



2008 Quarterly Financial Report
Fourth Quarter 2008
January through December

The City of Hoquiam, Washington

609 8th Street

Hoquiam, Washington

360-532-5700

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TABLE OF CONTENTS

EXECUTIVE SUMMARY	1
GENERAL FUND (CURRENT EXPENSE) #001	3
CEMETERY FUND #101	9
MAUSOLEUM FUND #102	11
STREET FUND #106	13
ARTERIAL STREET FUND #107	15
AMBULANCE FUND #109	17
STADIUM AND TOURISM FUND #112	19
COMMUNITY DEVELOPMENT REPAY FUND #130	21
WATERWORKS UTILITY FUND #401	23
WATERSHED FUND #402	27
LANDFILL POSTCLOSURE FUND #417	29
EQUIPMENT RENTAL FUND #501	31
EQUIPMENT RENTAL RESERVE FUND #505	33
MEDICAL DENTAL FUND #520	35
UNEMPLOYMENT FUND #522	37
POLICE & FIREMEN'S PENSION FUND #611	39
CAPITAL BUDGET	41
DEBT SERVICE BUDGET	43

CITY OF HOQUIAM

Fourth Quarter Financial Report - January through December 2008

EXECUTIVE SUMMARY

This document provides a detailed review of City financial activity for the fiscal year ended 2008. 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.

Bottom Line

Fiscal year 2008 ended saw the City continue the growth pattern that began during the spring of 2006. Revenues continued to be high in 2008 beating 2007 results and expenditures remained within budget allowing the cash balances to grow in almost every fund. Thus, the City ended the second year of the biennium in great fiscal shape.

Revenues

- Sales Taxes were up \$93,340 or 14.0% from 2007 and exceeded budget estimates by \$137,551, or 22%.
- Business and Occupation (B&O) Taxes were down \$156,197 or 16.8% from 2007 but were almost exactly at budget. The B&O Tax rate is much smaller than the sales tax rate and has a greater effect on one-time projects and one large project can skew this revenue source from year to year. However, both the B&O Tax and the Sales Tax are good indicators of the City's economic health and it is encouraging to see both them both at high levels.
- Utility Taxes were up \$62,365, or 4.7% from 2007, primarily due to fuel utility taxes on higher priced propane, natural gas and diesel.
- The City's harvested an enormous amount of downed timber from the December 2007 storm generating \$3,351,966.

Expenditures

Expenditures for year end 2008 were below budget in all funds and departments. Additionally, the City made considerable investments in Capital in 2008:

- Over \$66,000 was spent to remodel the Council Chambers and the Finance Department.
- Almost \$75,000 was spent on an Economic Development Plan.
- The Water and Sewer Departments completed work on new underground water and sewer crossings of the Hoquiam River.
- After years of sitting vacant, the Train Station is completed and has a tenant. \$386,801 of grant funds was spent in 2008 remodeling this asset.

ALL FUNDS EXPENDITURE SUMMARY

CITY OF HOQUIAM
2008 4TH QUARTER FINANCIAL REPORT

<u>OPERATING FUNDS</u>	<u>No.</u>	<u>2008</u> <u>Q4 YTD</u>	<u>2007</u> <u>Q4 YTD</u>	<u>Increase</u> <u>(Decrease)</u>	<u>% Increase</u> <u>(Decrease)</u>	<u>2008</u> <u>Budget</u>	<u>% to</u> <u>Budget</u>
General Fund	001	\$6,492,179	\$6,200,433	\$291,746	4.7%	\$7,795,430	83.3%
Cemetery	101	\$199,765	\$195,727	\$4,038	2.1%	\$205,020	97.4%
Mausoleum	102	\$16,106	\$12,713	\$3,393	26.7%	\$31,235	51.6%
Cemetery Equipment Reserve	103	\$6,455	\$0	\$6,455	-	\$8,455	76.3%
Cemetery Preneed	104	\$6,195	\$24,333	-\$18,138	-74.5%	\$54,665	11.3%
Parks Special Programs	105	\$0	\$0	\$0	-	\$16,400	0.0%
Street Fund	106	\$272,120	\$277,694	-\$5,573	-2.0%	\$337,045	80.7%
Arterial Street Fund	107	\$133,968	\$55,019	\$78,950	143.5%	\$136,690	98.0%
Ambulance	109	\$1,600,977	\$1,535,405	\$65,572	4.3%	\$1,633,170	98.0%
Stadium/Tourism	112	\$4,927	\$8,655	-\$3,728	-43.1%	\$17,745	27.8%
Comm. Devel. Repay	130	\$34,167	\$59,542	-\$25,375	-42.6%	\$125,100	27.3%
Water	401-25	\$1,640,657	\$1,597,077	\$43,580	2.7%	\$1,841,655	89.1%
Sewer	401-26	\$1,111,790	\$1,080,193	\$31,598	2.9%	\$1,383,175	80.4%
Storm	401-27	\$377,576	\$324,847	\$52,729	16.2%	\$368,925	102.3%
Watershed	402	\$2,656,822	\$1,138,120	\$1,518,702	133.4%	\$3,720,775	71.4%
Landfill Postclosure	417	\$53,691	\$55,451	-\$1,761	-3.2%	\$64,865	82.8%
Equipment Rental	501	\$504,577	\$494,958	\$9,618	1.9%	\$616,975	81.8%
Equipment Rental Reserve	505	\$189,983	\$206,419	-\$16,436	-8.0%	\$266,315	71.3%
Medical/Dental Benefits	520	\$1,434,350	\$1,316,330	\$118,020	9.0%	\$1,528,305	93.9%
Unemployment Fund	522	\$0	\$9,457	-\$9,457	-100.0%	\$20,545	0.0%
<u>Police & Fire Retiree</u>	611	<u>\$504,703</u>	<u>\$496,389</u>	<u>\$8,314</u>	<u>1.7%</u>	<u>\$546,110</u>	<u>92.4%</u>
TOTAL OPERATING FUNDS		\$17,241,009	\$15,088,762	\$2,152,248	14.3%	\$20,718,600	83.2%
 <u>CAPITAL IMPROVEMENT FUNDS</u>							
Stadium Field Loan Repayment	005	\$0	\$28,674	-\$28,674	-100.0%	\$37,200	0.0%
Paths & Trails	108	\$0	\$0	\$0	-	\$8,000	0.0%
General Capital Reserve	114	\$150,000	\$0	\$150,000	-	\$250,000	60.0%
Sidewalk Construction Fund	302	\$6,241	\$500	\$5,741	1148.2%	\$82,000	7.6%
Train Station	308	\$386,801	\$636,561	-\$249,760	-39.2%	\$394,000	98.2%
Water Capital Projects	401-25	\$585,486	\$226,322	\$359,164	158.7%	\$1,234,620	47.4%
Sewer Capital Projects	401-26	\$713,632	\$582,644	\$130,988	22.5%	\$1,089,385	65.5%
<u>Storm Drain Capital Projects</u>	401-27	<u>\$1,072</u>	<u>\$2,738</u>	<u>-\$1,667</u>	<u>-60.9%</u>	<u>\$1,495</u>	<u>71.7%</u>
TOTAL CAPITAL IMPROVEMENT FUNDS		\$1,843,231	\$1,477,440	\$365,791	24.8%	\$3,096,700	59.5%
TOTAL DEBT SERVICE FUNDS		\$209,669	\$208,166	\$1,503	0.7%	\$209,669	100.0%
TOTAL ALL FUNDS		\$19,293,909	\$16,774,368	\$2,519,542	15.0%	\$24,024,969	80.3%

General Fund

Overview:

The following four pages summarize all 2008 General Fund revenues, appropriations, and expenditures by department through December 31, 2008.

For 2008, the General Fund was budgeted to begin the year with a beginning balance of \$2,301,575. Total revenues and transfers in were budgeted at \$7,272,815 while appropriations and transfers out were adopted at \$7,795,430, creating an ending balance of \$1,778,430.

Budgeted operating expenditures of \$6,781,900 represent a 21.1% increase over comparable 2007 budgeted operating expenditures due to an increase in capital projects. These include: roof repairs to City buildings, pontoon project permitting, and repairs to Olympic Stadium.

General Fund Revenues:

Taxes through December were at 99.3% of budget. This is right on budget and 2.8% higher than 2007. Through December, sales taxes collected are 14% higher than comparable 2007 levels. Sales taxes are collected two months in arrears; however they are a sign of the City's health and a good indicator of economic activity. Alternatively, B&O taxes were down 16.8% over comparable 2007 levels. However, B&O tax collections are also paid by contractors completing one-time projects. Therefore, this decrease should not be seen as negative as B&O Tax revenues were right on budget. Lastly, Utility Taxes in total were up 4.7% over comparable 2007.

Licenses and Permits are at 150.3% of budget through December. However, there was a decline of \$4,588 or 1.1% from 2007. The numbers for the last two years have been skewed by the large building permits paid by the biodiesel plant and the number of roofing permits taken out to fix damage from the December 2007 storm. However, if we were to exclude Building Permits, revenues from 2008 would have been \$49,469 or 20.7% higher than comparable 2007 levels due primarily to an increase in shoreline SEPA permits.

Intergovernmental Revenue was at 66.0% of budget through December. Grants received by the Police and Fire Departments account for a majority of this category's year to date revenues.

