

TUKWILA POOL METROPOLITAN PARK DISTRICT

SPECIAL MEETING of the Board of Commissioners

(Due to the cancellation of the November 26, 2014 Regular Meeting)

De'Sean Quinn, *President of the Board*
Kate Kruller, *Clerk of the Board*

Board Members: ▶ Joe Duffie ▶ Allan Ekberg
▶ Verna Seal ▶ Kathy Hougardy

***SPECIAL MEETING* Thursday, November 13, 2014, 5:30 PM**
Tukwila City Hall Council Chambers

Resolution #23

1. CALL TO ORDER / PLEDGE OF ALLEGIANCE / ROLL CALL

2. SPECIAL PRESENTATION

Introduction of GDM Financial Solutions, CPA/Bookkeeper.

3. CITIZEN COMMENTS *(limited to 2 minutes)*

4. CONSENT AGENDA

- a. Approval of minutes: 10/22/14 *(Regular Mtg.)*
- b. Approval of vouchers.

5. REPORTS

- a. Commissioners
- b. Ad Hoc Committee updates
 - Budget Committee
 - IT Committee
 - Logistics Committee
- c. Aquatics Manager
- d. Operator
- e. Tukwila Pool Advisory Committee:
 - TPAC Chair report
 - TPAC minutes

Pg.1

Pg.11

Pg.25

6. PUBLIC HEARING

Tax Levy Legislation: *(continued from the October 22, 2014 Meeting)*

A resolution of the Board of Commissioners of the Tukwila Pool Metropolitan Park District, increasing the regular levy from the previous year, commencing January 1, 2015, on all property, both real and personal, in compliance with RCW 84.55.120.

Pg.33

7. BUSINESS ITEMS

a. Tax Levy Legislation: *(continued from the October 22, 2014 Meeting)*

- (1) A resolution of the Board of Commissioners of the Tukwila Pool Metropolitan Park District levying the general taxes for the fiscal year commencing January 1, 2015, on all property both real and personal, within said district.
- (2) A resolution of the Board of Commissioners of the Tukwila Pool Metropolitan Park District, increasing the regular levy from the previous year, commencing January 1, 2015, on all property, both real and personal, in compliance with RCW 84.55.120.

Pg.33

Pg.35

Pg.39

(continued...)

MPD SPECIAL MEETING
Thursday, November 13, 2014
Page 2

7. BUSINESS ITEMS
(cont.)

- b. Authorize the Board President to sign an Interlocal Agreement with the City of Tukwila to outline the parties' continuing obligations after the City ceases providing the support services to the Tukwila Pool Metropolitan Park District. **Pg.45**
- c. Authorize the Board President to sign an agreement with GDM Financial Solutions for CPA/Bookkeeping services for the Tukwila Pool Metropolitan Park District commencing January 1, 2015 subject to final changes as approved by legal counsel. **Pg.53**
- d. Selection of King County as Treasurer:
 - (1) Authorize the Board President to sign the King County Cash Management Services Agreement for cash management services for the Tukwila Pool Metropolitan Park District. **Pg.63**
Pg.99
 - (2) Authorize the Board President to sign the King County Investment Pool Agreement to commence treasury investment services with King County for Tukwila Pool Metropolitan Park District investment servicing. **Pg.103**
- e. Discussion on the 2014 transitional budget. **Pg.111**
- f. Discussion on the proposed 2015 budget. **Pg.117**
- g. Discussion on the Executive Director job description. **Pg.125**
- h. Next meeting is December 11, 2014.

8. MISCELLANEOUS

9. EXECUTIVE SESSION

10. ADJOURNMENT

Tukwila City Hall is wheelchair accessible.

Reasonable accommodations are available at public hearings with advance notice to the City Clerk's Office (206-433-1800 or TukwilaCityClerk@tukwilawa.gov). This notice is available at www.tukwilawa.gov, and in alternate formats with advance notice for those with disabilities.

Tukwila Pool Metropolitan Park District Board meetings are audio taped.

Tukwila Metropolitan Park District

Vision, Goals, & Objectives Summary

Mission: The mission of the Tukwila Pool Metropolitan Park District (MPD) is to provide the best run municipal aquatics program in the state.

Vision: To provide a sustainable and efficient pool that exceeds the community's needs.

Goals:

- A. To operate a financial self-sustaining aquatics program.
 - a. Develop long term plan
 - b. Ensure efficient operations
 - c. Capitalize on grants/funding opportunities
 - d. Develop business partnerships

- B. To provide a pool that is a safe haven.
 - a. Maintain and provide continued training to ensure qualified lifeguards and staff
 - b. Ensure a safe and healthy place to recreate and learn
 - c. Protect kids
 - d. Coordinate water safety education

- C. To be welcoming and inclusive to all.
 - a. Create an inviting facility
 - b. Address transportation needs
 - c. Maintain high performance employees
 - d. Eliminate barriers

- D. To maintain and support community involvement in the pool.
 - a. Address transportation for kids
 - b. Promote swimming within school district(s) physical education programs
 - c. Develop regional partnerships
 - d. Growing investments

- E. To provide creative and relevant programs
 - a. Provide long-term aquatic operations
 - b. Deliver swim opportunities to all in the District
 - c. Have the best swim team in the state
 - d. Offer free open swim – community swim

- F. To provide annual performance reporting to the community.

- G. Continue to review governance.

INFORMATIONAL MEMORANDUM

Tukwila Metropolitan Park District

TO: **Tukwila Pool MPD Board**

FROM: **Ellen Gengler, Budget Committee Chair**

DATE: **November 4, 2014**

SUBJECT: **Budget Committee Updates**

ISSUE

Update to the Board of Commissioners regarding activities and recommendations of the Budget Committee.

FINANCIAL IMPACT

- If Board approves CPA/Bookkeeping recommendation from Budget Committee the TPMPD can move forward with this service. The 2014 Transitional Budget has been adjusted for the anticipated set up fees, and the 2015 Proposed Budget reflects the proposed monthly fees.
- The Board must make a decision by the end of November in regards to the increase Levy calculation. The budget will be impacted by the decision the Board makes, however the Committee has structured the budget using the conservative 1% increase. Should the Commission choose the 15% base, the 2015 Budget will be changed to reflect the anticipated increase in Levy Revenue.
- There is a potential impact on the TPMPD regarding the City of Tukwila exempting properties from taxation for their purposes. The amount would depend on the length of the exemption (approximately 8 – 16 years) and the property valuation.

BACKGROUND

A Budget Committee was formed in August, 2014 to create and recommend both a transitional 2014 budget and the 2015 TPMPD budget. During this process the Budget Committee has also researched a variety of service options to meet the needs of the TPMPD in the area of Finance, and the Committee will continue to share these findings to the Commission in the form of recommendations and reports. These topics include:

- Treasurer recommendation (King County)
- Professional services including bookkeeping and CPA needs
- Financial Policies

DISCUSSION

There are three updates the Budget Committee would like to provide to the Commissioners:

1. Bookkeeping/CPA: One of the tasks assigned to the Budget Committee was to research and bring forth a recommendation for Bookkeeping and CPA services to the Board. After spending several weeks interviewing a variety of potential service providers, GDM Financial Solutions (GDM) emerged as the most highly qualified candidate. Among their many attributes, GDM Principals Boyce Goff and Alan Dance have combined experience that includes Park & Rec facility management as well as extensive tax and audit knowledge. GDM Financial Solutions will provide and coordinate the TPMPD with comprehensive CPA and Bookkeeping services and Financial Forecasting. GDM Principals and staff will work closely with the TPMPD management providing online access of the financial records, reconciling program revenue by accessing the POS system, manage tax and benefit

calculations, collaborate with King County (Treasurer) for issuance of warrants and balancing all accounts.

2. Levy Calculation: The resolution must be signed and ratified by November 30, 2014.
3. Recently the Budget Committee became aware of the consideration by the City of Tukwila to exempt property taxes on new construction of multi-family properties within the Tukwila Urban Center. It was confirmed by staff that the exemption would carry over to all valuation based levies, including the TPMPD Levy. As the TPMPD is heavily reliant on levy income, any future exemptions the City may choose to impose will negatively impact the ability of the TPMPD to levy funds. Currently this proposal is in the City Committee stage; however the city staff is requesting this proposal be expedited.

RECOMMENDATION

1. The Budget Committee recommends the Commission propose a motion to enter into an agreement with GDM Financial Solutions and their affiliates for purposes of CPA and Bookkeeping services for the TPMPD.
2. Due to the limited meeting schedule of the TPMPD, the Budget Committee (by an affirmative vote of 2 members and one abstention) presents the following:
The Budget Committee recommends that the TPMPD express to the City their concern regarding the property tax exemption by requesting the City not enact policies that grant property tax exemptions which impact the TPMPD and other independent entities.

ATTACHMENTS

GDM Engagement Letter & Quote

PROFESSIONAL SERVICES AGREEMENT
Between the Tukwila Pool Metropolitan Park District and

GDM Private Financial Solutions

THIS AGREEMENT is made between the Tukwila Pool Metropolitan Park District, a Washington municipal corporation "TPMPD," and GDM Private Financial Solutions, located and doing business at 11100 NE 8th St., Suite 380, Bellevue, WA 98004 "Contractor."

I. DESCRIPTION OF WORK.

Contractor shall perform the following services for the TPMPD:

See Estimate of Proposed Services Dated October 24, 2014
Attached as Exhibit A and incorporated herein by this reference

Contractor further represents that the services furnished under this Agreement will be performed diligently and in accordance with generally accepted professional practices within the Puget Sound region in effect at the time those services are performed.

II. TIME OF COMPLETION. The parties agree that the time period for Contractor to provide the services described in Section I above shall be as follows:

Phase I services shall begin immediately on the effective date of this Agreement and shall terminate on December 31, 2014.

Phase II services shall be provided January through June 2015.

Phase III services shall be provided on an as needed basis January through June 2015.

The parties may negotiate a mutually agreeable renewable or extension of this Agreement to be effective July 1, 2015.

III. COMPENSATION. The TPMPD shall pay Contractor the fixed fees and hourly rates identified in Exhibit A according to the following invoice schedule:

Phase I - \$2,000 on December 1, 2014 and \$2,000 on January 1, 2015

Phase II - \$1,250 on the 5th day of each January and \$1,250 on the first of February, March, April, May and June 2015.

Phase III - Contractor shall invoice the TPMPD monthly based on time and materials incurred during the preceding month for services rendered during the preceding month.

The TPMPD shall pay all approved invoices within 30 days of receipt. All hourly rates charged shall remain fixed at the negotiated rates throughout the term of this Agreement.

IV. ADDITIONAL WORK. If, during the performance of this Agreement or subsequent to completion of the work under this Agreement, services other than those described in Section I are ordered by the TPMPD, the Contractor agrees to provide said services and the TPMPD agrees to compensate the Contractor for the same according to the method determined at the time the additional services are ordered. The Contractor shall not proceed with said additional services until such time as the cost for the additional services and the method of payment are approved in writing by the TPMPD.

V. INDEPENDENT CONTRACTOR. The parties intend that an Independent Contractor-Employer Relationship will be created by this Agreement. By their execution of this Agreement, and in accordance with Ch. 51.08 RCW, the parties make the following representations:

- A. The Contractor has the ability to control and direct the performance and details of its work, the TPMPD being interested only in the results obtained under this Agreement.
- B. The Contractor maintains and pays for its own place of business from which Contractor's services under this Agreement will be performed.
- C. The Contractor has an established and independent business that is eligible for a business deduction for federal income tax purposes that existed before the TPMPD retained Contractor's services, or the Contractor is engaged in an independently established trade, occupation, profession, or business of the same nature as that involved under this Agreement.
- D. The Contractor is responsible for filing as they become due all necessary tax documents with appropriate federal and state agencies, including the Internal Revenue Service and the state Department of Revenue.
- E. The Contractor has registered its business and established an account with the state Department of Revenue and other state agencies as may be required by Contractor's business, and has obtained a Unified Business Identifier (UBI) number from the State of Washington.
- F. The Contractor maintains a set of books dedicated to the expenses and earnings of its business.

VI. TERMINATION. The TPMPD may terminate this Agreement, with or without cause, upon providing the Contractor seven (7) calendar days written notice at its address set forth on the signature block of this Agreement. The Contractor may terminate this Agreement, with or without cause, upon providing the TPMPD thirty (30) calendar days written notice at its address set forth on the signature block of this Agreement.

VII. DISCRIMINATION. The Contractor shall not discriminate against any employee, applicant for employment or any person seeking the services of the Contractor under this Agreement on the basis of race, color, religion, creed, sex, age, national origin, marital status or the presence of any sensory, mental or physical handicap.

VIII. INDEMNIFICATION. Contractor shall defend, indemnify and hold the TPMPD, its officers, officials, employees, agents and volunteers harmless from any and all claims, injuries, damages, losses or suits, including all legal costs and attorney fees, arising out of or in connection with the Contractor's performance of this Agreement, except for that portion of the injuries and damages caused by the TPMPD's negligence. The TPMPD's inspection or acceptance of any of Contractor's work when completed shall not be grounds to avoid any of these covenants of indemnification. The provisions of this section shall survive the expiration or termination of this Agreement.

In the event Contractor refuses tender of defense in any suit or any claim, if that tender was made pursuant to this indemnification clause, and if that refusal is subsequently determined by a court having jurisdiction (or other agreed tribunal) to have been a wrongful refusal on the Contractor's part, then Contractor shall pay all the TPMPD's costs for defense, including all reasonable expert witness fees and reasonable attorneys' fees, plus the TPMPD's legal costs and fees incurred because there was a wrongful refusal on the Contractor's part.

It is further specifically and expressly understood that the indemnification provided herein constitutes Contractor's limited waiver of immunity under industrial insurance, Title 51 RCW, solely to carry out the purposes of this indemnification clause. The Contractor further acknowledges that Contractor has mutually negotiated this waiver.

IX. INSURANCE. The Contractor shall procure and maintain for the duration of the Agreement, insurance of the types and in the amounts described in Exhibit #1 attached and incorporated by this reference.

X. CONFIDENTIALITY. In the performance of the Agreement, Contractor may have access to certain confidential information. Contractor agrees to protect confidential information of District against any unauthorized use or disclosure. Without limitation of the foregoing:

- A. Contractor will use such confidential information solely for the purposes of fulfilling the job requirements.
- B. Contractor will disclose such confidential information only to those employees, Consultants, agents and other representatives who have a need to know the same and who understand and acknowledge their obligation and willingness to preserve and hold such confidential information in strict confidence.

XI. CONTRACTOR'S WORK AND RISK. The Contractor agrees to comply with all federal, state, and municipal laws, rules, and regulations that are now effective or in the future become applicable to Contractor's business, equipment, and personnel engaged in operations covered by this Agreement or accruing out of the performance of those services. All work shall be done at Contractor's own risk, and Contractor shall be responsible for any loss of or damage to materials, tools, or other articles used or held for use in connection with the work.

XII. OWNERSHIP AND USE OF INTELLECTUAL PROPERTY. Any records, reports, designs, files, documents, drawings, specifications, data or information, regardless of form or format, and all other materials prepared or produced by the Contractor in connection with the services provided hereunder shall be the property of the TPMPD whether the project for which they were created is executed or not. No confidential information obtained or created by Contractor shall be disclosed to any person or party other than the TPMPD without the TPMPD's prior written consent.

XIII. MISCELLANEOUS PROVISIONS.

A. Conflict of Interest. The Contractor represents to the TPMPD that it has no conflict of interest in performing any of the services described herein. In the event that the Contractor is asked to perform services for a project with which it may have a conflict, the Contractor shall immediately disclose such potential conflict to the TPMPD.

B. Non-Waiver of Breach. The failure of the TPMPD to insist upon strict performance of any of the covenants and agreements contained in this Agreement, or to exercise any option conferred by this Agreement in one or more instances shall not be construed to be a waiver or relinquishment of those covenants, agreements or options, and the same shall be and remain in full force and effect.

C. Resolution of Disputes and Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. If the parties are unable to settle any dispute, difference or claim arising from the parties' performance of this Agreement, the exclusive means of resolving that dispute, difference or claim, shall only be by filing suit exclusively under the venue, rules and jurisdiction of the King County Superior Court, King County, Washington, unless the parties agree in writing to an alternative dispute resolution process. In any claim or lawsuit for damages arising from the parties' performance of this Agreement, each party shall pay all its legal costs and attorney's fees incurred in defending or bringing such claim or lawsuit, including all appeals, in addition to any other recovery or award provided by law; provided, however, nothing in this paragraph shall be construed to limit the TPMPD's right to indemnification under Section VII of this Agreement.

D. Written Notice. All communications regarding this Agreement shall be sent to the parties at the addresses listed on the signature page of the Agreement, unless notified to the contrary. Any written notice hereunder shall become effective three (3) business days after the date of mailing by registered or certified mail, and shall be deemed sufficiently given if sent to

the addressee at the address stated in this Agreement or such other address as may be hereafter specified in writing.

E. Assignment. Any assignment of this Agreement by either party without the written consent of the non-assigning party shall be void.

F. Modification. No waiver, alteration, or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of the TPMPD and Contractor.

G. Entire Agreement. The written provisions and terms of this Agreement, together with any Exhibits attached hereto, shall supersede all prior verbal statements of any officer or other representative of the TPMPD, and such statements shall not be effective or be construed as entering into or forming a part of or altering in any manner this Agreement. Should any language in any of the exhibits to this Agreement conflict with any language contained in this Agreement, the terms of this Agreement shall prevail.

H. TPMPD Obligations: The success of this agreement will require collaboration, cooperation and communication. In addition, TPMPD hereby agrees to:

1. Contract with a competent third party payroll service provider.
2. Install and operate a POS system that integrates with our mutual needs.
3. Timely pay for our services as set forth in this letter.

IN WITNESS, the parties below execute this Agreement, which shall become effective on the last date entered below.

<p>CONTRACTOR:</p> <p>By: _____ Alan Dance, CPA</p> <p>DATE: _____</p>	<p>TUKWILA POOL METROPOLITAN PARK DISTRICT:</p> <p>By: _____ De'Sean Quinn, Board President</p> <p>DATE: _____</p>
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<p>NOTICES TO BE SENT TO: GDM Private Financial Solutions 11100 NE 8th St., Suite 380 Bellevue, WA 98004</p>	<p>NOTICES TO BE SENT TO: Board President Tukwila Pool Metropolitan Park District 6200 Southcenter Blvd. Tukwila WA 98188</p>
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EXHIBIT #1 INSURANCE REQUIREMENT

The Contractor shall be responsible for maintaining, during the term of this Agreement and at its sole cost and expense, the types of insurance coverage and in the amounts described below. The Contractor shall furnish evidence, satisfactory to the TPMPD, of all such policies with an insurer acceptable to the TPMPD. During the term hereof, the Contractor shall take out and maintain in full force and effect the following insurance policies:

- a. Comprehensive general liability (CGL) insurance with a limit of not less than \$1,000,000 per each occurrence. If such CGL insurance contains aggregate limits, the General Aggregate limit shall be at least twice the "each occurrence" limit. CGL insurance shall be written on ISO occurrence form CG 00 01 (or a substitute form providing equivalent coverage).
- b. Automobile liability insurance with a limit not less than \$1,000,000 per accident. Such insurance shall cover liability arising out of "Any Auto." Automobile liability coverage shall be written on ISO form CA 00 01, or substitute liability form providing equivalent coverage. If necessary
- c. Such workmen's compensation and other similar insurance as may be required by law.
- d. Professional liability insurance is required if services delivered pursuant to this agreement, either directly or indirectly, involve or require providing professional services. Such coverage shall cover injury or loss resulting from Contractors' rendering or failing to render professional services. Contractor shall maintain minimum limits no less than \$1,000,000 per incident, loss, or person, as applicable. If defense costs are paid within the limit of liability, Contractor shall maintain limits of \$2,000,000 per incident, loss, or person, as applicable. If the policy contains a general aggregate or policy limit, it shall be at least two times the incident, loss or person limit. If professional liability insurance is written on a "claims made" basis, the policy shall provide full coverage for prior acts or include a retroactive date that precedes the effective date of this contract.
- e. Contractor agrees to disclose the existence and nature of any limiting endorsement that applies to any liability insurance policy purchased in accord with this contract.
- f. Contractor's insurance coverage shall be primary insurance as respects the TPMPD and Contractor shall provide documentation of the primary nature of Contractor's insurance. Any insurance maintained by the TPMPD shall be excess of the Contractor's insurance and shall not contribute with it.

EXHIBIT A



11100 NE 8TH ST. Suite 380
Bellevue, WA 98004



October 24, 2014

Vanessa Zaputil, Ellen Gengler and Board
Tukwila Pool – Metropolitan Park District

To the Board of TPMPD, its Commissioners and Executive Director

This is an estimate of proposed services and associated fees for Bookkeeping, Accounting, CPA and Tax Services for your new MPD formed around the Tukwila Pool at 4414 S. 144th, Tukwila, WA 98168.

Phase I – Organizing & Establishing Systems and Best Practices – “Here We Come” - \$4,000

Time Frame – Now until December 31, 2014

1. Brief review of whatever recommendations come out of your IT search for POS software
2. Setting up QuickBooks On-Line for bookkeeping and accounting functions
3. Working with you and King County for set-up of the Treasury Account relationships
4. Setting up our payroll system, using Paychex (a 3rd party vendor)
 - a. Payroll Bank Account – KC EBS will help us set up a US Bank Account for this purpose to which we can initiate electronic ACH transfers from KC to US Bank to individual employee Bank Accounts, the IRS and State Agencies
 - b. Set-up Federal and State account relationships
5. Assisting with Budget Set-Up for both Cash Receipts and Expenditures

Phase II – Operations – “Come on in, the water’s fine!” - \$1,250 per month

Time Frame – January 1, 2015 and Forward

1. Monthly bookkeeping of financial transactions
2. Monthly reconciliations of Bank, Treasury, Payroll and Credit Card Accounts
3. Payroll period reconciliation of payroll expenses. **Note – The 3rd Party Payroll Service Provider expense will be borne by you at approximately \$300 per month.**
4. Accounts Payable management and KC warrant requests through KC EBS
5. Accounts Receivable and interface of the same with KC EBS
6. Monthly Balance Sheet and Statement of Revenue and Expenditure (includes Budget report)
7. Meet with ED and/or Board on a periodic basis for financial review and improvements

Phase III – Compliance with County, State and Federal Agencies – “Return and Report” - \$0 (except 5&6)

Time Frame – January 1, 2015 and Forward

1. City of Tukwila and King County Reports
2. WA State Dept. of Revenue – Excise Tax Returns
3. WA State Employment Security and Labor and Industry Payroll Reports
4. IRS Quarterly Payroll Reports and end of year W-2's
5. Annual IRS Return of Organization Exempt from Income Tax (Due May 2016) - **\$1,500**
6. Audit assistance to King County as necessary - **\$150 per hour**

This offer of services and pricing will be reviewed in June 2015 with negotiated mutual determination of renewal effective July 1, 2015. We look forward to hearing from you with any questions and/or the green light to prepare an Engagement Letter for Board Approval.

Tel: 425 283 5425

www.forprivateclients.com

Fax: 425 283 5560

Accounting, Tax, and Financial Solutions

INFORMATIONAL MEMORANDUM

Tukwila Pool Metropolitan Park District

TO: Tukwila Pool MPD Board

FROM: Rick Still, Parks and Recreation Director 

DATE: November 5, 2014

SUBJECT: Operations Report

ISSUE

Staff update on pool operations

FINANCIAL IMPACT

No financial impact

BACKGROUND

This memo is intended to provide the Board and Community with an update on activities, operations and issues that have occurred at the Tukwila Pool.

DISCUSSION

Revenues: October 2014 revenues were \$14,948. Bringing the Y-T-D revenues to \$205,282 or 82% of the annual revenue goal of \$249,310.

Swimming Education Programs: 129 registrations were received for swimming lessons held in October, totaling \$3,971. Tukwila Residents made up 66% of the registrants for this lesson session.

Pass Purchases: Pass sales totaled \$2,704 with 53 passes sold. 17 individuals took advantage of the \$41 three month pass that was offered on the Pool's 41st Birthday October 21st. The average pass price for October 2014 was \$5 more than the average pass price for October 2013.

Special Events: The Lap-A-thon in honor of the pool's 41st Birthday garnered 9 registered participants and participants helped raise a total of \$815 for the Pool's Scholarship fund. Community members turned out with cakes for a fun party in the lobby during the Lap-A-thon and subsequent free swim.

