

# City of Chehalis



## Third Quarter Council Financial Report

For the Period Ended  
September 30, 2018  
(January through September)

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:** October 22, 2018

**SUBJECT:** Financial Reports Third Quarter Ended September 30, 2018

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**DISCUSSION**

This document provides a summary review of the City financial activity for the third quarter ended 9/30/2018 and fund balances as of September 30, 2018.

The reports have been formatted to be consistent with the adopted budget for ease of comparison and review of information.

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

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

Treasurer's report provides a summary of the city's cash and investments as of September 30, 2018.

A 75.0% (9 of 12 months) is used as the target % for comparing the actual year-to-date outcome to the 2018 amended budget.

**ALL FUNDS, CITY-WIDE OVERVIEW**

At the end of September 2018, on a city-wide basis, the city received 74.6% of the 2018 revenue budget (including other funding sources and non-revenues) and expensed 62.5% of the total 2018 appropriations (including transfers out and other use of resources).

While most recurring operating expenditures are within normal budget projections, capital and debt service expenditures are below the target at about 48.9% of the 2018 budgeted amount.

At the end of September, the total city-wide revenues exceeded total expenditures by \$2,222,893 and increased the ending fund balance by the same amount (a 13% increase from the beginning of the year).

For most funds, the revenues exceeded current year expenditures and shows increase in ending fund balance, with the following exceptions:

At the end of September, there are five (5) funds showing their ending fund balances decreased from the beginning fund balances, which means total expenditures exceeded total revenues:

*The General Fund's* ending fund balance shows \$549,921 decrease from the beginning fund balance. This is explained in detail in the General Fund overview section below.

*The Arterial Street Fund* shows \$11,792 decrease from the beginning fund balance. The only revenue source for this fund is the state fuel tax revenues. The year-to-date revenue is 82.7% of the 2018 budget, and the expenditures is 84.1% of the 208 budgets. It is anticipated that the year-end revenue will be at least 100% of the 2018 budget. The expenditures for the remainder of the year will need to be monitored to ensure that it does not exceed the 2018 appropriation.

*The Community Development Block Grant (CDBG) Fund* shows \$672 decrease in fund balance. This fund also has a negative fund balance of \$561. A loan repayment of \$286 was received and an unanticipated legal service cost in the amount of \$1,557 for recording a foreclosure of a property. We are expecting a loan repayment from a foreclosure sale of a property within the next few months and hope to bring the fund balance up to positive. The 2018 second budget amendment provided a \$600 transfer in from the General Fund; however, additional \$567 legal cost was incurred since the budget amendment. We will need another budget amendment before the year end.

*The First Quarter REET Fund* shows \$46,805 decrease in fund balance. This was an anticipated decrease, as the 2018 budget included \$152,165 use of the beginning fund balance. Total revenues received through the end of September 2018 was \$97,780, with a transfer out of \$144,585 to other funds (\$4,585 to the Debt Service Fund and \$140,000 to the Public Facilities Reserve Fund for the library roof repair project and for the fire station improvement project).

*The Second Quarter REET Fund* shows \$95,806 decrease in fund balance. This is anticipated, as the 2018 budget included \$232,540 use of the beginning fund balance. Total revenues received through the end of September 2018 was \$98,294. A total of \$194,100 was transferred out to other funds: \$4,585 to the Debt Service Fund and \$189,515 to the Public Facilities Reserve Fund for the library roof repair project and capital improvement projects at Recreation Park.

**BOTTOM LINE:** The City operated within the budget parameters, and overall revenues and expenditures are within the budget projections.

## **GENERAL FUND OVERVIEW**



The 2018 amended budget includes use of beginning fund balance in the amount of \$1,072,316, which is appropriated as follows: \$223,871 for various one-time expenditures, \$270,440 carryforward of 2017 unspent appropriations relating to police and fire collective bargaining agreements and fire station capital improvement, \$186,893 new appropriations for increased expenditures, \$92,866 transfer to the Compensated Absences Reserve and \$92,866 transfer to the Automotive and Equipment Reserve Funds. A \$140,183 revenue budget reduction for property tax revenue projection, net of other revenues is also reflected in the use of the beginning fund balance. The second budget amount in September 2018 required an additional \$65,197 use of the beginning fund balance, of which the fire station asbestos cleaning costs is one of the main components.

Total revenues and other receipts are 74.2% of the 2018 budget, and the expenditures and transfers out are 71.9% of the 2018 budget. A significant portion of this variance is from the Non-departmental department, which is explained in more detail in General Fund Expenditures section below.

At the end of third quarter, the general fund expenditures and transfers out exceeded the revenues and other receipts by \$549,921 (51.3% of the 2018 budget).

#### **General Fund Revenues:**

Total tax revenues make up about 86.0% of total general fund revenues. Total tax revenues through the end of September 2018 are \$5,953,709 (73.3% of the 2018 budget). This is \$135,910 below the 75% target amount; however, it is \$175,100 (or 3.0%) increase from this time last year.

Property Tax revenues are \$924,608 (56.4% of the 2018 budget). This is about \$304,807 below the 75% target amount; however, this is a normal at this time of year. The second half of 2018 property tax is due in October, and the city will receive a remittance from the Lewis County in November.

Sales and Use Tax revenues are \$3,792,182 (79.8% of the 2018 budget). This is \$228,086 above the 75% target amount and \$317,974 (or 9.2%) increase from September 2017.

About \$379,229 (10.3%) of the year-to-date sales tax revenues are from construction and construction related activities (construction of buildings, specialty trade contractors, and heavy and civil engineering constructions), which is considered one-time nature, as the sale tax revenues will decline as the projects are complete. September 2018 sales tax receipts showed a 4.4% decrease in sales taxes from aggregated construction groups.

Marketplace Fairness Act (extending retail sales tax collections and/or reporting to remote sellers and internet sales) that went in effect on January 1, 2018 has some impact on the increase of local sales and use tax. However, the revenue gain from the Marketplace Fairness Act is offset by the reduction in the Streamlined Sales Tax (SST) mitigation payment.

The City of Chehalis has received SST mitigation payments an accumulated amount of \$200,448 over a ten-year period from 2008 to 2017, an average annual receipt of \$20,045 (or an average \$5,011 quarterly). However, 2018 receipts to date shows that the city received \$3,538.82 in the first quarter but nothing for the second quarter. The calculation report provided by the Department of Revenues shows that the gain from the Marketplace Fairness offset exceeded the SST mitigation amount calculated by \$5,573.66, thus no SST mitigation payment was distributed to the City for the second quarter 2018.

Utility Tax revenues are \$1,195,832 (71.3% of the 2018 budget). This is \$62,609 below the 75% target amount and a \$146,120 decline from September 2017. The combined water, sewer, and garbage utility taxes are about 78.5% of the 2018 budget. However, Gas utility tax is at 59.4% of the 2018 budget, Cable utility tax is at 38.6% of the 2018 budget, and Telephone utility tax is at 72.5% of the 2018 budget.

License and Permit fee revenues are \$126,204 (69.8% of the 2018 budget). Building permit fee is 53.5% of the 2018 budget and is about \$16,000 below the 75% target amount.

State Shared revenues are \$205,176 (90.6% of the 2018 budget). This category includes Multimodal transportation, Streamlined Sales Tax Mitigation, Criminal Justice Special Program, Marijuana Enforcement, Marijuana Excise Tax, DUI cities, Liquor Excise Tax and Liquor Board Profits, and PUD privilege tax. Marijuana Excise tax revenue to-date is \$36,063 (190% of the 2018 budget).

Charges for goods and services revenues are \$275,721 (76.5% of the 2018 budget). This category includes charges for fire and police services, plan check review fees, and parks & recreation program fees. Parks and recreation fees make up 53% of the budget in this category and is a key factor for the year-to-date revenue exceeding the 75% target amount. Parks and recreation program revenues to-date is \$179,263 (92.3% of the 2018 budget). Plan check fees revenues are 44.9% of the 2018 budget. This is about \$14,300 below the 75% target amount.

### **General Fund Expenditures and Transfers Out**

The 2018 appropriations and required transfers are budgeted at \$10,402,168, including \$9,502,081 for operating appropriations and \$900,087 for capital outlays, debt service, and transfers out.

At the end of September 2018, total expenditures are \$7,475,777 (71.9% of the 2018 budget).

Police and Fire make up 55% (\$4,118,370) of the total general fund expenditures.

Street and Facilities and Parks make up 16% (\$1,195,745) of the total general fund expenditures.

City administrative departments (City Council, City Manager, City Clerk, Human Resources, and Finance) make up 8% (\$536,204) of the total general fund expenditures.

Most departments operated within the budget parameters. Exceptions are:

*Police* department expenditures are 76.6% of the 2018 budget and \$50,879 above the 75% target amount. Wages, benefits and overtime expenditure to-date exceeded the 2018 budget by \$30,226. This is attributable to one-time payment for vacation, sick and comp time buy out upon retirement of an employee. Small tools and insurance. In addition, certain expenditures budget (i.e. small tools and insurance, etc.) was spent early in the year rather than spreading it over to 12 months.

