

CHEHALIS CITY COUNCIL AGENDA

CITY HALL

350 N MARKET BLVD | CHEHALIS, WA 98532

Dennis L. Dawes, Position at Large
Mayor

Terry F. Harris, District 1, Mayor Pro Tem
Daryl J. Lund, District 2
Dr. Isaac S. Pope, District 4

Anthony E. Ketchum Sr., District 3
Chad E. Taylor, Position at Large
Robert J. Spahr, Position at Large

Regular Meeting of Monday, April 22, 2019 5:00 p.m.

1. Call to Order. (Mayor)
2. Pledge of Allegiance. (Mayor)

CITIZENS BUSINESS

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

ITEM	ADMINISTRATION RECOMMENDATION	PAGE
CONSENT CALENDAR		
3. <u>Minutes of the Regular City Council Meeting of April 8, 2019.</u> (City Clerk)	APPROVE	1
4. <u>Vouchers and Transfers – Accounts Payable.</u> (City Manager, Finance Director)	APPROVE	5
5. <u>Appointments of Peter Hammer and Michele Gallagher to the Historic Preservation Commission for Three-Year Terms Expiring April 22, 2022.</u> (City Manager, Community Development Director, Planning & Building Manager)	APPROVE	7
6. <u>Set May 13, 2019 at 5:00 pm to Conduct a Public Hearing on the City's 2020-2025 Six-Year Transportation Improvement Program.</u> (City Manager, Public Works Director, Street/Storm Superintendent)	APPROVE	10
7. <u>Resolution No. 5-2019, First and Final Reading – Declaring Property to be Surplus.</u> (City Manager, City Clerk)	ADOPT	13

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NEW BUSINESS

8. <u>Ordinance No. 997-B, Second and Final Reading – Amending the 2019 Budget.</u> (City Manager, Finance Director)	PASS	15
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ITEM ADMINISTRATION RECOMMENDATION PAGE

ADMINISTRATION AND CITY COUNCIL REPORTS

9. <u>Administration Reports.</u>	INFORMATION ONLY	- - -
a. Finance Report. (City Manager, Finance Director)		23
b. City Manager Update. (City Manager)		
10. <u>Councilor Reports/Committee Updates.</u> (City Council)	INFORMATION ONLY	- - -

**THE CITY COUNCIL MAY ADD AND TAKE ACTION ON OTHER ITEMS NOT LISTED ON THIS AGENDA.
NEXT REGULAR CITY COUNCIL MEETING IS MONDAY, MAY 13, 2019.**

April 8, 2019

The Chehalis city council met in regular session on Monday, April 8, 2019, in the Chehalis city hall. Mayor Dennis Dawes called the meeting to order at 5:00 pm with the following council members present: Terry Harris, Tony Ketchum, Daryl Lund, Dr. Isaac Pope, Bob Spahr, and Chad Taylor. Staff present included: Jill Anderson, City Manager; Ken Cardinale, Fire Chief; Caryn Foley, City Clerk; Bill Hillier, City Attorney; Trent Lougheed, Community Development Director; Brandon Rakes, Airport Operations Coordinator; Rick Sahlin, Public Works Director; Chun Saul, Finance Director; Glenn Schaffer, Police Chief; Judy Schave, HR/Risk Manager; Lilly Wall, Recreation Manager; and Patrick Wiltzius, Wastewater Superintendent. Members of the news media included Will Rubin of *The Chronicle*.

1. **110th SWW Fair.** Todd Mason, Citizens Advisory Committee Member, spoke about the 110th edition of the fair. This year's theme is "Happy as a Hen, Come Celebrate 110!" The committee is trying to get the community more involved, increase attendance, and determine what is important to people about the fair. Each year they try to come up with different ideas. This year there will be a "red neck" competition; the first annual fair retail window display content; and a parade down the midway on opening day. Mr. Mason invited everyone to the April 23rd kick-off meeting at 5:00 pm in the Community Events Building.

2. **Introduction of Joe Clark.** Councilor Taylor introduced Joe Clark, the new Director of Transit Services, who was chosen from over 65 applicants. Mr. Clark stated he was honored and privileged to accept the position. He believed this was an opportunity to really change how we view and use public transportation.

Mayor Dawes hoped the first thing that Twin Transit worked on was to make the system the best it could be within existing boundaries, and that a future transit site was built for our needs with idea of future expansion. He encouraged the board to speak with the firm used to hire the former Transit manager to seek some type of reimbursement. Councilor Taylor stated that was something they would certainly pursue.

3. **National County Government Month.** Lewis County Commissioner Edna Fund stated April was "I Love County Government Month." She stated that earlier today, the Board approved a distressed county application for a grain terminal at the Port of Chehalis. She noted that Lewis County was number one in the state for Christmas tree sales, and poultry and egg sales.

4. **Consent Calendar.** Councilor Spahr moved to approve the consent calendar comprised of the following:
- a. Minutes of the regular meeting of March 25, 2019;
 - b. March 29, 2019 Claim Vouchers No. 125379-125514 in the amount of \$233,778.03;
 - c. March 29, 2019 Payroll Vouchers No. 40756-40795, Direct Deposit Payroll Vouchers No. 10565-10668, Electronic Federal Tax and DRS Pension/Deferred Comp Payments No. 229-233 in the amount of \$889,477.87;
 - d. Engineering services contract with Jacobs Engineering Group in the amount of \$35,000 to address air emissions at the Chehalis Regional Water Reclamation Facility;
 - e. Supplemental agreement with Skillings Connolly, Inc., in the amount of \$8,508 related to the Recreation Park Renovation Ballfield Project;
 - f. Joint agreement with the Chehalis Foundation for facility planning, design development, and fundraising for the Recreation Park Improvement Project; and
 - g. Agreement with Lexipol for conversion of fire department policies and ongoing policy management services.

The motion was seconded by Councilor Lund.

With regard to item "d," Councilor Harris asked if there were new standards for hydrogen sulfide and chloroform. Mr. Wiltzius stated they were original standards. When the city went through the permitting process for building the treatment plant, organizations had various requirements. The facility has been unable to meet some of the permit limits of the Southwest Clean Air Agency (SWCAA) relating to operating the odor control system and the division's emergency generators. It also requires that the influent wastewater be tested for hydrogen sulfide and chloroform. The process being proposed should address the permit requirements.

The motion carried unanimously.

April 8, 2019

5. **Ordinance No. 997-B, First Reading – Amending the 2019 Budget.** Chun Saul provided an overview of the proposed budget amendment for all city funds; an update on the General Fund 2018 ending fund balances (2018 budget to actual); recommendations for assigning General Fund balances; and an overview of the proposed budget amendment for the General Fund.

Mayor Dawes noted the \$3.4 million were total funds and a majority of those funds were Enterprise Funds that could only be used for certain purposes.

Councilor Taylor asked if money in specific reserve funds was considered part of General Fund reserves. Ms. Saul stated the GFOA Best Practice did not include funds in specific reserves.

Councilor Spahr moved to pass Ordinance No. 997-B on first reading. The motion was seconded by Councilor Taylor and carried unanimously.

6. **Wastewater Superintendent Position Incentives.** City Manager Anderson stated the city has had difficulty trying to find a replacement for retiring Wastewater Superintendent Patrick Wiltzius. Six applications were received after an extensive recruitment, and neither of the two candidates interviewed were a good fit. She explained that a high percentage of level 4 operators were nearing retirement, so the administration has been looking at incentives that might entice candidates to apply. The city has historically offered travel costs to potential interview candidates, and City Manager Anderson stated the first part of her request was to authorize a \$7,500 moving allowance to help attract a replacement as part of a second recruitment that will also expand the search to level three operators who could fulfill the requirements for obtaining level 4 certification.

The second part of the request was to offer a 10% salary increase (approximately \$800 a month) to the current Superintendent to extend his retirement for up to one year. City Manager Anderson stated the council budget committee discussed the proposal and had legitimate concerns about setting a precedent of providing incentive pay to retain an employee and the impact on other members of the management staff. They generally agreed that having the discussion about offering the incentive pay outweighed having a temporary contract with a consultant or other agency to manage the department, and to have staff in flux.

Councilor Ketchum thought it was a good plan and the right thing to do, and wasn't concerned about setting a precedent. Councilor Taylor agreed.

Councilor Spahr stated he didn't have any problems with the request, and thought several cities were in similar situations.

Councilor Lund thanked Patrick Wiltzius for his willingness to stay on and agreed with the City Manager's plan.

Councilor Harris stated he fully supported the situation, but also understood the potential difficulties that would have to be dealt with when they come.

Councilor Pope thanked Patrick Wiltzius and supported the process.

Mayor Dawes stated he understood the business aspect of the situation, but had concerns with what could happen down the road. If these types of positions are in such demand nationwide, how do you keep people in Chehalis. He was also concerned about offering \$7,500 in moving expense. Someone could stay for only six months and leave, and the city would be out that, as well. He wished a name would not have been put to the issue, as this was a position issue.

Councilor Pope asked if a college degree was necessary for the position. Mr. Wiltzius stated not necessarily. It can be the equivalent of education and training. Councilor Pope suggested the school system should consider offering these types of trainings.

Mayor Dawes asked what other cities pay their level 4 operators. Mr. Wiltzius stated he did not know the answer, but thought that Chehalis was in line or pretty close to what other cities pay.

April 8, 2019

Councilor Ketchum moved to authorize providing the Wastewater Superintendent incentive pay of 10% of the gross monthly salary for up to a year, beginning with the April 25, 2019 payroll period; and authorize the City Manager to expend up to \$7,500 for relocation assistance if the selected candidate needs to move from out of the area to Chehalis to accept the position. The motion was seconded by Councilor Spahr and carried unanimously.

