



2011 Quarterly Financial Report
Third Quarter 2011
January through September

The City of Hoquiam, Washington

609 8th Street

Hoquiam, Washington

360-532-5700

CITY OF HOQUIAM

Third Quarter Financial Report - January through September 2011

EXECUTIVE SUMMARY

This document provides a detailed review of City financial activity for the first nine months of 2011. 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 biennium 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 September, 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 biennium to date expenditure v. appropriation information for the City, and indicates that overall, the City has expended 34.3% of biennial operating appropriations. As of September 30, only a small percentage of capital improvement and half of the debt service expenditures had been made.

Concerns: There are no funds showing higher than expected expenditures. The Arterial Street Fund is over 37.5% expended because the once a year debt service payment was made in May.

The Community Development Repay Fund is over 37.5% expended due the completion of a grant with Neighborworks for neighborhood stabilization..

The Unemployment Fund is showing higher than expected expenditures due to two former employees submitting unemployment claims. One is a terminated employee in the Fire Department and the other was a grant funded City position that expired in July of 2009. The City is monitoring this situation closely and will recommend a supplement to the Council if necessary.

Bottom Line: Expenditures continue to be within normal budget parameter for all funds. However, the City is beginning to see the Grays Harbor Paper shutdown affecting revenues in the General Fund. Staff will continue to monitor this fund and is developing a list of budget reduction alternatives for council consideration.

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 3RD QUARTER FINANCIAL REPORT

<u>OPERATING FUNDS</u>	<u>No.</u>	<u>2011 Q3 YTD</u>	<u>2009 Q3 YTD</u>	<u>Increase (Decrease)</u>	<u>% Increase (Decrease)</u>	<u>2011-12 Budget</u>	<u>% to Budget</u>
General Fund	001	\$4,669,988	\$5,035,854	-\$365,865	-7.3%	\$13,666,215	34.2%
Cemetery	101	\$135,638	\$139,939	-\$4,302	-3.1%	\$372,890	36.4%
Mausoleum	102	\$6,246	\$10,187	-\$3,942	-38.7%	\$29,000	21.5%
Cemetery Equipment Reserve	103	\$0	\$0	\$0	-	\$0	-
Cemetery Preneed	104	\$27,322	\$34,683	-\$7,361	-21.2%	\$193,555	14.1%
Parks Special Programs	105	\$0	\$0	\$0	-	\$0	-
Street Fund	106	\$290,711	\$233,527	\$57,184	24.5%	\$775,670	37.5%
Arterial Street Fund	107	\$48,810	\$35,230	\$13,580	38.5%	\$108,945	44.8%
Ambulance	109	\$1,441,455	\$1,307,567	\$133,888	10.2%	\$3,775,500	38.2%
Stadium/Tourism	112	\$12,796	\$4,490	\$8,306	185.0%	\$0	-
Comm. Devel. Repay	130	\$125,507	\$22,123	\$103,384	467.3%	\$248,755	50.5%
Water	401-25	\$1,314,436	\$1,345,024	-\$30,588	-2.3%	\$3,787,645	34.7%
Sewer	401-26	\$888,227	\$901,459	-\$13,232	-1.5%	\$2,379,605	37.3%
Storm	401-27	\$248,871	\$311,180	-\$62,309	-20.0%	\$749,840	33.2%
Watershed	402	\$434,905	\$1,218,749	-\$783,844	-64.3%	\$2,204,500	19.7%
Landfill Postclosure	417	\$18,198	\$30,563	-\$12,364	-40.5%	\$57,340	31.7%
Equipment Rental	501	\$273,541	\$433,127	-\$159,586	-36.8%	\$786,945	34.8%
Equipment Rental Reserve	505	\$26,301	\$202,497	-\$176,197	-87.0%	\$192,500	13.7%
Medical/Dental Benefits	520	\$73,600	\$52,158	\$21,441	41.1%	\$172,000	42.8%
Unemployment Fund	522	\$18,132	\$12,012	\$6,120	51.0%	\$0	-
Police & Fire Retiree	611	\$468,451	\$385,353	\$83,098	21.6%	\$1,147,500	40.8%
Library Memorial	625	\$0	\$0	\$0	-	\$0	-
Parks Endowment	627	\$0	\$0	\$0	-	\$23,225	0.0%
TOTAL OPERATING FUNDS		\$10,523,135	\$11,715,723	-\$1,192,588	-10.2%	\$30,671,630	34.3%
<u>CAPITAL IMPROVEMENT FUNDS</u>							
Stadium Field Loan Repayment	005	\$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	\$373,659	\$77,821	\$295,838	380.1%	\$82,000	455.7%
Train Station	308	\$0	\$0	\$0	-	\$0	-
Water Capital Projects	401-25	\$221,073	\$249,279	-\$28,206	-11.3%	\$1,189,315	18.6%
Sewer Capital Projects	401-26	\$60,035	\$286,812	-\$226,777	-79.1%	\$540,325	11.1%
Storm Drain Capital Projects	401-27	\$48,642	\$29,381	\$19,261	65.6%	\$75,000	64.9%
TOTAL CAPITAL IMPROVEMENT FUNDS		\$703,410	\$643,293	\$60,116	9.3%	\$2,250,395	31.3%
TOTAL DEBT SERVICE FUNDS		\$87,326	\$88,186	-\$860	-1.0%	\$176,110	49.6%
TOTAL ALL FUNDS		\$11,313,871	\$12,447,202	-\$1,133,331	-9.1%	\$33,098,135	34.2%

General Fund

Overview:

The following four pages summarize all 2011-12 General Fund projected revenues, appropriations, and expenditures by department through September.

For 2011-12, total revenues and transfers in are budgeted at \$13,514,840, while appropriations and transfers out are adopted at \$13,666,215, creating an ending balance of \$2,146,865.

Biennial operating budget appropriations of \$11,916,720 represent an 8.9% decrease over comparable 2009-10 levels. This decrease can be explained by repairs to storm damaged buildings, the addition of a police officer and grant funded improvements to Gable Park.

Transfers to other funds total \$1,749,495, and include annual support of City activities including street operations and funds for LEOFF I medical payments.

General Fund Revenues:

Taxes through September are at 33.2% of budget. This is lower than anticipated but within normal parameters as the second half of the property taxes has not been received. Sales taxes continue to be down and are at 32% of budget. Economic activity has slowed nationwide due to the global recession. Additionally, B&O taxes are down 18% from comparable 2010 levels and are at 33% of budget. However, Utility Taxes in total are up 7.1% over comparable 2010 levels.

Licenses and Permits are at 28.4% of budget through September. Revenue from building permits is \$136,987 or 70% lower than comparable 2010 levels. This is due to in large part to the lack of large building permits taken out by Westway Terminals and Willis Enterprises.

Intergovernmental Revenue is at 31.5% of budget through the third quarter. Grants received by the Community Services Department and other state shared revenues account for a majority of this category's biennium to date revenues.

Fines and Forfeitures are running ahead of budget, at 51.5% through September. This category includes primarily police citations and other court fines. Revenue from court fines is up substantially and the City received a large distribution of Investigative Confiscation funds.

