

CHEHALIS CITY COUNCIL AGENDA
CITY HALL
350 N MARKET BLVD | CHEHALIS, WA 98532

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

Regular Meeting of Monday, September 25, 2017
5:00 p.m.

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| <ol style="list-style-type: none">1. <u>Call to Order.</u> (Mayor)2. <u>Pledge of Allegiance.</u> (Mayor) |
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| SPECIAL BUSINESS |
| <ol style="list-style-type: none">3. <u>Coal Creek Sewer Extension Project.</u> (Bill Teitzel and Danette York, Lewis County Public Health and Social Services)4. <u>Chehalis Community Renaissance Team Update.</u> (Annalee Tobey, Executive Director) |

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| PROCLAMATIONS / PRESENTATIONS |
| <ol style="list-style-type: none">5. <u>Recognition of Judy Pectol, Finance Manager.</u> (Mayor, City Manager) |

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

ITEM	ADMINISTRATION RECOMMENDATION	PAGE
CONSENT CALENDAR		
6. <u>Minutes of the Regular Meeting of September 11, 2017.</u> (City Clerk)	APPROVE	1
7. <u>Vouchers and Transfers.</u> (City Manager, Finance Manager)	APPROVE	4
8. <u>Accept Coal Creek Sewer Extension Project as Complete and Release Retainage to Barcott Construction After All Statutory Requirements Have Been Met.</u> (City Manager, Public Works Director, Wastewater Superintendent)	APPROVE	5
9. <u>Authorize City Manager to Sign Renewal of Agreements for Lease of Train Engine and Caboose with the Chehalis-Centralia Railroad & Museum.</u> (City Manager)	AUTHORIZE CITY MANAGER TO SIGN	10
10. <u>Resolution No. 8-2017, First and Final Reading – Surplus of Property in the Public Works Department.</u> (City Manager, City Clerk, Public Works Director)	ADOPT	13
11. <u>Ordinance No. 980-B, First and Final Reading – Establishing Revolving Cash Funds.</u> (City Manager, Finance Director)	SUSPEND RULES / PASS	16

ITEM	ADMINISTRATION RECOMMENDATION	PAGE
NEW BUSINESS		
12. <u>R.E. Bennett School.</u> (City Manager)	INFORMATION ONLY	---

ITEM	ADMINISTRATION RECOMMENDATION	PAGE
ADMINISTRATION AND CITY COUNCIL REPORTS		
13. <u>Administration Reports.</u>		
a. Finance report. (City Manager, Finance Manager)	INFORMATION ONLY	20
b. Annual debt compliance update. (City Manager, Finance Manager)	INFORMATION ONLY	28
c. City Manager update. (City Manager)	INFORMATION ONLY	---
14. <u>Councilor Reports/Committee Updates.</u> (City Council)	INFORMATION ONLY	---

EXECUTIVE SESSION		
15. Pursuant to RCW:		
a. 42.30.110(1)(c) – Sale/Lease of Real Estate		

THE CITY COUNCIL MAY ADD AND TAKE ACTION ON OTHER ITEMS NOT LISTED ON THIS AGENDA.
NEXT REGULAR CITY COUNCIL MEETING IS MONDAY, OCTOBER 9, 2017.

September 11, 2017

The Chehalis city council met in regular session on Monday, September 11, 2017, in the Chehalis city hall. Mayor Dennis Dawes called the meeting to order at 5:00 pm with the following council members present: Terry Harris, Tony Ketchum, Daryl Lund, Dr. Isaac Pope, Bob Spahr, and Chad Taylor. Staff present included: Jill Anderson, City Manager; Ken Cardinale, Fire Chief; Caryn Foley, City Clerk; Bill Hillier, City Attorney; Trent Loughheed, Community Development Director; Judy Pectol, Finance Manager; Brandon Rakes, Airport Office Manager; Rick Sahlin, Public Works Director; Glenn Schaffer, Police Chief; and Don Schmitt, Street/Storm Superintendent. Members of the media included Graham Perednia from *The Chronicle*.

1. **Proclamation – Patriot Day.** Mayor Dawes presented a proclamation to Chief Schaffer and Chief Cardinale in recognition of the 16th anniversary of the September 11, 2001 attacks on the United States.

2. **Consent Calendar.** Councilor Spahr moved to approve the consent calendar comprised of the following:

a. Minutes of the regular meeting of August 28, 2017;

b. August 31, 2017 Claim Vouchers No. 120122-120254 in the amount of \$244,796.34; and August 31, 2017, Payroll Vouchers No. 39774-39859, Direct Deposit Payroll Vouchers No. 8603-8707, and Electronic Federal Tax Payment No. 175 in the amount of \$799,718.60;

c. Award bid for Tract 5A Fill and Grade Project to Sterling Breen Crushing, Inc., in the amount of \$260,762 and approve associated financing;

d. Award bid for chip spreader to BearCat Mfg., in the amount of \$264,062.10 and approve associated financing; and

e. Pass Ordinance No. 979-B on second and final reading, granting a nonexclusive franchise to Sprint Communications for fiber optic communications system and facilities.

The motion was seconded by Councilor Lund.

Mayor Dawes noted that the funding for the chip spreader is coming from 1/3 from the Street Fund and 2/3 from the 4% funding budget. No money from the Transportation Benefit District is being used to fund the purchase.

The motion carried unanimously.

3. **Renew Solid Waste Contract with LeMay Enterprises.** City Manager Anderson stated the city has been in contract with LeMay for many years, which contract has expired. The contract has been under review over the last year and the city council considered a variety of terms and proposals in July 2016. The contract being presented today reflects the direction given by the city council at that time. Ms. Anderson stated Tom Rupert, LeMay's District Manager, was in attendance to address the council. She stated the administration was recommending approval of the contract with any input from council.

Mr. Rupert stated LeMay has been providing services since 2009. Extension talks began in June 2016 at which time LeMay proposed two pricing options – fixed pricing or pricing based on the annual Consumer Price Index. The council favored fixed rate pricing, which is included in the proposed contract. Mr. Rupert noted the key terms of the contract include a five-year term; fixed pricing on the service portion of the rates; a defined calculation for disposal rate increases if tipping fees are increased; addition of temporary dumpster service for residential customers; and general language and rate clean-up from previous contract. Mr. Rupert provided examples of the most frequent monthly services provided by LeMay and how the rate increases would impact customers.

Service	Pickup Frequency	Customers	Current Rate	Proposed Rate	Dif
Residential 1 regular cans at curb	1 time per week	789	\$ 14.32	\$ 16.47	\$ 2.15
Residential 2 regular cans at curb	1 time per week	599	\$ 20.34	\$ 23.39	\$ 3.05
Commercial 2 regular cans	1 time per week	137	\$ 17.76	\$ 20.43	\$ 2.66
Commercial 3 regular cans	1 time per week	114	\$ 23.44	\$ 26.96	\$ 3.52

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Councilor Spahr clarified that rates would be fixed for the term of the contract, and the only increase that could happen would be an increase in tipping fees. Mr. Rupert noted that also included any other taxes or other pass-through increases.

Councilor Harris stated the Solid Waste Advisory Committee pays close attention to the budget. There was an increase to tipping fees for the first time in 2014. When the tipping fees were increased it was with a long-term projection, so that they wouldn't be increased every two or three years.

Mayor Dawes didn't see it addressed in the contract, but asked about yard waste service. He asked if a customer had the ability to discontinue yard waste pick-up during fall/winter months. Mr. Rupert stated it was a subscription service, which could be discontinued, but there would be a delivery fee if the service was reestablished.

