

G/L Trial Balance Report
City of Centralia
12/ 1/2006 through 12/31/2006

401 ELECTRIC LIGHT FUND

<i>Account Number</i>	<i>Beginning Balance</i>	<i>Debits</i>	<i>Credits</i>	<i>YTD Debits</i>	<i>YTD Credits</i>	<i>Balance</i>
Assets						
Electric Plant						
401.171.330 PRODUCTION LAND & LAND RIGHTS	410,372.65	0.00	0.00	0.00	0.00	410,372.65
401.171.350 TRANS LAND & LAND RIGHTS	28,179.77	0.00	0.00	0.00	0.00	28,179.77
401.171.360 DIST LAND & LAND RIGHTS	384,065.14	0.00	0.00	0.00	0.00	384,065.14
401.171.389 GEN PL LAND & LAND RIGHTS	16,461.73	0.00	0.00	0.00	0.00	16,461.73
401.172.331 PROD STRUCTURES & IMPROVEMEN	912,605.20	58,143.59	0.00	58,143.59	0.00	970,748.79
401.172.352 TRANS STRUCTURES & IMPROVEMEI	46,112.09	0.00	0.00	0.00	0.00	46,112.09
401.172.361 DIST STUCTURES & IMPROVEMNTS	1,031,268.42	0.00	0.00	0.00	0.00	1,031,268.42
401.172.390 GEN PL STRUCTURE & IMPROVEMEN	329,766.73	50,693.35	0.00	50,693.35	0.00	380,460.08
401.176.332 PROD RESERVOIRS/DAMS/WATERW/	12,693,037.24	0.00	0.00	0.00	0.00	12,693,037.24
401.176.336 PROD ROADS/RAILROADS/BRIDGES	53,577.64	0.00	0.00	0.00	0.00	53,577.64
401.176.359 TRANS ROADS & TRAILS	3,748.74	0.00	0.00	0.00	0.00	3,748.74
401.181.333 PROD WTR WHLS/TURBINE/GENERA'	2,103,539.81	171,254.22	0.00	171,254.22	0.00	2,274,794.03
401.181.334 PROD ACCESSORY ELEC EQUIP	809,668.59	0.00	0.00	0.00	0.00	809,668.59
401.181.335 PROD MISC POWER PLANT EQUIP	135,140.87	0.00	0.00	0.00	0.00	135,140.87
401.181.353 TRANS STATION EQUIP	778,850.44	5,046.18	0.00	5,046.18	0.00	783,896.62
401.181.355 TRANS POLES & FIXTURES	189,636.89	0.00	0.00	0.00	0.00	189,636.89
401.181.356 TRANS OVERHEAD COND & DEVICES	202,967.78	0.00	0.00	0.00	0.00	202,967.78
401.181.362 DIST STATION EQUIP	2,030,707.92	32,669.77	0.00	32,669.77	0.00	2,063,377.69
401.181.364 DIST POLES TOWERS FIXTURES	1,756,538.91	459,950.44	0.00	459,950.44	0.00	2,216,489.35
401.181.365 DIST OVERHD COND & DEVICES	1,702,032.89	471,275.51	0.00	471,275.51	0.00	2,173,308.40
401.181.366 DIST UNDERGROUND CONDUIT	1,016,771.26	259,206.75	0.00	259,206.75	0.00	1,275,978.01
401.181.367 DIST UNDERGRND COND & DEVICES	2,030,204.60	391,036.48	0.00	391,036.48	0.00	2,421,241.08
401.181.368 DIST LINE TRANSFORMERS	4,466,421.82	376,202.20	0.00	376,202.20	0.00	4,842,624.02
401.181.369 DIST SERVICES	753,126.26	351.00	0.00	351.00	0.00	753,477.26

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Assets (Continued)						
401.181.370 DIST METERS	750,282.88	489,365.55	4,259.72	489,365.55	70,005.84	1,235,388.71
401.181.373 DIST STREET LT/SIGNAL SYSTEM	15,488.64	0.00	0.00	0.00	0.00	15,488.64
401.181.391 GEN PL OFFICE FURN/EQUIP	5,457.64	6,921.18	0.00	6,921.18	207,795.22	12,378.82
401.181.392 GEN PL TRANSPORT EQUIP	1,110,535.46	136,189.48	8,853.93	136,189.48	42,647.37	1,237,871.01
401.181.393 GEN PL STORES EQUIP	0.00	0.00	0.00	0.00	19,061.51	0.00
401.181.394 GEN PL TOOLS/SHOP&GARAGE EQUI	53,760.11	6,770.76	0.00	6,770.76	113,247.57	60,530.87
401.181.395 GEN PL LAB EQUIP	0.00	0.00	0.00	0.00	19,804.96	0.00
401.181.396 GEN PL POWER OPERATED EQUIP	187,439.12	0.00	13,324.20	0.00	18,102.60	174,114.92
401.181.397 GEN PL COMMUNICATION EQUIP	0.00	0.00	0.00	0.00	83,916.25	0.00
401.181.398 GEN PL MISC EQUIP	0.00	0.00	0.00	0.00	44,254.76	0.00
401.181.399 GEN PL OTHER TANGIBLE PROP	0.00	0.00	0.00	0.00	153,157.43	0.00
401.182.391 GEN PL SGCENTS-OF EQUIP (906)	6,921.18	0.00	6,921.18	0.00	6,921.18	0.00
401.191.302 INTANGIBLE ASSET-NISQUALLY	4,862,081.76	0.00	0.00	0.00	0.00	4,862,081.76
Total Electric Plant	40,876,770.18	2,915,076.46	33,359.03	2,915,076.46	778,914.69	43,758,487.61
Const Work in Progress						
401.189.107 CONSTRUCTION WORK IN PROGRES	6,285,976.69	176,001.90	2,363,047.49	5,305,061.60	2,449,913.56	4,098,931.10
Total Const Work in Progress	6,285,976.69	176,001.90	2,363,047.49	5,305,061.60	2,449,913.56	4,098,931.10
Accumulated Depreciation						
401.173.092 ACC DEP PRD STRUC & IMP	346,669.35 CR	0.00	20,224.86	0.00	20,224.86	366,894.21 CR
401.173.093 ACC DEP TRN STRUC & IMP	41,656.16 CR	0.00	221.88	0.00	221.88	41,878.04 CR
401.173.094 ACC DEP DST STRUC & IMP	317,955.38 CR	0.00	23,945.31	0.00	23,945.31	341,900.69 CR
401.173.095 ACC DEP GEN STRUC & IMP	69,342.02 CR	0.00	12,626.44	0.00	12,626.44	81,968.46 CR
401.179.092 ACC DEP PROD OTHER IMPROVEMEN	3,088,052.25 CR	0.00	249,239.58	0.00	249,239.58	3,337,291.83 CR
401.179.093 ACC DEP TRAN OTHER IMPROVEMEN	3,748.74 CR	0.00	0.00	0.00	0.00	3,748.74 CR
401.188.092 ACC DEP PRD EQUIP	1,973,886.93 CR	0.00	54,646.54	8,383.81	54,646.54	2,028,533.47 CR
401.188.093 ACC DEP TRN EQUIP	957,697.08 CR	0.00	11,780.18	0.00	11,780.18	969,477.26 CR

401 ELECTRIC LIGHT FUND

<i>Account Number</i>	<i>Beginning Balance</i>	<i>Debits</i>	<i>Credits</i>	<i>YTD Debits</i>	<i>YTD Credits</i>	<i>Balance</i>
Assets (Continued)						
401.188.094 ACC DEP DST EQUIP	6,113,941.63 CR	4,259.72	405,954.59	70,005.84	405,954.59	6,515,636.50 CR
401.188.095 ACC DEP GEN EQUIP	553,061.31 CR	21,525.45	122,252.43	666,879.89	122,252.43	653,788.29 CR
401.188.096 ACC DEP DST ADJUSTMENTS	430,846.18	0.00	0.00	0.00	0.00	430,846.18
401.188.097 ACC DEP TRANS ADJUSTMENTS	11,067.87	0.00	0.00	0.00	0.00	11,067.87
401.191.090 ACC AMORTIZATION-INTANGIBLE AS	878,604.72 CR	0.00	121,939.22	0.00	121,939.22	1,000,543.94 CR
Total Accumulated Depreciation	-13,902,701.52	25,785.17	1,022,831.03	745,269.54	1,022,831.03	-14,899,747.38 CR
Future Debt Reserve						
401.151.901 FUTURE DEBT RESERVE CASH	0.00	0.00	0.00	16,230.27	719,357.01	0.00
Total Future Debt Reserve	0.00	0.00	0.00	16,230.27	719,357.01	0.00
1999 Bond Reserve Cash						
401.151.102 1999 BOND RESERVE CASH	599,052.50	0.00	0.00	0.00	0.00	599,052.50
Total 1999 Bond Reserve Cash	599,052.50	0.00	0.00	0.00	0.00	599,052.50
1999 Bond Princ & Interest						
401.151.400 1999 BOND PRINCIPAL CASH	300,000.00	26,250.00	300,000.00	301,250.00	300,000.00	26,250.00
401.151.600 1999 BOND INTEREST CASH	148,001.25	23,516.92	148,001.25	293,852.50	296,002.50	23,516.92
Total 1999 Bond Princ & Interest	448,001.25	49,766.92	448,001.25	595,102.50	596,002.50	49,766.92
Other Restricted Cash						
401.151.902 EQ RES CASH - CENTRALIA	413,592.85	16,322.61	429,915.46	182,821.99	466,249.71	0.00
401.151.903 EQ RES CASH - YELM	262,733.69	12,193.13	274,926.82	120,863.81	286,541.05	0.00
Total Other Restricted Cash	676,326.54	28,515.74	704,842.28	303,685.80	752,790.76	0.00
Cash & Meter Deposits						
401.111.100 CASH & CASH EQUIVALENTS	455,886.42 CR	2,237,536.74	1,531,543.46	19,290,203.23	20,686,273.20	250,106.86
401.111.700 PETTY CASH-YELM	100.00	0.00	0.00	0.00	0.00	100.00
401.111.710 CHANGE FUNDS-CSC	3,800.00	0.00	0.00	0.00	0.00	3,800.00
401.151.100 METER DEPOSIT CASH	394,396.04	10,735.93	11,415.00	163,513.93	168,048.95	393,716.97
Total Cash & Meter Deposits	-57,590.38	2,248,272.67	1,542,958.46	19,453,717.16	20,854,322.15	647,723.83
Customer Accts Rec						

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Assets (Continued)						
401.122.100 CUSTOMER ACCTS REC-LIGHT	1,508,307.10	1,699,444.25	1,296,634.86	15,287,937.88	15,273,297.77	1,911,116.49
401.122.101 LIHEAP RECEIVABLE	49,007.76	40,955.72	9,177.00	95,640.30	47,818.96	80,786.48
401.122.102 OTHER ACCTS RECEIVABLE-YR END	260,388.85	68,371.35	0.00	72,245.20	215,170.68	328,760.20
401.122.103 SERVICE CHRGES REC-LIGHT	3,139.24	5,012.98	4,822.03	68,319.49	70,401.74	3,330.19
401.122.104 NSF CHARGES RECEIVABLE	3,681.46	0.00	0.00	0.00	0.00	3,681.46
401.122.106 CONTRACTS RECEIVABLE	4,204.00 CR	45,159.72	40,955.72	61,349.34	61,349.34	0.00
Total Customer Accts Rec	1,820,320.41	1,858,944.02	1,351,589.61	15,585,492.21	15,668,038.49	2,327,674.82
Less Reserve for Bad Debts						
401.122.900 ALLOWANCE FOR UNCOLLECTIBLES	5,318.50 CR	0.00	0.00	157.04	66.47	5,318.50 CR
Total Less Reserve for Bad Debts	-5,318.50	0.00	0.00	157.04	66.47	-5,318.50 CR
Supplies Inventory						
401.143.400 PREPAYMTS - OPERATING SUPPLIES	401,702.50	26,679.80	23,993.19	317,201.71	247,882.29	404,389.11
Total Supplies Inventory	401,702.50	26,679.80	23,993.19	317,201.71	247,882.29	404,389.11
Other Deferred Debits-Bond Cos						
401.195.300 1999 BOND ISSUE COSTS	77,906.54	0.00	496.22	0.00	5,954.64	77,410.32
Total Other Deferred Debits-Bond Cos	77,906.54	0.00	496.22	0.00	5,954.64	77,410.32
Total Assets	37,220,446.21	7,329,042.68	7,491,118.56	45,236,994.29	43,096,073.59	37,058,370.33
Liabilities						
Revenue Bonds						
401.235.200 REV BONDS - CURRENT PORTION	300,000.00 CR	0.00	15,000.00	0.00	15,000.00	315,000.00 CR
401.252.130 1999 REVENUE BONDS PAYABLE	5,825,000.00 CR	300,000.00	0.00	300,000.00	0.00	5,525,000.00 CR
401.252.199 CURRENT PORTION-BONDS PAYABLE	300,000.00	15,000.00	0.00	15,000.00	0.00	315,000.00
Total Revenue Bonds	-5,825,000.00 CR	315,000.00	15,000.00	315,000.00	15,000.00	-5,525,000.00 CR
Less Bond Discount						
401.252.301 1999 UNAMORT BOND DISCOUNT	10,142.20	0.00	64.60	0.00	775.20	10,077.60

401 ELECTRIC LIGHT FUND

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Liabilities (Continued)						
Total Less Bond Discount	10,142.20 CR	0.00	64.60	0.00	775.20	10,077.60
Accounts & Notes Payable						
401.212.100 BENEFITS PAYABLE	226,985.67 CR	226,985.67	258,456.92	2,511,149.39	2,575,744.26	258,456.92 CR
401.213.400 VOUCHERS PAYABLE	853,572.57 CR	889,043.57	1,052,798.96	14,550,085.35	14,058,770.32	1,017,327.96 CR
401.227.100 INTFUND LOAN PAYABLE-WATER	651,599.21 CR	0.00	75,733.10	0.00	727,332.31	727,332.31 CR
Total Accounts & Notes Payable	-1,732,157.45 CR	1,116,029.24	1,386,988.98	17,061,234.74	17,361,846.89	-2,003,117.19 CR
Customers' Deposits						
401.245.100 CUSTOMER DEPOSITS	394,396.04 CR	11,415.00	10,735.93	168,048.95	163,513.93	393,716.97 CR
Total Customers' Deposits	-394,396.04 CR	11,415.00	10,735.93	168,048.95	163,513.93	-393,716.97 CR
Accrued Vacation & Sick Leave						
401.259.100 ACCRUED SICK LEAVE	155,336.14 CR	0.00	20,845.42	0.00	20,845.42	176,181.56 CR
401.259.200 ACCRUED VACATION	117,501.61 CR	0.00	14,230.59	0.00	14,230.59	131,732.20 CR
401.259.300 ACCRUED COMP TIME	4,341.39 CR	85.82	0.00	85.82	0.00	4,255.57 CR
401.259.400 ACCRUED FICA/CITY	17,185.11 CR	0.00	2,169.39	0.00	2,169.39	19,354.50 CR
401.259.500 ACCRUED MEDICARE/CITY	4,019.10 CR	0.00	507.36	0.00	507.36	4,526.46 CR
401.259.600 ACCRUED PENSION/CITY	1,448.74 CR	0.00	860.99	0.00	860.99	2,309.73 CR
401.259.700 ACCRUED EXCESS COMPENSATION	58,938.28 CR	0.00	250.27	0.00	250.27	59,188.55 CR
Total Accrued Vacation & Sick Leave	-358,770.37 CR	85.82	38,864.02	85.82	38,864.02	-397,548.57 CR
Taxes Payable						
401.237.000 TAXES PAYABLE-LEASEHOLD	123.26 CR	0.00	61.63	746.24	747.17	184.89 CR
Total Taxes Payable	-123.26 CR	0.00	61.63	746.24	747.17	-184.89 CR
Interest Payable						
401.231.100 1999 BONDS-INTEREST PAYABLE	148,001.25 CR	148,001.25	23,516.92	296,002.50	293,852.50	23,516.92 CR
Total Interest Payable	-148,001.25 CR	148,001.25	23,516.92	296,002.50	293,852.50	-23,516.92 CR
Other Deferred Credits						
401.233.100 UNAPPLIED CASH	33,976.45 CR	65,801.60	72,398.22	612,615.52	632,516.94	40,573.07 CR
401.233.101 UNAPPLIED LIHEAP	27,665.27 CR	0.00	0.00	103,002.73	130,668.00	27,665.27 CR

G/L Trial Balance Report
City of Centralia
12/ 1/2006 through 12/31/2006

401 ELECTRIC LIGHT FUND

<i>Account Number</i>	<i>Beginning Balance</i>	<i>Debits</i>	<i>Credits</i>	<i>YTD Debits</i>	<i>YTD Credits</i>	<i>Balance</i>
Liabilities (Continued)						
Total Other Deferred Credits	-61,641.72 CR	65,801.60	72,398.22	715,618.25	763,184.94	-68,238.34 CR
Total Liabilities	8,509,947.89 CR	1,656,332.91	1,547,630.30	18,556,736.50	18,637,784.65	8,401,245.28 CR
Equities						
Customer Contributions						
401.273.070 CONTRIBUTIONS - CUSTOMERS	2,136,680.26 CR	0.00	0.00	0.00	0.00	2,136,680.26 CR
Total Customer Contributions	-2,136,680.26 CR	0.00	0.00	0.00	0.00	-2,136,680.26 CR
Fund Balance-beginning of year						
401.285.110 RESERVED FUND BALANCE	1,594,166.75 CR	0.00	0.00	0.00	0.00	1,594,166.75 CR
401.288.000 UNRESERVED FUND BALANCE	22,840,334.20 CR	1,750,000.00	1,750,000.00	18,270,571.29	18,244,500.00	22,840,334.20 CR
Total Fund Balance-beginning of year	-24,434,500.95 CR	1,750,000.00	1,750,000.00	18,270,571.29	18,244,500.00	-24,434,500.95 CR
Total Equities	26,571,181.21 CR	1,750,000.00	1,750,000.00	18,270,571.29	18,244,500.00	26,571,181.21 CR
Operating						
Net Income (Loss)						
401.292.100 REVENUE CONTROL	13,804,068.53 CR	64,793.34	1,840,236.07	316,295.02	15,895,806.28	15,579,511.26 CR
401.292.200 EXPENDITURE/EXPENSE CONTROL	11,293,068.14	1,399,987.03	43,496.13	12,824,896.97	175,337.93	12,649,559.04
401.292.300 OTHER FINANCING SOURCES CTRL	148,943.34 CR	0.00	3,000.00	245,993.12	397,936.46	151,943.34 CR
401.294.100 NET INCREASE IN FIXED ASSETS	520,626.62	3,289.87	523,916.49	532,572.89	532,572.89	0.00
401.294.110 DEPRECIATION CONTROL	0.00	998,349.86	2,398.14	998,349.86	2,398.14	995,951.72
Total Net Income (Loss)	-2,139,317.11 CR	2,466,420.10	2,413,046.83	14,918,107.86	17,004,051.70	-2,085,943.84 CR
Total Operating	2,139,317.11 CR	2,466,420.10	2,413,046.83	14,918,107.86	17,004,051.70	2,085,943.84 CR
Budgetary						

401 ELECTRIC LIGHT FUND

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Budgetary (Continued)						
Net Income (Loss)						
401.291.100 ESTIMATED REVENUE CONTROL	16,494,500.00	1,750,000.00	0.00	18,244,500.00	0.00	18,244,500.00
401.291.200 EST APPROPRIATIONS CONTROL	16,494,500.00 CR	0.00	1,750,000.00	0.00	18,244,500.00	18,244,500.00 CR
Total Net Income (Loss)	0.00	1,750,000.00	1,750,000.00	18,244,500.00	18,244,500.00	0.00
Total Budgetary	0.00	1,750,000.00	1,750,000.00	18,244,500.00	18,244,500.00	0.00
Assets	37,220,446.21	7,329,042.68	7,491,118.56	45,236,994.29	43,096,073.59	37,058,370.33
Liabilities	8,509,947.89 CR	1,656,332.91	1,547,630.30	18,556,736.50	18,637,784.65	8,401,245.28 CR
Equities	26,571,181.21 CR	1,750,000.00	1,750,000.00	18,270,571.29	18,244,500.00	26,571,181.21 CR
Operating	2,139,317.11 CR	2,466,420.10	2,413,046.83	14,918,107.86	17,004,051.70	2,085,943.84 CR
Budgetary	0.00	1,750,000.00	1,750,000.00	18,244,500.00	18,244,500.00	0.00
Total ELECTRIC LIGHT FUND	0.00	14,951,795.69	14,951,795.69	115,226,909.94	115,226,909.94	0.00

G/L Trial Balance Report
 City of Centralia
 12/ 1/2006 through 12/31/2006

Grand Totals

	<i>Beginning Balance</i>	<i>Debits</i>	<i>Credits</i>	<i>YTD Debits</i>	<i>YTD Credits</i>	<i>Balance</i>
Total Assets	37,220,446.21	7,329,042.68	7,491,118.56	45,236,994.29	43,096,073.59	37,058,370.33
Total Liabilities	8,509,947.89 CR	1,656,332.91	1,547,630.30	18,556,736.50	18,637,784.65	8,401,245.28 CR
Total Equities	26,571,181.21 CR	1,750,000.00	1,750,000.00	18,270,571.29	18,244,500.00	26,571,181.21 CR
Total Operating	2,139,317.11 CR	2,466,420.10	2,413,046.83	14,918,107.86	17,004,051.70	2,085,943.84 CR
Total Expenditures	0.00	0.00	0.00	0.00	0.00	0.00
Total Revenues	0.00	0.00	0.00	0.00	0.00	0.00
Total Budgetary	0.00	1,750,000.00	1,750,000.00	18,244,500.00	18,244,500.00	0.00
Total All Funds	0.00	14,951,795.69	14,951,795.69	115,226,909.94	115,226,909.94	0.00

Expenditures by Object Report
City of Centralia
12/1/2006 through 12/31/2006

401 ELECTRIC LIGHT FUND
010 YELM HYDRO DIVISION

<u>Object/Title</u>	<u>Adjusted Appropriation</u>	<u>Expenditures</u>	<u>Year-to-date Expenditures</u>	<u>Year-to-date Encumbrances</u>	<u>Balance</u>	<u>Prct Used</u>
000 OTHER COSTS						
010 DEPRECIATION	0.00	458,052.26	458,052.26	0.00	-458,052.26	0.00
Total OTHER COSTS	0.00	458,052.26	458,052.26	0.00	-458,052.26	0.00
100 SALARIES & WAGES						
110 FULL TIME	480,180.00	40,846.67	452,075.71	0.00	28,104.29	94.15
120 PART TIME	6,600.00	550.00	6,050.00	0.00	550.00	91.67
140 TEMPORARY FULL TIME	18,000.00	0.00	14,593.75	0.00	3,406.25	81.08
150 OVERTIME	20,000.00	2,438.02	23,975.00	0.00	-3,975.00	119.88
160 LONGEVITY	150.00	8.40	94.80	0.00	55.20	63.20
Total SALARIES & WAGES	524,930.00	43,843.09	496,789.26	0.00	28,140.74	94.64
200 PERSONNEL BENEFITS						
210 PENSION	15,340.00	1,597.47	14,676.55	0.00	663.45	95.68
211 TEAMSTER PENSION	360.00	27.24	325.77	0.00	34.23	90.49
220 FICA	39,190.00	3,257.57	37,001.80	0.00	2,188.20	94.42
230 UNEMPLOYMENT COMP	0.00	353.98	353.98	0.00	-353.98	0.00
240 HEALTH INSURANCE	86,590.00	7,930.41	79,338.12	0.00	7,251.88	91.63
250 LIFE INSURANCE	1,460.00	122.64	1,352.86	0.00	107.14	92.66
260 WORKMEN'S COMP	23,130.00	1,202.85	15,655.95	0.00	7,474.05	67.69
270 CLOTHING ALLOWANCE	2,300.00	0.00	2,499.99	0.00	-199.99	108.70
Total PERSONNEL BENEFITS	168,370.00	14,492.16	151,205.02	0.00	17,164.98	89.81
300 SUPPLIES						
310 OFFICE SUPPLIES	1,500.00	162.36	1,155.34	0.00	344.66	77.02
311 OFFICE SUPPLIES-COPIER & COPY EXPENSE	100.00	25.85	132.02	0.00	-32.02	132.02
312 OFFICE SUPPLIES-EQUIP & FURNISHINGS	500.00	0.00	145.65	0.00	354.35	29.13
320 FUEL CONSUMED	12,000.00	2,370.59	15,393.55	0.00	-3,393.55	128.28
350 SMALL TOOLS & MINOR EQUIPMENT	2,500.00	32.24	2,605.43	0.00	-105.43	104.22
351 GENERAL EQUIPMENT	5,000.00	0.00	4,119.77	0.00	880.23	82.40
352 RADIOS & CELLULAR PHONES	1,000.00	0.00	0.00	0.00	1,000.00	0.00
380 OPERATING SUPPLIES	5,000.00	712.86	10,072.65	0.00	-5,072.65	201.45
381 ROAD MATERIALS	12,000.00	525.25	1,949.72	0.00	10,050.28	16.25
382 BUILDING MAINTENANCE SUPPLIES	2,500.00	81.10	969.15	0.00	1,530.85	38.77
383 PHOTOGRAPHY EQUIP & SUPPLIES	150.00	0.00	374.35	0.00	-224.35	249.57
384 AGRICULTURAL & ANIMAL SUPPLIES	3,000.00	0.00	1,116.32	0.00	1,883.68	37.21
387 BLDG REPAIR & MAINT MATERIALS	4,000.00	126.25	392.89	0.00	3,607.11	9.82

Expenditures by Object Report
City of Centralia
12/1/2006 through 12/31/2006

401 ELECTRIC LIGHT FUND
010 YELM HYDRO DIVISION

<u>Object/Title</u>	<u>Adjusted Appropriation</u>	<u>Expenditures</u>	<u>Year-to-date Expenditures</u>	<u>Year-to-date Encumbrances</u>	<u>Balance</u>	<u>Prct Used</u>
388 TRAFFIC CONTROL SUPPLIES	1,000.00	0.00	0.00	0.00	1,000.00	0.00
389 SAFETY SUPPLIES & AMMUNITION	2,000.00	0.00	564.58	0.00	1,435.42	28.23
391 LUBRICANTS	2,000.00	355.16	3,066.09	0.00	-1,066.09	153.30
392 EQUIP & VEHICLE MAINT SUPPLIES	15,000.00	211.43	9,070.06	0.00	5,929.94	60.47
393 LINE MATERIALS	20,000.00	-20,387.84	21,533.94	0.00	-1,533.94	107.67
396 CHEMICALS & GASES	1,000.00	0.00	100.79	0.00	899.21	10.08
398 MISC STRUCTURE REPAIR & MAINT	10,000.00	0.00	7,693.48	0.00	2,306.52	76.93
Total SUPPLIES	100,250.00	-15,784.75	80,455.78	0.00	19,794.22	80.26
400 OTHER SERVICES & CHARGES						
410 PROFESSIONAL SERVICES	232,100.00	807.50	190,724.00	0.00	41,376.00	82.17
411 DATA PROCESSING	7,500.00	70.95	8,930.42	0.00	-1,430.42	119.07
414 LABORATORY TESTING	200.00	0.00	0.00	0.00	200.00	0.00
415 EMPLOYEE RECRUITMENT/SELECTION	500.00	0.00	0.00	0.00	500.00	0.00
420 COMMUNICATIONS	5,000.00	532.12	8,506.20	0.00	-3,506.20	170.12
421 POSTAGE & MAILING SERVICES	100.00	0.00	129.16	0.00	-29.16	129.16
430 MEETING EXPENSES	4,000.00	150.00	871.73	0.00	3,128.27	21.79
440 ADVERTISING	300.00	0.00	0.00	0.00	300.00	0.00
450 OPERATING RENTALS & LEASES	0.00	0.00	9.69	0.00	-9.69	0.00
451 EQUIPMENT RENTAL-CONTRACTED	5,000.00	203.25	7,007.52	0.00	-2,007.52	140.15
460 INSURANCE-GENERAL LIABILITY	48,850.00	0.00	33,168.00	0.00	15,682.00	67.90
461 INSURANCE-PROPERTY	1,650.00	0.00	10,848.00	0.00	-9,198.00	657.45
463 BONDS	0.00	0.00	78.00	0.00	-78.00	0.00
470 UTILITY SERVICES-ELECTRIC	5,000.00	537.77	2,905.53	0.00	2,094.47	58.11
471 UTILITY SERVICES-WATER	800.00	0.00	298.30	0.00	501.70	37.29
472 UTILITY SERVICES-WASTEWATER	4,000.00	0.00	0.00	0.00	4,000.00	0.00
473 UTILITY SERVICES-WASTE DISPOSAL	3,000.00	86.78	1,083.05	0.00	1,916.95	36.10
474 UTILITY SERVICES-NATURAL GAS	1,000.00	20.57	20.57	0.00	979.43	2.06
480 REPAIR & MAINTENANCE-MAINT CONTRACTS	20,000.00	0.00	0.00	0.00	20,000.00	0.00
482 REPAIR & MAINTENANCE-VEHICLES	3,000.00	180.90	10,755.70	0.00	-7,755.70	358.52
483 REPAIR & MAINTENANCE-EQUIPMENT	3,000.00	1,566.05	20,095.03	0.00	-17,095.03	669.83
490 MISC-PRINTING & BINDING	100.00	0.00	79.34	0.00	20.66	79.34
491 MISC-UNIFORM PURCHASE/CLEANING SVCS	2,800.00	0.00	0.00	0.00	2,800.00	0.00
492 MISC-DUES & MEMBERSHIPS	500.00	0.00	50.00	0.00	450.00	10.00
493 MISC-PUBLICATIONS & SUBSCRIPTIONS	300.00	0.00	0.00	0.00	300.00	0.00
496 MISC-JUDGEMENTS & SETTLEMENTS	215,000.00	0.00	219,621.56	0.00	-4,621.56	102.15

