

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

<b>Dennis L. Dawes, Position at Large</b>		
<b>Mayor</b>		
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, October 23, 2017**  
**5:00 p.m.**

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| <ol style="list-style-type: none"><li>1. <u>Call to Order.</u> (Mayor)</li><li>2. <u>Pledge of Allegiance.</u> (Mayor)</li></ol> |
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| <b>PROCLAMATIONS / PRESENTATIONS</b>   |
| <ol style="list-style-type: none"><li>3. <u>Commemorative Naming of SW 16<sup>th</sup> Street and Proclamation Honoring Orin Smith.</u> (Mayor, City Manager)</li><li>4. <u>Eagle Scout Project Community Service Award.</u> (Fire Chief, Fire Captain Paul)</li></ol> |

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| <b>SPECIAL BUSINESS</b>  |
| <ol style="list-style-type: none"><li>5. <u>Washington State 911 Update.</u> ( Bobby Jackson, County Commissioner; Adam Wasserman, Washington State 911 Coordinator)</li></ol> |

<b>CITIZENS BUSINESS</b>
<p>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.</p>

ITEM	ADMINISTRATION RECOMMENDATION	PAGE
<b>CONSENT CALENDAR</b>		
6. <u>Minutes of the Regular Meeting of October 9, 2017.</u> (City Clerk)	APPROVE	1
7. <u>Vouchers and Transfers.</u> (City Manager, Finance Manager)	APPROVE	4
8. <u>Ordinance No. 982-B, Second and Final Reading – Amending the Zero Rise Policy.</u> (City Manager, Community Development Director)	PASS	5
9. <u>Accept Redundant Flocculation Basin Project as Complete and Release Retainage to Prospect Construction, Inc., After All Statutory Requirements Have Been Met.</u> (City Manager, Public Works Director, Water Superintendent)	APPROVE	8
10. <u>Accept Kresky Avenue Sewer Repair Project as Complete and Release Retainage to DJ's Plumbing, LLC After All Statutory Requirements Have Been Met.</u> (City Manager, Public Works Director, Wastewater Superintendent)	APPROVE	10

ITEM	ADMINISTRATION RECOMMENDATION	PAGE
<b>NEW BUSINESS</b>		
11. <u>Approve Candidates and Funding Amounts of the Lodging Tax Advisory Committee for Use of Lodging Tax Funds for 2018; and Reappoint Committee Members.</u> (Mayor Pro Tem Harris, City Manager)	APPROVE; REAPPOINT COMMITTEE MEMBERS	11
12. <u>Ordinance No. 981-B, First Reading – Amending the 2017 Annual Budget.</u> (City Manager, Interim Finance Manager)	PASS	23

ITEM	ADMINISTRATION RECOMMENDATION	PAGE
<b>ADMINISTRATION AND CITY COUNCIL REPORTS</b>		
13. <u>Administration Reports.</u>	INFORMATION ONLY	- - -
a. Finance report. (City Manager, Interim Finance Manager)		34
b. City Manager update. (City Manager)		- - -
14. <u>Councilor Reports/Committee Updates.</u> (City Council)	INFORMATION ONLY	- - -

**THE CITY COUNCIL MAY ADD AND TAKE ACTION ON OTHER ITEMS NOT LISTED ON THIS AGENDA.  
NEXT REGULAR CITY COUNCIL MEETING IS MONDAY, NOVEMBER 13, 2017.**

October 9, 2017

The Chehalis city council met in regular session on Monday, October 9, 2017, in the Chehalis city hall. Mayor Dennis Dawes called the meeting to order at 4:30 pm with the following council members present: Terry Harris, Daryl Lund, Bob Spahr, and Chad Taylor. Councilor Dr. Isaac Pope arrived at 4:46 pm and Councilor Tony Ketchum arrived at 4:54 pm. Staff present included: Jill Anderson, City Manager; Caryn Foley, City Clerk; Bill Hillier, City Attorney; Trent Loughheed, Community Development Director; Rick Sahlin, Public Works Director; and Patrick Wiltzius, Wastewater Superintendent.

1. **Executive Session.** Mayor Dawes announced the council would be in executive session pursuant to RCW 42.30.110(1)(i) – Litigation/Potential Litigation for approximately 30 minutes and there would be no decision following conclusion of the executive session.

Mayor Dawes closed the executive session at 5:04 pm and announced the council would take a short recess and reopen the regular meeting at 5:07 pm. Additional staff included: Ken Cardinale, Fire Chief; Glenn Schaffer, Police Chief; Judy Schave, Human Resources/Risk Manager; and Lilly Wall, Recreation Manager. Members of the media included Graham Perednia from *The Chronicle*.

2. **Proclamation – Domestic Violence Awareness Month.** Mayor Dawes read and presented a proclamation declaring October as Domestic Violence Awareness Month to Human Response Network Board Member Tony Ketchum. Mr. Ketchum shared some sobering statistics relating to domestic violence and he thanked the council for helping to raise awareness about domestic violence.

3. **Proclamation – Fire Prevention Week.** Fire Chief Cardinale accepted the proclamation on behalf of the Chehalis Fire Department proclaiming October 8-14 as Fire Prevention Week. This year's theme is "*Every Second Counts: Plan 2 Ways Out!*" to remind everyone to develop and practice a home fire escape plan.

4. **Citizens Business – Commemorative Naming of SW 16<sup>th</sup> Street in Honor of Orin Smith.** Mr. J. Vander Stoep (280 Brockway Road, Chehalis) spoke in favor of the naming. He stated Orin has done enormous things for this community and he believed there's more to come. He stated the Smith Family did not have money when they were growing up. Whatever Orin's made, he's made through his work and his talents.

Mr. Vander Stoep stated in doing research on Orin he came across a 2016 article from the University of Washington Foster Business magazine entitled, "Heart + Mind" that talked about Orin's growing up, becoming the CEO of Starbucks and taking it worldwide, to being appointed to the Boards of Nike and Walt Disney. He noted several quotes that he requested be included in the minutes:

- Phil Knight, Chief Shareholder of Nike: "When asked in 2010 who would I pick as chairman if I were hit by a bus, my pick was Orin Smith. He is outstanding in every way – as a businessman, as a leader, as a moral man."
- Bill Ayer, Chairman and CEO of Alaska Airlines: "Orin is simply one of the most thoughtful, collaborative and humble leaders I have ever known. His leadership style and clear-minded reasoning are legendary. His calm demeanor and deep understanding of issues and people make his advice and counsel highly sought after."
- Anne McGonigle, Starbucks Associate: "Earnest, compassionate, humble. A principled leader and man of exceptional integrity. That was and is the essence of Orin Smith. You can take the kid out of Chehalis and send him to the University of Washington, Harvard Business School and the heights of business success, but you can never take Chehalis out of the Kid."

The article concluded by saying, "Not bad for a kid from Chehalis. But then, maybe his humble beginnings have everything to do with all that Smith has accomplished, and how." Mr. Vander Stoep viewed the recognition beyond thanking Orin for all he's done for the community, but stated that it more importantly shows kids that you can come from a small town and with hard work and talent, you can rise as high as your ability will allow you to go. He noted that Orin says there is no limit – the sky is the limit.

October 9, 2017

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

a. Minutes of the regular meeting of September 25, 2017;

b. September 29, 2017 Claim Vouchers No. 120391-120530 in the amount of \$289,776.47; and September 29, 2017, Payroll Vouchers No. 39860-39933, Direct Deposit Payroll Vouchers No. 8708-8808, and Electronic Federal Tax Payment No. 176 in the amount of \$829,268.18; and

c. Confirm appointment of Pat Soderquist to the Planning Commission for a four-year term expiring September 30, 2021.

The motion was seconded by Councilor Lund and carried unanimously.

6. **Commemorative Naming of SW 16<sup>th</sup> Street in Honor of Orin Smith.** City Manager Anderson stated the item follows a request from the last council meeting to consider naming a street after Orin Smith for some of the reasons outlined by Mr. Vander Stoep. Mr. Smith has contributed generously and has been a great example. Although Ms. Anderson has not met Orin, she stated she is struck by his great business acumen, but also his heart and his humility. A draft mock-up of a sign was distributed to the council members. The sign will be similar to the wayfinding signs around town that include the city's logo. It will take about three weeks to have the signs made, so she hoped to have them available for the first meeting in November. Multiple signs will be placed at strategic spots along SW 16<sup>th</sup> Street in front of W.F. High School.

Councilor Lund moved that the Chehalis City Council commemoratively name SW 16<sup>th</sup> Street to Orin Smith Commemorative Way – Preparing Students for a Brighter Future. The motion was seconded by Councilor Taylor.

Councilor Harris noted that Mr. Smith tries to do things under the radar, with no limelight, and to Councilor Harris that is ultimate graciousness.

The motion carried unanimously.

7. **Ordinance No. 982-B, First Reading – Amending the Zero Rise Policy.** Trent Lougheed stated that when the zero rise policy was originally adopted there was a section that mentioned a fee-in-lieu of compensatory excavation; however, no fee was calculated or identified in the ordinance. Based upon several reasonable assumptions, the estimated cost to remove excavated material from the floodplain to another site is \$8.72 per cubic yard. The fee will be added to the city's current fee schedule. He noted the rate would need to be adjusted periodically to meet future prevailing wage rate increases or other costs that may fluctuate.

Councilor Harris moved to pass Ordinance No. 982-B on first reading. The motion was seconded by Councilor Lund and carried unanimously.

8. **Administration Reports.**

a. **City Manager Update.** City Manager Anderson asked Recreation Manager Lilly Wall to provide a brief update on the success of summer recreation programs.

Ms. Wall stated they had a great summer and the weather really cooperated. The Aquatics Center had 31,400 participants and 707 swim lesson registrants. The center was busy every day, just at capacity each day, which meant people didn't have to wait in long lines to get into the facility. Season passes were sold for the first time with 201 passes. The center employed 34 individuals that did a tremendous job. It was estimated that about 63% of open swim participants were from out of the area. About 62% of swim lesson participants were local. With regard to recreation programs, they were also very busy with a variety of offerings for both youth and adults.

Councilor Pope asked for a brief summary of future needs at the pool. City Manager Anderson stated they could certainly do that, but she was planning to discuss those items during the budget process and with the council park subcommittee.

October 9, 2017

City Manager Anderson stated the administration is working on preparing the proposed 2018 budget, which will be presented to council in November.

**9. Councilor Reports/Committee Updates.**

a. Councilor Lund thanked the Community Development Department staff. One of his contractors told him that the staff was so easy to work with, were very courteous, and made the process easy.

b. Councilor Spahr stated he has been participating in budget meetings.

c. Councilor Harris stated he is on the Lewis County Solid Waste Advisory Committee and is not available to attend their annual meeting on October 17. He asked if another council member could attend on his behalf.

d. Councilor Spahr asked about the missing fountain in front of the library. City Manager Anderson stated it was removed for repairs and restoration.

e. Mayor Dawes participated in the following: planning commission interview; Judy Pectol's retirement open house where the honoree hosted drawings for those who attended; department budget presentations; AWC regional meeting; mayors meeting and legislative roundtable where all representatives from the 19<sup>th</sup> and 20<sup>th</sup> districts attended, except Senator Braun who was out of town; and College Foundation gala. Mayor Dawes thanked Rick Sahlín and his crew for reinstalling the pedestrian bridge on National Avenue near Coal Creek Road that had been down for a while.

f. Councilor Lund mentioned the bell that used to be between the old city hall and library buildings. He said before the days of modern communication, the bell was used at the fire station that would ring a code to tell the firemen what part of town a fire was at. The mechanisms for the machine are on display at the fire hall. He thought it would be cool to get it reinstalled.

10. **Executive Session.** At 5:47 pm, Mayor Dawes announced the council would take a short recess and then be in executive session pursuant to RCW 42.30.110(1)(c) – Sale/Lease of Real Estate and RCW 42.30.140(4)(a) – Collective Bargaining Litigation/Potential Litigation not to exceed 7:00 pm and there would be no decision following conclusion of the executive session. Mayor Dawes closed the regular meeting at 5:52 pm. Following conclusion of the executive session, the regular meeting was reopened at 6:40 pm.

11. **Commemorative Naming of SW 16<sup>th</sup> Street in Honor of Orin Smith.** Councilor Lund asked that the commemorative naming be done at the next meeting and have a mock-up of the sign since the actual signs will take around three weeks to make. City Manager Anderson stated staff would try to make that happen.

There being no further business to come before the council, the meeting was adjourned at 6:42 pm.

