

Item 5 – Signatories for District Certificates of Deposit

Banking institutions holding Certificates of Deposit (CDs) look to the District to name board members as signatories. At some point in the past, the Board authorized and informed the banks that CD signatories would be the current President, Vice President, Treasurer, and witnessed by the Secretary.

We have found no board action that set the above policy in place and ask the Board to officially determine a policy concerning signatories on CDs. It is incumbent for the authorized signatories to sign documents setting up new accounts and closing others. Failure of just one signatory to fulfill the duty assigned would result in the inability to open new accounts as interest rates change.

The General Manager asks the Board to consider using the same method of naming signatories for CDs as is done with the District Well Assistance Fund. This method allows the current President to authorize four (4) board members, two from each county, as signatories on an as needed basis.