*Non-Departmental* department expenditures are 60.5% of the 2018 budget. This is \$162,417 below the 75% target. The following are the key factors for this variance. A \$161,609 is budgeted in a suspense account to address the possible impact associated with the International Association of Fire Fighters collective bargaining agreement. The negotiation is still in progress as of 9/30/2018. A \$50,000 contribution to the Main Street Tax Program is budgeted, but the payment wasn't made until October.

## **ENTERPRISE FUNDS**

### **Wastewater Fund**

Total revenue through the end of September are \$4,086,354 (73.9% of the 2018 budget), which is about \$61,000 below the 75% target amount. Investment interest earnings through September is \$46,162 (307.7% of the 2018 budget). However, wastewater sales revenue is 72.9% of the 2018 budget. This is about \$113,533 below the 75% target amount.

Overall expenditures are 60.6% of the 2018 budget: Operating expenditures are 67.2% of the 2018 budget, and debt service and capital outlay expenditures are 50.7% of the 2018 budget.

### **Water Fund**

Total revenue through the end of September are \$2,261,911 (78.5% of the 2018 budget). Investment interest earnings are \$62,872 which is 383.4% of the 2018 budget. Water sales revenues are \$2,165,184 (76.9% of the 2018 budget).

Overall expenditures are 55.2% of the 2018 budget: Operating expenditures are 73.5% of the 2018 budget, and debt service and capital outlay expenditures are 9.2% of the 2018 budget.

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

Total revenues through the end of September are \$502,801 (87.0 % of the 2018 budget).

Overall expenditures are 49.9% of the 2018 budget: Operating expenditures are 67.1 % of the 2018 budget, and debt service and capital outlay expenditures are 13.1% of the 2018 budget.

## **Airport Fund**

Total revenues through the end of September are \$1,591,808 (67.2% of the 2018 budget). Fuel sales revenues are 81.4% of the 2018 budget, and rents and Lease revenues are 74.7% of the 2018 budget. However intergovernmental revenues (FAA grants) is 56.3% of the 2018 budget. It is anticipated that the remaining grant payment will be received by the year end.

Operating expenditures are 74.3% of the 2018 budget. However debt service and capital outlay expenditures are 45.0% of the 2018 budget.

## **TREASURER'S REPORT – CASH AND INVESTMENT**

The city's total cash and investment balance as of September 30, 2018 is \$20,007,075.

About 86% (\$17,328,736) of the city's cash is invested and earn interests. The remaining 14% (\$2,765,563) is held at the city or deposited in checking accounts (non-interest bearing) to cover on-going operational needs. A summary of cash funds and investment types are as follows:

Cash on-hand \$5,050  
Deposits in Checking Accounts \$2,673,289  
Money Market Account \$87,224  
Local Government Investment Pool \$14,881,760  
U.S. Securities (held at U.S Bank) \$2,359,752

Total investment interest earnings through September 2018 amounted to \$172,549, which is about 292% increase from September 2017 (\$59,198). This is result of shifting about \$7 million from the city's checking account to the LGIP account in 2018, in conjunction with an increase in LGIP interest rates. The average interest rates for 2018 and 2017 are 1.7369% and 0.9502%, 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



To: The Honorable Mayor and Council  
 Via: Tracie J Anderson, City Manager  
 From: Chun Saul, Finance Director  
 Prepared by: Betty Brooks, Payroll Accountant  
 Date: 10/12/2018  
 Subject: Monthly Financial Reports for Period Ended September 2018

City of Chehalis  
 Comparative Financial Reports  
 September 2018 and 2017

GENERAL FUND (#001)	A		B		C=B/A		D		E		F=E/D		G		H		H <sup>A</sup>		I=F-G		J=E-B		
	2017	2017	2017	2017	2017	2017	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2017-2018	
	Budget	YTD Actual	YTD Actual	% to Budget	% to Budget	Budget	YTD Actual	YTD Actual	% to Budget	% to Budget	Target	YTD	YTD	Target % *	Target	YTD	YTD	Variance from Target	Variance from Target	% Variance from	YTD Incr	(decr)	
<b>Tax Revenues:</b>																							
Property Taxes <sup>**</sup>	1,792,460	924,443	924,443	51.6%	51.6%	1,639,220	924,608	924,608	56.4%	75.0%	1,229,415	1,229,415	1,229,415	75.0%	(304,807)	1,229,415	1,229,415	(304,807)	(18.6%		165		
Sales and Use Taxes <sup>**</sup>	4,180,791	3,474,208	3,474,208	83.1%	83.1%	4,752,128	3,792,182	3,792,182	79.8%	75.0%	3,564,096	3,564,096	3,564,096	75.0%	228,086	3,564,096	3,564,096	228,086	4.8%		317,974		
Utility Taxes	1,656,731	1,341,952	1,341,952	81.0%	81.0%	1,677,920	1,195,832	1,195,832	71.3%	75.0%	1,258,441	1,258,441	1,258,441	75.0%	(62,609)	1,258,441	1,258,441	(62,609)	-3.7%		(146,120)		
Other Taxes	43,050	38,006	38,006	88.3%	88.3%	50,222	41,087	41,087	81.8%	75.0%	37,667	37,667	37,667	75.0%	3,420	37,667	37,667	3,420	6.8%		3,081		
<b>Total Tax Revenues</b>	<b>7,673,032</b>	<b>5,778,609</b>	<b>5,778,609</b>	<b>75.3%</b>	<b>75.3%</b>	<b>8,119,490</b>	<b>5,953,709</b>	<b>5,953,709</b>	<b>73.3%</b>	<b>75.0%</b>	<b>6,089,619</b>	<b>6,089,619</b>	<b>6,089,619</b>	<b>75.0%</b>	<b>(135,910)</b>	<b>6,089,619</b>	<b>6,089,619</b>	<b>(135,910)</b>	<b>-1.7%</b>		<b>175,100</b>		
<b>Other Revenues:</b>																							
Licenses and Permits	210,550	148,803	148,803	70.7%	70.7%	180,835	126,204	126,204	69.8%	75.0%	135,627	135,627	135,627	75.0%	(9,423)	135,627	135,627	(9,423)	-5.2%		(22,599)		
Grants	495,412	845,201	845,201	170.6%	170.6%	1,267	31,702	31,702	2502.1%	75.0%	950	950	950	75.0%	30,752	31,702	31,702	30,752	2427.1%		(813,499)		
State Shared Revenues	183,661	185,560	185,560	101.0%	101.0%	226,507	205,178	205,178	90.6%	75.0%	169,880	169,880	169,880	75.0%	35,298	169,880	169,880	35,298	15.6%		19,618		
Charges for Goods and Services	326,265	325,611	325,611	99.8%	99.8%	360,330	275,721	275,721	76.5%	75.0%	270,248	270,248	270,248	75.0%	5,473	270,248	270,248	5,473	1.5%		(49,890)		
Fines and Forfeitures	144,945	86,114	86,114	59.4%	59.4%	140,685	87,358	87,358	62.1%	75.0%	105,514	105,514	105,514	75.0%	(18,156)	105,514	105,514	(18,156)	-12.9%		1,244		
Misc. & Other Revenues	314,673	237,809	237,809	75.6%	75.6%	300,738	245,983	245,983	81.8%	75.0%	225,555	225,555	225,555	75.0%	20,428	225,555	225,555	20,428	12.7%		8,174		
<b>Total Other Revenues</b>	<b>1,675,506</b>	<b>1,829,098</b>	<b>1,829,098</b>	<b>109.2%</b>	<b>109.2%</b>	<b>1,210,362</b>	<b>972,146</b>	<b>972,146</b>	<b>80.3%</b>	<b>75.0%</b>	<b>907,774</b>	<b>907,774</b>	<b>907,774</b>	<b>75.0%</b>	<b>64,372</b>	<b>907,774</b>	<b>907,774</b>	<b>64,372</b>	<b>5.3%</b>		<b>(856,952)</b>		
<b>Total Revenues</b>	<b>\$ 9,348,538</b>	<b>\$ 7,607,707</b>	<b>\$ 7,607,707</b>	<b>81.4%</b>	<b>81.4%</b>	<b>\$ 9,329,852</b>	<b>\$ 6,925,855</b>	<b>\$ 6,925,855</b>	<b>74.2%</b>	<b>75.0%</b>	<b>\$ 6,997,393</b>	<b>\$ 6,997,393</b>	<b>\$ 6,997,393</b>	<b>75.0%</b>	<b>\$ (71,538)</b>	<b>\$ 6,997,393</b>	<b>\$ 6,997,393</b>	<b>\$ (71,538)</b>	<b>-0.8%</b>		<b>\$ (681,852)</b>		

Foot Note:

<sup>\*</sup> Excludes percentage of property tax allocated to the Firemen's Pension Fund.

