



STATE OF WASHINGTON
PUBLIC DEPOSIT PROTECTION COMMISSION

BRIEFING BOOK

November 29, 2022, Meeting



State of Washington
PUBLIC DEPOSIT PROTECTION COMMISSION

MIKE PELLICCIOTTI Chair
State Treasurer

JAY R. INSLEE Member
Governor

DENNY HECK Member
Lieutenant Governor

- MEETING AGENDA -

PUBLIC DEPOSIT PROTECTION COMMISSION

November 29, 2022 at 3:00pm PST

I. Commission Action

1. Approval of minutes of the December 21, 2021 Public Deposit Protection Commission meeting.

II. Commission Report

1. Informational Item – New PD Financial Institutions Update: Letters of authorization issued by the Chair authorizing approval or termination requests of financial institutions for public depository status in accordance with Resolution 2018–3 dated November 13, 2018.
2. Informational Item - Out-of-State/Alien Bank Accounts Update: Letters of resolution issued by the Chair authorizing requests to approve, rescind, or extend out-of-state and alien bank accounts in accordance with Resolution 2018–2 dated November 13, 2018.

III. PDPC Overview Update

1. Public Deposit Protection Commission overview presented by Deputy Treasurer Shad Pruitt.

IV. Public Comment

Office of the State Treasurer

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WASHINGTON PUBLIC DEPOSIT PROTECTION COMMISSION

MEETING MINUTES

Olympia, Washington

December 21, 2021

1:00 PM

The Washington Public Deposit Protection Commission met virtually via Zoom in special meeting after notice duly given to the public.

Present: State Treasurer Mike Pellicciotti, Chair
Governor Jay Inslee, Member
Lieutenant Governor Denny Heck, Member

Also Present Virtually: Shad Pruitt, Office of the State Treasurer
Amy Perry, Office of the State Treasurer
Jennifer Merchant, Office of the State Treasurer
Jason Richter, Office of the State Treasurer
Rusty Fallis, Office of the Attorney General
Scott Forbes, Office of the Attorney General
Scott Merriman, Office of the Governor
Dallas Roberts, Office of the Lieutenant Governor
Adam Johnson, Office of the State Treasurer
Danni Colo, Office of the State Treasurer
Megan Farrell, Office of the State Treasurer

Chair Pellicciotti called the Public Deposit Protection Commission (PDPC) meeting to order at 1:02 PM on December 21, 2021, and noted that all three PDPC members were present, and a quorum was established.

I. Commission Action – Approval of Minutes

Governor Inslee moved, and it was seconded, to adopt the meeting minutes for the PDPC meeting of December 22, 2020. The motion passed and the minutes were adopted.

Chair Pellicciotti noted that since PDPC meetings generally occur on an annual basis, there would be greater financial transparency and the public would benefit from being able review draft minutes online from the previous meeting in advance of their formal approval at the next scheduled PDPC meeting. Governor Inslee and Lieutenant Governor Heck joined Chair Pellicciotti in the view that draft meeting minutes should be posted online as draft minutes before being approved at the next PDPC meeting, so as to better advise the public on PDPC activities.

II. Commission Report - Out-of-State/Alien Bank Accounts Update

Chair Pellicciotti introduced PDPC Administrator Amy Perry, who provided an update on resolutions approved since the last PDPC meeting. These actions included:

- Resolution 2021 – L1
 - Rescind Authorization Resolution 2018-L31, last amended by 2019-L3, UW closed account
- Resolution 2021 – L2
 - Rescind Authorization Resolution 2018-L23, last amended by 2019-L4, UW closed account

- Resolution 2021 – L3
 - Rescind Authorization Resolution 2018-L25, UW closed account
- Resolution 2021 – L4
 - Rescind Authorization Resolution 2018-L30, UW closed account

III. Public Deposit Protection Commission Overview Update

Chair Pellicciotti noted that since this was the first PDPC meeting for more than half of the PDPC, an overview of PDPC activities would be helpful. He introduced Deputy Treasurer Shad Pruitt, who provided a PDPC overview and advised that regulated public bank deposits are financially sound.

Governor Inslee asked how our state compares to other states regarding our accreditation. Deputy Treasurer Pruitt advised how comparisons to other states' public deposit protection programs are done regularly and that there is a consistent evaluation on how to implement best practices.

Lieutenant Governor Heck asked how many and various financial institutions hold funds. Deputy Treasurer Pruitt advised that 59 banks and 21 credit unions make up the current 80 public depositories and that those 21 credit unions represent about one-quarter of those eligible to participate. Lieutenant Governor Heck asked clarifying questions as to the role and authority of the PDPC, which were answered by Chair Pellicciotti.