Expenditures by Object Report
City of Centralia
12/1/2006 through 12/31/2006

401 ELECTRIC LIGHT FUND
010 YELM HYDRO DIVISION

<u>Object/Title</u>	<u>Adjusted Appropriation</u>	<u>Expenditures</u>	<u>Year-to-date Expenditures</u>	<u>Year-to-date Encumbrances</u>	<u>Balance</u>	<u>Prct Used</u>
Total OTHER SERVICES & CHARGES	563,700.00	4,155.89	515,181.80	0.00	48,518.20	91.39
500 INTERGOV SERVICES & TAXES						
510 INTERGOVERNMENTAL PROFESSIONAL SERV	12,000.00	0.00	23,468.88	0.00	-11,468.88	195.57
530 EXTERNAL TAXES & OPERATING ASSESMEN	200.00	0.00	493.25	0.00	-293.25	246.63
531 OPERATING ASSESSMENTS	20,000.00	0.00	20,174.38	0.00	-174.38	100.87
Total INTERGOV SERVICES & TAXES	32,200.00	0.00	44,136.51	0.00	-11,936.51	137.07
600 CAPITAL OUTLAYS						
620 BUILDINGS & STRUCTURES	0.00	531.69	41,190.99	0.00	-41,190.99	0.00
630 OTHER IMPROVEMENTS	140,000.00	8,273.84	182,361.94	0.00	-42,361.94	130.26
640 MACHINERY & EQUIPMENT	255,000.00	1,495.00	226,109.82	0.00	28,890.18	88.67
650 CONSTRUCTION OF CAPITAL ASSETS	25,000.00	0.00	0.00	0.00	25,000.00	0.00
Total CAPITAL OUTLAYS	420,000.00	10,300.53	449,662.75	0.00	-29,662.75	107.06
700 DEBT SERVICE: PRINCIPAL						
720 PRINCIPAL - 1999 REVENUE BOND	300,000.00	300,000.00	300,000.00	0.00	0.00	100.00
Total DEBT SERVICE: PRINCIPAL	300,000.00	300,000.00	300,000.00	0.00	0.00	100.00
800 DEBT SERVICE: INTEREST & RELATED COSTS						
830 INTEREST - 1999 REVENUE BOND	296,000.00	23,516.92	293,852.50	0.00	2,147.50	99.27
840 AMORT - 1999 BOND ISSUE COSTS	0.00	496.22	5,954.64	0.00	-5,954.64	0.00
841 AMORT - 1999 BOND DISCOUNT	0.00	64.60	775.20	0.00	-775.20	0.00
Total DEBT SERVICE: INTEREST & RELAT	296,000.00	24,077.74	300,582.34	0.00	-4,582.34	101.55
900 INTERFUND PAYMENTS FOR SVCS						
910 INTERFUND PROF SVCS-COM DEV	23,000.00	0.00	23,000.00	0.00	0.00	100.00
911 INTERFUND PROF SVCS-C H BLDG	2,780.00	1,680.84	4,422.81	0.00	-1,642.81	159.09
913 INTERFUND PROF SVCS-CITY MGR	19,010.00	2,353.29	19,945.81	0.00	-935.81	104.92
914 INTERFUND PROF SVCS-FINANCE	32,220.00	1,412.93	31,453.27	0.00	766.73	97.62
915 INTERFUND PROF SVCS-CITY ATTY	8,960.00	2,158.71	9,814.60	0.00	-854.60	109.54
916 INTERFUND PROF SVCS-CITY CLERK	2,940.00	115.53	2,544.66	0.00	395.34	86.55
917 INTERFUND PROF SVCS-PERSONNEL	13,920.00	88.71	14,128.01	0.00	-208.01	101.49
918 INTERFUND PROF SVCS-COUNCIL	5,110.00	445.40	5,237.33	0.00	-127.33	102.49
980 INTERFUND EQ RENTAL CHARGES	8,000.00	670.66	7,872.79	0.00	127.21	98.41
Total INTERFUND PAYMENTS FOR SVCS	115,940.00	8,926.07	118,419.28	0.00	-2,479.28	102.14
Total YELM HYDRO DIVISION	2,521,390.00	848,062.99	2,914,485.00	0.00	-393,095.00	115.59

Expenditures by Object Report
City of Centralia
12/1/2006 through 12/31/2006

Expenditures by Object Report
City of Centralia
12/1/2006 through 12/31/2006

401 ELECTRIC LIGHT FUND
011 YELM HYDRO-CAPITAL OUTLAY NOT CWIP

<u>Object/Title</u>	<u>Adjusted Appropriation</u>	<u>Expenditures</u>	<u>Year-to-date Expenditures</u>	<u>Year-to-date Encumbrances</u>	<u>Balance</u>	<u>Prct Used</u>
500 INTERGOV SERVICES & TAXES						
Total INTERGOV SERVICES & TAXES	0.00	0.00	0.00	0.00	0.00	0.00
600 CAPITAL OUTLAYS						
620 BUILDINGS & STRUCTURES	12,000.00	0.00	17,668.98	0.00	-5,668.98	147.24
630 OTHER IMPROVEMENTS	0.00	0.00	40,474.61	0.00	-40,474.61	0.00
640 MACHINERY & EQUIPMENT	75,000.00	0.00	26,991.39	0.00	48,008.61	35.99
Total CAPITAL OUTLAYS	87,000.00	0.00	85,134.98	0.00	1,865.02	97.86
Total YELM HYDRO-CAPITAL OUTLAY NO	87,000.00	0.00	85,134.98	0.00	1,865.02	97.86

Expenditures by Object Report
City of Centralia
12/1/2006 through 12/31/2006

401 ELECTRIC LIGHT FUND
020 CENTRALIA PLANT

<u>Object/Title</u>	<u>Adjusted Appropriation</u>	<u>Expenditures</u>	<u>Year-to-date Expenditures</u>	<u>Year-to-date Encumbrances</u>	<u>Balance</u>	<u>Prct Used</u>
000 OTHER COSTS						
010 DEPRECIATION	0.00	537,899.46	537,899.46	0.00	-537,899.46	0.00
Total OTHER COSTS	0.00	537,899.46	537,899.46	0.00	-537,899.46	0.00
100 SALARIES & WAGES						
110 FULL TIME	1,461,040.00	130,195.58	1,527,536.25	0.00	-66,496.25	104.55
140 TEMPORARY FULL TIME	17,900.00	1,201.29	45,847.67	0.00	-27,947.67	256.13
150 OVERTIME	64,900.00	50,738.93	171,674.91	0.00	-106,774.91	264.52
160 LONGEVITY	1,380.00	98.60	1,159.20	0.00	220.80	84.00
191 ACCRUED SICK LEAVE	0.00	20,845.42	20,845.42	0.00	-20,845.42	0.00
192 ACCRUED VACATION	0.00	14,230.59	14,230.59	0.00	-14,230.59	0.00
193 ACCRUED COMP TIME	0.00	-85.82	-85.82	0.00	85.82	0.00
194 ACCRUED FICA/CITY	0.00	2,169.39	2,169.39	0.00	-2,169.39	0.00
195 ACCRUED MEDICARE/CITY	0.00	507.36	507.36	0.00	-507.36	0.00
196 ACCRUED PENSION/CITY	0.00	860.99	860.99	0.00	-860.99	0.00
197 ACCRUED EXCESS COMP/CITY	0.00	250.27	250.27	0.00	-250.27	0.00
Total SALARIES & WAGES	1,545,220.00	221,012.60	1,784,996.23	0.00	-239,776.23	115.52
200 PERSONNEL BENEFITS						
210 PENSION	46,940.00	6,640.83	52,171.88	0.00	-5,231.88	111.15
211 TEAMSTER PENSION	5,780.00	440.19	5,401.98	0.00	378.02	93.46
220 FICA	116,240.00	13,719.05	131,442.78	0.00	-15,202.78	113.08
240 HEALTH INSURANCE	261,050.00	23,225.53	268,972.90	0.00	-7,922.90	103.04
250 LIFE INSURANCE	4,530.00	382.23	4,545.68	0.00	-15.68	100.35
260 WORKMEN'S COMP	47,610.00	3,675.72	40,582.98	0.00	7,027.02	85.24
270 CLOTHING ALLOWANCE	5,300.00	0.00	7,283.29	0.00	-1,983.29	137.42
Total PERSONNEL BENEFITS	487,450.00	48,083.55	510,401.49	0.00	-22,951.49	104.71
300 SUPPLIES						
310 OFFICE SUPPLIES	10,770.00	505.18	5,851.33	0.00	4,918.67	54.33
311 OFFICE SUPPLIES-COPIER & COPY EXPENSE	3,700.00	193.76	2,343.11	0.00	1,356.89	63.33
312 OFFICE SUPPLIES-EQUIP & FURNISHINGS	5,080.00	125.00	11,782.73	0.00	-6,702.73	231.94
313 OFFICE SUPPLIES-BANK CHARGES	0.00	44.54	44.54	0.00	-44.54	0.00
320 FUEL CONSUMED	26,670.00	4,065.00	37,540.87	0.00	-10,870.87	140.76
330 POWER PURCHASED FOR RESALE	6,800,000.00	790,232.00	6,615,895.00	0.00	184,105.00	97.29
350 SMALL TOOLS & MINOR EQUIPMENT	4,030.00	180.88	12,640.11	0.00	-8,610.11	313.65
351 GENERAL EQUIPMENT	10,500.00	0.00	7,319.76	0.00	3,180.24	69.71
352 RADIOS & CELLULAR PHONES	1,200.00	0.00	527.14	0.00	672.86	43.93

Expenditures by Object Report
City of Centralia
12/1/2006 through 12/31/2006

401 ELECTRIC LIGHT FUND
020 CENTRALIA PLANT

<i>Object/Title</i>	<i>Adjusted Appropriation</i>	<i>Expenditures</i>	<i>Year-to-date Expenditures</i>	<i>Year-to-date Encumbrances</i>	<i>Balance</i>	<i>Prct Used</i>
380 OPERATING SUPPLIES	25,000.00	1,611.21	43,134.01	0.00	-18,134.01	172.54
381 ROAD MATERIALS	3,000.00	73.49	1,450.58	0.00	1,549.42	48.35
382 BUILDING MAINTENANCE SUPPLIES	4,500.00	368.33	4,888.84	0.00	-388.84	108.64
383 PHOTOGRAPHY EQUIP & SUPPLIES	2,170.00	0.00	0.00	0.00	2,170.00	0.00
384 AGRICULTURAL & ANIMAL SUPPLIES	1,100.00	0.00	454.97	0.00	645.03	41.36
386 FOOD	250.00	138.46	650.66	0.00	-400.66	260.26
387 BLDG REPAIR & MAINT MATERIALS	4,000.00	3,289.87	3,605.42	0.00	394.58	90.14
388 TRAFFIC CONTROL SUPPLIES	2,000.00	429.77	429.77	0.00	1,570.23	21.49
389 SAFETY SUPPLIES & AMMUNITION	4,940.00	468.17	3,462.98	0.00	1,477.02	70.10
390 ENGINEERING SUPPLIES	3,170.00	0.00	0.00	0.00	3,170.00	0.00
391 LUBRICANTS	3,000.00	130.80	1,090.48	0.00	1,909.52	36.35
392 EQUIP & VEHICLE MAINT SUPPLIES	10,000.00	394.26	6,162.46	0.00	3,837.54	61.62
393 LINE MATERIALS	150,000.00	29,052.23	334,116.26	0.00	-184,116.26	222.74
395 STREET LIGHTING SUPPLIES	12,000.00	4,187.00	22,129.24	0.00	-10,129.24	184.41
396 CHEMICALS & GASES	1,000.00	0.00	1,176.33	0.00	-176.33	117.63
398 SUBSTATION MAINTENANCE SUPPLIES	8,000.00	0.00	6,735.39	0.00	1,264.61	84.19
Total SUPPLIES	7,096,080.00	835,489.95	7,123,431.98	0.00	-27,351.98	100.39
400 OTHER SERVICES & CHARGES						
410 PROFESSIONAL SERVICES	165,440.00	3,248.38	136,524.94	0.00	28,915.06	82.52
411 DATA PROCESSING	71,950.00	4,598.34	56,512.04	0.00	15,437.96	78.54
413 MAPS & MICROFILM	2,000.00	0.00	0.00	0.00	2,000.00	0.00
414 LABORATORY TESTING	4,000.00	0.00	4,746.03	0.00	-746.03	118.65
415 EMPLOYEE RECRUITMENT/SELECTION	1,700.00	0.00	0.00	0.00	1,700.00	0.00
420 COMMUNICATIONS	14,340.00	2,018.82	23,634.33	0.00	-9,294.33	164.81
421 POSTAGE & MAILING SERVICES	18,160.00	2,486.61	18,012.75	0.00	147.25	99.19
423 CABLE SERVICE	1,200.00	112.41	1,348.92	0.00	-148.92	112.41
430 MEETING EXPENSES	23,750.00	1,318.32	25,554.15	0.00	-1,804.15	107.60
440 ADVERTISING	1,600.00	110.82	637.95	0.00	962.05	39.87
450 OPERATING RENTALS & LEASES	3,000.00	6.00	35.00	0.00	2,965.00	1.17
451 EQUIPMENT RENTAL-CONTRACTED	3,000.00	42.12	15,880.25	0.00	-12,880.25	529.34
460 INSURANCE-GENERAL LIABILITY	81,190.00	0.00	56,385.00	0.00	24,805.00	69.45
461 INSURANCE-PROPERTY	4,700.00	0.00	6,091.00	0.00	-1,391.00	129.60
463 BONDS	200.00	0.00	145.00	0.00	55.00	72.50
471 UTILITY SERVICES-WATER	1,620.00	56.29	770.20	0.00	849.80	47.54
472 UTILITY SERVICES-WASTEWATER	1,340.00	49.76	818.70	0.00	521.30	61.10

Expenditures by Object Report
City of Centralia
12/1/2006 through 12/31/2006

401 ELECTRIC LIGHT FUND
020 CENTRALIA PLANT

<u>Object/Title</u>	<u>Adjusted Appropriation</u>	<u>Expenditures</u>	<u>Year-to-date Expenditures</u>	<u>Year-to-date Encumbrances</u>	<u>Balance</u>	<u>Prct Used</u>
473 UTILITY SERVICES-WASTE DISPOSAL	2,000.00	312.72	4,619.30	0.00	-2,619.30	230.97
474 UTILITY SERVICES-NATURAL GAS	1,500.00	391.99	3,466.22	0.00	-1,966.22	231.08
480 REPAIR & MAINTENANCE-MAINT CONTRACTS	17,980.00	427.22	7,304.29	0.00	10,675.71	40.62
481 REPAIR & MAINTENANCE-CONST CONTRACTS	50,000.00	0.00	1,988.70	0.00	48,011.30	3.98
482 REPAIR & MAINTENANCE-VEHICLES	25,000.00	3,368.27	8,778.94	0.00	16,221.06	35.12
483 REPAIR & MAINTENANCE-EQUIPMENT	10,400.00	26.97	9,302.61	0.00	1,097.39	89.45
484 REPAIR & MAINTENANCE-OTHER	0.00	0.00	59.34	0.00	-59.34	0.00
490 MISC-PRINTING & BINDING	10,140.00	0.00	5,099.02	0.00	5,040.98	50.29
491 MISC-UNIFORM PURCHASE/CLEANING SVCS	5,490.00	156.80	2,422.76	0.00	3,067.24	44.13
492 MISC-DUES & MEMBERSHIPS	20,400.00	0.00	19,175.66	0.00	1,224.34	94.00
493 MISC-PUBLICATIONS & SUBSCRIPTIONS	600.00	0.00	310.64	0.00	289.36	51.77
494 MISC-FILING/RECORDING/WITNESS FEES	930.00	11.34	649.12	0.00	280.88	69.80
495 MISC-GRANTS TO NON-GOVNMNTL ENTITY	100,000.00	0.00	3,000.00	0.00	97,000.00	3.00
497 MISC-CONTRIB TO RURAL ECON DEV FUND	50,000.00	0.00	50,000.00	0.00	0.00	100.00
498 MISC-INTERNAL CONSERVATION PROGRAM	0.00	240.00	63,709.29	0.00	-63,709.29	0.00
Total OTHER SERVICES & CHARGES	693,630.00	18,983.18	526,982.15	0.00	166,647.85	75.97
500 INTERGOV SERVICES & TAXES						
510 INTERGOVERNMENTAL PROFESSIONAL SERV	500.00	0.00	345.60	0.00	154.40	69.12
530 EXTERNAL TAXES & OPERATING ASSESSMEN	554,000.00	64,029.21	547,635.17	0.00	6,364.83	98.85
540 INTRFND TAXES & OP ASSESSMENTS	854,000.00	100,499.95	899,071.06	0.00	-45,071.06	105.28
Total INTERGOV SERVICES & TAXES	1,408,500.00	164,529.16	1,447,051.83	0.00	-38,551.83	102.74
600 CAPITAL OUTLAYS						
610 LAND & LAND IMPROVEMENTS	101,000.00	0.00	0.00	0.00	101,000.00	0.00
620 BUILDINGS & STRUCTURES	950,000.00	274.13	636,312.63	0.00	313,687.37	66.98
630 OTHER IMPROVEMENTS	2,325,000.00	111,220.28	3,332,383.08	0.00	-1,007,383.08	143.33
640 MACHINERY & EQUIPMENT	300,000.00	13,715.72	44,782.53	0.00	255,217.47	14.93
650 CONSTRUCTION OF CAPITAL ASSETS	30,000.00	0.00	0.00	0.00	30,000.00	0.00
Total CAPITAL OUTLAYS	3,706,000.00	125,210.13	4,013,478.24	0.00	-307,478.24	108.30
700 DEBT SERVICE: PRINCIPAL						
Total DEBT SERVICE: PRINCIPAL	0.00	0.00	0.00	0.00	0.00	0.00
800 DEBT SERVICE: INTEREST & RELATED COSTS						
820 INTEREST - INTERFUND DEBT	0.00	3,083.63	3,083.63	0.00	-3,083.63	0.00
Total DEBT SERVICE: INTEREST & RELAT	0.00	3,083.63	3,083.63	0.00	-3,083.63	0.00
900 INTERFUND PAYMENTS FOR SVCS						
910 INTERFUND PROF SVCS-COM DEV	23,000.00	0.00	23,000.00	0.00	0.00	100.00

Expenditures by Object Report
City of Centralia
12/1/2006 through 12/31/2006

401 ELECTRIC LIGHT FUND
020 CENTRALIA PLANT

<u>Object/Title</u>	<u>Adjusted Appropriation</u>	<u>Expenditures</u>	<u>Year-to-date Expenditures</u>	<u>Year-to-date Encumbrances</u>	<u>Balance</u>	<u>Prct Used</u>
911 INTERFUND PROF SVCS-C H BLDG	8,340.00	5,042.54	13,268.56	0.00	-4,928.56	159.10
913 INTERFUND PROF SVCS-CITY MGR	57,030.00	7,059.88	59,837.44	0.00	-2,807.44	104.92
914 INTERFUND PROF SVCS-FINANCE	96,670.00	4,238.76	94,359.56	0.00	2,310.44	97.61
915 INTERFUND PROF SVCS-CITY ATTY	26,890.00	6,476.15	29,443.82	0.00	-2,553.82	109.50
916 INTERFUND PROF SVCS-CITY CLERK	8,820.00	346.60	7,634.10	0.00	1,185.90	86.55
917 INTERFUND PROF SVCS-PERSONNEL	41,750.00	266.15	42,384.27	0.00	-634.27	101.52
918 INTERFUND PROF SVCS-COUNCIL	15,330.00	1,336.16	15,711.73	0.00	-381.73	102.49
980 INTERFUND EQ RENTAL CHARGES	15,600.00	1,323.63	17,003.04	0.00	-1,403.04	108.99
Total INTERFUND PAYMENTS FOR SVCS	293,430.00	26,089.87	302,642.52	0.00	-9,212.52	103.14
Total CENTRALIA PLANT	15,230,310.00	1,980,381.53	16,249,967.53	0.00	-1,019,657.53	106.69

Expenditures by Object Report
City of Centralia
12/1/2006 through 12/31/2006

401 ELECTRIC LIGHT FUND
021 CENTRALIA PLANT-CAPITAL OUTLAY NOT CWIP

<u>Object/Title</u>	<u>Adjusted Appropriation</u>	<u>Expenditures</u>	<u>Year-to-date Expenditures</u>	<u>Year-to-date Encumbrances</u>	<u>Balance</u>	<u>Prct Used</u>
600 CAPITAL OUTLAYS						
620 BUILDINGS & STRUCTURES	6,400.00	0.00	9,502.36	0.00	-3,102.36	148.47
630 OTHER IMPROVEMENTS	10,000.00	0.00	60,593.41	0.00	-50,593.41	605.93
640 MACHINERY & EQUIPMENT	389,400.00	0.00	365,395.87	0.00	24,004.13	93.84
Total CAPITAL OUTLAYS	405,800.00	0.00	435,491.64	0.00	-29,691.64	107.32
Total CENTRALIA PLANT-CAPITAL OUTLA	405,800.00	0.00	435,491.64	0.00	-29,691.64	107.32

Expenditures by Object Report
City of Centralia
12/1/2006 through 12/31/2006

401 ELECTRIC LIGHT FUND

<i>Object/Title</i>	<i>Adjusted Appropriation</i>	<i>Expenditures</i>	<i>Year-to-date Expenditures</i>	<i>Year-to-date Encumbrances</i>	<i>Balance</i>	<i>Prct Used</i>
000 OTHER COSTS						
010 DEPRECIATION	0.00	995,951.72	995,951.72	0.00	-995,951.72	0.00
Total OTHER COSTS	0.00	995,951.72	995,951.72	0.00	-995,951.72	0.00
100 SALARIES & WAGES						
110 FULL TIME	1,941,220.00	171,042.25	1,979,611.96	0.00	-38,391.96	101.98
120 PART TIME	6,600.00	550.00	6,050.00	0.00	550.00	91.67
140 TEMPORARY FULL TIME	35,900.00	1,201.29	60,441.42	0.00	-24,541.42	168.36
150 OVERTIME	84,900.00	53,176.95	195,649.91	0.00	-110,749.91	230.45
160 LONGEVITY	1,530.00	107.00	1,254.00	0.00	276.00	81.96
191 ACCRUED SICK LEAVE	0.00	20,845.42	20,845.42	0.00	-20,845.42	0.00
192 ACCRUED VACATION	0.00	14,230.59	14,230.59	0.00	-14,230.59	0.00
193 ACCRUED COMP TIME	0.00	-85.82	-85.82	0.00	85.82	0.00
194 ACCRUED FICA/CITY	0.00	2,169.39	2,169.39	0.00	-2,169.39	0.00
195 ACCRUED MEDICARE/CITY	0.00	507.36	507.36	0.00	-507.36	0.00
196 ACCRUED PENSION/CITY	0.00	860.99	860.99	0.00	-860.99	0.00
197 ACCRUED EXCESS COMP/CITY	0.00	250.27	250.27	0.00	-250.27	0.00
Total SALARIES & WAGES	2,070,150.00	264,855.69	2,281,785.49	0.00	-211,635.49	110.22
200 PERSONNEL BENEFITS						
210 PENSION	62,280.00	8,238.30	66,848.43	0.00	-4,568.43	107.34
211 TEAMSTER PENSION	6,140.00	467.43	5,727.75	0.00	412.25	93.29
220 FICA	155,430.00	16,976.62	168,444.58	0.00	-13,014.58	108.37
230 UNEMPLOYMENT COMP	0.00	353.98	353.98	0.00	-353.98	0.00
240 HEALTH INSURANCE	347,640.00	31,155.94	348,311.02	0.00	-671.02	100.19
250 LIFE INSURANCE	5,990.00	504.87	5,898.54	0.00	91.46	98.47
260 WORKMEN'S COMP	70,740.00	4,878.57	56,238.93	0.00	14,501.07	79.50
270 CLOTHING ALLOWANCE	7,600.00	0.00	9,783.28	0.00	-2,183.28	128.73
Total PERSONNEL BENEFITS	655,820.00	62,575.71	661,606.51	0.00	-5,786.51	100.88
300 SUPPLIES						
310 OFFICE SUPPLIES	12,270.00	667.54	7,006.67	0.00	5,263.33	57.10
311 OFFICE SUPPLIES-COPIER & COPY EXPENSI	3,800.00	219.61	2,475.13	0.00	1,324.87	65.14
312 OFFICE SUPPLIES-EQUIP & FURNISHINGS	5,580.00	125.00	11,928.38	0.00	-6,348.38	213.77
313 OFFICE SUPPLIES-BANK CHARGES	0.00	44.54	44.54	0.00	-44.54	0.00
320 FUEL CONSUMED	38,670.00	6,435.59	52,934.42	0.00	-14,264.42	136.89
330 POWER PURCHASED FOR RESALE	6,800,000.00	790,232.00	6,615,895.00	0.00	184,105.00	97.29
350 SMALL TOOLS & MINOR EQUIPMENT	6,530.00	213.12	15,245.54	0.00	-8,715.54	233.47
351 GENERAL EQUIPMENT	15,500.00	0.00	11,439.53	0.00	4,060.47	73.80

Expenditures by Object Report
City of Centralia
12/1/2006 through 12/31/2006

401 ELECTRIC LIGHT FUND

<i>Object/Title</i>	<i>Adjusted Appropriation</i>	<i>Expenditures</i>	<i>Year-to-date Expenditures</i>	<i>Year-to-date Encumbrances</i>	<i>Balance</i>	<i>Prct Used</i>
352 RADIOS & CELLULAR PHONES	2,200.00	0.00	527.14	0.00	1,672.86	23.96
380 OPERATING SUPPLIES	30,000.00	2,324.07	53,206.66	0.00	-23,206.66	177.36
381 ROAD MATERIALS	15,000.00	598.74	3,400.30	0.00	11,599.70	22.67
382 BUILDING MAINTENANCE SUPPLIES	7,000.00	449.43	5,857.99	0.00	1,142.01	83.69
383 PHOTOGRAPHY EQUIP & SUPPLIES	2,320.00	0.00	374.35	0.00	1,945.65	16.14
384 AGRICULTURAL & ANIMAL SUPPLIES	4,100.00	0.00	1,571.29	0.00	2,528.71	38.32
386 FOOD	250.00	138.46	650.66	0.00	-400.66	260.26
387 BLDG REPAIR & MAINT MATERIALS	8,000.00	3,416.12	3,998.31	0.00	4,001.69	49.98
388 TRAFFIC CONTROL SUPPLIES	3,000.00	429.77	429.77	0.00	2,570.23	14.33
389 SAFETY SUPPLIES & AMMUNITION	6,940.00	468.17	4,027.56	0.00	2,912.44	58.03
390 ENGINEERING SUPPLIES	3,170.00	0.00	0.00	0.00	3,170.00	0.00
391 LUBRICANTS	5,000.00	485.96	4,156.57	0.00	843.43	83.13
392 EQUIP & VEHICLE MAINT SUPPLIES	25,000.00	605.69	15,232.52	0.00	9,767.48	60.93
393 LINE MATERIALS	170,000.00	8,664.39	355,650.20	0.00	-185,650.20	209.21
395 STREET LIGHTING SUPPLIES	12,000.00	4,187.00	22,129.24	0.00	-10,129.24	184.41
396 CHEMICALS & GASES	2,000.00	0.00	1,277.12	0.00	722.88	63.86
398 MISC STRUCTURE REPAIR & MAINT	18,000.00	0.00	14,428.87	0.00	3,571.13	80.16
Total SUPPLIES	7,196,330.00	819,705.20	7,203,887.76	0.00	-7,557.76	100.11
400 OTHER SERVICES & CHARGES						
410 PROFESSIONAL SERVICES	397,540.00	4,055.88	327,248.94	0.00	70,291.06	82.32
411 DATA PROCESSING	79,450.00	4,669.29	65,442.46	0.00	14,007.54	82.37
413 MAPS & MICROFILM	2,000.00	0.00	0.00	0.00	2,000.00	0.00
414 LABORATORY TESTING	4,200.00	0.00	4,746.03	0.00	-546.03	113.00
415 EMPLOYEE RECRUITMENT/SELECTION	2,200.00	0.00	0.00	0.00	2,200.00	0.00
420 COMMUNICATIONS	19,340.00	2,550.94	32,140.53	0.00	-12,800.53	166.19
421 POSTAGE & MAILING SERVICES	18,260.00	2,486.61	18,141.91	0.00	118.09	99.35
423 CABLE SERVICE	1,200.00	112.41	1,348.92	0.00	-148.92	112.41
430 MEETING EXPENSES	27,750.00	1,468.32	26,425.88	0.00	1,324.12	95.23
440 ADVERTISING	1,900.00	110.82	637.95	0.00	1,262.05	33.58
450 OPERATING RENTALS & LEASES	3,000.00	6.00	44.69	0.00	2,955.31	1.49
451 EQUIPMENT RENTAL-CONTRACTED	8,000.00	245.37	22,887.77	0.00	-14,887.77	286.10
460 INSURANCE-GENERAL LIABILITY	130,040.00	0.00	89,553.00	0.00	40,487.00	68.87
461 INSURANCE-PROPERTY	6,350.00	0.00	16,939.00	0.00	-10,589.00	266.76
463 BONDS	200.00	0.00	223.00	0.00	-23.00	111.50
470 UTILITY SERVICES-ELECTRIC	5,000.00	537.77	2,905.53	0.00	2,094.47	58.11
471 UTILITY SERVICES-WATER	2,420.00	56.29	1,068.50	0.00	1,351.50	44.15

