

CHEHALIS CITY COUNCIL AGENDA
 CITY HALL
 350 N MARKET BOULEVARD, CHEHALIS, WA 98532

Terry F. Harris, District 1, Mayor Pro Tem Daryl J. Lund, District 2 Dr. Isaac S. Pope, District 4	Dennis L. Dawes, Position at Large Mayor	Anthony E. Ketchum Sr., District 3 Chad E. Taylor, Position at Large Bob Spahr, Position at Large
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Regular Meeting of Monday, July 27, 2015

5:00 p.m.

ITEM	ADMINISTRATION RECOMMENDATION	PAGE
1. <u>Call to Order.</u> (Mayor)		
2. <u>Pledge of Allegiance.</u> (Mayor)		

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

SPECIAL BUSINESS		
3. <u>Adopt-A-Block Program and Update on Lewis County Historical Museum.</u> (Andy Skinner – Executive Director Lewis County Historical Museum)	---	
4. <u>Choose Local First Campaign.</u> (Annalee Tobey)	---	
5. <u>Discover! Children's Museum Update.</u> (Larry McGee)	---	

CONSENT CALENDAR		
6. <u>Minutes of the Regular Meeting of July 13, 2015.</u> (City Clerk)	APPROVE	1
7. <u>Vouchers and Transfers.</u> (Finance Manager)	APPROVE	6
8. <u>Authorize City Manager to Execute Agreement between the City and the Lewis County Economic Development Council to Provide Economic Development and Recruitment Services.</u> (City Manager)	AUTHORIZE CITY MANAGER TO EXECUTE AGREEMENT BETWEEN THE CITY AND THE LEWIS COUNTY ECONOMIC DEVELOPMENT COUNCIL	7

ADMINISTRATION AND CITY COUNCIL REPORTS		
9. <u>Administration Reports.</u>		
a. Quarterly and June financial reports and quarterly sales and use tax report. (Finance Manager)	INFORMATION ONLY	10
10. <u>Council Reports.</u>		
a. Councilor reports. (City Council)	INFORMATION ONLY	
b. Council committee reports. (City Council)	INFORMATION ONLY	

NEW BUSINESS		
11. <u>Ordinance No. 943-B, First Reading – Amending the 2015 Budget.</u> (City Manager, Finance Manager)	PASS	18
12. <u>Authorize City Manager to Execute Contract with Pierce Manufacturing, Inc., for the Manufacturing of the New 2016 Pierce Dash Fire Apparatus.</u> (City Manager, Fire Chief)	AUTHORIZE CITY MANAGER TO EXECUTE AGREEMENT	26

THE CITY COUNCIL MAY ADD AND TAKE ACTION ON
OTHER ITEMS NOT LISTED ON THIS AGENDA

NEXT REGULAR CITY COUNCIL MEETING WILL BE ON MONDAY, AUGUST 10, 2015

July 13, 2015

The Chehalis city council met in regular session on Monday, June 13, 2015, in the Chehalis city hall. Mayor Dawes called the meeting to order at 5:00 p.m. with the following council members present: Terry Harris, Dr. Isaac Pope, Bob Spahr, Daryl Lund, Chad Taylor, and Tony Ketchum. Staff present included: Merlin MacReynold, City Manager; Erin Hillier, Assistant City Attorney; Judy Schave, City Clerk; Glenn Schaffer, Police Chief; Ken Cardinale, Fire Chief; Dennis Osborn, Community Development Director; Judy Pectol, Finance Manager; Peggy Hammer, Human Resources Administrator; Don Schmitt, Acting Public Works Director, Street/Stormwater Superintendent; and Dave Vasilauskas, Water Superintendent. Members of the media included Dameon Pesanti from *The Chronicle*.

1. **Introductions.** Mayor Dawes recognized Boy Scouts Justin Hilliker and Jacob Blomdahl who were attending the meeting in order to earn one of their merit badges.

2. **Public Hearing.** Chehalis Fire Captain Casey Beck reported the current Emergency Medical Services (EMS) Levy is up in December and a resolution is being proposed to renew it on the November 3 general election ballot. He noted by waiting until November they can split the cost amongst other agencies, making it a lot cheaper for the city.

Captain Beck reported the proposed six-year levy is a continuation of the current EMS levy. He indicated there was some thought of making it a 10-year, or permanent levy, but that would require a super majority vote.

Captain Beck reported Local 2510 will sponsor and fund the proposition. He noted the levy funding will help pay for personnel, equipment, and related expenses for emergency medical services.

Captain Beck stated they have a lot of support for the EMS levy, noting in 2009 they received 81 or 82 percent approval rating. He noted he did not anticipate any issues passing the EMS levy this time around and asked that the council approve the resolution that would be presented later in the meeting.

Mayor Dawes recessed the regular meeting at 5:05:07 p.m. and opened the public hearing.

There being no public comment, Mayor Dawes closed the public hearing and reopened the regular meeting at 5:05:55 p.m.

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

- a. Minutes of the regular meeting of June 22, 2015, and the special work session of July 7, 2015; and
- b. Claim Vouchers No. 112873-112983 in the amount of \$131,593.63 dated June 30, 2015; and Payroll Vouchers No. 38140-38228, Direct Deposit Payroll Vouchers No. 6144-6233, and Electronic Federal Tax Payment No. 149 in the amount of \$788,239.37 dated June 30, 2015.

The motion was seconded by Councilor Pope and carried unanimously.

4. **Administration Reports.**

a. **Update on City Water Use/Availability.** City Manager MacReynold reported there's been a lot of discussion about the possible lack of water due to the warmer weather and thought it would be good to get up update on the city's current water situation.

Water Superintendent Dave Vasilauskas reported there's been a lot of talk about the availability of water in Chehalis with other systems in the area having issues with their supplies. He noted the city is doing pretty well considering the lack of rain the area has received this year.

Mr. Vasilauskas reported in 2013 the city filtered 620 million gallons of water, and in 2014 it was up to 680 million gallons. He noted, to date, the city has filtered 304 million gallons, which is down considerably from 2013 and 2014 when they averaged 1.4 million gallons during the same time period.

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Mr. Vasilauskas reported he compared the river readings from three years ago to what we currently have and we're right on track for 2015. He stated the operators feel pretty comfortable that we should have plenty of water throughout the summer months.

Councilor Harris asked Mr. Vasilauskas to provide a brief report on the discussion they had at the Chehalis River Basin Partnership meeting a couple of weeks ago regarding individual water rights. He noted he received an email stating the Department of Ecology (DOE) was going to be meeting with the partnership to discuss all types of water rights.

Mr. Vasilauskas reported the Environmental Protection Agency will be sending out letters to the junior water right holders who have rights to withdraw water from the Chehalis River, notifying them that they are at-will to be put on hold if need be to keep water in the river. He noted the city of Chehalis has been a senior water right holder since the early 1900s and has consumptive rights on the Chehalis River and the Newaukum River.

Councilor Harris stated he appreciated that Wastewater Superintendent Patrick Wiltzius offered to put 1.2 cubic feet per second back into the river, however; DOE does not care for that during the summer months because the water the city emits is cleaner than the water in the river, which changes the ecology of the river.

Councilor Pope asked if the city had any wells in our system.

Mr. Vasilauskas stated we do not, adding we're strictly surface water.

b. **Update on Twin Transit Senior Discounts.** City Manager MacReynold reported, a few meetings back, the city received a request from Janet Rowley asking the council to consider a waiver for senior transit use. This was based on the service being cut by Twin Transit earlier in the year. He noted at the time he recommended the council not do that because there were other options and providers. City Manager MacReynold reported Citizen Rowley spent a great deal of time researching the issue and identified that many of the agencies do not provide senior waivers, or discount passes to ride Twin Transit.

City Manager MacReynold reported he met with Twin Transit General Manager Rob LaFontaine, and after discussing the issue he is standing by his earlier recommendation of not funding a senior discount/waiver program. He indicated it would require the use of public money, which would mean our citizen's would pay more than others in the county for the same service. City Manager MacReynold suggested the council could recommend to the Twin Transit Board that they consider implementing a senior discount program.

Councilor Taylor, who represents the city on the Twin Transit Board, stated the cost of providing paratransit services has risen so much that it affects the amount of money they have left over to provide regular bus service. He noted the amount they can charge for paratransit is based on the lowest rate they charge to individual passengers, and it can only be up to one and a half times that amount. Councilor Taylor reported they had to eliminate the senior discounts in order to increase the amount they charge for paratransit, and by doing that it eliminated the lifetime passes for seniors. He reported his original thought was to have the city buy bus passes for our seniors, but it makes better sense not to charge our citizens twice.

