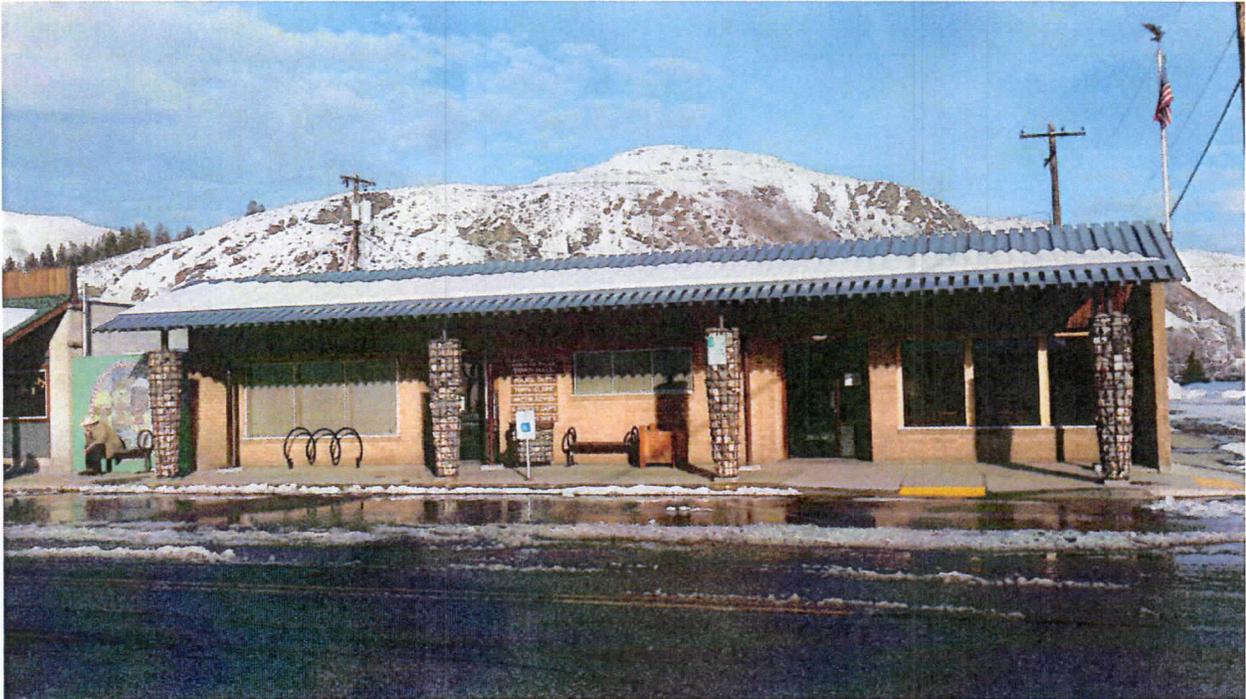


2015 Budget



Town of Twisp

(December 9, 2014)

2015 Budget Proposal

Mayor's Message

Developing a budget for the town after the occurrence of a national disaster puts into perspective the importance of this annual daunting task. The Carlton Complex Wildfire Disaster of 2014 highlighted the many vulnerabilities of Twisp. In the best of times, like other small towns, the challenge is always to strike that measure of balance between addressing critical needs whilst living within our ability to effectively deliver vital services to our citizens. After an unprecedented wildfire event, the town is faced with the realization of some of the deficiencies which contribute to our vulnerability should another emergency event occur. As a result, priority is given this next year to address some of these critical concerns in an attempt to mitigate the risk, where possible.

The proposed final 2015 Budget has been completed with collaboration from our town's department heads: Jackie Moriarty (Clerk/Treasurer), Paul Budrow (Police Chief), Andrew Denham (Public Works Director), and Howard Moss (former Public Works Superintendent). A draft proposal was reviewed by members of the Finance Committee: Councilmember Bob Lloyd and Councilmember Traci Day.

