

**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 August 26, 2013**

5:00 p.m.

ITEM	ADMINISTRATION RECOMMENDATION	PAGE
1. <u>Call to Order.</u> (Mayor)		
2. <u>Pledge of Allegiance.</u> (Mayor)		

<b>CITIZENS BUSINESS</b>		
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.		
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<b>SPECIAL BUSINESS</b>		
3. <u>Interview Applicant for Appointment to the Chehalis Planning Commission.</u> (Mayor, Council)	---	1
4. <u>Update on Chehalis-Centralia Airport Activities.</u> (Airport Manager Allyn Roe)	---	

CONSENT CALENDAR		
5. <u>Minutes of the Regular Meeting of August 12, 2013.</u> (City Clerk)	APPROVE	3
6. <u>Vouchers and Transfers.</u> (Finance Manager)	APPROVE	7

ADMINISTRATION AND CITY COUNCIL REPORTS		
7. <u>Administration Reports.</u>		
a. July financial report. (Finance Manager)	INFORMATION ONLY	9
8. <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, SEPTEMBER 9, 2013**

**CITY OF CHEHALIS  
AGENDA REPORT**

DATE: August 6, 2013  
TO: The Honorable Mayor and City Council  
FROM: Dennis Osborn, Community Development Director  
SUBJECT: Interview Applicant for Appointment to the Chehalis Planning Commission

**ISSUE**

The city currently has two vacancies on the Chehalis Planning Commission. The 4-year term of Arnold Haberstroh expired at the end of 2012 and he does not wish to be reappointed. Adam Holgate, whose term expires at the end of 2013, recently submitted his resignation from the Commission.

**DISCUSSION**

On July 22, the city council interviewed Craig Steepy who wished to be considered for appointment to the Commission. Because there are currently two openings, the city clerk re-advertised to obtain additional applications for consideration. One additional application was received from Charles Pollock and is attached for review.

Appointments to the Commission are made by the mayor and confirmed by the city council. The mayor will need to consider one appointment for the 4-year term, and one appointment to fill the unexpired term of Mr. Holgate through December 31, 2013.

The Chehalis Planning Commission is responsible for reviewing all plats and plans of subdivisions of land within the city or proposed additions, as well as dedications of streets and alleys, and makes recommendations and reports to the council. One of the main responsibilities of the Commission is to review the comprehensive plan for the city and to prepare amendments as needed, or as directed by the city council.

**RECOMMENDATION/COUNCIL ACTION DESIRED**

No action required at this time. Appointments are made by the Mayor and ratified by the council.

**SUGGESTED MOTION**

For interview purposes only.

Reviewed by:  \_\_\_\_\_, City Manager

**City of Chehalis APPLICATION FOR APPOINTMENT**

Date 8-6-13

(The city of Chehalis accepts applications from anyone residing in the city limits of Chehalis, who meet the required criteria for each Board, Commission or Committee. Please see below the corresponding RCW, CMC or Resolution for appointment criteria. For more information contact city clerk at 360-345-1042)

I wish to be considered for appointment to the following board, commission, or committee:

- Airport Board (RCW 14.08)
- Lodging Tax Advisory Committee (Resolution 1-98)
- Historic Preservation Commission (CMC 2.66)
- Civil Service Commission (CMC 2.56 and RCW 41.08-Fire, RCW 41.12-Police)
- Sister City Committee (CMC 2.80)
- Planning Commission (CMC 2.48)
- Library Board (RCW 27.12)
- Other \_\_\_\_\_

Please print

Name Charles L. Pollock

Present employer Self

Employer address \_\_\_\_\_ Phone No. 360-520-5482

Fax No. \_\_\_\_\_ E-mail cpollock@thasuperhighway.com

Home address 190 Macomber Rd. Home Phone No. 360-740-1599

Have you previously or are you now serving on any of the above mentioned?  Yes  No

If yes, please explain \_\_\_\_\_

Date available for appointment 9-1-13

Available to attend Evening meetings?  Yes  No Daytime meetings?  Yes  No

Approximately how many hours each month can you devote to city business? As Needed

Brief statement of qualifications for position and reason for requesting appointment.

Lifetime Resident, U.S. Navy "Seabees", Construction  
As Occupator, Civil Engineer Tech,  
Designer/Developer

Signature Bob Pollock Bob

Please return completed form to: Office of the City Clerk  
350 N Market Blvd Rm 101, Chehalis WA 98532

Please indicate where you wish meeting information to be mailed and how you would like to be reminded of meetings (e.g., phone, e-mail, cell phone)

E-mail, Cell Phone/text

August 12, 2013

The Chehalis city council met in regular session on Monday, August 12, 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, and Dennis Dawes. Councilor Taylor was absent (excused). Staff present included Merlin MacReynold, City Manager; Brian Kelly, Assistant City Attorney; Judy Schave, City Clerk; Randy Kaut, Deputy Police Chief; Jim Walkowski, Fire Chief; Eva Lindgren, Finance Manager; and Rick Sahlin, Street Superintendent (Acting Public Works Director). Members of the media included Kyle Spurr from *The Chronicle* and Christina Crea from *Business to Business*.

