

SEQUIM CITY COUNCIL AGENDA COVER SHEET

MEETING DATE: April 22, 2013

FROM: Elray Konkell, Administrative Services Director

EHK
Initials

SUBJECT/ISSUE: 2013 First Quarter Financial Update

Discussion dates			
CATEGORY	<input type="checkbox"/> City Manager Report	<input type="checkbox"/> Information Only	Time Needed for Presentation 10
	<input type="checkbox"/> Public Hearing	<input type="checkbox"/> Consent Agenda	
	<input checked="" type="checkbox"/> Unfinished Business	<input type="checkbox"/> New Business	
Reviewed by		Initials	Date
Steve Burkett, City Manager		SCB	4/17/13
Craig Ritchie, City Attorney			

PROBLEM/ISSUE STATEMENT:

The First Quarter Financial Update provides financial position and results of the City for the first three months of 2013 with explanations of any significant variances from budget. The reports are provided quarterly to inform the City Council and Community as to the progress of the year. It is noted that any reference to prior year fund balances is made subject to audit later in 2013.

LIST OF ATTACHMENTS:

1. [Summary by Fund](#)
2. [Narrative Summary of Funds](#)
3. [March 2013 Revenues and Expenditures all funds](#)
4. [Supporting Data Graphs \(Graph 6, Property Taxes omitted, shown Mid Year and at Year End only\)](#)
5. [2013 Capital Projects](#)

DISCUSSION/ANALYSIS:

The attached information is presented to give the City Council and Community an update of results of operations and financial position at the end of the first three months of 2013. The Budget is adopted at the fund level and is presented accordingly but major variations in revenues and capital projects will be noted.

General Fund Beginning fund balance was \$1.756ml. General Fund first quarter revenues were \$80k more than budgeted while expenditures were \$62k less which is positive. Sales Tax Revenues for the quarter are 107% of budget.

Street Operations (Unrestricted) Beginning Fund Balance was \$214k. Actual Revenues for the first quarter of the year were \$30k less than projected and actual expenditures were \$20k less than projected. Results of operations were generally balanced as to seasonal restrictions.

Water Operations (Unrestricted) Beginning Fund Balance was \$1.217ml. Actual Revenues for the first quarter of the year were \$1.3k less than projected and actual expenditures were \$53k less than projected. Considering the seasonal nature of revenues in the activity the fund is very strong.

Sewer Operations (Unrestricted) Beginning Fund Balance was \$1.505ml. Actual Revenues for the first quarter of the year were \$12.9k more than projected and actual expenditures were \$59k less than projected. This also represents a very strong and balanced quarter.

All **Other Funds** were either on track or above general budget projections or did not present any significant concerns.

FINANCIAL IMPLICATIONS: None.

RECOMMENDATION: Presented as an update to the City Council and Community.

City of Sequim
 Summary By Fund
 March 2013

General Fund	BUDGET Beg Fund Balance	BUDGET Net Gain (Loss)	BUDGET End Balance	BUDGET Revenues	ACTUAL Revenues	ACTUAL Rev. BUDGET	ACTUAL Rev. BUDGET	BUDGET Expenditures	ACTUAL Expenditures	ACTUAL Exp. BUDGET	ACTUAL Exp. BUDGET	ACTUAL Net Gain (Loss)	ACTUAL End Balance
001 General Fund	1,510,879	(488,306)	1,022,573	1,706,377	1,786,152	79,775	2,194,683	2,132,457	(62,226)	1,756,175	(346,305)	1,409,870.42	
Special Revenue Funds													
101-U Street Unrestricted	206,401	(31,541)	174,860	210,483	180,620	(29,863)	242,024	222,221	(19,803)	214,886	(41,600)	173,085.48	
101-R Street Restricted	575,702	(62,818)	512,884	26,388	280,689	234,301	89,204	324,561	235,357	397,581	(63,872)	333,708.15	
115 Lodging Tax Hotel / Motel	208,602	(22,236)	186,366	33,489	34,011	522	55,724	44,286	(11,438)	264,966	(10,275)	254,690.46	
120 Criminal Justice	52,049	12,277	64,326	27,715	19,421	(8,294)	15,438	4,992	(10,446)	71,008	14,429	85,436.94	
121 Police Asset Seizure	19,872	87	19,959	5,088	159	(4,929)	5,001	0	(5,001)	19,837	159	19,996.57	
140 Parks Restricted	143,397	2,940	146,337	10,389	15,236	4,847	7,449	6,862	(587)	194,556	8,375	202,930.50	
150 Real Estate Excise Tax	112,534	27,672	140,206	31,422	41,867	10,445	3,750	3,750	0	116,538	38,117	154,655.29	
160 Gifting & Donations	607	0	607	0	1,968	1,968	0	0	0	633	1,968	2,600.68	
164 Equip Reserve	453,928	25,699	479,627	35,699	37,942	2,243	10,000	27,823	17,823	547,314	10,120	557,433.24	
Capital Funds													
306 City Hall	857,543	(193,969)	663,574	7,353	11,883	4,530	201,322	16,676	(184,646)	927,138	(4,793)	922,344.61	
Enterprise Funds													
400 401-U Water Unrestricted	992,616	(71,067)	921,549	383,516	382,180	(1,336)	454,584	401,486	(53,098)	1,179,753	(19,306)	1,160,447.71	
401-R Water Restricted	3,224,563	(79,277)	3,145,286	128,839	140,788	11,949	208,116	159,992	(48,124)	3,606,657	(19,203)	3,587,453.96	
402-USewer Unrestricted	1,348,177	(170,659)	1,177,518	831,175	844,080	12,905	1,001,834	942,106	(59,728)	1,571,899	(98,026)	1,473,672.42	
403 402-R Sewer Restricted	3,322,910	104,220	3,427,130	466,035	510,201	44,166	361,816	283,369	(78,447)	3,819,041	226,832	4,045,873.25	
430 403 Solid Waste													
Trust Agency & Permanent Funds													
621 Police Expendable Trust	8,870		8,870	5,001	9,679	(5,001)	5,001	0	(5,001)	8,520		8,520.00	
631 Constructin Deposit	2,255	326	2,255	97,500	22,232	(87,821)	97,500	21,012	(97,500)	16,218	9,679	25,897.45	
635 Intergovernmental Agency Fur	1,109	159	1,435	44,049	22,232	(21,817)	43,723	0	(22,711)	1,426	1,220	2,646.49	
701 Haller Park Fund Permanent	36,139	159	36,298	159	292	133	0	0	0	36,384	292	36,675.94	
Totals	13,078,153	(946,493)	12,131,660	4,050,677	4,299,401	248,724	4,997,169	4,591,592	(405,577)	14,750,130	(292,191)	14,457,940	



2013 First Quarter Financials

Narrative Summary of Results First Quarter 2013 General Fund

*****	****	***	**	*
Excellent	On Target	Need to Monitor	Caution	Extreme Caution
Revenues/Fund Balance exceeded Budget	Revenues/Fund Balance met Budget	Revenues/Fund Balance 1-2% under Budget	Revenues/Fund Balance 3-5% under Budget	Revenues/Fund Balance under 5% or more under Budget
Expenditures below Budget 3-5%	Expenditures at/near Budget	Expenditures 1-2% over Budget	Expenditures 3-5% over Budget	Expenditures 5% or more over Budget

Item	Description	Results
Beginning Fund Balance	2012 ended the year higher than projected in the 2013 Budget projections at \$1.756ml.	*****
Revenues Summary	Revenues for the period were \$80k (104%) over budget with strong Sales Taxes and other non tax revenues.	*****
Sales Tax	107% of budget over by \$37k First month receipt of Public Safety Tax	*****
Licenses, Permits, Fines, Forfeits	Strong at \$6k (9.5%) over budget	*****
Charges for Goods/Services	Overall strong as to budget with capital project overhead recovery.	*****
Expense Summary	Expenses were \$62k (2.84%) under budget due to controlled expenditures across all departments.	*****
Salaries/Benefits	2% over budget due to be offset by contingencies	***
Supplies/Services/Intergovernmental	All well under budget	*****
Estimated Ending Fund Balance	Normal budgeted loss in fund balance for the period mitigated by strong revenues and controlled expenditures.	*****

