



# **2007 – 2008 Budget**

for the fiscal biennium January 1, 2007  
through December 31, 2008

## **MAYOR**

**Jack Durney**

## **CITY COUNCIL**

**Paul McMillan**

**John Pellegrini**

**Daryl Horne**

**Kyla Houchens**

**Robert Cross**

**Rick Haugen**

**Mike Lund**

**Gregory Grun**

**Darrin Moir**

**Sandi Grimnes**

**Byron Hyde**

**Kendall Miller**

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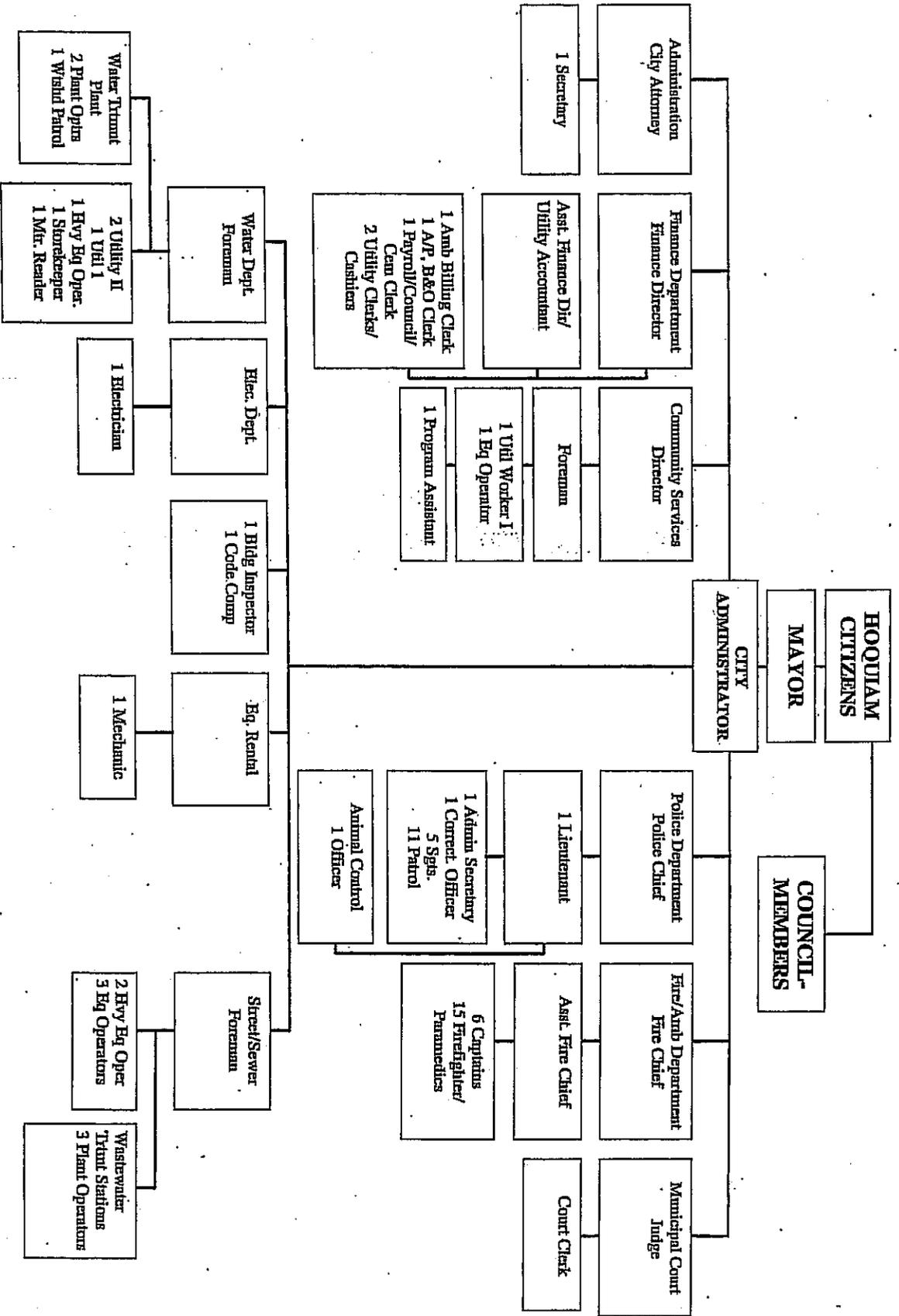
## CITY OF HOQUIAM

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October 23, 2006

Citizens of the City of Hoquiam  
Hoquiam City Council

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Fax (360) 532-2306  
609 8<sup>th</sup> Street  
Hoquiam, WA 98550

RE: 2007-2008 Mayor's Transmittal Letter

Hoquiam is an incredible City and we are working to make it even better. The message of the 2007-2008 Budget is change. Progress is impossible without change. Will Rogers said that, "Even if you're on the right track, you'll get run over if you just sit there."

I am very pleased to present you our first biennial budget and I am very proud of the work of the Council and the staff that has gone into this document. We remain committed to ensuring that Hoquiam has a long-term sustainable budget.

Take a drive down to the Port Dock or through the business district to see the change underway and the significant progress the City is making in our revitalization efforts. Since we incorporated in 1890, Hoquiam has seen its share of booms and busts. After years of stagnation we are changing again and we are seeing a resurgence. Our traditional resource based economies are converting to "green" industries emphasizing sustainability. Our industrial job base is expanding through new businesses and growth at existing companies. Local investors and new out of town partners are revitalizing the business district and our neighborhoods by refurbishing existing facilities and building new buildings.



Imperium Renewables, which is currently building in Hoquiam the largest Biodiesel facility in the United States, symbolizes our change to sustainability. This company, which is set to begin production in the summer of 2007, will have 50 employees and will produce fuel for the region with renewable resources. Paneltech and Grays Harbor Paper, who teamed up to present the "Building a Sustainable Grays Harbor" workshop are each involved in sustainable expansion plans that will add a total of 50 plus jobs in Hoquiam during the next budget cycle.

Hoquiam is a great place to live, work, play and grow a business. We have a great work ethic, an overall cost of living that ranks below the national average, a fine educational system, some of the nation's shortest commuting times, as well as a business friendly atmosphere. The City of

Hoquiam is committed to providing companies with a pro-business climate and has worked hard to create an easy atmosphere for doing business in our city.

In 2007-2008, the City of Hoquiam will continue to provide leadership to ensure that the momentum of positive change created in 2006 will continue.

### **2006 Budget Goals Scorecard**

Below I have listed the budget goals for 2006 and the progress we made towards these goals:

#### **Economic, Waterfront, and Downtown Development:**

The City received a \$25,000 grant in 2006 to complete a strategic marketing plan to promote both general economic development within the City and specific programs for the waterfront and downtown development. In a response to this grant award, the Business Community is raising an additional \$25,000 to fund the plan and the City will spend the final \$25,000 and advertised a Request for Proposals seeking qualified consultants to complete the plan, called Hometown Hoquiam Phase 2 – Creating and Maintaining a Strong Local Economy in Hoquiam, WA. The project will be completed in 2007.



The City created a new website at [www.cityofhoquiam.com](http://www.cityofhoquiam.com) to better promote our community and economic development strategy which involves building on our strengths to promote existing business and the retention of jobs; while recruiting new business and jobs to the community.

The City was a partner in the business recruitment efforts for Imperium Renewables, the Washington State Department of Transportation's Special Projects Site, development of the Port's Terminal 3 and the Hoquiam Eagles renovation.

The Train Depot project received final authorization on a new \$558,500 grant in May of 2006, which will allow the City to complete the restoration by the summer of 2007. The excitement of this project has generated interest in several vacant properties on 8<sup>th</sup> Street.

#### **Improving Safety and Appearance of our Neighborhoods:**

The Police Department launched several new programs including operating the jail on weekend basis (4 times in 2006) Explorer and Volunteers in Police Programs, which will utilize volunteers to enhance community policing, neighborhood awareness meetings and a no-tolerance policy regarding underage smoking. The Building and Code Compliance Department continued the NICER (Neighborhoods in Community Embrace and Revitalize) program, which builds

community pride by improving the appearance of our community through nuisance abatement and code compliance. The City also hired a new Animal Control Officer who was assigned additional duties to assist with removal of junk vehicles and parking enforcement.

### **Expanding New Housing Opportunities.**



In 2006, Summerhaven completed 4 new duplex condominiums, while 10 new building sites are currently in the design phase on Beacon Hill. The City also worked with other developers who have looked at potential developments on Broadway, Beacon Hill and as in-fill throughout the City.

Joining with our partners in the cities of Aberdeen and Cosmopolis, Grays Harbor County, Port of Grays Harbor, Grays Harbor Economic Development Council, Grays Harbor Council of Governments and the Public Development Authority of Grays Harbor to begin a combined effort to deal as a single community with economic restructuring.

Over the past year, the City has strengthened our relationship with these organizations and we have created an open working relationship to promote the economy in Hoquiam and throughout the County.

The City was a sponsor of the 2006 Showcase Grays Harbor and we participated in the Legislative Leaders Tour. The City is also now a member of the “Community Jobs Team.”

### **2007-2008 Budget Overview**

The total City budget for 2007 is \$17,919,450, which is a 14.8% increase from the prior year. This increase is primarily due to increased economic activity in the City, investments in capital and facilities and an increase in contract log sales in the watershed.

The 2006 budget was developed based on the following information:

#### **Expenditures:**

- We plan to add two new positions in the biennium. First, a Full-Time Planner will be added in the Public Works Office. This will allow for increased Code Enforcement efforts and increase the turnaround for building inspections. Second, an treatment plant operator in the Sewer Department.
- Health insurance premiums are estimated to rise 6.5 % which amounts to an increase in premium costs citywide of \$95,000.
- 911 program costs decreased \$38,745 from the prior year as the 911 Center receive an influx of one-time funds.
- Significant Capital Outlay for the City includes approximately \$2.5 million in improvements to the water, sewer and storm system, cemetery improvements, finance software and minor

improvements to City Hall. The utility infrastructure projects will be funded with proceeds from timber sales.

### Revenues:

#### General Funds

- Property taxes increased at the 1% statutory limit, while our total assessed value actually went up \$25 million over last year.
- Overall, tax revenues are estimated to increase by 13% primarily due a change in accounting practice whereby all general property taxes are received by the General Fund and are transferred out as needed to other funds. However, sales tax and B&O tax revenue increase due to increased economic activity in the City
- Miscellaneous revenues are up by almost 30%, primarily due to increasing interest rates

### Changes and Challenges Ahead

Due to the improving economic activity in Hoquiam over the past year, we are able to balance the 2007-2008 general fund budget with very little reserves. However, we must continue to monitor the financial implication of statewide initiatives, new state legislation, unfunded mandates, the rising costs of fuel, utilities and employee medical, and the pressing need for additional staff in key service areas such as law enforcement and development services. Additionally, the City is facing significant infrastructure replacement needs in our water, sewer

and storm water utilities, which cannot be funded with rate revenues alone. The City must plan for the projects now and identify funding opportunities to address the problems soon so that this burden is not placed upon the next generation of citizens.



The City must work with the Port of Grays Harbor as they determine the future of Bowerman Field, Terminal 3 and the remaining land available on Bay Avenue.

We must invest in our future by sound planning. We will do so, by completing a Wastewater Facility Plan, Strategic Plan to replace the Water Transmission Main, Hometown Hoquiam Phase 2, and a new Comprehensive Land Use Plan.

Additionally, should revenues begin to grow faster than expenditures, we must make sustainable decisions with surplus revenues. We need established policies for our reserves and a strategic plan to address the projects and issues that have gone unfunded for many years. While this may seem like a

good problem to deal with, we need to plan now for the future.

In conclusion, 2007-2008 is going to be a biennium of "change." I believe we have truly laid a foundation for growth and improvement in our community. Issues and problems that have plagued Hoquiam and Grays Harbor over the years will be left in the past as we move forward with innovative ideas and positive attitudes to strengthen Hometown Hoquiam.

It is an honor to serve with each of you during these exciting times.

Very truly yours,

Jack Durney  
Mayor



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# I. HOW TO USE THIS DOCUMENT

The City's budget document is designed to serve four basic purposes:

1. To function as a financial plan for the City of Hoquiam during the 2007-2008 biennium.
2. To provide a management tool to assist City staff in achieving the day to day results and outcomes approved for funding by the City Council.
3. To serve as a policy document, clearly articulating the policy direction provided by the City Council for implementation during the coming biennium.
4. To provide a communication tool for citizens, businesses, and other interested parties.

This document should also provide the lay reader with a clear understanding of the activities funded in the 2007-2008 biennium, the overall costs of those services, an understanding of the benefits derived from those activities, and an explanation of the process used to arrive at the funding decisions represented by this document.

*How to Use this Document* is intended as an introduction to the biennial budget of the City of Hoquiam. The budget is detailed in the following sections:

- **Letter of Transmittal** – This preface portion of the budget includes a letter from the Mayor to the Citizens of Hoquiam and the Hoquiam City Council explaining the budget document. Additionally, this letter provides for significant changes from the previous year in appropriations and revenues and explains any major changes in financial policy.
- **How to Use This Document** - This section includes an introduction to the budget documents as well as information about our City, the Council and our form of Government. Additional information is provided about the various appointed committees, commissions and boards in the City of Hoquiam. Lastly, the Mission, Vision and Values as approved by the Hoquiam City Council are included.
- **The Budget Process** – This section of the budget describes the entire process for putting the 2007-2008 budget together from estimating revenues and allocating expenditures through adoption of the final budget.
- **Policies and Goals** – The Council appointed a mixed group of Council and staff to put together a mission statement, policies and goals for the coming biennium. This critical element of the budget is included in the Final Budget document. The section

also contains an outline of the approved financial policies and programs and the relationship of appropriations to those policies and programs.

- **Revenues** – The revenues section summarizes the City’s revenues from 2000 through budgeted revenues that support the 2007-2008 budget. This section illustrates multi-year revenue trends and projects revenues for the coming year. This section is a vital element of the City’s financial plan, and also serves as a communications tool for citizens and a reflection of Council policy through its decisions regarding the property tax levy, utility charges, and other issues.
- **Fund Summary** – This section provides a comprehensive summary of the revenues and expenditures of all budgeted funds for 2007-2008. It illustrates the overall financial condition of each fund, and provides a multi-year comparison of financial activity in each of the City’s funds.

This section serves as a vital element of the City’s financial planning process, illustrating trends in revenue and expenditure patterns over multiple years.

- **Operating Budget** – This section provides either a four-page or a two-page summary of each departmental budget. For those departments with a four page operating budget, the first page of each budget provides a narrative summary of the department’s purpose as well as its mission. The second page provides a list of accomplishments from 2006 as well as goals or special objectives for the coming biennium. The third page of each budget provides a financial summary and finally, the fourth page provides performance measures including inputs, outputs, effectiveness and efficiency.

For those departments with only a two page operating budget, only a narrative summary and a financial summary are included.

This section serves as a communications tool for stakeholders interested in issues related to specific departments, and as a management tool for department directors and staff to use in implementing their budget for the coming year.

- **Capital Improvement Program** – This section provides a summary and description of the City’s 2007-2008 capital improvement budget. This includes all projects that meet the City’s definition of a capital project, and include fixed and permanent improvements to City facilities and infrastructure, new construction of facilities, and acquisition of equipment with a useful life of one year or more and a cost of over \$5,000.
- **Debt Services** – This section provides a comprehensive and detailed description of the City’s debt service budget. It provides information regarding the City’s statutory debt capacity, summary presentations of total debt service by type, and individual descriptions of each issue’s debt schedule and an explanation of the projects for which they provided financing.

- **Appendices** – This section provides reference information on more detailed elements of the budget, and includes a glossary of terms, a summary of projected ending balances for all funds and a listing of adopted utility rates.

## **Hoquiam's Form of Government**

Hoquiam is a non-charter code city, and on May 21, 1890, incorporated under the mayor/council form of government. The mayor-council form is the oldest form of government found in Washington and was the only practical choice available to most cities from statehood in 1889 until 1910 when the commission form was introduced.

This form consists of an elected mayor who serves as the city's chief administrative officer and a council which is responsible for formulating and adopting city policies. The mayor-council form is characterized by a separation of executive and legislative powers and a system of checks and balances patterned after our traditional national and state governments.

Under this form of government, an independently-elected mayor has greater powers of appointment and removal of subordinates, a higher degree of administrative control over departments, and the power to veto council legislation. The resulting government structure limits the council's role to policy making and oversight, and reserves administrative power and responsibility for the mayor.

Full details of the Council/Manager form of government can be found in Chapter 35A.12 of the Revised Code of Washington (RCW).

## **The Hoquiam City Council**

The Hoquiam City Council is comprised of twelve members, elected by wards, by the citizens of the City. Council members are elected to four-year terms with six positions being elected first and the other six positions being elected two years later. This ensures some experienced Council members at all times. The Council members also elect a Council President from among themselves every year.

The Council takes action on items presented at regularly scheduled or special meetings of the Hoquiam City Council. A public hearing may also be scheduled as part of a regular or special Council meeting. The public hearing allows Council to meet any legal requirements regarding an issue, hear background information or reports about a topic, receive public input on the issue, and then make an informed decision based on the facts and information presented. Council workshops or town hall meetings are scheduled to allow Council members to study an issue without taking action on it.

The Hoquiam City Council meets on the second and fourth Mondays of each month at 7:30 P.M. in the Council Chambers, City Hall, 609 8<sup>th</sup> Street, Hoquiam. The Mayor has an office in City Hall but does not keep regular office hours.

## **Elected Officials**

### **Council & Mayor**

	<u>Expiration of Term</u>
Jack Durney, Mayor	Dec. 2007
Paul McMillan	Dec. 2007
John Pellegrini	Dec. 2009
Daryl Horne	Dec. 2007
Kyla Houchens	Dec. 2009
Robert Cross	Dec. 2007
Rick Haugen	Dec. 2009
Mike Lund	Dec. 2007
Gregory Grun	Dec. 2009
Darrin Moir	Dec. 2007
Sandi Grimnes	Dec. 2009*
Byron Hyde	Dec. 2007
Kendall Miller	Dec. 2009*

## **Appointed Officials**

City Administrator	Brian Shay
City Attorney	Steve Johnson
Finance Director	Mike Folkers
Fire Chief	Ray Pumphrey
Library Director	Mary Thornton
Police Chief	Jeff Myers
Community Services Dir.	Tanya Bowers-Anderson
Municipal Court Judge	William Stewart

\* Election in 2007 will be necessary to serve the remainder of the term

## **City Services**

The City of Hoquiam provides a full range of municipal services to its citizens: police, fire, court, parks and recreation, cemetery, street maintenance, planning and zoning, code enforcement, animal control, nuisance abatements, library, water, sewer, storm drainage and city administration.

## **Regional Services**

The City of Hoquiam is also a member of the following regional service providers: The Grays Harbor Transit Authority and the Olympic Air Pollution Control Authority. Grays Harbor County provides our public health department, superior courts, combined emergency dispatch, substance abuse program and election services. Solid waste collection and recycling is provided by contract with a private firm.

Other local government entities provide public services to our community. The Port of Grays Harbor provides industrial, water transfer and terminal facilities on the Chehalis River as well as a regional airport within the city limits. Hoquiam School District, Grays Harbor College and Washington State University provide public education services within the city limits and beyond. Grays Harbor Public Utility District #1 provides electrical power service within all of Grays Harbor County, excluding the City of McCleary. The Grays Harbor Housing Authority provides low-income housing for the community and the Coastal Community Action Program provides employment, food and other services for low-income persons and families in need.

## History of Hoquiam

Long before Western Man appeared in the area we call Hoquiam, Native American people inhabited it and used this area for a variety of purposes. The Chehalis Tribe occupied seven villages along the north and south sides of the Chehalis River. However, the entire area was used in common by a variety of tribes, particularly those who later became part of the Confederated Tribes of the Quinault Indian Nation.

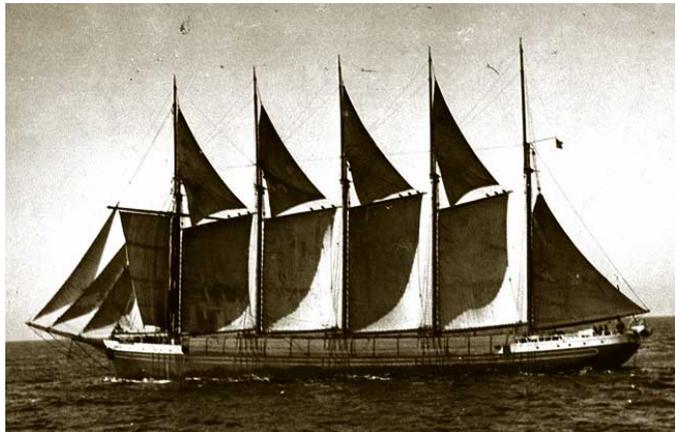
On May 7, 1792 British explorer Capt. Robert Gray entered the Chehalis River, sailed through the bar, into the bay, and named the area Bullfinch Harbor. Later explorers re-named the area Grays Harbor after the Captain. At the turn of the century, fur trading developed in the region but competition among traders depleted the local otter population and shortly afterwards the trade was abandoned.

Though fur traders visited Hoquiam during this period, none of them settled here, because they found the bay's dense forests, marshes, and foggy atmosphere inhospitable. In 1857, a non-native settler, John R. James established a 160-acre claim that included most of what is now the City of Hoquiam. When he moved on several years later, another settler, James Karr, took over his settlement and became the area's first permanent white settler.

Settlers soon began arriving and were grazing their cattle on the tide flats of the Hoquiam River by the early 1850s. James Karr, who later helped found Cosmopolis, built his family's cabin in present day west Hoquiam. His brother Henry built on the east side of the river along present day Riverside Avenue. There were farmers and cattlemen in Hoquiam long before the neighboring settlements in Cosmopolis and Aberdeen began. A decade after the arrival of the Karrs, the Ed Campbell family (1860) and others began settling in Hoquiam.

It was Campbell who worked to accurately spell and name this new town "Hoquiam" which means "*hungry for wood*," called so by the Indians for the vast amount of blown-down timber found at the river's mouth.

Hoquiam became the site of several large sawmills and shipyards. Many ships were built in Hoquiam including the *Vigilant*, a popular and beautiful five masted lumber sailing schooner. This friendly, progressive city was incorporated in 1890, about 40 years after the first settlers arrived.



By the turn of the century a number of Hoquiam residents were becoming successful timber merchants. These included Robert and Joseph Lytle, who built their beautiful homes, next to each other, in

1897 and 1900 overlooking the harbor on Chenault Street. These mansions, now known as the Hoquiam Castle and Lytle House Bed and Breakfast, are still standing and are open for tours. In 1923, railroad magnate Arnold Polson built a 6,500 square foot mansion on the east side of the Hoquiam River. This mansion is now a museum, exhibiting transportation photos, logging equipment and Grays Harbor memorabilia. Hoquiam pioneer Frank Lamb was instrumental in building one of the area's most successful businesses, Lamb Grays Harbor, and in developing the Port of Grays Harbor, one of the very first ports in Washington State.

During the 1980s, the town struggled through many setbacks brought on mainly by the state's economic recession and decreases in timber and fishing opportunities. By the 1990s, the slump was over and construction of homes and businesses began to see some moderate growth.

### **Hoquiam Today**

The City of Hoquiam with a population of 8,845 is the second largest city in Grays Harbor County. Hoquiam is located within a half-hour's drive of the world-renowned Olympic National Park, Lake Quinault, the Hoh and Quinault Rain forests, and is a 2 hour drive (117 miles) from Seattle and a 2-1/2 hour drive from Portland (152 miles). The population base within a 200 mile radius of Hoquiam is 6.683 million including the major population centers of Seattle/Tacoma (the nation's 11th largest market area), Portland, and Vancouver, British Columbia.

As resource-dependent industries (fisheries and timber) have declined, the primary employment sectors in Hoquiam have become service and government. Other new industries are developing including ship building. However, Hoquiam still maintains a strong fishing and wood products presence in the Northwest.

Sustainable industries have also begun locating to Hoquiam. In 2006, ground was broken on the United States' largest biodiesel manufacturing plant. This new plant will employ 50 people while converting agriculture stocks into motor vehicle fuel.

We look forward to developing our arts and are laying the groundwork for a knowledge economy as Hoquiam moves into the third millennium as a town that's still "a good place to grow up in".

## **City Commissions and Boards**

### **Civil Service Commission**

Appointed By: Mayor, subject to approval by the City Council.

Length of Term: 3 years.

Meetings: Last Monday of each month at 9:30 AM.

Duties: To select, appoint, and employ personnel for the Police and Fire Departments, not including the Police Chief and Fire Chief.

### **Library Board**

Appointed By: Mayor and confirmed by the City Council.

Length of Term: 5 years.

Meetings: 2<sup>nd</sup> Wednesday of each month at 4:00 PM at the Library.

Duties: The management and control of the Library including supervision, care and custody of all property of the library.

### **Cemetery Board**

Appointed By: Mayor and confirmed by the City Council.

Length of Term: 5 years.

Meetings: 3<sup>rd</sup> Thursday of each month.

Duties: The proper operation, maintenance and improvement of the municipal cemetery.

### **Community Services Board**

Appointed By: Mayor and confirmed by the City Council.

Length of Term: 4 years.

Meetings: 1<sup>st</sup> Friday of each month at 12:00 PM.

Duties: Advise the Council regarding the general planning, supervision and control of all parks, stadium, recreational facilities and programs, and community services of the City.

### **Planning Commission**

Appointed By: Mayor with consent of the Council

Length of Term: 4 years.

Meetings: 2<sup>nd</sup> Thursday of each month at 7:30 PM.

Duties: (1) Preparation and review of the comprehensive plan for the city;  
(2) Review and recommendation on all applications for amending comprehensive plan and development regulations as provided in RCW 35A.63.100; and  
(3) Such other advisory duties as may be assigned to it by the mayor and city council.

### **Building Code Council**

Appointed By: Mayor and approved by the Council.

Length of Term: 4 years.

Meetings: As needed, but at least once every three months.

Duties: (1) Review enacted and proposed building, plumbing, electrical, housing, mechanical, and dangerous structures codes and proposed amendments or changes in these codes, to solicit public input, and to make recommendations to the city council;

(2) Research, recommend and promote uniform regulations, legislation, and enforcement pertaining to all phases of building construction and related codes;

(3) Advise and assist the various departments of city government when requested in the administration and enforcement of laws and ordinances pertaining to building, construction and related work; and

(4) Act as the board of appeals for the uniform building, plumbing, mechanical, electrical, fire, and abatement of dangerous building codes.

### **Hoquiam's City Council Mission**

The City of Hoquiam is committed to improving the quality of life for its citizens by diversifying its industrial base, increasing business and housing opportunities, while providing safe communities and opportunities for all.

### **Hoquiam's City Council Vision**

Hoquiam is known for its vibrant business districts, green industries, safe and attractive neighborhoods, cultural arts and celebrates its rich heritage.

### **Hoquiam's City Council Values**

We welcome all who desire to call Hoquiam home.  
We value and utilize the skills and talents of our citizens.  
We seek to make change a positive force.  
We encourage diversity.  
We value our City employees.

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## II. THE BUDGET PROCESS

The previous section of the budget explained the purpose of the budget document. This section provides a detailed explanation of the process involved in completing the budget document.

### A Biennial Budget

On April 24<sup>th</sup>, 2006, the Hoquiam City Council passed Ordinance No. 2006-15, in accordance with RCW 35A.34, which provided for a two-year fiscal biennium budget. Hoquiam operates under the provisions of this budget ordinance during the 2007-2008 biennium. In Washington State, the fiscal biennium must begin in odd-numbered years.

# CITY OF HOQUIAM

## 2007-2008 Budget Calendar

June 2006						
S	M	T	W	Th	F	S
				1	2	3
4	5	6	7	8	9	10
11	(12)	13	14	15	16	17
18	19	20	21	22	23	24
25	(26)	27	28	29	30	

July 2006						
S	M	T	W	Th	F	S
30	31					1
2	3	4	5	6	7	8
9	(10)	11	12	13	14	15
16	17	18	19	20	21	22
23	(24)	25	26	27	28	29

August 2006						
S	M	T	W	Th	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	(14)	15	16	17	18	19
20	21	22	23	24	25	26
27	(28)	29	30	31		

September 2006						
S	M	T	W	Th	F	S
					1	2
3	4	5	6	7	8	9
10	(11)	12	13	14	15	16
17	18	19	20	21	22	23
24	(25)	26	27	28	29	30

October 2006						
S	M	T	W	Th	F	S
1	2	3	4	5	6	7
8	(9)	10	11	12	13	14
15	16	17	18	19	20	21
22	(23)	24	25	26	27	28
29	30	31				

November 2006						
S	M	T	W	Th	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	(13)	14	15	16	17	18
19	20	21	22	23	24	25
26	(27)	28	29	30		

December 2006						
S	M	T	W	Th	F	S
31					1	2
3	4	5	6	7	8	9
10	(11)	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

○ Regular Council Meeting

□ Budget Study Session

## **Budget Calendar**

The adoption of a budget for code cities in the State of Washington is defined by state law. Finance Department staff began the preparation of the 2007-2008 biennial budget during the summer of 2006. By the end of September, a preliminary budget was completed. Staff presented the proposed budget to the Council by November, and public hearings are held throughout November to review and analyze it. The budget process ends when the final budget is adopted on or before December 31, 2006 by the Hoquiam City Council.

The following calendar chronologically lists the steps involved in adopting and implementing the City of Hoquiam's budget for the 2007 – 2008 biennium.

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**June 12** – Finance Department staff develop revised budget instructions and forms to comply with biennial budget requirements.

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**July 17** – Finance Department completes initial 2007-2008 revenue forecast for all funds, establishes year end reserve and fixed cost targets. Provides a basis for departmental operating budget allocation limits.

**July 26** – Distribute budget development instructions and forms to City Departments.

**July 26 – September 1** – Staff budget development.

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**September 1** – Clerk compiles budget requests.

**September 4 – September 15** – Finance Department compiles and refines preliminary budget requests.

**September 13** - Preliminary Budget delivered to Mayor.

**September 25** - Preliminary Budget delivered to Council.

**September 20 – September 29** – City Administrator meets with Departments to make final revisions to preliminary budget.

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**October 23** – Council public hearing on revenues/property taxes associated with the 2007-2008 budget.

**October 23** – Finance Department publishes recommended budget document.

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**November 1** – Council budget study session.

**November 13** – First Council public hearing on the 2007-2008 budget.

**November 27** – Second and final Council public hearing on the 2007-2008 budget.

**November 27** - Council adopts the Budget.

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**December 1-December 31** – Finance Department publishes 2007-2008 budget document.

## **Budget Development Process**

For the 2007-2008 budget, the City utilized a familiar budget development process designed to provide allocated funding for current service levels. The process began by allowing each department to determine appropriate funding levels to maintain current service levels. Requests for expanded service levels and capital expenditures could be requested separately.

The administration selected this approach because it acknowledges the fixed nature of the City's core services, and allows staff to focus available time and energy analyzing those elements of the proposed budget that are not fixed – such as requests for new staff or activities, capital items or equipment. This process also allows more time for managers to spend managing and implementing the budget and less time developing, documenting, and justifying its budget.

The current services allocated to each department provides the following resource levels:

- 100% of forecasted payroll expenses for current employees.
- 100% of known appropriations for all fixed contract, debt service, and other costs
- 100% of current year appropriations for supplies and other services expense categories.

This budget does not include funding for one time expenses, capital items, and expanded service requests. These requests required review and approval by the City Manager prior to recommendation for funding by the City Council.

This approach provides a basis for reallocating budget authority to meet the changing needs of the organization.

## **Basis of Budgeting**

The City prepares a cash basis budget in accordance with RCW 35A.33. A cash basis budget recognizes transactions only when cash is increased or decreased. For example, tax revenue is only recognized when a check is received from the County not when assessments are mailed at the beginning of the year as in the accrual basis.

The departments of the City and their conforming financial statements are organized by funds. The City's general government operates on the cash basis of accounting, recognizing revenues and expenses only when received or paid in cash. Inventory items are expenses when purchased, and purchases of fixed assets are expensed during the year acquired rather than being capitalized and depreciated over future periods.

## **Balancing the Budget**

The City is required, according to RCW 35A.34.120, to adopt a balanced budget by December 31, 2006. A balanced budget can include the use of the unencumbered balance (reserves) estimated to be available at the close of the current fiscal biennium.

## **Amending the Budget**

The Mayor is authorized to transfer budgeted amounts between departments within any fund except the General Fund. The General Fund was adopted by Department and as such each of the departments in the General Fund are treated as separate funds for budgeting purposes. Any revisions that alter the total expenditures of a fund must be approved by the City Council. When the Council determines that it is in the best interest of the City to increase or decrease appropriation for a particular fund, they may do so by adopting an ordinance with a simple majority vote.

### **III. GOALS AND POLICIES**

This section includes a statement of policies and goals approved by the City Council in the winter of 2006 in preparation of the biennial budget. Additionally, policies are included that were approved and provided to the administration as a direction for budget implementation in 2007-2008.

The purpose of this section is to provide the administration a guide for execution of the Council's adopted 2007-2008 budget.

## **GOALS**

The City Council developed a series of goals, to be viewed as stepping stones to reach the Council's Vision for the City of Hoquiam.

The 2007-2008 Budget follows the goals outlined by the City Council to address the operating responsibilities for fiscal years 2007 and 2008.

### **Short Term Financial Goals**

- Increase sales tax revenues by growing our existing businesses.
- Maintain our general fund operating reserve and revenue stabilization fund.
- Optimize the funding and timing for vehicle replacements.
- Update all City fees for services.
- Develop a plan for sidewalk improvements.

### **Short Term Non-Financial Goals**

- Improve the appearances of our neighborhoods by increasing abatement of structures and stepping up public nuisance enforcements.
- Enhance communications with the residents and businesses in the City and the region.
- Get creative with incarceration of criminals and offenders.
- Develop a plan for replacing the transmission line.
- Complete an update of the Comprehensive Plan and Critical Areas Ordinance.

### **Long Term Financial Goals**

- Complete a workable capital projects plan.
- Develop an honest, realistic street improvement plan.

### **Long Term Non-Financial Goals**

- Build a strong, community based public safety approach and integrate it into all facets of City operations
- Begin implementation of the Community Development Plan
- Improve relations with Grays Harbor County, the Port of Grays Harbor, and the Quinault Indian Nation in order to leverage our resources
- Increase the level of volunteer support throughout the City.
- Establish Hoquiam as an economic leader and job center in Grays Harbor by attracting high quality office, retail and industrial businesses.
- Improve the access and amenities to our waterfront.
- Increase incentives for new housing and the number of owner occupied homes by Citizens of Hoquiam.
- Continue to diversify the downtown experience for residents and visitors alike.
- Reach agreement on provision of water and sewer in County areas to the west of the City limits.

## **POLICIES**

The City Council developed a series of financial and non-financial policies to guide the staff in their day to day operations of the City.

### **Financial Policies**

#### **CITY OF HOQUIAM FISCAL POLICY**

##### **1. General Financial Goals**

- a. To maintain a financial base sufficient to sustain an acceptable level of municipal services which is directed to maintain the social well being and physical conditions of the City.
- b. To be able to withstand local and regional economic trauma, to adjust to changes in the service requirements of the community, and to respond to other changes as they affect the City's residents.
- c. To maintain a good credit rating in the financial community and assure taxpayers that Hoquiam city government is well managed financially and maintained in sound fiscal condition.

##### **2. Operating Budget Policies**

- a. The base operating budget is the City's comprehensive two-year financial plan which provides for an acceptable level of services as defined by the City's goals and objectives. The base budget will be redefined every two years by incorporating newly-approved programs, inflationary increases, and other uncontrollable expenses, and will be void of non-recurring expenses of the preceding two years. The analysis and review of new programs must be initiated prior to inception of the Council's budget review process.
- b. Revenues and expenditures for the General Fund and all operating funds shall be projected for the ensuing biennium.
- c. Biennial operating budgets should provide for acceptable design, construction, maintenance and replacement of the City's capital, plant, and equipment.
- d. The City will strive to maintain all its assets at an acceptable level to protect the City's capital investment and to minimize future maintenance and replacement costs.
- e. The City will endeavor to project its equipment replacement and maintenance needs for the next several years and will attempt to update this projection every two years. From this projection, a maintenance and replacement schedule may be developed and followed.
- f. All general government current operating expenditures will attempt to be paid from current revenues and cash carried over from the prior biennium. Current revenues and operating expenditures will be reviewed quarterly during the year. The City will try to avoid budgetary and accounting procedures which balance the

current budget at the expense of future budgets. All budgetary procedures will conform to existing state and local regulations.

- g. All supplemental appropriations for programs (appropriations requested after the original budget is adopted) will only be approved after consideration of the availability of revenues.
- h. No operating department shall spend more than 60% of their biennially appropriated amounts, by the end of the first year of a biennium, without approval by the City Council.

### **3. Revenue Policies**

- a. The City will try to maintain a diversified and stable revenue system to shelter it from short-term fluctuations in any one revenue source. The revenue mix should combine fixed and variable revenue sources to minimize the effect of an economic downturn.
- b. Because revenues, especially those of the General Fund, are sensitive to both local and regional economic activities, revenue estimates adopted by the City Council should be conservative.
- c. The City will estimate its biennial revenues by an objective, analytical process.
- d. The City will project revenues for the next four years and will update this projection during each biennial budget process. The Finance Department will annually review and make available to the Regulatory Committee an analysis of each potential revenue source, as needed.
- e. The City will establish all user charges at a level related to the cost of providing the service.
- f. The City will regularly revise user fees with a review by the Mayor to adjust for the effects of inflation.
- g. The City will set fees and user charges for each enterprise fund, such as Water, Sewer and Stormwater, at a level that fully supports the total direct and indirect cost of the activity. Indirect costs include the cost of annual depreciation of capital assets.
- h. The City will set fees for other user activities, such as recreational services, at a level to support the direct and appropriate indirect costs of the activity.

### **4. Expenditure Policies**

- a. The City will maintain a level of expenditures which will provide for the public well being and safety of the residents of the community.
- b. The City will attempt to only propose operating expenditures which can be supported from ongoing operating revenues.
- c. The City will maintain expenditure categories according to state statute and administrative regulation.
- d. Services will parallel and adjust to the City's revenue sources in order to maintain

the highest level of service. During periods of economic upturn, long-term expansion of core services will be limited to the anticipated increase of those sources.

- e. The City will attempt to forecast its General Fund expenditures for each of the next six years and will endeavor to update this forecast every year. Expenditure forecasts should be cognizant of the fixed and variable nature in its structure of revenues.

## **5. Capital Investment Budget Policies**

- a. The City will attempt to make all capital improvements in accordance with an adopted capital investment program.
- b. The capital investment program and the base operating budget should be reviewed at the same time. This will insure that the City's capital and operating needs are balanced with each other.
- c. The City will attempt to develop a multi-year plan for capital improvements including operations and maintenance costs and update it every two years. Future capital expenditures necessitated by changes in population, changes in real estate development, or changes in the economic base should be calculated and included in capital budget projections.
- d. The City will identify the estimated costs and potential funding sources for each capital project proposal before it is submitted to Council for approval. The City will use intergovernmental assistance (grants) and other outside resources whenever possible.
- e. The City will determine the least costly financing method for all new projects.

## **6. Short-Term Debt Policies**

- a. Short-term debt covers a period of three years or less.
- b. The City may use short-term debt to cover temporary cash flow shortages which may be caused by a delay in receipting tax revenues or issuing long-term debt.
- c. The City may issue interfund loans rather than outside debt instruments to meet short-term cash flow needs. Interfund loans will be permitted only if an analysis of the affected fund indicates excess funds are available and the use of these funds will not impact the fund's current operations. All short-term borrowing will be subject to Council approval by ordinance or resolution, and will bear interest based upon prevailing rates.

## **7. Long-Term Debt Policies**

- a. The City will confine long-term borrowing to capital improvements that cannot be financed from current revenues.
- b. Acceptable uses of bond proceeds can be viewed as items which could be capitalized and depreciated. Refunding bond issues designed to restructure currently outstanding debt is also an acceptable use of bond proceeds.

- c. Where possible, the City will use special assessment revenue, or other self-supporting bonds instead of general obligation bonds.
- d. The City will not use long-term debt for current operations.
- e. The City will maintain good communications with bond rating agencies about its financial condition. The City will follow a policy of full disclosure on every financial report and bond prospectus.
- f. **General Obligation Bond Policy**
  - 1) Every project proposed for financing through general obligation debt should be accompanied by a full analysis of the future operating and maintenance costs associated with the project.
  - 2) Before general obligation bond propositions are placed before the voters, the capital project under consideration should have been included in the preceding Capital Investment Program. The inclusion should include a general description of the project, its timing and financial limits. Subsequent inclusions should become increasingly specific.
  - 3) Bonds cannot be issued for a longer maturity schedule than a conservative estimate of the useful life of the asset to be financed.
- g. **Limited Tax General Obligation Bond Policies**
  - 1) As a precondition to the issuance of limited tax general obligation bonds, all alternative methods of financing should have been exhausted.
  - 2) Limited tax general obligation bonds should only be issued under certain conditions:
    - A project in progress requires monies not available from alternative sources.
    - Matching fund monies are available which may be lost if not applied for in a timely manner; or
    - Emergency or catastrophic conditions.
- h. **Financing of Lease Purchases.**

Under Washington State law, the public may vote to approve bond issues for general government purposes in an amount not to exceed 2.5% of assessed valuation. Within the 2.5% limit, the Hoquiam City Council may approve bond issues and/or lease purchases up to 1.5% of the City's total assessed value.

## **8. Reserve Fund Policies**

- a. The City will strive to maintain General Operating Reserves at a level equal to at least 45 days (12.3%) of the total General Fund budgeted revenue excluding and any significant one-time revenue.

These reserves shall be created and maintained to:

- 1) Provide sufficient cash flow to meet daily financial needs

2) Sustain the current level of City services

In general, the City shall endeavor to support ongoing operations with ongoing revenues, but may use reserves on a one-time basis to support City services pending the development of a longer term financial solution. However, the City will strive to use reserves in no more than one biennium to support City operations. If reserves are used, the City will attempt to replenish these reserves at the end of the biennium, if a surplus exists, but no later than the biennium following their use.

- b. It will be the policy of the City to establish a Revenue Stabilization Fund with a goal of at least eight percent (8%) of the total General Fund budgeted revenue, excluding identified one-time revenues. These operating revenues are maintained to:

- 1) Address temporary revenue shortfalls and payment of approved expenditures due to cash flow shortages; and
- 2) Sustain City services in the event of a catastrophic event such as a natural/manmade disaster (e.g. earthquake, windstorm, flood, terrorist attack) or a major downturn in the economy.

Annual contributions will be budgeted from General Fund resources as available to maintain the target level reserve. This shall be in addition to the goal of the maintenance of forty- five days operating cash within the General Fund itself. All expenditures drawn from this fund shall require prior Council approval unless previously specifically authorized by the City Council for expenditure in the annual budget.

- c. In accordance with RCW 35A.33.145, the City will endeavor to maintain a Contingency Reserve Fund with resources not less than \$0.375 per \$1,000 of assessed valuation. Annual contributions will be budgeted from General Fund resources as available to maintain the target level reserve. This shall be in addition to the maintenance of forty-five days operating cash within the General Fund itself. All expenditures drawn from this fund shall require prior Council approval unless previously specifically authorized by the City Council for expenditure in the annual budget.
- d. It will be the policy of the City to maintain at its discretion a Council Projects Fund in amount of \$100,000. This fund will serve as a hedge against economic fluctuations, fund future one-time operational and capital needs or support City services on a one-time basis pending the development of a longer term financial solution. The initial source of funding for this reserve is the 2005 year ending surplus. Restoration of this reserve is at the City's discretion.

## 9. Investment Policies

The Finance Director will submit an investment policy from time to time to the City Council for review and adoption.

## **10. Special Revenue Policies**

- a. The City will establish and maintain Special Revenue Funds which will be used to account for the proceeds of specific revenue sources to finance specified activities which are required by statute, ordinance, resolution, or executive order.
- b. Special Revenue Funds having biennial operating budgets will be reviewed by the City during the budget process.

## **11. Accounting, Auditing, and Financial Reporting Policies**

- a. The City will establish and maintain a high standard of accounting practices.
- b. The accounting system will maintain records on a basis consistent with accepted standards for local government accounting and the State of Washington Budgeting, Accounting, and Reporting Systems (BARS).
- c. Regular monthly, quarterly and annual financial reports will present a summary of financial activity by major types of funds.
- d. Where possible, the reporting system will also provide monthly information on the total cost of specific services by type of expenditure and, if necessary, by fund.
- e. A small and attractive asset system will be maintained to identify all small City assets which have a high dollar value.
- f. The State Auditor's Office will audit City records annually and will issue a financial opinion.

## **12. Budget Calendar**

In order to facilitate and implement the budget process, the Mayor will provide the Council with a biennial budget calendar at the first regular Council meeting in March in every even year.

## **13. Depositing Cash**

Deposits of all public funds shall be made within 24 hours. However, the Police Department may make deposits less frequently but at a minimum, should be done weekly.

## **CITY OF HOQUIAM ASSET POLICY**

1. All fixed assets that can be labeled shall have an identifying mark stating the fixed asset is the property of the City of Hoquiam.
2. All fixed assets will be recorded and tracked in a database managed by the Finance Department.
3. When a fixed asset is relocated to another department. The department relinquishing the item shall inform the Finance Department.
4. Fixed assets cannot be traded, sold, auctioned, gifted, surplus, or junked without authorization from the Finance Department.

5. Annually each department will receive an inventory listing of all fixed assets under their control. At that time each department is to update the inventory listing and provide it back to the Finance Department. All discrepancies shall be reported and explained.
6. Verification of the existence of the fixed assets shall be done annually by the Finance Department on a sampling basis by performing a physical inventory confirming the existence and location of the items.
7. Fixed assets shall be depreciated, if applicable, in accordance with guidelines set forth in the BARS manual.
8. All attractive assets shall be tracked and recorded in a database provided by the Finance Department by each department in control of those assets.
9. Annually each department will have the attractive asset inventory listing under their control verified by the Finance Department on a sampling basis.
10. Attractive Assets cannot be traded, sold, auctioned, gifted, surplus, or junked without authorization from the Finance Department.

## **Non-Financial Policies**

### **CITY OF HOQUIAM EVENTS AND FESTIVALS POLICY**

#### **PURPOSE**

The purpose of this policy is to establish responsibility and describe the internal processes necessary for a special event or festival.

#### **RESPONSIBILITY**

It is the responsibility of the Finance Department to ensure that the policy requirements for special events and festivals are clearly documented and current.

It is the responsibility of the Community Services Department to implement adequate procedures to ensure adherence to the policy requirements.

#### **GENERAL DEFINITIONS**

Cash: For the purposes of this policy, "Cash" may be comprised of coin, currency, checks, money orders, credit card transactions, and electronic fund transfers.

Special event: Include any event which is to be conducted on public property or on a public right of way; and also, any event held on private property which would have a direct impact on traffic congestion; or traffic flow to and from the event over public streets or rights-of-way; or which would significantly impact the need for city-provided emergency services such as police, fire or medical aid.

Vendor: Includes selling, displaying or advertising goods or services in any location not covered by a City of Hoquiam Business License.

## **ACTIVITY SECTION**

### **1. Vendor Registration Required**

- 1.1 No person or organization shall participate in a special event that affects the customary and ordinary use of public streets, rights-of-way, sidewalks and publicly owned property (i.e. parks) without having first completed the necessary permit, application or registration form. If the request to participate in such a special event is for the purpose of political or religious activity intended primarily for the communication or expression of ideas, the application will be administered by the City in a strictly content neutral fashion. The City will not grant or reject an application for a special events permit on the basis of the content of the expression.
- 1.2 A registration for a special event can be obtained at the Community Services Office and must be completed and submitted to the Community Services Department at least 48 hours prior to the event. A completed registration does not constitute approval or guarantee vendor space or guarantee booth size.

### **2. Vendor Responsibilities**

- 2.1 It is the responsibility of the vendor to obtain a Food Handler's or other permit if necessary.
- 2.2 Booth contents, including inventory, are the responsibility of the vendor. The City of Hoquiam does not assume any responsibility for injury to persons, loss or damage to any property.
- 2.3 Each vendor is required to provide their own garbage bags and to keep the area around their booth clean.

### **3. Fees**

- 3.1 Vendor fees, special event fees, admission fees and registration fees vary per event.
- 3.2 All vendor, special event, registration and admission fees are non-refundable.
- 3.3 All vendor, special event, registration and admission fees must be paid in advance.
- 3.4 At no time will the City waive a vendor, special event, registration or admission fee regardless of non-profit status.
- 3.5 At no time will the City discount a vendor, special event, registration or admission fee regardless of non-profit status.

### **4. Cash Handling at City Hall**

- 4.1 Only City employees shall have access to cash and checks and shall be covered under the City's insurance.

- 4.2 The Finance Department performs the central cashing function for all vendor fees and registrations.
- 4.3 All cash and check payments shall be immediately brought to the Finance Department window with the proper, pre-numbered Community Services payment form.
- 4.4 All checks for vendor fees and registrations should be made out to the City of Hoquiam.
- 4.5 A receipt will be provided to the vendor from the Finance Department.
- 4.6 All mail containing checks for vendor fees shall be opened immediately and brought to the Finance Department window with the proper, pre-numbered Community Services payment form on the same day they are received.

**5. Cash Handling Outside of City Hall**

- 5.1 Only City employees shall have access to cash and checks and shall be covered under the City's insurance.
- 5.2 Each cash collection point shall have an individual designated as custodian with specific responsibility for cash handling. Only City employees shall be designated custodians.
- 5.3 The number of employees with access to any cash shall be limited to ensure internal control.
- 5.4 Physical protection of funds through the use of safes, vaults, locked cash boxes or drawers shall be practiced at all times. Locking cash bags will be made available to designated events for transport to the Finance Department for daily deposits.
- 5.5 Cash outside of City Hall will be held to an absolute minimum to insure employee safety and maximize return on investment. Cash shall never be kept overnight outside of City Hall.
- 5.6 Periodic examination, via a physical count or other review of cash funds, may be conducted by authorized personnel not assigned the custodial responsibility.

**6. Cash Receipts**

- 6.1 All City employees charged with the receipting of special event revenues shall be provided a copy of the current fee and rate schedule as well as a copy of this policy.
- 6.2 City employees receipting checks as revenue shall request valid identification and document a driver's license on the face of the check.
- 6.3 All cash collection points shall have a permanent collection record, such as a cash register tap, pre-numbered receipts, or ticket that has the record of transactions including voids, refunds, or cancellations. All revenues collected shall have receipts issued at the point of sale or collection, whether hand written or electronically generated.
- 6.4 All handwritten receipts shall be pre-numbered to account for lapses in sequence.

- 6.5 All tickets sold for entry to an event shall be pre-numbered and be a two-part type.
- 6.6 All voided receipts shall be reviewed and signed by a Department Head. Pre-numbered manual receipts and voids shall be maintained in chronological order.
- 6.7 No checks shall be cashed at cash-collection points. No checks shall be written for more than the appropriate fee or admission. No two party checks will be accepted.
- 6.8 All cash receipts must be protected by using a cash register, locking cash drawer, safe, or other secure place until they are deposited.

## **7. Balancing of Cash Receipts**

- 7.1 All balancing of cash receipts shall take place in front of at least one other City employee or department head.
- 7.2 All funds collected must be balanced daily, by mode of payment, by comparing the total of cash, checks & credit cards to the register totals, pre-numbered receipt totals, or other accounting software cash receipt report totals.
- 7.3 A reconciliation statement shall be completed verifying the cash received matches the receipts.
- 7.4 Over/short amounts must be separately recorded and investigated and resolved to the extent possible.
- 7.5 All employees balancing cash receipts shall sign the reconciliation statement.

## **8. Deposits**

- 8.1 The mandatory operating standard for deposit of cash collections to the City's Finance Department shall be within 24 hours of receipt of those funds. If the 24-hour period falls on a weekend or other period when the City is closed, daily deposits are due to the Finance Department by 10:00 AM the next business day. All deposits not made daily shall be held in a secure location such as the departmental safe, Finance Department safe, or locking cabinet inside City Hall.
- 8.2 All deposits shall be delivered to the Finance Department intact; cash receipts shall never be used to replenish other funds or pay for other event items or services.
- 8.3 A duplicate cash report/reconciliation shall be maintained at the cash collection point. The report shall be signed by the City employee preparing the report, and reviewed and signed by a department head.
- 8.4 The Finance Department will issue a receipt of deposit for reconciliation to the cash-collection point's supporting documentation. This receipt shall be attached to the location's daily cash report/reconciliation and maintained on file.

## **9. Change or Other Working Funds**

- 9.1 Change funds shall be provided on a per event basis if necessary.

- 9.2 Change funds shall be controlled in the same manner as cash receipts; however, change funds are strictly static funds and require no replenishment.
- 9.3 When change funds are no longer needed to conduct business for which they were established, these funds shall be delivered in full to the Finance Department.

## **OTHER ACTIVITIES**

### **1. Bands**

- 1.1 All bands playing in City festivals shall sign an approved contract with the City of Hoquiam prior to the event or festival.
- 1.2 Payments to all bands under contract shall be made by the City within one (1) week of the event.
- 1.3 The City shall not pay for any bands performing on private property.

### **2. Alcohol**

- 2.1 No alcohol shall be consumed on public property or in a public right of way in conjunction with an event or festival.

### **3. Raffles**

- 3.1 The City will conduct all raffles according to Washington State Law and in coordination with the Washington State Gambling Commission.
- 3.2 All cash received from raffles will be handled according to the cash handling sections of this policy.

### **4. Parking**

- 4.1 All receipts from parking fees shall be handled according to the cash handling sections of this policy.
- 4.2 All RV parking requests shall complete the required to complete the necessary application.

### **5. Donations**

- 5.1 All donations to the City of Hoquiam shall become the property of the City of Hoquiam.
- 5.2 Donated items shall not be sold, given away or otherwise disposed of unless declared surplus by the City Council of the City of Hoquiam.
- 5.3 A donation, regardless of apparent value, shall not take the place of a vendor, special event, registration or admission fee.

### **6. T-Shirt and Poster Sales**

- 6.1 T-Shirt and poster sales shall be on an event by event basis.
- 6.2 T-Shirt and poster receipts shall be handled according to the cash handling sections of this policy.

## **EXCEPTIONS**

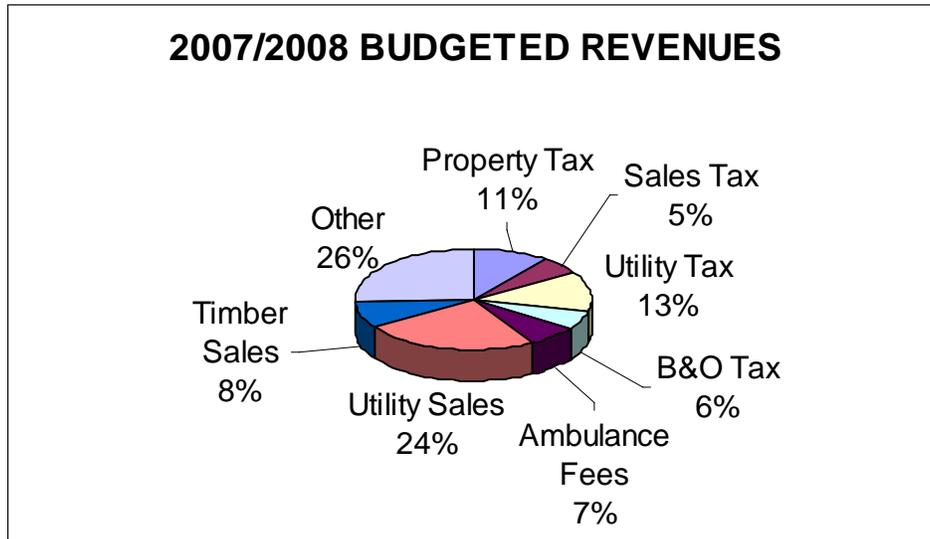
The City Administrator must approve any exceptions to the procedures outlined in this policy. Requests for exceptions to these procedures must be submitted in writing.

### **EMPLOYEE ACCOUNTABILITY**

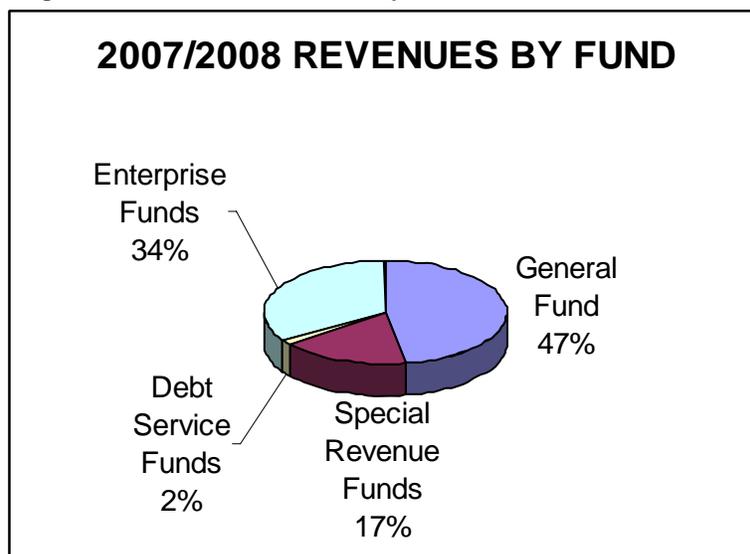
Failure to abide by the guidelines in this policy will result in disciplinary action, up to and including termination of employment.

## IV. REVENUES

This section summarizes City operating revenues from 2000 though forecasted amounts that will support the 2007-2008 budget. The City has many revenue sources, including some larger than others.



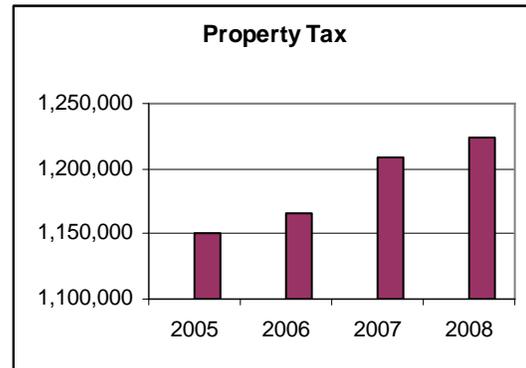
Revenues fit in to one of six funds: the general fund, special revenue funds, debt service funds, capital funds, enterprise funds, internal service funds, and agency funds. Operating revenues are divided into three categories: the general fund, special revenue funds and enterprise funds. These funds collect the vast majority of the revenues of the City. Certain debt service funds and capital improvement funds also collect revenues, but for specific purposes. Please review the debt service and capital improvement sections of this budget document for an analysis of their sources of revenue.



## Summary of Major Locally Levied Taxes and Fees

### 1. Regular Property Tax Levy

	<u>Amount</u>	<u>% Inc (Dec)</u>
2005 Actual	\$1,150,127	3.3%
2006 Forecast	\$1,166,104	1.4%
2007 Budget	\$1,208,597	3.6%
2008 Budget	\$1,224,128	1.3%



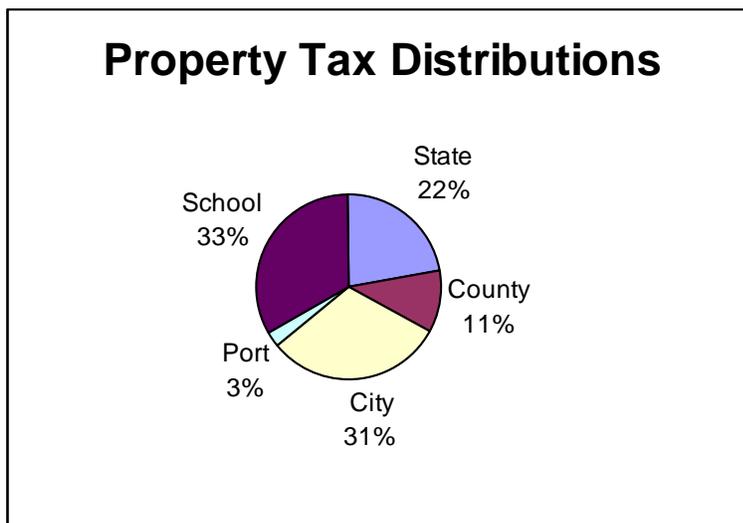
**Maximum Rate:** State law sets the ceiling on the general property tax levy at \$3.375 per \$1,000 of assessed valuation (AV). However, the City is allowed to exceed this ceiling by an additional \$0.225 per \$1,000 of AV to collect revenue for the firefighter's pension. Therefore, the City's maximum rate is \$3.60 per \$1,000 of AV.

2006 Rate: \$3.58/\$1,000 AV  
 2006 Levy: \$1,166,104

2007 Estimated Rate: \$3.44/\$1,000 AV  
 2007 Estimated Levy: \$1,208,597

2007 Estimated Rate: \$3.48/\$1,000 AV  
 2007 Estimated Levy: \$1,224,128

**Maximum Levy:** Current law limits the property tax increase from the prior highest allowable regular levy to 101% plus the value of new construction. This explains the reason for the increase being larger than 1% in 2005 and 2007. The Appendix contains a worksheet detailing the components of the 2007 and 2008 tax levies.

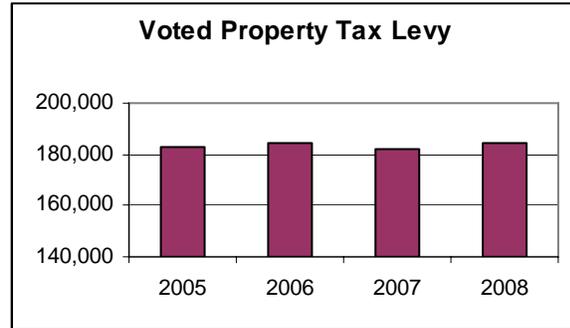


**Distributions:** The City receives only a portion of each tax bill paid to Grays Harbor County. The Hoquiam School District and the State also receive significant shares. The City's share includes a voted tax levy and the EMS levy discussed below.

**Revaluation:** Every four years, the property within the City is revalued by the Grays Harbor County Assessor's Office. The next revaluation is scheduled to take place in 2009 for taxes payable in 2010.

## 2. Voted Property Tax Levy

	<u>Amount</u>	<u>% Inc (Dec)</u>
2005 Actual	\$183,115	-0.4%
2006 Forecast	\$184,802	0.9%
2007 Budget	\$181,820	-1.6%
2008 Budget	\$184,188	1.3%



The voted property tax levy provides for the payment of debt service on the 1995 voter approved general obligation bonds. Bonds were sold totaling \$2.185 million.

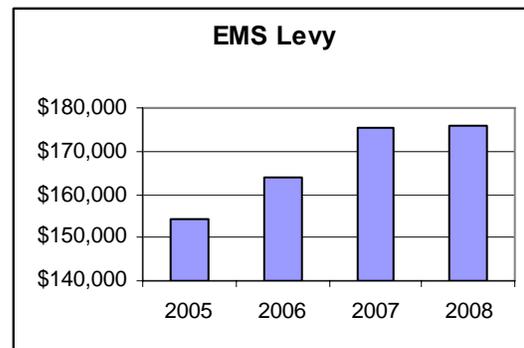
Proceeds from this issue were used to refund the callable portion of three other bond issues totalling approximately \$2,020,000 in total principal. The savings to the City amounted to \$154,000 over the life of the bonds or \$124,000 present value.

The current levy rate on this issue is \$0.56 per \$1,000 of AV. This bond issue will be paid in full on December 31, 2008.

Maximum Rate: The bonds serviced from this revenue source cannot exceed 7.5% of the City's voted property tax levy AV less any councilmatic or lease/purchase bond issues.

## 3. Emergency Medical Services Levy

	<u>Amount</u>	<u>% Inc (Dec)</u>
2005 Actual	\$154,301	N/A
2006 Forecast	\$164,000	6.3%
2007 Budget	\$175,420	7.0%
2008 Budget	\$175,920	0.3%

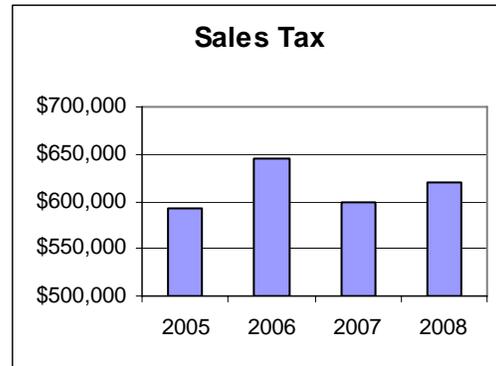


The City asked the voters for authority to levy an additional property tax of 50 cents per thousand dollars of assessed valuation to support emergency medical services in 2004. The levy was passed and was imposed for six years beginning in 2005.

Maximum Rate: The Emergency Medical Services levy can be for a maximum of \$0.50 per \$1,000 of assessed value and assessed up to 6 years. This levy requires reauthorization each time it expires.

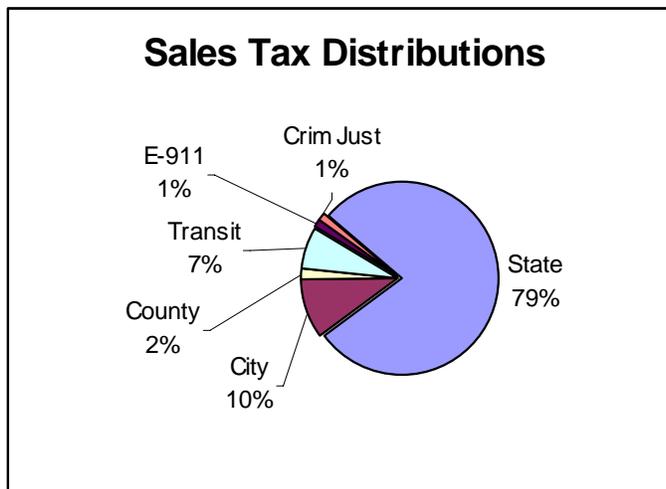
#### 4. Sales Tax

	<u>Amount</u>	<u>% Inc (Dec)</u>
2005 Actual	\$592,088	7.3%
2006 Forecast	\$646,000	9.1%
2007 Budget	\$600,000	-7.1%
2008 Budget	\$620,370	3.4%



Sales taxes are collected by the retailer and must be remitted to the Washington State Department of Revenue monthly. The Department of Revenue collects the tax and distributes it to the City, less 1% of the total reported collections as its fee for

administration. Items, except for food and drugs, sold in Hoquiam are subject to an overall sales tax rate of 8.3%. The City receives 1% of this 8.3% (12% of the total) for items sold within the City limits of Hoquiam.

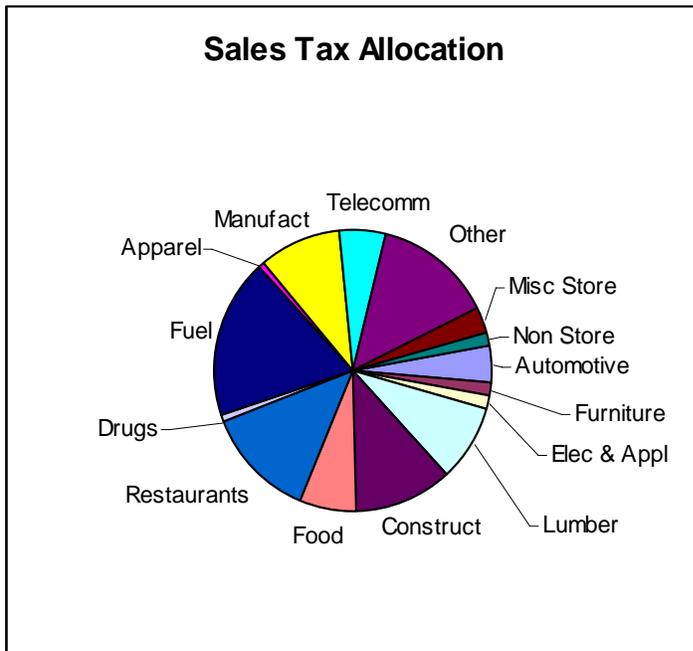


Sales tax is sub-divided into two categories: retail sales and use tax. The use tax applies to the privilege of using tangible personal property in the City purchased at retail from a retailer outside the State of Washington. The overwhelming majority of sales tax is received via retail sales.

The "retail sales" portion of the City's total sales tax revenues comes from many different types of businesses as the pie chart below illustrates. Fuel sales contribute 18% of the City's sales tax receipts. This category is

followed by restaurants (13%) and construction (12%).

The "fuel" category includes deliveries of gas, propane and diesel for consumption in the City limits. The "lumber" category includes sales of building materials. The "food" category includes grocery stores and restaurants. Categories dominated by a single very successful business include: Fuel, Food, Lumber and Automotive.



Retail Sales		
Category	Amount	Percent
Automotive	\$2,665,934	4%
Furniture	\$977,370	2%
Elec & Appl	\$857,756	1%
Lumber	\$5,308,030	8%
Construction	\$7,276,702	12%
Food	\$4,144,424	7%
Restaurants	\$7,844,711	13%
Drugs	\$523,669	1%
Fuel	\$11,507,551	18%
Apparel	\$569,401	1%
Manufact	\$6,036,633	10%
Telecomm	\$3,339,642	5%
Other	\$8,729,591	14%
Misc Store	\$1,793,848	3%
Non Store	\$907,247	1%
<b>Total</b>	<b>\$62,482,509</b>	

**Market Characteristics:** It is estimated that the City captures only 5% of residents' apparel purchases, 16% of furniture and household purchases, but over 80% of restaurant purchases. While the capture rate for restaurants seems high, it is realistic when you consider not only restaurant purchases by Hoquiam residents, but also the number of non-residents that work in Hoquiam and subsequently dine there.

The retail dynamics of Hoquiam are not easily comparable to other cities due to the fact that the City of Aberdeen has a commanding retail presence and is only a short drive away. However, there is significant unmet potential for additional sales in Hoquiam.

**Hoquiam Retailers:** Although Hoquiam has a downtown shopping area and a commercial strip on the east side, it has no malls or big box retailers. Over forty percent of our sales tax comes from five businesses including a fuel distributor, large chain restaurant and a grocery store. The City's dependency upon a relatively few number of businesses is a cause of concern and leaves us highly vulnerable if one of these major businesses moves or closes.

**Streamlined Sales Tax:** The Streamlined Sales and Use Tax Agreement (SSUTA) was developed to radically simplify and modernize sales and use tax collection for all businesses. It includes simplifying tax laws, improving the efficiency of tax administration, and adopting new technologies that significantly reduce the burden of tax collection.

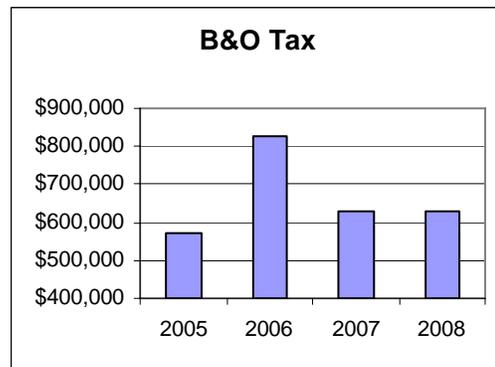
Currently 18 states are members of the SSUTA. Although the state of Washington is not a member, Washington businesses may register to collect sales and use tax on sales into member states and receive certain benefits.

The biggest change by adopting the SSUTA will be a move from applying sales tax at the origin of the purchase to the destination of the purchase. This move, if adopted by the State of Washington, will have a negative impact on the City of Hoquiam. However, the State has offered full mitigation to negatively impacted cities.

Budget Assumptions: Estimated sales tax receipts are \$600,000 and \$620,370 for 2007 and 2008 respectively. The 2007 amount is a decrease of -7.1% from forecasted 2006 amounts. While we do not perceive a decrease in economic activity, staff wants to be conservative based upon the large increase over 2005. Also, retail sales are very vulnerable to swings in consumer behavior and the City does not want to be overextended in a downswing. Since 2000, the sales tax receipts have grown at an average annual rate of 4.4%. For 2008, this number was discounted at 75% to come up with an increase of 3.4% over comparable 2007 amounts.

## 5. Business and Occupation Tax

	<u>Amount</u>	<u>% Inc (Dec)</u>
2005 Actual	\$570,693	-5.3%
2006 Forecast	\$825,000	44.6%
2007 Budget	\$630,000	-23.6%
2008 Budget	\$630,000	0.0%



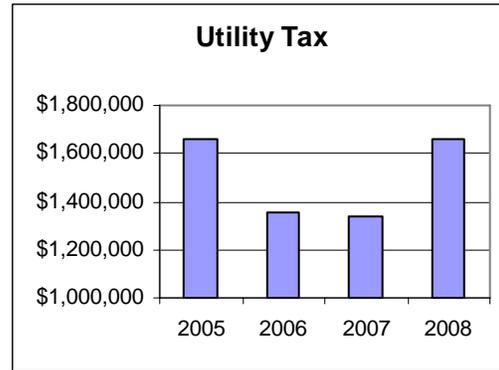
The City levies a Business and Occupation (B&O) tax on gross receipts for the act or privilege of engaging in business activities within the city. State law permits up to a 0.2% B&O Tax. The B&O Tax is unpopular with some businesses as it does not take into account the profitability of the business. The B&O Tax is imposed by 25 of the 288 cities in Washington.

The B&O Tax is the City's second largest single revenue source next to property taxes. However, the bulk of the City's B&O Tax collections come from a relative few number of large manufacturers including a paper company, two lumber companies, and a ship builder. The City's dependency upon a relatively few number of businesses is a cause of concern and leaves us highly vulnerable if one of these manufacturers moves or closes.

Budget Assumptions: Estimated B&O Tax receipts are \$630,000 each year for 2007 and 2008. The 2007 amount represents a -23.6% decrease from forecasted 2006 amounts. Alternatively, the forecasted increase for 2006 over 2005 is 44.6%. The B&O tax is not always paid on time and can be skewed from year to year if a large business pays their taxes late. Therefore, we have budgeted B&O Tax revenue at an amount we have determined to be a normal operating year if all taxes were paid on time.

## 6. Utility Taxes

	<u>Amount</u>	<u>% Inc (Dec)</u>
2005 Actual	\$1,663,896	18.6%
2006 Forecast	\$1,247,920	-25.0%
2007 Budget	\$1,354,340	-1.3%
2008 Budget	\$1,661,660	24.3%



State law enables cities to impose a Utility Tax on natural gas, telephone and electricity up to 6% unless a higher rate is approved by the voters. A tax is also permitted on cable, solid waste, water, sanitary sewer and storm water.

No rate limitation exists on this second category of utilities.

The City imposes the following taxes:

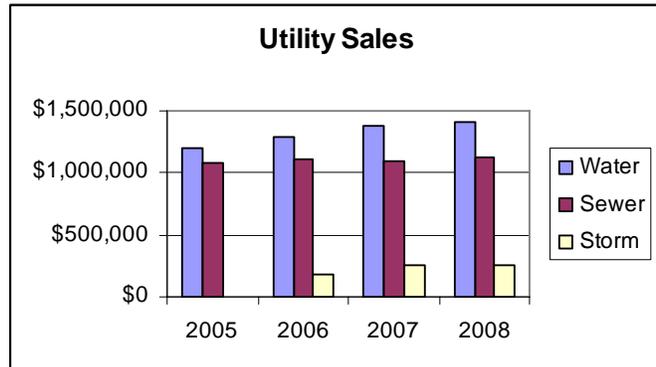
- Natural Gas - 6%
- Telephone - 6%
- Electricity - 6%
- Cable TV - 8%
- Water - 8%
- Sanitary Sewer - 8%
- Storm Water - 8%

Approximately 133 of the 288 cities in Washington impose some type of Utility Tax. Increases in gas and electrical rates do not typically bode well for consumers, but can have a positive effect on utility tax revenues. Also, changing weather conditions can have an effect, positive or negative, on utility tax revenues.

Budget Assumptions: Due to the complex utility industry, legislative changes and changing weather conditions, accurately predicting total revenues is extremely difficult. The budgeted revenue for 2007 is essentially the same as the 2006 forecasted amounts. 2007 budgeted revenue of \$1,354,340 is -1.3% less than 2006 forecasted amounts primarily due to the absence of an additional utility tax on water, sewer and storm that was eliminated in January of 2006. For 2008, we increased the electric tax by approximately \$304,000 based upon the estimated installation of a 7.5 megawatt turbine generator being installed at Grays Harbor Paper. This new generator will be generating additional power and putting it on the grid, of which the City will receive a 6% tax from the Grays Harbor Public Utility District.

## 7. Water, Sewer and Storm Sales

	<u>Amount</u>	<u>% Inc (Dec)</u>
2005 Actual	\$2,286,788	1.3%
2006 Forecast	\$2,569,965	12.4%
2007 Budget	\$2,739,200	6.6%
2008 Budget	\$2,780,100	1.5%



The City of Hoquiam operates a water, sanitary sewer and storm water utility.

The rates pay for most of the costs of providing these services in our community. Some other sources, including late fees and interest earnings contribute to the operational costs. This utility is run as a business, meaning sufficient revenues need to be generated to cover all costs, including capital.

The rate structure for water and sewer was revised in 2005 and the City adopted rates until 2008. In 2006, a separate storm water component was created from the existing sewer component.

Budget Assumptions: Storm revenues are lacking compared to budget. The Council will need to address the rate model early in 2007 and rates will likely need to be increased slightly. With the necessary rate revisions adopted by the City Council, this utility should see an overall revenue increase of 6.6% in 2007 and 1.5% in 2008. 2007 and 2008 revenues are \$2,739,200 and \$2,780,100 respectively.

## 8. Other Revenue Sources:

### Ambulance Fees

Ambulance charges are as follows: \$622.00 for basic life support; \$881.00 for advanced life support; and \$12 per mile for mileage. We expect modest growth in this account as the population increases and ages. There is a significant delay in the collection of ambulance receipts due to insurance and medicare claims processing. Total budgeted revenue for 2007 and 2008 is \$810,000 and \$822,600 respectively.

### Ambulance Utility Fees

The City created an Ambulance Utility pursuant to RCW 35.21.766 in 2006. This Ambulance Utility charges homeowners \$9.58 per month for the purpose of regulating users and providing ambulance services. Total budgeted revenue for 2007 and 2008 is \$450,000 in each respective year.

### Animal Licenses

Residents must purchase a \$5 or \$20 dog or cat license annually depending upon whether or not the animal has been altered. Total budgeted revenue for 2007 and 2008

is \$2,055 and \$2,115 respectively. The animal license fees were revised on September 26, 2006.