1. **Citizen Business.** Lewis County Historical Museum Interim Director Andy Skinner came before the council to thank them for helping out with the pancake breakfast. He noted they raised \$1,700 from the breakfast, almost double what they made last year. Mr. Skinner reported they also provided a hotdog luncheon this year, which helped out greatly. He hoped the council enjoyed it, adding he appreciated their support.

2. **Pictometry Demonstration.** On July 22, an interlocal agreement between the city and Lewis County establishing a cost sharing partnership for licensed pictometry imagery and software services was brought before the council for consideration. The council requested a demonstration on what the program could do in order to help them make their decision on whether or not to support the agreement.

Lewis County Public Works Director Tim Elsea and Project Manager Matt Hyatt gave a brief report and demonstration of the program showing the many uses and benefits it would provide. Mr. Elsea noted the program was originally developed for emergency services; however, after several other departments saw its uses, it was doled out to them and is used in a myriad of ways.

Mr. Elsea reported the county entered into a nine-year contract with a company and was asking for a three-year agreement with the city, with the understanding that the city does not have to agree after the three-year period if we find it's not a useful tool.

Councilor Harris asked if the layering of information would be kept in-house or if it would become available for anyone to look at. Mr. Hyatt stated the application would only be available to city staff and other staff of organizations that participate in the program.

Mr. Hyatt reported they would use city CAD files and drawings to add layers to the program, to include things such as the location of water and sewer lines. He stated there was no limit to the number of layers that can be added. Mr. Hyatt suggested if there were things the city wants added specifically for our viewing we can restrict those from the other partners.

Councilor Dawes noted one of the questions asked at the previous meeting had to do with the cost of future flyovers. He noted there may not be a need for the city to fly over as often as the county. Mr. Elsea reported they did not cost it out to include any other aerial flyover, noting it was based on what the county thought the benefit would be for the other agencies.

Mr. Elsea reported the total cost for the first three years is \$158,000. He stated the county would be picking up 60 percent of the total cost, while the partners would pick up the other 40 percent. Mr. Elsea noted they're asking the city for roughly \$15,000 to cover its 22 square miles. Other partners include the Lewis County Public Utility District, Tacoma Power, and the cities of Napavine, Centralia, and Toledo.

Councilor Lund asked if the Ports of Chehalis and Centralia were approached about partnering. Mr. Elsea stated it had been discussed and it was decided to allow the cities the opportunity to ask the Ports to participate, and perhaps to help out with some of the costs to the agency.

Mr. Elsea stated the county found the program to be a cost savings and an efficiency tool for them, adding he thought it was well worth the investment.

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

a. Minutes of the special work session of July 15, 2013, the regular meeting of July 22, 2013, and the special meeting of July 31, 2013;

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b. Claim Voucher No. 106734 in the amount of \$37,049.40 dated July 16, 2013, and Claim Vouchers No. 106735-106846 in the amount of \$259,171.49 dated July 31, 2013; and

c. Award bid for the Chehalis Avenue Beautification and Overlay Project to Nova Contracting, Inc., in the amount of \$684,000 and authorize the city manager to execute the contract agreement.

Councilor Lund seconded the motion.

Councilor Dawes inquired about the difference between the engineer's estimate and the low bid, asking if the city was agreeing to the additional \$200,000. City Manager MacReynold reported the city would have to come up with the cost difference. He noted the city is expecting an additional \$40,000 to \$50,000 from the Transportation Improvement Board. In addition, some of the cost will be covered by water, wastewater and storm drain funds, which will receive a benefit from the project.

Councilor Dawes requested the council receive a report on the funding sources once all the details are worked out.

Councilor Spahr commented on the significant difference in cost and asked if traffic control was really that expensive. City Manager MacReynold reported they had to keep the street open during the project, which was going to be very expensive.

The motion carried unanimously.

#### 4. Administration Reports.

a. Update on the Progress of the Regional Fire Authority Planning Committee. Fire Chief Jim Walkowski provided the council with various documents showing the progress of the Regional Fire Authority Planning Committee. He reported there was a significant amount of work being done by the members of the Chehalis Fire Department, along with the Riverside Fire Authority and their chief officers and elected officials.

Chief Walkowski reported the Planning Committee is meeting regularly and the various sub-committees are making progress. He talked briefly about the process and how the committee plans to accomplish their objective. Chief Walkowski stated they began by breaking it down into two parts to try and make it more manageable and easier to understand. The two parts include:

Phase 1: Develop a "Functional Consolidation" – Execute an interlocal agreement between the city of Chehalis and the Riverside Fire Authority to combine fire services via a "Functional Consolidation."

