

RESOLUTION NO. 2224

**RESOLUTION OF THE BOARD OF DIRECTORS OF
MONTECITO WATER DISTRICT
ADOPTING AN UPDATED RESERVE POLICY UPDATE FOR FISCAL YEAR 2022**

WHEREAS, the mission of Montecito Water District (“District”) is to provide an adequate and reliable supply of high-quality water to the residents of the Montecito and Summerland communities at the most reasonable cost; and

WHEREAS, California Water Code Section 31000 grants the District express and implied powers to carry out its mission; and

WHEREAS, California Water Code Section 31001 authorizes the District generally to perform all acts necessary to carry out its mission; and

WHEREAS, California Water Code Section 31007 requires that rates and charges be collected and fixed so as to yield an amount sufficient to: pay operating expenses; provide for repairs and depreciation of works owned or operated by the District; pay the interest on bonded debt; and pay principal of the bonded debt as it becomes due; and

WHEREAS, the adoption of an updated reserve policy will assist the District in accomplishing its general mission, and fulfilling the requirements of the Water Code; and

WHEREAS, with extreme drought ongoing and expected to continue into 2022 and possibly beyond, the District desires to reserve surplus funds from increased water sales in fiscal year 2021 for the possible acquisition of supplemental water in 2022 and/or 2023;

NOW THEREFORE BE IT RESOLVED that the Board of Directors of Montecito Water District hereby adopts an updated “Montecito Water District Reserve Policy” for Fiscal Year 2022, which is attached to this Resolution as Exhibit “A”, and incorporated herein by this reference. The updated Reserve Policy will supersede the Reserve Policy adopted in June 2021 via Resolution 2218 and will remain in force and effect until additional action is taken by the Board.

PASSED AND ADOPTED by the Board of Directors of the Montecito Water District this 26th of October 2021 by the following roll call vote:

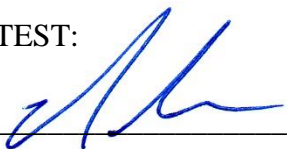
AYES: Directors Coates, Goebel, Hayman, Plough, and Wicks

NOES: None

ABSENT: None


ABSTAIN: None

ATTEST:



Nicholas Turner, Secretary

APPROVED:



Charles T. Plough, President