



2007 Quarterly Financial Report
First Quarter 2007
January through March

The City of Hoquiam, Washington

609 8th Street

Hoquiam, Washington

360-532-5700

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CITY OF HOQUIAM

First Quarter Financial Report - January through March 2007

EXECUTIVE SUMMARY

This document provides a detailed review of City financial activity for the first three months of 2007. The report has been formatted to be consistent with the adopted budget for ease of comparison and review of information. Each set of facing pages provides a complete review of an individual fund and its year to date activity. The only exception to this is the General fund, which is presented in two sections: (1) revenues & transfers in and (2) appropriations and transfers out.

Current Status: At the end of March, on a City-wide basis, both revenues and expenditures are within parameters for budget projections. The adjacent All Funds Expenditure Summary page provides a summary of year to date expenditure vs. appropriation information for the City, and indicates that overall, the City has expended 23.8% of operating appropriations. As of March 31, only a small percentage of capital improvement and debt service expenditures had been made.

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

The General Fund is higher than anticipated due to a one-time transfer to the new reserve funds recently approved by council (i.e., Contingency Reserve and Council Projects). Without this one-time transfer to these reserve funds, the General Fund would have expended almost the exact amount through the 1st Quarter of 2007 as it did through the 1st Quarter of 2006. This fund should be below 100% expended by the end of 2007.

The Street Fund has expended more than 25% through the 1st Quarter of 2007 due to two factors. First, a full year's payment of liability insurance was made in the first quarter of 2007. Second, the usage of road crews on overtime to clear roadways of snow and debris this winter. Staff will continue to monitor this fund, however I anticipate being on target by year end without the need for any future amendments.

The Water Department has expended more than anticipated due to the full year's payment of liability insurance in the first quarter. Without this payment, the Water Department would be almost exactly 25% for the year.

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

Investments in Capital increased dramatically during the first three months of 2007 with \$439,205 expended to date on capital projects compared with \$22,330 over comparable 2006 levels. Planned capital projects for 2007 are primarily in the Water and Sewer Utilities where the Hoquiam River crossing is due to be replaced. Also, the Train Depot is anticipated to be completed during fiscal year 2007 as well. Lastly, the City's outstanding debt has decreased from \$1,260,999 at the 1st Quarter of 2006 to \$866,494 at the 1st Quarter of 2007.

Bottom Line: Revenues are up and expenditures are down. The construction of the Nation's largest biodiesel plant has augmented City revenues in the 1st Quarter of 2007. Imperium Renewables made another progress payment on their building permit as well as the contractor on the project paid another quarter of B&O Taxes.

Sales taxes are also up 3.1% in 2007 over comparable 2006 levels indicating an increase in local economic activity. Also, Cemetery and Mausoleum sales continue to be strong even surpassing last year's year to date totals through the 1st Quarter of 2007. Investment income continues to buoy many of the operating funds as short term interest rates are continuing to hover around the 5% mark.

Almost all operating departments are within normal expenditure levels through the first quarter. In the General Fund, the combined operating departments expended 5.8% less in the 1st Quarter of 2007 than they did combined in the 1st Quarter of 2006.

Additionally, Water, Sewer and Storm operations (not including capital) expended 0.9% less combined in the 1st Quarter of 2007 than they did combined in the 1st Quarter of 2006. This is a notable accomplishment when the inflationary increases in fuel, metals, and parts are taken into account.

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

ALL FUNDS EXPENDITURE SUMMARY

CITY OF HOQUIAM

2007 1ST QUARTER FINANCIAL REPORT

<u>OPERATING FUNDS</u>	<u>No.</u>	<u>2007 Q1 YTD</u>	<u>2006 Q1 YTD</u>	<u>Increase (Decrease)</u>	<u>% Increase (Decrease)</u>	<u>2007 Budget</u>	<u>% to Budget</u>
General Fund	001	\$1,751,545	\$1,231,263	\$520,282	42.3%	\$6,207,195	28.2%
Cemetery	101	\$51,791	\$40,150	\$11,641	29.0%	\$205,085	25.3%
Mausoleum	102	\$1,598	\$2,671	-\$1,073	-40.2%	\$27,415	5.8%
Cemetery Preadeed	104	\$0	\$0	\$0	-	\$57,000	0.0%
Street Fund	106	\$82,044	\$73,268	\$8,776	12.0%	\$293,760	27.9%
Arterial Street Fund	107	\$81	\$77	\$4	5.8%	\$106,015	0.1%
Ambulance	109	\$364,338	\$367,392	-\$3,055	-0.8%	\$1,494,490	24.4%
Stadium/Tourism	112	\$0	\$0	\$0	-	\$0	-
Comm. Devel. Repay	130	\$17,488	\$3,586	\$13,902	387.7%	\$133,540	13.1%
Water	401-25	\$474,527	\$433,176	\$41,351	9.5%	\$1,686,750	28.1%
Sewer	401-26	\$265,220	\$299,335	-\$34,114	-11.4%	\$1,261,360	21.0%
Storm	401-27	\$76,175	\$87,268	-\$11,093	-12.7%	\$349,695	21.8%
Watershed	402	\$482,298	\$13,202	\$469,096	3553.1%	\$2,710,375	17.8%
Landfill Postclosure	417	\$9,887	\$8,552	\$1,335	15.6%	\$59,430	16.6%
Equipment Rental	501	\$76,837	\$96,993	-\$20,156	-20.8%	\$502,505	15.3%
Equipment Rental Reserve	505	\$0	\$0	\$0	-	\$227,440	0.0%
Medical/Dental Benefits	520	\$325,640	\$419,042	-\$93,402	-22.3%	\$1,415,000	23.0%
Unemployment Fund	522	\$5,737	\$7,454	-\$1,717	-23.0%	\$15,000	38.2%
Police & Fire Retiree	611	<u>\$123,613</u>	<u>\$117,665</u>	<u>\$5,948</u>	<u>5.1%</u>	<u>\$501,500</u>	<u>24.6%</u>
TOTAL OPERATING FUNDS		\$4,109,237	\$3,201,511	\$907,726	28.4%	\$17,253,555	23.8%
 CAPITAL IMPROVEMENT FUNDS							
Stadium Field Loan Repayment	005	\$9,319	\$8,447	\$872	10.3%	\$36,000	25.9%
Mausoleum	102	\$0	\$0	\$0	-	\$13,000	0.0%
Arterial Streets	107	\$0	\$0	\$0	-	\$20,000	0.0%
Paths & Trails	108	\$0	\$0	\$0	-	\$8,000	0.0%
General Capital Reserve	114	\$0	\$0	\$0	-	\$125,000	0.0%
Sidewalk Construction Fund	302	\$0	\$1,000	-\$1,000	-100.0%	\$52,500	0.0%
Train Station	308	\$15,778	\$4,312	\$11,466	265.9%	\$754,410	2.1%
Water Capital Projects	401-25	\$77,933	\$4,268	\$73,664	1725.9%	\$897,085	8.7%
Sewer Capital Projects	401-26	<u>\$345,495</u>	<u>\$12,750</u>	<u>\$332,745</u>	<u>2609.8%</u>	<u>\$1,314,500</u>	<u>26.3%</u>
TOTAL CAPITAL IMPROVEMENT FUNDS		\$448,524	\$30,777	\$417,747	1357.3%	\$3,220,495	13.9%
TOTAL DEBT SERVICE FUNDS		\$4,407	\$28,912	-\$24,505	-84.8%	\$212,380	2.1%
TOTAL ALL FUNDS		\$4,562,168	\$3,261,200	\$1,300,969	39.9%	\$20,686,430	22.1%

General Fund

Overview:

The following four pages summarize all 2007 General Fund projected revenues, appropriations, and expenditures by department through March.

For 2007, total revenues and transfers in are budgeted at \$5,596,535, while appropriations and transfers out are adopted at \$6,207,195, creating an ending balance of \$1,594,975.

Operating budget appropriations of \$4,957,100, represent an 11.9% increase over comparable 2006 appropriations. This can be attributed to the addition of the City Planner, Hometown Hoquiam Phase II, improvements to the Library and the addition of the Americorps program.

Transfers to other funds total \$1,250,095, and include annual support of City activities including street operations and funds for police and fire pension obligations. Also included in these transfers are funds for the City's new reserve funds (Revenue Stabilization and Council Projects).

