

CAPISTRANO BAY DISTRICT
AGENDA REPORT
April 28, 2009

Financial Report

ITEM G.4

Possible Change of District Depository

At the request of Director Bob Bancroft, the process to change the District depository is a simple matter of taking Board action in the form of a motion to change banks then provide the County with documented evidence (a certified copy of the minutes) noticing the change of depositories and make the request and providing the new bank account and routing number. Additionally, there are some county forms to sign.

The District depository is the bank into which revenue is wired from the county tax apportionments each month. This is also the bank out of which the District pays all of its bills.

Director Bancroft's concern is with the stability and financial condition of our current depository, Bank of America. The Board's level of comfort with Bank of America has continually diminished over the past 9 months.

The following is suggested language for the motion should the Board choose to take this action to change depositories:

I HEREBY MAKE THE MOTION TO (*CLOSE THE ACCOUNT AND*) DISCONTINUE THE USE OF BANK OF AMERICA AS THE DEPOSITARY FOR THE CAPISTRANO BAY DISTRICT AND TO DESIGNATE FARMERS AND MERCHANTS BANK IN SAN CLEMENTE, CALIFORNIA AS THE NEW DISTRICT DEPOSITARY AND TO INSTRUCT STAFF TO CONTACT THE COUNTY OF ORANGE TO OFFICIALLY REQUEST THE CHANGE OF DEPOSITARIES.