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Dennis L. Dawes, Mayor

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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:** Tim McGuire, Interim Finance Manager  
Michelle White, Accounting Tech II

**MEETING OF:** October 23, 2017

**SUBJECT:** Vouchers and Transfers

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**ISSUE**

City Council approval is requested for Vouchers and Transfers dated October 13, 2017.

**DISCUSSION**

The October 13, 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. 120531-120677 and Electronic Funds Transfer Nos. 92017 & 920171 in the amount of \$471,523.57 dated October 13, 2017, which includes the payment of:

- \$192,290.32 from the General Fund
- \$15,550.47 from the Dedicated Street Fund – 4% Sales Tax Fund
- \$516.01 from the Garbage Fund
- \$131,911.35 from the Wastewater Fund
- \$44,792.51 from the Water Fund
- \$13,926.85 from the Storm & Surface Water Utility Fund
- \$72,536.06 from the Airport Fund

**RECOMMENDATION**

It is recommended that the City Council approve the October 13, 2017 Claim Vouchers No. 120531-120677 and Electronic Funds Transfer Nos. 92017 & 920171 in the amount of \$471,523.57.

**SUGGESTED MOTION**

I move that the City Council approve the October 13, 2017 Claim Vouchers No. 120531-120677 and Electronic Funds Transfer Nos. 92017 & 920171 in the amount of \$471,523.57.

**CHEHALIS CITY COUNCIL MEETING  
AGENDA REPORT**

**TO:** The Honorable Mayor and City Council

**FROM:** Jill Anderson, City Manager

**BY:** Trent J. Lougheed, P.E., Community Development Director

**DATE:** October 23, 2017

**SUBJECT:** Ordinance No. 982-B, Second and Final Reading – Amending Chehalis Municipal Code Chapter 17.22.035 Relating to Zero-Rise Policy, and creating a Compensatory Excavation Mitigation Fund

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**ISSUE**

On October 9, 2017, the City Council approved the first reading of a proposed amendment to the Chehalis Municipal Code Title 17 Zoning Regulations to provide a mechanism for developers to pay a “fee-in-lieu” of compensatory excavation within the Chehalis River floodplain. This item has been scheduled to provide for the second and final reading of the ordinance.

**DISCUSSION**

Ordinance No. 958-B created a zero-rise policy due to the potential impacts of fill material being placed within the floodplain of the Chehalis River Basin. The zero-rise policy is to protect partners downstream from potential impacts of fill occurring upstream, while at the same time, protecting development within the city from being impacted by flood events.

The ordinance requires that any fill greater than 500 cubic yards (500 cubic yards is the threshold that triggers the need for a fill and grade permit) to obtain an engineering report showing that there will be zero rise in the Base Flood Elevation (BFE). If the report shows there will be rise in the BFE, the applicant would have to mitigate by providing a compensatory excavation site at a location that the applicant will have to secure within the floodplain.

The original ordinance mentioned a fee-in-lieu of compensatory excavation; however, no fee was calculated or identified in the ordinance. Based upon reasonable assumptions, the estimated cost to remove excavated material from the floodplain to a contractor-provided waste site has been calculated at \$8.72 per cubic yard of material, utilizing current (2017) prevailing wage rates. Since any monies received will be utilized for funding Flood Storage and Habitat Enhance Projects, the fee estimate is based on a larger-scale project, with round-trip time estimates for loading and hauling of material to a site suitable and available to receive fill (outside of the floodplain). This fee will need to be periodically updated to meet future prevailing wage rates or other costs that may fluctuate.

Section 17.22.035(g) of the Chehalis Municipal Code is proposed to be replaced with the following:

**17.22.035 Zero-Rise Policy**

(g) If the engineering report shows a rise in the Base Flood Elevation (BFE) due to the proposed fill, in lieu of compensatory excavation, the applicant may contribute funds for flood storage mitigation and aquatic species enhancement projects within the Chehalis River floodplain. Said fee will be calculated per cubic yard of material, utilizing prevailing wage rates. Said fee will need to be periodically updated to meet future prevailing wage rates or other costs that may fluctuate. Said fees shall be deposited into the city's Compensatory Excavation Mitigation Fund, which will be utilized solely for capital projects that provide flood storage and habitat enhancement that are on the Chehalis River and its associated floodplain within the city of Chehalis limits. Said fee shall be added to the city's fee schedule.

The City Council approved the first reading at the October 9, 2017 regular Council meeting, and no comments have been received to date.

The attached ordinance is presented for consideration on second and final reading.

**FISCAL IMPACT**

None by this action.

**RECOMMENDATION**

It is recommended that the City Council pass Ordinance No. 982-B on second and final reading.

**SUGGESTED MOTION**

I move that the City Council pass Ordinance No. 982-B on second and final reading.



**ORDINANCE NO. 982-B**

**AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, AMENDING CHAPTER 17.22.035(g) OF THE CHEHALIS MUNICIPAL CODE ESTABLISHING A ZERO-RISE POLICY, AND PROVIDING FOR AN EFFECTIVE DATE HEREOF.**

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

**Section 1.** Chapter 17.22.035(g) shall be, and the same hereby is, amended to create a Compensatory Excavation Mitigation Fund. Chapter 17.22.035(g) shall be amended to read,

“(g) If the engineering report shows a rise in the Base Flood Elevation (BFE) due to the proposed fill, in lieu of compensatory excavation, the applicant may contribute funds for flood storage mitigation and aquatic species enhancement projects within the Chehalis River floodplain. Said fee will be calculated per cubic yard of material, utilizing prevailing wage rates. Said fee will need to be periodically updated to meet future prevailing wage rates or other costs that may fluctuate. Said fees shall be deposited into the city’s Compensatory Excavation Mitigation Fund, which will be utilized solely for capital projects that provide flood storage and habitat enhancement that are on the Chehalis River and its associated floodplain within the city of Chehalis limits. Said fee shall be added to the city’s fee schedule.”

**Section 2.** The effective date of this ordinance shall be the \_\_\_\_ of \_\_\_\_\_, 2017.

**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 \_\_\_\_ of \_\_\_\_\_, 2017.

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
Caryn Foley, 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:** Rick Sahlin, Public Works Director  
Dave Vasilauskas Water Superintendent

**MEETING OF:** October 23, 2017

**SUBJECT:** Acceptance and Closeout of the Redundant Flocculation Basin Project

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**ISSUE**

The construction of the Second Flocculation Project is complete. It is recommended that the City Council accept the project as complete and release the retainage to Prospect Construction, Inc., after all statutory requirements have been met.

**DISCUSSION**

In March 2014, the city was awarded a loan from the Drinking Water State Revolving Fund (DWSRF) for the construction of a new flocculation and pre-sedimentation train at the water filter plant. The original funding allotted \$909,000 for project construction. After bids came in higher than expected, an additional \$303,000 was secured from the DWSRF for the project.

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 \$56,385.10 will be released.

**FISCAL IMPACT**

The final cost of the project was \$1,217,918.16 which is \$13,569.12 more than the original bid amount. The increase was due to three field orders and two change orders, which have previously been approved by City Council. The final amount financed by DWSRF was \$1,212,000 for 24 years at 1.50%.

**RECOMMENDATION**

It is recommended that the City Council accept the Redundant Flocculation Basin Project as complete and release the retainage in the amount of \$56,385.10 to Prospect Construction, Inc., after all statutory requirements have been met.

**SUGGESTED MOTION**

I move that the City Council accept the Redundant Flocculation Basin Project as complete and release the retainage in the amount of \$56,385.10 to Prospect Construction, Inc., after all statutory requirements have been met.

**CHEHALIS CITY COUNCIL MEETING  
AGENDA REPORT**

**TO:** The Honorable Mayor and City Council  
**FROM:** Jill Anderson, City Manager  
**BY:** Rick Sahlin, Public Works Director  
Patrick Wiltzius, Wastewater Superintendent  
**MEETING OF:** October 23, 2017  
**SUBJECT:** Kresky Avenue Sewer Repair Project

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**ISSUE**

The Kresky Avenue Sewer Repair Project is complete. The administration recommends that the City Council accept the project as complete.

**DISCUSSION**

In March, City Council awarded a contract to DJ's Plumbing for \$68,963.40 to repair a failing section of sewer line under Kresky Avenue. The repair project was started in August. The original plan was to replace the 105-foot section of sewer line by open cutting Kresky Avenue. Once work began, it was determined that the old sewer line was in a casing and that it would be more cost effective to utilize the existing casing and eliminate open cutting Kresky Avenue. The project was completed in September at a final cost of \$42,307.48.

**FISCAL IMPACT**

\$100,000 was allotted in the 2017 Wastewater Fund for this project.

**RECOMMENDATION**

The administration recommends that the City Council accept the Kresky Avenue Sewer Repair Project as complete and authorize release of retainage after all statutory requirements have been met.

**SUGGESTED MOTION**

I move that the City Council accept the Kresky Avenue Sewer Repair Project as complete and authorize release of retainage after all statutory requirements have been met.

**CHEHALIS CITY COUNCIL MEETING  
AGENDA REPORT**

**TO:** The Honorable Mayor and City Council

**FROM:** Lodging Tax Advisory Committee  
Mayor Pro Tem Terry Harris, Chair  
Alicia Bull, Centralia-Chehalis Chamber of Commerce  
Rick Burchett, Chehalis-Centralia Railroad & Museum  
Todd Chaput, Holiday Inn Express & Suites  
Gloria Choi, Econo Lodge  
Chip Duncan, Veterans Memorial Museum  
Jena Sorenson, Riverside Golf Club

**BY:** Caryn Foley, City Clerk

**MEETING OF:** October 23, 2017

**SUBJECT:** Lodging Tax Advisory Committee Recommendations for 2018 Tourism Funds and Reappointment of Committee Members

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**ISSUE**

The Lodging Tax Advisory Committee (LTAC) met on October 11, to review requests from nine organizations for 2018 tourism funds.

**DISCUSSION**

The Chehalis LTAC reviews and makes funding recommendations to the City Council to fund various non-profit organizations or government entities for marketing, activities, operations, and expenditures designed to increase tourism.

In 2013, the state legislature passed a bill which, among other things, changed the role of the LTAC and what action can be taken by the City Council. Legislation provides that requests be submitted to the LTAC who prepares a list of candidates and funding recommendations to the City Council.

In the past, it was believed that the City Council had to either accept the recommendations or not accept them. However, an informal opinion was issued by the State Attorney General's Office that clarifies lodging tax awards. The informal opinion states that the roles of the LTAC and the municipality are clear: the LTAC is to make recommendations and the municipality is to make a final determination. A municipality may award amounts different from the LTAC, but

only after satisfying procedural requirements of the state statute. A municipality must submit its proposed change to the advisory committee for review and comment at least 45 days before final action on the proposal.

The attachments to this report include the minutes from the October 11 LTAC meeting; current tourism tax revenue report; and 2018 tourism fund projections and requests. Funding request applications are available for review through the city manager’s office and will be available at the council meeting.

Upon City Council approval, all recipients must enter into an agreement with the city for use of the funds. They are required to report on a quarterly basis how the funds were spent.

**Summary of Requests Submitted and Funding Recommendations**

After review and discussion, the committee makes the following recommendations:

<b><u>Organization</u></b>	<b><u>Request</u></b>	<b><u>Recommendation</u></b>
<b>Facilities</b>		
1. Chehalis-Centralia Railroad & Museum	\$ 35,000	\$ 35,000
2. Lewis County Historical Museum	\$ 40,000	\$ 40,000
3. Veterans Memorial Museum	\$ 30,000	\$ 30,000
<b>Events</b>		
4. Lewis Co. Community Trails (Ride the Willapa)	\$ 22,750	\$ 0
<b>General Marketing/Tourism</b>		
5. Friends of the Chehalis Community Renaissance	\$ 43,600	\$ 40,000
6. Cent-Cheh Chamber (Visitor Center Services)	\$ 40,000	\$ 40,000
<b>City</b>		
7. Chehalis Wedding Show	\$ 12,435	\$ 12,435
8. Athletic Tournaments	\$ 20,000	\$ 20,000
9. Pool Liner	<u>\$ 150,000</u>	<u>\$100,000</u>
<b>Total</b>	<b>\$393,785</b>	<b>\$317,435</b>

Below is a brief explanation for those organizations that were not recommended full funding:

- **Lewis County Community Trails (Ride the Willapa):** This event begins and ends in Chehalis; however, any overnight stays and planned activities take place in Lewis County. Chehalis hoteliers report that other annually-scheduled events already fill up the hotel rooms on this particular weekend. The LTAC suggested that the event organizers consider changing the date, but the Trails Committee is not in favor of doing that.

