

PLEASE NOTE SPECIAL MEETING TIME

CHEHALIS CITY COUNCIL AGENDA

CITY HALL

350 N MARKET BOULEVARD, CHEHALIS, WA 98532

Anthony E. Ketchum Sr., District 3
Mayor

Terry F. Harris, District 1
Daryl J. Lund, District 2
Dr. Isaac S. Pope, District 4

Dennis Dawes, Position at Large, Mayor Pro Tem
Chad E. Taylor, Position at Large
Bob Spahr, Position at Large

October 25, 2010

5:00 p.m.

EXECUTIVE SESSION

- | | | |
|---|-----|--|
| 1. <u>Executive Session Pursuant to RCW 42.30.140(4)(a) Collective Bargaining; and RCW 42.30.110.(1)(i) – Potential Litigation.</u> (City Manager, City Attorney, Human Resources Administrator, Public Works Director) | --- | |
|---|-----|--|

Regular Meeting of October 25, 2010

6:00 p.m.

ITEM

ADMINISTRATION
RECOMMENDATION

PAGE

- | | | |
|---|--|--|
| 2. <u>Call to Order.</u> (Mayor) | | |
| 3. <u>Pledge of Allegiance.</u> (Mayor) | | |

CITIZENS BUSINESS

This is an opportunity for members of the audience to address the council on matters not listed elsewhere on the agenda. Speaker identification forms are available at the door and may be given to the city clerk prior to the beginning of the meeting.

CONSENT CALENDAR		
5. <u>Minutes of the Regular Meeting of October 11, 2010.</u> (City Clerk)	APPROVE	1
6. <u>Vouchers and Transfers.</u> (Finance Manager)	APPROVE	6

STAFF AND CITY COUNCIL REPORTS		
7. <u>Staff Reports.</u>		
a. Quarterly and September Finance Reports. (Finance Manager)	INFORMATION ONLY	7
b. Quarterly Sales and Use Tax Report. (Finance Manager)	INFORMATION ONLY	13
9. <u>Council Reports.</u>		
a. Councilor reports. (City Council)	INFORMATION ONLY	
b. Council committee reports. (City Council)	INFORMATION ONLY	

**THE CITY COUNCIL MAY ADD AND TAKE ACTION ON
OTHER ITEMS NOT LISTED ON THIS AGENDA**

NEXT REGULAR CITY COUNCIL MEETING WILL BE ON MONDAY, NOVEMBER 8, 2010

October 11, 2010

The Chehalis city council met in regular session on Monday, October 11, 2010, in the Chehalis city hall. Mayor Ketchum called the meeting to order at 5:49 p.m. with the following council members present: Terry Harris, Dr. Isaac Pope, Bob Spahr, Daryl Lund, Chad Taylor, and Dennis Dawes. Staff present included: Merlin MacReynold, City Manager; Bill Hillier, City Attorney; Judy Schave, City Clerk; and Peggy Hammer, Human Resources Administrator.

1. **Executive Session.** Mayor Ketchum announced the council would be in executive session pursuant to RCW 42.30.110(1)(i) – potential litigation for approximately 15 minutes and there would be no decision following conclusion of the executive session.

Mayor Ketchum closed the executive session and announced the council would take a two minute recess at 6:05 p.m. before reopening the regular meeting at 6:07 p.m. Additional staff included: Glenn Schaffer, Police Chief; Kelvin Johnson, Fire Chief; Bob Nacht, Community Development Director; and Tim Grochowski, Public Works Director. Members of the news media included Rachel Thomson from *The Chronicle*, and Paul Walker from KITI.

2. **Emergency Medical Services (EMS) Levy.** Adam Myer (2070 SW Salsbury, Chehalis), Vice-President of IAFF Local 2510, reported when the city approached the public for support of the EMS levy in 2009, *The Chronicle* quoted City Manager MacReynold as saying, "the whole city had seen cuts as much as 30 percent over the past year, but the fire department could see layoffs in 2010 on top of the furlough days they had already taken if the EMS levy does not pass." Mr. Myer stated the message they were asked to deliver in gathering support for the levy was that the measure would continue the levy for six more years and tax .50 cents per \$1,000 of assessed property value.

Mr. Myer reported the EMS tax was not an increase to the citizens, adding they voted overwhelmingly to maintain a level for service that was already there. He noted in 2008, the department fielded 1,228 EMS calls compared to 712 in 1998. Mr. Myer suggested the cuts to the department staffing would impact who was available to respond, and without the levy, the department would have to cut up to \$200,000 and money could not be funneled from the other struggling city departments to support it. He stated, according to the 2010 budget, not having the levy would equal one to two firefighter positions in the department.

Mr. Myer stated the public heard the message, adding the byline in *The Chronicle* reported, "Status Quo: Measure Would Maintain Level of Service and Tax Revenue Already in Place." He felt the full utilization of the EMS levy in the manner the public overwhelmingly supported at .50 cents per \$1,000 would provide the funding to prevent a layoff in the department.

Mr. Myer reported, in 1993, the council had a Fire Service Master Plan prepared for the city. He noted the intent was to provide the city with an approach to identify the most appropriate level and best method of providing service. Mr. Myer stated at the time of the study, the call volume was 689 EMS calls. He indicated the Plan projected an increase in calls due to the number of elderly care facilities and the aging population of Chehalis. Mr. Myer reported, in 2009, there were 1,338 calls for medical aid, which was up 110 over the prior year. He stated the Plan recommended an immediate hiring of two additional personnel, and an eventual third funded by the EMS levy. Mr. Myer reported in 1996 the EMS levy passed and two firefighters were added bringing the staffing level to 13. He noted the plan also indicated the department was too "top heavy," and recommended the elimination of a Chiefs position.

