

RESOLUTION NO. 711

A RESOLUTION OF THE BOARD OF COMMISSIONERS
OF BIRCH BAY WATER AND SEWER DISTRICT,
WHATCOM COUNTY, WASHINGTON, ESTABLISHING DISTRICT MAINTENANCE
FUND AND ACCOUNTS THEREIN AND REPEALING ALL RESOLUTIONS AND CODE
PROVISIONS INCONSISTENT HEREWITH

WHEREAS, the Birch Bay Water & Sewer District ("District") is a combined water and sewer utility, charging fees to its customers for water and sewer services; and

WHEREAS, for rate equity purposes, the District maintains separate accounts for water and sewer revenues and expenses; and

WHEREAS, the District adopted several funds, including a General Fund per Resolution 403, a Petty Cash Fund per Resolution 307 (with amendments adopted per Resolutions 568 and 621, a Sewer System Construction Fund per Resolution 417;

WHEREAS, the above resolutions are codified in the District's Code, Chapters 3.04, 3.08 and 3.12 respectively, are outdated, and in need of amendment; and

WHEREAS, the District is authorized per RCW 57.20 to establish and maintain specific funds; and

WHEREAS, the foregoing recitals are a material part of this resolution;

NOW THEREFORE, BE IT RESOLVED by the Board of Commissioners of Birch Bay Water and Sewer District, Whatcom County, Washington as follows:

Section 1: Resolution 403 is repealed in its entirety and Chapter 3.04, General Fund, Birch Bay Water and Sewer District Code ("District Code") is repealed and replaced with a new Chapter 3.04 entitled, Maintenance Fund, as follows:

Chapter 3.04 Maintenance Fund

3.04.010 Establishment

The District Treasurer shall maintain a fund designated as a Maintenance Fund which shall be paid all money received by the Treasurer from the collection of taxes levied for the payment of general obligation bonds of the district and all revenues of the district other than assessments levied in local improvement districts or utility local improvement districts pursuant to District Code section 3.04.030. The purpose of the Maintenance Fund is to present the District's financial status and account for changes in that status over time. The Maintenance Fund may include the following subordinate funds: a "Water and Sewer Revenue Bond Redemption Fund" (District Code 3.04.020), a "Debt Service Fund" (District Code 3.04.030), a "Construction Fund" (District Code 3.04.050) and, a "Petty Cash Fund" (District Code 3.04.050). The Treasurer may establish such additional subordinate funds and accounts within the Maintenance Fund that enable the District to meet the objectives of the Maintenance Fund, satisfy District financial policies, and comply with all applicable contractual and statutory obligations of the District.

3.04.020 Water and Sewer Revenue Bond Redemption Fund

The Water and Sewer Revenue Bond Redemption Fund is a subordinate fund within the Maintenance Fund meeting the requirements of the District's revenue refunding bonds, as stated in Resolution No. 668 and the District's revenue bonds stated in Resolution No. 583. U.L.I.D. assessments collected pursuant to Resolution No. 668 and Resolution No. 583 shall be placed in the Water and Sewer Revenue Bond Redemption Fund.

3.04.030 Debt Service Fund

The Debt Service Fund is a subordinate fund within the Maintenance Fund used for payment of interest and principal on indebtedness of the District other than for revenue bonds or revenue refunding bonds.

3.04.040 Construction Fund

The Construction Fund is a subordinate fund within the Maintenance Fund used for payment of expenditures for construction or acquisition of fixed assets of the District and not including acquisition of donated assets. Fixed assets shall mean items that will be used for an extended period of time such as but not limited to, buildings, equipment, computers, fixtures, and machinery.

3.04.050 Petty Cash Fund

The Petty Cash Fund is a subordinate fund within the Maintenance Fund in the sum of up to a maximum amount of eight hundred dollars and is authorized for the purpose of allowing certain funds to be used by the District for necessary and various small purchases for lawful District purposes. Reimbursements to this fund shall be made on a semi-monthly basis by voucher which will have receipts for the expenditures attached to it.

3.04.060 Disbursement and Transfer

No money shall be disbursed from the Maintenance Fund except upon warrants from the District Treasurer issued upon the authority of the Board of Commissioners. The District Treasurer may transfer money between subordinate funds and accounts of the Maintenance Fund without a resolution of the Board of Commissioners.

Section 2: Resolutions 307, 568, and 621, Chapters 3.08, Resolution 417 and Chapter, 3.12 are repealed in their entirety.

Section 3. BE IT FURTHER RESOLVED that any resolutions or parts of resolutions in conflict herewith are hereby repealed insofar as they conflict with the provisions of this resolution.

Section 4: If any section, subsection, sentence, clause or phrase of this Resolution is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Resolution. The Board hereby declares that it would have passed this code and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases has been declared invalid or unconstitutional, and if, for any reason, this Resolution should be declared invalid, or unconstitutional, then the original Resolution shall be in full force and effect.

Section 5: This Resolution shall be effective immediately.


PASSED by the Board of Commissioners of Birch Bay Water & Sewer District, Whatcom County, Washington, at a regular meeting held the 13 day of October, 2011.


COMMISSIONER


COMMISSIONER


COMMISSIONER

THIS IS TO CERTIFY that the above is a true and correct copy of Resolution No. 711 of Birch Bay Water & Sewer District, Whatcom County, Washington, adopted at the regular meeting of the Board of Commissioners on October 13, 2011.


SECRETARY