

## **CLAIMS APPROVAL**

To: Snoqualmie City Council  
Finance and Administration Committee

From: Robert Hamud, Director of Finance

Date: July 2nd, 2019

Subject: Approval of payment of claims [and payroll, if applicable] for the period  
June 20th – 28th, 2019.

### **BACKGROUND**

RCW 42.24.080 requires that all claims presented against the City by persons furnishing materials, rendering services, or performing labor must be certified by the appropriate official to ensure that the materials have been furnished, the services rendered, or the labor performed as described, and that the claims are just, due and unpaid obligations against the City, before payment can be made.

The Snoqualmie Municipal Code Chapter 3.85, Claims, Demands and Vouchers Against the City, provides that the Finance Director or his/her designee will examine all claims prior to payment.

RCW 42.24.180 allows expedited processing of the payment of claims when certain conditions have been met. The statute allows the issuance of warrants or checks in payment of claims before the legislative body has acted to approve the claims when: (1) the appropriate officers have furnished official bonds; (2) the legislative body has adopted policies that implement effective internal control; (3) the legislative body has provided for review of the documentation supporting the claims within a month of issuance; and (4) that if claims are disapproved, they shall be recognized as receivables and diligently pursued. The City of Snoqualmie meets all of these requirements.

SMC 3.85.040 provides for the Finance Director's periodic reporting of the payments and/or the Finance Director's objection thereto, to the Council for approval. To meet these requirements, the Finance Director schedules payment of claims and payroll for monthly Finance & Administration Committee review followed by full City Council approval on the Consent Calendar. Per SMC Section 3.85.050, documentation supporting claims paid and the Finance Director's written report are made available to all city council members at City Hall for 48 hours prior to the Finance and Administration Council Committee's regular meeting. Following the 48-hour review period, the Finance and Administration Council Committee considers the claims as part of its regular agenda and recommends to the full city council whether to approve or disapprove the claims.

Consistent with these requirements, this report seeks City Council approval of payment of claims [and payroll, if applicable] for the period of June 20<sup>th</sup> - 28<sup>th</sup>, 2019.

The Finance and Administration Council Committee recommends approval [or disapproval, as applicable].

### **ANALYSIS**

The information presented in the Fiscal Impact section covers all claims and payroll payments during the month prior to the date of the council meeting, as required by RCW 42.24.180.

All payments made during this period were found to be valid claims against the City. Details are available in the documentation provided for City Council member review prior to the Finance and Administration Council Committee meeting. The City's internal controls include certification of the validity of all payments by the appropriate department prior to submission for payment. The Finance Director has delegated authority for the examination of vouchers and authorization of payments to the City's Accountant and Finance accounting and payroll staff. Finance Department staff review all claims payments, and payroll staff performs system validation and exception reviews to validate payroll records. Department Directors and the City Administrator review all expense reimbursement claims. In addition, the Finance Director performs a random sampling review of supporting documentation for claims payments to ensure validity. The Finance Department regularly reviews its processes to ensure appropriate internal controls are in place.

#### **Payments Issued by Finance Director:**

Claims Warrants / Checks & Electronic Payments including settlement of damage claims in the amount of:

\$1,323,782.22.

Warrant / Check Numbers: 49084 - 49239. And slip checks 49081 – 49083.

Payroll Warrants / Checks, electronic (direct) deposits in the amount of:

\$528,569.01.

Warrant / Check Number 72482 - 72490. And slip checks 72467 – 72481.

#### **Payments/Claims Objected to by Finance Director:**


\_\_\_\_\_ [Itemize claims/demands amounts and circumstances, and summarize reasons for objection]

### **BUDGET**

The foregoing amounts were budgeted in the 2019 budget, and sufficient funds have

been transferred from the General Fund and others into the Claims Clearing Fund [or Payroll Clearing Fund] to cover these payments.

**I, the undersigned, do hereby certify under penalty of perjury that the claims and payroll warrants and/or checks itemized above were issued to pay just, due and unpaid obligations of the City of Snoqualmie for materials furnished, services rendered, or labor performed, and that I am authorized to authenticate and certify the foregoing.**

  
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Robert Hamud, Director of Finance  
Auditing Officer

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**FINANCE AND ADMINISTRATION COUNCIL COMMITTEE RECOMMENDATION**

Approve payment of claims and payroll as documented in this report

Do not approve and provide alternate direction to staff

**THE FINANCE AND ADMINISTRATION COUNCIL COMMITTEE RECOMMENDS COUNCIL APPROVAL.**

July 2nd, 2019

Date

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Bryan Holloway, Mayor ProTem/Committee Chair