Partnerships: Seattle Children's Hospital and Seattle/King County Health Department granted a no cost extension for Community Transformation Grant work. The extension, until December 31st, will allow staff to continue to do outreach work related to the grant and ensure a long term positive impact for the Tukwila Community.

Maintenance: City Staff met with the new MPD Aquatics Manager, Dave Perkins on Tuesday, November 4, 2014 at the Tukwila Pool and discussed maintenance items in further detail. It was a great opportunity for Dave to be further familiarized with the maintenance side of the pool operations. The Parks and Recreation Department is working with the City IT Department on some issues with the web-based facility controls system for the pool and should have those resolved in the near future. The issues are arising from the vendor side so staff are working with the contractor on this.

Support Services Transition: City Staff continues to perform duties to ensure a smooth transition of support services and operations functions. Weekly meetings that were occurring with the MPD Executive Director is now occurring with TPMPD Logistics Chair, Verna Seal and the new MPD Aquatics Manager, Dave Perkins.

City Staff continue to meet with the MPD ED weekly to touch base on the matrix task list. Good progress is being made on the City's task list as each department is working on items pertaining to their involvement with the MPD. A brief summary of the weekly meetings is outlined below:

- *October 21, 2014:* Robert Eaton met with Dave Perkins at the Tukwila Pool Due and provided an orientation and tour of the facility.
- *October 28, 2014:* Verna Seal, Rick Still, Robert Eaton, and Stephanie Gardner met to review the work being completed to facilitate the transition. A box of files provided by the former Executive Director was reviewed. Everyone agreed that information requests regarding the transition would be channeled through Robert Eaton and Rick Still via Verna Seal or ad hoc committee chairs and vice versa.
- *November 4, 2014:* Verna Seal, Dave Perkins, Rick Still, Robert Eaton, and Stephanie Gardner reviewed the transition matrix (Attachment A). The group also discussed communication with current part-time pool staff regarding employment in 2015. An employment application was reviewed and a letter will be drafted by Verna Seal and distributed to staff.

ATTACHMENTS

A. Transition Matrix

SUPPORT SERVICES TRANSITION – CLERKS OFFICE

Department: City Clerk's Office

Primary Goal: Transition City Clerk support services responsibilities to MPD.

Task	List Actions, Steps, Coordination and/or Questions	Target Date	Assigned to	Completed
Records	<p>A. City to transfer custody of paper records produced on behalf of the MPD to the MPD to include but not limited to original Resolutions, ILAs, Contracts and Agreements, Agendas, Minutes, legal notices, and public records request files.</p> <p>B. City to transfer custody of electronic documents produced on behalf of the MPD to the MPD, to include but not limited to WORD documents, PDF files, public records responsive records, and all documents contained in the "Metropolitan Park District (MPD) Pool" directory in the Digital Records Center.</p> <p>FUTURE RECORDS CONSIDERATIONS FOR THE MPD:</p> <p>A. Establish appropriate storage area (away from moisture and humidity), particularly for storage of records with long-term or archival requirements.</p> <p>B. Collaborate with local Washington State Archives office regarding retention and disposition of records.</p> <p>C. Name a public records official as required by RCW 4.56.</p> <p>D. Create a public records request policy and form (examples available on City of Tukwila website and through MRSC.org)</p> <p>E. Post information on MPD website as required by law (RCW 42.56).</p> <p>F. Establish procedures for 5-day responses, tracking, and exemptions.</p> <p>G. Adopt legislation eliminating requirement for MPD to maintain a central index of records. (Examples at MRSC.org)</p> <p>H. Research a document imaging tool.</p> <p>I. Work with MPD attorney and WCIA regarding processing of claims for damages, litigation and bidding.</p>	<p>A. 11/30/14 Documents have been reviewed and logged and will be ready for transfer by 11/30/14</p> <p>B. 11/30/14 Electronic documents and records currently in the Digital Records Center are being copied to a repository for transfer to the MPD. Transfer will be ready by 11/30/14</p>		<p>Completed ✓</p>
Meeting Support Services	<p>A. Enter into a contract for minute taking and/or transcription services. (Currently the contract with the vendor the MPD is using for minutes is with the City.)</p> <p>FUTURE MEETING CONSIDERATIONS FOR THE MPD:</p> <p>A. Determine method for producing paper copies of agenda packets.</p>	<p>A. Clerk's staff will provide a contract template for the MPD to use for these services.</p>		

Attachment B

	<ul style="list-style-type: none"> B. Determine location for meetings and make any contractual arrangements. C. Make decision about a recording system, if any. D. Meeting needs: microphone system, electronic presentation capabilities, flag (if desired), podium (if needed), speaker sign-up sheets, Executive Session record sheet. E. Have nameplates made for Commissioners and/or other officials, if desired. F. Establish procedure for meeting set-up and take-down. G. Collaboration with Board Attorney and WCIA regarding Open Public Meetings Act (OPMA). 			
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WORKING DRAFT

SUPPORT SERVICES TRANSITION - FINANCE

Department: Finance

Primary Goal: Transition all finance and treasurer items/duties to MPD

Task	Actions and/or Steps	Target Date	Assigned to	Completed
Transfer Treasurer and Duties	<p>List actions or steps to facilitate City responsibilities</p> <ol style="list-style-type: none"> 1. Notify King County that the City will no longer be providing administrative services for the MPD. Vicky has made contact with King County and will provide contact info. to Jennafer. 2. Coordinate with King County to transfer tax deposits from the City bank account to King County. * See note below 3. Coordinate with King County to set up process to issue accounts payable and payroll checks * See note below 4. Reconcile final tax deposits received from King County <p>*A resolution regarding treasurers change with a Jan 1, 15 effective date must be completed 1st to perform items 2 and 3. ** Jennafer had indicated that she would be working through items 2 and 3. Vicky has emailed King County to find out what progress, if any, has been made. Finance will work to transition the MPD to King County prior to December 31, 2011. transfer remaining items</p> <ol style="list-style-type: none"> 1. Update mailing address 2. Update contact information 	<p>August</p> <p>August</p> <p>August</p> <p>After transition</p> <p>December</p> <p>December</p>	<p>Vicky</p> <p>MPD</p> <p>MPD</p> <p>Vicky</p> <p>Vicky</p>	<p>✓</p>
Cashier/POS System	<p>What steps need to be taken for City to conclude these services</p> <ol style="list-style-type: none"> 1. Transfer records related to MPD from Class to MPD City will provide recommendations regarding types of info. that could be transferred. Agreed info. created within past two years is sufficient. New POS system may have additional parameters for how info could be provided, Jen to provide as soon as they learn – sooner the better. 2. Remove MPD from armored car contract, provide contact to Jennafer. ** Vicky will contact Dunbar to have the MPD removed from the City's pick up schedule. <p>Future considerations for the MPD</p> <ol style="list-style-type: none"> 1. How to transport deposits from pool to bank 	<p>October</p> <p>December</p> <p>December</p>	<p>Steph</p> <p>MPD</p> <p>Vicky</p>	
Finance records	<p><input type="checkbox"/> Determine types of records to transfer: invoices, vouchers, receipts, reports, etc. 2011 to present **Most invoices and vouchers have been scanned into a folder for the MPD. Receipts and reports will be worked on in November and December.</p>	Ongoing	Vicky	

SUPPORT SERVICES TRANSITION - FINANCE

	<input type="checkbox"/> Determine desired format of records electronic		Vicky	✓
Audit	EOY Audit? 1. Notify State Auditor about change in provider of administrative services. Vicky will complete initial contact. 2. Provide State Auditor contact information to MPD	August September	Vicky	
P-Cards	List actions or steps to facilitate City responsibilities 1. Any credit cards issued by the City to MPD staff cancelled No MPD employees have p-cards. City is looking into how to issue an MPD specific p-card. Should City stop this effort and wait until MPD has an accountant on board? 2. Provide information to MPD so they can set up their own PCard system.	December August October	Vicky	✓
Banking	List actions or steps to facilitate City responsibilities 1. Coordinate with King County to begin accepting MPD deposits. **Resolution is required by King County to recognize a new treasurer. This has been drafted and approved by the Board in November. Future considerations for the MPD 1. Decide if staying with King County for banking services or open own bank account 2. Develop RFP for banking services or piggy back off an existing contract 3. Consider coordinating with King County to invest cash reserves	September	Vicky	
Payroll	List actions or steps to facilitate City responsibilities 1. Coordinate with King County to begin issuing checks n/a 2. Provide MPD with all benefit provider information. ** This information will be communicated to the new ED or bookkeeper. 3. Transition benefit administration to MPD Future considerations for the MPD 1. Decide if staying with King County, issue own payroll checks, 3 rd party, accountant, etc 2. Deferred compensation provider	August November December	n/a Vicky	n/a
Payroll	Temporary employees during transition? 1. Coordinate with King County to begin issuing checks	August	n/a	n/a
Reporting	List actions or steps to facilitate City responsibilities 1. Provide MPD with templates for current reporting model 2. Provide MPD with final year-end financial statement Future considerations for the MPD	November January February	Vicky Vicky	✓

SUPPORT SERVICES TRANSITION - FINANCE

	1. Consider what year-end reporting model to use: cash basis or GAAP MPD to determine reporting model.			
Bond	List actions or steps: ILA, Revenue Pledge 1. Coordinate with Legal to draft ILA that secures revenue to ensure repayment of loans City and MPD Attorneys to review and make contact.	August		
Excise Tax	List actions or steps to facilitate City responsibilities 1. Provide MPD with all excise tax returns 2. Determine who will prepare final excise tax return. Due in January 2015 City will prepare 3. Notify WA State Dept of Revenue of change in administrative services provider 4. Provide information on reporting excise tax	December December December/ January	Vicky Vicky Vicky Vicky	✓
Unclaimed Property	List actions or steps to facilitate City responsibilities 5. Provide MPD with final unclaimed property report 6. Provide reporting documentation from WA State Unclaimed Property division MPD to adopt resolution for unclaimed property.	November November		✓
Final	List actions or steps to facilitate City responsibilities 1. Process final check to MPD after EOY reconciliations (fund balance) 2 step process 2. Provide assistance with final audit, if needed	1 st step = December 2 nd step = closeout	Vicky	

Actions Log

9/2/14: updates in red. SG

11/4/14: updates in blue. VC

SUPPORT SERVICES TRANSITION – HUMAN RESOURCES

Department: Human Resources

Primary Goal: Transition Human Resources support service responsibilities to the MPD.

Task	Actions, Steps, Coordination and/or Questions	Target Date	Assigned to	Completed
Documents to MPD	List actions or steps to facilitate City responsibilities <ul style="list-style-type: none"> <input type="checkbox"/> Provide sample copies of personnel policies to MPD <input type="checkbox"/> Job Descriptions for temporary staff <input type="checkbox"/> Salary schedule for temporary staff <input type="checkbox"/> Parent/School Authorization Form <input type="checkbox"/> Sample copy of application form <input type="checkbox"/> Emergency contact form 	October 2014	HR	Nov. 2014 ✓
Staff Transition	List actions or steps to facilitate City responsibilities <ul style="list-style-type: none"> <input type="checkbox"/> Determine end date for part-time / temporary staff recruitment – Determine end date for advertising part-time/ temporary staff – HR continues to work with MPD staff with background checks for life guards. Hiring is minimal. <input type="checkbox"/> Send final PAF's for temporary staff signature s final PAF's will be prepared and November for distribution to staff <input type="checkbox"/> Provide Public Employees Retirement System (PERS) withdrawal information. – To be sent along with final PAF 	Nov. & Dec 2014	HR	Nov. 2014 ✓

DRAFT

Department: Information Technology

Primary Goal: Transition all IT responsibilities to MPD.

Task	Actions, Steps, Coordination and/or Questions	Target Date	Assigned to	Completed
POS (Point of Sale) System Transition	List actions or steps to facilitate City responsibilities <input type="checkbox"/> Remove hardware		IT	
Social Media	List actions or steps to facilitate City responsibilities <input type="checkbox"/> Was being handled by Jennafer, still MPD's responsibility		MPD	X
CLASS Records	List actions or steps to facilitate City responsibilities <input type="checkbox"/> City staff to determine retention and possible transfer of relevant record series. <input type="checkbox"/> MPD must identify the type of information they'll need to continue with MPD programs after the transition. Amy may be able to print out much of that data before the transition, and work with IT if necessary.		Amy\Barbara MPD	
Analogue Phone Lines	List actions or steps to facilitate City responsibilities <input type="checkbox"/> Determine date of transition to new phone system. <input type="checkbox"/> Transfer service of Integra account from City to MPD <input type="checkbox"/> Determine type of phone system and features to be implemented. <input type="checkbox"/> MPD will need to install new wiring if analogue phones will be used. <input type="checkbox"/> Remove Remote Access Call Forwarding from primary phone line			
Telephone Service	List actions or steps to facilitate City responsibilities <input type="checkbox"/> Transfer service of alarm systems from City to MPD <input type="checkbox"/> Transfer DID lines from City to MPD (206-454-7578 through 454-7581) <input type="checkbox"/> Reclaim VOIP phones (done at time of PC/hardware reclamation)			
Cell Phone Service	List actions or steps to facilitate City responsibilities <input type="checkbox"/> Transfer service of Verizon account from City to MPD <input type="checkbox"/> Reclaim Amy Kindell's iPhone or be reimbursed for iPhone (if not paid by MPD). It was purchased in Oct 2012 with budget 000.07.574.100.42.00			
Email	List actions or steps to facilitate City responsibilities Currently hosted by Rackspace <input type="checkbox"/> 1- MPD must obtain credit card processing capabilities before target transition date. After, they need to arrange a meeting with IT to transition the Admin account and methods of payment to MPD.	ASAP	MPD	
DNS Hosting	Currently hosted by Rackspace <input type="checkbox"/> Will be taken care of when the "email" process is complete.	ASAP	MPD	
Website <small>11/5/2014 1:41:40 PM</small>	Currently hosted by Bluehost, administered by Scott Kirby <input type="checkbox"/> Payment information must be modified same time as "email" process above.	ASAP	MPD	

Server	Currently no server is assigned to MPD, will be their responsibility after transition				X
Internet connectivity	No internet after City removes network equipment. MPD must address.				X
Hardware	<input type="checkbox"/> Remove hardware		IT		
Software	<input type="checkbox"/> Will be removed with hardware		IT		
Computer peripherals	<input type="checkbox"/> Remove hardware		IT		
Network / Network Switch	<input type="checkbox"/> Remove hardware		IT		
Technical Support	<input type="checkbox"/> Technical support ends after equipment is removed				X
HVAC / Facility Monitoring	<p>Currently a SQL database hosted by City, with remote access for vendor</p> <ul style="list-style-type: none"> <input type="checkbox"/> After MPD has their own network established they must make contact with HVAC vendor to modify controller IP for web access <input type="checkbox"/> City staff to determine retention and possible transfer of relevant record series. <input type="checkbox"/> Determine date of transition. 				X

WORKING DRAFT

SUPPORT SERVICES TRANSITION - LEGAL

Department: Legal

Primary Goal: Facilitate transition of Legal matters related to the TPMPD.

Task	List Actions, Steps, Coordination and/or Questions	Target Date	Assigned to	Completed
Loan Repayment	<ul style="list-style-type: none"> A. Review ILA 11-006 B. Develop new ILA regarding secured loan repayment 			✓
Transition Agreement	<ul style="list-style-type: none"> A. Records transfer B. Continuing support services (i.e. closing books, processing future public records requests) C. Indemnification 			
Ending Document(s)	<ul style="list-style-type: none"> A. Formal termination letter B. Terminate or amend facility use agreement <p>FUTURE CONSIDERATIONS FOR THE MPD: -Repeal MPD Resolution #1 regarding organization of the District to reflect operations as of January 1, 2015</p>			

DRAFT

Department: Parks and Recreation
 Primary Goal: Transition all maintenance and operations to TPMPD

Task	Actions and Timeline	Target Date	Assigned to	Completed
Boiler	Provide procedures and operations of boiler system.			
Chemicals Monitoring	Provide procedures for operation of computerized chemical feed system.			
Water Circulation	Provide procedures and overview of water circulation system.			
Pool filtration system	Provide procedures and overview of pool filtration system.			
Maintenance Procedures	Provide schedule of weekly, monthly, quarterly and/or annual maintenance procedures.			
WebCNTRL	Provide procedures and overview of WebCNTRL system.			
Inventory supplies and equipment	Prepare final inventory			
Health Department Permit Programs	Ensure permit is PMPD name			
Emergency Plan	Provide copy of current CAP procedures.			
Marketing	Provide list of 2013 and 2014 marketing resources.			
Communications	Develop joint communications letter to communicate with contractors and services to reduce confusion and save time for each agency.	Sept. 15 th Oct. 1 st	SG- 1 st draft SG/JPC - send	
Keys/Facility Security/Codes	Transfer all keys and codes from City Staff to MPD ED			
Switch garbage service from City Contract to MPD	Work with PW staff that manages this and Waste Management.			
Future Considerations for the MPD				
Grounds Maintenance	Contract with a landscape maintenance company (typical tasks): Mowing, line trimming, fertilizing, spraying, blowing, weeding, pruning, garbage cans, litter p/u, etc			
Programs/Fees	Public beginning to ask questions about 2015 programming, rentals, fees			

2015 Facility Rentals				
General questions from public	<p>Receiving several questions from public such as:</p> <ul style="list-style-type: none"> • When will 2015 schedule for programs/lessons be available? • When will you registration for 2015 programs/lessons begin? Typically the City begins registrations 12/1. • What is the process you have in place for honoring current pass holder's passes through the end of the valid pass period? Current staff would like information to share w/ pass holders. 			
MPD Staff Training	<p>Determine when MPD staff training will occur. Coordinate with City staff 2 weeks in advance so we can schedule staff in facility. Must occur outside of hours of operation.</p>			

WORKING DRAFT

INFORMATIONAL MEMORANDUM

Tukwila Metropolitan Park District

TO: Tukwila Pool MPD Board President

FROM: David Puki, Tukwila Pool Advisory Committee Chairman

DATE: November 4th, 2014

SUBJECT: TPAC Committee Chair's Report

ISSUE

Summary of the November meeting held at TCC

FINANCIAL IMPACT

N/A

BACKGROUND

Meeting date November 1st, 2014

DISCUSSION

- 1) Each subcommittee member presented an activity report to the committee and attendees. A question and answer period followed each report. For a more detailed account please see the November draft meeting minutes.
- 2) TPAC members discussed the 41st Birthday event and felt everything went well. Advertizing for the event was discussed and all agreed, improvements to marketing events are needed. Dave Perkins our new Aquatics Manager suggested an online survey to patrons as a way to get feedback and provide information. A suggestion to better utilize our Facebook page was made. Signage was discussed as another way to help non-patrons know where the Pool is located. Coordination of Pool events and activities with the School District was suggested. Finally several examples of marketing to key core groups were discussed as a way to reach out to citizens that aren't regular Pool users.
- 3) Kay Mulliner informed us that she would no longer be able to participate on the TPAC committee. We all thanked her for her contributions and dedicated service. Especially her fund raising efforts for the Scholarship Fund. Kay said she will still see us at the Pool.

TPAC RECOMMENDATIONS

None submitted for November.

Tukwila Pool Advisory Committee

November 1, 2014

"Draft" Minutes

Tukwila Community Center Meeting Room "B"

Call to Order: 8:10 Dave Puki

ATTENDANCE:

TPAC MEMBERS: Dave Puki, Vanessa Zaputil, Jeri Frangello-Anderson, Kay Mulliner, Kim McCoy

TP MPD Clerk: Kate Kruller

GUESTS: Diane Myers, Dave Perkins (Tukwila Pool Aquatics Manager)

Approval of October 4, 2014 Minutes, Vanessa made motion to accept minutes as printed and presented and Kim seconded. Unanimous vote

Dave wanted to make note that this is Kay Mulliner's last meeting and TPAC thanked her for all her hard work. Kay will not be a stranger to any of us, we will still see her at the pool and wish to recognize and thank her for all her support for fundraising for the scholarship fund with the swim-a-thon.

Business Item 1) Discussion of progress on transition to self-operation. Subcommittee activity reports and question and answer period for each subcommittee member.

Logistics: Jeri reported no meeting held in the last week and the next scheduled meeting was November 6th at Boulevard Park Library, 7-9 pm.

Budget: Vanessa Zaputil - Budget committee has been meeting weekly at City Hall, next meeting Sunday 11/2, 3:30 – 5:30 Hazelnut room. Final Recommendation for the Accountant/Bookkeeper to be presented. The last MPD meeting King County Treasurer was approved by the board, contracts to be presented to the President for signing. Financial policies have just started to be gone through, William Shore policies are being used as a guideline. 2015 budget is being based on no increase in revenue, trying to keep everything the same as previous due to transition. Loss of ED has been a big strain on the Financial Committee, Vanessa wanted to send out a huge thank you to Jennafer for all her hard work and how great she was to work with. Financial Committee has made the recommendation that Jacque Carroll be the liaison between all the committee meetings to help with communication. Joint meeting between budget and logistics to help facilitate everything between committees.

IT Committee: Kay and Kim. Budget still being worked through; hopefully committee will have numbers by end of day. Talks with Cascade Computer Maintenance regarding service have started. CCM offers to have computers drop shipped directly to their location and offer on premise training. CCM is located in Georgetown. Kim indicated that Firewall would price out around \$1200.00. Kim also has been looking into equipment like routers, printers etc. Looking into phone service with Broadview or Integra which

both offer T1 lines. Robert Eaton is currently working with committee regarding service. Committee to continue to work with Robert. Bottom-line is the pool will have internet/phone service on January 1 2015.

Business Item 2: Continued discussion on marketing the pool events during transition to reduce revenue loss and provide transition information to pool patrons.

41st Birthday Party went well. More participation would have been great with better advertising of the event. We were able to talk to a few patrons regarding the transition and provide the FAQ's regarding the pool transition. The staff was very accommodating during the event. TPAC was very concerned by a comment that was made by Rick Still at the MPD meeting that there were some negative comments about the pool and that things will be better. TPAC was very clear that there was no negativity presented. Marketing for the event was very conflicting due to what was published in the recreation guide and the Tukwila Reporter. It was noted that the suggestion box had no cards provided. Dave Perkins indicated that he believes he has found the key for this and will look into it. Dave Perkins also felt very strong about providing an online survey for patrons on what they want, what they like a they would like to see changed. Email blast with FAQ would be very helpful. Dave Perkins indicated that he would get in contact with Rick Still in regards to getting the information out to current patrons via Facebook. Signage for the pool would be very helpful for letting citizens know that we have a pool. Coordinating with School District would be a great way to get the information out to the general population like Backpack Express. Marketing to key core groups would be key. Example: Rotary Thanksgiving Lunch in November might be a good target to connect with patrons regarding the pool. Ideas were presented in regards to grand opening, open house to meet the staff, what is happening a friendly message to patrons to let them know that we are still here and we are here to better serve them.

Vanessa made motion to adjourn, Jeri seconded.

Next Meeting December 6, 2014

Tukwila Pool Advisory Committee

October 4, 2014

FINAL Minutes

Tukwila Community Center Meeting Room Arts "B"

Call to Order: 8:11 Dave Puki

ATTENDANCE:

TPAC MEMBERS: Vanessa Zaputil, Dave Puki, Jeri Frangello-Anderson, Kay Mulliner, Kim McCoy

TP MPD: President De'Sean Quinn (filling in for TMPD Clerk Kate Kruller)

TP MPD Executive Director: Jennafer Price-Cargill

GUEST: Diane Myers, Ellen Gengler, Jacque Carroll

Approval of September 6, 2014 Minutes: Vanessa made motion to accept minutes as presented, Kim seconded.

Business Item 1: Discussion of progress on transition to self-operation. Subcommittee activity reports and question and answer period for each subcommittee member:

Logistics: Dave Puki – Logistics committee meeting once a week and planning every week on Thursday's at Jennafer Price-Cargill's house. Next meeting October 8th at 6:30pm. Dave indicated that the Logistics' committee has decided to adopt the William Shore Policies and are going through each item one by one. Conversion and edits are being made to tailor to the Tukwila MPD. Currently the Logistics committee has gone through the 300 and 400 sections. Dave indicated that the plan is to continue existing contracts with current service providers and looking closely at which providers are necessary to keep the transition seamless. Current list of pool contractors was just received by Jennafer. Stephanie is putting together the current parks policies to give to the Logistics committee.

