

# **City of Chehalis**



## **Quarterly Council Financial Report Preliminary Fourth Quarter 2019**

**For the Period Ending  
December 31, 2019  
(January through December)**

**The City of Chehalis, Washington**

**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:** January 27, 2020

**SUBJECT:** **2019 Fourth Quarter Financial Status Report**

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**DISCUSSION**

This document provides a summary review of the City's financial activities and status as of fourth quarter ending December 31, 2019.

The reports have been formatted to be consistent with the approved budget for ease of comparison and review of information. Comparisons and variances shown are based on straight line projections. The percentage year-to-date (YTD) target for December is 100% (12 of 12 months).

First report provides a summary review of all City funds including 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 provide 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 \$31,028,217 or 98.0% of the 2019 revenue budget and has expensed \$27,819,828 or 82.2% of the 2019 appropriations. Total city-wide revenues exceeded total expenditures by \$3,208,389. The city-wide total fund balance as of December 31, 2019 is \$23,404,786.

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 committed to finance particular activities of the City, such as Transportation Benefit District, utilities, and Airport funds.

**City of Chehalis**  
**Revenues, Expenditures/Expenses and Changes in Fund Balance**  
**All City Funds Combined - Budget to Actual**  
**For the Fourth Quarter Ending December 31, 2019**

<b>City-Wide, All Funds</b>	2019 Budget	2019 YTD 12/31/2019	YTD % of Budget	Budget to Actual Variance Positive (Negative)
Revs. & Transfers In	\$ 31,649,006	\$ 31,028,217	98.0%	\$ (620,789)
Exps. & Transfers Out	33,853,633	27,819,828	82.2%	6,033,805
Increase (Decrease) in Fund Balance	(2,204,627)	3,208,389	-145.5%	\$ 5,413,016
Plus Beginning Fund Balance	20,196,397	20,196,397	100.0%	-
Ending Fund Balance	\$ 17,991,770	\$ 23,404,786	130.1%	\$ 5,413,016

Total YTD revenues is about 2.0% or \$620,789 below the 2019 YTD target amount. The key factors for this variance is due to grants for Recreation Park Renovation and Airport Taxiway Realignment projects. A combined total of \$4,244,795 in grant revenue is budgeted between these two projects and \$3,424,260 has been received through the end of 2019. Remaining grant fund balance of \$820,535 will be reimbursed in 2020.

The below table provides summary of total city-wide expenditures by objects. The YTD actual expenditures are \$6,033,805 below the 2019 appropriations. About 78% or \$4,692,595 of the variance is from capital outlays activities. About \$3.0 million of the 2019 unspent capital budget has been re-appropriated in the 2020 adopted budget, which includes, but is not limited to, the following major construction projects: Pacific Avenue between Main and Park Street, Recreation Park Renovation, High-Level Pump Station Replacement, watermain replacement at Pacific and Chehalis Avenues, and storm line replacement at Pacific Avenue. \$182,000 of the transfers out budget balance is from the Lodging Tax Fund to the Public Facilities Reserve Fund for the pool liner replacement project. The work started late in December and no expenses have been incurred in 2019. An amendment to the 2020 budget will be requested in early 2020 to carry over unspent 2019 appropriations.

<i>City-wide Expenditures by Objects</i>	<i>2019 Budget</i>	<i>2019 Actual</i>	<i>Balance</i>	<i>Percent Used</i>
Salaries & Benefits	11,427,275	10,862,780	564,495	95.1%
Supplies	1,891,503	1,952,109	(60,606)	103.2%
Services	4,791,846	4,206,623	585,223	87.8%
Services/Custodial Activities	729,171	669,288	59,883	91.8%
Capital Outlay	11,305,872	6,613,277	4,692,595	58.5%
Debt Service	2,495,383	2,487,924	7,459	99.7%
Transfers out	1,212,583	1,027,827	184,756	84.8%
<b>Total</b>	<b>33,853,633</b>	<b>27,819,828</b>	<b>6,033,805</b>	<b>82.2%</b>

**Bottom Line:** The City operated within normal budget parameters.

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

**GENERAL FUND OVERVIEW**

The General Fund’s 2019 actual revenue is \$10,305,406 or 101.6% of the 2019 budget. This exceeds the 2019 revenue budget projection by \$166,744. Total actual expenditures are \$10,619,031 or 95.1% of the 2019 budget. This is \$550,177 below the 2019 budget. At the end of the 4<sup>th</sup> quarter 2019, the General Fund total expenditures exceeded total revenues by \$313,625, which represents use of beginning reserves by the same amount.

The ending fund balance of the General Fund as of December 31, 2019 is \$1,490,637, which is about 14.7% of the General Fund revenue budget. The estimated beginning fund balance that was incorporated in the 2020 adopted budget was \$1,099,370. The actual ending fund balance at 2019 year-end is \$391,267 more than what was estimated during the budget development.

**City of Chehalis**  
**Revenues, Expenditures/Expenses and Changes in Fund Balance**  
**General Fund - Budget to Actual**  
**For the Fourth Quarter Ending December 31, 2019**

<b>General Fund</b>	2019 Budget	2019 YTD 12/31/2019	YTD % of Budget	Budget to Actual Variance Positive (Negative)
Revs. & Transfers In	\$ 10,138,662	\$ 10,305,406	101.6%	\$ 166,744
Exps. & Transfers Out	11,169,208	10,619,031	95.1%	550,177
Increase (Decrease) in Fund Balance	(1,030,546)	(313,625)	30.4%	\$ 716,921
Plus Beginning Fund Balance	1,804,262	1,804,262	100.0%	-
Ending Fund Balance	\$ 773,716	\$ 1,490,637	192.7%	\$ 716,921
Ending Fund Balance % of Revenue Budget	7.6%	14.7%		
Ending Fund Balance % of Expenditure Budget	6.9%	13.3%		

**General Fund Tax Revenues:**

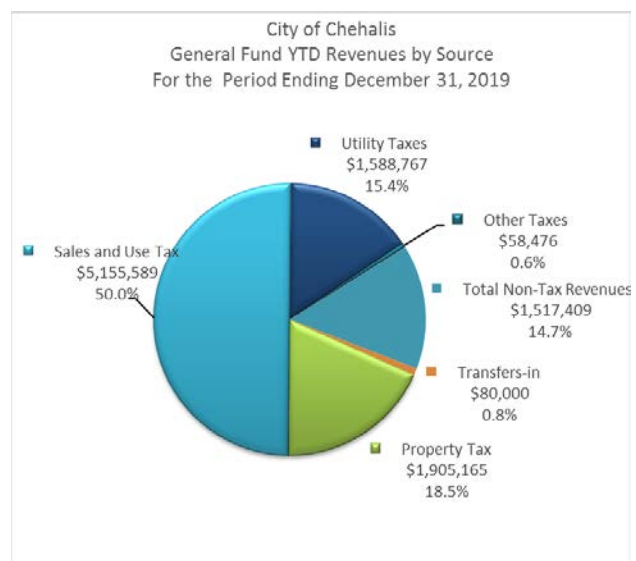
About 84.5% of the general fund revenue is from various tax revenues. Total YTD tax revenue is \$8,707,997 or 100.2% of the 2019 tax revenue budget. This exceeds the 2019 tax revenue projection by \$15,978.

GENERAL FUND (#001)	2019	YTD	2019	2019
	Amended Budget	12/31/2019 Actual	YTD % of Budget	Budget to Actual Variance^
<b>Revenues:</b>				
<b>Revenues:</b>				
Property Taxes General	\$ 1,434,393	\$ 1,419,034	98.9%	(15,359)
Property Taxes General - FirePension%	165,126	162,518	98.4%	(2,608)
Property Taxes EMS	327,230	323,613	98.9%	(3,617)
<b>Subtotal for Property Taxes</b>	<b>1,926,749</b>	<b>1,905,165</b>	<b>98.9%</b>	<b>(21,584)</b>
Local Sales & Use Taxes	4,970,180	4,918,795	99.0%	(51,385)
Brokered Natural Gas Sales Tax	27,200	80,344	295.4%	53,144
Criminal Justice Tax	144,730	156,450	108.1%	11,720
<b>Subtotal for Sales and Use Taxes</b>	<b>5,142,110</b>	<b>5,155,589</b>	<b>100.3%</b>	<b>13,479</b>
Electricity Utility B & O Tax	546,320	610,697	111.8%	64,377
Gas Utility Tax	154,480	126,811	82.1%	(27,669)
Garbage Utility Tax	73,480	82,167	111.8%	8,687
Cable Utility Tax	87,430	99,369	113.7%	11,939
Telephone Utility Tax	250,180	186,231	74.4%	(63,949)
Water/Sewer Utility B & O Tax	464,600	483,492	104.1%	18,892
<b>Subtotal for Utility Taxes</b>	<b>1,576,490</b>	<b>1,588,767</b>	<b>100.8%</b>	<b>12,277</b>
Leasehold Excise Tax	46,630	58,476	125.4%	11,846
Timber Excise Tax	40	-	0.0%	(40)
<b>Subtotal for Other Taxes</b>	<b>46,670</b>	<b>58,476</b>	<b>125.3%</b>	<b>11,806</b>
<b>Total Tax Revenues</b>	<b>\$ 8,692,019</b>	<b>\$ 8,707,997</b>	<b>100.2%</b>	<b>\$ 15,978</b>

Property Tax revenue received through December is 98.9% of the 2019 budget and is \$21,584 below the YTD target amount. Historically, about 98% of taxes are collected in the levy year with the remaining balance collected in the subsequent years following the levy year. The 2019 budget included 100% of the 2019 tax levy as well as an estimated delinquent tax collection for the previous years' levy, thus, inflating the budget by about \$21,900. The 2020 adopted budget reflects more to actual.

