



FINANCE DEPARTMENT

To: Honorable Mayor and Members of the City Council
Bob Harrison, City Manager

From: Jennifer Ferrer-Santa Ines, Director of Finance & Budget
Kimberly Dominé, Financial Services Manager
Kathy Miles, Financial Services Technician - Payroll

Date: August 16, 2022

Subject: 2022 2nd Quarter Financial Update

This financial update is a preliminary, unaudited, report for the 2nd quarter ended June 30, 2022, two quarters, or 50% of the year, intended to inform and assist governance decisions for future planning. In total, city revenues are at 45.7% of budget and expenditures are at 35.0% of budget. The timing of certain revenue payments and Capital fund expenditures, are normally the biggest reasons that revenues and expenditures are below 50% at this point in the year.

Cash position and revenue charts on the following pages provide insight into the monitoring of revenue and the management of expenses. The Quarterly Treasury report, a separate report also available on the City's website, provides further cash and investment analysis.

This report is not a final report, as the annual independent audit for 2022 will not be completed until later in 2023, which may affect final numbers.

COVID's Economic Effects on City Revenues

The American Rescue Plan Act (ARPA) funds positively impacted 2022, increasing budgeted revenues and expenses and affecting "normal" budgetary percentages in the accompanying reports uniquely. The economic effects of COVID and the CARES Act affected 2021 uniquely, complicating comparison to prior year.

As has been monitored and reported continuously, there was a substantial economic impact to many of the City's budgeted revenues due to COVID in 2020 and 2021. While numbers for most of these revenues improved in the first part of 2022 and year-to-date numbers are still showing growth from last year (103.7%), the growth has slowed significantly from the beginning of the year (115.8%).

- Sales Tax is currently exceeding budget by 17.1% in the 2nd quarter. Major categories that are leading this increase in Sales Tax are:
 - Real Estate, Rental and Leasing is up 9.4%, with the largest increase in office machinery and equipment rental, up 40.6% over last year.

- Accommodations and food services are up 19.6%, mainly due to the food services and drinking places category, which is up 34.1%.
- Construction is also going strong with an increase of 11.7% over last year, mostly in the specialty trade category (masonry, plumbing, electrical, etc), up 21.3%.
- Other services are up 21.9%, with linen supply services up by 56.7%.
- The miscellaneous category is currently at 17.2%, with the largest increase in health care and social assistance, up 140.7%.
- Lodging Tax had a significant downturn in 2020 and 2021 due to the economic effects of the COVID pandemic but has improved significantly in the first half of 2022. Lodging Tax is now showing significant signs of improvement at 143.1% of budget for the 2nd quarter.
- Building Permits and Fire Inspection Fees decreased during 2020 and into 2021, and while building permit revenue is improving (but still below budget expectations), fire inspection fees are still well below budget, and are continuing to be monitored monthly.
- Gambling revenues continue to struggle to reach budget expectations in the 2nd quarter of 2022, as three of these establishments went out of business or did not renew their licenses, and reported revenues from these businesses are down over all.

General Fund's Performance to Budget

General Fund Revenues in total are at 48.9%; the largest components are:

- Property Tax is at 57.2%, mainly due to the timing of payments.
- Licenses and Permits, showing improvement from 2nd quarter 2021, are at 52.2%.
- Criminal Justice Tax is at 50.7%.
- Other Taxes are down, mainly due to the timing of these revenue payments.

General Fund Expenditures in total are at 43.6%. The largest component variances are:

- Interfund Distributions (transfers from the General Fund to other funds) are at (475.4)%. As of 2021, City Service charges are required to be shown as a reimbursement of expense, instead of a revenue per the State Auditor. This change was implemented by the City towards the end of the year, consequently, there was not time to update the Amended Budget with City Council at the time of this report.
- Intergovernmental is at 63.7%.
- Human Resources, City Clerk, Economic Development, City Hall Facility and Parking are all currently under 40% of expenditures, most likely due to the timing of billings received.

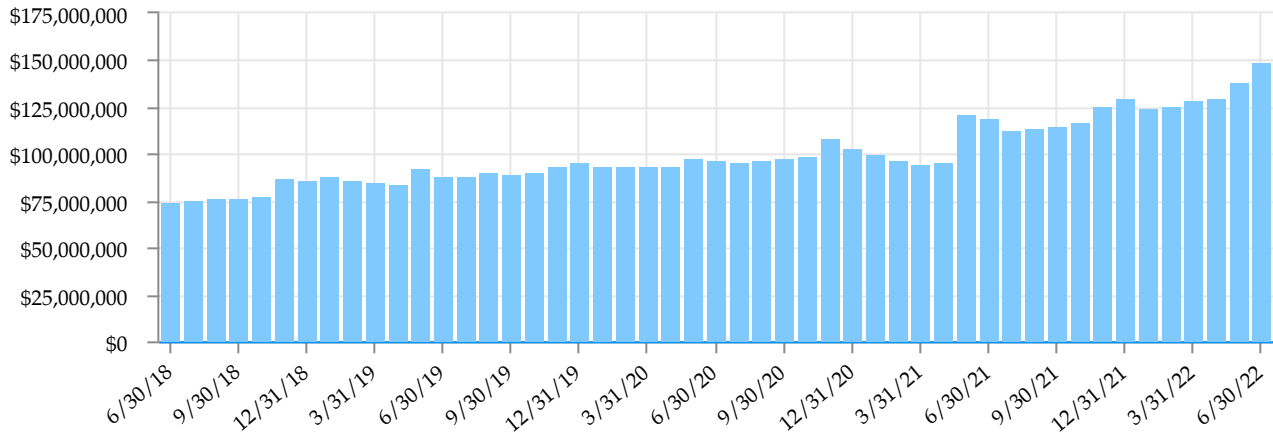
CASH POSITION AND REVENUE UPDATE

City staff monitors revenues and manages expenses continuously.

Cash & Investments

As a current over-all indicator, the 4-year historic core city-wide cash and investments balance trend shows June at \$149.2 million. Each month is best compared to the same month in previous years to account for seasonality and other annual events.