- **Friends of the Chehalis Community Renaissance (CCRT):** As part of their request, the CCRT asked for \$4,000 to manage and produce ChehalisFest. The LTAC would like to see the CCRT seek sponsorships for the event.
- **City of Chehalis (Pool Liner):** The LTAC would like to see additional funding partners for this project. City administration plans to research various grants.

### **Recreation Park Improvements**

During the LTAC’s September 27, 2016 meeting, Councilor Harris stated improvements to Recreation Park was a council goal and that the city would like to use council-matic bonds with the intent of using lodging tax funds to repay the loan. The LTAC expressed support of perhaps using lodging tax reserves to support the project.

At this year’s meeting, Councilor Harris requested that the LTAC set aside \$50,000 annually to support improvements to Recreation Park. This annual contribution would be included as a separate reserve line item in the “Projections and Requests” report included with this agenda report. The LTAC approved this recommendation.

### **Membership**

According to the resolution establishing the LTAC, the City Council is to review membership on an annual basis and make changes as appropriate. In accordance with state law, the committee must have at least five members, appointed by the City Council. Membership must include at least two representatives of businesses required to collect hotel-motel tax, two people involved in activities that are authorized to be funded by the tax, and one elected official who serves as chairperson. The number of persons representing businesses that collect the tax and the number of persons involved in activities authorized to be funded by the tax must be equal. There is no established term of membership.

Committee members include Mr. Todd Chaput, Holiday Inn Express & Suites; Ms. Gloria Choi, Econo Lodge, and Ms. Jena Sorenson, Riverside Golf Club, representing businesses required to collect the tax. Members representing activities funded by the tax are Ms. Alicia Bull, Centralia-Chehalis Chamber of Commerce; Mr. Rick Burchett, Chehalis-Centralia Railroad & Museum; and Mr. Chip Duncan, Veterans Memorial Museum. Mayor Pro Tem Terry Harris is the City Council representative and acts as committee chair.

### **RECOMMENDATION**

The Lodging Tax Advisory Committee recommends that the City Council approve its recommendations individually and collectively for use of lodging tax funds for 2018. It is also recommended that the City Council reappoint Todd Chaput, Gloria Choi, Jena Sorenson, Alicia Bull, Rick Burchett, and Chip Duncan to the city’s Lodging Tax Advisory Committee.

**1<sup>st</sup> SUGGESTED MOTION**

I move that the City Council approve, both individually and collectively, the candidates and funding amounts of the Lodging Tax Advisory Committee for use of lodging tax funds for 2018, and to set aside \$50,000 annually toward Recreation Park improvements.

**2<sup>nd</sup> SUGGESTED MOTION**

I move that the City Council reappoint Todd Chaput, Gloria Choi, Jena Sorenson, Alicia Bull, Rick Burchett, and Chip Duncan to the Lodging Tax Advisory Committee.



Chehalis Lodging Tax Advisory Committee  
Meeting Minutes  
October 11, 2017

The Lodging Tax Advisory Committee (LTAC) met on October 11, 2017, at 9:15 a.m. in the basement meeting room of Chehalis city hall to review applications for 2018 tourism funding. Members present were: Mayor Pro Tem Terry Harris, Chair; Alicia Bull, Centralia-Chehalis Chamber of Commerce; Rick Burchett, Chehalis-Centralia Railroad and Museum; Todd Chaput, Holiday Inn; Chip Duncan, Veterans Memorial Museum; and Jena Sorenson, Riverside Golf Club. Chehalis administration included Jill Anderson, City Manager; Caryn Foley, City Clerk, and Denny Peace, Administrative Assistant to the City Manager. Members excused were: Gloria Choi, Econo Lodge.

**Call to Order**

The meeting was called to order at 9:28 am by Mayor Pro Tem Harris.

Mayor Pro Tem welcomed everyone to the meeting and provided a brief outline of the process for the day's meeting.

**2018 Requests**

The comments below are in addition to the information provided in each organization's application.

**1. Chehalis-Centralia Railroad and Museum (CCRM) – \$35,000 (Wanda Thompson, Coralee Taylor)**

Funding is used for marketing and promotion of the steam train.

**Questions/Comments:**

- Mayor Pro Tem Harris – How fast do the Murder Mystery Dinner Train rides sell out? They all sell out very quickly and there is always a waiting list for all the Dinner Train rides.
- Mayor Pro Tem Harris – Who provides the food for the Dinner Trains? Kit Carson provides the food and the Evergreen Playhouse provides the cast for the mystery events.
- Ms. Bull – Are there registrations available online? Yes, they now offer all ride registrations online.
- Ms. Bull – At the Chamber, questions about the Steam Train are the most requested by both phone calls and walk in visitors. Does the Train sell package deals with lodging included in the package? They do not currently have lodging packages but may partner with local hotels as a future project.
- Ms. Sorenson – How many total riders last year? The Steam Train had 10,291 riders in 2016. They have been getting a lot of group tours. Examples include a 21-person group from Grays Harbor College for a Dinner Train ride and a Charter group from Pennsylvania.
- Mayor Pro-Tem Harris – What times do the Polar Express rides run? These are hour and a half rides that are scheduled for 5:00, 7:00 and 9:00 p.m. Twelve (12) of the scheduled rides have already sold out for this year. Next year (2018) they may host an "Adult Only" Polar Express ride.
- Ms. Sorenson – Do you track where riders come from? If the tickets are ordered online, yes, they can track where the guests are from. They also have a guest book for tracking and they do ask the guests when they ride the train.
- Ms. Sorenson suggested that they establish a way to track where all riders come from.
- Ms. Bull suggested asking online (with just an added check box) if the riders will be staying overnight on their trip to have a count of the number of riders that spend the night in Chehalis.
- Ms. Sorenson – What is the Pumpkin Ride? This is a 30-minute ride that includes a costume contest and the children get to pick a pumpkin to take home.
- Ms. Sorenson – Do you host a spooky train ride? They have done this in the past but are not hosting one this year. They do have a Murder Mystery Dinner Train ride scheduled for the weekend before Halloween.

- Mayor Pro Tem Harris noted that he appreciates that the suggestions made in the past by this committee to the steam train are being implemented and changes are being made based on these suggestions.
- Ms. Bull noted that they are showing strong revenues from the sales of gifts and souvenirs.

## **2. Friends of the Chehalis Community Renaissance – \$43,600 (Annalee Tobey)**

The request is to fund year-round, general promotion and marketing of Chehalis, using both social media and print.

### Questions/Comments:

- Mayor Pro Tem Harris – Can current photos of Chehalis be updated on the Google Earth App? Ms. Tobey will check on how to submit these to Google and will send updated photos to Google Earth, YELP, and other social media sites.
- Mayor Pro Tem Harris noted that the comment “There is nothing to do in Lewis County” is far from the truth. He shared that there is currently a lot going on in Lewis County and appreciated the Experience Chehalis Facebook page sharing events and upcoming activities in Chehalis, as well as other locations in Lewis County.
- Ms. Sorenson – Why don’t you use a lot of money with Facebook advertising? They try to be frugal with the money in the budget and the costs to use Facebook are very low.
- Mayor Pro Tem Harris – How is the B&O Tax Credit donations for 2018 going? Ms. Tobey advised that the CCRT Board members have been assigned to approach local businesses for B&O donations. The State has increased the Main Street Program total pool to \$2.5 million in 2018. There are currently 32 Main Street Communities in Washington State and the amount CCRT can collect is \$133,333. Also, the process for contributions/donations has changed: Donations can be made from January 2, 2018 until March 31, 2018. Any unclaimed credits after April 1 will be available to any Main Street program that has not reached the \$133,333 max.
- Mr. Chaput – Why is the “Accountability and Reporting” section of the application blank? Ms. Foley shared that since the CCRT organization is a year-round marketing program and not a one-time event, the state does not require attendance figures.

## **3. Lewis County Historical Museum – \$40,000 (Jason Mattson)**

Funds would be used for operations of the museum, marketing of events, and general promotion of the museum.

### Questions/Comments:

- Mr. Chaput likes the idea of partnering with other museums to offer a multiple ticket pass for local museums to increase foot traffic to all museums.
- Ms. Bull noted the Chamber can sell tickets for the Museum at the Chamber office.
- Mr. Burchett commented that three years of losing money as an organization is a concern. Mr. Mattson shared that he is new in the position of Director. The museum lost the previous Director, membership is down, the number of visitors is down and the museum had a financial theft event that was damaging both financially and impacted their reputation in the community. He is working to increase foot traffic, events, and memberships.
- Mr. Duncan – The same pattern of events is shown each year. What new programs are planned for 2018? Mr. Mattson shared they are working on a local mythology exhibit and may be partnering with Centralia for the Centralia Massacre event.
- Mayor Pro Tem Harris liked the idea of a digital reader board. This may be a revenue stream for the museum. They have a good location for advertising community events.
- Ms. Anderson suggested a couple of ways to increase revenues: using the facility as a unique venue for events/celebrations/gatherings and have placards/dress up for paid photo souvenir opportunities.
- Ms. Bull commented that the museum had an idea to go digital with items for sale (books and photos) at the museum. Mr. Mattson shared that some digital storing is happening and an online presence has started, but is not currently moving forward.
- Ms. Bull suggested looking for sponsors for events to increase revenues and to reach out to local businesses and individuals to partner with events.

#### **4. Chehalis Community Development Department for Athletic Tournaments - \$20,000 (Lilly Wall, Trent Lougheed)**

The request will fund athletic tournaments, including basketball, fastpitch, baseball and slow pitch tournaments.

##### Questions/Comments:

- Mayor Pro Tem Harris – You shared that 111 teams participated in 2017, how many in years past? Ms. Wall shared that fast pitch, alone, used to bring in over 100 teams, but 4-5 years ago the number of fast pitch teams has been drastically reduced. They are partnering with Centralia to combine and market for more tournaments and are looking at changing business practices to include renting the fields to organizations.

#### **5. Chehalis Community Development Department for Shaw Aquatics Center – \$150,000 (Lilly Wall, Trent Lougheed)**

The request will fund the restoration and preservation of the pool body. The original coating has failed due to ground water and hydraulic pressure. After much research, a multi-step process has been found to provide a long-lasting quality pool body.

##### Questions/Comments:

- Mr. Chaput - Will a new, different company (than original) be doing the work? Mr. Lougheed said that yes, the company that manufactures these products will be completing the professional/warranted restoration.
- Mr. Duncan – Has this restoration plan been reviewed by a hydraulic engineer? Yes, Mr. Lougheed is an engineer.
- Ms. Bull – You are asking for 100 % funding. Are there other funding options? Ms. Anderson shared that if LTAC does not fund at 100%, the City may consider other funding options. Mr. Lougheed shared that he is attending the IACC in Wenatchee and will be looking for possible State funding.
- Mr. Chaput – How much does it cost to go to the pool? Ms. Wall shared that the cost of admission is \$5 and they offered season passes this year to Chehalis residents for \$40.
- Mr. Chaput – Have you had a waiting line for admissions? Yes, they had many days with long waiting lines due to State required maximum occupancy numbers.
- Mr. Burchett commented that the budget numbers on the application do not match. Ms. Wall said that this was due to a typo and that they do match to \$150,000.
- Ms. Bull – How much does it cost to maintain the pool? The cost is \$180,000 annually.

#### **6. Chehalis Wedding Show – \$12,435 (Matt Shannon)**

Mr. Shannon stated this year's event was very successful with a record number of vendors participating. Both vendor and insurance company concerns regarding the previous venue location prompted looking for an alternate venue. The 2018 event will be moving to the City Farm building in Downtown Chehalis.

##### Questions/Comments:

- Mayor Pro Tem Harris stated concerns regarding downtown parking on the weekend if the vendors used the street parking. Mr. Shannon shared that the building has alley access for vendors and the vendors can be asked to park in one of the multiple lots available on the weekend.
- Ms. Sorenson suggested that the local venues offer an open house on the same day as the Wedding Show. Possible use a shuttle to access the venues or provide a self-guided map of locations to visit. Mr. Shannon is willing to partner with local venues but shared that normally they are completely booked/reserved for the year by the time of the Chehalis Wedding Show. He said that the local venues participate in the Seattle and Portland wedding shows because the cost to host a wedding in Lewis County is so much less expensive than in the larger cities.
- Ms. Sorenson – What is the marketing plan? Ms. Anderson and Ms. Foley shared that the City is requesting more advertising outside of the local area along the I-5 corridor (60/40 share with 60 being over 50 miles)
- Mr. Burchett – Is this a one day event? Yes, it is held on the third Saturday in February.