Streets, Parks, Capital Facilities and Utility funds

*****	****	***	**	*
Excellent	On Target	Need to Monitor	Caution	Extreme Caution
Revenues/Fund Balance exceeded Budget	Revenues/Fund Balance met Budget	Revenues/Fund Balance 1-2% under Budget	Revenues/Fund Balance 3-5% under Budget	Revenues/Fund Balance under 5% or more under Budget
Expenditures below Budget 3-5%	Expenditures at/near Budget	Expenditures 1-2% over Budget	Expenditures 3-5% over Budget	Expenditures 5% or more over Budget

Fund	Description	Results
Streets Operations	Beginning Fund Balance for 2013 was \$214k. Actual Revenues for the first quarter of the year were \$30k less than projected and actual expenditures were \$20k less than projected. Results of operations were generally balanced.	****
Street Restricted Projects	Actual beginning Fund Balance for 2013 was \$397k. Actual Revenues for the first quarter of the year were \$234k more than projected and actual expenditures were \$324k more than projected. Prior year timing differences of uncompleted capital projects relates to the differences. The Transportation Master Plan is expected to be presented to the City Council in July of 2013.	****
Parks Restricted	Beginning Fund Balance for 2013 was \$194k. Actual Revenues for the quarter were \$5k more than projected and actual expenditures were \$600 less than projected.	****
Capital Facilities (City/Hall)	The Beginning Fund Balance of \$927k will fund the initial stages of the Police Station/City Hall project.	****
Water Operations	Beginning Fund Balance for 2013 was \$1.2ml. Actual Revenues for the first quarter of the year were \$1.3k less than projected and actual expenditures were \$53k less than projected. The Water Master Plan is scheduled to go to the City Council in April and May of 2013.	*****
Water Restricted	Beginning Fund Balance for 2013 was \$3.6ml. Actual Revenues for the first quarter of the year were \$12k more than projected and actual expenditures were \$48k less than projected.	*****
Sewer Operations	Operations (Unrestricted) Beginning Fund Balance for 2013 was \$1.5ml. Actual Revenues for the first quarter of the year were \$12.9k more than projected and actual expenditures were \$59k less than projected. The Sewer Master Plan is scheduled to go to the City Council in April and May of 2013.	*****
Sewer Restricted	Beginning Fund Balance for 2013 was \$3.8ml. Actual Revenues for the first quarter of the year were \$44k higher than projected and actual expenditures were \$78k less than projected on balance.	*****

Other Key Funds

*****	****	***	**	*
Excellent	On Target	Need to Monitor	Caution	Extreme Caution
Revenues/Fund Balance exceeded Budget	Revenues/Fund Balance met Budget	Revenues/Fund Balance 1-2% under Budget	Revenues/Fund Balance 3-5% under Budget	Revenues/Fund Balance under 5% or more under Budget
Expenditures below Budget 3-5%	Expenditures at/near Budget	Expenditures 1-2% over Budget	Expenditures 3-5% over Budget	Expenditures 5% or more over Budget

Item	Description	Results
Lodging Tax Hotel/Motel	Beginning Fund Balance for 2013 was \$265k. Actual Revenues for the first quarter of the year were \$522 more than projected and actual expenditures were \$11k less than projected. Solid as to budget with seasonal variances.	****
REET	Funds restricted for capital facilities and expenditures only. Beginning Fund Balance for 2013 was \$117k. Actual Revenues for the first quarter of the year were \$10k more than projected and no expenditures or transfers to date. Budgeted conservatively but on budget to date.	*****
Equipment Reserve	Funds set aside for capital equipment acquisitions. Beginning Fund Balance for 2013 was \$547k. Actual Revenues for the first quarter of the year were \$38k and actual expenditures were \$28k leaving a solid Fund Balance of \$557k.	*****

March 2013 Month to Date Revenues

	Actual	Annual Budget	YTD Actual vs Budget	Target	25%
					Received
Summary Jan - March Revenues 2013					
TOTAL TAXES	-1,025,227	-5,542,176	4,516,949		18%
TOTAL LICENSES & PERMITS	-49,571	-150,387	100,816		33%
TOTAL INTERGOVERNMENTAL REVENUE	-318,223	-3,981,607	3,663,384		8%
TOTAL CHARGES FOR GOODS/SVCS	-2,554,021	-8,336,808	5,782,787		31%
TOTAL FINES & FORFEITS	-20,912	-77,845	56,932		27%
TOTAL MISC REVENUES	-150,502	-530,597	380,095		28%
TOTAL PROPRIETARY/TRUST G/L	-57,018	-307,528	250,510		19%
TOTAL NON REVENUES	42,674	-542,377	585,051		-8%
TOTAL OTHER FINANCING SOURCES	-619,364	-3,775,902	3,156,537		16%
TOTAL REVENUES	-4,752,164	-23,245,226	18,493,062		20%

March 2013 Month to Date

Expenditures

	Actual	Annual Budget	YTD Actual vs Budget	% Spent
City Council	27,404	42,453	15,049	65%
City Manager	49,310	184,668	135,359	27%
General Gov't Services	0	100,000	100,000	0%
City Clerk	52,474	221,607	169,133	24%
HR	40,870	181,516	140,646	23%
LEGAL	147,934	636,295	488,361	23%
COMMUNICATIONS AND MARKETING	53,354	254,192	200,838	21%
ADMINISTRATIVE SERVICES	573,511	1,531,931	958,420	37%
POLICE	694,034	2,738,663	2,044,629	25%
COMMUNITY DEVELOPMENT	116,312	526,918	410,606	22%
PW Administration	176,818	696,715	519,897	25%
Facilities/Janitorial	16,897	71,942	55,045	23%
Pollution Control	2,981	2,981	-	100%
Water Admin	186,970	858,916	671,946	22%
Water Trans	132,257	756,785	624,528	17%
Sewer Admin	442,898	1,468,596	1,025,698	30%
Sewer Trans	89,931	362,310	272,379	25%
WRF	167,120	988,888	821,768	17%
Restrooms, Utilities, Stormwater	90,742	739,285	648,543	12%
Transportation	294,034	1,044,194	750,161	28%
GIS	71,019	290,847	219,828	24%
CULTURE & RECREATION	48,140	303,600	255,460	16%
NONEXPENDITURES	166,926	507,576	340,650	33%
DEBT SERVICE	0	723,947	723,947	0%
OTHER EXPENDITURES/CAPITAL PRJ	464,747	8,229,295	7,764,547	6%
OTHER FINANCING USES	618,811	3,775,900	3,157,089	16%
TOTAL EXPENSES	4,725,494	27,240,019	22,514,525	17%
Public Works all	1,719,806	7,585,058	5,865,252	23%

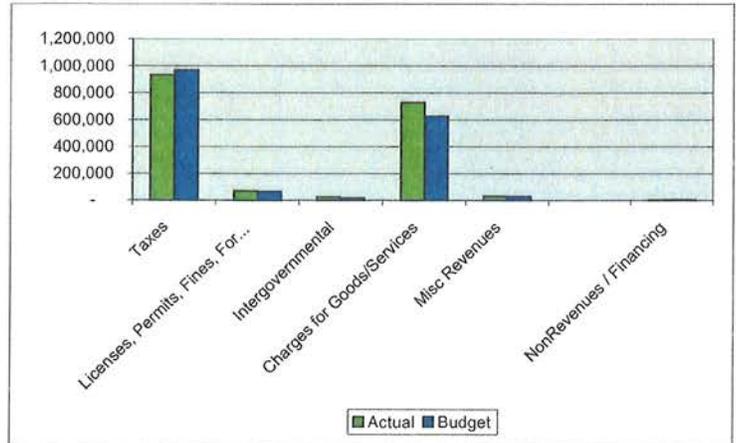
**Total General Fund Activity
(Operating & NonOperating)**

As of 3/31/13

	Actual	Budget	Actual / Budget
Taxes	931,291	966,660	96.34%
Licenses, Permits, Fines, Forfeits	69,975	63,916	109.48%
Intergovernmental	24,034	18,902	127.15%
Charges for Goods/Services	726,264	624,747	116.25%
Misc Revenues	32,225	28,743	112.11%
NonRevenues / Financing	2,362	3,408	69.32%
Total Revenues	1,786,152	1,706,377	104.68%

