



2010 Quarterly Financial Report
Second Quarter 2010
January through June

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 June 2010

EXECUTIVE SUMMARY

This document provides a detailed review of City financial activity for the first eighteen months of the 2009-10 Biennium. 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 June, 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 63.8% of biennial operating appropriations. As of June 30, only a small percentage of capital improvement expenditures have been made.

Analysis: There is only one fund showing higher than expected expenditures: the Unemployment Fund. The Unemployment Fund is higher than expected because of the unemployment claim of a former grant funded employee.

Bottom Line: For the first eighteen months of this biennium, revenues are down in most funds compared to the prior biennium but are within acceptable parameters. The exceptions being that the Ambulance Fund, the Stadium/Tourism Fund, the Water, Sewer & Storm Fund and the Watershed Fund are actually up from the prior year.

Sales taxes are down 11.6% in 2009-10 over comparable 2007-08 levels. B&O Tax receipts are down 15.4% from the same period. Large development projects and the timing of quarterly B&O tax payments can skew both of these numbers. However, in the general fund, utility taxes are up 7.1% over the same period last year. The City discovered a reporting error by a telephone utility in 2009 that increased revenue dramatically. To summarize, the General Fund revenue is within normal parameters for the 6th Quarter of 2009-10, which is remarkable for these tough economic times.

Ambulance Service Fees and Ambulance Utility Fees are up 3.0% through the 6th Quarter of the 2009-10 compared to the previous reflecting a corresponding increase in call volume. Investment income has decreased dramatically in many of all the operating funds as short term interest rates dropped from over 5% in 2008 to under 1% today.

Almost all operating departments are within normal expenditure levels through the first quarter. In the General Fund, the combined operating departments expended 13.7% more through the 6th Quarter of the 2009-10 biennium than they did combined through the 6th Quarter of 2007-08 biennium. However, this can be explained by the repairs to roofs on City buildings that were replaced in 2009, being fully staffed in the Police and Fire Departments and permit reviews on the Pontoon Project.

Additionally, Water, Sewer and Storm operations (not including capital) expended 8.8% more combined through the 6th Quarter of the 2009-10 biennium than they did combined through the 6th Quarter of the 2007-08 biennium. This is understandable as the City crews completed some large storm projects early in 2010 and worked considerable overtime to clear streets of snow in 2009.

Some capital projects got underway in 2010 that should make a big difference to the appearance of the cityscape. Almost \$230,000 was expended from the Sidewalk Construction Fund on downtown and arterial sidewalk replacements. Similarly, \$49,265 has been spent to date on the Gable Park Improvement Project where new restrooms are in and ground has been broken on the City's first skate park.

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

ALL FUNDS EXPENDITURE SUMMARY

CITY OF HOQUIAM

2010 2nd QUARTER FINANCIAL REPORT

<u>OPERATING FUNDS</u>	<u>No.</u>	<u>2009-10 Q2 BTD</u>	<u>2007-08 Q2 BTD</u>	<u>Increase (Decrease)</u>	<u>% Increase (Decrease)</u>	<u>2009-10 Budget</u>	<u>% to Budget</u>
General Fund	001	\$9,834,172	\$9,093,210	\$740,962	8.1%	\$13,478,125	73.0%
Cemetery	101	\$294,950	\$292,952	\$1,998	0.7%	\$429,250	68.7%
Mausoleum	102	\$16,830	\$16,277	\$553	3.4%	\$45,300	37.2%
Cemetery Equipment Reserve	103	\$0	\$6,455	-\$6,455	-100.0%	\$0	-
Cemetery Preneed	104	\$78,744	\$26,543	\$52,201	196.7%	\$60,000	131.2%
Parks Special Programs	105	\$0	\$0	\$0	-	\$35,340	0.0%
Street Fund	106	\$447,013	\$408,353	\$38,661	9.5%	\$809,455	55.2%
Ambulance	109	\$2,727,795	\$2,349,359	\$378,436	16.1%	\$3,584,720	76.1%
Stadium/Tourism	112	\$11,729	\$8,655	\$3,074	35.5%	\$27,000	43.4%
Comm. Devel. Repay	130	\$173,969	\$81,602	\$92,367	113.2%	\$566,945	30.7%
Water	401-25	\$2,658,252	\$2,464,987	\$193,265	7.8%	\$3,795,855	70.0%
Sewer	401-26	\$1,984,200	\$1,659,255	\$324,945	19.6%	\$2,563,065	77.4%
Storm	401-27	\$629,847	\$497,177	\$132,670	26.7%	\$737,980	85.3%
Watershed	402	\$1,730,739	\$1,354,115	\$376,624	27.8%	\$3,603,520	48.0%
Landfill Postclosure	417	\$83,927	\$88,280	-\$4,353	-4.9%	\$119,530	70.2%
Equipment Rental	501	\$812,239	\$689,472	\$122,766	17.8%	\$1,183,755	68.6%
Equipment Rental Reserve	505	\$361,074	\$242,811	\$118,263	48.7%	\$501,735	72.0%
Medical/Dental Benefits	520	\$123,029	\$2,046,195	-\$1,923,165	-94.0%	\$176,000	69.9%
Unemployment Fund	522	\$22,932	\$9,457	\$13,475	142.5%	\$26,285	87.2%
Police & Fire Retiree	611	\$719,068	\$747,820	-\$28,752	-3.8%	\$1,110,000	64.8%
Library Memorial	625	\$0	\$6,814	-\$6,814	-100.0%	\$0	-
<u>Parks Endowment</u>	627	<u>\$25,772</u>	<u>\$0</u>	<u>\$25,772</u>	<u>-</u>	<u>\$168,055</u>	<u>15.3%</u>
TOTAL OPERATING FUNDS		\$22,736,282	\$22,089,791	\$646,491	2.9%	\$33,021,915	68.9%
<u>CAPITAL IMPROVEMENT FUNDS</u>							
Arterial Strets	107	\$448	\$23,919	-\$23,470	-98.1%	\$160,660	0.3%
Paths & Trails	108	\$0	\$0	\$0	-	\$9,000	0.0%
General Capital Reserve	114	\$0	\$100,000	-\$100,000	-100.0%	\$50,000	0.0%
Sidewalk Construction Fund	302	\$229,160	\$1,642	\$227,518	13856.1%	\$1,086,310	21.1%
Train Station	308	\$0	\$989,431	-\$989,431	-100.0%	\$0	-
Water Capital Projects	401-25	\$756,020	\$281,279	\$474,741	168.8%	\$2,566,025	29.5%
Sewer Capital Projects	401-26	\$233,350	\$617,534	-\$384,184	-62.2%	\$672,555	34.7%
<u>Storm Capital Projects</u>	<u>401-27</u>	<u>\$29,381</u>	<u>\$3,155</u>	<u>\$26,226</u>	<u>831.2%</u>	<u>\$90,945</u>	<u>32.3%</u>
TOTAL CAPITAL IMPROVEMENT FUNDS		\$1,248,359	\$2,016,960	-\$768,601	-38.1%	\$4,635,495	26.9%
TOTAL DEBT SERVICE FUNDS		\$168,842	\$286,636	-\$117,794	-41.1%	\$176,050	95.9%
TOTAL ALL FUNDS		\$24,153,483	\$24,393,387	-\$239,903	-1.0%	\$37,833,460	63.8%

General Fund

Overview:

The following four pages summarize all 2009-10 General Fund projected revenues, appropriations, and expenditures by department through June.

For 2009-2010, total revenues and transfers in were budgeted at \$13,880,955, while appropriations and transfers out were adopted at \$13,478,125, creating an ending balance of \$2,663,425.

Biennial operating budget appropriations of \$11,944,860 represent a 7.3% increase over comparable 2007-2008 appropriations. This can be attributed to fully staffed Police, Fire and Public Works Departments, repairs to City roofs damaged by the 2007 windstorm and investments in technology equipment and software.

Transfers to other funds total \$1,533,265, 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 to complete the City's street repairs.

General Fund Revenues:

The adjacent chart provides a summary of adopted and biennium to date 2009-10 General Fund revenues and transfers in.

Taxes through June are at 71.3% of budget and 1.4%% lower than the first eighteen months of the 2007-08 biennium. While we are awaiting the second half property tax distributions the downturn in the economy has flattened out retail sales tax and B&O Tax collections.

Licenses and Permits are at 96.44% of budget through June 2010. This relatively high amount is due to business license renewals at the first of the year and a large number of construction permits taken out to repair roofs damaged by high winds.

Intergovernmental Revenue is at 64.1% of budget through the second quarter. Grants received by the City account for a majority of this category's receipts. Additionally, the City Assistance from the State is part of this category of which only \$94,717 or 47.4% of the budgeted amount of \$200,000 has been received.

Fines and Forfeitures are running slightly ahead of budget, at 89.0% through June. This category includes primarily police citations and other court fines.

Miscellaneous Revenue is at 69.9% of budget. The City received a grant from ORCAA for air quality reduction in this biennium as well as permitting fees for the pontoon project permit review are categorized here.

