

Finance Committee  
Via Teams

Meeting Agenda  
April 22, 2024  
1:00PM

Committee members:

Jeff Gadman, County Treasurer, Committee Chair  
Mary Hall, County Auditor, Committee Secretary  
Tye Menser, County Commissioner, Committee Member

1. Approve Minutes of January 22, 2024
2. Review 1<sup>st</sup> quarter performance (All figures are as of March 31, 2024)

Portfolio Earnings

- Yield for March – 2.52% 2024 Average – 2.48%
- LGIP 2024 Average Rate – 5.14%

Portfolio Snapshot (March 2024)

- Total Investments – \$1,176,371,000
- 19.9% in invested cash (\$234,000,000) and 25.8% maturing in less than 1 year (\$302,970,000)

TCIP Portfolio Summary

- Mark to market 97.37%
- Weighted Average Maturity – 1.24years

3. Quarterly Commentary
4. Draft 2024 County Bond Issue (Action item)
5. Good of the Order

2024

## Quarterly Commentary

*Prepared by Nicole Muegge, Investment & Banking Officer*

**January:** This month is when the TCIP fee reduction officially took place. The fee was reduced from 4bps to 3.5bps. The 2 year saw a decline of 10bps at the end of the month compared to the first of the month. Jobs remain strong, however inflation seems to be stabilizing, seeing even signs of slight easing. The Fed kept rates the same, so there was no change in the fed funds rate. At this point in the cycle, we should begin to see the difference between TCIP and LGIP tightening. There was continued focus on purchasing bullet securities. Quite a few new purchases were made this month with securities in a variety of categories. Costco and Apple being among the corporate notes purchased.

**February:** With the release of the FOMC minutes from January, there was modification in the language opening opportunities to consider near future cuts. Several more purchases were made as we continue to look for opportunities to extend duration to maintain some higher rates once the tide shifts and rates begin to decline more significantly. Models began predicting a very high percentage probability of a fed funds cut in May and higher percentage in June. However, the probability rates fluctuated throughout the month. The continued increase in payrolls and wages is one of the factors impacting this wavering opinion of the market. The 2 year Treasury actually saw an increase of nearly 50bps, ending the month higher than the high at the beginning of the prior month. Due to the efforts in extending the duration, with the longer term bonds still earning less than LGIP, these new purchases are dragging the TCIP yield down. We still see this disparity as temporary.

**March:** Concerns for a government shutdown were alleviated for now when temporary funding was approved to sustain operations through September. FOMC voted to maintain rates the same again this month. Unemployment actually rose a bit in February, increasing bets again for a June cut. However, these bets were subdued on new data, which also coincided with Treasury yields increasing again this month. Rates, subsequently declined, however ended the month 3 bps higher than the beginning of the month. There was only one new purchase made this month as bullet (non-callable) securities were few and far between. Significant cash will begin rolling in with taxes due next month. Due to the high rate of LGIP, we will allow a large portion of these funds to sit in LGIP until after all distributions are made, then reevaluate placement of investible funds.

**Thurston County Investment Pool**  
Portfolio Earnings - By Month

2024	Portfolio (TCIP)			LGIP
	Average Daily Cash Balance	Gross Earnings	Earnings Rate	Earnings Rate
January	\$ 1,137,572,291	\$ 2,398,445	2.39%	5.15%
February	1,125,230,118	2,351,623	2.54%	5.14%
March	1,147,308,558	2,548,922	2.52%	5.14%
April				
May				
June				
July				
August				
September				
October				
November				
December				
<b>Average/Total</b>	<b>\$ 1,136,703,656</b>	<b>\$ 7,298,990</b>	<b>2.48%</b>	<b>5.14%</b>

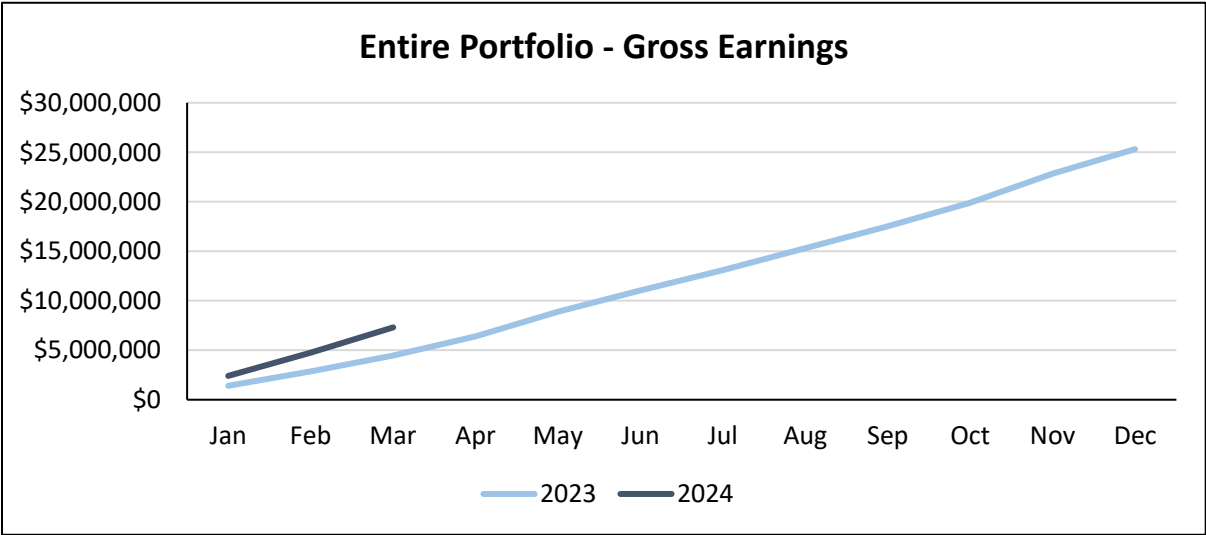
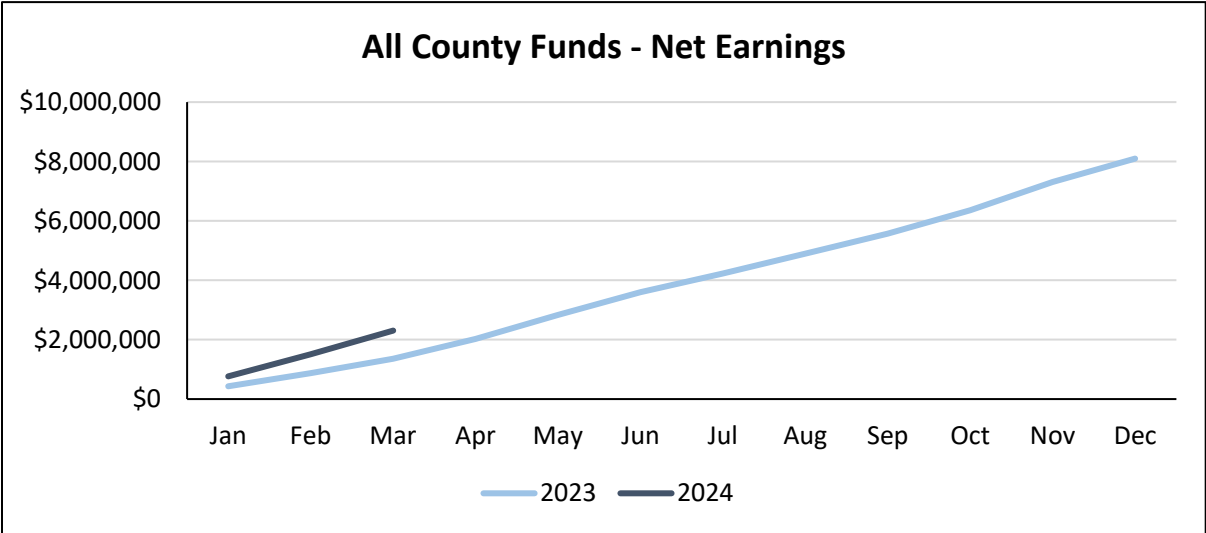
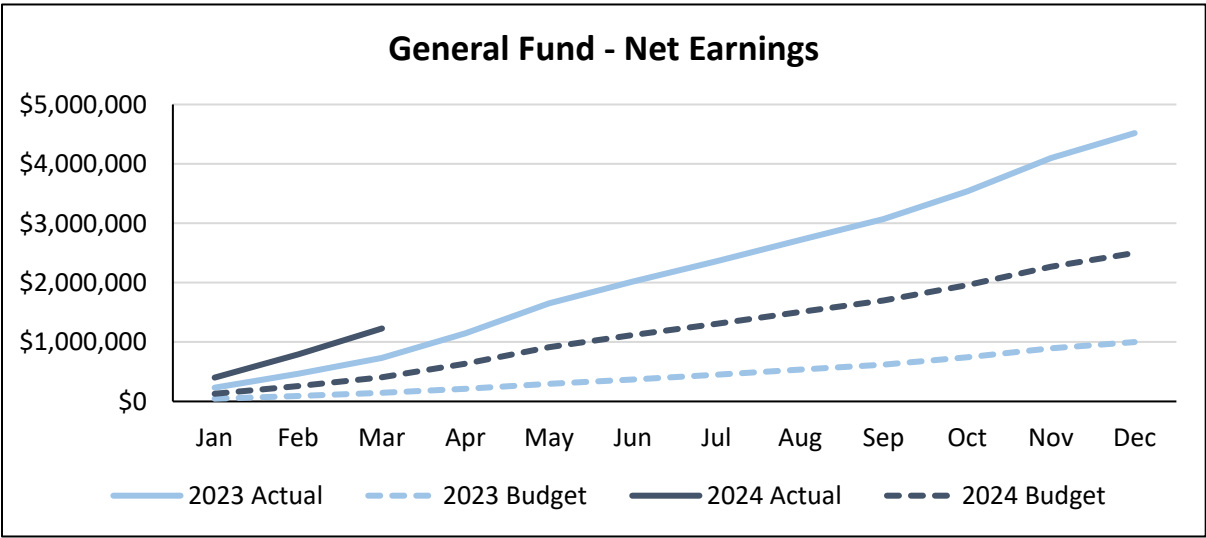
2023	Portfolio (TCIP)			LGIP
	Average Daily Cash Balance	Gross Earnings	Earnings Rate	Earnings Rate
January	\$ 1,150,656,875	\$ 1,409,020	1.36%	4.17%
February	1,151,345,529	1,445,048	1.55%	4.38%
March	1,159,153,761	1,599,413	1.53%	4.51%
April	1,246,769,133	1,938,322	1.78%	4.69%
May	1,352,191,878	2,495,882	2.05%	4.89%
June	1,253,927,953	2,144,731	1.97%	4.94%
July	1,199,633,463	2,056,366	1.92%	4.97%
August	1,203,370,500	2,211,300	2.06%	5.07%
September	1,196,958,081	2,210,565	2.15%	5.12%
October	1,233,465,771	2,388,341	2.16%	5.13%
November	1,315,824,793	2,941,674	2.60%	5.16%
December	1,154,360,351	2,469,755	2.41%	5.16%
<b>Average/Total</b>	<b>\$ 1,218,138,174</b>	<b>\$ 25,310,418</b>	<b>1.96%</b>	<b>4.85%</b>

