

LID Transfer \$200,000  
from Guaranty Fund to  
General Fund

ORDINANCE NO. 1656

AN ORDINANCE OF THE CITY OF  
REDMOND, WASHINGTON, PROVIDING FOR  
THE TRANSFER OF THE SUM OF \$200,000  
FROM THE LOCAL IMPROVEMENT GUARANTY  
FUND OF THE CITY TO THE GENERAL  
FUND PURSUANT TO SECTION 3.08.030  
OF THE REDMOND MUNICIPAL CODE.

**ORIGINAL**

WHEREAS, pursuant to Chapter 3.08 of the Redmond Municipal Code (the "Code"), the City of Redmond (the "City") has heretofore created its Local Improvement Guaranty Fund (the "Guaranty Fund") for the purpose of guaranteeing the payment of local improvement bonds and warrants issued by the City to pay for any local improvement ordered in the City; and

WHEREAS, pursuant Section 3.08.030 of the Code, the City may transfer assets from the Guaranty Fund to the City's General Fund (the "General Fund") upon the satisfaction of certain conditions; and

WHEREAS, the City Finance Director has certified that the Guaranty Fund has sufficient funds currently on hand to meet all valid outstanding obligations of the Guaranty Fund and all other obligations of the Guaranty Fund reasonable expected to be incurred in the near future, and that the transfer of \$200,000 from the Guaranty Fund to the General Fund will not reduce the net cash of the Guaranty Fund to an amount less than ten percent of the net outstanding obligations guaranteed by the Guaranty Fund; and

WHEREAS, the City Council deems it to be in the best interests of the City to transfer \$200,000 from the Guaranty Fund to the General Fund; NOW THEREFORE,

THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Pursuant to Section 3.08.030 of the Code, the City Finance Director is hereby authorized and directed to transfer the sum of \$200,000 from the Guaranty Fund to the General Fund.

Section 2. This ordinance shall take effect five days following its publication as required by law.

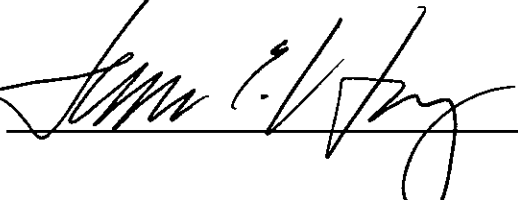
APPROVED:

  
MAYOR, DOREEN MARCHIONE

ATTEST/AUTHENTICATED:

  
CITY CLERK, DORIS A. SCHAIBLE

APPROVED AS TO FORM:  
OFFICE OF THE CITY ATTORNEY

By 

FILED WITH THE CITY CLERK: 11/26/91  
PASSED BY THE CITY COUNCIL: 12/03/91  
PUBLISHED: 12/08/91  
EFFECTIVE DATE: 12/13/91  
ORDINANCE NO.: 1656

LID GUARANTY FUND CASH FLOW  
Three Year Projections

Year	LID Bond Activity	Bonds Outstanding	LID Guaranty Fund Activity	Balance	Excess Reserve
1991	10/31/91 Outstanding LID Bonds	11,169,200			
	12/91 Bond Call	<u>-100,000</u>			
	12/31/91 LID Bonds Outstanding	11,069,200			
	10% Reserve Requirement	1,106,920	12/31/91 Balance	1,928,626	821,706
1992	Final Issue Bel/Red Road	2,813,000			
	Final Issue Leary Way	1,500,000			
	1992 Bond Calls	<u>-1,430,000</u>	Less transfer to General Fund	-200,000	
	12/31/92 Outstanding LID Bonds	13,952,200	1992 Interest Earnings	<u>77,788</u>	
	12/31/92 Reserve Requirement	1,395,220	12/31/92 Balance	1,806,414	411,194
1993	Final Issue Avondale	1,000,000			
	1993 Bond Calls	<u>-1,520,200</u>			
	12/31/93 Outstanding LID Bonds	13,432,000	1993 Interest Earnings	<u>81,289</u>	
	12/31/93 Reserve Requirement	1,343,200	12/31/93 Balance	1,887,703	544,503
1994	Final Issue SE Reservoir	5,000,000			
	1994 Bond Calls	<u>-1,780,000</u>			
	12/31/94 Outstanding LID Bonds	16,652,000	1994 Interest Earnings	<u>84,947</u>	
	12/31/94 Reserve Requirement	1,665,200	12/31/94 Balance	1,972,649	307,449

ASSUMPTIONS:

Interest earnings calculated at 4.5%.

Issuance of new LID bonds are based on current estimates.

Based on prior history and the fact that LID's constitute a lien on property, no estimates were made for default payments. (In the past five years the City has had to pay less than \$16,000 for default payments which were later collected.)