



2006 Quarterly Financial Report January through March, 2006

The City of Hoquiam, Washington

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Hoquiam, Washington

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TABLE OF CONTENTS

EXECUTIVE SUMMARY	1
GENERAL FUND	3
CEMETERY FUND #101	7
MAUSOLEUM FUND #102	9
STREET FUND #106	11
ARTERIAL STREET FUND #107	13
AMBULANCE FUND #109	15
STADIUM AND TOURISM FUND #112	17
COMMUNITY DEVELOPMENT REPAY FUND #130	19
WATERWORKS UTILITY FUND #401	21
WATERSHED FUND #402	25
LANDFILL POSTCLOSURE FUND #417	27
EQUIPMENT RENTAL FUND #501	29
EQUIPMENT RENTAL RESERVE FUND #505	31
MEDICAL DENTAL FUND #520	33
UNEMPLOYMENT FUND #522	35
POLICE & FIREMEN'S PENSION FUND #611	37
CAPITAL BUDGET	39
DEBT SERVICE BUDGET	41

CITY OF HOQUIAM

First Quarter Financial Report - January through March 2006

EXECUTIVE SUMMARY

This document provides a detailed review of City financial activity for the first three months of 2006. The report has been formatted to be consistent with the adopted budget for ease of comparison and review of information. Each set of facing pages provides a complete review of an individual fund and its year to date activity. The only exception to this is the General fund, which is presented in two sections: (1) revenues & transfers in and (2) appropriations and transfers out.

Current Status: At the end of March, on a City-wide basis, both revenues and expenditures are within parameters for budget projections. The adjacent All Funds Expenditure Summary page provides a summary of year to date expenditure vs. appropriation information for the City, and indicates that overall, the City has expended 22.7% of operating appropriations. As of March 31, only a small percentage of capital improvement and debt service expenditures had been made.

Concerns: There are two funds showing higher than expected expenditures: the Medical/Dental Benefits Fund and the Unemployment Compensation Fund. The Medical/Dental Benefits Fund is higher than anticipated because the April payment for medical premiums was paid early and included in the first quarter expenditures. This fund should be at 100% at year-end.

The Unemployment Compensation Fund is higher than anticipated because two former employees have filed for unemployment of which the City is partially responsible. Staff will continue to monitor this fund for future amendments.

Total Water, Sewer and Storm Fund revenues are at appropriate levels for the first quarter of the year. However, two concerns should be noted. First, water revenues are 9.0% below 2005 levels. Water usage is somewhat seasonal and this trend may self correct by summer time. But, staff will continue to monitor this situation closely. Second, storm drain revenues are only at 17% of budget for the first quarter. The new Storm Drain Ordinance was adopted late in 2005 that separated this revenue stream from the Sewer Rates. However, collections should be at a higher rate. Staff will watch this revenue closely in the coming months and communicate any rate adjustments that may be necessary.

Please see the individual pages for a more detailed analysis of each fund's revenues and expenditures.

ALL FUNDS EXPENDITURE SUMMARY

CITY OF HOQUIAM

2006 1ST QUARTER FINANCIAL REPORT

<u>OPERATING FUNDS</u>	<u>No.</u>	<u>2006</u> <u>Q1 YTD</u>	<u>2005</u> <u>Q1 YTD</u>	<u>Increase</u> <u>(Decrease)</u>	<u>% Increase</u> <u>(Decrease)</u>	<u>2006</u> <u>Budget</u>	<u>% to</u> <u>Budget</u>
General Fund	001	\$1,231,263	\$1,313,393	-\$82,130	-6.3%	\$4,942,175	24.9%
Cemetery	101	\$40,150	\$45,082	-\$4,932	-10.9%	\$180,960	22.2%
Mausoleum	102	\$2,671	\$169	\$2,502	1478.8%	\$19,175	13.9%
Cemetery Preneed	104	\$0	\$0	\$0	-	\$2,000	0.0%
Street Fund	106	\$73,268	\$83,471	-\$10,203	-12.2%	\$274,070	26.7%
Arterial Street Fund	107	\$77	\$71	\$7	9.2%	\$66,330	0.1%
Ambulance	109	\$367,392	\$331,687	\$35,705	10.8%	\$1,363,485	26.9%
Stadium/Tourism	112	\$0	\$2,035	-\$2,035	-100.0%	\$7,000	0.0%
Comm. Devel. Repay	130	\$3,586	\$4,623	-\$1,037	-22.4%	\$42,600	8.4%
Water	401-25	\$433,176	\$434,051	-\$875	-0.2%	\$1,628,160	26.6%
Sewer	401-26	\$312,085	\$555,997	-\$243,912	-43.9%	\$968,300	32.2%
Storm	401-27	\$87,268	\$0	\$87,268	-	\$313,530	27.8%
Watershed	402	\$13,202	\$563,496	-\$550,294	-97.7%	\$1,774,000	0.7%
Landfill Postclosure	417	\$8,552	\$9,633	-\$1,082	-11.2%	\$61,490	13.9%
Equipment Rental	501	\$96,993	\$65,663	\$31,330	47.7%	\$429,075	22.6%
Equipment Rental Reserve	505	\$0	\$0	\$0	-	\$286,500	0.0%
Medical/Dental Benefits	520	\$419,042	\$286,343	\$132,698	46.3%	\$1,320,000	31.7%
Unemployment Fund	522	\$7,454	\$2,665	\$4,789	179.7%	\$15,000	49.7%
<u>Police & Fire Retiree</u>	611	<u>\$117,665</u>	<u>\$111,099</u>	<u>\$6,566</u>	<u>5.9%</u>	<u>\$493,250</u>	<u>23.9%</u>
TOTAL OPERATING FUNDS		\$3,214,261	\$3,809,478	-\$595,217	-15.6%	\$14,187,100	22.7%
 <u>CAPITAL IMPROVEMENT FUNDS</u>							
Stadium Field Loan Repayment	005	\$8,447	\$8,377	\$70	0.8%	\$34,000	24.8%
Paths & Trails	108	\$0	\$0	\$0	-	\$5,000	0.0%
General Capital Reserve	114	\$0	\$0	\$0	-	\$25,000	0.0%
Sidewalk Construction Fund	302	\$1,000	\$0	\$1,000	-	\$32,500	3.1%
Train Station	308	\$4,312	\$1,248	\$3,064	245.5%	\$0	-
Water Capital Projects	401-25	\$4,268	\$464,619	-\$460,351	-99.1%	\$509,000	0.8%
Sewer Capital Projects	401-26	\$12,750	\$281,004	-\$268,254	-95.5%	\$590,000	2.2%
<u>Storm Drain Capital Projects</u>	401-27	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>-</u>	<u>\$70,000</u>	<u>0.0%</u>
TOTAL CAPITAL IMPROVEMENT FUNDS		\$30,777	\$755,248	-\$724,471	-95.9%	\$1,265,500	2.4%
TOTAL DEBT SERVICE FUNDS		\$28,912	\$29,124	-\$212	-0.7%	\$305,115	9.5%
TOTAL ALL FUNDS		\$3,273,950	\$4,593,850	-\$1,319,900	-28.7%	\$15,757,715	20.8%

General Fund

Overview:

The following four pages summarize all 2006 General Fund projected revenues, appropriations, and expenditures by department through March.

For 2006, total revenues and transfers in are budgeted at \$5,710,625, while appropriations and transfers out are adopted at \$4,942,175, creating an ending balance of \$768,450.

Operating budget appropriations of \$4,428,790, represent a -0.1% decrease over comparable 2005 appropriations.

Transfers to other funds total \$513,385, and include annual support of City activities including emergency care operations and funds for cemetery operations.

General Fund Revenues: The adjacent chart provides a summary of adopted and year to date 2006 General Fund revenues and transfers in.

Taxes through March are at 21.5% of budget. This is appropriate as the City awaits the first of two major property tax distributions from the County, which will occur in April and May. The County normally distributes property taxes, one of the single largest revenue source for this category, in May and November. Thus, the relatively low percentage of taxes received through March. The City should receive 50% of its annual tax revenues by the end of June.

Licenses and Permits are at 39.0% of budget through March. This is due to business license renewals during the first quarter and the increase in building permits.

Intergovernmental Revenue is at 45.8% of budget through the first quarter. Grants received by the Police and Fire Departments account for this category's increased receipts.

Fines and Forfeitures are running ahead of budget, at 48.2% through March. This category includes primarily police citations and other court fines. The City received a large distribution of Federal Investigative Confiscations skewing this category.

