

# ***PLEASE NOTE SPECIAL MEETING DATE & 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

**Tuesday, May 31, 2011**

**5:00 p.m.**

### **WORK SESSION**

- |   |     |  |
|---|-----|--|
| 1. <u>Review Draft Three-Year Financial and Organizational Strategy.</u> (City Manager)               | --- |  |
| 2. <u>Update on 2011 Council Goals.</u> (City Manager)  | --- |  |
| 3. <u>Discussion of Future Projects, Goals, and Priorities for 2012-2013.</u> (City Manager, Council) | --- |  |

**NEXT REGULAR CITY COUNCIL MEETING WILL BE ON MONDAY, JUNE 13, 2011**



**DRAFT**



City of Chehalis, Washington

Management Report

To

The Chehalis City Council

Subject:

Draft Three-Year Financial and Organizational Strategy

Date of Presentation:

Tuesday May 31, 2011

**DRAFT**



# DRAFT

## DESCRIPTION OF CURRENT FINANCIAL SITUATION

The city is now approaching three years of severe economic downturn. What was thought and hoped would be a short-lived situation now appears to be here for several more years. Facing that reality, the city administration is taking a longer term, multi-year strategy that will allow the city to respond and plan accordingly, rather than reacting every year to decreasing revenues. This approach will encourage a more reasoned response to the evolving economic conditions and will allow us to meet our fiscal responsibilities over the next several years as we continue to provide essential services to our citizens and the community.

Clearly, Chehalis has seen a significant decrease in general fund revenues due to reductions in:

- Sales tax collections
- Licenses and fees
- Available grants and other government funding

At the same time, expenses have increased in several areas, including:

- Labor
- Medical insurance premiums
- Employer paid pension contributions
- Gas and diesel
- Materials

The city has already taken many steps to help control costs over the past three years, including:

- Limiting spending and deferring some needed maintenance
- Seeking efficiencies
- Allowing positions to remain vacant
- Layoffs
- Reducing the number of summer temporary workers
- Reducing the hours of operation for the swimming pool
- Furloughs in some employee groups
- Reducing the amount the city contributes to medical insurance for non-represented employees
- Working to negotiate cost containment in union contracts
- Identifying alternative sources of revenue
- No longer providing funds for the Chehalis Community Renaissance Team
- No longer providing a printed version of the Chehalis newsletter.

It is increasingly clear that the economy is not going to improve anytime soon. As a result, the city must plan for and make changes in order to maintain its fiscal viability.

As the following spreadsheet and graph illustrate, without changes, expenditures will continue to exceed revenues, resulting in unacceptable fund balances within the next year, if not sooner.

City of Chehalis  
 General Fund Revenue and Expenditure Analysis  
 (Does Not Include Proposed Strategy Changes)  
 2008 - 2015

**Assumptions:**

**Revenues:** Sales and Use Taxes increase 3% annually starting in 2012; property taxes increase 2.0% due to new builds  
 Other taxes increase 2.0%; Non-tax revenues increase 3.0%, except for donation revenues  
Expenditures: Costs increase by 2.5% annually - city-wide, except for debt service

	2008	2009	2010	2011	2012	2013	2014	2015
<b>Beg. Fund Balance</b>	85,622	950,981	1,137,842	615,991	409,732	177,174	(128,767)	(548,662)
<b>Revenues:</b>								
Sales and Use Taxes	4,017,332	3,288,677	3,015,751	3,122,000	3,215,660	3,312,130	3,411,494	3,513,839
Property Taxes	1,322,870	1,360,438	1,414,171	1,452,000	1,481,040	1,510,661	1,540,874	1,571,691
All Other Taxes	1,792,956	1,542,734	1,532,365	1,463,000	1,492,260	1,522,105	1,552,547	1,583,598
<i>Tax Subtotal</i>	<i>7,133,158</i>	<i>6,191,849</i>	<i>5,962,287</i>	<i>6,037,000</i>	<i>6,188,960</i>	<i>6,344,896</i>	<i>6,504,915</i>	<i>6,669,128</i>
Non-Tax Revenues	6,592,023	5,465,771	1,859,189	1,350,268	1,390,776	1,432,499	1,475,474	1,519,739
Bond Proceeds				1,131,362				
<b>Total Revenues:</b>	<b>13,725,181</b>	<b>11,657,620</b>	<b>7,821,476</b>	<b>8,518,630</b>	<b>7,579,736</b>	<b>7,777,395</b>	<b>7,980,389</b>	<b>8,188,867</b>

