



Town of Twisp *2016 Budget*

(December 8, 2015)



Mayor's 2016 Budget Message

It is with great consideration and honor that I submit the 2016 Budget for the Town of Twisp. The resulting final budget has been both an arduous task and a labor of hope that best depicts a strategic plan of action for the coming year.

As always, the proposed final 2016 Budget has been an ongoing collaborative effort with all department heads, Jackie Moriarty (Clerk/Treasurer), Paul Budrow (Chief of Police), Andrew Denham (Public Works Director), and review by Council Member Bob Lloyd (Finance Committee), entailing months of extensive revisions.

The 2016 Budget is balanced as proposed at \$3,883,273.14 in revenues and expenditures for all funds, accounting for reserves - including all known grants and reserves anticipated for the year. The General Fund is balanced with a projection of \$1,011,107 in revenues and expenditures, including reserves.

The Street Fund is balanced with a projection of \$109,984 in revenues and expenditures. This fund is balanced with the knowledge that there is necessarily a freeze on new projects, without an identified funding source, in 2016. The Street Fund Beginning balance has been steadily declining for the past five years from \$40,000 to \$15,000 in 2016. It is for this reason that Council is exploring the viability of creating a Transportation Benefit District (TBD).

The Water Fund is balanced at \$453,325, with a proposed minimum rate increase of 14.5%; and the Water Fund Reserve at \$166,696.00. The Sewer Fund is balanced at \$411,426.00, with a proposed minimum rate increase of 9.5%; and the Sewer Fund Reserve is balanced at \$171,064.00.

Revenue Assumptions:

The general financial projection for 2016 is predicted to be healthy. With state-wide unemployment rate in May 2015 decreased by 0.7% from the same period in 2014, Washington had the second fastest job growth rate in the nation. In addition, MRSC also noted that, as per Steve Lerch, Chief Economist of the Washington State Economic and Revenue Forecast Council, the trend of economic growth in Washington is expected to continue due to "in-migration". Collectively, these indicators point to an overall forecast of relative economic stability for the state, especially in relation to the nation as a whole.

Two notable state legislative changes made in 2015 are predicted to enhance the town's local revenue projections. The first is the transportation package adopted in the 2nd ESSB 5987, laws of 2015, 3rd special session, in which there was an 11.9 cents increase in the motor vehicle fuel tax – with changes slated to occur within the next two years beginning in August 2015 and again on July 1, 2016. These motor vehicle fuel tax revenues will be shared with cities and counties, based on population, through direct transfers. The state legislature also passed the 2015-2017 state budget ESSB 6052, in which the liquor revenues percentage distribution to cities and counties will be returned to pre-2013 amounts of 35% of revenues, reversing the 2013 decision that remitted more to the state by decreasing local revenue portions to 22.5%.

At the local level, the above forecasts combined with local indicators of growth, establish some of the criteria important for our own revenue projections. A combination of recent events, including the past two years of wildfire disaster, and the purchase of water rights for the town (in an effort to restore a portion of the Twisp's historical rights), has contributed to a noticeable growth in 2015 of new construction and development. This trend is anticipated to continue into 2016. This new growth is expected to, in time, inevitably increase property tax revenues and positively affect retail sales revenues both in the short and long-term.

Expenditure Assumptions:

The wildfire disasters have had an impact on the Town's expenditures. Although some expenditures are expected to be reimbursed, in part, by FEMA, there are some costs which are solely the responsibility of the Town. Increased hours by law enforcement officers, and the need to bolster existing capital infrastructure to meet the needs of our community to ensure continued public safety and uninterrupted delivery of essential services have become paramount priorities of the Town.

As such, the resulting 2016 Budget is our best reflection at how to most responsibly address the many needs of our growing community. The objective, as always with this administration, is to strike a balance between mitigation against undue risk to the Town, while operating within the viable means of financial constraints to deliver quality services for a sustainably healthy community.