Miscellaneous Revenue is at 48.2% of budget. Increases in short term interest rates have allowed the City to earn more money on its cash reserves.

In summary, revenue activity is within normal parameters, and staff will monitor specific areas of concern.

GENERAL FUND
CITY OF HOQUIAM
2006 1ST QUARTER FINANCIAL REPORT

<u>REVENUES</u>	<u>2006 Q1 YTD</u>	<u>2005 Q1 YTD</u>	<u>Increase (Decrease)</u>	<u>% Increase (Decrease)</u>	<u>2006 Budget</u>	<u>% to Budget</u>
Beginning Fund Balance	\$510,490	\$697,566			\$947,500	
Taxes	\$801,305	\$844,880	-\$43,575	-5.2%	\$3,726,010	21.5%
Licenses and Permits	\$98,648	\$83,427	\$15,221	18.2%	\$252,715	39.0%
Intergovernmental Revenue	\$134,523	\$107,212	\$27,311	25.5%	\$293,655	45.8%
Charges for Services	\$17,058	\$12,173	\$4,885	40.1%	\$52,540	32.5%
Fines and Forfeits	\$40,277	\$18,675	\$21,602	115.7%	\$83,600	48.2%
<u>Miscellaneous Revenue</u>	<u>\$79,951</u>	<u>\$46,319</u>	<u>\$33,632</u>	<u>72.6%</u>	<u>\$189,960</u>	<u>42.1%</u>
TOTAL GENERAL FUND	\$1,682,251	\$1,810,252	\$59,075	-7.1%	\$5,545,980	30.3%
 <u>OTHER REVENUES & TRANSFERS IN</u>						
Interfund Loan - Eq. Res. 505	\$0	\$8,377	-\$8,377	-100.0%	\$90,000	0.0%
Proceeds from Property Sale	\$54,000	\$0	\$54,000	100.0%	\$0	-
Trf In - Ambulance 109/E911	\$3,911	\$3,219	\$692	21.5%	\$15,645	25.0%
Trf In - Stadium 005/Grayport	8,446.68	\$0	\$8,447	100.0%	\$34,000	24.8%
Trf In - Gen. Capital 114/City Hall	\$0	\$0	\$0	100.0%	\$25,000	0.0%
<u>Trf In - 112 Tourism</u>	<u>\$0</u>	<u>\$2,035</u>	<u>-\$2,035</u>	<u>-100.0%</u>	<u>\$0</u>	<u>-</u>
TOTAL OTHER REVENUES	\$66,358	\$13,630	\$52,728	386.8%	\$164,645	40.3%
 GRAND TOTAL GENERAL FUND	 \$1,748,609	 \$1,823,883	 \$111,802	 -4.1%	 \$5,710,625	 30.6%

General Fund Appropriations:

Adopted appropriations and required transfers total \$4,942,175 a \$41,869 decrease from 2005 appropriated levels. Of this total, the adjacent page summarizes operating appropriations of \$4,428,790 and transfers out of \$513,385.

Through March, operating expenditures total 26.8% of appropriations, slightly above anticipated spending levels for the first three months of the year. Given that the first three months typically include annual insurance premiums and other one-time costs, this is not out of the normal range.

Departments that are substantially above year to date targets include Finance, Fire and Community Services. The Finance Department is over due to the overlapping of Finance Directors and subsequent increased salaries in February. This budget will be closely monitored to ensure it comes in at target for year-end. One-time purchases of grant funded protective clothing contributed to Fire expenditures being slightly above target. Community Services expenses are above target, due to Americorp grant carryovers from 2005 that were not included in the adopted budget. Both the Fire and Community Services will be reimbursed for these expenditures and should be at target by year-end.

In summary, most departments are well within budgeted parameters through the first three months. The Finance Department will work with Department Heads to monitor activity monthly to ensure that overall budget targets are adhered to.

Transfers to Other Funds:

The General Fund budget includes \$513,385 in transfers to other funds. These transfers include:

Ambulance: Annual support level totals \$490,000. To date this category is 8.7% expended during the first three months. The Ambulance service fee structure was modified in 2006 eliminating the need for further transfers in.

Cemetery: \$23,385 in transfers for continued operational support. This transfer has not been made as of March.

GENERAL FUND
CITY OF HOQUIAM
2006 1ST QUARTER FINANCIAL REPORT

OPERATING EXPENDITURES

<u>DEPARTMENT</u>	<u>2006 Q1 YTD</u>	<u>2005 Q1 YTD</u>	<u>Increase (Decrease)</u>	<u>% Increase (Decrease)</u>	<u>2006 Budget</u>	<u>% to Budget</u>
Legislative/Council	\$37,546	\$41,766	-\$4,220	-10.1%	\$106,955	35.1%
Municipal Court	\$34,870	\$42,590	-\$7,720	-18.1%	\$146,055	23.9%
Finance	\$55,760	\$46,191	\$9,570	20.7%	\$190,150	29.3%
Legal	\$28,562	\$25,311	\$3,252	12.8%	\$106,000	26.9%
Civil Service	\$2,189	\$0	\$2,189	100.0%	\$2,625	83.4%
City Hall & Buildings	\$30,973	\$44,837	-\$13,864	-30.9%	\$107,790	28.7%
Electrical	\$43,398	\$43,257	\$141	0.3%	\$190,710	22.8%
Police	\$459,071	\$434,475	\$24,596	5.7%	\$1,862,440	24.6%
Fire	\$252,375	\$251,985	\$390	0.2%	\$741,670	34.0%
Animal Control	\$4,671	\$16,576	-\$11,905	-71.8%	\$65,405	7.1%
Public Works	\$39,058	\$40,063	-\$1,004	-2.5%	\$168,640	23.2%
Personnel Services	\$288	\$0	\$288	100.0%	\$0	-
Police Special Funds (DTF)	\$26,087	\$25,226	\$861	3.4%	\$111,625	23.4%
Library	\$45,616	\$45,529	\$87	0.2%	\$188,045	24.3%
Community Services	\$103,863	\$80,790	\$23,073	28.6%	\$339,280	30.6%
Economic Development	\$6,478	\$27,376	-\$20,899	-76.3%	\$31,180	20.8%
911 Program	\$17,686	\$22,988	-\$5,302	-23.1%	\$70,220	25.2%
<u>Miscellaneous</u>	<u>\$0</u>	<u>\$167</u>	<u>-\$167</u>	<u>-100.0%</u>	<u>\$0</u>	<u>=</u>
TOTAL OPERATING EXPENDITURE	\$1,188,490	\$1,189,124	-\$634	-0.1%	\$4,428,790	26.8%
 TRANSFERS OUT						
Trf Out - Ambulance #109	\$42,772	\$124,268	-\$81,496	-65.6%	\$490,000	8.7%
Trf Out - Cemetery #101	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>=</u>	<u>\$23,385</u>	<u>0.0%</u>
TOTAL TRANSFERS OUT	\$42,772	\$124,268	-\$81,496	-65.6%	\$513,385	8.3%
 GRAND TOTAL GENERAL FUND	 \$1,231,263	 \$1,313,393	 -\$82,130	 -6.3%	 \$4,942,175	 24.9%
 OVER (SHORT)	 \$517,347	 \$510,490	 \$193,933	 	 \$768,450	

Cemetery Fund #101

Overview:

The Cemetery Fund provides for the accounting of resources and expenditures associated with the City Cemetery. This includes the total care and maintenance of the grounds, perpetual headstone care, grave, crypt and niche sales and retail monument and vault sales.

The budget provides for \$180,960 in total resources and transfers in and total expenditures and transfers out of \$180,960.

Revenues:

Revenues to the Cemetery Fund primarily come from Cemetery Fees and operating transfers from other funds, foremost the General Fund. Cemetery Fees revenue is higher than anticipated with 33% of budgeted amounts received as of the first quarter. As of the first quarter, transfers to the Cemetery Fund had not yet been made. At March 31, 2006, the Cemetery Fund is on target having received \$46,699, or 25% of budgeted revenues.

Appropriations:

There are 1.42 FTE's dedicated to operations and maintenance activities and 0.75 FTE's dedicated for administrative and clerical duties at the Cemetery. Through March, the Cemetery fund has expended \$40,150 or 22.2% of budgeted appropriations.