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

GENERAL FUND (CURRENT EXPENSE) #001

CITY OF HOQUIAM

2009 3RD QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2011 <u>Q3 YTD</u>	2009 <u>Q3 YTD</u>	Increase <u>(Decrease)</u>	% Increase <u>(Decrease)</u>	2011-12 <u>Budget</u>	% to <u>Budget</u>
Beginning Fund Balance	\$2,298,240	\$2,265,072			\$2,298,240	
Taxes	\$3,260,785	\$3,246,378	\$14,407	0.4%	9,823,285	33.2%
Licenses and Permits	\$271,145	\$364,038	-\$92,893	-25.5%	\$954,075	28.4%
Intergovernmental Revenue	\$300,981	\$484,180	-\$183,199	-37.8%	\$956,250	31.5%
Charges for Services	\$63,506	\$56,366	\$7,140	12.7%	\$195,395	32.5%
Fines and Forfeits	\$154,249	\$100,898	\$53,351	52.9%	\$299,770	51.5%
<u>Miscellaneous Revenue</u>	<u>\$253,106</u>	<u>\$418,762</u>	<u>-\$165,656</u>	<u>-39.6%</u>	<u>\$607,715</u>	<u>41.6%</u>
TOTAL GENERAL FUND	\$4,303,772	\$4,670,623	-\$366,852	-7.9%	\$12,836,490	33.5%
<u>OTHER REVENUES & TRANSFERS IN</u>						
Proceeds from Property Sale	\$7,011	\$19,756	-\$12,745	-64.5%	\$0	-
Residual Equity Transfer In	\$0	\$0	\$0	100.0%	\$245,000	0.0%
Insurance Recoveries	\$0	\$466,069	-\$466,069	-100.0%	\$0	-
Trf In - Ambulance (E911)	10,500	7,350	\$3,150	42.9%	\$28,000	37.5%
Trf In - Gen. Capital 114/City Hall	\$0	\$0	\$0	100.0%	\$350,000	0.0%
Trf In - Parks Endowment (Gable Park	\$0	\$0	\$0	100.0%	\$6,000	0.0%
Trf In - Parks Endowment (Equipment	\$0	\$0	\$0	100.0%	\$17,225	0.0%
<u>Trf In - Parks Special Projects</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	\$17,511	\$493,176	-\$475,665	-96.4%	\$678,350	2.6%
TOTAL GEN FUND REVENUES	\$4,321,283	\$5,163,799	-\$842,516	-16.3%	\$13,514,840	32.0%
GRAND TOTAL GENERAL FUND	\$6,619,523	\$7,428,871			\$15,813,080	

General Fund Appropriations:

Adopted appropriations and required transfers are budgeted at \$13,666,215. This is a large decrease from 2009-10 levels due the repair of City owned facilities in 2009-10 that were damaged by the 2007 Coastal Gale. Of this total, the adjacent page summarizes budgeted operating appropriations of \$11,916,720 and transfers out of \$1,749,495.

Through September, operating expenditures total 34.2% of appropriations, below anticipated spending levels for the first nine months of the biennium. Given that the first nine months will include annual insurance premiums, debt service costs and other one-time costs, this is better than expected.

The only department that is substantially above the biennium to date target is Legislative. The Legislative Department is over due to the cost of the election for a new Fire Truck in May. Additionally, the City's liability insurance and many of the City's memberships have been paid in full for the year.

In summary, almost all departments are well within budgeted parameters through the first nine months. The Finance Department will work with Department Heads, Supervisors and Foremen to monitor activity monthly to ensure that overall budget targets are adhered to.

Transfers to Other Funds:

The General Fund budget includes \$1,749,495 in transfers to other funds. These transfers include:

Street: Biennial support level totals \$478,985. To date this category is \$164,000 or 34.2% expended during the first nine months.

GO Bond: \$50,965 in transfers for debt service payments. Half of these transfers have been made as of September.

Police & Fire Pension: Annual support for this fund is budgeted at \$1,106,220 and includes necessary medical expenses for Police and Fire retirees not payable from some other source. The City attempts to limit its exposure for these retirees by purchasing health insurance on the open market for each member. Through September \$400,009 has been transferred to fund these necessary medical services.

GENERAL FUND (CURRENT EXPENSE) #001

CITY OF HOQUIAM

2011 3RD QUARTER FINANCIAL REPORT

OPERATING EXPENDITURES

<u>DEPARTMENT</u>	2011 <u>Q3 YTD</u>	2009 <u>Q3 YTD</u>	Increase <u>(Decrease)</u>	% Increase <u>(Decrease)</u>	2011-12 <u>Budget</u>	% to <u>Budget</u>
Legislative/Council	\$124,428	\$119,550	\$4,879	4.1%	\$289,345	43.0%
Municipal Court	\$130,144	\$129,796	\$348	0.3%	\$370,275	35.1%
Finance	\$188,654	\$179,289	\$9,365	5.2%	\$500,820	37.7%
Legal	\$110,577	\$110,442	\$134	0.1%	\$316,120	35.0%
Civil Service	\$2,300	\$4,780	-\$2,480	-51.9%	\$7,150	32.2%
City Hall & Buildings	\$100,876	\$426,746	-\$325,870	-76.4%	\$283,375	35.6%
Electrical	\$136,232	\$129,684	\$6,548	5.0%	\$353,840	38.5%
Police	\$1,675,675	\$1,544,128	\$131,547	8.5%	\$4,884,800	34.3%
Fire	\$683,884	\$661,142	\$22,742	3.4%	\$1,918,585	35.6%
Animal Control	\$59,405	\$53,580	\$5,824	10.9%	\$169,820	35.0%
Public Works	\$229,946	\$310,886	-\$80,940	-26.0%	\$602,715	38.2%
Personnel Services	\$0	\$0	\$0	100.0%	\$0	-
Police Special Funds (DTF)	\$113,348	\$95,044	\$18,304	19.3%	\$331,085	34.2%
Library	\$119,183	\$112,661	\$6,522	5.8%	\$400,605	29.8%
Community Services	\$320,133	\$429,507	-\$109,374	-25.5%	\$806,785	39.7%
Americorps	\$0	\$32,649	-\$32,649	-100.0%	\$0	-
Economic Development	\$24,444	\$74,194	-\$49,750	-67.1%	\$110,800	22.1%
Spray Park	\$0	\$0	\$0	100.0%	\$400,000	0.0%
911 Program	\$52,279	\$56,294	-\$4,016	-7.1%	\$170,600	30.6%
Miscellaneous	\$0	\$0	\$0	100.0%	\$0	-
TOTAL OPERATING EXPENSES	\$4,071,507	\$4,470,372	-\$398,865	-8.9%	\$11,916,720	34.2%

TRANSFERS OUT

Trf Out - Cemetery #101	\$0	\$0	\$0	-	\$113,325	0.0%
Trf Out - Street #106	\$164,000	\$140,000	\$24,000	17.1%	\$478,985	34.2%
Trf Out - Ambulance #109	\$0	\$0	\$0	-	\$0	-
Trf Out - GO Bond #213	\$25,481	\$25,481	\$0	0.0%	\$50,965	50.0%
Trf Out - Train Station #308	\$0	\$0	\$0	-	\$0	-
Trf Out - Unemployment #522	\$0	\$0	\$0	-	\$0	-
Trf Out - Pol/Fire Pensions #611	\$409,000	\$400,000	\$9,000	2.3%	\$1,106,220	37.0%
Trf Out - Reserve Funds	\$0	\$0	\$0	-	\$0	-
TOTAL TRANSFERS OUT	\$598,481	\$565,481	\$33,000	5.8%	\$1,749,495	34.2%

GRAND TOTAL GENERAL FUND \$4,669,988 \$5,035,854 -\$365,865 -7.3% \$13,666,215 34.2%

OVER (SHORT) \$1,949,534 \$2,393,017 \$2,146,865

Cemetery Fund #101

Overview:

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

The budget 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 Cemetery Preneed Fund. Cemetery Fee revenue right on target with 38.3% of budgeted amounts received as of the third quarter. Furthermore, as of the end of September, 32.1% of transfers to the Cemetery Fund had been made.

Cemetery revenue is unfortunately dependent upon the demise of individuals desiring services at Sunset Memorial Park. Conversely, the expenditures should directly correlate to revenues.

There is also a transfer budgeted from the General Fund of \$113,325 which has not been made as of September.

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 September, the Cemetery fund has expended \$135,638 or 36.4% of budgeted appropriations.

The Cemetery is running at a deficit through the first three quarters of the Biennium. Staff will monitor this fund and anticipate it will have a positive cash balance at the end of the biennium.