7. Administration Reports.

a. **City Manager Update.** City Manager Anderson highlighted a few of the six-month objectives set for the goals that were reestablished at the March 7 strategic planning work session:

- Maintain and enhance financial stability: annexation procedures and utility rate study
- Enhance and modernize technology: look at using more security cameras; software to increase payment options for customers and vendors
- Increase and optimize staffing levels: employee recognition and training programs
- Improve and maintain the infrastructure:
 - Streets: TBD and other street projects – identify long-term project opportunities and constraints
 - Sewer: start construction of the Riverside Forcemain Project
 - Water: identify alignment of Chehalis Raw Water Line Replacement
 - General: Beautification Plan
- Enhance and maintain facilities:
 - Recreation Park: Secure loan and go out to bid for construction this summer
 - Dispatch Center: Work with County to pursue feasibility study to evaluate regionalization with TCOMM in partnership with Centralia and RFA
 - Fire Station: Identify site for a new station; engage consultant for a feasibility study for annexation

Mayor Dawes asked if there was any timeline from the county relating to their interest in pursuing regionalization with TCOMM. Commissioner Fund indicated that County Manager Martin has been working with City Manager Anderson on this issue, and he will be providing a report to the county commissioners in the near future. City Manager Anderson stated she committed to the county manager that she would bring a funding proposal to the council once the scope of work for a feasibility study was completed.

8. Councilor Reports/Committee Updates.

a. Councilor Harris has heard concerns from citizens about McFadden and Dobson Parks related to homeless individuals occupying the area. One citizen asked if a sign could be placed at the trailhead so that people know what they're walking into. Another issue brought to his attention was that Catholic Community Services (CCS) is located along National Avenue near a particular type of business, and there is concern about whether or not they are actually sober when they leave the business. CCS has had two of their vehicles totaled. Unfortunately, law enforcement had to explain to them that it was private property and there wasn't a lot that could be done on private property, but it's a situation where the marijuana facility is impacting things.

b. Councilor Pope had several people talk with him about sidewalks, specifically the lack of sidewalks in the Snively area and kids walking to the new schools. He stated installing sidewalks down Snively has been discussed in the past, but residents would have to give up some of their parking. A sidewalk connecting the school to the swimming pool has also come up.

c. Councilor Spahr thanked Councilor Harris for bringing up the issue regarding McFadden and Dobson parks. He wondered if the Beautification Committee could discuss this. He stated it was an issue that needed to be addressed regionally.

d. Councilor Taylor stated there is an area along the hillside near National Avenue and Coal Creek Road that looks like a landfill. He agreed it was an issue, and also understood that law enforcement's hands are sometimes tied as to what can be done. He stated he had also received reports of people living in motorhomes next to the mission on Chehalis Avenue.

April 8, 2019

e. Councilor Ketchum stated the historical museum was holding clean-up days at 9:00 am on April 13 and 20.

f. Mayor Dawes added a budget subcommittee meeting, and a mayors meeting that included the section Colonel from the Corps.

There being no further business to come before the city council, the meeting was adjourned at 6:23 pm.

Dennis L. Dawes, Mayor

Caryn Foley, City Clerk

Approved:

Initials: _____

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Chun Saul, Finance Director
Michelle White, Accounting Tech II

MEETING OF: April 22, 2019

SUBJECT: Vouchers and Transfers

ISSUE

City Council approval is requested for Vouchers and Transfers dated April 15, 2019.

DISCUSSION

The April 15, 2019 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. 125515-125663 and Electronic Funds Transfer Nos. 32019 and 42019 in the amount of \$431,917.81 dated April 15, 2019, which includes the payment of:

- \$ 142,383.01 from the General Fund
- \$ 14,173.89 from the Dedicated Street Fund – 4% Sales Tax Fund
- \$ 1,372.50 from the Transportation Benefit District Fund
- \$ 37.53 from the Garbage Fund
- \$ \$172,355.76 from the Wastewater Fund
- \$ 36,176.60 from the Water Fund
- \$ 2,642.64 from the Storm & Surface Water Utility Fund
- \$ 62,775.88 from the Airport Fund

RECOMMENDATION

It is recommended that the City Council approve the April 15, 2019 Claim Vouchers No. 125515-125663 and Electronic Funds Transfer Nos. 32019 and 42019 in the amount of \$431,917.81.

SUGGESTED MOTION

I move that the City Council approve the April 15, 2019 Claim Vouchers No. 125515-125663 and Electronic Funds Transfer Nos. 32019 and 42019 in the amount of \$431,917.81.

**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
Hillary Hoke, Planning and Building Manager

MEETING OF: April 22, 2019

SUBJECT: Historic Preservation Commission Appointments

ISSUE

The City has received two applications for appointment to the Historic Preservation Commission.

DISCUSSION

The Historic Preservation Commission can consist of up to seven members appointed by the City Council. The commission currently has four active members. Mr. Hammer and Ms. Gallagher are requesting appointment to the commission. To qualify for appointment applicants must demonstrate an interest and competence in historic preservation, possess qualities of impartiality and broad judgement, and be residents of the city. While the residency requirement may be waived upon approval by the City Council, both applicants meet the criteria for appointment, including the residency requirement.

FISCAL IMPACT

None

RECOMMENDATION

It is recommended that the City Council appoint both applicants to the Historic Preservation Commission for a standard term of three years.

SUGGESTED MOTION

I move that the City Council approve the appointments of Peter Hammer and Michele Gallagher to the Historic Preservation Commission for a term of three years, expiring April 22, 2022.

City of Chehalis APPLICATION FOR APPOINTMENT

Date 2/13/19

(The city of Chehalis accepts applications from anyone residing in the city limits of Chehalis, who meet the required criteria for each Board, Commission or Committee. Please see below the corresponding RCW, CMC, or Resolution for appointment criteria. For more information contact city clerk at 360-345-3225)

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

- Airport Board (RCW 14.08)
- Lodging Tax Advisory Committee (Resolution 1-98)
- Historic Preservation Commission (CMC 2.66)
- Civil Service Commission (CMC 2.56 and RCW 4.108-Fire, RCW 41.12-Police
- Sister City Committee (CMC 2.80)
- Planning Commission (CMC 2.48)
- Library Board (RCW 27.12)
- Other _____

Please print

Name Peter C. Hammer

Present employer Wa He Lut Indian School

Employer address 11110 Conine Ave Oly, WA 98513 Phone No. (360) 456-1311

Fax No. _____ E-mail _____

Home address 322 NE Washington Ave, Chehalis Home Phone No. (360) 748-2234

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

If yes, please explain _____

Date available for appointment Immediately

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

Approximately how many hours each month can you devote to city business? 10

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

I majored in U.S. History and I'm a history buff. Previously served on the Bothell Landmark Preservation Board. I also love the look and history of old buildings!

Signature Peter C. Hammer

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

Please indicate where you wish meeting information to be mailed and how you would like to be reminded of meetings (e.g., phone, e-mail, cell phone) 322 NE Washington Ave Chehalis, WA 98532

9/2008

Email: petehammer6@gmail.com
cell phone: 253-359-4931

City of Chehalis APPLICATION FOR APPOINTMENT

Date 2/19/19

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

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

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

Please print

Name Michele Lynn Gallagher

Present employer Gallagher Painting, Inc. & Lewis County Sub. Coop

Employer address 316 SW 116th Street Phone No. 360 748 9232

Fax No. 360 748 8767 E-mail mthomas@chehalisschools.org

Home address 565 NW Pennsylvania Ave Home Phone No. 360 996 4155

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

If yes, please explain _____

Date available for appointment February 2019

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

Approximately how many hours each month can you devote to city business? 10+ hours

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

I am a Chehalis resident and would like to serve my community as part of The Historic Preservation Commission.

Signature Michele L. Gallagher Bob

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

Please indicate where you wish meeting information to be mailed and how you would like to be reminded of meetings (e.g., phone, e-mail, cell phone) gallagher565@comcast.net

**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 22, 2019

SUBJECT: Set Date and Time for Public Hearing for the 2020-2025 Six-Year
Transportation Improvement Program

ISSUE

A public hearing will be included on the May 13, 2019, meeting agenda to provide the opportunity for comment and input on the city's proposed 2020-2025 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 13 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 10 council meeting. For your reference, a copy of the 2019-2024 amended TIP is attached to this agenda report.

FISCAL IMPACT

N/A

RECOMMENDATION

It is recommended that the City Council set May 13, 2019, at 5:00 pm as the date and time to conduct the public hearing concerning the city's 2020-2025 Six-Year Transportation Improvement Program.

SUGGESTED MOTION

I move that the City Council set May 13, 2019, at 5:00 pm as the date and time to conduct the public hearing concerning the city's 2020-2025 Six-Year Transportation Improvement Program.