CEMETERY FUND #101
CITY OF HOQUIAM
2006 1ST QUARTER FINANCIAL REPORT

<u>REVENUES</u>	<u>2006</u> <u>Q1 YTD</u>	<u>2005</u> <u>Q1 YTD</u>	<u>Increase</u> <u>(Decrease)</u>	<u>% Increase</u> <u>(Decrease)</u>	<u>2006</u> <u>Budget</u>	<u>% to</u> <u>Budget</u>
Beginning Fund Balance	\$0	\$0			\$0	
Retail Sales	\$0	\$0	\$0	-	\$6,000	0.0%
Cemetery Fees	\$32,970	\$26,272	\$6,698	25.5%	\$100,000	33.0%
Investment Interest	\$8,535	\$2,820	\$5,715	202.7%	\$19,500	43.8%
Land Lease (Cell Tower)	\$2,400	\$2,400	\$0	0.0%	\$9,600	25.0%
Housing Rentals	\$1,200	\$600	\$600	100.0%	\$4,800	25.0%
Donations	<u>\$10</u>	<u>\$0</u>	<u>\$10</u>	-	<u>\$0</u>	-
TOTAL CEMETERY FUND	\$45,115	\$32,092	\$13,024	40.6%	\$139,900	32.2%
<u>OTHER REVENUES & TRANSFERS IN</u>						
Interfund Loan - Mausoleum 102	\$0	\$0	\$0	-	\$5,000	0.0%
Trf In - Mausoleum #102	\$1,583	\$0	\$1,583	-	\$10,675	14.8%
Trf In - Cem Preneed #104	\$0	\$0	\$0	-	\$2,000	0.0%
Trf In - General Fund #001	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	-	<u>\$23,385</u>	<u>0.0%</u>
TOTAL OTHER REVENUES	\$1,583	\$0	\$1,583	-	\$41,060	3.9%
GRAND TOTAL CEMETERY FUND	\$46,699	\$32,092	\$14,607	45.5%	\$180,960	25.8%
APPROPRIATIONS						
Cemetery Operations	\$38,188	\$42,781	-\$4,592	-10.7%	\$156,435	24.4%
Equipment Rental	\$1,305	\$2,021	-\$716	-35.4%	\$10,500	12.4%
Road Paving Debt Service	\$0	\$0	\$0	-	\$6,825	0.0%
Land	\$258	\$0	\$258	-	-	-
Mausoleum Loan	\$0	\$0	\$0	-	\$5,000	0.0%
Computer Touch Screen Upgrade	\$0	\$0	\$0	-	\$1,000	0.0%
Trf Out - Equipment Reserve #505	<u>\$399</u>	<u>\$281</u>	<u>\$118</u>	<u>42.2%</u>	<u>\$1,200</u>	<u>33.3%</u>
CEMETERY FUND APPROPRIATIONS	\$40,150	\$45,082	-\$4,932	-10.9%	\$180,960	22.2%
OVER (SHORT)	\$6,549	-\$12,990	\$19,539		\$0	

Mausoleum Fund #102

Overview:

The Mausoleum Fund accounts for all operating funds necessary to operate and maintain the City's Mausoleum.

For the year, this fund begins the year with a \$114,000 cash balance. The budget provides for \$20,825 in resources.

Revenues:

The major source of resources to the Mausoleum Fund comes from user fees. There is also a repayment of a loan provided to the Cemetery Fund. As of March 2006, \$3,432 or 22.7%, of revenues have been received.

Appropriations:

Appropriations to the Mausoleum Fund include operating supplies and a transfer to the Cemetery Fund for maintenance to the Mausoleum. At the end of the first quarter, \$2,671 or 13.9% of appropriated expenditures had been made.

MAUSOLEUM FUND #102
CITY OF HOQUIAM
2006 1ST QUARTER FINANCIAL REPORT

<u>REVENUES</u>	<u>2006</u> <u>Q1 YTD</u>	<u>2005</u> <u>Q1 YTD</u>	<u>Increase</u> <u>(Decrease)</u>	<u>% Increase</u> <u>(Decrease)</u>	<u>2006</u> <u>Budget</u>	<u>% to</u> <u>Budget</u>
Beginning Fund Balance	\$0	\$0			\$114,000	
Cemetery Fees	\$1,464	\$2,561	-\$1,096	-42.8%	\$11,000	13.3%
Investment Interest	\$1,967	\$510	\$1,457	285.5%	\$3,000	65.6%
<u>Interest on Contracts</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>-</u>	<u>\$1,085</u>	<u>0.0%</u>
TOTAL MAUSOLEUM FUND	\$3,432	\$3,071	\$361	11.7%	\$15,085	22.7%
<u>OTHER REVENUES & TRANSFERS IN</u>						
<u>Interfund Loan - Cemetery #101</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>-</u>	<u>\$5,740</u>	<u>0.0%</u>
TOTAL OTHER REVENUES	\$0	\$0	\$0	-	\$5,740	0.0%
GRAND TOTAL MAUSOLEUM FUND	\$3,432	\$3,071	\$361	11.7%	\$20,825	16.5%
APPROPRIATIONS						
Mausoleum Operations	\$1,087	\$169	\$918	542.7%	\$3,500	31.1%
Cemetery Loan	\$0	\$0	\$0	-	\$5,000	0.0%
<u>Trf Out - Cemetery #101</u>	<u>\$1,583</u>	<u>\$0</u>	<u>\$1,583</u>	<u>-</u>	<u>\$10,675</u>	<u>14.8%</u>
MAUSOLEUM FUND APPROPRIATIONS	\$2,671	\$169	\$2,502	1478.8%	\$19,175	13.9%
OVER (SHORT)	\$761	\$2,902	-\$2,141		\$1,650	

Street Fund #106

Overview:

The adjacent page summarizes all Street Fund projected revenues, adopted appropriations, and financial activity through March.

Revenues

Revenues and transfers come from two primary sources, gas taxes, and property taxes indirectly transferred from the General fund.

Gas tax revenues are at 23.0% of budget through March. Yearly revenue estimates are based upon Department of Transportation projections. Gasoline taxes are collected on a cents per gallon basis and not as a percentage of sales price. For this reason, the increase in gasoline prices does not result in a corresponding increase in gas tax revenue.

Property tax revenues to this fund have not yet been allocated. This revenue source will increase as property taxes are collected and street fund activity increases.

Appropriations:

Overall, the Street Fund expended 26.7%, or \$73,268 of its \$274,070 budget during the first three months of the year. Activity will accelerate as the summer approaches and the City increases its road maintenance efforts.

STREET FUND #106**CITY OF HOQUIAM****2006 1ST QUARTER FINANCIAL REPORT**

<u>REVENUES</u>	<u>2006</u> <u>Q1 YTD</u>	<u>2005</u> <u>Q1 YTD</u>	<u>Increase</u> <u>(Decrease)</u>	<u>% Increase</u> <u>(Decrease)</u>	<u>2006</u> <u>Budget</u>	<u>% to</u> <u>Budget</u>
Beginning Fund Balance	\$0	\$0			\$40,220	
Property Tax	\$0	\$0	\$0	-	\$128,630	0.0%
Street & Curb Permits	\$34	\$445	-\$411	-92.4%	\$1,200	2.8%
<u>Gas Tax</u>	<u>\$32,965</u>	<u>\$30,176</u>	<u>\$2,789</u>	<u>9.2%</u>	<u>\$143,240</u>	<u>23.0%</u>
TOTAL STREET FUND	\$32,999	\$30,621	\$2,378	7.8%	\$313,290	10.5%
GRAND TOTAL STREET FUND	\$32,999	\$30,621	\$2,378	7.8%	\$313,290	10.5%
APPROPRIATIONS						
Executive Services	\$4,530	\$0	\$4,530	-	\$18,290	24.8%
Roadway Services	\$36,188	\$46,666	-\$10,478	-22.5%	\$151,555	23.9%
Traffic Control Devices	\$417	\$2,340	-\$1,923	-82.2%	\$9,200	4.5%
Ancillary Operations	\$29,055	\$26,785	\$2,270	8.5%	\$86,205	33.7%
General Administration	\$2,913	\$7,528	-\$4,616	-61.3%	\$8,105	35.9%
<u>Trf Out - Paths & Trails #108</u>	<u>\$165</u>	<u>\$151</u>	<u>\$14</u>	<u>9.2%</u>	<u>\$715</u>	<u>23.1%</u>
STREET FUND APPROPRIATIONS	\$73,268	\$83,471	-\$10,203	-12.2%	\$274,070	26.7%
OVER (SHORT)	-\$40,269	-\$52,850	\$12,581		\$39,220	

Arterial Street Fund #107

Overview:

The adjacent page summarizes all Arterial Street Fund projected revenues, adopted appropriations, and financial activity through March.

