team Member Network presented a \$15,000 grant to Habitat for Humanity of Snohomish County to support the Gold Bar project, Habitat for Humanity of Snohomish County's first Veterans Build project.

Since 2012, Wells Fargo has donated more than 400 homes, valued over \$60 million, to veterans in all 50 states, and provided more than 30 vehicles and financial mentoring, valued over \$1 million, to combat wounded veterans and Gold Star families in collaboration with local dealerships. ■

## Our history in Washington state

Beginning in 1857, Wells Fargo established agencies in the logging towns of Port Townsend, Whatcom (Bellingham), and a few years later expanded into Seattle.

When the Northern Pacific Railroad arrived in Washington in 1883, Wells Fargo had 31 express offices linked by stagecoach, steamship, and rail.



Learn more: [stories.wf.com](https://stories.wf.com)

APPENDIX III – COUNTY FUND APPLICATION FORM


**King County**  
**COUNTY FUND APPLICATION FOR INTERFUND LOAN**

COUNTY FUND MANAGER CONTACT INFORMATION

Fund name and number: OPEN SPACE NON-BOND, 000003522

Fund Manager: Nitin Chadha

Fund Manager Title: Finance & Administrative Services Manager, WLRD

Contact name (if different):

Contact title:

Phone: 206-477-5897

Fax:

BORROWING REQUEST DETAILS

Fund name: OPEN SPACE NON-BOND

Fund number: 000003522

Term of loan requested (projected start and end date): 01/01/2021 to 12/31/2021

Is this a new loan request or a request to modify an existing loan? Existing Loan

Has this loan request been reviewed by Office of Performance, Strategy and Budget? Yes  No  If "Yes", list the name of the reviewer:

If this a "Funds Transfer Loan" as defined in Section 5.9 of the County's Interfund Loan Policy complete Part A. otherwise complete Part B

PART A

Provide both the fund name(s) and fund number(s) of the lending fund(s).

Who has determined whether the lending fund(s) designated above is legally able to finance this loan?

PART B

For "Automated Interest Loans" as defined in Section 5.3 list the maximum negative cash balance forecasted during term of loan : \$5,000,000

ADDITIONAL INFORMATION

Why is this borrowing necessary?

The fund relies heavily upon grant funding thereby resulting in cash deficit due to timing of grant reimbursements..

What will be the source of the funds to repay the interfund loan? Revenues from reimbursable grants.

If the interfund loan involves a project that is or will be related to a bond issue, has this interfund loan proposal been reviewed by the Treasury Operations Compliance Officer? Yes  No

FUND MANAGER AUTHORIZED SIGNATURE (REQUESTING INTERFUND LOAN)

 Recoverable Signature

X Nitin Chadha

Signature: Signed by: nitin.chadha@kingcounty.gov

Maximum interfund loan amount approved \$	Repayment date:
---	-----------------

Other special loan terms or comments:



# COUNTY FUND APPLICATION FOR INTERFUND LOAN

## COUNTY FUND MANAGER CONTACT INFORMATION

Fund name and number: FLOOD DISTRICT CAPITAL CONTRACT, 000003571

Fund Manager: Nitin Chadha

Fund Manager Title: Finance & Administrative Services Manager, WLRD

Contact name (if different):

Contact title:

Phone: 206-477-5897

Fax:

## BORROWING REQUEST DETAILS

Fund name: Flood District Capital Contract

Fund number: 000003571

Term of loan requested (projected start and end date): 01/01/2021 to 12/31/2021

Is this a new loan request or a request to modify an existing loan? Existing loan

Has this loan request been reviewed by Office of Performance, Strategy and Budget? Yes  No  If "Yes", list the name of the reviewer:

If this a "Funds Transfer Loan" as defined in Section 5.9 of the County's Interfund Loan Policy complete Part A. otherwise complete Part B

### PART A

Provide both the fund name(s) and fund number(s) of the lending fund(s).

Who has determined whether the lending fund(s) designated above is legally able to finance this loan?

### PART B

For "Automated Interest Loans" as defined in Section 5.3 list the maximum negative cash balance forecasted during term of loan : \$20,000,000

## ADDITIONAL INFORMATION

Why is this borrowing necessary?

The fund relies on reimbursements from the King County Flood Control District, and frequently has a negative cash balance due to delays in review and authorization of reimbursements by the District. However, the Flood District tax fund (190010010) is within the King County investment pool, so this issue may not be a concern for the treasury.

What will be the source of the funds to repay the interfund loan? Tax revenues from the KC Flood Control District.

If the interfund loan involves a project that is or will be related to a bond issue, has this interfund loan proposal been reviewed by the Treasury Operations Compliance Officer? Yes  No

## FUND MANAGER AUTHORIZED SIGNATURE (REQUESTING INTERFUND LOAN)

Recoverable Signature

X Nitin Chadha

Signature: Signed by: nitin.chadha@kingcounty.gov

Print Name: Nitin Chadha

Title: Finance & Administrative Services Manager, WLRD

Date:

**Please include with this application a cash flow forecast showing the fund's cash needs over the expected borrowing period.**

Interfund loan approved? Yes <input type="checkbox"/>			Date Approved/Denied:	Loan interest rate:
No <input type="checkbox"/>				
Maximum interfund loan amount approved \$		Repayment date:		
Other special loan terms or comments:				

Cash Balance Forecast

Month	Cash Balance
JAN	-\$12,772,664.22
FEB	-\$18,074,845.22
MAR	-\$14,867,668.66
APR	-\$9,835,548.66
MAY	-\$10,863,821.99
JUN	-\$8,429,403.33
JUL	-\$6,942,160.48
AUG	-\$7,923,028.79
SEP	-\$1,487,671.64
OCT	-\$2,297,248.26
NOV	-\$5,554,015.09
DEC	-\$17,862,502.09
ADJ	-\$17,862,502.09



# COUNTY FUND APPLICATION FOR INTERFUND LOAN

## COUNTY FUND MANAGER CONTACT INFORMATION

Fund name and number: FLOOD DISTRICT OPERATING CONTRACT, 000001561

Fund Manager: Nitin Chadha

Fund Manager Title: Finance & Administrative Services Manager, WLRD

Contact name (if different):

Contact title:

Phone: 206-477-5897

Fax:

## BORROWING REQUEST DETAILS

Fund name: FLD DIST OPERATING CONTRACT

Fund number: 000001561

Term of loan requested (projected start and end date): 01/01/2021 to 12/31/2021

Is this a new loan request or a request to modify an existing loan? Existing loan

Has this loan request been reviewed by Office of Performance, Strategy and Budget? Yes  No  If "Yes", list the name of the reviewer:

If this a "Funds Transfer Loan" as defined in Section 5.9 of the County's Interfund Loan Policy complete Part A. otherwise complete Part B

### PART A

Provide both the fund name(s) and fund number(s) of the lending fund(s).

Who has determined whether the lending fund(s) designated above is legally able to finance this loan?

### PART B

For "Automated Interest Loans" as defined in Section 5.3 list the maximum negative cash balance forecasted during term of loan : \$5,000,000

## ADDITIONAL INFORMATION

Why is this borrowing necessary?

The fund relies on reimbursements from the King County Flood Control District, and frequently has a negative cash balance due to delays in review and authorization of reimbursements by the District. However, the Flood District tax fund (190010010) is within the King County investment pool, so this issue may not be a concern for the treasury.

What will be the source of the funds to repay the interfund loan? Tax revenues from the KC Flood Control District.

If the interfund loan involves a project that is or will be related to a bond issue, has this interfund loan proposal been reviewed by the Treasury Operations Compliance Officer? Yes  No

## FUND MANAGER AUTHORIZED SIGNATURE (REQUESTING INTERFUND LOAN)

Recoverable Signature

X Nitin Chadha

Signature: Signed by: nitin.chadha@kingcounty.gov

Print Name: Nitin Chadha

Title: Finance & Administrative Services Manager, WLRD

Date:

**Please include with this application a cash flow forecast showing the fund's cash needs over the expected borrowing period.**

Interfund loan approved? Yes <input type="checkbox"/>			Date Approved/Denied:	Loan interest rate:
No <input type="checkbox"/>				
Maximum interfund loan amount approved \$		Repayment date:		
Other special loan terms or comments:				

Cash Balance Forecast

Month	Cash Balance
JAN	(1,755,677.68)
FEB	(2,518,577.32)
MAR	(1,826,140.05)
APR	(452,617.34)
MAY	(233,653.92)
JUN	24,385.32
JUL	(373,025.98)
AUG	(360,707.01)
SEP	(41,483.01)
OCT	(600,836.51)
NOV	(1,109,491.77)
DEC	(2,181,985.92)
ADJ	(2,181,985.92)



**King County**  
**Department of**  
**Natural Resources and Parks**  
Director's Office  
King Street Center  
201 S. Jackson St, Suite 700  
Seattle, WA 98104-3855

October 20, 2020

TO: Mike Smith, Investment Officer, Finance & Business Division  
FM: Christie True, Director, Department of Natural Resources DS  
CT  
RE: Request for Executive Finance Committee Approval for Inter-fund Loan

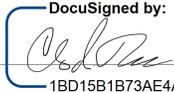
The purpose of this memorandum is to request the Executive Finance Committee's approval for an interfund loan of up to \$272.5 million to the Water Quality Short-Term (ST) Interfund Loan fund 8923 to provide backup liquidity for the commercial paper (CP) program of the Wastewater Treatment Division (WTD).

The sale of notes for the CP program is authorized by Ordinance 19114 for new money purposes and Ordinance 18898 for refunding purposes. The new money portion of the CP program will provide funding for Georgetown and Joint Ship Canal expenditures in advance of draws from the EPA WIFIA and Ecology State Revolving Fund loans. The refunding portion will be used to redeem Series 2012 Junior Lien Bonds.

CP programs require immediate liquidity support in the unlikely event that the dealer is unable to remarket the notes. The County debt manager and the County's financial advisor have determined that an interfund loan can provide this liquidity at a lower cost than a letter or line of credit from a commercial bank. WTD has sufficient resources to pay interest on the interfund loan. In the event that market conditions fail to stabilize, and the CP cannot be remarketed for an extended period of time, WTD would draw on the WIFIA and SRF loans to repay the CP, issue other obligations to refund the CP or repay the CP over time from its revenues.

Cc: Hiedi Popochock, Finance Manager, Wastewater Treatment Division

## APPENDIX III – COUNTY FUND APPLICATION FORM

 <b>King County</b> <b>COUNTY FUND APPLICATION FOR INTERFUND LOAN</b>	
COUNTY FUND MANAGER CONTACT INFORMATION	
Fund name and number: Water Quality Short-Term (ST) Interfund Loan	
Fund Manager: Christie True	Fund Manager Title: Director, DNRP
Contact name (if different): Hiedi Popochock	Contact title: WTD Finance Manager
Phone: 477-1842	Fax:
BORROWING REQUEST DETAILS	
Fund name: Water Quality Short-Term (ST) Interfund Loan	Fund number: 8923
Term of loan requested (projected start and end date): Pursuant to the Executive Finance Committee (EFC) Motion dated October 22, 2020, the Wastewater Treatment Division (WTD) seeks approval of a standing interfund loan facility, authorized from December 1, 2020 to January 1, 2026. As further described in the EFC Motion and as provided by the County's Policy and Procedure for Interfund Loans, effective January 27, 2016 (the "Interfund Loan Policy"), if the Water Quality Short-Term (ST) Interfund Loan Fund, fund 8923, fails to repay any draw within three years of the date of the draw, the fund manager of the WTD borrowing fund must report back to the EFC on an annual basis to provide an updated repayment plan, <i>see</i> Interfund Loan Policy 6.1.6.	
Is this a new loan request or a request to modify an existing loan? New loan	
Has this loan request been reviewed by Office of Performance, Strategy and Budget? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If "Yes", list the name of the reviewer:	
If this a "Funds Transfer Loan" as defined in Section 5.9 of the County's Interfund Loan Policy complete Part A. otherwise complete Part B	
PART A	
Provide both the fund name(s) and fund number(s) of the lending fund(s).	
Who has determined whether the lending fund(s) designated above is legally able to finance this loan?	
PART B	
For "Automated Interest Loans" as defined in Section 5.3 list the maximum negative cash balance forecasted during term of loan : \$272.5 million	
ADDITIONAL INFORMATION	
<p><b>Why is this borrowing necessary?</b> In the unlikely event that the remarketing agent for notes issued pursuant to WTD's Commercial Paper Program cannot remarket the notes, the WTD will require immediate liquidity support to provide funds to the paying agent to pay the principal and interest on maturing commercial paper notes. Under the terms of the proposed liquidity facility, the borrowing fund may draw no more than \$272,500,000, which may be redrawn once the borrowing fund has repaid amounts previously drawn. The commercial paper dealer will initially be instructed to limit the amount of commercial paper that can mature in any 5-day period.</p> <p>As soon as reasonably practicable after any draw on the liquidity facility, the fund manager of WTD will submit a report to the Executive Finance Committee providing all information regarding the draw as required for an interfund loan pursuant to Interfund Loan Policy 6.1</p>	
<p><u>What will be the source of the funds to repay the interfund loan?</u> Proceeds from the subsequent remarketing of the commercial paper notes, proceeds of alternative WTD debt issuance(s), or WTD sewer revenues.</p> <p>If the interfund loan involves a project that is or will be related to a bond issue, has this interfund loan proposal been reviewed by the Treasury Operations Compliance Officer? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p>	
FUND MANAGER AUTHORIZED SIGNATURE (REQUESTING INTERFUND LOAN)	
Signature: 	
Print Name: 1BD15B1B73AE4A0... Christie True	
Title: Director, King County Department of Natural Resources and Parks	
Date: 10/20/2020	
Not applicable. See memo from Piper Sandler.	

