

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

Terry F. Harris, District 1, Mayor Pro Tem Daryl J. Lund, District 2 Dr. Isaac S. Pope, District 4	Dennis L. Dawes, Position at Large Mayor	Anthony E. Ketchum Sr., District 3 Chad E. Taylor, Position at Large Robert J. Spahr, Position at Large
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**Regular Meeting of Monday, April 23, 2018**  
**5:00 p.m.**

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| 1. <u>Call to Order.</u> (Mayor)<br>2. <u>Pledge of Allegiance.</u> (Mayor) |
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<b>PROCLAMATIONS / PRESENTATIONS</b>
3. <u>Chehalis Fire Department Medal of Valor to Chris Quinlan.</u> (Mayor)

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

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5. <u>Vouchers and Transfers – Accounts Payable.</u> (City Manager, Finance Director)	APPROVE	3
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7. <u>Accept Airport Pump Station Project as Complete.</u> (City Manager, Community Development Director, Airport Operations Coordinator)	APPROVE	6

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b. City Manager Update. (City Manager)		
12. <u>Councilor Reports/Committee Updates.</u> (City Council)		

**THE CITY COUNCIL MAY ADD AND TAKE ACTION ON OTHER ITEMS NOT LISTED ON THIS AGENDA.  
NEXT REGULAR CITY COUNCIL MEETING IS MONDAY, MAY 14, 2018.**

April 9, 2018

The Chehalis city council met in regular session on Monday, April 9, 2018, in the Chehalis city hall. Mayor Dennis Dawes called the meeting to order at 5:00 pm with the following council members present: Terry Harris, Daryl Lund, Dr. Isaac Pope, Bob Spahr, and Chad Taylor. Councilor Tony Ketchum was absent (excused). Staff present included: Ken Cardinale, Fire Chief; Caryn Foley, City Clerk; Bill Hillier, City Attorney; Trent Loughheed, Community Development Director; Brandon Rakes, Airport Operations Coordinator; Rick Sahlin, Public Works Director; Chun Saul, Finance Director; and Glenn Schaffer, Police Chief/Acting City Manager. Members of the news media in attendance included Alex Brown of *The Chronicle*.

1. **Chehalis Community Renaissance Team (CCRT).** Annalee Tobey, Executor Director, announced that the CCRT received \$133,333 through the B&O tax credit program, which is the maximum, annual amount allowed through the Main Street Program. She thanked the city for their \$50,000 contribution, and all of the other businesses that made donations. Other CCRT activities include planning for ChehalisFest to be held July 28; launching the Experience Chehalis website by the end April; painting a second mural on the downtown restrooms; restoring and reinstalling downtown benches; continuation of the façade improvement grant program; launching a micro grant program for smaller improvements such as sandwich boards, window displays, etc.; working with W.F. West to establish a mentorship program; and working on creating a courtyard in the back of the Chehalis Coworks facility. Ms. Tobey noted the Coworks already has seven monthly memberships.

2. **Port of Chehalis.** Chief Executive Officer Randy Mueller reviewed accomplishments over the last year by the Port that included sales to Pacific Mobile Structures, Inc., Wood Products, Inc., and the Water Doctor; demolition and cleanup of four rental homes; construction of a regional storm water facility; expansion of Habein Road Industrial Complex; a new billboard; and new tenants including U-Joint, Pacific NW Pet Center, Wilson Oil, RG Construction, and RG Crushing. Current projects include Maurin Road Industrial Site 1; McBride Court building project; Dark Fiber project w/Lewis PUD; and creating a buildable lands inventory. Mr. Mueller stated the Port supports the city on several issues, including reestablishment of the city/county interlocal agreement for permitting; city annexations of UGA; downtown revitalization; flood prevention and habitat restoration; and transit. Future projects include STEM industrial park tours; working with local farmers/potential future ag center; and rewriting the Port's long-range capital projects list.

3. **Youth Advocacy Center.** Samantha Mitchell, Forensic Interviewer, stated the center is located at the NW Pediatric Center in Centralia. She stated the center provides services to child victims of sexual abuse, maltreatment, neglect, and physical abuse, and to vulnerable adult victims of abuse. The center provides medical exams, forensic interviews, mental health, and victim advocacy services using a multi-disciplinary team. Ms. Mitchell stated that since 2015, the number of children being served continues to rise. She provided several statistics relating to the ages of children served, medical referrals, the location of where the children reside, and the financial implications of abuse. According to the most recent census, there are 16,678 children under the age of 18 in Lewis County. It is estimated that 1,668 will be abused before their 18<sup>th</sup> birthday. She noted that the use of a children's advocacy center approach leads to a dramatic increase in felony prosecutions of child sexual abuse. Ms. Mitchell stated the center will be moving into NW Pediatric's new building this year, which means they will begin paying rent, but the location serves as a safe place for families to come. There is no stigma of people knowing that they are going to a child advocacy center.

4. **Fire at Old Wastewater Treatment Plant.** Chief Cardinale reported on the fire that took place yesterday at the city's old wastewater treatment plant. Multiple districts joined the Chehalis Fire Department in responding to the fire. He stated there was a dispatching glitch and they did not tone out off-duty personnel or him, so he was not aware of the fire until later that morning. He met with Steve Mansfield this morning to correct that problem. Chief Cardinale stated the building was a total loss. The cause is still being investigated, but it was most likely started by a transient. They experienced some water problems in the area, specifically very low pressure, which caused a delay in getting water on the fire. After speaking with Water Superintendent Dave Vasilauskas, it was determined that the problem is that the water line is only a 4-inch line built in 1905 that has a lot of encrustation, causing reduced flow. To address that, the Fire Department has already updated its response plan to include water tenders to augment responses to future fires in that area.

5. **Citizens Business – Community Farmers Market.** Mokey Skinner, President of the Community Farmers Market, addressed the council regarding the upcoming market season. She stated the Tuesday market begins June 5 and runs until the end of October. She invited everyone to the market's Friends & Family Night fundraiser at the Olympic Club on April 24 from 5:00 to midnight. She stated the market has grown over the years and they have been looking at ways to expand. Last year, they tried a seven-week pilot series of Friday markets from 4:00 to 7:00 to serve working families. They would like to expand the Friday market to a full season this year, working with the "brick-and-mortar" business owners to promote their services and specials during market days, and to make sure the additional foot traffic is beneficial to all. Ms. Skinner stated the market has

April 9, 2018

started an ambassador program and talking to business owners to create growth, not just for the market, but for the downtown. She encouraged business owners who have comments or concerns to contact her directly. One issue that came up during her contacts related to parking and the market is working to address those concerns. Ms. Skinner thanked the city, the downtown business owners, and market customers for their support over the years. She presented the council with a letter of support from several business owners.

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

a. Minutes of the regular meeting of March 26, 2018;

b. March 30, 2018 Claim Vouchers No. 122021-122149 and Electronic Funds Transfer No. 22018 in the amount of \$232,533.63;

c. March 30, 2018, Payroll Vouchers No. 40161-40204, Direct Deposit Payroll Vouchers No. 9305-9406, and Electronic Federal Tax Payment No. 182 in the amount of \$802,840.89;

d. Interlocal agreement with the Town of Pe Ell for fire investigation services;

e. Interlocal agreement with the City of Winlock for fire investigation services; and

f. Award bid to Lakeside Industries in the amount of \$74,000 for the North Market Boulevard Grind and Inlay Project.

The motion was seconded by Councilor Lund and carried unanimously.

7. **Councilor Reports/Committee Updates**.

a. Councilor Harris stated he, along with Dr. Pope, Councilor Spahr, and Mayor Dawes, attended the Chehalis Foundation dinner. The event raised a lot of money.

b. Mayor Dawes attended the ribbon cutting for the Second Time Around Thrift Shop; the Chehalis Foundation dinner; and the mayors' meeting where the expanded transit system was discussed. Mayor Dawes stated *The Chronicle* reported that all cities, except Napavine, voted in favor of expanding transit countywide and putting a measure to the voters in November. Mayor Dawes stated the Chehalis city council took no action on the matter, so when he attended the meeting, his statement to the group was that he would not take a position one way or the other because Chehalis is already within the transit district and he thought the decision should be made from the cities not currently in the district. He told them Chehalis would cooperate with the ultimate decision of the group.

c. Councilor Pope stated the Chehalis Foundation was originally organized for the city of Chehalis so the city could take care of projects without raising taxes, and the Foundation has done that quite well, including Lintot/Alexander Park, the Gail & Carolyn Shaw Aquatics Center, the Kiddy Spray Park, and many other projects. The Foundation's next project is the renovation of Penny Playground. Donations dedicated to this project should be sent to the Foundation.

There being no further business to come before the council, the meeting was adjourned at 6:09 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:** Chun Saul, Finance Director  
Michelle White, Accounting Tech II

**MEETING OF:** April 23, 2018

**SUBJECT:** Vouchers and Transfers

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**ISSUE**

City Council approval is requested for Vouchers and Transfers dated April 13, 2018.

**DISCUSSION**

The April 13, 2018 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. 122150-122300 and Electronic Funds Transfer No. 32018 and 42018 in the amount of \$418,509.52 dated April 13, 2018, which includes the payment of:

- \$143,862.85 from the General Fund
- \$1,846.31 from the Dedicated Street Fund – 4% Sales Tax
- \$98.50 from the Arterial Street Fund
- \$2,517.02 from the Public Facilities Reserve Fund
- \$48.65 from the Garbage Fund
- \$151,343.41 from the Wastewater Fund
- \$30,211.89 from the Water Fund
- \$16,244.45 from the Storm & Surface Water Utility Fund
- \$71,846.60 from the Airport Fund
- \$489.84 from the Firemen’s Pension Fund

**RECOMMENDATION**

It is recommended that the City Council approve the April 13, 2018 Claim Vouchers No. 122150-122300 and Electronic Funds Transfer No. 32018 and 42018 in the amount of \$418,509.52.

**SUGGESTED MOTION**

I move that the City Council approve the April 13, 2018 Claim Vouchers No. 122150-122300 and Electronic Funds Transfer No. 32018 and 42018 in the amount of \$418,509.52.

**CHEHALIS CITY COUNCIL MEETING  
AGENDA REPORT**

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

**FROM:** Jill Anderson, City Manager

**BY:** Rick Sahlin, Public Works Director  
Don Schmitt, Street/Storm Superintendent

**MEETING OF:** April 23, 2018

**SUBJECT:** Set Date and Time for Public Hearing for the 2019-2024 Six-Year  
Transportation Improvement Program

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**ISSUE**

A public hearing will be included on the May 14, 2018, meeting agenda to provide the opportunity for comment and input on the city's proposed 2019-2024 Transportation Improvement Program (TIP). This hearing is required as part of the Six-Year Transportation Improvement Program (STIP) preparation process.

**DISCUSSION**

State law requires that a municipality conduct a public hearing to provide citizens the opportunity to comment on a proposed TIP prior to its adoption. It is proposed that the required public hearing be held on Monday, May 14 as part of the regularly scheduled City Council meeting. The proposed TIP will be presented to the public at that time. The administration will then use the public comments received to refine the TIP and present it to the City Council for formal adoption during the June 11 council meeting. For your reference, a copy of the 2018-2023 TIP is attached to this agenda report.

**FISCAL IMPACT**

N/A

**RECOMMENDATION**

It is recommended that the City Council set May 14, 2018, at 5:05 p.m. as the date and time to conduct the public hearing concerning the city's 2019-2024 Six-Year Transportation Improvement Program.

**SUGGESTED MOTION**

I move that the City Council set May 14, 2018, at 5:05 p.m. as the date and time to conduct the public hearing concerning the city's 2019-2024 Six-Year Transportation Improvement Program.