CEMETERY FUND #101**CITY OF HOQUIAM****2011 3RD QUARTER FINANCIAL REPORT**

<u>REVENUES</u>	2011 Q3 YTD	2009 Q3 YTD	Increase (Decrease)	% Increase (Decrease)	2011-12 Budget	% to Budget
Beginning Fund Balance	\$0	\$91			\$0	
Retail Sales	\$0	\$0	\$0	-	\$0	-
Cemetery Fees	\$65,534	\$71,434	-\$5,899	-8.3%	\$183,000	35.8%
Investment Interest	\$8,410	\$14,348	-\$5,938	-41.4%	\$9,200	91.4%
Land Lease (Cell Tower)	\$8,538	\$8,538	\$0	0.0%	\$22,765	37.5%
Housing Rentals	\$3,600	\$4,000	-\$400	-10.0%	\$9,600	37.5%
Donations	\$0	\$450	-\$450	-100.0%	\$0	-
<u>Other Miscellaneous</u>	<u>\$0</u>	<u>\$224</u>	<u>-\$224</u>	<u>-100.0%</u>	<u>\$0</u>	<u>-</u>
TOTAL CEMETERY FUND	\$86,082	\$98,993	-\$12,911	-13.0%	\$224,565	38.3%
<u>OTHER REVENUES & TRANSFERS IN</u>						
Trf In - Cem Equip Res #103	\$0	\$0	\$0	-	\$0	-
Trf In - Mausoleum #102	\$6,246	\$5,217	\$1,028	19.7%	\$20,000	31.2%
Trf In - Cem Preneed #104	\$27,322	\$34,683	-\$7,361	-21.2%	\$15,000	182.1%
<u>Trf In - General Fund #001</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>-</u>	<u>\$113,325</u>	<u>0.0%</u>
TOTAL OTHER REVENUES	\$33,567	\$39,900	-\$6,333	-15.9%	\$148,325	22.6%
TOTAL CEMETERY REVENUES	\$119,649	\$138,893	-\$19,244	-13.9%	\$372,890	32.1%
GRAND TOTAL CEMETERY FUND	\$119,649	\$138,984			\$372,890	
<u>APPROPRIATIONS</u>						
Cemetery Operations	\$129,219	\$132,688	-\$3,469	-2.6%	\$344,240	37.5%
Equipment Rental	\$2,986	\$6,495	-\$3,509	-54.0%	\$13,000	23.0%
Road Paving Debt Service	\$0	\$0	\$0	-	\$13,650	0.0%
Land	\$0	\$0	\$0	-	\$0	-
Capital	\$2,827	\$18	\$2,808	15422.2%	\$0	-
Trf Out - Equipment Reserve #505	<u>\$606</u>	<u>\$738</u>	<u>-\$132</u>	<u>-17.9%</u>	<u>\$2,000</u>	<u>30.3%</u>
CEMETERY FUND APPROPRIATIONS	\$135,638	\$139,939	-\$4,302	-3.1%	\$372,890	36.4%
OVER (SHORT)	-\$15,989	-\$956			\$0	

Mausoleum Fund #102

Overview:

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

This fund begins the biennium with a \$174,500 cash balance. The budget provides for \$32,650 in resources and \$29,000 in expenditures.

Revenues:

The major source of resources to the Mausoleum Fund comes from service fees. There is also a repayment of a loan provided to the Cemetery Fund. As of September, \$5,757 or 17.6%, of revenues have been received.

Appropriations:

Appropriations to the Mausoleum Fund include operating supplies and a transfer to the Cemetery Fund for maintenance to the Mausoleum. At the end of the third quarter, \$6,246 or only 21.5% of appropriated expenditures had been made.

MAUSOLEUM FUND #102
CITY OF HOQUIAM
2011 3RD QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2011 <u>Q3 YTD</u>	2009 <u>Q3 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	\$5,459	\$11,633	-\$6,174	-53.1%	\$18,000	30.3%
Investment Interest	\$298	\$4,984	-\$4,686	-94.0%	\$1,000	29.8%
<u>Interest on Contracts</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	-	<u>\$495</u>	<u>0.0%</u>
TOTAL MAUSOLEUM FUND	\$5,757	\$16,616	-\$10,860	-65.4%	\$19,495	29.5%
<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	\$5,757	\$16,616	-\$10,860	-65.4%	\$32,650	17.6%
GRAND TOTAL MAUSOLEUM FUND	\$180,257	\$168,198			\$207,150	
<u>APPROPRIATIONS</u>						
Mausoleum Operations	\$0	\$4,970	-\$4,970	-100.0%	\$1,000	0.0%
Capital	\$0	\$0	\$0	-	\$8,000	0.0%
<u>Trf Out - Cemetery #101</u>	<u>\$6,246</u>	<u>\$5,217</u>	<u>\$1,028</u>	<u>19.7%</u>	<u>\$20,000</u>	<u>31.2%</u>
MAUSOLEUM FUND APPROPRIATIONS	\$6,246	\$10,187	-\$3,942	-38.7%	\$29,000	21.5%
OVER (SHORT)	\$174,011	\$158,011			\$178,150	

Street Fund #106

Overview:

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

Revenues

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

Gas tax revenues are at 40.4% of budget through September. Yearly revenue estimates are based upon Department of Transportation projections. Gasoline taxes are collected on a cents per gallon basis and not as a percentage of sales price. For this reason, an increase in gasoline prices does not result in a corresponding increase in gas tax revenue.

General Fund revenues transferred to this fund are \$164,000, or 34.2% of budget. Additional transfers will be made to this fund as activity increases.

Appropriations:

Overall, the Street Fund expended 28.8% or \$290,711 of its \$775,670 biennial budget during the first nine months of the biennium. Activity should decelerate as the summer has wound down and the City reduces its road maintenance efforts.

STREET FUND #106**CITY OF HOQUIAM
2011 3RD QUARTER FINANCIAL REPORT**

<u>REVENUES</u>	2011 Q3 YTD	2009 Q3 YTD	Increase (Decrease)	% Increase (Decrease)	2011-12 Budget	% to Budget
Beginning Fund Balance	\$0	\$0			\$0	
Other Miscellaneous	\$268	\$290	-\$22	-7.5%	\$0	-
Street & Curb Permits	\$1,011	\$2,914	-\$1,904	-65.3%	\$2,500	40.4%
Gas Tax	\$92,161	\$96,207	-\$4,045	-4.2%	\$256,185	36.0%
Trf In - General Fund #001	\$164,000	\$140,000	\$24,000	17.1%	\$478,985	34.2%
<u>Trf In - Arterial Street #107</u>	<u>\$14,250</u>	<u>\$0</u>	<u>\$14,250</u>	-	<u>\$38,000</u>	<u>37.5%</u>
TOTAL STREET FUND	\$271,690	\$239,410	\$18,030	13.5%	\$775,670	35.0%
GRAND TOTAL STREET FUND	\$271,690	\$239,410			\$775,670	
<u>APPROPRIATIONS</u>						
Executive Services	\$18,093	\$16,751	\$1,342	8.0%	\$50,070	36.1%
Roadway Services	\$193,905	\$90,391	\$103,514	114.5%	\$484,915	40.0%
Traffic Control Devices	\$11,317	\$12,243	-\$926	-7.6%	\$24,000	47.2%
Ancillary Operations	\$58,901	\$75,398	-\$16,497	-21.9%	\$192,970	30.5%
General Administration	\$8,036	\$7,270	\$766	10.5%	\$22,435	35.8%
Capital	\$0	\$30,993	-\$30,993	-100.0%	\$0	-
Trf Out - Unemployment #522	\$0	\$0	\$0	-	\$0	-
<u>Trf Out - Paths & Trails #108</u>	<u>\$461</u>	<u>\$481</u>	<u>-\$20</u>	<u>-4.2%</u>	<u>\$1,280</u>	<u>36.0%</u>
STREET FUND APPROPRIATIONS	\$290,711	\$233,527	\$57,184	24.5%	\$775,670	37.5%
OVER (SHORT)	-\$19,022	\$5,883			\$0	

Arterial Street Fund #107

Overview:

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

Revenues

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

Gas tax revenues are at 36.0% of budget through September. 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 \$108,945. Through September, actual expenditures and transfers out were \$48,810. Expenditures go primarily toward debt service and transfers out. The debt service in this fund is a Public Works Trust Fund loan for the Aberdeen Avenue project. An operating transfer to streets is included in the amount of \$38,000.

