



Financial Report of Revenues & Expenses Cowlitz County, Washington

4th Quarter 2009

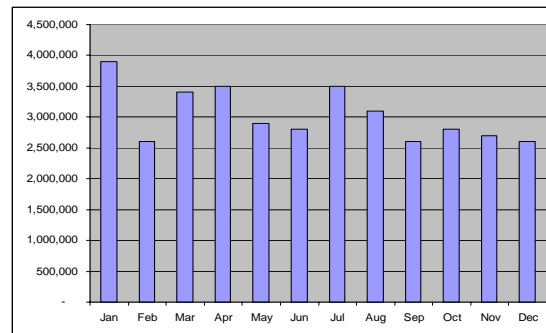
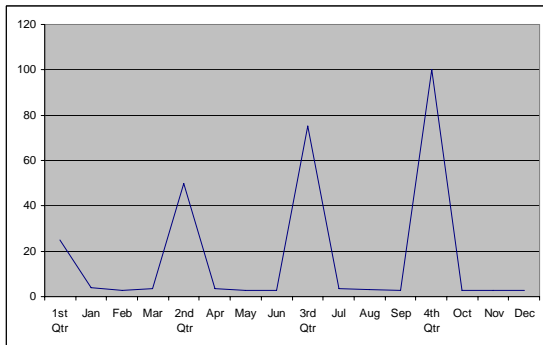


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To: Board of County Commissioners
From: Claire J. Hauge, OFM Director
Date: May 10, 2010
Subject: Financial Report 4th Quarter 2009

EXECUTIVE SUMMARY.

The results of the County's General Fund financial activity for the Fourth Quarter 2009 (ending December 31) are summarized in the first section of this report. Actual revenue collections for the year are shown and compared to anticipated (budgeted) receipts. Likewise, actual expenditures for the year are shown in comparison to the final approved budget. The Charts and Tables presented throughout this report provide a comprehensive comparison of actual revenue and expenditures to anticipated and budgeted amounts. The charts also provide historical context.

General Fund revenue collections through December 31, 2009 total \$36.3 million or 95.1% of anticipated amounts (\$1.9 million *less* than anticipated). This compares with revenue collections for the same time period last year of \$36.5 million or 94.4% of anticipated amounts. Significant revenue shortfalls were noted in timber receipts and interest earnings. Other shortfalls were noted in state and federal grants, state shared revenues, charges for service to outside agencies and fines.

Actual General Fund expenditures through the end of the Fourth Quarter were \$35.8 million or 95.3% of the approved appropriations. This compares with expenditures of \$39.8 million or 93.6% for the same time period last year. Savings (unexpended budget) of \$1.7 million resulted from savings in personnel benefits, travel, leases, repairs & maintenance, capital outlays, supplies and contracted services.

Due to budget reductions in May 2009, attempts were made to obtain a surplus to help balance the 2010 budget. Actual revenues in 2009 exceeded actual expenses in the amount of \$524,000 providing part of the reserve needed in 2010.

The 2009 adjusted beginning cash balance was \$4.1 million, significantly less than the \$6.8 million anticipated. Revenues in the 4th quarter 2008 were much lower than anticipated when the budget figure was developed. The actual ending fund cash balance for 2009 was \$4.6 million.

GENERAL FUND.

**General Fund: 2009
Overview of Total Estimated Expenditures & Revenues**

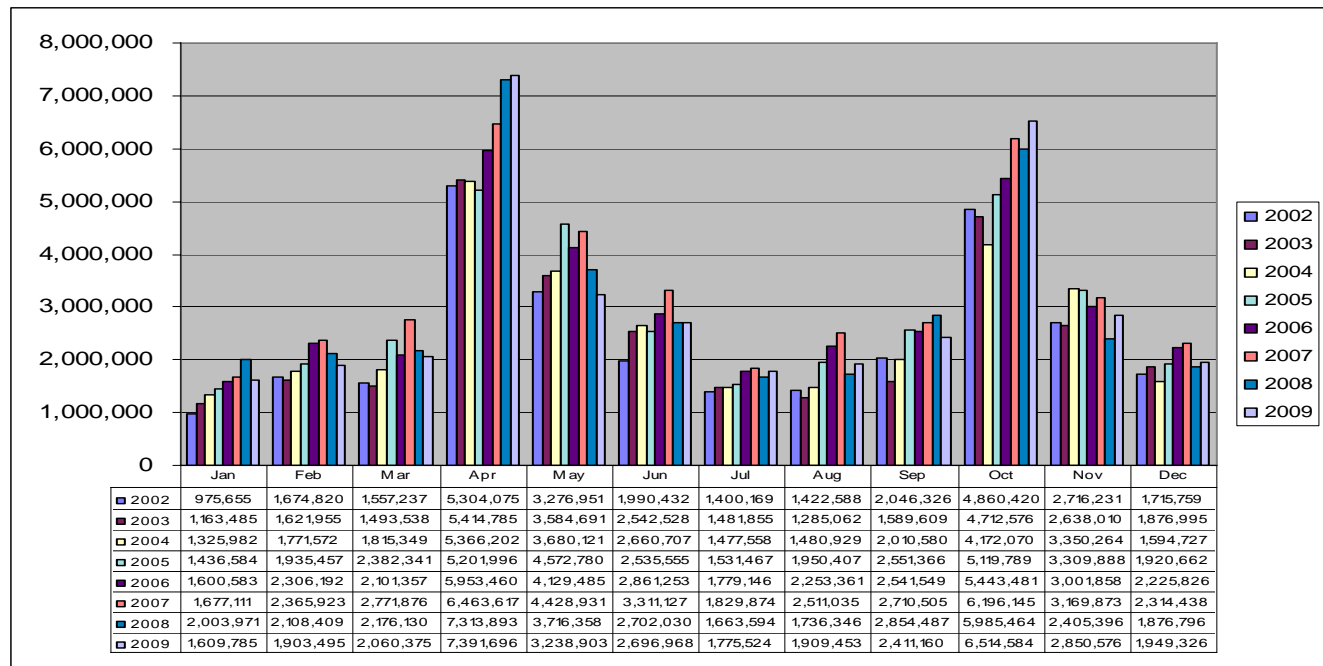
	Fiscal Year 2009	Budget: Final Amended	Budget As Forecast 12/31/2009	4th Qtr Actuals	Var: +/- Budget vs Actual
1	Expenditures	\$37,545,966	\$37,545,966	\$35,797,715	(\$1,748,251)
2	Revenues	\$38,178,959	\$38,178,959	\$36,321,844	(\$1,857,115)
3	Surplus / (Reserves Used)	\$632,993	\$632,993	\$524,129	“balance to go”

*Expenditures were 95.3% of approved appropriations (4.7% return).
 *Revenues were 95.1% of anticipated amounts (4.9% under estimates).
 *Net result: reserves improved slightly and allowed for cash carry-forward into 2010.

Summary of General Fund Revenues: YTD

Revenue Source	Anticipated Revenues	4th Qtr Actual Revenues	Percentage Collected
Property Taxes/Fines & Penalties	\$17,167,507	\$16,865,501	98.2%
Sales Taxes	\$4,590,893	\$4,624,157	100.7%
State Grants & Shared Revenues	\$4,179,283	\$3,790,429	90.7%
Security Persons/Property	\$2,890,627	\$2,719,578	94.1%
Charges for Service	\$2,453,177	\$2,305,291	94.0%
Timber Harvest	\$836,450	\$574,705	68.7%
Interest Earnings	\$587,483	\$324,704	55.3%
Fines & Forfeits	\$1,545,155	\$1,358,593	87.9%
Licenses & Permits	\$68,427	\$66,272	96.9%
Direct Federal Grants	\$767,283	\$655,696	85.5%
Intergvt'l Service Revenues	\$1,938,982	\$1,859,962	95.9%
All Other	\$1,153,692	\$1,176,956	102.0%
Total	\$38,178,959	\$36,321,844	95.1%

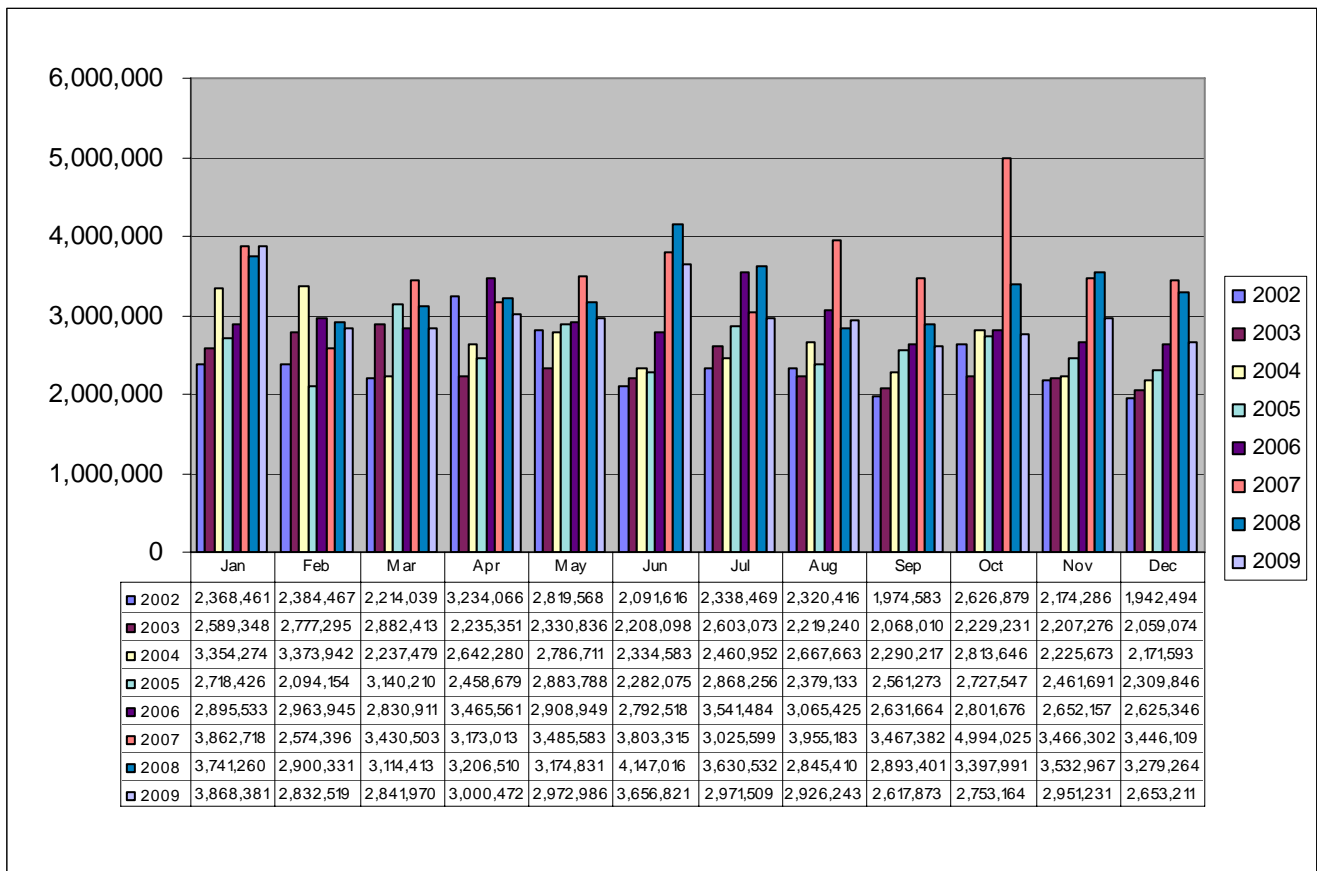
Summary of General Fund Revenue By Month: 2002 – 2009



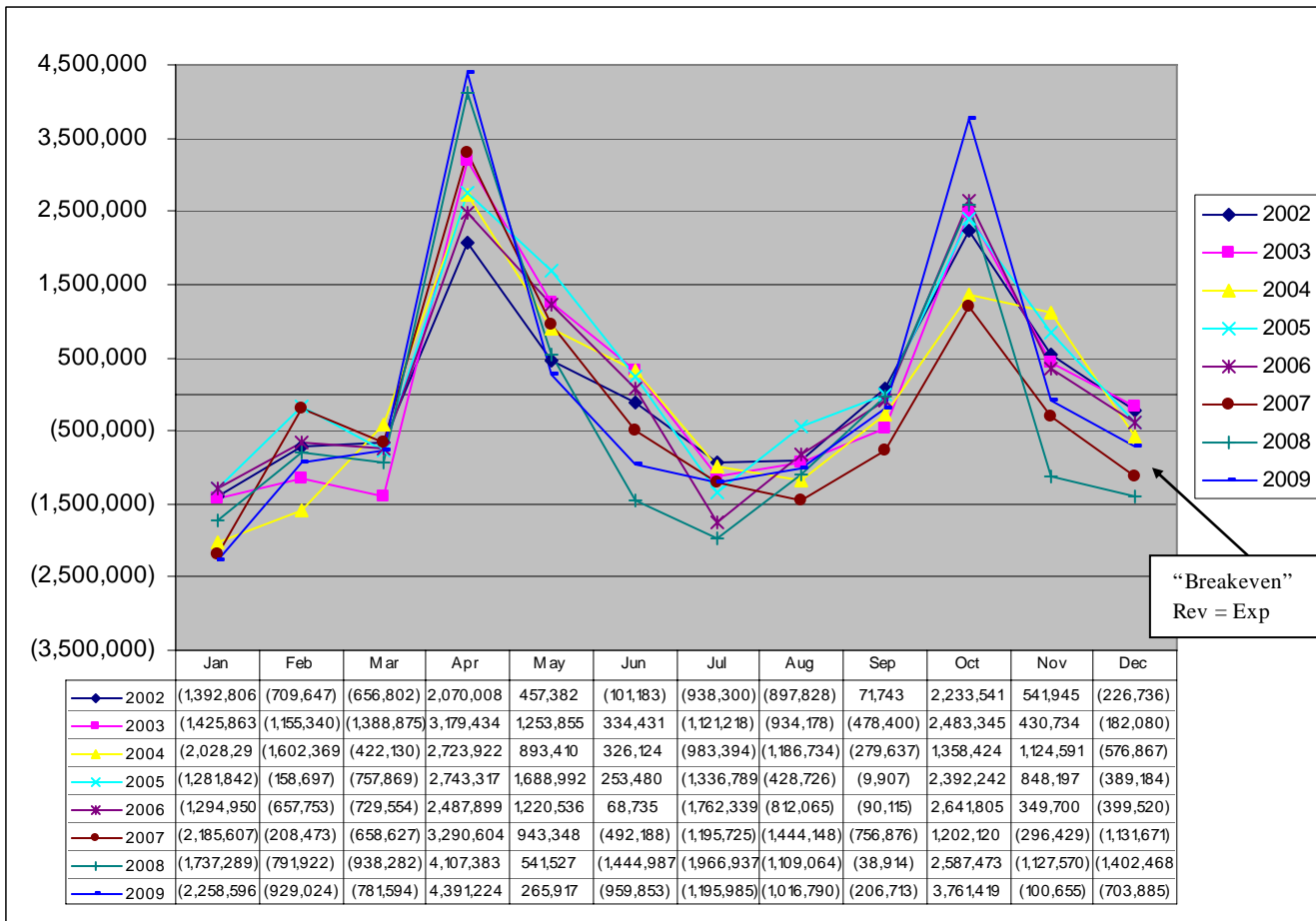
Summary of General Fund Expenditures

Expense Category	% of Total	Expenditures Final Amended	Expended YTD 12/31/2009	% Expended	Unexpended
Personnel Services	61.1%	\$25,826,333	\$25,174,601	97.5%	\$651,732
Supplies	3.6%	1,505,875	1,095,022	72.7%	410,853
Other Services & Charges	14.2%	5,983,174	5,500,197	91.9%	482,977
Interfund Charges/Misc	3.3%	1,381,312	1,381,734	100.0%	(422)
Transfers	6.6%	2,794,272	2,640,523	94.5%	153,749
Capital Outlay	0.1%	55,000	5,638	10.3%	49,362
Total Expenditures		\$37,545,966	\$35,797,715	95.3%	\$1,748,251
Ending Fund Balance	11.2%	4,734,561			
Total Budget		\$42,280,527			4.7%

Summary of Expenditures By Month: 2002 – 2009

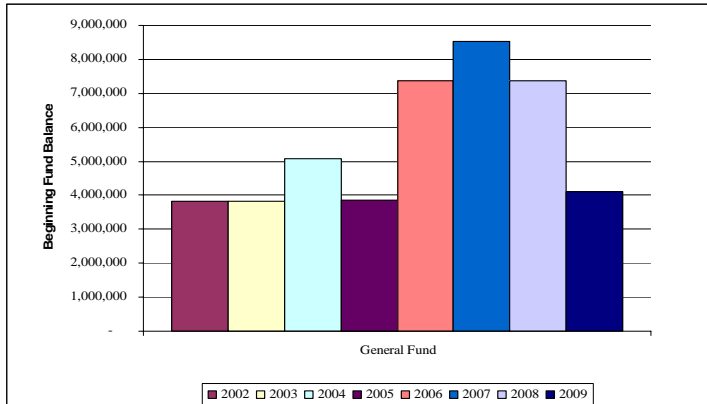


Why the Need For Cash Reserves? Cash Flow!
Difference Between Monthly Receipts & Monthly Expenditures
General Fund 2002 – Present



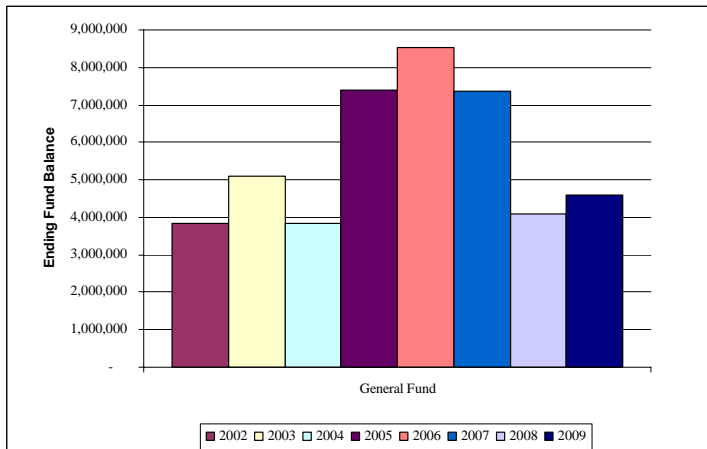
Year	Average Monthly Income	Average Monthly Expenditures	Surplus or (Shortfall) average income vs. average expenditures
2005	\$2.9 million	\$2.6 million	\$300,00
2006	\$3.0 million	\$2.9 million	\$100,000
2007	\$3.3 million	\$3.6 million	(\$300,000)
2008	\$3.0 million	\$3.3 million	\$300,000
2009	\$3.0 million	\$3.0 million	\$0

Summary of General Fund Beginning Unreserved Fund Balances



Year	Beginning Fund Balance
2002	\$3,840,163
2003	\$3,823,839
2004	\$5,086,502
2005	\$3,842,838
2006	\$7,380,226
2007	\$8,538,470
2008	\$7,360,942
2009	\$4,101,510

Ending Unreserved Fund Balances



Year	Ending Fund Balance
2002	\$3,823,839
2003	\$5,086,502
2004	\$3,842,838
2005	\$7,380,226
2006	\$8,538,470
2007	\$7,360,942
2008	\$4,101,510
2009	\$4,596,174

The following pages provide comprehensive detail for the General Fund, as well as other County funds.

