

City of Chehalis



Quarterly Council Financial Report Third Quarter 2020

**For the Period Ending
September 30, 2020
(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 26, 2020

SUBJECT: 2020 Third Quarter Financial Status Report

DISCUSSION

This document provides a summary review of the City’s financial activities and status for the third quarter 2020.

The first part of the report provides a summary of all City funds with their beginning cash balances, total revenues and transfers in, total expenditures and transfers out, changes in fund balances during the year, and estimated ending cash balances. The second part of the report provides two-year comparative financial data of year-to-date (YTD) actual revenues and expenditures compared to the budget for the General Fund and major enterprise funds.

The budgets for revenues and expenditures reflects the second 2020 budget amendment.

The reports have been formatted to be consistent with the budget for ease of comparison and review of information. Comparisons and variances shown are based on straight line projections. **The YTD target for September is 75% (9 of 12 months).**

CITY-WIDE OVERVIEW

Overall, on a city-wide basis, the city has received \$18,934,138 or 67.2% of the 2020 revenue budget (including transfers-in) and has expensed \$18,455,599 or 57.6% of the 2020 expenditure budget (including transfers-out) through September.

Chehalis City-Wide, All Funds	2020		YTD % of Budget	Budget to Actual
	Amended Budget	2020 YTD 9/30/2020		Variance Positive (Negative)
Revs. & Transfers In	\$ 28,187,547	\$ 18,934,138	67.2%	\$ (2,206,522)
Exps. & Transfers Out	32,028,090	18,455,599	57.6%	5,565,469
Increase (Decrease) in Fund Balance	(3,840,543)	478,539	-12.5%	\$ 3,358,947
Beginning Fund Balance	23,401,490	23,401,490	100.0%	5,850,373
Ending Fund Balance	\$ 19,560,947	\$ 23,880,029	122.1%	\$ 9,209,320

Total YTD revenues received is \$2,206,522 or 7.8% below the YTD target amount. Proceeds of bond issue and intergovernmental grant reimbursements that are not yet received at the end of September are key factors for this variance and are summarized as follows:

- General Fund – RCO grant revenue of \$316,676 budgeted but reimbursements not yet requested.
- TBD Fund – TIB grant revenue of \$707,535 budgeted but reimbursements not yet requested.
- Public Facilities Reserve Fund - Bond proceed of \$1,725,000 budgeted and received in October.

Total YTD expenditures is \$5,565,469 or 17.4% below the YTD target amount.

- About \$4.06 million (or 73%) of the total variance is related to capital project activities in progress. The city-wide capital budget is \$9.45 million and about 37.0% or \$3.5 million has been expensed at the end of September. Capital budget also includes \$1.2 million for the purchase of future fire station property, which was paid in early October.
- About \$1.16 million (or 21%) of the total variance is for operating expenditures. About 70.6% of the 2020 total payroll budget has been spent through September. This is \$483,061 or 4.6% below the nine-month target. About 61.3% of services budget category has been spent through September, which is \$665,015 or 13.7% below the nine-month target amount.

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

GENERAL FUND OVERVIEW

The General Fund’s YTD revenue is 72.5% of the 2020 budget. This is \$249,703 (or 2.5%) below the nine-month target amount. Total YTD expenditures 68.9% of the 2020 budget. This is \$573,930 (or 6.1%) below the nine-month target amount. YTD total revenues exceeded the total expenditures by \$102,614. The fund balance as of September 30, 2020 is \$1,564,738, which is about 15.8% of the General Fund revenue budget.

	2020		YTD	Variance YTD
	Amended	YTD Actual	Actual %	Actual vs.
	Budget	9/30/2020	of Budget	Target Positive
				(Negative)
Chehalis General Fund				
Revenues & Transfers-In	\$ 9,902,152	\$ 7,176,915	72.5%	\$ (249,703)
Expenditures & Transfers-Out	10,274,462	7,074,301	68.9%	631,546
Revenues Over (Under) Expenditures	(372,310)	102,614	-27.6%	381,843
Beginning Fund Balance	1,462,124	1,462,124		
Ending Fund Balance	\$ 1,089,814	\$ 1,564,738		
Ending Fund Balance % of Revenue Budget			15.8%	

General Fund Revenues:

Below table provides the budget to actual comparisons for General Fund revenues by major revenue sources.

General Fund Revenues	2020	YTD Actual 9/30/2020	YTD % of Budget Rec'd	Variance YTD	YTD Actual 9/30/2019	2019-2020
	Amended Budget			Target vs. Actual		YTD Variance
Property Taxes	\$ 1,937,842	\$ 1,150,165	59.4%	\$ (303,217)	\$ 1,121,655	\$ 28,510
Sales and Use Taxes	4,893,500	3,874,094	79.2%	203,969	3,855,438	18,656
Utility Taxes	1,592,635	1,237,453	77.7%	42,977	1,241,983	(4,530)
Other Taxes	50,168	45,241	90.2%	7,615	43,956	1,285
Subtotal for Tax Revenues	8,474,145	6,306,953	74.4%	(48,656)	6,263,032	43,921
Non-Tax Revenues	1,275,982	797,564	62.5%	(159,426)	970,363	(172,799)
Custodial Receipts	107,025	72,398	67.6%	(7,871)	87,427	(15,029)
Transfers-in	45,000	-	0.0%	(33,750)	80,000	(80,000)
Total Revenues	\$ 9,902,152	\$ 7,176,915	72.5%	\$ (249,703)	\$ 7,400,822	\$ (223,907)

