



TOWN OF LA CONNER

NOTICE OF AND CALL FOR A SPECIAL MEETING OF THE LA CONNER TOWN COUNCIL

MAYOR
RAMON HAYES

COUNCIL
ANNE TAYLOR
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RICK DOLE
MARYLEE CHAMBERLAIN
MARY WOHLER

ADMINISTRATOR
SCOTT THOMAS

FINANCE DIRECTOR
MARIA DEGOEDE

PLANNING DIRECTOR
MICHAEL DAVOLIO

PUBLIC WORKS DIRECTOR
BRIAN LEASE

DEPUTY CLERK
ANDREA MOORE

PLANNING ASSIST.
VACANT

ATTORNEY
SCOTT THOMAS

SEWER TREATMENT PLANT
KELLY WYNN

LAW ENFORCEMENT
SGT. BEAU MONTGOMERY

FIRE CHIEF
AARON REINSTR

DATE: Tuesday, October 25, 2022
TIME: 5:30 p.m.
PLACE: Upper Maple Center & by Zoom (Information provided below)

The undersigned Mayor of the Town of La Conner is hereby calling for and providing notice of a special meeting in accordance with RCW 42.30.080.

AGENDA

The purpose of this meeting is for:
The 2023 Budget Discussions



Ramon Hayes, Mayor

This notice will be posted at Town Hall on October 21, 2022 and on the Town website.

Distribution:

Councilmembers: Anne Taylor
Ivan Carlson
Rick Dole
MaryLee Chamberlain
Mary Wohler

LC Weekly News
email: editor@laconnernews.com

Join Zoom Meeting – This meeting will be recorded

<https://us02web.zoom.us/j/86531870369?pwd=OHM4SExlclpHZIN6aUw1SW1DdU1mdz09>

Meeting ID: 865 3187 0369
Passcode: 3hYfDS

One tap mobile

Meeting ID: 865 3187 0369
Passcode: 677597

Phone Number: 1-253-215-8782

Find your local number: <https://us02web.zoom.us/j/86531870369>

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MEMO

DATE: October 21, 2022
TO: COUNCIL
FROM: Maria DeGoede, Finance Director
RE: 2023 BUDGET ITEMS

1) **2012 Fire Truck Bond Payoff:**

Currently the Fire Truck Bond is funded by the 1% public safety use tax that is exclusively for fire services and equipment, voted in as an additional use tax in 2012. We would like to pay off this bond at the end of the year, as the 212 fund will exceed the balance of the bond. The advantage to this is we save over \$6000 and we can apply the public safety use tax to the Fire Hall Bond.

Currently the Fire Hall Bond is funded by the general fund sales tax that averages a percentage dollar amount of 39,000 to 40,000 a year. This could go back to the general fund as it is not a special use tax. The thought is this would help fund part of the balance of the Fire Hall roof.

2) **Budget Summary Updates:**

The new Budget Summary includes the reduced \$64,000 for the Jenson Property Purchase from the Kirsch Property Sale reserve, leaving a balance of \$96,262 for reserve.

The Coronavirus Grant has been reduced \$50,000 for the Fire Hall heat/ac replacement. This leaves a balance of the restricted funds of \$214,912.

It also includes the additional expenditures from the budget amendment for approval tonight. The General Fund is rapidly decreasing with the expenditures exceeding the revenues.

I have provided the updated summary for this meeting. Please use your Budget from the last meeting for reference. You will receive the 2023 Preliminary Budget at the next meeting in November.