IT Committee: Kim McCoy , Allan Ekberg, Kate Kruller Jennafer Price-Cargill, Ellen Gengler

Kim indicated that the IT Committee met last Sunday at Jennafer's . Objectives, Prioritize and select contract/facilitate technology service processes and devices. Need to settle on final POS system, current system CLASS will no longer be supported after 2017. Looking at alternatives, Ellen has presented some options. Looking at options of server based or Cloud based system. One system that has been presented and investigated is REC Pro, which is server based. All the systems that are being explored will support on-line registration. Security with any system is key to protect patrons. City will be

removing hardware, but cabling to stay. Current phone system is VOIP Mitel, exploring other alternatives Comcast which can handle up to 23 phones, Integra and Century Link. Current schedule is for selection of research, selection and acquisitions of SOS.

October: IT Contractor, telecommunications and POS selection.

November: Records transfer, storage, setting up new devices

December: SOA Contracts, POS, up and running records transfer and training of staff to go live end of December.

Hiring Committee: Currently the EDC is working on an offer for Dave Perkins.

Budget and Finance Sub-Committee: Vanessa Zaputil – Working on presenting a transitional budget to the board. Treasurer recommendation. King County looks to be a good deal, with no charge. King County also does offer Investment Pool Management for a small fee. CPA and Bookkeeper still needed for tax filing. Currently the Committee is looking into all options that are available. Ellen presented information in regards to a 501C option. Currently working on a rough of the 2015 budget, this looks more like a line item budget. Ellen indicated that each committee seems to pivot around each other. Budget committee meets weekly at City Hall.

Business Item 2: Discussion on marketing pool events during transition to reduce loss and provide transition information to pool patrons: Need to increase revenues, there has been some uncertainty with the patrons about the transition the pool is going through. Where are we losing revenues? Lessons were down by half in August. Budget for 2013 we brought in \$237,000, 2014 was budget at a low figure of \$240,000, at current rate of revenue would only be at \$200,000 for 2014. What is the message is the MPD wants to send out to the community. Dave suggested a slogan “New Beginnings”. FAQ handout for patrons to answer the common questions that are being asked. TPAC made recommendation to offer help with a table at the Pool Birthday party on October 18th to answer questions patrons have regarding the transition and provide answers. De’Sean indicated that he would pass the information on to the board to have TPAC man the table. Vanessa to email De’Sean with the FAQ information to be presented. December it would be great to put an article in the Tukwila Reporter regarding the pool transition. Vanessa asked about when looking at new IT solutions, email blasts would be very helpful, Kim also noted that looking at systems that can support text messaging also. Poster or banner in the lobby or pool was also suggested to help put out information to patrons. Future events to have a meet the staff at grand re-opening and it was strongly recommended that doing an event for appreciation for the current staff.

Business Item 3: Executive Director Update – Special meeting is being put together for October 9th location to be determined at 6:30 to take action for Aquatics Manager, IT Related Issues and an Executive Session for a couple of items. Ellen asked if there was anything needed from the Finance and

Budget Committee to be able to present the offer to the Dave Perkins. Kim indicated that he was presenting to the board to be an independent IT Contractor for the pool. Dave indicated that there would not be a conflict of interest with him continuing with TPAC.


Vanessa made motion to adjourn, Jeri seconded.

Next meeting November 1, 2014

INFORMATIONAL MEMORANDUM
Tukwila Metropolitan Park District

ITEM NO
6 & 7.A.

TO: Tukwila Pool MPD Board

FROM: Rick Still, Parks and Recreation Director 

BY: Vicky Carlsen, Deputy Finance Director

DATE: November 5, 2014

SUBJECT: 2015 Tax Levy

ISSUE

Approval of resolutions adopting general property tax levy for 2015 by November 28, 2014.

FINANCIAL IMPACT

Approving these two resolutions will allow the TMPD to continue collecting property tax revenue. Preliminary property tax collection for 2015 is estimated to be \$739,646.

DISCUSSION

A Public Hearing for adoption of the 2015 property tax levy is required by RCW 84.55.120. The Hearing is scheduled for October 22, 2014. Two resolutions are necessary for the 2015 property tax levy.

Resolution – General Tax Levy

This resolution sets the general tax levy amount for 2015. The Tukwila Metropolitan Park District (TMPD) was notified on October 7, 2014 that the assessed value for 2015 is projected to be \$5,017,106,101.

Two resolutions have been prepared. The first resolution, identified as 'A', would adopt a tax levy at a rate of 15 cents per thousand of assessed value. The second resolution, identified as 'B', would adopt a levy rate that is 1% higher than 2014 exclusive of additional revenue resulting from new construction, improvements to property or any increase in value of State-assessed property. The MPD Board will need to approve either A or B, but not both. The difference in language in the two resolutions is highlighted in yellow.

Both resolutions have a levy amount of \$775,000. This amount in the resolution will be high enough to capture any additional tax revenue due to State-assessed property. State-assessed property value will not be available until after the resolutions are adopted.

Resolution – Tax Levy Increase

There are two resolutions for the tax levy increase as well. Resolution noted with 'A' reflects the dollar and percent increase if a 15 cent tax levy is approved. The second resolution, 'B' reflects a smaller increase and aligns with a 1% increase in tax revenue.

RECOMMENDATION

The Board will need to adopt one version of the resolutions adopting the general tax levy at the November 13, 2014 Special meeting. A public hearing was conducted at the October 22, 2014 Board of Commissioners meeting and continued to the November 13, 2014 Board meeting.

ATTACHMENTS

- A. Draft Resolution 'A' – General Tax Levy at 15 cents per thousand of assessed value
- B. Draft Resolution 'A' – Tax Levy Increase calculated using 15 cent levy rate
- C. Draft Resolution 'B' – General Tax Levy at 1% increase over 2014
- D. Draft Resolution 'B' – Tax Levy increase calculated using 1% increase over 2014
- E. Preliminary Levy Limit Worksheet-2015 Tax Roll

Tukwila Pool Metropolitan Park District
DRAFT

Resolution No. _____A

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE TUKWILA POOL METROPOLITAN PARK DISTRICT LEVYING THE GENERAL TAXES FOR THE FISCAL YEAR COMMENCING JANUARY 1, 2015, ON ALL PROPERTY BOTH REAL AND PERSONAL WITHIN SAID DISTRICT.

WHEREAS, the Board of Commissioners of the Tukwila Pool Metropolitan Park District has considered the District's anticipated financial requirements for 2015 and the amounts necessary and available to be raised by ad valorem taxes on real and personal property; and

WHEREAS, the final assessed valuation calculation has been determined;

NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE TUKWILA POOL METROPOLITAN PARK DISTRICT HEREBY RESOLVES AS FOLLOWS:

There shall be and hereby is levied on all real and personal property in the Tukwila Pool Metropolitan Park District, in King County, whose estimated assessed valuation is \$5,017,106,101, current taxes for the ensuing year commencing January 2015, in the amount of \$775,000, including \$917 in refunds, but not to exceed 15 cents.

PASSED BY THE BOARD OF COMMISSIONERS OF THE TUKWILA POOL METROPOLITAN PARK DISTRICT at a Special Meeting thereof this _____ day of _____, 2014.

ATTEST/AUTHENTICATED:

Kate Kruller, Clerk of the Board

De'Sean Quinn, President,
Board of Commissioners

APPROVED AS TO FORM BY:

Snure Law Office, PSC, Commission Attorney

Filed with the City Clerk: _____
Passed by the Commission: _____
Resolution Number: _____

DRAFT

Tukwila Pool Metropolitan Park District

Resolution No. _____A

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE TUKWILA METROPOLITAN PARK DISTRICT, INCREASING THE REGULAR LEVY FROM THE PREVIOUS YEAR, COMMENCING JANUARY 1, 2015, ON ALL PROPERTY, BOTH REAL AND PERSONAL, IN COMPLIANCE WITH RCW 84.55.120.

WHEREAS, the Tukwila Metropolitan Park District has properly given notice of a public revenue source hearing held on October 22, 2014, pursuant to RCW 84.55.120; and

WHEREAS, the District's actual levy amount from the previous year was \$707,567; and

WHEREAS, the population of the District is greater than ten thousand; and

WHEREAS, after hearing and duly considering all relevant evidence and testimony presented, the Board of Commissioners has determined that in order to discharge its expected expenses and obligations the Board of Commissioners has determined that it is in the District's best interest to increase property tax revenue from the previous year, in addition to the increase resulting from the addition of new construction and improvements to property and any increase in the value of State-assessed property.

NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE TUKWILA METROPOLITAN PARK DISTRICT HEREBY RESOLVE AS FOLLOWS:

An increase in the regular property tax levy, is hereby authorized for the levy to be collected in 2015 in the amount of \$41,866, which is a percentage increase of 5.92% from the previous year. This increase is exclusive of additional revenue resulting from new construction, improvements to property, any increase in the value of State-assessed property, any annexations that have occurred and refunds made.

PASSED BY THE BOARD OF COMMISSIONERS OF THE TUKWILA METROPOLITAN PARK DISTRICT at a Special Meeting thereof this _____ day of _____, 2014.

ATTEST/AUTHENTICATED:

Kate Kruller, Clerk of the Board

De'Sean Quinn,
President, Board of Commissioners

APPROVED AS TO FORM BY:

Filed with the City Clerk: _____
Passed by the Commission: _____
Resolution Number: _____

Snure Law Office, PSC, Commission Attorney

DRAFT

Tukwila Pool Metropolitan Park District

Resolution No. _____ B

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE TUKWILA POOL METROPOLITAN PARK DISTRICT LEVYING THE GENERAL TAXES FOR THE FISCAL YEAR COMMENCING JANUARY 1, 2015, ON ALL PROPERTY BOTH REAL AND PERSONAL WITHIN SAID DISTRICT.

WHEREAS, the Board of Commissioners of the Tukwila Pool Metropolitan Park District has considered the District's anticipated financial requirements for 2015 and the amounts necessary and available to be raised by ad valorem taxes on real and personal property; and

WHEREAS, the final assessed valuation calculation has been determined;

NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE TUKWILA POOL METROPOLITAN PARK DISTRICT HEREBY RESOLVES AS FOLLOWS:

There shall be and hereby is levied on all real and personal property in the Tukwila Pool Metropolitan Park District, in King County, whose estimated assessed valuation is \$5,017,106,101, current taxes for the ensuing year commencing January 2015, in the amount of \$775,000, including \$917 in refunds, but not to exceed 1% increase from 2014 exclusive of additional revenue resulting from new construction, improvements to property, any increase in the value of State-assessed property, any annexations that have occurred and refunds made.

PASSED BY THE BOARD OF COMMISSIONERS OF THE TUKWILA POOL METROPOLITAN PARK DISTRICT at a Special Meeting thereof this _____ day of _____, 2014.

ATTEST/AUTHENTICATED:

Kate Kruller, Clerk of the Board

De'Sean Quinn, President,
Board of Commissioners

APPROVED AS TO FORM BY:

Filed with the City Clerk: _____

Passed by the Commission: _____

Resolution Number: _____

Snure Law Office, PSC, Commission Attorney

DRAFT

Tukwila Pool Metropolitan Park District

Resolution No. _____B

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE TUKWILA POOL METROPOLITAN PARK DISTRICT, INCREASING THE REGULAR LEVY FROM THE PREVIOUS YEAR, COMMENCING JANUARY 1, 2015, ON ALL PROPERTY, BOTH REAL AND PERSONAL, IN COMPLIANCE WITH RCW 84.55.120.

WHEREAS, the Tukwila Pool Metropolitan Park District has properly given notice of a public revenue source hearing held on October 22, 2014, pursuant to RCW 84.55.120; and

WHEREAS, the District's actual levy amount from the previous year was \$707,567; and

WHEREAS, the population of the District is greater than ten thousand; and

WHEREAS, after hearing and duly considering all relevant evidence and testimony presented, the Board of Commissioners has determined that in order to discharge its expected expenses and obligations the Board of Commissioners has determined that it is in the District's best interest to increase property tax revenue from the previous year, in addition to the increase resulting from the addition of new construction and improvements to property and any increase in the value of State-assessed property.

NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE TUKWILA POOL METROPOLITAN PARK DISTRICT HEREBY RESOLVE AS FOLLOWS:

An increase in the regular property tax levy, is hereby authorized for the levy to be collected in 2015 in the amount of \$3,943, which is a percentage increase of 1.00% from the previous year. This increase is exclusive of additional revenue resulting from new construction, improvements to property, any increase in the value of State-assessed property, any annexations that have occurred and refunds made.

PASSED BY THE BOARD OF COMMISSIONERS OF THE TUKWILA POOL METROPOLITAN PARK DISTRICT at a Special Meeting thereof this _____ day of _____, 2014.

ATTEST/AUTHENTICATED:

Kate Kruller, Clerk of the Board

De'Sean Quinn,
President, Board of Commissioners

APPROVED AS TO FORM BY:

Filed with the City Clerk: _____

Passed by the Commission: _____

Resolution Number: _____

Snure Law Office, PSC, Commission Attorney

PRELIMINARY

LEVY LIMIT WORKSHEET – 2015 Tax Roll

TAXING DISTRICT: Tukwila Pool Metropolitan Park

The following determination of your regular levy limit for 2015 property taxes is provided by the King County Assessor pursuant to RCW 84.55.100.

(Note 1)

Using Limit Factor For District	Calculation of Limit Factor Levy	Using Implicit Price Deflator
3,516,857	Levy basis for calculation: (2014 Limit Factor) (Note 2)	3,516,857
1.0100	x Limit Factor	1.0159
3,552,026	= Levy	3,572,810
14,830,323	Local new construction	14,830,323
0	+ Increase in utility value (Note 3)	0
14,830,323	= Total new construction	14,830,323
0.14944	x Last year's regular levy rate	0.14944
2,216	= New construction levy	2,216
3,554,242	Total Limit Factor Levy	3,575,026
Annexation Levy		
0	Omitted assessment levy (Note 4)	0
3,554,242	Total Limit Factor Levy + new lid lifts	3,575,026
5,017,106,101	÷ Regular levy assessed value less annexations	5,017,106,101
0.70842	= Annexation rate (cannot exceed statutory maximum rate)	0.71257
0	x Annexation assessed value	0
0	= Annexation Levy	0
Lid lifts, Refunds and Total		
0	+ First year lid lifts	0
3,554,242	+ Limit Factor Levy	3,575,026
3,554,242	= Total RCW 84.55 levy	3,575,026
917	+ Relevy for prior year refunds (Note 5)	917
3,555,159	= Total RCW 84.55 levy + refunds	3,575,943
3,555,159	Levy Correction: Year of Error _____ (+or-)	3,575,943
ALLOWABLE LEVY (Note 6)		
Increase Information (Note 7)		
0.70861	Levy rate based on allowable levy	0.71275
707,567	Last year's ACTUAL regular levy	707,567
2,844,459	Dollar increase over last year other than N/C – Annex	2,865,243
402.01%	Percent increase over last year other than N/C – Annex	404.94%
Calculation of statutory levy		
	Regular levy assessed value (Note 8)	5,017,106,101
	x Maximum statutory rate	0.75000
	= Maximum statutory levy	3,762,830
	+Omitted assessments levy	0
	=Maximum statutory levy	3,762,830
	Limit factor needed for statutory levy	Not usable

ALL YEARS SHOWN ON THIS FORM ARE THE YEARS IN WHICH THE TAX IS PAYABLE.
Please read carefully the notes on the reverse side.


Notes:

- 1) Rates for fire districts and the library district are estimated at the time this worksheet is produced. Fire district and library district rates affect the maximum allowable rate for cities annexed to them. These rates *will* change, mainly in response to the actual levy requests from the fire and library districts. Hence, affected cities may have a higher or lower allowable levy rate than is shown here when final levy rates are calculated.
- 2) This figure shows the maximum *allowable levy*, which may differ from any actual prior levy if a district has levied less than its maximum in prior years. The maximum allowable levy excludes any allowable refund levy if the maximum was based on a limit factor. The maximum allowable levy excludes omitted assessments if the maximum was determined by your district's statutory rate limit. If your district passed a limit factor ordinance in the year indicated, that limit factor would help determine the highest allowable levy. However, if the statutory rate limit was more restrictive than your stated limit factor, the statutory rate limit is controlling.
- 3) Any increase in value in state-assessed property is considered to be new construction value for purposes of calculating the respective limits. State-assessed property is property belonging to inter-county utility and transportation companies (telephone, railroad, airline companies and the like).
- 4) An omitted assessment is property value that should have been included on a prior year's roll but will be included on the tax roll for which this worksheet has been prepared. Omitted assessments are assessed and taxed at the rate in effect for the year omitted (RCW 84.40.080-085). Omitted assessments tax is deducted from the levy maximum before calculating the levy rate for current assessments and added back in as a current year's receivable.
- 5) Administrative refunds under RCW 84.69.020 were removed from the levy lid by the 1981 legislature.
- 6) A district is entitled to the lesser of the maximum levies determined by application of the limit under RCW 84.55 and the statutory rate limit. Levies may be subject to further proration if aggregate rate limits set in Article VII of the state constitution and in RCW 84.52.043 are exceeded.
- 7) This section is provided for your information, and to assist in preparing any Increase Ordinance that may be required by RCW 84.55.120. The increase information compares the allowable levy for the next tax year with your ACTUAL levy being collected this year. The actual levy excludes any refund levy and expired temporary lid lifts, if applicable. New construction, annexation and refund levies, as well as temporary lid lifts in their initial year, are subtracted from this year's *allowable* levy before the comparison is made.
- 8) ***Assessed valuations shown are subject to change from error corrections and appeal board decisions recorded between the date of this worksheet and final levy rate determination.***

INFORMATIONAL MEMORANDUM

Tukwila Pool Metropolitan Park District

TO: Tukwila Pool MPD Board

FROM: Rick Still, Parks and Recreation Director 

DATE: November 5, 2014

SUBJECT: Interlocal Agreement between the City of Tukwila and the Tukwila Pool Metropolitan Park District (TPMPD) and City of Tukwila

ISSUE

An Interlocal Agreement to outline the parties' continuing obligations after the City ceases providing the support services to the TPMPD.

FINANCIAL IMPACT

The financial impact for continued services of providing public records request for records that may be contained in the City's email archives would, vary by the extent of the request, be reimbursed based on the hourly wages and benefits of City staff and their time spent on searching for and producing these records.

A one-time cost of approximately \$3,060 to purchase City owned pool operations supplies and equipment.

BACKGROUND

The City of Tukwila will no longer be providing the Support Services, including pool operations, for the TPMPD as of December 31, 2014. It is desired to clarify the items that need to be finalized during the four month transitional period and the items that cannot be resolved even after the transfer is complete, thus the Interlocal Agreement.

DISCUSSION

Please see the attached October 28, 2014 Informational Memorandum and draft Interlocal Agreement from City Attorney Turpin to the City Council's Community Affairs and Parks Committee for additional information regarding Interlocal Agreement (Attachment A).

The Interlocal Agreement address four primary areas: (1) management of TPMPD email records, (2) financial work that will need to be done by City Finance Department in 2015, (3) use of City policies, procedures, template and lessons programs by TPMPD, and (4) transfer of property from the City to the TPMPD. The Interlocal Agreement also addresses legal obligations after December 31, 2014.

RECOMMENDATION

Authorize the Board president to sign an Interlocal Agreement with the City of Tukwila to outline the parties' continuing obligations after the City ceases providing the support services to the TPMPD.

ATTACHMENTS

Draft Interlocal Agreement
Draft Asset Inventory

INTERLOCAL AGREEMENT
by and between
CITY OF TUKWILA and TUKWILA POOL METROPOLITAN PARK DISTRICT

This Agreement, dated as of _____, 2014, is entered into by and between the **City of Tukwila, Washington** (the “City”), a code city organized under the laws of the State of Washington, and the **Tukwila Pool Metropolitan Park District** (“TPMPD”), a municipal corporation organized under the authority of Chapter 35.61 RCW (collectively, the “Parties”). This agreement is entered into under the authority of RCW 35.61.290, .300 and 67.20.010.

NOW, THEREFORE, the Parties agree as follows:

Section 1. Recitals – Purpose of Agreement.

1.1. The City of Tukwila is a code city operating under chapter 35A RCW and other applicable state law, and the Tukwila Pool Metropolitan Park District is a municipal corporation created pursuant to a vote of the people held on August 16, 2011 under chapter 35.61 RCW with responsibility for ownership and operation of the Tukwila Pool.

1.2. Since its creation in 2011, the TPMPD has contracted with the City for support services.

1.3 In September 2014, the City provided the TPMPD with notice of its intent to terminate the Parties’ interlocal agreement for support services (the “Support Services ILA”) as of December 31, 2014.

1.4 The Parties acknowledge that there may be continuing obligations on the part of both the City and TPMPD after termination of the Support Services ILA.

1.5 The purpose of this Agreement is to set forth and clarify the roles and responsibilities of the Parties after termination of the Support Services ILA.

Section 2. TPMPD Records.

2.1. The Parties acknowledge that TPMPD emails for the period August 16, 2011, through December 31, 2014 cannot be extracted from the City’s email archive and will continue to exist in the City’s email archive. The City agrees that in the event TPMPD receives a public records request for records that may be contained in the City’s email archives, the City shall, upon written request of the TPMPD, search for and provide such records to the TPMPD. The City agrees to provide these records expeditiously; provided, the records may be provided in installments. The TPMPD shall be responsible for processing any public records request for such records, including all correspondence with the requesters.

2.2. The TPMPD agrees to pay the City for providing these records based on the hourly wages and benefits of City staff and their time spent searching for and producing these records.

2.3 The City shall transfer all non-email records belonging to the TPMPD to the TPMPD on or before December 31, 2014, at which time the TPMPD shall become the designated custodian of said records. As the designated custodian of TPMPD records, the TPMPD shall be responsible for compliance with all legal requirements relating to public records, including, but not limited to, records retention and destruction. The TPMPD agrees to retain and destroy all public records pursuant to this agreement consistent with the applicable provisions of Chapter 40.14 RCW, the applicable rules and regulations of the Secretary of State, Division of Archives and Records Management.

Section 3. TPMPD Finances.

3.1. The Parties acknowledge that the City Finance Director has acted as Treasurer for the TPMPD since 2011. The City Finance Director shall transition out of this role on or before December 31, 2014; however, the City Finance Department's expertise and records will be needed to complete the 2014 End of Year Audit (EOY Audit) and to close the TPMPD's financial books for 2014, which will not occur until early 2015.

3.2. The TPMPD agrees to pay the City for providing the services set forth in Section 3.1 above based on the hourly wages and benefits of City staff and their time spent providing these services.

3.3. On or before December 31, 2014, the City will transfer excess TPMPD funds to the TPMPD. For purposes of this Section, "excess" shall mean any funds not needed for known expenses that have not been paid yet. However, the exact amount of TPMPD funds will not be known until all 2014 deposits have cleared and all invoices have been paid. The City will conduct a second transfer of all outstanding funds to the TPMPD as soon as all 2014 deposits have cleared and all 2014 invoices have been paid.

3.4. Any 2014 invoices received by the City after December 31, 2014, shall be transferred to the TPMPD for payment and payment of such invoices shall be the responsibility of the TPMPD.

Section 4. City Policies, Procedures, Templates, and Lessons Programs.

4.1. The City agrees that the TPMPD may adapt and/or utilize any City policies, procedures, templates, or lessons programs created by the City.

Section 5. Property.

5.1. In consideration of _____ and pursuant to RCW 39.33.010, the Parties agree to transfer to the TPMPD the assets set forth in Exhibit A hereto.

Section 6. Miscellaneous.

6.1 Term of Agreement. This Agreement shall take effect as of the date first written above and shall continue until terminated by mutual agreement of the Parties.

6.2 Binding Effect; Assignment; Third Party Beneficiaries. Neither Party may assign its interest or obligation under this Agreement without the prior written consent of the other Party. This Agreement shall inure to the benefit of and shall bind the respective assignees. There are no other third party beneficiaries of this Agreement, and its terms are not intended to establish nor to create any rights in any persons or entities other than the City, TPMPD, and the respective successors and assigns of each.

6.3 Amendments. No amendment of any provision of this Agreement is valid unless set forth in a written amendment signed by the Parties.

6.4 Waiver. No provision of this Agreement may be waived except if expressly given in writing, and no implied or oral waiver may be used to materially impair the force and effect of any substantive provision of this Agreement. Any waiver of a Party's right with respect to a default under this Agreement, or with respect to any other matter arising in connection therewith, shall not be deemed a waiver with respect to any subsequent default or matter.

6.5 Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

6.6 Applicable Law and Venue. This Agreement shall be governed by the laws of the State of Washington. The venue for any legal action arising from a dispute under this Agreement is the Superior Court for King County.