- Mr. Burchett – How do you come up with the total number of hours at 336 to manage/operate the show? Mr. Shannon stated that these are staff hours for preparations before and during the event. Coordinating with vendors, working with a marketing company, setting up at the venue, and hosting the event.
- Ms. Sorenson supports this event and shared that there are a lot of local wedding venues. She is concerned with the lack of diversity in the marketing plan and that most of the advertising is with radio advertising. Ms. Foley shared that they have used print/magazine advertising in the past and that it is very expensive with little return on investment.
- Ms. Bull suggested spreading the marketing dollars to other advertising options. Ms. Foley shared that they use the Berg Marketing Group for social media, ad design, and printing promotions. She shared that social media advertising is a very low cost. Mr. Shannon shared that radio advertising continues to hit 92% of all people and is still a viable advertising source.
- Mr. Duncan stated that per the increased number of attendees and number of vendors, what they have been doing is obviously working and is showing a positive result.

#### **7. Lewis County Community Trails – \$22,750 (Harry Bhagwandin)**

Funds will be used for the marketing and promotion of the “Ride the Willapa” (formerly the Willapa Hills Trail Fat Tire Ride & Festival). Mr. Bhagwandin distributed handouts pertaining to 2017 marketing efforts.

#### Questions/Comments:

- Mr. Duncan – Can you go through the schedule of events? Mr. Bhagwandin stated that participation numbers show slow growth. They increased 21% from the previous year. They are trying to partner with other organizations to have participants arrive the day before or stay the night of the event. The ride starts on Saturday morning with a ride to PeEll and back to Chehalis on the same day. Some riders did stay at Rainbow Falls Campground (in the County.)
- Ms. Sorenson – Due to no hotel rooms being available and most riders camping at the camp ground, do you offer Air B&B locations to your riders? No, this was not offered to participants but they are considering a partnership with Willapa Hills Cheese on Hwy 6, to possibly host riders next year.
- Mr. Burchett – Why were there no hotel rooms available? Mr. Chaput shared that this is due to other scheduled events held on the same weekend in June.
- Ms. Bull – As the County is benefiting from this event, did you apply for Lewis County LTAC funds? Yes, they did apply and were awarded funds, but not full funding from the County.
- Mr. Burchett compared this event to the Chehalis Wedding Show with residual visitors to Chehalis (after the event.)
- Mayor Pro Tem Harris – On the first year of this event, Pe Ell was not stepping up to assist, did they this year? Mr. Bhagwandin shared that no, Pe Ell did not cooperate and LCCT will no longer be partnering with Pe Ell for this event.
- Mayor Pro Tem Harris stated that in 2016 the posters for this event did not list the City of Chehalis or LTAC funds. Mr. Bhagwandin stated that the City of Chehalis was listed with the City Logo on the 2017 posters, but not LTAC funds information.
- Ms. Sorenson – Is the logo new? Yes, it is a new logo as the event name was changed this year to “Ride the Willapa.”

**8. Centralia-Chehalis Chamber of Commerce – \$40,000 (Alicia Bull)**

Funds will be used for the Chamber to serve as the official visitor center for Chehalis. As previously mentioned, these funds were historically requested through the city manager’s office. The Chamber collects all requests for visitor information. The Chamber also helps marketing and promotion of Chehalis events, including Seattle to Portland Bike Ride (STP), Spring Fling, the Trick or Treat Transit, and the Santa Parade. She noted the same request has been made to the city of Centralia.

**Questions/Comments:**

- Ms. Bull shared that without LTAC funding the Visitor’s Center would not be open as they would not be able to staff the facility.
- Ms. Anderson – Have you been getting a lot of callers asking about the work on the Chamber Way Bridge? Yes, they are getting a lot of calls and WSDOT is providing regular updates to the Chamber and the community so this has reduced the expected number of calls.
- Mr. Chaput – Do you get comments about marijuana in the guest book at the Chamber office? Ms. Bull shared that they have multiple walk-in visitors asking where to buy marijuana.

**9. Veterans Memorial Museum – \$30,000 (Chip Duncan)**

Funds will be used for the general marketing of the museum and its events. They are incorporating new events and partnering with local organizations to bring new visitors to the museum and provide additional revenue. They are reaching out to people that would not normally visit the museum with out-of-the-box ideas. They had a car show, a motorcycle ride, PBS did a Front-Page series with James Earl Jones that will be broadcast nationwide, and they are hosting the Veterans Day Parade in Chehalis this year. The Museum continues to operate at a profit. They have new events planned in 2018 including a vintage drag racing event partnering with the Port of Chehalis during ChehalisFest.

**Questions/Comments:**

- Mayor Pro Tem Harris – How do you attract the Millennials? Mr. Duncan shared that ex-military or not, it is very difficult. They are using a shot gun approach by trying new things and constantly offering new events and multiple options for participation.

**Determine Allocation Recommendations to City Council**

Included in the agenda packet are 2018 projected revenues. With a projected beginning fund balance of \$286,549, plus projected revenues of \$233,800, estimated revenues total \$520,349. Mayor Pro Tem Harris stated city administration is recommending that \$50,000 be placed in a categorized reserve for future improvements to Recreation Park. The council set a goal of renovating the park with partial funding using council-matic bonds with the intent to use lodging tax funds to repay the loan. The LTAC supported the request.

The committee unanimously agreed to make the following recommendations to the city council with the following notes:

- Chehalis Wedding Show -- The LTAC would like to see less money spent on radio and more toward social media advertising.

<b>Organization</b>	<b>Request</b>	<b>Recommendation</b>
1. Chehalis-Centralia Railroad & Museum	\$ 35,000	\$ 35,000
2. Chehalis Community Renaissance Team	\$ 43,600	\$ 40,000
3. Lewis County Historical Museum	\$ 40,000	\$ 40,000
4. Comm. Development Dept. (Athletic Tournaments)	\$ 20,000	\$ 20,000
5. Comm. Development Dept. (Shaw Aquatics Pool)	\$150,000	\$ 100,000
6. Chehalis Wedding Show	\$ 12,435	\$ 12,435
7. Lewis County Community Trails	\$ 22,750	\$ 0
8. Centralia-Chehalis Chamber of Commerce	\$ 40,000	\$ 40,000
9. Veterans Memorial Museum	\$ 30,000	\$ 30,000
<b>Total</b>	<b>\$393, 785</b>	<b>\$317,435</b>

The recommendations will be reviewed by the city council on October 23, 2017 at 5:00 p.m.

The meeting concluded at 2:19 p.m.

Minutes respectfully submitted by Denny Peace, Administrative Assistant to the City Manager.

**City of Chehalis  
Tourism Tax Revenue**

	Month-by-Month Comparisons												16-17 % Chg
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2017	16-17 % Chg	
January	6,892.02	6,140.00	9,276.80	8,520.62	9,323.48	13,350.86	10,704.50	12,679.38	14,744.00	15,709.62	15,709.62	6.5%	
February	6,319.78	5,622.94	7,478.94	8,218.08	8,546.46	10,993.86	10,657.98	13,811.36	12,585.72	14,619.32	14,619.32	16.2%	
March	7,118.50	5,995.90	7,797.06	8,133.40	11,792.44	8,983.66	9,131.84	12,335.74	12,876.22	15,467.04	15,467.04	20.1%	
April	6,514.92	6,153.36	9,848.24	8,704.52	9,262.06	10,072.84	10,345.30	14,890.74	18,752.88	18,021.90	18,021.90	-3.9%	
May	8,732.08	6,824.02	11,553.28	11,092.58	13,366.08	13,774.46	12,882.16	19,099.54	20,462.92	21,929.92	21,929.92	7.2%	
June	8,205.56	6,299.92	11,250.48	11,271.74	11,612.52	11,838.48	13,580.34	17,152.10	19,713.54	20,873.66	20,873.66	5.9%	
July	10,400.54	10,143.10	16,307.04	16,087.02	12,640.42	14,180.74	16,837.04	24,868.60	20,407.34	23,405.62	23,405.62	14.7%	
August	11,397.98	13,704.42	17,571.44	19,447.04	17,726.60	17,422.60	21,246.60	24,917.44	23,831.66	25,226.76	25,226.76	5.9%	
September	11,254.52	16,931.30	18,530.96	20,803.42	19,630.80	23,712.14	26,185.60	28,625.58	30,159.58	29,131.92	29,131.92	-3.4%	
October	11,594.58	17,948.28	20,488.70	21,029.58	22,607.16	25,478.82	26,176.60	27,388.24	28,906.86				
November	10,291.86	12,609.06	13,828.34	15,837.28	16,172.06	16,895.88	19,608.08	20,065.86	23,733.54				
December	8,642.78	11,830.98	11,570.98	12,140.04	12,344.88	13,742.48	16,841.32	17,810.40	19,508.88				
<b>Totals</b>	107,165.12	120,203.28	155,502.26	161,285.32	165,024.96	180,446.82	194,196.96	233,644.98	245,683.14	184,385.76	184,385.76	n/a	
<b>First Quarter</b>	20,130.30	17,758.84	24,552.80	24,872.10	29,662.38	33,328.38	30,493.92	38,826.48	40,205.94	45,795.98	45,795.98	13.9%	
<b>Second Quarter</b>	23,452.56	19,277.30	32,652.00	31,068.84	34,240.66	35,685.78	36,907.80	51,142.38	58,929.34	60,825.48	60,825.48	3.2%	
<b>Third Quarter</b>	33,053.04	40,778.82	52,409.44	56,337.48	49,997.82	55,315.48	64,269.24	78,411.62	74,398.58	77,764.30	77,764.30	4.5%	

## 2018 CHEHALIS TOURISM FUND PROJECTIONS &amp; REQUESTS

Projected Beginning Fund Balance	\$ 286,549
Estimated Revenue	\$ 233,800
<b>Total Estimated Revenue</b>	<b>\$ 520,349</b>
Recommended Ending Fund Bal Reserve	\$ 150,000
Rec Park Categorized Reserve	\$ 50,000
<b>Total Estimated Available Revenue</b>	<b>\$ 320,349</b>

	2016 Awarded	2017 Awarded	2018 Requests	2018 LTAC Recommendations	2018 Council Action
<b>Facilities</b>					
Chehalis-Centralia Railroad & Museum	30,000	30,000	35,000	35,000	
Lewis County Historical Museum	25,000	30,000	40,000	40,000	
Veterans Memorial Museum	24,000	23,000	30,000	30,000	
<b>Events</b>					
Ride the Willapa - Lewis County Trails	14,000	29,500	22,750	0	
<b>Marketing/Tourism</b>					
Friends of the Chehalis Community Renaissance	17,880	50,000	43,600	40,000	
Centralia-Chehalis Chamber of Commerce	No Request	40,000	40,000	40,000	
<b>City</b>					
Chehalis Wedding Show	13,500	13,000	12,435	12,435	
City Manager's Office - Tourism	61,500	1,500	No request	NA	
Community Development - Youth Tournaments	20,000	20,000	20,000	20,000	
Community Dev.-Shaw Aquatics Center	No Request	No Request	150,000	100,000	
<b>TOTALS</b>	<b>205,880</b>	<b>237,000</b>	<b>393,785</b>	<b>317,435</b>	



**CHEHALIS CITY COUNCIL MEETING  
AGENDA REPORT**

**TO:** The Honorable Mayor and City Council

**FROM:** Jill Anderson, City Manager

**BY:** Tim McGuire, Interim Finance Manager  
Betty Brooks, Payroll Accountant

**MEETING OF:** October 23, 2017

**SUBJECT:** Ordinance No. 981-B, First Reading – Amending the 2017 Budget

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**ISSUE**

Ordinance No. 981-B, amending the 2017 Budget, reflects changes in estimates and actual financial activity of the city. The ordinance is necessary to document adjustments to the 2017 Budget in compliance with state appropriation requirements.

**DISCUSSION**

In July of this year, Ordinance No. 973-B was passed to amend the 2017 budget, which was the first budget amendment of the year. The proposed ordinance reflects changes in city operations since that time and would be the second amendment to the 2017 Budget. The attached spreadsheet provides information on a line-by-line basis, as well as the summary information of the proposed budget amendment.