Departmental Summaries

General Administration / Clerk's Office:

As a result of a part-time hire in 2015 of an administrative assistant in the Clerk's office, the Clerk's office, comprises of two full-time staff, a Clerk/Treasurer and a Deputy Clerk; a part-time Administrative Assistant; and a Grant Administrator (on an as-needed basis, and as available funding from grants allow).

The result of another federal wildfire disaster declaration in 2015 requires the Clerk's office to work, once again, with FEMA in ensuring all eligible reimbursements are properly documented and received from the federal agency.

Associated with the Town's success in procuring grant funding for multiple projects – the Clerk's Office is responsible for the financial and administrative monitoring and reporting of these grants which means that 2016 is anticipated to be a busy year for this department.

A regularly scheduled bi-annual state audit is slated for 2016.

Public Works:

The Public Works department comprises of four full-time staff (comprising of the Public Works Director, an Operator I in Water and Sewer, Operator II in Water and Sewer, and an Administrative Assistant), and a part-time seasonal park maintenance employee.

As a result of an increasing workload in this department, and in anticipation of upcoming projects in Streets, Water, Sewer, Parks, and Trails, the 2016 Budget includes funding for a part-time position in lieu of the seasonal employee.

Several new projects are slated to begin in 2016, mostly driven by the receipt of grant funding. A partial list includes development of the Town's first segment of a pedestrian trail; construction of a new tennis court; sidewalk construction along SR20 connecting existing sidewalk to Airport Road; sidewalk construction along Twisp Avenue from SR20 to Lincoln; street overlay on Marble and Burton Streets; Airport South Taxiway Engineering project; Community Economic Revitalization Planning project; and several others associated with the Town's water system and sewer systems.

Police Department:

Since 2013, the Twisp Police Department comprised of two full-time officers (including the Chief), part-time reserve officers, and a part-time police clerk. Following the past two years of wildfire disaster in 2014 and 2015; general increased workload in emergency management, community outreach, and narcotics interdiction; and potential concern for officer and public safety, the 2016 Budget includes the hiring of an additional full-time officer position for the department – resulting in a total of three full-time officers.

Fire Department

A contract for fire protection services with Okanogan County District 6 was initiated in July 2012. The 2016 reflects the contracted annual increase to \$46,305.00. In addition to the contracted amount, associated costs for a public safety secretary, insurance and liability for the

fire station and equipment have been calculated and included to amount to a total Fire Control Fund cost for FY2016 of \$60,881.00. Debt service payments for the station and vehicle are not included in this calculation.

Planning / Building:

The planning and building department will comprise of a contract with Highlands Associates for Kurt Danison to continue providing planning services, and a contract with Winthrop for the services of Marc Straub as a part-time building inspector. There is a budgeted decrease in FY2016 for the contracted services of the building inspector from 2015 expenditure amounts to adjust for an error in over-charging for his services in 2015.

Airport:

The Twisp Municipal Airport will continue to operate as in previous years. The annual maximum 3% increase to Airport leases is proposed for 2016, as per contract to offset associated airport expenditures for the department totaling \$10,304.00. The revenue expected amounts to \$6,688.00 in 2016, increased from \$6,485.00 in 2015.

The recent receipt of a WSDOT planning grant in 2015 to begin work on engineering improvements to the south taxiway has initiated discussions on how to ensure the sustainability of the airport. It is anticipated that the implementation of work resulting from the engineered improvements would require a match of approximately \$12,500 from the General Fund, which is not currently feasible without another funding source. It is expected that future funding options will be explored by the Airport Board.

