

RESOLUTION 2016-352

**A RESOLUTION OF THE BOARD OF SOUTH SAN LUIS OBISPO
COUNTY SANITATION DISTRICT,
APPROVING A RESERVE POLICY AND AUTHORIZING AND DIRECTING
THE DISTRICT ADMINISTRATOR TO IMPLEMENT THE POLICY**

WHEREAS, on August 18, 1976 the South San Luis Obispo County Sanitation District (District) adopted Resolution 53, providing for a reserve fund in the amount of 20% of annual charges or 10% of the annual costs of District maintenance and operation, whichever is less; and

WHEREAS, in addition to its standard operations, the District is now proceeding with significant capital and updating projects including a redundancy project, and wishes to implement a prudent reserve to assure success of these efforts; and

WHEREAS, the District wishes to limit use of the reserve to one-time cases of emergency, natural disaster or unexpected event; and

NOW, THEREFORE, IT IS HEREBY RESOLVED, that the Board of South San Luis Obispo County Sanitation District:

1. Hereby approves a reserve within Fund 19, as follows:

- To be made in the amount of 10% of the annual costs of District maintenance and operation;
- To be made to the reserve fund by July 31 of each year;
- May be used only in one-time cases of emergency, natural disaster, or unexpected event;
- A majority vote of the Board is required to access the reserve;
- The reserve will be reviewed annually with the budget.

2. Authorizes and directs the District Administrator, or his/her designee, to take all steps necessary to implement this resolution.

PASSED AND ADOPTED at a regular meeting of the South San Luis County Sanitation District Board of Directors held this 15th day of June, 2016.

On the motion of Shoals seconded by Hill, and after the following roll call vote:

AYES:
NOES:
ABSENT:
CONFLICTS:



John Shoals,
Chairman
Board of Directors
South San Luis Obispo County Sanitation District

ATTEST:



DISTRICT SECRETARY

APPROVED AS TO FORM:

BY: 

DISTRICT COUNSEL

CONTENTS:

BY: 

DISTRICT ADMINISTRATOR