

ORDINANCE NO. 2004 - 2
ROCKPORT COMMON COUNCIL

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 unused and unencumbered funds under said Indiana Code; and

WHEREAS, pursuant to said statute, the Common Council for the City of Rockport shall make a finding that the proposed use of the Rainy Day Fund is consistent with the intent of the fund before making an appropriation therefrom; and

WHEREAS, pursuant to said statute, in any fiscal year an Indiana city may not transfer more than ten percent (10%) of its total budget for that fiscal year to the Rainy Day Fund; and

WHEREAS, pursuant to said statute, the Indiana State Board of Tax Commissioners may not reduce the actual or maximum permissible levy of an Indiana city as a result of a balance in the Rainy Day Fund;

WHEREAS, the Common Council for the City of Rockport now determines it to be in the best interest of the City and its taxpayers that a rainy day fund be established for the purpose of accumulating funds for the operation of the municipality and its various departments when the City 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 COMMON COUNCIL FOR THE CITY OF ROCKPORT, INDIANA, AS FOLLOWS:

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 City 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 City and its various departments, when the City 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 Common Council shall determine the amount, if any, of any unused and unencumbered

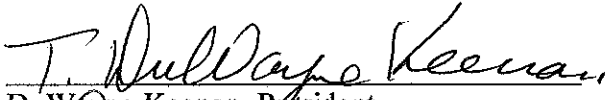
funds available to be transferred to the Rainy Day Fund, which transfer may not exceed more than ten percent (10%) of the City's total budget for that fiscal year.


Section 4. Appropriations. The Common Council for the City of Rockport 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.

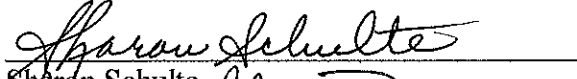
Section 5. Effective Date. This Ordinance shall be in full force and effect from and after the date of its passage.

ADOPTED this ____ day of _____, 2004.

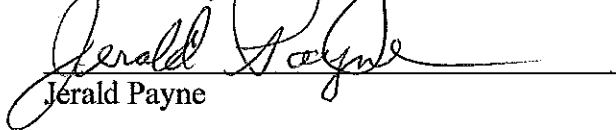
COMMON COUNCIL FOR THE CITY
OF ROCKPORT, INDIANA


DuWayne Keenan, President


Dean Frakes


Sharon Schulte


Robbie Gilley


Jerald Payne

ATTEST:

Jim Nichols, Secretary-Treasurer

Approved and signed this the ____ day of _____, 2004.

Beth Packer, Mayor