The Budget is balanced at \$3,418,154 for all funds, accounting for all reserves and debt service. The General Fund is balanced at \$895,374, including reserves. The Street Fund is balanced at \$1,009,733, including anticipated grant awards. The Water Operating Fund is balanced, with an anticipated 12% rate increase in 2015, at \$433,816; the Sewer Operating Fund is balanced, with an anticipated 14% rate increase in 2015, at \$391,707.

Revenue Assumptions:

Economic projections for 2015 expect an overall stability in property, real estate, and utility taxes. Liquor Profits continue to be less than previous years projections due to the 2012 legislature passed ESHB 2823 which provided a permanent diversion of \$2.5 million per quarter of city and county money from the liquor excise tax fund to the state general fund starting in FY2014 (\$2 million of this quarterly amount coming out of city funds), and the 2013 legislature passing 3ESSB 5034 (2013-2015 state budget which increased the state's share of liquor taxes from 65% to 82.5% resulting in the reduced distribution of liquor excise tax funds from 35% to 7.5% (a 50% reduction) to cities and counties.

Expenditure Assumptions:

Following an eventful summer, emphasis on public safety and the reduction of risk for citizens remains paramount for this next fiscal year, as is the protection of critical

capital infrastructure, and steps to ensure viable and long-term support of our local business economy. The town will be pursuing grants, where available, to address our needs, leveraged by match in our budget, along with partnering entities to enable successful projects be completed. As begun in recent budget years, a combined strategy for both long-range and short-term financial planning is essential, as reflected in the reserve and contingency line items, to enable flexibility in addressing emergent and long-term needs.

Priorities include:

1. Protection of town infrastructure and facilities.
2. Acquisition of permanent water rights to enable economic vitality and social livability.
3. Enhancement of neighborhoods with the encouragement of LIDs.

Departmental Summaries:

Clerk's Office and General Administration:

The Clerk's office comprises of 2 full time staff and a part time grant administrator.

The 2015 budget reflects an increase in the cost of BIAS - the Town's accounting software program; an increase in the rental space for the Twisp Public Library; and a change in overlooked eligibility for the mayor in the state's retirement systems plan.

Public Works:

The Public Works department comprises of 4 full-time staff and 1 part-time staff.

The 2015 budget reflects a 12% increase in water rates and a 14% increase in sewer rates.

The Street Fund is again tenuously balanced. Several grants have been awarded for work this past year, including a Transportation Alternatives Program (TAP) grant for sidewalk from SR20 to Lincoln on Twisp Avenue, and another Surface Transportation Program (STP) for sidewalks on SR20 from Wagner Street to Airport Road. Both projects are expected to take place this year - with the exception of the STP project, which depends upon the receipt of a Transportation Improvement Board (TIB) matching grant award. Any other street improvements, aside from routine maintenance, will necessarily rely on the development of Local Improvement Districts (LID).

Public Safety (Police / Fire):

The Police department comprises of 2 full-time staff, a part-time clerk, and a pool of part-time officers.

The Police department will be replacing a vehicle this year - with the help of a USDA Rural Development grant and loan. Law enforcement equipment and emergency management materials will be acquired to enable improved emergency management.

The town's fire response contract with Okanogan County District 6 will increase this year by 5% for a total expenditure of \$44,100.

Planning / Building:

The Town contracts for both the building inspector and the planner positions.

Additional hours were increased for 2015 to reflect the need for the town planner to attend planning commission meetings in addition to regular office duties.

Airport:

In 2010, the Town received grant funding for improvements to the airport's runway from Washington State Department of Transportation - Aviation Division. The project required a sealant to be applied every few years to protect the integrity of the project. Crack filling was completed in 2014 by a grant, and grant funding will be sought to pay for the application of the sealant in 2015.

It is an honor and a privilege to serve the Town of Twisp citizens. I am proud to be a member of this incredible community, and thank you for the very humbling opportunity to present you the proposed 2015 budget.