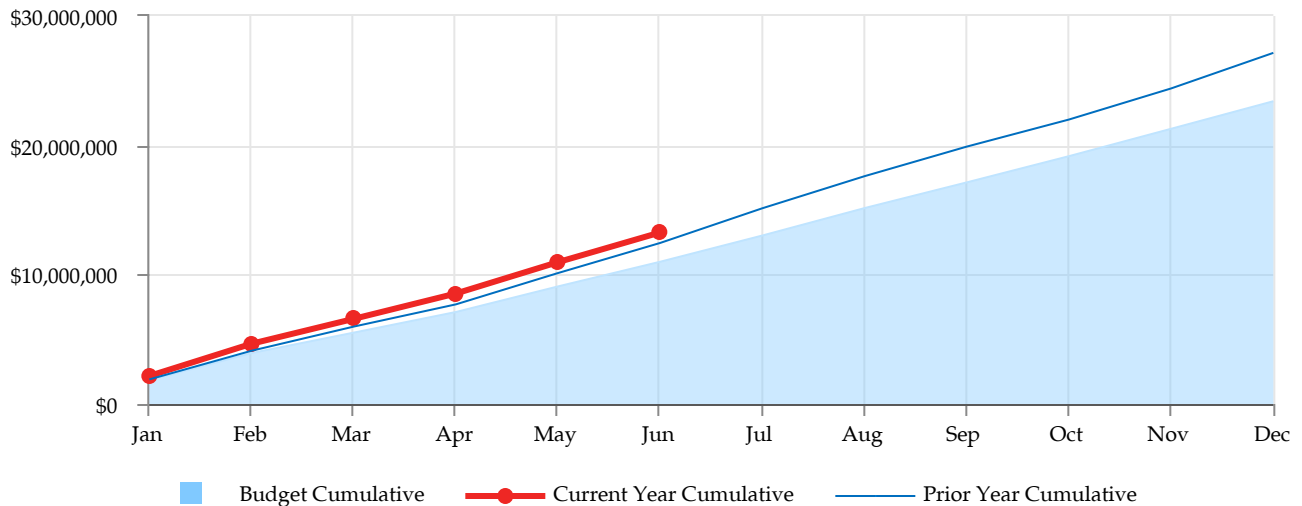
CASH AND INVESTMENTS HISTORY



Sales Tax

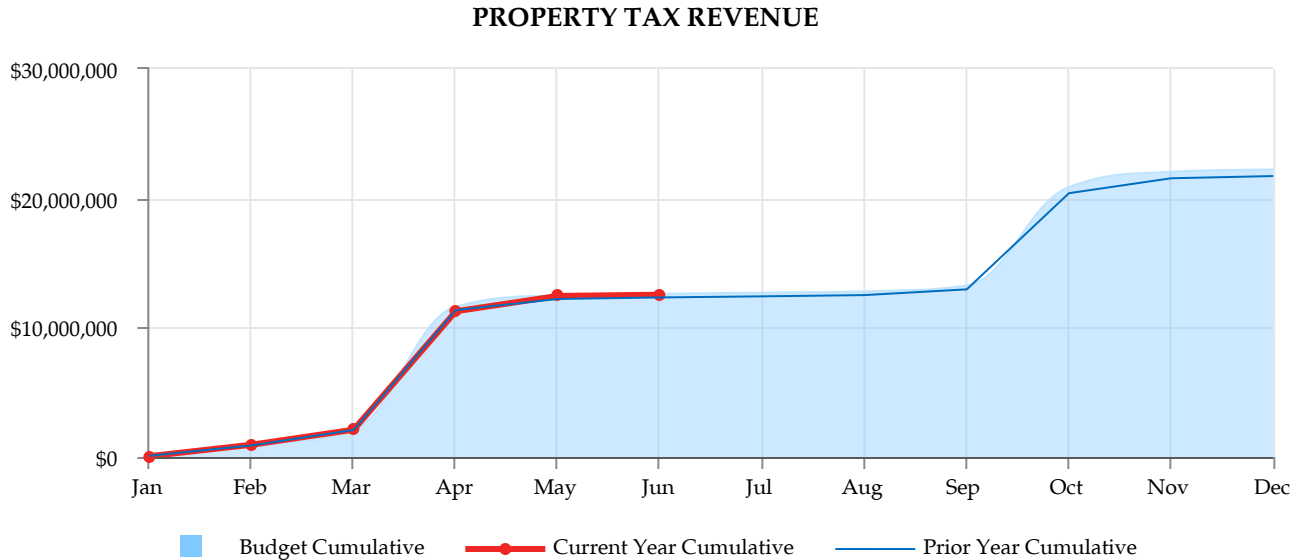
This is the largest single funding source for the city. The 2nd quarter cumulative revenue of \$13.3 million exceeds the cumulative budget by \$2.3 million or 17.1% and is greater than prior year by \$811,071. The city receives sales tax from the State on a 2-month lag from the actual point-of-sale transactions so these figures are for actual transactions through April. Rising inflation, unchanged spending and consumption by end users have all influenced the increase of revenues from sales tax receipts. The graph below shows General Fund Sales Tax revenues (General Sales Tax (001) and Criminal Justice Sales Tax (003) - as seen on page [10](#)).

SALES TAX REVENUE



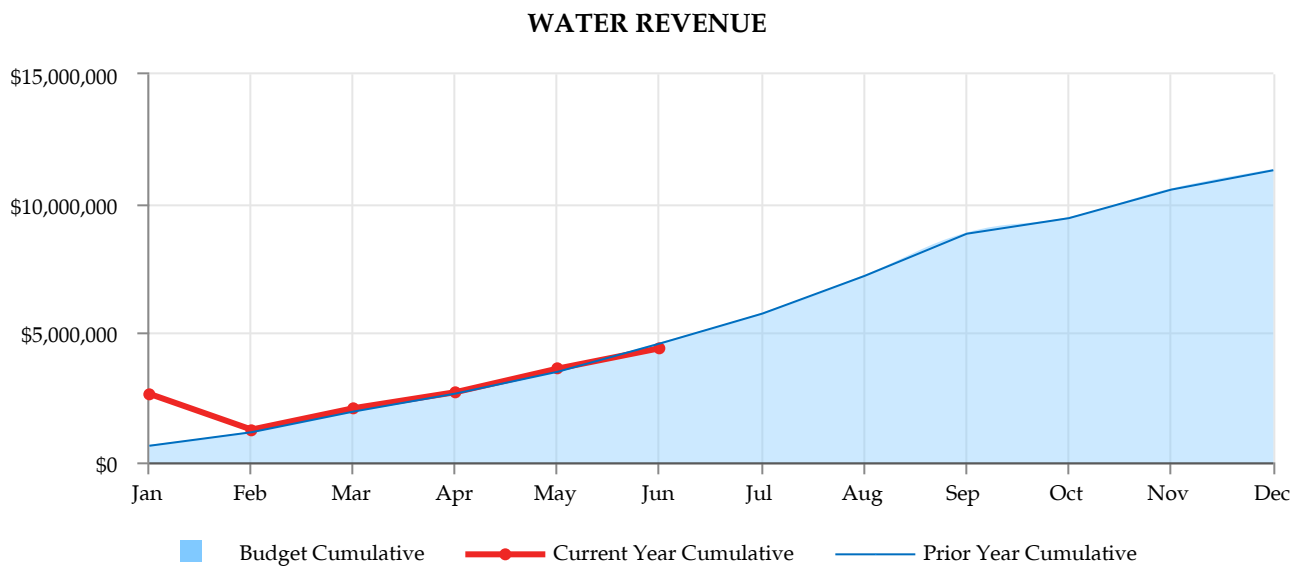
Property Tax

The 2nd quarter cumulative Property Tax revenue is tracking right on budget. The 2022 budget increased by \$313,175 due to assessed valuations (a combination of the existing cap at 1% and new growth). The following chart includes city-wide property tax revenue.