Interfund loan approved? Yes <input type="checkbox"/>			Date Approved/Denied:	Loan interest rate:
No <input type="checkbox"/>				
Maximum interfund loan amount approved \$		Repayment date:		
Other special loan terms or comments:				

October 19, 2020

## **MEMORANDUM**

To: Ken Guy, Director, King County Finance and Business Operations Division

From: Rob Shelley, Managing Director, Piper Sandler & Co.

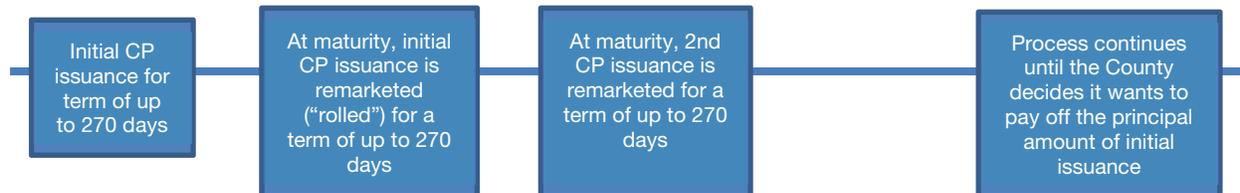
Re: WTD's Commercial Paper Program and Proposed Self-Liquidity Support

### **Overview**

In order to fund its ongoing capital program and to provide a mechanism for the refinancing of outstanding variable rate and short-term debt, the Wastewater Treatment Division ("WTD"), after consultation with the Finance and Business Operations Division, has decided to establish a commercial paper ("CP") program in the amount of \$250 million. This program would be issued under the authority granted under Ordinance 19114 for new money purposes and under Ordinance 18898 for refunding purposes. A CP program is a very flexible way to access low-cost funding and this program is projected to generate significant debt service savings and provide debt program flexibility for WTD. The County has a long history with CP. In fact, WTD's initial variable rate issuance was a \$100 million commercial paper program established in 1996. This memo will describe the mechanics of the proposed CP program and discuss the role that the King County Investment Pool ("KCIP") can play in supporting this new program.

### **Analysis**

Commercial paper notes are sold in maturities with terms of up to 270 days. At maturity, both the interest and the principal on the note must be paid. However, it is typical for the principal portion of the maturing note to be funded by the marketing of a new note (i.e., a remarketing), also with a maturity of up to 270 days. This process of "rolling" maturities maintains a constant principal amount outstanding until the County decides to ultimately retire and extinguish the principal associated with the original note.



To assist with establishing the CP program and the marketing of the associated notes, the County went through a competitive RFP process to identify a broker dealer to serve as the commercial paper dealer. Through this process, the County selected BofA Securities to serve as the program's initial CP dealer. The CP dealer's role is to market the initial issuance of notes and any subsequent rolls of these notes to investors at prevailing market interest rates. In virtually all instances, a CP dealer is able to provide the funds necessary to repay a maturing note through the sale of a new note. In very rare circumstances, this is not possible, resulting in a failed remarketing. In order to purchase CP, investors require assurance that funds will still be available to pay the principal and interest of their maturing CP note in the event of a failed remarketing. This backstop arrangement is called a liquidity facility and an issuer of CP can provide for it in one of two ways: 1) through an arrangement with an outside banking institution, or 2) by relying on its own balance of cash and investments for liquidity (i.e., self-liquidity). The County has chosen to use self-liquidity to back its CP program.

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The primary benefits to WTD of utilizing a self-liquidity approach for its CP program are:

- **Lower Cost** – This is the most compelling reason for using self-liquidity. By substituting self-liquidity for a bank-backed product, WTD avoids the annual bank fee and the upfront legal expense of bank counsel. We estimate that the annual fee would be at least 35 bps (.0035% of the program amount) so the annual savings to the program from eliminating this expense would approach \$1 million. However, similar to the credit enhancement fee the County charges WTD for the use of its LTGO credit, the County would charge WTD a portion of the amount saved to recoup the effort and expense associated with providing the self-liquidity backstop (e.g. additional staffing, administrative time associated with rating maintenance). Even so, the savings to WTD are still likely to be approximately \$500k per year.
- **No bank risk or renewal risk** – By having the County provide liquidity to WTD through an internal mechanism, WTD avoids any risk associated with the potential credit deterioration of an outside party. Additionally, since bank agreements typically have terms of only 3-5 years, using a bank agreement means that WTD would be exposed to the risk a bank would look to increase its pricing in order to renew the agreement or decline to renew the agreement altogether. Using self-liquidity eliminates these ongoing exposures and the administrative effort associated with them.
- **Potential interest rate benefit** – A very limited number of entities have the resources and the investment management framework in place to be able to support a self-liquidity program. Accordingly, such programs make up a relatively small segment of overall CP and variable rate issuance. This direct exposure to an issuer is attractive to investors as a way to diversify their risk away from the commercial banks that typically support CP and other variable rate programs. This “scarcity value” potentially translates into a lower borrowing cost than WTD would receive through a standard bank-backed program.

## Mechanics of Self-Liquidity

The source for providing the self-liquidity backstop in the event of a failed remarketing would be the ability to access King County’s balance of cash-equivalents and short-term investments in the KCIP. As of June 30, 2020, the KCIP held assets with a market value of just over \$8.2 billion. Of this amount, 21% (approximately \$1.7 billion) was in overnight investments, with another 11% (approximately \$900 million) maturing within the following two months. County funds represent approximately 40% of these balances and provide more than ample coverage to support the liquidity needs of WTD’s CP program.

The mechanism for accessing the liquidity in the KCIP in the event of a failed remarketing would be through an interfund loan to WTD from King County surplus cash. To enable this, the Executive Finance Committee would approve a standing interfund loan authorization to cover the principal amount of the CP program plus an amount for interest. It is unlikely that this loan will ever be drawn upon, but it must be in place just in case there is ever a failed remarketing. In the event of a failed remarketing, a draw on the interfund loan would be needed that same day in order to cover the maturing principal of and interest on the CP note.

It is anticipated that any such loan would be repaid relatively quickly through the eventual successful remarketing of the original CP note. In the very unlikely event that the County’s market access is disrupted for an extended amount of time, WTD would establish a longer-term plan for the repayment of the interfund loan through its operating revenues. WTD did something similar in 2007 when it utilized an interfund loan to fund the premature retirement of an outstanding variable rate bond issue.

As stated previously, the amount of the CP program would be \$250 million. In order to cover this amount plus the potential maximum amount of interest, the interfund loan would need to be sized at \$272,500,000. Theoretically, this amount would need to be available on a same-day basis in order to satisfy a potential failed remarketing. The County’s investment group has performed an historical analysis of available funds

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within the KCIP and believes there would be no difficulty in meeting this requirement. In actuality, the amount of exposure to a failed remarketing should be much less than the full amount of the program. This is because the County will have the ability to stagger its CP maturity dates, thereby limiting exposure to only that amount coming due on a particular date. For example, the CP dealer (BofA Securities) will initially be instructed to limit the amount of CP that can mature in any 5-day period.

## Risk of Failed Remarketings

To provide context regarding the frequency of failed remarketings, during the recent COVID-related market meltdown in March, BofA Securities reported that it had no failed remarketings of municipal CP programs for which it serves as dealer. Additionally, during the 2008 financial crisis, WTD's CP program didn't experience any failed remarketings. It is true that other issuers did experience failed remarketings during the financial crisis, but those instances were almost exclusively due to investors' concerns about specific banks who were providing the liquidity support for those transactions. As mentioned above, by having the County provide liquidity, WTD would not be exposed to bank risk as it would be with a bank-backed liquidity mechanism. This should further limit the risk of experiencing a failed remarketing.

## Recommendation

I recommend that the County take the steps necessary to enable WTD to utilize a self-liquidity approach for its upcoming CP program. The County's investment portfolio is well-positioned to provide this mechanism and the use of self-liquidity would provide significant cost savings and efficiencies to WTD.

Please contact me at (206) 628-2879 or [robert.shelley@psc.com](mailto:robert.shelley@psc.com) should you have any questions.

Cc: Carol Basile, King County Finance and Business Operations Division  
Nigel Lewis, King County Finance and Business Operations Division  
Hiedi Popochock, King County Wastewater Treatment Division  
Courtney Black, King County Wastewater Treatment Division  
Dan Kaplan, King County Wastewater Treatment Division

**EXECUTIVE FINANCE COMMITTEE  
MOTION**

WHEREAS, King County, Washington (the “County”) has determined that establishing a Commercial Paper Program (the “CP Program”) on behalf of the Wastewater Treatment Division (the “WTD”), in an amount not to exceed \$250,000,000, is a prudent fiscal decision; and

WHEREAS, in the highly unlikely event that the remarketing agent for notes issued pursuant to the CP Program cannot remarket the notes (“a failed remarketing”), the WTD will require immediate liquidity support to pay the paying agent the principal and interest on maturing CP Program notes; and

WHEREAS, the County has determined that, rather than obtaining a letter or line of credit from a bank, the County should use surplus funds of the County to provide this liquidity support to WTD, thereby saving an estimated 35 basis points annually; and

WHEREAS, the County would, in the event of a failed remarketing, transfer surplus funds of the County needed to pay maturing notes to the paying agent for the CP Program notes on behalf of the WTD borrowing fund; and

WHEREAS, such fund transfers to the paying agent would constitute an interfund loan to WTD fund 8923, the Water Quality Short-Term (ST) Interfund Loan subject to requirements set forth in RCW 43.09.210, King County Code (“K.C.C.”) Section 4. 24, and King County’s Policy and Procedure for Interfund Loans, effective January 27, 2016 (the “Interfund Loan Policy”); and

WHEREAS, these authorities require, among other things, that in order not to represent a permanent diversion of funds, that such loans be temporary in duration, that the borrowing fund be solvent, that the lending fund have sufficient surplus cash to extend the loan, and that the borrowing fund repay the loan with interest; and

WHEREAS, a loan in the event of a failed remarketing will constitute a temporary loan to be repaid from the proceeds of a subsequent sale of CP Program notes (as soon as market conditions stabilize) or from other available WTD revenues, the WTD fund is a solvent fund, and the County holds sufficient surplus cash balances of County funds to extend a loan to WTD in the event of a failed remarketing of the CP Program; and

WHEREAS, pursuant to K.C.C. 4.24.020 and Section 7.3 of the Interfund Loan Policy, the Executive Finance Committee must approve all County interfund loans; and

WHEREAS, the Executive Finance Committee seeks to accommodate the County’s ability to make an interfund loan to the Water Quality Short-Term (ST) Interfund Loan on a timely basis in the event of a failed remarketing, while ensuring such emergency transfers are consistent with state law, County Code, and the Interfund Loan Policy;

NOW THEREFORE, on motion duly made and adopted, the Executive Finance Committee approves an interfund loan facility from County surplus cash to Water Quality Short-Term (ST)

Interfund Loan, from December 1, 2020 to January 1, 2026 (which date may be extended by the Executive Finance Committee from time to time until final maturity of the Commercial Paper Program in December 2050), that may be drawn upon immediately in the event of a failed remarketing of any maturing CP Program notes, provided that any such draw on the interfund loan facility satisfy the following requirements:

- (1) The amount drawn must not exceed \$272,500,000 (*i.e.*, \$250,000,000, plus an amount for interest at the maximum rate). Amounts may be redrawn once paid in full; and
- (2) The term of the loan must be temporary. To this end, if the borrowing fund fails to repay the draw within three years of the date of the draw, the fund manager of the borrowing fund must report back to the EFC on an annual basis to provide an updated repayment plan, *see* Interfund Loan Policy 6.1.6; and
- (3) As soon as reasonably practicable after the draw, and in no event more than 10 days after the draw, the fund manager of the borrowing fund, as defined by Interfund Loan Policy 1.5, must submit a report to the Executive Finance Committee providing all information regarding the draw as required for an interfund loan pursuant to Interfund Loan Policy 7.1, including the temporary term for the loan, the sources of repayment and other information confirming WTD's continued financial ability to repay to the lending fund the full principal on all amounts drawn, with interest at the rate prescribed by Interfund Loan Policy 6.1.4.

Adopted: October 22, 2020.