6.7 Entire Agreement. This Agreement constitutes the entire and exclusive agreement between the Parties relating to the specific matters covered in this Agreement. All prior or contemporaneous oral or written agreements, understandings, representations or practices relative to the foregoing are superseded, revoked and rendered ineffective for any purpose. No oral agreement or implied covenant may be held to vary the terms of this Agreement, any statute, law or custom to the contrary notwithstanding.

6.8 Time of the Essence. Time and all terms and conditions shall be of the essence of this Agreement.

6.9 Notices. All notices required to be in writing shall be given using the notice addresses in this section. A Party may designate a different notice address by providing written notice to the other Party.

If to TPMPD: Tukwila Pool Metropolitan Park District
ADDRESS
ADDRESS
Attn:
Telephone:
E-mail:

If to the City: The City of Tukwila
 City Clerk
 6200 Southcenter Blvd.
 Tukwila, WA 98188
 Telephone: 206-433-1800
 E-mail: TukwilaCityClerk@TukwilaWA.gov

6.10 Execution in Counterparts. This Agreement may be executed in one or more counterparts. The Parties agree to execute a release or other appropriate instruments as shall be necessary to certify compliance with the terms of this Agreement upon full and complete satisfaction of the terms of this Agreement.

6.11 Indemnification of the City. The TPMPD shall defend, indemnify and hold the City, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees, arising out of or in connection with the performance of this Agreement, except for injuries and damages caused by the sole negligence of the City.

Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the TPMPD and the City, its officers, officials, employees, and volunteers, the TPMPD's liability hereunder shall be only to the extent of the TPMPD's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the TPMPD's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

The provisions of this section are expressly intended to apply to any claim brought under the Washington State Public Records Act that relate to provision of TPMPD records held by the City, as well as to any claims arising out of the TPMPD's use of City policies, procedures, templates, or lesson programs.

6.12 Interlocal Cooperation Act Provisions. It is not intended that a separate legal entity be established to conduct this cooperative undertaking. No special budget or funds are anticipated, nor shall any be created. The parties are each responsible for their own finances in connection with this Agreement, and nothing in this Agreement shall be deemed or construed otherwise. The parties do not intend to acquire, hold, or dispose of any real or personal property pursuant to this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement by their duly authorized officers and representatives as of the date indicated above.

THE CITY OF TUKWILA

TUKWILA METROPOLITAN PARK DISTRICT

By: _____
Jim Haggerton, Mayor

By: _____
De'Sean Quinn, Board President

Approved as to Form:

Approved as to Form:

Rachel B. Turpin,
City Attorney

Brian Snure,
TPMPD Attorney

Tukwila Pool Asset Inventory

DRAFT

(10-28-14)

"Current" \$ Value	City of Tukwila Items Being Transferred to the MPD
\$ 680	Lifeguard Chair
\$ 40	Life Jackets
\$ 40	Mats
\$ 10	Noodles
\$ 70	Barbells
\$ 100	Kickboards
\$ 25	Gloves
\$ 5	Skimmer Net
\$ 5	Hook
\$ 25	Poles
\$ 225	Backboards (x3)
\$ 5	Ring Bouy
\$ 145	Fire Extinguishers
\$ 340	Pool Vacuum
\$ 20	Pool Vacuum Head
\$ 25	Pool Vacuum Hose
\$ 5	Battery Charger (for pool vacuum)
\$ 5	Snow Shovel
\$ 275	Garbage Cans (Int. & Ext.)
\$ 25	Recycle Bins
\$ 40	Staff Mailbox
\$ 50	White Boards (x3)
\$ 20	Bulletin Boards (x4)
\$ 20	Office Desk (maintenance office)
\$ 15	Office Chair (maintenance office)
\$ 5	Folding Chairs (x5)
\$ 815	Electric Pressure Washer
\$ 25	Pressure Washer Hoses (100ft ?)
\$ 3,060	Total

INFORMATIONAL MEMORANDUM
Tukwila Metropolitan Park District

TO: **Tukwila Pool MPD Board**

FROM: **Ellen Gengler, Budget Committee Chair**

DATE: **November 4, 2014**

SUBJECT: **Budget Committee Updates**

ISSUE

Update to the Board of Commissioners regarding activities and recommendations of the Budget Committee.

FINANCIAL IMPACT

- If Board approves CPA/Bookkeeping recommendation from Budget Committee the TPMPD can move forward with this service. The 2014 Transitional Budget has been adjusted for the anticipated set up fees, and the 2015 Proposed Budget reflects the proposed monthly fees.
- The Board must make a decision by the end of November in regards to the increase Levy calculation. The budget will be impacted by the decision the Board makes, however the Committee has structured the budget using the conservative 1% increase. Should the Commission choose the 15% base, the 2015 Budget will be changed to reflect the anticipated increase in Levy Revenue.
- There is a potential impact on the TPMPD regarding the City of Tukwila exempting properties from taxation for their purposes. The amount would depend on the length of the exemption (approximately 8 – 16 years) and the property valuation.

BACKGROUND

A Budget Committee was formed in August, 2014 to create and recommend both a transitional 2014 budget and the 2015 TPMPD budget. During this process the Budget Committee has also researched a variety of service options to meet the needs of the TPMPD in the area of Finance, and the Committee will continue to share these findings to the Commission in the form of recommendations and reports. These topics include:

- Treasurer recommendation (King County)
- Professional services including bookkeeping and CPA needs
- Financial Policies

DISCUSSION

There are three updates the Budget Committee would like to provide to the Commissioners:

1. Bookkeeping/CPA: One of the tasks assigned to the Budget Committee was to research and bring forth a recommendation for Bookkeeping and CPA services to the Board. After spending several weeks interviewing a variety of potential service providers, GDM Financial Solutions (GDM) emerged as the most highly qualified candidate. Among their many attributes, GDM Principals Boyce Goff and Alan Dance have combined experience that includes Park & Rec facility management as well as extensive tax and audit knowledge. GDM Financial Solutions will provide and coordinate the TPMPD with comprehensive CPA and Bookkeeping services and Financial Forecasting. GDM Principals and staff will work closely with the TPMPD management providing online access of the financial records, reconciling program revenue by accessing the POS system, manage tax and benefit



calculations, collaborate with King County (Treasurer) for issuance of warrants and balancing all accounts.

2. Levy Calculation: The resolution must be signed and ratified by November 30, 2014.
3. Recently the Budget Committee became aware of the consideration by the City of Tukwila to exempt property taxes on new construction of multi-family properties within the Tukwila Urban Center. It was confirmed by staff that the exemption would carry over to all valuation based levies, including the TPMPD Levy. As the TPMPD is heavily reliant on levy income, any future exemptions the City may choose to impose will negatively impact the ability of the TPMPD to levy funds. Currently this proposal is in the City Committee stage; however the city staff is requesting this proposal be expedited.

RECOMMENDATION

1. The Budget Committee recommends the Commission propose a motion to enter into an agreement with GDM Financial Solutions and their affiliates for purposes of CPA and Bookkeeping services for the TPMPD.
2. Due to the limited meeting schedule of the TPMPD, the Budget Committee (by an affirmative vote of 2 members and one abstention) presents the following:
The Budget Committee recommends that the TPMPD express to the City their concern regarding the property tax exemption by requesting the City not enact policies that grant property tax exemptions which impact the TPMPD and other independent entities.

ATTACHMENTS

GDM Engagement Letter & Quote

PROFESSIONAL SERVICES AGREEMENT
Between the Tukwila Pool Metropolitan Park District and

GDM Private Financial Solutions

THIS AGREEMENT is made between the Tukwila Pool Metropolitan Park District, a Washington municipal corporation "TPMPD," and GDM Private Financial Solutions, located and doing business at 11100 NE 8th St., Suite 380, Bellevue, WA 98004 "Contractor."

I. DESCRIPTION OF WORK.

Contractor shall perform the following services for the TPMPD:

See Estimate of Proposed Services Dated October 24, 2014
Attached as Exhibit A and incorporated herein by this reference

Contractor further represents that the services furnished under this Agreement will be performed diligently and in accordance with generally accepted professional practices within the Puget Sound region in effect at the time those services are performed.

II. TIME OF COMPLETION. The parties agree that the time period for Contractor to provide the services described in Section I above shall be as follows:

Phase I services shall begin immediately on the effective date of this Agreement and shall terminate on December 31, 2014.

Phase II services shall be provided January through June 2015.

Phase III services shall be provided on an as needed basis January through June 2015.

The parties may negotiate a mutually agreeable renewable or extension of this Agreement to be effective July 1, 2015.

III. COMPENSATION. The TPMPD shall pay Contractor the fixed fees and hourly rates identified in Exhibit A according to the following invoice schedule:

Phase I - \$2,000 on December 1, 2014 and \$2,000 on January 1, 2015

Phase II - \$1,250 on the 5th day of each January and \$1,250 on the first of February, March, April, May and June 2015.

Phase III - Contractor shall invoice the TPMPD monthly based on time and materials incurred during the preceding month for services rendered during the preceding month.

The TPMPD shall pay all approved invoices within 30 days of receipt. All hourly rates charged shall remain fixed at the negotiated rates throughout the term of this Agreement.

IV. ADDITIONAL WORK. If, during the performance of this Agreement or subsequent to completion of the work under this Agreement, services other than those described in Section I are ordered by the TPMPD, the Contractor agrees to provide said services and the TPMPD agrees to compensate the Contractor for the same according to the method determined at the time the additional services are ordered. The Contractor shall not proceed with said additional services until such time as the cost for the additional services and the method of payment are approved in writing by the TPMPD.

V. INDEPENDENT CONTRACTOR. The parties intend that an Independent Contractor-Employer Relationship will be created by this Agreement. By their execution of this Agreement, and in accordance with Ch. 51.08 RCW, the parties make the following representations:

- A. The Contractor has the ability to control and direct the performance and details of its work, the TPMPD being interested only in the results obtained under this Agreement.
- B. The Contractor maintains and pays for its own place of business from which Contractor's services under this Agreement will be performed.
- C. The Contractor has an established and independent business that is eligible for a business deduction for federal income tax purposes that existed before the TPMPD retained Contractor's services, or the Contractor is engaged in an independently established trade, occupation, profession, or business of the same nature as that involved under this Agreement.
- D. The Contractor is responsible for filing as they become due all necessary tax documents with appropriate federal and state agencies, including the Internal Revenue Service and the state Department of Revenue.
- E. The Contractor has registered its business and established an account with the state Department of Revenue and other state agencies as may be required by Contractor's business, and has obtained a Unified Business Identifier (UBI) number from the State of Washington.
- F. The Contractor maintains a set of books dedicated to the expenses and earnings of its business.

VI. TERMINATION. The TPMPD may terminate this Agreement, with or without cause, upon providing the Contractor seven (7) calendar days written notice at its address set forth on the signature block of this Agreement. The Contractor may terminate this Agreement, with or without cause, upon providing the TPMPD thirty (30) calendar days written notice at its address set forth on the signature block of this Agreement.

VII. DISCRIMINATION. The Contractor shall not discriminate against any employee, applicant for employment or any person seeking the services of the Contractor under this Agreement on the basis of race, color, religion, creed, sex, age, national origin, marital status or the presence of any sensory, mental or physical handicap.

VIII. INDEMNIFICATION. Contractor shall defend, indemnify and hold the TPMPD, its officers, officials, employees, agents and volunteers harmless from any and all claims, injuries, damages, losses or suits, including all legal costs and attorney fees, arising out of or in connection with the Contractor's performance of this Agreement, except for that portion of the injuries and damages caused by the TPMPD's negligence. The TPMPD's inspection or acceptance of any of Contractor's work when completed shall not be grounds to avoid any of these covenants of indemnification. The provisions of this section shall survive the expiration or termination of this Agreement.

In the event Contractor refuses tender of defense in any suit or any claim, if that tender was made pursuant to this indemnification clause, and if that refusal is subsequently determined by a court having jurisdiction (or other agreed tribunal) to have been a wrongful refusal on the Contractor's part, then Contractor shall pay all the TPMPD's costs for defense, including all reasonable expert witness fees and reasonable attorneys' fees, plus the TPMPD's legal costs and fees incurred because there was a wrongful refusal on the Contractor's part.

It is further specifically and expressly understood that the indemnification provided herein constitutes Contractor's limited waiver of immunity under industrial insurance, Title 51 RCW, solely to carry out the purposes of this indemnification clause. The Contractor further acknowledges that Contractor has mutually negotiated this waiver.

IX. INSURANCE. The Contractor shall procure and maintain for the duration of the Agreement, insurance of the types and in the amounts described in Exhibit #1 attached and incorporated by this reference.

X. CONFIDENTIALITY. In the performance of the Agreement, Contractor may have access to certain confidential information. Contractor agrees to protect confidential information of District against any unauthorized use or disclosure. Without limitation of the foregoing:

- A. Contractor will use such confidential information solely for the purposes of fulfilling the job requirements.
- B. Contractor will disclose such confidential information only to those employees, Consultants, agents and other representatives who have a need to know the same and who understand and acknowledge their obligation and willingness to preserve and hold such confidential information in strict confidence.

XI. CONTRACTOR'S WORK AND RISK. The Contractor agrees to comply with all federal, state, and municipal laws, rules, and regulations that are now effective or in the future become applicable to Contractor's business, equipment, and personnel engaged in operations covered by this Agreement or accruing out of the performance of those services. All work shall be done at Contractor's own risk, and Contractor shall be responsible for any loss of or damage to materials, tools, or other articles used or held for use in connection with the work.

XII. OWNERSHIP AND USE OF INTELLECTUAL PROPERTY. Any records, reports, designs, files, documents, drawings, specifications, data or information, regardless of form or format, and all other materials prepared or produced by the Contractor in connection with the services provided hereunder shall be the property of the TPMPD whether the project for which they were created is executed or not. No confidential information obtained or created by Contractor shall be disclosed to any person or party other than the TPMPD without the TPMPD's prior written consent.

XIII. MISCELLANEOUS PROVISIONS.

A. Conflict of Interest. The Contractor represents to the TPMPD that it has no conflict of interest in performing any of the services described herein. In the event that the Contractor is asked to perform services for a project with which it may have a conflict, the Contractor shall immediately disclose such potential conflict to the TPMPD.

B. Non-Waiver of Breach. The failure of the TPMPD to insist upon strict performance of any of the covenants and agreements contained in this Agreement, or to exercise any option conferred by this Agreement in one or more instances shall not be construed to be a waiver or relinquishment of those covenants, agreements or options, and the same shall be and remain in full force and effect.

C. Resolution of Disputes and Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. If the parties are unable to settle any dispute, difference or claim arising from the parties' performance of this Agreement, the exclusive means of resolving that dispute, difference or claim, shall only be by filing suit exclusively under the venue, rules and jurisdiction of the King County Superior Court, King County, Washington, unless the parties agree in writing to an alternative dispute resolution process. In any claim or lawsuit for damages arising from the parties' performance of this Agreement, each party shall pay all its legal costs and attorney's fees incurred in defending or bringing such claim or lawsuit, including all appeals, in addition to any other recovery or award provided by law; provided, however, nothing in this paragraph shall be construed to limit the TPMPD's right to indemnification under Section VII of this Agreement.

D. Written Notice. All communications regarding this Agreement shall be sent to the parties at the addresses listed on the signature page of the Agreement, unless notified to the contrary. Any written notice hereunder shall become effective three (3) business days after the date of mailing by registered or certified mail, and shall be deemed sufficiently given if sent to

the addressee at the address stated in this Agreement or such other address as may be hereafter specified in writing.

E. Assignment. Any assignment of this Agreement by either party without the written consent of the non-assigning party shall be void.

F. Modification. No waiver, alteration, or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of the TPMPD and Contractor.

G. Entire Agreement. The written provisions and terms of this Agreement, together with any Exhibits attached hereto, shall supersede all prior verbal statements of any officer or other representative of the TPMPD, and such statements shall not be effective or be construed as entering into or forming a part of or altering in any manner this Agreement. Should any language in any of the exhibits to this Agreement conflict with any language contained in this Agreement, the terms of this Agreement shall prevail.

H. TPMPD Obligations: The success of this agreement will require collaboration, cooperation and communication. In addition, TPMPD hereby agrees to:

1. Contract with a competent third party payroll service provider.
2. Install and operate a POS system that integrates with our mutual needs.
3. Timely pay for our services as set forth in this letter.

IN WITNESS, the parties below execute this Agreement, which shall become effective on the last date entered below.

<p>CONTRACTOR:</p> <p>By: _____ Alan Dance, CPA</p> <p>DATE: _____</p>	<p>TUKWILA POOL METROPOLITAN PARK DISTRICT:</p> <p>By: _____ De'Sean Quinn, Board President</p> <p>DATE: _____</p>
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<p>NOTICES TO BE SENT TO: GDM Private Financial Solutions 11100 NE 8th St., Suite 380 Bellevue, WA 98004</p>	<p>NOTICES TO BE SENT TO: Board President Tukwila Pool Metropolitan Park District 6200 Southcenter Blvd. Tukwila WA 98188</p>
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EXHIBIT #1 INSURANCE REQUIREMENT

The Contractor shall be responsible for maintaining, during the term of this Agreement and at its sole cost and expense, the types of insurance coverage and in the amounts described below. The Contractor shall furnish evidence, satisfactory to the TPMPD, of all such policies with an insurer acceptable to the TPMPD. During the term hereof, the Contractor shall take out and maintain in full force and effect the following insurance policies:

- a. Comprehensive general liability (CGL) insurance with a limit of not less than \$1,000,000 per each occurrence. If such CGL insurance contains aggregate limits, the General Aggregate limit shall be at least twice the "each occurrence" limit. CGL insurance shall be written on ISO occurrence form CG 00 01 (or a substitute form providing equivalent coverage).
- b. Automobile liability insurance with a limit not less than \$1,000,000 per accident. Such insurance shall cover liability arising out of "Any Auto." Automobile liability coverage shall be written on ISO form CA 00 01, or substitute liability form providing equivalent coverage. If necessary
- c. Such workmen's compensation and other similar insurance as may be required by law.
- d. Professional liability insurance is required if services delivered pursuant to this agreement, either directly or indirectly, involve or require providing professional services. Such coverage shall cover injury or loss resulting from Contractors' rendering or failing to render professional services. Contractor shall maintain minimum limits no less than \$1,000,000 per incident, loss, or person, as applicable. If defense costs are paid within the limit of liability, Contractor shall maintain limits of \$2,000,000 per incident, loss, or person, as applicable. If the policy contains a general aggregate or policy limit, it shall be at least two times the incident, loss or person limit. If professional liability insurance is written on a "claims made" basis, the policy shall provide full coverage for prior acts or include a retroactive date that precedes the effective date of this contract.
- e. Contractor agrees to disclose the existence and nature of any limiting endorsement that applies to any liability insurance policy purchased in accord with this contract.
- f. Contractor's insurance coverage shall be primary insurance as respects the TPMPD and Contractor shall provide documentation of the primary nature of Contractor's insurance. Any insurance maintained by the TPMPD shall be excess of the Contractor's insurance and shall not contribute with it.

EXHIBIT A



11100 NE 8TH ST. Suite 380
Bellevue, WA 98004



October 24, 2014

Vanessa Zaputil, Ellen Gengler and Board
Tukwila Pool – Metropolitan Park District

To the Board of TPMPD, its Commissioners and Executive Director

This is an estimate of proposed services and associated fees for Bookkeeping, Accounting, CPA and Tax Services for your new MPD formed around the Tukwila Pool at 4414 S. 144th, Tukwila, WA 98168.

Phase I – Organizing & Establishing Systems and Best Practices – “Here We Come” - \$4,000

Time Frame – Now until December 31, 2014

1. Brief review of whatever recommendations come out of your IT search for POS software
2. Setting up QuickBooks On-Line for bookkeeping and accounting functions
3. Working with you and King County for set-up of the Treasury Account relationships
4. Setting up our payroll system, using Paychex (a 3rd party vendor)
 - a. Payroll Bank Account – KC EBS will help us set up a US Bank Account for this purpose to which we can initiate electronic ACH transfers from KC to US Bank to individual employee Bank Accounts, the IRS and State Agencies
 - b. Set-up Federal and State account relationships
5. Assisting with Budget Set-Up for both Cash Receipts and Expenditures

Phase II – Operations – “Come on in, the water’s fine!” - \$1,250 per month

Time Frame – January 1, 2015 and Forward

1. Monthly bookkeeping of financial transactions
2. Monthly reconciliations of Bank, Treasury, Payroll and Credit Card Accounts
3. Payroll period reconciliation of payroll expenses. **Note – The 3rd Party Payroll Service Provider expense will be borne by you at approximately \$300 per month.**
4. Accounts Payable management and KC warrant requests through KC EBS
5. Accounts Receivable and interface of the same with KC EBS
6. Monthly Balance Sheet and Statement of Revenue and Expenditure (includes Budget report)
7. Meet with ED and/or Board on a periodic basis for financial review and improvements

Phase III – Compliance with County, State and Federal Agencies – “Return and Report” - \$0 (except 5&6)

Time Frame – January 1, 2015 and Forward

1. City of Tukwila and King County Reports
2. WA State Dept. of Revenue – Excise Tax Returns
3. WA State Employment Security and Labor and Industry Payroll Reports
4. IRS Quarterly Payroll Reports and end of year W-2's
5. Annual IRS Return of Organization Exempt from Income Tax (Due May 2016) - **\$1,500**
6. Audit assistance to King County as necessary - **\$150 per hour**

This offer of services and pricing will be reviewed in June 2015 with negotiated mutual determination of renewal effective July 1, 2015. We look forward to hearing from you with any questions and/or the green light to prepare an Engagement Letter for Board Approval.

Tel: 425 283 5425

www.forprivateclients.com

Fax: 425 283 5560

Accounting, Tax, and Financial Solutions

INFORMATIONAL MEMORANDUM

Tukwila Metropolitan Park District

TO: Tukwila Pool MPD Board

FROM: Allen Ekberg (Budget Committee member)

DATE: November 4, 2014

SUBJECT: **Selection of King County as Treasurer**

ISSUE

Approve selection of King County as Treasurer for the MPD.

FINANCIAL IMPACT

None at this time.

BACKGROUND

As recommended at the last MPD Board meeting, utilizing King County Treasurer services for the MPD is an efficient and cost effective option. The County has two contracts needing Board authorization, one for Cash Management and the other for Investment Services. Both contracts have been reviewed by the MPD attorney and they were recognized by the attorney as standard contracts for treasury services and there were no concerns with them.

DISCUSSION

The budget committee is seeking approval of these contracts.

RECOMMENDATION

Motion A: Recommend the MPD Board President sign and execute the KING COUNTY CASH MANAGEMENT SERVICES AGREEMENT to commence treasury cash management services with King County for TPMPD cash management.

And

Motion B: Recommend the MPD Board President to sign and execute the KING COUNTY INVESTMENT POOL AGREEMENT to commence treasury investment services with King County for TPMPD investment servicing.

ATTACHMENT

King County Investment Pool –Statement of Investment Policy
King County Investment Pool Agreement
King County Cash Management Services Agreement

KING COUNTY INVESTMENT POOL STATEMENT OF INVESTMENT POLICY

(Approved September 5, 2013)

PURPOSE:

The purpose of this document is to set forth the investment and operational policies for the management of the King County Investment Pool ("Pool"), which consists of the pooled monies invested on behalf of the County and other special purpose districts within the County. These policies have been adopted by, and can be changed only by, a majority vote of the Executive Finance Committee (EFC). These policies are designed to help King County meet the objectives of the Pool.

The King County Investment Policy has been prepared in accordance with State law. This policy shall be reviewed and approved annually by the EFC. The Director of the Finance and Business Operations Division ("Director") shall recommend policy changes to the EFC as they become necessary.

SCOPE:

The King County Investment Policy applies to all financial assets invested in the Pool as defined in King County Code (KCC) 4.10.090. This policy also covers King County non-pooled investments and investments made by individual districts unless otherwise requested by those districts. Non-pooled King County investments which do not meet the criteria of this policy require approval by the EFC.

POOL GOVERNANCE:

The King County Council has delegated authority for oversight of the Pool to the EFC, which serves the role of the County Finance Committee as defined in RCW 36.48.070. The Investment Pool Advisory Committee (IPAC) was created by Ordinance 16280 to provide input to the EFC on matters related to the County Investment Pool. The IPAC has not been vested with decision making authority for the Pool; it will make recommendations to the EFC on its agenda items related to the Pool. The IPAC is comprised of 10 members drawn from representatives of King County government agencies and nearly 100 other special purpose districts, including school, fire, sewer, library, water and other districts within the County.

