

2013 PRELIMINARY BUDGET MESSAGE
November 14, 2012 Public Hearing

A copy of the 2013 Preliminary Budget is attached. Budgeted funds include any estimated balances to be carried over from 2012. The estimated population for the Town of Garfield is 597.

2011 PROPOSED BUDGET – EXPENDITURES

Proposed expenditures for 2013, state on a comparative basis with the 2012 budget and 2011 actual expenditures are as follows:

<u>Expenditures</u>	Actual	Budget	Proposed
	2011	2012	Budget
			2013
End Cash & Investments - General	209,157	176,528	178,145
End Cash & Investments - Streets	45,751	24,030	41,730
End Cash & Investments - Utility Funds	361,940	346,421	296,462
 <u>General:</u>			
General Government	48,751	50,622	49,310
Public Safety	13,854	17,763	17,905
Environment	55	60	60
Transportation	0	0	0
Economic Environment	84	40	40
Mental & Physical Health	115	350	350
Culture & Recreation	14,392	15,301	15,675
 <u>Street Funds</u>	 58,284	 61,330	 61,850
<u>Utility (Water/Sewer/Garbage) Funds</u>	 254,730	 249,001	 251,810
 Total Appropriations	 390,265	 394,467	 397,000
 Non-Expenditures - General	 327	 625	 625
Non-Expenditures - Utility Funds	61,303	62,488	63,149
Other Financing Uses - General	95,871	131,857	96,595
Other Financing Uses - Street Funds	112,404	181,183	7,500
Other Financing Uses - Utility Funds	272,847	220,431	165,667
 Total Appropriations without End Balance	 <u>933,017</u>	 <u>991,051</u>	 <u>730,536</u>
 Total All Estimated Uses	 <u>1,549,865</u>	 <u>1,538,030</u>	 <u>1,246,873</u>

The 2013 budget (appropriations) as proposed is approximately 26 percent lower than 2012 primarily due to no major capital projects at this time. We are awaiting word on Transportation Improvement Board grant applications for street and sidewalk projects in 2013.

2013 PROPOSED BUDGET – REVENUES

Estimated revenues for 2013 compared to actual amounts received in 2011 and the budget estimates for 2012 are as follows:

<u>Revenues</u>	Actual	Budget	Proposed
	2011	2012	2013
Estimated Begin Balances - General	203,424	206,246	197,830
Estimated Begin Balance - Streets	47,993	25,000	38,000
Estimated Begin Balances - Utility Funds	419,053	383,173	326,431
 <u>General:</u>			
Taxes	136,390	128,800	131,800
Licenses & Permits	1,511	1,290	1,390
Intergovernmental Revenues	19,276	23,600	13,050
Charges for Goods & services	0	0	450
Fines and Penalties	0	0	0
Miscellaneous Revenues	2,749	1,240	1,240
 <u>Street Funds</u>			
Taxes	46,360	55,000	57,000
Intergovernmental Revenues	106,517	178,463	10,000
Miscellaneous Revenues	568	80	80
 <u>Utility (Water/Sewer/Garbage) Funds</u>			
Intergovernmental Revenues	0	7,500	0
Charges for Services	338,750	333,600	338,600
Miscellaneous Revenues	3,444	3,654	2,777
 Total Estimated Revenues	 655,565	 733,227	 556,387
 Non-Revenues - General	 327	 470	 270
Non-Revenues - Streets	0	0	0
Non-Revenues - Utility Funds	2,257	750	750
Other Financing Sources - General	18,931	31,500	12,675
Other Financing Sources - Streets	15,000	8,000	6,000
Other Financing Sources - Utility Funds	187,315	149,664	108,530
TOTAL			
Total Estimated Resources without beginning balance	<u>879,395</u>	<u>923,611</u>	<u>684,612</u>
 Total All Estimated Revenues	 <u>1,549,865</u>	 <u>1,538,030</u>	 <u>1,246,873</u>

GENERAL FUND (CURRENT EXPENSE/RESERVE FUNDS)

The general budget is balanced by a projected levy of approximately \$60,760 for general fund purposes. The actual budget estimate lists revenues at \$56,000, 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 \$70,000. The utility tax rate is a 4% on electricity and phone service and a 6% on water, sewer and garbage service.

STREET FUNDS

A special tax collection of \$57,000 to finance street maintenance and repair and street improvements went before the voters in August 2012 and was approved.

UTILITY FUNDS / RESERVE FUNDS

This fund comprises the Water, Sewer and Garbage proprietary operations of the town. The 2013 budget includes the biannual scheduled percentage increases for water, sewer, and garbage. A portion of the monthly utility rates are transferred into the utilities reserve fund and utilities equipment reserve fund. For 2013, the water base rate reflects a \$1.00 increase. The following rate table gives a summary:

	Current Rate	January 2013 Rate
<u>Water</u>		
Base		
5,000 gallons	\$22.85	\$25.25
Overage per 1,000 gallons		
5,001 to 30,000	\$.75	\$.75
30,001 to 70,000	\$1.00	\$1.00
70,001 and over	\$1.25	\$1.25
<u>Sewer</u>	\$37.40	\$38.91
<u>Garbage</u>		
64 gallon roller cart	\$25.44	\$26.99
Extra Roller Cart	\$6.00	\$6.00
Utility Tax 6% (no increase in %)	\$5.14	\$5.47
Average Household Bill		
With no overage	\$90.83	\$96.62

PERSONNEL

The town has 3 full-time employees (Public Works Superintendent, Public Works Assistant and Clerk-Treasurer) and one part-time public works relief employee. Proposed wage increases range from 0% to 3%. Personnel benefits offered for 2013 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 14.2% to 14.5% for medical and a reduction of .03% for dental. Additionally, the town joined the Public Employees Retirement System (PERS) January 2011. The town's current PERS contribution rate is 7.25% which will remain in effective January

through June 2013. There is projected employer contribution rate increase effective July 1, 2013. The projected rate is 9.19%, but is still undecided.

LAW ENFORCEMENT, FIRE CONTROL AND COMMUNICATIONS

Total costs for law enforcement, fire control and communications are \$85,563 for 2012. Law enforcement services are contracted with the City of Palouse. The current contract took effect January 1, 2011 and runs through December 31, 2013. For 2011, there was no increase in the annual contract of \$67,980. For 2012 the annual fee increased by 1.5% to \$68,999.70 and for 2013 increase is 1.5% to \$70,019.40.

CAPITAL PROJECTS

Currently no major capital projects are budgeted at this time. \$5,000 has been budgeted for the repair and upgrade of the park shelter. Council is currently exploring funding options for a new public safety building.