

**TOWN OF MEDARYVILLE
ORDINANCE 2007-09-01**

WHEREAS, Indiana Code 36-1-8-5.1 authorizes the Town to establish a "Rainy Day Fund" to receive transfers of funds raised by a general or specific tax levy whenever the purposes of such a tax levy has been fulfilled and an unused and unencumbered balance remains; and

WHEREAS, the Town Council of Medaryville now determines it to be in the best interest of the Town 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 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.

NOW, THEREFORE, BE IT ORDAINED by the Town Council of the Town of Medaryville, 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 Town whenever the purpose of such tax levy has been fulfilled and an unused and unencumbered balance remains. Pursuant to Public Law 267, Acts of 2003, supplemental CAGIT, COIT, and CEDIT distributions shall also be deposited into the Town's Rainy Day Fund.

Section 2. Purpose 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. Transfers to Fund. On or before December 31st of each year, the Town Council shall determine the amount, if any, of the unused and encumbered funds available to be transferred to the Rainy Day Fund, which transfer may not exceed more than ten (10%) percent of the Town's total budget for that fiscal year.

Section 4. Appropriations. The Town Council of Medaryville 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 moneys, 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 by the Town Council, and publication as required by law.

PASSED by the Town Council of the Town of Medaryville, Indiana,
this _____ day of _____, 2007

Town Council, Town of Medaryville

ATTEST:

Judy Harwood, Clerk-Treasurer