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ARTERIAL STREET FUND #107

CITY OF HOQUIAM

2011 3RD QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2011 <u>Q3 YTD</u>	2009 <u>Q3 YTD</u>	Increase <u>(Decrease)</u>	% Increase <u>(Decrease)</u>	2011-12 <u>Budget</u>	% to <u>Budget</u>
Beginning Fund Balance	\$0	\$118,448			\$0	
Gas Tax	\$43,092	\$44,983	-\$1,891	-4.2%	\$119,785	36.0%
<u>Investment Interest</u>	<u>\$98</u>	<u>\$549</u>	<u>-\$452</u>	<u>-82.2%</u>	<u>\$500</u>	<u>19.6%</u>
TOTAL ARTERIAL STREET FUND	\$43,189	\$45,532	-\$2,343	-5.1%	\$120,285	35.9%
GRAND TOTAL ART. STREET FUND	\$43,189	\$163,980			\$120,285	
<u>APPROPRIATIONS</u>						
Debt Service	\$34,345	\$35,005	-\$660	-1.9%	\$70,345	48.8%
Overlay Projects	\$0	\$0	\$0	-	\$0	-
Trf Out - Streets #106	\$14,250	\$0	\$14,250	-	\$38,000	37.5%
Trf Out - Paths & Trails #108	\$215	\$225	-\$9	-4.2%	\$600	35.9%
<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	\$48,810	\$35,230	\$13,580	38.5%	\$108,945	44.8%
OVER (SHORT)	-\$5,621	\$128,750			\$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 revenues, and financial activity through September.

Revenues:

Emergency Care revenues come from three primary sources:

- The general emergency medical services property tax levy is projected to generate \$452,500 over the biennium. Through September, the City had received \$129,197 with another major distribution expected to occur in November from the County Auditor's office.
- Ambulance fees are projected at \$2,132,500. Through September, the City has collected \$726,997, or 34.1% of Budget. This activity is \$853 or 0.1% less than the 2009 activity through September however it is right on budget.
- Ambulance utility charges are budgeted to bring in \$1,140,000. As of September, \$401,248 or 35.2% of these charges have been received. This revenue source is 13.5% higher than comparable 2009 levels reflecting a rate increase at the beginning of 2011.

Appropriations and Transfers Out:

Through September, the Ambulance Fund has spent 38.6% of its annual operating budget appropriations of \$1,388,729. This activity is slightly ahead of target, and Finance will coordinate with Emergency Care Administration to monitor monthly activity to ensure that overall budget targets are adhered to.

Other appropriations include:

- A \$10,500 transfer to the General Fund to pay the Ambulance Fund's portion of the annual E911 contribution.
- Capital projects including alarm room improvements and an upgrade to the dorm room.
- A \$23,476 transfer to Equipment Rental for vehicle repairs
- \$18,780 in transfers to the Equipment Reserve Fund for future vehicle purchases.

AMBULANCE FUND #109**CITY OF HOQUIAM****2011 3RD QUARTER FINANCIAL REPORT**

<u>REVENUES</u>	2011 Q3 YTD	2009 Q3 YTD	Increase (Decrease)	% Increase (Decrease)	2011-12 Budget	% to Budget
Beginning Fund Balance	\$40,660	\$281,771			\$40,660	
EMS Levy	\$129,197	\$107,528	\$21,669	20.2%	\$452,500	28.6%
St. Health Grant	\$1,738	\$1,726	\$12	0.7%	\$0	-
GH Transit Grant	\$835	\$1,200	-\$365	-30.4%	\$0	-
SAFER Grant	\$0	\$0	\$0	-	\$50,000	0.0%
Ambulance Fees	\$726,997	\$727,851	-\$853	-0.1%	\$2,132,500	34.1%
Miscellaneous	\$2,393	\$1,574	\$820	52.1%	\$3,000	79.8%
Ambulance Utility Charges	\$401,248	\$353,488	\$47,760	13.5%	\$1,140,000	35.2%
Amb Utility Collection Accts	\$2	\$29	-\$27	-92.7%	\$0	-
<u>Fire District EMS Fees</u>	<u>\$59,185</u>	<u>\$27,452</u>	<u>\$31,733</u>	<u>115.6%</u>	<u>\$120,000</u>	<u>49.3%</u>
TOTAL AMBULANCE FUND	\$1,321,596	\$1,220,847	\$100,749	8.3%	\$3,898,000	33.9%
<u>OTHER REVENUES & TRANSFERS IN</u>						
Trf In - General Fund #001	\$0	\$0	\$0	-	\$0	-
TOTAL OTHER REVENUES	\$0	\$0	\$0	-	\$0	-
TOTAL AMBULANCE REVENUES	\$1,321,596	\$1,220,847	\$100,749	8.3%	\$3,898,000	33.9%
GRAND TOTAL AMBULANCE FUND	\$1,362,256	\$1,502,618			\$3,938,660	
<u>APPROPRIATIONS</u>						
Ambulance Operations	\$1,388,729	\$1,165,334	\$223,395	19.2%	\$3,598,720	38.6%
Capital	\$0	\$68,612	-\$68,612	-100.0%	\$28,500	0.0%
Debt Service	\$0	\$0	\$0	-	\$0	-
Trf Out - General Fund #001 (E911)	\$10,500	\$7,350	\$3,150	42.9%	\$28,000	37.5%
Trf Out - Equipment Rental #501	\$23,476	\$28,768	-\$5,292	-18.4%	\$45,280	51.8%
<u>Trf Out - Equipment Reserve #505</u>	<u>\$18,750</u>	<u>\$37,503</u>	<u>-\$18,753</u>	<u>-50.0%</u>	<u>\$75,000</u>	<u>25.0%</u>
AMBULANCE FUND APPROPRIATION:	\$1,441,455	\$1,307,567	\$133,888	10.2%	\$3,775,500	38.2%
OVER (SHORT)	-\$79,199	\$195,051			\$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:

Hotel Motel tax revenues come from two sources, a 2% Stadium tax and a 3% Transient excise tax. Total revenues through September of \$8,964 are \$1,873 or 26.4% higher than 2009 levels reversing a recent decline in overnight stays.

Staff will continue to monitor this trend monthly and keep the Council informed of any important developments.

Appropriations and Transfers out:

Through September, the City has expended \$12,796 on the new entrance sign at Myrtle Street. A supplemental budget will be presented to Council in October including recommendations from the Lodging Tax Advisory Committee. Expenditures traditionally include advertising for City festivals and events.

STADIUM/TOURISM FUND #112

CITY OF HOQUIAM

2011 3RD QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2011 <u>Q3 YTD</u>	2009 <u>Q3 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	\$8,964	\$7,090	\$1,873	26.4%	\$0	-
<u>Investment Interest</u>	<u>\$24</u>	<u>\$190</u>	<u>-\$165</u>	<u>-87.1%</u>	<u>\$0</u>	<u>-</u>
TOTAL STADIUM/TOURISM FUND	\$8,988	\$7,280	\$1,708	23.5%	\$0	-
GRAND TOTAL STADIUM/TOURISM	\$30,350	\$32,310			\$0	
<u>APPROPRIATIONS</u>						
Advertising	\$0	\$4,200	-\$4,200	-100.0%	\$0	-
Loggers Playday	\$0	\$0	\$0	-	\$0	-
7th Street Theatre	\$0	\$0	\$0	-	\$0	-
Community Events	\$0	\$290	\$0	-100.0%	\$0	-
Other Miscellaneous Uses	\$12,796	\$0	\$1	-	\$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	\$12,796	\$4,490	\$8,306	185.0%	\$0	-
OVER (SHORT)	\$17,554	\$27,820			\$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. The adjacent pages summarize budgeted financial activity for the biennium, including revenues and expenditures through September.