I. GENERAL FUND.

Activity in the General Fund revenues and expenditures is summarized below.

Table 1a
Historical Comparison

General Fund: Revenues				
Year	Anticipated Revenues	Actual Revenues	Variance: +/-	Percentage
2000	\$27,064,895	\$27,273,825	\$208,930	100.8%
2001	\$27,655,310	\$27,880,356	\$225,046	100.8%
2002 ¹	\$28,554,193	\$28,945,642	\$391,449	101.4%
2003	\$28,592,190	\$29,458,268	\$866,078	103.0%
2004 ²	\$30,764,343	\$30,666,761	(\$97,582)	99.7%
2005	\$31,211,884	\$34,447,783	\$3,235,899	110.4%
2006	\$33,357,160	\$36,193,276	\$2,836,116	108.5%
2007	\$39,633,062	\$39,751,481	\$118,419	100.3%
2008 ³	\$38,724,187	\$36,542,877	(\$2,181,310)	94.4%
2009	\$38,178,959	\$36,321,844	(\$1,857,115)	95.1%

¹2002 four funds added to the General Fund: Parks, Hoffstadt Bluffs, County Line Park, Drug Court Grant.
Actual revenues include one-time cash transfer of \$454,568.
² 2004 a Special Revenue Fund Law & Justice was closed and merged into the General Fund.
³2008 Building & Planning was moved from General Fund to Special Revenue Fund.

Table 1b
Historical Comparison

General Fund: Expenditures				
Year	Budgeted Expenditures	Actual Expenditures	Variance: +/-	Percentage Unexpended
2000	\$28,209,509	\$27,347,948	(\$ 861,561)	(3.1%)
2001	\$29,159,410	\$28,373,401	(\$ 786,009)	(2.7%)
2002 ¹	\$29,880,918	\$28,522,118	(\$1,358,800)	(4.5%)
2003	\$30,017,904	\$28,628,714	(\$1,389,190)	(4.6%)
2004 ²	\$32,980,998	\$31,625,985	(\$1,355,013)	(4.1%)
2005	\$32,372,631	\$30,850,468	(\$1,522,163)	(4.7%)
2006	\$36,272,561	\$35,035,429	(\$1,237,132)	(3.4%)
2007	\$43,708,983	\$40,923,365	(\$2,785,618)	(6.4%)
2008 ³	\$42,496,198	\$39,790,174	(\$2,706,024)	(6.4%)
2009	\$37,545,966	\$35,797,715	(\$1,748,251)	(4.7%)

¹2002 four funds added to the General Fund: Parks, Hoffstadt Bluffs, County Line Park, Drug Court Grant.
Actual revenues include one-time cash transfer of \$454,568.
² 2004 a Special Revenue Fund Law & Justice was closed and merged into the General Fund.
³2008 Building & Planning was moved from General Fund to Special Revenue Fund.

Table 1c
Historical Comparison

General Fund Shortfall/Surplus			
Current Revenues vs. Current Expenditures			
Year	Annual Expenditures	Annual Revenues	(Shortfall)/Surplus
2000	\$27,347,948	\$27,273,825	(\$74,123)
2001	\$28,373,401	\$27,880,356	(\$493,045)
2002	\$28,522,118	\$28,945,642	\$423,524
2003	\$28,628,714	\$29,458,268	\$829,554
2004	\$31,625,985	\$30,666,761	(\$959,224)
2005	\$30,850,468	\$34,447,783	\$3,597,315
2006	\$35,035,429	\$36,193,276	\$1,157,847
2007	\$40,923,365	\$39,751,481	(\$1,171,884)
2008	\$39,790,174	\$36,542,877	(\$3,247,297)
2009	\$35,797,715	\$36,321,844	\$524,129
10 year Avg 2000-2009	\$32,689,532	\$32,748,211	\$58,680

Table 1d
Current Year Quarterly Comparison

General Fund: Comparison of Quarterly Estimates						
Fiscal Year 2009	Budget As of 01/01/2009	Budget As of 12/31/2009	1st Quarter Forecast	2nd Quarter Forecast	3rd Quarter Forecast	4th Quarter Actuals
Expenditure Estimates	\$41,033,438	\$37,545,966	\$41,033,438	\$37,300,406	\$37,304,081	\$35,797,715
Revenue Estimates	\$38,648,808	\$38,178,959	\$38,648,808	\$37,045,521	\$36,957,554	\$36,321,844
Surplus/(Shortfall)	(\$2,384,630)	\$632,993	(\$2,384,630)	(\$254,885)	(\$346,527)	\$524,129

A. REVENUES.

Following is a brief narrative of major revenue sources in the General Fund.

1) **Sales tax revenues** represent 12% of total General Fund anticipated revenues. Sales tax receipts in 2008 were significant lower than 2007 and there was no improvement in 2009. At the time the budget was adopted, receipts were estimated at \$4.8 million significantly lower than 2007 receipts of \$5.3 million. During the mid-year adjustment, the estimate was revised downward to \$4.6 million. This estimate proved to be correct as total receipts through fourth quarter were \$4.6 million.

Notes: It will be important to continue to monitor this revenue source closely given the general economic forecast for the region and the local conditions in particular. Taxable sales in the county fluctuate, almost unpredictably, averaging 5.8% growth over the last 12 years. The table in this section summarizes both county-wide sales tax receipts as well as receipts for the unincorporated area. Note the significant decline in unincorporated sales tax receipts between 2007 and 2008 – down 11.5%.

During the 2007 legislative session, the Washington State Legislature passed Substitute Senate Bill 5089, Chapter 6, Laws of 2007 known as the Streamlined Sales Tax Bill. The effective date of this legislation is July 1, 2008. States that adopt the Streamlined Sales Tax Agreement (SSTA) receive payments from firms that voluntarily collect and remit sales taxes on mail-order and internet sales. Additionally, the bill requires that sales taxes be allocated on the basis of the destination of the sale rather than point-of-sale. Destination-based sales tax will apply only to businesses that ship or deliver goods they sell to locations within Washington State. There is no change for deliveries outside the state or for over-the-counter sales where customers take goods home from the store. There is also no change in sales tax collections for retail services, or on the sale of motor vehicle, trailers semi-trailers, aircraft, watercraft, modular homes, manufactured and mobile homes. (*The Courthouse Journal*, Issue No. 17, June 26, 2008; <http://www.wacounties.org>) The change in application of sales tax collection was anticipated to result in additional sales tax collections for Cowlitz County. The first distributions of the additional sales tax receipts were expected in late September 2008. However, the overall net increase or decrease in total sales tax collections depend on the level and location of retail and construction activity taken as a whole.

The following table summarizes total taxes collected countywide (all five cities and the rural areas) and for Cowlitz County government specifically for the period 1996 through 2009.

Table 2
Sales Tax Receipts

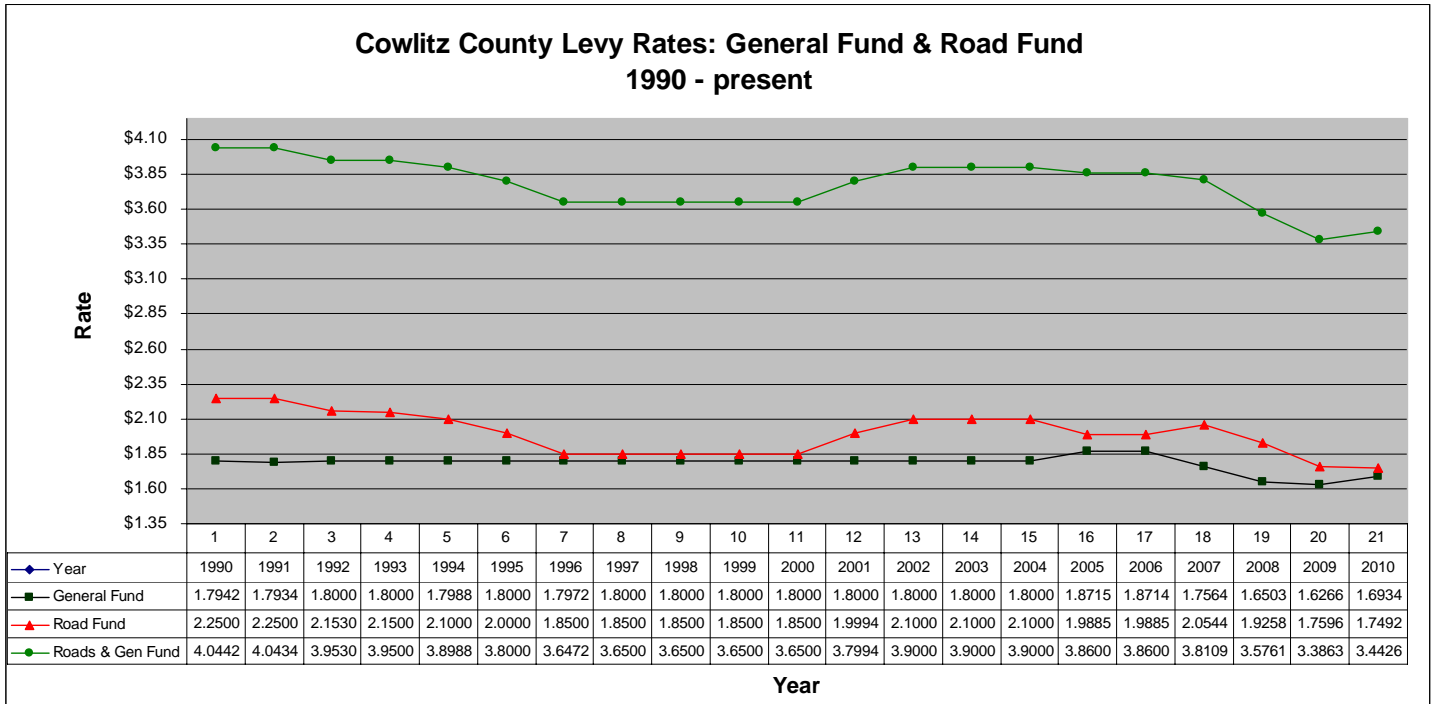
Year	County & Cities Sales Tax Receipts	Percentage Growth	Unincorporated County Total Sales Tax*	Percentage Growth
1996	\$ 9,776,758		\$1,755,463	
1997	\$10,290,750	5%	*\$2,498,076	42.3%
1998	\$11,138,009	8%	\$3,011,457	20.6%
1999	\$11,133,289	0%	\$2,864,404	(4.9%)
2000	\$11,579,589	4%	\$3,197,254	11.6%
2001	\$11,864,353	2%	\$3,502,726	9.6%
2002	\$12,418,266	5%	\$3,433,646	(2.0%)
2003	\$12,898,927	4%	\$3,713,204	8.1%
2004	\$12,331,205	(4%)	\$3,700,902	(0.3%)
2005	\$14,372,504	17%	\$4,638,430	25.3%
2006	\$15,281,273	6%	\$4,667,197	0.6%
2007	\$16,659,039	9%	\$5,309,807	13.8%
2008	\$15,291,873	(8%)	\$4,698,006	(11.5%)
2009	\$13,805,910	(10%)	\$4,624,130	(1.6%)

*County imposed local option sales tax, effective 4/1/97; distributions began 6/1/97

Source: Washington State Department of Revenue

2) General Fund property tax collections, including interest and penalties for 2009 were anticipated to be \$17.2 million. Actual receipts in 2009 were \$16.9 million; \$302,000 less than anticipated. Actual receipts in 2008 were \$15.7 million; 2007 \$14.9 million; in 2006 \$14.6 million, and in 2005 \$15.2 million. The increase in revenue estimates are a result of several factors including: additional taxes on the value of new construction and a statutorily allowed increase. Cowlitz County experienced a growth in overall assessed valuation of almost \$920 million in 2009. It must be noted that although there was an increase in assessed valuation, the maximum statutory rate per \$1,000 of assessed valuation has dropped. Generally, property tax revenues are limited to the lesser of \$1.80 per \$1,000 of assessed value or an overall increase of the Implicit Price Deflator or one-per cent (1%) over the prior year tax collections, plus taxes on the value of new construction. (RCW 84.55.005)

Chart 1



Property tax receipts represent 45% of General Fund anticipated revenues. Property taxes include general levies, amounts diverted from the County Road Fund tax for law enforcement activities, interest and penalties on delinquent taxes. This revenue category also includes amounts raised by “shifting” levy capacity from the Road Fund to the General Fund. (See discussion following.)

Real and personal property taxes and diverted road fund taxes raised \$15.8 million in 2009; \$14.7 million in 2008; \$14.0 million in 2007 and \$13.4 million in 2006. Interest and penalties on real and personal property collected in 2009 were \$1,051,617; in 2008 were \$1,002,551; 2007 were \$949,485 and in 2006 actual receipts were \$1,135,873.

On December 16, 2008, the Board of Commissioners approved a “shift” of unused Road Fund levy capacity to the General Fund in an approximate amount of \$.13/\$1,000 of assessed value. This resulted in the sum \$1.3 million in additional general tax revenues available to the General Fund in fiscal year 2009. If the shift had not occurred, the General Fund property tax receipts for 2009 would have increased compared to 2008 by only \$155,000. This would have been insufficient to meet the financial obligations of the County General Fund.

A levy shift is authorized by R.C.W. 84.52.043 provided that:

- ◆ the levy rate for the General Fund does not to exceed \$2.475/\$1,000 of assessed value; and
- ◆ the total levy rate for both the County and the Road District within the County do not exceed \$4.05/\$1,000 of assessed value; and
- ◆ no other district has its levy capacity reduced as the result of the shift; and
- ◆ the aggregate of levy rates for all junior and senior taxing districts, other than the state, does not exceed \$5.90/\$1,000 of assessed value; and
- ◆ the aggregate of all tax levies on real and personal property by the state and all taxing districts, does not exceed the constitutional limit of 1% of the true and fair value of property in money.

The General Fund levy rate as authorized by the Board of Commissioners meets all of these requirements.

According to the Treasurer’s Office, tax collections for the County General Fund were 94% of assessments in 2009. This is somewhat lower compared to historical collections during the past 14 years:

Table 3
Property Tax Collection Rates

Year	Collection Rate	Year	Collection Rate	Year	Collection Rate
1995	97.9%	2001	95.9%	2007	96.8%
1996	97.4%	2002	95.9%	2008	96.6%
1997	96.3%	2003	94.0%	2009	94.0%
1998	96.8%	2004	95.2%		
1999	96.1%	2005	96.9%		
2000	95.9%	2006	97.0%		
Avg: 96.2%					

Explanatory Note: RCW 84.52.018 provides a procedure for calculation of tax levy rates when the assessment of highly valued property is in dispute. Whenever the value in dispute is greater than one-quarter of one percent of the total county assessed valuation, the disputed value must be removed from the tax rolls pending resolution of the appeal or lawsuit. Only the portion of valuation not in dispute is used for purposes of computing levy rates. In calendar year 2009, two accounts met this limit with a value of \$191,152,400. Disputes on both of these accounts have been resolved. Taxes paid on these accounts will be held in abeyance for the 2010 tax year.

In 2008 the Board of Equalization (BOE) received 145 petitions concerning residential, commercial and light industrial properties with values in dispute of slightly less than \$160 million. Ten petitions were withdrawn; there are no petitions pending with the State Tax Board of Appeals; one petition is pending with Cowlitz County Superior Court; values on 50 petitions were stipulated and the BOE issued decisions for values on 70 parcels resulting in a reduction of value of slightly over \$300,000. The reduced values resulted in minimal property tax loss to the General Fund.

The number of petitions filed for 2009 assessed valuation is 272 (compared to 145 in 2008). The deadline for filing appeals for 2009 for residential and commercial properties is July 1 or 30 days following mailing of the notice of revaluation, whichever is later. Re-valuation notices were mailed on all parcels on August 21, 2009. Consequently, the last day to file a petition for reconsideration of value was September 21, 2009.

Table 4
Property Tax Receipts

Year	Property Tax Actual Collections	Growth
1996	\$ 9,725,634	
1997	\$10,179,912	4.7%
1998	\$10,916,832	7.2%
1999	\$10,430,343	(4.5%)
2000	\$10,928,019	4.8%
2001	\$11,456,302	4.8%
2002	\$11,565,738	0.095%
2003	\$11,871,153	2.6%
2004	\$11,944,376	.6%
2005	\$12,930,699	8.3%
2006	\$12,729,649	(1.6%)
2007	\$13,226,101	3.9%
2008	\$13,879,599	2.9%
2009	\$14,976,575	7.9%
<i>Figures in this table include only real & personal property taxes paid; diverted road tax, interest and penalties on delinquent taxes are discussed elsewhere in this report (reported in the year paid).</i>		
<i>The percentage growth figures include the value of new construction and changes in the value of state-assessed property.</i>		
<i>1999 receipts reflect the results of an appeal by Longview Aluminum.</i>		

3) Road tax collections diverted to the General Fund and Law and Justice Fund for traffic policing and law enforcement activities were follows:

General Fund:	2009	\$837,309 (\$0.171882/\$1,000 assessed value)
	2008	\$797,437 (\$0.179274/\$1,000 assessed value)
	2007	\$733,044 (\$0.175059/\$1,000 assessed value)
	2006	\$715,157 (\$0.187291/\$1,000 assessed value)
	2005	\$702,112 (\$0.189769/\$1,000 assessed value)
	2004	\$671,070 (\$0.179540/\$1,000 assessed value)
	(2004: includes amounts previously diverted to Law & Justice Fund)	
	2003	\$413,166 (\$0.11200/\$1,000 assessed value)
	2002	\$493,136 (\$0.13973/\$1,000 assessed value)
	2001	\$210,968 (\$0.05812/\$1,000 assessed value)
2000	\$204,283 (\$0.05743/\$1,000 assessed value)	
Law & Justice Fund:	2003	\$213,137 (\$0.05778/\$1,000 assessed value)
	2002	\$213,137 (\$0.06039/\$1,000 assessed value)
	2001	\$208,728 (\$0.05751/\$1,000 assessed value)
	2000	\$207,493 (\$0.05833/\$1,000 assessed value)

4) Motor vehicle license fees. Revenue from motor vehicle licensing is shown in the following table. Activity for the County in this area is generally stable and therefore revenue for 2009 was expected to be at or nearly equivalent to revenue received in the prior year. However, the number of transactions and consequently the fees paid through the Fourth Quarter is lower than last year.