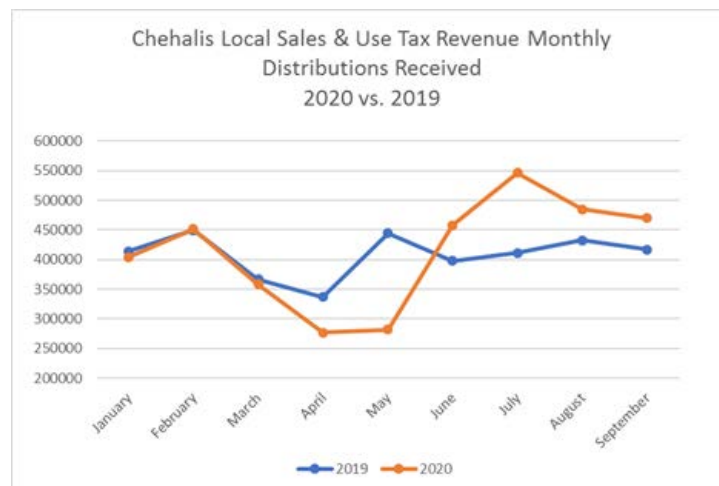
Total YTD tax revenues received is \$7,176,915 or 72.5% of the 2020 budget. This is \$249,703 below the nine-month target amount and a \$223,907 decline from this time last year. Some of this variance is explained below:

Property Tax: YTD received is \$1,150,165 or 59.4% of the 2020 budget. This is \$303,217 below the nine-month target amount. This is the normal trend for this time of the year. Historically, about 57% of tax levied is collected through September. The second tax payment due is October and will be distributed to the City in November.

Sales Tax: YTD revenue received is \$3,874,094 or 79.2% of the 2020 budget. This is \$203,969 ahead of the nine-month target amount and a \$18,656 increase from a year ago. This total includes local sales and use tax, Brokered Natural Gas sales tax, and Criminal Justice sales tax.

2020 sales tax revenue projection was revised in September due to the anticipated impacts from the COVID-19 pandemic. The budget amendment reduced 2020 sales tax projection by \$246,900 (or 5%). When compared to the 2020 original sales tax projection, the YTD sales tax revenue is about \$18,794 (or 0.3%) ahead of the nine-month target.

Chehalis sales tax collections continue to recover in June, July, August, and September following the sharp decline in April and May 2020. In the period since June, the recovery in revenue collections has been much stronger than expected, mainly in the sectors of retail trade.



The Washington State Economic and Revenue Forecast's September 2020 report indicates that in the period since June, the recovery in revenue collections has been much stronger than expected. The most recent collection period, however, represented taxable activities in July, when a \$600 per week supplemental unemployment benefit was in effect and other federal benefits, though winding down, were still present. The forecast does not therefore expect that collections over the next several months will show the same strength. We will continue monitoring sales tax revenues for the next few months and update the revenue projection if needed.

Utility Tax: YTD utility tax received is about \$42,977 or 2.7% ahead of the nine-month target amount. Electricity, gas, and solid waste utility tax revenues are ahead of the nine-month target amount; whereas, cable, telephone, water and wastewater utility tax revenues are below the nine-month target amount.

Non-tax revenues include licenses and permit fees, charges for goods and services, recreation program fees, fines, and other miscellaneous revenues. YTD non-tax revenue received is \$797,564 or 62.5% of the 2020 budget. This is about \$159,426 below the nine-month target amount.

Intergovernmental grant is one of the key contributing factors for YTD revenues falling behind the nine-month target amount. Intergovernmental revenues includes a \$316,676 RCO grant for the flood storage mitigation project. The work has just begun, and no grant reimbursement has been received.

General Fund Expenditures and Transfers-out

YTD expenditures is \$7,074,301 or 68.9% of the 2020 budget. This is \$631,546 below the nine-month target amount and consists of the following expenditure categories: Payroll (wages and benefits) \$174,715; Supplies \$42,202; Services \$398,306; and all other \$16,323.

Expenditures by Category:

Payroll: YTD payroll expenditures totaled \$5,209,242 or 72.6% of the 2020 budget and makes up about 72.6% of the total General Fund expenditures through September. The YTD expended is \$174,714 or 2.4% below the nine-month target amount.

Supplies: Overall YTD expenditures for supplies is \$264,200 or 64.7% of the 2020 budget. This is about \$42,202 below the nine-month target amount. This category includes office supplies, parts and supplies for public works operations, and minor tools and equipment.

Services: Overall YTD expenditures for services is \$1,469,807 or 59.0% of the 2020 budget. This is about \$398,306 below the nine-month target amount. This category includes insurance, professional services, repairs and maintenance of facilities, computer software & hardware maintenance, utilities, phone service, and intergovernmental services. As mentioned in the Planning and Building department budget section, about \$169,000 of this variance is related to professional services budget for flood storage master plan study that has recently started.

Expenditures by Departments:

YTD expenditures for most departments are within the expected range of the nine-month target amount.

Non-departmental department has used 52.7% of the 2020 budget. This is \$96,757 below the nine-month target amount. One of the key contributing factors for this variance is \$50,000 appropriated for the Main Street tax credit contribution, which will be made in November.

Planning and Building department has used 48.6% of its 2020 budget. This is \$174,395 below the nine-month target amount. One of the key factors for this variance is the \$316,676 appropriated for professional services for grant funded flood storage master plan. YTD spent on this project is \$68,464.

YTD expenditures for public safety (police and fire) is \$4,122,467 and makes up about 58.3% of the total general fund expenditures. YTD expenditures for public works streets and facilities/parks is \$1,196,260 and makes up about 17.0% of the total general fund expenditures.

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

WASTEWATER FUND OVERVIEW

YTD operating revenues received is \$4,042,470 or 72.4% of the 2020 budget. This is \$142,348 below the nine-month target amount. YTD rate charges for wastewater services is 75.2% of the budget and is \$10,681 ahead of the nine-month target amount. Hookup/Connection fees collected is 27.1% of the 2020 budget and is \$51,718 below the nine-month target amount. Late payment fees received is 28.6% of the 2020 budget and \$23,412 below the nine-month target amount. This may be attributable to the Governor's proclamation for Ratepayer Assistance due to the COVID-19 pandemic.

