



Monthly Financial Report as of January 31, 2010

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The January monthly financial report has been prepared late, due to the delay in accruing all 2009 expenditures into December. All future monthly reports will be available by the 25th of the following month. This is to include property tax revenue information, which is not received from the county until the middle of the subsequent month, and to include the monthly payment of wholesale natural gas, which is not done until the 20th of the subsequent month.

At the end of January everyone is anxiously waiting to see if the economic recovery is in fact a reality. Since government tends to lag behind the private sector in cash flow trends, the recovery won't become apparent for us until later in the year. This is readily seen by comparing revenue amounts for January 2010 to the revenues of January 2009. General Fund revenues in January 2010 are \$19,337 less than they were in January 2009. Likewise, revenues for the Water, Sewer, and Natural Gas utilities are lower in January 2010 than they were in January 2009. Fortunately the 2010 budget is also lower than 2009's, so we have prepared for this reduction in funds.

The key as we go forward in this new year is close monitoring of all revenue streams for the City, so that we can make adjustments should the need arise.

Resources by Fund	Year-to-Date Actual			Budget			% of Budget	
	01/31/2010	01/31/2009	% Change	2010	2009	% Change	2010	2009
Gov't Operating Funds:								
General Fund	620,313	540,884	14.7%	8,841,815	9,718,419	-9.0%	7.0%	5.6%
Other Gov't Operating Funds	340,636	361,075	-5.7%	5,732,780	6,515,724	-12.0%	5.9%	5.5%
Total Gov't Operating Funds	\$ 960,949	\$ 901,959	6.5%	\$ 14,574,595	\$ 16,234,143	-10.2%	6.6%	5.6%
Business Type Activities:								
Utility Operations	1,263,098	1,515,983	-16.7%	16,249,203	18,099,009	-10.2%	7.8%	8.4%
Expo Center	90,839	14,191	540.1%	457,984	868,500	-47.3%	19.8%	16%
Total Business Type Activities	\$ 1,353,937	\$ 1,530,174	-11.5%	\$ 16,707,187	\$ 18,967,509	-11.9%	8.1%	8.1%
Total All Operating Funds	\$ 2,314,886	\$ 2,432,133	-4.8%	\$ 31,281,782	\$ 35,201,652	-11.1%	7.4%	6.9%

Note: Budgeted and actual revenues exclude beginning fund balances and include interfund transfers.



GENERAL FUND REVENUES

GENERAL FUND - 001	2010 Budget	01/31/2010 YTD Actuals	% of Budget	2009 Budget	01/31/2009 YTD Actuals	% of Budget
Taxes:						
Property Tax	\$ 2,094,280	\$ 7,116	0.3%	\$ 2,078,273	\$ 6,931	0.3%
Sales Tax	2,000,000	151,118	7.6%	2,170,000	149,364	6.9%
Utility Tax	1,722,879	233,311	13.5%	1,771,500	235,248	13.3%
All Other Taxes	300,000	23,154	7.7%	300,000	25,767	8.6%
<i>Total Taxes</i>	<u>\$ 6,117,159</u>	<u>\$ 414,699</u>	<u>6.8%</u>	<u>\$ 6,319,773</u>	<u>\$ 417,311</u>	<u>6.6%</u>
<i>Licenses & Permits</i>	\$ 295,600	\$ 39,640	13.4%	\$ 377,100	\$ 41,562	11.0%
Intergovernmental Rev.:						
State Shared Revenues	\$ 163,228	\$ 17,557	10.8%	\$ 157,160	\$ 17,018	10.8%
All Other Intergovt. Rev.	366,120	85	0.0%	289,501	6,681	2.3%
<i>Total Intergovt. Rev.</i>	<u>\$ 529,348</u>	<u>\$ 17,642</u>	<u>3.3%</u>	<u>\$ 446,661</u>	<u>\$ 23,699</u>	<u>5.3%</u>
<i>Charges For Services</i>	\$ 1,526,051	\$ 124,405	8.2%	\$ 1,602,981	\$ 136,973	8.5%
<i>Fines & Forfeitures</i>	\$ 145,300	\$ 11,838	8.1%	\$ 144,900	\$ 11,555	8.0%
<i>Miscellaneous</i>	\$ 73,403	\$ 2,155	2.9%	\$ 107,900	\$ 8,550	7.9%
<i>Other Financing Sources</i>	\$ 154,954	\$ 9,935	6.4%	\$ 719,104	\$ -	0.0%
TOTAL GENERAL FUND	\$ 8,841,815	\$ 620,313	7.0%	\$ 9,718,419	\$ 639,650	6.6%

Utility Tax includes:
Water, Gas, Sewer,
Garbage, Electric, &
Phone

January 31, 2010
Year-to-Date
numbers represent
8.3% of the
budgeted year.
However,
revenues are not
received in equal
monthly
installments.



