



2013-14 Quarterly Financial Report

“Third” Quarter 2013 January through September

The City of Hoquiam, Washington

609 8th Street

Hoquiam, Washington

360-532-5700

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TABLE OF CONTENTS

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

CITY OF HOQUIAM

Third Quarter Financial Report - January through September 2013

EXECUTIVE SUMMARY

This document provides a detailed review of City financial activity for the first nine months of 2013-14. 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 37.7% 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 two (2) funds showing higher than expected expenditures.

The General Fund is 43.5% spent to date due to the payment of the Aerial Fire Truck in full in May. The City elected to pre-pay for the Fire Truck as it saved approximately \$16,000. The General Fund will be paid back when the fire truck is delivered in October.

The Arterial Street Fund is over 37.5% expended because it paid off an interfund loan taken out at the end of 2012. The interfund loan was taken out to avoid a negative fund balance at the end of the year while awaiting grant funds from the Transportation Improvement Board.

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
2013 3RD QUARTER FINANCIAL REPORT

<u>OPERATING FUNDS</u>	<u>No.</u>	<u>2013</u> <u>Q3 YTD</u>	<u>2011</u> <u>Q3 YTD</u>	<u>Increase</u> <u>(Decrease)</u>	<u>% Increase</u> <u>(Decrease)</u>	<u>2013-14</u> <u>Budget</u>	<u>% to</u> <u>Budget</u>
General Fund	001	\$6,554,084	\$4,669,988	\$1,884,096	40.3%	\$15,078,865	43.5%
Cemetery	101	\$96,630	\$135,638	-\$39,008	-28.8%	\$341,485	28.3%
Mausoleum	102	\$3,599	\$10,187	-\$6,589	-64.7%	\$29,000	12.4%
Cemetery Equipment Reserve	103	\$0	\$0	\$0	-	\$0	-
Cemetery Preneed	104	\$4,250	\$27,322	-\$23,072	-84.4%	\$20,000	21.3%
Parks Special Programs	105	\$0	\$0	\$0	-	\$0	-
Street Fund	106	\$254,071	\$290,711	-\$36,641	-12.6%	\$808,385	31.4%
Arterial Street Fund	107	\$144,366	\$48,810	\$95,556	195.8%	\$258,175	55.9%
Ambulance	109	\$1,432,819	\$1,441,455	-\$8,636	-0.6%	\$3,844,430	37.3%
Stadium/Tourism	112	\$0	\$12,796	-\$12,796	-100.0%	\$0	-
Comm. Devel. Repay	130	\$7,318	\$125,507	-\$118,189	-94.2%	\$55,315	13.2%
Water	401-25	\$1,445,937	\$1,314,436	\$131,501	10.0%	\$4,074,525	35.5%
Sewer	401-26	\$994,395	\$1,113,227	-\$118,833	-10.7%	\$2,631,180	37.8%
Storm	401-27	\$245,614	\$248,871	-\$3,258	-1.3%	\$771,000	31.9%
Watershed	402	\$502,667	\$434,905	\$67,763	15.6%	\$2,740,950	18.3%
Landfill Postclosure	417	\$16,095	\$18,198	-\$2,104	-11.6%	\$58,850	27.3%
Equipment Rental	501	\$271,336	\$273,541	-\$2,205	-0.8%	\$882,470	30.7%
Equipment Rental Reserve	505	\$29,934	\$26,301	\$3,633	13.8%	\$204,635	14.6%
Medical/Dental Benefits	520	\$57,716	\$73,600	-\$15,884	-21.6%	\$186,000	31.0%
Unemployment Fund	522	\$18,132	\$12,012	\$6,120	51.0%	\$0	-
Cemetery Endowment	602	\$0	\$0	\$0	-	\$91,785	0.0%
Police & Fire Retiree	611	\$498,579	\$468,451	\$30,128	6.4%	\$1,312,000	38.0%
Library Memorial	625	\$0	\$0	\$0	-	\$0	-
<u>Parks Endowment</u>	<u>627</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>-</u>	<u>\$0</u>	<u>-</u>
TOTAL OPERATING FUNDS		\$12,577,539	\$10,745,957	\$1,831,582	17.0%	\$33,389,050	37.7%
 <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	\$185,435	\$373,659	-\$188,224	-50.4%	\$82,000	226.1%
Train Station	308	\$0	\$0	\$0	-	\$0	-
Water Capital Projects	401-25	\$733,278	\$221,073	\$512,205	231.7%	\$10,619,525	6.9%
Sewer Capital Projects	401-26	\$202,976	\$60,035	\$142,940	238.1%	\$628,570	32.3%
<u>Storm Drain Capital Projects</u>	<u>401-27</u>	<u>\$0</u>	<u>\$48,642</u>	<u>-\$48,642</u>	<u>-100.0%</u>	<u>\$125,000</u>	<u>0.0%</u>
TOTAL CAPITAL IMPROVEMENT FUNDS		\$1,121,688	\$703,409	\$418,279	59.5%	\$11,818,850	9.5%
TOTAL DEBT SERVICE FUNDS		\$108,390	\$87,326	\$21,064	24.1%	\$286,759	37.8%
TOTAL ALL FUNDS		\$13,807,618	\$11,536,692	\$2,270,925	19.7%	\$45,494,659	30.3%

General Fund

Overview:

The following four pages summarize all 2013-14 General Fund projected revenues, appropriations, and expenditures by department through September.

For 2013-14, total revenues and transfers in are budgeted at \$14,600,300, while appropriations and transfers out are adopted at \$15,078,865, creating an ending balance of \$1,159,965.

Biennial operating budget appropriations of \$13,137,500 represent a 10% decrease over comparable 2011-12 levels. This increase can be explained the addition of the Corrections Department, the Spray Park and the new aerial ladder truck. Without these additions it would actually only be a 1% increase.

Transfers to other funds total \$1,941,365, 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 31% 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 are down slightly from 2011-12 and are at 33.6% of budget. Economic activity has slowed nationwide due to the global recession. B&O taxes are down 0.8% from comparable 2011-12 levels and are at 35.3% of budget. Utility Taxes are down 4.5% from comparable 2011-12 levels.

