

TOWN OF MONROVIA, INDIANA

ORDINANCE NO.2021- 07

**AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF MONROVIA, INDIANA TO ESTABLISH A CASH RESERVE FUND FOR THE TOWN'S WASTEWATER UTILITY FUND.**

**WHEREAS**, The Monrovia Town Council is the municipal legislative body for Monrovia and the governing body of the Town's wastewater utility;

**WHEREAS**, pursuant to Indiana Code Section IC 8-1.5-3-11(b), for municipal utilities, *"a cash reserve fund shall be created by ordinance and carried on the records of the utility by providing for monthly contributions or transfers to the cash reserve fund of surplus earnings of the utility;"*

**WHEREAS**, pursuant to Indiana Code Section IC 8-1.5-3-11(c) utility "surplus earnings" are defined as *"those cash earnings remaining after provision has been made to take care of current obligations, including:*

- 1) Operating expense*
- 2) Depreciation or replacement fund*
- 3) Bond and interest sinking fund*
- 4) Retirement fund; or,*
- 5) Any other priority fund requirements fixed by law;"*

**WHEREAS**, The Town Council has not previously established, by ordinance, a cash reserve fund and provided for transfer of surplus earnings of the Town's wastewater utility;

**WHEREAS**, because the Town's wastewater utility has surplus earnings a cash reserve fund needs to be established.

**NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF MONROVIA, INDIANA AS FOLLOWS:**

A separate **Cash Reserve Fund** is hereby established. Surplus earnings of the Town's wastewater utility will be transferred monthly in the amount of \$5,000.00 to the **Cash Reserve Fund**, to be held and used as authorized by the Town Council.

This ordinance shall be effective upon passage.

ORDINANCE NO. 2021-07

This ordinance is hereby passed and adopted at the meeting of the Town Council of the Town of Monrovia, Indiana this 28th day of September 2021.

By: Philip L. Fowler AYE  NO  ABSENT   
Philip L. Fowler, President, District 4

By: \_\_\_\_\_ AYE  NO  ABSENT   
Bonnie Silsby-Inman, VP, District 3

By: Loren Moore AYE  NO  ABSENT   
Loren Moore, District 2

By: Carol Youngblood AYE  NO  ABSENT   
Carol Youngblood, District 1

By: Kevin Collier AYE  NO  ABSENT   
Kevin Collier, At Large

Attest: [Signature]  
Danny Chenault, Clerk Treasurer