

City of Hoquiam



Mid-Biennium Review

2011-2012

October 24, 2011

Mid-Biennium Process

The Mid-Biennium process offers an opportunity to examine our current financial status and to appropriately adjust the biennial budget for fiscal years 2011 and 2012.



2011-2012 Biennial Budget Calendar

October 2011						
S	M	T	W	Th	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29

November 2011						
S	M	T	W	Th	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

- ❑ Mid-Biennium Review & Public Hearing (October 24)
- ❑ Mid Biennium Modification (November 14)
- ❑ Revenue Public Hearing (November 14)
- ❑ Setting Tax Levy (November 28)

2011-2012 Mid Biennium Review

- Review budget with Council
- Update estimates and forecasts
- Recommend modifications to revenues and expenditures



2011-2012 Mid Biennium Review

Tough Biennium

- ❖ Paper Mill Closure
 - ❖ 250 jobs
 - ❖ 10% loss of General Fund revenue
 - ❖ \$480,000 per year
 - ❖ Secondary businesses

Response

- ❖ No new programs proposed
 - ❖ Programs proposed for elimination
- ❖ No new staff
 - ❖ reductions



General Fund Revenue

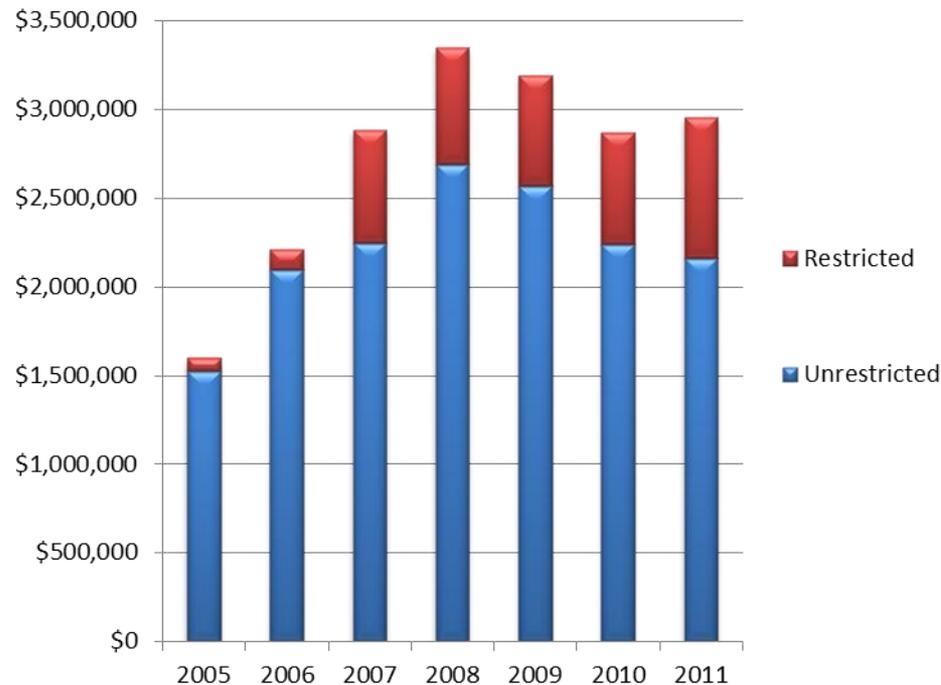
Top 8 in 2011-2012

Top 8 Sources	Actual				% to	2011-12
	YTD Sep 2009	YTD Sep 2010	YTD Sep 2011		Budget	Budget
Property Tax	\$780,211	\$800,079	\$833,101	4%	28%	\$2,985,115
B&O Tax	\$591,947	\$610,944	\$498,989	-18%	33%	\$1,517,930
Sales Tax	\$443,144	\$435,730	\$430,584	-1%	32%	\$1,336,650
Utility Tax-Electrical	\$456,392	\$413,355	\$479,031	16%	37%	\$1,293,560
Utility Tax-Gas	\$118,294	\$92,746	\$94,774	2%	48%	\$198,510
Investment Interest	\$80,842	\$24,919	\$54,295	118%	41%	\$133,000
Utility Tax-Water, Sewer	\$162,538	\$179,948	\$176,594	-2%	35%	\$506,725
<u>Building Permits</u>	<u>\$136,987</u>	<u>\$49,574</u>	<u>\$43,462</u>	<u>-12%</u>	<u>13%</u>	<u>\$335,450</u>
Total Top 8 Sources	\$2,770,355	\$2,607,295	\$2,610,829	0%	31%	\$8,306,940
Total GF Revenues	\$5,163,799	\$4,394,364	\$4,321,283		32%	\$13,514,840
Top 8 as %	54%	59%	60%			61%

Fund Balance

GF Reserves and Stabilization Fund Balances

	2005	2006	2007	2008	2009	2010	2011
Unrestricted	\$1,525,582	\$2,092,217	\$2,244,201	\$2,690,596	\$2,566,116	\$2,237,215	\$2,158,066
Restricted	\$72,894	\$118,708	\$640,460	\$659,018	\$626,926	\$633,400	\$798,585
Total	\$1,598,476	\$2,210,925	\$2,884,661	\$3,349,614	\$3,193,042	\$2,870,615	\$2,956,651



Key Performance Indicators

- Double Digit Decline in B&O Tax and Building Permits
 - 2 of the City's Top 8 Revenue Sources.
- Double Digit Growth in Investment Interest and Utility Taxes on Electricity
 - 2 of the City's Top 8 Revenue Sources.
- Stabilized Sales Taxes, Utility Taxes on Gas & Waterworks
 - 3 of the City's Top 8 Revenue Sources.
- Strong Fund Balances & Expenditure Control

Expenditures

- General Fund
 - Right on budget (34%)
- Ambulance Fund
 - Right on budget (38%)
- Street Fund
 - Right on budget (38%)
- Water, Sewer and Storm
 - Right on budget (32%)



Summary

- Revenues within reasonable expectations
- Fund Balances are strong
- Departmental expenditures are on target
- No new programs or positions proposed
- Mid-Biennium modification will propose revenue & expenditure adjustments

Questions?