Mr. Myer reported the staffing recommendations were based on the call volume at the time. He noted call volumes had literally doubled with the addition of Wal-Mart, Home Depot, the enlarged Lewis County jail, the Vintage retirement apartments, Woodland Estates, multiple adult family care homes, the increasing student population in our schools, frequent large scale sports tournaments, the dialysis center, American Behavioral Health Services, and the expansion of Green Hill. Mr. Myer suggested the large scale operations that had moved into our city constituted an impact on services much greater than that of a residential home. He stated with the current staffing level of 13 firefighters they were able to maintain the city's current ISO rating of 5, while surrounding areas were going to a 7, or even 9.

Mr. Myer reported the Chehalis firefighters were asking the council to not eliminate the thirteenth firefighter position. He invited the council to enter into a dialogue with Local 2510 to seek additional efficiencies and funding, whether meeting by committee or the whole council, they were seeking a more proactive partnership based on the transparent understanding of the problems and potential solutions.

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Mr. Myer stated, with all due respect to Councilor Dawes statement at the last meeting regarding budgeting for equipment, the firefighters were the ones who maintained and operated it and knew the score where replacement was concerned. He asked that the council utilize the Chehalis firefighters when analyzing the best ways to deliver fire and EMS services to the citizens of Chehalis.

3. **Emergency Services and Layoff's**. Kevin Reynolds (1915 SE Maple Drive, Chehalis) reported he planned to attend four to six council meetings to address the city council and administration about how they were running the city. He believed over the course of the meetings he could inform and educate, through thoughtful insight and communication, the ideas he had with regards to the operation of the city.

Mr. Reynolds reported, unfortunately, the situation in our city had changed more rapidly than he had predicted. He stated he would like to address the issue surrounding layoffs, particularly in emergency services. He stated he received some feedback from people that his words and comments may be discounted, and that some people would assume him biased because of his employment with the fire department. He indicated, in reality that was true; however, his employment gave him insight into certain aspects of operations of the city that others might not have. Mr. Reynolds stated, despite his employment and a request from City Manager MacReynold to not speak to the city council; it was his right to speak. He added his opinion was just as relevant as any other citizen.

Mr. Reynolds reported at the prior meeting, Councilor Dawes stated the following: "Should the budget committee decide to increase the levy they would likely consider putting the money aside not to maintain employment of a fireman who was losing his job, but to replace aging equipment and fire apparatus for the Chehalis fire department." Mr. Reynolds stated he personally didn't want a fire department filled with expensive equipment with no trained professionals around to respond in it. He noted actions spoke louder than words, and despite Councilor Dawes statement of concern for the equipment, his comments did not earn him a lot of credibility in his eyes based on his past actions. Mr. Reynolds felt the budget committee raided the fire department's apparatus fund to help balance the general fund budget, and noted the following facts: the library project accounting debacle started the city's massive budget deficit; and, the budget committee helped balance the budget with monies from the fire department apparatus replacement fund. He noted Councilor Dawes previously stated it was reasonable to use the available levy money to replenish the raided fund at the expense of a fireman's job. Mr. Reynolds concluded that Councilor Dawes placed more importance on the temporary plants around the library, than responding to a citizen's cry for help.

Mr. Reynolds reported, while losing one fireman would certainly not destroy the integrity of the Chehalis fire department, or keep them from responding, it would certainly affect how they respond to calls and their capabilities during an emergency. He noted the National Fire Protection Association outlined requirements for manpower to operate safely during structure fires. Mr. Reynolds stated having one less firefighter in a small department could drastically affect the outcome of a potential rescue, as the risk increases. He felt cutting areas that affect safety was a regressive way of operating a city, and the first step to driving people and businesses away.

Mr. Reynolds suggested citizens had paid their fees and now they were going to get less service because the city council was irresponsible with the money. He stated he was personally outraged, adding the levy was sold to preserve current services and prevent any type of cut. Mr. Reynolds suggested some cities were using the economy to layoff firefighters even though they could fund them, while others had genuine fiscal problems. He encouraged the council to question its manager to find out which was going on in Chehalis. Mr. Reynolds stated he was paying for a service that the council was now taking away, and it would not go unnoticed. He understood tough decisions had to be made, tax revenues were down, and other departments were facing the same tough situation. Mr. Reynolds felt the council still had a chance to correct its course, and suggested other budget cuts such as the swimming pool, which was certainly hemorrhaging the city's money. He understood the council had some tough decisions, and hoped they would make the right ones.

3. **2010 Planning Association of Washington/American Planning Association - Planning Award Plaque Presentation**. Richard Hart, Co-Chair of the Planning Awards Committee, presented the city with the 2010 Joint Planning "Citizen Involvement" Award for its Chehalis Renaissance Plan. He noted over the last 26 years, the two joint organizations had recognized outstanding planning, and economic development and citizen participation projects throughout the state. Mr. Hart reported the committee received nine submissions specifically in the category of 'citizen involvement' and Chehalis came out as the winner. He noted a couple of quotes that came from the jury that reviewed the projects:

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- The Chehalis Renaissance project was a very sophisticated and expansive outreach effort that included a multitude of methods for obtaining citizen involvement
- The results defined the product, which was already seeing extensive use and implementation

Mr. Hart thought the council should be congratulated for their continued efforts of engaging its citizens in the future of the community, especially during these times of difficult economic situations.

4. **Consent Calendar.** Councilor Dawes moved to approve the consent calendar comprised of the following:

a. Minutes of the regular meeting of September 27, 2010; and

b. Claim Vouchers No. 98047-98178 in the amount of \$144,206.44 dated September 30, 2010; and Payroll Vouchers No. 34049-34147 and 1759-1829 in the amount of \$754,473.49 dated September 30, 2010.