Councilor Ketchum moved to approve the agreement for collection and disposal of solid waste with LeMay to expire August 1, 2022, and to authorize the city manager to sign said agreement. The motion was seconded by Councilor Lund and carried unanimously.

Councilor Lund commented that he appreciated LeMay's drivers. They are really good about pulling over and letting vehicles get around them.

4. Request from Human Response Network (HRN) to Rezone Property. Trent Lougheed stated the HRN submitted a request for a variance for the timing in which a zoning change application could be processed. City code allows council to approve such a request if "the proposed rezoning is necessary in order to provide land for a community-related use which was not anticipated at the time of the adoption of the comprehensive plan, and that such rezoning will be consistent with the policies of the comprehensive plan." Mr. Lougheed noted the request was just for the processing of the application and does not grant HRN an approval or not make it so they don't have to comply with any regulations as outlined in the code.

Councilor Spahr stated the code requires that an applicant for rezone must own at least one tax parcel of property within any area submitted for rezoning, but HRN does not own any of the property. Mr. Lougheed stated that was correct. A signature of a land owner will have to be on the application.

Mayor Dawes stated the request was because of the timing of a grant application that HRN is pursuing and has nothing to do with the process, which will have to go through the city's Hearings Examiner. If the council decides to approve the request it is with the understanding that it not set a precedent. Mr. Lougheed indicated that was correct. Any other requests would have to fall under the criteria within the city code.

Councilor Taylor moved to approve the request of Human Response Network to suspend Chehalis Municipal Code Section 17.09.140(B), allowing for processing of a rezone application and taking action prior to February 1. The motion was seconded by Councilor Lund and carried unanimously. As a board member of the Human Response Network, Councilor Ketchum abstained from voting.

5. Administration Reports.

a. **City Manager Update.** City Manager Anderson announced the city submitted an application for .09 grant funds, which are funds distressed counties receive for economic development. The .09 committee voted to recommend to the county commissioners a \$38,000 award to conduct a study and prepare a conceptual master plan for the airport.

Councilor Ketchum asked about the previous CERB grant that was recently submitted for this project. Ms. Anderson stated that will be addressed once the county commissioners, hopefully, approve the .09 award recommendation.

6. Councilor Reports/Committee Updates.

a. Councilor Harris attended the newly formed Chehalis Basin Board meeting. He stated it was an informative meeting where discussion was had about what to do since they have no money due to the lack of adoption of the capital budget. He also attended the CCRT meeting. He also stated he would not be at the next council meeting.

September 11, 2017

b. Councilor Ketchum stated the Sister City Committee will hold a fundraiser on September 16 at Applebee's from 8:00 to 10:00 am. The cost is \$10 for two pancakes, two eggs, two strips of bacon, two sausage links, coffee, and orange juice. Committee members will be serving guests, while Councilor Ketchum will be performing clean-up.

c. Mayor Dawes attended the August 31 grand opening of the Boys & Girls Club; the September 6 ribbon cutting at Pope's Kids Place; the September 7 state auditor's 2016 audit entrance conference; and the September 8 Mayors Meeting where legislative priorities were discussed. The group would like to see a capital budget passed on time, and a flat fee for being a legislator with the concept being that if legislators didn't get their work done on time, they wouldn't receive extra pay. Mayor Dawes reported the .09 committee also approved a \$125,000 grant request for a professional co-working facility in downtown Chehalis, which is a joint project between the Port of Chehalis and the CCRT. Mayor Dawes also attended today's Chamber membership BBQ, which was well attended.

d. Councilor Pope stated he sometimes gets asked about the council's decision to allow marijuana facilities in the city. He asked if the Police Department had seen an increase in crime since that decision. Chief Schaffer stated that aside from one burglary at one establishment a couple weeks ago, no.

e. Mayor Dawes expressed thanks to the Police Department and the Public Works Departments for addressing various concerns/issues in the community.

Mayor Dawes announced there would be no executive as listed on the agenda. There being no further business to come before the council, the meeting was adjourned at 5:29 pm.

Dennis L. Dawes, Mayor

Caryn Foley, City Clerk

Approved:
Initials: _____

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Judy Pectol, Finance Manager
Michelle White, Accounting Tech II

MEETING OF: September 25, 2017

SUBJECT: Vouchers and Transfers

ISSUE

City Council approval is requested for Vouchers and Transfers dated September 15, 2017.

DISCUSSION

The September 15, 2017 claim vouchers have been reviewed by a committee of three councilors prior to the release of payments. The administration is requesting City Council approval for Claim Vouchers No. 120255-120389 and Electronic Funds Transfer No. 82017 in the amount of \$576,593.53 dated September 15, 2017, which includes the transfer of:

- \$104,817.69 from the General Fund
- \$4,452.95 from the Dedicated Street Fund – 4% Sales Tax
- \$26,077.14 from the Tourism Fund
- \$682.52 from the Garbage Fund
- \$53,282.56 from the Wastewater Fund
- \$187,484.52 from the Water Fund
- \$3,216.60 from the Storm & Surface Water Utility Fund
- \$196,579.55 from the Airport Fund

RECOMMENDATION

It is recommended that the City Council approve the September 15, 2017 Claim Vouchers No. 120255-120389 and Electronic Funds Transfer No. 82017 in the amount of \$576,593.53.

SUGGESTED MOTION

I move that the City Council approve the September 15, 2017 Claim Vouchers No. 120255-120389 and Electronic Funds Transfer No. 82017 in the amount of \$576,593.53.

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Patrick Wiltzius, Wastewater Superintendent
Rick Sahlin, Public Works Director

MEETING OF: September 25, 2017

SUBJECT: Acceptance and Closeout of the Coal Creek Sewer Extension Project

ISSUE

The Coal Creek Sewer Extension Project is complete. The administration recommends the City Council accept the project as complete and release the retainage to Barcott Construction after all statutory requirements have been met.

DISCUSSION

In 2016, the City received a funding package from Ecology for the Coal Creek Sewer Extension Project. The City Council accepted the funding package and the project went out to bid in early 2017. The low bid for the project was from Barcott Construction with a bid of \$282,378.65. Because the low bid was substantially higher than the amount allotted for construction in the funding package provided by Ecology, the administration requested additional money from Ecology to help fund the overage. Ecology supplied another \$24,210 in grant funding towards the overage. In addition, Lewis County contributed \$19,473.38 towards design overages and the City Council authorized city funding via reduced connection charges if necessary.

The project included the installation of grinder pumps, electrical upgrades, valve stations, and the decommissioning of the failed septic tanks for nine properties, along with the installation of approximately 950 feet of 2-inch force main. Construction began in June 2017 and was finished in August 2017.

The final cost of the project (w/tax) was \$235,943.24 which is \$46,435.41 less than the original bid amount. The reduction is primarily due to imported trench backfill material and electrical service work on the properties being less than originally estimated. Because final costs came in lower than bid, the city will be able to charge full connection charges against the grant funding. As part of the funding package, a \$15,000 loan had to be secured from Ecology to receive the grant funding.

The administration recommends that the project be closed out and the retainage released. With the final acceptance of the project by City Council, and verification by the City Clerk that all statutory requirements have been met, the retainage of \$10,903.11 will be released to Barcott Construction.

RECOMMENDATION

It is recommended that the City Council accept the Coal Creek Sewer Extension Project as complete and release the retainage in the amount of \$10,903.11 to Barcott Construction once all statutory requirements have been met.

SUGGESTED MOTION

I move that the City Council accept the Coal Creek Sewer Extension Project as complete and release the retainage in the amount of \$10,903.11 to Barcott Construction once all statutory requirements have been met.