**Thurston County Investment Pool**  
Portfolio Earnings - Year to Date (Cumulative)

2024	General Fund		All County Funds	Entire Portfolio
	Actual Net Earnings	Budgeted Earnings	Net Earnings	Gross Earnings
January	\$ 400,809	\$ 127,700	\$ 762,464	\$ 2,398,445
February	790,742	257,600	1,503,898	4,750,069
March	1,228,248	404,800	2,303,856	7,298,990
April		634,000		
May		912,500		
June		1,115,500		
July		1,305,100		
August		1,503,500		
September		1,699,800		
October		1,956,600		
November		2,267,400		
December		2,500,000		

2023	General Fund		All County Funds	Entire Portfolio
	Actual Net Earnings	Budgeted Earnings	Net Earnings	Gross Earnings
January	\$ 230,817	\$ 44,500	\$ 431,004	\$ 1,409,020
February	465,582	91,200	868,483	2,854,068
March	731,572	143,600	1,356,463	4,453,481
April	1,145,735	211,900	2,021,824	6,391,803
May	1,649,039	293,400	2,833,496	8,887,686
June	2,015,870	368,400	3,598,995	11,032,417
July	2,358,395	449,600	4,227,798	13,088,783
August	2,716,913	533,300	4,897,592	15,300,083
September	3,071,770	616,900	5,567,450	17,510,648
October	3,535,715	743,200	6,358,520	19,898,989
November	4,097,370	894,100	7,308,022	22,840,663
December	4,517,710	1,000,000	8,101,756	25,310,418

**Thurston County Investment Pool**  
Portfolio Earnings - Year to Date (Cumulative)

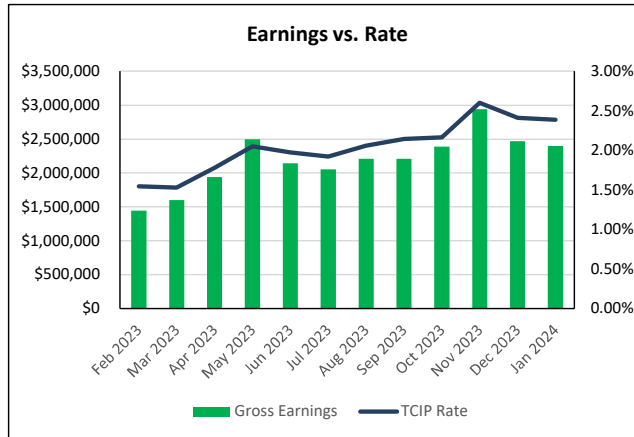


## Thurston County Investment Pool Portfolio Snapshot

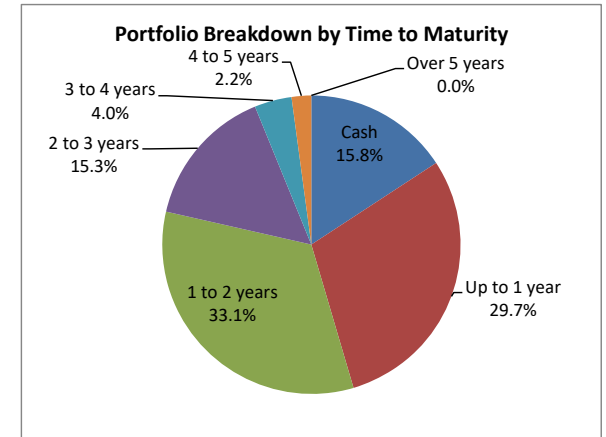
Date: 1/31/2024

January 2024	
TCIP Rate	2.39%
LGIP Rate	5.15%
Gross Earnings	\$2,398,445
Avg Daily Cash Bal	\$1,137,572,291

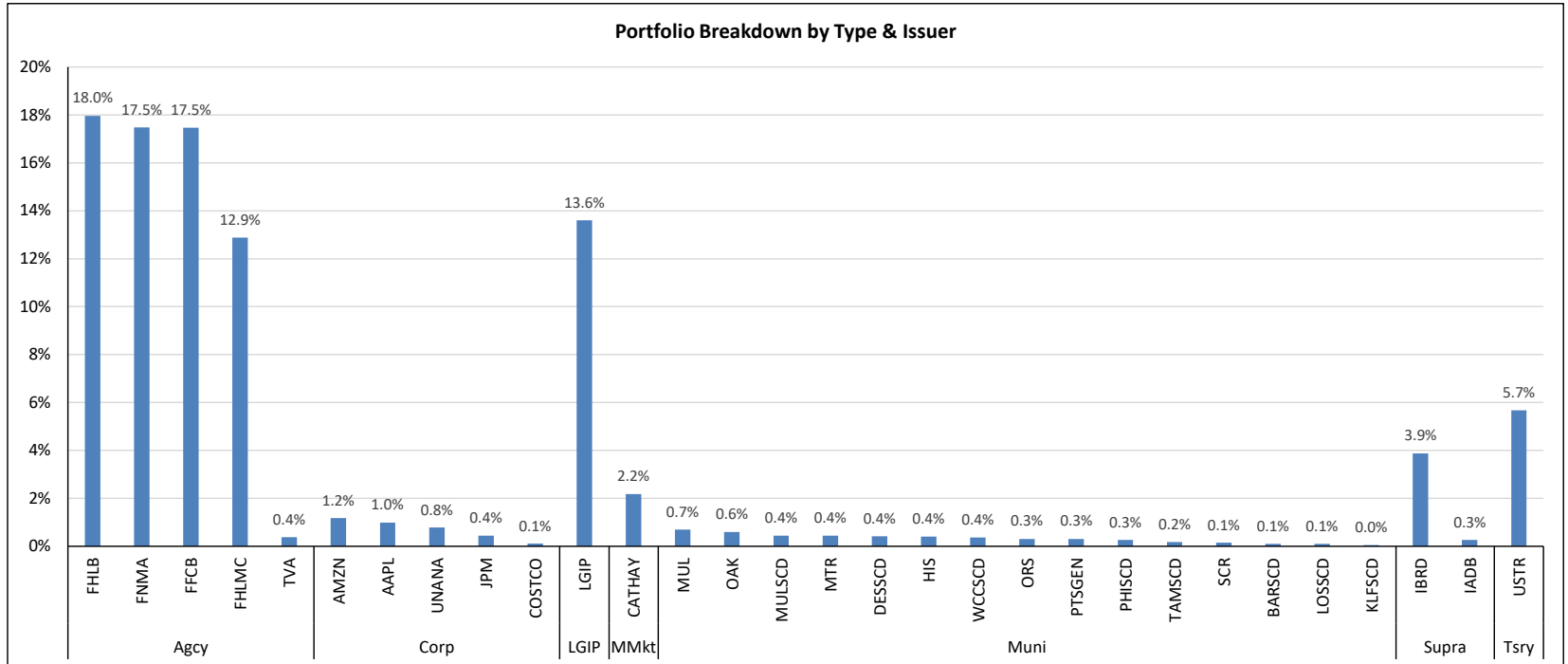
12-Month Average	
TCIP Rate	2.05%
LGIP Rate	4.93%
Gross Earnings	\$2,191,654
Avg Daily Cash Bal	\$1,217,047,792



Time to Maturity	Face Value
Cash	181,000,000
Up to 1 year	340,470,000
1 to 2 years	379,740,000
2 to 3 years	175,069,000
3 to 4 years	46,027,000
4 to 5 years	24,715,000
Over 5 years	-
<b>Total</b>	<b>1,147,021,000</b>



Type	Face Value
Agcy	758,832,000
CD	-
Corp	39,939,000
CP	-
LGIP	156,000,000
MMkt	25,000,000
Muni	54,765,000
Supra	47,485,000
Tbill	-
Tsry	65,000,000
<b>Total</b>	<b>1,147,021,000</b>



# Thurston County Investment Pool

## Compliance Verification

Date: 1/31/2024  
Status: In Compliance

				Compliance Status	
Type/Issuer	Issuer Name	Face Value	% of Portfolio	Under Max	Rule
<b>Agcy</b>					
FHLB	FEDERAL HOME LOAN BANK	206,060,000	18.0%		
FNMA	FEDERAL NATIONAL MTG ASSN	200,445,000	17.5%		
FFCB	FEDERAL FARM CREDIT BANK	200,335,000	17.5%		
FHLMC	FEDERAL HOME LOAN MTG CORP	147,725,000	12.9%		
TVA	TENNESSEE VALLEY AUTHORITY	4,267,000	0.4%		
<b>Agcy Total</b>		<b>758,832,000</b>	<b>66.2%</b>	<b>273,486,900</b>	<b>Agcy &lt;= 90%</b>
<b>Corp</b>					
AMZN	AMAZON.COM INC	13,500,000	1.2%	20,910,630	Issuer <= 3%
AAPL	APPLE INC	11,342,000	1.0%	23,068,630	Issuer <= 3%
UNANA	UNILEVER CAPTIAL CORP	8,900,000	0.8%	25,510,630	Issuer <= 3%
JPM	JP MORGAN	5,000,000	0.4%	29,410,630	Issuer <= 3%
COSTCO	COSTCO WHOLESALE CORP	1,197,000	0.1%	33,213,630	Issuer <= 3%
<b>Corp Total</b>		<b>39,939,000</b>	<b>3.5%</b>	<b>74,763,100</b>	<b>Corp+CP &lt;= 10%</b>
<b>LGIP</b>					
LGIP	LOCAL GOVT INVESTMENT POOL	156,000,000	13.6%		
<b>LGIP Total</b>		<b>156,000,000</b>	<b>13.6%</b>	<b>N/A</b>	<b>LGIP &lt;= 100%</b>
<b>MMkt</b>					
CATHAY	CATHAY BANK	25,000,000	2.2%		
<b>MMkt Total</b>		<b>25,000,000</b>	<b>2.2%</b>	<b>433,808,400</b>	<b>MMkt &lt;= 40%</b>
<b>Muni (In State)</b>					
PTSGEN	PORT OF SEATTLE WA REVENUE	3,505,000	0.3%	53,846,050	Issuer <= 5%
<b>Muni (In State) Total</b>		<b>3,505,000</b>	<b>0.3%</b>	<b>225,899,200</b>	<b>Muni-in &lt;= 20%</b>
<b>Muni (Out of State)</b>					
MUL	MULTNOMAH CNTY OR	8,000,000	0.7%	49,351,050	Issuer <= 5%
OAK	CITY OF OAKLAND CA	6,835,000	0.6%	50,516,050	Issuer <= 5%
MULSCD	MULTNOMAH COUNTY SCHOOL DIST	5,000,000	0.4%	52,351,050	Issuer <= 5%
MTR	METRO OR	5,000,000	0.4%	52,351,050	Issuer <= 5%
DESSCD	DESCHUTES CNTY OR ADMIN SD 1	4,740,000	0.4%	52,611,050	Issuer <= 5%
HIS	HAWAII ST	4,590,000	0.4%	52,761,050	Issuer <= 5%
WCCSCD	W CONTRA COSTA CA UNIF SCH DIS	4,185,000	0.4%	53,166,050	Issuer <= 5%
ORS	OREGON ST	3,510,000	0.3%	53,841,050	Issuer <= 5%
PHISCD	PHILOMATH OR SD #17J	3,000,000	0.3%	54,351,050	Issuer <= 5%
TAMSCD	TAMALPAIS CA UNION HIGH SCH DI	2,000,000	0.2%	55,351,050	Issuer <= 5%
SCR	SANTA CLARA CNTY CA	1,675,000	0.1%	55,676,050	Issuer <= 5%
BARSCD	BARBERS HILL TX INDEP SCH DIST	1,150,000	0.1%	56,201,050	Issuer <= 5%
LOSSCD	LOS ANGELES CA UNIF SCH DIST	1,075,000	0.1%	56,276,050	Issuer <= 5%
KLFSCD	KLAMATH FALLS OR CITY SCHS	500,000	0.0%	56,851,050	Issuer <= 5%
<b>Muni (Out of State) Total</b>		<b>51,260,000</b>	<b>4.5%</b>	<b>120,793,150</b>	<b>Muni-out &lt;= 15%</b>
<b>Supra</b>					
IBRD	INT'L BANK RECON & DEVELOPMENT	44,485,000	3.9%	70,217,100	Issuer <= 10%
IADB	INTER-AMERICAN DEVEL BK	3,000,000	0.3%	111,702,100	Issuer <= 10%
<b>Supra Total</b>		<b>47,485,000</b>	<b>4.1%</b>	<b>124,568,150</b>	<b>Supra &lt;= 15%</b>
<b>Tsry</b>					
USTR	U.S. TREASURY	65,000,000	5.7%		
<b>Tsry Total</b>		<b>65,000,000</b>	<b>5.7%</b>	<b>N/A</b>	<b>Tsry &lt;= 100%</b>
<b>Grand Total</b>		<b>1,147,021,000</b>	<b>100.0%</b>		