YTD total operating expenditures is \$2,245,069 or 68.0% of the 2020 budget. This is about \$231,092 below the nine-month target amount. YTD capital expenditures is \$491,011 or 52.3% of the 2020 budget. YTD debt service payments is \$962,139 or 50% of the 2020 budget. The second semi-annual debt service payment is due in December. YTD total revenues exceeded total expenditures by \$344,251.

WATER FUND OVERVIEW

YTD operating revenues received is \$2,066,920 or 65.9% of the 2020 budget. This is \$287,137 below the nine-month target amount. YTD rate charges for water services is 68.6% of the 2020 budget and is \$183,845 below the nine-month target amount. When compared with last year, 2020 YTD rate revenues is \$23,591 less than this time last year. YTD utility hookup and connection fees revenues collected is 31.7% of the 2020 budget and is \$57,106 below the nine-month target amount. YTD late payment fees collected is 22.2% of the 2020 budget and is \$17,332 below the nine-month target amount.

YTD total operating expenditures is \$1,622,660 or 69.3% of the 2020 budget. This is \$134,254 below the nine-month target amount. YTD capital expenditures is \$593,882 or 26.3% of the 2020 budget. YTD total expenditures exceeded total revenues by \$372,016.

STORM AND SURFACE WATER FUND OVERVIEW

YTD total operating revenues received is \$559,087 or 76.0% of the 2020 budget. This is \$7,315 ahead of the nine-month target amount. YTD operating expenditures is \$389,406 or 75.5% of the 2020 budget.

YTD total revenues exceeded total expenditures by \$164,981.

COVID-19 IMPACTS ON CITY UTILITIES

Governor Inslee's proclamation for Ratepayer Assistance prohibits energy, water and landline telephone companies from disconnecting services due to nonpayment or charging fees for late payment for residential customers. Recently the proclamation was extended through December 31, 2020.

The City's combined utilities (Water/Wastewater/Stormwater) rate revenues collected through September is \$6,314,252 or 73.4% of the 2020 budget. This is \$134,766 below the nine-month target amount.

The table below provides a summary of total balance (combined total for water/wastewater/stormwater) due as of September 26th (before new billing) compared with 2020 and 2019:

Chehalis Utility Payment Status	Unpaid Balance as of 9/26*	YTD Late Fee Revenues
As of 9/26/2019	\$ 65,003	\$ 64,741
As of 9/26/2020	\$ 162,204	\$ 23,805
2020-2019 Increase (decrease)	\$ 97,201	\$ (40,936)

* Before new billing

As of September 26, the unpaid balance increased by \$97,201 from a year ago. Since there has been no rate increases nor significant changes in total number of customers from 2019, the increase in unpaid balance in 2020 may be the results of the Governor's proclamation for Ratepayer Assistance.

The proclamation does not relieve customers from the obligation to pay for utility services, and the City will need to work with the customer to collect payments. However, the late fees are waived and will be a loss for the City's utilities. It is anticipated that the unpaid balance and the loss of late fee revenue may grow bigger for the remainder of 2020. A budget amendment to the original revenue projection may be needed.

AIRPORT FUND

YTD operating revenues received is \$1,396,188 or 79.3% of the 2020 budget. This is \$75,142 ahead of the nine-month target amount. Fuel sales revenue exceeded the nine-month target amount by \$116,272 or 18.9% of the 2020 fuel sales amended budget. Whereas, rent and lease revenue collected is 70.9% of the 2020 budget and \$46,756 below the nine-month target amount. This variance is due to the timing of receipts (i.e. September lease payments received in early October).

YTD operating expenditures is \$998,198 or 78.7% of the 2020 budget. This exceeds the nine-month target amount by \$46,633. This variance is due to the increase in fuel purchased for resale. YTD fuel purchased for resale is 93.2% of the 2020 budget and exceeds the nine-month target amount by \$92,121. The fuel purchase budget was increased with the second amendment to the 2020 budget; however, the projection is still off. We will consider revising the budget once again prior to year-end. Only 10.7% of the 2020 capital budget has been spent through September. The above ground fuel storage project has not yet started.

YTD total revenues exceeded total expenditures by \$333,539.

TREASURER'S REPORT – CASH AND INVESTMENTS

The city's total cash, deposits, and investments as of September 30, 2020 is \$23,880,029. About 89% or \$21,260,687 of the city's cash is invested and earns interests. The remaining 11% or \$2,619,342 is deposited in non-interest-bearing checking accounts or held in revolving cash funds 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 9/30/2020	% of Total
Checking & Revolving Cash Fund	2,619,342	11.0%
Money Market & Savings	87,436	0.4%
Local Government Investment Pool (LGIP)	18,668,464	78.2%
US Govt Agency Securities (Bonds)	2,504,787	10.5%
Total	\$ 23,880,029	100.0%

Only 6.6% or \$1,564,738 of the total cash and investments belongs to the General Fund. Other than the General Fund, all other funds are restricted or committed 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, tourism, utilities and Airport.

Total YTD investment interest earnings through September 30, 2020 totaled \$156,829. The LGIP average net earnings rate for the first nine-months in 2020 and 2019 were 0.79% and 2.45%, respectively. The LGIP net earnings rate has declined from 1.72% from the beginning of 2020 to 0.21% at the end of September 2020. Total YTD interest earnings in 2020 declined by \$166,179 from a year ago.

