

A RESOLUTION ADOPTING A 911 FUND BALANCE POLICY

WHEREAS, the City of Rolling Meadows has reviewed the requirements of the Governmental Accounting Standards' Board (GASB) Statement No. 54 governing fund balance; and

WHEREAS, the City adopted GASB-54 requirements in previous fund balance policies; and

WHEREAS, the City recognizes the need to prepare for unforeseen circumstances, emergency needs and the importance of building fund balance reserves; and

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Rolling Meadows, Illinois, that the following 911 Fund Balance Policy is adopted for the City of Rolling Meadows, subject to future revisions, a copy of which is included in this Resolution.

**City of Rolling Meadows
Fund Balance for the 911 Fund**

Purpose

A fund balance policy will provide the City of Rolling Meadows a basis to prepare for unforeseen circumstances and to provide sufficient cash flow to avoid the need for short-term borrowing.

Summary of Fund

The City of Rolling Meadows' expenditures related to emergency communications (including the City's contractual payments to Northwest Central Dispatch System) are accounted for in the 911 Fund. The City contracts its emergency communication dispatch services through Northwest Central Dispatch System (NWCDS). NWCDS is an intergovernmental consolidated emergency dispatch system serving 21 northwest suburban police and fire departments in suburban Cook County, Illinois.

1. Amounts Held in Reserve (Unreserved Fund Balance or Unassigned Fund Balance)

The City of Rolling Meadows shall strive to hold an amount known as Unreserved Fund Balance (also known as Unassigned Fund Balance) ranging from at least one times (1.0 times coverage ratio) to one and a half times (1.5 times coverage ratio) of the annual expenditures budgeted for the 911 Fund based on annual estimates provided by the Northwest Central Dispatch System (NWCDS). Fund Balance is expressed as goal ranges to recognize the fact that fund balance levels can fluctuate from year-to-year due to operational fluctuations. This Fund Balance may also be higher if Staff knows of a capital item in a future year.

2. Conditions for Use of Reserves

The use of reserves shall be limited to anticipated, non-recurring needs, emergency needs or anticipated future obligations or a hedge for circumstances needing attention or life safety issues. Fund balances shall not be used for normal or recurring annual operating expenditures.

The City Manager is authorized to offer recommendations to the City Council for the use of 911 Fund reserves. The City Council will approve the use of 911 Fund reserves.

In light of the changing notion of fund balance and accounting rules and to effectively manage this Fund Balance Policy, the City will undertake an annual review and add additional funds over time.

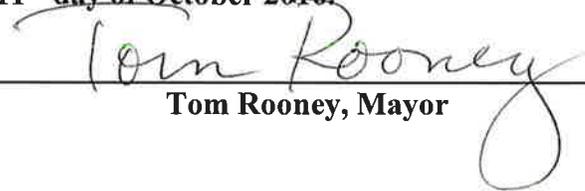
AYES: Prejna, Majikes, Judd, Banger, D'Astice, Veenbaas

NAYS: 0

ABSENT: Cannon

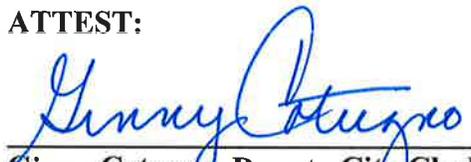
Passed this 11th day of October 2016.

Approved this 11th day of October 2016.



Tom Rooney, Mayor

ATTEST:



Ginny Cotugno, Deputy City Clerk