The number of transactions and fees, including subagent activity, is as follows:

Table 5
Motor Vehicle License Transactions

Year	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter	Annual
2000 (Transactions)	40,911	40,723	38,001	29,619	149,254
2000 (Fees)	\$152,726	\$158,094	\$148,091	\$111,799	\$570,710
2001 (Transactions)	34,003	42,379	38,556	30,567	145,505
2001 (Fees)	\$128,537	\$157,782	\$148,387	\$115,675	\$550,381
2002 (Transactions)	35,767	44,691	39,401	29,853	149,712
2002 (Fees)	\$133,742	\$163,992	\$145,267	\$111,626	\$554,627
2003 (Transactions)	37,048	43,142	40,588	30,290	151,068
2003 (Fees)	\$133,839	\$157,191	\$151,382	\$112,733	\$555,145
2004 (Transactions)	36,406	44,669	40,182	31,545	152,805
2004 (Fees)	\$134,342	\$156,206	\$148,961	\$110,683	\$550,192
2005 (Transactions)	35,514	46,091	42,861	31,970	156,436
2005 (Fees)	\$128,624	\$162,782	\$156,132	\$111,220	\$558,758
2006 (Transactions)	37,938	45,740	43,652	32,580	159,910
2006 (Fees)	\$136,763	\$166,597	\$159,352	\$116,310	\$579,022
2007 (Transactions)*	22,933	28,574	29,659	31,643	112,809
2007 (Fees)	\$129,609	\$162,250	\$159,124	\$115,973	\$566,956
2008(Transactions)	39,026	49,304	52,330	39,559	180,219
2008(Fees)	\$130,303	\$159,823	\$146,219	\$106,370	\$542,715
2009(Transactions)	37,526	48,690	40,647	32,612	159,475
2009(Fees)	\$112,578	\$146,070	\$121,941	\$97,836	\$478,425

Source: Cowlitz County Auditor's Office

*2007: Transition to State Computer Program has caused some data to be lost.

Transaction statistics for March, April and August are not available.

Explanatory Note: In February 2003, the King County Superior Court declared Initiative 776, passed by the voters in November 2002, unconstitutional and unenforceable. The initiative purportedly violated the single subject rule and impaired existing contracts. In October 2003, The Washington State Supreme Court issued its decision that the initiative is not unconstitutional. The law reduced license fees on light trucks to a flat \$30 and repealed surcharges for processing licensing transactions. This resulted in a significant decrease in revenues generated for the State of Washington. Based on the Washington State Supreme Court decision, on July 21, 2004, the King County Superior Court issued an order clearing the way for the Department of Licensing (DOL) to issue refunds to citizens who paid vehicle fees based on gross vehicle weight or the additional \$15 per vehicle fee imposed by certain counties. It is estimated that DOL issued over 2.3 million refund checks totaling approximately \$38 million.

5) Timber harvest revenue from both state and federal forestlands for 2009 was estimated to be \$836,450. Total receipts through the fourth quarter were \$574,705; 69% of anticipated amounts. Actual receipts in 2008 were \$836,993; in 2007: \$888,130 and in 2006: \$1.1 million.

The State of Washington imposes an excise tax on timber harvested on privately or publicly-owned lands. The tax is equal to the stumpage value multiplied by five (5) percent. Department of Natural Resources (DNR) revenues from state trust lands (public timber harvest) for 2009 were forecast slightly lower than 2008 harvest levels and well below 2006 and 2005 levels. The primary drivers for harvest plans are market conditions, both domestic and foreign, and contract and regulatory requirements. Revenue estimates for state trust lands are derived from quarterly reports furnished by DNR. Estimates are adjusted each quarter as updated information is received.

Revenue estimated to be received from DNR for 2009 was approximately \$200,000; actual receipts were \$459,444; 2008 harvest was \$239,221; 2007 harvest was \$166,674 down significantly from 2006 receipts of \$355,593 and 2005 receipts of \$804,782.

Timber assessed value (TAV) (private timber harvest) for 2009 was forecast slightly higher than last year actual receipts. Revenue from this source is derived from a county levied excise tax based on the stumpage value of timber harvested on privately owned lands. Timber assessed value is derived from estimates furnished by the Special Programs Division, Forest Tax Section, of the Department of Revenue. TAV revenues for 2009 were estimated to be \$636,450; actual 2009 receipts were \$115,261; 2008 receipts were \$607,772; 2007 receipts were \$721,456 whereas 2006 receipts were \$729,793.

6) PUD Privilege Tax is an excise tax in lieu of property tax levied against entities operating facilities generating and distributing electrical energy. In Cowlitz County that entity is the Cowlitz Public Utility District (PUD). The basic rate is 2% of gross revenue from the sale or distribution of power, plus .02% per kilowatt-hour of the wholesale value of self-generated energy for resale or distribution. The revenue is distributed to cities and the county according to a formula set out in state law that is based on gross revenues derived by the PUD from the sale of power within each jurisdiction. It has recently come to the attention of the County that gross revenue calculations made by the PUD were incorrectly computed. It is believed that the decrease in revenue between 2003 and 2004 results from a re-evaluation by the PUD of its computation method.

This is a significant source of revenue for the General Fund:

2000	Actual Receipts	\$ 613,704
2001	Actual Receipts	\$ 669,304
2002	Actual Receipts	\$ 754,632
2003	Actual Receipts	\$1,061,056
2004	Actual Receipts	\$ 945,317
2005	Actual Receipts	\$ 933,674
2006	Actual Receipts	\$ 951,726
2007	Actual Receipts	\$1,125,656
2008	Actual Receipts	\$1,132,932
2009	Actual Receipts	\$1,084,439

7) Interest earnings from all sources in the General Fund for 2009 was estimated to be \$587,483 down significantly from actual receipts in the last two years. Receipts through the fourth quarter were \$324,704; 55% of estimates.

Interest rates began to decline in October 2007 and have declined each month since then. Whereas interest rates one year ago (end of 4th quarter 2008) were 1.9%, at the end of the fourth quarter 2009, rates were 0.33% which are record lows. Interest rates are not expected to rise for some time.

Historical interest rates, interest earnings and average monthly cash balance are shown in the following table.

Table 6a
Summary of Interest Earnings/ Annual Rates & Annual Cash Balances

Year	Interest Earnings	Average Annual Interest Rate	Average Monthly Cash Balance
2000	\$1,412,842	6.1%	\$5.0 million
2001	\$1,143,096	4.2%	\$4.7 million
2002	\$632,880	1.8%	\$4.3 million
2003	\$468,997	1.2%	\$5.1 million
2004	\$430,368	1.3%	\$4.7 million
2005	\$851,617	3.2%	\$6.6 million
2006	\$1,729,121	4.9%	\$9.1 million
2007	\$1,873,639	5.1%	\$10.2 million
2008	\$946,667	2.7%	\$7.5 million
2009	\$324,704	0.7%	\$5.0 million

Table 6b
Investment Interest Rate History

Month	2000	2001	2002	2003	2004	2005	2006	2007	2008
January	5.5%	6.2%	2.1%	1.3%	1.1%	2.2%	4.2%	5.2%	4.4%
February	5.6%	5.7%	1.9%	1.3%	1.1%	2.4%	4.4%	5.3%	3.8%
March	5.8%	5.2%	1.7%	1.3%	1.0%	2.6%	4.5%	5.2%	3.1%
April	5.9%	4.9%	1.9%	1.2%	1.0%	2.8%	4.7%	5.2%	2.7%
May	6.1%	4.5%	1.9%	1.2%	1.0%	3.0%	4.9%	5.2%	2.4%
June	5.4%	4.3%	1.9%	1.2%	1.0%	3.0%	5.0%	5.2%	2.3%
July	6.5%	4.0%	1.8%	1.1%	1.2%	3.2%	5.2%	5.2%	2.3%
August	6.4%	3.8%	1.7%	1.1%	1.3%	3.4%	5.2%	5.2%	2.3%
September	6.5%	3.6%	1.7%	1.1%	1.5%	3.6%	5.2%	5.1%	2.4%
October	6.4%	3.2%	1.7%	1.1%	1.7%	3.8%	5.2%	4.9%	2.5%
November	6.5%	2.6%	1.5%	1.1%	1.9%	4.0%	5.5%	4.7%	2.2%
December	6.5%	2.3%	1.5%	1.1%	2.1%	4.2%	5.2%	4.6%	1.8%
Annual Average	6.1%	4.2%	1.8%	1.2%	1.3%	3.2%	4.9%	5.1%	2.7%

Source: Cowlitz County Treasurer's Office

Table 6c
Investment Interest Rate History: Current Year

Month	2009
January	1.3%
February	1.1%
March	1.0%
April	0.89%
May	0.67%
June	0.74%
July	0.62%
August	0.59%
September	0.47%
October	0.42%
November	0.33%
December	0.33%
Annual Average	0.70%

8) District Court revenues collected through the fourth quarter total \$1,965,596 (96% of anticipated receipts for the year). Expected receipts for each individual revenue account are very nearly on target with anticipated amounts except revenues from traffic fines and contracts with cities for Municipal Court work. For the year the shortfall was only \$86,500 of anticipated amounts.

9) Superior Court Clerk revenues through the fourth quarter total \$762,025 (91% of anticipated receipts for the year). Most individual revenue accounts were forecast correctly except payments from Defendants for Legal Financial Obligations, reimbursement for Court Appointed Attorney Fees and civil filing fees. Collection in these areas did not meet estimates. Passport revenues were also down. In May the Clerk’s Office discontinued processing passport applications. This work has now been assumed by District Court. For the year the shortfall was only \$80,250 of anticipated amounts.

10) Community Long Range Planning revenues for calendar year 2009 were budgeted to be \$314,997. Year to date revenues and prior years collections are shown in the table below.

Effective January 1, 2008, financial activity for environmental health, permitting, building and code enforcement is shown in a Special Revenue Fund. Historical information on fees and other revenues for the period January 2000 to present are shown in the following table.

Table 7
Building & Planning Department &
Community Long Range Planning

Building & Planning Department Revenue			
All Divisions: Permitting, Environmental Health & Code Enforcement (Effective 1/1/2008: Established as a Special Revenue Fund)			
Calendar Year	Anticipated Revenues	Actual Annual Revenues	Percentage Collected
2000	\$1,443,592	\$1,543,215	106.9%
2001	\$1,417,776	\$1,189,822	83.9%
2002	\$1,770,972	\$1,542,405	87.1%
2003	\$1,461,800	\$1,503,922	102.9%
2004	\$1,486,947	\$1,966,011	132.2%
2005	\$2,108,884	\$2,503,583	118.7%
2006	\$2,452,738	\$3,239,121	132.1%
2007	\$3,108,668	\$3,368,895	108.4%
Average:	\$1,906,422	\$2,107,122	110.5%
Community Long Range Planning			
Planning, Environmental Health & Code Administration			
Calendar Year	Anticipated Revenues	Actual Revenues YTD 12/31/2009	Percentage Collected
2008	\$437,784	\$296,369	67.7%
2009	\$314,997	\$268,962	85.4%
Average:	\$376,391	\$282,666	75.1%

11) Corrections (Jail, Probation, Offender Services & Inmate Concessions) revenues for the year were estimated at \$3.9 million. Actual revenues collected through the Fourth Quarter were \$3.8 million (99.1%).

Total revenues collected in prior years were as follows:

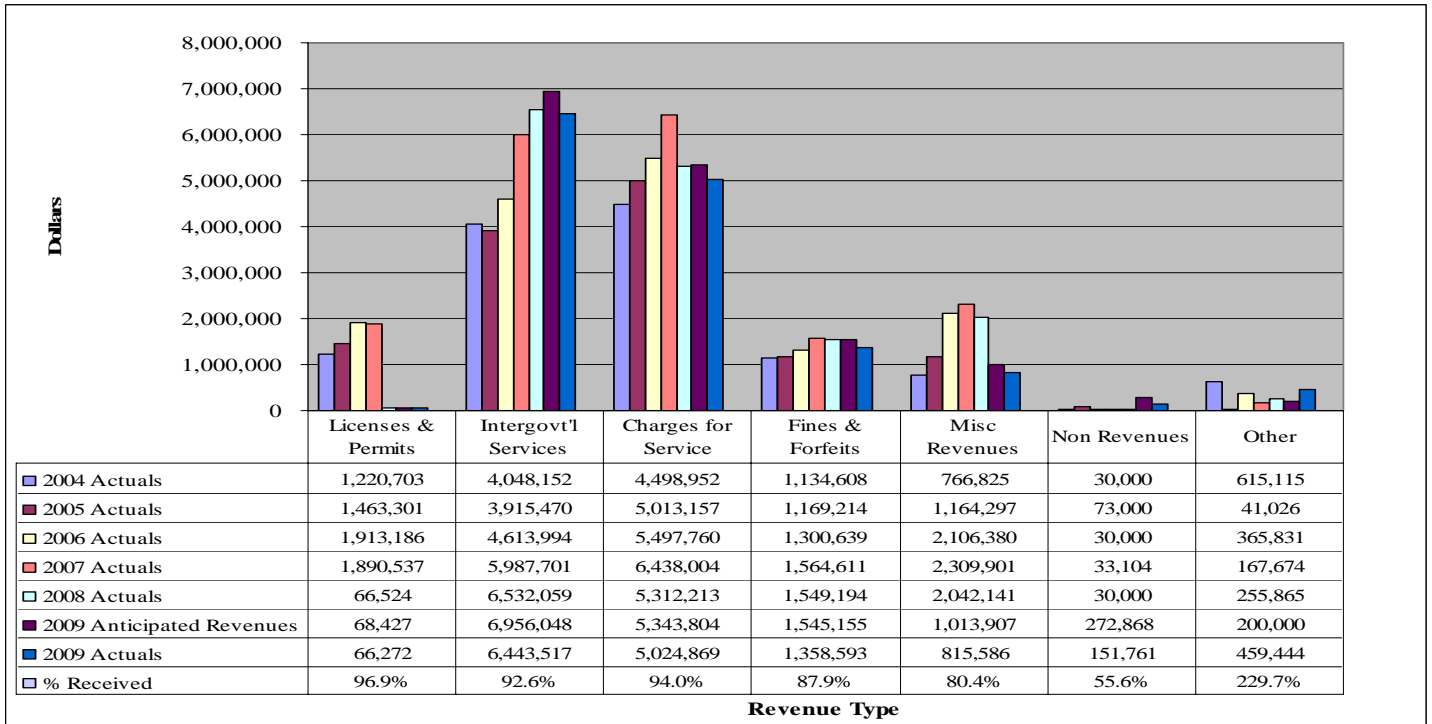
2001: \$2.6 million
 2002: \$2.3 million
 2003: \$2.3 million
 2004: \$2.1 million
 2005: \$2.2 million
 2006: \$2.4 million
 2007: \$4.2 million (DOC contract; Annex opened; booking restrictions lifted)
 2008: \$3.9 million
 2009: \$3.8 million

The following table itemizes anticipated revenues for each division of the Corrections Department as well as total revenues through the same period last year.

Table 8
Cowlitz County Corrections Department Revenue

Division	Anticipated Revenues	Actual Revenues YTD 12/31/2009	Percentage Collected	Actual Revenues Same Period Last Year
Probation Services	\$551,700	\$509,249	92.3%	\$577,891
Jail	\$2,559,920	\$2,635,694	103.0%	\$2,567,501
Offender Services	\$569,885	\$481,628	84.5%	\$608,386
Jail Concessions	\$180,000	\$199,076	110.6%	\$190,124
Total	\$3,861,505	\$3,825,647	99.1%	\$3,943,902

Chart 2
Comparison of Revenues: 2004 – 2009
2009 Budget Estimates & Actual Revenues



Note: Revenue categories not included in charts above: sales tax, property tax and fund transfer; see prior discussion above.