GENERAL FUND
CITY OF HOQUIAM
2010 2nd QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2009-10 <u>Q2 BTD</u>	2007-08 <u>Q2 BTD</u>	Increase <u>(Decrease)</u>	% Increase <u>(Decrease)</u>	2009-10 <u>Budget</u>	% to <u>Budget</u>
Beginning Fund Balance	\$2,260,595	\$2,211,470			\$2,260,595	
Taxes	\$7,108,881	\$7,207,237	-\$98,355	-1.4%	\$9,968,625	71.3%
Licenses and Permits	\$629,805	\$640,123	-\$10,318	-1.6%	\$653,005	96.4%
Intergovernmental Revenue	\$744,051	\$684,154	\$59,897	8.8%	\$1,160,970	64.1%
Charges for Services	\$97,617	\$108,067	-\$10,449	-9.7%	\$157,825	61.9%
Fines and Forfeits	\$225,593	\$241,539	-\$15,946	-6.6%	\$253,475	89.0%
<u>Miscellaneous Revenue</u>	<u>\$651,803</u>	<u>\$665,875</u>	<u>-\$14,073</u>	<u>-2.1%</u>	<u>\$932,335</u>	<u>69.9%</u>
TOTAL GENERAL FUND	\$9,457,750	\$9,546,995	-\$89,245	-0.9%	\$13,126,235	72.1%
<u>OTHER REVENUES & TRANSFERS IN</u>						
Sale of Fixed Assets	\$19,756	\$22,500	-\$2,744	-12.2%	\$0	-
Insurance Recoveries	\$466,069	\$0	\$466,069	100.0%	\$466,070	100.0%
Trf In - Stadium 005	\$0	\$28,674	-\$28,674	-100.0%	\$0	-
Trf In - Ambulance 109/E911	\$13,859	\$8,474	\$5,386	63.6%	\$21,700	63.9%
Trf In - Council Special Projects	\$1,500	\$0	\$1,500	100.0%	\$0	-
Trf In - Gen. Capital 114/City Hall	\$0	\$0	\$0	100.0%	\$50,000	0.0%
Trf In - Gen. Residual Equity	\$0	\$6,814	-\$6,814	-100.0%	\$13,555	0.0%
Trf In - Parks Endowment 627	\$25,772	\$0	\$25,772	100.0%	\$168,055	15.3%
<u>Trf In - Parks Special Projects 105</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>100.0%</u>	<u>\$35,340</u>	<u>0.0%</u>
TOTAL OTHER REVENUES	\$526,957	\$66,461	\$460,496	692.9%	\$754,720	69.8%
GRAND TOTAL GENERAL FUND	\$9,984,707	\$9,613,456	\$371,251	3.9%	\$13,880,955	71.9%

General Fund Appropriations:

Adopted biennial appropriations and required transfers total \$13,478,125 which is a \$332,820 increase from 2007-2008 appropriated levels. This is attributed primarily to capital expenses to city buildings and having fully staffed departments. Of this total, the adjacent page summarizes biennial operating appropriations of \$11,944,860 and transfers out of \$1,533,265.

Through June, operating expenditures total 72.6% of budgeted appropriations, slightly below anticipated spending levels for the first eighteen months of the biennium. Given that the first six months of each year typically include annual insurance premiums and other one-time costs, this is well within normal operating parameters.

The only departments that are substantially above year to date targets are the City Hall & Buildings and Americorps. The City Hall & Buildings budget is over anticipated amounts because of roof repairs financed by FEMA and insurance proceeds due to the wind storm from December of 2007. This budget will be at 100% at year end.

The Americorps Department is over anticipated amounts because the program changed in 2009 from a team program to individual placements. Staff anticipates this budget to be at 100% by the end of June.

In summary, most departments are well within budgeted parameters through the first eighteen 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 \$1,533,265 in transfers to other funds over the biennium. These transfers include:

Street: Biennial support levels total \$366,500. The Street Fund is a "creeper" fund requiring assistance from the General Fund for operation. Transfers of \$273,250 have already been made this biennium.

Police and Fire Pension: \$1,073,000 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. Transfers of \$773,000 or 72.0% of biennial expectations were made as of June.

GENERAL FUND
CITY OF HOQUIAM
2010 2nd QUARTER FINANCIAL REPORT

OPERATING EXPENDITURES

<u>DEPARTMENT</u>	2009-10 Q2 BTD	2007-08 Q2 BTD	Increase (Decrease)	% Increase (Decrease)	2009-10 Budget	% to Budget
Legislative/Council	\$237,324	\$193,196	\$44,128	22.8%	\$289,140	82.1%
Municipal Court	\$246,030	\$228,639	\$17,391	7.6%	\$349,430	70.4%
Finance	\$342,452	\$300,463	\$41,989	14.0%	\$478,895	71.5%
Legal	\$215,701	\$180,373	\$35,329	19.6%	\$284,365	75.9%
Civil Service	\$6,914	\$6,660	\$254	3.8%	\$17,000	40.7%
City Hall & Buildings	\$541,981	\$145,672	\$396,309	272.1%	\$583,515	92.9%
Electrical	\$291,137	\$256,383	\$34,754	13.6%	\$377,900	77.0%
Police	\$3,292,658	\$2,879,881	\$412,777	14.3%	\$4,523,120	72.8%
Fire	\$1,285,688	\$1,242,018	\$43,670	3.5%	\$1,771,295	72.6%
Animal Control	\$108,315	\$97,201	\$11,114	11.4%	\$163,310	66.3%
Public Works	\$568,158	\$409,758	\$158,400	38.7%	\$729,315	77.9%
Personnel Services	\$0	\$0	\$0	100.0%	\$0	-
Police Special Funds (DTF)	\$206,414	\$177,308	\$29,106	16.4%	\$283,295	72.9%
Library	\$270,035	\$335,316	-\$65,281	-19.5%	\$414,810	65.1%
Community Services	\$794,220	\$720,374	\$73,846	10.3%	\$1,321,920	60.1%
Americorps	\$32,649	\$137,602	-\$104,954	-76.3%	\$32,165	101.5%
Economic Development	\$117,285	\$241,941	-\$124,656	-51.5%	\$138,410	84.7%
Information Technology	\$2,669	\$0	\$2,669	100.0%	\$0	-
911 Program	\$115,351	\$74,471	\$40,880	54.9%	\$186,975	61.7%
<u>Miscellaneous</u>	<u>\$0</u>	<u>\$2,000</u>	<u>-\$2,000</u>	<u>-100.0%</u>	<u>\$0</u>	<u>-</u>
TOTAL OPERATING EXPENDITURE	\$8,674,981	\$7,629,255	\$1,045,726	13.7%	\$11,944,860	72.6%
TRANSFERS OUT						
Non-Departmental Expenditures	\$39,638	\$0	\$39,638	100.0%	\$0	-
Trf Out - Cemetery	\$22,340	\$0	\$22,340	100.0%	\$42,795	52.2%
Trf Out - Street Fund #106	\$273,250	\$178,440	\$94,810	53.1%	\$366,500	74.6%
Trf Out - Reserve Funds	\$0	\$517,000	-\$517,000	-100.0%	\$0	-
Trf Out - GO Bond Redemption #213	\$50,963	\$40,785	\$10,177	25.0%	\$50,970	100.0%
Trf Out - Unemployment #522	\$0	\$15,000	-\$15,000	-100.0%	\$0	-
<u>Trf Out - Police/Fire Pension #611</u>	<u>\$773,000</u>	<u>\$712,730</u>	<u>\$60,270</u>	<u>8.5%</u>	<u>\$1,073,000</u>	<u>72.0%</u>
TOTAL TRANSFERS OUT	\$1,159,191	\$1,463,955	-\$304,764	-20.8%	\$1,533,265	75.6%
GRAND TOTAL GENERAL FUND	\$9,834,172	\$9,093,210	\$740,962	8.1%	\$13,478,125	73.0%
OVER (SHORT)	\$150,535	\$520,246	-\$369,710		\$402,830	
ENDING FUND BALANCE	\$2,411,130	\$2,731,716			\$2,663,425	

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 biennial budget provides for \$429,250 in total resources and transfers in and total expenditures and transfers out of \$429,250.

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 lower than anticipated with 51.4% of budgeted amounts received as of the second quarter. This is \$51,810 or 29.8% lower than comparable 2007-08 levels. Revenues for this fund are obviously dependent upon actuarial events.

As of the first quarter, a large transfer to the Cemetery Fund of \$78,744 was made from the Cemetery Preneed Fund. At June 30, 2010, the Cemetery Fund is ahead of target having received \$78,744, or 131.2% of budgeted revenues.

More people than ever are choosing cremation over burial, particularly in the Western United States. According to the Cremation Association of North America, Washington's cremation rate of 64% is the third highest in the country. This compares with a cremation rate of 30% in Washington just ten years ago. Obviously, this has a direct impact on Cemetery revenues to the City of Hoquiam.

