



2022

Preliminary

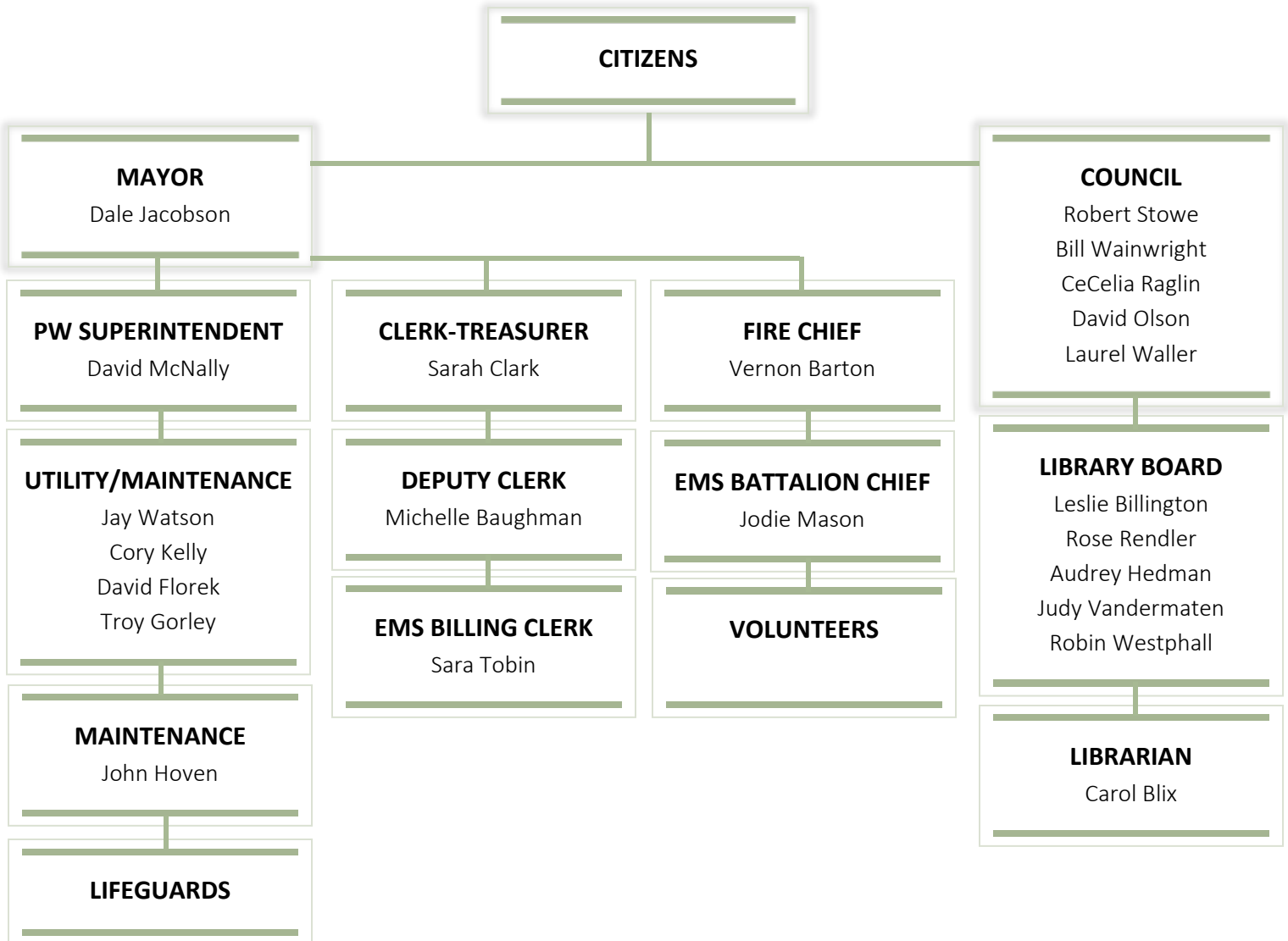
Budget

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Organizational Chart

ORGANIZATIONAL CHART



TOWN INFORMATION:

Town of Cathlamet, 375 2nd Street, Cathlamet, WA 98612
 Phone: 360.795.3203 | Fax: 360.795.8500 | www.townofcathlamet.com

"Cathlamet is committed to providing credible leadership and quality services to the community through transparency of its processes, good stewardship of public resources, respect for the Town's heritage, and valuing its diverse citizenry."

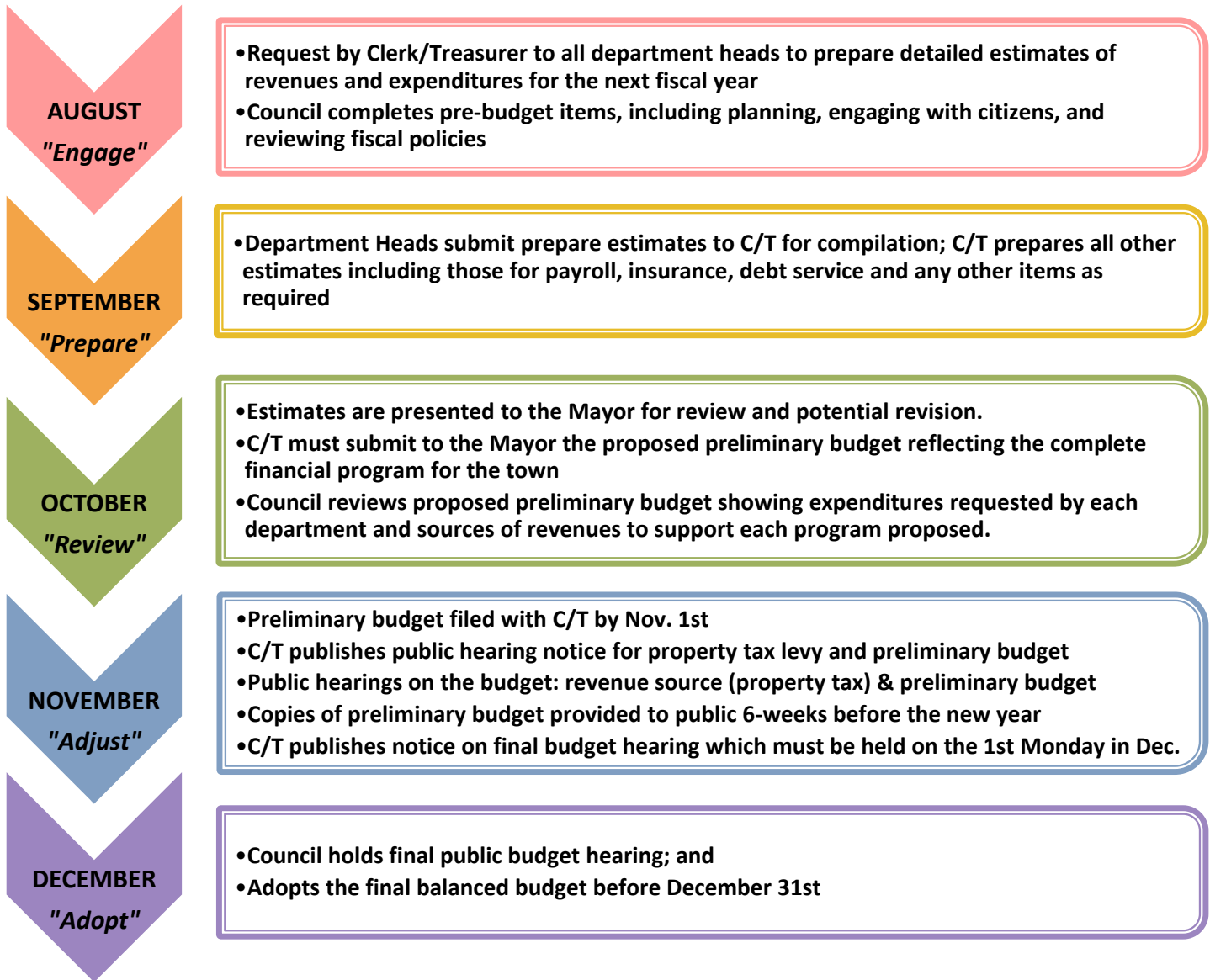
The Town of Cathlamet was incorporated on February 18, 1907 and is governed by six elected officials, including a Mayor and five Councilmembers. The Town operates under a strong-Mayor form of government with each elected official serving a 4-year term, staggered so not all positions come up for election in the same year. The Mayor is the chief executive officer, charged with carrying out policies set by the Town Council; the Council is the legislative body, having the authority to enact laws and set policies consistent with state law. The structure of the Mayor-Council Plan of Government is specified by the State of Washington Revised Code of Washington Title 35.27 RCW "Towns".

Budget Process

BUDGET PROCESS

The Town's annual budget is prepared on single-entry cash basis accounting. The budget is balanced and adopted at fund-level, in accordance with state law. The budget process and reporting requirements are outlined in Chapter 35.33 RCW.

The annual fiscal period for towns is January 1 to December 31.



UNDERSTANDING THE BUDGET

Revenues are reported by “source” and may be abbreviated throughout this document. The chart below identifies the types of transactions that are combined and reported in each source type and the source abbreviation that may be used:

ABBR.	REVENUES BY SOURCE	TRANSACTIONS...
Beg. Bal	BEGINNING CASH & INVESTMENTS	prior year’s unencumbered fund balance
	TAXES	property, utility/B&O, leasehold
L&P	LICENSES & PERMITS	Business & pet licenses, franchise fees, building & misc. permits
Intergov.	INTERGOVERNMENTAL REVENUES	grants, state shares, local contributions
Charges	CHARGES FOR GOODS & SERVICES	use fees, utility rates & tax
Fees	FINES & PENALTIES	late fees, other fines & penalties
Misc.	MISCELLANEOUS REVENUES	investment interest, other
Other	OTHER INCREASES IN RESOURCES	non-revenues, custodial, loans
TRF-in	TRANSFERS-IN	transfers-in from other funds for specific purposes

Expenditures are reported by “object” and may be abbreviated throughout this document. The chart below identifies the types of transactions that are combined and reported in each object type and the object abbreviation that may be used:

ABBR.	EXPENDITURES BY OBJECT	TRANSACTIONS...
O/M	OPERATIONS & MAINTENANCE	normal operation/maintenance activities, excluding transfers & capital
Admin	ADMINISTRATION	insurance, taxes, audits, advertising, legal counsel
	PERSONNEL	salaries & benefits
	SUPPLIES	office, chemicals, resale, uniforms, books, etc.
Pro Svcs.	PROFESSIONAL SERVICES	testing, consulting, janitorial, engineering
R&M	REPAIRS & MAINTENANCE	hired out - electrical, construction, mechanic
Other	OTHER SERVICES & CHARGES	training/travel, dues/fees, subscriptions
Op.	OPERATIONAL COSTS	utilities, rentals/leases, permits, IT, phones, internet
Misc.	MISC. COSTS	anything not included above or below
Debt	DEBT SERVICE	loan payments
	CAPITAL	capital projects, equipment, materials, labor
TRF-out	TRANSFERS-OUT	transfers-out to other funds for specific purposes
End Bal	ENDING BALANCE & RESERVES	reserved and net balance of each fund

Budget Message

BUDGET MESSAGE

I am pleased to submit for your consideration the 2022 Preliminary Budget for the Town of Cathlamet. The budget as proposed is approximately 1.5% lower than the current year's adopted budget.

The budget document is designed to serve as a financial plan for 2022 and can be referred to throughout the year as decisions are made. Budgeting is a comprehensive planning process for the future of the Town, setting forth the maximum expenditure of a particular fund while ensuring that expenses do not exceed revenues (also known as a "balanced" budget). Budgeting conservatively supports the fiscal integrity of the Town; operating costs should be in-line with the actual revenues received during the year, limiting the use of beginning or ending fund balances for emergencies and capital expenses only. The Town's Fund Balance and Reserve Policy was adopted in 2020, but it will need to be revised before the current end of year due to changes in established funds and desired reserve levels.

The budget helps determine the types and levels of services that can and will be provided, given the resources available to continue, maintain, expand or reduce those services. Budgeting is based on historical trends and predictions; therefore, is not exact and cannot forecast all changes the Town may encounter throughout the year. Through, this document will assist with understanding the complexities and/or rules that govern how funds can be received and spent by the Town.