			Compliance Status	
Yrs to Mat	Face Value	% of Portfolio	Over Min	Rule
0-1	521,470,000	45.5%	292,065,800	0-1 yr >= 20%
1-2	379,740,000	33.1%		
2-3	175,069,000	15.3%		
3-4	46,027,000	4.0%		
4-5	24,715,000	2.2%		
Over 5	-	0.0%		
<b>Grand Total</b>	<b>1,147,021,000</b>	<b>100.0%</b>		

Weighted Average Maturity					
WAM	1.32	Under Max	1.68	Rule	WAM <= 3.0

## Thurston County Investment Pool Portfolio Snapshot

Date: 2/29/2024

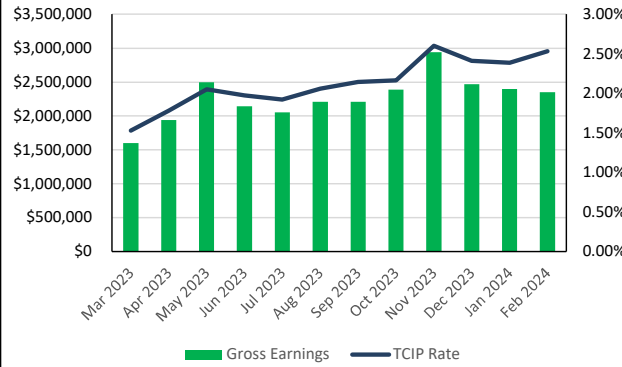
### February 2024

TCIP Rate	2.54%
LGIP Rate	5.14%
Gross Earnings	\$2,351,623
Avg Daily Cash Bal	\$1,125,230,118

### 12-Month Average

TCIP Rate	2.13%
LGIP Rate	4.99%
Gross Earnings	\$2,267,202
Avg Daily Cash Bal	\$1,214,871,508

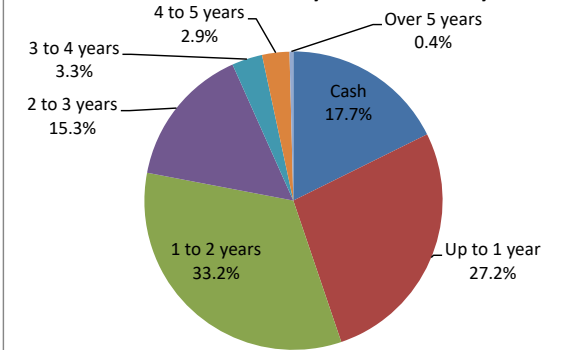
### Earnings vs. Rate



### Time to Maturity Face Value

Cash	205,000,000
Up to 1 year	315,370,000
1 to 2 years	385,590,000
2 to 3 years	177,336,000
3 to 4 years	38,760,000
4 to 5 years	34,215,000
Over 5 years	5,000,000
<b>Total</b>	<b>1,161,271,000</b>

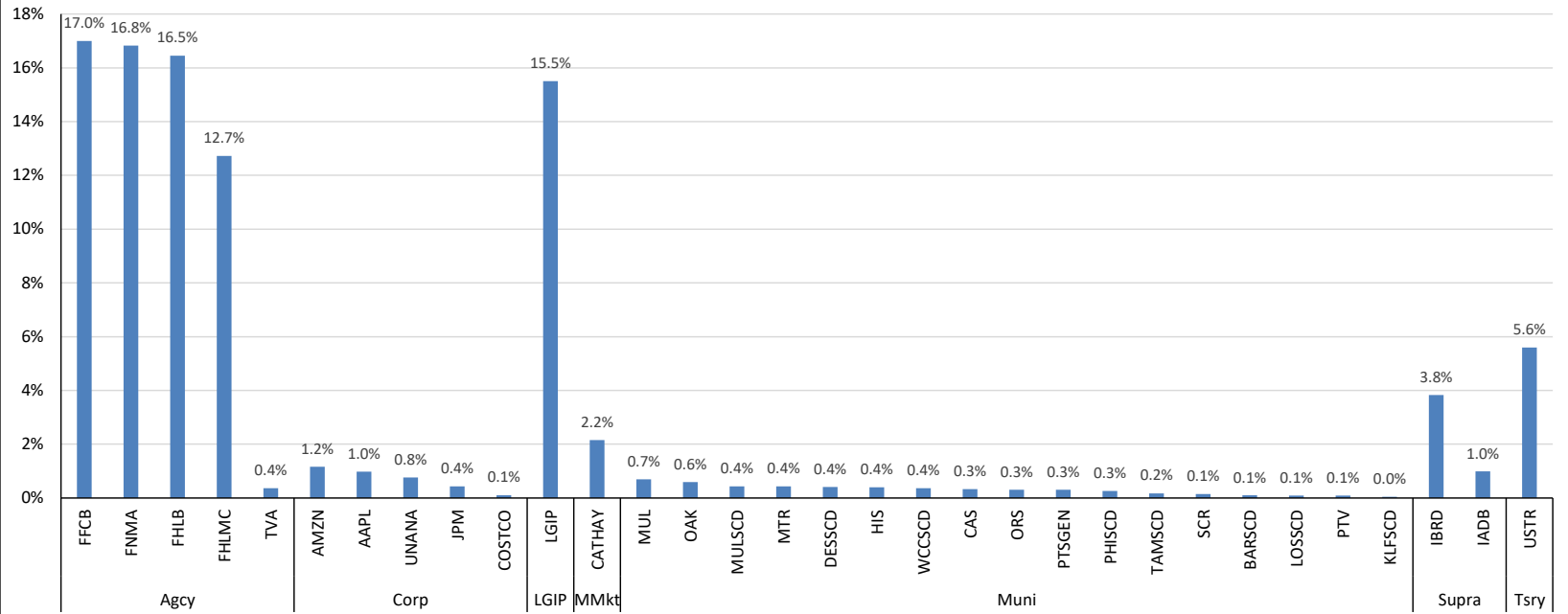
### Portfolio Breakdown by Time to Maturity



### Type Face Value

Agcy	735,832,000
CD	-
Corp	39,939,000
CP	-
LGIP	180,000,000
MMkt	25,000,000
Muni	59,515,000
Supra	55,985,000
Tbill	-
Tsry	65,000,000
<b>Total</b>	<b>1,161,271,000</b>

### Portfolio Breakdown by Type & Issuer





# Thurston County Investment Pool

## Compliance Verification

Date: 2/29/2024  
 Status: In Compliance

				Compliance Status	
Type/Issuer	Issuer Name	Face Value	% of Portfolio	Under Max	Rule
Agcy					
FFCB	FEDERAL FARM CREDIT BANK	197,335,000	17.0%		
FNMA	FEDERAL NATIONAL MTG ASSN	195,445,000	16.8%		
FHLB	FEDERAL HOME LOAN BANK	191,060,000	16.5%		
FHLMC	FEDERAL HOME LOAN MTG CORP	147,725,000	12.7%		
TVA	TENNESSEE VALLEY AUTHORITY	4,267,000	0.4%		
Agcy Total		735,832,000	63.4%	309,311,900	Agcy <= 90%
Corp					
AMZN	AMAZON.COM INC	13,500,000	1.2%	21,338,130	Issuer <= 3%
AAPL	APPLE INC	11,342,000	1.0%	23,496,130	Issuer <= 3%
UNANA	UNILEVER CAPTIAL CORP	8,900,000	0.8%	25,938,130	Issuer <= 3%
JPM	JP MORGAN	5,000,000	0.4%	29,838,130	Issuer <= 3%
COSTCO	COSTCO WHOLESALE CORP	1,197,000	0.1%	33,641,130	Issuer <= 3%
Corp Total		39,939,000	3.4%	76,188,100	Corp+CP <= 10%
LGIP					
LGIP	LOCAL GOV'T INVESTMENT POOL	180,000,000	15.5%		
LGIP Total		180,000,000	15.5%	N/A	LGIP <= 100%
MMkt					
CATHAY	CATHAY BANK	25,000,000	2.2%		
MMkt Total		25,000,000	2.2%	439,508,400	MMkt <= 40%
Muni (In State)					
PTSGEN	PORT OF SEATTLE WA REVENUE	3,505,000	0.3%	54,558,550	Issuer <= 5%
PTV	PORT VANCOUVER WA	1,000,000	0.1%	57,063,550	Issuer <= 5%
Muni (In State) Total		4,505,000	0.4%	227,749,200	Muni-in <= 20%
Muni (Out of State)					
MUL	MULTNOMAH CNTY OR	8,000,000	0.7%	50,063,550	Issuer <= 5%
OAK	CITY OF OAKLAND CA	6,835,000	0.6%	51,228,550	Issuer <= 5%
MULSCD	MULTNOMAH COUNTY SCHOOL DIST	5,000,000	0.4%	53,063,550	Issuer <= 5%
MTR	METRO OR	5,000,000	0.4%	53,063,550	Issuer <= 5%
DESSCD	DESCHUTES CNTY OR ADMIN SD 1	4,740,000	0.4%	53,323,550	Issuer <= 5%
HIS	HAWAII ST	4,590,000	0.4%	53,473,550	Issuer <= 5%
WCCSCD	W CONTRA COSTA CA UNIF SCH DIS	4,185,000	0.4%	53,878,550	Issuer <= 5%
CAS	STATE OF CALIFORNIA	3,750,000	0.3%	54,313,550	Issuer <= 5%
ORS	OREGON ST	3,510,000	0.3%	54,553,550	Issuer <= 5%
PHISCD	PHILOMATH OR SD #17J	3,000,000	0.3%	55,063,550	Issuer <= 5%
TAMSCD	TAMALPAIS CA UNION HIGH SCH DI	2,000,000	0.2%	56,063,550	Issuer <= 5%
SCR	SANTA CLARA CNTY CA	1,675,000	0.1%	56,388,550	Issuer <= 5%
BARSCD	BARBERS HILL TX INDEP SCH DIST	1,150,000	0.1%	56,913,550	Issuer <= 5%
LOSSCD	LOS ANGELES CA UNIF SCH DIST	1,075,000	0.1%	56,988,550	Issuer <= 5%
KLFSCD	KLAMATH FALLS OR CITY SCHS	500,000	0.0%	57,563,550	Issuer <= 5%
Muni (Out of State) Total		55,010,000	4.7%	119,180,650	Muni-out <= 15%
Supra					
IBRD	INT'L BANK RECON & DEVELOPMENT	44,485,000	3.8%	71,642,100	Issuer <= 10%
IADB	INTER-AMERICAN DEVEL BK	11,500,000	1.0%	104,627,100	Issuer <= 10%
Supra Total		55,985,000	4.8%	118,205,650	Supra <= 15%
Tsry					
USTR	U.S. TREASURY	65,000,000	5.6%		
Tsry Total		65,000,000	5.6%	N/A	Tsry <= 100%
Grand Total		1,161,271,000	100.0%		