CITY OF CHEHALIS - 2018-2023 SIX YEAR TRANSPORTATION IMPROVEMENT PROGRAM

Project	General Description	Funding Source	Start Year	Prior Years	2017	2018	2019	2020	2021	2022	2023	Future	Total Cost
Citywide Preservation Program	Chip-sealing, HMA preleveling, patching	Arterial Street/4% Funds/TBD	2017		125,000	175,000	175,000	175,000	200,000	200,000	200,000		1,250,000
National Ave./ Coal Cr. Improvements	Coal Creek Bridges, intersection, pedestrian improvements	Grants/Arterial Street/4% Funds/TBD	2017		100,000	100,000	2,800,000						3,000,000
National Ave. Improvements	Grind, overlay, safety, etc.	Grants/Arterial Street/4% Funds/TBD	Future									2,500,000	2,500,000
Market Blvd. - Park to N National Ave.	Renaissance streetscape planning	Grants/Arterial Street/4% Funds/TBD/Utility Funds	2020					200,000			1,800,000		2,000,000
Market Blvd - Park St to 13th St	Grind / overlay/signal upgrades	Grants/Arterial Street/4% Funds/TBD	2017		50,000	50,000		1,250,000					1,350,000
Market Blvd - 13th to city limits	Grind / overlay	Grants/Arterial Street/4% Funds/TBD	2019				100,000			750,000			850,000
Snively Ave improvements	Reconstruct 16th to 20th	Grants/Arterial Street/4% Funds/TBD/Utility Funds	Future									2,234,000	2,234,000
Guardrail	Various locations throughout city	Grants/Arterial Street/4% Funds/TBD	Future									125,000	125,000
Riverside Dr/Newaukum Ave repairs	Spot repairs Hwy 6 to Shorey Rd/sidewalks	Grants/Arterial Street/4% Funds/TBD	2018			300,000							300,000
Chamber Way Bridge Replacement	Replace Bridge	Grants/Arterial Street/4% Funds/TBD	Future									15,000,000	15,000,000
Kresley Ave improvements	Overlay	Grants/Arterial Street/4% Funds/TBD	2019				500,000						500,000
Rocky Ave Flood Mitigation	Raise roadway between Exhibitor and Scott Johnson Blvd.	Grants	Future									2,078,000	2,078,000
Front, Pacific, Park Streets improvements	Grind, overlay/utility/frontage improvements	Grants/Arterial Street/4% Funds/TBD	Future									2,500,000	2,500,000
13th St - Market to I-5	Spot repair & overlay Hwy 6 North	Grants/Arterial Street/4% Funds/TBD	Future									450,000	450,000
Winchester Hill Dr.	Spot repair/ double chip seal or overlay	Arterial Street/4% Funds/TBD	2019				60,000						60,000
Chehalis Avenue	Repair Main St. to John St.	Arterial Street/4% Funds/TBD	2017		70,000								70,000
Chehalis Avenue	Repair 3rd St. to 9th St.	Arterial Street/4% Funds/TBD	2017		20,000	265,000							285,000
Main St - Market to I-5	Grind and overlay	Grants/Arterial Street/4% Funds/TBD	2022							500,000			500,000
20th St - Market to Salisbury	Grind and overlay	Grants/Arterial Street/4% Funds/TBD	2020					200,000					200,000
Cascade Ave - Main to 13th St	Spot repairs/ chip seal	Grants/Arterial Street/4% Funds/TBD	2018			100,000							100,000
13th St - Market to Interstate	Grind & overlay, ADA compliance	Grants/Arterial Street/4% Funds/TBD	Future										
Louisiana Ave - Chamber Way to Home Depot	Grind & overlay, Chamber to Home Depot, traffic control improvements	Grants/Arterial Street/4% Funds/TBD	2021						275,000				275,000
Chamber Way- Louisiana to dead end.	Grind & overlay	Arterial Street/4% Funds/TBD	2018			85,000							85,000
National Ave, under Chamber Way	Slide repair	Grants/Arterial Street/4% Funds/TBD	Future										
Market Blvd. - Downtown parking	grind & repave parking areas	Arterial Street/4% Funds/TBD	2017		50,000								50,000
					415,000	1,075,000	3,635,000	1,825,000	475,000	1,450,000	2,000,000	25,397,000	36,272,000

**CHEHALIS CITY COUNCIL MEETING  
AGENDA REPORT**

**TO:** The Honorable Mayor and City Council  
**FROM:** Jill Anderson, City Manager  
**BY:** Brandon Rakes, Airport Operations Coordinator  
**MEETING OF:** April 23, 2018  
**SUBJECT:** Accept Airport Pump Station Project as Complete

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**ISSUE**

The Airport Pump Station Project is complete. The administration recommends that the City Council accept the project as complete.

**DISCUSSION**

In January of 2017, City Council awarded a contract to Roglin's, Inc., to demolish the existing stormwater pump station and install two new pumps and associated improvements. The repair project was started in May.

The pump is located on the northeast corner of the airport inside the levee that helps protect not only the airport, but also commercial facilities and associated infrastructure. This includes roads, utilities, and the airport runway itself. All of these are essential during a flood emergency event.

The new pump station is comprised of two new electric pumps that are capable of pumping 10,000 to 12,000 gallons per minute. This consists of a primary pump and an auxiliary back up pump. The previous system was comprised of a single pump and should it fail, the integrity of the levee could immediately be compromised.

There is also a new generator that is capable of supplying electricity to the pump station if the local electrical grid should fail. The previous system did not provide any protection in the event of a power failure. The generator is capable of powering the pumps for several hours before refueling is necessary.

To summarize, this is a major improvement in the protection of our community. This is a proactive and responsible approach in maintaining the integrity of the levee and the infrastructure within the rings of the levee.



The original estimate of cost was \$716,000. This was increased to a final project cost of \$1,146,000 due to adding a back-up/redundant pump system.

**FISCAL IMPACT**

This project received 100% funding from the Chehalis River Basin Flood Authority with a grant from the Washington State Recreation and Conservation Office.

**RECOMMENDATION**

The administration recommends that the City Council accept the Airport Pump Station Project as complete.

**SUGGESTED MOTION**

I move that the City Council accept the Airport Pump Station Project as complete.

**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:** April 23, 2018

**SUBJECT:** Interlocal Agreement with Lewis County for Permitting Within the City's Urban Growth Area

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**ISSUE**

Over the last year, representatives from the city and Lewis County have been working on the development of an Interlocal agreement (ILA) so that Chehalis City can resume permitting activities in the city's Urban Growth Area (UGA). A draft agreement that represents the input from multiple departments from both agencies is being presented for City Council consideration.

**GOALS FOR THE AGREEMENT**

There were seven specific goals considered in the initial development of the draft interlocal agreement (ILA) for managing land use development in the unincorporated Chehalis UGA:

- Develop a clear and concise agreement that is easy to understand
- Enable future development patterns to become more urbanized
- Identify responsibilities for both the city and the county during the permitting process for future development
- Establish clear procedures for the city to consider county comments on project permit applications
- Retain the right of due process for county residents who wish to appeal decisions made by the city
- Clarify annexation procedures that reduce financial impacts to the county for continued public infrastructure investments
- Establish a simple system to resolve disputes

The purpose of the Chehalis UGA is to set aside an area that will accommodate future urban growth associated with the city over the next 20 years. Under the Growth Management Act and the Countywide Planning Policies, there is the expectation that a UGA eventually will incorporate urbanized residential, commercial, industrial, and public lands within an adjacent municipality. However, until annexation occurs, lands within the unincorporated area remain within a county's jurisdiction.

Lewis County acknowledges that the land use policies and regulations of the city will best guide the extension of urban development into the Chehalis UGA. The proposed ILA establishes a process whereby both parties can work together to expedite the integration of the unincorporated UGA into the city.

Both parties to the ILA agree that the administration of land use policies and regulations would benefit unincorporated UGA residents if the city assumed leadership in permitting. There are complexities associated with sharing this responsibility, but if the ILA provides clear direction as to which party does what, this approach is realistic.

### **RESPONSIBILITIES OF EACH PARTY**

The county, through the proposed ILA, seeks to explicitly list which of these responsibilities the city is to assume. The proposed ILA does this by citing those sections of the Chehalis Municipal Code that it would like to extend to the unincorporated UGA, albeit with certain exceptions. The exceptions listed reflect county responsibilities that it cannot confer to the city due to state or federal requirements, or maintenance of county infrastructure relating to roads.

Overall, this approach will ensure that urban land use standards adopted by the city apply to new or expanded development in the unincorporated UGA. It should be noted that any jurisdictional responsibility not conferred to the city under the ILA remains with the county or the County Board of Health.

Because of the blending of jurisdictional responsibilities, it will be important for the city and the county to have clear lines of communication on project permit applications. Health code, floodplain management, and road issues are examples of issues that can be significantly impacted if they are not integrated and considered in the decision-making process for development permits.

***Notice and Comment Period:*** The easiest way to incorporate county concerns is to notify the county of all project permit applications in the unincorporated UGA authorized through the ILA. The 15-day comment period corresponds to required SEPA comment procedures, which if done simultaneously, would not significantly delay issuance of permits. The county anticipates that in many cases, it can expedite decisions faster than the 15-day comment period for uncomplicated project permit applications.

***Due Process:*** The county holds an inherent sensitivity towards respecting the due process rights of county residents living in the unincorporated UGA. While the county agrees that specific development standards emanating from the city should apply to the unincorporated UGA, county residents aggrieved by an application of those standards area should have the ultimate right to appeal to representatives appointed by county elected officials. Any final avenue of administrative appeal of a development project permit should fall to county jurisdiction as currently provided under Section 2.25130 (14) (a) LCC. The county believes that this a fair balance between the application of city development code in the UGA and maintaining the fundamental representative rights of unincorporated citizens.

**Potential Annexation Provisions:** The ILA seeks a fair balance between the city and the county relating to annexation, especially those issues concerning administrative obligations, assumption of rights-of-way, and reimbursement for infrastructure improvements.

**Conflict Resolution:** If ever becoming necessary, the ILA proposes a process for mediation and binding arbitration to resolve disputes in a fair and timely manner.

#### **FISCAL IMPACT**

Increased revenues from permitting within the UGA are anticipated. Based on 2017 development applications, it is anticipated that the city would have received an additional \$42,500. Revenues are dependent on the rate of development within the UGA, and can vary greatly year-to-year. Depending on development trends, the need for additional staff resources will need to be considered on a regular basis in order to provide a high level of service to the community.

#### **RECOMMENDATION**

It is recommended that the City Council authorize the City Manager to execute the Interlocal Agreement between the city of Chehalis and Lewis County.

#### **SUGGESTED MOTION**

I move that the City Council authorize the City Manager to execute the Interlocal Agreement between the city of Chehalis and Lewis County.

## INTERLOCAL AGREEMENT

This agreement is made by and between the City of Chehalis (herein after referred to as the City) and Lewis County (herein after referred to as the County), political subdivisions of the State of Washington, pursuant to the Interlocal Cooperation Act, RCW 39.34.

WHEREAS, the County designated an urban growth area (UGA) for the City pursuant to the RCW 36.70A.110 and the countywide planning policies;

WHEREAS, the UGA consists of unincorporated lands already characterized by urban growth that have existing public facilities and service capabilities to serve such development as well as additional lands deemed necessary to accommodate future urban growth at urban densities; and

WHEREAS, the consistent application of the City's development regulations will facilitate urban development within the UGA in accordance with the City's comprehensive plan; and

WHEREAS, cooperative relationships between the City and the County benefit both jurisdictions and the residents and businesses within the unincorporated urban growth area; and

WHEREAS, the County recognizes that until annexation occurs, it is in the public interest for the City to administer specific development regulations within the UGA; and

WHEREAS, there is a need for clear procedures between the City and the County to facilitate annexation of unincorporated UGA lands into the City; and

WHEREAS, it is appropriate that to implement such arrangements an interlocal agreement setting forth terms and conditions between the City and the County is necessary;

NOW, THEREFORE, in consideration of the terms and conditions contained herein, the City and County agree as follows:

### **Section 1. Definitions**

- (A) "Capital investment" means any roadway or roadway feature exceeding \$100,000 in construction cost which is approved by the County on or after the date of this agreement, and which is fifty percent (50%) or more completed during the effective dates of this agreement.
- (B) "Chehalis Urban Growth Area (UGA)" means the urban growth area adopted pursuant to RCW 36.70A.110 (Comprehensive plans – urban growth areas) as

illustrated in Chapter 17.200 Lewis County Code (LCC - Maps), and in conjunction the City of Chehalis comprehensive Plan.

- (C) "City" means the City of Chehalis, Washington.
- (D) "CMC" means Chehalis Municipal Code.
- (E) "County" means Lewis County, Washington.
- (F) "LCC" means Lewis County Code.
- (G) "Project permit application" means any land use or environmental permit or license required from the City or the County for a project action, including but not limited to building permits, subdivisions, binding site plans, planned unit developments, conditional uses, shoreline substantial development permits, site plan review, permits or approvals required by critical area ordinances, site-specific rezones authorized by a comprehensive plan or subarea plan, but excluding the adoption or amendment of a comprehensive plan, subarea plan, or development regulations. [Note: RCW 36.70B.020 (4)]
- (H) "Roadway feature" means any improvement within, or adjacent to the right-of-way that materially supports roadway function, such as traffic signals, traffic control devices, roadway signage, bridges, drainage structures, and storm water facilities.