Licenses and Permits are at 32.5% of budget through September. Revenue from building permits is \$17,815 or 41% lower than comparable 2011-12 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 18.6% of budget through the third quarter. Grants received by the Fire Department and 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 30.1% 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

2013 3RD QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2013 <u>Q3 YTD</u>	2011 <u>Q3 YTD</u>	Increase <u>(Decrease)</u>	% Increase <u>(Decrease)</u>	2013-14 <u>Budget</u>	% to <u>Budget</u>
Beginning Fund Balance	\$1,642,683	\$2,298,240			\$1,638,530	
Taxes	\$3,098,840	\$3,260,785	-\$161,945	-5.0%	9,985,610	31.0%
Licenses and Permits	\$304,065	\$271,145	\$32,920	12.1%	\$936,890	32.5%
Intergovernmental Revenue	\$315,130	\$300,981	\$14,149	4.7%	\$1,693,955	18.6%
Charges for Services	\$148,332	\$63,506	\$84,826	133.6%	\$805,125	18.4%
Fines and Forfeits	\$116,463	\$154,249	-\$37,785	-24.5%	\$387,000	30.1%
<u>Miscellaneous Revenue</u>	<u>\$205,323</u>	<u>\$253,106</u>	<u>-\$47,783</u>	<u>-18.9%</u>	<u>\$680,375</u>	<u>30.2%</u>
TOTAL GENERAL FUND	\$4,188,153	\$4,303,772	-\$115,619	-2.7%	\$14,488,955	28.9%
<u>OTHER REVENUES & TRANSFERS IN</u>						
Proceeds from Property Sale	\$0	\$7,011	-\$7,011	-100.0%	\$0	-
Residual Equity Transfer In	\$0	\$0	\$0	100.0%	\$0	-
Insurance Recoveries	\$0	\$0	\$0	100.0%	\$0	-
Trf In - Ambulance (E911)	10,620	10,500	\$120	1.1%	\$28,320	37.5%
Trf In - Gen. Capital	\$0	\$0	\$0	100.0%	\$83,025	0.0%
Trf In - Parks Endowment (Gable Park	\$0	\$0	\$0	100.0%	\$0	-
Trf In - Parks Endowment (Equipment	\$0	\$0	\$0	100.0%	\$0	-
<u>Trf In - Parks Special Projects</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>100.0%</u>	<u>\$0</u>	<u>-</u>
TOTAL OTHER REVENUES	\$10,620	\$17,511	-\$6,891	-39.4%	\$111,345	9.5%
TOTAL GEN FUND REVENUES	\$4,198,773	\$4,321,283	-\$122,510	-2.8%	\$14,600,300	28.8%
GRAND TOTAL GENERAL FUND	\$5,841,456	\$6,619,523			\$16,238,830	

General Fund Appropriations:

Adopted appropriations and required transfers are budgeted at \$15,078,865. This is a large increase from 2011-12 levels due the addition of the Corrections Department, the purchase of a new Aerial Ladder Truck and the Spray Park Project. Of this total, the adjacent page summarizes budgeted operating appropriations of \$13,137,500 and transfers out of \$1,941,365.

Through September, operating expenditures total 44.8% of appropriations, above anticipated spending levels for the first nine months of the biennium. This is due to the pre-payment of the Aerial Ladder Truck.

Three departments are above year to date targets for the 3rd quarters. The City Hall & Buildings Fund is high due to the purchase of a new backup storage device, the Community Services Department is high due to grant expenditures for the Waterfront Boating Facility and the Economic Development Department is high because of membership payments that were paid 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 \$1,941,365 in transfers to other funds. These transfers include:

Street: Biennial support level totals \$562,900. To date this category is \$163,350 or 29% 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 \$1,273,000 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 \$477,000 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>	<u>2013</u> <u>Q3 YTD</u>	<u>2011</u> <u>Q3 YTD</u>	<u>Increase</u> <u>(Decrease)</u>	<u>% Increase</u> <u>(Decrease)</u>	<u>2013-14</u> <u>Budget</u>	<u>% to</u> <u>Budget</u>
Legislative/Council	\$116,556	\$124,428	-\$7,872	-6.3%	\$301,475	38.7%
Municipal Court	\$149,934	\$130,144	\$19,790	15.2%	\$390,410	38.4%
Finance	\$201,105	\$188,654	\$12,451	6.6%	\$551,425	36.5%
Legal	\$124,223	\$110,577	\$13,646	12.3%	\$334,575	37.1%
Civil Service	\$3,011	\$2,300	\$711	30.9%	\$6,500	46.3%
City Hall & Buildings	\$102,672	\$100,876	\$1,796	1.8%	\$183,980	55.8%
Electrical	\$135,813	\$136,232	-\$418	-0.3%	\$418,030	32.5%
Police	\$1,721,937	\$1,675,675	\$46,262	2.8%	\$4,618,645	37.3%
Fire	\$827,899	\$683,884	\$144,014	21.1%	\$2,861,335	28.9%
Animal Control	\$62,239	\$59,405	\$2,834	4.8%	\$170,340	36.5%
Public Works	\$227,807	\$229,946	-\$2,138	-0.9%	\$647,450	35.2%
Corrections	\$341,464	\$0	\$341,464	100.0%	\$1,005,955	33.9%
Police Special Funds (DTF)	\$109,747	\$113,348	-\$3,601	-3.2%	\$350,650	31.3%
Library	\$34,701	\$119,183	-\$84,482	-70.9%	\$177,160	19.6%
Community Services	\$376,811	\$320,133	\$56,678	17.7%	\$785,535	48.0%
Economic Development	\$25,351	\$24,444	\$907	3.7%	\$42,355	59.9%
Spray Park	\$113,861	\$0	\$113,861	100.0%	\$92,680	122.9%
Ladder Truck	\$1,142,267	\$0	\$1,142,267	100.0%	\$0	-
911 Program	\$70,854	\$52,279	\$18,576	35.5%	\$199,000	35.6%
TOTAL OPERATING EXPENSES	\$5,888,253	\$4,071,507	\$1,816,746	44.6%	\$13,137,500	44.8%

TRANSFERS OUT

Trf Out - Cemetery #101		\$0	\$0	-	\$0	-
Trf Out - Street #106	\$163,350	\$164,000	-\$650	-0.4%	\$562,900	29.0%
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 - Sidewalks #302	\$0	\$0	\$0	-	\$54,500	0.0%
Trf Out - Unemployment #522	\$0	\$0	\$0	-	\$0	-
Trf Out - Pol/Fire Pensions #611	\$477,000	\$409,000	\$68,000	16.6%	\$1,273,000	37.5%
Trf Out - Reserve Funds	\$0	\$0	\$0	-	\$0	-
TOTAL TRANSFERS OUT	\$665,831	\$598,481	\$67,350	11.3%	\$1,941,365	34.3%

GRAND TOTAL GENERAL FUND \$6,554,084 \$4,669,988 \$1,884,096 40.3% \$15,078,865 43.5%

OVER (SHORT) -\$712,628 \$1,949,534 \$1,159,965

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 \$341,185 in total resources and transfers in and total expenditures and transfers out of \$341,485.

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 39.6% of budgeted amounts received as of the third quarter. Furthermore, as of the end of September, only 6% 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 Cemetery Endowment Fund of \$91,785 which has not been made as of September.