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 June, the Cemetery fund is on target having expended \$294,950 or 68.7% of budgeted appropriations. Staff will continue to monitor this fund.

CEMETERY FUND #101

CITY OF HOQUIAM

2010 2nd QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2009-10 <u>Q2 BTD</u>	2007-08 <u>Q2 BTD</u>	Increase <u>(Decrease)</u>	% Increase <u>(Decrease)</u>	2009-10 <u>Budget</u>	% to <u>Budget</u>
Beginning Fund Balance	\$91	\$15,776			\$90	
Cemetery Fees	\$122,097	\$173,908	-\$51,810	-29.8%	\$237,600	51.4%
Investment Interest	\$16,541	\$45,147	-\$28,606	-63.4%	\$43,715	37.8%
Land Lease (Cell Tower)	\$17,076	\$14,400	\$2,676	18.6%	\$20,000	85.4%
Housing Rentals	\$7,200	\$7,200	\$0	0.0%	\$9,600	75.0%
Donations	\$450	\$146	\$304	208.7%	\$450	100.0%
Other Miscellaneous	\$224	\$979	-\$756	-77.2%	\$0	-
<u>Tree Sales</u>	<u>\$1,500</u>	<u>\$0</u>	<u>\$1,500</u>	<u>-</u>	<u>\$0</u>	<u>-</u>
TOTAL CEMETERY FUND	\$165,088	\$240,801	-\$77,436	-31.4%	\$311,365	53.0%
<u>OTHER REVENUES & TRANSFERS IN</u>						
Trf In - General Fund #001	\$22,340	\$0	\$22,340	-	\$42,795	52.2%
Trf In - Mausoleum #102	\$11,860	\$11,511	\$349	3.0%	\$15,000	79.1%
Trf In - Cem Equip Resr #103	0	6455	-\$6,455	-100.0%	\$0	-
<u>Trf In - Cem Preneed #104</u>	<u>\$78,744</u>	<u>\$25,573</u>	<u>\$53,171</u>	<u>207.9%</u>	<u>\$60,000</u>	<u>131.2%</u>
TOTAL OTHER REVENUES	\$112,944	\$43,539	\$69,405	159.4%	\$117,795	95.9%
TOTAL CEMETERY REVENUES	\$278,032	\$284,340	-\$6,308	-2.2%	\$429,160	64.8%
GRAND TOTAL CEMETERY FUND	\$278,123	\$300,116	-\$21,993	-7.3%	\$429,250	64.8%
APPROPRIATIONS						
Cemetery Operations	\$273,658	\$255,195	\$18,463	7.2%	\$386,100	70.9%
Equipment Rental	\$9,377	\$17,728	-\$8,351	-47.1%	\$20,000	46.9%
Road Paving Debt Service	\$6,824	\$6,824	\$0	0.0%	\$13,650	50.0%
Land	\$618	\$1,823	-\$1,206	-66.1%	\$0	-
Capital	\$18	\$9,381	-\$9,363	-99.8%	\$2,500	0.7%
Trf Out - Cem. Equipment Reserve #103	\$1,449	\$0	\$1,449	-	\$3,000	48.3%
<u>Trf Out - Equipment Reserve #505</u>	<u>\$3,006</u>	<u>\$2,001</u>	<u>\$1,005</u>	<u>50.2%</u>	<u>\$4,000</u>	<u>75.2%</u>
CEMETERY FUND APPROPRIATIONS	\$294,950	\$292,952	\$1,998	0.7%	\$429,250	68.7%
ENDING FUND BALANCE	-\$16,827	\$7,164			\$0	

Mausoleum Fund #102

Overview:

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

For the biennium, this fund begins the year with a \$151,580 cash balance. The budget provides for \$37,650 in resources and \$45,300 in expenditures.

Revenues:

The major source of resources to the Mausoleum Fund comes from user fees. There is also repayment of a loan provided to the Cemetery Fund. As of June 2010 the City has recorded \$20,181 in sales compared to \$19,751 for the same period in 2007-08. Mausoleum sales are actuarially dependent and can be very unpredictable. Staff will monitor this Fund and recommend any changes to the Council.

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, \$16,830 or 37.2% of appropriated expenditures had been made.

MAUSOLEUM FUND #102

CITY OF HOQUIAM

2010 2nd QUARTER FINANCIAL REPORT

	2009-10 <u>Q2 BTD</u>	2007-08 <u>Q2 BTD</u>	Increase (Decrease)	% Increase (Decrease)	2009-10 <u>Budget</u>	% to <u>Budget</u>
<u>REVENUES</u>						
Beginning Fund Balance	\$151,582	\$129,176			\$151,580	
Cemetery Fees	\$20,181	\$19,751	\$430	2.2%	\$18,000	112.1%
Investment Interest	\$5,302	\$9,001	-\$3,699	-41.1%	\$6,000	88.4%
<u>Interest on Contracts</u>	<u>\$642</u>	<u>\$940</u>	<u>-\$298</u>	<u>-31.7%</u>	<u>\$1,125</u>	<u>57.1%</u>
TOTAL MAUSOLEUM FUND	\$26,125	\$29,692	-\$3,567	-12.0%	\$25,125	104.0%
<u>OTHER REVENUES & TRANSFERS IN</u>						
<u>Interfund Loan - Cemetery #101</u>	<u>\$6,182</u>	<u>\$5,885</u>	<u>\$298</u>	<u>5.1%</u>	<u>\$12,525</u>	<u>49.4%</u>
TOTAL OTHER REVENUES	\$6,182	\$5,885	\$298	5.1%	\$12,525	49.4%
TOTAL MAUSOLEUM REVENUES	\$32,307	\$35,576	\$298	-9.2%	\$37,650	85.8%
GRAND TOTAL MAUSOLEUM FUND	\$183,889	\$164,752	-\$3,269	11.6%	\$189,230	97.2%
<u>APPROPRIATIONS</u>						
Mausoleum Operations	\$4,970	\$42	\$4,928	11710.9%	\$9,000	55.2%
Capital	\$0	\$4,724	-\$4,724	-100.0%	\$18,000	0.0%
<u>Trf Out - Cemetery #101</u>	<u>\$11,860</u>	<u>\$11,511</u>	<u>\$349</u>	<u>3.0%</u>	<u>\$18,300</u>	<u>64.8%</u>
MAUSOLEUM FUND APPROPRIATIONS	\$16,830	\$16,277	\$553	3.4%	\$45,300	37.2%
ENDING FUND BALANCE	\$167,059	\$148,475			\$143,930	

Street Fund #106

Overview:

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

Revenues

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

Gas tax revenues were \$191,807 or 68.4% of budget through June. 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 the sales price. For this reason, the increase or decrease in gasoline prices does not result in a corresponding change in gas tax revenue.

Total transfers to this fund from the General Fund of \$273,250 were made at the end of the June 2010. This revenue source will increase as property taxes are collected and street fund activity increases.

Appropriations:

Overall, the Street Fund expended \$447,013, or 55.2% of its \$809,455 biennial budget during the first eighteen months of the biennium. This is \$38,661 or 9.5% higher than comparable 2007-08 levels.

Street crews have been busy in 2009-10 maintaining streets, clearing snow and debris and installing new sidewalks. Even so, street expenditures are below budget for this stage of the biennium. Street activity should accelerate as the summer approaches and the City anticipates seeing increases in road maintenance efforts.

STREET FUND #106**CITY OF HOQUIAM****2010 2nd QUARTER FINANCIAL REPORT**

<u>REVENUES</u>	<u>2009-10 Q2 BTD</u>	<u>2007-08 Q2 BTD</u>	<u>Increase (Decrease)</u>	<u>% Increase (Decrease)</u>	<u>2009-10 Budget</u>	<u>% to Budget</u>
Beginning Fund Balance	\$0	\$51,175			\$0	
Property Tax	\$0	\$0	\$0	-	\$0	0.0%
Street & Curb Permits	\$4,188	\$2,785	\$1,403	50.4%	\$2,365	177.1%
<u>Gas Tax</u>	<u>\$191,807</u>	<u>\$212,298</u>	<u>-\$20,491</u>	<u>-9.7%</u>	<u>\$280,590</u>	<u>68.4%</u>
TOTAL STREET FUND	\$195,995	\$215,083	-\$19,088	-8.9%	\$282,955	69.3%
Trf In - General Fund #001	\$273,250	\$178,440	\$94,810	53.1%	\$366,500	74.6%
Trf In - Arterial Street Fund #107	\$0	\$0	\$0	-	\$160,000	0.0%
TOTAL STREET REVENUES	\$469,245	\$393,523	\$75,722	19.2%	\$809,455	0.0%
GRAND TOTAL STREET FUND	\$469,245	\$444,698	-\$19,088	5.5%	\$809,455	58.0%
APPROPRIATIONS						
Executive Services	\$33,858	\$30,249	\$3,609	11.9%	\$46,655	72.6%
Roadway Services	\$181,288	\$212,877	-\$31,589	-14.8%	\$349,720	51.8%
Traffic Control Devices	\$21,235	\$8,770	\$12,466	142.1%	\$37,440	56.7%
Ancillary Operations	\$161,982	\$99,601	\$62,381	62.6%	\$212,430	76.3%
General Administration	\$14,823	\$55,211	-\$40,387	-73.2%	\$20,310	73.0%
Capital	\$32,868	\$0	\$32,868	-	\$141,500	23.2%
Trf Out - Paths & Trails #108	\$959	\$1,060	-\$101	-9.5%	\$1,400	68.5%
<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	\$447,013	\$408,353	\$38,661	9.5%	\$809,455	55.2%
ENDING FUND BALANCE	\$22,232	\$36,345			\$0	

Arterial Street Fund #107

Overview:

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

Revenues

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

Gas tax revenues were \$89,683 or 68.4% of budget through June. 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 the 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 \$230,340. Through June, expenditures and transfers out total \$70,128. Expenditures go primarily to debt service and transfers out.

