

RESOLUTION NO. 130-2013

**TITLE: BARBERTON COMMUNITY FOUNDATION
“SPENDING POLICY - INVASION OF PRINCIPAL FUND”**

A RESOLUTION OF THE COUNCIL OF THE CITY OF BARBERTON AUTHORIZING CERTAIN AMENDMENTS TO ARTICLE XI, SECTION 4(b) OF THE CODE OF REGULATIONS OF THE BARBERTON COMMUNITY FOUNDATION ENTITLED, “SPENDING POLICY AND INVASION OF PRINCIPAL,” IN ORDER TO FURTHER ENSURE THE PERPETUITY OF THE “PRINCIPAL FUND” AND TO PROVIDE ESSENTIAL GRANT MAKING SERVICES ON A REGULAR BASIS, AND DECLARING AN EMERGENCY.

WHEREAS, the Code of Regulations of the Barberton Community Foundation allows for amendments to the Code of Regulations if said amendment is approved by an affirmative vote of seventy-five percent (75%) of the Members of both the Board of Directors of the Barberton Community Foundation and the Council of the City of Barberton; and

WHEREAS, the Board of Directors of the Barberton Community Foundation desires to amend its Code of Regulations by amending the spending policy in the interest of protecting the perpetuity of the “Principal Fund” while maintaining its ability to provide essential grant making services on a regular basis; and

WHEREAS, the Board of Directors of the Barberton Community Foundation, at the June 18, 2013 monthly meeting, unanimously approved amendments to Article XI, Section 4(b), as recommended by the ad hoc Spending Policy Evaluation Committee and Executive Committee, and is therefore requesting the Council of the City of Barberton to approve a resolution authorizing certain amendments to the “Spending Policy.”

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Barberton, State of Ohio:

SECTION 1. That the Council of the City of Barberton hereby authorizes certain amendments to Article XI, Section 4(b) of the Code of Regulations of the Barberton Community Foundation entitled, “Spending Policy and Invasion of Principal,” in order to further ensure the perpetuity of the “Principal Fund” and to provide essential grant making services on a regular basis by adding the following wording shown in **bold print** and deleting the wording shown in ~~striketrough~~.

SECTION 4. SPENDING POLICY, INVASION OF PRINCIPAL AND RESERVE ACCOUNTS

(b) **Reserve Accounts.** The Board of Directors may establish and fund a “Reserve Account” for future designated or undesignated project at any time. In any given calendar year, the total new funding for Reserve Account may not exceed the total funds available for use by the Corporation as determined under the Spending Policy reduced by the total amount of grants made and operating expenses incurred or to be incurred in that calendar year. Funds from grants made during a calendar year that are subsequently voided or returned may be placed in a Reserve Account at any time during the calendar year in which the grant was voided or returned. Income attributable to Reserve Accounts shall not be added to the Reserve Account but will be added to the Corporation’s Total Net Assets. ~~The Board of Directors, by majority vote, may at any time distribute funds from a Reserve Account to fund grants in accordance with Board approved procedures.~~ **The Board of Directors, by majority vote, may at any time distribute funds from the Reserve Account to either fund grants or to pay any other authorized and approved obligations of the Corporation in accordance with Board approved procedures.**

SECTION 2. That it is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this resolution were taken in an open meeting of this Council and that all deliberations of this Council and of any of its committees that resulted in such formal action were meetings open to the public in compliance with the law.

SECTION 3. That this resolution is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health, safety, convenience and welfare of the City of Barberton and the inhabitants thereof, and due to the need to implement these changes as soon as possible, and provided it receives the approval of seventy-five percent (75%) of members of City Council, shall be in full force and effect from and after its passage and approval; otherwise to be in full force and effect from and after the earliest period allowed by law.

Passed _____ 2013

Clerk of Council

President of Council

Approved _____ 2013

Mayor