Phase 2: Annexation of the city of Chehalis Fire Department into the Riverside Fire Authority. Annexation must be approved by the city of Chehalis electorate.

Chief Walkowski reported the functional consolidation basically takes predetermined portions and/or sections or divisions of both organizations and blends them together to provide a mutual benefit to the community and the organizations. He noted they were able to identify a number of areas they can benefit from. This includes the execution of two interlocal agreements providing for fire marshal services and administration and management services for both entities at a reduced rate.

Chief Walkowski reported if the functional consolidation is approved, and the Council and Governance Board for Riverside Fire believe it's of value, they could look at annexing into the existing fire authority perhaps in 2015 or 2016. Their goal is to prove to the elected officials and the community that this is the right thing to do both operationally and administratively from a code management perspective.

Chief Walkowski reported the functional consolidation would only blend personnel and programs. He noted, by blending personnel, it changes the composition of everything and they benefit from each other's expertise. Chief Walkowski indicated the budgets for both organizations would continue to remain separate, as well as capital assets.

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Chief Walkowski reported the natural progression, if given the green light to move forward by the elected officials, would be to form a joint governance board to deal with matters that are specific to the combined entity under the functional consolidation. He noted this type of consolidation would give them the value and benefit of working together collectively without formally moving forward to the vote of the citizens until when and if that's appropriate.

Chief Walkowski briefly reviewed the details of the work group status and recommendation forms. He noted each work group/sub-committee has equal representation and is completely voluntary. He noted the difficult thing is that everything takes a significant amount of time.

Chief Walkowski reported the two departments combined have over 100 personnel, nine fire stations and lots of apparatus, and they need to come up with a plan to bring the two together. He noted what usually takes years of development; they're trying to get accomplished in eight to ten months. Chief Walkowski stated everyone has to know how each other operate, so training, implementation and certification would take some time. He noted they are working very hard on incident management systems and felt they were getting some positive results.

Chief Walkowski provided the council with a timeline/work matrix that included information associated with each assigned work group, which they use to stay on task. Also provided was an overview of the 18+ work groups that are currently producing work product.

Chief Walkowski reviewed a few of the implementation/timeline and milestone highlights:

- April 2013 to September 2013 – Workgroup objectives
- May 2013 – Executed Interlocal Agreement for Chehalis Fire Department Administration and Management Services
- May 2013 – Hiring of firefighter/paramedic
- July 2013 – Acquired Homeland Security grant for radio equipment to transition Chehalis Fire Department to Lewis County Fire (frequency #2)
- October 2013 – Propose functional consolidation and draft interlocal agreement submitted to Chehalis and Riverside elected officials for consideration
- November 2013 – Functional consolidation launched

Chief Walkowski reported a lot of work still needs to be done, but everyone is all in and they are getting an incredible amount done as they go through the process.

Councilor Pope asked what the bottom-line cost was going to be, or if they were figuring that out as they go. Chief Walkowski stated the benefit of functional consolidation is that each entity maintains their current budget for fire and EMS services. Because each of the taxing entities remains separate, there are no increases for the implementation of Phase 1. Chief Walkowski reported they had done some preliminary forecasting on Phase 2; however, with things changing all of the time, it's not that accurate. He noted Phase 2 will be based off of costs at the time it's done.

Councilor Dawes stated he wanted to make sure the entire council was up to date with the same information that the Planning Committee had. He stated the whole idea is to make sure that when it launches into the consolidation phase that everyone on the council has the information they need.

Councilor Dawes suggested the reason for the functional consolidation is to see what things are duplicated that they can do away with, as well as making sure the two entities can work together. He applauded the staff from both departments who have been doing a lot of work behind the scenes.

## **5. Council Reports.**

a. **Update From Councilor Pope.** Councilor Pope reported on the Jive 'n Dive event that took place on August 10 at the Chehalis outdoor pool. He noted they had a great turnout, including a couple of people who attended a similar event at the pool back in 1973. Councilor Pope stated both of the bands were very good and they served a lot of hamburgers and hotdogs. He felt the event was a real success.

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Councilor Dawes asked if they had ever thought of making it an annual event to help out with future upkeep of the pool. Councilor Pope stated it had not been discussed.

Councilor Harris stated, in talking with staff and other folks later in the evening, they actually discussed having an event every year. He noted everyone who attended seemed to have a great time.

b. **Update From Councilor Dawes.** Councilor Dawes reported he attended the ribbon cutting ceremony for the Flood Valley Homebrew on Chehalis Avenue. He also helped out at the annual blueberry pancake breakfast at the Lewis County Historical Museum along with Mayor Ketchum, and Commissioners Bill Schulte and Lee Grose.