ORDINANCE #699

AN ORDINANCE ADOPTING THE BUDGET OF THE TOWN OF TWISP, WASHINGTON FOR FISCAL YEAR ENDING DECEMBER 31, 2016

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, 2016; and

WHEREAS, a notice was published that the Council of the Town would meet on December 8, 2015 at the hour of 5:00 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 2016; 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 2016 is hereby adopted at the fund level in its final form and content as set forth in the document entitled "2016 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 2016 are set forth in summary form below, and are hereby appropriated for expenditure at the fund level during the year 2016 as set forth below:

General Fund	\$	1,011,695.00
Streets	\$	109,984.00
REET	\$	44,010.00
Tourism	\$	104,810.00
UDSA Debt	\$	14,797.00
TAP	\$	149,233.00
STP	\$	730,875.00
RCO - Trails	\$	-
RCO - Tennis Courts	\$	59,000.00
CERB - Economic Revitalization	\$	65,404.00
TIB - Marble and Burton	\$	134,601.00
Water/Sewer Debt	\$	108,501.00
Water	\$	453,325.00
Booster Station Reserve	\$	99,180.00
Sewer	\$	420,445.00
Water Fund Reserve	\$	166,696.00
Sewer Fund Reserve	\$	171,545.00
Wagner Pool - Trust	\$	49,260.14
Totals	\$	3,893,361.14

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 8th day of December, 2015.


APPROVED:


Soo Ing-Moody, Mayor

ATTEST:


Jackie Moriarty, Clerk/Treasurer

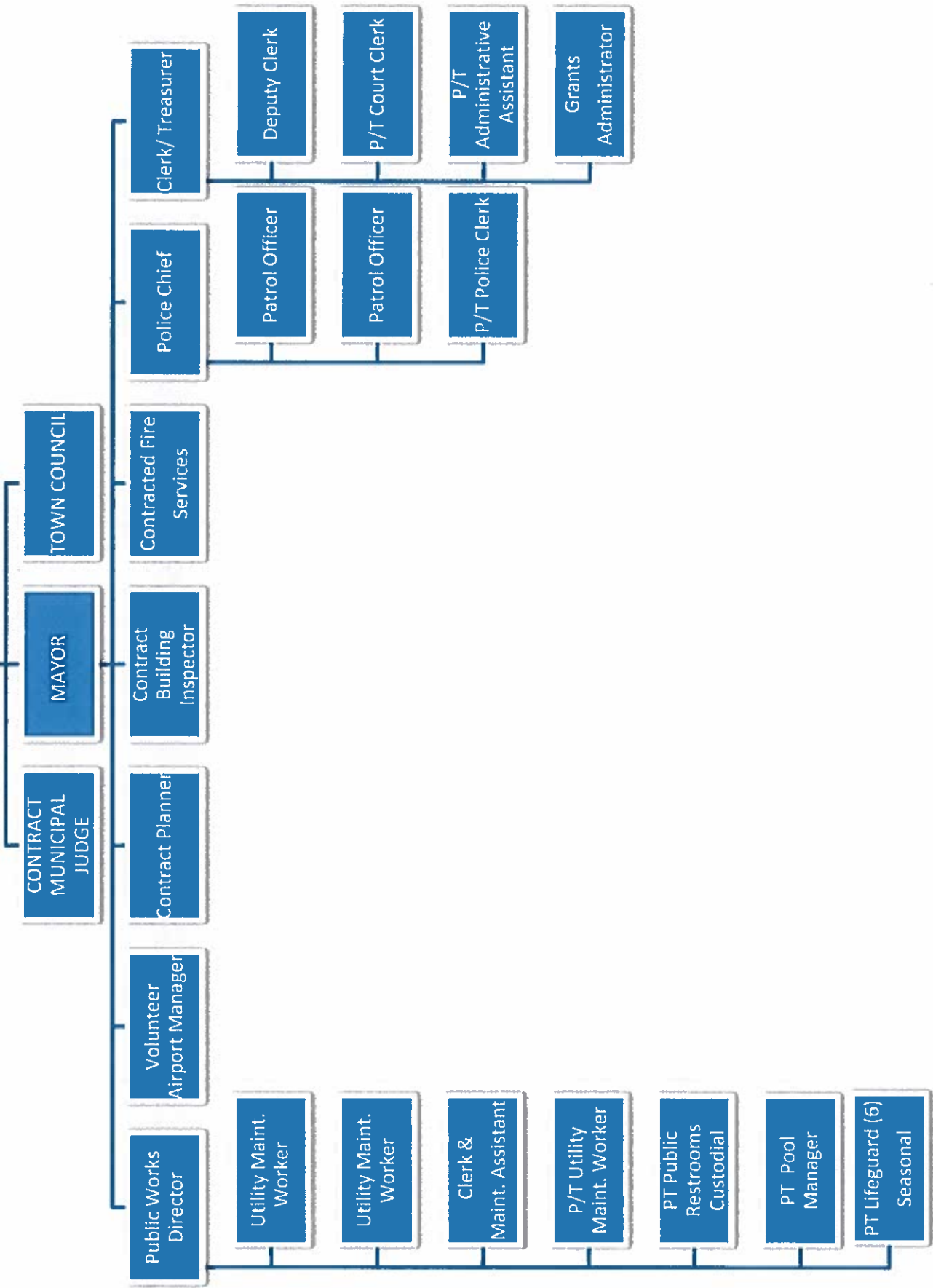
APPROVED AS TO FORM:


Town Attorney, Scott DeTro

**TOWN OF TWISP
TOWN COUNCIL POSITIONS
Effective – 01/01/16**

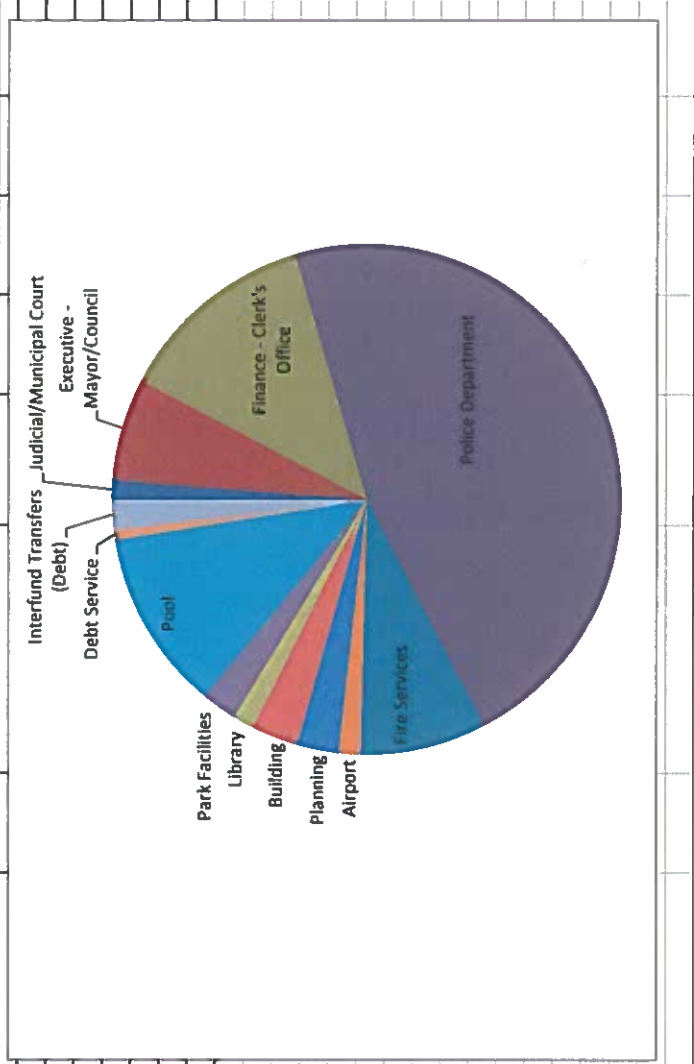
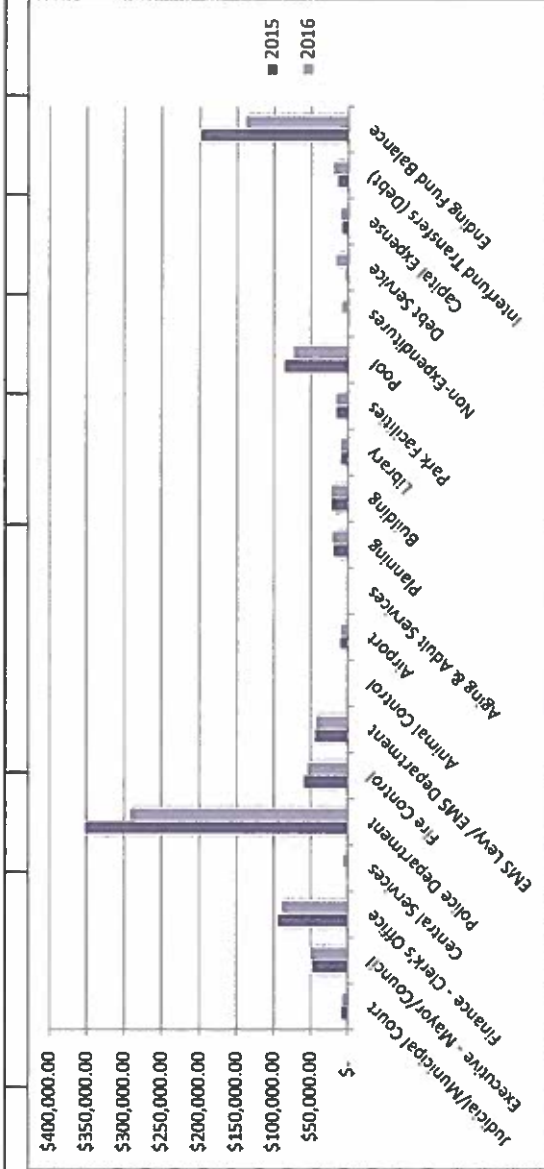
Council Members	Position #	Address	Term	Term End Date
Bob Lloyd	1	426 W Twisp Avenue	4 years	12/31/17
Aaron Studen	2	505 W Twisp Avenue	2 years	12/31/17
Vacant	3			
John Fleming	4	510 Bridge Street	4 years	12/31/19
Hans Smith	5	413 Bigelow Street	4 years	12/31/19
Soo Ing-Moody	Mayor	622 Moody Lane	4 years	12/31/19

