In Trust Funds Policy

POLICY NO:	305	**APPROVAL DATE:**	**September 16, 2014**
TITLE:	In Trust Funds	**REVISION DATE:**	**June 16, 2021**
SECTION:	Finance	**AUTHORITY:**	Board of Directors
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PURPOSE

To manage cash accounts for "in trust" monies received by Aquatera.

POLICY STATEMENT

Aquatera Utilities Inc. maintains separate "in-trust" accounts for monies collected for account security deposits collected from Aquatera General Utility and Bulk Water Customers and for amounts received in trust from time to time for specific purposes, and ensures appropriate expenditure of those monies.

RELATED INFORMATION

Customer Deposits:

Deposits are collected from general Utility Account Customers and Bulk Water Account Customers as a means to limit losses due to non-payment of these accounts. The deposits are authorized through the bylaws adopted by the municipalities in which Aquatera operates the water and/or sanitary sewer systems. The applicable bylaws are Utility Bylaw C-1139 in the City of Grande Prairie, County-Aquatera Utility Bylaw 2721 in the County of Grande Prairie, Town-Aquatera Utility Bylaw No. 820 in the Town of Sexsmith, and Water and Wastewater Bylaw No. 722 in the Town of Wembley as amended from time to time.

All deposits, when refunded to the customer or applied to outstanding account balances, are paid out with one percent (1%) annual interest accumulated from the day the deposit is made.

Interest earned by the deposits is used to pay out the interest due to the customers at the time of refund. Excess interest earned may be retained as general revenue, for cost recovery relating to administration of In Trust funds.

Miscellaneous amounts received in trust for specific purposes are held in restricted cash accounts until expended for the intended purposes.

RESPONSIBILITIES

Aquatera Board of Directors will review and approve any revisions to this policy.

Chief Executive Officer will review and approve any procedures related to this policy.

Aquatera Administration will carry out the policy based on the established procedures.