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HOUSE BILL 2900

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State of Washington                      59th Legislature                      2006 Regular Session

By Representative B. Sullivan

Read first time 01/16/2006. Referred to Committee on Local Government.

1            AN ACT Relating to the issuance of checks by joint operating  
2 agencies; and amending RCW 43.52.375.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4            **Sec. 1.** RCW 43.52.375 and 1982 1st ex.s. c 43 s 7 are each amended  
5 to read as follows:

6            (1) The board of each joint operating agency shall by resolution  
7 appoint a treasurer. The treasurer shall be the chief financial  
8 officer of the operating agency, who shall report at least annually to  
9 the board a detailed statement of the financial condition of the  
10 operating agency and of its financial operations for the preceding  
11 fiscal year. The treasurer shall advise the board on all matters  
12 affecting the financial condition of the operating agency. Before  
13 entering upon his or her duties the treasurer shall give bond to the  
14 operating agency, with a surety company authorized to write such bonds  
15 in this state as surety, in an amount which the board finds by  
16 resolution will protect the operating agency against loss, conditioned  
17 that all funds which he or she receives as such treasurer will be  
18 faithfully kept and accounted for and for the faithful discharge of his

1 or her duties. The amount of such bond may be decreased or increased  
2 from time to time as the board may by resolution direct.

3 (2) The board shall also appoint an auditor and may require him or  
4 her to give a bond with a surety company authorized to do business in  
5 the state of Washington in such amount as it shall by resolution  
6 prescribe, conditioned for the faithful discharge of his or her duties.  
7 The auditor shall report directly to the board and be responsible to it  
8 for discharging his or her duties.

9 (3) The premiums on the bonds of the auditor and the treasurer  
10 shall be paid by the operating agency. The board may provide for  
11 coverage of said officers and other persons on the same bond.

12 (4) All funds of the joint operating agency shall be paid to the  
13 treasurer and shall be disbursed by (~~him~~) the treasurer only on  
14 checks or warrants issued by the auditor upon orders or vouchers  
15 approved by the board: PROVIDED, That the board by resolution may  
16 authorize the managing director or any other bonded officer or employee  
17 as legally permissible to approve or disapprove vouchers presented to  
18 defray salaries of employees and other expenses of the operating agency  
19 arising in the usual and ordinary course of its business, including  
20 expenses incurred by the board of directors, its executive committee,  
21 or the executive board in the performance of their duties. All moneys  
22 of the operating agency shall be deposited forthwith by the treasurer  
23 in such depositories, and with such securities as are designated by  
24 rules of the board. The treasurer shall establish a general fund and  
25 such special funds as shall be created by the board, into which he or  
26 she shall place all money of the joint operating agency as the board by  
27 resolution or motion may direct.

28 (5) The board may adopt a policy for the payment of claims or other  
29 obligations of the operating agency, which are payable out of solvent  
30 funds, and may elect to pay such obligations by check or warrant.  
31 However, if the applicable fund is not solvent at the time payment is  
32 ordered, then no check may be issued and payment shall be by warrant.  
33 When checks are to be used, the board shall designate the qualified  
34 public depository upon which the checks are to be drawn as well as the  
35 officers required or authorized to sign the checks. For the purposes  
36 of this chapter, "warrant" includes checks where authorized by this

1 subsection.

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