The Town provides general governmental services, including business and pet licensing, permitting, fire protection and emergency medical services, as well as public parks, pool and library, and water and sewer utilities. The Town contracts with Wahkiakum County for law enforcement and municipal court services.

2022 PRELIMINARY BUDGET

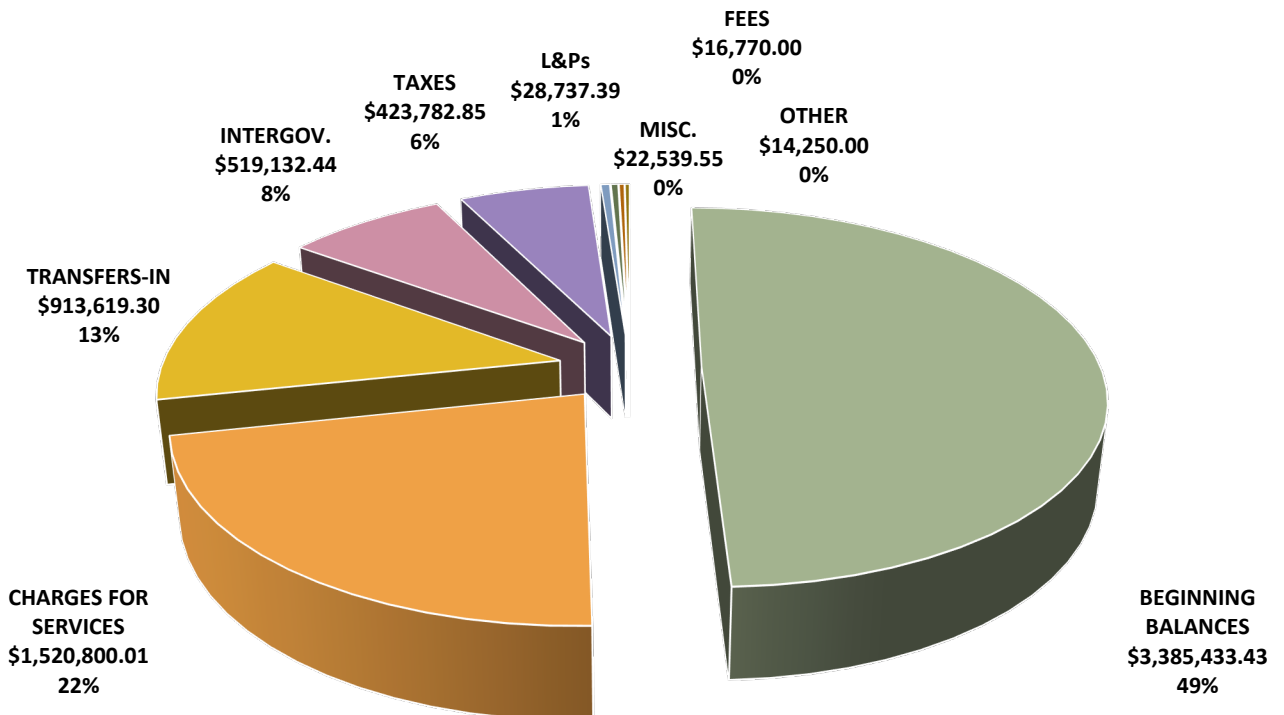
FUND	REVENUES		EXPENDITURES				END BALANCE & RESERVES
	BEG. BALANCE	REVENUES	OPERATING	TRANSFERS	CAPITAL	TOTAL	
001	\$469,391.97	\$664,060.58	\$636,980.71	\$78,750.00	\$102,500.00	\$818,230.71	\$315,221.84
007	\$1,054,491.56	\$21,130.00	\$0.00	\$50,000.00	\$495,621.56	\$545,621.56	\$530,000.00
030	\$200,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$200,000.00
032	\$0.00	\$4,000.00	\$3,000.00	\$0.00	\$1,000.00	\$4,000.00	\$0.00
101	\$5,258.64	\$275,111.07	\$49,815.95	\$0.00	\$222,153.96	\$271,969.91	\$8,399.80
102	\$8,078.88	\$72,204.55	\$66,898.39	\$0.00	\$11,513.00	\$78,411.39	\$1,872.03
108	\$6,423.56	\$50,010.00	\$30,199.24	\$0.00	\$0.00	\$30,199.24	\$26,234.32
109	\$54,202.46	\$108,700.00	\$121,060.25	\$0.00	\$5,000.00	\$126,060.25	\$36,842.21
120	\$3,657.49	\$3,128.96	\$6,500.00	\$0.00	\$0.00	\$6,500.00	\$286.45
301	\$90,159.09	\$23,002.07	\$0.00	\$0.00	\$67,500.00	\$67,500.00	\$45,661.16
401	\$0.00	\$328,970.23	\$0.00	\$0.00	\$0.00	\$0.00	\$328,970.23
402	\$787,574.70	\$711,725.75	\$538,353.32	\$415,527.96	\$475,000.00	\$1,428,881.28	\$70,419.17
403	\$265,851.43	\$727,259.26	\$504,525.04	\$369,341.34	\$50,000.00	\$923,866.38	\$69,244.31
404	\$0.00	\$224,060.62	\$0.00	\$0.00	\$0.00	\$0.00	\$224,060.62
405	\$33,890.67	\$14,000.00	\$14,000.00	\$0.00	\$0.00	\$14,000.00	\$33,890.67
406	\$89,019.88	\$86,652.73	\$99,366.44	\$0.00	\$0.00	\$99,366.44	\$76,306.17
407	\$317,433.08	\$145,615.72	\$206,322.00	\$0.00	\$0.00	\$206,322.00	\$256,726.80
	\$3,385,433.43	\$3,459,631.54	\$2,277,021.35	\$913,619.30	\$1,430,288.52	\$4,620,929.17	\$2,224,135.81

REVENUES

Estimated revenues for the ensuing year are provided in the following table on a comparative basis with the actual receipts for the last completed year and the projected receipts for the current year which shall include any unencumbered fund balances estimated to be available, pursuant to RCW 35.33.051:

FUND	2020 ACTUAL	2021 PROJECTED	2022 BUDGET
001 CURRENT EXPENSE	\$969,271.11	\$1,091,169.05	\$1,133,452.55
007 CE RESERVE	\$717,824.78	\$1,325,773.67	\$1,075,621.56
030 DEMO/REPAIR	\$0.00	\$200,000.00	\$200,000.00
032 PUBLIC WIFI	\$0.00	\$750.00	\$4,000.00
101 STREETS	\$156,281.31	\$115,962.14	\$280,369.71
102 LIBRARY	\$64,768.94	\$65,943.58	\$80,283.43
108 FIRE DEBT/RESERVE	\$45,843.84	\$0.00	\$56,433.56
109 EMS RESERVE	\$146,319.97	\$154,464.74	\$162,902.46
120 TOURISM	\$20,304.78	\$19,532.49	\$6,786.45
301 CAPITAL PROJECTS	\$109,905.92	\$124,496.30	\$113,161.16
401 WATER CAPITAL RESERVE	\$0.00	\$0.00	\$328,970.23
402 WATER O/M	\$2,121,148.74	\$1,747,049.97	\$1,499,300.45
403 SEWER O/M	\$696,372.32	\$743,746.86	\$993,110.69
404 SEWER CAPITAL RESERVE	\$0.00	\$0.00	\$224,060.62
405 UTILITY DEPOSITS	\$49,968.32	\$43,599.08	\$47,890.67
406 WATER DEBT SERVICE	\$114,210.75	\$186,486.68	\$175,672.61
407 SEWER DEBT SERVICE	\$719,414.38	\$523,755.08	\$463,048.80
	\$5,931,635.16	\$6,342,729.65	\$6,845,064.97

The chart below represents the total budgeted revenues by source:

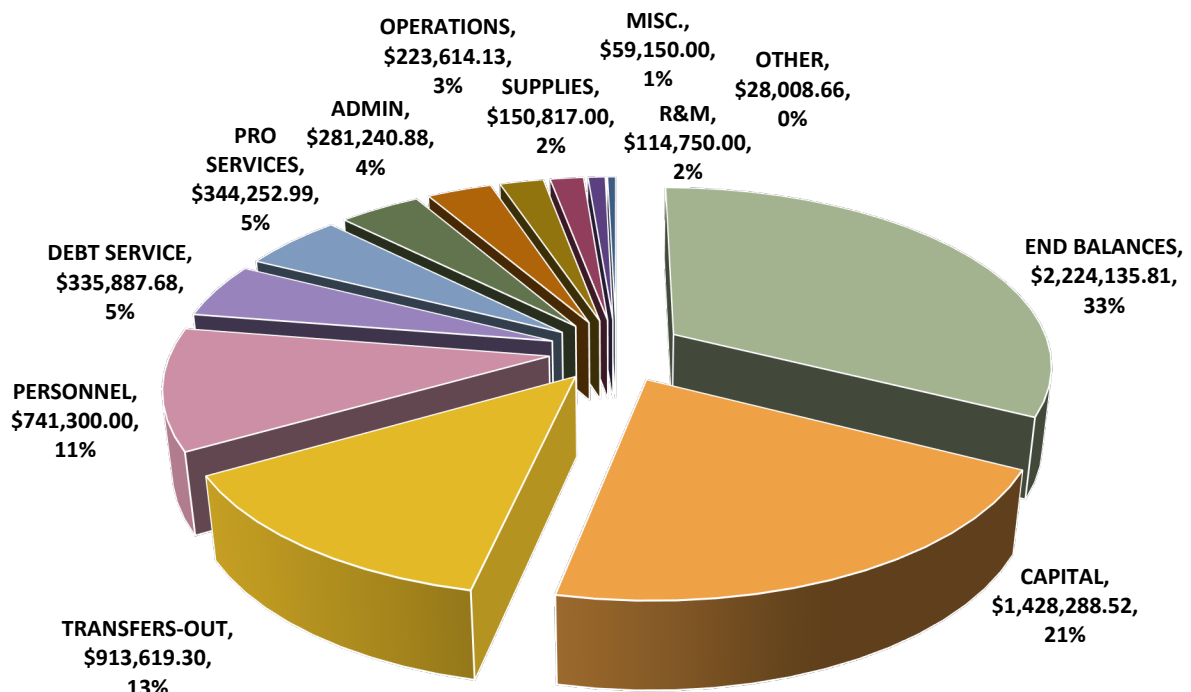


EXPENDITURES

Proposed expenditures for the ensuing year are provided in the following table on a comparative basis with the actual expenditures for the last completed year and the appropriations for the current year, pursuant to RCW 35.33.051:

FUND	2020 ACTUAL	2021 BUDGET	2022 BUDGET
001 CURRENT EXPENSE	\$482,453.19	\$816,247.38	\$818,230.71
007 CE RESERVE	\$34,081.11	\$1,025,876.39	\$545,621.56
030 DEMO/REPAIR	\$0.00	\$200,000.00	\$0.00
032 PUBLIC WIFI	\$0.00	\$0.00	\$4,000.00
101 STREETS	\$49,704.33	\$219,014.65	\$271,969.91
102 LIBRARY	\$50,016.32	\$65,063.39	\$78,411.39
108 FIRE DEBT/RESERVE	\$30,199.24	\$30,199.24	\$30,199.24
109 EMS RESERVE	\$101,928.87	\$114,424.75	\$126,060.25
120 TOURISM	\$5,431.42	\$17,346.57	\$6,500.00
301 CAPITAL PROJECTS	\$3,449.66	\$100,000.00	\$67,500.00
401 WATER CAPITAL RESERVE	\$0.00	\$0.00	\$0.00
402 WATER O/M	\$1,213,764.15	\$1,270,165.21	\$1,428,881.28
403 SEWER O/M	\$375,648.08	\$482,968.17	\$923,866.38
404 SEWER CAPITAL RESERVE	\$0.00	\$0.00	\$0.00
405 UTILITY DEPOSITS	\$17,452.81	\$27,000.00	\$14,000.00
406 WATER DEBT SERVICE	\$40,934.03	\$99,900.58	\$99,366.44
407 SEWER DEBT SERVICE	\$537,437.34	\$206,322.00	\$206,322.00
	\$2,942,500.55	\$4,674,528.33	\$4,620,929.17

The chart below represents the total budgeted expenses by object:



SUMMARY

Beginning balances make up approximately 49% of budgeted revenues with the other 51% coming from the various revenue sources listed below. The salient change in “other increases” from 21-22 is due to the sales of capital assets (timber) in 2021; “transfers-in” increases are primarily due to reserve transfers in enterprise funds; and the reduction in “charges for services” is due to reducing water & sewer rates for 2022. Anticipated revenues cover the total budgeted operating expenditures leaving a net operating balance of \$1,182,610.20 (before deducting transfers & capital expenses).