**EXECUTIVE FINANCE COMMITTEE**  
**“OFFICIAL INTENT” REIMBURSEMENT MOTION**

King County, Washington (the “County”) has determined to undertake the following projects (collectively the “Projects”):

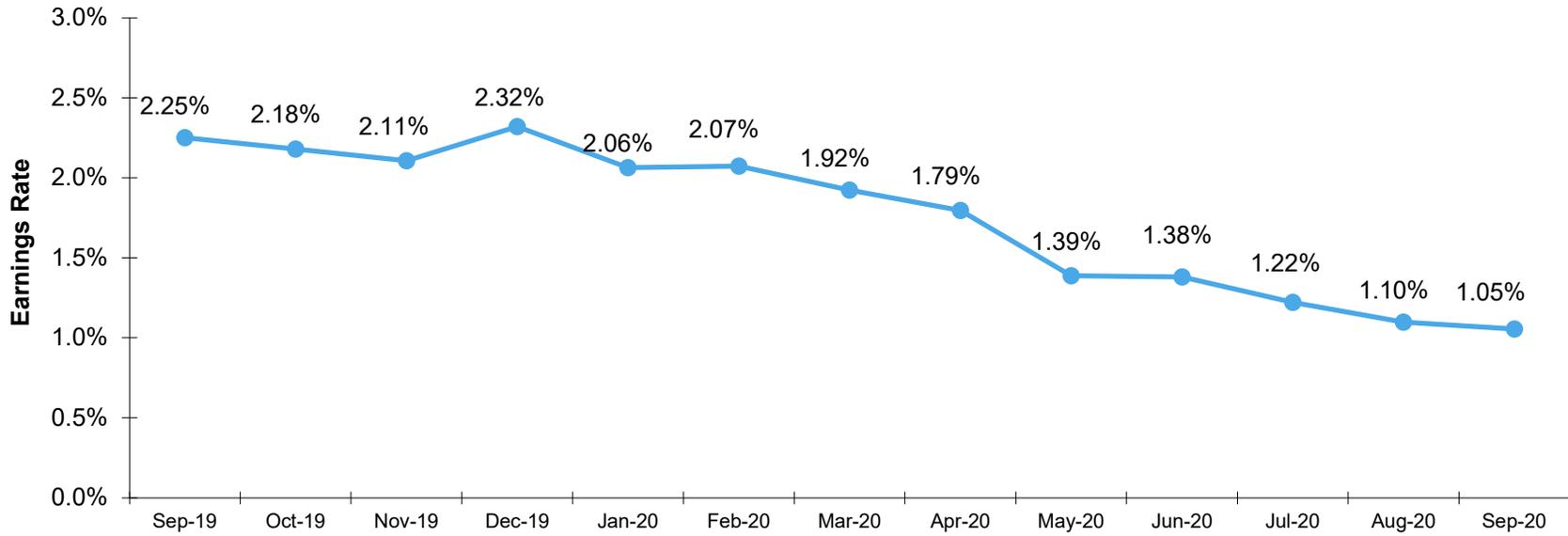
- the 277<sup>th</sup> Street Bridge Replacement Project;
- the Upper Tokul Bridge Replacement Project;
- the WLRD Land Conservation Initiative;
- the FMD Maleng Regional Justice Center Projects;
- the SWD Landfill Capacity Projects;
- the SWD Transfer Station Projects;
- the Transit Operational Capacity Growth Projects;
- the DCHS Transit Oriented Development Projects; and
- the DCHS Affordable Housing Projects.

The County reasonably expects to incur indebtedness and to issue bonds in a maximum aggregate principal amount of approximately \$950,000,000 (the “Obligations”) to obtain financing for all or a portion of the costs of the Projects and, prior to the issuance of the Obligations, to fund all or a portion of the costs of the Projects through either available cash balances or one or more inter-fund loans.

NOW THEREFORE, on motion duly made and adopted, the Executive Finance Committee declares it to be the official intent of the County, for the purpose of complying with the applicable provisions of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder with respect to qualification of reimbursement allocations as expenditures of Obligation proceeds, that capital expenditures in furtherance of the Projects made by the County from either available cash balances or inter-fund loans obtained prior to the issuance of the Obligations are made with the intent that such expenditures shall be reimbursed from the proceeds of the Obligations, when issued.

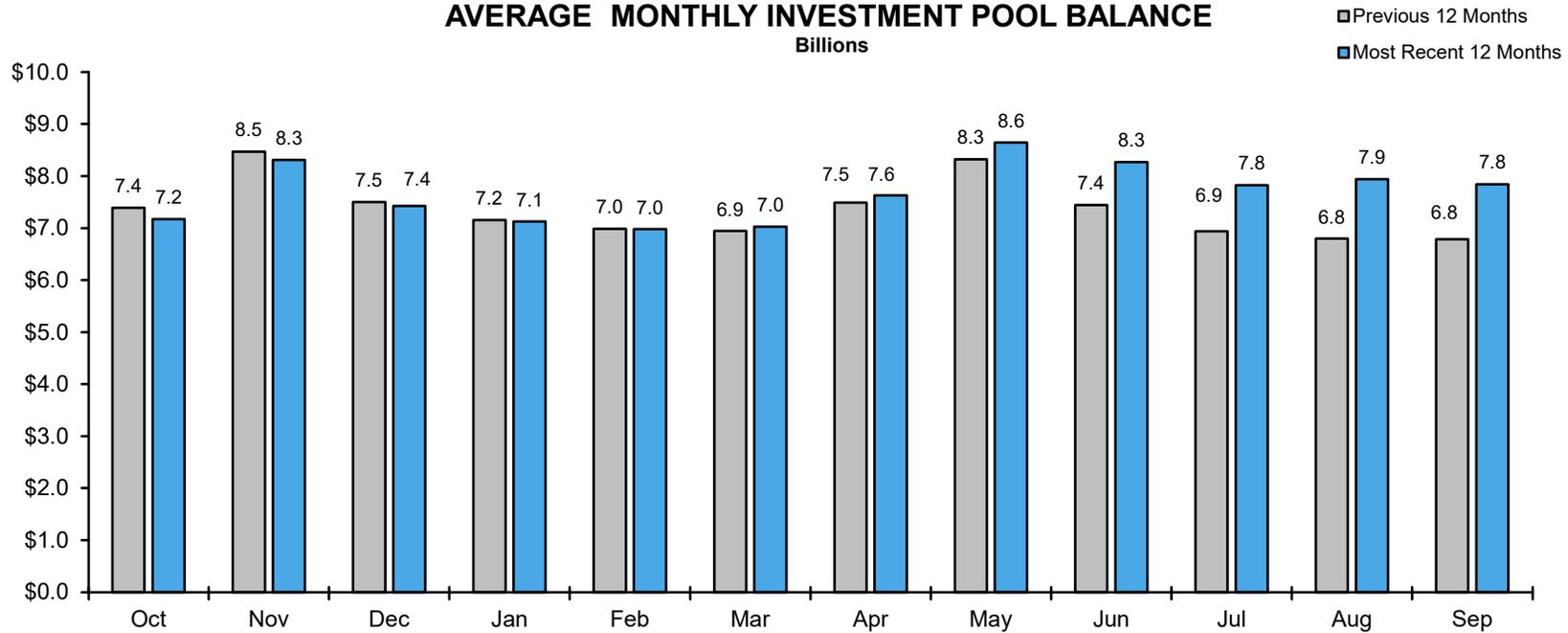
# KING COUNTY INVESTMENT POOL

## EARNINGS DISTRIBUTION RATE

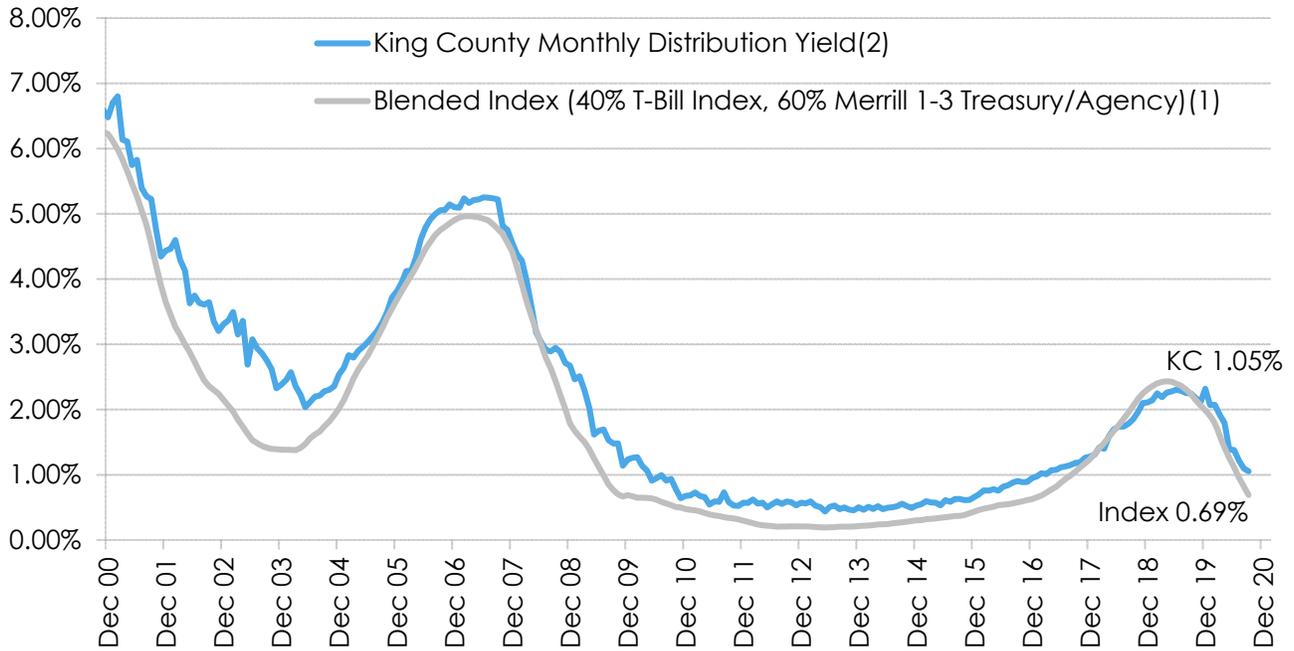


## AVERAGE MONTHLY INVESTMENT POOL BALANCE

Billions

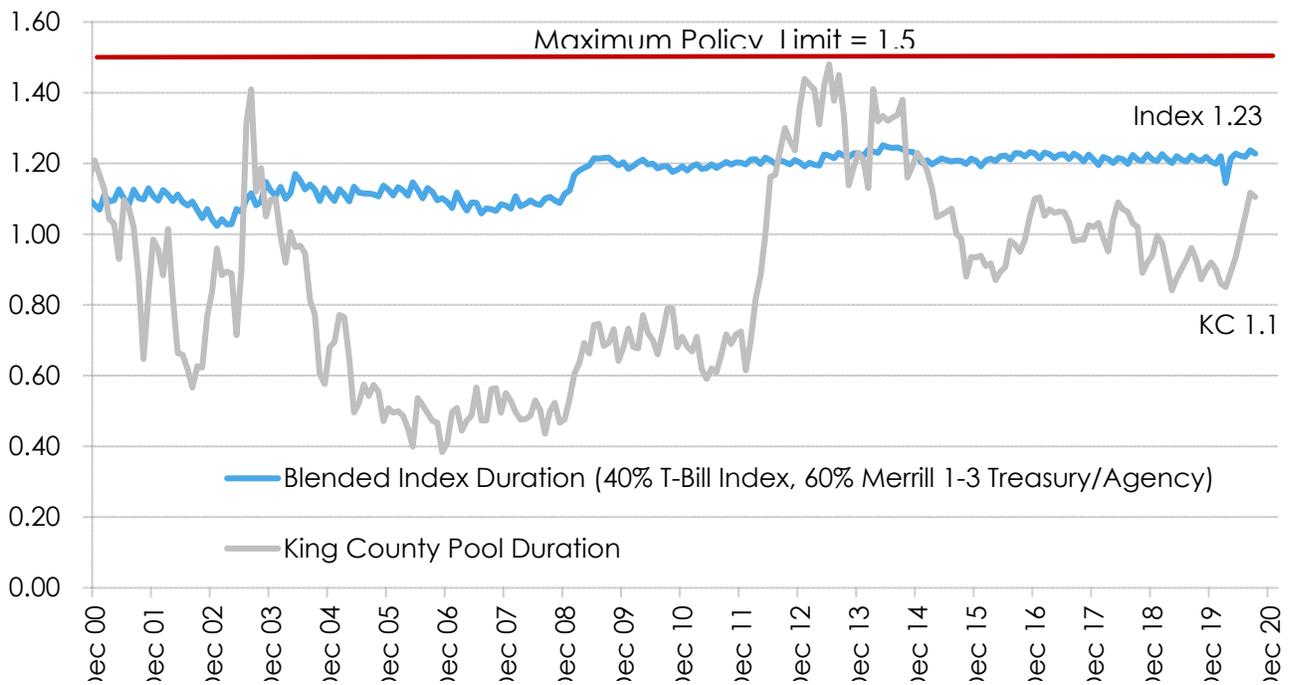


## King County Monthly Distribution Yield Versus Custom Index<sup>(1)</sup>



(1) Does not include any negative distributions from the impaired pool

## King County Monthly Duration Versus Custom Index



SEPTEMBER 2020 TRANSACTIONS



DESCRIPTION	AVG RATE	AVG PAR
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<b>PURCHASES</b>		
BMOCMC Tri-Repo	.045	134,000,000.00

