



## 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, Finance Department Analyst

**Date:** May 16, 2023

**Subject:** 2023 1st Quarter Financial Update

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This financial update is a preliminary, unaudited, report for the 1st quarter ended March 31, 2023, one quarter, or 25% of the year, intended to inform and assist governance decisions for future planning. In total, city revenues are at 17.7% of budget and expenditures are at 18.3% of budget. The timing of certain revenue payments and Capital fund expenditures are normally the biggest reasons that revenues and expenditures are below 25% 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 2023 will not be completed until later in 2024, which may affect final numbers.

### **COVID's Economic Effects on City Revenues**

The American Rescue Plan Act (ARPA) funds positively impacted 2023, increasing budgeted revenues and expenses and affecting "normal" budgetary percentages in the accompanying reports uniquely. The economic effects of COVID and the CARES Act also affected 2021 and 2022 uniquely, further complicating comparison to prior years.

As has been monitored and reported continuously, there was a substantial economic impact to many of the City's budgeted revenues as a result of the pandemic.

In more detail, Sales Tax revenue improved significantly in the first part of 2022 (averaging 113.0% in the first quarter), however, by year end, it was at 103.6%. In comparison, 1st quarter 2023 numbers are currently 103.2%, slightly less than year-end 2022. Significant changes are:

- Sales Tax is currently exceeding budget by 22.7% in the 1st quarter. Major categories that are leading this increase in Sales Tax are:
    - Other services are up 19.6%, with general auto repair services showing the largest increase.
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- Construction is also going strong with an increase of 12.2% over last year, with new single-family housing construction almost double compared to last year.
- Accommodations and food services are up 9.9%, generally split between all areas, and most likely mainly due to inflation.
- The Wholesale category is currently at 8.8%, with the largest increases in electronic and industrial machinery equipment.
- Miscellaneous other is at (6.4%), mainly due to a surge in Healthcare and Social Assistance in the first quarter of 2022.
- State Pools was negatively impact in the first quarter, down by (21.9%)
- Lodging Tax had a significant downturn in 2020 and 2021 due to the economic effects of the COVID pandemic but improved significantly in 2022. This trend continues into 2023, with Lodging Tax up 27.4% from budgeted amounts in the 1st quarter.
- Fire Inspection Fees decreased during 2020 and into 2021, improving somewhat in 2022, but are still performing below budget expectations. This trend has continued into the first quarter of 2023, and continues to be monitored.

### **General Fund's Performance to Budget**

General Fund Revenues in total are at 22.5%. The most significant variances are:

- Utility and Franchise taxes are currently at 29.6% of the Amended Budget, almost \$800,000 over the amount from last year during the same time frame - most likely due to the timing of utility payments.
- Property Tax is at 10.7%, as is usual in the first quarter of the year, due to the timing of Property Tax.
- Other Taxes 4.8% and Other Revenue 9.2% are well below 25%, which is normal in the first quarter, also mainly due to the timing of incoming revenue payments.

General Fund Expenditures in total are at 25.1%. The most significant variances are:

- Intergovernmental (59.3%), City Council (40.1%) and Economic Development (32.1%) are above 25% mainly due to the timing of payments.
- Police Pension is at 51.7% due to the Collective Bargaining Agreement (CBA) adjustment posted in January.
- Firemen's Relief/Pension is at 31.3%, also due to CBA adjustments in the first quarter.
- Human Resources and Planning are currently under 15% of expenditures, mostly due to the timing of invoices received.

### **General Fund Balance**

The General Fund (001), which provides for public safety and general government services, was negatively affected by two major factors at the end of 2022 which affected the 2023 beginning balance.

- The settlement of both the Fire (1 year) and Police (3 year) union contract negotiations.
- The downturn in the fair value rate for investments interest at the end of the year.

In the 1st quarter of 2023, the General Fund balance is continuing to erode, with a reduction of \$3.2 million. This amount is likely to change as the year progresses, but is an indicator of what is currently trending.