Intergovernmental is PUD previledge tax
Charges for Good and Services includes Interfund Charges

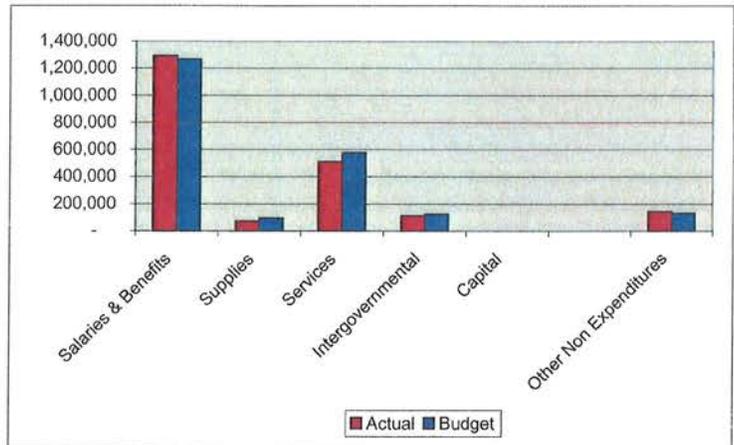
Total General Fund Revenues
Budget to Actual



As of 3/31/13

	Actual	Budget	Actual / Budget
Salaries & Benefits	1,291,862	1,267,383	101.93%
Supplies	72,883	95,556	76.27%
Services	511,116	576,866	88.60%
Intergovernmental	112,275	124,476	90.20%
Capital	-	-	-
Other Non Expenditures	144,319	130,401	110.67%
Total Expenses	2,132,457	2,194,683	97.16%

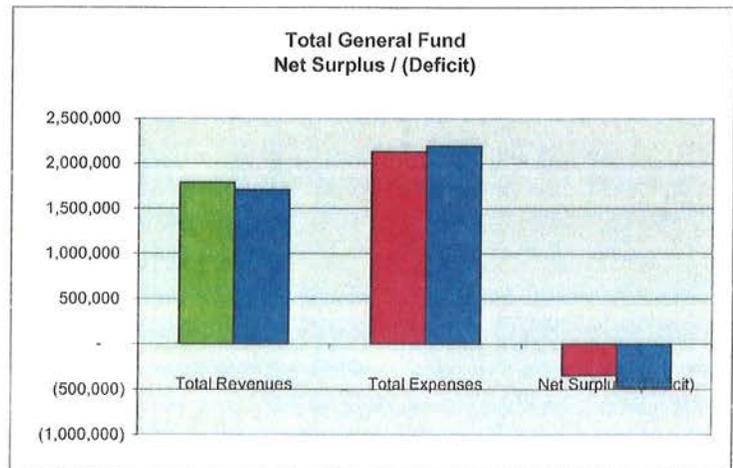
Total General Fund Expenses
Budget to Actual



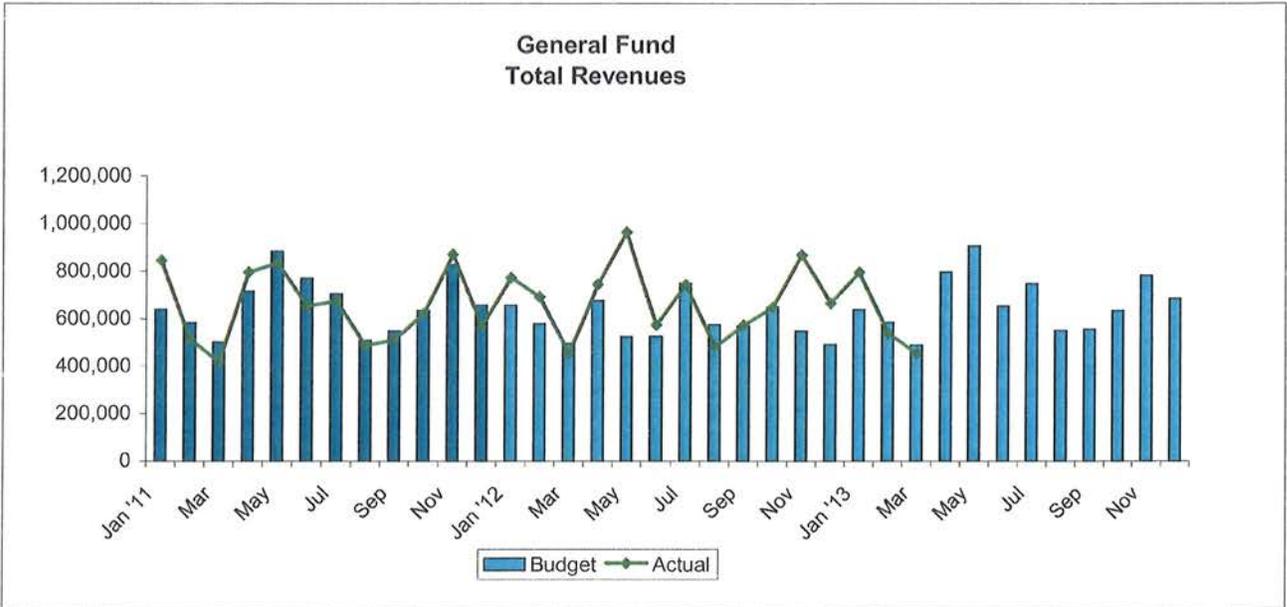
As of 3/31/13

	Actual	Budget	Net Over / (Under)
Total Revenues	1,786,152	1,706,377	79,775
Total Expenses	2,132,457	2,194,683	(62,226)
Net Surplus / (Deficit)	(346,305)	(488,306)	142,001

