

CHARTER WATER AUTHORITY ACT (EXCERPT)
Act 4 of 1957

121.9 Rates and charges; revision; revenues, priority.

Sec. 9.

The board of commissioners, by resolution adopted by a 2/3 majority of the total authorized votes, prior to the acquisition or construction of a water supply and transmission system, and prior to the issuance of any bonds for such purposes, shall establish an initial schedule of rates and charges for the use of water to be furnished by the system to the governmental units within the corporate limits of the authority. The rates and charges may be fixed and revised from time to time by the board of commissioners within the limitations and conditions provided in the terms of any contract for the sale of water entered into between the authority and the governmental units within the corporate limits of the authority. Moneys derived from the collection of such rates and charges shall be applied and used by the authority in manner following, and in the following priority:

(1) To provide for the payment during each fiscal year of all current expenses of administration, operation and maintenance as may be necessary to preserve the system in good repair and working order.

(2) In the discretion of the board of commissioners, there may be set aside during each fiscal year moneys to provide a reserve fund for replacements or major repairs and improvements not anticipated or considered to be a part of current expenses of administration, operation or maintenance.

(3) Any balance remaining at the end of any fiscal year shall be deposited into the debt retirement fund to be established by the board of commissioners pursuant to the provisions of section 17 of this act and used only for the purpose of paying any bonded indebtedness incurred in accordance with the authorization contained in this act.

History: 1957, Act 4, Imd. Eff. Mar. 20, 1957