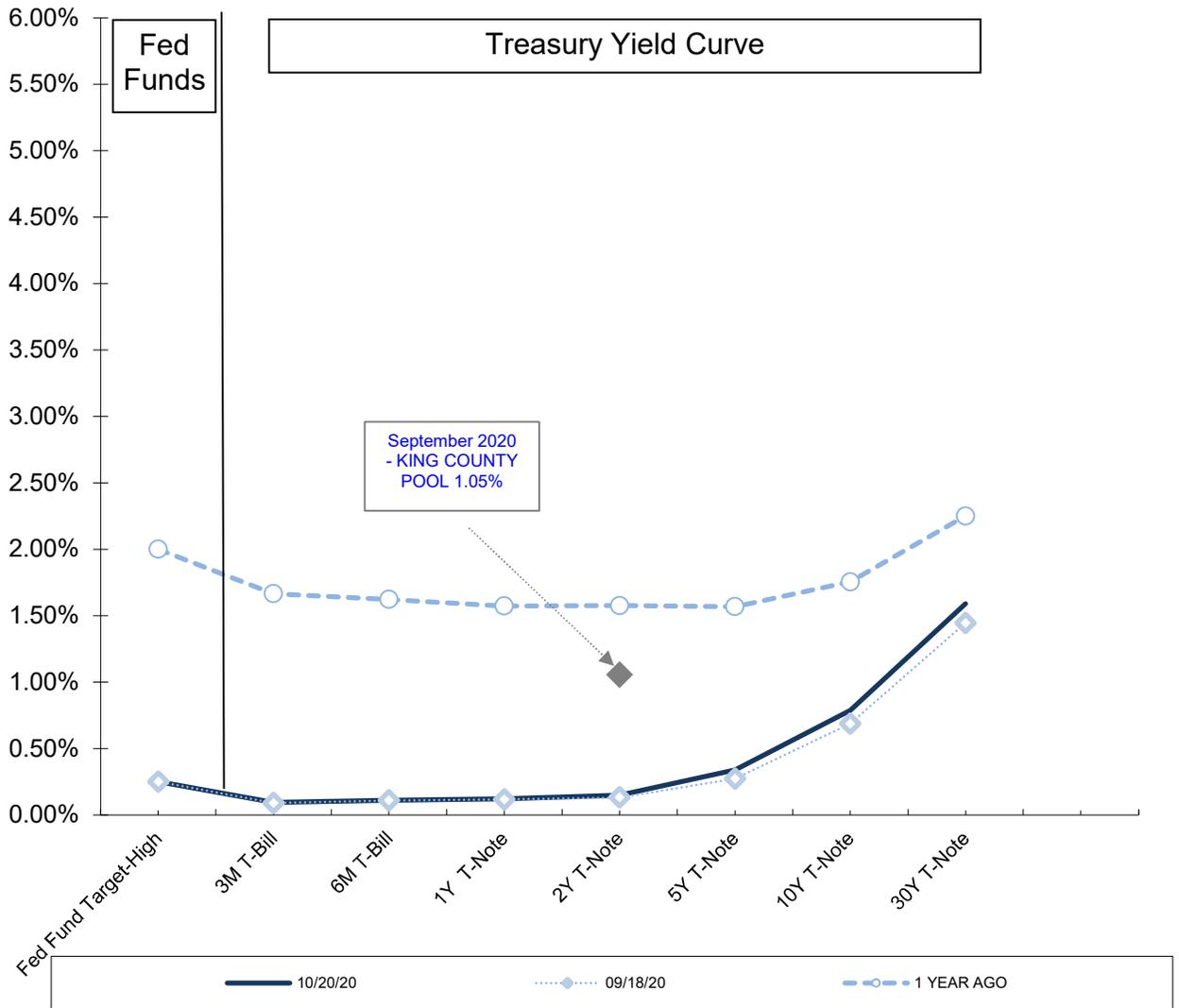
DESCRIPTION	COUPON	MATURITY	SETTLED	BOOK	PAR VALUE	BOOK VALUE	GAIN/(LOSS)
-------------	--------	----------	---------	------	-----------	------------	-------------

<b>PURCHASES</b>							
INTERAMER DEV BK	.250	11/15/2023	09/02/2020	.300	50,000,000.00	49,920,500.00	0.00
FHLMC CALLABLE QUARTERLY	.300	03/02/2023	09/02/2020	.300	50,000,000.00	50,000,000.00	0.00
FFCB CALLABLE ANYTIME	.480	09/03/2024	09/03/2020	.480	50,000,000.00	50,000,000.00	0.00
LGIP	.206	10/01/2020	09/30/2020	.206	227,637.51	227,637.51	0.00
INT BK RECON & DEV	1.376	09/20/2021	09/30/2020	.167	117,310,000.00	118,686,867.47	0.00
ROYAL BK CANADA	.000	06/25/2021	09/30/2020	.200	100,000,000.00	99,851,111.11	0.00
<b>TOTAL PURCHASES</b>					<b>367,537,637.51</b>	<b>368,686,116.09</b>	<b>0.00</b>

<b>CALLS</b>							
US BANK NA OHIO CALLABLE	2.050	10/23/2020	09/23/2020	2.057	10,000,000.00	9,999,945.20	54.80
<b>TOTAL CALLS</b>					<b>10,000,000.00</b>	<b>9,999,945.20</b>	<b>54.80</b>

<b>SELLS</b>							
LGIP	.206	10/01/2020	09/10/2020	.206	50,000,000.00	50,000,000.00	0.00
<b>TOTAL SELLS</b>					<b>50,000,000.00</b>	<b>50,000,000.00</b>	<b>0.00</b>

# INTEREST RATE SUMMARY



	10/20/20	09/18/20	1 YEAR AGO
Fed Fund Target-High	0.25%	0.25%	2.00%
3M T-Bill	0.09%	0.09%	1.67%
6M T-Bill	0.11%	0.11%	1.62%
1Y T-Note	0.12%	0.12%	1.57%
2Y T-Note	0.15%	0.13%	1.58%
5Y T-Note	0.34%	0.27%	1.57%
10Y T-Note	0.79%	0.69%	1.76%
30Y T-Note	1.59%	1.44%	2.25%

**King County Executive Finance Committee**

**Interfund Borrowing Report for EFC, (SEP-2020 period)**

Below is a summary of the causes of the current deficit cash balances.

**Funds listed in Black have a description of the cause of the deficit; funds listed in Blue have an EFC-approved loan in place.**

Items in Green have not yet been analyzed or needs to be revisited; items in Red appear unusual in nature and should be discussed during today's meeting.

<b>Interest on Interfund Loans - County Tier 2 Funds Paying Interest</b>						
<i>Item #</i>	<i>Fund No.</i>	<i>Months Reported</i>	<i>Average Cash</i>	<i>Fund Name</i>	<i>Description</i>	
E	A1	00-000-001-0	4	(60,476,906.27)	CURRENT EXPENSE SUB-FUND	Timing differences
APPRV'D	A2	00-000-395-1	>12	(43,206,578.40)	BLDG REPAIR/REPL SUBFUND	Approved interfund loan in place
F	A3	00-000-551-1	1	(1,890,054.29)	FACILITIES MANAGEMENT SUB	Timing differences
<b>Pooled Tier 1 Funds with Negative Cash Balances</b>						
<i>Item #</i>	<i>Fund No.</i>	<i>Lowest Cash</i>	<i>Average Cash</i>	<i>Fund Name</i>	<i>Description</i>	
	B1	00-000-108-0	1	(303,684.08)	(27,435.68)	DCHS ADMINISTRATION Research pending
APPRV'D	B2	00-000-112-0	1	(8,620,980.64)	(4,295,868.38)	BEHAVIORAL HEALTH Approved interfund loan in place
APPRV'D	B3	00-000-118-0	>12	(7,248,937.82)	(7,248,937.82)	LODGING TAX Approved interfund loan in place
APPRV'D	B4	00-000-139-6	>12	(4,062,648.57)	(4,062,645.25)	RISK ABATEMENT/2006 FUND Approved interfund loan in place
APPRV'D	B5	00-000-156-1	>12	(1,009,619.17)	(479,118.24)	KC FLD CNTRL OPR CONTRACT Approved interfund loan in place
APPRV'D	B6	00-000-331-0	>12	(2,997,846.36)	(2,733,259.54)	LONG-TERM LEASES Approved interfund loan in place
APPRV'D	B7	00-000-352-2	>12	(553,388.88)	(544,345.33)	OS KC NON BND FND SUBFUND Approved interfund loan in place
APPRV'D	B8	00-000-357-1	>12	(6,550,905.13)	(5,653,499.28)	KC FLD CNTRL CAP CONTRACT Approved interfund loan in place
<b>Excluded County Funds with Negative Cash Balances - Tier 2 Funds Not Paying Interest</b>						
<i>Item #</i>	<i>Fund No.</i>	<i>Lowest Cash</i>	<i>Average Cash</i>	<i>Fund Name</i>	<i>Description</i>	
B	C1	00-000-214-0	1	(714,583.46)	(411,487.68)	GRANTS FUND Timing differences
D	C2	00-000-324-0	2	(244,981.30)	(78,690.62)	DCHS TECHNOLOGY CAPITAL FUND Timing differences
B	C3	00-000-554-0	1	(1,384,271.73)	12,492,403.68	PAYROLL REVOLVING Fraudulent unemployment claims; to be refunded from
F	C4	00-000-668-0	4	(135,527.55)	111,136.19	AD VALOREM TAX REFUND Timing differences
B	C5	00-000-670-0	2	(549,999.20)	1,986,678.63	UNDISTRIBUTED TAXES Timing differences
F	C6	00-000-699-0	>12	(24,554.22)	(10,303.80)	ASSMT DISTRIBTN / REFUND Timing differences

- A: Reimbursement funds - reimbursements are collected periodically from other Agencies
- B: Reimbursement funds - pay expenditures first, get reimbursed later, internal to the county
- C: Subfund cash transfers - different subfunds within one Agency
- D: Known accounting or cash transfer error
- E: Anticipated seasonality of receipts
- F: Timing issue of receipts and disbursements

**Interfund Borrowing by District & Non-County Funds  
September 2020**

Status <sup>(1)</sup>	Fund Number	Fund Name	Average Borrowed	Average Cash Balance	Current Balance
✗	070120010	ALGONA GEN TAX REG FUND <sup>(2)</sup>	(\$437,601)	(\$437,601)	(\$427,709)
✓	140050010	VASHON-MAURY HOSPITAL 5 GENERAL <sup>(4)</sup>	(\$271,985)	(\$271,985)	(\$389,373)
✗	064063010	TUKWILA SCH CAP PROJ FD <sup>(3)</sup>	(\$1,196,728)	\$148,129	(\$246,647)
✗	075451190	SEATTLE EMS TAX FUND	(\$20,382)	\$76,639	(\$8,547)
✗	075458510	SEATTLE GO BOND FUND	(\$10,167)	\$23,805	(\$3,321)
✗	200003070	KC LIBRARY SYS CAP PRJ 05	(\$3,573)	(\$3,573)	(\$3,023)
✗	070530010	BURIEN GENERAL	(\$4,502)	\$74,400	(\$1,370)
✗	174050010	NORMANDY PARK METRO PK DIST	(\$169)	\$559	(\$752)
✗	075488510	2006 SHORELINE BOND	(\$205)	\$2,621	(\$393)
✗	075548510	CT OF SNOQUALMIE GO BD	(\$0)	\$665	(\$135)
✗	113333510	LAKEHAVEN W&SD -CONSTRUCTION	(\$81,337)	(\$40,486)	(\$103)
✗	072608510	ISSAQUAH G O BOND FUND	(\$305)	\$3,687	(\$51)
✗	070458510	BOTHELL G O BOND FUND	(\$272)	\$1,180	(\$37)
✗	070450020	BOTHELL LIFT REV	(\$139)	\$636	(\$30)
✗	073098510	KIRKLAND G O BOND FUND	(\$80)	\$1,200	(\$23)
✗	071640020	FEDERAL WAY LIFT REV	(\$3)	\$41	(\$5)
✓	070534010	BURIEN DRAINAGE UTILITY	(\$285)	\$6,961	\$0
✓	071644010	FED WAY DRAINAGE UTILITY	(\$231)	\$8,171	\$0
✓	073650010	MEDINA GEN TAX REGULR C	(\$608)	\$32,757	\$0
✓	074054010	NORMANDY PARK DRAIN UTIL	(\$98)	\$1,629	\$0
✓	075484010	SHORELINE DRAINAGE UTILIT	(\$1,111)	\$5,655	\$0
✓	113330530	LAKEHAVEN W&SD -PAYROLL CLEARING	(\$169,872)	\$50,161	\$1,948
✓	070458520	BOTHELL PUBLIC SAFETY BOND	(\$150)	\$3,092	\$2,125
✓	075910010	TUKWILA GEN TAX REG C	(\$700)	\$19,487	\$84,371
<b>Report Total:</b>			<b>(\$2,200,503)</b>	<b>(\$292,170)</b>	<b>(\$993,075)</b>

**DEFINITIONS**

Average Borrowed: Total borrowed by a fund divided by the number of days in a particular month that the fund had a negative ending balance.