REVENUES BY SOURCE		2020 ACTUAL	2021 BUDGET	2021 PROJECTED	2022 BUDGET
49%	BEGINNING CASH & INVESTMENTS	\$2,968,041.87	\$2,989,139.10	\$2,989,134.60	\$3,385,433.43
6%	TAXES	\$408,059.21	\$398,067.83	\$411,037.24	\$423,782.85
0%	LICENSES & PERMITS	\$20,546.26	\$34,665.00	\$17,316.42	\$28,737.39
8%	INTERGOVERNMENTAL REVENUES	\$165,058.44	\$913,010.60	\$208,610.89	\$519,132.44
22%	CHARGES FOR GOODS & SERVICES	\$1,538,733.90	\$1,578,094.16	\$1,642,769.61	\$1,520,800.01
0%	FINES & PENALTIES	\$3,581.14	\$625.00	\$1,665.83	\$16,770.00
0%	MISCELLANEOUS REVENUES	\$58,007.88	\$28,975.00	\$22,986.77	\$22,539.55
0%	OTHER INCREASES IN RESOURCES	\$662,014.46	\$327,200.00	\$715,320.56	\$14,250.00
13%	TRANSFERS-IN	\$107,592.00	\$369,760.53	\$370,510.53	\$913,619.30
51%	TOTAL REVENUES	\$2,963,593.29	\$3,650,398.12	\$3,390,217.85	\$3,459,631.54
	TOTAL REVENUE + BEG. BALANCE	\$5,931,635.16	\$6,639,537.22	\$6,379,352.45	\$6,845,064.97

Ending balance and reserves make up approximately 33% of the budget, with operating expenses also 33% and capital 21%. The salient change in “administration” from 21-22 is primarily due to the changes to sewer rates, causing an increase to the cost of excise tax in that fund; and “personnel” from 20-21 is due to changes to employee health benefits coverage. Budgeted funds do not include the use of any estimated fund balance for operational expenses; however, they are utilized for capital expenses, which are approximately \$1.43 M, slightly less than the current year’s adopted budget.

EXPENDITURES BY OBJECT		2020 ACTUAL	2021 BUDGET	2021 PROJECTED	2022 BUDGET
4%	ADMINISTRATION	\$242,240.57	\$234,052.42	\$226,794.54	\$281,240.88
11%	PERSONNEL	\$503,306.57	\$754,768.05	\$700,293.04	\$741,300.00
2%	SUPPLIES	\$107,659.84	\$163,370.00	\$138,337.03	\$150,817.00
5%	PROFESSIONAL SERVICES	\$200,203.10	\$402,029.31	\$324,897.20	\$344,252.99
2%	REPAIRS & MAINTENANCE	\$52,682.83	\$148,000.00	\$57,316.62	\$114,750.00
0%	OTHER SERVICES & CHARGES	\$12,865.74	\$30,821.00	\$25,033.93	\$28,008.66
3%	OPERATIONAL COSTS	\$228,091.39	\$211,400.11	\$217,707.27	\$223,614.13
1%	MISC. COSTS	\$84,862.04	\$74,225.00	\$60,284.58	\$59,150.00
5%	DEBT SERVICE	\$608,570.61	\$336,421.82	\$333,988.04	\$335,887.68
33%	O/M EXPENSES	\$2,040,482.69	\$2,355,087.71	\$2,084,652.25	\$2,279,021.35
21%	CAPITAL	\$773,070.86	\$1,949,680.09	\$538,856.24	\$1,428,288.52
13%	TRANSFERS-OUT	\$128,947.00	\$369,760.53	\$370,510.53	\$913,619.30
68%	TOTAL EXPENSES	\$2,942,500.55	\$4,674,528.33	\$2,994,019.02	\$4,620,929.17
33%	END BALANCE & RESERVES	\$2,989,134.61	\$1,965,008.89	\$3,385,333.43	\$2,224,135.81

TOWN OF CATHLAMET, WASHINGTON

2022 PRELIMINARY BUDGET

The total budget as proposed is approximately 3% higher than the current year’s adopted budget; however, budgeted operating expenditures are approximately 3% lower and revenues are approximately 2% higher than the projected revenues for the current year.

FUND #	FUND NAME	ESTIMATED REVENUES	APPROPRIATIONS
001	CURRENT EXPENSE	\$1,127,770.38	\$1,127,770.38
007	CE RESERVE	\$1,075,621.56	\$1,075,621.56
030	REPAIR & DEMOLITION	\$200,000.00	\$200,000.00
032	PUBLIC WIFI	\$4,000.00	\$4,000.00
101	STREETS	\$280,369.71	\$280,369.71
102	LIBRARY	\$80,283.43	\$80,283.43
108	FIRE DEPT. CUMULATIVE RESERVE	\$56,433.56	\$56,433.56
109	EMS CUMULATIVE RESERVE	\$162,902.46	\$162,902.46
120	TOURISM DEVELOPMENT RESERVE	\$6,786.45	\$6,786.45
301	CAPITAL PROJECTS RESERVE	\$113,161.16	\$113,161.16
401	WATER CAPITAL RESERVE	\$328,970.23	\$328,970.23
402	WATER O/M FUND	\$1,499,300.45	\$1,499,300.45
403	SEWER O/M FUND	\$993,110.69	\$993,110.69
404	SEWER CAPITAL RESERVE	\$224,060.62	\$224,060.62
405	UTILITY DEPOSITS	\$47,890.67	\$47,890.67
406	WATER DEBT SERVICE RESERVE	\$175,672.61	\$175,672.61
407	SEWER DEBT SERVICE RESERVE	\$463,048.80	\$463,048.80
	TOTAL ALL FUNDS:	\$6,839,382.80	\$6,839,382.80

Revenues

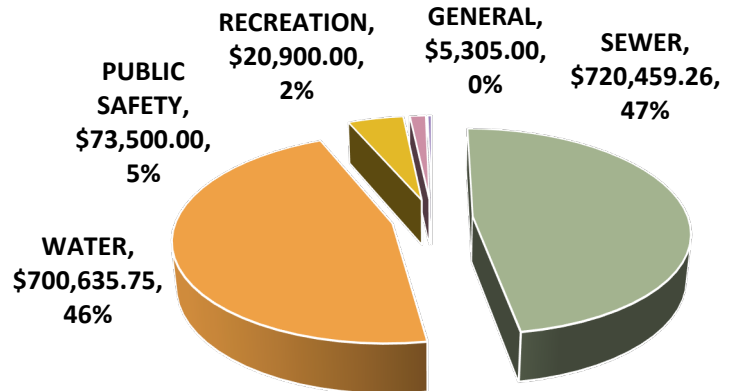
REVENUES

CHARGES FOR GOODS & SERVICES

Charges for goods and services is the Town's largest revenue source making up 22% of the total budget. This source includes revenues from water and sewer charges, ambulance transports, pool and library use fees, and miscellaneous licensing and permits.

2022 UTILITY RATES

Water and Sewer rates are still pending formal Council approval but are anticipated to decrease in 2022.



INTERGOVERNMENTAL REVENUES

Intergovernmental revenues are the second largest source of Town revenues, making up 8% of the budget. This source includes revenues from grants, local contributions, and state shared distributions.

2022 GRANTS

Fund	Grant	Amount	Match Req.	
101	EV Station	\$109,410.92	\$21,882.18	Y
101	Safe Sidewalks	\$138,400.00	\$21,600.00	P
107	Waterfront Park	\$500,000.00	\$166,000.00	P
107	Cemetery Heritage	\$20,000.00	\$40,000.00	Y
102	Library Technology	\$6,100.00	\$0.00	Y
301	MRC Town Dock	\$10,545.00	\$0.00	Y
001	Shoreline Plan	\$11,200.00	\$0.00	Y

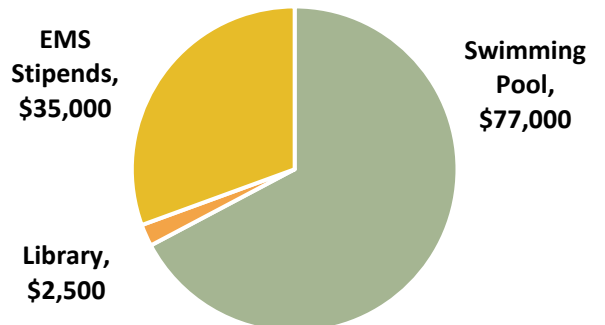
(NEW & UNFINISHED)

Y = Awarded; P = Pending/Applied

2022 INTERGOVERNMENTAL

State Grants	\$285,110.92
Local Contributions	\$127,295.00
Federal Distributions	\$79,836.00
State Shared	\$26,890.52
TOTAL:	\$519,132.44

Wahkiakum County Contributions:



FEDERAL REVENUES

American Rescue Recovery Plan Act (or SLFRF) funds can be used for addressing negative economic impacts on local businesses or investments in various infrastructure.

STATE SHARED REVENUES

CRIMINAL JUSTICE

RCW 82.14.330(1c); Population, Special & Contracted; per capita, must be used for law enforcement services

\$2,651.00

PUD PRIVILEGE TAX

RCW 54.28.100; may be used for any governmental purpose

\$5,682.18

MOTOR VEHICLE FUEL TAX

RCW 47.24.040; per capita, must be used for streets, roads & highways; or pedestrian trails if severed by the highway

\$9,528.75

LIQUOR DISTRIBUTIONS

RCW 71.24.555; 2% must be used for chemical dependency programs & 20.23% for enhancing public safety

\$7,476.00

MARIJUANA EXCISE TAX

RCW 69.50.101; per capita; used towards law enforcement services

\$782.25

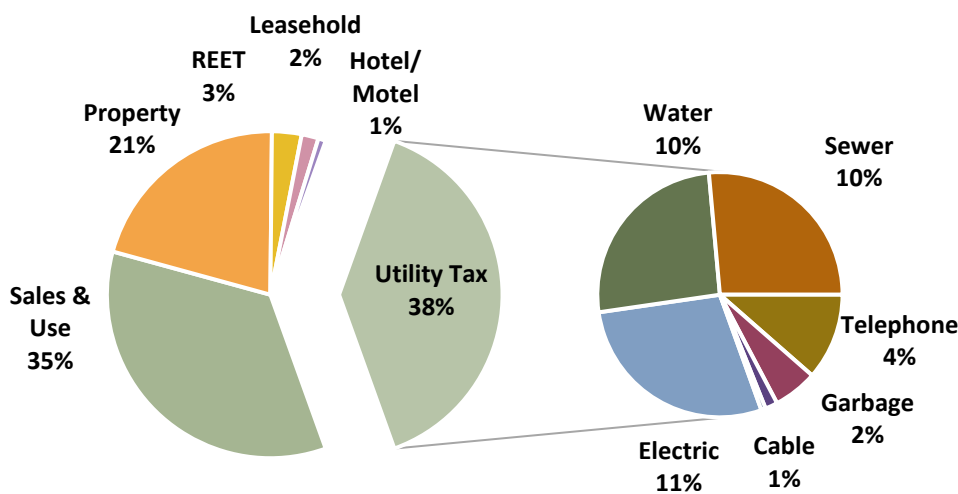
MULTIMODAL

RCW 47.66.070; per capita, may be used for any transportation purpose, including pedestrian trails

\$693.00

TAXES

Taxes are the Town's third largest source of revenues, making up 6% of the total budget.



2022 TAXES

Sales & Use	\$146,894.26
Property	\$88,324.50
REET	\$12,392.07
Leasehold	\$7,063.94
Hotel/Motel	\$3,128.96
Electric	\$46,499.55
Water	\$42,636.34
Sewer	\$43,617.56
Telephone	\$18,866.82
Garbage	\$9,630.27
Cable	\$2,707.59
Gambling	\$953.18
TOTAL:	\$422,715.05

Expenditures

EXPENDITURES

CAPITAL EXPENDITURES

Capital expenditures are the Town's largest expense, accounting for 21% of the total budget. Included below is a summary of the planned projects and estimated budgets.