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
 2020 Third Quarter Financial Statements - All Funds
 As of September 30, 2020

Fund Type/Name	Beginning Fund Balance		Revenues & Transfers			Expenditures & Transfers			Changes in Fund Balance		Ending Fund Balance	
	2020 Amended Budget	Actual 1/1/2020	2020 Amended Budget	YTD 9/30/2020 Actual	YTD % of Budget	2020 Amended Budget	YTD 9/30/2020 Actual	YTD % of Budget	2020 Amended Budget	YTD 9/30/2020 Actual	2020 Amended Budget	Actual 9/30/2020
General Funds:												
General Fund	\$ 1,462,124	\$ 1,462,124	\$ 9,902,152	\$ 7,176,915	72.5%	\$ 10,274,462	\$ 7,074,301	68.9%	\$ (372,310)	\$ 102,614	1,089,814	\$ 1,564,738
Dedicated Street Fund	222,014	222,014	48,300	38,451	79.6%	201,520	68,733	34.1%	(153,220)	(30,282)	68,794	191,732
Building Abatement Fund	103,032	103,032	1,600	542	33.9%	52,000	6,979	13.4%	(50,400)	(6,437)	52,632	96,595
Compensated Absences Fund	196,908	196,908	3,640	1,041	28.6%	-	-	0.0%	3,640	1,041	200,548	197,949
Total General Funds	1,984,078	1,984,078	9,955,692	7,216,949	72.5%	10,527,982	7,150,013	67.9%	(572,290)	66,936	1,411,788	2,051,014
Special Revenue Funds:												
Arterial Street Fund	121,703	121,703	137,199	98,062	71.5%	166,019	138,969	83.7%	(28,820)	(40,907)	92,883	80,796
Transportation Benefit Dist. Fund	2,166,644	2,166,644	2,260,601	1,325,658	58.6%	2,417,881	667,176	27.6%	(157,280)	658,482	2,009,364	2,825,126
Tourism Fund	420,501	420,501	195,130	153,510	78.7%	562,483	347,252	61.7%	(367,353)	(193,742)	53,148	226,759
Community Block Grant Fund	24,454	24,454	480	129	26.9%	1,000	-	0.0%	(520)	129	23,934	24,583
HUD Block Grant Fund	87,927	87,927	1,720	465	27.0%	2,000	-	0.0%	(280)	465	87,647	88,392
LEOFF 1 OPEB Reserve Fund			233,549	169,353	72.5%	223,500	105,367	47.1%	10,049	63,986	10,049	63,986
Total Special Revenue Funds	2,821,229	2,821,229	2,828,679	1,747,177	61.8%	3,372,883	1,258,764	37.3%	(544,204)	488,413	2,277,025	3,309,642
Debt Service Funds:												
2011 G.O. Bond Fund	1	1	160,914	160,914	100.0%	160,915	74,801	46.5%	(1)	86,113	-	86,114
Total Debt Service Fund	1	1	160,914	160,914	100.0%	160,915	74,801	46.5%	(1)	86,113	-	86,114
Capital Project Funds:												
Public Facilities Reserve Fund	1,066,995	1,066,995	2,533,677	945,949	37.3%	3,346,556	1,550,905	46.3%	(812,879)	(604,956)	254,116	462,039
Automotive/Equip. Reserve Fund	240,631	240,631	3,640	1,195	32.8%	202,083	55,166	27.3%	(198,443)	(53,971)	42,188	186,660
First Quarter REET Fund	136,249	136,249	112,980	80,871	71.6%	39,982	39,982	100.0%	72,998	40,889	209,247	177,138
Second Quarter REET Fund	152,571	152,571	113,300	80,965	71.5%	33,156	33,156	100.0%	80,144	47,809	232,715	200,380
Total Capital Project Funds	1,596,446	1,596,446	2,763,597	1,108,980	40.1%	3,621,777	1,679,209	46.4%	(858,180)	(570,229)	738,266	1,026,217
Proprietary Funds:												
Garbage Fund	8,002	8,002	6,730	5,247	78.0%	6,610	3,305	50.0%	120	1,942	8,122	9,944
Wastewater Fund	5,374,991	5,374,991	5,580,395	4,042,950	72.4%	6,123,346	3,698,699	60.4%	(542,951)	344,251	4,832,040	5,719,242
Water Fund	7,967,916	7,967,916	3,208,280	2,134,846	66.5%	4,891,226	2,506,862	51.3%	(1,682,946)	(372,016)	6,284,970	7,595,900
Storm & Surface Water Fund	1,460,054	1,460,054	735,695	559,113	76.0%	691,333	394,132	57.0%	44,362	164,981	1,504,416	1,625,035
Airport Fund	1,169,630	1,169,630	2,639,850	1,759,327	66.6%	2,279,238	1,425,788	62.6%	360,612	333,539	1,530,242	1,503,169
Total Proprietary Funds	15,980,593	15,980,593	12,170,950	8,501,483	69.9%	13,991,753	8,028,786	57.4%	(1,820,803)	472,697	14,159,790	16,453,290
Fiduciary Funds:												
Firemen's Pension Fund	1,013,143	1,013,143	32,375	4,985	15.4%	80,270	74,363	92.6%	(47,895)	(69,378)	965,248	943,765
City Agency Fund	6,000	6,000	275,340	193,650	70.3%	272,510	189,663	69.6%	2,830	3,987	8,830	9,987
Total Fiduciary Funds	1,019,143	1,019,143	307,715	198,635	64.6%	352,780	264,026	74.8%	(45,065)	(65,391)	974,078	953,752
TOTAL ALL CITY FUNDS	\$ 23,401,490	\$ 23,401,490	\$ 28,187,547	\$ 18,934,138	67.2%	\$ 32,028,090	\$ 18,455,599	57.6%	\$ (3,840,543)	\$ 478,539	\$ 19,560,947	\$ 23,880,029