TWISP VOTERS



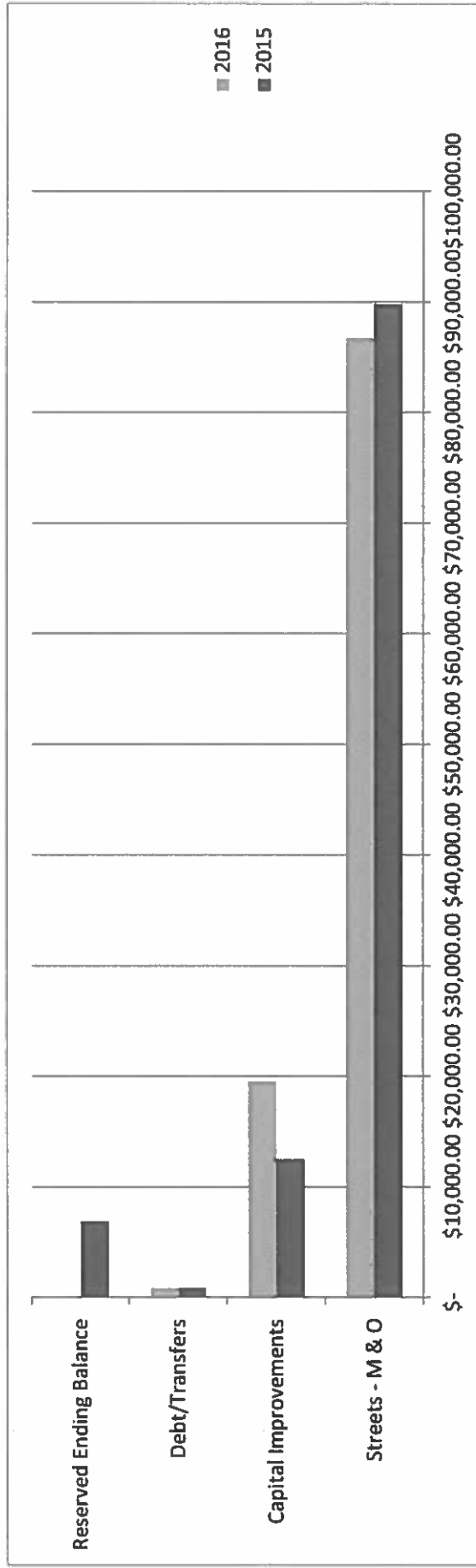
Town of Twisp - 2016 Final Budget
Comparison of Budget Expenditures 2016 to 2015