Sincerely,

Soo Ing-Moody

Mayor

ORDINANCE #685

AN ORDINANCE ADOPTING THE BUDGET OF THE TOWN OF TWISP, WASHINGTON FOR FISCAL YEAR ENDING DECEMBER 31, 2015

WHEREAS, the Mayor of the Town of Twisp, Washington completed and placed on file with the Town Clerk a proposed budget and estimate of the amount of moneys required to meet the public expenses, bond retirement and interest, reserve funds and expenses of the town for the fiscal year ending December 31, 2015; and

WHEREAS, a notice was published that the Council of the Town would meet on December 9, 2014 at the hour of 7:00 p.m., in the council chambers of town hall of the Town of Twisp for the purpose of making and adopting a budget for said fiscal year and giving taxpayers within the limits of said town an opportunity to be heard in a public hearing upon said budget; and

WHEREAS, the Town of Twisp did meet at said time and place and did then consider the matter of said proposed budget for the fiscal year 2015; and

WHEREAS, the said proposed budget does not exceed the lawful limit of taxation allowed by law to be levied on the property within the Town of Twisp for the purposes set forth in said budget, and the estimated expenditures set forth in said budget being all necessary to carry on the government of said town for said year and being sufficient to meet the various needs of said town during said period.

NOW THEREFORE, be it ordained by the Town Council of the Town of Twisp, as follows:

SECTION 1. The budget for the Town of Twisp, Washington for the year 2015 is hereby adopted at the fund level in its final form and content as set forth in the document entitled “2015 Budget of the Town of Twisp”, copies of which are on file in the Office of the Clerk.

SECTION 2. Estimated resources, including fund balances for each separate fund of the Town of Twisp, for the year 2015 are set forth in summary form below, and are hereby appropriated for expenditure at the fund level during the year 2015 as set forth below:

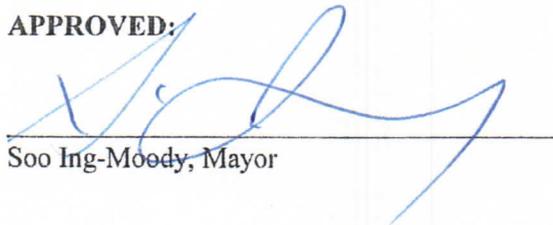
Fund	Appropriations/Expenditures
Current Expense (General Fund)	\$895,374
Street Fund	\$1,009,733
REET Fund	\$ 34,120
Tourism (2%) Fund	\$ 72,010
Methow Restoration	\$ 0
USDA Debt Service	\$ 20,530
Water/Sewer Debt Service	\$108,208
Water Operating	\$433,816
Booster Station Reserve	\$ 82,650
Sewer Operating	\$391,707
Water Reserve/Capital Improvements	\$152,978
Sewer Reserve/Capital Improvements	\$155,626
Wagner Pool – Trust	\$ 61,402
TOTAL ALL FUNDS	\$3,418,154

SECTION 3. The Town Clerk is directed to transmit a certified copy of the budget hereby adopted to the State Auditors's Office and to the Association of Washington Cities.

SECTION 4. This ordinance shall be in full force and take effect after its passage by Council, approved by the Mayor and publication as required by law.

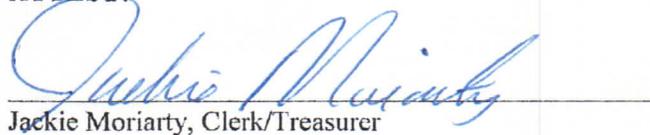
PASSED BY THE TOWN COUNCIL OF THE TOWN OF TWISP, AT A REGULAR MEETING, on the 9th day of December, 2014.