There is also \$69,680 in budgeted debt service payments for a Public Works Trust Fund loan to pave Aberdeen Avenue. There is also a \$160,000 transfer budgeted to the Sidewalk Construction Fund. This transfer has not been made as of June 30, 2010.

ARTERIAL STREET FUND #107

CITY OF HOQUIAM

2010 2nd QUARTER FINANCIAL REPORT

<u>REVENUES</u>	<u>2009-10 Q2 BTD</u>	<u>2007-08 Q2 BTD</u>	<u>Increase (Decrease)</u>	<u>% Increase (Decrease)</u>	<u>2009-10 Budget</u>	<u>% to Budget</u>
Beginning Fund Balance	\$118,448	\$182,323			\$118,445	
Gas Tax	\$89,683	\$99,264	-\$9,581	-9.7%	\$131,190	68.4%
<u>Investment Interest</u>	<u>\$2,521</u>	<u>\$11,504</u>	<u>-\$8,983</u>	<u>-78.1%</u>	<u>\$10,000</u>	<u>25.2%</u>
TOTAL ARTERIAL STREET FUND	\$92,204	\$110,768	-\$18,564	-16.8%	\$141,190	65.3%
GRAND TOTAL ART. STREET FUND	\$210,652	\$293,091	-\$18,564	-16.8%	\$259,635	65.3%
APPROPRIATIONS						
Debt Service	\$69,680	\$71,001	-\$1,321	-1.9%	\$69,680	100.0%
Capital	\$0	\$23,421	-\$23,421	-100.0%	\$0	-
Trf Out - Streets #106	\$0	\$0	\$0	-	\$160,000	0.0%
Trf Out - Paths & Trails #108	\$448	\$498	-\$50	-10.0%	\$660	67.9%
<u>Trf Out - Sidewalk Construction #302</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>-</u>	<u>\$0</u>	<u>-</u>
ART. STREET FUND APPROPRIATIONS	\$70,128	\$94,920	-\$24,791	-26.1%	\$230,340	30.4%
ENDING FUND BALANCE	\$140,523	\$198,171			\$29,295	

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 June.

Revenues:

Emergency Care revenues come from three primary sources:

- The general emergency medical services (EMS) property tax levy is projected to generate \$394,175 over the biennium. Through June, the City has received \$295,960 from this revenue source, with another major distributions expected to occur in November from the County Treasurer's office.
- Ambulance fees are projected at \$1,928,500 for the biennium. Through June, the City has collected \$1,382,682, or 71.7% of Budget. This activity is \$67,211 or 5.1% higher than the previous biennium activity through June.
- Ambulance utility charges are budgeted at \$900,000 for the biennium. The City has received \$672,910 or 74.8% of these monthly charges.

Appropriations and Transfers Out:

Through June, the Ambulance Fund has spent 76.1% of its annual budget appropriations of \$3,584,720. This activity is right on target, and Finance with the cooperation the Fire Department will monitor monthly activity to ensure that overall budget targets are adhered to.

Other appropriations include:

- \$21,700 in transfers to the General Fund to pay the Ambulance Fund's portion of the annual E911 contribution. This line item is 63.9% expended as of the 2nd Quarter.
- \$75,275 in capital projects including a new generator for the headquarters station.

AMBULANCE FUND #109**CITY OF HOQUIAM****2010 2nd QUARTER FINANCIAL REPORT**

	2009-10 Q2 BTD	2007-08 Q2 BTD	Increase (Decrease)	% Increase (Decrease)	2009-10 Budget	% to Budget
REVENUES						
Beginning Fund Balance	\$281,771	\$263,094			\$281,770	
EMS Levy	\$295,960	\$267,739	\$28,220	10.5%	\$394,175	75.1%
Ambulance Fees	\$1,382,682	\$1,315,471	\$67,211	5.1%	\$1,928,500	71.7%
Miscellaneous	\$10,124	\$16,336	-\$6,211	-38.0%	\$6,075	166.7%
Ambulance Utility Charges	\$672,910	\$679,801	-\$6,891	-1.0%	\$900,000	74.8%
Fire District EMS Fees	<u>\$63,941</u>	<u>\$52,778</u>	<u>\$11,163</u>	<u>21.2%</u>	<u>\$74,200</u>	<u>86.2%</u>
TOTAL AMBULANCE FUND	\$2,425,617	\$2,332,125	\$93,492	4.0%	\$3,302,950	73.4%
OTHER REVENUES & TRANSFERS IN						
Trf In - General Fund #001	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	-	<u>\$0</u>	-
TOTAL OTHER REVENUES	\$0	\$0	\$0	-	\$0	-
TOTAL AMBULANCE REVENUES	\$2,425,617	\$2,332,125	\$93,492	4.0%	\$3,302,950	73.4%
GRAND TOTAL AMBULANCE FUND	\$2,707,388	\$2,595,219	\$93,492	4.3%	\$3,584,720	75.5%
APPROPRIATIONS						
Ambulance Operations	\$2,501,942	\$2,138,953	\$362,988	17.0%	\$3,324,885	75.2%
Capital	\$76,866	\$40,310	\$36,556	90.7%	\$75,275	102.1%
Debt Service	\$0	\$2,838	-\$2,838	-100.0%	\$0	-
Trf Out - General Fund #001 (E911)	\$13,859	\$8,474	\$5,386	63.6%	\$21,700	63.9%
Trf Out - Equipment Rental Fund #501	\$60,123	\$83,779	-\$23,656	-28.2%	\$62,860	95.6%
Trf Out - Equipment Reserve Fund #505	<u>\$75,006</u>	<u>\$75,006</u>	<u>\$0</u>	<u>0.0%</u>	<u>\$100,000</u>	<u>75.0%</u>
AMBULANCE FUND APPROPRIATIONS	\$2,727,795	\$2,349,359	\$378,436	16.1%	\$3,584,720	76.1%
ENDING FUND BALANCE	-\$20,407	\$245,860			\$0	

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 biennium, Hotel Motel tax revenues are budgeted to total \$19,000, and come from two sources, a 2% Stadium tax revenues and 3% Transient excise tax. Combined revenues through June of \$14,795 constitute 77.9% of the budgeted amounts.

Through June, Hotel Motel taxes are up 11.3% compared to 2007-08 levels. This is encouraging considering the downturn in the national economy has reduced travel nationwide. However, these numbers further demonstrate 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 June, the City has expended \$11,729 of its budget authority in this fund. Staff brought recommendations to the Council from the Lodging Tax Advisory Committee (LTAC) for approval to fund the 2010 community events and festivals. These recommendations are yet to be included in the budget.

STADIUM/TOURISM FUND #112

CITY OF HOQUIAM

2010 2nd QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2009-10 Q2 BTD	2007-08 Q2 BTD	Increase (Decrease)	% Increase (Decrease)	2009-10 Budget	% to Budget
Beginning Fund Balance	\$25,030	\$17,948			\$25,030	
Hotel-Motel Tax	\$14,795	\$13,289	\$1,506	11.3%	\$19,000	77.9%
<u>Investment Interest</u>	<u>\$237</u>	<u>\$1,348</u>	<u>-\$1,111</u>	<u>-82.4%</u>	<u>\$1,500</u>	<u>15.8%</u>
TOTAL STADIUM/TOURISM FUND	\$15,032	\$14,636	\$396	2.7%	\$20,500	73.3%
TOTAL TOURISM REVENUES	\$15,032	\$14,636	\$396	2.7%	\$20,500	73.3%
GRAND TOTAL STADIUM/TOURISM	\$40,062	\$32,584	\$396	2.7%	\$45,530	73.3%
APPROPRIATIONS						
Advertising & Events Promotion	\$6,700	\$6,155	\$545	8.9%	\$10,200	65.7%
Loggers Playday	\$2,000	\$0	\$2,000	-	\$2,000	100.0%
7th Street Theatre	\$1,800	\$0	\$0	-	\$1,800	100.0%
Community Events	\$1,229	\$0	\$0	-	\$3,000	41.0%
Other Miscellaneous	\$0	\$2,500	\$0	-100.0%	\$10,000	0.0%
Polson Museum RR Signage	\$0	\$0	\$0	-	\$0	-
<u>Trf Out - General Fund #001</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>-</u>	<u>\$0</u>	<u>-</u>
STADIUM/TOURISM APPROPRIATIONS	\$11,729	\$8,655	\$3,074	35.5%	\$27,000	43.4%
ENDING FUND BALANCE	\$28,333	\$23,929			\$18,530	

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 2009 with a budgeted \$229,100 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. In 2009, the City received a grant for Neighborhood Stabilization totaling \$448,920 to provide increased affordable housing in Hoquiam. Total biennial resources were budgeted at \$537,920.