Maria DeGoede
Finance Director

TOWN OF LA CONNER

2023 Estimated Budget 10/25/22

Projected Beg Balance + Revenue - Expenditure - Set Asides/Reserves = Ending Balance

Fund	Fund Name	Projected Beginning Fund Balances 1/01/23	Revenues	Expenditures	Set Asides & Reserves	Projected Ending Fund Balances 12/31/23
001	Current Expense	1,330,009	1,101,102	1,450,445	313,174	667,492
002	Park & Port	178,338	208,703	338,329	965	47,747
003	Facilities	90,038	154,873	204,634		40,277
004	Public Art	22,193	3,121	500		24,814
005	Street	62,263	226,100	275,801	27,195	(14,633)
123	Hotel/Motel Tax	173,180	133,190	173,261		133,109
212	2014 LTGO Bond	9,261	60,271	38,825		30,707
214	2018 LTGO Fire Hall	23,037	49,232	39,125		33,144
303	Flood Control	163,491	65	500		163,056
304	REET 1	170,987	36,093	500		206,580
305	REET 2	168,288	36,093	500		203,881
401	Water	904,866	1,073,538	1,219,272	151,904	607,228
403	Drainage	747,941	339,400	801,105	39,813	286,236
409	Sewer	611,758	785,158	818,942	815,399	-237,425
412	Compost	681,110	1,090,598	1,179,982		591,726
Total		\$ 5,336,760	\$ 5,297,537	\$ 6,541,721		\$ 2,783,940

Beginning Fund Bal	\$	5,336,760	Expenditures	\$	6,541,721
Revenues	\$	5,297,537	Ending Fund Bal	\$	2,783,940
TOTALS	\$	10,634,297	TOTALS	\$	9,325,660

Town Policy - to maintain the fund balances equal to 20% of operating revenues.

Town Policy - to maintain a Contingency Fund of 10% of funded 6 Yr CIP for unforeseen projects.

Revenues 2021

General Fund - 001

County Senior Center Grant 6,966.00 From Skagit County

Park & Port 002

Boat Ramp Replacement 200,000.00 Removed - RCO Grant Denied

Facilities - 003

Maple Hall Security Cameras 6,000.00 Transfer From Hotel Motel Funds - In Budget

Public Restrooms 53,865.00 Transfer From Hotel Motel Funds - In Budget

Sewer 100,000.00 Not in Budget, Discussion Reserve Transfer from Compost

Expenditures 2021

001 General Fund - Reserve			
Coronavirus Grant	132,456.00	RESTRICTED Expense - Undetermined 2021 (50K Reduced FH Heat/AC	
Coronavirus Grant	132,456.00	RESTRICTED Expense - Undetermined 2022	Total 264,912
Coronavirus Grant Balance		10/11/22 Funded \$50K for Fire Hall Heat/AC	Balance 214,912
Sale of Hedlin Property	-	8K Maple Park (remainder balance from purchase/sale)	Expended 2022
Sale of Kirsch Property	98,262.00	200,262 - Revenue from 2020 - 40K Pmt Stations & 64K Jenson Property	
Crown Castle Bonus	-	100K Revenue from 2019 Cell Tower Ext-9/27/22 Removed/Fire Dept Roof	

General Fund - Expenditures

Council Retreat	7,000.00	Facilitated Retreat for Council
Planning Desk	3,180.00	
New Server	2,000.00	10/3/22 Added
Fire Hall Roof	180,000.00	Added 9/27 Paid by 100K Cell Tower Bonus Reserve (Funding for 80K Bal)
Fire Hall AC	50,000.00	Funded by Coronavirus Grant - Added 10/11/22
Fire Hall Generator	29,000.00	Not in Budget - Need to find funds, does not qualify for Covid funds
Fire Dept. Handheld Radios	12,000.00	4 sets at 3K each