CITY OF CHEHALIS - 2019-2024 SIX YEAR TRANSPORTATION IMPROVEMENT PROGRAM

Project	General Description	Funding Source	Start Year	Prior Years	2019	2020	2021	2022	2023	2024	Future	Total Cost
Citywide Preservation Program	Chip-sealing, HMA proleveling, patching	Arterial Street/4% Funds/TBD	2019		125,000	175,000	175,000	200,000	200,000	200,000		1,075,000
Pacific Avenue - Main St. to Park St.	Street reconstruction, storm and water line replacement, ornamental lighting	TBD, Utility funds	2019		1,100,000							1,100,000
National Ave./ Coal Cr. Improvements	Coal Creek Bridge, intersection, pedestrian improvements, reconstruction	Grants/Arterial Street/4% Funds/TBD	2019		200,000	2,500,000						2,700,000
Chehalis Avenue	Repair 3rd St. to 9th St.	Arterial Street/4% Funds/TBD	2019		50,000	750,000						800,000
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	Reconstruction	Grants/Arterial Street/4% Funds/TBD	2020			150,000	4,700,000					4,850,000
Winchester Hill Dr.	Spot repair/ double chip seal or overlay	Arterial Street/4% Funds/TBD	2020			70,000						70,000
Riverside Dr/Newaukum Ave repairs	Spot repairs Hwy 6 to Shorey Rd/sidewalks	Grants/Arterial Street/4% Funds/TBD	2021				500,000					500,000
Main St.- Market to I-5	Grind and inlay	Grants/Arterial Street/4% Funds/TBD	2021				650,000					650,000
Louisiana Ave.- Chamber Way to Home Depot	Grind & inlay, Chamber to Home Depot, traffic control improvements	Grants/Arterial Street/4% Funds/TBD	2021				275,000					275,000
Kresky Ave improvements	Grind and Inlay, or Overlay	STP funds, TBD funds for local match	2019		875,000							875,000
Interstate Avenue	Overlay	STP funds, TBD funds for local match	2019		625,000							625,000
Market Blvd - 13th to city limits	Reconstruct, pedestrian improvements	Grants/Arterial Street/4% Funds/TBD	2023						100,000	4,500,000		4,600,000
20th St.- Market to Salsbury	Grind and inlay	Grants/Arterial Street/4% Funds/TBD	2023						300,000			300,000
Louisiana Ave Repairs	Spot repair & overlay Hwy 6 North	Grants/Arterial Street/4% Funds/TBD	Future								450,000	450,000
Snively Ave improvements	Reconstruct 16th to 20th	Grants/Arterial Street/4% Funds/TBD/Utility Funds	Future								2,500,000	2,500,000
National Ave.- Market to Chamber	Reconstruct, pedestrian improvements	Grants/Arterial Street/4% Funds/TBD	Future								1,525,000	1,525,000
Chamber Way Bridge Replacement	Replace Bridge	Grants/Arterial Street/4% Funds/TBD	Future								15,000,000	15,000,000
13th St.- Market to Interstate	Grind & overlay, ADA compliance	Grants/Arterial Street/4% Funds/TBD	Future								260,000	260,000
Guardrail	Various locations throughout city	Grants/Arterial Street/4% Funds/TBD	Future								125,000	125,000
Front, Pacific, Park Streets improvements	Grind, overlay/utility/frontage improvements	Grants/Arterial Street/4% Funds/TBD	Future								2,500,000	2,500,000
					2,975,000	3,845,000	6,300,000	2,000,000	600,000	4,700,000	22,360,000	42,780,000

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Caryn Foley, City Clerk

MEETING OF: March 25, 2019

SUBJECT: Resolution No. 5-2019, First and Final Reading – Declaring Surplus Property

ISSUE

The Police Department has property that is no longer needed. State law requires that property must first be declared surplus by the City Council before being sold, transferred, or disposed of.

DISCUSSION

The Police Department has two vehicles that have run their life expectancy and would require more to repair than they are worth.

The items will be appropriately disposed of as authorized by the City Manager.

FISCAL IMPACT

Any proceeds from items that are sold or auctioned will go to their respective department/division.

RECOMMENDATION

It is recommended that the City Council adopt Resolution No. 5-2019.

SUGGESTED MOTION

I move that the City Council adopt Resolution No. 5-2019 on the first and final reading.

RESOLUTION NO. 5-2019

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

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

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

Chehalis Police Department	Identifying Information
One (1) - 1997 Plymouth Grand Voyager	VIN: 2P4GP44R6VR107881
One (1) - 2012 Dodge Police Cruiser	VIN: 2C3CDXAG0CH225254

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

ADOPTED by the City Council of the city of Chehalis, Washington, and **APPROVED** by its Mayor, at a regularly scheduled open public meeting thereof this ____ day of _____, 2019.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Chun Saul, Finance Director

MEETING DATE: April 22, 2019

SUBJECT: Ordinance No. 997-B, Second Reading – Amending the 2019 Budget

ISSUE

On April 8, 2019, Ordinance No. 997-B, first amendment to the 2019 Budget was presented for City Council consideration on first reading. There have been no changes since the first reading on April 8, 2019. At this time the ordinance is being presented for City Council action on the second of the two required readings.

DISCUSSION

Ordinance No. 997-B amending the 2019 Budget, is hereby submitted to reflect the changes in estimates and actual activity of the city since the adoption of the 2019 budget. This proposed amendment to the 2019 Budget includes the following items:

- 1) Updates the estimated 2019 beginning cash balances for all funds to reflect the actual ending fund balances at the close of fiscal year 2018. This action has no impact on the 2019 revenues and expenditures budget but updates the estimated 2019 ending fund balances for all city funds.
- 2) Recommendations for assigning and allocating the General Fund's beginning/ending fund balances for specific use (reserves) in the amount of \$626,780. This action has no impact to the city-wide net fund balances. The assigned funds are transferred out from the General Fund and received by the receiving funds as transfers-in.
- 3) Requests for additional appropriations in the amount of \$9,325 (\$8,125 for General Fund and \$1,200 for Water Fund) for items that were not included in the 2019 adopted budget.

A 2019 Budget Summary for the proposed amendment, including updated beginning cash, revenues, transfers-in, expenditures, transfers-out, and estimated ending cash balances and a detailed spreadsheet of proposed budget amendment items are attached to the proposed Ordinance No. 997-B as Exhibit "A" and Exhibit "A-1".

The proposed budget amendments by fund are summarized below:

General Fund:

The budget amendment proposal includes a \$8,125 increase in expenditures, and \$626,780 increase in transfers-out. A total decrease in fund balance from the proposed budget amendment is \$634,905.

- Immediate replacement of a server for the city’s accounting software (EDEN) became necessary. A budget increase of \$3,852 is requested for replacing the server and related professional services to transfer the EDEN database to a new server.
- Installation of emergency equipment in a patrol vehicle that was purchased in 2018 is needed. A budget increase of \$4,273 is requested.
- At the end of 2018, the City’s General Fund came in stronger than expected. The actual 2018 ending fund balance was \$819,921 higher than what was estimated during the 2019 budget development. The key factors for this positive variance was a combination of actual revenues exceeding the budget projection by \$173,413, and the City’s General Fund not spending all of its approved 2018 appropriations (average spent 93.8% of the 2018 budget) which saved the budget by \$646,508.

An update of the General Fund’s 2018 fund balance status was presented to the Council Budget Committee on 3/29/2019. The Budget Committee includes Mayor Dawes, Mayor Pro Tem Harris, and Councilor Spahr. The Budget Committee reviewed and discussed the use of the \$819,921 increase in 2018 ending fund balance. The Committee recommended that the fund balance in excess of 10% reserve policy be assigned and reserved for future capital (i.e. facilities and vehicle replacements, etc.) and employment liability payment needs.

This proposed budget amendment recommends the City Council assigning a portion of the 2018 ending fund balance (or 2019 beginning fund balance) in the amount of \$626,780 for the following use and purposes and transfer-out to specific reserve funds:

Recommended Use/ Allocation of Fund Balance (General Fund):	Amount
Restore Building Abatement Fund used in 2019	\$ 80,000
Restore Automotive/Equipment Reserve Fund used in 2019	81,780
Additional Reserves for Compensated Absences liabilities	100,000
Additional Reserves for Automotive/Equipment replacement	100,000
Reserves for major facilities maintenance and repair projects	115,000
Reserves for Fire Station Land Acquisition	150,000
Total Use/Allocation (Transfers-out) Recommended	\$ 626,780

After the fund balances are assigned and committed as recommended, the estimated 2019 ending fund balance for the General Fund is \$971,929. This is about 10% of the general fund regular revenues, which meets the City Council policy to maintain a 10% operating reserves in the General Fund.

A summary of changes from 2019 Adopted Budget to the 2019 Proposed Amended Budget is provided below:

	2019 Proposed		Variance
	2019 Adopted Budget	Amended Budget	
General Fund:			
Revenues	\$ 9,742,242	\$ 9,742,242	\$ -
Transfers-in	\$ 80,000	\$ 80,000	\$ -
Expenditures	\$ 9,794,971	\$ 9,803,096	\$ 8,125
Transfers-out	\$ 224,699	\$ 851,479	\$ 626,780
Net Revenues Over (under) Expenditures	\$ (197,428)	\$ (832,333)	\$ (634,905)
Estimated Beginning Fund Balance	\$ 969,625	\$ 1,804,262	\$ 834,637
Estimated Ending Fund Balance	\$ 772,197	\$ 971,929	\$ 199,732
Estimated Ending Fund Balance % of Revenues	7.9%	10.0%	

Building Abatement Fund:

\$80,000 was transferred from the Building Abatement Fund to the General Fund for the 2019 Adopted Budget.

It is recommended that \$80,000 be transferred back to the Building Abatement Fund from the General Fund.

All costs associated with the abatement of a property will eventually be recovered through direct reimbursement by property owners or through the lien process; however, it is not always possible to predict the level of funding required for this fund as the number of properties requiring the abatement process can fluctuate drastically from year to year, and reimbursements could be significantly delayed if a property is liened.

Compensated Absences Reserve Fund

A transfer of \$100,000 from the General Fund to the Compensated Absences Reserve Fund is requested.

The General Fund’s share of the compensated absences liability (cash-out value of unused vacation, sick, and compensatory time upon separation or retirement) at the end 2018 is over \$1.2 million. About 65% (or \$792K) of the total liability is for police and fire, with the remaining \$422K for all other general fund departments’ employees.

Currently, this fund has a fund balance of \$93,841. This additional \$100,000 transfer will increase the estimated 2019 ending fund balance to \$193,841, which is about 16% of the total liabilities at the end of 2018.

The funding in this fund is also used to pay significant costs incurred for unemployment benefits, as the City has a self-administered single employer unemployment benefit plan.

