

CHEHALIS CITY COUNCIL AGENDA
 CITY HALL
 350 N MARKET BOULEVARD, CHEHALIS, WA 98532

Terry F. Harris, District 1, Mayor Pro Tem Daryl J. Lund, District 2 Dr. Isaac S. Pope, District 4	Anthony E. Ketchum Sr., District 3 Mayor	Dennis Dawes, Position at Large Chad E. Taylor, Position at Large Bob Spahr, Position at Large
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Regular Meeting of Monday, January 28, 2013

6:00 p.m.

ITEM	ADMINISTRATION RECOMMENDATION	PAGE
1. <u>Call to Order.</u> (Mayor)		
2. <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		
3. <u>Minutes of the Regular Meeting of January 14, 2013.</u> (City Clerk)	APPROVE	1
4. <u>Vouchers and Transfers.</u> (Finance Manager)	APPROVE	5
5. <u>Approve the 2013 Council Committee/Board Appointments.</u> (City Clerk)	APPROVE	8

ADMINISTRATION AND CITY COUNCIL REPORTS		
6. <u>Administration Reports.</u>		
a. Quarterly, November, and December financial reports. (Finance Manager)	INFORMATION ONLY	11
b. Quarterly sales and use tax report. (Finance Manager)	INFORMATION ONLY	22
c. Update on GO bond reporting requirements. (Finance Manager)	INFORMATION ONLY	23
7. <u>Council Reports.</u>		
a. Councilor reports. (City Council)	INFORMATION ONLY	
b. Council committee reports. (City Council)	INFORMATION ONLY	

NEW BUSINESS		
8. <u>Resolution No. 03-2013, First and Final Reading - Directing Steps be Taken to Review Potential Service Changes and Cost Savings Through Collaboration and Partnering of County and City Services and Internal Support Functions.</u> (City Manager)	ADOPT	25

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, FEBRUARY 11, 2013

January 14, 2013

The Chehalis city council met in regular session on Monday, January 14, 2013, in the Chehalis city hall. Mayor Ketchum called the meeting to order at 5:00 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; and Judy Schave, City Clerk.

1. **Executive Session.** Mayor Ketchum announced the council would be in executive session pursuant to RCW 42.30.110(1)(b) – purchase or acquisition of land for approximately 30 minutes and there would be no decision following conclusion of the executive session.

Mayor Ketchum closed the executive session at 5:36 p.m. and announced the council would take a two minute recess before opening the work session at 5:38 p.m. Additional staff included: Glenn Schaffer, Police Chief; Kelvin Johnson, Fire Chief; Bob Nacht, Community Development Director; Dennis Osborn, In-coming Community Development Director; Eva Lindgren, Finance Manager; Peggy Hammer, Human Resources Administrator; and Herta Fairbanks, Public Works Director. Members of the media included Kyle Spurr from *The Chronicle*.

2. **Work Session to Discuss Chehalis Pool Project.** Chehalis Foundation President Tim Saylor, Outdoor Pool Renovation Project Lead Connie Bode, and Architect Norm Pfaff gave a brief update on the pool renovation project.

Mr. Pfaff provided the council with drawings of the proposed site and floor plan for the pool facility and surrounding area. He noted they would be replacing the old block wall located around the pool with new fencing. New fencing would also be installed in the area around the picnic shelters and the spray pool making it safer for families with small children. Mr. Pfaff reported on other improvements, which would include: a drop off/pick up area on 13th Street; adding an additional 1000 square feet to the building and new roofline, and restroom access for people using the spray park and/or picnic shelters.

Ms. Bode reported the Foundation was still seeking designated gifts and donations for its fundraising efforts. She noted a community meeting was scheduled for January 23, at 7:00 p.m. in the V.R. Lee building to allow the public to see the plans and to get more information on the project.

Mayor Ketchum closed the work session at 6:05 p.m. and immediately opened the regular meeting.

3. **Chehalis Renaissance Update.** Larry McGee, former Chair of the Chehalis Community Renaissance Team (CCRT) thanked the council for all their support, adding they had accomplished a lot over the last few years. He noted he planned to stay involved with the pilot project for the Children's Museum, as well as the incubator project at the Port of Chehalis.

Mr. McGee stated City Manager Merlin MacReynold made a good choice in appointing David Hartz from Book 'n Brush to take over as chair of the committee. He noted Mr. Hartz was doing a wonderful job on the marketing committee and was very involved in the community.

Mr. Hartz talked briefly on the latest tri-fold informational brochure, the "Welcome to Chehalis" brochure, and newest edition of the downtown walking tour booklet. He thanked the city council and administration for their support of the CCRT and looked forward to their continued working relationship.

4. **Council Committee/Board Appointments.** Mayor Ketchum asked the council members if they had any changes to the council/committee board appointments for 2013.

Councilor Dawes noted the North Lewis County Regional Fire Authority Planning Committee needed to be changed to the Regional Fire Authority Planning Committee, and the meetings would be held at Fire Station #2 in Centralia.

Councilor Lund indicated he would be replacing Councilor Dawes as the city's representative on the Lewis County Historical Museum Board. He noted the Board was unable to find someone to take over his position as treasurer, so he would continue in that capacity until they find someone willing to take the position. It was suggested that Councilor Lund still be noted as the city's representative and hope that they find someone to take over the treasurer's position soon.

January 14, 2013

5. **Report on Flood Authority/State Capital Project Proposals by the Governor's Office.** J. Vander Stoep provided the council with information on the capital project proposals by the Governor's Office. He reported the Governor's Committee included: Chairman David Burnett from the Chehalis Tribe; Vickie Raines, Chair of the Flood Authority; Karen Valenzuela, Vice-Chair of the Flood Authority; Jay Gordon; Keith Phillips, Governor's Staff; and himself.

Mr. Vander Stoep noted the committee prioritized projects for the Governor's capital budget to include the following five elements:

1. Major Capital Projects:
 - a. Upper Basin Water Retention-Engineering and Design -- \$5.6 million (Decision on permitting December 2014)
 - b. 1-5 Protection Options - \$3.3 million
2. Local Flood Relief Projects - \$10.7 million
3. Fish Enhancement Projects - \$4.3 million
4. Reduce Damages to Residential and Other Structures in the Floodplain - \$1.75 million
5. Flood Warning and Preparedness Systems

Mr. Vander Stoep also provided two graphs showing the effects of two potential flood relief alternatives. The first graph showed the results of potential flood relief using the United States Army Corps of Engineers Twin Cities Project alternative, and a second graph using the upstream dam on the Chehalis River alternative. It was clear from the data presented that the upstream dam provided much better relief throughout the basin. Mr. Vander Stoep reported the data was developed using a preliminary version of the Chehalis River Basin HEC-RAS model that was developed by a group of hydrologists that were each doing modeling in the basin.

6. **Presentation of Certificate.** Mayor Ketchum presented Bob Nacht a certificate of appreciation for 34 years of service with the city.

Mr. Nacht thanked the many councilors, city managers, department administrators and staff he's had the pleasure of working with over the last 34 years, adding they were all dedicated employees of the city. He introduced the new community development director, Dennis Osborn, who would be taking over the position after Friday, January 18.

7. **Citizens Business.** David Tagert, Devilfish Public House (289 NW Chehalis Avenue), commented on the recent stabbing incident that took place on Chehalis Avenue, adding something needed to be done to prevent stuff like this from happening in the future.

Mr. Tagert reported the police department was doing a good job, but felt they were outnumbered by those who hang out along Chehalis Avenue in the early hours of the morning and after the bars close, especially on the weekends. He invited the council and anyone else interested to come down during this time of night to see what actually goes on. Mr. Tagert suggested having a brainstorming meeting with all of the drinking establishments to address the problems, and try and come up with some solutions.

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

- a. Minutes of the regular meeting of December 10, 2012, and the special work session of December 13, 2012;
- b. Claim Vouchers No. 104824-104953 in the amount of \$1,053,948.62 dated December 14, 2012; Claim Vouchers No. 104954-105042 and EFT No. 112012 and 1220121 in the amount of \$106,784.99 dated December 31, 2012; and Payroll Vouchers No. 36219-36287, Direct Deposit Payroll Vouchers No. 3668-3739, and Electronic Federal Tax Payment No. 118 in the amount of \$683,878.94 dated December 31, 2012; and
- c. Authorize City Manager to execute the interlocal agreement with Riverside Fire Authority to provide Fire Code Inspection and Enforcement Services to the City of Chehalis for 2013.

The motion was seconded by Councilor Spahr and carried unanimously.

January 14, 2013

9. Administration Reports.

a. Lewis County Resolution Regarding Partnering of County and City Services and Internal Support Functions. City Manager MacReynold reported the Lewis County Board of County Commissioners recently passed Resolution #13-012 supporting the county and the cities within Lewis County to take steps to review potential service and cost savings through collaboration and partnering of county and city services and support functions.

