



SOUTH FEATHER WATER & POWER

TO: Board of Directors

FROM: Michael Glaze, General Manager

DATE: June 22, 2005

RE: Appointment of Treasurer
Agenda Item for 6/28/05 Board of Directors Meeting

The Water Code of the State of California specifies that irrigation districts have, as one of its officers, a treasurer. The Treasurer is appointed by and accountable directly to the Board, and has specific duties and responsibilities as specified at various locations in State law. Attached is a summary from attorney Lisa Grigg of the duties of irrigation district treasurers.

As Ms. Grigg notes at the end of her memorandum, the treasurer's responsibilities are those that require not only a strong financial background, but also a working knowledge of the Agency's finances and accounting. For the past several decades, if not longer, SFWPA's Board has annually appointed the Agency's chief financial officer (CFO) as Treasurer. With the recent organizational changes, the Agency's CFO is Jennifer Jellison, Finance Division Manager. Because the job description for the Finance Division Manager describes an employment relationship that is subject to the supervision of the General Manager, it does not specify that the person in that position will be Treasurer. As noted above, the Treasurer is an officer of the Agency that is appointed by and directly responsible to the Board. However, the Agency's CFO historically has and legally can be the Treasurer. Furthermore, Jennifer is the logical choice for Treasurer because she has the knowledge and ability to make informed judgments and bring recommendations to the Board.

It is my recommendation that the Board take the following action:

"I move that Jennifer Jellison, Finance Division Manager, be appointed Treasurer of South Feather Water and Power Agency, subject to her acquiring an appropriate bond in the amount of \$100,000."

MEMORANDUM

TO: Michael Glaze
FROM: Lisa A. Grigg
DATE: June 21, 2005
RE: SFWP – Role of Treasurer

Jeff Meith asked me to respond to your request for information regarding the duties of treasurers of irrigation districts. Following are those duties:

- File a verified written report with the Board Secretary by the 3rd Monday of every month that includes:
 - 1) amount of money in the treasury at the close of the previous month;
 - 2) amount of last months receipts; and
 - 3) amount and items of last month=s expenditures.(Water Code § 24273).
- Provide the annual statement of investment policy for Board consideration at a public meeting (53646(a)(1)) and quarterly or monthly reports of investments to the CEO, internal auditor and Board within 30 days after the end of the quarter or month. (Govt § 53646(a)(1) and (b)).
- Get and keep evidence of deposits in a depository. (Govt § 53641).
- Upon order of the Board, receive from the County Treasurer any portion of District money in County's funds. (W.C. § 24372).
- Authority to withdraw sinking fund money from any fund in the amount and at the times required by the terms of the refunding plan or modification of it and apply money. (W.C. § 24478)
- Pay any matured bond or matured interest coupon of the District from the respective bond principal, interest or sinking fund. (W.C. §§ 24500 and 24501).
- The Board may delegate its authority to make deposits for safe keeping to the Treasurer. (Govt § 53608).
- May deposit and withdraw from investment accounts. (Govt §§ 53642, 53643 and 53644).
- May establish accounts at banks and deposit money to pay principal and interest of bonds to pay any amount presented for payment or to fund any electronic disbursement of funds from treasury of the local agency. (Govt § 53631).

- Determine amounts to be deposited as inactive, active and interest-bearing active investments and transfer from inactive to active accounts. (Govt §§ 53633 and 53634).
- Responsibility of the money in his or her custody, and authority to enter into contract with depository which in his or her judgment is to the public advantage. (Govt § 53649).
- Receive reports from an agent of the depository where District deposits are secured by pool securities. (Govt § 53660).
- With Board approval, deposit excess funds in County treasury for investment by the County Treasurer. (Govt § 52684).

This is a bonded position. The statutory amount of that bond is \$100,000, but the Board can fix the amount to suit the District's needs from \$5,000 to \$100,000.

These responsibilities listed above are those that require not only a strong financial background, but also a working knowledge of the District's finances and accounting. The Finance Manager is a logical choice because he or she has that knowledge and can make informed judgments to bring recommendations to the Board.