U/E Column= "Unexpended", rolling over from 2021 Budget (per RCW 35.33.151); Y = Fully budgeted in 2021; X = Planned for 2021, but either the project has changed or was not fully budgeted; N = New;

(General capital expenses (non-projects) are included in the totals, but not individually listed above.)

2022 CAPITAL PROJECTS		U/E
Town Hall Capital Outlay	\$60,000.00	Y
Firefighting Capital Outlay	\$6,000.00	N
Wildland Capital Outlay	\$1,500.00	N
Park Equipment Capital	\$25,000.00	N
Pool Capital Repairs	\$10,000.00	N
TOTAL CURRENT EXPENSE FUND 001	\$102,500.00	
Butler Lot Improvements	\$133,621.56	X
Capital - Cemetery Grant *	\$60,000.00	Y
WF/Strong Park	\$134,000.00	X
Waterfront Park	\$166,000.00	X
TOTAL CE RESERVE FUND 007	\$493,621.56	
EV Charging Station Grant *	\$61,153.96	Y
SWRTPO Sidewalks Grant *	\$160,000.00	N
TOTAL STREETS FUND 101	\$222,153.96	
Exterior Painting	\$8,000.00	N
TOTAL LIBRARY FUND 102	\$11,513.00	
Erickson Park Restrooms	\$50,000.00	Y
Angle St. Stairs/Pathway	\$15,000.00	N
Town Dock Installation	\$2,500.00	Y
TOTAL CAPITAL FUND 301	\$67,500.00	
Waterline Replacement, Una & 2nd	\$300,000.00	Y
Water Booster Station	\$150,000.00	N
Machinery & Equipment	\$25,000.00	Y
TOTAL WATER FUND 402	\$475,000.00	
Sewer Plant Storage Shop Installation	\$10,000.00	N
Machinery & Equipment	\$25,000.00	Y
TOTAL SEWER FUND 403	\$50,000.00	
TOTAL CAPITAL PROJECTS	\$1,428,288.52	

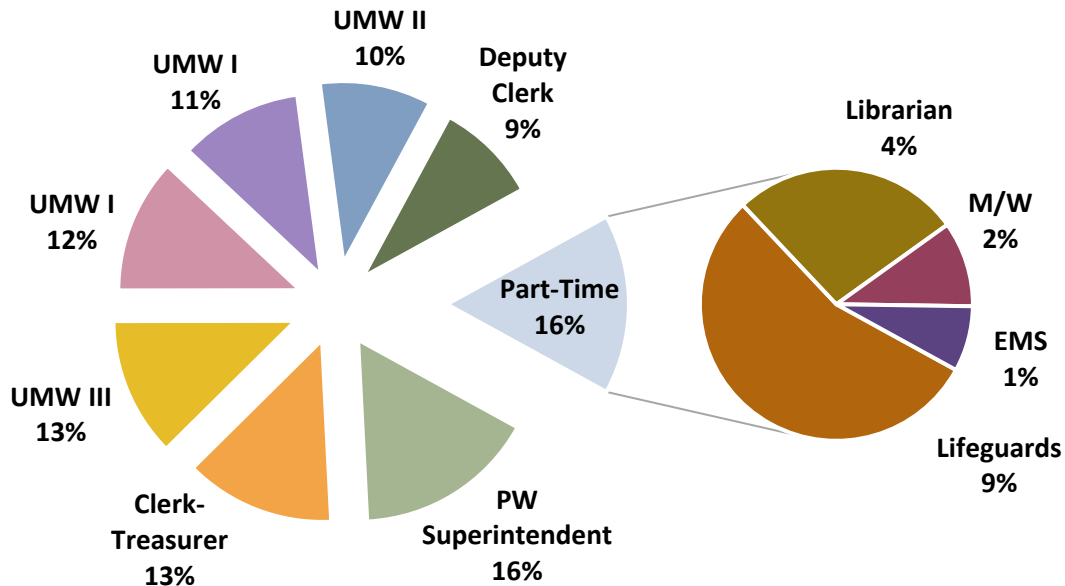
PERSONNEL

Personnel costs are the Town's largest operating expense at 11% of the total budget. This object includes the cost for all employee's salaries and benefits. The Town employs (7) full-time employees, each working 2080 hours per year (40 hours per week); (1) permanent part-time employee, working 960 hours per year; and (2) regular part-time employees, working up to 29 hours per month and 50 hours per month.

The Clerk-Treasurer, Deputy Clerk, PW Superintendent, and all Utility/Maintenance Workers (UMW) are full-time employees; the Librarian is permanent part-time; and the EMS Billing Clerk and Public Works Maintenance Worker (M/W) are part-time.

<i>Estimated 2022 SALARY SCALE FY 2022</i>			
POSITION	CLASS	STEP 1	STEP 6
Superintendent	10A	\$30.36	\$34.68
Clerk-Treasurer	10	\$29.99	\$34.26
UMW III	9A	\$28.20	\$32.22
UMW II	7A	\$24.32	\$27.78
UMW I	6A	\$22.57	\$25.79
Librarian	X	\$21.40	\$22.11
Deputy Clerk	4	\$19.23	\$21.97
Billing Clerk	2	\$16.58	\$18.94
M/W	1A	\$15.59	\$17.81
Min. Wage:		\$14.49	

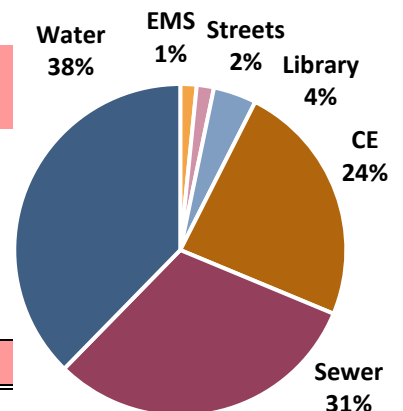
2022 SALARIES & BENEFITS - BY POSITION:



SALARIES & BENEFITS BY FUND:

2022 SALARIES & BENEFITS				
FUND	2021 EST.	SALARIES	BENEFITS	TOTAL
001	\$155,629.46	\$151,300.00	\$25,200.00	\$176,500
101	\$11,221.20	\$10,400.00	\$2,000.00	\$12,400
102	\$29,718.05	\$21,300.00	\$9,800.00	\$31,100
109	\$9,651.97	\$10,300.00	\$1,500.00	\$11,800
402	\$278,864.39	\$187,000.00	\$92,300.00	\$279,300
403	\$224,404.26	\$158,500.00	\$71,700.00	\$230,200
	\$709,489.33	\$538,800.00	\$202,500.00	\$741,300
21-22 Change:				4%

BENEFITS COST BY TYPE	
Health	\$102,883.44
PERS	\$55,761.55
SS/MED	\$40,406.95
L&I	\$2,112.78
FMLA	\$1,335.28
	\$202,500.00



DEBT SERVICE

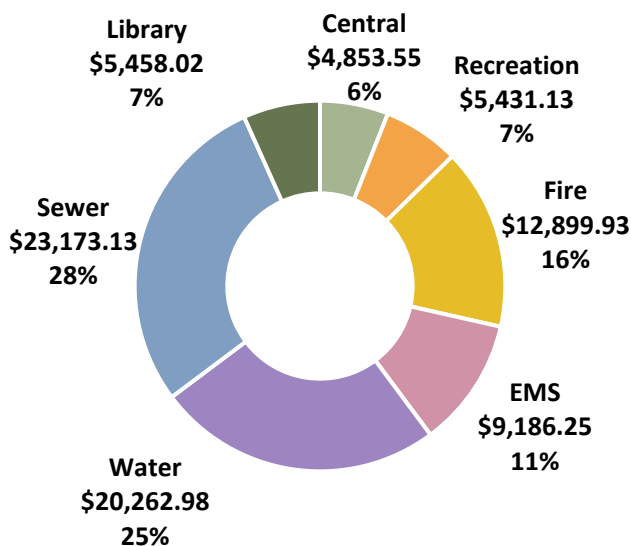
The Town currently has a combined outstanding principal of \$5,794,286 for all five loans summarized below.

2022 DEBT SERVICE SUMMARY

FUND	LOAN #	MAT	RATE	Required Reserves	Principal Balance	2022 DEBT SERVICE		
						PRINCIPAL	INTEREST	ANNUAL \$
406	534-2	2038	4.50%	\$48,483.00	\$480,484.76	\$19,208.43	\$21,381.57	\$40,590.00
406	PR-18	2024	0.84%	\$0.00	\$41,249.43	\$13,749.80	\$346.49	\$14,096.29
406	PC-20	2039	1.58%	\$0.00	\$673,344.49	\$37,408.03	\$7,272.12	\$62,000.00
407	535-4	2053	2.75%	\$442,416.60	\$4,329,325.01	\$87,092.39	\$119,229.61	\$206,322.00
108	229-4	2032	3.63%	\$0.00	\$269,883.12	\$20,395.95	\$9,803.29	\$30,199.24
				\$490,899.60	\$5,794,286.81	\$177,854.60	\$158,033.08	\$353,207.53

LIABILITY INSURANCE

The Town is insured through RMSA (Risk Management Service Agency) for property, auto, crime, cyber and liability with rates for 2022 decreasing almost 8% from 2021.



2022 LIABILITY INSURANCE

	2020	2021	2022
Cost:	\$85,033.71	\$88,237.23	\$81,265.00
Change:	3.00%	3.77%	-7.90%

FUND BALANCE & RESERVES

The Town's fund balance and reserves make up approximately 33% of the total budget which means that, if all budgeted revenues are received and all budgeted expenditures are spent, there will be minimum of \$2,218,453 carried over into 2023 as the beginning balance. This amount will likely be much higher, as the Town on average only spends around 52% of the total budget.

2022 SEWER RESERVES

407	Debt Reserve	\$185,689.80
407	Assets (Short-lived)	\$71,037.00
404	Emergency	\$75,000.00
403	Operating	\$69,244.31
404	Capital	\$149,060.62
		\$550,031.73

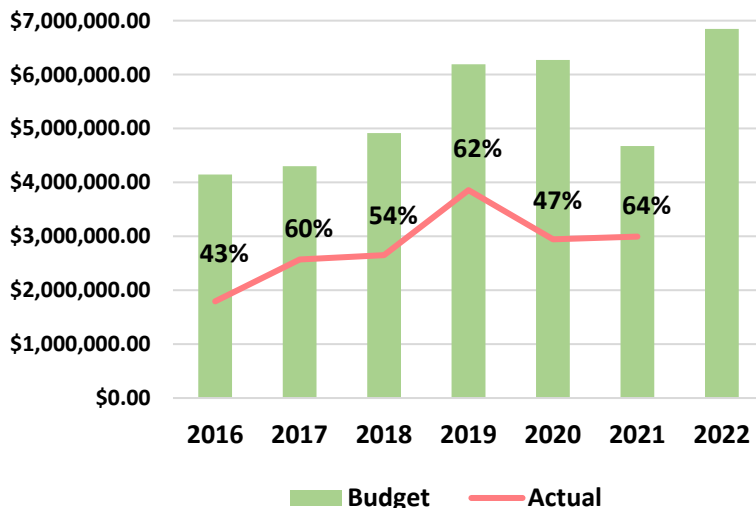
2022 WATER RESERVES

406	Debt Reserve	\$40,590.00
406	Assets (Short-lived)	\$35,716.17
401	Emergency	\$75,000.00
402	Operating	\$70,419.17
401	Capital	\$253,970.23
		\$475,695.57

2022 FUND BALANCE & RESERVES

001	Operating	\$309,539.66
007	Emergency	\$530,000.00
030	Reserve	\$200,000.00
032	Reserve	\$0.00
101	Operating	\$8,399.80
102	Operating	\$1,872.03
108	Capital	\$26,234.32
109	Operating	\$36,842.21
120	Operating	\$286.45
301	Capital	\$45,661.16
401	Capital/Emergency	\$328,970.23
402	Operating	\$70,419.17
403	Operating	\$69,244.31
404	Capital/Emergency	\$224,060.62
405	Reserve	\$33,890.67
406	Debt/Short-liv Assets	\$76,306.17
407	Debt/Short-liv Assets	\$256,726.80
TOTAL ALL FUNDS:		\$2,218,453.63

This chart represents the total adopted budget vs. actual expenditures over the last 6 years:

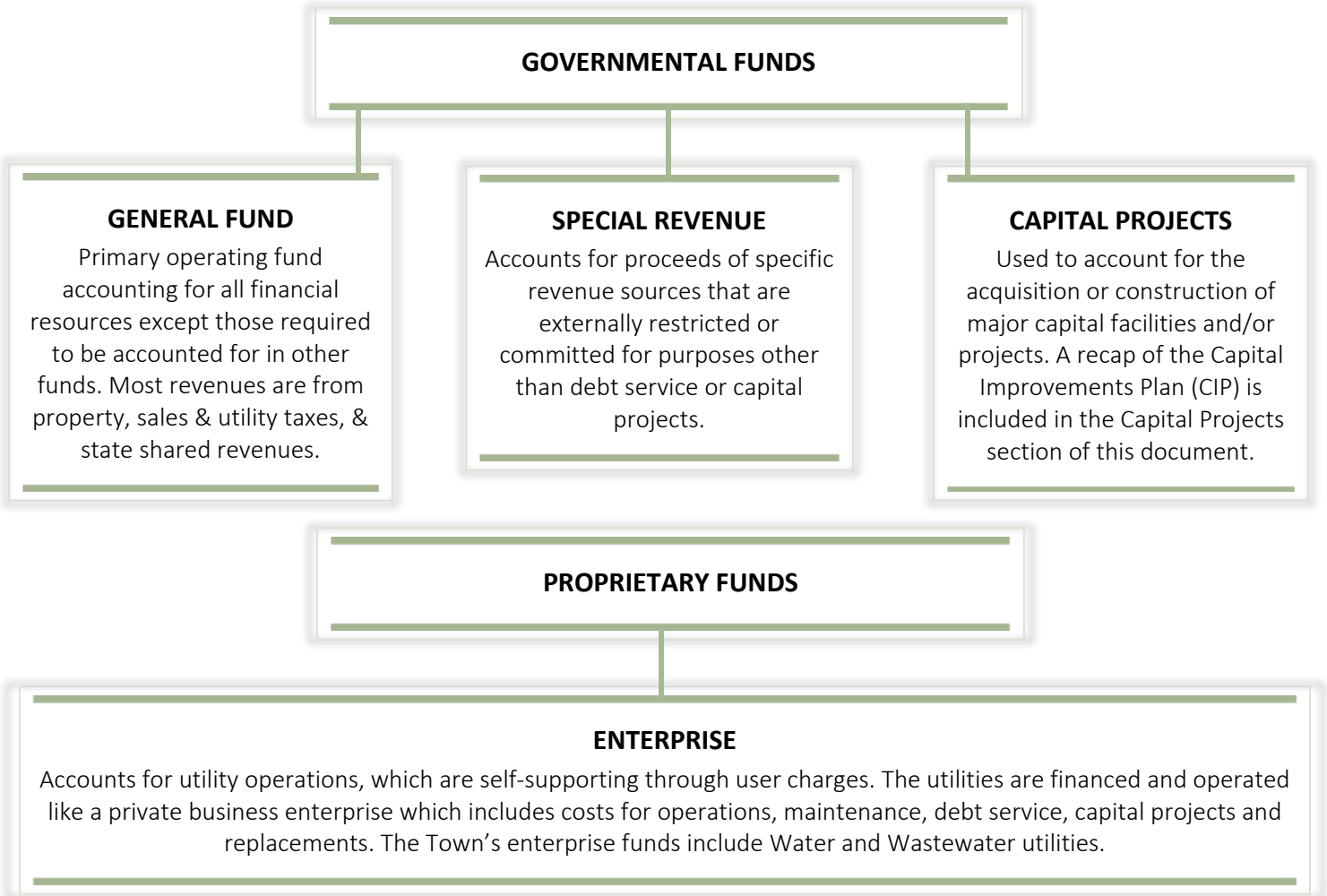


	<u>Total Budget</u>	<u>Actual Expense</u>
2016	\$4,146,708.00	\$1,793,536.00
2017	\$4,298,831.00	\$2,568,928.00
2018	\$4,914,383.00	\$2,649,143.00
2019	\$6,189,317.00	\$3,856,251.47
2020	\$6,271,273.00	\$2,942,500.55
2021	\$6,639,537.22	\$2,994,019.02
2022	\$6,845,064.97	

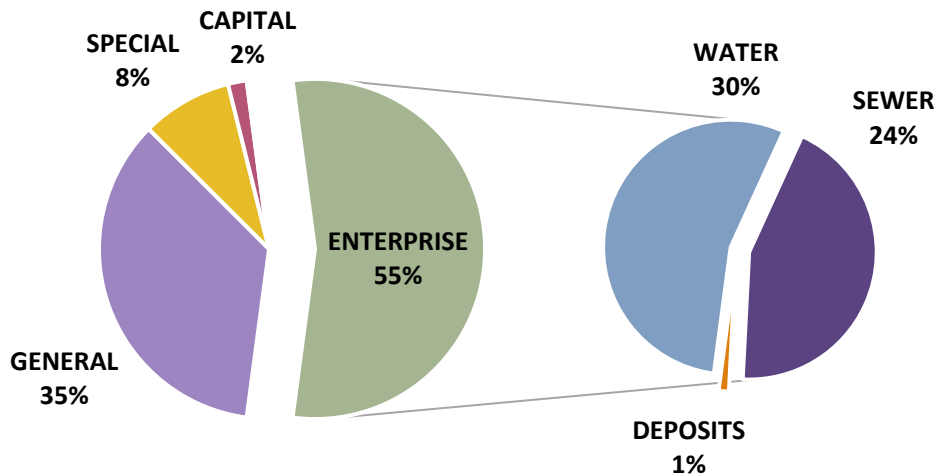
Budgeting by Fund

BUDGETING BY FUND

The Town budgets on a fund basis with transactions recorded on a cash-basis, which means that transactions are only recorded once received or paid. The Town uses governmental and proprietary funds, each with various sub-funds used to record different types of taxes and activities. Each fund is considered a separate accounting entity, with a separate set of self-balancing accounts that comprise its balances, revenues, and expenditures.



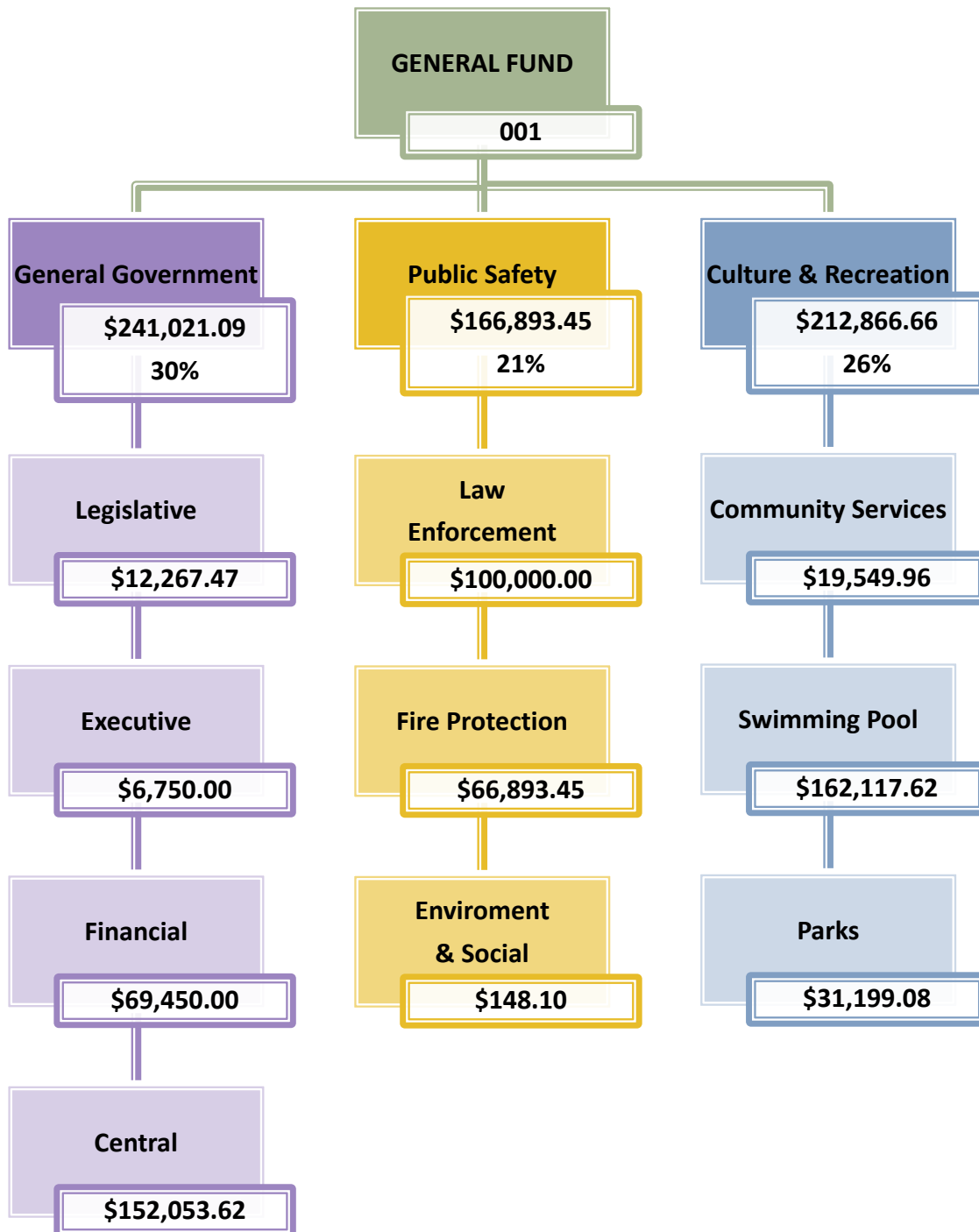
The chart below represents the total budget by fund type:



GENERAL FUNDS

The General Fund (or Current Expense) is the most complex of all Town funds; it supports several different departments that provide core services such as public safety, fire protection, parks and recreation, and general governmental activities. The General Fund also has other sub-funds which include CE Reserves, Repair/Demo, and Public WiFi. These funds are used to record specific activities but are considered as part of the General Fund for audit and reporting purposes.

The chart below outlines the various departments and budgets within the General Fund (excluding non-departmental costs, such as other decreases, transfers-out, & capital which are reported on the subsequent page):



Current Expense is used to record all revenues and expenditures that are not otherwise required to be recorded in a different type of fund. Revenues are derived primarily from taxes and state shared revenues, some of which have a partially restricted use which is summarized in the earlier “revenues” section of this document.

CURRENT EXPENSE		FUND # 001			
REVENUES BY SOURCE		2020 ACTUAL	2021 BUDGET	2021 PROJECTED	2022 BUDGET
41%	BEGINNING CASH & INVESTMENTS	\$442,974.93	\$486,817.92	\$486,817.92	\$469,391.97
36%	TAXES	\$382,724.90	\$379,406.94	\$391,893.34	\$408,261.82
3%	LICENSES & PERMITS	\$20,546.26	\$34,665.00	\$17,316.42	\$28,737.39
16%	INTERGOVERNMENTAL REVENUES	\$100,374.15	\$232,466.48	\$151,858.92	\$184,711.37
2%	CHARGES FOR GOODS & SERVICES	\$2,077.00	\$23,700.00	\$23,396.22	\$23,605.00
0%	FINES & PENALTIES	\$0.00	\$200.00	\$0.00	\$0.00
2%	MISCELLANEOUS REVENUES	\$20,159.87	\$18,830.00	\$19,549.73	\$18,495.00
0%	OTHER INCREASES IN RESOURCES	\$414.00	\$200.00	\$336.50	\$250.00
0%	TRANSFERS-IN	\$0.00	\$0.00	\$0.00	\$0.00
59%	TOTAL REVENUES	\$526,296.18	\$689,468.42	\$604,351.13	\$664,060.58
	TOTAL REVENUES + BEG. BALANCE	\$969,271.11	\$1,176,286.34	\$1,091,169.05	\$1,133,452.55
EXPENDITURES BY OBJECT		2020 ACTUAL	2021 BUDGET	2021 PROJECTED	2022 BUDGET
4%	ADMINISTRATION	\$40,208.10	\$32,808.53	\$27,261.52	\$47,906.54
16%	PERSONNEL	\$100,732.99	\$188,400.00	\$155,629.46	\$176,500.00
3%	SUPPLIES	\$15,609.98	\$51,350.00	\$37,218.32	\$39,050.00
19%	PROFESSIONAL SERVICES	\$148,956.45	\$264,159.31	\$211,599.56	\$220,067.99
4%	REPAIRS & MAINTENANCE	\$28,731.17	\$63,500.00	\$29,734.20	\$50,800.00
2%	OTHER SERVICES & CHARGES	\$10,689.08	\$20,650.00	\$14,600.20	\$17,182.66
7%	OPERATIONAL COSTS	\$55,603.03	\$54,079.54	\$77,683.28	\$76,923.52
1%	MISC. COSTS	\$32,117.12	\$7,400.00	\$6,456.06	\$8,550.00
0%	DEBT SERVICE	\$0.00	\$0.00	\$0.00	\$0.00
56%	O/M EXPENSES	\$432,647.92	\$682,347.38	\$560,182.61	\$636,980.71
9%	CAPITAL	\$10,305.27	\$85,000.00	\$12,044.47	\$102,500.00
7%	TRANSFERS-OUT	\$39,500.00	\$48,900.00	\$49,650.00	\$78,750.00
72%	TOTAL EXPENSES	\$482,453.19	\$816,247.38	\$621,877.08	\$818,230.71
28%	END BALANCE & RESERVES	\$486,817.92	\$360,038.96	\$469,291.97	\$315,221.84

Current Expenses “sub-funds” are reported on the subsequent pages.