General Fund Revenues: The adjacent chart provides a summary of adopted and year to date 2007 General Fund revenues and transfers in.

Taxes through March are at 21.4% of budget. This is appropriate as the City awaits the first of two major property tax distributions from the County. The County normally distributes property taxes, one of the single largest revenue source for this category, in May and November. Thus, the relatively low percentage of taxes received through March.

Licenses and Permits are at 60.7% of budget through March. This is due to business license renewals during the first quarter and the building permit taken out by Imperium Renewables for the biodiesel plant.

Intergovernmental Revenue is at 19.8% of budget through the first quarter. Grants received by the Police and Fire Departments account for a majority of this category's receipts.

Fines and Forfeitures are running ahead of budget, at 31.2% through March. This category includes primarily police citations and other court fines.

Miscellaneous Revenue is at 46.3% of budget. Increases in short term interest rates have allowed the City to earn more money on its cash reserves.

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

GENERAL FUND
CITY OF HOQUIAM
2007 1ST QUARTER FINANCIAL REPORT

<u>REVENUES</u>	<u>2007</u> <u>Q1 YTD</u>	<u>2006</u> <u>Q1 YTD</u>	<u>Increase</u> <u>(Decrease)</u>	<u>% Increase</u> <u>(Decrease)</u>	<u>2007</u> <u>Budget</u>	<u>% to</u> <u>Budget</u>
Beginning Fund Balance	\$2,211,992	\$1,464,237			\$2,205,635	
Taxes	\$905,685	\$801,305	\$104,380	13.0%	\$4,224,660	21.4%
Licenses and Permits	\$163,898	\$98,648	\$65,250	66.1%	\$269,820	60.7%
Intergovernmental Revenue	\$93,731	\$134,523	-\$40,792	-30.3%	\$473,845	19.8%
Charges for Services	\$19,671	\$17,058	\$2,613	15.3%	\$61,660	31.9%
Fines and Forfeits	\$28,093	\$40,277	-\$12,184	-30.3%	\$90,070	31.2%
<u>Miscellaneous Revenue</u>	<u>\$127,163</u>	<u>\$79,951</u>	<u>\$47,212</u>	<u>59.1%</u>	<u>\$274,735</u>	<u>46.3%</u>
TOTAL GENERAL FUND	\$1,338,240	\$1,171,761	\$166,479	14.2%	\$5,394,790	24.8%
<u>OTHER REVENUES & TRANSFERS IN</u>						
Trf In - Ambulance 109/E911	\$982	\$3,911	-\$2,929	-74.9%	\$3,930	25.0%
Trf In - Stadium 005/Grayport	\$9,319	\$8,447	\$872	10.3%	\$36,000	25.9%
Trf In - Gen. Capital 114/City Hall	\$0	\$0	\$0	100.0%	\$25,000	0.0%
Trf In - Gen. Capital 114/Library	\$0	\$0	\$0	100.0%	\$100,000	0.0%
Trf In - Library Memorial 625	\$0	\$0	\$0	100.0%	\$6,815	0.0%
<u>Trf In - CD Repay 130</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>100.0%</u>	<u>\$30,000</u>	<u>0.0%</u>
TOTAL OTHER REVENUES	\$10,301	\$12,358	-\$2,057	-16.6%	\$201,745	5.1%
GRAND TOTAL GENERAL FUND	\$1,348,541	\$1,184,119	\$164,422	13.9%	\$5,596,535	24.1%

General Fund Appropriations:

Adopted appropriations and required transfers total \$6,207,195 a \$1,265,020 increase from 2006 appropriated levels. This is attributed to the one-time transfer of funds to the new reserve funds. Also, all property tax funds are now receipted into the General Fund and transferred out to other funds as needed. Of this total, the adjacent page summarizes operating appropriations of \$4,957,100 and transfers out of \$1,250,095.

Through March, operating expenditures total 22.6% of budgeted appropriations, below anticipated spending levels for the first three months of the year. Given that the first three months typically include annual insurance premiums and other one-time costs, this is well within normal operating parameters.

The only department that is substantially above year to date targets is the Legislative/Council Fund. The Legislative Department is over due to the payment of various association dues and memberships in the first quarter (e.g., the Council of Governments, EDC, and liability insurance). The Legislative Department should be at target by year-end.

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

Transfers to Other Funds:

The General Fund budget includes \$1,250,095 in transfers to other funds. These transfers include:

Reserve Funds: The one-time transfer of funds to establish the new reserve funds approved by Council. They include \$417,000 to a Revenue Stabilization Fund and \$100,000 to a Council Projects Fund. Both of these transfers were made in the first quarter

Street: Annual support level totals \$128,440. The Street Fund is a "creeper" fund requiring assistance from the General Fund for operations. An accounting change was made in this biennium whereby all "creeper" funds receive their funds via transfer from the General Fund rather than direct appropriation. This transfer has not been made as of March

Police and Fire Pension: \$472,730 in transfers for continued operational support including medical premiums and unreimbursed medical costs for retirees of the State's Law Enforcement Officers and Fire Fighters Plan 1 pension system. A transfer of \$1000,000 or 21.2% was made as of March.

GENERAL FUND
CITY OF HOQUIAM
2007 1ST QUARTER FINANCIAL REPORT

OPERATING EXPENDITURES

<u>DEPARTMENT</u>	<u>2007 Q1 YTD</u>	<u>2006 Q1 YTD</u>	<u>Increase (Decrease)</u>	<u>% Increase (Decrease)</u>	<u>2007 Budget</u>	<u>% to Budget</u>
Legislative/Council	\$46,080	\$37,546	\$8,534	22.7%	\$118,040	39.0%
Municipal Court	\$37,316	\$34,870	\$2,446	7.0%	\$152,670	24.4%
Finance	\$51,176	\$55,760	-\$4,584	-8.2%	\$212,360	24.1%
Legal	\$32,235	\$28,562	\$3,673	12.9%	\$117,635	27.4%
Civil Service	\$1,315	\$2,189	-\$875	-39.9%	\$5,490	23.9%
City Hall & Buildings	\$32,975	\$30,973	\$2,002	6.5%	\$120,885	27.3%
Electrical	\$43,499	\$43,398	\$101	0.2%	\$183,220	23.7%
Police	\$440,848	\$459,071	-\$18,223	-4.0%	\$1,883,615	23.4%
Fire	\$215,224	\$252,375	-\$37,150	-14.7%	\$790,345	27.2%
Animal Control	\$17,245	\$4,671	\$12,574	269.2%	\$70,125	24.6%
Public Works	\$47,863	\$39,058	\$8,804	22.5%	\$263,955	18.1%
Personnel Services	\$0	\$288	-\$288	-100.0%	\$0	-
Police Special Funds (DTF)	\$24,620	\$26,087	-\$1,467	-5.6%	\$127,175	19.4%
Library	\$8,988	\$45,616	-\$36,628	-80.3%	\$297,755	3.0%
Community Services	\$80,612	\$103,863	-\$23,251	-22.4%	\$398,835	20.2%
Americorps	\$13,821	\$0	\$13,821	100.0%	\$53,185	26.0%
Economic Development	\$15,605	\$6,478	\$9,127	140.9%	\$127,810	12.2%
911 Program	\$7,820	\$17,686	-\$9,866	-55.8%	\$32,000	24.4%
<u>Miscellaneous</u>	<u>\$2,000</u>	<u>\$0</u>	<u>\$2,000</u>	<u>100.0%</u>	<u>\$2,000</u>	<u>100.0%</u>
TOTAL OPERATING EXPENDITURE	\$1,119,241	\$1,188,490	-\$69,250	-5.8%	\$4,957,100	22.6%
TRANSFERS OUT						
Trf Out - Reserve Funds	\$517,000	\$0	\$517,000	100.0%	\$608,440	85.0%
Trf Out - Street Fund #106	\$0	\$0	\$0	100.0%	\$128,440	0.0%
Trf Out - Ambulance #109	\$0	\$42,772	-\$42,772	-100.0%	\$0	-
Trf Out - GO Bond Redemption #213	\$15,304	\$0	\$15,304	100.0%	\$25,485	60.1%
Trf Out - Unemployment #522	\$0	\$0	\$0	100.0%	\$15,000	0.0%
<u>Trf Out - Police/Fire Pension #611</u>	<u>\$100,000</u>	<u>\$0</u>	<u>\$100,000</u>	<u>100.0%</u>	<u>\$472,730</u>	<u>21.2%</u>
TOTAL TRANSFERS OUT	\$632,304	\$42,772	\$589,532	1378.3%	\$1,250,095	50.6%
GRAND TOTAL GENERAL FUND	\$1,751,545	\$1,231,263	\$520,282	42.3%	\$6,207,195	28.2%
OVER (SHORT)	-\$403,003	-\$47,143	-\$355,860		-\$610,660	
ENDING FUND BALANCE	\$1,808,988	\$1,417,094			\$1,594,975	

Cemetery Fund #101

Overview:

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

The budget provides for \$212,720 in total resources and transfers in and total expenditures and transfers out of \$205,085.