IV. Public Comment

No public comment was provided.

Having no further business before the Public Deposit Protection Commission, Chair Pellicciotti adjourned the meeting at 1:23 PM.

STATE OF WASHINGTON
PUBLIC DEPOSIT PROTECTION COMMISSION

STATE TREASURER MIKE PELLICCIOTTI, CHAIR

GOVERNOR JAY INSLEE

LIEUTENANT GOVERNOR DENNY HECK

ATTEST:

MANDY KAPLAN, ADMINISTRATOR
PUBLIC DEPOSIT PROTECTION COMMISSION



State of Washington
PUBLIC DEPOSIT PROTECTION COMMISSION

MIKE PELLICCIOTTI, Chairman
State Treasurer

JAY R. INSLEE, Member
Governor

DENNY HECK, Member
Lieutenant Governor

MEMORANDUM

November 29, 2022

TO: The Honorable Mike Pellicciotti
The Honorable Jay R. Inslee
The Honorable Denny Heck

FROM: Mandy Kaplan, PDPC Administrator

SUBJECT: **APPROVAL/TERMINATION OF PUBLIC DEPOSITARIES**
CHAIR ACTIONS UNDER RESOLUTION 2018 – 3

PUBLIC DEPOSITARIES:

July 27, 2022

Authority granted to Bank of Idaho, Idaho Falls, Idaho

September 20, 2022

Authority granted to Mountain Pacific Bank, Everett, Washington

TDB

In accordance with provisions of chapter 39.58 RCW and chapter 389-12 WAC, the Chair of the Commission, based upon delegated authority under Resolution No. 2018 – 3, authorized the requested activity for these public depositaries.

Copies of each letter of authorization and request letter are included for your review.



State of Washington
PUBLIC DEPOSIT PROTECTION COMMISSION

MIKE PELLICCIOTTI, Chair
State Treasurer

JAY R. INSLEE, Member
Governor

DENNY HECK, Member
Lieutenant Governor

July 27, 2022

Jeff Newgard, President and CEO
Bank of Idaho
350 Memorial Drive, Suite 200
PO Box 1487
Idaho Falls, Idaho 83403

Dear Mr. Newgard:

As the Chair of the Public Deposit Protection Commission and based upon authority delegated under Resolution No. 2018-3, I hereby approve the Bank of Idaho, Certificate #26403, headquartered in Idaho Falls, Idaho, as a public depository under Washington law. The Bank is given the authority to accept public deposits in their Washington State branches under the terms of the Public Deposit Protection Act (chapter 39.58 RCW) effective July 28, 2022.

Due to the scheduled acquisition of Washington State HomeStreet Bank branches, Bank of Idaho applied to become a public depository and agreed to pledge eligible collateral in accordance with the provisions of chapter 39.58 RCW. Securities eligible as collateral shall be valued at market value, and the total market value of securities pledged in accordance with this chapter shall not be reduced by withdrawal or substitution of securities except by prior authorization, in writing, by the Commission.

If you have any questions, please contact Mandy Kaplan, PDPC Administrator, at (360) 902-8977 or pdpc@tre.wa.gov.

Sincerely,

DocuSigned by:

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Mike Pellicciotti, Chair
Washington State Treasurer

Office of the State Treasurer

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PUBLIC DEPOSIT PROTECTION COMMISSION

MIKE PELLICCIOTTI, Chair
State Treasurer

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Governor

DENNY HECK, Member
Lieutenant Governor

September 20, 2022

Mark Duffy, President and CEO
Mountain Pacific Bank
3726 Broadway, Suite 302
Everett, Washington 98201

Dear Mr. Duffy:

As the Chair of the Public Deposit Protection Commission (PDPC) and based upon authority delegated under Resolution No. 2018-3, I hereby approve the Mountain Pacific Bank, FDIC Certificate #58341, headquartered in Everett, Washington, as a public depository under Washington law. The Bank is given the authority to accept public deposits in their Washington state branches under the terms of the Public Deposit Protection Act (chapter 39.58 RCW) effective September 20, 2022.

Mountain Pacific Bank has agreed to pledge eligible collateral to the WA PDPC in accordance with the provisions of chapter 39.58 RCW, which may include a Letter of Credit and/or securities held at the Federal Home Loan Bank of Des Moines pursuant to a Depository Pledge Agreement. Securities eligible as collateral shall be valued at market value, and the total market value of securities pledged in accordance with this chapter shall not be reduced by withdrawal or substitution of securities except by prior authorization, in writing, by the Commission.