CHANGE ORDER

No. 1

(Instructions on reverse side)

PROJECT Chehalis Coal Creek Sewer Project

DATE OF ISSUANCE 9-6-17 EFFECTIVE DATE 9-6-17

OWNER City of Chehalis

OWNER's Contract No. N/A

CONTRACTOR Barcoll Construction, LLC

ENGINEER Gibbs & Olson, Inc.

You are directed to make the following changes in the Contract Documents.

Description: Decrease contract amount by \$45,913.45 including 8.2% sales tax as part of the reconciliation of contract quantities based on final measurements for work completed compared to work as identified in the original Bidder's Proposal of the contract documents. Increase sales tax from 8.0 to 8.2% based on an increase effective July 1, 2017.


Reason For Change Order: Contract close out.

This change order includes all direct and indirect costs for labor, equipment, materials and the time required for completion of the work described delivered to the Owner ready for use.

Attachments: (List documents supporting change) PWC 1, 2 and 3. Excel sheet.

CHANGE IN CONTRACT PRICE:	CHANGE IN CONTRACT TIMES:
Original Contract Price \$ 281,856.69 including 8.0% sales tax	Original Contract Times Substantial Completion: <u>60 Calendar days</u> Ready for final payment: <u>70 Calendar days</u> <small>days or dates</small>
Net changes from previous Change Order No. <u> </u> to No. <u> </u> \$ 0	Net changes from previous Change Order No. <u> </u> to No. <u> </u> <u>0</u> <small>days</small>
Contract Price prior to this Change Order \$ 281,856.69 including sales tax	Contract Times prior to this Change Order Substantial Completion: <u>60 Calendar days</u> Ready for final payment: <u>70 Calendar days</u> <small>days or dates</small>
Net Decrease of this Change Order \$ 45,913.45 including 8.2% sales tax	Net Increase (decrease) of this Change Order <u>0</u> <small>days</small>
Contract Price with all approved Change Orders \$ 235,943.24 including sales tax	Contract Times with all approved Change Orders Substantial Completion: <u>60 Calendar days</u> Ready for final payment: <u>70 Calendar days</u> <small>days or dates</small>

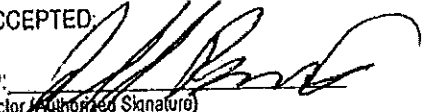
RECOMMENDED:

By: 
Engineer (Authorized Signature)

APPROVED:

By: _____
Owner (Authorized Signature)

ACCEPTED:

By: 
Contractor (Authorized Signature)

Date: 9-6-17

Date: _____

Date: 9-6-17

City of Chehalis - Coal Creek Sewer Project
 Barcott Construction, LLC
 Reconciliation Change Order
 Date: September 7, 2017
 Change Order 1



Item No.	Item Description	Quantity	Units	Unit Cost	Bid Amount	Final Quantity	Final Amount	Net Change Quantity	Net Change Amount
1	Miscellaneous Construction	1	FORCE ACCOUNT	\$10,000.00	\$10,000.00	12,400.00	12,400.00	24.00%	2,400.00
2	Mobilization/Demobilization	1	LS	\$23,805.00	\$23,805.00	23,805.00	23,805.00	0.00%	0.00
3	Temporary Traffic Control	1	LS	\$2,875.00	\$2,875.00	2,875.00	2,875.00	2874.00	0.00
4	Flaggers and Spotters	70	Hour	\$64.30	\$4,501.00	85.00	5,465.50	15.00	964.50
5	Sawcutting	2000	LF	\$1.00	\$2,000.00	322.00	322.00	-1678	-1,678.00
6	Imported trench backfill	1200	Ton	\$26.45	\$31,740.00	253.68	6,709.84	-946	-25,030.16
7	Native soil trench backfill	600	CY	\$1.50	\$900.00	600.00	900.00	0	0.00
8	Cold mix asphalt	5	Ton	\$230.00	\$1,150.00	3.57	821.10	-1.43	-328.90
9	HMA	15	Ton	\$360.00	\$5,400.00	15.52	5,587.20	0.52	187.20
10	Grinder pumps	8	Each	\$4,204.75	\$33,638.00	8.00	33,638.00	0	0.00
11	Locate and connect to building sewer	1	LS	\$7,935.00	\$7,935.00	100.00%	7,935.00	0	0.00
12	1.25" HDPE	800	LF	\$21.56	\$17,248.00	940.00	20,266.40	140	3,018.40
13	2" HDPE mainline	400	LF	\$24.15	\$9,660.00	380.00	9,177.00	-20	-483.00
14	3" HDPE mainline	580	LF	\$15.50	\$8,990.00	591.00	9,160.50	11	170.50
15	3" HDPE casing	60	LF	\$30.00	\$1,800.00	46.00	1,380.00	-14	-420.00
16	6" HDPE casing	40	LF	\$40.00	\$1,600.00	23.00	920.00	-17	-680.00
17	4" PVC inlet pipe	500	LF	\$18.17	\$9,085.00	458.00	8,321.86	-42	-763.14
18	Sewer service connection	9	Each	\$1,086.00	\$9,774.00	9.00	9,774.00	0	0.00
19	3" isolation valve	2	Each	\$2,817.50	\$5,635.00	2.00	5,635.00	0	0.00
20	2" air vac	2	Each	\$8,136.25	\$16,272.50	2.00	16,272.50	0	0.00
21	Flush port	1	Each	\$3,565.00	\$3,565.00	1.00	3,565.00	0	0.00
22	Seeding	1500	SY	\$1.00	\$1,500.00	1,200.00	1,200.00	-300	-300.00
23	Trench safety systems	1	LS	\$115.00	\$115.00	1.00	115.00	0	0.00
24	Electrical service allowance	1	Allowance	\$35,000.00	\$35,000.00	48.00%	16,751.33	-52%	-18,248.67
25	Septage pump and disposal	12	Per 1,000 gal	\$575.00	\$6,900.00	9.00	5,175.00	-3	-1,725.00
26	Abandon existing onsite sewer systems	9	Each	\$1,098.88	\$9,889.92	9.00	9,889.92	0	0.00
	Subtotal				\$260,978.42		218,062.15		-42,916.27
	Sales Tax @ 8.2%				\$21,400.23		17,881.10		-3,519.13
	TOTAL				\$282,378.65		235,943.24		-46,435.41

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Caryn Foley, City Clerk

MEETING OF: September 25, 2017

SUBJECT: Renewal of Agreements for Lease of Train Engine and Caboose with the Chehalis-Centralia Railroad & Museum

ISSUE

The lease renewals with the Chehalis-Centralia Railroad & Museum (CCRM) for the use of the steam engine and caboose owned by the City have expired and need to be renewed.

DISCUSSION

The City entered into agreements with the Chehalis-Centralia Railroad & Museum on August 28, 1987, for the steam engine and caboose. The initial lease was for 10 years with provisions for four consecutive additional 10-year terms. This would be the third renewal for both agreements.

Among other requirements, the agreements provide that CCRM keep the property in proper and safe working condition and appearance, and maintain appropriate insurance, naming the City as an additional insured.

FISCAL IMPACT

NA.

RECOMMENDATION

It is recommended that the City Council authorize the City Manager to sign the renewal extension agreement for lease of the steam engine and caboose from August 28, 2017 to August 27, 2027.

SUGGESTED MOTION

I move that the City Council authorize the City Manager to sign the renewal extension agreement for lease of the steam engine and caboose from August 28, 2017 to August 27, 2027.