Chart 3
General Fund Revenues: 2009
Anticipated Revenues (Revenue Estimate – As Amended)

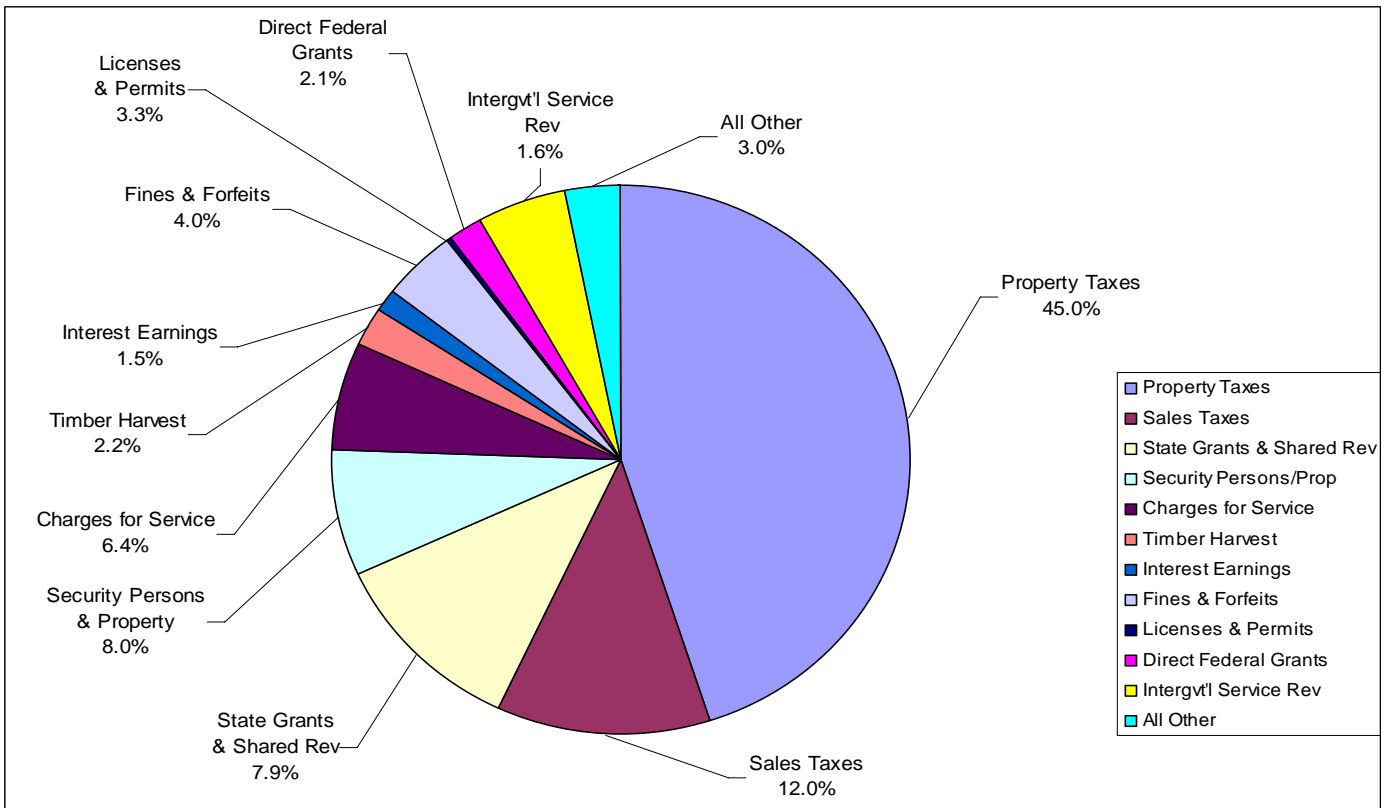


Chart 4
General Fund Revenues: 2009
Actual Receipts Through 4th Quarter

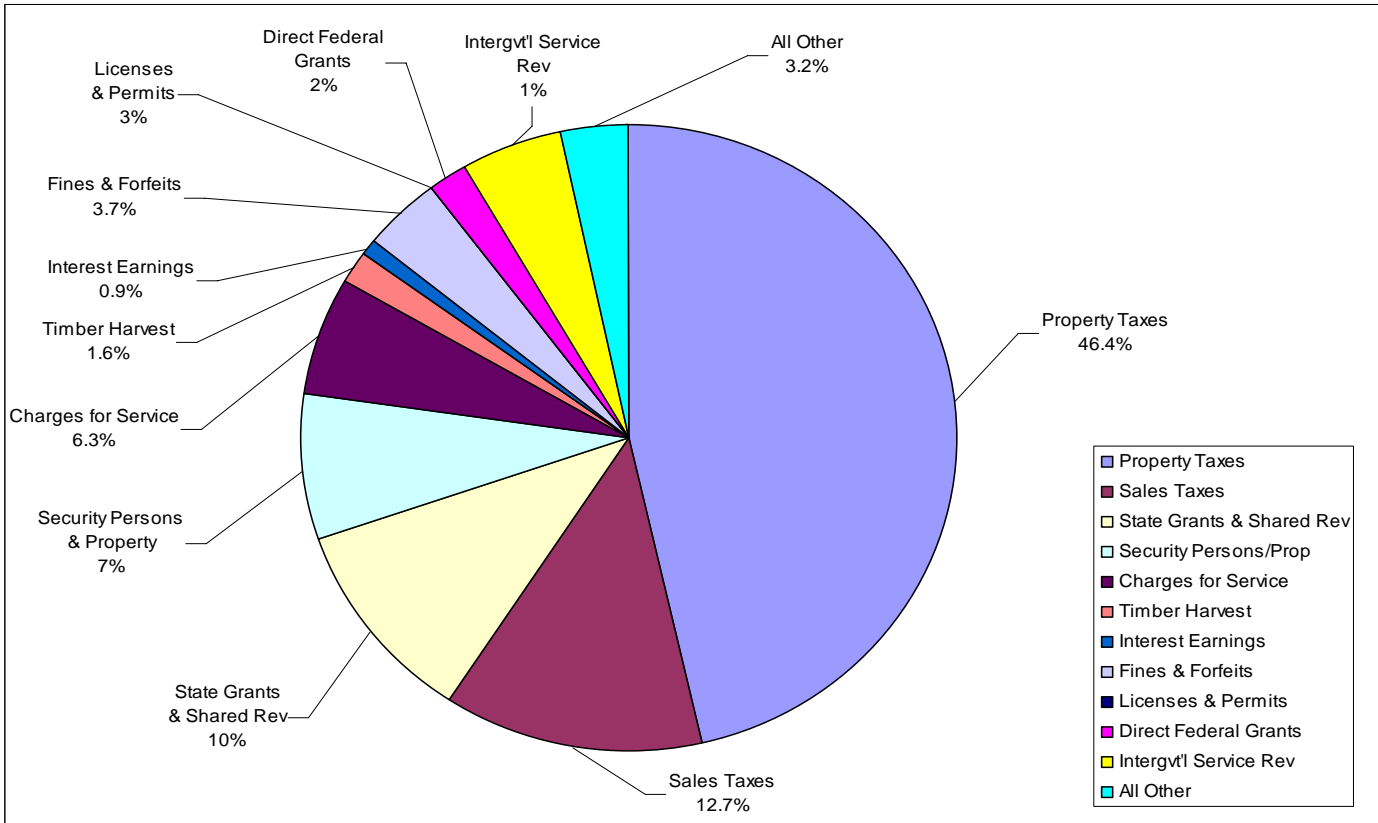


Table 9
General Fund Revenues (By Source): 2009
Anticipated Revenues & Actual Receipts Through 4th Quarter

Revenue Source	Anticipated Revenues	4 th Qtr Actual Revenues	Percentage Collected
Property Taxes/Fines & Penalties	\$17,167,507	\$16,865,501	98.2%
Sales Taxes	\$4,590,893	\$4,624,157	100.7%
State Grants & Shared Revenues	\$4,179,283	\$3,790,429	90.7%
Security Persons/Property	\$2,890,627	\$2,719,578	94.1%
Charges for Service	\$2,453,177	\$2,305,291	94.0%
Timber Harvest	\$836,450	\$574,705	68.7%
Interest Earnings	\$587,483	\$324,704	55.3%
Fines & Forfeits	\$1,545,155	\$1,358,593	87.9%
Licenses & Permits	\$68,427	\$66,272	96.9%
Direct Federal Grants	\$767,283	\$655,696	85.5%
Intergvt'l Service Revenues	\$1,938,982	\$1,859,962	95.9%
All Other	\$1,153,692	\$1,176,956	102.0%
Total	\$38,178,959	\$36,321,844	95.1%

Table 10
General Fund Revenues (By Department): 2009
Anticipated Revenues & Actual Receipts Through 4th Quarter

Department	Anticipated Revenues	Actual Revenues Collected	\$\$ Over / (Under)	% Collected
Boundary Review Board	\$400	\$300	(\$ 100)	75.0%
Commissioners	\$15,250	\$21,017	\$5,767	137.8%
Board of Equalization	\$0	\$0	\$ 0	
Treasurer	\$17,940,553	\$17,121,311	(\$819,242)	95.4%
Auditor	\$7,017,593	\$6,866,620	(\$150,973)	97.8%
Assessor	\$3,500	\$981	(\$2,519)	28.0%
Administrative Services	\$230,871	\$393,049	\$162,178	170.2%
Civil Service Commission	\$1,000	\$0	(\$1,000)	0.0%
Facilities Maintenance	\$288,087	\$256,435	(\$31,652)	89.0%
Family Court	\$64,140	\$56,911	(\$7,229)	88.7%
Sheriff	\$2,193,299	\$1,973,974	(\$219,325)	90.0%
CCCD-Probation Services	\$551,700	\$509,249	(\$42,451)	92.3%
CCCD-Jail	\$2,559,920	\$2,635,694	\$75,774	103.0%
CCCD-Offender Services	\$569,885	\$481,628	(\$88,257)	84.5%
CCCD-Jail Concessions	\$180,000	\$199,076	\$19,076	110.6%
Juvenile Detention	\$182,000	\$190,478	\$8,478	104.7%
Juvenile Probation	\$991,187	\$854,791	(\$136,396)	86.2%
Prosecuting Attorney	\$262,786	\$228,117	(\$34,669)	86.8%
Child Support Services	\$591,583	\$518,123	(\$73,460)	87.6%
Superior Court	\$289,947	\$242,196	(\$47,751)	83.5%
District Court	\$2,052,050	\$1,965,596	(\$86,454)	95.8%
Clerk	\$842,266	\$762,025	(\$80,241)	90.5%
P.A. Diversion Program	\$5,000	\$12,515	\$7,515	250.3%
Courthouse Facilitator Prog	\$45,500	\$46,158	\$ 658	101.4%
Office of Public Defense	\$218,750	\$207,496	(\$11,254)	94.9%
Coroner	\$52,350	\$46,715	(\$5,635)	89.2%
WSU Extension	\$925	\$334	(\$ 591)	36.1%
Museum	\$10,000	\$10,000	\$ 0	
Non-Departmental	\$363,105	\$233,411	(\$129,694)	64.3%
St. Helens Recovery	\$142,522	\$17,067	(\$125,455)	12.0%
Community Long Range Plan	\$314,997	\$268,962	(\$46,035)	85.4%
Park & Recreation	\$107,015	\$100,976	(\$6,039)	94.4%
Drug Court Grant Program	\$90,778	\$100,639	\$9,861	110.9%
Grand Total	\$38,178,959	\$36,321,844	(\$1,857,115)	95.1%

Notes:

(a) Not all departments receive income distributed equally throughout the year; therefore the percentage collected through the end of the quarter may not necessarily reflect the amount of revenue that might be expected by year end. In other words, it is not necessarily reasonable to expect that 25% of anticipated revenues would be received at the end of the 1st quarter; 50% of anticipated revenues would be received by the end of the 2nd quarter; 75% of anticipated revenues would be received by the end of the 3rd quarter and 100% of anticipated revenues would be received by the end of the 4th quarter.

(b) The statistic representing “percentage collected” may be more an indication of the accuracy of the initial estimate of anticipated revenue than it is a measure of future revenue expectations.

Table 11
General Fund Revenues
2000 - 2004 Comparison

Revenue Source	2000 Actual	2001 Actual	2002 Actual	2003 Actual	2004 Actual
Property Taxes	\$12,018,188	\$12,681,664	\$13,135,458	\$13,600,190	\$13,822,500
Sales Taxes	3,197,269	3,502,749	3,433,646	3,713,241	3,700,901
St Grants/Shared Rev	2,073,264	1,883,593	2,190,240	2,624,881	3,009,731
Sec of Persons/Prop	2,109,765	2,360,805	2,093,939	2,344,810	2,154,963
Charges for Service	2,018,411	1,920,653	2,125,173	2,131,947	2,343,482
Timber Harvest	930,556	1,034,114	1,266,028	844,423	540,899
Interest Earnings	1,412,843	1,143,096	632,880	468,997	430,368
Fines & Forfeits	1,087,052	1,060,805	1,059,455	1,121,364	1,134,608
Licenses & Permits	986,926	783,439	901,941	937,859	1,220,703
Direct Federal Grants	455,934	542,092	529,937	567,736	545,931
Intergov't Revenue	396,611	327,494	355,725	416,670	416,943
All Other	587,006	639,853	1,221,220	686,151	1,345,732
Total	\$27,273,825	\$27,880,356	\$28,945,642	\$29,458,268	\$30,666,255
Percentage Inc/(Dec)		+2.2%	+3.8%	+1.8%	+4.1%

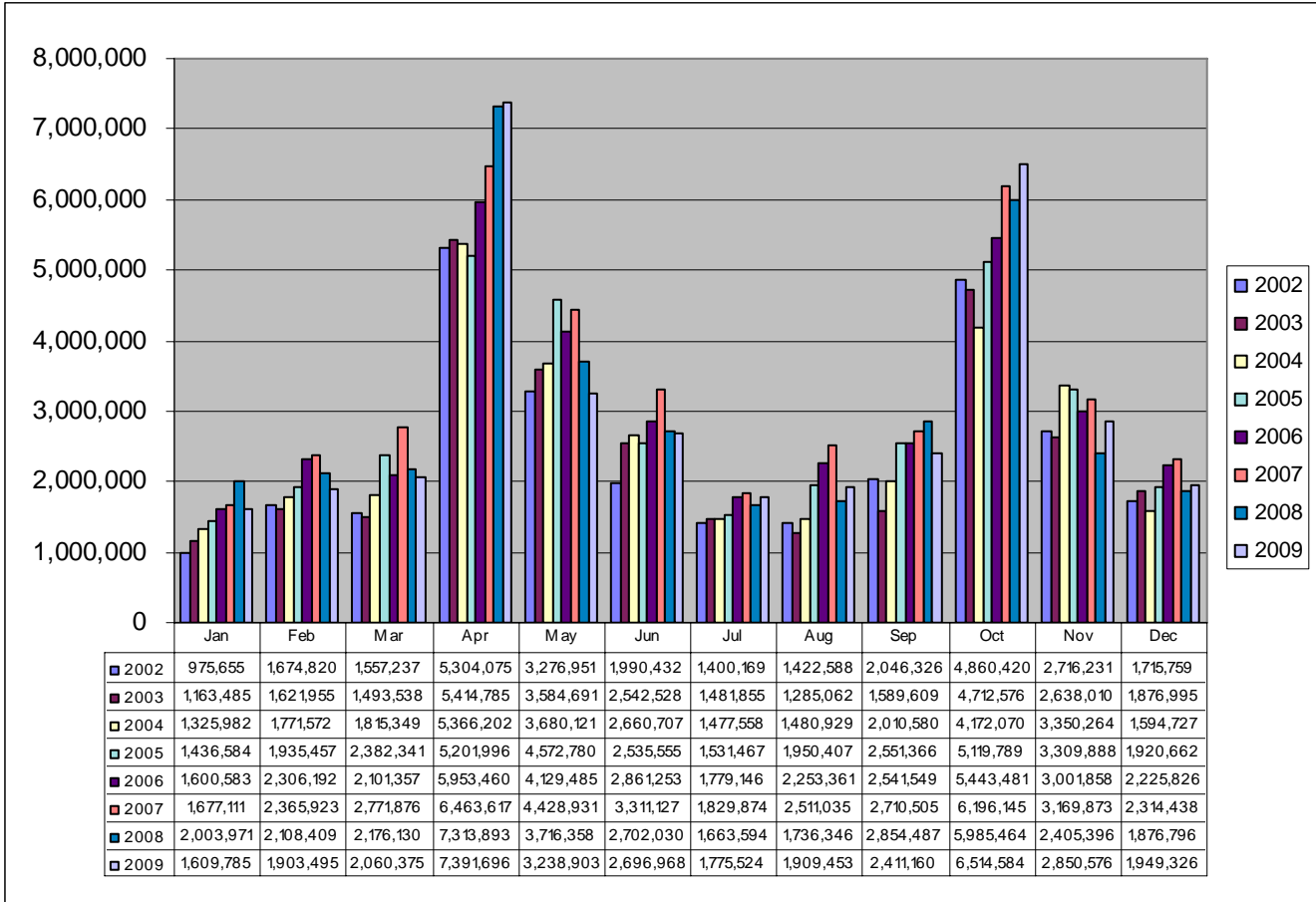
2002 revenues include four funds previously classified as Special Revenue Funds.
2004 revenues include the Law & Justice Fund previously classified as a Special Revenue Fund.

Table 12
General Fund Revenues
2005 – 2009 Comparison

Revenue Source	2005 Actual	2006 Actual	2007 Actual	2008 Actual	2009 Actual
Property Taxes	\$15,151,245	\$14,580,680	\$14,908,630	\$15,679,587	\$16,865,501
Sales Taxes	4,638,448	4,667,241	5,309,807	4,698,035	4,624,157
St Grants/Shared Rev	2,893,551	3,221,947	3,586,462	3,825,479	3,790,429
Sec of Persons/Prop	2,268,142	2,349,592	3,016,966	2,694,616	2,719,578
Charges for Service	2,745,015	3,148,167	3,421,038	2,247,749	2,305,291
Timber Harvest	1,467,971	1,085,386	888,130	846,993	574,705
Interest Earnings	815,617	1,729,121	1,873,639	946,667	324,704
Fines & Forfeits	1,169,214	1,300,639	1,564,611	1,422,673	1,358,593
Licenses & Permits	1,463,301	1,913,186	1,890,537	75,371	66,272
Direct Federal Grants	589,401	656,186	533,221	666,314	655,696
Intergov't Revenue	379,443	676,780	1,736,500	2,449,190	1,859,962
All Other	866,435	864,351	1,021,940	990,202	1,176,956
Total	\$34,447,783	\$36,193,276	\$39,751,481	\$36,542,876	\$36,321,844
Percentage Inc/(Dec) vs. Prior Year	+12.4%	+13.1%	+9.8%	(4.6%)	(0.6%)

2008: Special Revenue Fund established for Building & Planning Fund; decrease in licenses & permits & charges for service revenues reflect this change.

Chart 5
Cowlitz County General Fund
Revenue By Month
2002 – 2009



B. GENERAL FUND EXPENDITURES

The General Fund budget, as amended, has been approved in the amount of \$42,280,527, including an estimated ending unreserved and reserved fund balance of \$4,734,561. This compares to a budget in 2008 of \$47,033,219 including an estimated ending fund balance of \$4,537,021. The 5.6% decrease reflects the impacts on revenues as the result of the world-wide economic downturn.