Water

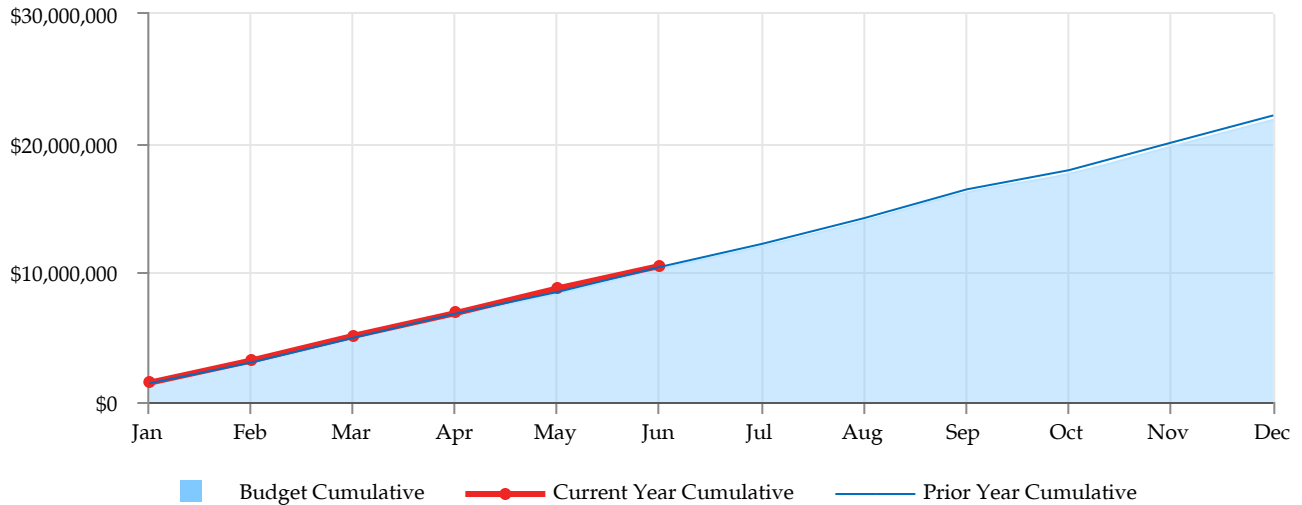
The 2nd quarter cumulative revenue of \$4.4 million for Water through June is down \$185,729 from last year, most likely due to cooler spring weather, the timing of billings, and changes to the billing cycle. A rate increases of 5% went into effect in January of 2022. January 2022 was overstated, as there was a billing error in January that was corrected in February.



Wastewater

The 2nd quarter cumulative revenue of \$10.5 million is up \$240,307 over budget and \$80,235 over prior year. An average 3.2% rate increase was approved by Council for 2022. A cost of service and rate study for the division was planned and budgeted for 2022, but will not be completed until 2023.

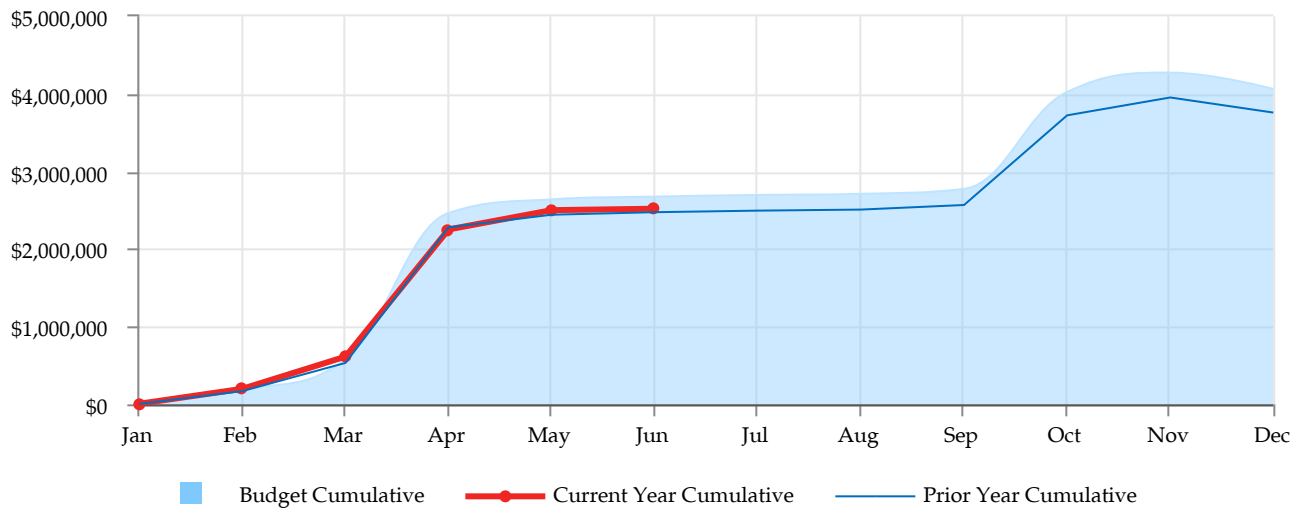
WASTEWATER REVENUE



Stormwater

The 2nd quarter cumulative operating assessments of \$2.5 million are down \$155,928 under budget and \$44,679 over prior year. For the provision of stormwater compliance and stormwater collection services a tax is levied against the total assessments collected from annual stormwater assessment charges at the current rate of fifteen percent. A journal entry at year end is required to account for the timing of payments and the intergovernmental nature of this revenue.