Note: May contain rounding differences of +/-1

City of Chehalis
Comparative Revenues, Expenditures, and Fund Balances - Budget to Actual
September 2019 and 2020
General Fund

					YTD Target % * 75.00%			
GENERAL FUND (#001)	2019 Amended Budget	2019 YTD Actual 9/30/2019	2019 YTD % of Budget	2020 Amended Budget	2020 YTD Actual 9/30/2020	2020 YTD % of Budget	^Variance YTD Target vs. Actual	Change YTD Actual 2020-2019
Revenues:								
Taxes:								
Property Taxes	\$ 1,926,749	\$ 1,121,655	58.2%	\$ 1,937,842	\$ 1,150,165	59.4%	\$ (303,217)	\$ 28,510
Sales and Use Taxes	5,142,110	3,855,438	75.0%	4,893,500	3,874,094	79.2%	203,969	18,656
Utility Taxes	1,576,490	1,241,983	78.8%	1,592,635	1,237,453	77.7%	42,977	(4,530)
Other Taxes	46,670	43,956	94.2%	50,168	45,241	90.2%	7,615	1,285
Total Taxes	8,692,019	6,263,032	72.1%	8,474,145	6,306,953	74.4%	(48,656)	43,921
Non-Tax Revenues:								
Licenses and Permits	200,575	192,546	96.0%	195,780	152,842	78.1%	6,007	(39,704)
Intergovernmental Revenues	361,521	269,398	74.5%	667,282	326,121	48.9%	(174,341)	56,723
Charges for Goods & Services:								
General Government	14,350	12,616	87.9%	10,510	8,246	78.5%	363	(4,370)
Public Safety	121,862	46,011	37.8%	95,230	86,210	90.5%	14,787	40,199
Economic Development	91,710	57,885	63.1%	48,760	31,761	65.1%	(4,809)	(26,124)
Cultre & Recreation	193,900	165,144	85.2%	25,740	15,599	60.6%	(3,706)	(149,545)
Physcial Environment	215	-	0.0%	430	3,000	697.7%	2,677	3,000
Total for Charges for Goods & Services	422,037	281,656	66.7%	180,670	144,816	80.2%	9,312	(136,840)
Fines and Forfeitures	120,110	90,323	75.2%	120,190	88,482	73.6%	(1,661)	(1,841)
Miscellaneous	157,995	136,440	86.4%	112,060	85,303	76.1%	1,257	(51,137)
Total Non-Tax Revenues	1,262,238	970,363	76.9%	1,275,982	797,564	62.5%	(159,426)	(172,799)
Other Fund Sources:								
Custodial Activity	104,405	87,427	83.7%	107,025	72,398	67.6%	(7,871)	(15,029)
Transfers-in	80,000	80,000	100.0%	45,000	-	0.0%	(33,750)	(80,000)
Total Other Fund Sources	184,405	167,427	90.8%	152,025	72,398	47.6%	(41,621)	(95,029)
Total Revenues	\$ 10,138,662	\$ 7,400,822	73.0%	\$ 9,902,152	\$ 7,176,915	72.5%	\$ (249,703)	\$ (223,907)
Expenditures								
Expenditures by Department:								
City Council	\$ 97,825	\$ 69,120	70.7%	\$ 91,601	\$ 53,259	58.1%	\$ 15,442	\$ (15,861)
Municipal Court	497,978	345,338	69.3%	492,338	354,507	72.0%	14,747	9,169
City Manager	201,348	149,541	74.3%	193,581	150,440	77.7%	(5,254)	899
Finance	299,503	200,059	66.8%	286,298	215,901	75.4%	(1,177)	15,842
City Clerk	86,347	61,254	70.9%	85,367	58,822	68.9%	5,203	(2,432)
Legal Service	78,183	54,156	69.3%	75,673	54,337	71.8%	2,418	181
Facilities and Parks	1,173,217	836,152	71.3%	1,086,372	805,068	74.1%	9,711	(31,084)
Non-Departmental	1,373,097	1,064,339	77.5%	432,943	227,950	52.7%	96,757	(836,389)
Human Resources	202,578	111,086	54.8%	139,311	93,458	67.1%	11,025	(17,628)
Police	3,305,621	2,417,822	73.1%	3,327,132	2,416,162	72.6%	79,187	(1,660)
Fire	2,362,379	1,721,252	72.9%	2,432,267	1,706,305	70.2%	117,895	(14,947)
Public Works - Streets	616,810	412,303	66.8%	620,487	391,192	63.0%	74,173	(21,111)
Planning & Building	391,443	279,801	71.5%	661,637	321,833	48.6%	174,395	42,032
Recreation	482,879	387,503	80.2%	349,455	225,067	64.4%	37,024	(162,436)
Total Expenditures	11,169,208	8,109,726	72.6%	10,274,462	7,074,301	68.9%	631,546	(1,035,425)
Excess (Deficiency) Revenues Over (Under) Expenditures	\$ (1,030,546)	\$ (708,904)	68.8%	\$ (372,310)	\$ 102,614	-27.6%	381,843	\$ 811,518
Beginning Fund Balance	1,804,262	1,804,262	100.0%	1,462,124	1,462,124	100.0%	-	(342,138)
Ending Fund Balance	\$ 773,716	\$ 1,095,358	141.6%	\$ 1,089,814	\$ 1,564,738	143.6%	\$ 381,843	\$ 469,380

Foot Note:

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

City of Chehalis
Expenditures by Category - Budget to Actual
September 2019 and 2020
General Fund