Charges for Services was at 99.7% of budget through December. Contracted services performed by the Police and Fire Departments account for a majority of this category's year to date revenues.

GENERAL FUND (CURRENT EXPENSE) #001CITY OF HOQUIAM
2008 4TH QUARTER FINANCIAL REPORT

<u>REVENUES</u>	<u>2008 Q4 YTD</u>	<u>2007 Q4 YTD</u>	<u>Increase (Decrease)</u>	<u>% Increase (Decrease)</u>	<u>2008 Budget</u>	<u>% to Budget</u>
BEGINNING FUND BALANCE	\$2,308,243	\$2,211,470			\$2,301,575	
Taxes	\$4,768,981	\$4,639,243	\$129,738	2.8%	\$4,801,050	99.3%
Licenses and Permits	\$417,524	\$422,112	-\$4,588	-1.1%	\$277,715	150.3%
Intergovernmental Revenue	\$539,554	\$488,330	\$51,224	10.5%	\$817,705	66.0%
Charges for Services	\$76,790	\$70,374	\$6,416	9.1%	\$77,050	99.7%
Fines and Forfeits	\$152,659	\$146,018	\$6,641	4.5%	\$119,705	127.5%
<u>Miscellaneous Revenue</u>	<u>\$425,022</u>	<u>\$474,274</u>	<u>-\$49,252</u>	<u>-10.4%</u>	<u>\$628,415</u>	<u>67.6%</u>
TOTAL GENERAL FUND	\$6,380,529	\$6,240,350	\$140,179	2.2%	\$6,721,640	94.9%
<u>OTHER REVENUES & TRANSFERS IN</u>						
Proceeds from Property Sale	\$2,575	\$22,500	-\$19,925	-88.6%	\$450,335	0.6%
Residual Equity Transfer In	\$0	\$0	\$0	100.0%	\$0	-
Trf In - Ambulance 109/E911	\$9,090	\$3,929	\$5,161	131.4%	\$13,640	66.6%
Trf In - Stadium 005/Grayport	0	28,674	-\$28,674	-100.0%	\$37,200	0.0%
Trf In - Gen. Capital 114/City Hall	\$50,000	\$0	\$50,000	100.0%	\$50,000	100.0%
Trf In - Gen. Capital 114/Lib Roof	\$0	\$0	\$0	100.0%	\$0	-
Trf In - CD Repay	\$0	\$0	\$0	100.0%	\$0	-
<u>Trf In - Library Memorial</u>	<u>\$6,814</u>	<u>\$0</u>	<u>\$6,814</u>	<u>100.0%</u>	<u>\$0</u>	<u>-</u>
TOTAL OTHER REVENUES	\$68,479	\$55,102	\$13,377	24.3%	\$551,175	12.4%
TOTAL GEN FUND REVENUES	\$6,449,007	\$6,295,452	\$153,556	2.4%	\$7,272,815	88.7%
GRAND TOTAL GENERAL FUND	\$8,757,250	\$8,506,922			\$9,574,390	

Fines and Forfeitures are running ahead of budget, at 127.5% through December. This category includes primarily police citations and other court fines. The City also received a distribution of Local and Federal Investigative Confiscation funds skewing this category slightly. Court receipts are down \$8,402 or 7.1% from 2007 levels.

Miscellaneous Revenue ended the year at 67.6% of budget. Investment interest makes up the majority of this category. A steady decline in short term interest rates in 2008 reduced the investment income the City enjoyed in 2007. Investment interest declined \$65,158 or 25.4% from 2007.

Transfers In to the General Fund include \$9,090 from the Ambulance Fund for their proportionate share of 911 costs. Also, \$50,000 was transferred from the General Capital Fund to pay for improvements to City buildings.

In summary, General Fund revenues are holding steady and even increasing slightly in some categories. The City ended 2008 with revenues 11.3% below budgeted amounts but 2.4% higher than 2007. However, the City is cautious about future growth due to a slowing of the national economy. This trend is not anticipated to continue but rather the City is forecasting 2009 revenues be very flat and for overall revenues to look very similar to 2008.

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General Fund Appropriations:

Total 2008 expenditures and required transfers were \$7,795,430, a \$291,746 increase from 2007 year end levels. This large increase is due again to the large number of roofing repairs to City buildings that were undertaken after the December 2007 storm. Of this total, the adjacent page summarizes operating expenditures of \$5,726,494 and transfers out of \$765,685.

Through December, operating expenditures totaled 84.4% of appropriations, well below budgeted spending levels. This is because Capital projects at the Stadium and City Hall were unable to be completed by 2008. Additionally, the departure of employees in Police and Fire contributed to the low budget to actual amounts.

In summary, all departments and the General Fund in total were within budgeted parameters for the fiscal year ended 2008.

Transfers to Other Funds:

The General Fund budget included \$765,685 in transfers to other funds. These transfers include:

Street: Annual support level totals \$81,488. At year end, this category was 55.3% expended. A reduction in paving and other projects constituted the need for less General Fund support. Please see Fund #106 for more detail about street operations.

General Obligation Bond: \$25,481 in transfers to this debt service fund for principal and interest on a loan that paid for a remodel of City Hall.

Train Station: Improvements to the grounds and modifications for the City's tenant were necessary to complete this project in the amount of \$193,344.

Police & Fire Pension: \$459,372 in transfers for continued medical payments for LEOFF I Police & Fire retirees.

GENERAL FUND (CURRENT EXPENSE) #001

CITY OF HOQUIAM 2008 4TH QUARTER FINANCIAL REPORT

OPERATING EXPENDITURES

<u>DEPARTMENT</u>	2008 <u>Q4 YTD</u>	2007 <u>Q4 YTD</u>	Increase <u>(Decrease)</u>	% Increase <u>(Decrease)</u>	2008 <u>Budget</u>	% to <u>Budget</u>
Legislative/Council	\$130,825	\$118,021	\$12,803	10.8%	\$131,515	99.5%
Municipal Court	\$150,547	\$151,033	-\$486	-0.3%	\$167,895	89.7%
Finance	\$224,985	\$195,731	\$29,254	14.9%	\$231,850	97.0%
Legal	\$129,814	\$117,634	\$12,180	10.4%	\$129,830	100.0%
Civil Service	\$2,229	\$5,138	-\$2,909	-56.6%	\$5,845	38.1%
City Hall & Buildings	\$380,241	\$92,310	\$287,932	311.9%	\$679,925	55.9%
Electrical	\$180,738	\$165,269	\$15,469	9.4%	\$205,830	87.8%
Police	\$2,150,336	\$1,815,668	\$334,668	18.4%	\$2,246,140	95.7%
Fire	\$921,142	\$813,589	\$107,553	13.2%	\$955,875	96.4%
Animal Control	\$72,424	\$63,438	\$8,986	14.2%	\$79,675	90.9%
Public Works	\$314,268	\$261,922	\$52,346	20.0%	\$508,705	61.8%
Personnel Services	\$0	\$0	\$0	100.0%	\$0	-
Police Special Funds (DTF)	\$121,659	\$107,420	\$14,240	13.3%	\$173,620	70.1%
Library	\$176,354	\$272,833	-\$96,479	-35.4%	\$208,370	84.6%
Community Services	\$466,874	\$492,930	-\$26,056	-5.3%	\$621,250	75.2%
Americorps	\$113,835	\$106,784	\$7,051	6.6%	\$146,000	78.0%
Economic Development	\$77,153	\$228,380	-\$151,227	-66.2%	\$161,255	47.8%
911 Program	\$113,069	\$29,119	\$83,950	288.3%	\$128,320	88.1%
Miscellaneous	\$0	\$2,000	-\$2,000	-100.0%	\$0	-
TOTAL OPERATING EXPENSES	\$5,726,494	\$5,039,218	\$687,276	13.6%	\$6,781,900	84.4%

TRANSFERS OUT

Trf Out - Cemetery #101	\$6,000	\$0	\$6,000	100.0%	\$25,280	23.7%
Trf Out - Street #106	\$81,488	\$128,440	-\$46,952	-36.6%	\$147,380	55.3%
Trf Out - Ambulance #109	\$0	\$0	\$0	100.0%	\$0	-
Trf Out - GO Bond #213	\$25,481	\$28,044	-\$2,563	-9.1%	\$25,485	100.0%
Trf Out - Train Station #308	\$193,344	\$0	\$193,344	100.0%	\$195,005	99.1%
Trf Out - Unemployment #522	\$0	\$15,000	-\$15,000	-100.0%	\$15,000	0.0%
Trf Out - Pol/Fire Pension #611	\$459,372	\$472,730	-\$13,358	-2.8%	\$516,500	88.9%
Trf Out - Reserve Funds	\$0	\$517,000	-\$517,000	-100.0%	\$88,880	0.0%
TOTAL TRANSFERS OUT	\$765,685	\$1,161,214	-\$395,530	-34.1%	\$1,013,530	75.5%

GRAND TOTAL GENERAL FUND \$6,492,179 \$6,200,433 \$291,746 4.7% \$7,795,430 83.3%

ENDING FUND BALANCE \$2,265,072 \$2,306,489 \$1,778,960

Cemetery Fund #101

Overview:

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

The budget provided for \$211,885 in total resources and transfers in and total expenditures and transfers out of \$205,020.