The City's increased efforts in the abatement of dangerous buildings has also increased the revenues of this fund dramatically and slowed the use of reserves by this fund. This should allow the City to tackle some large abatement projects in the future.

Appropriations and Transfers out:

Expenditures for cleanup and abatement activities as well as Neighborhood Stabilization Grant expenditures were budgeted at \$566,945. Expenditures include demolition of dilapidated structures and the purchase of vacant lots for future housing units.

Through June, \$173,969 or 30.7% of expenditures have been made. This activity is well below expected levels and may be below 100% expended by the end of the biennium.

COMMUNITY DEVELOPMENT REPAY FUND #130

CITY OF HOQUIAM

2010 2nd QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2009-10 Q2 BTD	2007-08 Q2 BTD	Increase (Decrease)	% Increase (Decrease)	2009-10 Budget	% to Budget
Beginning Fund Balance	\$229,100	\$206,174			\$229,100	
Miscellaneous Cleanup Fees	\$1	\$340	-\$339	-99.7%	\$15,000	0.0%
GH County Waste Abatement Grant	\$0	\$7,500				
Neighborhood Stabilization Grant	\$145,108	\$0	\$145,108	-	\$448,920	32.3%
Abatement Fees	\$26,016	\$6,852	\$19,165	279.7%	\$4,000	650.4%
<u>Contract Payments</u>	<u>\$12,793</u>	<u>\$86,545</u>	<u>-\$73,752</u>	<u>-85.2%</u>	<u>\$70,000</u>	<u>18.3%</u>
TOTAL COMM. DEVEL. REPAY FUND	\$183,919	\$101,236	\$90,182	81.7%	\$537,920	34.2%
TOTAL CD REPAY REVENUES	\$183,919	\$101,236	\$82,682	81.7%	\$537,920	34.2%
GRAND TOTAL COMM. DEVEL. REPAY	\$413,019	\$307,410			\$767,020	
APPROPRIATIONS						
Miscellaneous	\$197	\$9,880	-\$9,683	-98.0%	\$200	98.5%
Cleanup Activities	\$9	\$6,724	-\$6,715	-99.9%	\$10,000	0.1%
Abate Nuisances	\$64,890	\$64,595	\$295	0.5%	\$100,000	64.9%
GH Co. Waste Abatement Grant	\$2,721	\$404	\$2,317	573.4%	\$7,825	34.8%
Neighborhood Stabilization	\$106,153	\$0	\$106,153	-	\$448,920	23.6%
<u>Trf Out - General Fund #001 (ED Plan)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>=</u>	<u>\$0</u>	<u>=</u>
COMM. DEVEL. REPAY FUND	\$173,969	\$81,602	\$92,367	113.2%	\$566,945	30.7%
ENDING FUND BALANCE	\$239,049	\$225,808			\$200,075	

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 June.

Revenues:

This fund was budgeted to generate revenues of \$10,176,275 over the biennium, primarily from water, sewer and storm usage. However, fees received from late penalties and shut-offs are also part of this fund's revenues.

Through June, water sales of \$2,049,475 or 73.5% of budgeted metered water revenues of \$2,790,000 were collected. This is 5.9% higher than comparable 2007-08. 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 June, this fund had collected 80.5%, or \$2,053,674 of its biennially budgeted \$2,550,000 sewer service revenue. Sewer service rates are for the most part fixed in nature and not subject to variations due to the season. Therefore, sewer service revenue is 17.5% higher than comparable 2007-08 amounts due to a rate increase in 2009 to pay for the sewer lagoon project. This increase has not yet been reflected in the 2009-2010 budget.

Storm Drain rate revenues through June are at 71.1%, or \$355,333 of the biennially budgeted amount of \$500,000. Storm Drain revenues are \$61,798 or 21.1% higher than comparable 2007-08 amount due to some changes to the rate structure that took place in 2009.

The last major revenue source to this fund comes from a transfer in from the Watershed Fund. Through June, \$1,245,953 of the biennially budgeted amount of \$2,827,775 had been transferred.

Appropriations:

For 2009-2010, this fund was appropriated to spend \$10,426,425. Budgeted amounts are primarily for operations, but do include expenditures for capital, debt service and transfers out for equipment reserves.

Through June, the Water, Sewer and Storm Departments combined have expended 71.7%, or \$4,739,822 of their combined \$6,608,100 biennial operating appropriations, which is within parameters for the second quarter.

To date, the Water, Sewer and Storm Departments expended 30.6%, or \$1,018,751 of their combined \$3,329,525 biennial capital budget. The completion of the Hoquiam River crossings amounted for much of the biennium's expenditures. For 2010 the majority of the remaining capital expenditures will be made on the West Fork and Little Hoquiam River Dams.

Transfers to other funds for operating, debt service and capital improvement requirements are within normal budget parameters through June, and are anticipated to be 100% expended by the end of the biennium.

This fund was budgeted to begin the year with a cash balance of \$742,150. After all operating appropriations and capital expenditures, this fund is budgeted to end the biennium with a cash balance of \$492,000. This is encouraging as a 45-day operating reserve is recommended which would equate to \$400,000.

WATER,SEWER AND STORM FUND #401

CITY OF HOQUIAM

2010 2nd QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2009-10 <u>Q2 BTD</u>	2007-08 <u>Q2 BTD</u>	Increase <u>(Decrease)</u>	% Increase <u>(Decrease)</u>	2009-10 <u>Budget</u>	% to <u>Budget</u>
Beginning Fund Balance	\$742,154	\$522,378			\$742,150	
Water Sales	\$2,049,475	\$1,935,650	\$113,825	5.9%	\$2,790,000	73.5%
Sewer Service	\$2,053,674	\$1,747,404	\$306,270	17.5%	\$2,550,000	80.5%
Storm Drainage	\$355,333	\$293,535	\$61,798	21.1%	\$500,000	71.1%
Charges for Miscellaneous Service	\$21,340	\$44,313	-\$22,973	-51.8%	\$60,000	35.6%
Investment Interest	\$61,076	\$181,622	-\$120,547	-66.4%	\$105,000	58.2%
Grants and Loans	\$99,175	\$90,000	\$9,175	10.2%	\$578,000	17.2%
Other Miscellaneous	<u>\$21,281</u>	<u>\$30,023</u>	<u>-\$8,742</u>	<u>-29.1%</u>	<u>\$25,500</u>	<u>83.5%</u>
TOTAL WATERWORKS FUND	\$4,661,354	\$4,322,548	\$338,806	7.8%	\$6,608,500	70.5%
<u>OTHER REVENUES & TRANSFERS IN</u>						
Trf In - Watershed #402	\$1,245,953	\$1,189,532	\$56,421	4.7%	\$2,827,775	44.1%
Trf In - Watershed #404	<u>\$143,557</u>	<u>\$0</u>	<u>\$143,557</u>	<u>-</u>	<u>\$740,000</u>	<u>19.4%</u>
TOTAL OTHER REVENUES	\$1,389,510	\$1,189,532	\$199,978	16.8%	\$3,567,775	38.9%
TOTAL WATERWORKS REVENUES	\$6,050,864	\$5,512,080	\$538,784	9.8%	\$10,176,275	59.5%
GRAND TOTAL WATERWORKS FUND	\$6,793,018	\$6,034,458			\$10,918,425	
<u>APPROPRIATIONS</u>						
Water Operations	\$2,480,185	\$2,314,178	\$166,007	7.2%	\$3,569,605	69.5%
Sewer Operations	\$1,667,120	\$1,576,432	\$90,689	5.8%	\$2,361,900	70.6%
Storm Drain Operations	<u>\$592,516</u>	<u>\$465,632</u>	<u>\$126,884</u>	<u>27.2%</u>	<u>\$676,595</u>	<u>87.6%</u>
TOTAL WATERWORKS OPERATIONS	\$4,739,822	\$4,356,242	\$383,580	8.8%	\$6,608,100	71.7%
Water Capital	\$756,020	\$281,279	\$474,741	168.8%	\$2,566,025	29.5%
Sewer Capital	\$233,350	\$617,535	-\$384,184	-62.2%	\$672,555	34.7%
Storm Drain Capital	<u>\$29,381</u>	<u>\$3,156</u>	<u>\$26,225</u>	<u>831.1%</u>	<u>\$90,945</u>	<u>32.3%</u>
TOTAL WATERWORKS CAPITAL	\$1,018,751	\$901,969	\$116,782	12.9%	\$3,329,525	30.6%
Water Debt Service	\$0	\$0	\$0	-	\$0	-
Sewer Debt Service	<u>\$48,200</u>	<u>\$33,600</u>	<u>\$14,600</u>	<u>43.5%</u>	<u>\$55,400</u>	<u>87.0%</u>
TOTAL WATERWORKS DEBT	\$48,200	\$33,600	\$14,600	43.5%	\$55,400	87.0%
Trf Out - USDA Loan Repayment #410	\$150,000	\$0	\$150,000	-	\$0	-
Trf Out - Equipment Rental #501	\$142,747	\$124,276	\$18,471	14.9%	\$177,085	80.6%
Trf Out - Equipment Reserve #505	\$179,517	\$128,466	\$51,051	39.7%	\$243,585	73.7%
Trf Out - Unemployment #522	<u>\$12,012</u>	<u>\$4,636</u>	<u>\$7,376</u>	<u>159.1%</u>	<u>\$12,730</u>	<u>94.4%</u>
TOTAL WATERWORKS TRANSFERS	\$484,276	\$257,378	\$76,899	88.2%	\$433,400	111.7%
GRAND TOTAL WATERWORKS FUND	\$6,291,049	\$5,549,189	\$591,861	13.4%	\$10,426,425	60.3%
ENDING FUND BALANCE	\$501,968	\$485,269			\$492,000	

