

**STATE OF INDIANA
CITY OF CHARLESTOWN
CHARLESTOWN CITY COUNCIL**

ORDINANCE NO. 2005 - OR - 23

**AN ORDINANCE ESTABLISHING A NON-REVERTING
CAPITAL TRUST FUND**

WHEREAS, the City Council of Charlestown, Indiana may establish a Non-Reverting Trust Fund for capital improvements and other City expenditures, to provide funding for the cost of capital improvements and other expenditures for the City, as more specifically set forth herein; and

WHEREAS, from time to time it may become necessary for the City Council to authorize the expenditure of City funds for emergencies and other unforeseen circumstances that were not budgeted for out of the general fund; and

WHEREAS, from time to time the City Council may deem it appropriate to loan and / or contribute money from the Non-Reverting Capital Trust Fund to City utilities or to other City funds to avoid the costs of obtaining market rate loans or to augment those utilities budgets; and

WHEREAS, the City Council believes it is in the best interest of the citizens of Charlestown that more flexibility be allowed regarding the expenditure of Non-Reverting Capital Trust Fund assets.

NOW THEREFORE, BE IT ORDAINED by the City Council of Charlestown that:

Section 1. Capital Improvements

The City Council of Charlestown hereby establishes a Non-Reverting Capital Trust Fund, a trust fund for capital improvements and other expenditures, to provide money for the following purposes, or any other purposes which may be permitted from time to time through legislative enactment;

- (A) To purchase, construct, equip or maintain buildings for municipal purposes;
- (B) To acquire the land, and any improvements on it, that may be necessary for the construction of municipal buildings;
- (C) To demolish any existing improvements on land acquired by the City, and to level, grade, and prepare the land for the construction of any new municipal buildings;
- (D) To acquire land right-of-ways to be used as public ways or other means of ingress or egress to land acquired for the construction of municipal buildings;
- (E) To improve or construct any public ways or other means of ingress or egress to land acquired for the construction of any municipal buildings;
- (F) To acquire land for right-of-ways to be used for public ways or sidewalks;

- (G) To construct and maintain public ways or sidewalks;
- (H) To acquire land or right-of-ways for the construction of water lines and sanitary or storm sewers;
- (I) To construct and maintain water lines and sanitary or storm sewers;
- (J) To acquire, by purchase or lease, or to pay all or a part of the purchase price for any utility;
- (K) To purchase or lease land, buildings or right-of-ways for the use of any utility that is acquired or operated by the City;
- (L) To purchase or acquire land, with or without buildings, for park or recreation purposes;
- (M) To purchase, lease or pay all or a part of the purchase price of motor vehicles for the use of the police or other departments or City utilities;
- (N) To retire in whole or in part any general obligation bonds of the City that were used for the purpose of acquiring or constructing improvements or properties that would qualify for the used of cumulative capital improvement funds; and
- (O) To purchase or lease equipment or other non-consumable personal property needed by the City for any public transportation and / or utility use.

Section 2. Emergency Expenditures

If by an affirmative vote of a majority of its entire membership the City Council declares that an emergency exists requiring the expenditure of City money that is not otherwise budgeted, then money within the Non-Reverting Capital Trust Fund may be expended for the emergency. Any veto by the Mayor of such a vote is subject to City Council override, pursuant to state statutes.

Section 3. Loans

If by an affirmative vote of a majority of its entire membership the City Council approves the expenditure of money from the Non-Reverting Capital Trust Fund, then assets of the fund may be loaned interest free to any City owned utility or other City funds to avoid the cost of the City borrowing money in the open market. Any veto by the Mayor of such a vote is subject to City Council override, pursuant to state statutes.

Section 4. Other Expenditures

Additionally, upon an affirmative vote of a majority of its entire membership, the City Council may authorize the expenditure to funds from the Non-Reverting Capital Trust Fund for other purposes the Council deems necessary and appropriate. Any veto by the Mayor of such a vote is subject to City Council override, pursuant to state statutes.

Section 5. Transfer of Assets of Other Non-Reverting Funds

- (A) Effective December 31, 2005 the Clerk-Treasurer is authorized to transfer all existing assets from the 1985 Non-Reverting Capital Trust Fund; the 1999 Non-Reverting Hospital Fund; and the Capital Income Fund into the newly established Non-Reverting Capital Trust Fund.
- (B) Effective December 31, 2005 the Clerk-Treasurer is authorized to cease to deposit any new money into the 1985 Non-Reverting Capital Trust Fund; the 1999 Non-Reverting Hospital Fund; and the Capital Income Fund and upon the maturity of any remaining certificates of deposit that are part of the assets of those funds the assets from the CD shall be deposited into the new Non-Reverting Capital Trust Fund.
- (C) Effective January 1, 2006, City Council expenditures from the new Non-Reverting Capital Trust Fund may be authorized without regard for whether the expenditures reduce the principle or accumulated interest within the new Non-Reverting Capital Trust Fund.
- (D) All interest or income from investments held in the new Non-Reverting Capital Trust Fund shall be deposited in the fund as they are earned or accrued. Amounts held in the new Non-Reverting Capital Trust Fund shall not revert to the general fund or any other fund of the City at the end of any fiscal year.

Section 6. Savings Clause.

If any section of this Ordinance shall be deemed unenforceable and / or not in compliance with any applicable statute or law by a court of competent jurisdiction, then to the extent permissible, all other sections of this Ordinance shall remain in full force and effect.

Section 7. Repealing Clause.

All sections of any previous Ordinances and / or Resolutions that are inconsistent and / or contradictory to the above provisions of this Ordinance are hereby repealed. Additionally, this Ordinance specially repeals Charlestown City Ordinances 1985-1; 1985-11; 1991-17; 1997-10; 2000-6; and any previous City Council motions or actions regarding the 1985 Non-Reverting Capital Trust Fund; the 1999 Non-Reverting Hospital Fund; and the 2000 Capital Income Fund.

Section 8. Effective Date

This Ordinance shall be in full force and effect upon and after its passage by the Charlestown City Council or as otherwise mandated by statute and / or rule.

ADOPTED by the City Council of Charlestown, Indiana, this 5th day of December 2005.

	<u>AYE</u>	<u>NAY</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
<u>Jeff Aaron</u> Jeff Aaron	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Bruce Bottorff</u> Bruce Bottorff	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Terry Pierce, President</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<u>Brian Walker</u> Brian Walker	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Matthew Woods</u> Matthew Woods	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

APPROVED: Michael D. Hall
Michael D. Hall, Mayor

DATE: 12/5/05

ATTEST: Donna S. Coomer
Donna Coomer, Clerk-Treasurer

DATE: 12/5/05