**Expenditures:**

City Council	82,921	64,940	89,360	97,509	102,384	107,504	112,879	118,523
City Manager	163,523	199,733	340,402	322,761	330,830	339,101	347,578	356,268
City Attorney	91,860	100,850						
City Clerk	118,297	92,985	90,886	91,523	93,811	96,156	98,560	101,024
Municipal Court	305,259	297,601	338,688	324,523	332,636	340,952	349,476	358,213
Finance	450,379	474,383	495,970	312,765	320,584	328,599	336,814	345,234
Human Resources	123,919	150,966	135,376	130,751	134,020	137,370	140,805	144,325
Police	2,330,101	2,414,685	2,335,310	2,314,569	2,372,433	2,431,744	2,492,538	2,554,851
<i>PD-Gambling Enf. Subsidy Ends</i>	<i>1,844,299</i>	<i>1,788,258</i>	<i>1,889,641</i>	<i>1,714,518</i>	<i>1,757,381</i>	<i>1,801,315</i>	<i>1,846,348</i>	<i>1,892,507</i>
Fire	212,001	119,373	1,506,683	1,251,480	1,282,767	1,314,836	1,347,707	1,381,400
Economic Development	1,823,431	1,681,783	520,130	499,379	511,863	524,660	537,777	551,221
Community Dev.	4,359,117	3,119,238			15,375	35,875	36,772	37,691
PW - Streets								
<i>Arterial Streets Subsidy is Limited</i>	<i>264,426</i>	<i>373,667</i>	<i>269,433</i>	<i>111,538</i>	<i>114,326</i>	<i>117,185</i>	<i>120,114</i>	<i>123,117</i>
PW - Engineering	954,715	327,871	331,448	383,690	393,282	403,114	413,192	423,522
Non - Dept'l - Gen'l				1,131,362				
Non - Dept'l - IF loan								
Non - Dept'l - Debt Svc.					50,600	50,600	50,600	50,600
Additional Exps. - Net				38,521				

