

THE VILLAGE OF COAL CITY
GRUNDY & WILL COUNTIES, ILLINOIS

RESOLUTION
NUMBER 16-05

**A RESOLUTION TO ADOPT A POLICY ESTABLISHING AND MAINTAINING A
MINIMUM FUND BALANCE WITHIN THE GENERAL FUND**

TERRY HALLIDAY, Village President
PAMELA M. NOFFSINGER, Village Clerk

ROSS BRADLEY
TIMOTHY BRADLEY
DANIEL GREGGAIN
NEAL NELSON
DAVID TOGLIATTI
JUSTIN WREN
Village Trustees

RESOLUTION NO. 16-05

**A RESOLUTION TO ADOPT A POLICY ESTABLISHING AND MAINTAINING A
MINIMUM FUND BALANCE WITHIN THE GENERAL FUND**

WHEREAS, the Village of Coal City, Grundy and Will Counties, Illinois (the "Village"), is a non-home rule municipal corporation and body politic of the State of Illinois, duly created, organized and existing under the Constitution of the State of Illinois, the Illinois Municipal Code and other laws of the State of Illinois, as amended from time to time, and having the powers, objects and purposes provided thereby; and

WHEREAS, the Village suffered extensive damage as a result of an EF-3 tornado and related severe weather striking the community on June 22, 2016 (the "Storm"); and

WHEREAS, the State of Illinois has in the past suspended payment of some or all of Local Distributive Funds collected and distributed by the State of Illinois exacerbating difficulties concerning the fund balance of unrestricted funds maintained by the Village; and

WHEREAS, the President (the "President") and Board of Trustees of the Village (collectively, the "Corporate Authorities") hereby find and determine that unanticipated Storm related expenses placed a large unexpected financial burden on the Village;

WHEREAS, the Corporate Authorities have determined that it is in the public interest to establish a minimum fund balance policy applicable to the Corporate General Fund to preserve financial stability in the event of major unexpected expenses, a significant reduction in State revenue distributions, or other unforeseen revenue fluctuations.

NOW, THEREFORE, BE IT RESOLVED by the President and Board of Trustees of the Village of Coal City, Grundy and Will Counties, as follows:

SECTION 1. RECITALS. That the foregoing recitals shall be and are hereby incorporated into and made a part of this Resolution as if fully set forth in this Section 1.

SECTION 2. APPROVAL AND RATIFICATION.

A. It is the intent of the Corporate Authorities to maintain a minimum General Fund balance of not less than One Millions Two Hundred and No/100 Dollars (\$1,200,000.00) in unassigned funds available for any purpose (the "Intended Minimum Balance") at the close of each fiscal year.

B. If the unassigned fund balance in the General Fund falls below the Intended Minimum Balance or if it is anticipated that at the completion of the fiscal year the projected unassigned fund balance in the General Fund will be less than the Intended Minimum Balance, the Village Board or an official designated by the Corporate Authorities shall prepare and submit a plan to restore the Intended Minimum Balance and a timeline for achieving the Intended Minimum Balance.

C. The Corporate Authorities hereby authorize and establish a policy that requires each annual budget ordinance setting forth the planned expenditures and revenues for the next fiscal year to include a section setting forth the anticipated General Fund Balance planned for the end of the upcoming fiscal year.

D. The Corporate Authorities hereby authorize and establish a policy that the Corporate General Fund may only be reduced below the Intended Minimum Balance for emergency purposes, with the nature and existence of such emergencies subject to the discretion of the Corporate Authorities.

E. Nothing herein shall be construed to prevent or interfere with the Village satisfying its debt service obligations relating to any outstanding bonded debt obligations or other lawful borrowing or as may be required to avoid default on any existing written contracts.

F. Future revision or amendment of the policy adopted herein, and any deviation from the terms of the policy, shall not require the repeal of this Resolution, nor require any separate or additional notice. Action taken by the Village Board in contravention of the policy enumerated herein shall not be unlawful, as the policy is aspirational in nature only.

SECTION 4. SAVING CLAUSE. If any section, paragraph, clause, or provision of this Resolution shall be held invalid, the invalidity thereof shall not affect any of the other provisions of this Resolution, which are hereby declared to be separable.

SECTION 5. EFFECTIVE DATE. This Resolution shall be in full force and effect from and after its passage, approval, and publication in the manner provided by law.

**A RESOLUTION TO ADOPT A POLICY ESTABLISHING AND MAINTAINING A MINIMUM
FUND BALANCE WITHIN THE GENERAL FUND**

SO RESOLVED this 27 day of January, 2016, at Coal City,
Grundy and Will Counties, Illinois.

AYES: 4

ABSENT: 0

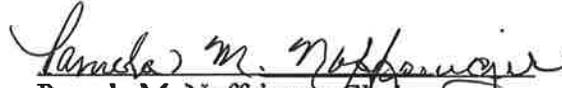
NAYS: 0

ABSTAIN: 0

VILLAGE OF COAL CITY


Terry Halliday, President

Attest:


Pamela M. Noffsinger, Clerk