**Section 2. County and City authority within the unincorporated Chehalis UGA.**

- (A) The County and County Board of Health shall retain all permitting, regulatory authority, and adopted policies within the unincorporated Chehalis UGA except as provided in (B) of this section.
- (B) The County grants the City permitting authority for the implementation of the following provisions:
  - (1) Appendix Chapter E CMC (List of International, Uniform, and SBCC Codes Adopted by the City);
  - (2) Chapter 13.04 CMC (Water system);
  - (3) Chapter 13.08 CMC (Sewer system);
  - (4) Title 15 CMC (Environment);
  - (5) Title 17 (Uniform Development Regulations); except the County shall retain authority relating to the following items:

- (a) Approval of final plats. In accordance with CMC 17.12.178 (Final plat review and approval – Outside city limits) and .180 (Recording and maintenance of the plat):
  - (i) Upon receipt of the final plat and accompanying data specified, the City's DRC shall review the final map and document to determine whether the plat conforms with the approved preliminary plat and complies with the provisions of this title and other applicable laws.
  - (ii) Within 28 days, the DRC shall submit a staff report and the final plat with a recommendation to the board of county commissioners.
  - (iii) The board of county commissioners shall approve all final plats in the unincorporated UGA.
  - (iv) The board of county commissioners may take such action on such final plat application as they deem appropriate.
  - (v) Upon approval by the board of county commissioners, the County community development director shall forward the final plat to the county auditor's office for recording.
  - (vi) The original of the final plat shall be filed by the County community development director for record with the county auditor within 30 days of approval. The original of the final plat shall be maintained by the community development director and copies of such plat shall be made available to any party at cost.
  - (vii) The applicant shall submit to the county final plat approval fees as provided under LCC Title 18 Fee Schedule.
- (b) The County shall retain Lead Agency status as provided under Section 17.15.060 CMC (State Environmental Policy Act) for any County sponsored projects within the unincorporated UGA;
- (c) The County shall retain all administration and permitting authority under Chapter 17.22 CMC (Frequently Flooded Areas – Flood Hazard Zones [FHZ]); and
- (d) Siting and permitting of facilities for marijuana production, processing, and retail sale;

- (C) Until the final adoption of a draft Shoreline Master Program consistent with Chapter 173-26 WAC (State Master Program approval/amendment procedures and Master Program Guidelines), the City shall adopt and administer Chapter 17.25 LCC (Shoreline Management) within the unincorporated Chehalis UGA.

**Section 3. Interjurisdictional Coordination on Project Permit Applications.**

- (A) Except within FEMA designated 100-year floodplain, the City may issue expedited approval without County review and comment for the following project permit applications authorized under Section 2:
  - (1) Building permits issued under Appendix Chapter E, CMC (List of International, Uniform, and SBCC Codes Adopted by the City):
    - (a) Mechanical and plumbing permits;
    - (b) Repair, restoration, or remodel of existing structures, including re-roofing projects;
    - (c) Additions and extension to existing residential structures;
    - (d) Construction of new single-family residences on existing lots;
    - (e) Construction or modification of non-building structures, such as swimming pools, fences, and retaining walls; and
    - (f) Connection from existing sewer and water utility lines; and
  - (2) Variances under approved under Section 17.09.120 CMC (Variances).
- (B) For all other project permit applications under the authority granted to the City under Section 2 (B) of this Agreement, the City shall forward to the Lewis County Department of Community Development the following:
  - (1) Copy of the development application and all related materials;
  - (2) Copy of SEPA checklist and threshold determination, if applicable; and
  - (3) Copy of the notice for public hearing, if applicable.
- (C) The County shall review the development application and provide comment to the City within 15 days of receiving notice under (B) of this section. The City shall not act on the development application until consideration of the County's comments.



- (D) Any party may appeal a decision by the City's Development Review Committee, Planning Commission, or Hearing Examiner to the County in accordance with Section 2.25.020(3)(a), LCC (Hearing Examiner).
- (E) The City may appeal an administrative decision taken by the County within the Urban Growth Area in accordance with Section 2.25.020(3)(a), LCC (Hearing Examiner).
- (F) Both the City and the County shall have access to all information and documents held by either party relating to a project permit application, approval, and/or appeal within the Urban Growth Area.

**Section 4. Infrastructure development standards**

- (A) New city streets within the unincorporated Chehalis UGA shall conform to the design and construction standards set forth under Article III, Sections 12.04.270 through .330 CMC (General considerations; Streets; Sidewalks, curbs and gutters; Illumination; Signals; Roadside features; Traffic impact analysis). Streets identified for mitigation within a traffic impact analysis under Section 12.04.330 J CMC (Traffic impact analysis) shall similarly conform to the design and construction standards under Section 12.04.280 CMC (General considerations).
- (B) New or expanded development within the unincorporated Chehalis UGA shall meet the storm drainage and erosion control design and construction standards set forth under Article IV, Sections 12.04.340 (Stormwater management) and 12.04.350 CMC (Erosion control).

**Section 5. Code enforcement.**

- (A) Code enforcement in the unincorporated Chehalis UGA shall be a cooperative effort between the City and the County and shall be coordinated through the designated official for each jurisdiction.
  - (1) The code enforcement designated official for the City shall be the Development Review Specialist.
  - (2) The code enforcement designated official for the County shall be the Environmental Services Supervisor.
- (B) Whenever the City or the County receives a code violation complaint within the unincorporated Chehalis UGA, the designated official will immediately notify their designated counterpart by telephone, in writing, or personal contact.
- (C) The City shall provide assistance to the County in code violations related to the following code provisions:

- (1) Appendix Chapter E CMC, List of International, Uniform, and SBCC Codes Adopted by the City;
  - (2) Chapter 13.04 CMC (Water System);
  - (3) Chapter 13.08 CMC (Sewer System);
  - (4) Title 15 CMC (Environment);
  - (5) Title 17 CMC (Uniform Development Regulations); and
  - (6) Chapter 17.25 LCC (Shoreline Management).
- (D) The City shall assist the County in code violations for any code authority granted to the City under Section 2 (B) by conducting all investigations and seeking voluntary compliance from the violator. The City designated official shall consult with the County designated official throughout this process, including providing the County notification whenever the City discusses a violation before the Development Review Committee.
- (E) If voluntary compliance in resolving the violation is not possible, the City designated official shall assemble all written reports and affidavits related to the violation into a single file and forward it to the County designated official. Upon receipt of the file, the County designated official will review the file to determine if the county will pursue issuing a citation, abatement, and/or lien relating to the code violation. The County designated official shall immediately notify the City designated official of the County's decision.

**Section 6. Utilities.**

The City agrees to make sewer and water utility service available to ~~all properties~~ in the unincorporated Chehalis UGA consistent with CMC Chapters 13.04 (Water System) and 13.08 (Sewer System), provided there is adequate capacity and infrastructure in place to accommodate the service increase. The City and the developer may enter in latecomer agreements consistent with Section 12.04.130 CMC (Latecomer agreements) to provide said utilities.

**Section 7. Fees and Charges.**

- (A) The City shall retain any fees and charges for any project permit applications that the County has granted jurisdiction to the City as provided under Section 2(B) of this agreement.
- (B) Fees and charges for project permit applications within the unincorporated Urban Growth Areas shall be the same as within the city limits.

- (C) The County shall retain all court fines and charges for code enforcement actions within the unincorporated Chehalis UGA except as regulated by Section 2 (B).
- (D) The City shall pay the cost of all fire investigations within the unincorporated Urban Growth Area.

**Section 8. Development Agreements**

- (A) The City may execute development agreements within the unincorporated Chehalis UGA as provided by WAC 365-196-845 (17) (b) (Local project review and development regulations).
- (B) Upon annexation, the City shall assume all administrative duties for developer agreements executed by the County within the affected area.

**Section 9. Annexations.**

- (A) Unless the County agrees to retain a specific road in County jurisdiction, the City shall annex the entire right-of-way of County roads adjacent to an annexation boundary and will assume full maintenance responsibility for those roads upon the effective date of annexation.
- (B) The City shall not create through annexation an unincorporated island or a peninsula substantially surrounded by property within the City.
- (C) The City agrees to reimburse the County for the depreciated value of capital road and/or stormwater construction projects and completed during the ten-year period before annexation. Depreciation shall be based on a 5-year, straight line depreciation.

Reimbursement shall be for the value of the County's share of funds spent for the construction of the capital road and/or stormwater, excluding grant funding or other outside funding sources. Reimbursement shall not include costs incurred for routine maintenance expenditures. The actual reimbursement amount and the timing of payments shall be negotiated between the City and County before annexation occurs.

- (D) The County shall retain its share of property taxes levied within an annexed territory from the start of the fiscal year until the date the annexation is final. The County shall retain any delinquent taxes owed, including penalties and interest, before the date of annexation. Upon request by the City, the County shall provide to the City the amounts owed.

- (E) In addition, the County shall retain its share of any delinquent property tax revenues received after the date of annexation, including penalties and interest.

**Section 10. Agreement Oversight and Dispute Resolution.**

- (A) Communications regarding this Agreement shall be in writing and hand delivered or sent by registered mail to the designated official of the jurisdiction for which it is intended:
  - (1) Designated Official for Lewis County:  
Community Development Director  
2025 NE Kresky Avenue  
Chehalis, WA 98532
  - (2) Designated Office for City of Chehalis:  
City Manager  
350 N. Market Blvd, Room 101  
Chehalis, WA 98532
- (B) The City and the County mutually agree to use mediation for a minimum of 90 days if agreement cannot be reached on any provision of this agreement. After the 90-day period, any party may elect to utilize binding arbitration. If arbitration is necessary, one member of the arbitration team shall be selected by the City, one member shall be selected by the county, and the third member shall be selected by the other two members. The decision of the arbitration team on the issue shall be final.

**Section 11. Hold Harmless.**

The City shall protect, save harmless, and indemnify at its own expense, the County, its elected and appointed officials, officers, employees, and agents, from any loss or claim for damages of any nature whatsoever arising out of the City's performance of this agreement. The County shall protect, save harmless, and indemnify at its own expense, the City, its elected and appointed officials, officers, employees, and agents, from any loss or claim for damages of any nature whatsoever arising out of the County's performance of this agreement.

**Section 12. Effective Date, Duration, and Termination**

- (A) This Agreement shall be effective upon signature by both the City of Chehalis City Manager and Chair of the Board of County Commissioners.
- (B) This agreement shall remain in effect until May 1, 2023 unless modified or terminated by written agreement of both parties.

(C) Either party may terminate this Agreement at will after giving the other party at least 30-days' notice.

**Section 13. Severability**

If any provision of this agreement or its application to any person or circumstance is held invalid, the remainder of the provisions and/or application of the provisions to other persons or circumstances shall not be affected.

EXECUTED IN TRIPLICATE and effective as of the date and year first above written.