Average Cash Balance: Sum of all ending cash balances (positive & negative) for an entire month divided by the number of days in that month.

Current Balance: Balance as of the third Friday of the month that follows the month at the top of this report.

(1) Checkmark equals approved interfund loan or fund became positive in the next month. X equals fund is still negative on report creation date.

(2) FBOD, RALS, RISK, and PAO partnering to work with the City of Algona. Invoice is being sent to the city.

(3) Contacted district about their negative balance

(4) Approved interfund loan.

**Approved Interfund Borrowings (Automated System)**  
09/30/20

Status	Borrowing Entity	Borrowing Fund Number	Fund Name	Reason For Loan & Repayment Method	Loan Amount Authorized	Fund Balance at Month-end	Average Amount Borrowed	Interest Paid in Current Month	Term of Loan	Loan Rate	Lending Entity	Date of EFC Approval
✓	King County	00-000-1120	Behavioral Health and Recovery Division	To cover additional outpatient payments associated with new payment model which increases payments to providers during the first quarter of implementation (July -Sept). Repayment from a mixture of funds.	Original Loan \$20,000,000	(\$8,620,981)	\$4,295,868	\$3,724	12/31/2021	Pool Rate	King County Surplus Cash	8/27/2020
✓	King County	00-000-1180	Lodging Tax Fund	to providers during the first quarter of implementation (July -Sept)	Original Loan \$10,000,000	(\$7,248,938)	\$7,248,938	\$6,285	12/31/2021	Pool Rate	King County Surplus Cash	7/18/2019
✓	King County	00-000-1210	WLRD Shared Services Fund	This fund is 100% reimbursable and relies on revenues from other funds.	Original Loan \$6,500,000	\$710,472	\$0	\$0	12/31/2020	Pool Rate	King County Surplus Cash	3/21/2019
✓	King County	00-000-1396	Risk Abatement Fund	Dolan Interest settlement. Originally repayment was to be provided by issuing bonds, but after outside legal review, it was determined that taxable bonds would have to be used. It was then decided that repayment will come from semi-annual transfers from the General Fund, instead of issuing bonds.	Original Loan \$10,500,000 Revised Amt: \$10,600,000 Revised Amt: \$11,000,000	(\$4,062,549)	\$4,062,645	\$3,522	6/30/2017 8/31/2017 07/31/2022	Pool Rate	King County Surplus Cash	12/7/2016 06/28/2017 08/23/2017
✓	King County	00-000-1561	KC Flood Control Operating Contract Fund	This fund is 100% reimbursable from the KC Flood Control District.	Original Loan \$2,500,000	(\$276,206)	\$479,118	\$415	12/31/2020	Pool Rate	King County Surplus Cash	3/21/2019
✓	King County	00-000-3292	SWM CIP Non-bond Fund	The fund relies heavily upon grant funding, thereby resulting in cash deficit due to timing of grant reimbursements	Original Loan \$2,000,000	\$20,006,171	\$0	\$0	12/31/2020	Pool Rate	King County Surplus Cash	3/21/2019
✓	King County	00-000-3310	Long Term Lease Fund	Support Phase 4 of King Street Center work space consolidation. Repayment from lease payments.	Original Loan \$2,000,000 Revised Amt: \$4,000,000	(\$1,680,271)	\$2,733,260	\$2,370	12/31/2023	Pool Rate	King County Surplus Cash	12/7/2016 02/22/2017
✓	King County	00-000-3361	Puget Sound Emergency Radio (PSERN) Capital Fund	Support capital expenditures for the PSERN project until cash from the Levy fund becomes available.	Original Loan \$73,000,000	\$22,818,186	\$0	\$0	10/31/2021	Pool Rate	King County Surplus Cash	10/24/2018
✓	King County	00-000-3421	Major Maintenance Reserve Sub-fund	Water pipe repair and replacement project at KCCF.	Original Loan \$23,500,000	\$20,650,540	\$0	\$0	6/30/2025	Pool Rate	King County Surplus Cash	7/18/2019
✓	King County	00-000-3522	Open Space Non-Bond Fund	The fund relies heavily upon grant funding, thereby resulting in cash deficit due to timing of grant reimbursements	Original Loan \$5,000,000	(\$553,389)	\$544,345	\$472	12/31/2020	Pool Rate	King County Surplus Cash	3/21/2019
✓	King County	00-000-3571	KC Flood Control Capital Contract Fund	This fund is 100% reimbursable from the KC Flood Control District.	Original Loan \$20,000,000	(\$6,137,577)	\$5,653,499	\$4,901	12/31/2020	Pool Rate	King County Surplus Cash	3/21/2019
✓	King County	00-0003591	King County Marine Construction Fund	Short-term funding needed until grants from Federal Transit Administration are received for Seattle passenger ferry terminal	Original Loan \$2,000,000	\$2,000,000	\$0	\$0	2/28/2021	Pool Rate	King County Surplus Cash	7/23/2020
✓	King County	00-000-3951	Building Repair & Replacement Fund	Support Phase 2 of King Street Center work space consolidation. Repayment from lease payments.	Original Loan \$2,275,600 Revised Amt \$4,976,000	See Below	See Below	See Below	12/31/2020	Pool Rate	King County Surplus Cash	05/27/2015 01/27/2016
✓	King County	00-000-3951	Building Repair & Replacement Fund	Cover expenditures for the CFJC project. Repayment from a property sale and from tax revenue	Original Loan \$60,000,000	(\$44,857,406)	\$43,206,578	\$37,643	12/31/2021	Pool Rate	King County Surplus Cash	9/26/2018
✓	King County	00-000-5531	KCIT Services Fund	Establish an escrow account for data center bond defeasance. Repayment from existing KCIT rates.	Original Loan \$8,100,000	\$10,047,342	\$0	\$0	12/31/2023	Pool Rate	King County Surplus Cash	2/24/2016
✓	Vashon Health Care District	14-005-0010	General Expense	New district and property tax revenue will not be received until April/May 2021, but operations will start	Original Loan \$1,000,000	(\$385,020)	\$271,985	\$236	1/31/2025	Pool Rate	King County Surplus Cash	1/16/2020

# POST-BOND ISSUANCE COMPLIANCE REPORT

September 2019-August 2020

Pursuant to the annual reporting requirement included in the adopted post-bond issuance tax compliance procedures that the Executive Finance Committee (EFC) adopted in 2013, and as subsequently amended in 2019, this report provides updates regarding the status of the County's compliance with Internal Revenue Service (IRS) requirements governing its usage of tax-exempt or tax-advantaged bonds.

These procedures place responsibility for ensuring such compliance with the County Finance Director who in turn identified a Compliance Officer -- the Senior Debt Analyst -- to act as his agent for monitoring compliance.

There are four main area of focus when gauging the County's compliance, each of which are discussed separately below.

## **Spend-down of Proceeds**

The IRS requires tax-advantaged bond proceeds to be utilized in a timely manner. The key standard that should be met in this regard is that at least 85% of the proceeds of a bond issue be expended within 3 years of the date of issue.

With two, and possibly three, exceptions, Quarterly Tracking Reports for bond-financed projects indicate some recent failings in this regard.

The one of the exceptions noted above is the 2015B various-purpose LTGO bond issue. At the time of its third anniversary, only approximately 77% of the proceeds had been expended. The overwhelming majority of this shortfall is attributable to the slow progress on the King County District Court Unified Case Management System project, which still had \$6.3 million of unused proceeds at the time. The Quarterly Reports from KCIT, which manages the project, indicate that the Case Management System project will now not be completed until the end of 2021, but that all of the unspent proceeds (which are now down to approximately \$4.0 million) are expected to be utilized by that time. Accordingly, such unspent proceeds do not represent excess proceeds as defined in the procedures.

The second exception is the 2017A Bonds that were issued for Solid Waste. By their third anniversary, only approximately 68% of the proceeds had been expended, primarily because of the slower than expected pace of work on the South County Transfer Station. They are predicting, however, that all of the unspent proceeds will be expended by yearend or early 2021.

The third possible exception noted above is the 2017B various-purpose bond issue, which reached its third anniversary in mid-August. The 85% target may not have been achieved for this issue since, based on the Quarterly Reports as of June, approximately 17% of proceeds remained unexpended. The slower-than-expected pace of these expenditures were attributable to three projects: the DPD Space Move, the FMD Asset Management System, and the FMD FRED projects. All of these projects do, however, expect to utilize all of the unspent proceeds over the coming year.

Although very early, the 2019B bond issue, which just reached its first anniversary, also bears some watching on this score because work on the single largest project funded by these bonds -- the construction of a Parks maintenance facility -- has yet to commence.

### **Arbitrage**

Using BLX Group PLC, the County's outside analyst, the County is current with its IRS arbitrage reporting requirements as of yearend 2019. No rebate payments to the IRS were necessary. There is, however, a very small liability for rebate of approximately \$10,000 associated with the 2017B bonds, but that will probably be eliminated as Investment Pool yields decline.

### **Private Use Issues**

No areas of concern regarding private use have emerged over the past year.

### **Training**

The Compliance Officer routinely provides guidance, often supplemented with additional clarification from staff in the Prosecuting Attorney's Office (PAO) or bond counsel, individually to Fund Managers and other county personnel as may be requested or needed.

The adopted procedures also recommend/require both making formal training opportunities available for agency staff and that select staff be encouraged to attend various conferences so that they remain current on best industry practices. In the latter regard, in the fall of 2019, the Compliance Officer and the Treasury Manager both attended an excellent Post-Issuance Compliance Workshop put on jointly by the BLX Group and Orrick Harrington, a major national bond counsel firm, and the senior attorney in the PAO who deals with bond-related matters attended the Bond Attorney's Workshop put on by the National Association of Bond Lawyers.

Because of the pandemic, however, no formal training sessions have been offered internally in 2020 and no staff have attended virtual conferences, except for the PAO attorney who has gone through several training sessions specifically focused on debt-related aspects of COVID relief packages.

### **Other**

Lastly, in conclusion, the best news to report is that no county bond issues are currently the subject of an IRS audit.

## **APPENDIX**

### **Supplemental King County Investment Pool Reports**

**KING COUNTY INVESTMENT POOL**  
**ISSUER DIVERSIFICATION, CREDIT EXPOSURE and COMPLIANCE REPORT**  
**9/30/2020**

*The investment pool complies with all constraints listed in Schedule 1 of the investment policy*

