

R E S O L U T I O N

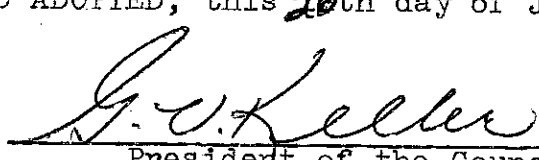
WHEREAS a portion of the normal reserve funds of the Electric Department of the City of Lexington are invested in interest bearing Bonds and Warrants and the installment payments of principal and interest are paid to the credit of said reserve funds, and

WHEREAS the purposes of such investment are to (1) create a more favorable market for said Bonds and Warrants and (2) to provide a hedge against the interest payments for said Bonds and Warrants, and

WHEREAS the Electric Department is adequately self supporting by reason of it's retail electric rate structure and should not reasonably expect to profit at the expense of the interest paying taxpayer by earning a return in excess of the principal sum invested,

NOW THEREFORE BE IT RESOLVED by the President of the Council and the Council of the City of Lexington that the City Treasurer be hereby directed to deposit all monies, from and after this date, which may be earned as interest by the invested reserves of the Electric Department, to the Debt Retirement Fund for the payment of such General Obligation Bonds and Warrants as are now or may hereafter be outstanding and that such deposits by the Treasurer shall continue as long as interest is earned by said invested reserves or until the City Council shall direct to the contrary.

PASSED, APPROVED AND ADOPTED, this 26th day of July, 1955.



President of the Council

Attest: 
City Clerk

(Seal)