The motion was seconded by Councilor Spahr and carried unanimously.

5. **Staff Reports.**

a. **Neighborhood Meeting with American Behavioral Health Systems.** City Manager MacReynold reminded the council about the upcoming neighborhood meeting on Monday, October 18, 2010, at 5:30 p.m. in the city hall basement meeting room. He noted representatives from American Behavioral Health Systems would be in attendance to address concerns and complaints the city had received since the facility opened in August 2009.

b. **New Reporter for *The Chronicle*.** Mayor Ketchum introduced and welcomed Rachel Thomson, the new reporter from *The Chronicle*.

6. **Special Reports.**

a. **Update on Flood Meetings.** Julie Balmelli-Powe updated the council on the recent United States Army Corps of Engineers (Corps) public meeting, noting the only change since January was they added numbers to their maps. She stated the Corps was guessing that the levees would raise the water outside the airport levee about six to eight inches, and that 30 percent of the levees would not hold out the water of the 2007 flood. Ms. Balmelli-Powe stated the other revelation of the Corps plan was they had underestimated the cost to modify the Skookumchuck Dam to help alleviate the increase of water on the opposite side of the levee and were unsure if they would be able to include it in their levee plan. She noted original estimate was \$10 million and now they were guessing closer to \$50 million.

Mayor Ketchum indicated he didn't understand the estimate because the Corps hadn't even talked to the owners of the dam to be able to study it. Ms. Balmelli-Powe felt they pulled the number out of the blue; adding it was probably based on what they felt it would cost just to engineer it. She added Mayor Ketchum was also correct in the fact that they had not submitted any plan to TransAlta.

Mayor Ketchum stated the only question the Corp really answered during their meeting was the one Ms. Balmelli-Powe's asked that had to do with whether the levee would be certified as a 100-year levee. He noted the Corps indicated it would not be. Ms. Balmelli-Powe reported the state said they would not move forward with the levee plan unless they built the levees to handle the 2007 flood; otherwise, those who live behind the levee would not be able to get flood insurance.

Ms. Balmelli-Powe reported the recently formed Chehalis Basin Subzone District was being dissolved, noting they found a glitch in the process having to do with creating a new subzone without first dissolving what existed. She stated the Lewis County Commissioners intended on closing the subzone and would open it as its own individual zone. Ms. Balmelli-Powe stated she hoped the council would consider her to represent the city in the future, should that position arise again.

Ms. Balmelli-Powe talked briefly about the flood zone district planning meetings with the FCS Consultants, noting they had scheduled three public meetings in October. She reported the county commissioners no longer wanted to be in charge and were trying to decide how many supervisors they want to have on the committee. In addition, they were also trying to change

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some legislation to work out a few technicalities.

Ms. Balmelli-Powe reported on the basin-wide general investigation (GI), noting it needed to be signed in order to look at water retention. She added they last predicted the GI would cost \$24 million and take 14 years to complete. Ms. Balmelli-Powe stated there was a meeting last Thursday to try to decide whether they wanted to go forward with a dual-purpose plan, or a single-purpose echo-system/restoration, which would not include flood structures. She felt the dual purpose approach would be diluted down amongst all the other studies and would be even slower than the Twin Cities Levee project. Ms. Balmelli-Powe asked if the council had any input or support for the dual-purpose plan.

Mayor Ketchum asked what the 14-year plan would tell them. Ms. Balmelli-Powe reported it was a combination of looking equally at echo-system restoration and flood mitigation. She added, the 14 years was just to get through the feasibility phase.

Councilor Pope stated in the 31 years he had been here they had done nothing but spend money. He felt they would never see anything happen because the Corps was never going to do anything, adding they were wasting our time, efforts and money. Ms. Balmelli-Powe stated the past proved Councilor Pope to be right; however, she still held a small glimmer of hope that something might get done.

Councilor Dawes felt they should go back to the original plan he had, which was to take all the studies done off the shelf and line the banks of the Chehalis River from the headwaters down to the ocean. He suggested in 15 to 20 years there were going to be new regulations to follow that would just clog the process all the more. Ms. Balmelli-Powe indicated the Corps information had to be updated every five years, and if it took 20 year to study it, they would have to update it at least four times.

Ms. Balmelli-Powe stated, in her opinion, the city should say no to the GI study.

Mayor Ketchum stated he did not want to support another 14 year/\$24 million dollar project. Councilor Harris noted the \$24 million was today's dollars and wondered what the actual dollar amount would be by the end of the 14th year. He also noted concern about the end product. Councilor Harris stated he shared Councilor Popes concerns, but felt they had to try to do something. He indicated he would look to Ms. Balmelli-Powe for her guidance about the study.

Ms. Balmelli-Powe reported the one carrot the Corps offered was, if they signed the dual-purpose GI, in three-and-a-half years they would be able to tell us whether they could consider water retention going forward, or not.

Councilor Dawes stated based on what he heard he would not want to see the city sign on to anything that would encumber any more money for a best case scenario described as 'a glimmer of hope.' He noted he would rather take his chances that some more forward thinking, proactive people get on board.

Councilor Harris stated as soon as another flood comes that creates water coming from a different direction they were going to have to start all over anyway.

The consensus of the council was to say no to the GI study.

City Manager MacReynold reported he had the opportunity to go to the flood meetings and watch Ms. Balmelli-Powe represent the city. He stated it was not an easy task, but she does an excellent job, adding she does her research, pays attention and speaks up.