Automotive/Equipment Reserve Fund:

The 2019 Adopted Budget includes use of \$81,780 for purchase of three vehicles. The budget requests were moved from the General Fund to the Automotive and Equipment Reserve fund.

The City's General Fund has over \$7.0 million dollars' worth of vehicles and equipment used in operations. More than half of the vehicles are over 10 years old. There are significant funding needs for near future vehicle replacements. The city administration will continue to work on developing a sustainable plan to address the funding needs for future replacements.

A total of \$181,780 transfer-in from the General Fund to the Automotive/Equipment Reserve Fund is recommended to replenish the \$81,780 used in 2019 and set aside additional reserves in the amount of \$100,000 for future vehicle replacements.

Currently, this fund has an estimated 2019 ending fund balance of \$11,781. With the \$181,780 recommended budget transfers, the 2019 ending fund balance is estimated at \$194,541.

Public Facilities Reserve Fund:

A transfer-in of \$265,000 from the General Fund to the Public Facilities Reserve Fund is requested and dedicated for:

- \$150,000 reserve for future Fire Station land acquisition
- \$115,000 reserve for major maintenance and repair projects for city facilities, including buildings, parking lots, and park facilities.

Water Fund:

A \$1,200 budget increase is requested. This is for the purchase of a tax parcel from Lewis County tax foreclosure sale that City Council approved in February 2019. The tax parcel is located at SW Chehalis Avenue and SW 9th Street. The property will be used for future waterline realignment project or for a not yet determined use.

RECOMMENDATION

It is recommended that the City Council pass Ordinance No. 997-B on second and final reading.

SUGGESTED MOTION

I move that the City Council pass Ordinance No. 997-B on second and final reading.

ORDINANCE NO. 997-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, AMENDING THE 2019 FISCAL YEAR BUDGET ADOPTED BY ORDINANCE NO. 995-B BY REVISING THE BUDGETED AMOUNTS BY A COMBINED TOTAL OF NINE THOUSAND THREE HUNDRED TWENTY FIVE DOLLARS (\$9,325) FOR THE GENERAL FUND, BUILDING ABATEMENT FUND, COMPENSATED ABSENCES RESERVE FUND, PUBLIC FACILITIES RESERVE FUND, AUTOMOTIVE AND EQUIPMENT RESERVE FUND, AND WATER FUND; AND DIRECTING THE FINANCE DIRECTOR TO EFFECT THE BUDGET AMENDMENTS HEREIN PROVIDED.

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

Section 1. The annual budget of the city for the calendar year 2019 shall be, and the same hereby is, amended so as to increase the General Fund's appropriations by \$8,125 and increase transfers-out by \$626,780.

Section 2. The annual budget of the city for the calendar year 2019 shall be, and the same hereby is, amended so as to increase the Building Abatement Fund's transfers-in by \$80,000.

Section 3. The annual budget of the city for the calendar year 2019 shall be, and the same hereby is, amended so as to increase the Compensated Absences Reserve Fund's transfers-in by \$100,000.

Section 4. The annual budget of the city for the calendar year 2019 shall be, and the same hereby is, amended so as to increase the Public Facilities Reserve Fund's transfers-in by \$265,000.

Section 5. The annual budget of the city for the calendar year 2019 shall be, and the same hereby is, amended so as to increase the Automotive Equipment Fund's transfers-in by \$181,780.

Section 6. The annual budget of the city for the calendar year 2019 shall be, and the same hereby is, amended so as to increase the Water Fund's appropriations by \$1,200.

Section 7. Attached hereto and identified as Exhibit A, in summary form, are the total of estimated revenues, transfers-in, expenditures, and transfers-out for each separate fund and the aggregate totals for all such funds combined for the city for the amended 2019 budget which shows a total estimated ending fund balance of \$18,176,670.

PASSED by the city council of the City of Chehalis, Washington, and **APPROVED** by its Mayor at a regularly scheduled open public meeting thereof this _____ day of _____, 2019.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

Exhibit "A"
CITY OF CHEHALIS FIRST AMENDED 2019 BUDGET
2019 BUDGET SUMMARY REVISED WITH ORDINANCE NO. 997-B

FUND NO.	FUND NAME	BEGINNING				TRANSFERS IN	EXPENDITURES	TRANSFERS OUT	ESTIMATED ENDING CASH	CASH BALANCE CHANGE FROM BEGINNING TO ENDING	ENDING CASH % CHANGE
		CASH	REVENUES								
001	General Fund	\$ 1,804,262	\$ 9,742,242	\$ 80,000	\$ 9,803,096	\$ 851,479	\$ 971,929	\$ (832,333)	-46.1%		
003	Dedicated Street Fund	163,772	710	198,808	172,520	-	190,770	26,998	16.5%		
004	Building Abatement Fund	101,209	330	80,000	-	80,000	101,539	330	0.3%		
102	Arterial Street Fund	125,142	165,504	-	170,218	-	120,428	(4,714)	-3.8%		
103	Transportation Benefit District Fund	1,110,158	992,518	-	1,175,000	-	927,676	(182,482)	-16.4%		
107	Tourism Fund	263,943	225,985	-	223,435	82,000	184,493	(79,450)	-30.1%		
110	Compensated Absences Reserve Fund	93,841	1,850	100,000	-	-	195,691	101,850	108.5%		
195	Community Development Block Grant Fund	24,190	-	1,000	1,000	-	24,190	-	0.0%		
197	HUD Block Grant Fund	86,259	1,420	-	1,000	-	86,679	420	0.5%		
200	2011 General Obligation Bond Fund	1	-	99,563	99,563	-	1	-	0.0%		
301	Public Facilities Reserve Fund	439,638	3,780	347,000	96,724	-	693,694	254,056	57.8%		
302	Automotive/Equipment Reserve Fund	94,311	230	181,780	81,780	-	194,541	100,230	106.3%		
305	First Quarter REET Fund	62,712	106,280	-	-	40,821	128,171	65,459	104.4%		
306	Second Quarter REET Fund	71,769	106,470	-	-	33,851	144,388	72,619	101.2%		
402	Garbage Fund	7,706	6,745	-	7,252	-	7,199	(507)	-6.6%		
404	Wastewater Fund	5,112,880	5,472,262	-	5,750,639	-	4,834,503	(278,377)	-5.4%		
405	Water Fund	7,437,091	2,885,647	-	4,270,340	-	6,052,398	(1,384,693)	-18.6%		
406	Storm and Surface Water Fund	1,264,662	800,770	-	786,526	-	1,278,906	14,244	1.1%		
407	Airport Fund	1,051,418	4,423,173	-	4,429,286	-	1,045,305	(6,113)	-0.6%		
611	Firemen's Pension Fund	877,319	191,236	-	78,500	-	990,055	112,736	12.9%		
633*	Agency Fund	4,114	360,000	-	360,000	-	4,114	-	0.0%		
TOTALS		\$ 20,196,397	\$ 25,487,152	\$ 1,088,151	\$ 27,506,879	\$ 1,088,151	\$ 18,176,670	\$ (2,019,727)	-10.0%		

*Fund 633 is an Agency Fund which the city holds funds as a custodian for a period of time. This money does not belong to the City.

Total City-Wide 2019 Original Adopted Budget	\$ 16,764,866	\$ 25,487,152	\$ 461,371	\$ 27,497,554	\$ 461,371	\$ 14,754,464	\$ (2,010,402)
Changes from First Amendment to the 2019 Budget	\$ 3,431,531	\$ -	\$ 626,780	\$ 9,325	\$ 626,780	\$ 3,422,206	\$ (9,325)

Fund No. and Name	Account Name	Reason for Amendment	2019	Revenue	Appropriation		Total	Recommended
			Amended Budget	Increase (Decrease)	Transfers In	Increase (Decrease)	Transfers Out	Amendment Increase (Decrease)
Fund 001 - General Fund								
Expenditures:								
001.G1.597.000.05.04	Transfer out - Fund 004	Replenish \$80K Building Abatement Fund used in 2019					80,000	80,000
001.G1.597.000.05.10	Transfer out - Fund 110	Additional reserve for compensated absences liabilities					100,000	100,000
001.G1.597.000.05.31	Transfer out - Fund 301	Set aside reserves for Fire Station Land Acquisition					150,000	150,000
001.G1.597.000.05.31	Transfer out - Fund 301	Set aside reserves for major facility maintenance and repair projects					115,000	115,000
001.G1.597.000.05.32	Transfer out - Fund 302	Replenish Automotive/Equipment Reserve Fund used in 2019					81,780	81,780
001.G1.597.000.05.32	Transfer out - Fund 302	Additional reserves for future vehicle replacements					100,000	100,000
001.E1.514.023.35.00	Small Tools & Minor Equipment	New server software for EDEN database in				720		720
001.E1.514.023.48.02	R&M - Software/Hardware	Professional service to transfer EDEN Data to a new server				3,132		3,132
001.H1.594.021.64.00	Capital Outlay - Equipment	Install emergency equipment in patrol vehicle purchased in 2018				4,273		4,273
Total General Fund Expenditures & Transfers Out			10,019,670	-	-	8,125	626,780	634,905
Total for General Fund						8,125	626,780	(634,905)
Fund 004 - Building Abatement Fund								
Revenues:								
004.397.000.01	Transfer In - Fund 001	Restore 2019 transferred amount to the General Fund				80,000		80,000
Total Building Abatement Fund Revenues & Transfers In			330	-	80,000	-	-	80,000
Total for Building Abatement Fund						-	80,000	80,000
Fund 110 - Compensated Absences Reserve Fund								
Revenues:								
110.397.000.01	Transfer In - Fund 001	Reserve for compensated absences liability				100,000		100,000
Total Compensated Absences Fund Revenues & Transfers In			1,850	-	100,000	-	-	100,000
Total for Compensated Absences Reserve Fund						-	100,000	100,000
Fund 301 - Public Facilities Reserve Fund								
Revenues:								
301.397.000.01	Transfer In - Fund 001	Reserve for future fire station land acquisition				150,000		150,000
301.397.000.01	Transfer In - Fund 001	Reserve for major facility maintenance and repair projects				115,000		115,000
Total Public Facilities Reserve Fund Revenues & Transfers In			85,780	-	265,000	-	-	265,000
Total for Public Facilities Reserve Fund						-	265,000	350,780
Fund 302 - Automotive/Equipment Reserve Fund								
Revenues:								
302.397.000.01	Transfer In - Fund 001	Reserve for future vehicle replacements (General Fund vehicles only)				100,000		100,000
302.397.000.01	Transfer In - Fund 001	Replenish reserves used in 2019 (3 vehicle purchases budgeted)				81,780		81,780
Total Automotive/Equipment Reserve Fund Revenues & Transfers In			230	-	181,780	-	-	181,780
Total for Automotive/Equipment Reserve Fund						-	181,780	182,010
Fund 405 - Water Fund								
Expenditures:								
405.10.594.034.61.00	Capital Outlay - Land	Purchase tax parcel #00527200200 (SW Chehalis Ave - SW 9th St)				1,200		1,200
Total Water Fund Expenditures						1,200	-	1,200
Total for Water Fund						1,200	-	(1,200)
Total Amendment for City-wide All Funds						-	626,780	9,325