Revenues:

Revenues to the Cemetery Fund primarily come from Cemetery Fees and operating transfers from other funds, foremost the General Fund. Cemetery Fee revenue is higher than anticipated with 34.5% of budgeted amounts received as of the first quarter. This is \$1,547 or 4.7% higher than comparable 2006 levels.

As of the first quarter, transfers to the Cemetery Fund had not yet been made. At March 31, 2007, the Cemetery Fund is on target having received \$49,830, or 23.4% of budgeted revenues.

Appropriations:

There are 1.42 FTE's dedicated to operations and maintenance activities and 0.75 FTE's dedicated for administrative and clerical duties at the Cemetery. Through March, the Cemetery fund is on target having expended \$51,791 or 25.3% of budgeted appropriations.

CEMETERY FUND #101**CITY OF HOQUIAM****2007 1ST QUARTER FINANCIAL REPORT**

<u>REVENUES</u>	<u>2007 Q1 YTD</u>	<u>2006 Q1 YTD</u>	<u>Increase (Decrease)</u>	<u>% Increase (Decrease)</u>	<u>2007 Budget</u>	<u>% to Budget</u>
Beginning Fund Balance	\$15,776	\$0			\$15,775	
Retail Sales	\$0	\$0	\$0	-	\$9,300	0.0%
Cemetery Fees	\$34,517	\$32,970	\$1,547	4.7%	\$100,000	34.5%
Investment Interest	\$10,101	\$8,535	\$1,566	18.3%	\$20,105	50.2%
Land Lease (Cell Tower)	\$2,400	\$2,400	\$0	0.0%	\$9,600	25.0%
Housing Rentals	\$1,200	\$1,200	\$0	0.0%	\$4,800	25.0%
<u>Donations</u>	<u>\$14</u>	<u>\$10</u>	<u>\$4</u>	<u>40.0%</u>	<u>\$0</u>	<u>-</u>
TOTAL CEMETERY FUND	\$48,232	\$45,115	\$3,117	6.9%	\$143,805	33.5%
<u>OTHER REVENUES & TRANSFERS IN</u>						
Trf In - Mausoleum #102	\$1,598	\$1,583	\$15	0.9%	\$9,915	16.1%
Trf In - Cem Equip Resr #103	0	0	\$0	-	2000	0.0%
Trf In - Cem Preneed #104	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>-</u>	<u>\$57,000</u>	<u>0.0%</u>
TOTAL OTHER REVENUES	\$1,598	\$1,583	\$15	0.9%	\$68,915	2.3%
GRAND TOTAL CEMETERY FUND	\$49,830	\$46,699	\$3,131	6.7%	\$212,720	23.4%
<u>APPROPRIATIONS</u>						
Cemetery Operations	\$48,636	\$38,188	\$10,448	27.4%	\$182,760	26.6%
Equipment Rental	\$2,774	\$1,305	\$1,469	112.6%	\$12,000	23.1%
Road Paving Debt Service	\$0	\$0	\$0	-	\$6,825	0.0%
Land	\$0	\$258	-\$258	-100.0%	\$0	-
Golf Cart	\$0	\$0	\$0	-	\$2,000	0.0%
Trf Out - Equipment Reserve #505	<u>\$380</u>	<u>\$399</u>	<u>-\$19</u>	<u>-4.8%</u>	<u>\$1,500</u>	<u>25.3%</u>
CEMETERY FUND APPROPRIATIONS	\$51,791	\$40,150	\$11,641	29.0%	\$205,085	25.3%
OVER (SHORT)	-\$1,961	\$6,549	-\$8,510		\$7,635	
ENDING FUND BALANCE	\$13,815	\$6,549			\$23,410	

Mausoleum Fund #102

Overview:

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

For the year, this fund begins the year with a \$129,176 cash balance. The budget provides for \$21,175 in resources and \$27,415 in expenditures.

Revenues:

The major source of resources to the Mausoleum Fund comes from user fees. There is also a repayment of a loan provided to the Cemetery Fund. As of March 2007, \$7,961 or 37.6%, of revenues have been received.

Appropriations:

Appropriations to the Mausoleum Fund include operating supplies and a transfer to the Cemetery Fund for perpetual care and maintenance to the Mausoleum. At the end of the first quarter, \$1,598 or 5.8% of appropriated expenditures had been made.

MAUSOLEUM FUND #102
CITY OF HOQUIAM
2007 1ST QUARTER FINANCIAL REPORT

<u>REVENUES</u>	<u>2007</u> <u>Q1 YTD</u>	<u>2006</u> <u>Q1 YTD</u>	<u>Increase</u> <u>(Decrease)</u>	<u>% Increase</u> <u>(Decrease)</u>	<u>2007</u> <u>Budget</u>	<u>% to</u> <u>Budget</u>
Beginning Fund Balance	\$129,176	\$120,521			\$129,175	
Cemetery Fees	\$6,110	\$1,464	\$4,646	317.3%	\$11,000	55.5%
Investment Interest	\$1,851	\$1,967	-\$116	-5.9%	\$3,350	55.3%
Interest on Contracts	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>=</u>	<u>\$940</u>	<u>0.0%</u>
TOTAL MAUSOLEUM FUND	\$7,961	\$3,432	\$4,530	132.0%	\$15,290	52.1%
<u>OTHER REVENUES & TRANSFERS IN</u>						
Interfund Loan - Cemetery #101	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>=</u>	<u>\$5,885</u>	<u>0.0%</u>
TOTAL OTHER REVENUES	\$0	\$0	\$0	=	\$5,885	0.0%
GRAND TOTAL MAUSOLEUM FUND	\$7,961	\$3,432	\$4,530	132.0%	\$21,175	37.6%
APPROPRIATIONS						
Mausoleum Operations	\$0	\$1,087	-\$1,087	-100.0%	\$4,500	0.0%
Capital	\$0	\$0	\$0	-	\$13,000	0.0%
Trf Out - Cemetery #101	<u>\$1,598</u>	<u>\$1,583</u>	<u>\$15</u>	<u>0.9%</u>	<u>\$9,915</u>	<u>16.1%</u>
MAUSOLEUM FUND APPROPRIATIONS	\$1,598	\$2,671	-\$1,073	-40.2%	\$27,415	5.8%
OVER (SHORT)	\$6,363	\$761	\$5,602		-\$6,240	
ENDING FUND BALANCE	\$135,540	\$121,282			\$122,935	

Street Fund #106

Overview:

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

Revenues

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

Gas tax revenues are \$34,851 or 23.2% of budget through March. Yearly revenue estimates are based upon Department of Transportation projections. Gasoline taxes are collected on a cents per gallon basis and not as a percentage of sales price. For this reason, the increase or decrease in gasoline prices does not result in a corresponding change in gas tax revenue.

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

Appropriations:

Overall, the Street Fund expended 27.9%, or \$82,044 of its \$293,760 budget during the first three months of the year. This is \$8,776 or 12.0% higher than comparable 2006 levels.

Street crews were busy in the first quarter clearing snow and debris from City roadways. Street activity will accelerate as the summer approaches and the City increases its road maintenance efforts.