Park & Port - 002

Park Reserve	965.00	Jordan Street Reserve (12K in Budget for Waterfront Park Gazebo)
Parks & Rec Programs	8,500.00	7500 After School Program & 1000 YMCA Confirmed 10/11/22
Wtr Frnt Park Gazebo	35,000.00	12,000 Donations - Rollover from 2022
Boat Ramp Replacement	200,000.00	Removed - RCO Grant Denied
Landscape	12,000.00	Contracted
Salmon Slide Repairs	30,000.00	Can be removed for 2500 - 30K in the Budget Council Decision?
Replace Kiosks	9,000.00	
Arborist	15,000.00	Pioneer Park
New PW Employee Position		18% 21,308 Increase for FT
Facilities - 003		
AC Improvements	85,000.00	9.6.22 Removed
Security Cameras	6,000.00	9/27 Added with funding through Hotel Motel
Garden Club Exterior Paint	14,000.00	
Restroom Cleaning	23,000.00	Paid through Hotel Motel
New PW Employee Position	7,200.00	6% 7,103 Increase for FT
Streets - 005		
Street Reserve	27,195.00	6 Year Streets TIP \$5,074,000 \$7,560 Parking Imp./Capital Projects - St. Ends \$7875/ Asphalt \$11,760
Asphalt Repairs	30,000.00	
Sidewalk Repairs	6,000.00	
Snow & Ice Season	3,000.00	
Miscellaneous	4,000.00	
New PW Employee Position		18% 21,308 Increase for FT
Security Cameras		\$5360 for Cameras & Install + \$1920 Annual Archive/ In Facility Budget
Speed Cushions		4K each - Not in the Budge
Flood Control - 303		
		Audit expenditure only
Water - 401		
Water Reserve	149,884.00	6 Year Water CIP \$5,466,000 \$83,667 RCE Fees/\$40,076 Water Capital/\$28,161 Capital Connections
System Plan Update	135,000.00	
Asset Management Program	65,000.00	
Skagit Beach Water Main	3,200,000.00	9.6.22 Removed
Public Works New Home	1,000,000.00	9.6.22 Removed
Skagit Beach Study	?	Funds for a study on how to pay for the project - Council Decision
Water Meter Replacements	40,000.00	
Hydrant Replacements	10,000.00	
On Call Contractor	30,000.00	
New Truck Share	25,000.00	
Bucket Dipper	3,000.00	
New PW Employee Position		40% 47,350 Increase for FT
Drainage Fund - 403		
Drainage Reserve	39,438.00	6 Year Drainage CIP \$1,082,102 10,313 Storm Drain Dev. & \$29,500 Slope Stabilization
Storm Water Plan Update	\$40,000	
Asset Management Program	\$15,000	
Whatcom/:Laurel Project	\$270,000	
Maple/Caledonia Slip Line	\$25,000	
East Washington Project	\$140,000	
New Truck Share	\$15,000	
Drainage Maint.Contract	\$45,000	
New PW Employee Position		18% 21,308 Increase for FT
Sewer Fund - 409		
Sewer Reserve		6 Year Sewer CIP \$880,000 - Does not include Plant upgrades 50K Waterpump Setaside 2021 / 94,038 RCE's / 402,035 Sewer Plant 33,005 Sewer Pipe / 235,047 Sewer Plant Tribe/1,274 Tribe Pipe Sewer Plant Tribe includes the 100K 2021 Reconciliation To Reserve
Plant Improvements	50,000.00	Roofing RAS & Generator Building
Plant Improvements Reserve	200,000.00	9.2.22 Removed
WWTP Engineer Report	50,000.00	
I & I	50,000.00	
Set Aside Waterpump	50,000.00	2021 Setaside
Compost Fund 412		
Pads & Paving	250,000.00	6 Year Compost CIP \$528,000
Mix Auger	50,000.00	
Transfer to Sewer Reserve	100,000.00	NOT IN THE BUDGET - Discussions for annual transfer of funds

FIRE TRUCK PAYOFF 2022					
	2022 Balance	2023	2024	2025	Total Due
Interest	2,144	3,325	2,275	1,173	8,916
Principal	35,000	35,000	35,000	35,000	140,000
Total	37,144	40,348	37,275	36,173	148,916

2022 Exptected Revenue

Oct	5,500
Nov	5,500
Dec	5,500
Total	16,500

10/1/22 Bal	133,702
Total Ex Rev	16,500
Total Fund Bal	150,202
Bond Bal	148,916
Diff (Overage)	1,286

