

Resolution # 100-16
County Held Registered Warrants
Policy and Procedures

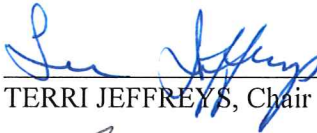
WHEREAS, Mason County recognizes that it is fiscally responsible to define policy and procedures for the use and approval of Registered Warrants as an approved Investment option as delineated in the Approved Mason County Investment Policy and,

WHEREAS, the Mason County Finance Committee has reviewed and approved the policy and procedures for county held registered warrants as shown in Exhibit "A" on November 28, 2016.

NOW THEREFORE, BE IT RESOLVED that the Board of County Commissioners upon the recommendation of the Mason County Finance Committee hereby approve the County Held Registered Warrants Policy and Procedures as set out in Exhibit "A".

Approved this 20 day of December, 2016.

Mason County Board of Commissioners


TERRI JEFFREYS, Chair


RANDY NEATHERLIN, Commissioner


TIM SHELTON, Commissioner

Attest:


MELISSA DREWRY, Clerk of the Board

Approved as to form:


TIM WHITEHEAD, Chief Deputy Prosecuting Attorney

EXHIBIT "A"

COUNTY HELD REGISTERED WARRANTS Policy and Procedures

Updated November 2016

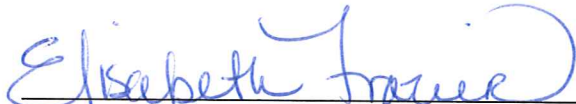
Whereas, the Mason County Investment Policy makes provision for investing in registered warrants, it is therefore prudent to set out the following Policy and Procedures:

1. The Treasurer's Office will set a limit on the amount to be registered by each district based on the needs of taxing districts to a maximum of \$500,000.00 annually for all registered warrants. Recognizing that the annual maximum amount may need to be raised or lowered in extenuating circumstances, therefore, such annual maximum may be adjusted by a consensus of the Finance Committee.
 2. Registered warrants are to be called at the end of each month, if not sooner. In no case will a registered warrant be held past 30 days.
 3. All districts and county departments may participate – based on individual approval.
 4. **This process doubles the expenditures on their reports (the original warrants to vendors and the warrant written and held by the county treasurer.)**
 5. School districts should consider whether it is feasible to take an advance on their monthly apportionment. School Districts should contact the ESD before registering warrants
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1. The district or county department issues a warrant to the county treasurer and the head of the district or department signs a "Letter of Understanding".
 2. Verify with the State Pool (LIGP) for the current interest rate and add 2% for the registered interest rate.
 3. Write that interest rate on the original warrant and attach it to the Letter of Understanding. Place in vault for safekeeping.
 4. Write a Treasurer's check to the county treasurer; give it to the district/department to deposit back to us on their transmittal form using their fund and BARS #389-00 (non-revenue). This is like an investment check, so in the description box in the checkbook it should say "TDC Registered Warrant Investment". **This is not a remittance.**
 5. Create an entry in the investment ledger (i.e.: Registered Warrants).
 - a. Enter in the computer for TDC. There is a separate account number.
 - b. Enter on the front of the cash sheet, as a deposit in "TDC Registered Warrants" line.
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6. On the last day of the month or sooner, close **all** registered warrants.
 7. On the "Letter of Understanding" write "release" and give it back to the district or department. Calculate the interest to be paid based on the Bank Method: "The annual interest rate will be computed on a 365/360 basis; this is, by applying the ration of the annual interest rate over a year of 360days, multiplied by the outstanding warrant amount, multiplied by the actual number of days the registered warrant is outstanding."

8. a) For taxing districts write a Treasurer's check for the interest and put it on the cash sheet under "Interest" with the notation of Registered Warrant Interest and the district name. This is a remittance process, but a disbursement on the cash sheet.
b) For county departments use the Payment Remittance form in J/Registered Warrants/Payment Remittance and follow procedure as noted. May need to have 48 hour advance notice waived.
9. a) For taxing districts attach interest check to a deposit transmittal (into Treasurer's Current Expense, BARS #361-11) and give to the head cashier.
b) For county departments, the Chief Deputy or Finance Accounting Deputy II Banking/Investments will process the interest payment via Journal Entry using the Payment Remittance process.
10. Create a **separate deposit** (not a miscellaneous receipt) for the original warrant written to us. This will have a stale date of up to 30 days. (It is okay with the St. Examiners that we hold registered warrants in our vault for that length of time).
 - a. Write on the front of the cash sheet for the matured investment.
 - b. Enter on the back of the cash sheet as a deposit.
 - c. Enter off to the side of the control drawer (like an NSF or cashier refund)
 - d. Mature the investment in the computer.
 - e. Write in the ledger.
 - f. Do a slip in the checkbook
11. Write in the investment calendar the new registered warrant investment on the projected maturity date.
12. If the registered warrant is redeemed early enter "matured and the date" under the original entry.
13. If a new registered warrant investment is done enter that under the new projected maturity date.

If the district or county department wishes to stay on registered warrants they will need to go through this whole process again. **There is no rollover of this type of investment. Call and reissue at a higher amount.**

Approved this 28th day of November, 2016


Elisabeth Frazier, Treasurer, Chair

Absent

Karen Herr, Auditor, Secretary


Terri Jeffreys, Commissioner