



2011 Quarterly Financial Report
Second Quarter 2011
January through June

The City of Hoquiam, Washington

609 8th Street

Hoquiam, Washington

360-532-5700

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CITY OF HOQUIAM

Second Quarter Financial Report - January through June 2011

EXECUTIVE SUMMARY

This document provides a detailed review of City financial activity for the first six months of the 2011-12 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 & 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 22.7% of operating appropriations. As of June 30, only a small percentage of capital improvement and debt service expenditures had been made.

Analysis: Only the Community Development Repay Fund is showing higher than expected expenditures. This is due to the fact that the City has made expenditures to fulfill the Neighborhood Stabilization Grant. However, this fund should be at 100% by the end of the biennium.

Bottom Line: The City is exactly where it should be financially for the first six months of the biennium. Revenues are exceeding expectations while expenditures are right on target. The City's total cash reserves are more than adequate.

The City's sales tax receipts are down 8% compared to 2009 levels while B&O tax receipts are down 24% compared to 2009. Both of these figures are following a similar slide in the national economy.

All operating departments are within normal expenditure levels through the second quarter. In the General Fund, the combined operating departments expended 23.6% of their budgets which is right on target for the first six months of the biennium.

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

ALL FUNDS EXPENDITURE SUMMARY

CITY OF HOQUIAM

2011 2nd QUARTER FINANCIAL REPORT

<u>OPERATING FUNDS</u>	<u>No.</u>	2011 <u>Q2 YTD</u>	2009 <u>Q2 YTD</u>	Increase <u>(Decrease)</u>	% Increase <u>(Decrease)</u>	2011 <u>Budget</u>	% to <u>Budget</u>
General Fund	001	\$3,105,431	\$3,613,503	-\$508,072	-14.1%	\$13,316,215	23.3%
Cemetery	101	\$94,048	\$94,058	-\$10	0.0%	\$372,890	25.2%
Mausoleum	102	\$4,209	\$4,016	\$193	4.8%	\$29,000	14.5%
Cemetery Equipment Reserve	103	\$0	\$0	\$0	-	\$0	-
Cemetery Preneed	104	\$25,517	\$15,262	\$10,255	67.2%	\$193,555	13.2%
Parks Special Programs	105	\$0	\$0	\$0	-	\$35,340	0.0%
Street Fund	106	\$187,305	\$164,368	\$22,937	14.0%	\$775,670	24.1%
Arterial Street Fund	107	\$34,486	\$35,148	-\$661	-1.9%	\$108,945	31.7%
Ambulance	109	\$965,176	\$879,003	\$86,173	9.8%	\$3,775,500	25.6%
Stadium/Tourism	112	\$0	\$0	\$0	-	\$0	-
Comm. Devel. Repay	130	\$115,772	\$6,501	\$109,271	1680.9%	\$248,755	46.5%
Water	401-25	\$906,163	\$909,259	-\$3,096	-0.3%	\$3,787,645	23.9%
Sewer	401-26	\$610,506	\$588,913	\$21,592	3.7%	\$2,379,605	25.7%
Storm	401-27	\$167,709	\$191,810	-\$24,101	-12.6%	\$749,840	22.4%
Watershed	402	\$135,538	\$800,628	-\$665,090	-83.1%	\$2,204,500	6.1%
Landfill Postclosure	417	\$14,677	\$24,214	-\$9,537	-39.4%	\$144,565	10.2%
Equipment Rental	501	\$190,278	\$239,335	-\$49,057	-20.5%	\$786,945	24.2%
Equipment Rental Reserve	505	\$26,301	\$68,728	-\$42,427	-61.7%	\$192,500	13.7%
Medical/Dental Benefits	520	\$47,863	\$38,487	\$9,376	24.4%	\$172,000	27.8%
Unemployment Fund	522	\$0	\$11,550	-\$11,550	-100.0%	\$0	-
Police & Fire Retiree	611	\$276,116	\$232,648	\$43,469	18.7%	\$1,147,500	24.1%
Library Memorial	625	\$0	\$0	\$0	-	\$0	-
<u>Parks Endowment</u>	627	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>-</u>	<u>\$23,225</u>	<u>0.0%</u>
TOTAL OPERATING FUNDS		\$6,907,095	\$7,917,431	-\$1,010,336	-12.8%	\$30,444,195	22.7%
<u>CAPITAL IMPROVEMENT FUNDS</u>							
Arterial Strets	107	\$0	\$0	\$0	-	\$0	-
Paths & Trails	108	\$0	\$0	\$0	-	\$13,755	0.0%
General Capital Reserve	114	\$0	\$0	\$0	-	\$350,000	0.0%
Sidewalk Construction Fund	302	\$5,236	\$26,244	-\$21,008	-80.1%	\$82,000	6.4%
Train Station	308	\$0	\$0	\$0	-	\$0	-
Water Capital Projects	401-25	\$101,492	\$207,682	-\$106,190	-51.1%	\$1,189,315	8.5%
Sewer Capital Projects	401-26	\$49,080	\$265,613	-\$216,534	-81.5%	\$540,325	9.1%
<u>Storm Capital Projects</u>	<u>401-27</u>	<u>\$67</u>	<u>\$29,381</u>	<u>-\$29,314</u>	<u>-99.8%</u>	<u>\$75,000</u>	<u>0.1%</u>
TOTAL CAPITAL IMPROVEMENT FUNDS		\$155,874	\$528,920	-\$373,046	-70.5%	\$2,250,395	6.9%
TOTAL DEBT SERVICE FUNDS		\$80,326	\$68,246	\$12,080	17.7%	\$176,110	45.6%
TOTAL ALL FUNDS		\$7,143,296	\$8,514,597	-\$1,371,301	-16.1%	\$32,870,700	21.7%

General Fund

Overview:

The following four pages summarize all 2011 General Fund projected revenues, appropriations, and expenditures by department through June.

For 2011-12, total revenues and transfers in are budgeted at \$13,514,840, while appropriations and transfers out are adopted at \$13,316,215, creating an ending balance of \$2,496,865.

Operating budget appropriations of \$11,516,720 represent a 2.2% decrease over comparable 2009-10 appropriations. This decrease can be attributed upgrades to the computer network at City Hall and major improvements to parks facilities that were undertaken during the 2009-10 biennium.

Transfers to other funds total \$1,799,495, and include annual support of City activities including street operations and funds for police and fire pension obligations.

General Fund Revenues:

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

Taxes through June are at 25.2% of budget. This is appropriate as the City has already received the first of two major property tax distributions from the County. Sales taxes are down 8.0% and B&O taxes are down 24.0% compared to the second quarter of 2009. However, both are right on budget for the 2011-12 biennium.

Licenses and Permits are at 20.9% of budget through June. This is due in part to business license renewals that were paid in full for the year during the first quarter.

Intergovernmental Revenue is at 14.9% of budget through the second quarter. Grants received by the Police and Fire Departments account for a majority of this category's receipts.

Fines and Forfeitures are running ahead of budget, at 36.9% through June. This category includes primarily police citations and other court fines.

Miscellaneous Revenue is at 32.4% of budget. Interest income on reserves represents the majority of this category.