Expenditures, by major expense category, are as follows:

Table 13
General Fund Expenditures: 2009

Expense Category	% of Total	Expenditures Final Amended	Expended YTD 12/31/2009	% Expended	Unexpended
Personnel Services	61.1%	\$25,826,333	\$25,174,601	97.5%	\$651,732
Supplies	3.6%	1,505,875	1,095,022	72.7%	410,853
Other Services & Charges	14.2%	5,983,174	5,500,197	91.9%	482,977
Interfund Charges/Misc	3.3%	1,381,312	1,381,734	100.0%	(422)
Transfers	6.6%	2,794,272	2,640,523	94.5%	153,749
Capital Outlay	0.1%	55,000	5,638	10.3%	49,362
Total Expenditures		\$37,545,966	\$35,797,715	95.3%	\$1,748,251
Ending Fund Balance	11.2%	4,734,561			
Total Budget		\$42,280,527			4.7%

Chart 6
Cowlitz County General Fund (As Amended)
Budgeted Expenditures: 2009

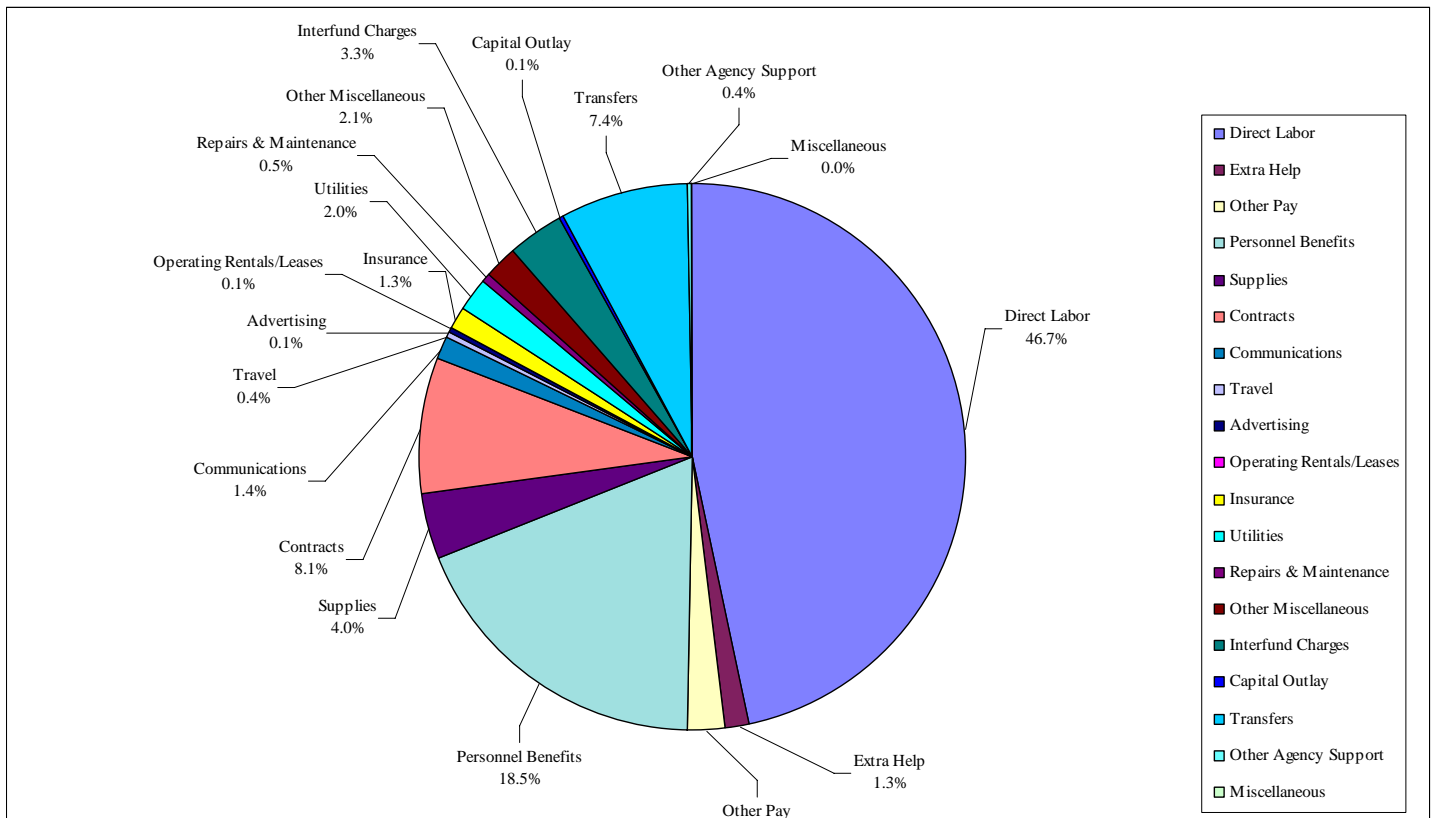


Chart 7
Cowlitz County General Fund (As Amended)
Actual Expenditures: Through 4th Quarter 2009

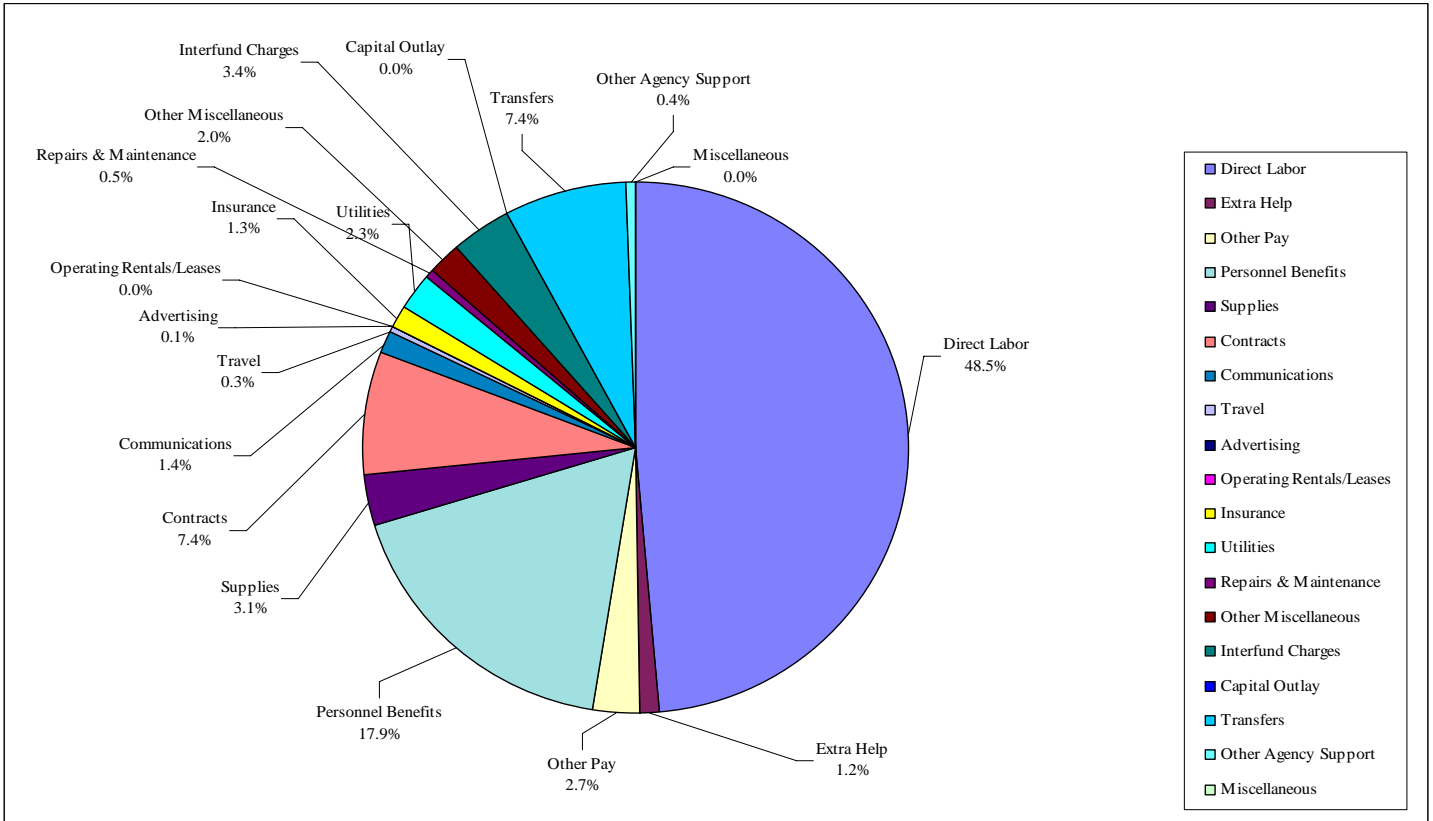


Table 14
General Fund Expenditures Detail Through 4th Quarter 2009

Expense Category	Budget (Amended)	Expended	Unexpended	% Expended
Direct Labor	\$17,519,719	\$17,363,818	\$155,901	99.1%
Extra Help	481,185	435,176	46,009	90.4%
Other Pay	884,772	950,774	(66,002)	107.5%
Personnel Benefits	6,940,657	6,424,835	515,822	92.6%
Supplies	1,505,875	1,095,022	410,853	72.7%
Contracts	3,030,713	2,653,777	376,936	87.6%
Communications	506,987	508,496	(1,509)	100.3%
Travel	153,432	118,226	35,206	77.1%
Advertising	43,531	20,094	23,437	46.2%
Op Rentals/Leases	29,797	8,195	21,602	27.5%
Insurance	487,585	480,318	7,267	98.5%
Utilities	761,479	808,314	(46,835)	106.2%
Repairs/Maintenance	189,994	171,251	18,743	90.1%
Other	779,656	731,525	48,131	93.8%
Interfund Charges	1,227,575	1,223,586	3,989	99.7%
Capital Outlay	55,000	5,638	49,362	10.3%
Transfers	2,794,272	2,640,523	153,749	94.5%
Agency Support	149,073	143,944	5,129	96.6%
Miscellaneous	4,664	14,203	(9,539)	304.5%
Grand Total	\$37,545,966	\$35,797,715	\$1,748,251	95.3%

Table 15
General Fund Expenditures
2005 - 2008 Comparison

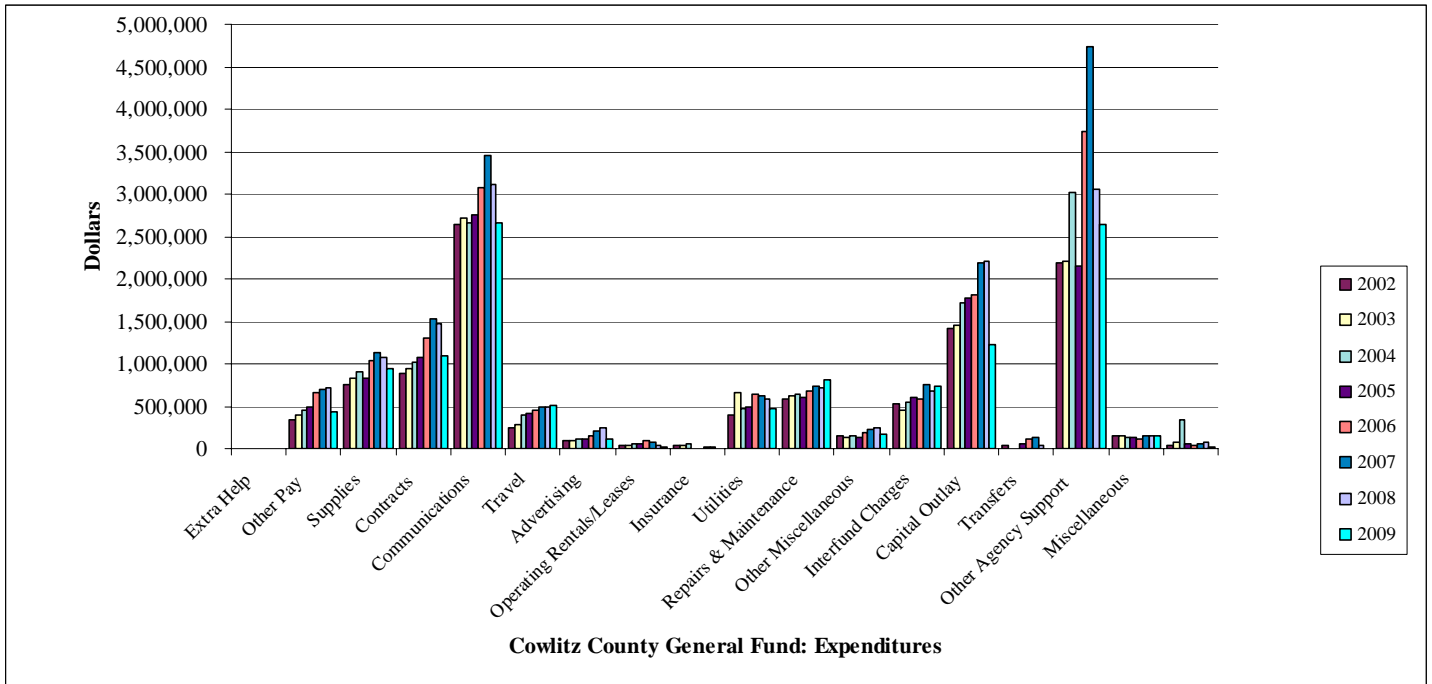
Expense Category	2005 Actual Expenditures	2006 Actual Expenditures	2007 Actual Expenditures	2008 Actual Expenditures
Direct Labor	\$14,592,691	\$15,098,810	\$17,181,603	\$17,802,196
Extra Help	496,877	665,280	689,012	725,183
Other Pay	825,508	1,042,892	1,126,596	1,075,663
Personnel Benefits	4,551,395	5,241,704	6,580,479	7,051,733
Supplies	1,075,192	1,299,412	1,519,037	1,471,244
Contracts	2,747,619	3,069,004	3,455,743	3,121,827
Communications	409,115	453,179	489,303	491,158
Travel	110,071	159,312	209,247	253,078
Advertising	49,193	85,569	73,036	43,276
Op Rentals/Leases	1,347	896	9,943	11,113
Insurance	498,427	650,897	626,170	578,349
Utilities	595,517	673,618	732,732	725,829
Repairs/Maintenance	137,214	190,415	227,435	241,760
Other	595,299	588,403	748,322	677,720
Interfund Charges	1,770,939	1,807,529	2,192,544	2,211,346
Capital Outlay	53,970	115,689	126,077	39,354
Transfers	2,148,665	3,734,680	4,735,111	3,049,054
Agency Support	132,317	111,736	144,602	152,678
Miscellaneous	59,112	46,404	56,373	67,613
Grand Total	\$30,850,468	\$35,035,429	\$40,923,365	\$39,790,174
% Inc/(Dec) Prior Year		13.6%	16.8%	(2.8%)
<i>2008: Special Revenue Fund for Building & Planning established; Community Long Range Planning remains in General Fund.</i>				

Table 16
General Fund Expenditures
2001 - 2004 Comparison

Expense Category	2001 Actual Expenditures	2002 Actual Expenditures	2003 Actual Expenditures	2004 Actual Expenditures
Direct Labor	\$13,986,479	\$14,015,092	\$13,581,931	\$14,504,238
Extra Help	351,238	334,058	391,443	461,460
Other Pay	653,663	747,928	830,951	909,803
Personnel Benefits	4,096,257	3,979,330	3,952,388	4,420,508
Supplies	1,138,126	881,330	948,488	1,011,009
Contracts	2,191,413	2,650,827	2,717,709	2,665,170
Communications	247,886	253,914	274,589	404,551
Travel	119,472	92,873	95,549	108,107
Advertising	46,013	44,591	44,877	53,926
Op Rentals/Leases	2,627	34,410	44,433	56,003
Insurance	281,809	404,909	651,214	480,931
Utilities	447,226	580,717	616,072	649,404
Repairs/Maintenance	155,329	153,972	132,403	151,701
Other	460,946	535,159	455,644	544,727
Interfund Charges	1,212,450	1,417,270	1,453,259	1,713,350
Capital Outlay	14,580	37,967	5,301	0
Transfers	2,798,723	2,181,128	2,204,507	3,020,781
Agency Support	136,677	145,631	152,013	138,354
Miscellaneous	32,487	31,012	75,944	331,963
Grand Total	\$28,373,401	\$28,522,118	\$28,628,715	\$31,625,986
% Inc/(Dec) Prior Year		+.52%	+.37%	+10.5%

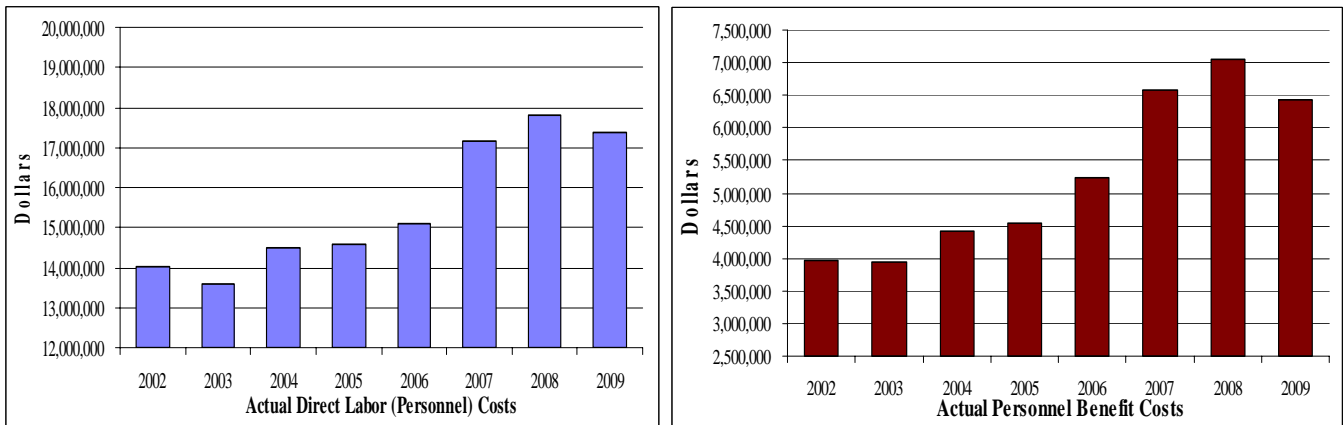
Note: in 2004 expenditures from the Law & Justice Fund were incorporated into the General Fund adding expenditures of approximately \$1.2 million. Previously this fund was classified as a Special Revenue Fund (separate from the General Fund.)

