

**CITY COUNCIL  
AGENDA ITEM COVER SHEET**

ITEM NO: Consent C 4

DATE: November 18, 2010

SUBJECT: Adoption of Ordinance 1095-10 setting the tax levy for 2011 for the 2004 GO Police Bond

CONTACT PERSON: Laura Koenig, Clerk/Deputy Finance Director

**ISSUE:**

The issue before the Council is the adoption of Ordinance 1095-10 (Attachment A) which sets the tax levy for the 2004 General Obligation Police Bond. The amount of the levy for 2011 is \$29,528. The ordinance was introduced for a first reading on October 28, 2010.

**SUMMARY:**

In 2004 the City issued bonds to pay for the 800 MHz communication system and for capital improvements to the Police Station. The ordinance setting the annual levy amount to make the bond payments is adopted as part of the budget process. This was a 20 year bond issue with average payments of \$31,000 per year. Additional property taxes are levied annually to cover the cost of the bonds. The average cost per household is \$19.25 per year.

The average interest paid on this bond is at 4.7%. City staff will be researching whether the city can refinance this bond and the Community Center bond at a lower interest rate.

Revenues: \$29,538 tax levy on real property  
Expenses: \$29,538 bond principal and interest

**205 GO POLICE BOND**

		<b>2,008</b>	<b>2,009</b>	<b>2,010</b>	<b>2,011</b>
<b>Account</b>	<b>Description</b>	<b>Actual</b>	<b>Actual</b>	<b>Adopted</b>	<b>Requested</b>
205-000-308-10-000	Beginning Fund Balance	16,034	16,061	0	0
205-000-311-11-000	Property Tax	30,739	29,459	30,085	29,538
205-000-361-11-000	Investment Interest	636	209	315	300
205-000-397-10-000	Operating Transfer In	0	10,249	0	0
	<b>Total Resources</b>	<b>47,409</b>	<b>55,977</b>	<b>30,400</b>	<b>29,838</b>

		<b>2,008</b>	<b>2,009</b>	<b>2,010</b>	<b>2,011</b>
<b>Account</b>	<b>Description</b>	<b>Actual</b>	<b>Actual</b>	<b>Adopted</b>	<b>Requested</b>
205-205-591-80-410	Professional Services	304	607	315	300
205-205-591-80-700	Bond Payment - Principal	15,000	15,000	15,000	15,000
205-205-591-80-800	Bond Payment - Interest	16,045	15,595	15,085	14,538
	<b>Total Expenses</b>	<b>31,349</b>	<b>31,202</b>	<b>30,400</b>	<b>29,838</b>

**STAFF RECOMMENDATION**

Move to adopt Ordinance 1095-10, setting the 2011 Tax Levy for the General Obligation Police bond.

**Attachments:** A. Ordinance 1095-10

CITY OF SULTAN  
SULTAN WASHINGTON  
ORDINANCE 1095-10

AN ORDINANCE OF THE CITY OF SULTAN FIXING THE AMOUNT OF TAXES TO BE LEVIED FOR THE GENERAL OBLIGATION BONDS AS APPROVED BY THE VOTERS ON TAXABLE PROPERTY WITHIN THE CITY OF SULTAN FOR THE YEAR 2011 PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, Proposition No. 1 Emergency Radio System and Health and Safety Bonds was approved by the voters on September 14, 2004, and

WHEREAS, that election allowed bonds to be issued and a regular property tax to be levied each year for a maximum term of 20 years, and

WHEREAS, the bonds have been issued and taxes need to be collected, now therefore

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SULTAN, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Snohomish County shall tax the City's taxpayers for the year 2011 for a total of Twenty nine thousand five hundred thirty eight dollars and 00/100 (\$29,538) so as to cause collection of these funds to cover the cost of the required bond debt service payments.

Section 2. Severability. Should any section, paragraph, sentence, clause or phrase of this Ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this Ordinance be pre-empted by state or federal law or regulation, such decision or pre-emption shall not affect the validity of the remaining portions of this Ordinance or its application to other persons or circumstances.

Section 3. Effective Date. This Ordinance shall be published in the official newspaper of the City, and shall take effect and be in full force five (5) days after the date of publication.

**ADOPTED** BY THE CITY COUNCIL AT A REGULAR MEETING THEREOF ON THE \_\_\_\_ DAY OF \_\_\_\_\_, 2008.

CITY OF SULTAN

\_\_\_\_\_  
Carolyn Eslick, Mayor

ATTEST/AUTHENTICATED:

\_\_\_\_\_  
Laura Koenig, City Clerk

Approved as to form:

\_\_\_\_\_  
Margaret J. King, City Attorney

Passed by the City Council:

Date of Publication:

Effective Date: