



Legislation Details (With Text)

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Title: Designate and authorize certain Finance Officers of the City of Fresno ("City") to sign various investment and commercial banking documents, and to provide verbal instruction required for prudent financial administration and safekeeping of Fresno Joint Powers Finance Authority ("JPFA") funds and property

Sponsors: Finance Department

Indexes:

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Attachments: 1. JPFA Signature Resolution.pdf

Date	Ver.	Action By	Action	Result
6/26/2017	1	City Council	approved	Pass

REPORT TO THE CITY COUNCIL

DATE: June 26, 2017

FROM: MICHAEL LIMA, Controller/Finance Director/(ex-officio)Treasurer
Finance Department

BY: CORRINA BARBARITE, Treasury Officer
Finance Department

SUBJECT

Designate and authorize certain Finance Officers of the City of Fresno ("City") to sign various investment and commercial banking documents, and to provide verbal instruction required for prudent financial administration and safekeeping of Fresno Joint Powers Finance Authority ("JPFA") funds and property

RECOMMENDATION

Staff recommends that the JPFA Board of Directors (the "Board") adopt the attached Resolution designating and authorizing the following employees of the City of Fresno to perform certain duties necessary for the day-to-day financial operations of the JPFA: Controller/Finance Director/(ex-officio)Treasurer, the Assistant Controller/Finance Director, the Administrative Manager of the Finance Department, the Principal Accountant of the Accounting Section, and the Treasury Officer of the City Treasury Section.

EXECUTIVE SUMMARY

On October 25, 1988, the Board adopted By-Laws of the JPFA (the “By-Laws”), which designate the Treasurer of the City of Fresno as the Treasurer and Controller of the JPFA (“Treasurer and Controller”). Responsibilities of the Treasurer and Controller of the JPFA include signing checks and various investment and commercial banking documents, and providing verbal instruction as required for the prudent financial administration and safekeeping of JPFA funds and property. In order to accomplish these tasks, it is necessary for the Treasurer and Controller to delegate some duties to responsible City of Fresno Finance Department employees. Pursuant to Section IV.D(7) of the Joint Exercise of Powers Agreement by and between the City of Fresno and Redevelopment Agency of the City of Fresno, now the City of Fresno as Successor Agency to the Redevelopment Agency of the City of Fresno, as amended on November 1, 1991(the “Joint Powers Agreement”), the Board has the power to appoint such other officers and employees as it may deem necessary.

BACKGROUND

The Joint Powers Agreement was approved on October 25, 1988, for the purpose of assisting the City in financing various capital projects. As the JPFA has no employees of its own, the Agreement and the By-Laws designate the Treasurer of the City as the Treasurer and Controller of the Authority. As such, it is the Treasurer and Controller’s responsibility to administer the financial affairs of the Authority under the direction of the Board. Examples of the financial affairs assigned to the Treasurer and Controller include: signing checks, purchasing investments, and performing various other banking transactions. Once again, since the JPFA has no employees of its own, in order for the Treasurer and Controller to effectively and efficiently meet his/her responsibilities, the authority for performing many finance functions must be delegated to responsible City of Fresno Finance Department employees. A reasonable system of internal controls requires that only certain employees be authorized to approve these day-to-day transactions.

These employees, along with the Treasurer and Controller, are to be designated as the JPFA’s Finance Officers. The attached Resolution contains the complete list of proposed Finance Officers, along with their exemplar signatures, and provides the authorization for them to perform JPFA financial transactions. The list includes the City of Fresno Controller/Finance Director/(ex-officio)Treasurer, the Assistant Controller/Finance Director, the Administrative Manager of the Finance Department, the Principal Accountant of the Accounting Section, and the Treasury Officer of the Treasury Section. The Finance Department last brought a signature resolution in March 2017. Since then, the position of Assistant Controller/Assistant Finance Director has been filled, necessitating a new signature resolution. The attached Resolution has been approved as to form by the City Attorney’s Office.

ENVIRONMENTAL FINDINGS

By the definition provided in the California Environmental Quality Act Guidelines Section 15378 this item does not qualify as a “project” and is therefore exempt from the California Environmental Quality Act requirements.

LOCAL PREFERENCE

Local preference was not considered because this Resolution does not include a bid or award of a construction or service contract.

FISCAL IMPACT

The compensation of the Controller/Finance Director/(ex-officio) Treasurer and the additional Finance Officers to be appointed by this Resolution, has been established by the City’s Position Authorization Resolution and Budget for Fiscal Year 2016-2017. Section IV.D.(4) of the By-Laws provides for charges to be made against the JPFA, for the services of the Treasurer and Controller, as determined by the City. Since the amount of

service to be provided to the JPFA is currently unknown, there is no way to determine the fiscal impact on the JPFA. However, there will be no cost to the General Fund or any other City Fund associated with the recommended action, due to the fact that the cost of any service provided to the JPFA will be offset by charges to the JPFA. This item will not impact the General Fund.

Attachment: JPFA Resolution