If you have any questions, please contact Mandy Kaplan, PDPC Administrator, at (360) 902-8977 or pdpc@tre.wa.gov.

Sincerely,

DocuSigned by:


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Mike Pellicciotti, Chair
Washington State Treasurer

Office of the State Treasurer

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PUBLIC DEPOSIT PROTECTION COMMISSION

MIKE PELLICCIOTTI, Chair
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JAY R. INSLEE, Member
Governor

DENNY HECK, Member
Lieutenant Governor

MEMORANDUM

November 29, 2022

TO: The Honorable Mike Pellicciotti
The Honorable Jay R. Inslee
The Honorable Denny Heck

FROM: Mandy Kaplan, PDPC Administrator

SUBJECT: **AUTHORIZE/RESCIND OUT-OF-STATE AND ALIEN ACCOUNTS**
CHAIR ACTIONS UNDER RESOLUTION 2018-2

AUTHORIZED/RESCINDED OUT-OF-STATE AND ALIEN ACCOUNTS:

August 8, 2022

Resolution 2022 – L1

Approved alien demand account in Dar es Saalam, Tanzania , last amended by 2019-L3, UW closed account

In accordance with provisions of chapter 39.58 RCW and chapter 389-12 WAC, the Chair of the Commission, based upon delegated authority under Resolution No. 2018-2, authorized the requested account activity for these Out-of-State and Alien Accounts.

Copies of each authorization and account request letters are included.



State of Washington
PUBLIC DEPOSIT PROTECTION COMMISSION

MIKE PELLICCIOTTI, Chair
State Treasurer

JAY R. INSLEE, Member
Governor

DENNY HECK, Member
Lieutenant Governor

Resolution No. 2022-L1

August 8, 2022

Dan Schaaf, Controller
Financial Accounting
University of Washington
4300 Roosevelt Way NE
PO Box 354965
Seattle, Washington 98195

Mr. Schaaf:

The Washington Public Deposit Protection Commission (Commission) received the request to approve an alien demand deposit account located in Dar es Saalam, Tanzania under RCW 39.58.080 (2) & 39.58.085 and WAC 389-12-140. The purpose of this account is to fund operations for the University of Washington's International Training and Educations Center for Health (I-TECH) Tanzania project.

The request indicated the account is at Standard Charter Bank, located in Dar es Salaam, Tanzania under bank account #01-080-9921553-00. The Public Deposit Protection Act does not insure this account and the University of Washington accepts sole and total responsibility for any losses incurred. RCW 39.58.085(1)(b). The University of Washington shall forward, upon request, financial statements of said bank to the Commission.

In accordance with the provisions of chapter 39.58 RCW and chapter 389-12 WAC, the Chair of the Commission, based upon authority delegated under Resolution No. 2018-2, does hereby authorize your request to establish a demand deposit account. The authorized account shall not have a balance that exceeds, at any one time, the aggregate total of \$200,000.00 (U.S.) and shall remain in use until September 29, 2024 or no longer needed for this project. At that time, the Commission must be notified immediately as to the status of the account.

The Commission shall forward a copy of this letter to the Office of the State Auditor.

Sincerely,

DocuSigned by:

74DDAB6A9796466
Mike Pellicciotti, Chair
Washington State Treasurer

cc: Office of the State Auditor

Office of the State Treasurer

August 5, 2022

Public Deposit Protection Commission
Office of the State Treasurer
P.O. Box 40206
Olympia, WA 98504-0206

RE: REQUEST FOR PDPC APPROVAL under RCW 39.58.080 & 39.58.085 and WAC 389-2-140

The University of Washington is requesting PDPC approval for a bank account opening in Dar es Salaam, Tanzania. The purpose of this account is to fund UW I-TECH operations in Dar es Salaam, Tanzania. Funds in this account will be in local currency. The funds are provided by a grant is advanced from University of Washington.

TYPE OF ACCOUNT: Demand deposit
PERIOD OF TIME OF ACCOUNT: 12/1/2021 TO 9/29/2024

Bank Name: Standard Chartered Bank
Bank Location: Dar es Salaam, Tanzania
Bank Account Number: 01-080-9921553-00
RELATED PROJECT: I-TECH Tanzania
DOLLAR LIMIT OF ACCOUNT: \$200,000.00

If you have further questions, please contact Mark Park at 206.543.8807 or by email hpark85@uw.edu.

Sincerely,



Dan Schaaf
Controller
Financial Accounting
University of Washington
206-685-~~7~~423
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