City Manager MacReynold asked if the council was supportive of bringing back a similar resolution for their consideration at the next meeting.

Mayor Ketchum stated the idea was presented at the Mayor's Meeting late last year and received a lot of support. He thanked City Manager MacReynold for working on the initial draft documents regarding the idea of collaboration and partnering, and for working with the other agencies on the matter.

The consensus of the council was to bring a resolution to the council at the next regular meeting for their consideration.

10. Council Reports.

a. Update From Councilor Dawes. Councilor Dawes talked briefly about the withdrawal of Lewis County Fire District #6 from the North Lewis County Regional Fire Authority Planning Committee. He noted the council would be taking action later in the meeting on a resolution to approve the formation of the new Regional Fire Protection Services Authority Planning Committee.

11. Resolution No. 01-2013, First and Final Reading – Surplus City Property and Authorize City Manager to Execute Interlocal Agreement between the City and Lewis County Fire District #13. Fire Chief Kelvin Johnson reported the fire department had several self-contained breathing apparatus (SCBA) components that were of no further use to the city and wished to declare the equipment surplus. He stated Lewis County Fire District #13 was desirous of acquiring the use and possession of the equipment if it becomes surplus.

Chief Johnson reported a resolution and an interlocal agreement between the city and Lewis County Fire District #13 had been prepared for the council's consideration.

Councilor Taylor moved to adopt Resolution No. 01-2013 on first and final reading and authorize the city manager to execute the interlocal agreement.

The motion was seconded by Councilor Pope and carried unanimously.

12. Resolution No. 02-2013, First and Final Reading – Authorizing the City's Participation in a Regional Fire Authority Planning Committee (RFAPC). Councilor Dawes asked that the council support the resolution to continue to explore the formation of a Regional Fire Protection Service Authority.

Councilor Dawes moved to adopt Resolution No. 02-2013 on first and final reading authorizing the city to participate in a RFAPC with the Riverside Fire Authority.

The motion was seconded by Councilor Taylor and carried unanimously.

There being no further business to come before the council, the meeting adjourned at 6:50 p.m.

Mayor

January 14, 2013

Attest:

City Clerk


SUGGESTED MOTION


I move that the council approve the minutes of the regular city council meeting of January 14, 2013.

CITY OF CHEHALIS
AGENDA REPORT

DATE: January 15, 2013

TO: The Honorable Mayor and City Council

FROM: Eva Lindgren, Finance Manager 

PREPARED BY: Michelle White, Accounting Tech II 

SUBJECT: 2012 Vouchers and Transfers

ISSUE

Council approval is requested of the following financial transactions recorded in 2012:

Claim Vouchers No. 105043 through 105160 in the amount of \$196,342.24 dated January 15, 2013 and the transfer of \$87,899.66 from the General Fund, \$4,732.79 from the Arterial Street Fund, \$1,435.00 from the Federal & State Grants Fund, \$166.17 from the Garbage Fund, \$48,150.30 from the Wastewater Fund, \$35,348.95 from the Water Fund, \$18,438.95 from the Storm & Surface Water Utility Fund and \$170.42 from the Firemen's Pension Fund.

RECOMMENDATION/COUNCIL ACTION DESIRED



The administration recommends that the council approve the January 15, 2013 Claim Vouchers No. 105043 through 105160 in the amount of \$196,342.24.

SUGGESTED MOTION

I move to approve the January 15, 2013 Claim Vouchers No. 105043 through 105160 in the amount of \$196,342.24.

Reviewed by: , City Manager

CITY OF CHEHALIS
AGENDA REPORT

DATE: January 15, 2013
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 recorded in 2013:

Claim Vouchers No. 105161 through 105218 in the amount of \$393,221.73 dated January 15, 2013 and the transfer of \$302,241.02 from the General Fund, \$300.93 from the 2011 G.O. Bond Fund, \$55,439.03 from the Wastewater Fund, \$33,113.12 from the Water Fund and \$2,127.63 from the Storm & Surface Water Utility Fund.

RECOMMENDATION/COUNCIL ACTION DESIRED

The administration recommends that the council approve the January 15, 2013 Claim Vouchers No. 105161 through 105218 in the amount of \$393,221.73.

SUGGESTED MOTION

I move to approve the January 15, 2013 Claim Vouchers No. 105161 through 105218 in the amount of \$393,221.73.

Reviewed by: , City Manager

**CITY OF CHEHALIS
AGENDA REPORT**

DATE: January 18, 2013
TO: The Honorable Mayor and City Council
FROM: Eva Lindgren, Finance Manager *EL*
PREPARED BY: Michelle White, Accounting Tech II *MW*
SUBJECT: 2012 Vouchers and Transfers

ISSUE

Council approval is requested of the following financial transactions recorded in 2012:

Claim Vouchers No. 105219 through 105229 and EFT No. 122012 in the amount of \$17,255.26 dated January 18, 2013 and the transfer of \$4,830.08 from the General Fund, \$6,647.56 from the Wastewater Fund, \$5,151.14 from the Water Fund and \$626.48 from the Storm & Surface Water Utility Fund.

RECOMMENDATION/COUNCIL ACTION DESIRED

The administration recommends that the council approve the January 18, 2013 Claim Vouchers No. 105219 through 105229 and EFT No. 122012 in the amount of \$17,255.26.

SUGGESTED MOTION

I move to approve the January 18, 2013 Claim Vouchers No. 105219 through 105229 and EFT No. 122012 in the amount of \$17,255.26.

Reviewed by: *Mac Reynolds*, City Manager

COUNCIL MEMBERSHIP ON COMMITTEES/BOARDS

1/2013

Committee / Board	Representative(s)	Date(s) Appointed	Meeting Information
Centralia Landfill Closure Group: Executive Committee Joint Board	City Manager (chair)	01/28/13	3 to 4 times per year on the 2 nd Thursday of a month 2:00 p.m. Centralia Utilities Department
Centralia-Chehalis Transportation Cooperative	Ketchum Taylor Spahr City Manager - staff Public Works Director-staff	01/28/13 01/28/13 01/28/13 01/28/13	3 rd Monday 7:00 a.m. Centralia City Hall
Chehalis Business Association	Harris Spahr City Manager – Admin Rep	01/28/13 01/28/13 01/28/13	3 rd Tuesday of each month 7:30 a.m. Sweet Inspirations
Chehalis-Napavine-LCSD No. 1 Sewer Operations	Pope	01/28/13	As needed
Chehalis River Basin Partnership	Harris (chair) Witzius – alternate Vasilauskas - alternate	01/28/13 01/28/13 01/28/13	4 th Friday of each month 9:30 a.m. Lucky Eagle Casino, Rochester
Chehalis Basin Flood Authority	Arnold Haberstroh-Primary (09-24-12) Dr. John Henricksen- Alt. (04-23-12)	01/28/13 01/28/13	3 rd Thursday of each month 9:00 a.m. - Technical Workshop Veterans Museum or Lewis County offices 1:30 p.m. - Flood Authority Meeting Lewis County offices
Chehalis Community Renaissance Team	Pope City Manager Foley - Staff	01/28/13	2 nd Friday of each month 8:30 - 9:30 a.m. City Hall Basement (small meeting room)
Chehalis Foundation	Pope	01/28/13	3 rd Tuesday of each month 12:00 – 1:00 p.m. City Hall Basement (small meeting room)
Council Budget Committee	Dawes Harris Spahr	01/28/13 01/28/13 01/28/13	Annually during budget process
Council GMIA Committee	Pope (chair) Dawes Ketchum	01/28/13 01/28/13 01/28/13	As needed and available Usually city offices

Council Voucher Approval Committee	Harris Dawes Pope	01/28/13 01/28/13 01/28/13	As needed twice per month to review and sign vouchers Finance Department
Cowlitz-Lewis Economic Development District Board	Spahr City Manager	01/28/13 01/28/13	Twice per year in January and July 12:00 p.m. (360-577-3041) Spiffy's Restaurant
Employee Emergency/Disaster Preparedness Committee	Harris K. Johnson - staff	01/28/13	1 st Tuesday Quarterly 1:30 p.m. City Hall – Jury Room
Lewis County EDC Board	Spahr	01/28/13	1 st Thursday of Feb., Apr., June, Aug., Oct., and Dec. 7:00 a.m. Kit Carson Restaurant
Lewis County Historical Museum Board	Lund	01/28/13	1 st Tuesday of each month 5:15 p.m. Museum meeting room
Lewis County Law & Justice Council	Schafer –Staff Fox –Staff	01/28/13 01/28/13	As scheduled Lewis County Law and Justice Center
Lewis County LEOFF Disability Board	Bonnie Canaday (elected by Lewis County cities)		3 rd Friday of each month 3:00 p.m. Lewis County Commissioners Office
Lewis County Planned Growth (GMA) Committee	Spahr City Manager – alternate Osborn - Staff	01/28/13	1 st and 3 rd Mondays of each month 3:00 p.m. Various locations
Lewis County Public Transportation Benefit Area Authority (Twin Transit Board)	Taylor	01/28/13	3 rd Thursday of each month 8:00 a.m. Twin Transit Office, Centralia
Lewis County Solid Waste Advisory Committee	Harris	01/28/13	2 nd Wednesday of each month 1:00 p.m. Lewis County Transfer Station
Lewis County Solid Waste Disposal District Executive (Advisory) Committee	Harris	01/28/13	Once per year to approve the budget
Lewis County Traffic Safety Council	Sahlin –Staff	01/28/13	3 rd Wednesday of each month 7:00 a.m. Lewis County Sheriff's Training Room
Lewis County Transportation Strategy Council	Taylor City Manager Ketchum - alternate	01/28/13	2 nd Tuesday of each month 7:00 a.m. Kit Carson Restaurant
Lodging Tax Advisory Committee	Harris (chair) City Manager –staff Foley – staff	01/28/13 01/28/13	Once per year in September and as needed otherwise City Hall
Regional Fire Authority Planning Committee	Dawes, Spahr, Lund, Fire Chief –staff City Manager –staff	01/28/13	3 rd Wednesday of the month 6:30 p.m. Fire Station #2 in Centralia