CE Reserve Fund (or Current Expense Reserve) is used to account for sales of capital assets from timber harvests and primarily for capital expenses and occasional transfers out to other funds as determined by the Council. There are no external legal restrictions for the use of these funds; however, the adopted Fund Balance and Reserve Policy set internal restrictions stipulating that the use be limited to specifically identified expenses (by line item) as approved by the Council, as well as maintaining an emergency reserve balance of \$500K or 50% of the prior harvest revenues, whichever is higher.

CE RESERVE					FUND #	007
REVENUES BY SOURCE		2020 ACTUAL	2021 BUDGET	2021 PROJECTED	2022 BUDGET	
98%	BEGINNING CASH & INVESTMENTS	\$714,002.22	\$680,294.01	\$680,294.01	\$1,054,491.56	
2%	INTERGOVERNMENTAL REVENUES	\$0.00	\$520,000.00	\$0.00	\$20,000.00	
0%	MISCELLANEOUS REVENUES	\$3,822.56	\$1,400.00	\$889.75	\$1,130.00	
0%	OTHER INCREASES IN RESOURCES	\$0.00	\$300,000.00	\$644,589.91	\$0.00	
2%	TOTAL REVENUES	\$3,822.56	\$821,400.00	\$645,479.66	\$21,130.00	
TOTAL REVENUES + BEG. BALANCE		\$717,824.78	\$1,501,694.01	\$1,325,773.67	\$1,075,621.56	
EXPENDITURES BY OBJECT		2020 ACTUAL	2021 BUDGET	2021 PROJECTED	2022 BUDGET	
0%	PERSONNEL	\$8,601.21	\$30,000.00	-\$9,196.29	\$0.00	
0%	PROFESSIONAL SERVICES	\$1,954.60	\$15,000.00	\$27,240.00	\$2,000.00	
46%	CAPITAL	\$2,170.30	\$759,916.44	\$32,278.45	\$493,621.56	
5%	TRANSFERS-OUT	\$21,355.00	\$220,959.95	\$220,959.95	\$50,000.00	
51%	TOTAL EXPENSES	\$34,081.11	\$1,025,876.39	\$271,282.11	\$545,621.56	
49%	END BALANCE & RESERVES	\$683,743.67	\$475,817.62	\$1,054,491.56	\$530,000.00	

Repair/Demo Fund (or Repair and Demolition) is used to account for costs related to regulating abandoned, unfit, or dangerous buildings and structures pursuant to Chapter 35.80 RCW.

REPAIR/DEMO		FUND #			030
REVENUES BY SOURCE		2020 ACTUAL	2021 BUDGET	2021 PROJECTED	2022 BUDGET
100%	BEGINNING CASH & INVESTMENTS	\$0.00	\$0.00	\$0.00	\$200,000.00
0%	TRANSFERS-IN	\$0.00	\$200,000.00	\$200,000.00	\$0.00
0%	TOTAL REVENUES	\$0.00	\$200,000.00	\$200,000.00	\$0.00
TOTAL REVENUES + BEG. BALANCE		\$0.00	\$200,000.00	\$200,000.00	\$200,000.00

EXPENDITURES BY OBJECT		2020 ACTUAL	2021 BUDGET	2021 PROJECTED	2022 BUDGET
0%	PROFESSIONAL SERVICES	\$0.00	\$0.00	\$0.00	\$0.00
0%	REPAIRS & MAINTENANCE	\$0.00	\$0.00	\$0.00	\$0.00
0%	CAPITAL	\$0.00	\$200,000.00	\$0.00	\$0.00
0%	TRANSFERS-OUT	\$0.00	\$0.00	\$0.00	\$0.00
0%	TOTAL EXPENSES	\$0.00	\$200,000.00	\$0.00	\$0.00
100%	END BALANCE & RESERVES	\$0.00	\$0.00	\$200,000.00	\$200,000.00

The Public WiFi Fund is used to account for operating and capital expenses, and user fees for the public WiFi (or Wah-Fi) network which was established in 2021 and is managed by the Wahkiakum Public WiFi System Network Operating Board (WPWSNOB), an intergovernmental effort between the Town, Wahkiakum PUD, Wahkiakum Port District No. 1, and Wahkiakum Chamber of Commerce.

PUBLIC WIFI		FUND #			032
REVENUES BY SOURCE		2020 ACTUAL	2021 BUDGET	2021 PROJECTED	2022 BUDGET
0%	BEGINNING CASH & INVESTMENTS	\$0.00	\$0.00	\$0.00	\$0.00
56%	INTERGOVERNMENTAL REVENUES	\$0.00	\$0.00	\$0.00	\$2,250.00
25%	CHARGES FOR GOODS & SERVICES	\$0.00	\$0.00	\$0.00	\$1,000.00
19%	TRANSFERS-IN	\$0.00	\$0.00	\$750.00	\$750.00
100%	TOTAL REVENUES	\$0.00	\$0.00	\$750.00	\$4,000.00
TOTAL REVENUES + BEG. BALANCE		\$0.00	\$0.00	\$750.00	\$4,000.00

EXPENDITURES BY OBJECT		2020 ACTUAL	2021 BUDGET	2021 PROJECTED	2022 BUDGET
75%	PROFESSIONAL SERVICES	\$0.00	\$0.00	\$750.00	\$3,000.00
25%	CAPITAL	\$0.00	\$0.00	\$0.00	\$1,000.00
100%	TOTAL EXPENSES	\$0.00	\$0.00	\$750.00	\$4,000.00
0%	END BALANCE & RESERVES	\$0.00	\$0.00	\$0.00	\$0.00

SPECIAL REVENUE FUNDS

The Streets Fund is used to account for state shared revenues derived from multi-modal transportation and motor vehicle fuel tax state shared, and typically distributed on a per capita basis dependent on the amount of fuel taxes collected statewide. Use of these revenues are restricted to the operations and maintenance of streets, sidewalks and transportation facilities. Transportation related grants are also recorded in this fund.

STREETS		FUND #			101
REVENUES BY SOURCE		2020	2021	2021	2022
		ACTUAL	BUDGET	PROJECTED	BUDGET
2%	BEGINNING CASH & INVESTMENTS	\$145,235.38	\$106,576.98	\$106,576.98	\$5,258.64
92%	INTERGOVERNMENTAL REVENUES	\$10,287.55	\$120,544.12	\$9,291.97	\$258,026.07
0%	MISCELLANEOUS REVENUES	\$758.38	\$300.00	\$93.19	\$85.00
6%	TRANSFERS-IN	\$0.00	\$0.00	\$0.00	\$17,000.00
98%	TOTAL REVENUES	\$11,045.93	\$120,844.12	\$9,385.16	\$275,111.07
100%	TOTAL REVENUES + BEG. BALANCE	\$156,281.31	\$227,421.10	\$115,962.14	\$280,369.71
EXPENDITURES BY OBJECT		2020	2021	2021	2022
		ACTUAL	BUDGET	PROJECTED	BUDGET
0%	ADMINISTRATION	\$482.84	\$0.00	\$0.00	\$525.00
4%	PERSONNEL	\$9,957.75	\$15,000.00	\$11,221.20	\$12,400.00
1%	SUPPLIES	\$7,247.14	\$3,000.00	\$2,776.51	\$1,750.00
5%	PROFESSIONAL SERVICES	\$14,741.73	\$14,000.00	\$5,923.39	\$12,700.00
4%	REPAIRS & MAINTENANCE	\$2,668.48	\$17,500.00	\$2,306.17	\$10,100.00
0%	OTHER SERVICES & CHARGES	\$150.00	\$501.00	\$0.00	\$0.00
4%	OPERATIONAL COSTS	\$13,218.57	\$12,250.00	\$12,297.22	\$12,340.95
0%	MISC. COSTS	\$0.00	\$0.00	\$0.00	\$0.00
0%	DEBT SERVICE	\$0.00	\$0.00	\$0.00	\$0.00
18%	O/M EXPENSES	\$48,466.51	\$62,251.00	\$34,524.49	\$49,815.95
79%	CAPITAL	\$1,237.82	\$156,763.65	\$76,179.01	\$222,153.96
0%	TRANSFERS-OUT	\$0.00	\$0.00	\$0.00	\$0.00
97%	TOTAL EXPENSES	\$49,704.33	\$219,014.65	\$110,703.50	\$271,969.91
3%	END BALANCE & RESERVES	\$106,576.98	\$8,406.45	\$5,258.64	\$8,399.80

The Library Fund is used to record all transactions relating to the operations of the public library. Most revenues are transferred-in from Current Expenses.

LIBRARY		FUND #			102
REVENUES BY SOURCE		2020 ACTUAL	2021 BUDGET	2021 PROJECTED	2022 BUDGET
10%	BEGINNING CASH & INVESTMENTS	\$13,870.19	\$14,757.12	\$14,752.62	\$8,078.88
0%	TAXES	\$0.00	\$0.00	\$0.00	\$0.00
0%	LICENSES & PERMITS	\$0.00	\$0.00	\$0.00	\$0.00
11%	INTERGOVERNMENTAL REVENUES	\$9,350.00	\$0.00	\$0.00	\$8,600.00
2%	CHARGES FOR GOODS & SERVICES	\$1,430.98	\$1,600.00	\$1,577.76	\$1,600.00
0%	FINES & PENALTIES	\$281.14	\$425.00	\$184.62	\$300.00
1%	MISCELLANEOUS REVENUES	\$336.63	\$405.00	\$528.58	\$704.55
0%	OTHER INCREASES IN RESOURCES	\$0.00	\$0.00	\$0.00	\$0.00
76%	TRANSFERS-IN	\$39,500.00	\$48,900.00	\$48,900.00	\$61,000.00
90%	TOTAL REVENUES	\$50,898.75	\$51,330.00	\$51,190.96	\$72,204.55
	TOTAL REVENUES + BEG. BALANCE	\$64,768.94	\$66,087.12	\$65,943.58	\$80,283.43
EXPENDITURES BY OBJECT		2020 ACTUAL	2021 BUDGET	2021 PROJECTED	2022 BUDGET
7%	ADMINISTRATION	\$6,342.97	\$6,617.17	\$6,144.62	\$5,611.52
39%	PERSONNEL	\$19,506.77	\$29,718.05	\$29,718.05	\$31,100.00
17%	SUPPLIES	\$7,808.03	\$9,220.00	\$6,039.73	\$13,717.00
5%	PROFESSIONAL SERVICES	\$2,717.43	\$2,320.00	\$3,833.62	\$4,045.00
0%	REPAIRS & MAINTENANCE	\$0.00	\$0.00	\$0.00	\$0.00
1%	OTHER SERVICES & CHARGES	\$0.00	\$170.00	\$910.46	\$826.00
14%	OPERATIONAL COSTS	\$10,737.50	\$13,968.17	\$11,218.21	\$11,598.87
0%	MISC. COSTS	\$145.40	\$50.00	\$0.00	\$0.00
0%	DEBT SERVICE	\$0.00	\$0.00	\$0.00	\$0.00
83%	O/M EXPENSES	\$47,258.10	\$62,063.39	\$57,864.70	\$66,898.39
14%	CAPITAL	\$2,758.22	\$3,000.00	\$0.00	\$11,513.00
0%	TRANSFERS-OUT	\$0.00	\$0.00	\$0.00	\$0.00
98%	TOTAL EXPENSES	\$50,016.32	\$65,063.39	\$57,864.70	\$78,411.39
2%	END BALANCE & RESERVES	\$14,752.62	\$1,023.73	\$8,078.88	\$1,872.03

Fire Debt Reserve Fund is used to account for capital and debt expenditures and reserves for the Fire Department, currently recording transactions for a Spartan Fire Truck purchased in 2018.