Intergovernmental Revenue includes fees from Maple Valley for Court services, budgeted at \$100,000, and Jail services, budgeted at \$201,000.

The 2010 General Fund budgeted revenues are 9% less than 2009's budget.

Total General Fund amounts include interfund transfers, but do not include beginning fund balances.

There is a two month lag for sales tax revenue between the time that the sale transaction takes place and when the City receives the sales tax revenue.

Other Taxes represent the allocation of state tax revenue to local criminal justice programs, and local gambling taxes.

State shared revenues include liquor excise taxes and liquor board profits.

OTHER FUND REVENUES

The funds listed below represent operating activities of the city; both governmental and business-type activities.

The Street Fund has less capital projects budgeted in 2010 than in 2009, therefore revenues from grants and interfund transfers are less in 2010.

The City took over the operations of the municipal golf course in 2010 from a private contractor. The revenues budgeted in 2010 reflect gross operating revenues, as the City will also be incurring corresponding operating expenditures. The golf course revenues from 2009 are merely net profits reflecting the payments made by the contractor to the City.

The Exposition Center is not hosting a county fair in 2010 as it did in 2009, due to lack of county funding. Therefore, revenues are budgeted to be less in 2010 than they were in 2009.



FUND	2010 Budget	01/31/2010 YTD Actuals	% of Budget	2009 Budget	01/31/2009 YTD Actuals	% of Budget
STREET FUND - 110	\$ 1,150,840	\$ 53,492	4.6%	\$ 2,469,000	\$ 41,841	1.7%
FIRE DEPT - 160	\$ 2,074,388	\$ 145,660	7.0%	\$ 1,930,722	\$ 134,401	7.0%
POOL - 170	\$ 528,000	\$ 38,216	7.2%	\$ 502,365	\$ 56,422	11.2%
PROPERTY MGMT - 180	\$ 119,221	\$ 5,307	4.5%	\$ 82,500	\$ 31,740	38.5%
GOLF COURSE - 190	\$ 755,000	\$ 13,046	1.7%	\$ 136,600	\$ 3,862	2.8%
WATER UTILITY - 410	\$ 3,378,263	\$ 229,085	6.8%	\$ 4,355,769	\$ 244,705	5.6%
WASTEWATER - 420	\$ 5,405,340	\$ 324,750	6.0%	\$ 6,509,900	\$ 241,908	3.7%
NATURAL GAS - 430	\$ 5,665,100	\$ 560,717	9.9%	\$ 5,428,100	\$ 892,500	16.4%
SOLID WASTE - 440	\$ 1,800,500	\$ 148,546	8.3%	\$ 1,805,240	\$ 143,314	7.9%
EXPOSITION CTR - 490	\$ 457,984	\$ 90,839	19.8%	\$ 868,500	\$ -	0.0%

Gas Utility revenues are higher in the winter, when it's colder; Water 's revenues go up in summer when it's dry.



General Fund Expenditures

Departments	2010 Budget	01/31/2010 YTD Actuals	% of Budget	2009 Budget	01/31/2009 YTD Actuals	% of Budget
City Council	\$ 30,591	\$ 2,464	8.1%	\$ 32,521	\$ 2,464	7.6%
Municipal Court	395,185	15,441	3.9%	381,280	14,241	3.7%
Mayor	26,600	1,379	5.2%	28,570	1,089	3.8%
Administrative	546,861	46,486	8.5%	604,824	52,136	8.6%
Finance	680,294	56,201	8.3%	817,142	57,365	7.0%
City Attorney	129,610	100	0.1%	129,610	-	0.0%
Police	3,406,876	253,250	7.4%	3,295,285	245,172	7.4%
Comm. Development	464,194	25,091	5.4%	573,719	43,288	7.5%
Parks & Recreation	790,371	30,307	3.8%	761,448	37,206	4.9%
Non-Departmental	354,253	13,228	3.7%	456,705	16,431	3.6%
Total Expenses	\$ 6,824,834	\$ 443,947	6.5%	\$ 7,081,104	\$ 469,392	6.6%
Transfers-out:						
Fire #160	722,000	60,167	8.3%	802,792	66,324	8.3%
Street #110	365,000	30,417	8.3%	270,000	17,917	6.6%
Human Services #185	390,000	32,500	8.3%	433,500	33,625	7.8%
Library #120	575,000	47,917	8.3%	631,000	52,583	8.3%
Arts #162	-	-		50,000	4,167	8.3%
Pool #170	120,000	10,000	8.3%	183,065	15,255	8.3%
LID GO Bond #213	66,000	5,500	8.3%	65,760	5,480	8.3%
Total Transfers-out	\$ 2,238,000	\$ 186,500	8.3%	\$ 2,436,117	\$ 195,351	8.0%
Capital Projects	\$ 70,100	\$ -	0.0%	\$ 358,652	\$ 12,490	3.5%
Total General Fund	\$ 9,132,934	\$ 630,447	6.9%	\$ 9,875,873	\$ 677,233	6.9%