Revenues:

Revenues to the Cemetery Fund primarily come from Cemetery Fees and operating transfers from other funds, foremost the Pre-need Fund. Cemetery Fee revenue was higher than anticipated with 104.4% of budgeted amounts received at year end due to increased sales of plots. Therefore, only a small transfer of \$6,000 to the Cemetery Fund was made from the General Fund.

Appropriations:

There are 1.4 FTE's dedicated to operations and maintenance activities and 0.75 FTE's dedicated for administrative and clerical duties at the Cemetery. Through December, the Cemetery Fund expended \$195,765 or 97.4% of budgeted appropriations. This was an increase of \$4,038 or 2.1% from comparable 2007 amounts as there were more funerals. Additionally, the weekend funeral is becoming the norm.

CEMETERY FUND #101**CITY OF HOQUIAM****2008 4TH QUARTER FINANCIAL REPORT**

<u>REVENUES</u>	2008 Q4 YTD	2007 Q4 YTD	Increase (Decrease)	% Increase (Decrease)	2008 Budget	% to Budget
BEGINNING FUND BALANCE	\$13,642	\$15,776			\$13,640	
Retail Sales	\$0	\$0	\$0	-	\$0	-
Cemetery Fees	\$117,655	\$117,362	\$293	0.2%	\$112,705	104.4%
Investment Interest	\$26,420	\$29,417	-\$2,996	-10.2%	\$20,735	127.4%
Land Lease (Cell Tower)	\$9,967	\$9,600	\$367	3.8%	\$9,600	103.8%
Housing Rentals	\$4,800	\$4,800	\$0	0.0%	\$4,800	100.0%
Donations	\$0	\$146	-\$146	-100.0%	\$0	-
<u>Other Miscellaneous</u>	<u>\$893</u>	<u>\$959</u>	<u>-\$67</u>	<u>-6.9%</u>	<u>\$0</u>	<u>-</u>
TOTAL CEMETERY FUND	\$159,735	\$162,284	-\$2,549	-1.6%	\$147,840	108.0%
<u>OTHER REVENUES & TRANSFERS IN</u>						
Trf In - Mausoleum #102	\$7,829	\$7,946	-\$117	-1.5%	\$10,310	75.9%
Trf In - Cem. Eq. Res. #103	\$6,455	\$0	\$6,455	-	\$6,455	100.0%
Trf In - Cem Preneed #104	\$6,195	\$23,363	-\$17,168	-73.5%	\$22,000	28.2%
<u>Trf In - Gen Fund #001</u>	<u>\$6,000</u>	<u>\$0</u>	<u>\$6,000</u>	<u>-</u>	<u>\$25,280</u>	<u>23.7%</u>
TOTAL OTHER REVENUES	\$26,480	\$31,310	-\$4,830	-15.4%	\$64,045	41.3%
TOTAL CEMETERY REVENUES	\$186,214	\$193,594	-\$7,379	-3.8%	\$211,885	87.9%
GRAND TOTAL CEMETERY FUND	\$199,856	\$209,370			\$225,525	
<u>APPROPRIATIONS</u>						
Cemetery Operations	\$171,819	\$173,563	-\$1,744	-1.0%	\$172,235	99.8%
Equipment Rental	\$10,176	\$12,104	-\$1,928	-15.9%	\$12,000	84.8%
Road Paving Debt Service	\$6,824	\$6,824	\$0	0.0%	\$6,825	100.0%
Land	\$80	\$1,823	-\$1,743	-95.6%	\$0	-
Capital	\$9,678	\$0	\$9,678	-	\$12,460	77.7%
Replace Cemetery Shop Roof	\$0	\$0	\$0	-	\$0	-
Trf Out - Equipment Reserve #505	<u>\$1,188</u>	<u>\$1,412</u>	<u>-\$224</u>	<u>-15.9%</u>	<u>\$1,500</u>	<u>79.2%</u>
CEMETERY FUND APPROPRIATIONS	\$199,765	\$195,727	\$4,038	2.1%	\$205,020	97.4%
ENDING FUND BALANCE	\$91	\$13,642			\$20,505	

Mausoleum Fund #102

Overview:

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

This fund began the year with a \$149,394 cash balance. The budget provided for \$21,560 in resources and \$31,235 in expenditures leaving an ending balance of \$139,720.

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. At the end of December 2008, only \$18,294 or 84.9%, of projected revenues had been received. This was a decrease of 44.4% over comparable 2007 levels. Mausoleum revenues can be very cyclical due to the nature of their sources.

Appropriations:

Appropriations to the Mausoleum Fund include operating supplies and a transfer to the Cemetery Fund for maintenance at the Mausoleum. At the end of the year, \$16,106 or 51.6% of appropriated expenditures were made. This is an increase of 26.7% from comparable 2007 amounts leaving an ending balance of \$151,582.

MAUSOLEUM FUND #102
CITY OF HOQUIAM
2008 4TH QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2008 <u>Q4 YTD</u>	2007 <u>Q4 YTD</u>	Increase <u>(Decrease)</u>	% Increase <u>(Decrease)</u>	2008 <u>Budget</u>	% to <u>Budget</u>
BEGINNING FUND BALANCE	\$149,394	\$129,176			\$149,395	
Cemetery Fees	\$7,232	\$18,639	-\$11,408	-61.2%	\$11,000	65.7%
Investment Interest	\$4,238	\$7,467	-\$3,229	-43.2%	\$3,735	113.5%
<u>Interest on Contracts</u>	<u>\$793</u>	<u>\$940</u>	<u>-\$147</u>	<u>-15.7%</u>	<u>\$795</u>	<u>99.7%</u>
TOTAL MAUSOLEUM FUND	\$12,262	\$27,046	-\$14,784	-54.7%	\$15,530	79.0%
<u>OTHER REVENUES & TRANSFERS IN</u>						
<u>Interfund Loan - Cemetery #101</u>	<u>\$6,032</u>	<u>\$5,885</u>	<u>\$147</u>	<u>2.5%</u>	<u>\$6,030</u>	<u>100.0%</u>
TOTAL OTHER REVENUES	\$6,032	\$5,885	\$147	2.5%	\$6,030	100.0%
TOTAL MAUSOLEUM REVENUES	\$18,294	\$32,931	-\$14,637	-44.4%	\$21,560	84.9%
GRAND TOTAL MAUSOLEUM FUND	\$167,688	\$162,107			\$170,955	
<u>APPROPRIATIONS</u>						
Mausoleum Operations	\$818	\$42	\$776	1843.8%	\$4,500	18.2%
Capital	\$7,459	\$4,724	\$2,735	57.9%	\$16,425	45.4%
<u>Trf Out - Cemetery #101</u>	<u>\$7,829</u>	<u>\$7,946</u>	<u>-\$117</u>	<u>-1.5%</u>	<u>\$10,310</u>	<u>75.9%</u>
MAUSOLEUM FUND APPROPRIATIONS	\$16,106	\$12,713	\$3,393	26.7%	\$31,235	51.6%
ENDING FUND BALANCE	\$151,582	\$149,394			\$139,720	

Street Fund #106

Overview:

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

Revenues

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

Gas tax revenues for 2008 were \$137,995 or 90.6% of budget through December. This represents a decrease of \$8,042 or 5.5% over comparable 2007 amounts.

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.

A transfer from the General Fund for operational support totaled \$81,488, or 55.3% of budget. In Total, Street Fund revenue was \$53,990 or 19.5% lower than comparable 2007 levels.

Appropriations:

Overall, the Street Fund expended 80.7%, or \$272,120, of its \$337,045 budget for 2008. Street activity typically takes place during the summer months and slows down by year end except for snow and ice maintenance. Street activity for 2008 represented a \$5,573 or 2.0% decrease over comparable 2007 amounts.

STREET FUND #106**CITY OF HOQUIAM****2008 4TH QUARTER FINANCIAL REPORT**

<u>REVENUES</u>	2008 Q4 YTD	2007 Q4 YTD	Increase (Decrease)	% Increase (Decrease)	2008 Budget	% to Budget
BEGINNING FUND BALANCE	\$49,796	\$51,175			\$49,795	
Property Tax	\$0	\$0	\$0	-	\$0	-
Permits & Other Misc	\$2,841	\$1,838	\$1,003	54.6%	\$1,195	237.8%
<u>Gas Tax</u>	<u>\$137,995</u>	<u>\$146,037</u>	<u>-\$8,042</u>	<u>-5.5%</u>	<u>\$152,335</u>	<u>90.6%</u>
TOTAL STREET FUND	\$140,836	\$147,875	-\$7,038	-4.8%	\$153,530	91.7%
Oper Trf In - General Fund #001	\$81,488	\$128,440	-\$46,952	-36.6%	\$147,380	55.3%
TOTAL STREET FUND REVENUES	\$222,324	\$276,315	-\$53,990	-19.5%	\$300,910	73.9%
GRAND TOTAL STREET FUND	\$272,120	\$327,490			\$350,705	
<u>APPROPRIATIONS</u>						
Executive Services	\$21,167	\$19,721	\$1,446	7.3%	\$23,315	90.8%
Roadway Services	\$140,708	\$144,803	-\$4,095	-2.8%	\$179,480	78.4%
Traffic Control Devices	\$13,617	\$8,595	\$5,021	58.4%	\$14,390	94.6%
Ancillary Operations	\$86,951	\$95,142	-\$8,191	-8.6%	\$110,100	79.0%
General Administration	\$8,993	\$8,112	\$881	10.9%	\$8,995	100.0%
Trf Out - Paths & Trails #107	\$684	\$734	-\$50	-6.8%	\$765	89.5%
<u>Trf Out - Unemployment #522</u>	<u>\$0</u>	<u>\$586</u>	<u>-\$586</u>	<u>-100.0%</u>	<u>\$0</u>	<u>-</u>
STREET FUND APPROPRIATIONS	\$272,120	\$277,694	-\$5,573	-2.0%	\$337,045	80.7%
ENDING FUND BALANCE	\$0	\$49,796			\$13,660	

Arterial Street Fund #107

Overview:

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

Revenues

Revenues to this fund come entirely from gas taxes and associated fund balance investments.