Watershed Fund #402

Overview:

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

This fund began 2009 with a \$2,048,420 cash balance.

Revenues:

This fund receives nearly all of its resources from timber sales. The City has authorized additional timber blow down sales in 2009-10 and anticipates netting approximately \$3,200,000 in timber revenues. Revenues of \$2,892,528 have already been booked so far in this biennium.

Appropriations and Transfers out:

Continuing a practice that started 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.

Interfund transfers of \$2,987,775 are budgeted for the biennium to the Water, Sewer and Storm Fund. These transfers are for capital expenditures in support of infrastructure improvements. To date, transfers of \$1,417,046 have already been made to pay for the completion of the water and sewer crossings of the Hoquiam River. This project that began in 2008 but was completed in the first quarter of 2009.

WATERSHED FUND #402
CITY OF HOQUIAM
2010 2nd QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2009-10 <u>Q2 BTD</u>	2007-08 <u>Q2 BTD</u>	Increase (Decrease)	% Increase (Decrease)	2009-10 <u>Budget</u>	% to <u>Budget</u>
Beginning Fund Balance	\$2,048,420	\$1,639,561			\$2,048,420	
Miscellaneous Revenue	\$1,080	\$816	\$264	32.3%	\$0	-
<u>Timber Payments</u>	<u>\$2,892,528</u>	<u>\$1,623,390</u>	<u>\$1,269,138</u>	<u>78.2%</u>	<u>\$3,200,000</u>	<u>90.4%</u>
TOTAL WATERSHED FUND	\$2,893,608	\$1,624,206	\$1,269,138	78.2%	\$3,200,000	90.4%
TOTAL WATERSHED REVENUES	\$2,893,608	\$1,624,206	\$264	32.3%	\$3,200,000	-
GRAND TOTAL WATERSHED FUND	\$4,942,028	\$3,263,767	\$1,269,138	78.2%	\$5,248,420	90.4%
APPROPRIATIONS						
Watershed Operations	\$313,694	\$103,634	\$210,060	202.7%	\$615,745	50.9%
Trf Out - Waterworks #401	\$1,245,953	\$1,189,532	\$56,421	4.7%	\$2,827,775	44.1%
<u>Trf Out - Transmission Line #404</u>	<u>\$171,093</u>	<u>\$60,950</u>	<u>\$110,143</u>	<u>180.7%</u>	<u>\$160,000</u>	<u>106.9%</u>
Total Transfers Out	\$1,417,046	\$1,250,482	\$166,564	13.3%	\$2,987,775	47.4%
WATERSHED FUND	\$1,730,739	\$1,354,115	\$376,624	27.8%	\$3,603,520	48.0%
ENDING FUND BALANCE	\$3,211,288	\$1,909,652			\$1,644,900	

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 the end of 2009.

This fund began 2009 with a \$238,530 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 \$119,530 on postclosure maintenance and monitoring in 2009-10. As of the first quarter of 2010, \$83,927 or 70.2 % of those anticipated expenditures had been made. This fund is budgeted to end the year with a \$128,000 cash balance.

LANDFILL POSTCLOSURE FUND #417

CITY OF HOQUIAM

2010 2nd QUARTER FINANCIAL REPORT

	2009-10	2007-08	Increase	% Increase	2009-10	% to
<u>REVENUES</u>	<u>Q2 BTD</u>	<u>Q2 BTD</u>	<u>(Decrease)</u>	<u>(Decrease)</u>	<u>Budget</u>	<u>Budget</u>
Beginning Fund Balance	\$238,528	\$323,102			\$238,530	
<u>Investment Interest</u>	<u>\$6,943</u>	<u>\$21,329</u>	<u>-\$14,386</u>	<u>-67.4%</u>	<u>\$9,000</u>	<u>77.1%</u>
TOTAL LANDFILL POSTCLOSURE FUND	\$6,943	\$21,329	-\$14,386	-67.4%	\$9,000	77.1%
TOTAL LANDFILL REVENUES	\$6,943	\$21,329	-\$14,386	-67.4%	\$9,000	77.1%
GRAND TOTAL LANDFILL POSTCLOSURE	\$245,471	\$344,431	-\$14,386	-67.4%	\$247,530	77.1%
APPROPRIATIONS						
<u>Landfill Operations</u>	<u>\$83,927</u>	<u>\$88,280</u>	<u>-\$4,353</u>	<u>-4.9%</u>	<u>\$119,530</u>	<u>70.2%</u>
LANDFILL POSTCLOSURE FUND	\$83,927	\$88,280	-\$4,353	-4.9%	\$119,530	70.2%
ENDING FUND BALANCE	\$161,544	\$256,151			\$128,000	

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 began the year with a \$75,345 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 \$1,141,875 in budgeted revenue, of which 69.3%, has been received through June.

Appropriations:

The primary expenditures in this fund are for the one mechanic and for vehicle replacements. In addition to the mechanic, there are ten vehicle replacements planned for the biennium.

As of June, \$420,739 or 61.7% of operations had been expended and \$391,499 or 78.0% of appropriated vehicle purchases had been made.

EQUIPMENT RENTAL FUND #501

CITY OF HOQUIAM

2010 2nd QUARTER FINANCIAL REPORT

	2009-10	2007-08	Increase	% Increase	2009-10	% to
<u>REVENUES</u>	<u>Q2 BTD</u>	<u>Q2 BTD</u>	<u>(Decrease)</u>	<u>(Decrease)</u>	<u>Budget</u>	<u>Budget</u>
Beginning Fund Balance	\$75,347	\$62,813			\$75,345	
Equipment Maintenance Charges	\$429,538	\$429,635	-\$97	0.0%	\$623,640	68.9%
Investment Interest	\$0	\$5,902	-\$5,902	-100.0%	\$13,000	0.0%
Other Miscellaneous	\$798	\$3,625	-\$2,827	-78.0%	\$3,500	22.8%
TOTAL EQUIPMENT RENTAL FUND	\$430,336	\$439,162	-\$8,826	-2.0%	\$640,140	67.2%
<u>OTHER REVENUES & TRANSFERS IN</u>						
Trf In - Departmental Contributions	\$0	\$22,203	-\$22,203	-100.0%	0	-
Trf In - Eq. Rental Reserve #505	\$361,074	\$242,811	\$118,263	48.7%	\$501,735	72.0%
TOTAL OTHER REVENUES	\$361,074	\$265,014	\$96,060	36.2%	\$501,735	72.0%
TOTAL EQUIPMENT RENTAL REVENUE	\$791,410	\$704,176	\$87,234	12.4%	\$1,141,875	69.3%
GRAND TOTAL EQUIPMENT RENTAL	\$866,757	\$766,989	\$99,768	13.0%	\$1,217,220	71.2%
<u>APPROPRIATIONS</u>						
Equipment Rental Operations	\$420,739	\$424,459	-\$3,719	-0.9%	\$682,020	61.7%
<u>Capital</u>	<u>\$391,499</u>	<u>\$265,014</u>	<u>\$126,486</u>	<u>47.7%</u>	<u>\$501,735</u>	<u>78.0%</u>
EQUIPMENT RENTAL FUND APPROP.	\$812,239	\$689,472	\$122,766	17.8%	\$1,183,755	68.6%
ENDING FUND BALANCE	\$54,518	\$77,516			\$33,465	

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 \$1,566,995 cash balance. The biennial budget provides for \$535,180 in resources from transfers to this fund from other funds.