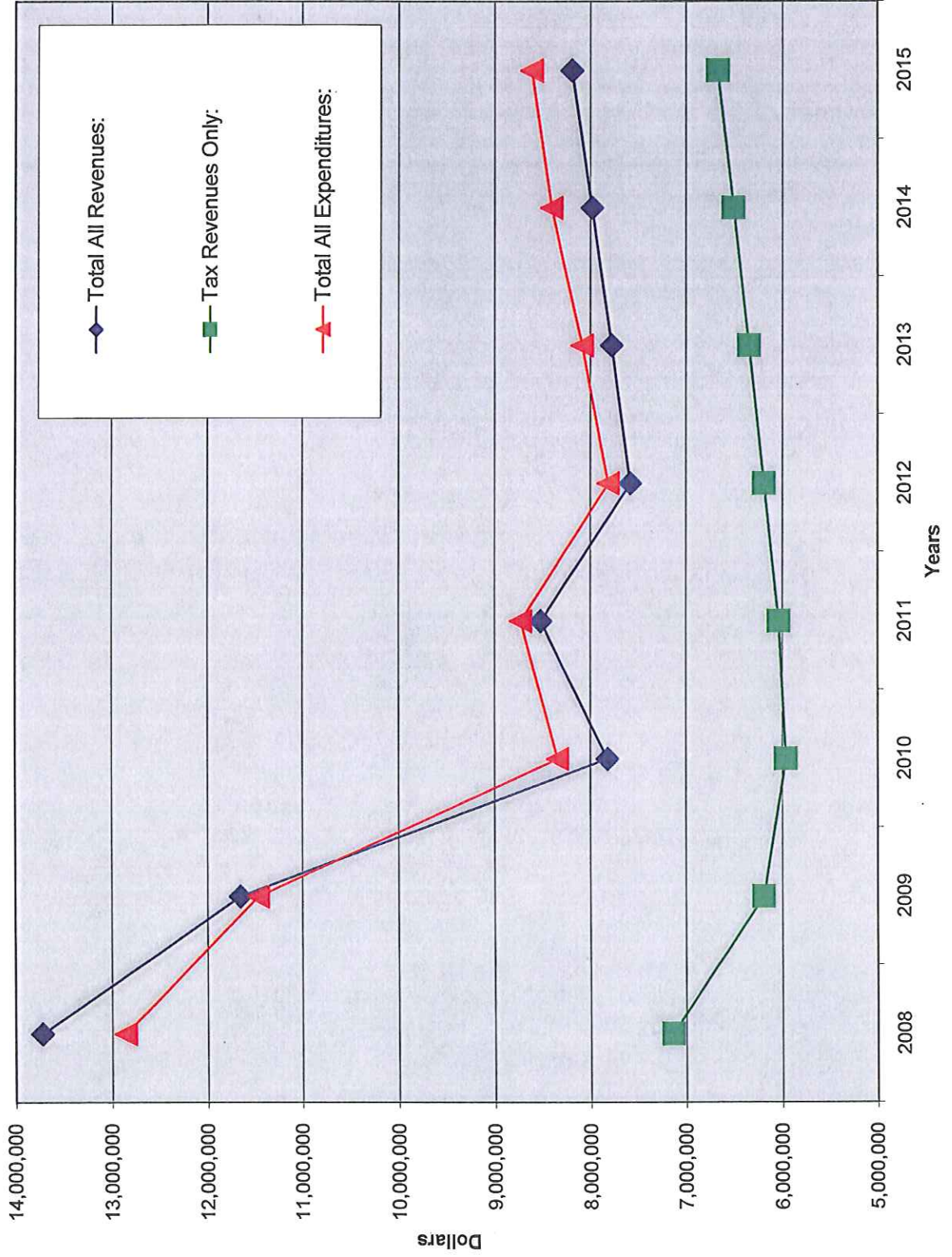
15-yr loan @ 6.0%  
 REETs pay \$75K/yr

<b>Total Expenditures:</b>	<b>12,859,822</b>	<b>11,470,759</b>	<b>8,343,327</b>	<b>8,724,889</b>	<b>7,812,294</b>	<b>8,083,336</b>	<b>8,400,284</b>	<b>8,607,620</b>
<b>Ending Fund Balance</b>	<b>950,981</b>	<b>1,137,842</b>	<b>615,991</b>	<b>409,732</b>	<b>177,174</b>	<b>(128,767)</b>	<b>(548,662)</b>	<b>(967,416)</b>

Increase or (Decrease) to Fund Balance	865,359	186,861	(521,851)	(206,259)	(232,558)	(305,941)	(419,895)	(418,754)
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City of Chehalis  
General Fund Revenue and Expenditure Analysis  
(Does Not Include Proposed Strategy Changes)  
2008 - 2015



# DRAFT

## FINANCIAL REVIEW PROCESS

The administration believes that it is imperative to examine the city's financial status and create strategies to address conditions for the immediate (2011), near term (2012 - 2013) and long term (3+ years out) horizons. Towards this goal, the city management team and mid-level managers have been working over the past two months to identify a wide range of options over the next three years to reduce costs and increase revenues, while maintaining priority services.

The review process included:

- Examining revenues and expenses for the past several years
- Projecting anticipated revenues and expenses for 2011 and out to 2015
- Identifying priority services to the community (public safety, water and sewer, streets and recreation) and evaluating alternative methods for providing these services
- Evaluating ideas for the feasibility and the potential for revenue increases or savings
- Evaluating implementation options for immediate (2011), near term (2012 - 2013) and long term (3+ years out)

Finally, options were categorized:

- Organizational changes
- Efficiencies
- One time only sources of revenues
- Providing services differently
- Revenue alternatives and changes
  - Increasing fees and taxes
  - Charging for things we don't currently charge for
  - Offering advertising opportunities for local businesses