\_\_\_\_\_  
Jill Anderson                      date  
City Manager

\_\_\_\_\_  
Lee Napier                              date  
Director of Community Development

APPROVED AS TO FORM:

APPROVED AS TO FORM:  
Jonathan L. Meyer, Prosecuting Attorney

\_\_\_\_\_  
By: City Attorney                      date

\_\_\_\_\_  
By: Civil Deputy                              date

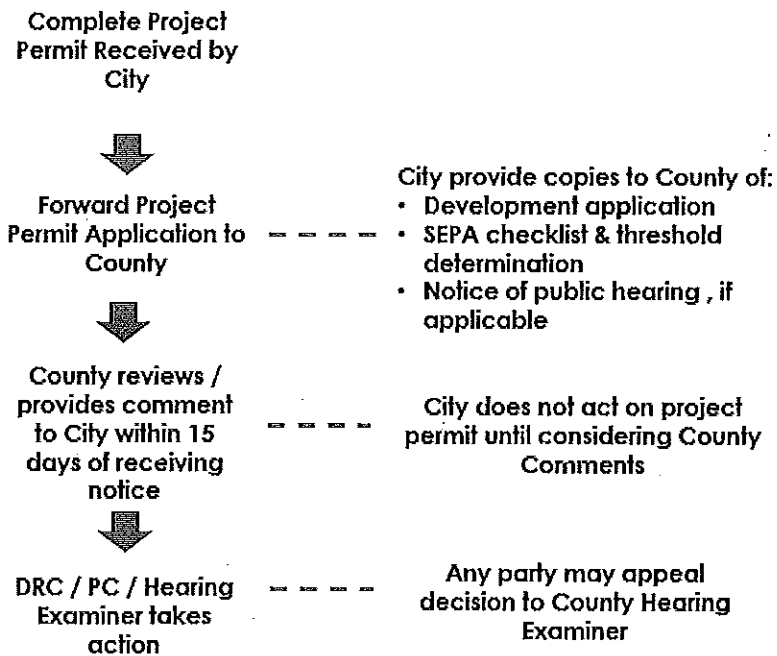
## Chehalis Unincorporated Urban Growth Area Quick Reference Tables and Diagram

City Permitting Authority	Exceptions (Consult LA)
• Building Codes (Appendix E CMC)	
• Water systems (Chapter 13.04 CMC)	
• Sewer systems (Chapter 13.08 CMC)	
• Title 15, Environment CMC	
o Storm Water and Storm Water Runoff	
o Land-disturbing activities	
• Title 17, Uniform Development Regulations CMC	
o Division I. Administrative	
o Division II. Subdivisions	• Approval of final subdivision plat [see §2 (B) (5) (a)]
o Division III. Environmental Districts	• County assumes Lead Agency Status for County sponsored projects [see §2 (B) (5) (b)] • County retains administration & permitting for frequently flooded areas [see §2 (B) (5) (c)] • County retains siting & permitting of facilities for marijuana production, processing, & retail sale [see §2 (B) (5) (d)] • Until City has approved SMP, City adopts & administers County SMP [see §2 (C)]
o Division IV. Special Districts	
o Division V. Land Use Zones (Zoning)	
o Division VI. Use Chart/Zoning Map	
o Division VII. General Provisions	

City Code Enforcement Participation
• Building Codes (Appendix E CMC)
• Water systems (Chapter 13.04 CMC)
• Sewer systems (Chapter 13.08 CMC)
• Title 15, Environment CMC
• Title 17, Uniform Development Regulations CMC
"Fast Track" Permitting not requiring County Review
• The following Building Codes (Appendix E CMC) permits
o Mechanical and plumbing permits
o Repair, restoration, or remodel of existing structures, including re-roofing projects
o Additions & extensions to existing residential structures

o Construction of new single-family residences on existing lots
o Construction or modification of non-building structures, such as swimming pools, fences, & retaining walls
o Connections to existing sewer and water utility lines
• Variances issued under § 17.09.120 CMC (Variances)

## Project Permit Review Process



**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:** April 23, 2018

**SUBJECT:** Business Licensing Service Agreement with State Department of Revenue

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**ISSUE**

The Washington State Department of Revenue has developed a new business licensing system in compliance with Engrossed House Bill (EHB) 2005 (chapter 209, Laws of 2017). The new law, codified in chapter 35.90 RCW, requires that all cities have their business license renewals go through the Department of Revenue Licensing Division and that this be implemented over the next 10 years.

**DISCUSSION**

Chehalis has been asked by WADOR to be in the first group of 24 cities that have been selected to join the Business Licensing System partnership (BLS) in the first two years of this program. Cities were prioritized by the legislators and Chehalis was listed as being one of the jurisdictions that should join the program in the first year (2018). The other cities scheduled to join this year are:

- Mukilteo
- Pasco
- Walla Walla
- Puyallup
- Lakewood
- Bainbridge Island
- Kirkland
- Centralia

There are 281 incorporated cities and towns in Washington State. Of those, 226 issue local business licenses. Currently, BLS provides local licensing services for more than 70 cities on a voluntary basis, reducing the license renewal workload for these cities and saving businesses time with a one-stop solution.



Companies doing business in Chehalis will still be able to obtain their initial business license with the city, as it is now, or go online to the DOR website. We will send the information to the DOR. All renewals will be issued through the DOR.

DOR will send the notice to the business when it is time to renew. The business will renew their license through DOR. DOR will issue and send the renewed business license to the business. DOR will forward all monies collected from the business license renewals to the city of Chehalis. There will be no charge to the city for this service. If approved, Chehalis would plan to fully implement this program in the third quarter of this year (by end of October).

**FISCAL IMPACT**

None by this action.

**RECOMMENDATION**

It is recommended that the City Council authorize the City Manager to sign the agreement with DOR to participate in the Business Licensing System Partnership.

**SUGGESTED MOTION**

I move that the City Council authorize the City Manager to sign the agreement with the Washington State Department of Revenue to participate in the Business Licensing System Partnership.

BUSINESS LICENSING SERVICES AGREEMENT

I. Parties and Contact Information

This Business Licensing Services Agreement ("Agreement") is entered into between the parties identified below:

	State of Washington Department of DOR Business Licensing Service	City of Chehalis
	("DOR")	("Partner")
Mailing Address	PO Box 47475 Olympia, WA 98504-7475	350 N Market Blvd Chehalis, WA 98532
Delivery Address	6500 Linderson Way, SW, Ste. 102 Tumwater, WA 98501	350 N Market Blvd Chehalis, WA 98532
Contact Person	Katherine Early Phone: (360) 705-6607	Jill Anderson, City Manager Phone: (360)345-1042

II. Purpose

The purpose of this Agreement is to establish the terms under which the Business Licensing Services (BLS) program of the Department of Revenue will act as Partner's agent for the purpose of collecting, processing, and disbursing information, licenses, and fees related to Partner's licensing or other regulatory activities, hereafter referred to as Confidential Licensing Information. Partner retains all power and authority over its business licensing and other regulatory activities except as expressly delegated to Revenue under this Agreement.

III. Effective Date

This Agreement is effective as of (*check one*):  (mm/dd/yyyy).  
 the date of the last signature of the parties.

IV. Services Provided by Revenue

Revenue will perform the services identified in this Section IV using best efforts in a manner determined by Revenue in good faith to be appropriate considering objectives, costs, and effectiveness.

- Distribute and process initial and renewal internet and/or paper-based applications for Partner's business licensing and/or other regulatory activities.
- Collect and process license fees and licensing information received from applicants and licensees. Disburse collected fees as directed by Partner.
- Issue Business License with Partner's license endorsement as authorized by Partner.
- Provide routine reports on Partner's business licenses as requested by Partner, which may include daily lists of new business applications and renewals, fees processed each day, weekly list of pending accounts, and lists of businesses for which fees have been transferred.

- Maintain electronic or microfilm images of all paper documents and electronic representations of electronic filings received by Revenue from applicants and provide copies or certified copies as requested.
- Maintain a database containing information received from applicants and licensees (the BLS Database).
- Provide technical assistance to establish and configure appropriate BLS Database access and secure access for Partner staff.
- Provide initial training to Partner staff in the use of the BLS Database, and ongoing training to address changes to the BLS database/access protocols or in Partner staff. Training will occur at Partner's location, over the telephone, or online, as agreed upon by the parties.
- Effect reasonable modifications in the BLS system, database, process, or forms to accommodate Partner's licensing or other regulatory requirements. Revenue will consult with Partner in evaluating alternatives and determining the most feasible and timely means of achieving Partner objectives.
- Timely notify Partner of other modifications to the BLS system, database, process, or forms, including modifications accommodating other BLS partners.

#### V. Partner Obligations

- Timely provide Revenue with all information requested to implement Partner's participation in the BLS program.
- Follow all requirements identified by Revenue as necessary for participation in the BLS program, including using :
  - The Business License Application and other forms and processes established by Revenue;
  - The "Business License" document for proof of licensure under Partner's licensing or regulatory program.
  - The Unified Business Identifier (UBI) number to identify licensees and license accounts in all communications with Revenue.
- Obtain and maintain at its own cost, all necessary equipment and online services required at Partner's business location(s) to support Partner's access into and use of the BLS Database. End-to-end testing will take place until such time as Revenue is satisfied.
- Ensure Partner Licensing and Information Technology staff are available to respond promptly to Revenue. Partner staff will be knowledgeable of Partner operations and/or technology and be able to assist Revenue staff with process improvements and/or troubleshooting.
- Provide timely advance notice to Revenue of potential changes to Partner business licensing requirements, fees or processes.
- Upon request by Revenue, provide statistical data associated with the BLS Partner Partnership Agreement such as Full Time Equivalent (FTE) savings, change in number of Partner licensees, and change in revenue flow.

#### VI. Compensation

Services identified in this Agreement are provided by Revenue at no charge with the exception of the following:

- Partner shall reimburse Revenue the costs of developing and producing ad hoc informational reports. Ad hoc reports will be created only if requested by the Partner and agreed-upon by Revenue.
- Partner shall reimburse Revenue's expenses for the implementation of changes to the BLS process, if requested by the Partner and agreed-upon by Revenue.
- All project coordination costs, including travel-related expenses, shall be absorbed by the respective parties for their own staff.

#### VII. Billing Procedures

Partner will provide and maintain with Revenue its current billing addresses and the personnel, if any, to whom invoices should be directed. Revenue shall submit invoices to Partner as-needed, but in no event more frequently than monthly. Partner shall pay all invoices by warrant or account transfer within thirty (30) calendar days of the invoice issue date. Upon expiration or termination of this Agreement, any claim for payment not already made shall be submitted within ninety (90) calendar days after the expiration/termination date or the end of the fiscal year, whichever is earlier.

#### VIII. Confidentiality and Data Sharing

The parties agree to the confidentiality and data sharing provisions set forth in Exhibit A and incorporated herein by this reference.

#### IX. Term and Termination

This agreement is effective until terminated. Either party may terminate this Agreement upon ninety (90) calendar days' prior written notice to the other party.

#### X. Disputes

The parties agree to participate in good faith mediation to resolve any disputes that are not otherwise resolved by agreement, prior to any action in court or by arbitration. At any time, either party may initiate formal mediation by providing written request to the other party setting forth a brief description of the dispute and a proposed mediator. If the parties cannot agree upon a mediator within fifteen (15) calendar days after receipt of the written request for mediation, the parties shall use a mediation service that selects the mediator for the parties. Each party shall be responsible for one-half of the mediation fees, if any, and its own costs and attorneys' fees.

XI. Miscellaneous

- A. **Governing Law and Venue.** This Agreement shall be governed by the laws of the State of Washington. Any action arising out of this Agreement must be commenced in Thurston County, Washington.
- B. **Interpretation.** This Agreement shall be interpreted to the extent possible in a manner consistent with all applicable laws and not strictly for or against either party.
- C. **No Waiver.** The failure of either party to enforce any term in any one or more instance will not be construed as a waiver or otherwise affect any future right to insist upon strict performance of the term. No waiver of any term of this Agreement shall be effective unless made in writing and signed by personnel authorized to bind the party against whom enforcement is sought.
- D. **Assignment and Delegation.** Either party may assign any right or interest, or delegate any duty or obligation, arising under this Agreement upon thirty (30) days written notice to the other party.
- E. **Severability.** If any provision of this Agreement is held invalid by a court of competent jurisdiction, the remaining provisions of this Agreement shall be given effect to the extent consistent with applicable law and the fundamental purpose of this Agreement.
- F. **Survival.** Terms of this Agreement which by their nature would continue beyond termination will survive termination of this Agreement for any reason, including without limitation, Sections 3 through 7 in Exhibit A.
- G. **No third party beneficiaries.** This Agreement is for the benefit of the parties and their successors and may not be enforced by any non-party.
- H. **Amendments.** No amendment to this Agreement is enforceable unless made in writing and signed by personnel authorized to bind the party against whom enforcement is sought.
- I. **Merger and integration.** This Agreement contains all the terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the parties.
- J. **Changes in law.** The provisions of this Agreement shall be deemed to change in a manner that is consistent with any changes to any directly applicable statutory authority, provided that the change is consistent with the manifest intent of this Agreement and does not conflict with any of its express provisions. Any such change to this Agreement shall be effective on the effective date of the change in authority.

IN WITNESS WHEREOF, this Agreement is executed effective as of the date specified above.

State of Washington  
Department of Revenue  
Business Licensing Services

Partner

\_\_\_\_\_

\_\_\_\_\_

-

-

\_\_\_\_\_ Date

\_\_\_\_\_

Date

Template approved as to form

Approved as to form

\_\_\_\_\_ On File

\_\_\_\_\_

Kelly Owings,  
Assistant Attorney General for Washington State

-

\_\_\_\_\_

\_\_\_\_\_

Date

**EXHIBIT A**  
**CONFIDENTIALITY AND DATA SHARING**

1. Purpose and Scope

The following provisions establish the terms under which Revenue and Partner will share all data, including Confidential Licensing Information, pursuant to the BLS Agency Partnership Agreement (the "Agreement").