Appropriations:

There are 0.85 FTE's dedicated to operations and maintenance activities and 0.45 FTE's dedicated for administrative and clerical duties at the Cemetery. Through September, the Cemetery fund has expended \$96,630 or 28.3% 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****2013 3RD QUARTER FINANCIAL REPORT**

<u>REVENUES</u>	2013 Q3 YTD	2011 Q3 YTD	Increase (Decrease)	% Increase (Decrease)	2013-14 Budget	% to Budget
Beginning Fund Balance	\$0	\$0			\$0	
Retail Sales	\$0	\$0	\$0	-	\$0	-
Cemetery Fees	\$66,953	\$65,534	\$1,419	2.2%	\$169,000	39.6%
Investment Interest	\$1,384	\$8,410	-\$7,026	-83.5%	\$17,935	7.7%
Land Lease (Cell Tower)	\$7,589	\$8,538	-\$949	-11.1%	\$22,765	33.3%
Housing Rentals	\$0	\$3,600	-\$3,600	-100.0%	\$0	-
Donations	\$0	\$0	\$0	-	\$0	-
<u>Other Miscellaneous</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>-</u>	<u>\$0</u>	<u>-</u>
TOTAL CEMETERY FUND	\$75,927	\$86,082	-\$10,155	-11.8%	\$209,700	36.2%
<u>OTHER REVENUES & TRANSFERS IN</u>						
Trf In - Cem Equip Res #103	\$0	\$0	\$0	-	\$0	-
Trf In - Cemetery Endowment #602	\$0	\$0	\$0	-	\$91,785	0.0%
Trf In - Mausoleum #102	\$3,599	\$6,246	-\$2,647	-42.4%	\$20,000	18.0%
Trf In - Cem Preneed #104	\$4,250	\$27,322	-\$23,072	-84.4%	\$20,000	21.3%
<u>Trf In - General Fund #001</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>-</u>	<u>\$0</u>	<u>-</u>
TOTAL OTHER REVENUES	\$7,849	\$33,567	-\$25,719	-76.6%	\$131,785	6.0%
TOTAL CEMETERY REVENUES	\$83,775	\$119,649	-\$35,874	-30.0%	\$341,485	24.5%
GRAND TOTAL CEMETERY FUND	\$83,775	\$119,649			\$341,485	
<u>APPROPRIATIONS</u>						
Cemetery Operations	\$91,644	\$129,219	-\$37,576	-29.1%	\$325,485	28.2%
Equipment Rental	\$3,327	\$2,986	\$341	11.4%	\$14,000	23.8%
Road Paving Debt Service	\$0	\$0	\$0	-	\$0	-
Land	\$970	\$0	\$970	-	\$0	-
Capital	\$0	\$2,827	-\$2,827	-100.0%	\$0	-
Trf Out - Equipment Reserve #505	<u>\$689</u>	<u>\$606</u>	<u>\$83</u>	<u>13.6%</u>	<u>\$2,000</u>	<u>34.5%</u>
CEMETERY FUND APPROPRIATIONS	\$96,630	\$135,638	-\$39,008	-28.8%	\$341,485	28.3%
OVER (SHORT)	-\$12,854	-\$15,989			\$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 \$193,000 cash balance. The budget provides for \$17,870 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, \$8,066 or 45.1%, 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, \$3,599 or only 12.4% of appropriated expenditures had been made.

MAUSOLEUM FUND #102
CITY OF HOQUIAM
2013 3RD QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2013 <u>Q3 YTD</u>	2011 <u>Q3 YTD</u>	Increase <u>(Decrease)</u>	% Increase <u>(Decrease)</u>	2013-14 <u>Budget</u>	% to <u>Budget</u>
Beginning Fund Balance	\$196,784	\$151,582			\$193,000	
Cemetery Fees	\$7,817	\$11,633	-\$3,816	-32.8%	\$17,120	45.7%
Investment Interest	\$250	\$4,984	-\$4,734	-95.0%	\$750	33.3%
<u>Interest on Contracts</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	-	<u>\$0</u>	-
TOTAL MAUSOLEUM FUND	\$8,066	\$16,616	-\$8,550	-51.5%	\$17,870	45.1%
<u>OTHER REVENUES & TRANSFERS IN</u>						
<u>Interfund Loan - Cemetery #101</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	-	<u>\$0</u>	-
TOTAL OTHER REVENUES	\$0	\$0	\$0	-	\$0	-
TOTAL MAUSOLEUM REVENUES	\$8,066	\$16,616	-\$8,550	-51.5%	\$17,870	45.1%
GRAND TOTAL MAUSOLEUM FUND	\$204,850	\$168,198			\$210,870	
<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>\$3,599</u>	<u>\$5,217</u>	<u>-\$1,619</u>	<u>-31.0%</u>	<u>\$20,000</u>	<u>18.0%</u>
MAUSOLEUM FUND APPROPRIATIONS	\$3,599	\$10,187	-\$6,589	-64.7%	\$29,000	12.4%
OVER (SHORT)	\$201,251	\$158,011			\$181,870	

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 36.9% 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, an increase in gasoline prices does not result in a corresponding increase in gas tax revenue.

General Fund revenues transferred to this fund are \$163,350, or 29% of budget. Additional transfers will be made to this fund as activity increases.

Appropriations:

Overall, the Street Fund expended 31.4% or \$254,071 of its \$808,385 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
2013 3RD QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2013 <u>Q3 YTD</u>	2011 <u>Q3 YTD</u>	Increase <u>(Decrease)</u>	% Increase <u>(Decrease)</u>	2013-14 <u>Budget</u>	% to <u>Budget</u>
Beginning Fund Balance	\$0	\$0			\$0	
Other Miscellaneous	\$0	\$268	-\$268	-100.0%	\$0	-
Street & Curb Permits	\$1,200	\$1,011	\$190	18.8%	\$2,390	50.2%
Gas Tax	\$89,800	\$92,161	-\$2,361	-2.6%	\$243,095	36.9%
Trf In - General Fund #001	\$163,350	\$164,000	-\$650	-0.4%	\$562,900	29.0%
<u>Trf In - Arterial Street #107</u>	<u>\$0</u>	<u>\$14,250</u>	<u>-\$14,250</u>	<u>-100.0%</u>	<u>\$0</u>	<u>-</u>
TOTAL STREET FUND	\$254,350	\$271,690	-\$3,090	-6.4%	\$808,385	31.5%
GRAND TOTAL STREET FUND	\$254,350	\$271,690			\$808,385	
<u>APPROPRIATIONS</u>						
Executive Services	\$19,770	\$18,093	\$1,678	9.3%	\$53,350	37.1%
Roadway Services	\$175,300	\$193,905	-\$18,604	-9.6%	\$576,500	30.4%
Traffic Control Devices	\$8,756	\$11,317	-\$2,561	-22.6%	\$22,600	38.7%
Ancillary Operations	\$41,048	\$58,901	-\$17,853	-30.3%	\$130,900	31.4%
General Administration	\$8,748	\$8,036	\$712	8.9%	\$23,820	36.7%
Capital	\$0	\$0	\$0	-	\$0	-
Trf Out - Unemployment #522	\$0	\$0	\$0	-	\$0	-
<u>Trf Out - Paths & Trails #108</u>	<u>\$449</u>	<u>\$461</u>	<u>-\$12</u>	<u>-2.6%</u>	<u>\$1,215</u>	<u>37.0%</u>
STREET FUND APPROPRIATIONS	\$254,071	\$290,711	-\$36,641	-12.6%	\$808,385	31.4%
OVER (SHORT)	\$280	-\$19,022			\$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 36.9% 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 \$258,175. Through September, actual expenditures and transfers out were \$144,366.

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 the Sidewalk Fund is included in the amount of \$81,500.