APPROVED:



Soo Ing-Moody, Mayor

ATTEST:



Jackie Moriarty, Clerk/Treasurer

APPROVED AS TO FORM:

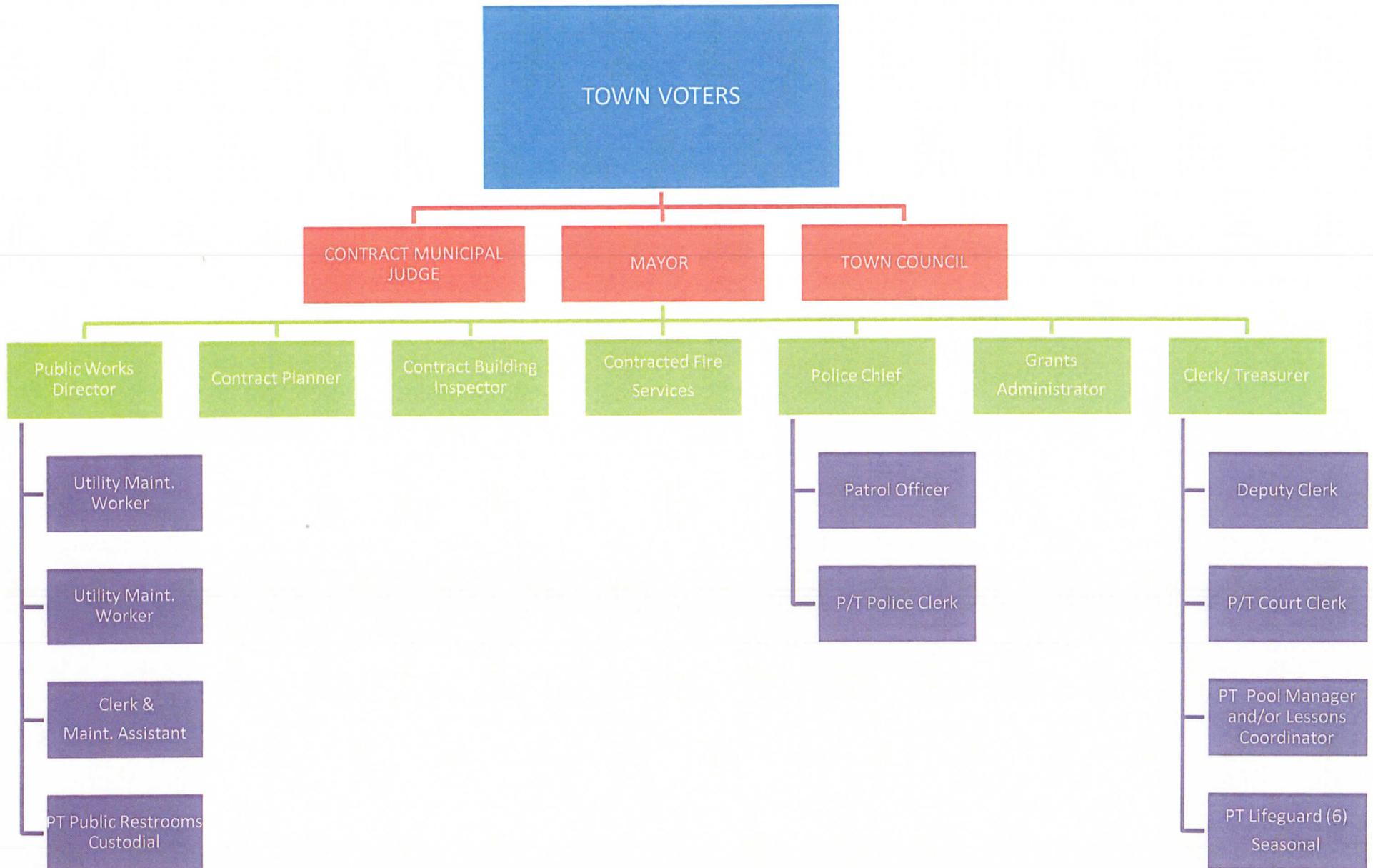


Town Attorney, Scott DeTro

**TOWN OF TWISP
TOWN COUNCIL POSITIONS
Effective – 01/01/15**

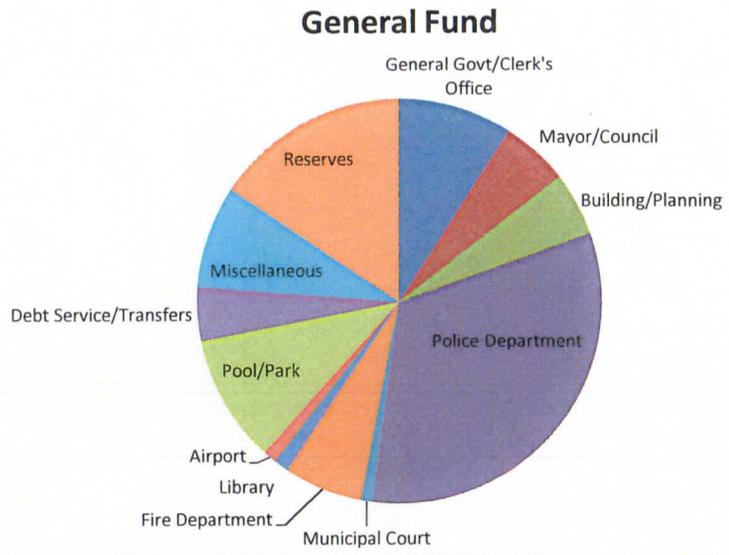
Council Members	Position #	Address	Term	Term End Date
Bob Lloyd	1	426 W. Twisp Avenue	4 years	12/31/17