**General Fund**

Revenue estimates, donations, loans, and grants not previously included in the 2017 Budget, and related expenses, are included in the proposed amendment. The amendment also notes some housekeeping changes recommended by the state auditors, including additional account code changes that were not included in the first 2017 amendment.

Revenue projections have been increased to reflect the upward trend based on a positive regional economy, which among other things, is demonstrated by higher than anticipated sales tax; planning and building applications; and Business and Occupation revenue. The City has also received a previously unbudgeted grant reimbursement of \$318,703 for the National Avenue Salzer Creek Bridge Scour project, which was completed earlier this year.

Proposed adjustments to expenditures have also been made to reflect the increasing costs of operating an organization in an energetic economy, including adjustments to reflect the increases in wages due to increases in the minimum wage and an approved collective

bargaining agreement with the City's non-uniformed personnel. In addition, there is a line item included to account for estimated one-time amount of \$250,000 to account for the retroactive payments that would be due to police and firefighters for salary and overtime in 2017 if those collective bargaining agreements are settled before the end of the year. This is just an estimate to be included in the budget to provide a more realistic assessment of the City's financial obligations.

Expenditures have been adjusted based on actual expenses to date; some anticipated costs for professional services; expenses for system-wide software maintenance; the purchase of equipment needed to make the new fire engine operational; and tree maintenance at city facilities.

The table below summarizes the budget from adoption of the 2017 Budget to the current proposed amendment.

**General Fund Projections**  
*Proposed Budget Amendment #2 - Effective November 13, 2017 If Approved by Council*

<b>General Fund</b>	<b>Beginning Fund Balance</b>	<b>Estimated Revenue</b>	<b>Expenditures</b>	<b>Operating Transfers Out</b>	<b>Estimated Ending Fund Balance</b>
<b>Budget as Adopted January 1, 2017</b>	1,462,273 <i>(Estimated #)</i>	8,814,149	8,963,175	286,505	1,026,742
<b>Budget as Amended July 2017 (Amendment 1)</b>	1,137,916	9,348,538	9,178,063	286,505	1,021,886
<b>Proposed Amendment #2</b>	1,137,916	10,177,053	9,628,601	286,505	1,399,863
<b>Difference from Adopted Budget</b>	-324,357	+1,362,904	+665,426	No change	+373,121

The proposed ending fund balance represents an ending fund balance of 13.7% of revenues, including the one-time revenues. While this is very positive, there are a number of issues facing the City in the coming budget year, including the need for multiple one-time expenditures to replace malfunctioning equipment, vehicles, and facility maintenance deferred through the slow recovery from the great recession of 2007-2009.

### Citywide – Other Funds

In addition to the General Fund, adjustments are proposed for several of the City's other funds which have been designated for a specific purpose by the City Council or established to fund an enterprise, such as the Airport or Utility operations. By law, enterprise funds are restricted for uses that benefit the specific operational activity. The proposed budget amendment includes adjustments to the following dedicated or restricted funds:

- The Dedicated Street Fund (Fund 003) – *chip spreader loan and purchase*
- Building Abatement Fund (Fund 004) – *purchase of safety fencing*
- Transportation Benefit District (Fund 103) – *add revenue and expenditures for planning and overlay project*
- Airport Fund (Fund 407) – *loan and construction for fill project at Tract 5A*

Two funds of note are the Transportation Benefit District (TBD) and the separate Dedicated Street Fund. The TBD is funded by an additional .2 percent added to the sales tax that went into effect July 1, 2017, after voters approved the sales tax increase in February 2017. The funds in the Transportation Benefit District must be used for street and other transportation expenses consistent with State Law. The City also has a Dedicated Street Fund, which was established by the City Council for local street repairs. The source of funds is the dedication of four percent of the City's sales tax revenues, consistent with City policy.

The proposed budget amendment includes revenues and expenditures for the Transportation Benefit District to reflect this new revenue source. It is also proposed that the Dedicated Street Fund be amended to show the expense of purchasing a new chip spreader and the loan proceeds of \$264,062 that paid for the equipment as revenue, consistent with the City Council's approval on September 11, 2017.

The proposed amendment also includes adjustments to the Airport budget, which is an enterprise fund, to reflect a project to fill a tract of land on Airport property to facilitate development and the receipt of a loan of \$300,000 to fund the project, consistent with City Council approval on September 11, 2017.

Exhibit A to Ordinance No. 981-B summarizes the revenues and expenditures of all the city's funds and reflects the changes associated with the proposed second amendment to the City's 2018 budget. Considering all the City's funds, the overall fund balance reflects an increase of \$601,297 from the first amendment to the proposed second amendment before you at this meeting.

**RECOMMENDATION**

It is recommended that the City Council pass Ordinance No. 981-B on first reading.

**SUGGESTED MOTION**

I move that the City Council pass Ordinance No. 981-B on first reading.

City of Chehalis  
 2017 Budget Amendment No. 2 - Ordinance No. 981-B  
 10/23/2017

Fund No. and Name	Acct. Name	Reason for Amendment	Revenue		Appropriation		Transfers		Total
			Increase/(Decrease)	Increase/(Decrease)	In/(Out)	Increase/(Decrease)			
<b>Fund 001 - General Fund</b>									
001.313.011.00	Local Retail Sales & Use Tax	additional sales tax revenue projected	386,000						
001.316.010.00	Main Street B&O Credit	credit amount from DOR	41,250						
001.316.048.00	B&O Taxes on Utilities - Water	additional tax revenue projected	18,100						
001.316.049.00	B&O Taxes on Utilities - WW	additional tax revenue projected	31,000						
001.317.020.00	Leasehold Excise Tax	additional tax revenue projected	14,000						
001.322.010.00	Building Permits	projected decrease in revenues	(20,000)						
001.334.002.70	St Grant - RCO	additional revenues received	24,400						
001.336.006.41	Marijuana Enforcement	additional revenues received	4,730						
001.342.036.00	Electronic Monitoring-Prisoner	revenues overbudgeted	(11,000)						
001.345.083.00	Plan Checks	additional revenues received	18,485						
001.347.030.01	Activity Fees/Pool	additional revenues received	31,275						
001.R1.571.022.11.05	Salaries & Wages	pool salaries underbudgeted		12,465					
001.R1.571.022.21.05	Personnel Benefits	pool benefits underbudgeted		3,310					
001.356.090.00	Non-Traffic Misdemeanor	revenues overbudgeted	(14,800)						
001.367.011.79	Donation-Other Culture & Recreation	additional revenues received	16,993						
001.369.091.00	Miscellaneous Income	revenues overbudgeted	(16,000)						
001.337.009.42	Grants	AWC Wellness Mini Grant	465						
001.G1.518.011.31.00	Wellness Committee Expenses	Leap the Levy Grant Expenses		465					
001.389.030.06	Due to State - LET	Parking Revenues not recorded with LET	(12,500)						
001.334.003.82	State Grants - TIB	Unbudgeted Grant Monies Received	318,703						
001.K1.595.070.41.00	Professional Services	Street Expenses		17,980					
001.386.000.99	Due to State - School Zone Safety	State Auditor's Office Recommendation	(1,800)						
001.386.001.00	Due to State - Auto Theft Prevention	State Auditor's Office Recommendation	(3,500)						
001.386.001.01	Due to State-Access Comm/Multitrans	State Auditor's Office Recommendation	(225)						
001.389.030.10	Due to State - Auto Theft Prevention	State Auditor's Office Recommendation	3,500						
001.389.030.11	Due to State-Access Comm/Multitrans	State Auditor's Office Recommendation	225						
001.389.030.99	Due to State - School Zone Safety	State Auditor's Office Recommendation	1,800						
001.C1.586.012.00.00	Due to Other Govt Unit - Crime Victims	State Auditor's Office Recommendation		(2,325)					
001.C1.586.083.00.00	Due to State - Trauma Care	State Auditor's Office Recommendation		(2,200)					
001.C1.586.091.00.00	Due to State - State Remit - Court	State Auditor's Office Recommendation		(56,500)					
001.C1.586.092.00.00	Due to State - PSEA	State Auditor's Office Recommendation		(27,200)					
001.C1.586.094.00.00	Due to State - Hwy Safety	State Auditor's Office Recommendation		(575)					
001.C1.586.096.00.00	Due to State - Lab/Blood Breath	State Auditor's Office Recommendation		(2,705)					
001.C1.586.097.00.00	Due to State - JIS	State Auditor's Office Recommendation		(15,350)					
001.C1.586.099.00.00	Due to State - School Zone Safety	State Auditor's Office Recommendation		(1,200)					
001.C1.586.100.00.00	Due to State - Auto Theft Prevention	State Auditor's Office Recommendation		(3,500)					
001.C1.586.101.00.00	Due to State - Access Comm/Multitrans	State Auditor's Office Recommendation		(200)					
001.C1.589.030.00.10	Due to State - Auto Theft Prevention	State Auditor's Office Recommendation		3,500					
001.C1.589.030.00.11	Due to State - Access Comm/Multitrans	State Auditor's Office Recommendation		200					
001.C1.589.030.00.12	Due to Other Govt Unit - Crime Victims	State Auditor's Office Recommendation		2,325					
001.C1.589.030.00.83	Due to State - Trauma Care	State Auditor's Office Recommendation		2,200					
001.C1.589.030.00.91	Due to State - State Remit - Court	State Auditor's Office Recommendation		56,500					

City of Chehalis  
 2017 Budget Amendment No. 2 - Ordinance No. 981-B  
 10/23/2017

Fund No. and Name	Acct. Name	Reason for Amendment	Revenue		Appropriation		Transfers		Total
			Increase/(Decrease)	(Decrease)/Increase	Increase/(Decrease)	(Decrease)/Increase	In/(Out)	Increase/(Decrease)	
001.C1.589.030.00.92	Due to Other Entities	State Auditor's Office Recommendation		27,200					27,200
001.C1.589.030.00.94	Due to State - Hwy Safety	State Auditor's Office Recommendation		575					575
001.C1.589.030.00.96	Due to State - Lab/Blood Breath	State Auditor's Office Recommendation		2,705					2,705
001.C1.589.030.00.97	Due to State - JIS	State Auditor's Office Recommendation		15,360					15,360
001.C1.589.030.00.99	Due to State - School Zone Safety	State Auditor's Office Recommendation		1,200					1,200
001.G1.553.030.41.00	Professional Services	LC Economic Development Council		15,000					15,000
001.G1.558.070.41.00	Professional Services	LC Economic Development Council		(15,000)					(15,000)
001.D1.513.010.35.00	Small Tools & Minor Equipment	new computer for Admin Assistant		999					999
001.D1.513.010.41.00	Professional Services	negotiations		11,382					11,382
001.D1.513.010.41.00	Professional Services	strategic planning		8,000					8,000
001.D1.513.010.44.00	Advertising	advertising for admin assistant position		228					228
001.D1.513.010.49.00	Miscellaneous - CM Training	CM training expense		640					640
001.E1.514.023.11.00	Salaries and Wages	finance manager position vacant		(25,000)					(25,000)
001.E1.514.023.21.00	Personnel Benefits	finance manager position vacant		(10,000)					(10,000)
001.E1.514.023.11.05	Salaries and Wages	wages for temp Finance Analyst		14,085					14,085
001.E1.514.023.12.00	Overtime	overtime underbudgeted		5,000					5,000
001.E1.514.023.21.05	Personnel Benefits	benefits for temp Finance Analyst		1,088					1,088
001.E1.514.023.41.00	Professional Services	services through Express Personnel		10,136					10,136
001.F2.572.050.48.00	Repair & Maintenance	repair of fountain at library		5,000					5,000
001.F2.576.020.41.00	Professional Services	removal of trees at pool		6,500					6,500
001.F2.518.030.11.00	Salaries and Wages	additional wages for CBA retros		33,374					33,374
001.F2.518.030.41.00	Professional Services	removal of trees at Com Dev properties		15,000					15,000
001.331.016.60	DOJ - BULLET-PROOF VEST PROGRAM	move to Patrol - small tools & equipment	(2,586)						(2,586)
001.H1.521.022.35.00	Small Tools & Minor Equipment	grant monies from DOJ for vests		2,586					2,586
001.I1.594.022.64.00	Machinery & Equipment	equipment for new fire truck		50,500					50,500
001.G2.518.010.31.00	Office & Operating Supplies	increase supplies budget		700					700
001.G1.589.090.00.00	Suspense/Clearing	projected Retro for PD/FD		250,000					250,000
001.G1.518.080.49.00	Miscellaneous	exps for office 365/web domain/AVG Antivirus		36,100					36,100
<b>Total General Fund</b>			<b>828,515</b>	<b>450,538</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>377,977</b>	<b>377,977</b>