Sister City Committee	Ketchum Foley –staff	01/28/13	Evenings as needed and available, usually more often in spring and summer City Hall
Rural Economic Development Public Facilities Advisory Committee Board	Chehalis – 2012 (Ketchum) (1 year cycle)	01/28/13	Annually (February – 2012) 9:00 a.m. Lewis County EDC Board Room
South Puget Sound FTZ Policy Committee	City Manager	01/28/13	2 nd Thursday of January, April, July, and October 9:00 a.m. Port of Olympia offices
SW WA Regional Transportation Planning Organization Board	Lund Ketchum – alternate	01/28/13 01/28/13	2 nd Wednesday of Feb., May, Sept., and Nov. 5:00 – 7:00 p.m. Various member locations throughout region

City of Chehalis
Fourth Quarter Financial Statements - All Funds
December 31, 2012
PRELIMINARY 2012 Revenues and Expenditures

	General Fund #001	
	Budget	Actual
Beginning Fund Balance	828,989	828,989
Revs. & Transfers In	7,751,233	7,564,407
Exps. & Transfers Out	(7,770,836)	(7,567,824)
Ending Fund Balance	809,386	825,572

	Arterial Street Fund #102	
	Budget	Actual
	26,808	26,808
	155,000	149,372
	(155,626)	(137,227)
	26,182	38,953

	Tourism Fund #107	
	Budget	Actual
	73,255	73,255
	165,150	165,025
	(170,200)	(169,920)
	68,205	68,360

	Compensated Abs. #110	
	Budget	Actual
	4,036	4,045
	10	0
	(4,046)	(816)
	0	3,229

	CDBG Fund #195	
	Budget	Actual
	21,987	21,725
	5,050	4,679
	(6,500)	(6,232)
	20,537	20,172

	HUD Fund #197	
	Budget	Actual
Beginning Fund Balance	319,758	319,920
Revs. & Transfers In	4,214	4,454
Exps. & Transfers Out	0	(1,214)
Ending Fund Balance	323,972	323,160

	Gambling Enforcemt. #198	
	Budget	Actual
	263,954	260,592
	500	140
	(181,929)	(181,929)
	82,525	78,803

	Federal & State Grant Fund #199	
	Budget	Actual
	0	0
	312,216	29,213
	(312,216)	(30,648)
	0	(1,435)

	2011 G.O. Bond Fund #200	
	Budget	Actual
	4,272	4,272
	94,855	94,855
	(99,127)	(99,127)
	0	0

	Public Fac. Res. #301	
	Budget	Actual
	33,515	33,874
	22,951	22,901
	(55,901)	(33,000)
	565	23,775

	Auto/Equip. Res. #302	
	Budget	Actual
Beginning Fund Balance	35,639	35,647
Revs. & Transfers In	33,000	33,000
Exps. & Transfers Out	(68,500)	(65,839)
Ending Fund Balance	139	2,808

	1st Qtr. REET Fund #305	
	Budget	Actual
	142,806	139,987
	35,200	26,885
	(40,313)	(40,313)
	137,693	126,559

	2nd Qtr. REET Fund #306	
	Budget	Actual
	50,659	47,816
	35,075	26,192
	(30,828)	(30,828)
	54,906	43,180

	Garbage Fund #402	
	Budget	Actual
	11,089	11,796
	6,500	6,342
	(12,580)	(11,832)
	5,009	6,306

	Wastewater Fund #404	
	Budget	Actual
	2,288,868	2,288,868
	3,709,749	3,710,540
	(4,919,314)	(4,516,465)
	1,079,303	1,482,943

	Water Fund #405	
	Budget	Actual
Beginning Fund Balance	2,885,253	2,885,253
Revs. & Transfers In	2,610,633	2,557,876
Exps. & Transfers Out	(3,096,646)	(2,672,010)
Ending Fund Balance	2,399,240	2,771,119

	Storm/Surface Wtr. #406	
	Budget	Actual
	364,776	364,776
	413,757	422,186
	(416,269)	(372,274)
	362,264	414,688

	Firemens' Pension #611	
	Budget	Actual
	189,349	190,491
	157,100	151,080
	(135,000)	(126,137)
	211,449	215,434

	City Agency Fund #633	
	Budget	Actual
	349,742	349,003
	0	0
	0	0
	349,742	349,003

	All Funds Totals	
	Budget	Actual
	7,894,755	7,887,117
	15,512,193	14,969,147
	(17,475,831)	(16,063,635)
	5,931,117	6,792,629

Note: In some instances, ending fund balances include non-cash components, such as prepaid insurance and inventory. Resulting variances are considered immaterial.

To: The Honorable Mayor and Council
 Via: Merlin MacReynold, City Manager
 From: Eva K. Lindgren, Finance Manager
 Date: January 22, 2013
 Subject: Monthly Financial Reports for November