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

GENERAL FUND (CURRENT EXPENSE) #001

CITY OF HOQUIAM

2011 2ND QUARTER FINANCIAL REPORT

<u>REVENUES</u>	<u>2011 Q2 YTD</u>	<u>2009 Q2 YTD</u>	<u>Increase (Decrease)</u>	<u>% Increase (Decrease)</u>	<u>2011-12 Budget</u>	<u>% to Budget</u>
Beginning Fund Balance	\$2,298,240	\$2,265,072			\$2,298,240	
Taxes	\$2,476,961	\$2,510,772	-\$33,811	-1.3%	\$9,823,285	25.2%
Licenses and Permits	\$199,100	\$276,958	-\$77,858	-28.1%	\$954,075	20.9%
Intergovernmental Revenue	\$142,873	\$142,138	\$736	0.5%	\$956,250	14.9%
Charges for Services	\$39,787	\$28,753	\$11,035	38.4%	\$195,395	20.4%
Fines and Forfeits	\$110,728	\$65,243	\$45,485	69.7%	\$299,770	36.9%
<u>Miscellaneous Revenue</u>	<u>\$196,949</u>	<u>\$267,984</u>	<u>-\$71,036</u>	<u>-26.5%</u>	<u>\$607,715</u>	<u>32.4%</u>
TOTAL GENERAL FUND	\$3,166,399	\$3,291,848	-\$125,449	-3.8%	\$12,836,490	24.7%
<u>OTHER REVENUES & TRANSFERS IN</u>						
Sale of Assets & Insurance Recov.	\$2,011	\$287,336	-\$285,325	-99.3%	\$0	-
Trf In - Ambulance 109/E911	\$7,000	\$4,900	\$2,100	42.9%	\$28,000	25.0%
Trf In - Revenue Stabilization	\$0	\$0	\$0	100.0%	\$245,000	0.0%
Trf In - Gen. Capital 114/City Hall	\$0	\$0	\$0	100.0%	\$350,000	0.0%
Trf In - Parks Endowment	\$0	\$0	\$0	100.0%	\$23,225	0.0%
Trf In - Library Memorial	\$0	\$0	\$0	100.0%	\$0	-
<u>Trf In - Parks Special Programs</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>100.0%</u>	<u>\$32,125</u>	<u>0.0%</u>
TOTAL OTHER REVENUES	\$9,011	\$292,236	-\$283,225	-96.9%	\$678,350	1.3%
TOTAL GEN FUND REVENUES	\$3,175,410	\$3,584,083	-\$408,674	-11.4%	\$13,514,840	23.5%
GRAND TOTAL GENERAL FUND	\$5,473,650	\$5,849,155			\$15,813,080	

General Fund Appropriations:

Adopted appropriations and required transfers total \$13,316,215, an increase of only \$8,925 from 2011-12 appropriated levels. Of this total, the adjacent page summarizes operating appropriations of \$11,516,720 and transfers out of \$1,799,495.

Through June, operating expenditures total 23.6% of budgeted appropriations, slightly below anticipated spending levels for the first six months of the biennium. Given that the first six months typically include annual insurance premiums and other one-time costs, this is well within normal operating parameters.

There are no departments that are substantially above year to date targets.

In summary, all departments are well within expected budget parameters through the first six 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 \$1,799,495 in transfers to other funds. These transfers include:

Street: Biennial support level totals \$478,985. The Street Fund is a "creeper" fund requiring assistance from the General Fund for operations. An accounting change in 2007 forced all "creeper" funds receive their funds via transfer from the General Fund rather than direct appropriation. A transfer of \$105,000 or 21.9% of budgeted amounts was made as of June.

Cemetery: A one-time transfer of \$113,325 to meet obligations was included in the 2011-12 Budget. The Cemetery revenue is very unpredictable and ultimately, the Cemetery may not need this transfer. This transfer has not been made as of June.

Police and Fire Pension: \$1,106,220 in transfers for continued operational support including medical premiums and unreimbursed medical costs for retirees of the State's Law Enforcement Officers and Fire Fighters Plan 1 pension system. A transfer of \$256,000 or 23.1% was made as of June.

GENERAL FUND (CURRENT EXPENSE) #001

CITY OF HOQUIAM

2011 2ND QUARTER FINANCIAL REPORT

OPERATING EXPENDITURES

<u>DEPARTMENT</u>	<u>2011 Q2 YTD</u>	<u>2009 Q2 YTD</u>	<u>Increase (Decrease)</u>	<u>% Increase (Decrease)</u>	<u>2011-12 Budget</u>	<u>% to Budget</u>
Legislative/Council	\$91,012	\$82,636	\$8,376	10.1%	\$289,345	31.5%
Municipal Court	\$88,178	\$94,535	-\$6,357	-6.7%	\$370,275	23.8%
Finance	\$116,300	\$114,070	\$2,231	2.0%	\$500,820	23.2%
Legal	\$73,717	\$74,237	-\$520	-0.7%	\$316,120	23.3%
Civil Service	\$1,600	\$2,864	-\$1,264	-44.1%	\$7,150	22.4%
City Hall & Buildings	\$82,880	\$407,108	-\$324,228	-79.6%	\$283,375	29.2%
Electrical	\$91,545	\$89,325	\$2,220	2.5%	\$353,840	25.9%
Police	\$1,122,577	\$1,053,337	\$69,240	6.6%	\$4,884,800	23.0%
Fire	\$443,373	\$450,560	-\$7,186	-1.6%	\$1,918,585	23.1%
Animal Control	\$39,978	\$35,951	\$4,028	11.2%	\$169,820	23.5%
Public Works	\$160,973	\$181,753	-\$20,780	-11.4%	\$602,715	26.7%
Personnel Services	\$0	\$0	\$0	100.0%	\$0	-
Police Special Funds (DTF)	\$86,062	\$64,937	\$21,125	32.5%	\$331,085	26.0%
Library	\$65,610	\$56,628	\$8,983	15.9%	\$400,605	16.4%
Community Services	\$203,480	\$294,845	-\$91,364	-31.0%	\$806,785	25.2%
Americorps	\$0	\$26,694	-\$26,694	-100.0%	\$0	-
Economic Development	\$16,882	\$59,415	-\$42,533	-71.6%	\$110,800	15.2%
911 Program	\$34,781	\$36,869	-\$2,088	-5.7%	\$170,600	20.4%
<u>Miscellaneous</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>100.0%</u>	<u>\$0</u>	<u>-</u>
TOTAL OPERATING EXPENSES	\$2,718,950	\$3,125,763	-\$406,812	-13.0%	\$11,516,720	23.6%
<u>TRANSFERS OUT</u>						
Trf Out - Cemetery #101	\$0	\$0	\$0	100.0%	\$113,325	0.0%
Trf Out - Street #106	\$105,000	\$125,000	-\$20,000	-16.0%	\$478,985	21.9%
Trf Out - GO Bond #213	\$25,481	\$12,741	\$12,741	100.0%	\$50,965	50.0%
Trf Out - Train Station #308	\$0	\$0	\$0	100.0%	\$0	-
Trf Out - Unemployment #522	\$0	\$0	\$0	100.0%	\$0	-
Trf Out - Pol/Fire Pension #611	\$256,000	\$350,000	-\$94,000	-26.9%	\$1,106,220	23.1%
<u>Trf Out - Non Departmental</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>100.0%</u>	<u>\$50,000</u>	<u>0.0%</u>
TOTAL TRANSFERS OUT	\$386,481	\$487,741	-\$101,259	-20.8%	\$1,799,495	21.5%
GRAND TOTAL GENERAL FUND	\$3,105,431	\$3,613,503	-\$508,072	-14.1%	\$13,316,215	23.3%
OVER (SHORT)	\$2,368,218	\$2,235,652			\$2,496,865	

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 preservation, grave, crypt and niche sales and retail monument and vault sales.

The budget provides for \$372,890 in total resources and transfers in and total expenditures and transfers out of \$372,890.

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 up slightly with 30.0% of budgeted amounts received as of the second quarter. Cemetery Fee revenue is irregular making it difficult to predict.

As of the second quarter, \$29,726 or 20.0% of budgeted transfers to the Cemetery Fund had been made. At June 30, 2011, the Cemetery Fund is slightly ahead of target having received \$97,166 or 26.1% of total budgeted revenues.

Appropriations:

There are 1.42 FTE's dedicated to operations and maintenance activities and 0.75 FTE's dedicated for administrative and clerical duties at the Cemetery. Through June, the Cemetery fund is on target having expended \$94,048 or 25.2% of budgeted appropriations.

The City works aggressively to update the records at the Cemetery each year. Staff anticipates that this update will include the movement of funds from pre-need to at-need. To date, already \$25,517 or 170.1% of the budgeted amount of \$15,000 have been transferred.