Ending Fund Balances are not included.

OTHER FUND EXPENDITURES

Fund	2010 Budget	01/31/2010 YTD Actuals	% of Budget	2009 Budget	01/31/2009 YTD Actuals	% of Budget
STREET FUND - 110	\$ 1,161,857	\$ 29,949	2.6%	\$ 2,199,774	\$ 47,611	2.2%
FIRE DEPT - 160	\$ 2,158,659	\$ 163,537	7.6%	\$ 1,968,608	\$ 132,411	6.7%
POOL - 170	\$ 485,563	\$ 21,619	4.5%	\$ 406,894	\$ 25,003	6.1%
PROPERTY MGMT - 180	\$ 327,926	\$ 22,931	7.0%	\$ 591,839	\$ 148	0.0%
GOLF COURSE - 190	\$ 772,405	\$ 23,314	3.0%	\$ 59,564	\$ 45,644	76.6%
WATER UTILITY - 410	\$ 3,276,880	\$ 187,209	5.7%	\$ 4,930,143	\$ 123,100	2.5%
WASTEWATER - 420	\$ 5,626,198	\$ 147,811	2.6%	\$ 6,358,398	\$ 124,433	2.0%
NATURAL GAS - 430	\$ 5,614,891	\$ 599,955	10.7%	\$ 5,435,869	\$ 163,758	3.0%
SOLID WASTE - 440	\$ 1,778,476	\$ 87,739	4.9%	\$ 1,848,642	\$ 95,353	5.2%
EXPOSITION CTR - 490	\$ 576,050	\$ 42,525	7.4%	\$ 1,030,977	\$ 25,847	2.5%

Does not include fund balances.

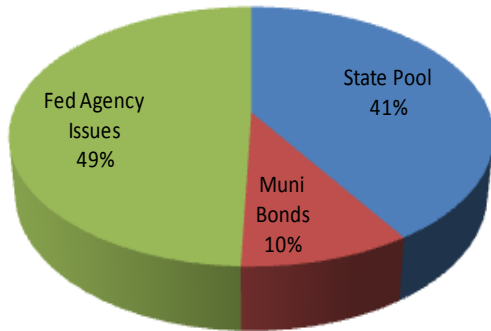
- The Street Fund's annual budget in 2010 is 47% less than it was in 2009 because less capital projects have been budgeted for this year.
- The Property Management Fund's expenditures include a transfer of \$148,000 to the Fire Fund to cover the third shift, and an inter-fund transfer of \$119,221 to the General Fund to help fund operations.
- The City took over the Golf Course operations in 2010 from a private operator, so the Golf Course Fund will have higher expenditures than it did in 2009.
- The Exposition Center is not hosting a county fair in 2010, as it did in 2009, therefore the expenditures are budgeted to be 44% less in 2010 than in 2009.



