INVESTMENT SERVICES INTERLOCAL AGREEMENT CONCERNING CLARK COUNTY TREASURER & CITY OF BATTLE GROUND

THIS IS AN INTERLOCAL AGREEMENT between City of Battle Ground, a relevant municipal corporation of the state of Washington, hereinafter referred to as a "Participant", and the Clark County Treasurer, hereinafter referred to as the "Treasurer", whereby the Participant agrees to participate in the Clark County Investment Pool, hereinafter referred to as the "Pool", in the following manner:

WHEREAS, pursuant to RCW 39.34.080, one or more public agencies may contract with one another to perform governmental services which each itself is, by law, authorized to perform; and

WHEREAS, pursuant to RCW 36.29.020, the Treasurer is required to invest unused funds not needed for immediate expenditure in investment instruments allowed by state statute for Participants; and

WHEREAS RCW 36.29.022 allows the Treasurer, upon request of the Participant, to combine those units of moneys for the purposes of investment and to establish a commingled pool; and

WHEREAS, the Pool is managed in accordance with all federal, state, and local governing statutes and the Clark County Investment Policy (Policy); and

WHEREAS, the Participant has reviewed and is familiar with the Policy and understands the risks and limitations of investing in the Pool; and

WHEREAS RCW 36.29.024 authorizes the Treasurer to recover investment costs by charging Participants an investment fee made up of the actual costs associated with the operation of the Pool; and

WHEREAS, the Treasurer and Participants desire to establish a mechanism by which the aforementioned activities shall occur;

NOW THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

1. Pool Participation

Participation in the Pool should be considered a long-term commitment. Participants will not withdraw and deposit funds into the pool for speculative purposes, as such actions may negatively impact other participants in the pool.

2. Investment Policy

By statute, the County Finance Committee governs and approves the Policy. The Finance Committee consists of the County Treasurer as Chair, the County Auditor as Secretary, and

the Chair of the Clark County Council. The Treasurer shall recommend policy changes, as appropriate, to the County Finance Committee and shall be charged with implementing such policy and subsequent policy changes in a timely, prudent, and effective manner. Participants will be notified if material changes are made to the Policy. Materiality is defined as a change in the risk profile of the portfolio.

3. Risk Disclosure:
The Pool will be managed in an **active** manner where gains and losses may occur. The Treasurer makes no promises, either written or oral, regarding performance of Pool investments. The Participant understands that the Pool will be operated in accordance with Policy, with a focus on safety and preservation of capital, liquidity, and a predictable market rate of return (in that priority order).

No investment is perfectly safe, and losses of interest or invested principal may occur through no fault of Treasurer or its representatives. A detailed list of risks is included in the Policy.

5. Investment Fee: The investment fee is calculated annually and represents actual costs associated with the operation of the pool. It is expressed as a rate (e.g. 0.037% or, 3.7 basis points) and is based on the projected daily principal balance of the Pool for the next twelve months. It may fluctuate due to the actual average principal balances differing from projected balances. If at the end of each twelve-month period the Treasurer determines that the amount of the investment fee collected was less or greater than actual costs incurred during the prior twelve months, then the rate for the next twelve months will be increased or reduced to reflect that. The annual calculation of the investment fee will be promptly disclosed to Participants.

4. Governing Law.
This agreement shall be governed by the laws of the State of Washington. Venue for any litigation shall be Clark County, Washington.

5. Termination.
The Treasurer may terminate this Agreement upon 90 days written notice. The Participant may terminate this Agreement upon at least 45 days written notice. Notwithstanding this requirement, the Treasurer at his/her sole discretion may consider a request for expedited termination under extraordinary circumstances.

6. Entire Agreement.
This Agreement constitutes the entire agreement between parties, superseding any and all previous written and oral contracts and agreements. This Agreement may not be changed unless written and accepted by both parties.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed this

13th day of feb., 2023.

City of Battle Ground

Signature: _____ON_____

Printed Name: Erin Erdman

Title: City Manager

Date: 2/7/23

Clark County Treasurer

Signature: _____

Printed Name: Alishia Topper

Title: Clark County Treasurer

Date: 2/13/23

Approved as to Form Only
Curtis Burns
Deputy Prosecuting Attorney, Civil Division

By: _____
Deputy Prosecuting Attorney