

106.110 Pledge of income and revenue -- Form of resolution or ordinance.

At or before the issuance of the bonds the water district commissioners shall, by resolution, or the city legislative body shall, by ordinance, set aside and pledge the income and revenue of the waterworks into a separate and special fund to be used and applied in payment of the cost thereof and in the maintenance, operation and depreciation thereof. The resolution or ordinance shall definitely fix and determine the amount of revenue necessary to be set apart and applied to the payment of the principal and interest of the bonds, and the proportion of the balance of the income and revenues to be set aside as a proper and adequate depreciation account, and the remaining proportion of such balance shall be set aside for the reasonable and proper operation and maintenance of the waterworks. The rates to be charged for service from the waterworks shall be fixed and revised from time to time so as to be sufficient to provide for payment of interest upon all bonds and to create a sinking fund to pay the principal thereof when due, and to provide for the operation and maintenance of the waterworks and an adequate depreciation account.

Effective: June 17, 1954

History: Created 1954 Ky. Acts ch. 18, sec. 11, effective June 17, 1954.