<sup>\*\*</sup> Includes Local Sales & Use Tax, Brokered Natural Gas and Criminal Justice Sales & Use Tax (excludes Transportation Benefit District Sales Tax)

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

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

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



City of Chehalis  
Comparative Financial Reports  
September 2018 and 2017

GENERAL FUND (#001)	A		B		C=B/A		D		E		F=E/D		G		H		H <sup>Δ</sup>		I=G-F		J=E-B				
	2017	Budget	2017	YTD Actual	2017	YTD	% to Budget	2018	Budget	2018	YTD Actual	2018	YTD	% to Budget	2018	YTD	Target	2018	YTD	Variance	2018	YTD	2017-2018	YTD Incr	
<b>DEDUCTIONS</b>																									
Expenditures by Department:																									
City Council	\$ 92,351		47,933	51.9%	77,498	55,325	71.4%	75.0%	58,124	(2,799)	3.6%	7,392													
Municipal Court	480,523		324,805	67.6%	489,082	327,928	67.0%	75.0%	366,812	(38,884)	8.0%	3,123													
City Manager	312,582		132,819	42.5%	262,340	186,291	71.0%	75.0%	196,755	(10,464)	4.0%	53,472													
Finance	232,471		161,168	69.3%	273,990	178,611	65.2%	75.0%	205,493	(26,882)	9.8%	17,443													
City Clerk	79,915		41,391	51.8%	81,252	50,534	62.2%	75.0%	60,939	(10,405)	12.8%	9,143													
Facilities and Parks	850,411		703,279	0.0%	1,073,729	788,981	73.5%	75.0%	805,297	(16,316)	1.5%	85,702													
Non-Departmental	611,351		427,102	69.9%	1,118,120	676,173	60.5%	75.0%	838,590	(162,417)	14.5%	249,071													
Human Resources	80,584		64,937	80.6%	110,749	65,443	59.1%	75.0%	83,062	(17,619)	15.9%	506													
Police	2,944,719		2,247,623	76.3%	3,179,926	2,434,540	76.6%	75.0%	2,384,945	49,595	-1.6%	186,917													
Fire	2,225,620		1,683,964	75.7%	2,307,015	1,683,830	73.0%	75.0%	1,730,261	(46,431)	2.0%	(134)													
Public Works - Streets	590,064		398,952	67.6%	607,651	406,764	66.9%	75.0%	455,738	(48,974)	8.1%	7,812													
Planning & Building	482,332		307,669	0.0%	352,976	239,764	67.9%	75.0%	264,732	(24,968)	7.1%	(67,905)													
Recreation	481,645		393,917	0.0%	467,840	381,592	81.6%	75.0%	350,880	30,712	-6.6%	(12,325)													
<b>Total Functional Expenditures</b>	<b>\$ 9,464,568</b>		<b>\$ 6,935,559</b>	<b>73.3%</b>	<b>\$10,402,168</b>	<b>\$ 7,475,776</b>	<b>71.9%</b>	<b>75.0%</b>	<b>\$ 7,801,628</b>	<b>\$ (325,852)</b>	<b>3.1%</b>	<b>\$ 540,217</b>													
<b>Change in Cash Balance</b>	<b>\$ (116,030)</b>		<b>\$ 672,148</b>	<b>-579.3%</b>	<b>\$ (1,072,316)</b>	<b>\$ (549,921)</b>	<b>51.3%</b>	<b>75.0%</b>	<b>\$ (804,235)</b>	<b>\$ 254,314</b>	<b>23.7%</b>	<b>\$ (1,222,069)</b>													

Key:

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

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

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

**City of Chehalis**  
**Comparative Financial Reports**  
**September 2018 and 2017**

	A		B		C=B/A		D		E		F=E/D		H <sup>^</sup>		I=F-G		J=E-B			
	2017	2017	2017	2017	2017	2017	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	
	Budget	YTD Actual	% to Budget	YTD Actual	% to Budget	Budget	Budget	YTD Actual	% to Budget	Target Amount	Variance from Target	2018 YTD	2018 YTD	Variance from Target	2018 YTD	2018 YTD	Variance from Target	2017-2018	YTD Incr (decr)	
<b>WASTEWATER FUND (#404)</b>																				
<b>Revenues:</b>																				
Charges for Goods & Services	\$ 5,349,972	\$ 4,044,727	75.6%	\$ 3,972,311	72.9%	\$ 5,447,792	\$ 3,972,311	72.9%	\$ 4,085,844	\$ (113,533)	\$ (113,533)	\$ 4,085,844	\$ (113,533)	\$ (113,533)	\$ 4,085,844	\$ (113,533)	\$ (113,533)	\$ (72,416)	\$ (72,416)	
Intergovernmental Revenues	13,500	13,412	99.3%	25,918	237.7%	10,905	25,918	237.7%	8,179	17,739	162.7%	8,179	17,739	162.7%	8,179	17,739	162.7%	12,506	12,506	
Late Payment Fees	50,000	37,605	75.2%	36,496	71.6%	51,000	36,496	71.6%	38,250	(1,754)	(1,754)	38,250	(1,754)	(1,754)	38,250	(1,754)	(1,754)	(1,109)	(1,109)	
Rental Income	3,545	3,545	100.0%	3,545	100.0%	3,545	3,545	100.0%	2,659	886	25.0%	2,659	886	25.0%	2,659	886	25.0%	-	-	
Interest Earnings	3,000	18,829	627.6%	15,000	307.7%	15,000	46,162	307.7%	11,250	34,912	232.7%	11,250	34,912	232.7%	11,250	34,912	232.7%	27,333	27,333	
Other Misc. Revenues	3,000	1,334	44.5%	1,100	36.7%	1,100	1,356	123.3%	825	531	48.3%	825	531	48.3%	825	531	48.3%	22	22	
<b>Total Revenues</b>	<b>5,423,017</b>	<b>4,119,452</b>	<b>76.0%</b>	<b>4,085,788</b>	<b>73.9%</b>	<b>5,529,342</b>	<b>4,085,788</b>	<b>73.9%</b>	<b>4,147,007</b>	<b>(61,219)</b>	<b>(61,219)</b>	<b>4,147,007</b>	<b>(61,219)</b>	<b>(61,219)</b>	<b>4,147,007</b>	<b>(61,219)</b>	<b>(61,219)</b>	<b>(33,664)</b>	<b>(33,664)</b>	
<b>Expenditures:</b>																				
Operating Expenditures	2,804,370	1,916,129	68.3%	2,223,316	67.2%	3,307,574	2,223,316	67.2%	2,480,681	(257,365)	(257,365)	2,480,681	(257,365)	(257,365)	2,480,681	(257,365)	(257,365)	307,187	307,187	
Total Expenditures:	2,804,370	1,916,129	68.3%	2,223,316	67.2%	3,307,574	2,223,316	67.2%	2,480,681	(257,365)	(257,365)	2,480,681	(257,365)	(257,365)	2,480,681	(257,365)	(257,365)	307,187	307,187	
Excess Revenues over (under) Expenditures	2,618,647	2,203,323	84.1%	1,862,472	83.8%	2,221,768	1,862,472	83.8%	1,666,326	196,146	8.8%	1,666,326	196,146	8.8%	1,666,326	196,146	8.8%	(340,851)	(340,851)	
<b>Other Increase in Fund Resources:</b>																				
Custodial Receipts	555	563	101.4%	555	102.0%	555	566	102.0%	416	150	27.0%	416	150	27.0%	416	150	27.0%	3	3	
Debt Proceeds (Bonds/Loans)	1,165,100	590,943	50.7%	-	0.0%	-	-	0.0%	-	-	-75.0%	-	-	-75.0%	-	-	-75.0%	(590,943)	(590,943)	
Total Other Increases in Fund Resources	1,165,655	591,506	50.7%	555	102.0%	555	566	102.0%	416	150	27.0%	416	150	27.0%	416	150	27.0%	(590,943)	(590,943)	
<b>Other Use of Fund Resources:</b>																				
Custodial Disbursements	555	544	98.0%	600	94.3%	600	566	94.3%	450	116	-19.3%	450	116	-19.3%	450	116	-19.3%	22	22	
Debt Service - Principal	1,846,181	938,123	50.8%	961,842	51.0%	1,886,717	961,842	51.0%	1,415,038	(453,196)	(453,196)	1,415,038	(453,196)	(453,196)	1,415,038	(453,196)	(453,196)	23,719	23,719	
Debt Service - Interest	43,937	9,935	22.6%	13,607	60.7%	22,428	13,607	60.7%	16,821	(3,214)	(3,214)	16,821	(3,214)	(3,214)	16,821	(3,214)	(3,214)	3,672	3,672	
Capital Outlay	1,113,100	903,099	81.1%	141,035	47.8%	294,873	141,035	47.8%	221,155	(80,120)	(80,120)	221,155	(80,120)	(80,120)	221,155	(80,120)	(80,120)	(762,064)	(762,064)	
Total Other Use of Fund Resources	3,003,773	1,851,701	61.6%	1,117,050	50.7%	2,204,618	1,117,050	50.7%	1,653,464	(536,414)	(536,414)	1,653,464	(536,414)	(536,414)	1,653,464	(536,414)	(536,414)	(734,651)	(734,651)	
<b>Changes in Cash Balance</b>	<b>\$ 780,529</b>	<b>\$ 943,128</b>	<b>120.8%</b>	<b>\$ 745,988</b>	<b>4213.4%</b>	<b>\$ 17,705</b>	<b>\$ 745,988</b>	<b>4213.4%</b>	<b>\$ 13,278</b>	<b>\$ 732,710</b>	<b>4138.4%</b>	<b>\$ 13,278</b>	<b>\$ 732,710</b>	<b>4138.4%</b>	<b>\$ 13,278</b>	<b>\$ 732,710</b>	<b>4138.4%</b>	<b>\$ (197,140)</b>	<b>\$ (197,140)</b>	
<i>Total revenues &amp; other funding sources</i>	6,588,672	4,710,958		4,086,354	73.9%	5,529,897	4,086,354	73.9%	4,147,423	(61,069)	(61,069)	4,147,423	(61,069)	(61,069)	4,147,423	(61,069)	(61,069)	-624,604	-624,604	
<i>Total Expenditures and other funding use</i>	5,808,143	3,767,830		3,340,366	60.6%	5,512,192	3,340,366	60.6%	4,134,145	(793,779)	(793,779)	4,134,145	(793,779)	(793,779)	4,134,145	(793,779)	(793,779)	-427,464	-427,464	
	780,529	943,128		745,988		17,705	745,988		13,278	732,710		13,278	732,710		13,278	732,710		(197,140)	(197,140)	