GENERAL FUND (#001)	2019		2019 YTD % of Budget	2020		2020 YTD % of Budget	^Variance YTD Target vs. Actual	Change YTD Actual 2020- 2019
	Amended Budget	YTD Actual 9/30/2019		Amended Budget	YTD Actual 9/30/2020			
YTD Target % * 75.00%								
Expenditures by Category:								
Salaries	\$ 5,059,205	\$ 3,764,824	74.4%	\$ 4,971,306	\$ 3,667,435	73.8%	\$ 61,045	\$ (97,389)
Benefits	2,619,740	1,853,928	70.8%	2,207,302	1,541,807	69.9%	113,670	(312,121)
Total Payroll	7,678,945	5,618,752	73.2%	7,178,608	5,209,242	72.6%	174,714	(409,510)
Supplies	410,433	270,177	65.8%	408,536	264,200	64.7%	42,202	(5,977)
Services	2,386,342	1,563,353	65.5%	2,490,817	1,469,807	59.0%	398,306	(93,546)
Capital Outlay	18,412	23,769	129.1%	141,545	117,737	83.2%	(11,578)	93,968
Debt Service	114,432	85,953	75.1%	127,648	96,767	75.8%	(1,031)	10,814
Custodial Activity	104,415	77,426	74.2%	106,125	67,787	63.9%	11,807	(9,639)
Transfers-out	870,554	798,481	91.7%	245,332	171,113	69.7%	12,886	(627,368)
Inferfund Charges	(414,325)	(328,185)	79.2%	(424,149)	(322,352)	76.0%	4,240	5,833
Total Expenditures	11,169,208	8,109,726	653.8%	10,274,462	7,074,301	564.9%	631,546	(1,035,425)

Foot Note:

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

City of Chehalis
Comparative Revenues and Expenditures - Budget to Actual
September 2019 and 2020
Wastewater Fund

Wastewater Fund (#404)	2019		2019 YTD % of Budget	2020		YTD Target % *	75.00%	^Variance YTD Target vs. Actual	Change YTD Actual 2020-2019
	Amended Budget	YTD Actual 9/30/2019		Amended Budget	YTD Actual 9/30/2020	2020 YTD % of Budget			
Revenues:									
Operating Revenues:									
Charges for Services	\$ 5,068,094	\$ 3,796,196	74.9%	\$ 5,056,865	\$ 3,803,330	75.2%	\$ 10,681	\$ 7,134	
Hookup/Connection Fee	99,000	93,021	94.0%	107,920	29,222	27.1%	(51,718)	(63,799)	
Capacity Charge (Cost Share)	277,378	138,689	50.0%	277,380	138,689	50.0%	(69,346)	-	
Late Payment Fees	42,910	38,878	90.6%	50,450	14,426	28.6%	(23,412)	(24,452)	
Interest Earnings	104,130	87,169	83.7%	82,250	52,952	64.4%	(8,736)	(34,217)	
Rental Income	4,140	3,545	85.6%	3,550	3,545	99.9%	882	-	
Miscellaneous Other	1,550	705	45.5%	1,540	306	19.9%	(849)	(399)	
Total Operating Revenues	5,597,202	4,158,203	74.3%	5,579,955	4,042,470	72.4%	(142,498)	(115,733)	
Other Fund Sources:									
Custodial Activities	660	513	77.7%	440	480	109.1%	150	(33)	
Debt Proceeds	-	-	0.0%	-	-	0.0%	-	-	
Total Other Fund Source	660	513	77.7%	440	480	109.1%	150	(33)	
Total Revenues & Fund Sources	\$ 5,597,862	\$ 4,158,716	74.3%	\$ 5,580,395	\$ 4,042,950	72.4%	\$ (142,348)	\$ (115,766)	
Expenditures:									
Operating Expenditures:									
Wages	\$ 1,007,949	\$ 700,379	69.5%	\$ 1,066,122	\$ 707,743	66.4%	\$ 91,849	\$ 7,364	
Benefits	511,882	363,683	71.0%	563,775	353,649	62.7%	69,182	(10,034)	
Supplies	457,486	333,746	73.0%	438,652	371,964	84.8%	(42,975)	38,218	
Services	1,146,597	833,875	72.7%	1,232,999	811,713	65.8%	113,036	(22,162)	
Total Operating Expenditures:	3,123,914	2,231,683	71.4%	3,301,548	2,245,069	68.0%	231,092	13,386	
Other Expenditures:									
Capital Outlay	890,294	247,760	27.8%	938,395	491,011	52.3%	212,785	243,251	
Debt Service	1,880,055	960,524	51.1%	1,882,803	962,139	51.1%	449,963	1,615	
Custodial Activities	600	481	80.2%	600	480	80.0%	(30)	(1)	
Interfund Loan Disbursements	-	-	0.0%	-	-	0.0%	-	-	
Total Other Expenditures	2,770,949	1,208,765	43.6%	2,821,798	1,453,630	51.5%	662,718	244,865	
Total Expenditures	\$ 5,894,863	\$ 3,440,449	58.4%	\$ 6,123,346	\$ 3,698,699	60.4%	\$ 893,810	\$ 258,250	
Changes in Fund Balance	\$ (297,001)	\$ 718,267	-241.8%	\$ (542,951)	\$ 344,251	-63.4%	\$ 751,462	\$ (374,016)	
Beginning Fund Balance	5,112,880	5,112,880	100.0%	5,374,991	5,374,991	100.0%	-	262,111	
Ending Fund Balance	\$ 4,815,879	\$ 5,831,147	121.1%	\$ 4,832,040	\$ 5,719,242	118.4%	\$ 751,462	\$ (111,905)	
<i>Operating Income (deficit)</i>	\$ 2,473,288	\$ 1,926,520	77.9%	\$ 2,278,407	\$ 1,797,401	78.9%	\$ 88,594	\$ (129,119)	

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City of Chehalis
Comparative Revenues and Expenditures - Budget to Actual
September 2019 and 2020
Water Fund