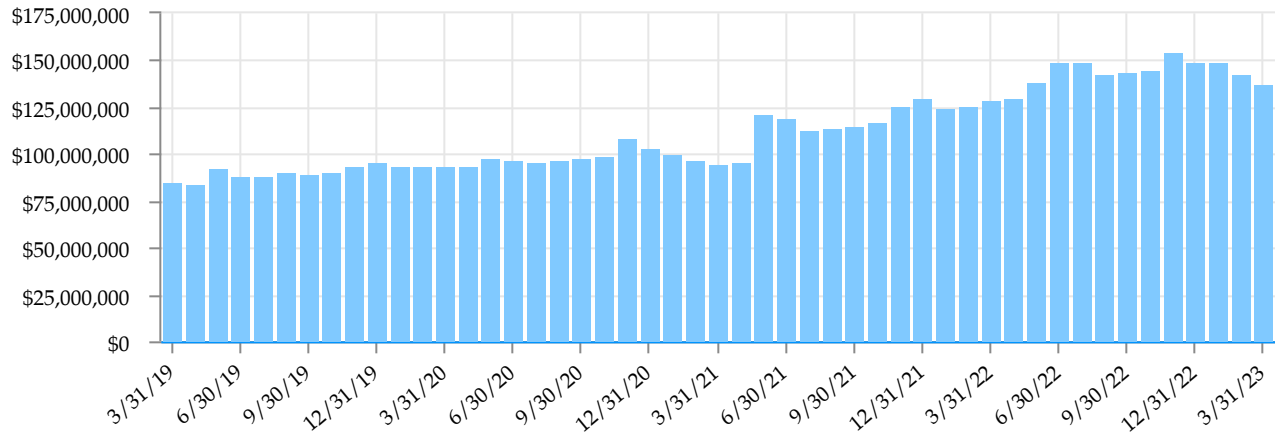
# CASH POSITION AND REVENUE UPDATE

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 March at \$137.7 million. Each month is best compared to the same month in previous years to account for seasonality and other annual events.