**Total General Fund
Net Surplus / (Deficit)**



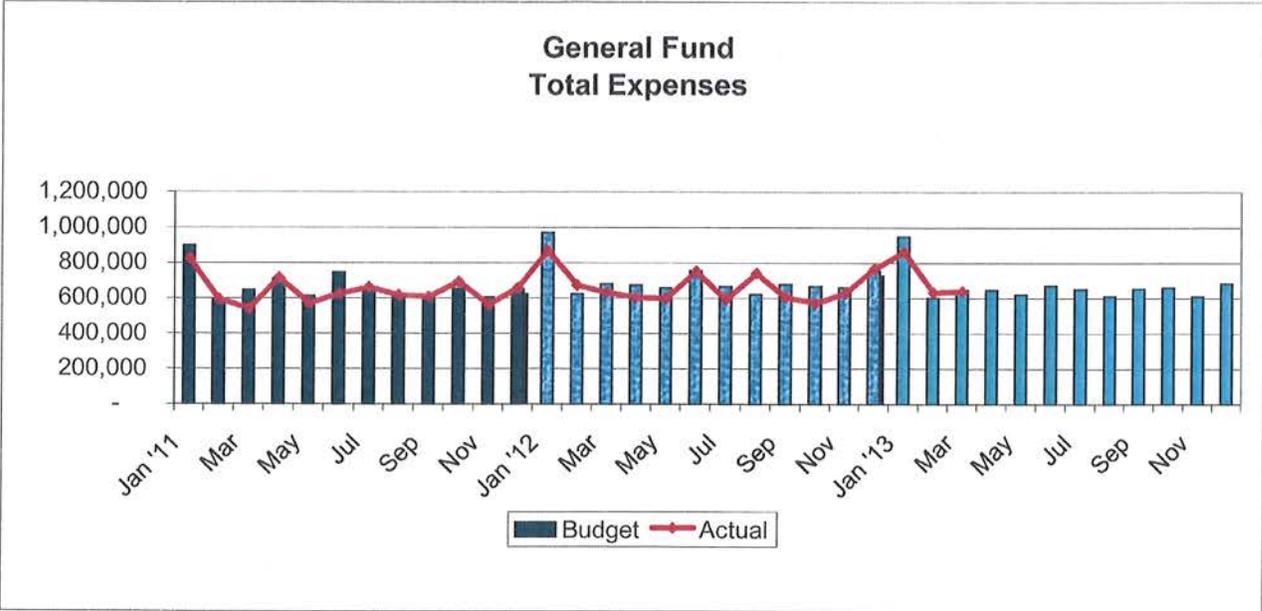
Actual Revenue
Actual Expense
Budget



As of 3/31/13

	2010	2011	2012	YTD 2013	YTD Budget	Actual / Budget	2013 Budget
Operating							
Taxes	4,740,511	5,086,645	4,945,522	931,291	966,660	96%	4,980,129
Licenses & Permits	253,835	159,541	153,228	49,063	40,601	121%	147,387
Intergovernmental	232,011	200,551	231,750	24,034	18,902	127%	177,575
Charges for Services	1,723,125	2,091,701	2,629,812	726,264	624,747	116%	2,501,673
Fines Forfeits	69,613	66,136	69,577	20,912	23,315	90%	77,845
Misc Revenues	95,751	176,658	128,060	32,225	28,743	112%	113,732
Op Rev Total	7,114,847	7,781,232	8,157,949	1,783,790	1,702,968	105%	7,998,341
NonOperating							
NonRevenues	8,191	5,468	6,193	1,809	3,408	53%	9,205
Financing Sources	31,117	3,513	12,194	553	0		0
Total Revenues	7,154,154	7,790,213	8,176,336	1,786,152	1,706,376	105%	8,007,546
Total Expenses	7,412,193	7,671,083	8,035,033	2,132,457	2,194,682	97%	8,004,983
Net Over / (Under)	(258,038)	119,130	141,303	(346,305)	(488,306)	71%	2,563

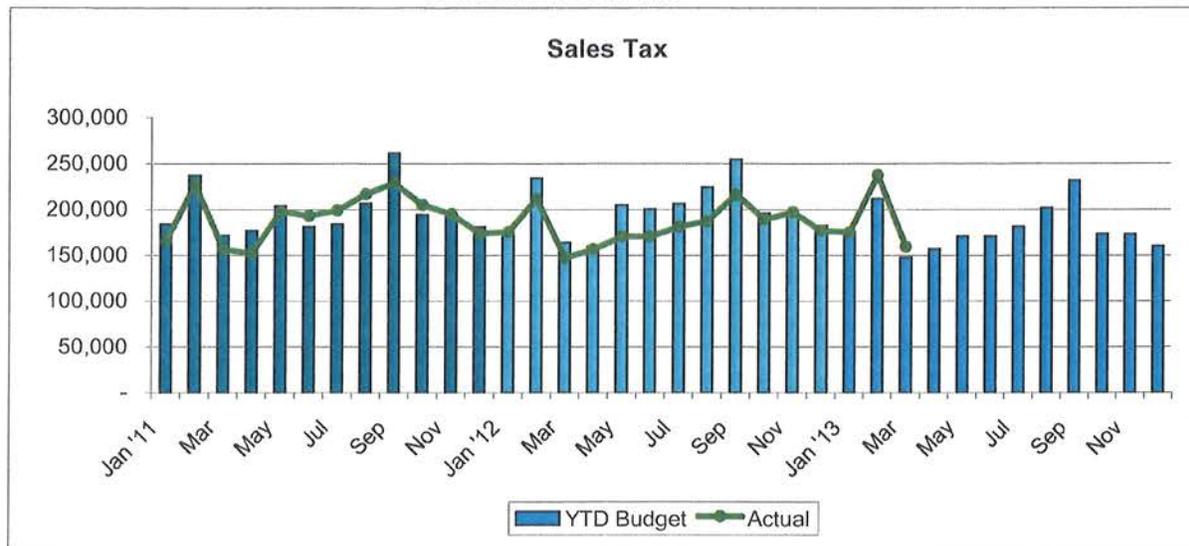
	2010	2011	2012	YTD Actual
Operating Revenue	7,114,847	7,781,232	8,158,095	1,783,790
Operating Expenses	7,412,193	7,557,387	7,982,763	2,103,539
Net Over / (Under)	(297,346)	223,845	175,332	(319,749)



As of 3/31/2013

	2010	2011	2012	YTD Actual	YTD Budget	Actual / Budget	2013 Budget
Operating							
Wages & Benefits	4,660,309	4,990,288	5,322,917	1,291,862	1,267,383	102%	5,124,475
Supplies	243,245	328,434	320,274	72,883	95,556	76%	364,221
Service Charges	1,272,019	1,375,210	1,219,037	511,116	576,866	89%	1,542,433
Intergovernmental	412,875	400,145	492,361	112,275	124,476	90%	432,250
Capital Equipment	70,240	5,311	1,159	-	-		-
Transfers for Operations	753,504	458,000	626,965	115,401	115,401	100%	461,603
Op Exp Total	7,412,193	7,557,387	7,982,713	2,103,539	2,179,682	97%	7,924,982
NonOperating							
Other NonOperating Expenses	0	195	-	(1,082)			
Transfers for Capital Projects	-	113,500	52,320	30,000	15,000		80,000
Total Expense	\$ 7,412,193	\$ 7,671,083	\$ 8,035,033	\$ 2,132,457	\$ 2,194,682	97%	\$ 8,004,982
Total Revenue	7,154,154	7,790,213	8,176,336	1,706,376	1,706,376	100%	8,007,545
Net Over / (Under)	(258,038)	119,130	141,303	(426,081)	(488,306)	87%	2,563
	-	-	-	-	-		
	2010	2011	2012 YTD Actual				
Operating Revenues	7,114,847	7,781,232	8,157,949	1,783,790			
Operating Expenses	7,412,193	7,557,387	7,982,713	2,103,539			
Net Over / (Under)	(297,346)	223,845	175,236	(319,749)			

GENERAL FUND 001



As of 3/31/13

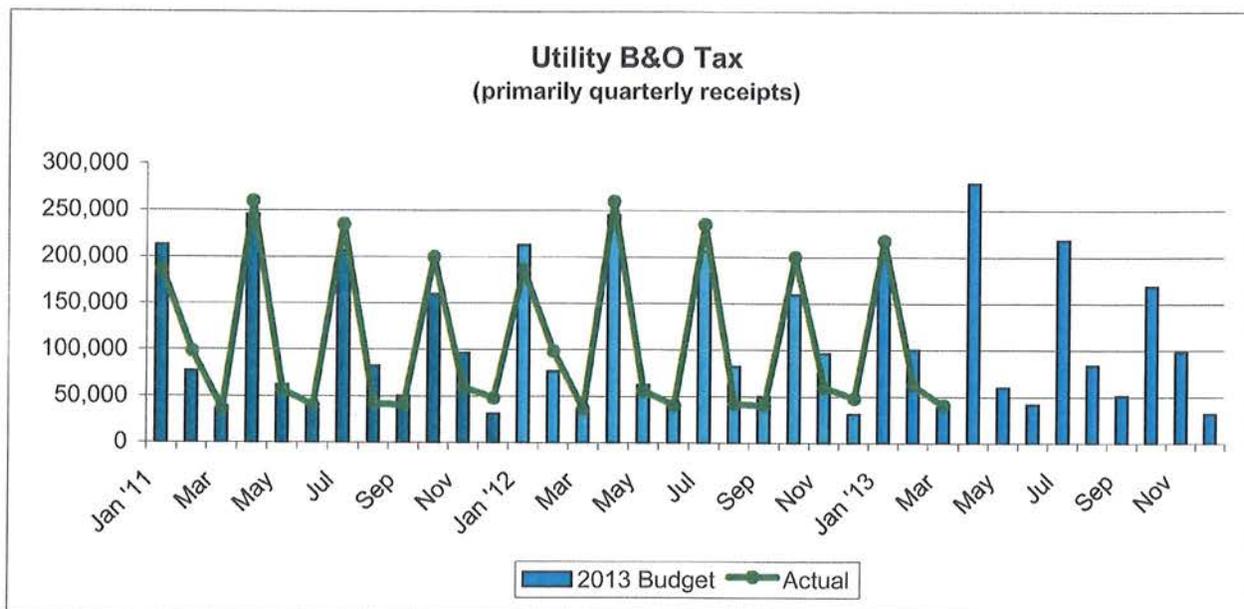
	2010	2011	2012	YTD 2013	YTD Budget	Actual / Budget	2013 Budget
Sales Tax	2,322,938	2,311,882	2,180,508	572,181	534,722	107%	2,152,576