Expenditures by Object Report
City of Centralia
12/1/2006 through 12/31/2006

401 ELECTRIC LIGHT FUND

<i>Object/Title</i>	<i>Adjusted Appropriation</i>	<i>Expenditures</i>	<i>Year-to-date Expenditures</i>	<i>Year-to-date Encumbrances</i>	<i>Balance</i>	<i>Prct Used</i>
472 UTILITY SERVICES-WASTEWATER	5,340.00	49.76	818.70	0.00	4,521.30	15.33
473 UTILITY SERVICES-WASTE DISPOSAL	5,000.00	399.50	5,702.35	0.00	-702.35	114.05
474 UTILITY SERVICES-NATURAL GAS	2,500.00	412.56	3,486.79	0.00	-986.79	139.47
480 REPAIR & MAINTENANCE-MAINT CONTRACT:	37,980.00	427.22	7,304.29	0.00	30,675.71	19.23
481 REPAIR & MAINTENANCE-CONST CONTRACT	50,000.00	0.00	1,988.70	0.00	48,011.30	3.98
482 REPAIR & MAINTENANCE-VEHICLES	28,000.00	3,549.17	19,534.64	0.00	8,465.36	69.77
483 REPAIR & MAINTENANCE-EQUIPMENT	13,400.00	1,593.02	29,397.64	0.00	-15,997.64	219.39
484 REPAIR & MAINTENANCE-OTHER	0.00	0.00	59.34	0.00	-59.34	0.00
490 MISC-PRINTING & BINDING	10,240.00	0.00	5,178.36	0.00	5,061.64	50.57
491 MISC-UNIFORM PURCHASE/CLEANING SVCS	8,290.00	156.80	2,422.76	0.00	5,867.24	29.23
492 MISC-DUES & MEMBERSHIPS	20,900.00	0.00	19,225.66	0.00	1,674.34	91.99
493 MISC-PUBLICATIONS & SUBSCRIPTIONS	900.00	0.00	310.64	0.00	589.36	34.52
494 MISC-FILING/RECORDING/WITNESS FEES	930.00	11.34	649.12	0.00	280.88	69.80
495 MISC-GRANTS TO NON-GOVNMNTL ENTITY	100,000.00	0.00	3,000.00	0.00	97,000.00	3.00
496 MISC-JUDGEMENTS & SETTLEMENTS	215,000.00	0.00	219,621.56	0.00	-4,621.56	102.15
497 MISC-CONTRIB TO RURAL ECON DEV FUND	50,000.00	0.00	50,000.00	0.00	0.00	100.00
498 MISC-INTERNAL CONSERVATION PROGRAM	0.00	240.00	63,709.29	0.00	-63,709.29	0.00
Total OTHER SERVICES & CHARGES	1,257,330.00	23,139.07	1,042,163.95	0.00	215,166.05	82.89
500 INTERGOV SERVICES & TAXES						
510 INTERGOVERNMENTAL PROFESSIONAL SER	12,500.00	0.00	23,814.48	0.00	-11,314.48	190.52
530 EXTERNAL TAXES & OPERATING ASSESSME	554,200.00	64,029.21	548,128.42	0.00	6,071.58	98.90
531 OPERATING ASSESSMENTS	20,000.00	0.00	20,174.38	0.00	-174.38	100.87
540 INTRFND TAXES & OP ASSESSMENTS	854,000.00	100,499.95	899,071.06	0.00	-45,071.06	105.28
Total INTERGOV SERVICES & TAXES	1,440,700.00	164,529.16	1,491,188.34	0.00	-50,488.34	103.50
600 CAPITAL OUTLAYS						
610 LAND & LAND IMPROVEMENTS	101,000.00	0.00	0.00	0.00	101,000.00	0.00
620 BUILDINGS & STRUCTURES	968,400.00	805.82	704,674.96	0.00	263,725.04	72.77
630 OTHER IMPROVEMENTS	2,475,000.00	119,494.12	3,615,813.04	0.00	-1,140,813.04	146.09
640 MACHINERY & EQUIPMENT	1,019,400.00	15,210.72	663,279.61	0.00	356,120.39	65.07
650 CONSTRUCTION OF CAPITAL ASSETS	55,000.00	0.00	0.00	0.00	55,000.00	0.00
Total CAPITAL OUTLAYS	4,618,800.00	135,510.66	4,983,767.61	0.00	-364,967.61	107.90
700 DEBT SERVICE: PRINCIPAL						
720 PRINCIPAL - 1999 REVENUE BOND	300,000.00	300,000.00	300,000.00	0.00	0.00	100.00
Total DEBT SERVICE: PRINCIPAL	300,000.00	300,000.00	300,000.00	0.00	0.00	100.00
800 DEBT SERVICE: INTEREST & RELATED COSTS						
820 INTEREST - INTERFUND DEBT	0.00	3,083.63	3,083.63	0.00	-3,083.63	0.00

Expenditures by Object Report
City of Centralia
12/1/2006 through 12/31/2006

401 ELECTRIC LIGHT FUND

<i>Object/Title</i>	<i>Adjusted Appropriation</i>	<i>Expenditures</i>	<i>Year-to-date Expenditures</i>	<i>Year-to-date Encumbrances</i>	<i>Balance</i>	<i>Prct Used</i>
830 INTEREST - LONG-TERM DEBT	296,000.00	23,516.92	293,852.50	0.00	2,147.50	99.27
840 AMORT - 1999 BOND ISSUE COSTS	0.00	496.22	5,954.64	0.00	-5,954.64	0.00
841 AMORT - 1999 BOND DISCOUNT	0.00	64.60	775.20	0.00	-775.20	0.00
Total DEBT SERVICE: INTEREST & RELAT	296,000.00	27,161.37	303,665.97	0.00	-7,665.97	102.59
900 INTERFUND PAYMENTS FOR SVCS						
910 INTERFUND PROF SVCS-COM DEV	46,000.00	0.00	46,000.00	0.00	0.00	100.00
911 INTERFUND PROF SVCS-C H BLDG	11,120.00	6,723.38	17,691.37	0.00	-6,571.37	159.10
913 INTERFUND PROF SVCS-CITY MGR	76,040.00	9,413.17	79,783.25	0.00	-3,743.25	104.92
914 INTERFUND PROF SVCS-FINANCE	128,890.00	5,651.69	125,812.83	0.00	3,077.17	97.61
915 INTERFUND PROF SVCS-CITY ATTY	35,850.00	8,634.86	39,258.42	0.00	-3,408.42	109.51
916 INTERFUND PROF SVCS-CITY CLERK	11,760.00	462.13	10,178.76	0.00	1,581.24	86.55
917 INTERFUND PROF SVCS-PERSONNEL	55,670.00	354.86	56,512.28	0.00	-842.28	101.51
918 INTERFUND PROF SVCS-COUNCIL	20,440.00	1,781.56	20,949.06	0.00	-509.06	102.49
980 INTERFUND EQ RENTAL CHARGES	23,600.00	1,994.29	24,875.83	0.00	-1,275.83	105.41
Total INTERFUND PAYMENTS FOR SVCS	409,370.00	35,015.94	421,061.80	0.00	-11,691.80	102.86
Total ELECTRIC LIGHT FUND	18,244,500.00	2,828,444.52	19,685,079.15	0.00	-1,440,579.15	107.90

Expenditures by Object Report
City of Centralia
12/1/2006 through 12/31/2006

Grand Totals

<u>Object/Title</u>	<u>Adjusted Appropriation</u>	<u>Expenditures</u>	<u>Year-to-date Expenditures</u>	<u>Year-to-date Encumbrances</u>	<u>Balance</u>	<u>Prct Used</u>
000 OTHER COSTS						
010 DEPRECIATION	0.00	995,951.72	995,951.72	0.00	-995,951.72	0.0
Total OTHER COSTS	0.00	995,951.72	995,951.72	0.00	-995,951.72	0.0
100 SALARIES & WAGES						
110 FULL TIME	1,941,220.00	171,042.25	1,979,611.96	0.00	-38,391.96	101.9
120 PART TIME	6,600.00	550.00	6,050.00	0.00	550.00	91.6
140 TEMPORARY FULL TIME	35,900.00	1,201.29	60,441.42	0.00	-24,541.42	168.3
150 OVERTIME	84,900.00	53,176.95	195,649.91	0.00	-110,749.91	230.4
160 LONGEVITY	1,530.00	107.00	1,254.00	0.00	276.00	81.9
191 ACCRUED SICK LEAVE	0.00	20,845.42	20,845.42	0.00	-20,845.42	0.0
192 ACCRUED VACATION	0.00	14,230.59	14,230.59	0.00	-14,230.59	0.0
193 ACCRUED COMP TIME	0.00	-85.82	-85.82	0.00	85.82	0.0
194 ACCRUED FICA/CITY	0.00	2,169.39	2,169.39	0.00	-2,169.39	0.0
195 ACCRUED MEDICARE/CITY	0.00	507.36	507.36	0.00	-507.36	0.0
196 ACCRUED PENSION/CITY	0.00	860.99	860.99	0.00	-860.99	0.0
197 ACCRUED EXCESS COMP/CITY	0.00	250.27	250.27	0.00	-250.27	0.0
Total SALARIES & WAGES	2,070,150.00	264,855.69	2,281,785.49	0.00	-211,635.49	110.2
200 PERSONNEL BENEFITS						
210 PENSION	62,280.00	8,238.30	66,848.43	0.00	-4,568.43	107.3
211 TEAMSTER PENSION	6,140.00	467.43	5,727.75	0.00	412.25	93.2
220 FICA	155,430.00	16,976.62	168,444.58	0.00	-13,014.58	108.3
230 UNEMPLOYMENT COMP	0.00	353.98	353.98	0.00	-353.98	0.0
240 HEALTH INSURANCE	347,640.00	31,155.94	348,311.02	0.00	-671.02	100.1
250 LIFE INSURANCE	5,990.00	504.87	5,898.54	0.00	91.46	98.4
260 WORKMEN'S COMP	70,740.00	4,878.57	56,238.93	0.00	14,501.07	79.5
270 CLOTHING ALLOWANCE	7,600.00	0.00	9,783.28	0.00	-2,183.28	128.7
Total PERSONNEL BENEFITS	655,820.00	62,575.71	661,606.51	0.00	-5,786.51	100.8
300 SUPPLIES						
310 OFFICE SUPPLIES	12,270.00	667.54	7,006.67	0.00	5,263.33	57.1
311 OFFICE SUPPLIES-COPIER & COPY EXPENSE	3,800.00	219.61	2,475.13	0.00	1,324.87	65.1
312 OFFICE SUPPLIES-EQUIP & FURNISHINGS	5,580.00	125.00	11,928.38	0.00	-6,348.38	213.7

Expenditures by Object Report
City of Centralia
12/1/2006 through 12/31/2006

Grand Totals [Continued]

<u>Object/Title</u>	<u>Adjusted Appropriation</u>	<u>Expenditures</u>	<u>Year-to-date Expenditures</u>	<u>Year-to-date Encumbrances</u>	<u>Balance</u>	<u>Prct Used</u>
313 OFFICE SUPPLIES-BANK CHARGES	0.00	44.54	44.54	0.00	-44.54	0.0
320 FUEL CONSUMED	38,670.00	6,435.59	52,934.42	0.00	-14,264.42	136.8
330 POWER PURCHASED FOR RESALE	6,800,000.00	790,232.00	6,615,895.00	0.00	184,105.00	97.2
350 SMALL TOOLS & MINOR EQUIPMENT	6,530.00	213.12	15,245.54	0.00	-8,715.54	233.4
351 GENERAL EQUIPMENT	15,500.00	0.00	11,439.53	0.00	4,060.47	73.8
352 RADIOS & CELLULAR PHONES	2,200.00	0.00	527.14	0.00	1,672.86	23.9
380 OPERATING SUPPLIES	30,000.00	2,324.07	53,206.66	0.00	-23,206.66	177.3
381 ROAD MATERIALS	15,000.00	598.74	3,400.30	0.00	11,599.70	22.6
382 BUILDING MAINTENANCE SUPPLIES	7,000.00	449.43	5,857.99	0.00	1,142.01	83.6
383 PHOTOGRAPHY EQUIP & SUPPLIES	2,320.00	0.00	374.35	0.00	1,945.65	16.1
384 AGRICULTURAL & ANIMAL SUPPLIES	4,100.00	0.00	1,571.29	0.00	2,528.71	38.3
386 FOOD	250.00	138.46	650.66	0.00	-400.66	260.2
387 BLDG REPAIR & MAINT MATERIALS	8,000.00	3,416.12	3,998.31	0.00	4,001.69	49.9
388 TRAFFIC CONTROL SUPPLIES	3,000.00	429.77	429.77	0.00	2,570.23	14.3
389 SAFETY SUPPLIES & AMMUNITION	6,940.00	468.17	4,027.56	0.00	2,912.44	58.0
390 ENGINEERING SUPPLIES	3,170.00	0.00	0.00	0.00	3,170.00	0.0
391 LUBRICANTS	5,000.00	485.96	4,156.57	0.00	843.43	83.1
392 EQUIP & VEHICLE MAINT SUPPLIES	25,000.00	605.69	15,232.52	0.00	9,767.48	60.9
393 LINE MATERIALS	170,000.00	8,664.39	355,650.20	0.00	-185,650.20	209.2
395 STREET LIGHTING SUPPLIES	12,000.00	4,187.00	22,129.24	0.00	-10,129.24	184.4
396 CHEMICALS & GASES	2,000.00	0.00	1,277.12	0.00	722.88	63.8
398 SUBSTATION MAINTENANCE SUPPLIES	18,000.00	0.00	14,428.87	0.00	3,571.13	80.1
Total SUPPLIES	7,196,330.00	819,705.20	7,203,887.76	0.00	-7,557.76	100.1
400 OTHER SERVICES & CHARGES						
410 PROFESSIONAL SERVICES	397,540.00	4,055.88	327,248.94	0.00	70,291.06	82.3
411 DATA PROCESSING	79,450.00	4,669.29	65,442.46	0.00	14,007.54	82.3
413 MAPS & MICROFILM	2,000.00	0.00	0.00	0.00	2,000.00	0.0
414 LABORATORY TESTING	4,200.00	0.00	4,746.03	0.00	-546.03	113.0
415 EMPLOYEE RECRUITMENT/SELECTION	2,200.00	0.00	0.00	0.00	2,200.00	0.0
420 COMMUNICATIONS	19,340.00	2,550.94	32,140.53	0.00	-12,800.53	166.1
421 POSTAGE & MAILING SERVICES	18,260.00	2,486.61	18,141.91	0.00	118.09	99.3
423 CABLE SERVICE	1,200.00	112.41	1,348.92	0.00	-148.92	112.4
430 MEETING EXPENSES	27,750.00	1,468.32	26,425.88	0.00	1,324.12	95.2

Expenditures by Object Report
City of Centralia
12/1/2006 through 12/31/2006

Grand Totals [Continued]

<u>Object/Title</u>	<u>Adjusted Appropriation</u>	<u>Expenditures</u>	<u>Year-to-date Expenditures</u>	<u>Year-to-date Encumbrances</u>	<u>Balance</u>	<u>Prct Used</u>
440 ADVERTISING	1,900.00	110.82	637.95	0.00	1,262.05	33.5
450 OPERATING RENTALS & LEASES	3,000.00	6.00	44.69	0.00	2,955.31	1.4
451 EQUIPMENT RENTAL-CONTRACTED	8,000.00	245.37	22,887.77	0.00	-14,887.77	286.1
460 INSURANCE-GENERAL LIABILITY	130,040.00	0.00	89,553.00	0.00	40,487.00	68.8
461 INSURANCE-PROPERTY	6,350.00	0.00	16,939.00	0.00	-10,589.00	266.7
463 BONDS	200.00	0.00	223.00	0.00	-23.00	111.5
470 UTILITY SERVICES-ELECTRIC	5,000.00	537.77	2,905.53	0.00	2,094.47	58.1
471 UTILITY SERVICES-WATER	2,420.00	56.29	1,068.50	0.00	1,351.50	44.1
472 UTILITY SERVICES-WASTEWATER	5,340.00	49.76	818.70	0.00	4,521.30	15.3
473 UTILITY SERVICES-WASTE DISPOSAL	5,000.00	399.50	5,702.35	0.00	-702.35	114.0
474 UTILITY SERVICES-NATURAL GAS	2,500.00	412.56	3,486.79	0.00	-986.79	139.4
480 REPAIR & MAINTENANCE-MAINT CONTRACTS	37,980.00	427.22	7,304.29	0.00	30,675.71	19.2
481 REPAIR & MAINTENANCE-CONST CONTRACTS	50,000.00	0.00	1,988.70	0.00	48,011.30	3.9
482 REPAIR & MAINTENANCE-VEHICLES	28,000.00	3,549.17	19,534.64	0.00	8,465.36	69.7
483 REPAIR & MAINTENANCE-EQUIPMENT	13,400.00	1,593.02	29,397.64	0.00	-15,997.64	219.3
484 REPAIR & MAINTENANCE-OTHER	0.00	0.00	59.34	0.00	-59.34	0.0
490 MISC-PRINTING & BINDING	10,240.00	0.00	5,178.36	0.00	5,061.64	50.5
491 MISC-UNIFORM PURCHASE/CLEANING SVCS	8,290.00	156.80	2,422.76	0.00	5,867.24	29.2
492 MISC-DUES & MEMBERSHIPS	20,900.00	0.00	19,225.66	0.00	1,674.34	91.9
493 MISC-PUBLICATIONS & SUBSCRIPTIONS	900.00	0.00	310.64	0.00	589.36	34.5
494 MISC-FILING/RECORDING/WITNESS FEES	930.00	11.34	649.12	0.00	280.88	69.8
495 MISC-BPA CONSERVATION REBATES	100,000.00	0.00	3,000.00	0.00	97,000.00	3.0
496 MISC-JUDGEMENTS & SETTLEMENTS	215,000.00	0.00	219,621.56	0.00	-4,621.56	102.1
497 MISC-CONTRIB TO RURAL ECON DEV FUND	50,000.00	0.00	50,000.00	0.00	0.00	100.0
498 MISC-INTERNAL CONSERVATION PROGRAM	0.00	240.00	63,709.29	0.00	-63,709.29	0.0
Total OTHER SERVICES & CHARGES	1,257,330.00	23,139.07	1,042,163.95	0.00	215,166.05	82.8
500 INTERGOV SERVICES & TAXES						
510 INTERGOVERNMENTAL PROFESSIONAL SERVIC	12,500.00	0.00	23,814.48	0.00	-11,314.48	190.5
530 EXTERNAL TAXES & OPERATING ASSESSMENT	554,200.00	64,029.21	548,128.42	0.00	6,071.58	98.9
531 OPERATING ASSESSMENTS	20,000.00	0.00	20,174.38	0.00	-174.38	100.8
540 INTRFND TAXES & OP ASSESSMENTS	854,000.00	100,499.95	899,071.06	0.00	-45,071.06	105.2
Total INTERGOV SERVICES & TAXES	1,440,700.00	164,529.16	1,491,188.34	0.00	-50,488.34	103.5
600 CAPITAL OUTLAYS						

Expenditures by Object Report
City of Centralia
12/1/2006 through 12/31/2006

Grand Totals [Continued]

<u>Object/Title</u>	<u>Adjusted Appropriation</u>	<u>Expenditures</u>	<u>Year-to-date Expenditures</u>	<u>Year-to-date Encumbrances</u>	<u>Balance</u>	<u>Prct Used</u>
610 LAND & LAND IMPROVEMENTS	101,000.00	0.00	0.00	0.00	101,000.00	0.0
620 BUILDINGS & STRUCTURES	968,400.00	805.82	704,674.96	0.00	263,725.04	72.7
630 OTHER IMPROVEMENTS	2,475,000.00	119,494.12	3,615,813.04	0.00	-1,140,813.04	146.0
640 MACHINERY & EQUIPMENT	1,019,400.00	15,210.72	663,279.61	0.00	356,120.39	65.0
650 CONSTRUCTION OF CAPITAL ASSETS	55,000.00	0.00	0.00	0.00	55,000.00	0.0
Total CAPITAL OUTLAYS	4,618,800.00	135,510.66	4,983,767.61	0.00	-364,967.61	107.9
700 DEBT SERVICE: PRINCIPAL						
720 PRINCIPAL - 1999 REVENUE BOND	300,000.00	300,000.00	300,000.00	0.00	0.00	100.0
Total DEBT SERVICE: PRINCIPAL	300,000.00	300,000.00	300,000.00	0.00	0.00	100.0
800 DEBT SERVICE: INTEREST & RELATED COSTS						
820 INTEREST - INTERFUND DEBT	0.00	3,083.63	3,083.63	0.00	-3,083.63	0.0
830 INTEREST - 1999 REVENUE BOND	296,000.00	23,516.92	293,852.50	0.00	2,147.50	99.2
840 AMORT - 1999 BOND ISSUE COSTS	0.00	496.22	5,954.64	0.00	-5,954.64	0.0
841 AMORT - 1999 BOND DISCOUNT	0.00	64.60	775.20	0.00	-775.20	0.0
Total DEBT SERVICE: INTEREST & RELATE	296,000.00	27,161.37	303,665.97	0.00	-7,665.97	102.5
900 INTERFUND PAYMENTS FOR SVCS						
910 INTERFUND PROF SVCS-COM DEV	46,000.00	0.00	46,000.00	0.00	0.00	100.0
911 INTERFUND PROF SVCS-C H BLDG	11,120.00	6,723.38	17,691.37	0.00	-6,571.37	159.1
913 INTERFUND PROF SVCS-CITY MGR	76,040.00	9,413.17	79,783.25	0.00	-3,743.25	104.9
914 INTERFUND PROF SVCS-FINANCE	128,890.00	5,651.69	125,812.83	0.00	3,077.17	97.6
915 INTERFUND PROF SVCS-CITY ATTY	35,850.00	8,634.86	39,258.42	0.00	-3,408.42	109.5
916 INTERFUND PROF SVCS-CITY CLERK	11,760.00	462.13	10,178.76	0.00	1,581.24	86.5
917 INTERFUND PROF SVCS-PERSONNEL	55,670.00	354.86	56,512.28	0.00	-842.28	101.5
918 INTERFUND PROF SVCS-COUNCIL	20,440.00	1,781.56	20,949.06	0.00	-509.06	102.4
980 INTERFUND EQ RENTAL CHARGES	23,600.00	1,994.29	24,875.83	0.00	-1,275.83	105.4
Total INTERFUND PAYMENTS FOR SVCS	409,370.00	35,015.94	421,061.80	0.00	-11,691.80	102.8
Grand Totals	18,244,500.00	2,828,444.52	19,685,079.15	0.00	-1,440,579.15	107.9

Revenue Status Report
City of Centralia
12/1/2006 through 12/31/2006

EA Total Energy Sales
401 ELECTRIC LIGHT FUND

<u>Account Number</u>	<u>Adjusted Estimate</u>	<u>Revenues</u>	<u>Year-to-date Revenues</u>	<u>Balance</u>	<u>Prct Rcvd</u>
340 CHARGES FOR GOODS AND SERVICES					
343.300.00 SALES OF ELECTRICITY	14,230,000.00	1,676,999.14	14,880,757.11	-650,757.11	104.57
343.300.04 SALES OF ELECT-PUBLIC ST LTS	45,800.00	4,099.96	46,062.21	-262.21	100.57
Total CHARGES FOR GOODS AND SERVICES	14,275,800.00	1,681,099.10	14,926,819.32	-651,019.32	104.56
Total ELECTRIC LIGHT FUND	14,275,800.00	1,681,099.10	14,926,819.32	-651,019.32	104.56
Total Total Energy Sales	14,275,800.00	1,681,099.10	14,926,819.32	-651,019.32	104.56

Revenue Status Report
City of Centralia
12/1/2006 through 12/31/2006

EB Temporary Service
401 ELECTRIC LIGHT FUND

<u>Account Number</u>	<u>Adjusted Estimate</u>	<u>Revenues</u>	<u>Year-to-date Revenues</u>	<u>Balance</u>	<u>Prct Rcvd</u>
340 CHARGES FOR GOODS AND SERVICES					
343.300.06 SALE OF ELECT-TEMPORARY SVCS	10,000.00	500.00	10,000.00	0.00	100.00
Total CHARGES FOR GOODS AND SERVICES	10,000.00	500.00	10,000.00	0.00	100.00
Total ELECTRIC LIGHT FUND	10,000.00	500.00	10,000.00	0.00	100.00
Total Temporary Service	10,000.00	500.00	10,000.00	0.00	100.00

Revenue Status Report
City of Centralia
12/1/2006 through 12/31/2006

EC Penalties

401 ELECTRIC LIGHT FUND

<u>Account Number</u>		<u>Adjusted Estimate</u>	<u>Revenues</u>	<u>Year-to-date Revenues</u>	<u>Balance</u>	<u>Prct Rcvd</u>
340	CHARGES FOR GOODS AND SERVICES					
343.300.05	SALES OF ELECT-ELECT PENALTY	153,000.00	17,982.77	173,316.95	-20,316.95	113.28
Total	CHARGES FOR GOODS AND SERVICES	153,000.00	17,982.77	173,316.95	-20,316.95	113.28
Total	ELECTRIC LIGHT FUND	153,000.00	17,982.77	173,316.95	-20,316.95	113.28
Total	Penalties	153,000.00	17,982.77	173,316.95	-20,316.95	113.28

Revenue Status Report
City of Centralia
12/1/2006 through 12/31/2006

ED Misc Electric Revenue
401 ELECTRIC LIGHT FUND

<u>Account Number</u>	<u>Adjusted Estimate</u>	<u>Revenues</u>	<u>Year-to-date Revenues</u>	<u>Balance</u>	<u>Prct Rcvd</u>
320					
LICENSES AND PERMITS					
321.910.00	0.00	0.00	15,000.00	-15,000.00	0.00
FRANCHISE FEES					
Total	0.00	0.00	15,000.00	-15,000.00	0.00
LICENSES AND PERMITS					
340					
CHARGES FOR GOODS AND SERVICES					
341.690.00	0.00	0.00	2.57	-2.57	0.00
OTHER/WP/PRINTING/COPY SERVICE					
343.300.01	0.00	0.00	8,176.32	-8,176.32	0.00
MISC SERVICE CHARGES-UTIL					
343.300.02	50,000.00	3,900.00	57,698.42	-7,698.42	115.40
SALES OF ELECT-SVC & MISC CHGS					
Total	50,000.00	3,900.00	65,877.31	-15,877.31	131.75
CHARGES FOR GOODS AND SERVICES					
360					
MISCELLANEOUS REVENUES					
362.500.00	0.00	0.00	57,295.17	-57,295.17	0.00
SPACE/FACILITY RENT-POLE LEASE					
362.500.01	0.00	480.00	5,819.11	-5,819.11	0.00
SPACE/FACILITY RENT-NON-OPERAT					
362.500.02	0.00	575.00	45,229.20	-45,229.20	0.00
SPACE/FACILITY RENT-YELM					
369.100.00	0.00	0.00	19,466.62	-19,466.62	0.00
SALE OF SCRAP & JUNK					
369.400.00	0.00	67.81	64,340.61	-64,340.61	0.00
JUDGMENTS & SETTLEMENTS					
369.810.00	0.00	3.28	-37.92	37.92	0.00
CASHIER OVER/SHORT					
369.900.00	0.00	-2,668.00	1,058.00	-1,058.00	0.00
OTHER					
369.900.01	0.00	0.00	19.56	-19.56	0.00
MISC REVENUE NON-TAXABLE					
369.900.03	0.00	0.00	5,316.25	-5,316.25	0.00
MISC REV/L & I REIMBURSE					
369.900.04	0.00	0.00	441.69	-441.69	0.00
MISC REV/JURY DUTY/UNION					
Total	0.00	-1,541.91	198,948.29	-198,948.29	0.00
MISCELLANEOUS REVENUES					
Total	50,000.00	2,358.09	279,825.60	-229,825.60	559.65
ELECTRIC LIGHT FUND					

Revenue Status Report
City of Centralia
12/1/2006 through 12/31/2006

Total	Misc Electric Revenue	50,000.00	2,358.09	279,825.60	-229,825.60	559.65
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Revenue Status Report
City of Centralia
12/1/2006 through 12/31/2006

EE Interest Revenue
401 ELECTRIC LIGHT FUND

<u>Account Number</u>		<u>Adjusted Estimate</u>	<u>Revenues</u>	<u>Year-to-date Revenues</u>	<u>Balance</u>	<u>Prct Rcvd</u>
360	MISCELLANEOUS REVENUES					
361.110.00	INVESTMENT INTEREST	35,000.00	5,514.24	83,701.26	-48,701.26	239.15
361.110.01	INVESTMENT INTEREST-EQ REPL CENT	10,000.00	0.00	12,876.53	-2,876.53	128.77
361.110.03	INVESTMENT INTEREST-FUTURE DEB	20,000.00	0.00	16,230.27	3,769.73	81.15
361.110.04	INVESTMENT INTEREST-EQ REPL YELM	10,000.00	0.00	6,590.80	3,409.20	65.91
Total	MISCELLANEOUS REVENUES	75,000.00	5,514.24	119,398.86	-44,398.86	159.20
Total	ELECTRIC LIGHT FUND	75,000.00	5,514.24	119,398.86	-44,398.86	159.20
Total	Interest Revenue	75,000.00	5,514.24	119,398.86	-44,398.86	159.20

Revenue Status Report
City of Centralia
12/1/2006 through 12/31/2006

EF Misc Non-operating Revenue

401 ELECTRIC LIGHT FUND

<u>Account Number</u>	<u>Adjusted Estimate</u>	<u>Revenues</u>	<u>Year-to-date Revenues</u>	<u>Balance</u>	<u>Prct Rcvd</u>
300 BEGINNING FUND BALANCE					
308.800.00 BEGINNING UNRESERVED BALANCE	1,930,700.00	0.00	0.00	1,930,700.00	0.00
Total BEGINNING FUND BALANCE	1,930,700.00	0.00	0.00	1,930,700.00	0.00
330 INTERGOVERNMENTAL REVENUES					
333.970.36 MILITARY/FEMA/DISASTER GRANTS	0.00	58,604.02	58,604.02	-58,604.02	0.00
334.018.04 FEMA/MILITARY/DISASTER #1682	0.00	9,767.33	9,767.33	-9,767.33	0.00
Total INTERGOVERNMENTAL REVENUES	0.00	68,371.35	68,371.35	-68,371.35	0.00
370 PROPRIETARY/TRUST GAIN(LOSS) OTHR INC/EX					
379.000.00 CAPITAL CONTRIBUTIONS	0.00	3,000.00	151,943.34	-151,943.34	0.00
Total PROPRIETARY/TRUST GAIN(LOSS) OTHR INC/EX	0.00	3,000.00	151,943.34	-151,943.34	0.00
390 OTHER FINANCING SOURCES					
395.400.00 GAIN (LOSS) ON DISPOSAL OF CAP ASSETS	0.00	-382.82	1,779.18	-1,779.18	0.00
Total OTHER FINANCING SOURCES	0.00	-382.82	1,779.18	-1,779.18	0.00
Total ELECTRIC LIGHT FUND	1,930,700.00	70,988.53	222,093.87	1,708,606.13	11.50
Total Misc Non-operating Revenue	1,930,700.00	70,988.53	222,093.87	1,708,606.13	11.50

Revenue Status Report
City of Centralia
12/1/2006 through 12/31/2006

EG Non-Revenues
401 ELECTRIC LIGHT FUND

<u>Account Number</u>	<u>Adjusted Estimate</u>	<u>Revenues</u>	<u>Year-to-date Revenues</u>	<u>Balance</u>	<u>Prct Rcvd</u>
380 NONREVENUES					
381.100.00 INTRFND LOAN PROCEEDS - WATER	1,750,000.00	75,733.10	727,332.31	1,022,667.69	41.56
386.000.00 AGENCY TYPE DEPOSITS-LEASEHOLD TAX	0.00	61.63	747.17	-747.17	0.00
Total ELECTRIC LIGHT FUND	1,750,000.00	75,794.73	728,079.48	1,021,920.52	41.60
Total Non-Revenues	1,750,000.00	75,794.73	728,079.48	1,021,920.52	41.60
Grand Total	18,244,500.00	1,854,237.46	16,459,534.08	1,784,965.92	90.22

