

ORDINANCE NO. 2013 – 1

**AN ORDINANCE OF THE TOWN OF CLOVERDALE TO LOAN MONIES FROM THE TOWN GENERAL FUND TO THE TOWN WASTE WATER FUND**

**WHEREAS**, the Town of Cloverdale owns and operates a waste water utility; and

**WHEREAS**, the Town Council of Cloverdale has learned that the current revenues of the Town's waste water utility are not sufficient to pay the Town's expenses in operating the utility; and

**WHEREAS**, the Town Council does not believe it can institute measures which would increase the revenues of the waste water utility to meet the Town's obligations for paying the utility's expenses, and

**WHEREAS**, the Town Council believes it is of critical importance to effective operation of the Town that the utility's expenses be paid in order for this essential municipal service to continue, and

**WHEREAS**, the Town Council has determined that a loan from the Town's general fund to the Town's waste water fund would allow the utility to pay its expenses, and

**WHEREAS**, Indiana Code 8-1.5-3-12 authorizes cities and towns to borrow money from utilities that they own to meet municipal expenses for which they do not have sufficient available money to pay, but there is no Indiana statute that authorized cities and/or towns to loan money to their utilities when the utilities do not have sufficient money to pay their expenses, and

**WHEREAS**, the Indiana Home Rule Law (IC 36-1-3) confers upon all cities and towns the powers they need for the effective operation of government as to local affairs when the city or town council adopts an ordinance prescribing a specific manner for exercising the power; and

**WHEREAS**, the Town Council of Cloverdale has determined that it needs the power to loan money from the general fund of the Town to the waste water fund of the Town for the effective operation of the government of the Town.



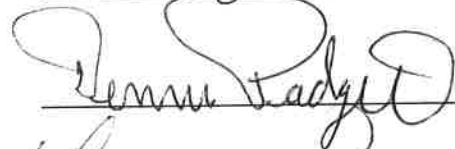
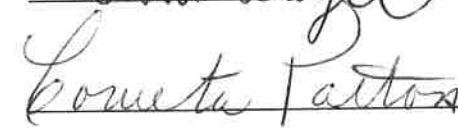
**NOW THEREFORE BE IT ORDAINED BY THE TOWN COUNCIL OF CLOVERDALE, INDIANA THAT** pursuant to the authority provided by the Indiana Home Rule Law (IC 36-1-3) a loan shall be made by the Town of Cloverdale in the following manner:

1. A loan in the amount of one hundred thousand dollars (\$ 100,000.00) coming from the general fund of the Town of Cloverdale shall be provided to the Town of Cloverdale waste water fund.


2. This loan shall be repaid, without interest, to the general fund of the Town of Cloverdale from the Town of Cloverdale waste water fund within five (5) years of the date of this ordinance.

Adopted by the Town Council on the 21 day of March 2013.

Town Council of Cloverdale, Indiana

  
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ATTEST:

  
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Clerk-Treasurer