INVESTMENT REPORT

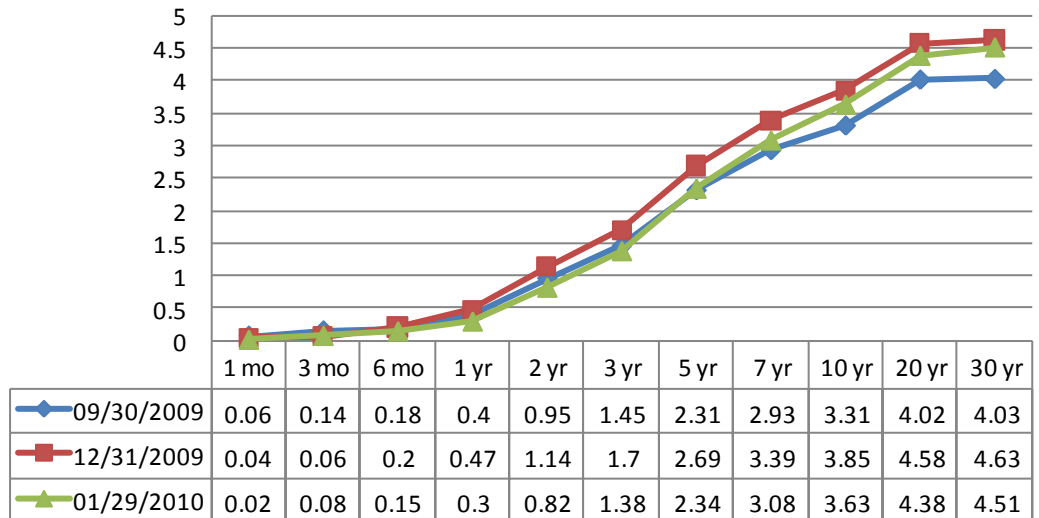
<u>Depository</u>	<u>Investment</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
State	Pool	\$ 4,246,410	0.24%	n/a
Wells Fargo	FHLB	\$ 1,012,955	4.25%	06/11/2010
US Bank	FHLB	\$ 1,035,951	4.54%	07/06/2010
Wells Fargo	FFCB	\$ 1,079,133	1.01%	12/23/2010
Wells Fargo	FNMA	\$ 2,000,000	1.00%	05/26/2011
UBS	Muni Bonds	<u>\$ 1,000,000</u>	1.54%	05/01/2029
		\$ 10,374,449		

Investments by Type



It is the policy of the City of Enumclaw to invest public funds in a manner which provides the highest investment return with maximum security while meeting the City's daily cash flow requirements and conforming to all Washington state statutes governing the investment of public funds.

**Treasury Yield Curve
Quarterly Change**



The "Net" Effect of Revenues and Expenditures

The difference between revenues and expenditures is the Net of the fund. This net is added to or subtracted from the beginning fund balance to create the ending fund balance for each fund. When a fund balance is to be spent down, for example with a capital project, then the net will often be a negative number. This is because the fund balance is being used for a one-time expense. Some funds will have a negative net budgeted to intentionally spend down the fund balance. A positive net indicates a building up of the fund balance.

Fund	Beg. Bal.	Revenues	Expenditures	Net	End Bal.
General Fund Budget	\$ 1,112,431	\$ 8,841,815	\$ 9,132,934	\$ (291,119)	\$ 821,312
General Fund Year-to-date	\$ 1,112,431	\$ 620,313	\$ 630,447	\$ (10,134)	\$ 1,102,297
Street Fund Budget	\$ 54,409	\$ 1,150,840	\$ 1,161,857	\$ (11,017)	\$ 43,392
Street fund Year-to-date	\$ 54,409	\$ 53,492	\$ 29,949	\$ 23,543	\$ 77,952
Library Fund Budget	\$ 12,395	\$ 585,500	\$ 593,352	\$ (7,852)	\$ 4,543
Library Fund Year-to-date	\$ 12,395	\$ 49,355	\$ 45,145	\$ 4,210	\$ 16,605
Fire & EMS Fund Budget	\$ 89,329	\$ 2,074,388	\$ 2,158,659	\$ (84,271)	\$ 5,058
Fire & EMS Fund Year-to-date	\$ 89,329	\$ 145,660	\$ 163,537	\$ (17,877)	\$ 71,452
Pool Fund Budget	\$ 246,154	\$ 528,000	\$ 485,563	\$ 42,437	\$ 288,591
Pool Fund Year-to-date	\$ 246,154	\$ 38,216	\$ 21,619	\$ 16,597	\$ 262,751
Property Management Budget	\$ 1,881,036	\$ 119,221	\$ 327,926	\$ (208,705)	\$ 1,672,331
Property Management Year-to-date	\$ 1,881,036	\$ 5,307	\$ 22,931	\$ (17,624)	\$ 1,863,412
Golf Course Fund Budget	\$ 174,588	\$ 755,000	\$ 772,405	\$ (17,405)	\$ 157,183
Golf Course Fund Year-to-date	\$ 174,588	\$ 13,046	\$ 23,314	\$ (10,267)	\$ 164,321
Water Fund Budget	\$ 48,331	\$ 3,378,263	\$ 3,276,880	\$ 101,383	\$ 149,714
Water Fund Year-to-date	\$ 48,331	\$ 229,085	\$ 187,209	\$ 41,875	\$ 90,206
Wastewater Fund Budget	\$ 289,321	\$ 5,405,340	\$ 5,626,198	\$ (220,858)	\$ 68,463
Wastewater Fund Year-to-date	\$ 289,321	\$ 324,750	\$ 147,811	\$ 176,939	\$ 466,260
Natural Gas Fund Budget	\$ 1,017,976	\$ 5,665,100	\$ 5,614,891	\$ 50,209	\$ 1,068,185
Natural Gas Fund Year-to-date	\$ 1,017,976	\$ 560,717	\$ 599,955	\$ (39,237)	\$ 978,739
Solid Waste Fund Budget	\$ 98,869	\$ 1,800,500	\$ 1,778,476	\$ 22,024	\$ 120,893
Solid Waste Fund Year-to-date	\$ 98,869	\$ 148,546	\$ 87,739	\$ 60,807	\$ 159,676
Expo Center Budget	\$ 1,457,889	\$ 457,984	\$ 576,050	\$ (118,066)	\$ 1,339,823
Expo Center Year-to-date	\$ 1,457,889	\$ 90,839	\$ 42,525	\$ 48,314	\$ 1,506,203