Gas tax revenues ended 2008 at 90.6% of budget and were \$3,760 or 5.5% lower than comparable 2007 amounts.

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:

Appropriations and transfers out were budgeted at \$136,690 for 2008. At year end, expenditures and transfers out totaled \$133,968. This represents an increase of \$78,950 or 143.5% over comparable 2007 amounts as a large transfer was made to the Sidewalk Construction Fund. Staff anticipates additional expenditures in 2009 as major sidewalk repairs will be made.

Expenditures from this fund go primarily to debt service and transfers out. The debt service in this fund is a Public Works Trust Fund loan for the Aberdeen Avenue project. The large transfer out goes to the Sidewalk Construction Fund. Another small transfer also goes to the City's Paths and Trails Fund for a future project.

ARTERIAL STREET FUND #107

CITY OF HOQUIAM

2008 4TH QUARTER FINANCIAL REPORT

	2008	2007	Increase	% Increase	2008	% to
<u>REVENUES</u>	<u>Q4 YTD</u>	<u>Q4 YTD</u>	<u>(Decrease)</u>	<u>(Decrease)</u>	<u>Budget</u>	<u>Budget</u>
BEGINNING FUND BALANCE	\$182,323	\$160,252			\$182,325	
Gas Tax	\$64,522	\$68,282	-\$3,760	-5.5%	\$71,230	90.6%
<u>Investment Interest</u>	<u>\$5,572</u>	<u>\$8,808</u>	<u>-\$3,237</u>	<u>-36.7%</u>	<u>\$3,080</u>	<u>180.9%</u>
TOTAL ARTERIAL STREET FUND	\$70,094	\$77,090	-\$6,997	-9.1%	\$74,310	94.3%
GRAND TOTAL ART. STREET FUND	\$252,417	\$237,342			\$256,635	
<u>APPROPRIATIONS</u>						
Debt Service	\$35,335	\$35,666	-\$330	-0.9%	\$35,335	100.0%
<u>Overlay Projects</u>	<u>\$18,310</u>	<u>\$19,010</u>	<u>-\$700</u>	<u>-3.7%</u>	<u>\$20,990</u>	<u>87.2%</u>
Total Expenditures	\$53,646	\$54,676	-\$1,030	-1.9%	\$56,325	95.2%
Trf Out - Paths & Trails #108	\$323	\$343	-\$21	-6.0%	\$365	88.4%
<u>Trf Out - Sidewalk Construction #302</u>	<u>\$80,000</u>	<u>\$0</u>	<u>\$80,000</u>	<u>-</u>	<u>\$80,000</u>	<u>100.0%</u>
Total Transfers	\$80,323	\$343	\$79,979	23300.6%	\$80,365	99.9%
ART. STREET FUND APPROPRIATIONS	\$133,968	\$55,019	\$78,950	143.5%	\$136,690	98.0%
ENDING FUND BALANCE	\$118,448	\$182,323			\$119,945	

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 revenues, and financial activity through December.

Revenues:

Emergency Care revenues come from three primary sources:

- The general emergency medical services property tax levy was projected to generate \$175,920. Through December, the City received \$184,883 or 105.1% of budgeted amounts.
- Ambulance fees were projected at \$901,720. Through December, the City collected \$1,001,325, or 111.0% of Budget. This activity is \$203,957 or 25.6% higher than the 2007 activity through December.
- Ambulance Utility charges were budgeted at \$450,000. At year end 101.2%, or \$455,484, had been received. The Ambulance fee structure was modified in 2006 and no more transfers will be necessary from the General Fund.

Appropriations and Transfers Out:

Through December, the Ambulance Fund has spent 98.0% of its annual operating budget appropriations of \$1,633,170. This activity is right on target for year end.

Other expenditures include:

- A \$9,090 transfer to the General Fund to pay the Ambulance Fund's portion of the annual E911 contribution.
- \$21,499 in capital projects including a heavy-duty gurney and technology upgrades.
- A \$49,257 transfer to Equipment Rental for vehicle repairs
- \$50,004 in transfers to the Equipment Reserve Fund for future vehicle purchases.

AMBULANCE FUND #109
CITY OF HOQUIAM
2008 4TH QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2008 Q4 YTD	2007 Q4 YTD	Increase (Decrease)	% Increase (Decrease)	2008 Budget	% to Budget
BEGINNING FUND BALANCE	\$192,710	\$263,094			\$192,710	
EMS Levy	\$184,883	\$165,873	\$19,010	11.5%	\$175,920	105.1%
St. Health Grant	\$2,949	\$1,439	\$1,510	104.9%	\$2,950	100.0%
GH Transit Grant	\$0	\$4,852	-\$4,852	-100.0%	\$0	-
Ambulance Fees	\$1,001,325	\$797,368	\$203,957	25.6%	\$901,720	111.0%
Miscellaneous	\$5,880	\$7,572	-\$1,692	-22.3%	\$1,820	323.1%
Ambulance Utility Charges	\$455,484	\$454,089	\$1,394	0.3%	\$450,000	101.2%
Amb Utility Collection Accts	\$19	\$37	-\$18	-48.9%	\$0	-
<u>Fire District EMS Fees</u>	<u>\$39,499</u>	<u>\$33,790</u>	<u>\$5,709</u>	<u>16.9%</u>	<u>\$45,700</u>	<u>86.4%</u>
TOTAL AMBULANCE FUND	\$1,690,039	\$1,465,020	\$225,018	15.4%	\$1,578,110	107.1%
<u>OTHER REVENUES & TRANSFERS IN</u>						
Trf In - General Fund #001	\$0	\$0	\$0	-	\$0	-
TOTAL OTHER REVENUES	\$0	\$0	\$0	-	\$0	-
TOTAL AMBULANCE REVENUES	\$1,690,039	\$1,465,020	\$225,018	15.4%	\$1,578,110	107.1%
GRAND TOTAL AMBULANCE FUND	\$1,882,749	\$1,728,114			\$1,770,820	
<u>APPROPRIATIONS</u>						
Ambulance Operations	\$1,471,127	\$1,382,115	\$89,012	6.4%	\$1,481,035	99.3%
Capital	\$21,499	\$39,270	-\$17,771	-45.3%	\$38,675	55.6%
Debt Service	\$0	\$2,838	-\$2,838	-100.0%	\$0	-
Trf Out - General Fund #001 (E911)	\$9,090	\$3,929	\$5,161	131.4%	\$13,640	66.6%
Trf Out - Equipment Rental #501	\$49,257	\$57,250	-\$7,992	-14.0%	\$49,820	98.9%
Trf Out - Equipment Reserve #505	\$50,004	\$50,004	\$0	0.0%	\$50,000	100.0%
AMBULANCE FUND APPROPRIATION	\$1,600,977	\$1,535,405	\$65,572	4.3%	\$1,633,170	98.0%
ENDING FUND BALANCE	\$281,771	\$192,709			\$137,650	

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 were budgeted to total \$13,000, and come from two sources, a 2% Stadium tax and a 3% Transient excise tax. Revenues through year end of \$9,722 constitute 74.8% of the budgeted amount of \$13,000. This is higher by \$377 or 4.0%, than 2007 levels emphasizing the City's lack of overnight lodging facilities.

Appropriations and Transfers out:

Through December, the City only expended 27.8% of its budget authority in this fund. Budgeted expenditures include:

Advertising, \$11,700 budgeted, \$4,927 expended: To fund Council approved festivals and events in the City of Hoquiam.

Other, \$6,045 budgeted, \$0 expended: To fund a promotional video featuring the City of Hoquiam that can be used to market the area to outside businesses, tourism promoters and event producers.