Councilor Taylor indicated he was happy to carry the wishes of the council forward; however, he didn't feel it would change anything because the other two members on the Board would probably not support it.

Councilor Ketchum stated he agreed with City Manager MacReynold, adding they need to do something as a council to strongly urge the Board to look at it again and approve something for the senior citizens.

Councilor Lund stated his grandmother used to always say you need to plan for your future; plan ahead and don't expect anyone else to take care of you. He felt she would be offended if she was still alive and someone tried to pay her way to ride the bus.

Councilor Spahr stated there is no free ride, adding the taxpayers are already paying 95 percent of the system. He suggested they could go back to the taxpayers to see if they want to pay another penny in sales tax, but felt the citizens are already paying enough. Councilor Spahr stated it was a tough call and hated to say it that way, but that's the way it is.

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Mayor Dawes suggested if anyone wanted to offer up a motion the council could vote on it.

Councilor Ketchum moved to request the Twin Transit Board look into the possibility of reinstating a free pass or discount for senior citizens to ride the bus.

The motion was seconded by Councilor Taylor.

Councilor Pope stated he didn't feel it was right for the council to suggest to Twin Transit what they should do.

Councilor Harris stated he had to disagree, adding he thought they could ask to have them look at it again.

Mayor Dawes stated, while it's great to ask, he would like to know where it stops. He reported the city has a discount program for our senior and disabled utility customers, but what happens when they start having other utility customers asking for help to pay their bills.

Councilor Ketchum stated they're not looking to solve the problem, or to raise other funds to fund the seniors, they're formally asking Twin Transit to look at it. He suggested if the Board can't do anything then the council has done their due diligence.

The motion failed 3-4 with Councilors Pope, Spahr, Lund and Mayor Dawes voting against the motion.

5. Council Reports.

a. **Councilor Ketchum.** Councilor Ketchum reported he noticed a couple of large piles of dirt near Blakeslee Junction, adding he didn't know if it was clean fill dirt, but if it is, the Washington State Department of Transportation (WSDOT) will have to get rid of it. He suggested the city talk with them to see if they would be interested in giving it to us for fill at the airport.

City Manager MacReynold stated since WSDOT is always looking for fill they're probably going to use it, but we can certainly ask.

b. **Update From Mayor Dawes.** Mayor Dawes reported he attended the 2015 Association of Washington Cities Annual Conference in Wenatchee. He noted he had to come back a little earlier than planned for Officer Rick Silva's memorial, so he didn't get to see which project beat out our pool project, but he could guarantee it wasn't as good as ours. Mayor Dawes reported, while in Wenatchee, he had a chance to visit a 'legal' marijuana grow and processing operation and retail store. He suggested it was very interesting and quite a process.

Mayor Dawes reported a lot of the council was in attendance for Officer Silva's memorial at W.F. West High School, adding the Behind the Badge program and the police department put together a very nice ceremony for Office Silva.

Mayor Dawes reported he attended a ribbon cutting at Jeremy's Fruit Stand, noting they relocated to the north end of State Street because they got too big for the area near the restaurant. He also attended the entrance conference for the 2014 audit, noting in about two weeks they'll be doing the exit conference.

Mayor Dawes reported the council held an all-day workshop on planning. He stated it's always good to sit down in a setting like that and exchange ideas.

City Manager MacReynold stated the facilitator was impressed with the council's candor and focus.

6. **Resolution No. 6-2015, First and Final Reading -- Emergency Medical Services (EMS) Levy Proposal for November 3 General Election Ballot.** City Manager MacReynold stated he and Fire Chief Ken Cardinale were available to answer any questions the council might have concerning the resolution.

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Councilor Ketchum asked if the \$0.50 per \$1,000 of assessed value is the maximum they can ask for.

Chief Cardinale reported the maximum is up to \$.050, but historically the city has not collected the full amount.

Councilor Ketchum asked if they were asking to go up to \$.050 this time.

Chief Cardinale stated yes.

Councilor Spahr stated we're not asking the citizens to allow us to tax them up to \$0.50, adding it's already at \$0.50. He noted historically they've charged less and they have no plans at this time of going up to \$0.50, the city just has that ability.

City Manager MacReynold stated it's the same approach they took in 2009, adding the city can collect up to \$0.50 per \$1,000, but the council ultimately decides what that amount is through the budget process. He reported the cost of providing services has increased over the years and suggested they would need to ask for more than what they're currently collecting. City Manager MacReynold reported, traditionally they've collected right around \$0.38 to \$0.40 per \$1,000.

Chief Cardinale reported the rate has fluctuated over the years, but they've never collected the full \$.050 per \$1,000. He stated with costs going up they would be urging the council to go up to the full collection.

Councilor Harris reported it's basically a repeat of the levy that passed in 2009 when everyone was getting hit the hardest. He suggested the support they received last time is a testament to what a good program it is.

Councilor Taylor moved that the council adopt Resolution No. 6-2015 on first and final reading.

The motion was seconded by Councilor Spahr and carried unanimously.

7. Lodging Tax Advisory Committee (LTAC) Recommendation for Visiting Nurses Foundation Event. Councilor Harris reported Jenny Collins and Councilor Ketchum presented an application from the Visiting Nurses Foundation for the "Summer Slam 3 on 3 Basketball Tournament" to be held August 1 and 2 at the PAC (Pacific Athletic Center) in Chehalis. He noted the Committee was concerned with whether or not they would be able to utilize the full \$5,000 with the tournament being held on the 1st of August, but they did see the potential of it growing into something greater if operated properly.

Councilor Harris reported the hoteliers had some concerns about holding the event during the summer months because most of the hotels are already pretty full. Another concern was when you host something new and people can't find a place to stay they may not want to return the next time.

Councilor Spahr asked if the tournament was just for youth.

Councilor Ketchum stated if this goes well, they hope to expand the age group to include adults. He noted if it does expand next year and the PAC can't hold it they would try to move it into the schools, or any place that has a basketball court. Councilor Ketchum stated they hope to make it a huge event.

Mayor Dawes asked if they were able to approve funding in the current year for another budget year.

Councilor Harris stated yes, adding they did it about four years ago for the Babe Ruth tournament.

Councilor Ketchum reported the initial \$2,500 would be spent in 2015, but the other \$2,500 probably wouldn't be used because they won't be that far along. He stated he was disappointed that two of the hoteliers whose hotels are already full dominated the meeting, so the other hotels got left out. Councilor Ketchum noted it would have been nice if they would have just given them the full \$5,000 to do what they need to do.

Councilor Harris stated they gave them the ability to spend \$5,000 this year to promote the event. He reported they also suggested they come back at the end of this year to ask for more money next year.

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Councilor Harris reported the revenue stream for the hotel/motel tax is looking better this year and they have greater reserves than anticipated. He noted with the steam train not running yet they have not been able to receive their funding that was granted for this year.

Councilor Spahr moved that the council approve the recommendation of the LTAC to award \$5,000 to the Visiting Nurses Foundation's "Summer Slam 3 on 3 Basketball Tournament" - \$2,500 for this year's tournament and \$2,500 for next year's tournament.

The motion was seconded by Councilor Taylor and carried unanimously.

There being no further business to come before the council, the meeting adjourned at 5:41 p.m.

Mayor

Attest:

City Clerk

SUGGESTED MOTION

I move that the council approve the minutes of the regular city council meeting of July 13, 2015.

CITY OF CHEHALIS
AGENDA REPORT

DATE: July 15, 2015
TO: The Honorable Mayor and City Council
FROM: Judy Pectol, Finance Manager *JP*
PREPARED BY: Michelle White, Accounting Tech II *MW*
SUBJECT: Vouchers and Transfers

ISSUE

Council approval is requested of the following:

Claim Vouchers No. 112984 through 113161 and Electronic Funds Transfer No. 62015 in the amount of \$420,538.29 dated July 15, 2015 and the transfer of \$175,005.02 from the General Fund, \$6,110.50 from the Dedicated Street Fund - 4% Sales Tax, \$518.94 from the Arterial Street Fund, \$13,276.00 from the Tourism Fund, \$597.90 from the Automotive equipment Reserve Fund, \$657.27 from the Garbage Fund, \$73,320.71 from the Wastewater Fund, \$70,262.88 from the Water Fund, \$9,219.33 from the Storm & Surface Water Utility Fund and \$71,569.74 from the Airport Fund.