Yrs to Mat	Face Value	% of Portfolio	Compliance Status	
			Over Min	Rule
0-1	520,370,000	44.8%	288,115,800	0-1 yr >= 20%
1-2	385,590,000	33.2%		
2-3	177,336,000	15.3%		
3-4	38,760,000	3.3%		
4-5	34,215,000	2.9%		
Over 5	5,000,000	0.4%		
<b>Grand Total</b>		<b>1,161,271,000</b>	<b>100.0%</b>	

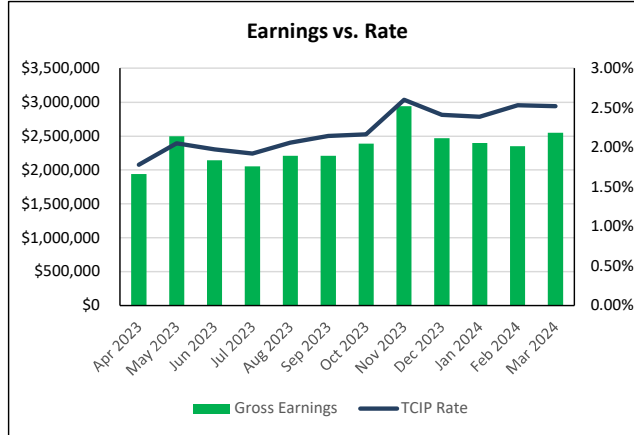
Weighted Average Maturity					
WAM	1.31	Under Max	1.69	Rule	WAM <= 3.0

## Thurston County Investment Pool Portfolio Snapshot

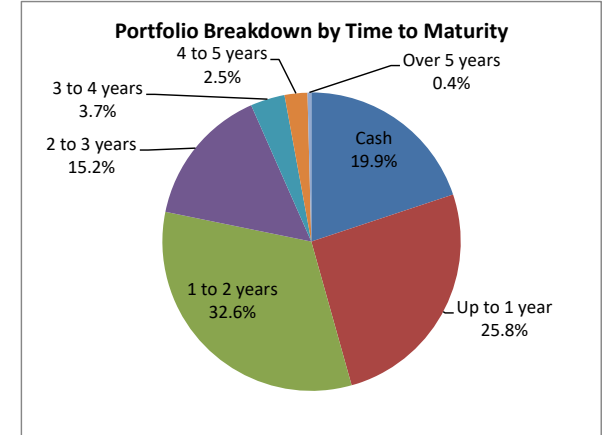
Date: 3/31/2024

March 2024	
TCIP Rate	2.52%
LGIP Rate	5.14%
Gross Earnings	\$2,548,922
Avg Daily Cash Bal	\$1,147,308,558

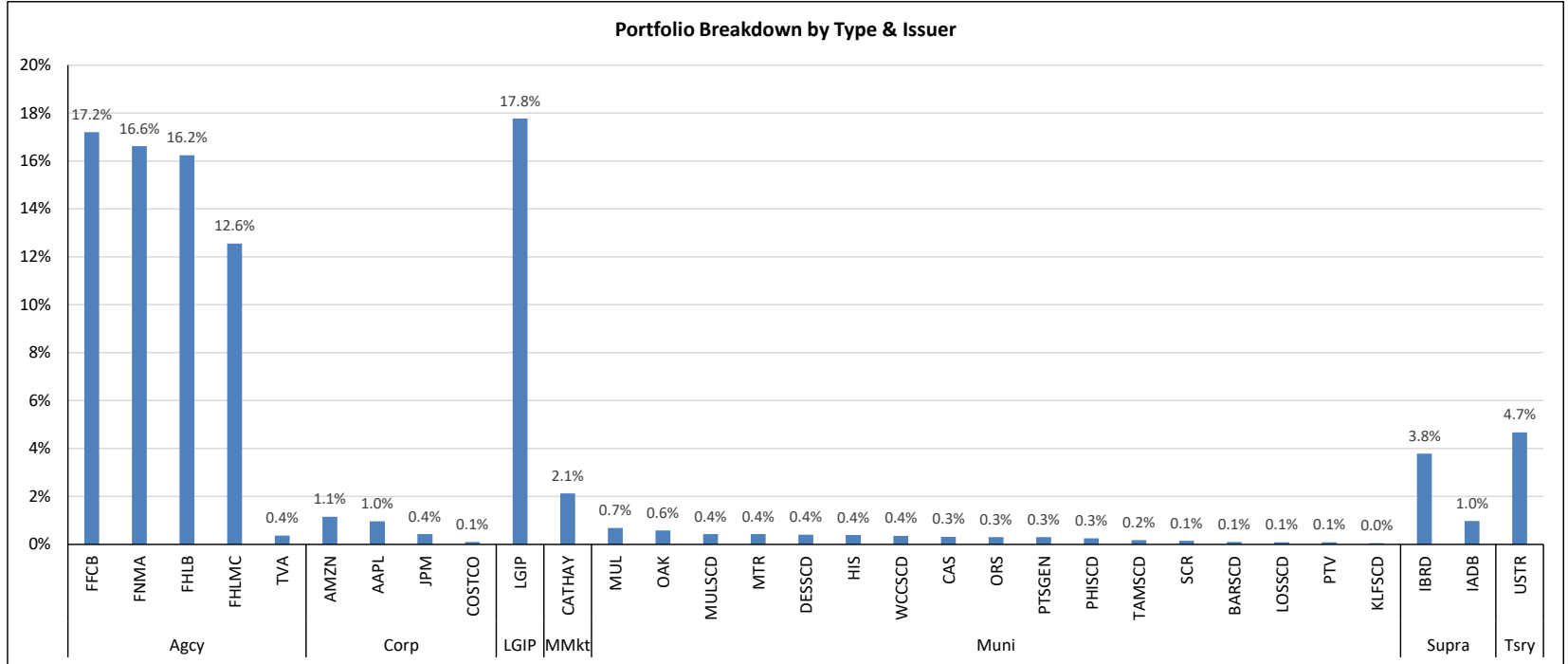
12-Month Average	
TCIP Rate	2.21%
LGIP Rate	5.05%
Gross Earnings	\$2,346,327
Avg Daily Cash Bal	\$1,213,884,408



Time to Maturity	Face Value
Cash	234,000,000
Up to 1 year	302,970,000
1 to 2 years	383,165,000
2 to 3 years	178,261,000
3 to 4 years	43,760,000
4 to 5 years	29,215,000
Over 5 years	5,000,000
<b>Total</b>	<b>1,176,371,000</b>



Type	Face Value
Agcy	740,832,000
CD	-
Corp	31,039,000
CP	-
LGIP	209,000,000
MMkt	25,000,000
Muni	59,515,000
Supra	55,985,000
Tbill	-
Tsry	55,000,000
<b>Total</b>	<b>1,176,371,000</b>



# Thurston County Investment Pool

## Compliance Verification

Date: 3/31/2024  
 Status: In Compliance

				Compliance Status	
Type/Issuer	Issuer Name	Face Value	% of Portfolio	Under Max	Rule
<b>Agcy</b>					
FFCB	FEDERAL FARM CREDIT BANK	202,335,000	17.2%		
FNMA	FEDERAL NATIONAL MTG ASSN	195,445,000	16.6%		
FHLB	FEDERAL HOME LOAN BANK	191,060,000	16.2%		
FHLMC	FEDERAL HOME LOAN MTG CORP	147,725,000	12.6%		
TVA	TENNESSEE VALLEY AUTHORITY	4,267,000	0.4%		
<b>Agcy Total</b>		<b>740,832,000</b>	<b>63.0%</b>	<b>317,901,900</b>	<b>Agcy &lt;= 90%</b>
<b>Corp</b>					
AMZN	AMAZON.COM INC	13,500,000	1.1%	21,791,130	Issuer <= 3%
AAPL	APPLE INC	11,342,000	1.0%	23,949,130	Issuer <= 3%
JPM	JP MORGAN	5,000,000	0.4%	30,291,130	Issuer <= 3%
COSTCO	COSTCO WHOLESALE CORP	1,197,000	0.1%	34,094,130	Issuer <= 3%
<b>Corp Total</b>		<b>31,039,000</b>	<b>2.6%</b>	<b>86,598,100</b>	<b>Corp+CP &lt;= 10%</b>
<b>LGIP</b>					
LGIP	LOCAL GOV'T INVESTMENT POOL	209,000,000	17.8%		
<b>LGIP Total</b>		<b>209,000,000</b>	<b>17.8%</b>	<b>N/A</b>	<b>LGIP &lt;= 100%</b>
<b>MMkt</b>					
CATHAY	CATHAY BANK	25,000,000	2.1%		
<b>MMkt Total</b>		<b>25,000,000</b>	<b>2.1%</b>	<b>445,548,400</b>	<b>MMkt &lt;= 40%</b>
<b>Muni (In State)</b>					
PTSGEN	PORT OF SEATTLE WA REVENUE	3,505,000	0.3%	55,313,550	Issuer <= 5%
PTV	PORT VANCOUVER WA	1,000,000	0.1%	57,818,550	Issuer <= 5%
<b>Muni (In State) Total</b>		<b>4,505,000</b>	<b>0.4%</b>	<b>230,769,200</b>	<b>Muni-in &lt;= 20%</b>
<b>Muni (Out of State)</b>					
MUL	MULTNOMAH CNTY OR	8,000,000	0.7%	50,818,550	Issuer <= 5%
OAK	CITY OF OAKLAND CA	6,835,000	0.6%	51,983,550	Issuer <= 5%
MULSCD	MULTNOMAH COUNTY SCHOOL DIST	5,000,000	0.4%	53,818,550	Issuer <= 5%
MTR	METRO OR	5,000,000	0.4%	53,818,550	Issuer <= 5%
DESSCD	DESCHUTES CNTY OR ADMIN SD 1	4,740,000	0.4%	54,078,550	Issuer <= 5%
HIS	HAWAII ST	4,590,000	0.4%	54,228,550	Issuer <= 5%
WCCSCD	W CONTRA COSTA CA UNIF SCH DIS	4,185,000	0.4%	54,633,550	Issuer <= 5%
CAS	STATE OF CALIFORNIA	3,750,000	0.3%	55,068,550	Issuer <= 5%
ORS	OREGON ST	3,510,000	0.3%	55,308,550	Issuer <= 5%
PHISCD	PHILOMATH OR SD #17J	3,000,000	0.3%	55,818,550	Issuer <= 5%
TAMSCD	TAMALPAIS CA UNION HIGH SCH DI	2,000,000	0.2%	56,818,550	Issuer <= 5%
SCR	SANTA CLARA CNTY CA	1,675,000	0.1%	57,143,550	Issuer <= 5%
BARSCD	BARBERS HILL TX INDEP SCH DIST	1,150,000	0.1%	57,668,550	Issuer <= 5%
LOSSCD	LOS ANGELES CA UNIF SCH DIST	1,075,000	0.1%	57,743,550	Issuer <= 5%
KLFSCD	KLAMATH FALLS OR CITY SCHS	500,000	0.0%	58,318,550	Issuer <= 5%
<b>Muni (Out of State) Total</b>		<b>55,010,000</b>	<b>4.7%</b>	<b>121,445,650</b>	<b>Muni-out &lt;= 15%</b>
<b>Supra</b>					
IBRD	INT'L BANK RECON & DEVELOPMENT	44,485,000	3.8%	73,152,100	Issuer <= 10%
IADB	INTER-AMERICAN DEVEL BK	11,500,000	1.0%	106,137,100	Issuer <= 10%
<b>Supra Total</b>		<b>55,985,000</b>	<b>4.8%</b>	<b>120,470,650</b>	<b>Supra &lt;= 15%</b>
<b>Tsry</b>					
USTR	U.S. TREASURY	55,000,000	4.7%		
<b>Tsry Total</b>		<b>55,000,000</b>	<b>4.7%</b>	<b>N/A</b>	<b>Tsry &lt;= 100%</b>
<b>Grand Total</b>		<b>1,176,371,000</b>	<b>100.0%</b>		