STREET FUND #106
CITY OF HOQUIAM
2007 1ST QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2007 Q1 YTD	2006 Q1 YTD	Increase (Decrease)	% Increase (Decrease)	2007 Budget	% to Budget
Beginning Fund Balance	\$51,175	\$54,734			\$51,175	
Property Tax	\$0	\$0	\$0	-	\$0	0.0%
Street & Curb Permits	\$125	\$34	\$91	267.6%	\$1,200	10.4%
Gas Tax	<u>\$34,851</u>	<u>\$32,965</u>	<u>\$1,886</u>	<u>5.7%</u>	<u>\$150,370</u>	<u>23.2%</u>
TOTAL STREET FUND	<u>\$34,976</u>	<u>\$32,999</u>	<u>\$1,977</u>	<u>6.0%</u>	<u>\$151,570</u>	<u>23.1%</u>
Trf In - General Fund #001	\$0	\$0	\$0	-	\$128,440	0.0%
GRAND TOTAL STREET FUND	\$34,976	\$32,999	\$1,977	6.0%	\$280,010	12.5%
APPROPRIATIONS						
Executive Services	\$4,950	\$4,530	\$420	9.3%	\$20,885	23.7%
Roadway Services	\$45,819	\$36,188	\$9,631	26.6%	\$159,620	28.7%
Traffic Control Devices	\$1,226	\$417	\$809	193.9%	\$13,220	9.3%
Ancillary Operations	\$27,446	\$29,055	-\$1,609	-5.5%	\$91,010	30.2%
General Administration	\$2,018	\$2,913	-\$895	-30.7%	\$8,275	24.4%
Trf Out - Paths & Trails #108	\$174	\$165	\$9	5.7%	\$750	23.2%
Trf Out - Unemployment #522	<u>\$410</u>	<u>\$0</u>	<u>\$410</u>	-	<u>\$0</u>	-
STREET FUND APPROPRIATIONS	\$82,044	\$73,268	\$8,776	12.0%	\$293,760	27.9%
OVER (SHORT)	-\$47,068	-\$40,269	-\$6,799		-\$13,750	
ENDING FUND BALANCE	\$4,107	\$14,465			\$37,425	

Arterial Street Fund #107

Overview:

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

Revenues

Revenues to this fund come entirely from gas taxes and invested fund balances.

Gas tax revenues are \$16,295 or 23.2% of budget through March. Yearly revenue estimates are based upon Department of Transportation projections. Gasoline taxes are collected on a cents per gallon basis and not as a percentage of sales price. For this reason, the increase in gasoline prices does not result in a corresponding increase in gas tax revenue.

Appropriations and transfers out:

Budgeted appropriations and transfers out total \$106,015. Through March, expenditures and transfers out total \$81. Expenditures go primarily to debt service and transfers out.

The \$35,665 debt service payment is for the City's Public Works Trust Fund loan for the Aberdeen Avenue project. There is also a \$50,000 transfer to the Sidewalk Construction Fund. Both of these distributions have yet to be made as of March 31, 2007.

ARTERIAL STREET FUND #107

CITY OF HOQUIAM

2007 1ST QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2007 Q1 YTD	2006 Q1 YTD	Increase (Decrease)	% Increase (Decrease)	2007 Budget	% to Budget
Beginning Fund Balance	\$160,252	\$127,110			\$160,250	
Gas Tax	\$16,295	\$15,413	\$882	5.7%	\$70,310	23.2%
Investment Interest	\$1,983	\$1,622	\$361	22.3%	\$3,040	65.2%
TOTAL ARTERIAL STREET FUND	\$18,278	\$17,035	\$1,243	7.3%	\$73,350	24.9%
GRAND TOTAL ART. STREET FUND	\$18,278	\$17,035	\$1,243	7.3%	\$73,350	24.9%
APPROPRIATIONS						
Debt Service	\$0	\$0	\$0	-	\$35,665	0.0%
Capital	\$0	\$0	\$0	-	\$20,000	0.0%
Trf Out - Paths & Trails #108	\$81	\$77	\$4	5.8%	\$350	23.3%
Trf Out - Sidewalk Construction #302	\$0	\$0	\$0	-	\$50,000	0.0%
ART. STREET FUND APPROPRIATIONS	\$81	\$77	\$4	5.8%	\$106,015	0.1%
OVER (SHORT)	\$18,197	\$16,958	\$1,239		-\$32,665	
ENDING FUND BALANCE	\$178,449	\$144,068			\$127,585	

Ambulance Fund #109

Overview:

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

Revenues:

Emergency Care revenues come from three primary sources:

- The general emergency medical services (EMS) property tax levy is projected to generate \$175,420. Through March, the City had received \$3,266 from this revenue source, with the major distributions expected to occur in May and November from the County Auditor's office.
- Ambulance fees are projected at \$810,000. Through March, the City has collected \$208,207, or 25.7% of Budget. This activity is \$10,350 or 5.2% higher than the 2006 activity through March.
- Ambulance utility charges are budgeted at \$450,000. The City has received \$111,197 or 24.7% of these monthly charges.

Appropriations and Transfers Out:

Through March, the Ambulance Fund has spent 24.4% of its annual operating budget appropriations of \$1,494,490. This activity is right on target, and Finance with the cooperation Emergency Care Administration will monitor monthly activity to ensure that overall budget targets are adhered to.

Other appropriations include:

- A \$3,930 transfer to the General Fund to pay the Ambulance Fund's portion of the annual E911 contribution. This line item is 25.0% expended as of the 1st Quarter.
- \$46,605 in capital projects including new lifepak (heart) monitors and the ramp at the east side station.

AMBULANCE FUND #109
CITY OF HOQUIAM
2007 1ST QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2007 Q1 YTD	2006 Q1 YTD	Increase (Decrease)	% Increase (Decrease)	2007 Budget	% to Budget
Beginning Fund Balance	\$263,094	\$244,582			\$263,090	
EMS Levy	\$3,266	\$2,827	\$439	15.5%	\$175,420	1.9%
Ambulance Fees	\$208,207	\$197,856	\$10,350	5.2%	\$810,000	25.7%
Miscellaneous	\$647	\$536	\$111	20.7%	\$1,200	53.9%
Ambulance Utility Charges	\$111,197	\$85,030	\$26,167	30.8%	\$450,000	24.7%
Fire District EMS Fees	<u>\$6,200</u>	<u>\$3,200</u>	<u>\$3,000</u>	<u>93.8%</u>	<u>\$45,000</u>	<u>13.8%</u>
TOTAL AMBULANCE FUND	\$329,517	\$289,450	\$40,067	13.8%	\$1,481,620	22.2%
<u>OTHER REVENUES & TRANSFERS IN</u>						
Trf In - General Fund #001	<u>\$0</u>	<u>\$42,772</u>	<u>-\$42,772</u>	<u>-100.0%</u>	<u>\$0</u>	-
TOTAL OTHER REVENUES	\$0	\$42,772	-\$42,772	-100.0%	\$0	-
GRAND TOTAL AMBULANCE FUND	\$329,517	\$332,222	-\$2,705	-0.8%	\$1,481,620	22.2%
<u>APPROPRIATIONS</u>						
Ambulance Operations	\$360,614	\$358,172	\$2,443	0.7%	\$1,421,625	25.4%
Capital	-\$96	\$2,305	-\$2,401	-104.2%	\$46,605	-0.2%
Debt Service	\$2,838	\$3,005	-\$167	-5.6%	\$2,840	99.9%
Trf Out - General Fund #001 (E911)	\$982	\$3,911	-\$2,929	-74.9%	\$3,930	25.0%
Trf Out - Equipment Rental Fund #501	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	-	<u>\$19,490</u>	<u>0.0%</u>
AMBULANCE FUND APPROPRIATIONS	\$364,338	\$367,392	-\$3,055	-0.8%	\$1,494,490	24.4%
OVER (SHORT)	-\$34,821	-\$35,170	\$349		-\$12,870	
ENDING FUND BALANCE	\$228,273	\$209,411			\$250,220	

Stadium and Tourism Fund #112

Overview:

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

Revenues:

For the year, Hotel Motel tax revenues are budgeted to total \$13,000, and come from two sources, a 2% Stadium tax revenues and 3% Transient excise tax. Revenues through March of \$1,419 constitute 10.9% of the budgeted amount of \$13,000.

Through March, Hotel Motel taxes are also down 41.0% compared to 2006 levels demonstrating the need for additional lodging facilities in Hoquiam. Staff will continue to monitor this trend monthly and keep the Council informed of any important developments.

Appropriations and Transfers out:

Through March, the City has not expended any of its budget authority in this fund. Staff will be bringing recommendations to the Council from the Lodging Tax Advisory Committee (LTAC) for approval to fund the 2007 community events and festivals.