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ARTERIAL STREET FUND #107

CITY OF HOQUIAM

2013 3RD QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2013 <u>Q3 YTD</u>	2011 <u>Q3 YTD</u>	Increase <u>(Decrease)</u>	% Increase <u>(Decrease)</u>	2013-14 <u>Budget</u>	% to <u>Budget</u>
Beginning Fund Balance	\$0	\$0			\$0	
TIB Funds for 16th Street Paving	\$206,816	0	\$206,816	-	\$206,815	100.0%
Gas Tax	\$41,988	\$43,092	-\$1,104	-2.6%	\$113,665	36.9%
<u>Investment Interest</u>	<u>\$109</u>	<u>\$98</u>	<u>\$12</u>	<u>11.9%</u>	<u>\$100</u>	<u>109.5%</u>
TOTAL ARTERIAL STREET FUND	\$248,913	\$43,189	\$205,724	476.3%	\$320,580	77.6%
GRAND TOTAL ART. STREET FUND	\$248,913	\$43,189			\$320,580	
<u>APPROPRIATIONS</u>						
Debt Service	\$142,748	\$34,345	\$108,403	315.6%	\$176,105	81.1%
Overlay Projects	\$1,618	\$0	\$1,618	-	\$0	-
Trf Out - Streets #106	\$0	\$14,250	-\$14,250	-100.0%	\$0	-
Trf Out - Paths & Trails #108	\$0	\$215	-\$215	-100.0%	\$570	0.0%
<u>Trf Out - Sidewalk Construction #302</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>-</u>	<u>\$81,500</u>	<u>0.0%</u>
ART. STREET FUND APPROPRIATIONS	\$144,366	\$48,810	\$95,556	195.8%	\$258,175	55.9%
OVER (SHORT)	\$104,547	-\$5,621			\$62,405	

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 \$466,370 over the biennium. Through September, the City had received \$112,989 with another major distribution expected to occur in November from the County Auditor's office.
- Ambulance fees are projected at \$2,110,000. Through September, the City has collected \$700,363, or 33.2% of Budget. This activity is \$26,634 or 3.7% less than the 2011-12 activity through September. However, delays in processing payments at Medicare are to blame or this line item should be right on budget.
- Ambulance utility charges are budgeted to bring in \$1,107,000. As of September, \$402,559 or 36.4% of these charges have been received. This revenue source is 0.3% higher than comparable 2011-12 levels.

Appropriations and Transfers Out:

Through September, the Ambulance Fund has spent 37.5% of its annual operating budget appropriations of \$3,648,610. This activity is right on target, and Finance will coordinate with Emergency Care Administration to monitor monthly activity to ensure that overall budget targets are continued to be adhered to.

Other appropriations include:

- A \$10,620 transfer to the General Fund to pay the Ambulance Fund's portion of the annual E911 contribution.
- Capital projects to purchase new heart monitoring equipment.
- A \$25,388 transfer to Equipment Rental for vehicle repairs.
- \$28,125 in transfers to the Equipment Reserve Fund for future ambulance purchases.

AMBULANCE FUND #109
CITY OF HOQUIAM
2013 3RD QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2013 Q3 YTD	2011 Q3 YTD	Increase (Decrease)	% Increase (Decrease)	2013-14 Budget	% to Budget
Beginning Fund Balance	\$25,941	\$40,660			\$25,940	
EMS Levy	\$112,989	\$129,197	-\$16,207	-12.5%	\$466,370	24.2%
St. Health Grant	\$1,208	\$1,738	-\$530	-30.5%	\$0	-
GH Transit Grant	\$0	\$835	-\$835	-100.0%	\$0	-
SAFER Grant	\$8,669	\$0	\$8,669	-	\$0	-
Ambulance Fees	\$700,363	\$726,997	-\$26,634	-3.7%	\$2,110,000	33.2%
Miscellaneous	\$4,540	\$2,393	\$2,147	89.7%	\$2,000	227.0%
Ambulance Utility Charges	\$402,559	\$401,248	\$1,310	0.3%	\$1,107,000	36.4%
Amb Utility Collection Accts	\$13	\$2	\$11	525.9%	\$0	-
<u>Fire District EMS Fees</u>	<u>\$97,078</u>	<u>\$59,185</u>	<u>\$37,893</u>	<u>64.0%</u>	<u>\$156,000</u>	<u>62.2%</u>
TOTAL AMBULANCE FUND	\$1,327,419	\$1,321,596	\$5,823	0.4%	\$3,841,370	34.6%
<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	\$1,327,419	\$1,321,596	\$5,823	0.4%	\$3,841,370	34.6%
GRAND TOTAL AMBULANCE FUND	\$1,353,360	\$1,362,256			\$3,867,310	
<u>APPROPRIATIONS</u>						
Ambulance Operations	\$1,368,686	\$1,388,729	-\$20,042	-1.4%	\$3,648,610	37.5%
Capital	\$0	\$0	\$0	-	\$21,000	0.0%
Debt Service	\$0	\$0	\$0	-	\$0	-
Trf Out - General Fund #001 (E911)	\$10,620	\$10,500	\$120	1.1%	\$28,320	37.5%
Trf Out - Equipment Rental #501	\$25,388	\$23,476	\$1,912	8.1%	\$71,500	35.5%
<u>Trf Out - Equipment Reserve #505</u>	<u>\$28,125</u>	<u>\$18,750</u>	<u>\$9,375</u>	<u>50.0%</u>	<u>\$75,000</u>	<u>37.5%</u>
AMBULANCE FUND APPROPRIATION:	\$1,432,819	\$1,441,455	-\$8,636	-0.6%	\$3,844,430	37.3%
OVER (SHORT)	-\$79,459	-\$79,199			\$22,880	

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 \$8,843 are \$145 or 1.6% less than 2011-12 levels.

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 had not expended any funds. 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

2013 3RD QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2013 <u>Q3 YTD</u>	2011 <u>Q3 YTD</u>	Increase <u>(Decrease)</u>	% Increase <u>(Decrease)</u>	2013-14 <u>Budget</u>	% to <u>Budget</u>
Beginning Fund Balance	\$20,271	\$21,362			\$0	
Hotel-Motel Tax	\$8,815	\$8,964	-\$148	-1.7%	\$0	-
<u>Investment Interest</u>	<u>\$27</u>	<u>\$24</u>	<u>\$3</u>	<u>12.5%</u>	<u>\$0</u>	<u>-</u>
TOTAL STADIUM/TOURISM FUND	\$8,843	\$8,988	-\$145	-1.6%	\$0	-
GRAND TOTAL STADIUM/TOURISM	\$29,114	\$30,350			\$0	
<u>APPROPRIATIONS</u>						
Advertising	\$0	\$0	\$0	-	\$0	-
Loggers Playday	\$0	\$0	\$0	-	\$0	-
7th Street Theatre	\$0	\$0	\$0	-	\$0	-
Community Events	\$0	\$0	\$0	-	\$0	-
Other Miscellaneous Uses	\$0	\$12,796	\$1	-100.0%	\$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	\$12,796	-\$12,796	-100.0%	\$0	-
OVER (SHORT)	\$29,114	\$17,554			\$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 2013 with a budgeted \$139,280 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 \$4,000 while revenues of \$32,092 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 \$55,315 and include funds necessary for the possible abatement of dangerous structures. Through September, \$7,318 or 13.2% of this budget have been expended. This activity is within expected levels.