CHEHALIS-CENTRALIA RAILROAD & MUSEUM

Locomotive #15

1945 S. Market Blvd. - Chehalis, WA 98532

(360)748-9593



August 30, 2017

To: City of Chehalis

Re: Caboose & Locomotive Leases

The Chehalis-Centralia Railroad & Museum requests an extension of our leases payable as set forth in original leases for:

One (1) Baldwin Steam Locomotive: Serial Number 44106, Class 12-34 ¼ E, 43 (original lease dated August 28, 1987)

AND

One (1) Union Pacific Railroad Caboose: Serial Number 25589 (original lease dated August 28, 1987)

This extension is pursuant to the original agreement dated August 28, 1987. This extension to begin August 28, 2017 and expire August 27, 2027.

Thank you for your consideration.

A handwritten signature in cursive script that reads "Wanda Thompson".

Wanda Thompson, Secretary
Chehalis-Centralia Railroad & Museum

Approved by _____ on _____, 2017

Jill Anderson
Chehalis City Manager

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Rick Sahlin, Public Works Director
Don Schmitt, Street/Storm Superintendent
Dave Vasilauskas, Water Superintendent

MEETING OF: September 25, 2017

SUBJECT: Resolution No. 8-2017, First and Final Reading – Declaring Surplus Property

ISSUE

The Street and Water Divisions of the Public Works Department have property that is no longer used or needed.

DISCUSSION

State law requires that property must first be declared surplus by the City Council before being sold, donated, used as trade-in, or disposed of. Resolution No. 8-2017 has been prepared for the City Council's consideration.

The Water Division has a 1996 Ford Econoline 250 Van that was used by the Maintenance Technician. Due to the age, maintenance, and mileage (110,007) the vehicle was budgeted and replaced in 2017 using the state bid process for a small extended cab pickup truck. The new vehicle will be placed on the equipment schedule with a 20-year life expectancy, making it due for replacement in 2037.

The Street Division has a 1992 Dodge D-250 pickup that will be sold at auction. The 25-year-old truck has 148,842 miles and spent many hours sitting at idle providing traffic control, which can be hard on an engine. A new sign truck was purchased in 2008. The 1992 Dodge was kept as an additional work truck for our seasonal employees, but has not been used for two years. It is proposed that it be sold at auction.

FISCAL IMPACT

The surplus items would be sold at auction with funds going back to their respective departments.

RECOMMENDATION

It is recommended that the City Council adopt Resolution No. 8-2017 on first and final reading.

SUGGESTED MOTION

I move that the City Council adopt Resolution No. 8-2017 on first and final reading.

RESOLUTION NO. 8-2017

**A RESOLUTION OF THE CITY OF CHEHALIS,
WASHINGTON, DECLARING PERSONAL PROPERTY OF
THE CITY OF CHEHALIS TO BE SURPLUS AND OF NO
FURTHER USE TO THE CITY, AND DIRECTING THE
DISPOSITION THEREOF.**

**THE CITY COUNCIL OF THE CITY OF CHEHALIS, WASHINGTON, DO
RESOLVE AS FOLLOWS:**

Section 1. The following described personal property of the city of Chehalis, Washington, a municipal corporation, shall be, and the same hereby is, declared to be surplus and no longer of necessary use.

Public Works Department	Identifying Information
Street Division -- 1992 Dodge ½ Ton Pickup (148841 miles)	VIN #1B7JE26Y9NS637429
Water Division -- 1996 Ford Econoline 250 Van (110007 miles)	VIN # 1FTFE24H0THA77738

Section 2. The personal property described herein shall be disposed of by the City Manager.

ADOPTED by the City Council of the city of Chehalis, Washington, and **APPROVED** by its Mayor, at a regularly scheduled open public meeting thereof this _____ day of _____, 2017.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Judy Pectol, Finance Manager

MEETING OF: September 25, 2017

SUBJECT: Ordinance No. 980-B, First and Final Reading Relating to Revolving Cash Funds

ISSUE

To save time and be more efficient, it is proposed that the wording of Section 3.44 of the Chehalis Municipal Code be changed so that it does not state the amounts of each individual revolving cash fund.

DISCUSSION

Municipal Code Section 3.44 lists each individual revolving cash fund authorized at the time of its passage. It also states that, "At the Direction of the City Manager, the Finance Manager may establish new funds or change balances in existing funds." Over the years, the amounts of some funds have changed.

During each annual audit, auditors from the State Auditor's Office audit our revolving cash funds. Each year they question why the amounts do not agree with the amounts stated in our Municipal Code. Each year we provide documentation signed by the City Manager to authorize each change that occurred since April 2008. This extra step would be eliminated if the proposed ordinance is adopted.

Also, periodically employees of the city question why the amount of a revolving cash fund shown in the Municipal Code is "wrong" and we explain when and why the change in amount was approved by the City Manager. Each time an employee asks that question it takes a little bit of time away from other tasks for the City Clerk and /or the Finance Manager, as well as the person asking the question.

Attached, for your information, is a list showing the revolving cash funds as listed in the Municipal Code and as they exist today. In both cases, the amounts range from \$50 to \$450, apart from the Police Department investigative imprest fund (a special form of a petty cash fund) that has \$2,000 in it. Staff would be glad to provide the City Council with updates on future changes as needed.

FISCAL IMPACT

None.

RECOMMENDATION

Since this is a housekeeping item, it is recommended that the City Council suspend the rules requiring two readings of an ordinance and pass Ordinance No. 980-B on first and final reading.

SUGGESTED MOTION

I move that the City Council suspend the rules requiring two readings of an ordinance.

I move that the City Council pass Ordinance No. 980-B on first and final reading.

Revolving Cash Funds
As Listed in the Municipal Code
And as They Have Been Created or Amended
As of September 25, 2017

	Per Municipal Code	Current Amount
General Fund		
City Hall imprest cash fund	50	-
Municipal Court change fund I	200	200
Municipal Court change fund II	200	200
Municipal Court change fund III	200	200
Municipal Court change fund IV	100	200
Police imprest cash fund	100	100
Police change fund	150	150
Police investigative imprest cash fund	2,000	2,000
Fire imprest fund	50	-
Planning imprest cash fund	50	55
Recreation imprest cash fund	100	50
Recreation change fund	200	200
Recreation change fund for swimming pool	^A -	-
Utility Funds		
Public works imprest cash fund	50	50
Utility cashier's change fund 1	300	300
Utility cashier's change fund II	300	300
Utility cashier's change fund III	300	-
Utility cashier's change fund - coin bag	-	100
Airport Fund		
Change Fund	-	450
	<hr/>	<hr/>
Total	<u>4,350</u>	<u>4,555</u>

^A When the swimming pool is in operation it has a \$1,600 change fund.

ORDINANCE NO. 980-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, AMENDING REVOLVING CASH FUNDS; AND REPEALING ORDINANCE NO 832-B, PASSED THE 28TH DAY OF APRIL, 2008, CODIFIED IN THE CHEHALIS MUNICIPAL CODE AS CHAPTER 3.44.

THE CITY COUNCIL OF THE CITY OF CHEHALIS, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 3.44.010 Funds Established. Revolving cash funds are established for various departments of the City of Chehalis.

Section 3.44.020 Authorization. At the direction of the City Manager, the Finance Manager may establish new funds or change balances in existing funds or cancel funds.

Section 3.44.030 Repeal. Ordinance No. 832-B, passed on the 28th day of April, 2008, codified in the Chehalis Municipal Code as chapter 3.44, shall be, and the same hereby is repealed.

