

# **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 Renton Regional Fire Authority, FD#63, 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 Jan Hawn, City of Renton Administrative Services or his Administrator 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 4<sup>th</sup> day of August, 2016.

**KING COUNTY**

Ken Guy  
Ken Guy, Finance Director

8/4/16  
Dated

**DISTRICT**

Renton Regional Fire Authority, FD#63

Name of District

Mark Peterson  
By  
Fire Chief  
Title

*[Handwritten Signature]*

July 25, 2016  
Dated