

TO: James L. App, City Manager
FROM: Mike Compton, Director of Administrative Services
SUBJECT: Signatory Authority – City Accounts
DATE: October 7, 2003

Needs: For the City Council to consider adoption of a resolution modifying signatory authority on certain City accounts.

Facts:

1. The City currently maintains a variety of bank accounts including a payroll account, a warrant account for accounts payable, various trust accounts with Union Bank of California, an investment custodial account with Union Bank of California and time certificate of deposit accounts with numerous banks.
2. Current signatory authority for the payroll and warrant accounts rests requires two signatures; the Mayor or City Manager AND the Director of Administrative Services or administrative accountant.
3. Signatory authority for all other accounts rests with the Director of Administrative Services and in some cases the accounting manager is included.
4. With the re-organization of Administrative Services, there is no longer an administrative accountant or accounting manager. The position is now classified as finance manager.

Analysis
and
Conclusion:

With the hiring of the new finance manager, Administrative Services identified a need to modify signatory authority for various City accounts. The former accounting manager needs to be removed (has been done administratively) and the new finance manager needs to be added.

It is also desirous to include “successor” language so that future staff and/or elected official changes do not require re-approval of resolution to undertake signature card changes.

And finally, it is also desirable, even though they are currently one and the same, to establish a distinction between the Director of Administrative Services and City Treasurer.

Fiscal
Impact:

None.

Options:

- a. Adopt Resolution No. 03-xx establishing various bank accounts and designating certain City officers for signatory authority; or
- b. Amend, modify, or reject the above option.

RESOLUTION NO. 03-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES
AUTHORIZING VARIOUS BANK ACCOUNTS AND DESIGNATING
CERTAIN CITY OFFICIALS WITH SIGNATORY AUTHORITY
ON SAID BANK ACCOUNTS

WHEREAS, the City of El Paso de Robles must maintain various bank accounts in order to operate and manage the fiscal affairs of the City of El Paso de Robles; and

WHEREAS, to protect and control the cash assets and fiscal integrity of the various bank accounts, signatory authority should be specifically granted to particular City employees and officials;

BE IT HEREBY RESOLVED by the City Council of the City of El Paso de Robles that the following bank accounts are hereby authorized and signatory authority is granted as identified herein:

- 1.) Payroll Checking Account – The City shall maintain at a local banking institution a checking account specifically for the purpose of performing the payroll function for the City of El Paso de Robles. The account shall require the original signature or facsimile signature of the City Manager or Mayor and the original signature or facsimile signature of the Director of Administrative Services or City Treasurer or Finance Manager.
- 2.) Warrant Account – The City shall maintain at a local banking institution a warrant (checking) account specifically for the purpose of performing the accounts payable and general disbursement function for the City of El Paso de Robles. The account shall require the original signature or facsimile signature of the City Manager or Mayor and the original signature or facsimile signature of the Director of Administrative Services or City Treasurer or Finance Manager.
- 3.) Local Agency Investment Fund – The City shall maintain an account with the State of California's Treasurer's Office according to the provision of Section 16429.1 of the Government code and that the Director of Administrative Services, City Treasurer, City Manager and Finance Manager are authorized individually to make deposits and withdrawals.
- 4.) Time Certificates of Deposits – The Director of Administrative Services or his designee or City Treasurer shall have the authority to establish time certificate of deposit accounts with any banking institution that from time to time may, in his/her opinion, be deemed necessary and/or desirable. Signatory authority for time certificates of deposit accounts shall rest with the Director of Administrative Services and/or City Treasurer and/or Finance Manager.

- 5.) Other – The Director of Administrative Services or City Treasurer shall have the authority to establish from time to time those accounts deemed necessary to carry out the provisions of the Investment Policy.

PASSED AND ADOPTED by the City Council of the City of Paso Robles this 7th day of October 2003 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Frank R. Mecham, Mayor

ATTEST:

Sharilyn M. Ryan, Deputy City Clerk