

ORDINANCE NO. 24-03

AN ORDINANCE AMENDING AND RE-ENACTING SECTION 15.0105 UTILITY FUND - SEPARATE ACCOUNTS, OF THE REVISED ORDINANCES OF THE CITY OF HEBRON, MORTON COUNTY, NORTH DAKOTA OF 1971

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HEBRON, MORTON COUNTY, NORTH DAKOTA, AS FOLLOWS:

That Section 15.0105 of the Revised Ordinances of the City of Hebron, Morton County, North Dakota, of 1971 and all subsequent amendments thereto is hereby re-pealed and re-enacted under this Ordinance as follows:

15.0105. **Utility Fund - Separate Accounts.** All moneys received by the city in respect of the services, facilities, products and by-products furnished and made available by said utility, except collections of special assessments and taxes appropriated to improvement district funds and moneys borrowed for capital improvements, and all money, receipts and returns received from any investments of such earnings, shall be paid into the treasury of the city and kept in a special fund which shall be permanently maintained on the books of the city, separate and distinct from other funds, and designated as the Water and Sewer Utility Fund, in the records of which fund all receipts and disbursements of money on account of or in connection with the utility shall be entered and reflected; but the moneys from time to time on hand therein shall always constitute public municipal funds and shall be deposited and their safe-keeping secured like other city funds. Separate accounts within the Water and Sewer Utility Fund shall be permanently maintained for the purpose of segregating the revenues required to meet the several expenses and obligations of the utility, as provided below, and such revenues shall be administered and accounted for as follows:

1. **Operation and Maintenance Account.** There shall be credited at least monthly to the Operation and Maintenance Account of said fund, as a first lien and charge on the gross revenues of the utility such sum as shall be needed, over and above any credit balance then held therein, to pay all claims due which by accepted accounting practices constitute normal, reasonable and current expenses of operation and maintenance of the utility, and to pay such expenses estimated to accrue monthly and to maintain a reasonable reserve for contingencies. Moneys in said account shall be used only to pay expenses of the foregoing type, and not for repairs or replacements or for capital improvements properly chargeable to replacement and depreciation reserves or surplus funds.
2. **Replacement and Depreciation Account.** Finally, there shall be maintained a Replacement and Depreciation Account, into which there shall be credited and paid as received, except as otherwise stated below, all net revenues in excess of the current requirements of the other accounts above described. In said account there shall be maintained such balances as the governing body shall from time to time determine to

constitute an adequate reserve for depreciation and replacement of the utility, which reserve may be used to redeem prior to maturity obligations payable from the net revenues as and when the same become pre-payable according to their terms, or to replace worn out or obsolete properties of the utility, or to make extensions, enlargements or improvements thereto. Any moneys in said account determined to be surplus to the immediate requirements therefore may be invested or may be transferred to other city funds in the discretion of the Board, in the manner and subject to the limitations set forth in Section 40-33-12 of the North Dakota Century Code; and any acts amendatory thereof or supplemental thereto.

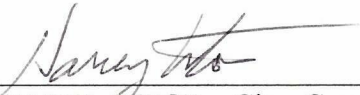
3. Moneys on Hand. The moneys on hand in any of the accounts of the Water and Sewer Utility Fund shall at all times be available and shall be used to the extent necessary to restore any deficiency in the funds on hand in any of the preceding accounts, in the order listed above, for the fulfillment of the requirements of such preceding accounts as herein defined.

SEVERABILITY. All Ordinances or parts of Ordinances in conflict herewith are hereby repealed and rescinded.

SAVINGS CLAUSE. If any provision of this Ordinance or its application to any person or circumstance is held invalid, the remainder of the Ordinance or the application of the provision to other persons or circumstances is not affected.

EFFECTIVE DATE. This Ordinance shall be in full force and effect after its final passage and approval.

CITY OF HEBRON


HARVEY TIBOR- City Council President

ATTEST:


ERIN MCCUTCHAN - City Auditor

Introduction and First Reading: December 9, 2024

Second Reading: January 14, 2025

Final Passage: January 14, 2025

Publication Date: Not required