PASSED by the City Council of the city of Chehalis, Washington, and **APPROVED** by its Mayor, at a regularly scheduled open public meeting thereof this _____ day of _____, 2017.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council
FROM: Jill Anderson, City Manager
BY: Judy Pectol, Finance Manager
MEETING OF: September 25, 2017
SUBJECT: Finance Report for the Eight Months Ending August 31, 2017

ISSUE

This item has been scheduled to present the City Council with information regarding the city's financial results of operations for the eight months ending August 31, 2017.

DISCUSSION

After eight months of operation, the city's financial position is as strong as projected, based largely on increasing sales tax receipts and the receipt of a grant reimbursement for one-time revenues, such as a general fund grant reimbursement (\$318K) for the National Avenue Salzer Creek Bridge Scour project.

As we know, sales tax is closely tied to consumer confidence and the larger economy, which is cyclical. So, there is cautious optimism as the city addresses some issues related to the deferred maintenance through the great recession of December 2007-2009 and the subsequent long recovery period, including:

- The need to make significant repairs to the existing fire station to prevent ongoing deterioration of the building and preserve the safety of those working and visiting the building.
- The outcome of negotiations of collective bargaining agreements with two of the city's three employee groups.
- The need to replace vehicles and equipment that are far beyond their useful life expectancy and have become unreliable and costly to maintain creating disruptions in service to the community.
- The need to invest in the city's buildings and facilities to maintain them properly to prevent more costly repairs associated with leaking roofs and windows; meet statutory requirements; and tree trimming to minimize the potential safety hazards for people or property associated with falling tree limbs.

FISCAL IMPACT

The attached financial statements summarize the city's fiscal position as of August 31, 2017.

RECOMMENDATION

It is recommended that the City Council review this information and provide questions or comments as needed. No formal action is needed.

SUGGESTED MOTION

N/A

To: The Honorable Mayor and Council
 Via: Tracie J Anderson, City Manager
 From: Judy Pectol, Finance Manager
 Prepared by: Betty Brooks, Payroll Accountant
 Date: September 13, 2017
 Subject: Monthly Financial Reports for August

City of Chehalis
 Comparative Financial Reports
 August 2016 and 2017

GENERAL FUND (#001) REVENUES	A		B		C=B/A		D		E		F=E/D		G		H^A		I=F-G	
	Budget	August 2016 Actual	Budget	Actual	% Recd	% Recd	Budget	August 2017 Actual	% Recd	% Recd	Expected % Recd*	Expected % Recd*	Variance	% Variance	Expected	% Variance		
General Property Taxes	\$1,276,948	\$700,216	\$1,464,432	\$737,297	54.8%	50.3%	\$1,464,432	\$737,297	50.3%	66.7%	66.7%	(\$239,479)	-16.4%	66.7%	66.7%			
EMS Property Taxes	304,886	167,682	328,028	175,874	55.0%	53.6%	328,028	175,874	53.6%	66.7%	66.7%	(42,921)	-13.1%	66.7%	66.7%			
Sales & Use Tax	3,772,472	2,588,057	4,044,090	2,944,722	68.6%	72.8%	4,044,090	2,944,722	72.8%	66.7%	66.7%	247,314	6.1%	66.7%	66.7%			
Electricity Tax	495,100	309,315	505,002	370,651	62.5%	73.4%	505,002	370,651	73.4%	66.7%	66.7%	33,815	6.7%	66.7%	66.7%			
Gas/Natural Gas Tax	217,725	124,568	240,202	143,862	57.2%	59.9%	240,202	143,862	59.9%	66.7%	66.7%	(16,353)	-6.8%	66.7%	66.7%			
Criminal Justice Tax	105,050	73,392	106,101	81,384	69.9%	76.7%	106,101	81,384	76.7%	66.7%	66.7%	10,615	10.0%	66.7%	66.7%			
Main Street B & O Credit	0	0	0	0	0.0%	100.0%	0	0	100.0%	66.7%	66.7%	41,250	33.3%	66.7%	66.7%			
Water/Sewer B & O Tax	452,900	314,998	464,727	340,055	69.6%	73.2%	464,727	340,055	73.2%	66.7%	66.7%	30,082	6.5%	66.7%	66.7%			
Garbage Tax	81,900	48,253	81,900	51,040	58.9%	62.3%	81,900	51,040	62.3%	66.7%	66.7%	(3,587)	-4.4%	66.7%	66.7%			
Cable Tax	133,485	79,175	135,500	79,191	59.3%	58.4%	135,500	79,191	58.4%	66.7%	66.7%	(11,188)	-8.3%	66.7%	66.7%			
Telephone Tax	275,000	168,895	260,000	160,611	61.4%	61.8%	260,000	160,611	61.8%	66.7%	66.7%	(12,809)	-4.9%	66.7%	66.7%			
Leasehold Excise Tax	41,000	32,092	43,050	38,006	78.3%	88.3%	43,050	38,006	88.3%	66.7%	66.7%	9,292	21.6%	66.7%	66.7%			
Timber Excise Tax	45	43	45	44	95.6%	97.4%	45	44	97.4%	66.7%	66.7%	14	30.7%	66.7%	66.7%			
Total Tax Revenues	7,156,511	4,606,686	7,673,077	5,163,987	64.4%	67.3%	7,673,077	5,163,987	67.3%	66.7%	66.7%	46,044	0.6%	66.7%	66.7%	46,044	0.6%	
Licenses & Permits	157,050	160,072	210,550	145,944	101.9%	69.3%	210,550	145,944	69.3%	66.7%	66.7%	5,507	2.6%	66.7%	66.7%			
Intergov't Grants/Entitlements	450,645	189,551	679,028	1,002,966	42.1%	147.7%	679,028	1,002,966	147.7%	66.7%	66.7%	550,054	81.0%	66.7%	66.7%			
Charges for Goods and Svcs.	371,196	253,217	326,265	302,654	68.2%	92.8%	326,265	302,654	92.8%	66.7%	66.7%	85,035	26.1%	66.7%	66.7%			
Fines and Forfeitures	147,420	98,494	144,945	76,513	66.8%	52.8%	144,945	76,513	52.8%	66.7%	66.7%	(20,165)	-13.9%	66.7%	66.7%			
Interest Earnings	11,890	15,642	16,950	16,808	131.6%	99.2%	16,950	16,808	99.2%	66.7%	66.7%	5,502	32.5%	66.7%	66.7%			
Rents & Royalties	71,280	61,230	82,100	60,718	85.9%	74.0%	82,100	60,718	74.0%	66.7%	66.7%	5,957	7.3%	66.7%	66.7%			
Donations/Contributions	87,000	104,648	36,525	11,519	100.0%	31.5%	36,525	11,519	31.5%	66.7%	66.7%	(12,843)	0.0%	66.7%	66.7%			
Misc. Revenue/Insurance	29,385	21,654	30,747	18,325	73.7%	59.6%	30,747	18,325	59.6%	66.7%	66.7%	(2,183)	-7.1%	66.7%	66.7%			
Non-Revenues	142,435	111,766	148,351	71,679	78.5%	48.3%	148,351	71,679	48.3%	66.7%	66.7%	(27,271)	-18.4%	66.7%	66.7%			
Total Non-Tax Revenues	1,468,301	1,016,274	1,675,461	1,707,126	69.2%	101.9%	1,675,461	1,707,126	101.9%	66.7%	66.7%	589,594	35.2%	66.7%	66.7%	589,594	35.2%	
	\$8,624,812	\$5,622,960	\$9,348,538	\$6,871,113	65.2%	73.5%	\$9,348,538	\$6,871,113	73.5%	66.7%	66.7%	\$635,638	6.8%	66.7%	66.7%	\$635,638	6.8%	

Key:
 * The expected percentage is calculated as follows: since the report is for the 8th month of the year, 8 is divided by 12-the number of months in the year.
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 H=(D*G) -E (i.e.(annual budgeted amount x expected % expended) - actual expenditures.)

