

RESOLUTION NO 2015-11  
SANITARY DISTRICT IMPROVEMENT RESERVE FUND

The Sanitary District Board of Commissioners hereby creates a Sanitary District Improvement Reserve Fund (the "Improvement Fund") by transferring \$1,500,000.00 of the Stormwater Operating funds to the Improvement Fund. Moneys in this Fund shall be used for improvements, replacements, additions and extensions to the Sanitary District Stormwater and Sanitary Sewer Piping or Treatment Systems, or to prevent a default in the payment of principal of or interest on any outstanding bonds, BANs or Notes, or, if necessary, to provide temporary relief of budget shortfalls. The Reserve Fund may also be used to meet unforeseen contingencies in the operation and maintenance of the Sanitary and Stormwater Systems.

The Board of Commissioners hereby designates the minimum required balance of the Improvement Fund to be \$1,000,000.00.

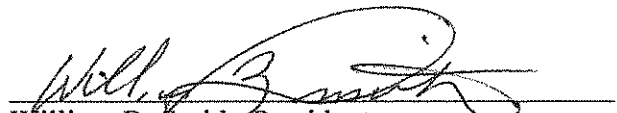
Moneys in the Improvement Fund are intended to be used for system renewals, upgrades and replacements with the approval of the Sanitary District Board of Commissioners. Also with the approval of the Sanitary District Board of Commissioners, Improvement Funds can be transferred to the Bond Fund if necessary to prevent a default in the payment of principal of or interest on any outstanding bonds, BANs or Notes, or, if necessary, to eliminate any deficiencies and credits or to the minimum balance in the Reserve Fund or may be used to meet unforeseen contingencies in the operation and maintenance of the Sanitary and Stormwater Systems. The District Board should, if practicable and feasible, endeavor to rebuild the balance of the Fund to \$1,500,000.00 over time when periods of excess revenue into the stormwater or sanitary sewer utility allow.

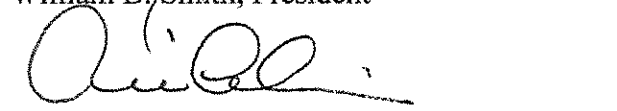
If the balance in the Improvement Fund falls below \$1,000,000.00 the District shall make reasonable efforts to restore the fund to the recommended minimum within twelve (12) months.

The Board of Sanitary Commissioners, having jurisdiction and control over the operations and finances of the Muncie Sanitary District, do hereby establish Fund 420 and do hereby transfer \$1,500,000.00 in to this newly established Fund 420 from Fund 617-89-439988.

Approved this 14<sup>th</sup> day of May, 2015.

BOARD OF SANITARY COMMISSIONERS

  
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William B. Smith, President

  
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Michael R. Cline, P.E., Vice President

Effective Date:  
May 14, 2015

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Joseph A. Evans, Secretary