## STAFF REPORT

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| **Agenda Item:** | 5 | **Name:** | Patrick Hamacher |
| **Proposed No**.: | 2019-0270 | **Date:** | August 27, 2019 |

**SUBJECT**

Proposed Motion 2019-0270 would confirm the Executive’s appointment of Steven Hamilton, who resides and works in Council District 1, to the King County Investment Pool Advisory Committee, filling the elected official or employee of a sewer or water district position for a partial term, expiring April 30, 2021.

**BACKGROUND**

The Investment Pool Advisory Committee was created to provide input and advice to the Executive Finance Committee (EFC)[[1]](#footnote-1) on policies, practices, and fees that relate to the moneys pooled in accordance with King County Code 4.10.090.

King County Code 4.10.090, under the authority of RCW 36.29.020, allows the county to pool residual monies in the county treasury and monies directed for investment by other municipal corporations, to be directed for specific fund investments. Interest earnings and any losses are pro-rated to each of the funds participating in the pooled investment, after the county is reimbursed for costs accrued from managing those investments. The EFC is responsible for directing the finance and business operations division (FBOD) in determining how the monies should be invested.

According to King County Code 2.36.090, which governs the Investment Pool Advisory Committee, the committee is composed of the following members:

* Two members who are elected officials or employees of school districts;
* One member who is an elected official or employee of a fire district;
* One member who is an elected official or employee of a water district or sewer district;
* Two members who are county fund managers;
* Two at-large members, who are elected officials or employees of entities, that participated in the investment pool other than school districts, water/sewer districts, and fire districts;
* The county treasury manager; and
* One member who is a private citizen who is an investment professional who has no financial relationship with the county or any of the entities that participate in the investment pool.

All nominees must be appointed by the executive and confirmed by the county council by motion.

**APPOINTEE INFORMATION**

According to the application materials, Mr. Hamilton is the Finance Director for Northshore Utility District and been with the district for approximately 7 years. Prior to that work, he was a small business owner. He also served as a project manager and audit manager in various positions at Microsoft and Deloitte and Touche. He is a certified public account and has a Bachelor of Science degree from the University of Montana.

**ANALYSIS**

In the separately distributed application materials to committee members, Attachment C includes the current profile of the Investment Pool Advisory Committee. It should be noted that this is an outdated profile and the council has already taken action on all of the “APPOINTED, SUBJECT TO COUNCIL CONFIRMATION” appointees except for the Steven Hamilton appointment, which is currently before the committee through this proposed motion.[[2]](#footnote-2) If Mr. Hamilton is confirmed, the IPAC will be at full capacity.

**INVITED**

1. Steven Hamilton, Finance Director, Northshore Utility District (Appointee)
2. Mike Smith, Chief Investment Officer, Finance and Business Operations Division (Staff liaison to the Investment Pool Advisory Committee)
3. Carol Basile, Treasury Manager, Finance and Business Operations Division

**ATTACHMENTS**

1. Proposed Motion 2019-0270 (attachments available upon request)
2. Transmittal Letter
1. According to King County Code 4.24.010, Executive Order No. 1008 defines its membership and responsibilities of the EFC to include the judicious investment of county treasury funds and the redemption of county securities, and authorizes the EFC to provide for interfund borrowing as directed by County Charter Section 490. [↑](#footnote-ref-1)
2. Motions 15423, 15424, and 15425 adopted June 19, 2019; and Motion 15458 adopted July 17, 2019. [↑](#footnote-ref-2)