			Compliance Status	
Yrs to Mat	Face Value	% of Portfolio	Over Min	Rule
0-1	536,970,000	45.6%	301,695,800	0-1 yr >= 20%
1-2	383,165,000	32.6%		
2-3	178,261,000	15.2%		
3-4	43,760,000	3.7%		
4-5	29,215,000	2.5%		
Over 5	5,000,000	0.4%		
<b>Grand Total</b>	<b>1,176,371,000</b>	<b>100.0%</b>		

Weighted Average Maturity					
WAM	1.24	Under Max	1.76	Rule	WAM <= 3.0



**Thurston Co Investment Pool**  
**Portfolio Management**  
**Portfolio Summary**  
**March 31, 2024**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Federal Agency Coupon Securities	740,832,000.00	709,525,495.01	733,820,870.74	62.86	1,440	544	1.926	1.953
Treasury Coupon Securities	55,000,000.00	52,341,992.00	54,326,211.13	4.65	1,373	642	1.882	1.908
Supranationals	55,985,000.00	53,149,988.30	56,151,245.00	4.81	1,717	785	1.301	1.319
Corporate Notes	31,039,000.00	30,660,377.90	30,857,851.75	2.64	897	390	3.061	3.104
Municipal Bonds- Out of State	55,010,000.00	52,847,146.12	53,851,855.74	4.61	1,076	560	3.293	3.339
Municipal Bonds- In State	4,505,000.00	4,203,335.68	4,383,560.97	0.38	1,484	837	2.178	2.208
LGIP	209,000,000.00	209,000,000.00	209,000,000.00	17.90	1	1	5.346	5.420
Money Market Accounts	25,000,000.00	25,000,000.00	25,000,000.00	2.14	1	1	4.981	5.050
	<b>1,176,371,000.00</b>	<b>1,136,728,335.01</b>	<b>1,167,391,595.33</b>	<b>100.00%</b>	<b>1,131</b>	<b>449</b>	<b>2.666</b>	<b>2.703</b>
Investments								

<b>Cash and Accrued Interest</b>								
Accrued Interest at Purchase		220,459.66	220,459.66					
Subtotal		220,459.66	220,459.66					
<b>Total Cash and Investments</b>	<b>1,176,371,000.00</b>	<b>1,136,948,794.67</b>	<b>1,167,612,054.99</b>		<b>1,131</b>	<b>449</b>	<b>2.666</b>	<b>2.703</b>

<b>Total Earnings</b>	<b>March 31</b>	<b>Month Ending</b>	<b>Fiscal Year To Date</b>
Current Year	2,548,921.73		7,298,990.28
<b>Average Daily Balance</b>	<b>1,146,754,001.10</b>		<b>1,138,286,295.08</b>
<b>Effective Rate of Return</b>		<b>2.62%</b>	<b>2.57%</b>

Nicole Muegge, Investment & Banking Officer

THURSTON COUNTY, WASHINGTON

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION of Thurston County, Washington, providing for the issuance, sale and delivery of not to exceed \$42,000,000 aggregate principal amount of limited tax general obligation bonds in one or more series to provide funds necessary to finance the remodeling and renovation of the County's ballot processing center, the purchase and remodeling of an existing building, or the purchase of land and construction of a new building thereon, to house the County Sheriff's Department, improving the juvenile jail, and the acquisition and/or construction of other associated infrastructure or capital improvements; fixing or setting parameters with respect to certain terms and covenants of the bonds; appointing the County's designated representative to approve the final terms of the sale of the bonds; and providing for other related matters.

Passed May 14, 2024

*This document prepared by:*

*Foster Garvey P.C.  
1111 Third Avenue, Suite 3000  
Seattle, Washington 98101  
(206) 447-4400*

## TABLE OF CONTENTS\*

	<b><u>Page</u></b>
Section 1. Definitions.....	1
Section 2. Findings and Determinations .....	4
Section 3. Authorization of the Bonds.....	5
Section 4. Description of the Bonds; Appointment of Designated Representative .....	5
Section 5. Bond Registrar; Registration and Transfer of Bonds.....	6
Section 6. Form and Execution of the Bonds .....	7
Section 7. Payment of the Bonds .....	8
Section 8. Funds and Accounts; Deposit of Proceeds.....	8
Section 9. Redemption Provisions and Purchase of Bonds .....	8
Section 10. Failure To Pay the Bonds.....	10
Section 11. Pledge of Taxes.....	10
Section 12. Tax Covenants; Designation of the Bonds as “Qualified Tax Exempt Obligations” .....	10
Section 13. Refunding or Defeasance of the Bonds .....	11
Section 14. Sale and Delivery of the Bonds .....	11
Section 15. Official Statement .....	12
Section 16. Continuing Disclosure .....	13
Section 17. Supplemental and Amendatory Resolutions.....	15
Section 18. General Authorization and Ratification .....	16
Section 19. Severability .....	16
Section 20. Effective Date of Resolution.....	16

*\*The cover page, table of contents and section headings of this resolution are for convenience of reference only, and shall not be used to resolve any question of interpretation of this resolution.*

THURSTON COUNTY, WASHINGTON

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION of Thurston County, Washington, providing for the issuance, sale and delivery of not to exceed \$42,000,000 aggregate principal amount of limited tax general obligation bonds in one or more series to provide funds necessary to finance the remodeling and renovation of the County's ballot processing center, the purchase and remodeling of an existing building, or the purchase of land and construction of a new building thereon, to house the County Sheriff's Department, improving the juvenile jail, and the acquisition and/or construction of other associated infrastructure or capital improvements; fixing or setting parameters with respect to certain terms and covenants of the bonds; appointing the County's designated representative to approve the final terms of the sale of the bonds; and providing for other related matters.

THE BOARD OF COUNTY COMMISSIONERS OF THURSTON COUNTY, WASHINGTON, DOES RESOLVE AS FOLLOWS:

Section 1.     Definitions. In addition to the words and terms defined elsewhere in this resolution, the following words and terms shall have the following meanings, unless the context or use indicates another or different meaning or intent. Unless the context indicates, words importing the singular number shall include the plural number and vice versa.

(a)     "*Authorized Denomination*" means \$5,000 or any integral multiple thereof within a maturity of a Series for those Series of Bonds sold through a negotiated or competitive sale, and in any denomination designated by the Designated Representative for those Bonds sold by private placement.

(b)     "*Beneficial Owner*" means, with respect to a Bond, the owner of any beneficial interest in that Bond.

(c)     "*Board*" means the Board of Commissioners of Thurston County, the general legislative authority of the County.

(d)     "*Bond*" means each bond issued pursuant to and for the purposes provided in this resolution.

(e)     "*Bond Counsel*" means the firm of Foster Garvey P.C., its successor, or any other attorney or firm of attorneys selected by the County with a nationally recognized standing as bond counsel in the field of municipal finance.

(f)     "*Bond Fund*" means the fund or account of the County created for the payment of the principal of and interest on the Bonds.

(g)     "*Bond Register*" means the books or records maintained by the Bond Registrar for the purpose of identifying ownership of each Bond.

(h) “*Bond Registrar*” means the Fiscal Agent, or any successor bond registrar selected by the County for any Series of Bonds.

(i) “*County*” means Thurston County, Washington, a municipal corporation duly organized and existing under the laws of the State.

(j) “*Code*” means the United States Internal Revenue Code of 1986, as amended, and applicable rules and regulations promulgated thereunder.

(k) “*DTC*” means The Depository Trust Company, New York, New York, or its nominee.

(l) “*Designated Representative*” means the officer of the County appointed in Section 4 of this resolution to serve as the County’s designated representative in accordance with RCW 39.46.040(2).

(m) “*Final Terms*” means the terms and conditions for the sale of a Series of the Bonds including, but limited to, the amount, date or dates, denominations, interest rate or rates (or mechanism for determining interest rate or rates), payment dates, final maturity, redemption rights, price, and other terms or covenants, including whether a Series is taxable or tax-exempt.

(n) “*Fiscal Agent*” means the fiscal agent of the State, as the same may be designated by the State from time to time.

(o) “*Government Obligations*” has the meaning given in RCW 39.53.010, as now in effect or as may hereafter be amended.

(p) “*Issue Date*” means, with respect to a Bond, the date of initial issuance and delivery of that Bond to the Purchaser in exchange for the purchase price of that Bond.

(q) “*Letter of Representations*” means the Blanket Issuer Letter of Representations between the County and DTC, dated August 10, 1999, as it may be amended from time to time, and any successor or substitute letter relating to the operational procedures of the Securities Depository.

(r) “*MSRB*” means the Municipal Securities Rulemaking Board.

(s) “*Official Statement*” means an offering document, disclosure document, private placement memorandum or substantially similar disclosure document provided to purchasers and potential purchasers in connection with the initial offering of a Series of the Bonds in conformance with Rule 15c2-12 or other applicable regulations of the SEC.

(t) “*Owner*” means, without distinction, the Registered Owner and the Beneficial Owner.

(u) “*Project*” means funding the remodeling and renovation of the County’s ballot processing center to provide elections security infrastructure; the purchase and remodeling of an existing building, or the purchase of land and construction of a new building thereon, to house the



County Sheriff's Department to provide law enforcement infrastructure; improving the juvenile jail; and the acquisition and/or construction of other associated infrastructure or capital improvements as deemed necessary and advisable by the County. Incidental costs incurred in connection with carrying out and accomplishing the Project, consistent with RCW 39.46.070, may be included as costs of the Project.

(v) “*Project Fund*” means the fund(s) or account(s) designated or created by the Treasurer for the purpose of carrying out the Project.

(w) “*Purchaser*” means the corporation, firm, association, partnership, trust, bank, financial institution or other legal entity or group of entities selected by the Designated Representative to serve as purchaser in a private placement, underwriter in a negotiated sale or awarded as the successful bidder in a competitive sale of any Series of the Bonds.

