

RESOLUTION NO. 2026-08

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SPALDING COMMUNITY SERVICES DISTRICT AUTHORIZING THE ESTABLISHMENT OF BANK ACCOUNTS AND DESIGNATING AUTHORIZED SIGNERS

WHEREAS, the Spalding Community Services District (“District”) is a community services district duly organized and existing under the Community Services District Law, California Government Code Section 61000 *et seq.*, and possesses the powers set forth in Government Code Section 61060; and

WHEREAS, the District has determined that its existing sewer depository account (“Sewer Account”) has been compromised by fraudulent activity, and it is in the best interest of the District to place that account into dormant, do-not-use status and to establish a replacement Sewer Account to protect District funds; and

WHEREAS, the District intends to retain the dormant Sewer Account, rather than close it, so that the District preserves full access to its historical transaction records for reference; and

WHEREAS, the District's existing Fire Account and Recreation Account are not affected by the fraudulent activity described above and shall remain unchanged and unaffected by this Resolution; and

WHEREAS, the District has further determined that it is in the best interest of the District to establish an additional administrative checking account (“Admin Account”) to receive and pay administrative expenses that are shared or combined across the District's Sewer, Fire, and Recreation operations; and

WHEREAS, the District has determined that U.S. Bank shall serve as the depository institution for both accounts described herein; and

WHEREAS, applicable state law governing local agency deposits requires that authorized signers on District depository accounts be designated by resolution of the Board of Directors, and that any subsequent change in authorized signers likewise be reflected by resolution or by written certification made pursuant to authority granted in such a resolution; and

WHEREAS, the Board of Directors desires to designate authorized signers by position, together with the individuals currently holding those positions, so that authorized signer status transfers automatically to each position's successor in office without requiring a new resolution solely on account of personnel changes; and

WHEREAS, this meeting of the Board of Directors was noticed and conducted in compliance with the Ralph M. Brown Act, Government Code Section 54950 *et seq.*;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Spalding Community Services District as follows:

SECTION 1. Sewer Account – Dormant Status and Replacement.

The Board of Directors hereby authorizes the General Manager to place the District's existing Sewer Account, which was affected by fraudulent activity, into dormant, do-not-use status, and to establish a new replacement Sewer Account with U.S. Bank in the name of the District. The dormant Sewer Account shall not be closed, but shall be retained and archived for reference, preserving the District's access to its full historical transaction records. The District's Fire Account and Recreation Account are unaffected by this Section and shall remain in place without modification.

SECTION 2. Admin Account – New.

The Board of Directors hereby authorizes the General Manager to establish a new administrative checking account (Admin Account) with U.S. Bank in the name of the District, in addition to the District's existing depository accounts, for the purpose

of receiving and paying administrative expenses shared or combined across the District's Sewer, Fire, and Recreation operations.

SECTION 3. Authorized Signers.

The following positions are hereby designated as authorized signers on the Sewer Account and Admin Account established pursuant to Sections 1 and 2 of this Resolution, and on any successor or replacement accounts maintained at U.S. Bank for the same purposes:

- (a) Board Chair, currently held by Kathy Claytor;
- (b) Board Vice Chair, currently held by Ellen Stallings; and
- (c) General Manager, currently held by Mike Garcia.

Authorization to sign on behalf of the District is granted to the holder of each position described above, and shall transfer automatically to each successive holder of that position upon assumption of office, without requiring further action by the Board of Directors. The General Manager is directed to certify to U.S. Bank, in writing and from time to time as needed, the identity of the individual then holding each authorized position, and to complete all signature cards and related documentation required by U.S. Bank to maintain accurate and current signer records.

SECTION 4. Prior Authorizations.

This Resolution does not alter the authorized signers on the District's Fire Account, Recreation Account, or any other District depository account not described in Sections 1 and 2 above, unless and until superseded by subsequent Board action.

SECTION 5. Filing and Notice.

The General Manager is directed to file a certified copy of this Resolution in the District's official records, and to provide a certified copy to U.S. Bank, together with such other documentation as U.S. Bank may require to open, place into dormant status, or maintain the accounts described herein.

SECTION 6. Severability.

If any section, subsection, sentence, clause, or phrase of this Resolution is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Resolution.

PASSED, APPROVED, AND ADOPTED this 9th day of October, 2026, by the following vote:

AYES: _____ ABSENT: _____

NOES: _____ ABSTAIN: _____

APPROVED:

Kathy Claytor, Chair
Spalding Community Services District

ATTEST:

Mike Garcia, General Manager
Spalding Community Services District