At the same time, we recognized that there are a number of challenges that can impact the viability and implementation of various options, including:

- Union and bargaining issues
- Uncertainty of revenue and expense predictions
- Political climate
- High Local unemployment
- Restrictions on use of general funds
- Time and resources needed to implement some of the ideas
- Further staffing cuts are likely to lead to service changes



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## BASIS FOR DECISION MAKING

Cost saving and revenue increasing options were selected based on:

- Ability to continue to provide services
- Availability of one time only (OTO) revenue options
- Anticipated timing of when cost savings benefits could be realized

A detailed description of the 2011 – 2013 Financial and Organizational Strategy can be found on pages 6 and 7. The following provides a general summary of the identified strategies for the three year period:

### **2011**

- Maintain vacancies, including those created by previous layoffs
- Utilize other revenue sources and some one-time only sources
- Change some services and the way those services are delivered
- Begin planning and evaluating options for 2012 and beyond, for implementation

### **2012**

- Maintain vacancies, including those created by previous layoffs
- Eliminate some positions, as necessary
- Increase some fees to cover costs
- Change some services and the way those services are delivered
- Continue planning and evaluating options for implementation in 2013 and beyond

### **2013**

- Maintain vacancies, including those created by previous layoffs
- Elimination of a position, as necessary
- Increase fees to cover costs
- Change some services and the way those services are delivered
- Continue planning and evaluating options for implementation in 2014 and beyond

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## 2011 – 2013 Financial and Organizational Strategy

### 2011 (Immediate)

#### Expenditure Savings

- |   |               |
|---|---------------|
| • Do Not Fill Building Inspector Position | \$51,000      |
| • Do Not Fill Property Manager Position   | <u>14,000</u> |
| Sub-total                                 | \$65,000      |

#### Revenue Increases

- |  |               |
|--|---------------|
| • REET – Facilities and Parks (OTO)      | 80,000        |
| • Grant for Pool M&O (OTO)               | 20,000        |
| • Foundation Grant (OTO)                 | 10,000        |
| • Sale of City Property (OTO)            | 15,000        |
| • Recreation Leagues Donation            | 4,000         |
| • LTAC Funding for Recreation            | 28,000        |
| • Accept FEMA Home Elevation Grant (OTO) | 31,000        |
| • FEMA Revenues (OTO)                    | <u>24,900</u> |
| Sub-total                                | \$212,900     |

**Total** **\$277,900**

#### Evaluate Other Options and Implement Where Feasible

- Issue Request for Proposals for Alternative Methods of Providing Services
  - Mowing Major Parks
  - Fire Code Inspections
  - Nuisance Abatement and Animal Control
- Fire Dept. Operational Changes to Reduce O/T
- Evaluate Energy Use in Buildings

### 2012 (Near Term)

#### Expenditure Savings

- |                                   |                |
|-----------------------------------|----------------|
| • Two (2) Position Reductions     | \$110,505      |
| • Do Not Fill Positions from 2011 | <u>117,000</u> |
| Sub-total                         | \$227,505      |

#### Revenue Increases

- |                               |              |
|-------------------------------|--------------|
| • LTAC Funding for Recreation | \$ 28,000    |
| • Recreation Leagues Donation | <u>4,000</u> |
| Sub-total                     | \$ 32,000    |

**Total** **\$259,505**

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## Evaluate Other Options and Implement Where Feasible

- Annexation
- REET Funding Bond/Loan (\$75,000)
- Selective Logging of McFadden & Dobson Parks – Parks M&O
- Selective Logging of Public Works Property
- Resolution about Mitigation Fund Use
- Comprehensive Re-evaluation of City's Telecommunication Needs (phones, radios, cell phones)
- Increase Building Permit Fees to Cover Costs
- Increase RV Space Rentals to Cover Costs
- Increase Organic Dump Permit Fees to Cover Costs
- Increase Animal Shelter Fees to Cover Costs
- Solicit Advertising Opportunities for Local Businesses to Sponsor Specific Facilities, Such as: Spray Park, Other Parks - to Pay for Parks & Recreation M&O
- Offer Light Pole Banners in Selected Locations Along Arterial Streets: Louisiana Avenue, Central Business District, Market Boulevard, Etc.