CFD RESERVE		FUND # 108			
REVENUES BY SOURCE		2020 ACTUAL	2021 BUDGET	2021 PROJECTED	2022 BUDGET
11%	BEGINNING CASH & INVESTMENTS	\$24,303.65	\$15,644.60	\$15,644.60	\$6,423.56
0%	MISCELLANEOUS REVENUES	\$21,540.19	\$50.00	\$18.25	\$10.00
89%	TRANSFERS-IN	\$0.00	\$20,959.95	\$20,959.95	\$50,000.00
89%	TOTAL REVENUES	\$21,540.19	\$21,009.95	\$20,978.20	\$50,010.00
	TOTAL REVENUES + BEG. BALANCE	\$45,843.84	\$36,654.55	\$36,622.80	\$56,433.56
EXPENDITURES BY OBJECT		2020 ACTUAL	2021 BUDGET	2021 PROJECTED	2022 BUDGET
54%	DEBT SERVICE	\$30,199.24	\$30,199.24	\$30,199.24	\$30,199.24
0%	CAPITAL	\$0.00	\$0.00	\$0.00	\$0.00
54%	TOTAL EXPENSES	\$30,199.24	\$30,199.24	\$30,199.24	\$30,199.24
46%	END BALANCE & RESERVES	\$15,644.60	\$6,455.31	\$6,423.56	\$26,234.32

EMS Reserve Fund is used to account for revenues received for ambulance transports and contributions from Wahkiakum County to assist the Town with the costs of volunteer stipends.

EMS RESERVE		FUND # 109			
REVENUES BY SOURCE		2020 ACTUAL	2021 BUDGET	2021 PROJECTED	2022 BUDGET
33%	BEGINNING CASH & INVESTMENTS	\$41,492.37	\$44,391.10	\$44,391.10	\$54,202.46
21%	INTERGOVERNMENTAL REVENUES	\$37,546.74	\$40,000.00	\$47,460.00	\$35,000.00
45%	CHARGES FOR GOODS & SERVICES	\$66,830.86	\$62,500.00	\$62,238.64	\$73,500.00
0%	MISCELLANEOUS REVENUES	\$450.00	\$2,700.00	\$375.00	\$200.00
67%	TOTAL REVENUES	\$104,827.60	\$105,200.00	\$110,073.64	\$108,700.00
TOTAL REVENUES + BEG. BALANCE		\$146,319.97	\$149,591.10	\$154,464.74	\$162,902.46
EXPENDITURES BY OBJECT		2020 ACTUAL	2021 BUDGET	2021 PROJECTED	2022 BUDGET
7%	ADMINISTRATION	\$10,846.04	\$12,357.63	\$10,939.74	\$12,000.25
7%	PERSONNEL	\$10,017.21	\$14,650.00	\$9,651.97	\$11,800.00
15%	SUPPLIES	\$15,599.97	\$23,800.00	\$23,600.34	\$23,800.00
11%	PROFESSIONAL SERVICES	\$7,743.59	\$8,300.00	\$6,479.00	\$17,940.00
7%	REPAIRS & MAINTENANCE	\$8,113.82	\$7,000.00	\$13,227.06	\$10,600.00
1%	OTHER SERVICES & CHARGES	\$135.00	\$1,500.00	-\$35.00	\$2,000.00
9%	OPERATIONAL COSTS	\$14,975.60	\$14,417.12	\$15,059.45	\$14,320.00
18%	MISC. COSTS	\$33,661.05	\$22,400.00	\$21,339.72	\$28,600.00
0%	DEBT SERVICE	\$0.00	\$0.00	\$0.00	\$0.00
74%	O/M EXPENSES	\$101,092.28	\$104,424.75	\$100,262.28	\$121,060.25
3%	CAPITAL	\$836.59	\$10,000.00	\$0.00	\$5,000.00
77%	TOTAL EXPENSES	\$101,928.87	\$114,424.75	\$100,262.28	\$126,060.25
23%	END BALANCE & RESERVES	\$44,391.10	\$35,166.35	\$54,202.46	\$36,842.21

The Tourism Development Fund is used to account for state shared revenues derived from Hotel and Motel Tax which is collected from a 4% tax levied against all “lodging” activities, including hotels, motels, short-term rentals, Airbnbs, bed and breakfasts, and RV parks. Use of these revenues are restricted to costs relating to tourism development and marketing, some operational costs of community facilities, and capital expenses of tourism-related facilities that are owned/operated by a municipality or public sector).

TOURISM DEVELOPMENT		FUND # 120			
REVENUES BY SOURCE		2020 ACTUAL	2021 BUDGET	2021 PROJECTED	2022 BUDGET
54%	BEGINNING CASH & INVESTMENTS	\$9,142.65	\$14,873.36	\$14,873.36	\$3,657.49
46%	TAXES	\$3,662.13	\$3,660.89	\$4,659.13	\$3,128.96
46%	TOTAL REVENUES	\$11,162.13	\$3,660.89	\$4,659.13	\$3,128.96
TOTAL REVENUES + BEG. BALANCE		\$20,304.78	\$18,534.25	\$19,532.49	\$6,786.45
EXPENDITURES BY OBJECT		2020 ACTUAL	2021 BUDGET	2021 PROJECTED	2022 BUDGET
22%	PROFESSIONAL SERVICES	\$2,384.29	\$2,250.00	\$1,500.00	\$1,500.00
0%	OPERATIONAL COSTS	\$3,047.13	\$721.57	\$0.00	\$0.00
74%	MISC. COSTS	\$0.00	\$14,375.00	\$14,375.00	\$5,000.00
96%	TOTAL EXPENSES	\$5,431.42	\$17,346.57	\$15,875.00	\$6,500.00
4%	END BALANCE & RESERVES	\$14,873.36	\$1,187.68	\$3,657.49	\$286.45

CAPITAL PROJECT FUND

The Capital Projects Fund is used to account for revenues derived from REET (Real Estate Excise Tax). Use of these revenues are restricted to costs relating to any capital purpose identified in a capital improvements plan and local capital improvements, including those listed in RCW 35.43.040.

CAPITAL PROJECTS		FUND #			301
REVENUES BY SOURCE		2020 ACTUAL	2021 BUDGET	2021 PROJECTED	2022 BUDGET
80%	BEGINNING CASH & INVESTMENTS	\$87,734.85	\$109,905.92	\$109,905.92	\$90,159.09
11%	TAXES	\$21,672.18	\$15,000.00	\$14,484.77	\$12,392.07
9%	INTERGOVERNMENTAL REVENUES	\$0.00	\$0.00	\$0.00	\$10,545.00
0%	MISCELLANEOUS REVENUES	\$498.89	\$180.00	\$105.61	\$65.00
20%	TOTAL REVENUES	\$22,171.07	\$15,180.00	\$14,590.38	\$23,002.07
TOTAL REVENUES + BEG. BALANCE		\$109,905.92	\$125,085.92	\$124,496.30	\$113,161.16
EXPENDITURES BY OBJECT		2020 ACTUAL	2021 BUDGET	2021 PROJECTED	2022 BUDGET
60%	CAPITAL	\$3,449.66	\$100,000.00	\$34,337.21	\$67,500.00
60%	TOTAL EXPENSES	\$3,449.66	\$100,000.00	\$34,337.21	\$67,500.00
40%	END BALANCE & RESERVES	\$106,456.26	\$25,085.92	\$90,159.09	\$45,661.16

ENTERPRISE FUNDS

The Water O/M Fund (or Operations/Maintenance) is used to account for all revenues and expenditures related to the Town’s drinking water utility, including the treatment plant and distribution systems. User fees must generate enough revenue for the fund to be self-sufficient and cover the annual costs of operations, maintenance, debt service, and contribute to future capital needs.

WATER O/M		FUND # 402			
REVENUES BY SOURCE		2020 ACTUAL	2021 BUDGET	2021 PROJECTED	2022 BUDGET
53%	BEGINNING CASH & INVESTMENTS	\$763,722.97	\$907,384.59	\$907,384.59	\$787,574.70
47%	CHARGES FOR GOODS & SERVICES	\$707,733.15	\$716,424.90	\$778,525.28	\$700,635.75
1%	FINES & PENALTIES	\$2,600.99	\$0.00	\$1,000.00	\$9,970.00
0%	MISCELLANEOUS REVENUES	\$6,383.34	\$3,500.00	\$829.52	\$1,120.00
0%	OTHER INCREASES IN RESOURCES	\$640,708.29	\$0.00	\$59,310.58	\$0.00
0%	TRANSFERS-IN	\$0.00	\$0.00	\$0.00	\$0.00
47%	TOTAL REVENUES	\$1,357,425.77	\$719,924.90	\$839,665.38	\$711,725.75
	TOTAL REVENUES + BEG. BALANCE	\$2,121,148.74	\$1,627,309.49	\$1,747,049.97	\$1,499,300.45

EXPENDITURES BY OBJECT		2020 ACTUAL	2021 BUDGET	2021 PROJECTED	2022 BUDGET
7%	ADMINISTRATION	\$102,619.27	\$100,643.97	\$96,044.99	\$107,453.32
19%	PERSONNEL	\$190,703.78	\$265,000.00	\$278,864.39	\$279,300.00
3%	SUPPLIES	\$22,321.27	\$42,000.00	\$40,415.17	\$38,000.00
1%	PROFESSIONAL SERVICES	\$14,770.54	\$31,000.00	\$15,905.78	\$18,000.00
2%	REPAIRS & MAINTENANCE	\$2,965.91	\$45,000.00	\$681.13	\$30,750.00
0%	OTHER SERVICES & CHARGES	\$1,883.66	\$6,000.00	\$7,820.41	\$6,000.00
4%	OPERATIONAL COSTS	\$63,953.59	\$64,120.66	\$49,963.33	\$57,350.00
0%	MISC. COSTS	\$602.05	\$1,500.00	\$4,202.24	\$1,500.00
0%	DEBT SERVICE	\$0.00	\$0.00	\$0.00	\$0.00
36%	O/M EXPENSES	\$399,820.07	\$555,264.63	\$493,897.45	\$538,353.32
32%	CAPITAL	\$745,852.08	\$615,000.00	\$365,677.24	\$475,000.00
28%	TRANSFERS-OUT	\$68,092.00	\$99,900.58	\$99,900.58	\$415,527.96
95%	TOTAL EXPENSES	\$1,213,764.15	\$1,270,165.21	\$959,475.27	\$1,428,881.28
5%	END BALANCE & RESERVES	\$907,384.59	\$357,144.28	\$787,574.70	\$70,419.17

The Sewer O/M Fund (or Operations/Maintenance) is used to account for all revenues and expenditures related to the Town's wastewater utility, including the treatment plant and distribution systems. User fees must generate enough revenue for the fund to be self-sufficient and cover the annual costs of operations, maintenance, debt service, and contribute to future capital needs.

