



JAMES L. McINTIRE
State Treasurer

State of Washington
Office of the Treasurer

The Local Government Investment Pool (LGIP) is an optional investment tool available to eligible governmental entities in the state of Washington. The LGIP, operated by the Office of the State Treasurer, was created by the Legislature in 1986 to enable governments to earn a competitive rate of return while maintaining the safety and liquidity of their excess funds.

During Fiscal Year 2016:

- The average balance in the LGIP portfolio was \$10.5 billion maintained by 519 participants.
- The LGIP had an administrative fee of 0.9 basis points. This is the tenth year in a row that the LGIP has charged less than one basis point.

The LGIP has grown significantly, both in participation and portfolio size, since its inception in 1986. The Treasury Management System (TM\$) continues to be a valuable resource for participants. TM\$ and the automation it provides, helps keep LGIP administrative costs at a minimum.

I am proud to report the LGIP net rate of return during the fiscal year outperformed its benchmark by 26 basis points. The benchmark is the iMoneyNet Government Only/Institutional Only Money Market Funds, which is comprised of privately managed money market funds similar to the LGIP. During the fiscal year, LGIP participants earned \$27 million over what the average comparable money market fund would have generated.

On behalf of the staff at the Office of the State Treasurer, I want to thank you for your continued confidence in the LGIP. If you have questions or suggestions on how to improve our services, please call me at (360) 902-9001.

Sincerely,

A handwritten signature in black ink that reads "James L. McIntire".

James L. McIntire
State Treasurer