Sales Tax revenue received through December is \$5,155,589 or 100.3% of the 2019 budget. This is about \$13,479 exceeding the YTD target amount. Sales tax is the City's largest revenue source and makes up 50.0% of the total General Fund revenues received through December 2019.

Local sales and use tax received is \$4,918,795 or 99.0% of the 2019 budget and is \$51,385 below the YTD target amount. About \$287,894 (or 5.9%) of the YTD 2019 local sales and use tax is from construction activities (construction of buildings, heavy and civil engineering, and specialty trade contractors, etc.). As predicted, the sales tax from aggregated construction



As predicted, the sales tax from aggregated construction

activities declined by \$218,064 (or 43.1%) from 2018; whereas, sales taxes from aggregated non-construction activities increased by \$221,829 (or 5.0%) when compared to last year. Overall, local sales and use tax revenues increased by \$3,765 or 0.1% from 2018. Local sales and use tax revenues trend will be closely monitored throughout the year.

Utility Tax revenue received is \$1,588,767 or 100.8% of the 2019 budget. This is \$12,277 exceeding the 2019 budget. Electricity utility tax revenue exceeded the 2019 budget by \$64,377; however, gas and telephone utility tax revenues are below the 2019 budget by \$27,669 and 63,949, respectively. Utility tax revenue is the third largest revenue source of the General Fund and make up 15.4% of the General Fund total revenues received through December 2019.

### **General Fund Non-Tax Revenues:**

License and Permit fee revenue received is \$235,162 or 117.2% of the 2019 budget. This exceeds the YTD target amount by \$34,587. This category includes business licenses and permit fees and non-business licenses and permit fees (i.e., building permit fees, animal licenses, and gun permits). The \$27,987 permit fees paid for the multi-family units on Jackson Highway is one of the contributing factors for the YTD revenue exceeding the budget projection. Total revenues from business licenses and permits and non-business licenses and permits were \$115,507 and \$119,655, respectively.

Intergovernmental revenues is \$445,178 or 123.1% of the 2019 budget. This is \$83,657 exceeding the YTD target amount. This category includes intergovernmental grants, state shared revenues, and the Main Street B&O Tax Credit.

2019 YTD state Shared revenue received is \$288,780 or 123.5% of the 2019 budget and is \$55,026 exceeding the YTD target amount. This category includes Multimodal Transportation, Streamlined Sales Tax (SST) Mitigation, Criminal Justice Programs, Marijuana Enforcement, Marijuana Excise Tax, DUI cities, Liquor Excise Tax and Liquor Board Profits, and PUD Privilege Tax. Shared revenues from criminal justice programs exceeded the budget projection by \$30,000 and Marijuana excise tax distribution also exceeded the budget projection by \$10,385.

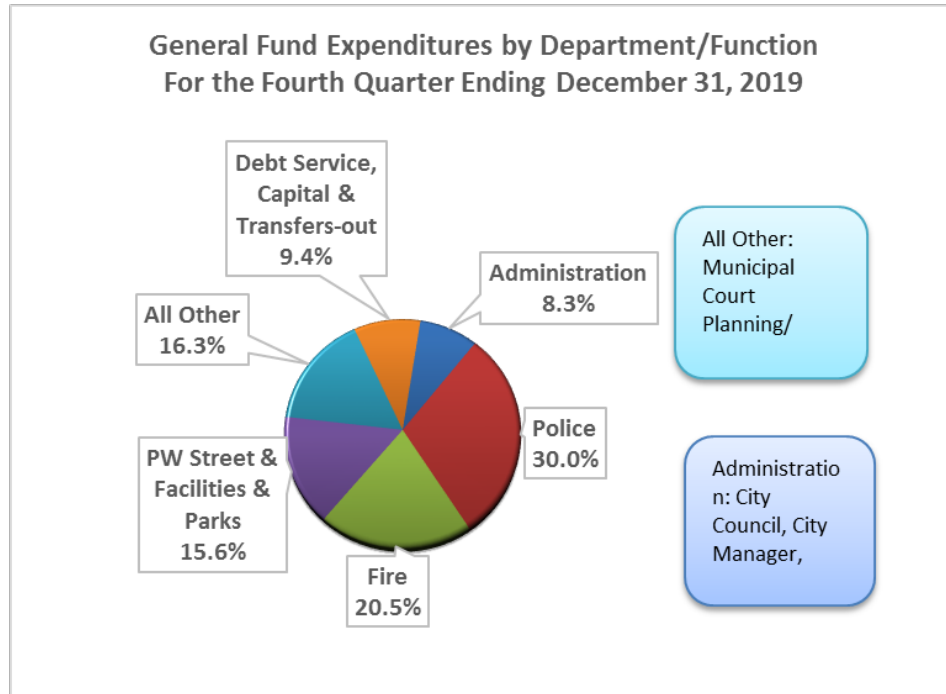
Charges for goods and services revenue received is \$390,812 or 92.6% of the 2019 budget and \$31,225 below the YTD target amount. This category includes charges for fire and police services, plan check review fees, and recreation program fees. Recreation program fees make up about 49% of the 2019 budget in this category. The parks and recreation program revenues received are \$191,228 or 98.6% of the 2019 budget. Total revenue from pool activities is \$118,105 and programs from other activities (i.e. classes and tournaments) is \$73,123.

### **General Fund Expenditures and Transfers-out**

Total expenditures and transfers-out through December is \$10,619,032 or 95.1% of the 2019 budget. This is \$550,177 below the 2019 expenditures budget.

Total salaries and benefits were \$7,434,837 and makes up about 70.0% of the total general fund expenditures.

Police and Fire make up 50.5% of the total 2019 general fund expenditures.



All departments operated within the budget parameters, with average spending of 95.1% of the 2019 total general fund appropriations, leaving a \$550,177 balance in the 2019 expenditures budget. The remaining budget balance is summarized by the following major expenditures categories: about \$250,000 from salary and benefits; \$36,000 from supplies; \$231,000 from services. The general fund financial statements attached to this agenda report provides the budget to actual information by each department.

The 2019 budget includes transfers-out in the amount of \$870,554. A total of \$867,536 or 99.65% of the 2019 budgeted amounts was transferred by the end of December, which includes the following:

- Annual debt service payment for the 2011 LTGO \$24,966
- 4% of local sales and use tax to dedicated street fund in the amount of \$196,752.
- Reserve for building abatement \$80,000
- Reserve for compensated absences liabilities \$100,000
- Reserve for future fire station land acquisition \$150,000
- Reserve for major facility repairs/improvements \$134,038
- Transfer to automotive and equipment reserve fund \$181,780

**Bottom Line:** Overall, the General Fund operated within the budget parameters.

## **ENTERPRISE FUNDS**

### **Wastewater Fund**

2019 total operating revenues is \$5,617,443 or 100.4% of the 2019 budget. This exceeds the 2019 budget projection by \$20,241.

Total operating expenditures through December is \$2,980,694 or 95.4% of the 2019 budget; whereas, total capital expenditures through December is \$491,803 or 55.2% of the 2019 capital budget. Riverside Force Main replacement project was still in process at the end of December which spent \$407,295 of the \$712,868 project budget. An amendment to the 2020 adopted budget may be requested to carry over the 2019 remaining capital budget.

The ending fund balance as of December 31, 2019 is \$5,377,923, which is a \$265,043 increase from December 31, 2018. \$1,879,904 of the ending fund balance is restricted for debt service reserves.

### **Water Fund**

2019 total operating revenues is \$3,262,222 or 110.3% of the 2019 budget. This exceeds the 2019 budget projection by \$303,966. Charges for services exceeded the 2019 projection by \$297,492 and a \$57,748 increase from 2018.

Total operating expenditures through December is \$2,210,225 or 87.9% of the 2019 budget; whereas, capital expenditures through December is \$270,978 or 18.5% of the 2019 capital budget has been spent. Construction budget for High-Level Pump Station Replacement and Pacific Avenue Waterline Replacement projects have been re-appropriated in the 2020 adopted budget in the amount of \$800,000.

The ending fund balance at December 31, 2019 is \$7,967,278, which is a \$530,187 increase from December 31, 2018. About \$517,000 of the ending fund balance is restricted for customer deposits held.

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

2019 total operating revenues is \$735,000 or 98.8% of the 2019 budget. This is \$8,640 below the 2019 budget amount.

Total operating expenditures through December is \$525,859 or 93.7% of the 2019 budget. However, only 5.8% of the 2019 capital outlay budget has been spent through December.

The ending fund balance at December 31, 2019 is \$1,460,054, which is a \$195,392 increase from December 31, 2018.