TBD SALES TAX (not included above)

	2010	2011	2012	YTD 2013	YTD Budget	Actual / Budget	2013 Budget
Sales Tax	312,702	535,413	511,030	129,072	\$126,689	102%	510,000

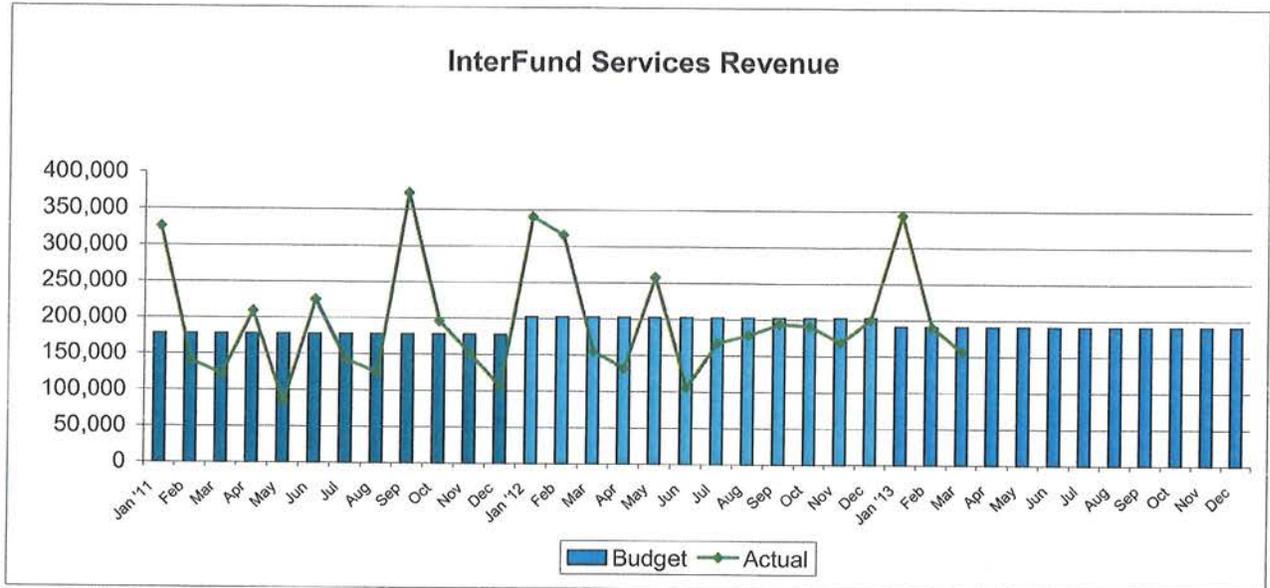
PUBLIC SAFETY SALES TAX (not included above)

	YTD 2013	YTD Budget	Actual / Budget	2013 Budget
Public Safety Tax Starts March 2013	15,314	17,353	88%	207,689



3/31/2013

	2010	2011	2012	YTD 2013	YTD Budget	Actual / Budget	Budget 2013
Electric	439,201	485,357	506,078	128,037	144,864	88%	563,336
Gas	-	-	-	-	-		-
Garbage	101,642	140,429	145,957	34,581	36,612	94%	163,942
Cable	56,247	57,249	59,300	14,450	14,529	99%	58,690
Telephone	185,468	176,798	182,577	47,008	47,155	100%	180,702
Water	95,473	147,098	142,285	29,518	29,726	99%	133,813
Sewer	185,620	255,638	265,350	66,411	65,802	101%	268,789
Total	1,063,651	1,262,569	1,301,547	320,005	338,688	94%	1,369,272



	3/31/2013					YTD 2013	Actual/ Budget	2013 Budget
	2010	2011	2012	YTD 2013	YTD 2013 Budget			
Streets UnRestricted	193,349	196,988	263,880	75,684	61,235	123.6%	244,941	
Streets Restricted	11,798	199,080	263,836	92,801	39,705	233.7%	158,818	
Water UnRestricted	246,473	375,422	427,813	116,592	104,566	111.5%	418,263	
Water Restricted	44,092	136,692	174,366	32,952	58,812	56.0%	235,248	
Sewer UnRestricted	622,046	883,895	985,841	346,227	241,680	143.3%	966,718	
Sewer Restricted	334,141	138,669	143,201	19,733	40,647	48.5%	162,587	
Solid Waste	3,182	707	-	-	-		* closed	
Capital Facilities	51,758	-	148,855	6,447	26,323	24.5%	105,292	
TOTAL	1,506,839	1,931,453	2,407,792	690,436	572,967	120.5%	2,291,867	
GF allocation	37%	41%	33%	36%				
NonGeneral allocation	63%	59%	67%	64%				

Interfund Services are departments that provide Central Services:

City Council, City Manager, City Clerk, City Attorney, Finance, HR, IT, GIS Engineer, PW Admin, Facilities Maint, and NonDepartmental Central Services Costs are passed through to Operating Departments which include:

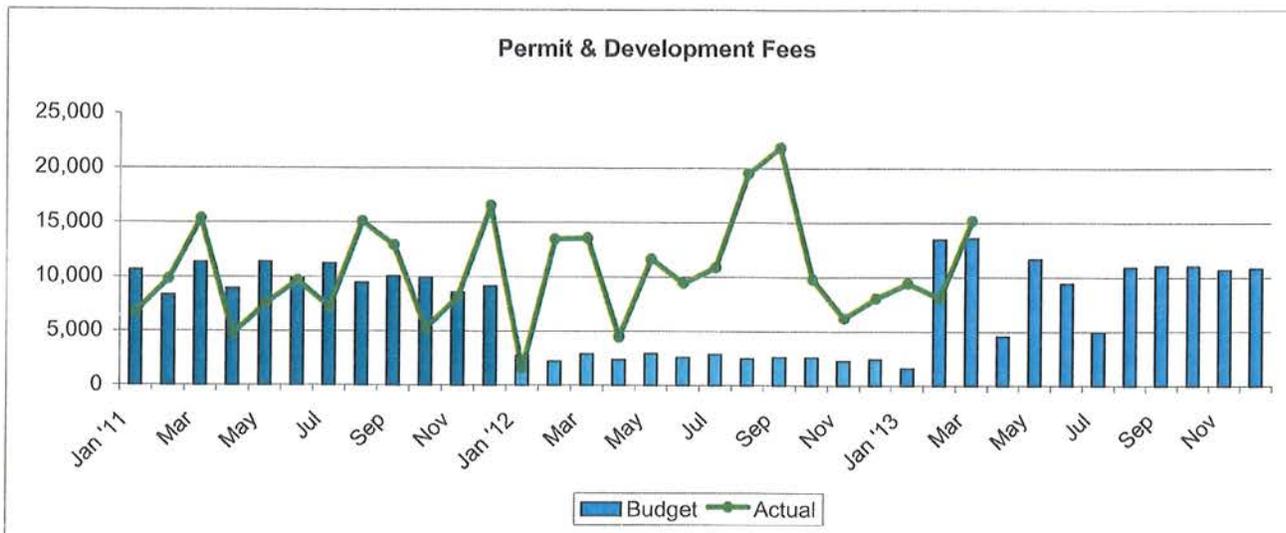
General Fund - Criminal Prosecution (Muni Court), Police, Building / Code Compliance, Park Operations, Planning
 NonGeneral Fund - Streets*, Parks Restricted, Capital Facilities, Water*, Sewer*, and Solid Waste

* Includes UnRestricted and Restricted

2011 WaterR and SewerR capital projects and related prof services were substantially under budget (\$970K and \$1MIL.) primarily due to delays in the Battelle and Reclaimed Water projects. This redistributed charges to other funds (StreetsU&R and Water/SewerU). StreetsR, on the other hand, had substantial carryover expenses for 2011 projects not reflected in the budget.

All Years January: \$270,000 insurance premium distorts allocations early in the year when fund activity is generally low.