	Book Value	% of Portfolio	Issuer Limits/Restrictions	Credit Agency Ratings		Minimum Credit Restrictions	Maximum Maturity
				S&P	Moody's		
<b>U.S. TREASURIES</b>		<b>100%</b>	<b>NONE</b>			<b>NONE</b>	<b>5 Years</b>
U.S. T-BILLS OR T-NOTES	\$1,190,500,758.09	14.8%	In Compliance	AA+	Aaa	In Compliance	In Compliance
<b>GOVERNMENTAL AGENCIES</b>		<b>100%</b>	<b>35% per agency across investment type</b>			<b>NONE</b>	<b>5 Years</b>
		54.3%	In Compliance				
FEDERAL HOME LOAN MORTGAGE CORP (FHLMC)	\$1,101,119,783.38	13.7%	In Compliance	AA+	Aaa	In Compliance	In Compliance
FEDERAL NATIONAL MORTGAGE ASSOC. (FNMA)	\$1,028,985,913.31	12.8%	In Compliance	AA+	Aaa	In Compliance	In Compliance
INTERNATIONAL BANK FOR RECON & DEV (IBRD)	\$575,638,763.96	7.2%	In Compliance	AAA	Aaa	In Compliance	In Compliance
FEDERAL FARM CREDIT BANK (FFCB)	\$459,609,895.99	5.7%	In Compliance	AA+	Aaa	In Compliance	In Compliance
INTER-AMERICAN DEV BANK (IADB)	\$374,234,791.67	4.7%	In Compliance	AAA	Aaa	In Compliance	In Compliance
FEDERAL HOME LOAN BANK (FHLB)	\$309,676,323.61	3.9%	In Compliance	AA+	Aaa	In Compliance	In Compliance
EUROPEAN BANK FOR RECON & DEV (EBRD)	\$199,883,795.02	2.5%	In Compliance	AAA	Aaa	In Compliance	In Compliance
ASIAN DEVELOPMENT BANK (ASIA)	\$185,574,132.11	2.3%	In Compliance	AAA	Aaa	In Compliance	In Compliance
INTERNATIONAL FINANCE CORP (IFC)	\$120,471,411.02	1.5%	In Compliance	AAA	Aaa	In Compliance	In Compliance
<b>U.S. AGENCY MORTGAGE BACKED SECURITIES</b>		<b>Not to exceed 25%</b>	<b>35% per agency</b>			<b>NONE</b>	<b>5 Year Average Live</b>
		0.0%	In Compliance				
CMO AGENCIES FNMA	\$2,664,601.94	0.0%	In Compliance	AA+	Aaa	In Compliance	In Compliance
<b>REPURCHASE AGREEMENTS</b>		<b>100.0%</b>	<b>Not to exceed 25% per dealer</b>			<b>A1/P1<sup>(1) (2)</sup></b>	<b>60 Days</b>
		1.4%	In Compliance				
Bank of Montreal Capital Markets Corp Tri-party Repo	\$114,000,000.00	1.4%	In Compliance	A-1	N/A	In Compliance	In Compliance
<b>LOCAL GOVERNMENT INVESTMENT POOL</b>		<b>Not to exceed 25%</b>	<b>State of WA LGIP only</b>			<b>NONE</b>	<b>N/A</b>
WASHINGTON STATE TREASURER'S LGIP	\$1,330,702,492.30	16.6%	In Compliance	N/A	N/A		
<b>OVERNIGHT DEPOSITS</b>		<b>100%</b>	<b>NONE</b>			<b>COLLATERALIZED</b>	
	\$128,246,166.37	1.6%					
<b>COMMERCIAL PAPER</b>		<b>Not to exceed 25% combined with Corp Notes</b>	<b>5% per issuer across investment type</b>			<b>A1/P1, If &gt;100 days A or better</b>	<b>270 Days</b>
		5.3%	In Compliance				
TORONTO DOMINION	\$149,797,013.89	1.9%	In Compliance	A-1+	P-1	In Compliance	In Compliance
ROYAL BANK OF CANADA	\$124,842,111.11	1.6%	In Compliance	A-1+	P-1	In Compliance	In Compliance
CANADIAN IMPERIAL BANK	\$99,848,555.56	1.2%	In Compliance	A-1	P-1	In Compliance	In Compliance
BANK OF NOVA SCOTIA	\$49,970,000.00	0.6%	In Compliance	A-1	P-1	In Compliance	In Compliance
<b>CORPORATE NOTES</b>		<b>Not to exceed 25% combined with CP</b>	<b>5% per issuer across investment type</b>			<b>A or better<sup>(3)</sup></b>	<b>5 Years</b>
		6.0%	In Compliance				
BANK OF MONTREAL	\$102,415,778.98	1.3%	In Compliance	A+	Aa2	In Compliance	In Compliance
APPLE INC	\$71,236,753.72	0.9%	In Compliance	AA+	Aa1	In Compliance	In Compliance
MICROSOFT	\$62,320,154.93	0.8%	In Compliance	AAA	Aaa	In Compliance	In Compliance
PROCTER & GAMBLE	\$44,585,702.22	0.6%	In Compliance	AA-	Aa3	In Compliance	In Compliance
BANK OF NOVA SCOTIA	\$43,065,593.04	0.5%	In Compliance	A+	Aa2	In Compliance	In Compliance
US BANK N.A.	\$34,978,347.84	0.4%	In Compliance	AA-	A1	In Compliance	In Compliance
TORONTO DOMINION	\$32,553,929.93	0.4%	In Compliance	AA-	Aa1	In Compliance	In Compliance
HONEYWELL	\$28,304,007.74	0.4%	In Compliance	A	A2	In Compliance	In Compliance
CANADIAN IMPERIAL BANK	\$27,298,548.16	0.3%	In Compliance	A+	Aa2	In Compliance	In Compliance
3M CO	\$24,988,037.55	0.3%	In Compliance	A+	A1	In Compliance	In Compliance
HOME DEPOT INC	\$7,990,422.78	0.1%	In Compliance	A	A2	In Compliance	In Compliance
	<b>\$8,025,503,786.22</b>	<b>100.0%</b>					

ADDITIONAL PORTFOLIO LEVEL REQUIREMENTS	Actual	Status
Effective Duration Less Than 1.5 Years	1.110	In Compliance
40% of Portfolio Value 12 Months or Less	48.7%	In Compliance
Corporate Exposure Not Greater Than 50%	11.3%	In Compliance
Corp Notes & CP ≤ 25%	11.3%	In Compliance
Maximum Duration of Corp Note Portfolio ≤ 3 years	1.258	In Compliance

(1) Must be rated by at least one nationally recognized rating agency

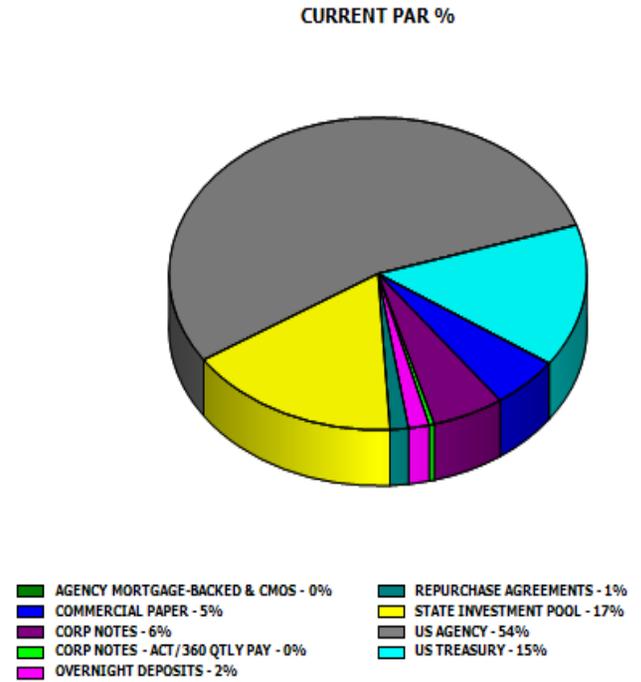
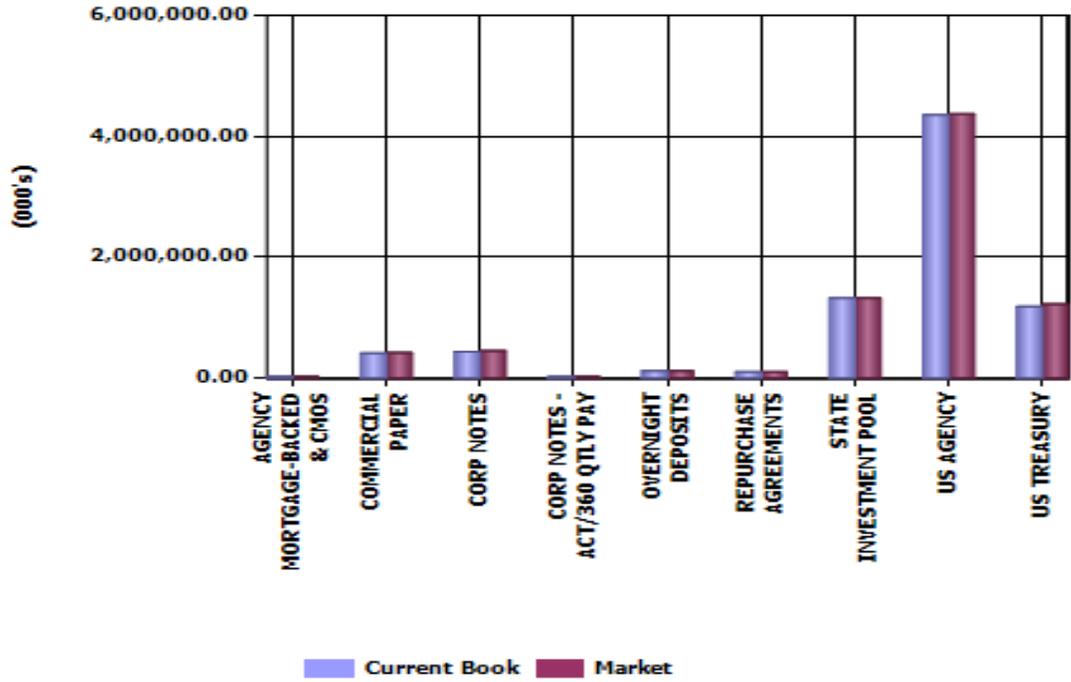
(2) Also backed by collateral

(3) Must be rated by at least 2 nationally recognized rating agencies



Assets (000's)	PAR	BOOK	MARKET	MKT/BK	YIELD
<b>AGENCY MORTGAGE-BACKED &amp; CMOS</b>	2,633.32	2,664.60	2,920.27	109.59%	4.33%
<b>COMMERCIAL PAPER</b>	425,000.00	424,457.68	424,706.31	100.06%	0.47%
<b>CORP NOTES</b>	448,095.00	447,183.35	460,915.79	103.07%	2.74%
<b>CORP NOTES - ACT/360 QTLY PAY</b>	32,500.00	32,553.93	32,584.83	100.09%	0.43%
<b>OVERNIGHT DEPOSITS</b>	128,246.17	128,246.17	128,246.17	100.00%	0.00%
<b>REPURCHASE AGREEMENTS</b>	114,000.00	114,000.00	114,000.00	100.00%	0.05%
<b>STATE INVESTMENT POOL</b>	1,330,702.49	1,330,702.49	1,330,702.49	100.00%	0.21%
<b>US AGENCY</b>	4,344,584.00	4,355,194.81	4,374,227.14	100.44%	0.91%
<b>US TREASURY</b>	1,184,000.00	1,190,500.76	1,231,691.86	103.46%	2.01%
<b>Totals (000's):</b>	<b>8,009,760.98</b>	<b>8,025,503.79</b>	<b>8,099,994.84</b>	<b>100.93%</b>	<b>1.01%</b>

**PORTFOLIO ALLOCATION**



KING COUNTY INVESTMENT POOL

MATURITY DISTRIBUTION  
AS OF 09/30/2020

<u>CALL/MATURITY</u>	<u>DATE RANGE</u>	<u>NO OF INV</u>	<u>BOOK VALUE</u>	<u>%</u>	<u>CUM %</u>
0 TO 1 MONTHS	10/01/20 - 11/02/20	7	1,697,938,577.56	21.2%	21.2%
1 TO 3 MONTHS	11/03/20 - 12/31/20	8	253,130,792.08	3.2%	24.3%
3 TO 6 MONTHS	01/01/21 - 03/31/21	16	1,015,092,926.70	12.6%	37.0%
6 TO 12 MONTHS	04/01/21 - 09/30/21	18	938,838,768.27	11.7%	48.7%
12 TO 24 MONTHS	10/01/21 - 09/30/22	16	735,392,531.94	9.2%	57.8%
24 TO 36 MONTHS	10/01/22 - 09/30/23	27	2,041,213,001.51	25.4%	83.3%
36 TO ** MONTHS	10/01/23 -	20	1,343,897,188.16	16.7%	100.0%
GRAND TOTALS		112	8,025,503,786.22		

KING COUNTY TREASURY OPERATIONS  
SEATTLE, WASHINGTON

PORTFOLIO DETAIL FINANCIAL ANALYSIS  
AS OF 9/30/20

(MANFIN)