	2019		2019 YTD % of Budget	2020		2020 YTD % of Budget	^Variance YTD Target vs. Actual	Change YTD Actual 2020-2019
	Amended Budget	YTD Actual 9/30/2019		Amended Budget	YTD Actual 9/30/2020			
WATER FUND (#405)								
Revenues:								
Operating Revenues:								
Charges for Services	\$ 2,648,500	\$ 1,988,354	75.1%	\$ 2,864,810	\$ 1,964,763	68.6%	\$ (183,845)	\$ (23,591)
Hookup/Connectoin Fee	136,640	131,110	96.0%	131,770	41,722	31.7%	(57,106)	(89,388)
Late Payment Fees	27,720	21,484	77.5%	32,820	7,283	22.2%	(17,332)	(14,201)
Interest Earnings	144,176	108,322	75.1%	109,110	53,755	49.3%	(28,078)	(54,567)
Other Receipts	1,220	407	33.4%	230	(603)	-262.2%	(776)	(1,010)
Total Operating Revenues	2,958,256	2,249,677	76.0%	3,138,740	2,066,920	65.9%	(287,137)	(182,757)
Other Funding Source								
Inerfund Loan Repayment	68,095	51,164	75.1%	69,490	51,991	74.8%	(127)	827
Custodial Activities	270	33	12.2%	50	11,817	23634.0%	11,779	11,784
Other Resources	-	-	0.0%	-	4,118	0.0%	4,118	4,118
Total Other Fund Source	68,365	51,197	74.9%	69,540	67,926	97.7%	15,770	16,729
Total Revenues & Fund Sources	\$ 3,026,621	\$ 2,300,874	76.0%	\$ 3,208,280	\$ 2,134,846	66.5%	\$ (271,367)	\$ (166,028)
Expenditures								
Operating Expenditures								
Wages	\$ 980,324	\$ 651,777	66.5%	\$ 848,476	\$ 606,609	71.5%	29,748	(45,168)
Benefits	490,492	298,212	60.8%	430,881	281,087	65.2%	42,074	(17,125)
Supplies	335,689	210,670	62.8%	344,456	218,758	63.5%	39,584	8,088
Services	709,188	439,096	61.9%	718,738	516,206	71.8%	22,848	77,110
Total Operating Expenditures	2,515,693	1,599,755	63.6%	2,342,551	1,622,660	69.3%	134,254	22,905
Other Expenditures								
Capital Expenditures	1,464,300	174,254	11.9%	2,259,332	593,882	26.3%	1,100,617	419,628
Debt Service	321,662	320,563	99.7%	289,243	290,320	100.4%	(73,388)	(30,243)
Custodial Activities	100	33	33.0%	100	-	0.0%	75	(33)
Total Other Expenditures	1,786,062	494,850	27.7%	2,548,675	884,202	34.7%	1,027,304	389,352
Total Expenditures	\$ 4,301,755	\$ 2,094,605	48.7%	\$ 4,891,226	\$ 2,506,862	51.3%	\$ 1,161,558	\$ 412,257
Change in Fund Balance	\$ (1,275,134)	\$ 206,269	-16.2%	\$ (1,682,946)	\$ (372,016)	22.1%	\$ 890,191	\$ (578,285)
Beginning Fund Balance	7,437,091	7,437,091	100.0%	7,967,916	7,967,916	100.0%	-	530,825
Ending Fund Balance	\$ 6,161,957	\$ 7,643,360	124.0%	\$ 6,284,970	\$ 7,595,900	120.9%	\$ 890,191	\$ (47,460)
<i>Operating Income (deficit)</i>	\$ 442,563	\$ 649,922	146.9%	\$ 796,189	\$ 444,260	55.8%	\$ (421,391)	\$ (205,662)

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City of Chehalis
 Comparative Revenues and Expenditures - Budget to Actual
 September 2019 and 2020
 Storm and Surface Water Fund

	2019		2019 YTD % of Budget	2020		YTD Target % *	2020 YTD	^Variance YTD Target vs. Actual	Change YTD Actual 2020- 2019
	Amended Budget	YTD Actual 9/30/2019		Amended Budget	YTD Actual 9/30/2020	75.00%	% of Budget		
Storm Water Fund (#406)									
Revenues:									
Operating Revenues:									
Charges for Goods & Services	\$ 704,070	\$ 519,532	73.8%	\$ 677,015	\$ 546,159	80.7%	\$ 38,398	\$ 26,627	
Hookup/Connection Fee	8,000	7,042	88.0%	29,750	2,494	8.4%	(19,819)	(4,548)	
Intergovernmental Revenue	-	-	0.0%	-	-	0.0%	-	-	
Late Payment Fees	5,000	4,379	87.6%	6,700	2,066	30.8%	(2,959)	(2,313)	
Interest Earnings	26,570	20,455	77.0%	22,230	8,057	36.2%	(8,616)	(12,398)	
Other Misc. Revenues	-	569	0.0%	-	311	0.0%	311	(258)	
Total Operating Revenues	743,640	551,977	74.2%	735,695	559,087	76.0%	7,315	7,110	
Other Fund Sources:									
Custodial Activities	30	47	156.7%	-	26	0.0%	26	(21)	
Total Other Fund Sources	30	47	156.7%	-	26	0.0%	26	(21)	
Total Revenues & Fund Sources	\$ 743,670	\$ 552,024	74.2%	\$ 735,695	\$ 559,113	76.0%	\$ 7,341	\$ 7,089	
Expenditures:									
Operating Expenditures:									
Wages	\$ 287,387	\$ 194,502	67.7%	\$ 259,451	\$ 189,218	72.9%	\$ 5,370	\$ (5,284)	
Benefits	148,679	103,993	69.9%	131,530	93,937	71.4%	4,711	(10,056)	
Supplies	61,662	37,962	61.6%	60,852	62,189	102.2%	(16,550)	24,227	
Services	63,358	46,705	73.7%	64,250	44,062	68.6%	4,126	(2,643)	
Total Operating Expenditures	561,086	383,162	68.3%	516,083	389,406	75.5%	(2,343)	6,244	
Other Expenditures:									
Capital Expenditures	240,800	12,523	5.2%	175,000	4,558	2.6%	126,692	(7,965)	
Debt Service	-	45	0.0%	200	168	84.0%	(18)	123	
Custodial Activities	50	47	94.0%	50	-	0.0%	38	(47)	
Total Other Expenditures	240,850	12,615	5.2%	175,250	4,726	2.7%	126,712	(7,889)	
Total Expenditures	801,936	395,777	49.4%	691,333	394,132	57.0%	124,369	(1,645)	
Changes in Fund Balance	\$ (58,266)	\$ 156,247	-268.2%	\$ 44,362	\$ 164,981	371.9%	\$ 131,710	\$ 8,734	
Beginning Fund Balance	1,264,662	1,264,662	100.0%	1,460,054	1,460,054	100.0%	-	195,392	
Ending Fund Balance	\$ 1,206,396	\$ 1,420,909	117.8%	\$ 1,504,416	\$ 1,625,035	108.0%	\$ 131,710	\$ 204,126	
<i>Operating Income (deficit)</i>	<i>\$ 182,554</i>	<i>\$ 168,815</i>	<i>92.5%</i>	<i>\$ 219,612</i>	<i>\$ 169,681</i>	<i>77.3%</i>	<i>\$ 4,972</i>	<i>\$ 866</i>	