Revenues

Revenues to this fund come entirely from gas taxes.

Gas tax revenues are at 23.0% of budget through March. Yearly revenue estimates are based upon Department of Transportation projections. Gasoline taxes are collected on a cents per gallon basis and not as a percentage of sales price. For this reason, the increase in gasoline prices does not result in a corresponding increase in gas tax revenue.

Appropriations and transfers out:

Budgeted appropriations and transfers out total \$66,330. Through March, expenditures and transfers out total \$77. Expenditures go primarily to debt service and transfers out. The Debt service is for the City's Public Works Trust Fund loan for the Aberdeen Avenue project. The transfer out goes to the Sidewalk Construction Fund. Both of these distributions have yet to be made as of March 31, 2006.

ARTERIAL STREET FUND #107

CITY OF HOQUIAM

2006 1ST QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2006 Q1 YTD	2005 Q1 YTD	Increase (Decrease)	% Increase (Decrease)	2006 Budget	% to Budget
Beginning Fund Balance	\$0	\$0			\$123,650	
Gas Tax	\$15,413	\$14,110	\$1,304	9.2%	\$67,000	23.0%
<u>Investment Interest</u>	<u>\$1,622</u>	<u>\$564</u>	<u>\$1,058</u>	<u>187.6%</u>	<u>\$3,000</u>	<u>54.1%</u>
TOTAL ARTERIAL STREET FUND	\$17,035	\$14,674	\$2,362	16.1%	\$193,650	8.8%
GRAND TOTAL ART. STREET FUND	\$17,035	\$14,674	\$2,362	16.1%	\$193,650	8.8%
<u>APPROPRIATIONS</u>						
Debt Service	\$0	\$0	\$0	-	\$35,995	0.0%
Trf Out - Paths & Trails #108	\$77	\$71	\$6	8.5%	\$335	23.0%
<u>Trf Out - Sidewalk Construction #302</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>-</u>	<u>\$30,000</u>	<u>0.0%</u>
ART. STREET FUND APPROPRIATIONS	\$77	\$71	\$6	8.5%	\$66,330	0.1%
OVER (SHORT)	\$16,958	\$14,603	\$2,356		\$127,320	

Ambulance Fund #109

Overview:

The Ambulance Fund accounts for the emergency medical response operations of the City's Fire Department. The adjacent page summarizes all biennial revenues, and financial activity through March.

Revenues:

Emergency Care revenues come from three primary sources:

- The general emergency medical services property tax levy is projected to generate \$164,000. Through March, the City had received \$2,827 from this revenue source, with the major distributions expected to occur in May and November from the County Auditor's office.
- Ambulance fees are projected at \$675,000. Through March, the City has collected \$197,856, or 29.3% of Budget. This activity is 2% higher than the 2005 activity through March.
- Transfers from the General fund are budgeted at \$490,000. Through March 8.7%, or \$42,772, has been transferred. The Ambulance fee structure was modified in 2006 and no more transfers will be necessary from the General Fund.

Appropriations and Transfers Out:

Through March, the Ambulance Fund has spent 26.9% of its annual operating budget appropriations of \$1,363,485. This activity is right on target, and Finance with the cooperation Emergency Care Administration will monitor monthly activity to ensure that overall budget targets are adhered to.

Other appropriations include:

- A \$15,645 transfer to the General Fund to pay the Ambulance Fund's portion of the annual E911 contribution.
- \$15,850 in capital projects including a heavy duty gurney and the ramp at the east side station.

AMBULANCE FUND #109
CITY OF HOQUIAM
2006 1ST QUARTER FINANCIAL REPORT

<u>REVENUES</u>	<u>2006</u> <u>Q1 YTD</u>	<u>2005</u> <u>Q1 YTD</u>	<u>Increase</u> <u>(Decrease)</u>	<u>% Increase</u> <u>(Decrease)</u>	<u>2006</u> <u>Budget</u>	<u>% to</u> <u>Budget</u>
Beginning Fund Balance	\$0	\$0			\$135,000	
EMS Levy	\$2,827	\$235	\$2,592	1104.4%	\$164,000	1.7%
Ambulance Fees	\$197,856	\$194,397	\$3,459	1.8%	\$675,000	29.3%
Miscellaneous	\$536	\$1,437	-\$900	-62.7%	\$2,000	26.8%
Ambulance Utility Charges	\$85,030	\$0	\$85,030	-	\$0	-
<u>Fire District EMS Fees</u>	<u>\$3,200</u>	<u>\$0</u>	<u>\$3,200</u>	<u>-</u>	<u>\$41,000</u>	<u>7.8%</u>
TOTAL AMBULANCE FUND	\$289,450	\$196,069	\$93,381	47.6%	\$1,017,000	28.5%
<u>OTHER REVENUES & TRANSFERS IN</u>						
<u>Trf In - General Fund #001</u>	<u>\$42,772</u>	<u>\$124,268</u>	<u>-\$81,496</u>	<u>-65.6%</u>	<u>\$490,000</u>	<u>8.7%</u>
TOTAL OTHER REVENUES	\$42,772	\$124,268	-\$81,496	-65.6%	\$490,000	8.7%
GRAND TOTAL AMBULANCE FUND	\$332,222	\$320,337	\$11,885	3.7%	\$1,507,000	22.0%
<u>APPROPRIATIONS</u>						
Ambulance Operations	\$358,172	\$325,463	\$32,708	10.0%	\$1,328,985	27.0%
Capital	\$2,305	\$0	\$2,305	-	\$15,850	14.5%
Debt Service	\$3,005	\$3,005	\$0	0.0%	\$3,005	100.0%
<u>Trf Out - General Fund #001 (E911)</u>	<u>\$3,911</u>	<u>\$3,219</u>	<u>\$692</u>	<u>21.5%</u>	<u>\$15,645</u>	<u>25.0%</u>
AMBULANCE FUND APPROPRIATIONS	\$367,392	\$331,687	\$35,705	10.8%	\$1,363,485	26.9%
OVER (SHORT)	-\$35,170	-\$11,350	-\$23,821		\$143,515	

Stadium and Tourism Fund #112

Overview:

The Stadium and Tourism Fund provides for the collection of the City's 2% stadium tax and 3% transient tax revenues. Funds collected here are spent to finance ongoing municipal operations related to tourism, festivals and performing arts activities.

Revenues:

For the year, Hotel Motel tax revenues are budgeted to total \$13,000, and come from two sources, a 2% Stadium tax revenues and 3% Transient excise tax. Revenues through March of \$2,408 constitute 18% of the budgeted amount of \$13,000.

Through March, revenue collections are slightly above target and 18.3% ahead of the 2005 year to date actuals. Staff will continue to monitor this trend monthly and keep the Council informed of any important developments.

Appropriations and Transfers out:

Through March, the City has not expended any of its budget authority in this fund. Budgeted expenditures include:

Loggers Playday, \$1,000 budgeted. To fund the marketing efforts of this September event.

7th Street Theatre, \$1,000 budgeted: To fund promotional and media related activities of the Theatre.

Community events, \$5,000 budgeted: To fund promotional and marketing of the Blue Grass Festival and the On Track Art Festival.

STADIUM/TOURISM FUND #112
CITY OF HOQUIAM
2006 1ST QUARTER FINANCIAL REPORT

<u>REVENUES</u>	<u>2006</u> <u>Q1 YTD</u>	<u>2005</u> <u>Q1 YTD</u>	<u>Increase</u> <u>(Decrease)</u>	<u>% Increase</u> <u>(Decrease)</u>	<u>2006</u> <u>Budget</u>	<u>% to</u> <u>Budget</u>
Beginning Fund Balance	\$0	\$0			\$0	
Hotel-Motel Tax	\$2,408	\$2,035	\$372	18.3%	\$13,000	18.5%
<u>Investment Interest</u>	<u>\$114</u>	<u>\$0</u>	<u>\$114</u>	-	<u>\$0</u>	-
TOTAL STADIUM/TOURISM FUND	\$2,522	\$2,035	\$487	23.9%	\$13,000	19.4%
GRAND TOTAL STADIUM/TOURISM	\$2,522	\$2,035	\$487	23.9%	\$13,000	19.4%
APPROPRIATIONS						
Loggers Playday	\$0	\$0	\$0	-	\$1,000	0.0%
7th Street Theatre	\$0	\$0	\$0	-	\$1,000	0.0%
Community Events	\$0	\$0	\$0	-	\$5,000	0.0%
<u>Trf Out - General Fund #001</u>	<u>\$0</u>	<u>\$2,035</u>	<u>-\$2,035</u>	<u>-100.0%</u>	<u>\$0</u>	-
STADIUM/TOURISM APPROPRIATIONS	\$0	\$2,035	-\$2,035	-100.0%	\$7,000	0.0%
OVER (SHORT)	\$2,522	\$0	\$2,522		\$6,000	

Community Development Repay Fund #130

Overview:

The Community Development Repay Fund receives its funding from loan repayments associated with the home improvement loan program established in the early 1980's. Proposed expenditures represent abatement and cleanup activities.