**Fund 003 - Dedicated Street Fund - 4% Sales Tax**

003.397.000.01	Transfer in - Fund 001			15,440					15,440
003.391.090.00	Proceeds of Long Term Debt			264,062					264,062
003.K1.594.042.64.00	Machinery & Equipment	Purchase of Chip Spreader		264,062					264,062
<b>Total Dedicated Street Fund - 4% Sales Tax</b>			<b>279,502</b>	<b>264,062</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,440</b>	<b>15,440</b>

City of Chehalis  
 2017 Budget Amendment No. 2 - Ordinance No. 981-B  
 10/23/2017

Fund No. and Name	Acct. Name	Reason for Amendment	Revenue		Appropriation		Transfers		Total
			Increase/(Decrease)	(Decrease)	Increase/(Decrease)	Increase/(Decrease)	In/(Out)	Increase/(Decrease)	
<b>Fund 004 - Building Abatement Fund</b>									
004.345.029.00	Other Environmental Abatement Fees	revenues overbudgeted		(10,000)					
<b>Total Building Abatement Fund</b>			(10,000)		-				(10,000)

<b>Fund 103- Transportation Benefit District</b>									
103.03.542.050.41.00	Professional Services	engineering services			30,000				
103.03.595.030.63.00	Other Improvements	overlay project			145,000				
103.313.021.00	Retail Sales Tax	TBD Budget		392,880					
<b>Total Transportation Benefit District Fund</b>			392,880		175,000				217,880

<b>Fund 404 - Wastewater Fund</b>									
<b>Total Wastewater Fund</b>			-		-				-

<b>Fund 405 - Water Fund</b>									
<b>Total Water Fund</b>			-		-				-

<b>Fund 406 - Storm &amp; Surface Water Utility Fund</b>									
<b>Total Storm &amp; Surface Water Utility Fund</b>			-		-				-

<b>Fund 407 - Airport Fund</b>									
<b>Total Airport Fund</b>			-		-				-

City of Chehalis  
 2017 Budget Amendment No. 2 - Ordinance No. 981-B  
 10/23/2017

Fund No. and Name	Acct. Name	Reason for Amendment	Revenue Increase/(Decrease)	Appropriation Increase/(Decrease)	Transfers In/(Out)	Total Increase/(Decrease)
407.391.090.00	Proceeds of Long Term Debt	SSB Loan Received for Fill Project	300,000			
407.09.594.046.63.00	Other Improvements	Tract 5A Fill Project expenses		300,000		
<b>Total Airport Fund</b>			300,000	300,000	-	-
<b>Fund 633 - City Agency Fund</b>						
<b>Total City Agency Fund</b>			-	-	-	-
<b>Total of All Funds</b>			1,790,897	1,189,600		601,297



**ORDINANCE NO. 981-B**

**AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, AMENDING THE ANNUAL BUDGET OF THE CITY FOR THE CALENDAR YEAR 2017, BY INCREASING APPROPRIATIONS OF THE GENERAL FUND, THE DEDICATED STREET FUND, THE TRANSPORTATION BENEFIT DISTRICT FUND, AND THE AIRPORT FUND BY A COMBINED TOTAL OF ONE MILLION ONE HUNDRED EIGHTY-NINE THOUSAND SIX HUNDRED (\$1,189,600); AND DIRECTING THE CITY MANAGER OR DESIGNEE TO EFFECT THE BUDGET AMENDMENTS HEREIN PROVIDED.**

**THE CITY COUNCIL OF THE CITY OF CHEHALIS, WASHINGTON, DOES ORDAIN AS FOLLOWS:**

**Section 1.** The annual budget of the city for the calendar year 2017 shall be, and the same hereby is, amended so as to increase the General Fund's estimated revenues by \$828,515; and increase appropriations by \$450,538.

**Section 2.** The annual budget of the city for the calendar year 2017 shall be, and the same hereby is, amended so as to increase the Dedicated Street Fund's estimated revenues by \$279,502; and increase appropriations by \$264,062.

**Section 3.** The annual budget of the city for the calendar year 2017 shall be, and the same hereby is, amended so as to decrease the Building Abatement Fund's estimated revenue by \$10,000.

**Section 4.** The annual budget of the city for the calendar year 2017 shall be, and the same hereby is, amended so as to increase the Transportation Benefit District Fund's estimated revenues by \$392,880 and increase the appropriations by \$175,000.

**Section 5.** The annual budget of the city for the calendar year 2017 shall be, and the same hereby is, amended so as to increase the Airport Fund's estimated revenue by \$300,000 and increase the appropriations by \$300,000.

**Section 6.** Attached hereto and identified as Exhibit A, in summary form, are the total of estimated revenues, transfers in, expenditures, and transfers out for each separate fund and the aggregate totals for all such funds combined for the city for the amended 2017 budget which shows a total estimated ending fund balance of \$14,596,971.

**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.

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Mayor

Attest:

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City Clerk

Approved as to form and content:

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City Attorney

**EXHIBIT A**  
**CITY OF CHEHALIS AMENDED 2017 BUDGET**  
**2017 Budget Summary Revised with Ordinance #981-B**  
**NOVEMBER 2017**

<b>FUND NAME</b>	<b>Beg. Fund Balance</b>	<b>Revenue</b>	<b>Operating Transfers In</b>	<b>Expenditures</b>	<b>Operating Transfers Out</b>	<b>Est. End. Fund Balance</b>
General Fund	1,137,916	10,177,053	-	9,628,601	286,505	1,399,863
Dedicated Street Fund - 4% Sales Tax	12,382	279,687	161,764	418,498	-	35,335
Building Abatement Fund	-	200	100,000	10,000	-	90,200
Arterial Street Fund	104,266	155,516	-	149,844	-	109,938
Transportation Benefit Fund	-	392,880	-	175,000	-	217,880
Tourism Fund	264,582	233,500	-	237,000	-	261,082
Community Dev. Block Grant Fund	111	-	-	-	-	111
HUD Block Grant Fund	57,506	13,200	-	-	-	70,706
Federal and State Grant Fund	-	-	-	-	-	-
2011 G.O. Bond Fund	-	-	98,966	98,966	-	-
Automotive/Equip. Res. Fund	461	-	-	-	-	461
1st Quarter REET Fund	217,398	111,025	-	-	41,566	286,857
2nd Quarter REET Fund	197,213	110,950	-	-	32,659	275,504
Garbage Fund	7,673	6,435	-	5,740	-	8,368
Wastewater Fund	4,312,826	6,588,672	-	5,808,143	-	5,093,355
Water Fund	4,844,780	3,728,871	-	3,681,384	-	4,892,267
Storm & Surface Water Fund	834,822	556,910	-	524,898	-	866,834
Airport Fund	1,817,718	3,298,534	-	4,833,908	-	282,344
Firemen's Pension Fund	602,021	172,785	-	78,500	-	696,306
City Agency Fund	9,560	360,000	-	360,000	-	9,560
<b>TOTALS</b>	<b>14,421,235</b>	<b>26,186,218</b>	<b>360,730</b>	<b>26,010,482</b>	<b>360,730</b>	<b>14,596,971</b>

**CHEHALIS CITY COUNCIL MEETING  
AGENDA REPORT**

**TO:** The Honorable Mayor and City Council

**FROM:** Jill Anderson, City Manager

**BY:** Timothy McGuire, Interim Finance Manager  
Betty Brooks, Payroll Accountant

**MEETING OF:** October 23, 2017

**SUBJECT:** Finance Report for the Year to Date Ending September 30, 2017

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**ISSUE**

The monthly financial report is scheduled for consideration by the City Council and reflects operations for the year to date ending September 30, 2017.

**DISCUSSION**

After nine months of operation, the results are generally as expected and moving in a positive direction. Revenues and expenditures that were not as expected have been presented to the City Council in a proposed budget amendment that is also scheduled for consideration at this meeting.

The allocation of general fund overhead costs to the proprietary (enterprise) funds has been made during the year. These adjustments lower the expenses for the City Council, City Manager, City Clerk, Human Resources, and Finance Departments which then show as increases in the expenses in the Water, Wastewater, Storm, and Airport Funds to reflect the fair allocation of the city's overhead cost.

As noted in the report provided to the City Council in September, the city's financial position is currently healthy, 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. However, there are a number of outstanding issues that are of concern, including but not limited to the outcome of collective bargaining with two of the city's three employee groups and the need to address facility maintenance deferred through the long recovery from the great recession of 2007-2009. These issues will be discussed in further detail during the presentation of the preliminary 2018 Budget in November.

**FISCAL IMPACT**

As shown in the attached reports.

**RECOMMENDATION**

It is recommended that the City Council review this information and provide questions or comments if needed.

**SUGGESTED MOTION**

N/A

**City of Chehalis**  
**Third Quarter Financial Statements - All Funds**  
**September 30, 2017**

	General Fund #001		Dedicated Street Fund #003		Bldg Abatement #004		Arterial Str Fund #102		TBD Fund #103	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Beginning Fund Balance	1,137,916	1,137,916	12,382	12,382	0	0	104,266	104,266	0	0
Revs. & Transfers In	9,348,538	7,607,709	161,949	134,760	110,200	50,034	155,516	119,000	0	98,252
Exps. & Transfers Out	(9,464,568)	(6,933,117)	(154,436)	(30,554)	(10,000)	(9,795)	(149,844)	(136,320)	0	(22,582)
Ending Fund Balance	1,021,886	1,812,508	19,895	116,588	100,200	40,239	109,938	86,946	0	75,670
	Tourism Fund #107		CD8G Fund #195		HUD 8G Fund #197		2011 G.O. Bond #200		Auto/Eq Reserve #302	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Beginning Fund Balance	264,582	264,582	111	111	57,506	57,506	0	0	461	461
Revs. & Transfers In	233,500	185,532	0	1	13,200	13,346	98,966	14,628	0	2
Exps. & Transfers Out	(237,000)	(119,408)	0	0	0	0	(98,966)	(14,628)	0	0
Ending Fund Balance	261,082	330,706	111	112	70,706	70,852	0	(0)	461	463
	1st QTR REET Fund #305		2nd QTR REET Fund #306		Garbage Fund #402		Wastewater Fund #404		Water Fund #405	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Beginning Fund Balance	217,398	217,398	197,213	197,213	7,673	7,673	4,312,826	4,312,826	4,844,780	4,844,780
Revs. & Transfers In	114,025	73,809	110,950	73,736	6,435	6,350	6,588,672	4,696,787	3,728,871	4,322,191
Exps. & Transfers Out	(41,566)	(6,143)	(32,659)	(4,827)	(5,740)	(5,080)	(5,808,143)	(3,756,691)	(3,681,384)	(2,569,544)
Ending Fund Balance	286,857	285,064	275,504	266,122	8,368	8,943	5,093,355	5,252,922	4,892,267	6,597,427
	Storm/Surface Wtr #406		Airport Fund #407		Firemens Pension #611		City Agency Fund #633		ALL FUNDS TOTALS	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Beginning Fund Balance	834,822	834,822	1,817,718	1,817,718	602,021	602,021	9,560	9,560	14,421,235	14,421,235
Revs. & Transfers In	556,910	538,807	2,998,534	2,287,021	172,785	97,029	360,000	0	24,756,051	20,318,994
Exps. & Transfers Out	(524,898)	(257,869)	(4,533,908)	(3,842,533)	(78,500)	(24,783)	(360,000)	2,000	(25,181,612)	(17,731,874)
Ending Fund Balance	866,834	1,115,760	282,344	262,206	696,306	674,267	9,560	11,560	13,995,674	17,008,355

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

To: The Honorable Mayor and Council  
 Via: Tracie J Anderson, City Manager  
 From: Timothy McGuire, P/T Finance Analyst  
 Prepared by: Betty Brooks, Payroll Accountant  
 Date: October 11, 2017  
 Subject: Monthly Financial Reports for September

