

every bond issue made by the City—it is impossible to allocate it, or determine its exact source—and, therefore, it appears to me it should only be utilized for some definite, useful and important work—one which will benefit the whole community.

15. Sinking Fund Records and Administration.

The sinking fund should be kept separate and distinct from all other funds. Those charged with its administration should be required to present annually a statement of receipts and expenditures, of assets and liabilities; also details of all investments held and the amount of sinking fund for each issue of debentures. The essential books of record should be (1) Cash Book, (2) Journal, (3) Investment Ledger, (4) Sinking Fund Ledger, and (5) General Ledger. Its affairs should be conducted as though the fund were an absolutely independent organization.

Its administration demands more than ordinary oversight. Investment of important sums has to be made from time to time. Those charged with this should have an intimate knowledge of securities, their worth, and their suitability.

Efficiency in the conduct of its affairs would result in a considerable saving to the tax-payers; on the other hand, laxity of administration cannot but result in wastefulness and loss.

In the past, owing, it is believed, to lack of appreciation of the true functions of the fund, to the continuing of old customs which are now obsolete, and a failure to recognize the importance and significance of investing the funds to the best advantage, the tax-payers have seriously suffered.

From a careful consideration of what is involved, and from a knowledge of what can be accomplished under favorable circumstances, I suggest that the administration of the fund be placed in the hands of a small permanent commission of, say, three or four absolutely independent citizens—persons of irreproachable character, and who are known to have some knowledge of financial matters; such as, a judge, bank manager, trust company manager, etc., and some one representing the City Council, such as the Mayor, or a member of the Board of Control.

Conclusion.

In the conduct of municipal affairs, we hear much about the difficulty of managing such public works as