RECOMMENDATION/COUNCIL ACTION DESIRED


The administration recommends that the council approve the July 15, 2015 Claim Vouchers No. 112984 through 113161 and Electronic Funds Transfer No. 62015 in the amount of \$420,538.29.

SUGGESTED MOTION

I move to approve the July 15, 2015 Claim Vouchers No. 112984 through 113161 and Electronic Funds Transfer No. 62015 in the amount of \$420,538.29.

Reviewed by: *[Signature]*, City Manager

**CITY OF CHEHALIS
AGENDA REPORT**

DATE: July 22, 2015
TO: The Honorable Mayor and City Council
FROM: Merlin G. MacReynold, City Manager 
SUBJECT: Agreement for Economic Development Services

ISSUE

Attached for council consideration is an updated Agreement between the city of Chehalis and the Lewis County Economic Development Council (EDC) to provide support to the city in its efforts to recruit new retail businesses and industry to the community.

DISCUSSION

The purpose of this agreement is to utilize the EDCs web-based marketing tools and contacts for recruiting new business and industry.

Community Development Director Dennis Osborn and I have been communicating with Executive Director Matt Matayoshi to discuss the potential of utilizing the EDC to work with lead generators to develop recruitment businesses on a more regular basis. There was also discussion about developing a comprehensive strategy to diversify and strengthen the city's economic base, as well as collaboration on land use and regulatory issues related to economic development.

The Agreement being presented is for one year (2015), and may be renewed annually upon authorization by the city council. The fee for services provided is \$6,000 annually.

RECOMMENDATION/COUNCIL ACTION DESIRED

The administration recommends that council authorize the city manager to execute the Agreement between the city and the Lewis County Economic Development Council to provide economic development and recruitment services to the city of Chehalis.

SUGGESTED MOTION

I move that the council authorize the city manager to execute the Agreement between the city and the Lewis County Economic Development Council to provide economic development and recruitment services to the city of Chehalis.

AGREEMENT FOR ECONOMIC DEVELOPMENT SERVICES

THIS AGREEMENT, made and entered into this _____ day of _____, 2015, by and between the **LEWIS COUNTY ECONOMIC DEVELOPMENT COUNCIL**, a nonprofit Washington corporation, herein referred to as EDC, and the **CITY OF CHEHALIS, WASHINGTON**, a municipal corporation, herein referred to as City.

W I T N E S S E T H:

For and in consideration of the mutual covenants and promises herein contained, the parties agree as follows:

A. Services.

1. EDC will perform the following services:

a. Recruit new business and industry by utilizing web-based marketing including the EDC website. In addition, the EDC will make hard target contacts with at least six industries a year. Said hard contacts shall be for the benefit of the City and may include recruiting visits to these industries that will include the City. The organization will also work with the Washington State Department of Commerce and other lead generators to develop recruitment businesses to the City.

b. Provide support to the City in their efforts to recruit new retail businesses that grow the employment and sales tax base in the community. Specifically, the EDC will provide market base research for potential new retailers.

c. Prepare materials and make recommendations, as requested by the City Manager, on specific topics and issues which could facilitate design and/or implementation of a comprehensive strategy to diversify and strengthen the City's economic base. Such topics may include, but are not restricted to the following:

i. Impacts of development on population densities, quality and quantity of ground water, transportation facilities and utility services for which City has legal or regulatory responsibility.

ii. Cost and benefits of improving public services and facilities, such as those related to sewerage, refuse disposal, drainage, and other local utilities.

d. Collaborate with the City of Chehalis Department of Community Development on land use and regulatory issues related to economic development.

e. Conduct informative briefings for the City Council and/or City personnel, as requested by the City Manager, on general economics and/or specific economic conditions within the City, for the purpose of improving service delivery to City residents.

2. EDC shall provide City with quarterly written reports and provide one oral report in October, or as requested by the City. Each quarterly report shall explain how contract deliverables are being accomplished.

3. In the event that materials or documents requested of EDC by the City Manager require substantial production/printing costs to be incurred, EDC agrees to preparation of same on a cost-reimbursement basis.

B. **City Payment.** City agrees to pay \$6,000.00 for services rendered in 2015. Payments may be made in equal quarterly installments of \$1,500.00 each, made at the end of each quarter upon receipt of invoice.

C. **Termination.** Either party may terminate this Agreement by giving the other party notice of such intent no later than thirty (30) days prior to the effective date of termination. In the event of termination, the City's obligation to pay for services provided shall be pro-rated to the date of termination.

D. **Renewal.** This Agreement may be renewed annually by the parties upon authorization by the City Council of City of the appropriation for the fee to be paid to EDC for services rendered hereunder.

EXECUTED IN DUPLICATE on the date and year first above written.

CITY OF CHEHALIS, WASHINGTON,
a municipal corporation

LEWIS COUNTY ECONOMIC DEVELOPMENT
COUNCIL, a non-profit corporation

By: _____
Its City Manager

By: _____
Its Executive Director

Attest: _____
Its City Clerk

By: _____
Its President

City of Chehalis
Second Quarter Financial Statements - All Funds
June 30, 2015

	General Fund #001		Dedicated Street Fund #003		Arterial Street Fund #102		Tourism Fund #107		CDBG Fund #195	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Beginning Fund Balance	934,370	990,221	0	0	4,369	21,256	69,387	95,114	857	11
Revs. & Transfers In	8,236,707	4,030,825	150,514	69,554	150,000	72,276	182,910	90,030	10,186	2
Exps. & Transfers Out	(8,335,730)	(4,153,744)	(148,800)	(12,630)	(128,938)	(58,411)	(215,550)	(44,212)	0	99
Ending Fund Balance	835,347	867,302	1,714	56,874	25,431	35,121	36,747	140,932	11,043	112

	HUD BG Fund #197		Federal & State Grant Fund #199		2011 G.O. Bond Fund #200		Public Fac. Res. #301		Auto/Equip. Res. #302	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Beginning Fund Balance	329,702	139,907	0	0	0	0	0	0	0	459
Revs. & Transfers In	600	4,073	0	304,763	97,210	16,007	0	0	36,700	34,583
Exps. & Transfers Out	0	0	0	(2,751)	(97,210)	(16,007)	0	0	(36,700)	(34,585)
Ending Fund Balance	330,302	143,980	0	302,012	0	0	0	0	0	457

	1st Qtr. REET Fund #305		2nd Qtr. REET Fund #306		Garbage Fund #402		Wastewater Fund #404		Water Fund #405	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Beginning Fund Balance	120,155	123,306	56,469	59,979	365	1,787	1,528,146	1,910,597	4,475,544	4,795,321
Revs. & Transfers In	32,125	67,048	32,125	67,015	11,940	6,172	4,986,732	2,474,374	3,957,573	1,198,116
Exps. & Transfers Out	(66,315)	0	(31,594)	0	(11,697)	(1,421)	(4,859,990)	(2,034,785)	(3,378,375)	(1,091,911)
Ending Fund Balance	85,965	190,354	57,000	126,994	608	6,538	1,654,888	2,300,186	5,054,742	4,901,526

	Storm/Surface Wtr. #406		Airport Fund #407		Firemens' Pension #611		City Agency Fund #633		All Funds Totals	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Beginning Fund Balance	496,037	504,988	1,887,559	1,822,481	341,583	383,125	3,025	7,307	10,247,598	10,855,859
Revs. & Transfers In	509,897	255,089	2,732,736	793,939	151,200	88,756	0	0	21,279,155	9,572,622
Exps. & Transfers Out	(460,590)	(157,168)	(2,971,023)	(699,399)	(71,085)	(25,774)	0	0	(20,813,597)	(8,382,749)
Ending Fund Balance	545,344	602,909	1,649,272	1,917,021	421,698	446,107	3,025	7,307	10,713,156	12,045,732

Note: In some instances, ending fund balances include non-cash components, such as prepaid insurance and inventory. Resulting variances are considered immaterial.