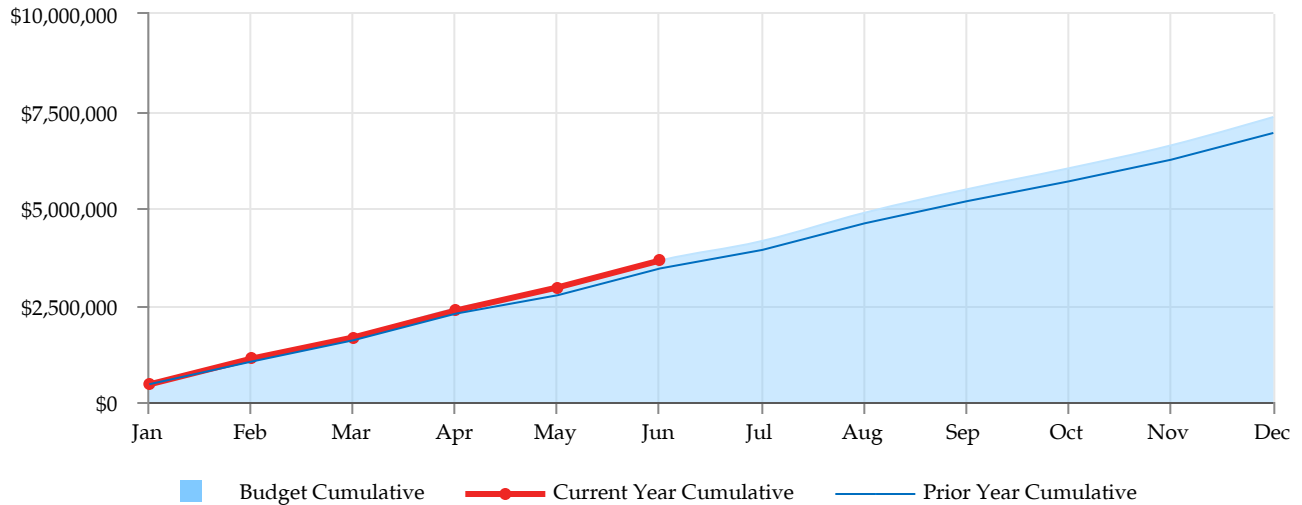
STORMWATER REVENUE



Refuse

The 2nd quarter cumulative Refuse revenue of \$3.6 million is up \$1,374 over budget and \$205,621 over prior year. An average 3.5% rate increase in Refuse rates was approved by Council for each year 2021 through 2025 as reflected in the 2022 budget.

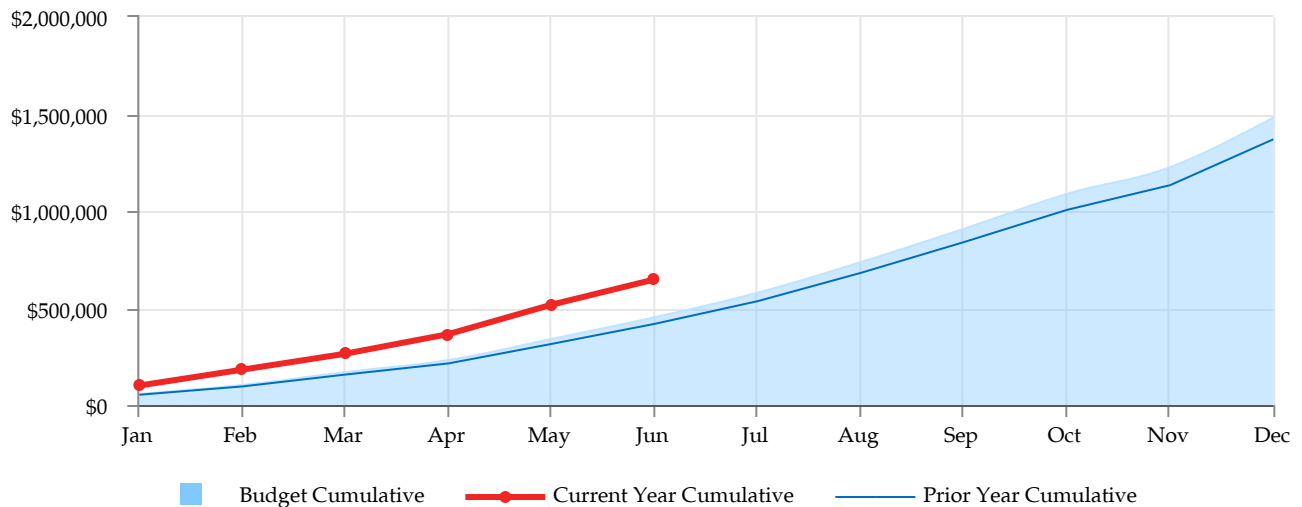
REFUSE REVENUE



Lodging Tax

The 2nd quarter cumulative revenue of \$647,650 is up \$194,956 over budget and up \$229,290 compared to prior year. The comparison of each month's revenue to the same month in prior year improved through the last six months of 2021, and into the 2nd quarter of 2022, showing steady improvement for the first time in almost two years. The City is hopeful that this positive trend steadily continues moving forward.

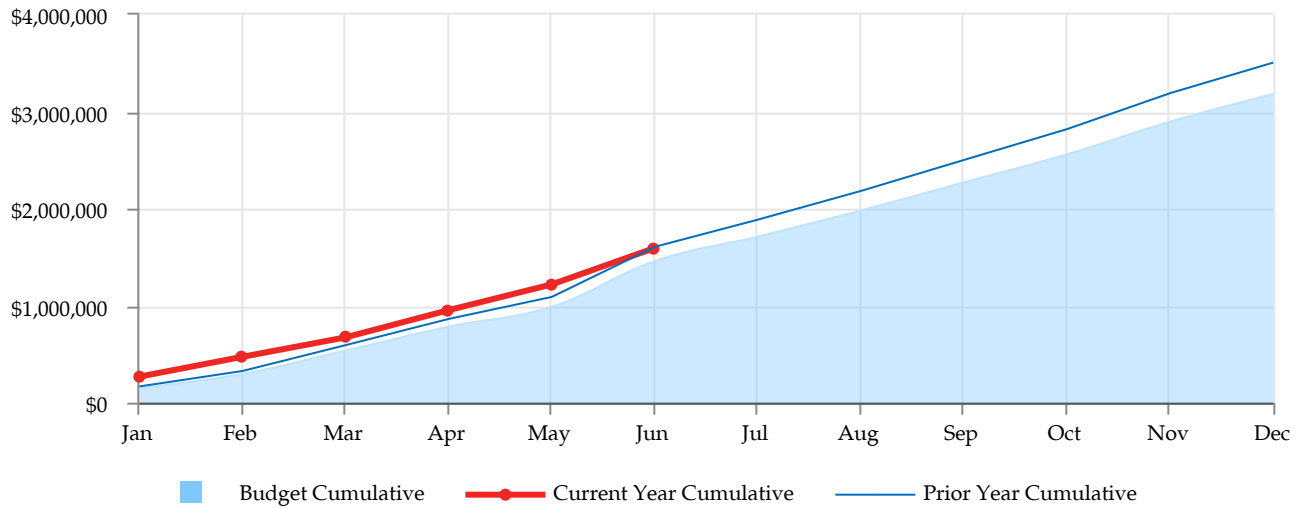
LODGING TAX REVENUE



Real Estate Excise Tax (REET I & II, combined)

The 2nd quarter cumulative revenue for REET of \$1.6 million is up \$136,408 over budget and down \$11,249 over prior year, most likely due to fluctuating interest rates.