CEMETERY FUND #101**CITY OF HOQUIAM****2011 2ND QUARTER FINANCIAL REPORT**

<u>REVENUES</u>	2011 Q2 YTD	2009 Q2 YTD	Increase (Decrease)	% Increase (Decrease)	2011-12 Budget	% to Budget
Beginning Fund Balance	\$0	\$91			\$0	
Retail Sales	\$0	\$0	\$0	-	\$0	-
Cemetery Fees	\$51,499	\$39,932	\$11,567	29.0%	\$183,000	28.1%
Investment Interest	\$7,849	\$8,190	-\$342	-4.2%	\$9,200	85.3%
Land Lease (Cell Tower)	\$5,692	\$4,743	\$949	20.0%	\$22,765	25.0%
Housing Rentals	\$2,400	\$2,400	\$0	0.0%	\$9,600	25.0%
Donations	\$0	\$0	\$0	-	\$0	-
<u>Other Miscellaneous</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	-	<u>\$0</u>	-
TOTAL CEMETERY FUND	\$67,440	\$55,266	\$12,174	22.0%	\$224,565	30.0%
<u>OTHER REVENUES & TRANSFERS IN</u>						
Trf In - Cem Equip Res #103	\$0	\$0	\$0	-	\$0	-
Trf In - Mausoleum #102	\$4,209	\$3,367	\$842	25.0%	\$20,000	21.0%
Trf In - Cem Preneed #104	\$25,517	\$15,262	\$10,255	67.2%	\$15,000	170.1%
<u>Trf In - General Fund #001</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	-	<u>\$113,325</u>	<u>0.0%</u>
TOTAL OTHER REVENUES	\$29,726	\$18,629	\$11,097	59.6%	\$148,325	20.0%
TOTAL CEMETERY REVENUES	\$97,166	\$73,895	\$23,271	31.5%	\$372,890	26.1%
GRAND TOTAL CEMETERY FUND	\$97,166	\$73,986			\$372,890	
<u>APPROPRIATIONS</u>						
Cemetery Operations	\$91,607	\$89,706	\$1,901	2.1%	\$344,240	26.6%
Equipment Rental	\$1,894	\$3,919	-\$2,024	-51.7%	\$13,000	14.6%
Road Paving Debt Service	\$0	\$0	\$0	-	\$13,650	0.0%
Land	\$0	\$0	\$0	-	\$0	-
Equipment	\$0	\$18	-\$18	-100.0%	\$0	-
Trf Out - Equipment Reserve #505	<u>\$547</u>	<u>\$415</u>	<u>\$132</u>	<u>31.7%</u>	<u>\$2,000</u>	<u>27.3%</u>
CEMETERY FUND APPROPRIATIONS	\$94,048	\$94,058	-\$10	0.0%	\$372,890	25.2%
OVER (SHORT)	\$3,118	-\$20,072			\$0	

Mausoleum Fund #102

Overview:

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

This fund is budgeted to begin the biennium with a \$174,500 cash balance. The budget provides for \$32,650 in resources and \$29,000 in expenditures leaving and ending cash balance of \$178,150.

Revenues:

The major source of resources to the Mausoleum Fund comes from user fees and crypt sales. As of June 2011, \$3,211 or 16.5%, of revenues have been received.

There has been a shift recently from the number of cemetery services versus mausoleum services. More and more individuals are choosing mausoleum services. Through the 2nd Quarter of 2011, the City has received \$1,188 or 27% less revenue than the comparable 2009 period.

Appropriations:

Appropriations to the Mausoleum Fund include salaries, operating supplies and a transfer to the Cemetery Fund for perpetual care and maintenance to the Mausoleum. At the end of the second quarter, \$4,209 or 14.5% of appropriated expenditures had been made.

MAUSOLEUM FUND #102
CITY OF HOQUIAM
2011 2ND QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2011 <u>Q2 YTD</u>	2009 <u>Q2 YTD</u>	Increase <u>(Decrease)</u>	% Increase <u>(Decrease)</u>	2011-12 <u>Budget</u>	% to <u>Budget</u>
Beginning Fund Balance	\$174,500	\$151,582			\$174,500	
Cemetery Fees	\$3,006	\$4,271	-\$1,265	-29.6%	\$18,000	16.7%
Investment Interest	\$205	\$128	\$76	59.3%	\$1,000	20.5%
<u>Interest on Contracts</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	-	<u>\$495</u>	<u>0.0%</u>
TOTAL MAUSOLEUM FUND	\$3,211	\$4,399	-\$1,188	-27.0%	\$19,495	16.5%
<u>OTHER REVENUES & TRANSFERS IN</u>						
<u>Interfund Loan - Cemetery #101</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	-	<u>\$13,155</u>	<u>0.0%</u>
TOTAL OTHER REVENUES	\$0	\$0	\$0	-	\$13,155	0.0%
TOTAL MAUSOLEUM REVENUES	\$3,211	\$4,399	-\$1,188	-27.0%	\$32,650	9.8%
GRAND TOTAL MAUSOLEUM FUND	\$177,711	\$155,981			\$207,150	
<u>APPROPRIATIONS</u>						
Mausoleum Operations	\$0	\$649	-\$649	-100.0%	\$1,000	0.0%
Capital	\$0	\$0	\$0	-	\$8,000	0.0%
<u>Trf Out - Cemetery #101</u>	<u>\$4,209</u>	<u>\$3,367</u>	<u>\$842</u>	<u>25.0%</u>	<u>\$20,000</u>	<u>21.0%</u>
MAUSOLEUM FUND APPROPRIATIONS	\$4,209	\$4,016	\$193	4.8%	\$29,000	14.5%
OVER (SHORT)	\$173,501	\$151,965			\$178,150	

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 collections received to date are \$60,555 or 23.6% 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.

A General Fund transfer of \$105,000 or 21.9% of \$478,985 has been made as of this date. This revenue source will increase as property taxes are collected and street fund activity increases.

Appropriations:

Overall, the Street Fund has expended 24.1% or \$187,305 of its \$775,670 budget during the first six months of the biennium. This is \$22,937 or 14.0% higher than comparable 2009-10 levels reflecting work that has been able to be completed due to the mild weather compared to the snow of 2009.

Street activity should accelerate further as the summer approaches and the City increases its road maintenance efforts.

STREET FUND #106
CITY OF HOQUIAM
2011 2ND QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2011 <u>Q2 YTD</u>	2009 <u>Q2 YTD</u>	Increase <u>(Decrease)</u>	% Increase <u>(Decrease)</u>	2011-12 <u>Budget</u>	% to <u>Budget</u>
Beginning Fund Balance	\$0	\$0			\$0	
Street Maintenance & Repair Charges	\$268	\$0	\$268	-	\$0	-
Street & Curb Permits	\$704	\$2,309	-\$1,605	-69.5%	\$2,500	28.2%
<u>Gas Tax</u>	<u>\$60,555</u>	<u>\$60,977</u>	<u>-\$422</u>	<u>-0.7%</u>	<u>\$256,185</u>	<u>23.6%</u>
TOTAL STREET FUND	\$61,527	\$63,286	-\$1,759	-2.8%	\$258,685	23.8%
<u>OTHER REVENUES & TRANSFERS IN</u>						
Trf In - General Fund #001	\$105,000	\$125,000	-\$20,000	-16.0%	\$478,985	21.9%
<u>Trf In - Arterial Street Fund #107</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>-</u>	<u>\$38,000</u>	<u>0.0%</u>
TOTAL OTHER REVENUES	\$105,000	\$125,000	-\$20,000	-16.0%	\$516,985	20.3%
TOTAL STREET FUND REVENUES	\$166,527	\$188,286	-\$21,759	-11.6%	\$775,670	21.5%
GRAND TOTAL STREET FUND	\$166,527	\$188,286			\$775,670	
<u>APPROPRIATIONS</u>						
Executive Services	\$11,932	\$11,258	\$674	6.0%	\$50,070	23.8%
Roadway Services	\$122,284	\$61,690	\$60,594	98.2%	\$484,915	25.2%
Traffic Control Devices	\$1,657	\$1,571	\$85	5.4%	\$24,000	6.9%
Ancillary Operations	\$5,306	\$4,883	\$423	8.7%	\$22,435	23.6%
General Administration	\$45,823	\$53,668	-\$7,845	-14.6%	\$192,970	23.7%
Street Overlays	\$0	\$2,896	-\$2,896	-100.0%	\$0	-
Capital	\$0	\$28,097	-\$28,097	-100.0%	\$0	-
Trf Out - Unemployment #522	\$0	\$0	\$0	-	\$0	-
<u>Trf Out - Paths & Trails #108</u>	<u>\$303</u>	<u>\$305</u>	<u>-\$2</u>	<u>-0.7%</u>	<u>\$1,280</u>	<u>23.7%</u>
STREET FUND APPROPRIATIONS	\$187,305	\$164,368	\$22,937	14.0%	\$775,670	24.1%
OVER (SHORT)	-\$20,777	\$23,918			\$0	

Arterial Street Fund #107

Overview:

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

The City used to be required to segregate monies received from gas taxes for Streets and Arterial Streets. Recent changes in state law allowed for the combination of these two revenue sources. However, the City has continued to segregate these funds to track the debt service and related expenditures on Arterial Streets.