Real Estate, Economic & Construction Activity

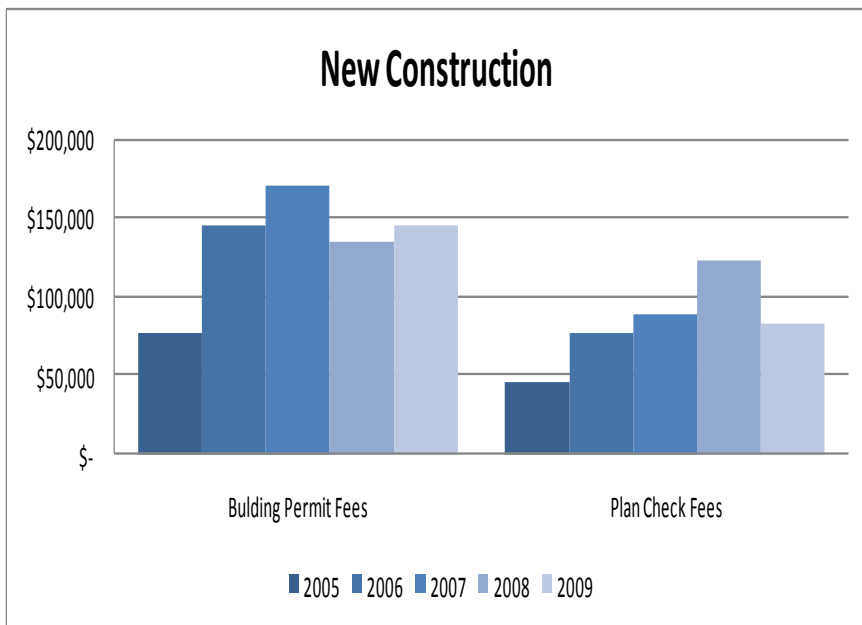
Real Estate Excise Taxes (REET) are collected every time a property is bought and sold. The amount of revenue the City receives from this tax is a good indicator of the local economic conditions.

In the past, it was expected that a residential property would be sold every five years on average. This may not hold true in today's climate.

Enumclaw's REET revenue history is shown on the right. The years 2004 through 2006 demonstrate when the construction market was expanding at a rapid rate. The decline and subsequent recession are shown in 2007 through 2009.

	REET Revenue	
1999	\$	249,062
2000	\$	215,946
2001	\$	273,399
2002	\$	266,688
2003	\$	286,743
2004	\$	357,320
2005	\$	426,576
2006	\$	523,056
2007	\$	373,786
2008	\$	256,961
2009	\$	210,004

Year-to-Year Comparable:		
1/31/10 YTD	\$	15,930
1/31/09 YTD	\$	6,219



Building Permit Revenues and Plan Check Fees

are a measure of how the Construction Industry is doing in Enumclaw. The decline in permit fees in 2008 reflects the recession. This amount picked up slightly in 2009—a sign of the slow recovery. Total permit fees for 2010 are budgeted to be \$150,000. Plan Check Fees for 2010 are budgeted to be \$90,000.

Year-to-Year Comparison:	Bldg. Permits	Plan Check Fees
1/31/10 YTD	\$ 5,141	\$ 10,665
1/31/09 YTD	\$ 8,272	\$ 6,223

Business License revenues are not a large revenue source for the City, but they do give a good indication of commercial growth over time. As shown in the chart, Enumclaw's business community has remained consistent. The increase in 2008 is due to the license fee increase from \$35 to \$50. In 2009 this revenue decreased to \$16,843, from 2008's \$17,913. For 2010 business license fees are budgeted to be \$16,000.

Year-to-Year Comparable:		
1/31/10 YTD	\$	315
1/31/09 YTD	\$	365