PRUDENCE:

The Standard of Prudence to be applied to the administration of the Pool shall be the "prudent investor" rule, which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived." The prudent investor

rule shall be applied in the context of managing all financial assets within the scope of this Policy.

OBJECTIVES:

It is the policy of the County to invest public funds in a manner which will preserve the safety and liquidity of all investments within the Pool while obtaining a reasonable return within established investment guidelines. The portfolio should be managed in a manner that is responsive to the public trust and consistent with State law. Accordingly, the Pool will be guided by the following principles, which are intended to supplement KCC 4.10.060:

1. The primary objective of King County's investment of public funds is to safeguard investment principal.
2. The secondary objective is to maintain sufficient liquidity to ensure that funds are available to meet daily cash flow requirements.
3. The third consideration is to achieve a reasonable yield consistent with these objectives.

DELEGATION OF AUTHORITY:

The Director is responsible for the management and investment of public funds (per KCC 2.16.035) and may delegate management responsibilities to King County employees under his control and supervision.

The Director shall be accountable for all investment transactions undertaken and shall establish a system of internal controls and written procedures to regulate investment activities and personnel. The Director shall also recommend policy changes to the EFC as necessary.

PARTICIPATION IN THE COUNTY INVESTMENT POOL:

Participation in the Pool is limited to King County government agencies and other special purpose districts, including school, fire, sewer, library, water and other districts within King County for which the King County Treasury Manager serves as Treasurer.

Other public entities located within King County, for whom the County does not serve as Treasurer, may also be considered for membership in the pool; provided that each entity sign and adhere to the terms and conditions of the Interlocal Agreement; and provided further that the Director may choose, at his/her discretion, to cap the amount the entity may invest in the pool at any given time in order to prevent very large cash withdrawals from adversely impacting the earnings of other pool members. If such a cap is requested, it shall be reflected in a written addendum to the Interlocal Agreement.

Interlocal Agreements: Special purpose districts are required to sign an Interlocal Agreement when entering the Pool. This Agreement shall renew automatically

each year on the districts' anniversary date unless either the county or the district has exercised the termination options under Section VIII of the agreement. The Interlocal Agreement governs the district's investments and withdrawals from the Pool.

Fees and charges: The Pool assesses two fees, both of which are charged monthly as a percentage of the total assets invested in the Pool. The first fee is the Investment Pool Fee, which is a fixed rate established by the EFC and charged to all pool participants. RCW 36.029.022 limits that fee to no more than the actual cost of operating the pool. By March 31 of each year, the actual costs for operating the pool for the previous year are determined and a rebate of the excess collected is made to pool members. The second fee is the Cash Management Pool Fee, which is set at 1.5% of the monthly pool earnings rate, not to exceed 8 basis points, regardless of the investment pool rate. It is charged only to those pool members that select to have their available balances automatically invested.

AUTHORIZED INVESTMENTS:

Investments in the Pool shall be restricted to those authorized in Washington State law and as further restricted by these investment policies. All investments shall be further governed by the restrictions shown in Schedules I, II, and III, which defines the type of investments authorized, maturity limitations, portfolio diversification (maximum percent of portfolio's book value), credit quality standards, and purchase restrictions that apply.

In conjunction with these restrictions, county staff shall diversify investments of the Pool by security type, issuer and maturity. The purpose of this diversification is to reduce portfolio risk by avoiding an over concentration in any particular maturity, sector, asset class or specific issuer.

AUTHORIZED BROKER/DEALERS:

The County shall maintain an 'Authorized Broker/Dealer List'. Security transactions are limited solely to those banks, direct issuers and dealers included on this list. All financial institutions, whether investment banks, dealers, commercial banks or savings and loan institutions must be approved by the County before they receive county funds or are able to conduct business with the County. To become "approved" by the County, a broker/dealer with whom the County does business shall comply with the requirements set forth in Schedule IV.

CREDIT REVIEW PROCESS:

County staff shall conduct a thorough review and perform ongoing due diligence of all brokers, dealers, issuers of securities, and funds prior to investing or conducting transactions with these parties. The Pool may only buy securities from issuers included on an "approved credit list." Issuers are only included on

the approved credit list after approval by the EFC. A detailed description of this process is included in the Credit Review Policy attached as Schedule V.

INTERNAL CONTROLS & AUDITS:

The County has established a system of internal controls to provide reasonable assurance that the Pool is operating effectively and efficiently, that financial reporting is reliable and that the Pool is in compliance with applicable laws and regulations. The concept of reasonable assurance recognizes that the cost of control shall not exceed the benefits likely to be derived and that the valuation of costs and benefits require estimates and judgments by management. The County shall develop and maintain written procedures for the operation of the investment program, which are consistent with this policy. These procedures shall include reference to segregation of duties, safekeeping, collateralization, wire transfers and banking related activities.

The State Auditor's Office conducts an examination of King County's financial affairs at reasonable, periodic intervals as the state auditor shall determine in accordance with RCW 43.09.260. This review helps to ensure compliance with applicable laws, regulations and Generally Accepted Accounting Principles (GAAP). In the past, this examination has occurred annually.

SECURITY CUSTODY & DELIVERIES:

All security transactions are to be conducted on a "delivery-versus-payment basis" (DVP). Confirmation receipts on all investments are to be reviewed on a timely basis for conformity with county transaction documentation. Confirmations resulting from securities purchased under repurchase agreements should clearly state (i) the underlying securities purchased, (ii) that these securities have been sold to the County under a repurchase agreement, and (iii) the stipulated date and amount of the resale by the County back to the seller of the securities. Refer to Schedule II for details regarding repurchase agreements.

All securities purchased shall be deposited for safekeeping with the custodial bank that has been contracted to provide the County with custodial security clearance services or with a tri-party custodian bank under a written tri-party repurchase agreement. Certificates of Deposit (CDs) and funds placed with the State of Washington Local Government Investment Pool are exempt from the DVP policy. Securities are not to be held in investment firm/broker dealer accounts. All securities will be held in the name of the County or in the nominee name of its custodian bank and reconciled monthly.

COMPETITIVE PRICING

Investment transactions for liquid securities will be executed at prices that are supported either by three (3) competitive bids or offers; or by prices from electronic trading systems such as Bloomberg Professional Service, Tradeweb, or other electronic trading platforms. During volatile markets it may not be possible to obtain three (3) simultaneous bids or offers by phone. Under these

circumstances, investment staff may rely on electronic trading systems to verify whether a bid or offer reflects a fair market value.

Evaluating prices for less liquid securities or securities with optionality such as, callable and mortgage-backed securities, will be accomplished using financial tools such as Option Adjusted Spread, Total Return, Breakeven, Spread analysis, etc. These types of securities will often be compared to similar, but not identical, securities to determine relative value.

A security with a higher price may be purchased instead of another similar alternative, if this higher priced security improves the portfolio's safety, liquidity, or diversification.

Securities that may be purchased without direct competitive offers include:

- Local government investment pool transactions.
- Certificates of deposit that are pledged to the State to satisfy pension obligations.
- Overnight repurchase agreements and bank savings accounts.
- Securities obtained through U.S. Treasury auctions.
- Primary issuances of U.S. agency, municipal, and corporate offerings.

Whenever possible, securities that can be purchased without direct competitive prices will be compared to general market rates and secondary securities.

When investments are purchased directly from issuers (e.g. certificates of deposit) market prices shall be documented by reference to offerings of similar securities that are of comparable rating and maturity by other direct issuers.

All securities transactions will be documented and retained in the daily investment file or trade logs.

LIQUIDITY AND MATURITY STRUCTURE:

Maintenance of adequate liquidity to meet the cash flow needs of the Pool is essential. Accordingly, investments for the Pool will be structured in a manner that ensures sufficient cash is available to meet anticipated liquidity needs. Selection of investment maturities will be consistent with the liquidity requirements of the Pool in order to avoid the forced sale of securities prior to maturity.

The Pool will maintain an effective duration of less than 1.5 years. To provide sufficient liquidity to meet daily expenditure requirements for the following 12 months, the portfolio will maintain at least 40% of its total value in securities having a maturity of 12 months or less. Duration of less than 1.5 years is consistent with the Pool's objectives of safety of principal, providing sufficient liquidity and a reasonable rate of return. This duration, when combined with the

minimum percentage that must mature within 12 months, provides an appropriate balance between the Pool's objectives.

The EFC validates compliance with these guidelines at regular meetings and may adopt adjustments beyond these.

PERFORMANCE EVALUATION:

Pool performance is evaluated monthly against a customized book value rate of return benchmark, which in keeping with the management philosophy and strategy of the Pool results in a steadier, more predictable rate of return than a total return benchmark. The benchmark reflects the average composition, target maturity and duration and risk tolerances of the pool. The composition of this benchmark is the weighted average book value return of the following benchmarks:

40% 90-Day Treasury Bill Index

60% BofA Merrill Lynch 1-3 year US Treasury & Agency Index

The 90-Day Treasury Bill Index is comprised of a single issue purchased at the beginning of the month and held for a full month. At the end of the month that issue is sold and rolled into a newly selected issue. This index has been selected as a component of the customized benchmark for its similarity to the shorter term segment of the Pool's assets.

The BofA Merrill Lynch 1-3 year US Treasury & Agency Index has a ten year average effective duration of 1.7 years and its holdings are generally reflective of the high quality of the Pool's longer term holdings.

MITIGATING MARKET & CREDIT RISKS:

Safety of principal is the primary objective of the portfolio. Each investment transaction shall seek to minimize King County's exposure to market and credit risks by giving careful and ongoing attention to: (i) the creditworthiness of each issuer of securities (as specified in Schedule I), considering King County's own analysis, the credit ratings issued by Standard & Poor's, Moody's and/or Fitch's rating services, and research provided by other outside parties that the County may access from time to time; (ii) the duration of investments to the time frames noted in Schedule I; and (iii) the diversification and liquidity standards expressed within this policy. As stated in Schedule I, these restrictions apply at the time of purchase.

IMPAIRED INVESTMENTS:

In the event any investment becomes impaired, as defined in the Impaired Investment Policy (Schedule VI), the investment will be treated as detailed in Schedule VI.

TRADING & EARLY SALE OF SECURITIES:

Securities should be purchased, generally, with the intent of holding them until maturity. However, in an effort to minimize market risks, credit risks, and increase the overall portfolio yield, securities may be sold prior to maturity either at a profit or loss when economic circumstances or a deterioration in creditworthiness of the issuer warrant a sale of the securities to either enhance overall portfolio yield or to minimize loss of investment principal. In measuring a profit or loss, the sale proceeds shall be compared to the original cost of the security plus accrued interest earned and/or any accretion or amortization of principal on the security from the date of purchase or the last coupon date, to the date of sale.

In the event of a material downgrade of a security held in the portfolio, the Investment Officer or Credit Analyst shall report the downgrade to the Treasury Manager or his/her designee and the Director. In the event of a downgrade below the minimum credit ratings authorized by this policy, the security shall be evaluated by the Treasury Manager or his/her designee on a case-by-case basis to determine whether the security shall be sold or held. It is preferred to sell such a security if there is no book value loss.

In the event a sale of a downgraded security would result in a loss, the Treasury Manager or his/her designee will evaluate whether to hold or sell the security based on the amount of loss, remaining maturity and any other relevant factors. The Director shall make the final decision regarding whether to hold or sell the downgraded security and shall inform the EFC of such decision in advance of executing the transaction, with the understanding the Director has the authority to inform the EFC after the transaction in circumstances that require an expedited decision on behalf of the Pool and its members.

PURCHASE OF 'WHEN ISSUED' SECURITIES:

Purchases for the express purpose of trading these securities prior to cash settlement are discouraged. Purchases of 'when-issued' securities are otherwise authorized as long as sufficient cash is available to consummate their acceptance into the Pool portfolio on the settlement date, and at purchase there is the ability to hold them in the portfolio to maturity without violating any of the diversification/maturity limits of this policy (based on settlement date).

PORTFOLIO REPORTING:

Performance reports shall be presented to the EFC on a monthly basis. These reports shall include: (i) a listing of the existing portfolio in terms of investment securities, amortized book value, maturity date, yield-on-cost, market value, credit rating and other features deemed relevant and (ii) a listing of all transactions executed during the month.

In-depth investment performance reports shall be presented to the EFC on a quarterly basis: This report shall summarize: (i) recent market conditions, economic developments and anticipated investment conditions, (ii) the

investment strategies employed in the most recent quarter, (iii) a description of all securities held in the Pool at month-end, (iv) the earnings and total rate of return for the quarter and year-to-date versus appropriate benchmarks, (v) any areas of policy concern warranting possible revisions to this Policy or current or planned investment strategies, (vi) composition of, and any additions to or deletions from the approved credit list, (vii) any other information that may be requested by the EFC. The amortized cost and market values presented in these reports will be consistent with accounting guidelines in GASB Statement 31 pertaining to the valuation of investments and the treatment of unrealized gains/losses.

Both the monthly and quarterly reports will also include a statement that the investment of the Pool is in compliance with this Policy, and if not, an explanation will be provided to the EFC.

ETHICS & CONFLICTS OF INTEREST:

Officers and staff members involved in the investment process shall maintain a code of ethics that is in compliance with the provisions of the Employee Code of Ethics KCC 3.04.

CONTINUING EDUCATION:

It is King County's policy to require periodic investment training for the King County Investment Officer, Credit Analyst and any county employee delegated the authority to manage daily investment transactions for the Pool. The Director shall designate employees who should obtain at least twenty (20) hours of investment-related training each year. An employee that holds the Chartered Financial Analyst (CFA) designation can meet the goal by completing the continuing education program sponsored by the CFA Institute. Non-CFAs can meet the goal by tracking the hours they spend completing investment related courses or training sponsored by professional organizations and associations, universities or other educational providers, investment firms, credit rating agencies, investment software vendors, and through self-study by using online programs or by reading investment related books or articles.

POLICY ADOPTION & AMENDMENTS:

This King County Investment Policy statement will become effective immediately following adoption by the EFC, and will remain in force until subsequently amended in writing and approved by the EFC.

Any further amendments require at least 60 days notice to IPAC members before the change is implemented, provided that the EFC has the discretionary authority to declare an emergency adoption of policies that may preclude or reduce the 60 day notice requirement.

**FINANCE AND BUSINESS OPERATIONS DIVISION
KING COUNTY
STATEMENT OF INVESTMENT POLICY**

SCHEDULE I

AUTHORIZED INVESTMENTS MATRIX:

The following table should be considered along with the Schedules that follow. These Schedules provide additional information on criteria and restrictions that apply to many of the Authorized Investments listed in the table.

AUTHORIZED INVESTMENTS	MAXIMUM PORTFOLIO ALLOCATION (% of portfolio's book value at time of purchase)	ISSUER RESTRICTIONS (% of portfolio's book value at time of purchase)	CREDIT QUALITY (at time of purchase) (S&P/MOODY'S/FITCH)	MATURITY RESTRICTIONS
U.S. Treasuries	100% (10% in the case of Treasury Inflation Protected Securities)	None	Not Applicable	Up to 5 years
U.S. Agencies	100% 20% Floating/Variable Rate Notes	Maximum 35% exposure to any single Agency	Senior debt obligations issued by any government sponsored enterprise, agency or instrumentality of the United States, provided that such obligations are rated by S&P, Moody's, and Fitch at least as high as investments described under U.S. Treasuries. U.S. Agencies category includes Floating and Variable Rate Notes. The use of floating and variable rate notes (FRNs and VRNs) issued by Federal Agencies of the U.S. Government is allowable in the management of the Pool provided that the following criteria are met: 1) The final maturity (at the time of purchase) is no greater than two years; 2) The rate on the FRN/VRN resets no less frequently than quarterly; 3) The rate on the FRN/VRN resets with a frequency that produces a close tracking with money market rates; 4) The FRN/VRN is indexed to a money market rate such as Federal Funds, the 3-month Treasury Bill, LIBOR, or Prime Rate which correlates very highly with overall changes in money market rates even under wide swings in interest rates; 5) Any cap on the interest rate is at least 15.00% (1500 basis points) higher than the coupon at time of purchase;	Up to 5 years

Repurchase Agreements	40%	5% per investment dealer; the firm must adopt a master repurchase agreement with King County Maximum 5% per issuer applied across investment type. Term repo (greater than 7 days) – When combined with Banker's Acceptance, Certificates of Deposit, Commercial Paper and Bank Notes not to exceed 50% of Pool assets.	The firm must adopt a master repurchase agreement with the County. Must have: 1. short-term credit ratings of at least A-1/P-1/F1 from at least two rating agencies; and 2. a minimum asset and capital size of \$25 billion in assets and \$350 million in capital for primary dealers 3. Firms rated A-1, P-1, or F1 on short-term credit watch "negative" will only be eligible for overnight maturities. Firms with short-term split ratings (e.g., A-2/P-1/F1) will not be acceptable as counterparties.	60 days or less
Reverse Repurchase Agreements	20%	5% per investment dealer; the firm must adopt a master repurchase agreement with King County	The firm must adopt a master repurchase agreement with the County. Must have: 1. short-term credit ratings of at least A-1/P-1/F1 from at least two rating agencies; and 2. a minimum asset and capital size of \$25 billion in assets and \$350 million in capital for primary dealers	6 months or less
Local Government Investment Pool ("LGIP")	25%	State of Washington LGIP	Not Applicable	Not Applicable
Bankers' Acceptances	25%	2.5% of portfolio; secondary market purchases only Maximum 5% per issuer applied across investment type. When combined with term Repos (greater than 7 days), Certificates of Deposit, Commercial Paper and Bank Notes not to exceed 50% of the Pool assets.	Must carry highest ratings of any two nationally recognized rating agencies.	Up to 180 days
Certificates of Deposit	25%	2.5% of portfolio; must be a public depository in the State of Washington Maximum 5% per issuer applied across investment type. When combined with Banker's Acceptance, Term Repos (greater than 7 days), Commercial Paper and Bank Notes not to exceed 50% of the Pool assets.	See RCW 39.58 of the state Code; 100% collateralization: Moody's P-3, S&P A-3 or Fitch F-3 or better, and a Safe & Sound Star rating of 3 or better. No new deposits will be placed with institutions that are on credit watch or predictive indicator "negative". Those institutions not meeting the minimum credit requirements may receive deposits up to the FDIC or federally guaranteed amounts.	Up to 1 year

Commercial Paper	25%	2.5% of portfolio; secondary market purchases only Maximum 5% per issuer applied across investment type. When combined with Banker's Acceptance, Certificates of Deposit, Term Repos (greater than 7 days) and Bank Notes not to exceed 50% of the Pool assets.	Must carry highest ratings of any two nationally recognized rating agencies at time of purchase. Purchases with greater than 100 days maturity must have an issuer long-term rating of one of the two highest credit ratings of a nationally recognized rating agency. State law requires that Commercial Paper be purchased only from dealers.	180 days
General Obligation Municipal Bonds	20%	2.5% of portfolio; bond issues by pool participants must be purchased on the secondary market only	At time of purchase, bond must have one of the three highest credit ratings of a nationally recognized credit rating agency	5 years
Mortgage-Backed Securities	25%	Must be issued by Federal Agencies of the United States. Investments in MBS will count toward the total that can be invested on any one agency as described in U.S. Agencies above.	Must pass the Federal Financial Institutions Examination Council ("FFIEC") suitability test, which banks use to determine lowest risk securities. If rated by Fitch, must have rating between V1 and V5	5 year average life at time of purchase
Bank Corporate Notes	20%	2.5% of portfolio Maximum 5% per issuer applied across investment type. When combined with Banker's Acceptance, Certificates of Deposit, Commercial Paper and Term Repos (greater than 7 days) not to exceed 50% of the Pool assets.	Bonds must be rated "A" or better by two nationally recognized rating agencies or guaranteed by an agency of the federal government	5 years

**FINANCE AND BUSINESS OPERATIONS DIVISION
KING COUNTY
STATEMENT OF INVESTMENT POLICY**

SCHEDULE II

REPURCHASE AGREEMENTS

The Finance and Business Operations Division makes regular use of repurchase agreements (repos) to meet the investment needs of the Pool. Such transactions are governed by a Master Repurchase Agreement. The following policies have been approved for the use of repurchase agreements:

1. Repurchase agreement counterparties will be limited to (i) primary government securities dealers who report daily to the Federal Reserve Bank of New York or (ii) banks, savings and loan associations or diversified securities broker-dealers subject to regulation of capital standards by any state or federal regulatory agency. Counterparties must have:
 - a) short-term credit ratings of at least A-1/P-1/F1 from at least two rating agencies; and
 - b) a minimum asset and capital size of \$25 billion in assets and \$350 million in capital.

Firms rated A-1, P-1, or F1 on short-term credit watch "negative" will only be eligible for overnight maturities. Firms with short-term split ratings (e.g., A-2/P-1/F1) will not be acceptable as counterparties.

2. All securities used in deliverable repurchase transactions will be delivered to King County's safekeeping bank. All securities used in a tri-party repurchase agreement must be delivered to a tri-party safekeeping account. A tri-party agreement is required to be signed by all participating parties. Tri-party custodians are required to provide the County with evidence of collateral ownership.
3. Securities used in tri-party repurchase agreements must have a market value equal to at least 102% of repurchase price, plus accrued interest. Tri-party custodians are required to mark collateral to market and rebalance accounts daily. For deliverable repurchase agreements with terms from 1 to 30 days, the market value of the collateral must equal at least 102% of the repurchase price, plus accrued interest. 105% collateralization is required for terms 31 to 60 days.
4. Repurchase agreements have a maximum term of 60 days.
5. All participating dealers are required to sign a SIFMA Master Repurchase Agreement.
6. Collateral for repurchase agreements will be limited to U.S. Treasury and U.S. Agency securities.

REVERSE REPURCHASE AGREEMENTS:

A reverse repurchase agreement ("reverse") is an investment transaction in which securities in King County's portfolio are sold and an agreement is made to buy back the securities at a later date. This agreement discloses a repurchase price, which would include a specified interest rate that is applied against the original proceeds. Although reverses can be used as a borrowing mechanism, the proceeds are generally reinvested in another instrument to a date similar to the maturity of the reverse. The new instrument provides a greater rate of return than the rate paid on the reverse.

LIMITATIONS ON USE

1. King County will not use reverses to borrow funds for any purpose.
2. King County will use only reverses that are "match book" transactions. A match book means that the maturity date of the acquired security is identical to the end date of the reverse.
3. King County will enter into reverses only with firms with which they have adopted a master repurchase agreement. (see below)
4. King County will not enter into a reverse repurchase agreement for periods exceeding six months.
5. King County will not reverse more than 20% of the total balance of the Investment Pool at any one time.

MASTER REPURCHASE AGREEMENT:

A master repurchase agreement contract which defines the responsibilities of both parties has been developed by King County. The County requires all firms to sign the agreement before being allowed to do repos/reverses with the County.

PROCEDURES:

King County makes available through Bloomberg a listing of its portfolio to firms authorized to do business with the County. These firms periodically review the portfolio for reverse opportunities. Investment firms show reverse rates to the County that are either at their standard posted rate or at "special" rates which are significantly lower in order to fill a need for a specific security.

The proceeds from the reverse are invested to a date identical to the end of the reverse. The security purchased is acquired the same way other securities are obtained by soliciting offers and accepting the best. King County is not obligated to buy the new security from the same firm with which the reverse is placed.

Ordinarily, the County will reserve the right to substitute similar securities during the life of the reverse. This allows maximum flexibility for the Investment Officer should another opportunity occur.

**FINANCE AND BUSINESS OPERATIONS DIVISION
KING COUNTY
STATEMENT OF INVESTMENT POLICY**

SCHEDULE III

POLICY CRITERIA FOR INVESTMENTS IN CERTIFICATES OF DEPOSIT

Certificates of Deposit (CD's) can be placed only with institutions that are public depositories in the State of Washington. RCW 39.58 governs public depositories and provides that, "All public funds deposited in public depositories, including investment deposits and accrued interest thereon, shall be protected against loss, as provided in the chapter".

POLICY ON EARLY REDEMPTION IN THE EVENT OF FAILURE:

Because of deposit protection regulations, risk of loss of principal is minimal for investment deposits in a bank or thrift institution. However, in a bank failure, assets of an institution may be frozen while regulatory authorities ascertain account balances and liabilities. If a CD matures during that time, cash flow problems may result or the opportunity to reinvest those funds may be lost.

If a bank or thrift institution should fail, or the EFC has reason to believe it may fail, King County may withdraw a CD prematurely. If the early redemption results in any loss of principal or interest, the redemption must have the approval of the Treasury Manager or his designee.