City of Chehalis
 Comparative Financial Reports
 November 2011 and 2012

GENERAL FUND (#001) REVENUES	A November 2011		B		C=B/A		D		E		F=E/D		G		H^		I=F-G	
	Budget	Actual	Budget	Actual	% Recd	% Recd	Budget	Actual	% Recd	% Recd	% Recd	% Recd	% Recd	Expected % Recd	Var from Expected	% Variance		
General Property Taxes	\$1,219,000	\$1,068,036	\$1,235,000	\$1,119,172	87.6%	90.6%	\$1,235,000	\$1,119,172	90.6%	91.7%	91.7%	90.6%	91.7%	91.7%	(\$12,911)	-1.1%		
EMS Property Taxes	233,000	204,455	236,000	214,153	87.7%	90.7%	236,000	214,153	90.7%	91.7%	91.7%	90.7%	91.7%	91.7%	(2,180)	-1.0%		
Sales & Use Tax	3,000,000	2,815,839	3,000,000	2,818,132	93.9%	93.9%	3,000,000	2,818,132	93.9%	91.7%	91.7%	93.9%	91.7%	91.7%	68,132	2.2%		
Electricity Tax	375,000	387,293	400,000	423,839	103.3%	106.0%	400,000	423,839	106.0%	91.7%	91.7%	106.0%	91.7%	91.7%	57,172	14.3%		
Gas/Natural Gas Tax	253,000	229,574	250,000	214,734	90.7%	85.9%	250,000	214,734	85.9%	91.7%	91.7%	85.9%	91.7%	91.7%	(14,433)	-5.8%		
Criminal Justice Tax	92,000	83,645	88,000	81,389	90.9%	92.5%	88,000	81,389	92.5%	91.7%	91.7%	92.5%	91.7%	91.7%	722	0.8%		
Interfund Water/Sewer Tax	350,000	300,753	340,000	309,661	85.9%	91.1%	340,000	309,661	91.1%	91.7%	91.7%	91.1%	91.7%	91.7%	(2,006)	-0.6%		
Garbage Tax	65,000	58,453	62,000	57,418	89.9%	92.6%	62,000	57,418	92.6%	91.7%	91.7%	92.6%	91.7%	91.7%	585	0.9%		
Cable Tax	80,000	90,650	92,000	91,913	113.3%	99.9%	92,000	91,913	99.9%	91.7%	91.7%	99.9%	91.7%	91.7%	7,580	8.2%		
Telephone Tax	335,000	285,463	325,000	283,544	85.2%	87.2%	325,000	283,544	87.2%	91.7%	91.7%	87.2%	91.7%	91.7%	(14,373)	-4.5%		
Leasehold Excise Tax	35,000	26,448	35,000	27,299	75.6%	78.0%	35,000	27,299	78.0%	91.7%	91.7%	78.0%	91.7%	91.7%	(4,784)	-13.7%		
Other Taxes	0	27	N/A	32	N/A	106.7%	30	32	106.7%	91.7%	91.7%	106.7%	91.7%	91.7%	5	15.0%		
Total Tax Revenues	6,037,000	5,550,636	6,063,030	5,641,286	91.9%	93.0%	6,063,030	5,641,286	93.0%	91.7%	91.7%	93.0%	91.7%	91.7%	83,509	1.3%		
Licenses & Permits	120,200	74,398	63,630	47,195	61.9%	74.2%	63,630	47,195	74.2%	91.7%	91.7%	74.2%	91.7%	91.7%	(11,133)	-17.5%		
Intergovt: Grants/Entitlements	337,414	272,851	720,239	239,697	80.9%	33.3%	720,239	239,697	33.3%	91.7%	91.7%	33.3%	91.7%	91.7%	(420,522)	-58.4%		
Charges for Goods and Svcs.	779,094	706,052	800,725	731,917	90.6%	91.4%	800,725	731,917	91.4%	91.7%	91.7%	91.4%	91.7%	91.7%	(2,081)	-0.3%		
Fines and Forfeitures	147,824	142,447	167,080	143,967	96.4%	86.2%	167,080	143,967	86.2%	91.7%	91.7%	86.2%	91.7%	91.7%	(9,190)	-5.5%		
Interest Earnings	18,800	8,776	12,546	9,237	46.7%	73.6%	12,546	9,237	73.6%	91.7%	91.7%	73.6%	91.7%	91.7%	(2,264)	-18.1%		
Rents & Royalties	64,200	65,557	71,422	59,675	102.1%	83.6%	71,422	59,675	83.6%	91.7%	91.7%	83.6%	91.7%	91.7%	(5,795)	-8.1%		
Donations/Contributions	102,599	119,298	76,756	74,721	116.3%	97.3%	76,756	74,721	97.3%	91.7%	91.7%	97.3%	91.7%	91.7%	4,361	5.6%		
Misc. Revenue/Insurance	10,918	11,556	3,100	12,893	105.8%	415.9%	3,100	12,893	415.9%	91.7%	91.7%	415.9%	91.7%	91.7%	10,051	324.2%		
Non-Revenues	5,500	3,732	4,866	3,939	67.9%	80.9%	4,866	3,939	80.9%	91.7%	91.7%	80.9%	91.7%	91.7%	(522)	-10.8%		
Total Non-Tax Revenues	1,586,549	1,404,667	1,920,364	1,323,241	88.5%	68.9%	1,920,364	1,323,241	68.9%	91.7%	91.7%	68.9%	91.7%	91.7%	(437,093)	-22.8%		
Proceeds of Long-Term Debt	1,131,362	0	0	0	0.0%	N/A	0	0	N/A	91.7%	91.7%	N/A	91.7%	91.7%	0	N/A		
Operating Transfers-In	24,000	18,000	1,024,017	0	75.0%	0.0%	1,024,017	0	0.0%	91.7%	91.7%	0.0%	91.7%	91.7%	(938,682)	-91.7%		
Total Other Financing Sources	1,155,362	18,000	1,024,017	0	1.6%	0.0%	1,024,017	0	0.0%	91.7%	91.7%	0.0%	91.7%	91.7%	(938,682)	-91.7%		
TOTALS	\$8,778,911	\$6,973,303	\$9,007,411	\$6,964,527	79.4%	77.3%	\$9,007,411	\$6,964,527	77.3%	91.7%	91.7%	77.3%	91.7%	91.7%	(\$1,292,266)	-14.4%		

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

**City of Chehalis
Comparative Financial Reports
November 2011 and 2012**

GENERAL FUND (#001) EXPENDITURES	A November 2011		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'd	Expected	% Exp'd	Expected	Variance	%	Variance
City Council	\$101,063	\$90,074	\$100,319	\$82,948	89.1%	92.7%	\$100,319	\$82,948	82.7%	91.7%	(\$989)	91.7%	28,251	91.7%	28,251	(\$989)	-1.0%	(\$989)
Municipal Court	334,798	284,537	348,378	291,096	85.0%	83.6%	348,378	291,096	83.6%	91.7%	609	91.7%	609	91.7%	609	609	8.1%	609
City Manager	323,204	298,384	338,840	309,994	92.3%	91.5%	338,840	309,994	91.5%	91.7%	6,958	91.7%	6,958	91.7%	6,958	6,958	2.2%	6,958
Finance	317,680	284,143	325,177	291,121	89.4%	89.5%	325,177	291,121	89.5%	91.7%	(678)	91.7%	(678)	91.7%	(678)	(678)	-0.7%	(678)
City Clerk	91,305	81,842	94,231	87,056	89.6%	92.4%	94,231	87,056	92.4%	91.7%	961,188	91.7%	961,188	91.7%	961,188	961,188	68.0%	961,188
Non-Departmental	1,542,687	254,410	1,414,721	335,640	16.5%	23.7%	1,414,721	335,640	23.7%	91.7%	4,374	91.7%	4,374	91.7%	4,374	4,374	3.4%	4,374
Human Resources	130,530	133,675	129,020	113,894	102.4%	88.3%	129,020	113,894	88.3%	91.7%	32,882	91.7%	32,882	91.7%	32,882	32,882	1.4%	32,882
Police	2,269,433	1,986,354	2,348,788	2,120,174	87.5%	90.3%	2,348,788	2,120,174	90.3%	91.7%	68,949	91.7%	68,949	91.7%	68,949	68,949	4.0%	68,949
Fire	1,766,840	1,556,401	1,729,924	1,516,815	88.1%	87.7%	1,729,924	1,516,815	87.7%	91.7%	340,966	91.7%	340,966	91.7%	340,966	340,966	38.3%	340,966
Public Works - Streets	464,160	401,827	891,029	475,811	86.6%	53.4%	891,029	475,811	53.4%	91.7%	8,732	91.7%	8,732	91.7%	8,732	8,732	7.9%	8,732
Public Works - Engineering	138,813	105,315	111,017	93,034	75.9%	83.8%	111,017	93,034	83.8%	91.7%	(72,236)	91.7%	(72,236)	91.7%	(72,236)	(72,236)	-6.1%	(72,236)
Community Development	1,218,672	1,102,993	1,177,982	1,152,053	90.5%	97.8%	1,177,982	1,152,053	97.8%	91.7%	1,379,005	91.7%	1,379,005	91.7%	1,379,005	1,379,005	15.3%	1,379,005
TOTALS	8,699,185	6,579,955	9,009,426	6,879,636	75.6%	76.4%	9,009,426	6,879,636	76.4%	91.7%	\$84,891	91.7%	\$84,891	91.7%	\$84,891	\$84,891	0.9%	\$84,891
Net Budget/Income/Variance:	\$79,726	\$393,348	(\$2,015)	\$84,891			(\$2,015)	\$84,891			\$86,738		\$86,738		\$86,738	\$86,738	0.9%	\$86,738

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^To calculate the dollar variance between expected and actual expenditures, the following formula is used:

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

(1) WSDOT and TIB-funded street projects are pending.

(2) Operating transfers are dependent upon FEMA elevation activity. Transfers will be made out of Non-Departmental, as necessary, to provide adequate cash-flow for the project. These funds will be transferred back to the General Fund from the Federal and State Grant Fund when not required.

**City of Chehalis
Comparative Financial Reports
November 2011 and 2012**

WASTEWATER FUND (#404) REVENUES	A November 2011		B		C=B/A		D		E		F=E/D		G		H [^]		I=F-G	
	Budget	Actual	Budget	Actual	% Rec'd.	Budget	Actual	% Rec'd.	% Exp'd	Expected % Rec'd*	Expected % Exp*	Var'nc Expected	Var'nc Expected	%	Variance			
Wastewater Fees	\$3,338,552	\$3,060,853			91.7%	\$3,404,344	\$3,131,720	92.0%	91.7%	91.7%	\$11,071	0.3%	\$11,071	0.3%				
Sewer Connection/Misc. Fees	35,000	48,539			138.7%	25,000	26,623	106.5%	91.7%	91.7%	3,706	14.8%	3,706	14.8%				
Rentals	3,750	3,750			100.0%	3,750	3,323	88.6%	91.7%	91.7%	(115)	-3.1%	(115)	-3.1%				
Misc. Revenues/Insurance	2,500	18,697			747.9%	22,000	25,886	117.7%	91.7%	91.7%	5,719	26.0%	5,719	26.0%				
Intergovernmental Revenues	0	0			N/A	0	1,025	N/A	91.7%	91.7%	1,025	N/A	1,025	N/A				
Interfund Principal Repayment	565,681	0			0.0%	0	0	N/A	91.7%	91.7%	0	N/A	0	N/A				
Interfund Loan Received	0	0			N/A	1,200,000	250,000	20.8%	91.7%	91.7%	(850,000)	-70.9%	(850,000)	-70.9%	(1)			
Interest Earnings	16,000	16,696			104.4%	4,655	0	0.0%	91.7%	91.7%	(4,267)	-91.7%	(4,267)	-91.7%				
Totals:	\$3,961,483	\$3,148,535			79.5%	\$4,659,749	\$3,438,577	73.8%	91.7%	91.7%	(\$832,860)	-17.9%	(\$832,860)	-17.9%				