STADIUM/TOURISM FUND #112

CITY OF HOQUIAM

2008 4TH QUARTER FINANCIAL REPORT

<u>REVENUES</u>	<u>2008</u> <u>Q4 YTD</u>	<u>2007</u> <u>Q4 YTD</u>	<u>Increase</u> <u>(Decrease)</u>	<u>% Increase</u> <u>(Decrease)</u>	<u>2008</u> <u>Budget</u>	<u>% to</u> <u>Budget</u>
BEGINNING FUND BALANCE	\$19,643	\$17,948			\$19,645	
Hotel-Motel Tax	\$9,722	\$9,345	\$377	4.0%	\$13,000	74.8%
<u>Investment Interest</u>	<u>\$593</u>	<u>\$1,005</u>	<u>-\$413</u>	<u>-41.1%</u>	<u>\$300</u>	<u>197.5%</u>
TOTAL STADIUM/TOURISM FUND	\$10,314	\$10,350	-\$36	-0.3%	\$13,300	77.5%
GRAND TOTAL STADIUM/TOURISM	\$29,957	\$28,298			\$32,945	
<u>APPROPRIATIONS</u>						
Loggers Playday	\$0	\$0	\$0	-	\$0	-
7th Street Theatre	\$0	\$0	\$0	-	\$0	-
Community Events	\$0	\$0	\$0	-	\$0	-
Advertising	\$4,927	\$6,155	\$1	-19.9%	\$11,700	42.1%
<u>Other Miscellaneous Uses</u>	<u>\$0</u>	<u>\$2,500</u>	<u>-\$2,500</u>	<u>-100.0%</u>	<u>\$6,045</u>	<u>0.0%</u>
STADIUM/TOURISM APPROPRIATIONS	\$4,927	\$8,655	-\$3,728	-43.1%	\$17,745	27.8%
ENDING FUND BALANCE	\$25,030	\$19,643			\$15,200	

COMMUNITY DEVELOPMENT REPAY FUND #130

CITY OF HOQUIAM

2008 4TH QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2008 Q4 YTD	2007 Q4 YTD	Increase (Decrease)	% Increase (Decrease)	2008 Budget	% to Budget
BEGINNING FUND BALANCE	\$191,854	\$206,174			\$191,855	
GH County Waste Abatement Grant	\$7,500	\$0	\$7,500	-	\$0	-
Miscellaneous Cleanup Fees	\$82	\$258	-\$176	-68.2%	\$0	-
Abatement Fees	\$6,870	\$543	\$6,327	1165.0%	\$0	-
<u>Contract Payments</u>	<u>\$56,960</u>	<u>\$44,421</u>	<u>\$12,539</u>	<u>28.2%</u>	<u>\$10,000</u>	<u>569.6%</u>
TOTAL COMM. DEVEL. REPAY FUND	\$71,413	\$45,222	\$26,190	57.9%	\$10,000	714.1%
GRAND TOTAL COMM. DEVEL. REPAY	\$263,267	\$251,396	\$26,190	4.7%	\$201,855	130.4%
<u>APPROPRIATIONS</u>						
Miscellaneous	\$4,045	\$5,835	-\$1,790	-30.7%	\$100	4045.1%
Cleanup Activities	\$2,160	\$4,564	-\$2,404	-52.7%	\$1,000	216.0%
Abate Nuisances	\$25,964	\$49,025	-\$23,061	-47.0%	\$50,000	51.9%
GH Co. Waste Abatement Grant	\$1,998	\$118	\$1,879	1591.8%	\$2,320	86.1%
<u>Undistributed Carryover</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>-</u>	<u>\$71,680</u>	<u>0.0%</u>
COMM. DEVEL. REPAY FUND	\$34,167	\$59,542	-\$25,375	-42.6%	\$125,100	27.3%
ENDING FUND BALANCE	\$229,100	\$191,854			\$76,755	

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 began 2008 with a \$191,854 cash balance.

Revenues:

This fund receives its primary resources from contract payments on home improvement loans and some resources from cleanup and abatement fees. Total resources were budgeted at \$10,000 while revenues of \$71,413 were received, primarily from loan repayments.

These loan repayments should be considered one-time revenues and not budgeted as a recurring stream of funds.

Appropriations and Transfers out:

Expenditures for cleanup and abatement activities were budgeted at \$125,100. Through year end, \$34,167 or 27.3% of this budget have been expended. The City had anticipated abatement of the Fluckinger Building in 2008. However, it has been revealed that the building is filled with asbestos and will cost much more for abatement including asbestos removal.

WATER,SEWER AND STORM FUND #401

CITY OF HOQUIAM

2008 4TH QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2008 <u>Q4 YTD</u>	2007 <u>Q4 YTD</u>	<u>Increase</u> <u>(Decrease)</u>	<u>% Increase</u> <u>(Decrease)</u>	2008 <u>Budget</u>	<u>% to</u> <u>Budget</u>
BEGINNING FUND BALANCE	\$673,237	\$522,378			\$673,235	
Water Sales	\$1,347,749	\$1,292,805	\$54,944	4.3%	\$1,404,895	95.9%
Waters Sales - Collection Accounts	\$63	\$124	-\$61	-48.9%	\$0	-
Sewer Service	\$1,211,299	\$1,154,950	\$56,349	4.9%	\$1,125,205	107.7%
Sewer Service - Collection Accounts	\$54	\$106	-\$52	-48.9%	\$0	-
Storm Drainage	\$219,106	\$191,754	\$27,352	14.3%	\$250,000	87.6%
Charges for Miscellaneous Service	\$17,720	\$25,052	-\$7,331	-29.3%	\$25,000	70.9%
Investment Interest	\$70,730	\$144,099	-\$73,369	-50.9%	\$75,390	93.8%
<u>Other Miscellaneous</u>	<u>\$17,981</u>	<u>\$21,946</u>	<u>-\$3,964</u>	<u>-18.1%</u>	<u>\$8,000</u>	<u>224.8%</u>
TOTAL SERVICE REVENUES	\$2,884,704	\$2,830,837	\$53,868	1.9%	\$2,888,490	99.9%
<u>OTHER REVENUES & TRANSFERS IN</u>						
PWTF Loan (WW Facility Plan)	\$0	\$90,000	-\$90,000	-100.0%	\$0	-
<u>Trf In - Watershed #402</u>	<u>\$1,614,425</u>	<u>\$1,043,844</u>	<u>\$570,581</u>	<u>54.7%</u>	<u>\$2,642,365</u>	<u>61.1%</u>
TOTAL OTHER REVENUES	\$1,614,425	\$1,133,844	\$480,581	42.4%	\$2,642,365	61.1%
TOTAL FUND REVENUES	\$4,499,129	\$3,964,681	\$534,449	13.5%	\$5,530,855	81.3%
GRAND TOTAL FUND RESOURCES	\$5,172,366	\$4,487,059			\$6,204,090	
<u>APPROPRIATIONS</u>						
Water Operations	\$1,534,851	\$1,504,042	\$30,809	2.0%	\$1,740,200	88.2%
Sewer Operations	\$1,031,963	\$1,026,896	\$5,067	0.5%	\$1,295,455	79.7%
<u>Storm Drain Operations</u>	<u>\$354,848</u>	<u>\$305,348</u>	<u>\$49,501</u>	<u>16.2%</u>	<u>\$342,210</u>	<u>103.7%</u>
TOTAL WATERWORKS OPERATIONS	\$2,921,662	\$2,836,286	\$85,376	3.0%	\$3,377,865	86.5%
Water Capital	\$585,486	\$226,322	\$359,164	158.7%	\$1,234,620	47.4%
Sewer Capital	\$713,632	\$582,644	\$130,988	22.5%	\$1,089,385	65.5%
<u>Storm Drain Capital</u>	<u>\$1,072</u>	<u>\$2,738</u>	<u>-\$1,667</u>	<u>-60.9%</u>	<u>\$1,495</u>	<u>71.7%</u>
TOTAL WATERWORKS CAPITAL	\$1,300,189	\$811,705	\$488,485	60.2%	\$2,325,500	55.9%
Water Debt Service	\$0	\$0	\$0	-	\$0	-
<u>Sewer Debt Service</u>	<u>\$25,800</u>	<u>\$7,800</u>	<u>\$18,000</u>	<u>230.8%</u>	<u>\$24,270</u>	<u>106.3%</u>
TOTAL WATERWORKS DEBT	\$25,800	\$7,800	\$18,000	230.8%	\$24,270	106.3%
Trf Out - Water Eq Rental #501	\$54,806	\$42,036	\$12,771	30.4%	\$50,455	108.6%
Trf Out - Sewer Eq Rental #501	\$29,777	\$21,246	\$8,531	40.2%	\$25,335	117.5%
Trf Out - Storm Eq Rental #501	\$12,334	\$9,105	\$3,228	35.5%	\$10,380	118.8%
Trf Out - Water Eq Reserve #505	\$51,000	\$51,000	\$0	0.0%	\$51,000	100.0%
Trf Out - Sewer Eq Reserve #505	\$24,251	\$24,251	\$0	0.0%	\$38,115	63.6%
<u>Trf Out - Storm Eq Reserve #505</u>	<u>\$10,393</u>	<u>\$10,393</u>	<u>\$0</u>	<u>0.0%</u>	<u>\$16,335</u>	<u>63.6%</u>
TOTAL WATERWORKS TRANSFERS	\$182,561	\$158,031	\$24,530	15.5%	\$191,620	95.3%
TOTAL FUND APPROPRIATIONS	\$4,430,213	\$3,813,821	\$616,391	16.2%	\$5,919,255	74.8%
ENDING FUND BALANCE	\$742,154	\$673,237			\$284,835	

Water, Sewer and Storm Fund #401

Overview:

The Water, Sewer and Storm fund provides for all utility operations, capital improvement and debt service appropriations and transfers. The adjacent pages summarize budgeted financial activity for the biennium, including revenues and expenditures through 2008.

Revenues:

This fund was budgeted to generate revenues of \$5,530,855, primarily from water, sewer and storm service usages. Fees received from late penalties and shut-offs are also received by this fund. The Watershed Fund also transfers money to this fund for capital expenditures.