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**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 22, 2019
SUBJECT: 2019 First Quarter Financial Status Report

DISCUSSION

This document provides a summary review of the City's financial activities and status for the first quarter 2019.

The reports have been formatted to be consistent with the budget for ease of comparison and review of information. Comparisons and variances shown are based on straight line projections. The percentage year-to-date target for March is 25% (3 of 12 months).

First report provides a summary review of all City funds with their beginning cash balances, total revenues and transfers in, total expenditures and transfers out, changes in fund balances during the year, and estimated ending cash balances.

Second set of reports provides two-year comparative financial data of actual revenues and expenditures compared to the budget for the General Fund and the major enterprise funds.

CITY-WIDE OVERVIEW

Overall, on a city-wide basis, the city has received \$5,425,173 or 20.9% of the 2019 revenue budget (including transfers-in) and has expensed \$4,482,000 or 16.0% of the 2019 approved appropriations (including transfers-out) during the first quarter. Total city-wide revenues exceeded total expenditures by \$943,173 during this period. The city-wide total fund balance as of March 31, 2019 is \$21,139,571.

Other than the General Fund, all other funds are restricted funds that are used to account for specific revenues or resources that are legally restricted or designated to finance particular activities of the city, such as utilities and Airport.

Total revenues received is about 4.1% or \$1.1 million below the YTD target amount. Property tax revenues and intergovernmental grant revenues for the Airport are key factors for this variance.

Most of the normal recurring operating expenditures are close to the YTD target amounts. However, debt service payments (spent 2.8% of the 2019 budget), capital expenditures (spent 1.4% of the 2019 budget), and the related fund transfers-out will occur after the first quarter.

For the most part, the city operated within the normal budget parameters and resulted in positive changes in fund balances. Exceptions are the General Fund and the Firemen's Pension Fund that had negative changes in fund balances, which means total expenditures exceeded total receipts.

The Firemen's Pension fund shows a \$10,866 decrease in fund balance. 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.

The revenue and expenditure variances for the General Fund and the major enterprise funds are explained in detail in the fund overview section below.

Bottom Line: The City operated within normal budget parameters.

GENERAL FUND OVERVIEW

The 2019 Adopted Budget includes use of reserves (beginning cash) in the amount of \$197,428 due to the 2019 appropriations exceeding the 2019 revenue projections. At the end of first quarter, the general fund expenditures and transfers-out exceeded the revenues by \$365,046 (184.9% of the 2019 budget).

The ending fund balance for the General Fund as of March 31, 2019 was \$1,439,216, which is about 15% of the General Fund revenue budget.

The proposed amendment to the 2019 budget includes the fund balance in excess of 10% reserve policy be assigned and reserved for future capital (i.e. facilities and vehicle replacements, etc.) and employment liability payment needs, a total of \$626,780. On April 8, 2019, Ordinance No. 997-B – Amending the 2019 Budget was presented to the Council and was passed on first reading. The second reading of the Ordinance is scheduled at the April 22, 2019 Council meeting. The 2019 estimated ending fund balance, as presented in the proposed budget amendment, is \$971,929, which is about 10% of the general fund's revenue budget.

General Fund Revenues:

Total tax revenues make up 86.6% of total general fund revenues received through March 2019. Total tax revenues received is \$1,809,319 or 21.2% of the 2019 budget. This is \$322,404 below the target amount. Overall tax revenues showed a \$19,477 (or 1.1%) increase from 2018 first quarter.

Property Tax revenue received is \$42,193 or 2.4% of the 2019 budget. This is the normal trend for this time of the year. The first half of 2019 property tax is due in April and will be received by the city in May. Until then, the actual property tax revenues will be below the YTD target %. This amount includes both the regular levy and EMS levy.

Sales Tax revenue received is \$1,285,328 or 25.0% of the 2019 budget. This total includes \$1,230,249 for regular sales and use tax, \$18,414 for Brokered Natural Gas sales tax, and \$36,665 for Criminal Justice sales tax.

For the regular sales and use tax revenue received \$1,230,294 is 24.8% of the 2019 budget and is \$12,296 below the YTD target amount.

Sales tax is the City's largest revenue source. Sales tax revenues make up 61.5% of the total General Fund revenues received in the first quarter of 2019.

About \$99,585 (or 8.1%) of the YTD 2019 regular sales and use tax is from construction activities (construction of buildings, heavy and civil engineering, and specialty trade contractors). As predicted, the sales tax from construction activities declined by \$31,132 (or 23.8%) when compared to 2018 first quarter. Sales tax revenues trend will be closely monitored throughout the year.

Utility Tax revenue received is \$465,686 or 29.5% of the 2019 budgeted amount. This is a \$48,270 decrease from this time last year. About \$31,269 of the variance is from water and sewer utility taxes, mainly due to a change in accounting methods in 2018. The 2018 first quarter water and sewer utility tax calculation was adjusted and reconciled in December 2018. The 2019 YTD combined total electricity and garbage utility tax revenues increased by \$9,588; whereas, the combined total gas, cable and telephone utility taxes decreased by \$26,589 (or 16.4%) when compared to 2018 first quarter. Total utility tax revenues make up 22% of the General Fund total revenues received in the first quarter of 2019.

License and Permit fee revenue received is \$47,325 or 23.6% of the 2019 budget. This includes business licenses and permit fees and non-business licenses and permit fees (i.e., building permit fees, animal licenses, and gun permits). Business license and permit revenue is 26.0% of the 2019 budget while building permit fee revenue is 19.2% of the 2019 budget.

Intergovernmental revenue is \$83,922 or 31.9% of the 2019 budget. This category includes intergovernmental grants, state shared revenues, and the Main Street B&O Tax Credit.

State Shared revenue received is \$38,502 or 17.5% of the 2019 budget. This category includes Multimodal Transportation, Streamlined Sales Tax (SST) Mitigation, Criminal Justice Special Program, Marijuana Enforcement, Marijuana Excise Tax, DUI cities, Liquor Excise Tax and Liquor Board Profits, and PUD Privilege Tax. The actual YTD revenue is below the target due to the PUD Privilege Tax that is budgeted for \$75,113, which will be distributed in mid-year.

The City received \$37,500 in Main Street B&O Tax Credit and has used it to reduce the B&O Tax payments.

Charges for goods and services revenue received is \$51,330 or 13.5% of the 2019 budget. This category includes charges for fire and police services, plan check review fees, and recreation program fees. Recreation program fees make up about 51% of the budget in this category. Parks and recreation program revenue is 4.5% of the 2019 budget. A significant portion of the recreation program fee revenues are typically received during the summer months.

General Fund Expenditures and Transfers-out

Total expenditures and transfers for the first quarter is \$2,454,977 or 24.5% of the 2019 budget. This is \$49,941 below the target amount.

Total salaries and benefits make up 68.5% of the total General Fund expenditures for the first quarter of 2019.

At the end of the first quarter, salaries and benefits totaled \$1,681,490 or 23.5% of the 2019 budget. Total expensed for supplies is \$72,518 or 18.6% of the 2019 budget. Total expensed for outside services is \$466,758 or 30.8% of the 2019 budget. Outside services includes but not limited to the annual WCIA insurance, computer software & hardware maintenance, and other professional and intergovernmental services.

All departments, except Fire and Planning and Building departments, operated within the budget parameters.

The Fire department's YTD expenditure is 27.2% of the 2019 budget and \$47,771 above the 25% target amount. This was due to a combination of annual WCIA insurance, 1/3 of the annual H.S.A. contributions for the firefighters, and annual payment (\$27,500) for fire code inspection and enforcement services provided by Riverside Fire Authority (RFA) being paid in the first quarter.

The Planning and Building department's YTD expenditure is 34.8% of the 2019 budget and \$29,717 above the 25% target amount. A combination of annual WCIA insurance and permit software system annual maintenance paid in the first quarter are the main contributing factors.

Police and Fire make up 56.7% (\$1,392,948) of the total general fund expenditures and transfers.

Public Works Streets and Facilities & Parks make up 16.4% (\$402,139) of the total general fund expenditures.

Bottom Line: Overall, the general fund operated within the budget parameters.