7. Council Reports.

a. Meeting Update from Councilor Spahr. Councilor Spahr reported he attended the Chamber Forum earlier that day and listened to a presentation from proponents of Initiative No. 1082. He noted it was an interesting discussion, but felt both sides needed to be looked at.

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b. **Rose Beds Cleaned.** Councilor Dawes reported he noticed the rose beds had been cleaned out down at 13th Street and S. Market Boulevard, adding they looked very good. He stated he didn't know the group who had done the work, but he appreciated it and asked that it be passed along that they did a good job.

c. **.09 Committee Meeting Update.** Councilor Lund reported, at the .09 committee meeting on Friday, the Mayor from Centralia stated he had heard at the Mayor's meeting there were four or five cities filing for bankruptcy. Mayor Ketchum stated he attended the same meeting and believed PeElI was the only one filing for bankruptcy.

Councilor Lund reported Chehalis had applied for \$80,000 of the .09 monies for a new restroom facility over at the steam train. He noted the city was granted the \$80,000 as long as we performed; however, the association involved with the project did not perform and we lost the money. Councilor Lund understood they had the plans drawn up, but apparently the association couldn't get a loan to cover their share of the project. He indicated the city could re-apply next year.

c. **Meetings and Events Attended by Mayor Ketchum.** Mayor Ketchum reported he attended the mayor's meeting on October 1, noting the discussion was about the county's budget. On October 4 he attended a Sister City Committee meeting; adding a group of 12 would be leaving for Inasa, Japan, on November 3 to celebrate the 20th anniversary of the sister city program.

There being no further business to come before the council, the meeting adjourned a 6:46 p.m.

Mayor



Attest:

City Clerk

SUGGESTED MOTION

I move that the council approve the minutes of the regular city council meeting of October 11, 2010.

CITY OF CHEHALIS
AGENDA REPORT

DATE: October 15, 2010
TO: The Honorable Mayor and City Council
FROM: Eva Lindgren, Finance Manager 
PREPARED BY: Michelle White, Accounting Tech II 
SUBJECT: Vouchers and Transfers

ISSUE

Council approval is requested of the following financial transactions:

1. Claim Vouchers No. 98179 through 98318 and Claim Voucher 92010 in the amount of \$346,650.91 dated October 15, 2010 and the transfer of \$68,401.18 from the General Fund, \$5,200.00 from the Tourism Fund, \$175.00 from the HUD Block Grant Fund, \$31,947.16 from the Gambling Enforcement Fund, \$655.19 from the Garbage Fund, \$135,615.13 from the Wastewater Fund, \$57,200.24 from the Water Fund, \$43,739.81 from the Storm & Surface Water Utility Fund, and \$3,717.20 from the Firemen's Pension Fund.

RECOMMENDATION/COUNCIL ACTION DESIRED

The administration recommends that the council approve the October 15, 2010 Claim Vouchers No. 98179 through 98318 and Claim Voucher No. 92010 in the amount of \$346,650.91.

SUGGESTED MOTION

I move to approve the October 15, 2010 Claim Vouchers No. 98179 through 98318 and Claim Voucher No. 92010 in the amount of \$346,650.91.

Reviewed by:  _____, City Manager

City of Chehalis
Third Quarter Financial Statements - All Funds
September 30, 2010

	General Fund #001		Arterial Street Fund #102		Tourism Fund #107		Compensated Abs. #110		CDBG Fund #195	
	Budget	Actual*	Budget	Actual*	Budget	Actual*	Budget	Actual*	Budget	Actual*
Beginning Fund Balance	1,047,000	1,137,842	163,000	197,796	66,259	82,974	53,238	53,289	2,496	1,365
Revs. & Transfers In	9,335,083	5,636,410	186,500	137,315	140,500	109,614	25,350	18,750	22,558	12,291
Exps. & Transfers Out	(9,823,995)	(6,333,482)	(348,868)	(252,248)	(151,700)	(109,227)	0	0	(24,558)	(43,965)
Ending Fund Balance	558,088	440,770	632	82,863	55,059	83,361	78,588	72,039	496	(30,309)
<i>non-cash component</i>		(5,916)		0		0		0		0

	HUD Fund #197		Gambling Enforcemt #198		Public Fac. Res. #301		Auto/Equip. Res. #302		1st Qtr. REET Fund #305	
	Budget	Actual*	Budget	Actual*	Budget	Actual*	Budget	Actual*	Budget	Actual*
Beginning Fund Balance	359,334	375,676	0	0	45,656	46,557	109,883	114,627	109,258	110,809
Revs. & Transfers In	2,000	0	643,028	643,028	200	160	300	251	36,600	34,610
Exps. & Transfers Out	(37,500)	(19,430)	(76,500)	0	0	0	(81,000)	(66,780)	0	0
Ending Fund Balance	323,834	356,246	566,528	643,028	45,856	46,717	29,183	48,098	145,858	145,419
<i>non-cash component</i>		0		0		0		0		0

	2nd Qtr. REET Fund #306		Garbage Fund #402		Wastewater Fund #404		Water Fund #405		Storm/Surface Wtr. #406	
	Budget	Actual*	Budget	Actual*	Budget	Actual*	Budget	Actual*	Budget	Actual*
Beginning Fund Balance	113,113	114,696	2,220	23,730	2,799,797	3,124,861	2,189,129	2,232,093	225,000	254,379
Revs. & Transfers In	36,350	34,610	10,700	5,702	4,206,139	2,640,515	3,078,577	1,783,208	428,000	306,282
Exps. & Transfers Out	(103,180)	(95,798)	(12,467)	(9,598)	(4,159,792)	(2,797,831)	(2,536,380)	(1,950,073)	(449,541)	(255,920)
Ending Fund Balance	46,283	53,508	453	19,834	2,846,144	2,967,545	2,731,326	2,065,228	203,459	304,741
<i>non-cash component</i>		0		(#13)		6,593		148,661		(1,566)