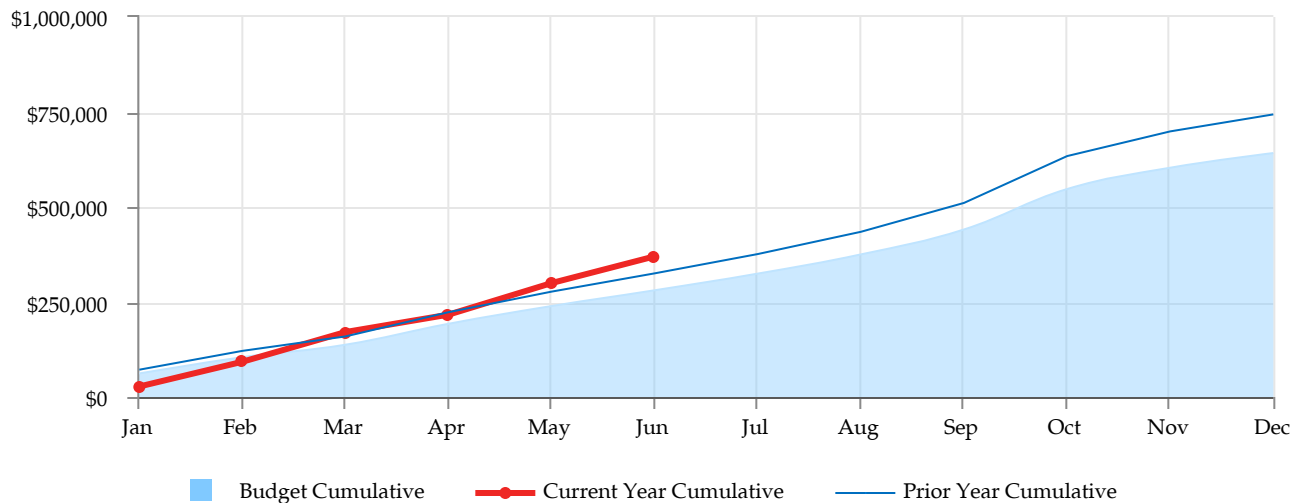
REET 1 / REET 2



Building Permits

After a slow start in 2022, the 2nd quarter cumulative revenues of \$370,188 are up \$89,255 over budget and \$44,747 above prior year, showing improvement from the slow start in the first two months of 2022. Permit activity shows that there were 107 permits for 40 dwelling units in 2022, compared with 88 permits for 15 dwelling units in 2021, with the majority of increase within the single family and duplex categories.

BUILDING PERMIT REVENUE



CITY-WIDE FUND BALANCE SUMMARY

CHANGE IN FUND BALANCE

| | 2022 | As of June 30 | | |
|------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | Beginning Balance | 2022 Actual Rev. | 2022 Actual Exp. | Ending Balance |
| General Fund | \$ 15,273,951 | \$ 33,972,728 | \$ 31,140,678 | \$ 18,106,001 |
| Parks and Recreation | 1,097,390 | 2,695,729 | 2,634,938 | 1,158,181 |
| Street & Traffic Operations | 1,250,587 | 3,161,905 | 2,659,470 | 1,753,022 |
| General Government Subtotal | 17,621,928 | 39,830,362 | 36,435,086 | 21,017,204 |
| Other Governmental Operating Funds | 7,180,598 | 29,473,220 | 7,615,769 | 29,038,049 |
| Government Capital Funds | 15,677,324 | 3,990,241 | 3,764,778 | 15,902,787 |
| Enterprise Operating Funds | 34,185,286 | 29,497,755 | 33,285,681 | 30,397,360 |
| Enterprise Capital Funds | 44,571,861 | 13,138,211 | 7,539,668 | 50,170,404 |
| Internal Service Funds | 4,648,412 | 4,317,313 | 4,702,628 | 4,263,097 |
| Employee Benefit Reserve | 5,115,078 | 7,600,814 | 8,610,245 | 4,105,647 |
| Risk Management Reserves | 3,788,205 | 3,104,411 | 3,319,001 | 3,573,615 |
| Debt Service & Agency Funds | 5,247,798 | 4,629,099 | 3,451,916 | 6,424,981 |
| Total | <u>\$ 138,036,490</u> | <u>\$ 135,581,426</u> | <u>\$ 108,724,772</u> | <u>\$ 164,893,144</u> |

This is a progress report to provide transparency and accountability. This table shows fund balances by fund at this point in time. This is intended to provide transparency and accountability but is a snapshot, not a reliable measure of predicted year-end.

CITY WIDE REVENUES & EXPENDITURES BY FUND GROUPING

REVENUE COMPARISON

(Budget vs. Actual)

| | 2021 | | | 2022 | | |
|---|-----------------------|-----------------------|---------------|-----------------------|-----------------------|---------------|
| | Annual | Actual | % | Annual | Actual | % |
| | Amended | | | Amended | | |
| | Budget | as of 6/30 | Rec'd | Budget | as of 6/30 | Rec'd |
| General | \$ 69,979,616 | \$ 48,498,615 | 69.3 % | \$ 69,524,615 | \$ 33,972,728 | 48.9 % |
| Parks and Recreation | 5,745,833 | 2,970,689 | 51.7 % | 5,702,395 | 2,695,729 | 47.3 % |
| Street & Traffic Operations | 6,353,125 | 3,391,289 | 53.4 % | 6,478,808 | 3,161,905 | 48.8 % |
| General Government Subtotal | 82,078,574 | 54,860,593 | 66.8 % | 81,705,818 | 39,830,362 | 48.7 % |
| Other Government Operating Funds ¹ | 34,206,215 | 6,245,260 | 18.3 % | 32,916,898 | 29,473,220 | 89.5 % |
| Government Capital Funds | 23,266,690 | 6,133,631 | 26.4 % | 36,166,287 | 3,990,241 | 11.0 % |
| Enterprise Operating Funds | 68,198,108 | 28,963,053 | 42.5 % | 67,345,914 | 29,497,755 | 43.8 % |
| Enterprise Capital Funds | 31,865,671 | 4,946,345 | 15.5 % | 37,796,070 | 13,138,211 | 34.8 % |
| Internal Service Funds | 7,715,777 | 3,756,087 | 48.7 % | 10,002,954 | 4,317,313 | 43.2 % |
| Employee Benefit Reserves | 16,293,943 | 7,447,340 | 45.7 % | 17,700,231 | 7,600,814 | 42.9 % |
| Risk Management Reserve | 5,126,916 | 2,649,570 | 51.7 % | 5,826,575 | 3,104,411 | 53.3 % |
| Debt Service & Agency Funds | 7,495,303 | 4,721,549 | 63.0 % | 7,100,227 | 4,629,099 | 65.2 % |
| Total | \$ 276,247,197 | \$ 119,723,428 | 43.3 % | \$ 296,560,974 | \$ 135,581,426 | 45.7 % |