Project Expense Transaction Summary Report

City of Centralia

1/1/2006 through 12/31/2006

			<u>Labor</u>	<u>Benefits</u>	<u>Materials</u>	<u>Other</u>	<u>Total</u>
Function #	0181	FLOOD EMERGENCY-Dept costs					
Project #	90602	FLOOD EMERGENCY-LT DEPT EXPENSE					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	55,511.09	7,859.64	591.22	5,584.64	69,546.59
Activity Total:	00	Activity not required	55,511.09	7,859.64	591.22	5,584.64	69,546.59
Project Total:	90602	FLOOD EMERGENCY-LT DEPT EXPENSE	55,511.09	7,859.64	591.22	5,584.64	69,546.59
Function Total:	0181	FLOOD EMERGENCY-Dept costs	55,511.09	7,859.64	591.22	5,584.64	69,546.59
Function #	4408	EXTERNAL TAXES					
Project #	04401	YELM HYDRO					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	0.00	0.00	0.00	70.00	70.00
Activity Total:	00	Activity not required	0.00	0.00	0.00	70.00	70.00
Project Total:	04401	YELM HYDRO	0.00	0.00	0.00	70.00	70.00
Function Total:	4408	EXTERNAL TAXES	0.00	0.00	0.00	70.00	70.00
Function #	4428	AMORT OF BOND ISSUE COST					
Project #	04401	YELM HYDRO					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	0.00	0.00	0.00	5,954.64	5,954.64
Activity Total:	00	Activity not required	0.00	0.00	0.00	5,954.64	5,954.64
Project Total:	04401	YELM HYDRO	0.00	0.00	0.00	5,954.64	5,954.64
Function Total:	4428	AMORT OF BOND ISSUE COST	0.00	0.00	0.00	5,954.64	5,954.64
Function #	4429	AMORT OF BOND DISC/PREM					
Project #	04401	YELM HYDRO					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	0.00	0.00	0.00	775.20	775.20
Activity Total:	00	Activity not required	0.00	0.00	0.00	775.20	775.20

9/5/2007 3:47PM

City of Centralia

1/1/2006 through 12/31/2006

			Labor	Benefits	Materials	Other	Total
Project Total:	04401	YELM HYDRO	0.00	0.00	0.00	775.20	775.20
Function Total:	4429	AMORT OF BOND DISC/PREM	0.00	0.00	0.00	775.20	775.20
Function #	4432	BOND INTEREST					
Project #	04401	YELM HYDRO					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	0.00	0.00	0.00	293,852.50	293,852.50
Activity Total:	00	Activity not required	0.00	0.00	0.00	293,852.50	293,852.50
Project Total:	04401	YELM HYDRO	0.00	0.00	0.00	293,852.50	293,852.50
Function Total:	4432	BOND INTEREST	0.00	0.00	0.00	293,852.50	293,852.50
Function #	4535	HYDRO-OPERATION LABOR					
Project #	04401	YELM HYDRO					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	448,728.08	132,453.09	52,389.64	97,990.38	731,561.19
Activity Total:	00	Activity not required	448,728.08	132,453.09	52,389.64	97,990.38	731,561.19
Project Total:	04401	YELM HYDRO	448,728.08	132,453.09	52,389.64	97,990.38	731,561.19
Function Total:	4535	HYDRO-OPERATION LABOR	448,728.08	132,453.09	52,389.64	97,990.38	731,561.19
Function #	4540	HYDRO-OP SUPPLIES (540.1)					
Project #	04401	YELM HYDRO					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	2,404.26	833.12	519.33	7,504.72	11,261.43
Activity Total:	00	Activity not required	2,404.26	833.12	519.33	7,504.72	11,261.43
Project Total:	04401	YELM HYDRO	2,404.26	833.12	519.33	7,504.72	11,261.43
Function Total:	4540	HYDRO-OP SUPPLIES (540.1)	2,404.26	833.12	519.33	7,504.72	11,261.43
Function #	4541	HYDRO-MAINTENANCE (545.1)					
Project #	04401	YELM HYDRO					
Activity #	00	Activity not required					
Task #	00	Task not required					

9/5/2007 3:47PM

City of Centralia

1/1/2006 through 12/31/2006

			Labor	Benefits	Materials	Other	Total
Task #	00	Task not required	14,560.74	4,833.28	15,421.60	24,428.08	59,243.70
Activity Total:	00	Activity not required	14,560.74	4,833.28	15,421.60	24,428.08	59,243.70
Project Total:	04401	YELM HYDRO	14,560.74	4,833.28	15,421.60	24,428.08	59,243.70
Project #	40207	CANAL STUDY/HAZ RISK EVAL					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	23,563.46	8,151.91	0.00	0.00	31,715.37
Activity Total:	00	Activity not required	23,563.46	8,151.91	0.00	0.00	31,715.37
Project Total:	40207	CANAL STUDY/HAZ RISK EVAL	23,563.46	8,151.91	0.00	0.00	31,715.37
Function Total:	4541	HYDRO-MAINTENANCE (545.1)	38,124.20	12,985.19	15,421.60	24,428.08	90,959.07
Function #	4574	TRANS HILINE MAINT YELM					
Project #	04401	YELM HYDRO					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	30.60	4.01	6,466.32	0.00	6,500.93
Activity Total:	00	Activity not required	30.60	4.01	6,466.32	0.00	6,500.93
Project Total:	04401	YELM HYDRO	30.60	4.01	6,466.32	0.00	6,500.93
Project #	40301	HI LINE MAINTENANCE-YELM CREW					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	0.00	0.00	414.34	10,460.04	10,874.38
Activity Total:	00	Activity not required	0.00	0.00	414.34	10,460.04	10,874.38
Project Total:	40301	HI LINE MAINTENANCE-YELM CREW	0.00	0.00	414.34	10,460.04	10,874.38
Function Total:	4574	TRANS HILINE MAINT YELM	30.60	4.01	6,880.66	10,460.04	17,375.31
Function #	4920	HYDRO/ADMIN & GEN/OP LABO					
Project #	04401	YELM HYDRO					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	9,808.12	2,395.43	0.00	375,278.37	387,481.92
Activity Total:	00	Activity not required	9,808.12	2,395.43	0.00	375,278.37	387,481.92
Project Total:	04401	YELM HYDRO	9,808.12	2,395.43	0.00	375,278.37	387,481.92

9/5/2007 3:47PM

City of Centralia

1/1/2006 through 12/31/2006

			<u>Labor</u>	<u>Benefits</u>	<u>Materials</u>	<u>Other</u>	<u>Total</u>
Function Total:	4920	HYDRO/ADMIN & GEN/OP LABO	9,808.12	2,395.43	0.00	375,278.37	387,481.92
Function #	4921	CHG FOR SVC/MATERIALS					
Project #	04401	YELM HYDRO					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	0.00	0.00	0.00	150.00	150.00
Activity Total:	00	Activity not required	0.00	0.00	0.00	150.00	150.00
Project Total:	04401	YELM HYDRO	0.00	0.00	0.00	150.00	150.00
Function Total:	4921	CHG FOR SVC/MATERIALS	0.00	0.00	0.00	150.00	150.00
Function #	4923	HYDRO-FERC LICENSE					
Project #	04401	YELM HYDRO					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	0.00	0.00	0.00	20,774.11	20,774.11
Activity Total:	00	Activity not required	0.00	0.00	0.00	20,774.11	20,774.11
Project Total:	04401	YELM HYDRO	0.00	0.00	0.00	20,774.11	20,774.11
Project #	40207	CANAL STUDY/HAZ RISK EVAL					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	0.00	0.00	8,106.25	133,929.32	142,035.57
Activity Total:	00	Activity not required	0.00	0.00	8,106.25	133,929.32	142,035.57
Project Total:	40207	CANAL STUDY/HAZ RISK EVAL	0.00	0.00	8,106.25	133,929.32	142,035.57
Function Total:	4923	HYDRO-FERC LICENSE	0.00	0.00	8,106.25	154,703.43	162,809.68
Function #	9408	EXTERNAL TAXES					
Project #	09401	CENTRALIA PLANT					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	0.00	0.00	0.00	1,445,959.99	1,445,959.99
Activity Total:	00	Activity not required	0.00	0.00	0.00	1,445,959.99	1,445,959.99
Project Total:	09401	CENTRALIA PLANT	0.00	0.00	0.00	1,445,959.99	1,445,959.99
Function Total:	9408	EXTERNAL TAXES	0.00	0.00	0.00	1,445,959.99	1,445,959.99

9/5/2007 3:47PM

City of Centralia

1/1/2006 through 12/31/2006

			<u>Labor</u>	<u>Benefits</u>	<u>Materials</u>	<u>Other</u>	<u>Total</u>
Function #	9432	INTERFUND LOAN INTEREST					
Project #	09401	CENTRALIA PLANT					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	0.00	0.00	0.00	3,083.63	3,083.63
Activity Total:	00	Activity not required	0.00	0.00	0.00	3,083.63	3,083.63
Project Total:	09401	CENTRALIA PLANT	0.00	0.00	0.00	3,083.63	3,083.63
Function Total:	9432	INTERFUND LOAN INTEREST	0.00	0.00	0.00	3,083.63	3,083.63
Function #	9555	PURCHASED POWER					
Project #	09401	CENTRALIA PLANT					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	0.00	0.00	2,482,232.00	4,133,663.00	6,615,895.00
Activity Total:	00	Activity not required	0.00	0.00	2,482,232.00	4,133,663.00	6,615,895.00
Project Total:	09401	CENTRALIA PLANT	0.00	0.00	2,482,232.00	4,133,663.00	6,615,895.00
Function Total:	9555	PURCHASED POWER	0.00	0.00	2,482,232.00	4,133,663.00	6,615,895.00
Function #	9560	TRANS-OPERATIONS LABOR					
Project #	09401	CENTRALIA PLANT					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	84,886.86	28,014.77	0.00	0.00	112,901.63
Activity Total:	00	Activity not required	84,886.86	28,014.77	0.00	0.00	112,901.63
Project Total:	09401	CENTRALIA PLANT	84,886.86	28,014.77	0.00	0.00	112,901.63
Function Total:	9560	TRANS-OPERATIONS LABOR	84,886.86	28,014.77	0.00	0.00	112,901.63
Function #	9567	TRANS-OP SUP/EXP (567.1)					
Project #	09401	CENTRALIA PLANT					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	0.00	0.00	19.36	281.00	300.36
Activity Total:	00	Activity not required	0.00	0.00	19.36	281.00	300.36

9/5/2007 3:47PM

City of Centralia

1/1/2006 through 12/31/2006

			Labor	Benefits	Materials	Other	Total
Project Total:	09401	CENTRALIA PLANT	0.00	0.00	19.36	281.00	300.36
Function Total:	9567	TRANS-OP SUP/EXP (567.1)	0.00	0.00	19.36	281.00	300.36
Function #	9570	TRANS-MT O/H LINES (571)					
Project #	09401	CENTRALIA PLANT					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	0.00	0.00	7,556.54	355.50	7,912.04
Activity Total:	00	Activity not required	0.00	0.00	7,556.54	355.50	7,912.04
Project Total:	09401	CENTRALIA PLANT	0.00	0.00	7,556.54	355.50	7,912.04
Function Total:	9570	TRANS-MT O/H LINES (571)	0.00	0.00	7,556.54	355.50	7,912.04
Function #	9571	TRANS-MAINT OVERHEAD LINE					
Project #	09401	CENTRALIA PLANT					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	71,842.00	12,373.00	0.00	0.00	84,215.00
Activity Total:	00	Activity not required	71,842.00	12,373.00	0.00	0.00	84,215.00
Project Total:	09401	CENTRALIA PLANT	71,842.00	12,373.00	0.00	0.00	84,215.00
Function Total:	9571	TRANS-MAINT OVERHEAD LINE	71,842.00	12,373.00	0.00	0.00	84,215.00
Function #	9580	DIST-OPERATION LABOR					
Project #	09401	CENTRALIA PLANT					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	157,596.00	72,219.85	0.00	1,094.37	230,910.22
Activity Total:	00	Activity not required	157,596.00	72,219.85	0.00	1,094.37	230,910.22
Project Total:	09401	CENTRALIA PLANT	157,596.00	72,219.85	0.00	1,094.37	230,910.22
Function Total:	9580	DIST-OPERATION LABOR	157,596.00	72,219.85	0.00	1,094.37	230,910.22
Function #	9581	DIST-OP LN/STAT EXP 581.1					
Project #	09401	CENTRALIA PLANT					
Activity #	00	Activity not required					
Task #	00	Task not required					

9/5/2007 3:47PM

City of Centralia

1/1/2006 through 12/31/2006

			<u>Labor</u>	<u>Benefits</u>	<u>Materials</u>	<u>Other</u>	<u>Total</u>
Task #	00	Task not required	230,132.77	59,416.11	0.00	0.00	289,548.88
Activity Total:	00	Activity not required	230,132.77	59,416.11	0.00	0.00	289,548.88
Project Total:	09401	CENTRALIA PLANT	230,132.77	59,416.11	0.00	0.00	289,548.88
Function Total:	9581	DIST-OP LN/STAT EXP 581.1	230,132.77	59,416.11	0.00	0.00	289,548.88
Function #	9585	DIST-OP ST LITNG/SIG EXP					
Project #	09401	CENTRALIA PLANT					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	102,075.46	28,425.51	21,866.83	774.50	153,142.30
Activity Total:	00	Activity not required	102,075.46	28,425.51	21,866.83	774.50	153,142.30
Project Total:	09401	CENTRALIA PLANT	102,075.46	28,425.51	21,866.83	774.50	153,142.30
Project #	90308	BANNERS-DECORATIONS (HANGING OF					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	963.59	295.31	0.00	0.00	1,258.90
Activity Total:	00	Activity not required	963.59	295.31	0.00	0.00	1,258.90
Project Total:	90308	BANNERS-DECORATIONS (HANGING OF	963.59	295.31	0.00	0.00	1,258.90
Project #	90309	BANNERS-SKYLINE BANNERS					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	365.96	102.05	0.00	0.00	468.01
Activity Total:	00	Activity not required	365.96	102.05	0.00	0.00	468.01
Project Total:	90309	BANNERS-SKYLINE BANNERS	365.96	102.05	0.00	0.00	468.01
Function Total:	9585	DIST-OP ST LITNG/SIG EXP	103,405.01	28,822.87	21,866.83	774.50	154,869.21
Function #	9586	DIST-OP METER EXPENSES					
Project #	09401	CENTRALIA PLANT					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	103,517.98	35,007.96	5,007.37	416.46	143,949.77
Activity Total:	00	Activity not required	103,517.98	35,007.96	5,007.37	416.46	143,949.77
Project Total:	09401	CENTRALIA PLANT	103,517.98	35,007.96	5,007.37	416.46	143,949.77

9/5/2007 3:47PM

City of Centralia

1/1/2006 through 12/31/2006

			<u>Labor</u>	<u>Benefits</u>	<u>Materials</u>	<u>Other</u>	<u>Total</u>
Function Total:	9586	DIST-OP METER EXPENSES	103,517.98	35,007.96	5,007.37	416.46	143,949.77
Function #	9587	DIST-OP CUST INSTALL EXP					
Project #	09401	CENTRALIA PLANT					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	16,364.78	4,905.56	0.00	489.66	21,760.00
Activity Total:	00	Activity not required	16,364.78	4,905.56	0.00	489.66	21,760.00
Project Total:	09401	CENTRALIA PLANT	16,364.78	4,905.56	0.00	489.66	21,760.00
Function Total:	9587	DIST-OP CUST INSTALL EXP	16,364.78	4,905.56	0.00	489.66	21,760.00
Function #	9588	DIST-OP MISC DIST EXP					
Project #	09401	CENTRALIA PLANT					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	117,502.70	40,695.60	163,397.75	224,693.08	546,289.13
Activity Total:	00	Activity not required	117,502.70	40,695.60	163,397.75	224,693.08	546,289.13
Project Total:	09401	CENTRALIA PLANT	117,502.70	40,695.60	163,397.75	224,693.08	546,289.13
Function Total:	9588	DIST-OP MISC DIST EXP	117,502.70	40,695.60	163,397.75	224,693.08	546,289.13
Function #	9592	DIST-MT STRUCT/EQUI 592.1					
Project #	09401	CENTRALIA PLANT					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	3,726.09	1,078.07	0.00	0.00	4,804.16
Activity Total:	00	Activity not required	3,726.09	1,078.07	0.00	0.00	4,804.16
Project Total:	09401	CENTRALIA PLANT	3,726.09	1,078.07	0.00	0.00	4,804.16
Function Total:	9592	DIST-MT STRUCT/EQUI 592.1	3,726.09	1,078.07	0.00	0.00	4,804.16
Function #	9593	DIST-MAINT OVRHD LINES					
Project #	09401	CENTRALIA PLANT					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	0.00	0.00	67,855.18	12,704.20	80,559.38

9/5/2007 3:47PM

City of Centralia

1/1/2006 through 12/31/2006

			Labor	Benefits	Materials	Other	Total
Activity Total:	00	Activity not required	0.00	0.00	67,855.18	12,704.20	80,559.38
Project Total:	09401	CENTRALIA PLANT	0.00	0.00	67,855.18	12,704.20	80,559.38
Project #	90303	TREE TRIMMING					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	26,535.71	7,861.39	0.00	2,145.90	36,543.00
Activity Total:	00	Activity not required	26,535.71	7,861.39	0.00	2,145.90	36,543.00
Project Total:	90303	TREE TRIMMING	26,535.71	7,861.39	0.00	2,145.90	36,543.00
Function Total:	9593	DIST-MAINT OVRHD LINES	26,535.71	7,861.39	67,855.18	14,850.10	117,102.38
Function #	9594	DIST-MT OF LINES (594.1)					
Project #	09401	CENTRALIA PLANT					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	99,467.56	31,664.30	40,631.12	-620.43	171,142.55
Activity Total:	00	Activity not required	99,467.56	31,664.30	40,631.12	-620.43	171,142.55
Project Total:	09401	CENTRALIA PLANT	99,467.56	31,664.30	40,631.12	-620.43	171,142.55
Function Total:	9594	DIST-MT OF LINES (594.1)	99,467.56	31,664.30	40,631.12	-620.43	171,142.55
Function #	9902	CUST ACCT OP-MTR READ EXP					
Project #	09401	CENTRALIA PLANT					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	70,333.57	21,839.88	135.00	1,118.39	93,426.84
Activity Total:	00	Activity not required	70,333.57	21,839.88	135.00	1,118.39	93,426.84
Project Total:	09401	CENTRALIA PLANT	70,333.57	21,839.88	135.00	1,118.39	93,426.84
Function Total:	9902	CUST ACCT OP-MTR READ EXP	70,333.57	21,839.88	135.00	1,118.39	93,426.84
Function #	9903	CUST ACCTS OP-RECORD/COLL					
Project #	09401	CENTRALIA PLANT					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	90,263.24	38,790.39	8,050.37	43,780.25	180,884.25
Activity Total:	00	Activity not required	90,263.24	38,790.39	8,050.37	43,780.25	180,884.25

9/5/2007 3:47PM

City of Centralia

1/1/2006 through 12/31/2006

			<u>Labor</u>	<u>Benefits</u>	<u>Materials</u>	<u>Other</u>	<u>Total</u>
Project Total:	09401	CENTRALIA PLANT	90,263.24	38,790.39	8,050.37	43,780.25	180,884.25
Function Total:	9903	CUST ACCTS OP-RECORD/COLL	90,263.24	38,790.39	8,050.37	43,780.25	180,884.25
Function #	9905	MISC CUST ACCTS EXP-DSO'S					
Project #	09401	CENTRALIA PLANT					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	19,151.85	5,886.78	0.00	0.00	25,038.63
Activity Total:	00	Activity not required	19,151.85	5,886.78	0.00	0.00	25,038.63
Project Total:	09401	CENTRALIA PLANT	19,151.85	5,886.78	0.00	0.00	25,038.63
Function Total:	9905	MISC CUST ACCTS EXP-DSO'S	19,151.85	5,886.78	0.00	0.00	25,038.63
Function #	9908	BPA CRC CONSERVATION EXPENSES					
Project #	09401	CENTRALIA PLANT					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	39,316.48	13,124.21	3,013.95	0.00	55,454.64
Activity Total:	00	Activity not required	39,316.48	13,124.21	3,013.95	0.00	55,454.64
Project Total:	09401	CENTRALIA PLANT	39,316.48	13,124.21	3,013.95	0.00	55,454.64
Function Total:	9908	BPA CRC CONSERVATION EXPENSES	39,316.48	13,124.21	3,013.95	0.00	55,454.64
Function #	9909	INTERNAL CONSERVATION PROGRAM					
Project #	90511	INTERNAL ELECTRIC CONSERVATION P					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	0.00	0.00	27,460.93	36,248.36	63,709.29
Activity Total:	00	Activity not required	0.00	0.00	27,460.93	36,248.36	63,709.29
Project Total:	90511	INTERNAL ELECTRIC CONSERVATION P	0.00	0.00	27,460.93	36,248.36	63,709.29
Function Total:	9909	INTERNAL CONSERVATION PROGRAM	0.00	0.00	27,460.93	36,248.36	63,709.29
Function #	9920	ADMIN & GEN-OP LABOR					
Project #	09401	CENTRALIA PLANT					
Activity #	00	Activity not required					
Task #	00	Task not required					

9/5/2007 3:47PM

City of Centralia

1/1/2006 through 12/31/2006

			Labor	Benefits	Materials	Other	Total
Task #	00	Task not required	14,076.88	4,037.92	0.00	360,315.24	378,430.04
Activity Total:	00	Activity not required	14,076.88	4,037.92	0.00	360,315.24	378,430.04
Project Total:	09401	CENTRALIA PLANT	14,076.88	4,037.92	0.00	360,315.24	378,430.04
Function Total:	9920	ADMIN & GEN-OP LABOR	14,076.88	4,037.92	0.00	360,315.24	378,430.04
Function #	9921	ADMIN-OFFICE SUPP & EXP					
Project #	09401	CENTRALIA PLANT					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	0.00	0.00	44.54	1,448.50	1,493.04
Activity Total:	00	Activity not required	0.00	0.00	44.54	1,448.50	1,493.04
Project Total:	09401	CENTRALIA PLANT	0.00	0.00	44.54	1,448.50	1,493.04
Function Total:	9921	ADMIN-OFFICE SUPP & EXP	0.00	0.00	44.54	1,448.50	1,493.04
Function #	9923	ADMIN-O/S SVCS EMPLOYED					
Project #	09401	CENTRALIA PLANT					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	0.00	0.00	0.00	65,224.56	65,224.56
Activity Total:	00	Activity not required	0.00	0.00	0.00	65,224.56	65,224.56
Project Total:	09401	CENTRALIA PLANT	0.00	0.00	0.00	65,224.56	65,224.56
Project #	90304	DEVELOPER PROJECT INSPECTIONS					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	2,495.01	782.36	0.00	0.00	3,277.37
Activity Total:	00	Activity not required	2,495.01	782.36	0.00	0.00	3,277.37
Project Total:	90304	DEVELOPER PROJECT INSPECTIONS	2,495.01	782.36	0.00	0.00	3,277.37
Function Total:	9923	ADMIN-O/S SVCS EMPLOYED	2,495.01	782.36	0.00	65,224.56	68,501.93
Function #	e921	OFFICE SUPPLIES & EXP-ENGINEERINC					
Project #	09401	CENTRALIA PLANT					
Activity #	00	Activity not required					
Task #	00	Task not required					
Task #	00	Task not required	33,874.09	9,944.77	2,850.42	13,509.62	60,178.90

Project Expense Transaction Summary Report

9/5/2007 3:47PM

City of Centralia

1/1/2006 through 12/31/2006

			<u>Labor</u>	<u>Benefits</u>	<u>Materials</u>	<u>Other</u>	<u>Total</u>
Activity Total:	00	Activity not required	33,874.09	9,944.77	2,850.42	13,509.62	60,178.90
Project Total:	09401	CENTRALIA PLANT	33,874.09	9,944.77	2,850.42	13,509.62	60,178.90
Function Total:	e921	OFFICE SUPPLIES & EXP-ENGINEERING	33,874.09	9,944.77	2,850.42	13,509.62	60,178.90
			1,839,094.93	572,996.27	2,914,030.06	7,323,437.78	12,649,559.04

**U.S. DEPARTMENT OF ENERGY - BONNEVILLE POWER ADMINISTRATION
MONTHLY FINANCIAL AND OPERATING REPORT**

Distributor: CITY OF CENTRALIA

For Month Ending: December - 2006

FINAL

REVENUE, ENERGY SALES, AND CUSTOMER STATISTICS					
ENERGY SALES	DOLLARS		KWH SOLD		No of Cust
	This Month	Year to Date	This Month	Year to Date	This Month
1. Residential & Farm	\$907,840.56	\$7,033,656.66	14,188,288	112,260,836	8,143
2. Residential Seasonal	0.00	0.00	0	0	0
3.	0.00	0.00	0	0	0
4. Commercial (50 KVA or less)	246,323.20	2,368,685.41	3,341,814	33,451,675	1,410
5. Commercial (over 50 KVA) POWER	522,835.38	5,478,415.04	7,868,846	87,922,688	157
6. Industrial	0.00	0.00	0	0	0
7.	0.00	0.00	0	0	0
8. Irrigation and/or drainage pumping	0.00	0.00	0	0	0
9. Public street lighting	4,099.96	46,062.21	96,157	1,143,819	1
10. Public authorities	0.00	0.00	0	0	0
11. Other 1/	0.00	0.00	0	0	0
12. TOTAL (1 thru 11)	\$1,681,099.10	\$14,926,819.32	25,495,105	234,779,018	9,711
OTHER REVENUES			INCOME STATEMENT		
13. Temporary service	\$500.00	\$10,000.00	1. Total operating revenue (line 17)	This Month	Y-T-D
14. Penalties	17,982.77	173,316.95	2. Operating revenue deductions:	\$1,701,939.96	\$15,389,961.87
15. Miscellaneous electric revenue	2,358.09	279,825.60	3. Total operating exp (line 28)	(\$1,164,800.37)	(\$10,899,863.08)
16. TOTAL MISC REVENUE (13 thru 15)	\$20,840.86	\$463,142.55	4. Depreciation	(115,951.72)	(995,951.72)
17. TOTAL OPERATING REV (12+16)	\$1,701,939.96	\$15,389,961.87	5. Amortization 3/	0.00	0.00
OPERATING EXPENSES			6. Taxes	(64,029.21)	(546,958.93)
18. Generation	\$45,586.49	\$833,781.69	7. Tax equivalents 4/	(100,499.95)	(899,071.06)
19. Power purchases - BPA	790,232.00	6,615,895.00	8. TOTAL OPER REV DED (3 thru 7)	(\$1,445,281.25)	(\$13,341,844.79)
20. Power purchases - other	0.00	0.00	9. OPERATING INCOME (1 minus 8)	\$256,658.71	\$2,048,117.08
21. Transmission	17,473.18	222,704.34	OTHER INCOME		
22. Distribution - O & M	238,036.63	1,749,922.89	10. Interest income	\$5,514.24	\$119,398.86
23. Customers' accounting & collecting	29,044.41	418,513.65	11. Misc non-operating rev (net)	70,988.53	222,093.87
24. Sales promotion	0.00	0.00	12. TOTAL OTHER INCOME (10+11)	\$76,502.77	\$341,492.73
25. Administrative & general	44,427.66	1,059,045.51	13. GROSS INCOME (9+12)	\$333,161.48	\$2,389,609.81
26.	0.00	0.00	INCOME DEDUCTIONS		
27.	0.00	0.00	14. Interest on long-term debt	\$24,077.74	\$300,582.34
28. TOTAL OPERATING EXP (18-27)	\$1,164,800.37	\$10,899,863.08	15. Interest on interfund loan	3,083.63	3,083.63
1/ Sales to other utilities, own use (type)			16.	0.00	0.00
2/ On December report also show an average number of customers for each class			17.	0.00	0.00
3/ State kind of amortization			18. Misc income deductions	0.00	0.00
4/ In lieu of tax payments to general funds			19. TOTAL INCOME DED (14 thru 18)	\$27,161.37	\$303,665.97
			20. NET INCOME (LOSS) (13 minus 19)	\$306,000.11	\$2,085,943.84

BALANCE SHEET

Distributor: CITY OF CENTRALIA

FOR MONTH ENDING: December - 2006

FINAL

ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
PROPERTY ACCOUNTS		LONG TERM DEBT	
1. Electric plant	\$43,758,487.61	32. Bonds - revenue	\$5,525,000.00
2. Electric plant adjustments	0.00	33. Bonds - general obligation	0.00
3. Construction work in progress	4,098,931.10	34. Advances from municipality	0.00
4. TOTAL (1+2+3)	\$47,857,418.71	35. Miscellaneous long-term debt	0.00
5. Less reserve, depreciation & amortization	(\$14,899,747.38)	36. Less bond discount	(10,077.60)
6. DEPRECIATED COST OF UTILITY PLANT (4 minus 5)	\$32,957,671.33	37	
INVESTMENT AND FUND ACCOUNTS		38. TOTAL LONG TERM DEBT (32 thru 37)	\$5,514,922.40
7. Other physical property, less reserve	\$0.00	CURRENT AND ACCRUED LIABILITIES	
8. Other investments - Future Debt Reserve -	0.00	39. Accounts Payable - Power Bills	\$790,232.00
9. 1999 Bond Cash Reserve	599,052.50	40. Accounts and Notes payable	1,148,855.98
10. 1999 Bond principal and interest	49,766.92	41. Customer's deposits	393,716.97
11. Other restricted cash	0.00	42. Accrued vacation & sick leave	397,548.57
12. TOTAL INVESTMENT & FUND ACCOUNTS (7 thru 11)	\$648,819.42	43. Other current & accrued liabilities	0.00
CURRENT AND ACCRUED ASSETS		44. Taxes payable	64,214.10
13. Cash and meter deposit cash	\$647,723.83	45. Interest payable	23,516.92
14. Temporary investments & special depreciation	0.00	46.	0.00
15. Accounts receivable customers	\$2,327,674.82	47. TOTAL CURRENT/ACCRUED LIAB (39 thru 46)	\$2,818,084.54
Less reserve 1/	(5,318.50)	DEFERRED CREDITS	
16. Other accounts and notes receivable	0.00	48. Customers' advances for construction	\$0.00
Less reserve 1/	0.00	49. Other deferred credits	68,238.34
17. Materials & supplies	404,389.11	50.	0.00
18. Prepayments	0.00	51. TOTAL DEFERRED CREDITS (48 thru 50)	\$68,238.34
19. Other current & accrued assets	0.00	Contributions in aid to construction	\$2,136,680.26
20. Contracts receivable	0.00	SURPLUS AND INVESTMENT ACCOUNTS	
21.	0.00	Earned Surplus:	
22.	0.00	52. Balance at first of year	\$24,460,572.24
23. TOTAL CURRENT AND ACCRUED ASSETS (13 thru 22)	\$3,374,469.26	53. Net income (loss) page 1	2,085,943.84
DEFERRED DEBITS		54. Misc debits & credits, net /2	(26,071.29)
24. Clearing accounts	0.00	55. Balance at end of period	\$26,520,444.79
25. Other deferred debits	77,410.32	56.	
26.		57.	
27.		58.	
28.		59.	
29. TOTAL DEFERRED DEBITS (24 thru 28)	\$77,410.32	60.	
30. Reacquired securities	0.00	61. TOTAL SURPLUS/INVEST ACCTS (52 thru 60)	\$26,520,444.79
31. TOTAL ASSETS & OTHER DEBITS (6+12+23+29+30)	\$37,058,370.33	62. TOTAL LIAB/OTHER CR (38+47+51+61)	\$37,058,370.33

1/ Enter amount of any reserve here, & amount of notes & accounts less reserve in money column.