## 2013 (Near Term)

### Expenditure Savings

• One (1) Position Reduction	\$ 60,000
• Position Reductions from 2012	110,505
• Do not fill Positions from 2011	<u>117,000</u>
Sub-total	\$287,505

### Revenue Increases

• LTAC Funding for Recreation	\$ 28,000
• Recreation Leagues Donation	<u>4,000</u>
Sub-total	\$ 32,000

**Total                    \$319,505**

## Evaluate Other Options and Implement Where Feasible

- Regional Fire Authority Implementation
- REET Funding Bond/Loan (\$75,000)
- Reorganize Community Development Department into Permits Center with Parks and Facilities & Recreation Moved (staffing changes)
- Sale of Mitigation Credits (Resolution)
- Evaluate Space Savings to Save on Electricity and/or Natural Gas
- Increase Building Rental Fees to Cover Costs
- Investigate the Cost/Benefit of Utilizing and Enforcing the City Alarm Ordinance

**The following spreadsheet and graph on pages 8 and 9 show the anticipated impact of implementing those items in the above 2011 – 2013 Financial and Organizational Strategy with identified dollar values.**

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 General Fund Revenue and Expenditure Analysis  
 (Includes Proposed Strategy Changes)  
 2008 - 2015

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Bond Proceeds				1,131,362				
<b>Proposed Rev. Adj.</b>				<b>212,900</b>	<b>32,000</b>	<b>32,000</b>	<b>32,000</b>	<b>32,000</b>
<b>Total Revenues:</b>	<b>13,725,181</b>	<b>11,657,620</b>	<b>7,821,476</b>	<b>8,731,530</b>	<b>7,611,736</b>	<b>7,809,395</b>	<b>8,012,389</b>	<b>8,220,867</b>



**Expenditures:**

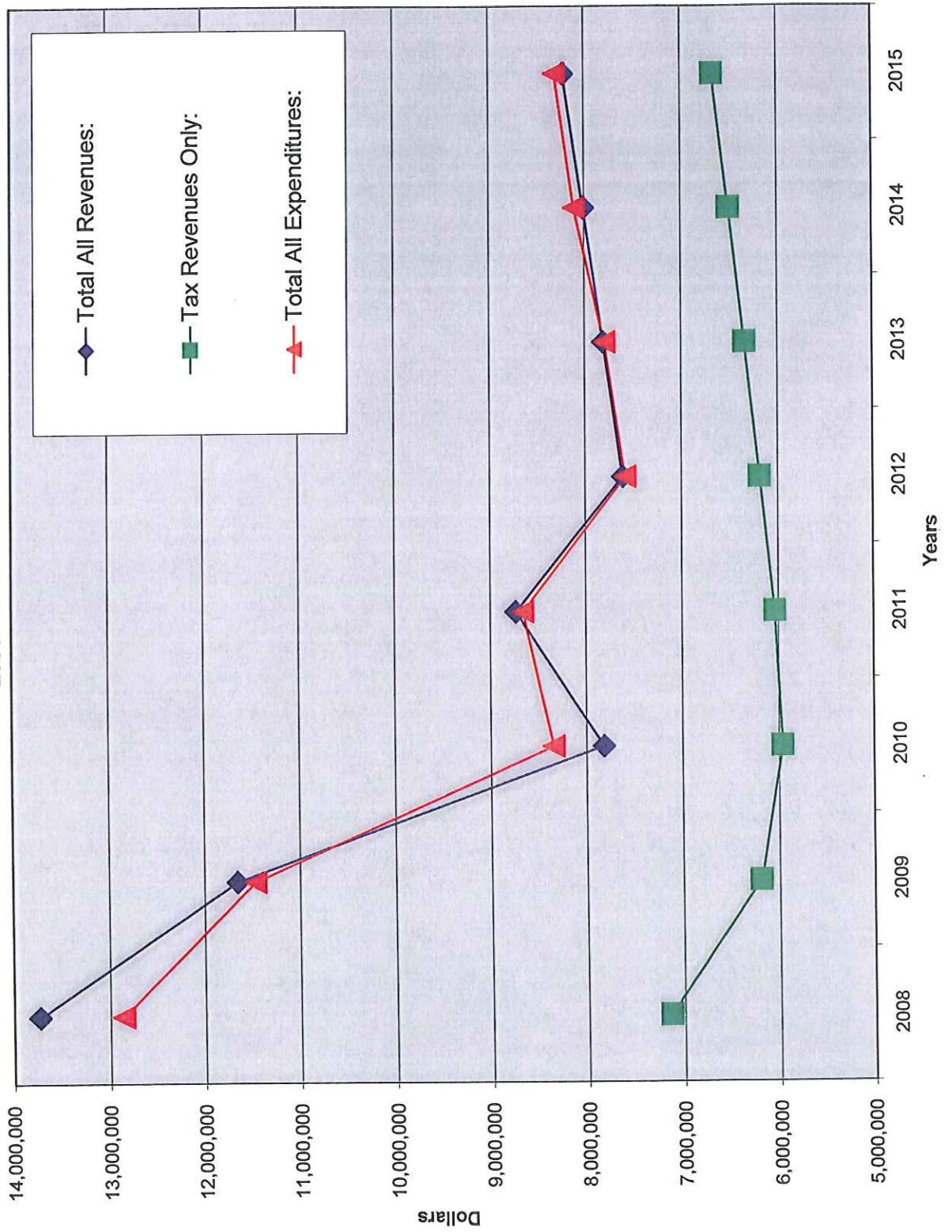
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Non - Dept'l - Gen'l		373,667	331,448	383,690	393,282	403,114	413,192	423,522
Non - Dept'l - IF loan		327,871		1,131,362				
Non - Dept'l - Debt Svc.								
Additional Exps. - Net				38,521				
<b>Proposed Exp. Adj.</b>				<b>(65,000)</b>	<b>(227,505)</b>	<b>(287,505)</b>	<b>(294,693)</b>	<b>(302,060)</b>
<b>Total Expenditures:</b>	<b>12,859,822</b>	<b>11,470,759</b>	<b>8,343,327</b>	<b>8,659,889</b>	<b>7,584,789</b>	<b>7,795,831</b>	<b>8,105,592</b>	<b>8,305,560</b>