Cash and Investment Activity

Period: 2022 - October
Fiscal Totals

Fund		Beginning Cash	Beginning Investments	Activity In	Activity Out	Ending Cash	Ending Investments	Ending Balance
001	GENERAL FUND	\$1,350,271.72	\$111,156.06	\$982,614.97	\$901,875.06	\$1,431,067.41	\$110,801.69	\$1,541,869.10
002	PARK & PORT FUND	\$219,866.74	\$2,368.55	\$253,017.23	\$174,319.69	\$298,590.68	\$2,200.58	\$300,791.26
003	FACILITIES FUND	\$132,389.59	\$2,582.65	\$89,688.90	\$109,379.68	\$112,700.00	\$2,575.79	\$115,275.79
004	PUBLIC ART FUND	\$20,164.76	\$298.00	\$2,803.81	\$1,186.98	\$21,786.42	\$267.46	\$22,053.88
005	STREET FUND	\$131,509.01	\$3,509.56	\$209,795.60	\$211,100.78	\$130,259.42	\$3,156.26	\$133,415.68
123	HOTEL MOTEL FUND	\$223,762.33	\$418.05	\$135,455.66	\$17,100.67	\$342,140.95	\$267.78	\$342,408.73
206	1997 LTGO BOND FUND	(\$24.61)	\$24.61	\$0.00	\$0.00	(\$24.61)	\$24.61	\$0.00
208	2002 UTGO FIRE BOND FUND	(\$6,037.65)	\$6,037.65	\$0.00	\$0.00	(\$6,037.65)	\$6,037.65	\$0.00
210	2003 LTGO BOND - Prkg/Fac Impr	(\$6,961.02)	\$6,961.02	\$0.00	\$0.00	(\$6,961.02)	\$6,961.02	\$0.00
212	2014 LTGO Bond - Fire Truck	\$84,742.42	\$700.73	\$50,961.86	\$2,482.95	\$133,260.53	\$441.75	\$133,702.28
214	2017 LTGO Bond - Fire Hall	\$25,756.44	\$80.22	\$39,609.06	\$7,774.94	\$57,595.63	\$48.04	\$57,643.67
303	FLOOD CONTROL	\$163,129.24	\$237.05	\$232.74	\$265.53	\$163,113.98	\$125.82	\$163,239.80
304	REET 1	\$150,060.53	\$751.57	\$39,144.03	\$269.72	\$188,956.56	\$613.36	\$189,569.92
305	REET 2	\$147,596.45	\$516.33	\$39,158.98	\$270.88	\$186,507.43	\$371.02	\$186,878.45
307	FIRE TRUCK ACQUISITION	\$219.01	(\$219.01)	\$0.00	\$0.00	\$219.01	(\$219.01)	\$0.00
401	WATER FUND	\$607,842.11	\$291,071.34	\$932,002.07	\$692,454.01	\$847,657.18	\$289,374.22	\$1,137,031.40
403	DRAINAGE FUND	\$234,205.17	\$193,385.89	\$283,405.37	\$313,782.17	\$203,942.78	\$192,658.58	\$396,601.36
409	SEWER FUND	\$783,748.53	\$37,800.23	\$623,938.83	\$498,359.76	\$909,488.86	\$36,775.46	\$946,264.32
412	COMPOST FUND	\$382,178.68	\$296,626.21	\$915,906.65	\$596,009.08	\$702,213.90	\$295,751.28	\$997,965.18
631	AGENCY DISBURSEMENTS	\$2,568.00	\$0.00	\$42,070.63	\$42,070.63	\$2,568.00	\$0.00	\$2,568.00
632	UTILITY DEPOSIT FUND	(\$1,625.00)	\$1,625.00	\$0.00	\$0.00	(\$1,625.00)	\$1,625.00	\$0.00
633	PARK & HALL DAMAGE DEPOSITS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
		\$4,645,362.45	\$955,931.71	\$4,639,806.39	\$3,568,702.53	\$5,717,420.46	\$949,858.36	\$6,667,278.82

2022 10/17

Appendix B
Payment Schedule of Principal and Interest

Fire Truck

BOND DEBT SERVICE

TOWN OF LA CONNER

LTGO BONDS, 2013 (Tax-Exempt, 12 Yrs)

