

RESOLUTION NO. 2015-19

A RESOLUTION TO DESIGNATE THE USE OF OWENS-BROCKWAY JUDGMENT FUNDS

WHEREAS, subsequent to the closure of Owens-Brockway's plant in 2010, the City commenced legal action to enforce contract provisions related to damages owed to the City and other taxing jurisdictions and was successful in this action; and

WHEREAS, the City's share of the judgment equaled \$883,000, which funds are being accounted for as a designated reserve in the City's General Fund; and

WHEREAS, the City Council acknowledges that this judgment is unprecedented and unlikely to be repeated and that these funds should be managed in a manner that can best meet the needs of current and future residents;

THEREFORE, BE IT RESOLVED that the sum of \$600,000, hereinafter referred to as the principal amount, shall remain as a designated reserve in the General Fund and shall be invested in accordance with provisions of Public Act 20 of 1943 and such investment policies consistent with Public Act 20 as Council shall from time to time adopt; and

BE IT FURTHER RESOLVED that the sum of \$200,000 shall be designated as a reserve for a future downtown revolving loan program, the interest proceeds of which shall accrue to the general fund and be appropriated for such purposes as Council shall direct; provided, however, should Council fail to establish such revolving loan program, the funds shall be added to and become a part of the principal amount established hereby; and

BE IT FURTHER RESOLVED that up to \$83,000 shall be appropriated in the 2015-16 fiscal year for the purpose of replacing two weather warning sirens and upgrading two other weather warning sirens. Any portion of the \$83,000 remaining after the completion of this project shall be added to and become a part of the principal amount established hereby; and

BE IT FURTHER RESOLVED that 90% of the net investment earnings on the principle amount in a fiscal year shall be appropriated in the budget for the subsequent fiscal year for such purposes as Council shall direct. The remaining 10% of net investment earnings shall be added to and become a part of the principal amount and retained as part of the designated reserve. "Net investment earnings" shall mean the amount earned through investing the funds less fees and commissions, if any; and

BE IT FURTHER RESOLVED that the Finance Director shall solicit proposals for investing the principal amount and the reserve designated for a future downtown revolving loan program from financial institutions with offices in Charlotte that meet the City's

standards for depositories of City funds, which proposals shall be submitted to City Council for review and action.