### **Airport Fund**



2019 total operating revenues received through December is \$1,852,985 or 104.9% of the 2019 budget. This exceeds the 2019 budget by \$86,050. Fuel sales and interest earnings exceeded the 2019 budget projection by \$17,378 and \$65,989, respectively.

Intergovernmental revenues (grants) received is \$2,452,599 or 92.7% of the 2019 budget. The grant revenue budget includes the FAA and WSDOT grants for the Taxiway Realignment project. The grant reimburses 95% of eligible costs incurred. Taxiway Realignment project is substantially completed. A final grant reimbursement request will be submitted in 2020 as the project closes out and the City will receive the remaining grant funds in 2020.

2019 total operating expenditures through December is \$1,230,283 or 104.5% of the 2019 budget. This exceeds the 2019 budget by \$53,256, due to increases in fuel purchases.

About 96.1% of the 2019 capital budget has been spent through December 2019. The 2019 budget for the Taxiway Realignment project is \$2,803,678, and \$2,779,770 or 98.8% of the project budget has been spent through December 2019. An amendment to the 2020 budget will be requested to carry over the 2019 project budget balance to 2020.

The ending fund balance at December 31, 2019 is \$1,169,630, which is a \$118,212 increase from December 31, 2018.

**TREASURER’S REPORT – CASH AND INVESTMENTS**

The City’s total cash, deposits, and investments as of December 31, 2019 is \$23,404,786. About 87.7% or \$20,517,356 of the City’s cash is invested and earns interests. The remaining 12.3% or \$2,887,429 is held at the City or deposited in non-interest-bearing checking accounts to cover on-going operational cash flow 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 12/31/2019	% of Total
Revolving Cash Funds (on-hand)	\$ 4,650	0.0%
Checking	2,882,779	12.3%
Money Market & Savings	187,434	0.8%
Local Government Investment Pool (LGIP)	17,954,569	76.7%
US Govt Agency Securities	2,375,353	10.1%
Total	\$ 23,404,786	100.0%

**Other than the General Fund, all other funds are restricted funds which account for specific revenues or resources that are legally restricted or committed to finance particular activities of the City, such as Transportation Benefit District, utilities, and Airport funds.**

Only about 6.4% or \$1,490,638 of the total cash and investment balance belongs to the General Fund. The table below provides summary totals for each fund.

Total Cash, Deposits & Investments by Fund Types	Balance 12/31/2019	% of Total
<b>General Fund</b>	<b>\$ 1,490,638</b>	<b>6.4%</b>
TBD Fund	2,166,644	9.3%
Combined Utilities Funds	14,813,257	63.3%
Airport Fund	1,169,630	5.0%
Capital Project Funds	1,565,641	6.7%
Firemen's Pension Fund	1,013,143	4.3%
All other funds	1,185,834	5.1%
Total	\$ 23,404,786	100.0%

The City's total investment interest earnings through December 31, 2019 totaled \$421,145. Investment interests are credited to the respective funds based on the percent of investment holdings by the fund. The average LGIP net earnings rate for 2019 was 2.3072%.

**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  
Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual  
PRELIMINARY 2019 Fourth Quarter Financial Statements - All Funds  
As of December 31, 2019

Fund Type/Name	Beginning Fund Balance		Revenues & Transfers			Expenditures & Transfers			Changes in Fund Balance		Ending Fund Balance	
	2019 Amended Budget	Actual 1/1/2019	2019 Amended Budget	YTD 12/31/2019 Actual	YTD % of Budget	2019 Amended Budget	YTD 12/31/2019 Actual	YTD % of Budget	2019 Amended Budget	YTD 12/31/2019 Actual	2019 Amended Budget	Actual 12/31/2019
<b>General Funds:</b>												
General Fund	\$ 1,804,262	\$ 1,804,262	\$ 10,138,662	\$ 10,305,406	101.6%	\$ 11,169,208	\$ 10,619,031	95.1%	\$ (1,030,546)	\$ (313,625)	773,716	\$ 1,490,637
Dedicated Street Fund	163,772	163,772	199,518	211,830	106.2%	172,520	153,588	89.0%	26,998	58,242	190,770	222,014
Building Abatement Fund	101,209	101,209	80,330	81,823	101.9%	80,000	80,000	100.0%	330	1,823	101,539	103,032
Compensated Absences Fund	93,841	93,841	101,850	103,066	101.2%	-	-	0.0%	101,850	103,066	195,691	196,907
<b>Total General Funds</b>	<b>2,163,084</b>	<b>2,163,084</b>	<b>10,520,360</b>	<b>10,702,125</b>	<b>101.7%</b>	<b>11,421,728</b>	<b>10,852,619</b>	<b>95.0%</b>	<b>(901,368)</b>	<b>(150,494)</b>	<b>1,261,716</b>	<b>2,012,590</b>
<b>Special Revenue Funds:</b>												
Arterial Street Fund	125,142	125,142	165,504	160,926	97.2%	175,650	164,365	93.6%	(10,146)	(3,439)	114,996	121,703
Transportation Benefit Dist. Fund	1,110,158	1,110,158	1,218,481	1,225,398	100.6%	1,194,196	168,912	14.1%	24,285	1,056,486	1,134,443	2,166,644
Tourism Fund	363,943	363,943	253,985	265,204	104.4%	405,435	208,645	51.5%	(151,450)	56,559	212,493	420,502
Community Block Grant Fund	24,190	24,190	1,000	464	46.4%	1,000	200	20.0%	-	264	24,190	24,454
HUD Block Grant Fund	86,259	86,259	1,420	1,668	117.5%	1,000	-	0.0%	420	1,668	86,679	87,927
<b>Total Special Revenue Funds</b>	<b>1,709,692</b>	<b>1,709,692</b>	<b>1,640,390</b>	<b>1,653,660</b>	<b>100.8%</b>	<b>1,777,281</b>	<b>542,122</b>	<b>30.5%</b>	<b>(136,891)</b>	<b>1,111,538</b>	<b>1,572,801</b>	<b>2,821,230</b>
<b>Debt Service Funds:</b>												
2011 G.O. Bond Fund	1	1	99,863	99,863	100.0%	99,863	99,863	100.0%	-	-	1	1
<b>Total Debt Service Fund</b>	<b>1</b>	<b>1</b>	<b>99,863</b>	<b>99,863</b>	<b>100.0%</b>	<b>99,863</b>	<b>99,863</b>	<b>100.0%</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>1</b>
<b>Capital Project Funds:</b>												
Public Facilities Reserve Fund	339,638	339,638	4,461,026	3,477,000	77.9%	4,498,968	2,780,448	61.8%	(37,942)	696,552	301,696	1,036,190
Automotive/Equip. Reserve Fund	94,311	94,311	182,010	185,595	102.0%	81,780	39,275	48.0%	100,230	146,320	194,541	240,631
First Quarter REET Fund	62,712	62,712	106,280	114,481	107.7%	40,944	40,944	100.0%	65,336	73,537	128,048	136,249
Second Quarter REET Fund	71,769	71,769	106,470	114,755	107.8%	33,953	33,953	100.0%	72,517	80,802	144,286	152,571
<b>Total Capital Project Funds</b>	<b>568,430</b>	<b>568,430</b>	<b>4,855,786</b>	<b>3,891,831</b>	<b>80.1%</b>	<b>4,655,645</b>	<b>2,894,620</b>	<b>62.2%</b>	<b>200,141</b>	<b>997,211</b>	<b>768,571</b>	<b>1,565,641</b>
<b>Proprietary Funds:</b>												
Garbage Fund	7,706	7,706	6,745	6,063	89.9%	7,252	5,767	79.5%	(507)	296	7,199	8,002
Wastewater Fund	5,112,880	5,112,880	5,597,862	5,618,006	100.4%	5,894,863	5,352,963	90.8%	(297,001)	265,043	4,815,879	5,377,923
Water Fund	7,437,091	7,437,091	3,026,621	3,331,295	110.1%	4,301,755	2,801,108	65.1%	(1,275,134)	530,187	6,161,957	7,967,278
Storm & Surface Water Fund	1,264,662	1,264,662	743,670	735,191	98.9%	801,936	539,799	67.3%	(58,266)	195,392	1,206,396	1,460,054
Airport Fund	1,051,418	1,051,418	4,606,473	4,510,490	97.9%	4,446,310	4,392,278	98.8%	160,163	118,212	1,211,581	1,169,630
<b>Total Proprietary Funds</b>	<b>14,873,757</b>	<b>14,873,757</b>	<b>13,981,371</b>	<b>14,201,045</b>	<b>101.6%</b>	<b>15,452,116</b>	<b>13,091,915</b>	<b>84.7%</b>	<b>(1,470,745)</b>	<b>1,109,130</b>	<b>13,403,012</b>	<b>15,982,887</b>
<b>Fiduciary Funds:</b>												
Firemen's' Pension Fund	877,319	877,319	191,236	194,360	101.6%	87,000	58,536	67.3%	104,236	135,824	981,555	1,013,143
City Agency Fund	4,114	4,114	360,000	285,333	79.3%	360,000	280,153	77.8%	-	5,180	4,114	9,294
<b>Total Fiduciary Funds</b>	<b>881,433</b>	<b>881,433</b>	<b>551,236</b>	<b>479,693</b>	<b>87.0%</b>	<b>447,000</b>	<b>338,689</b>	<b>75.8%</b>	<b>104,236</b>	<b>141,004</b>	<b>985,669</b>	<b>1,022,437</b>
<b>TOTAL ALL CITY FUNDS</b>	<b>\$ 20,196,397</b>	<b>\$ 20,196,397</b>	<b>\$ 31,649,006</b>	<b>\$ 31,028,217</b>	<b>98.0%</b>	<b>\$ 33,853,633</b>	<b>\$ 27,819,828</b>	<b>82.2%</b>	<b>\$ (2,204,627)</b>	<b>\$ 3,208,389</b>	<b>\$ 17,991,770</b>	<b>\$ 23,404,786</b>

