

**SILVER LAKE WATER & SEWER DISTRICT
SNOHOMISH COUNTY, WASHINGTON
RESOLUTION NO. 714**

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE SILVER
LAKE WATER & SEWER DISTRICT, SNOHOMISH COUNTY,
WASHINGTON, ADOPTING FINANCIAL MANAGEMENT POLICIES AND
REPEALING RESOLUTION NO. 683.**

WHEREAS, RCW 57.08.005 provides certain powers to the Silver Lake Water & Sewer District's 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 institution 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's Board of Commissioners finds that credit/purchasing card purchases and on-line banking services are more efficient and provide better tracking of transactions than petty cash or check; and


WHEREAS, Costco Wholesale only accepts cash, checks, debit cards, and is in the process of changing their credit/purchasing card vendor from American Express to another credit card provider in 2016; and

WHEREAS, the District's Board of Commissioners finds that the adoption of certain Financial Management Policies that govern the use of credit/purchasing 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.
2. **ADOPTION OF FINANCIAL MANAGEMENT POLICIES:** The Financial Management Policies contained in Attachment "A" are hereby adopted.
3. **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.
4. **EFFECTIVE DATE/REPEALER:** The provisions of this resolution shall be effective October 22, 2015. District Resolution No. 683 is hereby repealed.


ADOPTED by the Board of Commissioners, at a regular meeting of the Silver Lake Water & Sewer District, Snohomish County, Washington this 22nd day of October, 2015.



President and Commissioner



Secretary and Commissioner



Commissioner

I CERTIFY the above to be a true and correct copy of Resolution No. 714 adopted by the Board of Commissioners of the Silver Lake Water & Sewer District, this _____ day of October, 2015, 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

Resolution 714 Attachment "A"

Financial Management Policies

A. FINANCIAL ACCOUNTS AND TRANSACTIONS

- A-1. The General Manager is authorized to open two deposit (Concentration/Cash) accounts, one Revolving Checking Account, and one Money Market Interest Account in the name of and for the benefit of the District.
- A-2. The District shall also have one deposit account maintained by the Snohomish County Treasurer to receive ULID assessments and settle other District related transactions.
- A-3. To account and segregate funds for Public Works contract retainage or other fiduciary funds as required by law or approved by action of the Board of Commissioners, the General Manager may open other short or fixed term deposit accounts in the name of and for the benefit of the District.
- A-4. The General Manager is authorized to establish credit/purchasing card processing accounts with third party agents in the name of and for the benefit of the District.
- A-5. All funds received and retained by the District shall be kept on deposit with a Washington State Public Depository, in approved working funds accounts, or with the Snohomish County Treasurer.
- A-6. All District funds received shall be deposited within one business day of receipt.
- A-7. The District shall provide a numerically sequential receipt or a unique transaction batch number for all financial transactions.
- A-8. The General Manager is authorized to create three District Customer Service Cash Drawers each with a balance of \$200.00 of working funds.
- A-9. 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.
- A-10. Customer transactions and/or payments received after 3:00 p.m. of each business day may be credited on the next business day as part the daily closing process for Customer Service Cash Drawers.
- A-11. Revolving fund checks are limited to the purchase of minor office supplies, small tools and equipment; other de minis operating expenses, postage, credit/purchasing card payments, customer account refunds, and other one-time payments approved by the Board of Commissioners.
- A-12. All Revolving Fund checks must be provided to the Board of Commissioners at their next business meeting for review and approval.
- A-13. The District's Finance Manager, or designee, is authorized to transfer funds from the Deposit Account to the Revolving Account to cover checks.
- A-14. The District's Finance Manager, or designee, is authorized to transfer funds from the Deposit account to the Money Market account.

- A-15. The Board of Commissioners shall be presented all Revolving Checks and Accounts Payable Checks 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-16. 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-17. All District Revolving Checks and Accounts Payable Checks shall be supported by detailed receipts or invoices and reviewed and approved by authorized District personnel.
- A-18. The General Manager shall have the authority to designate District personnel to review and approve invoices for payment.
- A-19. The General Manager shall have the authority to designate District personnel to sign checks and perform on-line banking transactions.
- A-20. The Finance Manager shall review all checks, prior to issue, to ensure proper supporting documentation and general ledger account coding.
- A-21. The General Manager is authorized to issue a credit/purchasing card in the name of a specific District Employee. The Finance Manager shall not be issued a credit/purchasing card under their name.
- A-22. The General Manager is authorized to issue three general purpose credit/purchasing cards: Travel Card "A", Travel Card "B", and Standby Duty. The Standby Duty purchasing credit/purchasing card may be issued to the District employee serving on Standby Duty for the week. Travel Cards "A" and "B" shall be retained in the safe and issued as needed to employees or commissioners. The Finance Manager may be issued a Travel Card for specific business purposes by the General Manager or designee.
- A-23. The General Manager may allow District personnel, including the Finance Manager, to use the two general purpose credit/purchasing cards and one Costco Credit Card. When not in uses the two general purpose credit/purchasing cards and the Costco Credit Card shall be retained in the locked safe.
- A-24. The total credit balance for the District's credit/purchasing cards shall not exceed \$55,000 and \$10,000 for the Costco Credit/Purchasing card. The General Manager shall have the authority to transfer credit limits between District issued credit/purchasing cards.
- A-25. Purchases on District credit/purchasing cards are limited to District business related expenses. No cash advances or non-District or personal transactions or charges are allowed on District credit or Costco credit/purchasing cards.
- A-26. All purchases on District credit/purchasing cards shall be supported by detailed source receipts. A detailed source receipt is a receipt that shows the item(s) purchased at 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 District employee to receive and retain a detailed source receipt.
- A-27. Prior to the closing cycle of the credit/purchasing card billing, or no longer than twenty days, an employee issued a District credit/purchasing card for travel 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-28. If any District credit/purchasing 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-29. An employee that uses a District credit/purchasing card or Costco credit card in violation of these policies may be disciplined up to and including termination.
- A-30. Use of a credit or Costco Credit card by an employee or Commissioner while disallowed charges incurred by such employee or Commissioner are outstanding is prohibited.
- A-31. The General Manager and Finance Manager shall have the authority to revoke any credit/purchasing or Costco Credit card issued.
- A-32. Cash or travel mileage rewards directly accrued to any credit/purchasing or Costco credit/purchasing card Reward payment are the property of the District and shall be deposited by the District or, in the case of travel mileage, used by the District only for business related travel of District Commissioners and Employees.