ENTERPRISE FUNDS

Wastewater Fund

Total operating revenues received in the first quarter is \$1,269,758 or 23.2% of the 2019 budget. This is \$98,143 below the three-month target amount. The key contributing factors for year-to-date revenues being below the target amount are 1) annual discharge service fee is budgeted for \$175,000 but has not yet been received and 2) payments from Napavine and Lewis County Sewer District #1 for the cost sharing of CRWRF capital facilities is budgeted for \$277,378, however, these payments are received in June and December each year.

Total operating expenditures is \$762,730 or 25.1% of the 2019 budget. Total expenditures incurred for debt service and capital expenditures is 0.8% of the 2019 budget.

Total revenues exceeded total expenditures by \$487,120 during the first quarter of 2019.

Water Fund

Total operating revenues received in the first quarter is \$676, 572 or 24.1% of the 2019 budget. This is \$24,749 below the three-month target amount. Utility Hookup and Connection revenue is budgeted for \$94,440; however, only \$3,571 (or 3.8%) has been realized through the first quarter.

Total operating expenditures is \$580,960 or 23.4% of the 2019 budget. However, total expenditure incurred for debt service and capital expenditures is 1.5% of the 2019 budget.

Total revenues exceeded the total expenditures by \$88,528 during the first quarter of 2019.

Storm and Surface Water Fund

Total operating revenues received in the first quarter is \$183,089 or 22.9% of the 2019 budget. This is \$17,096 below the three-month target amount.

Total operating expenditures is \$123,480 or 22.6% of the 2019 budget. However, total capital expenditures for the first quarter is 2.0% of the 2019 budget.

Total revenues exceeded total expenditures by \$54,795 during the first quarter of 2019.

Airport Fund

Total operating revenues received in the first quarter is \$418,470 or 26.2% of the 2019 budget. Fuel sales is \$46,978 or 57% higher than this time last year. Total rent and lease revenues is also increased by \$15,853 or 6.0% from this time last year. Intergovernmental revenue (grant) is 2.8% of the 2019 budget. The grant revenue budget includes the FAA and WSDOT grants for the Taxiway Realignment project. The grant reimburses 95% of the eligible costs incurred.

Total operating expenditures is \$286,469 or 24.4% of the 2019 budget. However, capital expenditures through the end of the first quarter is \$54,100 or 1.8% of the 2019 budget. The budget for the Taxiway Realignment project is \$2,803,678 which has not been spent. The construction of the federal project is expected to begin in July 2019.

Total revenues exceeded total expenditures by \$167,386 during the first quarter of 2019.

TREASURER'S REPORT – CASH AND INVESTMENTS

The city's total cash, deposits, and investments as of March 31, 2019 is \$21,139,571. About 83% or \$17,623,491 of the city's cash is invested and earns interests. The remaining 17% or \$3,516,073 is deposited in non-interest-bearing checking accounts to cover on-going operational needs. A summary of cash funds and investment types are as follows:

City of Chehalis Cash, Deposits & Investment - Total Combined All Funds		
Account Type	Balance 3/31/2019	% of Total
Imprest Petty Cash Funds	\$ 4,650	0%
Checking	3,511,423	17%
Money Market & Savings	187,297	1%
Local Government Investment Pool (LGIP)	15,060,848	71%
US Govt Agency Securities	2,375,353	11%
Total	\$ 21,139,571	100%

Other than the General Fund, all other funds are restricted funds which account for specific revenues or resources that are legally restricted or designated to finance particular activities of the city, such as utilities and Airport.

Only about 6.81% or \$1,439,216 of the total balance belongs to the General Fund. A combined total of \$14,453,745 or 68.37% of the total balance is for the combined utilities funds. About 5.77% or \$1,218,804 of the total balance belongs to the Airport fund. The table below provides a summary totals for each fund types:

Total Cash, Deposits & Investments by Fund Types	Balance 3/31/2019	% of Total
General Fund	\$ 1,439,216	6.81%
General Fund Reserve Funds	408,907	1.93%
Special Revenue Funds	1,934,328	9.15%
G.O.B. Fund	1	0.00%
Capital Project Funds	812,002	3.84%
Utilities Funds	14,453,745	68.37%
Airport Fund	1,218,804	5.77%
Firemen's Pension Fund	866,453	4.10%
Agency Fund	6,115	0.03%
Total	\$ 21,139,571	100.00%

Total investment interest earnings through March 31, 2019 totaled \$107,896. The LGIP average net earnings rate for the first quarter 2019 and 2018 were 2.5094% and 1.4987%, respectively.

FISCAL IMPACT

As shown.

RECOMMENDATION

It is recommended that the City Council review this information and let staff know if there are any questions.

SUGGESTED MOTION

N/A

City of Chehalis



Quarterly Council Financial Report First Quarter 2019

For the Period Ending
March 31, 2019
(January through March)

The City of Chehalis, Washington

City of Chehalis
 Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual
 2019 First Quarter Financial Statements - All Funds
 As of March 31, 2019

Fund Type/Name	Beginning Fund Balance		Revenues & Transfers			Expenditures & Transfers			Changes in Fund Balance		Ending Fund Balance	
	2019 Adopted Budget	Actual 1/1/2019	2019 Adopted Budget	YTD 3/31/2019 Actual	YTD % of Budget	2019 Adopted Budget	YTD 3/31/2019 Actual	YTD % of Budget	2019 Adopted Budget	YTD 3/31/2019 Actual	2019 Adopted Budget	Actual 3/31/2019
General Funds:												
General Fund	\$ 969,625	\$ 1,804,262	\$ 9,822,242	\$ 2,089,931	21.3%	\$ 10,019,670	\$ 2,454,977	24.5%	\$ (197,428)	\$ (365,046)	772,197	\$ 1,439,216
Dedicated Street Fund	122,027	163,772	199,518	61,454	30.8%	172,520	12,359	7.2%	26,998	49,095	149,025	212,867
Building Abatement Fund	100,109	101,209	330	514	155.8%	80,000	-	0.0%	(79,670)	514	20,439	101,723
Compensated Absences Fund	92,868	93,841	1,850	476	25.7%	-	-	0.0%	1,850	476	94,718	94,317
Total General Funds	1,284,629	2,163,084	10,023,940	2,152,375	21.5%	10,272,190	2,467,336	24.0%	(248,250)	(314,961)	1,036,379	1,848,123
Special Revenue Funds:												
Arterial Street Fund	102,565	125,142	165,504	38,278	23.1%	170,218	24,493	14.4%	(4,714)	13,785	97,851	138,927
Transportation Benefit Dist. Fund	710,655	1,110,158	992,518	295,850	29.8%	1,175,000	32,996	2.8%	(182,482)	262,854	528,173	1,373,012
Tourism Fund	229,451	263,943	225,985	47,637	21.1%	305,435	-	0.0%	(79,450)	47,637	150,001	311,580
Community Block Grant Fund	21	24,190	1,000	(78)	-7.8%	1,000	-	0.0%	-	(78)	21	24,112
HUD Block Grant Fund	71,043	86,259	1,420	438	30.8%	1,000	-	0.0%	420	438	71,463	86,697
Total Special Revenue Funds	1,113,735	1,609,692	1,386,427	382,125	27.6%	1,652,653	57,489	3.5%	(266,226)	324,636	847,509	1,934,328
Debt Service Funds:												
2011 G.O. Bond Fund	-	1	99,563	-	0.0%	99,563	-	0.0%	-	-	-	1
Total Debt Service Fund	-	1	99,563	-	0.0%	99,563	-	0.0%	-	-	-	1
Capital Project Funds:												
Public Facilities Reserve Fund	189,273	439,638	85,780	92,450	107.8%	96,724	1,816	1.9%	(10,944)	90,634	178,329	530,272
Automotive/Equip. Reserve Fund	93,331	94,311	230	479	208.3%	81,780	-	0.0%	(81,550)	479	11,781	94,790
First Quarter REET Fund	23,942	62,712	106,280	26,206	24.7%	40,821	-	0.0%	65,459	26,206	89,401	88,918
Second Quarter REET Fund	32,198	71,770	106,470	26,252	24.7%	33,851	-	0.0%	72,619	26,252	104,817	98,022
Total Capital Project Funds	338,744	668,431	298,760	145,387	48.7%	253,176	1,816	0.7%	45,584	143,571	384,328	812,002
Proprietary Funds:												
Garbage Fund	5,964	7,706	6,745	1,121	16.6%	7,252	158	2.2%	(507)	963	5,457	8,669
Wastewater Fund	4,840,131	5,112,880	5,472,262	1,270,213	23.2%	5,750,639	783,093	13.6%	(278,377)	487,120	4,561,754	5,600,000
Water Fund	6,861,925	7,437,091	2,883,295	696,155	24.1%	4,269,140	607,627	14.2%	(1,385,845)	88,528	5,476,080	7,525,619
Storm & Surface Water Fund	957,458	1,264,662	800,770	183,089	22.9%	786,526	128,294	16.3%	14,244	54,795	971,702	1,319,457
Airport Fund	523,082	1,051,418	4,423,173	539,272	12.2%	4,429,286	371,886	8.4%	(6,113)	167,386	516,969	1,218,804
Total Proprietary Funds	13,188,560	14,873,757	13,586,245	2,689,850	19.8%	15,242,843	1,891,058	12.4%	(1,656,598)	798,792	11,531,962	15,672,549
Fiduciary Funds:												
Firemen's' Pension Fund	828,308	877,319	191,236	8,600	4.5%	78,500	19,466	24.8%	112,736	(10,866)	941,044	866,453
City Agency Fund	10,890	4,114	360,000	46,836	13.0%	360,000	44,835	12.5%	-	2,001	10,890	6,115
Total Fiduciary Funds	839,198	881,433	551,236	55,436	10.1%	438,500	64,301	14.7%	112,736	(8,865)	951,934	872,568
TOTAL ALL CITY FUNDS	\$ 16,764,866	\$ 20,196,398	\$ 25,946,171	\$ 5,425,173	20.9%	\$ 27,958,925	\$ 4,482,000	16.0%	\$ (2,012,754)	\$ 943,173	\$ 14,752,112	\$ 21,139,571