COMMUNITY DEVELOPMENT REPAY FUND #130

CITY OF HOQUIAM

2013 3RD QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2013 Q3 YTD	2011 Q3 YTD	Increase (Decrease)	% Increase (Decrease)	2013-14 Budget	% to Budget
Beginning Fund Balance	\$139,281	\$130,965			\$139,280	
GH County Waste Abatement Grant	\$0	\$0	\$0	-	\$0	-
CERB Neighborhood Stabil. Grant	\$0	\$110,489	-\$110,489	-100.0%	\$0	-
Miscellaneous Cleanup Fees	\$216	\$0	\$216	-	\$0	-
Abatement Fees	\$1,046	\$0	\$1,046	-	\$4,000	26.2%
<u>Contract Payments</u>	<u>\$30,830</u>	<u>\$763</u>	<u>\$30,068</u>	<u>3943.0%</u>	<u>\$0</u>	<u>-</u>
TOTAL COMM. DEVEL. REPAY FUND	\$32,092	\$111,251	-\$79,159	-71.2%	\$4,000	802.3%
GRAND TOTAL COMM. DEVEL. REPAY	\$171,373	\$242,216			\$143,280	
<u>APPROPRIATIONS</u>						
Miscellaneous	\$216	\$0	\$216	-	\$1,000	21.6%
Cleanup Activities	\$0	\$0	\$0	-	\$0	-
Abate Nuisances	\$7,102	\$14,100	-\$6,998	-49.6%	\$50,000	14.2%
GH Co. Waste Abatement Grant	\$0	\$1,525	-\$1,525	-100.0%	\$4,315	0.0%
Purchase/Rehab Homes	\$0	\$8,492	-\$8,492	-100.0%	\$0	-
Neighborhood Stabilization Grant	\$0	\$101,389	-\$101,389	-100.0%	\$0	-
<u>Trf Out - General Fund #001</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>-</u>	<u>\$0</u>	<u>-</u>
COMM. DEVEL. REPAY FUND	\$7,318	\$125,507	-\$118,189	-94.2%	\$55,315	13.2%
OVER (SHORT)	\$164,056	\$116,709			\$87,965	

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 \$19,943,360 primarily from usage charges and watershed transfers but also from loans and grants. Fees received from late penalties and shut-offs are also deposited into this fund.

Through September water sales of \$927,199 or 25.3% of budgeted metered water revenues of \$3,664,000 were collected. This is 2.4% lower than 2011-12 representing a significant 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 36.9%, or \$1,195,056 of its budgeted \$3,243,000 sewer service revenue. This is 2.6% higher than the 2011-12 year to date.

Storm Drain rate revenues through September are at 25.1%, or \$179,703 of the budgeted amount of \$715,000. 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.

The last major revenue source to this fund comes from a transfer in from the Watershed Fund. Through September, \$376,059 or 19.1% of budgeted amounts of \$1,973,050 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.

WATER,SEWER AND STORM FUND #401

CITY OF HOQUIAM

2013 3RD QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2013 Q3 YTD	2011 Q3 YTD	Increase (Decrease)	% Increase (Decrease)	2013-14 Budget	% to Budget
Beginning Fund Balance	\$844,726	\$710,850			\$844,725	
Water Sales	\$927,199	\$950,371	-\$23,172	-2.4%	\$3,664,000	25.3%
Sewer Service	\$1,195,056	\$1,164,478	\$30,579	2.6%	\$3,243,000	36.9%
Storm Drainage	\$179,703	\$173,909	\$5,793	3.3%	\$715,000	25.1%
Charges for Miscellaneous Service	\$11,230	\$13,875	-\$2,644	-19.1%	\$32,000	35.1%
Investment Interest	\$8,088	\$14,903	-\$6,816	-45.7%	\$30,000	27.0%
Grants & Loans	\$621,340	\$39,731	\$581,609	1463.9%	\$10,218,000	6.1%
<u>Other Miscellaneous</u>	<u>\$6,002</u>	<u>\$5,832</u>	<u>\$170</u>	<u>2.9%</u>	<u>\$21,000</u>	<u>28.6%</u>
TOTAL SERVICE REVENUES	\$2,948,618	\$2,363,099	\$585,519	24.8%	\$17,923,000	16.5%
<u>OTHER REVENUES & TRANSFERS IN</u>						
Trf In - Watershed #402	\$376,059	\$364,434	\$11,625	3.2%	\$1,973,050	19.1%
Trf In - Transmission Line #406	\$0	\$0	\$0	-	\$47,310	0.0%
TOTAL OTHER REVENUES	\$376,059	\$364,434	\$11,625	3.2%	\$2,020,360	18.6%
TOTAL FUND REVENUES	\$3,324,677	\$2,727,533	\$597,144	21.9%	\$19,943,360	16.7%
GRAND TOTAL FUND RESOURCES	\$4,169,403	\$3,438,383			\$20,788,085	
<u>APPROPRIATIONS</u>						
Water Operations	\$1,363,240	\$1,247,738	\$115,502	9.3%	\$3,852,325	35.4%
Sewer Operations	\$942,989	\$1,029,396	-\$86,407	-8.4%	\$2,522,020	37.4%
<u>Storm Drain Operations</u>	<u>\$230,241</u>	<u>\$233,766</u>	<u>-\$3,525</u>	<u>-1.5%</u>	<u>\$731,790</u>	<u>31.5%</u>
TOTAL WATERWORKS OPERATIONS	\$2,536,470	\$2,510,900	\$25,569	1.0%	\$7,106,135	35.7%
Water Capital	\$733,278	\$221,073	\$512,205	231.7%	\$10,619,525	6.9%
Sewer Capital	\$202,976	\$60,035	\$142,940	238.1%	\$628,570	32.3%
<u>Storm Drain Capital</u>	<u>\$0</u>	<u>\$48,642</u>	<u>-\$48,642</u>	<u>-100.0%</u>	<u>\$125,000</u>	<u>0.0%</u>
TOTAL WATERWORKS CAPITAL	\$936,254	\$329,750	\$606,503	183.9%	\$11,373,095	8.2%
Water Debt Service	\$626	\$0	\$626	-	\$0	-
<u>Sewer Debt Service</u>	<u>\$6,600</u>	<u>\$27,500</u>	<u>-\$20,900</u>	<u>-76.0%</u>	<u>\$55,930</u>	<u>11.8%</u>
TOTAL WATERWORKS DEBT	\$7,226	\$27,500	-\$20,274	-73.7%	\$55,930	12.9%
Trf Out - PWTF Reserve	\$0	\$0	\$0	-	\$113,000	0.0%
Trf Out - USDA Loan Repayment	\$203,580	\$225,000	-\$21,420	-9.5%	\$542,890	37.5%
Trf Out - USDA Loan Reserve	\$0	\$0	\$0	-	\$0	-
Trf Out - Force Main Debt	\$0	\$0	\$0	-	\$271,880	0.0%
Trf Out - Water Eq Rental #501	\$43,822	\$39,856	\$3,966	9.9%	\$120,200	36.5%
Trf Out - Sewer Eq Rental #501	\$22,305	\$20,774	\$1,532	7.4%	\$49,160	45.4%
Trf Out - Storm Eq Rental #501	\$7,876	\$10,107	-\$2,231	-22.1%	\$19,210	41.0%
Trf Out - Water Eq Reserve #505	\$38,250	\$26,842	\$11,408	42.5%	\$102,000	37.5%
Trf Out - Sewer Eq Reserve #505	\$22,500	\$35,557	-\$13,057	-36.7%	\$60,000	37.5%
Trf Out - Storm Eq Reserve #505	\$7,497	\$4,998	\$2,499	50.0%	\$20,000	37.5%
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	\$345,830	\$363,134	-\$17,304	-4.8%	\$1,298,340	26.6%
GRAND TOTAL FUND	\$3,825,779	\$3,231,285	\$594,494	18.4%	\$19,833,500	19.3%
OVER (SHORT)	\$343,624	\$207,098			\$954,585	

Appropriations:

For 2013-14, this fund was appropriated to spend \$19,833,500. 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 35.4%, or \$1,363,240 of its \$3,852,325 operating budget, which is within parameters for the third quarter. Water operations are 9.3% higher than comparable 2011-12 levels due to increased purchases of water treatment chemicals and metering inventory.