### **Building Permits**

Building permits must be purchased prior to construction. Permit fees vary depending upon the nature of the construction. 2007 and 2008 budgeted amounts are \$66,840 and \$68,275 respectively. The City is currently reviewing the building fees and will present an updated fee schedule to the City Council in the first quarter of 2007. No change has been made to the budget that takes into account the new fee structure.

### **Business Licenses**

Business licenses are issued annually and are valid from January 1 through December 31. Business license fees are \$50 per year for most businesses. Total 2007 and 2008 budgeted revenues are \$47,380 and \$48,715 respectively.

### **Cable TV Franchise**

The local cable carrier must remit 5% of total revenues monthly to the City as payment for a franchise agreement. Total 2007 and 2008 budgeted revenues are \$87,405 and \$89,875 respectively. The City has one cable provider (Comcast).

### **Cemetery Fees**

The City owns and operates 40 acre Sunset Memorial Park in Hoquiam. Sale of grave spaces and crypts pay for most of the costs of operating the Cemetery. However, a subsidy from the General Fund has been necessary in past years. Rates vary depending upon the section and location. Total 2007 and 2008 budgeted revenues are \$114,113 and \$117,325 respectively.

### **City Assistance from the State**

The Legislature established this distribution in an effort to assist cities that suffered from the loss of Motor Vehicle Excise Tax funds due to the passage of Initiative 695. The amounts each year come from excess Real Estate Excise Taxes received by the State. However, they require legislative appropriation each year and are not a secure funding source. With the recent upturn in the real estate market, the State has funded the City Assistance in full each year. Therefore, we have budgeted 100% funding in each year of the next biennium. Total 2007 and 2008 budgeted revenues are \$100,000 and \$100,000 respectively.

### **Court Fines**

Court fines are received from tickets issued by City police officers and other law enforcement agencies that operate from time to time in the City of Hoquiam (Washington State Patrol, Grays Harbor County Sheriff). The fines are collected by the Court Clerk and remitted to the State with a share coming directly to the City depending on the fine. Court fines saw a dramatic decrease beginning in 2003 when the jail was closed. However, for the 2007-2008 biennium we have increased these revenue projections slightly based upon increased ticket volume, increased collection efforts and

the advent of weekend jail sessions. Total 2007 and 2008 budgeted revenues are \$90,070 and \$91,555 respectively.

### **Gambling Excise Taxes**

The City has the following gambling taxes:

- Bingo and raffles - 7.5% of gross less prizes awarded
- Punch boards and pull tabs (commercial) - 3% of gross
- Punch boards and pull tabs (charitable) - 7.5% of gross less prizes awarded
- Card games - 20%

Casinos and tribal gaming operations have negatively impacted this revenue source in recent years. Total 2007 and 2008 budgeted revenues are \$33,000 and \$34,000 respectively.

### **Garbage Service Franchise**

The local garbage service provider must remit 5% of total revenues monthly to the City as payment for a franchise agreement. Total 2007 and 2008 budgeted revenues are \$55,000 and \$57,000 respectively. The City has one garbage provider (Hometown Sanitation).

### **In Lieu of Taxes**

The Revised Code of Washington allows cities to impose excises for regulation in regard to all kinds of businesses. As such, the City imposes a 10% charge on the operating revenues of each of the City owned utilities. The In Lieu of Taxes acts like a business license and attempts to replace the property taxes the utilities would normally pay if they were not exempt. The Solid Waste Utility was removed from this calculation in 2004 and the Storm Water Utility was added to this calculation in 2006. Total 2007 and 2008 budgeted revenues are \$273,920 and \$278,410 respectively.

### **Interest Earnings**

The City earns interest income from purchasing U.S. Treasuries and collateralized Certificates of Deposits. Additionally, the City earns interest on money held in the State of Washington Local Government Investment Pool (LGIP). Short term interest rates have risen dramatically over the past two years allowing the City to earn more on deposits than in past years. Total 2007 and 2008 budgeted revenues are \$120,000 and \$115,000 respectively.

### **Leasehold Excise Tax**

The State collects a 12.84% tax on government owned property that is leased to private industries. The state then redistributes the money of which the City receives 1% of the 12.84%. The Leasehold Excise Tax essentially acts like a property tax. The Port of Grays Harbor is the primary leaser of public land. Total 2007 and 2008 budgeted revenues are \$28,000 and \$28,950 respectively.

### **Liquor Receipts - Profits and Taxes**

Cities are responsible for policing of liquor establishments located within their limits, but are precluded from taxing them because of the state liquor monopoly. Therefore, state law provides that a share of the state-collected profits and taxes be returned to cities to help defray policing costs. Cities receive a 40% share of the Liquor Board profits and a 27% share of the liquor excise taxes. These moneys are distributed based on population. So, even though Hoquiam does not have a liquor store we receive a portion of this revenue stream. By accepting these moneys, the City must devote at least two percent of the distribution to support an approved alcoholism or drug addiction program. Total 2007 and 2008 budgeted revenues are \$103,575 and \$104,000 respectively.

### **Motor Vehicle Fuel Tax**

The federal and state governments have preempted the taxation of gasoline and therefore the state has provided that the state-collected gasoline tax be shared with cities. The base gas tax in most of Washington is \$.23 per gallon of which the cities receive 10.7% that is distributed based on population.

New transportation funding passed by the Legislature in 2005 provided additional revenues to cities. Cities received 8.3% of an additional three cent tax increase beginning July 1, 2005, and 8.3% of another three cent gas tax beginning July 1, 2006. Cities will receive none of the two cent tax increase beginning July 1, 2007 or the one and one-half cent tax increase beginning July 1, 2008. Total 2007 and 2008 budgeted revenues are \$150,370 and \$152,335 respectively.

### **PUD Privilege Tax**

This tax is imposed on all Public Utility Districts which operate electric generating facilities for the privilege of engaging in the business of generating electricity within the state. The state collects this 2.14% tax annually based on gross revenues. The revenue collected is shared between the state, county, and city, with the county disbursing each share appropriately. Total 2007 and 2008 budgeted revenues are \$70,000 each year.

### **Real Estate Excise Tax**

The real estate excise tax is levied on all sales of real estate, measured by the full selling price. The state levies this tax at the rate of 1.28% while the City rate is 0.25% for a total of 1.53%. The state collects the funds and remits to the Cities monthly. The real estate excise taxes can vary depending upon market conditions and also selling price. The volatile nature of this revenue source has caused us to be conservative with budget assumptions and we are budgeting less revenue than received in any of the last two years. Total 2007 and 2008 budgeted revenues are \$56,000 each year.

### **Timber Sales**

The City of Hoquiam watershed is approximately 6,110 acres located 10 miles north of the City. The City owns and manages forest lands, for timber production, inside the watershed which is used as the City's water supply source. The timber on the watershed contains primarily mixed conifer and red alder. The watershed is currently

on a 100-year harvesting rotation cycle with allowable yearly harvests of approximately 50 acres. Each timber sale is put out to bid to obtain the highest revenue possible for the City. Timber sale proceeds go toward capital investments in the City's water and sewer infrastructure. Total 2007 and 2008 budgeted revenues are \$750,000 and \$1,100,000 respectively.

## Revenue by Fund

This section summarizes City operating revenues from 2000 through forecasted amounts that will support the 2007-2008 budget. Operating revenues are divided into three categories: the general fund, special revenue funds and waterworks utility funds. These funds collect the vast majority of the revenues of the City. Certain debt service funds and capital improvement funds also collect revenues, but for specific purposes. Internal service funds also collect revenue, but from other City Departments. Please review the debt service and capital improvement sections of this budget document for an analysis of their sources of revenue.

Overall, City revenues are on the upswing. General fund revenues had declined an average of 0.1% per year from 2000 through 2005. However, this trend reversed in 2006 and the 2007-2008 biennium is forecasted to continue this growth. The 2007 and 2008 general fund revenues both include a one percent property tax increase in their estimates.

Future property tax increases are now restricted due to Initiative 747, approved by the voters of Washington State in November of 2001. This initiative limits property tax increases to 1% per year or the implicit price deflator, whichever is lower, plus new construction and improvements. This initiative will severely restrict the City's ability to raise future General Fund revenues.

Special revenue fund sources support specific activities of the City. Primary among these sources is:

- Cemetery revenues, received almost exclusively from plot sales, provide for the operation and maintenance of the Cemetery.
- Gas tax revenues. These funds, used to support street maintenance, are projected to remain flat over the foreseeable future.
- Ambulance fees and emergency medical services (EMS) property tax levies which support the City's paramedic services. Ambulance fees are projected to grow steadily over the next few years. The EMS levy is also restricted to 1% growth per year or the implicit price deflator, due to the passage of Initiative 747.
- Hotel-Motel taxes, which are used to support tourism and community event activity of the City.
- Real Estate Excise Taxes, are paid on each sale of real estate, provide a resource for future facility funding.

Water, sewer and storm revenues provide operating and capital improvement resources for the City's water, sewer, storm and shared utility operations.

## **General Fund - #001**

The adjacent pages detail General Fund revenues and transfers in from other funds, budgeted to increase 12.7% from 2006 budgeted amounts. This is far higher than the annual average increase of 1.1% since 2000. The major reason for this increase in revenue is an accounting change. Beginning in 2007, all general property tax revenue will be receipted into the General Fund and then transferred out to other funds as needed (e.g. Cemetery Fund, Street Fund, Unemployment Fund, Police and Fire Pension Fund). With this change, a consistent line item can be tracked showing total general property taxes rather than looking in up to five different fund for this answer.

This analysis illustrates the changes in revenue growth by category over the past five years. The graph entitled "*Revenue History and Forecast*" provides a visual review of General Fund revenues from 2000 though 2010. Forecasted amounts for 2009 through 2010 are projected to include a 1% annual increase in property tax revenue and an overall annual increase in tax revenue conservatively estimated at 1.9%.

The 2007-2008 budget is predicated upon a one percent increase in the regular property tax levy. There are two charts entitled "*Assessed Value and Levy Limit Projections*" that show the details of the property tax levy for 2007 and 2008.

The final pages of this section provide a detailed history of each General fund revenue source from 2000 to the present. These pages indicate revenue trends by category and specific histories of the City's various general government revenue sources.

Other major changes in revenue activity for 2007-2008 includes:

Increased sales tax and B&O tax revenues. These key indicators of economic activity in the City have seen a dramatic rise beginning in the spring of 2006. Sales tax is forecasted to increase 14.2% over budgeted 2006 budgeted levels to \$600,000. B&O taxes are forecasted to increase 9.6% over 2006 budgeted levels. While these are both huge increases, they may even be conservative as we are anticipating meeting both of these targets by the fiscal year end 2006.

Investment interest is budgeted to increase from 2006 budgeted amounts of \$70,000 to \$120,000 in 2007. This increase is due to the rapid rise in interest rates as well as the increase in general fund reserves the City currently has on hand to invest.

Electric utility tax revenues are budgeted to rise dramatically by \$304,370 in 2008. This is due to PUD estimates on new electric utility generation by two businesses located in Hoquiam.

Total tax revenues will increase 13.3% from \$3,726,010 in 2006 to \$4,224,660 in 2007, driven primarily by a change in accounting practices with general property tax revenues. Additionally, as noted above economic activity has increased for the business

community and the City is forecasting this growth to continue in 2007. In 2008, total tax revenues are projected to increase 8.7% over 2007 due to increased general property tax and electric utility tax from electric utility generation.

Intergovernmental revenues increase 11.8% due primarily to the expansion of state shared "city assistance" funds. These are resources earmarked by the Legislature to replace revenues lost due to the roll back in motor vehicle excise taxes (MVET). In 2008, intergovernmental revenues decrease 8.0% from 2007 due to the absence of a grant from the Drug Task Force. This revenue could still be received in 2008, but at the time of this budget that information could not be accurately forecast.

Fines and forfeitures are budgeted to increase 7.7% in 2007 and 1.7% in 2008 due to increased policing efforts.

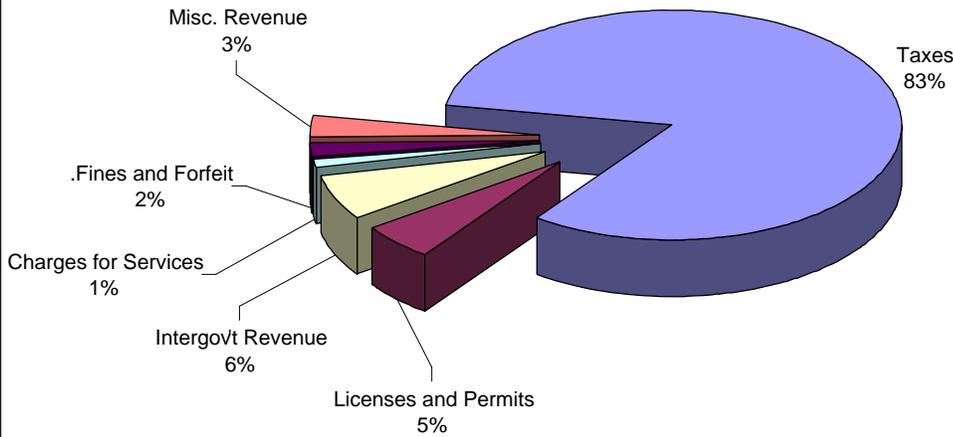
Miscellaneous revenue increases 29.9% in 2007 due primarily to rising interest rates as noted above. These revenues are projected to flatten out in 2008 and a slight decrease in revenue is anticipated.

**City of Hoquiam  
Revenue Forecasting Model  
001 - GENERAL FUND**

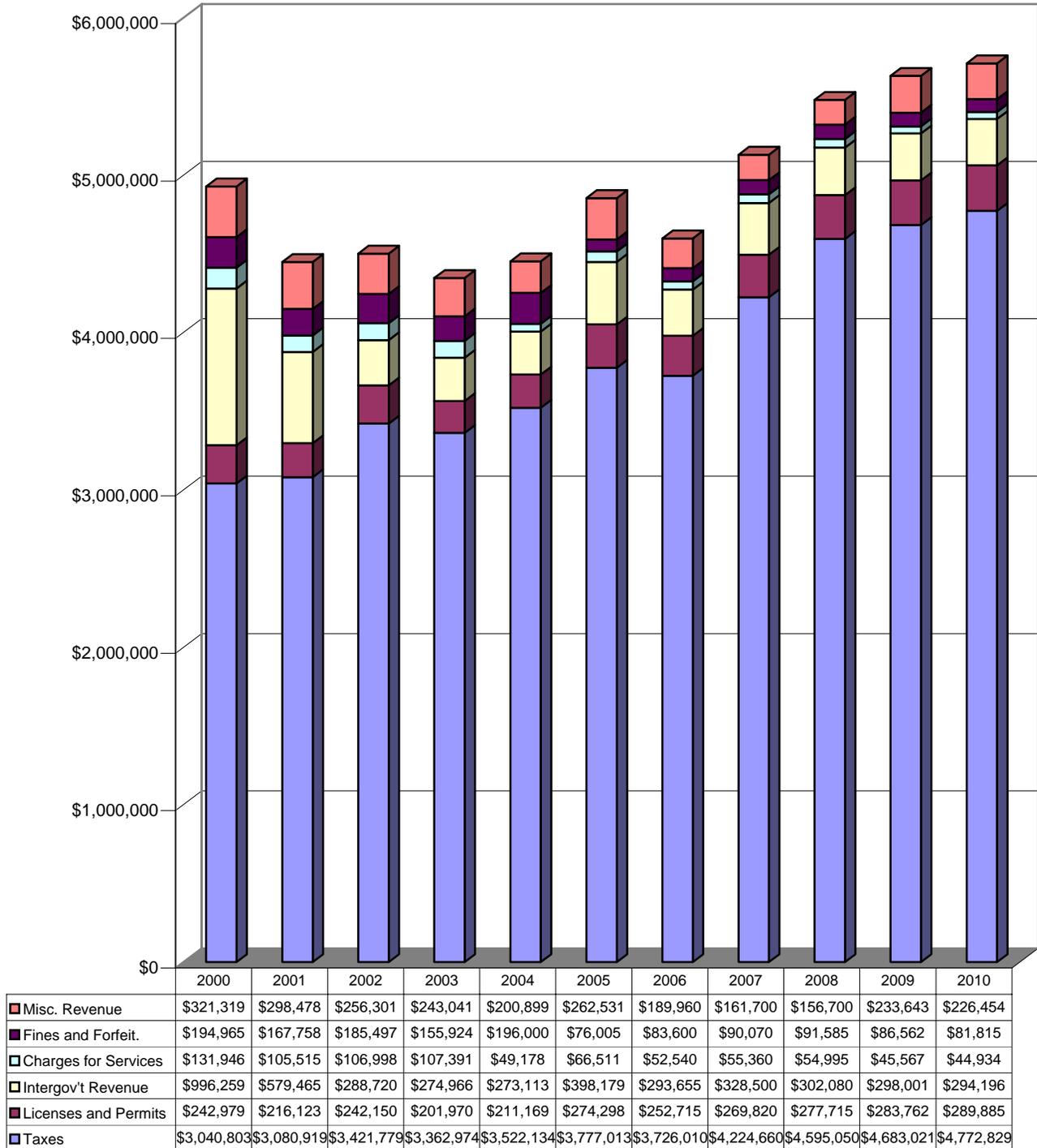
Revenue History and Projections:

Description	Actual 2000	Actual 2001	Actual 2002	Actual 2003	Actual 2004	Actual 2005	Budgeted 2006	Budget 2007	Budget 2008	Forecast 2009	Forecast 2010
Taxes	\$3,040,803	\$3,080,919	\$3,421,779	\$3,362,974	\$3,522,134	\$3,777,013	\$3,726,010	\$4,224,660	\$4,595,050	\$4,683,021	\$4,772,829
Licenses and Permits	\$242,979	\$216,123	\$242,150	\$201,970	\$211,169	\$274,298	\$252,715	\$269,820	\$277,715	\$283,762	\$289,885
Intergov't Revenue	\$996,259	\$579,465	\$288,720	\$274,966	\$273,113	\$398,179	\$293,655	\$328,500	\$302,080	\$298,001	\$294,196
Charges for Services	\$131,946	\$105,515	\$106,998	\$107,391	\$49,178	\$66,511	\$52,540	\$55,360	\$54,995	\$45,567	\$44,934
Fines and Forfeit.	\$194,965	\$167,758	\$185,497	\$155,924	\$196,000	\$76,005	\$83,600	\$90,070	\$91,585	\$86,562	\$81,815
Misc. Revenue	<u>\$321,319</u>	<u>\$298,478</u>	<u>\$256,301</u>	<u>\$243,041</u>	<u>\$200,899</u>	<u>\$262,531</u>	<u>\$189,960</u>	<u>\$161,700</u>	<u>\$156,700</u>	<u>\$233,643</u>	<u>\$226,454</u>
Total General Revenue	\$4,928,271	\$4,448,258	\$4,501,445	\$4,346,266	\$4,452,493	\$4,854,537	\$4,598,480	\$5,130,110	\$5,478,125	\$5,630,557	\$5,710,111
Cumulative % Change from 2000		-9.7%	-8.7%	-11.8%	-9.7%	-1.5%	-6.7%	4.1%	11.2%	14.3%	15.9%
Annual % Change:		-9.7%	1.2%	-3.4%	2.4%	9.0%	-5.3%	11.6%	6.8%	2.8%	1.4%
Average Annual % Change:		-9.7%	-4.3%	-4.0%	-2.4%	-0.1%	-1.0%	0.8%	1.6%	1.7%	1.7%
Non- Revenues	64,213	-	219,904	6,245	1,395,944	570	90,000	-	-	-	-
TRANSFERS IN:	<u>\$163,714</u>	<u>\$86,953</u>	<u>\$81,488</u>	<u>\$157,831</u>	<u>\$104,249</u>	<u>\$50,161</u>	<u>\$74,645</u>	<u>\$65,480</u>	<u>\$75,840</u>	<u>\$52,000</u>	<u>\$52,818</u>
GRAND TOTAL	\$5,156,198	\$4,535,211	\$4,802,837	\$4,510,342	\$5,952,686	\$4,905,267	\$4,763,125	\$5,195,590	\$5,553,965	\$5,682,557	\$5,762,930
Annual % Change:		-12.0%	5.9%	-6.1%	32.0%	-17.6%	-2.9%	9.1%	6.9%	2.3%	1.4%
Cumulative % Change from 2000		-12.0%	-6.9%	-12.5%	15.4%	-4.9%	-7.6%	0.8%	7.7%	10.2%	11.8%
Average Annual % Change:		-12.0%	-3.1%	-4.1%	4.9%	0.4%	-0.1%	1.2%	1.9%	2.5%	2.4%

**2007-2008 General Fund Revenues  
\$10,430,285**



## Hoquiam 2007-2008 Budget 2000-2010 General Fund Revenue History and Forecast



City of Hoquiam Revenue Forecasting Model 001 - GENERAL FUND											
Revenue History and Projections:											
Description	Actual 2000	Actual 2001	Actual 2002	Actual 2003	Actual 2004	Actual 2005	Budgeted 2006	Budget 2007	Budget 2008	Forecast 2009	Forecast 2010
<b>BARS# TAXES</b>											
311.10.C General Property Tax	\$713,437	\$667,316	\$728,533	\$734,549	\$532,377	\$547,552	\$508,590	\$1,208,600	\$1,224,130	\$1,236,371	\$1,248,735
311.30.C Tax Title Property	\$0	\$0	\$0	\$0	\$1,792	\$1,296	\$0	\$0	\$0	\$0	\$0
312.10.C Forest Excise Tax-Private	\$4,353	\$4,128	\$10,317	\$9,209	\$7,956	\$10,026	\$8,600	\$10,000	\$10,000	\$10,226	\$10,458
313.10.C Sales Tax - General	\$511,664	\$487,151	\$572,581	\$497,906	\$551,920	\$592,088	\$525,000	\$600,000	\$620,370	\$634,411	\$648,770
313.71.C Sales Tax - Criminal Justk	\$90,410	\$85,637	\$110,067	\$86,908	\$87,020	\$98,679	\$82,000	\$104,000	\$107,530	\$109,964	\$112,453
314.01.C In Lieu of Taxes - Water	\$110,944	\$102,407	\$113,461	\$111,809	\$113,459	\$120,319	\$137,000	\$138,735	\$140,890	\$144,079	\$147,340
314.02.C In Lieu of Taxes - Sewer	\$94,962	\$95,137	\$95,157	\$92,856	\$94,155	\$108,388	\$107,900	\$110,185	\$112,520	\$115,067	\$117,671
314.03.C In Lieu of Taxes - Storm	\$94,503	\$102,623	\$101,164	\$99,466	\$60,875	\$0	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
316.10.C Business and Occup. Tax	\$536,254	\$586,304	\$553,581	\$536,286	\$602,604	\$570,693	\$575,000	\$630,000	\$630,000	\$644,259	\$658,841
316.20.C Admissions Tax	\$3,727	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
316.43.C Utility Tax - Gas	\$101,122	\$120,316	\$128,186	\$112,537	\$121,827	\$144,431	\$129,000	\$200,000	\$206,790	\$211,470	\$216,257
316.46.C Utility Tax - Cable TV	\$0	\$0	\$0	\$86,170	\$96,662	\$101,429	\$100,000	\$108,000	\$111,600	\$114,126	\$116,709
316.47.C Utility Tax - Telephone	\$117,007	\$115,368	\$114,365	\$101,523	\$96,825	\$109,986	\$104,000	\$110,000	\$113,000	\$115,558	\$118,173
316.51.C Utility Tax - PUD	\$388,989	\$457,161	\$637,926	\$591,850	\$588,879	\$523,564	\$560,000	\$600,000	\$904,370	\$924,839	\$945,771
316.71.C Utility Tax - Water, Sewer,	\$179,042	\$178,666	\$183,953	\$231,820	\$226,630	\$180,944	\$215,920	\$219,140	\$222,505	\$227,541	\$232,691
316.71.C Utility Tax - Bags, Dumpst	\$1,241	\$1,585	\$1,621	\$2,068	\$959	\$0	\$0	\$0	\$0	\$0	\$0
316.71.C Utility Tax - Solid Waste	\$0	\$0	\$0	\$0	\$41,972	\$91,874	\$96,000	\$100,000	\$103,395	\$105,735	\$108,128
316.71.C Utility Tax - 2004 Addition	\$0	\$0	\$0	\$0	\$229,334	\$511,646	\$490,000	\$0	\$0	\$0	\$0
316.71.C Utility Tax - Coll Agency A	\$353	\$703	\$257	\$266	\$243	\$23	\$0	\$0	\$0	\$0	\$0
317.20.C Leasehold Excise Tax	\$34,143	\$26,633	\$26,207	\$26,969	\$26,760	\$28,649	\$26,000	\$28,000	\$28,950	\$29,605	\$30,275
317.50.C Gambling Tax	\$58,652	\$49,784	\$44,403	\$40,782	\$39,885	\$35,425	\$36,000	\$33,000	\$34,000	\$34,770	\$35,556
TOTAL TAXES:	\$3,040,803	\$3,080,919	\$3,421,779	\$3,362,974	\$3,522,134	\$3,777,013	\$3,726,010	\$4,224,660	\$4,595,050	\$4,683,021	\$4,772,829
Annual % Change:		1.3%	11.1%	-1.7%	4.7%	7.2%	-1.4%	13.4%	8.8%	1.9%	1.9%
Average % Change since 2000:		1.3%	6.2%	3.6%	3.8%	4.5%	3.5%	5.0%	5.4%	5.0%	4.7%
<b>LICENSES AND PERMITS</b>											
321.30.C Police & Prot. (Fireworks)	\$50	\$40	\$30	\$30	\$30	\$40	\$40	\$200	\$200	\$200	\$200
321.60.C Professional & Occupatior	\$450	\$675	\$765	\$410	\$60	\$240	\$300	\$300	\$300	\$300	\$300
321.70.C Amusement Licenses	\$4,270	\$2,365	\$1,335	\$1,100	\$1,020	\$1,340	\$600	\$700	\$700	\$700	\$700
321.90.C Business Licenses	\$43,917	\$44,287	\$48,499	\$45,471	\$56,306	\$52,014	\$46,075	\$47,380	\$48,715	\$49,633	\$50,569
321.90.C Vendor Licenses	\$350	\$305	\$559	\$510	\$450	\$500	\$200	\$400	\$400	\$400	\$400
321.90.C Rental Licenses	\$3,135	\$3,638	\$4,395	\$4,755	\$4,417	\$4,837	\$3,500	\$4,400	\$4,400	\$4,400	\$4,400
321.91.C Cable TV Franchise	\$83,199	\$81,073	\$81,511	\$85,671	\$80,551	\$84,524	\$85,000	\$87,405	\$89,875	\$91,569	\$93,295
321.91.C Garbage Service Franchis	\$0	\$0	\$0	\$0	\$0	\$50,772	\$45,000	\$55,000	\$57,000	\$59,000	\$61,000
322.10.C Building Permits	\$100,418	\$74,873	\$95,518	\$56,609	\$60,930	\$71,893	\$65,000	\$66,840	\$68,725	\$70,020	\$71,340
322.10.C Bldg Permit Investigation f	\$0	\$0	\$0	\$0	\$0	\$293	\$0	\$0	\$0	\$0	\$0
322.30.C Animal Licenses	\$2,614	\$2,461	\$2,171	\$2,975	\$2,527	\$1,265	\$2,000	\$2,055	\$2,115	\$2,155	\$2,195
322.90.C Misc. Permits	\$4,576	\$6,406	\$7,367	\$4,439	\$4,878	\$6,581	\$5,000	\$5,140	\$5,285	\$5,385	\$5,486
TOTAL :	\$242,979	\$216,123	\$242,150	\$201,970	\$211,169	\$274,298	\$252,715	\$269,820	\$277,715	\$283,762	\$289,885
Annual % Change:		-11.1%	12.0%	-16.6%	4.6%	29.9%	-7.9%	6.8%	2.9%	2.2%	2.2%
Average % Change since 2000		-11.1%	0.5%	-5.2%	-2.8%	3.8%	1.8%	2.5%	2.6%	2.5%	2.5%

City of Hoquiam Revenue Forecasting Model 001 - GENERAL FUND											
Revenue History and Projections:											
Description	Actual 2000	Actual 2001	Actual 2002	Actual 2003	Actual 2004	Actual 2005	Budgeted 2006	Budget 2007	Budget 2008	Forecast 2009	Forecast 2010
<b>BARS # INTERGOVERNMENTAL</b>											
331.16.5 Fed Grant-Justice Prograr	\$15,000	\$0	\$32,251	\$26,862	\$15,887	\$0	\$0	\$0	\$0	\$0	\$0
331.16.6 Bur of Justice-02/03 Vest i	\$0	\$0	\$0	\$301	\$0	\$0	\$0	\$0	\$0	\$0	\$0
331.16.6 Bur of Justice-03/04 Vest i	\$0	\$0	\$0	\$0	\$2,998	\$0	\$0	\$0	\$0	\$0	\$0
331.83.0 Fed Grant-Employee Trair	\$334	\$0	\$254	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
331.85.0 Firefighter Assistance Gra	\$0	\$0	\$0	\$0	\$13,816	\$60,911	\$0	\$0	\$0	\$0	\$0
332.15.0 Pymt in Lieu of Tax-Dept c	\$3,378	\$2,634	\$2,730	\$2,236	\$2,126	\$2,011	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
332.30.0 In Lieu of Tax-Federal	\$424	\$424	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
333.04.7 Americorp Grant	\$75,700	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
333.04.8 FEMA Share Disaster Reli	\$0	\$0	\$14,808	\$0	-\$15,905	\$0	\$0	\$0	\$0	\$0	\$0
333.16.0 Local Law Enf Block Grant	\$9,999	\$6,562	\$0	\$9,999	\$9,999	\$9,999	\$0	\$0	\$0	\$0	\$0
334.03.0 Traffic Safety Comm Gran	\$3,380	\$8,205	\$1,575	\$2,307	\$0	\$7,794	\$0	\$0	\$0	\$0	\$0
334.04.2 CDBG Funds Planning Se	\$0	\$0	\$0	\$0	\$0	\$24,000	\$0	\$0	\$0	\$0	\$0
334.04.2 CTED for DTF	\$0	\$0	\$0	\$0	\$0	\$0	\$10,000	\$0	\$0	\$0	\$0
334.04.2 State Share Disaster Relie	\$0	\$0	\$2,468	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
334.06.0 L&I Grant for Trainee Cost	\$0	\$2,377	\$356	\$0	\$0	\$113	\$0	\$900	\$900	\$854	\$809
335.00.8 Trailer/RV Excise Tax	\$449	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
335.00.8 Motor Vehicle Excise Tax	\$23,690	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
335.00.9 PUD Priviledge Tax	\$54,757	\$52,587	\$64,410	\$74,980	\$73,249	\$70,094	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000
336.00.8 MV Excise Tax Equalizatic	\$122,248	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
336.00.8 City Assistance from State	\$0	\$0	\$44,000	\$16,600	\$11,100	\$55,552	\$85,800	\$100,000	\$100,000	\$94,834	\$89,936
336.04.2 Local Government Assista	\$547,090	\$374,903	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
336.06.1 Criminal Justice - High Cri	\$0	\$0	\$0	\$0	\$9,936	\$20,047	\$0	\$0	\$0	\$0	\$0
336.06.2 Criminal Justice - Per Cap	\$2,101	\$1,595	\$1,550	\$1,541	\$1,594	\$1,645	\$1,950	\$1,945	\$2,000	\$2,100	\$2,200
336.06.2 Criminal Justice - DCD #1	\$2,187	\$1,728	\$1,673	\$1,732	\$0	\$0	\$0	\$0	\$0	\$0	\$0
336.06.2 Criminal Justice - DCD #2	\$3,069	\$2,517	\$2,444	\$2,549	\$0	\$0	\$0	\$0	\$0	\$0	\$0
336.06.2 Criminal Justice - DCD #3	\$3,067	\$2,515	\$2,441	\$2,560	\$0	\$0	\$0	\$0	\$0	\$0	\$0
336.06.2 Criminal Justice-Special	\$0	\$0	\$0	\$0	\$6,411	\$6,558	\$6,655	\$6,720	\$6,800	\$6,900	\$7,000
336.06.5 DUI Distribution	\$1,278	\$1,413	\$1,549	\$1,515	\$1,497	\$1,494	\$1,500	\$1,385	\$1,275	\$1,209	\$1,147
336.06.9 Liquor Excise Tax	\$29,392	\$30,551	\$31,782	\$32,026	\$34,279	\$36,354	\$34,880	\$37,770	\$38,000	\$38,500	\$39,000
336.06.9 Liquor Profits	\$54,588	\$48,979	\$49,408	\$56,273	\$64,185	\$63,018	\$65,765	\$65,805	\$66,000	\$66,500	\$67,000
337.21.0 Community Grants-Rec Pr	\$0	\$0	\$0	\$9,860	\$622	\$1,300	\$0	\$0	\$0	\$0	\$0
338.21.0 DTF Funding-Aberdeen G	\$27,321	\$26,365	\$19,917	\$18,521	\$26,215	\$22,185	\$0	\$26,870	\$0	\$0	\$0
338.40.0 State Traffic Control	\$15,104	\$15,104	\$15,104	\$15,104	\$15,104	\$15,104	\$15,105	\$15,105	\$15,105	\$15,104	\$15,104
338.54.0 HSD Summer Lunch Prog	\$1,703	\$1,006	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL :	\$996,259	\$579,465	\$288,720	\$274,966	\$273,113	\$398,179	\$293,655	\$328,500	\$302,080	\$298,001	\$294,196
Annual % Change:		-41.8%	-50.2%	-4.8%	-0.7%	45.8%	-26.3%	11.9%	-8.0%	-1.4%	-1.3%
Average % Change since 2000		-41.8%	-46.0%	-32.3%	-24.4%	-10.3%	-13.0%	-9.4%	-9.3%	-8.4%	-7.7%

City of Hoquiam Revenue Forecasting Model 001 - GENERAL FUND											
Revenue History and Projections:											
Description	Actual 2000	Actual 2001	Actual 2002	Actual 2003	Actual 2004	Actual 2005	Budgeted 2006	Budget 2007	Budget 2008	Forecast 2009	Forecast 2010
<u>BARS # CHARGES FOR SERVICES</u>											
341.33.C Court Admin Fees-Warran	5,656	5,619	7,011	5,182	5,419	6,864	\$5,000	\$0	\$0	\$5,500	\$5,500
341.33.C Court Admin Fees-Def Prc	2,627	1,860	2,625	1,979	1,547	835	\$1,000	\$5,500	\$6,000	\$5,777	\$5,562
341.60.C Sale of Maps and Publicat	\$146	\$102	\$24	\$20	\$0	\$39	\$0	\$965	\$925	\$891	\$857
341.60.C Copies and Tapes-Generz	\$1,197	\$1,158	\$792	\$744	\$1,018	\$817	\$500	\$0	\$0	\$750	\$750
341.70.C Non-Retail Sales at the Pc	\$0	\$0	\$96	\$525	\$160	\$0	\$0	\$750	\$750	\$722	\$695
341.70.C Retail Sales at the Pool	\$3,529	\$2,164	\$1,696	\$2,362	\$1,046	\$0	\$0	\$0	\$0	\$0	\$0
341.70.C Pool Vending Machine Sa	\$1,394	\$1,047	\$587	\$1,033	\$724	\$0	\$0	\$0	\$0	\$0	\$0
341.70.C City Logo Sales	\$83	\$32	\$238	\$191	\$157	\$10	\$0	\$0	\$0	\$0	\$0
341.91.C Notary Fees	\$30	\$24	\$20	\$47	\$0	\$0	\$0	\$0	\$0	\$0	\$0
341.96.C Civil Service Exam Fees	\$280	\$2,505	\$390	\$0	\$0	\$465	\$0	\$0	\$0	\$0	\$0
342.10.C Law Enforcement Fees	\$1,707	\$1,481	\$1,966	\$385	\$2,671	\$1,725	\$1,000	\$0	\$0	\$2,000	\$2,000
342.11.C Police Escort Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,000	\$2,000	\$1,000	\$1,000
342.20.C Fire Department Fees	\$9,315	\$8,335	\$11,792	\$9,590	\$9,801	\$9,945	\$9,540	\$10,000	\$10,000	\$9,628	\$9,269
342.33.C Court-Adult Probation	\$150	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
342.36.C Electronic Monitor-Home I	\$9,831	\$5,420	\$3,635	\$1,700	\$0	\$0	\$0	\$0	\$0	\$0	\$0
342.37.C Booking Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000	\$1,000
342.70.C Remaining Garb Collector	\$0	\$0	\$0	\$0	\$791	\$623	\$0	\$0	\$0	\$0	\$0
342.90.C Court-Other Public Safety	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,000	\$2,000
343.90.C Misc Clean Up/Abatement	\$219	\$709	\$174	\$319	\$159	\$918	\$0	\$0	\$0	\$0	\$0
343.93.C Animal Control-Fees/Fines	\$918	\$851	\$1,307	\$2,181	\$2,723	\$1,572	\$2,500	\$0	\$0	\$1,500	\$1,500
347.30.C Public Swim Fees	\$14,542	\$9,139	\$6,731	\$6,761	\$0	\$0	\$0	\$0	\$0	\$0	\$0
347.30.C Lap Swim Fees	\$1,741	\$880	\$558	\$534	\$0	\$0	\$0	\$0	\$0	\$0	\$0
347.30.C Senior Pass	\$6,591	\$7,190	\$8,591	\$10,458	\$0	\$0	\$0	\$0	\$0	\$0	\$0
347.30.1 Adult Pass	\$5,112	\$3,318	\$2,298	\$1,991	\$0	\$0	\$0	\$0	\$0	\$0	\$0
347.60.C Swimming Lessons	\$22,088	\$20,197	\$22,749	\$22,867	\$0	\$0	\$0	\$0	\$0	\$0	\$0
347.60.C Water Aerobics	\$1,941	\$1,238	\$1,990	\$1,608	\$0	\$0	\$0	\$0	\$0	\$0	\$0
347.60.C Swim Team	\$0	\$0	\$0	\$8,327	\$0	\$0	\$0	\$0	\$0	\$0	\$0
347.90.C Misc Recreation Prog Fee	\$42,370	\$31,849	\$31,492	\$28,587	\$22,962	\$27,186	\$23,000	\$0	\$0	\$0	\$0
347.90.C Stadium Advertising Reve	\$0	\$0	\$0	\$0	\$0	\$8,400	\$0	\$1,500	\$1,500	\$8,000	\$8,000
347.90.C Community Events Reven	\$0	\$0	\$0	\$0	\$0	\$4,373	\$4,000	\$22,145	\$21,320	\$4,000	\$4,000
347.90.C Party Services	\$0	\$0	\$0	\$0	\$0	\$2,740	\$6,000	\$8,000	\$8,000	\$1,000	\$1,000
347.90.C Riverside Dike Sign Adver	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,000	\$4,000	\$500	\$500
347.90.C Vendor Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$500	\$500	\$1,300	\$1,300
347.90.C Pool Vending Mach Comr	\$478	\$397	\$236	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL :	\$131,946	\$105,515	\$106,998	\$107,391	\$49,178	\$66,511	\$52,540	\$55,360	\$54,995	\$45,567	\$44,934
Annual % Change:		-20.0%	1.4%	0.4%	-54.2%	35.2%	-21.0%	5.4%	-0.7%	-17.1%	-1.4%
Average % Change since 2000		-20.0%	-9.3%	-6.1%	-18.1%	-7.4%	-9.7%	-7.6%	-6.7%	-7.9%	-7.2%

City of Hoquiam Revenue Forecasting Model 001 - GENERAL FUND											
Revenue History and Projections:											
Description	Actual 2000	Actual 2001	Actual 2002	Actual 2003	Actual 2004	Actual 2005	Budgeted 2006	Budget 2007	Budget 2008	Forecast 2009	Forecast 2010
<b>BARS # FINES &amp; FORFEITURES</b>											
352.30.C Mandatory Auto Insurance	\$1,802	\$1,867	\$2,136	\$1,050	\$487	\$534	\$600	\$565	\$535	\$506	\$478
353.10.C Traffic Infractions	\$60,042	\$59,509	\$75,096	\$57,036	\$47,069	\$26,311	\$31,000	\$33,000	\$33,000	\$31,190	\$29,480
353.70.C Other Infraction	\$1,989	\$958	\$1,107	\$1,233	\$981	\$1,285	\$1,000	\$945	\$950	\$898	\$849
354.00.C Parking Infractions	\$3,530	\$1,730	\$1,735	\$1,145	\$6,135	\$3,205	\$3,000	\$3,000	\$3,000	\$2,835	\$2,680
355.20.C DWI Penalties	\$7,892	\$8,792	\$8,928	\$10,370	\$6,098	\$7,355	\$8,000	\$7,560	\$8,000	\$7,561	\$7,147
355.80.C Criminal Traffic	\$23,132	\$27,173	\$27,587	\$20,338	\$14,399	\$4,784	\$7,000	\$8,000	\$8,000	\$7,561	\$7,147
356.90.C Non-Traffic Misdemeanors	\$15,091	\$16,170	\$17,020	\$13,992	\$7,694	\$7,404	\$8,000	\$8,000	\$8,100	\$7,656	\$7,236
357.30.C Municipal Court Recoupme	\$27,315	\$23,092	\$29,963	\$27,731	\$22,817	\$17,223	\$20,000	\$19,000	\$20,000	\$18,903	\$17,866
357.40.C Investigation Confiscations	<u>\$54,172</u>	<u>\$28,467</u>	<u>\$21,925</u>	<u>\$23,029</u>	<u>\$90,320</u>	<u>\$7,903</u>	<u>\$5,000</u>	<u>\$10,000</u>	<u>\$10,000</u>	<u>\$9,452</u>	<u>\$8,933</u>
TOTAL :	\$194,965	\$167,758	\$185,497	\$155,924	\$196,000	\$76,005	\$83,600	\$90,070	\$91,585	\$86,562	\$81,815
Annual % Change:	-14.0%	10.6%	-15.9%	25.7%	-61.2%	10.0%	7.7%	-5.5%	-5.5%	-4.5%	-4.6%
Average % Change since 2000		-14.0%	-1.7%	-6.4%	1.6%	-11.0%	-7.5%	-5.3%	-4.4%	-4.5%	-4.6%
<b>BARS # MISC. REVENUE</b>											
361.10.C Interest-Investment	\$137,169	\$136,512	\$75,016	\$44,055	\$39,619	\$95,899	\$70,000	\$0	\$0	\$100,000	\$100,000
361.10.C Drug Fund Investment Int	\$4,976	\$2,370	\$1,171	\$476	\$648	\$1,812	\$300	\$0	\$0	\$0	\$0
361.10.C DARE Program Inv Interes	\$82	\$8	\$0	\$0	\$0	\$0	\$0	\$120,000	\$115,000	\$108,693	\$102,732
361.40.C Interest-Sales Tax	\$4,457	\$4,574	\$4,295	\$3,711	\$3,767	\$2,660	\$3,800	\$1,000	\$1,000	\$945	\$893
361.40.C Interest-Court	\$2,055	\$1,839	\$1,827	\$2,692	\$2,970	\$783	\$1,000	\$0	\$0	\$0	\$0
361.40.C Int on CD Repay Contract	\$7,803	\$5,325	\$3,481	\$5,169	\$3,103	\$2,723	\$2,000	\$4,000	\$4,000	\$3,781	\$3,573
362.41.C Short Term Pool Rental	\$15,328	\$10,856	\$11,195	\$12,220	\$7,790	\$0	\$0	\$1,000	\$1,000	\$945	\$893
362.42.C Short Term Stadium Rents	\$2,700	\$0	\$0	\$200	\$150	\$1,350	\$0	\$2,300	\$2,300	\$2,174	\$2,055
362.50.C Library Room Rental	\$225	\$425	\$500	\$700	\$100	\$200	\$250	\$0	\$0	\$250	\$250
362.50.C Long Term Facility Rental	\$15,128	\$14,888	\$15,134	\$16,976	\$17,176	\$17,515	\$17,200	\$350	\$350	\$331	\$313
362.50.C Farmer's Market Rental	\$5,989	\$7,843	\$8,684	\$8,039	\$7,714	\$7,094	\$7,500	\$250	\$250	\$236	\$223
362.50.C LT Stad Rent-GH College	\$900	\$1,100	\$1,100	\$0	\$0	\$0	\$1,000	\$18,000	\$18,000	\$1,800	\$1,800
362.51.C LT Pool Rent-SCH Dist	\$28,406	\$28,690	\$28,977	\$29,267	\$0	\$0	\$0	\$0	\$0	\$0	\$0
362.52.C LT Stad Rent-Sch Dist	\$12,060	\$6,120	\$6,181	\$6,243	\$2,102	\$7,869	\$6,455	\$8,000	\$8,000	\$7,561	\$7,147
362.52.C LT Stad Rent-Babe Ruth	\$3,000	\$3,000	\$3,000	\$5,000	\$5,000	\$5,000	\$5,000	\$1,800	\$1,800	\$1,701	\$1,608
365.50.C Long Term Interfund Rent	\$63,080	\$63,080	\$78,080	\$78,080	\$74,035	\$71,220	\$71,205	\$5,000	\$5,000	\$4,726	\$4,467
367.00.C Donations	\$0	\$2,000	\$92	\$4,151	\$11,290	\$4,000	\$0	\$0	\$0	\$0	\$0
367.00.C Bishop Fund for Americorp	\$0	\$0	\$0	\$0	\$14,500	\$33,500	\$0	\$0	\$0	\$0	\$0
367.00.C DARE Program Donations	\$2,208	\$4,309	\$3,572	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
367.00.C Americorp Program Don.	\$0	\$0	\$0	\$0	\$0	\$2,120	\$0	\$0	\$0	\$0	\$0
367.00.C Hoquiam Assoc for Youth	\$0	\$0	\$0	\$0	\$0	\$0	\$2,000	\$0	\$0	\$0	\$0
367.00.C Youth Program Donations	\$20	\$425	\$100	\$2,185	\$965	\$584	\$0	\$0	\$0	\$0	\$0
367.00.C Pool Donations	\$0	\$0	\$20	\$1,000	\$14	\$0	\$0	\$0	\$0	\$0	\$0
367.11.C Bishop Fund Grant - Fire I	\$0	\$0	\$0	\$7,771	\$0	\$6,448	\$0	\$0	\$0	\$0	\$0
369.80.C Cash Over (Short)	\$12	\$17	-\$2	-\$13	-\$56	-\$50	\$0	\$0	\$0	\$0	\$0
369.80.C Pool Cash Over (Short)	\$23	-\$100	\$35	\$9	\$0	\$0	\$0	\$0	\$0	\$0	\$0
369.80.C Court Cash Over (Short)	\$0	\$0	\$12	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
369.90.C Other Misc. Revenue	\$13,169	\$2,547	\$10,250	\$10,467	\$7,021	-\$371	\$500	\$0	\$0	\$500	\$500
369.90.C NSF Fees	\$2,040	\$2,181	\$3,399	\$2,725	\$2,713	\$1,952	\$1,600	\$0	\$0	\$0	\$0
369.90.C Auction/Other Misc Sales	\$0	\$138	\$0	\$478	\$50	\$34	\$0	\$0	\$0	\$0	\$0
369.90.C Drug Related Auction	\$0	\$0	\$0	\$1,409	\$0	\$0	\$0	\$0	\$0	\$0	\$0
369.90.C Pool Shower Fees	\$261	\$11	\$2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
369.90.C Central Playfield Lights	<u>\$226</u>	<u>\$320</u>	<u>\$180</u>	<u>\$51</u>	<u>\$228</u>	<u>\$188</u>	<u>\$150</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL :	\$321,319	\$298,478	\$256,301	\$243,041	\$200,899	\$262,531	\$189,960	\$161,700	\$156,700	\$233,643	\$226,454
Annual % Change:	-7.1%	-14.1%	-5.2%	-17.3%	30.7%	-27.6%	-14.9%	-3.1%	49.1%	-3.1%	-1.3%
Average % Change since 2000		-7.1%	-10.6%	-8.8%	-10.9%	-2.6%	-6.8%	-7.9%	-7.3%	-1.1%	-1.3%
<b>TOTAL GENERAL FUND REV.</b>	<b>\$4,928,271</b>	<b>\$4,448,258</b>	<b>\$4,501,445</b>	<b>\$4,346,266</b>	<b>\$4,452,493</b>	<b>\$4,854,537</b>	<b>\$4,598,480</b>	<b>\$5,130,110</b>	<b>\$5,478,125</b>	<b>\$5,630,557</b>	<b>\$5,710,111</b>
Annual % Change:	-9.7%	1.2%	-3.4%	2.4%	9.0%	-5.3%	11.6%	6.8%	2.8%	1.4%	1.7%
Average % Change since 2000		-9.7%	-4.3%	-4.0%	-2.4%	-0.1%	-1.0%	0.8%	1.6%	1.7%	1.7%

<b>City of Hoquiam</b>											
<b>Revenue Forecasting Model</b>											
<b>001 - GENERAL FUND</b>											
Revenue History and Projections:											
Description	Actual 2000	Actual 2001	Actual 2002	Actual 2003	Actual 2004	Actual 2005	Budgeted 2006	Budget 2007	Budget 2008	Forecast 2009	Forecast 2010
<b>BARS # NON REVENUES</b>											
381.10.C SCBA Loan from ER Rese	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
381.10.C Police Copier Loan from E	\$9,213	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
381.10.C 2002 Police Car Loan-ER	\$0	\$0	\$69,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
381.10.1 Grayport Demo Loan-ER I	\$0	\$0	\$150,904	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
381.10.12004 Police Car Loan-ER	\$0	\$0	\$0	\$0	\$24,000	\$0	\$0	\$0	\$0	\$0	\$0
381.10.12006 Police Car Loan-ER	\$0	\$0	\$0	\$0	\$0	\$0	\$90,000	\$0	\$0	\$0	\$0
387.00.C Res Eq Trf from Sanitator	\$0	\$0	\$0	\$0	\$1,371,944	\$0	\$0	\$0	\$0	\$0	\$0
395.10.C Proceeds-Sale of Fixed As	\$40,000	\$0	\$0	\$6,245	\$0	\$570	\$0	\$0	\$0	\$0	\$0
TOTAL :	\$64,213	\$0	\$219,904	\$6,245	\$1,395,944	\$570	\$90,000	\$0	\$0	\$0	\$0
Annual % Change:		-100.0%	0.0%	-97.2%	22253.0%	-100.0%	15689.5%	-100.0%	0.0%	0.0%	0.0%
Average % Change since 2000		-100.0%	-50.0%	-65.7%	5514.0%	4391.2%	6274.2%	5363.6%	4693.2%	4171.7%	3754.5%
<b>FUND # OPERATING XFERS IN</b>											
003 Economic Development	\$10,004	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
005 Stadium Field Loan	\$54,000	\$32,558	\$32,605	\$34,268	\$32,221	\$33,810	\$34,000	\$36,000	\$37,200	\$38,000	\$38,818
109 Ambulance	\$35,000	\$38,680	\$38,275	\$35,471	\$18,780	\$12,873	\$15,645	\$4,480	\$13,640	\$14,000	\$14,000
112 Stadium/Tourism	\$7,668	\$5,888	\$10,608	\$18,241	\$14,590	\$3,478	\$0	\$0	\$0	\$0	\$0
114 General Capital	\$15,000	\$4,320	\$0	\$28,597	\$38,658	\$0	\$25,000	\$25,000	\$25,000	\$0	\$0
130 Comm Devel Repay	\$42,042	\$5,507	\$0	\$41,254	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL :	\$163,714	\$86,953	\$81,488	\$157,831	\$104,249	\$50,161	\$74,645	\$65,480	\$75,840	\$52,000	\$52,818
Annual % Change:		-46.9%	-6.3%	93.7%	-33.9%	-51.9%	48.8%	-12.3%	15.8%	-31.4%	1.6%
Average % Change since 2000		-46.9%	-26.6%	13.5%	1.6%	-9.1%	0.6%	-1.3%	0.9%	-3.5%	-2.9%
<b>GRANT TOTAL GENERAL FUND:</b>	<b>\$5,156,198</b>	<b>\$4,535,211</b>	<b>\$4,802,837</b>	<b>\$4,510,342</b>	<b>\$5,952,686</b>	<b>\$4,905,267</b>	<b>\$4,763,125</b>	<b>\$5,195,590</b>	<b>\$5,553,965</b>	<b>\$5,682,557</b>	<b>\$5,762,930</b>
Annual % Change:		-12.0%	5.9%	-6.1%	32.0%	-17.6%	-2.9%	9.1%	6.9%	2.3%	1.4%
Average % Change since 2000		-12.0%	-3.1%	-4.1%	4.9%	0.4%	-0.1%	1.2%	1.9%	2.5%	2.4%

**CITY OF HOQUIAM**  
**ASSESSED VALUE AND LEVY LIMIT PROJECTIONS**  
**Estimated 2007 Regular, EMS, and Special Levies**  
Per Staff Estimates

<u>Year 2006 Property Tax/Assessed Value and Rates</u>	<u>Amount</u>
2005 AV for 2006 Collections:	325,382,017
2005 AV for 2006 Collections - Special Levy	322,684,226
1. 2006 Regular Levy amount:	\$1,166,104
2006 Property Tax Regular Levy Rate (Derived):	\$3.5838
2. 2006 EMS Levy Amount:	\$160,869
2006 EMS Levy Rate (Derived):	\$0.4944
3. 2006 Assessment for Fire Equipment	\$89,964
Fire Equipment Voted Levy:	\$0.2788
4. 2006 Assessment Refunding Bond Levy:	\$184,802
Refunding Bond Levy Rate (Derived)	\$0.5727
<b><u>A. Proposed Regular Property Tax Rate for 2007</u></b>	<b><u>Amount</u></b>
Estimated 2006 AV for 2007 Collections:	\$350,839,491
1. 2006 General tax levy	<b>1,166,104</b>
2. <u>Calculation of Tax Revenue from New Construction:</u>	
PLUS Current Year's AV for new Construction	8,603,246
MULTIPLIED BY Last Year's Levy Rate:	<u>3.5838</u>
EQUALS Property Tax from New Construction:	<b>30,832</b>
3. <u>Calculation of Tax Revenue from recommended increase:</u>	
PLUS 2006 General Tax Levy	1,166,104
MULTIPLIED BY Requesting increase rate:	<u>1.0%</u>
EQUALS: Requested Property Tax Increase from Current Base:	<b>11,661</b>
4. <u>Calculation of 2007 General Tax Levy:</u>	
2006 General Tax Levy (#1)	<b>1,166,104</b>
PLUS: Property Tax from New Construction:	<b>30,832</b>
PLUS: Property Tax increase from current base:	<u>11,661</u>
EQUALS: 2007 Recommended Regular Tax Levy Revenue	<b>\$1,208,597</b>
5. <u>Calculation of 2007 Regular Property Tax Levy Rate:</u>	
2007 Regular Tax Levy	<b>\$1,208,597</b>
DIVIDED BY 2006 A.V./\$1,000 (Rate is per \$1,000 of a.v.):	<b>350,839,491</b>
EQUALS: 2007 Regular Property Tax Rate (Estimated):	<b>\$3.4449</b>
<b><u>B. EMS Levy for 2007</u></b>	<b><u>Amount</u></b>
Estimated 2006 AV for 2007 Collections - Regular Levies	350,839,491
Voter Approved EMS Levy Rate per \$1,000 AV (fixed).	<u>\$0.5000</u>
Estimated 2007 EMS Tax Levy Revenue:	<b>\$175,420</b>
<b><u>C. Special Levy for Fire Equipment</u></b>	<b><u>Amount</u></b>
EQUALS 2006 AV for 2007 Collections - Special Levy:	322,684,226
Special Levy Tax Rate per \$1000 Assessed Value:	<u>\$0.0000</u>
EQUALS: 2007 Assessment - Special Levy:	<b>\$0</b>
<b><u>D. Special Levy for Refunding</u></b>	<b><u>Amount</u></b>
EQUALS 2006 AV for 2007 Collections - Special Levy:	322,684,226
Special Levy Tax Rate per \$1000 Assessed Value:	<u>\$0.5635</u>
EQUALS: 2007 Assessment - Special Levy:	<b>\$181,820</b>

**CITY OF HOQUIAM**  
**ASSESSED VALUE AND LEVY LIMIT PROJECTIONS**  
**Estimated 2008 Regular, EMS, and Special Levies**  
Per Staff Estimates

<u>Year 2007 Property Tax/Assessed Value and Rates</u>	<u>Amount</u>
2006 AV for 2007 Collections:	350,839,491
2006 AV for 2007 Collections - Special Levy:	322,684,226
1. 2007 Regular Levy amount:	\$1,208,597
2007 Property Tax Regular Levy Rate (Derived):	\$3.4449
2. 2007 EMS Levy Amount:	\$175,420
2007 EMS Levy Rate (Derived):	\$0.5000
3. 2007 Assessment for Fire Equipment	\$0
Fire Equipment Voted Levy:	\$0.0000
4. 2007 Assessment Refunding Bond Levy:	\$181,820
Refunding Bond Levy Rate (Derived)	\$0.5635
<b><u>A. Proposed Regular Property Tax Rate for 2008</u></b>	<b><u>Amount</u></b>
Estimated 2007 AV for 2008 Collections:	\$351,839,491
1. 2007 General tax levy	<b>1,208,597</b>
2. <u>Calculation of Tax Revenue from New Construction:</u>	
PLUS Current Year's AV for new Construction	1,000,000
MULTIPLIED BY Last Year's Levy Rate:	<u>3.4449</u>
EQUALS Property Tax from New Construction:	<b>3,445</b>
3. <u>Calculation of Tax Revenue from recommended increase:</u>	
PLUS 2007 General Tax Levy	1,208,597
MULTIPLIED BY Requesting increase rate:	<u>1.0%</u>
EQUALS: Requested Property Tax Increase from Current Base:	<b>12,086</b>
4. <u>Calculation of 2008 General Tax Levy:</u>	
2007 General Tax Levy (#1)	<b>1,208,597</b>
PLUS: Property Tax from New Construction:	<b>3,445</b>
PLUS: Property Tax increase from current base:	<u>12,086</u>
EQUALS: 2008 Recommended Regular Tax Levy Revenue	<b>\$1,224,128</b>
5. <u>Calculation of 2008 Regular Property Tax Levy Rate:</u>	
2008 Regular Tax Levy	<b>\$1,224,128</b>
DIVIDED BY 2007 A.V./\$1,000 (Rate is per \$1,000 of a.v.):	<b>351,839,491</b>
EQUALS: 2008 Regular Property Tax Rate (Estimated):	<b>\$3.4792</b>
<b><u>B. EMS Levy for 2008</u></b>	<b><u>Amount</u></b>
Estimated 2007 AV for 2008 Collections - Regular Levies	351,839,491
Voter Approved EMS Levy Rate per \$1,000 AV (fixed).	<u>\$0.5000</u>
Estimated 2008 EMS Tax Levy Revenue:	<b>\$175,920</b>
<b><u>C. Special Levy for Fire Equipment</u></b>	<b><u>Amount</u></b>
EQUALS 2007 AV for 2008 Collections - Special Levy:	323,684,226
Special Levy Tax Rate per \$1000 Assessed Value:	<u>\$0.0000</u>
EQUALS: 2008 Assessment - Special Levy:	<b>\$0</b>
<b><u>D. Special Levy for Refunding</u></b>	<b><u>Amount</u></b>
EQUALS 2007 AV for 2008 Collections - Special Levy:	323,684,226
Special Levy Tax Rate per \$1000 Assessed Value:	<u>\$0.5690</u>
EQUALS: 2008 Assessment - Special Levy:	<b>\$184,188</b>

## **Special Revenue Funds**

The following pages summarize revenues for the City's special revenue funds. These funds provide for various services, including the Cemetery fund, Mausoleum fund, Street fund, Arterial Street fund, Ambulance fund, Stadium/Tourism fund and General Capital fund.

As indicated by the adjacent page, overall revenues are forecasted to increase 7.1% from 2006 budget levels, far below the 45.6% average annual growth experienced since 2000. This comparison is difficult due to some large revenue swings in the various funds. However, in 2007 modest growth of 7.1% over the prior year is due primarily to increased activity in the Ambulance fund. In 2008, this increase is slowed as total revenues are predicted to jump 3.6% over 2007 levels.

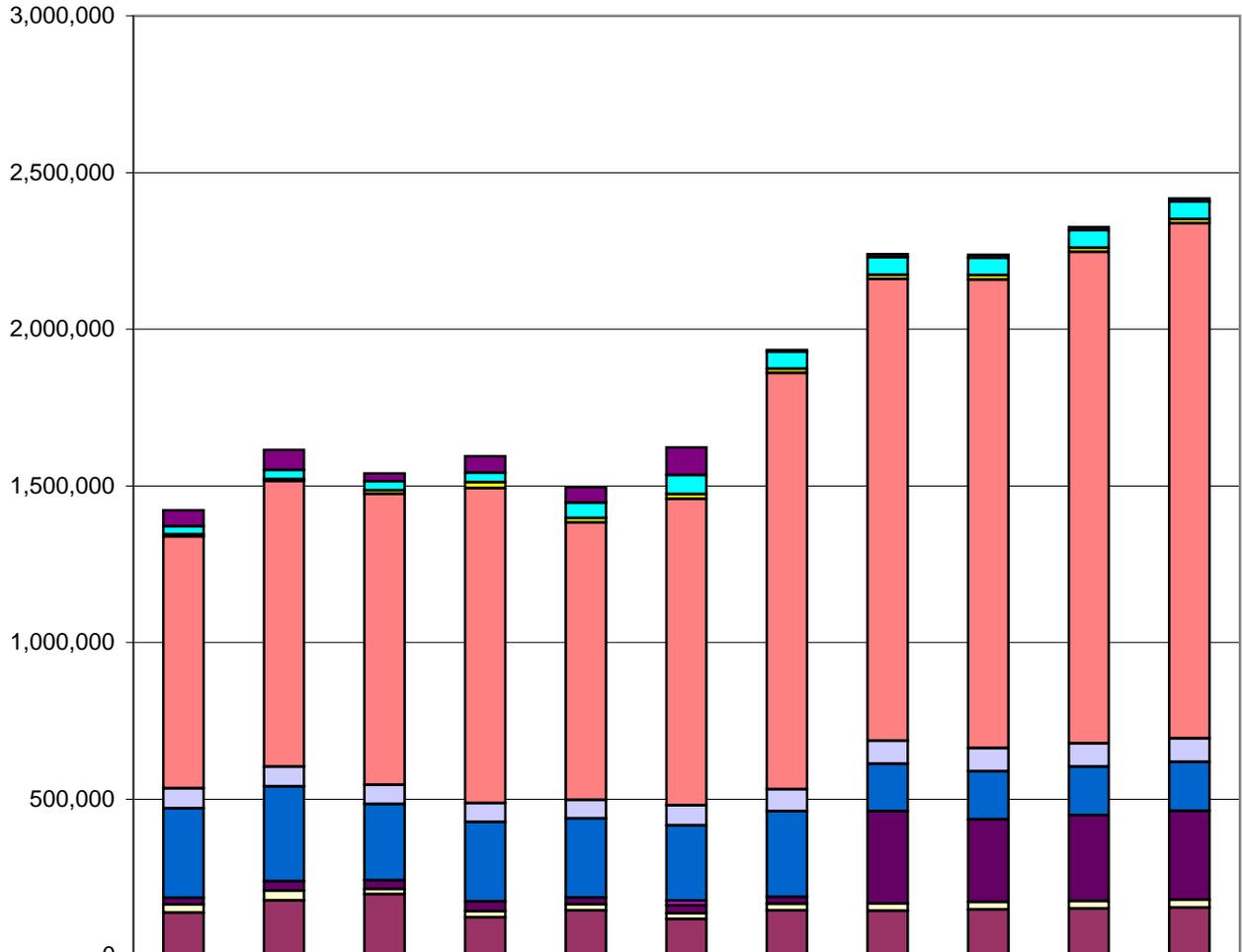
The graph entitled "2000 to 2010 Revenue History and Projections, Special Revenue Funds" illustrates the breakout of special revenue funds anticipated to support budget activities of the City in 2007-2008 and beyond. This graph illustrates that some funds are stagnant while other have sporadic growth. The Ambulance fund is the only one clearly projected to grow.

**City of Hoquiam**  
**Revenue Forecasting Model**  
**100 SERIES - SPECIAL REVENUE FUNDS**

Revenue History and Projections:

Description	Actual 2000	Actual 2001	Actual 2002	Actual 2003	Actual 2004	Actual 2005	Budgeted 2006	Budget 2007	Budget 2008	Forecasted 2009	Forecasted 2010
101 Cemetery	137,621	176,229	196,602	122,025	144,251	116,853	144,900	143,805	147,840	150,609	153,436
102 Mausoleum	25,721	31,155	16,082	20,495	20,290	18,243	20,825	22,378	23,259	24,208	25,230
103 Cem Eq Res	622	550	120	83	102	296	300	0	0	0	0
104 Cem Preneed	20,818	29,467	28,041	30,511	21,330	26,312	22,000	295,000	264,350	273,826	283,670
105 Parks Prog	0	0	0	0	0	14,176	0	0	0	0	0
106 Street Fund	286,006	303,002	243,612	254,389	252,732	240,638	273,070	151,570	153,530	154,858	156,197
107 Arterial Street	63,562	63,114	61,517	60,207	59,117	63,708	70,000	73,350	74,310	74,958	75,612
108 Paths&Trails	732	77	31	33	48	143	175	0	0	0	0
109 Ambulance	802,501	911,965	928,710	1,005,220	884,955	977,746	1,329,000	1,473,911	1,495,440	1,567,920	1,643,913
112 Stad/Tourism	7,668	5,888	10,608	18,241	14,590	14,912	13,000	13,300	13,300	13,325	13,351
114 Gen Cap Res	25,571	29,596	29,250	30,454	49,270	61,619	55,000	56,000	56,000	56,000	56,000
130 Comm Repay	51,661	63,762	24,871	53,063	48,379	88,202	5,960	10,000	10,000	10,000	10,000
<b>Total Special Revenue Funds:</b>	<b>\$1,370,822</b>	<b>\$1,551,041</b>	<b>\$1,514,574</b>	<b>\$1,541,657</b>	<b>\$1,446,686</b>	<b>\$1,534,645</b>	<b>\$1,928,270</b>	<b>\$2,229,314</b>	<b>\$2,228,029</b>	<b>\$2,315,704</b>	<b>\$2,407,409</b>
Cumulative % Change from '2000		13.1%	10.5%	12.5%	5.5%	12.0%	40.7%	62.6%	62.5%	68.9%	75.6%
Annual % Change:		13.1%	-20.2%	18.8%	-55.6%	115.9%	240.3%	54.0%	-0.1%	10.2%	9.7%
Average Annual % Change:		13.1%	-3.5%	3.9%	-11.0%	14.4%	52.1%	52.3%	45.8%	41.8%	38.6%
<b>TRANSFERS IN:</b>	<b>\$35,600</b>	<b>\$11,872</b>	<b>\$21,526</b>	<b>\$42,800</b>	<b>\$241,720</b>	<b>\$558,459</b>	<b>\$528,310</b>	<b>\$205,755</b>	<b>\$206,900</b>	<b>\$1,100</b>	<b>\$1,100</b>
<b>GRAND TOTAL SPEC. REV.:</b>	<b>\$1,406,421</b>	<b>\$1,562,913</b>	<b>\$1,536,100</b>	<b>\$1,584,457</b>	<b>\$1,688,405</b>	<b>\$2,093,105</b>	<b>\$2,456,580</b>	<b>\$2,435,069</b>	<b>\$2,434,929</b>	<b>\$2,316,804</b>	<b>\$2,408,509</b>

## City of Hoquiam 2007-2008 Budget 2000 to 2010 Revenue History and Projections Special Revenue Funds



	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
130 Comm Repay	51,661	63,762	24,871	53,063	48,379	88,202	5,960	10,000	10,000	10,000	10,000
114 Gen Cap Res	25,571	29,596	29,250	30,454	49,270	61,619	55,000	56,000	56,000	56,000	56,000
112 Stad/Tourism	7,668	5,888	10,608	18,241	14,590	14,912	13,000	13,300	13,300	13,325	13,351
109 Ambulance	802,501	911,965	928,710	1,005,220	884,955	977,746	1,329,000	1,473,911	1,495,440	1,567,920	1,643,913
108 Paths&Trails	732	77	31	33	48	143	175	0	0	0	0
107 Arterial Street	63,562	63,114	61,517	60,207	59,117	63,708	70,000	73,350	74,310	74,958	75,612
106 Street Fund	286,006	303,002	243,612	254,389	252,732	240,638	273,070	151,570	153,530	154,858	156,197
105 Parks Prog	0	0	0	0	0	14,176	0	0	0	0	0
104 Cem Preneed	20,818	29,467	28,041	30,511	21,330	26,312	22,000	295,000	264,350	273,826	283,670
103 Cem Eq Res	622	550	120	83	102	296	300	0	0	0	0
102 Mausoleum	25,721	31,155	16,082	20,495	20,290	18,243	20,825	22,378	23,259	24,208	25,230
101 Cemetery	137,621	176,229	196,602	122,025	144,251	116,853	144,900	143,805	147,840	150,609	153,436

## **Cemetery Fund - #101**

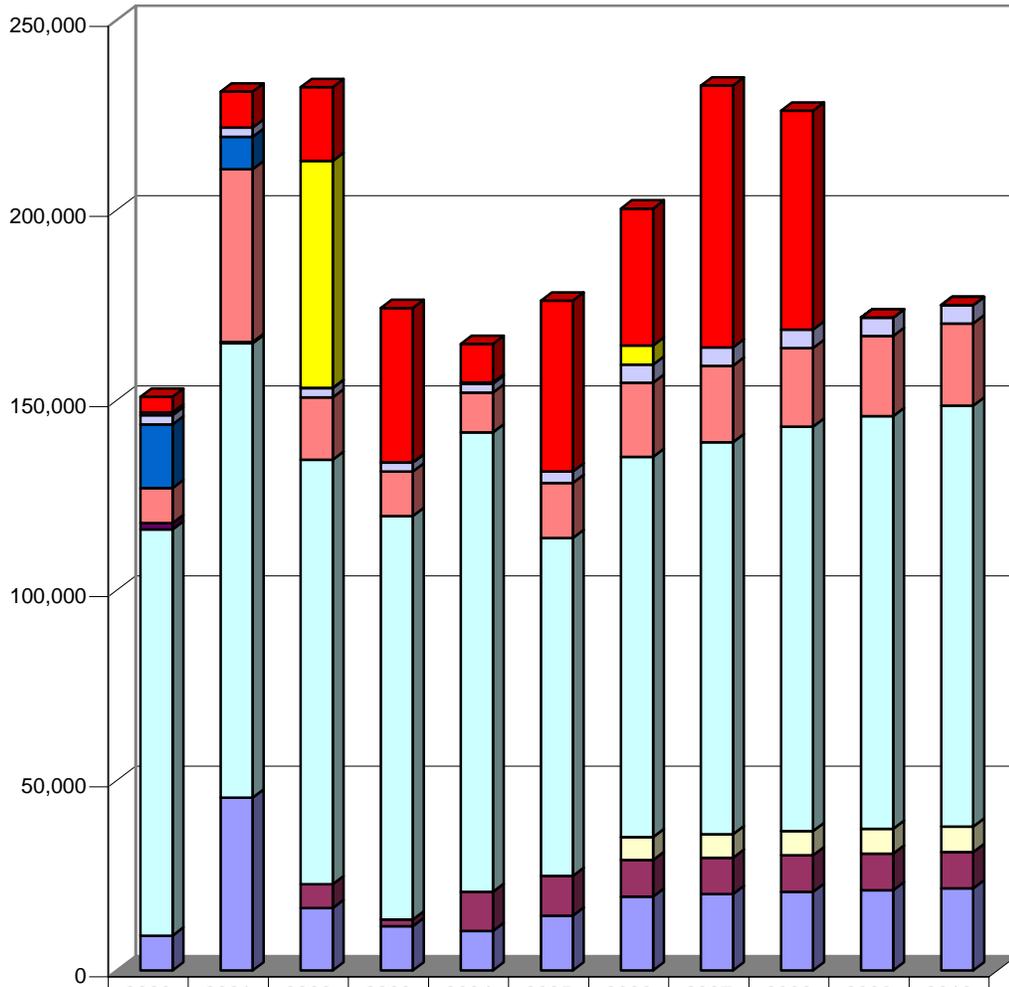
Cemetery revenues are based upon the fees collected from plot sales. This revenue source has increased significantly over the past few. Both a new rate structure and volume have contributed to this increase. From 2000 to 2006, Cemetery revenues have increased an average of 4.2% per year. Even so, the Cemetery has required a transfer from the General Fund to cover operations.

The inventory at the Cemetery has not always been accurate and is in need of updating. In 2007, the City is undertaking a project coordinated with Americorps to update and map the Cemetery inventory. When this project is completed, it is anticipated that many accounts that were in the Cemetery Preneed fund should actually be in the Cemetery Fund. For example, someone planning their estate would pay their Cemetery Fees in advance. The City would put this money in a "preneed" account until their death at which time the money would be transferred to the Cemetery Fund. The 2007 Budget includes an additional \$25,000 in transfers from the Cemetery Preneed fund for this updating.

As the adjacent chart and graph entitled "*Cemetery Revenue History and Forecast*" illustrate, cemetery revenues are anticipated to increase steadily over the forecasted period.

City of Hoquiam Revenue Forecasting Model 100 SERIES - SPECIAL REVENUE FUNDS											
Revenue History and Projections:											
Description	Actual 2000	Actual 2001	Actual 2002	Actual 2003	Actual 2004	Actual 2005	Budgeted 2006	Budget 2007	Budget 2008	Forecasted 2009	Forecasted 2010
BARS#	101 CEMETERY FUND										
341.70.00	Retail Sales	0	0	0	0	0	0	6,187	6,380	6,512	6,648
343.60.00	Cemetery Fees	106,863	119,489	111,654	106,158	120,809	88,942	103,113	106,325	108,532	110,784
343.60.02	Cemetery Fees-Coll	1,629	309	0	0	0	0	0	0	0	0
361.10.00	Investment Interest	9,212	45,507	16,407	11,697	10,450	14,460	20,105	20,735	21,165	21,605
361.40.01	Stadium Loan Int	16,754	8,515	0	0	0	0	0	0	0	0
362.50.00	Land Lease (Cell)	0	0	6,325	1,700	10,300	10,400	9,600	9,600	9,600	9,600
362.60.00	Housing Rentals	2,400	2,400	2,400	2,400	2,400	3,000	4,800	4,800	4,800	4,800
367.00.00	Donations	0	0	0	55	0	45	0	0	0	0
369.90.00	Other Misc Revenue	764	7	90	15	291	5	0	0	0	0
381.10.00.02	Loan from Maus	0	0	59,726	0	0	0	0	0	0	0
	TOTAL CEMETERY FUND	\$137,621	\$176,229	\$196,602	\$122,025	\$144,251	\$116,853	\$143,805	\$147,840	\$150,609	\$153,436
	Annual % Change:		28.1%	11.6%	-37.9%	18.2%	-19.0%	-0.8%	2.8%	1.9%	1.9%
	Average % Change since 2000:		28.1%	19.8%	0.6%	5.0%	0.2%	3.4%	3.4%	3.2%	3.1%
	Transfers In:	\$4,146	\$9,514	\$19,379	\$40,565	\$10,146	\$44,895	\$68,915	\$57,590	\$0	\$0
	TOTAL REVENUE	\$141,768	\$185,743	\$215,981	\$162,591	\$154,397	\$161,748	\$212,720	\$205,430	\$150,609	\$153,436

## City of Hoquiam 2007-2008 Budget Cemetery Revenue History and Forecast 2000 through 2010



	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
■ Transfers	\$4,146	\$9,514	\$19,379	\$40,565	\$10,146	\$44,895	\$36,060	\$68,915	\$57,590	\$0	\$0
■ Loan from Maus	0	0	59,726	0	0	0	5,000	0	0	0	0
■ Other Misc Revenue	764	7	90	15	291	5	0	0	0	0	0
■ Donations	0	0	0	55	0	45	0	0	0	0	0
■ Housing Rentals	2,400	2,400	2,400	2,400	2,400	3,000	4,800	4,800	4,800	4,800	4,800
■ Stadium Loan Int	16,754	8,515	0	0	0	0	0	0	0	0	0
■ Investment Interest	9,212	45,507	16,407	11,697	10,450	14,460	19,500	20,105	20,735	21,165	21,605
■ Cemetery Fees-Coll	1,629	309	0	0	0	0	0	0	0	0	0
■ Cemetery Fees	106,863	119,489	111,654	106,158	120,809	88,942	100,000	103,113	106,325	108,532	110,784
■ Retail Sales	0	0	0	0	0	0	6,000	6,187	6,380	6,512	6,648
■ Land Lease (Cell)	0	0	6,325	1,700	10,300	10,400	9,600	9,600	9,600	9,600	9,600
■ Investment Interest	9,212	45,507	16,407	11,697	10,450	14,460	19,500	20,105	20,735	21,165	21,605

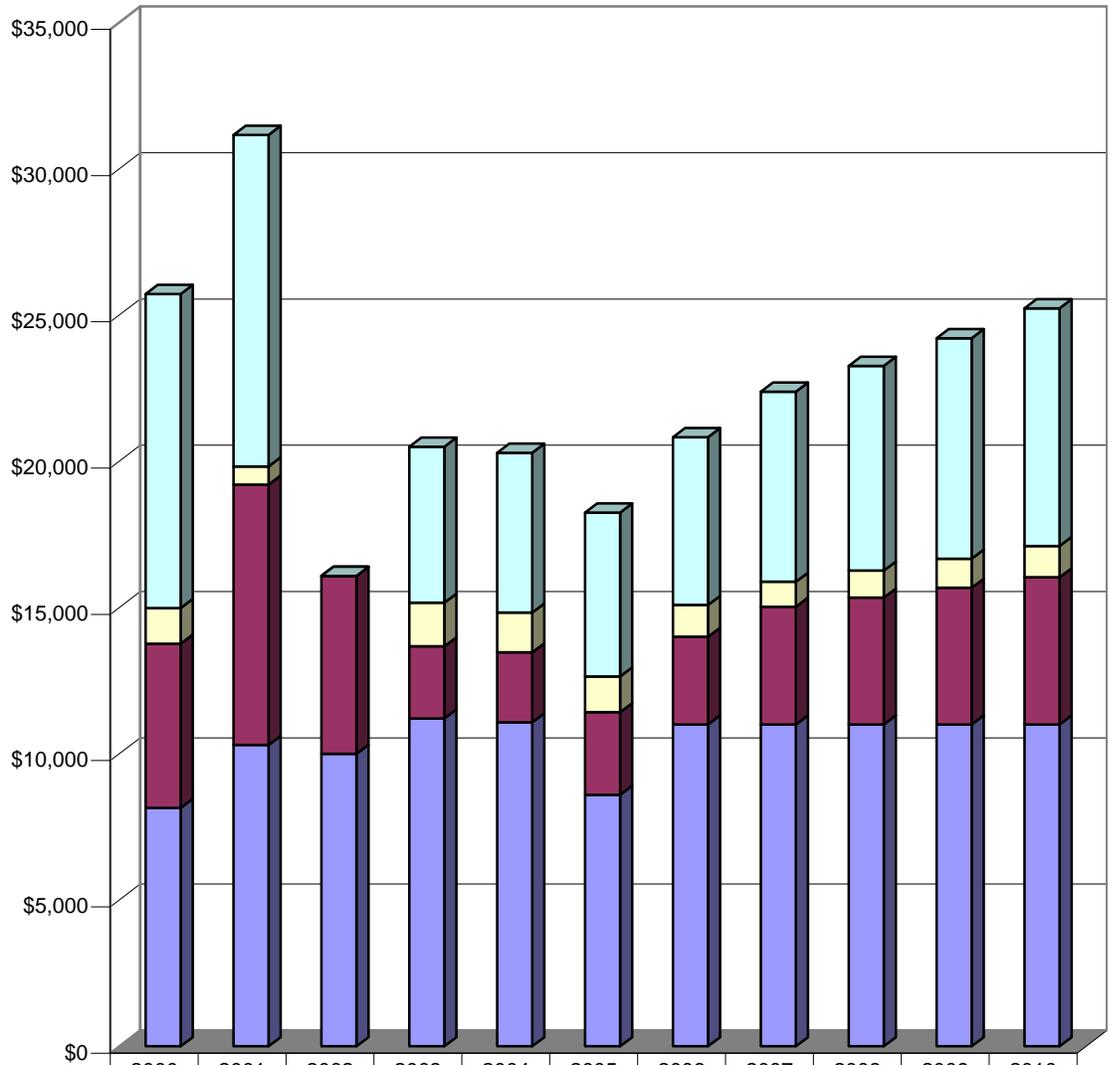
## **Mausoleum Fund - #102**

Mausoleum fund revenues are similar to Cemetery revenues and are collected from niche and crypt sales. These revenues are budgeted to grow slightly at 1.7% and 1.8% in 2007 and 2008 respectively.