Revenues

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

Gas tax revenues are \$28,313 or 23.6% 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 sales prices. For this reason, the increase in gasoline prices does not result in a corresponding increase in gas tax revenue.

Appropriations and transfers out:

Through June, expenditures and transfers out total \$34,486 or 31.7% of budgeted appropriations of \$108,945. Expenditures go primarily to debt service and transfers out.

There is a \$70,345 budgeted debt service payment on the City's Public Works Trust Fund loan for the Aberdeen Avenue project. There is also a \$38,000 transfer to the Street Fund. The transfer to the Street Fund has yet to be made as of June 30, 2011.

ARTERIAL STREET FUND #107

CITY OF HOQUIAM

2011 2ND QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2011 Q2 YTD	2009 Q2 YTD	Increase (Decrease)	% Increase (Decrease)	2011-12 Budget	% to Budget
Beginning Fund Balance	\$0	\$118,448			\$0	
Gas Tax	\$28,313	\$28,511	-\$197	-0.7%	\$119,785	23.6%
<u>Investment Interest</u>	<u>\$71</u>	<u>\$391</u>	<u>-\$320</u>	<u>-81.8%</u>	<u>\$500</u>	<u>14.2%</u>
TOTAL ARTERIAL STREET FUND	\$28,385	\$28,902	-\$517	-1.8%	\$120,285	23.6%
GRAND TOTAL ART. STREET FUND	\$28,385	\$147,350			\$120,285	
<u>APPROPRIATIONS</u>						
Debt Service	\$34,345	\$35,005	-\$660	-1.9%	\$70,345	48.8%
Capital	\$0	\$0	\$0	-	\$0	-
Trf Out - Paths & Trails #108	\$142	\$143	-\$1	-0.7%	\$600	23.6%
<u>Trf Out - Streets #106</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>-</u>	<u>\$38,000</u>	<u>0.0%</u>
ART. STREET FUND APPROPRIATIONS	\$34,486	\$35,148	-\$661	-1.9%	\$108,945	31.7%
OVER (SHORT)	-\$6,102	\$112,202			\$11,340	

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 \$452,500. Through June, the City had received \$124,152, or 27.4% from this revenue source, with another major distribution expected to occur in November from the County Treasurer's office.
- Ambulance fees are projected at \$2,129,500. Through June, the City has collected \$493,465, or 23.2% of Budget. This activity is \$3,060 or 0.6% higher than the 2009 activity through June.
- Ambulance utility charges are budgeted at \$1,140,000. The City has received \$260,504 or 22.9% of these monthly charges.

Appropriations and Transfers Out:

Through June, the Ambulance Fund has spent 25.6% of its annual operating budget appropriations of \$3,598,720. This activity is right on target and the Finance Department, with the cooperation Emergency Care Administration, will monitor monthly activity to ensure that overall budget targets are adhered to.

Other appropriations include:

- A \$28,000 transfer to the General Fund to pay the Ambulance Fund's portion of the annual E911 contribution. This line item is 25.0% expended as of the 2nd Quarter.
- \$28,500 in capital projects including new lifepak (heart) monitors and a remodel to the dorm of the headquarters station.

AMBULANCE FUND #109**CITY OF HOQUIAM****2011 2ND QUARTER FINANCIAL REPORT**

<u>REVENUES</u>	2011 Q2 YTD	2009 Q2 YTD	Increase (Decrease)	% Increase (Decrease)	2011-12 Budget	% to Budget
Beginning Fund Balance	\$40,660	\$281,771			\$40,660	
EMS Levy	\$124,152	\$104,218	\$19,934	19.1%	\$452,500	27.4%
St. Health Grant	\$1,738	\$1,726	\$12	0.7%	\$0	-
GH EMS Training Reimbursement	\$835	\$1,200	-\$365	-30.4%	\$0	-
Ambulance Fees	\$493,465	\$490,405	\$3,060	0.6%	\$2,129,500	23.2%
Miscellaneous	\$2,597	\$28	\$2,569	9036.4%	\$6,000	43.3%
Ambulance Utility Charges	\$260,504	\$229,502	\$31,003	13.5%	\$1,140,000	22.9%
SAFER Grant	\$0	\$0	\$0	-	\$50,000	0.0%
<u>Fire District EMS Fees</u>	<u>\$37,418</u>	<u>\$9,252</u>	<u>\$28,166</u>	<u>304.4%</u>	<u>\$120,000</u>	<u>31.2%</u>
TOTAL AMBULANCE FUND	\$920,710	\$836,331	\$84,379	10.1%	\$3,898,000	23.6%
<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	\$920,710	\$836,331	\$84,379	10.1%	\$3,898,000	23.6%
GRAND TOTAL AMBULANCE FUND	\$961,370	\$1,118,102			\$3,938,660	
<u>APPROPRIATIONS</u>						
Ambulance Operations	\$922,422	\$782,686	\$139,736	17.9%	\$3,598,720	25.6%
Capital	\$0	\$46,844	-\$46,844	-100.0%	\$28,500	0.0%
Debt Service	\$0	\$0	\$0	-	\$0	-
Trf Out - General Fund #001 (E911)	\$7,000	\$4,900	\$2,100	42.9%	\$28,000	25.0%
Trf Out - Equipment Rental #501	\$17,004	\$19,572	-\$2,568	-13.1%	\$45,280	37.6%
<u>Trf Out - Equipment Reserve #505</u>	<u>\$18,750</u>	<u>\$25,002</u>	<u>-\$6,252</u>	<u>-25.0%</u>	<u>\$75,000</u>	<u>25.0%</u>
AMBULANCE FUND APPROPRIATIONS	\$965,176	\$879,003	\$86,173	9.8%	\$3,775,500	25.6%
OVER (SHORT)	-\$3,806	\$239,099			\$163,160	

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 were not budgeted. Staff will be bringing recommendations to the Council from the Lodging Tax Advisory Committee (LTAC) for approval to fund the 2011 community events and festivals.

Appropriations and Transfers out:

Through March, the City has not expended any of its budget authority in this fund. Staff will be bringing recommendations to the Council from the Lodging Tax Advisory Committee (LTAC) for approval to fund the 2011 community events and festivals.