Chart 8
General Fund Expenditures
Comparison: 2002– 2009



Note: Chart above excludes Direct Labor & Employee Benefit costs See Chart 8b below. See also Tables 15 & 16 above.

Chart 9
General Fund Expenditures:
Comparison: 2002 – 2009



Note: In 2004 the Law & Justice Fund was incorporated into the General Fund, adding approximately \$1.2 million in total expenditures 87% of which were staff costs for a total increase in salary and benefits of approximately \$950,000.

Table 17
General Fund (2009 As Amended)
Department-Level Expenditure Summary

Department	Budget 01/01/2009	Amended Budget 12/31/2009	Expenditures Through 4th Qtr	% Expended
Boundary Review Board	\$20,367	\$18,298	\$17,639	96.4%
Commissioners	575,634	522,185	522,075	100.0%
Board of Equalization	3,853	3,199	2,756	86.2%
Treasurer	695,846	660,215	641,578	97.2%
Auditor	1,075,387	988,336	910,112	92.1%
Assessor	1,755,169	1,450,620	1,383,803	95.4%
Administrative Services	694,574	698,550	643,734	92.2%
Civil Service Commission	17,398	17,269	15,377	89.0%
Facilities Maintenance	1,807,288	1,596,535	1,595,436	99.9%
Family Court	252,181	216,792	205,497	94.8%
Sheriff	5,610,192	4,831,216	4,791,466	99.2%
Sheriff's Extradition	25,125	25,125	20,642	82.2%
CCCD-Probation Services	543,761	500,661	484,293	96.7%
CCCD-Jail	7,483,424	7,236,094	6,934,649	95.8%
CCCD-Offender Services	1,094,493	916,859	866,974	94.6%
CCCD-Jail Concessions	183,163	147,120	110,217	74.9%
Juvenile Detention	1,847,444	1,685,577	1,633,324	96.9%
Juvenile Probation	1,906,064	1,803,676	1,664,782	92.3%
Prosecuting Attorney	1,878,808	1,753,580	1,740,602	99.3%
Child Support Services	604,620	591,583	565,908	95.7%
Superior Court	1,019,725	895,063	830,880	92.8%
District Court	1,685,396	1,584,222	1,535,105	96.9%
Clerk	1,101,804	956,509	942,311	98.5%
P.A. Diversion Program	16,066	4,426	4,138	93.5%
Courthouse Facilitator Program	57,288	53,845	53,369	99.1%
Office of Public Defense	2,147,521	1,960,227	1,893,866	96.6%
Coroner	412,288	345,458	340,046	98.4%
WSU Extension	147,144	126,675	124,367	98.2%
Museum	116,848	107,236	101,126	94.3%
Non-Departmental	4,266,180	4,225,705	3,830,825	90.7%
St. Helens Recovery	142,522	142,522	11,216	7.9%
Community Long Range Planning	1,290,972	1,026,102	925,419	90.2%
Park & Recreation	394,167	338,937	338,641	99.9%
Drug Court Grant Program	160,726	115,549	115,542	100.0%
Grand Total	\$41,033,438	\$37,545,966	\$35,797,715	95.3%

Chart 10
Cowlitz County General Fund
Expenditures by Month
2002 – 2009

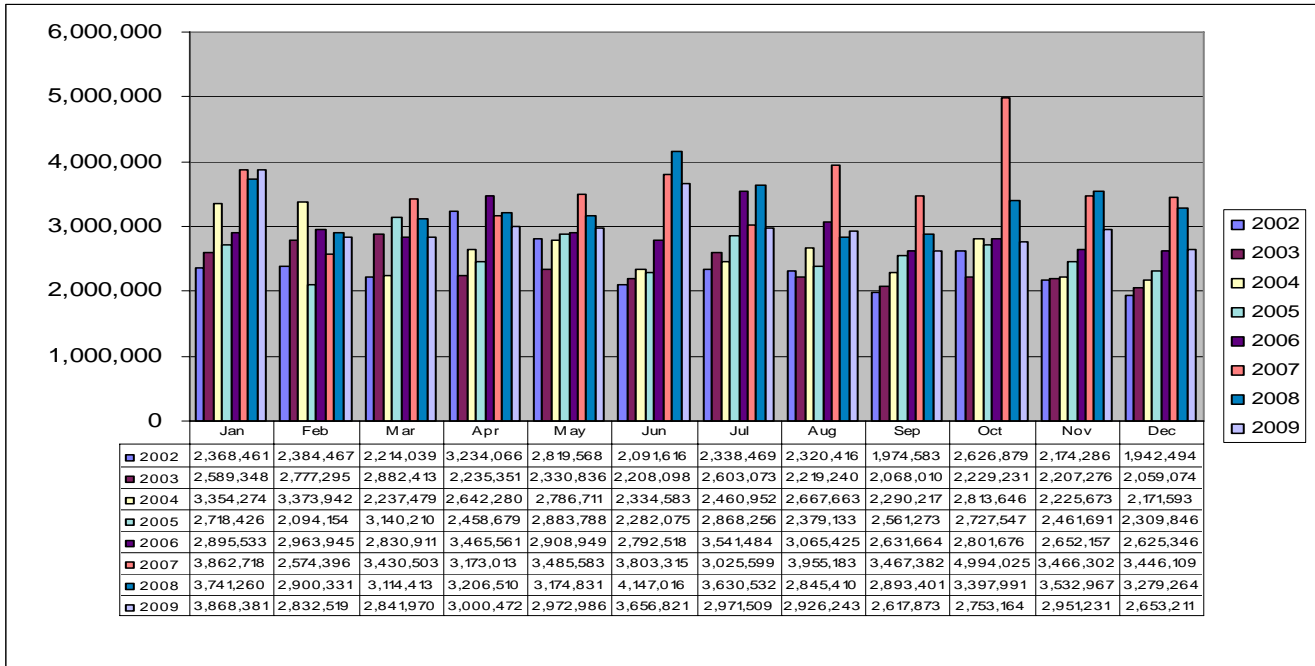
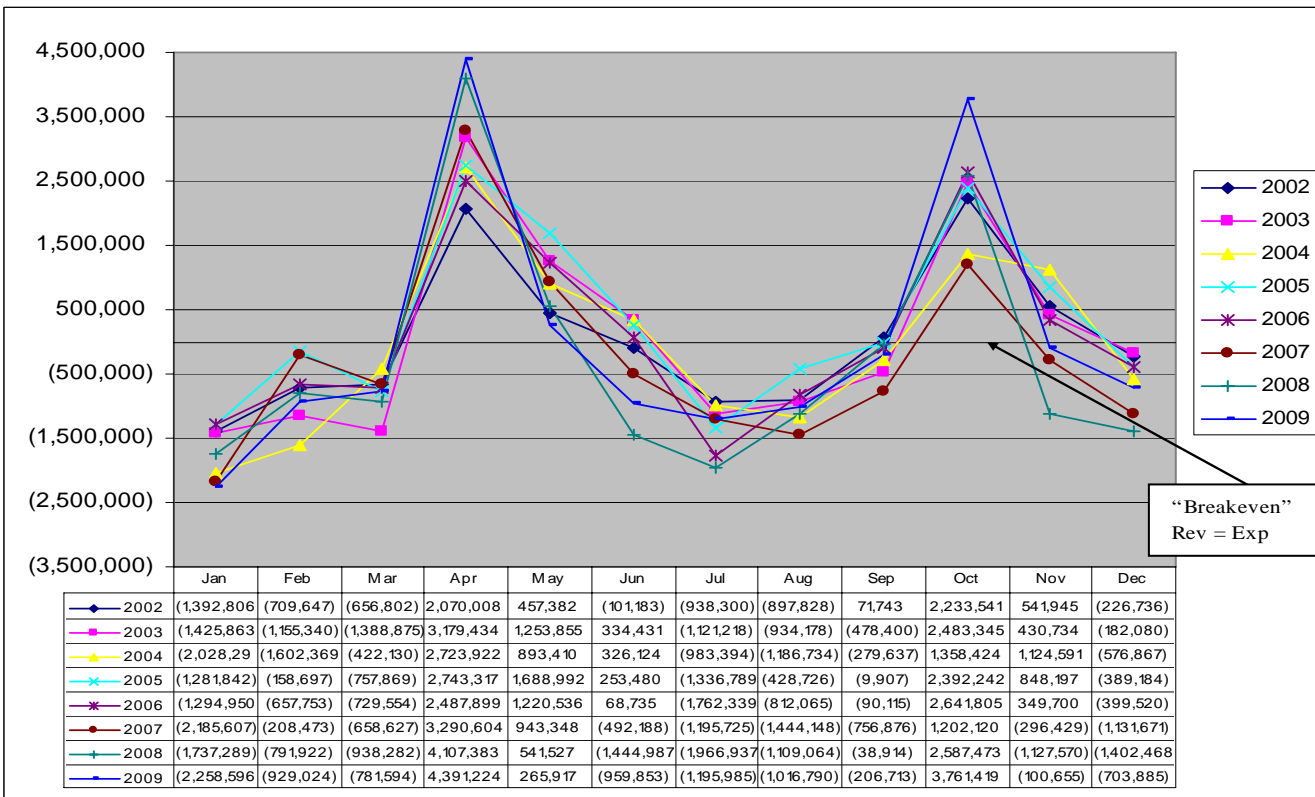


Chart 11
Cowlitz County General Fund
Difference Between Monthly Receipts and Monthly Expenditures
2002 – YTD



C. FUND BALANCE

Pursuant to RCW 36.40.090, counties cannot maintain an unbudgeted (unrestricted) cash balance in excess of a sum equal to \$1.25/\$1,000 of the assessed valuation of the county. The maximum unbudgeted cash Cowlitz County could maintain in 2009 is \$11,744,060. Cowlitz County was below the maximum allowed by law.

In December 2008 when the 2009 budget was approved, the unreserved beginning fund balance on January 1, 2009 was estimated to be \$6,785,936. Actual adjusted beginning cash balance was \$4,101,570.

The adjusted beginning fund balance of \$4.1 million accounts for 2008 “13th month” expenditures. Cowlitz County financial statements are based on a modified accrual system. Treasurer’s cash is reported in the month/year received, while expenditures are recognized in the year the obligation is incurred. Therefore, an adjusted cash balance is obtained by deducting from the cash on deposit with the Treasurer on December 31, expenditures paid in January and February but chargeable to the prior year budget.

The amended 2009 budget anticipated an ending cash balance of \$4,734,561. The actual adjusted ending cash balance as of December 31, 2009 was \$4,596,174.

Table 18
Historical Comparison
General Fund Shortfall/Surplus
Current Revenues vs. Current Expenditures

Year	Annual Expenditures	Annual Revenues	(Shortfall)/Surplus
2000	\$27,347,948	\$27,273,825	(\$74,123)
2001	\$28,373,401	\$27,880,356	(\$493,045)
2002	\$28,522,118	\$28,945,642	\$423,524
2003	\$28,628,714	\$29,458,268	\$829,554
2004	\$31,625,985	\$30,666,761	(\$959,224)
2005	\$30,850,468	\$34,447,783	\$3,597,315
2006	\$35,035,429	\$36,193,276	\$1,157,847
2007	\$40,923,365	\$39,751,481	(\$1,171,884)
2008	\$39,790,174	\$36,542,877	(\$3,247,297)
2009	\$35,797,715	\$36,321,844	\$524,129
10 year Avg 2000-2009	\$32,689,532	\$32,748,211	\$58,680

Note: In anticipation of reduced state revenues, significant budget reductions were made in 2002 and 2003. The anticipated budget savings were \$1.2 million; actual savings achieved were \$1.25 million.

As stated in the County’s Financial Management Policies, sufficient fund balances and reserve levels are a critical component for sound financial management and a key factor in the measurement of the County’s financial strategies for external financing. Maintenance of an adequate fund balance ensures sufficient resources for cash flow and mitigates revenue shortages or emergencies. A minimum fund balance necessary can be attained and maintained through prudent management of expenditures and revenues. The County strives to maintain reserves required by law, resolution and/or bond covenants to ensure service levels, stability and protect against economic downturns and emergencies. The County’s financial management policies require maintenance of reserves in the General Fund of no less than 8.3% of projected expenses in order to provide sufficient cash flow. This is approximately one-month operating capital. Under the current policy, the minimum cash reserve for 2009 should be \$3,116,315. The minimum fund balance was maintained.

Summary Fund Balances

Chart 12
General Fund: 2002- 2009
Ending Actual Adjusted Cash Balances

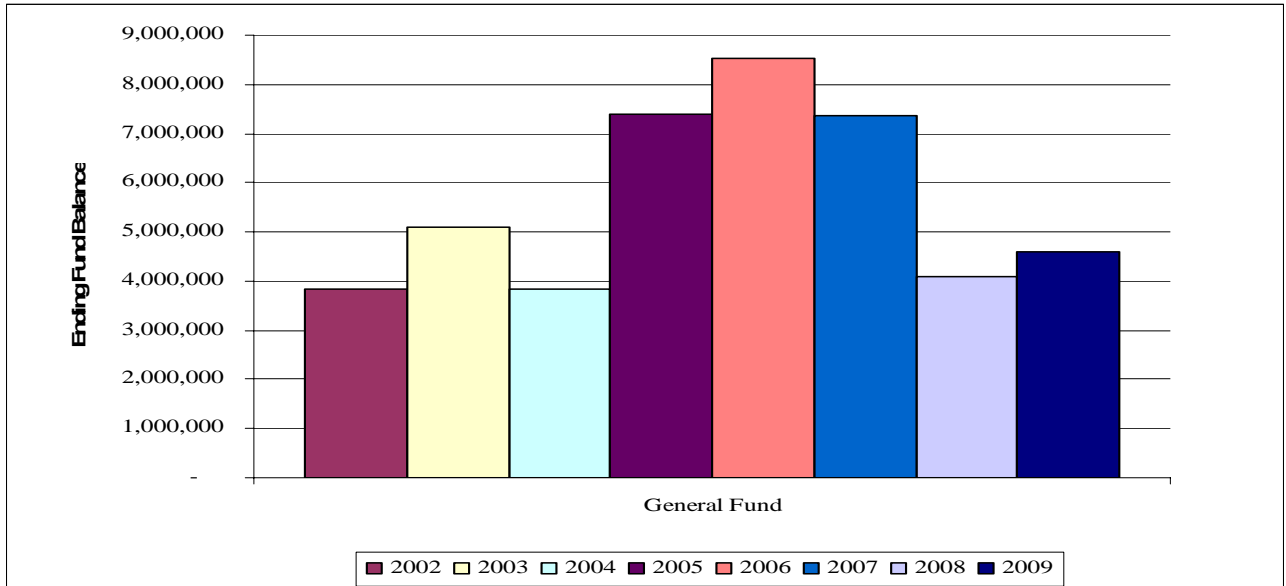


Chart 13
Comparison of Fund Balances – All Fund Types
Ending Fund Balances – 2009