FUND	2016 Proposed Budgeted Expenditures	2015 Budgeted Expenditures
GENERAL FUND		
Judicial/Municipal Court	\$ 9,143.00	\$ 8,255.00
Executive - Mayor/Council	\$ 49,306.00	\$ 51,602.00
Finance - Clerk's Office	\$ 95,315.00	\$ 89,838.22
Central Services	\$ -	\$ 7,175.00
Police Department	\$ 353,149.00	\$ 292,038.00
Fire Control	\$ 60,881.00	\$ 56,542.00
EMS Levy/ EMS Department	\$ 45,466.00	\$ 44,518.00
Animal Control	\$ 100.00	\$ 100.00
Airport	\$ 10,304.00	\$ 10,210.00
Aging & Adult Services	\$ 2,000.00	\$ 2,000.00
Planning	\$ 20,250.00	\$ 21,400.00
Building	\$ 22,207.00	\$ 23,763.00
Library	\$ 10,260.00	\$ 10,260.00
Park Facilities	\$ 16,709.00	\$ 16,615.00
Pool	\$ 86,700.00	\$ 75,219.00
Non-Expenditures	\$ 2,975.00	\$ 9,085.00
Debt Service	\$ 4,626.00	\$ 17,186.00
Capital Expense	\$ 8,466.00	\$ 10,420.00
Interfund Transfers (Debt)	\$ 14,417.00	\$ 21,226.00
Ending Fund Balance	\$ 199,421.00	\$ 140,000.00
TOTAL CURRENT EXPENSE	\$ 1,011,695.00	\$ 907,452.22
		\$ 104,242.78

