

ORDINANCE NO. 1142

AN ORDINANCE OF THE CITY OF KIRKLAND, AMENDING SECTIONS 7 AND 8 OF ORDINANCE NO. 1061 OF THE CITY OF KIRKLAND, AND PROVIDING THAT ALL INTEREST EARNED FROM INVESTMENT OF THE MONEYS HELD IN THE FUND CREATED IN SECTIONS 7 AND 8 OF SAID ORDINANCE SHALL ACCRUE TO THE BENEFIT OF, AND BE DEPOSITED IN SAID FUNDS.

BE IT ORDAINED by the City Council of the City of Kirkland as follows:

WHEREAS, at the time of the adoption of Ordinance No. 1061, by the City of Kirkland, it was presumed that the general rule which states that interest earned on investment of moneys held within a specified fund shall accrue to the benefit of such fund would be applicable to the investment of the bond proceeds paid into the Storm Sewer Construction Fund created in Section 7 of said Ordinance, and to the investment of the bond proceeds paid into the Park and Recreational Facilities Improvement Fund created in Section 8, of said Ordinance, and,

WHEREAS, it was at the time of the adoption of said Ordinance the intention of the Kirkland City Council that interest income from investment of moneys in said fund should accrue to said funds, and,

WHEREAS, since the adoption of Ordinance No. 1061, the Department of Municipal Audits of the Washington State Auditor's Office, has announced a general policy position to the effect that interest income from investment of bond proceeds should be deemed surplus and, therefore, should accrue to the benefit of the bond redemption fund unless a contrary intention has been specified in the ordinance authorizing the sale of the bonds and creating the construction and redemption funds,

NOW, THEREFORE,

Section 1. Section 7 of Ordinance No. 1061 adopted November 21, 1966, be and it hereby is amended to read

as follows:

"Section 7. There is hereby created and established in the office of the Director of Administration and Finance, a fund to be named and designated as the 'Storm Sewer Construction Fund' into which fund shall be deposited the principal proceeds received from the sale of the general obligation storm sewer bonds, 1967, and out of which fund shall be paid the cost of acquiring and constructing storm sewers in the city to be owned and controlled by the city in accordance with the provisions of Ordinance No. 1040.

Any interest received from <sup>INVESTMENTS</sup> interest of moneys deposited in said 'Storm Sewer Construction Fund' shall accrue to the benefit of, and be deposited into, said construction fund until such time as the project for which said fund is created, has been completed and the costs therefor have been paid. Any sums then remaining in said construction fund shall be deemed to be surplus and shall be transferred to the bond redemption fund created in Section 9, of Ordinance No. 1061."

Section 2. Section 8 of Ordinance No. 1061, adopted by the Kirkland City Council on November 21, 1966, be, and it hereby is amended to read as follows:

"Section 8. There is hereby created and established in the Office of the Director of Administration and Finance, a fund to be named and designated as the 'Park and Recreational Facilities Improvement Fund' into which fund shall be deposited the principal proceeds received from the sale of the General Obligation Park and Recreational Bonds, 1967, and out of which fund shall be paid the cost of acquiring, constructing, developing and improving parks, parkways, and other recreational facilities in accordance with the provisions of Ordinance No. 1039.

Any interest received from investment of moneys deposited in said 'Park and Recreational Facilities Improvement Fund' shall accrue to the benefit of, and be deposited into said 'Park and Recreational Facilities Improvement Fund' until such time as the projects for which said fund is created have been completed and the

cost therefor have been paid. Any sums then remaining in said Improvement Fund shall be deemed to be surplus and shall be transferred to the bond redemption fund created in Section 9 of Ordinance No. 1061."

Section 3. This ordinance shall be in force and take effect five (5) days from and after its passage, approval and legal publication.

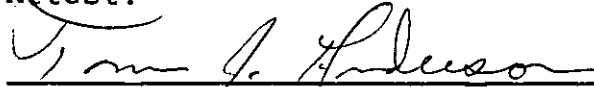
PASSED by the City Council in regular meeting this 15<sup>th</sup> day of APRIL, 1968.

SIGNED in authentication thereof this 15<sup>th</sup> day of APRIL, 1968.



Mayor

Attest:



Director of Administration and Finance  
(ex officio City Clerk)

Approved as to form:



City Attorney

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