(x) “*Rating Agency*” means any nationally recognized rating agency then maintaining a rating on the Bonds at the request of the County.

(y) “*RCW*” means the Revised Code of Washington.

(z) “*Record Date*” means the Bond Registrar's close of business on the 15th day of the month preceding an interest payment date. With respect to redemption of a Bond prior to its maturity, the Record Date shall mean the Bond Registrar's close of business on the date on which the Bond Registrar sends the notice of redemption in accordance with Section 9.

(aa) “*Registered Owner*” means, with respect to a Bond, the person in whose name that Bond is registered on the Bond Register. For so long as the County utilizes the book-entry only system for the Bonds under the Letter of Representations, Registered Owner shall mean the Securities Depository.

(bb) “*Rule 15c2-12*” means Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934, as amended.

(cc) “*SEC*” means the United States Securities and Exchange Commission.

(dd) “*Securities Depository*” means DTC, any successor thereto, any substitute securities depository selected by the County that is qualified under applicable laws and regulations to provide the services proposed to be provided by it, or the nominee of any of the foregoing.

(ee) “*Series of the Bonds*” or “*Series*” means a series of the Bonds issued pursuant to this resolution.

(ff) “*State*” means the State of Washington.

(gg) “*Term Bond*” means each Bond designated as a Term Bond and subject to mandatory redemption in the years and amounts as determined by the Designated Representative.

(hh) “*Undertaking*” means the undertaking to provide continuing disclosure entered into pursuant to Section 16 of this resolution.

Section 2. Findings and Determinations. The County takes note of the following facts and makes the following findings and determinations:

(a) *Authority and Description of Project.* Pursuant to Resolution No. 16289 adopted by the Board on July 27, 2023, the County submitted a proposition to the voters of the County at the November 7, 2023 general election to impose an additional sales and use tax at a rate of two-tenths of one percent pursuant to RCW 82.14.450, the County's portion of which was to be used for up to 75% in law enforcement protection, including hiring additional sheriff deputies and associated infrastructure, and up to 25% for additional prosecution and proportionate public defense services and elections security infrastructure. The proposition was approved by the voters.

The County is in need of funding the remodeling and renovation of the County's ballot processing center to provide elections security infrastructure; the purchase and remodeling of an existing building, or the purchase of land and construction of a new building thereon, to house the County Sheriff's Department to provide law enforcement infrastructure; improving the juvenile jail; and the acquisition and/or construction of other associated infrastructure or capital improvements as deemed necessary and advisable by the County. The Board therefore finds that it is in the best interests of the County to carry out the Project.

(b) *Plan of Financing.* Pursuant to applicable law, including without limitation chapters 39.36, 39.44, 39.46 and 39.52 RCW, the County is authorized to issue general obligation bonds for the purpose of financing the Project. The total expected cost of the Project is approximately \$42,000,000, which is expected to be made up of proceeds of the Bonds, sales and use taxes imposed pursuant to RCW 82.14.450, and other available money of the County.

(c) *Debt Capacity.* The maximum amount of indebtedness authorized by this resolution is \$42,000,000. Based on the following facts, this amount is to be issued within the amount permitted to be issued by the County for general municipal purposes without a vote:

- (1) The assessed valuation of the taxable property within the County as ascertained by the last preceding assessment for County purposes for collection in the calendar year 2024 is \$59,970,587,483.
- (2) As of April 15, 2024, the County had limited tax general obligation indebtedness, consisting of bonds, leases and loans outstanding in the principal amount of \$83,843,795, which is incurred within the limit of up to 1½% of the value of the taxable property within the County permitted for general municipal purposes without a vote.
- (3) As of April 15, 2024, the County had no unlimited tax general obligation indebtedness.

(d) *The Bonds.* For the purpose of providing the funds necessary to carry out the Project and to pay the costs of issuance and sale of the Bonds, the Board finds that it is in the best interests of the County and its taxpayers to issue and sell the Bonds to the Purchaser, pursuant to the terms as approved by the County's Designated Representative consistent with this resolution.

Section 3. Authorization of the Bonds. The County is authorized to borrow money on the credit of the County and issue negotiable limited tax general obligation bonds evidencing indebtedness in one or more Series in the aggregate principal amount of not to exceed \$42,000,000 to provide funds necessary to carry out the Project and to pay the costs of issuance and sale of the Bonds. The proceeds of the Bonds allocated to paying the cost of the Project shall be deposited as set forth in Section 8 of this resolution and shall be used to carry out the Project, or a portion of the Project, in such order of time as the County determines is advisable and practicable.

Section 4. Description of the Bonds; Appointment of Designated Representative. The Assistant County Manager, or the Treasurer in the absence of the Assistant County Manager, is appointed as the County's Designated Representative and is authorized and directed to conduct the sale of the Bonds in the manner and upon the terms deemed most advantageous to the County, and to approve the Final Terms of the Bonds, with such additional terms and covenants as they deem advisable, within the following parameters:

(a) *Principal Amount.* The Bonds may be issued in one or more Series and shall not exceed the aggregate principal amount of \$42,000,000.

(b) *Date or Dates.* Each Series of Bonds shall be dated as of its date of delivery to the Purchaser, which date may not be later than December 31, 2024.

(c) *Denominations, Series Designation, etc.* The Bonds must be issued in Authorized Denominations, shall be numbered separately in the manner and shall bear any name and additional designation as deemed necessary or appropriate by the Designated Representative.

(d) *Interest Rate(s).* The Bonds shall bear interest at fixed rates per annum (computed on the basis of a 360-day year of twelve 30-day months) from their date or from the most recent interest payment date for which interest has been paid or duly provided for, whichever is later. One or more rates of interest may be fixed for the Bonds, provided that no rate of interest for any Bond may exceed 7.0%, and the true interest cost to the County for a Series of Bonds may not exceed 6.0%.

(e) *Payment Dates.* Interest must be payable at fixed rates semiannually on such dates as are acceptable to the Designated Representative, commencing no later than one year following the Issue Date. Principal payments shall commence on a payment date acceptable to the Designated Representative and must be payable at maturity or in mandatory redemption installments on such dates as are acceptable to the Designated Representative.

(f) *Redemption Rights.* In their discretion, the Designated Representative may approve provisions for the optional and mandatory redemption of Bonds, as follows:

(1) Optional Redemption. Any Bond or Series of Bonds may be designated as being (A) subject to redemption at the option of the County prior to its maturity date on the dates and at the prices as determined by the Designated Representative or (B) not subject to redemption prior to its maturity date.

(2) Mandatory Redemption. Any Bond may be designated as a Term Bond, subject to mandatory redemption prior to its maturity on the dates and in the amounts as determined by the Designated Representative.

(g) *Final Maturity.* The Bonds shall mature no later than December 31, 2049.

(h) *Price.* The purchase price for any Series of Bonds may not be less than 98% or more than 135% of the stated principal amount of that Series.

(i) *Other Terms and Conditions.*

(1) A Series of Bonds may not be issued if it would cause the indebtedness of the County to exceed the County's legal debt capacity on the Issue Date.

(2) The Bonds may be sold in accordance with Section 14 of this resolution.

(3) The Designated Representative may determine whether it is in the County's best interest to provide for bond insurance or other credit enhancement, and may accept such additional terms, conditions and covenants as they may determine are in the best interests of the County, consistent with this resolution.

Section 5. Bond Registrar; Registration and Transfer of Bonds.

(a) *Registration of Bonds.* Each Bond shall be issued only in registered form as to both principal and interest and the ownership of each Bond shall be recorded on the Bond Register.

(b) *Bond Registrar; Duties.* The Fiscal Agent is appointed as initial Bond Registrar for the Bonds. The Bond Registrar shall keep, or cause to be kept, sufficient books for the registration and transfer of the Bonds, which shall be open to inspection by the County at all times. The Bond Registrar is authorized, on behalf of the County, to authenticate and deliver Bonds transferred or exchanged in accordance with the provisions of the Bonds and this resolution, to serve as the County's paying agent for the Bonds and to carry out all of the Bond Registrar's powers and duties under this resolution. The Bond Registrar shall be responsible for its representations contained in the Bond Registrar's Certificate of Authentication on each Bond. The Bond Registrar may become an Owner with the same rights it would have if it were not the Bond Registrar and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as members of, or in any other capacity with respect to, any committee formed to protect the rights of Owners.

(c) *Bond Register; Transfer and Exchange.* Each Bond shall be issued only in registered form as to both principal and interest and shall be recorded on the Bond Register. The Bond Register shall contain the name and mailing address of each Registered Owner and the principal amount and number of each Bond held by each Registered Owner. A Bond surrendered to the Bond Registrar may be exchanged for a Bond or Bonds in any Authorized Denomination of an equal aggregate principal amount and of the same Series, interest rate and maturity. A Bond may be transferred only if endorsed in the manner provided thereon and surrendered to the Bond Registrar. Any exchange or transfer shall be without cost to the Owner or transferee. The Bond Registrar shall not be obligated to exchange any Bond or transfer registered ownership during the

period between the applicable Record Date and the next upcoming interest payment or redemption date.

(d) *Securities Depository; Book-Entry Only Form.* If a Bond is to be issued in book-entry form, DTC shall be appointed as initial Securities Depository and each such Bond initially shall be registered in the name of Cede & Co., as the nominee of DTC. Each Bond registered in the name of the Securities Depository shall be held fully immobilized in book-entry only form by the Securities Depository in accordance with the provisions of the Letter of Representations. Registered ownership of any Bond registered in the name of the Securities Depository may not be transferred except: (i) to any successor Securities Depository; (ii) to any substitute Securities Depository appointed by the County; or (iii) to any person if the Bond is no longer to be held in book-entry only form. Upon the resignation of the Securities Depository, or upon a termination of the services of the Securities Depository by the County, the County may appoint a substitute Securities Depository. If (i) the Securities Depository resigns and the County does not appoint a substitute Securities Depository, or (ii) the County terminates the services of the Securities Depository, the Bonds no longer shall be held in book-entry only form and the registered ownership of each Bond may be transferred to any person as provided in this resolution.

Neither the County nor the Bond Registrar shall have any obligation to participants of any Securities Depository or the persons for whom they act as nominees regarding accuracy of any records maintained by the Securities Depository or its participants. Neither the County nor the Bond Registrar shall be responsible for any notice that is permitted or required to be given to a Registered Owner except such notice as is required to be given by the Bond Registrar to the Securities Depository.

#### Section 6. Form and Execution of the Bonds.

(a) *Form of the Bonds; Signatures and Seal.* Each Bond shall be prepared in a form consistent with the provisions of this resolution and State law. Each Bond shall be signed by the Chair of the Board and Clerk of the Board, either or both of whose signatures may be manual or in facsimile, and the seal of the County or a facsimile reproduction thereof shall be impressed or printed thereon. If any officer whose manual or facsimile signature appears on a Bond ceases to be an officer of the County authorized to sign bonds before the Bond bearing their manual or facsimile signature is authenticated by the Bond Registrar, or issued or delivered by the County, that Bond nevertheless may be authenticated, issued and delivered and, when authenticated, issued and delivered, shall be as binding on the County as though that person had continued to be an officer of the County authorized to sign bonds. Any Bond also may be signed on behalf of the County by any person who, on the actual date of signing of the Bond, is an officer of the County authorized to sign bonds, although they did not hold the required office on its Issue Date.