WASTEWATER FUND (#404) EXPENSES	A November 2011		B		C=B/A		D		E		F=E/D		G		H [^]		I=G-F	
	Budget	Actual	Budget	Actual	% Exp'd	Budget	Actual	% Exp'd	Expected % Exp*	Expected % Exp*	Var'nc Expected	Var'nc Expected	%	Variance				
Operating Expenses	\$2,427,364	\$2,182,192			89.9%	\$2,533,710	\$2,256,111	89.0%	91.7%	91.7%	\$66,457	2.7%	\$66,457	2.7%				
Capital Outlay	290,000	109,077			37.6%	650,000	255,554	39.3%	91.7%	91.7%	340,279	52.4%	340,279	52.4%	(2)			
Debt Principal	1,685,894	1,001,121			59.4%	1,694,944	975,375	57.5%	91.7%	91.7%	578,324	34.2%	578,324	34.2%	(3)			
Interest Expense	50,166	48,486			96.7%	40,660	39,103	96.2%	91.7%	91.7%	(1,831)	-4.5%	(1,831)	-4.5%				
Totals:	4,453,424	3,340,876			75.0%	4,919,314	3,526,143	71.7%	91.7%	91.7%	983,228	20.0%	983,228	20.0%				

Net Budget/Income/Variance: (\$491,941) (\$192,341) (\$87,566)

Key:

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^To calculate the dollar variance between expected and actual expenditures, the following formula is used:

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

(1) Interfund loan "revenues" are budgeted at \$1,200,000 for 2012. However, the City Council has only approved a loan of \$250,000, so far.
(See Ordinance 897-B.)

(2) Capital expenditures are not made evenly throughout the year.

(3) Debt is not paid evenly throughout the year.

**City of Chehalis
Comparative Financial Reports
November 2011 and 2012**

WATER FUND (#405) REVENUES	A November 2011		B		C=B/A		D		E		F=E/D		G		H [^]		I=F-G		
	Budget	Actual	Budget	Actual	% Rec'd	Budget	Actual	% Rec'd	Budget	Actual	% Rec'd	% Rec'd	Expected	% Rec'd	Expected	% Variance	Expected	% Variance	
Water Sales	\$2,541,852	\$2,299,364	26,000	60,220	90.5%	\$2,456,633	\$2,371,442	96.5%	20,000	44,246	221.2%	91.7%	\$119,528	91.7%	25,913	4.8%	1,961	129.5%	N/A
Water Connection/Misc. Fees	14,520	14,520	0	0	231.6%	0	0	N/A	0	1,961	N/A	91.7%	0	91.7%	0	N/A	0	N/A	N/A
Intergovernmental Revenues	565,681	0	0	0	100.0%	0	0	N/A	0	0	N/A	91.7%	0	91.7%	0	N/A	0	N/A	N/A
Interest Earnings	16,000	8,144	1,399	0	50.9%	10,000	11,205	112.1%	10,000	11,205	112.1%	91.7%	2,038	91.7%	152,555	6.1%	2,038	20.4%	6.1%
Totals:	\$3,164,053	\$2,383,647	\$2,486,633	\$2,431,969	75.3%	\$2,486,633	\$2,431,969	97.8%	\$2,486,633	\$2,431,969	97.8%	91.7%	\$152,555	91.7%	\$152,555	6.1%	2,038	20.4%	6.1%

WATER FUND (#405) EXPENSES	A November 2011		B		C=B/A		D		E		F=E/D		G		H [^]		I=G-F		
	Budget	Actual	Budget	Actual	% Exp'd	Budget	Actual	% Exp'd	Budget	Actual	% Exp'd	% Exp'd	Expected	% Exp'd	Expected	% Variance	Expected	% Variance	
Operating Expenses	1,940,075	1,661,604	320,768	216,555	85.6%	1,902,438	1,618,543	85.1%	790,000	429,342	54.3%	91.7%	125,359	91.7%	294,825	37.4%	850,000	70.9%	(1)
Capital Outlay	0	0	0	0	N/A	1,200,000	250,000	20.8%	130,077	130,077	100.0%	91.7%	(10,840)	91.7%	(2,011)	-8.3%	(2,011)	-8.3%	(2)
Interest Expense	26,496	26,496	2,033,732	2,033,732	84.2%	4,046,646	2,452,093	60.6%	4,046,646	2,452,093	60.6%	91.7%	1,257,333	91.7%	1,257,333	31.1%	1,257,333	31.1%	
Totals:	2,416,416	2,033,732	2,033,732	2,033,732	84.2%	4,046,646	2,452,093	60.6%	4,046,646	2,452,093	60.6%	91.7%	1,257,333	91.7%	1,257,333	31.1%	1,257,333	31.1%	31.1%

Net Budget/Income/Variance: \$747,637 \$349,915
(\$1,560,013) (\$20,124)

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

- (1) Capital expenditures are not made evenly throughout the year.
- (2) Interfund loan "expenditures" are budgeted at \$1,200,000 for 2012. However, the City Council has only approved a loan of \$250,000, so far.
(See Ordinance 897-B.)

City of Chehalis
Comparative Financial Reports
November 2011 and 2012

STORM FUND (#406) REVENUES	A November 2011		B		C=B/A		D		E		F=E/D		G		H [^]		I=F-G	
	Budget	Actual	Budget	Actual	% Rec'd	Budget	Actual	% Rec'd	Budget	Actual	% Rec'd	% Exp	Expected	Variance	Expected	Variance	% Variance	
Storm & Surface Water Fees	\$401,500	\$371,535	\$407,780	\$374,393	92.5%	\$407,780	\$374,393	91.8%	\$407,780	\$374,393	91.7%	91.7%	\$595	0.1%	\$595	0.1%	0.1%	
Storm Connection/Misc. Fees	10,000	489	5,477	5,477	4.9%	5,477	5,477	100.0%	5,477	5,477	100.0%	91.7%	456	8.3%	456	8.3%	8.3%	
Interest Earnings	500	245	500	0	49.0%	500	0	0.0%	500	0	0.0%	91.7%	(458)	-91.7%	(458)	-91.7%	-91.7%	
Misc. Revenues/Insurance	0	398	0	7,322	N/A	0	7,322	N/A	0	7,322	N/A	91.7%	7,322	N/A	7,322	N/A	N/A	
Totals:	\$412,000	\$372,667	\$413,757	\$387,192	90.5%	\$413,757	\$387,192	93.6%	\$413,757	\$387,192	91.7%	91.7%	\$7,915	1.9%	\$7,915	1.9%	1.9%	

STORM FUND (#406) EXPENSES	A November 2011		B		C=B/A		D		E		F=E/D		G		H [^]		I=G-F	
	Budget	Actual	Budget	Actual	% Exp'd	Budget	Actual	% Exp'd	Budget	Actual	% Exp'd	% Exp	Expected	Variance	Expected	Variance	% Variance	
Operating Expenses	\$363,139	\$287,041	\$359,853	\$297,378	79.0%	\$359,853	\$297,378	82.6%	\$359,853	\$297,378	82.6%	91.7%	\$32,487	9.1%	\$32,487	9.1%	9.1%	
Capital Outlay	0	0	56,416	24,865	N/A	56,416	24,865	44.1%	56,416	24,865	44.1%	91.7%	26,850	47.6%	26,850	47.6%	47.6%	
Totals:	363,139	287,041	416,269	322,243	79.0%	416,269	322,243	77.4%	416,269	322,243	77.4%	91.7%	59,337	14.3%	59,337	14.3%	14.3%	

Net Budget/Income/Variance: \$48,861 \$85,626 (\$2,512) \$64,949 \$67,252 16.2%

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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

To: The Honorable Mayor and Council
 Via: Merlin MacReynold, City Manager
 From: Eva K. Lindgren, Finance Manager
 Date: January 23, 2013
 Subject: Monthly Financial Reports for December

City of Chehalis
 Comparative Financial Reports
 December 2011 and 2012
 PRELIMINARY 2012 DATA

