

ORDINANCE NO. 2014-_____

**AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF MADISON,
INDIANA ESTABLISHING THE EQUIPMENT RESERVE NONREVERTING FUND**

WHEREAS, the City of Madison requires, owns and operates a variety of equipment to efficiently and safely provide essential services for its citizens; and

WHEREAS, from time to time, this equipment, due to its use, needs major repairs or replacement because of reasonable wear and tear or accidental damage, and, at times, additional equipment is required in order to provide additional services to the citizens; and

WHEREAS, as many items in the inventory of equipment owned by the City is specialized, large and expensive, the Mayor and the Common Council has determined that a reserve equipment fund to provide the necessary future financial resources to replace, repair or add equipment is prudent and in the best interest of the City; and

WHEREAS, during the City of Madison's budget process for the 2014 budget, the Common Council approved a budget request for an equipment reserve account for the purpose of setting aside funds for future equipment requirements.

NOW, THEREFORE, BE IT ORDAINED by the Common Council of the City of Madison, Indiana as follows:

35.26 EQUIPMENT RESERVE NONREVERTING FUND

- A. An account is established for the deposit of monies for the purpose of purchasing or making major repairs to equipment owned by the City of Madison. The monies will come from donations, appropriations from City accounts or from any other lawful source.
- B. The account shall be named the Equipment Reserve Fund and all funds contained in the account shall be expended only for the exclusive purpose of financing the expenses directly related to the purchase, replacement, major repairs, matching funds for grants or debt service for City equipment.
- C. Equipment that may be considered for expenditures from the fund may be any new or used equipment subject to being capitalized and may include rolling stock vehicles and equipment, lifts, IT equipment to include communication equipment and computer hardware and software, and any repair of existing equipment exceeding ten thousand dollars (\$10,000.00).
- D. Expenditures from the fund may be made to match grants and for debt service for lease/purchase agreements or other debt instruments on qualified equipment as defined in 35.26 (C).
- E. The express and written approval of the Board of Works and Safety shall be obtained prior to the expenditure of funds from the account.
- F. The account shall be nonreverting and exist perpetually unless terminated by a subsequent ordinance enacted by the Common Council.
- G. If the account is terminated by a subsequent ordinance enacted by the Common Council, the remaining balance of the terminated account shall revert to the general budget of the Common Council.

The foregoing Ordinance was passed and adopted by the Common Council, City of Madison, Indiana at a regular meeting held on the ____day of _____, 2014.

PRESENTED BY:

Councilman

Damon L. Welch, Mayor

(SEAL)
ATTEST:

William J. Kalb, Clerk-Treasurer