

RESOLUTION 2009-037

A RESOLUTION AUTHORIZING THE LOANING OF \$1,100,000 FROM THE REPLACEMENT FUND TO THE TAX INCREMENT FUND

WHEREAS, as of April 30, 2008, the General Fund had loaned the Tax Increment Fund \$909,134 for expenses of the Tax Increment District that it is anticipated will be repaid by TIF revenues in the future; and

WHEREAS, it is anticipated that the Tax Increment District will add about \$1,087,000 to the loan amount required by April 30, 2009, bringing the required loan amount to about \$1,997,000; and

WHEREAS, the current fund balance of the Replacement Fund is \$1,735,691 and the anticipated April 30, 2010 balance is \$1,906,138; and

WHEREAS, the because the Village anticipates putting about \$250,000 into the Replacement Fund every year and there are only a small portion of the vehicle fleet is replaced every year, a April 30, 2010 cash balance of over \$700,000 in the Replacement Fund should be an adequate starting cash balance over the next year in order to provide sufficient cash flow over the next seven years to meet the Village's equipment replacement needs; and

WHEREAS, the proceeds of the Tax Increment District are a long-term asset that is projected to provide cash flow in upcoming years; and

WHEREAS, the Replacement Fund is in a position to make a \$1,100,000 loan to the Tax Increment Fund which can be paid off to by future TIF revenues once the terms of the 2007 Tax Increment Revenue Bond have been met.

NOW THEREFORE BE IT RESOLVED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF VERNON HILLS, LAKE COUNTY, ILLINOIS: THAT the Replacement Fund shall make a \$1,100,000 loan to the Tax Increment Fund that shall be made effective March 31, 2009 to be repaid by Tax Increment Revenues as they become available .

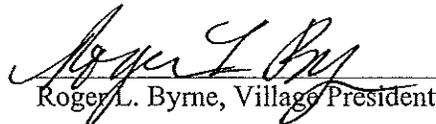
Dated the 3rd day of March, 2009

Adopted by roll call vote as follows:

AYES: 6-Koch, Marquardt, Schultz, Schwartz, Williams, Hebda

NAYS: 0-None

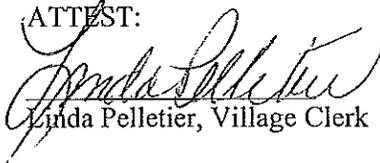
ABSENT AND NOT VOTING: 0-None


Roger L. Byrne, Village President

PASSED: 3/03/2009

APPROVED: 3/03/2009

ATTEST:


Linda Pelletier, Village Clerk