Key:

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

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

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



City of Chehalis  
Comparative Financial Reports  
September 2018 and 2017

WATER FUND (#405)	A		B		C=B/A		D		E		F=E/D		G		H		H <sup>^</sup>		I=F-G		J=E-B		
	2017	2017	2017	2017	2017	2017	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2017-2018	2017-2018	
	Budget	YTD Actual	% to Budget	YTD Actual	% to Budget	Budget	Budget	YTD Actual	% to Budget	YTD Actual	% to Budget	YTD Actual	YTD Actual	Target % *	Target	Amount	Variance from Target	YTD	Variance from Target	YTD	YTD Incr	(decr)	
<b>Revenues:</b>																							
Charges for Goods & Services	\$2,688,600	\$2,238,515	83.3%	\$2,165,184	76.9%	\$2,814,784	\$2,111,088	\$2,165,184	75.0%	\$2,111,088	\$54,096	\$54,096	\$54,096	75.0%	23,250	23,250	(209)	23,250	(209)	23,250	23,250	(838)	(838)
Late Payment Fees	28,000	23,879	85.3%	23,041	74.3%	31,000	23,250	23,041	75.0%	23,250	(209)	(209)	(209)	75.0%	12,300	12,300	50,572	50,572	50,572	50,572	48,154	48,154	48,154
Interest Earnings	10,000	14,718	147.2%	62,872	383.4%	16,400	12,300	62,872	75.0%	12,300	50,572	50,572	50,572	75.0%	750	750	6,673	6,673	6,673	6,673	6,455	6,455	6,455
Other Misc. Revenues	2,121	968	45.6%	7,423	742.3%	1,000	750	7,423	75.0%	750	6,673	6,673	6,673	75.0%	2,147,388	2,147,388	111,132	111,132	111,132	111,132	(19,560)	(19,560)	
<b>Total Revenues</b>	<b>2,728,721</b>	<b>2,278,080</b>	<b>83.5%</b>	<b>2,258,520</b>	<b>78.9%</b>	<b>2,863,184</b>	<b>2,147,388</b>	<b>2,258,520</b>	<b>75.0%</b>	<b>2,147,388</b>	<b>111,132</b>	<b>111,132</b>	<b>111,132</b>	<b>75.0%</b>	<b>1,722,818</b>	<b>1,722,818</b>	<b>(34,929)</b>	<b>(34,929)</b>	<b>(34,929)</b>	<b>(34,929)</b>	<b>(34,929)</b>	<b>(131,793)</b>	<b>(131,793)</b>
<b>Expenditures</b>																							
Operating Expenditures	1,930,472	1,819,682	94.3%	1,687,889	73.5%	2,297,091	1,722,818	1,687,889	75.0%	1,722,818	(34,929)	(34,929)	(34,929)	75.0%	1,722,818	1,722,818	(34,929)	(34,929)	(34,929)	(34,929)	(34,929)	(131,793)	(131,793)
Total Expenditures	1,930,472	1,819,682	94.3%	1,687,889	73.5%	2,297,091	1,722,818	1,687,889	75.0%	1,722,818	(34,929)	(34,929)	(34,929)	75.0%	1,722,818	1,722,818	(34,929)	(34,929)	(34,929)	(34,929)	(34,929)	(131,793)	(131,793)
Excess Revenues over (under) Expenditures	798,249	458,398	57.4%	570,631	100.8%	566,093	424,570	570,631	75.0%	424,570	146,061	146,061	146,061	75.0%	424,570	424,570	146,061	146,061	146,061	146,061	112,233	112,233	112,233
<b>Other Increase in Fund Resources</b>																							
Proceeds from Sale of Capital Assets & Insurance	-	-	0.0%	2,733	0.0%	-	-	2,733	75.0%	-	2,733	2,733	2,733	75.0%	12,600	12,600	(12,600)	(12,600)	(12,600)	(12,600)	(12,600)	(2,050,000)	(2,050,000)
Custodial Receipts (Non-Rev Taxes)	150	66	44.0%	658	658.0%	100	75	658	75.0%	75	583	583	583	75.0%	12,600	12,600	(12,600)	(12,600)	(12,600)	(12,600)	(12,600)	(2,050,000)	(2,050,000)
Proceeds from Debt Issuance (Bonds/Loans)	1,000,000	2,050,000	205.0%	-	0.0%	16,800	12,600	-	0.0%	12,600	(12,600)	(12,600)	(12,600)	75.0%	12,600	12,600	(12,600)	(12,600)	(12,600)	(12,600)	(12,600)	(2,050,000)	(2,050,000)
Total Other Increase in Fund Resources	1,000,150	2,050,066	205.0%	3,391	20.1%	16,900	12,675	3,391	75.0%	12,675	(9,284)	(9,284)	(9,284)	75.0%	12,675	12,675	(9,284)	(9,284)	(9,284)	(9,284)	(9,284)	(2,046,675)	(2,046,675)
<b>Other Use of Fund Resources</b>																							
Custodial Disbursements	105	66	63.2%	378	378.0%	100	75	378	75.0%	75	303	303	303	75.0%	209,573	209,573	(209,573)	(209,573)	(209,573)	(209,573)	(209,573)	(112,077)	(112,077)
Interfund Loan Disbursements	-	-	0.0%	-	0.0%	279,430	209,573	-	0.0%	209,573	(209,573)	(209,573)	(209,573)	75.0%	223,370	223,370	(200,370)	(200,370)	(200,370)	(200,370)	(200,370)	(9,213)	(9,213)
Debt Service- Principal	135,077	135,077	100.0%	23,000	7.7%	297,827	23,312	23,000	5.2%	23,312	(31,929)	(31,929)	(31,929)	75.0%	217,928	217,928	(160,085)	(160,085)	(160,085)	(160,085)	(160,085)	(686,426)	(686,426)
Debt Service- Interest	12,730	11,596	91.1%	57,843	19.9%	45,749	57,843	2,383	5.2%	57,843	(160,085)	(160,085)	(160,085)	75.0%	685,258	685,258	(601,654)	(601,654)	(601,654)	(601,654)	(807,404)	(807,404)	
Capital Outlay	1,603,000	744,269	46.4%	83,604	9.2%	290,570	83,604	83,604	9.2%	83,604	(601,654)	(601,654)	(601,654)	75.0%	217,928	217,928	(160,085)	(160,085)	(160,085)	(160,085)	(160,085)	(686,426)	(686,426)
Total Other Use of Fund Resources	1,750,912	891,008	50.9%	490,418	-148.3%	913,676	490,418	490,418	-148.3%	490,418	(601,654)	(601,654)	(601,654)	75.0%	217,928	217,928	(160,085)	(160,085)	(160,085)	(160,085)	(160,085)	(807,404)	(807,404)
<b>Change in Cash Balance</b>	<b>\$ 47,487</b>	<b>\$1,617,456</b>	<b>3406.1%</b>	<b>\$ 490,418</b>	<b>-148.3%</b>	<b>\$ (330,683)</b>	<b>\$ (248,013)</b>	<b>\$ 490,418</b>	<b>75.0%</b>	<b>\$ (248,013)</b>	<b>\$ 738,431</b>	<b>\$ 738,431</b>	<b>\$ 738,431</b>	<b>75.0%</b>	<b>\$ (248,013)</b>	<b>\$ (248,013)</b>	<b>\$ 738,431</b>	<b>\$ 738,431</b>	<b>\$ 738,431</b>	<b>\$ 738,431</b>	<b>\$ 738,431</b>	<b>\$ (1,127,038)</b>	<b>\$ (1,127,038)</b>
<i>Total revenues &amp; other funding sources</i>	3,728,871	4,328,146		2,261,911	78.5%	2,880,084	2,160,063	2,261,911	78.5%	2,160,063	101,848	101,848	101,848	78.5%	2,160,063	2,160,063	101,848	101,848	101,848	101,848	101,848	(2,066,235)	(2,066,235)
<i>Total Expenditures and other funding use</i>	3,681,384	2,710,690		1,771,493	55.2%	3,210,767	2,408,076	1,771,493	55.2%	2,408,076	(636,683)	(636,683)	(636,683)	55.2%	2,408,076	2,408,076	(636,683)	(636,683)	(636,683)	(636,683)	(636,683)	(939,197)	(939,197)
	47,487	1,617,456		490,418		(330,683)	(248,013)	490,418		(248,013)	738,431	738,431	738,431		(248,013)	(248,013)	738,431	738,431	738,431	738,431	738,431	(1,127,038)	(1,127,038)

