

ORDINANCE NO. 2014 - 02  
AN AMENDMENT TO ORDINANCE NO. 2014-01, TO INCUR DEBT  
FOR PARK BOARD FUND

WHEREAS the Wolcott Town Council met Tuesday, August 19, 2014 at 6:00 p.m. in the Community Room of the Wolcott Town Hall its regular stated meeting; and,

WHEREAS the Wolcott Park Board desires to incur debt to install and purchase playground equipment and accessories for the Roger Wolcott Park in the amount of \$40,000.00; and,

WHEREAS, the Wolcott Park Board is a department of the Town of Wolcott and the Town of Wolcott and Princeton Township own real property in the designated park area;

WHEREAS, Indiana Code 36-5-2-12 allows that:

- A) The legislative body may, by ordinance, make loans of money for not more than five years and issue notes for the purpose of refunding those loans, as provided in IC 36-5-2-11(d).
- B) The loans may be made only for the purpose of procuring money to be used in the exercise of the powers of the town, and the total amount of outstanding loans under this section and IC 36-5-2-11(d) may not exceed five percent of the town's total tax levy in the current year (excluding amounts levied to pay debt service and lease rentals).
- C) Loans under IC 36-5-2-11(d) shall be made as follows:
  - (1) The ordinance authorizing the loans must pledge to their payment a sufficient amount of tax revenues over the ensuing five years to provide for refunding the loans.
  - (2) The loans must be evidenced by notes of the town in terms designating the nature of the consideration, the time and place payable, and the revenues out of which they will be payable.
  - (3) The interest accruing on the notes to the date of maturity may be added to and included in their face value or be made payable periodically, as provided in the ordinance.
- D) Notes issued under this section and IC 36-5-2-11(d) are not bonded indebtedness for purposes of IC 6-1.1-18.5.

WHEREAS, the following Wolcott Town Council meeting minutes of the August 19, 2014 stated as follows:

Council member Michael Yelton moved to authorize obtaining a loan for Park Board playground equipment and accessories with a credit line up to \$40,000.00; interest rate of 2.00% fixed; term of 10 semi-annual payments beginning February

15, 2015 projected payment of \$4,225 per semi-annual payment; Council Vice President Jon Evans seconded the motion; and the motion passed 4-0. The Clerk-Treasurer stated that Princeton Township will pay the Town of Wolcott \$3,000 each year of the loan term.

WHEREAS, other pertinent information regarding the structure of the loan and repayment is missing.

NOW, THEREFORE, be it ordained by the Council of the Town of Wolcott, White County, Indiana, that Ordinance No. 2014-01, To Incur Debt for Park Board Fund shall be amended to include the following information and renamed Ordinance No. 2014-02, An Amendment to Ordinance No. 2014-01 To Incur Debt for Park Board Fund:

- 1) Anticipated expenses will be incurred in the amount of \$40,000 in the Park Board Fund for purchase and installation of playground equipment and accessories from a period of October 21, 2014 through December 31, 2015.
- 2) Princeton Township shall pay \$3,000 annually to the Town of Wolcott Park Board Fund for five (5) years, beginning February 1, 2015 or until loan is paid in full, and the Town of Wolcott Park Board Fund shall pay, as its share, five (5) years, beginning February 1, 2015 or until loan is paid in full. Said loan payments from the Town of Wolcott will be appropriated in the Park Board Fund each year up to five (5) years. As per loan agreement, there is no penalty for early pay-off of this loan; therefore, additional principle may be made if the Wolcott Park Board Fund appropriation allows for such payment.
- 3) The five-year term loan of up to \$40,000 shall be repaid by the Wolcott Park Board Operating Fund to the Bank of Wolcott as follows:
  - a) Ten (10) semi-annual payments shall be made beginning February 15, 2015 in projected payment of \$4,225 per semi-annual payment from Wolcott Park Board Fund, Playground Equipment Appropriation.
    1. The Town of Wolcott be responsible to pay the loan agreement of \$4,225 per semi-annual payment from Wolcott Park Board Fund, Playground Equipment Appropriation.
    2. Princeton Township has agreed to and will make payment of a minimum of \$2,000 per semi-annual payment from township accounts to the Town of Wolcott Park Boars Fund.
  - b) As per loan agreement, there is no penalty for early pay-off of this loan; therefore, additional principle may be made if the Wolcott Park Board Fund appropriation allows for such payment.

DULY ORDAINED and ADOPTED this 21<sup>st</sup> day of October, 2014, by the Town Council of the Town of Wolcott, County of White, Indiana, having been passed by a vote of 3 in favor and 0 opposed; Council President Marsha L. Mackey was not in attendance.

WOLCOTT TOWN COUNCIL

NAY:

AYE:

Absent  
Marsha L. Mackey, President

Absent  
Marsha L. Mackey, President

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Jon H. Evans, Vice President

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Jon H. Evans, Vice President

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Richard A. Lynn, Member

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Richard A. Lynn, Member

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Fred A. Young, Member

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Fred A. Young, Member

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Michael A. Yelton, Member

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Michael A. Yelton, Member

ATTEST:

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Linda S. Bajzatt, IAMC, CMC  
Clerk-Treasurer