City of Chehalis
Comparative Financial Reports
August 2016 and 2017

GENERAL FUND (#001) EXPENDITURES	A August 2016		B Actual	C=B/A		D August 2017		E Actual	F=E/D		G Expected % Exp*	H^ Varinc from Expected	I=G-F % Variance
	Budget	Actual		% Exp'd	Budget	Actual	% Exp'd						
City Council	\$98,657	\$59,845		\$92,351	\$38,748	60.7%			42.0%	66.7%	\$22,850	24.7%	
Municipal Court	522,105	339,119		480,523	288,881	65.0%			60.1%	66.7%	31,628	6.6%	
City Manager	308,708	199,533		312,582	101,854	64.6%			32.6%	66.7%	106,638	34.1%	
Finance	228,295	133,768		232,471	133,975	58.6%			57.6%	66.7%	21,083	9.1%	
City Clerk	78,878	47,724		79,915	33,328	60.5%			41.7%	66.7%	19,975	25.0%	
Facilities and Parks	0	0		850,411	628,345	0.0%			73.9%	66.7%	(61,121)	-7.2%	
Non-Departmental	542,916	302,533		611,351	390,296	55.7%			63.8%	66.7%	17,475	2.9%	
Human Resources	85,553	59,374		80,584	55,271	69.4%			68.6%	66.7%	(1,521)	-1.9%	
Police	2,751,643	1,890,792		2,944,719	2,034,951	68.7%			69.1%	66.7%	(70,823)	-2.4%	
Fire	2,048,797	1,400,453		2,225,620	1,535,044	68.4%			69.0%	66.7%	(50,555)	-2.3%	
Public Works - Streets	758,249	329,115		590,064	356,655	43.4%			60.4%	66.7%	36,918	6.3%	
Planning & Building	0	0		482,332	286,401	0.0%			59.4%	66.7%	35,314	7.3%	
Recreation	0	0		481,645	359,404	0.0%			74.6%	66.7%	(38,147)	-7.9%	
Community Development	1,688,294	1,277,042		0	0	75.6%			0.0%	66.7%	0	0.0%	
	\$9,112,095	\$6,039,298		\$9,464,568	\$6,243,153	66.3%			66.0%	66.7%	\$69,714	0.7%	

Net Budget/Income/Variance: (\$487,283) (\$416,338) (\$116,030) \$627,960 \$705,352

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City of Chehalis
Comparative Financial Reports
August 2016 and 2017

	A		B		C=B/A		D		E		F=E/D		G		H^A		I=F-G	
	Budget	August 2016 Actual	% Rec'd	Budget	August 2017 Actual	% Rec'd*	Budget	August 2017 Actual	% Rec'd	Expected % Rec'd*	Expected % Rec'd*	Var'nc from Expected	% Variance	Expected % Rec'd*	Expected % Rec'd*	Var'nc from Expected	% Variance	
WASTEWATER FUND (#404)																		
REVENUES																		
Non-Revenue - Loans	\$1,400,000	\$0	0.0%	\$275,000	\$0	0.0%	\$275,000	0.0%	66.7%	66.7%	(\$183,425)	0.0%	66.7%	66.7%	(\$183,425)	0.0%	66.7%	66.7%
Wastewater Fees	4,818,053	3,544,382	73.6%	5,289,972	3,446,353	65.1%	5,289,972	65.1%	66.7%	66.7%	(82,058)	-1.6%	66.7%	66.7%	(82,058)	-1.6%	66.7%	66.7%
Sewer Connection/Misc. Fees	30,000	76,962	256.5%	60,000	164,832	274.7%	60,000	274.7%	66.7%	66.7%	124,812	208.0%	66.7%	66.7%	124,812	208.0%	66.7%	66.7%
Rentals	3,545	3,545	100.0%	3,545	3,545	100.0%	3,545	100.0%	66.7%	66.7%	1,180	33.3%	66.7%	66.7%	1,180	33.3%	66.7%	66.7%
Misc. Revenues/Insurance	3,000	4,212	140.4%	3,000	1,106	36.9%	3,000	36.9%	66.7%	66.7%	(895)	-29.8%	66.7%	66.7%	(895)	-29.8%	66.7%	66.7%
Non-Revenue Tax Receipts	555	524	94.4%	555	544	98.0%	555	98.0%	66.7%	66.7%	174	31.3%	66.7%	66.7%	174	31.3%	66.7%	66.7%
Intergovernmental Receipts	0	0	0.0%	13,500	13,412	99.3%	13,500	99.3%	66.7%	66.7%	4,408	32.6%	66.7%	66.7%	4,408	32.6%	66.7%	66.7%
Proceeds of Long-Term Debt	0	105,016	100.0%	890,100	578,543	65.0%	890,100	65.0%	66.7%	66.7%	(15,154)	-1.7%	66.7%	66.7%	(15,154)	-1.7%	66.7%	66.7%
Fines and Forfeitures	50,000	39,568	0.0%	50,000	33,973	67.9%	50,000	67.9%	66.7%	66.7%	623	1.2%	66.7%	66.7%	623	1.2%	66.7%	66.7%
Interest Earnings	2,459	6,476	263.4%	3,000	16,697	556.6%	3,000	556.6%	66.7%	66.7%	14,696	489.9%	66.7%	66.7%	14,696	489.9%	66.7%	66.7%
Total	\$6,307,612	\$3,780,685	59.9%	\$6,588,672	\$4,259,005	64.6%	\$6,588,672	64.6%	66.7%	66.7%	(\$135,639)	-2.1%	66.7%	66.7%	(\$135,639)	-2.1%	66.7%	66.7%

	A		B		C=B/A		D		E		F=E/D		G		H^A		I=G-F	
	Budget	August 2016 Actual	% Exp'd	Budget	August 2017 Actual	% Exp'd	Budget	August 2017 Actual	% Exp'd	Expected % Exp*	Expected % Exp*	Var'nc from Expected	% Variance	Expected % Exp*	Expected % Exp*	Var'nc from Expected	% Variance	
WASTEWATER FUND (#404)																		
EXPENSES																		
Operating Expenses	\$2,723,260	\$1,578,449	58.0%	\$2,804,925	\$1,714,616	61.1%	\$2,804,925	61.1%	66.7%	66.7%	\$156,269	5.6%	66.7%	66.7%	\$156,269	5.6%	66.7%	66.7%
Capital Outlay	1,467,900	136,739	9.3%	1,113,100	804,335	72.3%	1,113,100	72.3%	66.7%	66.7%	(61,897)	-5.6%	66.7%	66.7%	(61,897)	-5.6%	66.7%	66.7%
Debt Principal	1,834,840	936,884	51.1%	1,846,181	938,123	50.8%	1,846,181	50.8%	66.7%	66.7%	293,280	15.9%	66.7%	66.7%	293,280	15.9%	66.7%	66.7%
Interest Expense	34,188	11,073	32.4%	43,937	9,923	22.6%	43,937	22.6%	66.7%	66.7%	19,383	44.1%	66.7%	66.7%	19,383	44.1%	66.7%	66.7%
Transfers Out	32,500	32,500	0.0%	0	0	0.0%	0	0.0%	66.7%	66.7%	0	66.7%	66.7%	66.7%	0	66.7%	66.7%	66.7%
Total	\$6,092,688	\$2,695,645	44.2%	\$5,808,143	\$3,466,997	59.7%	\$5,808,143	59.7%	66.7%	66.7%	\$407,034	7.0%	66.7%	66.7%	\$407,034	7.0%	66.7%	66.7%
Net Budget/Income/Variance:	\$214,924	\$1,085,040		\$780,529	\$792,008		\$780,529				\$271,395				\$271,395			