GENERAL FUND (#001) REVENUES	A December 2011		B Actual		C=B/A		D December 2012		E Actual		F=E/D		G Expected		H^ Variance		I=F-G	
	Budget	Actual	% Recd	Budget	Actual	% Recd	Budget	Actual	% Recd	Budget	Actual	% Recd	% Recd	Expected	Variance	% Variance		
General Property Taxes	\$1,219,000	\$1,193,144	97.9%	\$1,235,000	\$1,205,359	97.6%	\$1,235,000	\$1,205,359	97.6%	\$1,235,000	\$1,205,359	97.6%	100.0%	(\$29,641)	-2.4%			
EMS Property Taxes	233,000	228,407	98.0%	236,000	230,646	97.7%	236,000	230,646	97.7%	236,000	230,646	97.7%	100.0%	(5,354)	-2.3%			
Sales & Use Tax	3,000,000	3,049,029	101.6%	3,000,000	3,076,277	102.5%	3,000,000	3,076,277	102.5%	3,000,000	3,076,277	102.5%	100.0%	76,277	2.5%			
Electricity Tax	375,000	387,293	103.3%	423,840	423,839	100.0%	423,840	423,839	100.0%	423,840	423,839	100.0%	100.0%	(1)	0.0%			
Gas/Natural Gas Tax	253,000	231,496	91.5%	250,000	217,782	87.1%	250,000	217,782	87.1%	250,000	217,782	87.1%	100.0%	(32,218)	-12.9%			
Criminal Justice Tax	92,000	90,477	98.3%	88,000	88,732	100.8%	88,000	88,732	100.8%	88,000	88,732	100.8%	100.0%	732	0.8%			
Interfund Water/Sewer Tax	350,000	328,722	93.9%	340,000	331,803	97.6%	340,000	331,803	97.6%	340,000	331,803	97.6%	100.0%	(8,197)	-2.4%			
Garbage Tax	65,000	58,453	89.9%	62,000	57,418	92.6%	62,000	57,418	92.6%	62,000	57,418	92.6%	100.0%	(4,582)	-7.4%			
Cable Tax	80,000	90,650	113.3%	92,000	91,913	99.9%	92,000	91,913	99.9%	92,000	91,913	99.9%	100.0%	(87)	-0.1%			
Telephone Tax	335,000	311,167	92.9%	325,000	323,956	99.7%	325,000	323,956	99.7%	325,000	323,956	99.7%	100.0%	(1,044)	-0.3%			
Leasehold Excise Tax	35,000	35,590	101.7%	35,000	36,614	104.6%	35,000	36,614	104.6%	35,000	36,614	104.6%	100.0%	1,614	4.6%			
Other Taxes	0	70	N/A	30	80	266.7%	30	80	266.7%	30	80	266.7%	100.0%	50	166.7%			
Total Tax Revenues	6,037,000	6,004,498	99.5%	6,086,870	6,084,419	100.0%	6,086,870	6,084,419	100.0%	6,086,870	6,084,419	100.0%	100.0%	(2,451)	0.0%			
Licenses & Permits	120,200	79,618	66.2%	52,630	50,449	95.9%	52,630	50,449	95.9%	52,630	50,449	95.9%	100.0%	(2,181)	-4.1%			
Intergov't Grants/Entitlements	337,414	300,383	89.0%	404,918	319,468	78.9%	404,918	319,468	78.9%	404,918	319,468	78.9%	100.0%	(85,450)	-21.1%			
Charges for Goods and Svcs.	779,094	762,670	97.9%	793,725	787,108	99.2%	793,725	787,108	99.2%	793,725	787,108	99.2%	100.0%	(6,617)	-0.8%			
Fines and Forfeitures	147,824	152,793	103.4%	162,080	153,855	94.9%	162,080	153,855	94.9%	162,080	153,855	94.9%	100.0%	(8,225)	-5.1%			
Interest Earnings	18,800	9,727	51.7%	12,546	10,468	83.4%	12,546	10,468	83.4%	12,546	10,468	83.4%	100.0%	(2,078)	-16.6%			
Rents & Royalties	64,200	69,854	108.8%	71,422	63,481	88.9%	71,422	63,481	88.9%	71,422	63,481	88.9%	100.0%	(7,941)	-11.1%			
Donations/Contributions	123,099	121,298	98.5%	80,361	77,720	96.7%	80,361	77,720	96.7%	80,361	77,720	96.7%	100.0%	(2,641)	-3.3%			
Misc. Revenue/Insurance	52,914	54,082	102.2%	7,798	13,260	170.0%	7,798	13,260	170.0%	7,798	13,260	170.0%	100.0%	5,462	70.0%			
Non-Revenues	5,500	3,914	71.2%	4,866	4,179	85.9%	4,866	4,179	85.9%	4,866	4,179	85.9%	100.0%	(687)	-14.1%			
Total Non-Tax Revenues	1,649,045	1,554,339	94.3%	1,590,346	1,479,988	93.1%	1,590,346	1,479,988	93.1%	1,590,346	1,479,988	93.1%	100.0%	(110,358)	-6.9%			
Proceeds of Long-Term Debt	1,131,362	1,131,362	100.0%	0	0	N/A	0	0	N/A	0	0	N/A	100.0%	0	N/A			
Operating Transfers-In	18,000	18,000	100.0%	74,017	0	0.0%	74,017	0	0.0%	74,017	0	0.0%	100.0%	(74,017)	-100.0%			
Total Other Financing Sources	1,149,362	1,149,362	100.0%	74,017	0	0.0%	74,017	0	0.0%	74,017	0	0.0%	100.0%	(74,017)	-100.0%			
TOTALS	\$8,835,407	\$8,708,199	98.6%	\$7,751,233	\$7,564,407	97.6%	\$7,751,233	\$7,564,407	97.6%	\$7,751,233	\$7,564,407	97.6%	100.0%	(\$186,826)	-2.4%			

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

City of Chehalis
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GENERAL FUND (#001) EXPENDITURES	A December 2011		B		C=B/A		D		E		F=E/D		G		H [^]		I=G-F			
	Budget	Actual	Budget	Actual	% Expd	Budget	Actual	December 2012	% Expd	% Exp [*]	Expected	Variance	Expected	% Variance						
City Council	\$98,313	\$98,276	\$98,319	\$96,813	100.0%	\$98,319	\$96,813	98.5%	100.0%	\$1,506	1.5%	\$1,506	1.5%							
Municipal Court	337,548	327,525	348,378	328,711	97.0%	348,378	328,711	94.4%	100.0%	19,667	5.6%	19,667	5.6%							
City Manager	328,706	325,853	341,340	335,439	99.1%	341,340	335,439	98.3%	100.0%	5,901	1.7%	5,901	1.7%							
Finance	317,680	311,793	322,719	317,540	98.1%	322,719	317,540	98.4%	100.0%	5,179	1.6%	5,179	1.6%							
City Clerk	91,305	89,685	94,231	93,247	98.2%	94,231	93,247	99.0%	100.0%	984	1.0%	984	1.0%							
Non-Departmental	1,490,887	1,451,064	447,420	381,346	97.3%	447,420	381,346	85.2%	100.0%	66,074	14.8%	66,074	14.8%							
Human Resources	153,030	149,190	130,020	127,448	97.5%	130,020	127,448	98.0%	100.0%	2,572	2.0%	2,572	2.0%							
Police	2,269,433	2,211,850	2,361,475	2,343,937	97.5%	2,361,475	2,343,937	99.3%	100.0%	17,538	0.7%	17,538	0.7%							
Fire	1,808,836	1,769,502	1,687,281	1,649,289	97.8%	1,687,281	1,649,289	97.7%	100.0%	37,992	2.3%	37,992	2.3%							
Public Works - Streets	464,160	439,428	577,175	540,496	94.7%	577,175	540,496	93.6%	100.0%	36,679	6.4%	36,679	6.4%							
Public Works - Engineering	126,628	122,961	108,617	104,944	97.1%	108,617	104,944	96.6%	100.0%	3,673	3.4%	3,673	3.4%							
Community Development	1,226,672	1,198,075	1,253,861	1,248,614	97.7%	1,253,861	1,248,614	99.6%	100.0%	5,247	0.4%	5,247	0.4%							
TOTALS	8,713,198	8,495,202	7,770,836	7,567,824	97.5%	7,770,836	7,567,824	97.4%	100.0%	203,012	2.6%	203,012	2.6%							
Net Budget/Income/Variance:															\$122,209	\$212,997	(\$19,603)	(\$3,417)	\$16,186	0.2%

Key:

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

City of Chehalis
 Comparative Financial Reports
 December 2011 and 2012
 PRELIMINARY 2012 DATA

	A December 2011		B		C=B/A		D		E		F=E/D		G		H [^]		I=F-G	
	Budget	Actual	Budget	Actual	%	Rec'd	Budget	Actual	December 2012	Actual	%	Rec'd	Expected	%	Expected	Varnc [^] frm	Expected	Variance
WASTEWATER FUND (#404)																		
Intergovernmental Revenues	\$0	\$0	N/A				\$0	\$1,025	N/A				100.0%	100.0%	1,025	N/A		
Wastewater Fees	3,338,552	3,417,047	102.4%				3,404,344	3,403,683	100.0%				100.0%	100.0%	(661)	0.0%		
Sewer Connection/Misc. Fees	35,000	48,539	138.7%				25,000	26,623	106.5%				100.0%	100.0%	1,623	6.5%		
Rentals	3,750	3,750	100.0%				3,750	3,323	88.6%				100.0%	100.0%	(427)	-11.4%		
Misc. Revenues/Insurance	2,500	21,037	841.5%				22,000	25,886	117.7%				100.0%	100.0%	3,886	17.7%		
Interfund Principal Repayment	565,681	565,681	100.0%				0	0	N/A				100.0%	100.0%	0	N/A		
Interfund Loan Received	16,000	13,902	86.9%				250,000	250,000	100.0%				100.0%	100.0%	0	0.0%		
Interest Earnings	\$3,961,483	\$4,069,956	102.7%				4,655	0	0.0%				100.0%	100.0%	(4,655)	-100.0%		
Totals:							\$3,709,749	\$3,710,540	100.0%				100.0%	100.0%	\$791	0.0%		