To date, the Sewer Department has expended 37.4%, or \$942,989 of its \$2,522,020 operating budget. Expenditures are 8.4% lower than in 2011-12. 230,241 constitute 31.5% of total appropriations of \$731,790. 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 26.6%, 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 \$844,725. However, after all operating appropriations and capital expenditures, this fund ends the third quarter with a \$954,585 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 2013 with a \$2,680,290 cash balance.

Revenues:

This fund receives its resources from timber sales. A number of sales have been completed in recent years due to blown down timber from the 2007 Coastal Gale. Additionally, timber sales are estimated to generate \$1,000,000 in 2013-14. However revenues of \$1,185,292 have already been received.

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 \$2,023,050 are budgeted to the Water, Sewer and Storm Fund of which \$435,324 has been transferred as of September 2013. As mentioned above, all transfers of watershed funds go to finance major capital and infrastructure improvements.

WATERSHED FUND #402
CITY OF HOQUIAM
2013 3RD QUARTER FINANCIAL REPORT

<u>REVENUES</u>	<u>2013</u> <u>Q3 YTD</u>	<u>2011</u> <u>Q3 YTD</u>	<u>Increase</u> <u>(Decrease)</u>	<u>% Increase</u> <u>(Decrease)</u>	<u>2013-14</u> <u>Budget</u>	<u>% to</u> <u>Budget</u>
Beginning Fund Balance	\$2,680,288	\$2,048,420			\$2,680,290	
Miscellaneous Revenue	\$0	\$1,504	-\$1,504	-100.0%	\$0	-
<u>Timber Sale Payments</u>	<u>\$1,185,292</u>	<u>\$86,951</u>	<u>\$1,098,342</u>	<u>1263.2%</u>	<u>\$1,000,000</u>	<u>118.5%</u>
TOTAL WATERSHED FUND	\$1,185,292	\$88,455	\$1,096,837	1240.0%	\$1,000,000	118.5%
TOTAL WATERSHED REVENUES	\$1,185,292	\$88,455	\$1,096,837	1240.0%	\$1,000,000	118.5%
GRAND TOTAL WATERSHED FUND	\$3,865,580	\$2,136,875			\$3,680,290	
<u>APPROPRIATIONS</u>						
Watershed Operations	\$49,344	\$61,858	-\$12,514	-20.2%	\$217,900	22.6%
Land	\$18,000	\$0	\$18,000	-	\$0	-
<u>Road Construction</u>	<u>\$0</u>	<u>\$4,537</u>	<u>-\$4,537</u>	<u>-100.0%</u>	<u>\$500,000</u>	<u>0.0%</u>
Total Capital	\$18,000	\$4,537	\$13,463	296.8%	\$500,000	3.6%
Trf Out - Waterworks #401	\$376,059	\$364,434	\$11,625	3.2%	\$1,973,050	19.1%
<u>Trf Out - Trans Line Reserve #404</u>	<u>\$59,265</u>	<u>\$4,076</u>	<u>\$55,189</u>	<u>1354.1%</u>	<u>\$50,000</u>	<u>118.5%</u>
Total Transfers Out	\$435,324	\$368,510	\$66,814	18.1%	\$2,023,050	21.5%
GRAND TOTAL WATERSHED FUND	\$502,667	\$434,905	\$67,763	15.6%	\$2,740,950	18.3%
OVER (SHORT)	\$3,362,913	\$1,701,970			\$939,340	

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 2013 with a \$106,220 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 2013, \$124 or 24.7% of budgeted amounts had been received. Lower short term interest rates in recent years have limited the City's ability to earn additional money on reserve balances.

Appropriations and Transfers out:

This fund is budgeted to spend \$58,850 on postclosure maintenance in 2013-14. As of the third quarter, \$16,095 or 27.3% of anticipated expenditures had been made, primarily on monitoring services. This fund is budgeted to end the biennium with a \$47,870 cash balance.

LANDFILL POSTCLOSURE FUND #417

CITY OF HOQUIAM

2013 3RD QUARTER FINANCIAL REPORT

<u>REVENUES</u>	<u>2013 Q3 YTD</u>	<u>2011 Q3 YTD</u>	<u>Increase (Decrease)</u>	<u>% Increase (Decrease)</u>	<u>2013-14 Budget</u>	<u>% to Budget</u>
Beginning Fund Balance	\$106,218	\$143,815			\$106,220	
Investment Interest	<u>\$124</u>	<u>\$235</u>	<u>-\$111</u>	<u>-47.3%</u>	<u>\$500</u>	<u>24.7%</u>
TOTAL LANDFILL POSTCLOSURE FUND	\$124	\$235	-\$111	-47.3%	\$106,720	0.1%
GRAND TOTAL LANDFILL POSTCLOSURE	\$106,342	\$144,050			\$106,720	0.1%
<u>APPROPRIATIONS</u>						
<u>Landfill Operations</u>	<u>\$16,095</u>	<u>\$18,198</u>	<u>-\$2,104</u>	<u>-11.6%</u>	<u>\$58,850</u>	<u>27.3%</u>
LANDFILL POSTCLOSURE FUND	\$16,095	\$18,198	-\$2,104	-11.6%	\$58,850	27.3%
OVER (SHORT)	\$90,247	\$125,852			\$47,870	

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 internal service fund begins the biennium with a \$0 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 \$717,835 in budgeted revenue, of which 29.9% 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 \$34,780 or 17% of the \$204,635 in vehicle and equipment appropriations.

