

R E S O L U T I O N

A resolution prescribing the minimum and maximum limits of the depreciation fund which shall be held by the Electric Department of the City of Lexington for the emergency relief of the Electric Distribution System.

WHEREAS the depreciated value of the Electric plant, as of March 1, 1956 was approximately one half million dollars, and

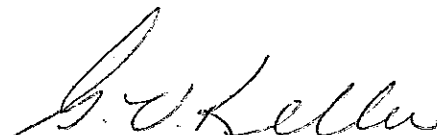
WHEREAS the depreciation reserve, in cash and accessible investments, as of March 1, 1956 was \$149,483.50 or 30% of the depreciated book value of the plant, and

WHEREAS the receipt of \$36,125.00 due from the Dawson County Public Power District in payment of the rural distribution system purchased from the City will increase the depreciation reserve to \$185,608.50 or 37% of the depreciated book value of the plant, and

WHEREAS it is believed that any disaster which could be reasonably anticipated would not entail the loss of more than one-third of the total value of the system.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Lexington, that the City Manager of said City be and hereby is directed to accumulate, in the name of the Electric Department, a depreciation reserve amounting to not less than Two Hundred Thousand Dollars (200,000.00) nor more than fifty per cent (50%) of the depreciated book value of the electric plant, and that this directive shall continue in full force and effect until modified or revoked by the City Council.

PASSED, APPROVED, AND ADOPTED this 27th day of March 1956.



President of the Council

Attest:



City Clerk

(Seal)