Note: May contain rounding differences of +/-1

**City of Chehalis**  
**Comparative Revenues, Expenditures, and Fund Balances - Budget to Actual**  
**December 2018 and 2019**  
**General Fund**

	2018	YTD	2018	2019	YTD	2019	2019	2019-2018
	Amended	12/31/2018	YTD % of	Amended	12/31/2019	YTD % of	Budget to	YTD Actual
<b>GENERAL FUND (#001)</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance^</b>	<b>Change</b>
<b>Revenues:</b>								
<b>Taxes:</b>								
Property Taxes	\$ 1,639,220	\$ 1,750,244	106.8%	\$ 1,926,749	\$ 1,905,165	98.9%	\$ (21,584)	\$ 154,921
Sales and Use Taxes	4,909,128	5,108,799	104.1%	5,142,110	5,155,589	100.3%	13,479	46,790
Utility Taxes	1,588,620	1,594,782	100.4%	1,576,490	1,588,767	100.8%	12,277	(6,015)
Other Taxes	50,222	55,336	110.2%	46,670	58,476	125.3%	11,806	3,140
<b>Total Taxes</b>	<b>8,187,190</b>	<b>8,509,161</b>	<b>103.9%</b>	<b>8,692,019</b>	<b>8,707,997</b>	<b>100.2%</b>	<b>15,978</b>	<b>198,836</b>
<b>Non-Tax Revenues:</b>								
Licenses and Permits	188,435	172,745	91.7%	200,575	235,162	117.2%	34,587	62,417
Intergovernmental Revenues	316,519	318,683	100.7%	361,521	445,178	123.1%	83,657	126,495
Charges for Goods & Services:								
General Government	10,400	8,981	86.4%	14,350	15,879	110.7%	1,529	6,898
Security/Persons & Property	79,410	80,124	100.9%	121,862	117,238	96.2%	(4,624)	37,114
Economic Development	33,260	34,881	104.9%	91,710	66,417	72.4%	(25,293)	31,536
Cultre & Recreation	198,000	200,705	101.4%	193,900	191,228	98.6%	(2,672)	(9,477)
Physcial Environment & Transportation	135	1,068	791.1%	215	50	23.3%	(165)	(1,018)
Total for Charges for Goods & Services	321,205	325,759	101.4%	422,037	390,812	92.6%	(31,225)	65,053
Fines and Forfeitures	114,085	116,090	101.8%	120,110	121,965	101.5%	1,855	5,875
Miscellaneous	310,738	325,527	104.8%	262,400	324,292	123.6%	61,892	(1,235)
<b>Total Non-Tax Revenues</b>	<b>1,250,982</b>	<b>1,258,804</b>	<b>100.6%</b>	<b>1,366,643</b>	<b>1,517,409</b>	<b>111.0%</b>	<b>150,766</b>	<b>258,605</b>
<b>Other Fund Sources:</b>								
Transfers-in	-	-	0.0%	80,000	80,000	100.0%	-	80,000
<b>Total Other Fund Sources</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>80,000</b>	<b>80,000</b>	<b>100.0%</b>	<b>-</b>	<b>80,000</b>
<b>Total Revenues &amp; Fund Sources</b>	<b>\$ 9,438,172</b>	<b>\$ 9,767,965</b>	<b>103.5%</b>	<b>\$ 10,138,662</b>	<b>\$ 10,305,406</b>	<b>101.6%</b>	<b>\$ 166,744</b>	<b>\$ 537,441</b>
<b>Expenditures</b>								
<b>Operating Expenditures by Department:</b>								
City Council	\$ 77,498	\$ 76,333	98.5%	\$ 97,825	\$ 92,510	94.6%	\$ 5,315	\$ 16,177
Municipal Court	489,082	457,249	93.5%	497,978	479,432	96.3%	18,546	22,183
City Manager	262,340	251,458	95.9%	201,348	198,952	98.8%	2,396	(52,506)
Finance	273,990	224,966	82.1%	299,503	270,212	90.2%	29,291	45,246
City Clerk	81,252	73,304	90.2%	86,347	81,195	94.0%	5,152	7,891
Legal Service	-	-	0.0%	78,183	72,700	93.0%	5,483	72,700
Facilities and Parks	1,073,729	1,014,852	94.5%	1,173,217	1,096,475	93.5%	76,742	81,623
Non-Departmental	421,189	445,636	105.8%	497,543	419,604	84.3%	77,939	(26,032)
Human Resources	122,749	108,180	88.1%	202,578	165,809	81.8%	36,769	57,629
Police	3,200,771	3,147,364	98.3%	3,293,409	3,182,890	96.6%	110,519	35,526
Fire	2,296,930	2,101,684	91.5%	2,262,207	2,174,135	96.1%	88,072	72,451
Public Works - Streets	568,451	520,226	91.5%	601,350	558,603	92.9%	42,747	38,377
Planning & Building	325,880	287,381	88.2%	391,443	352,714	90.1%	38,729	65,333
Recreation	481,740	466,786	96.9%	482,879	476,047	98.6%	6,832	9,261
<b>Total Operating Expenditures</b>	<b>9,675,601</b>	<b>9,175,419</b>	<b>94.8%</b>	<b>10,165,810</b>	<b>9,621,278</b>	<b>94.6%</b>	<b>544,532</b>	<b>445,859</b>
<b>Other Expenditures:</b>								
Debt Service	114,385	114,432	100.0%	114,432	114,432	100.0%	-	-
Capital Expenditures	143,760	146,180	101.7%	18,412	15,823	85.9%	2,589	(130,357)
Transfers-out	562,527	568,502	101.1%	870,554	867,498	99.6%	3,056	298,996
<b>Total Other Expenditures</b>	<b>820,672</b>	<b>829,114</b>	<b>101.0%</b>	<b>1,003,398</b>	<b>997,753</b>	<b>99.4%</b>	<b>5,645</b>	<b>168,639</b>
<b>Total Expenditures</b>	<b>\$ 10,496,273</b>	<b>\$ 10,004,533</b>	<b>95.3%</b>	<b>\$ 11,169,208</b>	<b>\$ 10,619,031</b>	<b>95.1%</b>	<b>550,177</b>	<b>\$ 614,498</b>
<b>Changes in Fund Balance</b>	<b>\$ (1,058,101)</b>	<b>\$ (236,568)</b>	<b>22.4%</b>	<b>\$ (1,030,546)</b>	<b>\$ (313,625)</b>	<b>30.4%</b>	<b>716,921</b>	<b>\$ (77,057)</b>
<b>Beginning Fund Balance</b>	<b>2,040,830</b>	<b>2,040,830</b>	<b>100.0%</b>	<b>1,804,262</b>	<b>1,804,262</b>	<b>100.0%</b>	<b>-</b>	<b>(236,568)</b>
<b>Ending Fund Balance</b>	<b>\$ 982,729</b>	<b>\$ 1,804,262</b>	<b>183.6%</b>	<b>\$ 773,716</b>	<b>\$ 1,490,637</b>	<b>192.7%</b>	<b>\$ 716,921</b>	<b>\$ (313,625)</b>

Foot Note:

\* The target percentage of budget is calculated as the month of reporting (12 for December) 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.