2/ Beginning balance restated due to a policy change, capitalization level for capital assets increased from \$2,000 to \$5,000.

NOTE: Credit items should be shown in (): any amounts estimated should be so indicated.

Approved and Submitted By:

Prepared By: Randi N. Leach, CPA
(Name)

Utilities Financial Officer
(Title)

s/ Randi N. Leach, CPA
(Signature)

Utilities Financial Officer
(Title)

September 6, 2007
(Date)

ELECTRIC ENERGY STATEMENT

Distributor: CITY OF CENTRALIA

Month Ending: December - 2006

FINAL

ENERGY GENERATED, PURCHASED, AND INTERCHANGED	THIS MONTH	YEAR TO DATE
Generation for station use <u>(12,900 kwh)</u>		
Net generation (excluding station use):		
Steam	0	0
Hydro	7,811,900	70,765,500
Internal combustion	0	0
Total net generation	7,811,900	70,765,500
Purchased energy:		
From Bonneville Power Administration	20,791,437	181,005,083
From others: (list)		

Total purchases	20,791,437	181,005,083
Interchanges-in (gross)	0	0
Total energy generated, purchased, and interchanged	28,603,337	251,770,583
Disposition of energy generated, purchased, and interchanged:		
Total sales of electric energy (from page 1)	25,495,105	234,779,018
Interchanges-out (gross)	0	0
Energy used by electric utility (excluding station use)	63,690	418,390
Substation	3,370	
Distribution	60,320	
Total energy accounted for	25,558,795	235,197,408
Total energy losses:	3,044,542	16,573,175
Transmission	288,211	
Distribution	2,756,331	
Total disposition of energy (generated, purchased & interchanged)	28,603,337	251,770,583

System peak demand (30 minute _____ kw)

Remarks

SYSTEM MAXIMUM LOAD:

AVERAGE SYSTEM LOAD:

BPA PEAK	42,893	12/18/2006 8:00	38,058
YELM HYDRO PEAK	<u>11,193</u>	12/4/2006 11:50	
	54,086		

BPA REPORT
FUNCTIONAL EXPENSES
final-DECEMBER YTD 2006

FUNCTION NUMBER	AMOUNT	FINAL 2006 YTD	
4535	731,561.19		
4536			
4539			
4540	11,261.43		
4541	90,959.07		
18. GENERATION		833,781.69	
9555	6,615,895.00		
19. POWER PURCHASES		6,615,895.00	
4560			
4574	17,375.31		
9560	112,901.63		
9567	300.36		
9570	7,912.04		
9571	84,215.00		
21. TRANSMISSION		222,704.34	
9580	230,910.22		
9581	289,548.88		
9585	154,869.21		
9586	143,949.77		
9587	21,760.00		
9588	546,289.13		
9592	4,804.16		
9593	117,102.38		
9594	171,142.55		
9593 storm	69,546.59		
22. DISTRIB O & M		1,749,922.89	
9902	93,426.84		
9903	180,884.25		
9905	25,038.63		
9906			
9908	55,454.64		
9909	63,709.29		
23. CUSTOMER ACCTG		418,513.65	
9920	378,430.04		
9921	1,493.04		
9923	68,501.93		
9930			
9935			
e921	60,178.90		
4920	387,481.92		
4921	150.00		
4923	162,809.68		
25. ADMIN & GENERAL		1,059,045.51	
28. TOTAL OP EXPENSES		10,899,863.08	
9408	1,446,029.99	Excise / B&O taxes	
4408			
9432	3,083.63	Interest Exp - Interfund loan	
4428	5,954.64	Interest Exp - 99 unamortized discount	
4429	775.20	Interest Exp - 99 issue costs	
4432	293,852.50	Interest Exp - 99 bond	
	12,649,559.04		
EXP CTRL	12,649,559.04	0.00 SHOULD EQUAL ZERO	
DEPRECIATION CONTROL (ytd)	995,951.72	REVENUE CONTROL (ytd)	(15,579,511.26)
EXPENDITURE CONTROL (ytd)	12,649,559.04	OTHER FINANCING SOURCES (ytd)	(151,943.34)
REVENUE CONTROL (ytd)	(15,579,511.26)	17. TOTAL OPERATING REV (ytd)	15,389,961.87
OTHER FINANCING SOURCES (ytd)	(151,943.34)	12. TOTAL OTHER INCOME (ytd)	341,492.73
YTD NET (PROFIT) OR LOSS	(2,085,943.84)	SHOULD EQUAL ZERO	(0.00)

LEGEND:	
data to enter on BPA report	
check totals	red text
direct entry on this sheet	black text
results of formulas	red text

	year-to-date
	line 17 total op rev
total energy sales	14,926,819.32
temporary service	10,000.00
penalties	173,316.95
misc electric revenue	279,825.60
	15,389,961.87
	line 12 tot other inc
interest revenue	119,398.86
misc non-op income	222,093.87
	341,492.73

6. Taxes	546,958.93
7. Tax equivalents	899,071.06
total function 9408	1,446,029.99
SHOULD EQUAL ZERO	0.00
14. interest on LT debt	300,582.34

401-deprec

Asset #	Description	Expenditure Code	Asset Type	Dep Basis	Deprec 2006	Accum Dep 2006	Book Value 12/31/2006
00162	P331 STRUCTURES/IMPROVEM	401.010.533.300.010	Build&	557,677.96	12,253.97	343,866.23	213,811.73
00507	P331 1999 MCKENNA PARK	401.010.533.300.010	Build&	176,750.02	3,898.90	11,696.70	165,053.32
00508	P331 2000 MCKENNA PARK	401.010.533.300.010	Build&	43,482.82	957.78	3,114.53	40,368.29
00509	P331 2001 MCKENNA PARK	401.010.533.300.010	Build&	1,701.92	37.54	112.62	1,589.30
00510	P331 2002 MCKENNA PARK	401.010.533.300.010	Build&	10,272.67	226.60	679.80	9,592.87
00511	P331 2003 MCKENNA PARK	401.010.533.300.010	Build&	38.59	0.85	2.55	36.04
00513	P331 DAM HOUSE RESIDENCE	401.010.533.300.010	Build&	92,209.60	2,034.04	6,102.12	86,107.48
00523	P331 STORAGE BLD FOR PES	401.010.533.300.010	Build&	1,827.21	184.26	552.78	1,274.43
00557	P331 FENCE AT OPS HOUSE-Y	401.010.533.300.010	Build&	2,168.00	47.82	95.64	2,072.36
00558	P331 HEATING UNIT OPS HOU	401.010.533.300.010	Build&	3,995.52	88.14	176.28	3,819.24
00650	P331 HEAT PUMP CONTROL R	401.010.533.300.010	Build&	8,665.50	190.79	190.79	8,474.71
00651	P331 ROOF MANAGER'S OFC	401.010.533.300.010	Build&	5,720.78	125.95	125.95	5,594.83
00652	P331 AUTOMATIC GATE AT DA	401.010.533.300.010	Build&	8,094.61	178.22	178.22	7,916.39
00773	P331 Heat Pump for Op Homes	401.010.533.300.010	Build&	17,668.98	-	0.00	17,668.98
00774	P331 chip seal powerhouse	401.010.533.300.010	Build&	40,474.61	-	0.00	40,474.61
	401.173.092	401.010.533.300.010 Total		970,748.79	20,224.86	366,894.21	603,854.58
00169	T352 STRUCTURES/IMPROVEM	401.010.533.301.010	Build&	46,112.09	221.88	41,878.04	4,234.05
	401.173.093	401.010.533.301.010 Total		46,112.09	221.88	41,878.04	4,234.05
00163	P332 RESERVOIRS,DAMS	401.010.533.302.010	INFRA	6,645,362.64	128,084.16	2,920,247.93	3,725,114.71
00167	P336 ROADS/RAILROADS/BRID	401.010.533.302.010	INFRA	53,577.64	0.00	53,577.64	0.00
00503	P332 1999 SPILLWAYS & FISH	401.010.533.302.010	INFRA	5,478,603.57	109,755.00	329,265.00	5,149,338.57
00504	P332 2000 SPILLWAYS & FISH	401.010.533.302.010	INFRA	397,425.97	7,961.79	23,885.37	373,540.60
00505	P332 2001 SPILLWAYS & FISH	401.010.533.302.010	INFRA	153,031.15	3,065.73	9,197.19	143,833.96
00506	P332 2002 SPILLWAYS & FISH	401.010.533.302.010	INFRA	18,613.91	372.90	1,118.70	17,495.21
	401.179.092	401.010.533.302.010 Total		12,746,614.88	249,239.58	3,337,291.83	9,409,323.05
00164	P333 WTR WHLS/TURBINES/G	401.010.533.303.010	EQUIP	1,487,261.69	9,455.00	1,357,276.77	129,984.92
00165	P334 ACCESS ELECT EQUIP	401.010.533.303.010	EQUIP	791,978.33	20,912.28	392,902.82	399,075.51
00166	P335 MISC PWR PL EQ	401.010.533.303.010	EQUIP	135,140.87	1,209.24	112,065.15	23,075.72
00514	P333 GENERATOR #2 MAINT&	401.010.533.303.010	EQUIP	137,168.81	3,436.38	10,309.14	126,859.67
00525	P334 SULAIR AIR COMPRESSO	401.010.533.303.010	EQUIP	10,847.38	271.75	815.25	10,032.13
00526	P334	401.010.533.303.010	EQUIP	6,842.88	171.43	514.29	6,328.59

401-deprec

Asset #	Description	Expenditure Code	Asset Type	Dep Basis	Deprec 2006	Accum Dep 2006	Book Value 12/31/2006
00571	P333 GENERATOR #1 REBUILD	401.010.533.303.010	EQUIP	140,900.40	3,108.10	6,216.20	134,684.20
00658	P333 BUTTERFLY VALVES REPAIR	401.010.533.303.010	EQUIP	102,000.54	2,245.72	2,245.72	99,754.82
00659	P333 TURBINE HEAD COVER REPAIR	401.010.533.303.010	EQUIP	136,107.17	2,996.64	2,996.64	133,110.53
00670	P333 GENERATOR #2 REBUILD	401.010.533.303.010	EQUIP	100,101.20	2,203.90	2,203.90	97,897.30
00761	P333 WTR WHLS/TURBINES/G	401.010.533.303.010	EQUIP	163,947.88	0.00	0.00	163,947.88
00771	P333 WTR WHLS/TURBINES/G	401.010.533.303.010	EQUIP	7,306.34	0.00	0.00	7,306.34
	401.188.092	401.010.533.303.010 Total		3,219,603.49	46,010.44	1,887,545.88	1,332,057.61
00170	T353 STATION EQUIPMENT	401.010.533.304.010	EQUIP	743,885.54	3,608.28	675,026.35	68,859.19
00171	T353 JD TRACTOR/MOWER/BULLDOZER	401.010.533.304.010	EQUIP	22,091.42	2,209.16	8,836.64	13,254.78
00172	T355 POLES, FIXTURES	401.010.533.304.010	EQUIP	189,636.89	2,337.00	145,038.11	44,598.78
00173	T356 OVHD CONDUCTORS, DEVICES	401.010.533.304.010	EQUIP	202,967.78	3,303.24	139,931.16	63,036.62
00559	T353 RACK MOUNT TRANSFORMER	401.010.533.304.010	EQUIP	4,258.10	106.67	213.34	4,044.76
00560	T353 TRANSFORMER	401.010.533.304.010	EQUIP	3,333.18	83.50	167.00	3,166.18
00561	T353 RACK MOUNT	401.010.533.304.010	EQUIP	5,282.20	132.33	264.66	5,017.54
00775	T353 battery charger	401.010.533.304.010	EQUIP	5,046.18	0.00	0.00	5,046.18
	401.188.093	401.010.533.304.010 Total		1,176,501.29	11,780.18	969,477.26	207,024.03
00168	P302 INTANGIBLE-NISQUALLY	401.010.533.309.010	INFRA	4,586,503.19	115,871.88	994,476.60	3,592,026.59
00665	P302 NISQUALLY STUDY/LADDER	401.010.533.309.010	INFRA	275,578.57	6,067.34	6,067.34	269,511.23
	401.191.090	401.010.533.309.010 Total		4,862,081.76	121,939.22	1,000,543.94	3,861,537.82

401-deprec

Asset #	Description	Expenditure Code	Asset Type	Dep Basis	Deprec 2006	Accum Dep 2006	Book Value 12/31/2006
00175	D361 STRUCTURES/IMPROVE	401.020.533.302.010	Build&	559,298.20	12,142.80	327,572.05	231,726.15
00515	D361 JOHNSON CRK SUB STA	401.020.533.302.010	Build&	16,620.50	416.38	1,249.14	15,371.36
00528	D361 ROOF RETROFIT	401.020.533.302.010	Build&	21,984.40	550.76	1,652.28	20,332.12
00556	D361 MAY STREET SHOP	401.020.533.302.010	Build&	23,624.63	591.85	1,183.70	22,440.93
00672	D361 ADMIN BLDG PARKING L	401.020.533.302.010	Build&	51,759.36	1,293.98	1,293.98	50,465.38
00673	D361 "B" ST GROUND GRID/OI	401.020.533.302.010	Build&	218,067.55	5,451.69	5,451.69	212,615.86
00674	D361 ZIMMERMAN SUB GRD G	401.020.533.302.010	Build&	128,640.29	3,216.01	3,216.01	125,424.28
00675	D361 YARD PREP & CREW TR	401.020.533.302.010	Build&	11,273.49	281.84	281.84	10,991.65
	401.173.094	401.020.533.302.010 Total		1,031,268.42	23,945.31	341,900.69	689,367.73
00157	G390 CHAMBER BUILDING	401.020.533.303.010	Build&	59,820.70	1,930.08	28,135.56	31,685.14
00185	G390 STRUCTURES/IMPROVE	401.020.533.303.010	Build&	126,101.33	6,907.44	46,665.36	79,435.97
00522	G390 CREW LUNCH ROOM MC	401.020.533.303.010	Build&	12,796.89	384.87	1,154.61	11,642.28
00527	G390 STRUCTURES/IMPROVE	401.020.533.303.010	Build&	6,352.64	191.06	573.18	5,779.46
00531	G390 FIBER OPTIC INSTALL	401.020.533.303.010	Build&	18,379.07	552.75	1,658.25	16,720.82
00588	G390 CSC BLDG REMODEL	401.020.533.303.010	Build&	24,731.77	619.59	1,239.18	23,492.59
00589	G390 CITY LIGHT BLDG REMO	401.020.533.303.010	Build&	20,024.97	501.67	1,003.34	19,021.63
00653	G390 HVAC SERVER ROOM (1	401.020.533.303.010	Build&	1,766.33	44.16	44.16	1,722.17
00654	G390 METER SHOP FENCE MA	401.020.533.303.010	Build&	23,738.00	593.45	593.45	23,144.55
00655	G390 HVAC UNIT/DUCTWORK	401.020.533.303.010	Build&	15,317.48	382.94	382.94	14,934.54
00667	G390 CSC SECURITY SYSTEM	401.020.533.303.010	Build&	2,687.10	67.18	67.18	2,619.92
00668	G390 ADMIN BUILD REMODEL	401.020.533.303.010	Build&	6,802.62	170.07	170.07	6,632.55
00669	G390 TEMPORARY METER RO	401.020.533.303.010	Build&	11,247.83	281.20	281.20	10,966.63
00770	G390	401.020.533.303.010	Build&	41,190.99	0.00	0.00	41,190.99
00782	G390 Cantilever gate & operator	401.020.533.303.010	Build&	9,502.36	0.00	0.00	9,502.36
	401.173.095	401.020.533.303.010 Total		380,460.08	12,626.44	81,968.46	298,491.62
00174	T359 ROADS & TRAILS	401.020.533.304.010	INFRA	3,748.74	0.00	3,748.74	0.00
	401.179.093	401.020.533.304.010 Total		3,748.74	0.00	3,748.74	0.00

401-deprec

Asset #	Description	Expenditure Code	Asset Type	Dep Basis	Deprec 2006	Accum Dep 2006	Book Value 12/31/2006
00176	D362 STATION EQUIPMENT	401.020.533.306.010	EQUIP	1,525,974.89	47,369.16	937,808.29	588,166.60
00177	D364 POLES/TOWERS/FIXTUR	401.020.533.306.010	EQUIP	1,484,583.37	37,942.56	1,127,290.57	357,292.80
00178	D365 OVERHEAD CONDUCT/D	401.020.533.306.010	EQUIP	1,354,971.51	23,727.84	902,165.29	452,806.22
00179	D366 UNDERGROUND CONDU	401.020.533.306.010	EQUIP	714,473.44	21,614.76	301,991.36	412,482.08
00180	D367 UNDRGRND CONDUCT/D	401.020.533.306.010	EQUIP	1,679,038.39	53,562.72	656,884.15	1,022,154.24
00181	D368 LINE TRANSFORMERS	401.020.533.306.010	EQUIP	3,669,189.68	107,437.80	1,546,692.93	2,122,496.75
00182	D369 SERVICES	401.020.533.306.010	EQUIP	724,383.32	16,878.63	565,442.52	158,940.80
00183	D370 METERS	401.020.533.306.010	EQUIP	517,547.84	20,486.04	237,110.79	280,437.05
00184	D373 ST LIGHT/SIGNAL SYSTE	401.020.533.306.010	EQUIP	15,488.64	0.00	15,488.64	0.00
00516	D364 NEW CONST, CUST LINE	401.020.533.306.010	EQUIP	62,943.51	2,080.78	6,242.34	56,701.17
00517	D365 NEW CUST, CONST & OT	401.020.533.306.010	EQUIP	64,384.36	1,612.97	4,838.91	59,545.45
00518	D366 NEW CUST, CONST INST	401.020.533.306.010	EQUIP	62,432.76	1,564.08	4,692.24	57,740.52
00519	D367 UNDRGRND CONDUCT/D	401.020.533.306.010	EQUIP	188,660.53	4,726.36	14,179.08	174,481.45
00520	D368 NEW CONST, CUST INST	401.020.533.306.010	EQUIP	102,280.21	2,562.34	7,687.02	94,593.19
00521	D369 NEW CUST, CONST INST	401.020.533.306.010	EQUIP	11,994.19	396.50	1,189.50	10,804.69
00529	D368 LINE TRANSFORMERS	401.020.533.306.010	EQUIP	31,065.81	778.27	2,334.81	28,731.00
00530	D370 METERS	401.020.533.306.010	EQUIP	12,781.23	384.40	1,153.20	11,628.03
00563	D362 UNDERGROUND CABLE	401.020.533.306.010	EQUIP	5,168.46	155.44	310.88	4,857.58
00564	D368 LINE TRANSFORMERS	401.020.533.306.010	EQUIP	158,903.69	3,980.89	7,961.78	150,941.91
00565	D370 METERS	401.020.533.306.010	EQUIP	28,767.36	865.18	1,730.36	27,037.00
00572	D364 RECLOSER	401.020.533.306.010	EQUIP	14,281.14	472.10	944.20	13,336.94
00573	D364 NEW SERVICE INSTALL	401.020.533.306.010	EQUIP	7,106.97	234.94	469.88	6,637.09
00574	D364 MINOR CONST INTALL	401.020.533.306.010	EQUIP	52,170.60	1,724.65	3,449.30	48,721.30
00575	D364 FIXED CAPACITOR INSTA	401.020.533.306.010	EQUIP	71,625.96	2,367.80	4,735.60	66,890.36
00576	D364 PORT DIST-CITY WELL S	401.020.533.306.010	EQUIP	164.00	5.42	10.84	153.16
00577	D367 PORT DIST-CITY WELL S	401.020.533.306.010	EQUIP	3,156.27	79.07	158.14	2,998.13
00578	D367 NEW SVC INSTALL	401.020.533.306.010	EQUIP	35,404.86	886.97	1,773.94	33,630.92
00579	D367 MINOR CONST INSTALL	401.020.533.306.010	EQUIP	15,363.72	384.89	769.78	14,593.94
00580	D368 PORT DIST-CITY WELL S	401.020.533.306.010	EQUIP	8,666.90	217.12	434.24	8,232.66
00581	D368 NEW SVC INSTALL	401.020.533.306.010	EQUIP	22,594.21	566.03	1,132.06	21,462.15
00582	D368 MINOR CONST INSTALL	401.020.533.306.010	EQUIP	106,843.03	2,676.65	5,353.30	101,489.73
00583	D365 NEW SVC INSTALL	401.020.533.306.010	EQUIP	35,213.81	882.18	1,764.36	33,449.45
00584	D365 MINOR CONST INSTALL	401.020.533.306.010	EQUIP	124,088.88	3,108.70	6,217.40	117,871.48

401-deprec

Asset #	Description	Expenditure Code	Asset Type	Dep Basis	Deprec 2006	Accum Dep 2006	Book Value 12/31/2006
00585	D366 NEW SVC INSTALL	401.020.533.306.010	EQUIP	45,218.36	1,132.82	2,265.64	42,952.72
00586	D366 MINOR CONST INSTALL	401.020.533.306.010	EQUIP	49,489.79	1,239.83	2,479.66	47,010.13
00587	D369 NEW SVC INSTALL	401.020.533.306.010	EQUIP	10,313.74	340.95	681.90	9,631.84
00660	D368 LINE TRANSFORMERS	401.020.533.306.010	EQUIP	323,118.29	8,077.96	8,077.96	315,040.33
00671	D368 LINE TRANSFORMERS	401.020.533.306.010	EQUIP	43,760.00	1,094.00	1,094.00	42,666.00
00676	D362 "B" ST SUB STATION UPD	401.020.533.306.010	EQUIP	281,194.91	8,436.69	8,436.69	272,758.22
00677	D362 AMR/TWACS-STN EQ & M	401.020.533.306.010	EQUIP	218,369.66	6,551.74	6,551.74	211,817.92
00678	D364 CUSTOMER & CONSTRU	401.020.533.306.010	EQUIP	63,663.36	2,099.02	2,099.02	61,564.34
00679	D365 NEW INTALLS	401.020.533.306.010	EQUIP	123,374.33	3,084.36	3,084.36	120,289.97
00680	D366 NEW INSTALLS	401.020.533.306.010	EQUIP	145,156.91	3,628.92	3,628.92	141,527.99
00681	D367 NEW INSTALLS	401.020.533.306.010	EQUIP	108,580.83	2,714.52	2,714.52	105,866.31
00682	D369 NEW INSTALLS	401.020.533.306.010	EQUIP	6,435.01	212.17	212.17	6,222.84
00683	D370 METERS	401.020.533.306.010	EQUIP	186,926.73	5,608.36	5,608.36	181,318.37
00762	D362	401.020.533.306.010	EQUIP	32,669.77	0.00	0.00	32,669.77
00763	D364	401.020.533.306.010	EQUIP	459,950.44	0.00	0.00	459,950.44
00764	D365	401.020.533.306.010	EQUIP	471,275.51	0.00	0.00	471,275.51
00765	D366	401.020.533.306.010	EQUIP	255,503.22	0.00	0.00	255,503.22
00772	D366	401.020.533.306.010	EQUIP	3,703.53	0.00	0.00	3,703.53
00766	D367	401.020.533.306.010	EQUIP	391,036.48	0.00	0.00	391,036.48
00767	D368	401.020.533.306.010	EQUIP	46,746.78	0.00	0.00	46,746.78
00768	D369	401.020.533.306.010	EQUIP	351.00	0.00	0.00	351.00
00769	D370 METERS	401.020.533.306.010	EQUIP	489,365.55	0.00	0.00	489,365.55
00781	D368 transformers	401.020.533.306.010	EQUIP	329,455.42	0.00	0.00	329,455.42
	401.188.094	401.020.533.306.010 Total		16,997,373.16	405,954.59	6,417,342.65	10,580,030.51
00195	G392 2003 FORD EXPEDITION	401.020.533.307.010	EQUIP	29,615.00	2,961.50	8,884.50	20,730.50
00196	G392 2003 STERLING MANLIFT	401.020.533.307.010	EQUIP	155,747.27	15,358.51	51,383.97	104,363.30
00199	G392 2003 STERLING DIGGER	401.020.533.307.010	EQUIP	169,140.37	16,614.00	66,456.00	102,684.37
00202	G392 82 FORD F350 IT C&C	401.020.533.307.010	EQUIP	32,404.34	0.00	32,404.34	0.00
00208	G392 TRAILER KING TK20 TRL	401.020.533.307.010	EQUIP	8,863.70	0.00	8,863.70	0.00
00211	G396 1991 VERMEER CHIPPER	401.020.533.307.010	EQUIP	6,537.24	0.00	6,537.24	0.00
00212	G396 1992 JCB BACKHOE/PLA	401.020.533.307.010	EQUIP	26,127.86	1,985.64	15,699.36	10,428.50
00219	G396 MOWER ATTACHMENT	401.020.533.307.010	EQUIP	7,582.58	708.24	6,374.16	1,208.42
00222	G396 2000 JOHN DEERE MOW	401.020.533.307.010	EQUIP	7,639.60	0.00	7,639.60	0.00

401-deprec

Asset #	Description	Expenditure Code	Asset Type	Dep Basis	Deprec 2006	Accum Dep 2006	Book Value 12/31/2006
00223	G396 KOHLER GENERATOR	401.020.533.307.010	EQUIP	15,622.92	1,562.28	6,249.12	9,373.80
00224	G394 1994 FORD TRACTOR/YE	401.020.533.307.010	EQUIP	33,148.60	3,064.86	24,518.88	8,629.72
00226	G392 1991 CHEV KODIAK/PLAN	401.020.533.307.010	EQUIP	13,156.72	888.06	7,104.48	6,052.24
00228	G392 1992 FORD 8000 LINE TR	401.020.533.307.010	EQUIP	37,051.58	0.00	37,051.58	0.00
00231	G392 1993 GMC MANLIFT TRU	401.020.533.307.010	EQUIP	37,101.02	0.00	37,101.02	0.00
00232	G392 1994 GMC MANLIFT TRU	401.020.533.307.010	EQUIP	52,803.59	0.00	52,803.59	0.00
00233	G392 1994 FORD F477 SVC TR	401.020.533.307.010	EQUIP	32,498.60	0.00	32,498.60	0.00
00234	G392 1995 CHEV S-10 PICKUP	401.020.533.307.010	EQUIP	9,715.65	0.00	9,715.65	0.00
00235	G392 1996 15T HYPRESS/DIES	401.020.533.307.010	EQUIP	5,125.64	0.00	5,125.64	0.00
00236	G396 JOHN DEERE DOZER	401.020.533.307.010	EQUIP	81,293.09	8,103.61	72,189.28	9,103.81
00239	G392 1996 INTNL DUMP TRUC	401.020.533.307.010	EQUIP	35,739.89	0.00	35,739.89	0.00
00240	G392 99 JEEP CHEROKEE/YEL	401.020.533.307.010	EQUIP	21,136.27	0.00	21,136.27	0.00
00241	G392 2000 FORD FLATBED/YE	401.020.533.307.010	EQUIP	30,357.29	0.00	30,357.29	0.00
00242	G392 2000 FORD F2 PU 4X4/PL	401.020.533.307.010	EQUIP	28,606.01	0.00	28,606.01	0.00
00243	G392 99 FORD F450 4X4 CH/CA	401.020.533.307.010	EQUIP	31,408.34	0.00	31,408.34	0.00
00244	G392 2001 GMC SONOMA PICK	401.020.533.307.010	EQUIP	15,523.75	2,904.72	14,523.60	1,000.15
00245	G392 2001 GMC SONOMA PICK	401.020.533.307.010	EQUIP	15,531.29	2,906.28	14,531.40	999.89
00246	G396 2001 VERMEER BRUSH C	401.020.533.307.010	EQUIP	29,311.63	2,831.16	14,155.80	15,155.83
00247	G392 REPAIR 75 DIGGER DER	401.020.533.307.010	EQUIP	27,819.24	2,781.96	13,909.80	13,909.44
00249	G392 2002 FORD F250 CREW C	401.020.533.307.010	EQUIP	33,006.92	3,300.72	13,202.88	19,804.04
00353	G392 1997 CHEV K 1 PICKUP	401.020.533.307.010	EQUIP	24,481.17	0.00	24,481.17	0.00
00562	G392 2004 CATEPILLAR BACK	401.020.533.307.010	EQUIP	85,947.86	8,594.79	17,189.58	68,758.28
00566	G391 SHARP COPIER	401.020.533.307.010	EQUIP	4,898.24	996.25	1,992.50	2,905.74
00567	G392 2004 FORD F350	401.020.533.307.010	EQUIP	33,547.01	4,850.17	9,700.34	23,846.67
00568	G394 METER TESTER	401.020.533.307.010	EQUIP	13,674.32	1,977.01	3,954.02	9,720.30
00569	G394 METER TEST EQUIPMEN	401.020.533.307.010	EQUIP	6,937.19	1,002.97	2,005.94	4,931.25
00597	G392 2004 F550 SVC TRUCK	401.020.533.307.010	EQUIP	86,638.48	8,663.85	17,327.70	69,310.78
00656	G391 SERVER FOR ENGINER (401.020.533.307.010	EQUIP	2,481.22	496.24	496.24	1,984.98
00657	G391 PRINTER ENGINEERING	401.020.533.307.010	EQUIP	4,999.36	999.87	999.87	3,999.49
00661	G392 2005 FORD EXPLORER	401.020.533.307.010	EQUIP	24,133.18	3,447.60	3,447.60	20,685.58
00662	G392 2005 FORD RANGER 4X4	401.020.533.307.010	EQUIP	17,844.46	2,549.21	2,549.21	15,295.25
00663	G392 2005 FORD EXPIDITION	401.020.533.307.010	EQUIP	31,218.06	4,459.72	4,459.72	26,758.34
00776	G392 20-ton tilt bed trailer	401.020.533.307.010	EQUIP	21,945.21	0.00	0.00	21,945.21

401-deprec

Asset #	Description	Expenditure Code	Asset Type	Dep Basis	Deprec 2006	Accum Dep 2006	Book Value 12/31/2006
00777	G392 Fd Freestar van	401.020.533.307.010	EQUIP	15,383.12	0.00	0.00	15,383.12
00778	G392 Fd Freestar van	401.020.533.307.010	EQUIP	16,094.89	0.00	0.00	16,094.89
00779	G392 Chev Silverado	401.020.533.307.010	EQUIP	21,950.84	0.00	0.00	21,950.84
00780	G392 Toyota forklift	401.020.533.307.010	EQUIP	36,334.25	0.00	0.00	36,334.25
00783	G394 hydraulic crimping press	401.020.533.307.010	EQUIP	6,770.76	0.00	0.00	6,770.76
	401.188.095	401.020.533.307.010 Total		1,484,895.62	104,009.22	794,775.88	690,119.74
				42,919,408.32	995,951.71	15,243,367.57	27,676,040.75

401-deprec

Asset #	Description	Expenditure Code	Asset Type	Dep Basis	Deprec 2006	Accum Dep 2006	Book Value 12/31/2006
00155	G389 CUSTOMER SVC CENTER		LAND	7,646.50	0.00	0.00	7,646.50
00156	G389 CUSTOMER SVC CENTER		LAND	1,633.61	0.00	0.00	1,633.61
00158	P330 LAND & LAND RIGHTS PROD		LAND	398,001.15	0.00	0.00	398,001.15
00512	P330 1999 WILDLIFE HABITAT		LAND	12,371.50	0.00	0.00	12,371.50
00159	T350 LAND & LAND RIGHTS TRAN		LAND	28,179.77	0.00	0.00	28,179.77
00160	D360 LAND & LAND RIGHTS DIST		LAND	105,243.99	0.00	0.00	105,243.99
00161	G389 LAND & LAND RIGHTS GEN		LAND	7,181.62	0.00	0.00	7,181.62
00552	D360 MAY ST LOT		LAND	44,212.15	0.00	0.00	44,212.15
00553	D360 216 MAY STREET LOT		LAND	67,836.78	0.00	0.00	67,836.78
00554	D360 218 MAY STREET LOT		LAND	85,583.82	0.00	0.00	85,583.82
00555	D360 212 MAY STREET LOT		LAND	71,767.75	0.00	0.00	71,767.75
00666	D360 MAY ST LOTS DEMOLITION		LAND	9,420.65	0.00	0.00	9,420.65
				839,079.29			839,079.29
				43,758,487.61	995,951.71	15,243,367.57	28,515,120.04

Washington State Auditor's Office
Financial Statements and Federal Single Audit Report

City of Centralia
Lewis County

Audit Period
January 1, 2006 through December 31, 2006

Report No. 73683

Issue Date
December 10, 2007



WASHINGTON
BRIAN SONNTAG
STATE AUDITOR



**Washington State Auditor
Brian Sonntag**

December 10, 2007

Mayor and City Council
City of Centralia
Centralia, Washington

Report on Financial Statements and Federal Single Audit

Please find attached our report on the City of Centralia's financial statements and compliance with federal laws and regulations.