Bank Qualified, 'A+' Rated, Callable @ Par 12/1/2018 at anytime

Dated Date 01/30/2014
 Delivery Date 01/30/2014

Period Ending	Principal	Interest	Debt Service	Annual Debt Service
01/30/2014				
06/01/2014		2,643.51	2,643.51	
12/01/2014	25,000.00	3,932.50	28,932.50	31,576.01
06/01/2015		3,870.00	3,870.00	
12/01/2015	30,000.00	3,870.00	33,870.00	37,740.00
06/01/2016		3,765.00	3,765.00	
12/01/2016	30,000.00	3,765.00	33,765.00	37,530.00
06/01/2017		3,630.00	3,630.00	
12/01/2017	30,000.00	3,630.00	33,630.00	37,260.00
06/01/2018		3,442.50	3,442.50	
12/01/2018	30,000.00	3,442.50	33,442.50	36,885.00
06/01/2019		3,195.00	3,195.00	
12/01/2019	30,000.00	3,195.00	33,195.00	36,390.00
06/01/2020		2,902.50	2,902.50	
12/01/2020	30,000.00	2,902.50	32,902.50	35,805.00
06/01/2021		2,572.50	2,572.50	
12/01/2021	35,000.00	2,572.50	37,572.50	40,145.00
06/01/2022		2,143.75	2,143.75	
12/01/2022	35,000.00	2,143.75	37,143.75	39,287.50
06/01/2023		1,662.50	1,662.50	
12/01/2023	35,000.00	1,662.50	36,662.50	38,325.00
06/01/2024		1,137.50	1,137.50	
12/01/2024	35,000.00	1,137.50	36,137.50	37,275.00
06/01/2025		586.25	586.25	
12/01/2025	35,000.00	586.25	35,586.25	36,172.50
	380,000.00	64,391.01	444,391.01	444,391.01



TOWN OF LA CONNER

RESOLUTION NO. 478

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF LA CONNER, WASHINGTON, PROVIDING FOR THE SUBMISSION TO THE QUALIFIED ELECTORS OF THE TOWN AT THE NOVEMBER 6th, 2012 GENERAL ELECTION OF A PROPOSITION AUTHORIZING AN ADDITIONAL SALES AND USE TAX AT THE RATE OF 0.1 PERCENT PURSUANT TO RCW 82.14.450 TO BE USED EXCLUSIVELY FOR FIRE PROTECTION SERVICES & EQUIPMENT PURPOSES; PROVIDING A FORM OF THE BALLOT PROPOSITION; ENTERING LEGISLATIVE FINDINGS; AND PROVIDING DIRECTION TO STAFF.

WHEREAS, ensuring the protection and safety of the La Conner community is a fundamental priority of the Town of La Conner; and

WHEREAS, the recent economic downturn has significantly reduced the financial resources available to the Town, including the resources available for fire protection services and equipment purposes; and

WHEREAS, the Governor recently announced the diversion of local liquor tax revenue to the State which would result in an anticipated loss of revenue to the Town of La Conner's General Fund in the amount of \$10,555 as estimated by the Association of Washington Cities; and

WHEREAS, providing fire protection services is one of the Town's core services, and is vital to the Town of La Conner; and

WHEREAS, the Washington Legislature amended RCW 82.14.450 to authorize cities and towns to submit a proposition to local voters approving a sales and use tax increase, the revenues from which may be utilized for fire protection services and equipment purposes; and

WHEREAS, in accordance with RCW 82.14.450, the Town Council desires to submit a proposition to local voters authorizing an additional sales and use tax at the rate of 0.1 percent of the selling price and 0.1 percent of the value of the article used, respectively, the revenues from which will be used by the Town exclusively for fire protection services and equipment purposes;

NOW THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF LA CONNER AS FOLLOWS:

Section 1. Findings. The above recitals are hereby adopted as legislative findings by the Town Council. The Town Council further finds that the best interests and general welfare of the Town of La Conner would be served by imposing a 0.1 percent increase in the local sales and use tax rate and utilizing the revenues collected from said tax for fire protection services and equipment purposes.