Councilor Dawes stated he had to compliment Councilor Pope for the "Concert on the Green" event at the Riverside Golf Course. He was glad he was able to attend, adding it was probably one of the nicest events he's attended and looked forward to going again in the future.

Councilor Dawes stated he also attended the Jive 'n Dive event, adding they had a lot of people working behind the scenes to raise money for a pool project, which was phenomenal. He stated the citizens and those who have put the big seeds in and the ones who have cultivated other seeds to raise \$2 million said a lot for the community. Councilor Dawes believed the new aquatic center would be a definite mark of beauty at the entrance to the city.

c. **Update from Councilor Lund.** Councilor Lund reminded everyone that Tuesday was opening day of the Southwest Washington Fair and he hoped to see everyone at the 6 p.m. grand opening ceremony.

6. **Interlocal Agreement Between the City and Lewis County Establishing a Cost Sharing Partnership for Licensed Pictometry Imagery and Software Services.** City Manager MacReynold reported the administration was seeking authorization to proceed with the agreement.

Councilor Harris moved that the council authorize the city manager to execute the interlocal cooperative agreement between the City and Lewis County establishing a cost sharing partnership for licensed pictometry imagery and software services.

The motion was seconded by Councilor Pope and carried unanimously.

There being no further business to come before the council, the meeting adjourned at 5:58 p.m.

\_\_\_\_\_  
Mayor

Attest:



\_\_\_\_\_  
City Clerk

**SUGGESTED MOTION**

I move that the council approve the minutes of the regular city council meeting of August 12, 2013.



**CITY OF CHEHALIS**  
**AGENDA REPORT**

DATE: July 31, 2013  
TO: The Honorable Mayor and City Council  
FROM: Eva Lindgren, Finance Manager   
PREPARED BY: Michelle White, Accounting Tech II   
SUBJECT: Payroll Vouchers and Transfers

ISSUE

Council approval is requested of the following financial transactions:

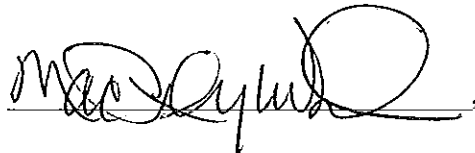
Payroll Vouchers No. 36695 through 36782, Direct Deposit Payroll Vouchers No. 4205 through 4283, and Electronic Federal Tax Payment No. 126 in the amount of \$664,442.85 dated July 31, 2013, and the transfer of \$468,957.39 from the General Fund, \$21,939.24 from the Arterial Street Fund, \$6,537.02 from the Gambling Enforcement Fund, \$620.00 from the Garbage Fund, \$75,411.72 from the Wastewater Fund, \$73,935.10 from the Water Fund, \$13,867.13 from the Storm & Surface Water Utility Fund and \$3,175.25 from the Firemen's Pension Fund.

RECOMMENDATION/COUNCIL ACTION DESIRED



The administration recommends that the council approve the July 31, 2013, Payroll Vouchers No. 36695 through 36782, Direct Deposit Payroll Vouchers No. 4205 through 4283, and Electronic Federal Tax Payment No. 126 in the amount of \$664,442.85.

SUGGESTED MOTION

I move to approve the July 31, 2013, Payroll Vouchers No. 36695 through 36782, Direct Deposit Payroll Vouchers No. 4205 through 4283, and Electronic Federal Tax Payment No. 126 in the amount of \$664,442.85.

Reviewed by: , City Manager

**CITY OF CHEHALIS**  
**AGENDA REPORT**

DATE: August 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:

Claim Vouchers No. 106847 through 106993 and Electronic Funds Transfer No. 72013 in the amount of \$442,498.35 dated August 15, 2013 and the transfer of \$86,276.46 from the General Fund, \$10,421.44 from the Arterial Street Fund, \$3,502.03 from the Tourism Fund, \$235,258.10 from the Federal & State Grants Fund, \$880.24 from the Garbage Fund, \$71,411.26 from the Wastewater Fund, \$30,588.05 from the Water Fund, \$3,357.30 from the Storm & Surface Water Utility Fund, \$119.95 from the Firemen's Pension Fund and \$683.52 from the City Agency Fund.

RECOMMENDATION/COUNCIL ACTION DESIRED

The administration recommends that the council approve the August 15, 2013 Claim Vouchers No. 106847 through 106993 and Electronic Funds Transfer No. 72013 in the amount of \$442,498.35.

SUGGESTED MOTION

I move to approve the August 15, 2013 Claim Vouchers No. 106847 through 106993 and Electronic Funds Transfer No. 72013 in the amount of \$442,498.35.