We are issuing this report in order to provide information on the City's financial condition.

In addition to this work, we look at other areas of our audit client's operations for compliance with state laws and regulations. The results of that audit will be included in a separately issued accountability report.

Sincerely,

BRIAN SONNTAG, CGFM
STATE AUDITOR

Table of Contents

**City of Centralia
Lewis County
January 1, 2006 through December 31, 2006**

Federal Summary.....	1
Schedule of Federal Audit Findings and Questioned Costs	2
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters in Accordance with <i>Government Auditing Standards</i>	5
Independent Auditor's Report on Compliance with Requirements Applicable to its Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133.....	7
Independent Auditor's Report on Financial Statements	9
Financial Section.....	11

Federal Summary

City of Centralia Lewis County January 1, 2006 through December 31, 2006

The results of our audit of the City of Centralia are summarized below in accordance with U.S. Office of Management and Budget Circular A-133.

FINANCIAL STATEMENTS

An unqualified opinion was issued on the financial statements.

Internal Control Over Financial Reporting:

- **Significant Deficiencies:** We reported no deficiencies in the design or operation of internal control over financial reporting that we consider to be significant deficiencies.
- **Material Weaknesses:** We identified no significant deficiencies that we consider to be material weaknesses.

We noted no instances of noncompliance that were material to the financial statements of the City.

FEDERAL AWARDS

Internal Control Over Major Programs:

- **Significant Deficiencies:** We reported no deficiencies in the design or operation of internal control over major federal programs that we consider to be significant deficiencies.
- **Material Weaknesses:** We identified no significant deficiencies that we consider to be material weaknesses.

We issued an unqualified opinion on the City's compliance with requirements applicable to its major federal program.

We reported one finding that is required to be disclosed under OMB Circular A-133.

Identification of Major Programs:

The following was a major program during the period under audit:

<u>CFDA No.</u>	<u>Program Title</u>
66.458	Capitalization Grants for Clean Water State Revolving Funds

The dollar threshold used to distinguish between Type A and Type B programs, as prescribed by OMB Circular A-133, was \$300,000.

The City qualified as a low-risk auditee under OMB Circular A-133.

Schedule of Federal Audit Findings and Questioned Costs

City of Centralia Lewis County January 1, 2006 through December 31, 2006

1. **The City of Centralia did not comply with federal suspension and debarment requirements for its Capitalization Grants for Clean Water State Revolving Funds loan.**

CFDA Number and Title: 66.458 – Capitalization Grants for Clean Water State Revolving Funds
Federal Award Number: L0100031B
Questioned Cost Amount: \$0.00
Pass-through Entity: Washington State Department of Ecology

Description of Condition

For the year ended December 31, 2006, the City spent \$493,269 from its Capitalization Grants for Clean Water State Revolving Funds loan to pay for the wastewater treatment plant improvement project. The City paid four contractors more than \$25,000 each with the loan.

Federal guidelines require grant recipients to obtain sufficient assurance vendors are not suspended or debarred from participating in federal programs when contracts exceed \$25,000. The City did not have written certifications of suspension and debarment for these contractors nor did the City perform any other procedures, such as checking the federal excluded parties list issued by the U.S. General Services Administration, to ensure compliance with suspension and debarment requirements.

Cause of Condition

The Department of Ecology failed to timely notify the City of the suspension and debarment requirements. The original loan agreement did not contain the requirements. The City was later notified of the requirements by a contract amendment. When the City learned the suspension/debarment requirements applied to this loan, it did not retroactively apply controls to ensure compliance with the requirements.

Effect of Condition

Without applying controls to ensure compliance with suspension and debarment requirements, the City cannot ensure that federal funds are paid only to vendors that are eligible to participate in federal programs. Any payments made to an ineligible party are unallowable and would be subject to recovery by the funding agency. However, we were able to verify that these vendors were not suspended or debarred. Therefore, we are not questioning these costs.

Recommendation

We recommend the City establish improved procedures and controls over suspension and debarment requirements to ensure only eligible vendors participate in federal projects.

City's Response

We appreciate the State Auditor's Office bringing this oversight to our attention. To ensure compliance a certification clause regarding debarment, suspension, ineligibility and involuntary exclusion will be included in all federal funded contracts.

Auditor's Remarks

We appreciate the steps the City is taking to resolve this issue. We will review the condition during our next audit.

Applicable laws and Regulations

U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, Section 300, states in part:

The auditee shall:

(b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

Title 40, Code of Federal Regulations, Section 32.220, states in part:

(b) Specifically, a contract for goods or services is a covered transaction if any of the following applies:

(1) The contract is awarded by a participant in a nonprocurement transaction that is covered under Sec. 32.210, and the amount of the contract is expected to equal or exceed \$25,000.

Title 40, Code of Federal Regulations, Section 32.300, states:

When you enter into a covered transaction with another person at the next lower tier, you must verify that the person with whom you intend to do business is not excluded or disqualified. You do this by:

(a) Checking the EPLS; or
(b) Collecting a certification from that person if allowed by this rule; or
(c) Adding a clause or condition to the covered transaction with that person.

Title 40 Code of Federal Regulations, Section 32.330, states:

Before entering into a covered transaction with a participant at the next lower tier, you must require that participant to--

(a) Comply with this subpart as a condition of participation in the transaction. You may do so using any method(s), unless Sec. 32.440 requires you to use specific methods.

(b) Pass the requirement to comply with this subpart to each person with whom the participant enters into a covered transaction at the next lower tier.

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters in Accordance with *Government Auditing Standards*

**City of Centralia
Lewis County
January 1, 2006 through December 31, 2006**

Mayor and City Council
City of Centralia
Centralia, Washington

We have audited the financial statements of the City of Centralia, Lewis County, Washington, as of and for the year ended December 31, 2006, and have issued our report thereon dated August 17, 2007.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City's ability to initiate, authorize, record, process or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the City's financial statements that is more than inconsequential will not be prevented or detected by the City's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of the City's compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended for the information and use of management, the Mayor and City Council, federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

A handwritten signature in black ink, appearing to read "Brian Sonntag". The signature is fluid and cursive, with the first name "Brian" and last name "Sonntag" clearly distinguishable.

BRIAN SONNTAG, CGFM
STATE AUDITOR

August 17, 2007

Independent Auditor's Report on Compliance with Requirements Applicable to its Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133

**City of Centralia
Lewis County
January 1, 2006 through December 31, 2006**

Mayor and City Council
City of Centralia
Centralia, Washington

COMPLIANCE

We have audited the compliance of the City of Centralia, Lewis County, Washington, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to its major federal program for the year ended December 31, 2006. The City's major federal program is identified in the Federal Summary. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2006. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying Schedule of Federal Audit Findings and Questioned Costs as Finding 1.

INTERNAL CONTROL OVER COMPLIANCE

The management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to

determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is a more than remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in a more than remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended for the information of management, the Mayor and City Council, federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.



BRIAN SONNTAG, CGFM
STATE AUDITOR

August 17, 2007

Independent Auditor's Report on Financial Statements

City of Centralia Lewis County January 1, 2006 through December 31, 2006

Mayor and City Council
City of Centralia
Centralia, Washington

We have audited the accompanying financial statements of the City of Centralia, Lewis County, Washington, as of and for the year ended December 31, 2006, as listed on page 11. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1b to the financial statements, the City prepares its financial statements using accounting practices prescribed by Washington State statutes and the *Budgeting, Accounting and Reporting System (BARS)* manual prescribed by the State Auditor, which demonstrates compliance with the regulatory basis of accounting which differs from accounting principles generally accepted in the United States of America. The differences between the regulatory basis of accounting and the accounting principles generally accepted in the United States of America are also described in Note 1b.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the City of Centralia, as of December 31, 2006, and the changes in financial position and, where applicable, cash flows, thereof, and the respective budgetary comparison for the General, Street and Capital Projects funds, for the year then ended on the basis of accounting described in Note 1b.

In accordance with *Government Auditing Standards*, we have also issued our report on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The pension trust fund information on page 45 is not a required part of the financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods

of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. The accompanying Fireman's Pension Fund is also presented for purposes of additional analysis as required by the prescribed BARS manual. These schedules are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

This report is intended for the information and use of the governing body and management of the City. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

A handwritten signature in black ink, appearing to read "Brian Sonntag". The signature is stylized and cursive.

BRIAN SONNTAG, CGFM
STATE AUDITOR

August 17, 2007

Financial Section

**City of Centralia
Lewis County
January 1, 2006 through December 31, 2006**

FINANCIAL STATEMENTS

Balance Sheet – Governmental Funds – 2006
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds – 2006
Statement of Revenues, Expenditures and Changes in Fund Balances – Major Fund – General Fund – Budget and Actual – 2006
Statement of Revenues, Expenditures and Changes in Fund Balances – Major Fund – Street Fund – Budget and Actual – 2006
Statement of Revenues, Expenditures and Changes in Fund Balances – Major Fund – Capital Projects – Budget and Actual – 2006
Statement of Net Assets – Proprietary Funds – 2006
Statement of Revenues, Expenses and Changes in Fund Net Assets – Proprietary Funds – 2006
Statement of Cash Flows – Proprietary Funds – 2006
Statement of Fiduciary Net Assets – Fiduciary Funds – 2006
Statement of Changes in Fiduciary Net Assets – Fiduciary Funds – 2006
Notes to Financial Statements – 2006

REQUIRED SUPPLEMENTAL INFORMATION

Fireman's Pension Fund – 2006

SUPPLEMENTAL INFORMATION

Schedule of Expenditures of Federal Awards – 2006
Notes to the Schedule of Expenditures of Federal Awards – 2006

**CITY OF CENTRALIA
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2006**

	MAJOR FUNDS			OTHER NON-MAJOR FUNDS	TOTAL FUNDS
	GENERAL FUND	STREET FUND	CAPITAL PROJECTS		
ASSETS					
Cash and cash equivalents	\$ 3,530,182	\$ 593,337	\$ 868,557	\$ 660,393	\$ 5,652,469
Accounts receivable					
Taxes	157,021	-	-	-	157,021
Other accounts receivable	81,028	10,018	83,265	19,695	194,006
Restricted assets:					
Cash	538,562	-	-	-	538,562
Customer deposits	850	-	-	-	850
TOTAL ASSETS	\$ 4,307,643	\$ 603,355	\$ 951,822	\$ 680,088	\$ 6,542,908
LIABILITIES and FUND BALANCE					
Current Liabilities:					
Accounts payable	\$ 742,236	\$ 42,278	\$ -	\$ 71,815	\$ 856,329
Other Current liabilities	13,875	-	-	1,369	15,244
Current liabilities payable from restricted assets:					
Customer deposits payable	850	-	-	-	850
Deferred revenue	157,021	-	-	-	157,021
TOTAL LIABILITIES	913,982	42,278	-	73,184	1,029,444
Fund Balance					
Reserved for:					
Other purposes	538,562	-	-	-	538,562
Unreserved, Reported in:					
Major funds	2,855,099	561,077	951,822	-	4,367,998
Special revenue funds-nonmajor	-	-	-	606,904	606,904
TOTAL FUND BALANCE	3,393,661	561,077	951,822	606,904	5,513,464
TOTAL LIABILITIES AND FUND BALANCE	\$ 4,307,643	\$ 603,355	\$ 951,822	\$ 680,088	\$ 6,542,908

The notes to the financial statements are an integral part of this statement.

CITY OF CENTRALIA
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2006

	MAJOR FUNDS			OTHER NON-MAJOR FUNDS	TOTAL FUNDS
	GENERAL FUND	STREET FUND	CAPITAL PROJECTS		
Revenues:					
Taxes	\$ 7,384,475	\$ 241,056	\$ 515,564	\$ 191,437	8,332,532
Licenses and permits	687,348	174,574	-	-	861,922
Intergovernmental	685,934	366,553	83,265	355,855	1,491,607
Charges for services	1,627,661	18,000	-	-	1,645,661
Fines and forfeitures	163,573	-	-	-	163,573
Other revenues	341,139	262,559	38,090	133,279	775,067
Total Revenues	<u>10,890,130</u>	<u>1,062,742</u>	<u>636,919</u>	<u>680,571</u>	<u>13,270,362</u>
Expenditures:					
General government	1,848,630	-	-	-	1,848,630
Public Safety	6,521,568	-	-	101,422	6,622,990
Utilities & Environment	28,492	-	-	171,569	200,061
Transportation	7,963	962,607	304	-	970,874
Economic environment	626,426	-	-	48,702	675,128
Mental & Physical health	2,425	-	-	-	2,425
Culture & recreation	1,154,625	-	-	196,973	1,351,598
Interest & debt service	90,496	-	170,910	-	261,406
Capital Expenditures	191,818	40,471	158,591	19,400	410,280
Total Expenditures	<u>10,472,443</u>	<u>1,003,078</u>	<u>329,805</u>	<u>538,066</u>	<u>12,343,392</u>
Excess (deficiency) of revenues over expenditures	<u>417,687</u>	<u>59,664</u>	<u>307,114</u>	<u>142,505</u>	<u>926,970</u>
					926,970
Other financing sources (uses):					
Proceeds of sale of capital assets	2,944	-	-	-	2,944
Insurance Recoveries	18,679	-	-	-	18,679
Operating transfers in	63,930	-	-	214,722	278,652
Operating transfers out	(41,370)	(1,783)	-	(235,498)	(278,651)
Total Other financing sources (uses)	<u>44,183</u>	<u>(1,783)</u>	<u>-</u>	<u>(20,776)</u>	<u>21,624</u>
Net change in fund balance	<u>461,870</u>	<u>57,881</u>	<u>307,114</u>	<u>121,729</u>	<u>948,594</u>
Fund Balances - Beginning	<u>2,931,791</u>	<u>503,196</u>	<u>644,708</u>	<u>485,175</u>	<u>4,564,870</u>
Fund Balances - Ending	<u>\$ 3,393,661</u>	<u>\$ 561,077</u>	<u>\$ 951,822</u>	<u>\$ 606,904</u>	<u>\$ 5,513,464</u>

The notes to the financial statements are an integral part of this statement.

CITY OF CENTRALIA
Statement of Revenues, Expenditures, and Changes in Fund Balance
Major Fund - General Fund
Budget And Actual
For the Year Ended December 31, 2006

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Revenues:				
Taxes	\$ 6,923,345	\$ 7,207,745	\$ 7,384,475	\$ 176,730
Licenses and permits	483,345	636,345	687,348	51,003
Intergovernmental	556,240	603,240	685,934	82,694
Charges for services	1,442,385	1,521,885	1,627,661	105,776
Fines and forfeitures	175,000	160,000	163,573	3,573
Other revenues	170,990	283,950	341,139	57,189
Total Revenues	<u>9,751,305</u>	<u>10,413,165</u>	<u>10,890,130</u>	<u>476,965</u>
Expenditures:				
General government	1,768,155	1,852,655	1,848,630	4,025
Public Safety	6,275,070	6,497,200	6,521,568	(24,368)
Utilities & Environment	54,605	54,605	28,492	26,113
Transportation	6,100	6,100	7,963	(1,863)
Economic environment	614,300	645,300	626,426	18,874
Mental & Physical health	3,480	3,480	2,425	1,055
Culture & recreation	1,109,290	1,172,990	1,154,625	18,365
Interest & debt service	90,080	90,080	90,496	(416)
Capital Expenditures	93,000	212,540	191,818	20,722
Total Expenditures	<u>10,014,080</u>	<u>10,534,950</u>	<u>10,472,443</u>	<u>62,507</u>
Excess (deficiency) of revenues over expenditure	<u>(262,775)</u>	<u>(121,785)</u>	<u>417,687</u>	<u>414,458</u>
Other financing sources (uses)				
Bond proceeds	-	-	-	-
Insurance Recoveries	-	-	18,679	18,679
Proceeds of sale of capital assets	-	-	2,944	2,944
Operating transfers in	30,000	30,000	63,930	33,930
Operating transfers out	(31,660)	(43,030)	(41,370)	1,660
Total other financing sources (uses)	<u>(1,660)</u>	<u>(13,030)</u>	<u>44,183</u>	<u>57,213</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>(264,435)</u>	<u>(134,815)</u>	<u>461,870</u>	<u>596,685</u>
Fund Balances - Beginning	<u>2,931,791</u>	<u>2,931,791</u>	<u>2,931,791</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 2,667,356</u>	<u>\$ 2,796,976</u>	<u>\$ 3,393,661</u>	<u>\$ 596,685</u>

The notes to the financial statements are an integral part of this statement.

CITY OF CENTRALIA
Statement of Revenues, Expenditures, and Changes in Fund Balance
Major Fund - Street Fund
Budget And Actual
For the Year Ended December 31, 2006

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FAVORABLE (UNFAVORABLE)</u>
Revenues:				
Taxes	\$ 218,000	\$ 218,000	\$ 241,056	\$ 23,056
Licenses and permits	174,500	174,500	174,574	74
Intergovernmental	529,590	324,590	366,553	41,963
Charges for services	18,000	18,000	18,000	-
Other revenues	10,000	215,000	262,559	47,559
Total Revenues	<u>950,090</u>	<u>950,090</u>	<u>1,062,742</u>	<u>112,652</u>
Expenditures:				
General government	-	-	-	-
Public Safety	-	-	-	-
Utilities & Environment	-	-	-	-
Transportation	938,070	938,070	962,607	(24,537)
Economic environment	-	-	-	-
Mental & Physical health	-	-	-	-
Culture & recreation	-	-	-	-
Interest & debt service	-	-	-	-
Capital Expenditures	77,000	77,000	40,471	36,529
Total Expenditures	<u>1,015,070</u>	<u>1,015,070</u>	<u>1,003,078</u>	<u>11,992</u>
Excess (deficiency) of revenues over expend	<u>(64,980)</u>	<u>(64,980)</u>	<u>59,664</u>	<u>124,644</u>
Other financing sources (uses)				
Bond proceeds	-	-	-	-
Operating transfers in	-	-	-	-
Operating transfers out	-	-	(1,783)	(1,783)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(1,783)</u>	<u>(1,783)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>(64,980)</u>	<u>(64,980)</u>	<u>57,881</u>	<u>122,861</u>
Fund Balances - Beginning	<u>503,196</u>	<u>503,196</u>	<u>503,196</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 438,216</u>	<u>\$ 438,216</u>	<u>\$ 561,077</u>	<u>\$ 122,861</u>

The notes to the financial statements are an integral part of this statement.

CITY OF CENTRALIA
Statement of Revenues, Expenditures, and Changes in Fund Balance
Major Fund - Capital Projects
Budget And Actual
For the Year Ended December 31, 2006

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
Revenues:				
Taxes	\$ 340,000	\$ 340,000	\$ 515,564	\$ 175,564
Intergovernmental	800,000	800,000	83,265	(716,735)
Other revenues	15,000	15,000	38,090	23,090
Total Revenues	<u>1,155,000</u>	<u>1,155,000</u>	<u>636,919</u>	<u>(518,081)</u>
Expenditures:				
General government	-	-	-	-
Public Safety	-	-	-	-
Utilities & Environment	-	-	-	-
Transportation	-	-	304	(304)
Economic environment	-	-	-	-
Mental & Physical health	-	-	-	-
Culture & recreation	-	-	-	-
Interest & debt service	170,910	170,910	170,910	-
Capital Expenditures	1,285,000	1,285,000	158,591	1,126,409
Total Expenditures	<u>1,455,910</u>	<u>1,455,910</u>	<u>329,805</u>	<u>1,126,105</u>
Excess (deficiency) of revenues over expend	<u>(300,910)</u>	<u>(300,910)</u>	<u>307,114</u>	<u>608,024</u>
Other financing sources (uses)				
Operating transfers in	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>(300,910)</u>	<u>(300,910)</u>	<u>307,114</u>	<u>608,024</u>
Fund Balances - Beginning	<u>644,708</u>	<u>644,708</u>	<u>644,708</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 343,798</u>	<u>\$ 343,798</u>	<u>\$ 951,822</u>	<u>\$ 608,024</u>

The notes to the financial statements are an integral part of this statement.

CITY OF CENTRALIA
STATEMENT OF NET ASSETS
Proprietary Funds
December 31, 2006

	Business-Type Activities Enterprise Funds					Governmental Activities Internal Svc Fund	
	Electric	Water	Wastewater	Storm & Surface	Totals	Equipment	Rental
ASSETS							
Current assets:							
Cash and cash equivalents	\$ 254,007	\$ 2,405,402	\$ 3,283,917	\$ 202,998	\$ 6,146,324	\$ 764,082	
Accounts receivable (net)							
Customer accounts receivable (net)	2,322,357	293,290	494,935	48,826	3,159,408	-	
Other accounts receivable	-	7,743	235,400	64,689	307,832	-	
Inventories	404,389	126,376	-	-	530,765	-	
Due from other funds	-	727,332	-	-	727,332	-	
Total current assets	<u>2,980,753</u>	<u>3,560,143</u>	<u>4,014,252</u>	<u>316,513</u>	<u>10,871,661</u>	<u>764,082</u>	
Restricted assets:							
Customer deposits	393,717	22,835	-	-	416,552	-	
Retainage held by fiscal agent	-	-	-	-	0	-	
Capital facilities cash	-	1,919,402	1,160,427	-	3,079,829	-	
Revenue bond/loan cash	648,819	443,503	896,759	-	1,989,081	-	
Total restricted assets	<u>1,042,536</u>	<u>2,385,740</u>	<u>2,057,186</u>	<u>-</u>	<u>5,485,462</u>	<u>-</u>	
Noncurrent assets:							
Notes/contracts receivable	-	83,039	421,716	0	504,755	-	
Deferred charges	77,410	104,061	-	105,268	286,739	-	
Capital assets (net of acc. dep)							
Land	839,079	372,506	927,586	0	2,139,171	-	
Buildings	1,595,948	3,395,639	35,797,147	0	40,788,734	13,022	
Other Improvements	9,409,323	14,872,129	13,733,758	0	38,015,210	-	
Equipment	13,152,852	361,690	1,253,375	78,348	14,846,265	281,823	
Construction in Progress	4,098,931	243,823	2,935,595	-	7,278,349	-	
Non-utility property	-	7,397	-	-	7,397	-	
Intangible assets	3,861,538	-	450,000	-	4,311,538	-	
Total Capital Assets (net)	<u>32,957,671</u>	<u>19,253,184</u>	<u>55,097,461</u>	<u>78,348</u>	<u>107,386,664</u>	<u>294,845</u>	
Total non current assets	<u>33,035,081</u>	<u>19,440,284</u>	<u>55,519,177</u>	<u>183,616</u>	<u>108,178,158</u>	<u>294,845</u>	
TOTAL ASSETS	<u>\$ 37,058,370</u>	<u>\$ 25,386,167</u>	<u>\$ 61,590,615</u>	<u>\$ 500,129</u>	<u>\$ 124,535,281</u>	<u>\$ 1,058,927</u>	
LIABILITIES							
Current Liabilities:							
Accounts payable	1,275,785	178,637	466,317	18,562	1,939,301	18,960	
Due to other funds	727,332	-	-	-	727,332	-	
Bonds/Loans payable	288,750	483,492	1,724,123	-	2,496,365	-	
Revenues collected in advance	68,238	-	-	-	68,238	-	
Interest payable	-	-	-	-	-	-	
Other current liabilities	185	-	-	-	185	-	
Total current liabilities	<u>2,360,290</u>	<u>662,129</u>	<u>2,190,440</u>	<u>18,562</u>	<u>5,231,421</u>	<u>18,960</u>	
Current liabilities payable from restricted assets:							
Customer deposits payable	393,717	22,835	-	-	416,552	-	
Retainage payable	-	-	-	-	0	-	
Bonds/Loans payable	26,250	91,667	282,135	-	400,052	-	
Interest payable	23,517	43,493	-	-	67,010	-	
Total curr. liab. pay. from restr. assets:	<u>443,484</u>	<u>157,995</u>	<u>282,135</u>	<u>-</u>	<u>883,614</u>	<u>-</u>	
Noncurrent liabilities:							
Compensated absences payable	397,549	202,042	164,983	-	764,574	44,555	
Bonds/Loans payable (net)	5,199,922	7,448,062	32,013,177	-	44,661,161	-	
Total noncurrent liabilities	<u>5,597,471</u>	<u>7,650,104</u>	<u>32,178,160</u>	<u>-</u>	<u>45,425,735</u>	<u>44,555</u>	
TOTAL LIABILITIES	<u>\$ 8,401,245</u>	<u>\$ 8,470,228</u>	<u>\$ 34,650,735</u>	<u>\$ 18,562</u>	<u>\$ 51,540,770</u>	<u>\$ 63,515</u>	
NET ASSETS							
Invested in Capital Assets, Net of Related De	27,442,749	11,585,122	21,078,026	-	60,105,897	294,845	
Restricted for Capital Projects	-	1,919,402	1,160,427	-	3,079,829	-	
Unrestricted	1,214,376	3,411,415	4,701,427	481,568	9,808,786	700,567	
TOTAL NET ASSETS	<u>\$ 28,657,125</u>	<u>\$ 16,915,939</u>	<u>\$ 26,939,880</u>	<u>\$ 481,568</u>	<u>\$ 72,994,512</u>	<u>\$ 995,412</u>	

The notes to the financial statements are an integral part of this statement.

CITY OF CENTRALIA
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended December 31, 2006

	Business-Type Activities					Governmental	
	Enterprise Funds					Activities	
	Electric	Water	Wastewater	Storm & Surface	Totals	Internal Svc Fund	Rental
Operating Revenue:							
Utility sales and service fees	15,166,014	\$ 2,978,908	\$ 5,110,257	\$ 508,274	\$ 23,763,453	\$	459,920
Other charges for services	10,000	69,718	1,397	-	81,115		-
Rents, parking and concessions	108,343	33,003	12,904	-	154,250		-
Other operating revenue	105,605	6,914	14,113	-	126,632		1,762
Total operating revenue	15,389,962	3,088,543	5,138,671	508,274	24,125,450		461,682
Operating expenses:							
General operations	2,312,899	1,450,069	2,117,969	162,198	6,043,135		244,168
Power purchased for resale	6,615,895	-	-	-	6,615,895		-
Maintenance	493,510	165,681	202,479	39,337	901,007		-
Customer services and marketing	299,349	168,332	163,208	-	630,889		-
Administration	1,177,787	348,915	459,022	77,082	2,062,806		-
Depreciation/Amortization	995,951	418,315	2,046,416	39,454	3,500,136		63,962
Property, Excise and B&O taxes	1,446,453	430,484	610,530	57,544	2,545,011		-
Total operating expenses	13,341,844	2,981,796	5,599,624	375,615	22,298,879		308,130
Operating Income	2,048,118	106,747	(460,953)	132,659	1,826,571		153,552
Nonoperating revenues (expenses):							
Interest revenue	119,399	263,426	312,368	8,704	703,897		30,067
Interest expenses and related chrgs	(303,666)	(215,683)	(49,173)	-	(568,522)		-
Gains(losses) on fixed asset disp	1,779	30,601	20,000	-	52,380		-
Total nonoperating revenues (exp)	(182,488)	78,344	283,195	8,704	187,755		30,067
Income (Loss) before Contributions	1,865,630	185,091	(177,758)	141,363	2,014,326		183,619
Capital Contributions	220,314	282,489	1,206,782	64,690	1,774,275		-
Change in Net Assets	2,085,944	467,580	1,029,024	206,053	3,788,601		183,619
Total Net Assets - Beginning	26,571,181	16,448,359	25,910,856	275,515	69,205,911		811,793
Total Net Assets - Ending	\$ 28,657,125	\$ 16,915,939	\$ 26,939,880	\$ 481,568	\$ 72,994,512	\$	995,412

The notes to the financial statements are an integral part of this statement.