Key:  
 \* The expected percentage is calculated as follows: since the report is for the 9 months of the year, 9 is divided by 12 - the number of months in the year.  
 H=(D\*G) (annual budgeted amount x expected % amount)  
 H<sup>^</sup> Actual expensed less the target (expected) amount

City of Chehalis  
Comparative Financial Reports  
September 2018 and 2017

STORM FUND (#406)	A		B		C=B/A		D		E		F=E/D		G		H		H <sup>^</sup>		I=F-G		J=E-B				
	2017	2017	2017	2017	2017	2017	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2017-2018			
REVENUES	Budget	YTD Actual	% to Budget	Budget	YTD Actual	% to Budget	Budget	YTD Actual	% to Budget	Target % *	Target Amount	YTD Actual	Variance from Target	YTD	Variance from Target	YTD	Variance from Target	YTD	Variance from Target	YTD	YTD	YTD	YTD	YTD	
<b>Revenues:</b>																									
Charges for Goods & Services	\$ 550,910	\$ 528,779	96.0%	\$ 571,100	\$ 485,001	84.9%	\$ 571,100	\$ 485,001	84.9%	75.0%	\$ 428,325	\$ 56,676	\$ 56,676	\$ 428,325	\$ 56,676	\$ 428,325	\$ 56,676	\$ 428,325	\$ 56,676	\$ 428,325	\$ 56,676	\$ 428,325	\$ 56,676	\$ (43,778)	
Intergovernmental Revenue	-	-	0.0%	-	-	0.0%	-	-	0.0%	75.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines and Forfeitures	5,000	3,946	78.9%	5,000	6,269	125.4%	5,000	6,269	125.4%	75.0%	3,750	2,519	2,519	3,750	2,519	3,750	2,519	3,750	2,519	3,750	2,519	3,750	2,519	2,323	
Interest Earnings	1,000	3,669	366.9%	2,000	11,297	564.9%	2,000	11,297	564.9%	75.0%	1,500	9,797	9,797	1,500	9,797	1,500	9,797	1,500	9,797	1,500	9,797	1,500	9,797	7,628	
Other Misc. Revenues	-	-	0.0%	-	197	0.0%	-	197	0.0%	75.0%	-	197	197	-	197	-	197	-	197	-	197	-	197	-	197
<b>Total Revenues</b>	<b>556,910</b>	<b>536,394</b>	<b>96.3%</b>	<b>578,100</b>	<b>502,764</b>	<b>87.0%</b>	<b>578,100</b>	<b>502,764</b>	<b>87.0%</b>	<b>75.0%</b>	<b>433,575</b>	<b>69,189</b>	<b>69,189</b>	<b>433,575</b>	<b>69,189</b>	<b>433,575</b>	<b>69,189</b>	<b>433,575</b>	<b>69,189</b>	<b>433,575</b>	<b>69,189</b>	<b>433,575</b>	<b>69,189</b>	<b>(33,630)</b>	
<b>Expenditures:</b>																									
Operating Expenditures	524,798	257,844	49.1%	491,175	329,509	67.1%	491,175	329,509	67.1%	75.0%	368,381	(38,872)	(38,872)	368,381	(38,872)	368,381	(38,872)	368,381	(38,872)	368,381	(38,872)	368,381	(38,872)	71,665	
Total Expenditures	524,798	257,844	49.1%	491,175	329,509	67.1%	491,175	329,509	67.1%	75.0%	368,381	(38,872)	(38,872)	368,381	(38,872)	368,381	(38,872)	368,381	(38,872)	368,381	(38,872)	368,381	(38,872)	71,665	
Excess Revenues Over (under) Expenditures	32,112	278,550	867.4%	86,925	173,255	199.3%	86,925	173,255	199.3%	75.0%	65,194	108,061	108,061	65,194	108,061	65,194	108,061	65,194	108,061	65,194	108,061	65,194	108,061	(105,295)	
<b>Other Increase in Fund Resources:</b>																									
Custodial Receipts	-	25	0.0%	30	37	123.3%	30	37	123.3%	75.0%	23	14	14	23	14	23	14	23	14	23	14	23	14	12	
Total Other Increase of Fund Resources	-	25	0.0%	30	37	123.3%	30	37	123.3%	75.0%	23	14	14	23	14	23	14	23	14	23	14	23	14	12	
<b>Other Use of Fund Resources:</b>																									
Custodial Disbursements	100	25	25.0%	50	37	74.0%	50	37	74.0%	75.0%	38	(1)	(1)	38	(1)	38	(1)	38	(1)	38	(1)	38	(1)	12	
Capital Outlay	-	-	0.0%	230,000	30,190	13.1%	230,000	30,190	13.1%	75.0%	172,500	(142,310)	(142,310)	172,500	(142,310)	172,500	(142,310)	172,500	(142,310)	172,500	(142,310)	172,500	(142,310)	30,190	
Total Other Use of Fund Resources	100	25	25.0%	230,050	30,227	13.1%	230,050	30,227	13.1%	75.0%	172,538	(142,311)	(142,311)	172,538	(142,311)	172,538	(142,311)	172,538	(142,311)	172,538	(142,311)	172,538	(142,311)	30,202	
<b>Changes in Cash Balance</b>	<b>\$ 32,012</b>	<b>\$ 278,550</b>	<b>870.1%</b>	<b>\$ (143,095)</b>	<b>\$ 143,065</b>	<b>-100.0%</b>	<b>\$ (143,095)</b>	<b>\$ 143,065</b>	<b>-100.0%</b>	<b>75.0%</b>	<b>\$(107,321)</b>	<b>\$250,386</b>	<b>\$250,386</b>	<b>\$(107,321)</b>	<b>\$250,386</b>	<b>\$(107,321)</b>	<b>\$250,386</b>	<b>\$(107,321)</b>	<b>\$250,386</b>	<b>\$(107,321)</b>	<b>\$250,386</b>	<b>\$(107,321)</b>	<b>\$250,386</b>	<b>\$(135,485)</b>	
Total revenues & other funding sources	556,910	536,419		578,130	502,801	87.0%	578,130	502,801	87.0%		433,598	69,203	69,203	433,598	69,203	433,598	69,203	433,598	69,203	433,598	69,203	433,598	69,203	433,598	-33,618
Total Expenditures and other funding use	524,898	257,869		721,225	359,736	49.9%	721,225	359,736	49.9%		540,919	(181,183)	(181,183)	540,919	(181,183)	540,919	(181,183)	540,919	(181,183)	540,919	(181,183)	540,919	(181,183)	101,867	
	32,012	278,550		(143,095)	143,065		(143,095)	143,065			(107,321)	250,386	250,386	(107,321)	250,386	(107,321)	250,386	(107,321)	250,386	(107,321)	250,386	(107,321)	250,386	(135,485)	

Total revenues & other funding sources  
Total Expenditures and other funding use

Key:

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

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

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

H^ Actual expensed less the target (expected) amount



City of Chehalis  
Comparative Financial Reports  
September 2018 and 2017

AIRPORT FUND (#407)	A		B		C=B/A		D	E		F=E/D		G	H		H <sup>A</sup>		I=F-G		J=E-B			
	2017	Budget	2017	YTD Actual	2017 YTD	% to Budget		2018	Budget	2018	YTD Actual		% to Budget	2018 YTD	Target	2018 YTD	Target	2018 YTD	Variance	2018 YTD	Variance	2017-2018
<b>Revenues:</b>																						
Intergovernmental Revenues	\$ 1,305,191	\$ 952,686	73.0%	\$ 308,000	\$ 173,484	56.3%	75.0%	\$ 231,000	\$ (57,516)	-18.7%	\$ (779,202)											
Fuel sales	533,622	390,390	73.2%	486,000	395,665	81.4%	75.0%	364,500	31,165	6.4%	5,275											
Other Misc. Revenues	3,095	3,020	97.6%	1,700	43,760	2574.1%	75.0%	1,275	42,485	2499.1%	40,740											
Rents & Royalties	981,437	789,176	80.4%	1,112,500	831,318	74.7%	75.0%	834,375	(3,057)	-0.3%	42,142											
Late Payment Fees	-	-	0.0%	-	60	0.0%	75.0%	-	60	0.0%	60											
Interest Earnings	5,325	11,349	213.1%	-	7,044	0.0%	75.0%	-	7,044	0.0%	(4,305)											
<b>Total Revenues</b>	<b>2,828,670</b>	<b>2,146,621</b>	<b>75.9%</b>	<b>1,908,200</b>	<b>1,451,331</b>	<b>76.1%</b>	<b>75.0%</b>	<b>1,431,150</b>	<b>20,181</b>	<b>1.1%</b>	<b>(695,290)</b>											
<b>Expenditures:</b>																						
Operating Expenditures	1,169,247	831,153	71.1%	1,070,331	795,172	74.3%	75.0%	802,748	(7,576)	0.7%	(35,981)											
Total Expenditures	1,169,247	831,153	71.1%	1,070,331	795,172	74.3%	75.0%	802,748	(7,576)	0.7%	(35,981)											
Excess Revenues over (under) Expenditures	1,659,423	1,315,468	79.3%	837,869	656,159	78.3%	75.0%	628,402	27,757	-3.3%	(659,309)											
<b>Other Increase in Fund Resources:</b>																						
Custodial Receipts	168,424	133,110	79.0%	182,059	138,857	76.3%	75.0%	136,544	2,313	1.3%	5,747											
Interfund Loan Receipts	-	-	0.0%	279,430	-	0.0%	75.0%	209,573	(209,573)	0.0%	-											
Proceeds from Sale of Capital Assets	1,440	7,290	506.3%	-	1,620	0.0%	75.0%	-	1,620	0.0%	(5,670)											
<b>Total Other Increase in Fund Resources</b>	<b>169,864</b>	<b>140,400</b>	<b>82.7%</b>	<b>461,489</b>	<b>140,477</b>	<b>30.4%</b>	<b>75.0%</b>	<b>346,117</b>	<b>(205,640)</b>	<b>-44.6%</b>	<b>77</b>											
<b>Other Use of Fund Resources:</b>																						
Custodial Disbursements	168,424	94,769	56.3%	182,014	99,309	54.6%	75.0%	136,511	(37,202)	20.4%	4,540											
Interfund Loan Disbursements	-	-	0.0%	16,800	-	0.0%	75.0%	12,600	(12,600)	0.0%	-											
Debt Service - Principal	1,597,850	1,544,140	96.6%	312,745	308,858	98.8%	75.0%	234,559	74,299	-23.8%	(1,235,282)											
Debt Service - Interest	44,382	41,650	93.8%	23,269	19,213	82.6%	75.0%	17,452	1,761	-7.6%	(22,437)											
Capital Outlay	1,554,005	1,330,821	85.6%	613,073	89,662	14.6%	75.0%	459,805	(370,143)	60.4%	(1,241,159)											
<b>Total Other Use of Fund Resources</b>	<b>3,364,661</b>	<b>3,011,380</b>	<b>89.5%</b>	<b>1,147,901</b>	<b>517,042</b>	<b>45.0%</b>	<b>75.0%</b>	<b>860,927</b>	<b>(343,885)</b>	<b>30.0%</b>	<b>(2,494,338)</b>											
<b>Changes in Cash Balance</b>	<b>\$(1,535,374)</b>	<b>\$(1,555,512)</b>	<b>101.3%</b>	<b>\$ 151,457</b>	<b>\$ 279,594</b>	<b>184.6%</b>	<b>75.0%</b>	<b>\$ 113,592</b>	<b>\$ 166,002</b>	<b>-109.6%</b>	<b>\$ 1,835,106</b>											
<i>Total revenues &amp; other funding sources</i>	2,998,534.00	2,287,021		2,369,689	1,591,808	67.2%		1,777,267	-185,459		-695,213											
<i>Total Expenditures and other funding use</i>	4,533,908.00	3,842,533		2,218,232	1,312,214	59.2%		1,663,675	-351,461		-2,530,319											
	(1,535,374.00)	-1,555,512		151,457	279,594			113,592	166,002		1,835,106											

**Key:**

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

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

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

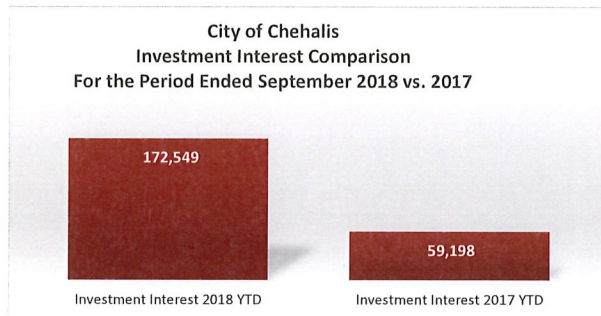
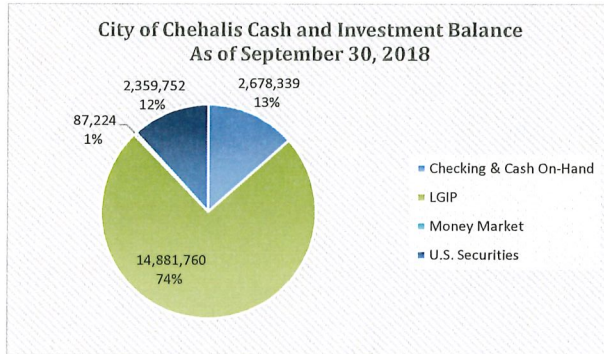
**RECOMMENDATION/COUNCIL ACTION DESIRED**

This report is for the Council's information only. No action is necessary.

Reviewed by \_\_\_\_\_, City Manager

City of Chehalis  
Cash & Investment Balance as of September 30, 2018

Fund	Checking & Cash On-Hand				Total Cash & Investment 9/30/2018	Restricted Amount	Unrestricted Amount	Investment Interest	
	Hand	LGIP	Money Market	U.S. Securities				2018 YTD	2017 YTD
General Fund	394,552	1,010,746	87,224		1,492,522	103,604	1,388,918	15,420	4,308
TBD Fund	271,868	783,575			1,055,443		1,055,443	8,195	32
Wastewater Fund	409,362	4,651,496		518,649	5,579,507	1,879,904	3,699,603	46,162	18,829
Water Fund	708,196	5,034,278		1,841,103	7,583,577	548,209	7,035,368	62,872	14,718
Stormwater Fund	143,867	1,097,419			1,241,286		1,241,286	11,297	3,669
Airport Fund	150,933	500,286			651,218		651,218	7,044	11,349
Firemen's Pension Fund	25,182	790,409			815,591	815,591	(0)	7,459	2,367
Total other funds	574,379	1,013,552	-	-	1,587,930	15,631	1,572,300	14,100	3,926
<b>Total Cash</b>	<b>2,678,339</b>	<b>14,881,760</b>	<b>87,224</b>	<b>2,359,752</b>	<b>20,007,075</b>	<b>3,362,938</b>	<b>16,644,137</b>	<b>172,549</b>	<b>59,198</b>
% of Total	13%	74%	0%	12%	100%	17%			



City of Chehalis Cash & Investment - All Funds

Account Type	Balance 9/30/20	% of Total
Checking	\$ 2,673,289	13.36%
Money Market	87,224	0.44%
LGIP	14,881,760	74.38%
US Securities	2,359,752	11.79%
Cash On-hand	5,050	0.03%
<b>Total</b>	<b>\$ 20,007,075</b>	<b>100.00%</b>
Interest Bearing Balance	\$ 17,328,736	86.61%
Non-Interest Bearing Balance	2,678,339	13.39%
<b>Total</b>	<b>\$ 20,007,075</b>	<b>100.00%</b>

Balance by Funds

Fund	Balance 9/30/20	% of Total
General Fund	\$ 1,492,522	7.5%
TBD Fund	1,055,443	5.3%
Wastewater Fund	5,579,507	27.9%
Water Fund	7,583,577	37.9%
Storm Water Fund	1,241,286	6.2%
Airport Fund	651,218	3.3%
Firemen's Pension Fund	815,591	4.1%
All Other Funds	1,587,930	7.9%
<b>Total</b>	<b>\$ 20,007,075</b>	<b>100.0%</b>

Balance Type	Amount	% of Total
Restricted/Reserved Balance	\$ 3,362,938	16.8%
Unrestricted Balance	16,644,137	83.2%
<b>Total</b>	<b>\$ 20,007,075</b>	<b>100.00%</b>

Year	YTD Interest Earnings
2018	\$ 172,549
2017	\$ 59,198

LGIP Net Earnings Rate, Average 2018, 1.7369%  
LGIP Net Earnings Rate, Average 2017, 0.9502%