2. Definitions

"Confidential Licensing Information" has the same meaning as "Licensing Information" under RCW 19.02.115(1)(b) and includes, but is not limited to, any information included in the business license applications, renewal applications, and business licenses under the Business Licensing Service program. Confidential Licensing Information is classified as at least Category 3 data under Washington's Standard for Securing Information Technology Assets, OCIO Standard No. 141.10.

3. Confidentiality

Partner and Revenue each agree to keep confidential and secure from unauthorized use, access, or disclosure, all Confidential Licensing Information received under the Agreement.

- A. **Ensuring Security:** Partner and Revenue shall each establish and implement physical, electronic, and managerial policies, procedures, and safeguards to ensure that all Confidential Licensing Information received by it under this Agreement is secure from unauthorized use, access, or disclosure.
- B. **Proof of Security.** Revenue reserves the right to monitor, audit, or investigate Partner's security policies, procedures, and safeguards for Confidential Licensing Information. Partner agrees to provide information or proof of its security policies, procedures, and safeguards as reasonably requested by Revenue.

4. Statutory Prohibition Against Disclosure: Secrecy Affidavit

- A. **Criminal Sanctions.** RCW 19.02.115 prohibits the disclosure of Confidential Licensing Information, except as expressly authorized by RCW 19.02.115. It is a misdemeanor for any person acquiring Confidential Licensing Information under this Agreement to disclose such information in violation of the disclosure limitations stated in RCW 19.02.115. Additionally, if the person is a state officer or employee, the person must forfeit such office or employment and is incapable of holding any public office or employment in Washington for a period of two years thereafter.
- B. Partner will require employees with access to Confidential Licensing Information to sign a copy of the secrecy affidavit attached at Exhibit B.

5. Authorized Use, Access, and Disclosure

- A. **Permitted Uses:** Confidential Licensing Information may be used for official purposes only.
- B. **Permitted Access:** Confidential Licensing Information may be accessed only by Partner's employees and agents that have a bona fide need to access such information in carrying out their official duties.
- C. **Permitted Disclosure:** Confidential Licensing Information received under the Agreement must not be disclosed to non-parties unless the disclosure is:
  - permitted under an express disclosure exception in RCW 19.02.115;
  - ordered under any judicial or administrative proceeding; or

- otherwise expressly authorized by Revenue in writing.
- D. Public Records Requests: In the event that Partner reasonably believes that it must disclose information pursuant to a Public Records Request, and Partner is prohibited from disclosing such information under the terms of this Agreement, Partner must give notice to Revenue of its intention to disclose. The notice shall be provided at least 14 business days in advance of disclosure, the notice shall contain a copy of the public records request, and the notice shall reasonably identify the information that Partner believes is prohibited from disclosure under this Agreement.

#### 6. Breach of Confidentiality

In the event of any use, access, or disclosure of Confidential Licensing Information by Partner or its employees or agents in material violation of the confidentiality terms of this Agreement:

- A. Partner shall notify Revenue in writing as soon as practicable, but no later than three working days, after determining that a violation has occurred.
- B. Revenue may immediately terminate this Agreement and require the certified return or destruction of all records containing Confidential Licensing Information; however, Revenue shall provide Partner with an electronic record containing all information collected for Partner's licensing or other regulatory activities in an electronic medium.

#### 7. Ownership and Retention of Records

Except as otherwise expressly provided in this Agreement, Partner may retain possession of all such records in accordance with Chapter 40.14 RCW and applicable local government retention schedules as approved by the Office of the Secretary of State.

#### 8. Data Security

All data provided by Revenue shall be stored on a secure environment with access limited to the least number of staff needed to complete the purpose of this Agreement.

##### a. Protection of Data

Partner agrees to store data on one or more of the following media and protect the data as described:

- 1) Workstation Hard disk drives. Data stored on local workstation hard disks. Access to the data will be restricted to authorized users by requiring logon to the local workstation using a unique user ID and complex password or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards. If the workstation is located in an unsecured physical location the hard drive must be encrypted to protect Revenue data in the event the device is stolen.
- 2) Network server disks. Data stored on hard disks mounted on network servers and made available through shared folders. Access to the data will be restricted to authorized users through the use of access control lists which will grant access only after the authorized user has authenticated to the network using a unique user ID and complex password or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards. Data on disks mounted to such servers must be located in an area which is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism. Backup copies for disaster recovery purposes must be encrypted if recorded to removable media.



- 3) Optical discs (e.g. CDs, DVDs, Blu-Rays) in local workstation optical disc drives. Data provided by Revenue on optical discs which will be used in local workstation optical disc drives and which will not be transported out of a secure area. When not in use for the Agreement purpose, such discs must be locked in a drawer, cabinet or other container to which only authorized users have the key, combination or mechanism required to access the contents of the container. Workstations which access Revenue data on optical discs must be located in an area which is accessible only to authorized individuals, with access controlled through use of a key, card key, combination lock, or comparable mechanism.
  - 4) Data storage on portable devices or media.
    - a) Confidential Licensing Information may be stored by Partner on portable devices or media provided the data shall be given the following protections:
      - i. Encrypt the data with a key length of at least 128 bits
      - ii. Control access to devices with a unique user ID and password or stronger authentication method such as a physical token or biometrics.
      - iii. Manually lock devices whenever they are left unattended and set devices to lock automatically after a period of inactivity, if this feature is available. Maximum period of inactivity is 20 minutes.
      - iv. Physically protect the portable device(s) and/or media by:
        - Keeping them in locked storage when not in use;
        - Using check-in/check-out procedures when they are shared; and
        - Taking frequent inventories.
    - b) When being transported outside of a secure area, portable devices and media with Confidential Licensing Information must be under the physical control of Partner staff with authorization to access the data.
    - c) Portable devices include, but are not limited to; handhelds/PDAs, Ultramobile PCs, flash memory devices (e.g. USB flash drives, personal media players), portable hard disks, and laptop/notebook computers.
    - d) Portable media includes, but is not limited to; optical media (e.g. CDs, DVDs, Blu-Rays), magnetic media (e.g. floppy disks, tape, Zip or Jaz disks), or flash media (e.g. CompactFlash, SD, MMC).
  - 5) Confidential Licensing Information received from Revenue will be encrypted using National Institute of Standards and Technology (NIST) approved cryptographic algorithms or modules when transmitted over the Internet, including information attached to or within email.
- b. Safeguards Against Unauthorized Access and Re-disclosure
- Partner shall exercise due care to protect all Confidential Licensing Information from unauthorized physical and electronic access. Partner shall establish and implement the following minimum physical, electronic and managerial safeguards for maintaining the confidentiality of information provided by either party pursuant to this Agreement:
- 1) Partner will store the information in an area that is safe from access by unauthorized persons when not in use.

- 2) Partner shall take precautions to ensure that only authorized personnel and agents are given access to on-line files containing confidential or sensitive data.
- 3) Partner shall instruct all individuals with access to the Confidential Licensing Information regarding the confidential nature of the information, the requirements of Use of Data and Safeguards Against Unauthorized Access and Re-Disclosure clauses of this Agreement, and the sanctions specified in federal and state laws against unauthorized disclosure of information covered by this Agreement.

\*\*\*\*end\*\*\*\*

**CHEHALIS CITY COUNCIL MEETING  
AGENDA REPORT**

**TO:** The Honorable Mayor and City Council  
**FROM:** Jill Anderson, City Manager  
**BY:** Brandon Rakes, Airport Operations Coordinator  
**MEETING OF:** April 23, 2018  
**SUBJECT:** Proposed Commercial Development Master Plan

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**ISSUE**

WH Pacific has completed and will be presenting the Proposed Commercial Development Master Plan for the Chehalis-Centralia Airport.

**DISCUSSION**

In October of 2017, the city engaged WH Pacific to help determine development options for property that the Airport owns. This property is primarily located to the north-east of the airfield. These are concepts that will help prospective developers visualize the potential of our area and will help share our vision with the local community.

**FISCAL IMPACT**

The cost of this project is \$37,890. This project will receive 100% funding from the Lewis Economic Development Council with a .09 grant up to \$38,000.

**RECOMMENDATION**

It is recommended that the City Council review and provide comment as appropriate.

**SUGGESTED MOTION**

Not Applicable.

**CHEHALIS CITY COUNCIL MEETING  
AGENDA REPORT**

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

**FROM:** Jill Anderson, City Manager

**BY:** Chun Saul, Finance Director

**MEETING OF:** April 23, 2018

**SUBJECT:** Financial Reports for First Quarter of 2018 (Ending 3/31/2018)

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**DISCUSSION**

This item has been scheduled to provide financial reports for the first quarter that ended 3/31/2018 (January through March).

**EXECUTIVE SUMMARY**

This document provides a summary review of city financial activity for the first quarter ended 3/31/2018 (January through March). The report has been formatted to be consistent with the adopted budget for ease of comparison and review of information. The first set of reports provides summary review of all city funds with their beginning fund balance, total revenues and transfers in, total expenditures and transfers out, ending fund balances, and changes in fund balances during the year. The second set of reports provides two-year comparative financial reports for revenues and expenditures for the General Fund and the major enterprise funds.

**CURRENT STATUS**

At the end of March, on a city-wide basis, total revenues and transfers-in, and expenditures and transfers-out are within parameters for budget projections. The target percentage of budget for receipts and spending for three months operations is 25%. (3/12 months)

Overall, on a city-wide basis, the city received in 22.8% of total revenue budget (including other funding sources and non-revenues) and expended 19.0% of total appropriations (including transfers out and other use of resources).

During this period, the total city-wide receipts exceeded total expenditures/expenses by \$945,967 and increased the ending fund balances by \$945,967 (a 5.3% increase).

For the most part, the city operated within the normal budget parameters. However, there are three funds showing their ending fund balance decreased from their beginning balance, which means total expenditures exceeded total receipts.

- The General Fund shows \$228,175 decrease in fund balance. This is explained in detail in the General Fund overview section below.
- The Public Facility Reserve Fund (#301) shows a \$42,863 decrease in fund balance. Total year-to-date revenue is less than 1% of budget, which is all from transfers in from other funds. Typically, budget transfers are recorded periodically to cover the expenditures incurred, but no transfers were recorded in the first quarter. We will record the budget transfers in April to cover the estimated expenditures through June.
- The Firemen’s Pension Fund (#611) shows a \$5,716 decrease in fund balance. This is a temporary discrepancy. Firemen’s pension fund revenues come from a portion of general property tax and fire insurance premium tax. The first half of property tax payment and the annual fire insurance premium tax will be received in May, and they should increase the fund balance.

Overall, on a city-wide basis, total expenditures and transfers out is 19.0% of the 2018 budget. While most monthly recurring operating expenditures are within normal budget parameters, debt service payments, capital expenditures and the related fund transfers out will occur after the first quarter.

**Bottom Line:** The city operated within normal budget parameters; however, revenue estimates will need to be revised to reflect actual receipts in an upcoming budget amendment that will be presented at a future City Council meeting.

**GENERAL FUND**

**Overview:**

The 2018 adopted budget includes use of beginning fund balance in the amount of \$228,149, due to the total appropriation exceeding the 2018 revenue projection; however, this is due to the decision to make multiple one-time expenditures to replace extremely worn vehicles and make repairs to municipal facilities. Therefore, at the end of first quarter, the general fund expenditures and transfers out exceeded the revenues by \$228,175. As always, general fund activities will be closely monitored.

Total revenues and other receipts as of March 31, 2018 are 23.8% of the total amount budgeted for 2018 and the expenditures and transfers out are at 25.6% of the total amount budgeted.

**General Fund Revenues:**

Tax revenues make up 81.4% of total general fund revenues. Total tax revenues through March 2018 are \$1,827,342 or 22.0% of the total amount budgeted for 2018. Overall tax revenue receipts showed a \$108,123 (or 6.3%) increase from this time last year.

**Property Tax** receipts are 0.9% of budget, significantly below the target of 25% %, which is typical. There are two contributing factors for deviation from the normal budget parameters:

- 1) The first half of 2018 property tax is due in April and we will receive the tax distributions from the County in May; and
- 2) Currently about 8.9% of the city's general property tax is placed in the Firemen's Pension Fund. This revenue has been included in the general fund budget as well as in the Firemen's Pension fund for the last two years in error.