Reviewed by:  \_\_\_\_\_, City Manager

To: The Honorable Mayor and Council  
 Via: Merlin MacReynold, City Manager  
 From: Eva K. Lindgren, Finance Manager  
 Date: August 14, 2013  
 Subject: Monthly Financial Reports for July

City of Chehalis  
 Comparative Financial Reports  
 July 2012 and 2013

GENERAL FUND (#001) REVENUES	A		B		C=B/A		D		E		F=E/D		G		H <sup>^</sup>		I=F-G	
	Budget	Actual	Budget	Actual	% Recd	% Recd	Budget	Actual	% Recd	% Recd	% Recd	% Recd	Expected	Variance	Expected	Variance		
General Property Taxes	\$1,235,000	\$667,081	\$1,249,000	\$671,952	54.0%	53.8%	\$1,249,000	\$671,952	54.0%	53.8%	58.3%	58.3%	(\$56,631)	-4.5%	(\$56,631)	-4.5%		
EMS Property Taxes	236,000	127,644	237,500	127,372	54.1%	53.6%	237,500	127,372	54.1%	53.6%	58.3%	58.3%	(11,170)	-4.7%	(11,170)	-4.7%		
Sales & Use Tax	3,000,000	1,719,603	3,115,000	1,851,491	57.3%	59.4%	3,115,000	1,851,491	57.3%	59.4%	58.3%	58.3%	34,408	1.1%	34,408	1.1%		
Electricity Tax	400,000	212,283	417,000	274,253	53.1%	65.8%	417,000	274,253	53.1%	65.8%	58.3%	58.3%	31,003	7.5%	31,003	7.5%		
Gas/Natural Gas Tax	250,000	165,398	240,000	141,540	66.2%	59.0%	240,000	141,540	66.2%	59.0%	58.3%	58.3%	1,540	0.7%	1,540	0.7%		
Criminal Justice Tax	88,000	49,467	90,000	53,517	56.2%	59.5%	90,000	53,517	56.2%	59.5%	58.3%	58.3%	1,017	1.2%	1,017	1.2%		
(Interfund) Water/Sewer Tax	340,000	185,650	399,996	226,424	54.6%	56.6%	399,996	226,424	54.6%	56.6%	58.3%	58.3%	(6,907)	-1.7%	(6,907)	-1.7%		
Garbage Tax	62,000	28,998	62,000	44,099	46.8%	71.1%	62,000	44,099	46.8%	71.1%	58.3%	58.3%	7,932	12.8%	7,932	12.8%		
Cable Tax	92,000	68,780	92,000	70,530	74.8%	76.7%	92,000	70,530	74.8%	76.7%	58.3%	58.3%	16,863	18.4%	16,863	18.4%		
Telephone Tax	325,000	205,651	313,000	167,254	63.3%	53.4%	313,000	167,254	63.3%	53.4%	58.3%	58.3%	(15,329)	-4.9%	(15,329)	-4.9%		
Leasehold Excise Tax	35,000	18,403	38,000	18,795	52.6%	49.5%	38,000	18,795	52.6%	49.5%	58.3%	58.3%	(3,372)	-8.8%	(3,372)	-8.8%		
Other Taxes	30	32	32	40	106.7%	125.0%	32	40	106.7%	125.0%	58.3%	58.3%	21	66.7%	21	66.7%		
<b>Total Tax Revenues</b>	<b>6,063,030</b>	<b>3,448,990</b>	<b>6,253,528</b>	<b>3,647,267</b>	<b>56.9%</b>	<b>58.3%</b>	<b>6,253,528</b>	<b>3,647,267</b>	<b>56.9%</b>	<b>58.3%</b>	<b>58.3%</b>	<b>58.3%</b>	<b>(624)</b>	<b>0.0%</b>	<b>(624)</b>	<b>0.0%</b>		
Licenses & Permits	63,630	33,558	63,980	38,667	52.7%	60.4%	63,980	38,667	52.7%	60.4%	58.3%	58.3%	1,345	2.1%	1,345	2.1%		
Intergov't Grants/Entitlements	720,239	203,021	168,502	136,201	28.2%	80.8%	168,502	136,201	28.2%	80.8%	58.3%	58.3%	37,908	22.5%	37,908	22.5%		
Charges for Goods and Svcs.	800,725	487,786	341,170	173,086	60.9%	50.7%	341,170	173,086	60.9%	50.7%	58.3%	58.3%	(25,930)	-7.6%	(25,930)	-7.6%		
Fines and Forfeitures	167,080	91,580	159,055	85,231	54.8%	53.6%	159,055	85,231	54.8%	53.6%	58.3%	58.3%	(7,551)	-4.7%	(7,551)	-4.7%		
Interest Earnings	12,546	6,278	9,306	5,086	50.0%	54.7%	9,306	5,086	50.0%	54.7%	58.3%	58.3%	(343)	-3.6%	(343)	-3.6%		
Rents & Royalties	71,422	34,781	70,100	43,139	48.7%	61.5%	70,100	43,139	48.7%	61.5%	58.3%	58.3%	2,247	3.2%	2,247	3.2%		
Donations/Contributions	76,756	30,415	0	3,676	39.6%	N/A	0	3,676	39.6%	N/A	58.3%	58.3%	3,676	N/A	3,676	N/A		
Misc. Revenue/Insurance	3,100	8,471	5,000	11,864	273.3%	237.3%	5,000	11,864	273.3%	237.3%	58.3%	58.3%	8,947	179.0%	8,947	179.0%		
Non-Revenues	4,866	2,212	3,500	2,198	45.5%	62.8%	3,500	2,198	45.5%	62.8%	58.3%	58.3%	156	4.5%	156	4.5%		
<b>Total Non-Tax Revenues</b>	<b>1,920,364</b>	<b>898,102</b>	<b>820,613</b>	<b>499,148</b>	<b>46.8%</b>	<b>60.8%</b>	<b>820,613</b>	<b>499,148</b>	<b>46.8%</b>	<b>60.8%</b>	<b>58.3%</b>	<b>58.3%</b>	<b>20,457</b>	<b>2.5%</b>	<b>20,457</b>	<b>2.5%</b>		
Operating Transfers-In	1,024,017	0	500,000	143,794	0.0%	28.8%	500,000	143,794	0.0%	28.8%	58.3%	58.3%	(147,873)	-29.5%	(147,873)	-29.5%		
<b>Total Other Financing Sources</b>	<b>1,024,017</b>	<b>0</b>	<b>500,000</b>	<b>143,794</b>	<b>0.0%</b>	<b>28.8%</b>	<b>500,000</b>	<b>143,794</b>	<b>0.0%</b>	<b>28.8%</b>	<b>58.3%</b>	<b>58.3%</b>	<b>(147,873)</b>	<b>-29.5%</b>	<b>(147,873)</b>	<b>-29.5%</b>		
<b>TOTALS</b>	<b>\$9,007,411</b>	<b>\$4,347,092</b>	<b>\$7,574,141</b>	<b>\$4,290,209</b>	<b>48.3%</b>	<b>56.6%</b>	<b>\$7,574,141</b>	<b>\$4,290,209</b>	<b>48.3%</b>	<b>56.6%</b>	<b>58.3%</b>	<b>58.3%</b>	<b>(\$128,040)</b>	<b>-1.7%</b>	<b>(\$128,040)</b>	<b>-1.7%</b>		