2012 April: Adjusted City Hall Land Purchase by 60% given nature of transaction and per budget



As of 3/31/13

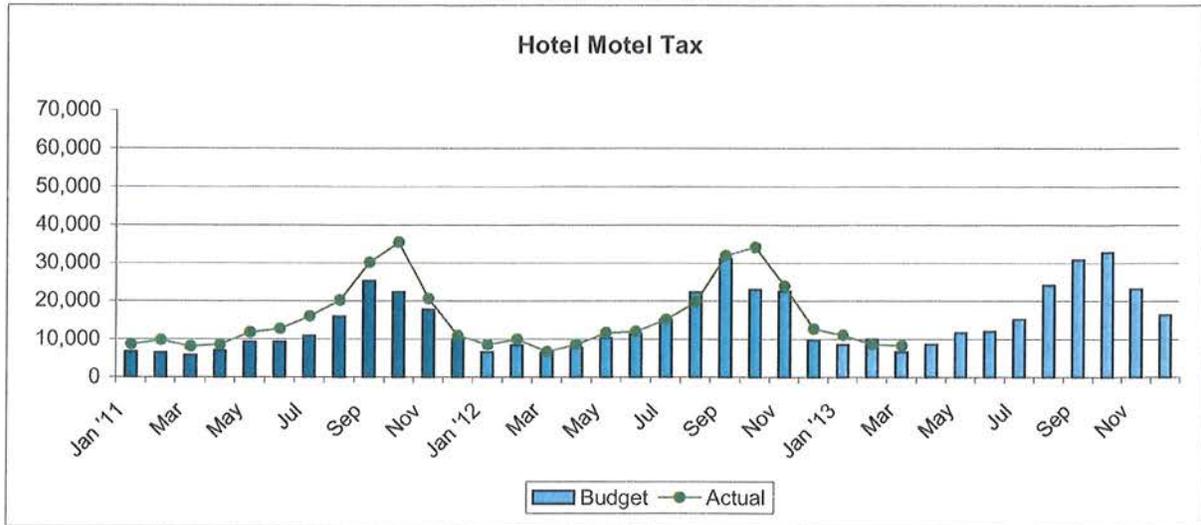
	2010	2011	2012	YTD 2013	YTD Budget	Actual / Budget	2013 Budget
Building Permits	192,333	86,908	81,210	27,093	18,903	143%	77,723
Plan Check Fees	87,840	25,434	39,024	4,678	6,520	72%	25,183
Inspection Fees	5,011	1,900	2,450	500	500	100%	1,798
Other Planning Development	21,177	4,748	7,880	407	2,692	15%	8,850
Total	306,360	118,990	130,563	32,677	28,615	114%	113,554
Construction Sales Tax	217,676	181,805	139,557	54,499	34,441	158%	137,765
Total Development Related	524,036	300,795	270,120	87,176	63,056	138%	251,319

2010: June and July permits totalled 26 and 21, respectively, compared to monthly average of 15. Included new Taco Bell, 6 single family dwellings and a duplex. Spike represents summer increases in building activity.
 2010: November, Sea Breeze Assoc. permits for commercial and multi family dwelling
 2010: December, Ross Dress for Less permits for commercial construction

PERMIT DATA

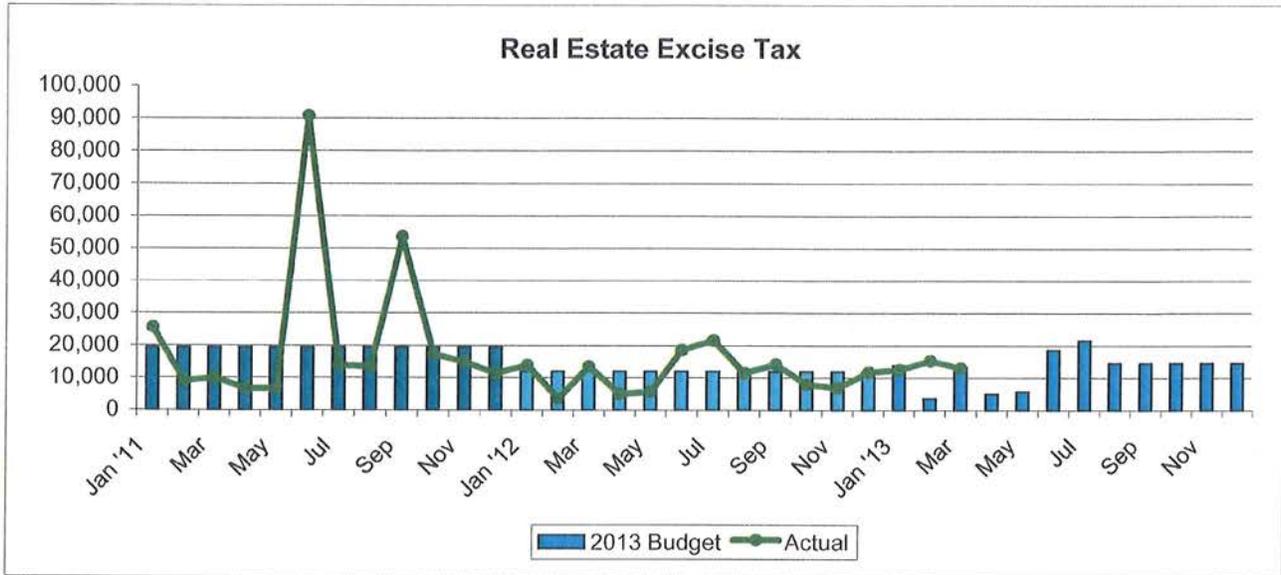
Number of Permits		2010	2011	2012	2013
New	Residential	30	15	20	5
	Commercial	6	3	0	0
	Total	36	18	20	5
Remodel	Residential	84	54	99	23
	Commercial	92	108	71	19
	Total	176	162	170	42
Totals		212	180	190	47

HOTEL MOTEL FUND 115



3/31/2013

	2010	2011	2012	YTD Actual	YTD Budget	Actual / Budget	2013 Budget
Hotel Motel Tax	179,932	193,027	195,607	28,058	25,250	111%	200,199



As of 3/31/13

	2010	2011	2012	YTD Actual	YTD Budget	Actual / Budget	2013 Budget
REET 1st 1/4%	151,577	156,160	67,022	20,343	15,414	132%	77,080
REET 2nd 1/4%	149,874	116,473	66,778	20,343	15,414	132%	77,079
	301,451	272,633	133,800	40,687	30,828	132%	154,159

1/1/2011-Sale of IHOP property in January

06/2011-Sale of 1000 South 5th to Sequim Properties LLC \$17.8 million

09/2011 - Transfer of controlling interest in 408 W Wash and 1000 S Fifth, by Nat. Health Prop of \$7.6 mill = \$38k in REET

2013 Capital Projects-10/25/12

2013 Capital Projects-10/25/12		Expense Fund	Expense Sub-fund	Project Cost	FORECAST	Notes
Parks						
Carrie Blake Park Entrance/Site Improvements -Phase 1	306	002	\$120,000	\$120k ??		depends on the tribe
City-wide Restroom Upgrade	140	000	\$30,000	\$30,000		working this as we speak will be done summer
Carrie Blake Park Docent/Host Site Construction	140	000	\$10,000	\$5,000		most work done, will not need all 10k
Park's Master Plan Update	140	000	\$25,000	\$25,000		will be working on this throughout the year
Water System-Gerhardt-placeholder	140	000	\$15,000	0		not unless it comes to us. No work until it is ours
Park Bridge Maintenance	140	144	\$20,000	\$10,000		most work done by eagle scouts
Park Kiosks			\$10,500	\$10,000		will be working on this during summer
D.R. Standard Park Playground Equipment	140	000	\$30,000	0		no \$ to spend unless we get a grant
Snack Bar/Storage @ Reuse Water Park			\$100,000	0		no \$ to spend unless we get a grant
Total Parks Projects			\$360,500			
Streets						
Downtown Design for Streetscape & Way-Finding Signs			\$50,000			
Total Miscellaneous Projects			\$50,000			
Building Facilities - City Hall (24% Interfund Charge)						
City Hall - Architectural/Engineering & Project Manager	306	001	\$600,000	\$300,000		dg
Guy Cole Remodel	306	002	\$100,000	\$50,000		dg
Sub-Total Capital Facilities			\$700,000			
Total Capital Facilities Projects + Interfund Charges						
Streets (31% Interfund Charge or 21% on TBD)						
Stormwater Needs Assessment	101-R	116	\$40,000	\$40,000		dg
ADA Sidewalk Upgrades Fir/Washington/Widening	101-R	112	\$150,000	\$150,000		dg
ODT stormwater upgrade	101-R	102	\$20,000	\$5,000		dg
Pedestrian/Sidewalks-Pathways-3rd Ave. (Brownsfield to Reservoir)	101-R	112	\$200,000	\$200,000		dg
Sequim/Fir Signal	101-R	103	\$250,000	\$20,000		dg
West Sequim Bay Improvements-NEPA/SEPA/Partial Construction	101-R	118	\$750,000	\$0		dg
Pavement Rehabilitation	101-R	117/103	\$624,000	\$624,000		dg
Fir Street Improvements-Sequm to 5th PE/ROW	101R	103	\$200,000	\$150,000		dg
Sequm/US 101 Signals-Unfunded	101R	109	\$400,000	\$0		dg
Street Light LED Conversion	101R	103	\$50,000	\$50,000		dg
West Prairie St. Improvements - Green Street-PE	101-R	103	\$50,000	\$50,000		dg
Prairie/Sequm Signal	101-R	103	\$250,000	\$30,000		dg
Signal/Roadway Traffic Engr.-Signal Improvements/Striping	101R	112	\$50,000	\$50,000		dg
Public Works Facilities Programming-Property Utilization	306	002	\$30,000	\$15,000		dg

