

**CITY OF LAKE ELMO
WASHINGTON COUNTY
STATE OF MINNESOTA**

RESOLUTION 2016-112

**RESOLUTION AUTHORIZING INITIALIZATION OF A NEW LEGAL RESERVE
FUND**

WHEREAS, the insurance deductible for the City of Lake Elmo has been increased to \$200,000;

WHEREAS, the increased deductible is for a time uncertain;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LAKE ELMO, MINNESOTA, THAT:

1. The City of Lake Elmo will set up a new Legal Reserve Fund of \$200,000 effective January 1, 2017.
2. The Legal Reserve Fund will be reviewed in November of each year in order to determine whether the funds need to be replenished, and if so to what balance, or discontinued and transfer the funds back to the General Fund Reserve for the following year.
3. The Finance Committee will review and make a recommendation to the City Council each year.

**ADOPTED BY THE LAKE ELMO CITY COUNCIL ON THE 20th DAY OF
DECEMBER, 2016.**

By: _____
Mike Pearson
Mayor

(Seal)

Julie Johnson, City Clerk