Revenues:

Almost all resources of the Equipment Rental Reserve Fund come in the form of transfers from other funds. As noted above, \$535,180 in transfers are provided by other funds of which \$424,454 or 79.5% have been made through June.

Appropriations:

Appropriations come in the form of transfers to the Equipment Rental Fund #501 for vehicle replacements. In the 2009-10 budget, \$501,735 was appropriated in transfers of which \$361,074 or 72.0% have been made to date.

EQUIPMENT RENTAL RESERVE FUND #505

CITY OF HOQUIAM

2010 2nd QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2009-10 <u>Q2 BTD</u>	2007-08 <u>Q2 BTD</u>	Increase <u>(Decrease)</u>	% Increase <u>(Decrease)</u>	2009-10 <u>Budget</u>	% to <u>Budget</u>
Beginning Fund Balance	\$1,566,996	\$1,364,211			\$1,566,995	
Departmental Contributions	\$425,454	\$336,042	\$89,412	26.6%	\$535,180	79.5%
Interfund Loans	\$0	\$136,531	-\$136,531	-100.0%	\$0	-
<u>Proceeds from Sale of Fixed Assets</u>	<u>\$18,009</u>	<u>\$7,100</u>	<u>\$10,909</u>	<u>153.6%</u>	<u>\$0</u>	<u>-</u>
TOTAL EQ. RENTAL RESERVE FUND	\$443,463	\$479,673	-\$36,210	-7.5%	\$535,180	82.9%
TOTAL EQ RENTAL RES REVENUES	\$443,463	\$479,673	-\$36,210	-7.5%	\$535,180	82.9%
GRAND TOTAL EQ RENTAL RESERVE	\$2,010,459	\$1,843,884	-\$36,210	9.0%	\$2,102,175	95.6%
APPROPRIATIONS						
<u>Trf Out - Equipment Rental #501</u>	<u>\$361,074</u>	<u>\$242,811</u>	<u>\$118,263</u>	<u>48.7%</u>	<u>\$501,735</u>	<u>72.0%</u>
EQ RENTAL RESERVE FUND	\$361,074	\$242,811	\$118,263	48.7%	\$501,735	72.0%
ENDING FUND BALANCE	\$1,649,385	\$1,601,073			\$1,600,440	

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 biennium, this fund starts with a \$28,360 cash balance. The budget provides for \$166,000 in resources transferred to this fund from the City's operating funds.

Traditionally, this fund has been used as a "central" place to receive revenues from other departments and pay for medical and dental costs. In many ways this was a duplication of efforts and ultimately not necessary. Therefore, beginning with the 2009-2010 biennium this fund will only receive money for and pay for dental costs. That is why you see the large decrease from 2007-08.

Revenues:

All resources of the Medical/Dental Fund come in the form of transfers from other funds. As noted above, \$166,000 in transfers are provided by other funds, of which \$134,445 or 81.0% have been made through June.

Appropriations:

Appropriations to this fund include the City's direct dental premiums in the amount of \$176,000 for the biennium. As of June, the City had expended \$123,979 or 69.9% on dental premiums. This figure is right on target for the first eighteen quarters of the biennium.

MEDICAL/DENTAL FUND #520

CITY OF HOQUIAM

2010 2nd QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2009-10 Q2 BTD	2007-08 Q2 BTD	Increase (Decrease)	% Increase (Decrease)	2009-10 Budget	% to Budget
Beginning Fund Balance	\$28,360	\$69,057			\$28,360	
Department Contributions	\$133,820	\$2,039,367	-\$1,905,547	-93.4%	\$166,000	80.6%
Cobra Contributions	\$625	\$320	\$305	95.5%	\$0	-
<u>Employee Contributions</u>	<u>\$0</u>	<u>\$2,865</u>	<u>-\$2,865</u>	<u>-100.0%</u>	<u>\$0</u>	<u>-</u>
TOTAL MEDICAL/DENTAL FUND	\$134,445	\$2,042,551	-\$1,908,106	-93.4%	\$166,000	81.0%
TOTAL MEDICAL/DENTAL REVENUES	\$134,445	\$2,042,551	-\$1,908,106	-93.4%	\$166,000	81.0%
GRAND TOTAL MEDICAL/DENTAL FUND	\$162,805	\$2,111,608	-\$1,948,803	-92.3%	\$194,360	83.8%
APPROPRIATIONS						
Medical Premiums	\$0	\$1,931,159	-\$1,931,159	-100.0%	\$0	-
Dental - Claims & Admin Fees	\$122,979	\$115,035	\$7,944	6.9%	\$172,000	71.5%
<u>Miscellaneous</u>	<u>\$50</u>	<u>\$0</u>	<u>\$50</u>	<u>-</u>	<u>\$4,000</u>	<u>1.3%</u>
MEDICAL/DENTAL FUND APPROPRIATIONS	\$123,029	\$2,046,195	-\$1,923,165	-94.0%	\$176,000	69.9%
ENDING FUND BALANCE	\$39,776	\$65,413			\$18,360	

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 a \$13,555 cash balance. The budget provides for \$12,730 in resources transferred to this fund from the other funds.

Revenues:

All resources of the Unemployment Fund come in the form of transfers from the General Fund. As noted above, \$12,730 in transfers are provided to this fund of which \$12,012 have been made through June.

Appropriations:

There were \$26,285 in appropriations planned for the biennium to allow for potential unemployment claims of former City employees. Additionally, staff plans on transferring the balance of this fund to the General Fund as there is no need for it to carry a balance. As of June, \$22,932 of the appropriations in this fund had been expended for a former grant funded employee who began receiving unemployment compensation.

UNEMPLOYMENT FUND #522
CITY OF HOQUIAM
2010 2nd QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2009-10 Q2 BTD	2007-08 Q2 BTD	Increase (Decrease)	% Increase (Decrease)	2009-10 Budget	% to Budget
Beginning Fund Balance	\$13,553	\$11,493			\$13,555	
Trf In - General Fund	\$0	\$17,788	-\$17,788	-100.0%	\$0	-
<u>Trf In - Departments</u>	<u>\$12,012</u>	<u>\$5,222</u>	<u>\$6,790</u>	<u>130.0%</u>	<u>\$12,730</u>	<u>94.4%</u>
TOTAL UNEMPLOYMENT FUND	\$12,012	\$23,010	-\$10,998	-47.8%	\$12,730	94.4%
TOTAL UNEMPLOYMENT REVENUES	\$12,012	\$23,010	-\$10,998	-47.8%	\$12,730	94.4%
GRAND TOTAL UNEMPLOYMENT FUND	\$25,565	\$34,503	-\$8,938	-25.9%	\$26,285	97.3%
APPROPRIATIONS						
Personnel Benefits	\$22,932	\$9,457	\$13,475	142.5%	\$12,730	180.1%
<u>Transfer Out - General Fund #001</u>	<u>0</u>	<u>0</u>	\$0	-	<u>\$13,555</u>	0.0%
UNEMPLOYMENT FUND APPROPRIATIONS	\$22,932	\$9,457	\$13,475	142.5%	\$26,285	87.2%
ENDING FUND BALANCE	\$2,633	\$25,046			\$0	

Capital Improvement Projects

Overview:

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

Progress Summary:

General Capital, \$633,910. This line item was appropriated to fund improvements to City building and parks in 2009-10. There has been \$160,669 spent as of June 2010.

Sidewalk Construction Fund, \$1,086,310. This line item was appropriated to fund primarily grant funded sidewalk improvements throughout the City. There has been only \$229,160 expended as of June 2010.

Water Capital Projects, \$2,566,025. These items provide appropriation authority for all requested water utility capital improvements for 2009-2010. These improvements are funded from watershed resources transferred to the Water Department. The largest project in this category is the Little Hoquiam Dam Consent Decree. In total, Water Capital Projects have expended \$756,020 or 29.5% of budget authority.

Sewer Capital Projects, \$672,555. Variable Drive upgrades to sewer pumps are the major projects for 2009-2010. As of June, \$233,350 or 34.7% of appropriated expenditures had been made.