Note: May contain rounding differences of +/-1

City of Chehalis
Comparative Revenues and Expenditures - Budget to Actual
March 2018 and 2019
General Fund

GENERAL FUND (#001)	2018	YTD	2018	YTD Target % of Budget*		2019	2019	2019	2019-2018
	Amended Budget	3/31/2018 Actual	YTD % of Budget	2019 Adopted Budget	YTD 3/31/2019 Actual	YTD % of Budget	YTD Variance [^]	YTD Variance	
Revenues:									
Taxes:									
Property Taxes	\$ 1,639,220	\$ 16,065	1.0%	\$ 1,761,623	\$ 42,193	2.4%	\$ (398,213)	\$ 26,128	
Sales and Use Taxes	4,909,128	1,246,326	25.4%	5,142,110	1,285,328	25.0%	(200)	39,002	
Utility Taxes	1,588,620	513,956	32.4%	1,576,490	465,686	29.5%	71,564	(48,270)	
Other Taxes	50,222	13,495	26.9%	46,670	16,112	34.5%	4,445	2,617	
Total Taxes	8,187,190	1,789,842	21.9%	8,526,893	1,809,319	21.2%	(322,404)	19,477	
Non-Tax Revenues:									
Licenses and Permits	188,435	40,724	21.6%	200,575	47,325	23.6%	(2,819)	6,601	
Intergovernmental Revenues ⁽¹⁾	316,519	90,944	28.7%	262,971	83,922	31.9%	18,180	(7,022)	
Charges for Goods & Services	321,205	40,270	12.5%	380,343	51,330	13.5%	(43,756)	11,060	
Fines and Forfeitures	114,085	27,482	24.1%	120,110	29,110	24.2%	(918)	1,628	
Miscellaneous Other	310,738	255,273	82.2%	251,350	68,925	27.4%	6,088	(186,348)	
Total Non-Tax Revenues	1,250,982	454,693	36.3%	1,215,349	280,612	23.1%	(23,225)	(174,081)	
Other Fund Sources:									
Transfers-in	-	-	0.0%	80,000	-	0.0%	(20,000)	-	
Total Other Fund Sources	-	-	0.0%	80,000	-	0.0%	(20,000)	-	
Total Revenues & Fund Sources	\$ 9,438,172	\$ 2,244,535	23.8%	\$ 9,822,242	\$ 2,089,931	21.3%	\$ (365,629)	\$ (154,604)	
Expenditures									
Current Expenditures by Department:									
City Council	\$ 77,498	\$ 17,580	22.7%	\$ 97,825	\$ 24,933	25.5%	\$ (477)	\$ 7,353	
Municipal Court	489,082	105,320	21.5%	496,226	109,646	22.1%	14,411	4,326	
City Manager	262,340	62,013	23.6%	190,628	48,446	25.4%	(789)	(13,567)	
Finance	273,990	74,844	27.3%	292,481	75,752	25.9%	(2,632)	908	
City Clerk	81,252	16,992	20.9%	86,347	18,931	21.9%	2,656	1,939	
Legal Service	-	-	0.0%	74,633	17,019	22.8%	1,639	17,019	
Facilities and Parks	1,073,729	271,083	25.2%	1,154,667	268,446	23.2%	20,221	(2,637)	
Non-Departmental	421,189	49,061	11.6%	330,567	46,468	14.1%	36,174	(2,593)	
Human Resources	122,749	23,213	18.9%	124,278	26,261	21.1%	4,809	3,048	
Police	3,200,771	842,281	26.3%	3,282,629	806,168	24.6%	14,489	(36,113)	
Fire	2,296,930	594,908	25.9%	2,156,036	586,780	27.2%	(47,771)	(8,128)	
Public Works - Streets	568,451	108,802	19.1%	601,350	133,693	22.2%	16,645	24,891	
Planning & Building	325,880	81,302	24.9%	303,793	105,665	34.8%	(29,717)	24,363	
Recreation	481,740	95,757	19.9%	482,879	102,397	21.2%	18,323	6,640	
Total Current Expenditures	9,675,601	2,343,156	24.2%	9,674,339	2,370,605	24.5%	47,980	27,449	
Other Expenditures:									
Debt Service	114,385	28,608	25.0%	114,432	28,608	25.0%	-	-	
Capital Expenditures	143,760	52,565	36.6%	6,200	6,554	105.7%	(5,004)	(46,011)	
Transfers-out	562,527	48,381	8.6%	224,699	49,210	21.9%	6,965	829	
Total Other Expenditures	820,672	129,554	15.8%	345,331	84,372	24.4%	1,961	(45,182)	
Total Expenditures	\$ 10,496,273	\$ 2,472,710	23.6%	\$ 10,019,670	\$ 2,454,977	24.5%	49,941	\$ (17,733)	
Changes in Fund Balance	\$ (1,058,101)	\$ (228,175)	21.6%	\$ (197,428)	\$ (365,046)	184.9%	(315,689)	\$ (136,871)	

Foot Note:

* The target percentage of budget is calculated as the month of reporting (3 for March) divided by the number of months (12) in the year.

[^] Variance from YTD target amount to YTD actual amount. Positive variance, if YTD revenue > target amount and YTD expenditure < target amount.

(1) Main Street Tax Credit is moved from Utility B&O Tax line to Intergovernmental Revenue line.

City of Chehalis
 Comparative Revenues and Expenditures - Budget to Actual
 March 2018 and 2019
 Wastewater Fund

Wastewater Fund (#404)	2018	YTD	2018	YTD Target % of Budget*		25.0%	2019	2019-2018
	Amended Budget	3/31/2018 Actual	YTD % of Budget	2019 Adopted Budget	YTD 3/31/2019 Actual	YTD % of Budget	YTD Variance^	YTD Variance
Revenues:								
Operating Revenues:								
Charges for Goods & Services	\$ 5,447,792	\$ 1,195,404	21.9%	\$ 5,393,872	\$ 1,220,074	22.6%	\$ (128,394)	\$ 24,670
Intergovernmental Revenues	10,905	10,903	100.0%	-	-	0.0%	-	(10,903)
Late Payment Fees	51,000	13,455	26.4%	42,910	14,041	32.7%	3,314	586
Interest Earnings	60,000	8,229	13.7%	29,130	32,098	110.2%	24,816	23,869
Rental Income	3,545	3,545	100.0%	4,140	3,545	85.6%	2,510	-
Miscellaneous Other	1,100	1,006	91.5%	1,550	-	0.0%	(388)	(1,006)
Total Operating Revenues	5,574,342	1,232,542	22.1%	5,471,602	1,269,758	23.2%	(98,143)	37,216
Other Fund Sources:								
Capital Grants	-	-	0.0%	-	-	0.0%	-	-
Custodial Activities	555	538	96.9%	660	455	68.9%	290	(83)
Debt Proceeds	-	-	0.0%	-	-	0.0%	-	-
Total Other Fund Source	555	538	96.9%	660	455	68.9%	290	(83)
Total Revenues & Fund Sources	\$ 5,574,897	\$ 1,233,080	22.1%	\$ 5,472,262	\$ 1,270,213	23.2%	\$ (97,853)	\$ 37,133
Expenditures:								
Operating Expenditures:								
Operating Expenditures	\$ 3,349,574	\$ 805,187	24.0%	\$ 3,041,234	\$ 762,730	25.1%	\$ (2,422)	\$ (42,457)
Total Operating Expenditures:	3,349,574	805,187	24.0%	3,041,234	762,730	25.1%	(2,422)	(42,457)
Other Expenditures:								
Custodial Activities	600	22	3.7%	600	-	0.0%	150	(22)
Debt Service	1,909,145	19,791	1.0%	1,879,905	19,773	1.1%	450,203	(18)
Capital Expenditures	294,873	10,903	3.7%	828,900	590	0.1%	206,635	(10,313)
Transfers-out	-	-	0.0%	-	-	0.0%	-	-
Total Other Expenditures	2,204,618	30,716	1.4%	2,709,405	20,363	0.8%	656,988	(10,353)
Total Expenditures	\$ 5,554,192	\$ 835,903	15.0%	\$ 5,750,639	\$ 783,093	13.6%	\$ 654,567	\$ (52,810)
Changes in Fund Balance	\$ 20,705	\$ 397,177	1918.3%	\$ (278,377)	\$ 487,120	-175.0%	\$ 556,714	\$ 89,943
<i>Operating Income (deficit)</i>	<i>\$ 2,224,768</i>	<i>\$ 427,355</i>	<i>19.2%</i>	<i>\$ 2,430,368</i>	<i>\$ 507,028</i>	<i>20.9%</i>	<i>\$ (100,564)</i>	<i>\$ 79,673</i>

Foot Note:

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^ Variance from YTD target amount to YTD actual amount. Positive variance, if YTD revenue>target amount and YTD expenditure<target amount.