STADIUM/TOURISM FUND #112

CITY OF HOQUIAM

2007 1ST QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2007 Q1 YTD	2006 Q1 YTD	Increase (Decrease)	% Increase (Decrease)	2007 Budget	% to Budget
Beginning Fund Balance	\$17,948	\$11,434			\$17,945	
Hotel-Motel Tax	\$1,419	\$2,408	-\$988	-41.0%	\$13,000	10.9%
<u>Investment Interest</u>	<u>\$235</u>	<u>\$114</u>	<u>\$121</u>	<u>105.6%</u>	<u>\$300</u>	<u>78.3%</u>
TOTAL STADIUM/TOURISM FUND	\$1,654	\$2,522	-\$867	-34.4%	\$13,300	12.4%
GRAND TOTAL STADIUM/TOURISM	\$1,654	\$2,522	-\$867	-34.4%	\$13,300	12.4%
<u>APPROPRIATIONS</u>						
Loggers Playday	\$0	\$0	\$0	-	\$0	-
7th Street Theatre	\$0	\$0	\$0	-	\$0	-
Community Events	\$0	\$0	\$0	-	\$0	-
<u>Trf Out - General Fund #001</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	-	<u>\$0</u>	-
STADIUM/TOURISM APPROPRIATIONS	\$0	\$0	\$0	-	\$0	-
OVER (SHORT)	\$1,654	\$2,522	-\$867		\$13,300	
ENDING FUND BALANCE	\$19,602	\$13,956			\$31,245	

Community Development Repay Fund #130

Overview:

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

This fund will begin 2007 with a budgeted \$206,174 cash balance.

Revenues:

This fund receives its primary resources from contract payments on home improvement loans and some resources from the cleanup and abatement fees. Total resources were budgeted at \$10,000 while revenues of \$20,950 have already been received.

The City's increased efforts in the abatement of dangerous buildings has increased the revenues of this fund dramatically and slowed the use of reserves by this fund.

Appropriations and Transfers out:

Expenditures for cleanup and abatement activities were budgeted at \$133,540 and include demolition costs for the Fluckinger Building on 8th Street.

Through March, \$17,488 or 13.1% of this budget have been expended. This activity is well below expected levels but should be 100% expended by year end.

COMMUNITY DEVELOPMENT REPAY FUND #130

CITY OF HOQUIAM

2007 1ST QUARTER FINANCIAL REPORT

<u>REVENUES</u>	<u>2007 Q1 YTD</u>	<u>2006 Q1 YTD</u>	<u>Increase (Decrease)</u>	<u>% Increase (Decrease)</u>	<u>2007 Budget</u>	<u>% to Budget</u>
Beginning Fund Balance	\$206,174	\$195,287			\$206,175	
Miscellaneous Cleanup Fees	\$0	\$782	-\$782	-100.0%	\$0	-
Abatement Fees	\$217	\$7,269	-\$7,052	-97.0%	\$0	-
<u>Contract Payments</u>	<u>\$20,734</u>	<u>\$2,677</u>	<u>\$18,056</u>	<u>674.4%</u>	<u>\$10,000</u>	<u>207.3%</u>
TOTAL COMM. DEVEL. REPAY FUND	\$20,950	\$10,728	\$10,222	95.3%	\$10,000	209.5%
GRAND TOTAL COMM. DEVEL. REPAY	\$20,950	\$10,728	\$10,222	95.3%	\$10,000	209.5%
APPROPRIATIONS						
Miscellaneous	\$164	\$35	\$129	368.6%	\$100	164.0%
Cleanup Activities	\$3,103	\$1,547	\$1,555	100.5%	\$1,000	310.3%
Abate Nuisances	\$14,124	\$621	\$13,503	2173.1%	\$100,000	14.1%
GH Co. Waste Abatement Grant	\$98	\$1,382	-\$1,285	-92.9%	\$2,440	4.0%
<u>Trf Out - General Fund #001 (ED Plan)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>=</u>	<u>\$30,000</u>	<u>0.0%</u>
COMM. DEVEL. REPAY FUND	\$17,488	\$3,586	\$13,902	387.7%	\$133,540	13.1%
OVER (SHORT)	\$3,462	\$7,142	-\$3,680		-\$123,540	
ENDING FUND BALANCE	\$209,636	\$202,429			\$82,635	

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 associated with the City's utilities. The adjacent pages summarize budgeted financial activity for the biennium, including revenues and expenditures through March.

Revenues:

This fund was budgeted to generate revenues of \$5,497,305, primarily from water, sewer and storm usage. Fees received from late penalties and shut-offs are also part of this fund's revenues.

Through March water sales of \$289,296 were collected or 20.9% of budgeted metered water revenues of \$1,387,340. This is 3.4% higher than 2006. Water revenues are very seasonal and this number is anticipated to increase in the summer months. However, staff will be monitoring this revenue closely in the coming months.

Through March, this fund had collected 25.4%, or \$279,495 of its budgeted \$1,101,860 sewer service revenue. Sewer service rates are primarily fixed in amounts and not subject to variation in seasonality. Sewer service revenue is 6.4% higher than the 2006 year to date amount.

Storm Drain rate revenues through March are at 18.2%, or \$45,469 of the budgeted amount of \$250,000. Storm Drain revenues are \$3,002 or 7.1% higher than comparable 2006 amounts. Staff has been closely monitoring this trend and will make a rate recommendation to the Council.

The last major revenue source to this fund comes from a transfer in from the Watershed Fund. Through March, \$462,906 or 18.1% of the budgeted amount of \$2,552,495 had been transferred.

Appropriations:

For 2007, this fund was appropriated to spend \$5,509,390. Budgeted amounts are primarily for operations, but do include expenditures for capital, debt service and transfers out for equipment reserves.

Through March, the Water, Sewer and Storm Departments combined have expended 25.1%, or \$776,943 of their combined \$3,090,950 operating budget, which is within parameters for the first quarter.

WATER, SEWER AND STORM FUND #401

CITY OF HOQUIAM

2007 1ST QUARTER FINANCIAL REPORT

<u>REVENUES</u>	<u>2007 Q1 YTD</u>	<u>2006 Q1 YTD</u>	<u>Increase (Decrease)</u>	<u>% Increase (Decrease)</u>	<u>2007 Budget</u>	<u>% to Budget</u>
Beginning Fund Balance	\$522,378	\$318,261			\$522,375	
Water Sales	\$289,296	\$279,853	\$9,443	3.4%	\$1,387,340	20.9%
Sewer Service	\$279,495	\$262,577	\$16,919	6.4%	\$1,101,860	25.4%
Storm Drainage	\$45,469	\$42,467	\$3,002	7.1%	\$250,000	18.2%
Charges for Miscellaneous Service	\$2,622	\$2,306	\$316	13.7%	\$25,000	10.5%
Investment Interest	\$21,389	\$23,311	-\$1,923	-8.2%	\$78,610	27.2%
PWTF Loan	\$15,000	\$0	\$15,000	-	\$100,000	15.0%
<u>Other Miscellaneous</u>	<u>\$3,750</u>	<u>\$200</u>	<u>\$3,550</u>	<u>1774.7%</u>	<u>\$2,000</u>	<u>187.5%</u>
TOTAL WATERWORKS FUND	\$657,021	\$610,713	\$46,308	7.6%	\$2,944,810	22.3%
<u>OTHER REVENUES & TRANSFERS IN</u>						
Trf In - Watershed #402	\$462,906	\$0	\$462,906	-	\$2,552,495	18.1%
TOTAL OTHER REVENUES	\$462,906	\$0	\$462,906	-	\$2,552,495	18.1%
GRAND TOTAL WATERWORKS FUND	\$1,119,927	\$610,713	\$509,214	83.4%	\$5,497,305	20.4%
<u>APPROPRIATIONS</u>						
Water Operations	\$452,365	\$416,194	\$36,171	8.7%	\$1,591,315	28.4%
Sewer Operations	\$253,190	\$286,255	-\$33,065	-11.6%	\$1,178,905	21.5%
<u>Storm Drain Operations</u>	<u>\$71,388</u>	<u>\$81,662</u>	<u>-\$10,274</u>	<u>-12.6%</u>	<u>\$320,730</u>	<u>22.3%</u>
TOTAL WATERWORKS OPERATIONS	\$776,943	\$784,111	-\$7,169	-0.9%	\$3,090,950	25.1%
Water Capital	\$77,933	\$4,451	\$73,482	1651.0%	\$897,085	8.7%
Sewer Capital	\$345,495	\$12,750	\$332,745	2609.8%	\$1,314,500	26.3%
<u>Storm Drain Capital</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>-</u>	<u>\$4,230</u>	<u>0.0%</u>
TOTAL WATERWORKS CAPITAL	\$423,427	\$17,201	\$406,226	2361.7%	\$2,215,815	19.1%
Water Debt Service	\$0	\$0	\$0	-	\$0	-
<u>Sewer Debt Service</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>-</u>	<u>\$24,740</u>	<u>0.0%</u>
TOTAL WATERWORKS DEBT	\$0	\$0	\$0	-	\$24,740	0.0%
Trf Out - Equipment Rental #501	\$15,030	\$15,736	-\$706	-4.5%	\$77,385	19.4%
Trf Out - Equipment Reserve #505	\$21,411	\$19,748	\$1,663	8.4%	\$100,500	21.3%
<u>Trf Out - Unemployment #522</u>	<u>\$2,539</u>	<u>\$0</u>	<u>\$2,539</u>	<u>-</u>	<u>\$0</u>	<u>-</u>
TOTAL WATERWORKS TRANSFERS	\$38,980	\$35,484	\$3,495	9.9%	\$177,885	21.9%
GRAND TOTAL WATERWORKS FUND	\$1,239,350	\$836,796	\$402,553	48.1%	\$5,509,390	22.5%
OVER (SHORT)	-\$119,422	-\$226,083	\$106,661		-\$12,085	
ENDING FUND BALANCE	\$402,955	\$92,178			\$510,290	