Safety/Capacity Improvements (Washington Taper at Priest Road)	101-R	103	\$50,000	\$20,000	dg
Major Repair/Unidentified Street Projects	101-R	103	\$100,000	\$50,000	dg
Sub-Total Streets Projects			\$3,214,000		
Total Streets Projects + Interfund Charges					
Water Projects (28% Interfund Charge)					
Major Repair/Unidentified/Oversize Water Projects	401-R	411/413	\$150,000	\$150,000	pt
Etta St Water Main Roadway Design/Oversize/AC Repl-PE/ROW	401-R	411/413	\$100,000	\$100,000	pt
AC/Galv line Replacement--PE/ROW-various below					pt
East Maple (South Sequim to Sunnyside)	401-R	411/413	\$50,000	\$50,000	pt
East Bell (South Sequim to Sunnyside)	401-R	411/413	\$50,000	\$50,000	pt
West Prairie (South Sequim to 2nd St)	401-R	411/413	\$50,000	\$50,000	pt
West Maple (South Sequim to 2nd St)	401-R	411/413	\$50,000	\$50,000	pt
Replacement Meters	401-R	413	\$50,000	\$50,000	pt
Remotely Read Meters	401/402	413/424	\$230,000	\$230,000	pt
New meter Replacement project	401R	413	\$100,000	\$100,000	pt
Economic Development Project	401R	411	\$1,008,000	?	depends on legislative or opportunity fund grants
Capacity Improvements	401R	411	\$300,000	\$300,000	pt
Unidentified Regionalization Effort	401R402R	411/422	\$50,000	\$50,000	pt
Subtotal Water Projects			\$2,188,000		
Total Water Projects + Interfund Charges					
Sewer Projects (28% Interfund Charge)					
Major Repairs /Unidentified/Oversize Sewer Projects	402R	424	\$200,000	\$200,000	pt
Reclaimed Water Project	402-R	421	\$379,754	\$379,754	pt
Economic Development Project	402R	422	\$905,000	?	depends on legislative or opportunity fund grants
Subtotal Sewer Projects			\$1,484,754		
Total Sewer Projects + Interfund Charges					



2013 First Quarter Financial Reports



Sequim Transportation Benefit District

2013 First Quarter Results

General Fund

Beginning Fund Balance was \$1.756ml

Revenues are \$80k over budget

Expenditures are \$62k less than budget

Street Operations Fund (unrestricted)

Beginning Fund Balance was \$214k

Revenues for the quarter were \$30k lower than budget

Expenditures are \$20k lower than budget

2013 First Quarter Results

Water Unrestricted

Beginning Fund Balance was as reported \$1.2ml
Revenues for the quarter are \$1.3k less than budget
Expenditures are \$53k less than budget

Sewer Unrestricted

Beginning Fund Balance as reported \$1.5ml
Revenues for the quarter were \$12.9k more than budget
Expenditures are \$59k less than budget

Other Funds

On track or above general budget projections and represent positive activity and solid fund balances

DEBT

- The City of Sequim has nominal outstanding debt for facilities leased, vehicles and Keeler Park
- Sewer Utility Debt outstanding is \$6.56ml, \$1.36ml due by 2018 and \$5.20ml due by 2030

CASH AND INVESTMENTS

- Cash at the end of the first quarter = \$14.8ml
 - \$5.47ml invested through US Bank
 - \$5.26ml invested through SNW Securities
 - \$2.48ml with the State Pool
 - \$1.59ml in checking

Sequim Transportation Benefit District (TBD)



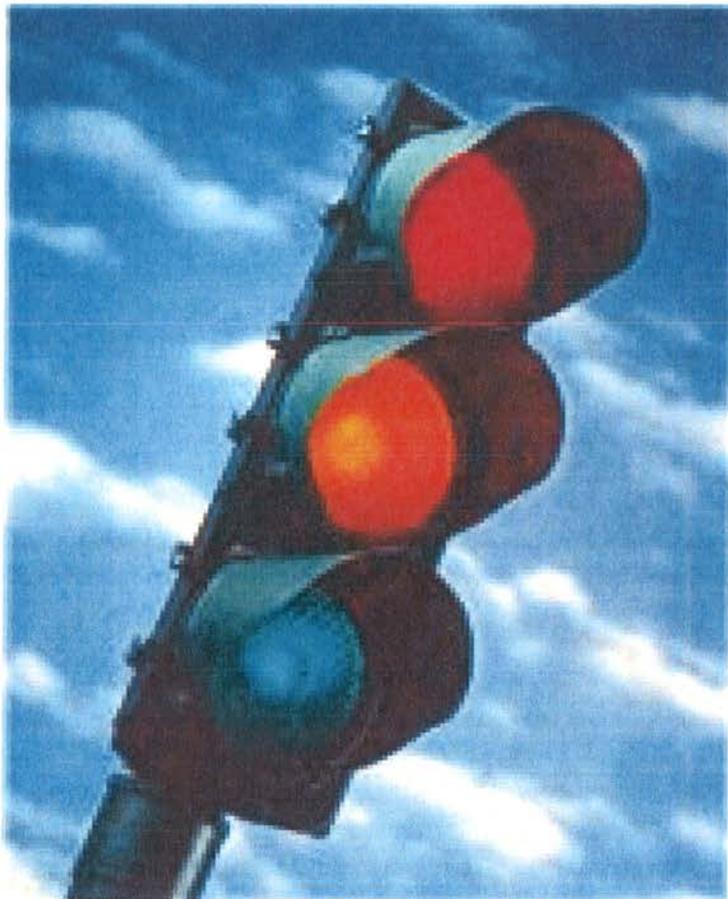
Sequim
Transportation Benefit District
(TBD)

**Financial Activity for First Quarter of
2013**

- Revenues of \$129,053 tax and \$956 interest
- Expenses of \$2,650 are for insurance
- Safety and Maintenance costs of \$58,816 are yet to be billed

Sequim

Transportation Benefit District
(TBD)



First Quarter Financial Report
2013

Sequim

Transportation Benefit District (TBD)

January 1, 2013 through March 31, 2013

	<u>Page</u>
Executive Director Message	1
2013 Budget to Actual Summary	2
2013 Safety & Maintenance Summary	3



Transportation Benefit District 152 W. Cedar Street, Sequim, Washington 98382 Phone (360) 683-4139 Fax (360) 681-3448

2013 FIRST QUARTER FINANCIAL REPORT

Dear TBD Board of Directors,

I am pleased to present this interim First Quarter Financial Report for the Transportation Benefit District (TBD) for the City of Sequim. The tax revenues are used to fund projects which include street preservation, replacing or upgrading all modes of transportation infrastructure (streets, sidewalks, bicycle lanes, trails, etc.), creating new infrastructure, and district-wide safety enhancements as part of street maintenance and operations.