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City of Chehalis
Comparative Financial Reports
August 2016 and 2017

WATER FUND (#405) REVENUES	A August 2016		B		C=B/A		D August 2017		E		F=E/D		G		H^		I=F-G		
	Budget	Actual	Budget	Actual	% Rec'd	% Rec'd	Budget	Actual	% Rec'd	% Rec'd	Expected % Rec'd*	% Rec'd	Expected % Rec'd*	Varinc from Expected	% Variance	Expected % Rec'd*	% Rec'd	Expected % Rec'd*	
Intergovernmental Revenues	\$0	\$0	\$0	\$0	100.0%	100.0%	\$0	\$0	0.0%	0.0%	66.7%	66.7%	66.7%	\$0	100.0%	66.7%	66.7%	66.7%	
Water Sales	\$2,351,387	\$1,742,840	\$1,742,840	\$1,742,840	74.1%	74.1%	\$2,613,600	\$1,661,497	63.6%	63.6%	66.7%	66.7%	66.7%	(81,774)	-3.1%	66.7%	66.7%	66.7%	
Water Connection/Misc. Fees	10,000	72,258	72,258	72,258	722.6%	722.6%	75,000	159,585	212.8%	212.8%	66.7%	66.7%	66.7%	109,560	146.1%	66.7%	66.7%	66.7%	
Misc. Revenues/Insurance	2,121	3,740	3,740	3,740	176.3%	176.3%	2,121	702	33.1%	33.1%	66.7%	66.7%	66.7%	(713)	-33.6%	66.7%	66.7%	66.7%	
Non-Revenue Tax Receipts	100	365	365	365	0.0%	0.0%	150	66	44.0%	44.0%	66.7%	66.7%	66.7%	(34)	-22.7%	66.7%	66.7%	66.7%	
Proceeds of Long-Term Debt	1,464,500	0	0	0	0.0%	0.0%	1,000,000	2,050,000	205.0%	205.0%	66.7%	66.7%	66.7%	1,383,000	138.3%	66.7%	66.7%	66.7%	
Fines and Forfeitures	25,000	19,903	19,903	19,903	0.0%	0.0%	28,000	21,297	76.1%	76.1%	66.7%	66.7%	66.7%	2,621	9.4%	66.7%	66.7%	66.7%	
Interest Earnings	6,275	8,071	8,071	8,071	128.6%	128.6%	10,000	12,759	127.6%	127.6%	66.7%	66.7%	66.7%	6,089	60.9%	66.7%	66.7%	66.7%	
Total	\$3,859,383	\$1,847,177	\$1,847,177	\$1,847,177	47.9%	47.9%	\$3,728,871	\$3,905,906	104.7%	104.7%	66.7%	66.7%	66.7%	\$1,418,749	38.0%	66.7%	66.7%	66.7%	66.7%

WATER FUND (#405) EXPENSES	A August 2016		B		C=B/A		D August 2017		E		F=E/D		G		H^		I=G-F			
	Budget	Actual	Budget	Actual	% Exp'd	% Exp'd	Budget	Actual	% Exp'd	% Exp'd	Expected % Exp*	% Exp'd	Expected % Exp*	Varinc from Expected	% Variance	Expected % Exp*	% Exp'd	Expected % Exp*		
Operating Expenses	\$1,888,309	\$1,257,144	\$1,257,144	\$1,257,144	66.6%	66.6%	\$1,930,577	\$1,478,761	76.6%	76.6%	66.7%	66.7%	66.7%	(\$191,066)	-9.9%	66.7%	66.7%	66.7%	66.7%	
Capital Outlay	1,847,000	379,186	379,186	379,186	20.5%	20.5%	1,603,000	733,125	45.7%	45.7%	66.7%	66.7%	66.7%	336,076	21.0%	66.7%	66.7%	66.7%	66.7%	
Debt Principal	134,077	21,000	21,000	21,000	15.7%	15.7%	135,077	22,000	16.3%	16.3%	66.7%	66.7%	66.7%	68,096	50.4%	66.7%	66.7%	66.7%	66.7%	
Interest Expense	14,435	4,400	4,400	4,400	30.5%	30.5%	12,730	3,428	26.9%	26.9%	66.7%	66.7%	66.7%	5,063	39.8%	66.7%	66.7%	66.7%	66.7%	
Total	\$3,883,821	\$1,661,730	\$1,661,730	\$1,661,730	42.8%	42.8%	\$3,681,384	\$2,237,314	60.8%	60.8%	66.7%	66.7%	66.7%	\$218,169	5.9%	66.7%	66.7%	66.7%	66.7%	66.7%

Net Budget/Income/Variance: (\$24,438) \$185,447 \$47,487 \$1,668,592 \$1,636,918

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

City of Chehalis
Comparative Financial Reports
August 2016 and 2017

STORM FUND (#406) REVENUES	A August 2016		B		C=B/A		D August 2017		E		F=E/D		G		H^		I=F-G	
	Budget	Actual	Budget	Actual	% Rec'd	% Rec'd	Budget	Actual	% Rec'd	% Rec'd	% Rec'd	% Rec'd	Expected	% Exp*	Expected	% Exp*	Expected	% Exp*
Storm & Surface Water Fees	\$501,000	\$361,147	\$540,910	\$404,197	72.1%	74.7%	\$540,910	\$404,197	74.7%	74.7%	66.7%	66.7%	\$43,410	8.0%	\$43,410	8.0%	\$43,410	8.0%
Storm Connection/Misc. Fees	4,000	2,152	10,000	74,971	53.8%	749.7%	10,000	74,971	749.7%	749.7%	66.7%	66.7%	68,301	683.0%	68,301	683.0%	68,301	683.0%
Misc. Revenues/Insurance	2,000	0	0	0	0.0%	0.0%	0	0	0.0%	0.0%	66.7%	66.7%	0	-66.7%	0	-66.7%	0	-66.7%
Non-Revenue Tax Receipts	275	0	0	25	0.0%	100.0%	0	25	100.0%	100.0%	66.7%	66.7%	25	33.3%	25	33.3%	25	33.3%
Fines and Forfeitures	4,500	3,813	5,000	3,882	84.7%	77.6%	5,000	3,882	77.6%	77.6%	66.7%	66.7%	547	10.9%	547	10.9%	547	10.9%
Interest Earnings	580	1,361	1,000	3,200	234.7%	320.0%	1,000	3,200	320.0%	320.0%	66.7%	66.7%	2,533	253.3%	2,533	253.3%	2,533	253.3%
Totals	\$512,355	\$968,473	\$556,910	\$486,275	71.9%	87.3%	\$556,910	\$486,275	87.3%	87.3%	66.7%	66.7%	\$114,816	20.6%	\$114,816	20.6%	\$114,816	20.6%

STORM FUND (#406) EXPENSES	A August 2016		B		C=B/A		D August 2017		E		F=E/D		G		H^		I=G-F	
	Budget	Actual	Budget	Actual	% Exp'd	% Exp'd	Budget	Actual	% Exp'd	% Exp'd	% Exp'd	% Exp'd	Expected	% Exp*	Expected	% Exp*	Expected	% Exp*
Operating Expenses	\$469,176	\$190,047	\$524,898	\$229,152	40.5%	43.7%	\$524,898	\$229,152	43.7%	43.7%	66.7%	66.7%	\$120,955	23.0%	\$120,955	23.0%	\$120,955	23.0%
Transfers Out	18,000	18,000	0	0	0.0%	0.0%	0	0	0.0%	0.0%	66.7%	66.7%	0	66.7%	0	66.7%	0	66.7%
Totals	\$487,176	\$208,047	\$524,898	\$229,152	42.7%	43.7%	\$524,898	\$229,152	43.7%	43.7%	66.7%	66.7%	\$120,955	23.0%	\$120,955	23.0%	\$120,955	23.0%