	Firemens' Pension #611		City Agency Fund	
	Budget	Actual*	Budget	Actual*
Beginning Fund Balance	387,400	407,779	279,257	302,256
Revs. & Transfers In	13,700	12,709	0	0
Exps. & Transfers Out	(120,000)	(92,338)	0	0
Ending Fund Balance	281,100	328,150	279,257	302,256
<i>non-cash component</i>		0		0

Notes:
The beginning actual fund balances are the final adjusted beginning cash and investment totals for each fund. For a few funds, the ending fund balances include non-cash balance sheet accounts which are used during the year, such as accounts payable, accounts receivable, and inventory. Those funds for which the ending fund equals ending cash and investments only, the "non-cash component" is zero. Non-cash amounts are listed for the remaining funds.

To: The Honorable Mayor and Council
 Via: Merlin MacReynold, City Manager
 From: Eva K. Lindgren, Finance Manager
 Date: October 20, 2010
 Subject: Monthly Financial Reports for September

City of Chehalis
 Comparative Financial Reports
 September 2009 and 2010

GENERAL FUND (#001) REVENUES	A		B		C=B/A		D		E		F=E/D		G		H ^A		I=F-G	
	Budget	September 2009 Actual	% Rec'd	Budget	September 2010 Actual	% Rec'd	Budget	September 2010 Actual	% Rec'd	Expected % Rec'd*	Var'nc frm Expected	% Variance						
General Property Taxes	\$1,181,000	\$662,924	56.1%	\$1,212,580	\$664,181	54.8%			75.0%	75.0%	(\$245,254)	-20.2%						
EMS Property Taxes	226,000	126,031	55.8%	230,920	127,122	55.1%			75.0%	75.0%	(46,068)	-19.9%						
Sales & Use Tax	3,700,000	2,451,268	66.3%	3,300,000	2,261,951	68.5%			75.0%	75.0%	(213,049)	-6.5%						
Electricity Tax	370,000	311,781	84.3%	400,000	301,502	75.4%			75.0%	75.0%	1,502	0.4%						
Gas/Natural Gas Tax	261,500	218,538	83.6%	284,000	192,553	67.8%			75.0%	75.0%	(20,447)	-7.2%						
Criminal Justice Tax	110,000	72,048	65.5%	100,000	66,313	66.3%			75.0%	75.0%	(8,687)	-8.7%						
Interfund Water/Sewer Tax	330,200	249,475	75.6%	328,200	248,807	75.8%			75.0%	75.0%	2,657	0.8%						
Garbage Tax	80,000	47,117	58.9%	65,000	47,157	72.5%			75.0%	75.0%	(1,593)	-2.5%						
Cable Tax	85,000	41,788	49.2%	80,000	85,398	106.7%			75.0%	75.0%	25,398	31.7%						
Telephone Tax	350,000	245,118	70.0%	335,000	232,287	69.3%			75.0%	75.0%	(18,963)	-5.7%						
Leasehold Excise Tax	34,000	25,133	73.9%	34,000	25,720	75.6%			75.0%	75.0%	220	0.6%						
Other Taxes	0	17	N/A	0	0	N/A			75.0%	75.0%	0	N/A						
Total Tax Revenues	6,727,700	4,451,238	66.2%	6,369,700	4,252,991	66.8%			75.0%	75.0%	(524,284)	-8.2%						
Licenses & Permits	240,984	53,584	22.2%	66,080	51,063	77.3%			75.0%	75.0%	1,503	2.3%						
Intergov't Grants/Entitlements	2,828,581	3,049,898	107.8%	432,650	321,052	74.2%			75.0%	75.0%	(3,436)	-0.8%						
Charges for Goods and Svcs.	1,069,254	754,804	70.6%	1,052,589	796,606	75.7%			75.0%	75.0%	7,164	0.7%						
Fines and Forfeitures	114,375	72,974	63.8%	96,360	81,280	84.4%			75.0%	75.0%	9,010	9.4%						
Interest Earnings	32,200	23,696	73.6%	28,200	14,226	50.4%			75.0%	75.0%	(6,924)	-24.6%						
Rents/Leases	89,375	48,877	54.7%	64,215	52,802	82.2%			75.0%	75.0%	4,641	7.2%						
Contributions/Donations	7,090	10,952	154.5%	36,969	20,801	56.3%			75.0%	75.0%	(6,926)	-18.7%						
Misc. Revenue/Insurance	2,700	36,449	1350.0%	3,000	3,820	127.3%			75.0%	75.0%	1,570	52.3%						
Non-Revenues	0	3,830	N/A	3,958	4,269	107.9%			75.0%	75.0%	1,301	32.9%						
Total Non-Tax Revenues	4,384,559	4,055,064	92.5%	1,784,021	1,345,919	75.4%			75.0%	75.0%	\$7,903	0.4%						
Proceeds of Long-Term Debt	1,131,362	0	0.0%	1,131,362	0	0.0%			75.0%	75.0%	(848,522)	-75.0%						
Operating Transfers-In	422,240	417,638	98.9%	50,000	37,500	75.0%			75.0%	75.0%	0	0.0%						
Total Other Financing Sources	1,553,602	417,638	26.9%	1,181,362	37,500	3.2%			75.0%	75.0%	(\$848,522)	-71.8%						
TOTALS	\$12,665,861	\$8,923,940	70.5%	\$9,335,083	\$5,636,410	60.4%			75.0%	75.0%	(\$1,364,902)	-14.6%						

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 H=(D*G) - E (i.e.(annual budgeted amount x expected % expended) - actual expenditures.)