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

	2018	YTD	2018	2019	YTD	2019	2019	2019	2019-2018
	Amended	12/31/2018	YTD % of	Amended	12/31/2019	YTD % of	Budget to	Actual	YTD Actual
<b>Wastewater Fund (#404)</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance<sup>^</sup></b>		<b>Change</b>
<b>Revenues:</b>									
<b>Operating Revenues:</b>									
Charges for Services	\$ 5,070,414	\$ 4,988,977	98.4%	\$ 5,068,094	\$ 5,075,725	100.2%	\$ 7,631	\$ 86,748	
Hookup/Connection Fee	100,000	48,480	48.5%	99,000	105,156	106.2%	6,156	56,676	
Capacity Charge	277,378	277,378	100.0%	277,378	277,378	100.0%	-	-	
Intergovernmental Revenues	10,905	25,918	237.7%	-	-	0.0%	-	(25,918)	
Late Payment Fees	51,000	50,528	99.1%	42,910	48,285	112.5%	5,375	(2,243)	
Interest Earnings	60,000	73,385	122.3%	104,130	106,041	101.8%	1,911	32,656	
Rental Income	3,545	3,545	100.0%	4,140	3,545	85.6%	(595)	-	
Miscellaneous Other	1,100	1,984	180.4%	1,550	1,313	84.7%	(237)	(671)	
<b>Total Operating Revenues</b>	<b>5,574,342</b>	<b>5,470,195</b>	<b>98.1%</b>	<b>5,597,202</b>	<b>5,617,443</b>	<b>100.4%</b>	<b>20,241</b>	<b>147,248</b>	
<b>Other Fund Sources:</b>									
Capital Grants	-	-	0.0%	-	-	0.0%	-	-	
Custodial Activities	555	618	111.4%	660	563	85.3%	(97)	(55)	
Debt Proceeds	-	-	0.0%	-	-	0.0%	-	-	
<b>Total Other Fund Source</b>	<b>555</b>	<b>618</b>	<b>111.4%</b>	<b>660</b>	<b>563</b>	<b>85.3%</b>	<b>(97)</b>	<b>(55)</b>	
<b>Total Revenues &amp; Fund Sources</b>	<b>\$ 5,574,897</b>	<b>\$ 5,470,813</b>	<b>98.1%</b>	<b>\$ 5,597,862</b>	<b>\$ 5,618,006</b>	<b>100.4%</b>	<b>\$ 20,144</b>	<b>\$ 147,193</b>	
<b>Expenditures:</b>									
<b>Operating Expenditures:</b>									
Operating Expenditures	\$ 3,349,574	\$ 3,002,160	89.6%	\$ 3,124,064	\$ 2,980,694	95.4%	\$ 143,370	\$ (21,466)	
<b>Total Operating Expenditures:</b>	<b>3,349,574</b>	<b>3,002,160</b>	<b>89.6%</b>	<b>3,124,064</b>	<b>2,980,694</b>	<b>95.4%</b>	<b>143,370</b>	<b>(21,466)</b>	
<b>Other Expenditures:</b>									
Custodial Activities	600	618	103.0%	600	563	93.8%	37	(55)	
Debt Service	1,909,145	1,895,658	99.3%	1,879,905	1,879,903	100.0%	2	(15,755)	
Capital Expenditures	294,873	293,016	99.4%	890,294	491,803	55.2%	398,491	198,787	
Transfers-out	-	-	0.0%	-	-	0.0%	-	-	
<b>Total Other Expenditures</b>	<b>2,204,618</b>	<b>2,189,292</b>	<b>99.3%</b>	<b>2,770,799</b>	<b>2,372,269</b>	<b>85.6%</b>	<b>398,530</b>	<b>182,977</b>	
<b>Total Expenditures</b>	<b>\$ 5,554,192</b>	<b>\$ 5,191,452</b>	<b>93.5%</b>	<b>\$ 5,894,863</b>	<b>\$ 5,352,963</b>	<b>90.8%</b>	<b>\$ 541,900</b>	<b>\$ 161,511</b>	
<b>Changes in Fund Balance</b>	<b>\$ 20,705</b>	<b>\$ 279,361</b>	<b>1349.2%</b>	<b>\$ (297,001)</b>	<b>\$ 265,043</b>	<b>-89.2%</b>	<b>\$ 562,044</b>	<b>\$ (14,318)</b>	
<b>Beginning Fund Balance</b>	4,833,519	4,833,519	100.0%	5,112,880	5,112,880	100.0%	(5,112,880)	279,361	
<b>Ending Fund Balance</b>	<b>\$ 4,854,224</b>	<b>\$ 5,112,880</b>	<b>105.3%</b>	<b>\$ 4,815,879</b>	<b>\$ 5,377,923</b>	<b>111.7%</b>	<b>\$ (4,550,836)</b>	<b>\$ 265,043</b>	
<i>Operating Income (deficit)</i>	\$ 2,224,768	\$ 2,468,035	110.9%	\$ 2,473,138	\$ 2,636,749	106.6%	\$ 163,611	\$ 168,714	

Foot Note:

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

<sup>^</sup> 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**  
**December 2018 and 2019**  
**Water Fund**

	2018		YTD	YTD Target % *		2019	2019	2019	2019	2019-2018
	Amended Budget	12/31/2018 Actual		2018 YTD % of Budget	2019 Amended Budget					
<b>WATER FUND (#405)</b>										
<b>Revenues:</b>										
<b>Operating Revenues:</b>										
Charges for Services	\$ 2,654,784	\$ 2,888,244	108.8%	\$ 2,648,500	\$ 2,945,992	111.2%	\$ 297,492	\$ 57,748		
Hookup/Connectin Fee	160,000	87,073	54.4%	136,640	142,194	104.1%	5,554	55,121		
Intergovernmental Revenues	-	-	0.0%	-	-	0.0%	-	-		
Late Payment Fees	31,000	38,690	124.8%	27,720	27,189	98.1%	(531)	(11,501)		
Interest Earnings	94,400	115,127	122.0%	144,176	145,959	101.2%	1,783	30,832		
Other Misc. Revenues	1,000	8,486	848.6%	1,220	888	72.8%	(332)	(7,598)		
<b>Total Operating Revenues</b>	<b>2,941,184</b>	<b>3,137,620</b>	<b>106.7%</b>	<b>2,958,256</b>	<b>3,262,222</b>	<b>110.3%</b>	<b>303,966</b>	<b>124,602</b>		
<b>Other Funding Source</b>										
Inerfund Loan Repayment	16,800	16,590	98.8%	68,095	68,308	100.3%	213	51,718		
Capital Grants	-	-	0.0%	-	-	0.0%	-	-		
Custodial Activities	100	570	570.0%	270	83	30.7%	(187)	(487)		
Debt Proceeds	-	-	0.0%	-	-	0.0%	-	-		
Other Resources	-	2,733	0.0%	-	682	0.0%	682	(2,051)		
<b>Total Other Fund Source</b>	<b>16,900</b>	<b>19,893</b>	<b>117.7%</b>	<b>68,365</b>	<b>69,073</b>	<b>101.0%</b>	<b>708</b>	<b>49,180</b>		
<b>Total Revenues &amp; Fund Sources</b>	<b>\$ 2,958,084</b>	<b>\$ 3,157,513</b>	<b>106.7%</b>	<b>\$ 3,026,621</b>	<b>\$ 3,331,295</b>	<b>110.1%</b>	<b>\$ 304,674</b>	<b>\$ 173,782</b>		
<b>Expenditures</b>										
<b>Operating Expenditures</b>										
Operating Expenditures	2,318,091	2,127,634	91.8%	2,515,693	2,210,225	87.9%	305,468	82,591		
<b>Total Operating Expenditures</b>	<b>2,318,091</b>	<b>2,127,634</b>	<b>91.8%</b>	<b>2,515,693</b>	<b>2,210,225</b>	<b>87.9%</b>	<b>305,468</b>	<b>82,591</b>		
<b>Other Expenditures</b>										
Custodial Activities	100	953	953.0%	100	33	33.0%	67	(920)		
Debt Service	343,576	332,448	96.8%	321,662	319,872	99.4%	1,790	(12,576)		
Capital Expenditures	290,570	73,120	25.2%	1,464,300	270,978	18.5%	1,193,322	197,858		
Interfund Loan Disbursements	279,430	279,427	100.0%	-	-	0.0%	-	(279,427)		
<b>Total Other Expenditures</b>	<b>913,676</b>	<b>685,948</b>	<b>75.1%</b>	<b>1,786,062</b>	<b>590,883</b>	<b>33.1%</b>	<b>1,195,179</b>	<b>(95,065)</b>		
<b>Total Expenditures</b>	<b>\$ 3,231,767</b>	<b>\$ 2,813,582</b>	<b>87.1%</b>	<b>\$ 4,301,755</b>	<b>\$ 2,801,108</b>	<b>65.1%</b>	<b>\$ 1,500,647</b>	<b>\$ (12,474)</b>		
<b>Change in Fund Balance</b>	<b>\$ (273,683)</b>	<b>\$ 343,931</b>	<b>-125.7%</b>	<b>\$ (1,275,134)</b>	<b>\$ 530,187</b>	<b>-41.6%</b>	<b>\$ 1,805,321</b>	<b>\$ 186,256</b>		
<b>Beginning Fund Balance</b>	7,093,160	7,093,160	100.0%	7,437,091	7,437,091	100.0%	(7,437,091)	343,931		
<b>Ending Fund Balance</b>	<b>\$ 6,819,477</b>	<b>\$ 7,437,091</b>	<b>109.1%</b>	<b>\$ 6,161,957</b>	<b>\$ 7,967,278</b>	<b>129.3%</b>	<b>\$ (5,631,770)</b>	<b>\$ 530,187</b>		
<i>Operating Income (deficit)</i>	\$ 623,093	\$ 1,009,986	162.1%	\$ 442,563	\$ 1,051,997	237.7%	\$ (1,502)	\$ 42,011		

Foot Note:

\* The target percentage of budget is calculated as the month of reporting (12 for December) 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.