To: The Honorable Mayor and Council
 Via: Merin MacReynold, City Manager
 From: Judy Pectol, Finance Manager
 Prepared by: Betty Brooks, Payroll Accountant
 Date: July 16, 2015
 Subject: Monthly Financial Reports for June

City of Chehalis
 Comparative Financial Reports
 June 2014 and 2015

GENERAL FUND (#001) REVENUES	A June 2014		B Actual		C=B/A		D June 2015		E Actual		F=E/D		G Expected		H^ Variance from Expected		I=F-G Variance %	
	Budget	Actual	%	Rec'd	Budget	Actual	%	Rec'd	%	Rec'd	%	Expected	%	Expected	%	Expected	%	
General Property Taxes	\$1,262,000	\$674,138	53.4%	\$703,844	\$1,268,579	\$703,844	55.5%	\$703,844	55.5%	\$703,844	55.5%	50.0%	50.0%	\$69,555	5.5%	50.0%	5.5%	
EMS Property Taxes	239,500	127,660	53.3%	132,334	238,157	132,334	55.6%	132,334	55.6%	132,334	55.6%	50.0%	50.0%	13,256	5.6%	50.0%	5.6%	
Sales & Use Tax	3,265,000	1,685,508	51.6%	1,738,849	3,762,844	1,738,849	46.2%	1,738,849	46.2%	1,738,849	46.2%	50.0%	50.0%	(142,573)	-3.8%	50.0%	-3.8%	
Electricity Tax	430,000	217,588	50.6%	147,854	440,000	147,854	33.6%	147,854	33.6%	147,854	33.6%	50.0%	50.0%	(72,146)	-16.4%	50.0%	-16.4%	
Gas/Natural Gas Tax	222,000	128,526	57.9%	92,169	221,000	92,169	41.7%	92,169	41.7%	92,169	41.7%	50.0%	50.0%	(18,331)	-8.3%	50.0%	-8.3%	
Criminal Justice Tax	91,000	47,690	52.4%	50,760	110,000	50,760	46.1%	50,760	46.1%	50,760	46.1%	50.0%	50.0%	(4,240)	-3.9%	50.0%	-3.9%	
Water/Sewer Tax	415,834	208,819	50.2%	207,819	445,000	207,819	46.7%	207,819	46.7%	207,819	46.7%	50.0%	50.0%	(14,681)	-3.3%	50.0%	-3.3%	
Garbage Tax	60,000	30,065	50.1%	31,362	61,000	31,362	51.4%	31,362	51.4%	31,362	51.4%	50.0%	50.0%	862	1.4%	50.0%	1.4%	
Cable Tax	94,000	49,707	52.9%	51,510	104,000	51,510	49.5%	51,510	49.5%	51,510	49.5%	50.0%	50.0%	(490)	-0.5%	50.0%	-0.5%	
Telephone Tax	318,000	143,517	45.1%	132,161	270,500	132,161	48.9%	132,161	48.9%	132,161	48.9%	50.0%	50.0%	(3,089)	-1.1%	50.0%	-1.1%	
Leasehold Excise Tax	38,000	19,675	51.8%	18,922	39,500	18,922	47.9%	18,922	47.9%	18,922	47.9%	50.0%	50.0%	(828)	-2.1%	50.0%	-2.1%	
Timber Excise Tax	40	37	92.5%	39	40	39	97.5%	39	97.5%	39	97.5%	50.0%	50.0%	19	47.5%	50.0%	47.5%	
Total Tax Revenues	6,435,374	3,332,930	51.8%	3,307,623	6,960,620	3,307,623	47.5%	3,307,623	47.5%	3,307,623	47.5%	50.0%	50.0%	(172,687)	-2.5%	50.0%	-2.5%	
Licenses & Permits	69,980	41,045	58.7%	90,605	168,116	90,605	53.9%	90,605	53.9%	90,605	53.9%	50.0%	50.0%	6,547	3.9%	50.0%	3.9%	
Intergovt: Grants/Entitlements	167,950	77,530	46.2%	251,518	421,400	251,518	59.7%	251,518	59.7%	251,518	59.7%	50.0%	50.0%	40,818	9.7%	50.0%	9.7%	
Charges for Goods and Svcs.	332,800	174,844	52.5%	148,180	408,295	148,180	36.3%	148,180	36.3%	148,180	36.3%	50.0%	50.0%	(55,968)	-13.7%	50.0%	-13.7%	
Fines and Forfeitures	151,875	66,689	43.9%	73,365	163,739	73,365	44.8%	73,365	44.8%	73,365	44.8%	50.0%	50.0%	(8,505)	-5.2%	50.0%	-5.2%	
Interest Earnings	11,760	3,732	31.7%	9,172	9,990	9,172	91.8%	9,172	91.8%	9,172	91.8%	50.0%	50.0%	4,177	41.8%	50.0%	41.8%	
Rents & Royalties	71,350	30,837	43.2%	34,974	88,472	34,974	39.5%	34,974	39.5%	34,974	39.5%	50.0%	50.0%	(9,262)	-10.5%	50.0%	-10.5%	
Donations/Contributions	40,475	6,056	15.0%	4,775	0	4,775	100.0%	4,775	100.0%	4,775	100.0%	50.0%	50.0%	4,775	0.0%	50.0%	0.0%	
Misc. Revenue/Insurance	11,850	35,768	301.8%	99,125	11,850	99,125	836.5%	99,125	836.5%	99,125	836.5%	50.0%	50.0%	93,200	786.5%	50.0%	786.5%	
Non-Revenues	4,225	1,801	42.6%	11,488	4,225	11,488	271.9%	11,488	271.9%	11,488	271.9%	50.0%	50.0%	9,376	221.9%	50.0%	221.9%	
Total Non-Tax Revenues	862,265	438,302	50.8%	723,202	1,276,087	723,202	56.7%	723,202	56.7%	723,202	56.7%	50.0%	50.0%	85,159	6.7%	50.0%	6.7%	
Operating Transfers-In	1,000,000	122,012	12.2%	0	0	0	0.0%	0	0.0%	0	0.0%	50.0%	50.0%	0	0.0%	50.0%	0.0%	
Total Other Financing Sources	1,000,000	122,012	12.2%	0	0	0	0.0%	0	0.0%	0	0.0%	50.0%	50.0%	0	0.0%	50.0%	0.0%	
TOTALS	\$8,297,639	\$3,893,244	46.9%	\$4,030,825	\$8,236,707	\$4,030,825	48.9%	\$4,030,825	48.9%	\$4,030,825	48.9%	50.0%	50.0%	(\$87,529)	-1.1%	50.0%	-1.1%	

Key:
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GENERAL FUND (#001) EXPENDITURES	A June 2014		B		C=B/A		D		E		F=E/D		G		H^		I=G-F	
	Budget	Actual	Budget	Actual	% Exp'd	Budget	Actual	% Exp'd	% Exp'd	Actual	% Exp'd	% Exp'd	Expected	Expected	Variance	% Variance		
City Council	\$93,551	\$40,977	\$111,811	\$55,476	43.8%	\$111,811	\$55,476	49.6%	50.0%	\$430	0.4%	50.0%	\$430	\$430	0.4%			
Municipal Court	340,304	163,640	380,000	178,978	48.1%	380,000	178,978	47.1%	50.0%	11,022	2.9%	50.0%	11,022	11,022	2.9%			
City Manager	270,131	135,174	266,410	176,357	50.0%	266,410	176,357	66.2%	50.0%	(43,152)	-16.2%	50.0%	(43,152)	(43,152)	-16.2%			
Finance	183,331	93,199	203,500	178,497	50.8%	203,500	178,497	87.7%	50.0%	(76,747)	-37.7%	50.0%	(76,747)	(76,747)	-37.7%			
City Clerk	74,986	36,611	78,816	48,103	48.8%	78,816	48,103	61.0%	50.0%	(8,695)	-11.0%	50.0%	(8,695)	(8,695)	-11.0%			
Non-Departmental	1,302,246	956,394	461,773	190,360	73.4%	461,773	190,360	41.2%	50.0%	40,527	8.8%	50.0%	40,527	40,527	8.8%			
Human Resources	90,033	47,420	85,969	62,637	52.7%	85,969	62,637	72.9%	50.0%	(19,653)	-22.9%	50.0%	(19,653)	(19,653)	-22.9%			
Police	2,573,370	1,286,568	2,717,426	1,324,332	50.0%	2,717,426	1,324,332	48.7%	50.0%	34,381	1.3%	50.0%	34,381	34,381	1.3%			
Fire	1,657,866	821,945	1,902,335	890,023	49.6%	1,902,335	890,023	46.8%	50.0%	61,145	3.2%	50.0%	61,145	61,145	3.2%			
Public Works - Streets	469,060	189,797	731,360	295,775	40.5%	731,360	295,775	40.4%	50.0%	69,905	9.6%	50.0%	69,905	69,905	9.6%			
Community Development	1,228,727	607,502	1,396,330	753,206	49.4%	1,396,330	753,206	53.9%	50.0%	(55,041)	-3.9%	50.0%	(55,041)	(55,041)	-3.9%			
TOTALS	\$8,283,605	\$4,379,227	\$8,335,730	\$4,153,744	52.9%	\$8,335,730	\$4,153,744	49.8%	50.0%	\$14,121	0.2%	50.0%	\$14,121	\$14,121	0.2%			