Overall, 2018 property tax revenues were overestimated by \$175,355 in the 2018 adopted budget. This largely due to the allocation of approximately \$133,000 to the Firemen's Pension Fund AND the General Fund in error. A budget amendment is being prepared for consideration by the City Council in May to revise the property tax revenue estimates to be consistent with the County's 2018 final tax levy certification.

**Sales and Use Tax** receipts collected as of March 31 represent 26.2% of the amount budgeted for 2018, just slightly ahead of projections. While this is \$145,619 (or 13.2%) increase from this time last year, about \$87,500 (about 60%) of the increase is from construction activities (highway and bridge, and commercial and institutional building construction), which are considered one-time in nature and the sale tax will likely drop once the constructions are over. Also, February 2018 Consumer Price Index (CPI) for Seattle-Tacoma-Bremerton area went up 3.3 percent from a year ago, which could have contributed to the increase.

**Utility Tax** receipts are at 33.6% of the of the amount budgeted for 2018. All utility tax receipts are higher than the target 25% except Cable utility tax receipts, which is 19.5% of the budget.

**Charges for Services receipts** are at 11.5% of the amount budgeted. Plan check review fees, charges for fire and police services, and parks & recreation fees make up this category. Parks & Recreation fees make up 55% of the budget in this category. Parks and recreation program revenues represent 11.5% of the budget and this revenue is expected to pick up during the summer months.

**Fines and Other Receipts** collected to date are at 93.5% of the amount budgeted for 2018. This is \$186,124 increase from this time last year. This increase is attributable to the \$189,233 donated by the Chehalis Foundation for the ballfield improvement project at Recreation Park.

#### **GENERAL FUND EXPENDITURES & TRANSFERS OUT**

The 2018 adopted budget appropriations and required transfers are budgeted at \$9,655,146, which includes the operating appropriations of \$9,106,625 and capital outlays, debt service and transfers out of \$548,521.

Total expenditures and transfers out are at 25.6% of the budget. Annual WCIA insurance premium (general fund's share \$176,199) was paid in February which is one of the contributing factors for the actual expenditures going over the target percentage of 25%.

Almost all departments are within the budget parameter, except for Police, Fire, and Facilities and Parks. Police department expenditures are at 28.2% of the amount budgeted. Payroll costs are one of the contributing factors. Payroll expenditures are about 27.4% of the total annual budget due to the retroactive pay relating to the Police Guild CBA change in late 2017.

The costs related to the CBA with the Police Guild were anticipated and the second 2017 budget amendment set aside a sum of \$250,000 in a suspense account for retroactive payments related to for the Police and Fire in the Non-Departmental department. In order to maintain an accurate record of personnel costs in the Police Department the payments made in February 2018 were charged to the Police Department, not the Non-Departmental Account.

In addition, the collective bargaining agreement with the International Association of Fire Fighters has not yet been settled, so any salary impacts associated with an agreement will need to be accounted for in 2018. One or more budget amendments will be scheduled after the first quarter of 2018 to reflect the accounting for the approved changes in payroll associated with employment costs.

Fire department expenditures are 29.0% of the budget. This is mainly due to substantially (92%) all of their annual budget for uniforms and minor equipment are expensed within the first quarter.

Facilities and Parks department expenditures are 26.1% of the budget.

## **ENTERPRISE FUNDS**

### **Wastewater Fund**

Operating revenues for the first quarter are \$1,235,542 (22.3% of the amount estimated in the 2018 adopted budget. Wastewater sales revenue is \$146,397 (or 10.2%) lower than this time last year.

Total operating expenditures is 28.0% of the budget. This is mainly due to the \$63,136 final payment made to the contractor in early 2018 for Prindle sewer repair work done in late 2017. This project cost was originally included in 2017 budget. The first 2018 budget amendment will include this item.

Debt service and capital outlay expenditures are at 1.5% of the budget. Debt service payments are on annual and bi-annual schedule, and the first debt service payment will be in May.

### **Water Fund**

Operating revenues for the first quarter is \$505,865 (18.7% of the amount budgeted for 2018). Water sales revenue is \$35,168 (or 6.5%) lower than this time last year.

Operating expenditures are at 20.4% of the amount budget. Other than Debt service (5.4% of budget) and capital expenditures (1.4% of budget), all other expenditures are within the normal budget parameters.

#### **Storm and Surface Water Fund**

Operating revenues for the first quarter is \$166,338 or 29.5% of the 2018 budget. Stormwater fee revenues is \$6,467 (or 4%) higher than this time last year.

Operating expenditures are 24.4% of the amount budgeted and are within normal budget parameters.

#### **Airport Fund**

Operating revenue for the first quarter was \$478,114 (25.1% of budget). Rents/lease revenue receipts are \$267,236 (24.1% of the total 2018 budget) and is \$876 increase from this time last year. Rent/lease revenues are the number one revenue source for the Airport fund and makes up about 58% of total revenue budget. Fuel sales and intergovernmental grants are their next main revenue sources. Fuel sales revenue decreased from this time last year by \$14,724. Factors contributing to the decrease in revenue relate to the cost of fuel and weather conditions.

Operating expenditures are at 19.5% of the annual 2018 budget, slightly below the target of 25%.

#### **FISCAL IMPACT**

As shown.

#### **RECOMMENDATION**

It is recommended that the City Council review and accept the quarterly report and let staff know if there are any questions

#### **SUGGESTED MOTION**

It is recommended that the City Council accept the 2018 First Quarter Financial Report.



# **City of Chehalis**



## **Quarterly Council Financial Report**

**For the Period Ended  
March 31, 2018  
(January through March)**

**The City of Chehalis, Washington**

**City of Chehalis**  
**First Quarter Financial Statements - All Funds**  
**March 31, 2018**

	General Fund #001		Dedicated Street Fund #003		Bldg Abatement #004		Aerial St. Fund #002		TBD Fund #003	
	Budget	YTD Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Beginning Fund Balance	1,292,910	2,041,942	20,533	117,842	90,200	90,313	109,938	114,125	217,880	360,055
Revs. & Transfers In	9,426,997	2,244,535	185,125	48,501	9,796	149	148,500	39,154	850,600	282,927
Exps. & Transfers Out	(9,655,146)	(2,472,710)	(164,900)	(33,780)	0	0	(160,060)	(11,867)	(500,000)	0
Ending Fund Balance	1,064,761	1,813,767	40,758	132,563	99,996	90,452	98,378	141,412	568,480	642,982
Changes in Fund Balance	(228,149)	(228,175)	100%	14,721	149	149	27,287	27,287	568,480	282,927
	Tourism Fund #107		CDBG Fund #305		HUD B6 Fund #197		2011 G.O. Bond #200		Public Pac Reserve #301	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Beginning Fund Balance	261,082	315,086	111	111	70,706	70,943	0	0	0	90,185
Revs. & Transfers In	233,800	47,972	10,000	0	100	117	102,510	300	420,000	101
Exps. & Transfers Out	(317,435)	0	(75)	0	0	0	(102,510)	(300)	(420,000)	(42,964)
Ending Fund Balance	177,447	361,058	10,036	111	70,806	71,060	0	0	0	47,322
Changes in Fund Balance	47,972	47,972	0	0	117	117	0	0	0	(42,963)
	Auto/Eq Reserve #302		1st. QTR REET Fund #305		2nd. QTR REET Fund #306		Garbage Fund #402		Wastewater Fund #404	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Beginning Fund Balance	461	463	186,857	176,107	275,504	264,738	6,868	7,024	4,125,346	4,822,426
Revs. & Transfers In	0	1	90,700	17,507	90,650	17,653	6,445	1,453	5,518,992	1,233,080
Exps. & Transfers Out	0	0	(162,865)	(100)	(233,675)	(100)	(6,005)	(1)	(4,947,395)	(835,905)
Ending Fund Balance	461	464	114,692	183,514	132,479	282,291	7,308	8,476	4,896,943	5,219,601
Changes in Fund Balance	1	1	17,407	17,407	17,553	17,553	1,452	1,452	387,175	387,175
	Water Fund #405		Storm/Surface Wtr #406		Airport Fund #407		Firemen's Pension #511		City Agency Fund #633	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Beginning Fund Balance	4,515,851	7,192,608	866,832	1,100,553	237,974	371,625	696,307	729,330	9,560	10,890
Revs. & Transfers In	2,830,884	637,174	573,130	170,486	2,090,259	519,191	149,950	2,615	360,000	0
Exps. & Transfers Out	(2,923,461)	(545,777)	(696,351)	(113,958)	(1,957,269)	(251,156)	(78,500)	(9,331)	(360,000)	0
Ending Fund Balance	4,423,274	7,284,005	743,611	1,157,081	370,964	639,660	766,757	723,614	9,560	10,890
Changes in Fund Balance	91,397	91,397	56,528	56,528	268,055	268,055	(5,716)	(5,716)	0	0
	ALL FUNDS TOTALS									
Beginning Fund Balance	12,984,920	17,874,365								
Revs. & Transfers In	23,097,438	5,262,516								
Exps. & Transfers Out	(22,685,647)	(4,316,949)								
Ending Fund Balance	13,396,711	18,820,333								
Changes in Fund Balance	(411,791)	945,967								

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: Chun Saul, Finance Director  
 Prepared by: Betty Brooks, Payroll Accountant  
 Date: April 17, 2018  
 Subject: Monthly Financial Reports for Period Ended March 2018

City of Chehalis  
 Comparative Financial Reports  
 March 2018 and 2017

GENERAL FUND (#001)	A		B		C=B/A		D		E		F=E/D		G		H		H <sup>A</sup>		J=E-B
	2017	2017	2017	2017	2017	2017	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2017-2018
	Budget	YTD Actual	% to Budget	YTD Actual	% to Budget	Budget	YTD Actual	% to Budget	Target %	YTD Actual	% to Budget	Target %	Target \$	YTD Actual	Variance from Target	YTD Incr (decr)			
<b>Tax Revenues:</b>																			
Property Taxes <sup>(1)</sup>	1,792,460	38,829	2.2%	1,864,685	0.9%	1,864,685	16,065	0.9%	25.0%	466,171	25.0%	466,171	(450,106)	(22,764)					
Sales and Use Taxes <sup>(2)</sup>	4,180,791	1,100,707	26.3%	4,752,128	26.2%	4,752,128	1,246,326	26.2%	25.0%	1,188,032	25.0%	1,188,032	58,294	145,619					
Utility Taxes	1,656,731	567,946	34.3%	1,840,420	33.6%	1,840,420	551,456	33.6%	25.0%	410,105	25.0%	410,105	141,351	(16,490)					
Other Taxes	43,095	11,737	27.2%	50,267	26.8%	50,267	13,495	26.8%	25.0%	12,567	25.0%	12,567	928	1,758					
<b>Total Tax Revenues</b>	<b>7,673,077</b>	<b>1,719,219</b>	<b>22.4%</b>	<b>8,307,500</b>	<b>22.0%</b>	<b>8,307,500</b>	<b>1,827,342</b>	<b>22.0%</b>	<b>25.0%</b>	<b>2,076,875</b>	<b>25.0%</b>	<b>2,076,875</b>	<b>(249,533)</b>	<b>108,123</b>					
<b>Non-Tax Revenues:</b>																			
Licenses and Permits	210,550	61,125	29.0%	180,835	22.5%	180,835	40,724	22.5%	25.0%	45,209	25.0%	45,209	(4,485)	(20,401)					
Intergovernmental Revenues	183,661	41,947	22.8%	207,561	25.7%	207,561	53,444	25.7%	25.0%	51,890	25.0%	51,890	1,554	11,497					
Charges for Goods and Services	326,266	63,018	19.3%	349,705	11.5%	349,705	40,270	11.5%	25.0%	87,426	25.0%	87,426	(47,156)	(22,748)					
Fines and Forfeitures	144,770	28,546	19.7%	140,685	19.5%	140,685	27,462	19.5%	25.0%	35,171	25.0%	35,171	(7,689)	(1,064)					
Other Revenues	127,475	36,912	29.0%	128,435	174.5%	128,435	224,100	174.5%	25.0%	32,109	25.0%	32,109	191,991	187,188					
<b>Total Non-Tax Revenues</b>	<b>992,721</b>	<b>231,548</b>	<b>23.3%</b>	<b>1,007,221</b>	<b>38.3%</b>	<b>1,007,221</b>	<b>386,020</b>	<b>38.3%</b>	<b>25.0%</b>	<b>251,805</b>	<b>25.0%</b>	<b>251,805</b>	<b>134,215</b>	<b>154,472</b>					
<b>Other Increase in Fund Resources:</b>																			
Custodial Receipts	148,351	22,381	15.1%	112,276	19.2%	112,276	21,589	19.2%	25.0%	28,069	25.0%	28,069	(6,480)	(792)					
Other Resources	-	-	0.0%	-	0.0%	-	9,584	0.0%	25.0%	-	25.0%	-	9,584	9,584					
<b>Total Other Increase in Fund Resources</b>	<b>148,351</b>	<b>22,381</b>	<b>15.1%</b>	<b>112,276</b>	<b>27.8%</b>	<b>112,276</b>	<b>31,173</b>	<b>27.8%</b>	<b>25.0%</b>	<b>28,069</b>	<b>25.0%</b>	<b>28,069</b>	<b>3,104</b>	<b>8,792</b>					
<b>Total Revenues &amp; Other Fund Resources</b>	<b>\$ 8,814,149</b>	<b>\$ 1,973,148</b>	<b>22.4%</b>	<b>\$ 9,426,997</b>	<b>23.8%</b>	<b>\$ 9,426,997</b>	<b>\$ 2,244,535</b>	<b>23.8%</b>	<b>25.0%</b>	<b>\$ 2,356,749</b>	<b>25.0%</b>	<b>\$ 2,356,749</b>	<b>\$ (112,214)</b>	<b>\$ 271,387</b>					

Foot Note:

<sup>(1)</sup> Excludes percentage of property tax allocated to the Firemen's Pension Fund.