EXPENDITURE COMPARISON

(Budget vs. Actual)

| | 2021 | | | 2022 | | |
|------------------------------------|-----------------------|-----------------------|---------------|-----------------------|-----------------------|---------------|
| | Annual | Actual | % | Annual | Actual | % |
| | Amended | | | Amended | | |
| | Budget | as of 6/30 | Exp'd | Budget | as of 6/30 | Exp'd |
| General | \$ 70,950,328 | \$ 32,850,760 | 46.3 % | \$ 71,467,427 | \$ 31,140,678 | 43.6 % |
| Parks and Recreation | 5,861,436 | 2,258,391 | 38.5 % | 6,378,807 | 2,634,938 | 41.3 % |
| Street & Traffic Operations | 6,352,464 | 3,099,823 | 48.8 % | 6,567,056 | 2,659,470 | 40.5 % |
| General Government Subtotal | 83,164,228 | 38,208,974 | 45.9 % | 84,413,290 | 36,435,086 | 43.2 % |
| Other Government Operating Funds | 29,723,343 | 6,993,886 | 23.5 % | 27,687,115 | 7,615,769 | 27.5 % |
| Government Capital Funds | 35,397,699 | 15,407,649 | 43.5 % | 31,827,259 | 3,764,778 | 11.8 % |
| Enterprise Operating Funds | 67,535,670 | 27,795,119 | 41.2 % | 75,027,602 | 33,285,681 | 44.4 % |
| Enterprise Capital Funds | 37,588,968 | 4,843,604 | 12.9 % | 52,126,085 | 7,539,668 | 14.5 % |
| Internal Service Funds | 9,910,780 | 3,569,716 | 36.0 % | 9,696,770 | 4,702,628 | 48.5 % |
| Employee Benefit Reserves | 16,933,061 | 8,494,029 | 50.2 % | 16,963,080 | 8,610,245 | 50.8 % |
| Risk Management Reserve | 5,688,793 | 2,860,831 | 50.3 % | 5,555,497 | 3,319,001 | 59.7 % |
| Debt Service & Agency Funds | 7,554,302 | 2,884,669 | 38.2 % | 7,100,485 | 3,451,916 | 48.6 % |
| Total | \$ 293,496,844 | \$ 111,058,477 | 37.8 % | \$ 310,397,183 | \$ 108,724,772 | 35.0 % |

¹ Other Government Operating Funds are at 89.5% due to a distribution of ARPA funding in the amount of \$13.0 million in June of this year. Currently, there is \$3.3 million and \$2.8 million, respectively, of Police and Fire vehicles that are yet to be accounted for in this fund that has not yet been invoiced.

GENERAL GOVERNMENT REVENUE DETAIL

GENERAL GOVERNMENT REVENUES

| General Fund | Revenues as of June 30 | | | 2022 | 2022 |
|---|------------------------|----------------------|----------------------|----------------------|---------------|
| | 2020 | 2021 | 2022 | Amended Budget | Percent Rec'd |
| Property Tax | \$ 5,859,715 | \$ 5,164,793 | \$ 5,342,593 | \$ 9,335,615 | 57.2 % |
| General Sales Tax | 8,633,825 | 10,343,662 | 10,841,479 | 22,306,000 | 48.6 % |
| Criminal Justice Sales Tax | 1,720,133 | 2,110,294 | 2,423,548 | 4,781,000 | 50.7 % |
| Utility & Franchise Taxes | 9,076,600 | 10,141,099 | 9,784,175 | 20,325,209 | 48.1 % |
| Other Taxes | 462,120 | 301,478 | 348,543 | 1,082,000 | 32.2 % |
| Licenses and Permits | 879,624 | 805,960 | 890,537 | 1,704,700 | 52.2 % |
| Intergovernmental Revenues ¹ | 1,751,118 | 14,717,128 | 1,931,613 | 3,918,878 | 49.3 % |
| Charges for Services | 3,559,973 | 3,673,933 | 1,407,694 | 3,449,776 | 40.8 % |
| Fines and Forfeitures | 517,314 | 659,023 | 589,894 | 1,418,000 | 41.6 % |
| Other Revenue | 468,013 | 581,245 | 412,652 | 1,203,437 | 34.3 % |
| Total General Fund | 32,928,435 | 48,498,615 | 33,972,728 | 69,524,615 | 48.9 % |
| Parks & Recreation | | | | | |
| Property Tax | 1,540,731 | 1,536,122 | 1,485,575 | 2,673,716 | 55.6 % |
| Intergovernmental Revenues ¹ | 36,787 | 5,958 | 26,166 | 199,955 | 13.1 % |
| Charges for Services | 162,810 | 333,933 | 464,129 | 945,115 | 49.1 % |
| Other Revenue | 705,055 | 1,094,676 | 719,859 | 1,883,609 | 38.2 % |
| Total Parks & Recreation | 2,445,383 | 2,970,689 | 2,695,729 | 5,702,395 | 47.3 % |
| Streets | | | | | |
| Property Tax | 2,190,495 | 2,451,144 | 2,445,946 | 4,399,808 | 55.6 % |
| Intergovernmental Revenues ¹ | 644,085 | 647,040 | 684,021 | 1,574,000 | 43.5 % |
| Charges for Services | 251,100 | 253,720 | 2,697 | 505,000 | 0.5 % |
| Other Revenue | 90,714 | 39,385 | 29,241 | — | n/a |
| Total Streets | 3,176,394 | 3,391,289 | 3,161,905 | 6,478,808 | 48.8 % |
| Total General Government | \$ 38,550,212 | \$ 54,860,593 | \$ 39,830,362 | \$ 81,705,818 | 48.7 % |

Note: Year to date revenues above are consistent with historical trends with the exception of those noted in the footnotes.

¹ Intergovernmental revenues are affected by the timing of grant reimbursements to the City.