STADIUM/TOURISM FUND #112

CITY OF HOQUIAM

2011 2ND QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2011 <u>Q2 YTD</u>	2009 <u>Q2 YTD</u>	Increase <u>(Decrease)</u>	% Increase <u>(Decrease)</u>	2011-12 <u>Budget</u>	% to <u>Budget</u>
Beginning Fund Balance	\$21,362	\$25,030			\$0	
Hotel-Motel Tax	\$4,775	\$3,388	\$1,387	40.9%	\$0	-
<u>Investment Interest</u>	<u>\$18</u>	<u>\$137</u>	<u>-\$118</u>	<u>-86.5%</u>	<u>\$0</u>	<u>-</u>
TOTAL STADIUM/TOURISM FUND	\$4,793	\$3,525	\$1,268	36.0%	\$0	-
GRAND TOTAL STADIUM/TOURISM	\$26,155	\$28,555			\$0	
<u>APPROPRIATIONS</u>						
Loggers Playday	\$0	\$0	\$0	-	\$0	-
7th Street Theatre	\$0	\$0	\$0	-	\$0	-
Community Events	\$0	\$0	\$0	-	\$0	-
<u>Trf Out - General Fund #001</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>-</u>	<u>\$0</u>	<u>-</u>
STADIUM/TOURISM APPROPRIATIONS	\$0	\$0	\$0	-	\$0	-
OVER (SHORT)	\$26,155	\$28,555			\$0	

Community Development Repay Fund #130

Overview:

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

This fund began 2011 with a budgeted \$130,965 cash balance.

Revenues:

This fund receives its primary resources from contract payments on home improvement loans and some resources from the cleanup and abatement fees. Total resources were budgeted at \$117,790 while revenues of \$48,644 have already been received.

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

Appropriations and Transfers out:

Expenditures for cleanup and abatement activities were budgeted at \$248,755 and include \$101,390 for costs to carry out the City's Neighborhood Stabilization Grant.

Through June, \$115,772 or 46.5% of this budget have been expended in large part acquiring and rehabbing properties related to the Neighborhood Stabilization Grant. This activity is right at expected levels and should be 100% expended by the end of the biennium.

COMMUNITY DEVELOPMENT REPAY FUND #130

CITY OF HOQUIAM

2011 2ND QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2011 Q2 YTD	2009 Q2 YTD	Increase (Decrease)	% Increase (Decrease)	2011-12 Budget	% to Budget
Beginning Fund Balance	\$130,965	\$229,100			\$130,965	
Neighborhood Stabilization	\$48,237	0	\$48,237	-	\$112,790	42.8%
GH County Waste Abatement Grant	\$0	\$1	-\$1	-100.0%	\$0	-
Miscellaneous Cleanup Fees	\$0	\$0	\$0	-	\$0	-
Abatement Fees	\$0	\$0	\$0	-	\$4,000	0.0%
<u>Contract Payments</u>	<u>\$407</u>	<u>\$11,755</u>	<u>-\$11,348</u>	<u>-96.5%</u>	<u>\$1,000</u>	<u>40.7%</u>
TOTAL COMM. DEVEL. REPAY FUND	\$48,644	\$11,756	\$36,889	313.8%	\$117,790	41.3%
GRAND TOTAL COMM. DEVEL. REPAY	\$179,609	\$240,856	\$36,889	-25.4%	\$248,755	72.2%
<u>APPROPRIATIONS</u>						
Miscellaneous	\$0	\$168	-\$168	-100.0%	\$1,000	0.0%
Cleanup Activities	\$0	\$9	-\$9	-100.0%	\$5,000	0.0%
Abate Nuisances	\$6,665	\$6,309	\$356	5.6%	\$89,335	7.5%
GH Co. Waste Abatement Grant	\$1,525	\$15	\$1,510	10062.9%	\$5,030	30.3%
Purchase/Rehab Homes	\$8,492	\$0	\$8,492	-	\$47,000	18.1%
<u>Neighborhood Stabilization Program</u>	<u>\$99,090</u>	<u>\$0</u>	<u>\$99,090</u>	<u>-</u>	<u>\$101,390</u>	<u>97.7%</u>
COMM. DEVEL. REPAY FUND	\$115,772	\$6,501	\$109,271	1680.9%	\$248,755	46.5%
OVER (SHORT)	\$63,837	\$234,355			\$0	

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 \$9,105,540, primarily from water, sewer and storm usage. Fees received from late penalties and shut-offs are also part of this fund's revenues.

Through June water sales of \$608,105 or 21.0% of budgeted metered water revenues of \$2,900,000 were collected. This is 10.9% lower than 2009-10. 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 also collected 24.0%, or \$769,087 of its budgeted \$3,200,000 sewer service revenue. Sewer service rates are primarily fixed in amounts and not subject to variation in seasonality. Sewer service revenue is 25.2% higher than the 2009-10 year to date amount as a large rate increase took place in the fall of 2009.

Storm Drain rate revenues through June are at 22.2%, or \$114,612 of the budgeted amount of \$516,000. Storm Drain revenues are \$2,553 or 2.2% lower than comparable 2009-10 amounts. Staff corrected an error in the storm drain rates in 2008 resulting in this large increase for 2009. This revenue line item should be at 100% by the end of the biennium.

Interest earned on the invested balance in this fund has earned \$5,008 through June. This is 5.3% of budget and \$4,561 lower than comparable 2009-10 amounts. Short term interest rates have dropped drastically since 2007. However, the City still makes a concerted effort to invest all of its available funds.

The last major revenue source to this fund comes from a transfer in from the Watershed Fund. Through June, \$104,695 or 5.6% of the budgeted amount of \$1,859,200 had been transferred. These transfers will increase as the transmission line project activity increases this summer.

WATER,SEWER AND STORM FUND #401

CITY OF HOQUIAM

2011 2ND QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2011 <u>Q2 YTD</u>	2009 <u>Q2 YTD</u>	Increase (Decrease)	% Increase (Decrease)	2011-12 <u>Budget</u>	% to <u>Budget</u>
Beginning Fund Balance	\$710,850	\$742,154			\$710,850	
Water Sales	\$608,105	\$682,822	-\$74,717	-10.9%	\$2,900,000	21.0%
Waters Sales - Collection Accounts	\$5	\$36	-\$31	-85.5%	\$0	-
Sewer Service	\$769,087	\$614,421	\$154,666	25.2%	\$3,200,000	24.0%
Sewer Service - Collection Accounts	\$4	\$31	-\$26	-85.5%	\$0	-
Storm Drainage	\$114,612	\$117,166	-\$2,553	-2.2%	\$516,000	22.2%
Charges for Miscellaneous Service	\$3,352	\$1,915	\$1,437	75.0%	\$25,000	13.4%
Investment Interest	\$5,008	\$9,569	-\$4,561	-47.7%	\$95,000	5.3%
<u>Other Miscellaneous</u>	<u>\$8,633</u>	<u>\$4,250</u>	<u>\$4,383</u>	<u>103.1%</u>	<u>\$30,600</u>	<u>28.2%</u>
TOTAL SERVICE REVENUES	\$1,508,806	\$1,430,209	\$78,597	5.5%	\$6,766,600	22.3%
<u>OTHER REVENUES & TRANSFERS IN</u>						
PWTF Loan	\$0	\$10,000	-\$10,000	-100.0%	\$0	-
Grants	\$37,596	\$0	\$37,596	-	\$0	-
Trf In - Trans Line Reserve	\$0	\$0	\$0	-	\$479,740	
<u>Trf In - Watershed #402</u>	<u>\$104,695</u>	<u>\$589,192</u>	<u>-\$484,497</u>	<u>-82.2%</u>	<u>\$1,859,200</u>	<u>5.6%</u>
TOTAL OTHER REVENUES	\$142,291	\$599,192	-\$456,901	-76.3%	\$2,338,940	6.1%
TOTAL FUND REVENUES	\$1,651,098	\$2,029,401	-\$378,304	-18.6%	\$9,105,540	18.1%
GRAND TOTAL FUND RESOURCES	\$2,361,948	\$2,771,555			\$9,816,390	
<u>APPROPRIATIONS</u>						
Water Operations	\$856,612	\$858,233	-\$1,622	-0.2%	\$3,588,720	23.9%
Sewer Operations	\$579,743	\$552,936	\$26,807	4.8%	\$2,261,575	25.6%
<u>Storm Drain Operations</u>	<u>\$155,956</u>	<u>\$180,411</u>	<u>-\$24,455</u>	<u>-13.6%</u>	<u>\$703,735</u>	<u>22.2%</u>
TOTAL WATERWORKS OPERATIONS	\$1,592,310	\$1,591,581	\$730	0.0%	\$6,554,030	24.3%
Water Capital	\$101,492	\$207,682	-\$106,190	-51.1%	\$1,189,315	8.5%
Sewer Capital	\$49,080	\$265,613	-\$216,534	-81.5%	\$540,325	9.1%
<u>Storm Drain Capital</u>	<u>\$67</u>	<u>\$29,381</u>	<u>-\$29,314</u>	<u>-99.8%</u>	<u>\$75,000</u>	<u>0.1%</u>
TOTAL WATERWORKS CAPITAL	\$150,639	\$502,676	-\$352,037	-70.0%	\$1,804,640	8.3%
Water Debt Service	\$0	\$0	\$0	-	\$0	-
<u>Sewer Debt Service</u>	<u>\$20,500</u>	<u>\$20,500</u>	<u>\$0</u>	<u>0.0%</u>	<u>\$54,800</u>	<u>37.4%</u>
TOTAL WATERWORKS DEBT	\$20,500	\$20,500	\$0	0.0%	\$54,800	37.4%
Trf Out - USDA Loan Repayment #410	\$150,000	\$0	\$150,000	-	\$652,700	23.0%
Trf Out - Water Eq Rental #501	\$24,051	\$22,276	\$1,775	8.0%	\$96,925	24.8%
Trf Out - Sewer Eq Rental #501	\$15,763	\$12,996	\$2,767	21.3%	\$58,030	27.2%
Trf Out - Storm Eq Rental #501	\$6,755	\$5,293	\$1,462	27.6%	\$26,105	25.9%
Trf Out - Water Eq Reserve #505	\$25,500	\$28,750	-\$3,250	-11.3%	\$102,000	25.0%
Trf Out - Sewer Eq Reserve #505	\$15,000	\$22,981	-\$7,981	-34.7%	\$60,000	25.0%
Trf Out - Storm Eq Reserve #505	\$4,998	\$6,106	-\$1,108	-18.1%	\$20,000	25.0%
Trf Out - Water Unemployment #522	\$0	\$0	\$0	-	\$0	-
<u>Trf Out - Sewer Unemployment #522</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>-</u>	<u>\$0</u>	<u>-</u>
TOTAL WATERWORKS TRANSFERS	\$242,067	\$98,402	\$143,665	146.0%	\$1,015,760	23.8%
GRAND TOTAL FUND	\$2,005,516	\$2,213,159	-\$207,643	-9.4%	\$9,429,230	21.3%
OVER (SHORT)	\$356,432	\$558,397			\$387,160	