POLICE & FIRE RETIREES FUND #611

CITY OF HOQUIAM

2010 2nd QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2009-10 Q2 BTD	2007-08 Q2 BTD	Increase (Decrease)	% Increase (Decrease)	2009-10 Budget	% to Budget
Beginning Fund Balance	\$0	\$31,340			\$0	
Fire Insurance Premium Tax	\$38,635	\$37,649	\$986	2.6%	\$37,000	104.4%
Trf In - General Fund	\$773,000	\$712,730	\$60,270	8.5%	\$1,073,000	72.0%
TOTAL POLICE & FIRE RETIREE FUNI	\$811,635	\$750,379	\$61,256	8.2%	\$1,110,000	73.1%
TOTAL RETIREE REVENUES	\$811,635	\$750,379	\$61,256	8.2%	\$1,110,000	73.1%
GRAND TOTAL RETIREE FUND	\$811,635	\$781,719	\$29,916	3.8%	\$1,110,000	73.1%
APPROPRIATIONS						
Police LF 1 Medical Premiums	\$290,084	\$285,354	\$4,730	1.7%	\$437,000	66.4%
Police LF1 Medical Bills	\$15,868	\$11,634	\$4,233	36.4%	\$24,000	66.1%
Police LF1 Medicare Premiums	\$5,206	\$0	\$5,206	-	\$0	-
Police LF 1 Dental Bills	\$1,593	\$1,308	\$285	21.8%	\$5,000	31.9%
Fire LF1 Disability Pyts	\$56,228	\$50,780	\$5,448	10.7%	\$82,000	68.6%
Fire LF1 Annuity Pyts	\$10,735	\$31,270	-\$20,535	-65.7%	\$47,000	22.8%
Fire LF1 Medical Premiums	\$285,419	\$310,789	-\$25,370	-8.2%	\$435,000	65.6%
Fire LF1 Medical Bills	\$30,310	\$33,762	-\$3,452	-10.2%	\$44,000	68.9%
Fire LF1 Medicare Premiums	\$19,239	\$18,003	\$1,236	6.9%	\$27,000	71.3%
Fire LF1 Dental Bills	\$4,386	\$4,919	-\$533	-10.8%	\$9,000	48.7%
RETIREE FUND APPROPRIATONS	\$719,068	\$747,820	-\$28,752	-3.8%	\$1,110,000	64.8%
ENDING FUND BALANCE	\$92,567	\$33,900			\$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 pay the necessary medical services of 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 \$0 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 \$1,073,000 over the biennium in budgeted transfers, of which \$773,000,000 or 72.0% has been received.

There is also \$37,000 in Fire Insurance Premium Taxes that are anticipated to be received over the biennium to help offset the Fire pension payments. To date, \$38,635 or 104.4% of budgeted revenues have been received.

Appropriations:

Biennial expenditures for this fund were budgeted at \$1,110,000 and are for the most part expended for retiree medical but also cover pension payments for some retirees. As of June 2010, \$719,068 or 64.8% of budgeted appropriations had been expended. This is a decrease of \$28,752 or -3.8% over the previous year.

2009-2010 CAPITAL IMPROVEMENT BUDGET

CITY OF HOQUIAM
2010 2nd QUARTER FINANCIAL REPORT

CAPITAL PROJECTS	2010 Q1 BTD	2009-2010 <u>Budget</u>	% to Budget
<i>#001 - General Fund (Unrestricted Revenues)</i>			
Upgrade Finance Software	\$0	\$15,000	0.0%
City Hall Improvements	\$118,489	\$129,000	91.9%
Phone System	\$18,051	\$15,000	120.3%
Polson Museum Painting	\$10,059	\$10,000	100.6%
Fire Department Heat Pump	\$8,336	\$9,500	87.8%
Fire Dorm Room Upgrade	\$0	\$7,500	0.0%
Library Painting	\$20,381	\$20,000	101.9%
Library Heat Pump	\$0	\$7,000	0.0%
Street Tree Planting	\$23,978	\$41,000	58.5%
Playground Equipment	\$0	\$53,440	0.0%
Gable Park Improvements	\$49,265	\$300,000	16.4%
Pocklington Park Restroom	\$35,550	\$75,000	47.4%
<u>Council/Court Recording Equipment</u>	<u>\$10,706</u>	<u>\$10,000</u>	<u>107.1%</u>
Subtotal, General Fund Projects	\$160,669	\$633,910	25.3%
<i>#102 - Mausoleum</i>			
Handicap Ramp and Railing	\$0	\$8,000	0.0%
<u>Replace Water System</u>	<u>\$0</u>	<u>\$10,000</u>	<u>0.0%</u>
Subtotal, Mausoleum Fund Projects	\$0	\$18,000	0.0%
<i>#109 - Ambulance</i>			
Headquarters Generator	\$52,007	\$40,000	130.0%
<u>Dorm Room Upgrade</u>	<u>\$0</u>	<u>\$7,500</u>	<u>0.0%</u>
Subtotal, Ambulance Fund Projects	\$45,207	\$47,500	95.2%
<i>#302 - Sidewalk Construction</i>			
Construction Projects	\$229,160	\$1,086,310	21.1%

(Continued)			
#401-25 Water Department Projects			
Repair Old WTP Roof	\$0	\$12,000	0.0%
West Fork Dam-Filter/Screen	\$52,229	\$468,000	11.2%
L Hoq Dam Consent Decree	\$266,465	\$765,965	34.8%
Drill Test Well Near WTP	\$99,704	\$154,875	64.4%
Flow Test WF/DC Raw Water	\$0	\$50,000	0.0%
Add'l East Side River X'g Prep	\$143,419	\$170,000	84.4%
Transmission Line Replacement	\$143,557	\$740,000	19.4%
Arnold Ct Booster Pump	\$0	\$55,000	0.0%
Replace Chart Recorders	\$0	\$2,600	0.0%
Repl College Hill Generator	\$0	\$48,000	0.0%
Upgrade WTP ChlorinationSystem	\$3,119	\$11,000	28.4%
Repl WTP FAP Machine	\$0	\$25,000	0.0%
WTP Filter Access Hatch	\$2,079	\$3,500	59.4%
Pump Station Entry Alarms	\$1,214	\$4,000	30.4%
Meters	\$30,217	\$50,820	59.5%
Upgrade Meter Reading Device	\$6,369	\$0	100.0%
<u>Upgrade Billing Program</u>	<u>\$7,649</u>	<u>\$5,265</u>	<u>145.3%</u>
Subtotal, Water Projects	\$756,020	\$2,566,025	29.5%
#401-26 Sewer Department Projects			
Sewer River Crossing Design	\$142,842	\$160,000	89.3%
Biosolids Removal	\$65,014	\$79,870	81.4%
Variable Drives	\$0	\$380,000	0.0%
Diesel Generator	\$0	\$34,000	0.0%
Magnesium Hydroxide System	\$19,862	\$8,500	233.7%
Grease Control Feeder	\$0	\$6,000	0.0%
<u>Upgrade Utility Bill Program</u>	<u>\$5,632</u>	<u>\$4,185</u>	<u>134.6%</u>
Subtotal, Sewer Utility Projects	\$233,350	\$672,555	34.7%
#401-27 - Storm Department Projects			
Pump Replacements	\$0	\$65,000	0.0%
Upgrade Utility BillingProgram	\$1,284	\$945	135.9%
Used Grader	<u>\$28,097</u>	<u>\$25,000</u>	<u>112.4%</u>
Subtotal, Storm Utility Projects	\$29,381	\$90,945	32.3%
TOTAL CAPITAL PROJECTS	\$1,453,787	\$5,115,245	28.4%

Debt Service Budget Summary

Overview:

The adjacent page provides a summary of the 2009-2010 debt service budget of the City. The City began 2009 with a total bonded debt service principal balance including revenue debt of \$559,324 in all funds.

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 June, \$120,650 or 100% of budget has been expended in principal and interest payments on LTGO debt.

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.

Through June, \$55,400 or 83.0% of budget has been expended in principal and interest payments on revenue debt.

Total debt activity through June 30th was \$176,050 or 82.0% of the total debt service budget, due again to payments later in the year on revenue debt.

DEBT SERVICE SUMMARY

CITY OF HOQUIAM 2010 2nd QUARTER FINANCIAL REPORT

<u>ISSUE</u>		2009		2009-2010	2009-2010	2010	2009-10	% to	2010
	<u>Fund</u>	<u>Beginning</u>	<u>2009-2010</u>	<u>2009-2010</u>	<u>2010</u>	<u>2009-10</u>	<u>% to</u>	<u>Ending</u>	
		<u>Balance</u>	<u>Principal</u>	<u>Interest</u>	<u>Q1 BTD</u>	<u>Budget</u>	<u>Budget</u>	<u>Balance</u>	
<u>Limited Tax General Obligation Debt</u>									
1989 City Hall Remodel	213	\$219,182	\$32,306	\$18,656	\$50,963	\$50,970	100.0%	\$186,876	
1994 PWTF Aberdeen Avenue*	107	\$198,142	\$66,047	\$3,633	\$69,680	\$69,680	100.0%	\$132,095	
Subtotal, Limited Tax G.O.		\$417,324	\$98,354	\$22,289	\$120,642	\$120,650	100.0%	\$318,970	
<u>Revenue Debt</u>									
2006 PWTF Sewer Facility Plan*	401	\$82,000	\$41,000	\$0	\$41,000	\$41,000	100.0%	\$41,000	
2000 CERB Fifth Street Sewer Extension	401	\$60,000	\$5,000	\$2,200	\$7,200	\$14,400	34.7%	\$55,000	
Subtotal, Revenue		\$142,000	\$46,000	\$2,200	\$48,200	\$55,400	83.0%	\$96,000	
Total Debt, All Sources and Uses		\$559,324	\$144,354	\$24,489	\$168,842	\$176,050	82.0%	\$414,970	

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