SEWER O/M		FUND #			403
REVENUES BY SOURCE		2020 ACTUAL	2021 BUDGET	2021 PROJECTED	2022 BUDGET
27%	BEGINNING CASH & INVESTMENTS	\$283,156.94	\$320,724.24	\$320,724.24	\$265,851.43
73%	CHARGES FOR GOODS & SERVICES	\$410,895.26	\$418,793.15	\$422,260.05	\$720,459.26
1%	FINES & PENALTIES	\$699.01	\$0.00	\$481.21	\$6,500.00
0%	MISCELLANEOUS REVENUES	\$1,621.11	\$575.00	\$281.36	\$300.00
0%	OTHER INCREASES IN RESOURCES	\$0.00	\$0.00	\$0.00	\$0.00
0%	TRANSFERS-IN	\$0.00	\$0.00	\$0.00	\$0.00
73%	TOTAL REVENUES	\$413,215.38	\$419,368.15	\$423,022.62	\$727,259.26
TOTAL REVENUES + BEG. BALANCE		\$696,372.32	\$740,092.39	\$743,746.86	\$993,110.69
EXPENDITURES BY OBJECT		2020 ACTUAL	2021 BUDGET	2021 PROJECTED	2022 BUDGET
11%	ADMINISTRATION	\$81,741.35	\$81,625.12	\$86,403.67	\$107,744.25
23%	PERSONNEL	\$163,786.86	\$212,000.00	\$224,404.26	\$230,200.00
3%	SUPPLIES	\$39,073.45	\$34,000.00	\$28,286.95	\$34,500.00
7%	PROFESSIONAL SERVICES	\$6,934.47	\$65,000.00	\$51,665.84	\$65,000.00
1%	REPAIRS & MAINTENANCE	\$10,203.45	\$15,000.00	\$11,368.06	\$12,500.00
0%	OTHER SERVICES & CHARGES	\$8.00	\$2,000.00	\$1,737.85	\$2,000.00
5%	OPERATIONAL COSTS	\$66,555.97	\$51,843.05	\$51,485.78	\$51,080.80
0%	MISC. COSTS	\$883.61	\$1,500.00	\$4,203.14	\$1,500.00
0%	DEBT SERVICE	\$0.00	\$0.00	\$0.00	\$0.00
51%	O/M EXPENSES	\$369,187.16	\$462,968.17	\$459,555.56	\$504,525.04
5%	CAPITAL	\$6,460.92	\$20,000.00	\$18,339.86	\$50,000.00
37%	TRANSFERS-OUT	\$0.00	\$0.00	\$0.00	\$369,341.34
93%	TOTAL EXPENSES	\$375,648.08	\$482,968.17	\$477,895.43	\$923,866.38
7%	END BALANCE & RESERVES	\$320,724.24	\$257,124.22	\$265,851.43	\$69,244.31

The Water Capital Reserve Fund is used to accumulate a reserve balance and record expenses once used for future capital needs relating to the water systems.

WATER CAPITAL/RESERVE				FUND #	401
REVENUES BY SOURCE		2020 ACTUAL	2021 BUDGET	2021 PROJECTED	2022 BUDGET
0%	BEGINNING CASH & INVESTMENTS	\$0.00	\$0.00	\$0.00	\$0.00
0%	MISCELLANEOUS REVENUES	\$0.00	\$0.00	\$0.00	\$0.00
100%	TRANSFERS-IN	\$0.00	\$0.00	\$0.00	\$328,970.23
100%	TOTAL REVENUES	\$0.00	\$0.00	\$0.00	\$328,970.23
TOTAL REVENUES + BEG. BALANCE		\$0.00	\$0.00	\$0.00	\$328,970.23
EXPENDITURES BY OBJECT		2020 ACTUAL	2021 BUDGET	2021 PROJECTED	2022 BUDGET
0%	CAPITAL	\$0.00	\$0.00	\$0.00	\$0.00
0%	TRANSFERS-OUT	\$0.00	\$0.00	\$0.00	\$0.00
0%	TOTAL EXPENSES	\$0.00	\$0.00	\$0.00	\$0.00
100%	END BALANCE & RESERVES	\$0.00	\$0.00	\$0.00	\$328,970.23

The Sewer Capital Reserve Fund is used to accumulate a reserve balance and record expenses once used for future capital needs relating to the sewer systems.

SEWER CAPITAL/RESERVE				FUND #	404
REVENUES BY SOURCE		2020 ACTUAL	2021 BUDGET	2021 PROJECTED	2022 BUDGET
0%	BEGINNING CASH & INVESTMENTS	\$0.00	\$0.00	\$0.00	\$0.00
0%	MISCELLANEOUS REVENUES	\$0.00	\$0.00	\$0.00	\$0.00
100%	TRANSFERS-IN	\$0.00	\$0.00	\$0.00	\$224,060.62
100%	TOTAL REVENUES	\$0.00	\$0.00	\$0.00	\$224,060.62
TOTAL REVENUES + BEG. BALANCE		\$0.00	\$0.00	\$0.00	\$224,060.62
EXPENDITURES BY OBJECT		2020 ACTUAL	2021 BUDGET	2021 PROJECTED	2022 BUDGET
0%	CAPITAL	\$0.00	\$0.00	\$0.00	\$0.00
0%	TRANSFERS-OUT	\$0.00	\$0.00	\$0.00	\$0.00
0%	TOTAL EXPENSES	\$0.00	\$0.00	\$0.00	\$0.00
100%	END BALANCE & RESERVES	\$0.00	\$0.00	\$0.00	\$224,060.62

The Water Debt Service Fund is used to account for debt related expenses and required reserves.

WATER DEBT SERVICE					FUND #	406
REVENUES BY SOURCE		2020 ACTUAL	2021 BUDGET	2021 PROJECTED	2022 BUDGET	
51%	BEGINNING CASH & INVESTMENTS	\$45,841.28	\$73,276.71	\$73,276.71	\$89,019.88	
0%	CHARGES FOR GOODS & SERVICES	\$0.00	\$0.00	\$13,231.06	\$0.00	
0%	MISCELLANEOUS REVENUES	\$277.47	\$95.00	\$78.33	\$95.00	
49%	TRANSFERS-IN	\$68,092.00	\$99,900.58	\$99,900.58	\$86,557.73	
49%	TOTAL REVENUES	\$68,369.47	\$99,995.58	\$113,209.97	\$86,652.73	
TOTAL REVENUES + BEG. BALANCE		\$114,210.75	\$173,272.29	\$186,486.68	\$175,672.61	
EXPENDITURES BY OBJECT		2020 ACTUAL	2021 BUDGET	2021 PROJECTED	2022 BUDGET	
57%	DEBT SERVICE	\$40,934.03	\$99,900.58	\$97,466.80	\$99,366.44	
0%	TRANSFERS-OUT	\$0.00	\$0.00	\$0.00	\$0.00	
57%	TOTAL EXPENSES	\$40,934.03	\$99,900.58	\$97,466.80	\$99,366.44	
43%	END BALANCE & RESERVES	\$73,276.72	\$73,371.71	\$89,019.88	\$76,306.17	

The Sewer Debt Service Fund is used to account for loan payments and any required reserves.

SEWER DEBT SERVICE					FUND #	407
REVENUES BY SOURCE		2020 ACTUAL	2021 BUDGET	2021 PROJECTED	2022 BUDGET	
69%	BEGINNING CASH & INVESTMENTS	\$367,488.29	\$181,977.04	\$181,977.04	\$317,433.08	
0%	MISCELLANEOUS REVENUES	\$2,159.44	\$940.00	\$237.44	\$335.00	
31%	TRANSFERS-IN	\$0.00	\$0.00	\$0.00	\$145,280.72	
31%	TOTAL REVENUES	\$351,926.09	\$356,016.11	\$341,778.04	\$145,615.72	
TOTAL REVENUES + BEG. BALANCE		\$719,414.38	\$537,993.15	\$523,755.08	\$463,048.80	
EXPENDITURES BY OBJECT		2020 ACTUAL	2021 BUDGET	2021 PROJECTED	2022 BUDGET	
45%	DEBT SERVICE	\$537,437.34	\$206,322.00	\$206,322.00	\$206,322.00	
0%	TRANSFERS-OUT	\$0.00	\$0.00	\$0.00	\$0.00	
45%	TOTAL EXPENSES	\$537,437.34	\$206,322.00	\$206,322.00	\$206,322.00	
55%	END BALANCE & RESERVES	\$181,977.04	\$331,671.15	\$317,433.08	\$256,726.80	

The Utility Deposit Fund is used to record all customer utility deposits and refunds for both utilities. (I anticipate the auditor requesting these to be split into the water and sewer funds, which will require a few CMC revisions.)

UTILITY DEPOSITS		FUND # 405			
REVENUES BY SOURCE		2020 ACTUAL	2021 BUDGET	2021 PROJECTED	2022 BUDGET
71%	BEGINNING CASH & INVESTMENTS	\$29,076.15	\$32,515.51	\$32,515.51	\$33,890.67
29%	OTHER INCREASES IN RESOURCES	\$20,892.17	\$27,000.00	\$11,083.57	\$14,000.00
29%	TOTAL REVENUES	\$20,892.17	\$27,000.00	\$11,083.57	\$14,000.00
TOTAL REVENUES + BEG. BALANCE		\$49,968.32	\$59,515.51	\$43,599.08	\$47,890.67
EXPENDITURES BY OBJECT		2020 ACTUAL	2021 BUDGET	2021 PROJECTED	2022 BUDGET
29%	MISC. COSTS	\$17,452.81	\$27,000.00	\$9,708.41	\$14,000.00
29%	TOTAL EXPENSES	\$17,452.81	\$27,000.00	\$9,708.41	\$14,000.00
71%	END BALANCE & RESERVES	\$32,515.51	\$32,515.51	\$33,890.67	\$33,890.67

Glossary

GLOSSARY

ACCOUNT – record of additions, deletions & balances of individual assets, liabilities, equity, revenues & expenses.

APPROPRIATION – legal spending level authorized by ordinance; spending should not exceed this level without prior approval of the council.

ASSESSED VALUATION – value assigned to properties within the Town that is used in computing the property taxes to be paid by property owners.

BARS – “Budgeting, Accounting, & Reporting System” prescribed by the WA State Auditor’s Office.

BENEFITS – employee benefits, such as social security, retirement, worker’s compensation, life, medical, vision & dental insurance.

BUDGET – financial plan of operations for the Town.

CAPITAL IMPROVEMENT PLAN (CIP) – element of the budget that deals with the expenditure of funds on durable capital facilities & equipment, typically with a value of more than \$5,000.

CAPITAL OUTLAY – budget category that may be a part of a capital improvement plan, or in the case of expending less than \$5,000 but more than \$500, is a part of the operating budget.

CAPITAL PROJECT – single project within the Capital Improvements Plan.

COSTS ALLOCATION – assignment of applicable costs incurred by a central services to a fund based on the benefit to the fund being assessed.

DEBT SERVICE – interest & principle payments on debt.

DEBT SERVICE FUNDS – type of fund that accounts for debt service payments on general obligations.

DESIGNATED FUND BALANCE – portion of fund balance that has been designated by past council action for a specific purpose.

ENTERPRISE FUND – type of proprietary fund in which the users pay for all costs of the fund through fees.

FUND – self-balancing group of accounts that includes revenues & expenditures.

GAAP – “Generally Accepted Accounting Principles”

GENERAL FUND – fund that accounts for all activity not specifically accounted for in other fund, including police, fire, engineering, planning, parks, museums & administration.

GENERAL OBLIGATIONS – bonds or other indebtedness for which the pledge made for repayment is the full faith & credit of the Town.

GOVERNMENTAL FUNDS – funds that provide general government services, including the general, special revenues, capital projects, & debt service funds.

INTERGOVERNMENTAL REVENUES – interfund charges to pay for quasi-external transactions of the fund.

INTERNAL CONTROLS – system of controls established by the Town, designed to safeguard assets & provide reasonable assurances as to the accuracy of financial data.

LEVY RATE – property tax percentage rate used to compute property tax amount to be paid.

LICENSES & PERMITS – revenue category derived from business licenses & building or development permits.

LID – “Local Improvement District” financing mechanism that permits the building of public infrastructure improvements which benefit a confined area & where the costs for those improvements are to be paid by the benefiting area landowners.

OPERATING BUDGET – annual appropriation to maintain the provision of Town services to the public.

PERS – “Public Employee Retirement System” state system for public employment retirement.

PRELIMINARY BUDGET – budget proposed by staff but has not yet been adopted by the council.

PROPRIETARY FUNDS – group of funds that account for the Town activities that are of a “business” character.

PUBLIC SAFETY – term used to define the combined budget of the police & fire departments.

SPECIAL REVENUE FUNDS – General government funds for which the source of monies is dedicated to a specific purpose.

STANDARD WORK YEAR – 2,080 hours a year, 260 days (except leap year).

WORKING CAPITAL – The year-end balance of current assets less current liabilities.