As the adjacent chart and graph entitled "*Mausoleum Revenue History and Forecast*" illustrate, mausoleum revenues are anticipated to increase steadily over the forecasted period.

<b>City of Hoquiam</b> <b>Revenue Forecasting Model</b> <b>100 SERIES - SPECIAL REVENUE FUNDS</b>											
Revenue History and Projections:											
Description	Actual 2000	Actual 2001	Actual 2002	Actual 2003	Actual 2004	Actual 2005	Budgeted 2006	Budget 2007	Budget 2008	Forecasted 2009	Forecasted 2010
BARS#	102 MAUSOLEUM										
343.60.00	Cemetery Fees	\$8,150	\$10,301	\$9,999	\$11,205	\$11,075	\$8,595	\$11,000	\$11,000	\$11,000	\$11,000
361.10.00	Investment Interest	\$5,615	\$8,899	\$6,083	\$2,465	\$2,392	\$2,823	\$3,000	\$4,024	\$4,336	\$4,672
361.40.00	Interest on Contracts - A/R	\$1,214	\$623	\$0	\$1,493	\$1,360	\$1,223	\$1,085	\$857	\$923	\$994
381.20.01	Principal Repayment - Cem Loan	\$10,741	\$11,332	\$0	\$5,331	\$5,464	\$5,601	\$5,740	\$6,497	\$7,000	\$7,542
	TOTAL MAUSOLEUM FUND:	\$25,721	\$31,155	\$16,082	\$20,495	\$20,290	\$18,243	\$20,825	\$22,378	\$23,259	\$24,208
	Annual % Change:	21.1%	-48.4%	27.4%	-1.0%	-10.1%	14.2%	7.5%	3.9%	4.1%	4.2%
	Average % Change since 2000:		21.1%	-13.6%	0.1%	-0.2%	-2.2%	0.5%	1.5%	1.8%	2.1%
	Transfers In:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	TOTAL REVENUE	\$25,721	\$31,155	\$16,082	\$20,495	\$20,290	\$18,243	\$20,825	\$22,378	\$23,259	\$24,208

## City of Hoquiam 2007-2008 Budget Mausoleum Revenue History and Forecast 2000 through 2010



	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Principal Repayment - Cem Loan	\$10,741	\$11,332	\$0	\$5,331	\$5,464	\$5,601	\$5,740	\$6,497	\$7,000	\$7,542	\$8,126
Interest on Contracts - A/R	\$1,214	\$623	\$0	\$1,493	\$1,360	\$1,223	\$1,085	\$857	\$923	\$994	\$1,071
Investment Interest	\$5,615	\$8,899	\$6,083	\$2,465	\$2,392	\$2,823	\$3,000	\$4,024	\$4,336	\$4,672	\$5,033
Cemetery Fees	\$8,150	\$10,301	\$9,999	\$11,205	\$11,075	\$8,595	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000

## **Street Fund - #106**

The following chart and graph entitled “*Street Fund Revenue, History and Forecast*” illustrate historic and projected revenues. The primary source of Street fund revenues is from gas taxes. This source of state allocated revenue is forecasted to remain essentially flat over the coming years.

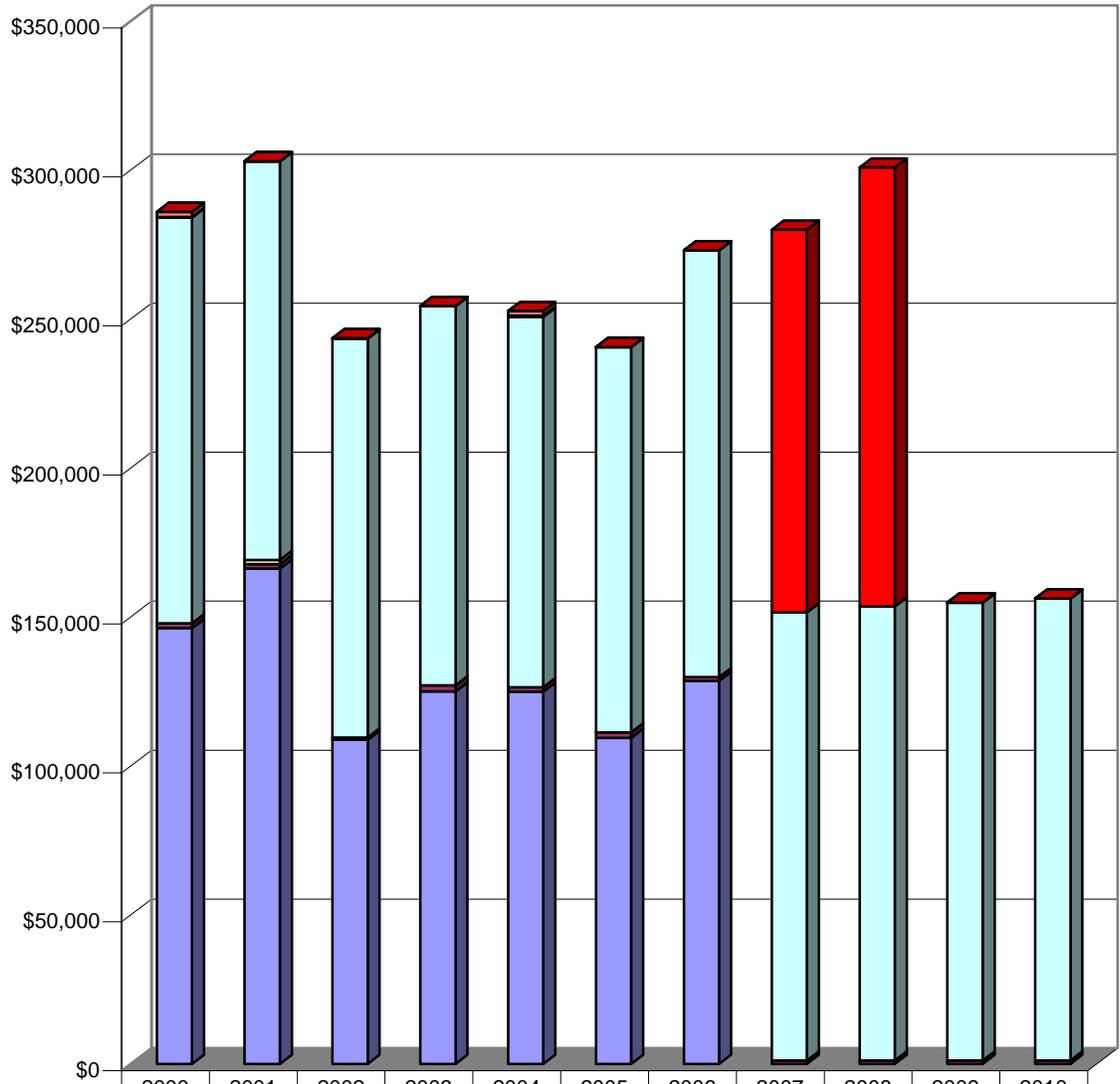
This is primarily due to the fact that gasoline consumption remains flat statewide, and is even anticipated to decrease slightly over the coming year due to higher gasoline prices, increasing automobile fuel efficiency and decreasing tourism activity. Since gas taxes are collected on a cents per gallon basis and not on a percentage of sale price basis, this revenue source does not increase as the cost of fuel increases.

Additionally, this fund receives supplemental support annually from the General fund to cover operating costs in excess of revenues received directly from gas taxes. For 2007, the amount of this transfer is \$128,440, approximately equal to the transfer in 2006. In 2008, this transfer is budgeted at \$147,380. The Street fund is considered a “creature” fund because it obtains funding via transfers from the General Fund. For this reason an attempt is made to maintain this fund at a zero cash balance, thus maximizing the amount the cash balance in the General Fund.

Total resources needed to support Street operations for 2008 equal \$280,010, and \$300,910 in 2008.

<b>City of Hoquiam</b> <b>Revenue Forecasting Model</b> <b>100 SERIES - SPECIAL REVENUE FUNDS</b>												
Revenue History and Projections:												
Description	Actual 2000	Actual 2001	Actual 2002	Actual 2003	Actual 2004	Actual 2005	Budgeted 2006	Budget 2007	Budget 2008	Forecasted 2009	Forecasted 2010	
BARS #	106 STREET FUND											
311.10.00	Property Tax	\$146,260	\$166,260	\$108,785	\$125,020	\$125,000	\$109,500	\$128,630	\$0	\$0	\$0	\$0
322.40.00	Street and Curb Permits	\$1,690	\$1,508	\$804	\$2,077	\$1,456	\$1,803	\$1,200	\$1,200	\$1,195	\$1,194	\$1,193
334.03.69	DOT Grant	\$0	\$1,400	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
336.00.87.00	Motor Vehicle Fuel Tax	\$136,125	\$133,833	\$133,867	\$127,292	\$124,259	\$129,335	\$143,240	\$150,370	\$152,335	\$153,664	\$155,004
344.10.00	Street Maint. & Repair Charges	\$254	\$0	\$0	\$0	\$494	\$0	\$0	\$0	\$0	\$0	\$0
369.90.00	Other Misc. Revenue	\$1,677	\$0	\$156	\$0	\$1,523	\$0	\$0	\$0	\$0	\$0	\$0
	TOTAL :	\$286,006	\$303,002	\$243,612	\$254,389	\$252,732	\$240,638	\$273,070	\$151,570	\$153,530	\$154,858	\$156,197
	Annual % Change:		5.9%	-19.6%	4.4%	-0.7%	-4.8%	13.5%	-44.5%	1.3%	0.9%	0.9%
	Average % Change since 2000:		5.9%	-6.8%	-3.1%	-2.5%	-2.9%	-0.2%	-6.5%	-5.5%	-4.8%	-4.3%
	Transfers In	\$0	\$0	\$0	\$0	\$0	\$0	\$128,440	\$147,380	\$0	\$0	
	TOTAL REVENUE	\$286,006	\$303,002	\$243,612	\$254,389	\$252,732	\$240,638	\$280,010	\$300,910	\$154,858	\$156,197	

## City of Hoquiam 2007-2008 Budget Street Fund Revenue History and Forecast 2000 through 2010



	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
■ Transfers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$128,44	\$147,38	\$0	\$0
■ Other Misc. Revenue	\$1,677	\$0	\$156	\$0	\$1,523	\$0	\$0	\$0	\$0	\$0	\$0
■ Street Maint. & Repair Charges	\$254	\$0	\$0	\$0	\$494	\$0	\$0	\$0	\$0	\$0	\$0
■ Motor Vehicle Fuel Tax	\$136,12	\$133,83	\$133,86	\$127,29	\$124,25	\$129,33	\$143,24	\$150,37	\$152,33	\$153,66	\$155,00
■ DOT Grant	\$0	\$1,400	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
■ Street and Curb Permits	\$1,690	\$1,508	\$804	\$2,077	\$1,456	\$1,803	\$1,200	\$1,200	\$1,195	\$1,194	\$1,193
■ Property Tax	\$146,26	\$166,26	\$108,78	\$125,02	\$125,00	\$109,50	\$128,63	\$0	\$0	\$0	\$0

## **Arterial Street Fund - #107**

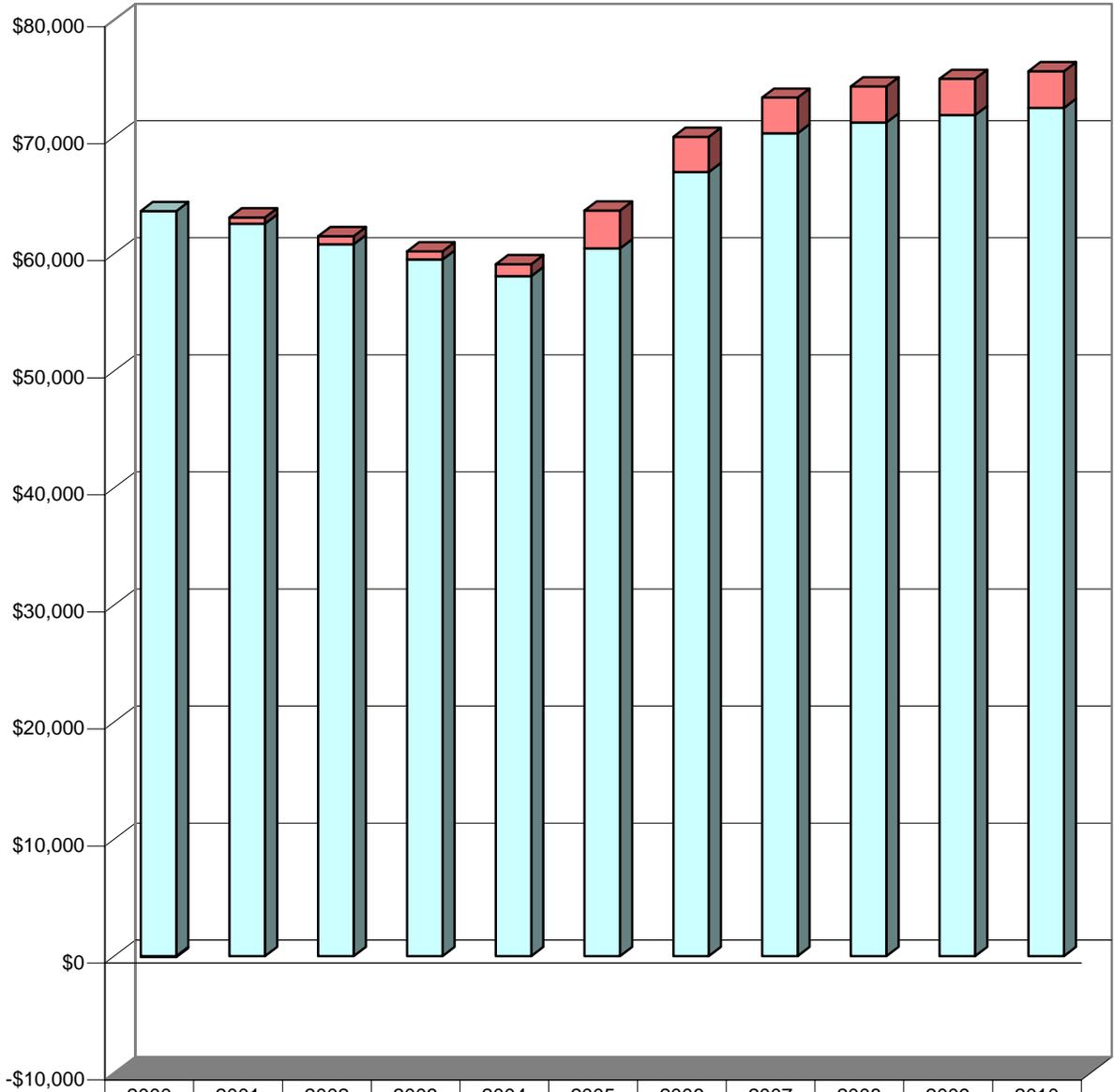
The following chart and graph entitled "*Arterial Street Fund, History and Forecast*" illustrate historic and projected Arterial Street revenues. This source of state allocated revenue, like the Street Fund #106 is also gas taxes, and is budgeted to remain flat over the coming years.

At one time, the City was required to maintain one fund for streets and one fund for arterial streets. However, now the Street Fund #106 and the Arterial Street Fund #107 could legally be combined in to one fund. Therefore, their total resources should be considered when making budgetary decisions.

Total resources needed to support Arterial Street operations for 2007 equal \$73,350, and \$74,310 in 2008.

<b>City of Hoquiam</b> <b>Revenue Forecasting Model</b> <b>100 SERIES - SPECIAL REVENUE FUNDS</b>												
Revenue History and Projections:												
Description	Actual 2000	Actual 2001	Actual 2002	Actual 2003	Actual 2004	Actual 2005	Budgeted 2006	Budget 2007	Budget 2008	Forecasted 2009	Forecasted 2010	
BARS #	107 ARTERIAL STREET FUND											
	Beginning Balance											
336.00.87	Motor Vehicle Fuel Tax	\$63,647	\$62,576	\$60,826	\$59,517	\$58,099	\$60,473	\$67,000	\$70,310	\$71,230	\$71,851	\$72,478
361.10.00	Investment Interest	<u>\$85</u>	<u>\$538</u>	<u>\$691</u>	<u>\$690</u>	<u>\$1,018</u>	<u>\$3,235</u>	<u>\$3,000</u>	<u>\$3,040</u>	<u>\$3,080</u>	\$3,107	\$3,134
	TOTAL :	\$63,562	\$63,114	\$61,517	\$60,207	\$59,117	\$63,708	\$70,000	\$73,350	\$74,310	\$74,958	\$75,612
	Annual % Change:		-0.7%	-2.5%	-2.1%	-1.8%	7.8%	9.9%	4.8%	1.3%	0.9%	0.9%
	Average % Change since 2000:		-0.7%	-1.6%	-1.8%	-1.8%	0.1%	1.7%	2.2%	2.1%	1.9%	1.8%
	Transfers In	\$29,215	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	TOTAL REVENUE	\$92,777	\$63,114	\$61,517	\$60,207	\$59,117	\$63,708	\$70,000	\$73,350	\$74,310	\$74,958	\$75,612

## City of Hoquiam 2007-2008 Budget Arterial Street Fund Revenue History and Forecast 2000 through 2010



	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Investment Interest	-\$85	\$538	\$691	\$690	\$1,018	\$3,235	\$3,000	\$3,040	\$3,080	\$3,107	\$3,134
Motor Vehicle Fuel Tax	\$63,647	\$62,576	\$60,826	\$59,517	\$58,099	\$60,473	\$67,000	\$70,310	\$71,230	\$71,851	\$72,478

## **Ambulance Fund - #109**

The adjacent chart and graph entitled “*Ambulance Fund Revenue*” provides history and forecast for Emergency Care revenues. These revenue sources are budgeted to increase 11.5% for 2007 and 0.9% for 2008. This compares to the average annual increase of 9.9% experienced since 2000. The City’s Ambulance revenues have been changed a number of times in recent years due to legal challenges. This explains the large swings from year to year.

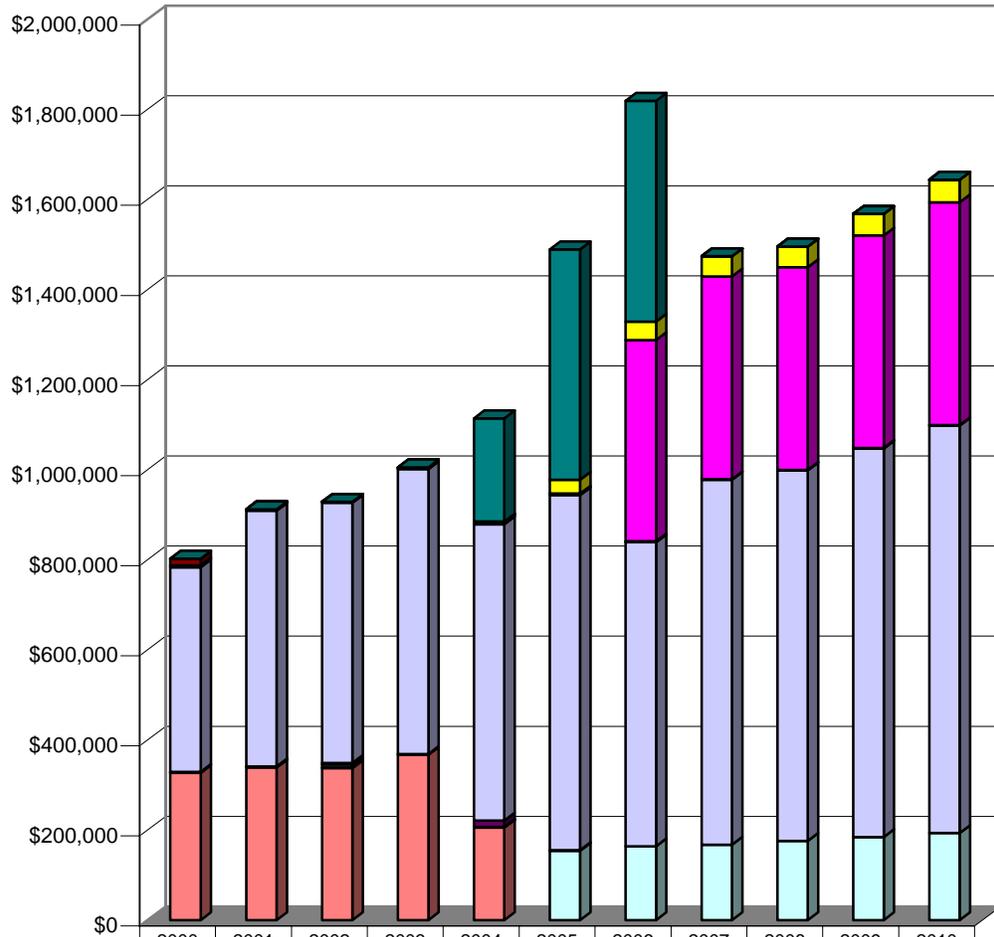
Additionally, this fund receives supplemental support annually from the General fund to cover operating costs in excess of revenues received directly from ambulance fees and the special property tax levy for 2004 through 2006 in the form of utility taxes. However in 2006, an Ambulance Utility was created according to RCW and there is no General fund support anticipated.

This forecast also anticipates that the Emergency Medical Service special property tax levy of \$0.50 per \$1,000 assessed value will continue. This voter-approved levy expires in 2010, and will require reauthorization by the voters. By law this levy can be requested at up to \$0.50 per \$1,000 of assessed value.

Total resources needed to support Emergency Care operations for 2007 equal \$1,481,620 and \$1,495,440 in 2008.

City of Hoquiam Revenue Forecasting Model 100 SERIES - SPECIAL REVENUE FUNDS												
Revenue History and Projections:												
Description	Actual 2000	Actual 2001	Actual 2002	Actual 2003	Actual 2004	Actual 2005	Budgeted 2006	Budget 2007	Budget 2008	Forecasted 2009	Forecasted 2010	
<b>109 AMBULANCE FUND</b>												
308.00	Beginning Balance											
311.10.00	EMS Levy	\$0	\$0	\$0	\$0	\$0	\$154,301	\$164,000	\$167,711	\$175,920	\$184,446	\$193,386
317.44.00	Ambulance Tax	\$327,305	\$338,899	\$337,493	\$367,023	\$205,754	\$0	\$0	\$0	\$0	\$0	\$0
317.44.09	Collection Agency Receipts	\$706	\$1,407	\$529	\$531	\$400	\$46	\$0	\$0	\$0	\$0	\$0
334.04.91	St. Health Dept. Trauma Grant	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,290	\$0	\$0	\$0	\$0	\$0
334.04.92	St. Health Dept. Needs Grant	\$0	\$0	\$6,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
337.26.00	GH Transit Grant	\$0	\$0	\$4,050	\$0	\$13,419	\$0	\$0	\$0	\$0	\$0	\$0
342.01.02	Emergency Services	\$0	\$0	\$0	\$0	\$324	\$0	\$0	\$0	\$0	\$0	\$0
342.60.00	Ambulance Fees	\$454,274	\$567,313	\$577,214	\$632,720	\$657,887	\$787,761	\$675,000	\$810,000	\$822,600	\$862,469	\$904,271
342.60.01	Amb. Service Collection Receipts	\$2,748	\$3,146	\$2,224	\$821	\$2,513	\$3,719	\$2,000	\$1,200	\$1,220	\$1,279	\$1,341
342.60.02	Ambulance Utility Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$447,000	\$450,000	\$450,000	\$471,810	\$494,678
342.60.03	Fire District EMS Fees	\$0	\$0	\$0	\$0	\$0	\$30,630	\$41,000	\$45,000	\$45,700	\$47,915	\$50,237
367.00.00	Donations	\$0	\$0	\$0	\$1,244	\$2,805	\$0	\$0	\$0	\$0	\$0	\$0
369.90.00	Other Miscellaneous Revenue	\$1,269	\$0	\$0	\$1,680	\$653	\$0	\$0	\$0	\$0	\$0	\$0
381.10.01	Interfund Loan from Equipment Res	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	TOTAL :	\$802,501	\$911,965	\$928,710	\$1,005,220	\$884,955	\$977,746	\$1,329,000	\$1,473,911	\$1,495,440	\$1,567,920	\$1,643,913
	Annual % Change:		13.6%	1.8%	8.2%	-12.0%	10.5%	35.9%	10.9%	1.5%	4.8%	4.8%
	Average % Change since 2000:		13.6%	7.7%	7.9%	2.9%	4.4%	9.7%	9.9%	8.8%	8.4%	8.0%
	Transfers In	\$0	\$0	\$0	\$0	\$229,334	\$511,615	\$490,000	\$0	\$0	\$0	\$0
	TOT. REV. & TRANSFERS IN:	\$802,501	\$911,965	\$928,710	\$1,005,220	\$1,114,289	\$1,489,362	\$1,819,000	\$1,473,911	\$1,495,440	\$1,567,920	\$1,643,913
			13.6%	1.8%	8.2%	10.9%	33.7%	22.1%	-19.0%	1.5%	4.8%	4.8%

## City of Hoquiam 2007-2008 Budget Ambulance Fund Revenue History and Forecast 2000 through 2010



	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Utility Tax	\$0	\$0	\$0	\$0	\$229,33	\$511,61	\$490,00	\$0	\$0	\$0	\$0
Interfund Loan from Equipment Res	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Miscellaneous Revenue	\$1,269	\$0	\$0	\$1,680	\$653	\$0	\$0	\$0	\$0	\$0	\$0
Donations	\$0	\$0	\$0	\$1,244	\$2,805	\$0	\$0	\$0	\$0	\$0	\$0
Fire District EMS Fees	\$0	\$0	\$0	\$0	\$0	\$30,630	\$41,000	\$45,000	\$45,700	\$47,915	\$50,237
Ambulance Utility Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$447,00	\$450,00	\$450,00	\$471,81	\$494,67
Amb. Service Collection Receipts	\$2,748	\$3,146	\$2,224	\$821	\$2,513	\$3,719	\$2,000	\$1,200	\$1,220	\$1,279	\$1,341
Ambulance Fees	\$454,27	\$567,31	\$577,21	\$632,72	\$657,88	\$787,76	\$675,00	\$810,00	\$822,60	\$862,46	\$904,27
Emergency Services	\$0	\$0	\$0	\$0	\$324	\$0	\$0	\$0	\$0	\$0	\$0
GH Transit Grant	\$0	\$0	\$4,050	\$0	\$13,419	\$0	\$0	\$0	\$0	\$0	\$0
St. Health Dept. Needs Grant	\$0	\$0	\$6,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
St. Health Dept. Trauma Grant	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,290	\$0	\$0	\$0	\$0	\$0
Collection Agency Receipts	\$706	\$1,407	\$529	\$531	\$400	\$46	\$0	\$0	\$0	\$0	\$0
Ambulance Tax	\$327,30	\$338,89	\$337,49	\$367,02	\$205,75	\$0	\$0	\$0	\$0	\$0	\$0
EMS Levy	\$0	\$0	\$0	\$0	\$0	\$154,30	\$164,00	\$167,71	\$175,92	\$184,44	\$193,38

## **Tourism/Stadium Fund - #112**

The City imposes two hotel/motel taxes. The “basic” 2% hotel/motel tax, often referred to as the stadium tax, is taken as a credit against the state sales tax. Additionally, the City levies a “special” 3% transient excise tax that is not credited against the state sales tax. Legislation enacted in 1997 limited this “special” tax to 2% however, all the Cities in Grays Harbor had the authority to levy a special tax before 1997 and had that rate grandfathered in by the 1997 legislation. Therefore, the tax rate on all charges for furnishing lodging for a continuous period of less than one month is 11.3% in Hoquiam.

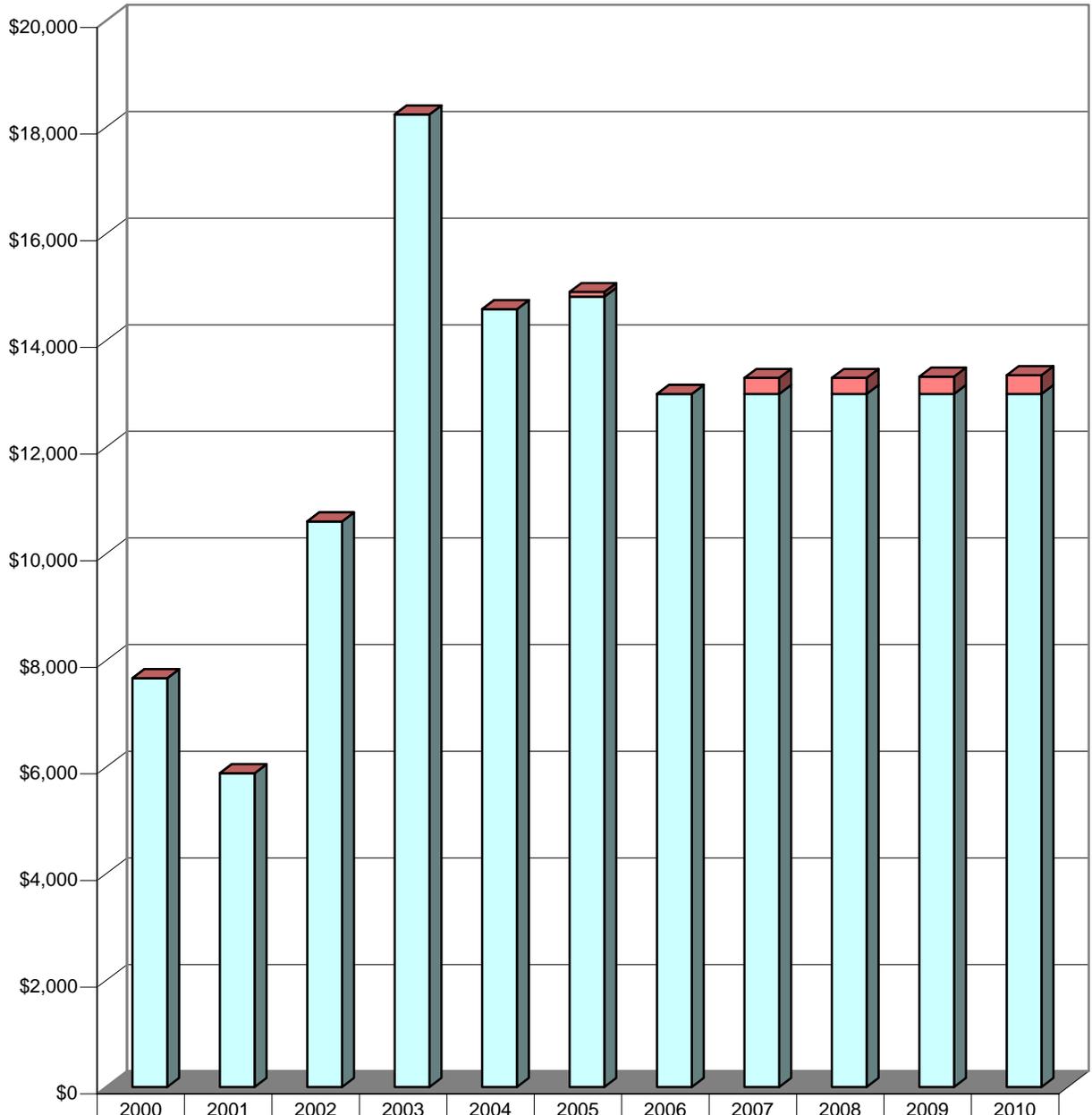
Both taxes are levied primarily bed and breakfast (B&B) and recreational vehicle (RV) visitors to Hoquiam. These revenue sources are restricted as to their use. Only uses related to tourism, stadium and convention center operation, and other economic development related activities are allowed.

The adjacent chart and graph entitled “*Stadium/Tourism Tax Revenue*” illustrate the history and projection for growth of these two revenue sources. From 2000 to 2010, these revenues have been fairly flat of late despite a rapid increase in 2002, averaging 16.4% per year through 2006. Revenues in 2007 and 2008 are anticipated to remain fairly flat. This is related to the lack of hospitality resources in Hoquiam.

Hotel/motel taxes are very sensitive to changes in economic activity and conditions. These revenue sources should be monitored closely, even during current fiscal years to ensure that receipts are being received as expected.

<b>City of Hoquiam</b> <b>Revenue Forecasting Model</b> <b>100 SERIES - SPECIAL REVENUE FUNDS</b>												
Revenue History and Projections:												
Description	Actual 2000	Actual 2001	Actual 2002	Actual 2003	Actual 2004	Actual 2005	Budgeted 2006	Budget 2007	Budget 2008	Forecasted 2009	Forecasted 2010	
308.00	<b>112 STADIUM / TOURISM</b> Beginning Balance											
31.30.00	Hotel Motel Tax	\$7,668	\$5,888	\$10,608	\$18,241	\$14,590	\$14,822	\$13,000	\$13,000	\$13,000	\$13,000	
361.10.00	Investment Interest	\$0	\$0	\$0	\$0	\$0	\$90	\$0	\$300	\$300	\$325	
	TOTAL :	\$7,668	\$5,888	\$10,608	\$18,241	\$14,590	\$14,912	\$13,000	\$13,300	\$13,300	\$13,325	
	Annual % Change:		-23.2%	80.2%	72.0%	-20.0%	2.2%	-12.8%	2.3%	0.0%	0.2%	
	Average % Change since 2000:		-23.2%	28.5%	43.0%	27.2%	22.2%	16.4%	14.4%	12.6%	11.2%	
	Transfers In	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	TOT. REV. & TRANSFERS IN:	\$7,668	\$5,888	\$10,608	\$18,241	\$14,590	\$14,912	\$13,000	\$13,300	\$13,300	\$13,325	

**City of Hoquiam 2007-2008 Budget  
Stadium/Tourism Fund Revenue  
History and Forecast 2000 through 2010**



Investment Interest	\$0	\$0	\$0	\$0	\$0	\$90	\$0	\$300	\$300	\$325	\$351
Hotel Motel Tax	\$7,668	\$5,888	\$10,608	\$18,241	\$14,590	\$14,822	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000

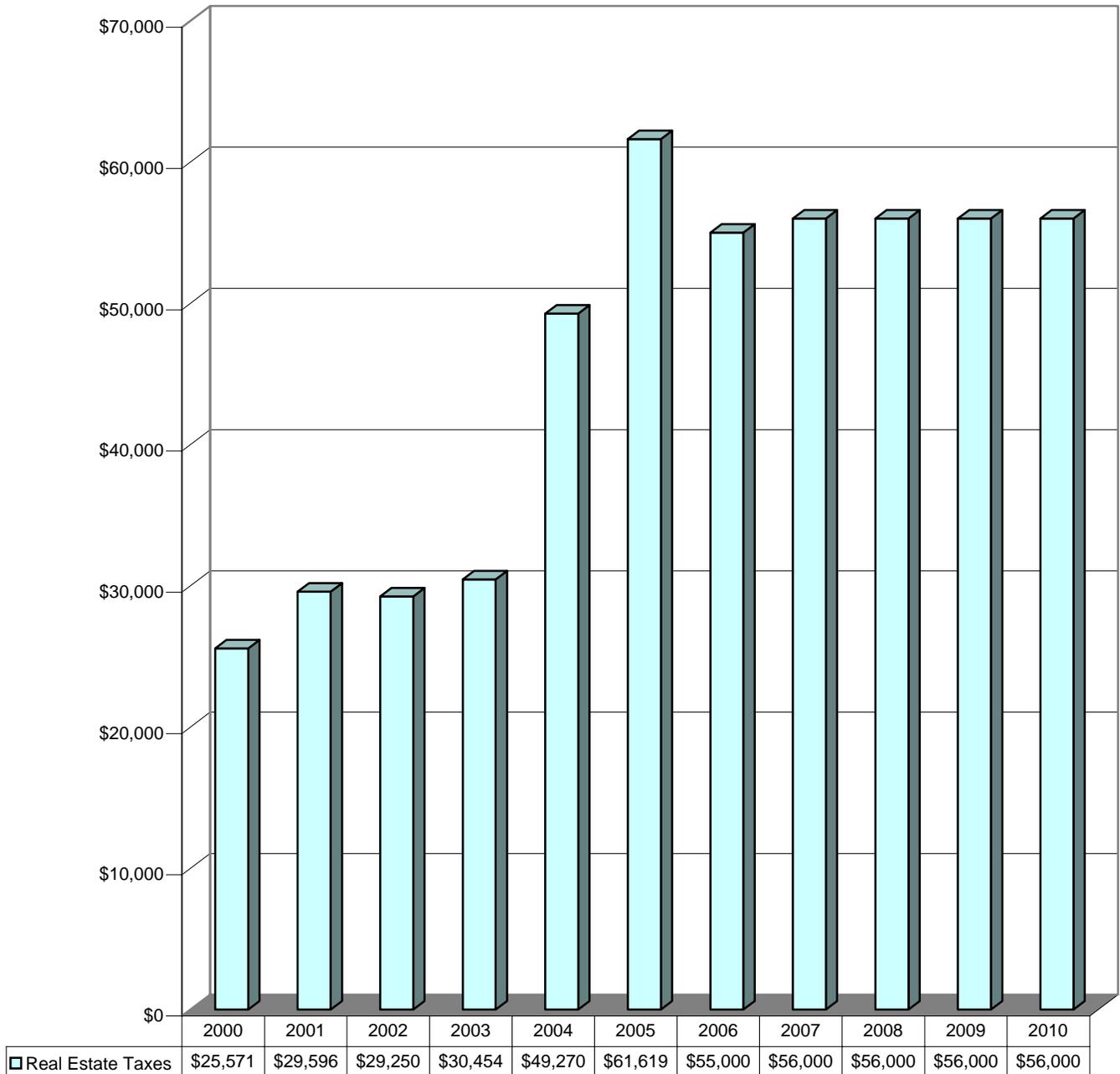
## **General Capital Reserve - #114**

The main source of revenue for this fund is the Real Estate Excise Tax (REET) imposed on the sale of real estate. In Hoquiam, we do not plan under the Growth Management Act . Therefore, our REET rate is 0.25%.

Home sales have been strong in Hoquiam recently and is portrayed in the fact that our REET revenue doubled from 2003 to 2005. The 2007-2008 budget forcecasts REET revenue to remain consistent through the biennium. In 2007, REET revenue is budgeted to increase 1.8% to \$56,000 and to remain \$56,000 in 2008 as well.

<b>City of Hoquiam</b>											
<b>Revenue Forecasting Model</b>											
<b>100 SERIES - SPECIAL REVENUE FUNDS</b>											
Revenue History and Projections:											
Description	Actual 2000	Actual 2001	Actual 2002	Actual 2003	Actual 2004	Actual 2005	Budgeted 2006	Budget 2007	Budget 2008	Forecasted 2009	Forecasted 2010
308.00	<b>114 GENERAL CAPITAL RESERVE</b>										
	Beginning Balance										
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
317.34.00	<b>Real Estate Taxes</b>										
	<u>\$25,571</u>	<u>\$29,596</u>	<u>\$29,250</u>	<u>\$30,454</u>	<u>\$49,270</u>	<u>\$61,619</u>	<u>\$55,000</u>	<u>\$56,000</u>	<u>\$56,000</u>	<u>\$56,000</u>	<u>\$56,000</u>
	TOTAL :	\$25,571	\$29,596	\$29,250	\$30,454	\$49,270	\$61,619	\$55,000	\$56,000	\$56,000	\$56,000
	Annual % Change:		15.7%	-1.2%	4.1%	61.8%	25.1%	-10.7%	1.8%	0.0%	0.0%
	Average % Change since 2000:		15.7%	7.3%	6.2%	20.1%	21.1%	15.8%	13.8%	12.1%	10.7%
	Transfers In	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
	TOT. REV. & TRANSFERS IN:	\$25,571	\$29,596	\$29,250	\$30,454	\$49,270	\$61,619	\$55,000	\$56,000	\$56,000	\$56,000

**City of Hoquiam 2007-2008 Budget  
General Capital Reserve Fund Revenue  
History and Forecast 2000 through 2010**



## **Water, Sewer and Storm Fund: #401**

The following charts and graphs summarize forecasted revenues for the City's water, sewer and storm departments. In 2007 total revenues are forecasted to increase 5.4% from 2006 levels, primarily due to the loan proceeds from the Public Works Trust Fund. In 2008, total revenues are projected to decrease 2.1% over 2007 due the absence of this loan.

As evidenced by the graph entitled "*Utility Service Revenue History 2000 through 2010*", utility rates increased for water, sewer and storm operations in January of 2006. These rates increased due to a rate study completed in 2005 and to fund necessary capital improvements of the water and sewer departments.

Revenue projections anticipate the second of four planned rate approved by the Council. These rate increase were necessary to address an impending revenue shortfalls and desperately needed capital replacements.

Staff are currently monitoring financial performance in these utility funds, primarily Storm, to determine if the utilities are meeting their financial benchmarks.

In 2007 Water Utility revenues are projected to increase 1.3% from 2006 budgeted levels, due to a planned rate increase effective October 1, 2006. This increase was approved by the City Council in 2005. This is also the rate recommended from the original utility rate study completed by FCS Group in 2005.

Sewer utility revenues are projected to decrease 2.1% from year 2006. Primarily due to a planned rate increase. The adjacent chart summarizes changes in sewer utility revenue

Sewer service revenue is expected to grown slightly through 2010 as the Council passed an Ordinance setting rate increases until that time.

Storm Drain revenues are projected to remain constant for the foreseeable future. A Storm Drain Department was broken out of Sewer and created in 2005. The current Storm Drain Ordinance has an equivalent residential unit model where all properties contribute, regardless of the property type. The chart on the following page details storm drain revenues by category.

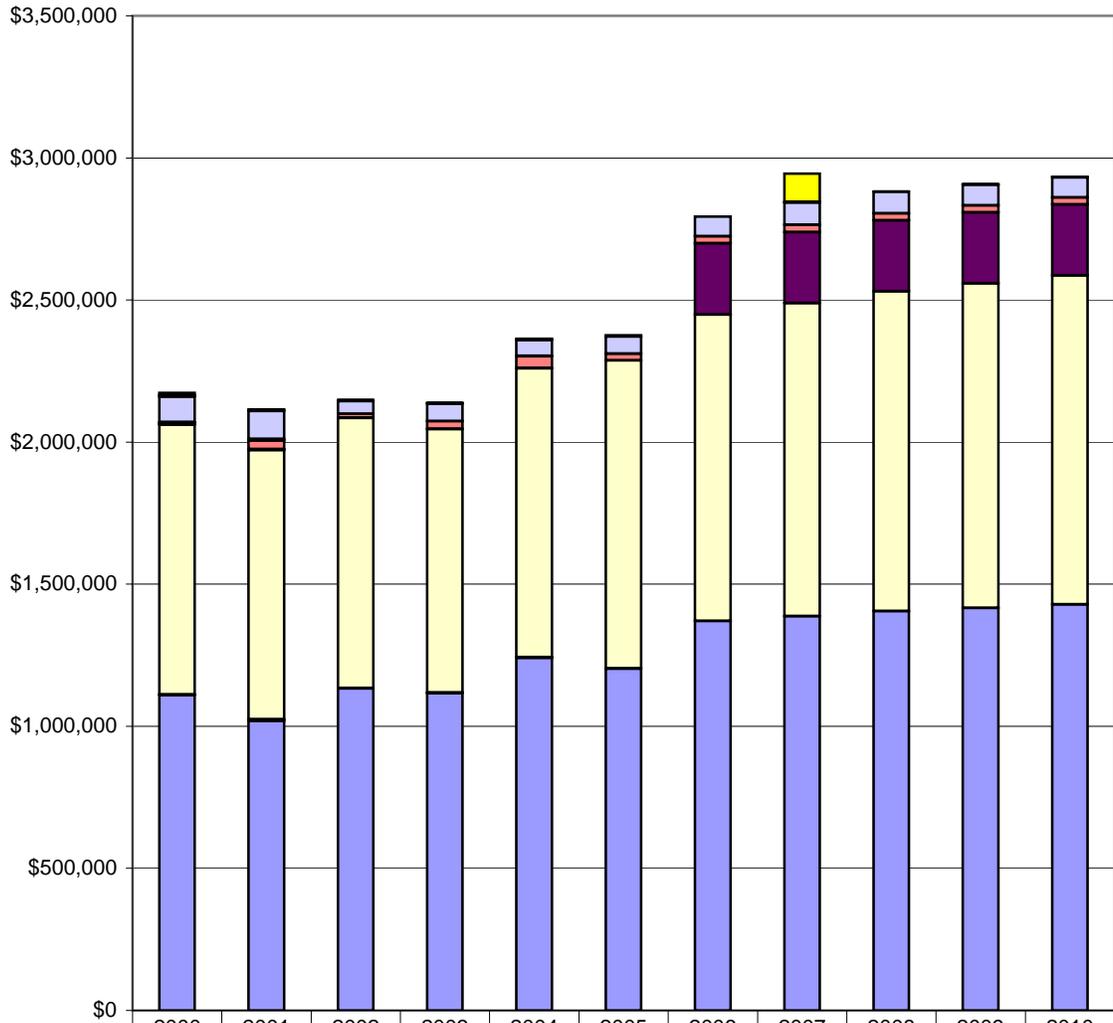
The vast majority of storm drain revenues come from monthly storm drain utility rates. However, the rate methodology will need to be modified to obtain the necessary \$250,000 per year budgeted for the biennium.

**City of Hoquiam  
Revenue Forecasting Model  
400 SERIES - UTILITY OPERATING FUNDS**

Revenue History and Projections:

Description	Actual 2000	Actual 2001	Actual 2002	Actual 2003	Actual 2004	Actual 2005	Budgeted 2006	Budget 2007	Budget 2008	Forecast 2009	Forecast 2010
Water Sales	\$1,109,435	\$1,019,290	\$1,132,830	\$1,116,283	\$1,240,726	\$1,203,039	\$1,370,000	\$1,387,340	\$1,404,895	\$1,416,748	\$1,428,701
Water Collection Accounts	\$2,401	\$4,783	\$1,783	\$1,806	\$1,860	\$155	\$0	\$0	\$0	\$0	\$0
Sewer Service	\$949,620	\$947,287	\$950,024	\$927,016	\$1,016,384	\$1,083,749	\$1,079,000	\$1,101,860	\$1,125,205	\$1,141,098	\$1,157,215
Sewer Collection Accounts	\$2,048	\$4,080	\$1,546	\$1,540	\$1,161	\$133	\$0	\$0	\$0	\$0	\$0
Storm Drainage Service	\$0	\$0	\$0	\$0	\$0	\$0	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
Charges for Misc Services	\$5,911	\$30,302	\$13,471	\$26,938	\$41,424	\$24,179	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
5th Street Ext Fees	\$1,221	\$4,964	\$0	\$0	\$1,778	\$0	\$0	\$0	\$0	\$0	\$0
Investment Interest	\$89,420	\$98,648	\$44,251	\$61,400	\$55,596	\$60,571	\$70,000	\$78,610	\$75,390	\$72,958	\$70,604
Contract Interest	\$5,337	\$4,409	\$3,416	\$2,353	\$1,217	\$0	\$0	\$0	\$0	\$0	\$0
Other Misc. Revenue	\$7,795	\$766	\$1,501	\$669	\$3,305	\$3,904	\$0	\$2,000	\$2,000	\$1,900	\$1,805
PWTF Loan Proceeds	\$0	\$0	\$0	\$919	\$0	\$0	\$0	\$100,000	\$0	\$0	\$0
Total Waterworks Utility:	\$2,173,188	\$2,114,530	\$2,148,821	\$2,138,926	\$2,363,450	\$2,375,729	\$2,794,000	\$2,944,810	\$2,882,490	\$2,907,704	\$2,933,326
Cumulative % Change from 2000		-2.7%	-1.1%	-1.6%	8.8%	9.3%	28.6%	35.5%	32.6%	33.8%	35.0%
Annual % Change:		-2.7%	1.6%	-0.5%	10.5%	0.5%	17.6%	5.4%	-2.1%	0.9%	0.9%
Average Annual % Change:		-2.7%	-0.6%	-0.5%	2.2%	1.9%	4.8%	19.4%	16.6%	14.9%	13.5%
TRANSFERS IN:											
Watershed Transfers	\$989,881	\$1,102,262	\$892,444	\$670,989	\$1,483,892	\$1,677,903	\$1,516,690	\$1,896,920	\$938,285	\$1,700,000	\$1,800,000
TOTAL TRANSFERS IN	\$989,881	\$1,102,262	\$892,444	\$670,989	\$1,483,892	\$1,677,903	\$1,516,690	\$1,896,920	\$938,285	\$1,700,000	\$1,800,000
TOTAL REVENUES:	\$3,163,069	\$3,216,792	\$3,041,265	\$2,809,915	\$3,847,342	\$4,053,632	\$4,310,690	\$4,841,730	\$3,820,775	\$4,607,704	\$4,733,326

## Hoquiam 2007-2008 Budget Utility Service Revenue History 2000 thru 2010 Forecast



	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
■ PWTF Loan Proceeds	\$0	\$0	\$0	\$919	\$0	\$0	\$0	\$100,00	\$0	\$0	\$0
■ Other Misc. Revenue	\$7,795	\$766	\$1,501	\$669	\$3,305	\$3,904	\$0	\$2,000	\$2,000	\$1,900	\$1,805
■ Contract Interest	\$5,337	\$4,409	\$3,416	\$2,353	\$1,217	\$0	\$0	\$0	\$0	\$0	\$0
■ Investment Interest	\$89,420	\$98,648	\$44,251	\$61,400	\$55,596	\$60,571	\$70,000	\$78,610	\$75,390	\$72,958	\$70,604
■ 5th Street Ext Fees	\$1,221	\$4,964	\$0	\$0	\$1,778	\$0	\$0	\$0	\$0	\$0	\$0
■ Charges for Misc Services	\$5,911	\$30,302	\$13,471	\$26,938	\$41,424	\$24,179	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
■ Storm Drainage Service	\$0	\$0	\$0	\$0	\$0	\$0	\$250,00	\$250,00	\$250,00	\$250,00	\$250,00
■ Sewer Collection Accounts	\$2,048	\$4,080	\$1,546	\$1,540	\$1,161	\$133	\$0	\$0	\$0	\$0	\$0
■ Sewer Service	\$949,62	\$947,28	\$950,02	\$927,01	\$1,016,3	\$1,083,7	\$1,079,0	\$1,101,8	\$1,125,2	\$1,141,0	\$1,157,2
■ Water Collection Accounts	\$2,401	\$4,783	\$1,783	\$1,806	\$1,860	\$155	\$0	\$0	\$0	\$0	\$0
■ Water Sales	\$1,109,4	\$1,019,2	\$1,132,8	\$1,116,2	\$1,240,7	\$1,203,0	\$1,370,0	\$1,387,3	\$1,404,8	\$1,416,7	\$1,428,7

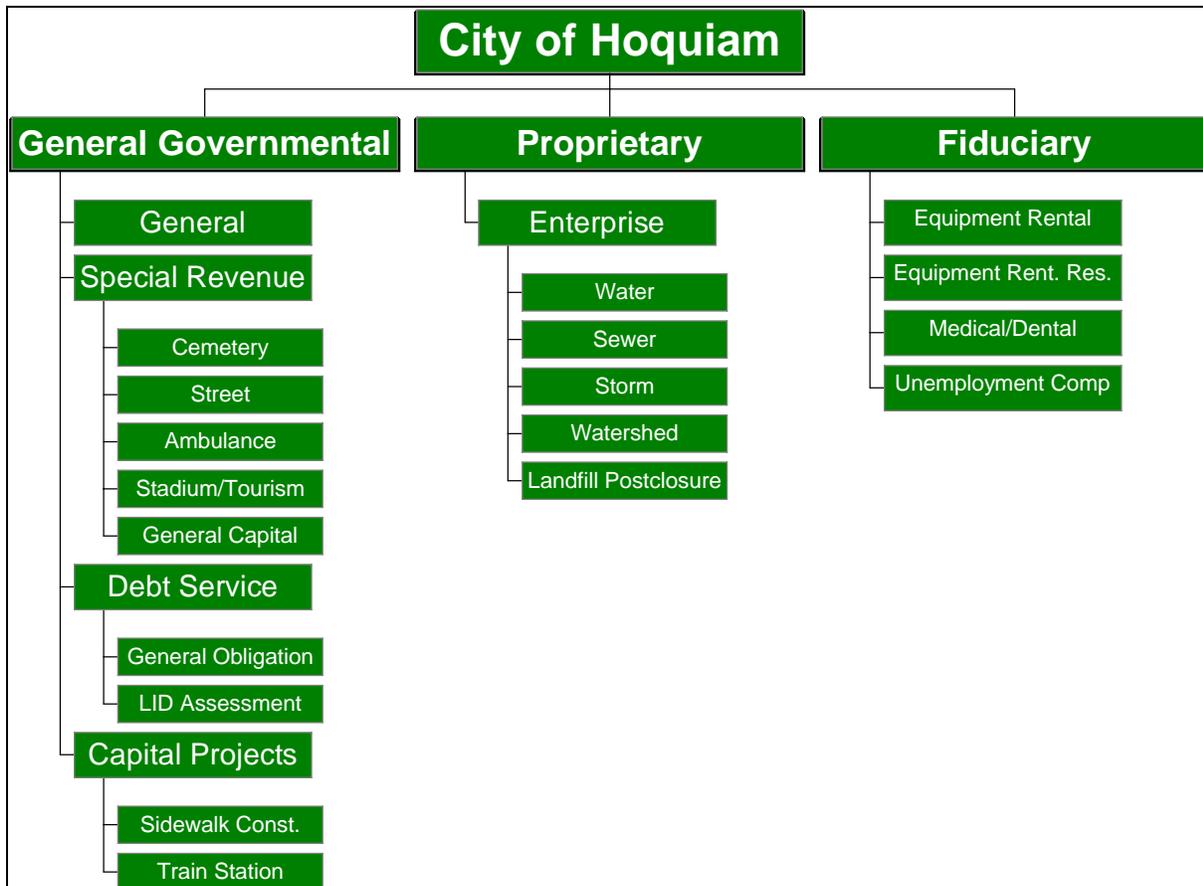
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# V. FUND SUMMARY SECTION

## Overview

The adjacent pages summarize the City of Hoquiam's 2007-2008 all funds budget.

The following pages of this section provide a comprehensive assessment of the financial condition of every operating fund of the City of Hoquiam. A narrative explanation of each fund is provided along with a financial "balance sheet", summarizing historic financial activity and reflecting the impact of the adopted budget on each fund's bottom line.

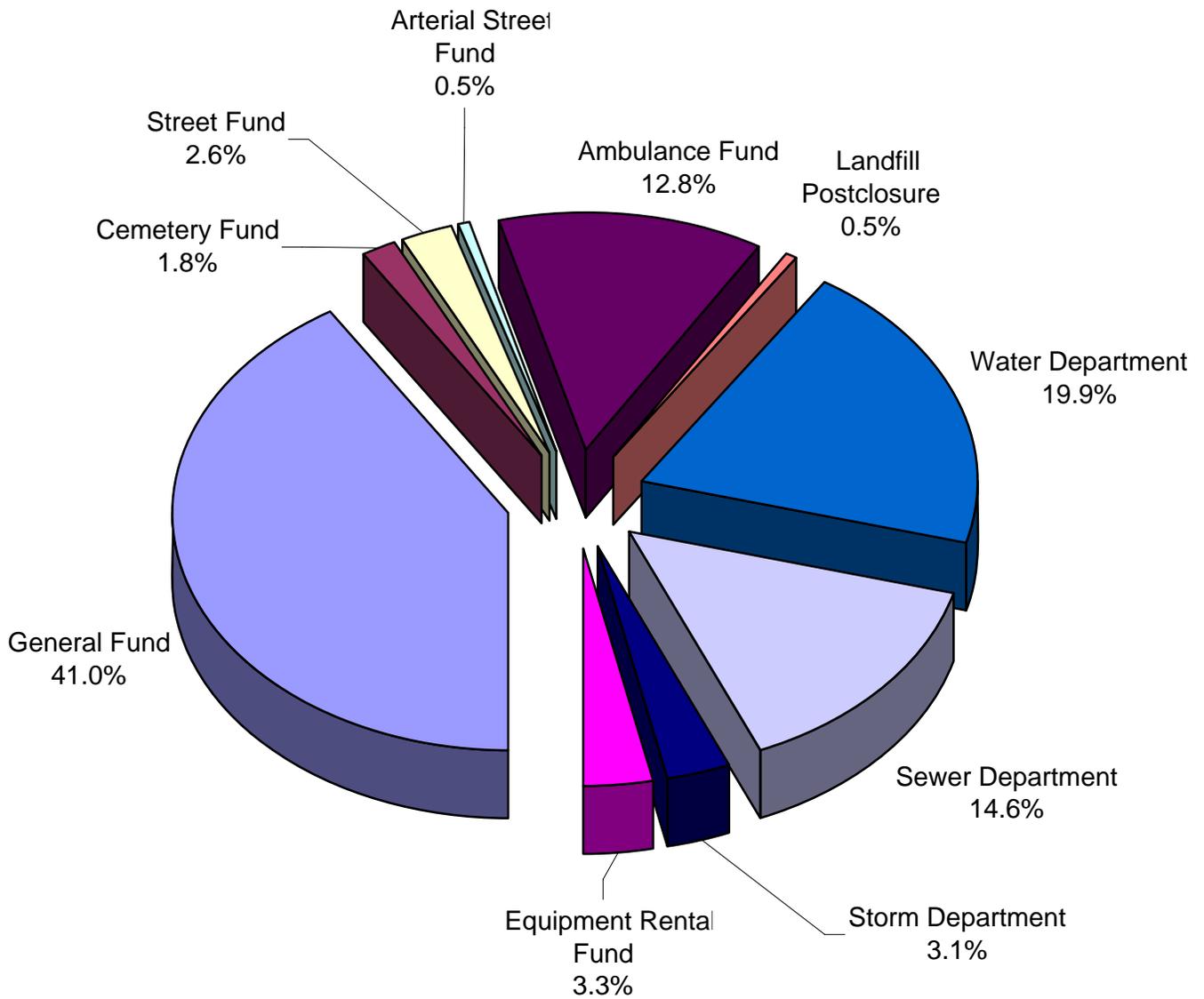


**EXHIBIT A**  
(revised 11/21/06)

**CITY OF HOQUIAM 2007-2008 BUDGET**

FUND/DEPARTMENT	2007				2008				TOTAL BIENNIUM	
	BEGINNING	RESOURCES	USES	ENDING	BEGINNING	RESOURCES	USES	ENDING	RESOURCES	USES
	BALANCE			BALANCE	BALANCE					
001 General Fund										
Legislative			\$ 117,395				\$ 121,750			\$ 239,145
Municipal Court			\$ 152,670				\$ 161,780			\$ 314,450
Finance			\$ 212,360				\$ 208,115			\$ 420,475
Legal Services			\$ 117,635				\$ 121,780			\$ 239,415
Civil Service			\$ 5,490				\$ 5,490			\$ 10,980
City Hall & Buildings			\$ 120,885				\$ 119,690			\$ 240,575
Electrical			\$ 183,220				\$ 187,790			\$ 371,010
Police			\$ 1,861,220				\$ 1,950,880			\$ 3,812,100
Fire			\$ 770,450				\$ 804,185			\$ 1,574,635
Animal Control			\$ 68,255				\$ 71,235			\$ 139,490
Public Works			\$ 257,355				\$ 270,295			\$ 527,650
Personnel Services			\$ -				\$ -			\$ -
Police Special Funds (DTF)			\$ 104,545				\$ 108,915			\$ 213,460
Library			\$ 190,940				\$ 199,090			\$ 390,030
Community Services			\$ 398,075				\$ 432,975			\$ 831,050
Economic Development			\$ 52,810				\$ 54,065			\$ 106,875
911 Program			\$ 32,000				\$ 97,410			\$ 129,410
Transfers Out			\$ 641,655				\$ 729,645			\$ 1,371,300
Total General Fund	\$ 1,547,670	\$ 5,286,960	\$ 5,286,960	\$ 1,547,670	\$ 1,547,670	\$ 5,645,090	\$ 5,645,090	\$ 1,547,670	\$ 10,932,050	\$ 10,932,050
005 Stadium Field Loan Repayment	\$ -	\$ 36,000	\$ 36,000	\$ -	\$ -	\$ 37,200	\$ 37,200	\$ -	\$ 73,200	\$ 73,200
101 Cemetery	\$ -	\$ 212,720	\$ 205,085	\$ 7,635	\$ 7,635	\$ 205,430	\$ 213,065	\$ -	\$ 418,150	\$ 418,150
102 Mausoleum	\$ 123,000	\$ 21,175	\$ 27,415	\$ 116,760	\$ 116,760	\$ 21,560	\$ 14,810	\$ 123,510	\$ 42,735	\$ 42,225
103 Cemetery Equipment Reserve	\$ 12,500	\$ 1,500	\$ 2,000	\$ 12,000	\$ 12,000	\$ 1,515	\$ -	\$ 13,515	\$ 3,015	\$ 2,000
104 Cemetery Preneed	\$ 275,000	\$ 26,350	\$ 57,000	\$ 244,350	\$ 244,350	\$ 26,720	\$ 22,000	\$ 249,070	\$ 53,070	\$ 79,000
105 Parks Special Programs	\$ 6,000	\$ 8,000	\$ 8,200	\$ 5,800	\$ 5,800	\$ 6,000	\$ 8,200	\$ 3,600	\$ 14,000	\$ 16,400
106 Street	\$ 25,000	\$ 280,010	\$ 293,760	\$ 11,250	\$ 11,250	\$ 300,910	\$ 312,160	\$ -	\$ 580,920	\$ 605,920
107 Arterial Street	\$ 128,000	\$ 73,350	\$ 106,015	\$ 95,335	\$ 95,335	\$ 74,310	\$ 85,695	\$ 83,950	\$ 147,660	\$ 191,710
108 Paths & Trails	\$ 7,000	\$ 1,300	\$ 8,000	\$ 300	\$ 300	\$ 1,345	\$ -	\$ 1,645	\$ 2,645	\$ 8,000
109 Ambulance	\$ 250,000	\$ 1,473,911	\$ 1,484,755	\$ 239,156	\$ 239,156	\$ 1,495,440	\$ 1,514,290	\$ 220,306	\$ 2,969,351	\$ 2,999,045
112 Stadium/Tourism	\$ 15,770	\$ 13,300	\$ -	\$ 29,070	\$ 29,070	\$ 13,300	\$ -	\$ 42,370	\$ 26,600	\$ -
114 General Capital Reserve	\$ 322,125	\$ 56,000	\$ 25,000	\$ 353,125	\$ 353,125	\$ 56,000	\$ 25,000	\$ 384,125	\$ 112,000	\$ 50,000
130 Community Development Repay	\$ 217,900	\$ 10,000	\$ 101,100	\$ 126,800	\$ 126,800	\$ 10,000	\$ 51,100	\$ 85,700	\$ 20,000	\$ 152,200
205 1995 Refunding Bond	\$ 865	\$ 181,820	\$ 182,685	\$ -	\$ -	\$ 184,188	\$ 184,188	\$ -	\$ 366,008	\$ 366,873
213 1989 LTGO Bond	\$ -	\$ 25,485	\$ 25,481	\$ 4	\$ 4	\$ 25,485	\$ 25,481	\$ 8	\$ 50,970	\$ 50,962
302 Sidewalk Construction	\$ 2,500	\$ 50,000	\$ 50,000	\$ 2,500	\$ 2,500	\$ 27,500	\$ 3,000	\$ 27,000	\$ 77,500	\$ 53,000
401 Water, Sewer and Storm	\$ 350,000	\$ 4,841,730	\$ 4,853,815	\$ 337,915	\$ 337,915	\$ 3,820,775	\$ 4,014,425	\$ 144,265	\$ 8,662,505	\$ 8,868,240
402 Watershed	\$ 1,300,000	\$ 750,000	\$ 2,000,750	\$ 49,250	\$ 49,250	\$ 1,063,450	\$ 1,097,200	\$ 15,500	\$ 1,813,450	\$ 3,097,950
417 Landfill Postclosure	\$ 304,735	\$ 8,000	\$ 59,430	\$ 253,305	\$ 253,305	\$ 7,000	\$ 61,005	\$ 199,300	\$ 15,000	\$ 120,435
501 Equipment Rental	\$ 50,000	\$ 489,790	\$ 487,505	\$ 52,285	\$ 52,285	\$ 244,525	\$ 270,485	\$ 26,325	\$ 734,315	\$ 757,990
505 Equipment Rental Reserve	\$ 1,204,555	\$ 273,985	\$ 212,440	\$ 1,266,100	\$ 1,266,100	\$ 271,400	\$ 1,537,500	\$ -	\$ 545,385	\$ 1,749,940
520 Medical/Dental	\$ 60,000	\$ 1,414,570	\$ 1,415,000	\$ 59,570	\$ 59,570	\$ 1,513,590	\$ 1,511,000	\$ 62,160	\$ 2,928,160	\$ 2,926,000
522 Unemployment	\$ -	\$ 15,000	\$ 15,000	\$ -	\$ -	\$ 15,000	\$ 15,000	\$ -	\$ 30,000	\$ 30,000
611 Police and Firemen's Pension	\$ 22,465	\$ 489,035	\$ 501,500	\$ 10,000	\$ 10,000	\$ 533,000	\$ 533,000	\$ 10,000	\$ 1,022,035	\$ 1,034,500
<b>GRAND TOTAL ALL FUNDS</b>	<b>\$ 6,225,085</b>	<b>\$ 16,039,991</b>	<b>\$ 17,444,896</b>	<b>\$ 4,820,180</b>	<b>\$ 4,820,180</b>	<b>\$ 15,600,733</b>	<b>\$ 17,180,894</b>	<b>\$ 3,240,019</b>	<b>\$ 31,640,724</b>	<b>\$ 34,625,790</b>

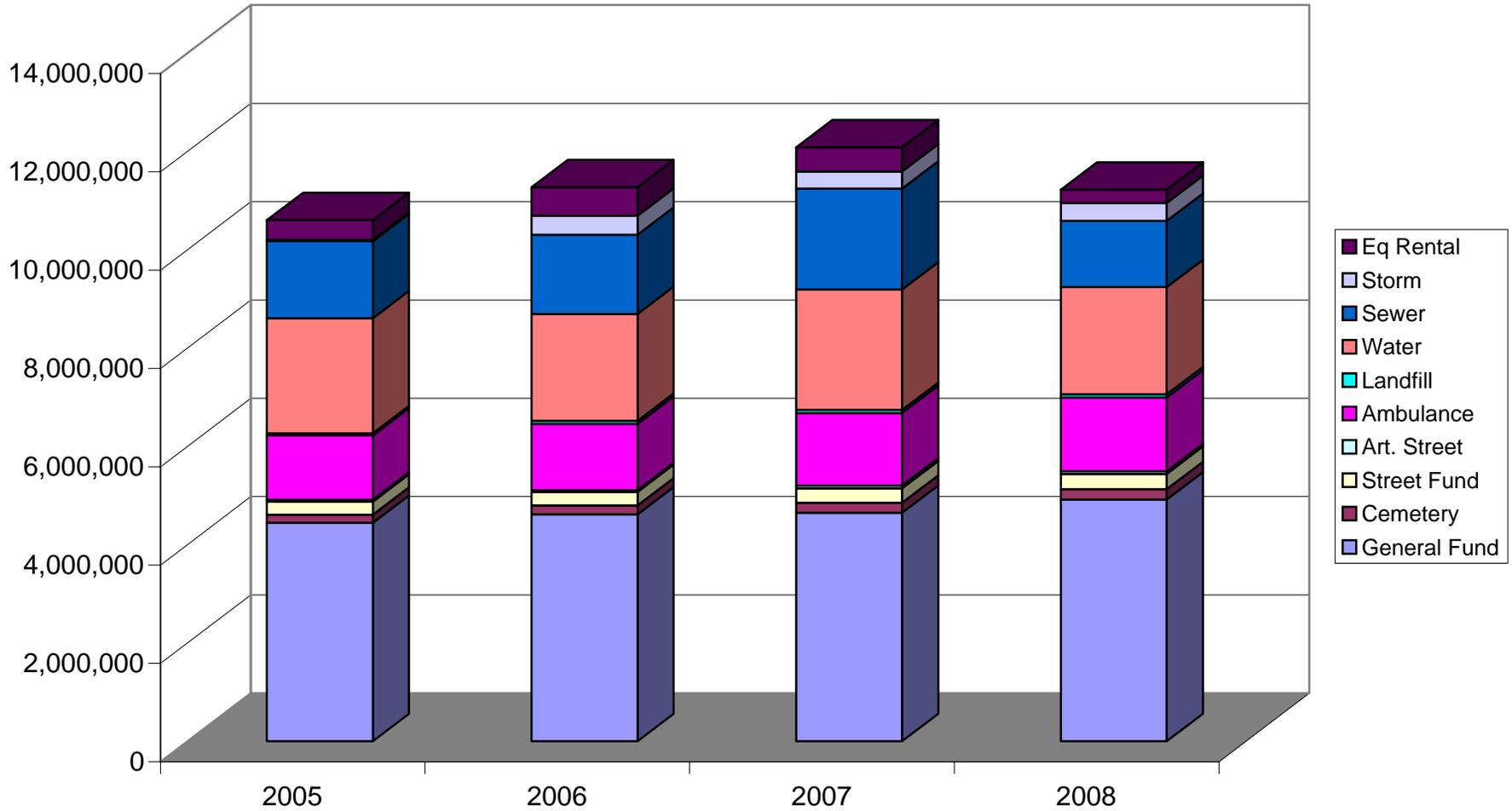
**City of Hoquiam**  
**2007-2008 Operating Appropriations by Fund**  
**\$23,296,115**



# CITY OF HOQUIAM

## Operating Budget

### 2005 Actual - 2008 Appropriations



## **A. General Fund - #001**

### **Overview:**

The adjacent page summarizes all 2007-2008 General Fund projected revenues and requested appropriations. The General Fund is balance with no use of reserves for the entire biennium

For 2007, total revenues and transfers in are forecasted at \$5,286,960 while requested appropriations total \$5,286,960 creating an ending balance of \$1,547,670. In 2008, total revenues and transfers in are forecasted at \$5,645,090, while requested appropriations total \$5,645,090 maintaining the same ending balance of \$1,547,670 through the biennium.

The 2007-2008 biennial operating budget appropriations represent a 5.6% increase from comparable 2005-2006 appropriations. This budget provides funding for 100% of current staffing levels, all other appropriations necessary to maintain current service levels, funding for some small capital items and new program requests.

Transfers to the Street fund are \$37,690 higher than the 2005-2006 biennium, while Police and Fire Pension (LEOFF I) transfers have increased \$75,030 from 2005-2006 budget levels.

Projected revenues are sufficient to cover all appropriation requests, and maintain the General Fund's ending balance to \$1,574,670 throughout the biennium.

## **General Fund Revenues:**

The adjacent chart provides a summary forecast of 2007-2008 General Fund revenues and transfers in.

Overall, General Fund revenues and transfers in are forecasted to decrease 12.4% over the 2005-2006 biennium.

*Beginning cash balance* is forecasted at \$1,547,670. Beginning cash balance for this fund became what it is today in 2005 with the sale of sanitation. However, none of these reserves have been used to balance the biennium

*Taxes* are projected to increase over the biennium, primarily driven by a change in accounting practice whereby all general fund taxes are receipted into the General fund and transferred out as needed. Also, an increase in sales tax revenue and new construction property tax revenue in 2007 and 2008 contributes to this increase.

*Fines and forfeitures* show modest percentage growth, however due to the limited size of their revenue streams, nominal revenue growth is not significant.

*Miscellaneous revenue* shows an increase of 7.8% over the previous biennium. The sharp rise in interest rates and the amount of cash on hand is the primary contributor to this increase.

*Transfers in* decline over the biennium due to a large transfer in budgeted for 2006 for the purchase of police vehicles. This transfer was never utilized, instead the Council opted to purchase the vehicles using General fund reserves.

Analysis: Overall revenue growth is small but steady but may strengthen over the coming biennium. This budget continues to maintain a high ongoing cash balance.

Additionally, Initiative 747 requires the city to limit property tax levy increases to one percent per year, unless the voters of the City approve, by a simple majority vote, a greater increase.

<b>CITY OF HOQUIAM</b>					
<b>2007-2008 OPERATING AND CAPITAL BUDGET</b>					
<b>GENERAL FUND SUMMARY - #001</b>					
	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
<b>REVENUES</b>	<b><u>Actual</u></b>	<b><u>Actual</u></b>	<b><u>Forecast</u></b>	<b><u>Budget</u></b>	<b><u>Budget</u></b>
Beginning Balance	\$350,047	\$1,457,782	\$1,429,531	\$1,500,000	\$1,513,900
Beg. Bal. - Drug Fund	\$33,877	\$79,357	\$30,249	\$42,000	\$29,100
Beg. Bal. - Rest. Court	\$4,156	\$6,187	\$4,558	\$5,670	\$4,670
Total Beginning Balances	388,081	1,543,327	1,464,337	1,547,670	1,547,670
Taxes	\$3,522,134	\$3,777,013	\$3,726,010	4,224,660	4,595,050
Licenses and Permits	\$211,169	\$274,298	\$252,715	269,820	277,715
Intergov't Revenue	\$273,113	\$398,179	\$293,655	328,500	302,080
Charges for Services	\$71,905	\$66,511	\$52,540	61,660	61,295
Fines and Forfeit.	\$196,000	\$76,005	\$83,600	90,070	91,585
Misc. Revenue	\$200,894	\$262,531	\$189,960	246,770	241,525
Total General Fund Revenue	4,475,215	4,854,537	4,598,480	5,221,480	5,569,250
Transfers In:					
Stadium Field Loan-005	\$32,221	\$33,810	\$34,000	\$36,000	\$37,200
Ambulance-109	\$18,780	\$12,873	\$15,645	\$4,480	\$13,640
Tourism/Stadium-112	\$14,590	\$3,478	\$0	\$0	\$0
General Capital Reserve-114	\$38,658	\$0	\$75,000	\$25,000	\$25,000
Combined LID 97-98 - 210	\$0	\$0	\$4,165	\$0	\$0
Equip Rental Reserve-505	\$24,000	\$0	\$90,000	\$0	\$0
Library Memorial - 629	\$0	\$0	\$6,800	\$0	\$0
Total Transfers In	128,249	50,161	225,610	65,480	75,840
Other - Sale of Fixed Assets	1,371,944	570	0	0	0
Total Transfers In and Other:	1,500,193	50,731	225,610	65,480	75,840
Current Year Rev. & Trfrs	5,975,408	4,905,268	4,824,090	5,286,960	5,645,090
Total Revenues and Transfers In	6,363,489	6,448,594	6,288,427	6,834,630	7,192,760

## **General Fund Appropriations:**

Requested appropriations and required transfers increase \$1,268,345 or 13.1% from the previous 2005-2006 biennium. This is primarily due to the change in accounting practice where all general property tax proceeds are receipted into the General fund and transferred out. Of this total, the adjacent page summarizes operating appropriations, which increase 5.6% over the previous biennium.

Major areas of change include:

Legislative: Total requested funding of \$117,395 in 2007 and \$121,750 in 2008 includes appropriations for the election of six Council Members and the Mayor in 2007.

Finance increases 13.3% over the previous biennium due to the purchase of an upgrade to the financial system software and utility billing modules.

Public Works: increases \$195,075 or 58.7% over the previous biennium due to the addition of a full-time Planner in 2007.

Community Services increases 9.5% due to some necessary upgrades to Olympic Stadium and the purchase of new playground equipment.

911 Program decreases 20.5% or \$33,286 due the receipt of one time in 2007. Program fees are anticipated to return to normal levels in 2008.

Transfers to Other Funds:

The General Fund budget includes \$641,655 in 2007 and \$729,645 in 2008 as transfers to other funds. These transfers include:

Street Fund: \$128,440 in 2007 and \$147,680 in 2008 in transfers to support Street Fund operations. This is an increase of \$37,690 from the previous biennium's support level, primarily due to support from the Arterial Street Fund.

General Obligation Equipment Bond Redemption: \$25,485 in transfers for the 2007 and 2008 payment on the 1989 bonds which paid for a remodel of City Hall.

Unemployment Fund: \$15,000 2007 and 2008 respectively in transfers unemployment benefits paid to former City of Hoquiam employees.

Police and Fire Pension: \$472,730 in 2007 and \$516,500 in 2008 for payment of medical benefits to Law Enforcement Officers and Fire Fighters I (LEOFF I) active and retired employees.