CITY OF CENTRALIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2006

	Business-Type Activities					Governmental Activities
	Enterprise Funds				Internal Svc Fund	
	Electric	Water	Wastewater	Storm & Surface		
					Totals	
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from customers	\$ 15,409,844	\$ 3,079,478	\$ 5,113,758	\$ 510,420	\$ 24,113,500	\$ -
Cash received for replacement	-	-	-	-	-	459,920
Cash payments to suppliers	(9,477,478)	(1,103,593)	(1,367,077)	(174,800)	(12,122,948)	(65,207)
Cash payments to employees	(2,904,613)	(1,192,224)	(1,313,476)	(136,378)	(5,546,691)	(155,594)
Internal activity - payments to other funds	(421,062)	(245,695)	(556,065)	(6,952)	(1,229,774)	(18,000)
Other operating receipts and payments	105,605	6,914	14,113	-	126,632	1,762
Net cash provided by operating activities	<u>2,712,296</u>	<u>544,880</u>	<u>1,891,253</u>	<u>192,290</u>	<u>5,340,719</u>	<u>222,881</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfers to other funds	-	(727,332)	-	-	(727,332)	-
Transfers from other funds	727,332	-	-	-	727,332	-
Net cash used by noncapital financing activities	<u>727,332</u>	<u>(727,332)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition and construction of capital assets	(5,733,992)	(445,367)	(3,493,544)	(91,485)	(9,764,388)	68,469
Capital contributions	220,314	262,504	602,798	-	1,085,616	-
Loan/Grant proceeds	-	255,895	1,020,156	-	1,276,051	-
Principal paid on revenue bonds	(300,000)	(220,000)	-	-	(520,000)	-
Principal paid on other debt	-	(350,949)	(1,984,491)	-	(2,335,440)	-
Interest paid on revenue bonds and other debt	(299,086)	(196,499)	(49,173)	-	(544,758)	-
Net cash used for capital and related financing activities	<u>(6,112,764)</u>	<u>(694,416)</u>	<u>(3,904,254)</u>	<u>(91,485)</u>	<u>(10,802,919)</u>	<u>68,469</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Cash receipts from interest earnings	119,399	263,426	312,368	8,704	703,897	30,067
Payments of notes and contracts receivable	-	26,043	34,352	-	60,395	-
Net cash provided by investing activities	<u>119,399</u>	<u>289,469</u>	<u>346,720</u>	<u>8,704</u>	<u>764,292</u>	<u>30,067</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>(2,553,737)</u>	<u>(587,399)</u>	<u>(1,666,281)</u>	<u>109,509</u>	<u>(4,697,908)</u>	<u>321,417</u>
CASH AND CASH EQUIVALENTS - BEGINNING	<u>3,850,280</u>	<u>5,378,541</u>	<u>7,007,384</u>	<u>93,490</u>	<u>16,329,695</u>	<u>442,665</u>
CASH AND CASH EQUIVALENTS - ENDING	<u>\$ 1,296,543</u>	<u>\$ 4,791,142</u>	<u>\$ 5,341,103</u>	<u>\$ 202,999</u>	<u>\$ 11,631,787</u>	<u>\$ 764,082</u>
Operating fund cash and cash equivalents	\$ 254,007	\$ 2,405,402	\$ 3,283,917	\$ 202,998	\$ 6,146,324	\$ 764,082
Restricted funds cash and cash equivalents	1,042,536	2,385,740	2,057,186	-	5,485,462	-
CASH AND CASH EQUIVALENTS - ENDING	<u>\$ 1,296,543</u>	<u>\$ 4,791,142</u>	<u>\$ 5,341,103</u>	<u>\$ 202,998</u>	<u>\$ 11,631,786</u>	<u>\$ 764,082</u>

The notes to the financial statements are an integral part of this statement.

CITY OF CENTRALIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2006

	Business-Type Activities				Governmental Activities
	Electric	Water	Enterprise Funds Wastewater	Storm & Surface	
Net operating income	\$ 2,048,118	\$ 106,747	\$ (460,953)	\$ 132,659	\$ 153,552
Adjustments to reconcile net operating income to net cash provided by operations:					
Depreciation	995,951	418,315	2,046,416	13,137	63,962
(Increase) decrease in accounts receivable	82,455	1,420	(10,799)	2,146	75,222
(Increase) decrease in inventory	(69,319)	(3,322)	-	-	(72,641)
(Increase) decrease in deferred charges	-	-	-	26,317	26,317
Increase (decrease) in accounts payable	(426,720)	13,155	312,828	18,030	(82,707)
Increase (decrease) in compensated absence	38,779	12,136	3,762	-	54,677
Increase (decrease) in customer deposits	(4,535)	(3,570)	-	-	(8,105)
Increase (decrease) in unearned revenues	47,567	-	-	-	47,567
Total adjustments	664,178	438,134	2,352,207	59,630	69,329
Net cash provided by operating activities	\$ 2,712,296	\$ 544,881	\$ 1,891,254	\$ 192,289	\$ 222,881

RECONCILIATION OF OPERATING INCOME
TO NET CASH PROVIDED BY OPERATING
ACTIVITIES:

The notes to the financial statements are an integral part of this statement.

CITY OF CENTRALIA
Statement of Fiduciary Net Assets
Fiduciary Funds
December 31, 2006

	Firemen's Pension Funds	Agency Funds
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 967,171	\$ 509,942
TOTAL ASSETS	967,171	509,942
LIABILITIES		
Current Liabilities:		
Warrants and accounts payable	3,330	\$ 509,942
TOTAL LIABILITIES	3,330	509,942
NET ASSETS		
Held in trust for pension benefits	963,841	-
TOTAL NET ASSETS	\$ 963,841	\$ -

The notes to the financial statements are an integral part of this statement.

CITY OF CENTRALIA
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
December 31, 2006

	Firemen's Pension
ADDITIONS	
Fire Insurance Premiun Tax	\$ 14,823
Investment interest	46,619
Total Additons	61,442
DEDUCTIONS	
Retired Pension Benetfis	41,201
Total Deductions	41,201
Change in net assets	20,241
Total net assets - Beginning	943,600
Total net assets - Ending	\$ 963,841

The notes to the financial statements are an integral part of this statement.

CITY OF CENTRALIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2006

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Centralia have been prepared in conformity with the accounting practices prescribed or permitted by the State Auditor's Office of the State of Washington, which is another comprehensive basis of accounting. As more fully described in Note 14 B, the city did not fully implement Governmental Accounting Standards Board (GASB) Statement 34 for the 2006 reporting period. The GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies are described below.

A. Reporting Entity

The City of Centralia was incorporated and operated under the laws of the State of Washington applicable to a third class city operating under second class laws as a commission form of government through March 31, 1986. Effective April 1, 1986, the form of government was changed and the city began operating under the laws of a non-charter code city, council-manager plan. The City Council is composed of seven members elected to four-year terms.

The city is a general-purpose city government and provides public safety, fire prevention, street improvements and maintenance, parks and recreation, water supply, treatment, and distribution sewage collection and treatment, electric generation and distribution, storm and surface water management, planning and zoning, judicial administration, and general administration services. The city's financial statements include all functions and activities for which the city has oversight responsibility. Activities under the jurisdiction of other governing boards, elected or appointed, for which no substantial oversight responsibility exists are not considered to be a part of the city and are not included in these financial statements.

B. Fund Financial Statements

Fund financial statements are provided for governmental funds, proprietary funds and fiduciary funds. Major individual government funds and major enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the city considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Grant revenue is recognized for cost reimbursement grants when the expenditures occur in accordance with GASB Statement 1. When the expenditure is incurred, grant revenue is considered to have been earned and therefore available and recognized as revenue. All other revenue items are considered to be measurable and available only when cash is received by the city.

The city reports the following major governmental funds:

The **General Fund** is the city's operating fund. It accounts for all financial recourses of the general government, except those required to be accounted for in another fund.

The **Street Fund** accounts for the maintenance of the city's street. This fund is financed primarily by State tax revenue, sales tax and franchise fees.

The **Capital Projects Fund** accounts for the acquisition or construction of major capital facilities (except for those financed by proprietary funds) and debt service on the Streetscape general obligation bonds. This fund is financed primarily by real estate excise taxes, grants and general obligation bonds.

The city reports the following major proprietary funds:

The **Electric Fund** operates and maintains an electrical system consisting of a hydroelectric generating plant, transmission system and distribution system. The utility's operations are self-supported through user charges.

The **Water Fund** operates and maintains a distribution system for all residential, commercial and industrial customers. The utility's operations are self-supported through user charges.

The **Wastewater Fund** collects and treats wastewater effluent to state and federal requirements. The utility's operations are self-supported through user charges.

The **Storm and Surface Water Fund** was established in 2005 to pay for services related to managing storm and surface water. The utility's operations are self-supported through user charges.

Additionally, the city reports the following fund types:

Special Revenue Funds account for the proceeds of specific revenue sources to finance specific activities as required by law or administrative regulation.

The **Internal Service Fund** accounts for the fleet maintenance and acquisition services provided to other departments of the city on a cost reimbursement basis.

Agency Funds account for assets held by the city as an agent. Agency Funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. The city has two Agency Funds, Payroll Clearing Fund and Claims Clearing Fund.

The **Pension Trust Fund** accounts for activities of the Firemen's Pension Fund, which accumulates resources for pension benefit payments to qualified retired firefighters and one qualified spouse.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The city has elected not to follow subsequent private-sector guidance.

The proprietary fund statements distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the city's utility funds and the internal service fund are charges to customers for sales and services and for vehicle replacement. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the city's policy to use restricted resources first, then unrestricted resources as needed.

D. Budgetary Information

1. Scope of the Budget

Annual appropriated budgets are adopted for the general and special revenue funds and for all proprietary funds on the modified accrual basis of accounting. For governmental funds, there are no differences between the budgetary basis and generally accepted accounting principles. Budgetary accounts are integrated in fund ledgers for all budgeted funds, but the financial statements include budgetary comparisons for annually budgeted major governmental funds only. Budgets for capital projects funds are only required to be adopted at the level of the project and for fiscal periods that correspond to the lives of the projects. However, the city also prepares an annual budget for the Capital Project Fund.

Annual appropriated budgets are adopted at the fund level. This is the mandated level of control. Subsidiary revenue and expenditure ledgers are used as management control devices to compare the budgeted amounts with actual revenues and expenditures on functional, departmental, activity and account levels. Appropriations for general and special revenue funds lapse at year-end.

2. Amending the Budget

The city manager is authorized to transfer budgeted amounts between departments within any fund and object classes within departments; however, any revisions that alter the total expenditures of a fund, or that affect the number of authorized employee positions, salary ranges, hours, or other conditions of employment must be approved by the City Council.

When the City Council determines that it is in the best interest of the city to increase or decrease the appropriation for a particular fund, it may do so by ordinance approved by a simple majority.

The budget amounts shown in the financial statements are the final authorized amounts as revised during the year.

The financial statements contain the original and final budget information. The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations and other legally authorized changes applicable for the fiscal year.

3. Excess of Expenditures Over Appropriations

For the year ended December 31, 2006, the Electric Fund exceeded the authorized appropriations by \$399,119. The excess expenditures were funded through operating cash.

4. Deficit Fund Equity

The city had no funds with deficit fund equity.

E. Assets, Liabilities and Equities

1. Cash and Cash Equivalents

It is the city's policy to invest all temporary cash surpluses. At December 31, 2006 the finance director was holding \$19,162,315 in short-term residual investments of surplus cash. This amount is classified on the balance sheet as cash and cash equivalents or as cash in restricted assets in the various funds. The interest on these investments is prorated to the various funds.

The amounts reported as cash and cash equivalents also include compensating balances maintained with certain banks in lieu of payment of services rendered. The average compensating balances maintained during 2006 were approximately \$743,200.

For purposes of the Statement of Cash Flows, the city considers the Washington State Local Government Investment Pool and all highly liquid investments (including restricted assets except retainage held by fiscal agent) with a maturity of three months or less when purchased to be cash equivalents.

2. Investments – See Note 3

3. Receivables

Taxes receivable consists of property taxes and related interest and penalties (see Note 4).

Customer accounts receivable consist of amounts owed by private individuals or organizations for goods and services provided.

Other accounts receivable consists of authorized loans and grants for which expenditures have been made but for which reimbursement has not yet been received.

Notes and contracts receivable consist of amounts owed by private individuals for goods and services provided.

4. Amounts Due To and From Other Funds and Governments, Interfund Loans and Advances Receivable

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to /from other funds" (i.e. the current portion of interfund loans) or "advances to/from other funds" (i.e. the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." A separate schedule of interfund loans receivable and payable is furnished in Note 10.

5. Inventories

Inventories in governmental funds consist of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are purchased. Ending inventories in governmental funds are not significant and therefore not recorded.

Inventories of proprietary fund types are valued by the average cost method, which approximates the market value.

6. Restricted Assets and Liabilities

These accounts in enterprise funds contain resources for debt service and construction. The current portion of related liabilities is shown as Payables from Restricted Assets. Specific debt service reserve requirements are discussed in Note 8.

Restricted assets of the Enterprise Funds are composed of the following:

Meter Deposit Cash	\$	416,552
Cash and Investments - Construction		3,079,829
Cash and Investments - Debt Service		<u>1,989,081</u>
Total Restricted Assets	\$	<u>5,485,462</u>

7. Capital Assets - See Note 5

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported in their respective column of the statement of net assets. Capital assets are defined by the city as assets with an initial, individual cost of more than \$5,000 and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Land and construction in progress are not depreciated. Property, plant and equipment of proprietary funds is depreciated using the straight line method over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Buildings/Building Improvements	25-50
Other improvements	15-50
Utility infrastructure	25-50
Vehicles, machinery & equipment	5-10

8. Compensated Absences

Compensated absences are absences for which employees will be paid, such as vacation and sick leave. All vacation and sick pay is accrued when incurred in the proprietary fund financial statements.

City personnel policies allow vacation to be accumulated up to 240 hours and is payable upon resignation, retirement or death (subject to union or employment agreements that may allow for more liberal accumulation and payment).

City personnel policies allow sick leave to be accumulated up to 960 hours with a maximum of 360 hours payable upon resignation, retirement or death (subject to union or employment agreements that may allow for more liberal accumulation and payment).

9. Other Accrued Liabilities

These accounts consist of accrued leasehold taxes payable.

10. Long-term Debt - See Note 8

11. Deferred Revenues

This account includes amounts recognized as receivables but not revenues in governmental funds because the revenue recognition criteria have not been met.

12. Fund Reserves and Designations

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

There have been no material violations of finance-related legal or contractual provisions in any of the funds of the city.

NOTE 3 - DEPOSITS AND INVESTMENTS

In accordance with Washington State law, authorized investment purchases include Certificates of Deposit with financial institutions qualified by the Washington Public Deposit Protection Commission, US Treasury and Agency Securities, banker's acceptances, bonds of Washington state and any local government in Washington state which have at the time of purchase one of the three highest credit ratings of a nationally recognized rating agency, repurchase agreements and the Washington State Local Government Investment Pool. The Firemen's Pension Fund is also authorized to invest in corporate bonds rated "A" or better by Standard & Poor's Corporation, or "A" or better by Moody's Bond Ratings.

Deposits

The city's deposits and certificates of deposit are entirely covered by federal depository insurance (FDIC) or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission (PDPC).

Investments

As of December 31, 2006, the city had \$19,162,315 invested in the Washington State Local Government Investment Pool (LGIP). The LGIP is an un-rated 2a-7 like pool, as defined by GASB 31. Accordingly, participants' balances in the LGIP are not subject to interest rate risk, as the weighted average maturity of the portfolio will not exceed 90 days. Per GASB 40 guidelines the balances are also not subject to custodial credit risk. The credit risk of the LGIP is limited as most investments are either obligations of the US government, government sponsored enterprises, or insured demand deposit accounts and certificates of deposit. Investments or deposits held by the LGIP are all classified as category 1 risk level investments. They are either insured or held by a third-party custody provider in the LGIP's name.

NOTE 4 - PROPERTY TAXES

The Lewis County Treasurer acts as an agent to collect property taxes levied in the county for all taxing authorities. Collections are distributed after the end of each month.

The Property Tax Calendar is as follows:

- January 1 Taxes are levied and become an enforceable lien against properties.
- February 15 Tax bills are mailed.
- April 30 First of two equal installment payments is due.
- May 31 Assessed value of property established for next year's levy at 100% of market value
- October 31 Second installment payment is due.

Property taxes are recorded as a receivable when levied, offset by deferred revenue. During the year, property tax revenues are recognized when cash is collected. No allowance for uncollectible taxes is established because delinquent taxes are considered fully collectible.

The city's regular levy for 2006 was \$2.7684991656 per \$1,000 on an assessed valuation of \$711,691,383 for a total regular levy of \$1,970,317.

The city also has a special levy for Emergency Medical Services. The special levy for 2006 was \$0.489965184811 per \$1,000 on an assessed valuation of \$711,691,383 for a total special levy of \$348,704.

Washington State Constitution and Washington State law, RCW 84.55.010, limit the rate.

NOTE 5 – CAPITAL ASSETS

A. General Capital Assets

General capital assets that are infrastructure assets (such as roads, bridges, curbs, and sidewalks) are considered public property and are not accounted for in the following schedule for the year ended December 31, 2006. Machinery and equipment beginning balances have been restated due to a change in reporting. See Note 14 A.

	Beginning			Ending
	Balance	Increases	Decreases	Balance
Land	\$ 1,382,415	0	0	\$ 1,382,415
Buildings and structures	8,817,381	63,409	0	8,880,790
Other improvements	303,818	0	0	303,818
Machinery and equipment	3,087,507	198,989	(476,125)	2,810,371
Totals	\$ 13,591,121	\$ 262,398	\$ (476,125)	\$ 13,377,394

B. Proprietary Fund Capital Assets

Capital asset activity of the enterprise funds and internal service fund for the year ended December 31, 2006 was as follows. Machinery and equipment beginning balances have been restated due to a change in reporting. See Note 14 A.

Proprietary Fund Fixed Assets	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated				
Land	\$ 1,909,357	\$ 229,815	0	\$ 2,139,172
Construction in progress	9,023,022	8,662,361	(10,407,034)	7,278,349
Non-Utility land	7,397	0	0	7,397
Total cap assets not being depreciated	10,939,776	8,892,176	(10,407,034)	9,424,918
Other capital assets				
Buildings	45,586,051	585,052	0	46,171,103
Other improvements	46,931,525	7,739,672	0	54,671,197
Machinery and equipment	25,326,726	2,960,870	(339,734)	27,947,862
Intangible assets	5,362,082	0	0	5,362,082
Total other capital assets	123,206,384	11,285,594	(339,734)	134,152,244
Less accumulated depreciation for:				
Buildings	(4,424,313)	(945,034)	0	(5,369,347)
Other improvements	(15,196,222)	(1,459,766)	0	(16,655,988)
Machinery and equipment	(12,079,190)	(986,044)	245,460	(12,819,774)
Intangible assets	(903,605)	(146,939)	0	(1,050,544)
Total accum depreciation	(32,603,330)	(3,537,783)	245,460	(35,895,653)
Other capital assets, net	90,603,054	7,747,811	(94,274)	98,256,591
TOTAL CAPITAL ASSETS, NET	\$ 101,542,830	\$ 16,639,987	\$(10,501,308)	\$ 107,681,509

Depreciation expense was charged to functions as follows:

Electric	\$995,951
Water	418,316
Sewer	2,046,416
Storm	13,138
Equipment Rental	<u>63,962</u>

Total proprietary fund depreciation expense \$3,537,783

NOTE 6 - PENSION PLANS

Substantially all City of Centralia full-time and qualifying part-time employees participate in one of the following statewide retirement systems administered by the Washington State Department of Retirement Systems, under cost-sharing multiple-employer public employee defined benefit and defined contribution retirement plans. The Department of Retirement Systems (DRS), a department within the primary government of the State of Washington, issues a publicly available comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for each plan. The DRS CAFR may be obtained by writing to: Department of Retirement Systems, Communications Unit, P.O. Box 48380, Olympia, WA 98504-8380. The following disclosures are made pursuant to GASB Statement No. 27, *Accounting for Pensions by State and Local Government Employers*.

A. Public Employees' Retirement System (PERS) Plans 1, 2 and 3

Plan Description

PERS is a cost-sharing multiple-employer retirement system comprised of three separate plans for membership purposes: Plans 1 and 2 are defined benefit plans and Plan 3 is a combination defined benefit/defined contribution plan. Membership in the system includes: elected officials, state employees, employees of the Supreme, Appeals, and Superior courts (other than judges in a judicial retirement system); employees of legislative committees; community and technical colleges, college and university employees (not in national higher education retirement programs); judges of district and municipal courts; and employees of local governments. PERS participants who joined the system by September 30, 1977 are Plan 1 members. Those who joined on or after October 1, 1977 and by either, February 28, 2002 for state and higher education employees, or August 31, 2002 for local government employees, are Plan 2 members unless they exercise an option to transfer their membership to Plan 3. PERS participants joining the system on or after March 1, 2002 for state and higher education employees, or September 1, 2002 for local government employees have the irrevocable option of choosing membership in either PERS Plan 2 or PERS Plan 3. The option must be exercised within 90 days of employment. An employee is reported in Plan 2 until a choice is made. Employees who fail to choose within 90 days default to PERS Plan 3. PERS defined benefit retirement benefits are financed from a combination of investment earnings and employer and employee contributions. PERS retirement benefit provisions are established in state statute and may be amended only by the State Legislature.

Plan 1 retirement benefits are vested after an employee completes five years of eligible service. Plan 1 members are eligible for retirement at any age after 30 years of service, or at age 60 with five years of service, or at age 55 with 25 years of service. The annual pension is 2 percent of the average final compensation per year of service, capped at 60 percent. The average final compensation is based on the greatest compensation during any 24 eligible consecutive compensation months. If qualified, after reaching age of 66, a cost-of-living allowance is granted based on years of service credit and is capped at 3 percent annually.

Plan 2 retirement benefits are vested after an employee completes five years of eligible service. Plan 2 members may retire at the age of 65 with five years of service, or at 55 with 20 years of service, with an allowance of 2 percent of the average final compensation per year of service. The average final compensation is based on the greatest compensation during any eligible 60-month period. Plan 2 retirements prior to the age of 65 receive reduced benefits. If retirement is at age 55 or older with at least 30 years of service, a 3 percent per year reduction applies; otherwise, an actuarial reduction will apply. There is no cap on years of service credit; and a cost-of-living allowance is granted, (indexed to the Seattle Consumer Price Index), capped at 3 percent annually.

Plan 3 has a dual benefit structure. Employer contributions finance a defined benefit component, and member contributions finance a defined contribution component. The defined benefit portion provides a benefit calculated at 1 percent of the average final compensation per year of service. The average final compensation is based on the greatest compensation during any eligible consecutive 60-month period. Effective June 7, 2006, Plan 3 members are vested in the defined benefit portion of their plan after ten years of service; or after five years if twelve months of that service are earned after age 44; or after five service credit years earned in PERS Plan 2 prior to June 1, 2003. Plan 3 members are eligible to retire with full benefits at age 65, or at age 55 with 10 years of service. Retirements prior to the age of 65 receive reduced benefits. If retirement is at age 55 or older with at least 30 years of service, a 3 percent per year reduction applies; otherwise an actuarial reduction will apply. The benefit is also actuarially reduced to reflect the choice of a survivor option. There is no cap on years of service credit; and Plan 3 provides the same cost-of-living allowance as Plan 2. The defined contribution portion can be distributed in accordance with an option selected by the member, either as a lump sum or pursuant to other options authorized by the Employee Retirement Benefits Board.

There are 1,181 participating employers in PERS. Membership in PERS consisted of the following as of the latest actuarial valuation date for the plans of September 30, 2005:

Retirees and Beneficiaries Receiving Benefits	68,609
Terminated Plan Members Entitled to But Not Yet Receiving Benefits	22,567
Active Plan Members Vested	104,574
Active Plan Members Nonvested	51,004
Total	<u>246,754</u>

Funding Policy

Each biennium, the state Pension Funding Council adopts Plan 1 employer contribution rates, Plan 2 employer and employee contribution rates, and Plan 3 employer contribution rates. Employee contribution rates for Plan 1 are established by statute at 6 percent for state agencies and local government unit employees, and at 7.5 percent for state government elected officers. The employer and employee contribution rates for Plan 2 and the employer contribution rate for Plan 3 are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. All employers are required to contribute at the level established by the Legislature. PERS Plan 3 defined contribution is a non-contributing plan for employers. Employees who participate in the defined contribution portion of PERS Plan 3 do not contribute to the defined benefit portion of PERS Plan 3. The Employee Retirement Benefits Board sets Plan 3 employee contribution rates. Six rate options are available ranging from 5 to 15 percent; two of the options are graduated rates dependent on the employee's age. The methods used to determine the contribution requirements are established under state statute in accordance with Chapters 41.40 and 41.45 RCW.

The required contribution rates expressed as a percentage of current-year covered payroll, as of December 31, 2006 were as follows:

	<u>PERS Plan 1</u>	<u>PERS Plan 2</u>	<u>PERS Plan 3</u>
Employer*	3.69%**	3.69%	3.69%****
Employee	6.00%***	3.50%	*****

- * The employer rates include the employer administrative expense fee currently set at 0.19%.
- ** The employer rate for state elected officials is 5.44%
- *** The employee rate for state elected officials is 7.50%
- **** Plan 3 defined benefit portion only.
- ***** Variable from 5.0% minimum to 15.0% maximum based on rated selected by the PERS 3 member.

Both the City of Centralia and the employees made the required contributions. The city's required contributions for the years ending December 31 were as follows:

	<u>PERS Plan 1</u>	<u>PERS Plan 2</u>	<u>PERS Plan 3</u>
2006	\$ 34,969	\$ 155,525	\$ 4,327
2005	\$ 21,028	\$ 88,082	\$ 2,592
2004	\$ 14,367	\$ 60,725	\$ 593

B. Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) Plans 1 and 2

Plan Description

LEOFF is a cost sharing multiple-employer retirement system comprised of two separate defined benefit plans. Membership in the system includes all full time, fully compensated, local law enforcement officers and fire fighters. LEOFF is comprised primarily of non-state employees. LEOFF participants who joined the system by September 30, 1977 are Plan 1 members. Those who joined on or after October 1, 1977 are Plan 2 members. Effective January 1, 2003 fire fighter emergency medical technicians (EMT's) may transfer Public Employees' Retirement System (PERS) Plan 1 or Plan 2 service credit to LEOFF Plan 2 if while employed for a city, town, county or district, the EMT's job was relocated to a fire department from another city, town, county or district. LEOFF defined benefits are financed from a combination of investment earnings, employer and employee contributions, and a special funding situation in which the state pays the remainder through state legislative appropriations. LEOFF retirement benefit provisions are established in state statute and may be amended only by the State Legislature.

Plan 1 retirement benefits are vested after an employee completes five years of eligible service. Plan 1 members are eligible for retirement with five years of service at the age of 50. The benefit per year of service calculated as a percent of final average salary is as follows:

<u>Term of Service</u>	<u>Percent of Final Average</u>
20 or more years	2.0%
10 but less than 20 years	1.5%
5 but less than 10 years	1.0%

The final average salary is the basic monthly salary received at the time of retirement, provided a member has held the same position or rank for 12 months preceding the date of retirement. Otherwise, it is the average of the highest 24 consecutive months' salary within the last 10 years of service. If membership was established in LEOFF after February 18, 1974, the service retirement benefit is capped at 60 percent of final average salary. A cost-of-living allowance is granted (indexed to the Seattle Consumer Price Index).

Plan 2 retirement benefits are vested after an employee completes five years of eligible service. Plan 2 members may retire at the age 50 with 20 years of service, or at the age of 53 with five years of service, with an allowance of 2 percent of the final average salary per year of service. The final average salary is based on the highest consecutive 60 months. Plan 2 retirements prior to the age of 53 are reduced 3 percent for each year that the benefit commences prior to age 53. There is no cap on years of service credit; and a cost-of-living allowance is granted (indexed to the Seattle Consumer Price Index), capped at 3 percent annually.

There are 376 participating employers in LEOFF. Membership in LEOFF consisted of the following as of the latest actuarial valuation date for the plans of September 30, 2005:

Retirees and Beneficiaries Receiving Benefits	8,723
Terminated Plan Members Entitled To But Not Yet Receiving Benefits	577
Active Plan Members Vested	12,348
Active Plan Members Nonvested	3,543
Total	<u>25,191</u>

Funding Policy

Starting on July 1, 2000, Plan 1 employers and employees will contribute zero percent as long as the plan remains fully funded. Employer and Employee contribution rates are developed by the Office of the State Actuary to fully fund the plan. Plan 2 employers and employees are required to pay at the level adopted by the Department of Retirement Systems in accordance with 41.45 RCW. All employers are required to contribute at the level required by state law. The Legislature, by means of a special funding arrangement, appropriated money from the state General Fund to supplement the current service liability and fund the prior service costs of Plan 1 in accordance with the requirements of the Pension Funding Council. However, this special funding situation is not mandated by the state constitution and this funding requirement could be returned to the employers by a change of statute. The methods used to determine the contribution rates are established under state statute in accordance with Chapters 41.26 and 41.45 RCW.

The required contribution rates expressed as a percentage of current-year covered payroll as of December 31, 2006, were as follows:

	<u>LEOFF Plan 1</u>	<u>LEOFF Plan 2</u>
Employer*	.18%	4.90%**
Employee	0.00%	7.85%
State	N/A	3.13%

* The employer rates include the employer administrative expense fee currently set at 0.18%

** The employer rate for ports and universities is 8.03%

Both the City of Centralia and the employees made the required contributions. The city's required contributions for the years ending December 31 were as follows:

	<u>LEOFF Plan 1</u>	<u>LEOFF Plan 2</u>
2006	\$ 406	\$ 150,607
2005	437	116,124
2004	547	89,313

C. Local Government Pension and Other Employee Benefit Trust Funds

The city is also the administrator of a single-employer, employer financed, defined benefit pension plan called the Firemen's Pension System. The system is shown as a separate Pension Trust Fund in the financial reports of the city.

The city's liability under this system is composed of all benefits for firefighters retired prior to March 1, 1970, and partial benefits for certain firefighters retired after March 1, 1970 who are covered by LEOFF Plan 1. Total pension benefits paid in 2006 were \$41,201.

As of December 31, 2006 the Firemen's Relief and Pension System had 13 members. The most recent actuarial study of the Firemen's Relief and Pension Fund was done by Milliman and Robertson, Inc to determine the funding requirements as of December 31, 1999. On that date the actuarial present value of future benefits was \$1,006,000; the present value of future fire insurance premiums to be allocated to the Fund through 2008 was \$58,000; the market value of assets held by the Fund was \$651,000, and the actuarial deficiency was \$297,000. Per the actuarial study, the city contributed \$297,000 in 2000 to fully fund the Firemen's Pension Fund. The total balance in the Firemen's Pension Fund available to pay pension benefits as of December 31, 2006 is \$963,841.

NOTE 7 - RISK MANAGEMENT

The City of Centralia is a member of the Washington Cities Insurance Authority (WCIA).

Utilizing Chapter 48.62 RCW (self-insurance regulation) and Chapter 39.34 RCW (Interlocal Cooperation Act), nine cities originally formed WCIA on January 1, 1981. WCIA was created for the purpose of providing a pooling mechanism for jointly purchasing insurance, jointly self-insuring and/or jointly contracting for risk management services. WCIA has a total of 121 members.

New members initially contract for a three-year term, and thereafter automatically renew on an annual basis. A one-year withdrawal notice is required before membership can be terminated. Termination does not relieve a former member from its unresolved loss history incurred during membership.

Liability coverage is written on an occurrence basis, without deductibles. Coverage includes general, automobile, police, public officials' errors or omissions, stop gap, and employee benefits liability. Limits are \$3 million per occurrence self insured layer, and \$11 million per occurrence in the re-insured excess layer with no annual aggregate except \$10 million per member for public officials errors and omissions. The excess layer is insured by the purchase of reinsurance and insurance. Total limits are \$15 million per occurrence subject to aggregate sublimits in the excess layers. The Board of Directors determines the limits and terms of coverage annually.