POLICY ON BANK AND THRIFT CREDIT EVALUATION:

King County establishes deposit limitations beyond those provided by RCW 39.58, for all financial institutions with which deposits are placed, based upon a financial analysis of those institutions.

The Finance Division obtains the most current rating by Moody's, S&P and Fitch from Bloomberg and the quarterly rating provided by Bankrate.com.

LIMITATIONS

RCW 39.58 provides that the deposits of a municipal body cannot exceed the net worth of an institution.

The County further limits deposits to institutions with a short-term investment grade rating of Moody's P-3, S & P A-3 or Fitch F-3 or better, and a Safe & Sound Star rating of 3 or better.

Those institutions not meeting the minimum credit requirements may receive deposits up to the FDIC or federally guaranteed amounts. No new deposits will be placed with institutions that are on credit watch "negative" by Moody's, S & P or Fitch, or Safe & Sound's predictive indicator is negative.

**FINANCE AND BUSINESS OPERATIONS DIVISION
KING COUNTY
STATEMENT OF INVESTMENT POLICY**

SCHEDULE IV

BROKER/DEALER SELECTION POLICY

AUTHORIZED BROKER/DEALERS:

The Finance and Business Operations Division will maintain an Authorized Broker/Dealer call list of firms that have established relations with the County. Whenever possible, this list will contain the names of a minimum of 6 repurchase agreement counterparties and 4 commercial paper dealers.

All broker/dealers that wish to be considered for addition to the established Authorized Broker/Dealer List must meet the following minimum requirements:

1. Confirm that they are a member of the Financial Industry Regulatory Authority (FINRA), registered with the Securities & Exchange Commission (SEC), and be registered with the Securities Division of the Washington State Department of Financial Institutions.
2. Be of high integrity and assign personnel to King County's account of equally high integrity. This is crucial to King County's intent is to enter into a long-term relationship.
3. Acknowledge receipt of King County's written Statement of Investment Policy.
4. Sell all securities subject to delivery at King County's custodial banks. With the exception of collateral calls on repurchase agreements, all transactions are to be conducted on a delivery vs. payment (DVP) basis.
5. Demonstrate they have been in operation at least five (5) years.
6. Must be either on the Primary Government Securities Dealers list published by the Federal Reserve Bank of New York or be a non-primary broker/dealer with a minimum of \$175 million of regulatory capital.
7. All firms with whom the County does business must have adequate financial strength which will be assessed by a review of the firm's financial statements and other factors, as determined by the County.

8. Broker/Dealers may also provide related services that are considered optional, including:
 - a. An active secondary market for its securities (provided that this would be a required service for commercial paper broker/dealers).
 - b. Internal credit research analysis on commercial paper, bankers' acceptances and other securities it offers for sale.
 - c. Be willing to purchase securities from King County's portfolio.
 - d. Be capable of providing market analysis, economic projections, and newsletters.

REGISTERED REPRESENTATIVE EXPERIENCE REQUIREMENTS FOR ADDITION TO AUTHORIZED BROKER/DEALER POOL LIST:

In order to be considered the registered representative of the firm must be registered with the Securities Division of the Washington State Department of Financial Institutions and meet at least one of the following minimum requirements:

1. Have six years experience as an institutional fixed income registered representative.
2. Have five years experience as a fixed income trader, or portfolio manager with at least one year of experience as an institutional fixed income registered representative.
3. Have one year of experience as an institutional fixed income registered representative and holds the Chartered Financial Analyst designation.

APPLICATION PROCESS:

A securities firm and registered representative that meets the above criteria can contact the King County Finance and Business Operations Division regarding inclusion on King County's waiting list. Contact should be made with: Treasury Manager at (206) 296-7333 or Investment Officer at (206) 296-7311, or in writing to King County Administration Building, 500 4th Avenue Room 613, Seattle, WA 98104. If the firm meets the minimum requirements they will be forwarded a copy of this policy and King County's master repurchase agreement, if appropriate.

Each firm will be required to submit a copy of their latest financial report, a completed copy of King County's dealer questionnaire and certification, the resumes of the persons who will cover King County's account, delivery instructions, an organization tree that shows all the parent and subsidiary relationships and ownership percentages, and any other pertinent information necessary to conduct business. Those firms that meet the

eligibility requirements to be are purchase agreement counterparty must also submit 3 signed copies of King County's master repurchase agreement. Firms that request more than minor changes in King County's master repurchase agreement may experience delays in their approval.

EVALUATION PERIOD:

Depending on need, the County may hold two six-month new dealer evaluation periods during the year: These evaluation periods will normally be from January 1 to June 30 and July 1 to December 31

To be eligible to be selected to participate in the evaluation period, each new firm must submit all the information required by this policy three months before the start of the evaluation period. The County will review the material submitted and evaluate each firm versus King County's needs. Firms that are selected to participate in an evaluation period will be notified shortly before the beginning of the period, and the County will furnish the firm with an executed trading authorization and delivery instructions. Firms that meet the minimum requirements, but miss the deadline or are not selected for the upcoming evaluation period, may be considered for the following evaluation period. A firm may be dropped prior to the completion of the six month period, if the County determines that continuing the relationship is not in its best interest.

FIRM SELECTION

Both the firm representatives will be evaluated on the material they submit prior to an evaluation period. Firms will be rated by their product offerings, electronic inventory delivery systems, financial strength, reputation, and research products. Registered representatives will be evaluated on their experience, product knowledge, references, professionalism, and communication skills. Equal weighting will be given to the firm and the registered representatives. All else being equal, firms with institutional fixed income sale offices in King County may be given preference.

ADDITION TO PRIMARY CALL LIST:

Firms that demonstrate that they can add value to King County's investment program during the evaluation period will be added to the primary call list. Each firm will be reviewed with respect to its market analysis, knowledge and understanding of King County's investment program, and the professional conduct demonstrated by their personnel. Generally, a firm must have demonstrated during the evaluation period that it is handling at least 5% of King County's investment transactions, or provided other valuable services that other firms on the authorized Broker/Dealer list are not providing.

Even if a firm does more than 5% of the investment transactions, it may not be added to the list if, in King County's opinion, the registered representatives utilize over aggressive sales techniques, are difficult to work with, are not considerate of the investment staff's time, recommend securities not authorized by this policy or are untrustworthy.

REVIEW PROCESS:

Semi-annually, Treasury Operations staff will prepare for the EFC a report reviewing each Broker/Dealer's current financial condition over the prior period. The report will

show how new firms performed during the evaluation period and indicate whether they were added to the permanent call list. Any other changes to the call list will be shown.

DELETION FROM PRIMARY CALL LIST:

Firms may be dropped from the Authorized Broker/Dealer List when they have been unable to achieve 5% of King County's business during a six-month period. The determination of whether to drop a firm will also be based on King County's long-term experience with the firm, and whether the drop in business is due to temporary conditions. The firm may also be retained on the list if it provides other valuable services such as unique research or pricing on difficult-to-price securities. If the County determines that it would be better served by retaining the firm, but changing the registered representative that is covering the County, the County may request that King County's account be switched to another registered representative.

KING COUNTY FINANCE DIVISION

DEALER QUESTIONNAIRE

1. Name of Firm
2. Address Regional/local National offices
3. Telephone number () Regional/Local
() National Headquarters
4. Primary representative/manager/partner-in-charge

Name	Name
Title	Title
Telephone No. ()	Telephone No. ()
Fax No. ()	Fax No. ()
5. Are you a primary dealer in U.S. Government securities?
 Yes No
6. If so, for how long has your firm been a primary dealer? _____ years
7. What was your firm's total volume in U.S. Government and agency securities trading last year?

Firm-wide \$	Number of Transactions
Your local/regional office \$	Number of Transactions
8. Which instruments are offered regularly by your local/regional desk?

<input type="checkbox"/> T-bills <input type="checkbox"/> Treasury notes/bonds <input type="checkbox"/> Agencies (specify) <input type="checkbox"/> Bank-issued corporate debt <input type="checkbox"/> Other Instruments (list below) _____ _____ _____ _____	<input type="checkbox"/> Taxable Municipals <input type="checkbox"/> Bankers Acceptances (BAs) <input type="checkbox"/> Term Treasury or Agency repurchase agreement <input type="checkbox"/> Commercial Paper <input type="checkbox"/> Agency Mortgage-backed CMOs
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9. Identify all personnel who will be trading with or quoting securities to the King County Finance Division.
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()
()
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()
()
()
10. Which of the above personnel have read King County's investment policies?

11. Indicate which of the above agents of your firm's local/regional offices currently are licensed, certified or registered, and by whom.

<u>Agent</u>	<u>Licensed or registered by</u>
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12. Identify your public-sector clients in our geographical area who are most comparable to King County's.

<u>Entity</u>	<u>Contact Person</u>	<u>Telephone No.</u>	<u>Client since</u>
		()	
		()	
		()	

13. Has your firm ever been subject to a regulatory or state or federal agency investigation for alleged improper, fraudulent, disreputable or unfair activities related to the sale of government securities or money market instruments? Have any of your employees ever been so investigated? Explain.

14. Has a public-sector client ever claimed that your firm was responsible for investment losses? Explain.

15. Include samples of research reports that your firm regularly provides to public-sector clients.

16. Explain your normal custody and delivery process. Who audits these fiduciary systems?

17. Provide certified financial statements and other indicators regarding your firm's capitalization.

18. Describe the capital line and trading limits that support/limit the office that would conduct business with our government.
19. What training would you provide to our employees and investment officers?
20. Has your firm consistently complied with the Federal Reserve Bank's capital adequacy guidelines? As of this date, does your firm comply with the guidelines? Has your capital position ever fallen short? By what factor (1.5x, 2x, etc.) does your firm presently exceed the capital adequacy guidelines? Include certified documentation of your capital adequacy as measured by the Federal Reserve standards.
21. Do you participate in the Securities Investor Protection Corporation (SIPC) insurance program? If not, explain why not.
22. What portfolio information do you require from your clients?
23. What reports, transactions, confirmations and paper trail will we receive?
24. How many and what percentage of your transactions failed last month? Last year?
25. Does your firm list its inventory on Bloomberg's BOOM and Bloomberg Bond Trader (BBT) screens?
26. Does your firm list inventory on Tradeweb? If so, which products are listed there?
27. If your firm is a subsidiary, please describe any written financial guarantees that your parent has entered into that provide financial support to your organization.
28. Describe the precautions taken by your firm to protect the interests of the public when dealing with governmental agencies as investors.

CERTIFICATION

I hereby certify that all personnel who will be handling King County's account have personally read King County's investment policy, and that I am authorized to execute this request on behalf of the firm.

As a Securities and Exchange Commission (SEC) registered broker or dealer and a member of FINRA, the firm is subject to the federal securities laws and regulations, and the rules of the SEC and FINRA. Those rules establish, among other things, obligations regarding the suitability of investment recommendations and prohibitions on the use of fraudulent and deceptive practices. I hereby certify that the firm has in place policies and procedures and a system of supervision that are reasonably designed to achieve compliance with applicable securities laws and regulations, and with applicable SEC and FINRA rules.

Signed: _____ Title: _____

Name (print): _____ Title (print): _____

Date: _____

**FINANCE AND BUSINESS OPERATIONS DIVISION
KING COUNTY
STATEMENT OF INVESTMENT POLICY**

SCHEDULE V

**POLICY STATEMENT ON CREDIT REVIEW PROCESS FOR COUNTY INVESTMENT
POOL INVESTMENTS**

SCOPE OF POLICY STATEMENT:

The Finance and Business Operations Division makes extensive use of investments in the Pool to meet the investment needs of the pool. The following policies have been adopted for the review of all investments prior to their purchase by the County.

For purposes of this policy statement, investments are those that do not have either the explicit backing of the full faith and credit of the U.S. government or are issued by one of the following U.S. government-sponsored agencies that have the implicit backing of the U.S. government and carry the highest short term or long term credit ratings, as applicable:

- FFCB – Federal Farm Credit Bank System
- FNMA – Fannie Mae
- FHLMC – Freddie Mac
- FHLB – Federal Home Loan Bank System

The Local Government Investment Pool (LGIP) managed by the Washington State Treasurer's office is also excluded from the prior review requirements of this policy.

APPROVED CREDIT LIST:

The County will develop and maintain an approved credit list to manage King County's exposure to issuers that present some element of credit risk. This list assists the County in determining a prudent credit profile amongst its holdings. Those authorized to execute transactions on behalf of the County are restricted to purchases from those issuers on the approved list.

The approved credit list is segregated into short-term and long-term sections since an approved issuer may be appropriate for short-term investments but not for longer term investments. The approved credit list contains the name of the issuer and the type of security for which it has been approved.

The number of issuers included is dependent on King County's needs and abilities to effectively research, approve, and monitor the issuers. Staff will gather information about issuers it would like to consider for inclusion on the approved credit list.

Information required includes such materials as quarterly and annual reports, rating agency and broker reports, news releases and events related to the general economic environment. A credit oversight committee will make a recommendation on each issuer and submit the credit list to the EFC for approval.

The initial approved credit list shall be approved within six months of the adoption of these policies.

CREDIT OVERSIGHT COMMITTEE (COC):

The County will establish a credit oversight committee that will be responsible for monitoring the approved credit list and recommending changes to it. Changes could include the addition, deletion or suspension of certain issuers. Ideally the COC would meet to discuss major events in the credit and other markets and discuss any potential actions necessary. The COC members include the King County Treasury Manager, Investment Officer, the County's Senior Debt Analyst, and the County's Chief Economist.

In the case of vacancies, the acting representative in the position will replace the COC member. Meetings are held at least monthly or as conditions in the market warrant. This can only be done with a recommendation from the Committee. The Committee takes action through consensus of its members and its actions are reported in meeting minutes. For each issuer, the Committee requires an annual review and completes a formal written review. Information is included in the annual report to the EFC. Throughout the year investment staff is required to monitor and report to the Committee on earnings releases and other information. In addition, the County employs Bloomberg based monitoring of each issuer to immediately detect any rating actions or developing events. Committee members may attend educational events sponsored by broker/dealers or rating agencies to keep abreast of market developments.

The initial COC shall be established within three months of the adoption of these policies.

USE OF EXTERNAL ADVISORS:

The County may employ external data providers or advisors to aid in the credit research and review process. The primary responsibility for the credit review process would remain with the County, but it may seek to supplement its resources through the services of external parties. Services to be sought externally could include, but would not be limited to, providing advice on credit review procedures and framework, providing advice on changes in the credit profile of particular industries and/or sectors, monitoring the credits held by the County and alerting the County to any developments with those or similar credits, and researching specific credit issues or issuers.

**FINANCE AND BUSINESS OPERATIONS DIVISION
KING COUNTY
STATEMENT OF INVESTMENT POLICY**

SCHEDULE VI

Impaired Investment Policy

1.0 Purpose

1.1 This policy is adopted by King County's EFC to address the treatment of impaired investments, as defined in Section 2.0, consistently with applicable law and the terms of the investment agreements with pool members. The policy addresses how to provide fair and equitable treatment of pool members' interests in the event one or more of the pool investments becomes impaired.

1.2 The policy specifically addresses situations involving pool members who are completely withdrawing from the pool or who are removing substantial funds from the pool prior to the distribution of any realized loss.

2.0 Definitions

2.1 Impaired Investment: An investment is deemed to be "impaired" when: (a) its credit quality is rated below investment grade by Standard & Poor's, Moody's and/or Fitch; (b) a default has occurred on payment at maturity; or (c) an enforcement event, as defined in the investment's program documents, has occurred. An impaired investment is also referred to as "distressed."

2.2 Unrealized Loss: A loss calculated using the fair value of the investment, but which has not been realized through a transaction such as the sale of a security. It is also referred to as a "paper loss." An unrealized loss is not distributed to pool members.

2.3 Realized Loss: A loss that is recognized when investments are sold for a price lower than the carrying value or it is determined that the investment has no value and therefore it is not possible to sell the security at any price. This loss is distributed to pool members.

2.4 Fair Value: This is the amount at which an investment is being exchanged in a current transaction between willing parties. In conditions where market pricing is not available, other generally recognized valuation methodologies may be used.

2.5 Par Value: This refers to the nominal or face value of a security. The par value is the amount the issuer is obligated to pay the investor when the security matures.

3.0 Goals

The policy is intended to serve the following goals among others:

3.1 Seek Options to Recover Principal: The pool will first seek options that allow for the recovery of the principal value of the impaired investment over time, thereby avoiding a realized loss. Any selected option must be justified in terms of risk, cost/benefit, and legal soundness.

3.2 Distribute Any Realized Loss Fairly and Equitably: If a loss must be realized, the loss will be distributed in a manner that is fair and equitable to pool members, as set forth in this policy.

3.3 Protect New Monies Entering Pool: The pool will seek to isolate a realized loss impact in such a way that new monies entering the pool after an investment is deemed impaired will not be factored into the calculation and distribution of the realized loss.

3.4 Prevent a Run on the Pool: The County will not allow members to exit the pool or remove substantial balances from the pool in order to avoid loss exposure, thereby undermining the confidence of remaining pool members. The County will ensure that those pool members completely exiting the pool or withdrawing substantial funds from the pool are required to leave sufficient funds in the pool to offset the maximum potential future realized loss on any investment that is impaired at the time of withdrawal or exit.

4.0 Distributing a Realized Loss—Holding Period Method

4.1 A realized loss will be apportioned based on each pool members' average cash balance from the time the impaired investment was acquired through the date the investment is deemed impaired. This is referred to as the "holding period" for the impaired investment.

4.1.1 Example: An impaired commercial paper investment acquired on April 18, 2007 enters into an accelerated enforcement event on October 17, 2007. If the total realized loss to the pool is \$10 million and a pool member has an average cash balance equal to 1 percent of the pool during this time period, then the pool member is apportioned \$100,000 for the loss.

4.2 This treatment of losses protects new monies which enter the pool after the date an investment is deemed impaired from being exposed to a realized loss associated with an impaired investment.

4.2.1 Example: If a pool member had a \$50 million bond issue that was placed in the pool after the date an investment is deemed impaired, then this new \$50 million would not be part of the member's average cash balance during the designated holding period for the purpose of calculating their share of the realized loss.

5.0 Pool Members Exiting Pool Prior To Realized Loss Distribution

5.1 Members who request a complete withdrawal of funds from the pool prior to a realized loss must first ensure that their request is consistent with their signed investment agreement, including prior notification requirements.

5.2 Retainage for Loss Coverage: The County will require the exiting pool member to retain sufficient funds in the pool to cover any future realized loss on an impaired investment. The County will calculate the pool member's pro rata share of an estimated 100 percent loss of the par value of the impaired investment using the holding period method set forth in section 4.0. This amount will be deducted from the requested withdrawal of funds and will be retained by the pool until such time that the pool recovers the full par value of the investment or distributes a realized loss. If a realized loss is less than the amount being retained by the pool to cover losses, this difference will be reimbursed to the exiting pool member at the time the realized loss is allocated to pool members.

5.2.1 Example: A pool member requests the withdrawal of \$10 million on the anniversary date of their pool agreement and provides proper advance notice. The pool member has an average cash balance equal to 1 percent of the total pool assets during a defined holding period for an impaired investment. The par value on the impaired investment is \$50 million. The amount retained by the pool to cover any loss is \$500,000 (1 percent x \$50 million). Therefore, the net withdrawal payment is \$9.5 million (\$10 million - \$500,000 retained for loss coverage). Of the \$500,000 retained by the pool, all or a portion of this amount will be returned to the exiting pool member depending on whether the full par value is eventually repaid to the pool.

5.3 If the County is issued a new security (or securities) as part of a restructuring solution for an impaired investment, then the full retainage amount will be returned to the pool member upon the full maturity payment of the new security (or securities). Also, if a restructuring solution results in periodic cash flow payments or the partial repayment of the par value of an impaired investment, these payments will be distributed to pool members.

5.4 Pool members will continue to receive interest earnings, as set forth in their investment agreements, on the amount of their retainage for loss coverage.

6.0 Pool Members Removing Substantial Funds Prior To Realized Loss Distribution

6.1 Members who request withdrawals of their cash balances must make the request consistent with their signed investment agreement, including prior notification requirements.

6.2 Retainage for Loss Coverage: Prior to approving the request, the County will calculate the amount of funds that must be retained in the pool to cover the pool

member's share of any future realized loss on an impaired investment. The retainage for loss coverage will be calculated and applied in the same manner as Section 5.0.

7.0 Accounting and Financial Reporting for Impaired Investments

7.1 The Governmental Accounting Standards Board (GASB) promulgates accounting guidance. GASB 31 Accounting and Financial Reporting for Certain Investments and for External Investment Pools, provides guidance for investment accounting. Additionally, GASB also provides guidance through questions and answers in its annual comprehensive implementation guides.

7.2 In accordance with GASB 31, the investments in the County investment pool are reported in the King County's year-end financial statements at fair value. That valuation takes into account any impaired investments.

7.3 If fair value is not determined by quoted market prices, the GASB Implementation Guideline suggests the security's value be estimated. This estimate calculation requires professional judgment and use of valuation techniques. In these cases, the County will obtain an estimate of the fair value from an investment bank of high reputation and solvency.

7.4 All investment income, including changes in the fair value of investments is recognized as revenue in the King County's statement of activities. Negative investment income is reported as negative revenue.

7.5 GASB 31 does not mandate the manner, frequency or method of the distribution of investment earnings. The County, as the pool sponsor, determines the distribution methodology.

7.5.1 Based on longstanding past practice, the county only distributes realized gains and losses to pool members. The County does not distribute unrealized gains or losses on its investments.

8 Period of Applicability

8.1 This policy reflects applicable statutes, GASB 31 and standard accounting practices, the terms of the agreements with pool members and the actual practices that have been followed in the past management of the pool and therefore applies to all withdrawals, exits, or other events that fall within its subject matter scope.

**FINANCE AND BUSINESS OPERATIONS DIVISION
KING COUNTY
STATEMENT OF INVESTMENT POLICY**

SCHEDULE VII

POLICY STATEMENT ON INTERLOCAL AGREEMENTS OF POOL MEMBERS

It is King County's policy that all members of the Pool will have signed the Pool Agreement. A copy of the current form of the Agreement is posted on the County's web site at the following link:

<http://www.kingcounty.gov/operations/Finance/Treasury/InvestmentPool.aspx>

GLOSSARY OF TERMS

ACCRUED INTEREST – Interest that has accumulated but has not yet been paid from the most recent interest payment date or issue date to a certain date.

AGENCY ISSUES – Securities issued by federal agencies, those chartered by the federal government or Government Sponsored Enterprises that are considered to be backed by the federal government. See also Government Sponsored Enterprises.

AMORTIZED COST – The original cost of the principal adjusted for the periodic reduction of any discount or premium from the purchase date until a specific date (also called "Book Value").

ASSET-BACKED COMMERCIAL PAPER (ABCP) is a form of commercial paper that is collateralized by other financial assets. ABCPs are typically short-term investments and are typically issued by a bank or other financial institution

BANKERS ACCEPTANCE – Money market instrument created from transactions involving foreign trade. In its simplest and most traditional form, a bankers' acceptance is merely a check, drawn on a bank by an importer or exporter of goods.

BASIS POINT – A unit of measurement equal to 1/100 of 1 percent. As an example, the difference between a security yielding 3.25% and one yielding 3.20% is five basis points.

BENCHMARK – An index or security used to compare the performance of a portfolio.

BOND – A long-term debt instrument of a government or corporation promising payment of the original investment plus interest by a specified future date.

BULLET – A colloquial term for a bond that cannot be redeemed, or called, prior to maturity.

CALLABLE BOND – A bond in which all or a portion of its outstanding principal may be redeemed prior to maturity by the issuer under specified conditions.

COLLATERALIZATION – Process by which a borrower pledges securities, property or other deposits for the purpose of securing the repayment of a loan and/or security.

COLLATERALIZED CERTIFICATE OF DEPOSIT – An instrument representing a receipt from a bank for a deposit at a specified rate of interest for a specified period of time that is collateralized by the bank with securities.

COMMERCIAL PAPER – Money Market instrument representing an unsecured short-term promissory note of a corporation at a specified rate of return for a specified period of time.

COUPON – The stated interest rate on a debt security that an issuer promises to pay.

CUSTODIAN BANK – A specialized financial institution responsible for safeguarding a firm's or individual's financial assets and is not likely to engage in "traditional" commercial or consumer/retail banking.

CREDIT QUALITY – An indication of risk that an issuer of a security will fulfill its obligation, as rated by a rating agency.

CREDIT RATING – A standardized assessment, expressed in alphanumeric characters, of a company's creditworthiness.