Appropriations:

For 2011-12, this fund was appropriated to spend \$9,429,230. Budgeted amounts are primarily for operations, but do include expenditures for capital, debt service and transfers out to equipment reserve for future vehicle and equipment purchases.

Through June, the Water, Sewer and Storm Departments combined have expended 24.3%, or \$1,592,310 of their combined \$6,554,030 operating budget, which is within parameters for the second quarter.

To date, the Water, Sewer and Storm Departments expended 8.3%, or \$150,639 of their combined \$1,804,640 capital budget. For 2011-12, the majority of capital expenditures will be toward planning the replacement of the water transmission line.

Transfers to other funds for operating, debt service and equipment reserve 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 biennium with a cash balance of \$710,850. However, after all operating appropriations and capital expenditures, this fund is budgeted to end the biennium with a cash balance of \$387,160. Staff will continue to monitor this fund as a 45-day operating reserve is recommended which would equate to \$595,000.

Watershed Fund #402

Overview:

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

This fund began 2011 with a \$3,456,135 cash balance.

Revenues:

This fund receives its resources from timber sales. The City has been working aggressively since the December 2007 storm to harvest as much downed timber as possible without drastically altering other harvesting plans. In the first six months of the biennium, the City not held any timber sales but is in the process of planning additional sales.

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.

Total interfund transfers of \$1,859,200 are budgeted to the Water, Sewer and Storm Fund for capital expenditures in support of infrastructure improvements and to the Transmission Line Reserve Fund. To date, \$104,695 or 5.6% of budgeted transfers had been made.

WATERSHED FUND #402

CITY OF HOQUIAM

2011 2ND QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2011 <u>Q2 YTD</u>	2009 <u>Q2 YTD</u>	Increase <u>(Decrease)</u>	% Increase <u>(Decrease)</u>	2011-12 <u>Budget</u>	% to <u>Budget</u>
Beginning Fund Balance	\$3,456,135	\$2,048,420			\$3,456,135	
Miscellaneous Revenue	\$1,504	\$1,080	\$424	39.3%	\$0	-
<u>Timber Sale Payments</u>	<u>-\$4,429</u>	<u>\$1,498,311</u>	<u>-\$1,502,740</u>	<u>-100.3%</u>	<u>\$0</u>	<u>-</u>
TOTAL WATERSHED FUND	-\$2,925	\$1,499,391	-\$1,502,316	-100.2%	\$0	-
TOTAL WATERSHED REVENUES	-\$2,925	\$1,499,391	-\$1,502,316	-100.2%	\$0	-
GRAND TOTAL WATERSHED FUND	\$3,453,210	\$3,547,811			\$3,456,135	
<u>APPROPRIATIONS</u>						
Watershed Operations	\$26,306	\$117,375	-\$91,069	-77.6%	\$245,300	10.7%
Road Construction	\$4,537	\$0	\$4,537	-	\$100,000	4.5%
Trf Out - Waterworks #401	\$104,695	\$589,192	-\$484,497	-82.2%	\$1,859,200	5.6%
<u>Trf Out - Trans Line Reserve #404</u>	<u>\$0</u>	<u>\$94,061</u>	<u>-\$94,061</u>	<u>-100.0%</u>	<u>\$0</u>	<u>-</u>
Total Transfers Out	\$104,695	\$683,253	-\$578,558	-84.7%	\$1,859,200	5.6%
GRAND TOTAL WATERSHED FUND	\$135,538	\$800,628	-\$665,090	-83.1%	\$2,204,500	6.1%
OVER (SHORT)	\$3,317,672	\$2,747,183			\$1,251,635	

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 will begin 2011 with a \$143,815 cash balance.

Revenues:

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

Appropriations and Transfers out:

This fund is budgeted to spend \$144,565 on postclosure maintenance in the 2011-12 biennium. As of the second quarter, \$14,677 or 10.2% of anticipated expenditures had been made. This fund is budgeted to end the biennium with a \$0 cash balance.

LANDFILL POSTCLOSURE FUND #417

CITY OF HOQUIAM

2011 2ND QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2011 <u>Q2 YTD</u>	2009 <u>Q2 YTD</u>	Increase <u>(Decrease)</u>	% Increase <u>(Decrease)</u>	2011-12 <u>Budget</u>	% to <u>Budget</u>
Beginning Fund Balance	\$143,815	\$238,528			\$143,815	
<u>Investment Interest</u>	<u>\$165</u>	<u>\$4,090</u>	<u>-\$3,924</u>	<u>-96.0%</u>	<u>\$750</u>	<u>22.0%</u>
TOTAL LANDFILL POSTCLOSURE FUND	\$165	\$4,090	-\$3,924	-96.0%	\$750	22.0%
GRAND TOTAL LANDFILL POSTCLOSURE	\$143,980	\$242,618			\$750	22.0%
<u>APPROPRIATIONS</u>						
<u>Landfill Operations</u>	<u>\$14,677</u>	<u>\$24,214</u>	<u>-\$9,537</u>	<u>-39.4%</u>	<u>\$144,565</u>	<u>10.2%</u>
LANDFILL POSTCLOSURE FUND	\$14,677	\$24,214	-\$9,537	-39.4%	\$144,565	10.2%
OVER (SHORT)	\$129,303	\$218,403			\$0	

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 or equipment.

For the biennium, this fund begins the biennium with a \$26,760 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 \$770,965 in budgeted revenue, of which 13.7% or \$179,479, has been received through June.

Appropriations:

The primary expenditures in this fund are for the City's one mechanic and for vehicle purchases. In addition to the mechanic, there are four vehicles and equipment purchases planned for the biennium, including one electrical bucket truck.

