

**RESOLUTION 2019-06**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF MARIN CLEAN ENERGY  
MARIN CLEAN ENERGY ESTABLISHING A NEW OPERATING RESERVE FUND**

**WHEREAS**, Marin Clean Energy (MCE) is a joint powers authority established on December 19, 2008, and organized under the Joint Exercise of Powers Act (Government Code Section 6500 et seq.); and

**WHEREAS**, MCE members include the following communities: the County of Marin, the County of Contra Costa, the County of Napa, the County of Solano, the City of American Canyon, the City of Belvedere, the City of Benicia, the City of Calistoga, the City of Concord, the Town of Corte Madera, the Town of Danville, the City of El Cerrito, the Town of Fairfax, the City of Lafayette, the City of Larkspur, the City of Martinez, the City of Mill Valley, the Town of Moraga, the City of Napa, the City of Novato, the City of Oakley, the City of Pinole, the City of Pittsburg, the City of San Ramon, the City of Richmond, the Town of Ross, the Town of San Anselmo, the City of San Pablo, the City of San Rafael, the City of Sausalito, the City of St. Helena, the Town of Tiburon, the City of Walnut Creek, and the Town of Yountville; and

**WHEREAS**, on February 18, 2016, the Board of Directors adopted a Reserve Policy (Policy 013), the terms of which, as amended from time to time, provide a policy framework for accumulating and maintaining a reserve in MCE's general operating fund (the "General Reserve") at a target funding level as part of MCE's annual budget and rate setting processes; and

**WHEREAS**, Policy 013 contemplates that the General Reserve may be utilized to satisfy working capital requirements, procure energy at competitive rates, adhere to loan covenants, cover unanticipated expenditures, and support rate stability, among other things; and

**WHEREAS**, the Board of Directors deems it prudent to establish, designate, and maintain, separately from the General Reserve, an operating reserve fund (the "Operating Reserve Fund") to provide a contingency available to satisfy financial covenants, rate stabilization, and such other matters as may be approved from time to time by the Board of Directors, and to be funded as deferred surplus revenues from time to time following annual funding and maintenance of the General Reserve at the level and in the manner specified in Policy 013; and

**NOW, THEREFORE, BE IT RESOLVED**, by the MCE Board of Directors:

A. The Board of Directors hereby establishes an operating reserve fund designated the "Operating Reserve Fund," which shall be accounted for as a separate fund from all other MCE funds, although amounts credited to it may be commingled with other funds of MCE. The Operating Reserve Fund shall be subject to the Investment Policy (Policy 014) adopted by the Board of Directors, as in effect and amended by the Board of Directors from time to time.

APPROVED

B. The Board of Directors hereby authorizes the Chief Executive Officer, the Director of Finance, or the Treasurer, and their respective designees to deposit, from time to time such amount as each such officer may determine as prudent and appropriate into the Operating Reserve Fund from any source of legally available surplus funds; provided, the Board of Directors later approves such deposit at the next scheduled meeting of the Board of Directors.

C. The Operating Reserve Fund shall be recognized by GASB 62 and provide a contingency available upon approval by the Board of Directors to satisfy financial covenants, rate stabilization, and such other matters as may be approved from time to time by the Board of Directors.

D. The Director of Finance, the Treasurer, and any designee appointed by the Director of Finance or the Treasurer, are hereby authorized and directed, jointly and severally, to do any and all things to effectuate the purposes of this Resolution, and any such actions previously taken by such officers are hereby ratified and confirmed.


**PASSED AND ADOPTED** at a regular meeting of the MCE Board of Directors on this 21st day of November 2019, by the following vote:

	AYES	NOES	ABSTAIN	ABSENT
County of Marin	✓			
Contra Costa County	✓			
County of Napa				✓
County of Solano				✓
City of American Canyon				✓
City of Belvedere	✓			
City of Benicia	✓			
City of Calistoga				✓
City of Concord				✓
Town of Corte Madera	✓			
Town of Danville				✓
City of El Cerrito	✓			
Town of Fairfax	✓			
City of Lafayette	✓			
City of Larkspur	✓			
City of Martinez				✓
City of Mill Valley				✓
Town of Moraga	✓			
City of Napa				✓

City of Novato				✓
City of Oakley	✓			
City of Pinole	✓			
City of Pittsburg				✓
City of San Ramon	✓			
City of Richmond	✓			
Town of Ross	✓			
Town of San Anselmo	✓			
City of San Pablo	✓			
City of San Rafael	✓			
City of Sausalito				✓
City of St. Helena				✓
Town of Tiburon	✓			
City of Walnut Creek	✓			
Town of Yountville				✓

  
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 CHAIR, MCE

**Attest:**

  
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 SECRETARY, MCE