CREDIT RISK – The risk to an investor that an issuer will default in the payment of interest and/or principal on a security.

CUSIP – A unique identifier for a security developed by the Committee on Uniform Security Identification Procedures (CUSIP). The identifier is a nine-digit alphanumeric character. The first six characters identify the issuer, the following two identify the issue, and the final character is a check digit.

DERIVATIVES – Securities which derive their value from that of another security or an underlying index, currency or other measure. Floating rate notes (also "floaters") are not considered derivatives.

DISCOUNT INSTRUMENTS – Securities that are sold at a discount to face value.

DIVERSIFICATION – The practice or concept of investing in a range of securities by sector, maturity, asset class or credit quality in order to reduce and spread financial risk.

DOLLAR WEIGHTED AVERAGE MATURITY – The sum of the amount of each security investment multiplied by the number of days to maturity, divided by the total amount of security investments.

DURATION – Is a measure of the price volatility of a portfolio and reflects an estimate of the projected increase or decrease in the value of that portfolio based upon a decrease or increase in the interest rates. A duration of 1.0 means that for every one percent increase in interest rates, the market value of the Portfolio would decrease by 1.0 percent.

EFFECTIVE DURATION - A duration calculation for bonds that incorporates the impact of any embedded options in the bond. For Bonds with embedded options (callable, puttable, etc) effective duration provides a more accurate measure of a bond's price

movement when interest change because it takes into account changes in the bond's cash flow that are related to the embedded options.

GOVERNMENT OBLIGATIONS – Securities issued by the U.S. Treasury and Federal Agencies. U.S. Treasuries are direct obligations of the Federal Government. Agencies are not direct obligations of the Federal Government, but involve Federal sponsorship or guarantees.

GOVERNMENT SPONSORED ENTERPRISES (GSE'S) – Private, shareholder-owned companies with a relationship with government agencies. These agencies generally are viewed to have an implied guarantee of the U.S. government. These include:

- Federal National Mortgage Association (FNMA)
- Federal Home Loan Bank (FHLB)
- Federal Farm Credit Bank (FFCB)
- Federal Home Loan Mortgage Corporation (FHLMC)

HIGHLY LIQUID – The most eminent type of security that is easily converted to cash because there are many interested buyers and sellers to trade large quantities at a reasonable price.

ILLIQUID – A security that is difficult to buy or sell or has a wide spread between the bid price and offer price in the secondary market. There are few buyers and sellers willing to trade large quantities at a reasonable price.

INTEREST RATE RISK – The risk associated with declines or rises in interest rates which cause an investment in a fixed-income security to increase or decrease in value. Also called "Market Risk".

INVERSE FLOATERS – Floating rate notes which pay interest in inverse relationship to an underlying index.

LIQUID – A security that is easily bought and sold because of the willingness of interested buyers and sellers to trade large quantities at a reasonable price.

LONG-TERM – The term used to describe a security when the maturity is greater than one year.

MARKET VALUE – An estimate of the value of a security at which the principal would be sold from a willing seller to a willing buyer at the date of pricing.

MASTER REPURCHASE AGREEMENT – A written contract covering all future transactions between the parties to repurchase—reverse repurchase agreements that establish each party's rights in the transactions.

MEDIUM TERM NOTES – These are Corporate Notes and Bank Notes that are debt obligations of banks, corporations, and insurance companies. They are issued at a specific rate of return for a specific period of time.

MONEY MARKET MUTUAL FUND – A mutual fund with investments directed in short-term money market instruments only, which can be withdrawn daily without penalty.

NEGOTIABLE CERTIFICATE OF DEPOSIT – A Money Market instrument representing a receipt from a bank for a deposit at a specified rate of interest for a specified period of time that is traded in secondary markets.

PAR – The stated maturity value, or face value, of a security.

PASS-THROUGH SECURITIES – A debt instrument that reflects an interest in a mortgage pool, consumer receivables pool and equipment lease-backed pool that serves as collateral for a bond.

POOL – In this context, the pooled monies of different government agencies administered by the Pool.

PORTFOLIO VALUE – The total book value amount of all the securities held in the Pool.

PRIMARY DEALER – A group of dealers and banks that can buy and sell securities directly with the Federal Reserve Bank of New York.

PRIVATE PLACEMENTS – Securities that do not have to be registered with the Securities and Exchange Commission because they are offered to a limited number of sophisticated investors.

RANGE NOTES – Notes which pay interest only if the underlying index upon which it is benchmarked, falls within a certain range.

REPURCHASE AGREEMENT – A repurchase agreement consists of two simultaneous transactions. One is the purchase of securities by an investor (i.e., the County), the other is the commitment by the seller (i.e. a broker/dealer) to repurchase the securities at the same price, plus interest, at some mutually agreed future date.

REVERSE REPURCHASE AGREEMENT – The mirror image of Repurchase Agreements. In this instance the King County Pool is the seller of securities to an investor (i.e. brokers).

SAFEKEEPING – A custodian bank's action to store and protect an investor's securities by segregating and identifying the securities.

SECONDARY MARKET – The secondary market, also known as the aftermarket, is the financial market where previously issued securities and financial instruments are bought and sold.

SHORT-TERM – The term used to describe a security when the maturity is one year or less.

TOTAL RETURN – The sum of all investment income plus changes in the capital value of a portfolio for a given period.

WEIGHTED AVERAGE MATURITY – The remaining average maturity of all securities held in a portfolio. See Dollar Weighted Average Maturity.

WHEN-ISSUED SECURITIES – A security traded before it receives final trading authorization with the investor receiving the certificate/security only after the final approval is granted.

YIELD – The gain, expressed as a percentage, which an investor derives from a financial asset.

YIELD TO MATURITY – The percentage rate of return paid if the security is held to its maturity date. The calculation is based on the coupon rate, length of time to maturity, and market price. It assumes that coupon interest paid over the life of the security is reinvested at the same rate.

KING COUNTY CASH MANAGEMENT SERVICES AGREEMENT

THIS AGREEMENT is made and entered into this day by and between King County, a home rule charter county in the State of Washington and the _____, a district in the State of Washington (hereinafter referred to as the "District").

WHEREAS, the King County Treasurer has authority to manage funds that are in his or her possession in accordance with Chapter 36.29 RCW; and

WHEREAS, the District has authority to manage funds that are in its possession in accordance with its applicable statutory authority; and

WHEREAS, the District participates in the King County Investment Pool pursuant to a separate Investment Pool Agreement; and

WHEREAS, the District has requested King County to provide cash management services to the District, as set forth in this Agreement.

NOW, THEREFORE, in consideration of the terms and provisions set forth herein, it is agreed by and between the District and King County as follows:

I. SCOPE OF WORK

1. By entering into this Agreement, the District requests that King County provide cash management services for all of the District funds that are invested in the King County Investment Pool. Cash management services shall be separate from the services provided by King County pursuant to the District's Investment Pool Agreement. Cash management services shall also be separate from the services provided under King County's banking agreement in which the District pays for its portion of separately invoiced banking services. Cash management services that shall be provided by King County include, but are not limited to: (a) conducting daily sweeps of the District's cash balances using Zero Balance Accounts and automatically investing such balances in the King County Investment Pool, as specified in Section I(2) below; (b) crediting District bank deposits on date of deposit without regard to check float; (c) for Districts that issue their own warrants, charging District funds when warrants clear rather than when issued; (d) paying District warrants despite inadvertent negative balances of the District; (e) executing wire and ACH payment requests by the District; and (f) distributing property taxes in a manner that ensures the District receives its statutory share of the taxes on the same day the taxes are recorded as paid in King County's property based system records.

2. All District funds designated for cash management services following the effective date of this Agreement, including but not limited to interest earnings on District

funds invested in the King County Investment Pool, shall be automatically and fully invested in the King County Investment Pool. The District warrants that consistent with RCW 36.29.020, any such funds which the District will automatically invest in the Investment Pool pursuant to this Agreement are not required for the District's immediate expenditure.

3. The District agrees to pay to King County a variable fee for providing cash management services based on the average cash balance of the funds designated for cash management services and the overall performance of the King County Investment Pool. The fee shall be paid and collected in arrears in monthly deductions from the District's interest earnings or paid directly from the District funds held in the King County Investment Pool, as specified by King County. King County shall determine the District's Monthly Fee Rate using the following formula: 1.5% multiplied by the investment pool rate of return for the month. The resulting figure is converted to basis points. The Monthly Fee Rate shall not exceed 8 basis points, regardless of the investment pool rate.

4. King County shall calculate the amount of the District's Monthly Fee in accordance with the following formula: the Monthly Fee Rate multiplied by the District's monthly average fund balance designated for cash management services, multiplied by the number of days in the month divided by the number of days in the year. For example, if the investment pool rate of return for the month is 2%, the Monthly Fee Rate will be .03% (.015 x .02). A fund with a \$1,000,000 monthly average balance would pay \$25.48 in a 31-day month ($\$1,000,000 \times .0003 \times 31/365$). The dollar amount of the preceding calculation is capped at the equivalent of 8 basis points.

II. KING COUNTY IS INDEPENDENT CONTRACTOR

In providing services under this Contract, King County is an independent contractor, and neither it nor its officers, agents or employees are employees of the District for any purpose.

III. ADMINISTRATION

This Agreement shall be administered on behalf of King County by the King County Treasury Manager or his or her designee. This Agreement shall be administered on behalf of the District by _____ or his or her designee.

IV. TERM OF AGREEMENT

This Agreement shall be effective on the date it is executed. This Agreement is ongoing until either party terminates per Section VI below.

V. AMENDMENTS

No amendment to this Agreement shall be binding unless agreed to in writing by each party.

VI. TERMINATION

Either party may terminate this Agreement upon at least 90 days written notice. Termination is effective on the first business day of a month that falls at least 90 days after written notification.

VII. ENTIRE AGREEMENT

This Agreement is the complete expression of the terms hereto and any oral representation or understandings not incorporated herein are excluded. Any modifications to this Agreement shall be in writing and signed by both parties. Waiver of any default shall not be deemed to be a waiver of any other or subsequent breach and shall not be construed to be a modification of the terms of this Agreement unless stated to be such through written approval by the County, which shall be attached to the original Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed this ___ day of _____, 2010.

KING COUNTY

Ken Guy, Finance Director

Dated

DISTRICT

Name of District

By

Dated

Title

KING COUNTY INVESTMENT POOL AGREEMENT

THIS AGREEMENT is made and entered into this day by and between King County, a political subdivision of the state of Washington and home rule charter county and the _____, a special district in the State of Washington (hereinafter referred to as the "District").

WHEREAS the King County Treasury Operations is authorized, but not required to offer investment pooling opportunities to districts located in the County; and

WHEREAS the Washington State Legislature has amended RCW 36.29.024 and modified the allowable fees that may be deducted by King County for investment pool expenses; and

WHEREAS King County has carefully considered the benefits and risks of continuing pooling funds for investments; and

WHEREAS King County has determined that continuing to offer pooled investments is a benefit to King County and a benefit to various special districts; and

WHEREAS the District would like to continue having its funds pooled for investment by King County; and

WHEREAS this agreement is authorized by RCW 36.29.020, 36.29.022, and 36.29.024;

NOW, THEREFORE, in consideration of the terms and provisions herein, it is agreed by and between the District and King County as follows:

I. SCOPE OF WORK

A. King County

1. King County agrees to accept for investment a specific amount of funds the District has determined is not necessary for the District's immediate expenditure. King County agrees to combine the designated District funds, King County funds and the funds of other special districts that have agreed to pool funds for investment in the King County Investment Pool (hereinafter "Pool"). The King County Investment Officer, or other individual duly authorized by King County, with oversight by the King County Treasury Manager and Finance and Business Operations Director, shall have sole authority and responsibility for determining and executing the specific investments for the Pool, consistent with state law and the investment policies adopted by the King County Executive Finance Committee. King County has also established an Investment Pool Advisory Committee (Ordinance 16280) which shall provide input and advice to the

Executive Finance Committee on agenda items that relate to investment policies, practices and fees.

2. King County will be responsible for management of the Pool, including establishing the policies for the Pool, calculating interest earnings, allocating earnings and any realized losses among the District and other participants in the Pool, and determining and collecting Pool fees.

a. Pool Policies

The King County Executive Finance Committee, or its successor, shall adopt and may periodically amend the policies governing the Pool. For reference, the enclosed "Exhibit A" provides a copy of the current adopted policies as of February 2010.. Except in an emergency, the Executive Finance Committee, or its successor, will consult with the Investment Pool Advisory Committee at least 60 days prior to adopting or implementing changes to any policies governing the Pool.

b. Interest Earnings

(i) King County shall distribute interest earnings to the District based on the District's average daily cash balance maintained in the Pool as determined by King County. King County shall calculate interest earnings by the 15th day of the following month; however, the actual distribution will be effective as of the first of the month.

(ii) King County shall calculate the monthly interest earnings rate used for Pool distributions using earnings of the Pool on an accrual basis. Earnings will be paid on an actual/actual day basis. For example, a fund maintaining an average balance of \$1,000,000 in a 31 day month for which a 3.00% earnings rate is paid will receive \$2,547.95 in interest for that month. ($\$1,000,000 \times .03 \times 31/365$).

c. Pool Fees

(i) King County shall deduct from each District's funds an estimate for the actual expenses incurred for the Pool for the coming year. An estimated annual fee for Pool participation shall be set initially at three and one-half (3.5) basis points (.035%). In accordance with RCW 36.29.024, this fee is intended to reflect King County's estimated direct expense and out-of-pocket cost of administering the Pool, plus a safety margin for unanticipated expenses. This fee shall be applied monthly against the average cash balance of the District and collected monthly by King County, determined as follows: .00035 multiplied by the average cash balance of the District during the month multiplied by the number of days in the month divided by 365. For example, the monthly fee collected from the example above would be \$29.73 ($1,000,000 \times .00035 \times 31/365$). King County shall reevaluate the annual fee each year based on the

rebate provided for the prior year and an estimate of actual expenses for the coming year.

(ii) If the amount of estimated fees collected within King County's fiscal year exceeds the actual expense of administering the Pool for that fiscal year, King County shall rebate such excess amount to the District based on the District's percentage of the total average Pool cash balance for that year. The rebate shall be made within three months of the close of King County's fiscal year. If the estimated Pool fee does not cover all of the actual expenses for the Pool, the County may collect from the District an additional amount that reflects the District's portion of deficiency, in the same manner that it would rebate any excess fees collected.

(iii) At the time King County rebates to the District any excess amount or collects from the District any deficiency amount of fees for administering the Pool for the prior year, King County shall provide an accounting of its actual expenses incurred for the Pool, as actual expenses are defined in RCW 36.29.024.

d. Reporting

King County will provide to the District a monthly statement showing the average cash balance maintained by the District, the Pool earnings rate, the District's earnings, the District's realized losses (if any), and the fee incurred. King County shall also provide a written explanation of the reason(s) for any realized loss.

B. The District

1. Deposits and Investment Instructions

a. If the District does not have a cash management agreement with the County, the District shall determine and provide notice to King County of the specific amount of funds it intends to invest in the Pool. Unless King County adopts a contrary policy, deposit requests must be received before 8:30 am on the day of deposit for same day credit.

b. If the District has a treasurer other than King County, the District shall provide notice of its intent to invest specific funds. Unless King County adopts a contrary policy, the minimum notice shall be at least one (1) working day in advance of wiring funds fewer than five (5) million dollars for investing. This notification will occur by 12 p.m. Pacific Time. Unless King County adopts a contrary policy, two (2) working days notice is required for deposits of five (5) million dollars or more into the Pool.

c. The District shall designate a regular representative and at least one alternate representative who are authorized to direct the District's deposits and

withdrawals from the Pool. King County can rely upon the representations of these authorized District representatives concerning the District's investment transactions with King County.

d. If the District does not have a cash management agreement with the County, then any fund that has a negative balance will be assessed an overdraft interest charge for each day that the fund was overdrawn, provided the negative balance was not due to investment losses or an accounting error made by King County. The overdraft interest charge shall be equal to the prime rate charged by King County's banking services provider in effect on the first day of the month in which the overdraft occurred. For example, if a fund had a negative balance of \$1 million on December 12 and the prime rate on December 1 was 3.25%, the fund would be charged \$89.04 ($\$1,000,000 \times .0325 \times 1/365$). The overdraft interest charge shall be effective on the day any District fund has a negative balance according to King County's accounting system records.

2. Withdrawals

a. The District understands and agrees that its investment of funds in the Pool is a long term investment. The District shall not withdraw its funds from the Pool unless they are needed for immediate expenditure.

b. If the District has executed a cash management agreement with King County, the District may withdraw funds from the Pool for immediate expenditure by submitting a warrant or electronic payment request, which will reduce the principal balance in the fund.

c. If the District does not have a cash management agreement with King County, the District shall notify King County in writing when invested funds are needed for immediate expenditure and shall specify the amounts and date the funds are needed. The District shall provide King County prior written notice for withdrawals. Unless King County formally adopts a contrary policy, the minimum notice to be provided for withdrawals is:

- i. One (1) working day in advance for amounts up to five (5) million dollars,
- ii. Two (2) working days for amounts between five (5) and fifty (50) million dollars, and
- iii. Ten (10) working days notice for amounts over fifty (50) million dollars.

This notice shall occur by 12 p.m. Pacific Time on the appropriate day.

II. DISTRICT COVENANTS

The District warrants and covenants that its governing body has duly authorized the District's participation in the Pool. At the time the District authorizes King County to invest its funds in the Pool, the District warrants that those funds are not required for the District's immediate expenditure, consistent with RCW 36.29.020.

III. KING COUNTY IS INDEPENDENT CONTRACTOR

In providing services under this Agreement, King County is an independent contractor, and neither it nor its officers, agents or employees are employees of the District for any purpose.

IV. DISCLAIMER

King County makes no promises, either written or oral, regarding performance of the Pool investments. King County will attempt to obtain the highest yields available within investment policy; however, at times there may be higher yields available in other investment vehicles. The District understands that the Pool will be operated in accordance with Pool policies that focus on preservation of capital, liquidity and a predictable market rate of return, but that no investment is perfectly safe and losses of interest or principal invested may occur through no fault of King County or its representatives.

V. ADMINISTRATION

This agreement shall be administered by the King County Treasury Manager or his or her designee.

VI. TERM OF AGREEMENT

This Agreement shall be effective on the date it is executed. This Agreement shall renew automatically each year on the District's Anniversary Date (as defined below) until either party terminates per Section VIII below.

VII. AMENDMENTS

No amendment to this Agreement shall be binding unless agreed to in writing by each party.

VIII. TERMINATION

King County may terminate this agreement upon 90 days written notice. The District may terminate this Agreement upon at least 45 days written notice prior to the District's anniversary date. For purposes of this section, the District's Anniversary Date shall be _____. Notwithstanding this requirement, the County in

its sole discretion may consider a request for expedited termination under extraordinary circumstances.

VIII. FUND PARTICIPATION EXCEPTIONS

The District may, by written request, exclude certain District funds from the Pool.

IX. ENTIRE AGREEMENT

This Agreement is the complete expression of the terms hereto and any oral representation or understandings not incorporated herein are excluded. Any modifications to this Agreement shall be in writing and signed by both parties. Waiver of any default shall not be deemed to be a waiver of any other or subsequent breach and shall not be construed to be a modification of the terms of this Agreement unless stated to be such through written approval by the County, which shall be attached to the original Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed
this ___ day of _____, 2010.

KING COUNTY

Ken Guy, Finance Director

Dated

DISTRICT

Name of District

By

Dated

Title

Exhibit "A"

KING COUNTY INVESTMENT POOL POLICIES

INFORMATIONAL MEMORANDUM

Tukwila Metropolitan Park District

TO: Tukwila Pool MPD Board

FROM: Ellen Gengler, TPMPD Budget Committee Chair

DATE: November 4, 2014

SUBJECT: 2014 Transitional Budget Update

ISSUE

Present updated Transitional Budget

FINANCIAL IMPACT

The 2014 Budget would be impacted by \$113,205.

BACKGROUND

The Transitional Budget reflects the estimated costs the TPMPD will incur over the last two months of 2014 as it transitions to a self operated model,

DISCUSSION

The Board was presented with a Transitional Budget on October 17, 2014 and discussed the content at the October 22, 2014 meeting. It was decided, due to the number of changes, to bring it back for discussion at the November 13, 2014 meeting. The Budget Committee has received updated information from the IT Committee and the Commission regarding anticipated increases/decreases and or costs. The updated version is summarized as follows:

- Employee compensation was adjusted.
- CPA/Accountant costs were increased to reflect new estimates.
- IT costs were increased based on the IT Committee's new estimates (See Attached IT Budget)
- Legal was increased to reflect additional policy and contract review.

As the new Aquatic Manager is brought on board it may be prudent to have them review the transitional budget items to ensure all necessary items are captured and or consider reducing items that may not be necessary as start up expenditures.

RECOMMENDATION

For review and discussion only at this time

ATTACHMENTS

Transitional Budget Update – November 4, 2014
IT Draft Budget

Self-Operating Estimated Transition Expenses (Worst Case Scenario) Rev.11-4-14

	July	Aug	Sept	Oct	Nov	Dec	Total
Executive Director				\$6,250.00			\$6,250.00
Aquatics Manager (0.5FTE ¼ Oct., 0.75FTE Nov., FTE Dec.)				\$1,360.00	\$4,070.00	\$5,425.00	\$10,855.00
Aquatics Assistant Manager (s) (FTE ¼ Dec.)						\$3,000.00	\$3,000.00
HR Admin/Training						\$2,000.00	\$2,000.00
Bookkeeper/CPA					\$4,000.00		\$4,000.00
Additional Administration Labor							
IT: See IT Committee Attachment						\$56,000.00	\$56,000.00
IT: Consultant				\$1,000.00	\$5,000.00	\$9,000.00	\$15,000.00
IT TOTAL							\$71,000.00
Office Furniture						\$3,000.00	\$3,000.00
Office Supplies						\$500.00	\$500.00
Safety Supplies – Mannequins						\$1,000.00	\$1,000.00
Hand Tools						\$500.00	\$500.00
Legal				\$1,000.00	\$4,000.00	\$4,500.00	\$9,500.00
Repairs & Maintenance						\$1,000.00	\$1,000.00
NRPA membership	\$600.00						\$600.00
TOTAL							\$113,205.00

TP MPD IT Budget 2015-2017

As of: 11/1/2014

Draft

*column c4 heading updated by Allan from 2015 and d4 and e4 change to subsequent years

T1 Options

Note: There are taxes & fees on top of these charges - add ~20%

	2014				3 Yr Total	+20%
	Monthly	Transitional Budget	2015	2016		
Broadview	\$213	\$2,556	\$2,556	\$2,556	\$7,668	\$9,202
Note: 1st month free. Managed svcs (T1 optimized for voice)						
Other ISP						
Comcast (down 50/up 10)	\$117	\$1,404	\$1,404	\$1,404	\$4,212	
Phones						
	Monthly	2014	2015	2016	3 Yr Total	+20%
Broadview Rent	\$188	\$2,256	\$2,256	\$2,256	\$6,768	\$8,122
POTS lines *2 (Fire/Security, and emergency)	90	1080	1080	1080	\$3,240	\$3,240
Computers						
	Unit price	2014	2015	2016	3 Yr Total	+10% tax
3 HP Desktops	\$1,500	\$4,500		\$1,500	\$6,000	\$6,600
2 HP Laptops	\$1,200	\$2,400		\$1,200	\$3,600	\$3,960
Firewall						
SonicWall (CCM)	\$1,300	\$1,200			\$1,200	\$1,320
Maintenance		\$250	\$250	\$250	\$500	\$550
Routers						
Main	\$2,000	\$2,000			\$2,000	\$2,200
Wifi	\$900	\$900		\$800	\$1,700	\$1,870
Switches (PoE)						
Main	\$900	\$900			\$900	\$990
Supplemental	\$500	\$500			\$500	\$550
Portable USB hard drive (2) (Records, backup)	\$350	\$350		\$200	\$550	\$605
Office software						
		2014	2015	2016	3 Yr Total	+10% tax

Office 2013 Professional (3)	\$400	\$1,200		\$1,200	\$1,320
Office 2013 Home & Busn (2)	\$220	\$440		\$440	\$484
					\$1,804
Recommend, rather:					
Office 365 Small Busn Prem 1 license covers 5 PCs/1 year		\$175	\$175	\$175	\$578
Adobe design software		\$840	\$840	\$840	\$2,772
Anti-malware utilities		\$500	\$500	\$500	\$1,650
Printers					
1 commercial multi-function		\$4,000		\$4,000	\$4,400
2 consumer-grade		\$1,000		\$500	\$1,650
1 member card					
Printing supplies (toner, etc.)		\$1,000	\$1,000	\$1,000	\$3,300
Need to add					
Server		\$5,000		\$5,000	\$5,500
Local?					
Cloud?					
Backup system		\$1,000	\$300	\$300	\$1,760
UPS (battery backups)		\$1,500	\$500	\$500	\$2,750
Finance Software (TBD)					
Electronic Billing / Invoicing					
General Ledger (AR/AP)					
Financials					
Employee Time Tracking (up to 30)					
Payroll / Direct Deposit					
Benefits					
Insurance					
Tax processing					
Sewer monitoring system					
P.O.S. system		\$9,500	\$3,000	\$3,000	\$17,050
Cash Register		\$375		\$375	\$413

Safe	\$800				\$800	\$880
Security camera system w/DVR	\$1,900				\$1,900	\$2,090
We need an account with US Bank Credit card swipe Scanner (1 or 2) Laminating Card Printer(?)	unknown					
	\$10,000	\$1,500	\$1,500		\$13,000	\$14,300
Skype account	\$3.25	\$39.00	\$39.00	\$39.00	\$117.00	\$117.00
Web services / support (?) Annual Domain Registration	\$15	\$15	\$15			
UPS systems (battery B/U) Generator	\$1,200	\$250	\$500		\$1,950	\$2,145.0
Subcontractor Pull cable (to equip rm) End of bleachers - wifi repeater 2 to equipment room						
Waterproof container for spares						
Dehumidifier(s) for server rm/closet						
Power outlets: Verify adequate number, location Adequate amperage						

INFORMATIONAL MEMORANDUM

Tukwila Metropolitan Park District

TO: Tukwila Pool MPD Board

FROM: Ellen Gengler, TPMPD Budget Committee Chair

DATE: November 4, 2014

SUBJECT: 2015 Budget

ISSUE

Approval of resolution adopting the 2015 operating budget.