Through December water sales of \$1,347,749 or 95.9% of budgeted metered water revenues were collected. This is 4.3% higher than 2008 comparable levels. Water revenues are very seasonal and peak during the summer months.

Sewer Revenues have been consistent throughout the year. Through December, sewer fees collected were 107.7%, or \$1,211,299 of its \$1,125,205 budgeted sewer service revenue. This is 4.9% higher than 2007 year to date.

Storm Drain rate revenues through December were at \$219,106 or 87.6%, of the budgeted amount of \$250,000. The Storm Drain Ordinance was rewritten in late 2005, which drastically changed the way the City collects these charges. Staff will continue monitoring the storm drain revenues.

The last major revenue source to this fund comes from a transfer in from the Watershed Fund. Through December, \$1,615,425 or 61.1% of budgeted amounts of \$2,642,365 had been transferred. Transfers are made on an as needed basis and are only made to cover major capital improvements to the system.

In total, the Water, Sewer and Storm Fund received \$4,499,129 in 2008, an increase of \$534,449 or 13.5% from comparable 2007 levels. However, much of this increase is due to transfers from the Watershed Fund. As mentioned previously, Watershed funds are used for capital projects and the City completed the process of constructing a new river crossing of the Hoquiam River.

Appropriations:

For 200, this fund was appropriated to spend \$5,919,255 providing water and sewer service. Budgeted amounts are primarily for operations, but do include expenditures for capital, debt service and transfers out for equipment maintenance and equipment reserves.

Through December, the Water Department expended 88.2%, or \$1,534,851 of its \$1,740,200 operating budget, which is within parameters for the fiscal year.

At December, the Sewer Department had expended 79.7%, or \$1,031,963 of its \$1,295,455 operating budget.

Through December, actual Storm Drain expenditures of \$354,848 constitute 103.7% of total appropriations of \$342,210.

Transfers to other funds for operating, debt service and capital improvement requirements are at 95.3%, which is within normal budget parameters though for the biennium.

This fund began the year with a cash balance of \$673,237. However, after all operating appropriations and capital expenditures, this fund ends the year with a \$742,154 cash balance. This is encouraging despite the poor storm revenue. A 60-day operating reserve is minimum amount recommended for this fund which would equate to \$444,000.

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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 revenues from timber sales in the watershed are deposited into this fund. Watershed funds are transferred to the Water, Sewer and Storm Fund on an as needed basis for major capital and infrastructure improvements.

This fund began 2008 with a \$1,352,988 cash balance.

Revenues:

This fund receives its resources primarily from timber sales. There were many timber sales in 2008 in an effort to harvest downed timber from the December 2007 storm. This resulted in \$3,351,966 in revenue, an increase of \$2,500,948 or 293.9% from the previous year.

As a result of the increase in downed timber, a new harvest plan is being developed that will take into account the loss of timber in future years.

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.

A transfer of \$2,642,365 was budgeted to the Water, Sewer and Storm Fund of which \$1,614,425 was transferred as of December 2008. This fund ended 2008 with a \$2,048,420 cash balance.

As mentioned above, all transfers of watershed funds go to finance major capital and infrastructure improvements.

WATERSHED FUND #402
CITY OF HOQUIAM
2008 4TH QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2008 <u>Q4 YTD</u>	2007 <u>Q4 YTD</u>	Increase <u>(Decrease)</u>	% Increase <u>(Decrease)</u>	2008 <u>Budget</u>	% to <u>Budget</u>
BEGINNING FUND BALANCE	\$1,352,988	\$1,639,561			\$1,352,990	
Miscellaneous Revenue	\$288	\$528	-\$240	-45.5%	\$0	-
<u>Timber Sale Payments</u>	<u>\$3,351,966</u>	<u>\$851,019</u>	<u>\$2,500,948</u>	<u>293.9%</u>	<u>\$2,756,000</u>	<u>121.6%</u>
TOTAL WATERSHED FUND	\$3,352,255	\$851,547	\$2,500,708	293.7%	\$2,756,000	121.6%
TOTAL WATERSHED REVENUES	\$3,352,255	\$851,547	\$2,500,708	293.7%	\$2,756,000	121.6%
GRAND TOTAL WATERSHED FUND	\$4,705,243	\$2,491,108			\$4,108,990	
<u>APPROPRIATIONS</u>						
Watershed Operations	\$905,436	\$51,725	\$853,711	1650.5%	\$898,410	100.8%
Trf Out - Waterworks #401	\$1,614,425	\$1,043,844	\$570,581	54.7%	\$2,642,365	61.1%
<u>Trf Out - Trans Line Reserve #404</u>	<u>\$136,961</u>	<u>\$42,551</u>	<u>\$94,410</u>	<u>221.9%</u>	<u>\$180,000</u>	<u>76.1%</u>
Total Transfers Out	\$1,751,386	\$1,086,395	\$664,991	61.2%	\$2,822,365	62.1%
GRAND TOTAL WATERSHED FUND	\$2,656,822	\$1,138,120	\$1,518,702	133.4%	\$3,720,775	71.4%
ENDING FUND BALANCE	\$2,048,420	\$1,352,988			\$388,215	

Landfill Postclosure Fund #417

Overview:

The Landfill Postclosure Fund provides for continuing maintenance of the "decommissioned" City Landfill. Funds were transferred annually in prior operating years, from the Sanitation Fund to this fund, to pay the postclosure maintenance costs. Furthermore, when the Sanitation Department was sold, an additional amount from the sale was transferred to this fund to cover the costs of the City's obligation to the landfill until 2009.

This fund began 2008 with a \$283,819 cash balance.

Revenues:

This fund receives its resources solely from interest earned on the invested cash balance. At December, \$8,400 or 120.0% of budgeted amounts had been received. This is a decrease of \$7,769 or 48.0% from comparable 2008 amounts.

Continued decreases in short term rates in 2008 and a decrease in the cash balance in this fund caused the City to earn less money on reserve balances.

Appropriations and Transfers out:

This fund was budgeted to spend \$64,865 on postclosure maintenance in 2008. As of year end, \$53,691 or 82.8% of anticipated expenditures had been made, primarily on monitoring services.

This fund ended the year with a \$238,528 cash balance.

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 are then transferred to this fund to acquire the vehicle.

This fund began the year with a \$72,956 cash balance.

Revenues:

All resources of the Equipment Rental Fund come in the form of charges for services and transfers from other operating funds. There was \$594,090 in budgeted revenue, of which \$506,967 or 85.3% was received through December.

Appropriations:

The two primary expenditures in this fund are for the personnel expenses associated with the City's mechanic and for vehicle purchases. In addition to the mechanic, there were seven vehicle purchases planned for the year. As of December, six vehicles had been acquired totaling \$189,983 with one purchase were delayed until 2009. In total this fund spent \$504,577 or 81.8% of its \$616,975 budget on vehicle maintenance and new purchases.

EQUIPMENT RENTAL FUND #501

CITY OF HOQUIAM

2008 4TH QUARTER FINANCIAL REPORT

	2008	2007	Increase	% Increase	2008	% to
<u>REVENUES</u>	<u>Q4 YTD</u>	<u>Q4 YTD</u>	<u>(Decrease)</u>	<u>(Decrease)</u>	<u>Budget</u>	<u>Budget</u>
BEGINNING FUND BALANCE	\$72,956	\$62,813			\$72,955	
Equipment Maintenance Charges	\$315,388	\$267,866	\$47,522	17.7%	\$315,000	100.1%
Interest on Contracts A/R	\$0	\$5,902	-\$5,902	-100.0%	\$7,775	0.0%
Other Miscellaneous	<u>\$1,596</u>	<u>\$2,710</u>	<u>-\$1,115</u>	<u>-41.1%</u>	<u>\$5,000</u>	<u>31.9%</u>
TOTAL EQUIPMENT RENTAL FUND	\$316,984	\$276,478	\$40,505	14.7%	\$327,775	96.7%
<u>OTHER REVENUES & TRANSFERS IN</u>						
Trf In - Eq. Rental Reserve #505	\$189,983	\$206,419	-\$16,436	-8.0%	\$266,315	71.3%
Trf In - Dept. Contributions	<u>\$0</u>	<u>\$22,203</u>	<u>-\$22,203</u>	<u>-100.0%</u>	<u>\$0</u>	<u>-</u>
TOTAL OTHER REVENUES	\$189,983	\$228,622	-\$38,639	-16.9%	\$266,315	71.3%
TOTAL EQUP RENTAL REVENUES	\$506,967	\$505,101	\$1,866	0.4%	\$594,090	85.3%
GRAND TOTAL EQUIPMENT RENTAL	\$579,923	\$567,914			\$667,045	
<u>APPROPRIATIONS</u>						
Equipment Rental Operations	\$314,593	\$266,336	\$48,257	18.1%	\$329,860	95.4%
<u>Capital</u>	<u>\$189,983</u>	<u>\$228,622</u>	<u>-\$38,639</u>	<u>-16.9%</u>	<u>\$287,115</u>	<u>66.2%</u>
EQUIPMENT RENTAL FUND APPROP.	\$504,577	\$494,958	\$9,618	1.9%	\$616,975	81.8%
ENDING FUND BALANCE	\$75,347	\$72,956			\$50,070	