Aaron Studen	2	505 W Twisp Avenue	Appointment Until Full 4 year term	12/31/15 12/31/17
Traci Day	3	1102 E. Methow Valley Highway	4 years	12/31/15
John Fleming	4	510 Bridge Street	4 years	12/31/15
Dwight Filer	5	507 Peters Road	2 years	12/31/15
Soo Ing-Moody	Mayor	622 Moody Lane	4 years	12/31/15

TOWN OF TWISP



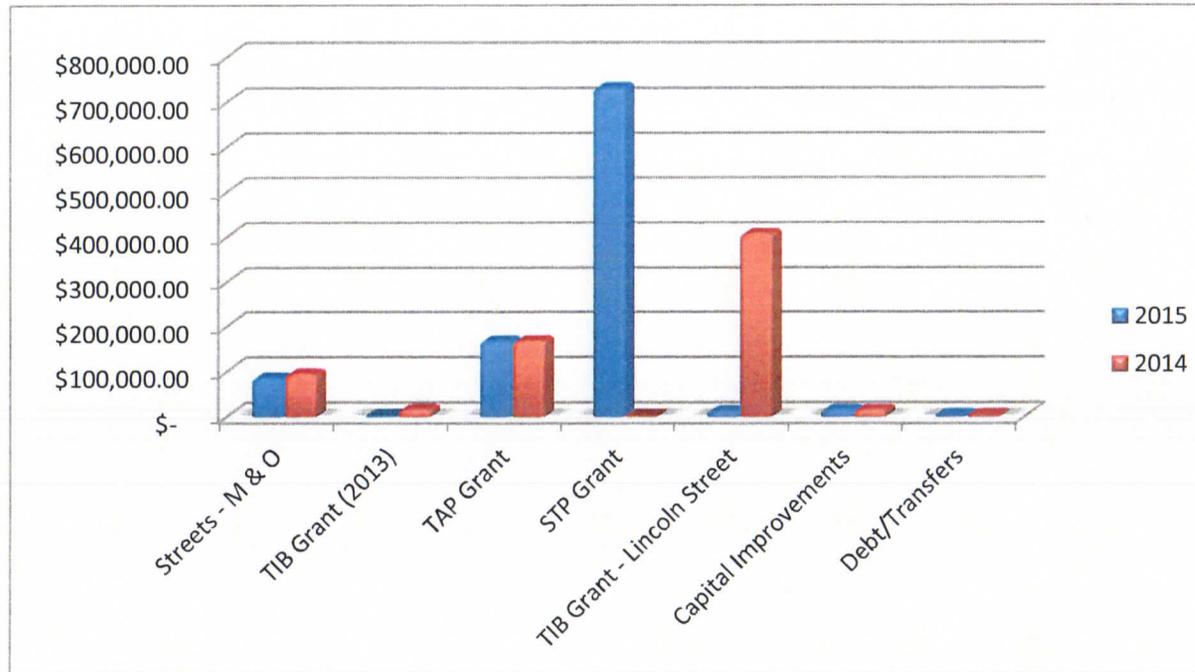
**Town of Twisp - 2015 Final Budget
Comparison of Budget Expenditures 2015 to 2014**