To date, the Water, Sewer and Storm Departments expended 19.1%, or \$423,427 of their combined \$2,215,815 capital budget. For 2007, the majority of capital expenditures will be toward replacement of the Hoquiam River crossings.

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

This fund was budgeted to begin the year with a cash balance of \$522,375. However, after all operating appropriations and capital expenditures, this fund is budgeted to end the year with a cash balance of \$510,290. This is encouraging as a 45-day operating reserve is recommended which would equate to \$333,000.

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Watershed Fund #402

Overview:

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

This fund will begin 2007 with a \$1,639,561 cash balance.

Revenues:

This fund receives its resources from timber sales. Bids were opened for a timber sale this Spring and the City has already received \$110,000 or 10.0% of it's budgeted amounts of \$1,100,000.

Appropriations and Transfers out:

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

An interfund transfer of \$2,607,495 is budgeted to the Water, Sewer and Storm Fund for capital expenditures in support of infrastructure improvements. To date, \$462,906 or 17.8% of budgeted transfers had been made.

WATERSHED FUND #402
CITY OF HOQUIAM
2007 1ST QUARTER FINANCIAL REPORT

<u>REVENUES</u>	<u>2007 Q1 YTD</u>	<u>2006 Q1 YTD</u>	<u>Increase (Decrease)</u>	<u>% Increase (Decrease)</u>	<u>2007 Budget</u>	<u>% to Budget</u>
Beginning Fund Balance	\$1,639,561	\$2,310,473			\$1,639,560	
Miscellaneous Revenue	\$528	0	\$528		-	\$0
<u>Timber Payments</u>	<u>\$110,000</u>	<u>\$0</u>	<u>\$110,000</u>		<u>-</u>	<u>\$1,100,000</u>
TOTAL WATERSHED FUND	\$110,528	\$0	\$110,000		-	\$1,100,000
GRAND TOTAL WATERSHED FUND	\$110,528	\$0	\$110,000	-	\$1,100,000	10.0%
APPROPRIATIONS						
Watershed Operations	\$19,392	\$13,202	\$6,190	46.9%	\$102,880	18.8%
<u>Trf Out - Waterworks #401</u>	<u>\$462,906</u>	<u>\$0</u>	<u>\$462,906</u>		<u>-</u>	<u>\$2,607,495</u>
WATERSHED FUND	\$482,298	\$13,202	\$469,096	3553.1%	\$2,710,375	17.8%
OVER (SHORT)	-\$371,770	-\$13,202	-\$358,567		-\$1,610,375	
ENDING FUND BALANCE	\$1,267,791	\$2,297,271			\$29,185	

Landfill Postclosure Fund #417

Overview:

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

This fund will begin 2007 with a \$323,102 cash balance.

Revenues:

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

Appropriations and Transfers out:

This fund is budgeted to spend \$59,430 on postclosure maintenance in 2007. As of the first quarter, \$9,887 or 16.6% of anticipated expenditures had been made. This fund is budgeted to end the year with a \$271,670 cash balance.

LANDFILL POSTCLOSURE FUND #417

CITY OF HOQUIAM

2007 1ST QUARTER FINANCIAL REPORT

<u>REVENUES</u>	<u>2007 Q1 YTD</u>	<u>2006 Q1 YTD</u>	<u>Increase (Decrease)</u>	<u>% Increase (Decrease)</u>	<u>2007 Budget</u>	<u>% to Budget</u>
Beginning Fund Balance	\$323,102	\$350,930			\$323,100	
<u>Investment Interest</u>	<u>\$4,807</u>	<u>\$6,280</u>	<u>-\$1,473</u>	<u>-23.5%</u>	<u>\$8,000</u>	<u>60.1%</u>
TOTAL LANDFILL POSTCLOSURE FUND	\$4,807	\$6,280	-\$1,473	-23.5%	\$8,000	60.1%
GRAND TOTAL LANDFILL POSTCLOSURE	\$4,807	\$6,280	-\$1,473	-23.5%	\$8,000	60.1%
APPROPRIATIONS						
<u>Landfill Operations</u>	<u>\$9,887</u>	<u>\$8,552</u>	<u>\$1,335</u>	<u>15.6%</u>	<u>\$59,430</u>	<u>16.6%</u>
LANDFILL POSTCLOSURE FUND	\$9,887	\$8,552	\$1,335	15.6%	\$59,430	16.6%
OVER (SHORT)	-\$5,079	-\$2,271	-\$2,808		-\$51,430	
ENDING FUND BALANCE	\$318,022	\$348,659			\$271,670	

Equipment Rental Fund #501

Overview:

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

For the biennium, this fund begins the year with a \$62,813 cash balance.

Revenues:

All resources of the Equipment Rental Fund come in the form of charges for services from other departments and transfers from other funds.

There is \$504,790 in budgeted revenue, of which 12.0%, has been received through March.

Appropriations:

The primary expenditures in this fund are for the one mechanic and for vehicle purchases. In addition to the mechanic, there are six vehicle purchases planned for the year, including one ambulance.

As of March, \$62,010 or 24.2% of operations had been expended and \$14,827 or 6.0% of appropriated vehicle purchases had been made.

EQUIPMENT RENTAL FUND #501

CITY OF HOQUIAM

2007 1ST QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2007 <u>Q1 YTD</u>	2006 <u>Q1 YTD</u>	Increase (Decrease)	% Increase (Decrease)	2007 <u>Budget</u>	% to <u>Budget</u>
Beginning Fund Balance	\$62,813	\$48,498			\$62,810	
Equipment Maintenance Charges	\$57,499	\$59,873	-\$2,375	-4.0%	\$241,765	23.8%
Investment Interest	\$1,738	\$2,279	-\$541	-23.7%	\$11,095	15.7%
<u>Other Miscellaneous</u>	<u>\$1,117</u>	<u>\$1,259</u>	<u>-\$142</u>	<u>-11.3%</u>	<u>\$5,000</u>	<u>22.3%</u>
TOTAL EQUIPMENT RENTAL FUND	\$60,354	\$63,412	-\$3,058	-4.8%	\$257,860	23.4%
<u>OTHER REVENUES & TRANSFERS IN</u>						
Trf In - Eq. Rental Reserve #505	\$0	\$0	\$0	=	\$246,930	0.0%
TOTAL OTHER REVENUES	\$0	\$0	\$0	=	\$246,930	0.0%
GRAND TOTAL EQUIPMENT RENTAL	\$60,354	\$63,412	-\$3,058	-4.8%	\$504,790	12.0%
<u>APPROPRIATIONS</u>						
Equipment Rental Operations	\$62,010	\$62,430	-\$420	-0.7%	\$256,075	24.2%
<u>Capital</u>	<u>\$14,827</u>	<u>\$34,563</u>	<u>-\$19,737</u>	<u>-57.1%</u>	<u>\$246,430</u>	<u>6.0%</u>
EQUIPMENT RENTAL FUND APPROP.	\$76,837	\$96,993	-\$20,156	-20.8%	\$502,505	15.3%
OVER (SHORT)	-\$16,483	-\$33,581	\$17,098		\$2,285	
ENDING FUND BALANCE	\$46,330	\$14,917			\$65,095	

Equipment Rental Reserve Fund #505

Overview:

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

For the biennium, this fund begins the year with a \$1,364,211 cash balance. The budget provides for \$238,900 in resources from transfers to this fund from other funds and \$35,085 from interfund loan repayments.