City of Chehalis
Comparative Financial Reports
September 2009 and 2010

GENERAL FUND (#001) EXPENDITURES	A September 2009		B		C=B/A		D		E		F=E/D		G		H^		I=G-F	
	Budget	Actual	Budget	Actual	% Exp'd	% Exp'd	Budget	Actual	% Exp'd	% Exp'd	Expected % Exp*	% Exp'd	Var'nc Exp'd	Expected	Var'nc Exp'd	%	Variance	
City Council	\$68,801	\$51,149	\$97,431	\$68,431	74.3%	70.2%	\$97,431	\$68,431	70.2%	75.0%	75.0%	\$4,642	\$4,642	75.0%	0	4.8%		
Municipal Court	320,380	225,273	325,256	232,342	70.3%	71.4%	325,256	232,342	71.4%	75.0%	75.0%	11,600	11,600	75.0%	0	3.6%		
City Manager#	166,282	144,751	351,343	262,023	87.1%	74.6%	351,343	262,023	74.6%	75.0%	75.0%	1,484	1,484	75.0%	0	0.4%		
Finance	482,679	371,171	496,314	380,187	76.9%	76.6%	496,314	380,187	76.6%	75.0%	75.0%	(7,952)	(7,952)	75.0%	0	-1.6%		
City Clerk	97,366	66,955	95,912	68,911	68.8%	71.8%	95,912	68,911	71.8%	75.0%	75.0%	3,023	3,023	75.0%	0	3.2%		
City Attorney#	90,850	75,833	0	0	83.5%	N/A	0	0	N/A	75.0%	75.0%	0	0	75.0%	0	N/A		
Non-Departmental	1,822,941	590,247	1,534,163	249,308	32.4%	16.3%	1,534,163	249,308	16.3%	75.0%	75.0%	901,314	901,314	75.0%	0	58.7%		
Human Resources	136,521	112,451	140,962	96,353	82.4%	68.4%	140,962	96,353	68.4%	75.0%	75.0%	9,369	9,369	75.0%	0	6.6%		
Police	2,456,673	1,762,610	2,403,537	1,792,051	71.7%	74.6%	2,403,537	1,792,051	74.6%	75.0%	75.0%	10,602	10,602	75.0%	0	0.4%		
Fire	1,899,679	1,308,937	1,913,269	1,393,739	68.9%	72.8%	1,913,269	1,393,739	72.8%	75.0%	75.0%	41,213	41,213	75.0%	0	2.2%		
Public Works - Streets	2,969,551	2,867,289	615,696	401,808	96.6%	65.3%	615,696	401,808	65.3%	75.0%	75.0%	59,964	59,964	75.0%	0	9.7%		
Public Works - Engineering	273,257	195,077	289,837	222,558	71.4%	76.8%	289,837	222,558	76.8%	75.0%	75.0%	(5,180)	(5,180)	75.0%	0	-1.8%		
Public Works - Economic Development	140,529	102,237	0	0	72.8%	N/A	0	0	N/A	75.0%	75.0%	0	0	75.0%	0	N/A		
Community Development	1,732,287	1,315,839	1,560,275	1,165,771	76.0%	74.7%	1,560,275	1,165,771	74.7%	75.0%	75.0%	4,435	4,435	75.0%	0	0.3%		
TOTALS	\$12,657,796	\$9,189,819	\$9,823,995	\$6,333,482	72.6%	64.5%	\$9,823,995	\$6,333,482	64.5%	75.0%	75.0%	\$1,034,514	\$1,034,514	75.0%	0	10.5%		

Net Budget/Income: \$8,065 (\$265,879) (\$488,912) (\$697,072)

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 H=(D*G) - E (i.e. (annual budgeted amount x expected % expended) - actual expenditures.)
 # In 2010, the City Attorney's budget is budgeted for within the City Manager's budget.

- (1) Property Taxes are not remitted evenly throughout the year.
- (2) Proceeds of long-term debt are dependent upon the issuance of the G.O. Debt.
- (3) Inter-fund loan repayment is dependent upon the issuance of G.O. Debt.

**City of Chehalis
Comparative Financial Reports
September 2009 and 2010**

	A		B		C=B/A		D		E		F=E/D		G		H^		I=F-G	
	Budget	September 2009 Actual	% Rec'd	September 2010 Budget	Actual	% Rec'd	September 2010 Actual	% Rec'd	Expected % Rec'd*	Var'nc frm Expected	%	Variance						
WASTEWATER FUND (#404) REVENUES																		
Intergovernmental Revenues	\$165,530	\$215,763	130.3%	\$0	\$0	N/A	\$0	N/A	75.0%	\$0	N/A	75.0%	\$0	75.0%	\$0	N/A		
Wastewater Fees	3,359,740	2,653,746	79.0%	3,510,208	2,570,402	73.2%	2,570,402	73.2%	75.0%	(62,254)	-1.8%	75.0%	(62,254)	75.0%	(62,254)	-1.8%		
Sewer Connection/Misc. Fees	30,000	134,080	446.9%	70,000	47,185	67.4%	47,185	67.4%	75.0%	(5,315)	-7.6%	75.0%	(5,315)	75.0%	(5,315)	-7.6%		
Rentals	0	4,150	N/A	3,750	3,750	100.0%	3,750	100.0%	75.0%	938	25.0%	75.0%	938	75.0%	938	25.0%		
Misc. Revenues/Insurance	500	85,970	17194.0%	2,500	2,744	109.8%	2,744	109.8%	75.0%	869	34.8%	75.0%	869	75.0%	869	34.8%		
Interfund Principal Repayment	600,000	34,319	5.7%	565,681	0	0.0%	0	0.0%	75.0%	(424,261)	-75.0%	75.0%	(424,261)	75.0%	(424,261)	-75.0%		(1)
Loan Proceeds	0	492,532	N/A	0	0	N/A	0	N/A	75.0%	0	N/A	75.0%	0	75.0%	0	N/A		
Proceeds from Sale of Capital Assets	0	783	N/A	54,000	3,668	N/A	3,668	N/A	75.0%	3,668	N/A	75.0%	3,668	75.0%	3,668	N/A		
Interest Earnings	52,000	39,432	75.8%	54,000	12,766	23.6%	12,766	23.6%	75.0%	(27,734)	-51.4%	75.0%	(27,734)	75.0%	(27,734)	-51.4%		
Totals:	\$4,207,770	\$3,660,775	87.0%	\$4,206,139	\$2,640,515	62.8%	\$2,640,515	62.8%	75.0%	(\$514,089)	-12.2%	75.0%	(\$514,089)	75.0%	(\$514,089)	-12.2%		