Insurance coverage for property, automobile physical damage, fidelity, inland marine, and boiler and machinery are purchased on a group basis. Various deductibles apply by type of coverage. Property insurance and auto physical damage are self-funded from the members' deductible to \$500,000, for all perils other than flood and earthquake, and insured above that amount by the purchase of reinsurance.

In-house services include risk management consultation, loss control field services, claims and litigation administration, and loss analyses. WCIA contracts for the claims investigation consultants for personnel issues and land use problems, insurance brokerage, and lobbyist services.

WCIA is fully funded by its members, who make annual assessments on a prospectively rated basis, as determined by an outside, independent actuary. The assessment covers loss, loss adjustment, and administrative expenses. As outlined in the interlocal agreement, WCIA retains the right to additionally assess the membership for any funding shortfall.

An investment committee, using investment brokers, produces additional revenue by investment of WCIA's assets in financial instruments which comply with all State guidelines. These revenues directly offset portions of the membership's annual assessment.

A Board of Directors governs WCIA, which is comprised of one designated representative from each member. The Board elects an Executive Committee and appoints a Treasurer to provide general policy direction for the organization. The WCIA Executive Director reports to the Executive Committee and is responsible for conducting the day-to-day operations of WCIA.

NOTE 8 - LONG-TERM DEBT AND LEASES

A. Long-term Debt

The city issues general obligation and revenue bonds to finance the purchase of equipment and the acquisition and construction of infrastructure. General obligation bonds have been issued for general government activities and are being repaid from the applicable sources. The revenue bonds are being repaid by proprietary fund revenues. The city is also liable for Public Works Trust Fund (PWTF) and State Revolving Fund (SRF) loans that were entered into for construction of utility infrastructure. These loans are considered obligations of the applicable proprietary fund and are being repaid with utility revenue sources.

General obligation bonds currently outstanding are as follows:

Purpose	Date of Issue	Date of Final Maturity	Interest Rate(s)	Amount Originally Issued	Redemptions to Date	Debt Outstanding
Downtown Streetscape Project	07/25/2001	12/01/2021	2.80%-5.25%	\$2,250,000	\$455,000	\$1,795,000
Fire Truck	09/08/2004	01/10/2014	3.99%	750,000	143,279	606,721
				<u>\$3,000,000</u>	<u>\$598,279</u>	<u>\$2,401,721</u>

General obligation bond debt service requirements to maturity are as follows:

Year Ending December 31	Governmental Activities		Total
	Principal	Interest	Requirements
2007	\$ 150,870	\$ 111,958	\$ 262,828
2008	153,498	105,845	259,343
2009	171,231	99,500	270,731
2010	174,073	92,308	266,381
2011	177,028	84,902	261,931
2012-2016	830,022	304,426	1,134,447
2017-2021	745,000	121,276	866,276
Totals	\$ 2,401,721	\$ 920,215	\$ 3,321,936

The revenue bonds currently outstanding are as follows:

Purpose	Date of Issue	Date of Final Maturity	Interest Rate(s)	Amounts Originally Issued	Redemptions to Date	Debt Outstanding
Water Construction Projects - Refunding	08/01/2003	08/01/2013	1.00%-3.70%	\$1,595,000	\$435,000	\$1,160,000
Water Construction Projects	12/21/2001	08/01/2021	2.25%-5.05%	1,760,000	325,000	1,435,000
Electric Construction Projects	07/01/1999	12/01/2019	3.60%-5.30%	7,460,000	1,935,000	5,525,000
				<u>\$10,815,000</u>	<u>\$2,695,000</u>	<u>\$8,120,000</u>

Revenue bond debt service requirements to maturity are as follows:

Year Ending December 31	Principal		Interest		Total
	Principal	Interest	Requirements	Requirements	Requirements
2007	\$ 535,000	\$ 386,586	\$ 921,586		\$ 921,586
2008	560,000	365,768	925,768		925,768
2009	575,000	343,153	918,153		918,153
2010	605,000	319,023	924,023		924,023
2011	625,000	292,583	917,583		917,583
2012-2016	3,025,000	1,021,036	4,046,036		4,046,036
2017-2021	2,195,000	265,516	2,460,516		2,460,516
Totals	\$ 8,120,000	\$ 2,993,665	\$ 11,113,665		\$ 11,113,665

The PWTF loans payable currently outstanding are as follows:

PUBLIC WORKS TRUST FUND LOANS (PWTF)							
Fund/Name	Date of Issue	Date of Final Maturity	Interest Rate	Amounts Originally Issued	Redemptions to Date	Debt Outstanding	
Water - Well Replacement	12/30/1994	07/01/2013	2%	\$ 456,840	\$ 288,530	\$ 168,309	
Water - Cooks Hill Water	07/30/2002	07/01/2022	1%	2,248,992	266,501	2,049,855	
Total Water PWTF loans				\$2,705,832	\$ 555,031	\$ 2,218,164	
Sewer - Basin 6 West	06/16/1993	07/01/2013	1%	\$ 345,983	\$ 218,516	\$ 127,467	
Sewer - Basin 4 Phase I	07/08/1995	07/01/2015	3%	678,521	413,337	265,184	
Sewer - Trailer Village	03/09/1995	07/01/2013	1%	54,618	34,496	20,122	
Sewer - Basin 6 East & 20	12/30/1994	07/01/2014	3%	788,823	717,784	71,039	
Sewer - Swanson Heights	04/18/2002	07/01/2021	2%	1,307,382	685,372	622,010	
Sewer - Maple Hansen	07/31/2002	07/01/2021	1%	280,098	147,287	132,811	
Sewer - Cooks Hill Sewer	07/04/2004	07/01/2024	1%	1,192,500	59,625	1,132,875	
Total Sewer PWTF loans				\$4,647,925	\$ 2,276,417	\$ 2,371,508	
TOTAL ALL PWTF LOANS				\$7,353,757	\$ 2,831,448	\$ 4,589,672	

The PWTF loans payable debt service requirements to maturity are as follows:

Year Ending December 31	WATER PWTF LOANS			SEWER PWTF LOANS		
	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements
2007	\$ 152,160	\$ 23,945	\$ 176,105	\$ 172,135	\$ 31,052	\$ 203,187
2008	152,160	22,014	174,174	172,135	28,407	200,542
2009	152,160	20,258	172,418	172,135	25,819	197,953
2010	152,160	18,502	170,662	172,135	23,231	195,365
2011	152,160	16,745	168,906	172,135	20,642	192,777
2012-2016	688,668	58,828	747,496	750,195	65,288	815,483
2017-2021	640,580	25,505	666,084	563,528	23,541	587,069
2022-2024	128,116	1,275	129,391	197,113	1,971	199,084
Totals	\$ 2,218,164	\$ 187,071	\$ 2,405,235	\$ 2,371,509	\$ 219,951	\$ 2,591,460

Year Ending December 31	TOTAL ALL PWTF LOANS		
	Principal	Interest	Total Requirements
2007	\$ 324,295	\$ 54,998	\$ 379,292
2008	324,295	50,421	374,716
2009	324,295	46,076	370,371
2010	324,295	41,732	366,027
2011	324,295	37,388	361,683
2012-2016	1,438,863	124,115	1,562,979
2017-2021	1,204,107	49,046	1,253,153
2022-2024	325,229	3,246	328,476
Totals	\$ 4,589,674	\$ 407,022	\$ 4,996,696

The SRF loans payable currently outstanding are as follows:

STATE REVOLVING FUND LOANS (SRF)						
Fund/Name	Date of Issue	Date of Final Maturity	Interest Rate	Amounts Originally Issued	Redemptions to Date	Debt Outstanding
Water - Tennis Court Well	06/29/1999	10/01/2017	5%	\$1,030,000	\$ 375,746	\$ 654,254
Water - Ham Hill Water	07/30/2004	10/01/2023	1%	624,240	66,622	557,618
Water - Port North Ext	08/11/2005	10/01/2024	1%	2,602,538	520,350	2,082,188
Total Water SRF loans				\$4,256,778	\$ 962,718	\$ 3,294,060
Sewer - Basin 4 Phase II	05/12/1997	03/10/2018	0%	\$814,088	\$ 313,111	\$ 500,977
Sewer - Basin 6 Phase I	02/01/1994	08/01/2007	4%	943,435	859,050	84,385
Sewer - Treatment Plant-A	11/01/2005	11/01/2024	0%	33,009,836	2,539,218	30,470,618
Sewer - Treatment Plant-B	08/31/2006	08/31/2026	0%	591,946	0	591,946
Total Sewer SRF loans				\$35,359,305	\$ 3,711,379	\$ 31,647,926
TOTAL ALL SRF LOANS				\$39,616,083	\$ 4,674,097	\$ 34,941,986

The PUTF loans payable debt service requirements to maturity are as follows:

Year Ending December 31	WATER SRF LOANS			SEWER SRF LOANS		
	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements
2007	\$ 202,999	\$ 59,111	\$ 262,110	\$ 1,834,123	\$ 2,540	\$ 1,836,663
2008	202,999	54,900	257,899	1,764,916	0	1,764,916
2009	202,999	50,689	253,688	1,764,916	0	1,764,916
2010	202,999	46,478	249,478	1,764,916	0	1,764,916
2011	202,999	42,267	245,267	1,764,916	0	1,764,916
2012-2016	1,014,997	148,174	1,163,171	8,824,582	0	8,824,582
2017-2021	851,433	51,082	902,515	8,699,338	0	8,699,338
2022-2026	412,634	7,925	420,558	5,230,217	0	5,230,217
Totals	\$ 3,294,060	\$ 460,626	\$ 3,754,686	\$ 31,647,926	\$ 2,540	\$ 31,650,466

TOTAL ALL SRF LOANS			
Year Ending December 31	Principal	Interest	Total Requirements
2006	\$ 2,037,123	\$ 61,651	\$ 2,098,773
2007	1,967,916	54,900	2,022,816
2008	1,967,916	50,689	2,018,605
2009	1,967,916	46,478	2,014,394
2010	1,967,916	42,267	2,010,183
2011-2015	9,839,579	148,174	9,987,753
2016-2020	9,550,771	51,082	9,601,853
2021-2026	5,642,851	7,925	5,650,776
Totals	\$ 34,941,986	\$ 463,166	\$ 35,405,152

In proprietary funds, unamortized debt issue costs are recorded as deferred charges and bonds are displayed net of premium or discount; annual interest expense is decreased by amortization of debt premium and increased by the amortization of debt issue costs and discount

At December 31, 2006, the city has \$0 available in debt service funds to service the general bonded debt. Restricted assets in proprietary funds contain \$1,989,081 in sinking funds and reserves as required by bond indentures and loan contracts.

B. Changes in Long-Term Liabilities

During the year ended December 31, 2006 the following changes occurred in long-term liabilities:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
General obligation bonds	\$2,545,063	\$ 0	\$(143,342)	\$2,401,721	\$143,342
Compensated absences	874,005	49,575	(5,453)	918,127	45,906
Governmental activity long-term liabilities	<u>\$3,419,068</u>	<u>\$49,575</u>	<u>\$(148,795)</u>	<u>\$3,319,848</u>	<u>\$189,248</u>
Business-Type Activities:					
Revenue bonds	\$ 8,640,000	\$0	\$(520,000)	\$8,120,000	\$535,000
Less deferred amounts	(107,187)	0	13,105	(94,082)	(13,105)
Total bonds payable	8,532,813	0	(506,895)	8,025,918	521,895
Loans	41,054,502	812,598	(2,335,439)	39,531,660	2,361,418
Compensated absences	709,897	56,195	(1,518)	764,574	38,229
Business-type activity long-term liabilities	<u>\$50,297,212</u>	<u>\$868,793</u>	<u>\$(2,843,853)</u>	<u>\$48,322,152</u>	<u>\$2,921,542</u>
Total long-term liabilities	<u>\$53,716,280</u>	<u>\$918,368</u>	<u>\$(2,992,648)</u>	<u>\$51,642,000</u>	<u>\$3,110,790</u>

NOTE 9 - CONTINGENCIES AND LITIGATION

The city has recorded in its financial statements all material liabilities, including an estimate for situations, which are not yet resolved, but where, based on available information, management believes it is probable that the city will have to make payment. In the opinion of management, the city's insurance policies and/or reserves are adequate to pay all known pending claims.

The city participates in a number of federal and state assisted programs. These grants are subject to audit by the grantors or their representatives. Such audits could result in requests for reimbursement to grantor agencies for expenditures disallowed under the terms of the grants. City management believes such disallowances, if any, will be immaterial.

NOTE 10 - INTERFUND BALANCES AND TRANSFERS

A. Interfund Balances

In 2006, the Electric Fund obtained an interfund loan from the Water Fund to finance capital expenditures until the issuance of Electric Fund Revenue Bonds in 2007.

Interfund loan balance at December 31, 2006 was as follows:

<u>Due To</u>	<u>Due From</u>	<u>Total</u>
Water Fund	Light Fund	\$727,332

B. Interfund Transfers

Interfund transfers at December 31, 2006 were as follows:

<u>Transfers To</u>	<u>Transfers From</u>	<u>Total</u>
1. General Fund	Electric Utility Revolving	46,000
2. General Fund	Local Law Enforcement Block Grant	17,930
3. Paths & Trails	Street	1,782
4. Landfill Closure Fund	Landfill Operating Trust Fund	171,569
5. Indoor Pool	General Fund	41,370
Total		\$278,651

1. Grants for economic development projects
2. Close LLEBG Fund to General Fund.
3. 0.5% of motor vehicle fuel tax receipts.
4. To cover operating expenses
5. Per agreement for capital and maintenance expenses.

NOTE 11 - JOINT VENTURES

A. Chehalis - Centralia Airport

In August of 2004, the city decided to conclude its participation in the Joint Operating Agreement for the Chehalis-Centralia Airport. The two board positions filled by the city have been eliminated. The city will receive a proportional share of any property or assets acquired while the city was an acting party to the agreement if the Airport is sold. Financial statements for the Chehalis-Centralia Airport can be obtained from its administrator at Airport, PO Box 1344, Chehalis, WA 98532.

B. Unified Narcotics Enforcement Team (U.N.E.T.)

The city participates in a drug task force with the City of Chehalis and Lewis County. Chehalis is entitled to 16%, Centralia is entitled to 21% and Lewis County is entitled to 63% of the total assets. As of December 31, 2006, if all assets were liquidated at book value, the city's share would be \$21,277. U.N.E.T. is reported as a part of the reporting entity of the City of Centralia and is included as a special revenue fund in the Annual Financial Report of the City of Centralia.

C. Joint Undertaking of City of Centralia and Lewis County Fire District 12

In March of 2003, the city and Lewis County Fire District 12 (LCFD 12) established a joint undertaking to cooperatively provide fire suppression services and emergency response services in both jurisdictions, and to operate such undertaking under the control and direction of a Joint Board. The enabling agreement continues to be effective until it is mutually terminated by the

parties or unilaterally terminated by providing written notice to the other party. Such unilateral termination shall become effective one year after written notice has been provided to the other party. The enabling agreement did not create a separate legal entity, but rather a joint or cooperative undertaking under which to adopt future supplement agreements. The operations of the joint undertaking is administrated and monitored by a Joint Board consisting of six members. Each of the parties appoints three members to the Board, provided that at least two of such appointees are members of the legislative body of the appointing party. Each party individually administers its own property and funds. The city has agreed that for any annexations of LCFD 12 areas, the city will collect from the annexed areas revenue at a level that is at least equal to ninety percent of the level of revenue collected by LCFD 12 based on the assessed valuation, unless the parties mutually agree that the city shall collect a lesser level of revenue. Upon collection of this revenue, the city agrees to provide this revenue to LCFD 12 during the term of the agreement.

In January 2006, the city and Lewis County Fire District 12 (LCFD 12) agreed to consolidate administrative management under the administration of the Joint Board as established by the enabling agreement. In April 2006, a Fire Chief was appointed to serve as the Chief Executive Office of the two departments. The Fire Chief reports to and is held accountable by the Joint Board. The city agreed to increase their budget sufficient to provide an Assistant Chief/Fire Marshall, while LCFD 12 agreed to fund one-half the actual cost for salary and benefits of the Fire Chief. The agreement continues until January 1, 2008 at which time the Departments will be organized according to the recommendations of the Joint Board and as approved by the City Council, Board of Fire Commissioners and citizens.

NOTE 12 - POSTRETIREMENT BENEFITS OTHER THAN PENSION BENEFITS

In addition to the pension benefits described in Note 6, the city provides postretirement health care benefits, in accordance with the Washington Law Enforcement Officers and Fire Fighters Retirement System (LEOFF) Act (RCW 41.26), to 28 retired full-time, fully compensated law enforcement officers and firefighters who established membership in the LEOFF Plan 1 Retirement System on or before September 30, 1977.

The City of Centralia reimburses 100 percent of the unpaid portion of validated claims for medical and hospitalization costs incurred by pre-Medicare and post-Medicare retirees. The city also pays health insurance premiums and reimburses the premium for a Medicare supplement for each retiree eligible for Medicare. This premium amount changes each January and varies per each eligible retiree.

Employer contributions are financed on a pay-as-you-go basis. Expenditures for postretirement health care benefits are recognized as retirees report claims in the Fire and Police budgets. There is no provision for estimated claims incurred but not yet reported to the city.

During the year, expenditures of \$350,371 were recognized for post retirement health care.

NOTE 13 - CLOSURE AND POST CLOSURE CARE

A. Governing Laws, Background and Funding

On August 28, 1990, the Centralia Landfill was listed on the Washington State Hazardous Sites List pursuant to Chapter 70.105D RCW, the Model Toxics Control Act, and WAC 173-340-330, and on August 30, 1990, the Landfill was added to the Federal National Priorities List (NPL) pursuant to 42 U.S.C. Section 9605 of the Comprehensive Environment Response, Compensation, and Liability Act (CERCLA or Superfund). As a result of these listings, it was necessary for the Landfill to be remediated pursuant to the requirements of these laws.

On May 1, 1990, Centralia, Chehalis, Morton, Mossyrock, Pe Ell, Vader, and Lewis County entered into an interlocal agreement regarding closure of the Centralia Landfill. Under the agreement, the local governments formed the Centralia Landfill Closure Group (CLCG) and agreed to take all action reasonably necessary to comply with certain environmental laws governing remediation and closure of the Landfill, and to share the costs of such compliance, to the extent such costs are not covered by amounts in the Landfill Closure Trust Fund or recovery from insurance claims. The agreement allocated responsibility for those costs among the signing local governments. Centralia's allocation of liability is for 35.08% of the costs and fees associated with litigation related to landfill remediation and closure. Parties to the agreement could opt out once the shared costs reached \$13 million.

Centralia reached a settlement of \$2.7 million in its claim against its insurers regarding the insurers' duty to defend and indemnify the city for remediation of the Landfill under the city's property and comprehensive general liability insurance policies.

In addition to the members of the CLCG, the Washington Department of Ecology has identified at least four other potentially liable parties (PLP) who are responsible for assisting in remediating the Landfill. The CLCG negotiated with one of the PLPs to obtain a contribution for cleanup costs.

As local government PLPs in an economically disadvantaged county, the City of Centralia and other members of the CLCG are eligible to receive up to 75% grant funding for remedial action costs under Ecology's remedial action grants program. The city obtained a \$1.94 million grant under this program to conduct an estimated \$2.66 million interim action at the Landfill. This interim action, which was undertaken pursuant to a consent decree entered into between the members of the CLCG and Ecology, was intended to separate storm water from leachate, limit public access to the Landfill, and provide temporary cover over closed portions of the Landfill.

In April 1992, Ecology negotiated with the CLCG members and two other PLPs to develop a scope of Ecology work and consent decree for a remedial investigation and feasibility study (RI/FS) at the Landfill. Ecology issued a first phase grant award beginning in January 1993, for RI/FS work.

In April of 1994, the Landfill closed pursuant to agreements and a final cover was installed in the summer of 1994. In August, the CLCG received a Local Government grant of \$8.7 million from the Lewis County Sanitation District and a \$5 million grant from the Washington State Department of Ecology to fund the final cover and provide funds for remediation and closure.

The \$8.7 million grant from the Lewis County Sanitation District was returned to them in April 1997 because construction activities at the landfill did not require that support. Remedial investigation leading to feasibility reports have been delivered to the Department of Ecology for their review and issuance of a cleanup action plan. The Department of Ecology has reviewed the CLCG's feasibility study and issued a draft Cleanup Action Plan (CAP). The draft CAP was available for public review and comment in September 2000. A second public hearing on the proposed consent decree was held in March of 2001. The order entering the CAP Consent Decree was filed with the United States District Court Western District of Washington at Seattle and signed on May 22, 2001. The Consent Decree stipulated the draft monitoring plans for the landfill needed to be submitted to the Department of Ecology (DOE) within 45 days of the effective date of the Consent Decree. The CLCG had submitted the draft monitoring plans to DOE in May of 1999; however, changes to the draft monitoring plans were made in late summer of 1999. A letter was submitted to DOE on June 12, 2001 requesting acceptance and review of the monitoring plans submitted in June of 1999 along with proposed amendments to the plans. The CLCG is waiting final approval of the plans by DOE.

In July 2002, the CLCG received funding approval for a 75% grant through the DOE to purchase two parcels of land to the north of the landfill, construct a fence, and funding for the completion of the wetland mitigation report. With this grant funding, the CLCG completed all the projects with the exception of the property purchase of one parcel of land known as the Christian School property. The Christian School board members chose not to accept the CLCG's offer to purchase a portion of their property where the old landfill, which was closed in 1958, lies. The CLCG is still waiting final approval of the monitoring plans by DOE.

B. Funding Status

The Landfill Closure Fund, which is reflected as a special revenue fund of the city, was established to account for the assets and the current liabilities of the closure and post closure care.

In order to maintain sufficient funds to satisfy the purposes of the Landfill Closure Agreement and fund the Landfill Closure Operating Trust Fund, the CLCG made a call to the Solid Waste Disposal District No. 1 of Lewis County pursuant to Section 7.3 of the Second Amended Interlocal Agreement Regarding Centralia Landfill Closure and Section 3.B of the Interlocal Agreement Regarding Lewis County Solid Waste Disposal District and Flow Control on July 10, 2003. Revenue requirements for Landfill Closure activities during the year 2004 were projected to be \$238,343 and were fully funded by the Disposal District. Actual revenue requirement for the year 2004 were \$167,818. Revenue requirements for Landfill Closure activities during the year 2005 were projected to be \$249,290. Actual revenue requirements for year 2005 were \$176,295 and were funded by available reserves. Revenue requirements for Landfill Closure activities during the year 2006 were projected to be \$269,290 and were fully funded by the Disposal District. Actual revenue requirements for the year 2006 were \$171,569. At year end 2006, the reserves amount to \$111,705. Revenue requirements for Landfill Closure activities for year 2007 are projected to be \$243,960 and will be funded by a combination of reserves and Disposal District funds. Ensuing years will be funded in a similar procedure.

The yearly post closure expenditures will continue to fluctuate as known circumstances change due to engineering determinations, inflation, deflation, technology, or applicable laws or regulations.

NOTE 14 - OTHER DISCLOSURES

A. Reporting Changes

Effective January 1, 2006, the City increased its capitalization level for capital assets from \$2,000 to \$5,000. This change in reporting resulted in a restatement of beginning balances in machinery and equipment, accumulated depreciation and net assets as follows:

	Electric	Water	Wastewater	ER&R	General Assets
Equipment	(679,809)	(342,396)	(453,942)	(39,639)	(307,695)
Accumulated					
Depreciation	653,738	293,409	377,097	37,154	0
Net Assets	(26,071)	(48,987)	(76,845)	(2,485)	(307,695)

B. GASB 34 Implementation Status

During 2006, the city did not fully implement GASB 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments* due to staffing constraints. The required portions of GASB 34 not implemented were the management’s discussion and analysis, government-wide financial statements and infrastructure related required information. As such, the financial statements were prepared in conformity with the accounting practices prescribed or permitted by the State Auditor’s Office of the State of Washington. The city plans to fully implement GASB 34 for propriety funds and to change to the cash basis of accounting for all non propriety funds for the fiscal year ended December 31, 2007.

C. Subsequent Events

1. Joint Undertaking of City of Centralia and Lewis County Fire District 12

In 2007, the Joint Board recommended that the two entities be combined into a single Regional Fire Authority. The elected officials for both the city and Fire District have endorsed the Regional Fire Authority concept. It is anticipated that the citizens of the city and Fire District will be given the opportunity to vote on the formation of the Regional Fire Authority in 2007.

2. Electric System Revenue and Refunding Bonds

On March 1, 2007, the Electric Fund issued \$21,805,000 of Electric System Revenue and Refunding Bonds. The bond proceeds were used to advance refund \$4,535,000 of the outstanding 1999 Electric System Revenue Bonds as well as to finance capital improvements to the electric system and pay costs of issuance.

The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$164,248. The Electric Fund completed the advance refunding to reduce its total debt service payments over the next 13 years by \$316,505 and to obtain an economic gain (difference between the present values of the old and new debt service payments) of \$248,086.

3. Unified Narcotics Enforcement Team (U.N.E.T)

The Joint U.N.E.T. Board decided to end operations on June 30, 2007 due to the loss of grant funding. Upon the termination of the Joint Task Force Agreement, U.N.E.T. assets will be distributed to member agencies according to the formula adopted by the Joint U.N.E.T. Board.

**CITY OF CENTRALIA
REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2006**

Firemen's Pension Fund:

Schedule of Funding Progress:

Valuation <u>Date</u>	Actuarial Value of <u>Assets</u>	Actuarial Accrued <u>Liability</u>	Funding <u>Ratio</u>	Unfunded <u>AAL</u>	Total <u>Pay</u>	Unfunded AAL/Total <u>Pay</u>
1/1/96	\$208,000	\$1,595,000	13.04%	\$1,387,000	N/A	N/A
1/1/00	651,000	1,006,000	64.71%	355,000	N/A	N/A

Note: Total pay is not applicable because only retired firefighters are covered by the fund.

The fair market value of plan assets at December 31, 2006 is \$967,171.

Schedule of Employer Contributions:

Fiscal <u>Year</u>	Fire Insurance Premium <u>Tax</u>	Actual Employer <u>Contributions</u>	Total Employer <u>Contributions</u>	Annual Required Contribution <u>(ARC)</u>	Percentage of ARC <u>Contributed</u>
1999	\$12,807	\$131,000	\$143,807	\$26,763	537.3%
2000	6,430	297,000	303,430	28,636	1,059.6%
2001	7,456	0	7,456	N/A	N/A
2002	7,961	0	7,961	N/A	N/A
2003	10,214	0	10,214	N/A	N/A
2004	14,050	0	14,050	N/A	N/A
2005	14,344	0	14,344	N/A	N/A
2006	14,823	0	14,823	N/A	N/A

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Valuation date	December 31, 1999
Actuarial cost method	Entry Age Normal
Amortization method	Level dollar
Remaining amortization period	9 years
Asset valuation method	Fair market value
Actuarial assumptions:	
Investment rate of return	7%
Projected salary increases	5%

CITY OF CENTRALIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2006

Federal Agency Name/Pass-Through Agency Name	Federal Program Name	CFDA Number	Other I.D. Number	Expenditures			Foot-note ref.
				From Pass-Through Awards	From Direct Awards	Total	
U. S. Fish and Wildlife Service	Centralia River Trail Project	15.608	133203J008		\$ 28,835	\$ 28,835	2
U.S. Dept of Justice/ pass-through from WA CTED	Stop Grant 05	16.588	005-WR-AX-002	15,068			2
	Byrne Formula Grant/JAG	16.738	F05-66201103	30,994			2
			Subtotal	46,062		46,062	
U.S. Dept of Justice	Bulletproof Vest Partnership	16.607	6136143		3,189	3,189	2
U.S. Dept of Transportation/ pass-through from WA DOT	Highway Planning and Construction	20.205	LA-4848	83,265			2
	DUI Traffic Emphasis	20.600	Traffic Safety	984			2,3
	DUI Traffic Emphasis	20.602	Click It or Ticket	3,500			2,3
			Subtotal	87,749		87,749	
Environmental Protection Agency/ pass-through from WA Dept of Ecology	Capitalization Grants for State Revolving Funds	66.458	L0100031B	493,269		493,269	4
Environmental Protection Agency/ pass-through from Public Works Board	Safe Drinking Water State Revolving Fund	66.468	03-65103-014	153,288		153,288	4
U.S. Dept of Homeland Security/ pass-through Lewis County	State Domestic Preparedness Equip Support Program	97.004	E06-410	19,315		19,315	5
U.S. Dept of Homeland Security	November 06 Flood	97.036	1671-DR-WA	2,110			6
	December 06 Storm	97.036	1682-DR-WA	75,004			6
			Subtotal	77,114		77,114	
Executive Office of the President	Unified Narcotics Enforcement Team	07-520	I5PNWP520Z		24,266	24,266	2
TOTAL FEDERAL AWARDS EXPENDED				\$ 876,797	\$ 56,290	\$ 933,087	

The accompanying notes to the Schedule of Expenditures of Federal Awards are an integral part of this Schedule.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE 1 – BASIS OF ACCOUNTING

The Schedule of Financial Assistance is prepared on the same basis of accounting as the City of Centralia's financial statements. The City of Centralia uses the actual basis of accounting for all funds except for the governmental fund types, expendable trust funds and agency funds, which use the modified accrual basis of accounting.

NOTE 2 – PROGRAM COSTS

The amounts shown as current year expenditures represent only federal or state grant portion of the program costs. Entire program costs, including the City of Centralia's portion, may be more than shown.

NOTE 3 – NOT AVAILABLE

The City of Centralia was unable to obtain other identification numbers.

NOTE 4 – FEDERAL LOANS

This number represents only the federal portion of the loan proceeds the City received in 2006. These loans are also reported on the City's Schedule of Long-Term Debt.

NOTE 5 – NON CASH PROPERTY

The City of Centralia's police department received Portable Radio's from Lewis County, as part of the FY03 Homeland Security equipment procurement program.

NOTE 6 – RESIDENTIALLY DECLARED DISASTER

In 2006, the City had damages for disasters that will receive federal and state reimbursements. These are the amounts we have submitted to FEMI at the time of this schedule, for expenditures in 2006 related to the disasters.



ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the state's Constitution and is part of the executive branch of state government. The State Auditor is elected by the citizens of Washington and serves four-year terms.

Our mission is to work in cooperation with our audit clients and citizens as an advocate for government accountability. As an elected agency, the State Auditor's Office has the independence necessary to objectively perform audits and investigations. Our audits are designed to comply with professional standards as well as to satisfy the requirements of federal, state, and local laws.

The State Auditor's Office has 300 employees who are located around the state to deliver our services effectively and efficiently. Approximately 65 percent of our staff are certified public accountants or hold other certifications and advanced degrees.

Our regular audits look at financial information and compliance with state, federal and local laws on the part of all local governments, including schools, and all state agencies, including institutions of higher education. We also perform fraud and whistleblower investigations. In addition, we have the authority to conduct performance audits of state agencies and local governments.

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