FUND	2015 Proposed Budgeted Expenditures	2014 Budgeted Expenditures		
GENERAL FUND				
General Govt/Clerk's Office	\$ 81,390.00	\$ 78,470.00		
Central Services	\$ 7,175.00	\$ 8,789.00		
Mayor/Council	\$ 47,972.00	\$ 36,947.00		
Building/Planning	\$ 45,163.00	\$ 44,429.00		
Police Department	\$ 292,038.00	\$ 287,047.30		
Municipal Court	\$ 8,255.00	\$ 8,107.00		
Fire Department	\$ 56,542.00	\$ 54,845.00		
EMS Levy/ EMS Department	\$ 44,518.00	\$ 44,533.00		
Animal Control	\$ 100.00	\$ 100.00		
Library	\$ 10,260.00	\$ 8,184.00		
Airport	\$ 10,210.00	\$ 8,740.00		
Aging & Adult Services	\$ 2,000.00	\$ 2,000.00		
Pool/Park	\$ 91,834.00	\$ 92,982.00		
RCO Grant	\$ -	\$ -		
Non-Expenditures	\$ 9,085.00	\$ 9,150.00		
Debt Service	\$ 17,186.00	\$ 19,662.00		
Capital Expense	\$ 10,420.00	\$ 20,820.00		
Interfund Transfers (Debt)	\$ 21,226.00	\$ 16,657.00		
Ending Fund Balance	\$ 140,000.00	\$ 120,000.00		Difference
TOTAL CURRENT EXPENSE	\$ 895,374.00	\$ 861,462.30		\$ 33,911.70