As of June, \$160,730 or 27.0% of operational expenditures and \$29,548 or 15.3% of appropriated vehicle purchases had been made. One of the four vehicles and equipment in the budget have been purchased as of the end of the second quarter.

EQUIPMENT RENTAL FUND #501

CITY OF HOQUIAM

2011 2ND QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2011 Q2 YTD	2009 Q2 YTD	Increase (Decrease)	% Increase (Decrease)	2011-12 Budget	% to Budget
Beginning Fund Balance	\$26,760	\$75,347			\$26,760	
Equipment Maintenance Charges	\$124,550	\$121,078	\$3,472	2.9%	\$577,965	21.5%
Interest on Contracts A/R	\$0	\$0	\$0	-	\$0	-
<u>Other Miscellaneous</u>	<u>\$28,628</u>	<u>\$94</u>	<u>\$28,534</u>	<u>30384.3%</u>	<u>\$500</u>	<u>5725.6%</u>
TOTAL EQUIPMENT RENTAL FUND	\$153,178	\$121,172	\$32,006	26.4%	\$578,465	26.5%
<u>OTHER REVENUES & TRANSFERS IN</u>						
Trf In - Eq. Rental Reserve #505	\$26,301	\$68,728	-\$42,427	-61.7%	\$192,500	13.7%
Trf In - Dept. Contributions	\$0	\$0	\$0	=	\$0	=
TOTAL OTHER REVENUES	\$26,301	\$68,728	-\$42,427	-61.7%	\$192,500	13.7%
TOTAL EQUP RENTAL REVENUES	\$179,479	\$189,900	-\$10,422	-5.5%	\$770,965	23.3%
GRAND TOTAL EQUIPMENT RENTAL	\$206,239	\$265,247			\$797,725	
<u>APPROPRIATIONS</u>						
Equipment Rental Operations	\$160,730	\$118,889	\$41,841	35.2%	\$594,445	27.0%
<u>Capital</u>	<u>\$29,548</u>	<u>\$120,446</u>	<u>-\$90,899</u>	<u>-75.5%</u>	<u>\$192,500</u>	<u>15.3%</u>
EQUIPMENT RENTAL FUND APPROP.	\$190,278	\$239,335	-\$49,057	-20.5%	\$786,945	24.2%
OVER (SHORT)	\$15,960	\$25,912			\$10,780	

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.

This fund is budgeted to begin the biennium with a \$1,580,945 cash balance. The budget provides for \$380,600 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, \$380,600 in transfers are provided by other funds of which \$20,942 or 5.5% have been made through June.

Appropriations:

Appropriations come in the form of transfers to the Equipment Rental Fund #501. In the 2011-12 budget, \$192,500 was appropriated in transfers of which \$26,301 or 13.7% have been made to date.

EQUIPMENT RENTAL RESERVE FUND #505

CITY OF HOQUIAM

2011 2ND QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2011 Q2 YTD	2009 Q2 YTD	Increase (Decrease)	% Increase (Decrease)	2011-12 Budget	% to Budget
Beginning Fund Balance	\$1,580,945	\$1,566,996			\$1,580,945	
Departmental Contributions	\$17,942	\$131,994	-\$114,052	-86.4%	\$380,600	4.7%
Interfund Loans	\$0	\$0	\$0	-	\$0	-
<u>Proceeds from Sale of Fixed Assets</u>	<u>\$3,000</u>	<u>\$7,250</u>	<u>-\$4,250</u>	<u>-58.6%</u>	<u>\$0</u>	<u>-</u>
TOTAL EQ RENTAL RES REVENUES	\$20,942	\$139,244	-\$118,302	-85.0%	\$380,600	5.5%
GRAND TOTAL EQ RENTAL RESERVE	\$1,601,887	\$1,706,240			\$1,961,545	81.7%
<u>APPROPRIATIONS</u>						
Interfund Loan - General Fund #001	\$0	\$0	\$0	-	\$0	-
<u>Trf Out - Equipment Rental #501</u>	<u>\$26,301</u>	<u>\$68,728</u>	<u>-\$42,427</u>	<u>-61.7%</u>	<u>\$192,500</u>	<u>13.7%</u>
EQ RENTAL RESERVE FUND	\$26,301	\$68,728	-\$42,427	-61.7%	\$192,500	13.7%
OVER (SHORT)	\$1,575,586	\$1,637,512			\$1,769,045	

Medical/Dental Fund #520

Overview:

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

The fund is budgeted to begin the biennium with a \$40,575 cash balance. The budget provides for \$185,000 in resources transferred to this fund from the City's operating funds.

Revenues:

All resources of the Medical/Dental Fund come in the form of transfers from other funds for the City's self insured dental plan. Previously, this fund was used as a fund to receive and remit payments for medical insurance; allowing for a central place to track total medical insurance costs. This practice was discontinued in 2009 to essentially eliminate the double counting of medical. Medical insurance costs can still be tracked but only at the department level.

As noted above, \$185,000 in transfers are provided by other funds, of which \$37,457 or 20.2% have been made through June.

Appropriations:

Appropriations to this fund include the City's direct dental premiums in the amount of \$172,000. As of June, the City had expended \$47,863 or 27.8% on dental premiums.

MEDICAL/DENTAL FUND #520
CITY OF HOQUIAM
2011 2ND QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2011 <u>Q2 YTD</u>	2009 <u>Q2 YTD</u>	Increase <u>(Decrease)</u>	% Increase <u>(Decrease)</u>	2011-12 <u>Budget</u>	% to <u>Budget</u>
Beginning Fund Balance	\$40,575	\$28,360			\$40,575	
Department Contributions	\$37,457	\$44,083	-\$6,626	-15.0%	\$185,000	20.2%
Cobra Contributions	\$0	\$156	-\$156	-100.0%	\$0	-
<u>Employee Contributions</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>-</u>	<u>\$0</u>	<u>-</u>
TOTAL MEDICAL/DENTAL FUND	\$37,457	\$44,240	-\$6,782	-15.3%	\$185,000	20.2%
GRAND TOTAL MEDICAL/DENTAL FUND	\$78,032	\$72,600			\$225,575	
<u>APPROPRIATIONS</u>						
Medical Premiums	\$0	\$5,919	-\$5,919	-100.0%	\$0	-
Dental - Claims & Admin Fees	\$47,863	\$32,517	\$15,345	47.2%	\$172,000	27.8%
<u>Miscellaneous</u>	<u>\$0</u>	<u>\$50</u>	<u>-\$50</u>	<u>-100.0%</u>	<u>\$0</u>	<u>-</u>
MEDICAL/DENTAL FUND APPROPRIATIONS	\$47,863	\$38,487	\$9,376	24.4%	\$172,000	27.8%
OVER (SHORT)	\$30,170	\$34,113	-\$3,943		\$53,575	

Police & Firemen's Pension Fund #611

Overview:

This fund pays for the medical premiums and allowable medical bills for retired LEOFF I Police and Fire employees. The City is mandated by state law to provide the benefits to these employees while the state provides their pensions. This fund also pays the supplemental pension payments for pre-LEOFF fire employees.

Revenues:

The primary source of funding for the Police & Firemen's Pension Fund is through a transfer from the General Fund. There is \$1,106,220 in budgeted transfers, of which \$256,000 or 23.1% has been received.

There is also \$41,280 in Fire Insurance Premium Taxes that are anticipated to be received in the 2011-12 biennium to help offset the Fire pension payments. To date, \$20,276 or 49.1% has been received in this line item.

Appropriations:

Biennial expenditures for this fund were budgeted at \$1,147,500 and are mostly for retiree medical but also for pension payments. As of June 2011, \$276,116 or 24.1% of budgeted appropriations had been expended.