EQUIPMENT RENTAL RESERVE FUND #505

CITY OF HOQUIAM

2013 3RD QUARTER FINANCIAL REPORT

<u>REVENUES</u>	<u>2013 Q3 YTD</u>	<u>2011 Q3 YTD</u>	<u>Increase (Decrease)</u>	<u>% Increase (Decrease)</u>	<u>2013-14 Budget</u>	<u>% to Budget</u>
Beginning Fund Balance	\$1,535,866	\$1,580,945			\$1,535,865	
Departmental Contributions	\$118,872	\$108,994	\$9,878	9.1%	\$379,490	31.3%
Interfund Loans	\$109,046	\$0	\$109,046	-	\$109,045	100.0%
Proceeds from Sale of Fixed Assets	\$6,310	\$3,000	\$3,310	110.3%	\$0	-
TOTAL EQ RENTAL RES REVENUES	\$234,228	\$111,994	\$122,234	109.1%	\$488,535	47.9%
GRAND TOTAL EQ RENTAL RESERVE	\$1,770,094	\$1,692,939			\$2,024,400	87.4%
<u>APPROPRIATIONS</u>						
Interfund Loan - General Fund #001	\$0	\$0	\$0	-	\$0	-
Trf Out - Equipment Rental #501	\$29,934	\$26,301	\$3,633	13.8%	\$204,635	14.6%
EQ RENTAL RESERVE FUND	\$29,934	\$26,301	\$3,633	13.8%	\$204,635	14.6%
OVER (SHORT)	\$1,740,160	\$1,666,638			\$1,819,765	

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 \$1,535,865 cash balance. The budget provides for \$379,490 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, \$379,490 in transfers are provided by other funds of which \$118,872 or 31.3%, have been made through September.

Appropriations:

Appropriations come in the form of transfers to the Equipment Rental Fund #501. In the 2013-14 budget, \$204,635 was appropriated in transfers of which \$29,934 or 14.6% have been made to date.

EQUIPMENT RENTAL FUND #501

CITY OF HOQUIAM

2013 3RD QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2013 Q3 YTD	2011 Q3 YTD	Increase (Decrease)	% Increase (Decrease)	2013-14 Budget	% to Budget
Beginning Fund Balance	\$0	\$26,760			\$0	
Equipment Maintenance Charges	\$214,301	\$231,530	-\$17,229	-7.4%	\$717,535	29.9%
Interest on Contracts A/R	\$18	\$0	\$18	-	\$0	-
<u>Other Miscellaneous</u>	<u>\$130</u>	<u>\$98</u>	<u>\$32</u>	<u>32.2%</u>	<u>\$300</u>	<u>43.3%</u>
TOTAL EQUIPMENT RENTAL FUND	\$214,449	\$231,628	-\$17,179	-7.4%	\$717,835	29.9%
<u>OTHER REVENUES & TRANSFERS IN</u>						
Trf In - Eq. Rental Reserve #505	\$29,934	\$26,301	\$3,633	13.8%	\$204,635	14.6%
<u>Trf In - Dept. Contributions</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>-</u>	<u>\$0</u>	<u>-</u>
TOTAL OTHER REVENUES	\$29,934	\$26,301	\$3,633	13.8%	\$204,635	14.6%
TOTAL EQUP RENTAL REVENUES	\$244,383	\$257,929	-\$13,546	-5.3%	\$922,470	26.5%
GRAND TOTAL EQUIPMENT RENTAL	\$244,383	\$284,689			\$922,470	
<u>APPROPRIATIONS</u>						
Equipment Rental Operations	\$236,556	\$243,177	-\$6,621	-2.7%	\$677,835	34.9%
<u>Capital</u>	<u>\$34,780</u>	<u>\$30,364</u>	<u>\$4,415</u>	<u>14.5%</u>	<u>\$204,635</u>	<u>17.0%</u>
EQUIPMENT RENTAL FUND APPROP.	\$271,336	\$273,541	-\$2,205	-0.8%	\$882,470	30.7%
OVER (SHORT)	-\$26,953	\$11,148			\$40,000	

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 \$37,910 cash balance. The budget provides for \$189,000 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, \$189,000 in transfers are provided by other funds, of which 32.5% or \$61,472, have been made through September.

Appropriations:

Appropriations to this fund include the City's direct dental premiums which are budgeted in the amount of \$186,000. As of September, the City had already expended \$57,716 or 31% on dental premiums. This is within anticipated amounts for the first three quarters of the biennium.

MEDICAL/DENTAL FUND #520
CITY OF HOQUIAM
2013 3RD QUARTER FINANCIAL REPORT

<u>REVENUES</u>	<u>2013 Q3 YTD</u>	<u>2011 Q3 YTD</u>	<u>Increase (Decrease)</u>	<u>% Increase (Decrease)</u>	<u>2013-14 Budget</u>	<u>% to Budget</u>
Beginning Fund Balance	\$37,911	\$40,575			\$37,910	
Department Contributions	\$61,472	\$60,093	\$1,379	2.3%	\$189,000	32.5%
Cobra Contributions	\$117	\$0	\$117	-	\$0	-
Employee Contributions	\$0	\$0	\$0	-	\$0	-
TOTAL MEDICAL/DENTAL FUND	\$61,589	\$60,093	\$1,496	2.5%	\$189,000	32.6%
GRAND TOTAL MEDICAL/DENTAL FUND	\$99,500	\$100,668			\$226,910	
<u>APPROPRIATIONS</u>						
Medical Premiums	\$0	\$0	\$0	-	\$0	-
Dental - Claims & Admin Fees	\$57,716	\$73,600	-\$15,884	-21.6%	\$186,000	31.0%
MEDICAL/DENTAL FUND APPROPRIATIONS	\$57,716	\$73,600	-\$15,884	-21.6%	\$186,000	31.0%
OVER (SHORT)	\$41,784	\$27,068	\$14,716		\$40,910	

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 \$1,273,000 in budgeted transfers of which \$477,000 or 37.5% has been received.

There is also \$39,000 in Fire Insurance Premium Taxes that are anticipated to be received in 2013-14 to help offset the Fire pension payments. To date, \$21,478 or 55.1% of premium tax revenues have been received in this fund.

Appropriations:

Expenditures for this fund were budgeted at \$1,312,000 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 2013, \$498,579 or 38% of budgeted appropriations had been spent.

POLICE & FIRE RETIREES FUND #611

CITY OF HOQUIAM

2013 3RD QUARTER FINANCIAL REPORT

<u>REVENUES</u>	2013 Q3 YTD	2011 Q3 YTD	Increase (Decrease)	% Increase (Decrease)	2013-14 Budget	% to Budget
Beginning Fund Balance	\$0	\$0			\$0	
Fire Insurance Premium Tax	\$21,478	\$20,356	\$1,121	5.5%	\$39,000	55.1%
Trf In - General Fund #001	<u>\$477,000</u>	<u>\$409,000</u>	<u>\$68,000</u>	<u>16.6%</u>	<u>\$1,273,000</u>	<u>37.5%</u>
TOTAL FUND REVENUES	\$498,478	\$429,356	\$69,121	16.1%	\$1,312,000	38.0%
GRAND TOTAL RETIREE FUND	\$498,478	\$429,356			\$1,312,000	
<u>APPROPRIATIONS</u>						
Police LF 1 Medical Premiums	\$177,075	\$183,599	\$79,447	-3.6%	\$484,000	36.6%
Police LF1 Medical Bills	\$9,164	\$33,352	\$4,515	-72.5%	\$35,000	26.2%
Police LF1 Medicare Premiums	\$7,073	\$2,027	\$4,515	249.0%	\$10,000	70.7%
Police LF 1 Dental Bills	\$1,740	\$473	\$4,516	267.9%	\$4,000	43.5%
Fire LF1 Disability Pyts	\$26,990	\$27,161	\$23,627	-0.6%	\$75,000	36.0%
Fire LF1 Annuity Pyts	\$12,113	\$13,907	\$5,273	-12.9%	\$38,000	31.9%
Fire LF1 Medical Premiums	\$231,013	\$184,449	\$94,978	25.2%	\$596,000	38.8%
Fire LF1 Medical Bills	\$18,786	\$9,225	\$12,458	103.6%	\$30,000	62.6%
Fire LF1 Medicare Premiums	\$10,390	\$10,901	\$3,990	-4.7%	\$30,000	34.6%
<u>Fire LF 1 Dental Bills</u>	<u>\$4,235</u>	<u>\$3,358</u>	<u>\$3,990</u>	<u>26.1%</u>	<u>\$10,000</u>	<u>42.3%</u>
RETIREE FUND APPROPRIATIONS	\$498,579	\$468,451	\$30,128	6.4%	\$1,312,000	38.0%
OVER (SHORT)	-\$101	-\$39,095			\$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, \$197,720. This line item was appropriated to fund improvements to City buildings and parks in 2013-14. There has been \$124,294 spent as of September 2013 primarily on the waterfront boating facility grant.