Revenues:

All resources of the Equipment Rental Reserve Fund come in the form of transfers from other funds. As noted above, \$238,900 in transfers are provided by other funds of which \$56,007 or 23.4%, have been made through March.

Appropriations:

Appropriations come in the form of transfers to the Equipment Rental Fund #501. In the 2007 budget, \$227,440 was appropriated in transfers of which none have been made to date.

EQUIPMENT RENTAL RESERVE FUND #505

CITY OF HOQUIAM

2007 1ST QUARTER FINANCIAL REPORT

<u>REVENUES</u>	<u>2007 Q1 YTD</u>	<u>2006 Q1 YTD</u>	<u>Increase (Decrease)</u>	<u>% Increase (Decrease)</u>	<u>2007 Budget</u>	<u>% to Budget</u>
Beginning Fund Balance	\$1,364,211	\$1,296,228			\$1,364,210	
Departmental Contributions	\$56,007	\$41,397	\$14,610	35.3%	\$238,900	23.4%
Interfund Loans	\$13,256	\$12,178	\$1,079	8.9%	\$35,085	37.8%
<u>Proceeds from Sale of Fixed Assets</u>	<u>\$5,800</u>	<u>\$0</u>	<u>\$5,800</u>	<u>=</u>	<u>\$0</u>	<u>=</u>
TOTAL COMM. DEVEL. REPAY FUND	\$75,063	\$53,575	\$21,489	40.1%	\$273,985	27.4%
GRAND TOTAL COMM. DEVEL. REPAY	\$75,063	\$53,575	\$21,489	40.1%	\$273,985	27.4%
<u>APPROPRIATIONS</u>						
<u>Trf Out - Equipment Rental #501</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>=</u>	<u>\$227,440</u>	<u>0.0%</u>
COMM. DEVEL. REPAY FUND	\$0	\$0	\$0	-	\$227,440	0.0%
OVER (SHORT)	\$75,063	\$53,575	\$21,489		\$46,545	
ENDING FUND BALANCE	\$1,439,275	\$1,349,803			\$1,410,755	

Medical/Dental Fund #520

Overview:

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

For the year, this fund begins the year with a \$69,057 cash balance. The budget provides for \$1,414,570 in resources transferred to this fund from the City's operating funds.

Revenues:

All resources of the Medical/Dental Fund come in the form of transfers from other funds. As noted above, \$1,414,570 in transfers are provided by other funds, of which \$331,743 or 23.5%, have been made through March.

Appropriations:

Appropriations to this fund include the City's direct medical and dental premiums in the amount of \$1,415,000. As of March, the City had expended \$325,640 or 23.0% on medical premiums.

MEDICAL/DENTAL FUND #520
CITY OF HOQUIAM
2007 1ST QUARTER FINANCIAL REPORT

<u>REVENUES</u>	<u>2007</u> <u>Q1 YTD</u>	<u>2006</u> <u>Q1 YTD</u>	<u>Increase</u> <u>(Decrease)</u>	<u>% Increase</u> <u>(Decrease)</u>	<u>2007</u> <u>Budget</u>	<u>% to</u> <u>Budget</u>
Beginning Fund Balance	\$69,057	\$73,044			\$69,055	
Department Contributions	\$331,066	\$314,052	\$17,014	5.4%	\$1,412,000	23.4%
Cobra Contributions	\$0	\$107	-\$107	-100.0%	\$0	-
Employee Contributions	<u>\$677</u>	<u>\$393</u>	<u>\$284</u>	<u>72.2%</u>	<u>\$2,570</u>	<u>26.4%</u>
TOTAL MEDICAL/DENTAL FUND	\$331,743	\$314,552	\$17,192	5.5%	\$1,414,570	23.5%
GRAND TOTAL MEDICAL/DENTAL FUND	\$331,743	\$314,552	\$17,192	5.5%	\$1,414,570	23.5%
APPROPRIATIONS						
Medical Premiums	\$310,641	\$402,792	-\$92,152	-22.9%	\$1,340,000	23.2%
<u>Dental - Claims & Admin Fees</u>	<u>\$14,999</u>	<u>\$16,249</u>	<u>-\$1,250</u>	<u>-7.7%</u>	<u>\$75,000</u>	<u>20.0%</u>
MEDICAL/DENTAL FUND APPROPRIATIONS	\$325,640	\$419,042	-\$93,402	-22.3%	\$1,415,000	23.0%
OVER (SHORT)	\$6,103	-\$104,490	\$110,593		-\$430	
ENDING FUND BALANCE	\$75,161	-\$31,446			\$68,625	

Unemployment Fund #522

Overview:

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

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

Revenues:

All resources of the Unemployment Fund come in the form of transfers from the General Fund. As noted above, \$15,000 in transfers are provided to this fund of which \$2,788 or 18.6% have been made through March.

Appropriations:

There is \$15,000 in appropriations planned for the year to allow for potential unemployment claims of former City employees. As of March, \$5,737 or 38.2% of the appropriations in this fund had been expended.

Unfortunately, a former building clerk and utility clerk both have filed for unemployment of which the City is required to share a portion. However, the utility clerk has been rehired and should reduce future expenditures.

UNEMPLOYMENT FUND #522
CITY OF HOQUIAM
2007 1ST QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2007 Q1 YTD	2006 Q1 YTD	Increase (Decrease)	% Increase (Decrease)	2007 Budget	% to Budget
Beginning Fund Balance	\$0	\$0			\$0	
Property Tax	\$0	\$0	\$0	-	\$0	-
Trf In - General Fund	\$2,788	\$0	\$2,788	-	\$15,000	18.6%
<u>Trf In - Departments</u>	<u>\$2,949</u>	<u>\$0</u>	<u>\$2,949</u>	-	<u>\$0</u>	-
TOTAL UNEMPLOYMENT FUND	\$5,737	\$0	\$5,737	-	\$15,000	38.2%
GRAND TOTAL UNEMPLOYMENT FUND	\$5,737	\$0	\$5,737 -		\$15,000	38.2%
APPROPRIATIONS						
<u>Personnel Benefits</u>	<u>\$5,737</u>	<u>\$7,454</u>	<u>-\$1,717</u>	<u>-23.0%</u>	<u>\$15,000</u>	<u>38.2%</u>
UNEMPLOYMENT FUND APPROPRIATIONS	\$5,737	\$7,454	-\$1,717	-23.0%	\$15,000	38.2%
OVER (SHORT)	\$0	-\$7,454	\$7,454		\$0	
ENDING FUND BALANCE	\$0	-\$7,454			\$0	

Police & Firemen's Pension Fund #611

Overview:

This fund pays for the medical premiums and allowable medical bills for retired LEOFF I Police and Fire employees. The City is mandated by state law to provide the benefits to these employees while the state provides their pensions. This fund also pays the supplemental pension payments for pre-LEOFF fire employees. This fund is budgeted to begin the year with a \$31,340 beginning cash balance.

Revenues:

The primary source of funding for the Police & Firemen's Pension Fund is through a transfer from the General Fund. There is \$472,730 in budgeted transfers, of which \$100,000 or 21.2% has been received.

There is also \$16,305 in Fire Insurance Premium Taxes that are anticipated to be received in 2007 to help offset the Fire pension payments. No revenues have yet been received in this line item.

Appropriations:

Expenditures for this fund were budgeted at \$501,500 in 2007 and go mostly for retiree medical but also for pension payments. As of March 2007, \$123,613 or 24.6% of budgeted appropriations had been expended.

