

RESOLUTION NO. 23R-17

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
BIGHORN-DESERT VIEW WATER AGENCY
ADOPTING A BANKING POLICY**

WHEREAS, the Board of Directors has determined it to be in the best interest of the Bighorn-Desert View Water Agency to establish accounts with various banking institutions; and

WHEREAS, it is in the best interests of this Agency that it maintain limits, restrictions and procedures in a banking authority policy; and

WHEREAS, the guidelines set forth within the Banking Policy are not intended to address every issue, exception, or contingency may arise in the course of banking activities; and

WHEREAS, the basic standard that should always prevail is to exercise good judgement in the use and stewardship of Agency resources; and

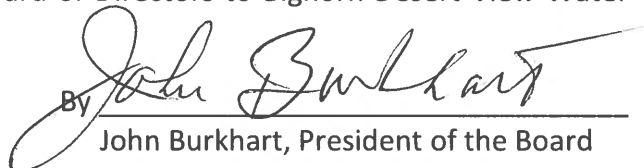
WHEREAS, the Board desires to adopt a banking policy for the purpose of both routine financial as well as investment activities.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Agency do hereby adopt the following:

Exhibit "A" – Bighorn-Desert View Water Agency Banking Policy

BE IT FURTHER RESOLVED, that the General Manager and staff of the Agency are hereby authorized and directed to do such things and to take such actions as may be reasonably required to carry out the purpose and intent of this Banking Policy and as otherwise required in order to comply with applicable law.

PASSED, APPROVED, AND ADOPTED by the Board of Directors to Bighorn-Desert View Water Agency this 12th day of September 2023.

By 
John Burkhart, President of the Board

Attest,

By 
Megan Close-Dees, Secretary of the Board





Bighorn-Desert View Water Agency Banking Policy

Resolution 23R-17 Exhibit "A"

**Bighorn-Desert View
Water Agency**

**622 S. Jemez Trail,
Yucca Valley CA 92284**

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www.bdvwa.org

9/12/2023

1.0 Purpose:

1.1

Stewardship of Agency financial resources is critical to the health of its operations and therefore consideration to the *Safety, Liquidity and Yield* framework should always be considered in banking and investment activities.. There exists a difference between general banking and investment banking. Banking involves the day-to-day transactions of receiving payments (revenue) and paying invoices (expenses). The type of investments accessible to the Agency are guided by a separate policy. However, investments, require transfers of funds from one banking institution to another as they include the movement of monies with the intention of earning investment returns (ie. interest earnings).

The purpose of this policy is to establish uniform procedures for banking. These guidelines are not intended to address every issue, exception, or contingency that may arise in the course of banking activities. The basic standard that should always prevail is to exercise good judgment in the use and stewardship of agency resources.

2.0 Definitions:

2.1 “General Manager”, unless otherwise specified in this policy, shall be deemed to include the General Manager and his/her designee.

3.0 Responsibilities

Unless authority from the Board of Directors is required by a financial institution or another Agency policy, the General Manager is authorized to negotiate and execute contracts for all banking services including investment accounts such as the Local Area Investment Fund (LAIF), Certificates of Deposit, Money Market accounts, and the like.

4.0 Signatory Authority

4.1 Physical Checks: All physical checks require two (2) “wet” signatures of the Board of Directors. In addition, each invoice shall be presented with the physical check for acknowledgement by those providing the “wet” signature on the check. This is an internal Agency policy and not one overseen by any banking institution.

4.2 Electronic and/or Automated Clearinghouse (ACH): Where the General Manager has determined it to be in the best interest of the Agency, or where required by other entities, to pay invoices electronically then two “wet” (2) signatures from the Board of Directors shall be required on the invoice or related documentation in support of the payment. Such

signature will constitute the authority for the General Manager to execute such payments. This excludes payroll obligations described in section 4.3 herein.

4.3 Payroll: Payroll checks are executed using an electronic signature created from two (2) “wet” signatures of the Board of Directors. All other routine payroll obligations shall be transacted by the General Manager without the obligation of further approval by signature of the Board of Directors. This includes all necessary payments related to payroll including but not limited to payments for federal withholding tax, state withholding tax, pension, ancillary benefits, and garnishments via ACH as is required by the specific authority.

4.4 Wire Transfers: Where the General Manager has determined it to be in the best interest of the Agency, or where required by the banking institution, deposits and withdrawals from investment accounts will be made by “wire transfer”.

“Wire transfers” would typically be utilized for transfers related to an investment opportunity (ie. seeking interest earnings on reserve funds) and typically are not related to a specific invoice for documentation. Such transactions, could also be performed using ACH methodology.

Documentation related to wire transfers or “investment related” ACH transactions shall be counter-signed by one (1) signature of the Board of Directors. The General Manager will strive to obtain the signature or a verbal concurrence in advance of the transaction. In a case where the General Manager deems it to be urgent to move the funds without a signature the a signature shall be obtained post-transaction as soon as possible.

5.0 Reporting

All disbursements, physical checks and/or electronic payments, are presented to the Board of Directors in an agendized meeting as soon as possible following bank reconciliation for transparency to the public-at-large. This is known as the monthly disbursements report.

Investment reports are presented quarterly but all investment account balances are shown on the Balance Sheet report are routinely presented to the Board of Directors.