<b>CITY OF HOQUIAM</b>					
<b>2007-2008 OPERATING AND CAPITAL BUDGET</b>					
<b>GENERAL FUND SUMMARY - #001</b>					
<b>APPROPRIATIONS</b>					
	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
<b>Department</b>	<b>Actual</b>	<b>Actual</b>	<b>Budgeted</b>	<b>Budget</b>	<b>Budget</b>
Legislative	90,864	129,217	106,955	117,395	121,750
Municipal Court	149,380	140,678	146,055	152,670	161,780
Finance	146,280	179,314	191,910	212,360	208,115
Legal Services	92,850	102,586	106,000	117,635	121,780
Civil Service	2,388	324	5,075	5,490	5,490
City Hall & Buildings	74,958	95,797	107,790	120,885	119,690
Electrical	181,513	173,072	190,710	183,220	187,790
Police	1,800,595	1,775,546	1,871,030	1,861,220	1,950,880
Fire	866,994	771,090	798,315	770,450	804,185
Animal Control	64,453	44,114	65,405	68,255	71,235
Public Works	191,701	163,934	168,640	257,355	270,295
Personnel Services	0	361	0	0	0
Police Special Funds (DTF)	121,701	133,551	119,320	104,545	108,915
Library	201,838	178,934	244,860	190,940	199,090
Community Services	489,455	400,365	358,695	398,075	432,975
Economic Development	20,401	59,316	61,180	52,810	54,065
911 Program	94,769	91,951	70,745	32,000	97,410
General Fund Total:	4,590,139	4,440,150	4,612,685	4,645,305	4,915,445
<b>Transfers Out</b>					
Other Funds:					
Cemetery Fund - 101	0	32,275	43,000	0	25,280
Street Fund - 106	0	0	0	128,440	147,380
Ambulance Fund - 109	229,334	511,615	23,980	0	0
1989 LTGO Bond Fund - 213	0	0	0	25,485	25,485
Unemployment Fund 522	0	0	0	15,000	15,000
Police & Fire Pension Fund - 611	0	0	0	472,730	516,500
Total Transfers Out:	229,334	543,890	66,980	641,655	729,645
Total Expenses and Transfers	4,819,473	4,984,040	4,679,665	5,286,960	5,645,090
Total General Fund Reserves:	1,544,015	1,464,555	1,608,762	1,547,670	1,547,670
Use of Reserves	-216,009	-79,342	144,425	0	0

## **B. Grayport Demolition Loan Repayment Fund - #005**

### **Overview:**

The adjacent page summarizes all 2007-2008 Grayport Demolition projected revenues and requested appropriations.

Total Grayport Demolition financial activity increases 7.9% for the coming biennium.

### **Revenues**

Grayport Demolition revenues come from one source: a 2% Cable Utility Tax.

### **Appropriations:**

The proposed budget includes \$36,000 and \$37,000 in 2007 and 2008 respectively in transfers to the General Fund for debt service on an interfund loan that financed the demolition of the old Grayport Hotel.

**CITY OF HOQUIAM**  
**2007-2008 OPERATING AND CAPITAL BUDGET**  
**GRAYPORT DEMOLITION LOAN REPAYMENT - #005**

<b><u>REVENUES</u></b>	<b><u>2004</u></b> <b><u>Actual</u></b>	<b><u>2005</u></b> <b><u>Actual</u></b>	<b><u>2006</u></b> <b><u>Forecast</u></b>	<b><u>2007</u></b> <b><u>Budget</u></b>	<b><u>2008</u></b> <b><u>Budget</u></b>
Beginning Fund Balance	\$0	\$0	\$0	\$0	\$0
Utility Tax Cable TV (2%)	<u>\$32,221</u>	<u>\$33,810</u>	<u>\$34,000</u>	<u>\$36,000</u>	<u>\$37,200</u>
Total Grayport Revenues	\$32,221	\$33,810	\$34,000	\$36,000	\$37,200
Grand Total Grayport Demolition	\$32,221	\$33,810	\$34,000	\$36,000	\$37,200
<b><u>APPROPRIATIONS</u></b>					
Trf Out - General Fund #001	<u>\$32,221</u>	<u>\$33,810</u>	<u>\$34,000</u>	<u>\$36,000</u>	<u>\$37,200</u>
Total Grayport Appropriations	\$32,221	\$33,810	\$34,000	\$36,000	\$37,200
Ending Balance	\$0	\$0	\$0	\$0	\$0

## **C. Cemetery Fund - #101**

### **Overview:**

The Cemetery fund accounts for the operations of the City's 40 acre cemetery, Sunset Park. The adjacent page summarizes projected revenues and appropriations.

For 2007, total revenues and transfers in are forecasted at \$212,720, while requested appropriations total \$205,085, resulting in a remaining balance of \$7,635. For 2008, total revenues and transfers in are forecasted at \$205,430, while requested appropriations total \$213,065, resulting in a remaining balance of \$0.

### **Revenues:**

Revenues come from primarily from plot sales, retail monument and vault sales at the Cemetery which are projected to increase slightly. Additionally, the City leases a Cell Tower on the sight.

### **Appropriations and transfers out:**

Estimated biennial appropriations and transfers funds for operations. The purchase of a golf cart is budgeted for covered funeral transportation.

**CITY OF HOQUIAM**  
**2007-2008 OPERATING AND CAPITAL BUDGET**  
**CEMETERY FUND - #101**

<b><u>REVENUES</u></b>	<b><u>2004</u></b> <b><u>Actual</u></b>	<b><u>2005</u></b> <b><u>Actual</u></b>	<b><u>2006</u></b> <b><u>Forecast</u></b>	<b><u>2007</u></b> <b><u>Budget</u></b>	<b><u>2008</u></b> <b><u>Budget</u></b>
Beginning Fund Balance	\$17,088	\$5,229	\$2	\$0	\$7,635
Retail Sales	\$0	\$0	\$6,000	\$0	\$0
Cemetery Fees	\$120,809	\$88,942	\$100,000	\$109,300	\$112,705
Investment Interest	\$10,450	\$14,460	\$19,500	\$20,105	\$20,735
Land Lease (Cell Tower)	\$10,300	\$10,400	\$9,600	\$9,600	\$9,600
Housing Rentals	\$2,400	\$3,000	\$4,800	\$4,800	\$4,800
Donations	\$0	\$45	\$0	\$0	\$0
<u>Other Miscellaneous</u>	<u>\$291</u>	<u>\$5</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Cemetery Revenue	\$144,250	\$116,852	\$139,900	\$143,805	\$147,840
Transfers In:					
Trf In - Mausoleum #102	\$9,296	\$9,333	\$10,675	\$9,915	\$10,310
Trf In - Cem Eq. Reserve #103	\$0	\$0	\$0	\$2,000	\$0
Trf In - Cem Preneed #104	\$850	\$3,003	\$2,000	\$57,000	\$22,000
<u>Trf In - General Fund #001</u>	<u>\$0</u>	<u>\$32,275</u>	<u>\$23,980</u>	<u>\$0</u>	<u>\$25,280</u>
Total Cemetery Transfers In	\$10,146	\$44,611	\$36,655	\$68,915	\$57,590
Total Cemetery Revenues & Transfers In	\$154,396	\$161,463	\$176,555	\$212,720	\$205,430
Grand Total Cemetery Resources	\$171,484	\$166,692	\$176,557	\$212,720	\$213,065
<b><u>APPROPRIATIONS</u></b>					
Cemetery Operations	\$164,928	\$165,690	\$180,355	\$203,585	\$211,565
Transfers Out:					
<u>Trf Out - Cem Equip Reserve #103</u>	<u>\$1,327</u>	<u>\$1,000</u>	<u>\$1,200</u>	<u>\$1,500</u>	<u>\$1,500</u>
Total Cemetery Transfers Out	\$1,327	\$1,000	\$1,200	\$1,500	\$1,500
CEMETERY FUND APPROPRIATIONS	\$166,255	\$166,690	\$181,555	\$205,085	\$213,065
Ending Balance	\$5,229	\$2	-\$4,998	\$7,635	\$0

## **D. Mausoleum Fund - #102**

### **Overview:**

The Mausoleum fund accounts for the City's three mausoleums in operation, much in the same way the Cemetery fund does. The adjacent page summarizes all 2007-2008 projected revenues and requested appropriations.

### **Revenues:**

Emergency Care revenues come from fees and are projected at \$11,000 in 2007 and \$11,000 in 2008.

### **Appropriations and Transfers Out:**

Operating budget appropriations are projected at \$17,500 in 2007 and \$4,500 in 2008. An additional appropriations for a transfer to the Cemetery is included at \$9,915 and \$10,310. The replacement of the water system is included in the 2007 budget.

**CITY OF HOQUIAM**  
**2007-2008 OPERATING AND CAPITAL BUDGET**  
**MAUSOLEUM FUND - #102**

<b>REVENUES</b>	<b><u>2004</u> <u>Actual</u></b>	<b><u>2005</u> <u>Actual</u></b>	<b><u>2006</u> <u>Forecast</u></b>	<b><u>2007</u> <u>Budget</u></b>	<b><u>2008</u> <u>Budget</u></b>
Beginning Balance	\$103,860	\$113,864	\$120,522	\$123,000	\$117,289
Cemetery Fees	11,075	8,595	11,000	11,000	11,000
Investment Interest	2,392	2,823	3,000	3,350	3,735
<u>Interest on Contracts A/R</u>	<u>1,360</u>	<u>1,223</u>	<u>1,085</u>	<u>857</u>	<u>923</u>
Total Mausoleum Revenue	14,827	12,641	15,085	15,207	15,658
Transfers In:					
<u>Cemetery Interfund Loan #101</u>	<u>5,464</u>	<u>5,601</u>	<u>5,740</u>	<u>6,497</u>	<u>7,000</u>
Total Transfers In	5,464	5,601	5,740	6,497	7,000
<u>Total Revenues &amp; Transfers In</u>	<u>20,291</u>	<u>18,242</u>	<u>20,825</u>	<u>21,704</u>	<u>22,658</u>
Grand Total Mausoleum:	124,151	132,106	141,347	144,704	139,947
<b>APPROPRIATIONS</b>					
Mausoleum Operations	991	2,251	3,500	17,500	4,500
Transfers Out:					
<u>Op Transfer Cemetery #101</u>	<u>9,296</u>	<u>9,333</u>	<u>10,675</u>	<u>9,915</u>	<u>10,310</u>
Total Transfers Out:	9,296	9,333	10,675	9,915	10,310
Grand Total Mausoleum:	10,287	11,584	14,175	27,415	14,810
Ending Balance	113,864	120,522	127,172	117,289	125,137

## **E. Cemetery Equipment Reserve Fund - #103**

### **Overview:**

The Cemetery Equipment Reserve fund receives money in the form of transfers from the Cemetery and Mausoleum fund for future purchases of vehicles and equipment.

### **Revenues:**

For 2007 and 2008, transfers in from the Cemetery are budgeted at \$1,200 for each year.

### **Appropriations and Transfers out:**

The only appropriation of this fund is for \$2,000 in 2007 in the form of a transfer to the Cemetery fund for the purchase of a golf cart.

This budget includes a \$13,515 balance by year end 2008.

**CITY OF HOQUIAM**  
**2007-2008 OPERATING AND CAPITAL BUDGET**  
**CEMETERY EQUIPMENT RESERVE FUND - #103**

<b>REVENUES</b>	<b><u>2004</u> Actual</b>	<b><u>2005</u> Actual</b>	<b><u>2006</u> Forecast</b>	<b><u>2007</u> Budget</b>	<b><u>2008</u> Budget</b>
Beginning Balance	8,173	9,602	10,898	12,500	12,000
<u>Investment Interest</u>	<u>102</u>	<u>296</u>	<u>300</u>	<u>300</u>	<u>315</u>
Total Revenue	102	296	300	300	315
Transfers In:					
<u>Cemetery #101</u>	<u>1,327</u>	<u>1,000</u>	<u>1,200</u>	<u>1,200</u>	<u>1,200</u>
Total Transfers In	1,327	1,000	1,200	1,200	1,200
<u>Total Cem Equip Res Rev &amp; Trf In</u>	<u>1,429</u>	<u>1,296</u>	<u>1,500</u>	<u>1,500</u>	<u>1,515</u>
Grand Total Cem Equip Reserve:	9,602	10,898	12,398	14,000	13,515
<b>APPROPRIATIONS</b>					
Transfers Out:					
<u>Cemetery #101</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,000</u>	<u>0</u>
Total Transfers Out	0	0	0	2,000	0
Ending Balance	9,602	10,898	12,398	12,000	13,515

## **F. Cemetery Preneed Fund - #104**

### **Overview:**

The Cemetery preneed fund receives money from individuals purchasing estate planning for future services. When services are needed, the amounts of preneed purchases are transferred to the Cemetery fund.

### **Revenues:**

Cemetery Preneed revenues are budgeted at \$20,000 in 2007 and 2008 each respectively.

### **Appropriations:**

As was discussed earlier, a reconciliation of the Cemetery inventory is anticipated to take place in 2006. Therefore, in 2007 a large transfer to the Cemetery fund is budgeted.

In 2007, \$57,000 in transfers out to the Cemetery fund are budgeted. While in 2008, \$22,000 in transfers out to the Cemetery fund are budgeted.

**CITY OF HOQUIAM**  
**2007-2008 OPERATING AND CAPITAL BUDGET**  
**CEMETERY PRENEED FUND - #104**

<b>REVENUES</b>	<b>2004 <u>Actual</u></b>	<b>2005 <u>Actual</u></b>	<b>2006 <u>Forecast</u></b>	<b>2007 <u>Budget</u></b>	<b>2008 <u>Budget</u></b>
Beginning Balance	\$198,481	\$218,962	\$242,271	\$275,000	\$513,000
Cemetery Fees	17,726	21,079	16,000	20,000	20,000
<u>Investment Interest</u>	<u>3,605</u>	<u>5,233</u>	<u>6,000</u>	<u>275,000</u>	<u>244,350</u>
Total Cem Preneed Revenue	21,331	26,312	22,000	295,000	264,350
Grand Total Cem Preneed:	219,812	245,274	264,271	570,000	777,350
<b>APPROPRIATIONS</b>					
Cemetery Preneed Operations	0	0	0	0	0
Transfers Out:					
<u>Cemetery #101</u>	<u>850</u>	<u>3,003</u>	<u>2,000</u>	<u>57,000</u>	<u>22,000</u>
Total Transfers Out:	850	3,003	2,000	57,000	22,000
Grand Total Cemetery Preneed:	850	3,003	2,000	57,000	22,000
Ending Balance	218,962	242,271	262,271	513,000	755,350

## **G. Street Fund - #106**

### **Overview:**

The adjacent page summarizes all 2007-2008 Street fund projected revenues and appropriations.

### **Revenues:**

2007-2008 revenues and transfers come from two primary sources: gas taxes and transfers from the General Fund.

Gas tax revenues are projected to increase slightly for the biennium. Gas taxes are collected on a cents per gallon basis and 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.

Transfer revenue from the General Fund increases \$37,690 or 15.8% over the previous biennium.

### **Appropriations and Transfers out:**

The recommended budget includes \$604,397 in funding for street operations, an increase of 10.8% from the 2005-2006 biennium, representing the City's emphasis on street improvements.

**CITY OF HOQUIAM**  
**2007-2008 OPERATING AND CAPITAL BUDGET**  
**STREET FUND SUMMARY - #106**

<b>REVENUES</b>	<b>2004 <u>Actual</u></b>	<b>2005 <u>Actual</u></b>	<b>2006 <u>Forecast</u></b>	<b>2007 <u>Budget</u></b>	<b>2008 <u>Budget</u></b>
Beginning Balance	\$116,167	\$84,770	\$54,737	\$25,000	\$11,250
Street Use Permits	1,456	1,803	1,200	1,200	1,195
Gas Tax	124,259	129,335	143,240	150,370	152,335
Street Maint. & Repair Charges	494	0	0	0	0
Other Misc. Revenue	<u>1,523</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Street Fund Revenue	127,732	131,138	144,440	151,570	153,530
Transfers In:					
General Fund #001	125,000	109,500	128,630	128,440	147,380
Arterial Street Fund	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Transfers In:	125,000	109,500	128,630	128,440	147,380
Total Street Rev. & Transfers In	252,732	240,638	273,070	280,010	300,910
Grand Total Street Fund	368,899	325,408	327,807	305,010	312,160
<b>APPROPRIATIONS</b>					
Street Fund Appropriations	283,508	269,227	276,055	293,010	311,395
Transfers Out:					
Paths & Trails #108	621	647	327	750	765
Unemployment #522	<u>0</u>	<u>797</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Transfers Out:	621	1,444	327	750	765
Grand Total Street Fund	284,129	270,671	276,382	293,760	312,160
Ending Balance	84,770	54,737	51,425	11,250	0

## H. Arterial Street Fund- #107

### **Overview:**

The Arterial Street Fund provides for the accounting of resources from arterial street operations much in the same way as the Street Fund. Separate balances for the Street Fund and Arterial Street Fund used to be required. However, recent legislation eliminated this obligation. Therefore, the combined resources of the two funds should be considered when evaluating the long term street needs.

For 2007, this fund begins the year with a \$128,000 cash balance. Biennial revenues of \$147,660 and appropriations of \$171,710 leave this fund with a \$103,950 cash balance.

### **Revenues:**

Almost all resources of the Arterial Street Fund come in the form of gas taxes. As noted above, the Street Fund also receives gas taxes, but in a much larger amount. Total revenues for the biennium are \$73,350 in 2007 and \$74,310 in 2008.

### **Appropriations:**

The Arterial Street Fund appropriation budget increases in this biennium reflecting the City's priorities in street repair and maintenance. The Arterial Street Fund also provides the resources of a Public Works Trust Fund that financed the Aberdeen Avenue paving project in 1994.

In 2007, Arterial Street operations are \$55,665, a 54% increase over 2006 budgeted amounts. Additionally, a transfer to the Sidewalk Construction Fund is budgeted for \$50,000 providing for additional sidewalk improvements. In 2008, Arterial Street operations are budgeted for \$55,335 while another transfer out to the Sidewalk Construction fund is made at \$30,000.

**CITY OF HOQUIAM**  
**2007-2008 OPERATING AND CAPITAL BUDGET**  
**ARTERIAL STREET FUND - #107**

<b>REVENUES</b>	<b>2004 Actual</b>	<b>2005 Actual</b>	<b>2006 Forecast</b>	<b>2007 Budget</b>	<b>2008 Budget</b>
Beginning Balance	\$77,859	\$100,028	\$127,108	\$128,000	\$95,335
Gas Tax-Arterial Streets	58,099	60,473	67,000	70,310	71,230
Miscellaneous Revenues	<u>1,018</u>	<u>3,235</u>	<u>3,000</u>	<u>3,040</u>	<u>3,080</u>
Total Arterial Street Revenues	59,117	63,708	70,000	73,350	74,310
Transfer in from General Fund	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Grand Total	136,976	163,736	197,108	201,350	169,645
<b>APPROPRIATIONS</b>					
Arterial Street Appropriations	36,657	36,326	35,995	55,665	55,335
Transfers Out:					
Street Fund #106	0	0	0	0	0
Paths & Trails #108	291	302	335	350	360
Sidewalk Construction #302	<u>0</u>	<u>0</u>	<u>30,000</u>	<u>50,000</u>	<u>30,000</u>
Total Transfers Out:	291	302	30,335	50,350	30,360
Grand Total Street Fund	36,948	36,628	66,330	106,015	85,695
Ending Balance	100,028	127,108	130,778	95,335	83,950

## I. Paths and Trails Fund- #108

### **Overview:**

The Paths & Trails Fund provides for the accounting of resources for Paths and Trails operations. By RCW 47.20 and 47.30, 0.5% of all gas tax revenues are required to be spent on the provision of facilities for pedestrians, equestrians or bicycles. The funds do not have to be spent each year, but can be allowed to accumulate and be spent on a larger project.

The Paths and Trails Fund begins the year with a \$7,000 beginning balance.

### **Revenues:**

Almost all resources of the Paths & Trails Fund come in the form of transfers from the Street Fund and Arterial Street Fund. For the biennium, \$2,215 is budgeted from these funds from a percentage of the gas tax as noted above.

### **Appropriations:**

While there is no specific project identified at this time, staff has budgeted \$8,000 for a project during the biennium. This will leave the Paths and Trails fund with a \$1,645 ending balance at 2008.

**CITY OF HOQUIAM**  
**2007-2008 OPERATING AND CAPITAL BUDGET**  
**PATHS AND TRAILS - #108**

<b>REVENUES</b>	<b>2004 <u>Actual</u></b>	<b>2005 <u>Actual</u></b>	<b>2006 <u>Forecast</u></b>	<b>2007 <u>Budget</u></b>	<b>2008 <u>Budget</u></b>
Beginning Balance	\$3,781	\$4,741	\$5,833	\$7,000	\$300
<u>Investment Interest</u>	<u>48</u>	<u>143</u>	<u>175</u>	<u>200</u>	<u>230</u>
Total Paths & Trails Revenues	48	143	175	200	230
Transfers In:					
Trf from 106 - Street	621	647	715	750	760
<u>Trf from 107 - Art. Street</u>	<u>291</u>	<u>302</u>	<u>335</u>	<u>350</u>	<u>355</u>
Total Transfers In	912	949	1,050	1,100	1,115
Total Paths and Trails Revenue	<u>960</u>	<u>1,092</u>	<u>1,225</u>	<u>1,300</u>	<u>1,345</u>
Grand Total Paths & Trails	4,741	5,833	7,058	8,300	1,645
<b>APPROPRIATIONS</b>					
Paths & Trails Appropriations	0	0	5,000	8,000	0
Grand Total Paths & Trails	0	0	5,000	8,000	0
Ending Balance	4,741	5,833	2,058	300	1,645

## **J. Ambulance Fund - #109**

### **Overview:**

The Ambulance fund accounts for the emergency medical response operations of the City's Fire Department. The City's service area includes some 400 square miles including providing service for some outlying fire districts. The adjacent page summarizes all 2007-2008 projected revenues and requested appropriations.

### **Revenues:**

Ambulance revenues come from three primary sources:

- The general emergency medical Services property tax levy is projected to generate \$351,340 in the 2007-2008 biennium, a 10.4% increase over current levels. This increased revenue is projected to come from new construction values added to the City's assessment rolls during 2007 and 2008.
- Ambulance fees are projected to increase from 2006 budgeted levels to \$810,000 in 2007 and \$822,600 in 2008.
- Ambulance Utility fees are budgeted to hold steady during the biennium at \$450,000 in 2007 and 2008 respectively.

### **Appropriations and Transfers Out:**

Operating budget appropriations are projected at \$1,480,278 in 2007 and \$1,500,648 in 2008. Additional appropriations for transfers to the General Fund for 911 services total \$4,480 in 2007 and \$13,640 in 2008.

**CITY OF HOQUIAM**  
**2007-2008 OPERATING AND CAPITAL BUDGET**  
**AMBULANCE FUND - #109**

<b>REVENUES</b>	<b>2004 Actual</b>	<b>2005 Actual</b>	<b>2006 Forecast</b>	<b>2007 Budget</b>	<b>2008 Budget</b>
Beginning Balance	22,003	75,367	244,580	250,000	239,156
EMS Levy	\$0	\$154,301	\$164,000	167,711	175,920
Ambulance Tax	\$205,754	\$0	\$0	0	0
Collection Agency Receipts	\$400	\$46	\$0	0	0
St. Health Dept. Trauma Grant	\$1,200	\$1,290	\$0	0	0
St. Health Dept. Needs Grant	\$0	\$0	\$0	0	0
GH Transit Grant	\$13,419	\$0	\$0	0	0
Emergency Services	\$324	\$0	\$0	0	0
Ambulance Fees	\$657,887	\$787,761	\$675,000	810,000	822,600
Amb. Service Collection Receipts	\$2,513	\$3,719	\$2,000	1,200	1,220
Ambulance Utility Fees	\$0	\$0	\$447,000	450,000	450,000
Fire District EMS Fees	\$0	\$30,630	\$41,000	45,000	45,700
Donations	\$2,805	\$0	\$0	0	0
Other Miscellaneous Revenue	\$653	\$0	\$0	0	0
<u>Interfund Loan from Equipment Res</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>0</u>	<u>0</u>
Total Emergency Care Revenue	884,955	977,746	1,329,000	1,473,911	1,495,440
Transfers In:					
<u>General Fund - 001</u>	<u>229,334</u>	<u>511,615</u>	<u>43,000</u>	<u>0</u>	<u>0</u>
Total Transfers In	229,334	511,615	43,000	0	0
Grand Total Emergency Care Fund	1,136,292	1,564,728	1,616,580	1,723,911	1,734,596
<b>APPROPRIATIONS</b>					
Emergency Care Appropriations	1,042,145	1,307,275	1,351,590	1,480,275	1,500,650
Transfers Out					
<u>General Fund #001</u>	<u>18,780</u>	<u>12,873</u>	<u>15,645</u>	<u>4,480</u>	<u>13,640</u>
Total Transfers Out	18,780	12,873	15,645	4,480	13,640
Grand Total Emergency Care Fund	1,060,925	1,320,148	1,367,235	1,484,755	1,514,290
Ending Balance	75,367	244,580	249,345	239,156	220,306

## **K. Stadium/Tourism Fund - #112**

### **Overview:**

The Stadium/Tourism fund provides for the collection of the City's 2% stadium tax and 3% transient tax revenues.

By law, Hotel-Motel tax funds may finance major public facilities such as stadiums and convention centers and performing arts centers, and may promote and support tourism. For Hoquiam this translates into promotion & advertising City events and festivals.

The Lodging Tax Advisory Committee provides an open, public process for the review and recommendation for use of Lodging Tax revenues. This five member charter committee, comprised of one City Council member, two members of the City's business community, and two representatives of Hotel/Motel community, develop and recommend a budget annually to the City Council. The City Council retains final approval authority. The Stadium/Tourism fund accounts for the collection and distribution of the City's 2% stadium and 3% transient excise tax. State law limits use of these funds to activities that support tourism and economic development

### **Revenues:**

For 2007, Stadium/Tourism revenues are projected to total \$13,000 and remain at \$13,000 in 2008.

### **Appropriations and Transfers out:**

The Stadium/Tourism Fund does not yet include an expenditure budget as the Lodging Tax Advisory Committee is still discussing expenditure requests. When a final recommendation is made, it will be presented to the Council for approval.

**CITY OF HOQUIAM**  
**2007-2008 OPERATING AND CAPITAL BUDGET**  
**STADIUM/TOURISM FUND - #112**

<b>REVENUES</b>	<b>2004 <u>Actual</u></b>	<b>2005 <u>Actual</u></b>	<b>2006 <u>Forecast</u></b>	<b>2007 <u>Budget</u></b>	<b>2008 <u>Budget</u></b>
Beginning Balance	\$0	-\$2,000	-\$941	\$15,770	\$29,070
Hotel-Motel Tax	14,590	14,822	13,000	13,000	13,000
Interest Earnings	0	90	0	300	300
<u>Other</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Hotel/Motel Revenue	14,590	14,912	13,000	13,300	13,300
Transfers In:					
<u>General Capital Reserve #114</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Transfers In	0	0	0	0	0
Grand Total Hotel Motel Tax	14,590	12,912	12,059	29,070	42,370
<b>APPROPRIATIONS</b>					
Tourism/Stadium Operations	2,000	10,375	7,000	0	0
Transfers Out					
<u>General Fund #001</u>	<u>14,590</u>	<u>3,478</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Transfers Out:	14,590	3,478	0	0	0
Grand Total Hotel/Motel Tax Fund	16,590	13,853	7,000	0	0
Ending Balance	-2,000	-941	5,059	29,070	42,370

## **L. General Capital Reserve - #114**

### **Overview:**

The General Capital Reserve fund provides for the collection of the City's 0.25% Real Estate Excise Tax (REET). By law, the City's share of the REET can only be spent on improvements or construction of City facilities.

The General Capital Reserve fund is budgeted to begin the year with a \$322,125 beginning balance.

### **Revenues:**

For 2007, REET revenues are projected to total \$56,000 and remain at \$56,000 in 2008.

### **Appropriations and Transfers out:**

The General Capital Reserve fund does not include an expenditure budget, but rather funds are transferred to other operating funds for facility improvements. In 2007 and 2008, \$25,000 is budgeted in each year for improvements to City Hall. This fund is budgeted to end the biennium with a \$384,125 ending balance.

**CITY OF HOQUIAM**  
**2007-2008 OPERATING AND CAPITAL BUDGET**  
**GENERAL CAPITAL RESERVE - #114**

<b>REVENUES</b>	<b><u>2004</u> <u>Actual</u></b>	<b><u>2005</u> <u>Actual</u></b>	<b><u>2006</u> <u>Forecast</u></b>	<b><u>2007</u> <u>Budget</u></b>	<b><u>2008</u> <u>Budget</u></b>
Beginning Balance	\$218,527	\$229,139	\$290,758	\$322,125	\$353,125
Real Estate Excise Taxes	49,270	61,619	55,000	56,000	56,000
Transfers In:					
<u>General Fund #001</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Transfers In	0	0	0	0	0
Grand Total	267,797	290,758	345,758	378,125	409,125
<b>APPROPRIATIONS</b>					
General Capital Operations	0	0	0	0	0
Transfers Out:					
<u>General Fund #001</u>	<u>38,658</u>	<u>0</u>	<u>75,000</u>	<u>25,000</u>	<u>25,000</u>
Total Transfers Out:	38,658	0	75,000	25,000	25,000
Grand Total General Capital	38,658	0	75,000	25,000	25,000
Ending Balance:	229,139	290,758	270,758	353,125	384,125

## **M. Community Development Repay - #130**

### **Overview:**

The Community Development Repay fund provides for the accounting of resources of a program that started in the 1980's whereby the City received funds to provide loans to private citizens for making improvements to their residences. The City maintained a lien on the residence and the loans were paid back when that citizen either passed away or the residence was sold.

Today, almost all of the loans have been paid back and the funds can be used for any City purpose. The City has developed a policy of using these resources to fund abatement and cleanup activities. The Community Development Repay fund begins the biennium with a \$217,900 cash balance.

### **Revenues:**

For 2007 and 2008, contract payments in the amount of \$10,000 are included in each year.

### **Appropriations and Transfers out:**

For the 2007-2008 biennium, the City's focus for the Community Development Repay fund will focus on abatement activities. In 2007, \$100,000 is included in the \$101,100 operating budget for the tear down and removal of the old Fluckinger Building. In 2008, \$50,000 is included for abatement of other structures in the City.

**CITY OF HOQUIAM**  
**2007-2008 OPERATING AND CAPITAL BUDGET**  
**COMMUNITY DEVELOPMENT REPAY - #130**

<b>REVENUES</b>	<b>2004 <u>Actual</u></b>	<b>2005 <u>Actual</u></b>	<b>2006 <u>Forecast</u></b>	<b>2007 <u>Budget</u></b>	<b>2008 <u>Budget</u></b>
Beginning Balance	\$154,317	\$145,323	\$195,287	\$217,900	\$126,800
GH Co Abatement Grant	7,500	0	0	0	0
Misc. Cleanup Fees	738	0	0	0	0
Abatement Fees	10,411	1,661	0	0	0
Other Misc Revenue	0	0	0	0	0
<u>Contract Payments</u>	<u>29,730</u>	<u>86,541</u>	<u>5,960</u>	<u>10,000</u>	<u>10,000</u>
Total Comm Dev Revenue	48,379	88,202	5,960	10,000	10,000
Transfers In					
<u>General Fund #001</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Transfers In	0	0	0	0	0
Grand Total	202,696	233,525	201,247	227,900	136,800
<b>APPROPRIATIONS</b>					
Comm Dev Repay Operations	56,373	38,238	44,000	101,100	51,100
Transfers Out:					
<u>Sidewalk Constr #302</u>	<u>1,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Transfers Out:	1,000	0	0	0	0
Grand Total Comm Dev Repay	57,373	38,238	44,000	101,100	51,100
Ending Balance:	145,323	195,287	157,247	126,800	85,700

## **N. 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 page summarizes proposed financial activity for 2007-2008.

The Water, Sewer and Storm fund is projected to begin 2007 with a cash balance of \$350,000, and generate annual revenues of \$2,944,810 in 2007 and \$2,882,490 in 2008, primarily from utility usage fees. Additionally, an interfund transfer of \$1,896,920 in 2007 and \$938,285 in 2008, from the Watershed fund is necessary to fund some major capital investments.

Appropriations, shown by department, total \$4,853,807 for 2007 and \$4,014,425 in 2008. As presented, the Water, Sewer and Storm fund will end 2008 with a \$144,273 cash balance.

The Storm revenue continues to under perform and is need of serious attention. Staff will continue to analyze this fund for a permanent rate structure that can sustain it for the long term.

### **Revenues:**

Service revenues is projected to increase 10.8% over the previous biennium due to rate increases previously adopted by Council. Utility rate revenue forecasts are based on detailed analysis and forecasts completed by City staff. Additionally, the receipt of a \$100,000 loan from the Public Works Trust Fund is included in fiscal year 2007.

### **Appropriations and Transfers out:**

Total appropriations and transfers out are \$766,192 higher than the previous biennium, an increase of 9.5%. This is due in large part to the increase in operational costs and the addition of an equipment plant operator in 2007.

As presented the Water, Sewer and Storm fund will end 2008 with a cash balance of \$144,273.

**CITY OF HOQUIAM**  
**2007-2008 OPERATING AND CAPITAL BUDGET**  
**WATER, SEWER AND STORM - #401**

<b>REVENUES</b>	<b>2004 <u>Actual</u></b>	<b>2005 <u>Actual</u></b>	<b>2006 <u>Forecast</u></b>	<b>2007 <u>Budget</u></b>	<b>2008 <u>Budget</u></b>
Beginning Fund Balance	\$151,510	\$449,610	\$567,921	\$350,000	\$337,915
Water Sales	\$1,240,726	\$1,203,039	\$1,370,000	\$1,387,340	\$1,404,895
Waters Sales - Collection Accounts	\$1,860	\$155	\$0	\$0	\$0
Sewer Service	\$1,016,384	\$1,083,749	\$1,079,000	\$1,101,860	\$1,125,205
Sewer Service - Collection Accounts	\$1,161	\$133	\$0	\$0	\$0
5th St Extension Hookup Fees	\$1,778	\$0	\$0	\$0	\$0
Storm Drainage	\$0	\$0	\$250,000	\$250,000	\$250,000
Charges for Miscellaneous Service	\$41,424	\$24,179	\$25,000	\$25,000	\$25,000
Investment Interest	\$55,596	\$60,571	\$70,000	\$78,610	\$75,390
PWTF Loan Proceeds	\$0	\$0	\$0	\$100,000	\$0
Other Miscellaneous	<u>\$4,522</u>	<u>\$3,904</u>	<u>\$0</u>	<u>\$2,000</u>	<u>\$2,000</u>
Total Service Revenues	\$2,363,451	\$2,375,730	\$2,794,000	\$2,944,810	\$2,882,490
Transfers In					
Trf In - Watershed #402	<u>\$1,483,892</u>	<u>\$1,677,903</u>	<u>\$1,602,340</u>	<u>\$1,896,920</u>	<u>\$938,285</u>
Total Transfers In	\$1,483,892	\$1,677,903	\$1,602,340	\$1,896,920	\$938,285
Total Water, Sewer & Storm Revenues	\$3,847,343	\$4,053,633	\$4,396,340	\$4,841,730	\$3,820,775
Grand Total Resources	\$3,998,853	\$4,503,243	\$4,964,261	\$5,191,730	\$4,158,690
<b>APPROPRIATIONS</b>					
Water Operations	\$2,068,268	\$2,337,983	\$2,174,565	\$2,452,520	\$2,182,740
Sewer Operations	\$1,480,975	\$1,570,130	\$1,610,310	\$2,051,600	\$1,345,705
Storm Drain Operations	<u>\$0</u>	<u>\$25,522</u>	<u>\$383,530</u>	<u>\$349,695</u>	<u>\$363,200</u>
Total Water, Sewer and Storm Operations	\$3,549,243	\$3,933,635	\$4,168,405	\$4,853,815	\$3,891,645
Transfers Out					
Trf Out - Unemployment #522	<u>\$0</u>	<u>\$1,687</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Water, Sewer and Storm Transfers Out	\$0	\$1,687	\$0	\$0	\$0
Total Appropriations	\$3,549,243	\$3,935,322	\$4,168,405	\$4,853,815	\$3,891,645
Ending Balance	\$449,610	\$567,921	\$795,856	\$337,915	\$267,045

## **O. Watershed Reserve Fund - #402**

### **Overview:**

The Watershed Reserve fund accounts for all financial activity related to the operation of the City's watershed. Revenue and appropriation information is summarized on the adjacent page, with appropriations shown in priority order.

Overall, the fund is projected to begin 2007 with a \$1,300,000 beginning cash balance and generate \$750,000 in revenues in 2007 and \$1,100,000 in 2008, primarily from contract log sales. Appropriations include a \$92,500 in transfers to the Transmission Line Reserve fund. Per Council resolution, 5% of all timber sales are transferred to this fund.

With the budget as currently presented, the Watershed is projected to end 2008 with a \$15,500 cash balance.

### **Revenues:**

The Watershed revenues come almost exclusively from timber sales. During the 2007-2008 biennium, there are two such sales planned: one in 2007 and one in 2008. These sales are projected to produce \$750,000 in 2007 and \$1,100,000 in 2008.

### **Appropriations and Transfers out:**

Almost all watershed revenues are transferred out to other funds in support of utility capital improvements. In 2007, a transfer of \$1,896,920 is budgeted to the Water, Sewer and Storm fund to help fund capital projects primarily of which are two new lines across the Hoquiam River.

In 2008, a transfer of \$938,285 is budgeted to the Water, Sewer and Storm fund in support of capital improvements.

**CITY OF HOQUIAM**  
**2007-2008 OPERATING AND CAPITAL BUDGET**  
**WATERSHED RESERVE - #402**

<b>REVENUES</b>	<b>2004 <u>Actual</u></b>	<b>2005 <u>Actual</u></b>	<b>2006 <u>Forecast</u></b>	<b>2007 <u>Budget</u></b>	<b>2008 <u>Budget</u></b>
Beginning Balance	\$3,322,214	\$2,282,132	\$2,128,725	\$1,300,000	\$12,700
<u>Reserve for Dam Cleaning</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Reserves	\$3,322,214	\$2,282,132	\$2,128,725	\$1,300,000	\$12,700
Road Use Permits	0	17,009	0	0	0
Miscellaneous	172	3,199	0	0	0
Parks Impr Loan Repayment	17,379	0	0	0	0
Timber Sale Payments	552,592	1,659,000	0	750,000	1,100,000
<u>Contract Log Sale Payments</u>	<u>11,876</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Watershed Revenues	582,019	1,679,208	0	750,000	1,100,000
Grand Total Watershed	3,904,233	3,961,340	2,128,725	2,050,000	1,112,700
<b>APPROPRIATIONS</b>					
Watershed Appropriations	109,986	71,762	115,600	102,880	103,915
Transfers Out:					
Water - 401.25	1,483,892	1,677,903	1,602,340	1,896,920	938,285
Sewer - 401.26	0	0	0	0	0
Storm - 401.27	0	0	0	0	0
<u>Transmission Line Res - 404</u>	<u>28,223</u>	<u>82,950</u>	<u>0</u>	<u>37,500</u>	<u>55,000</u>
Total Transfers Out:	1,512,115	1,760,853	1,602,340	1,934,420	993,285
Grand Total Watershed	1,622,101	1,832,615	1,717,940	2,037,300	1,097,200
Ending Balance	2,282,132	2,128,725	410,785	12,700	15,500

## **P. Landfill Postclosure Fund - #417**

### **Overview:**

Although the City no longer provides garbage collection services, the City is still obligated to provide postclosure maintenance of the City landfill. When the Sanitation fund closed, an amount was transferred to this fund that is believed to be sufficient to cover the costs remaining until the City's obligation ends in 2009.

The Landfill Postclosure fund is projected to begin the biennium with a \$304,753 cash balance.

### **Revenues:**

Landfill Postclosure revenues come entirely from interest earned on the balance of remaining funds. In 2007, interest income is budgeted to be \$8,000, while in 2008, interest income is budgeted to be \$7,000.

### **Appropriations and Transfers out:**

Appropriations include the monitoring and reporting of the landfill. In 2007, this amount is budgeted to be \$59,431 and \$61,006 in 2008.

As presented, the Landfill Postclosure Fund will end the biennium with a cash balance of \$199,298, decreased from the beginning balance of \$304,735.

**CITY OF HOQUIAM**  
**2007-2008 OPERATING AND CAPITAL BUDGET**  
**LANDFILL POSTCLOSURE FUND - #417**

<b>REVENUES</b>	<b>2004 <u>Actual</u></b>	<b>2005 <u>Actual</u></b>	<b>2006 <u>Forecast</u></b>	<b>2007 <u>Budget</u></b>	<b>2008 <u>Budget</u></b>
Beginning Balance	\$234,678	\$386,662	\$350,930	\$304,735	\$253,305
Investment Interest	5,369	8,931	10,000	8,000	7,000
Facility Leases	4,200	0	0	0	0
<u>Other Miscellaneous</u>	<u>37</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Landfill Postclosure Revenue	9,606	8,931	10,000	8,000	7,000
Tranfers In					
<u>Trf In - Sanitation #403</u>	<u>192,500</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Transfers In	192,500	0	0	0	0
Total Landfill Postclosure Resources	202,106	8,931	10,000	8,000	7,000
Grand Total Landfill Postclosure	436,784	395,593	360,930	312,735	260,305
<b>APPROPRIATIONS</b>					
Landfill Postclosure Appropriations	50,122	44,663	61,490	59,430	61,005
Transfers Out:					
<u>General Fund - #001</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Transfers Out:	0	0	0	0	0
Grand Total Landfill Postclosure	50,122	44,663	61,490	59,430	61,005
Ending Balance	386,662	350,930	299,440	253,305	199,300

## **Q. Equipment Rental Fund - #501**

### **Overview:**

The Equipment Rental fund accounts for all maintenance of City rolling stock and equipment. There is one mechanic in this department that attempts to provide safe and reliable equipment while providing basic maintenance services.

The adjacent page summarizes this fund's proposed budget, which includes revenues of \$489,790 in 2007 and \$244,525 in 2008.

### **Revenues:**

As an internal service fund, this fund's revenue sources are paid by other City departments utilizing his services. Additionally, funds are transferred into this fund from the Equipment Rental Reserve for vehicle purchases. For the 2007-2008 biennium, \$521,875 is budgeted from other City departments for vehicle maintenance and current year purchases.

In 2007, \$212,440 is included as a transfer from the Equipment Rental Reserve Fund for new vehicle purchases.

### **Appropriations:**

Total operating appropriations include 100% of payroll costs for the City's mechanic and other costs associated with vehicle maintenance. For the 2007-2008 biennium, \$757,999 is budgeted for this internal service.

**CITY OF HOQUIAM**  
**2007-2008 OPERATING AND CAPITAL BUDGET**  
**EQUIPMENT RENTAL FUND - #501**

<b>REVENUES</b>	<b>2004 <u>Actual</u></b>	<b>2005 <u>Actual</u></b>	<b>2006 <u>Forecast</u></b>	<b>2007 <u>Budget</u></b>	<b>2008 <u>Budget</u></b>
Beginning Balance	\$14,009	\$32,855	\$49,864	\$50,000	\$52,285
Interfund Contributions, Eq Maintenance	269,741	227,770	223,340	241,765	231,750
Interfund Contributions, Eq Purchases	0	0	12,000	19,490	0
Interest on Contracts	5,002	6,697	6,680	11,095	7,775
Other Misc Revenue	10,842	3,144	4,000	5,000	5,000
Sale of Fixed Assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Eq Rental Revenue	285,585	237,611	246,020	277,350	244,525
Transfers In:					
<u>Trf from 505 - Eq Rent Res</u>	<u>2,560</u>	<u>182,345</u>	<u>335,275</u>	<u>212,440</u>	<u>0</u>
Total Transfers In	2,560	182,345	335,275	212,440	0
Total Equip Rental Revenues	288,145	419,956	581,295	489,790	244,525
Grand Total Equipment Rental	302,154	452,811	631,159	539,790	296,810
<b>APPROPRIATIONS</b>					
Equipment Rental Operations	269,299	402,947	579,850	487,505	270,485
Transfers Out:					
<u>General Fund #001</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Transfers Out:	0	0	0	0	0
Grand Total Equipment Rental	269,299	402,947	579,850	487,505	270,485
Ending Balance	32,855	49,864	51,309	52,285	26,325

## **R. Equipment Rental Reserve Fund - #505**

### **Overview:**

The Equipment 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 utilized to acquire the required vehicles and equipment.

For 2007, this fund begins the year with a \$1,204,555 cash balance. No vehicle acquisitions are proposed for 2008, although additional transfers-in for future acquisition of an ambulance and a flat bed truck are incorporated into the budget request.

### **Revenues:**

All resources of the Equipment Reserve Fund come in the form of transfers from other funds. For 2007 and 2008, \$238,900 in combined transfers are provided each year from the General Fund, Street Fund, Water and Storm for future vehicle replacement.

### **Appropriations:**

In 2007, there are \$212,440 in acquisition requests for new vehicles. Therefore, this amount is shown as a transfer to the Equipment Rental Fund. There are no acquisition requests included in the budget for 2008.

**CITY OF HOQUIAM**  
**2007-2008 OPERATING AND CAPITAL BUDGET**  
**EQUIPMENT RENTAL RESERVE FUND - #505**

<b>REVENUES</b>	<b>2004 <u>Actual</u></b>	<b>2005 <u>Actual</u></b>	<b>2006 <u>Forecast</u></b>	<b>2007 <u>Budget</u></b>	<b>2008 <u>Budget</u></b>
Beginning Balance	\$1,418,534	\$1,234,887	\$1,296,227	\$1,204,555	\$1,266,100
Interfund Contributions, Depreciation	142,276	176,189	135,500	238,900	238,900
IF Loan Repayment - General Fund	25,557	33,866	18,870	2,690	0
IF Loan Repayment - Stadium Drainage	29,981	28,938	28,235	29,705	32,500
IF Loan Repayment - Ambulance	2,560	2,567	2,710	2,690	0
Sale of Fixed Assets	<u>0</u>	<u>2,125</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Eq Rental Reserve Revenue	200,374	243,685	185,315	273,985	271,400
Transfers In:					
<u>Trf from 501 - Eq Rental</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Transfers In	0	0	0	0	0
Total Equip Rental Res Revenues	200,374	243,685	185,315	273,985	271,400
Grand Total Eq Rental Reserve	1,618,908	1,478,572	1,481,542	1,478,540	1,537,500
<b>APPROPRIATIONS</b>					
Transfers Out:					
General Fund - 001 (Interfund Loan)	24,000	0	90,000	0	0
<u>Equipment Rental #505</u>	<u>360,021</u>	<u>182,345</u>	<u>335,275</u>	<u>212,440</u>	<u>0</u>
Total Transfers Out:	384,021	182,345	425,275	212,440	0
Grand Total Equipment Rental	384,021	182,345	425,275	212,440	0
Ending Balance	1,234,887	1,296,227	1,056,267	1,266,100	1,537,500

**CITY OF HOQUIAM**  
**2007-2008 OPERATING AND CAPITAL BUDGET**  
**MEDICAL DENTAL FUND - #520**

<b>REVENUES</b>	<b>2004 <u>Actual</u></b>	<b>2005 <u>Actual</u></b>	<b>2006 <u>Forecast</u></b>	<b>2007 <u>Budget</u></b>	<b>2008 <u>Budget</u></b>
Beginning Balance	\$60,060	\$73,680	\$73,045	\$60,000	\$59,570
Interfund Contributions	1,121,270	1,170,763	1,313,000	1,412,000	1,495,590
COBRA Contributions	2,364	1,522	0	0	0
<u>Employee Contributions</u>	<u>0</u>	<u>1,183</u>	<u>2,000</u>	<u>2,570</u>	<u>18,000</u>
Total Medical Dental Revenues	1,123,634	1,173,468	1,315,000	1,414,570	1,513,590
Grand Total Medical Dental	1,183,694	1,247,148	1,388,045	1,474,570	1,573,160
<b>APPROPRIATIONS</b>					
Medical Premiums	1,036,949	1,102,888	1,245,000	1,340,000	1,434,000
<u>Dental Claims</u>	<u>73,065</u>	<u>71,215</u>	<u>75,000</u>	<u>75,000</u>	<u>77,000</u>
Total Medical/Dental Appropriations	1,110,014	1,174,103	1,320,000	1,415,000	1,511,000
Grand Total Medical/Dental	1,110,014	1,174,103	1,320,000	1,415,000	1,511,000
Ending Balance	73,680	73,045	68,045	59,570	62,160

## **S. Medical Dental Fund - #520**

### **Overview:**

The Medical Dental Fund provides for the accounting of resources from all operating funds for use in making contractually obligated health insurance premium payments. The City insures all medical, vision and life through the Association of Washington Cities (AWC).

For 2007, this fund begins the year with a \$60,000 cash balance. In 2007, health insurance premiums are budgeted to increase 6.5% over 2006. While in 2008, a 7% increase is budgeted.

### **Revenues:**

All resources of the Medical Dental Fund come in the form of transfers from other funds. For 2007, combined transfers total \$1,412,000 and in 2008, \$1,495,590 in combined transfers are provided each year from the City's operating departments for health insurance.

### **Appropriations:**

In 2007, combined medical and dental premiums total \$1,415,000 while in 2008, combined medical and dental premiums total \$1,511,000.

**CITY OF HOQUIAM**  
**2007-2008 OPERATING AND CAPITAL BUDGET**  
**UNEMPLOYMENT COMPENSATION FUND - #522**

<b>REVENUES</b>	<b>2004 <u>Actual</u></b>	<b>2005 <u>Actual</u></b>	<b>2006 <u>Forecast</u></b>	<b>2007 <u>Budget</u></b>	<b>2008 <u>Budget</u></b>
Beginning Balance	\$0	\$0	\$0	\$0	\$0
<u>Tranfers In</u>					
General Fund #001	12,108	11,853	15,000	15,000	15,000
<u>Departmental Contributions</u>	<u>0</u>	<u>4,170</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Transfers In	12,108	16,023	15,000	15,000	15,000
Grand Total Unemployment	12,108	16,023	15,000	15,000	15,000
<b>APPROPRIATIONS</b>					
<u>Personnel Benefits</u>	<u>12,108</u>	<u>16,023</u>	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>
Total Unemployment Appropriations	12,108	16,023	15,000	15,000	15,000
Grand Total Unemployment	12,108	16,023	15,000	15,000	15,000
Ending Balance	0	0	0	0	0

## **T. Unemployment Compensation Fund - #522**

### **Overview:**

The City of Hoquiam is self funded for unemployment compensation. Funds are transferred to this fund from other operating funds on an as needed basis.

### **Revenues:**

In 2007 and 2008, \$15,000 is included each year for the City's obligation to pay unemployment claims.

### **Appropriations:**

Just as with revenues, \$15,000 is budgeted in each year for payment of City obligations for unemployment.

## **U. Police and Fire Pension Fund - #611**

### **Overview:**

The Police and Fire Pension Fund is a typical reserve fund. It is used to set aside money to pay the insured and uninsured portion of the medical, dental and vision claims of LEOFF I retirees.

The ongoing objective of the Police and Fire Pension Fund is to have an adequate reserve to pay future medical, dental, vision and severance claims without unexpectedly impacting the budget of the payment year.

### **Revenues:**

For 2007 this fund is projected to begin the year with a \$22,465 cash balance, and receive transfers from the General Fund of \$472,730 in 2007 and \$516,500 in 2008.

### **Appropriations and Transfers out:**

Appropriations for health insurance services are budgeted at \$501,500 and \$533,500 for 2007 and 2008 respectively. This fund is budgeted to end 2008 with a \$10,000 cash balance.

**CITY OF HOQUIAM**  
**2007-2008 OPERATING AND CAPITAL BUDGET**  
**POLICE AND FIRE PENSION FUND - #611**

<b>REVENUES</b>	<b>2004 <u>Actual</u></b>	<b>2005 <u>Actual</u></b>	<b>2006 <u>Forecast</u></b>	<b>2007 <u>Budget</u></b>	<b>2008 <u>Budget</u></b>
Beginning Balance	\$8,253	\$13,095	\$20,413	\$22,465	\$10,000
Fire Insurance Premium Tax	14,719	15,027	16,000	16,305	16,500
Other Misc Revenue	0	0	0	0	0
<u>Pension Overpayment Reimbursements</u>	<u>1,349</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Pensions Revenue	16,068	15,027	16,000	16,305	16,500
Transfers In:					
<u>Trf from 001 - General Fund</u>	<u>408,350</u>	<u>436,950</u>	<u>477,250</u>	<u>472,730</u>	<u>516,500</u>
Total Transfers In	408,350	436,950	477,250	472,730	516,500
Total Police & Fire Pension Revenues	424,418	451,977	493,250	489,035	533,000
Grand Total Police & Fire Pension	432,671	465,072	513,663	511,500	543,000
<b>APPROPRIATIONS</b>					
Police Benefits	155,056	167,694	188,000	199,500	212,500
<u>Fire Benefits</u>	<u>264,520</u>	<u>276,965</u>	<u>305,250</u>	<u>302,000</u>	<u>320,500</u>
Grand Total Police & Fire Pension	419,576	444,659	493,250	501,500	533,000
Ending Balance	13,095	20,413	20,413	10,000	10,000

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## **VI. OPERATING BUDGET**

This section of the 2007-2008 budget provides the individual operating budgets of each department of the City. For ease in review, these budgets are organized in alphabetical order. The following two pages provide a summary of operating appropriations by department and fund, with a comparison of both funding and staffing levels over the past five years.

A table of contents, identifying the page number of each individual department budget is also provided for ease of review. Each budget is comprised of two sections. These pages face each other for ease of review and analysis.

The first page provides a narrative description of the department and the services it provides, its accomplishments for last year, its goals for the coming year, and the departments performance measures. This page also references the department number, the department director, and the operating fund in which this budget resides, for ease of reference to other sections of the budget document.

The second page of each department budget provides a detailed financial statement of the their budget. This section is organized by expenditure category – salaries and wages, personnel benefits, etc.

The “budget variances” section provides a summary of the financial changes between the 2005/2006 budget and the adopted spending plan for the coming 2007/2008 Biennium Budget by expenditure category. This provides a summary of how the allocation of resources has changed from one period to the next.

## Operating Budget Expenditures and Staffing Levels, 2000-2008

The following pages provide a summary of operating budget expenditures and appropriations as well as full time equivalent staffing levels from 2000 through 2008.

This section defines the City's operating budget as including all appropriations/expenditures from the following funds:

- General Fund
- Cemetery Fund
- Street Fund
- Arterial Street Fund
- Ambulance
- Sanitation
- Landfill Postclosure Fund
- Water, Sewer and Storm Fund
- Internal Service Funds

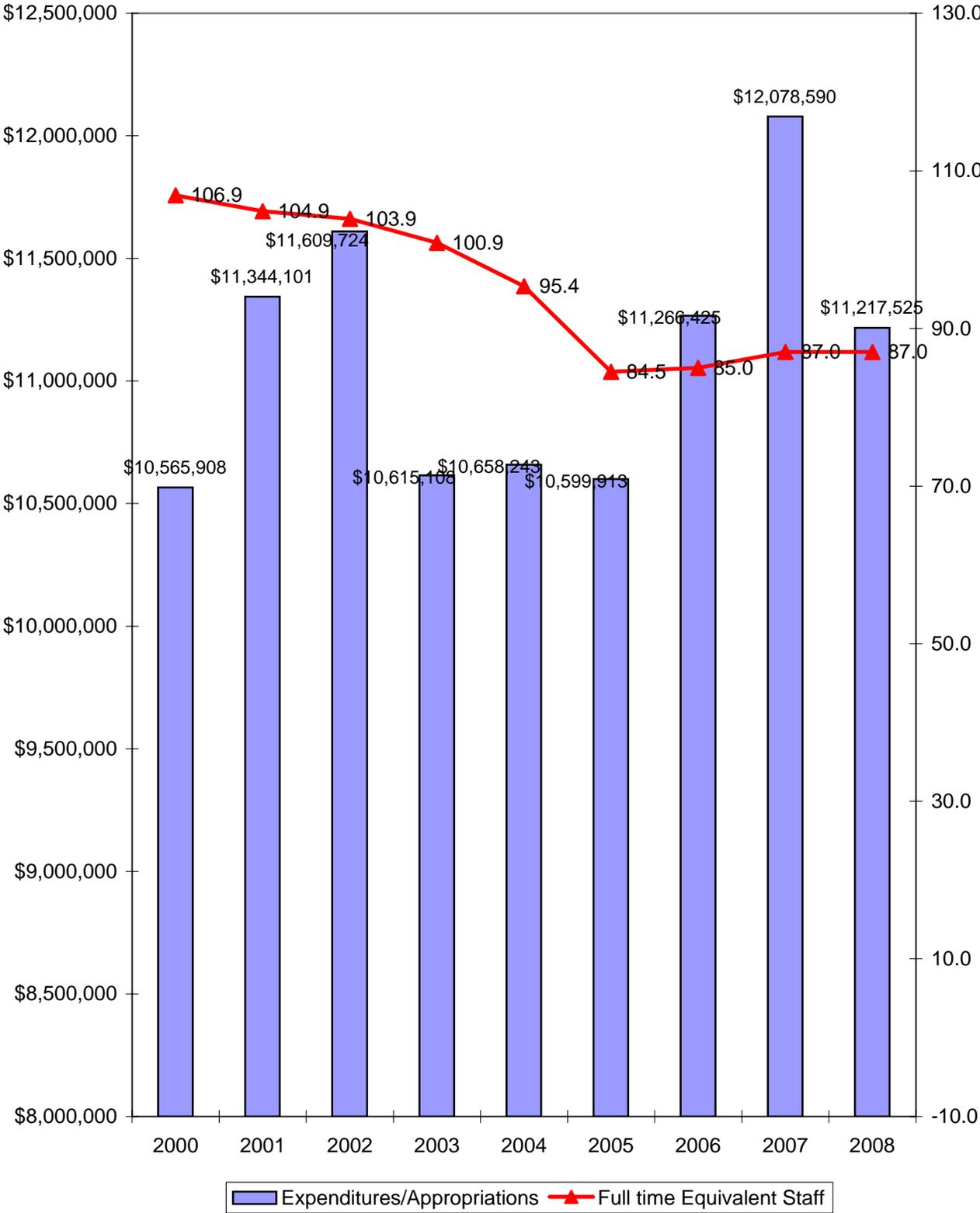
Interfund transfers are excluded from this analysis.

The table entitled *Departmental Expenditures/Appropriations* provides a summary of each department's expenditures from 2000 through 2008. This table illustrates the small growth in operating expenses over the past nine years, as operating expenditures have only grown from \$10.6 million in 2000 to \$11.3 million in 2008.

This small growth, driven primarily by increases in public safety and utility operating requirements, is explained in the table entitled *Departmental Staffing Levels, 2000 through 2008*. Between 2000 and 2008, full time equivalent staffing levels decreased from 106.9 full time equivalent's (FTE's) in 2000 to 87.0 FTE's in 2008.

The chart entitled *2000-2008 Appropriations and Full Time Equivalent Staff* illustrates the trend in expenditure and staffing growth from 2000 through 2008.

### City of Hoquiam Operating Budget 2000-2008 Appropriations and Full Time Equivalent Staff



<b>CITY OF HOQUIAM</b>							
<b>2007-2008 Operating Budget</b>							
<b>Departmental Staffing Levels, 2000 through 2008</b>							
<u>Department</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Animal Control	\$56,842	\$57,995	\$59,396	\$59,278	\$64,453	\$44,114	\$65,405
911 Program	\$108,545	\$130,990	\$129,628	\$102,368	\$94,769	\$91,951	\$70,745
Ambulance	\$876,176	\$942,474	\$1,065,659	\$1,066,254	\$1,042,145	\$1,307,275	\$1,351,590
Cemetery	\$123,107	\$182,332	\$255,070	\$188,694	\$164,928	\$165,690	\$180,355
City Hall & Buildings	\$50,755	\$65,233	\$87,902	\$85,673	\$74,958	\$95,797	\$107,790
Civil Service	\$1,928	\$8,230	\$2,233	\$1,183	\$2,388	\$324	\$5,075
Community Services	\$568,801	\$552,954	\$541,730	\$534,715	\$489,455	\$400,365	\$358,695
Economic Development	\$45,983	\$13,815	\$157,347	\$48,019	\$20,401	\$59,316	\$61,180
Electrical	\$173,911	\$189,584	\$199,043	\$216,649	\$181,513	\$173,072	\$190,710
Equipment Rental	\$353,365	\$505,431	\$481,964	\$289,141	\$269,299	\$402,947	\$579,850
Finance	\$183,710	\$195,140	\$174,490	\$143,251	\$146,280	\$179,314	\$191,910
Fire	\$807,097	\$849,995	\$821,407	\$907,764	\$866,994	\$771,090	\$798,315
Landfill Postclosure	\$394,336	\$366,181	\$348,700	\$72,677	\$50,122	\$44,663	\$61,490
Legal Services	\$74,657	\$74,860	\$76,005	\$78,077	\$92,850	\$102,586	\$106,000
Legislative	\$78,620	\$93,097	\$90,181	\$83,772	\$90,407	\$129,217	\$106,955
Library	\$177,962	\$186,053	\$191,523	\$195,487	\$201,838	\$178,934	\$244,860
Municipal Court	\$161,649	\$163,405	\$169,525	\$169,724	\$149,380	\$140,678	\$146,055
Personnel	\$378	\$449	\$281	\$0	\$0	\$361	\$0
Police	\$1,644,914	\$1,795,156	\$1,885,521	\$1,705,439	\$1,800,595	\$1,775,546	\$1,871,030
Police Special Funds *	\$141,687	\$142,395	\$147,660	\$123,067	\$121,701	\$133,551	\$119,320
Public Works	\$188,271	\$184,839	\$174,275	\$189,162	\$191,701	\$163,934	\$168,640
Sanitation	\$991,676	\$1,085,883	\$1,131,197	\$1,040,574	\$672,659	\$0	\$0
Sewer Department	\$1,083,644	\$1,208,596	\$1,152,013	\$1,321,465	\$1,480,975	\$1,570,130	\$1,610,310
Storm Department	\$0	\$0	\$0	\$0	\$0	\$25,522	\$383,530
Streets	\$318,634	\$273,011	\$232,395	\$251,495	\$283,508	\$269,227	\$276,055
Streets-Arterial	\$96,901	\$68,999	\$92,557	\$37,284	\$36,657	\$36,326	\$35,995
Water Department	\$1,862,359	\$2,007,004	\$1,942,022	\$1,703,897	\$2,068,268	\$2,337,983	\$2,174,565
<b>Total Operating Budget</b>	<b>\$10,565,908</b>	<b>\$11,344,101</b>	<b>\$11,609,724</b>	<b>\$10,615,108</b>	<b>\$10,658,243</b>	<b>\$10,599,913</b>	<b>\$11,266,425</b>
* FTE Count for Police Special Funds included in Police							

												Biennial Variance
<u>2007</u>	<u>2008</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>		
\$68,255	\$71,235	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0		0.0
\$32,000	\$97,410	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		0.0
\$1,480,275	\$1,500,650	10.3	10.3	10.3	11.8	11.3	14.8	15.4	15.4	15.4		0.6
\$203,585	\$211,565	2.9	2.9	2.7	3.2	2.0	2.2	2.2	2.2	2.2		-0.1
\$120,885	\$119,690	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		0.0
\$5,490	\$5,490	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		0.0
\$398,075	\$432,975	8.1	8.1	7.5	7.4	7.4	2.8	3.0	3.0	3.0		0.3
\$52,810	\$54,065	0.0	0.0	0.0	0.0	0.0	0.3	0.0	0.0	0.0		-0.3
\$183,220	\$187,790	1.7	1.7	1.5	1.5	1.5	0.8	0.8	0.6	0.6		-0.4
\$487,505	\$270,485	2.3	2.3	2.3	2.3	2.3	1.3	1.2	1.2	1.2		-0.1
\$212,360	\$208,115	3.4	2.4	2.2	1.9	2.1	2.1	2.1	2.1	2.1		0.0
\$770,450	\$804,185	13.5	13.5	13.5	12.0	12.5	9.0	8.5	8.5	8.5		-0.5
\$59,430	\$61,005	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.1		-0.1
\$117,635	\$121,780	1.0	1.0	1.0	1.0	1.2	1.3	1.3	1.3	1.3		0.0
\$117,395	\$121,750	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1		0.1
\$190,940	\$199,090	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		0.0
\$152,670	\$161,780	2.3	2.3	2.3	2.3	2.3	2.0	2.0	2.0	2.0		0.0
\$0	\$0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		0.0
\$1,861,220	\$1,950,880	26.0	26.0	26.0	23.0	23.0	20.0	20.0	20.0	20.0		0.0
\$104,545	\$108,915	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		0.0
\$257,355	\$270,295	2.8	2.8	2.8	2.8	2.8	2.5	2.7	3.7	3.7		2.2
\$0	\$0	5.2	5.2	5.2	5.1	0.0	0.0	0.0	0.0	0.0		0.0
\$2,051,600	\$1,345,705	9.6	9.6	9.6	9.6	10.7	8.9	5.9	6.9	6.9		-1.0
\$349,695	\$363,200	0.0	0.0	0.0	0.0	0.0	0.0	3.0	3.3	3.3		3.5
\$293,010	\$311,395	3.3	3.3	2.7	2.7	1.8	2.3	2.5	2.5	2.5		0.2
\$55,665	\$55,335	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		0.0
<u>\$2,452,520</u>	<u>\$2,182,740</u>	<u>13.5</u>	<u>12.5</u>	<u>13.2</u>	<u>13.2</u>	<u>13.4</u>	<u>13.3</u>	<u>13.4</u>	<u>13.4</u>	<u>13.4</u>		0.1
\$12,078,590	\$11,217,525	106.9	104.9	103.9	100.9	95.4	84.5	85.0	87.0	87.0		4.5

## **Hoquiam's 2007-2008 Individual Department Operating Budgets**

This section provides the individual budgets of the City's operating departments.

These budgets are provided in department order for ease in review.

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
Department Budget Narrative

Department:	Legislative	Department Director:	Durney
Department Number:	01	Fund:	001

**Program Description:**

The Mayor and the City Council constitute the "Legislative Department" of the City of Hoquiam. Twelve Council members are elected, two per ward, to staggered four-year terms. The Mayor is also elected at large to a four-year term. Under the Mayor-Council form of government adopted by the City of Hoquiam, the Mayor appoints a City Administrator who, working closely with the Mayor, acts as the City's Chief Operating Officers.

Council members are compensated for their services at \$230 per month. The Mayor is compensated at \$700 per month.

The primary function and objective of the City Council is to evaluate community sentiment on issues and in the context of applicable community support set priorities for and provide broad policy direction to the Mayor and City Administrator.

By law, the City Council has broad lawmaking authority. The Council is required to biannually to adopt a budget, and is required to establish all laws and regulations of the City of Hoquiam, typically referred to as the Hoquiam Municipal Code. As a "code city", a jurisdiction incorporated under the State's alternative to standard population based classification, Hoquiam retains "broad home rule" authority for self governance. This authority, in general, provides the City Council with the authority to enact laws and regulations that are not in conflict with state or federal law.

By comparison, jurisdictions incorporated under other statutory provisions, such as fourth class towns are provided only with authority to enact laws and regulations as specifically delegated by the State.

**Mission:**

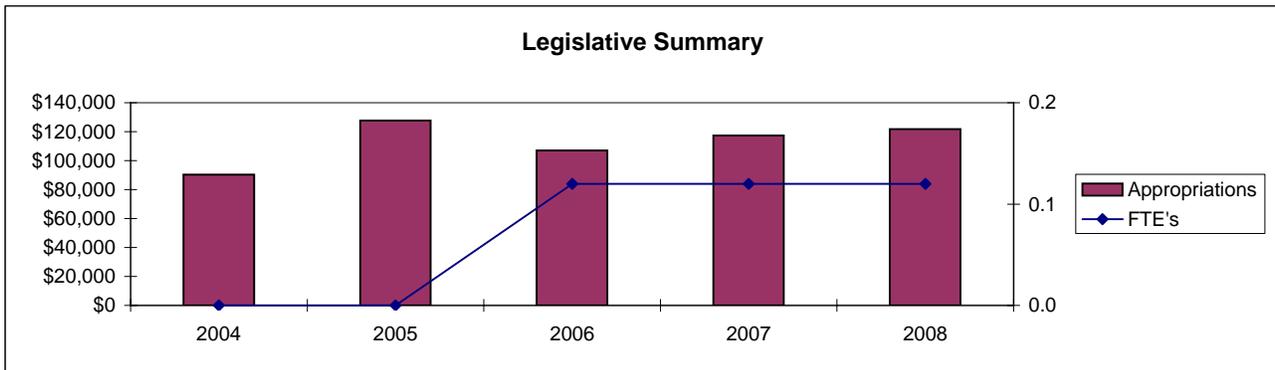
The City of Hoquiam is committed to improving the quality of life for its citizens by diversifying its industrial base, increasing sustainable businesses and housing opportunities, while providing safe communities and opportunities for all.

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL BUDGET DEVELOPMENT**  
**SUMMARY SHEET**

**DEPT Name:** Legislative  
**DEPT Number:** 01  
**Fund Number:** 001  
**RESP:** Durney

**2004-2008 LEGISLATIVE APPROPRIATIONS SUMMARY**

Category	2004 Actual	2005 Actual	2006 Adopted	2007 Budget	2008 Budget	07-08 Total
Permanent Salaries	41,660	46,960	52,770	54,105	56,270	110,375
Total Salaries and Wages	41,660	46,960	52,770	54,105	56,270	110,375
Medical & Dental	239	1,048	2,005	2,120	2,265	4,385
Social Security	3,188	3,593	4,035	4,140	4,305	8,445
Pension	0	118	260	725	925	1,650
L&I	965	822	750	680	700	1,380
Life Insurance	0	11	25	20	20	40
Total Personnel Benefits	4,392	5,592	7,075	7,685	8,215	15,900
Office Supplies	7,290	10,535	6,700	9,900	10,400	20,300
Total Supplies, Tools & Minor Equip	7,290	10,535	6,700	9,900	10,400	20,300
Professional Services	2,761	25,080	0	1,500	1,500	3,000
Communications	703	1,809	2,200	2,250	2,300	4,550
Travel & Training	347	759	800	2,500	2,500	5,000
Advertising	474	2,339	1,000	1,000	1,000	2,000
Current Year Insurance	2,410	2,825	2,640	2,205	2,315	4,520
Repair & Maintenance	949	742	750	1,000	1,000	2,000
Miscellaneous	12	609	500	500	500	1,000
Dues, Subscriptions & Memberships	4,697	4,787	4,935	5,600	5,900	11,500
Tuitions & Registrations	676	505	1,200	2,500	2,500	5,000
Total Professional Services & Charges	13,029	39,455	14,025	19,055	19,515	38,570
Election Services	3,170	3,547	5,000	5,000	5,000	10,000
Voter Registration Costs	208	423	450	450	450	900
Emergency Services	1,750	1,750	1,750	1,750	1,750	3,500
Natural Resources	3,356	3,322	3,335	3,350	3,350	6,700
Council of Governments	13,241	13,572	14,000	14,200	14,800	29,000
Alcoholism	1,405	2,529	1,850	1,900	2,000	3,900
Total Intergovernmental	23,130	25,143	26,385	26,650	27,350	54,000
Replace Laptop	903	0	0	0	0	0
Total Capital	903	0	0	0	0	0
<b>Total Appropriations:</b>	<b>\$90,404</b>	<b>\$127,685</b>	<b>\$106,955</b>	<b>\$117,395</b>	<b>\$121,750</b>	<b>\$239,145</b>
Full Time Equivalent Employees:	0.0	0.0	0.1	0.1	0.1	

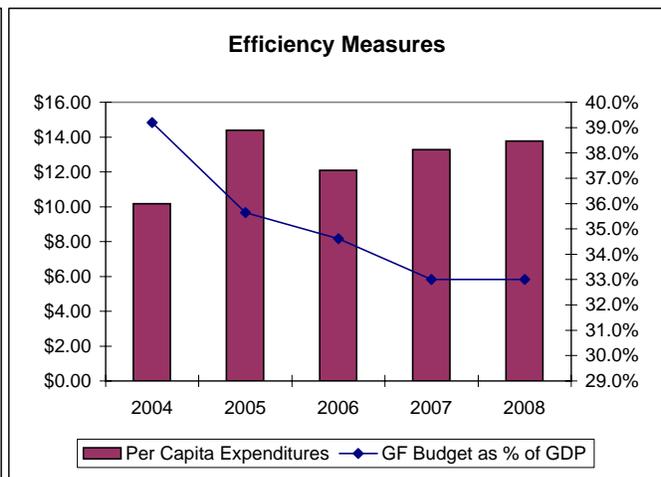
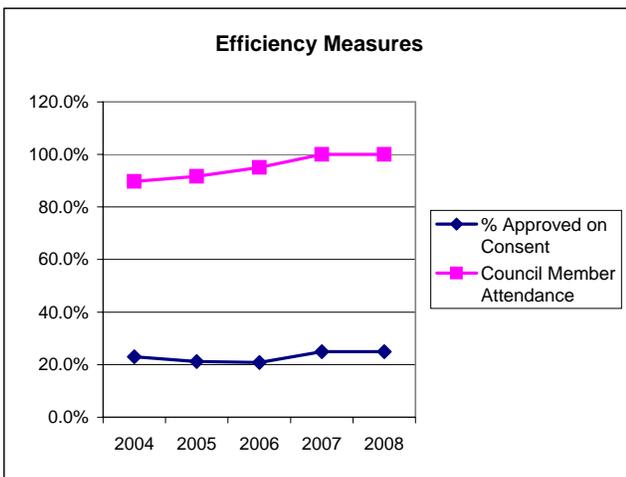


**CITY OF HOQUIAM  
2007-2008 BIENNIAL BUDGET DEVELOPMENT  
PERFORMANCE MEASURES**

**DEPT Name:** Legislative  
**DEPT Number:** 01  
**Fund Number:** 001  
**RESP:** Durney

**2004-2008 LEGISLATIVE PERFORMANCE MEASURES**

Category/Measure	Actual 2004	Actual 2005	Estimated 2006	Proposed 2007	Proposed 2008
<b>Input:</b>					
No. of Personnel	0	0	0.1	0.1	0.1
No. of Regular Council Meetings	22	23	22	23	23
No. of Special Council Meetings	9	4	4	2	4
No. of Full Time City Employees	95.4	84.5	85	87	87
<b>Output:</b>					
No. of Special Elections	0	0	0	0	0
No. of Primary Elections	1	0	1	0	1
No. of General Elections	1	1	1	1	1
No. of Council Positions Filled	1	0	3	0	0
No. of Applicants for Open Council Positions	3	N/A	7	N/A	N/A
No. of Agenda Items	261	231	264	235	265
<b>Efficiency:</b>					
Operating Expenditures per Capita	\$10.17	\$14.39	\$12.09	\$13.27	\$13.76
No. of applicants per Council position	3.0	N/A	2.3	N/A	N/A
Council Member Attendance at Council Meetings	89.7%	91.7%	95.1%	100%	100%
General Fund Operating Budget as a % of GDP / 1 million	39.2%	35.6%	34.6%	33.0%	33.0%
No. of Workers Compensation Claims	10	10	7	0	0
% of City Administrator Reports done by 10th of month	N/A	100%	100%	100%	100%
% of items approved by Council on Consent Agenda	23.0%	21.2%	20.8%	25.0%	25.0%
<b>Effectiveness:</b>					
City Employee Turnover Rate	23.7%	11.8%	12.9%	0.0%	0.0%
% of citizens rating quality of life as "good" or "excellent"	N/A	N/A	N/A	75.0%	80.0%
% of citizens stating City is headed in the right direction	N/A	N/A	N/A	75.0%	80.0%
Bond Rating of the City (S&P)	N/A	N/A	N/A	A	A



**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
Department Budget Narrative

Department:	Municipal Court	Department Director:	Eisenhower
Department Number:	02	Fund:	001

**Program Description:** The court employs one court clerk to perform the bookkeeping, clerical, and administrative functions. The department head or judge is a part time position (pay based on 30 hrs./month). Court hearings are held Tuesday mornings, with two Tuesday afternoon sessions per month. The court office hours are from 8:00 a.m to 5:00 p.m., but closes during court sessions, during the lunch hour and at times when the court clerk is unavailable. Duties performed and services provided are as follows:

1. Process citations;
2. Log all cases received from the Police Department and City Attorney;
3. Schedule and conduct hearings and trials before judge and jury;
4. Maintain docket information for each defendant and case;
5. Assess and collect fines, costs and restitution;
6. Maintain accurate records for the Department of Licensing, Police Department and other law enforcement or court departments;
7. Receive and disburse funds in an accountable manner;
8. Notify defendants of probation terms and local resources for treatment and counseling;
9. Monitor and submit unclaimed property to Department of Revenue;
10. Issue bench and arrest warrants;
11. Interact with a diverse population (e.g., non-english speaking, disabled, and low literacy comprehension);
12. Incarcerate and release defendants from jail custody;
13. Attend continuing education programs on new laws, rules and procedures;
14. Conduct hearings of incarcerated inmates for custody status after regular court hours, on weekends and holidays at the city and county jails;
15. Jury management, obtain lists from county, mail jury summons, maintain record of jury service and payment to jurors;
16. Maintain Trust Account for Bail and Restitution;
17. Liaison with Police Department and jail;
18. Monthly, quarterly and annual reporting to city officials, and to the Washington State Administrator of the Courts;
19. Communicate with City Attorney and Staff, Police Department, outside agencies and other courts;
20. Represent court at meetings, seminars and programs as well as training conferences;
21. Receive and prepare appeals to Superior Court;
22. Site coordinator for updating computer networks for JIS system.

**Mission:** The mission of the municipal court is to lawfully, ethically and efficiently administer justice of misdemeanor, traffic and municipal and code violations within the city.