POLICE & FIRE RETIREES FUND #611

CITY OF HOQUIAM

2007 1ST QUARTER FINANCIAL REPORT

<u>REVENUES</u>	<u>2007 Q1 YTD</u>	<u>2006 Q1 YTD</u>	<u>Increase (Decrease)</u>	<u>% Increase (Decrease)</u>	<u>2007 Budget</u>	<u>% to Budget</u>
Beginning Fund Balance	\$31,340	\$20,414			\$31,340	
Property Tax	\$0	\$0	\$0	-	\$0	-
Fire Insurance Premium Tax	\$0	\$0	\$0	-	\$16,305	0.0%
Trf In - General Fund	<u>\$100,000</u>	<u>\$0</u>	<u>\$100,000</u>		<u>\$472,730</u>	<u>21.2%</u>
TOTAL POLICE & FIRE RETIREE FUNI	\$100,000	\$0	\$100,000		\$489,035	20.4%
GRAND TOTAL RETIREE FUND	\$100,000	\$0	\$100,000		\$489,035	20.4%
APPROPRIATIONS						
Police LF 1 Medical Premiums	\$45,975	\$43,843	\$2,132	4.9%	\$186,000	24.7%
Police LF1 Medical Bills	\$2,432	\$1,413	\$1,019	72.1%	\$11,000	22.1%
Police LF 1 Dental Bills	\$95	\$0	\$95	-	\$2,500	3.8%
Fire LF1 Disability Pyts	\$9,888	\$12,581	-\$2,693	-21.4%	\$49,000	20.2%
Fire LF1 Annuity Pyts	\$5,599	\$3,262	\$2,337	71.6%	\$10,300	54.4%
Fire LF1 Medical Premiums	\$51,795	\$51,795	\$0	0.0%	\$208,500	24.8%
Fire LF1 Medical Bills	\$4,759	\$2,978	\$1,781	59.8%	\$24,200	19.7%
Fire LF1 Medicare Premiums	\$3,026	\$1,795	\$1,230	68.5%	\$7,500	40.3%
Fire LF1 Dental Bills	<u>\$47</u>	<u>\$0</u>	<u>\$47</u>	-	<u>\$2,500</u>	<u>1.9%</u>
RETIREE FUND APPROPRIATONS	\$123,613	\$117,665	\$5,948	5.1%	\$501,500	24.6%
OVER (SHORT)	-\$23,613	-\$117,665	\$94,052		-\$12,465	
Ending Fund Balance	\$7,727	-\$97,251			\$18,875	

Capital Improvement Projects

Overview:

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

Progress Summary:

Water Capital Projects, \$897,085. These items provide appropriation authority for all requested water utility capital improvements for 2007. These improvements are funded from watershed resources transferred to the Water Department. The largest project in this category is for improvements to the Hoquiam River Crossing. In total, Water Capital Projects have expended \$77,933 or 8.7% of budget authority.

Sewer Capital Projects, \$1,314,500. The budget included \$392,210 toward the Waste Water Treatment Plant Dechlorination Project. Like the Water Capital, the Hoquiam River Crossing is the major project for 2007. As of March, \$345,495 or 26.3% of appropriated expenditures had been made.

General Capital Reserve, \$125,000. This line item was appropriated to fund improvements to the Library and minor improvements to City Hall in 2007. There have been no expenditures as of March 2007.

Sidewalk Construction Fund, \$52,500. This line item was appropriated to fund sidewalk improvements at City owned facilities. There have been no expenditures as of March 2007.

Train Station Improvement Fund, \$754,410. The City awarded a contract to complete the Train Station on April 9, 2007. To date, \$15,778 or 2.1% of expenditures have been made primarily on the bidding and planning phase.

CAPITAL IMPROVEMENT BUDGET

CITY OF HOQUIAM
2007 1ST QUARTER FINANCIAL REPORT

Funding Source/Project Description	2007 Q1 YTD	2007 Budget	% to Budget
#102 Mausoleum Fund			
Replace Water System	\$0	\$10,000	0.0%
Install Handicap Ramp and Railing	\$0	\$3,000	0.0%
Subtotal, Mausoleum Projects	\$0	\$13,000	0.0%
#107 Arterial Street Fund			
Overlay Projects	\$0	\$20,000	0.0%
#108 Paths and Trails:			
Construction Projects	\$0	\$8,000	0.0%
#114 General Capital Reserve:			
City Hall Improvements	\$0	\$25,000	0.0%
Library Improvements	\$0	\$100,000	0.0%
Subtotal, General Capital Projects	\$0	\$125,000	0.0%
#302 Sidewalk Construction Fund:			
Construction Projects	\$0	\$50,000	0.0%
7th & Simpson Handicap Ramp	\$0	\$2,500	0.0%
Subtotal, Sidewalk Construction Projects	\$0	\$52,500	0.0%
#308 Train Station Improvement Fund:			
Construction Projects	\$15,778	\$754,410	2.1%
#401 Water Capital Projects:			
Replace WTP Roof	\$66,370	\$70,000	94.8%
Replace WTP Deck	\$0	\$8,000	0.0%
Drill Test Well Near WTP	\$0	\$75,000	0.0%
Add'l East Side River X'g Prep	\$0	\$690,000	0.0%
Arnold Ct. Booster Pump	\$0	\$10,000	0.0%
Replace College Hill Booster Pump Meters	\$3,140	\$3,800	82.6%
Upgrade Billing Program	\$8,422	\$21,000	40.1%
Upgrade Software Package	\$0	\$17,835	0.0%
Subtotal, Water Capital Projects	\$77,933	\$897,085	8.7%
#401 Sewer Capital Projects:			
Sewer River Crossing Design	\$0	\$700,000	0.0%
Pump Replacements	\$10,389	\$10,390	100.0%
Variable Drives	\$2,074	\$121,660	1.7%
WWTP Dechlorination System	\$333,031	\$392,210	84.9%
WWTP Flow Meter	\$0	\$75,000	0.0%
Adams Remote Autodial Monitor	\$0	\$14,185	0.0%
Odor Control Blower	\$0	\$1,055	0.0%
Subtotal, Sewer Capital Projects	\$345,495	\$1,314,500	26.3%
TOTAL CITY OF HOQUIAM CAPITAL IMPROVEMENT BUDGET	\$439,205	\$3,184,495	13.8%

Debt Service Budget Summary

Overview:

The adjacent page provides a summary of the 2007 debt service budget of the City. The City began 2007 with a total bonded debt service principal balance including revenue debt of \$866,494.

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

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

Through March, \$4,407 or 9.3% of budget has been expended in principal and interest payments.

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

- 1995 Issue that refunded three separate bond issues.

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

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

- 2006 PWTF Loan to complete a Sewer Facility Plan.
- 2000 CERB Loan to install sewer along the 5th Street Extension.

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

Total debt activity through March 31st was \$4,407 or 2.1% of the total debt service budget, due again to later payments on general obligation debt.

DEBT SERVICE SUMMARY
CITY OF HOQUIAM
2007 1ST QUARTER FINANCIAL REPORT

<u>ISSUE</u>		2007 Beginning	2007 Q1 YTD	2007 Budget	% to Budget	2007 Ending
	<u>Fund</u>	<u>Balance</u>	<u>\$</u>	<u>\$</u>		<u>Balance</u>
<u>Limited Tax General Obligation Debt</u>						
1989 City Hall Remodel	213	\$240,804	\$4,407	\$11,715	37.6%	\$229,089
1994 PWTF Aberdeen Avenue*	107	\$264,190	\$0	\$35,665	0.0%	\$228,525
Subtotal, Limited Tax G.O.		\$504,994	\$4,407	\$47,380	9.3%	\$457,614
<u>Unlimited Tax General Obligation Debt</u>						
1995 Refunding Bond	205	\$191,500	\$0	\$165,000	0.0%	\$26,500
Subtotal, Unlimited Tax G.O.		\$191,500	\$0	\$165,000	0.0%	\$26,500
<u>Revenue Debt</u>						
2006 PWTF Sewer Facility Plan*	401	\$100,000	\$0	\$16,670	0.0%	\$83,330
2000 CERB Fifth Street Sewer Extension	401	\$70,000	\$0	\$5,000	0.0%	\$65,000
Subtotal, Revenue		\$170,000	\$0	\$21,670	0.0%	\$148,330
Total Debt, All Sources and Uses		\$866,494	\$4,407	\$212,380	2.1%	\$632,444

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

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