

Sound Financial Management and the County Finance Committee

Actually no, the Committee can't corner the Frozen Orange Juice Concentrate market, go back on the gold standard, invest in the latest crypto-currency and other best practice perspectives of a County Treasurer.

Your County Treasury



Investing Public Funds



County Finance Committee



Highly Regulated Environment

Taxpayers ● Securities and Exchange Commission ●
County Codes ● State Auditor ● FDIC ●
Government Accounting Standards Board ● Public
Deposit Protection Commission ● Financial Industry
Regulatory Authority ● RCW ● And Many More...

Four little sentences...

- **RCW 36.48.070**
 - **The county treasurer, the county auditor, and the chair of the county legislative authority, ex officio, shall constitute the county finance committee.**
 - **The county treasurer shall act as chair of the committee and the county auditor as secretary thereof.**
 - Can I delegate my seat to someone far brighter than myself?
 - *Delegatus non potest delegare* – the AG has opined unless the statute authorizes such delegation, it is likely invalid.
 - What about charter/home rule counties?

Four little sentences...

- **RCW 36.48.070**
 - The committee shall keep a full and complete record of all its proceedings in appropriate books of record and all such records and all correspondence relating to the committee shall be kept in the office of the county auditor and shall be open to public inspection.
 - Is the committee subject to the Open Public Meetings Act and the Public Records Act?
 - Yes, as a “subagency” of the county that was (1) created by legislative act/statute and (2) has been given clear policy-making authority.

Four little sentences...

- **RCW 36.48.070**
 - The committee shall approve county investment policy and a debt policy and shall make appropriate rules and regulations for the carrying out of the provisions of RCW 36.48.010 through 36.48.060, not inconsistent with law.
 - Wait a minute, the committee and not the board of county commissioners has the approval authority for the county's investment and debt policies?
 - Yes, but the statute doesn't prohibit collaboration.

Investment and Debt Policies

- These major policies are required.
- Great best practices resources available:
 - Washington State Association of County Treasurers
 - Washington Public Treasurers' Association
 - **WPTA Investment and Debt Policy Certification**
 - Washington Finance Officers' Association
 - Government Finance Officers' Association
 - Government Investment Officers' Association

The rest of the statutory duties

- **RCW 36.48.010**
 - Each county treasurer shall annually at the end of each fiscal year or at such other times as may be deemed necessary, designate one or more financial institutions in the state which are qualified public depositaries as set forth by the public deposit protection commission as depository or depositaries for all public funds held and required to be kept by the treasurer, and no county treasurer shall deposit any public money in financial institutions, except as herein provided. Public funds of the county or a special district for which the county treasurer acts as its treasurer may only be deposited in bank accounts authorized by the treasurer or authorized in statute. All bank card depository service contracts for the county and special districts for which the county treasurer acts as its treasurer must be authorized by the county treasurer.

The rest of the statutory duties

- **RCW 36.48.040**
 - The county treasurer shall deposit with any depositary, which has fully complied with all requirements of RCW 36.48.010 through 36.48.060, any county money in his or her hands or under his or her official control, and for the purpose of making the quarterly settlement and counting funds in the hands of the treasurer any sums so on deposit shall be deemed to be in the county treasury.

The rest of the statutory duties

- **RCW 36.48.050**
 - The provisions of RCW 36.48.010 through 36.48.060 shall in no way relieve or release the county treasurer from any liability upon his or her official bond as such treasurer, or any surety upon such bond, and shall in no way affect the duty of the several county treasurers to give bond as required by law.
 - Do you know where the Treasurer's bond is?
 - Extra credit: Do you know where the Clerk's bond is? Hint: It should NOT be in the same place as the Treasurer's bond.

The rest of the statutory duties

- **RCW 36.48.060**
 - "Financial institution," whenever it occurs in RCW 36.48.010 through 36.48.050, means a branch of a bank engaged in banking in this state in accordance with RCW 30A.04.300, and any state bank or trust company, national banking association, stock savings bank, mutual savings bank, or savings and loan association, which institution is located in this state and lawfully engaged in business.
 - This now includes state and federally chartered credit unions located in Washington although this statute does not appear to have been updated.

Other duties as assigned...

- How often do you meet?
 - Monthly? Quarterly? Semi-annually? Annually?
- Review policy and legal compliance for investments and debt issues.
- Review investment portfolio performance.
- Strategic and economic outlook.
- Changes to current year revenue/interest income estimates that may affect budget.
- Training – emerging issue

Other duties as assigned...

- Check your county code for additional duties that may have been assigned to the committee.
- Produce and approve meeting minutes.
- Document other committee actions.
 - Resolutions
 - Standing resolutions of the committee
 - Approved policies, operating procedures, participant agreement.
 - Disclosure, disclosure, disclosure...

Final Exam

Q: How can you tell an introverted County Treasurer from an extroverted County Treasurer?

A: An introverted County Treasurer stares at his own feet when he talks and an extroverted County Treasurer stares at your feet when he talks.