This fund will begin 2006 with a budgeted \$166,000 cash balance.

Revenues:

This fund receives its primary resources from contract payments on home improvement loans and some resources from the cleanup and abatement fees. Total resources were budgeted at \$5,960 while revenues of \$10,728 have already been received. The City's increased efforts in the abatement of dangerous buildings has increased the revenues of this fund dramatically and slowed the use of reserves by this fund.

Appropriations and Transfers out:

Expenditures for cleanup and abatement activities were budgeted at \$42,600. Through March, \$3,586 or 8.4% of this budget have been expended. This activity is well below expected levels.

COMMUNITY DEVELOPMENT REPAY FUND #130

CITY OF HOQUIAM

2006 1ST QUARTER FINANCIAL REPORT

<u>REVENUES</u>	<u>2006 Q1 YTD</u>	<u>2005 Q1 YTD</u>	<u>Increase (Decrease)</u>	<u>% Increase (Decrease)</u>	<u>2006 Budget</u>	<u>% to Budget</u>
Beginning Fund Balance	\$0	\$0			\$166,000	
Miscellaneous Cleanup Fees	\$782	\$0	\$782	-	\$0	-
Abatement Fees	\$7,269	\$1,661	\$5,608	337.6%	\$0	-
<u>Contract Payments</u>	<u>\$2,677</u>	<u>\$7,824</u>	<u>-\$5,146</u>	<u>-65.8%</u>	<u>\$5,960</u>	<u>44.9%</u>
TOTAL COMM. DEVEL. REPAY FUND	\$10,728	\$9,485	\$1,243	13.1%	\$171,960	6.2%
GRAND TOTAL COMM. DEVEL. REPAY	\$10,728	\$9,485	\$1,243	13.1%	\$171,960	6.2%
APPROPRIATIONS						
Miscellaneous	\$35	\$0	\$35	-	\$100	35.0%
Cleanup Activities	\$1,547	\$72	\$1,476	2059.6%	\$2,500	61.9%
Abate Nuisances	\$621	\$4,107	-\$3,486	-84.9%	\$40,000	1.6%
<u>GH Co. Waste Abatement Grant</u>	<u>\$1,382</u>	<u>\$444</u>	<u>\$938</u>	<u>211.2%</u>	<u>\$0</u>	<u>-</u>
COMM. DEVEL. REPAY FUND	\$3,586	\$4,623	-\$1,037	-22.4%	\$42,600	8.4%
OVER (SHORT)	\$7,142	\$4,862	\$2,280		\$129,360	

Water, Sewer and Storm Fund #401

Overview:

The Water, Sewer and Storm fund provides for all utility operations, capital improvement and debt service appropriations and transfers. The adjacent pages summarize budgeted financial activity for the biennium, including revenues and expenditures through March.

Revenues:

This fund was budgeted to generate revenues of \$4,375,690, primarily from water, sewer and storm usage. Fees received from late penalties and shut-offs are also received in this fund.

Through March water sales of \$279,873 were collected or 20.4% of budgeted metered water revenues of \$1,370,000. This is 9% lower than 2005. Water revenues are very seasonal and this number is anticipated to increase in the summer months. However, staff will be monitoring this revenue closely in the coming months.

Through March, this fund had collected 24.3%, or \$262,577 of its budgeted \$1,079,000 sewer service revenue. This is 2.4% higher than the 2005 year to date.

Storm Drain rate revenues through March are at 17.0%, or \$42,467 of the budgeted amount of \$250,000. The Storm Drain Ordinance was rewritten in late 2005, which drastically changed the way the City collects these charges. Staff will need to closely monitor this trend as far less than budgeted amounts have been received.

The last major revenue source to this fund comes from a transfer in from the Watershed Fund. Through March, no transfers had been made in support of utility operations.

Appropriations:

For 2006, this fund was appropriated to spend \$4,078,990. Budgeted amounts are primarily for operations, but do include expenditures for capital, debt service and transfers out for equipment reserves.

Through March, the water department has expended 27.7%, or \$416,194 of its \$1,504,820 operating budget, which is within parameters for the first quarter.

To date, the City has expended 31.8%, or \$286,255 of its \$898,935 operating budget.

Through March, actual expenditures of \$81,662 constitute 28.1% of total appropriations of \$291,005.

Transfers to other funds for operating, debt service and capital improvement requirements are within normal budget parameters through March, and are anticipated to be 100% expended by year-end.

This fund was budgeted to begin the year with a cash balance of \$65,000. However, after all operating appropriations and capital expenditures, this fund is budgeted to end the year with a cash balance of \$296,700. This is encouraging as a 30-day operating reserve is recommended which would equate to \$222,000.

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WATER,SEWER AND STORM FUND #401

CITY OF HOQUIAM

2006 1ST QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2006 <u>Q1 YTD</u>	2005 <u>Q1 YTD</u>	Increase <u>(Decrease)</u>	% Increase <u>(Decrease)</u>	2006 <u>Budget</u>	% to <u>Budget</u>
Beginning Fund Balance	\$0	\$0			\$65,000	
Water Sales	\$279,853	\$307,526	-\$27,673	-9.0%	\$1,370,000	20.4%
Sewer Service	\$262,577	\$256,531	\$6,046	2.4%	\$1,079,000	24.3%
Storm Drainage	\$42,467	\$0	\$42,467	-	\$250,000	17.0%
Charges for Miscellaneous Service	\$2,306	\$6,017	-\$3,711	-61.7%	\$25,000	9.2%
Investment Interest	\$23,311	\$11,953	\$11,359	95.0%	\$70,000	33.3%
<u>Other Miscellaneous</u>	<u>\$200</u>	<u>\$443</u>	<u>-\$243</u>	<u>-54.8%</u>	<u>\$0</u>	<u>-</u>
TOTAL WATERWORKS FUND	\$610,713	\$582,469	\$28,244	4.8%	\$2,859,000	21.4%
<u>OTHER REVENUES & TRANSFERS IN</u>						
<u>Trf In - Watershed #402</u>	<u>\$0</u>	<u>\$563,496</u>	<u>-\$563,496</u>	<u>-100.0%</u>	<u>\$1,516,690</u>	<u>0.0%</u>
TOTAL OTHER REVENUES	\$0	\$563,496	-\$563,496	-100.0%	\$1,516,690	0.0%
GRAND TOTAL WATERWORKS FUND	\$610,713	\$1,145,965	-\$535,252	-46.7%	\$4,375,690	14.0%
APPROPRIATIONS						
Water Operations	\$416,194	\$410,790	\$5,404	1.3%	\$1,504,820	27.7%
Sewer Operations	\$286,255	\$257,915	\$28,340	11.0%	\$898,935	31.8%
<u>Storm Drain Operations</u>	<u>\$81,662</u>	<u>\$0</u>	<u>\$81,662</u>	<u>-</u>	<u>\$291,005</u>	<u>28.1%</u>
TOTAL WATERWORKS OPERATIONS	\$784,111	\$668,705	\$115,406	17.3%	\$2,694,760	29.1%
Water Capital	\$4,451	\$464,619	-\$460,169	-99.0%	\$509,000	0.9%
Sewer Capital	\$12,750	\$281,004	-\$268,254	-95.5%	\$590,000	2.2%
<u>Storm Drain Capital</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>-</u>	<u>\$70,000</u>	<u>0.0%</u>
TOTAL WATERWORKS CAPITAL	\$17,201	\$745,623	-\$728,422	-97.7%	\$1,169,000	1.5%
Water Debt Service	\$0	\$0	\$0	-	\$54,210	0.0%
<u>Sewer Debt Service</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>-</u>	<u>\$16,800</u>	<u>0.0%</u>
TOTAL WATERWORKS DEBT	\$0	\$0	\$0	-	\$71,010	0.0%
Trf Out - Equipment Rental #501	\$15,736	\$16,345	-\$608	-3.7%	\$73,720	21.3%
<u>Trf Out - Equipment Reserve #505</u>	<u>\$19,748</u>	<u>\$23,994</u>	<u>-\$4,246</u>	<u>-17.7%</u>	<u>\$70,500</u>	<u>28.0%</u>
TOTAL WATERWORKS TRANSFERS	\$35,484	\$40,339	-\$4,854	-12.0%	\$144,220	24.6%
GRAND TOTAL WATERWORKS FUND	\$836,796	\$1,454,667	-\$617,871	-42.5%	\$4,078,990	20.5%
OVER (SHORT)	-\$226,083	-\$308,702	\$82,618		\$296,700	

Watershed Fund #402

Overview:

The Watershed Fund accounts for all expenditures associated with timber harvesting and the management of watershed lands. All timber sale revenues are deposited into this fund. Watershed funds are transferred to the Water, Sewer and Storm Fund for infrastructure improvements.