City of Chehalis  
 Comparative Financial Reports  
 September 2016 and 2017

GENERAL FUND (#001) REVENUES	A September 2016		B Actual		C=B/A		D September 2017		E Actual		F=E/D		G Expected % Rec'd*		H^A Var'nc from Expected		I=F-G % Variance	
	Budget	Actual	Budget	Actual	% Rec'd	Budget	Actual	% Rec'd	% Rec'd	Expected	% Rec'd	% Rec'd	Expected	% Rec'd	Expected	% Rec'd	% Variance	
General Property Taxes	\$1,276,948	\$706,463	\$1,464,432	\$746,393	55.3%	\$1,464,432	\$746,393	51.0%	75.0%	75.0%	75.0%	51.0%	75.0%	(\$351,931)	75.0%	-24.0%		
EMS Property Taxes	304,886	169,164	328,028	178,050	55.5%	328,028	178,050	54.3%	75.0%	75.0%	75.0%	54.3%	75.0%	(67,971)	75.0%	-20.7%		
Sales & Use Tax	3,772,472	2,949,199	4,044,090	3,361,986	78.2%	4,044,090	3,361,986	83.1%	75.0%	75.0%	75.0%	83.1%	75.0%	328,919	75.0%	8.1%		
Electricity Tax	495,100	401,260	505,002	469,090	81.0%	505,002	469,090	92.9%	75.0%	75.0%	75.0%	92.9%	75.0%	90,339	75.0%	17.9%		
Gas/Natural Gas Tax	217,725	141,464	240,202	159,436	65.0%	240,202	159,436	66.4%	75.0%	75.0%	75.0%	66.4%	75.0%	(20,716)	75.0%	-8.6%		
Criminal Justice Tax	105,050	83,250	106,101	92,500	79.2%	106,101	92,500	87.2%	75.0%	75.0%	75.0%	87.2%	75.0%	12,924	75.0%	12.2%		
Main Street B & O Credit	0	0	0	41,250	0.0%	0	41,250	100.0%	75.0%	75.0%	75.0%	100.0%	75.0%	41,250	75.0%	25.0%		
Water/Sewer B & O Tax	452,900	360,806	464,727	390,397	79.7%	464,727	390,397	84.0%	75.0%	75.0%	75.0%	84.0%	75.0%	41,852	75.0%	9.0%		
Garbage Tax	81,900	48,253	81,900	51,040	58.9%	81,900	51,040	62.3%	75.0%	75.0%	75.0%	62.3%	75.0%	(10,385)	75.0%	-12.7%		
Cable Tax	133,485	79,175	136,500	79,191	59.3%	136,500	79,191	58.4%	75.0%	75.0%	75.0%	58.4%	75.0%	(22,434)	75.0%	-16.6%		
Telephone Tax	275,000	185,114	260,000	171,270	67.3%	260,000	171,270	65.9%	75.0%	75.0%	75.0%	65.9%	75.0%	(23,730)	75.0%	-9.1%		
Leasehold Excise Tax	41,000	32,092	43,050	38,006	78.3%	43,050	38,006	88.3%	75.0%	75.0%	75.0%	88.3%	75.0%	5,719	75.0%	13.3%		
Timber Excise Tax	45	43	45	44	95.6%	45	44	97.4%	75.0%	75.0%	75.0%	97.4%	75.0%	10	75.0%	22.4%		
<b>Total Tax Revenues</b>	<b>7,156,511</b>	<b>5,156,283</b>	<b>7,673,077</b>	<b>5,778,653</b>	<b>72.1%</b>	<b>7,673,077</b>	<b>5,778,653</b>	<b>75.3%</b>	<b>75.0%</b>	<b>75.0%</b>	<b>75.0%</b>	<b>75.3%</b>	<b>75.0%</b>	<b>23,845</b>	<b>75.0%</b>	<b>0.3%</b>		
Licenses & Permits	157,050	373,812	210,550	148,803	238.0%	210,550	148,803	70.7%	75.0%	75.0%	75.0%	70.7%	75.0%	(9,110)	75.0%	-4.3%		
Intergov't Grants/Entitlements	450,645	220,846	679,028	1,030,717	49.0%	679,028	1,030,717	151.8%	75.0%	75.0%	75.0%	151.8%	75.0%	521,446	75.0%	76.8%		
Charges for Goods and Svcs.	371,196	403,063	326,265	325,611	108.6%	326,265	325,611	99.8%	75.0%	75.0%	75.0%	99.8%	75.0%	80,912	75.0%	24.8%		
Fines and Forfeitures	147,420	108,428	144,945	86,114	73.6%	144,945	86,114	59.4%	75.0%	75.0%	75.0%	59.4%	75.0%	(22,595)	75.0%	-15.6%		
Interest Earnings	11,890	17,249	16,950	18,597	145.1%	16,950	18,597	109.7%	75.0%	75.0%	75.0%	109.7%	75.0%	5,885	75.0%	34.7%		
Rents & Royalties	71,280	67,605	82,100	67,444	94.8%	82,100	67,444	82.1%	75.0%	75.0%	75.0%	82.1%	75.0%	5,869	75.0%	7.1%		
Donations/Contributions	87,000	105,725	36,525	53,511	100.0%	36,525	53,511	146.5%	75.0%	75.0%	75.0%	146.5%	75.0%	26,117	75.0%	0.0%		
Misc. Revenue/Insurance	29,385	22,025	30,747	18,401	75.0%	30,747	18,401	59.8%	75.0%	75.0%	75.0%	59.8%	75.0%	(4,659)	75.0%	-15.2%		
Non-Revenues/Transfers	142,435	120,222	148,351	79,858	84.4%	148,351	79,858	53.8%	75.0%	75.0%	75.0%	53.8%	75.0%	(31,405)	75.0%	-21.2%		
<b>Total Non-Tax Revenues</b>	<b>1,468,301</b>	<b>1,438,975</b>	<b>1,675,461</b>	<b>1,829,056</b>	<b>98.0%</b>	<b>1,675,461</b>	<b>1,829,056</b>	<b>109.2%</b>	<b>75.0%</b>	<b>75.0%</b>	<b>75.0%</b>	<b>109.2%</b>	<b>75.0%</b>	<b>572,460</b>	<b>75.0%</b>	<b>34.2%</b>		
	<b>\$8,624,812</b>	<b>\$6,595,258</b>	<b>\$9,348,538</b>	<b>\$7,607,709</b>	<b>76.5%</b>	<b>\$9,348,538</b>	<b>\$7,607,709</b>	<b>81.4%</b>	<b>75.0%</b>	<b>75.0%</b>	<b>75.0%</b>	<b>81.4%</b>	<b>75.0%</b>	<b>\$596,305</b>	<b>75.0%</b>	<b>6.4%</b>		

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

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GENERAL FUND (#001) EXPENDITURES	A September 2016		B September 2016		C=B/A		D September 2017		E September 2017		F=E/D		G Expected % Exp*		H^ Variance from Expected		I=G-F % Variance	
	Budget	Actual	Budget	Actual	% Exp'd	Budget	Actual	% Exp'd	% Exp'd	% Exp'd	% Exp'd	% Exp'd	% Exp'd	% Exp'd	Expected	% Exp'd	% Variance	
City Council	\$98,657	\$62,082	\$92,351	\$47,933	62.9%	\$92,351	\$47,933	51.9%	75.0%	51.9%	75.0%	75.0%	\$21,330	23.1%				
Municipal Court	522,105	376,423	480,523	324,805	72.1%	480,523	324,805	67.6%	75.0%	67.6%	75.0%	75.0%	35,587	7.4%				
City Manager	308,708	246,618	312,582	132,819	79.9%	312,582	132,819	42.5%	75.0%	42.5%	75.0%	75.0%	101,618	32.5%				
Finance	228,295	136,620	232,471	161,168	59.8%	232,471	161,168	69.3%	75.0%	69.3%	75.0%	75.0%	13,185	5.7%				
City Clerk	78,878	50,135	79,915	41,391	63.6%	79,915	41,391	51.8%	75.0%	51.8%	75.0%	75.0%	18,545	23.2%				
Facilities and Parks	0	0	850,411	703,279	0.0%	850,411	703,279	82.7%	75.0%	82.7%	75.0%	75.0%	(65,471)	-7.7%				
Non-Departmental	542,916	329,204	611,351	424,660	60.6%	611,351	424,660	69.5%	75.0%	69.5%	75.0%	75.0%	33,853	5.5%				
Human Resources	85,553	68,530	80,584	64,937	80.1%	80,584	64,937	80.6%	75.0%	80.6%	75.0%	75.0%	(4,499)	-5.6%				
Police	2,751,643	2,095,766	2,944,719	2,247,623	76.2%	2,944,719	2,247,623	76.3%	75.0%	76.3%	75.0%	75.0%	(39,084)	-1.3%				
Fire	2,048,797	1,548,683	2,225,620	1,683,964	75.6%	2,225,620	1,683,964	75.7%	75.0%	75.7%	75.0%	75.0%	(14,749)	-0.7%				
Public Works - Streets	758,249	476,791	590,064	398,952	62.9%	590,064	398,952	67.6%	75.0%	67.6%	75.0%	75.0%	43,596	7.4%				
Planning & Building	0	0	482,332	307,669	0.0%	482,332	307,669	63.8%	75.0%	63.8%	75.0%	75.0%	54,080	11.2%				
Recreation	0	0	481,645	393,917	0.0%	481,645	393,917	81.8%	75.0%	81.8%	75.0%	75.0%	(32,683)	-6.8%				
Community Development	1,688,294	1,413,272	0	0	83.7%	0	0	0.0%	75.0%	0.0%	75.0%	75.0%	0	0.0%				
	\$9,112,095	\$6,804,124	\$9,464,568	\$6,933,117	74.7%	\$9,464,568	\$6,933,117	73.3%	75.0%	73.3%	75.0%	75.0%	\$165,309	1.7%				

Net Budget/Income/Variance: (\$487,283) (\$208,966) (\$116,030) \$674,592 \$761,614

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WASTEWATER FUND (#404) REVENUES	A September 2016		B		C=B/A		D		E		F=E/D		G		H^		I=F-G	
	Budget	Actual	Budget	Actual	% Rec'd	Budget	Actual	% Rec'd	Budget	Actual	% Rec'd	% Exp'd	Expected	% Rec'd*	Expected	Var'nc from Expected	% Variance	
Non-Revenue - Loans	\$1,400,000	\$0	\$0	\$0	0.0%	\$275,000	\$0	0.0%	\$275,000	\$0	0.0%	75.0%	75.0%	(\$206,250)	0.0%			
Wastewater Fees	4,818,053	3,962,421	3,962,421	3,865,724	82.2%	5,289,972	3,865,724	73.1%	5,289,972	3,865,724	73.1%	75.0%	75.0%	(101,755)	-1.9%			
Sewer Connection/Misc. Fees	30,000	78,477	78,477	164,832	261.6%	60,000	164,832	274.7%	60,000	164,832	274.7%	75.0%	75.0%	119,832	199.7%			
Rentals	3,545	3,545	3,545	3,545	100.0%	3,545	3,545	100.0%	3,545	3,545	100.0%	75.0%	75.0%	886	25.0%			
Misc. Revenues/Insurance	3,000	4,568	4,568	1,334	152.3%	3,000	1,334	44.5%	3,000	1,334	44.5%	75.0%	75.0%	(916)	-30.5%			
Non-Revenue Tax Receipts	555	553	553	563	99.6%	555	563	101.4%	555	563	101.4%	75.0%	75.0%	147	26.4%			
Intergovernmental Receipts	0	0	0	13,412	0.0%	13,500	13,412	99.3%	13,500	13,412	99.3%	75.0%	75.0%	3,287	24.3%			
Proceeds of Long-Term Debt	0	105,016	105,016	590,943	100.0%	890,100	590,943	66.4%	890,100	590,943	66.4%	75.0%	75.0%	(76,632)	-8.6%			
Fines and Forfeitures	50,000	44,251	44,251	37,605	0.0%	50,000	37,605	75.2%	50,000	37,605	75.2%	75.0%	75.0%	105	0.2%			
Interest Earnings	2,459	7,474	7,474	18,829	303.9%	3,000	18,829	627.6%	3,000	18,829	627.6%	75.0%	75.0%	16,579	552.6%			
<b>Tot</b>	<b>\$6,307,612</b>	<b>\$4,206,305</b>	<b>\$4,206,305</b>	<b>\$4,696,787</b>	<b>66.7%</b>	<b>\$6,588,672</b>	<b>\$4,696,787</b>	<b>71.3%</b>	<b>\$6,588,672</b>	<b>\$4,696,787</b>	<b>71.3%</b>	<b>75.0%</b>	<b>75.0%</b>	<b>(\$244,717)</b>	<b>-3.7%</b>			

