

TREASURER'S REPORT

April 13, 2002

Bills: The Finance Committee met on April 6. The committee reviewed the bills on file and compared them with the "Unpaid Bills Summary." The committee recommends that the bills be paid.

Finance Updates:

- **Budget:** Budget planning for 02-03 continues with a second meeting of the Board, the Finance Committee and Departmental Chairs this afternoon.
- **Insurance:** The new Hull& Machinery Protection and Indemnity policy (which includes pollution liability) became effective Feb. 26. The 12-month premium is \$22,849 - substantially less than the previous plan. A refund in the amount of \$23, 812 is anticipated from the discontinuation of the previous policy. A new Directors and Officers policy has been obtained through CNA, which is \$1,217 less expensive than the previous premium. Efforts to obtain new property coverage continue, as Safeco is dropping their coverage.
- **Ferry Revenue:** Year to date \$42,359 vs. \$46,775 (01). Sr. Ferry Passes sold = 11; Crew Passes = 1.
- We are in the process of obtaining bids to complete the North Beach pump station to facilitate filling the dust control truck tank. Plans for replacing the ferry dock cables and initiating the small water system planning study as approved by the membership are also in process.
- Washington State offers a "Drinking Water State Revolving Fund" that annually provides low interest loans to small and medium-sized water systems to help fund capital improvements. Doug recently attended a free training to learn more about this program. The deadline for application is quite soon for 2003 funding. Requirements include completion of a water system plan by the end of the year. Unfortunately, new requirements include installation of water meters and use of state approved contractors, which could significantly increase the cost of any project. Given that our water system planning process has not yet begun, it would be difficult to complete an application this year without a defined project scope.

Six Month Expense Review for HMC Departments (as of April 5, 2002)*

	YTD	Budget	
Administration	\$36,194	\$113,858	31.8%
Ferry	\$177,725	\$263,542	67.4%
Parks	\$3,915	\$9,840	39.8%
Roads	\$3,733	\$15,250	24.5%
Water	\$6,091	\$17,403	35%

**It's important to remember that most expenses occur in the second half of the fiscal year. As previously noted, we are awaiting a substantial marine insurance refund that will bring ferry expenses in line with expectations.