Revenues:

This fund was budgeted to generate revenues of \$9,105,540 primarily from usage charges and watershed transfers. Fees received from late penalties and shut-offs are also deposited into this fund.

Through September water sales of \$950,371 or 32.8% of budgeted metered water revenues of \$2,900,000 were collected. This is 12.9% lower than 2009 representing a substantial decrease. Water revenues are very seasonal and this number can vary from year to year depending on temperatures and rainfall. However, staff will be monitoring this revenue closely in the fall and winter.

Sewer Revenues have been consistent throughout the biennium. Through September, this fund had collected 36.4%, or \$1,164,478 of its budgeted \$3,200,000 sewer service revenue. This is 22.4% higher than the 2009 year to date due to a rate increase that went into effect in 2010 to pay for the removal of biosolids at the sewer treatment plan.

Storm Drain rate revenues through September are at 33.7%, or \$173,909 of the budgeted amount of \$516,000. The Storm Drain Ordinance was rewritten in late 2005, which drastically changed the way the City collects these charges. Staff will continue to closely monitor this trend as far less than budgeted amounts have been received. Any adjustments in the storm rates will be communicated to the Council during the budget process.

The last major revenue source to this fund comes from a transfer in from the Watershed Fund. Through September, \$364,434 or 19.6% of budgeted amounts of \$2,859,200 have been transferred. Transfers are made on an as needed basis and are only made to cover major capital improvements to the system. This revenue source should increase in the fourth quarter as the transmission line replacement expenditures will accelerate.

COMMUNITY DEVELOPMENT REPAY FUND #130

CITY OF HOQUIAM

2011 3RD QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2011 <u>Q3 YTD</u>	2009 <u>Q3 YTD</u>	Increase <u>(Decrease)</u>	% Increase <u>(Decrease)</u>	2011-12 <u>Budget</u>	% to <u>Budget</u>
Beginning Fund Balance	\$130,965	\$229,100			\$130,965	
GH County Waste Abatement Grant	\$0	\$0	\$0	-	\$0	-
CERB Neighborhood Stabil. Grant	\$110,489	\$0	\$110,489	-	\$112,790	98.0%
Miscellaneous Cleanup Fees	\$0	\$9,325	-\$9,325	-100.0%	\$0	-
Abatement Fees	\$0	\$1	-\$1	-100.0%	\$4,000	0.0%
<u>Contract Payments</u>	<u>\$763</u>	<u>\$12,032</u>	<u>-\$11,270</u>	<u>-93.7%</u>	<u>\$1,000</u>	<u>76.3%</u>
TOTAL COMM. DEVEL. REPAY FUND	\$111,251	\$21,359	\$89,893	420.9%	\$117,790	94.4%
GRAND TOTAL COMM. DEVEL. REPAY	\$242,216	\$250,459			\$248,755	
<u>APPROPRIATIONS</u>						
Miscellaneous	\$0	\$84	-\$84	-100.0%	\$1,000	0.0%
Cleanup Activities	\$0	\$9	-\$9	-100.0%	\$5,000	0.0%
Abate Nuisances	\$14,100	\$19,843	-\$5,743	-28.9%	\$89,335	15.8%
GH Co. Waste Abatement Grant	\$1,525	\$2,187	-\$661	-30.2%	\$5,030	30.3%
Purchase/Rehab Homes	\$8,492	\$0	\$8,492	-	\$47,000	18.1%
Neighborhood Stabilization Grant	\$101,389	\$0	\$101,389	-	\$101,390	100.0%
<u>Trf Out - General Fund #001</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>-</u>	<u>\$0</u>	<u>-</u>
COMM. DEVEL. REPAY FUND	\$125,507	\$22,123	\$103,384	467.3%	\$248,755	50.5%
OVER (SHORT)	\$116,709	\$228,336			\$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 from a grant the City received and some resources from cleanup and abatement fees. Total resources were budgeted at \$117,790 while revenues of \$111,251 have been received. Repayments of these loans typically only occur in full at the time a home sales or from an estate.

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 funds necessary for the possible abatement of dangerous structures. Through September, \$125,507 or 50.5% of this budget have been expended. This activity is within expected levels.

WATER,SEWER AND STORM FUND #401**CITY OF HOQUIAM****2011 3RD QUARTER FINANCIAL REPORT**

<u>REVENUES</u>	2011 <u>Q3 YTD</u>	2009 <u>Q3 YTD</u>	Increase <u>(Decrease)</u>	% Increase <u>(Decrease)</u>	2011-12 <u>Budget</u>	% to <u>Budget</u>
Beginning Fund Balance	\$710,850	\$742,154			\$710,850	
Water Sales	\$950,371	\$1,091,464	-\$141,093	-12.9%	\$2,900,000	32.8%
Waters Sales - Collection Accounts	\$7	\$99	-\$92	-92.8%	\$0	-
Sewer Service	\$1,164,478	\$951,395	\$213,083	22.4%	\$3,200,000	36.4%
Sewer Service - Collection Accounts	\$6	\$84	-\$78	-92.8%	\$0	-
Storm Drainage	\$173,909	\$180,909	-\$7,000	-3.9%	\$516,000	33.7%
Charges for Miscellaneous Service	\$13,875	\$3,185	\$10,689	335.6%	\$29,000	47.8%
Investment Interest	\$14,903	\$19,224	-\$4,321	-22.5%	\$95,000	15.7%
Grants & Loans	\$39,731	\$40,189	-\$458	-1.1%	\$3,600	1103.6%
<u>Other Miscellaneous</u>	<u>\$5,832</u>	<u>\$12,530</u>	<u>-\$6,698</u>	<u>-53.5%</u>	<u>\$23,000</u>	<u>25.4%</u>
TOTAL SERVICE REVENUES	\$2,363,112	\$2,299,080	\$64,033	2.8%	\$6,766,600	34.9%
<u>OTHER REVENUES & TRANSFERS IN</u>						
Trf In - Watershed #402	\$364,434	\$854,643	-\$490,209	-57.4%	\$1,859,200	19.6%
Trf In - Transmission Line #406	\$0	\$0	\$0	-	\$479,740	0.0%
TOTAL OTHER REVENUES	\$364,434	\$854,643	-\$490,209	-57.4%	\$2,338,940	15.6%
TOTAL FUND REVENUES	\$2,727,546	\$3,153,723	-\$426,176	-13.5%	\$9,105,540	30.0%
GRAND TOTAL FUND RESOURCES	\$3,438,396	\$3,895,877			\$9,816,390	
<u>APPROPRIATIONS</u>						
Water Operations	\$1,247,738	\$1,254,024	-\$6,286	-0.5%	\$3,588,720	34.8%
Sewer Operations	\$804,396	\$817,429	-\$13,032	-1.6%	\$2,233,840	36.0%
<u>Storm Drain Operations</u>	<u>\$233,766</u>	<u>\$264,819</u>	<u>-\$31,052</u>	<u>-11.7%</u>	<u>\$703,735</u>	<u>33.2%</u>
TOTAL WATERWORKS OPERATIONS	\$2,285,900	\$2,336,271	-\$50,371	-2.2%	\$6,526,295	35.0%
Water Capital	\$221,073	\$249,279	-\$28,206	-11.3%	\$1,189,315	18.6%
Sewer Capital	\$60,035	\$286,812	-\$226,777	-79.1%	\$540,325	11.1%
<u>Storm Drain Capital</u>	<u>\$48,642</u>	<u>\$29,381</u>	<u>\$19,261</u>	<u>65.6%</u>	<u>\$75,000</u>	<u>64.9%</u>
TOTAL WATERWORKS CAPITAL	\$329,750	\$565,472	-\$235,721	-41.7%	\$1,804,640	18.3%
Water Debt Service	\$0	\$0	\$0	-	\$0	-
<u>Sewer Debt Service</u>	<u>\$27,500</u>	<u>\$27,700</u>	<u>-\$200</u>	<u>-0.7%</u>	<u>\$54,800</u>	<u>50.2%</u>
TOTAL WATERWORKS DEBT	\$27,500	\$27,700	-\$200	-0.7%	\$54,800	50.2%
Trf Out - USDA Loan Reserve	\$225,000	\$0	\$225,000	-	\$652,700	34.5%
Trf Out - Water Eq Rental #501	\$39,856	\$35,539	\$4,318	12.1%	\$96,925	41.1%
Trf Out - Sewer Eq Rental #501	\$20,774	\$20,774	\$0	0.0%	\$57,725	36.0%
Trf Out - Storm Eq Rental #501	\$10,107	\$8,626	\$1,481	17.2%	\$26,105	38.7%
Trf Out - Water Eq Reserve #505	\$26,842	\$43,450	-\$16,608	-38.2%	\$102,000	26.3%
Trf Out - Sewer Eq Reserve #505	\$35,557	\$35,557	\$0	0.0%	\$88,040	40.4%
Trf Out - Storm Eq Reserve #505	\$4,998	\$37,735	-\$32,737	-86.8%	\$20,000	25.0%
Trf Out - Water Unemployment #522	\$0	\$12,012	-\$12,012	-100.0%	\$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	\$363,134	\$193,693	\$169,441	87.5%	\$1,043,495	34.8%
GRAND TOTAL FUND	\$3,006,285	\$3,123,136	-\$116,851	-3.7%	\$9,429,230	31.9%
OVER (SHORT)	\$432,111	\$772,741			\$387,160	