<sup>(2)</sup> Excludes Transportation Benefit District (TBD) sales tax.

Key:

\* The expected percentage is calculated as follows: since the report is for the 3 months of the year, 3 is divided by 12 - the number of months in the year.

H=(D\*G) (annual budgeted amount x expected % amount)

H<sup>A</sup> Actual expensed less the target (expected) amount

City of Chehalis  
Comparative Financial Reports  
March 2018 and 2017

GENERAL FUND (#001)	A		B		C=B/A		D		E		F=E/D		G		H		H <sup>A</sup>		J=E-B	
	2017		2017 YTD		2017 YTD		2018		2018 YTD		2018 YTD		2018 YTD		2018 YTD		2018 YTD		2017-2018	
DEDUCTIONS	Budget	YTD Actual	% to Budget	Budget	YTD Actual	% to Budget	Budget	YTD Actual	% to Budget	Target %	Target \$	% to Budget	Target \$	Variance from Target	YTD Incr (decr)					
Expenditures:																				
City Council	\$ 92,351	13,901	15.1%	92,364	17,580	19.0%	23,091	3,679	(5,511)											
Municipal Court	368,768	83,507	22.6%	395,412	91,874	23.2%	98,853	8,367	(6,979)											
City Manager	312,582	10,129	3.2%	275,562	62,013	22.5%	68,891	51,884	(6,878)											
Finance	231,511	61,330	26.5%	302,373	74,844	24.8%	75,593	13,514	(749)											
City Clerk	79,915	12,026	15.0%	92,078	16,992	18.5%	23,020	4,966	(6,028)											
Facilities and Parks	791,001	216,728	0.0%	1,038,724	271,072	26.1%	259,681	54,344	11,391											
Non-Departmental	424,846	126,512	29.8%	427,234	49,061	11.5%	106,809	(77,451)	(57,748)											
Human Resources	80,584	21,712	26.9%	104,410	23,213	22.2%	26,103	1,501	(2,890)											
Police	2,827,928	709,722	25.1%	2,980,874	842,015	28.2%	747,719	94,297	132,293											
Fire	1,987,889	575,771	29.0%	2,049,333	594,908	29.0%	512,333	19,137	82,575											
Public Works - Streets	569,309	105,695	18.6%	573,223	112,367	19.6%	143,306	6,672	(30,939)											
Planning & Building	259,497	92,528	0.0%	320,060	81,179	25.4%	80,015	1,164	1,164											
Recreation	476,870	96,371	0.0%	444,978	95,757	21.5%	111,245	(614)	(15,488)											
Total Functional Expenditures	\$ 8,503,051	\$ 2,125,931	25.0%	\$ 9,106,925	\$ 2,332,875	25.6%	\$ 2,276,655	\$ 56,219	\$											
Other Decrease in Fund Resources:																				
Capital Outlay	213,454	122,676	57.5%	126,260	52,565	41.6%	31,565	(70,111)	21,000											
Debt Service	119,390	28,068	23.5%	100,185	25,043	25.0%	25,046	(3,025)	(3)											
Custodial Disbursements	127,280	14,537	11.4%	101,885	13,846	13.6%	25,471	(691)	(11,625)											
Transfer Out	286,505	42,522	14.8%	220,191	48,381	22.0%	55,048	5,859	(6,667)											
Total Other Decrease in Fund Resources	746,629	207,803	27.8%	548,521	139,835	25.5%	137,130	2,705	(6,667)											
Total Expenditures & Other Decreases in Fund Resources	9,249,680	2,333,734	25.2%	9,655,146	2,472,710	25.6%	2,413,787	58,923	58,923											
Increase (Decrease) in Cash and Investments	\$ (435,531)	\$ (350,586)	82.8%	\$ (228,149)	\$ (228,175)	100.0%	\$ (57,037)	\$ (171,138)	\$											

Key:

\* The expected percentage is calculated as follows: since the report is for the 3 months of the year, 3 is divided by 12 - the number of months in the year.

H=(D\*G) (annual budgeted amount x expected % amount)

H<sup>A</sup> Actual expensed less the target (expected) amount

City of Chehalis  
Comparative Financial Reports  
March 2018 and 2017

WASTEWATER FUND (#404)	A		B		C=B/A		D		E		F=E/D		G		H <sup>A</sup>		I=F-G		J=E-B		
	2017	2017	2017	2017	2017	2017	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2017-2018	
	Budget	YTD-Actual	% to Budget	Budget	YTD-Actual	% to Budget	Budget	YTD-Actual	Budget	YTD-Actual	% to Budget	Budget	YTD-Actual	Target %	Target %	Variance from Target	Variance from Target	Variance from Target	YTD Incr (decr)		
<b>Revenues:</b>																					
Charges for Goods & Services	\$ 5,289,972	\$ 1,341,801	25.4%	\$ 5,447,792	\$ 1,195,404	21.9%	\$ 5,447,792	\$ 1,195,404	25.0%	1,361,948	25.0%	1,361,948	\$ (166,544)	-3.1%						\$ (146,397)	
Intergovernmental Revenues	-	8,795	0.0%	-	10,903	0.0%	-	10,903	25.0%	-	25.0%	-	10,903	-25.0%						2,108	
Late Payment Fees	50,000	12,885	25.8%	51,000	13,455	26.4%	51,000	13,455	25.0%	12,750	25.0%	12,750	705	1.4%						570	
Rental Income	3,545	3,545	100.0%	3,545	3,545	100.0%	3,545	3,545	25.0%	886	25.0%	886	2,659	75.0%						-	
Interest Earnings	3,000	4,324	144.1%	15,000	8,229	54.9%	15,000	8,229	25.0%	3,750	25.0%	3,750	4,479	29.9%						3,905	
Other Misc. Revenues	3,000	536	17.9%	1,100	1,006	91.5%	1,100	1,006	25.0%	275	25.0%	275	731	66.5%						470	
<b>Total Revenues</b>	<b>5,349,517</b>	<b>1,371,856</b>	<b>25.6%</b>	<b>5,518,437</b>	<b>1,232,542</b>	<b>22.33%</b>	<b>5,518,437</b>	<b>1,232,542</b>	<b>25.0%</b>	<b>1,379,609</b>	<b>25.0%</b>	<b>1,379,609</b>	<b>(147,067)</b>	<b>78.19%</b>						<b>(139,344)</b>	
<b>Expenditures:</b>																					
Operating Expenditures	2,804,370	703,503	25.1%	2,878,410	805,187	28.0%	2,878,410	805,187	25.0%	719,603	25.0%	719,603	85,585	-3.0%							101,684
<b>Total Expenditures:</b>	<b>2,804,370</b>	<b>703,503</b>	<b>25.1%</b>	<b>2,878,410</b>	<b>805,187</b>	<b>28.0%</b>	<b>2,878,410</b>	<b>805,187</b>	<b>25.0%</b>	<b>719,603</b>	<b>25.0%</b>	<b>719,603</b>	<b>85,585</b>	<b>-3.0%</b>							<b>101,684</b>
Excess (Deficiency) Revenues over Expenditures	2,545,147	668,353	26.3%	2,640,027	427,355	16.2%	2,640,027	427,355	25.0%	660,007	25.0%	660,007	(232,652)	8.8%							(241,026)
<b>Other Increase in Fund Resources:</b>																					
Custodial Receipts	555	498	89.7%	555	538	96.9%	555	538	25.0%	139	25.0%	139	399	71.9%							40
Capital Contribution - Utility Hookup/Connection	60,000	-	0.0%	-	-	0.0%	-	-	25.0%	-	25.0%	-	-	-25.0%							-
Debt Proceeds (Bonds/Loans)	275,000	574,953	209.1%	-	-	0.0%	-	-	25.0%	-	25.0%	-	-	-25.0%							(574,953)
<b>Total Other Increases in Fund Resources</b>	<b>335,555</b>	<b>575,451</b>	<b>171.5%</b>	<b>555</b>	<b>538</b>	<b>96.9%</b>	<b>555</b>	<b>538</b>	<b>25.0%</b>	<b>139</b>	<b>25.0%</b>	<b>139</b>	<b>399</b>	<b>71.9%</b>							<b>(574,913)</b>
<b>Other Use of Fund Resources:</b>																					
Custodial Disbursements	555	43	7.7%	600	22	3.7%	600	22	25.0%	150	25.0%	150	(128)	21.3%							(21)
Debt Service Principal	1,846,181	19,773	1.1%	1,871,717	19,773	1.1%	1,871,717	19,773	25.0%	467,929	25.0%	467,929	(448,156)	23.9%							-
Debt Service - Interest	43,937	29	0.1%	21,668	19	0.1%	21,668	19	25.0%	5,417	25.0%	5,417	(5,398)	24.9%							(10)
Capital Outlay	473,000	575,208	121.6%	175,000	10,903	6.2%	175,000	10,903	25.0%	43,750	25.0%	43,750	(32,847)	18.8%							(584,305)
<b>Total Other Use of Fund Resources</b>	<b>2,368,673</b>	<b>595,053</b>	<b>25.2%</b>	<b>2,068,985</b>	<b>30,717</b>	<b>1.5%</b>	<b>2,068,985</b>	<b>30,717</b>	<b>25.0%</b>	<b>517,246</b>	<b>25.0%</b>	<b>517,246</b>	<b>(486,529)</b>	<b>23.5%</b>							<b>(564,336)</b>
<b>Increase (Decrease) in Cash &amp; Investments</b>	<b>\$ 517,029</b>	<b>\$ 648,781</b>	<b>125.5%</b>	<b>\$ 571,597</b>	<b>\$ 337,176</b>	<b>69.5%</b>	<b>\$ 571,597</b>	<b>\$ 337,176</b>	<b>25.0%</b>	<b>\$ 142,899</b>	<b>25.0%</b>	<b>\$ 142,899</b>	<b>\$ 254,276</b>	<b>44.5%</b>							<b>\$ (251,605)</b>

Key:

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WATER FUND (#405)	A		B		C=B/A		D		E		F=E/D		G		H		H <sup>A</sup>		I=F-G		J=E-B		
	2017	2017	2017	2017	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2017-2018	2017-2018	
	Budget	YTD Actual	% to Budget	YTD Actual	Budget	YTD Actual	% to Budget	Budget	YTD Actual	Budget	YTD Actual	% to Budget	Target	YTD	YTD	YTD	YTD	Variance from Target	Variance from Target	Variance	YTD Incr	(dec)	
<b>Revenues:</b>																							
Charges for Goods & Services	\$2,613,600	\$ 541,033	20.7%		\$2,814,784	\$ 608,248	21.6%	\$703,696	\$ 95,448													\$ 67,215	
Intergovernmental Revenues	-	-	0.0%		-	-	0.0%	25.0%															
Late Payment Fees	28,000	8,681	31.0%		31,000	10,242	33.0%	25.0%															
Interest Earnings	9,760	3,274	33.6%		15,000	15,009	100.1%	25.0%															1,561
Other Misc. Revenues	2,121	454	21.4%		1,000	3,691	368.1%	25.0%															11,735
<b>Total Revenues</b>	<b>2,653,471</b>	<b>553,442</b>	<b>20.9%</b>		<b>2,861,784</b>	<b>637,180</b>	<b>22.3%</b>	<b>25.0%</b>	<b>715,446</b>	<b>(78,266)</b>													<b>3,227</b>
<b>Expenditures</b>																							<b>83,738</b>
Operating Expenditures	1,930,472	515,783	26.7%		2,440,235	498,547	20.4%	25.0%	610,059	(111,512)													(17,236)
Total Expenditures	1,930,472	515,783	26.7%		2,440,235	498,547	20.4%	25.0%	610,059	(111,512)													(17,236)
Excess (Deficiency) Revenues over Expenditures	722,999	37,659	5.2%		421,549	138,633	32.9%	25.0%	105,387	33,246													100,974
<b>Other Increase in Fund Resources</b>																							
Capital Contribution - Utility Hookup/Connection	75,000	3,807	5.1%		-	-	0.0%	25.0%															(3,807)
Custodial Receipts (Non-Rev Taxes)	150	42	28.0%		100	(5)	-5.0%	25.0%	25	(30)													(47)
Proceeds from Debt Issuance (Bonds/Loans)	1,000,000	-	0.0%		-	-	0.0%	25.0%															
<b>Total Other Increase in Fund Resources</b>	<b>1,075,150</b>	<b>3,849</b>	<b>0.4%</b>		<b>100</b>	<b>(5)</b>	<b>-5.0%</b>	<b>25.0%</b>	<b>25</b>	<b>(30)</b>													<b>(3,854)</b>
<b>Other Use of Fund Resources</b>																							
Custodial Disbursements	105	-	0.0%		100	378	378.3%	25.0%	25	353													378
Debt Service Principal	135,077	11,000	8.1%		196,677	11,000	5.6%	25.0%	49,169	(38,169)													-
Debt Service - Interest	12,480	1,833	14.7%		30,449	1,284	4.2%	25.0%	7,612	(6,328)													(549)
Capital Outlay	1,603,000	379,542	23.7%		256,000	34,568	13.5%	25.0%	64,000	(29,432)													(344,974)
<b>Total Other Use of Fund Resources</b>	<b>1,750,662</b>	<b>392,375</b>	<b>22.4%</b>		<b>483,226</b>	<b>47,230</b>	<b>9.8%</b>	<b>25.0%</b>	<b>120,807</b>	<b>(73,576)</b>													<b>(345,145)</b>
<b>Increase (Decrease) in Cash and Investments</b>	<b>\$ 47,487</b>	<b>\$ (350,868)</b>	<b>-738.9%</b>		<b>\$ (61,577)</b>	<b>\$ 91,338</b>	<b>-148.4%</b>	<b>25.0%</b>	<b>\$ (15,394)</b>	<b>\$ 106,792</b>													<b>\$ 442,266</b>
<i>Total revenues &amp; other funding sources</i>	3,728,621	557,291			2,861,884	637,175			715,471	(78,296)													79,865
<i>Total Expenditures and other funding use</i>	3,681,134	908,158			2,923,461	545,777			730,865	(185,088)													(362,361)
	47,487	(350,868)			(61,577)	91,398			(15,394)	106,792													442,266

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 H=(D\*G) (annual budgeted amount x expected % amount)  
 H<sup>A</sup> Actual expensed less the target (expected) amount

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	A		B		C=B/A		D		E		F=E/D		G		H		H <sup>A</sup>		I=F-G		J=E-B		
	2017	2017	2017	2017	2017	2017	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2017	2018	
STORM FUND (#406)	Budget	YTD Actual	% to Budget	Budget	YTD Actual	% to Budget	Budget	YTD Actual	% to Budget	Target	Actual	% to Budget	Target	Actual	% to Budget	Target	Actual	Variance from Target	YTD %	Variance from Target	YTD %	2017-2018	
<b>REVENUES</b>																							
Revenues:																							
Charges for Goods & Services	\$545,910	\$ 159,871	29.3%	\$ 571,100	\$ 166,338	29.1%	\$ 571,100	\$ 166,338	29.1%	\$142,775	\$ 23,563	25.0%	\$142,775	\$ 23,563	25.0%	\$142,775	\$ 23,563	16.5%	4.1%	\$ 6,467			
Intergovernmental Revenue	-	-	0.0%	-	-	0.0%	-	-	0.0%	-	-	0.0%	-	-	0.0%	-	-	0.0%	0.0%	-	-		
Fines and Forfeitures	-	1,209	0.0%	5,000	2,260	45.2%	5,000	2,260	45.2%	1,250	1,010	25.0%	1,250	1,010	20.2%	1,250	1,010	20.2%	20.2%	1,051			
Interest Earnings	1,000	914	91.4%	2,000	1,867	93.4%	2,000	1,867	93.4%	500	1,367	25.0%	500	1,367	68.4%	500	1,367	68.4%	68.4%	953			
Other Misc. Revenues	-	6,750	0.0%	-	-	0.0%	-	-	0.0%	-	-	0.0%	-	-	0.0%	-	-	0.0%	0.0%	-	(6,750)		
Total Revenues	546,910	168,744	30.9%	578,100	170,465	29.5%	578,100	170,465	29.5%	144,525	25,940	25.0%	144,525	25,940	18.0%	144,525	25,940	18.0%	18.0%	1,721			
<b>Expenditures:</b>																							
Operating Expenditures	524,798	86,424	16.5%	466,301	113,936	24.4%	466,301	113,936	24.4%	116,575	(2,639)	25.0%	116,575	(2,639)	2.3%	116,575	(2,639)	2.3%	0.6%	27,512			
Total Expenditures	524,798	86,424	16.5%	466,301	113,936	24.4%	466,301	113,936	24.4%	116,575	(2,639)	25.0%	116,575	(2,639)	2.3%	116,575	(2,639)	2.3%	0.6%	27,512			
Excess (Deficiency) Revenues and Expenditures	22,112	82,320	372.3%	111,799	56,529	50.6%	111,799	56,529	50.6%	27,950	28,579	25.0%	27,950	28,579	102.3%	27,950	28,579	102.3%	-25.6%	(25,791)			
<b>Other Increase in Fund Resources:</b>																							
Capital Contributions - Utility Hookup/Connection	2,000	-	0.0%	-	-	0.0%	-	-	0.0%	-	-	0.0%	-	-	0.0%	-	-	0.0%	0.0%	-	-		
Custodial Receipts	-	25	0.0%	30	21	70.0%	30	21	70.0%	8	14	25.0%	8	14	45.0%	8	14	45.0%	45.0%	(4)			
Total Other Increase of Fund Resources	2,000	25	1.3%	30	21	70.0%	30	21	70.0%	8	14	25.0%	8	14	45.0%	8	14	45.0%	45.0%	(4)			
<b>Other Use of Fund Resources:</b>																							
Custodial Disbursements	100	25	25.0%	50	21	42.0%	50	21	42.0%	13	9	25.0%	13	9	0.0%	13	9	0.0%	0.0%	(4)			
Capital Outlay	-	-	0.0%	230,000	-	0.0%	230,000	-	0.0%	57,500	(57,500)	25.0%	57,500	(57,500)	0.0%	57,500	(57,500)	0.0%	0.0%	-			
Total Other Use of Fund Resources	100	25	25.0%	230,050	21	0.0%	230,050	21	0.0%	57,513	(57,492)	25.0%	57,513	(57,492)	25.0%	57,513	(57,492)	25.0%	25.0%	(4)			
Increase (Decrease) in Cash and Investments	\$ 24,012	\$ 82,320	342.8%	\$ (118,221)	\$ 56,529	-47.8%	\$ (118,221)	\$ 56,529	-47.8%	\$ (29,555)	\$ 86,084	25.0%	\$ (29,555)	\$ 86,084	72.8%	\$ (29,555)	\$ 86,084	72.8%	72.8%	\$ (25,791)			

Key:

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AIRPORT FUND (#407)	A		B		C=B/A		D		E		F=E/D		G		H		H <sup>A</sup>		I=F-G		J=E-B		
	Budget	YTD Actual	2017	2017	2017 YTD	2018	2018	2018	2018 YTD	2018 YTD	2018 YTD	2018 YTD	2018 YTD	2018 YTD	2018 YTD	2018 YTD	2018 YTD	2018 YTD	2018 YTD	2018 YTD	2017-2018	2017-2018	
		% to Budget		% to Budget			% to Budget		% to Budget		% to Budget		% to Budget		% to Budget		% to Budget		% to Budget		Variance	Variance	YTD Incr
<b>Revenues:</b>																							
Intergovernmental Revenues	\$ 944,587	10.0%	\$ 94,340	10.0%	\$ 308,000	\$ 127,439	41.4%	25.0%	\$ 77,000	\$ 50,439	16.4%	\$ 33,099											
Fuel sales	533,622	18.2%	97,161	18.2%	486,000	82,437	17.0%	25.0%	121,500	(39,063)	(0)	(14,724)											
Other Misc. Revenues	3,085	9.5%	295	9.5%	3,050	-	0.0%	25.0%	763	(763)	0.0%	(285)											
Rents & Royalties	981,437	27.1%	266,360	27.1%	1,111,150	267,236	24.1%	25.0%	277,788	(10,552)	-0.9%	876											
Late Payment Fees	-	0.0%	-	0.0%	-	-	0.0%	25.0%	-	-	0.0%	-											
Interest Earnings	5,325	7.2%	385	7.2%	-	1,002	0.0%	25.0%	-	1,002	0.0%	-											
<b>Total Revenues</b>	<b>2,488,066</b>	<b>18.6%</b>	<b>458,541</b>	<b>18.6%</b>	<b>1,908,200</b>	<b>478,114</b>	<b>25.1%</b>	<b>25.0%</b>	<b>477,050</b>	<b>1,064</b>	<b>0.1%</b>	<b>19,573</b>											
<b>Expenditures:</b>																							
Operating Expenditures	1,159,047	21.3%	247,154	21.3%	1,095,428	213,729	19.5%	25.0%	273,857	(60,128)	5.5%	(33,425)											
Total Expenditures	1,159,047	21.3%	247,154	21.3%	1,095,428	213,729	19.5%	25.0%	273,857	(60,128)	5.5%	(33,425)											
Excess (Deficiency) Revenues over Expenditures	1,309,019	16.1%	211,387	16.1%	812,772	264,385	32.5%	25.0%	203,193	61,192	-7.5%	52,998											
<b>Other Increase in Fund Resources:</b>																							
Custodial Receipts	188,424	25.1%	42,237	25.1%	182,059	41,077	22.6%	25.0%	45,515	(4,438)	-2.4%	(1,160)											
Proceeds from Sale of Capital Assets	-	0.0%	1,440	0.0%	-	-	0.0%	25.0%	-	-	0.0%	(1,440)											
Total Other Increase in Fund Resources	188,424	25.9%	43,677	25.9%	182,059	41,077	22.6%	25.0%	45,515	(4,438)	-2.4%	(1,160)											
<b>Other Use of Fund Resources:</b>																							
Custodial Disbursements	188,424	3.1%	5,174	3.1%	182,014	3,783	2.1%	25.0%	45,504	(41,721)	22.9%	(1,391)											
Debt Service Principal	1,597,850	0.2%	3,794	0.2%	36,640	9,771	26.7%	25.0%	9,160	611	-1.7%	5,977											
Debt Service - Interest	44,382	6.5%	2,877	6.5%	23,214	6,455	27.8%	25.0%	5,804	662	-2.8%	3,578											
Capital Outlay	1,184,587	5.3%	62,304	5.3%	619,973	17,418	2.8%	25.0%	154,993	(137,575)	22.2%	(44,886)											
Total Other Use of Fund Resources	2,995,243	2.5%	74,149	2.5%	861,841	37,427	4.3%	25.0%	215,460	(178,033)	20.7%	(36,722)											
<b>Increase (Decrease) in Cash and Investments</b>	<b>\$ (1,517,800)</b>	<b>-11.9%</b>	<b>\$ 180,915</b>	<b>-11.9%</b>	<b>\$ 132,990</b>	<b>\$ 268,035</b>	<b>201.5%</b>	<b>25.0%</b>	<b>\$ 33,248</b>	<b>\$ 234,787</b>	<b>-176.5%</b>	<b>\$ 87,120</b>											

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**RECOMMENDATION/COUNCIL ACTION DESIRED**  
 This report is for the Council's information only. No action is necessary.  
 Reviewed by \_\_\_\_\_, City Manager