

**NORTH MARIN WATER DISTRICT**

**REGULATION 16**

**FACILITIES RESERVE FUND**

a. Establishment of Facilities Reserve Fund

All money received in payment of Facilities Reserve Charges shall be deposited in a separate interest bearing account designated the Facilities Reserve Fund. All interest earned on the account shall be credited to the Fund.

b. Use of Facilities Reserve Fund

The Facilities Reserve Fund shall be used solely for payment of capital costs required to enlarge or extend the District's water treatment and distribution facilities.