City of Chehalis
Comparative Revenues and Expenditures - Budget to Actual
March 2018 and 2019
Water Fund

WATER FUND (#405)	2018	YTD	2018	YTD Target % of Budget*		2019	2019	2019	2019-2018
	Amended Budget	3/31/2018 Actual	YTD % of Budget	2019 Adopted Budget	YTD 3/31/2019 Actual	2019 YTD % of Budget	2019 YTD Variance^	2019 YTD Variance	
Revenues:									
Operating Revenues:									
Charges for Goods & Services	\$ 2,814,784	\$ 608,248	21.6%	\$ 2,742,940	\$ 634,314	23.1%	\$ (51,421)	\$ 26,066	
Late Payment Fees	31,000	10,242	33.0%	27,720	7,121	25.7%	191	(3,121)	
Interest Earnings	94,400	15,009	15.9%	45,402	38,137	84.0%	26,787	23,128	
Other Misc. Revenues	1,000	948	94.8%	1,220	-	0.0%	(305)	(948)	
Total Operating Revenues	2,941,184	634,447	21.6%	2,817,282	679,572	24.1%	(24,749)	45,125	
Other Funding Source									
Inerfund Loan Repayment	16,800	-	0.0%	68,095	16,583	24.4%	(441)	16,583	
Capital Grants	-	-	0.0%	-	-	0.0%	-	-	
Custodial Activities	100	(5)	-5.5%	270	-	0.0%	(68)	5	
Debt Proceeds	-	-	0.0%	-	-	0.0%	-	-	
Other Resources	-	2,733	0.0%	-	-	0.0%	-	(2,733)	
Total Other Fund Source	16,900	2,728	16.1%	68,365	16,583	24.3%	(508)	13,855	
Total Revenues & Fund Sources	\$ 2,958,084	\$ 637,175	21.5%	\$ 2,885,647	\$ 696,155	24.1%	\$ (25,257)	\$ 58,980	
Expenditures									
Operating Expenditures									
Operating Expenditures	2,318,091	498,547	21.5%	2,484,278	580,960	23.4%	40,110	82,413	
Total Operating Expenditures	2,318,091	498,547	21.5%	2,484,278	580,960	23.4%	40,110	82,413	
Other Expenditures									
Custodial Activities	100	378	378.0%	100	-	0.0%	25	(378)	
Debt Service	343,576	12,284	3.6%	321,662	12,734	4.0%	67,682	450	
Capital Expenditures	290,570	34,568	11.9%	1,463,100	13,933	1.0%	351,842	(20,635)	
Interfund Loan Disbursements	279,430	-	0.0%	-	-	0.0%	-	-	
Total Other Expenditures	913,676	47,230	5.2%	1,784,862	26,667	1.5%	419,549	(20,563)	
Total Expenditures	\$ 3,231,767	\$ 545,777	16.9%	\$ 4,269,140	\$ 607,627	14.2%	\$ 459,658	\$ 61,850	
Change in Fund Balance	\$ (273,683)	\$ 91,398	-33.4%	\$ (1,383,493)	\$ 88,528	-6.4%	\$ 434,401	\$ (2,870)	
<i>Operating Income (deficit)</i>	<i>\$ 623,093</i>	<i>\$ 135,900</i>	<i>21.8%</i>	<i>\$ 333,004</i>	<i>\$ 98,612</i>	<i>29.6%</i>	<i>\$ (64,858)</i>	<i>\$ (37,288)</i>	

Foot Note:

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^ Variance from YTD target amount to YTD actual amount. Positive variance, if YTD revenue>target amount and YTD expenditure<target amount.

City of Chehalis
 Comparative Revenues and Expenditures - Budget to Actual
 March 2018 and 2019
 Storm and Surface Water Fund

Storm Water Fund (#406)	2018	YTD	2018	YTD Target % of Budget*		25.0%	2019	2019-2018
	Amended Budget	3/31/2018 Actual	YTD % of Budget	2019 Adopted Budget	YTD 3/31/2019 Actual	YTD % of Budget	YTD Variance^	YTD Variance
Revenues:								
Operating Revenues:								
Charges for Goods & Services	\$ 611,100	\$ 166,338	27.2%	\$ 786,170	\$ 175,053	22.3%	\$ (21,490)	\$ 8,715
Fines and Forfeitures	5,000	2,260	45.2%	5,000	1,428	28.6%	178	(832)
Interest Earnings	13,250	1,867	14.1%	9,570	6,608	69.0%	4,216	4,741
Other Misc. Revenues	-	-	0.0%	-	-	0.0%	-	-
Total Operating Revenues	629,350	170,465	27.1%	800,740	183,089	22.9%	(17,096)	12,624
Other Fund Sources:								
Capital Grants	-	-	0.0%	-	-	0.0%	-	-
Custodial Activities	30	21	70.0%	30	-	0.0%	(8)	(21)
Debt Proceeds	-	-	0.0%	-	-	0.0%	-	-
Total Other Fund Sources	30	21	70.0%	30	-	0.0%	(8)	(21)
Total Revenues & Fund Sources	\$ 629,380	\$ 170,486	27.1%	\$ 800,770	\$ 183,089	22.9%	\$ (17,104)	\$ 12,603
Expenditures:								
Operating Expenditures:								
Operating Expenditures	491,175	113,936	23.2%	545,676	123,480	22.6%	12,939	9,544
Total Operating Expenditures	491,175	113,936	23.2%	545,676	123,480	22.6%	12,939	9,544
Other Expenditures:								
Custodial Activities	50	21	42.0%	50	-	0.0%	13	(21)
Capital Expenditures	230,000	-	0.0%	240,800	4,814	2.0%	55,386	4,814
Transfers-out	-	-	0.0%	-	-	0.0%	-	-
Total Other Expenditures	230,050	21	0.0%	240,850	4,814	2.0%	55,399	4,793
Total Expenditures	721,225	113,957	15.8%	786,526	128,294	16.3%	68,338	14,337
Changes in Fund Balance	\$ (91,845)	\$ 56,529	-61.5%	\$ 14,244	\$ 54,795	384.7%	\$ 51,234	\$ (1,734)
<i>Operating Income (deficit)</i>	<i>\$ 138,175</i>	<i>\$ 56,529</i>	<i>40.9%</i>	<i>\$ 255,064</i>	<i>\$ 59,609</i>	<i>23.4%</i>	<i>\$ (4,157)</i>	<i>\$ 3,080</i>

Foot Note:

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^ Variance from YTD target amount to YTD actual amount. Positive variance, if YTD revenue > target amount and YTD expenditure < target amount.

City of Chehalis
Comparative Revenues and Expenditures - Budget to Actual
March 2018 and 2019
Airport Fund

Airport Fund (#407)	2018	YTD	2018	YTD Target % of Budget*		25.0%	2019	2019-2018
	Amended Budget	3/31/2018 Actual	YTD % of Budget	2019 Adopted Budget	YTD 3/31/2019 Actual	YTD % of Budget	YTD Variance^	YTD Variance
Revenues:								
Operating Revenues:								
Fuel sales	\$ 486,000	\$ 82,437	17.0%	\$ 470,073	\$ 129,415	27.5%	\$ 11,897	\$ 46,978
Other Misc. Revenues	1,700	-	0.0%	1,375	-	0.0%	(344)	-
Late Payment Fees	-	-	0.0%	-	-	0.0%	-	-
Interest Earnings	-	1,002	0.0%	3,140	5,966	190.0%	5,181	4,964
Rents & Royalties	1,112,500	267,236	24.0%	1,121,347	283,089	25.2%	2,752	15,853
Total Operating Revenues	1,600,200	350,675	21.9%	1,595,935	418,470	26.2%	19,486	67,795
Other Fund Sources:								
Intergovernmental - Capital Grants	308,000	127,439	41.4%	2,644,795	74,482	2.8%	(586,717)	(52,957)
Custodial Activities	182,059	41,077	22.6%	182,443	46,320	25.4%	709	5,243
Interfund Loan Receipts	279,430	-	0.0%	-	-	0.0%	-	-
Proceeds from Sale of Capital Asset	-	-	0.0%	-	-	0.0%	-	-
Debt Proceeds (Bonds/Loans)	-	-	0.0%	-	-	0.0%	-	-
Operating Transfers In	-	-	0.0%	-	-	0.0%	-	-
Total Other Fund Sources	769,489	168,516	21.9%	2,827,238	120,802	4.3%	(586,008)	(47,714)
Total Revenues & Fund Sources	\$ 2,369,689	\$ 519,191	21.9%	\$ 4,423,173	\$ 539,272	12.2%	\$ (566,521)	\$ 20,081
Expenditures:								
Operating Expenditures								
Operating Expenditures	1,070,331	213,729	20.0%	1,173,077	286,469	24.4%	6,800	72,740
Total Operating Expenditures	1,070,331	213,729	20.0%	1,173,077	286,469	24.4%	6,800	72,740
Other Expenditures:								
Custodial Activities	182,014	3,783	2.1%	183,059	6,450	3.5%	39,315	2,667
Debt Service	336,014	16,226	4.8%	31,377	8,284	26.4%	(440)	(7,942)
Capital Expenditures	613,073	17,418	2.8%	2,973,678	54,100	1.8%	689,320	36,682
Interfund Loan Payment	16,800	-	0.0%	68,095	16,583	24.4%	441	16,583
Total Other Expenditures	1,147,901	37,427	3.3%	3,256,209	85,417	2.6%	728,635	47,990
Total Expenditures	\$ 2,218,232	\$ 251,156	11.3%	\$ 4,429,286	\$ 371,886	8.4%	\$ 735,436	\$ 120,730
Changes in Fund Balance	\$ 151,457	\$ 268,035	177.0%	\$ (6,113)	\$ 167,386	-2738.2%	\$ 168,914	\$ (100,649)
<i>Operating Income (deficit)</i>	<i>\$ 529,869</i>	<i>\$ 136,946</i>	<i>25.8%</i>	<i>\$ 422,858</i>	<i>\$ 132,001</i>	<i>31.2%</i>	<i>\$ 26,287</i>	<i>\$ (4,945)</i>

Foot Note:

* The target percentage of budget is calculated as the month of reporting (3 for March) divided by the number of months (12) in the year.

^ Variance from YTD target amount to YTD actual amount. Positive variance, if YTD revenue>target amount and YTD expenditure<target amount.