GENERAL GOVERNMENT EXPENDITURE DETAIL

GENERAL FUND EXPENDITURES

| | Expenditures as of June 30 | | | 2022 | Percent |
|--------------------------------------|----------------------------|-------------------|-------------------|-------------------|---------------|
| | 2020 | 2021 | 2022 | Amended Budget | Exp'd |
| | Police | \$ 13,455,239 | \$ 13,654,857 | \$ 14,144,291 | \$ 32,502,596 |
| Fire | 7,293,732 | 7,743,017 | 8,089,878 | 16,226,271 | 49.9 % |
| Information Technology | 1,873,332 | 2,054,530 | 1,928,843 | 4,497,068 | 42.9 % |
| Finance | 852,472 | 1,107,242 | 1,202,011 | 2,775,553 | 43.3 % |
| Legal | 931,414 | 1,002,973 | 1,012,918 | 2,192,864 | 46.2 % |
| Code Administration | 887,079 | 897,865 | 840,093 | 2,024,585 | 41.5 % |
| Municipal Court | 769,728 | 824,533 | 837,232 | 1,824,344 | 45.9 % |
| Indigent Defense | 537,342 | 546,859 | 568,078 | 1,100,000 | 51.6 % |
| Firemen's Relief/Pension | 680,066 | 580,142 | 549,270 | 1,045,252 | 52.5 % |
| Engineering | 308,400 | 452,425 | 400,555 | 987,677 | 40.6 % |
| Human Resources | 374,799 | 356,902 | 356,013 | 935,521 | 38.1 % |
| Planning | 390,151 | 360,123 | 358,092 | 826,804 | 43.3 % |
| City Management | 241,588 | 384,064 | 375,771 | 819,157 | 45.9 % |
| Police Pension | 394,504 | 387,099 | 318,138 | 717,932 | 44.3 % |
| City Clerk/Records | 298,289 | 248,624 | 257,980 | 685,847 | 37.6 % |
| Economic Development | 117,181 | 158,958 | 230,357 | 595,761 | 38.7 % |
| City Hall Facility | 295,604 | 186,663 | 206,381 | 518,211 | 39.8 % |
| Purchasing | 240,190 | 212,127 | 218,814 | 452,601 | 48.3 % |
| City Council | 145,514 | 144,184 | 147,946 | 284,804 | 51.9 % |
| Interfund Distributions ¹ | 832,308 | 1,278,413 | (1,028,343) | 216,330 | (475.4)% |
| Parking | 77,809 | 46,807 | 39,600 | 101,986 | 38.8 % |
| Intergovernmental | 89,872 | 76,563 | 86,760 | 136,261 | 63.7 % |
| Clean City Fund ² | 73,533 | 145,790 | — | — | n/a |
| Total General Fund | 31,160,146 | 32,850,760 | 31,140,678 | 71,467,425 | 43.6 % |

¹ As of 2021 City Service charges are required to be shown as a reimbursement of expense instead of a revenue per the State Auditor. This change was implemented by the City at the end of the 2021 fiscal year. Therefore, City Service charges and transfers affect the quarterly amounts due to the timing of recurring journal entries, and will self correct by the end of the year.

² The Clean City Fund, originally set up as part of the General Fund, was authorized as a special revenue fund by ordinance on 9/7/21.

OTHER FUNDS DETAIL

OTHER GOVERNMENT OPERATING FUNDS

| Fund | 2022 | As of June 30 | | |
|--|---------------------|----------------------|---------------------|----------------------|
| | Beginning Balance | 2022 Actual Rev. | 2022 Actual Exp. | Ending Balance |
| Economic Development | 606,936 | \$ — | \$ — | \$ 606,936 |
| Neighborhood Development | 427,756 | 287,313 | 462,147 | 252,922 |
| Community Relations | 870,766 | 328,540 | 334,503 | 864,803 |
| Clean City Program | 18,813 | 386,610 | 218,675 | 186,748 |
| Cemetery | 172,379 | 204,106 | 200,258 | 176,227 |
| Emergency Services | 145,497 | 943,771 | 791,906 | 297,362 |
| Public Safety Communication | 1,351,097 | 2,310,746 | 1,998,379 | 1,663,464 |
| Police Grants | 936,847 | 197,144 | 305,656 | 828,335 |
| PBIA (Park/Bus Improvement Area) | 80,691 | 84,259 | 45,452 | 119,498 |
| Trolley | 41,242 | 8,734 | 3,874 | 46,102 |
| Front Street Bus Improvement Area | 7,238 | 1,351 | 1,565 | 7,024 |
| Convention & Event Center | 607,144 | 743,202 | 1,026,335 | 324,011 |
| Capitol Theatre | 83,416 | 211,304 | 207,775 | 86,945 |
| PFD - Convention Center | 1,248,458 | 476,976 | 630,399 | 1,095,035 |
| Tourism Promotion Area | 91,785 | 466,710 | 466,710 | 91,785 |
| PFD - Capitol Theatre | 422,833 | 361,366 | 340,035 | 444,164 |
| American Rescue Plan Act (ARPA) ¹ | 67,700 | 22,461,088 | 582,100 | 21,946,688 |
| Total Other Gov't Operating Funds | \$ 7,180,598 | \$ 29,473,220 | \$ 7,615,769 | \$ 29,038,049 |

GOVERNMENTAL CAPITAL FUNDS

| Fund | 2022 | As of June 30 | | |
|---|----------------------|---------------------|---------------------|----------------------|
| | Beginning Balance | 2022 Actual Rev. | 2022 Actual Exp. | Ending Balance |
| Central Bus District Capital | 55,012 | 4 | — | 55,016 |
| Capitol Theatre Construction | 273,635 | 30,000 | 200,735 | 102,900 |
| Yakima Redevelopment Area ² | 20,664 | — | 227,181 | (206,517) |
| Parks & Recreation Capital | 313,601 | 72,922 | 321,319 | 65,204 |
| Fire Capital | 455,050 | 69,312 | 15,848 | 508,514 |
| Law and Justice Capital | 1,371,642 | 161,722 | 74,688 | 1,458,676 |
| Public Works Trust Construction | 4,360,786 | 861,729 | 970,732 | 4,251,783 |
| REET 2 Capital | 1,530,662 | 797,660 | 743,733 | 1,584,589 |
| Street Capital | 3,066,264 | 811,811 | 221,698 | 3,656,377 |
| Street Overlay & Reconstruction | 2,206,592 | 1,023,134 | 1,054,284 | 2,175,442 |
| Conv & Event Center Cap Impr ³ | 1,659,537 | 155,204 | (107,641) | 1,922,382 |
| Reserve for Capital Improvement | 363,879 | 6,743 | 42,201 | 328,421 |
| Total Gov't Capital Funds | \$ 15,677,324 | \$ 3,990,241 | \$ 3,764,778 | \$ 15,902,787 |

¹ The American Rescue Plan Act (ARPA) Special Revenue Fund (180) was created to account for funds received from the Office of Financial Management (OFM) to aid in the recovery from the budgetary, economic, and financial impacts of the COVID pandemic.

² YRDA capital fund shows a negative ending fund balance due to the the timing of revenues. This fund should not be negative at year-end..

³ Actual expenditures are negative pending an accrual of a final project payment. Until required documentation is received, final payment to a vendor cannot be made.