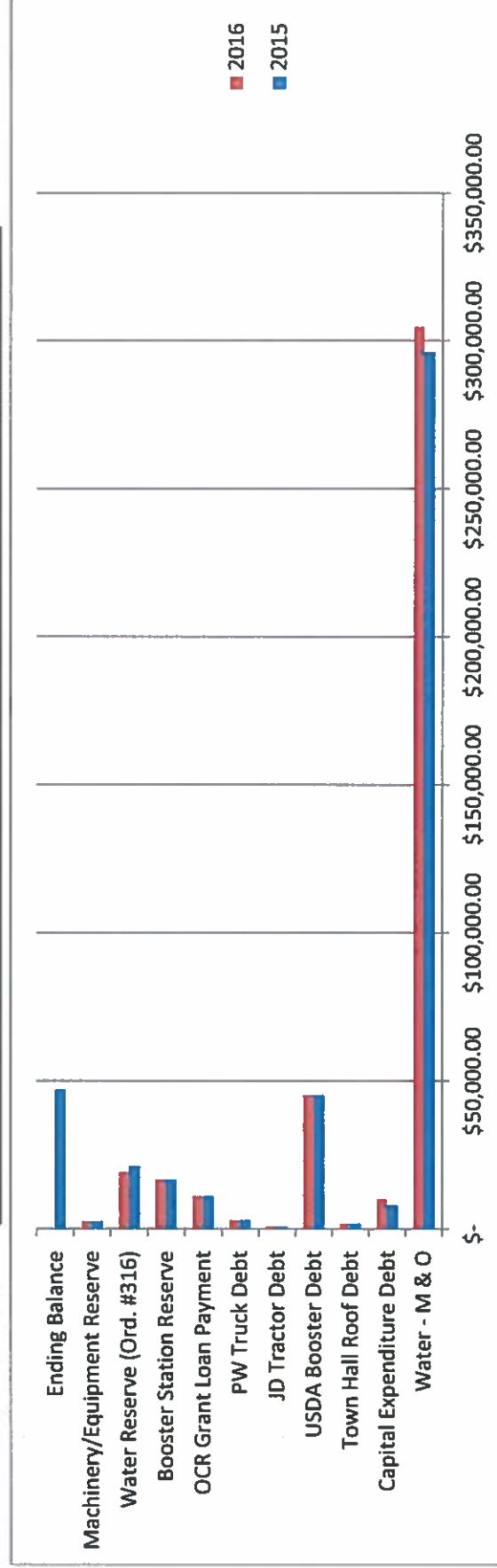


**Town of Twisp - 2016 Final Budget/Comparison of
Budget Expenditures 2016 - 2015**

FUND	2016 Proposed Budgeted Expenditures	2015 Budgeted Expenditures	Difference
STREETS			
Streets - M & O	\$ 89,783.00	\$ 86,724.34	\$ 3,058.66
Capital Improvements	\$ 12,500.00	\$ 19,500.00	\$ (7,000.00)
Debt/Transfers	\$ 820.00	\$ 820.00	\$ -
Reserved Ending Balance	\$ 6,881.00		
Totals	\$ 109,984.00	\$ 107,044.34	\$ 2,939.66



FUND	2016 Proposed Budgeted Expenditures	2015 Budgeted Expenditures	Difference
WATER			
Water - M & O	\$ 296,241.00	\$ 304,827.68	\$ (8,586.68)
Capital Expenditure Debt	\$ 8,000.00	\$ 10,000.00	\$ (2,000.00)
Town Hall Roof Debt	\$ 1,826.00	\$ 1,826.00	\$ -
USDA Booster Debt	\$ 45,304.00	\$ 45,304.00	\$ -
JD Tractor Debt	\$ 822.00	\$ 822.00	\$ -
PW Truck Debt	\$ 2,876.00	\$ 2,869.00	\$ 7.00
OCR Grant Loan Payment	\$ 11,040.00	\$ 11,040.00	\$ -
Booster Station Reserve	\$ 16,530.00	\$ 16,530.00	\$ -
Water Reserve (Ord. #316)	\$ 21,186.00	\$ 19,148.00	\$ 2,038.00
Machinery/Equipment Reserve	\$ 2,500.00	\$ 2,500.00	\$ -
Ending Balance	\$ 47,000.00	\$ -	\$ 47,000.00
Totals	\$ 453,325.00	\$ 414,866.68	\$ 38,458.32



**Town of Twisp - 2016 Final Budget/Comparison of
Budget Expenditures 2016 - 2015**

FUND	2016 Proposed Budgeted Expenditures	2015 Budgeted Expenditures	Difference
SEWER			
Sewer - M & O	\$ 283,194.00	\$ 255,757.00	\$ 27,437.00
Capital Improvements	\$ 41,059.00	\$ 58,415.91	\$ (17,356.91)
Town Hall Roof Debt	\$ 1,826.00	\$ 1,826.00	\$ -
Sewer Plant Upgrades Debt	\$ 53,634.00	\$ 53,634.00	\$ -
JD Tractor Debt	\$ 821.00	\$ 821.00	\$ -
PW Truck Debt	\$ 2,876.00	\$ 2,869.00	\$ 7.00
Sewer Reserve (Ord. #316)	\$ 21,535.00	\$ 19,300.00	\$ 2,235.00
Sewer Equipment Reserve	\$ 2,500.00	\$ 2,500.00	\$ -
Ending Balance	\$ 13,000.00	\$ -	\$ 13,000.00
Totals	\$ 420,445.00	\$ 395,122.91	\$ 25,322.09