POLICE & FIRE RETIREES FUND #611

CITY OF HOQUIAM

2011 2ND QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2011 <u>Q2 YTD</u>	2009 <u>Q2 YTD</u>	Increase <u>(Decrease)</u>	% Increase <u>(Decrease)</u>	2011-12 <u>Budget</u>	% to <u>Budget</u>
Beginning Fund Balance	\$0	\$0			\$0	
Property Tax	\$0	\$0	\$0	-	\$0	-
Fire Insurance Premium Tax	\$20,276	\$18,301	\$1,975	10.8%	\$41,280	49.1%
Trf In - General Fund #001	<u>\$256,000</u>	<u>\$350,000</u>	<u>-\$94,000</u>	<u>-26.9%</u>	<u>\$1,106,220</u>	<u>23.1%</u>
TOTAL FUND REVENUES	\$276,276	\$368,301	-\$92,025	-25.0%	\$1,147,500	24.1%
GRAND TOTAL RETIREE FUND	\$276,276	\$368,301			\$1,147,500	
<u>APPROPRIATIONS</u>						
Police LEOFF 1 Medical Premiums	\$119,855	\$86,250	\$79,447	39.0%	\$497,000	24.1%
Police LEOFF1 Medical Bills	\$3,509	\$4,499	\$4,515	-22.0%	\$20,000	17.5%
Police Medicare Premiums	\$1,737	\$2,892	\$4,516	-39.9%	\$7,500	23.2%
Police LEOFF 1 Dental Bills	\$213	\$1,503	\$4,516	-85.8%	\$2,000	10.7%
Fire LEOFF1 Disability Pyts	\$18,051	\$20,483	\$23,627	-11.9%	\$70,000	25.8%
Fire LEOFF1 Annuity Pyts	\$9,131	\$3,299	\$5,273	176.8%	\$15,000	60.9%
Fire LEOFF1 Medical Premiums	\$110,686	\$89,054	\$94,978	24.3%	\$465,000	23.8%
Fire LEOFF1 Medical Bills	\$4,959	\$18,110	\$12,458	-72.6%	\$40,000	12.4%
Fire LEOFF1 Medicare Premiums	\$7,544	\$5,206	\$3,990	44.9%	\$25,000	30.2%
Fire LEOFF1 Dental Bills	<u>\$431</u>	<u>\$1,353</u>	<u>\$3,990</u>	<u>-68.2%</u>	<u>\$6,000</u>	<u>7.2%</u>
RETIREE FUND APPROPRIATIONS	\$276,116	\$232,648	\$43,469	18.7%	\$1,147,500	24.1%
OVER (SHORT)	\$159	\$135,653			\$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, \$678,500. This line item was appropriated to fund improvements to City buildings and parks in 2011-12. There has only been \$11,526 spent as of June 2011.

Sidewalk Construction Fund, \$82,000. This line item was appropriated to fund primarily grant funded sidewalk improvements throughout the City. There has only been \$5,236 spent as of June 2011.

Water Capital Projects, \$1,189,315. These items provide appropriation authority for all requested water utility capital improvements for 2011-2012. These improvements are funded from watershed resources transferred to the Water Department. The largest project in this category is the transmission line repair. In total, Water Capital Projects have expended \$101,492 or 8.5% of budget authority.

Sewer Capital Projects, \$540,325. Variable Drive upgrades to sewer pumps are the major projects for 2011-2012. As of June, \$49,080 or 9.1% of appropriated expenditures had been made.

CITY OF HOQUIAM
2011-2012 CAPITAL IMPROVEMENT BUDGET
2011 2nd Quarter Financial Report

CAPITAL PROJECTS	2011 Q2 YTD	2011-12 <u>Budget</u>	% to Budget
<i>#001 - General Fund (Unrestricted Revenues)</i>			
Upgrade Business License Software	\$0	\$15,000	0.0%
City Hall Improvements	\$2,168	\$100,000	2.2%
Polson Museum Painting	\$0	\$10,000	0.0%
Fire Department Dorm Remodel	\$777	\$7,500	10.4%
Street Tree Planting	\$1,269	\$36,000	3.5%
Street Tree Inventory Management	\$7,313	\$10,000	73.1%
Playground Equipment	\$0	\$50,000	0.0%
Upgrade Senior Center	\$0	\$50,000	0.0%
Pocklington Spray Park	<u>\$0</u>	<u>\$400,000</u>	<u>0.0%</u>
Subtotal, General Fund Projects	\$11,526	\$678,500	1.7%
<i>#102 - Mausoleum</i>			
Handicap Ramp and Railing	\$0	\$8,000	0.0%
<i>#109 - Ambulance</i>			
Lifepak Monitor Equipment	\$0	\$21,000	0.0%
Fire Dorm Room Upgrade	<u>\$0</u>	<u>\$7,500</u>	<u>0.0%</u>
Subtotal, Ambulance Fund Projects	\$0	\$28,500	0.0%
<i>#302 - Sidewalk Construction</i>			
Construction Projects	\$5,236	\$82,000	6.4%
<i>#401-25 Water Department Projects</i>			
West Fork Dam-Filter/Screen	\$15,500.60	\$250,000.00	6.2%
Water Supply Study	\$7,750.11	\$221,575.00	3.5%
Flow Test	\$0.00	\$50,000.00	0.0%
Transmission Line Replacement	\$69,388.98	\$479,740.00	14.5%
Arnold Court Booster Pump	\$0.00	\$55,000.00	0.0%
Repl College Hill Generator	\$0.00	\$58,000.00	0.0%
Repl WTP FAP Machine	\$0.00	\$45,000.00	0.0%
<u>Meters</u>	<u>\$8,852.60</u>	<u>\$30,000.00</u>	<u>29.5%</u>
Subtotal, Water Projects	\$101,492	\$1,189,315	8.5%
<i>#401-26 Sewer Department Projects</i>			
Varidives	\$45,288.98	\$378,625.00	12.0%
Diesel Generator	\$0.00	\$108,000.00	0.0%
Adams to Lagoon Force Main	\$0.00	\$50,000.00	0.0%
<u>WWTP Riding Lawn Mower</u>	<u>\$3,790.65</u>	<u>\$3,700.00</u>	<u>102.5%</u>
Subtotal, Sewer Utility Projects	\$49,080	\$540,325	9.1%
<i>#401-27 - Storm Department Projects</i>			
Pump Replacements	\$69	\$75,000	0.1%
TOTAL CAPITAL PROJECTS	\$167,403	\$2,593,640	6.5%

Debt Service Budget Summary

Overview:

The adjacent page provides a summary of the 2011-2012 debt service budget of the City. The City began 2011 with a total bonded debt service principal balance including revenue debt of \$409,971 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, \$59,826 or 41.5% 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, \$20,500 or 37.4% of budget has been expended in principal and interest payments on revenue debt.

Total debt activity through June 30th was \$80,326 or 40.2% of the total debt service budget, due again to payments later in the year on general obligation debt.

DEBT SERVICE SUMMARY

CITY OF HOQUIAM

2011 2nd QUARTER FINANCIAL REPORT

ISSUE	Fund	2011				2011-12 Budget	% to Budget	2012
		Beginning Balance	2011-12 Principal	2011-12 Interest	2011 Q2 YTD			Ending Balance
Limited Tax General Obligation Debt								
1989 City Hall Remodel	213	\$186,876	\$17,264	\$8,217	\$25,481	\$50,965	50.0%	\$151,561
1994 PWTF Aberdeen Avenue*	107	\$132,095	\$33,024	\$1,321	\$34,345	\$70,345	48.8%	\$66,045
Subtotal, Limited Tax G.O.		\$318,971	\$50,288	\$9,538	\$59,826	\$121,310	41.5%	\$217,606
Revenue Debt								
2006 PWTF Sewer Facility Plan*	401	\$41,000	\$20,500	\$0	\$20,500	\$41,000	50.0%	\$0
2000 CERB Fifth Street Sewer Extensior	401	\$50,000	\$0	\$0	\$0	\$13,800	0.0%	\$40,000
Subtotal, Revenue		\$91,000	\$20,500	\$0	\$20,500	\$54,800	37.4%	\$40,000
Total Debt, All Sources and Uses		\$409,971	\$70,788	\$9,538	\$80,326	\$176,110	40.2%	\$257,606

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