Net Budget/Income/Variance: \$14,034 (\$485,983)

(\$99,023) (\$122,919)

(\$73,408)

Key:

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WASTEWATER FUND (#404) REVENUES	A June 2014		B		C=B/A		D		E		F=E/D		G		H [^]		I=F-G	
	Budget	Actual	Budget	Actual	% Rec'd	Budget	Actual	% Rec'd	Budget	Actual	% Rec'd	Expected % Rec'd*	Expected	Var'nc from Expected	% Variance			
Wastewater Fees	\$4,364,408	\$2,259,476	\$4,968,202	\$2,444,203	51.8%	\$4,968,202	\$2,444,203	49.2%	\$2,444,203	221.2%	50.0%	50.0%	-\$39,898	-0.8%				
Sewer Connection/Misc. Fees	10,000	4,545	10,000	22,119	45.5%	10,000	22,119	221.2%	22,119	100.0%	50.0%	50.0%	17,119	171.2%				
Rentals	3,323	3,545	3,545	3,545	106.7%	3,545	3,545	100.0%	3,545	100.0%	50.0%	50.0%	1,773	50.0%				
Misc. Revenues/Insurance	3,300	4,237	4,000	1,875	128.4%	4,000	1,875	46.9%	1,875	100.0%	50.0%	50.0%	(125)	-3.1%				
Non-Revenue Tax Receipts	0	0	0	63	0.0%	0	63	100.0%	63	100.0%	50.0%	50.0%	63	N/A				
Proceeds of Long-Term Debt	0	0	0	1,342	0.0%	0	1,342	100.0%	1,342	100.0%	50.0%	50.0%	1,342	100.0%				
Interest Earnings	300	134	985	1,227	44.7%	985	1,227	124.6%	1,227	49.6%	50.0%	50.0%	735	74.6%				
Totals:	\$4,381,331	\$2,271,937	\$4,986,732	\$2,474,374	51.9%	\$4,986,732	\$2,474,374	49.6%	\$2,474,374		50.0%	50.0%	(\$18,992)	-0.4%				

WASTEWATER FUND (#404) EXPENSES	A June 2014		B		C=B/A		D		E		F=E/D		G		H [^]		I=G-F	
	Budget	Actual	Budget	Actual	% Exp'd	Budget	Actual	% Exp'd	Budget	Actual	% Exp'd	Expected % Exp*	Expected	Var'nc from Expected	% Variance			
Operating Expenses	\$2,550,559	\$1,227,581	\$2,666,292	\$1,123,913	48.1%	\$2,666,292	\$1,123,913	42.2%	\$1,123,913	32,688	12.9%	50.0%	\$209,233	7.8%				
Capital Outlay	67,000	12,557	253,000	32,688	18.7%	253,000	32,688	12.9%	32,688	915,891	50.0%	50.0%	93,812	37.1%				
Debt Principal	1,552,598	810,671	1,832,390	915,891	52.2%	1,832,390	915,891	50.0%	915,891	12,293	50.0%	50.0%	304	0.0%				
Interest Expense	27,480	13,496	24,524	12,293	49.1%	24,524	12,293	50.1%	12,293	0	0.0%	50.0%	(31)	-0.1%				
Interfund Loan Repayment	83,332	0	83,784	0	0.0%	83,784	0	0.0%	0	\$2,084,785	42.9%	50.0%	41,892	50.0%				
Totals:	\$4,280,969	\$2,064,305	\$4,859,990	\$2,084,785	48.2%	\$4,859,990	\$2,084,785	42.9%	\$2,084,785		50.0%	50.0%	\$345,210	7.1%				

Net Budget/Income/Variance: \$100,362 \$207,632 \$126,742 \$389,589 \$326,218

Key:

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WATER FUND (#405) REVENUES	A		B		C=B/A		D		E		F=E/D		G		H [^]		I=G-F	
	Budget	Actual	June 2014	Actual	%	Rec'd	Budget	Actual	June 2015	Actual	%	Rec'd	Expected % Rec'd*	Expected % Rec'd*	Varinc from Expected	Variance		
Water Sales	2,566,160	1,230,923	1,230,923	6,177	48.0%	48.0%	2,566,160	1,150,444	1,150,444	31,017	44.8%	44.8%	50.0%	50.0%	(132,636)	-5.2%		
Water Connection/Misc. Fees	10,000	6,177	6,177	0	61.8%	61.8%	10,000	31,017	31,017	0	310.2%	310.2%	50.0%	50.0%	26,017	260.2%		
Interfund Principal Repayment	83,332	0	0	0	0.0%	0.0%	83,332	0	0	0	0.0%	0.0%	50.0%	50.0%	(41,666)	-50.0%		
Misc. Revenues/Insurance	1,000	1,094	1,094	4,077	109.4%	109.4%	1,000	13,560	13,560	3,095	1356.0%	1356.0%	50.0%	50.0%	13,060	1306.0%		
Interest Earnings	11,073	4,077	4,077	0	36.8%	36.8%	11,073	3,095	3,095	0	28.0%	28.0%	50.0%	50.0%	(2,442)	-22.0%		
Totals:	\$2,671,565	\$1,242,271	\$1,242,271	\$2,671,565	46.5%	46.5%	\$2,671,565	\$1,198,116	\$1,198,116	44.8%	44.8%	44.8%	50.0%	50.0%	(\$137,667)	-5.2%		

WATER FUND (#405) EXPENSES	A		B		C=B/A		D		E		F=E/D		G		H [^]		I=G-F	
	Budget	Actual	June 2014	Actual	%	Exp'd	Budget	Actual	June 2015	Actual	%	Exp'd	Expected % Exp*	Expected % Exp*	Varinc from Expected	Variance		
Operating Expenses	\$1,834,545	\$858,269	\$858,269	42,406	46.8%	46.8%	\$1,819,713	\$888,302	\$888,302	190,784	48.8%	48.8%	50.0%	50.0%	\$21,555	1.2%		
Capital Outlay	525,333	42,406	42,406	9,000	8.1%	8.1%	979,400	190,784	190,784	0	19.5%	19.5%	50.0%	50.0%	298,916	30.5%		
Debt Principal	132,077	9,000	9,000	3,300	6.8%	6.8%	133,077	10,000	10,000	2,825	7.5%	7.5%	50.0%	50.0%	56,539	42.5%		
Interest Expense	19,225	3,300	3,300	0	17.2%	17.2%	26,185	2,825	2,825	0	10.8%	10.8%	50.0%	50.0%	10,268	39.2%		
Transfers Out	0	0	0	0	0.0%	0.0%	420,000	0	0	0	0.0%	0.0%	50.0%	50.0%	210,000	50.0%		
Totals:	\$2,511,180	\$912,975	\$912,975	\$3,378,375	36.4%	36.4%	\$3,378,375	\$1,091,911	\$1,091,911	32.3%	32.3%	32.3%	50.0%	50.0%	\$387,277	17.7%		

Net Budget/Income/Variance: \$160,385 \$329,296 (\$706,810) \$106,205

Key:

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STORM FUND (#406) REVENUES	A		B		C=B/A		D		E		F=E/D		G		H [^]		I=F-G		
	Budget	June 2014 Actual	% Rec'd	Budget	June 2015 Actual	% Rec'd	Budget	June 2015 Actual	% Rec'd	Expected % Rec'd*	Expected % Rec'd*	Expected % Rec'd*	Expected % Rec'd*	Expected % Rec'd*	Expected % Rec'd*	Expected % Rec'd*	Expected % Rec'd*	Expected % Rec'd*	Expected % Rec'd*
Storm & Surface Water Fees	\$470,284	\$236,832	50.4%	\$506,772	\$249,417	49.2%	\$506,772	\$249,417	49.2%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Storm Connection/Misc. Fees	0	1,232	100.0%	1,000	3,912	391.2%	1,000	3,912	391.2%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Misc. Revenues/Insurance	0	276	100.0%	825	1,475	178.8%	825	1,475	178.8%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Interest Earnings	300	0	0.0%	1,300	285	21.9%	1,300	285	21.9%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Totals:	\$470,584	\$238,340	50.6%	\$509,897	\$255,089	50.0%	\$509,897	\$255,089	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%