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Through period: 9

City of Chehalis  
Through September 2018

	<u>Cash/Checking</u>	<u>Investments</u>	<u>Fund Total</u>	<u>Cash On-Hand</u>	<u>Total Cash &amp; Investments</u>
001 GENERAL FUND	390,702.40	1,097,969.47	1,488,671.87	3,850.00	1,492,521.87
003 DEDICATED STREET FUND-4% SALES TAX	33,031.74	102,029.97	135,061.71		135,061.71
004 BUILDING ABATEMENT FUND	20,204.94	70,966.30	91,171.24		91,171.24
102 ARTERIAL STREET	82,111.02	20,221.73	102,332.75		102,332.75
103 TRANSPORTATION BENEFIT DISTRICT FUI	271,867.79	783,574.71	1,055,442.50		1,055,442.50
107 TOURISM	73,323.85	298,702.39	372,026.24		372,026.24
110 COMPENSATED ABSENCES RESERVE	2,868.00	90,520.61	93,388.61		93,388.61
195 1982-93 COMM DEVELOP BLK GRANT	560.37 CR	0.40 CR	560.77 CR		(560.77)
197 HUD BLOCK GRANT	468.66	85,374.21	85,842.87		85,842.87
198 GAMBLING ENFORCEMENT	0.00	0.00	0.00		-
199 FEDERAL & STATE GRANTS	0.00	0.00	0.00		-
200 2011 G.O. BOND FUND	1.87	0.00	1.87		1.87
301 PUBLIC FACILITIES RESERVE	193,784.88	102,645.47	296,430.35		296,430.35
302 AUTOMOTIVE EQUIPMENT RESERVE	2,873.96	90,981.90	93,855.86		93,855.86
305 FIRST QUARTER PERCENT REET	48,627.24	80,674.59	129,301.83		129,301.83
306 SECOND QUARTER PERCENT REET	97,912.06	71,020.52	168,932.58		168,932.58
402 GARBAGE	8,840.80	414.47	9,255.27		9,255.27
403 PARKING FUND	0.00	0.00	0.00		-
404 WASTEWATER FUND	409,311.93	5,170,144.89	5,579,456.82	50.00	5,579,506.82
405 WATER FUND	707,495.89	6,875,381.51	7,582,877.40	700.00	7,583,577.40
406 STORM & SURFACE WATER UTILITY	143,867.41	1,097,418.87	1,241,286.28		1,241,286.28
407 AIRPORT FUND	150,482.84	500,285.55	650,768.39	450.00	651,218.39
414 WASTEWATER CAPITAL FUND	0.00	0.00	0.00		-
415 WATER CAPITAL FUND	0.00	0.00	0.00		-
416 STORMWATER CAPITAL FUND	0.00	0.00	0.00		-
417 AIRPORT CAPITAL FUND	0.00	0.00	0.00		-
611 FIREMEN'S PENSION	25,181.84	790,409.05	815,590.89		815,590.89
625 W/S DEF-REF BONDS TRUST FUND	0.00	0.00	0.00		-
633 CITY AGENCY FUND	0.00	0.00	0.00		-
990 Treasurer's Equity	0.00	0.00	0.00		-
<b>Grand Total:</b>	<b>2,662,398.75</b>	<b>17,328,735.81</b>	<b>19,991,134.56</b>		<b>19,991,134.56</b>
Cash On-Hand			-	5,050.00	5,050.00
Municipal Count Trust Account	10,890.00		<b>10,890.00</b>		10,890.00
<b>TOTAL</b>	<b>2,673,288.75</b>	<b>17,328,735.81</b>	<b>20,002,024.56</b>	<b>5,050.00</b>	<b>20,007,074.56</b>

Totals are through period: 9

Page: 1







Council Financial Report  
2018 Third Quarter  
Nine Months Ended September 30, 2018  
October 22, 2018

Presenter: Chun Saul



# DISCUSSION

- ❖ 2018 YTD Operating Results for 9 months (January through September)
- ❖ Budget to Actual comparison – Target 75% (9/12 months)
  - City-wide overview
  - General Fund overview
  - Wastewater, Water, Storm Water & Airport overview
- ❖ Treasurer’s Report – Cash & Investments



# City-wide All Fund

City of Chehalis			
All City Funds- Budget to Actual			
For the First Quarter Ended September 30, 2018			
	All Funds Totals		% of
	Budget	Actual	Budget
Beginning Fund Balance	\$ 17,874,365	\$ 17,784,181	
Revs. & Transfers In	24,058,740	17,942,929	74.6%
Exps. & Transfers Out	25,168,239	15,720,036	62.5%
Ending Fund Balance	\$ 16,764,866	\$ 20,007,074	
Changes in Fund Balance	\$ (1,109,499)	\$ 2,222,893	

- YTD revenues is 74.6% of the 2018 budget (\$101,126 below the 75% target amount).
- YTD expenditures is 62.5% of the 2018 budget (\$3,156,143 below the 75% target amount)
  - Capital Outlay & Debt Service expenditures are 48.9% of the 2018 budget (\$1,726,491 below the 75% target amount)
  - Operating expenditures is 67.5% of the 2018 budget (\$1,389,270 below the 75% of target amount)
- ✓ **Bottom line – The city operated within the budget parameters.**

Exception: Community Block Grant Fund incurred unbudgeted expenditures exceeding its fund balance and currently has a negative cash balance of \$561 (A budget amendment in December).

# General Fund Overview

	General Fund #001		% of Budget
	Budget	YTD Actual	
Beginning Fund Balance	2,041,941	2,042,442	
Revs. & Transfers In	9,329,852	6,925,856	74.2%
Exps. & Transfers Out	(10,402,168)	(7,475,777)	71.9%
Ending Fund Balance	969,625	1,492,521	
Changes in Fund Balance		(549,921)	

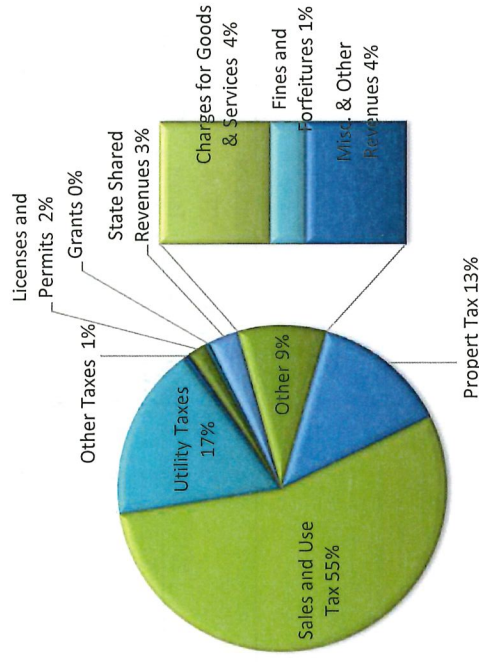
- YTD Revenues is 74.2% of the 2018 budget (\$72K below the 75% target amount).
- YTD Expenditures is 71.9% of the 2018 budget (\$325K below 75% target amount)
- YTD fund balance decreased by \$549,921 from the beginning fund balance.

**Bottom line – Overall, operated within the budget parameters**

# General Fund Revenues by Major Source

- Tax revenues make up 86% of total general fund revenues received through September 2018
- Sales & Use Tax 55%
- Utility Taxes 17%
- Property Taxes 13%
- Other Taxes 1%

City of Chehalis  
 General Fund YTD Revenues by Source  
 For the Period Ended September 30, 2018





# General Fund Revenues - Budget to Actual

**Property Taxes:**

2018 YTD is \$228,086 above the 75% target. A 9.2% increase from Sept. 2017.

**Sales Taxes:**

About 10% (\$379,229) of the YTD sales tax is from construction activities  
Slight increase from Marketplace Fairness Act (offset by reduction in SST mitigation payment)

**Utility Taxes:**

2018 YTD is \$62K below the 75% target amount  
Declined \$146K(10.9%) from September 2017

Electricity, gas, cable & telephone utility tax revenues continue to decline

**State Shared Revenues:**

Includes Marijuana Excise tax receipt \$36,063 (September 2017 was \$3,450)

SST mitigation payment decreased \$8,743 from a year ago.

**Other Revenues:**

Building Permit & Plan Check fees is 57% of the budget (declined \$37,765 from a year ago)

Court revenues is 62% of the 2018 budget

General Fund Revenue Sources	2018 Budget	Sept 2018		Percent Received	Variance YTD vs. Target	Sept 2017		Incr.(decr.) 2017-2018	% Incr. (decr.)
		YTD Actual	\$			YTD Actual	\$		
Property Taxes <sup>^</sup>	\$ 1,639,220	\$ 924,608	\$ 924,443	56.4%	\$(304,807)	\$ 924,443	\$ 165		0.0%
Sales and Use Taxes <sup>^^</sup>	4,752,128	3,792,182	3,474,208	79.8%	228,086	3,474,208	317,974		9.2%
Utility Taxes	1,677,920	1,195,832	1,341,952	71.3%	(62,608)	1,341,952	(146,120)		-10.9%
Other Taxes	50,222	41,087	38,006	81.8%	3,420	38,006	3,081		8.1%
Licenses and Permits	180,835	126,204	148,803	69.8%	(9,422)	148,803	(22,599)		-15.2%
Grants	1,267	31,702	845,201	2502.1%	30,752	845,201	(813,499)		-96.2%
State Shared Revenues	226,507	205,178	185,560	90.6%	35,298	185,560	19,618		10.6%
Charges for Goods & Services	360,330	275,721	325,611	76.5%	5,473	325,611	(49,890)		-15.3%
Fines and Forfeitures	140,685	87,358	86,114	62.1%	(18,156)	86,114	1,244		1.4%
Misc. & Other Revenues	300,738	245,983	237,809	81.8%	20,429	237,809	8,174		3.4%
<b>Total Revenues</b>	<b>\$ 9,329,852</b>	<b>\$ 6,925,855</b>	<b>\$ 7,607,707</b>	<b>74.2%</b>	<b>\$ (71,535)</b>	<b>\$ 7,607,707</b>	<b>\$(681,852)</b>		<b>-9.0%</b>