(b) *Authentication.* Only a Bond bearing a Certificate of Authentication in substantially the following form, manually signed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this resolution: “Certificate of Authentication. This Bond is one of the fully registered Thurston County, Washington, Limited Tax General Obligation Bonds, 2024, described in the Bond Resolution.” The authorized signing of a Certificate of Authentication shall be conclusive evidence that the Bond so authenticated has been duly executed, authenticated and delivered and is entitled to the benefits of this resolution.

Section 7. Payment of the Bonds. Principal of and interest on each Bond shall be payable in lawful money of the United States of America. Principal of and interest on each Bond registered in the name of the Securities Depository is payable in the manner set forth in the Letter of Representations. Interest on each Bond not registered in the name of the Securities Depository is payable by electronic transfer on the interest payment date, or by check or draft of the Bond Registrar mailed on the interest payment date to the Registered Owner at the address appearing on the Bond Register on the Record Date. However, the County is not required to make electronic transfers except pursuant to a request by a Registered Owner in writing received on or prior to the Record Date and at the sole expense of the Registered Owner. Principal of each Bond not registered in the name of the Securities Depository is payable upon presentation and surrender of the Bond by the Registered Owner to the Bond Registrar. The Bonds are not subject to acceleration under any circumstances.

Section 8. Funds and Accounts; Deposit of Proceeds.

(a) *Bond Fund.* The Bond Fund is created as a restricted debt service fund of the County for the sole purpose of paying principal of and interest on the Bonds. All amounts allocated to the payment of the principal of and interest on the Bonds shall be deposited in the Bond Fund as necessary for the timely payment of amounts due with respect to the Bonds. The principal of and interest on the Bonds shall be paid out of the Bond Fund. Until needed for that purpose, the County may invest money in the Bond Fund temporarily in any legal investment, and the investment earnings shall be retained in the Bond Fund and used for the purposes of that fund.

(b) *Project Fund.* The Project Fund has been or will be created as a fund or funds of the County for the purpose of paying the costs of the Project. Proceeds received from the sale of the Bonds shall be deposited into the Project Fund and used to pay the costs of the Project and costs of issuance of the Bonds. Until needed to pay such costs, the County may invest those proceeds temporarily in any legal investment, and the investment earnings shall be retained in the Project Fund and used for the purposes of that fund, except that earnings subject to a federal tax or rebate requirement (if applicable) may be withdrawn from the Project Fund and used for those tax or rebate purposes.

Section 9. Redemption Provisions and Purchase of Bonds.

(a) *Optional Redemption.* The Bonds may be subject to redemption or prepayment at the option of the County on terms acceptable to the Designated Representative, consistent with the parameters set forth in Section 4.

(b) *Mandatory Redemption.* Each Bond that is designated as a Term Bond by the Designated Representative, within the parameters set forth in Section 4, if not previously redeemed under any optional redemption provisions, defeased or purchased and surrendered for cancellation under the provisions set forth below, shall be called for redemption at a price equal to the stated principal amount to be redeemed, plus accrued interest, on the dates and in the amounts as determined by the Designated Representative. If a Term Bond is redeemed under the optional redemption provisions, defeased or purchased by the County and surrendered for cancellation, the principal amount of the Term Bond so redeemed, defeased or purchased (irrespective of its actual redemption or purchase price) shall be credited against one or more scheduled mandatory

redemption installments for that Term Bond. The County shall determine the manner in which the credit is to be allocated and shall notify the Bond Registrar in writing of its allocation prior to the earliest mandatory redemption date for that Term Bond for which notice of redemption has not already been given.

(c) *Selection of Bonds for Redemption; Partial Redemption.* If fewer than all of the outstanding Bonds are to be redeemed at the option of the County, the County shall select the Series and maturities to be redeemed. If fewer than all of the outstanding Bonds of a maturity of a Series are to be redeemed, the Securities Depository shall select Bonds registered in the name of the Securities Depository to be redeemed in accordance with the Letter of Representations, and the Bond Registrar shall select all other Bonds to be redeemed randomly in such manner as the Bond Registrar shall determine. All or a portion of the principal amount of any Bond that is to be redeemed may be redeemed in any Authorized Denomination. If less than all of the outstanding principal amount of any Bond is redeemed, upon surrender of that Bond to the Bond Registrar, there shall be issued to the Registered Owner, without charge, a new Bond (or Bonds, at the option of the Registered Owner) of the same Series, maturity and interest rate in any Authorized Denomination in the aggregate principal amount to remain outstanding.

(d) *Notice of Redemption.* Notice of redemption of each Bond registered in the name of the Securities Depository shall be given in accordance with the Letter of Representations. Notice of redemption of each Bond, unless waived by the Registered Owner, shall be given by the Bond Registrar not less than 20 nor more than 60 days prior to the date fixed for redemption by first-class mail, postage prepaid, to the Registered Owner at the address appearing on the Bond Register on the Record Date. The requirements of the preceding sentence shall be satisfied when notice has been mailed as so provided, whether or not it is actually received by an Owner. In addition, the redemption notice shall be mailed or sent electronically within the same period to the MSRB (if required under the Undertaking), to each Rating Agency, and to such other persons and with such additional information as the Bond Registrar or Designated Representative shall determine, but these additional mailings shall not be a condition precedent to the redemption of any Bond.

(e) *Rescission of Optional Redemption Notice.* In the case of an optional redemption, the notice of redemption may state that the County retains the right to rescind the redemption notice and the redemption by giving a notice of rescission to the affected Registered Owners at any time prior to the scheduled optional redemption date. Any notice of optional redemption that is so rescinded shall be of no effect, and each Bond for which a notice of optional redemption has been rescinded shall remain outstanding.

(f) *Effect of Redemption.* Interest on each Bond called for redemption shall cease to accrue on the date fixed for redemption, unless either the notice of optional redemption is rescinded as set forth above, or money sufficient to effect such redemption is not on deposit in the Bond Fund or in a trust account established to refund or defease the Bond.

(g) *Purchase of Bonds.* The County reserves the right to purchase any or all of the Bonds offered to the County at any time at any price acceptable to the County plus accrued interest to the date of purchase.

Section 10. Failure To Pay the Bonds. If the principal of any Bond is not paid when the Bond is properly presented at its maturity or date fixed for redemption, the County shall be obligated to pay interest on that Bond at the same rate provided in the Bond from and after its maturity or date fixed for redemption until that Bond, both principal and interest, is paid in full or until sufficient money for its payment in full is on deposit in the Bond Fund, or in a trust account established to refund or defease the Bond, and the Bond has been called for payment by giving notice of that call to the Registered Owner.

Section 11. Pledge of Taxes. The Bonds constitute general indebtedness of the County and are payable from tax revenues of the County and such other money as is lawfully available, including the sales and use tax imposed by RCW 82.14.450 for the portion of the Project to remodel and renovate the County's ballot processing center, and the purchase and remodel of an existing building, or the purchase of land and construction of a new building thereon, to house the County Sheriff's Department, and pledged by the County for the payment of principal of and interest on the Bonds. For as long as any of the Bonds are outstanding, the County irrevocably pledges that it shall, in the manner provided by law within the constitutional and statutory limitations provided by law without the assent of the voters, include in its annual property tax levy amounts sufficient, together with other money that is lawfully available, to pay principal of and interest on the Bonds as the same become due. The full faith, credit and resources of the County are pledged irrevocably for the prompt payment of the principal of and interest on the Bonds and such pledge shall be enforceable in mandamus against the County.

Section 12. Tax Covenants; Designation of the Bonds as "Qualified Tax Exempt Obligations"

(a) *Preservation of Tax Exemption for Interest on the Bonds.* The County covenants that it will take all actions necessary to prevent interest on a Series of Bonds issued as tax-exempt from being included in gross income for federal income tax purposes, and it will neither take any action nor make or permit any use of proceeds of Series of Bonds issued as tax-exempt or other funds of the County treated as proceeds of Series of Bonds issued as tax-exempt that will cause interest on such Bonds issued as tax-exempt to be included in gross income for federal income tax purposes. The County also covenants that it will, to the extent the arbitrage rebate requirements of Section 148 of the Code are applicable to Series of Bonds issued as tax-exempt, take all actions necessary to comply (or to be treated as having complied) with those requirements in connection with the Bonds.

(b) *Post-Issuance Compliance.* The Designated Representative is authorized and directed to review and update the County's written procedures to facilitate compliance by the County with the covenants in this resolution and the applicable requirements of the Code that must be satisfied after the Issue Date to prevent interest on Series of Bonds issued as tax-exempt from being included in gross income for federal tax purposes.

(c) *Designation of a Series of Bonds as "Qualified Tax-Exempt Obligations."* A Series of Bonds may be designated as "qualified tax-exempt obligations" for the purposes of Section 265(b)(3) of the Code, if the following conditions are met:



- (1) the Series of Bonds does not constitute “private activity bonds” within the meaning of Section 141 of the Code;
- (2) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds and other obligations not required to be included in such calculation) that the County and any entity subordinate to the County (including any entity that the County controls, that derives its authority to issue tax-exempt obligations from the County, or that issues tax-exempt obligations on behalf of the County) will issue during the calendar year in which the Series of Bonds is issued will not exceed \$10,000,000; and
- (3) the amount of tax-exempt obligations, including the Series of Bonds (if issued as tax-exempt), designated by the County as “qualified tax-exempt obligations” for the purposes of Section 265(b)(3) of the Code during the calendar year in which the Series of Bonds is issued does not exceed \$10,000,000.

Section 13. Refunding or Defeasance of the Bonds. The County may issue refunding bonds pursuant to State law or use money available from any other lawful source to carry out a refunding or defeasance plan, which may include (a) paying when due the principal of and interest on any or all of a Series of the Bonds (the “defeased Bonds”); (b) redeeming the defeased Bonds prior to their maturity; and (c) paying the costs of the refunding or defeasance. If the County sets aside in a special trust fund or escrow account irrevocably pledged to that redemption or defeasance (the “trust account”), money and/or Government Obligations maturing at a time or times and bearing interest in amounts sufficient to redeem, refund or defease the defeased Bonds in accordance with their terms, then all right and interest of the Owners of the defeased Bonds in the covenants of this resolution and in the funds and accounts obligated to the payment of the defeased Bonds shall cease and become void. Thereafter, the Owners of defeased Bonds shall have the right to receive payment of the principal of and interest on the defeased Bonds solely from the trust account and the defeased Bonds shall be deemed no longer outstanding. In that event, the County may apply money remaining in any fund or account (other than the trust account) established for the payment or redemption of the defeased Bonds to any lawful purpose.

Unless otherwise specified by the County in a refunding or defeasance plan, notice of refunding or defeasance shall be given, and selection of Bonds for any partial refunding or defeasance shall be conducted, in the manner prescribed in this resolution for the redemption of Bonds.

Section 14. Sale and Delivery of the Bonds.

(a) *Manner of Sale of Bonds; Delivery of Bonds.* The Designated Representative is authorized to sell each Series of the Bonds by negotiated sale or private placement or by competitive sale in accordance with a notice of sale consistent with this resolution, based on the assessment of the Designated Representative of market conditions, in consultation with appropriate County officials and staff, Bond Counsel and municipal advisor. In determining the method of sale of a Series and accepting the Final Terms, the Designated Representative shall take

into account those factors that, in the judgment of the Designated Representative, may be expected to result in the lowest true interest cost to the County.