15-yr loan @ 6.0%  
 REETs pay \$75K/yr



<b>Ending Fund Balance</b>	<b>950,981</b>	<b>1,137,842</b>	<b>615,991</b>	<b>687,632</b>	<b>714,579</b>	<b>728,143</b>	<b>634,940</b>	<b>550,247</b>
<b>Increase or (Decrease) to Fund Balance</b>	<b>865,359</b>	<b>186,861</b>	<b>(521,851)</b>	<b>71,641</b>	<b>26,947</b>	<b>13,564</b>	<b>(93,202)</b>	<b>(84,694)</b>

City of Chehalis  
General Fund Revenue and Expenditure Analysis  
(Includes Proposed Strategy Changes)  
2008 - 2015



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## CONCLUSION

The strategy outlined provides a longer term road map to maintaining city services during the continued economic conditions faced by the City of Chehalis. While we strive to plan for the future and implement this strategy, we must also face up to the following facts:

- Uncertainty remains; things could get better, but they could get worse, too.
- We must continue to be fiscally responsible, which may continue to mean changes and hard decisions.
- We must be prepared to adapt and modify our plans and strategies as new information becomes available.
- We must acknowledge and respect the political realities and the desire to avoid increasing taxes during difficult economic times.
- There are some costs such as fuel, materials and medical insurance that we have little or no control over.
- There is uncertainty in the efforts to contain costs through the labor negotiation process and the potential for continued increase in the cost of labor and benefits.
- We cannot ignore or postpone addressing difficult issues
  - Repayment of the loan for city hall
  - The need to maintain adequate fund balances
  - The need to fund essential maintenance and capital improvement projects
- Many issues, such as the development of a regional fire authority and annexation of additional properties require long-term planning, research and funding in order to determine feasibility. Implementation time on these more complex issues can take many months or even years once decisions are made to proceed.

