

**SILVER LAKE WATER & SEWER DISTRICT
SNOHOMISH COUNTY, WASHINGTON
RESOLUTION NO. 620**

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE SILVER
LAKE WATER & SEWER DISTRICT, SNOHOMISH COUNTY,
WASHINGTON, ADOPTING FINANCIAL MANAGEMENT POLICIES.**

WHEREAS, RCW 57.08.005 provides certain powers to the Silver Lake Water & Sewer District Board of Commissioners ("District") including the authority to construct, acquire, operate and maintain systems of water supply, wastewater collection, transmission and treatment, drainage systems and street lighting systems and the authority to fix and collect rates and charges to provide for such systems; the authority to contract with individuals, associations and corporations, the state of Washington, and the United States; to employ such persons as are needed to carry out the district's purposes and fix salaries and any bond requirements for those employees; to contract for the provision of engineering, legal, and other professional services as in the board of commissioner's discretion is necessary in carrying out their duties; to loan and borrow funds and to issue bonds and instruments evidencing indebtedness under chapter 57.20 RCW and other applicable laws; to transfer funds, real or personal property, property interests, or services subject to RCW 57.08.015; and

WHEREAS, RCW 57.20.165 authorizes the District to deposit District money in any account, which may be interest-bearing, subject to such requirements and conditions as may be prescribed by the state auditor; the account shall be in the name of the District except upon request by the treasurer; the accounts shall be in the name of the "(name of county)" county treasurer."; the treasurer may instruct the financial institutions holding the deposits to transfer them to the treasurer at such times as the treasurer may deem appropriate, consistent with regulations governing and policies of the financial institution; and

WHEREAS, the District Board of Commissioners finds that credit card purchases and online banking services are more efficient and provide better tracking of transactions than petty cash or check; and

WHEREAS, the District Board of Commissioners finds that the adoption of certain Financial Management Policies that govern the use of credit cards, on-line banking services, and impressed (working) funds to authorize their use and limitation to business of the District will provide clear guidelines to staff and better protect District resources; now, therefore,

BE IT RESOLVED by the Board of Commissioners of the Silver Lake Water & Sewer District, Snohomish County, Washington as follows:

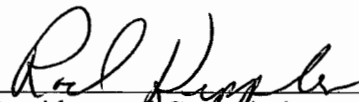
1. **FINDINGS:** The Commissioners adopt as findings the preceding recitals to this Resolution.

3. **ADOPTION OF FINANCIAL MANAGEMENT POLICIES:** The Financial Management Policies contained in Attachment A are hereby adopted.

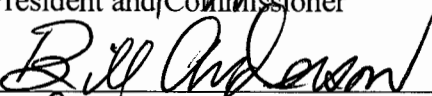
9. **SEVERABILITY:** Should any part or provision of this resolution be declared by a court of competent jurisdiction to be invalid, the same shall not affect the validity of the resolution as a whole, or any part thereof other than the part declared to be invalid.

10. **EFFECTIVE DATE/REPEALER:** The provisions of this resolution shall be effective August 15, 2007. Any and all prior sections of District Resolutions providing for impressed funds, deposit accounts or the issuance and use of District credit cards in conflict with this Resolution are hereby repealed and superseded.

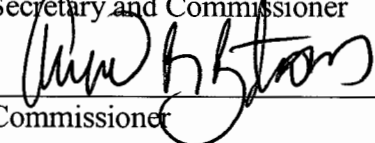
ADOPTED by the Board of Commissioners, at a regular meeting of the Silver Lake Water & Sewer District, Snohomish County, Washington this 9th day of August, 2007.



President and Commissioner



Secretary and Commissioner



Commissioner

I CERTIFY the above to be a true and correct copy of Resolution No. 620 adopted by the Board of Commissioners of the Silver Lake Water & Sewer District, this 9th day of August, 2007, as said Resolution appears in the records of the Silver Lake Water & Sewer District.



Secretary of the Silver Lake Water & Sewer District Board of Commissioners

Financial Management Policies

A. FINANCIAL ACCOUNTS AND TRANSACTIONS

A-1. The District Manager is authorized to open two deposit accounts, one checking account, and one money market interest account in addition to funds on deposit with the Snohomish County Treasurer.

