

C I T Y   O F   L L O Y D M I N S T E R

POLICY

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<u>POLICY TITLE</u> NUMBER	<u>POLICY NUMBER</u>	<u>PAGE</u>
Utility Debenture Sinking Fund	FA-16-92-64416	1 of 1

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<u>ORIGIN/AUTHORITY</u> DATE	<u>ADOPTED BY</u>	<u>EFFECTIVE</u>
City Treasurer	Finance & Administration Com.	Dec. 16/92

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<u>JURISDICTION OF POLICY</u>	<u>PROCEDURE CODE</u>	<u>REVISED</u>
Finance & Admin/Engineering & Trans Depts.		

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1.0 PURPOSE

1.1 To establish the guidelines for the acquisition and use of funds accumulated in the Utility Debenture Sinking Fund #64416.

2.0 POLICY

2.1 Acquisition of funds in the Utility Debenture Sinking Reserve.

a) Funds may be acquired through a transfer from the current year Operating Budget.

b) Funds may be acquired through an interest allocation from the General Revenue Fund.

c) Funds may be acquired as per the Operating Budget Surplus/Deficits Policy No. CW-01-90-21200.

i) Section 3.2 of the above Policy states: In general, one half (1/2) of any Annual Operating Surplus should be directed to the reduction of  
the City's major water and sewer debt.

d) Funds will be acquired through a fifty percent (50%) share of Offsite Service Charges earned in the Offsite Service Charge Reserve #64402.

2.2 Use of funds in the Utility Debenture Sinking Fund.

a) Funds may be used to reduce the principal amount of the Utility Debenture relating to water and sewage treatment, and associated engineering structures.

b) Funds may be loaned to the Revolving Capital Fund #64100 to be used to self-finance internal capital projects.

i) Interest shall be accounted for and form part of these funds.

### 3.0 RESPONSIBILITY

3.1 Director of Finance and Administration shall be responsible for the administration of this Policy.

3.2 City Manager is responsible for any revision to this Policy.