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
 Department Accomplishments and Goals

Department:	Municipal Court	Department Director:	Eisenhower
Department Number:	02	Fund:	001

**2006 Accomplishments:**

1. Developed and followed through with procedure for "Court Warrant Amnesty" program. Added additional court time for clients to appear before the Judge on warrants, as well as office time for clients to clear warrants at the court office.
2. Court provided personnel for Warrant Sweep Weekend, August 2006. The court clerk worked 19 hours of overtime at the office and jail from Friday night through Sunday. The clerk was also available and processed releases and bail settings late into the evenings by receiving calls from the Police Department and faxing orders from home. The court was able to utilize extra help from a Spanish speaking District court clerk. The Clerk processed 34 incarcerated defendants and collected \$3,575 in bail.
3. Maintained required court reporting and added additional reports to the City Administrator and Police Chief.
4. Implemented and expanded use of "day jail" sentencing alternative, reducing incarceration costs.
5. Reinstated billing of time payments for criminal and infraction cases.
6. Improved efficiency of afternoon court docket by adding extra court sessions and by changing the afternoon docket schedule.
7. Clerk attended the District and Municipal Court conference, updating her training, and bringing back information on new laws, new JIS Court System updated and future e-filing of citations.
8. Compiled necessary information and forms for ICOAS (Interstate Commission of Adult Offender Supervision). No cases from our court qualified for this action to date in 2006.
9. Judge attended Judicial Conference, received continuing judicial education credit and filed three-year report of Judicial training.
10. Judge attended DUI forum with updates on intensive probation for offenders and latest topics, issues, motions and responses being filed. Networked with other Judicial Officers and staff from other courts.
11. Utilized part-time employees, pro-tem Judges for coverage of vacation, training and emergency leaves.
12. Successfully complied with State audit review.
13. Court clerk is now able to access the court JIS program on her home computer, allowing her to better her communications with Police and Clients on nights and weekends.

**Goals for the 2007-2008 Biennium:**

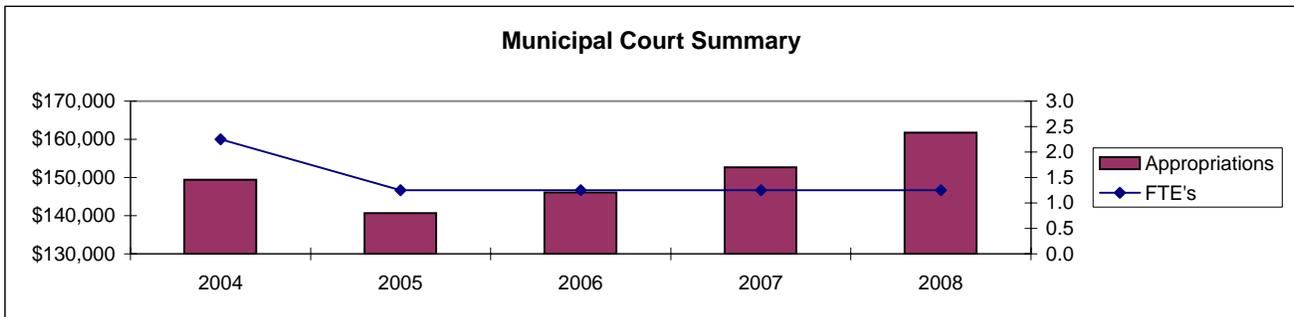
1. Reduce backlog of filing, archiving and auditing procedures with requested staffing.
2. Maintain full office hours and reduce overtime with 2007-2008 requested staffing. Provide reasonable customer service in events of training, sick and vacation time absences.
3. Improve judicial use of JIS (State) database computer.
4. Continue on-going JIS training and attend DMCMA and Judicial conferences.
5. Work with Police Department corrections to improve sentencing alternatives.
6. Cooperate with on-going warrant service sweeps.
7. Network with City Attorney, Police Chief and City Administrator to efficiently, effectively and lawfully administer cases coming before the court.
8. Attend training and certification courses to stay current with technology, procedures, substantive legal issues and education requirements.
9. Maintain participation in District and Municipal Courts Managements and Judge's associations.
10. Provide guidance, punishment and encouragement to defendants in meeting their court ordered treatment, counseling and financial obligations.

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL BUDGET DEVELOPMENT**  
**SUMMARY SHEET**

**DEPT Name:** Municipal Court  
**DEPT Number:** 02  
**Fund Number:** 001  
**RESP:** Eisenhower

**2004-2008 MUNICIPAL COURT APPROPRIATIONS SUMMARY**

Category	2004 Actual	2005 Actual	2006 Adopted	2007 Budget	2008 Budget	07-08 Total
Permanent Salaries	80,497	66,232	65,045	66,355	69,010	135,365
Relief Clerk	0	0	0	4,860	5,005	9,865
Overtime	779	4,556	6,900	7,800	8,110	15,910
<b>Total Salaries and Wages</b>	<b>81,276</b>	<b>70,788</b>	<b>71,945</b>	<b>79,015</b>	<b>82,125</b>	<b>161,140</b>
Medical & Dental	9,579	5,315	5,350	5,550	5,940	11,490
Social Security	6,218	5,415	5,505	5,670	5,900	11,570
Pension	739	768	1,055	2,715	5,720	8,435
L&I	592	356	320	295	305	600
Life Insurance	122	70	65	60	60	120
<b>Total Personnel Benefits</b>	<b>17,250</b>	<b>11,924</b>	<b>12,295</b>	<b>14,290</b>	<b>17,925</b>	<b>32,215</b>
Office Supplies	1,744	1,311	2,400	2,400	2,400	4,800
Computer Upgrades	497	0	500	500	500	1,000
DISCIS Supplies	1,193	1,167	1,400	1,400	1,500	2,900
<b>Total Supplies, Tools &amp; Minor Equip</b>	<b>3,434</b>	<b>2,478</b>	<b>4,300</b>	<b>4,300</b>	<b>4,400</b>	<b>8,700</b>
Professional Services	168	480	1,200	500	500	1,000
Judge Pro Tem Services	979	1,753	1,500	2,700	2,700	5,400
Indigent Defense	37,515	36,997	40,000	39,000	41,000	80,000
Interpreter	970	1,803	2,200	2,000	2,000	4,000
Communications	4,004	2,028	4,500	3,500	3,500	7,000
Travel & Training	37	63	625	700	700	1,400
Advertising	0	0	0	0	0	0
Current Year Insurance	1,688	2,278	2,115	1,840	1,930	3,770
Repair & Maintenance	527	164	1,250	1,300	1,400	2,700
Miscellaneous	1,187	2,473	2,200	2,100	2,100	4,200
Juror Fees	0	251	1,000	500	500	1,000
Dues, Subscriptions & Memberships	245	463	500	500	550	1,050
Tuitions & Registrations	100	235	425	425	450	875
<b>Total Professional Services &amp; Charges</b>	<b>47,420</b>	<b>48,988</b>	<b>57,515</b>	<b>55,065</b>	<b>57,330</b>	<b>112,395</b>
Replace Recording Equipment	0	6,500	0	0	0	0
<b>Total Capital</b>	<b>0</b>	<b>6,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Appropriations:</b>	<b>\$149,380</b>	<b>\$140,678</b>	<b>\$146,055</b>	<b>\$152,670</b>	<b>\$161,780</b>	<b>\$314,450</b>
Full Time Equivalent Employees:	2.3	1.3	1.3	1.3	1.3	

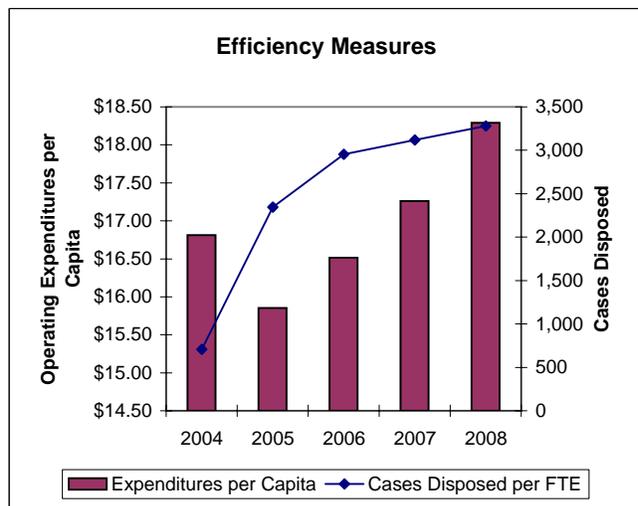
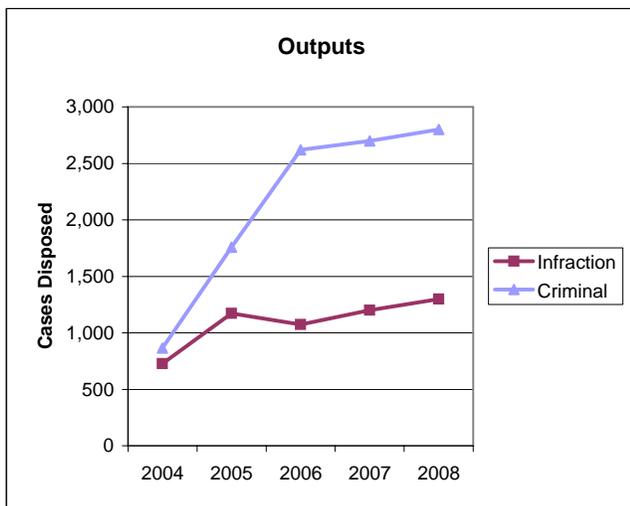


**CITY OF HOQUIAM  
2007-2008 BIENNIAL BUDGET DEVELOPMENT  
PERFORMANCE MEASURES**

**DEPT Name:** Municipal Court  
**DEPT Number:** 02  
**Fund Number:** 001  
**RESP:** Eisenhower

**2004-2008 MUNICIPAL COURT PERFORMANCE MEASURES**

Category/Measure	Actual 2004	Actual 2005	Estimated 2006	Proposed 2007	Proposed 2008
<b>Input:</b>					
No. of Personnel	2.25	1.25	1.25	1.25	1.25
<b>Output:</b>					
No. of Infraction Cases Disposed	727	1,172	1,073	1,200	1,300
No. of Criminal Cases Disposed	864	1,758	2,621	2,700	2,800
No. of Cases Filed					
Infractions	454	753	789	800	810
Parking Tickets	223	216	241	250	260
Criminal - Traffic	186	187	250	250	260
Criminal - Non Traffic	301	363	250	250	260
Criminal - DUI	63	35	35	35	35
Value of Outstanding Warrants (Bail)	N/A	N/A	\$1,552,795	\$1,250,000	\$1,000,000
No. of Outstanding Warrants	N/A	N/A	1,250	1,000	750
No. of Infraction Hearings	346	460	538	600	700
No. of Criminal Hearings	2,455	2,443	3,410	3,500	3,600
Revenue Produced	\$196,461	\$124,342	\$169,599	\$180,000	\$200,000
<b>Efficiency:</b>					
Operating Expenditures per Capita	\$16.81	\$15.85	\$16.51	\$17.26	\$18.29
No. of Cases Filed per Employee	545	1,243	1,252	1,268	1,300
No. of Cases Disposed per Employee	707	2,344	2,955	3,120	3,280
Outside Prisoner Placement Costs	\$94,310	\$72,614	\$85,000	\$85,000	\$90,000
<b>Effectiveness:</b>					
% of Cases Disposed per Filed	130%	189%	236%	246%	252%
% of Citizens Rating Service as "good" or "excellent"	N/A	N/A	N/A	75%	80%



**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
Department Budget Narrative

Department:	Finance	Department Director:	Folkers
Department Number:	03	Fund:	001

**Program Description:**

The Finance Department provides all financial management and accounting functions of the City. Financial management activities include cashiering, investments, banking, debt financing, and budget development and other administrative functions. Accounting functions include accounts receivable, accounts payable, payroll and benefits, utility billing and accounting, general accounting, and business licensing and business and occupation tax administration.

The Finance Department serves as the chief advisory department to the legislative body, administration, and department staff on all municipal financial matters. Additionally, the Finance Department is responsible for reporting the financial status of the City through the preparation of financial statements and budgets. Lastly, the Finance Department fulfills all requests for public records.

**Mission:**

The Finance department strives to manage the City's financial assets in a controlled and prudent manner, secure debt financing when required for capital projects and administer the outstanding debt in a manner that will preserve the City's access to credit markets.

Finance staff strive to coordinate preparation of a balanced, fiscally sound annual budget and monitor performance against that budget throughout the fiscal year. Staff strives to pay all vendors and employees accurately and on a timely basis, administer employee benefit programs accurately and consistently, account for all financial transactions in an accurate and timely manner, produce monthly financial reports by the 10th day of the following month, and file the City's Annual Report with the State Auditor by the required date. The staff also strives to administer the City's business license and B&O tax programs accurately and consistently.

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
Department Accomplishments and Goals

Department:	Finance	Department Director:	Folkers
Department Number:	03	Fund:	001

**2006 Accomplishments:**

1. Completed selection of banking services from the Request for Banking Proposals
2. Adopted a Biennial Budget Ordinance
3. Developed Performance Measures for all departments
4. Updated Small and Attractive Asset Inventory
5. Implemented new Ambulance Utility
6. Refinanced City Hall LTGO Bond
7. Implemented new Sewer and Stormwater rates
8. Updated the Finance page of City's web site
9. Completed an Event and Festival Policy
10. Implemented High Strength Sewer Charges
11. Submitted 2005 Annual Report on time to the State Auditor's Office
12. Held a silent auction of surplus City tools, supplies and minor equipment
13. Set up a partnership with the School District to recycle City generated cardboard
14. Council Secretary received certification as a Certified Municipal Clerk
15. Finance Director received Professional Finance Officer certification
16. Completed a Fixed Assets Policy

**Goals for the 2007-2008 Biennium:**

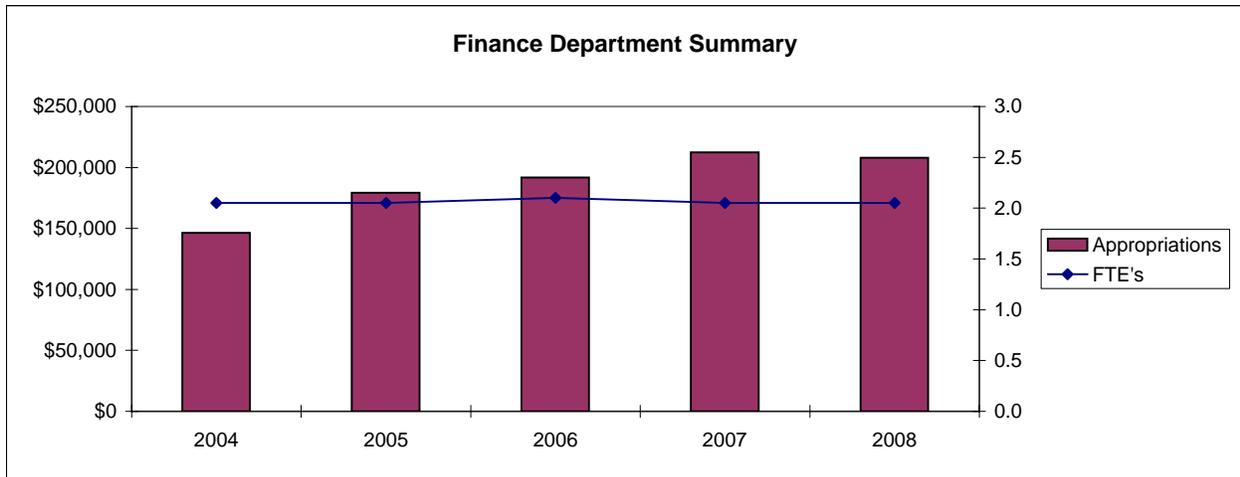
1. Update accounting package to the latest version
2. Update and convert utility billing software program
3. Develop and implement a Purchasing Policy
4. Earn the Washington Finance Officers Association (WFOA) Award for Budget Presentation
5. Earn the Government Finance Officers Association (GFOA) Award for Budget Presentation
6. Submit 2006 and 2007 Annual Reports on time to the State Auditor's office
7. Receive unqualified opinion for 2006 and 2007 Financial Statements
8. Complete negotiations with represented employees
9. Continue to develop and implement cost saving strategies
10. Research and implement Procurement Cards
11. Improve building security
12. Develop a Disaster Preparedness Plan
13. Adopt policies for reserves, revenues stabilization and unfunded liabilities
14. Implement on-line bill pay and direct debit capability for utility bills and court fines
15. Paint and replace carpet in the Finance Office
16. Maximize training opportunities and maintain all certifications
17. Attend the Government Finance Officers Association (GFOA) Annual Conference in 2007

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL BUDGET DEVELOPMENT**  
**SUMMARY SHEET**

**DEPT Name:** Finance  
**DEPT Number:** 03  
**Fund Number:** 001  
**RESP:** Folkers

**2004-2008 FINANCE APPROPRIATIONS SUMMARY**

Category	2004 Actual	2005 Actual	2006 Adopted	2007 Budget	2008 Budget	07-08 Total
Permanent Salaries	75,076	90,329	98,220	103,030	107,150	210,180
Overtime	1,614	1,779	3,000	2,500	2,600	5,100
Total Salaries and Wages	76,690	92,108	101,220	105,530	109,750	215,280
Medical & Dental	16,909	22,449	25,820	25,800	27,605	53,405
Social Security	5,867	7,046	7,745	8,075	8,395	16,470
Pension	1,066	1,758	2,470	6,385	8,145	14,530
L&I	566	560	580	530	545	1,075
Life Insurance	224	202	215	215	215	430
Total Personnel Benefits	24,632	32,015	36,830	41,005	44,905	85,910
Office Supplies	6,649	12,140	7,500	10,000	8,000	18,000
Computer Upgrades	0	0	1,760	2,000	2,000	4,000
Total Supplies, Tools & Minor Equip	6,649	12,140	9,260	12,000	10,000	22,000
Professional Services	1,904	5	0	9,500	0	9,500
Communications	7,556	6,757	8,200	7,500	7,500	15,000
Travel & Training	0	1,350	1,200	2,400	1,500	3,900
Advertising	0	7	0	50	50	100
Current Year Insurance	3,890	4,690	4,100	3,150	3,310	6,460
Repair & Maintenance	6,649	9,805	8,200	10,000	10,000	20,000
Miscellaneous	60	112	300	100	150	250
Dues, Subscriptions & Memberships	210	180	400	250	250	500
Fiscal Agent Costs	174	174	200	175	200	375
Tuitions & Registrations	20	820	1,000	700	500	1,200
Total Professional Services & Charges	20,463	23,900	23,600	33,825	23,460	57,285
State Audit	17,846	19,151	21,000	20,000	20,000	40,000
Total Intergovernmental Charges	17,846	19,151	21,000	20,000	20,000	40,000
<b>Total Appropriations:</b>	<b>\$146,280</b>	<b>\$179,314</b>	<b>\$191,910</b>	<b>\$212,360</b>	<b>\$208,115</b>	<b>\$420,475</b>
Full Time Equivalent Employees:	2.1	2.1	2.1	2.1	2.1	

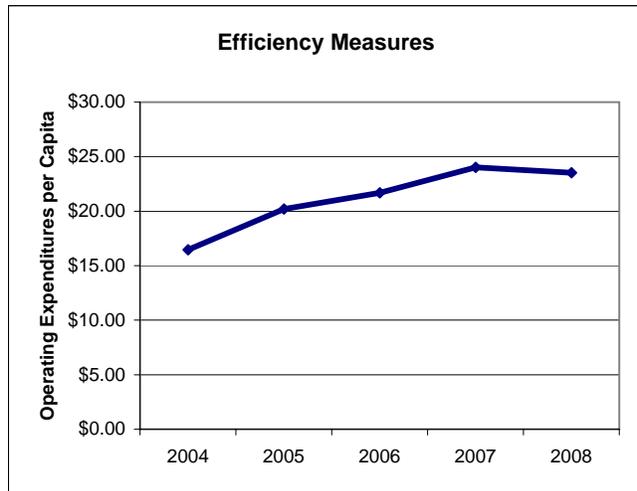
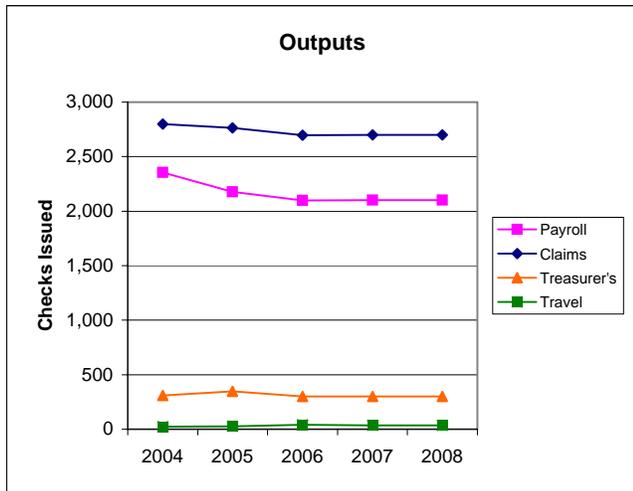


**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL BUDGET DEVELOPMENT**  
**PERFORMANCE MEASURES**

**DEPT Name:** Finance  
**DEPT Number:** 03  
**Fund Number:** 001  
**RESP:** Folkers

**2004-2008 FINANCE PERFORMANCE MEASURES**

Category/Measure	Actual 2004	Actual 2005	Estimated 2006	Proposed 2007	Proposed 2008
<b>Input:</b>					
No. of Personnel	2.1	2.1	2.1	2.1	2.1
Annual Office Hours	2,024	2,000	2,008	2,000	2,008
<b>Output:</b>					
No. of Payroll Checks Issued	2,355	2,176	2,098	2,100	2,100
No. of Claim's Checks Issued	2,800	2,763	2,696	2,700	2,700
No. of Treasurer's Checks Issued	309	347	300	300	300
No. of Travel Checks Issued	23	26	40	35	35
No. of Animal Licenses Renewed/Issued	1,250	1,300	1,350	1,400	1,450
No. of Public Records Requests Fulfilled	20	14	25	20	20
No. of Meeting Minutes Completed	31	27	26	25	27
No. of Agendas Completed	22	23	22	23	23
<b>Efficiency:</b>					
Operating Expenditures per Capita	\$16.46	\$20.20	\$21.70	\$24.01	\$23.53
% of financial reports delivered by 10th of the month	N/A	N/A	100.0%	100.0%	100.0%
Earn Biennial WFOA Distinguished Budget Award	No	No	No	Yes	N/A
Earn Biennial GFOA Distinguished Budget Award	No	No	No	Yes	N/A
% of Agenda packets delivered within 4 days of meeting	N/A	N/A	N/A	100%	100%
% of Public Records Requests completed within 5 days	100%	100%	100%	100%	100%
% of Minutes completed within 72 hours of meeting	100%	100%	100%	100%	100%
<b>Effectiveness:</b>					
Receive Unqualified Audit Opinion	Yes	Yes	Yes	Yes	Yes
City's Bond Rating (S&P)	N/A	N/A	N/A	A	A
% of Citizens rating service as "good" or "excellent"	N/A	N/A	65.0%	75.0%	75.0%
% of Departments rating service as "good" or "excellent"	N/A	N/A	60.0%	75.0%	75.0%



**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
 Department Budget Narrative

Department:	Legal	Department Director:	Johnson
Department Number:	04	Fund:	001

**Program Description:** The Legal Department was created in 1991. Prior to that time, the City contracted for legal services with a local law firm on a part-time basis. The Department currently consists of a full-time City Attorney and a full-time Administrative Secretary. The Secretary also serves the Mayor and the City Administrator. Although the Hoquiam Municipal Code allows for the hiring of an Assistant City Attorney, that position has not been filled nor funded by the City. The current City Attorney is Steve Johnson. He has held this position since 1994. He is a graduate of Hoquiam High School (1972) and earned a Bachelor of Arts Degree from Central Washington State College in 1976, with a major in Law and Justice, and a minor in Psychology. He earned his Juris Doctor (Law) Degree from Lewis and Clark Law School, in Portland Oregon, in 1979, and was admitted to the Washington State Bar Association that same year. He has practiced law in Grays Harbor County his entire career. The current Administrative Secretary for the Legal Department is Robin Smith. Robin is a graduate of Aberdeen High School (1963). She obtained an Associate of Arts Degree from Grays Harbor Community College in 1971, and has lived and worked in Grays Harbor County most of her life. She has held her current position since 1995. The City Attorney represents the City in all criminal cases brought by the City in Hoquiam Municipal Court. These cases include gross misdemeanors, misdemeanors, civil infractions, and traffic infractions. The City Attorney also represents the City in civil cases brought either for or against the City. In certain situations, the City's liability insurance pool (WCIA) retains a private attorney to represent the City in lawsuits brought against the City. In those situations, the City Attorney is responsible for monitoring the case, and working with the private attorney and other City employees involved in the litigation. There are currently two lawsuits pending against the City which fall within that category. In addition, there are several other cases in which a claim for damages has been made, but a lawsuit has not been filed. Also represents the City's interests with respect to workmen's compensation and unemployment compensation claims filed against the City. Responsible for drafting ordinances and resolutions for the City Council and Mayor, and for drafting and/or approving the form of all contracts and insurance policies for the City. Acts as the legal adviser to the Mayor, City Council and the officers of the City including Department heads and also advises the Civil Service Commission, the Building Code Council, and other citizen commissions, and attends hearings before those boards. Because the City does not have a Personnel Director or Human Resources Director as most municipalities do, the City Attorney is heavily involved in personnel issues, including hiring procedures, grievances, and disciplinary actions. This function has been taking up an increasing amount of time, but with the recent addition of the City Administrator, this will undoubtedly change. Serves as risk manager for the City. This requires attendance at "Full Board Meetings" of the Washington Cities Insurance Authority (at least one meeting per year is required for each City). It also requires acting as liaison between the City and W.C.I.A., which includes notifications, processing of claims, investigation of claims, and coordination of required training and education of employees. Currently sits as a member of the Loss Control Committee of W.C.I.A., which meets 6 times a year to discuss and promulgate risk management policies and procedures for the entire W.C.I.A. membership. Responsible for overseeing the City's Commercial Driver's License (CDL) Random Drug Testing Program, through the AWC Drug Testing Consortium. Currently, 18 City employees participate in this program, which is required by federal law. Finally, acts as the Legislative Contact Person for purposes of communication between the Association of Washington Cities (AWC) and the City of Hoquiam during legislative sessions. When issues affecting cities are discussed in the legislature, AWC alerts the City Attorney and requests an immediate response.

The Administrative Secretary is responsible for answering the telephone for the Legal/Administration Department. She is responsible for all filing, typing and scheduling of appointments and meetings for the Legal Department. She drafts subpoenas and other legal pleadings. She updates municipal code books. She makes all routine purchases of supplies, processing of invoices, and is responsible for bookkeeping paperwork for the Legal Department. In addition, the Administrative Secretary is responsible for filing, typing and scheduling appointments for the Mayor.

**Mission:** The mission of the Legal Department of the City of Hoquiam is to provide ethical, high quality and efficient legal services to the Mayor, City Council and all Department of the City, and to enhance the quality of life in the City of Hoquiam by aggressively and fairly prosecuting violations of the law while protecting and preserving the rights of its citizens.

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
Department Accomplishments and Goals

Department:	Legal	Department Director:	Johnson
Department Number:	04	Fund:	001

**2006 Accomplishments:**

1. Reviewed and updated various contracts involving the City. Drafted numerous new contracts for various city projects and transactions, including a new template for timber sales.
2. Helped resolve lawsuits and claims brought against the City for personal injuries and property damage, in cooperation with WCIA.
3. Assisted the Building Department in successful abatement of several dangerous buildings. Also, prosecuted numerous individuals in Municipal Court for accumulation of solid waste, junk vehicles, overgrown vegetation, etc.
4. Successfully monitored or performed completion of all risk management requirements mandated by the Washington Cities Insurance Authority (WCIA) for the year 2005, thereby ensuring the City's good standing in the WCIA.
5. Filed numerous liens against real property for abatement costs incurred by the City. Several liens were satisfied in full by the property owners or purchasers of the properties.
6. Assisted local businesses by successfully prosecuting persons in municipal court for thefts of merchandise and services, for the issuance of "bad" checks, and other property crimes.
7. Assisted in the amendment of several sections of the Hoquiam Municipal Code, such as sections dealing with jail booking fees, animal control fees, capital facilities and sign regulations.
8. Drafted an ordinance to create an "ambulance utility."
9. Successfully resolved a union grievance through binding arbitration.

**Goals for the 2007-2008 Biennium:**

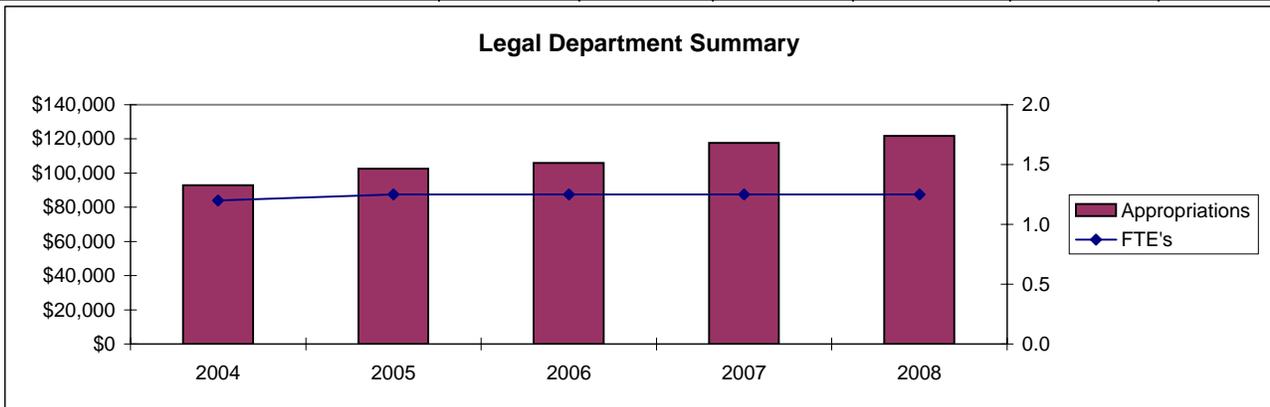
1. Complete labor negotiations with the firefighters, police, and AFSCME bargaining units prior to the expiration of the current collective bargaining agreements.
2. Amend Hoquiam Municipal Code to include all nuisances in one chapter of the code, and to establish an efficient procedure for abating all nuisances.
3. Completely redraft the City's sign code, to include more legally defensible regulations dealing with political signs and commercial signs.
4. Amend or supplement the chapters of the Hoquiam Municipal Code dealing with criminal violations.

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL BUDGET DEVELOPMENT**  
**SUMMARY SHEET**

**DEPT Name:** Legal  
**DEPT Number:** 04  
**Fund Number:** 001  
**RESP:** Johnson

**2004-2008 LEGAL APPROPRIATIONS SUMMARY**

Category	2004 Actual	2005 Actual	2006 Adopted	2007 Budget	2008 Budget	07-08 Total
Permanent Salaries	59,638	67,695	69,995	75,690	78,720	154,410
Overtime	0	0	0	0	0	0
Total Salaries and Wages	59,638	67,695	69,995	75,690	78,720	154,410
Medical & Dental	10,980	13,025	14,290	14,820	15,860	30,680
Social Security	4,562	5,179	5,355	5,790	6,025	11,815
Pension	806	1,260	1,710	4,580	5,840	10,420
L&I	376	347	345	315	325	640
Life Insurance	271	246	235	235	235	470
Total Personnel Benefits	16,995	20,057	21,935	25,740	28,285	54,025
Office Supplies	1,024	730	1,600	1,600	1,600	3,200
Law Books/Legal Publications	8,757	5,752	5,000	5,000	5,000	10,000
Computer Upgrades	829	2,430	500	500	500	1,000
Total Supplies, Tools & Minor Equip	10,610	8,912	7,100	7,100	7,100	14,200
Professional Services	35	312	500	500	500	1,000
Communications	1,142	1,266	1,550	1,550	1,550	3,100
Travel & Training	1,000	146	1,000	1,000	1,000	2,000
Advertising	0	0	0	0	0	0
Current Year Insurance	1,676	2,039	1,770	1,430	1,500	2,930
Repair & Maintenance	509	542	600	600	600	1,200
Miscellaneous	140	155	150	150	150	300
Filing & Recording Fees	412	163	200	200	200	400
Dues, Subscriptions & Memberships	528	1,149	700	700	700	1,400
Tuitions & Registrations	165	150	500	500	500	1,000
Total Professional Services & Charges	5,607	5,922	6,970	6,630	6,700	13,330
Laptop Computer	0	0	0	1,500	0	1,500
Copier	0	0	0	975	975	1,950
Total Capital	0	0	0	2,475	975	1,950
<b>Total Appropriations:</b>	<b>\$92,850</b>	<b>\$102,586</b>	<b>\$106,000</b>	<b>\$117,635</b>	<b>\$121,780</b>	<b>\$237,915</b>
Full Time Equivalent Employees:	1.2	1.3	1.3	1.3	1.3	

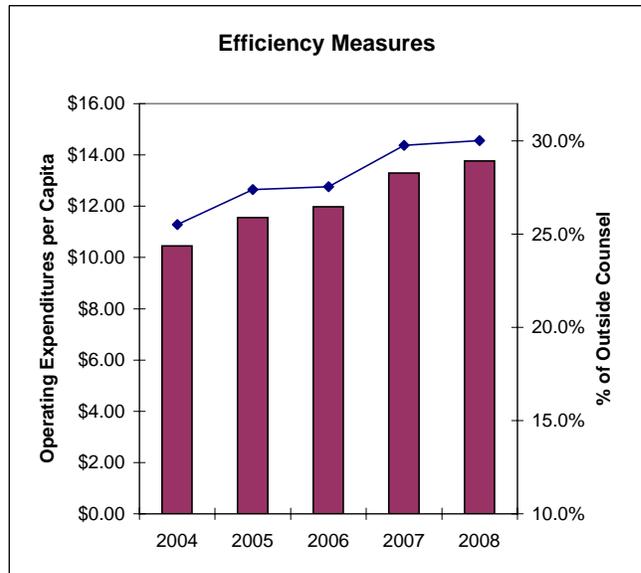
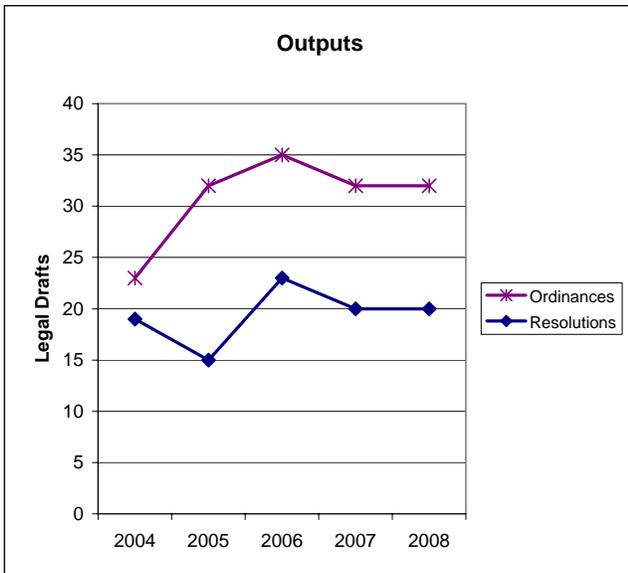


**CITY OF HOQUIAM  
2007-2008 BIENNIAL BUDGET DEVELOPMENT  
PERFORMANCE MEASURES**

**DEPT Name:** Legal  
**DEPT Number:** 04  
**Fund Number:** 001  
**RESP:** Johnson

**2004-2008 LEGAL PERFORMANCE MEASURES**

Category/Measure	Actual 2004	Actual 2005	Estimated 2006	Proposed 2007	Proposed 2008
<b>Input:</b>					
No. of Personnel	1.20	1.25	1.25	1.25	1.25
<b>Output:</b>					
No. of Criminal Cases	550	585	535	550	550
No. of Infraction Cases	454	753	789	800	800
No. of Lawsuits	5	0	0	0	0
No. of Contracts Drafted	3	2	5	5	5
No. of Ordinances Drafted	23	32	35	32	32
No. of Resolutions Drafted	19	15	23	20	20
<b>Efficiency:</b>					
Operating Expenditures per Capita	\$10.45	\$11.56	\$11.98	\$13.30	\$13.77
Average Cost per Criminal Case	\$168.82	\$175.36	\$198.13	\$213.88	\$221.42
Cost per hour as a % of Outside Counsel Cost per hour	25.5%	27.4%	27.5%	29.8%	30.0%
<b>Effectiveness:</b>					
% of Departments rating service as "good" or "excellent"	N/A	N/A	N/A	100%	100%
% of Cases resulting in conviction or favorable disposition	100%	100%	100%	100%	100%
% of lawsuits handled in house	40%	N/A	N/A	N/A	N/A
Review and/or draft 80% of legal requests within 14 days	100%	100%	100%	100%	100%



**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
Department Budget Narrative

Department:	Civil Service	Department Director:	Myers
Department Number:	05	Fund:	001

**Program Description:**

The three members of the Civil Service Commission and its Secretary are appointed by the Mayor and serve in conformity with the provisions of RCW 41.08 and RCW 41.12.

The Civil Service Commission is charged with the responsibility of adopting rules that detail the manner in which competitive examinations will be held for the hiring of employees occupying civil service positions in the Police and Fire Departments. All such examinations take place under the auspices of the Civil Service Commission

The Commission is also responsible for conducting any civil suits necessary for proper enforcement of RCW 41.12 and Civil Service rules and regulations. The Commission also conducts hearings as required for employees covered by the Civil Service Program.

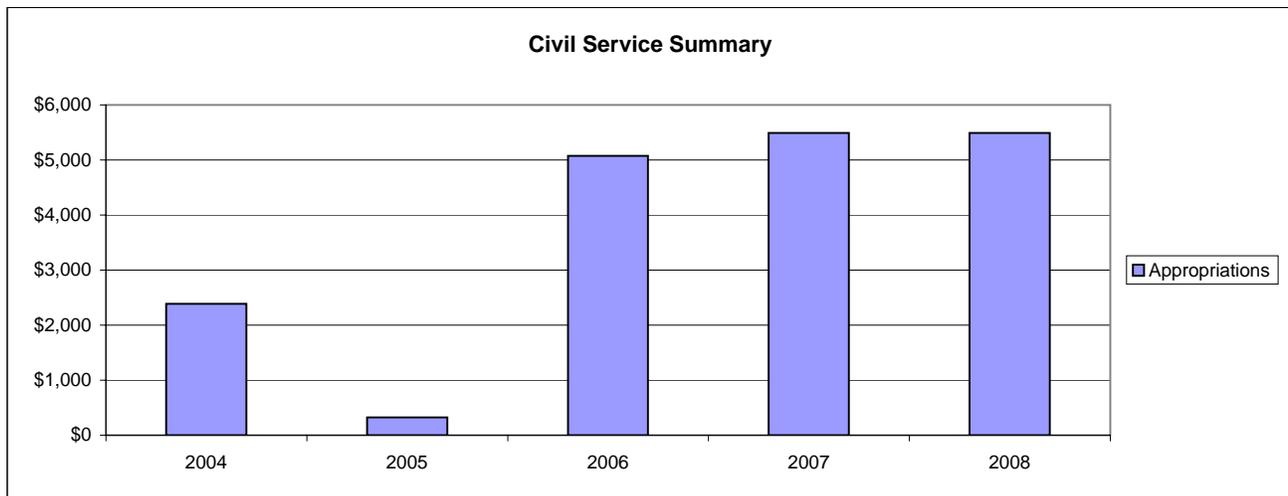
For the 2007-2008 biennium, the Civil Service Commission budget includes \$6,800 in expenditures necessary for testing services, \$1,900 in miscellaneous supplies, and \$2,280 in commission training activities.

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL BUDGET DEVELOPMENT**  
**SUMMARY SHEET**

**DEPT Name:** Civil Service  
**DEPT Number:** 05  
**Fund Number:** 001  
**RESP:** Myers

**2004-2008 CIVIL SERVICE APPROPRIATIONS SUMMARY**

Category	2004 Actual	2005 Actual	2006 Adopted	2007 Budget	2008 Budget	07-08 Total
Permanent Salaries	0	0	0	0	0	0
Overtime	0	0	0	0	0	0
Total Salaries and Wages	0	0	0	0	0	0
Medical & Dental	0	0	0	0	0	0
Social Security	0	0	0	0	0	0
Pension	0	0	0	0	0	0
L&I	0	0	0	0	0	0
Life Insurance	0	0	0	0	0	0
Total Personnel Benefits	0	0	0	0	0	0
Office Supplies	60	0	200	200	200	400
Computer Upgrades	0	0	0	0	0	0
Total Supplies, Tools & Minor Equip	60	0	200	200	200	400
Professional Services	1,490	50	4,400	3,400	3,400	6,800
Communications	37	0	50	50	50	100
Travel & Training	0	0	75	500	500	1,000
Advertising	513	274	350	500	500	1,000
Current Year Insurance	0	0	0	0	0	0
Repair & Maintenance	0	0	0	0	0	0
Miscellaneous	288	0	0	200	200	400
Dues, Subscriptions & Memberships	0	0	0	0	0	0
Tuitions & Registrations	0	0	0	640	640	1,280
Total Professional Services & Charges	2,328	324	4,875	5,290	5,290	10,580
<b>Total Appropriations:</b>	<b>\$2,388</b>	<b>\$324</b>	<b>\$5,075</b>	<b>\$5,490</b>	<b>\$5,490</b>	<b>\$10,980</b>
Full Time Equivalent Employees:	0.0	0.0	0.0	0.0	0.0	



**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
Department Budget Narrative

Department:	City Hall & Buildings	Department Director:	Shay
Department Number:	06	Fund:	001

**Program Description:**

This program accounts for all operational costs of the City Hall facility. The basic objective of the City Hall facility program is to assure that it is organized and maintained in a manner that presents an acceptable public image and enables employees to deliver professional public service.

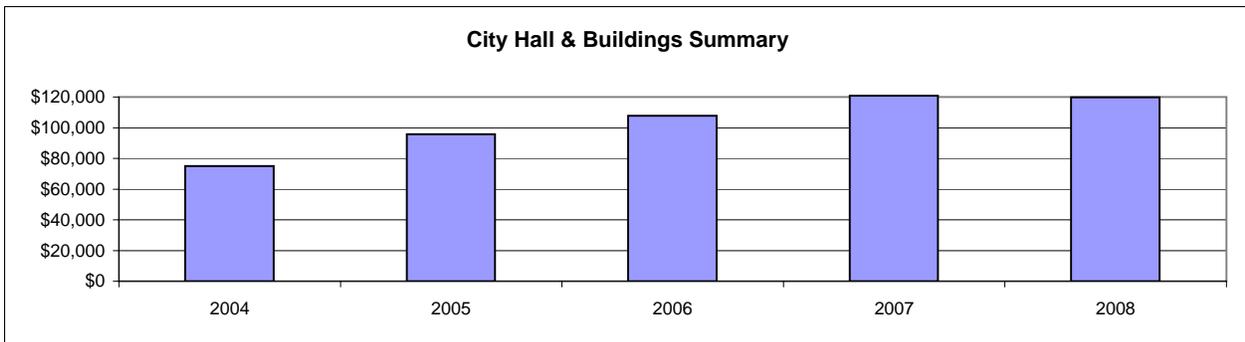
All costs relating to the maintenance of buildings owned by the City, other than those associated with other budgets, are recorded in the City Hall and buildings budget. The most prominent costs are for utility services, insurance, janitorial and other maintenance services. The 2007-2008 biennial budget includes \$25,000 in each year to perform upgrades to various sections of City Hall. Funds for these projects are budgeted to be paid for by a transfer from the Cumulative Reserve for General Capital.

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL BUDGET DEVELOPMENT**  
**SUMMARY SHEET**

**DEPT Name:** City Hall & Buildings  
**DEPT Number:** 06  
**Fund Number:** 001  
**RESP:** Shay

**2004-2008 CITY HALL & BUILDINGS APPROPRIATIONS SUMMARY**

Category	2004 Actual	2005 Actual	2006 Adopted	2007 Budget	2008 Budget	07-08 Total
Permanent Salaries	0	0	0	0	0	0
Overtime	0	0	0	0	0	0
Total Salaries and Wages	0	0	0	0	0	0
Medical & Dental	0	0	0	0	0	0
Social Security	0	0	0	0	0	0
Pension	0	0	0	0	0	0
L&I	0	0	0	0	0	0
Life Insurance	0	0	0	0	0	0
Total Personnel Benefits	0	0	0	0	0	0
Office Supplies	5,076	4,222	4,500	5,000	5,500	10,500
Computer Upgrades	0	0	0	0	0	0
Total Supplies, Tools & Minor Equip	5,076	4,222	4,500	5,000	5,500	10,500
Professional Services	10,925	11,460	11,600	10,600	11,100	21,700
Communications	971	929	1,000	1,000	1,000	2,000
Travel & Training	0	0	0	0	0	0
Advertising	0	0	200	0	0	0
Current Year Insurance	6,396	12,563	11,990	10,085	10,590	20,675
Utilities	43,259	35,174	41,000	44,700	46,000	90,700
Repair & Maintenance	6,262	14,428	12,000	20,000	20,000	40,000
Miscellaneous	632	4,497	500	500	500	1,000
Dues, Subscriptions & Memberships	0	0	0	0	0	0
Tuitions & Registrations	0	0	0	0	0	0
Total Professional Services & Charges	68,445	79,051	78,290	86,885	89,190	176,075
Miscellaneous Capital	0	0	25,000	25,000	25,000	50,000
Networking Upgrades	0	0	0	4,000	0	4,000
Senior Center fire Suppression	1,437	0	0	0	0	0
Council Sound System	0	6,081	0	0	0	0
City Hall Heat Pump	0	6,443	0	0	0	0
Total Capital	1,437	12,524	25,000	29,000	25,000	54,000
<b>Total Appropriations:</b>	<b>\$74,958</b>	<b>\$95,797</b>	<b>\$107,790</b>	<b>\$120,885</b>	<b>\$119,690</b>	<b>\$240,575</b>
Full Time Equivalent Employees:	0.0	0.0	0.0	0.0	0.0	



**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
Department Budget Narrative

Department:	Electrical	Department Director:	Shay
Department Number:	07	Fund:	001

**Program Description:**

The Electrical Department is made up of one electrician and if approved, an electrical helper or Electrician 1. The responsibilities include maintaining all electrical services and functions of the City of Hoquiam facilities and properties. These facilities include the Police Station, Fire Department, Parks Department which includes the Olympic Stadium, all street lighting, traffic signals, the water filtration plant and pumping stations, storm and sewer water pumping motors and all associated switching and control equipment, storm water pumping motors, telemetry, generators, as well as City Hall and other city owned buildings such as the library and senior citizen center. The electrical department has the responsibility of maintaining and troubleshooting any problems in these buildings and properties. The department also does small construction projects as they are needed. This includes doing take-offs, purchasing materials after bids, taking care of permits and adhering to the National Electric Code to stay in compliance.

Another very important function of the Electrical Department is to bring facility motors to the electrician shop for tear down, inspections, replacement of bearings, making sure that any necessary machine work is taken care of and then putting everything back together and testing it. This function alone has saved various departments thousands of dollars over the past years. As a direct result of these actions, the life of the equipment is prolonged. There are approximately 70 motors within the city that are routinely rebuilt, not counting fractional HP motors.

**Mission:**

Through regular electrical maintenance and inspection of equipment and facilities, prolong the life of equipment and reduce expenditures for the City.

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
Department Accomplishments and Goals

Department:	Electrical	Department Director:	Shay
Department Number:	07	Fund:	001

**2006 Accomplishments:**

1. Built and installed controllers for 28th and Bay, K Street sewage extension blowers.
2. Teched out 28th and Bay vary drives to replace with new Allen Bradley equipment at a much lower cost. Worked on bid package and language.
3. Answered numerous calls to sewer and storm pumping stations for generator, motor and control problems. Rebuilt pump and motor at K St. storm pump station.
4. Answered numerous calls for traffic signals.
5. Installed new Alum mixer and Caustic pump at Water Treatment Plant. Rebuilt new water pump and motor #3.
6. Obtained new wireless radio system and coordinated with Motorola to install as soon as the new tower is built.
7. Answered numerous calls to Library, City hall, Stadium, Fire Department, Sewer and Water Departments.
8. Answered numerous calls for street lighting.
9. Checked out generator manufacturers for 2nd and Bayview sewage pump stations. Purchased one from Kato Light on State bid, saving several thousand dollars on the purchase.

**Goals for the 2007-2008 Biennium:**

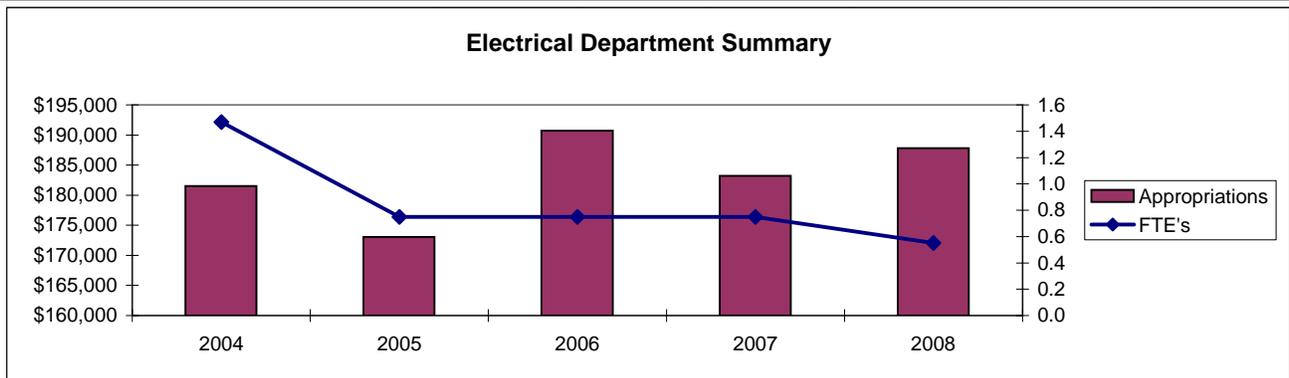
1. Continue the constant maintenance on obsolete variable frequency drives in the two large sewer pump stations. There are four VFDs, and two Magnadrives..
2. Continue the program to conserve on electrical consumption by changing 400 watt to 200 watt ballasts on remaining 400 watt fixtures for street lighting.
3. Expand energy saving measures into all department of the city.
4. Install capacitors in the smaller storm and sewage pumping stations to reduce the power cost charged by the Public Utilities District.
5. Continue preventative maintenance at the water treatment plant and all city owned buildings.
6. Time permitting, checking PUD bills for all departments for discrepancies.
7. Rebuild as many motors and pumps as possible. Many are past due for service.
8. Change out old variable frequency drives with two new units at 28th and Bay sewage pump stations.
9. Install new generator at 2nd and Bayview.

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL BUDGET DEVELOPMENT**  
**SUMMARY SHEET**

**DEPT Name:** Electrical  
**DEPT Number:** 07  
**Fund Number:** 001  
**RESP:** Shay

**2004-2008 ELECTRICAL APPROPRIATIONS SUMMARY**

Category	2004 Actual	2005 Actual	2006 Adopted	2007 Budget	2008 Budget	07-08 Total
Permanent Salaries	46,196	34,665	37,995	28,425	29,560	57,985
Overtime	2,662	4,831	6,000	8,000	8,320	16,320
Working Out of Classification	1,054	0	0	0	0	0
<b>Total Salaries and Wages</b>	<b>49,912</b>	<b>39,496</b>	<b>43,995</b>	<b>36,425</b>	<b>37,880</b>	<b>74,305</b>
Medical & Dental	9,381	6,594	7,855	5,975	6,395	12,370
Social Security	3,857	3,041	2,995	2,785	2,900	5,685
Pension	684	750	940	2,205	2,810	5,015
L&I	2,004	1,329	1,430	950	980	1,930
Life Insurance	80	45	45	35	35	70
Clothing Allowance	500	250	250	250	250	500
<b>Total Personnel Benefits</b>	<b>16,506</b>	<b>12,009</b>	<b>13,515</b>	<b>12,200</b>	<b>13,370</b>	<b>25,570</b>
Office Supplies	11,178	7,058	7,500	8,250	9,150	17,400
Computer Upgrades	0	0	0	0	0	0
<b>Total Supplies, Tools &amp; Minor Equip</b>	<b>11,178</b>	<b>7,058</b>	<b>7,500</b>	<b>8,250</b>	<b>9,150</b>	<b>17,400</b>
Communications	355	628	500	600	650	1,250
Travel & Training	405	325	500	500	500	1,000
Current Year Insurance	2,240	2,732	2,375	1,920	2,015	3,935
Utilities	263	60	100	100	100	200
Street Lights	88,265	98,708	105,000	105,000	105,000	210,000
Repair & Maintenance	899	756	2,200	2,250	2,300	4,550
Miscellaneous	369	107	600	650	700	1,350
Dues, Subscriptions & Memberships	90	399	100	100	150	250
Tuitions & Registrations	1,315	1,050	1,500	1,500	1,500	3,000
<b>Total Professional Services &amp; Charges</b>	<b>94,201</b>	<b>104,765</b>	<b>112,875</b>	<b>112,620</b>	<b>112,915</b>	<b>225,535</b>
Equipment Rental-O&M	4,760	2,968	3,880	3,880	4,300	8,180
Equipment Rental Reserve	4,800	6,637	8,800	9,680	10,000	19,680
Equipment Rental-Insurance	156	139	145	165	175	340
<b>Total Internal Services</b>	<b>9,716</b>	<b>9,744</b>	<b>12,825</b>	<b>13,725</b>	<b>14,475</b>	<b>28,200</b>
<b>Total Appropriations:</b>	<b>\$181,513</b>	<b>\$173,072</b>	<b>\$190,710</b>	<b>\$183,220</b>	<b>\$187,790</b>	<b>\$371,010</b>
Full Time Equivalent Employees:	1.5	0.8	0.8	0.8	0.6	

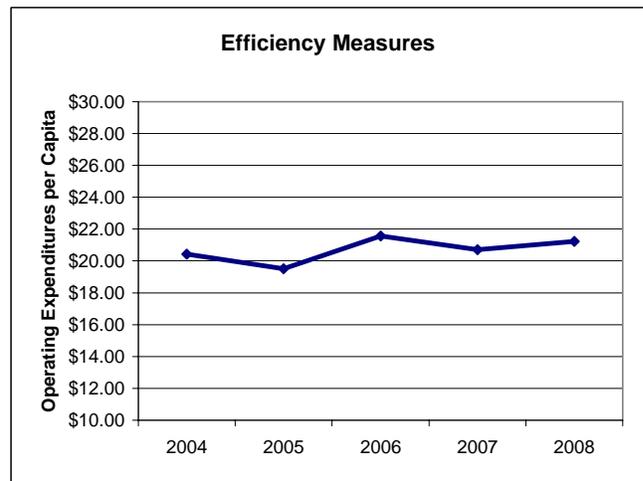
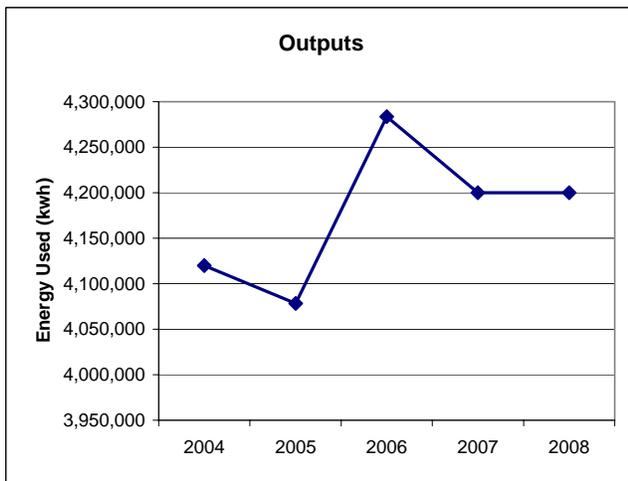


**CITY OF HOQUIAM  
2007-2008 BIENNIAL BUDGET DEVELOPMENT  
PERFORMANCE MEASURES**

**DEPT Name:** Electrical  
**DEPT Number:** 07  
**Fund Number:** 001  
**RESP:** Shay

**2004-2008 ELECTRICAL PERFORMANCE MEASURES**

Category/Measure	Actual 2004	Actual 2005	Estimated 2006	Proposed 2007	Proposed 2008
<b>Input:</b>					
No. of Personnel	1.5	0.8	0.8	0.8	0.6
<b>Output:</b>					
No. of Electrical Inspections Completed	N/A	N/A	N/A	24	24
No. of Workorders Completed	N/A	N/A	N/A	100	100
City Wide Metered Energy Used (kwh)	4,119,988	4,078,303	4,283,589	4,200,000	4,200,000
City Wide Energy Costs	\$438,138	\$418,583	\$452,930	\$445,200	\$445,200
<b>Efficiency:</b>					
Operating Expenditures per Capita	\$20.43	\$19.50	\$21.56	\$20.71	\$21.23
<b>Effectiveness:</b>					
% of Customers Rating Service as "good" or "excellent"	N/A	N/A	N/A	100%	100%
Annual Energy Audit Completed	Yes	Yes	Yes	Yes	Yes
Cost per metered kilowatt hour	\$0.106	\$0.103	\$0.106	\$0.106	\$0.106
% of Citizens Rating Service as "good" or "excellent"	N/A	N/A	N/A	75%	80%



**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
Department Budget Narrative

Department:	Police	Department Director:	Myers
Department Number:	08	Fund:	001

**Program Description:**

Under this section of the budget (001-08), the Hoquiam Police Department consists of 19 full-time positions in four basic divisions: PATROL, ADMINISTRATION, CORRECTIONS and INVESTIGATIONS.

The backbone of the department is the PATROL Division. Most calls for service and law incidents are handled by the Patrol Division which consists of four Patrol Sergeants, nine Patrol Officers and one Police Canine, "Enno". The division currently works an eight hour, six day work week with three days off. The shifts are divided among day, swing, grave and power shifts. Minimum staffing is two officers on duty at all times, except for three officers at night.

Most members of the division also maintain collateral duty assignments including firearms training, field training, use of force training, evidence, K-9, patrol scheduling, Special Response Team (SRT), arson investigation, EVOG instructor, Meth Lab Team, department quartermaster, computer networking, and special patrol/grant projects (such as RUAD and Traffic Safety).

The ADMINISTRATION Division consists of a Chief, a Lieutenant and an Admin. Assistant.

The CORRECTIONS Division is comprised of a Corrections Officer who works Monday through Friday. The Corrections Officer assists with records duties, phones, supervises day-jail/work detail inmates and transports prisoners.

The INVESTIGATIONS Division consists of a Detective Sergeant and two Detectives (the second Detective is assigned directly to the Grays Harbor Drug Task Force as budgeted under Police Special Funds 001-15).

**Mission:**

Under the direction of the new Chief of Police, the Hoquiam Police Department recently modified and adopted a new Mission Statement:

Through community partnerships and problem solving, we will take a unified stance against crime, violence, disorder and disregard for the law. In cooperation with the citizens we serve, we will help build Hoquiam to be stronger and more self sufficient- a community in which crime and disorder will not be tolerated.

This mission statement clearly recognizes and embraces community policing. At the same time however, it recognizes that our work is only one part of the effort given by each person who helps to make Hoquiam a safe, clean and friendly place to live, work, visit and raise a family.

Department Values: Professional, Resourceful, Integrity, Dependability, Excellence (P.R.I.D.E.)

## CITY OF HOQUIAM

### 2007-2008 BIENNIAL OPERATING BUDGET

Department Accomplishments and Goals

Department:	Police	Department Director:	Myers
Department Number:	08	Fund:	001

#### **2006 Accomplishments:**

1. Hired a new Police Chief
2. Captured two suspects withing 6 hours of a home invasion, double homicide
3. Consolidated all Police Records into the Spillman Records Management System
4. Participated in the National Night Out Against Crime
5. Launched a "weekend jail - warrant sweep" in response to over 1,200 outstanding warrants
6. Received a \$25,000 Rural Development Grant from USDA for the purchase of two police cars
7. Launched a volunteer chaplaincy program
8. Filled all vacant Police Officer positions reducing overtime and increasing efficiency
9. Completed an inventory/audit of all high risk evidence items in custody
10. Contracted with propertyroom.com to dispose of old equipment and evidence/found items
11. Replaced and updated uniforms, duty gear and patrol equipment using federal drug funds
12. Received a \$8,900 grant to update several patrol car radios

#### **Goals for the 2007-2008 Biennium:**

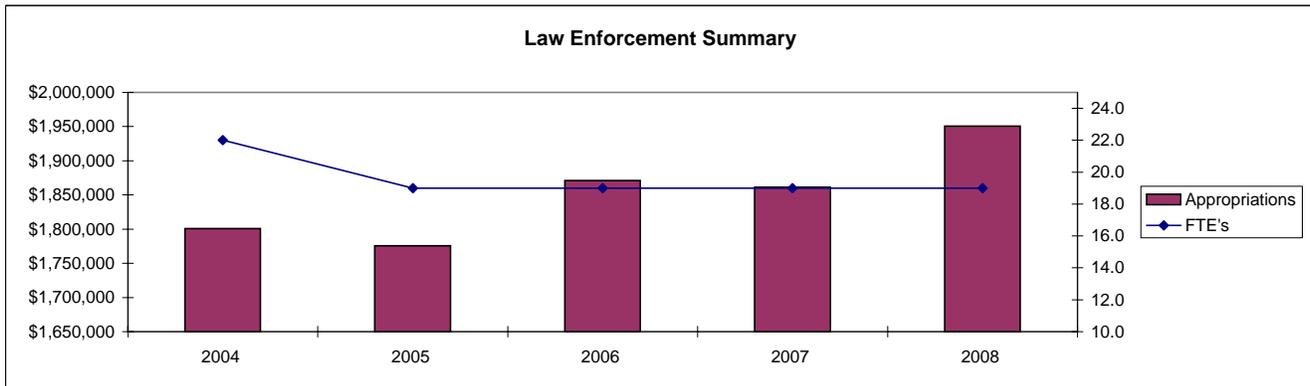
1. Create a directed, professional and contemporary policy and procedure manual
2. Strive toward accreditation by the Washington Association of Sheriffs and Police Chiefs
3. Sponsor volunteer programs (Reserve Officers, Senior Citizen Patrol and Explorers)
4. Sponsor community outreach programs (National Night Out, Citizen's Academy, Police-xxxSchool Panel and Bike Rodeos)
5. Provide all sworn officers with 30-hours of additional training each year
6. Aggressively seek innovative and alternative funding sources to supplement the department
7. Complete the City of Hoquiam Disaster Plan
8. Create a long-term strategic plan
9. Complete the upstairs portion of the police station
10. Consider adding an additional officer to create equal staffing
11. Maximize the use of the jail facility

**CITY OF HOQUIAM  
2007-2008 BIENNIAL BUDGET DEVELOPMENT  
SUMMARY SHEET**

**DEPT Name:** Police  
**DEPT Number:** 08  
**Fund Number:** 001  
**RESP:** Myers

**2004-2008 POLICE APPROPRIATIONS SUMMARY**

Category	2004 Actual	2005 Actual	2006 Adopted	2007 Budget	2008 Budget	07-08 Total
Permanent Salaries	1,036,628	1,012,947	1,045,575	1,073,675	1,116,620	2,190,295
Overtime	112,298	138,782	115,000	120,750	125,580	246,330
<u>Working Out of Classification</u>	<u>5,764</u>	<u>5,724</u>	<u>7,500</u>	<u>7,875</u>	<u>8,190</u>	<u>16,065</u>
Total Salaries and Wages	1,154,690	1,157,453	1,168,075	1,202,300	1,250,390	2,452,690
Medical & Dental	189,293	193,165	217,740	212,055	226,900	438,955
Social Security	15,790	16,203	15,845	17,295	17,990	35,285
Pension	31,607	37,807	42,370	59,900	69,470	129,370
L&I	32,176	24,700	24,970	25,540	26,305	51,845
Life Insurance	4,394	3,421	3,340	3,340	3,340	6,680
Clothing Allowance	5,820	6,766	6,550	10,800	10,800	21,600
<u>Active LEOOF I Medical</u>	<u>282</u>	<u>169</u>	<u>500</u>	<u>500</u>	<u>500</u>	<u>1,000</u>
Total Personnel Benefits	279,362	282,231	311,315	329,430	355,305	684,735
Office Supplies	19,227	16,286	18,550	23,500	23,500	47,000
Total Supplies, Tools & Minor Equip	19,227	16,286	18,550	23,500	23,500	47,000
Professional Services	17,611	27,550	27,700	24,500	25,000	49,500
Outside Placement of Prisoners	94,310	72,614	85,000	85,000	90,000	175,000
Communications	13,717	12,510	13,265	13,515	13,515	27,030
Travel & Training	2,761	6,073	4,700	6,000	7,000	13,000
Current Year Insurance	32,316	37,708	33,275	27,975	29,370	57,345
Utilities	18,870	20,295	21,500	28,500	29,800	58,300
Repair & Maintenance	17,454	27,012	19,500	19,500	19,500	39,000
Miscellaneous	508	1,095	2,050	5,000	5,500	10,500
Dues, Subscriptions & Memberships	680	606	675	1,000	1,000	2,000
Tuitions & Registrations	2,572	4,105	4,750	5,000	6,000	11,000
Total Professional Services & Charges	200,799	209,568	212,415	215,990	226,685	442,675
Grant Funded Equipment	12,044	16,007	9,190	0	0	0
Other	12,196	663	0	0	0	0
Patrol Cars	31,821	0	90,000	0	0	0
Total Capital	56,061	16,670	99,190	0	0	0
2002 Police Cars Debt Service	23,926	23,926	0	0	0	0
2004 Police Cars Debt Service	0	8,322	16,485	0	0	0
Total Debt Service	23,926	32,248	16,485	0	0	0
Equip Rental-O&M	66,530	61,090	45,000	60,000	65,000	125,000
Equipment Rental Reserve	0	0	0	30,000	30,000	60,000
Total Internal Services	66,530	61,090	45,000	90,000	95,000	185,000
<b>Total Appropriations:</b>	<b>\$1,800,595</b>	<b>\$1,775,546</b>	<b>\$1,871,030</b>	<b>\$1,861,220</b>	<b>\$1,950,880</b>	<b>\$3,812,100</b>
Full Time Equivalent Employees:	22.0	19.0	19.0	19.0	19.0	

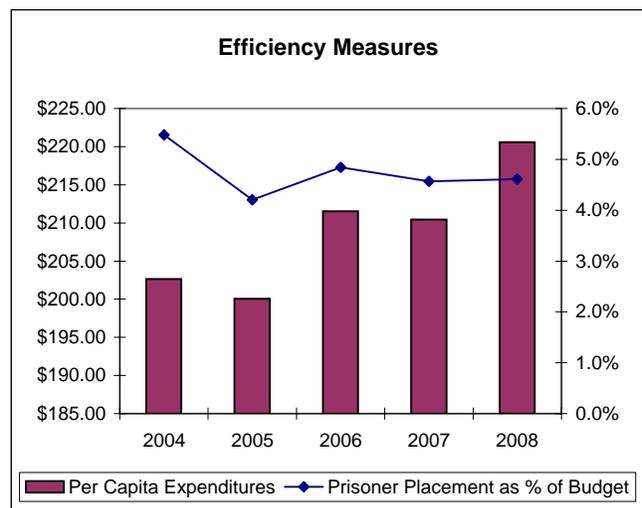
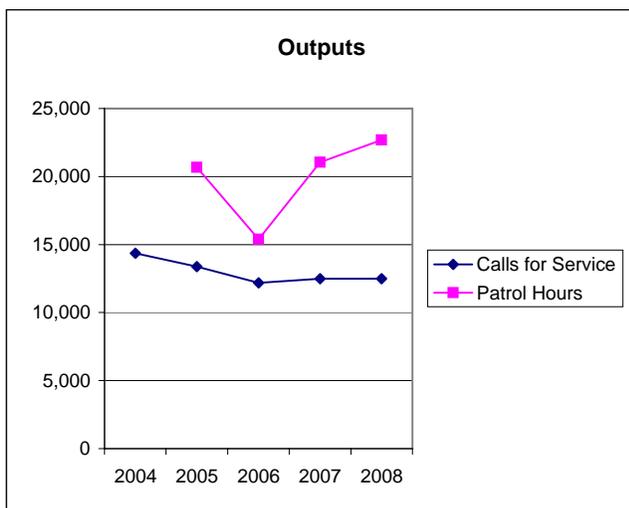


**CITY OF HOQUIAM  
2007-2008 BIENNIAL BUDGET DEVELOPMENT  
PERFORMANCE MEASURES**

**DEPT Name:** Police  
**DEPT Number:** 08  
**Fund Number:** 001  
**RESP:** Myers

**2004-2008 POLICE PERFORMANCE MEASURES**

Category/Measure	Actual 2004	Actual 2005	Estimated 2006	Proposed 2007	Proposed 2008
<b>Input:</b>					
No. of Personnel	22	19	19	19	19
No. of Sworn Officers	18	17	17	17	17
No. of Explorer Hours	N/A	N/A	N/A	500	750
No. of Senior Volunteer Hours	N/A	N/A	N/A	1,000	1,500
No. of Vehicles	11	11	12	12	12
<b>Output:</b>					
No. of Calls for Service	14,361	13,382	12,176	12,500	12,500
No. of Patrol Hours	N/A	20,683	15,385	21,041	22,688
No. of Part 1 Crimes	769	806	644	600	600
No. of Part 1 Crimes Cleared	192	201	147	135	135
<b>Efficiency:</b>					
Operating Expenditures per Capita	\$202.66	\$200.06	\$211.54	\$210.43	\$220.56
Operating Expenditures per Part 1 Crime	\$2,341	\$2,203	\$2,905	\$3,102	\$3,251
Overtime as % of Regular Salaries	10.8%	13.7%	11.0%	11.2%	11.2%
% of Staffing at Minimum Patrol Hours	N/A	101.2%	75.3%	102.9%	111.0%
Prisoner Placement costs as % of Operating Budget	5.5%	4.2%	4.8%	4.6%	4.6%
<b>Effectiveness:</b>					
Officers per 1,000 residents	2.0	1.9	1.9	1.9	1.9
% of Part 1 Crimes Cleared	25.0%	24.9%	22.8%	22.5%	22.5%
Part 1 Crimes Cleared per Officer	10.7	11.8	8.6	7.9	7.9
Part 1 Crimes per 1,000 residents	86.6	90.8	72.8	67.8	67.8
Customer satisfaction indicating "good" or "excellent"	N/A	N/A	N/A	75.0%	80.0%
% of citizens who feel "safe" or "moderately safe"	N/A	N/A	N/A	100.0%	100.0%



**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
Department Budget Narrative

Department:	Fire	Department Director:	Pumphrey
Department Number:	09	Fund:	001

**Program Description:** The Hoquiam Fire Department operates from two fire stations. The Headquarters Station is located at 625 8th Street, which was constructed in 1970 and the Eastside Station located at 517 Ontario, which was constructed in 1957. When the stations were built the primary responsibility of the Hoquiam Fire Department was fire response. Both stations now house ambulances for emergency medical calls as well. Staffing consists of 23 personnel, 8.5 of which are funded from the City of Hoquiam General Fund and 14.5 that are funded by the Ambulance Fund. The Administration consists of the Fire Chief and Assistant Fire Chief.

The department provides fire protection services to an area of approximately 10.4 square miles in the City of Hoquiam and in addition provides fire protection for Fire District #6 and part of Fire District #10. Our department also provides ambulance service to a 400 square mile area, which includes Fire Districts #6, 10, 16 and 17. In 2003 a county wide mutual aid agreement was adopted between all cities and fire districts in Grays Harbor County. In 2004, Ambulance Service contracts were signed with the four fire districts that allows the City of Hoquiam to charge the districts for service. The Hoquiam Fire Department is required to perform a wide range of activities which include Advanced Life Support and basic Emergency Medical Service, Life Safety Programs, Fire Suppression, Fire Prevention, Arson Investigations, Plan Reviews, Inspection Programs, Training Programs, Hydrant maintenance, Community Education and standby and assistance for special events.

The 2007-08 Fire Department budget is designed to maintain current levels of staffing and service to the community with minimum increases to the budget and without adding large amounts of new capital expenditure items.

Safety of personnel is a top priority of the Hoquiam Fire Department. This budget will update equipment, provide necessary training and help us comply with the Department of Labor and Industries safety standards for firefighters and also help maintain our current WSRB rating.

**Mission:** The primary mission of the Hoquiam Fire Department is to provide the highest level of life and property safety through the extension of fire prevention, fire control, emergency medical and public education services.

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
 Department Accomplishments and Goals

Department:	Fire	Department Director:	Pumphrey
Department Number:	09	Fund:	001

**2006 Accomplishments:**

1. It's been rewarding to be involved in the Home Town Hoquiam. Our Department strives to be an asset to the community & provide the types of services that families and businesses look for when considering a new home or location.
2. In keeping with "the Friendliest City" motto, we continue to work with businesses and individuals that desire to locate, rebuild or expand in the City of Hoquiam. We believe we've been successful in making the process of meeting the requirements of the various codes, regulations and standards as user friendly as possible.
3. Successfully secured over \$57,000 from the FEMA Assistance to Fire Fighter's Grant, which we used to purchase new protective clothing for each of our fire fighters. This included Bunker coats, pants, helmets, boots, hoods and gloves.
4. Completed the required annual testing of fire hose, ground ladders, fire pumps, SCBA tanks, masks and breathing air. These are requirements of the Washington Survey and Rating Bureau and the National Fire Protection Association. This helps us maintain our class Four ISO rating with the Survey and Rating Bureau.
5. Provided fire prevention programs to all elementary students in the Hoquiam School District, CPR training to all high school freshman and Kitchen Safety to the Middle School Home Economics students.
6. Cleaned, painted and flowed as necessary, many of the 350 hydrants in the city. We do this to ensure that they are in good working order and also meet the requirements of the Washington Survey and Rating Bureau.
7. Education and training are a top priority. Completed training in Incident Command, Officer Development, Live Fire Training, Fire Investigation, Ground Operations and Safety, Search and Rescue, Hazardous Materials and much more.
8. By year end we will have inspected every business, school and church in the city to ensure that they are safe for their employees, students and patrons.
9. Continued to maintain all Fire Department vehicles, buildings and equipment.

**Goals for the 2007-2008 Biennium:**

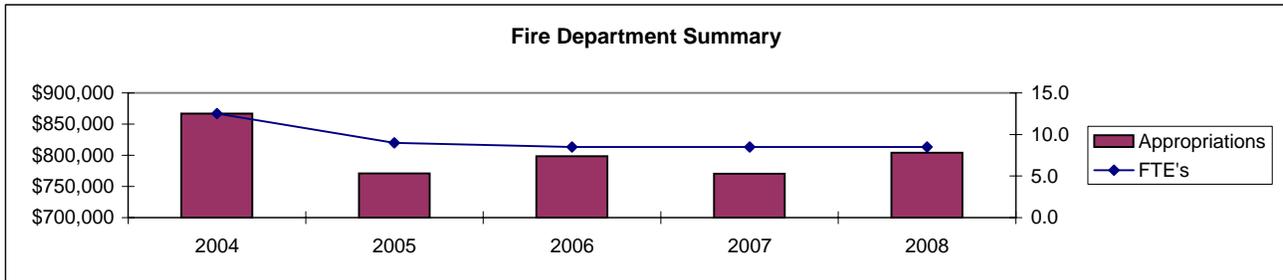
1. As the Home Town Hoquiam plan gains momentum, our goal is to help local businesses and individuals succeed in improving the look and feel of not only their own business, but that of the downtown area and the city as a whole.
2. As we see new business and industry come to Hoquiam, it is our goal to continue to provide the types and quality of service that these customers will need and expect. We will do that offering first class customer service and by striving to meet the goals listed below.
3. To maintain our Class 4 ISO rating with the Washington Survey and Rating Bureau by continuing to meet the various requirements. These include annual testing of fire hose, ground ladders, fire pumps, SCBA tanks, masks, breathing air and others.
4. To continue our emphasis on compliance with the Labor and Industries Safety Standards for Fire Fighters. This will help ensure the safety of our personnel during both fire ground and training operations.
5. To continue to educate our personnel in all facets of their job. This will help us become a safer and more efficient department.
6. To continue the various programs that we provide to our citizens, businesses and students in the City of Hoquiam. Some of these are safety inspections in all businesses, schools and churches, fire education in the elementary and middle schools, CPR classes in the high school and smoke detector education and placement in homes.
7. To continue to work closely with the Mayor, City Administrator, Council members and staff to meet goals and objectives as they are established.
8. To continue to maintain our vehicles, buildings and equipment to ensure long life and reliable service.
9. To apply for and receive federal grants to upgrade and improve fire fighting equipment, clothing and facilities.