	A December 2011		B		C=B/A		D		E		F=E/D		G		H [^]		I=G-F	
	Budget	Actual	Budget	Actual	%	Exp'd	Budget	Actual	December 2012	Actual	%	Exp'd	Expected	%	Expected	Varnc [^] frm	Expected	Variance
WASTEWATER FUND (#404)																		
Operating Expenses	\$2,427,364	\$2,412,604	99.4%				\$2,533,710	\$2,498,207	98.6%				100.0%	100.0%	\$35,503	1.4%		
Capital Outlay	115,000	113,142	98.4%				650,000	282,656	43.5%				100.0%	100.0%	367,344	56.5%		
Debt Principal	1,685,894	1,685,894	100.0%				1,694,944	1,694,943	100.0%				100.0%	100.0%	1	0.0%		
Interest Expense	50,166	50,165	100.0%				40,660	40,659	100.0%				100.0%	100.0%	1	0.0%		
Totals:	4,278,424	4,261,805	99.6%				4,919,314	4,516,465	91.8%				100.0%	100.0%	402,849	8.2%		

Net Budget/Income/Variance: (\$316,941) (\$191,849) (\$1,209,565) (\$805,925) \$403,640 8.2%

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

(1) Deferred capital expenditures.

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WATER FUND (#405) REVENUES	A December 2011		B		C=B/A		D		E		F=E/D		G		H [^]		I=F-G	
	Budget	Actual	Budget	Actual	% Rec'd	Budget	Actual	Budget	Actual	% Rec'd	Expected	% Exp'd	Expected	% Exp'd	Expected	Variance	Expected	Variance
Intergovernmental Revenues	\$14,520	\$14,520			N/A	\$0	\$1,961			N/A	100.0%	100.0%	\$1,961	100.0%	\$1,961	N/A		N/A
Water Sales	2,490,099	2,467,870	2,556,633	2,495,206	99.1%	2,556,633	2,495,206	44,000	44,248	97.6%	100.0%	100.0%	(61,427)	100.0%	(61,427)	-2.4%		-2.4%
Water Connection/Misc. Fees	26,000	66,240	44,000	66,240	254.8%	44,000	44,248	0	0	100.6%	100.0%	100.0%	246	100.0%	246	0.6%		0.6%
Interfund Principal Repayment	565,681	565,681			100.0%	0	0			N/A	100.0%	100.0%	0	100.0%	0	N/A		N/A
Misc. Revenues/Insurance	0	8,231			N/A	0	3,287			N/A	100.0%	100.0%	3,287	100.0%	3,287	N/A		N/A
Interest Earnings	16,000	10,461	10,000	13,176	65.4%	10,000	13,176			131.8%	100.0%	100.0%	3,176	100.0%	3,176	31.8%		31.8%
Totals:	\$3,112,300	\$3,133,003	\$2,610,633	\$2,557,876	100.7%	\$2,610,633	\$2,557,876			98.0%	100.0%	100.0%	(\$52,757)	100.0%	(\$52,757)	-2.0%		-2.0%

WATER FUND (#405) EXPENSES	A December 2011		B		C=B/A		D		E		F=E/D		G		H [^]		I=G-F	
	Budget	Actual	Budget	Actual	% Exp'd	Budget	Actual	Budget	Actual	% Exp'd	Expected	% Exp'd	Expected	% Exp'd	Expected	Variance	Expected	Variance
Operating Expenses	1,940,075	1,867,560	1,902,438	1,813,859	96.3%	1,902,438	1,813,859			95.3%	100.0%	100.0%	88,579	100.0%	88,579	4.7%		4.7%
Capital Outlay	320,768	321,044	790,000	453,943	100.1%	790,000	453,943			57.5%	100.0%	100.0%	336,057	100.0%	336,057	42.5%		42.5%
Interfund Loan Disbursed	0	0	250,000	250,000	N/A	250,000	250,000			100.0%	100.0%	100.0%	0	100.0%	0	0.0%		0.0%
Debt Principal	129,077	129,077	130,077	130,077	100.0%	130,077	130,077			100.0%	100.0%	100.0%	0	100.0%	0	0.0%		0.0%
Interest Expense	26,496	26,496	24,131	24,131	100.0%	24,131	24,131			100.0%	100.0%	100.0%	0	100.0%	0	0.0%		0.0%
Totals:	2,416,416	2,344,177	3,096,646	2,672,010	97.0%	3,096,646	2,672,010			86.3%	100.0%	100.0%	424,636	100.0%	424,636	13.7%		13.7%

Net Budget/Income/Variance: \$695,884 \$788,826
(\$486,013) (\$114,134)

Key:

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

(1) Deferred capital expenditures.

City of Chehalis
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STORM FUND (#406) REVENUES	A December 2011		C=B/A %	D December 2012	E December 2012		F=E/D %	G Expected % Rec'd*	H^ Variance Expected	I=F-G %
	Budget	Actual			Budget	Actual				
Storm & Surface Water Fees	\$401,500	\$413,370	103.0%	\$407,780	\$409,387	100.4%	100.0%	\$1,607	0.4%	
Storm Connection/Misc. Fees	10,000	489	4.9%	5,477	5,477	100.0%	100.0%	0	0.0%	
Interest Earnings	500	507	101.4%	500	0	0.0%	100.0%	(500)	-100.0%	
Misc. Revenues/Insurance	0	498	N/A	0	7,322	N/A	100.0%	7,322	N/A	
Totals:	\$412,000	\$414,864	100.7%	\$413,757	\$422,186	102.0%	100.0%	\$8,429	2.0%	

STORM FUND (#406) EXPENSES	A December 2011		C=B/A %	D December 2012	E December 2012		F=E/D %	G Expected % Exp*	H^ Variance Expected	I=G-F %
	Budget	Actual			Budget	Actual				
Operating Expenses	\$333,139	\$317,085	95.2%	\$359,853	\$347,409	96.5%	100.0%	\$12,444	3.5%	
Capital Outlay	0	0	N/A	56,416	24,865	44.1%	100.0%	31,551	55.9%	
Totals:	333,139	317,085	95.2%	416,269	372,274	89.4%	100.0%	43,995	10.6%	

Net Budget/Income/Variance: \$78,861 \$97,779 (\$2,512) \$49,912 \$52,424 12.6%

Key:

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RECOMMENDATION/COUNCIL ACTION DESIRED

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

Reviewed by  City Manager

**City of Chehalis
Sales & Use Tax Revenue**

	Month-by-Month Comparisons								
	2006	2007	2008	2009	2010	2011	2012	% Chg.	Key
January	264,552.49	303,003.96	338,775.84	311,681.25	242,158.24	255,550.11	239,905.57	-6.1%	1
February	388,722.09	370,242.18	325,708.20	326,987.75	296,867.87	288,322.28	293,448.86	1.8%	
March	254,068.00	275,769.04	352,594.58	247,974.49	269,687.71	209,202.31	201,418.97	-3.7%	
April	246,106.89	262,854.70	323,886.70	245,182.86	223,636.27	211,769.41	229,146.29	8.2%	2
May	350,778.11	309,705.17	366,700.91	255,481.63	246,998.74	269,316.42	250,189.48	-7.1%	3
June	287,446.83	288,762.68	340,751.01	266,335.35	228,867.63	253,348.87	253,817.94	0.2%	
July	318,763.36	280,090.89	352,426.34	270,324.94	239,316.92	235,882.93	251,676.19	6.7%	
August	331,608.32	367,841.64	416,021.47	276,851.50	268,052.83	264,592.08	264,996.44	0.2%	
September	304,839.70	331,262.66	327,171.53	250,448.70	246,365.20	320,998.49	276,271.10	-13.9%	4
October	327,097.48	353,302.89	305,787.51	345,695.15	260,630.19	245,472.95	283,408.61	15.5%	5
November	303,346.25	352,562.39	373,132.35	257,314.61	251,801.70	261,382.66	273,852.79	4.8%	5
December	322,768.97	314,120.78	194,375.82	234,399.17	241,368.04	233,191.67	258,144.76	10.7%	5
Inter-year adj.	-16,143.47								
Totals	3,683,955.02	3,809,518.98	4,017,332.26	3,288,677.40	3,015,751.34	3,049,030.18	3,076,277.00	0.9%	
As of 12/XX:	3,700,098.49	3,809,518.98	4,017,332.26	3,288,677.40	3,015,751.34	3,049,030.18	3,076,277.00	0.9%	
As of 4th Qtr.:	3,700,098.49	3,809,518.98	4,017,332.26	3,288,677.40	3,015,751.34	3,049,030.18	3,076,277.00	0.9%	

Key:

- 1 In 2011, taxes relating to "Health Care Social Assistance" category were over-stated. This year they were not, and most of the variance is attributable to this.
- 2 Net increase appears to primarily be the result of stable or increased revenues for many existing businesses and sales being reported for businesses which only generate sales sporadically. Did not note any significant audit adjustments during review.
- 3 For May 2011, \$16,860 in sales and use tax revenues were attributable to the tax amnesty program in effect at the time. The tax amnesty program was not in effect during 2012; the program stopped accepting payments after April 2011.
- 4 In 2011, over \$68,000 in use taxes came from one business which makes very large purchases once or twice per year. Without those taxes in 2011, total sales and use taxes for the period would have been reduced to \$252,689.
- 5 Increases attributable primarily to construction and retail sales.