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

	2018	YTD	2018	YTD Target % *		100.0%	2019 Budget to Actual Variance^	2019-2018 YTD Actual Change
	Amended Budget	12/31/2018 Actual	YTD % of Budget	2019 Amended Budget	YTD 12/31/2019 Actual	YTD % of Budget		
<b>Storm Water Fund (#406)</b>								
<b>Revenues:</b>								
<b>Operating Revenues:</b>								
Charges for Goods & Services	\$ 609,000	\$ 645,495	106.0%	\$ 704,070	\$ 693,353	98.5%	\$ (10,717)	\$ 47,858
Hookup/Connection Fee	2,100	1,712	81.5%	8,000	8,998	112.5%	998	7,286
Intergovernmental Revenue	-	-	0.0%	-	-	0.0%	-	-
Fines and Forfeitures	5,000	8,900	178.0%	5,000	5,507	110.1%	507	(3,393)
Interest Earnings	13,250	17,371	131.1%	26,570	26,483	99.7%	(87)	9,112
Other Misc. Revenues	-	297	0.0%	-	659	0.0%	659	362
<b>Total Operating Revenues</b>	<b>629,350</b>	<b>673,775</b>	<b>107.1%</b>	<b>743,640</b>	<b>735,000</b>	<b>98.8%</b>	<b>(8,640)</b>	<b>61,225</b>
<b>Other Fund Sources:</b>								
Capital Grants	-	-	0.0%	-	-	0.0%	-	-
Custodial Activities	30	46	153.3%	30	55	183.3%	25	9
Debt Proceeds	-	-	0.0%	-	-	0.0%	-	-
Other Resources	-	-	0.0%	-	136	0.0%	136	136
<b>Total Other Fund Sources</b>	<b>30</b>	<b>46</b>	<b>153.3%</b>	<b>30</b>	<b>191</b>	<b>636.7%</b>	<b>161</b>	<b>145</b>
<b>Total Revenues &amp; Fund Sources</b>	<b>\$ 629,380</b>	<b>\$ 673,821</b>	<b>107.1%</b>	<b>\$ 743,670</b>	<b>\$ 735,191</b>	<b>98.9%</b>	<b>\$ (8,479)</b>	<b>\$ 61,370</b>
<b>Expenditures:</b>								
<b>Operating Expenditures:</b>								
Operating Expenditures	491,175	477,146	97.1%	561,086	525,859	93.7%	35,227	48,713
<b>Total Operating Expenditures</b>	<b>491,175</b>	<b>477,146</b>	<b>97.1%</b>	<b>561,086</b>	<b>525,859</b>	<b>93.7%</b>	<b>35,227</b>	<b>48,713</b>
<b>Other Expenditures:</b>								
Custodial Activities	50	46	92.0%	50	54	108.0%	(4)	8
Capital Expenditures	230,000	30,190	13.1%	240,800	13,886	5.8%	226,914	(16,304)
Transfers-out	-	-	0.0%	-	-	0.0%	-	-
<b>Total Other Expenditures</b>	<b>230,050</b>	<b>30,236</b>	<b>13.1%</b>	<b>240,850</b>	<b>13,940</b>	<b>5.8%</b>	<b>226,910</b>	<b>(16,296)</b>
<b>Total Expenditures</b>	<b>721,225</b>	<b>507,382</b>	<b>70.4%</b>	<b>801,936</b>	<b>539,799</b>	<b>67.3%</b>	<b>262,137</b>	<b>32,417</b>
<b>Changes in Fund Balance</b>	<b>\$ (91,845)</b>	<b>\$ 166,439</b>	<b>-181.2%</b>	<b>\$ (58,266)</b>	<b>\$ 195,392</b>	<b>-335.3%</b>	<b>\$ 253,658</b>	<b>\$ 28,953</b>
Beginning Fund Balance	1,098,223	1,098,223	100.0%	1,264,662	1,264,662	100.0%	(1,264,662)	166,439
<b>Ending Fund Balance</b>	<b>\$ 1,006,378</b>	<b>\$ 1,264,662</b>	<b>125.7%</b>	<b>\$ 1,206,396</b>	<b>\$ 1,460,054</b>	<b>121.0%</b>	<b>\$ (1,011,004)</b>	<b>\$ 195,392</b>
Operating Income (deficit)	\$ 138,175	\$ 196,629	142.3%	\$ 182,554	\$ 209,141	114.6%	\$ 26,587	\$ 12,512

Foot Note:

\* The target percentage of budget is calculated as the month of reporting (12 for December) 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.



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

	2018	YTD	2018	YTD Target % *		2019	2019	2019	2019-2018
	Amended Budget	12/31/2018 Actual	YTD % of Budget	2019	YTD	2019			
<b>Airport Fund (#407)</b>	<b>Amended Budget</b>	<b>12/31/2018 Actual</b>	<b>YTD % of Budget</b>	<b>Amended Budget</b>	<b>12/31/2019 Actual</b>	<b>YTD % of Budget</b>	<b>Budget to Actual Variance^</b>	<b>YTD Actual Change</b>	
<b>Revenues:</b>									
<b>Operating Revenues:</b>									
Fuel sales	\$ 486,000	\$ 524,221	107.9%	\$ 620,073	\$ 637,451	102.8%	\$ 17,378	\$ 113,230	
Other Misc. Revenues	1,700	43,760	2574.1%	1,375	2,495	181.5%	1,120	(41,265)	
Late Payment Fees	-	60	0.0%	-	103	0.0%	103	43	
Interest Earnings	-	10,971	0.0%	24,140	25,600	106.0%	1,460	14,629	
Rents & Leases	1,112,500	1,152,429	103.6%	1,121,347	1,187,336	105.9%	65,989	34,907	
<b>Total Operating Revenues</b>	<b>1,600,200</b>	<b>1,731,441</b>	<b>108.2%</b>	<b>1,766,935</b>	<b>1,852,985</b>	<b>104.9%</b>	<b>86,050</b>	<b>121,544</b>	
<b>Other Fund Sources:</b>									
Intergovernmental - Capital Grants	308,000	400,937	130.2%	2,644,795	2,452,599	92.7%	(192,196)	2,051,662	
Custodial Activities	182,059	290,623	159.6%	194,743	203,961	104.7%	9,218	(86,662)	
Interfund Loan Receipts	279,430	279,427	100.0%	-	-	0.0%	-	(279,427)	
Proceeds from Sale of Capital Asset:	-	1,620	0.0%	-	945	0.0%	945	(675)	
Debt Proceeds (Bonds/Loans)	-	-	0.0%	-	-	0.0%	-	-	
Operating Transfers In	-	-	0.0%	-	-	0.0%	-	-	
<b>Total Other Fund Sources</b>	<b>769,489</b>	<b>972,607</b>	<b>126.4%</b>	<b>2,839,538</b>	<b>2,657,505</b>	<b>93.6%</b>	<b>(182,033)</b>	<b>1,684,898</b>	
<b>Total Revenues &amp; Fund Sources</b>	<b>\$ 2,369,689</b>	<b>\$ 2,704,048</b>	<b>114.1%</b>	<b>\$ 4,606,473</b>	<b>\$ 4,510,490</b>	<b>97.9%</b>	<b>\$ (95,983)</b>	<b>\$ 1,806,442</b>	
<b>Expenditures:</b>									
Operating Expenditures	1,070,331	1,067,955	99.8%	1,177,027	1,230,283	104.5%	(53,256)	162,328	
<b>Total Operating Expenditures</b>	<b>1,070,331</b>	<b>1,067,955</b>	<b>99.8%</b>	<b>1,177,027</b>	<b>1,230,283</b>	<b>104.5%</b>	<b>(53,256)</b>	<b>162,328</b>	
<b>Other Expenditures:</b>									
Custodial Activities	182,014	190,628	104.7%	195,359	204,009	104.4%	(8,650)	13,381	
Debt Service	336,014	336,349	100.1%	32,151	32,216	100.2%	(65)	(304,133)	
Capital Expenditures	613,073	412,733	67.3%	2,973,678	2,857,462	96.1%	116,216	2,444,729	
Interfund Loan Payment	16,800	16,590	98.8%	68,095	68,308	100.3%	(213)	51,718	
<b>Total Other Expenditures</b>	<b>1,147,901</b>	<b>956,300</b>	<b>83.3%</b>	<b>3,269,283</b>	<b>3,161,995</b>	<b>96.7%</b>	<b>107,288</b>	<b>2,205,695</b>	
<b>Total Expenditures</b>	<b>\$ 2,218,232</b>	<b>\$ 2,024,255</b>	<b>91.3%</b>	<b>\$ 4,446,310</b>	<b>\$ 4,392,278</b>	<b>98.8%</b>	<b>\$ 54,032</b>	<b>\$ 2,368,023</b>	
<b>Changes in Fund Balance</b>	<b>\$ 151,457</b>	<b>\$ 679,793</b>	<b>448.8%</b>	<b>\$ 160,163</b>	<b>\$ 118,212</b>	<b>73.8%</b>	<b>\$ (41,951)</b>	<b>\$ (561,581)</b>	
Beginning Fund Balance	371,625	371,625	100.0%	1,051,418	1,051,418	100.0%	(1,051,418)	679,793	
<b>Ending Fund Balance</b>	<b>\$ 523,082</b>	<b>\$ 1,051,418</b>	<b>201.0%</b>	<b>\$ 1,211,581</b>	<b>\$ 1,169,630</b>	<b>96.5%</b>	<b>\$ (1,093,369)</b>	<b>\$ 118,212</b>	
<i>Operating Income (deficit)</i>	<i>\$ 529,869</i>	<i>\$ 663,486</i>	<i>125.2%</i>	<i>\$ 589,908</i>	<i>\$ 622,702</i>	<i>105.6%</i>	<i>\$ 32,794</i>	<i>\$ (40,784)</i>	

Foot Note:

\* The target percentage of budget is calculated as the month of reporting (12 for December) 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.





