

ORDINANCE NO. 3 - 1965

WHEREAS, at a special meeting of the Board of Trustees of the Town of Cloverdale, Putnam County, Indiana it was found and determined that in accordance with Chapter 225, Acts of 1965 that the Board of Trustees of the Town of Cloverdale, Indiana shall create a Cumulative Capital Improvement Fund; and

WHEREAS, the funds are to be derived from the Cigarette Tax Distribution from the State of Indiana and such funds are to be expended pursuant to Chapter 225, Acts of 1965.

NOW THEREFORE,

SECTION I. BE IT ORDAINED by the Board of Trustees of the Town of Cloverdale, Putnam County, Indiana to create and set aside certain funds to be used as Cumulative Capital Improvement Fund.

SECTION II. This ordinance shall be in full force and effect from and after it's passage.

Passed and adopted this 30th day of August, 1965.


Dewey Garrett, President


Elmer Sutherland, Trustee


Glen Vickroy, Trustee

ATTEST:


E M Young, Clerk-Treasurer

CUMULATIVE CAPITAL IMPROVEMENT FUND

SCOPE

This capital projects type fund is used to account for receipts and disbursements of state cigarette tax distributions. The fund is established by IC 6-7-1-31.1.

RECEIPTS

The following revenue categories are common to the cumulative capital improvement fund:

- 330 Intergovernmental Revenues
 - 335 State Shared Revenues
 - 335.11 Cigarette Tax Distributions - Cumulative Capital Improvement Fund
- 360 Miscellaneous Revenues
 - 361 Interest on Investments
- 390 Other Financing Sources
 - 395 Sale of Investments
 - 396 Refunds

DISBURSEMENTS

IC 6-7-1-31.1 (a) states in part: ". . . The city or town may only use money in its cumulative capital improvement fund to: (1) Purchase land, easements, or rights-of-way; (2) purchase buildings; (3) construct or improve city owned property; (4) design, develop, purchase, lease, upgrade, maintain, or repair: (A) computer hardware; (B) computer software; (C) wiring and computer networks; and (D) communications access systems used to connect with computer networks or electronic gateways; (5) pay for the services of full-time or part-time computer maintenance employees; (6) conduct nonrecurring in service technology training of unit employees; (7) undertake internet application development; or (8) retire general obligation bonds issued by the city or town for one (1) of the purposes stated in clause (1), (2), (3) of this subsection. The money in the city's or town's cumulative capital improvement fund does not revert to its general fund."

"(b) Any city or town may at any time, by ordinance or resolution, transfer to its general fund any monies derived under this chapter [6-7-1-1 -- 6-7-1-36], which have been deposited in the city's or town's cumulative capital improvement fund."

The Attorney General held in Official Opinion No. 32 of 1965, that the term "capital improvement" as used and defined in the law does not contemplate the purchase of "major movable equipment" or any other personal property and the use of such fund for such purposes would be contrary to the express restrictive authority of the law. Such expenditures could be made from the municipality's general fund after the transfer permitted by IC 6-7-1-31.1(b).