

**BILL NO. 3582****ORDINANCE NO. 3582**

AN ORDINANCE AMENDING THE AMOUNTS OF UTILITY DEPOSITS FOR THE CITY OF SALEM, MISSOURI.

WHEREAS, IN ORDER TO MAINTAIN A FINANCIALLY HEALTHY UTILITY SYSTEM IT IS IMPORTANT TO PREVENT LOSS ON ACCOUNTS THAT ARE CLOSED OR DISCONNECTED BY ENSURING DEPOSITS TO OPEN NEW ACCOUNTS ADEQUATELY COVER POTENTIAL LOSSES; THEREFORE,

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF SALEM, MISSOURI AS FOLLOWS:

**Section 1.**

Section 700.030 Utility Deposits of the Salem City Code shall be amended as follows:

A. 1.

- Standard Residential and Commercial utility deposits shall be equal to the one-month average for the service address of the new account, based on the most recent 12 months of actual utility bills for that service address.
- New construction deposits that do not have a utility history shall be equal to the one-month average for all utility accounts in the appropriate classification (residential or commercial). For calculations of deposits for new commercial accounts the top usage accounts shall not be included in the calculation for determining the monthly average due to those being generally considered industrial in nature and would skew the amounts.
- New accounts that qualify for the Large Industrial User electric rate or the Commercial Manufacturing Water rate would be determined using a monthly average for the most recent 12-month actual accounts in that category or rate users.
- Multiple utility accounts \$500

**Section 2.**

These changes become effective immediately and are subject to modification at any time by the Board of Aldermen.


All ordinances or parts of ordinances in conflict herewith are, to the extent of such conflict, repealed.

**Section 3.**


This Ordinance shall be in full force and effect from and after the date of its approval.

PASSED BY THE BOARD OF ALDERMEN OF THE CITY OF SALEM, MISSOURI, AND APPROVED BY THE MAYOR, THIS 13<sup>th</sup> DAY OF FEBRUARY 2024.

APPROVED:

  
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**Greg Parker**  
Mayor

ATTEST:

  
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**Tammy Koller**  
City Clerk

APPROVAL AS TO FORM:

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**James Weber**  
City Attorney