

**HARTSTENE POINTE WATER-SEWER DISTRICT
MASON COUNTY, WASHINGTON**

RESOLUTION 2012-03

**A RESOLUTION OF THE HARTSTENE POINTE WATER-SEWER
DISTRICT COMMISSIONERS ESTABLISHING A PETTY CASH ACCOUNT,
APPOINTING A CUSTODIAN, DESIGNATING A DEPOSITORY AND
ESTABLISHING THE AMOUNT OF MONIES**

WHEREAS, the system of accounting mandated by the State Auditor's Office of the State of Washington prescribes that all petty cash accounts be established by Resolution or Ordinance (per the Washington State Budget, Accounting, Reporting System (BARS) Manual); and

WHEREAS, a petty cash account is defined as any sum of money or other resources set aside for specific purposes including minor disbursements; and

WHEREAS, the governing body must authorize the amount held in each petty cash account and all subsequent increases or decreases in the petty cash account amounts; and

WHEREAS, the governing body must appoint one custodian who should be independent of invoice processing, check signing, general accounting and cash receipts functions; and

WHEREAS, the custodian is personally responsible for the value of the fund and to ensure that all policies and procedures are adhered to; and

WHEREAS, petty cash funds shall be replenished at least monthly; and

WHEREAS, the custodian shall be covered by a surety bond in the amount of the account or covered by an insurance policy covering honest and faithful performance.

NOW, THEREFORE, be it resolved by the Board of Commissioners as follows:

Section 1. Authorization. A petty cash account is hereby authorized for the purpose of minor and unanticipated disbursements. The account shall be in the amount of \$1,000.00 with the Custodian being the District General Manager.

Section 2. Fund Depository. The District shall authorize West Coast Bank, Shelton Branch located at 2307 Olympic Hwy N. in Shelton, WA as the designated

depository of petty cash funds and adopts by reference the attached Corporate Banking Resolution.

Section 3. Procedures. The Board of Commissioners shall adopt procedures and policies appropriate to implement provisions of this resolution and within requirements prescribed by the State Auditor's Office. Such procedures shall include but not be limited to, (1) defining limitations on the use of the petty cash account, and (2) providing accounting and reporting procedures for operation, reconciliation and replenishment of the petty cash account, and (3) policies for debit card use.

ADOPTED by the Board of Commissioners of Hartstene Pointe Water Sewer District, Mason County, Washington, at a regular meeting held on _____, 2012.

HARTSTENE POINTE WATER-SEWER DISTRICT

By: Mary Alice Cary
Mary Alice Cary, President

By: Roger Ray
Roger Ray, Secretary

By: Nancy Nelson
Nancy Nelson, Commissioner



WEST COAST BANK

Service is our Signature.

CORPORATE BANKING RESOLUTION

(for Deposit Accounts)

Depositor: HARTSTENE POINTE WATER SEWER DISTRICT
772 E CHESAPEAKE DR
SHELTON, WA 98584

Financial Institution: West Coast Bank
Shelton Branch
2307 Olympic Hwy N
Shelton, WA 98584

Account No: 900008103

I, the undersigned Secretary of the Corporation named above, HEREBY CERTIFY that the Corporation is organized and existing under and by virtue of the laws of the state of Washington as a corporation for profit, with its principal office at 772 E CHESAPEAKE DR, SHELTON, WA 98584

ACCOUNT HOLDER. HARTSTENE POINTE WATER SEWER DISTRICT is the complete and correct name of the Account Holder.

I FURTHER CERTIFY that at a meeting of the Board of Directors of the Corporation, duly and regularly called and held on 2/9/12, at which a quorum was present and voting, the following resolutions were adopted:

RESOLVED, that the Financial Institution named above at any one or more of its offices or branches, be and it hereby is designated as a depository for the funds of this Corporation, which may be withdrawn on checks, drafts, advices of debit, notes or other orders for the payment of monies bearing the following appropriate number of signatures: Any one (1) of the following named officers or employees of this Corporation ("Agents"), whose actual signatures are shown below:

- x Mary Alice Cary
MARY ALICE CARY
- x Roger Ray
ROGER RAY
- x Nancy Nelson
NANCY NELSON
- x Mont Jeffreys
MONT JEFFREYS

and that the Financial Institution shall be and is authorized to honor and pay the same whether or not they are payable to bearer or to the individual order of any Agent or Agents signing the same.

FURTHER RESOLVED, that the Financial Institution is hereby directed to accept and pay without further inquiry any item drawn against any of the Corporation's accounts with the Financial Institution bearing the signature or signatures of Agents, as authorized above or otherwise, even though drawn or endorsed to the order of any Agent signing or tendered by such Agent for cashing or in payment of the individual obligation of such Agent or for deposit to the Agent's personal account, and the Financial Institution shall not be required or be under any obligation to inquire as to the circumstances of the issue or use of any item signed in accordance with the resolutions contained herein, or the application or disposition of such item or the proceeds of the item.

FURTHER RESOLVED, that any one of such Agents is authorized to endorse all checks, drafts, notes and other items payable to or owned by this Corporation for deposit with the Financial Institution, or for collection or discount by the Financial Institution; and to accept drafts and other items payable at the Financial Institution.

FURTHER RESOLVED, that the above named agents are authorized and empowered to execute such other agreements, including, but not limited to, special depository agreements and arrangements regarding the manner, conditions, or purposes for which funds, checks, or items of the Corporation may be deposited, collected, or withdrawn and to perform such other acts as they deem reasonably necessary to carry out the provisions of these resolutions. The other agreements and other acts may not be contrary to the provisions contained in this Resolution.

FURTHER RESOLVED, that the authority hereby conferred upon the above named Agents shall be and remain in full force and effect until written notice of any amendment or revocation thereof shall have been delivered to and received by the Financial Institution at each location where an account is maintained. Financial Institution shall be indemnified and held harmless from any loss suffered or any liability incurred by it in continuing to act in accordance with this resolution. Any such notice shall not affect any items in process at the time notice is given.

I FURTHER CERTIFY that the persons named above occupy the positions set forth opposite their respective names and signatures; that the foregoing Resolutions now stand of record on the books of the Corporation; that they are in full force and effect and have not been modified in any manner whatsoever.

CORPORATE BANKING RESOLUTION (for Deposit Accounts)
(Continued)

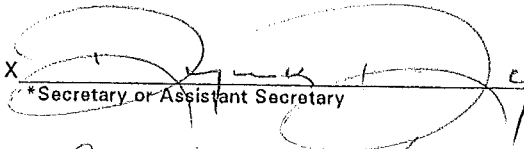
IN TESTIMONY WHEREOF, I have hereunto set my hand on 2/9/12, 2012 and attest that the signatures set opposite the names listed above are their genuine signatures.

CORPORATE

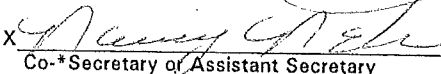
SEAL

CERTIFIED TO AND ATTESTED BY:

X


*Secretary or Assistant Secretary

X


Co-*Secretary of Assistant Secretary

*NOTE: In case the Secretary or Assistant Secretary or other certifying officer is designated by the foregoing resolutions as one of the signing officers, this certificate should also be signed by a second Officer or Director of the Corporation.