

BEFORE THE COUNCIL OF THE  
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF AUTHORIZING	)	RESOLUTION NO. 90-1255
THE EXECUTIVE OFFICER AND OTHER	)	
DESIGNATED STAFF TO WITHDRAW	)	Introduced by Rena Cusma,
DEPOSITS UPON THE CHECK OR OTHER	)	Executive Officer
WRITTEN ORDER OF THE DISTRICT	)	

WHEREAS, financial institutions with which the District places and invests cash balances require the signature of authorized officials to withdraw deposits; and

WHEREAS, Metro Code Section 2.06.020 (a) names the Executive Officer as the Investment Officer of the District; and

WHEREAS, a resolution of the Council dated December 18, 1986 authorizes the bank to honor checks, drafts or other orders for the payment of money drawn in the District's name when bearing the facsimile signature of the Executive Officer; and

WHEREAS, the efficient conduct of the District's business requires the ability of other designated staff to be a signatory for specific transactions; and

WHEREAS, internal accounting control procedures exist to prevent unauthorized withdrawals from occurring without coming to the attention of management; now, therefore,

BE IT RESOLVED,

That the Council of the Metropolitan Service District designates the Executive Officer and individual staff members designated by the Executive Officer in writing, to authorize deposits to be withdrawn by check, draft or other written order of the District and to complete signature authorization cards required by financial institutions with which Metro conducts business.

ADOPTED by the Council of the Metropolitan Service District the  
24th day of May, 1990.

  
\_\_\_\_\_  
Tanya Collier, Presiding Officer

drc:sig

FINANCE COMMITTEE REPORT

RESOLUTION NO. 90-1255, AUTHORIZING THE EXECUTIVE  
OFFICER AND OTHER DESIGNATED STAFF TO WITHDRAW DEPOSITS  
UPON THE CHECK OR OTHER WRITTEN ORDER OF THE DISTRICT

Date: May 18, 1990

Presented by: Councilor Van Bergen

COMMITTEE RECOMMENDATION: The Committee considered this Resolution at its May 3 and May 17, 1990 meetings. At its May 17 meeting, the Committee voted unanimously to recommend that the Council adopt Resolution No. 90-1255 as amended. Voting in favor were Councilors Collier, Devlin, Gardner, Van Bergen and Wyers.

COMMITTEE DISCUSSION/ISSUES: Neil Saling, Acting Finance and Administration Director, presented the staff report. He indicated that the reason for the Resolution was to comply with requirements of financial institutions that the governing body adopt a resolution authorizing the appropriate persons to sign signature cards. The Committee at its May 3, 1990 meeting requested staff to provide additional information regarding statutory legal requirements. That information was provided at the May 17, 1990 meeting in the form of a memo prepared by Larry Shaw, Legal Counsel (see Exhibit A attached).

The Committee amended Resolution No. 90-1255 to delete the specific reference to the "Deputy Executive Officer and Chief Accountant". Such amendment would not adversely affect the intent and effect of the Resolution, but would avoid future Council action should these two positions be changed, altered or eliminated.

DEC:aeb  
Attachment

A:\RES1255.RPT



**METRO**

2000 S.W. First Avenue  
Portland, OR 97201-5398  
503/221-1646

# Memo

EXHIBIT A  
(Fin. Comm. Report/Res. 90--  
1255)

Date: May 15, 1990  
To: Donald R. Cox, Jr., Chief Accountant  
From: *LSH*  
Larry Shaw, Legal Counsel  
Regarding: FINANCIAL INSTITUTION SIGNATURE CARDS

---

## Introduction

Signature cards with authorized signatures are maintained with financial institutions for conducting financial transactions, including investment fund transfers. These institutions, evidently, prefer a local government Resolution as assurance of authorization. Executive Officer signature and delegation of financial transactions to authorized employees is consistent with statutes and the Metro Code.

## Investment Decisions

The Executive Officer is identified as the "custodial officer" authorized to make investments of unused funds under ORS 294.035, in Metro Code 2.06.020. This Code provision authorizes the investment of funds by the Executive Officer. Therefore, Executive Officer authority to designate a signator to act on her behalf implementing investment decisions is consistent with public finance laws and the Metro Code provision.

## Check Writing

The custodial officer for purposes of ORS ch 294, also, has authority to issue check-like warrants (ORS 294.028). Persons authorized to sign warrants or "other instruments" may do so by use of a facsimile signature (ORS 294.120). Evidently, a Resolution is already in place authorizing the Executive Officer's signature for some purposes under this statute.

## Executive Officer Authority to Delegate

ORS 268.180(5) authorizes the Executive Officer to employ personnel to assist in carrying out duties and powers of the Executive. Executive Officer financial authorities above, can be delegated to authorized employees.

Memorandum  
May 17, 1990  
Page 2

Conclusion

It is consistent with public finance statutes and Metro Code 2.06.020 for the Executive Officer to sign personally or by facsimile (once authorized by Council Resolution) any financial institution signature cards or to delegate financial transaction duties to employees by authorized signature on such signature cards.

LS/gl  
1057

## STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 90-1255 FOR THE PURPOSE OF AUTHORIZING THE EXECUTIVE OFFICER AND OTHER DESIGNATED STAFF TO WITHDRAW DEPOSITS UPON THE CHECK OR OTHER WRITTEN ORDER OF THE DISTRICT

---

Date: April 20, 1990

Presented by: Neil Saling

### FACTUAL BACKGROUND AND ANALYSIS

Metro conducts business with a variety of financial institutions. This business ranges from maintenance of checking account services for Metro's operating and payroll accounts to investments in securities with these institutions. In conducting this business, completion of signature cards is required. These financial institutions and sound business practice require a resolution be adopted that identifies authorized individuals. In order to avoid costly delays in establishing accounts, a resolution is being presented at this time that will permit staff to open such accounts without the necessity of Council involvement in each case.

Examples of business transactions where such signatures are used are stop payment orders on checks, wire transfers between banks and investments, withdrawals from one bank account with a deposit made to another bank account for retainage withheld on contracts and placed in interest bearing accounts in accordance with contractual and legal requirements. Historically, the Executive Officer, Deputy Executive Officer and Chief Accountant have been named as authorized individuals. In practice, the facsimile signature of the Executive Officer is used for checks drawn on the checking accounts of the District, while the Chief Accountant signs stop payment orders and other daily transactions. The investment function is now performed in the Financial Services Division by the Associate Management Analyst whose signature is required for wire transfers and certain investments.

The resolution provides for specific authorization for the Executive Officer, Deputy Executive Officer and Chief Accountant. The resolution also permits the Executive Officer to delegate such signature authority as deemed appropriate and consistent with sound internal controls in specified financial transactions.

### EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends adoption of Resolution 90-1255 which authorizes the Executive Officer, Deputy Executive Officer, Chief Accountant or other staff person designated by the Executive Officer in writing to withdraw deposits by check or other written order.