Sidewalk Construction Fund, \$1,425,465. This line item was appropriated to fund primarily grant funded sidewalk improvements throughout the City. There has been only \$185,435 expended as of September 2013.

Water Capital Projects, \$10,619,525. These items provide appropriation authority for all requested water utility capital improvements for 2013-14. 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 \$733,278 or 6.9% of budget authority.

Sewer Capital Projects, \$736,710. Variable Drive upgrades to sewer pumps are the major projects for 2013-14. As of September, \$271,203 or 36.8% of appropriated expenditures had been made.

CITY OF HOQUIAM
CAPITAL IMPROVEMENT BUDGET
2013 3RD QUARTER FINANCIAL REPORT

CAPITAL PROJECTS	2013 Q3 YTD	2013-14 <u>Budget</u>	% to Budget
#001 - General Fund (Unrestricted Revenues)			
Upgrade Finance Software	\$5,522	\$9,775	25.3%
Library Roof Repairs	\$3,030	\$40,000	7.6%
Street Tree Planting	\$679	\$10,000	0.0%
Waterfront Boating Facility	\$105,614	\$127,945	60.1%
<u>Urban Forestry Action Plan</u>	<u>\$9,450</u>	<u>\$10,000</u>	<u>94.5%</u>
Subtotal, General Fund Projects	\$124,294	\$197,720	62.9%
#102 - Mausoleum			
Handicap Ramp and Railing	\$0	\$8,000	0.0%
#108 - Paths & Trails			
Construction Project	\$0	\$15,435	0.0%
#109 - Ambulance			
Lifepak Monitor Equipment	\$0	\$21,000	0.0%
#302 - Sidewalk Construction			
Construction Projects	\$185,435	\$1,425,465	13.0%
#401-25 Water Department Projects			
Gutters	\$2,275	\$3,500	65.0%
Dam Repairs	\$0	\$188,955	
Transmission Line Repairs	\$0	\$10,000	0.0%
Simpson Ave. Main Repairs	\$22,094	\$30,000	
Rep. College Hill Res. Roof	\$131,073	\$200,000	
Trans. Line Prelim. Design	\$1,139	\$47,310	2.4%
Trans. Line Construction	\$537,885	\$10,000,000	3.6%
Update SCADA System	\$114	\$23,000	0.5%
Rebuild Raw/Finish Pumps	\$80	\$40,000	0.0%
Upgrade Beacon Hill Telemetry	\$14,969	\$9,500	0.0%
Arnold Court Booster Pump	\$6,584	\$10,000	65.1%
Repl College Hill Generator	\$4,016	\$5,500	73.0%
Update Springbrook Meters	\$2,216	\$3,260	25.2%
Meters	\$10,834	\$40,000	18.3%
WTP - Upgrade Air Comp	\$0	\$8,500	0.0%
Subtotal, Water Projects	\$733,278	\$10,619,525	6.9%
#401-26 Sewer Department Projects			
Wastewater Facility Plan	\$68,227	\$108,140	62.3%
Force Main	\$34,564	\$189,810	36.4%
Varidrives	\$149,340	\$210,000	69.4%
Diesel Generator	\$14,164	\$120,000	11.5%
WWTP Mixers	\$0	\$100,000	0.0%
Adams to Lagoon Force Main	\$2,692	\$5,500	48.9%
<u>Upgrade Springbrook</u>	<u>\$2,216</u>	<u>\$3,260</u>	<u>25.2%</u>
Subtotal, Sewer Utility Projects	\$271,203	\$736,710	36.8%
#401-27 - Storm Department Projects			
Pump Replacements	\$0	\$125,000	0.0%
TOTAL CAPITAL PROJECTS	\$1,314,209	\$13,148,855	10.0%

Debt Service Budget Summary

Overview:

The adjacent page provides a summary of the 2013-14 debt service budget of the City. The City began 2013 with a total bonded debt service principal balance including revenue debt of \$7,880,814 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, \$59,165 or 37.1% 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, \$108,390 has been expended in principal and interest payments on revenue debt.

Summary:

Total debt activity through September was \$167,555 or 37.5% of the total debt service budget, due again to payments later in the year on general obligation debt. The City is expected to end 2014 with a bonded debt principal balance of \$7,493,938.

DEBT SERVICE SUMMARY

CITY OF HOQUIAM

2013 3RD QUARTER FINANCIAL REPORT

ISSUE	Fund	2013		2013-14		2013		% to Budget	2014
		Beginning Balance	2013-14 Principal	2013-14 Interest	2013 Q3 BTD	2013-14 Budget	Ending Balance		
Limited Tax General Obligation Debt									
1989 City Hall Remodel	213	\$151,561	\$18,871	\$6,610	\$25,481	\$50,965	50.0%	\$112,961	
1994 PWF Aberdeen Avenue*	107	\$66,050	\$33,024	\$660	\$33,684	\$67,040	50.2%	\$0	
<u>2012 Timberland Regional Library</u>	<u>001</u>	<u>\$161,971</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$41,605</u>	<u>0.0%</u>	<u>\$129,604</u>	
Subtotal, Limited Tax G.O.		\$379,582	\$51,895	\$7,271	\$59,165	\$159,610	37.1%	\$242,565	
<u>Revenue Debt</u>									
2012 USDA Loan - Biosolids	401	\$7,020,402	\$101,790	\$0	\$101,790	\$230,829	44.1%	\$6,789,573	
2013 DOE Loan - WW Facility Plan	401	\$440,831	\$0	\$0	\$0	\$42,930	0.0%	\$431,800	
<u>2000 CERB Fifth Street Sewer Extension</u>	<u>401</u>	<u>\$40,000</u>	<u>\$5,000</u>	<u>\$1,600</u>	<u>\$6,600</u>	<u>\$13,000</u>	<u>50.8%</u>	<u>\$30,000</u>	
Subtotal, Revenue		\$7,501,233	\$106,790	\$1,600	\$108,390	\$286,759	37.8%	\$7,251,373	
Total Debt, All Sources and Uses		\$7,880,814	\$158,685	\$8,871	\$167,555	\$446,369	37.5%	\$7,493,938	

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