This fund will begin 2006 with a \$1,774,000 cash balance.

Revenues:

This fund receives its resources from timber sales. No sale is planned for 2006.

Appropriations and Transfers out:

Starting in 2006 this fund does include a small operating expenditure budget, but primarily provides a source of funds for transfer to other Water, Sewer and Storm Funds for special projects.

An interfund transfer of \$1,516,690 is budgeted to the Water, Sewer and Storm Fund but had not been made as of March 2006.

WATERSHED FUND #402
CITY OF HOQUIAM
2006 1ST QUARTER FINANCIAL REPORT

<u>REVENUES</u>	<u>2006</u> <u>Q1 YTD</u>	<u>2005</u> <u>Q1 YTD</u>	<u>Increase</u> <u>(Decrease)</u>	<u>% Increase</u> <u>(Decrease)</u>	<u>2006</u> <u>Budget</u>	<u>% to</u> <u>Budget</u>
Beginning Fund Balance	\$0	\$0			\$1,774,000	
<u>Miscellaneous Revenue</u>	<u>\$0</u>	<u>\$3,199</u>	<u>-\$3,199</u>	<u>-100.0%</u>	<u>\$0</u>	<u>-</u>
TOTAL WATERSHED FUND	\$0	\$3,199	-\$3,199	-100.0%	\$1,774,000	0.0%
GRAND TOTAL WATERSHED FUND	\$0	\$3,199	-\$3,199	-100.0%	\$1,774,000	0.0%
APPROPRIATIONS						
Watershed Operations	\$13,202	\$0	\$13,202	-	\$115,600	11.4%
<u>Trf Out - Waterworks #401</u>	<u>\$0</u>	<u>\$536,496</u>	<u>-\$536,496</u>	<u>-100.0%</u>	<u>\$1,516,690</u>	<u>0.0%</u>
WATERSHED FUND	\$13,202	\$536,496	-\$523,294	-97.5%	\$1,632,290	0.8%
OVER (SHORT)	-\$13,202	-\$533,297	\$520,094		\$141,710	

Landfill Postclosure Fund #417

Overview:

The Landfill Postclosure Fund provides for maintenance of the old City Landfill. Funds were transferred annually from the Sanitation Fund to this fund to pay the annual maintenance costs. When the Sanitation Department was sold, a sufficient amount from the sale was transferred to this fund to cover the costs of the City's obligation to the landfill until 2009.

This fund will begin 2006 with a \$340,000 cash balance.

Revenues:

This fund receives its resources from interest earned on the cash balance reserved in this fund for postclosure maintenance.

Appropriations and Transfers out:

This fund is budgeted to spend \$61,490 on postclosure maintenance in 2006. As of the first quarter, \$8,552 or 11% of anticipated expenditures had been made. This fund is budgeted to end the year with a \$350,000 cash balance.

LANDFILL POSTCLOSURE FUND #417

CITY OF HOQUIAM

2006 1ST QUARTER FINANCIAL REPORT

<u>REVENUES</u>	<u>2006 Q1 YTD</u>	<u>2005 Q1 YTD</u>	<u>Increase (Decrease)</u>	<u>% Increase (Decrease)</u>	<u>2006 Budget</u>	<u>% to Budget</u>
Beginning Fund Balance	\$0	\$0			\$340,000	
<u>Investment Interest</u>	<u>\$6,280</u>	<u>\$1,849</u>	<u>\$4,431</u>	<u>239.6%</u>	<u>\$10,000</u>	<u>62.8%</u>
TOTAL LANDFILL POSTCLOSURE FUND	\$6,280	\$1,849	\$4,431	239.6%	\$350,000	1.8%
GRAND TOTAL LANDFILL POSTCLOSURE	\$6,280	\$1,849	\$4,431	239.6%	\$350,000	1.8%
APPROPRIATIONS						
<u>Landfill Operations</u>	<u>\$8,552</u>	<u>\$9,633</u>	<u>-\$1,082</u>	<u>-11.2%</u>	<u>\$61,490</u>	<u>13.9%</u>
LANDFILL POSTCLOSURE FUND	\$8,552	\$9,633	-\$1,082	-11.2%	\$61,490	13.9%
OVER (SHORT)	-\$2,271	-\$7,784	\$5,513		\$288,510	

Equipment Rental Fund #501

Overview:

The Equipment Rental Fund provides for the accounting of vehicle purchases and vehicle maintenance. Funds are accumulated over the course of one or more years in the Equipment Rental Reserve Fund #505 and funds are then transferred to this fund to acquire the vehicles.

For the biennium, this fund begins the year with a \$14,000 cash balance.

Revenues:

All resources of the Equipment Rental Fund come in the form of charges for services and transfers from other funds. There is \$430,520 in budgeted revenue, of which 25.6 %, has been received through March.

Appropriations:

The primary expenditures in this fund are for the one mechanic and for vehicle purchases. In addition to the mechanic, there are four purchases planned for the year. As of March, \$62,430 or 26.8% of operations had been expended and \$34,563 or 17.6% of appropriated vehicle purchases had been made.

EQUIPMENT RENTAL FUND #501

CITY OF HOQUIAM

2006 1ST QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2006 Q1 YTD	2005 Q1 YTD	Increase (Decrease)	% Increase (Decrease)	2006 Budget	% to Budget
Beginning Fund Balance	\$0	\$0			\$14,000	
Equipment Maintenance Charges	\$59,873	\$51,655	\$8,218	15.9%	\$223,340	26.8%
Investment Interest	\$2,279	\$1,837	\$442	24.1%	\$6,680	34.1%
<u>Other Miscellaneous</u>	<u>\$1,259</u>	<u>\$444</u>	<u>\$815</u>	<u>183.6%</u>	<u>\$4,000</u>	<u>31.5%</u>
TOTAL EQUIPMENT RENTAL FUND	\$63,412	\$53,936	\$9,475	17.6%	\$248,020	25.6%
<u>OTHER REVENUES & TRANSFERS IN</u>						
Trf In - Eq. Rental Reserve #505	\$0	\$0	\$0	-	\$196,500	0.0%
TOTAL OTHER REVENUES	\$0	\$0	\$0	-	\$196,500	0.0%
GRAND TOTAL EQUIPMENT RENTAL	\$63,412	\$53,936	\$9,475	17.6%	\$444,520	14.3%
<u>APPROPRIATIONS</u>						
Equipment Rental Operations	\$62,430	\$52,670	\$9,759	18.5%	\$232,575	26.8%
<u>Capital</u>	<u>\$34,563</u>	<u>\$12,992</u>	<u>\$21,571</u>	<u>166.0%</u>	<u>\$196,500</u>	<u>17.6%</u>
EQUIPMENT RENTAL FUND APPROP.	\$96,993	\$65,663	\$31,330	47.7%	\$429,075	22.6%
OVER (SHORT)	-\$33,581	-\$11,726	-\$21,855		\$15,445	

Equipment Rental Reserve Fund #505

Overview:

The Equipment Rental Reserve Fund provides for the accounting of resources from all operating funds for use in acquiring vehicles and equipment. Separate balances are maintained for each operating fund making a contribution, and funds are accumulated over the course of one or more years and funds are then transferred to the Equipment Rental Fund #501, to acquire the vehicles.

For the biennium, this fund begins the year with a \$1,179,000 cash balance. The budget provides for \$135,500 in resources from transfers to this fund from other funds and \$49,815 from interfund loan repayments.