LANDFILL POSTCLOSURE FUND #417

CITY OF HOQUIAM

2008 4TH QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2008 Q4 YTD	2007 Q4 YTD	Increase (Decrease)	% Increase (Decrease)	2008 Budget	% to Budget
BEGINNING FUND BALANCE	\$283,819	\$323,102			\$283,820	
<u>Investment Interest</u>	<u>\$8,400</u>	<u>\$16,169</u>	<u>-\$7,769</u>	<u>-48.0%</u>	<u>\$7,000</u>	<u>120.0%</u>
TOTAL LANDFILL POSTCLOSURE FUND	\$8,400	\$16,169	-\$7,769	-48.0%	\$290,820	2.9%
GRAND TOTAL LANDFILL POSTCLOSURE	\$292,219	\$339,271			\$290,820	2.9%
<u>APPROPRIATIONS</u>						
<u>Landfill Operations</u>	<u>\$53,691</u>	<u>\$55,451</u>	<u>-\$1,761</u>	<u>-3.2%</u>	<u>\$64,865</u>	<u>82.8%</u>
LANDFILL POSTCLOSURE FUND	\$53,691	\$55,451	-\$1,761	-3.2%	\$64,865	82.8%
ENDING FUND BALANCE	\$238,528	\$283,819			\$225,955	

Equipment Rental Reserve Fund #505

Overview:

The Equipment Rental Reserve Fund provides for the accounting of resources from all operating funds for use in future vehicle and equipment acquisitions. 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 year, this fund began with a \$1,525,451 cash balance. The budget provided for \$238,900 in resources from transfers to this fund from other funds.

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 \$224,028 or 93.8% had been made through December.

Appropriations:

Appropriations from this fund come entirely in the form of transfers to the Equipment Rental Fund #501. In the 2008 budget, \$266,315 was appropriated in transfers of which \$189,983 or 71.3% were made due to delays of some vehicle purchases until 2009.

EQUIPMENT RENTAL RESERVE FUND #505

CITY OF HOQUIAM

2008 4TH QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2008 Q4 YTD	2007 Q4 YTD	Increase (Decrease)	% Increase (Decrease)	2008 Budget	% to Budget
BEGINNING FUND BALANCE	\$1,525,451	\$1,364,211			\$1,525,450	
Departmental Contributions	\$224,028	\$224,028	\$0	0.0%	\$238,900	93.8%
Interfund Loans	\$0	\$136,531	-\$136,531	-100.0%	\$32,500	0.0%
<u>Proceeds from Sale of Fixed Assets</u>	<u>\$7,500</u>	<u>\$7,100</u>	<u>\$400</u>	<u>5.6%</u>	<u>\$0</u>	<u>-</u>
TOTAL EQ RENTAL RES REVENUES	\$231,528	\$367,659	-\$136,131	-37.0%	\$271,400	85.3%
GRAND TOTAL EQ RENTAL RESERVE	\$1,756,979	\$1,731,870			\$1,796,850	97.8%
<u>APPROPRIATIONS</u>						
Interfund Loan - General Fund #001	\$0	\$0	\$0	-	\$0	-
<u>Trf Out - Equipment Rental #501</u>	<u>\$189,983</u>	<u>\$206,419</u>	<u>-\$16,436</u>	<u>-8.0%</u>	<u>\$266,315</u>	<u>71.3%</u>
EQ RENTAL RESERVE FUND	\$189,983	\$206,419	-\$16,436	-8.0%	\$266,315	71.3%
ENDING FUND BALANCE	\$1,566,996	\$1,525,451			\$1,530,535	

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 began the year with a \$70,876 cash balance. The budget provided for \$1,495,590 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 operating funds. As noted above, \$1,495,590 in transfers are provided by other funds, of which 93.0% or \$1,391,409, have been made through December. This number is less than 100% due to some vacant positions in the Police and Fire departments from employee turnover.

Appropriations:

Appropriations to this fund include the City's direct medical premiums and dental claims in the amount of \$1,434,000. At December, the City had expended \$1,351,752 or 94.3% of its \$1,434,000 budgeted amount on medical premiums. This is \$109,472 or 8.8% higher than 2007 demonstrating the increases in medical premiums absorbed by the City each year even with the same amount of people.

Also at year end, the City expended \$82,598 or 87.6% of its \$94,305 budgeted amount on dental claims. This number is \$8,548 or 11.5% higher than comparable 2007 amounts.

MEDICAL/DENTAL FUND #520
CITY OF HOQUIAM
2008 4TH QUARTER FINANCIAL REPORT

<u>REVENUES</u>	<u>2008</u> <u>Q4 YTD</u>	<u>2007</u> <u>Q4 YTD</u>	<u>Increase</u> <u>(Decrease)</u>	<u>% Increase</u> <u>(Decrease)</u>	<u>2008</u> <u>Budget</u>	<u>% to</u> <u>Budget</u>
BEGINNING FUND BALANCE	\$70,876	\$69,057			\$70,875	
Department Contributions	\$1,391,409	\$1,315,390	\$76,019	5.8%	\$1,495,590	93.0%
Cobra Contributions	\$213	\$107	\$107	100.0%	\$0	-
Employee Contributions	\$212	\$2,653	-\$2,440	-92.0%	\$18,000	1.2%
TOTAL MEDICAL/DENTAL FUND	\$1,391,834	\$1,318,149	\$73,685	5.6%	\$1,513,590	92.0%
GRAND TOTAL MEDICAL/DENTAL FUND	\$1,462,710	\$1,387,206			\$1,584,465	
<u>APPROPRIATIONS</u>						
Medical Premiums	\$1,351,752	\$1,242,280	\$109,472	8.8%	\$1,434,000	94.3%
Dental - Claims & Admin Fees	\$82,598	\$74,050	\$8,548	11.5%	\$94,305	87.6%
MEDICAL/DENTAL FUND APPROPRIATIONS	\$1,434,350	\$1,316,330	\$118,020	9.0%	\$1,528,305	93.9%
ENDING FUND BALANCE	\$28,360	\$70,876	-\$42,516		\$56,160	

Unemployment Fund #522

Overview:

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

For the year, this fund began the year with a \$13,553 cash balance. The budget provided for \$15,000 in resources for transfer 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 by this fund, of which none were made in 2008. The City had no employees on unemployment in 2008.

Appropriations:

There was \$20,545 in appropriations planned for the year to allow for potential unemployment claims of former City employees. However, at December, no appropriations in this fund had been expended.

UNEMPLOYMENT FUND #522
CITY OF HOQUIAM
2008 4TH QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2008 Q4 YTD	2007 Q4 YTD	Increase (Decrease)	% Increase (Decrease)	2008 Budget	% to Budget
BEGINNING FUND BALANCE	\$13,553	\$11,493			\$13,550	
Property Tax	\$0	\$0	\$0	-	\$0	-
Trf In - General Fund #001	\$0	\$17,788	-\$17,788	-100.0%	\$15,000	0.0%
<u>Trf In - Departments</u>	<u>\$0</u>	<u>\$5,222</u>	<u>-\$5,222</u>	<u>-100.0%</u>	<u>\$0</u>	<u>-</u>
TOTAL UNEMPLOYMENT FUND	\$0	\$23,010	-\$23,010	-100.0%	\$28,550	0.0%
GRAND TOTAL UNEMPLOYMENT FUND	\$0	\$23,010	-\$23,010	-100.0%	\$28,550	0.0%
<u>APPROPRIATIONS</u>						
<u>Personnel Benefits</u>	<u>\$0</u>	<u>\$9,457</u>	<u>-\$9,457</u>	<u>-100.0%</u>	<u>\$20,545</u>	<u>0.0%</u>
UNEMPLOYMENT FUND APPROPRIATIONS	\$0	\$9,457	-\$9,457	-100.0%	\$20,545	0.0%
ENDING FUND BALANCE	\$0	\$13,553	-\$13,553		\$8,005	

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 medical benefits to these employees while the state provides their respective pensions. This fund also pays the supplemental pension payments for pre-LEOFF fire employees.

The Police and Firemen's Pension Fund began the year with a cash balance of \$26,138.

Revenues:

The primary source of funding for the Police & Firemen's Pension Fund is through a transfer from the General Fund. There was \$516,500 in budgeted transfers of which \$459,372 or 88.9% was received in 2008. There was also \$16,500 in Fire Insurance Premium Taxes that was budgeted to be received in 2008 to help offset the Fire pension payments. To date, \$19,193 or 116.3% of Fire Insurance Premium Tax revenues were received in this fund.

Appropriations:

Expenditures for this fund were budgeted at \$546,110 in 2008 and go mostly for retiree medical but also for some pre-LEOFF pension payments. Although the City purchases health insurance for these retirees, we are on a pay as you go system for expenditures not covered by Medicare or private insurance. At December 2008, \$504,703 or 92.4% of budgeted appropriations had been spent on the medical care of retired police and fire employees. These expenditures are \$8,314 or 1.7% higher than comparable 2007 amounts.

