



**Expo**

Exposition Metro Line  
Construction Authority


One Gateway Plaza  
Los Angeles, CA 90012-2952

213.922.7221  
BuildExpo.org

**5.b**

**DATE: MAY 5, 2006**

**TO: BOARD OF DIRECTORS**

**FROM: RICHARD D. THORPE**   
**CHIEF EXECUTIVE OFFICER**

**ACTION: ADOPT THE FINANCIAL INSTITUTIONS RESOLUTION**

---

**RECOMMENDATION**

Adopt the Financial Institutions Resolution authorizing the Authority to open a bank account and empower designated Officers to sign checks and perform banking services on behalf of the Authority.

**SUMMARY**

Metro has opened and has been maintaining a bank account for the Authority at Bank of America and has been paying invoices and purchase orders on the Authority's behalf. This will continue for the duration of the project. However, there is a need for the Authority to have access to a bank account for petty cash purposes. Metro has agreed to transfer limited funds to a bank account that would be controlled by the Authority that could be used for these purposes.

In order for the Authority to open a bank account, the Board needs to adopt a Financial Institutions Resolution (Attachment A) which authorizes the CEO to open the account and authorizes specific individuals as signatories on this account.

**DISCUSSION**

While Metro has opened and maintained a bank account on behalf of the Authority, the Authority does not have access to this account. As a result, the Authority has no access to petty cash funds, or funds for small items or reimbursements. Metro has agreed that it would be beneficial to have access to

a petty cash fund and has agreed to transfer a limited amount of funds to an account that the Authority would control.

In order to open an account, the Authority Board needs to adopt a resolution authorizing the opening of such an account and designating signatories to the account. This account will remain totally separate from the existing Metro accounts and will be maintained and controlled by the Authority. It is expected that the Authority will open an account with Wells Fargo, as this bank is located in the lobby of the new Authority headquarters and can open a business account with very limited funding.

This resolution designates the Chief Executive Officer, Chief Operations Officer, Chief Project Officer and the Director of Finance as the signatories on the account. Only these officials will be able to access the account on behalf of the Authority.

### **FINANCIAL IMPACT**

Once the Board adopts this resolution, the Authority will open an account and work with Metro on transferring funds to this account.

### **NEXT STEPS**

None

### **ATTACHMENT(S)**

A. Financial Institutions Resolution

Resolution No. 003

**RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE  
EXPOSITION METRO LINE CONSTRUCTION AUTHORITY  
ON  
FINANCIAL INSTITUTIONS**

WHEREAS, the Board of Directors of the Exposition Metro Line Construction Authority (Authority), a public entity existing under California Public Utilities Code Section 132600 et seq., consented to the actions of the Expo Authority described herein and adopted this resolution during a Special meeting of the Board of Directors held May 5, 2006.

WHEREAS, any financial institutions, including all banks and their correspondent banks doing business with the Authority, are hereby authorized, requested and directed to honor all checks, drafts, wires or other orders for payment of money drawn in the Authority's name on its account(s) (including those drawn on the individual order of any person or persons whose name appear thereon as a signer or signers thereof) when bearing the original and/or facsimile signature of the Chief Executive Officer, Chief Operations Officer, Chief Project Officer or Director of Finance (collectively Authority officials).

WHEREAS, Authority Officials are the only representatives empowered to open, close or authorize changes to accounts on behalf of the Authority apart from the accounts already in existence through the Los Angeles County Metropolitan Transportation Authority. Authority officials may designate individuals as Official Signatories for the Authority's financial accounts. The duties of Official Signatories shall be limited to check signing, wire or fund transfers, balance reporting and/or monitoring of bank processes within policy guidelines.

NOW THEREFORE, BE IT RESOLVED, That the Board of Directors of the Expo Authority consented to the actions of the Expo Authority described herein and adopted this resolution during a Special meeting the Board of Directors held May 5, 2006.