(b) *Procedure for Negotiated Sale or Private Placement.* If the Designated Representative determines that a Series of the Bonds is to be sold by negotiated sale or private placement, the Designated Representative shall select one or more Purchasers with which to negotiate such sale. A certificate of the Designated Representative for each Series of the Bonds shall set forth the Final Terms. The Designated Representative is authorized to execute the certificate on behalf of the County, so long as the terms provided therein are consistent with the terms of this resolution.

(c) *Procedure for Competitive Sale.* If the Designated Representative determines that a Series of the Bonds is to be sold by competitive sale, the Designated Representative shall cause the preparation of an official notice of bond sale setting forth parameters for the Final Terms and any other bid parameters that the Designated Representative deems appropriate consistent with this resolution. Bids for the purchase of each Series of the Bonds shall be received at such time or place and by such means as the Designated Representative directs. On the date and time established for the receipt of bids, the Designated Representative (or the designee of the Designated Representative) shall open bids and shall cause the bids to be mathematically verified. The Designated Representative is authorized to award, on behalf of the County, the winning bid and accept the winning bidder's offer to purchase that Series of the Bonds, with such adjustments to the aggregate principal amount and principal amount per maturity as the Designated Representative deems appropriate, consistent with the terms of this resolution, and such award shall constitute the Bond Purchase Agreement. The Designated Representative may reject any or all bids submitted and may waive any formality or irregularity in any bid or in the bidding process if the Designated Representative deems it to be in the County's best interest to do so. If all bids are rejected, that Series of the Bonds may be sold pursuant to negotiated sale or in any manner provided by law as the Designated Representative determines is in the best interest of the County, within the parameters set forth in this resolution.

(d) *Preparation, Execution and Delivery of the Bonds.* The Bonds will be prepared at County expense and will be delivered to the Purchaser in accordance with this resolution and the Final Terms, together with the approving legal opinion of Bond Counsel regarding the Bonds.

#### Section 15. Official Statement.

(a) *Preliminary Official Statement Deemed Final.* The Designated Representative shall review and, if acceptable, approve the preliminary Official Statement prepared in connection with each sale of a Series of the Bonds to the public. For the sole purpose of the Purchaser's compliance with paragraph (b)(1) of Rule 15c2-12, if applicable, the Designated Representative is authorized to deem that preliminary Official Statement final as of its date, except for the omission of information permitted to be omitted by Rule 15c2-12. The County approves the distribution to potential purchasers of the Bonds of a preliminary Official Statement that has been approved by the Designated Representative and been deemed final, if applicable, in accordance with this subsection.

(b) *Approval of Final Official Statement.* The County approves the preparation of a final Official Statement for each Series of the Bonds to be sold to the public in the form of the preliminary Official Statement that has been approved and deemed final in accordance with subsection (a), with such modifications and amendments as the Designated Representative deems necessary or desirable, and further authorizes the Designated Representative to execute and deliver such final Official Statement to the Purchaser if required under Rule 15c2-12. The County authorizes and approves the distribution by the Purchaser of the final Official Statement so executed and delivered to purchasers and potential purchasers of a Series of the Bonds.

Section 16. Continuing Disclosure. If necessary to meet the requirements of paragraph (b)(5) of Rule 15c2-12, as applicable to a participating underwriter for the above-referenced Bonds (the “Bonds”), the County makes the following written Undertaking for the benefit of holders of the Bonds:

(a) *Undertaking to Provide Annual Financial Information and Notice of Listed Events.* The County undertakes to provide or cause to be provided, either directly or through a designated agent, to the MSRB, in an electronic format as prescribed by the MSRB, accompanied by identifying information as prescribed by the MSRB:

(1) Annual financial information and operating data of the type included in the final official statement for the Bonds and described in subsection (b)(i) of this section (“annual financial information”).

(2) Timely notice (not in excess of 10 business days after the occurrence of the event) of the occurrence of any of the following events with respect to the Bonds: (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notice of Proposed Issue (IRS Form 5701 – TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds; (7) modifications to rights of holders of the Bonds, if material; (8) bond calls (other than scheduled mandatory redemptions of Term Bonds), if material, and tender offers; (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Bonds, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership or similar event of the County, as such “Bankruptcy Events” are defined in Rule 15c2-12; (13) the consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of the assets of the County other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (14) appointment of a successor or additional trustee or the change of name of a trustee, if material; (15) incurrence of a financial obligation of the County or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the County or obligated person, any of which affect security holders, if material; and (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the County or obligated person, any of which reflect financial difficulties. The term “financial obligation” means a (i) debt obligation;

(ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with Rule 15c2-12.

(3) Timely notice of a failure by the County to provide the required annual financial information described in paragraph (b)(i) on or before the date specified in paragraph (b)(ii).

(b) *Type of Annual Financial Information Undertaken to be Provided.* The annual financial information that the County undertakes to provide in subsection (a) of this section:

(1) Shall consist of (1) annual financial statements prepared (except as noted in the financial statements) in accordance with applicable generally accepted accounting principles applicable to local governmental units of the State such as the County, as such principles may be changed from time to time; (2) statement of authorized, issued and outstanding balance of general obligation bonds of the County; (3) assessed valuation of the property within the County subject to ad valorem taxation for the fiscal year; and (4) ad valorem tax levy rates and amounts;

(2) Shall be provided not later than the last day of the ninth month after the end of each fiscal year of the County (currently, a fiscal year ending December 31), as such fiscal year may be changed as required or permitted by State law, commencing with the County’s fiscal year during which the Bonds are issued; and

(3) May be provided in a single or multiple documents, and may be incorporated by specific reference to documents available to the public on the Internet website of the MSRB or filed with the SEC.

If not submitted as part of the annual financial information described in paragraph (b)(i) above, the County will provide or cause to be provided to the MSRB audited financial statements, when and if available.

(c) *Amendment of Undertaking.* The Undertaking is subject to amendment after the primary offering of the Bonds without the consent of any holder of any Bond, or of any broker, dealer, municipal securities dealer, participating underwriter, Rating Agency or the MSRB, under the circumstances and in the manner permitted by Rule 15c2-12. The County will give notice to the MSRB of the substance (or provide a copy) of any amendment to the Undertaking and a brief statement of the reasons for the amendment. If the amendment changes the type of annual financial information to be provided, the annual financial information containing the amended financial information will include a narrative explanation of the effect of that change on the type of information to be provided.

(d) *Beneficiaries.* The Undertaking evidenced by this section shall inure to the benefit of the County and the Beneficial Owner of a Bond, and shall not inure to the benefit of or create any rights in any other person.

(e) *Termination of Undertaking.* The County’s obligations under this Undertaking shall terminate upon the legal defeasance of all of the Bonds. In addition, the County’s obligations

under this Undertaking shall terminate if those provisions of Rule 15c2-12 which require the County to comply with this Undertaking become legally inapplicable in respect of the Bonds for any reason, as confirmed by an opinion of Bond Counsel delivered to the County, and the County provides timely notice of such termination to the MSRB.

(f) *Remedy for Failure to Comply with Undertaking.* As soon as practicable after the County learns of any failure to comply with the Undertaking, the County will proceed with due diligence to cause such noncompliance to be corrected. No failure by the County or other obligated person to comply with the Undertaking shall constitute a default in respect of the Bonds. The sole remedy of a Beneficial Owner of a Bond shall be to take action to compel the County or other obligated person to comply with the Undertaking, including seeking an order of specific performance from an appropriate court.

(g) *Designation of Official Responsible to Administer Undertaking.* The Assistant County Manager or their designee is authorized to take such further actions as may be necessary, appropriate or convenient to carry out this Undertaking in accordance with Rule 15c2-12, including, without limitation, the following actions:

(1) Preparing and filing the annual financial information undertaken to be provided;

(2) Determining whether any event specified in subsection (a) has occurred, assessing its materiality, where necessary, with respect to the Bonds, and preparing and disseminating any required notice of its occurrence;

(3) Determining whether any person other than the County is an “obligated person” within the meaning of Rule 15c2-12 with respect to the Bonds, and obtaining from such person an undertaking to provide any annual financial information and notice of listed events for that person in accordance with Rule 15c2-12;

(4) Selecting, engaging and compensating designated agents and consultants, including but not limited to financial advisors and legal counsel, to assist and advise the County in carrying out the Undertaking; and

(5) Effecting any necessary amendment of the Undertaking.

Section 17. Supplemental and Amendatory Resolutions. The County may supplement or amend this resolution for any one or more of the following purposes without the consent of any Owners of the Bonds:

(a) To add covenants and agreements that do not materially adversely affect the interests of Owners, or to surrender any right or power reserved to or conferred upon the County.

(b) To cure any ambiguities, or to cure, correct or supplement any defective provision contained in this resolution in a manner that does not materially adversely affect the interest of the Beneficial Owners of the Bonds.

Section 18. General Authorization and Ratification. The Designated Representative and other appropriate officers of the County are severally authorized to take such actions and to execute such documents as in their judgment may be necessary or desirable to carry out the transactions contemplated in connection with this resolution, and to do everything necessary for the prompt delivery of each Series of the Bonds to the Purchaser thereof and for the proper application, use and investment of the proceeds of the Bonds. All actions taken prior to the effective date of this resolution in furtherance of the purposes described in this resolution and not inconsistent with the terms of this resolution are ratified and confirmed in all respects.

Section 19. Severability. The provisions of this resolution are declared to be separate and severable. If a court of competent jurisdiction, all appeals having been exhausted or all appeal periods having run, finds any provision of this resolution to be invalid or unenforceable as to any person or circumstance, such offending provision shall, if feasible, be deemed to be modified to be within the limits of enforceability or validity. However, if the offending provision cannot be so modified, it shall be null and void with respect to the particular person or circumstance, and all other provisions of this resolution in all other respects, and the offending provision with respect to all other persons and all other circumstances, shall remain valid and enforceable.

Section 20. Effective Date of Resolution. This resolution shall be effective immediately after its adoption in the manner provided by law.

ADOPTED by the Board of County Commissioners of Thurston County, Washington at a regular meeting held on May 14, 2024.

ATTEST:

THURSTON COUNTY

\_\_\_\_\_  
Clerk of the Board

\_\_\_\_\_  
Chair, Tye Menser

\_\_\_\_\_  
Vice Chair, Wayne Fournier

\_\_\_\_\_  
Commissioner, Carolina Mejia

APPROVED AS TO FORM:

\_\_\_\_\_  
Commissioner, Gary Edwards

\_\_\_\_\_  
Bond Counsel

\_\_\_\_\_  
Commissioner, Emily Clouse

## CERTIFICATION

I, the undersigned, Clerk of the Board of Commissioners of Thurston County, Washington (herein called the “County”) and keeper of the records of the Board of Commissioners of the County (herein called the “Board”), DO HEREBY CERTIFY:

1. That the attached Resolution is a true and correct copy of Resolution No. \_\_\_\_\_ of the County (herein called the “Resolution”), as finally passed at a regular meeting of the Board of the County held on the 14<sup>th</sup> day of May, 2024, and duly recorded in my office.

2. That said meeting was duly convened, held and included an opportunity for public comment, in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given, including access options for remote attendance; that a quorum of the Board was present throughout the meeting and a legally sufficient number of members of the Board voted in the proper manner for the passage of said Resolution; that all other requirements and proceedings incident to the proper adoption or passage of said Resolution have been duly fulfilled, carried out and otherwise observed; and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the County this 14<sup>th</sup> day of May, 2024.

---

Clerk of the Board