Appropriations:

For 2009-10, 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 for equipment maintenance and equipment reserves.

Through September, the Water Department has expended 34.8%, or \$1,247,738 of its \$3,588,720 operating budget, which is within parameters for the third quarter. Water operations are 0.5% lower than comparable 2009 levels.

To date, the Sewer Department has expended 36.0%, or \$804,396 of its \$2,233,840 operating budget. Expenditures are 1.6% lower than in 2009.

Through September, actual Storm Drain expenditures of \$233,766 constitute 33.2% of total appropriations of \$703,735. The Storm Drain expenditures are right on budget for the third quarter.

Transfers to other funds for operating, debt service and capital improvement needs are at 34.8%, which is within normal budget parameters though September. All transfers 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 ends the third quarter with a \$432,111 ending fund balance. This is encouraging as there are still many smaller capital projects to be completed.

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 on an as needed basis for major capital and infrastructure improvements.

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

Revenues:

This fund receives its resources from timber sales. A number of sales were completed in 2009 and 2010 due to blown down timber from the 2007 Coastal Gale. However, no sales are budgeted for 2011.

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.

Interfund transfers of \$1,859,200 are budgeted to the Water, Sewer and Storm Fund of which \$364,434 has been transferred as of September 2011. As mentioned above, all transfers of watershed funds go to finance major capital and infrastructure improvements.

WATERSHED FUND #402
CITY OF HOQUIAM
2011 3RD QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2011 <u>Q3 YTD</u>	2009 <u>Q3 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>\$86,951</u>	<u>\$2,440,167</u>	<u>-\$2,353,216</u>	<u>-96.4%</u>	<u>\$0</u>	<u>-</u>
TOTAL WATERSHED FUND	\$88,455	\$2,441,247	-\$2,352,792	-96.4%	\$0	-
TOTAL WATERSHED REVENUES	\$88,455	\$2,441,247	-\$2,352,792	-96.4%	\$0	-
GRAND TOTAL WATERSHED FUND	\$3,544,590	\$4,489,667			\$3,456,135	
<u>APPROPRIATIONS</u>						
Watershed Operations	\$66,395	\$217,573	-\$151,178	-69.5%	\$345,300	19.2%
Trf Out - Waterworks #401	\$364,434	\$854,643	-\$490,209	-57.4%	\$1,859,200	19.6%
<u>Trf Out - Trans Line Reserve #404</u>	<u>\$4,076</u>	<u>\$146,533</u>	<u>-\$142,457</u>	<u>-97.2%</u>	<u>\$0</u>	<u>-</u>
Total Transfers Out	\$368,510	\$1,001,176	-\$632,666	-63.2%	\$1,859,200	19.8%
GRAND TOTAL WATERSHED FUND	\$434,905	\$1,218,749	-\$783,844	-64.3%	\$2,204,500	19.7%
OVER (SHORT)	\$3,109,685	\$3,270,919			\$1,251,635	

Landfill Postclosure Fund #417

Overview:

The Landfill Postclosure Fund provides for maintenance of the old City Landfill. Funds were transferred annually from the Sanitation Fund to this fund to pay the annual maintenance costs. However, when the Sanitation Department was sold, a sufficient amount from the sale was transferred to this fund to cover aggressive monitoring costs until 2009 and more passive monitoring thereafter.

This fund began 2011 with a \$143,815 cash balance.

Revenues:

This fund receives its resources from interest earned on the cash balance reserved in this fund for postclosure maintenance. As of September 2011, \$235 or 31.3% of budgeted amounts had been received. Lower short term interest rates in 2011 have limited the City's ability to earn additional money on reserve balances.

Appropriations and Transfers out:

This fund is budgeted to spend \$57,340 on postclosure maintenance in 2011-12. As of the third quarter, \$18,198 or 31.7% of anticipated expenditures had been made, primarily on monitoring services. This fund is budgeted to end the biennium with a \$87,225 cash balance.

LANDFILL POSTCLOSURE FUND #417

CITY OF HOQUIAM

2011 3RD QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2011 Q3 YTD	2009 Q3 YTD	Increase (Decrease)	% Increase (Decrease)	2011-12 Budget	% to Budget
Beginning Fund Balance	\$143,815	\$238,528			\$143,815	
<u>Investment Interest</u>	<u>\$235</u>	<u>\$4,392</u>	<u>-\$4,157</u>	<u>-94.7%</u>	<u>\$750</u>	<u>31.3%</u>
TOTAL LANDFILL POSTCLOSURE FUND	\$235	\$4,392	-\$4,157	-94.7%	\$144,565	0.2%
GRAND TOTAL LANDFILL POSTCLOSURE	\$144,050	\$242,920			\$144,565	0.2%
<u>APPROPRIATIONS</u>						
<u>Landfill Operations</u>	<u>\$18,198</u>	<u>\$30,563</u>	<u>-\$12,364</u>	<u>-40.5%</u>	<u>\$57,340</u>	<u>31.7%</u>
LANDFILL POSTCLOSURE FUND	\$18,198	\$30,563	-\$12,364	-40.5%	\$57,340	31.7%
OVER (SHORT)	\$125,852	\$212,357			\$87,225	

Equipment Rental Fund #501

Overview:

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

This fund 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 and transfers from other funds. There is \$578,465 in budgeted revenue, of which 40.0% has been received through September.

Appropriations:

The two primary expenditures in this fund are for the salary and benefits of the City's mechanic and also for current biennium purchases of vehicles.

In addition to the mechanic, there are three vehicle and equipment purchases planned for the biennium. As of September, only one of the purchases had been made totaling \$30,364 or 15.8% of the \$192,500 in vehicle and equipment appropriations.