	A		B		C=B/A		D		E		F=E/D		G		H^		I=G-F	
	Budget	September 2009 Actual	% Exp'd	September 2010 Budget	Actual	% Exp'd	September 2010 Actual	% Exp'd	Expected % Exp*	Var'nc frm Expected	%	Variance						
WASTEWATER FUND (#404) EXPENSES																		
Operating Expenses	\$2,119,975	\$1,653,249	78.0%	\$2,292,351	\$1,765,022	77.0%	\$1,765,022	77.0%	75.0%	(\$45,759)	-2.0%	75.0%	(\$45,759)	75.0%	(\$45,759)	-2.0%		
Capital Outlay	542,300	266,308	49.1%	70,000	16,770	24.0%	16,770	24.0%	75.0%	35,730	51.0%	75.0%	35,730	75.0%	35,730	51.0%		
Debt Principal	1,956,098	912,267	46.6%	1,737,660	974,123	56.1%	974,123	56.1%	75.0%	329,122	18.9%	75.0%	329,122	75.0%	329,122	18.9%		
Interest Expense	68,344	45,202	66.1%	59,481	41,916	70.5%	41,916	70.5%	75.0%	2,695	4.5%	75.0%	2,695	75.0%	2,695	4.5%		
Totals:	\$4,686,717	\$2,877,026	61.4%	\$4,159,492	\$2,797,831	67.3%	\$2,797,831	67.3%	75.0%	\$321,788	7.7%	75.0%	\$321,788	75.0%	\$321,788	7.7%		

Net Budget/Income: (\$478,947) \$783,749 \$46,647 (\$157,316)

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 H=(D*G) -E (i.e. (annual budgeted amount x expected % expended) - actual expenditures.)

(1) Inter-fund loan repayment is dependent upon the issuance of G.O. Debt.
 (2) Principal payments are not made evenly throughout the year.

City of Chehalis
Comparative Financial Reports
September 2009 and 2010

WATER FUND (#405) REVENUES	A September 2009		B		C=B/A		D		E		F=E/D		G		H^		I=F-G	
	Budget	Actual	Budget	Actual	% Rec'd	% Exp'd	Budget	Actual	September 2010	Actual	% Rec'd	% Exp'd	Expected	% Rec'd	Expected	Var'nc Expected	% Variance	
Water Sales	\$2,258,873	\$1,797,444	200,000	143,112	71.6%	75.6%	\$2,298,896	\$1,734,912	200,000	45,607	22.8%	75.0%	75.0%	75.0%	(\$104,393)	0.5%		(1)
Water Connection/Misc. Fees	0	0	0	0	N/A	N/A	0	115	0	115	N/A	75.0%	75.0%	75.0%	115	N/A		
Misc. Revenues	2,000	2,689	2,000	2,689	134.5%	134.5%	0	0	0	0	N/A	75.0%	75.0%	75.0%	0	N/A		
Intergovernmental Revenues	850,000	284,319	850,000	284,319	33.4%	33.4%	565,681	0	565,681	0	0.0%	75.0%	75.0%	75.0%	(424,261)	-75.0%		(2)
Interfund Principal Repayment	0	90,283	0	90,283	N/A	N/A	0	0	0	0	N/A	75.0%	75.0%	75.0%	0	N/A		
Intergovernmental Ln Proceeds	0	0	0	0	N/A	N/A	0	1,692	0	1,692	N/A	75.0%	75.0%	75.0%	1,692	N/A		
Proceeds from Sale of Capital Assets	12,705	5,601	12,705	5,601	44.1%	44.1%	14,000	882	14,000	882	6.3%	75.0%	75.0%	75.0%	(9,618)	-68.7%		
Interest Earnings	\$3,323,578	\$2,323,448	\$3,323,578	\$2,323,448	69.9%	69.9%	\$3,078,577	\$1,783,208	\$3,078,577	\$1,783,208	57.9%	75.0%	75.0%	75.0%	(\$525,725)	-17.1%		
Totals:																		