# 2011 Council Goals Update

## Maintain the Fiscal Viability of the City

### Accomplished

2011 is different than 2010 in this area as it appears that the ongoing significant decrease in revenues have slowed and the projected revenues and received revenues are not that different. At the same time the city continues to see increases in cost with the primary being in medical and benefit costs, fuel and overtime. For the above reasons, the city administration has been developing a draft three-year financial and organizational strategy to take a longer term approach to the ongoing economic decline that the city and Lewis County faces. That draft strategy will be reviewed and discussed at the council work session.

## Street Repairs: Identify How to Get Them Done

### Partially Accomplished

Street repairs and maintenance is being done to the extent that funding and manpower allows. The City's street department is staffed by 1.5 full-time equivalent employees, which is a 62.5% reduction over last year's staffing level. Efforts being performed include:

- a. Pothole repair
- b. Crack sealing
- c. Oiling
- d. Sign repairs
- e. Citizen requests
- f. Sidewalks
- g. Curb painting
- h. Street sweeping

The street crew will also be assisted to some degree with seasonal help during the busy summer months. Weather is another factor in the amount of work that can be completed.

## Institute Taking Credit Card and Electronic Payments

### Accomplished

We are accepting both credit card payments and electronic funds transfers. Credit card payments can be made either online or over the telephone through the payment company. Electronic funds transfers can occur either through billpayer offered by most banks or through direct debit through the City. We are presently working on getting credit card scanners so we can accept credit cards in person.

## **City Take Lead in Land Development at the Barnes Property**

### Not Accomplished

The level of interest by developers for the Barnes property has diminished over the last couple of years because of the economy. Sporadic inquiries continue, though. The wetland issues on this property will be solved when the National Avenue wetland mitigation bank is approved – three wetland credits have been reserved for exclusive use by the Barnes property. The completion of the Louisiana Avenue extension in 2012 will further enhance the marketability of that property which will hopefully increase development interest.

## **Continue to Work on Regional Flood Issues**

### Accomplished

Work continues on Flood Authority and Partnership projects. Local flood damage reduction projects have been identified to protect the airport development area and the freeway, and several local areas, but those projects do not help regionally and funding for these local projects will be challenging. Julie Balmelli-Powe is now the city representative on the Authority replacing Councilor Chad Taylor. She has done a commendable job especially based upon the very adversarial approach of some members over the past few months. With some recent changes in leadership on the Authority it is hoped that some progress will be made. At the same time, the city will be required to update its Shoreline Master Plan in 2012 if the legislature provides the funding. Staff is working with Lewis County to accomplish this Growth Management requirement.

## **Improve Downtown Aesthetic and Infrastructure**

### Partially Accomplished

The Chehalis Community Renaissance Team (CCRT) has taken a major role in this goal. The irrigation plan for the downtown planting areas has been developed, and is out to bid. Hanging baskets will be installed when the risk of frost and torrential rain has diminished. The Renaissance committee (Patty Kaija) will be directing the plantings and the maintenance / watering schedules. The Renaissance committee continues work on the design and implementation of planting street trees on Market Boulevard.

To the extent that budgeted funds allow, we are actively pursuing improving the downtown area. We are also pursuing any and all available outside sources of funding to complete core projects.



## **Continue to Work on 2010 Goals Not Identified as 100 Percent Complete**

### **a. City Comprehensive Plan: Complete and Approval of the Comprehensive Plan Update and Includes a Parks Comprehensive Plan**

#### Partially Accomplished

The Critical Areas Ordinance, the Chehalis Comprehensive Plan and the Capital Facilities Plan have been completed. The draft Parks, Recreation and Open Space (PROS) Plan is scheduled to be reviewed and adopted in 2011. Significant changes to the city organization and budget have occurred since the draft Plan was submitted by the consultant and is reflected in the not yet completed plan.

### **b. Develop a Customer Service Program for the City**

#### Not Accomplished

In 2010, Peggy Hammer, Human Resources Administrator, outlined an approach for the development of a customer service training program for the city. While providing excellent customer service remains an important goal we strive to meet every day, budget and time limitations have restricted our ability to develop and implement a specific training program for our employees. This issue will remain a goal and will be addressed as budget and time allow.