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL BUDGET DEVELOPMENT**  
**SUMMARY SHEET**

**DEPT Name:** Fire  
**DEPT Number:** 09  
**Fund Number:** 001  
**RESP:** Pumphrey

**2004-2008 FIRE APPROPRIATIONS SUMMARY**

Category	2004 Actual	2005 Actual	2006 Adopted	2007 Budget	2008 Budget	07-08 Total
Permanent Salaries	583,285	436,836	447,470	460,705	479,135	939,840
Overtime	13,436	21,369	23,000	23,500	24,675	48,175
Working Out of Classification	3,121	3,199	3,000	3,500	3,640	7,140
<u>Total Salaries and Wages</u>	<u>599,842</u>	<u>461,404</u>	<u>473,470</u>	<u>487,705</u>	<u>507,450</u>	<u>995,155</u>
Medical & Dental	103,807	93,109	113,745	116,830	125,010	241,840
Social Security	6,115	4,657	4,670	4,785	4,980	9,765
Pension	16,441	15,281	17,700	22,035	27,455	49,490
L&I	20,969	11,667	12,550	12,115	12,480	24,595
Life Insurance	2,680	1,635	1,605	1,605	1,605	3,210
Clothing Allowance	7,173	7,081	7,350	7,350	7,350	14,700
Protective Clothing	714	2,239	0	4,000	4,000	8,000
Active LEOFF I Medcial	23	244	500	500	500	1,000
<u>Total Personnel Benefits</u>	<u>157,922</u>	<u>135,913</u>	<u>158,120</u>	<u>169,220</u>	<u>183,380</u>	<u>352,600</u>
Office Supplies	15,997	16,892	20,965	19,950	21,400	41,350
Bishop Grant (Fire Prevention)	0	5,109	1,340	0	0	0
<u>Total Supplies, Tools &amp; Minor Equip</u>	<u>15,997</u>	<u>22,001</u>	<u>22,305</u>	<u>19,950</u>	<u>21,400</u>	<u>41,350</u>
Professional Services	3,168	3,451	0	0	0	0
Communications	4,609	4,309	4,500	4,750	4,900	9,650
Travel & Training	883	607	1,500	1,650	1,800	3,450
Current Year Insurance	27,274	31,483	27,805	23,505	24,680	48,185
Utilities	18,641	16,369	20,780	23,250	23,650	46,900
Repair & Maintenance	3,877	7,544	9,100	13,600	11,850	25,450
Miscellaneous	464	459	0	0	0	0
Firefighter Assistance Grant	7,314	59,577	56,190	0	0	0
Dues, Subscriptions & Memberships	440	230	750	795	840	1,635
Tuitions & Registrations	637	1,529	3,000	3,300	3,600	6,900
<u>Total Professional Services &amp; Charges</u>	<u>67,307</u>	<u>125,558</u>	<u>123,625</u>	<u>70,850</u>	<u>71,320</u>	<u>142,170</u>
Capital	6,696	9,079	8,250	2,900	3,000	5,900
<u>Total Capital</u>	<u>6,696</u>	<u>9,079</u>	<u>8,250</u>	<u>2,900</u>	<u>3,000</u>	<u>5,900</u>
SCBA Debt Service	3,477	3,005	3,005	2,840	0	2,840
<u>Total Debt Service</u>	<u>3,477</u>	<u>3,005</u>	<u>3,005</u>	<u>2,840</u>	<u>0</u>	<u>2,840</u>
Equip Rental-O&M	14,245	12,767	7,640	11,500	12,100	23,600
Equipment Rental Reserve	504	504	1,000	4,500	4,500	9,000
Equip Rental-Insurance	1,004	859	900	985	1,035	2,020
<u>Total Internal Services</u>	<u>15,753</u>	<u>14,130</u>	<u>9,540</u>	<u>16,985</u>	<u>17,635</u>	<u>34,620</u>
<b>Total Appropriations:</b>	<b>\$866,994</b>	<b>\$771,090</b>	<b>\$798,315</b>	<b>\$770,450</b>	<b>\$804,185</b>	<b>\$1,574,635</b>
Full Time Equivalent Employees:	12.5	9.0	8.5	8.5	8.5	

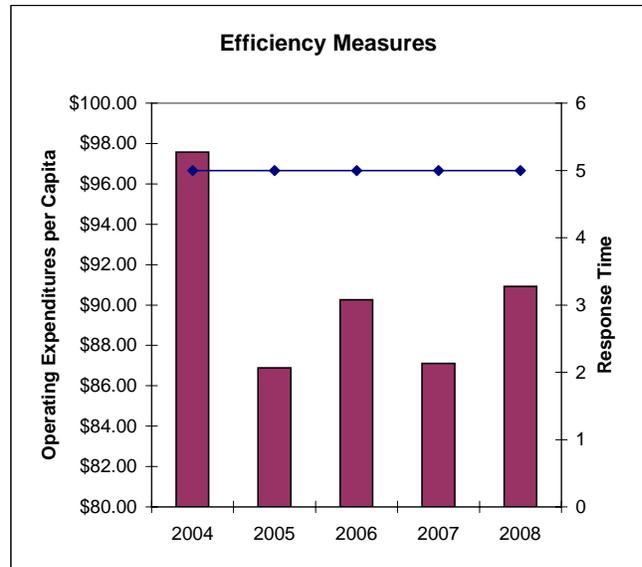
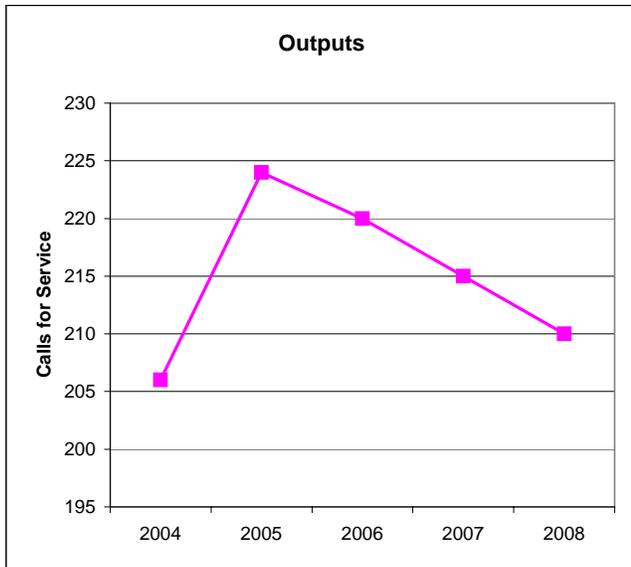


**CITY OF HOQUIAM  
2007-2008 BIENNIAL BUDGET DEVELOPMENT  
PERFORMANCE MEASURES**

**DEPT Name:** Fire  
**DEPT Number:** 09  
**Fund Number:** 001  
**RESP:** Pumphrey

**2004-2008 FIRE PERFORMANCE MEASURES**

Category/Measure	Actual 2004	Actual 2005	Estimated 2006	Proposed 2007	Proposed 2008
<b>Input:</b>					
No. of Personnel	8.5	8.5	8.5	8.5	8.5
No. of Firefighting Aparatus	5	5	5	5	5
Lengths of Hose	300	300	300	300	300
Fire Hydrants	300	300	300	300	300
Service Area (Square Miles)	400	400	400	400	400
<b>Output:</b>					
Calls for Service	206	224	220	215	210
No. of Fire Safety Programs Presented to Schools	5	5	5	5	5
No. of Inspections	N/A	325	325	325	325
<b>Efficiency:</b>					
Operating Expenditures per Capita	\$97.58	\$86.88	\$90.26	\$87.11	\$90.92
Training Hours per Firefighter	N/A	N/A	150	150	150
Average Response Time (minutes)	5	5	5	5	5
% of Fire Hose Tested Annually	100%	100%	100%	100%	100%
% of Businesses, Schools and Churches Inspected Annually	100%	100%	100%	100%	100%
% of Fire Hydrants Tested Annually	100%	100%	100%	100%	100%
<b>Effectiveness:</b>					
Fire Loss	\$180,160	\$116,500	\$100,000	\$100,000	\$100,000
% of Citizens Rating Service as "Good" or "Excellent"	100%	100%	100%	100%	100%
% of Months Average Response Time Less Than 5 Min.	100%	100%	100%	100%	100%



**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
Department Budget Narrative

Department:	Animal Control	Department Director:	Myers
Department Number:	10	Fund:	001

**Program Description:**

Animal Control is staffed with one Animal Control/ Code Enforcement Officer (ACO) under the supervision and direction of the Police Department. Although the position is accountable to the Police Department, it is budgeted separately (under 001-10).

The Animal Control Officer usually works Monday through Friday on a dayshift. Duties of the ACO include:

Enforcing the animal control laws of the city and the state by patrolling the city, impounding stray animals, collecting abandoned and neglected animals, and declaring dangerous animals (including the supervision, quarantine and impoundment of such animals).

Issuing infractions for violations, filing criminal reports of violations through the police department and city attorney, and giving oral or written orders/ warnings to animal owners to seek voluntary compliance with applicable animal control laws.

Capture and disposal of unwanted, feral, nuisance and dangerous animals in a humane manner.

Verifying pet ownership requirements, to include licensing, vaccinations and reasonable care.

Responding to citizen complaints regarding animal issues, parking issues and certain code violations and/or public nuisances.

Cleaning and maintaining the Animal Control Shelter located at the Police Department.

Coordination of annual free or low-cost animal vaccination clinics for city residents.

Assisting other animal control officers from other local jurisdictions as needed.

Parking enforcement on city streets, alleys and city parking lots.

Assisting the Building Department with certain code enforcement/nuisance abatement issues.

Locating, tagging and removing abandoned and junk vehicles from city streets and alleys.

Assisting the Police Department in other duties as assigned.

**Mission:**

The mission of Hoquiam Animal Control is to provide a safe community free of stray and dangerous animals by enforcing municipal and state laws, and to assist and educate citizens about responsible pet ownership. This position also directly responds to the Hometown Hoquiam tenet of "improving the safety and appearance of neighborhoods" by aggressively abating abandoned or junk vehicles and other public nuisances within the city.

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
Department Accomplishments and Goals

Department:	Animal Control	Department Director:	Myers
Department Number:	10	Fund:	001

**2006 Accomplishments:**

1. Filled Animal Control Officer (ACO) position.
2. New Animal Control Vehicle (chassis) was placed into service this year.
3. As a result of the input from the new ACO, the City Council updated the animal control ordinance related to animal licensing and fees, to include a provision for a permanent license.
4. Handled all calls for service and return all phone calls or other requests by the end of each shift.
5. Abated numerous abandoned or junk vehicles located on city streets and alleys.
6. Educated the public about proper parking regulations both in the business districts and in residential areas of the city.
7. Hosted a low-cost vaccination and licensing clinic for city residents to encourage responsible pet ownership.
8. The Animal Control Officer was successful in soliciting broad support from vendors, businesses and private citizens for the donation of supplies to the Animal Shelter.
9. The Animal Control Officer worked in partnership with PAWS and The Daily World, to encourage citizens to adopt abandoned or stray animals.
10. The Animal Control Officer has attempted to vary hours of work in an effort to encourage compliance with animal control laws (especially animals at large) at all times of day and night.

**Goals for the 2007-2008 Biennium:**

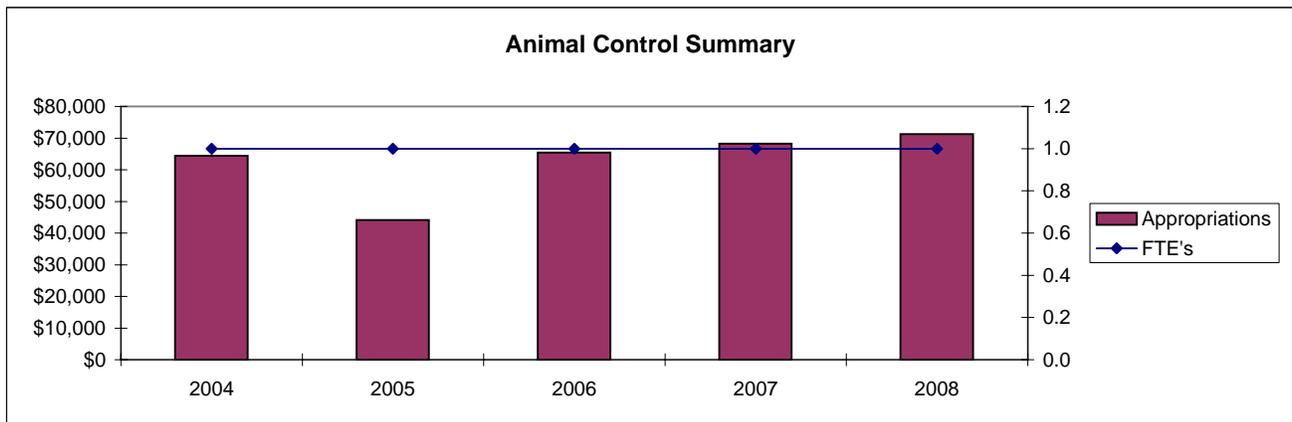
1. To significantly increase compliance with animal licensing requirements.
2. To aggressively attempt to curtail the feral cat populations around certain areas of the city.
3. Obtain two donated "dog barking training collars" for loan to citizens who are attempting to train their animal.
4. The ACO will work closely with the City Attorney on criminal animal control cases to include excessive number of animals in a household and animal abuse/ neglect.
5. Conduct two free or low-cost rabies vaccination clinics each year.
6. To continue to review and update Hoquiam Municipal Ordinances in regard to animal control.
7. Attend the two-week Animal Control Academy in 2007.
8. Obtain an animal tranquilizer rifle to capture and subdue dangerous or unruly animals.
9. Increase compliance with parking regulations through consistent enforcement and to continue to aggressively abate junk/ abandoned vehicles on city streets and alleys. The Animal Control Officer will also start to increase duties in regard to other public nuisance issues in conjunction with the city's Code Compliance Officer.
10. Continue to regularly educate the public in regard to ordinances, laws, proper care, and other issues related to responsible pet ownership in the city. This will be accomplished through the local media, animal clinics, partnerships with animal service providers, school programs and the city website.

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL BUDGET DEVELOPMENT**  
**SUMMARY SHEET**

**DEPT Name:** Animal Control  
**DEPT Number:** 10  
**Fund Number:** 001  
**RESP:** Myers

**2004-2008 ANIMAL CONTROL APPROPRIATIONS SUMMARY**

Category	2004 Actual	2005 Actual	2006 Adopted	2007 Budget	2008 Budget	07-08 Total
Permanent Salaries	33,372	23,616	31,080	32,775	34,085	66,860
Overtime	5,129	3,499	2,000	2,100	2,185	4,285
Total Salaries and Wages	38,501	27,115	33,080	34,875	36,270	71,145
Medical & Dental	6,681	4,134	12,880	10,865	11,625	22,490
Social Security	2,945	2,074	2,530	2,665	2,775	5,440
Pension	536	390	810	2,110	2,690	4,800
L&I	2,302	1,191	1,905	1,730	1,780	3,510
Life Insurance	81	39	95	95	95	190
Clothing Allowance	285	0	300	600	600	1,200
Total Personnel Benefits	12,830	7,828	18,520	18,065	19,565	37,629
Office Supplies	2,062	913	1,500	1,500	1,500	3,000
Computer Upgrades	858	0	0	0	500	500
Total Supplies, Tools & Minor Equip	2,920	913	1,500	1,500	2,000	3,500
Professional Services	3,778	3,049	4,250	4,000	4,000	8,000
Communications	0	0	500	500	500	1,000
Travel & Training	222	0	300	1,000	500	1,500
Current Year Insurance	809	934	830	715	750	1,465
Utilities	2,408	1,445	2,550	2,700	2,750	5,450
Repair & Maintenance	170	87	500	1,000	500	1,500
Miscellaneous	26	27	0	0	0	0
Dues, Subscriptions & Memberships	50	75	75	100	100	200
Tuitions & Registrations	175	0	300	300	300	600
Total Professional Services & Charges	7,638	5,617	9,305	10,315	9,400	19,715
Equip Rental-O&M	1,568	1,645	2,000	2,500	3,000	5,500
Equip Rental Reserve	996	996	1,000	1,000	1,000	2,000
Total Internal Services	2,564	2,641	3,000	3,500	4,000	7,500
<b>Total Appropriations:</b>	<b>\$64,453</b>	<b>\$44,114</b>	<b>\$65,405</b>	<b>\$68,255</b>	<b>\$71,235</b>	<b>\$139,489</b>
Full Time Equivalent Employees:	1.0	1.0	1.0	1.0	1.0	

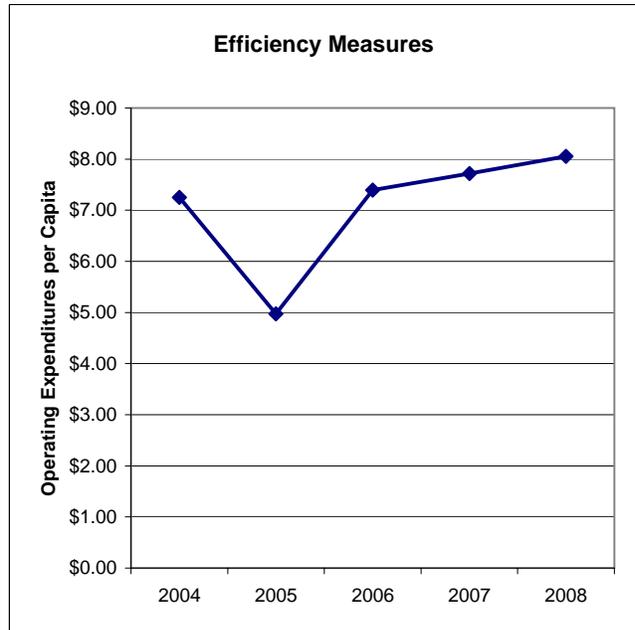
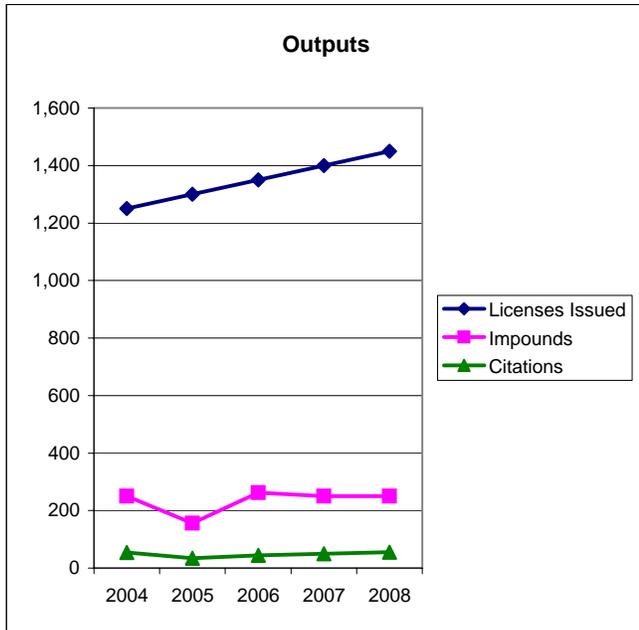


**CITY OF HOQUIAM  
2007-2008 BIENNIAL BUDGET DEVELOPMENT  
PERFORMANCE MEASURES**

**DEPT Name:** Animal Control  
**DEPT Number:** 10  
**Fund Number:** 001  
**RESP:** Myers

**2004-2008 ANIMAL CONTROL PERFORMANCE MEASURES**

Category/Measure	Actual 2004	Actual 2005	Estimated 2006	Proposed 2007	Proposed 2008
<b>Input:</b>					
No. of Personnel	1.0	1.0	1.0	1.0	1.0
No. of Authorized Apparatus	1	1	1	1	1
<b>Output:</b>					
No. of Animals Licenses Issued	1,250	1,300	1,350	1,400	1,450
No. of Animals Impounded	250	156	262	250	250
No. of Animals to PAWS	N/A	N/A	19	20	20
No. of Animal Citations	54	34	44	50	55
No. of Animal Adoptions	21	N/A	51	50	50
No. of Animals Returned to Owner	34	N/A	76	80	80
No. of Parking Citations	451	204	163	250	300
<b>Efficiency:</b>					
Operating Expenditures per Capita	\$7.25	\$4.97	\$7.39	\$7.72	\$8.05
% of Calls answered within 48 hours	100%	100%	100%	100%	100%
<b>Effectiveness:</b>					
% of Citizens Rating Service as "good" or "excellent"	N/A	N/A	N/A	75.0%	80.0%



**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
Department Budget Narrative

Department:	Public Works	Department Director:	Shay
Department Number:	11	Fund:	001

**Program Description:**

The Code Compliance position was created in 1994 by the Hoquiam City Council to abate nuisances, junk vehicles and overgrown lots. Through September, 2006, the office has responded to a minimum of 3,867 complaints involving Dangerous or Unmaintained housing, abandoned or junk vehicles, substandard rental housing, solid waste accumulation, overgrown vegetation on property, illegal dumping of waste, obstructing streets and sidewalks, illegal signs, land use violations, occupying recreational vehicles, garage sale violations, construction without a building permit, operating a business without a City license, and other violations. Of the complaints received, 3,671 have been resolved. The current enforcement officer has been the City's Code Compliance Officer since May, 1996. He is a Certified Building Inspector and Certified Zoning Enforcement Officer. and serves as the Washington Association of Code Enforcement Officers 3rd Vice President.

The Building Department serves several functions for the public and for the municipality. Primarily an overseer of construction related activity within the city but also has a role in the planning, engineering, facilities maintenance, environmental health and community development. Administers and enforces the Hoquiam Municipal Codes, primarily in Title 2, (Building Regulations), Title 9 (Subdivisions), Title 10 (Zoning), Title 11 (Environment). Also enforces the Washington State Building, Ventilation and Indoor Air Quality, and Energy Codes. The Department also reviews, comments, and approves plans, working closely with Architects and Engineers, and occasionally contracted plan review services. Inspections of construction projects are scheduled and conducted with records kept of every contact of approval or correction to be made. Stop work orders are issued when necessary, and contact is made to resolve the noncompliance. Routinely answers land-use planning questions and makes zoning determinations daily. The department also assists and coordinates the efforts of and acts as staff to the planning commission. The department administers and correlates the Grays Harbor Estuary and Hoquiam Shoreline Management plans, SEPA process and Floodplain regulatory scheme. Works with the Army Corps of Engineers and the Department of Ecology to administer and enforce the Federal Water Pollution Control Act of 1972. Duties also include reviewing applications for and issuing Right of Way permits for state and private utilities to conduct work in City Rights of Way.

The Building Department consists of one Building Official and is presently training a Labor & Industries client for a career as Building Inspector. The Labor & Industries trainee provides code research and inspection assistance to the Department and City.

**Mission:**

The mission of the City of Hoquiam Code Compliance and Building is to protect community health, safety, welfare and quality of life while protecting individual property rights.

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
 Department Accomplishments and Goals

Department:	Public Works	Department Director:	Shay
Department Number:	11	Fund:	001

**2006 Accomplishments:**

1. Responded to and addressed issues brought to the attention of the Mayor, Councilmembers and staff, concerning property maintenance, housing, dangerous structures, land use, solid waste, overgrown vegetation, and junk or abandoned vehicles and other violations of the City Code. Compliance was gained voluntarily or through the formal abatement process.
2. Researched and proposed amendments to the City Code regarding nuisance abatements, trailer siting and posting of signs.
3. Continued active participation in Washington Association of Code Enforcement Officers and currently serve as 3rd Vice President.
4. Presented programs dealing with Building and Code Compliance and property maintenance to local civic organizations.
5. Served as City planning staff representative to receive, review and coordinate professional planner review of applications of Shoreline permits, Substantial Development permits, Conditional Use permits, boundary line adjustments, and short subdivisions.
6. Worked at the counter in public works concerning land development, building plans and code compliance issues. Also responded to telephone and in-person inquiries concerning building, planning and city code topics.
7. Served as Building Official when the position was vacant. Have also assisted Building Official with construction inspections and minor plan reviews.
8. Continued to work with the City Attorney, Fire Department, Police Department, Washington State Health Department, Department of Ecology, and Building Official in areas of mutual concern on issues concerning landlord/tenant issues, traffic safety, and abating nuisances.
9. Worked to resolve high profile public nuisances such as 1715 Riverside, and 3122 Simpson.

**Goals for the 2007-2008 Biennium:**

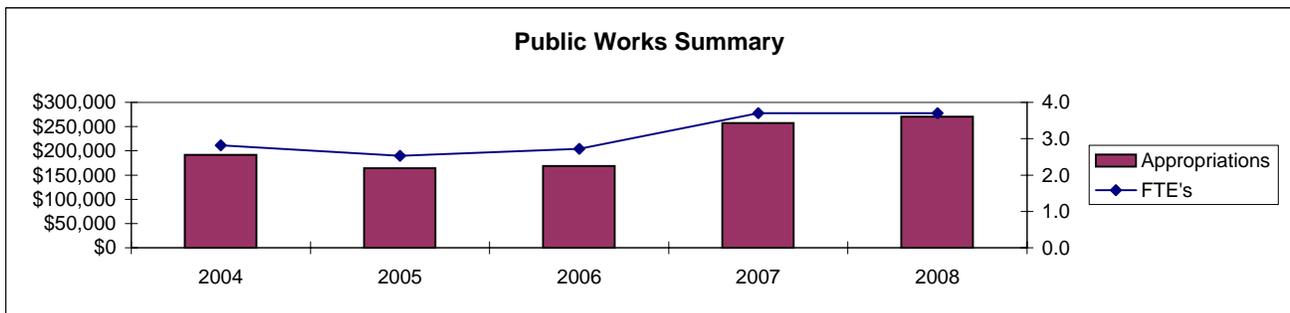
1. Continue to attain property maintenance, nuisance abatement and housing goals as identified through Hometown Hoquiam neighborhood meetings.
2. Respond to, investigate and resolve violations of the city code in a respectful and timely manner.
3. Continue working with the Building Official in the enforcement of the International Building Code, the Hoquiam Municipal Code and the issuance of permits, abatements and inspections.
4. Continue to maintain strong working relationships with city departments, State agencies and other local agencies to resolve issues of mutual concern.
5. Continue working with Mayor, City Council and staff on updates to update City Codes on nuisance abatements.
6. Obtain a lap top, printer and wireless access to more efficiently utilize field time to access on-line property and vehicle information, records, follow-up investigative information, and issue compliance notices.
7. Purchase a dependable vehicle to perform code compliance, building and planning duties.
8. Continue involvement with Washington Association of Code Enforcement Officers.

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL BUDGET DEVELOPMENT**  
**SUMMARY SHEET**

**DEPT Name:** Public Works  
**DEPT Number:** 11  
**Fund Number:** 001  
**RESP:** Shay

**2004-2008 PUBLIC WORKS APPROPRIATIONS SUMMARY**

Category	2004 Actual	2005 Actual	2006 Adopted	2007 Budget	2008 Budget	07-08 Total
Permanent Salaries	115,899	88,586	95,465	104,330	108,505	212,835
Overtime	657	3,461	2,500	3,600	3,745	7,345
Working Out of Classification	2,119	2,927	500	500	520	1,020
<b>Total Salaries and Wages</b>	<b>118,675</b>	<b>94,974</b>	<b>98,465</b>	<b>108,430</b>	<b>112,770</b>	<b>221,200</b>
Medical & Dental	13,428	14,815	18,800	13,350	14,285	27,635
Social Security	9,116	7,316	7,535	8,295	8,630	16,925
Pension	1,618	1,839	2,400	6,555	8,370	14,925
L&I	5,235	3,428	4,065	3,665	3,770	7,435
Life Insurance	226	136	165	155	155	310
Clothing Allowance	500	500	500	500	500	1,000
<b>Total Personnel Benefits</b>	<b>30,123</b>	<b>28,034</b>	<b>33,465</b>	<b>32,520</b>	<b>35,710</b>	<b>68,230</b>
Office Supplies	8,268	7,808	5,200	5,500	5,500	11,000
Computer Upgrades	452	0	0	0	0	0
<b>Total Supplies, Tools &amp; Minor Equip</b>	<b>8,720</b>	<b>7,808</b>	<b>5,200</b>	<b>5,500</b>	<b>5,500</b>	<b>11,000</b>
Professional Services	14,153	15,481	10,000	25,000	25,000	50,000
Communications	3,989	3,886	4,500	4,500	4,500	9,000
Travel & Training	1,059	244	1,750	1,750	1,750	3,500
Advertising	1,192	2,250	600	800	800	1,600
Current Year Insurance	3,803	4,640	4,330	3,255	3,415	6,670
Repair & Maintenance	1,931	1,550	1,800	1,600	1,600	3,200
Miscellaneous	269	297	1,050	1,050	1,050	2,100
Dues, Subscriptions & Memberships	1,172	673	850	1,000	1,000	2,000
Tuitions & Registrations	1,434	783	1,750	1,750	1,750	3,500
<b>Total Professional Services &amp; Charges</b>	<b>29,002</b>	<b>29,804</b>	<b>26,630</b>	<b>40,705</b>	<b>40,865</b>	<b>81,570</b>
Equip Rental-O&M	4,377	2,510	2,880	2,900	3,000	5,900
Equip Rental Reserve	804	804	2,000	3,300	3,300	6,600
Equip Rental-Insurance	0	0	0	0	0	0
<b>Total Internal Services</b>	<b>5,181</b>	<b>3,314</b>	<b>4,880</b>	<b>6,200</b>	<b>6,300</b>	<b>12,500</b>
New Planner/Inspector	0	0	0	64,000	69,150	133,150
<b>Total New Programs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>64,000</b>	<b>69,150</b>	<b>133,150</b>
<b>Total Appropriations:</b>	<b>\$191,701</b>	<b>\$163,934</b>	<b>\$168,640</b>	<b>\$257,355</b>	<b>\$270,295</b>	<b>\$394,500</b>
Full Time Equivalent Employees:	2.8	2.5	2.7	3.7	3.7	

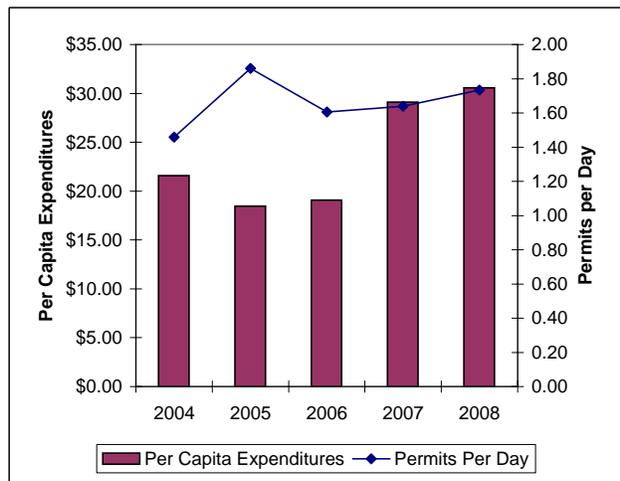
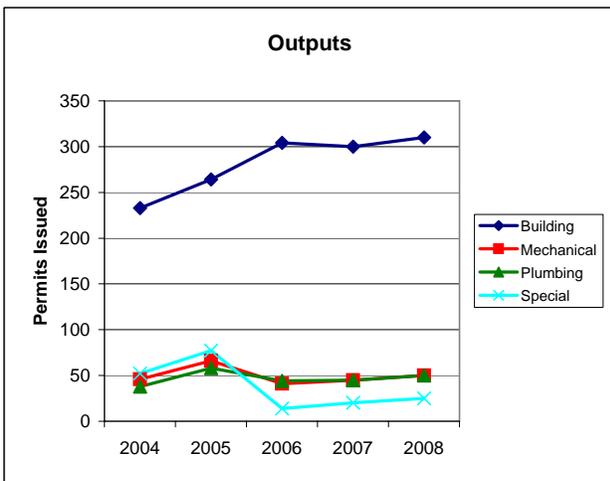


**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL BUDGET DEVELOPMENT**  
**PERFORMANCE MEASURES**

**DEPT Name:** Public Works  
**DEPT Number:** 11  
**Fund Number:** 001  
**RESP:** Shay

**2004-2008 PUBLIC WORKS PERFORMANCE MEASURES**

Category/Measure	Actual 2004	Actual 2005	Estimated 2006	Proposed 2007	Proposed 2008
<b>Input:</b>					
No. of Personnel	2.8	2.5	2.7	3.7	3.7
Annual Office Hours	2,024	2,000	2,008	2,000	2,008
<b>Output:</b>					
No. of Building Permits Issued	233	264	304	300	310
No. of Mechanical Permits Issued	46	66	41	45	50
No. of Plumbing Permits Issued	38	58	44	45	50
No. of Special Permits Issued	52	77	14	20	25
Total of All Permits Issued	369	465	403	410	435
Total of All Permit Fees	\$63,205	\$62,160	\$274,733	\$66,840	\$68,725
Valuation of All Permits	\$4,253,996	\$3,878,449	\$41,864,962	\$4,000,000	\$4,000,000
<b>Efficiency:</b>					
Operating Expenditures per Capita	\$21.58	\$18.47	\$19.07	\$29.10	\$30.56
Total Permits Issued per FTE	131	184	148	111	118
Total Permit Fees per FTE	\$22,413	\$24,569	\$101,005	\$18,065	\$18,574
Total Permits Issued per 8 Hour Day	1.46	1.86	1.61	1.64	1.73
<b>Effectiveness:</b>					
% of Inspections Completed within 24 hours	N/A	N/A	N/A	100.0%	100.0%
Residents Rating Their Neighborhood as "Good" or "Excellent"	N/A	N/A	N/A	100.0%	100.0%
Citizen Satisfaction with the Job the City is Doing in Planning for the Future	N/A	N/A	N/A	100.0%	100.0%



**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
Department Budget Narrative

Department:	Police Special Funds	Department Director:	Myers
Department Number:	15	Fund:	001

**Program Description:**

Only one full-time Detective is budgeted under Police Special Funds. The Detective budgeted in this fund is assigned to the Grays Harbor County Drug Task Force (DTF) created under an interlocal agreement under RCW 39.34.030. All DTF staff are headquartered in a special office located in Montesano. During the four-year assignment to DTF, a Hoquiam Detective is supervised by the DTF Sergeant who is assigned to the unit from one of the three participating entities: Aberdeen PD, Grays Harbor Sheriff's Department or Hoquiam PD. The Detective can be utilized by the department for major crime investigations in an emergency.

One-half of the Hoquiam Detective's wages are reimbursed through a state Community Trade and Economic Development (CTED) grant administered through Aberdeen PD. Although not guaranteed, this grant has been consistently renewed each year. These CTED grant funds are earmarked for interagency task-forces who focus exclusively on drug enforcement efforts.

The overtime and operating expenses for the DTF Detective are covered out of local drug forfeiture funds. Other drug enforcement expenses and/ police functions are also budgeted out of local drug forfeiture funds or out of federal drug forfeiture funds. All drug forfeiture proceeds secured by DTF are split equally between the three participating agencies. There are no guarantees in regard to forfeiture funds or ongoing state grant support from year to year.

Under special state legislative action, funds were granted to the Sheriff's Department in mid-2006 to add another Detective position to DTF for methamphetamine investigations. This brought the staffing level from four to five sworn.

**Mission:**

The purpose of the Drug Task Force is to enhance the investigation and enforcement of laws against the use, possession, sale and manufacture of drugs. The DTF recognizes that illegal drug activity is not limited to any particular jurisdiction or boundary and that effective control of this illegal activity requires the joint action of the major law enforcement agencies of Grays Harbor to protect the citizens of the jurisdictions involved and to ensure the health, welfare and safety of those citizens.

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL BUDGET DEVELOPMENT**  
**SUMMARY SHEET**

**DEPT Name:** Police Special Funds  
**DEPT Number:** 15  
**Fund Number:** 001  
**RESP:** Myers

**2004-2008 POLICE SPECIAL FUNDS APPROPRIATIONS SUMMARY**

Category	2004 Actual	2005 Actual	2006 Adopted	2007 Budget	2008 Budget	07-08 Total
Permanent Salaries	52,522	53,783	56,335	52,230	54,320	106,550
Overtime	14,745	18,426	18,000	18,900	19,655	38,555
Total Salaries and Wages	67,267	72,209	74,335	71,130	73,975	145,105
Medical & Dental	8,734	9,455	10,470	15,520	16,605	32,125
Social Security	1,025	1,047	995	945	985	1,930
Pension	2,300	2,705	3,150	3,645	4,000	7,645
L&I	1,949	1,539	1,545	1,485	1,530	3,015
Life Insurance	243	197	190	190	190	380
Clothing Allowance	0	0	350	600	600	1,200
Total Personnel Benefits	14,251	14,943	16,700	22,385	23,910	46,295
Office Supplies	0	0	0	0	0	0
Computer Upgrades	0	0	0	0	0	0
Total Supplies, Tools & Minor Equip	0	0	0	0	0	0
Professional Services	5,773	5,029	5,350	4,230	4,230	8,460
Communications	0	0	0	0	0	0
Travel & Training	571	557	600	1,000	1,000	2,000
Advertising	0	0	0	0	0	0
Current Year Insurance	0	0	0	0	0	0
Repair & Maintenance	0	0	0	0	0	0
Miscellaneous	0	0	0	0	0	0
Drug Fund Expenditures	33,284	40,398	5,000	5,000	5,000	10,000
D.A.R.E. Expenditures	0		535	0	0	0
Dues, Subscriptions & Memberships	25		50	50	50	100
Tuitions & Registrations	530	415	750	750	750	1,500
Total Professional Services & Charges	40,183	46,399	12,285	11,030	11,030	22,060
Federal Drug Funds	0	0	6,000	0	0	0
CTED Grant Expenditure	0	0	10,000	0	0	0
Total Intergovernmental	0	0	16,000	0	0	0
<b>Total Appropriations:</b>	<b>\$121,701</b>	<b>\$133,551</b>	<b>\$119,320</b>	<b>\$104,545</b>	<b>\$108,915</b>	<b>\$213,460</b>
Full Time Equivalent Employees:	1.0	1.0	1.0	1.0	1.0	

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
Department Budget Narrative

Department:	Library	Department Director:	Thornton
Department Number:	16	Fund:	001

**Program Description:**

Library service to the residents of Hoquiam is provided through contract with Timberland Regional Library District. TRL is an intercounty rural library district formed in 1968 by a vote of the people in the unincorporated areas of Grays Harbor, Lewis, Mason, Pacific and Thurston counties. The City of Hoquiam began contracting for library service in 1969.

The contract fee with TRL is based upon the assessed value of the City multiplied times the library district's levy rate. Changes in the fee from year to year are due to changes in either the City's assessed value and/or changes in TRL's levy rate which is based upon the assessed value within the five counties.

As contractually agreed, TRL provides all staff, equipment, materials, and delivery of materials. The Hoquiam Library has 4.15 full-time equivalent staff and a collection of nearly 42,000 adult and juvenile books, magazines, newspapers, videos, DVDs, cassettes, compact discs, & CD-ROMs. In addition, TRL provides in-library access to the Internet, on-line magazine indexes, and a variety of reference databases. TRL has 26 other libraries, as well as several cooperative library centers, with a total collection of over 1.5 million items. Hoquiam residents are welcome to use any Timberland library, as well as the library system's on-line catalog available on home computers 24 hours a day through TRL's Web Page. This also allows at-home access to the on-line magazine indexes & databases with the entry of a TRL library card number.

The City is responsible for the building from which service is provided. Money is budgeted annually for its operation and maintenance, as well as special projects as needed.

**Mission:**

Timberland Regional Library was created by and belongs to the people it serves. The Library exists to advance intellectual curiosity, promote lifelong learning and enrich environments in which minds can grow. It supports an active, informed community by providing all people with access to materials in various formats representing diverse points of view.

The Hoquiam Timberland Library Board of Trustees makes every effort to uphold the Mission Statement and to provide supervision, under the direction of the Community Librarian, of the City funds to operate and maintain the Library.

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
 Department Accomplishments and Goals

Department:	Library	Department Director:	Thornton
Department Number:	16	Fund:	001

**2006 Accomplishments:**

1. Building projects: condensation pump connected to the meeting room furnace eliminating the long standing problem of sewer gas in the basement; replaced soap dispensers in public restrooms; DVD players purchased with TRL funds for both meeting/conference rooms; all upholstered chair cushions were dry cleaned; Friends purchased additional shelving frames for the book sale room (they had already donated shelves and brackets); additional lockbox added to rear entry by HFD; exterior windows cleaned; removed wooden shelves from magazine display area, declared them surplus; Friends agreed to purchase an upgraded camera security system for the lower level lobby area, hallways and parking area.
2. Youth programs in 2006 reached preschoolers, their parents, grade schoolers and families. There were toddler and preschool story times during the fall and spring; Junior Page Turners for grades K through 3 from February to April; Youth Page Turners for grades 4 through 7 from September to December; and Family Read Aloud Month in March.
3. Summer Reading: "Paws, Claws, Tales and Scales" reached preschoolers, their parents, grade schoolers, teens and families. Weekly family story times, Wednesday activities for all ages, "Whacky Wednesdays", the 35th Annual Pet Show, weekly teen programs including a two-part babysitting workshop, a teen volunteer program and much more.
4. 2006 Adult programs included the monthly Page Turners book discussion group from January through June and started again in September; the Adult Winter Reading Club from January through March, and an inquiring mind program "Sisters in Time" given by Karen Haus, The Timberland Reads Together book for 2006 was "The Highest Tide" by Olympia author Jim Lynch.
5. Outreach services included visits to Headstart and day care centers, monthly deliveries of the Sr. connect boxes to Karr House and Pacific Care Center, visits to pre-school through 6th grades prior to summer reading, and participation in Family Nights at the local grade schools.
6. The Friends held weekly book sales each Tuesday from 11:00 to 1:00. The BIG book, bake and rummage sale was held in April and raised nearly \$1,000. Another sale is scheduled for November of 2006. A work party was held the end of June to improve landscaping. These improvements have been carried on by a couple of volunteers throughout the summer.
7. TRL consultants will do a reclassification study (last done 10 years ago). All staff have filled out questionnaires about their jobs, some will be interviewed and results will be available by the end of the year.
8. The Hoquiam Library Board and the Friends hosted the TRL Board of Trustees meetings in February. The TRL Board holds about half of their meetings in the outlying areas, so the Board members can see all of the libraries.

**Goals for the 2007-2008 Biennium:**

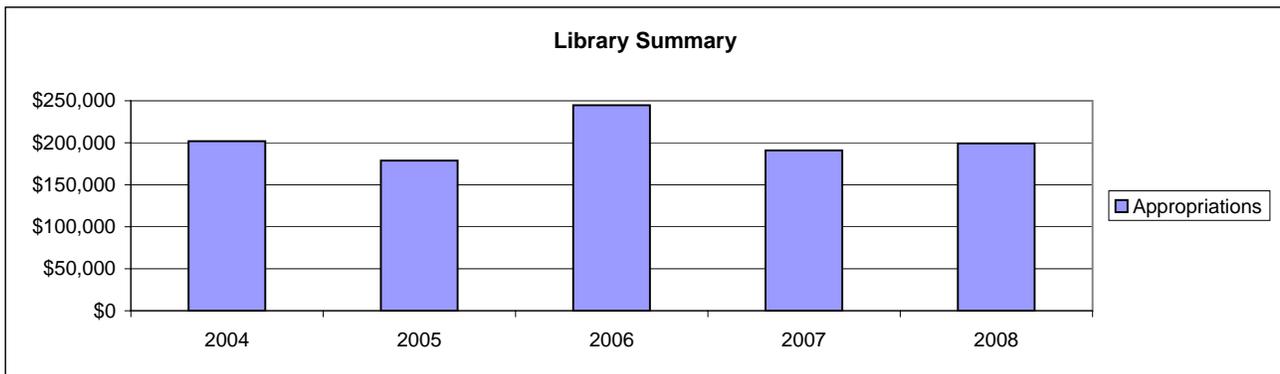
1. Building projects are behind schedule with the highest priority to complete the sections of the roof area that weren't done in the first two phases. The goal is to have a leak proof roof and skylights by the end of 2007.
2. Other projects that need to be addressed are: replacing the failed HVAC system (out of commission since 2005); repairing the newel post in the front entryway (that's been wobbly for over a year); repainting all of the wood trim and metal stairs and gates; repairing and sealing the main entrance (7th Street) doors.
3. In addition to the above, the exterior plaster façade that is cracking and falling off the lower portion of the new building needs to be replaced. It was replaced once before (in 1998). Perhaps a different approach needs to be taken.
4. With the City's Building Officials guidance, come up with a prioritized list of library projects that can be accommodated within the library maintenance and repair budget, and a list of those that will require additional funding. Researching potential grant funding for maintaining our historical building should be a priority to help defray some of the city's expense.
5. Some of the paving bricks at the front and rear entrances of the library are cracked and need to be replaced. The mortar has also come loose in some areas. This would be a project for the Friends as this was their project originally.
6. Sprinkler system repairs and improvements need to be accomplished before next summer because some of the plantings along the 7th and K Street sides are becoming stressed from lack of water.
7. TRL's district focus for 2007 will be "The Timberland Family Reads". The target audience will be families with the secondary audience being seniors and retirees.
8. The Timberland Reads Together book for 2007 will be "My Antonia" by Willa Cather.
9. The hiring and training of a new Community Librarian II and Community Library Associate will be important activities at the end of 2006 and beginning of 2007.
10. Attempt to build membership and strength of leadership in the Friends of the Library because their support is vital to the well being of the library. In addition, recruit and nurture adult and teen volunteers who help extend what staff can do.

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL BUDGET DEVELOPMENT**  
**SUMMARY SHEET**

**DEPT Name:** Library  
**DEPT Number:** 16  
**Fund Number:** 001  
**RESP:** Thornton

**2004-2008 LIBRARY APPROPRIATIONS SUMMARY**

Category	2004 Actual	2005 Actual	2006 Adopted	2007 Budget	2008 Budget	07-08 Total
Permanent Salaries	0	0	0	0	0	0
Overtime	0	0	0	0	0	0
Total Salaries and Wages	0	0	0	0	0	0
Medical & Dental	0	0	0	0	0	0
Social Security	0	0	0	0	0	0
Pension	0	0	0	0	0	0
L&I	0	0	0	0	0	0
Life Insurance	0	0	0	0	0	0
Total Personnel Benefits	0	0	0	0	0	0
Office Supplies	1,875	1,466	2,000	2,000	2,500	4,500
Computer Upgrades	0	0	0	0	0	0
Total Supplies, Tools & Minor Equip	1,875	1,466	2,000	2,000	2,500	4,500
Professional Services	0	0	0	0	0	0
Communications	0	0	0	0	0	0
Travel & Training	0	0	0	0	0	0
Advertising	0	0	0	0	0	0
Current Year Insurance	3,106	2,493	2,545	2,940	3,090	6,030
Utilities	15,704	14,910	17,500	16,000	17,500	33,500
Repair & Maintenance	13,443	13,202	17,000	18,000	20,000	38,000
Miscellaneous	0	0	0	0	0	0
Dues, Subscriptions & Memberships	0	0	0	0	0	0
Tuitions & Registrations	0	0	0	0	0	0
Total Professional Services & Charges	32,253	30,605	37,045	36,940	40,590	77,530
Timberland Contract	145,297	146,863	149,000	152,000	156,000	308,000
Intergovernmental Services	145,297	146,863	149,000	152,000	156,000	308,000
Roof Repairs	22,413	0	50,000	0	0	0
Heat Pump	0	0	6,815	0	0	0
Total Capital	22,413	0	56,815	0	0	0
<b>Total Appropriations:</b>	<b>\$201,838</b>	<b>\$178,934</b>	<b>\$244,860</b>	<b>\$190,940</b>	<b>\$199,090</b>	<b>\$390,030</b>
Full Time Equivalent Employees:	0.0	0.0	0.0	0.0	0.0	

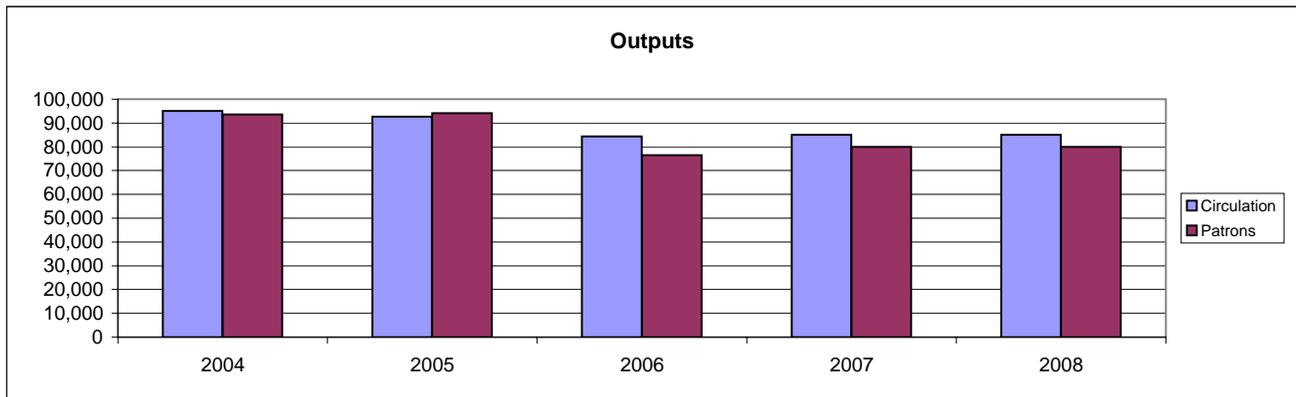


**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL BUDGET DEVELOPMENT**  
**PERFORMANCE MEASURES**

**DEPT Name:** Library  
**DEPT Number:** 16  
**Fund Number:** 001  
**RESP:** Thornton

**2004-2008 LIBRARY PERFORMANCE MEASURES**

Category/Measure	Actual 2004	Actual 2005	Estimated 2006	Proposed 2007	Proposed 2008
<b>Input:</b>					
Hours of Operation	2,418	2,415	2,415	2,409	2,412
Collection Volume	41,964	40,632	40,000	40,000	40,000
Public Computers	12	12	12	12	12
No. of Volunteers	64	66	65	65	65
No. of Volunteer Hours	472	630	500	500	500
<b>Output:</b>					
Circulation	95,023	92,598	84,310	85,000	85,000
Hold Requests	16,179	14,736	12,282	13,000	13,000
Computer Usage	17,371	19,097	20,897	21,000	22,000
No. of Patrons	93,586	94,137	76,405	80,000	80,000
No. of Meeting Room Uses	457	563	660	700	700
No. of Reference & Instruction Requests	14,814	15,125	11,146	12,000	12,000
No. of Outreach Programs	58	64	65	65	65
Outreach Program Attendance	1,566	1,867	1,900	2,000	2,100
No. of Classes, Programs & Presentations	115	116	120	120	120
Class, Program & Presentation Attendance	2,791	4,174	4,200	4,300	4,400
<b>Efficiency:</b>					
Operating Expenditures per Capita	\$22.72	\$20.16	\$27.68	\$21.59	\$22.51
Circulation per Capita	10.4	10.2	9.4	9.6	9.6
Patrons per Capita	10.3	10.4	8.5	9.0	9.0
Circulation per Hour of Operation	39.3	38.3	34.9	35.3	35.2
Patrons per Hour of Operation	38.7	39.0	31.6	33.2	33.2
Circulation per Patron	1.0	1.0	1.1	1.1	1.1
<b>Effectiveness:</b>					
% of Book Requests Filled within 7 Days	N/A	N/A	75.0%	75.0%	75.0%
% of Citizens Rating Library Services "good" or "excellent"	N/A	N/A	100.0%	100.0%	100.0%
Attendance per Outreach Program	27	29	29	31	32
Attendance per Class, Program or Presentation	24	36	35	36	37



**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
Department Budget Narrative

Department:	Community Services	Department Director:	Bowers-Anderson
Department Number:	17	Fund:	001

**Program Description:**

The Community Services Department seeks to provide sufficient public recreational areas and facilities that are planned and designed to meet the needs and desires of all the residents of Hoquiam which do not conflict with the responsibilities of Federal, State, Local, School District, or private interests.

We strive to establish and develop a varied year-round recreational program that will provide the opportunity for participation by all Hoquiam residents, regardless of age, income, race, sex or physical handicap.

**Mission:**

The mission of the Community Services Department is to serve the citizens with public recreation facilities and recreational programs that satisfy the leisure needs and desires of the community within available resources.

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
Department Accomplishments and Goals

Department:	Community Services	Department Director: Bowers-Anderson
Department Number:	17	Fund: 001

**2006 Accomplishments:**

1. Replaced Program Assistant Position
2. Wrote and received grant for Save America's Treasures grant at Olympic Stadium.
3. Began painting project on Olympic Stadium.
4. Sprayed Hoquiam Parks for mosquitos.
5. Held the City's inaugural On Track Art Festival.
6. Met monthly with the Hoquiam Business District.
7. Participated in all Hoquiam Events and Festivals.
8. Provided input on the City's Events and Festivals Policy

**Goals for the 2007-2008 Biennium:**

1. Continue to upgrade all parks to conform to ADA guidelines.
2. Increase the efficiency of the parks operations.
3. Provide good public relations.
4. Continue to work closely with Hoquiam youth and civic groups to provide a healthy lifestyle and education on community service.
5. Provide recreational opportunities for all.
6. Continue to work on downtown revitalization and Hometown Hoquiam projects.
7. Research grant funding opportunities for improvement projects.
8. Identify project priorities for revitalization.
9. Establish networking groups and neighborhood meetings.
10. Work on the location and funding strategies for a skate park.
11. Continue to partner with the Hoquiam School District on multipurpose facilities.
12. Replace neighborhood playground equipment.

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL BUDGET DEVELOPMENT**  
**SUMMARY SHEET**

**DEPT Name:** Community Services  
**DEPT Number:** 17  
**Fund Number:** 001  
**RESP:** Bowers-Anderson

**2004-2008 COMMUNITY SERVICES APPROPRIATIONS SUMMARY**

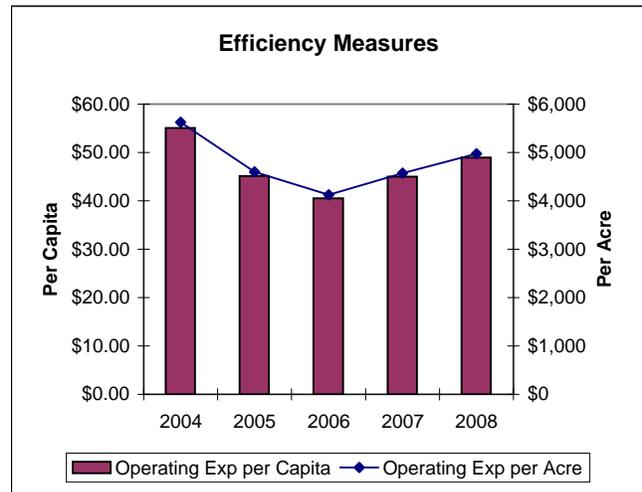
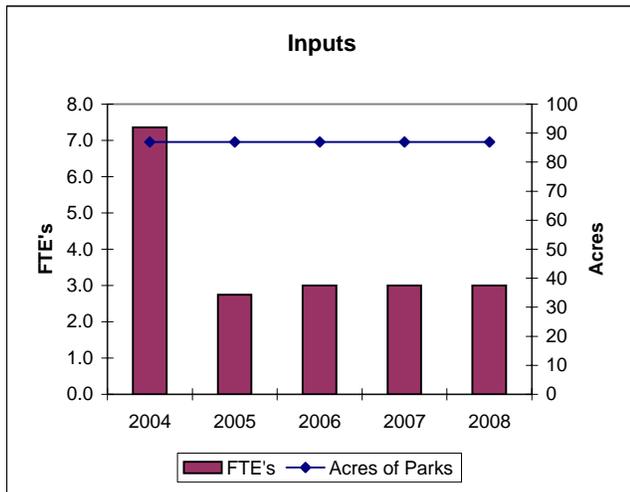
Category	2004 Actual	2005 Actual	2006 Adopted	2007 Budget	2008 Budget	07-08 Total
Permanent Salaries	126,880	123,521	141,600	148,185	154,115	302,300
Overtime	2,079	112	3,000	3,000	3,120	6,120
Total Salaries and Wages	128,959	123,633	144,600	151,185	157,235	308,420
Medical & Dental	28,871	30,151	34,585	39,380	42,140	81,520
Social Security	9,905	9,496	11,065	11,565	12,025	23,590
Pension	1,726	2,361	3,525	9,145	11,665	20,810
L&I	5,288	4,302	4,500	4,085	4,210	8,295
Life Insurance	345	257	295	290	290	580
Clothing Allowance	500	500	500	500	500	1,000
Total Personnel Benefits	46,635	47,067	54,470	64,965	70,830	135,795
Office Supplies	27,699	31,171	27,000	33,300	37,000	70,300
Small Tools	152	348	3,480	3,500	3,800	7,300
Total Supplies, Tools & Minor Equip	27,851	31,519	30,480	36,800	40,800	77,600
Professional Services	12,956	20,412	12,000	19,000	20,000	39,000
Children at Risk Grant	5,374	10,422	2,465	0	0	0
Communications	5,395	4,400	5,500	6,700	7,800	14,500
Travel & Training	0	358	750	1,000	1,200	2,200
Advertising	1,198	907	1,500	2,000	2,000	4,000
Current Year Insurance	9,849	8,396	8,170	8,605	9,035	17,640
Utilities	38,682	36,507	30,500	55,500	60,000	115,500
Repair & Maintenance	26,532	5,638	5,000	9,000	9,600	18,600
Miscellaneous	470	2,001	500	0	0	0
Recreation Programs	26,161	35,601	34,535	19,985	20,085	40,070
Pool	87,927	0	0	0	0	0
Community Events	0	6,897	0	0	0	0
Dues, Subscriptions & Memberships	230	73	250	250	300	550
Tuitions & Registrations	109	88	500	1,500	1,500	3,000
Total Professional Services & Charges	214,883	131,700	101,670	123,540	131,520	255,060
Basketball Court (Grant)	0	0	1,000	0	0	0
Olympic Stadium Sound System	0	9,955	0	0	0	0
Playground Equipment	0	0	0	0	10,000	10,000
Youth Baseball Scoreboard	0	1,891	0	0	0	0
Total Capital	0	11,846	1,000	0	10,000	10,000
Parks Improvement Debt Service	18,596	0	0	0	0	0
Parks Drainage Debt Service	32,221	33,810	9,390	0	0	0
Total Debt Service	50,817	33,810	9,390	0	0	0
Equip Rental-O&M	17,768	18,199	14,500	19,000	20,000	39,000
Equip Rental Reserve	2,508	2,508	2,500	2,500	2,500	5,000
Equip Rental-Insurance	34	83	85	85	90	175
Total Internal Services	20,310	20,790	17,085	21,585	22,590	44,175
<b>Total Appropriations:</b>	<b>\$489,455</b>	<b>\$400,365</b>	<b>\$358,695</b>	<b>\$398,075</b>	<b>\$432,975</b>	<b>\$831,050</b>
Full Time Equivalent Employees:	7.4	2.8	3.0	3.0	3.0	

**CITY OF HOQUIAM  
2007-2008 BIENNIAL BUDGET DEVELOPMENT  
PERFORMANCE MEASURES**

**DEPT Name:** Community Services  
**DEPT Number:** 17  
**Fund Number:** 001  
**RESP:** Bowers-Anderson

**2004-2008 COMMUNITY SERVICES PERFORMANCE MEASURES**

Category/Measure	Actual 2004	Actual 2005	Estimated 2006	Proposed 2007	Proposed 2008
<b>Input:</b>					
No. of Personnel	7.4	2.8	3.0	3.0	3.0
No. of Playgrounds	8	8	8	8	8
No. of Parks	18	18	18	18	18
No. of Acres of Parks	87	87	87	87	87
<b>Output:</b>					
No. of Festivals	5	6	7	7	7
No. of Programs	N/A	N/A	32	28	28
<b>Efficiency:</b>					
Operating Expenditures per Capita	\$55.09	\$45.11	\$40.55	\$45.01	\$48.95
Operating Expenditures per Acre of Parks	\$5,626	\$4,602	\$4,123	\$4,576	\$4,977
No. of Programs per 1,000 Capita	N/A	N/A	3.6	3.2	3.2
Acres of Parks per 1,000 Capita	\$9.79	\$9.80	9.8	9.8	9.8
<b>Effectiveness:</b>					
% of Citizens Rating Appearance of Parks and Parks Facilities as "good" or "excellent"	N/A	N/A	N/A	75%	80%
% of Citizens Rating Programs as "good" or "excellent"	N/A	N/A	N/A	85%	90%



**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
Department Budget Narrative

Department:	Economic Development	Department Director:	Shay
Department Number:	23	Fund:	001

**Program Description:**

This program provides funding for general activities related to growth, change and opportunity within the City. The Economic Development budget includes the annual payment to the Grays Harbor Economic Development Council to support their efforts in three areas: business attraction, business retention and expansion, and infrastructure.

This program also provides funding for expenditures related to the City's efforts concerning Hometown Hoquiam and a Community Development Plan.

Debt Service for the interfund Loan from Equipment Rental Reserve to pay for the Grayport demolition is also paid for from this program.

**Mission:**

The mission of the Economic Development Department is to increase City revenues and the tax base for Hoquiam by attracting healthy, quality employment opportunities.

## CITY OF HOQUIAM

### 2007-2008 BIENNIAL OPERATING BUDGET

Department Accomplishments and Goals

Department:	Economic Development	Department Director:	Shay
Department Number:	23	Fund:	001

#### **2006 Accomplishments:**

1. Completed spraying for mosquitos on City owned property
2. Secured grant funding for a Strategic Economic and Community Development Plan
3. Completed a Request for Statements of Qualifications for consultants to complete a Strategic Economic and Community Development Plan.
4. Selected a consultant to complete the Strategic Economic and Community Development Plan

#### **Goals for the 2007-2008 Biennium:**

1. Update the Capital Improvement Plan (CIP)
2. Continue to be involved with the Business Development Association
3. Work with prospective developers on possible business sightings
4. Complete an Economic Development Profile for Hoquiam
5. Add a page to the City Web site describing the development and investment opportunities
6. Complete the recommendations in the Community Development Plan

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL BUDGET DEVELOPMENT**  
**SUMMARY SHEET**

DEPT Name: Economic Development  
DEPT Number: 23  
Fund Number: 001  
RESP: Shay

**2004-2008 ECONOMIC DEVELOPMENT APPROPRIATIONS SUMMARY**

Category	2004 Actual	2005 Actual	2006 Adopted	2007 Budget	2008 Budget	07-08 Total
Permanent Salaries	6,939	14,157	0	0	0	0
Overtime	0	0	0	0	0	0
Total Salaries and Wages	6,939	14,157	0	0	0	0
Medical & Dental	1,092	2,329	0	0	0	0
Social Security	531	1,083	0	0	0	0
Pension	92	259	0	0	0	0
L&I	288	476	0	0	0	0
Life Insurance	30	49	0	0	0	0
Total Personnel Benefits	2,033	4,196	0	0	0	0
Office Supplies	0	0	0	0	0	0
Computer Upgrades	0	0	0	0	0	0
Total Supplies, Tools & Minor Equip	0	0	0	0	0	0
Hometown Hoquiam	144	856	0	0	0	0
Mosquito Control	0	0	30,000	10,000	10,000	20,000
CDBG Grant	2,590	30,140	0	0	0	0
EDC Service Agreement	5,300	5,300	5,300	5,300	5,300	10,600
Advertising	0	0	0	100	100	200
Train Station (Property Insurance)	630	530	545	645	680	1,325
Farmers Market (Property Insurance)	620	389	375	415	435	850
Miscellaneous	2,000	3,603	100	100	100	200
Dues, Subscriptions & Memberships	0	0	0	0	0	0
Tuitions & Registrations	145	145	250	250	250	500
Total Professional Services & Charges	11,429	40,963	36,570	16,810	16,865	33,675
Grayport Loan Debt Service	0	0	24,610	36,000	37,200	73,200
Total Debt Service	0	0	24,610	36,000	37,200	73,200
<b>Total Appropriations:</b>	<b>\$20,401</b>	<b>\$59,316</b>	<b>\$61,180</b>	<b>\$52,810</b>	<b>\$54,065</b>	<b>\$106,875</b>
Full Time Equivalent Employees:	0.0	0.3	0.0	0.0	0.0	

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
Department Budget Narrative

Department:	911 Program	Department Director:	Shay
Department Number:	91	Fund:	001

**Program Description:**

This program accounts for payments to the Grays Harbor 911 Center and is based upon the call activity for police, fire, and ambulance runs. There are City staff as well as the Mayor represented on the 911 Board.

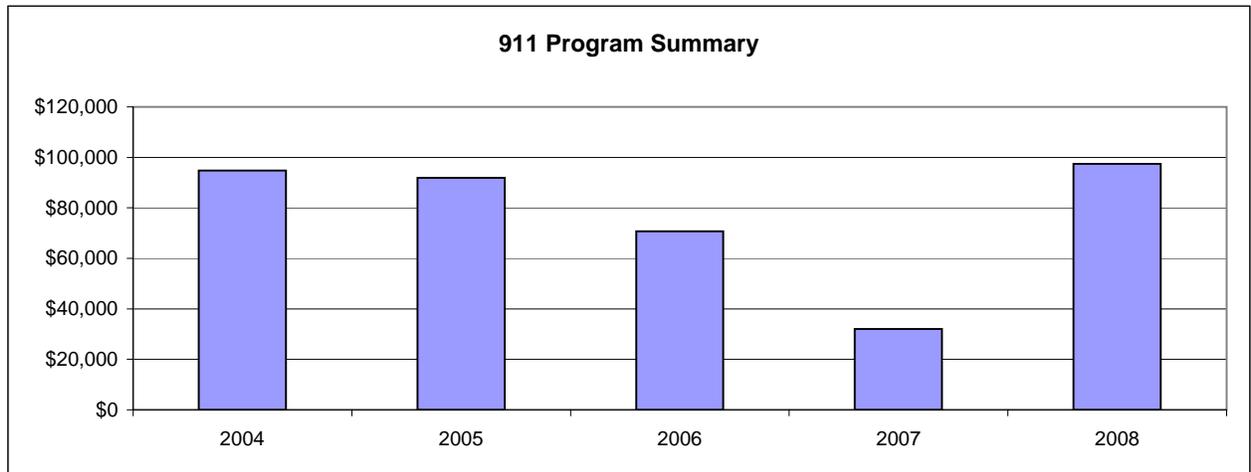
The 911 Board sets the rates each year based on their budget forecast and distributed those costs evenly between the public safety entities of Grays Harbor based on population. For 2007 and 2008, the City's share to the 911 Center is budgeted at \$32,000 and \$75,000 respectively. For 2007, a surplus of \$400,000 was created due to a refund from the State for operational and capital funds from a prior budget period. 911 Dispatch fees are expected to be back at normal levels in 2008.

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL BUDGET DEVELOPMENT**  
**SUMMARY SHEET**

**DEPT Name:** 911 Program  
**DEPT Number:** 91  
**Fund Number:** 001  
**RESP:** Shay

**2004-2008 911 PROGRAM APPROPRIATIONS SUMMARY**

Category	2004 Actual	2005 Actual	2006 Adopted	2007 Budget	2008 Budget	07-08 Total
Permanent Salaries	0	0	0	0	0	0
Overtime	0	0	0	0	0	0
Total Salaries and Wages	0	0	0	0	0	0
Medical & Dental	0	0	0	0	0	0
Social Security	0	0	0	0	0	0
Pension	0	0	0	0	0	0
L&I	0	0	0	0	0	0
Life Insurance	0	0	0	0	0	0
Total Personnel Benefits	0	0	0	0	0	0
Office Supplies	0	0	0	0	0	0
Computer Upgrades	0	0	0	0	0	0
Total Supplies, Tools & Minor Equip	0	0	0	0	0	0
Professional Services	0	0	0	0	0	0
Communications	0	0	0	0	0	0
Travel & Training	0	0	0	0	0	0
Advertising	0	0	0	0	0	0
Current Year Insurance	0	0	0	0	0	0
Repair & Maintenance	0	0	0	0	0	0
Miscellaneous	0	0	0	0	0	0
Dues, Subscriptions & Memberships	0	0	0	0	0	0
Tuitions & Registrations	0	0	0	0	0	0
Total Professional Services & Charges	0	0	0	0	0	0
<b>911 Program Services</b>	<b>94,769</b>	<b>91,951</b>	<b>70,745</b>	<b>32,000</b>	<b>97,410</b>	<b>129,410</b>
Total Intergovernmental	94,769	91,951	70,745	32,000	97,410	129,410
<b>Total Appropriations:</b>	<b>\$94,769</b>	<b>\$91,951</b>	<b>\$70,745</b>	<b>\$32,000</b>	<b>\$97,410</b>	<b>\$129,410</b>
Full Time Equivalent Employees:	0.0	0.0	0.0	0.0	0.0	



**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
Department Budget Narrative

Department:	Cemetery	Department Director:	Bowers-Anderson
Department Number:	14	Fund:	101

**Program Description:**

The City's Cemetery, Sunset Memorial Park, contains 40 acres with nine plotted sections and three mausoleums. The Cemetery became part of the Community Services Department in 2002. The Community Services maintenance crews provide for the operation and maintenance of the cemetery and services for interment procedures, including ongoing maintenance services such as mowing, edging, weeding, installation of markers and verification of gravesites.

Additional functions include receiving customer calls, locating graves and plots, making sales and preparing grounds for funeral services.

**Mission:**

To serve the community with respect and dignity in time of personal need.

## CITY OF HOQUIAM

### 2007-2008 BIENNIAL OPERATING BUDGET

Department Accomplishments and Goals

Department: Cemetery

Department Director: Bowers-Anderson

Department Number: 14

Fund: 101

#### **2006 Accomplishments:**

1. Replaced Equipment Operator
2. Reorganized the Cemetery Advisory Board
3. Replaced the Shop Roof and Gutters
4. Began Researching Areas for Expansion

#### **Goals for the 2007-2008 Biennium:**

1. Update the Computer Database
2. Replace Garbage Can Containers
3. Replace Water System
4. Create a Pet Cemetery
5. Increase Advertising and Promotions
6. Build and Install Block Markers for Easy Grave Identification
7. Install a Wash Area for Cemetery Equipment
8. Improve Disabled Access to Funerals

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL BUDGET DEVELOPMENT**  
**SUMMARY SHEET**

**DEPT Name:** Cemetery  
**DEPT Number:** 14  
**Fund Number:** 101  
**RESP:** Bowers-Anderson

**2004-2008 CEMETERY APPROPRIATIONS SUMMARY**

Category	2004 Actual	2005 Actual	2006 Adopted	2007 Budget	2008 Budget	07-08 Total
Permanent Salaries	92,964	93,329	95,940	99,140	103,105	202,245
<u>Overtime</u>	<u>1,843</u>	<u>673</u>	<u>500</u>	<u>750</u>	<u>780</u>	<u>1,530</u>
Total Salaries and Wages	94,807	94,002	96,440	99,890	103,885	203,775
Medical & Dental	15,889	17,178	18,115	29,925	32,020	61,945
Social Security	7,272	7,210	7,375	7,640	7,950	15,590
Pension	1,313	1,755	2,355	6,045	7,710	13,755
L&I	4,071	3,207	3,235	2,940	3,030	5,970
Life Insurance	243	188	175	175	175	350
<u>Clothing Allowance</u>	<u>250</u>	<u>250</u>	<u>250</u>	<u>250</u>	<u>250</u>	<u>500</u>
Total Personnel Benefits	29,038	29,788	31,505	46,975	51,135	98,110
Office Supplies	6,823	7,001	9,000	10,000	10,000	20,000
<u>Items for Resale</u>	<u>4,032</u>	<u>2,071</u>	<u>4,000</u>	<u>7,000</u>	<u>7,000</u>	<u>14,000</u>
Total Supplies, Tools & Minor Equip	10,855	9,072	13,000	17,000	17,000	34,000
Professional Services	222	1,185	2,600	500	500	1,000
Communications	720	1,400	900	1,000	1,200	2,200
Travel & Training	0	0	0	0	0	0
Advertising	0	0	1,000	1,000	1,000	2,000
Current Year Insurance	3,031	3,332	2,960	2,495	2,620	5,115
Utilities	5,650	5,146	2,500	6,100	6,500	12,600
Repair & Maintenance	2,041	4,066	2,000	3,500	4,600	8,100
Miscellaneous	4,238	3,452	3,700	4,300	4,300	8,600
Dues, Subscriptions & Memberships	42	0	125	0	0	0
<u>Tuitions &amp; Registrations</u>	<u>165</u>	<u>0</u>	<u>300</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Professional Services & Charges	16,109	18,581	16,085	18,895	20,720	39,615
Road Paving Loan	6,824	6,824	6,825	6,825	6,825	13,650
<u>Water System Loan</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Debt Service	6,824	6,824	6,825	6,825	6,825	13,650
Land	0	0	0	0	0	0
Golf Carts	0	0	0	2,000	0	0
Replace Water System	0	0	5,000	0	0	0
<u>Upgrade Touch Screen</u>	<u>0</u>	<u>0</u>	<u>1,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Capital	0	0	6,000	2,000	0	2,000
Equip Rental-O&M	7,295	7,423	10,000	10,000	10,000	20,000
Equip Rental Reserve	0	0	500	2,000	2,000	4,000
<u>Equip Rental-Insurance</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Internal Services	7,295	7,423	10,500	12,000	12,000	24,000
<b>Total Appropriations:</b>	<b>\$164,928</b>	<b>\$165,690</b>	<b>\$180,355</b>	<b>\$203,585</b>	<b>\$211,565</b>	<b>\$415,150</b>
Full Time Equivalent Employees:	2.0	2.2	2.2	3.2	3.2	

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL BUDGET DEVELOPMENT**  
**PERFORMANCE MEASURES**

**DEPT Name:** Cemetery  
**DEPT Number:** 14  
**Fund Number:** 101  
**RESP:** Bowers-Anderson

**2004-2008 CEMETERY PERFORMANCE MEASURES**

<b>Category/Measure</b>	<b>Actual 2004</b>	<b>Actual 2005</b>	<b>Estimated 2006</b>	<b>Proposed 2007</b>	<b>Proposed 2008</b>
<b>Input:</b>					
No. of Personnel	2.0	2.2	2.2	3.2	3.2
No. of Headstones	N/A	N/A	12,500	12,550	12,600
<b>Output:</b>					
Grave Spaces Sold	N/A	N/A	N/A	N/A	N/A
Openings/Closings	N/A	N/A	N/A	N/A	N/A
Acres Maintained	40	40	40	40	40
<b>Efficiency:</b>					
Operating Expenditures per Capita	\$18.56	\$18.67	\$20.39	\$23.02	\$23.92
% of Cost Recovery of Cemetery Operations	87.5%	70.5%	80.3%	70.6%	69.9%
% of Orders Placed within 24 Hours	N/A	N/A	N/A	100%	100%
<b>Effectiveness:</b>					
% of Citizens Rating Service "good" or "excellent"	N/A	N/A	N/A	90%	90%
% of Citizens Rating Cleanliness "good" or "excellent"	N/A	N/A	N/A	75%	80%
% of Markers/Nameplates Placed within 24 Hours	N/A	N/A	N/A	100%	100%

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
Department Budget Narrative

Department:	Street	Department Director:	Watters
Department Number:	19	Fund:	106

**Program Description:**

The Street Department is a sub-set of the Street/Sewer/Storm Department. The Foreman for the wastewater treatment plant, sanitary and storm sewer systems doubles as the foreman for the Street Department. The same equipment operators and maintenance personnel also serve as the crew for the Department, consisting of five people.

**Mission:**

The Street Department has a large task that includes the basic maintenance of the paved and graveled streets, roads and alleys within the City. Included in this is also signage, striping of curbs and crosswalks and exempt areas, vegetation control, street cleaning, patching and paving of surfaced streets, removal of trees in parking strips, removal of old sidewalks that are being replaced, removing and disposing of illegal dumping of yard waste, household waste and raw garbage from roads, streets, ditches and alleys and any unusual or unique job that needs to be accomplished for the city.

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
 Department Accomplishments and Goals

Department:	Street	Department Director:	Watters
Department Number:	19	Fund:	106

**2006 Accomplishments:**

1. Staff spent 347 hours (as of 8/06) assisting City Electrician with various projects, and over 50 hours assisting Parks, Police and Water department. Most of the hours are charged to the General Fund (Street) account.
2. With one less equipment operation since April 2006, the Street crew have been busy trying to maintain and replace defective and weathered signage to ensure the safety of the citizens.
3. Mowed and cleaned open ditches along roads and streets. Also continue to sweep alleys and streets within the City.
4. Tried to maintain the graveled alleys and roads within the City.
5. Conducted a vegetation spraying operation on streets and roads.
6. Worked on street repairs from dig-outs, catch basin replacements and sink holes.
7. Continue to keep roads clear of ice, debris and water due to plugged catch basins and high tides.
8. Continue to keep roads, streets, alleys and ditches clear of illegal dumping which consists of yard waste, household waste and raw garbage.
9. Removed existing sidewalks and driveways as they were being replaced by homeowners.
10. Removed trees from parking strips as requested.

**Goals for the 2007-2008 Biennium:**

1. Respond to the direction of the City Administrator.
2. Continue to maintain clean and safe wearing surfaces with signage for public safety.
3. Continue the program of street sweeping and mowing to keep debris off of street surface and along roadways.
4. Continue the program of maintenance of roadside vegetation through mowing and pesticide application for weeds.
5. Continue to maintain the catch basins and open ditches to ensure storm water runoff of streets.
6. Work on curb replacement program to assist in the management of surface water runoff of streets.
7. Respond to all kind of weather such as rain, wind, snow, ice and other debris on streets and roads.
8. Respond to flagging needs at any time—day or night.
9. Continue with the removal and disposal of illegal dumping of yard waste, household waste and raw garbage.
10. Continue with the removal of trees when needed, and look at the kind of trees that should be planted in parking strips.