POLICE & FIRE RETIREES FUND #611

CITY OF HOQUIAM

2008 4TH QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2008 Q4 YTD	2007 Q4 YTD	Increase (Decrease)	% Increase (Decrease)	2008 Budget	% to Budget
BEGINNING FUND BALANCE	\$26,138	\$31,340			\$26,140	
Property Tax	\$0	\$0	\$0	-	\$0	-
Fire Insurance Premium Tax	\$19,193	\$18,457	\$736	4.0%	\$16,500	116.3%
<u>Trf In - General Fund #001</u>	<u>\$459,372</u>	<u>\$472,730</u>	<u>-\$13,358</u>	<u>-2.8%</u>	<u>\$516,500</u>	<u>88.9%</u>
TOTAL FUND REVENUES	\$478,565	\$491,187	\$736	-2.6%	\$533,000	89.8%
GRAND TOTAL RETIREE FUND	\$504,703	\$522,527			\$559,140	
<u>APPROPRIATIONS</u>						
Police LF 1 Medical Premiums	\$198,025	\$185,091	\$79,447	7.0%	\$206,110	96.1%
Police LF1 Medical Bills	\$7,710	\$8,559	\$4,515	-9.9%	\$12,000	64.2%
Police LF1 Medicare Premiums	\$2,195	\$0	\$4,515	-	\$0	-
Police LF1 Dental Bills	\$540	\$816	\$4,516	-33.8%	\$2,500	21.6%
Fire LF1 Disability Pyts	\$38,711	\$32,006	\$23,627	20.9%	\$51,000	75.9%
Fire LF1 Annuity Pyts	\$20,387	\$21,126	\$5,273	-3.5%	\$11,000	185.3%
Fire LF1 Medical Premiums	\$202,937	\$206,799	\$94,978	-1.9%	\$223,000	91.0%
Fire LF1 Medical Bills	\$18,670	\$26,749	\$12,458	-30.2%	\$25,000	74.7%
Fire LF1 Medicare Premiums	\$12,786	\$11,868	\$3,990	-90.8%	\$12,000	6.0%
<u>Fire LF1 Dental Bills</u>	<u>\$2,743</u>	<u>\$3,375</u>	<u>\$3,990</u>	<u>-18.7%</u>	<u>\$3,500</u>	<u>78.4%</u>
RETIREE FUND APPROPRIATIONS	\$504,703	\$496,389	\$8,314	1.7%	\$546,110	92.4%
ENDING FUND BALANCE	\$0	\$26,138			\$13,030	

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. Capital activity increased in 2008 relative to prior years.

Progress Summary:

Water Capital Projects, \$1,234,620. These items provide appropriation authority for all requested water utility capital improvements for 2008. These improvements are funded primarily from Watershed transfers. The largest project in this category is for an additional river crossing of the Hoquiam River. In total, Water Capital Projects expended \$581,674 or 47.1% of budget authority.

Sewer Capital Projects, \$1,089,385. The budget included \$232,855, toward the Biosolids Removal Project. Likewise, variable drive replacement projects were included for \$161,885. However, the river crossing is anticipated to be the largest expenditure in this fund. As of December, \$711,8774 or 65.3% of appropriated expenditures had been made.

Train Station Improvements, \$394,000. This capital improvement line item provides budget authority for the improvements to the Train Station funded primarily by grants. This project was put out to bid in early 2007 and was completed in 2008. In 2008, \$386,801 or 98.2% of budgeted amounts was spent on this project.

General Capital Reserve, \$250,000. This line item was appropriated to fund a major repair to the Library roof, Council directed changes to the Train Station and minor improvements to City Hall in 2008. Transfers of \$150,000 had been made at year end.

Sidewalk Construction Fund, \$82,000. This line item was appropriated to fund sidewalk improvements to City owned facilities. At year end, \$6,241 or 7.6% of appropriation authority had been spent on construction projects.

CAPITAL IMPROVEMENT BUDGET

CITY OF HOQUIAM
2008 4th QUARTER FINANCIAL REPORT

<u>Funding Source/Project Description</u>	<u>2008 Q4 YTD</u>	<u>2008 Budget</u>	<u>% to Budget</u>
#107 Arterial Street Fund			
Overlay Projects	\$18,310	\$20,990	87.2%
#108 Paths and Trails:			
Construction Projects	\$0	\$8,000	0.0%
#114 General Capital Reserve:			
City Hall Improvements	\$50,000	\$50,000	100.0%
Train Station Improvements	\$100,000	\$100,000	100.0%
Undistributed Carryover	\$0	\$100,000	0.0%
Subtotal, General Capital Projects	\$150,000	\$250,000	60.0%
#302 Sidewalk Construction Fund:			
Construction Projects	\$6,241	\$79,500	7.9%
7th & Simpson Handicap Ramp	\$0	\$2,500	0.0%
Subtotal, Sidewalk Construction Projects	\$6,241	\$82,000	7.6%
#308 Train Station Improvement Fund:			
Construction Projects	\$386,801	\$394,000	98.2%
#401 Water Capital Projects:			
L Hoq Dam Consent Decree	\$34,037.45	\$400,000.00	8.5%
Drill Test Well Near WTP	\$49,555.03	\$79,430.00	62.4%
Add'l East Side River X'g Prep	\$443,898.47	\$682,415.00	65.0%
Update WTP SCADA System	\$14,514.67	\$14,800.00	98.1%
Replace Turbidimeters	\$0.00	\$2,200.00	0.0%
Replace Chart Recorders	\$11,720.98	\$15,000.00	78.1%
Alarm Dialer	\$4,786.86	\$5,200.00	92.1%
Meters	\$19,303.19	\$22,000.00	87.7%
Repl Chem Metering Pumps	\$1,393.97	\$5,265.00	26.5%
Upgrade Billing Program	\$2,463.55	\$8,310.00	29.6%
Subtotal, Water Capital Projects	\$581,674	\$1,234,620	47.1%
#401 Sewer Capital Projects:			
Sewer River Crossing Design	\$442,544.64	\$688,035.00	64.3%
Biosolids Removal	\$152,986.37	\$232,855.00	65.7%
Variable Drives	\$114,386.58	\$161,885.00	70.7%
Upgrade Utility Bill Program	\$1,959.51	\$6,610.00	29.6%
Subtotal, Sewer Capital Projects	\$711,877	\$1,089,385	65.3%
#401 Storm Capital Projects:			
Upgrade Utility Bill Program	\$1,071.68	\$1,495.00	71.7%
TOTAL CITY OF HOQUIAM CAPITAL IMPROVEMENT BUDGET	\$1,755,975	\$2,880,490	61.0%

Debt Service Budget Summary

Overview:

The adjacent page provides a summary of the 2008 debt service budget of the City. The City began 2008 with a total bonded debt service principal balance including revenue debt of \$805,454.

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 December, \$60,817 or 100.0% of budget has been expended in principal and interest payments.

The 1989 LTGO Bonds were refinanced in April of 2006 saving approximately \$4,000 per year from the General Fund.

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

- 1995 Issue that refunded three separate bond issues.

Through December, \$184,190 or 100.0% of 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:

- 2000 CERB Loan to the Sewer Department,
- 2006 PWTF Loan for a new Waste Water Plan

Through December, \$25,800 or 106.3% of budget had been expended in principal and interest payments. The first payment on the 2006 PWTF Loan was made in 2008.

Summary:

Total debt activity through year end was \$270,804 or 100.0% of the total debt service budget.

The principal balance of all bonded debt at December 31, 200 was \$559,324, a reduction of \$246,130 from January 1, 2008.

DEBT SERVICE SUMMARY
CITY OF HOQUIAM
2008 4th QUARTER FINANCIAL REPORT

ISSUE	Fund	2008					% to Budget	2008
		Beginning Balance	2008 Principal	2008 Interest	2008 Q4 YTD	2008 Budget		Ending Balance
Limited Tax General Obligation Debt								
1989 City Hall Remodel	213	\$234,288	\$15,106	\$10,375	\$25,481	\$25,481	100.0%	\$219,182
1994 PWTF Aberdeen Avenue*	107	<u>\$231,166</u>	<u>\$33,024</u>	<u>\$2,312</u>	<u>\$35,335</u>	<u>\$35,335</u>	100.0%	<u>\$198,142</u>
Subtotal, Limited Tax G.O.		\$465,454	\$48,130	\$12,687	\$60,817	\$60,816	100.0%	\$417,324
Unlimited Tax General Obligation Debt								
1995 Refunding Bond	205	<u>\$175,000</u>	<u>\$175,000</u>	<u>\$9,188</u>	<u>\$184,188</u>	<u>\$184,190</u>	100.0%	<u>\$0</u>
Subtotal, Unlimited Tax G.O.		\$175,000	\$175,000	\$9,188	\$184,188	\$184,190	100.0%	\$0
Revenue Debt								
2006 PWTF Sewer Facility Plan*	401	\$100,000	\$18,000	\$0	\$18,000	\$16,670	108.0%	\$82,000
2000 CERB Fifth Street Sewer Extensior	401	<u>\$65,000</u>	<u>\$5,000</u>	<u>\$2,800</u>	<u>\$7,800</u>	<u>\$7,600</u>	102.6%	<u>\$60,000</u>
Subtotal, Revenue		\$165,000	\$23,000	\$2,800	\$25,800	\$24,270	106.3%	\$142,000
Total Debt, All Sources and Uses		\$805,454	\$246,130	\$24,674	\$270,804	\$269,276	100.6%	\$559,324

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