

A RESOLUTION OF
THE LOCAL AGENCY FORMATION COMMISSION OF MENDOCINO COUNTY

LAFCo Resolution No. 18-19-06

**Amending the
Policy 5.1.5 Reserves for Fiscal Stability, Cash Flow, and Contingencies**

WHEREAS, Local Agency Formation Commissions have been created under the provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Sections 56000 et. seq. of the Government Code, as independent agencies, with the power to adopt policies and procedures to carry out their functions, (§56300); and

WHEREAS, this Commission held a public meeting on the proposed policy amendment to Policy 5.1.5 “Reserves for Fiscal Stability, Cash Flow, and Contingencies,” and at that meeting, this Commission received the report of the Executive Officer and all oral and written comments with respect to the proposed policy amendment.

NOW, THEREFORE, the Local Agency Formation Commission of the County of Mendocino DOES HEREBY RESOLVE, DETERMINE AND ORDER Mendocino LAFCo Policy 5.1.5 be amended as follows:

5.1.5 Reserves for Fiscal Stability, Cash Flow, and Contingencies

Mendocino LAFCo will strive to maintain reserves for fiscal stability, unforeseen operating or capital needs, cash flow requirements, revenue source stability from revenue shortfalls, and unanticipated legal fees. The reserves consist of an Operating Reserve of 25 percent of the annual operating budget and a Legal Reserve of \$35,000 and are to be maintained in separate accounts.

The foregoing Resolution was passed and duly adopted at a regular meeting of the Mendocino Local Agency Formation Commission held on this 4th day of March 2019, by the following vote:

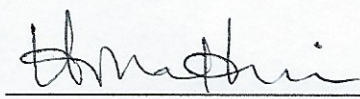
AYES: Commissioners Brown, Gonzalez, Huff, Ignacio, McCowen, Orth, and Ward

NOES: None

ABSTAIN: None

ABSENT: None

ATTEST:



UMA HINMAN, Executive Officer



CARRE BROWN, Chair