EQUIPMENT RENTAL FUND #501

CITY OF HOQUIAM

2011 3RD QUARTER FINANCIAL REPORT

	2011 <u>Q3 YTD</u>	2009 <u>Q3 YTD</u>	Increase (Decrease)	% Increase (Decrease)	2011-12 <u>Budget</u>	% to <u>Budget</u>
REVENUES						
Beginning Fund Balance	\$26,760	\$75,347			\$26,760	
Equipment Maintenance Charges	\$231,530	\$189,348	\$42,182	22.3%	\$577,965	40.1%
Interest on Contracts A/R	\$0	\$0	\$0	-	\$0	-
Other Miscellaneous	\$98	\$750	-\$651	-86.9%	\$500	19.7%
TOTAL EQUIPMENT RENTAL FUND	\$231,628	\$190,098	\$41,530	21.8%	\$578,465	40.0%
OTHER REVENUES & TRANSFERS IN						
Trf In - Eq. Rental Reserve #505	\$26,301	\$202,497	-\$176,197	-87.0%	\$192,500	13.7%
Trf In - Dept. Contributions	\$0	\$0	\$0	-	\$0	-
TOTAL OTHER REVENUES	\$26,301	\$202,497	-\$176,197	-87.0%	\$192,500	13.7%
TOTAL EQUP RENTAL REVENUES	\$257,929	\$392,595	-\$134,666	-34.3%	\$770,965	33.5%
GRAND TOTAL EQUIPMENT RENTAL	\$284,689	\$467,942			\$797,725	
APPROPRIATIONS						
Equipment Rental Operations	\$243,177	\$183,145	\$60,033	32.8%	\$594,445	40.9%
Capital	\$30,364	\$249,983	-\$219,618	-87.9%	\$192,500	15.8%
EQUIPMENT RENTAL FUND APPROP.	\$273,541	\$433,127	-\$159,586	-36.8%	\$786,945	34.8%
OVER (SHORT)	\$11,148	\$34,815			\$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 future vehicle and equipment acquisitions. Separate balances are maintained for each operating fund making a contribution, and funds are accumulated over the course of one or more years and funds are then transferred to the Equipment Rental Fund #501 to acquire the vehicles.

For the biennium, this fund begins 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 28.6%, have been made through September.

Appropriations:

Appropriations come in the form of transfers to the Equipment Rental Fund #501. In the 2011 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 3RD QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2011 Q3 YTD	2009 Q3 YTD	Increase (Decrease)	% Increase (Decrease)	2011-12 Budget	% to Budget
Beginning Fund Balance	\$1,580,945	\$1,566,995			\$1,580,945	
Departmental Contributions	\$108,994	\$199,989	-\$90,995	-45.5%	\$380,600	28.6%
Interfund Loans	\$0	\$0	\$0	-	\$0	-
<u>Proceeds from Sale of Fixed Assets</u>	<u>\$3,000</u>	<u>\$14,750</u>	<u>-\$11,750</u>	<u>-79.7%</u>	<u>\$0</u>	<u>-</u>
TOTAL EQ RENTAL RES REVENUES	\$111,994	\$214,739	-\$102,745	-47.8%	\$380,600	29.4%
GRAND TOTAL EQ RENTAL RESERVE	\$1,692,939	\$1,781,734			\$1,961,545	86.3%
<u>APPROPRIATIONS</u>						
Interfund Loan - General Fund #001	\$0	\$0	\$0	-	\$0	-
<u>Trf Out - Equipment Rental #501</u>	<u>\$26,301</u>	<u>\$202,497</u>	<u>-\$176,197</u>	<u>-87.0%</u>	<u>\$192,500</u>	<u>13.7%</u>
EQ RENTAL RESERVE FUND	\$26,301	\$202,497	-\$176,197	-87.0%	\$192,500	13.7%
OVER (SHORT)	\$1,666,638	\$1,579,237			\$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.

For the biennium, this fund started 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. As noted above, \$185,000 in transfers are provided by other funds, of which 32.5% or \$60,093, have been made through September.

Appropriations:

Appropriations to this fund include the City's direct dental premiums which are budgeted in the amount of \$172,000. As of September, the City had already expended \$73,600 or 42.8% on dental premiums. This is within anticipated amounts for the first three quarters of the biennium.

MEDICAL/DENTAL FUND #520
CITY OF HOQUIAM
2011 3RD QUARTER FINANCIAL REPORT

<u>REVENUES</u>	<u>2011 Q3 YTD</u>	<u>2009 Q3 YTD</u>	<u>Increase (Decrease)</u>	<u>% Increase (Decrease)</u>	<u>2011-12 Budget</u>	<u>% to Budget</u>
Beginning Fund Balance	\$40,575	\$28,360			\$40,575	
Department Contributions	\$60,093	\$73,268	-\$13,175	-18.0%	\$185,000	32.5%
Cobra Contributions	\$0	\$313	-\$313	-100.0%	\$0	-
Employee Contributions	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	-	<u>\$0</u>	-
TOTAL MEDICAL/DENTAL FUND	\$60,093	\$73,580	-\$13,488	-18.3%	\$185,000	32.5%
GRAND TOTAL MEDICAL/DENTAL FUND	\$100,668	\$101,940			\$225,575	
<u>APPROPRIATIONS</u>						
Medical Premiums	\$0	\$5,919	-\$5,919	-100.0%	\$0	-
Dental - Claims & Admin Fees	<u>\$73,600</u>	<u>\$46,239</u>	<u>\$27,361</u>	<u>59.2%</u>	<u>\$172,000</u>	<u>42.8%</u>
MEDICAL/DENTAL FUND APPROPRIATIONS	\$73,600	\$52,158	\$21,441	41.1%	\$172,000	42.8%
OVER (SHORT)	\$27,068	\$49,782	-\$22,714		\$53,575	

Unemployment Fund #522

Overview:

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

For the biennium, this fund started with a \$0 cash balance. The budget provided no resources to this fund for unemployment payments.

Revenues:

All resources of the Unemployment Fund come in the form of transfers from the General Fund. As noted above, no transfers are provided no transfers have been made through September.

Appropriations:

There were no appropriations planned for the biennium to allow for potential unemployment claims of former City employees. However, as of September, \$18,132 had already been expended.

The City currently has two unemployment claims in 2011. One was for a terminated employee in the Fire Department and the other was for a city employee who departed after their grant position ended.

UNEMPLOYMENT FUND #522

CITY OF HOQUIAM

2011 3RD QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2011 Q3 YTD	2009 Q3 YTD	Increase (Decrease)	% Increase (Decrease)	2011-12 Budget	% to Budget
Beginning Fund Balance	\$0	\$13,553			\$0	
Trf In - General Fund	\$0	\$0	\$0	-	\$0	-
<u>Trf In - Other Departments</u>	<u>\$0</u>	<u>\$12,012</u>	<u>-\$12,012</u>	<u>-100.0%</u>	<u>\$0</u>	<u>-</u>
TOTAL UNEMPLOYMENT FUND	\$0	\$12,012	-\$12,012	-100.0%	\$0	-
GRAND TOTAL UNEMPLOYMENT FUND	\$0	\$12,012	-\$12,012	-100.0%	\$0 -	
<u>APPROPRIATIONS</u>						
<u>Personnel Benefits</u>	\$18,132	\$12,012	\$6,120	51.0%	\$0	-
Trf Out - General Fund	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>-</u>	<u>\$0</u>	<u>-</u>
UNEMPLOYMENT FUND APPROPRIATIONS	\$18,132	\$12,012	\$6,120	51.0%	\$0	-
OVER (SHORT)	-\$18,132	\$0	-\$18,132		\$0	

Police & Firemen's Pension Fund #611

Overview:

This fund pays for the medical premiums and allowable medical bills for retired LEOFF I Police and Fire employees. The City is mandated by state law to provide medical benefits to these employees while the state provides their respective pensions. This fund also pays the supplemental pension payments for pre-LEOFF fire employees. The Police and Firemen's Pension Fund is budgeted to begin the biennium with no 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 \$1,106,220 in budgeted transfers of which \$409,000 or 37.0% has been received. There is also \$41,280 in Fire Insurance Premium Taxes that are anticipated to be received in 2011-12 to help offset the Fire pension payments. To date, \$20,356 or 49.3% of premium tax revenues have been received in this fund.