Revenues:

All resources of the Equipment Rental Reserve Fund come in the form of transfers from other funds. As noted above, \$135,500 in transfers are provided by other funds of which 30.6%, have been made through March.

Appropriations:

Appropriations come in the form of transfers to the Equipment Rental Fund #501. In the 2006 budget, \$196,500 was appropriated in transfers of which none have been made to date.

EQUIPMENT RENTAL RESERVE FUND #505

CITY OF HOQUIAM

2006 1ST QUARTER FINANCIAL REPORT

<u>REVENUES</u>	<u>2006 Q1 YTD</u>	<u>2005 Q1 YTD</u>	<u>Increase (Decrease)</u>	<u>% Increase (Decrease)</u>	<u>2006 Budget</u>	<u>% to Budget</u>
Beginning Fund Balance	\$0	\$0			\$1,179,000	
Departmental Contributions	\$41,397	\$41,360	\$37	0.1%	\$135,500	30.6%
Interfund Loans	\$12,178	\$12,549	-\$372	-3.0%	\$49,815	24.4%
<u>Proceeds from Sale of Fixed Assets</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>=</u>	<u>\$0</u>	<u>=</u>
TOTAL COMM. DEVEL. REPAY FUND	\$53,575	\$53,909	-\$335	-0.6%	\$1,364,315	3.9%
GRAND TOTAL COMM. DEVEL. REPAY	\$53,575	\$53,909	-\$335	-0.6%	\$1,364,315	3.9%
APPROPRIATIONS						
Interfund Loan - General Fund #001	\$0	\$0	\$0	-	\$90,000	0.0%
<u>Trf Out - Equipment Rental #501</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>=</u>	<u>\$196,500</u>	<u>0.0%</u>
COMM. DEVEL. REPAY FUND	\$0	\$0	\$0	-	\$286,500	0.0%
OVER (SHORT)	\$53,575	\$53,909	-\$335		\$1,077,815	

Medical/Dental Fund #520

Overview:

The Medical/Dental Fund receives transfers from other operating funds to pay for the direct expenditures of contractually obligated medical, dental and vision premiums.

For the year, this fund begins the year with a \$60,000 cash balance. The budget provides for \$1,313,000 in resources transferred to this fund from the City's operating funds.

Revenues:

All resources of the Medical/Dental Fund come in the form of transfers from other funds. As noted above, \$1,313,000 in transfers are provided by other funds, of which 23.9%, have been made through March.

Appropriations:

Appropriations to this fund include the City's direct medical premiums in the amount of \$1,320,000. As of March, the City had expended \$419,042 or 31.7% on medical premiums. This is higher than anticipated as the April 2006 payroll premiums are included in this total. Without the inclusion of the April amounts, this fund would be almost exactly 25% expended.

MEDICAL/DENTAL FUND #520
CITY OF HOQUIAM
2006 1ST QUARTER FINANCIAL REPORT

<u>REVENUES</u>	<u>2006</u> <u>Q1 YTD</u>	<u>2005</u> <u>Q1 YTD</u>	<u>Increase</u> <u>(Decrease)</u>	<u>% Increase</u> <u>(Decrease)</u>	<u>2006</u> <u>Budget</u>	<u>% to</u> <u>Budget</u>
Beginning Fund Balance	\$0	\$0			\$60,000	
Department Contributions	\$314,052	\$285,285	\$28,767	10.1%	\$1,313,000	23.9%
Cobra Contributions	\$107	\$436	-\$329	-75.5%	\$0	-
<u>Employee Contributions</u>	<u>\$393</u>	<u>\$0</u>	<u>\$393</u>	<u>=</u>	<u>\$2,000</u>	<u>19.7%</u>
TOTAL MEDICAL/DENTAL FUND	\$314,552	\$285,720	\$28,832	10.1%	\$1,375,000	22.9%
GRAND TOTAL MEDICAL/DENTAL FUND	\$314,552	\$285,720	\$28,832	10.1%	\$1,375,000	22.9%
APPROPRIATIONS						
Medical Premiums	\$402,792	\$271,562	\$131,230	48.3%	\$1,245,000	32.4%
<u>Dental - Claims & Admin Fees</u>	<u>\$16,249</u>	<u>\$14,781</u>	<u>\$1,469</u>	<u>9.9%</u>	<u>\$75,000</u>	<u>21.7%</u>
MEDICAL/DENTAL FUND APPROPRIATIONS	\$419,042	\$286,343	\$132,698	46.3%	\$1,320,000	31.7%
OVER (SHORT)	-\$104,490	-\$623	-\$103,867		\$55,000	

Unemployment Fund #522

Overview:

The Unemployment Fund provides for the City's activities as a self-funded unemployment provider. Property Tax revenues are only transferred to this fund if there are claims to be paid.

For the biennium, this fund begins the year with no cash balance. The budget provides for \$15,000 in resources for transfer to this fund from the General Fund, in the form of Property Taxes.

Revenues:

All resources of the Unemployment Fund come in the form of transfers from the General Fund. As noted above, \$15,000 in transfers are provided by this fund of which no transfers have been made through March.

Appropriations:

There is \$15,000 in appropriations planned for the year to allow for potential unemployment claims of former City employees. As of March, \$7,454 or 49.7% of the appropriations in this fund had been expended. Unfortunately, a former sanitation employee and a former building official both have filed for unemployment of which the City is required to share a portion.

UNEMPLOYMENT FUND #522
CITY OF HOQUIAM
2006 1ST QUARTER FINANCIAL REPORT

<u>REVENUES</u>	<u>2006</u> <u>Q1 YTD</u>	<u>2005</u> <u>Q1 YTD</u>	<u>Increase</u> <u>(Decrease)</u>	<u>% Increase</u> <u>(Decrease)</u>	<u>2006</u> <u>Budget</u>	<u>% to</u> <u>Budget</u>
Beginning Fund Balance	\$0	\$0			\$0	
Property Tax	\$0	\$0	\$0	-	\$15,000	0.0%
<u>Trf In - Departments</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>=</u>	<u>\$0</u>	<u>=</u>
TOTAL UNEMPLOYMENT FUND	\$0	\$0	\$0	-	\$15,000	0.0%
GRAND TOTAL UNEMPLOYMENT FUND	\$0	\$0	\$0 -		\$15,000	0.0%
<u>APPROPRIATIONS</u>						
<u>Personnel Benefits</u>	<u>\$7,454</u>	<u>\$2,665</u>	<u>\$4,789</u>	<u>179.7%</u>	<u>\$15,000</u>	<u>49.7%</u>
UNEMPLOYMENT FUND APPROPRIATIONS	\$7,454	\$2,665	\$4,789	179.7%	\$15,000	49.7%
OVER (SHORT)	-\$7,454	-\$2,665	-\$4,789		\$0	

Police & Firemen's Pension Fund #611

Overview:

This fund pays for the medical premiums and allowable medical bills for retired LEOFF I Police and Fire employees. The City is mandated by state law to provide the benefits to these employees while the state provides their pensions. This fund also pays the supplemental pension payments for pre-LEOFF fire employees. This fund is budgeted to begin the year with no beginning cash balance.

Revenues:

The primary source of funding for the Police & Firemen's Pension Fund is through Property Taxes. There is \$477,250 in budgeted Property Tax revenue of which none has yet been received. There is also \$16,000 in Fire Insurance Premium Taxes that are anticipated to be received in 2006 to help offset the Fire pension payments. No revenues have yet been received in this line item.

Appropriations:

Expenditures for this fund were budgeted at \$493,250 in 2006 and go mostly for retiree medical but also for pension payments. As of March 2006, \$117,665 or 23.9% budgeted appropriation had been spent.