ENTERPRISE OPERATING FUNDS

| Fund | 2022 | | As of June 30 | |
|---|----------------------|----------------------|----------------------|----------------------|
| | Beginning | 2022 | 2022 | Ending |
| | Balance | Actual Rev. | Actual Exp. | Balance |
| Airport Operating | \$ 1,134,481 | \$ 956,564 | \$ 765,896 | \$ 1,325,149 |
| Stormwater Operating | 1,617,825 | 2,520,665 | 2,187,574 | 1,950,916 |
| Transit Operating | 10,001,495 | 4,084,267 | 4,286,502 | 9,799,260 |
| Refuse | 3,914,939 | 4,457,074 | 3,853,259 | 4,518,754 |
| Wastewater Operating | 12,148,164 | 11,730,287 | 13,433,236 | 10,445,215 |
| Water Operating | 6,501,625 | 4,738,550 | 7,680,326 | 3,559,849 |
| Irrigation ⁴ | (1,133,243) | 1,010,348 | 1,078,888 | (1,201,783) |
| Total Enterprise Operating Funds | \$ 34,185,286 | \$ 29,497,755 | \$ 33,285,681 | \$ 30,397,360 |

ENTERPRISE CAPITAL FUNDS

| Fund | 2022 | | As of June 30 | |
|---------------------------------------|----------------------|----------------------|---------------------|----------------------|
| | Beginning | 2022 | 2022 | Ending |
| | Balance | Actual Rev. | Actual Exp. | Balance |
| Airport Capital ⁵ | \$ (2,091,151) | \$ 496,561 | \$ 228,132 | \$ (1,822,722) |
| Stormwater Capital | 5,058,189 | 800,000 | 150,844 | 5,707,345 |
| Transit Capital | 7,197,904 | 65,137 | 3,389 | 7,259,652 |
| Wastewater Facilities Capital | 5,392,682 | 489,917 | 50,420 | 5,832,179 |
| Wastewater Construction Capital | 5,951,592 | 3,750,000 | 527,897 | 9,173,695 |
| Wastewater Capital | 5,669,543 | 3,000,000 | 224,705 | 8,444,838 |
| Water Capital | 6,752,721 | 500,000 | 290,381 | 6,962,340 |
| Irrigation Capital | 10,640,381 | 4,036,596 | 6,063,900 | 8,613,077 |
| Total Enterprise Capital Funds | \$ 44,571,861 | \$ 13,138,211 | \$ 7,539,668 | \$ 50,170,404 |

INTERNAL SERVICE FUNDS

| Fund | 2022 | | As of June 30 | |
|---|---------------------|---------------------|---------------------|---------------------|
| | Beginning | 2022 | 2022 | Ending |
| | Balance | Actual Rev. | Actual Exp. | Balance |
| Equipment Rental | \$ 3,128,706 | \$ 2,588,862 | \$ 2,584,369 | \$ 3,133,199 |
| Environmental | 532,192 | 62,048 | 295,550 | 298,690 |
| Public Works Administration | 699,162 | 702,671 | 652,049 | 749,784 |
| Utility Services | 288,352 | 963,732 | 1,170,660 | 81,424 |
| Total Enterprise Operating Funds | \$ 4,648,412 | \$ 4,317,313 | \$ 4,702,628 | \$ 4,263,097 |

⁴ The correction to the negative fund balance for Irrigation will require a journal entry once the State Auditors have completed their 2021 audit in the 3rd quarter.

⁵ Airport Capital has a negative fund balance due to changes in depreciation of fixed assets per the State Auditor. Once these numbers are finalized, a journal entry will be made to correct this issue.

EMPLOYEE BENEFIT RESERVES

| Fund | 2022 | As of June 30 | | |
|---------------------------------------|---------------------|---------------------|---------------------|---------------------|
| | Beginning Balance | 2022 Actual Rev. | 2022 Actual Exp. | Ending Balance |
| Unemployment Comp Reserve | \$ 417,521 | \$ 114,079 | \$ 91,917 | \$ 439,683 |
| Employees Health Ben Reserve | 3,672,300 | 6,637,412 | 7,280,815 | 3,028,897 |
| Worker's Comp Reserve | 863,377 | 849,323 | 1,222,066 | 490,634 |
| Wellness/EAP | 161,880 | — | 15,447 | 146,433 |
| Total Employee Benefit Reserve | \$ 5,115,078 | \$ 7,600,814 | \$ 8,610,245 | \$ 4,105,647 |

RISK MANAGEMENT RESERVE

| Fund | 2022 | As of June 30 | | |
|-------------------------|-------------------|------------------|------------------|----------------|
| | Beginning Balance | 2022 Actual Rev. | 2022 Actual Exp. | Ending Balance |
| Risk Management Reserve | \$ 3,788,205 | \$ 3,104,411 | \$ 3,319,001 | \$ 3,573,615 |

DEBT SERVICE & AGENCY FUNDS

| Fund | 2022 | As of June 30 | | |
|--|---------------------|---------------------|---------------------|---------------------|
| | Beginning Balance | 2022 Actual Rev. | 2022 Actual Exp. | Ending Balance |
| GO Bond Redemption | | | | |
| 2002 GO Convention Center | \$ 184,239 | \$ 679,024 | \$ 318,523 | \$ 544,740 |
| 2005 GO Various Bonds ⁶ | 16,603 | 1,735,151 | 2,182,632 | (430,878) |
| Total GO Bond Redemption | \$ 200,842 | \$ 2,414,175 | \$ 2,501,155 | \$ 113,862 |
| Water/Sewer Revenue Bond Redemption | | | | |
| WW Rev Bond & 2008 Debt Service | \$ 344,852 | \$ 191,200 | \$ 26,000 | \$ 510,052 |
| Irrigation Bond Debt Service | 220,723 | 136,075 | 36,313 | 320,485 |
| WW Rev Bond Rsv & 2012 Debt Svc | 2,675,944 | 581,400 | 29,267 | 3,228,077 |
| Total W/S Rev Bond Redemption | \$ 3,241,519 | \$ 908,675 | \$ 91,580 | \$ 4,058,614 |
| Agency Funds | | | | |
| YakCorps | \$ 913,936 | \$ 639,773 | \$ 310,963 | \$ 1,242,746 |
| Custodial Fund | 170,016.66 | 657,516 | 542,218 | 285,315 |
| Cemetery Trust | 721,484 | 8,960 | 6,000 | 724,444 |
| Total Agency Funds | \$ 1,805,437 | \$ 1,306,249 | \$ 859,181 | 2,252,505 |
| Total Debt Service & Agency Funds | \$ 5,247,798 | \$ 4,629,099 | \$ 3,451,916 | \$ 6,424,981 |

⁶ Fund balance may be negative due to the timing in interest accrual payments. These numbers should correct by year-end.