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL BUDGET DEVELOPMENT**  
**SUMMARY SHEET**

**DEPT Name:** Street  
**DEPT Number:** 19  
**Fund Number:** 106  
**RESP:** Watters

**2004-2008 STREET APPROPRIATIONS SUMMARY**

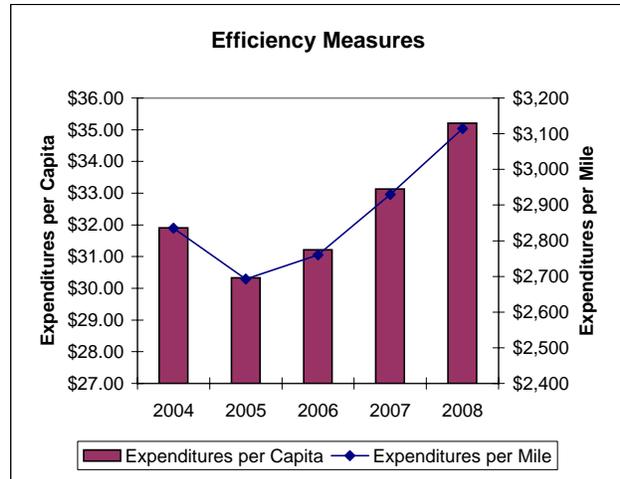
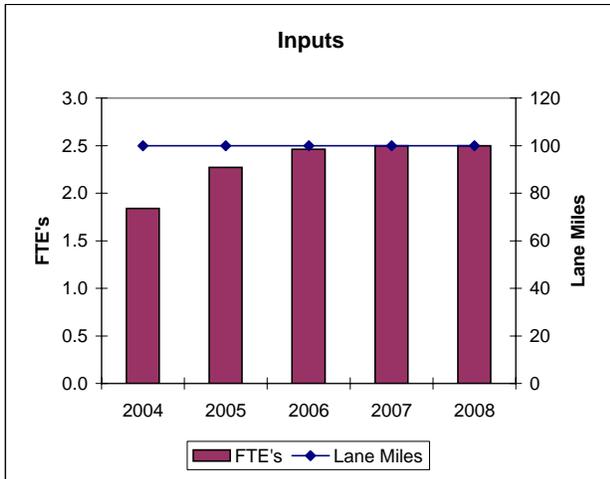
Category	2004 Actual	2005 Actual	2006 Adopted	2007 Budget	2008 Budget	07-08 Total
Permanent Salaries	101,392	104,855	110,480	114,070	118,635	232,705
Overtime	1,929	5,168	4,025	5,150	5,360	10,510
Working out of Class	116	101	105	150	155	305
Standby	4,034	3,698	3,505	3,540	3,680	7,220
Total Salaries and Wages	107,471	113,822	118,115	122,910	127,830	250,740
Medical & Dental	21,800	25,047	28,075	28,985	31,015	60,000
Social Security	8,261	8,756	9,035	9,405	9,780	19,185
Pension	1,488	2,124	2,880	7,435	9,210	16,645
L&I	4,978	4,153	4,335	3,935	4,055	7,990
Life Insurance	208	180	185	185	185	370
Clothing Allowance	375	495	525	525	525	1,050
Retiring Employee Vacation Pay	1,550	0	0	0	0	0
Total Personnel Benefits	38,660	40,755	45,035	50,470	54,770	105,240
Office Supplies	15,293	7,429	20,000	23,200	25,520	48,720
Computer Upgrades	0	0	0	0	0	0
Total Supplies, Tools & Minor Equip	15,293	7,429	20,000	23,200	25,520	48,720
Professional Services	1,244	17,046	3,900	2,500	2,500	5,000
Communications	684	639	800	750	800	1,550
Travel & Training	879	151	1,000	1,000	1,100	2,100
Advertising	10	17	100	100	100	200
Rents & Leases	0	0	200	200	200	400
Current Year Insurance	8,184	9,859	8,655	7,105	7,460	14,565
Utilities	830	1,108	1,500	800	840	1,640
Repair & Maintenance	36,302	11,571	7,200	9,800	10,610	20,410
Miscellaneous	795	1,426	1,700	1,035	1,070	2,105
Dues, Subscriptions & Memberships	110	94	100	110	120	230
Tuitions & Registrations	685	115	500	500	550	1,050
Total Professional Services & Charges	49,723	42,026	25,655	23,900	25,350	49,250
Semler Drive Improvements	4,340	0	0	0	0	0
Street Overlay	0	0	0	0	0	0
Total Capital	4,340	0	0	0	0	0
Equip Rental - O&M	35,578	31,110	34,000	35,700	37,485	73,185
Equip Rental Reserve	31,188	32,101	32,200	35,420	38,960	74,380
Equip Rental - Insurance	1,255	1,984	1,050	1,410	1,480	2,890
Total Internal Service	68,021	65,195	67,250	72,530	77,925	150,455
<b>Total Appropriations:</b>	<b>\$283,508</b>	<b>\$269,227</b>	<b>\$276,055</b>	<b>\$293,010</b>	<b>\$311,395</b>	<b>\$604,405</b>
Full Time Equivalent Employees:	1.8	2.3	2.5	2.5	2.5	

**CITY OF HOQUIAM  
2007-2008 BIENNIAL BUDGET DEVELOPMENT  
PERFORMANCE MEASURES**

**DEPT Name:** Street  
**DEPT Number:** 19  
**Fund Number:** 106  
**RESP:** Watters

**2004-2008 STREET PERFORMANCE MEASURES**

Category/Measure	Actual 2004	Actual 2005	Estimated 2006	Proposed 2007	Proposed 2008
<b>Input:</b>					
No. of Personnel	1.8	2.3	2.5	2.5	2.5
No. of Lane Miles	100	100	100	100	100
No. of Traffic Signals	14	14	14	14	14
<b>Output:</b>					
No. of Potholes Patched	N/A	N/A	N/A	50	50
No. of Lane Miles Resurfaced	N/A	N/A	N/A	1	1
<b>Efficiency:</b>					
Operating Expenditures per Capita	\$31.91	\$30.34	\$31.21	\$33.13	\$35.21
Operating Expenditures per Lane Mile	\$2,835	\$2,692	\$2,761	\$2,930	\$3,114
<b>Effectiveness:</b>					
% of Citizens Rating Street Condition as "good" or "excellent"	N/A	N/A	N/A	75%	75%
% of Citizens Rating Street Cleanliness as "good" or "excellent"	N/A	N/A	N/A	75%	75%



**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
Department Budget Narrative

Department:	Arterial Street	Department Director:	Watters
Department Number:	20	Fund:	107

**Program Description:**

The Arterial Street Fund constructs improves and repairs the arterial streets. This fund is segregated from the Street Fund, although recent legislation eliminated the need for this obligation. Today, the Arterial Street Fund is used primarily to pay the debt service on a Public Works Trust Fund that financed a paving project along Aberdeen Avenue in 1994.

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL BUDGET DEVELOPMENT**  
**SUMMARY SHEET**

DEPT Name: Arterial Street  
DEPT Number: 20  
Fund Number: 107  
RESP: Watters

**2004-2008 ARTERIAL STREET APPROPRIATIONS SUMMARY**

Category	2004 Actual	2005 Actual	2006 Adopted	2007 Budget	2008 Budget	07-08 Total
Permanent Salaries	0	0	0	0	0	0
Overtime	0	0	0	0	0	0
Total Salaries and Wages	0	0	0	0	0	0
Medical & Dental	0	0	0	0	0	0
Social Security	0	0	0	0	0	0
Pension	0	0	0	0	0	0
L&I	0	0	0	0	0	0
Life Insurance	0	0	0	0	0	0
Total Personnel Benefits	0	0	0	0	0	0
Office Supplies	0	0	0	0	0	0
Computer Upgrades	0	0	0	0	0	0
Total Supplies, Tools & Minor Equip	0	0	0	0	0	0
Professional Services	0	0	0	20,000	20,000	40,000
Communications	0	0	0	0	0	0
Travel & Training	0	0	0	0	0	0
Advertising	0	0	0	0	0	0
Current Year Insurance	0	0	0	0	0	0
Repair & Maintenance	0	0	0	0	0	0
Miscellaneous	0	0	0	0	0	0
Dues, Subscriptions & Memberships	0	0	0	0	0	0
Tuitions & Registrations	0	0	0	0	0	0
Total Professional Services & Charges	0	0	0	20,000	20,000	40,000
PWTF Loan- Aberdeen Ave.	36,657	36,326	35,995	35,665	35,335	71,000
Total Debt Service	36,657	36,326	35,995	35,665	35,335	71,000
						0
						0
<b>Total Appropriations:</b>	<b>\$36,657</b>	<b>\$36,326</b>	<b>\$35,995</b>	<b>\$55,665</b>	<b>\$55,335</b>	<b>\$111,000</b>
Full Time Equivalent Employees:	0.0	0.0	0.0	0.0	0.0	

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
Department Budget Narrative

Department:	Ambulance	Department Director:	Pumphrey
Department Number:	21	Fund:	109

**Program Description:**

Staffing consists of 23 personnel, 8.5 of which are funded from the City of Hoquiam General Fund and 14.5 that are funded by the Ambulance Budget. Also funded by the Ambulance Budget is a clerk whose main job is ambulance billing and collection. 85% of her salary comes from the ambulance budget.

The ambulance service covers an area of approximately 400 square miles. Besides the city, we provide ALS ambulance service for Fire Districts #6, 16, 17 and part of District #10. In addition to providing mutual aid for the City of Aberdeen, we also assist Tahola, Quinault and Pacific Beach when Advanced Life Support is needed.

Safety of personnel is a top priority of the Hoquiam Fire Department. Our budget requests for 2007 and 2008 will enable us maintain and update equipment, provide the necessary training that is required by the State Department of Health and help us comply with the State of Washington Department of Labor and Industries safety standards.

**Mission:** The mission of the Hoquiam Ambulance Department is to provide quick, quality medical and lifesaving assistance to our citizens while maintaining the safety of our personnel.

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
Department Accomplishments and Goals

Department: Ambulance	Department Director: Pumphrey
Department Number: 21	Fund: 109

**2006 Accomplishments:**

1. We have put together a bid specification packet for a new ambulance. We received and awarded the bid to Braun Northwest, and our new ambulance will be delivered shortly after the first of next year. The ambulance committee worked hard to make sure our new ambulance will be functional and will provide our residents with quality care for many years.
2. We continue to provide a variety of EMS related services. These include ALS ambulance service for our citizens and district residents and emergency transports to out of area hospitals. We also perform free blood pressure checks, CPR classes for high school students and provide and fit bicycle helmets for those in need.
3. We continue to make training and education a top priority. All E.M.S. training and certifications have been maintained and documented as per State Requirements. Our personnel have attended classes in Cardiac Care, Advanced Life Support, Pediatric Life Support, Hazardous Materials, Vehicle Extrication, Water Rescue and much more.
4. We have continued the servicing, maintenance and repair of our fleet of four ambulances and a rescue/utility truck. The City Mechanic continues to perform the heavier repair work.

**Goals for the 2007-2008 Biennium:**

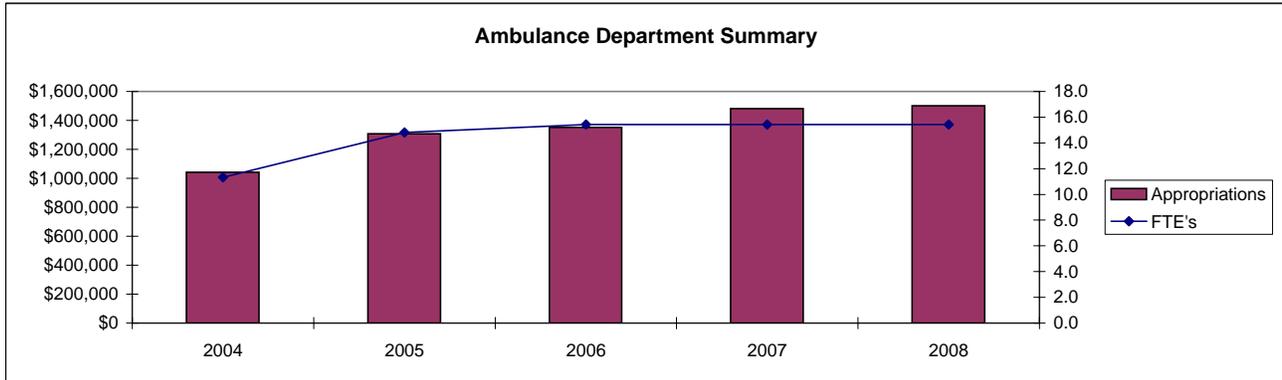
1. To continue to be a vital part of the community through programs such as CPR classes and attendance at festivals and special events.
2. To continue to work with the Billing Clerk to maximize our collections for ambulance services and supplies.
3. To make sure all personnel maintain their required certification levels as required by the County and State EMS agencies and the State Department of Health.
4. To continue our efforts to maintain compliance with State Labor and Industries Safety Standards pertaining to Medical Services.
5. To strive to keep our good working relationships with the City of Aberdeen and neighboring fire districts in regards to mutual aid contracts and ambulance service.
6. To continue to make education and training a top priority.
7. To maintain the number personnel and equipment at no less than current levels.

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL BUDGET DEVELOPMENT**  
**SUMMARY SHEET**

**DEPT Name:** Ambulance  
**DEPT Number:** 21  
**Fund Number:** 109  
**RESP:** Pumphrey

**2004-2008 AMBULANCE APPROPRIATIONS SUMMARY**

Category	2004 Actual	2005 Actual	2006 Adopted	2007 Budget	2008 Budget	07-08 Total
Permanent Salaries	644,894	825,169	866,580	898,170	934,100	1,832,270
Overtime	95,612	96,402	84,500	98,200	100,170	198,370
<u>Working out of Class</u>	<u>6,114</u>	<u>7,843</u>	<u>8,000</u>	<u>8,200</u>	<u>8,500</u>	<u>16,700</u>
Total Salaries and Wages	746,620	929,414	959,080	1,004,570	1,042,770	2,047,340
Medical & Dental	110,888	142,841	153,525	158,790	169,905	328,695
Social Security	10,799	12,856	12,515	13,660	14,185	27,845
Pension	21,978	31,128	35,020	45,210	57,130	102,340
L&I	23,744	21,897	21,070	20,305	20,910	41,215
Life Insurance	2,875	2,902	2,800	2,795	2,795	5,590
Clothing Allowance	1,532	4,231	2,100	2,200	2,200	4,400
<u>Retiring Employee Compensation</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Personnel Benefits	171,816	215,855	227,030	242,960	267,125	510,085
Office Supplies	26,325	31,696	28,000	34,000	38,540	72,540
Grant Expenditures	2,238	4,635	0	0	0	0
<u>Vehicle Repair Parts</u>	<u>0</u>	<u>347</u>	<u>3,000</u>	<u>1,000</u>	<u>1,100</u>	<u>2,100</u>
Total Supplies, Tools & Minor Equip	28,563	36,678	31,000	35,000	39,640	74,640
Professional Services	6,008	15,124	1,750	1,950	2,100	4,050
Communications	3,662	3,232	3,000	4,000	4,400	8,400
Travel & Training	926	1,190	2,000	2,200	2,400	4,600
Advertising	57	200	200	200	200	400
Operating Rentals & Leases	30,000	30,000	30,000	35,000	35,000	70,000
Current Year Insurance	7,413	9,018	7,835	6,330	6,645	12,975
Repair & Maintenance	4,948	5,870	9,500	14,800	16,250	31,050
Miscellaneous	313	469	400	475	500	975
Dues, Subscriptions & Memberships	61	0	150	100	100	200
<u>Tuitions &amp; Registrations</u>	<u>220</u>	<u>-1,055</u>	<u>2,500</u>	<u>4,000</u>	<u>4,400</u>	<u>8,400</u>
Total Professional Services & Charges	53,608	64,048	57,335	69,055	71,995	141,050
<u>Capital</u>	<u>15,144</u>	<u>420</u>	<u>19,600</u>	<u>40,105</u>	<u>11,300</u>	<u>51,405</u>
Total Capital	15,144	420	19,600	40,105	11,300	51,405
SCBA Loan	3,477	3,005	3,005	2,840	0	2,840
Total Debt Service	3,477	3,005	3,005	2,840	0	2,840
Equip Rental - O&M	21,124	20,391	13,700	15,000	16,500	31,500
Equipment Rental Reserve	0	36,663	40,000	69,490	50,000	119,490
<u>Equip Rental - Insurance</u>	<u>1,793</u>	<u>801</u>	<u>840</u>	<u>1,255</u>	<u>1,320</u>	<u>2,575</u>
Total Internal Services	22,917	57,855	54,540	85,745	67,820	153,565
<b>Total Appropriations:</b>	<b>\$1,042,145</b>	<b>\$1,307,275</b>	<b>\$1,351,590</b>	<b>\$1,480,275</b>	<b>\$1,500,650</b>	<b>\$2,773,115</b>
Full Time Equivalent Employees:	11.3	14.8	15.4	15.4	15.4	

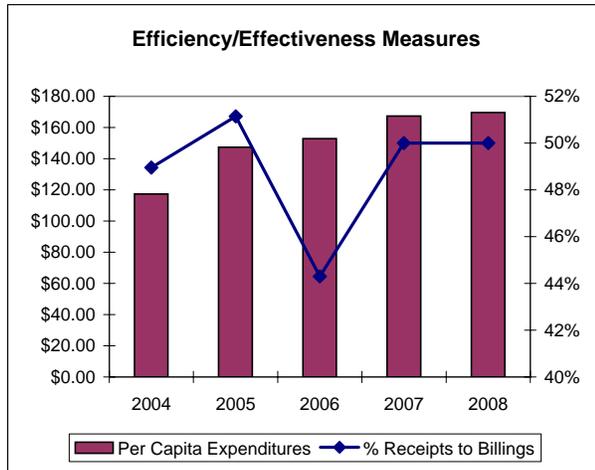
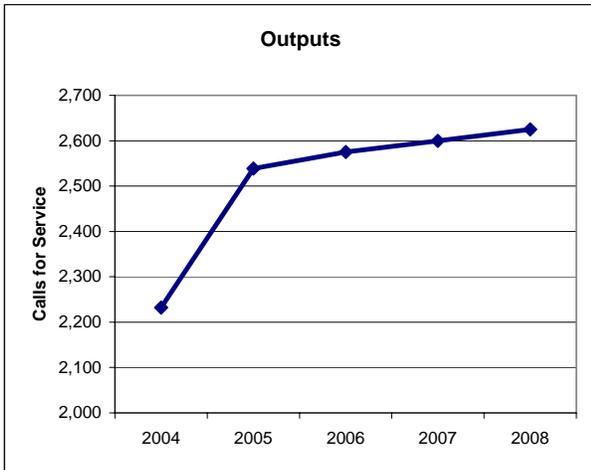


**CITY OF HOQUIAM  
2007-2008 BIENNIAL BUDGET DEVELOPMENT  
PERFORMANCE MEASURES**

**DEPT Name:** Ambulance  
**DEPT Number:** 21  
**Fund Number:** 109  
**RESP:** Pumphrey

**2004-2008 AMBULANCE PERFORMANCE MEASURES**

Category/Measure	Actual 2004	Actual 2005	Estimated 2006	Proposed 2007	Proposed 2008
<b>Input:</b>					
No. of Personnel	14.5	14.5	14.5	14.5	14.5
No. of Vehicles	5	5	5	5	5
Service Area (square miles)	400	400	400	400	400
<b>Output:</b>					
Calls for Service	2,232	2,539	2,575	2,600	2,625
Ambulance Billings	\$1,343,778	\$1,540,322	\$1,730,623	\$1,620,000	\$1,645,200
Ambulance Receipts	\$657,887	\$787,761	\$766,766	\$810,000	\$822,600
<b>Efficiency:</b>					
Operating Expenditures per Capita	\$117.29	\$147.30	\$152.81	\$167.36	\$169.66
% of Non Transport Calls	N/A	23.6%	22.0%	22.0%	22.0%
Average Repsonse Time (minutes)	5	5	5	5	5
Average Receipt per Call	\$295	\$310	\$298	\$312	\$313
<b>Effectiveness:</b>					
Training Hours per Person	150	150	150	150	150
% of Ambulance Receipts to Billings	49%	51%	44%	50%	50%
% of Citizens Rating Service as "Good" or "Excellent"	N/A	N/A	N/A	80%	85%
% of Months Average Response Time Less Than 5 Min.	100%	100%	100%	100%	100%



**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
 Department Budget Narrative

Department:	Water	Department Director:	Telecky
Department Number:	25	Fund:	401

**Program Description:**

The physical facilities of the Department consist of a direct water filtration treatment plant with a capacity of six-million gallons perday, two pump stations, two operational dams and one dam that is out of service, two covered reservoirs, one elevated water tank, and a water transmission line. The City's watershed consists of three drainage areas. The Davis Creek and the West Fork of the Hoquiam River, normally referred to as the Davis Creek Watershed are the primary source of our raw water supply. The third is the Little Hoquiam that has not been used since 1926 as a raw water supply. The total area of the three combined is 6,250 acres of managed timberland that are harvested on 100 year (Davis Creek) and 50 year (Little Hoquiam) rotational cycles. The City has had a contract forester that manages the watershed. At the present time, there is no contract forester. Water Department staff patrol the watersheds. The Water System consists of approximately sixty (60) miles of water distribution lines ranging in size from one (1) inch to twenty-seven (27) inches in diameter. The Water Department maintains the system distribution lines, service lines, and physical facilities. Service is provided to the property line for approximately 3,600 service connections within and outside the corporate city limits. On a rotational monthly basis, the Meter Reader reads half of the water meters for billing each month.

The Department maintains, replaces and installs new fire hydrants on an as needed basis in conjunction with the Fire Department needs and good engineering practice. We also have an active Cross-Connection Control Program that protects the public water system from contamination through the elimination of any actual or potential physical connection between the City's distribution system or the consumer's water system and any source of non-potable liquid, solid or gas that could contaminate the potable water supply by backflow. Sampling stations are located throughout the distribution system to monitor water quality and chlorine residual. The water grab samples taken by staff are tested at the Grays Harbor County Health Department and Water Management Laboratories in Tacoma, Washington.

The Water Department has ten (10) staff members which include the foreman, two full-time water treatment plant operators, one watershed patrol person/water treatment plant operator, one meter reader who also works with the maintenance crew as time allows, a storekeeper/relief water treatment plant operator who is also the cross connection specialist and four maintenance crew personnel.

**Mission:**

The primary function of the Water Department is to provide the citizens of Hoquiam and the residents along Highway 101 North with quality potable water supply while keeping in compliance with the Washington Administrative Code (WAC) 246-290, related to the Washington State Department of Health Office of Drinking Water (ODW).

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
 Department Accomplishments and Goals

Department:	Water	Department Director:	Telecky
Department Number:	25	Fund:	401

**2006 Accomplishments:**

1. Installed 176 linear feet (lf) of new 2" polyethylene pipe in the distribution system.
2. Replaced 183 lf of 2" cast iron pipe with 2" polyethylene pipe in the distribution system.
3. Replaced 359 lf of 2" galvanized steel pipe with 2" polyethylene pipe in the distribution system.
4. Replaced 11 distribution system gate valves (one 1", one 1 1/2", three 2", five 6", and one 8").
5. Repaired 11 fire hydrants.
6. Replaced two fire hydrants.
7. Flushed 302 fire hydrants.
8. Performed maintenance or repair to 71 service water lines.
9. Repaired 15 distribution waterline leaks.
10. Replaced 55 water service meters (two 2"; one 1 1/2"; four 1"; one 3/4"; forty-seven 5/8").
11. Retrofitted eight water service meters (one 3/4" to 2"; one 1 1/2" to 3/4"; one 2" to 3/4"; one 2" to 1"; two 3" to 2"; one 4" to 2"; and 1 4" to 3").
12. Flow tested/calibrated 17 industrial water service meters (six 3"; one 4", two 6" and eight 8").
13. Completed 280 requests for water service activations.
14. Completed 296 requests for water service terminations.
15. Completed 543 water services shut-offs for delinquency.
16. Investigated 53 water service inquiries related to high water consumption.
17. Investigated 20 water service inquiries related to water quality.
18. Investigated one water service inquiry for low water pressure.
19. Supervised the planting of 32,000 Douglas Fir seedling trees by contractor in the watershed.
20. Mowed vegetation on 27 miles of watershed road right-of-ways.
21. Monitored 243 customer cross-connections with backflow prevention assemblies.
22. Maintained and tested 45 city owned cross connections with backflow prevention assemblies.
23. Replaced two chemical feed pumps at the Water Treatment Plant.
24. Rebuilt raw water pump and motor at Water Treatment Plant.
25. Produced 233,900,000 gallons of treated water for consumption (1.5 MGD average).
26. Conducted 93 WA State Department of Health mandated water quality monitoring tests.
27. Performed 228 utility located requests for identifying City waterlines.
28. Painted interior of College Hill and Beacon Hill pump station facilities.

**Goals for the 2007-2008 Biennium:**

1. Continue to provide the citizens of Hoquiam with the level of service and quality and capacity of potable water.
2. Install new 12" waterline river crossing to Eastside.
3. Initiate the process of replacing the transmission waterline.
4. Install system on increasing the water pressure on Arnold Court and Semler Court.
5. Initiate the process on removing the silt behind the West Fork Dam.
6. Initiate the process on drilling test well near Water Treatment Plant.
7. Perform stabilization at West Fork Dam.
8. Replace intake screen at West Fork Dam.
9. Continue to maintain and protect the Davis Creek and West Fork watersheds.
10. Flow test industrial water meters and continue replacing residential meters to ensure accurate consumption readings.

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL BUDGET DEVELOPMENT**  
**SUMMARY SHEET**

**DEPT Name:** Water  
**DEPT Number:** 25  
**Fund Number:** 401  
**RESP:** Telecky

**2004-2008 WATER APPROPRIATIONS SUMMARY**

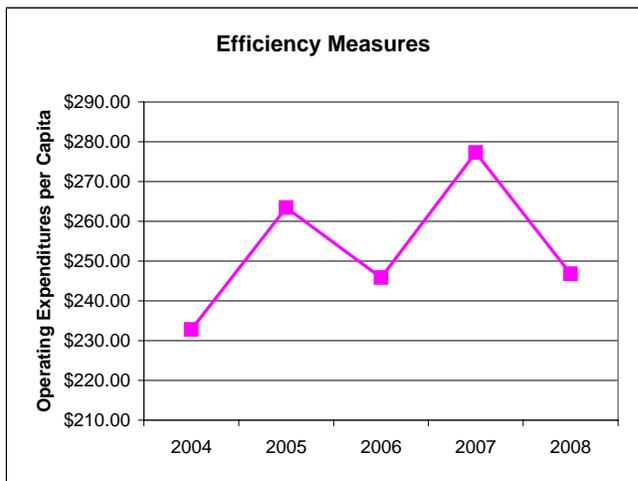
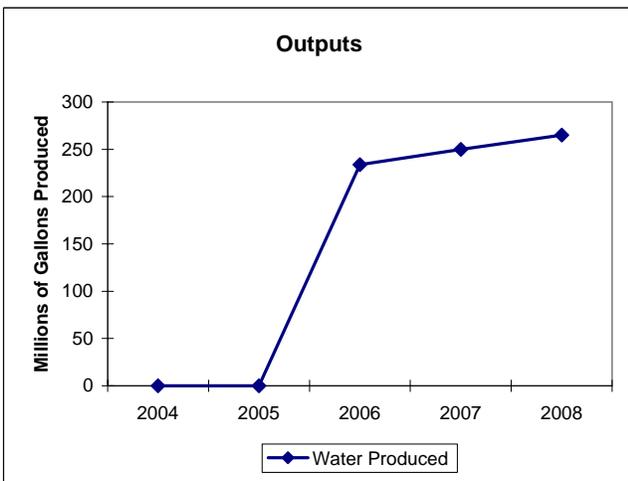
Category	2004 Actual	2005 Actual	2006 Adopted	2007 Budget	2008 Budget	07-08 Total
Permanent Salaries	554,837	557,897	579,875	601,630	625,695	1,227,325
Overtime	23,693	22,660	26,570	29,275	30,450	59,725
Working Out of Classification	2,135	1,751	1,800	2,100	2,180	4,280
Standby	21,527	18,615	15,930	16,020	16,395	32,415
Total Salaries and Wages	602,192	600,923	624,175	649,025	674,720	1,323,745
Medical & Dental	131,759	146,953	164,080	166,865	178,545	345,410
Social Security	46,374	46,179	47,745	49,650	50,880	100,530
Pension	8,333	11,503	15,230	39,265	50,060	89,325
L&I	24,852	20,147	20,530	18,635	19,190	37,825
Life Insurance	1,263	993	1,010	1,015	1,015	2,030
Clothing Allowance	2,500	2,501	2,500	2,500	2,500	5,000
Total Personnel Benefits	215,081	228,276	251,095	277,930	302,190	580,120
Office Supplies	53,893	55,992	63,000	66,350	70,315	136,665
Small Tools	7,885	4,710	2,800	2,800	2,900	5,700
Chemicals	13,180	21,115	22,000	26,500	28,500	55,000
Inventory for Resale	31,930	40,574	38,000	43,000	46,000	89,000
Total Supplies, Tools & Minor Equip	106,888	122,391	125,800	138,650	147,715	286,365
Professional Services	58,875	51,229	43,300	22,050	22,850	44,900
Communications	5,228	4,970	6,000	6,050	6,350	12,400
Travel & Training	1,169	1,258	2,450	2,700	2,900	5,600
Advertising	44	10	100	100	150	250
Rents & Leases	22,634	23,453	22,915	23,015	23,115	46,130
Current Year Insurance	67,714	74,203	66,935	59,865	62,860	122,725
Utilities	76,635	79,375	85,200	82,700	83,300	166,000
Repair & Maintenance	66,645	40,556	47,050	48,050	50,025	98,075
Miscellaneous	2,884	1,323	4,150	4,350	4,450	8,800
Dues, Subscriptions & Memberships	466	492	1,100	1,210	1,330	2,540
Tuitions & Registrations	2,136	1,495	5,500	4,100	4,250	8,350
Total Professional Services & Charges	304,430	278,364	284,700	254,190	261,580	515,770
State & Local Taxes	64,788	58,233	72,000	72,970	73,890	146,860
Payments in Lieu of Taxes	113,459	120,319	137,000	138,735	140,890	279,625
Fees, Permits	10,429	10,552	11,600	16,500	17,500	34,000
Total Intergovernmental	188,676	189,104	220,600	228,205	232,280	460,485
WTP Roof	0	0	45,000	0	0	0
WTP Concrete Deck	0	0	8,000	0	0	0
West Fork Dam Filter Screen	24,879	0	0	0	0	0
L Hoq Dam Consent Decree	0	0	402,500	0	400,000	400,000
East Side River Crossing	48,496	70,156	23,690	690,000	0	690,000
Emerson Main	381,497	488,904	0	0	0	0
Semler Drive Repair	0	156,610	0	0	0	0
SCADA System	0	18,992	0	0	14,800	14,800
Telemetry	0	12,835	12,165	0	0	0
Arnold Ct. Booster Pump	0	0	10,000	0	0	0
Meters	19,964	13,250	21,000	21,000	22,000	43,000
College Hill Booster Pump	0	0	0	3,800	0	3,800
Drill Test Well	0	0	0	75,000	0	75,000
Replace WTP Chart Recorders	0	0	0	0	15,000	15,000
WTP Alarm Dialer	0	0	0	0	5,200	5,200
Finance & Billing Software	0	0	0	19,285	0	19,285
Other Capital	20,187	11,062	22,500	0	11,800	11,800
Total Capital	495,023	771,809	544,855	809,085	468,800	1,277,885
PWTF Construction Loan	57,369	55,790	54,210	0	0	0
Total Debt Service	57,369	55,790	54,210	0	0	0
Equip Rental-O&M	47,057	39,898	43,180	44,000	44,000	88,000
Equipment Rental Reserve	51,000	51,000	25,500	51,000	51,000	102,000
Equip Rental-Insurance	552	428	450	435	455	890
Total Internal Services	98,609	91,326	69,130	95,435	95,455	190,890
<b>Total Appropriations:</b>	<b>\$2,068,268</b>	<b>\$2,337,983</b>	<b>\$2,174,565</b>	<b>\$2,452,520</b>	<b>\$2,182,740</b>	<b>\$4,635,260</b>
Full Time Equivalent Employees:	13.4	13.3	13.4	13.4	13.4	

**CITY OF HOQUIAM  
2007-2008 BIENNIAL BUDGET DEVELOPMENT  
PERFORMANCE MEASURES**

**DEPT Name:** Water  
**DEPT Number:** 25  
**Fund Number:** 401  
**RESP:** Telecky

**2004-2008 WATER PERFORMANCE MEASURES**

Category/Measure	Actual 2004	Actual 2005	Estimated 2006	Proposed 2007	Proposed 2008
<b>Input:</b>					
No. of Personnel	13.4	13.3	13.4	13.4	13.4
No. of Service Connections	N/A	N/A	3,660	3,700	3,850
Miles of Water Main	51	51	51	51	51
No. of Dams	2	2	2	2	2
Total capacity (acre feet)	46	46	46	46	46
<b>Output:</b>					
Water produced (millions of gallons)	N/A	N/A	234	250	265
Water Turn-Ons	N/A	N/A	280	300	320
Water Turn-Offs	N/A	N/A	296	295	295
Delinquent Shut-Offs	N/A	N/A	543	500	450
Water quality investigations	N/A	N/A	20	20	20
High consumption investigations	N/A	N/A	53	50	50
Meter replacements	N/A	N/A	55	60	65
Utility locates	N/A	N/A	228	200	200
\$ in Capital Invested	\$495,023	\$771,809	\$544,855	\$809,085	\$468,800
<b>Efficiency:</b>					
Operating Expenditures per Capita	\$232.78	\$263.43	\$245.85	\$277.28	\$246.78
<b>Effectiveness:</b>					
% of water quality investig. completed within 24 hours	100%	100%	100%	100%	100%
% of consumption investig. completed within 24 hours	100%	100%	100%	100%	100%
Water quality report completed on time	Yes	Yes	Yes	Yes	Yes



**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
Department Budget Narrative

Department:	Sewer	Department Director:	Watters
Department Number:	26	Fund:	401

**Program Description:**

The Wastewater Treatment Plant, sanitary and storm sewer systems fall under the Street/Sewer Department. This Department is part of the Public Works and has a foreman and 8 member crew. The crew is made up of wastewater treatment plant operators, pump station technicians, equipment operators and maintenance personnel.

The Wastewater Treatment Plant has a rated capacity of 4.0 mgd average flow and an 8.0 mgd peak flow. The plant is impacted during rainy weather with peak inflow/infiltration (I/I) flows. With good operational procedures of diverting the excess flows into the 48 acre lagoon, the operators have successfully managed the I/I flows. The plant operators have been awarded certificates for plant operation through the state. There are two plant operators and one backup staff who services the pump stations and fills in at the treatment plant as needed.

The sanitary sewer collection system consists of approximately 57 miles of gravity collectors and mains, and is serviced by 12 pump stations. There are approximately 3,000 residential services.

**Mission:**

The City is planning to do a Wastewater Treatment Plant facility study sometime in the near future. City crews are looking for ways to deal with inflow (storm water coming from open pipes into sanitary sewer lines) and infiltration (groundwater coming through cracks in pipes, joints, manholes). Continue review of overall maintenance costs, effectiveness of collection systems, pump stations and Plant operations.

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
Department Accomplishments and Goals

Department:	Sewer	Department Director:	Watters
Department Number:	26	Fund:	401

**2006 Accomplishments:**

1. Provided a well maintained WasteWater Treatment Plant. Operators have been awarded operation certificates from the State for plant operations, which shows what a great job they are doing with the age of the equipment and plant.
2. The operation of the existing chlorination system will remain unchanged. The new sodium bisulfate dechlorination system and new building at the end of the chlorine contact tank, will be started in September or October.
3. The Hoquiam River crossing Phase I and Phase II for the waste water pressure line, from the east to west to K Street pump station, is done and waiting for funding.
4. In the process of replacing the variable drive units at 28th and Bay sewer pump station.
5. Working on Inflow/Infiltration (I/I) using portable flow meters in sanitary sewer lines and ongoing investigation of storm going into sanitary lines.
6. Pump station operator has been cleaning and inspecting pumps and motors as time allows.
7. Collection crew cleaning lines with vactor truck and checking for grease in lines as time allows. With one less equipment operator since April, and the approximate 400 hours of working in/for other departments, crew is doing their best to keep up with daily work and complete maintenance work as time allows.

**Goals for the 2007-2008 Biennium:**

1. Continue maintenance to ensure the efficient operation of the sanitary sewer collection system, pump stations and waste water treatment plant.
2. Start and finish work on the effluent dechlorination system improvements (will be completed by contractor) at the Waste Water Treatment Plant.
3. Install a inline flow meter at the Waste Water Treatment Plant as per the MPDES permit. (Have in place by October 2007).
4. Start and finish work on new variable speed drives (to be completed by contractor) at 28th & Bay sanitary pump station.
5. Start and finish replacement of river crossing from 28th & Bay to K Street.
6. Complete Waste Water Treatment Plant facility study.
7. Work on improvements to operational procedure of investigation of Inflow/Infiltration and diverting storm water from sanitary sewer lines.
8. Fill position for Treatment Plant back-up operator/pump station maintenance.
9. Replace sanitary pumps and start to replace sanitary motors.
10. Remove bio-solids from lagoon.

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL BUDGET DEVELOPMENT**  
**SUMMARY SHEET**

**DEPT Name:** Sewer  
**DEPT Number:** 26  
**Fund Number:** 401  
**RESP:** Watters

**2004-2008 SEWER APPROPRIATIONS SUMMARY**

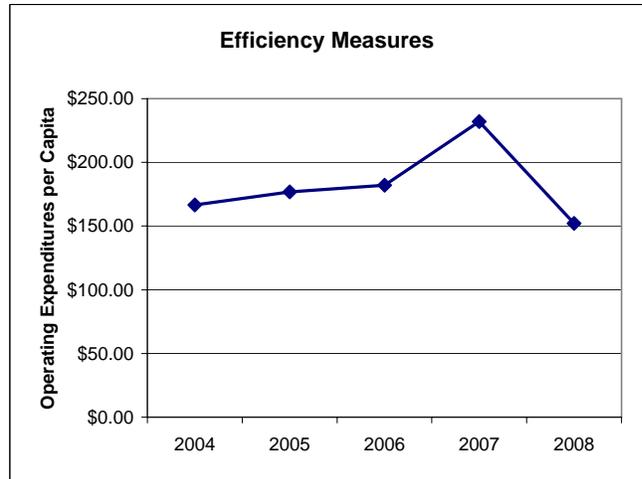
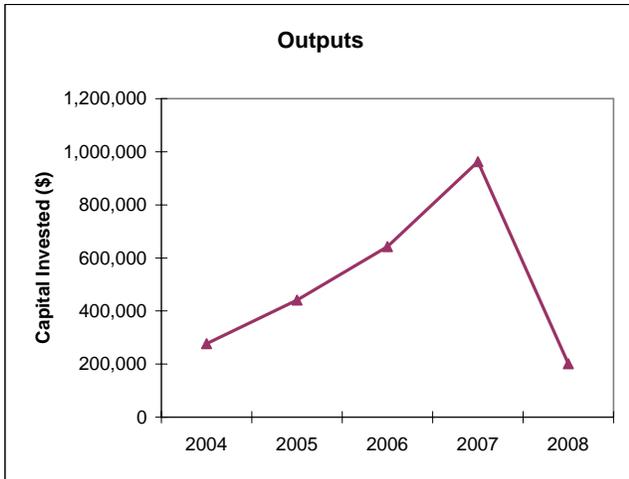
Category	2004 Actual	2005 Actual	2006 Adopted	2007 Budget	2008 Budget	07-08 Total
Permanent Salaries	401,879	367,525	261,425	286,990	298,475	585,465
Overtime	15,900	25,358	13,925	20,525	21,350	41,875
Working Out of Classification	1,832	160	590	800	835	1,635
Standby	12,105	8,803	3,005	3,035	3,155	6,190
Total Salaries and Wages	431,716	401,846	278,945	311,350	323,815	635,165
Medical & Dental	82,495	81,748	59,730	64,145	68,635	132,780
Social Security	33,205	30,901	21,305	23,810	24,775	48,585
Pension	5,934	7,711	6,795	18,840	24,030	42,870
L&I	18,398	13,411	9,495	9,070	9,345	18,415
Life Insurance	884	661	460	480	480	960
Clothing Allowance	1,875	1,755	1,140	1,140	1,140	2,280
Retiring Vacation Pay	4,650	0	0	0	0	0
Total Personnel Benefits	147,441	136,187	98,925	117,485	128,405	245,890
Office Supplies	94,796	90,064	76,680	82,870	91,150	174,020
Small Tools	1,868	0	0	0	0	0
Chemicals	1,321	693	2,000	4,000	4,400	8,400
Total Supplies, Tools & Minor Equip	97,985	90,757	78,680	86,870	95,550	182,420
Professional Services	50,487	39,172	13,570	14,520	15,600	30,120
Communications	2,804	3,089	4,655	4,285	4,575	8,860
Travel & Training	1,710	2,321	2,210	2,850	3,170	6,020
Advertising	60	769	800	800	880	1,680
Rents & Leases	18,855	18,780	13,250	15,150	15,150	30,300
Current Year Insurance	31,082	27,768	18,625	18,985	19,935	38,920
Utilities	163,355	153,138	178,600	218,110	224,680	442,790
Repair & Maintenance	46,283	32,446	48,460	52,865	57,010	109,875
Miscellaneous	2,036	2,182	3,265	1,965	2,090	4,055
Dues, Subscriptions & Memberships	376	718	2,200	1,600	1,600	3,200
Tuitions & Registrations	2,120	1,594	2,350	2,920	3,205	6,125
Total Professional Services & Charges	319,168	281,977	287,985	334,050	347,895	681,945
State & Local Taxes	31,527	30,954	34,800	35,475	36,225	71,700
Payments in Lieu of Taxes	94,155	108,388	107,900	110,185	112,520	222,705
Fees, Permits	8,658	8,757	11,700	11,795	12,405	24,200
Total Intergovernmental	134,340	148,099	154,400	157,455	161,150	318,605
Sewer River Crossing	60,916	46,916	2,595	700,000	0	700,000
WWTP Facility Plan	0	0	0	125,000	0	125,000
WWTP Painting	0	45,075	0	0	0	0
Semler Drive Repair	10,909	156,610	0	0	0	0
Pump Replacements	24,277	28,523	25,000	0	0	0
Variable Drive Upgrades	62,384	93,143	150,000	0	150,000	150,000
WWTP Dechlorination	99,025	59,858	445,650	0	0	0
Diesel Generator	0	0	0	0	0	0
Portable Electric Hoists	6,018	3,074	0	0	0	0
Odor Control Blower	0	3,736	3,765	0	0	0
Motor Replacements	12,904	0	15,000	0	0	0
WWTP Flow Meter	0	0	0	75,000	0	75,000
Portable Pump with Generator	0	0	0	0	0	0
Finance & Billing Software	0	0	0	15,240	0	15,240
Pump Station Operator	0	0	0	46,965	51,170	98,135
Other Capital	0	3,965	0	0	0	0
Total Capital & Other	276,433	440,900	642,010	962,205	201,170	1,163,375
5th Street Ext. CERB Loan	0	0	16,800	7,800	7,600	15,400
WWTP PWTF Planning Loan	0	0	0	16,670	16,670	33,340
Total Debt Service	0	0	16,800	24,470	24,270	48,740
Equip Rental-O&M	27,907	24,348	20,300	22,330	24,565	46,895
Equipment Rental Reserve	44,976	44,976	31,500	34,650	38,115	72,765
Equip Rental-Insurance	1,009	1,040	765	735	770	1,505
Total Internal Services	73,892	70,364	52,565	57,715	63,450	121,165
<b>Total Appropriations:</b>	<b>\$1,480,975</b>	<b>\$1,570,130</b>	<b>\$1,610,310</b>	<b>\$2,051,600</b>	<b>\$1,345,705</b>	<b>\$3,397,305</b>
Full Time Equivalent Employees:	10.7	8.9	5.9	6.6	6.6	

**CITY OF HOQUIAM  
2007-2008 BIENNIAL BUDGET DEVELOPMENT  
PERFORMANCE MEASURES**

**DEPT Name:** Sewer  
**DEPT Number:** 26  
**Fund Number:** 401  
**RESP:** Watters

**2004-2008 SEWER PERFORMANCE MEASURES**

Category/Measure	Actual 2004	Actual 2005	Estimated 2006	Proposed 2007	Proposed 2008
<b>Input:</b>					
No. of Personnel	10.7	8.9	5.9	6.6	6.6
No. of Miles of Sanitary Sewer	60	60	60	60	60
No. of Service Connections	N/A	N/A	3,000	3,010	3,020
<b>Output:</b>					
No. of Sewage Treated (million gallons)	N/A	N/A	200	210	220
\$ in Capital Invested	276,433	440,900	642,010	962,205	201,170
<b>Efficiency:</b>					
Operating Expenditures per Capita	\$166.68	\$176.92	\$182.06	\$231.95	\$152.14
<b>Effectiveness:</b>					
% of Annual Capital Projects Completed	N/A	N/A	N/A	100%	100%
No. of State and Federal Discharge Violations	0	0	0	0	0
% of Citizens Rating Service as "good" or "excellent"	N/A	N/A	N/A	75%	75%



**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
Department Budget Narrative

Department:	Stormwater	Department Director:	Watters
Department Number:	27	Fund:	401

**Program Description:**

The Storm Water System is separate from the other functions of the department and consists of the old sanitary sewer system of approximately 125 miles of collector and outfall lines. There are nine pump stations and numerous open ditches and enclosed conduit outfalls to the Hoquiam River and Grays Harbor. The five member crew of equipment operators and maintenance personnel service and maintain all sanitary and storm collection piping and also help at the treatment plant and pump stations.

**Mission:**

Continuation of preventative maintenance is the alternative to ensure the stormwater system is capable of performing the required functions when needed. Crews will continue ditch cleaning, catch basin cleaning, pump maintenance, culvert flushing, street sweeping and other activities related to keeping the system clean and operational. We will also look at installing more storm pumps where needed.

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
Department Accomplishments and Goals

Department:	Stormwater	Department Director:	Watters
Department Number:	27	Fund:	401

**2006 Accomplishments:**

1. Through August of 2006, over 347 hours of staff time was spent assisting electrician with his regular and scheduled duties; through this same time period over 50 hours of staff time was spent assisting Parks, Police and Water Departments. This time is being charged to the general fund "street" number.
2. The Department has been without an Equipment Operator 1 since April of 2006. The remaining collection crew has provided system maintenance, replaced catch basins and added new basins where needed, while also accomplishing the tasks normally assigned to this position.
3. Collection crew has been cleaning storm lines, using vactor truck, digging ditches with backhoe and using camera in lines.
4. Crew has been working on storm maps of old sanitary system, which is now storm and main storm lines. They are recording age, size, length and kind of pipe in the storm system.
5. We have kept roads, streets, alleys and ditches clear of illegal dumping which consisted yard waste, household waste and raw garbage.

**Goals for the 2007-2008 Biennium:**

1. Install pump station at Ramer and Polk Street. At this time the area near the Ramer sanitary station is a gravity flow to the river for storm water removal. Placement of a storm pump and piping and the repair of discharge tide gate to the river, would remove flooding problems for the North end neighborhood.
2. Complete an assessment of dike systems around the city. These dikes protect large areas of Hoquiam from high water levels in the river. The dikes have not been regularly maintained nor is there an accurate inventory of the condition of these dikes.  
Buy replacement pumps for Queen and Adams storm pump stations.
4. Look at adding dikes, tide gates and pumps to part of Woodlawn and areas of Endresen Road.
5. Continue the high level of maintenance to ensure the efficient operation of the storm water collection and pump stations.
6. Look at areas to add storm pumps and piping to, to assist with storm run off.
7. Continue to work on good operational procedures on investigation of illegal sewage hook-ups to storm lines.

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL BUDGET DEVELOPMENT**  
**SUMMARY SHEET**

**DEPT Name:** Stormwater  
**DEPT Number:** 27  
**Fund Number:** 401  
**RESP:** Watters

**2004-2008 STORMWATER APPROPRIATIONS SUMMARY**

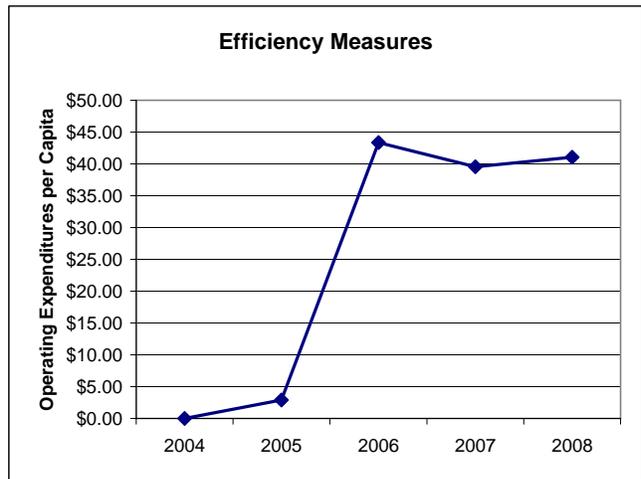
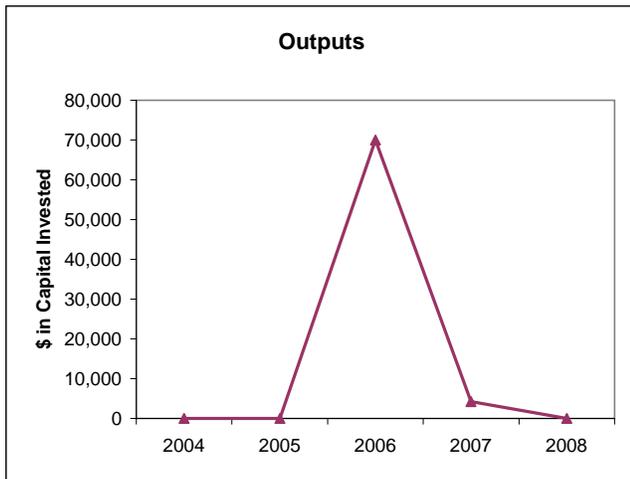
Category	2004 Actual	2005 Actual	2006 Adopted	2007 Budget	2008 Budget	07-08 Total
Permanent Salaries	0	0	136,305	138,275	143,810	282,085
Overtime	0	0	6,275	10,650	11,075	21,725
Working Out of Classification	0	0	105	200	210	410
Standby	0	0	3,505	3,540	3,685	7,225
Total Salaries and Wages	0	0	146,190	152,665	158,780	311,445
Medical & Dental	0	0	34,640	35,075	37,525	72,600
Social Security	0	0	11,150	11,675	12,145	23,820
Pension	0	0	3,560	9,240	11,780	21,020
L&I	0	0	4,960	4,415	4,550	8,965
Life Insurance	0	0	230	225	225	450
Clothing Allowance	0	0	590	590	590	1,180
Total Personnel Benefits	0	0	55,130	61,220	66,815	128,035
Office Supplies	0	17,886	22,720	23,730	24,945	48,675
Total Supplies, Tools & Minor Equip	0	17,886	22,720	23,730	24,945	48,675
Professional Services	0	0	3,030	3,180	3,360	6,540
Communications	0	0	195	600	645	1,245
Travel & Training	0	0	90	150	180	330
Rents & Leases	0	0	5,640	5,640	5,640	11,280
Current Year Insurance	0	0	7,955	8,105	8,510	16,615
Utilities	0	991		200	220	420
Repair & Maintenance	0	6,645	13,840	13,780	14,490	28,270
Miscellaneous	0	0	885	345	355	700
Dues, Subscriptions & Memberships	0	0		100	110	210
Tuitions & Registrations	0	0	150	180	195	375
Total Professional Services & Charges	0	7,636	31,785	32,280	33,705	65,985
State & Local Taxes	0	0	10,180	10,180	10,180	20,360
Payments in Lieu of Taxes	0	0	25,000	25,000	25,000	50,000
Total Intergovernmental	0	0	35,180	35,180	35,180	70,360
Pump Station Operator	0	0	0	15,655	17,060	32,715
Storm Dikes Inspections	0	0	0	0	0	0
Pump Replacements	0	0	50,000	0	0	0
Motor Replacements	0	0	20,000	0	0	0
Finance & Billing Software	0	0	0	4,230	0	4,230
Total Capital	0	0	70,000	19,885	17,060	36,945
Equip Rental-O&M	0	0	8,700	9,570	10,050	19,620
Equipment Rental Reserve	0	0	13,500	14,850	16,335	31,185
Equip Rental-Insurance	0	0	325	315	330	645
Total Internal Services	0	0	22,525	24,735	26,715	51,450
<b>Total Appropriations:</b>	<b>\$0</b>	<b>\$25,522</b>	<b>\$383,530</b>	<b>\$349,695</b>	<b>\$363,200</b>	<b>\$712,895</b>
Full Time Equivalent Employees:	0.0	0.0	3.0	3.3	3.3	

**CITY OF HOQUIAM  
2007-2008 BIENNIAL BUDGET DEVELOPMENT  
PERFORMANCE MEASURES**

**DEPT Name:** Stormwater  
**DEPT Number:** 27  
**Fund Number:** 401  
**RESP:** Watters

**2004-2008 STORMWATER PERFORMANCE MEASURES**

Category/Measure	Actual 2004	Actual 2005	Estimated 2006	Proposed 2007	Proposed 2008
<b>Input:</b> No. of Personnel	0	0	3.0	3.3	3.3
<b>Output:</b> No. of Miles of Storm Sewers \$ in Capital Invested	135 0	135 0	135 70,000	135 4,230	135 0
<b>Efficiency:</b> Operating Expenditures per Capita	\$0.00	\$2.88	\$43.36	\$39.54	\$41.06
<b>Effectiveness:</b> % of Annual Capital Projects Completed Number of Cited Violations Under Clean Water Act % of Citizens Rating Service as "good" or "excellent"	N/A 0 N/A	N/A 0 N/A	N/A 0 N/A	100% 0 75%	100% 0 80%



**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
Department Budget Narrative

Department:	Landfill Postclosure	Department Director:	Shay
Department Number:	00	Fund:	417

**Program Description:**

The City of Hoquiam no longer provides garbage collection services. However, the City is still obligated by law to provide postclosure maintenance of the City Landfill. Funds were transferred annually from the Sanitation Fund , when it existed, into this reserve fund to assure that sufficient reserves were available to pay the annual costs. When the Sanitation Fund was eliminated, an amount was transferred to this fund that will be enough to cover the costs remaining until the City's obligation ends in 2009.

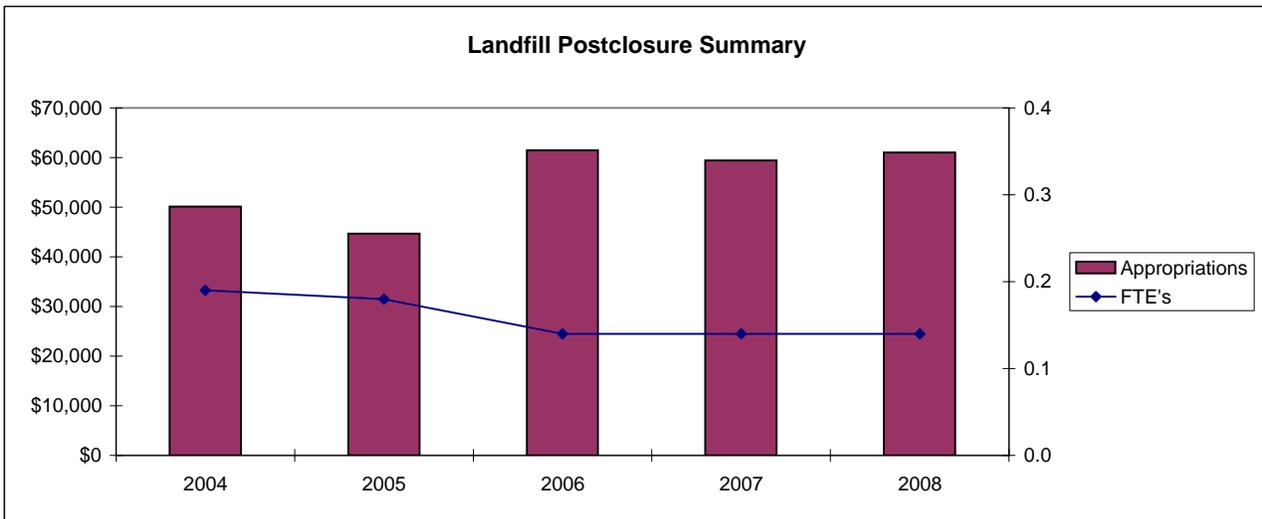
For the 2007-2008 biennium, the Landfill Postclosure operating budget includes personnel costs associated with maintaining the old landfill including mowing. Additionally, this budget includes expenditures for monitoring and sampling to ensure that all regulations are met. For the 2007-2008 biennium, \$120,575 is budgeted for completing the City's landfill postclosure obligations.

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL BUDGET DEVELOPMENT**  
**SUMMARY SHEET**

**DEPT Name:** Landfill Postclosure  
**DEPT Number:** 00  
**Fund Number:** 417  
**RESP:** Shay

**2004-2008 LANDFILL POSTCLOSURE APPROPRIATIONS SUMMARY**

Category	2004 Actual	2005 Actual	2006 Adopted	2007 Budget	2008 Budget	07-08 Total
Permanent Salaries	3,252	1,262	5,730	5,330	5,545	10,875
Overtime	0	0	0	0	0	0
Total Salaries and Wages	3,252	1,262	5,730	5,330	5,545	10,875
Medical & Dental	477	76	2,095	2,060	2,205	4,265
Social Security	249	99	440	410	425	835
Pension	114	11	140	320	410	730
L&I	125	22	270	230	235	465
Life Insurance	4	1	10	10	10	20
Total Personnel Benefits	969	209	2,955	3,030	3,285	6,315
Office Supplies	1,497	50	1,500	1,800	1,900	3,700
Computer Upgrades	0	0	0	0	0	0
Total Supplies, Tools & Minor Equip	1,497	50	1,500	1,800	1,900	3,700
Professional Services	14,687	15,776	19,600	18,000	19,000	37,000
Communications	187	-21	500	500	500	1,000
Travel & Training	0	0	0	0	0	0
Advertising	0	0	0	0	0	0
Current Year Insurance	0	100	105	120	125	245
Utilities	24,458	24,311	27,000	27,200	27,200	54,400
Repairs & Maintenance	2,311	255	1,000	500	500	1,000
Miscellaneous	2,761	2,721	3,100	2,950	2,950	5,900
Dues, Subscriptions & Memberships	0	0	0	0	0	0
Tuitions & Registrations	0	0	0	0	0	0
Total Professional Services & Charges	44,404	43,142	51,305	49,270	50,275	99,545
<b>Total Appropriations:</b>	<b>\$50,122</b>	<b>\$44,663</b>	<b>\$61,490</b>	<b>\$59,430</b>	<b>\$61,005</b>	<b>\$120,435</b>
Full Time Equivalent Employees:	0.2	0.2	0.1	0.1	0.1	



**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
Department Budget Narrative

Department:	Equipment Rental	Department Director:	Tomlin
Department Number:	30	Fund:	501

**Program Description:**

There is one person in the Equipment Rental Department. The primary responsibility for the Department is to keep all City rolling stock and equipment in safe operational order. This includes Fire, Police, Water, Electrical, Street, Storm, Sewer, Public Works, Parks and Cemetery Departments. All petroleum driven and pneumatic hand tools are also maintained in safe operating condition. The Director has the authority to "red tag" any piece of equipment or hand tool for safety reasons and cause the repair or surplus/disposal thereof through City procedures of surplussing by the City Council.

**Mission:**

To continue to provide the service that has been performed in the past, while extending the life of the current equipment through a good maintenance program.

**CITY OF HOQUIAM**  
**2007-2008 BIENNIAL OPERATING BUDGET**  
Department Accomplishments and Goals

Department:	Equipment Rental	Department Director:	Tomlin
Department Number:	30	Fund:	501

**2006 Accomplishments:**

1. Maintained all city owned equipment.
2. Helped other crews and departments on projects and repairs
3. Made sure the City is getting the best prices and quality on all items purchased.
4. Enforced the preventative maintenance program and safety of all equipment.

**Goals for the 2007-2008 Biennium:**

1. Continue to service and maintain all City owned rolling stock, equipment and hand tools.
2. Maintain a routine inspection of all hand tools, rolling stock, and equipment for preventative maintenance.
3. Continue to have quick turn-around on all hand tools, rolling stock and equipment requiring repair and maintenance.
4. Continue to provide assistance in the maintenance and repair of all City property.
5. Maintain the coordination in Public Works as well as the Parks Department to ensure equipment needs and rolling stock replacements are made for safety and reliability.
6. Enforce the City's safety plan for rolling stock, equipment and hand tools.
7. Continue to provide assistance to other departments within the City on an as needed basis.
8. Continue to be involved in the purchase of hand tools, rolling stock and equipment within the Public Works and Parks Departments.
9. Continue to assist the Fire and Police Departments in the replacement of their rolling stock on an as needed basis.
10. Continue to coordinate the use of common hand tools, rolling stock and equipment by City forces.

**CITY OF HOQUIAM  
2007-2008 BIENNIAL BUDGET DEVELOPMENT  
SUMMARY SHEET**

**DEPT Name:** Equipment Rental  
**DEPT Number:** 30  
**Fund Number:** 501  
**RESP:** Tomlin

**2004-2008 EQUIPMENT RENTAL APPROPRIATIONS SUMMARY**

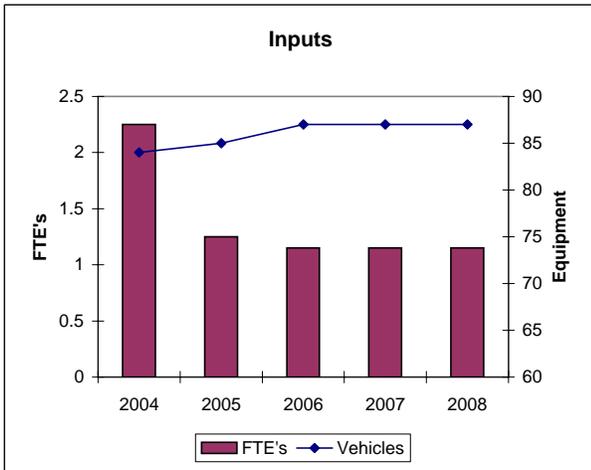
Category	2004 Actual	2005 Actual	2006 Adopted	2007 Budget	2008 Budget	07-08 Total
Permanent Salaries	83,542	52,963	52,970	54,035	56,195	110,230
Overtime	6	392	1,000	1,000	1,040	2,040
Working Out of Class	54	0	0	0	0	0
Total Salaries and Wages	83,602	53,355	53,970	55,035	57,235	112,270
Medical & Dental	13,891	9,536	9,525	9,870	10,560	20,430
Social Security	6,435	4,101	4,130	4,210	4,380	8,590
Pension	1,110	1,007	1,315	3,330	4,245	7,575
L&I	3,726	1,974	1,945	1,770	1,825	3,595
Life Insurance	148	80	75	70	70	140
Clothing Allowance	500	250	250	250	250	500
Total Personnel Benefits	25,810	16,948	17,240	19,500	21,330	40,830
Office Supplies	124,175	28,872	35,000	35,000	35,000	70,000
Small Tools	288	2,339	2,000	1,000	1,000	2,000
Computer Upgrades	902	0	0	0	0	0
Fuel	0	96,002	90,000	110,000	120,000	230,000
Total Supplies, Tools & Minor Equip	125,365	127,213	127,000	146,000	156,000	302,000
Professional Services	197	1,065	200	200	200	400
Communications	177	186	200	200	200	400
Travel & Training	0	0	100	100	100	200
Advertising	0	46	0	200	200	400
Current Year Auto Insurance	7,405	4,907	4,885	5,385	5,655	11,040
Other Insurance	2,578	3,143	2,730	2,205	2,315	4,520
Utilities	263	60	400	400	400	800
Repair & Maintenance	22,165	14,432	24,000	24,000	24,000	48,000
Miscellaneous	1,444	1,186	1,850	2,850	1,550	4,400
Dues, Subscriptions & Memberships	0	0	0	0	1,300	1,300
Total Professional Services & Charges	34,229	25,025	34,365	35,540	35,920	71,460
Replace Animal Control Truck #14	0	0	15,000	0	0	0
Building Official Vehicle	0	0	15,000	0	0	0
Replace Ambulance	0	0	140,000	140,000	0	140,000
Replace Water Truck #51	0	15,400	0	0	0	0
Replace Water Dump Truck #55	0	225	109,775	0	0	0
Replace Sewer Truck #64	0	0	41,000	0	0	0
Street Sweeper #70	293	127,972	0	0	0	0
Parks/Cemetery Backhoe	0	36,809	0	0	0	0
Replace Water Truck #48	0	0	26,500	0	0	0
Replace Water Truck #44	0	0	0	30,000	0	30,000
Replace Water/Sewer Mower #46	0	0	0	0	0	0
Replace Fire Chief Vehicle #7333	0	0	0	23,250	0	23,250
Replace Parks Truck #96	0	0	0	18,180	0	18,180
Replace Sewer Truck #60	0	0	0	20,000	0	20,000
Total Capital	293	180,406	347,275	231,430	0	231,430
<b>Total Appropriations:</b>	<b>\$269,299</b>	<b>\$402,947</b>	<b>\$579,850</b>	<b>\$487,505</b>	<b>\$270,485</b>	<b>\$757,990</b>
Full Time Equivalent Employees:	2.3	1.3	1.2	1.2	1.2	

**CITY OF HOQUIAM  
2007-2008 BIENNIAL BUDGET DEVELOPMENT  
PERFORMANCE MEASURES**

**DEPT Name:** Equipment Rental  
**DEPT Number:** 30  
**Fund Number:** 501  
**RESP:** Tomlin

**2004-2008 EQUIPMENT RENTAL PERFORMANCE MEASURES**

Category/Measure	Actual 2004	Actual 2005	Estimated 2006	Proposed 2007	Proposed 2008
<b>Input:</b>					
No. of Personnel	2.25	1.25	1.15	1.15	1.15
No. of Vehicles and Equipment	84	85	87	87	87
<b>Output:</b>					
No. of "Red Tags" issued	N/A	N/A	N/A	N/A	N/A
No. of Preventive Maintenance Inspections	N/A	N/A	N/A	N/A	N/A
No. of Total Miles Driven	N/A	N/A	N/A	N/A	N/A
No. of Gallons of Fuel Consumed	N/A	N/A	N/A	N/A	N/A
<b>Efficiency:</b>					
Operating Expenditures per Capita	\$30.31	\$45.40	\$65.56	\$55.12	\$30.58
Operating Expenditures per Vehicle	\$3,206	\$4,741	\$6,665	\$5,604	\$3,109
Average Cost per Mile	N/A	N/A	N/A	\$0.29	\$0.29
City Wide Miles per Gallon	N/A	N/A	N/A	20	20
<b>Effectiveness:</b>					
% General Fleet is Available	N/A	N/A	N/A	95%	95%
% of Customers Rating Serviceas "good" or "excellent"	N/A	N/A	N/A	90%	90%



## **VII. CAPITAL IMPROVEMENT BUDGET**

The following section provides a description of the 2007-2008 General and Utility Capital Improvement budget.

In total, this budget includes \$2,488,510 in requested capital projects for 2007 and 2008. This section does not currently include recommended funding for carry-forward capital projects from 2006.

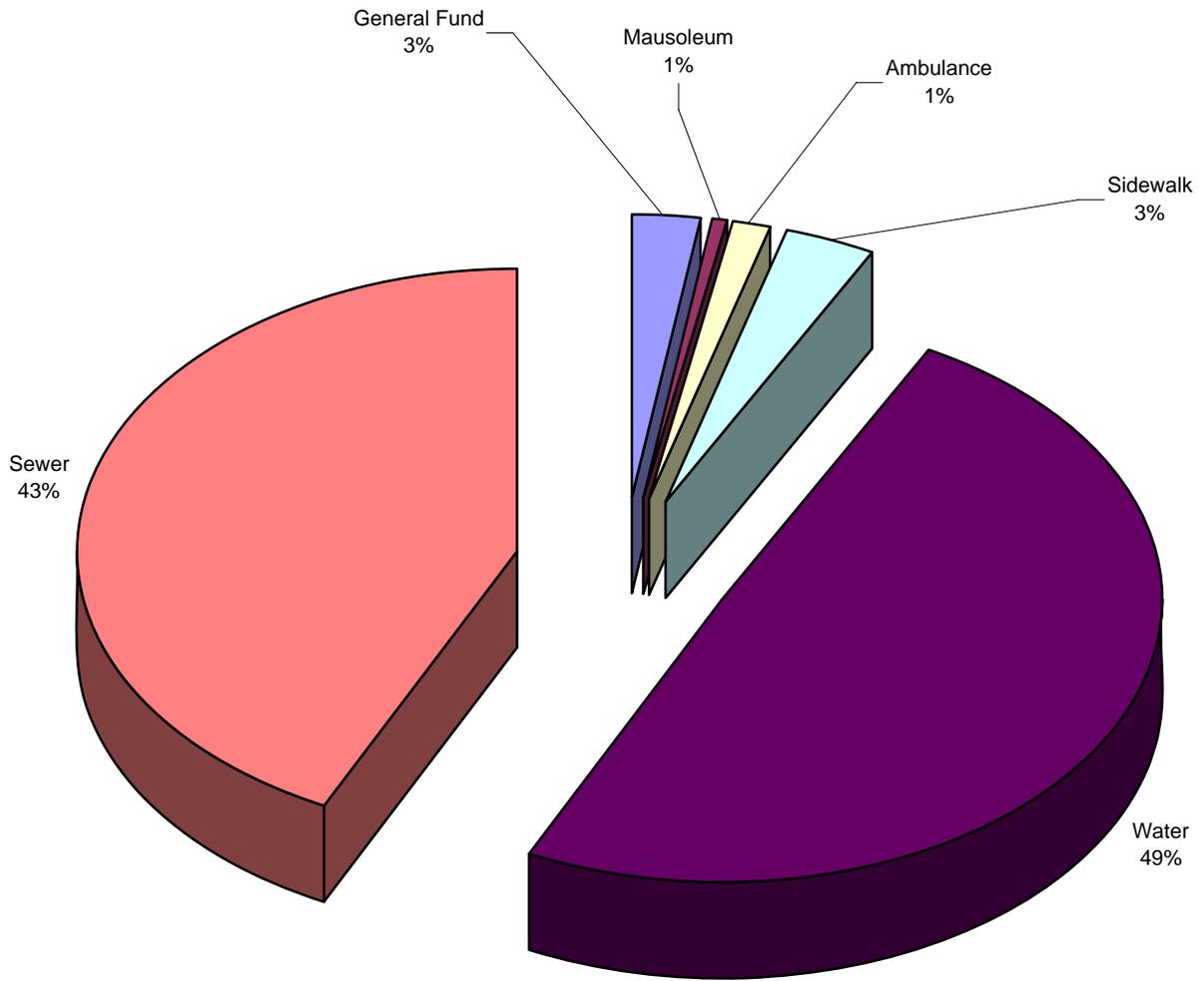
Summary of all Capital Projects: The first page of this section provides a summary of all general government and utility funded capital projects. This budget is comprised of capital improvement projects funded with resources from various City operating funds, including the General Fund, the utility funds, and others.

Remaining pages of this section provide a project by project description of adopted capital improvements.

**CITY OF HOQUIAM**  
**2007-2008 CAPITAL IMPROVEMENT BUDGET**  
**Summary of Approved Projects by Funding Source and Appropriation Fund**

CAPITAL PROJECTS Funding Source/Project Description	Appropriation Fund	2007 Amount	2008 Amount	Total Biennium
<b>#001 - General Fund (Unrestricted Revenues)</b>				
Upgrade Finance Software	001	\$9,500	\$0	\$9,500
City Hall Improvements	001/114	\$25,000	\$25,000	\$50,000
Network Police and Fire	001	\$4,000	\$0	\$4,000
Subtotal, General Fund Projects		<b>\$38,500</b>	<b>\$25,000</b>	<b>\$63,500</b>
<b>#102 - Mausoleum</b>				
Handicap Ramp and Railing	102	\$3,000	\$0	\$3,000
Replace Water System	102	\$10,000	\$0	\$10,000
Subtotal, Mausoleum Fund Projects		<b>\$13,000</b>	<b>\$0</b>	<b>\$13,000</b>
<b>#109 - Ambulance</b>				
Lifepak Monitor Equipment	109	\$27,400	\$0	\$27,400
Upgrade Finance Software	109	\$6,705	\$0	\$6,705
Subtotal, Ambulance Fund Projects		<b>\$34,105</b>	<b>\$0</b>	<b>\$34,105</b>
<b>#302 - Sidewalk Construction</b>				
Construction Projects	302	<b>\$50,000</b>	<b>\$30,000</b>	<b>\$80,000</b>
<b>#434 - Water Utility Projects</b>				
East Side River Crossing	434/402	\$690,000	\$0	\$690,000
Upgrade Finance Software	434	\$19,285	\$0	\$19,285
Other Miscellaneous	434/402	\$3,800	\$7,400	\$11,200
Drill Test Well Near WTP	434/402	\$75,000	\$0	\$75,000
Dam Consent Decree	434/402	\$0	\$400,000	\$400,000
Update WTP SCADA System	434/402	\$0	\$14,800	\$14,800
Replace Metering Pumps	434/402	\$0	\$9,600	\$9,600
Replace WTP Chart Recorders	434/402	\$0	\$15,000	\$15,000
Subtotal, Water Projects		<b>\$788,085</b>	<b>\$446,800</b>	<b>\$1,234,885</b>
<b>#435 - Sewer Utility Projects</b>				
East Side River Crossing	435/402	\$700,000	\$0	\$700,000
Upgrade Finance Software	435	\$15,240	\$0	\$15,240
WWTP Flow Meter	435/402	\$75,000	\$0	\$75,000
Pump Replacements	435/402	\$0	\$30,000	\$30,000
Variable Drives	435/402	\$0	\$150,000	\$150,000
Other Miscellaneous	435/402	\$0	\$14,630	\$14,630
Pump Motor Replacements	435/402	\$0	\$18,150	\$18,150
Portable Pump with Generator	435/402	\$0	\$60,000	\$60,000
Subtotal, Sewer Utility Projects		<b>\$790,240</b>	<b>\$272,780</b>	<b>\$1,063,020</b>
<b>TOTAL CAPITAL PROJECTS</b>		<b>\$1,713,930</b>	<b>\$774,580</b>	<b>\$2,488,510</b>

**CITY OF HOQUIAM**  
**2007-2008 Capital Appropriations**  
**Total Budget \$2,488,510**



**CITY OF HOQUIAM**  
2007-2008 CAPITAL BUDGET  
Project Budget Narrative

Department:	General Government	Department Director:	Shay
Project Name:	Capital Projects	Fund Number:	001

**Project Descriptions and Objectives:**

This project group provides funding for the following General Government items listed.

**Upgrade Finance Software (\$9,500):**

The City's current financial software version is no longer being supported and is due for an upgrade. The financial software includes the systems that provide payroll, payables and reporting capabilities. Additionally, the City's Utility Billing software is a DOS version and has identified security issues.

**City Hall improvements (\$25,000 in 2007 and \$25,000 in 2008):**

Various City Hall offices are in need of new paint and carpet. Additionally, the need for increased security will be a priority for the 2007-2008 biennium.

**Network Fire and Police (\$4,000):**

The Fire and Police Departments are not currently on the city's network making file sharing as well as viewing other reports difficult. By being networked, they will have real time access to financial reports and other information.

**Current Status:**

Thess projects are new for 2007-2008.

**Impact on Annual Operating Budget:**

Under normal operating conditions, these project will not have a significant impact on operating costs. However, other operating costs may be reduced as finance and public safety staff will be able to use their time more efficiently.

**CITY OF HOQUIAM**  
**2007-2008 CAPITAL BUDGET**  
Project Budget Narrative

Department:	Mausoleum	Department Director:	Bowers-Anderson
Project Name:	Capital Projects	Fund Number:	102

**Project Descriptions and Objectives:**

This project group provides funding for the Mausoleum.

**Hanicap Ramp and Railing (\$3,000):**

Currently it is difficult for handicapped and limited mobility individuals to access the Mausoleum and associated open areas. This improvement will ensure that all areas of the Mausoleum are available and open to the public

**Replace Water System (\$10,000):**

The current water system at the Cemetery and Mausoleum is aged, undersized and there are leaks in certain areas. Some sections have been patched, but the entire system is in need of replacement.

**Current Status:**

These projects are new for 2007-2008.

**Impact on Annual Operating Budget:**

Under normal operating conditions, these project will not have a significant impact on operating costs.

**CITY OF HOQUIAM**  
2007-2008 CAPITAL BUDGET  
Project Budget Narrative

Department:	Ambulance	Department Director:	Pumphrey
Project Name:	Capital Projects	Fund Number:	109

**Project Descriptions and Objectives:**

This project group provides funding for the following Emergency Care items listed.

**Lifepak Monitor Equipment (\$27,400):**

Currently, there is only one Lifepak Monitor used in the Fire Department and it goes with the first out vehicle. This would provide an additional monitor in the event that the first vehicle is out but a monitor is needed on the second out. This new model also provides the ability to send a digital picture of the heart to a waiting doctor prior to arrival ensuring proper care and medications can be started quickly.

**Upgrade Finance Software (\$6,705):**

The Ambulance share of the Finance Software upgrade for Ambulance billing and reporting purposes.

**Current Status:**

These projects are new for 2007-2008.

**Impact on Annual Operating Budget:**

Under normal operating conditions, these projects will not have a significant impact on operating costs.

**CITY OF HOQUIAM**  
2007-2008 CAPITAL BUDGET  
Project Budget Narrative

Department:	Sidewalk Construction	Department Director:	Shay
Project Name:	Capital Projects	Fund Number:	302

**Project Descriptions and Objectives:**

This project group provides funding for Sidewalk Construction.

**Construction Projects (\$50,000 in 2007 and \$30,000 in 2008):**

Staff will identify priority needs for the 2007-2008 biennium and begin replacing sidewalks on City Properties.

**Current Status:**

These projects are new for 2007-2008.

**Impact on Annual Operating Budget:**

Under normal operating conditions, these projects will not have a significant impact on operating costs.

**CITY OF HOQUIAM**  
2007-2008 CAPITAL BUDGET  
Project Budget Narrative

Department:	Water Department	Department Director:	Telecky
Project Name:	Capital Projects	Fund Number:	401/402

**Project Descriptions and Objectives:**

This project group provides funding for the following Water Department items listed.

**East Side River Crossing (\$690,000 in 2007):**

The water line across the Hoquiam River is in need of repair and will be completed jointly with the Sewer Line crossing.

**Upgrade Finance Software (\$19,285 in 2007):**

Water's share of utility billing and reporting upgrade.

**Drill Test Well Near WTP (\$75,000 in 2007):**

The City is searching for other sources in lieu of the high maintenance that will be needed for the current surface water system.

**Dam Consent Decree (\$400,000 in 2008):**

Staff will need to put in a fish ladder as part of a consent decree.

**Update WTP SCADA System (\$14,800 in 2008):**

Will provide for increased automation of the City's Treatment Plant.

**Replace Metering Pumps (\$9,600 in 2008):**

Will ensure a constant supply of chemicals to the City's water system.

**Replace Chart Recorders (\$15,000 in 2008):**

The paper charts will be replaced by a digital record of treatment plants levels and flows.

**Current Status:**

This project is new for 2007-2008.

**Impact on Annual Operating Budget:**

These projects are not anticipated to impact operational costs with the exception of the consent decree. The installation of a fish ladder will cause increased maintenance, however any additional expenses will be absorbed.

**CITY OF HOQUIAM**  
2007-2008 CAPITAL BUDGET  
Project Budget Narrative

Department:	Sewer Department	Department Director:	Watters
Project Name:	Capital Projects	Fund Number:	401/402

**Project Descriptions and Objectives:**

This project group provides funding for the following Sewer Department items listed.

**East Side River Crossing (\$700,000 in 2007):**

The sewer line across the Hoquiam River is in need of repair and will be completed jointly with the water Line crossing.

**Upgrade Finance Software (\$19,285 in 2007):**

Sewer's share of utility billing and reporting upgrade.

**Waste Water Treatment Plant Flow Meter (\$75,000 in 2007):**

The installation of flow meter is required as per the MPDES permit.

**Pump and Motor Replacement (\$48,150 in 2008):**

Replace worn out sanitary pumps and motors.

**Variable Drives (\$150,000 in 2008):**

Replace old drive at 28th & Bay with energy efficient model.

**Portable Pump with Generator (\$60,000 in 2008):**

A portable Pump will assist with operational procedures for replacing inline equipment as well as diverting storm water away from sewer lines during emergencies.

**Current Status:**

These projects are all new for 2007-2008.

**Impact on Annual Operating Budget:**

Under normal operating conditions, these projects will not have a significant impact on operating costs. Additionally, the variable drive replacements should result in decreased electrical costs.

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## VIII. DEBT SERVICE BUDGET

The following pages provide a comprehensive overview of the City's debt service budget.

Hoquiam's debt service appropriations can be divided into four categories:

- Limited general obligation debt, approved without a vote of the people,
- Unlimited general obligation debt, approved with a vote of the people,
- Revenue supported debt, usually debt issued without a vote of the people, and supported by the revenue stream generated by the utility, and
- Assessment debt, including local improvement district (LID) debt, which constitutes a special limited obligation of the City of Hoquiam.