POLICE & FIRE RETIREES FUND #611

CITY OF HOQUIAM

2006 1ST QUARTER FINANCIAL REPORT

<u>REVENUES</u>	<u>2006 Q1 YTD</u>	<u>2005 Q1 YTD</u>	<u>Increase (Decrease)</u>	<u>% Increase (Decrease)</u>	<u>2006 Budget</u>	<u>% to Budget</u>
Beginning Fund Balance	\$0	\$0			\$0	
Property Tax	\$0	\$0	\$0		- \$477,250	0.0%
<u>Fire Insurance Premium Tax</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>		<u>= \$16,000</u>	<u>0.0%</u>
TOTAL POLICE & FIRE RETIREE FUN	\$0	\$0	\$0		- \$493,250	0.0%
GRAND TOTAL RETIREE FUND	\$0	\$0	\$0		- \$493,250	0.0%
APPROPRIATIONS						
Police LF 1 Medical Premiums	\$43,843	\$40,123	\$3,720	9.3%	\$177,000	24.8%
Police LF1 Medical Bills	\$1,413	\$2,694	-\$1,282	-47.6%	\$11,000	12.8%
Fire LF1 Disability Pyts	\$12,581	\$11,870	\$710	6.0%	\$49,000	25.7%
Fire LF1 Annuity Pyts	\$3,262	\$2,066	\$1,196	57.9%	\$10,300	31.7%
Fire LF1 Medical Premiums	\$51,795	\$47,489	\$4,306	9.1%	\$212,750	24.3%
Fire LF1 Medical Bills	\$2,978	\$4,693	-\$1,715	-36.5%	\$24,200	12.3%
<u>Fire LF1 Medicare Premiums</u>	<u>\$1,795</u>	<u>\$2,165</u>	<u>-\$369</u>	<u>-17.1%</u>	<u>\$9,000</u>	<u>19.9%</u>
RETIREE FUND APPROPRIATIONS	\$117,665	\$111,099	\$6,566	5.9%	\$493,250	23.9%
OVER (SHORT)	-\$117,665	-\$111,099	-\$6,566		\$0	

Capital Improvement Projects

Overview:

Capital improvement expenditures have been separated for clarity purposes and for independent accounting of capital improvement projects. Proprietary operations, such as the City's water, sewer, storm drain funds are capital intensive as the following summary explains. Very little capital project activity has taken place as of the first quarter. More detail will be included in future Quarterly Reports as activity picks up in the summer months.

Progress Summary:

Water Capital Projects, \$509,000. These items provide appropriation authority for all requested water utility capital improvements for 2006. These improvements are funded from water utility resources transferred the Water, Sewer and Storm Drain Fund. The largest project in this category is for improvements to the Little Hoquiam River Dam. In total, Water Capital Projects have expended \$4,451 or 0.9% of budget authority.

Sewer Capital Projects, \$590,000. The budget included \$400,000 toward the Waste Water Treatment Plant Dechlorination Project. Likewise, variable drive replacement projects were included for \$150,000. As of March, \$12,750 or 2.2% of appropriated expenditures had been made.

Storm Drain Capital Projects, \$70,000. This capital improvement line item provides budget authority for the 2006 storm drain capital improvements. These projects include pump and motor replacements. To date, this fund has not used any of its expenditure authority.

General Capital Reserve, \$25,000. This line item was appropriated to fund minor improvements to City Hall in 2006. There have been no expenditures as of March 2006.

Sidewalk Construction Fund, \$32,500. This line item was appropriated to fund capital improvement to City owned facilities. \$1,000 or 3.1% of appropriation authority had been spent as of March 2006.

CAPITAL IMPROVEMENT BUDGET

CITY OF HOQUIAM

2006 1ST QUARTER FINANCIAL REPORT

<u>Funding Source/Project Description</u>	<u>2006 Q1 YTD</u>	<u>2006 Budget</u>	<u>% to Budget</u>
#108 Paths and Trails:			
Construction Projects	\$0	\$5,000	0.0%
#114 General Capital Reserve:			
City Hall Improvements	\$0	\$25,000	0.0%
#302 Sidewalk Construction Fund:			
Construction Projects	\$1,000	\$30,000	3.3%
<u>7th & Simpson Handicap Ramp</u>	<u>\$0</u>	<u>2500</u>	<u>0.0%</u>
Subtotal, Sidewalk Construction Projects	\$1,000	\$32,500	3.1%
#308 Train Station Improvement Fund:			
Construction Projects	\$4,312	\$0	-
#401 Water Capital Projects:			
Replace WTP Roof	\$0	\$45,000	0.0%
Recoat Concrete WTP Deck	\$0	\$8,000	0.0%
L Hoq Dam Impr-Consent Decree	\$0	\$402,500	0.0%
Add'l East Side River X'g Prep	\$2,086	\$0	-
Replace WTP Turbidimeters	\$0	\$4,500	0.0%
Rebuild Raw/Finish Water Pumps	\$0	\$10,000	0.0%
Upgrade Telemetry System	\$75	\$0	-
Study Arnold Ct Booster Pump	\$0	\$10,000	0.0%
Meters	\$2,107	\$21,000	10.0%
<u>Repl Chemical Metering Pumps</u>	<u>\$0</u>	<u>\$8,000</u>	<u>0.0%</u>
Subtotal, Water Capital Projects	\$4,268	\$509,000	0.8%
#401 Sewer Capital Projects:			
Sewer River Crossing Design	\$1,817	\$0	-
Pump Replacements	\$2,861	\$25,000	11.4%
Variable Drives (Emerson 2003)	\$0	\$150,000	0.0%
WWTP Dechlorination System	\$4,028	\$400,000	1.0%
Adams Remote Autodial Monitor	\$307	\$0	-
Odor Control Blower	\$3,736	\$0	-
<u>Pump Motor Replacements</u>	<u>\$0</u>	<u>\$15,000</u>	<u>0.0%</u>
Subtotal, Sewer Capital Projects	\$12,750	\$590,000	2.2%
#401 Storm Drain Projects			
Pump Replacements	\$0	\$50,000	0.0%
Pump Motor Replacements	<u>\$0</u>	<u>\$20,000</u>	<u>0.0%</u>
Subtotal, Storm Drain Capital Projects	\$0	\$70,000	0.0%
TOTAL CITY OF HOQUIAM CAPITAL IMPROVEMENT BUDGET			
	\$22,330	\$1,231,500	1.8%

Debt Service Budget Summary

Overview:

The adjacent page provides a summary of the 2006 debt service budget of the City. The City began 2006 with a total bonded debt service principal balance including revenue debt of \$1,260,999.

Limited Tax General Obligation (LTGO) Debt: Appropriations in this category pay the principal, interest and debt associated with two debt issues, including:

- 1989 LTGO Bonds that financed a remodel of City Hall.
- 1994 PWTF Loan that paved a portion of Aberdeen Avenue.

Through March, \$29,912 or 44.5% of budget has been expended in principal and interest payments.

Unlimited Tax General Obligation Debt: Appropriations in this category pay the principal, interest and expenses associated with two bond issues, including:

- 1995 Issue that refunded three separate bond issues.
- 2001 UTGO that financed the purchase of a new fire truck.

Through March, no expenditures in principal and interest payments have been made.

Revenue Debt: Appropriations in this debt category pay the principal, interest, and debt service expenses associated with two revenue bond issues, including:

- 1987 PWTF Loan to the Water Department, and
- 2000 CERB Loan to the Sewer Department.

No revenue debt expended at the end of the first quarter.

Total debt activity through March 31st was \$28,912 or 8.5% of the total debt service budget, due again to later payments on general obligation debt.

DEBT SERVICE SUMMARY

CITY OF HOQUIAM

2006 1ST QUARTER FINANCIAL REPORT

<u>ISSUE</u>		2006 Beginning Balance	2006 Q1 YTD	2006 Budget	% to Budget	2006 Ending Balance
<u>Limited Tax General Obligation Debt</u>						
1989 City Hall Remodel	Fund 213	\$254,449	\$28,912	\$28,915	100.0%	\$240,804
1994 PWTF Aberdeen Avenue*	107	\$297,213	\$0	\$35,997	0.0%	\$264,190
Subtotal, Limited Tax G.O.		\$551,662	\$28,912	\$64,912	44.5%	\$504,994
<u>Unlimited Tax General Obligation Debt</u>						
1995 Refunding Bond	205	\$500,000	\$0	\$185,765	0.0%	\$191,500
2001 Fire Truck Bond	209	\$86,705	\$0	\$90,435	0.0%	\$0
Subtotal, Unlimited Tax G.O.		\$586,705	\$0	\$276,200	0.0%	\$191,500
<u>Revenue Debt</u>						
1987 PWTF Water Treatment Plant*	401	\$52,632	\$0	\$54,210	0.0%	\$0
2000 CERB Fifth Street Sewer Extensior	401	\$70,000	\$0	\$16,800	0.0%	\$70,000
Subtotal, Revenue		\$122,632	\$0	\$71,010	0.0%	\$70,000
 Total Debt, All Sources and Uses		 \$1,260,999	 \$28,912	 \$341,112	 8.5%	 \$766,494

* Not included in All Fund Summary Debt Service Line (paid out of individual operating budgets)