# 2019 Fourth Quarter Financial Report

Period Ending December 31, 2019

Presenter: Chun Saul  
01/27/2020



# Discussion

- Budget to Actual Comparison – Target 100% (12/12 months)
- City-wide Overview - Total for All Funds Combined
- General Fund Overview
  - Revenues, Expenditures & Fund Balance Summary
  - Revenues by Source – Budget to Actual
  - Expenditures by Department – Budget to Actual
- Enterprise Funds Overview
  - Utilities: Wastewater, Water and Storm Water funds
  - Airport Fund
- Treasurer's Report
  - Cash & Investments as of 12/31/2019

# Overview – All City Funds Combined

## All City Funds Combined - Budget to Actual For the Fourth Quarter Ending December 31, 2019

City-Wide, All Funds	2019 Budget	2019 YTD 12/31/2019	YTD % of Budget	Budget to Actual
				Variance Positive (Negative)
Revs. & Transfers In	\$31,649,006	\$ 31,028,217	98.0%	\$ (620,789)
Exps. & Transfers Out	33,853,633	27,819,828	82.2%	6,033,805
Balance	(2,204,627)	3,208,389	-145.5%	\$ 5,413,016
Plus Beginning Fund Balance	20,196,397	20,196,397	100.0%	-
Ending Fund Balance	\$17,991,770	\$ 23,404,786	130.1%	\$ 5,413,016

Key factors for YTD variance:

**Revenues:** Grants for Taxiway Realignment & Rec Park projects \$4.2 million. YTD receipt \$3.4 million. \$820K remaining to be received in 2020.

**Expenditures:**

Capital budget balance \$4.7 million.

Budget \$11.3 million; YTD spent \$6.6 million (58.58% of the 2019 budget). About \$3.0 million has been re-appropriated in the 2020 adopted budget. Additional amount to be carried over to 2020 through a budget amendment.

Operating budget balance \$1.4 million.

Budget \$18.8 million; YTD spent \$17.7 million (93.9% of the 2019 budget). Payroll budget spent 95.1%; Services budget spent 87.8%.

**Bottom Line: Overall, all city funds and departments operated within the appropriated budget parameters.**

# General Fund Overview

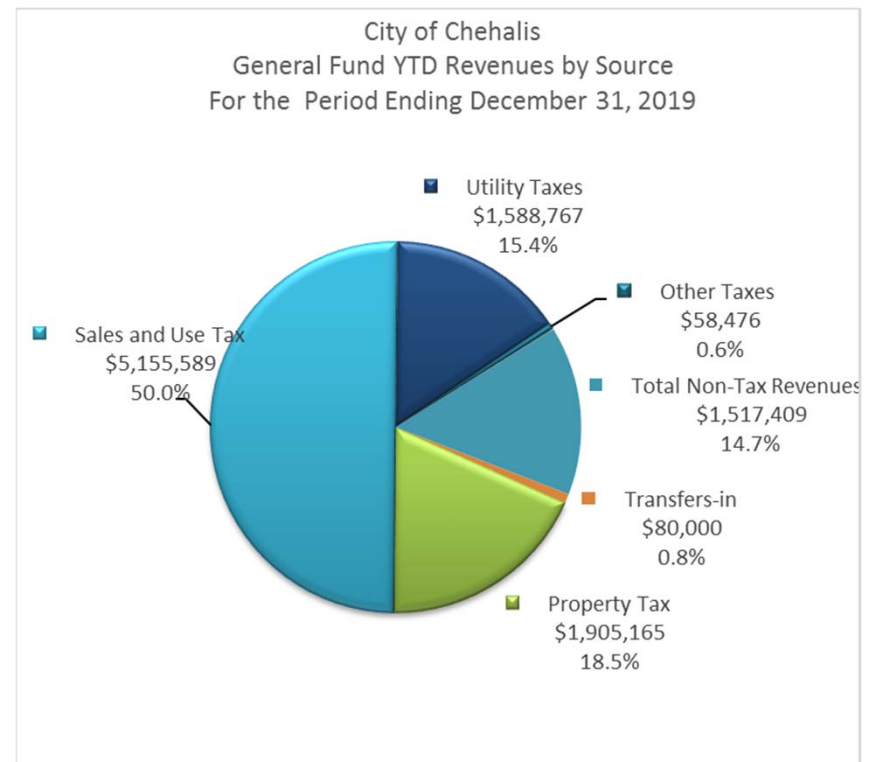
## General Fund - Budget to Actual For the Fourth Quarter Ending December 31, 2019

<b>General Fund</b>	2019 Budget	2019 YTD 12/31/2019	YTD % of Budget	Budget to Actual
				Variance Positive (Negative)
Revs. & Transfers In	\$ 10,138,662	\$ 10,305,406	101.6%	\$ 166,744
Exps. & Transfers Out	11,169,208	10,619,031	95.1%	550,177
Increase (Decrease) in Fund Balance	(1,030,546)	(313,625)	30.4%	\$ 716,921
Plus Beginning Fund Balance	1,804,262	1,804,262	100.0%	-
<b>Ending Fund Balance</b>	<b>\$ 773,716</b>	<b>\$ 1,490,637</b>	<b>192.7%</b>	<b>\$ 716,921</b>
Ending Fund Balance % of Revenue Budget	7.6%	14.7%		
Ending Fund Balance % of Expenditure Budget	6.9%	13.3%		

**Bottom line: Overall, the General Fund operated within the appropriated budget parameters.**

# General Fund Revenues by Source

- Tax revenues make up 84.5% of total general fund revenues received.
- Sales tax is the largest revenue source and makes up 50.0% of total revenues received.
  - Local regular sales & use tax
  - Brokered Natural Gas sales tax
  - Criminal Justice sales tax
- Property taxes make up 18.5% of total revenues received.
- Utility taxes make up 15.4% of total received and includes:
  - electric, gas, telephone, cable, solid waste, water & sewer business.
- Non-tax revenues include:
  - Licenses & permits, charges for goods & services, intergovernmental revenues (state shared and grants), fines, and other misc.



# General Fund Revenues -Budget to Actual

General Fund Revenues	2019 Budget	YTD Actual 12/31/2019	YTD % of Budget	2019 YTD Variance Positive (Negative)
<b>Tax Revenues:</b>				
Property Tax	\$ 1,926,749	\$ 1,905,165	98.9%	\$ (21,584)
Sales and Use Tax	5,142,110	\$ 5,155,589	100.3%	13,479
Utility Taxes	1,576,490	\$ 1,588,767	100.8%	12,277
Other Taxes	46,670	\$ 58,476	125.3%	11,806
<b>Total Tax Revenues</b>	<b>8,692,019</b>	<b>\$ 8,707,997</b>	<b>100.2%</b>	<b>15,978</b>
<b>Non-Tax Revenues:</b>				
Licenses and Permits	200,575	\$ 235,162	117.2%	34,587
Intergovernmental	361,521	\$ 445,178	123.1%	83,657
Charges for Goods & Services	422,037	\$ 390,812	92.6%	(31,225)
Fines and Forfeitures	120,110	\$ 121,965	101.5%	1,855
Miscellaneous Other	262,400	\$ 324,292	123.6%	61,892
<b>Total Non-Tax Revenues</b>	<b>1,366,643</b>	<b>\$ 1,517,409</b>	<b>111.0%</b>	<b>150,766</b>
<b>Transfers-in</b>	<b>80,000</b>	<b>\$ 80,000</b>	<b>100.0%</b>	<b>-</b>
<b>Total Revenues</b>	<b>\$ 10,138,662</b>	<b>\$ 10,305,406</b>	<b>101.6%</b>	<b>\$ 166,744</b>

- Property tax: Historically, about 98% of taxes are collected in the levy year.
- Sales and Use Tax: Local sales and use tax \$51,385 below YTD target but Brokered Natural Gas and Criminal Justice sales tax \$64,864 exceed budget projection.
- Utility taxes: Electric utility exceeded YTD target by \$64,377 but Gas utility is \$27,669 below YTD target; Telephone utility \$63,949 below YTD target.
- Licenses & Permits: Business licenses \$5K and Building permits \$29K exceeded budget.
- Intergovernmental Revenues: Grants \$30K and State shared revenues \$54K exceeded budget.
- Charges for Goods & Services: Includes plan check review fees, police & fire services, and recreation program fees. Recreation program fees makes up 49% of this category and received \$191K (or 97%) of the 2019 budget.

