

**RESOLUTION NO. 13-219**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE MISSION HILLS COMMUNITY SERVICES DISTRICT  
AMENDING THE DISTRICT'S ESTABLISHMENT OF AN  
ALTERNATIVE DEPOSITARY**

(This Resolution supersedes and replaces Resolution No. 12-202, which is also codified as District Policy 3035)

**WHEREAS**, the Mission Hills Community Services District (the "District") is a community services district duly formed under California Government Code Section 61000 *et. seq.*, to provide community services within the District's service area, including water and sewer services; and

**WHEREAS**, the District has the authority to establish an alternative depository in place of the Santa Barbara County Treasury, pursuant to Government Code Section 61053; and

**WHEREAS**, Section 61053, enacted in 2006, replaced a previous Government Code Section 61737.02, which also allowed for the establishment of an alternative depository; and

**WHEREAS**, in November of 1992, in accordance with the law in effect at that time (Government code Section 61737.02), the District adopted Resolution No. 111, establishing an alternative depository for the District funds; and

**WHEREAS**, on August 8, 2012, the District replaced Resolution No. 111 with Resolution 12-202 in order to comply with the provisions of Section 61053 and to reflect the status of the District's funds; and

**WHEREAS**, the District has also adopted Resolution No. 11-194, authorizing deposit of District money and a contract for banking services with Coast Hills Federal Credit Union; and

**WHEREAS**, the District desires to replace Resolution No. 12-202 with a new resolution authorizing the District Treasurer to withdraw the District's money from the County Treasury for investment elsewhere.

**NOW THEREFORE**, be it resolved by the Board of Directors of the Mission Hills Community Services District as follows:

1. Intention to Withdraw Money from the County Treasury. The Board of Directors authorizes the District Treasurer to withdraw the District's money from the County Treasury. The Board of Directors determines that September 18, 2013 is an acceptable date for the withdrawal of the District's money from the County Treasury.
2. Appointment of District Treasurer: The Board of Directors appoints the General Manager as the District Treasurer, who shall serve in the place of the County Treasurer.
3. Bond for District Treasurer: The District will purchase bonds in the amounts of \$50,000 for the District Treasurer and the District Accountant.
4. Adopted System of Accounting and Auditing: the District's financial statements are prepared on the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned and expenses are recognized when incurred. Auditing is conducted in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the State Controller's *Minimum Audit Requirements for California Special Districts*. This system of accounting and auditing completely and at all times shows the District's financial condition. The system of accounting and auditing adheres to generally accepted accounting principles.
5. Adopted Procedure for Drawing and Signing Checks: All District checks must be signed by two persons, usually by any two members of the Board of Directors, but in the absence of a board member then signed by the District General Manager and a board member. These procedures for drawing and signing checks adhere to generally accepted accounting principles. Any bond principals and salaries shall be paid when due.
6. Designation of Depository of the District's Money: Coast Hills Federal Credit Union is designated as the depository of the District's money.
7. Compliance with Government Code: The District shall at all times comply with Article 1 (commencing with Section 53600) and Article 2 (commencing with Section 53630) of Chapter 4 of Part 1 of Division 2 of Title 5 with regard to the investment of surplus funds and the deposit of funds.
8. Quarterly Reports: The District Treasurer shall make quarterly or more frequent written reports to the Board of Directors, as the Board of Directors shall determine, regarding the receipts and disbursements and balances in the accounts controlled by the District Treasurer. The District Treasurer shall sign the reports and file them with the District General Manager and the District Board Secretary.

9. Rescission of Previous Resolutions: This Resolution supersedes and replaces Resolution No. 12-202, which is also codified as District Policy 3035. All ordinances, resolutions or administrative actions by the Board of Directors, or parts thereof, which are inconsistent with any provision of this Resolution are hereby superseded only to the extent of such inconsistency.

10. Effective Date: This Resolution will be effective immediately.

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

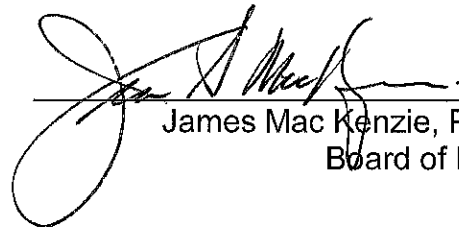
AYES: Directors: Fasold, Hayes, Jones, Mac Kenzie, Naughton

NOES: None

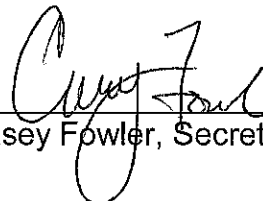
ABSENT: None

ABSTAIN: None


The foregoing Resolution is hereby passed and adopted this 11th day of September, 2013.

  
James Mac Kenzie, President  
Board of Directors

ATTEST:

  
Casey Fowler, Secretary to the Board

APPROVED AS TO FORM:

  
Ziyad I. Naccasha, District Counsel