RESOLUTION CREATING A FUND BALANCE POLICY

WHEREAS, the Village of Barrington Hills (the "Village") is a home-rule municipality pursuant to Article VII, Section 6, of the Constitution of the State of Illinois, and as such is authorized to take all reasonable action pertaining to its affairs in accordance therewith; and

WHEREAS, the Village annually files a request for a levy to the counties in which the Village is located; and

WHEREAS, the levy request is based upon reasonable expected revenues and expenses; and

WHEREAS, in order to provide for contingencies and unforeseen matters, the Village shall maintain an undesignated/unreserved Fund Balance in the General Fund and the Police Protection Fund; and

WHEREAS, the Finance Committee met to recommend a Fund Balance Policy on November 5, 2019 and made a recommendation that the Village Board adopt a Fund Balance Policy which will ensure sufficient funding to provide financial resources to the Village in the event of an unforeseen circumstance creating a call on Village finances .

NOW, THEREFORE, BE IT RESOLVED by the President and Board of Trustees of the Village of Barrington Hills, located in the Counties of Cook, Kane, Lake and McHenry, Illinois, as follows:

SECTION ONE: Maintaining a Fund Balance is a reasonable financial practice which is deemed necessary.

SECTION TWO: The Fund Balance Policy recommended by the Finance Committee is hereby adopted, which requires a Fund Balance to contain no less than 6 months of the General Fund and Police Protection Fund expenditures, not to include extraordinary onetime material expenditures and the contribution to the Police Pension Fund. The Fund Balance is intended to be sufficient to provide financial resources for the Village in the event of an emergency or the loss of a major revenue source.

SECTION THREE: This Resolution replaces Resolution 01-22 "Resolution Amending the Municipal Reserve Fund".

SECTION FOUR: This Resolution shall take effect immediately upon its passage and approval as provided by law.

Ayes: 5 Nays: 0 Absent: 2

PASSED AND APPROVED by the President and Board of Trustees of the Village of Barrington Hills, Illinois, this 19th day of November, 2019.

APPROVED:

Village President

ATTEST:

Village Clerk