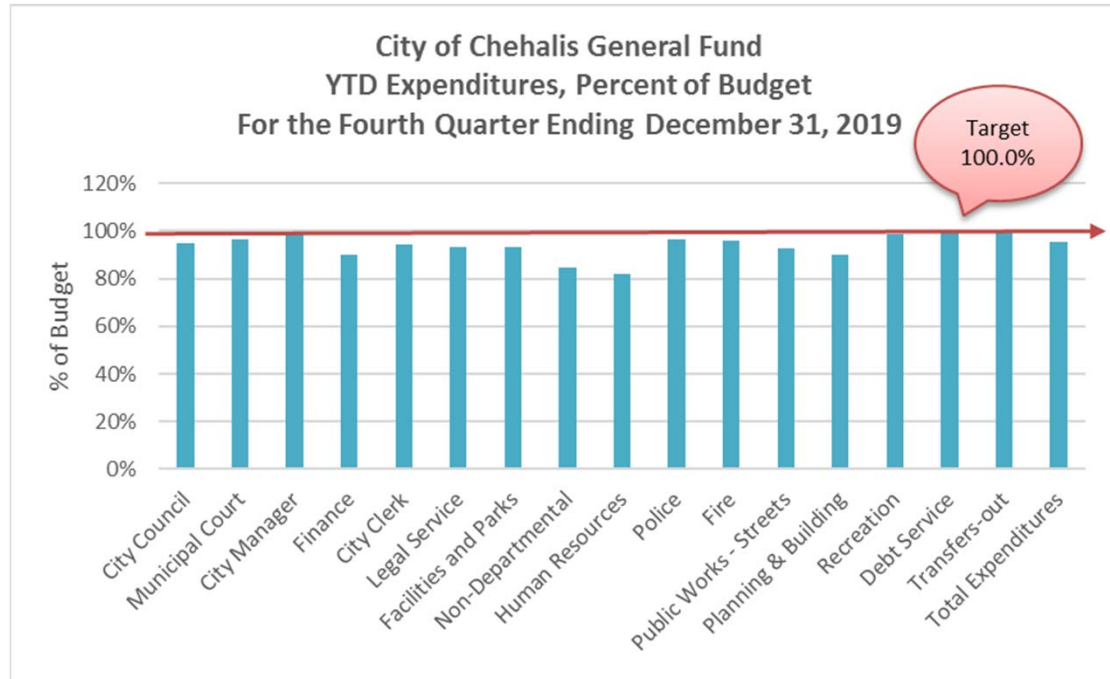
# General Fund Revenues – Local Sales Tax Trend

- Local sales tax rate = 1% (total tax rate 8.2%)
- 2- month lag time between month of sales and revenue distribution.
- 2019 YTD is \$4,918,795 or 99.0% of the 2019 budget:
  - ✓ \$287,894 (5.9%) from construction
  - ✓ \$4,630,901(94.1%) from non-construction
  - ✓ \$51,385 below the 2019 projection.
- YTD 2019 Comparison to YTD 2018:
  - ✓ Overall increase \$3,765 (or 0.1%) from 2018
  - ✓ Non-construction group increased 5.0% or \$221,829
  - ✓ Construction group decreased by \$218,054 (43.1%)
  - ✓ Last 10-year average from construction group: 5% of total local sales tax.

Chehalis Local Sales and Use Tax  
Year Totals



# General Fund Expenditures by Department and Activity – Budget to Actual



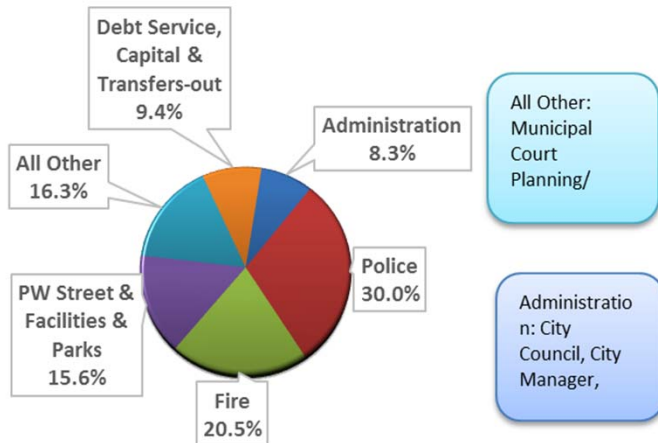
**Overall, all departments operated within normal budget parameters.**

- Average spent 95.1% of the 2019 budget.
- Finance (spent 90% of budget): Balance from PT salary/benefits & annual audit fees
- Non-Departmental (spent 84% of budget): Balance from LEOFF 1 medical benefits
- HR (spent 82% of budget): Balance from professional services for labor negotiations still in progress.
- Planning (spent 90% of budget): Balance from payroll budget. Time lapse between filling vacant positions.



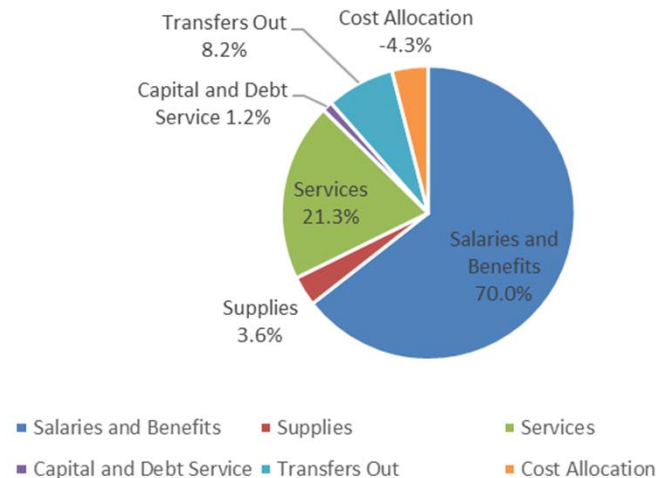
# General Fund Expenditures Proportion – By Department & By Category

General Fund Expenditures by Department/Function  
For the Fourth Quarter Ending December 31, 2019



Police and Fire make up 50.5% of the General Fund YTD total expenditures.

General Fund Expenditures by Category  
YTD Actual 12/31/2019



Salaries and Benefits make up 70% of the General Fund total YTD expenditures. About 4.3% or \$459,710 of the General Fund cost was allocated to enterprise funds as indirect administrative support costs.



# Enterprise Funds - Utilities

- Combined Utilities Funds Summary (Wastewater, Water & Stormwater)
  - YTD Operating Revenues received is 100.4% of the 2019 budget & exceed the budget by \$315,567.
    - Wastewater \$20K
    - Water \$304K
    - Stormwater -\$9K
  - YTD Operating Expenditures is 92.2% of the 2019 budget. Balance \$484K.
    - Wastewater \$143K
    - Water \$306K
    - Stormwater \$35K
  - YTD Capital Expenditures is 29.9% of the 2019 budget. Balance \$1.8 Million.
    - Wastewater \$398K
    - Water \$1.2 Million
    - Stormwater \$227K
    - About \$1.0 million of 2019 budget balance has been re-appropriated in to the 2020 adopted budget.
    - An amendment to the 2020 budget may be requested to carry over additional 2019 remaining capital budget.
  - Overall, total revenues exceeded total expenditures by \$990K.



# Enterprise Fund - Airport

## ➤ Airport Fund Summary

- YTD Operating Revenues received is 104.9% of the 2019 budget
  - Fuel sales is 102.8% of 2019 budget and exceeds the projection by \$17,378.
  - Rents & Leases is 105.9% of 2019 Budget and exceeds projection by \$65,989.
- YTD Operating Expenditures is 104.5% of the 2019 budget, exceeding YTD target by \$53,256
  - YTD fuel purchases exceeded budget by \$98K.
- YTD Capital Expenditures is 96.1% of the 2019 budget.
  - Taxiway Realignment project (\$2.8Mil). Remaining budget \$116K.
  - Carry-over 2019 budget balance to 2020 through a budget amendment.
- Overall, YTD total revenues exceeded total expenditures by \$118,212.

# Treasurer's Report

- The City-wide total cash and Investments as of December 31, 2019 is \$23,404,786.
  - **Only 6.4% or \$1,490,638 of the total balance belongs to the General Fund.**
  - **Other than the General Fund, all other funds are restricted funds which accounts for specific revenues or resources that are legally restricted or committed to finance particular activities of the city (i.e., utilities, airport, TBD, etc.)**
- About 87.6% or \$20,517,356 of the total balance is invested and earned interests. The following table shows summary totals by investment types:

City of Chehalis Cash, Deposits & Investment - Total Combined All Funds		
Account Type	Balance 12/31/2019	% of Total
Revolving Cash Funds (on-hand)	\$ 4,650	0.0%
Checking	2,882,779	12.3%
Money Market & Savings	187,434	0.8%
Local Government Investment Pool (LGIP)	17,954,569	76.7%
US Govt Agency Securities (Bonds)	2,375,353	10.1%
<b>Total</b>	<b>\$ 23,404,786</b>	<b>100.0%</b>

- 2019 Investment interest through the end of December is \$421,145. Interests are allocated to each City fund based on their proportionate share of the total investments.
- The 2019 average net earnings rate for Local Government Investment Pool (LGIP) was 2.3072%.



# Closing

➤ Questions?

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360-345-3231

➤ Thank you!