The following debt summary page summarizes all debt service appropriations for 2007 and 2008, and indicates ending balances for each debt issue and type. In all, debt service appropriations total \$504,236 for the 2007-2008 biennium. Remaining indebtedness at the end of 2008 totals \$477,324.

The subsequent graphs illustrate the makeup of the City's indebtedness and compares total general obligation indebtedness to statutory limits.

The second graph entitled "2008 Remaining Debt by Type" illustrates the large percentage of the City's debt that takes the form limited tax general obligation debt at 87% of the total debt. Revenue debt constitutes the remaining debt and is due in large part to the 1988 CERB loan that financed the 5<sup>th</sup> Street Extension sewer project.

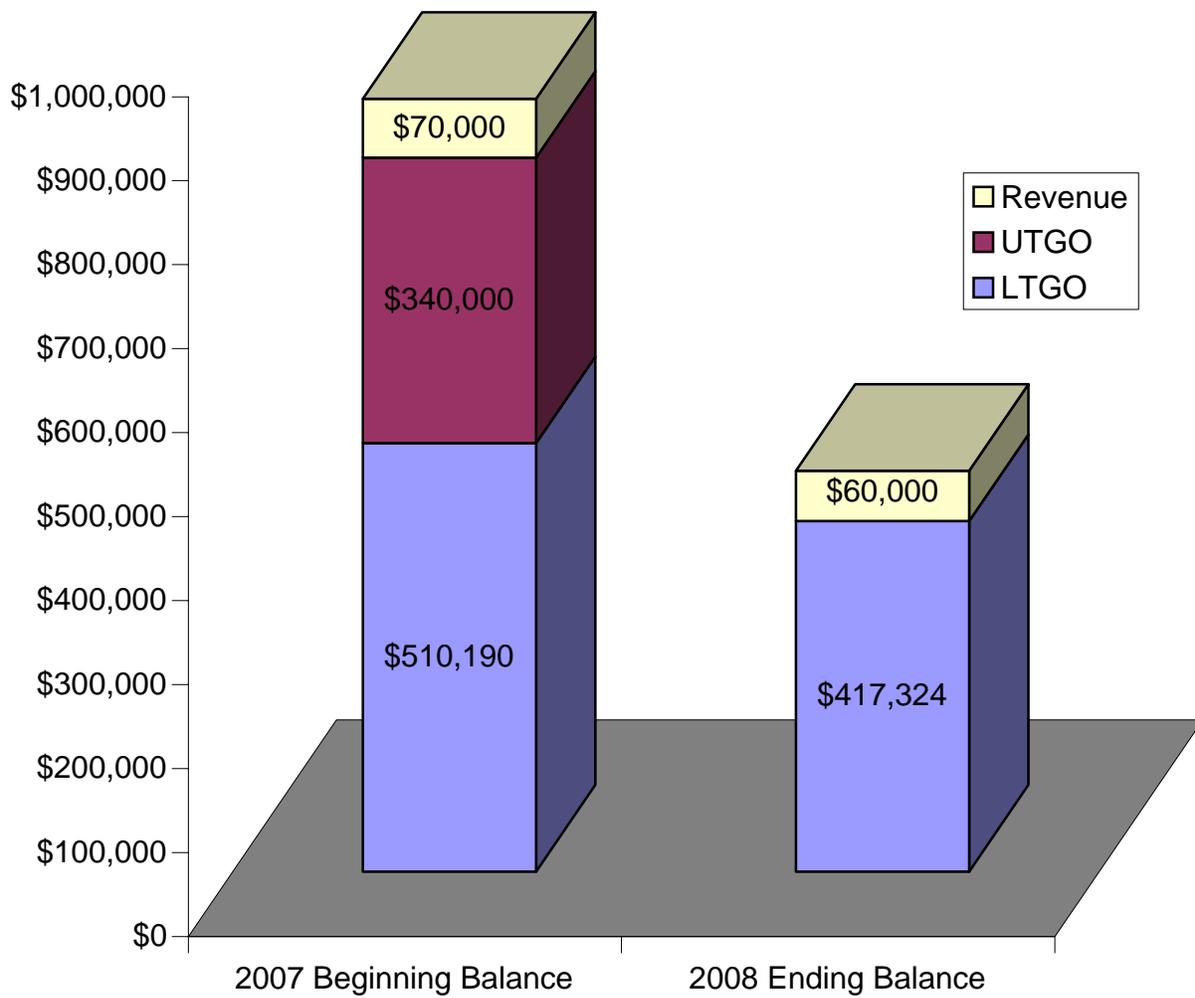
The third graph compares actual general obligation indebtedness, both non-voted or "councilmatic" debt and total indebtedness, to the statutory limits on indebtedness of 1.5% for councilmatic and 2.5% for all general obligation debt respectively. The chart illustrates that the City is well within its statutory limits in both cases.

Following these graphs, the remaining pages provide detailed descriptions of each debt service fund of the city, with project and activity explanations and descriptions, comprehensive debt service schedules and appropriation histories, and projected budgets through 2008 at current indebtedness levels.

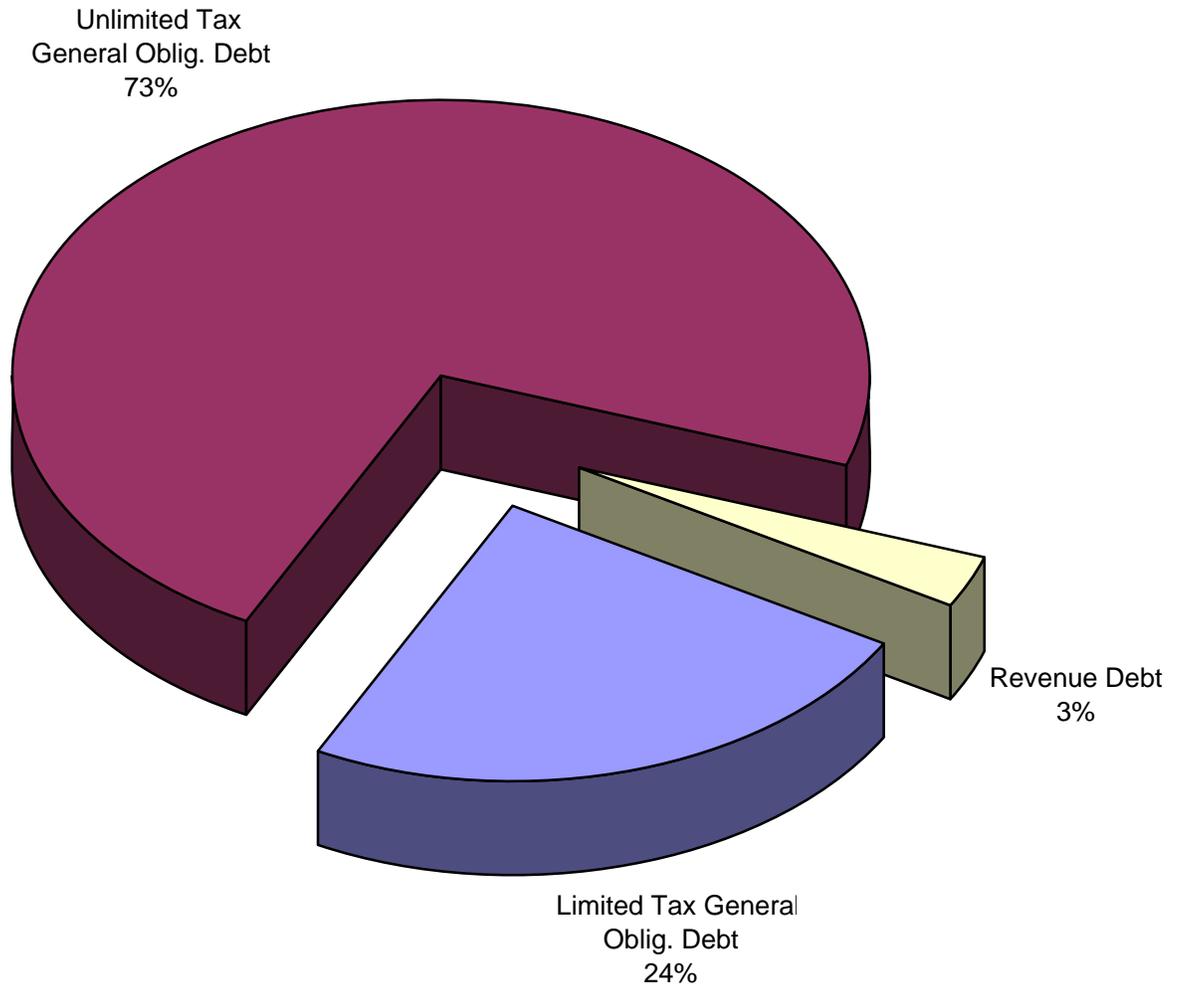
**CITY OF HOQUIAM**  
**2007-2008 Adopted Budget**  
**Debt Service Summary**

<b>ISSUE</b>	<b>2007 Beginning Balance</b>	<b>2007-2008 Principal</b>	<b>2007-2008 Interest</b>	<b>2008 Ending Balance</b>	<b>Final Maturity</b>	<b>Description</b>
<u>Limited Tax General Oblig. Debt</u>						
1994 PWTF Loan	\$264,190	\$66,047	\$4,954	\$198,142	2014	Aberdeen Ave. Improvements
2006 Refunding Bonds	<u>\$246,000</u>	<u>\$26,819</u>	<u>\$24,144</u>	<u>\$219,181</u>	<u>2019</u>	<u>City Hall Improvements</u>
Subtotal, Limited Tax G. O.:	\$510,190	\$92,866	\$29,098	\$417,324		
<u>Unlimited Tax General Oblig. Debt</u>						
1995 Refunding Bonds	\$340,000	\$340,000	\$26,873	\$0	2008	Refund three other bond issues
2001 Fire Truck Bond	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>2006</u>	<u>New Fire Truck Purchase</u>
Subtotal, Unlimited Tax G. O.:	\$340,000	\$340,000	\$26,873	\$0		
<b>Subtotal, General Obligation Debt:</b>	<b>\$850,190</b>	<b>\$432,866</b>	<b>\$55,970</b>	<b>\$417,324</b>		
<u>Revenue Debt</u>						
1986 PWTF Loan - Water	\$0	\$0	\$0	\$0	2006	Water Treatment Plant
1988 CERB Loan - Sewer	<u>\$70,000</u>	<u>\$10,000</u>	<u>\$5,400</u>	<u>\$60,000</u>	<u>2020</u>	<u>5th Street Sewer Extension</u>
<b>Subtotal, Revenue Debt:</b>	<b>\$70,000</b>	<b>\$10,000</b>	<b>\$5,400</b>	<b>\$60,000</b>		
<u>Assessment Debt</u>						
N/A	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>		
<b>Subtotal, Assessment Debt:</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>		
<b>Total Debt, all Sources and Uses:</b>	<b>\$920,190</b>	<b>\$442,866</b>	<b>\$61,370</b>	<b>\$477,324</b>		

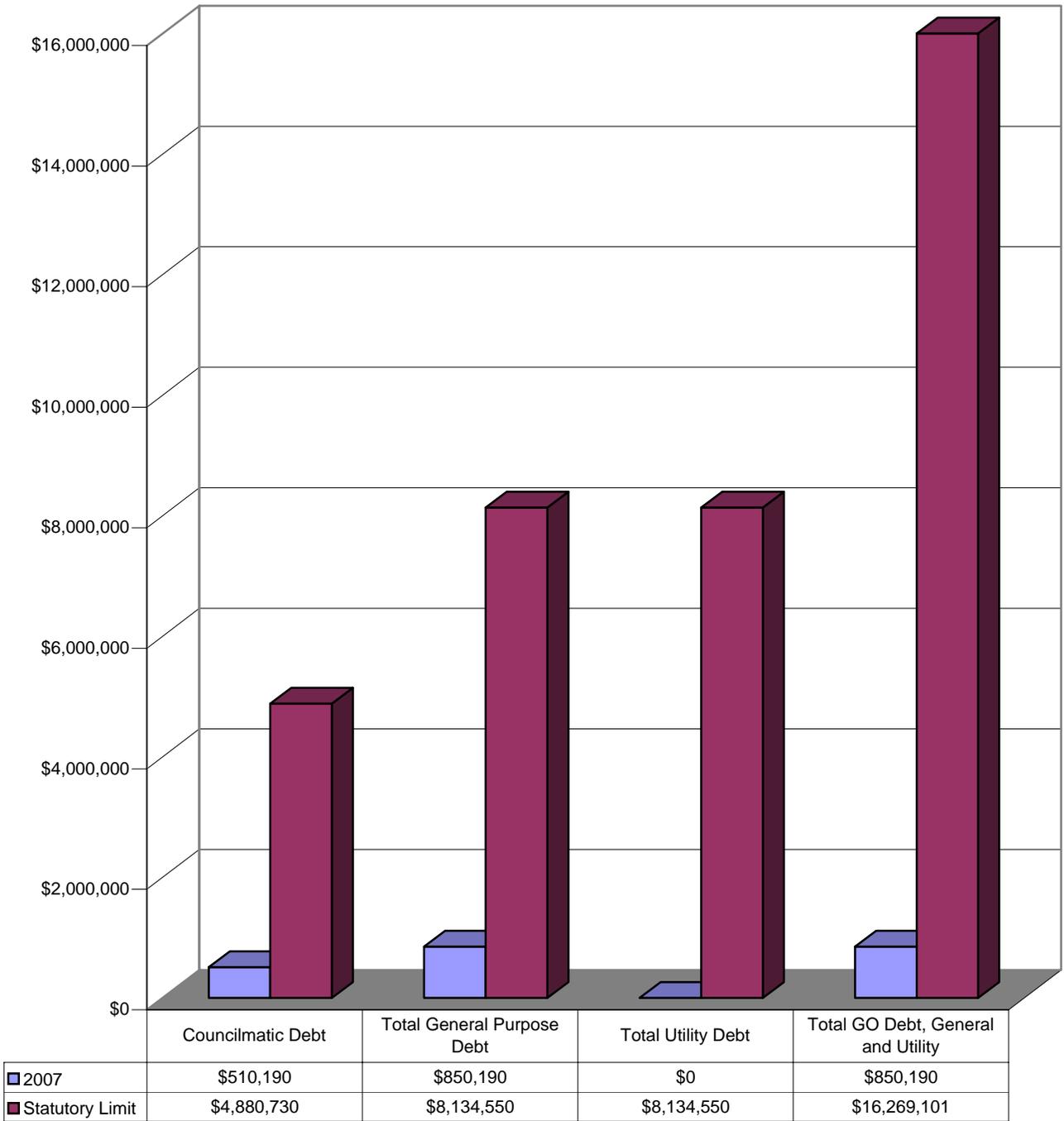
**CITY OF HOQUIAM**  
**2008 Remaining Debt by Type**  
**\$477,324**



**CITY OF HOQUIAM**  
**2007-2008 Debt Service Appropriations**  
**Summarized by Debt Type**  
**\$504,236**



**City of Hoquiam  
2007 Debt Limit Test  
Total G.O. Debt v. Statutory Limits**



**CITY OF HOQUIAM  
2007-2008 Budget  
DEBT SERVICE FUNDS**

**FUND NUMBER: 107**  
**DESCRIPTION: Limited Tax General Obligation - Arterial Street Fund**

**Program Description:**

This program provides for the repayment of a \$627,450 Public Works Trust Fund loan that financed a widening of Aberdeen Avenue and Pacific Avenue in 1994.

This loan constitutes a limited general obligation of the City, and is backed by the full faith and credit of the City of Hoquiam. Payments are made in June of each year and paid from a portion of the state-collected gasoline tax that is distributed to each the cities of Washington.

This loan is for twenty years at a 1% interest rate. Debt repayment continues through 2014.

	2001 <u>Actual</u>	2002 <u>Actual</u>	2003 <u>Actual</u>	2004 <u>Actual</u>	2005 <u>Actual</u>	2006 <u>Budgeted</u>	2007 <u>Budget</u>	2008 <u>Budget</u>	2009 <u>Projected</u>
<b><u>REVENUES:</u></b>									
Beginning Balance:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Gas Taxes	\$37,647	\$37,317	\$36,987	\$36,656	\$36,326	\$35,996	\$35,666	\$35,335	\$35,005
<b><u>EXPENDITURES:</u></b>									
Principal	\$33,024	\$33,024	\$33,024	\$33,024	\$33,024	\$33,024	\$33,024	\$33,024	\$33,024
Interest	<u>\$4,623</u>	<u>\$4,293</u>	<u>\$3,963</u>	<u>\$3,633</u>	<u>\$3,302</u>	<u>\$2,972</u>	<u>\$2,642</u>	<u>\$2,312</u>	<u>\$1,981</u>
Total Expenditures	\$37,647	\$37,317	\$36,987	\$36,656	\$36,326	\$35,996	\$35,666	\$35,335	\$35,005
ENDING BALANCE:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Remaining Debt Service Schedule

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Remaining Balance</u>
Previous Years:	\$363,260	\$65,684	\$428,944	\$264,190
2007	\$33,024	\$2,642	\$35,666	\$231,166
2008	\$33,024	\$2,312	\$35,335	\$198,142
2009	\$33,024	\$1,981	\$35,005	\$165,118
2010	\$33,024	\$1,651	\$34,675	\$132,095
2011	\$33,024	\$1,321	\$34,345	\$99,071
2012	\$33,024	\$991	\$34,014	\$66,047
2013	\$33,024	\$660	\$33,684	\$33,024
2014	<u>\$33,024</u>	<u>\$330</u>	<u>\$33,354</u>	<u>\$0</u>
Total	\$627,450	\$68,325.82	\$705,022	

**CITY OF HOQUIAM  
2007-2008 Budget  
DEBT SERVICE FUNDS**

**FUND NUMBER: 205**  
**DESCRIPTION: 1995 Refunding Bond Fund**

**Program Description:**

This fund provides for the payment of debt service on the 1995 voter approved general obligation bonds. Bonds were sold totaling \$2.185 million.

Proceeds from this issue were used to refund the callable portion of three other bond issues totalling approximately \$2,020,000 in total principal. The savings to the City amounted to \$154,00 over the life of the bonds or \$124,000 present value.

**Ongoing Objectives/Major Issues:**

The 1995 Bonds, issued in October of 1995 in the amount of \$2.185 million were insured by AMBAC Insurance Corporation and carry a Moody's Aaa rating.

Principal and interest repayment on the UTGO bonds began at the end of 1996. This bond issue, approved per Ordinance 95-19 of the City of Hoquiam, is paid from property taxes collected every April and October.

	2001 <u>Actual</u>	2002 <u>Actual</u>	2003 <u>Actual</u>	2004 <u>Actual</u>	2005 <u>Actual</u>	2006 <u>Budgeted</u>	2007 <u>Budget</u>	2008 <u>Budget</u>	2009 <u>Projected</u>
<b>REVENUES:</b>									
Beginning Balance:	\$0	\$2,900	\$2,142	\$860	\$866	\$866	\$866	\$1	\$1
Property Taxes (voted)	\$185,680	\$181,800	\$185,340	\$185,008	\$183,115	\$185,765	\$181,820	\$184,188	\$0
Investment Interest	\$2,897	\$1,245	\$31	\$0	\$0	\$0	\$0	\$0	\$0
Total Revenues:	\$188,577	\$183,045	\$185,371	\$185,008	\$183,115	\$185,765	\$181,820	\$184,188	\$0
Total Resources:	\$188,577	\$185,944	\$187,513	\$185,868	\$183,981	\$186,631	\$182,686	\$184,189	\$1
<b>EXPENDITURES:</b>									
Principal	\$125,000	\$130,000	\$140,000	\$145,000	\$150,000	\$160,000	\$165,000	\$175,000	\$0
Interest	\$60,678	\$53,803	\$46,653	\$40,003	\$33,115	\$25,765	\$17,685	\$9,188	\$0
Debt Service Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenditures:	\$185,678	\$183,803	\$186,653	\$185,003	\$183,115	\$185,765	\$182,685	\$184,188	\$0
ENDING BALANCE:	\$2,900	\$2,142	\$860	\$866	\$866	\$866	\$1	\$1	\$1

Remaining Debt Service Schedule

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Remaining Balance</u>
Previous Years:	\$1,845,000	\$712,956	\$2,557,956	\$340,000
2007	\$165,000	\$17,685	\$182,685	\$175,000
2008	\$175,000	\$9,188	\$184,188	\$0
Total:	\$2,185,000	\$739,828	\$2,924,828	

**CITY OF HOQUIAM  
2007-2008 Budget  
DEBT SERVICE FUNDS**

**FUND NUMBER: 209**  
**DESCRIPTION: 2001 Fire Truck Bond Fund**

**Program Description:**

The 2001 Fire Truck Bond Fund provides principal and interest payments for the \$400,000 2001 Unlimited Tax General Obligation Fire Truck and Equipment Bonds. These bonds, which were used to purchase a new fire truck and associated equipment, with a popular vote of the people and mature semi annually through 2006. The bonds were approved per Ordinance 01-13.

**Ongoing Objectives/Major Issues:**

Debt service repayment for both issues has, since 2002, has been made through a property tax levy. These bonds will be paid in full on December 1, 2006.

	2001 <u>Actual</u>	2002 <u>Actual</u>	2003 <u>Actual</u>	2004 <u>Actual</u>	2005 <u>Actual</u>	2006 <u>Budgeted</u>	2007 <u>Budget</u>	2008 <u>Budget</u>	2009 <u>Projected</u>
<b><u>REVENUES:</u></b>									
Beginning Balance:	\$0	\$0	\$458	\$698	\$700	\$702	\$704	\$704	\$704
Property Taxes (voted)	\$0	\$90,435	\$90,435	\$90,435	\$90,435	\$90,435	\$0	\$0	\$0
<u>Investment Interest</u>	<u>\$0</u>	<u>\$647</u>	<u>\$8</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Revenues:	\$0	\$91,082	\$90,443	\$90,435	\$90,435	\$90,435	\$0	\$0	\$0
Total Resources:	\$0	\$91,082	\$90,901	\$91,133	\$91,135	\$91,137	\$704	\$704	\$704
<b><u>EXPENDITURES:</u></b>									
Principal	\$0	\$74,045	\$76,417	\$79,703	\$83,130	\$86,705	\$0	\$0	\$0
<u>Interest</u>	<u>\$0</u>	<u>\$16,579</u>	<u>\$13,786</u>	<u>\$10,730</u>	<u>\$7,303</u>	<u>\$3,728</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Expenditures	\$0	\$90,624	\$90,203	\$90,433	\$90,433	\$90,433	\$0	\$0	\$0
ENDING BALANCE:	\$0	\$458	\$698	\$700	\$702	\$704	\$704	\$704	\$704

**Remaining Debt Service Schedule**

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Balance</u>
Previous Years:	<u>\$400,000</u>	<u>\$52,126</u>	<u>\$452,126</u>	<u>\$0</u>
Total:	\$400,000	\$52,126	\$452,126	

**CITY OF HOQUIAM  
2007-2008 Budget  
DEBT SERVICE FUNDS**

**FUND NUMBER:** 213  
**DESCRIPTION:** 1989 Limited General Obligation Bond Fund

**Program Description:**

Fund 213 provides for principal and interest payments on the \$400,000 1989 limited tax general obligation (LTGO) bonds. This issue financed a renovation of City Hall. Issuance terms include a 30 year level debt service maturity for the bonds. This bond issue, approved per Ordinance 89-7, carries interest at 6% over the life of the bonds and constitutes a full faith and credit indenture of the City.

**Ongoing Objectives/Major Issues:**

This bond was refunded with a bank loan in April of 2006. The new bank loan has an interest rate of 4.5% and continues for the rest of the life of the bond, which matures in 2020. The new bank loan constitutes a full faith and credit indenture of the City and payments are through an allocation of the City's general property tax levy each year.

	2001	2002	2003	2004	2005	2006	2007	2008	2009
<u>REVENUES:</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budgeted</u>	<u>Budget</u>	<u>Budget</u>	<u>Projected</u>
Beginning Balance:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4	\$7
Property Taxes (non-voted)	\$28,912	\$28,912	\$28,912	\$28,912	\$28,912	\$28,912	\$25,485	\$25,485	\$25,481
Total Revenues:	\$28,912	\$28,912	\$28,912	\$28,912	\$28,912	\$28,912	\$25,485	\$25,485	\$25,481
Total Resources:	\$28,912	\$28,912	\$28,912	\$28,912	\$28,912	\$28,912	\$25,485	\$25,489	\$25,489
<u>EXPENDITURES:</u>									
Principal	\$10,196	\$10,808	\$11,457	\$12,144	\$12,873	\$13,645	\$11,712	\$15,106	\$15,794
Interest	\$18,716	\$18,104	\$17,455	\$16,768	\$16,039	\$15,267	\$13,769	\$10,375	\$9,687
Total Expenditures	\$28,912	\$28,912	\$28,912	\$28,912	\$28,912	\$28,912	\$25,481	\$25,481	\$25,481
ENDING BALANCE:	\$0	\$0	\$0	\$0	\$0	\$0	\$4	\$7	\$7

Remaining Debt Schedule

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Balance</u>
Previous:	\$0	\$0	\$0	\$246,000
2007	\$11,712	\$13,769	\$25,481	\$234,288
2008	\$15,106	\$10,375	\$25,481	\$219,181
2009	\$15,794	\$9,687	\$25,481	\$203,388
2010	\$16,513	\$8,969	\$25,481	\$186,875
2011	\$17,264	\$8,307	\$25,571	\$169,611
2012	\$18,050	\$7,432	\$25,481	\$151,562
2013	\$18,871	\$6,610	\$25,481	\$132,691
2014	\$19,730	\$5,752	\$25,481	\$112,961
2015	\$20,627	\$4,854	\$25,481	\$92,334
2016	\$21,566	\$3,915	\$25,481	\$70,767
2017	\$22,548	\$2,934	\$25,481	\$48,220
2018	\$23,574	\$1,908	\$25,481	\$24,646
2019	\$24,646	\$835	\$25,481	\$0
Total:	\$246,000	\$75,755	\$229,421	

**CITY OF HOQUIAM  
2007-2008 Budget  
DEBT SERVICE FUNDS**

**FUND NUMBER:** 401-25  
**DESCRIPTION:** Water Utility Debt Service

**Program Description:**

This program provides for the repayment of a \$1,000,000 1986 Public Works Trust Fund loan that financed a new water treatment plant.

This loan constitutes a limited revenue obligation of the City, and is financed solely from water utility revenues.

Debt repayment ended in 2006 when this loan was paid in full.

	2001 <u>Actual</u>	2002 <u>Actual</u>	2003 <u>Actual</u>	2004 <u>Actual</u>	2005 <u>Actual</u>	2006 <u>Budgeted</u>	2007 <u>Budget</u>	2008 <u>Budget</u>	2009 <u>Projected</u>
<b><u>REVENUES:</u></b>									
Beginning Balance:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<u>Water Utility Revenue</u>	<u>\$62,105</u>	<u>\$60,526</u>	<u>\$58,947</u>	<u>\$57,368</u>	<u>\$55,789</u>	<u>\$54,211</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Revenues:	\$62,105	\$60,526	\$58,947	\$57,368	\$55,789	\$54,211	\$0	\$0	\$0
Total Resources:	\$62,105	\$60,526	\$58,947	\$57,368	\$55,789	\$54,211	\$0	\$0	\$0
<b><u>EXPENDITURES:</u></b>									
Principal	\$52,632	\$52,632	\$52,632	\$52,632	\$52,632	\$52,632	\$0	\$0	\$0
<u>Interest</u>	<u>\$9,474</u>	<u>\$7,895</u>	<u>\$6,316</u>	<u>\$4,737</u>	<u>\$3,158</u>	<u>\$1,579</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Expenditures	\$62,105	\$60,526	\$58,947	\$57,368	\$55,789	\$54,211	\$0	\$0	\$0
ENDING BALANCE:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Remaining Debt Service Schedule  
1988 Public Works Trust Fund Loan

Previous	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Balance</u>
<u>Years:</u>	<u>\$1,000,000</u>	<u>\$324,354</u>	<u>\$1,324,354</u>	\$0
Total:	\$1,000,000	\$324,354	\$1,324,354	

**CITY OF HOQUIAM  
2007-2008 Budget  
DEBT SERVICE FUNDS**

**FUND NUMBER: 401-26**  
**DESCRIPTION: Sewer Utility Debt Service**

**Program Description:**

This program provides for the repayment of a \$70,000 1998 Community Economic Revitalization Board loan that financed an extension of the sewer system along 5th Street.

This loan constitutes a limited revenue obligation of the City, and is financed solely from sewer utility revenues.

Debt repayment continues at 4% through 2020.

	2001 <u>Actual</u>	2002 <u>Actual</u>	2003 <u>Actual</u>	2004 <u>Actual</u>	2005 <u>Actual</u>	2006 <u>Budgeted</u>	2007 <u>Budget</u>	2008 <u>Budget</u>	2009 <u>Projected</u>
<b><u>REVENUES:</u></b>									
Beginning Balance:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<u>Sewer Utility Revenue</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$16,800</u>	<u>\$7,800</u>	<u>\$7,600</u>	<u>\$7,400</u>
Total Revenues:	\$0	\$0	\$0	\$0	\$0	\$16,800	\$7,800	\$7,600	\$7,400
Total Resources:	\$0	\$0	\$0	\$0	\$0	\$16,800	\$7,800	\$7,600	\$7,400
<b><u>EXPENDITURES:</u></b>									
Principal	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000	\$5,000	\$5,000
<u>Interest</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$16,800</u>	<u>\$2,800</u>	<u>\$2,600</u>	<u>\$2,400</u>
Total Expenditures	\$0	\$0	\$0	\$0	\$0	\$16,800	\$7,800	\$7,600	\$7,400
ENDING BALANCE:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Remaining Debt Service Schedule  
1998 Public Works Trust Fund Loan

Previous	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Balance</u>
Years:	\$0	\$16,800	\$16,800	\$70,000
2007	\$5,000	\$2,800	\$7,800	\$65,000
2008	\$5,000	\$2,600	\$7,600	\$60,000
2009	\$5,000	\$2,400	\$7,400	\$55,000
2010	\$5,000	\$2,200	\$7,200	\$50,000
2011	\$5,000	\$2,000	\$7,000	\$45,000
2012	\$5,000	\$1,800	\$6,800	\$40,000
2013	\$5,000	\$1,600	\$6,600	\$35,000
2014	\$5,000	\$1,400	\$6,400	\$30,000
2015	\$5,000	\$1,200	\$6,200	\$25,000
2016	\$5,000	\$1,000	\$6,000	\$20,000
2017	\$5,000	\$800	\$5,800	\$15,000
2018	\$5,000	\$600	\$5,600	\$10,000
2019	\$5,000	\$400	\$5,400	\$5,000
<u>2020</u>	<u>\$5,000</u>	<u>\$200</u>	<u>\$5,200</u>	\$0
Total:	\$70,000	\$37,800	\$107,800	

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## **IX. APPENDICES**

The following appendices are included in the 2007-2008 adopted budget document.

- A. A summary of adopted utility rates and charges
- B. A glossary of terms
- C. Hoquiam at a Glance
- D. Hoquiam Demographics
- E. Preliminary Budget Requests

## **A. Adopted Utility Rates**

Appendix A

**City of Hoquiam**  
2007-2008 Adopted Utility Rates

Water Classification Meter Size	2007* Single Family					2007* Non-Single Family				
	Base Charge	Commodity Charge (\$/Cu. Ft.)			Monthly Cost	Base Charge	Commodity Charge (\$/Cu. Ft.)			Monthly Cost
		0 to 1200	1200 to 2600	Over 2600	500 Cu. Ft		0 to 700	Over 700		1,000 Cu. Ft
5/8"	\$8.06	\$0.01300	\$0.02600	\$0.04120	\$14.56	\$11.36	\$0.01770	\$0.01770	\$0.01770	\$29.06
3/4"	\$11.30	\$0.01350	\$0.02700	\$0.04280	\$18.05	\$16.24	\$0.01770	\$0.01770	\$0.01770	\$33.94
1"	\$17.78	\$0.01350	\$0.02700	\$0.04280	\$24.53	\$26.02	\$0.01770	\$0.01770	\$0.01770	\$43.72
1 1/2"	\$33.98	\$0.01350	\$0.02700	\$0.04280	\$40.73	\$50.46	\$0.01770	\$0.01770	\$0.01770	\$68.16
2"	\$53.41	\$0.01350	\$0.02700	\$0.04280	\$60.16	\$79.79	\$0.01770	\$0.01770	\$0.01770	\$97.49
3"	\$105.25	\$0.01350	\$0.02700	\$0.04280	\$112.00	\$158.00	\$0.01770	\$0.01770	\$0.01770	\$175.70
4"	\$163.56	\$0.01350	\$0.02700	\$0.04280	\$170.31	\$245.98	\$0.01770	\$0.01770	\$0.01770	\$263.68
6"	\$325.54	\$0.01350	\$0.02700	\$0.04280	\$332.29	\$490.38	\$0.01770	\$0.01770	\$0.01770	\$508.08
8"	\$519.92	\$0.01350	\$0.02700	\$0.04280	\$526.67	\$783.66	\$0.01770	\$0.01770	\$0.01770	\$801.36
10"	\$811.48	\$0.01350	\$0.02700	\$0.04280	\$818.23	\$1,223.58	\$0.01770	\$0.01770	\$0.01770	\$1,241.28
<b>Sewer</b>										
Classification	Base Charge	Commodity Charge (\$/Cu. Ft.)			Monthly Cost	Base Charge	Commodity Charge (\$/Cu. Ft.)			Monthly Cost
Residential	\$22.72	N/A	N/A	N/A	\$22.72					
NSF-Low						\$22.30	N/A	\$0.03190		\$31.87
NSF-High						\$29.84	N/A	\$0.04260		\$42.62
Industrial						\$32.49	N/A	\$0.04640		\$46.41
<b>Storm</b>										
Classification	Commodity Charge (\$/ESU)				Monthly Cost	Commodity Charge (\$/ESU)				Monthly Cost
All properties	\$3.19				One (1) ESU \$3.02	\$3.19				One (1) ESU \$3.02

\* 2007 Rates effective until October 1, 2007, then 2008 rates go into effect

Water Classification Meter Size	2008** Single Family					2008** Non-Single Family				
	Base Charge	Commodity Charge (\$/Cu. Ft.)			Monthly Cost	Base Charge	Commodity Charge (\$/Cu. Ft.)			Monthly Cost
		0 to 1200	1200 to 2600	Over 2600	500 Cu. Ft		0 to 700	Over 700		1,000 Cu. Ft
5/8"	\$8.06	\$0.01350	\$0.02700	\$0.04280	\$14.81	\$11.36	\$0.01840	\$0.01840	\$0.01840	\$29.76
3/4"	\$11.30	\$0.01350	\$0.02700	\$0.04280	\$18.05	\$16.24	\$0.01840	\$0.01840	\$0.01840	\$34.64
1"	\$17.78	\$0.01350	\$0.02700	\$0.04280	\$24.53	\$26.02	\$0.01840	\$0.01840	\$0.01840	\$44.42
1 1/2"	\$33.98	\$0.01350	\$0.02700	\$0.04280	\$40.73	\$50.46	\$0.01840	\$0.01840	\$0.01840	\$68.86
2"	\$53.41	\$0.01350	\$0.02700	\$0.04280	\$60.16	\$79.79	\$0.01840	\$0.01840	\$0.01840	\$98.19
3"	\$105.25	\$0.01350	\$0.02700	\$0.04280	\$112.00	\$158.00	\$0.01840	\$0.01840	\$0.01840	\$176.40
4"	\$163.56	\$0.01350	\$0.02700	\$0.04280	\$170.31	\$245.98	\$0.01840	\$0.01840	\$0.01840	\$264.38
6"	\$325.54	\$0.01350	\$0.02700	\$0.04280	\$332.29	\$490.38	\$0.01840	\$0.01840	\$0.01840	\$508.78
8"	\$519.92	\$0.01350	\$0.02700	\$0.04280	\$526.67	\$783.66	\$0.01840	\$0.01840	\$0.01840	\$802.06
10"	\$811.48	\$0.01350	\$0.02700	\$0.04280	\$818.23	\$1,223.58	\$0.01840	\$0.01840	\$0.01840	\$1,241.98
<b>Sewer</b>										
Classification	Base Charge	Commodity Charge (\$/Cu. Ft.)			Monthly Cost	Base Charge	Commodity Charge (\$/Cu. Ft.)			Monthly Cost
Residential	\$23.97	N/A	N/A	N/A	\$23.97					
NSF-Low						\$22.30	N/A	\$0.03360		\$32.38
NSF-High						\$29.84	N/A	\$0.04500		\$43.34
Industrial						\$32.49	N/A	\$0.04900		\$47.19
<b>Storm</b>										
Classification	Commodity Charge (\$/ESU)				Monthly Cost	Commodity Charge (\$/ESU)				Monthly Cost
All properties	\$3.37				One (1) ESU \$3.37	\$3.37				One (1) ESU \$3.37

\*\* 2008 Rates effective until October 1, 2008

## **B. Glossary of Terms**

**APPENDIX B**  
**2007-2008 Operating and Capital Budget**  
**Glossary of Terms**

**ACCOUNT GROUPS:** Accounting entities used to establish control over accountability for the government's general fixed assets and the unmatured principal of its general long-term debt, including special assessment debt for which the government is obligated in some manner. The most common groups are called, General Long Term Debt Accounting Group (GLTDAG) and, General Fixed Assets Account Group (GFAAF).

**ACCOUNTING SYSTEM:** The total set of records and procedures which are used to record, classify, and report information on the financial status and operations of an entity.

**ACCOUNTS PAYABLE:** A short-term liability account reflecting amounts owed to private persons or organizations for goods and services received by a government.

**ACCOUNTS RECEIVABLE:** An asset account reflecting amounts due from private persons or organizations for goods and services furnished by a government (but not including amounts due from other funds or other governments).

**ACCRUAL BASIS OF ACCOUNTING:** The method of accounting under which revenues are recorded when they are earned (whether or not cash is received at that time) and expenditures are recorded when goods and services are received (whether cash disbursements are made at that time or not).

**ACCUMULATED DEPRECIATION:** A contra-asset account used to report the accumulation of periodic credits to reflect the expiration of the estimated service life of fixed accounts.

**AD VALOREM TAX:** A tax levied on the assessed value of real property.

**AGENCY FUND:** A fund used to account for assets held by a government as an agent for individuals, private organizations, other governments and/or other funds.

**ALLOCATION:** To set aside or designate funds for specific purposes. An allocation does not authorize the expenditure of funds.

**AMORTIZATION:** (1) The portion of the cost of a limited life or intangible asset charged as an expense during a particular period. (2) The reduction of debt by regular payments of principal and interest sufficient to retire the debt by maturity.

**ANNUAL DEBT SERVICE:** The amount required to be paid in any calendar year for (1) interest on all parity bonds then outstanding; (2) principal of all Parity Bonds then outstanding, but excluding any outstanding term bonds, and (3) payments into any Sinking Fund Account for the amortization of outstanding parity bonds divided by the number of calendar years to the last maturity or mandatory redemption date thereof.

**ANNUAL FINANCIAL REPORT:** (AFR) The official annual report of a government. It includes (a) the five combined financial statements in the combined statements - overview and their related notes and (b) combined statements by fund type and individual fund and account group financial statements prepared in conformity with GAAP and organized into a financial reporting pyramid. It also includes supporting

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schedules necessary to demonstrate compliance with finance-regulated legal and contractual provisions, required supplementary information, extensive introductory material and a detailed statistical section.

**APPROPRIATION:** An authorization made by the City Council which permits officials to incur obligations against and to make expenditures of governmental resources. Appropriations are usually made for fixed amounts and are typically granted for a one year period.

**APPROPRIATIONS ORDINANCE:** The official enactment by the City Council establishing the legal authority for City officials to obligate and expend resources.

**ASSESSED VALUATION:** The estimated value placed upon real and personal property by the Snohomish County Assessor as the basis for levying property taxes.

**ASSETS:** Property owned by a government which has monetary value.

**AUDIT:** A systematic examination of resource utilization concluding in a written report. It is a test of management's internal accounting controls and is intended to:

- ◆ Ascertain whether financial statements fairly present financial position and results of operations;
- ◆ Test whether transactions have been legally performed;
- ◆ Identify areas for possible improvements in accounting practices and procedures;
- ◆ Ascertain whether transactions have been recorded accurately and consistently; and
- ◆ Ascertain the stewardship of officials responsible for governmental resources.

**AUDITOR'S REPORT:** In the context of a financial audit, a statement by the auditor describing the scope of the audit and the auditing standards applied in the examination, and setting forth the auditor's opinion on the fairness of presentation of the financial information in conformity with generally accepted accounting practices or some other comprehensive basis system of accounting.

**BALANCE SHEET:** A statement presenting the financial position of an entity by disclosing the value of its assets, liabilities, and equities as of a specified date.

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**BASE BUDGET**: Ongoing expense for personnel, contractual services, and the replacement of supplies and equipment required to maintain service levels previously authorized by the City Council.

**BASIC FINANCIAL STATEMENTS**: Those financial statements, including notes thereto, necessary for the fair presentation of the financial position and results of operations of an entity in conformity with GAAP. The basic financial statements include a balance sheet, an “all-inclusive” operating statement, a budget comparison statement (for all government funds for which annual appropriated budgets are adopted), and a statement of changes in financial position (for proprietary funds, pension trust funds and nonexpendable trust funds).

**BASIS OF ACCOUNTING**: A term used to refer to when revenues, expenditures, expenses and transfers - and the related assets and liabilities - are recognized in the accounts and reported in the financial statements. Specifically, it relates to the timing of the measurements made, regardless of the nature of the measurement, on either the cash or accrual method.

**BOND (Debt Instrument)**: A written promise to pay (debt) a specified sum of money (called principal or face value) at a specified future date (called the maturity date) along with periodic interest paid at a specified percentage of the principal (interest rate). Bonds are typically used for long-term debt to pay for specific capital expenditures.

**BOND ANTICIPATION NOTES**: (BANS) Short-term interest bearing notes issued in anticipation of bonds to be issued at a later date. The notes are retired from proceeds of the bond issue to which they are related.

**BOND REGISTRAR**: The fiscal agency of the State of Washington in either Seattle, Washington, or New York, New York, for the purposes of registering and authenticating the bonds, maintaining the bonds, maintaining the bond register, effecting transfer of ownership of the bonds and paying interest on and principal of (and any premium pursuant to call on) the bonds.

**BUDGET (Operating)**: A plan of financial operation embodying an estimate of proposed expenditures for a given period (typically a fiscal year) and the proposed means of financing them (revenue estimates). The term is also sometimes used to denote the officially approved expenditure ceilings under which the City and its departments operate.

**BUDGET CALENDAR**: The schedule of key dates or milestones which the City follows in the preparation and adoption of the budget.

**BUDGET DOCUMENT**: The official written statement prepared by the Finance Department and supporting staff for the mayor which presents the proposed budget to the City Council.

**CAPITAL BUDGET**: A plan of proposed capital expenditures and the means of financing them. The capital budget may be enacted as part of the complete annual budget

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including both operating and capital outlays. The capital budget is based on the Capital Facilities Plan (CFP).

**CAPITAL DEVELOPMENT FUND**: A fund specifically budgeted for the construction, alteration, or repair of any public building, or for the making of any public improvements (including acquisition of real property, services, construction costs) as well as providing a source for grants and interlocal agreements.

**CAPITAL FACILITIES PLAN**: A plan of proposed capital expenditures to be incurred each year over a period of six future years setting forth each capital project, identifying the expected beginning and ending date for each project, the amount to be expended in each year, and the method of financing those expenditures. Such a plan is required by GMA.

**CAPITAL PROGRAM**: A plan for capital expenditures to be incurred each year over a fixed period of years to meet capital needs arising from the long-term work program or otherwise. It sets forth each project or other contemplated expenditure in which the government is to have a part and specifies the full resources estimated to be available to finance the projected public facilities.

**CAPITAL OUTLAY**: Expenditures which result in the acquisition of or additions to fixed assets. Examples include land, buildings, machinery and equipment, and construction projects.

**CAPITAL PROJECTS**: Projects which purchase or construct capital assets. Typically, a capital project encompasses a purchase of land or construction of a building or facility, with a life expectancy of more than 10 years.

**CARRY-OVER**: Expenditures budgeted in one year but spent in the following year. See reappropriation.

**CASH BASIS**: The method of accounting under which revenues are recorded when received in cash and expenditures are recorded when paid.

**CASH FLOW BUDGET**: (CASH BUDGET) A projection of the cash receipts and disbursements anticipated during a given time period.

**CASH RESERVES**: The cash balance that is not appropriated for expenditures or that is segregated by policy for a specific future use.

**COMMUNITY ECONOMIC REVITALIZATION BOARD, (CERB)**: A state appointed board responsible for authorizing low interest economic revitalization loans to small communities that meet certain pre-defined qualification criteria.

**CENTENNIAL CLEAN WATER PROGRAM**: (CCWP) In 1986, legislation was passed which provides grants to public entities for financing water pollution control activities and facilities to protect surface and underground water from pollution. In addition, a state

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revolving loan program was established to provide loans or combinations of grants/loans to finance public facilities.

CERTIFICATE OF DEPOSIT: A negotiable or non-negotiable receipt for monies deposited in a bank or other financial institution for a specified period for a specified rate of interest.

COMMUNITY PARK: Those parks so designated in the City of Lynnwood Parks and Recreation Plan.

COMPREHENSIVE ANNUAL FINANCIAL REPORT: (CAFR) The official annual report of a government. It includes (a) the five combined financial statements in the combined statements - overview and their related notes and (b) combined statements by fund type and individual fund and account group financial statements prepared in conformity with GAAP and organized into a financial reporting pyramid. It also includes supporting schedules necessary to demonstrate compliance with finance-regulated legal and contractual provisions, required supplementary information, extensive introductory material and a detailed statistical section.

CONCURRENT OR CONCURRENCY: The improvements that are in place at the time the impacts of development occur, or that the necessary financial commitments are in place. Public facilities and services shall be adequate to serve the development at the time the development is available for occupancy and use without decreasing current service levels below locally established minimum standards.

CONTINGENCY: A budgetary reserve set-aside for emergencies or unforeseen expenditures not otherwise budgeted for.

COST ACCOUNTING: Accounting which assembles and records all costs incurred to carry out a particular activity or to deliver a particular service.

COUNCILMATIC or LIMITED TAX GENERAL OBLIGATION BONDS: "Councilmatic" bonds refer to general obligation bonds issued with the approval of the Council, as opposed to voted bonds which must be approved by vote of the public. Total outstanding "Councilmatic" general obligation debt may not exceed 1.5 percent of the City's assessed valuation for general government purposes. Combines "Councilmatic and voted general obligation debt for general government purposes may not exceed 2.5 percent of the City's assessed valuation at any given time.

DEBT: An obligation resulting from the borrowing of money or from the purchase of goods and services. Debts of governments include bonds and notes.

DEBT LIMITS: The maximum amount of gross or net debt which is legally permitted.

DEBT SERVICE: Payment of interest and repayment of principal to holders of the City's debt instruments.

DEBT SERVICE FUND: A fund established to account for the accumulation of resources for, and the payment of, long-term debt principal and interest.

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**DEFICIT:** (1) The excess of an entity's liabilities over its assets (See Fund Balances).  
(2) The excess of expenditures or expenses over revenues during a single accounting period.

**DELINQUENT TAXES:** Taxes remaining unpaid on and after the date to which a penalty for nonpayment is attached. Even though the penalty may be subsequently waived and a portion of the taxes may be abated or canceled, the unpaid balances continue to be delinquent taxes until abated, canceled, paid or converted into tax liens.

**DEMAND DEPOSIT:** A deposit of monies where the monies are payable by the bank upon demand.

**DEPRECIATION:** (1) Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence.  
(2) That portion of the cost of a capital asset which is charged as an expense during a particular period.

**DEVELOPMENT ACTIVITY:** Any construction or expansion of a building, structure, or use, any change in use of a building or structure, or any change in the use of land, that creates additional demand and need for public facilities.

**DOUBLE BUDGETING:** The result of having funds or departments within a government purchase services from one another rather than from outside vendors. When internal purchasing occurs, both funds must budget the expenditure (one to buy the service and the other to add the resources to its budget so they have something to sell). This type of transaction results in inflated budget values because the same expenditure dollar is budgeted twice: one in each fund's budget. The revenue side of both funds is similarly inflated.

**DUE FROM OTHER FUNDS:** An asset account used to indicate amounts owed to a particular fund by another fund for goods or services rendered. This account includes only short-term obligations on open account, not interfund loans.

**ENCUMBRANCES:** Obligations in the form of purchase orders, contracts or salary commitments which are chargeable to an appropriation and for which a part of the appropriation is reserved. They cease to be encumbrances when paid or when an actual liability is set up.

**ENDING FUND BALANCE:** The cash balance remaining at the end of the fiscal year available for appropriation in future years.

**ENTERPRISE FUND:** A type of proprietary fund containing the activities of funds where the intent is for the direct beneficiaries to pay for all costs of the fund through fees, or where periodic determination of revenues and expenses is desired by management.

**EQUIPMENT RENTAL:** The Equipment Rental Fund operates as a self sufficient motor and equipment pool. Customer departments pay for the equipment used through charges billed monthly. These charges include a form of depreciation which is accumulated as a sinking fund for future asset replacement, a factor for maintenance of the equipment, and charges for fuel (if applicable).

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**EXPENDITURES:** Where accounts are kept on the accrual or modified accrual basis of accounting, the cost of goods received or services rendered whether cash payments have been made or not. Where accounts are kept on a cash basis, expenditures are recognized only when the cash payments for the above purposes are made.

**FISCAL YEAR:** A twelve (12) month period designated as the operating year by an entity. For Ocean Shores, the fiscal year is the same as the calendar year (also called budget year).

**FIXED ASSETS:** Long-lived tangible assets obtained or controlled as a result of past transactions, events or circumstances. Fixed assets include building, equipment, improvements other than buildings, and land.

**FLOAT:** The amount of money represented by checks outstanding and in the process of collection.

**FULL FAITH AND CREDIT:** A pledge of the general taxing power of a government to repay debt obligations (typically used in reference to bonds).

**FULL TIME EQUIVALENT (FTE):** A numerical expression which indicates the amount of time a position has been budgeted for. A position budgeted at 40 hours per week for 12 months equals 1.0 FTE. Other frequently budgeted levels are 20 hours per week (.5 FTE) to show a position that has been split between two funds because the employee's responsibilities directly affect two funds.

**FUND:** An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves, and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives.

**FUND BALANCE:** The excess of an entity's assets over its liabilities. A negative fund balance is sometimes called a deficit.

**GENERAL FIXED ASSETS:** Capital assets that are not part of any fund, but of the government unit as a whole. Most often these assets arise from the expenditure of the financial resources of governmental funds.

**GENERAL FUND:** The fund supported by taxes, fees and other revenues that may be used for any lawful purpose.

**GENERAL OBLIGATION BONDS:** Bonds for which the full faith and credit of the insuring government are pledged for payment.

**GOALS:** The objective of specific tasks and endeavors.

**GRANT:** A contribution of assets (usually cash) by one governmental unit or other organization to another. Typically, these contributions are made to local governments from the State and Federal governments. Grants are usually made for specified purposes.

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**GROWTH MANAGEMENT ACT:** Passed in 1990 by the Washington State Legislature and later amended in 1991, 1993, and 1995. The Act gives local cities and counties experiencing rapid population growth the tools to better manage the development that accompanies it. Ocean Shores is not required to plan under the terms of the Growth Management Act.

**GUARANTY FUND:** A fund established by a bond issuer which is pledged as security for the payment of one or more bond issues. Normally used for local improvement districts (LID).

**IMPACT FEES:** A fee assessed on new development that creates additional demand and need for public facilities.

**INFRASTRUCTURE:** The underlying foundation, especially the basic installations and facilities, on which the continuance and growth of a jurisdiction depends, i.e., streets, roads, sewer, and water systems.

**INITIATIVE 747:** Initiative of the people approved in November 2001, which restricts the growth of state and local property taxes from currently assessed property to 1% per year, or the percentage increased in the implicit price deflator (IPD), whichever is less. The assessed value for new construction and renovations is added to current assessments and taxed at the resulting property tax rate.

**INTERFUND PAYMENTS (TRANSFERS):** Expenditures made to other funds for services rendered. This category includes interfund repairs and maintenance, and the City's Cost Allocation Program (See Appendix A).

**INTERGOVERNMENTAL SERVICES:** Intergovernmental purchases of those specialized services typically performed by local governments.

**INTERNAL CONTROL:** A plan of organization for purchasing, accounting, and other financial activities which, among other things, provides that:

- ◆ The duties of employees are subdivided so that no single employee handles financial action from beginning to end,
- ◆ Proper authorization from specific responsible officials are obtained before key steps in the processing of a transaction are completed,
- ◆ Records and procedures are arranged appropriately to facilitate effective control.

**INTERNAL SERVICE FUND:** Funds used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis.

**INVESTMENT:** Securities and real estate purchased and held for the production of income in the form of interest, dividends, rentals and base payments.

**LATECOMER FEES:** Fees paid by developers or future service users for their share of past improvements financed by others.

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**LEASING:** A financial technique whereby ownership of the project or equipment remains with the financing entity, and where title may or may not transfer to the City at the end of the lease.

**LEVY:** (1) To impose taxes, special assessments or service charges for the support of government activities. (2) The total amount of taxes, special assessments or service charges imposed by a government.

**LEVY LID:** A statutory restriction on the annual increase in the amount of property tax a given public jurisdiction can assess on regular or excess levies, without approval by popular vote.

**LIABILITY:** Debt or other legal obligations arising out of transactions in the past which must be liquidated, renewed or refunded at some future date.

**LOCAL IMPROVEMENT DISTRICT (LID):** A defined set of properties established by City Council action within which the City provides for specified infrastructure improvements in return for the ability to assess the individual properties a sufficient annual amount to finance the costs of such improvements. Such improvements are usually financed through the issuance of LID Bonds. Local Improvement District 95-1 and 98-01 of the City constitute such LID's (see the Debt Service section of this budget document).

**MATURITIES:** The dates on which the principal or stated values of investments or debt obligations mature and may be reclaimed.

**MILLIAGE RATE:** The property tax rate which is based on the valuation of property. A tax rate of one mill produces one dollar of taxes on each \$1,000 of property valuation. Washington state law limits the millage rate on any property to 1% of assessed value, or 10 mills, for all purposes without popular approval through a vote of the people.

**MITIGATION FEES:** Contributions made by developers toward future improvements of city facilities resulting from the additional demand on the City's facilities generated from the development.

**MODIFIED ACCRUAL BASIS:** The basis of accounting under which expenditures, other than accrued interest on general long-term debt, are recorded at the time liabilities are incurred and revenues are recorded when received in cash except for material and/or available revenues, which should be accrued to reflect properly the taxes levied and revenue earned.

**NET REVENUE:** The revenue of a system, business or fund less the cost of maintenance and operation of that system, business or fund.

**NOTES TO THE FINANCIAL STATEMENTS:** The Summary of Significant Accounting Policies (SSAP) and other disclosures required for a fair presentation of the financial statements of government in conformity with Generally Accepted Accounting Principles (GAAP) and not included on the face of the financial statements themselves. The notes to the financial statements are an integral part of the General Purpose Financial Statement (GPFS).

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**OBJECT (Sub-object):** As used in expenditure classification, this term applies to the type of item purchased or the service obtained (as distinguished from the results obtained from expenditures).

**OPERATING FUNDS:** Resources derived from recurring revenue sources used to finance ongoing operating expenditures and pay-as-you-go capital projects.

**ORDINANCE:** A local law enacted by City Council.

**OTHER SERVICES AND CHARGES:** A basic classification for services, other than personnel services, which are needed by the City. This item includes professional services, communication, travel, advertising, rentals and leases, insurance, public utility services, repairs and maintenance, and miscellaneous.

**PARITY BOND:** Any and all water and sewer revenue bonds of the City the payment of which, both principal and interest, constitutes a lien and charge upon the revenue of the system and upon assessments equal in rank with the lien and charge on such revenue of the system and assessments for payments required to pay and secure the payment of the bonds.

**PERSONNEL BENEFITS:** Those benefits paid by the City to its employees as part of the conditions of employment. Examples include insurance and retirement benefits.

**POTABLE WATER:** Drinkable water.

**PROCLAMATION:** An official act by the Mayor or Executive Officer made through a public forum.

**PROGRAM:** A specific and distinguishable unit of work or service performed.

**PROGRAM ENHANCEMENT:** Programs, activities or personnel requested to improve or add to the current baseline services.

**PROGRAM MEASURES:** A unit of standard used for the quantitative comparison in the manner of functioning to capacity or quantity as determined.

**PROGRAM REVENUE:** Revenues produced as a result of an activity of a program and subject to quantity of services provided to the public or governmental units (i.e. permits, recreational activities), or revenues dedicated to a specific use (i.e. grant taxes or debt funds).

**PROPRIETARY FUND TYPES:** Sometimes referred to as "Enterprise" funds. This classification is often used to account for a government's ongoing proprietary or business activities, similar to those found in the private sector. In such funds, the measurement focus is on determination of net income, financial position and changes in financial position.

**PUBLIC FACILITIES:** The capital owned or operated by the City or other governmental entities.

**PUBLIC WORKS TRUST FUND:** (PWTF) A state-managed low-interest revolving loan fund which helps local governments finance critical public improvements. To be eligible for trust fund financing, the applicant must be a local government entity with a long-term

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plan for financing public works infrastructure improvements. If the applicant is a city or county, it must be imposing the optional one-quarter percent real estate excise tax for capital purposes. Eligible projects include streets and roads, bridges, storm sewers, sanitary sewers, and water systems. Loans will only be made for the purpose of repair, replacement, reconstruction, or improvement of existing eligible public works systems to meet current standards and to adequately serve the needs of the existing populations. New capital improvement projects are not eligible. The maximum loan amount is typically \$1 million with a minimum local match of ten percent. Interest rates vary from one to three percent, depending on the level of match provided by the local government.

**REAPPROPRIATION:** Expenditures budgeted in one year but spent in the following year.

**RESERVE:** An account used to indicate that a portion of fund equity is legally restricted for a specific purpose.

**RESOLUTION:** A formal statement of a decision or expression of an opinion or policy of the City Council.

**RESOURCES:** Total dollars available for appropriations including estimated revenues, fund transfers, and beginning fund balances.

**RETAINED EARNINGS:** An equity account reflecting the accumulated earnings of the City.

**REVENUE:** Income received by the City in support of a program of services to the community. It includes such items as property taxes, fees, user charges, grants, fines and forfeits, interest income and miscellaneous revenue.

**REVENUE BONDS:** Bond issued, the repayment of which is pledged against future revenues of the system. Typically, enterprise or proprietary operations of the City will issue revenue bonds for capital, or infrastructure improvements. The City's waterworks utility (water, sewer or storm drainage operations) have benefitted from the issuance of several revenue bond issues, which are repaid from service fee revenues paid by customers of each system.

**REVENUE ESTIMATE:** A formal estimate of how much revenue will be earned from a specific revenue source for some future period; typically a future fiscal year.

**SALARIES AND WAGES:** Amounts paid for personal services rendered by employees in accordance with rates, hours, terms and conditions authorized by law or stated in employment contracts. This category also includes overtime and temporary help.

**SERVICE MEASURES (Level of Service Measures):** Specific quantitative measures of work performed within an activity or program (e.g., total miles of street cleaned). Also, a specific quantitative measure of results obtained through a program or activity (e.g., reduced incidence of vandalism due to new street lighting program).

**SINGLE AUDIT:** An audit performed in accordance with the Single Audit Act of 1984 and Office of Management and Budget (OMB) Circular A-128, Audits of State and Local

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Governments. The Single Audit Act allows or requires governments (depending on the amount of federal assistance received) to have one audit performed to meet the needs of all federal grantor agencies.

**SINKING FUND ACCOUNT:** An account created in the bond fund to amortize the principal of term bonds.

**SPECIAL ASSESSMENT:** A compulsory levy made against certain properties in return for improvements to a service delivery system, such as a sewer or water utility system.

**SPECIAL REVENUE FUND:** A fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditures or specified purposes.

**SUPPLEMENTAL APPROPRIATION:** An appropriation approved by the Council after the initial budget appropriation.

**SUPPLIES:** A basic classification of expenditures for articles and commodities purchased for consumption or resale. Examples include office and operating supplies, fuel, power, water, gas, inventory or resale items, and small tools and equipment.

**SURETY BOND:** Any letter of credit, insurance policy, surety bond or other equivalent credit facility or any combination thereof issued to the City to satisfy all or part of the amount required to be maintained in the Reserve Account to make such payments of principal and interest as the same become due at maturity or at any mandatory redemption date.

**SURPLUS:** Excess of revenues over expenditures.

**TAX:** Charge levied by a government to finance services performed for the common benefit.

**TAX LEVY ORDINANCE:** An ordinance, or local law approved by the City Council through which taxes are levied.

**TAX RATE LIMIT:** The maximum legal rate at which a municipality may levy a tax. The limit may apply to taxes raised for a particular purpose or for general purposes.

**TERM BONDS:** Any parity bonds designated by the Council as “term bonds” pursuant to an ordinance which authorizes the issuance of parity bonds and provides for mandatory payments into a sinking fund account established for the term bonds so designated and provides for mandatory redemption of such term bonds from such sinking fund account.

**TRANSPORTATION IMPROVEMENT ACCOUNT:** (TIA) Provides funding for transportation projects through two programs: The urban programs and the small cities program. Urban projects must be attributable to congestion caused by economic development or growth. They must be consistent with the state, regional and local selection processes. The TIB requires multi-agency planning and coordination and public/private cooperation to further the goal of achieving a balanced transportation system in Washington State.

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TRANSPORTATION IMPROVEMENT BOARD: (TIB) The purpose of the TIB is to administer funding for local governments for transportation projects. This is accomplished through the Transportation Improvement Account Program and the Urban Arterial Trust Account Program. Revenues are from the state fuel tax, local matching funds, and private sector contributions.

TRUST FUND: Funds used to account for assets held by a government in a trustee capacity for individuals, private organizations, and/or other funds.

UTILITY LOCAL IMPROVEMENT DISTRICTS: (ULID) Created only for improvement to sewer, water, and other utilities and differs from a LID in that all assessment revenues must be pledged for payment of debt service of bonds issued to finance the improvements. The City of Ocean Shores does not currently have any ULID's.

YIELD: The rate earned on an investment based on the price paid for the investment, the interest earned during the period held, and the selling price or redemption value of the investment.

## C. Hoquiam at a Glance



Hoquiam is ideally located between Seattle and Portland. Hoquiam offers residents a relaxed rural lifestyle with multiple opportunities for recreation. Residents are removed from urban congestion and problems, yet are within an easy drive of urban amenities. There is a four-lane highway from I-5 all the way to Aberdeen.

Hoquiam is a traditional working class community and is rich in history and tradition.

Situated on the Chehalis River, Hoquiam has excellent recreation activities. Less than one hour separates Hoquiam from the Olympic National Park and some of the most spectacular outdoor opportunities in the world. Hoquiam also boasts a bird sanctuary that is easily accessible for viewing migrating birds. The Pacific Ocean and additional activities including miles of sandy beaches are only a half-hour away.

### Economics

#### Major Area Employers (in alphabetical order)

Actionaire  
 Anderson Middleton  
 City of Hoquiam  
 Dahlstrom Lumber Company  
 Evergreen Counseling  
 GH Public Utility District  
 Grays Harbor Paper  
 Harbor Saw and Supply  
 Hoquiam Plywood  
 Hoquiam School District  
 ITT Rayonier  
 Ocean Protein  
 Ovalstrapping  
 Pettit Oil  
 Swanson Foods  
 Timberland Bank  
 Westport Shipyard

### Government

Incorporated	1890
Form of Government	Mayor-Council
Legal Status	Non-charter Code City
Congressional District	6th
State Legislative Districts	24th
Voter Precincts	6
Number of Registered Voters	3,767

## D. Hoquiam Demographics

Land Area (Sq. Mi.)	13.27	<b>Population</b>	
Rank in Size (State of WA)	27/281	1970	10,466
		1980	9,719
Population Density (Pop. per Sq. Mi.)	668.71	1990	8,972
Rank in Size (State of WA)	231/281	2000 (Census)	9,097
		2006	8,845
<b>Land Use (by area)</b>		<b>Age Distribution</b>	
Residential		Under 5	6.9%
Single Family	13.8%	5-9	7.8%
Multifamily	0.7%	10-19	15.5%
Industrial	12.5%	20-34	18.1%
Commercial	1.9%	35-44	14.3%
Recreational	16.3%	45-54	13.3%
Transportation/Utilities	19.4%	55-64	8.7%
Undeveloped	35.5%	65-84	12.5%
		85+	2.8%
<b>Assessed Valuation</b>		<b>Racial Composition</b>	
2006 AV	\$325,382,017	White	86.4%
		American Indian	5.8%
<b>Property Tax per \$1,000 of AV</b>		Hispanic	5.7%
City of Hoquiam	\$4.93	All other	2.1%
Grays Harbor County	\$1.74		
Port of Grays Harbor	\$0.44	<b>Ancestry</b>	
Hoquiam School District	\$5.40	German	15.5%
State School Levy	\$3.60	Irish	11.1%
		United States	10.9%
<b>Climate</b>		English	7.6%
Average Annual Precipitation	68.3 inches	Norwegian	5.4%
Average Temperature	50.4 °F	All Others	49.5%

## **E. Preliminary Budget Requests**

This appendix provides a listing of administrative budget reductions made in order to balance the recommended budget for 2007-2008.

**City of Hoquiam**  
**Capital Outlay/Other Requests included in**  
**2007 Department Requests**

	<u>Requested</u>	<u>Funded</u>	<u>Notes</u>
<b>Municipal Court</b>			
Relief Clerk (Wages, Soc Sec, L&I)	<u>4,860</u>	<u>4,860</u>	reduced other exps to fund
<b>Finance</b>			
Upgrade Finance Software	<u>8,640</u>	<u>9,500</u>	increased 10% for contingency
<b>Legal</b>			
Laptop Computer	<u>1,500</u>	<u>1,500</u>	
<b>City Hall &amp; Buildings</b>			
Building Improvements	<u>25,000</u>	<u>25,000</u>	Cumulative Reserve for Gen'l Cap
<b>Electrical</b>			
Add Electrician's Helper	<u>54,130</u>	<u>0</u>	can use new Pump Sta Operator
<b>Police</b>			
Replace Original Carpet (from 1981)	10,000	0	
Complete Meeting/Evidence Room	<u>25,000</u>	<u>0</u>	to do 06 w/GHC labor/trf CHB Impr\$ to HPD
	<u>35,000</u>	<u>0</u>	
<b>Fire</b>			
Computers	1,550	0	allowing the one requested in Amb budget
SCBA Equipment	2,900	2,900	
Training Room Improvements	2,500	0	moved to Ambulance Budget
Alarm Room Improvements	1,950	0	moved to Ambulance Budget
Add'l Needed to Replace Car #7333	19,490	0	moved to Ambulance Budget
FF Assistance Grant Match	<u>10,720</u>	<u>0</u>	moving to Designated Fund Bal
<b>Total Fire</b>	<u>39,110</u>	<u>2,900</u>	
<b>Public Works Office</b>			
Laptop w/wireless internet-Code Comp	3,000	0	
Laptop for Public Works Admin Use	2,000	0	
Add Planner/Inspector Position	<u>64,325</u>	<u>64,325</u>	OK on prov basis w/incr Bldg Perm revenue
<b>Total Public Works Office</b>	<u>69,325</u>	<u>64,325</u>	
<b>Library</b>			
Heat Pump	<u>6,815</u>	<u>0</u>	if not done in 06, will carryover
<b>Parks and Community Services</b>			
Operations Mgmt Software (50% share)	4,500	0	preferred putting \$ in 08 for playground equip
New Gator (50% share)	<u>4,000</u>	<u>0</u>	Cem Eq Res to fund 2 golf carts
<b>Total Parks &amp; Comm Services</b>	<u>8,500</u>	<u>0</u>	
<b>Total General Fund</b>	<u><u>252,880</u></u>	<u><u>108,085</u></u>	

**City of Hoquiam**  
**Capital Outlay/Other Requests included in**  
**2007 Department Requests**

	<u>Requested</u>	<u>Funded</u>	<u>Notes</u>
<b>Cemetery</b>			
Replace Water System	10,000	0	moved to Mausoleum Fund
Operations Mgmt Software (50% share)	4,500	0	
New Gator (50% share)	4,000	0	
Golf Carts (2)	0	2,000	funded by Cemetery Equipment Reserve
Add Groundskeeper Position	50,790	0	
<b>Total Cemetery</b>	<u>69,290</u>	<u>2,000</u>	
<b>Mausoleum</b>			
Handicap Ramp and Railing	3,000	3,000	
Water System	0	10,000	
<b>Total Mausoleum</b>	<u>3,000</u>	<u>13,000</u>	
<b>Street</b>			
Street Overlay/Curb Replacement	50,000	0	moved to Arterial Street at \$20,000
Add'l Needed to Repl Tractor/Mower #46	25,335	0	moved to arterial Street /Paths & Trails
<b>Total Street</b>	<u>75,335</u>	<u>0</u>	
<b>Arterial Street</b>			
Transfer to Sidewalk Fund	30,000	30,000	
Overlay Projects	0	20,000	moved from Street budget at reduced level
Trf to help fund Tractor Mower #46	0	17,335	moved from Street budget (less 8,000 P&T)
	<u>30,000</u>	<u>67,335</u>	
<b>Paths &amp; Trails</b>			
Construction Projects	8,000	0	didn't have specific project in mind
Trf to help fund Tractor Mower #46	0	8,000	can use to mow paths & trails
	<u>8,000</u>	<u>8,000</u>	
<b>Ambulance</b>			
Cost Share-Upgrade Utility Bill Program	5,780	5,780	
Cost Share-Finance Software	840	925	increased 10% for contingency
New Computer	1,550	1,550	
Lifepak Monitor	27,400	27,400	
Add'l to ER to Replace Veh #7333	0	19,490	moved from Fire Dept request
Training Room Improvements	0	2,500	moved from Fire Dept request
Alarm Room Improvements	0	1,950	moved from Fire Dept request
<b>Total Ambulance</b>	<u>35,570</u>	<u>59,595</u>	
<b>Community Development Repay</b>			
Abate Nuisances	<u>100,000</u>	<u>100,000</u>	
<b>Sidewalk Construction</b>			
Construction Projects	30,000	30,000	Arterial Street Fund Transfer
7th & Simpson Handicap Ramp	2,500	2,500	Donated Funds
<b>Total Sidewalk Construction</b>	<u>32,500</u>	<u>32,500</u>	

**City of Hoquiam**  
**Capital Outlay/Other Requests included in**  
**2007 Department Requests**

	<u>Requested</u>	<u>Funded</u>	<u>Notes</u>
<b>Water Department</b>			
West Fork Dam Cleaning	1,000,000	0	
Add'l East Side River Crossing	690,000	690,000	fund with watershed
Update WTP SCADA System	14,800	0	trf to 2008 budget
Replace Turbidimeters	2,200	0	trf to 2008 budget
Arnold Court Booster Pump	54,600	0	
Meters	21,000	21,000	fund with rates
Replace Chemical Metering Pumps	9,600	0	trf to 2008 budget
West Fork Dam Stabilization	175,000	0	
Replace College Hill Booster Pump	3,800	3,800	fund with watershed
Distribution System Evaluation	15,000	0	
Study & Drill Test Well Near WTP	37,200	75,000	fund with watershed
Replace WTP Chart Recorders	15,000	0	trf to 2008 budget
Replace WTP Alarm Dialer	5,200	0	trf to 2008 budget
Brush Mower for Transmission Line	3,500	0	can get from supply budget in 2006
Add'l Needed to Repl Tractor/Mower #46	25,335	0	
Cost Share-Upgrade Utility Bill Program	17,835	17,835	fund with rates
Cost Share-Finance Software	1,320	1,450	incr 10% for contingency; fund with rates
	<u>2,091,390</u>	<u>809,085</u>	

<b>Sewer Department</b>			
Sewer River Crossing	700,000	700,000	fund with watershed
Variable Drive	150,000	0	trf to 2008 budget
2nd & Bayview Diesel Generator	47,000	0	
Portable Electric Hoists	5,800	0	
Odor Control Blower	7,500	0	
Pump Motor Replacements	16,500	0	
WWTP Flow Meter	150,000	75,000	fund with watershed (required to do)
Add'l Needed to Repl Tractor/Mower #46	17,730	0	
Cost Share-Upgrade Utility Bill Program	14,185	14,185	fund with rates
Cost Share-Finance Software	960	1,055	incr 10% for contingency; fund with rates
Pump Station Operator Position (75%)	46,965	46,965	to be used as Electrical Helper as well
	<u>1,156,640</u>	<u>837,205</u>	

<b>Stormwater Department</b>			
Pump Replacements	55,000	0	
Pump Motor Replacements	20,000	0	
Ramer Storm Pump & Piping	200,000	0	
Storm Dikes Inspections	30,000	0	
Add'l Needed to Repl Tractor/Mower #46	7,600	0	
Cost Share-Upgrade Utility Bill Program	3,200	3,200	fund with rates
Cost Share-Finance Software	935	1,030	incr 10% for contingency; fund with rates
Pump Station Operator Position (25%)	15,655	15,655	to be used as Electrical Helper as well
<b>Total Stormwater Department</b>	<u>332,390</u>	<u>19,885</u>	

<b>Equipment Rental</b>			
Replace Ambulance	140,000	140,000	all from Equipment Rental Reserve
Replace Water Pickup #44	30,000	30,000	all from Equipment Rental Reserve
Replace Parks Pickup #96	18,180	18,180	all from Equipment Rental Reserve
Replace Street/Sewer Pickup #60	20,000	20,000	all from Equipment Rental Reserve

**City of Hoquiam**  
**Capital Outlay/Other Requests included in**  
**2007 Department Requests**

	<u>Requested</u>	<u>Funded</u>	<u>Notes</u>
Repl Wtr/St/Sew Tractor/Mower 46	100,000		0 24,000 from Res/bal from depts if ok'd
Replace Fire Car #7333	<u>23,250</u>	<u>23,250</u>	3,760 from Res/bal from Amb if ok'd
<b>Total Equipment Rental</b>	<u><u>331,430</u></u>	<u><u>231,430</u></u>	

**City of Hoquiam**  
**Capital Outlay/Other Requests included in**  
**2008 Department Requests**

	<u>Requested</u>	<u>Funded</u>	<u>Notes</u>
<b>Municipal Court</b>			
Relief Clerk (Wages, Soc Sec, L&I)	<u>5,005</u>	<u>5,005</u>	reduced other exps to fund
<b>City Hall &amp; Buildings</b>			
Building Improvements	<u>25,000</u>	<u>25,000</u>	funded by Cumulative Reserve for Gen'l Cap
<b>Electrical</b>			
Electrician's Helper-2nd Year	<u>58,495</u>	<u>0</u>	can use new Pump Sta Operator
<b>Police</b>			
Computer	<u>2,000</u>	<u>0</u>	can get from Supply budget
<b>Fire</b>			
Computers	1,550	0	can get from Supply budget
SCBA Equipment	3,000	3,000	
<b>Total Fire</b>	<u>4,550</u>	<u>3,000</u>	
<b>Public Works Office</b>			
Wireless Internet for Code Comp Laptop	720	0	
Planner/Inspector-2nd Year	69,690	69,690	OK on prov basis w/incr Bldg Perm revenue
<b>Total Public Works Office</b>	<u>70,410</u>	<u>69,690</u>	
<b>Community Services Dept</b>			
Playground Equipment	<u>0</u>	<u>10,000</u>	begin providing ann'l amt to replace old eq
<b>Total General Fund</b>	<u><u>165,460</u></u>	<u><u>112,695</u></u>	
<b>Cemetery</b>			
1st loan pyt on Water System	3,675	0	funded Water System in 2007 w/Maus funds
2nd year of Groundskeeper Position	55,000	0	
<b>Total Cemetery</b>	<u>58,675</u>	<u>0</u>	
<b>Street</b>			
Street Overlay/Curb Replacement	<u>50,000</u>	<u>0</u>	moved to Arterial Street at \$20,000
<b>Arterial Street</b>			
Transfer to Sidewalk Fund	30,000	30,000	
Overlay Projects	0	20,000	moved from Street budget at reduced level
	<u>30,000</u>	<u>50,000</u>	
<b>Ambulance</b>			
Heavy Duty Gurney	0	5,500	request added after original requests posted
Lifepack Monitor Components	0	5,800	request added after original requests posted
<b>Total Ambulance</b>	<u>0</u>	<u>11,300</u>	

**City of Hoquiam**  
**Capital Outlay/Other Requests included in**  
**2008 Department Requests**

	<u>Requested</u>	<u>Funded</u>	<u>Notes</u>
<b>Community Development Repay</b>			
Abate Nuisances	<u>50,000</u>	<u>50,000</u>	
<b>Sidewalk Construction</b>			
Construction Projects	<u>30,000</u>	<u>30,000</u>	Arterial Street Fund Transfer
<b>Water Department</b>			
Little Hoq Dam-Consent Decree Requirements	402,500	400,000	fund with watershed
Meters	22,000	22,000	fund with rates
Chemical Metering Pumps	0	9,600	from 2007 request; fund with watershed
Turbidimeters	0	2,200	from 2007 request; fund with watershed
WTP Chart Recorders	0	15,000	from 2007 request; fund with watershed
WTP Alarm Dialer	0	5,200	from 2007 request; fund with watershed
Update WTP SCADA System	0	14,800	from 2007 request; fund with watershed
<b>Total Water Department</b>	<u><u>424,500</u></u>	<u><u>468,800</u></u>	
<b>Sewer Department</b>			
Variable Drive	0	150,000	from 2007 request; fund with watershed
Pump Replacements	30,000	0	
Portable Electric Hoists	6,380	0	
Odor Control Blower	8,250	0	
Pump Motor Replacements	18,150	0	
Portable Pump with Generator	60,000	0	
2nd Year Pump Station Operator (75%)	51,170	51,170	to be used as Electrical Helper as well
<b>Total Sewer Department</b>	<u><u>173,950</u></u>	<u><u>201,170</u></u>	
<b>Stormwater Department</b>			
Pump Replacements	80,000	0	
Pump Motor Replacements	30,000	0	
Ramer Storm Pump & Piping	220,000	0	
2nd Year Pump Station Operator (25%)	17,060	17,060	to be used as Electrical Helper as well
	<u><u>347,060</u></u>	<u><u>17,060</u></u>	
<b>Equipment Rental</b>			
no equipment listed for replacement			