WATER FUND (#405) EXPENSES	A September 2009		B		C=B/A		D		E		F=E/D		G		H^		I=G-F	
	Budget	Actual	Budget	Actual	% Exp'd	% Exp'd	Budget	Actual	September 2010	Actual	% Exp'd	% Exp'd	Expected	% Exp'd	Expected	Var'nc Expected	% Variance	
Operating Expenses	\$1,910,195	\$1,293,374	\$1,910,195	\$1,293,374	67.7%	75.9%	\$1,803,191	\$1,368,905	\$1,803,191	\$1,368,905	75.9%	75.0%	75.0%	75.0%	(\$16,512)	-0.9%		
Capital Outlay	436,495	368,656	436,495	368,656	84.5%	84.5%	577,000	423,229	577,000	423,229	73.3%	75.0%	75.0%	75.0%	9,521	1.7%		
Debt Principal	119,638	127,077	119,638	127,077	106.2%	106.2%	127,464	129,077	127,464	129,077	101.3%	75.0%	75.0%	75.0%	(33,479)	-26.3%		
Interest Expense	30,482	30,637	30,482	30,637	100.5%	100.5%	28,725	28,862	28,725	28,862	100.5%	75.0%	75.0%	75.0%	(7,318)	-25.5%		
Totals:	\$2,496,810	\$1,819,744	\$2,496,810	\$1,819,744	72.9%	76.9%	\$2,536,380	\$1,950,073	\$2,536,380	\$1,950,073	76.9%	75.0%	75.0%	75.0%	(\$47,788)	-1.9%		

Net Budget/Income: \$826,768 \$503,704
\$542,197 (\$166,865)

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H=(D*G) -E (i.e.(annual budgeted amount x expected % expended) - actual expenditures.)
(1) Water connection/Misc. Fees overestimated during budgeting.
(2) Inter-fund loan repayment is dependent upon the issuance of G.O. Debt.

City of Chehalis
Comparative Financial Reports
September 2009 and 2010

STORM FUND (#406) REVENUES	A September 2009		B Actual	C=B/A		D September 2010		E Actual	F=E/D		G Expected % Rec'd*	H^ Var'nc frm Expected		I=F-G % Variance
	Budget	% Rec'd		Budget	% Rec'd	% Exp'd	Var'nc frm Expected							
Storm & Surface Water Fees	\$405,000	76.0%	\$307,720	\$402,500	75.0%	\$301,192	74.8%	(\$683)	75.0%	(\$683)	-0.2%			
Storm Connection/Misc. Fees	30,000	61.8%	18,533	24,000	75.0%	5,090	21.2%	(12,910)	75.0%	(12,910)	-53.8%			
Interest Earnings	6,000	0.0%	0	1,500	0.0%	0	0.0%	(1,125)	75.0%	(1,125)	-75.0%			
Misc. Revenues	0	N/A	48	0	75.0%	0	N/A	0	75.0%	0	N/A			
Totals:	\$441,000	74.0%	\$326,301	\$428,000	75.0%	\$306,282	71.6%	(\$14,718)	75.0%	(\$14,718)	-3.4%			

STORM FUND (#406) EXPENSES	A September 2009		B Actual	C=B/A		D September 2010		E Actual	F=E/D		G Expected % Exp*	H^ Var'nc frm Expected		I=G-F % Variance
	Budget	% Exp'd		Budget	% Exp'd	% Exp'd	Var'nc frm Expected							
Operating Expenses	\$384,631	69.4%	\$267,085	\$376,541	75.0%	\$255,707	67.9%	\$26,699	75.0%	\$26,699	7.1%			
Capital Outlay	60,000	31.6%	18,943	73,000	75.0%	213	0.3%	54,537	75.0%	54,537	74.7%			
Totals:	\$444,631	64.3%	\$286,028	\$449,541	75.0%	\$255,920	56.9%	\$81,236	75.0%	\$81,236	18.1%			

Net Budget/Income: (\$3,631) \$40,273
(\$21,541) \$50,362

Key:

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 $H=(D^*G) - E$ (i.e.(annual budgeted amount x expected % expended) - actual expenditures.)

RECOMMENDATION/COUNCIL ACTION DESIRED

This report is for the Council's information only. No action is necessary.

Received by  City Manager

City of Chehalis
Sales & Use Tax Revenue

	Month-by-Month Comparisons						2010*	09-10 % Chg
	2005	2006	2007	2008	2009	2010*		
January	244,346.77	264,552.49	303,003.96	338,775.84	311,681.25	242,158.24	-22.3%	
February	328,762.57	388,722.09	370,242.18	325,708.20	326,987.75	296,867.87	-9.2%	
March	208,023.53	254,068.00	275,769.04	352,594.58	247,974.49	269,687.71	8.8%	
April	222,298.47	246,106.89	262,854.70	323,886.70	245,182.86	223,636.27	-8.8%	
May	257,313.38	350,778.11	309,705.17	366,700.91	255,481.63	246,998.74	-3.3%	
June	225,729.39	287,446.83	288,762.68	340,751.01	266,335.35	228,867.63	-14.1%	
July	274,225.27	318,763.36	280,090.89	352,426.34	270,324.94	239,316.92	-11.5%	
August	361,378.86	331,608.32	367,841.64	416,021.47	276,851.50	268,052.83	-3.2%	
September	292,417.87	304,839.70	331,262.66	327,171.53	250,448.70	246,365.20	-1.6%	
October	298,905.19	327,097.48	353,302.89	305,787.51	345,695.15			
November	285,548.60	303,346.25	352,562.39	373,132.35	257,314.61			
December	274,668.21	322,768.97	314,120.78	194,375.82	234,399.17			
Inter-year adj.	16,143.47	(16,143.47)	-	-	-			
Totals	3,289,761.58	3,683,955.02	3,809,518.98	4,017,332.26	3,288,677.40		N/A	
As of 9/XX:	2,414,496	2,746,886	2,789,533	3,144,037	2,451,268	2,261,951	-7.7%	
3rd Qtr YTD	2,414,496	2,746,886	2,789,533	3,144,037	2,451,268	2,261,951	-7.7%	

*The amount listed for the most recent month is rounded.