

**2011 FINAL BUDGET MESSAGE**  
**Public Hearing November 17, 2010**

A copy of the 2011 Final Budget is attached. Budgeted funds include any estimated balances to be carried over from 2010. The estimated population for the Town of Garfield remains at 630.

**2011 PROPOSED BUDGET – EXPENDITURES**

Proposed expenditures for 2011, state on a comparative basis with the 2010 budget and 2009 actual expenditures are as follows:

<b><u>Expenditures</u></b>	Actual	Budget	Proposed
	2009	2010	2011
End Cash & Investments - General	170,026	116,026	123,649
End Cash & Investments - Streets	76,380	35,363	49,657
End Cash & Investments - Utility Funds	462,542	351,491	392,678
 <b><u>General:</u></b>			
General Government	41,506	51,447	44,605
Public Safety	18,551	17,193	17,049
Environment	126	60	60
Transportation	0	0	0
Economic Environment	0	1,540	40
Mental & Physical Health	167	350	350
Culture & Recreation	18,170	9,924	11,739
 <b><u>Street Funds</u></b>	 39,896	 62,137	 52,943
<b><u>Utility (Water/Sewer/Garbage) Funds</u></b>	<b>203,419</b>	<b>250,929</b>	<b>228,261</b>
 Total Appropriations	 321,834	 393,580	 355,047
 Non-Expenditures - General	 335	 550	 550
Non-Expenditures - Utility Funds	59,917	61,195	61,195
Other Financing Uses - General	78,088	144,600	112,937
Other Financing Uses - Street Funds	40,168	62,885	15,000
Other Financing Uses - Utility Funds	330,210	362,732	138,252
 Total Appropriations without End Balance	 <u>830,554</u>	 <u>1,025,542</u>	 <u>682,981</u>
 <b>Total All Estimated Uses</b>	 <b><u>1,539,502</u></b>	 <b><u>1,528,422</u></b>	 <b><u>1,248,965</u></b>

The 2011 budget (appropriations) as proposed is approximately 22.50 percent lower than 2010 primarily due to the completion of the 2<sup>nd</sup> Street Waterline ARRA Grant project, the Police Department Justice

Assistance ARRA Grant and the purchase of used machinery/equipment (street sweeper and chipper) in 2010.

### **GENERAL FUND (CURRENT EXPENSE/RESERVE FUNDS)**

The general budget is balanced by a projected levy of approximately \$58,012 for general fund purposes. The actual budget estimate lists revenues at \$54,000, slightly lower than the projected levy, considering any possible late payments or non-payments.

The estimated yield from retail sales and use taxes, real estate excise tax, utility and occupation tax is \$71,200.

### **STREET FUNDS**

A special tax collection of \$55,000 to finance street maintenance and repair and street improvements went before the voters in May 2010 and was approved.

### **UTILITY FUNDS / RESERVE FUNDS**

This fund comprises the Water, Sewer and Garbage proprietary operations of the town. As previously adopted by the town council in December 2008, the water, sewer and garbage rates will increase by 3% each year imposed biannually. This first rate increase will take effective January 2011 at 6.0%. The new Utilities Reserve Fund established in 2009, continues in the 2011 budget with no anticipated revenue changes. A portion of monthly utility rates are transferred into this fund monthly.

### **PERSONNEL**

The town has 3 full-time employees (Public Works Superintendent, Public Works Assistant and Clerk-Treasurer) and one part-time relief employee for sanitation services. Proposed wage increases range from 0% to 6%. Personnel benefits offered for 2011 include employee medical and dental through the Association of Washington Cities. Medical is with Group Health Plan. Dental is with Washington Dental Services Plan. The projected premium increase for these benefits is 8.5% for medical and 0% for dental. Additionally, the town will be joining the Public Employees Retirement System (PERS) January 2011. Prior to 2011 the town had a retirement plan for employees through Ing insurance and contributed a \$1,000 a year to this deferred compensation retirement plan. The town's PERS contribution for January through June 2011 will be 5.3%. The project contribution for the town starting July 2011 is 8.61%.

### **LAW ENFORCEMENT, FIRE CONTROL AND COMMUNICATIONS**

Total costs for law enforcement, fire control and communications are \$82,829 for 2011. Law enforcement services are contracted with the City of Palouse. The current contract expires December 2010. The newly approved contract for 2011-2013 takes effect January 1, 2011 and runs through December 31, 2013. For 2011, there would be no increase in the annual contract of \$67,980. For 2012 the annual fee would increase by 1.5% to \$68,999.70 and for 2013 increase by 1.5% to \$70,019.40.

### **CAPITAL PROJECTS**

Currently there are no major capital projects budgeted at this time.

## **2011 PROPOSED BUDGET – REVENUES**

Estimated revenues for 2011 compared to amounts received in 2009 and the latest estimates for 2010 are as follows:

<b><u>Revenues</u></b>	Actual 2009	Budget 2010	Proposed Budget 2011
Estimated Begin Balances - General	149,413	149,946	146,689
Estimated Begin Balance - Streets	113,783	76,200	42,000
Estimated Begin Balances - Utility Funds	440,118	456,877	362,791
<b><u>General:</u></b>			
Taxes	133,395	126,000	126,000
Licenses & Permits	3,102	2,740	1,740
Intergovernmental Revenues	32,923	40,519	26,520
Charges for Goods & services	0	0	0
Fines and Penalties	0	0	0
Miscellaneous Revenues	1,804	1,760	2,560
<b><u>Street Funds</u></b>			
Taxes	325	55,000	55,000
Intergovernmental Revenues	13,705	12,500	10,000
Miscellaneous Revenues	631	600	600
<b><u>Utility (Water/Sewer/Garbage) Funds</u></b>			
Intergovernmental Revenues	9,500	118,150	0
Charges for Services	319,977	316,600	330,600
Miscellaneous Revenues	9,927	9,590	5,210
Total Estimated Revenues	525,290	683,459	558,230
Non-Revenues - General	332	470	470
Non-Revenues - Streets	0	0	0
Non-Revenues - Utility Funds	675	750	750
Other Financing Sources - General	6,000	20,255	7,000
Other Financing Sources - Streets	28,000	16,085	10,000
Other Financing Sources - Utility Funds	275,890	124,380	121,035
TOTAL			
Total Estimated Resources without Beginning Balances	<u>836,188</u>	<u>845,399</u>	<u>697,485</u>
<b>Total All Estimated Revenues</b>	<b><u>1,539,502</u></b>	<b><u>1,528,422</u></b>	<b><u>1,248,965</u></b>