FINANCIAL IMPACT

The TPMPD Board must adopt the 2015 budget by Dec. 31, 2014.

BACKGROUND

A Budget Committee was formed in August, 2014 to create and recommend both a Transitional 2014 budget and a 2015 budget. The proposed budget for 2015 was distributed to the Board on October 17, 2014 and discussed at the Oct. 22, 2014 meeting.

DISCUSSION

Changes to the budget are summarized below.

- The Projected Year End amounts reflect updated information from the Operator, IT Committee and MPD Employee salaries.
- The 2015 Budget line items were updated to reflect new estimates provided by the above sources and reflects the Board's Policy of funding the CIP/Reserve at \$80,000/year.
- The proposed 2015 Budget ending fund balance reserve is 16.7%

RECOMMENDATION

The Board is being asked to consider the 2015 Tukwila Pool Metropolitan Park District budget at the November 13, 2014 special board meeting and adopt the budget at the December 11, 2014 special meeting.

ATTACHMENTS

Proposed 2015 Budget
Resolution in draft form

DRAFT

Tukwila Metropolitan Park District

Resolution No. _____

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE TUKWILA POOL METROPOLITAN PARK DISTRICT ADOPTING THE ANNUAL BUDGET OF THE METROPOLITAN PARK DISTRICT FOR THE FISCAL YEAR 2015.

WHEREAS, the Board of Commissioners has been presented a budget and estimate of monies required to meet public expenses for the Tukwila Pool Metropolitan Park District for the year 2015; and

WHEREAS, a public hearing on the proposed budget was advertised and held on October 22, 2014;

NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE TUKWILA POOL METROPOLITAN PARK DISTRICT HEREBY RESOLVES AS FOLLOWS:

Section 1. The Board of Commissioners of the Tukwila Pool Metropolitan Park District hereby adopts the document entitled "Tukwila Pool Metropolitan Park District 2015 Budget," incorporated by this reference as if fully set forth herein.

Section 2. The total of the estimated revenues and appropriations for the Tukwila Pool Metropolitan Park District is \$1,091,184.00.

Section 3. A complete copy of the final budget for 2015, as adopted, together with a copy of this adopting resolution, shall be kept on file in the City Clerk's Office, and a copy shall be transmitted by the City Clerk to the Division of Municipal Corporations of the Office of the State Auditor and to the Association of Washington Cities.

PASSED BY THE BOARD OF COMMISSIONERS OF THE TUKWILA POOL METROPOLITAN PARK DISTRICT at a Regular Meeting thereof this _____ day of _____, 2014.

ATTEST/AUTHENTICATED:

Kate Kruller, Clerk of the Board

*De'Sean Quinn, President
Board of Commissioners*

APPROVED AS TO FORM BY:

Filed with the Clerk: _____
Passed by the Commission: _____
Resolution Number: _____

Brian Snure, Commission Attorney

Attachment: Tukwila Pool Metropolitan Park District 2015 Budget

Tukwila Pool Metropolitan Park District 2015 BUDGET

	2013 BUDGET	2013 ACTUAL	2014 BUDGET	2014 EST.	2015 BUDGET
REVENUE					
TAX REVENUE	\$680,186	\$681,288	\$704,395	\$704,395	\$716,043
RETAIL SALES					2015 Retail Sales include excise tax collected
PASSES	\$180,000	\$180,752	\$191,800	\$30,000	\$36,048
GENERAL ADMISSION				\$32,100	\$33,931
SPECIAL EVENTS & CAMPS					\$1,672
RENTALS SHORT TERM				\$14,715	\$21,900
SALE OF SWIM MERCHANDISE		\$1,116	\$2,000	\$2,200	\$2,190
LOCKERS				\$1,560	\$1,643
TOTAL RETAIL SALES				\$80,575	\$97,384
NON RETAIL SALES					
SWIM LESSONS				\$95,804	\$124,092
EX. CLASSES					\$2,273
RENTALS LONG TERM	\$31,000	\$50,723	\$54,510	\$42,110	\$30,000
SALE OF MERCHANDISE (VENDING)		\$1,558		\$1,500	\$1,500
TOTAL NON RETAIL SALES				\$139,414	\$157,865
DONATIONS/FUNDRAISING/SPONSORSHIP			\$1,000	\$1,150	\$1,000
GRANTS & REBATES		\$2,963	\$30,000	\$21,698	
INTEREST		\$3,059			\$1,200
MISCELLANEOUS	\$38,066	\$250,081		-\$200	
TOTAL REVENUE	\$929,252	\$1,171,540	\$983,705	\$947,032	\$973,492
EXPENSES					
ADMINISTRATION/OVERHEAD					
GROUND LEASE	\$10,950	\$10,950	\$10,950	\$10,950	\$10,950
LEGAL FEES	\$6,240	\$12,013	\$14,000	\$25,000	\$20,000
WICA INSURANCE	\$9,912	\$8,672	\$11,000	\$10,185	\$11,000
BOOKKEEPING				\$4,000	\$20,600
CPA					\$2,000
HR SERVICES					\$5,000
BANK CHARGES					\$300
STATE AUDITOR					\$7,500
PUBLIC RECORDS/TRANSCRIPTION					\$6,000
MEETING EXPENSES					\$1,500
MISC. CONTRACTED PROF. SERVICES	\$100	\$8,638		\$4,250	\$2,000
INTERLOCAL CONTRACT	\$90,000	\$90,000	\$79,200	\$65,000	
TOTAL ADMINISTRATION/OVERHEAD	\$117,202	\$130,273	\$115,150	\$119,385	\$86,850

Tukwila Pool Metropolitan Park District 2015 BUDGET

	2013 BUDGET	2013 ACTUAL	2014 BUDGET	2014 EST.	2015 BUDGET
CAPITAL/ DEBT & RESERVE SERVICES					
CITY BRIDGE LOAN PAYMENT	\$88,245	\$80,135	\$121,458	\$121,458	\$121,458
BOND PAYMENT	\$85,605	\$113,130	\$113,130	\$113,130	\$113,130
CIP LIFECYCLE REPLACEMENT			\$50,000	\$50,000	\$50,000
RESERVE (DEMO?)	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
TOTAL CAPITAL/DEBT/RESERVE SERVICES	\$203,850	\$223,265	\$314,588	\$314,588	\$314,588
WAGES					
WAGES LIFE GUARD	\$118,000	\$131,720	\$140,000	\$170,000	\$70,000
WAGES INSTRUCTOR					\$35,000
WAGES HEAD GUARD					\$35,000
WAGES AQUATICS MANAGER	\$141,684	\$133,827	\$85,320	\$93,655	\$50,000
WAGES ASSISTANT AQUATICS MANAGER(S)			\$63,528	\$65,628	\$50,000
WAGES EXECUTIVE DIRECTOR		\$1,594	\$5,000	\$45,375	\$45,000
OVERTIME			\$5,000	\$2,000	\$2,000
TOTAL WAGES	\$259,684	\$267,141	\$338,848	\$376,658	\$287,000
BENEFITS					
FICA	\$19,773	\$20,369	\$22,005	\$29,264	\$21,995
UNEMPLOYMENT					\$8,610
DEPT. L&I	\$14,694	\$15,740	\$18,050	\$24,000	\$12,485
CAFETERIA PLAN/BENEFITS	\$47,308	\$42,945	\$48,707	\$50,395	\$21,750
TOTAL BENEFITS	\$81,775	\$79,054	\$88,762	\$103,659	\$64,840
EMPLOYEE SUPPORT/EQUIPMENT					
UNIFORMS					\$3,000
LIFEGUARD SUPPLIES				\$1,000	\$1,000
TOTAL EMPLOYEE SUPPORT/EQUIPMENT				\$1,000	\$4,000
PROGRAM SUPPLIES					
SWIM CLASS SUPPLIES					\$1,500
EXERCISE CLASS SUPPLIES					\$500
SPECIAL EVENT/CAMP SUPPLIES					\$500
TOTAL PROGRAM SUPPLIES					\$2,500
MAINTENANCE/REPAIR SUPPLIES					
CHEMICALS	\$6,500	\$6,720	\$7,375	\$8,000	\$8,000
JANITORIAL SUPPLIES					\$3,000
MAINTENANCE SUPPLIES					\$1,500
SMALL TOOLS/REPAIR SUPPLIES				\$500	\$500
TOTAL MAINTENANCE REPAIR SUPPLIES	\$6,500	\$6,720	\$7,375	\$8,500	\$13,000

Extra labor was not separately categorized.

Includes new Aquatics Manager for 4th Quarter 2014

Federal Withholding 7.65%

3%
4.35%
15%

Tukwila Pool Metropolitan Park District 2015 BUDGET

	2013 BUDGET	2013 ACTUAL	2014 BUDGET	2014 EST.	2015 BUDGET
OFFICE SUPPLIES/EQUIPMENT					
OFFICE SUPPLIES	\$8,679	\$14,521	\$10,000	\$11,000	\$3,000
OFFICE FURNITURE				\$3,000	\$500
COMPUTER SUPPLIES				\$39,100	\$1,000
COMPUTER SERVICES				\$15,000	\$1,000
PRINTING/COPIER SUPPLIES				\$5,500	\$2,500
SOFTWARE/POS				\$11,000	\$3,000
TOTAL OFFICE SUPPLIES	\$8,679	\$14,521	\$10,000	\$84,600	\$11,000
RESALE SUPPLIES					
MERCHANDISE/VENDING		\$2,666	\$1,500	\$1,200	\$500
SWIM MERCHANDISE					\$1,000
TOTAL RESALE SUPPLIES		\$2,666	\$1,500	\$1,200	\$1,500
COMMUNICATIONS/PUBLIC OUTREACH					
TELEPHONE	\$4,000	\$2,096	\$2,200	\$3,900	\$4,200
POSTAGE/MAILING					\$500
INTERNET/WEBSITE/SERVER				\$400	\$6,000
ADVERTISING	\$4,000	\$7,901	\$10,000	\$10,000	\$9,500
TRANSLATION SERVICES				\$2,275	\$500
SCHOLARSHIPS USED		\$7,586	\$10,000	\$10,000	\$10,000
TOTAL COMMUNICATIONS/PUBLIC OUTREACH	\$8,000	\$17,583	\$22,200	\$26,575	\$30,700
MEMBERSHIP/TRAVEL/TRAINING					
ADMINISTRATION MEMBERSHIP & DUES				\$600	\$600
AQUATICS MEMBERSHIP & DUES					\$500
SUBSCRIPTIONS					\$500
TRAVEL/CONFERENCES					\$500
TRAINING				\$2,000	\$2,500
TOTAL MEMBERSHIP & TRAVEL				\$2,600	\$4,600
RENTALS/LEASES					
HEAVY EQUIPMENT	\$400	\$297	\$750	\$750	\$750
OFFICE EQUIPMENT					\$300
TOTAL RENTALS/LEASES	\$400	\$297	\$750	\$750	\$1,050

Tukwila Pool Metropolitan Park District 2015 BUDGET

	2013 BUDGET	2013 ACTUAL	2014 BUDGET	2014 EST.	2015 BUDGET
REPAIRS/MAINTENANCE CONTRACTED					
FACILITY REPAIRS	\$20,000	\$19,540	\$20,800	\$29,655	\$5,000
FACILITY MAINTENANCE					\$1,000
LANDSCAPING					\$2,400
JANITORIAL					\$9,600
SECURITY SERVICES					\$1,400
EQUIPMENT MAINTENANCE					\$6,000
EQUIPMENT REPAIRS					\$2,250
OFFICE EQUIPMENT					\$500
TOTAL REPAIRS/MAINTENANCE CONTRACTED	\$20,000	\$19,540	\$20,800	\$29,655	\$28,150
UTILITIES					
GAS	\$103,120	\$67,453	\$80,000	\$70,000	\$48,000
ELECTRIC					\$17,965
WATER					\$5,905
SEWER					\$9,201
SURFACE WATER					\$118
GARBAGE					\$1,800
TOTAL UTILITIES	\$103,120	\$67,453	\$80,000	\$70,000	\$82,069
TAXES, LICENSES & FEES					
SALES / EXCISE TAX					\$8,448
BUSINESS LICENSES					\$500
RGRL FEE					\$500
ANNUAL PERMITS					\$600
CREDIT CARD FEES	\$3,400	\$4,434	\$4,500	\$4,400	\$4,800
MISCELLANEOUS	\$5,000	\$5,240	\$5,200	\$5,200	\$1,000
TOTAL TAXES, LICENSES & FEES	\$8,400	\$9,674	\$9,700	\$9,600	\$14,848
TOTAL EXPENSES	\$817,610	\$838,187	\$1,009,673	\$1,148,770	\$946,715
TRANSFER TO FUND 633		\$70,048			
FUND BALANCE					
CHANGE IN FUND BALANCE	\$111,642	\$263,305	-\$25,968	-\$201,738	\$26,777
BEGINNING FUND BALANCE	\$197,605	\$56,125	\$432,786	\$319,430	\$117,692
ENDING FUND BALANCE	\$309,247	\$319,430	\$406,818	\$117,692	\$144,469

INFORMATIONAL MEMORANDUM

Tukwila Metropolitan Park District

TO: **Tukwila Pool MPD Board**

FROM: De'Sean Quinn, Board President

DATE: November 5, 2014

SUBJECT: **Interim / Permanent Executive Director**

ISSUE

Executive Director Job Description

FINANCIAL IMPACT

None at this time.

BACKGROUND

The MPD is currently operating without an Executive Director. Recruitment efforts for an interim and/or permanent Executive Director need to be commenced.

DISCUSSION

The Board should discussed proposed modifications to the existing job description.

1. Does the full board want to make adjustments to the job description?
2. Would this position be part-time as originally proposed?

RECOMMENDATION

Forward discussion of same to Executive Director Committee for consideration and implementation.

ATTACHMENT

MPD Executive Director Job Description

Tukwila Pool - Metropolitan Park District JOB DESCRIPTION

Job Title: Executive Director

Reports to: Board of Commissioners

Classification: Exempt, Part-time of minimum 20 hours per week

Background:

The Tukwila Pool - Metropolitan Park District (MPD) was formed in January 2011 as a new municipal corporation. Its purpose is to operate the Tukwila swimming pool in Tukwila, WA. The MPD has a Board of Commissioners (The Board) made up of the seven City of Tukwila council members. The City of Tukwila's Parks and Recreation Department, historically the pool's operator, currently is acting as a 3rd-Party vendor to the MPD to carry out day-to-day operations. Given the relationship the pool has had with the City's Park and Recreation Department, the administrative functions have been carried out by contracted support services provided by the City of Tukwila, private consultants and individual commissioners. In the Spring of 2013, the pool underwent a \$1.6M major renovation project. There is now a need for a leadership position reportable to the Board of Commissioners (The Board) to manage and oversee the administrative and operational functions of The MPD.

MPD Vision/Goals:

Vision: To provide a sustainable and efficient pool that exceeds the community's needs.

Goals: Provide the best run municipal aquatics program in the state:

- A. To operate a financial self-sustaining aquatics program.
- B. To provide a pool that is a safe haven.
- C. To be welcoming and inclusive to all.
- D. To maintain and support community involvement in the pool.
- E. To provide creative and relevant programs.
- F. To provide annual performance reporting to the community.
- G. Continue to review governance.

Position Summary:

Oversee effective operations of the Metropolitan Park District's Tukwila Pool.

The Executive Director will be a working management position. Key responsibilities will be to:

- Administer on-going MPD projects and activities
- Establish and implement policies and operating procedures for The MPD
- Assist The MPD in serving the citizens of Tukwila and surrounding communities
- Provide direction, oversight and represent the MPD Board to Staff* and Staff to the Board

Administration:

- Oversee third party operations and review performance annually
- Identify and apply for relevant grants available to the MPD for programs and operations
- Ability to work with operator to increase revenue and decrease operational expenses while maintaining programing and positive customer experience
- Develop and facilitate an active planning process including short and long term planning

Tukwila Pool- Metropolitan Park District JOB DESCRIPTION

- Develop MPD policies consistent with organizational vision, goals, and statutory requirements
- Manage the MPD's annual calendar of events working with pool staff
- Draft the MPD agenda and materials for MPD meetings (held Monthly and ad-hoc, as needed)
- Engaged in the development of an MPD Business Plan, including marketing activities
- Do research, find resources, evaluate and provide information to the Board of Commissioners and/or staff in support of The MPD's activities
- Develop, implement and maintain policy and procedure documents consistent with organizational goals and statutory requirements
- Develop, implement and maintain operational processes/procedures consistent with Board direction
- Establish policies supportive of Board objectives
- Manage any Board identified Request for Proposals (RFPs) or Quotes (RFQs) needs
- Oversee compliance with fiduciary and regulatory requirements, including:
 - WAC 246-260 Water Recreation Facilities
 - RCW 35.61 Metropolitan Park Districts
 - RCW 70.90 Water Recreation Facilities

Budget & Finance:

- Endure MPD operates within the approved annual budget
- Develop, recommend to The Board, an annual budget with proposals
- Identify performance metrics for revenue and operational expenses, collate on a monthly basis and review with the MPD
- Review monthly MPD financial statements and report to The Board president
- Develop, document and ensure effective audit processes and trails
- Ensure the coordination of payment of invoices
- Ensure quarterly financial reporting to The Board, as well as annual reporting
- Notify MPD Board immediately if the MPD budget obligations are not met

Project Management Oversight:

- Engage as necessary with assessment of physical plant problems as they arise and assist in defining the scope of work
- Provide oversight to procurement activities for The MPD, including the provisioning of materials, services, consultants, architects & engineers and contractors (as needed)
- Monitor project progress by working with The MPD staff, and others, as needed
- Maintain and safeguard the assets, records and documents of the MPD
- Benchmark MPD against substantially similar community pools

Board Relations:

- Work the MPD meeting agendas with the President of the Board (who reviews/approves them)
- Assist the President/Clerk of the Board in planning and supporting ad-hoc committees
- Initiate and assist in developing policy recommendations, preparing resolutions and setting priorities
- Facilitate the orientation of new commissioners
- Interface directly with MPD legal representation, as necessary, on issues requiring legal attention

Tukwila Pool - Metropolitan Park District JOB DESCRIPTION

Communications:

- Work with the pool operator to promote pool usage within the community
- Serve as spokesperson for The MPD
- Publish periodic communiqués to the community
- Distribute relevant and legal communications to the Board, contracted attorney and operator as appropriate
- Facilitate over the Tukwila Pool Advisory Committee (TPAC) – a citizen group with advisory capacity to The Board; coordinate the agenda
- Coordinate closely with:
 - President of the MPD Board and TPAC
 - Contracted services (lawyer, operator)
 - Other contracted service providers
 - Local school districts
 - Contracted users of the MPD facilities
- Ensure that the MPD's website and other social media services remain current
 - Construction Related url: <http://www.tukwilapool.org/>
 - Facebook url: <https://www.facebook.com/pages/Tukwila-Metropolitan-Park-District-Pool/132240046924338>
 - City of Tukwila, pool page: <http://www.tukwilawa.gov/recreation/recpool.html>

Qualifications:

Knowledge

- Extensive knowledge of Washington state laws, regulations and codes as they apply to park districts and swimming pool operation preferred
- Strong financial management and budget skills
- General knowledge of swimming pool systems and operation, such as filtration system, chemical controllers and feeders, HVAC, safety systems, pumps and electric motors
- Knowledge of accounting principles and budget preparation for cash-based system and Washington state BARS list of accounts
- Knowledge of methods, procedures and practices of issue analysis and evaluation, planning, bidding and construction as applied to swimming pool operation and facility maintenance
- Knowledge of Washington state records retention and public disclosure requirements
- Clearly understands and uses the components of a successful business organization

Skills

- Ability to lead an organization to exceptional performance levels, model positive work ethic and to integrate efforts of the entire pool organization
- Demonstrated past experience in successfully performing management functions: planning, leading, organizing, motivating, reviewing and evaluating results and personnel
- Able to identify problems, collect data and analyze situations, identify options, make recommendations, implement action plans, monitor progress, measure success and continue improvement
- Ability to interface with database systems such as accounting, records management, and inventory management
- Proficiency at a high level using Microsoft Word, Excel and PowerPoint
- Ability to set goals and objectives and carry them through

Tukwila Pool- Metropolitan Park District JOB DESCRIPTION

- Experience with the application, use, development and maintenance of web-based information
- Ability to work effectively alone or with multiple stakeholders
- Strong written and verbal communication skills

Attributes

- Works well with people, treating everyone with respect
- Takes appropriate initiative
- Follows through on commitments
- Delivers high quality work performance
- Projects and maintains a positive image at all times
- Works well as a team member/leader in all interactions
- Provides consistently high quality service

Performance Review

- Annual review by the President of the MPD Board and approved by the MPD Board.
- Contract renewal and compensation increases as approved by the MPD Board

Working Conditions

- Must be able to work from the pool, home, travel as necessary to meetings, be available for monthly evening meetings and occasional Special Meetings and, as available, attend some weekend Pool related events
- Regular meetings of The Board are every 3rd Monday of the month at 8 p.m. at Tukwila City Hall
- TPAC meetings occur the 1st Wednesday of the month at 7 a.m. in the Tukwila Community Center

How to Apply

Submit a resume and cover letter, containing salary requirement, by mail or in person to:

MPD Executive Director Subcommittee Chair Allan Ekberg
c/o Laurel Humphrey
6200 Southcenter Boulevard
Tukwila, WA 98188

Submissions for this position will be accepted through 4:00 p.m., Friday, August 30, 2013.

Teens for Tukwila
City Council Charter
October 2014

The Teens for Tukwila Committee is a member committee established through the Tukwila Parks and Recreation Teen Division.

Teens for Tukwila's mission is to strengthen our community.

The Committee shall:

1. Meet annually with Washington State elected officials at Youth Action Day.
2. Annually give a Year in Review presentation to the City of Tukwila City Council.
3. Participate in community, private, and global projects and partnerships.
4. Perform functions as may be required from partnerships. Ie. World Vision (Youth Empowerment Program), Imagine Scholars, and future partners.
5. Be open to Tukwila teens (High School age) who have a passion for their community.
6. Consist of equally ranked members.
7. Determine the content, time, and place of its meetings.
8. Report to the City Council bi-monthly (during the school year) on its activities and recommendations via email and/or in person.
9. Review and change this charter when needed.
10. Bring the concerns of the community to the City Council's attention
11. The committee would like the City Council to create trainings and/or workshops for the committee to attend in order to gain knowledge of the role of City Council.
12. Have a trial period, during the 2014 & 2015 school year, before a decision is made to partner with the City Council long term.
13. Remain known as Teens for Tukwila and represent itself, and make decisions regarding the group.
14. Work hand-in-hand with the City Council in service to the community.