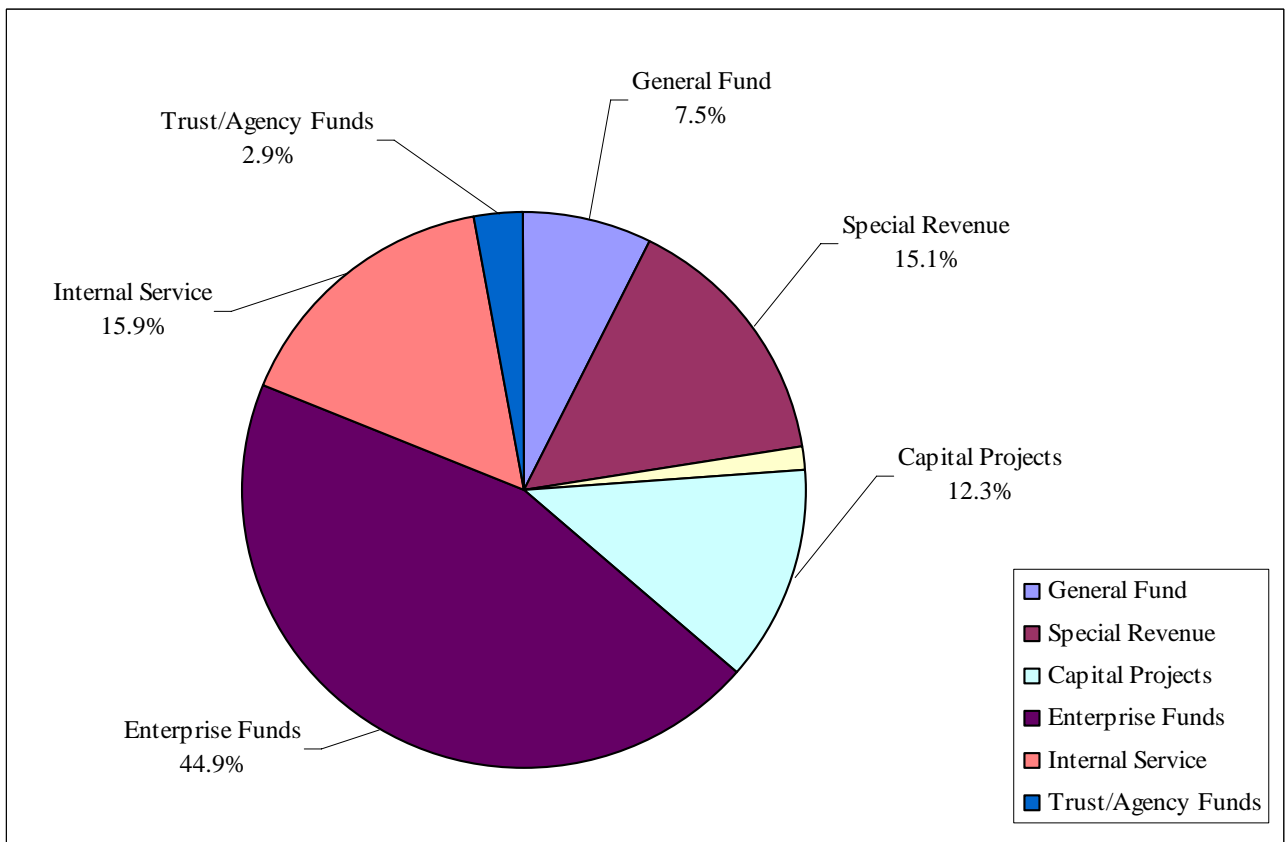


Chart 14
Cowlitz County General Fund
Cash & Investment Activity
2002 – 2009

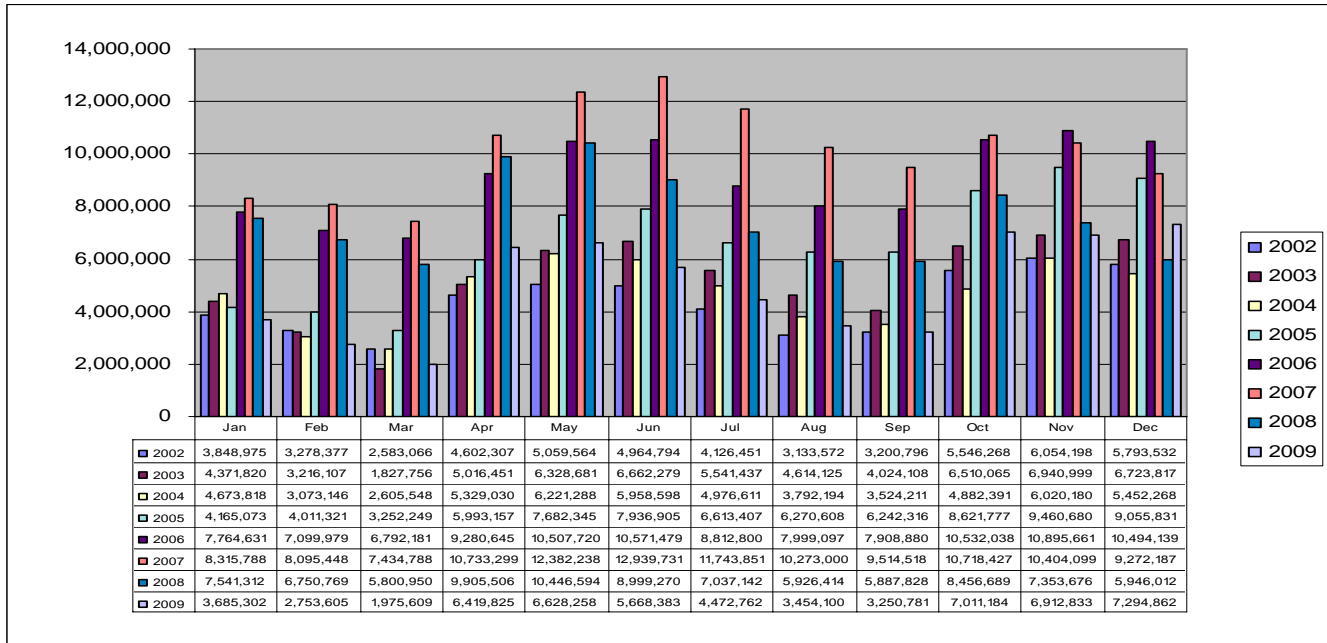


Chart 15
Cowlitz County General Fund
Trend of Actual Revenues, Expenditures & Cash Balance Adjusted for Inflation
1990-2009

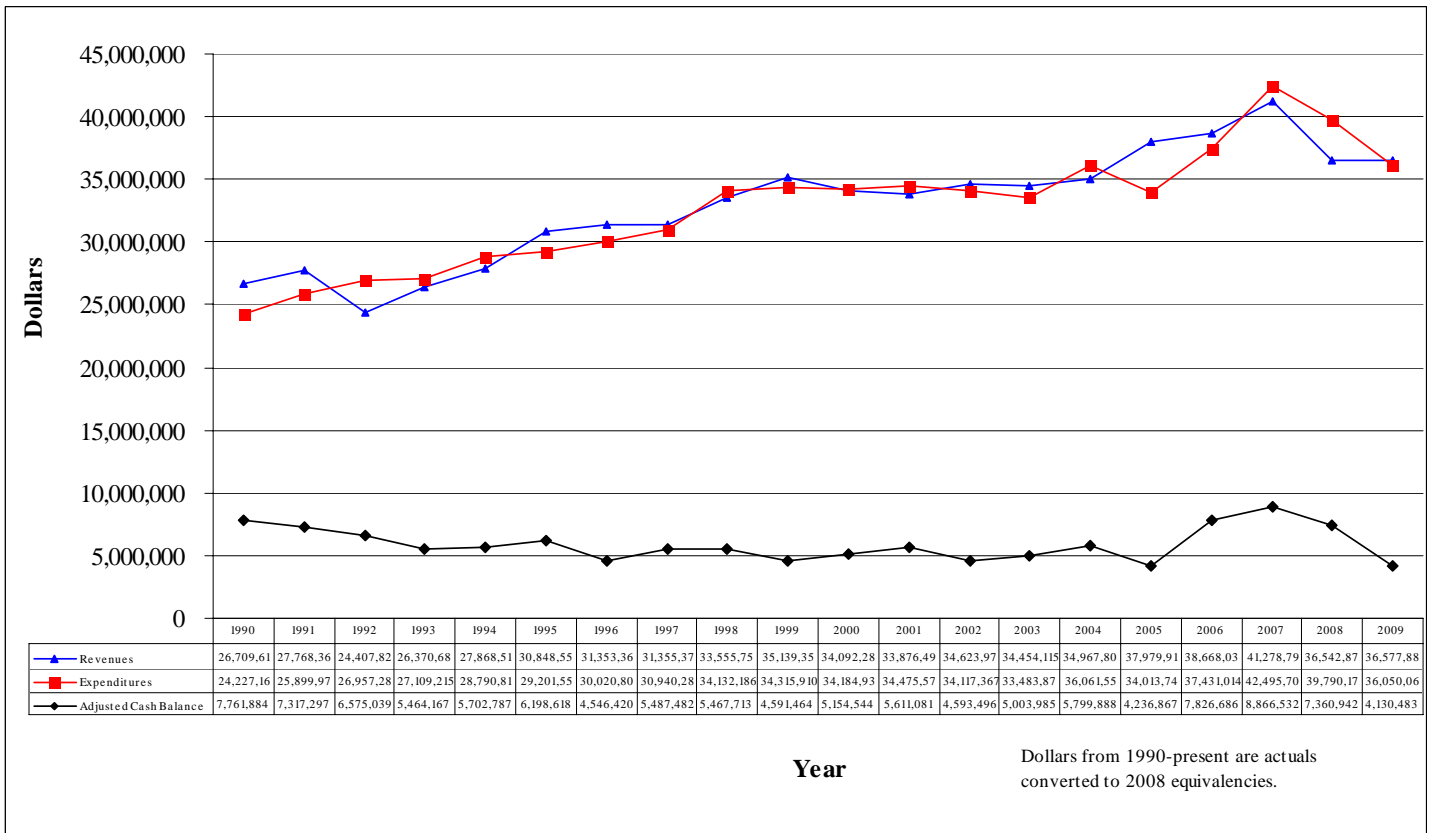
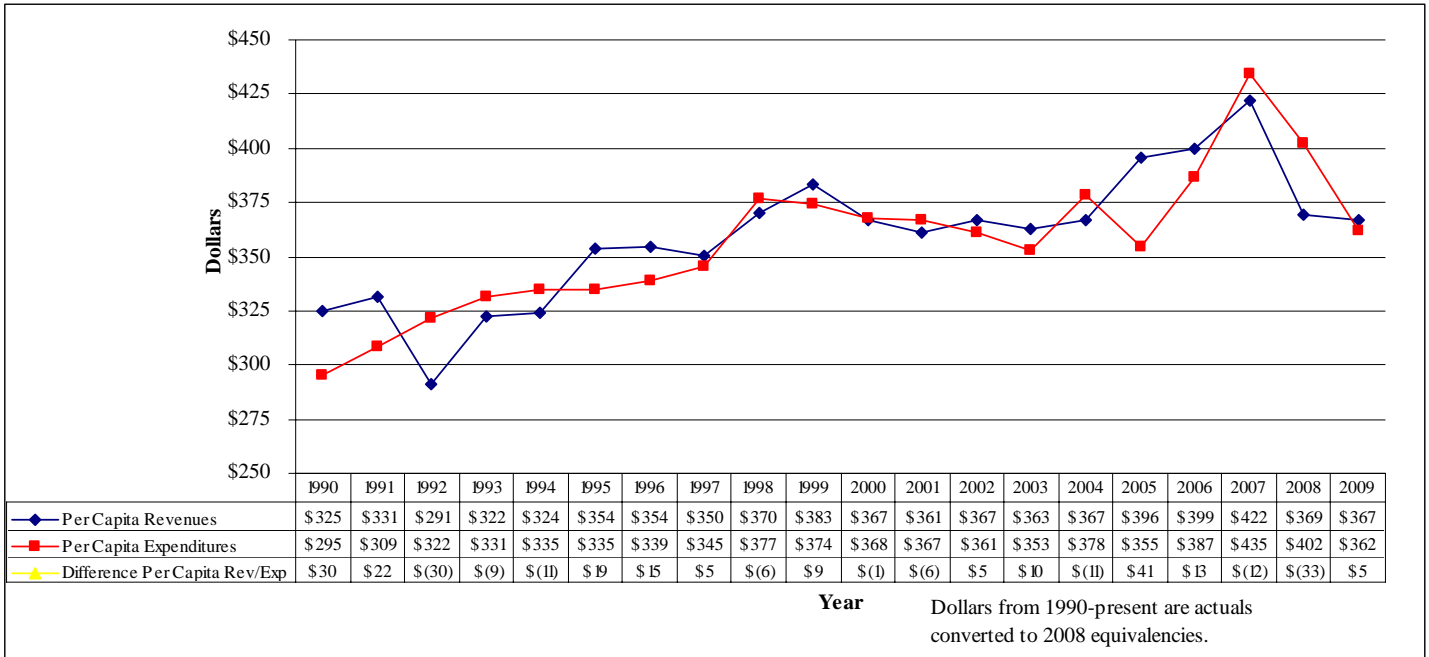


Chart 16
Cowlitz County General Fund
Trend of Per Capita Actual Revenues versus Per Capita Actual Expenditures
(Adjusted for Inflation: 2008 = 100)
1990 - 2009



II. CAPITAL PROJECTS

The **General Government Capital Projects Fund** accounts for expenditures for the following projects:

- **Equipment & Furniture Purchases:** Funds were budgeted for maintenance costs for ergonomic furniture and a lease on the county-wide telephone system.
- **Property Maintenance/Acquisition:** Funds were budgeted for expenses that might be incurred for maintenance of the County's rental properties as well as a contribution to the maintenance of Silver Lake Dam.
- **Grants:** the General Government Capital Projects Fund is used as cash flow for the following grants:
 - (a) project for the Longview Housing Authority known as the "Phoenix House" and
 - (b) a shorelines restoration project pertaining to Abernathy Creek. The County was awarded a grant from the Recreation and Conservation Office (formerly Interagency for Outdoor Recreation) for an easement acquisition program pertaining to Abernathy Creek. Funds have been set aside for long-term monitoring.
- **Health Department:** Funds are budgeted to replace or repair the front doors.
- **Jail (3rd Floor at the Hall of Justice):** No projects were planned in 2009.
- **Hall of Justice:** Funds were budgeted for an uninterrupted power supply system for the Communications Center, air conditioning for the computer room, well replacement, completion of ADA projects in the Courtrooms, for paving at the RIZAD building and for miscellaneous repairs.
- **Administration Building:** Funds were budgeted for retainage for projects completed in the prior year, remodel of various areas for Building and Planning, to paint the building, seal the brick, and to pay for miscellaneous repairs.
- **Annex:** No projects were planned in 2009.
- **Juvenile Center:** No projects were planned in 2009.
- **Morgue:** This project is temporarily on hold pending a county-wide facility study.
- **Museum:** Funds were budgeted to paint the building and seal the brick.
- **Expo Center:** Funds were budgeted for a storm water management project.
- **Parks:** Funds were budgeted for improvements at the Hoffstadt Bluffs Visitor Center and a storage facility at Riverside Park.

Table 19
General Government Capital Projects Fund
2009 Revenues

Capital Projects General Government	Anticipated Revenue	Actual Revenue	Variance +/(-)
		YTD 12/31/2009	YTD 12/31/2009
Adjusted Beg Fund Balance	\$4,189,950	\$4,694,502	\$504,552
REET – Excise Tax	615,000	300,916	(314,084)
CDBG – Phoenix House	200,000	200,000	0
Law Enforcement Terrorism Prog	0	131,624	131,624
Interest Earnings	100,000	23,884	(76,116)
House Rent & Leases	0	14,480	14,480
Other/Transfers In: <i>Hoffstadt Concessions, Cumulative Reserve, etc</i>	213,798	0	(213,798)
Transfer from General Fund: <i>Construction Reserves</i>	0	0	0
Misc – Other/Prior Yr Grants	0	922	922
Total Revenues:	\$5,318,748	\$5,366,328	\$47,580
% of Anticipated Revenue		100.9%	

Table 20
General Government Capital Projects Fund
2009 Expenditures

Capital Projects General Government	Expenditures	Expended YTD 12/31/2009	Unexpended
Ending Fund Balance	\$2,203,848	\$0	\$2,203,848
Equipment/Furniture Purchases	10,000	0	10,000
Telephone Lease/Maintenance	36,687	0	36,687
Debt Service	0	0	0
Property Maint/Acquisition	3,000	6,602	(\$3,602)
Grants	235,650	339,108	(\$103,458)
Health Department	49,093	23,981	25,112
Jail – H/J 3 rd Floor	0	117	(\$ 117)
Hall of Justice	905,945	25,390	880,555
Administration Building	826,837	472,798	354,039
Annex	0	0	0
Juvenile Center	0	0	0
Morgue	0	0	0
Museum	191,921	0	191,921
Expo Center	220,000	7,664	212,336
Parks	535,767	456,802	78,965
Law & Justice Facilities	0	411,482	(411,482)
Public Defender Space	0	0	0
Unallocated Funds	100,000	0	100,000
Transfers Out	0	0	0
Total Expended:	\$5,318,748	\$1,743,944	\$3,574,804
Percent of Project Expenses:		32.8%	67.2%

Table 21
All Other Capital Projects Fund
Expenditures: 2009

Results for other Capital Expenditure Funds are summarized in the following table:

Fund Name	Project Description	Status	Budget	Expended YTD 4th Qtr
Federal Forest Payments	Various Projects	On-going	\$61,458	\$1,772
Recreational Capital Imp	Various Recreation Projects	On-going	\$308,596	\$128,816
General Capital Construction	Jail Annex/Construction Reserve	Construction	\$1,343,443	\$14,362
Rural County Facilities	Various Projects	On-going	\$2,562,478	\$867,680
Road Improvement District	Port of Longview Road improvements	Construction Complete; Acting Costs	\$11,365	\$0
Local Improvement District	Port of Longview Sewer/water line improvements	Construction Complete; Acting Costs	\$1,085	\$0
Lexington Bridge Replacement & Capital Acquisition	Road Projects Facility expense	On-going	\$2,367,911	\$1,289,712
Grand Totals			\$6,656,336	\$2,302,342

III. DEBT SERVICE FUNDS/INTERFUND LOANS & OTHER DEBT

Cowlitz County currently has eight outstanding general long-term bonded debt obligations. There are sufficient funds on hand or anticipated to be received to make all debt service payments on time. Sufficient reserves are on hand or will accumulate prior to the due dates of the next payments. The County has pledged the full faith, credit and resources of the County for prompt payment of the Limited General Obligation debt, however for all issues, there are other funds dedicated for repayment of the debt (i.e. system fees, customer assessments, and sales tax rebates).

1) Limited General Obligation Bonds (1994) were sold to provide funds for design and construction of plant improvements at the Beacon Hill Sewer Plant. Funds for repayment of this debt come from assessments from system customers. The bonds were refunded in July 2003 and partially redeemed in December 2003.

2) Limited General Obligation Bond Fund (1998) was established to provide for the payment of principal and interest on a \$2,060,000 bond issue. The bond proceeds were passed through to the Port of Woodland and used for the design and construction of a railroad spur. Funds to pay debt service come from state sales tax, rebated to Cowlitz County. The sales tax credit is designated for public infrastructure to facilitate economic development in rural counties. The bonds were partially refunded in August 2005. Final payment on the un-refunded portion of this issue was paid in 2008.

3) Limited General Obligation Bond Fund (1999) was established to provide for the payment of principal and interest on a \$50,200,000 bond issue. A portion of the bond proceeds (\$1,910,000) were used as follows: a) City of Longview: design and construct street improvements; b) Port of Kalama: bridge for industrial park; c) Port of Woodland: restrooms; and d) County Exposition Center: improvements to commercial building. Funds to pay debt service come from state sales tax, rebated to Cowlitz County. The sales tax credit is designated for infrastructure to facilitate economic development in rural counties. The bonds were partially refunded in August 2005. Final payment on the un-refunded portion of this issue was paid in 2009.

The sum of \$8,020,000 funded the following projects: e) Drainage District #1: conveyance and pumping system; f) Lexington Flood Control District: pump and emergency generator; g) Port of Longview: road and sewer improvements; h) Consolidated Diking District #2: pump station. The entities benefiting from the bond proceeds, have agreed to make assessments of customers of the facilities sufficient to meet the debt service.

Bond proceeds in the amount of \$40,270,000 funded plant expansion and upgrades at the Sewer Treatment Plant operated by the Three Rivers Regional Wastewater Authority. This portion of the General Obligation Bond was refunded in August 2002. In May 2006, the general obligation bonds were converted to revenue bonds that are now the sole responsibility of the Three Rivers Regional Wastewater Authority.

4) Limited General Obligation Bond Fund (2002) was established to provide for the payment of principal and interest on a \$5,695,000 bond issue. The bond proceeds were used as follows: a) City of Castle Rock: sewer improvements; b) City of Kalama: sewer improvements; c) City of Longview: water system improvements; d) Port of Longview, rail expansion; e) Port of Woodland for anchor building; f) Port of Kalama for buildings and a berth; and g) Cowlitz County for building improvements. Funds to pay debt service come from state sales tax, rebated to Cowlitz County. The sales tax credit is designated for public infrastructure to facilitate economic development in rural counties.

5) Limited General Obligation Bond Fund (2003) was established to provide for the payment of principal and interest on a \$6,565,000 bond issue. The bond proceeds were passed through to the Cowlitz County Public Facilities District in accordance with an Interlocal Agreement. Proceeds were used to construct a conference center on the Exposition Center grounds in Longview. Funds to pay debt service come from state sales tax, rebated to the Cowlitz County Public Facilities District dedicated to acquisition, financing, design, construction, operation and maintenance of a regional center and related parking facilities as defined by RCW 35.57.020. Such sales tax rebate must be matched with an amount from other public or private sources equal to thirty-three percent (33%) of the amount collected by the Public Facilities District.