Net Budget/Income/Variance: \$25,179 \$160,426

\$32,012 \$257,123

\$235,771

Key:

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

City of Chehalis
Comparative Financial Reports
August 2016 and 2017

AIRPORT FUND (#407) REVENUES	A		B		C=B/A		D		E		F=E/D		G		H^		I=G-F	
	Budget	August 2016 Actual	Budget	Actual	% Rec'd	Budget	Actual	Budget	Actual	% Rec'd	Expected	% Rec'd	Expected	Var'nc from Expected	%	Expected	Var'nc from Expected	%
Intergovernmental Revenues	\$916,600	\$311,335	\$1,305,191	\$891,553	34.0%	\$1,305,191	\$891,553	68.3%	66.7%	21,426	66.7%	66.7%	(1,814)	1.6%				
Charges for Goods and Svcs.	533,622	346,555	534,567	354,564	64.9%	534,567	354,564	66.3%	66.7%	7,688	66.7%	66.7%	383	-0.4%				
Interest Earnings	14,000	5,528	5,325	11,238	39.5%	5,325	11,238	211.0%	66.7%	45,419	66.7%	66.7%	4,328	144.3%				
Licenses & Permits	0	1,450	1,450	1,350	0.0%	1,450	1,350	93.1%	66.7%	0	66.7%	66.7%	76	26.4%				
Rents & Royalties	896,423	676,640	981,437	699,710	75.5%	981,437	699,710	71.3%	66.7%	0	66.7%	66.7%	0	4.6%				
Misc. Rev/Ins/Donations	600	419	2,140	5,755	69.8%	2,140	5,755	268.9%	66.7%	4,328	66.7%	66.7%	0	202.2%				
Non-Revenue Tax Receipts	157,373	114,524	168,424	118,564	72.8%	168,424	118,564	70.4%	66.7%	0	66.7%	66.7%	0	3.7%				
Operating Transfers In	32,500	32,500	0	0	0.0%	0	0	0.0%	66.7%	\$77,430	66.7%	66.7%	\$77,430	-66.7%				
	\$2,551,118	\$1,488,951	\$2,998,534	\$2,082,734	58.4%	\$2,998,534	\$2,082,734	69.5%	66.7%		66.7%	66.7%		2.8%				

AIRPORT FUND (#407) EXPENSES	A		B		C=B/A		D		E		F=E/D		G		H^		I=G-F		
	Budget	August 2016 Actual	Budget	Actual	% Exp'd	Budget	Actual	Budget	Actual	% Exp'd	Expected	% Exp'd	Expected	Var'nc from Expected	%	Expected	Var'nc from Expected	%	
Operating Expenses	\$1,338,870	\$814,649	\$1,337,671	\$857,950	60.8%	\$1,337,671	\$857,950	64.1%	66.7%	\$33,831	66.7%	66.7%	(103,672)	2.6%					
Capital Outlay	904,130	378,970	1,554,005	1,139,675	41.9%	1,554,005	1,139,675	73.3%	66.7%	(477,620)	66.7%	66.7%	(11,125)	-6.6%					
Principal - G.O. Bonds	278,505	128,423	1,597,850	1,542,853	46.1%	1,597,850	1,542,853	96.6%	66.7%	0	66.7%	66.7%	0	-29.9%					
Interest Expense	74,084	45,244	44,382	40,713	61.1%	44,382	40,713	91.7%	66.7%	(\$558,586)	66.7%	66.7%	(\$558,586)	-25.0%					
	\$2,595,589	\$1,367,286	\$4,533,908	\$3,581,191	52.7%	\$4,533,908	\$3,581,191	79.0%	66.7%		66.7%	66.7%		-12.3%					
	(\$44,471)	\$121,665	(\$1,535,374)	(\$1,498,457)		(\$1,535,374)	(\$1,498,457)												

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**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council
FROM: Jill Anderson, City Manager
BY: Judy Pectol, Finance Manager
MEETING OF: September 25, 2017
SUBJECT: Annual Debt Compliance Update

ISSUE

The city is required to submit annual financial data to the Municipal Securities Rulemaking Board annually and then report to the City Council that the requirement has been fulfilled.

DISCUSSION

As part of the issuance of the city's Limited Tax General Obligation Bonds, 2011, the city agreed to adhere to federal regulations and its own Debt Management and Post-Issuance Compliance (DMPI) Policy.

The city is required to provide bondholders and the general public with annual financial information and timely notice of the occurrence of certain events.

The deadline for submitting annual financial information online is September 30 of each year. The data for the year ending December 31, 2016, was electronically submitted to Municipal Securities Rulemaking Board (MSRB) via their Electronic Municipal Market Access (EMMA) system on September 20, 2017. Confirmation of successful submission is attached.

FISCAL IMPACT

None

RECOMMENDATION

No action is required; this update is informational only.

SUGGESTED MOTION

N/A

Judy Pectol

From: EMMANotifications@msrb.org
Sent: Wednesday, September 20, 2017 9:25 PM
To: Judy Pectol
Subject: Published Submission Confirmation

Your Continuing Disclosure Submission has been published.

SubmissionId: ES819452

Disclosure Type: FINANCIAL/OPERATING FILING Annual Financial Information and Operating Data (Rule 15c2-12):
Unaudited Financials for the year ended 12/31/2016 Other Financial / Operating Data: Additional Financial Data as of
12/31/2016

Document Name: Financial Operating Filing dated 09/21/2017
2016 Unaudited Annual Report.pdf posted 09/21/2017 12:23:40 AM

The following issuers are associated with this continuing disclosure submission:

CUSIP6	State	Issuer Name
163087	WA	CHEHALIS WASH

The following 5 Securities have been published with this continuing disclosure submission:

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

Please follow the link to view this submission:

<https://emma.msrb.org/ContinuingDisclosureView/ContinuingDisclosureDetails.aspx?submissionId=ES819452>

Please follow the link to make changes to this submission:

<http://dataport.emma.msrb.org/AboutDataport.aspx>

PLEASE DO NOT REPLY. This is a system-generated e-mail. If you need assistance please contact the MSRB at 202-838-1330 or you may obtain more information at www.msrb.org.



Submission ID:ES819452
09/21/2017 00:23:40

CONTINUING DISCLOSURE (SUBMISSION STATUS: PUBLISHED)

FINANCIAL/OPERATING FILING (CUSIP-9 BASED)

Rule 15c2-12 Disclosure

Annual Financial Information and Operating Data: Unaudited Financials, for the year ended 12/31/2016

Voluntary Disclosure

Other Financial / Operating Data: Additional Financial Data, as of 12/31/2016

Documents

Financial Operating Filing

L-2016 Unaudited Annual Report.pdf posted 09/21/2017

The following issuers are associated with this continuing disclosure submission:

CUSIP-6	State	Issuer Name
163087	WA	CHEHALIS WASH

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CUSIP-9	Maturity Date
163087AA7	12/01/2014
163087AB5	12/01/2017
163087AC3	12/01/2021
163087AD1	12/01/2024
163087AE9	12/01/2026

Submitter's Contact Information

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