**CITY OF CHEHALIS
AGENDA REPORT**

TO: The Honorable Mayor and City Council
FROM: Eva K. Lindgren, Finance Manager
DATE: January 23, 2013
SUBJECT: Annual G.O. Bond Compliance Update Follow Up

ISSUE

With the Issuance of the City of Chehalis' Limited Tax General Obligation Bonds, 2011, the City agreed to adhere to federal regulations and its own Debt Management and Post-Issuance Compliance (DMPI) Policy. The City Council has tasked the Administration with providing annual reporting, at a minimum, on its compliance with federal requirements relating to bond issuances.

Below is the section from the City's DMPI Policy which addresses post-issuance compliance relating to reporting. The City is required to submit financial information annually. This was done and reported on to the City Council in September 2012. Unaudited financial information is acceptable. However, upon issuance of audited financials, those must also be uploaded to the Municipal Securities Rulemaking Board (MSRB) via the Electronic Municipal Market Access (EMMA) system. The City of Chehalis' audited financials were issued by the State Auditor's Office in late December 2012.

DISCUSSION

IV. POST-ISSUANCE COMPLIANCE FOR TAX-EXEMPT BONDS

...
3. Compliance Check Activities and Frequency. As the officer of the City with the operational responsibility of monitoring compliance with post-issuance federal tax requirements for the bonds, the Finance Manager shall, at least every 12 months so long as the bonds remain outstanding: ...

(c) confirm the City's compliance with its undertaking to provide bondholders with annual financial information and timely notice of the occurrence of certain events, as set forth in the ordinance authorizing the issuance of the bonds.

Since the City operates on a calendar year, it is required to file its annual financial information by September 30th - nine months after year-end. The City submitted its unaudited financial statements and other required financial disclosures on September 18, 2012 to the MSRB via the EMMA system. Confirmation of successful submission is attached. The Finance Manager maintains a file on the City's registration with the MSRB and documentation showing actual submissions and confirmation of successful submissions.

Once the City's audited financials are available, the City is required to submit them to the MSRB, as well. As noted, the audited financials were issued in late December 2012 and uploaded to the MSRB via the EMMA system, in early January 2013. Evidence of successful submittal is attached.

The Administration will be available to respond to any questions the City Council may have.

RECOMMENDATION / COUNCIL ACTION DESIRED

Informational only.

SUGGESTED MOTION

None required.

Reviewed by:  _____, City Manager

Eva Lindgren

From: EMMANotifications@msrb.org
Sent: Thursday, January 03, 2013 12:20 PM
To: Eva Lindgren
Subject: Published Submission Confirmation

Your Continuing Disclosure Submission has been published.

SubmissionId: ER529963

Disclosure Type: FINANCIAL/OPERATING FILING Audited Financial Statements or CAFR (Rule 15c2-12): Audited Financial Statements for the year ended 12/31/2011

Document Name: Financial Operating Filing dated 01/03/2013
2011 Chehalis Financial Reports.pdf posted 01/03/2013 3:12:12 PM

The following Issuers are associated with this Continuing Disclosure Submission:

CUSIP6	State	Issuer Name
163087	WA	CHEHALIS WASH

The following 5 Securities have been published with this Continuing Disclosure Submission:

Security: CUSIP - 163087AA7, Maturity Date - 12/01/2014
Security: CUSIP - 163087AB5, Maturity Date - 12/01/2017
Security: CUSIP - 163087AC3, Maturity Date - 12/01/2021
Security: CUSIP - 163087AD1, Maturity Date - 12/01/2024
Security: CUSIP - 163087AE9, Maturity Date - 12/01/2026

Please follow the link to view this submission:

<http://emma.msrb.org/ContinuingDisclosureView/ContinuingDisclosureDetails.aspx?submissionId=ER529963>

Please follow the link to make changes to this submission:


<http://dataport.emma.msrb.org/Submission/ContinuingDisclosureTypeSelect.aspx?sid=ER529963>

PLEASE DO NOT REPLY. This is a system-generated e-mail. If you need assistance please contact the MSRB at 703-797-6668 or you may obtain more information at www.msrb.org.

**CITY OF CHEHALIS
AGENDA REPORT**

DATE: January 16, 2013

TO: The Honorable Mayor and City Council

FROM: Merlin MacReynold, City Manager 

SUBJECT: Resolution No. 03-2013 – Regarding Potential Services Changes and Cost Savings Through Collaboration and Partnering of Cities and County Services and Internal Support Functions

ISSUE

Due to significant reductions in local governmental revenues in Lewis County over the last five years, the Cities (Chehalis and Centralia) and Lewis County are proposing to take steps to review potential service changes and cost savings through collaboration.

DISCUSSION

Recently, representatives from Chehalis and Centralia and the Lewis County Commissioners Office met to discuss the current economic situation in Lewis County. The economic market adjustment provides no foreseeable change for local governments in Lewis County as we struggle with high unemployment, continued reductions in governmental revenues, and increased operational costs.

While Lewis County and the cities within Lewis County each provide some services and conduct some internal support functions that are similar in nature, there may exist possibilities to provide services at a lower cost by reducing duplication of some services.

The Lewis County Commission and City Council's in the cities of Lewis County are encouraged to consider and adopt a similar resolution and pursue a collaborative cities-county review of potential cost savings to our citizens, through partnering of cities and county services and internal support functions. The resolution contains an outline of recommended steps and a timeframe in which to complete the review process that would be implemented in 2014.

RECOMMENDATION/COUNCIL ACTION DESIRED

The administration recommends that the council adopt Resolution No. 03-2013 on first and final reading.

SUGGESTED MOTION

I move that the council adopt Resolution No. 03-2013 on first and final reading.

RESOLUTION NO. 03-2013

A RESOLUTION REGARDING COLLABORATION WITH LEWIS COUNTY AND THE CITIES WITHIN LEWIS COUNTY AND DIRECTING STEPS TO BE TAKEN TO REVIEW POTENTIAL SERVICE CHANGES AND COST SAVINGS THROUGH COLLABORATION AND PARTNERING OF COUNTY AND CITY SERVICES AND INTERNAL SUPPORT FUNCTIONS

WHEREAS, the economic market adjustment that is currently taking place provides no foreseeable change to the current economy in Lewis County with high unemployment, flat or continued reductions in governmental revenues, and increased operational costs; and

WHEREAS, the Lewis County Board of County Commissioners and the city councils, the mayors and the city managers or administrators and the judiciary of the county and cities have consistently searched for ways in which to provide effective services at lower costs over the past 5 years; and

WHEREAS, Lewis County and the cities within Lewis County each provide some services and conduct some internal support functions that are similar in nature; and

WHEREAS, there may exist possibilities to achieve economies of scale to reduce or eliminate duplication of services in the provision of some services or internal support functions that would allow the county and the cities to provide the same level of services at a lower cost to our citizens; and

WHEREAS, the Lewis County Board of County Commissioners and the city councils within Lewis County are encouraged to consider and adopt this resolution to pursue a collaborative county-cities review of potential cost savings through partnering of county and city services and internal support functions that will provide more effective services for all citizens in Lewis County.

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Chehalis, Washington, in conjunction with Lewis County directs the city manager to participate in the following outlined below:

1. Create a technical committee of city managers or administrators and designated staff to identify the services and programs of the county and the cities.
2. Identify programs and services that will be considered and scheduled for conducting feasibility studies regarding the partnering efforts and service changes of the county and cities in Lewis County in 2013.
3. The technical committee will provide regular reports at the mayors/city manager meetings with the county.
4. A report will be submitted by the technical committee to a joint meeting of the county and the councils no later than September 30, 2013.

ADOPTED by the City Council of the city of Chehalis, Washington, and **APPROVED** by its Mayor, at a regularly scheduled open public meeting thereof this 28th day of January, 2013.

Mayor

Attest:

City Clerk

City Attorney