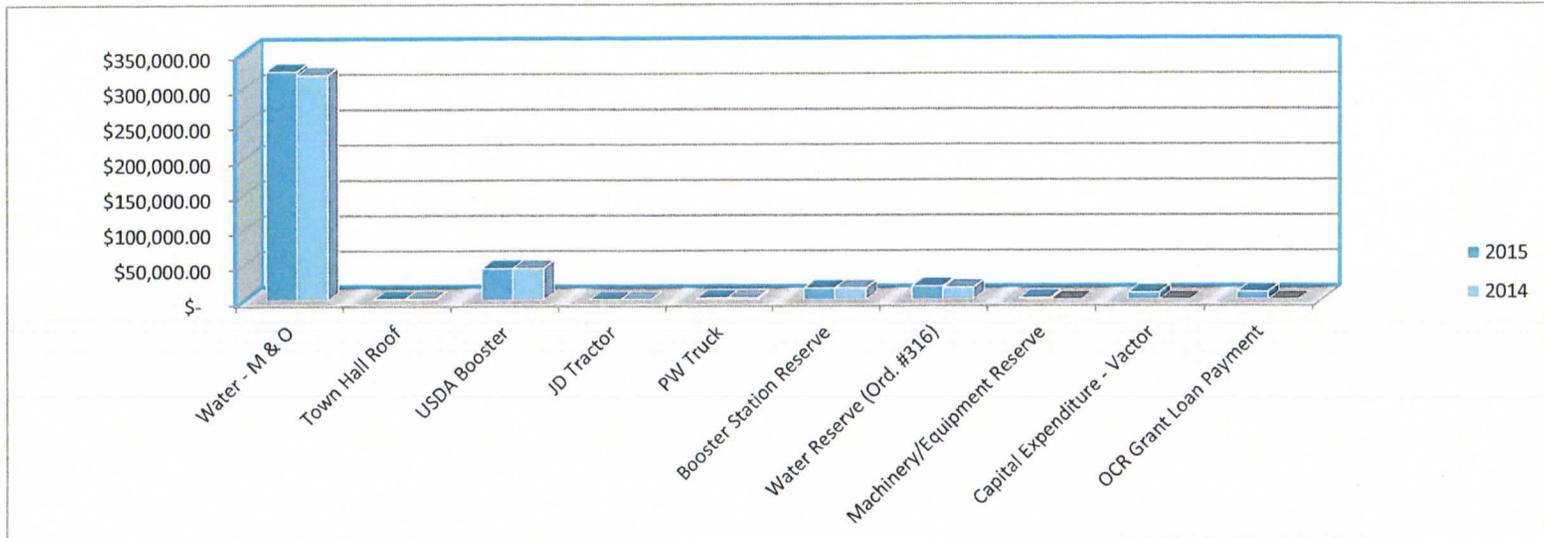


**Town of Twisp - 2015 Final Budget/Comparison of
Budget Expenditures 2015 - 2014**

FUND	2015 Proposed Budgeted Expenditures	2014 Budgeted Expenditures	Difference
STREETS			
Streets - M & O	\$ 85,685.00	\$ 94,201.00	\$ (8,516.00)
TIB Grant (2013)	\$ -	\$ 14,982.00	\$ (14,982.00)
TAP Grant	\$ 167,353.00	\$ 167,353.00	\$ -
STP Grant	\$ 730,875.00	\$ -	
TIB Grant - Lincoln Street	\$ 10,500.00	\$ 406,025.00	
Capital Improvements	\$ 14,500.00	\$ 14,436.00	\$ 64.00
Debt/Transfers	\$ 820.00	\$ 821.00	\$ (1.00)
Totals	\$ 1,009,733.00	\$ 697,818.00	\$ 311,915.00



FUND	2015 Proposed Budgeted Expenditures	2014 Budgeted Expenditures	Difference
WATER			
Water - M & O	\$ 323,770.00	\$ 318,276.00	\$ 5,494.00
Town Hall Roof	\$ 1,826.00	\$ 1,825.00	\$ 1.00
USDA Booster	\$ 45,304.00	\$ 45,304.00	\$ -
JD Tractor	\$ 822.00	\$ 822.00	\$ -
PW Truck	\$ 2,876.00	\$ 2,869.00	\$ 7.00
Booster Station Reserve	\$ 16,530.00	\$ 16,530.00	\$ -
Water Reserve (Ord. #316)	\$ 19,148.00	\$ 17,096.00	\$ 2,052.00
Machinery/Equipment Reserve	\$ 2,500.00	\$ -	\$ 2,500.00
Capital Expenditure - Vactor	\$ 10,000.00	\$ -	\$ 10,000.00
OCR Grant Loan Payment	\$ 11,040.00	\$ -	\$ 11,040.00
Totals	\$ 433,816.00	\$ 402,722.00	\$ 31,094.00



**Town of Twisp - 2015 Final Budget/Comparison of
Budget Expenditures 2015 - 2014**

FUND	2015 Proposed Budgeted Expenditures	2014 Budgeted Expenditures	Difference
SEWER			
Sewer - M & O	\$ 255,757.00	\$ 244,609.00	\$ 11,148.00
Capital Improvements	\$ 55,000.00	\$ 30,000.00	\$ 25,000.00
Town Hall Roof	\$ 1,826.00	\$ 1,825.00	\$ 1.00
Sewer Plant Upgrades (Debt)	\$ 53,634.00	\$ 49,842.00	\$ 3,792.00
JD Tractor	\$ 821.00	\$ 821.00	\$ -
PW Truck	\$ 2,869.00	\$ 2,869.00	\$ -
Sewer Reserve (Ord. #316)	\$ 19,300.00	\$ 16,930.00	\$ 2,370.00
Sewer Equipment Reserve	\$ 2,500.00	\$ 2,500.00	\$ -
Totals	\$ 391,707.00	\$ 349,396.00	\$ 42,311.00