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City of Chehalis
Comparative Revenues and Expenditures - Budget to Actual
September 2019 and 2020
Airport Fund

Airport Fund (#407)	2019		2019 YTD % of Budget	YTD Target % * 75.00%		2020 YTD % of Budget	^Variance YTD Target vs. Actual	Change YTD Actual 2020-2019
	2019 Amended Budget	YTD Actual 9/30/2019		2020 Amended Budget	YTD Actual 9/30/2020			
Revenues:								
Operating Revenues:								
Fuel sales	\$ 620,073	\$ 499,989	80.6%	\$ 615,000	\$ 577,522	93.9%	\$ 116,272	\$ 77,533
Other Misc. Revenues	1,375	2,345	170.5%	1,300	244	18.8%	(731)	(2,101)
Late Payment Fees	-	103	0.0%	-	89	0.0%	89	(14)
Interest Earnings	24,140	20,258	83.9%	1,750	7,581	433.2%	6,268	(12,677)
Rents & Leases	1,121,347	845,680	75.4%	1,143,344	810,752	70.9%	(46,756)	(34,928)
Total Operating Revenues	1,766,935	1,368,375	77.4%	1,761,394	1,396,188	79.3%	75,142	27,813
Other Fund Sources:								
Intergovernmental - Capital Grants	2,644,795	659,375	24.9%	172,500	196,575	114.0%	67,200	(462,800)
Custodial Activities	194,743	148,795	76.4%	205,956	166,564	80.9%	12,097	17,769
Proceeds from Sale of Capital Asset	-	945	0.0%	-	-	0.0%	-	(945)
Debt Proceeds (Bonds/Loans)	-	-	0.0%	500,000	-	0.0%	(375,000)	-
Total Other Fund Sources	2,839,538	809,115	28.5%	878,456	363,139	41.3%	(295,703)	(445,976)
Total Revenues & Fund Sources	\$ 4,606,473	\$ 2,177,490	47.3%	\$ 2,639,850	\$ 1,759,327	66.6%	\$ (220,561)	\$ (418,163)
Expenditures:								
Wages	\$ 301,651	\$ 230,047	76.3%	\$ 312,092	\$ 221,810	71.1%	\$ 12,259	\$ (8,237)
Benefits	178,416	129,272	72.5%	179,291	118,044	65.8%	16,424	(11,228)
Supplies	439,380	410,295	93.4%	552,480	493,328	89.3%	(78,968)	83,033
Services	257,580	142,790	55.4%	224,890	165,016	73.4%	3,652	22,226
Total Operating Expenditures	1,177,027	912,404	77.5%	1,268,753	998,198	78.7%	(46,633)	85,794
Other Expenditures:								
Capital Expenditures	2,973,678	378,424	12.7%	650,500	69,804	10.7%	418,071	(308,620)
Debt Service	32,151	24,482	76.1%	99,795	91,611	91.8%	(16,765)	67,129
Custodial Activities	195,359	107,379	55.0%	190,700	214,184	112.3%	(71,159)	106,805
Interfund Loan Payment	68,095	51,164	75.1%	69,490	51,991	74.8%	127	827
Total Other Expenditures	3,269,283	561,449	17.2%	1,010,485	427,590	42.3%	330,274	(133,859)
Total Expenditures	\$ 4,446,310	\$ 1,473,853	33.1%	\$ 2,279,238	\$ 1,425,788	62.6%	\$ 283,641	\$ (48,065)
Changes in Fund Balance	\$ 160,163	\$ 703,637	439.3%	\$ 360,612	\$ 333,539	92.5%	\$ 63,080	\$ (370,098)
Beginning Fund Balance	1,051,418	1,051,418	100.0%	1,169,630	1,169,630	100.0%	-	118,212
Ending Fund Balance	\$ 1,211,581	\$ 1,755,055	144.9%	\$ 1,530,242	\$ 1,503,169	98.2%	\$ 63,080	\$ (251,886)
<i>Operating Income (deficit)</i>	<i>\$ 589,908</i>	<i>\$ 455,971</i>	<i>77.3%</i>	<i>\$ 492,641</i>	<i>\$ 397,990</i>	<i>80.8%</i>	<i>\$ 28,509</i>	<i>\$ (57,981)</i>

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