Key:  
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GENERAL FUND (#001) EXPENDITURES	A July 2012		B		C=B/A		D July 2013		E		F=E/D		G		H^		I=G-F				
	Budget	Actual	Budget	Actual	% Expd	% Expd	Budget	Actual	% Expd	% Expd	% Expd	% Expd	Var from Expected	%	Var from Expected	%					
City Council	\$100,319	\$56,091	\$76,587	\$42,782	55.9%	55.9%	\$1,894	\$1,894	58.3%	58.3%	\$1,894	2.4%									
Municipal Court	348,378	187,014	333,882	187,825	53.7%	56.3%	6,940	187,825	58.3%	58.3%	6,940	2.0%									
City Manager	338,840	194,818	236,121	141,152	57.5%	59.8%	(3,415)	141,152	58.3%	58.3%	(3,415)	-1.5%									
Finance	325,177	187,009	164,316	96,640	57.5%	58.8%	(789)	96,640	58.3%	58.3%	(789)	-0.5%									
City Clerk	94,231	52,051	56,516	29,183	55.2%	51.6%	3,785	29,183	58.3%	58.3%	3,785	6.7%									
Non-Departmental	1,414,721	198,091	819,630	452,805	14.0%	55.2%	25,313	452,805	58.3%	58.3%	25,313	3.1%									
Human Resources	129,020	72,457	91,769	53,485	56.2%	58.3%	47	53,485	58.3%	58.3%	47	0.0%									
Police	2,348,788	1,328,647	2,464,666	1,441,109	56.6%	58.5%	(3,387)	1,441,109	58.3%	58.3%	(3,387)	-0.2%									
Fire	1,729,924	1,001,869	1,705,443	942,680	57.9%	55.3%	52,162	942,680	58.3%	58.3%	52,162	3.0%									
Public Works - Streets	891,029	292,068	474,659	237,285	32.8%	50.0%	0	237,285	58.3%	58.3%	39,599	8.3%									
Public Works - Engineering	111,017	58,120	0	0	52.4%	N/A	0	0	58.3%	58.3%	0	N/A									
Community Development	1,177,982	761,365	1,247,359	763,241	64.6%	61.2%	(35,615)	763,241	58.3%	58.3%	(35,615)	-2.9%									
TOTALS	9,009,426	4,389,600	7,670,948	4,388,187	48.7%	57.2%	86,533	4,388,187	58.3%	58.3%	86,533	1.1%									
Net Budget/Income/Variance:																(\$2,015)	(\$42,506)	(\$96,807)	(\$97,978)	(\$41,507)	-0.6%

Key:

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

(1) 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.