Appropriations:

Expenditures for this fund were budgeted at \$1,147,500 and go mostly for retiree medical but also for some pre-LEOFF pension payments. Due to an unfunded mandate, the City is required to pay for necessary medical services not covered by some other means. As of September 2011, \$468,451 or 40.8% of budgeted appropriations had been spent.

POLICE & FIRE RETIREES FUND #611

CITY OF HOQUIAM

2011 3RD QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2011 Q3 YTD	2009 Q3 YTD	Increase (Decrease)	% Increase (Decrease)	2011-12 Budget	% to Budget
Beginning Fund Balance	\$0	\$0			\$0	
Fire Insurance Premium Tax	\$20,356	\$18,301	\$2,055	11.2%	\$41,280	49.3%
<u>Trf In - General Fund #001</u>	<u>\$409,000</u>	<u>\$400,000</u>	<u>\$9,000</u>	<u>2.3%</u>	<u>\$1,106,220</u>	<u>37.0%</u>
TOTAL FUND REVENUES	\$429,356	\$418,301	\$11,055	2.6%	\$1,147,500	37.4%
GRAND TOTAL RETIREE FUND	\$429,356	\$418,301			\$1,147,500	
<u>APPROPRIATIONS</u>						
Police LF 1 Medical Premiums	\$183,599	\$151,798	\$79,447	20.9%	\$497,000	36.9%
Police LF1 Medical Bills	\$33,352	\$9,543	\$4,515	249.5%	\$20,000	166.8%
Police LF1 Medicare Premiums	\$2,027	\$3,181	\$4,515	-36.3%	\$7,500	27.0%
Police LF 1 Dental Bills	\$473	\$1,503	\$4,516	-68.5%	\$2,000	23.7%
Fire LF1 Disability Pyts	\$27,161	\$29,378	\$23,627	-7.5%	\$70,000	38.8%
Fire LF1 Annuity Pyts	\$13,907	\$4,211	\$5,273	230.2%	\$15,000	92.7%
Fire LF1 Medical Premiums	\$184,449	\$152,717	\$94,978	20.8%	\$465,000	39.7%
Fire LF1 Medical Bills	\$9,225	\$21,438	\$12,458	-57.0%	\$40,000	23.1%
Fire LF1 Medicare Premiums	\$10,901	\$8,965	\$3,990	21.6%	\$25,000	43.6%
<u>Fire LF 1 Dental Bills</u>	<u>\$3,358</u>	<u>\$2,619</u>	<u>\$3,990</u>	<u>28.2%</u>	<u>\$6,000</u>	<u>56.0%</u>
RETIREE FUND APPROPRIATIONS	\$468,451	\$385,353	\$83,098	21.6%	\$1,147,500	40.8%
OVER (SHORT)	-\$39,095	\$32,948			\$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 third quarter. More detail will be included in future Quarterly Reports as activity picks up in the summer months.

Progress Summary:

Water Capital Projects, \$1,189,315. These items provide appropriation authority for all requested water utility capital improvements for 2011-12. These improvements are funded from watershed resources transferred to the Water Department. The largest project in this category is the transmission line replacement. In total, Water Capital Projects have expended \$221,075 or 18.6% of budget authority.

Sewer Capital Projects, \$540,325. Variable Drive upgrades to sewer pumps designed to save electricity costs are the major projects for 2011-12. As of September, \$60,035 or 11.1% of appropriated expenditures had been made.

General Capital, \$668,500. This line item was appropriated to fund improvements to City building and parks in 2011-12. There has been \$14,205 spent as of September 2011.

Sidewalk Construction Fund, \$82,000. This line item was appropriated to fund grant funded sidewalk improvements throughout the City during the 2011-12 biennium. There has been 373,659 expended as of September 2011 due to the receipt of a new grant and the associated new sidewalks.

CITY OF HOQUIAM
2011-2012 CAPITAL IMPROVEMENT BUDGET
2011 3rd Quarter Financial Report

CAPITAL PROJECTS	2011 Q3 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%
Fire Department Dorm Remodel	\$777	\$7,500	10.4%
Street Tree Planting	\$1,670	\$36,000	4.6%
Street Tree Inventory Management	\$7,313	\$10,000	73.1%
Playground Equipment	\$0	\$50,000	0.0%
Upgrade Senior Center	\$2,277	\$50,000	4.6%
<u>Pocklington Spray Park</u>	<u>\$0</u>	<u>\$400,000</u>	<u>0.0%</u>
Subtotal, General Fund Projects	\$14,205	\$668,500	2.1%
<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%
<u>Fire Dorm Room Upgrade</u>	<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	\$373,659	\$82,000	455.7%
<i>#401-25 Water Department Projects</i>			
West Fork Dam-Filter/Screen	\$27,013.50	\$250,000.00	10.8%
Little Hoquiam Dam	\$16,280.77	\$0.00	100.0%
Water Supply Study	\$7,750.11	\$221,575.00	3.5%
Flow Test	\$0.00	\$50,000.00	0.0%
Transmission Line Replacement	\$135,101.01	\$479,740.00	28.2%
Arnold Court Booster Pump	\$5,011.16	\$55,000.00	9.1%
Repl College Hill Generator	\$126.36	\$58,000.00	0.2%
Replace WTP FAP Machine	\$129.60	\$45,000.00	0.3%
Replace Main Circuit Breaker	\$9,174.00	\$0.00	100.0%
Filter Surface Wash Piping	\$3,320.66	\$0.00	100.0%
Meters	\$8,852.60	\$30,000.00	29.5%
<u>Streaming Current Meter</u>	<u>\$8,315.55</u>	<u>\$0.00</u>	<u>100.0%</u>
Subtotal, Water Projects	\$221,075	\$1,189,315	18.6%
<i>#401-26 Sewer Department Projects</i>			
Varidrives	\$48,291.26	\$378,625.00	12.8%
Diesel Generator	\$0.00	\$108,000.00	0.0%
Chlorinator System	\$7,953.42	\$0.00	100.0%
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	\$60,035	\$540,325	11.1%
<i>#401-27 - Storm Department Projects</i>			
Pump Replacements	\$48,642	\$75,000	64.9%
TOTAL CAPITAL PROJECTS	\$717,617	\$2,583,640	27.8%

Debt Service Budget Summary

Overview:

The adjacent page provides a summary of the 2011-12 debt service budget of the City. The City began 2011 with a total bonded debt service principal balance including revenue debt of \$318,971 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 September, \$59,286 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 September, \$27,700 or 46.5% of budget has been expended in principal and interest payments on Revenue Debt.

Total debt activity through September 30th was \$87,326 or 43.0% of the total debt service budget.

DEBT SERVICE SUMMARY

CITY OF HOQUIAM 2011 3rd QUARTER FINANCIAL REPORT

ISSUE	Fund	2011					% to Budget	2012
		Beginning Balance	2011-12 Principal	2011-12 Interest	2011 Q2 YTD	2011-12 Budget		Ending Balance
<u>Limited Tax General Obligation Debt</u>								
1989 City Hall Remodel	213	\$186,876	\$17,264	\$8,217	\$25,481	\$50,965	50.0%	\$151,561
1994 P WTF 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
<u>Revenue Debt</u>								
2006 P WTF Sewer Facility Plan*	401	\$41,000	\$20,500	\$0	\$20,500	\$41,000	50.0%	\$0
2000 CERB Fifth Street Sewer Extension	401	\$50,000	\$5,000	\$2,000	\$7,000	\$13,800	50.7%	\$40,000
Subtotal, Revenue		\$91,000	\$25,500	\$2,000	\$27,500	\$54,800	46.5%	\$40,000
Total Debt, All Sources and Uses		\$409,971	\$75,788	\$11,538	\$87,326	\$176,110	43.0%	\$257,606

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