PAGE: 1

SORTING ORDER: MATD

RUN: 10/06/20 13:56:16

\*\* FIXED INCOME \*\*

INVSMT NUMBER	DESCRIPTION	INTEREST RATE	YIELD	MAT/CALL DATE	MARKET PRICE	CURRENT PAR	CURRENT BOOK	MARKET VALUE	UNREALIZED GAIN/LOSS	ANNUAL INCOME
711	LOCAL GOVT INVESTM	.205845	.205845	10/01/20	100.000000	1,330,702,492.30	1,330,702,492.30	1,330,702,492.30	.00	2,739,181.62
1522	CASH-US BANK	.001000	.001000	10/01/20	100.000000	126,627,554.60	126,627,554.60	126,627,554.60	.00	1,266.28
1523	CASH-KEY BANK	.001000	.001000	10/01/20	100.000000	206,684.08	206,684.08	206,684.08	.00	2.07
1524	CASH-BOFA	.001000	.001000	10/01/20	100.000000	1,411,927.69	1,411,927.69	1,411,927.69	.00	14.12
4139	BMOCMC Tri-Repo	.050000	.050000	10/01/20	100.000000	114,000,000.00	114,000,000.00	114,000,000.00	.00	57,000.00
3886	ROYAL BK CANADA	.000000	1.742309	10/09/20	99.997556	25,000,000.00	24,990,444.44	24,999,389.00	8,944.56	435,577.32
3036	FED FARM CREDIT	1.680000	1.696478	10/13/20	100.053000	100,000,000.00	99,999,474.45	100,053,000.00	53,525.55	1,696,478.36
2874	MICROSOFT CORP CAL	2.000000	1.789729	11/03/20	100.005000	16,945,000.00	16,948,101.76	16,945,847.25	-2,254.51	303,269.64
2876	MICROSOFT CORP CAL	2.000000	1.789729	11/03/20	100.005000	7,535,000.00	7,536,379.27	7,535,376.75	-1,002.52	134,856.11
3411	MICROSOFT CORP CAL	2.000000	2.992830	10/03/20C	100.005000	13,744,000.00	13,732,143.46	13,744,687.20	12,543.74	411,334.57
3824	FFCB DISCOUNT NOTE	.000000	1.626237	11/10/20	99.992000	15,000,000.00	14,973,333.34	14,998,800.00	25,466.66	243,935.49
3074	FREDDIE MAC	1.875000	1.908000	11/17/20	100.229000	50,000,000.00	49,997,945.36	50,114,500.00	116,554.64	954,000.23
4000	BANK NOVA SCOTIA	.000000	.400927	11/24/20	99.983500	50,000,000.00	49,970,000.00	49,991,750.00	21,750.00	200,463.30
3987	FHLE DISCOUNT NOTE	.000000	.130104	12/01/20	99.985000	50,000,000.00	49,988,986.11	49,992,500.00	3,513.89	65,051.92
4085	TORONTO DOMINION	.000000	.190123	12/01/20	99.979667	50,000,000.00	49,983,902.78	49,989,833.50	5,930.72	95,061.70
3229	US TREASURY NOTE	1.750000	2.561872	12/31/20	100.403000	100,000,000.00	99,805,878.75	100,403,000.00	597,121.25	2,561,871.91
3119	ASIAN DEV BANK	2.250000	2.287700	01/20/21	100.548000	50,000,000.00	49,994,586.59	50,274,000.00	279,413.41	1,143,850.22
4001	TORONTO DOMINION	.000000	.582534	01/25/21	99.951667	100,000,000.00	99,813,111.11	99,951,667.00	138,555.89	582,534.02
4003	CAN IMPL HLDGS	.000000	.471656	01/25/21	99.951667	100,000,000.00	99,848,555.56	99,951,667.00	103,111.44	471,656.43
2873	US TREASURY NOTE	1.375000	1.647276	01/31/21	100.410000	50,000,000.00	49,956,078.80	50,205,000.00	248,921.20	823,637.88
2884	US TREASURY NOTE	1.375000	1.679014	01/31/21	100.410000	50,000,000.00	49,950,993.03	50,205,000.00	254,006.97	839,506.85
3659	CAN IMPERIAL BK	2.700000	2.447980	02/02/21	100.843000	27,276,000.00	27,298,548.16	27,505,936.68	207,388.52	667,711.15
3989	FHLE DISCOUNT NOTE	.000000	.150179	02/04/21	99.965000	50,000,000.00	49,973,750.00	49,982,500.00	8,750.00	75,089.48
3204	US TREASURY NOTE	2.250000	2.389625	02/15/21	100.793000	75,000,000.00	74,962,156.82	75,594,750.00	632,593.18	1,792,218.94
4113	FHLE DISCOUNT NOTE	.000000	.110060	02/26/21	99.959000	50,000,000.00	49,977,388.89	49,979,500.00	2,111.11	55,030.09
3809	INT BK RECON & DEV	1.626000	1.740154	03/09/21	100.614000	100,000,000.00	99,950,854.56	100,614,000.00	663,145.44	1,740,153.60
3205	US TREASURY NOTE	2.375000	2.395464	03/15/21	101.031000	75,000,000.00	74,993,273.67	75,773,250.00	779,976.33	1,796,597.82
3788	INTERAMERICAN DEV	1.875000	1.693809	03/15/21	100.723000	45,672,000.00	45,708,713.27	46,002,208.56	293,495.29	773,596.23
3949	FHLE DISCOUNT NOTE	.000000	.441939	03/19/21	99.953000	100,000,000.00	99,793,444.45	99,953,000.00	159,555.55	441,939.13
3348	BANK NOVA SCOTIA	2.450000	3.287385	03/22/21	101.015000	37,048,000.00	36,908,877.98	37,424,037.20	515,159.22	1,217,910.49
3349	BANK NOVA SCOTIA	2.450000	3.290235	03/22/21	101.015000	6,180,000.00	6,156,715.06	6,242,727.00	86,011.94	203,336.50
3235	INTERAMER DEV BK	2.625000	2.701839	04/19/21	101.311000	100,000,000.00	99,959,854.03	101,311,000.00	1,351,145.97	2,701,839.46
3243	EURO BK RECON&DV	2.750000	2.776928	04/26/21	101.279000	100,000,000.00	99,985,457.11	101,279,000.00	1,293,542.89	2,776,928.30
3743	INT BK RECON&DEV	1.376000	1.860911	05/24/21	100.713000	25,000,000.00	24,923,386.17	25,178,250.00	254,863.83	465,227.64
3744	INT BK RECON&DEV	1.376000	1.862735	05/24/21	100.713000	25,000,000.00	24,923,099.60	25,178,250.00	255,150.40	465,683.81
3705	TORONTO DOM BANK	.680250	.433140	06/11/21	100.261000	32,500,000.00	32,553,929.93	32,584,825.00	30,895.07	140,770.47
4138	ROYAL BK CANADA	.000000	.200298	06/25/21	99.822000	100,000,000.00	99,851,666.67	99,822,000.00	-29,666.67	200,298.22
3728	US TREASURY NOTE	2.625000	1.573883	07/15/21	101.969000	100,000,000.00	100,810,133.46	101,969,000.00	1,158,866.54	1,573,883.11
3785	INTL FIN CORP	1.126000	1.682305	07/20/21	100.732000	121,000,000.00	120,471,411.02	121,885,720.00	1,414,308.98	2,035,589.52
3331	INT BK RECON & DEV	2.750000	2.833339	07/23/21	102.060000	50,000,000.00	49,968,450.66	51,030,000.00	1,061,549.34	1,416,669.42
3805	INT BK RECON & DEV	2.750000	1.745237	07/23/21	102.060000	25,000,000.00	25,198,844.93	25,515,000.00	316,155.07	436,309.18
2875	MICROSOFT CORP CAL	1.550000	1.949002	08/08/21	101.080000	24,182,000.00	24,103,530.44	24,443,165.60	339,635.16	471,307.73

KING COUNTY TREASURY OPERATIONS  
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PORTFOLIO DETAIL FINANCIAL ANALYSIS  
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\*\* FIXED INCOME \*\*

INVSMT NUMBER	DESCRIPTION	INTEREST RATE	YIELD	MAT/CALL DATE	MARKET PRICE	CURRENT PAR	CURRENT BOOK	MARKET VALUE	UNREALIZED GAIN/LOSS	ANNUAL INCOME
3336	BANK OF MONTREAL	1.900000	3.330239	08/27/21	101.511000	20,000,000.00	19,756,393.60	20,302,200.00	545,806.40	666,047.83
3337	BANK OF MONTREAL	1.900000	3.333070	08/27/21	101.511000	14,850,000.00	14,668,773.12	15,074,383.50	405,610.38	494,960.92
3379	BANK OF MONTREAL	1.900000	3.277907	08/27/21	101.511000	20,000,000.00	19,764,329.59	20,302,200.00	537,870.41	655,581.48
3380	BANK OF MONTREAL	1.900000	3.277907	08/27/21	101.511000	23,835,000.00	23,554,139.81	24,195,146.85	641,007.04	781,289.23
3470	BANK OF MONTREAL	1.900000	3.431900	08/27/21	101.511000	25,000,000.00	24,672,142.86	25,377,750.00	705,607.14	857,974.93
3375	3M CO CALLABLE ANY	3.000000	3.072054	08/14/21C	102.383000	15,000,000.00	14,990,236.30	15,357,450.00	367,213.70	460,808.05
4137	INT BK RECON & DEV	1.376000	.167264	09/20/21	101.071000	117,310,000.00	118,682,988.97	118,566,390.10	-116,598.87	196,216.90
3439	HONEYWELL INTL CAL	1.850000	3.199142	10/01/21C	101.616000	13,500,000.00	13,313,352.10	13,718,160.00	404,807.90	431,884.16
3821	FED HOME LOAN BANK	1.625000	1.710932	11/19/21	101.664000	60,000,000.00	59,942,754.16	60,998,400.00	1,055,645.84	1,026,559.38
3515	US TREASURY NOTE	2.500000	2.543564	01/15/22	103.047000	50,000,000.00	49,973,116.46	51,523,500.00	1,550,383.54	1,271,782.20
3519	FED FARM CREDIT	2.600000	2.616043	01/18/22	103.153000	50,000,000.00	49,990,052.95	51,576,500.00	1,586,447.05	1,308,021.45
3203	INT BK RECON & DEV	2.000000	2.687037	01/26/22	102.343000	79,775,000.00	79,091,968.16	81,644,128.25	2,552,160.09	2,143,584.00
3517	INT BK RECON & DEV	2.000000	2.645835	01/26/22	102.343000	50,000,000.00	49,593,026.25	51,171,500.00	1,578,473.75	1,322,917.66
3784	ASIAN DEV BANK	1.875000	1.670460	02/18/22	102.242000	85,422,000.00	85,657,021.32	87,337,161.24	1,680,139.92	1,426,940.68
3475	HOME DEPOT INC	3.250000	3.341128	03/01/22	104.159000	8,000,000.00	7,990,422.78	8,332,720.00	342,297.22	267,290.21
3548	3M CO CALLABLE ANY	2.750000	2.766133	02/01/22C	103.345000	10,000,000.00	9,997,801.25	10,334,500.00	336,698.75	276,613.35
3965	FFCB CALLABLE ANYT	.950000	.950000	10/08/20C	100.015000	50,000,000.00	50,000,000.00	50,007,500.00	7,500.00	475,000.00
4006	FED FARM CREDIT	.250000	.313749	05/06/22	100.154000	100,000,000.00	99,898,747.95	100,154,000.00	255,252.05	313,749.23
3790	US TREASURY NOTE	1.750000	1.602485	07/15/22	102.906000	100,000,000.00	100,256,224.85	102,906,000.00	2,649,775.15	1,602,485.36
3711	HONEYWELL INTL CAL	2.150000	2.184966	07/08/22C	103.365000	15,000,000.00	14,990,655.64	15,504,750.00	514,094.36	327,744.84
3554	PROCTER & GAMBLE	2.150000	2.675874	08/11/22	103.545000	25,000,000.00	24,767,738.88	25,886,250.00	1,118,511.12	668,968.41
3555	PROCTER & GAMBLE	2.150000	2.665088	08/11/22	103.545000	20,000,000.00	19,817,963.34	20,709,000.00	891,036.66	533,017.52
3783	APPLE INC CALLABLE	2.100000	1.768516	08/12/22C	103.358000	20,000,000.00	20,111,685.85	20,671,600.00	559,914.15	353,703.23
3853	US BANK NA OHIO CA	1.950000	1.977906	12/09/22C	103.414000	35,000,000.00	34,978,347.84	36,194,900.00	1,216,552.16	692,267.24
4083	FFCB CALLABLE ANYT	.340000	.361718	10/13/20C	99.950722	94,795,000.00	94,748,287.30	94,748,286.92	-.38	342,890.86
4117	FHLMC CALLABLE QUA	.300000	.300000	09/02/21C	100.057000	50,000,000.00	50,000,000.00	50,028,500.00	28,500.00	150,000.00
3582	US TREASURY NOTE	1.500000	2.314809	03/31/23	103.387000	100,000,000.00	98,069,377.48	103,387,000.00	5,317,622.52	2,314,809.12
3979	FHLMC	.375000	.459004	04/20/23	100.529000	100,000,000.00	99,787,442.93	100,529,000.00	741,557.07	459,003.99
3992	FNMA CALLABLE QUAR	.800000	.800000	10/27/20C	100.000000	100,000,000.00	100,000,000.00	100,000,000.00	.00	800,000.00
3998	FNMA CALLABLE QUAR	.625000	.625000	10/28/20C	100.000000	100,000,000.00	100,000,000.00	100,000,000.00	.00	625,000.00
4009	FHLMC	.375000	.389122	05/05/23	100.429000	100,000,000.00	99,963,648.68	100,429,000.00	465,351.32	389,122.16
4021	FANNIE MAE	.250000	.350950	05/22/23	99.735285	50,000,000.00	49,867,642.47	49,867,642.47	.00	175,475.22
3986	INTERAMER DEV BK	.500000	.511143	05/24/23	100.639000	70,000,000.00	69,979,584.89	70,447,300.00	467,715.11	357,799.91
4027	FNMA CALLABLE QUAR	.500000	.503363	12/01/20C	99.991114	96,010,000.00	96,001,468.70	96,001,468.55	-.15	483,278.58
4028	FNMA CALLABLE QUAR	.450000	.450000	06/01/21C	100.000000	70,000,000.00	70,000,000.00	70,000,000.00	.00	315,000.00
4035	FHLMC CALLABLE QUA	.430000	.430000	12/08/21C	100.088000	50,000,000.00	50,000,000.00	50,044,000.00	44,000.00	215,000.00
3954	INT BK RECON&DEV	1.876000	.643661	06/19/23	104.363000	100,000,000.00	103,306,144.66	104,363,000.00	1,056,855.34	643,661.14
4052	FNMA CALLABLE QUAR	.450000	.455040	06/30/21C	99.986274	59,725,000.00	59,716,802.14	59,716,802.14	.00	271,772.58
4053	FHLMC CALLABLE QUA	.500000	.500000	12/30/20C	100.000000	50,000,000.00	50,000,000.00	50,000,000.00	.00	250,000.00
4062	EURO BK RECON & DV	.250000	.286851	07/10/23	99.898338	100,000,000.00	99,898,337.91	99,898,338.00	.09	286,850.95
4064	FHLMC CALLABLE QUA	.500000	.500000	10/13/20C	100.010000	50,000,000.00	50,000,000.00	50,005,000.00	5,000.00	250,000.00
4074	FNMA CALLABLE QUAR	.420000	.420000	07/13/21C	99.965000	50,000,000.00	50,000,000.00	49,982,500.00	-17,500.00	210,000.00