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WASTEWATER FUND (#404) REVENUES	A July 2012		B		C=B/A		D		E		F=E/D		G		H <sup>^</sup>		I=F-G	
	Budget	Actual	Budget	Actual	% Rec'd	% Exp'd	Budget	Actual	July 2013 Budget	Actual	% Rec'd	% Exp'd	Expected	% Rec'd <sup>*</sup>	Expected	Var'nc Expected	fm Expected	% Variance
Intergovernmental Revenues	\$0	\$0	\$0	\$0	N/A	N/A	\$0	\$0	\$0	\$35,000	N/A	N/A	58.3%	58.3%	35,000			N/A
Wastewater Fees	\$3,404,344	\$2,019,322	\$2,019,322	\$2,452,737	59.3%	59.3%	\$4,160,318	\$2,452,737	\$4,160,318	\$2,452,737	59.0%	59.0%	58.3%	58.3%	\$25,885			0.7%
Sewer Connection/Misc. Fees	25,000	17,533	17,533	0	70.1%	0.0%	35,000	0	35,000	0	0.0%	0.0%	58.3%	58.3%	(20,417)			-58.3%
Rentals	3,750	3,323	3,323	3,323	88.6%	100.0%	3,323	3,323	3,323	3,323	100.0%	100.0%	58.3%	58.3%	1,385			41.7%
Misc. Revenues/Insurance	22,000	25,419	25,419	6,885	115.5%	208.6%	3,300	6,885	3,300	6,885	208.6%	208.6%	58.3%	58.3%	4,960			150.3%
Interfund Loan Received	1,200,000	250,000	250,000	0	20.8%	N/A	0	0	0	0	N/A	N/A	58.3%	58.3%	0			N/A
Interest Earnings	4,655	0	0	347	0.0%	11.6%	3,000	347	3,000	347	11.6%	11.6%	58.3%	58.3%	(1,403)			-46.7%
Totals:	\$4,659,749	\$2,315,597	\$2,315,597	\$2,498,292	49.7%	59.4%	\$4,204,941	\$2,498,292	\$4,204,941	\$2,498,292	59.4%	59.4%	58.3%	58.3%	\$45,410			1.1%

WASTEWATER FUND (#404) EXPENSES	A July 2012		B		C=B/A		D		E		F=E/D		G		H <sup>^</sup>		I=G-F	
	Budget	Actual	Budget	Actual	% Exp'd	% Exp'd	Budget	Actual	July 2013 Budget	Actual	% Exp'd	% Exp'd	Expected	% Exp <sup>*</sup>	Expected	Var'nc Expected	fm Expected	% Variance
Operating Expenses	\$2,533,710	\$1,455,923	\$1,455,923	80,137	57.5%	12.3%	\$2,638,208	\$1,465,203	\$2,638,208	\$1,465,203	55.5%	55.5%	58.3%	58.3%	\$73,752			2.8%
Capital Outlay	650,000	80,137	80,137	34,159	12.3%	17.8%	192,000	34,159	192,000	34,159	17.8%	17.8%	58.3%	58.3%	77,841			40.5%
Debt Principal	1,694,944	920,714	920,714	828,189	54.3%	49.1%	1,686,388	828,189	1,686,388	828,189	49.1%	49.1%	58.3%	58.3%	155,537			9.2%
Interest Expense	40,660	25,394	25,394	16,548	62.5%	50.9%	32,540	16,548	32,540	16,548	50.9%	50.9%	58.3%	58.3%	2,434			7.4%
Totals:	4,919,314	2,482,168	2,482,168	2,344,099	50.5%	51.5%	4,549,136	2,344,099	4,549,136	2,344,099	51.5%	51.5%	58.3%	58.3%	309,564			6.8%

Net Budget/Income/Variance: (\$259,565) (\$166,571) (\$344,195) \$154,193 \$354,973 7.9%

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**City of Chehalis**  
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WATER FUND (#405) REVENUES	A July 2012		B		C=B/A		D July 2013		E		F=E/D		G		H <sup>^</sup>		I=F-G	
	Budget	Actual	%	Rec'd	Budget	Actual	%	Exp'd	Actual	%	Rec'd	Expected % Rec'd*	Expected % Exp.*	Expected	Variance	Expected	Variance	
Water Sales	\$2,456,633	\$1,337,562	54.4%	\$2,496,400	\$1,325,138	53.1%	20,000	2,771	13.9%	58.3%	58.3%	58.3%	(\$131,095)	-5.2%				
Water Connection/Misc. Fees	20,000	30,862	154.3%	82,794	0	0.0%	0	0	0.0%	58.3%	58.3%	58.3%	(8,896)	-44.4%				
Interfund Principal Repayment	0	0	N/A	0	0	N/A	0	0	N/A	58.3%	58.3%	58.3%	(48,297)	-58.3%				
Misc. Revenues/Insurance	0	1,878	N/A	11,901	44,766	53.4%	0	6,354	63.4%	58.3%	58.3%	58.3%	44,766	N/A				
Interest Earnings	10,000	8,512	85.1%	\$2,611,095	\$1,379,029	52.8%	0	0	0.0%	58.3%	58.3%	58.3%	(588)	-4.9%				
<b>Totals:</b>	<b>\$2,486,633</b>	<b>\$1,378,814</b>	<b>55.4%</b>	<b>\$2,611,095</b>	<b>\$1,379,029</b>	<b>52.8%</b>				<b>58.3%</b>	<b>58.3%</b>	<b>58.3%</b>	<b>(\$144,110)</b>	<b>-5.5%</b>				