Beginning Fund Balance

We started the year with a solid \$291,552 fund balance which was \$128,749 higher than budget due to the timing of projects in 2012 and related billings.

Revenues

TBD taxes are distributed by the state on a monthly basis. Taxes received for the first three months of 2013 were \$129,053 or exactly 25% of the annual budget of \$510,000 with 25% of the year completed. Interest earned on cash and investments totaled \$956.

Expenses

Insurance premiums for 2013 totaling \$2,650 were expensed in the first quarter. Additionally, the City of Sequim is in the process of billing approximately \$52,247 in safety and maintenance expenses for the 1st quarter as well as \$1,010 in audit expenses from 2012.

Ending Fund Balance

We ended the quarter with a strong ending fund balance of \$418,911.

2013 Budget

2013 projects anticipated include the following:

- \$50,000 for signal and roadway engineering
- \$120,000 for ADA sidewalk improvements
- \$150,000 for 3rd Avenue sidewalk improvements
- \$150,000 for pavement rehabilitation projects

The 2013 budget also includes \$100,000 for City street operations safety and maintenance, \$23,500 as a 5% contingency on capital projects and \$2,700 for insurance coverage.

Sincerely,

Steven C. Burkett
Executive Director

**Sequim Transportation Benefit District
Financial Activity as of 3/31/2013**

	Comparison to PY			Comparison to Budget		
	2012 Actual	2013 Actual	Over (Under)	2013	Annual Budget	Over (Under)
Beginning Fund Balance	\$ 534,208	\$ 291,552	\$ (242,655)	\$ 291,552	\$ 162,803	\$ 128,749
Revenues						
TBD Sales & Use Tax	126,143	129,053	2,909	129,053	510,000	(380,947)
Interest Income	749	956	206	956	3,200	(2,244)
Total Revenue	126,893	130,008	3,116	\$ 130,008	\$ 513,200	(383,192)
Expenses						
Safety and Maintenance Prof Serv *	-	-	-	-	100,000	(100,000)
Capital Projects						
<u>2013 Projects</u>	-			-	470,000	(470,000)
<u>2012 Projects</u>						
<u>2011 Projects</u>	98,107	-	(98,107)	-	-	-
<u>2010 Connector Road Carryover Project</u>	-			-	-	-
SubTotal Capital Projects	98,107	-	(98,107)	-	470,000	(470,000)
Indirect Rate						
Project Management & Administration Fee						
<u>2013 Projects</u>					17% 54,400	(54,400)
<u>2012 Projects</u>	-	-	-	-	-	-
<u>2011 Projects</u>	22% 21,584	-	(21,584)	-	-	-
SubTotal Management Fee	21,583.57	-	(21,584)	-	54,400.00	(54,400)
Contingency Rate						
Contingency	-	-		-	5% 23,500	(23,500)
Other						
AWC Insurance	2,650	2,650	-	2,650	2,700	(50)
Total Expenses	\$ 122,341	\$ 2,650	\$ (119,691)	\$ 2,650	\$ 650,600	\$ (647,950)
Ending Fund Balance	\$ 538,759	\$ 418,911	\$ (119,849)	\$ 418,911	\$ 25,403	\$ 393,508

* Services are performed per the Interlocal Agreement with the City of Sequim dated 03/08/10.



152 West Cedar Street Sequim, WA 98382
 City Hall (360) 683-4139 FAX (360) 681-3448
 Public Works (360) 683-4908 FAX (360) 681-0552

TBD Safety and Maintenance billing for 1st Quarter 2013

Date: April 1, 2013
 Bill To: Transportation Benefit District
 152 W. Cedar
 Sequim, WA 98382

Summary Description of Qualifying Charges	Amount
<i>Thermal Tape, Roadway Markings and Bundy Adhesives</i>	\$4,777.38
<i>Roadwise De-icer</i>	\$3,969.25
<i>Street Signage Supplies (Concrete Mix, etc)</i>	\$12,395.50
<i>Asphalt & Road Maintenance Materials</i>	\$391.69
<i>Street Light & Signal Repair and Maintenance</i>	\$163.03
<i>Total Repair & Maintenance Materials</i>	\$21,696.85
<i>Wages & Benefits (983 Hours)</i>	\$30,550.07
<i>Total Materials & Wages</i>	\$52,246.92
<i>Total Current Amount Due</i>	\$52,246.92

Annual Balance Summary	Total
<i>2013 TBD Budget for Professional Services - Safety and Maintenance</i>	\$100,000.00
<i>Less 2013 1st Qtr billing</i>	(\$52,246.92)
<i>Remaining TBD Budget Balance</i>	\$47,753.08

I, Paul Haines, Public Works Director, do hereby certify that this document and all attachments are accurate and complete to the best of my knowledge.

DMG [Signature]

Signature

4.5.13

Date

Invoice Voucher

Remit To: State Auditor's
 PO Box 40021
 Olympia, WA 98504-0021
 Federal ID No. 91-6001098



Page: 1 of 1
 Invoice No.: L97343
 Invoice Date: 02/13/2013
 MCAG No.: 2967
 County: Clallam

Sequim Transportation Benefit District
 152 W Cedar Street
 Sequim, WA 98382

If change in address, please write new address above:

Billing Addr

Mailing Addr



(Return this portion with your payment)

State Auditor's Office

(Detach and retain for yours records)

Entity Name: Sequim Transportation Benefit District

Invoice No.: L97343

Invoice Date: 02/13/2013

Purpose of Billing: Audit Services

Audit No.: 40521

Audit Period: 10 - 11

Purchase Order:

Month/Year	Auditor	Bill Rate	Full Hrs	Amount	Travel	Total
01/13	Berg	\$83.60	2.0	\$167.20	\$0.00	\$167.20
Sub Total:			2.0	\$167.20	\$0.00	\$167.20

Total Due This Invoice: 2.0 \$167.20 \$0.00 \$167.20

State Auditor's Office

(Detach and retain for yours records)

Entity Name: Sequim Transportation Benefit District

Invoice No.: L96751

Invoice Date: 01/10/2013

Purpose of Billing: Audit Services

Audit No.: 40521

Audit Period: 10 - 11

Purchase Order:

Month/Year	Auditor	Bill Rate	Full Hrs	Amount	Travel	Total
12/12	Berg	\$83.60	2.5	\$209.00	\$0.00	\$209.00
12/12	Stenberg	\$83.60	7.0	\$585.20	\$48.96	\$634.16
Sub Total:			9.5	\$794.20	\$48.96	\$843.16

Total Due This Invoice: 9.5 \$794.20 \$48.96 \$843.16

CITY OF SEQUIM RECEIVED

JAN 16 2013

**Sequim Transportation Benefit District
Safety & Maintenance Summary
2013**

Summary Description of Expense	Q1 2012	2013 Activity by Quarter				Total 2013	Over (Under) 2012
		Q1 2013	Q2 2013	Q3 2013	Q4 2013		
Roadway Markings Includes: Thermal tape on main arterial intersections, paint and reflective materials, roadway markings and bundy adhesives (reflective Turtles) for roundabouts and islands	13,388.30	4,777.38	-	-	-	4,777.38	(8,610.92)
Signs, Lights & Signals Street sign, street light and signal repair and maintenance including DOT maintenance of pedestrian and traffic signals. Directional and Safety Signage	5,019.46	12,558.53	-	-	-	12,558.53	7,539.07
Roadway Repairs Asphalt and sealer for patching main arterials	889.42	391.69	-	-	-	391.69	(497.73)
Miscellaneous						-	-
Road Sand and Ice Melt Supplies	7,837.61	3,969.25	-	-	-	3,969.25	(3,868.36)
City of Sequim Labor Wages and benefits	12,705.65	30,550.07	-	-	-	30,550.07	17,844.42
<i>hours</i>	597.00	983.00	-	-	-	983.00	386.00
City of Sequim - TBD Qualifying Expenses	39,840.44	52,246.92	-	-	-	52,246.92	12,406.48
TBD Payment for Services	39,840.44	Billing in Progress		-	-	-	(39,840.44)
City of Sequim Contribution	-			-	-	52,246.92	52,246.92