

RESOLUTION NO. 2008-07

A RESOLUTION of the Susquehanna River Basin Commission establishing a "Compliance Reserve Fund" and designating permitted uses of this fund.

WHEREAS, the Commission, from time to time, receives settlement payments and penalties in connection with violation of Commission regulations, orders, or docket conditions; and

WHEREAS, pursuant to Policy No. 95-02, as amended June 8, 2005, such settlement payments and penalties are deposited in the Commission's Water Management Fund; and

WHEREAS, it is the sense of the Commission that such funds should accrue in a separate account where they may be used to finance a full range of Commission activities under the Susquehanna Compact, including activities associated with the management of consumptive use and low flows.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Executive Director and the Chief Administrative Officer are hereby directed to establish an account to be known as the "Compliance Reserve Fund" into which all settlement and penalty amounts paid to the Commission shall be transferred or deposited.

2. As authorized by the Commission, transfers may be made from the Compliance Reserve Fund to the Commission's General Fund for any purpose or function of the Commission authorized by the Susquehanna River Basin Compact.

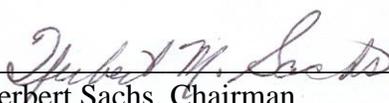
3. All references and provisions relating to settlement payments and penalties in Water Management Fund Policy No. 95-02, as amended June 8, 2005, are hereby superseded.

4. Compliance Reserve funds may be invested upon direction of, and as may be determined to be available by, the Executive Director and Chief Administrative Officer. Authorized investment types shall be as set forth in the Commission's Organization Manual.

5. All expenditures must be approved by the Chief Administrative Officer and the Executive Director. Expenditures exceeding the Executive Director's spending limits established in the Commission's Organization Manual must be approved by the Commission prior to disbursement. Competitive bids must be advertised unless the services to be provided are of a specialized or professional nature.

6. This Resolution shall be effective immediately.

Dated: September 11, 2008



Herbert Sachs, Chairman
Maryland