WATER FUND (#405) EXPENSES	A July 2012		B		C=B/A		D July 2013		E		F=E/D		G		H <sup>^</sup>		I=G-F	
	Budget	Actual	%	Exp'd	Budget	Actual	%	Exp'd	Actual	%	Exp'd	Expected % Exp.*	Expected % Exp.*	Expected	Variance	Expected	Variance	
Operating Expenses	1,902,438	979,511	51.5%	1,782,704	895,525	50.2%	144,386	8.1%										
Capital Outlay	790,000	93,076	11.8%	640,000	98,686	15.4%	274,647	42.9%										
Interfund Loan Disbursed	1,200,000	250,000	20.8%	0	0	N/A	0	N/A										
Debt Principal	130,077	17,000	13.1%	131,077	18,000	13.7%	58,462	44.6%										
Interest Expense	24,131	8,150	33.8%	21,690	7,275	33.5%	5,378	24.8%										
<b>Totals:</b>	<b>4,046,646</b>	<b>1,347,737</b>	<b>33.3%</b>	<b>2,575,471</b>	<b>1,019,486</b>	<b>39.6%</b>	<b>482,872</b>	<b>18.7%</b>										

Net Budget/Income/Variance: (\$1,560,013)      \$31,077      \$35,624      \$359,543      \$338,762      13.2%

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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.

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STORM FUND (#406) REVENUES	A		B		C=B/A		D		E		F=E/D		G		H^		I=F-G		
	Budget	July 2012 Actual	% Rec'd	Budget	July 2013 Actual	% Rec'd	Budget	July 2013 Actual	% Rec'd	Expected % Rec'd*	Expected % Exp*	Expected % Rec'd	Expected % Exp*	Expected % Rec'd	Expected % Exp*	Expected % Rec'd	Expected % Exp*	Expected % Rec'd	Expected % Exp*
Storm & Surface Water Fees	\$407,780	\$238,049	58.4%	\$441,674	\$257,652	58.3%	\$441,674	\$257,652	58.3%	58.3%	58.3%	58.3%	58.3%	58.3%	58.3%	58.3%	58.3%	58.3%	58.3%
Storm Connection/Misc. Fees	5,477	5,477	100.0%	0	0	N/A	0	0	N/A	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest Earnings	500	0	0.0%	500	0	0.0%	500	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Misc. Revenues/Insurance	0	2,461	N/A	0	781	N/A	0	781	N/A	58.3%	58.3%	58.3%	58.3%	58.3%	58.3%	58.3%	58.3%	58.3%	58.3%
Totals:	\$413,757	\$245,987	59.5%	\$442,174	\$258,433	58.4%	\$442,174	\$258,433	58.4%	58.3%	58.3%	58.3%	58.3%	58.3%	58.3%	58.3%	58.3%	58.3%	58.3%

STORM FUND (#406) EXPENSES	A		B		C=B/A		D		E		F=E/D		G		H^		I=G-F		
	Budget	July 2012 Actual	% Exp'd	Budget	July 2013 Actual	% Exp'd	Budget	July 2013 Actual	% Exp'd	Expected % Exp*	Expected % Rec'd	Expected % Exp*	Expected % Rec'd	Expected % Exp*	Expected % Rec'd	Expected % Exp*	Expected % Rec'd	Expected % Exp*	
Operating Expenses	\$359,853	\$177,759	49.4%	\$345,875	\$211,413	61.1%	\$345,875	\$211,413	61.1%	58.3%	58.3%	58.3%	58.3%	58.3%	58.3%	58.3%	58.3%	58.3%	58.3%
Capital Outlay	56,416	24,840	44.0%	0	0	N/A	0	0	N/A	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Totals:	416,269	202,599	48.7%	345,875	211,413	61.1%	345,875	211,413	61.1%	58.3%	58.3%	58.3%	58.3%	58.3%	58.3%	58.3%	58.3%	58.3%	58.3%

Net Budget/Income/Variance: -\$2,512      \$43,388  
\$96,299      \$47,020  
(\$9,154)      -2.7%

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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