6) **Limited General Obligation Bond Refunding Bond Fund (1998 & 1999)** was established to provide for the payment of principal and interest on a \$8,565,000 bond issue. The bond proceeds were used to partially refund Limited General Obligation Bonds issued by the County in 1998 and 1999 (see discussion above).

7) **2006 Special Sewer Revenue Bond Fund** was established to provide for the payment of principal and interest on a \$13,760,000 bond issue. The bond proceeds were used to pay for construction of improvements to the Wastewater Treatment Facilities owned and operated by the Three Rivers Regional Wastewater Authority and to refund the 1999 Limited General Obligation Bonds.

8) **2009 RID #11 Special Assessment Fund** was established to provide for the payment of principal and interest on a special assessment for road improvements in the Silverdale Subdivision, Basswood Drive and Whisper Lane as well as to pay certain costs of Bond issuance.

Table 22
Non-Voted General Obligation Bonded Debt

Bond	Original Issue	Due Date	Principal Balance Due 01/2009	Principal Balance Owing 12/31/2009
1994 Ltd G.O. ¹ Partial refunding in 2003	\$ 1,610,000	2010	\$255,000	\$130,000
1999 Ltd G.O. ¹ Rural Development; system charges & user fees; Partial refunding in 2005	\$ 9,930,000	2019	\$410,000	\$0
2002 Ltd G.O. ² Rural Development	\$5,695,000	2024	\$4,665,000	\$4,480,000
2003 Ltd G.O. ² Public Facilities District	\$6,565,000	2027	\$5,640,000	\$5,480,000
2005 Ltd G.O. ¹ Refunding '98 & '99	\$8,565,000	2023	\$8,250,000	\$8,095,000
2009 RID #11 Special Assessment	\$172,038	2021	\$0	\$172,038
Subtotal LTGO:	\$34,832,030		\$19,220,000	\$18,357,038
2006 Special Sewer Revenue Bonds ³	\$13,760,000	2025	\$12,800,000	\$12,290,000
Totals	\$48,592,038		\$32,020,000	\$30,647,038

¹ Payments on the bonded debt obligations are made in May (interest only) and November (principal and interest) each year.
² Payments on the bonded debt obligations are made in April (interest only) and October (principal and interest) each year.
³ Payments on the bonded debt obligations are made in March (principal and interest) and September (interest only) each year.

Table 23
Interfund and Other Loans

Project	Origination Date	Due Date	Loan Principal	Principal Balance Owing 12/31/2009
Hoffstadt Bluffs (Capital Improvements)	1992 – 1996 & 2006-2009	Open	\$3,771,61	\$1,835,567
911 System Upgrade	2005-2007	11/30/2020	\$633,000	\$465,088
Public Works Trust Fund	Various	Various	\$	\$
Totals:			\$3,771,659	\$2,286,251

Excludes lease purchase agreements for the telephone system, voting machines, copiers, computers, electronic monitoring equipment, 911 Communications Recording Equipment, etc.

Table 24
Accounts Receivable

Account Receivables	Origination Date	Due Date	Original Receivable	Principal Balance Owning 12/31/2009
Fish Recovery Board (account receivable)	04/30/1998	Open	\$25,000	\$22,000
District Court County Only	Various	Various	Varies Daily	\$8,436,122
Superior Court Clerk County & State	Various	Various	Varies Daily	\$30,564,807
Totals:				\$39,022,929

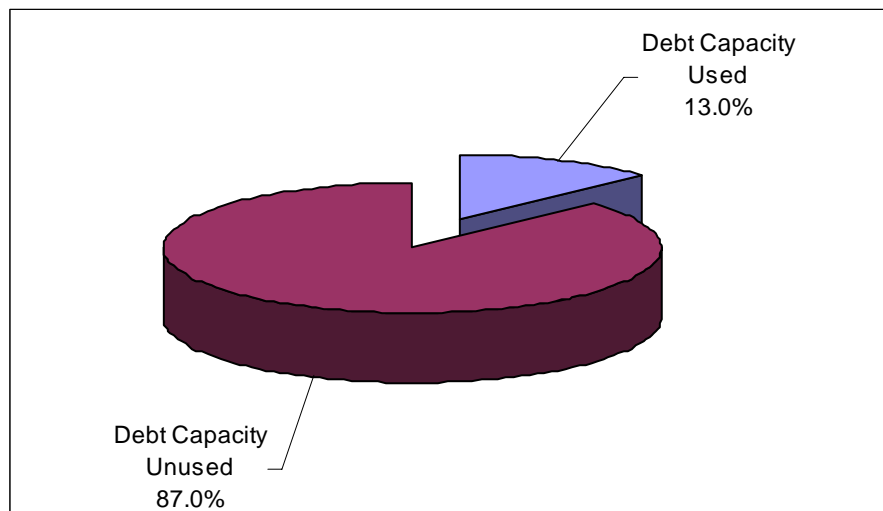
Long Term Debt Capacity. Washington State law provides a maximum debt limit for general obligations. Cowlitz County’s debt obligations are well within the statutory limits for debt capacity.

There are three types of statutory limits on general debt capacity. The first is a limit on the amount of general obligation that can be incurred without a vote of the people. For this type of debt, a county is limited to 1.5% of its assessed value. In 2009, this limit is \$140,878,148. The second statutory limit is the amount of general obligation debt a county may incur for general governmental purposes with a vote of the people. This limit is 2.5% of the assessed value. In 2009, this limit is \$234,796,914. The third limit allows a County to incur general obligation debt of up to an additional 2.5% of its assessed value for bond issues approved by the voters for the purpose of utility improvements, parks, or open space development. The two - 2.5% limits provide the County an overall limit of 5%, or \$469,593,827.

Table 25
Long Term Debt Capacity

How Authorized/Uses	% of Assessed Valuation	\$\$ Limit	LTGO Capacity Used
Non-voted (General Governmental purposes)	1.5%	\$140,878,148	\$18,357,038
Voted (General Governmental purposes)	2.5%	\$234,796,914	\$0
Voted (restricted uses – utility, parks, etc)	2.5%	\$234,796,914	\$0

Chart 17
**Cowlitz County Non-Voted
General Obligation Debt Capacity**



The chart above graphically represents the non-voted general obligation debt capacity, both used and unused. The numbers and chart presented above assume bonded debt at 100% of capacity. Note, however, that bond rating agencies and insurers generally recommend utilizing 75% - 80% of capacity. This means that of the \$140.9 million which is statutorily available, a debt limit of not greater than \$112.7 million is recommended. Utilizing these figures, Cowlitz County has current obligations amounting to 16.3% of its recommended capacity.

IV. OTHER FUNDS – SUMMARY OF 4th QUARTER ACTIVITY

A. Special Revenue Funds

Table 26
Special Revenue Funds (By Department)
Department Level Expenditure Summary: 4th Quarter 2009

Department	Budget	Expenditures	% Expended
Affordable Housing	\$265,452	\$118,295	44.6%
Auditor's O&M	368,700	76,064	20.6%
Benefits Administration	857,927	282,966	33.0%
Boat Safety	61,120	28,306	46.3%
Building & Planning	1,887,642	1,510,270	80.0%
Community Mental Health	12,237,900	9,981,913	81.6%
County Drug Fund	100,909	90,614	89.8%
Cumulative Reserve	193,448	107,000	55.3%
Drug Task Force	1,011,710	636,667	62.9%
Geographic Information Services	374,704	151,370	40.4%
G.I.S. Operation & Maintenance	45,800	5,264	11.5%
Health Department	3,160,940	2,412,158	76.3%
Human Services	1,338,963	864,455	64.6%
Law & Justice Funding	965,149	875,582	90.7%
Low Income Housing & O&M	885,358	97,799	11.0%
Noxious Weed Program	377,750	118,814	31.5%
P.A. Victim Witness	317,516	125,028	39.4%
Paths & Trails Reserve	288,394	205,700	71.3%
Road Fund	24,699,748	20,185,800	81.7%
Stadium/Convention Center	40,700	40,700	100.0%
Storm Water Fund	567,741	77,157	13.6%
Superior Court Law Library	133,666	67,926	50.8%
Tourism, Facilities, Dev & Marketing	263,061	223,287	84.9%
Treasurer's Operations & Maintenance	192,400	69,726	36.2%
Veteran's Relief Fund	426,531	117,099	27.5%
Grand Total	\$51,063,229	\$38,469,960	75.3%

Table 27
Special Revenue Funds (By Department)
Anticipated Revenues & Actual Receipts: 4th Quarter 2009

Department	Anticipated Revenues¹	Actual Revenues	% Collected
Affordable Housing	\$153,500	\$107,972	70.3%
Auditor's O&M	151,700	152,572	100.6%
Benefits Administration	222,000	203,940	91.9%
Boat Safety	41,703	57,156	137.1%
Building & Planning	1,588,995	2,047,332	128.8%
Community Mental Health	10,410,440	10,783,175	103.6%
County Drug Fund	12,600	51,426	408.1%
Cumulative Reserve	148,640	125,535	84.5%
Drug Task Force	552,349	623,389	112.9%
Geographic Information Services	66,174	53,259	80.5%
G.I.S. Operation & Maintenance	4,800	437	9.1%
Health Department	2,665,416	2,182,284	81.9%
Human Services	1,157,161	908,953	78.6%
Law & Justice Funding	919,807	863,878	93.9%
Low Income Housing & O&M	326,574	390,073	119.4%
Noxious Weed Program	177,750	166,435	93.6%
P.A. Victim Witness	177,580	140,172	78.9%
Paths & Trails Reserve	61,513	56,079	91.2%
Road Fund	18,449,748	16,425,365	89.0%
Stadium/Convention Center	28,000	36,744	131.2%
Storm Water Fund	477,000	263,346	55.2%
Superior Court Law Library	56,130	55,332	98.6%
Tourism, Facilities, Dev & Marketing	248,944	224,875	90.3%
Treasurer's Operations & Maintenance	28,700	49,968	174.1%
Veteran's Relief Fund	128,347	109,841	85.6%
Grand Total	\$38,255,571	\$36,079,538	94.3%

¹Excludes Beginning Fund Balance (reserved & unreserved)

B. Enterprise Funds

Table 28
Enterprise Funds (By Department)
Department Level Expenditure Summary: 4th Quarter 2009

Department	Budget	Expenditures	% Expended
911 Communications	\$2,919,131	\$2,511,316	86.0%
911 Communications Claims Reserve	198,237	18,149	9.2%
911 Communications – Equipment Reserves	1,024,481	309,791	30.2%
911 Communications - Radio Replc Project	508,564	221,570	43.6%
Conference Center	920,380	771,154	83.8%
Emergency Management	472,975	272,830	57.7%
Emergency Management Special Projects	35,434	7,161	20.2%
Expo Center	526,590	456,132	86.6%
Expo Reserve – Pigeon/Horses	20,039	0	0.0%
Hoffstadt Bluffs Visitor Center	982,500	648,642	66.0%
Law Enforcement Records	1,261,502	987,572	78.3%
Law Enforcement Equipment Reserve	186,866	129,035	69.1%
Solid Waste Post Closure Unlined Landfill	935,407	42,998	4.6%
Solid Waste Equipment, Land, Facility	17,227,288	508,805	3.0%
Solid Waste Landfill Closure	4,720,282	0	0.0%
Solid Waste Maintenance	4,720,425	3,790,209	80.3%
Solid Waste Post Closure Lined Landfill	5,192,153	0	0.0%
Water Sewer Maintenance	1,504,900	1,295,105	86.1%
Water Sewer C.I.P.	2,173,492	774,156	35.6%
Grand Total	\$45,530,646	\$12,744,625	28.0%

Table 29
Enterprise Funds (By Department)
Anticipated Revenues & Actual Receipts: 4th Quarter 2009

Department	Anticipated Revenues ¹	Actual Revenues	% Collected
911 Communications	\$2,441,120	\$2,481,223	101.6%
911 Communications Claims Reserve	39,330	37,071	94.3%
911 Communications Equipment Reserve	80,137	66,044	82.4%
911 Communications - Radio Replc Project	311,472	357,266	114.7%
Conference Center	896,050	781,287	87.2%
Emergency Management	367,404	347,488	94.6%
Emergency Management Special Projects	6,600	0	0.0%
Expo Center	525,900	468,110	89.0%
Expo Reserve – Pigeon/Horses	875	156	17.8%
Hoffstadt Bluffs Visitor Center	941,000	593,564	63.1%
Law Enforcement Records	1,092,914	1,082,826	99.1%
Law Enforcement Records Equipment Reserve	54,948	54,948	100.0%
Solid Waste Post Closure Unlined Landfill	134,892	123,275	91.4%
Solid Waste Equipment, Land, Facility	1,513,743	1,146,180	75.7%
Solid Waste Landfill Closure	499,587	429,721	86.0%
Solid Waste Maintenance	4,620,425	4,268,229	92.4%
Solid Waste Post Closure Lined Landfill	447,600	369,233	82.5%
Water Sewer Maintenance	1,365,400	1,410,642	103.3%
Water Sewer Reserve C.I.P.	1,163,492	191,171	16.4%
Grand Total	\$16,502,889	\$14,208,434	86.1%

¹Excludes Beginning Fund Balance (reserved & unreserved)

C. Internal Service Funds

Table 30
Internal Service Funds (By Department)
Department Level Expenditure Summary: 4th Quarter 2009

Department	Budget	Expenditures	% Expended
Central Services	\$2,760,474	\$1,428,006	51.7%
Election Capital Reserve	922,130	0	0.0%
Election Reserve	680,984	330,041	48.5%
Equipment Rental & Revolving	5,070,500	1,654,319	32.6%
Industrial Accident Insurance	525,912	266,643	50.7%
Motor Pool	4,220,993	796,260	18.9%
Purchasing Services	612,740	458,207	74.8%
Risk Management	2,274,218	871,574	38.3%
Unemployment Compensation	405,353	346,338	85.4%
Grand Total	\$17,473,304	\$6,151,388	35.2%

Table 31
Internal Service Funds (By Department)
Anticipated Revenues & Actual Receipts: 4th Quarter 2009

Department	Anticipated Revenues¹	Actual Revenues	% Collected
Central Services	\$1,379,277	\$1,256,270	91.1%
Election Capital Reserve	699,612	59,402	8.5%
Election Reserve	467,529	443,829	94.9%
Equipment Rental & Revolving	2,730,500	2,705,048	99.1%
Industrial Accident Insurance	440,931	437,155	99.1%
Motor Pool	1,720,993	884,913	51.4%
Purchasing Services	532,300	479,503	90.1%
Risk Management	993,911	982,120	98.8%
Unemployment Compensation	36,501	26,836	73.5%
Grand Total	\$9,001,554	\$7,275,076	80.8%

¹Excludes Beginning Fund Balance (reserved & unreserved)

D. Trust/Agency Funds

Table 32
Trust/Agency Funds (By Department)
Department Level Expenditure Summary: 4th Quarter 2009

Department	Budget	Expenditures	% Expended
Lexington Flood Control	\$1,507,444	\$268,435	17.8%
Lexington Flood Control – Bond Debt Service	49,850	30,097	60.4%
Drain # 1 Maintenance	662,046	266,420	40.2%
Grand Total	\$2,219,340	\$564,952	25.5%

Table 33
Trust/Agency Funds (By Department)
Anticipated Revenues & Actual Receipts: 4th Quarter 2009

Department	Anticipated Revenues¹	Actual Revenues¹	% Collected
Lexington Flood Control	\$657,444	\$647,274	98.5%
Lexington Flood Control – Bond Debt Service	49,850	49,803	99.9%
Drain # 1 Maintenance	318,626	326,577	102.5%
Grand Total	\$1,025,920	\$1,023,654	99.8%

¹Excludes Beginning Fund Balance (reserved & unreserved)

Appendix A
Explanation of Revenue Categories

Taxes

Real & Personal Property Taxes
Diverted County Road Taxes
Timber Harvest
Sales & Use Tax
Leasehold Excise Tax
Gambling Tax

Miscellaneous Revenues

Interest Earnings
Coffee Shop Concessions
Park Fees
Private Donations
Miscellaneous

Licenses & Permits

Landfill Fees
Land Use Permits
Building Permits
Special Use Permits
Marriage Licenses

Non-Revenues

Transfers from other Funds

Intergovernmental Services

Federal Reimbursements & Grants
State Reimbursements & Grants
Local Agency Fees

Other Financing Sources

Timber Sales - DNR
Sale of Capital Equipment

Charges for Services

Filing Fees
Recording Fees
Xerox Charges
Offender Services
Probation Fees
Deferred Prosecution Fees
Drug Court Participant Fees
Board/Room Prisoners – cities, state, INS
Plan Checking Fees

Fines & Forfeits

Civil Penalties
Criminal Fines
Juvenile Fines
Traffic Fines
Parking Fines

Appendix B
Explanation of Expenditure Categories

Direct Labor

Salaries for full-time employees

Extra Help

Wages for other than full-time employees

Other Pay

Pay such as overtime, holiday, differential

Personnel Benefits

Medical Insurance, retirement and social security

Supplies

Office supplies, food, drugs, software, small tools

Contracts

Professional services, including attorneys

Communications

Telephone, pagers, etc.

Travel

Meals, lodging, mileage, tuition, registration, Airfare, etc.

Advertising

Public notices and advertisements

Operating Rentals/Leases

Rents and equipment leases

Insurance

Liability, automobile and property insurance costs

Utilities

PUD, city utilities and natural gas

Repairs & Maintenance

Cost of repairs & maintenance agreements

Other Miscellaneous

Copies, dues & subscriptions, printing, fire protection, jury & witness fees

Interfund Charges

Technology & Motor Pool charges

Capital Outlay

Furniture & equipment with a cost greater than \$5,000; building improvements, construction

Transfers

Agency contributions such as DEM, Records, 911, Central Services, Drug Task Force, Human Services, Health Department, Expo, Elections, GIS

Other Agency Support

Outside Agency contributions such as COG, EDC, Airport, Soil Conservation, DNR, charges for fire protection

Miscellaneous

Advance for premium expense for the Expo, other miscellaneous expenses

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