A-2. All District funds shall be kept on deposit with a Washington State Public Depository, in approved working funds accounts, or with the Snohomish County Treasurer.

A-3. All District funds received shall be deposited within one business day of receipt.

A-4. The District shall provide a numerically sequential receipt or a unique transaction batch number for all financial transactions.

A-5. Customer transactions and/or payments received after 3:00 p.m. of each business day shall be credited on the next business day.

A-6. The District Manager is authorized to create the following working capital, cash drawers, and incidental (petty) purchase accounts.

Customer Service Cash Drawer	\$200.00 per Drawer
Post Office Bulk Mailing Permit	\$4,000.00
Revolving Account	\$20,000.00
Cash Deposit Account	\$5,000.00

A-7. Each Customer Service Cash Drawer shall balance and deposit funds daily. Any out-of-balance conditions (Cash Over/Short) shall be reported to the Finance Manager, reviewed, and posted daily.

A-8. Revolving fund checks are limited to the purchase of minor office supplies, small tools and equipment, other deminis operating expenses, postage, credit card payments, and customer account refunds.

A-9. All Revolving Fund checks must be provided to the Board of Commissioners at their next business meeting for review and approval.

A-10. The District Finance Manager, or designee, is authorized to transfer funds from the deposit account to the Revolving Account to cover checks.

A-11. The District Finance Manager, or designee, is authorized to transfer funds from the deposit account to the Money Market account.

A-12. The District Finance Manager, or designee, is authorized to transfer funds from the Money Market account to the Snohomish County Treasurer. Transfers from the Money Market account to any other account other than the Snohomish County Treasurer are prohibited.

A-13. The Board of Commissioners shall be presented all Revolving fund checks and Snohomish County warrants issued on behalf of the District at its regular scheduled meeting for review and approval. The report of checks and warrants shall include the check sequence number, the date of issue, the vendor, a description of the goods or services purchased, the amount of the invoice, and the amount of the check.

- A-14. If the Board of Commissioners disapproves any pre-issued check, the disapproved check shall be recognized as a receivable of the District and collections of said receivable shall be diligently pursued until the amounts disapproved are collected or until the Board subsequently approves the expense.
- A-15. All District Revolving Fund checks and warrants shall be supported by detailed receipts or invoices and reviewed and approved by authorized District personnel.
- A-16. The District Manager shall have authority to designate District personnel to review and approve invoices for payment.
- A-17. The District Manager shall have authority to designate District personnel to sign checks and perform online banking transactions.
- A-18. The Finance Manager shall review all checks and warrants prior to issue to ensure proper supporting documentation and general ledger account coding.
- A-19. The District Manager is authorized to issue credit cards to District personnel and two cards issued under the District's name and controlled by the Finance Manager.
- A-20. Credit cards issued by the District shall have a credit limit not to exceed \$5,000.
- A-21. Purchases on District credit cards are limited to District business related expenses. No cash advances or non-District or personal transactions or charges are allowed on District credit cards.
- A-22. All purchases on District credit cards shall be supported by detailed source receipts. A detailed source receipt is a receipt that shows the item(s) purchased the purchase location, and the amount charged. A charge slip, or the signing charge slip that only shows the charge amount, is not a detailed receipt. It is the responsibility of the employee to receive and retain a detailed source receipt.
- A-23. Within five days of returning from travel, an employee issued a District Credit card shall submit a fully itemized travel expense voucher including detailed source receipts. Any charges not properly identified or a personal expense shall be paid by the employee to the District or the issuing bank.
- A-24. If any District credit card charges are disallowed by the Finance Manager, General Manager or the Board of Commissioners, the District shall have the right to withhold the disallowed amount from the wages of the individual who incurred the disallowed charges, including interest and late charges.
- A-25. An employee that uses a District credit card in violation of these policies may be disciplined up to and including termination
- A-26. Use of the Credit Card by an employee or commissioner while disallowed charges incurred by such employee or commissioner are outstanding is prohibited.
- A-27. The District Manager and Finance Manager shall have the authority to revoke any credit card issued.