WASTEWATER FUND (#404) EXPENSES	A September 2016		B		C=B/A		D		E		F=E/D		G		H^		I=G-F	
	Budget	Actual	Budget	Actual	% Exp'd	Budget	Actual	% Exp'd	Budget	Actual	% Exp'd	% Exp'd	Expected	% Exp*	Expected	Var'nc from Expected	% Variance	
Operating Expenses	\$2,723,260	\$1,830,107	\$1,830,107	\$1,905,534	67.2%	\$2,804,925	\$1,905,534	67.9%	\$2,804,925	\$1,905,534	67.9%	75.0%	75.0%	\$198,160	7.1%			
Capital Outlay	1,467,900	197,574	197,574	903,099	13.5%	1,113,100	903,099	81.1%	1,113,100	903,099	81.1%	75.0%	75.0%	(68,274)	-6.1%			
Debt Principal	1,834,840	936,884	936,884	938,123	51.1%	1,846,181	938,123	50.8%	1,846,181	938,123	50.8%	75.0%	75.0%	446,513	24.2%			
Interest Expense	34,188	11,073	11,073	9,935	32.4%	43,937	9,935	22.6%	43,937	9,935	22.6%	75.0%	75.0%	23,018	52.4%			
Transfers Out	32,500	32,500	32,500	0	0.0%	0	0	0.0%	0	0	0.0%	75.0%	75.0%	0	75.0%			
<b>Tot</b>	<b>\$6,092,688</b>	<b>\$3,008,138</b>	<b>\$3,008,138</b>	<b>\$3,756,691</b>	<b>49.4%</b>	<b>\$5,808,143</b>	<b>\$3,756,691</b>	<b>64.7%</b>	<b>\$5,808,143</b>	<b>\$3,756,691</b>	<b>64.7%</b>	<b>75.0%</b>	<b>75.0%</b>	<b>\$599,416</b>	<b>10.3%</b>			

Net Budget/Income/Variance: \$214,924 \$1,198,167  
\$780,529 \$940,096  
\$354,699

Key:

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WATER FUND (#405) REVENUES	A September 2016		B Actual	C=B/A		D September 2017		E Actual	F=E/D		G Expected % Rec'd*	H^ Var'nc from Expected		I=F-G % Variance
	Budget	Actual		% Rec'd	Budget	Actual	% Rec'd		Expected % Rec'd*	Var'nc from Expected		% Variance		
Intergovernmental Revenues	\$0	\$0	\$0	100.0%	\$0	0.0%	\$0	\$0	0.0%	75.0%	\$0	100.0%		
Water Sales	\$2,351,387	\$2,068,663	\$2,072,975	88.0%	\$2,072,975	79.3%	\$2,613,600	\$2,072,975	79.3%	75.0%	112,775	4.3%		
Water Connection/Misc. Fees	10,000	93,268	159,585	932.7%	159,585	212.8%	75,000	159,585	212.8%	75.0%	103,335	137.8%		
Misc. Revenues/Insurance	2,121	3,740	968	176.3%	968	45.6%	2,121	968	45.6%	75.0%	(623)	-29.4%		
Non-Revenue Tax Receipts	100	365	66	0.0%	66	44.0%	150	66	44.0%	75.0%	(47)	-31.0%		
Proceeds of Long-Term Debt	1,464,500	0	2,050,000	0.0%	2,050,000	205.0%	1,000,000	2,050,000	205.0%	75.0%	1,300,000	130.0%		
Fines and Forfeitures	25,000	22,476	23,879	0.0%	23,879	85.3%	28,000	23,879	85.3%	75.0%	2,879	10.3%		
Interest Earnings	6,275	9,333	14,718	148.7%	14,718	147.2%	10,000	14,718	147.2%	75.0%	7,218	72.2%		
<b>Total</b>	<b>\$3,859,383</b>	<b>\$2,197,845</b>	<b>\$4,322,191</b>	<b>56.9%</b>	<b>\$4,322,191</b>	<b>115.9%</b>	<b>\$3,728,871</b>	<b>\$4,322,191</b>	<b>115.9%</b>	<b>75.0%</b>	<b>\$1,525,538</b>	<b>40.9%</b>		

WATER FUND (#405) EXPENSES	A September 2016		B Actual	C=B/A		D September 2017		E Actual	F=E/D		G Expected % Exp*	H^ Var'nc from Expected		I=G-F % Variance
	Budget	Actual		% Exp'd	Budget	Actual	% Exp'd		Expected % Exp*	Var'nc from Expected		% Variance		
Operating Expenses	\$1,888,309	\$1,464,484	\$1,678,602	77.6%	\$1,678,602	86.9%	\$1,930,577	\$1,678,602	86.9%	75.0%	(\$230,669)	-11.9%		
Capital Outlay	1,847,000	788,764	744,269	42.7%	744,269	46.4%	1,603,000	744,269	46.4%	75.0%	457,981	28.6%		
Debt Principal	134,077	134,077	135,077	100.0%	135,077	100.0%	135,077	135,077	100.0%	75.0%	(33,769)	-25.0%		
Interest Expense	14,435	14,119	11,596	97.8%	11,596	91.1%	12,730	11,596	91.1%	75.0%	(2,049)	-16.1%		
<b>Total</b>	<b>\$3,883,821</b>	<b>\$2,401,444</b>	<b>\$2,569,544</b>	<b>61.8%</b>	<b>\$2,569,544</b>	<b>69.8%</b>	<b>\$3,681,384</b>	<b>\$2,569,544</b>	<b>69.8%</b>	<b>75.0%</b>	<b>\$191,494</b>	<b>5.2%</b>		

Net Budget/Income/Variance: (\$24,438)      -\$203,599      \$47,487      \$1,752,647      \$1,717,032

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City of Chehalis  
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STORM FUND (#406) REVENUES	A September 2016		B		C=B/A		D September 2017		E		F=E/D		G		H <sup>^</sup>		I=F-G	
	Budget	Actual	Budget	Actual	% Rec'd	% Rec'd	Budget	Actual	Budget	Actual	% Rec'd	% Rec'd*	Var'nc from Expected	Expected	Var'nc from Expected	% Variance		
Storm & Surface Water Fees	\$501,000	\$410,333	\$410,333	\$410,333	81.9%	81.9%	\$540,910	\$456,196	\$540,910	\$456,196	84.3%	75.0%	\$50,514	75.0%	\$50,514	9.3%		
Storm Connection/Misc. Fees	4,000	2,152	2,152	2,152	53.8%	53.8%	10,000	74,971	10,000	74,971	749.7%	75.0%	67,471	75.0%	67,471	674.7%		
Misc. Revenues/Insurance	2,000	0	0	0	0.0%	0.0%	0	0	0	0	0.0%	75.0%	0	75.0%	0	-75.0%		
Non-Revenue Tax Receipts	275	0	0	0	0.0%	0.0%	0	25	0	25	100.0%	75.0%	25	75.0%	25	25.0%		
Fines and Forfeitures	4,500	4,251	4,251	4,251	94.5%	94.5%	5,000	3,946	5,000	3,946	78.9%	75.0%	196	75.0%	196	3.9%		
Interest Earnings	580	1,570	1,570	1,570	270.7%	270.7%	1,000	3,669	1,000	3,669	366.9%	75.0%	2,919	75.0%	2,919	291.9%		
<b>Totals</b>	<b>\$512,355</b>	<b>\$418,306</b>	<b>\$418,306</b>	<b>\$418,306</b>	<b>81.6%</b>	<b>81.6%</b>	<b>\$556,910</b>	<b>\$538,807</b>	<b>\$556,910</b>	<b>\$538,807</b>	<b>96.7%</b>	<b>75.0%</b>	<b>\$121,125</b>	<b>75.0%</b>	<b>\$121,125</b>	<b>21.7%</b>		

STORM FUND (#406) EXPENSES	A September 2016		B		C=B/A		D September 2017		E		F=E/D		G		H <sup>^</sup>		I=G-F	
	Budget	Actual	Budget	Actual	% Exp'd	% Exp'd	Budget	Actual	Budget	Actual	% Exp'd	% Exp'd*	Var'nc from Expected	Expected	Var'nc from Expected	% Variance		
Operating Expenses	\$469,176	\$228,494	\$228,494	\$228,494	48.7%	48.7%	\$524,898	\$257,869	\$524,898	\$257,869	49.1%	75.0%	\$135,805	75.0%	\$135,805	25.9%		
Transfers Out	18,000	18,000	18,000	18,000	0.0%	0.0%	0	0	0	0	0.0%	75.0%	0	75.0%	0	75.0%		
<b>Totals</b>	<b>\$487,176</b>	<b>\$246,494</b>	<b>\$246,494</b>	<b>\$246,494</b>	<b>50.6%</b>	<b>50.6%</b>	<b>\$524,898</b>	<b>\$257,869</b>	<b>\$524,898</b>	<b>\$257,869</b>	<b>49.1%</b>	<b>75.0%</b>	<b>\$135,805</b>	<b>75.0%</b>	<b>\$135,805</b>	<b>25.9%</b>		

Net Budget/Income/Variance: \$25,179      \$171,812      \$32,012      \$280,938      \$256,929

Key:  
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City of Chehalis  
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AIRPORT FUND (#407) REVENUES	A		B		C=B/A %	D		E		F=E/D %	G	H <sup>^</sup> Var'nc from Expected	I=F-G %
	September 2016		September 2017			September 2017		Actual					
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Rec'd	Expected % Rec'd*	Expected % Rec'd*	Expected % Rec'd*	Variance
Intergovernmental Revenues	\$916,600	\$314,496	\$1,305,191	\$952,686	34.3%	\$1,305,191	\$952,686	73.0%	75.0%	75.0%	75.0%	(26,207)	-2.0%
Charges for Goods and Svcs.	533,622	393,598	534,567	391,795	73.8%	534,567	391,795	73.3%	75.0%	75.0%	75.0%	(9,130)	-1.7%
Interest Earnings	14,000	5,630	5,325	11,349	40.2%	5,325	11,349	213.1%	75.0%	75.0%	75.0%	7,355	138.1%
Licenses & Permits	0	1,450	1,450	1,350	0.0%	1,450	1,350	93.1%	75.0%	75.0%	75.0%	263	18.1%
Rents & Royalties	896,423	778,430	981,437	789,176	86.8%	981,437	789,176	80.4%	75.0%	75.0%	75.0%	53,098	5.4%
Misc. Rev/Ins/Donations	600	512	2,140	7,565	85.3%	2,140	7,565	353.0%	75.0%	75.0%	75.0%	5,950	278.0%
Non-Revenue Tax Receipts	157,373	131,344	168,424	133,110	83.5%	168,424	133,110	79.0%	75.0%	75.0%	75.0%	76	4.0%
Operating Transfers In	32,500	32,500	0	0	0.0%	0	0	0.0%	75.0%	75.0%	75.0%	0	-75.0%
	\$2,551,118	\$1,657,960	\$2,998,534	\$2,287,021	65.0%	\$2,998,534	\$2,287,021	76.3%	75.0%	75.0%	75.0%	\$31,329	1.3%

AIRPORT FUND (#407) EXPENSES	A		B		C=B/A %	D		E		F=E/D %	G	H <sup>^</sup> Var'nc from Expected	I=G-F %
	September 2016		September 2017			September 2017		Actual					
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Exp'd	Expected % Exp*	Expected % Exp*	Expected % Exp*	Variance
Operating Expenses	\$1,338,870	\$1,024,315	\$1,337,671	\$925,922	76.5%	\$1,337,671	\$925,922	69.2%	75.0%	75.0%	75.0%	\$77,331	5.8%
Capital Outlay	904,130	378,970	1,554,005	1,330,821	41.9%	1,554,005	1,330,821	85.6%	75.0%	75.0%	75.0%	(165,317)	-10.6%
Principal - G.O. Bonds	278,505	129,672	1,597,850	1,544,140	46.6%	1,597,850	1,544,140	96.6%	75.0%	75.0%	75.0%	(345,753)	-21.6%
Interest Expense	74,084	46,219	44,382	41,650	62.4%	44,382	41,650	93.8%	75.0%	75.0%	75.0%	(8,364)	-18.8%
	\$2,595,589	\$1,579,176	\$4,533,908	\$3,842,533	60.8%	\$4,533,908	\$3,842,533	84.8%	75.0%	75.0%	75.0%	(\$442,102)	-9.8%
	(\$44,471)	\$78,784	(\$1,535,374)	(\$1,555,512)		(\$1,535,374)	(\$1,555,512)						-\$410,774

Key:

\* The expected percentage is calculated as follows: since the report is for the 9th month of the year, 9 is divided by 12-the number of months in the year.

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

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