

RESOLUTION 07-1

AUTHORIZING TRANSFER OF WCSD'S DWR LOAN RESERVE ACCOUNT AT UMPQUA BANK
TO A CERTIFICATE OF DEPOSIT AT UMPQUA BANK

WHEREAS, by Westhaven Community Services District Resolution 90-7, the District Board of Directors accepted State of California Department of Water Resources Loan # E58232, and

WHEREAS, the loan contract stipulates that the District will establish and maintain for the thirty-year loan repayment period a loan reserve fund equal to two semi-annual loan payments, being altogether \$26,400, and

WHEREAS, the loan contract further stipulates that the loan reserve fund may be held in a separate higher yield account, and

WHEREAS, the loan reserve fund balance is currently \$26,812.62 and is held in a Business Savings Account at Umpqua Bank with an annual interest rate of 0.25%,

NOW, THEREFORE, BE IT RESOLVED by the Westhaven Community Services District Board of Directors, that the District Manager shall transfer the amount of \$26,400 into a 48-59 month Certificate of Deposit at Umpqua Bank, which amount shall continue to be maintained and identified as the DWR Loan Reserve Fund throughout the term of the loan repayment, and

BE IT FURTHER RESOLVED, the remainder of the loan reserve savings shall be transferred to the District's Business Checking Account at Umpqua Bank and shall be earmarked for inclusion in the next deposit of District funds into the District's Capital Reserve Fund with the Humboldt County Treasurer, and

BE IT FURTHER RESOLVED, interest income earned on the \$26,400 principal of the Certificate of Deposit shall be withdrawn annually and deposited to the District's Capital Reserve Fund.

PASSED, APPROVED, and ADOPTED this seventeenth day of January 2007 by the following roll call vote:

AYE: Blake, Nichols, Smith and Verick

NO: None

ABSTAIN: None

ABSENT: None

Courtney Blake, President
Westhaven Community Services District

ATTEST:

Annette C. Leshner, Secretary
Westhaven Community Services District