KING COUNTY TREASURY OPERATIONS  
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PORTFOLIO DETAIL FINANCIAL ANALYSIS  
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\*\* FIXED INCOME \*\*

INVSMT NUMBER	DESCRIPTION	INTEREST RATE	YIELD	MAT/CALL DATE	MARKET PRICE	CURRENT PAR	CURRENT BOOK	MARKET VALUE	UNREALIZED GAIN/LOSS	ANNUAL INCOME
4066	ASIAN DEV BANK	.250000	.305965	07/14/23	100.046000	50,000,000.00	49,922,524.20	50,023,000.00	100,475.80	152,982.55
4072	FNMA CALLABLE QUAR	.450000	.450000	01/20/21C	100.000000	100,000,000.00	100,000,000.00	100,000,000.00	.00	450,000.00
4079	FNMA CALLABLE QUAR	.420000	.420000	07/21/21C	100.000000	75,000,000.00	75,000,000.00	75,000,000.00	.00	315,000.00
3702	US TREASURY NOTE	2.750000	1.839417	07/31/23	107.344000	50,000,000.00	51,235,956.48	53,672,000.00	2,436,043.52	919,708.56
4088	FNMA CALLABLE QUAR	.300000	.300000	08/03/22C	100.000000	50,000,000.00	50,000,000.00	50,000,000.00	.00	150,000.00
4095	FHLMC CALLABLE QUA	.400000	.400000	05/10/21C	99.911000	95,150,000.00	95,150,000.00	95,065,316.50	-84,683.50	380,600.00
4105	FHLMC	.250000	.284074	08/24/23	99.901809	90,000,000.00	89,911,627.87	89,911,628.10	.23	255,667.03
3729	US TREASURY NOTE	2.750000	1.446710	08/31/23	107.543000	100,000,000.00	103,675,807.96	107,543,000.00	3,867,192.04	1,446,710.28
4116	INTERAMER DEV BK	.250000	.299904	11/15/23	99.844944	50,000,000.00	49,922,472.20	49,922,472.00	-.20	149,951.84
4112	FHLMC CALLABLE QUA	.400000	.400000	03/01/21C	100.000000	152,825,000.00	152,825,000.00	152,825,000.00	.00	611,300.00
4068	FHLMC CALLABLE QUA	.550000	.554353	10/08/20C	99.985920	100,000,000.00	99,985,919.81	99,985,920.00	.19	554,353.21
3590	US TREASURY NOTE	2.250000	2.370962	01/31/24	106.895000	100,000,000.00	99,620,121.64	106,895,000.00	7,274,878.36	2,370,961.82
3799	US TREASURY NOTE	2.750000	1.682233	02/15/24	108.676000	100,000,000.00	103,457,643.30	108,676,000.00	5,218,356.70	1,682,233.04
4038	INTERAMER DEV BK	3.000000	.419982	02/21/24	109.010000	100,000,000.00	108,664,167.28	109,010,000.00	345,832.72	419,982.02
3608	US TREASURY NOTE	2.125000	2.320019	02/29/24	106.629000	84,000,000.00	83,473,651.19	89,568,360.00	6,094,708.81	1,948,816.36
3997	FNMA CALLABLE QUAR	.750000	.750000	10/29/20C	100.008000	100,000,000.00	100,000,000.00	100,008,000.00	8,000.00	750,000.00
3637	APPLE INC	3.450000	2.775067	05/06/24	110.226000	50,000,000.00	51,125,067.87	55,113,000.00	3,987,932.13	1,387,533.58
3701	US TREASURY NOTE	2.000000	1.853725	06/30/24	106.742000	50,000,000.00	50,260,344.20	53,371,000.00	3,110,655.80	926,862.57
4076	FNMA CALLABLE QUAR	.580000	.580000	01/22/21C	100.000000	100,000,000.00	100,000,000.00	100,000,000.00	.00	580,000.00
4091	FHLMC CALLABLE QUA	.570000	.570000	02/05/21C	99.733000	113,500,000.00	113,500,000.00	113,196,955.00	-303,045.00	646,950.00
4119	FFCB CALLABLE ANYT	.480000	.480000	09/03/21C	99.972000	50,000,000.00	50,000,000.00	49,986,000.00	-14,000.00	240,000.00
3978	FNMA CALLABLE QUAR	1.125000	1.125000	10/16/20C	100.050000	28,400,000.00	28,400,000.00	28,414,200.00	14,200.00	319,500.00
3984	FNMA CALLABLE QUAR	1.100000	1.100000	10/23/20C	100.040000	50,000,000.00	50,000,000.00	50,020,000.00	20,000.00	550,000.00
3995	FHLMC CALLABLE QUA	1.100000	1.083519	10/28/20C	100.001000	100,000,000.00	99,998,198.73	100,001,000.00	2,801.27	1,083,519.39
695	FNR 2003-30 LB	5.000000	4.634180	03/25/32	107.046000	504,088.06	511,801.12	539,606.10	27,804.98	23,360.35
701	FNR 2003-33 PT	4.500000	4.255767	05/25/33	112.728000	842,896.50	852,227.29	950,180.37	97,953.08	35,871.71
702	FNR 2003-33 UP	4.500000	4.255767	05/25/33	110.087000	615,358.72	622,170.69	677,429.95	55,259.26	26,188.23
703	FNR 2003-33 PU	4.500000	4.255767	05/25/33	112.232000	670,975.20	678,402.84	753,048.89	74,646.05	28,555.14
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GRAND TOTALS		1.014588	1.006475	AUG 2021	101.143987	8,009,760,977.15	8,025,503,786.22	8,099,994,841.34	74,491,055.12	80,710,320.78
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KING COUNTY TREASURY OPERATIONS  
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PORTFOLIO DETAIL FINANCIAL ANALYSIS  
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\*\* FIXED INCOME \*\*

INVSMT NUMBER	DESCRIPTION	INTEREST RATE	YIELD	MAT/CALL DATE	MARKET PRICE	CURRENT PAR	CURRENT BOOK	MARKET VALUE	UNREALIZED GAIN/LOSS	ANNUAL INCOME
3133	US TREASURY NOTE	2.000000	2.255317	01/15/21	100.547000	1,509,000.00	1,507,923.91	1,517,254.23	9,330.32	34,032.74
3136	US TREASURY NOTE	1.875000	2.409700	01/31/22	102.328000	1,531,500.00	1,521,150.38	1,567,153.32	46,002.94	36,904.55
3137	US TREASURY NOTE	1.750000	2.504973	01/31/23	103.746000	1,555,500.00	1,529,899.01	1,613,769.03	83,870.02	38,964.86
3140	US TREASURY NOTE	2.250000	2.586560	01/31/24	106.895000	1,528,500.00	1,512,713.69	1,633,890.08	121,176.39	39,535.57
3141	US TREASURY NOTE	2.500000	2.631538	01/31/25	109.797000	1,512,800.00	1,504,971.04	1,661,009.02	156,037.98	39,809.90
3144	US TREASURY NOTE	2.250000	2.668897	11/15/25	109.938000	1,536,800.00	1,507,190.54	1,689,527.18	182,336.64	41,015.61
3145	US TREASURY NOTE	2.000000	2.693823	11/15/26	109.785000	1,578,800.00	1,519,430.72	1,733,285.58	213,854.86	42,530.08
3148	US TREASURY NOTE	2.250000	2.698834	11/15/27	112.469000	1,551,800.00	1,508,447.63	1,745,293.94	236,846.31	43,880.51
3531	US TREASURY NOTE	3.125000	2.721345	11/15/28	120.516000	1,454,000.00	1,495,563.55	1,752,302.64	256,739.09	39,568.36
3905	US TREASURY NOTE	1.750000	1.558179	11/15/29	110.152000	1,469,000.00	1,492,739.54	1,618,132.88	125,393.34	22,889.65
000008921	- WTD REV 7000	2.173594	2.473796	JUN 2025	108.593601	15,227,700.00	15,100,030.01	16,531,617.90	1,431,587.89	377,131.83
3134	US TREASURY NOTE	2.000000	2.255317	01/15/21	100.547000	503,000.00	502,641.31	505,751.41	3,110.10	11,344.25
3394	US TREASURY NOTE	2.000000	2.854328	01/15/21	100.547000	507,000.00	505,792.15	509,773.29	3,981.14	14,471.44
3135	US TREASURY NOTE	1.875000	2.409700	01/31/22	102.328000	510,500.00	507,050.13	522,384.44	15,334.31	12,301.52
3313	US TREASURY NOTE	1.875000	2.684482	01/31/22	102.328000	510,000.00	504,788.44	521,872.80	17,084.36	13,690.86
3138	US TREASURY NOTE	1.750000	2.504973	01/31/23	103.746000	518,500.00	509,966.37	537,923.01	27,956.64	12,988.29
3208	US TREASURY NOTE	1.750000	2.543596	01/31/23	103.746000	517,000.00	508,045.62	536,366.82	28,321.20	13,150.39
3139	US TREASURY NOTE	2.250000	2.586560	01/31/24	106.895000	509,500.00	504,237.89	544,630.03	40,392.14	13,178.52
3209	US TREASURY NOTE	2.250000	2.621213	01/31/24	106.895000	508,000.00	502,203.62	543,026.60	40,822.98	13,315.76
3142	US TREASURY NOTE	2.500000	2.631538	01/31/25	109.797000	504,200.00	501,590.70	553,596.47	52,005.77	13,268.21
3312	US TREASURY NOTE	2.500000	2.794589	01/31/25	109.797000	503,000.00	497,170.56	552,278.91	55,108.35	14,056.78
3143	US TREASURY NOTE	2.250000	2.668897	11/15/25	109.938000	512,200.00	502,331.47	563,102.44	60,770.97	13,670.09
3395	US TREASURY NOTE	2.250000	3.036607	11/15/25	109.938000	522,000.00	503,210.60	573,876.36	70,665.76	15,851.09
3146	US TREASURY NOTE	2.000000	2.693823	11/15/26	109.785000	526,200.00	506,412.68	577,688.67	71,275.99	14,174.90
3147	US TREASURY NOTE	2.250000	2.698834	11/15/27	112.469000	517,200.00	502,751.01	581,689.67	78,938.66	13,958.37
3506	US TREASURY NOTE	3.125000	2.575824	11/15/28	120.516000	475,000.00	493,595.04	572,451.00	78,855.96	12,235.16
3530	US TREASURY NOTE	3.125000	2.721345	11/15/28	120.516000	483,000.00	496,806.89	582,092.28	85,285.39	13,144.10
370018010	- CWA REV 8000	2.231256	2.642334	SEP 2024	108.073601	8,126,300.00	8,048,594.48	8,778,504.20	729,909.72	214,799.73
3502	US TREASURY NOTE	1.875000	2.379814	01/31/22	102.328000	1,007,000.00	1,000,500.74	1,030,442.96	29,942.22	23,964.72
3503	US TREASURY NOTE	2.250000	2.407753	01/31/24	106.895000	998,000.00	993,084.02	1,066,812.10	73,728.08	24,029.37
3504	US TREASURY NOTE	2.250000	2.468846	11/15/25	109.938000	1,011,000.00	1,000,625.31	1,111,473.18	110,847.87	24,960.04
3505	US TREASURY NOTE	2.250000	2.558485	11/15/27	112.469000	1,021,000.00	1,001,034.89	1,148,308.49	147,273.60	26,122.13
3906	US TREASURY NOTE	1.750000	1.558179	11/15/29	110.152000	979,000.00	994,820.96	1,078,388.08	83,567.12	15,254.57
114066030	- NORTHSH 8001	2.075133	2.275268	DEC 2025	108.357008	5,016,000.00	4,990,065.92	5,435,424.81	445,358.89	114,330.83

KING COUNTY TREASURY OPERATIONS  
SEATTLE, WASHINGTON

P O R T F O L I O   D E T A I L   F I N A N C I A L   A N A L Y S I S  
AS OF 9/30/20

PAGE: 2

(MANFIN)

SORTING ORDER: FUND MATD

RUN: 10/06/20 13:58:58

\*\* FIXED INCOME \*\*

INVSMT NUMBER	DESCRIPTION	INTEREST RATE	YIELD	MAT/CALL DATE	MARKET PRICE	CURRENT PAR	CURRENT BOOK	MARKET VALUE	UNREALIZED GAIN/LOSS	ANNUAL INCOME
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G R A N D	T O T A L S	2.172626	2.486797	APR 2025	108.402907	28,370,000.00	28,138,690.41	30,745,546.91	2,606,856.50	706,262.39
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