STORM FUND (#406) EXPENSES	A		B		C=B/A		D		E		F=E/D		G		H [^]		I=G-F		
	Budget	June 2014 Actual	% Exp'd	Budget	June 2015 Actual	% Exp'd	Budget	June 2015 Actual	% Exp'd	Expected % Exp'd*	Expected % Exp'd*	Expected % Exp'd*	Expected % Exp'd*	Expected % Exp'd*	Expected % Exp'd*	Expected % Exp'd*	Expected % Exp'd*	Expected % Exp'd*	Expected % Exp'd*
Operating Expenses	\$452,358	\$182,272	40.3%	\$442,590	\$154,346	34.9%	\$442,590	\$154,346	34.9%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Capital Outlay	15,000	0	0.0%	18,000	2,822	15.7%	18,000	2,822	15.7%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Totals:	\$467,358	\$182,272	39.0%	\$460,590	\$157,168	34.1%	\$460,590	\$157,168	34.1%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%

Net Budget/Income/Variance: \$3,226 \$56,068 \$49,307 \$97,921 \$73,268

Key:

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AIRPORT FUND (#407) REVENUES	A June 2014		B		C=B/A		D June 2015		E		F=E/D		G		H^		I=F-G	
	Budget	Actual	Actual	Actual	% Rec'd	% Rec'd	Budget	Actual	Actual	Actual	% Rec'd	% Rec'd	Expected	Expected	Var'nc from Expected	Expected	Expected	% Variance
Intergovernmental Revenues	285,000	0	0	0.0%	0.0%	800,000	722	722	0.1%	0.1%	50.0%	50.0%	(399,278)	-49.9%				
Charges for Goods and Svcs.	500,000	235,950	235,950	47.2%	47.2%	520,000	284,595	284,595	54.7%	54.7%	50.0%	50.0%	24,595	4.7%				
Interest Earnings	8,000	109	109	1.4%	1.4%	15,085	7,234	7,234	48.0%	48.0%	50.0%	50.0%	(309)	-2.0%				
Licenses & Permits	0	3,000	3,000	N/A	N/A	0	3,000	3,000	N/A	N/A	50.0%	50.0%	3,000	N/A				
Rents & Royalties	73,203	34,231	34,231	46.8%	46.8%	96,000	38,744	38,744	40.4%	40.4%	50.0%	50.0%	(9,256)	-9.6%				
Capital Lease Receipts	821,918	420,710	420,710	51.2%	51.2%	879,651	424,773	424,773	48.3%	48.3%	50.0%	50.0%	(15,053)	0.0%				
Misc. Revenues/Insurance	2,000	1,211	1,211	60.6%	60.6%	2,000	447	447	22.4%	22.4%	50.0%	50.0%	(553)	-27.6%				
Capital Contribution - Airport	1,672,724	164,314	164,314	9.8%	9.8%	0	0	0	0.0%	0.0%	50.0%	50.0%	0	0.0%				
Non-Revenue Tax Receipts	0	0	0	0.0%	0.0%	0	34,424	34,424	100.0%	100.0%	50.0%	50.0%	76	50.0%				
Operating Transfers In	0	0	0	0.0%	0.0%	420,000	0	0	0.0%	0.0%	50.0%	50.0%	(210,000)	-50.0%				
Totals:	\$3,342,845	\$859,525	\$859,525	25.7%	25.7%	\$2,732,736	\$793,939	\$793,939	29.1%	29.1%	50.0%	50.0%	(\$396,853)	-20.9%				

AIRPORT FUND (#407) EXPENSES	A June 2014		B		C=B/A		D June 2015		E		F=E/D		G		H^		I=G-F	
	Budget	Actual	Actual	Actual	% Exp'd	% Exp'd	Budget	Actual	Actual	Actual	% Exp'd	% Exp'd	Expected	Expected	Var'nc from Expected	Expected	Expected	% Variance
Operating Expenses	941,045	402,948	402,948	42.8%	42.8%	\$1,199,816	\$520,733	\$520,733	43.4%	43.4%	50.0%	50.0%	\$79,175	6.6%				
Capital Outlay	398,500	13,123	13,123	3.3%	3.3%	1,455,000	20,563	20,563	1.4%	1.4%	50.0%	50.0%	706,937	48.6%				
Principal - G.O. Bonds	222,285	109,955	109,955	49.5%	49.5%	231,992	114,756	114,756	49.5%	49.5%	50.0%	50.0%	1,240	0.5%				
Interest Expense	93,921	48,148	48,148	51.3%	51.3%	84,215	43,347	43,347	51.5%	51.5%	50.0%	50.0%	(1,240)	-1.5%				
Totals:	\$1,655,751	\$574,174	\$574,174	34.7%	34.7%	\$2,971,023	\$699,399	\$699,399	23.5%	23.5%	50.0%	50.0%	\$786,113	26.5%				

Net Budget/Income/Variance: \$1,687,094 \$285,351 (\$238,287) \$94,540 \$389,260

Key:

* The expected percentage is calculated as follows: since the report is for the 6th month of the year, 6 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) -E (i.e.(annual budgeted amount x expected % expended) - actual expenditures.)

RECOMMENDATION/COUNCIL ACTION DESIRED

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

Reviewed by  City Manager

**City of Chehalis
Sales & Use Tax Revenue**

	Month-by-Month Comparisons								% Chg.
	2008	2009	2010	2011	2012	2013	2014	2015	
January	338,775.84	311,681.25	242,158.24	255,550.11	239,905.57	271,375.98	290,642.45	274,670.17	-5.5%
February	325,708.20	326,987.75	296,867.87	288,322.28	293,448.86	322,000.58	333,263.02	336,038.91	0.8%
March	352,594.58	247,974.49	269,687.71	209,202.31	201,418.97	221,154.40	238,177.91	258,421.46	8.5%
April	323,886.70	245,182.86	223,636.27	211,769.41	229,146.29	231,493.06	248,725.24	257,696.99	3.6%
May	366,700.91	255,481.63	246,998.74	269,316.42	250,189.48	271,850.87	297,383.10	300,832.16	1.2%
June	340,751.01	266,335.35	228,867.63	253,348.87	253,817.94	265,285.99	277,316.08	311,189.00	12.2%
July	352,426.34	270,324.94	239,316.92	235,882.93	251,676.19	268,330.22	329,111.43		
August	416,021.47	276,851.50	268,052.83	264,592.08	264,996.44	278,101.71	385,924.11		
September	327,171.53	250,448.70	246,365.20	320,998.49	276,271.10	291,464.88	300,288.47		
October	305,787.51	345,695.15	260,630.19	245,472.95	283,408.61	278,187.79	316,620.23		
November	373,132.35	257,314.61	251,801.70	261,382.66	273,852.79	285,244.13	319,051.89		
December	194,375.82	234,399.17	241,368.04	233,191.67	258,144.76	277,923.31	293,816.98		
Year Totals	4,017,332.26	3,288,677.40	3,015,751.34	3,049,030.18	3,076,277.00	3,262,412.92	3,630,320.91	1,738,848.69	n/a
1st Quarter	1,017,078.62	886,643.49	808,713.82	753,074.70	734,773.40	814,530.96	862,083.38	869,130.54	0.8%
1st Six Months	2,048,417.24	1,653,643.33	1,508,216.46	1,487,509.40	1,467,927.11	1,583,160.88	1,685,507.80	1,738,848.69	3.2%

**CITY OF CHEHALIS
AGENDA REPORT**

TO: The Honorable Mayor and City Council
FROM: Judy Pectol, Finance Manager
DATE: July 27, 2015
SUBJECT: Budget Amendment Ordinance 943-B; First Reading

ISSUE

Ordinance 943-B amending the 2015 Budget is hereby submitted to reflect the changes in estimates and the actual activity of the city. It is necessary to ensure compliance with appropriation requirements.

DISCUSSION

The attached spreadsheet provides information on a line-by-line basis, as well as summary information of the proposed budget amendment.

Most of the line item changes relate to how we record the receipt of funds that we are not allowed to keep. For example, we receive leasehold excise tax for our leased property; however, we are required to forward this tax to the state. In the past this was recorded as a liability and the payment was recorded as a reduction of the liability. The State Auditor's Office no longer accepts this. Now, in accordance with the rules for cash basis accounting, we record the receipt as revenue and the payment as an expense. This will have no impact on our fund balance.

Instead of issuing the payment directly to the vendor for the fire truck the bank will deposit the loan proceeds in our bank account and we will make the payment requiring that both the loan proceeds and the expenditure must be included in the budget. Previously the debt service expense on the loan was included in our 2015 budget. This also will not impact our fund balance.

We are revising the budget to include grant revenues that had been budgeted for 2014, but were not received until 2015.

The net city-wide increase to fund balances totals \$176,265. This ordinance is presented for passage on the first of two required readings.

