

RESOLUTION NO. 2014-16

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE LOS OSOS COMMUNITY SERVICES DISTRICT
AMENDING RESOLUTION 2012-09 TO ESTABLISH A
BUDGET RESERVE POLICY FOR THE BAYRIDGE ESTATE SUBDIVISION**

WHEREAS, Community Services District Law is established in Section 61000 et seq. of the Government Code; and

WHEREAS, Government Code Section 61045(g) states the Board shall adopt policies for the operations of the District; and

WHEREAS, Government Code Section 61112 authorizes the Board to establish designated reserves for capital outlay and contingencies; and

WHEREAS, the Board of Directors finds this policy will help to protect the future health, safety and welfare of the residents and customers of Bayridge Estates; and

WHEREAS, the Board of Directors recognizes establishing of a reserve in anticipation of future costs for decommissioning twelve septic tanks is a prudent financial management policy; and

WHEREAS, the Board of Directors realizes in Resolution No 2012-09 adopted June 7, 2012 no reserve was established for the Bayridge Estates Subdivision for this purpose;

NOW THEREFORE, THE BOARD OF DIRECTORS OF THE LOS OSOS COMMUNITY SERVICES DISTRICT DOES HEREBY RESOLVE, DECLARE AND DETERMINE THAT:

- 1. Staff establishes a reserve fund for Bayridge Estates Subdivision beginning with FY 13/14.**
- 2. In accordance with Resolution No 2012-09 the appropriation balance for Capital Outlay accounts as of the end of the fiscal year will automatically roll over into the Reserve Fund.**

On the motion of Director _____, seconded by Director _____,
and on the following roll call vote, to wit:

Ayes: _____
Noes: _____
Absent: _____
Conflicts: _____

The foregoing resolution is hereby passed, approved, and adopted by the Board of Directors of the Los Osos Community Services District this 7th day of August 2014.

R. Michael Wright
Vice President, Board of Directors
Los Osos Community Services District

ATTEST:

APPROVED AS TO FORM:

Kathy A. Kivley
General Manager and Secretary to the Board

Michael W. Seitz
District Legal Counsel