

Ordinance 2004- 01

AN ORDINANCE ESTABLISHING A “RAINY DAY FUND” PURSUANT TO INDIANA CODE 36-1-8-5.1

WHEREAS, Indiana Code 36-1-8-5.1 authorizes political subdivisions to establish a Rainy Day Fund to receive transfers of certain unused and unencumbered funds whenever the purposes of such a tax levy have been fulfilled and an unused and unencumbered balance remains; and

WHEREAS, The Town of Wolcott (hereinafter “Town”) has received notice, pursuant to IC6-3.5-6-17.3 and IC 6-3.5-7-17.3 as amended by P.L. 267-2003, that White County (hereinafter “County”) has balances in the county local option income special or reserve accounts in excess of the amounts needed and the County must distribute these excess amounts to various taxing units in the County, and pursuant to IC 36-1-8-5.1, each recipient taxing unit must establish a rainy day fund into which it must deposit such distributions; and

WHEREAS, the Town Council of the Town of Wolcott now determines it to be in the best interest of the Town and its taxpayers that a rainy day fund be established to enable it to receive its distribution of such monies, and for the purpose of accumulating funds for the operation of the municipality and its various departments when the Town does not have sufficient levies or funds to pay such costs, including, but not limited, salaries and wages, costs of services, supplies, equipment, capital improvements, repairs and similar expenditures.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF WOLCOTT, INDIANA,

Section 1. Creation of Rainy Day Fund. There is hereby established a “Rainy Day Fund” to receive transfers of unused and unencumbered funds raised by a general or special tax levy on taxable property within the Town whenever the purpose of such tax levy has been fulfilled and an unused and unencumbered balance remains.

Section 2. Purposes of the Fund. The funds on deposit in the Rainy Day Fund may be used for the operation of the Town and its various departments, when the Town does not have sufficient levies or funds to pay such costs, including, but not limited to, salaries and wages, costs of services, supplies, equipment, capital improvements, repairs and similar expenditures.

Section 3. Transfer to Fund. On or before December 31st of each year, the Town Council shall determine the amount, if any, of any unused and unencumbered funds available to

be transferred to the Rainy Day Fund, which transfer may not exceed more than ten percent (15%) of the Town's total budget for that fiscal year.

Section 4. Appropriations. The Town Council of the Town of Wolcott may authorize the expenditure of funds from the Rainy Day Fund by appropriations made in the same manner as other funds are appropriated that receive tax monies, upon making a finding that the proposed use of the funds is consistent with the intent of the fund.

Section 5. Effective Date. This Ordinance shall be in full force and effect from and after the date of its passage.

ADOPTED this 3rd day of February, 2004.

TOWN COUNCIL OF THE
TOWN OF WOLCOTT

Robin D. Hensler, President

Marsha Mackey, Member

Danny L. Sheets, Member

ATTEST:

Linda S. Bajzatt , Clerk-Treasurer, CMC