Foot Note:

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

<sup>^^</sup> Includes Local Sales & Use Tax, Brokered Natural Gas and Criminal Justice Sales & Use Tax (excludes Transportation Benefit District Sales Tax)

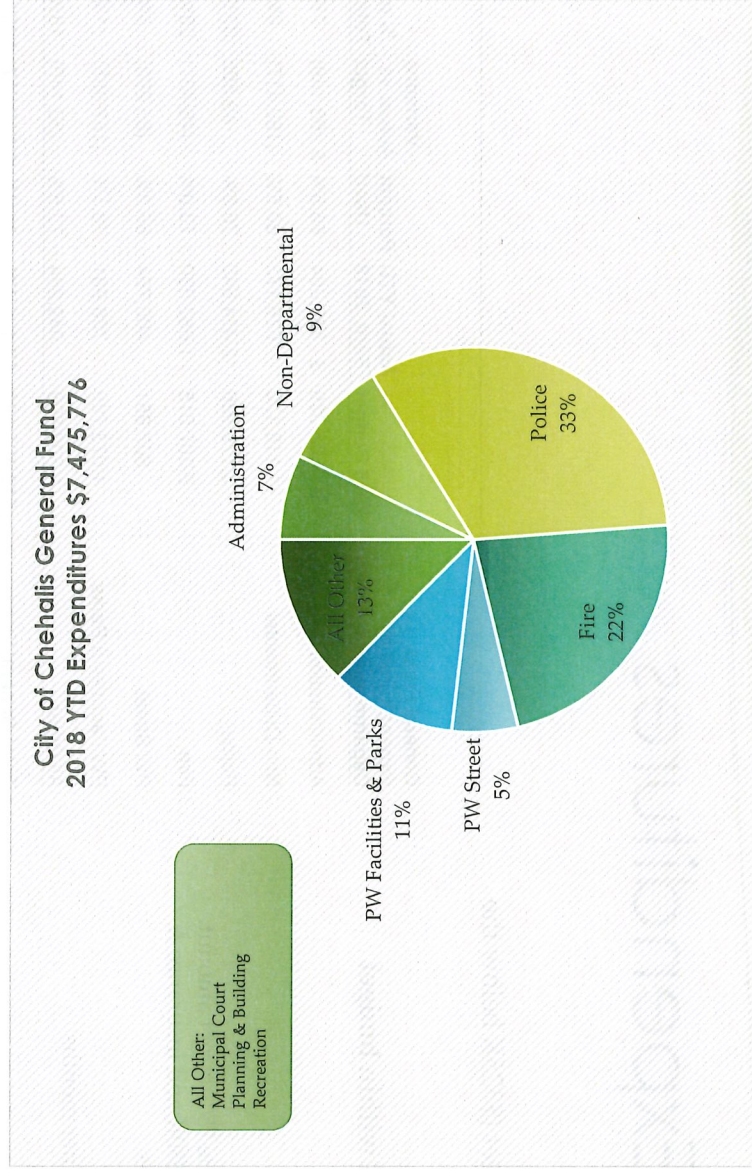
# General Fund Expenditures by Function

- 2018 YTD expenditures is \$7,475,776 (71.9% of the 2018 budget).

- Police & Fire \$4,118,370 (55% of total)

- PW Street and Facilities & Parks \$1,195,745 (16% of total)

- Administration \$536,204 (7%)





# General Fund Expenditures

- YTD expenditures 71.9% of the 2018 budget (\$325K below the 75% target amount).
- **Bottom line: Most departments operated within budget parameters.**
- **Exceptions:**
  - Police: YTD expenditure is \$49,595 above the 75% target amount. Wages & Benefits exceeded the budget by \$30K and insurance & capital expenditures spent in earlier months.
  - Recreation: High activities during the summer months.
  - Non-departmental department has \$161K budget in suspense account which has not been expensed. We anticipate a good portion of this budget will be spent by the end of the year.

General Fund Expenditures by Department/Function	2018 Budget	Actual YTD Sept. 2018	Percent Used	Variance	
				Actual vs. Target	% of Total
Administration	\$ 805,829	\$ 536,204	66.5%	\$ (68,169)	7%
Non-Departmental	1,118,120	676,173	60.5%	(162,417)	9%
Police	3,179,926	2,434,540	76.6%	49,595	33%
Fire	2,307,015	1,683,830	73.0%	(46,431)	23%
PW Street	607,651	406,764	66.9%	(65,290)	5%
PW Facilities & Parks	1,073,729	788,981	73.5%	(187,385)	11%
All Other	1,309,898	949,284	72.5%	(33,140)	13%
<b>Total General Fund</b>	<b>\$10,402,168</b>	<b>\$7,475,776</b>	<b>71.9%</b>	<b>\$(513,237)</b>	<b>100%</b>



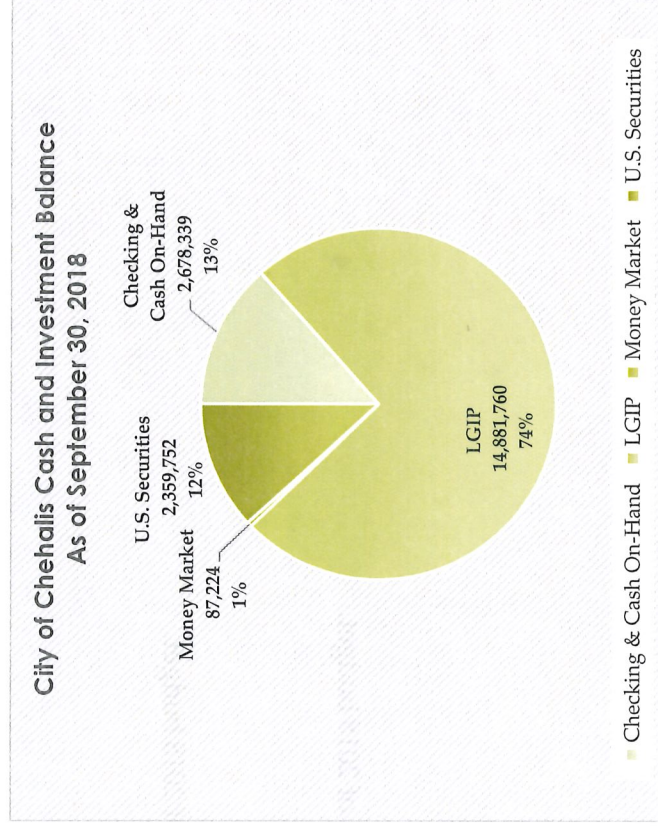
## Enterprise Funds Summary

- **Wastewater**
  - Total revenues are 73.9 % of 2018 budget.
  - Total expenditure is 60.6% of 2018 budget.
  - Debt service and capital outlay expenditures are 50.7% of 2018 budget.
- **Water**
  - Total revenues are 78.5% of 2018 budget.
  - Total expenditures is 55.2% of 2018 budget.
  - Debt service and capital outlay expenditures are 9.2% of 2018 budget.
- **Storm & Surface Water**
  - Total revenues are 87.0% of 2018 budget.
  - Total expenditures 49.9% of 2018 budget.
  - Capital outlay expenditures is 13.1% of 2018 budget.
- **Airport**
  - Total revenues are 67.2% of 2018 budget.
  - Total expenditures 59.2% of 2018 budget.
  - Capital outlay and debt service expenditures are 45.0% of 2018 budget.

**Bottom line:** Capital expenditures are far below the target %. All other expenditures are within normal budget projection.

# Cash & Investment

City of Chehalis Cash & Investment - All Funds		
Balance by Funds	Balance 9/30/2018	% of Total
General Fund	\$ 1,492,522	7.5%
TBD Fund	1,055,443	5.3%
Wastewater Fund	5,579,507	27.9%
Water Fund	7,583,577	37.9%
Storm Water Fund	1,241,286	6.2%
Airport Fund	651,218	3.3%
Firemen's Pension Fund	815,591	4.1%
All Other Funds	1,587,930	7.9%
<b>Total</b>	<b>\$ 20,007,075</b>	<b>100.0%</b>
Restricted/Reserved Balance	\$ 3,362,938	16.8%
Unrestricted Balance	16,644,137	83.2%
<b>Total</b>	<b>\$ 20,007,075</b>	<b>100.00%</b>
2018 YTD Interest Earnings	\$ 172,549	
2017 YTD Interest Earnings	\$ 59,198	
LGIP Net Earnings Rate, Average 2018, 1.7369%		
LGIP Net Earnings Rate, Average 2017, 0.9502%		







## Closing

- 2018 October Financial Reports – November 19, 2018 Council Meeting
- Questions and Comments?
- Thank you!