RECOMMENDATION/COUNCIL ACTION DESIRED

The administration recommends that the council pass Ordinance No. 939-B on first reading.

SUGGESTED MOTION

I move that the council pass Ordinance No. 939-B on first reading.

Reviewed  City Manager

ORDINANCE NO. 943-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, AMENDING THE ANNUAL BUDGET OF THE CITY FOR THE CALENDAR YEAR 2015, BY INCREASING APPROPRIATIONS OF THE GENERAL FUND IN THE SUM OF NINE HUNDRED SIXTY-EIGHT THOUSAND NINE HUNDRED FIFTY-TWO DOLLARS (\$968,952); AND THE TOURISM FUND IN THE SUM OF FIVE THOUSAND DOLLARS (\$5,000); AND THE GARBAGE FUND BY TWO HUNDRED FIFTY DOLLARS (\$250); AND THE WASTEWATER FUND BY SIX HUNDRED DOLLARS (\$600); AND THE WATER FUND BY TWENTY-FIVE THOUSAND EIGHTY-FIVE DOLLARS (\$25,085) AND THE STORM AND SURFACE WATER FUND BY TWO HUNDRED SEVENTY-FIVE DOLLARS (\$275); AND THE AIRPORT FUND BY ONE HUNDRED SIXTY-FIVE THOUSAND DOLLARS (\$165,000); AND DIRECTING THE FINANCE MANAGER TO EFFECT THE BUDGET AMENDMENTS HEREIN PROVIDED.

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

Section 1. The annual budget of the city for the calendar year 2015 shall be, and the same hereby is, amended so as to increase the General Fund's estimated revenues by \$831,932; increase transfers in by \$296,877; and increase expenditures by \$968,952. The annual budget of the city for the calendar year 2015 shall be, and hereby is amended to increase the appropriations of the General Fund in the sum of nine hundred sixty-eight thousand nine hundred fifty-two (\$968,952).

Section 2. The annual budget of the city for the calendar year 2015 shall be, and the same hereby is, amended so as to increase the Tourism Fund's appropriations by \$5,000.

Section 3. The annual budget of the city for the calendar year 2015 shall be, and the same hereby is, amended so as to increase the Federal and State Grant Fund's revenue by \$296,877; and increase transfers out by \$296,877.

Section 4. The annual budget of the city for the calendar year 2015 shall be, and the same hereby is, amended so as to increase the Garbage Fund's revenue by \$250 and increase appropriations by \$250.

Section 5. The annual budget of the city for the calendar year 2015 shall be, and the same hereby is, amended so as to increase the Wastewater Fund's revenues by \$600; and increase appropriations by \$600.

Section 6. The annual budget of the city for the calendar year 2015 shall be, and the same hereby is, amended so as to increase the Water Fund's revenues by \$25,085; and increase appropriations by \$25,085.

Section 7. The annual budget of the city for the calendar year 2015 shall be, and the same hereby is, amended so as to increase the Storm and Surface Water Fund's revenues by \$275; and increase appropriations by \$275.

Section 8. The annual budget of the city for the calendar year 2015 shall be, and the same hereby is, amended so as to increase the Airport Fund's revenues by \$186,408; and increase appropriations by \$165,000.

Section 9. Attached hereto and identified as Exhibit A, in summary form, are the total of estimated revenues, transfers in, expenditures, and transfers out for each separate fund and the aggregate totals for all such funds combined for the city for the amended 2015 budget which, shows a total estimated ending fund balance of \$11,497,684.

PASSED by the city council of the City of Chehalis, Washington, and **APPROVED** on its first reading at a regularly scheduled open public meeting thereof this ____ day of _____, 2015.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

EXHIBIT A
CITY OF CHEHALIS AMENDED 2015 BUDGET
2015 Budget Summary Revised with Ordinance # 943-B

FUND NAME	Est. Beg. Fund Balance	Revenue	Operating Transfers In	Expenditures	Operating Transfers Out	Est. End. Fund Balance
General Fund	990,221	9,068,639	296,877	9,087,865	216,815	1,051,057
Dedicated Street Fund - 4% Sales Tax	0		150,514	148,800		1,714
Arterial Street Fund	21,256	150,000	0	128,938		42,318
Tourism Fund	95,114	182,910	0	220,550		57,474
Community Dev. Block Grant Fund	11	10,186		0		10,197
HUD Block Grant Fund	139,907	600		0		140,507
Federal and State Grant Fund	0	296,877	0	0	296,877	0
2011 G.O. Bond Fund	0		97,210	97,210		0
Automotive/Equip. Res. Fund	459	0	36,700	36,700	0	459
1st Quarter REET Fund	123,306	32,125	0	25,000	41,315	89,116
2nd Quarter REET Fund	59,979	32,125	0	0	31,594	60,510
Garbage Fund	1,787	6,890	5,300	11,947		2,030
Wastewater Fund	1,910,597	4,987,332		4,860,590		2,037,339
Water Fund	4,795,321	3,982,658		2,983,460	420,000	5,374,519
Storm & Surface Water Fund	504,988	510,172		460,865		554,295
Airport Fund	1,822,481	2,499,144	420,000	3,136,023		1,605,602
Firemen's Pension Fund	383,125	151,200		71,085		463,240
City Agency Fund	7,307	0		0		7,307
TOTALS	10,855,859	21,910,858	1,006,601	21,269,033	1,006,601	11,497,684

City of Chehalis
 2015 Budget Amendment No. 1 - Ordinance 943-B
 7/27/2015

Fund No. and Name	Acct. Name	Reason for Amendment	Revenue		Appropriation		Transfers		Total
			Increase/(Decrease)	Revenue	Increase/(Decrease)	Appropriation	In/(Out)	Increase/(Decrease)	
Fund 001 - General Fund									
001.386.000.03	Due to State - Police Dept			250		250			
001.H1.586.003.00.00	Due to State - Police Dept	The City has been recording cash received that is to be paid to another entity as a liability when received and a reduction of the liability when paid. The SAO requires that the receipts be recorded as revenue and the payments be recorded as an expense for cities using the cash basis of accounting.		4,775		4,775			
001.386.000.04	Due to State - Sales Tax			2,485		2,485			
001.53.586.004.00.00	Due to State - Sales Tax			500		500			
001.386.000.12	Due to Others - Crime Victim			60,000		60,000			
001.C1.586.012.00.00	Due to Others - Crime Victim			31,000		31,000			
001.386.000.83	Due to State - Trauma Care			600		600			
001.c1.586.083.00.00	Due to State - Trauma Care			3,400		3,400			
001.386.000.91	Due to State - Court			12,000		12,000			
001.C1.586.091.00.00	Due to State - Court			500		500			
001.386.000.92	Due to State - PSEA			3,500		3,500			
001.C1.586.092.00.00	Due to State - PSEA			200		200			
001.386.000.94	Due to State - Hwy Safety			540		540			
001.C1.586.094.00.00	Due to State - Hwy Safety			460		460			
001.386.000.96	Due to State - Lab/Blood								
001.C1.586.096.00.00	Due to State - Lab/Blood								
001.386.000.97	Due to State - JIS								
001.C1.586.097.00.00	Due to State - JIS								
001.386.000.99	Due to State - School Zone								
001.C1.586.099.00.00	Due to State - School Zone								
001.386.001.00	Due to State - Auto Theft								
001.C1.586.100.00.00	Due to State - Auto Theft								
001.386.001.01	Due to State - Access Com								
001.C1.586.101.00.00	Due to State - Access Com								
001.386.000.14	Due to State - Hotel/Motel								
001.53.586.014.00.00	Due to State - Hotel/Motel								
001.386.000.24	Due to State - St Bldg Code								
001.53.586.024.00.00	Due to State - St Bldg Code								
001.313.061.00	Brokered Natural Gas	State Withholding Prior Years Overpayment		(30,000)					
001.337.009.42	AWC Grant	Wellness mini-grant		475		475			
001.G1.518.011.31.00	Wellness Committee Expenses	Expenses funded by the mini-grant							
001.G1.518.090.41.00	Professional Services	FEMA Mapping/Flood							48,000
001.G1.518.080.41.00	Professional Services	Office 365 Project							38,500