## **Pool Improvement Project (City needs to approach Chehalis Foundation)**

#### Partially Accomplished

The Foundation has requested a quote for maintenance, repair and upgrade to current codes for the outdoor pool. The administration has met with a qualified pool repair company and a quote is being developed currently. The Foundation has indicated their intent to pursue funding for the repair and upgrade project. Additionally, there is an outside source that will be providing \$20,000 this year for pool maintenance and operations.

## **Consolidation or Regionalization of Fire Services with Fire District #6 and Continue to Look at Relocating the Fire Station**

#### Partially Accomplished

The city has partnered with Fire Districts #5, #6, and the Riverside Fire Authority to proceed with the Regional Fire Authority Planning Committee process to explore

options for providing joint fire and emergency services through a regional fire Authority model.

## **Improve the Quality of our Parks**

### Partially Accomplished

The administration will continue to work with local service clubs and organizations to identify projects to improve the city's parks. The Renaissance committee will be a significant contributor of ideas to enhance the usability of the park systems, and the Chehalis Foundation has been extremely generous in funding projects to improve the parks (Westside Park improvements were made this year). The completion of the PROS Plan will also identify projects and funding for future upgrades.

## **Consider Other Uses for Fire Hall Building**

### Not Accomplished

Because of the many budget, organizational, and personnel issues the administration has been dealing with this year resources were not allocated on this project to date. The work on creating a North Lewis County Regional Fire Authority has been a major focus for the administration and councilors and will continue as the Planning Committee explores the viability of creating a regional fire authority.

## **Develop Programs for the Youth**

### Accomplished

The recreation division has for many years targeted programs for youth in the greater Chehalis area. Those recreation programs are designed to accommodate youth (as well as adults) from all of Lewis County. The adopted Renaissance Plan also has a component for targeting youth, and the implementation of those Renaissance programs will further enhance the opportunities for youth activities. The subcommittee of the CCRT that is working on a children's museum completed a feasibility study and the committee continues to proceed on implementation.

## **Get More Involved with Lewis County Campus Project**

### Partially Accomplished

The county campus project has been put on hold because of the lack of funding. They have proceeded to explore construction of a parking structure and the city manager continues to work with the CCRT and Commissioner Schulte on taking a cooperative approach. Councilor Taylor has also been involved in assisting on this project to date.

## **Clean Up City Property on Chehalis Avenue Near Green Hill School**

### Partially Accomplished

The demolition debris is in the process of being removed, and staff has coordinated with Century 21 Realty to get the property listed and sold. The real estate market is challenging now, and the best possible price for that property will be negotiated.

## **Develop “Stream Team” to Enhance Local Streams, Using Youth and Volunteers**

### Not Accomplished

The Lewis County Conservation District deploys teams for such purposes, and staff will coordinate with them (and other environmental groups) to perform stream enhancement in the city within the limits of state and federal environmental regulations. Local teams of Boy Scouts (Eagle project) can also be developed to accomplish this goal.

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*Judith A. Schave, City Clerk*

## Fax Cover Sheet

5-27-11

Number of Pages: 2  
(Including cover sheet)

To:

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KITI Radio	736-4761
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The Chehalis City Council meeting agenda can be viewed in its entirety on the city's website at:

[www.ci.chehalis.wa.us](http://www.ci.chehalis.wa.us) \* AGENDAS/MINUTES

## MEMORANDUM

To: The Honorable Mayor and City Council

From: Merlin G. MacReynold, City Manager 

Date: May 24, 2011

Subject: Council Goals and Projects Work Session – Draft  
Three-Year Financial and Organizational Strategy

Attached you will find your agenda packet for the council goals and projects work session on Tuesday, May 31, 2011, at 5:00 p.m., in the city hall council chamber.

The agenda packet includes a draft Three-Year Financial and Organizational Strategy and the updated 2011 council goals that will be reviewed and discussed as part of the work session.

The administration plans to email the ‘draft strategy’ out to all city employees on Tuesday morning, after the council has had a chance to first review it.

If you have any questions, please feel free to call me.