City of Chehalis
 2015 Budget Amendment No. 1 - Ordinance 943-B
 7/27/2015

Fund No. and Name	Acct. Name	Reason for Amendment	Revenue		Appropriation		Transfers		Total Increase/(Decrease)
			Increase/(Decrease)	50,000	Increase/(Decrease)	In/(Out)			
001.337.009.37	Local Grants	Distressed Counties Grant	50,000						
001.G1.514.060.52.01	CCRM Engine Repair	Distressed Counties Grant		50,000					
001.397.000.99	Transfer In - Grant Fund	Grant Money received in 2015					296,877		
001.542.050.48.00	Repairs & Maintenance	Chamber Way Bridge Expenses			20,520				
001.369.090.01	Miscellaneous Revenue	Refund Received from Vendor re	13,880						
001.K1.595.030.63.00	Roads & Streets Construction	Chehalis Ave project			13,880				
001.391.090.00	Proceeds of Long Term Debt	Loan For Fire Truck	625,100						
001.J1.594.022.60.00	Capital Equipment	Purchase of Fire Truck			625,100				
001.395.020.02	Insurance Recovery	Insurance payment for Fire Dept Bldg	52,267						
001.53.518.030.48.00	Repair & Maintenance	Cost of repair of Fire Dept Bldg			52,267				
Total General Fund			831,932		968,952		296,877		159,857
2									
Fund 107 - Tourism Fund									
107.557.030.41.25	Visiting Nurses Foundation	2015-16 Funding for Slam 3 on 3 Basketball			5,000				
Total Tourism Fund			0		5,000		0		(5,000)
Fund 199 - Federal and State Grant Fund									
199.333.015.91	State Grant Revenue	Grant Money received in 2015	296,877						
199.48.597.000.05.01	Transfer Out - Fund 001	Grant Money received in 2015					(296,877)		
Total Federal & State Grant Fund			296,877		-		(296,877)		0
Fund 402 - Garbage Fund									
402.386.000.04	Due to State - Sales Tax	SAO Requirement as described	250						
402.12.586.004.00.00	Due to State - Sales Tax	above.							250

City of Chehalis
 2015 Budget Amendment No. 1 - Ordinance 943-B
 7/27/2015

Fund No. and Name	Acct. Name	Reason for Amendment	Revenue		Appropriation		Transfers		Total Increase/(Decrease)
			Increase/(Decrease)		Increase/(Decrease)		In/(Out)		
Total Garbage Fund			250		250		-		-

Fund 404 - Wastewater Fund									
404.386.000.04	Due to State - Sales Tax	SAO Requirement as described	100						
404.11.386.004.00.00	Due to State - Sales Tax	above.			100				
404.386.000.06	Due to State - Leasehold		500						
404.11.586.006.00.00	Due to State - Leasehold				500				
Total Wastewater Fund			600		600				-

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Fund 405 - Water Fund									
405.386.000.04	Due to State - Sales Tax	SAO Requirement as described	85						
405.10.386.004.00.00	Due to State - Sales Tax	above.			85				
405.386.000.06	Latecomer Deposits		25,000						
405.10.534.010.49.00	Latecomer Deposits				25,000				
Total Water Fund			25,085		25,085				-

Fund 406 - Storm and Surface Water Fund									
406.336.000.04	Due to State - Sales Tax	SAO Requirement as described	275						
406.06.586.004.00.00	Due to State - Sales Tax	above.			275				
Total Storm and Surface Water Fund			275		275				-

Fund 407 - Airport Fund									
407.386.000.04	Due to State - Sales Tax	SAO Requirement as described	45,000						
407.09.586.004.00.00	Due to State - Sales Tax	above.			45,000				
407.386.000.06	Due to State - Leasehold		120,000						
407.09.586.006.00.00	Due to State - Leasehold				120,000				
Total Airport Fund			165,000		165,000				-

City of Chehalis
 2015 Budget Amendment No. 1 - Ordinance 943-B
 7/27/2015

Fund No. and Name	Acct. Name	Reason for Amendment	Revenue Increase/(Decrease)	Appropriation Increase/(Decrease)	Transfers In/(Out)	Total Increase/(Decrease)
407.331.020.00	FAA Grant	2013 FAA Grant to be received in 2015	21,408			
Total Airport Fund			186,408	165,000	-	21,408.00
Total of All Funds			1,341,427	1,165,162	0	176,265

CITY OF CHEHALIS

AGENDA REPORT

DATE: July 20, 2015
TO: The Honorable Mayor and City Council
FROM: Ken Cardinale, Fire Chief
SUBJECT: Fire Apparatus Purchase

ISSUE

The Fire Department set out over a year ago preparing plans for replacing our first out apparatus which is an eleven years old, a 2004 Pierce 1500 gallons per minute Class I pumper. This apparatus is nearing its front line serviceable life span of 15 years per the National Fire Protection 1500 Guidelines. The apparatus committee was made up of the following department members; Captain Gebhart, Firefighter Reynolds, Senior Firefighter Pedersen, Senior Firefighter Emrich and Firefighter McCarty. After the committee completed its research, they developed plans for an apparatus which will best serve the needs of the City of Chehalis.

DISCUSSION

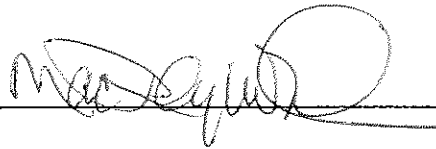
Purchasing this new modern fire apparatus will allow the department to better serve the community of Chehalis. The proposed apparatus will be manufactured by Pierce Manufacturing and is a DASH 1500 Gallons per Minute pumper with a 750 Gallon water tank. It will have a shorter wheel base, which will allow us to articulate the hills and tighter areas of the city, which we currently have some issues negotiating with our current 2004 48-1 Engine. Attached to this report is a fact sheet which provides you with a history of our past fire apparatus purchases and future plans for the present apparatus. The Council approved the funding of the new fire apparatus as part of the 2015 budget.

RECOMMENDATION/COUNCIL ACTION DESIRED

It is recommended that the Council authorize the City Manager to execute a contract with Pierce Manufacturing INC. for the purchase and manufacturing of the 2016 Pierce Dash Class I Engine Pumper

SUGGESTED MOTION

I MOVE TO AUTHORIZE THE City Manager to execute a contract with Pierce Manufacturing INC. for the manufacturing of the New 2016 Pierce Dash Fire Apparatus.

Reviewed by:  _____ City Manager



City of Chehalis Fire Department

Ken Cardinale, Chief

455 N.W. Park
Chehalis, WA 98532
(360) 748-3394
Fax (360) 345-1258

Email: kcardinale@ci.chehalis.wa.us

July 20, 2015

Fire Apparatus Purchase History Fact Sheet

History

The Chehalis Fire Department has made the following apparatus purchases over the last 36 years;

Engine 48-4 is a 1978 Pierce manufactured 750 Gallons per Minute Class I Engine, which went in service in 1979 and has served the community for 36 years.

Engine 48-2 is a 1992 Western States manufactured 1500 Gallons per Minute Class I Engine which has served the community for 23 years at a cost of \$110K.

Engine 48-1 is a 2004 Pierce manufactured 1500 Gallons Per Minute Class I Engine and has served the community since 2004 and is our first out engine company at a cost of \$401K

Tower 48 is a 1997 Spartan manufactured 2000 Gallons per Minute, 100 ft. Quint tower and has been served the community for 18 years at a cost of \$970K.

Current Status

The department is in the process of purchasing a new 2016 Pierce Dash CF 1500 Gallons per minute Class I Engine at a total cost of \$632K. This new apparatus will replace the 2004 Pierce Engine 48-1 as the front line response apparatus for the City of Chehalis. The original cost estimate which was \$584K; this figure did not include Washington State Sales or Motor Vehicle taxes. Due to inflation and other factors the updated cost figure from the manufacture is \$632K, this figure does include the Washington State Sales and Motor Vehicle taxes. The city administration did seek bids and determined to obtain a loan from Security State Bank for the difference in the amount of \$632K on a 7- year term at 3% interest rate. The monthly payment will be \$8K a month with an annual payment of \$133, 116.

“DEDICATED TO SERVING YOU SINCE 1893”

Future Plans

The current 2004 Pierce Engine 48-1 will move to 48-2 as our second response apparatus. The Western States 1992 Engine 48-2 will move to our third response apparatus as 48-3. Engine 48-4 1978, we plan to have this engine apparatus retro fitted into a Class B Foam unit for Airport, Freeway and BNSF Train Class B hydrocarbons incidents. This is due to the fact the fire department currently does not have any Class B firefighting capabilities. Transportation of BNSF Class B fuels train traffic has quadrupled in the last 10 years and the transportation of these type fuels is anticipated to continue to increase. We currently have FAA Group I aircraft landing at the airport on a regular basis and we should have this type of capability in the event of an aircraft incident at the airport.

We are appreciative of your support for the services we provide.