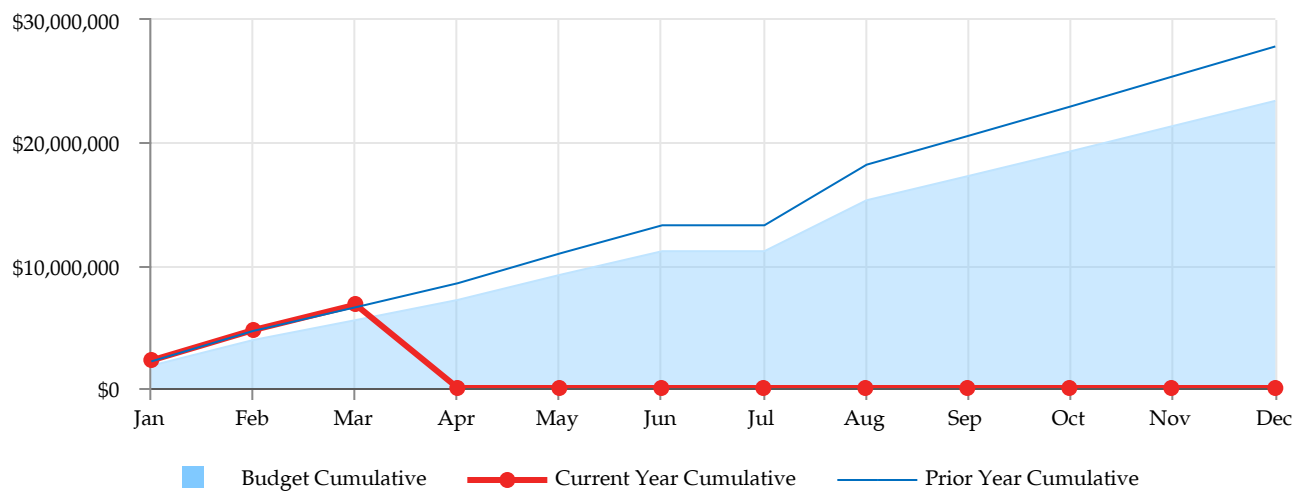
CASH AND INVESTMENTS HISTORY



## Sales Tax

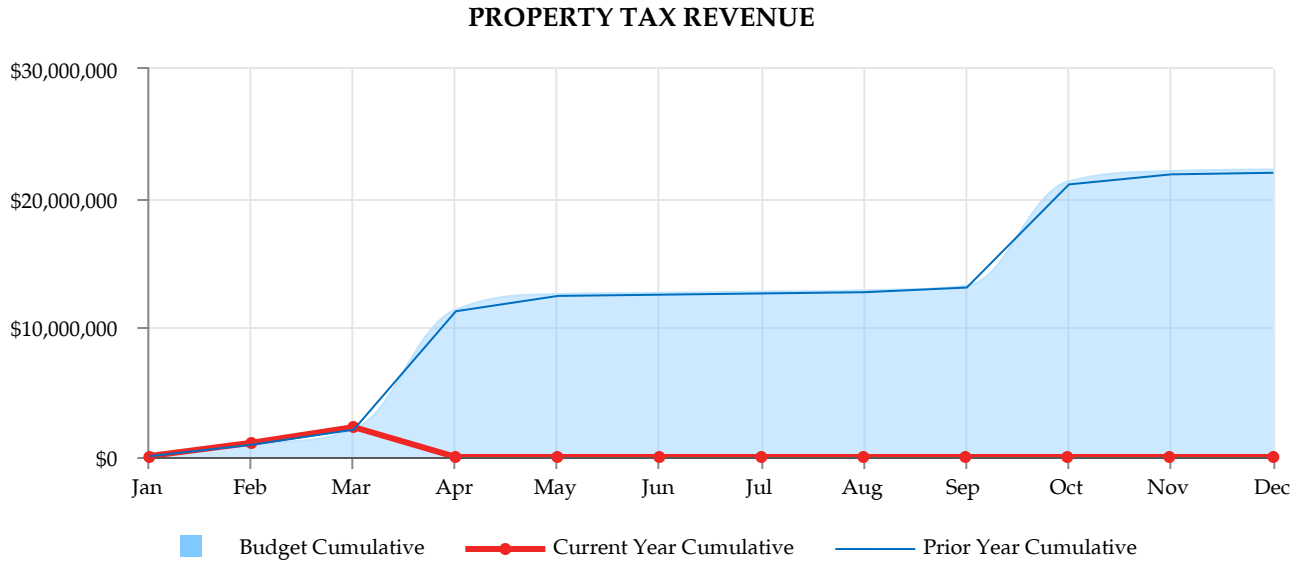
This is the largest single funding source for the city. The 1st quarter city-wide cumulative revenue of \$6.8 million exceeds the cumulative budget by \$1.3 million or 22.7% and is greater than prior year by \$210,008. The city receives sales tax from the State on a 2-month lag from the actual point-of-sale transactions so these figures are for actual transactions through January. Rising inflation, unchanged spending and consumption by end users have all influenced the increase of revenues from sales tax receipts. Due to staff shortages, the 2022 revenue for July was not posted until August, creating the anomaly in the graph below. 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



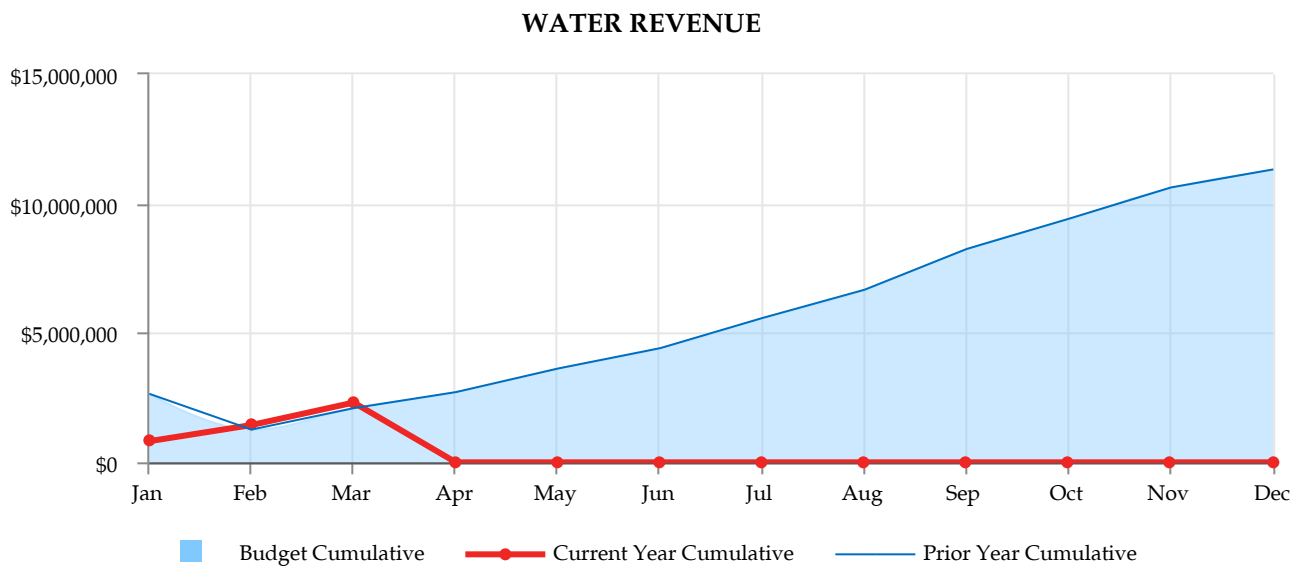
## Property Tax

The 1st quarter cumulative Property Tax revenue is tracking right on budget. The 2023 budget increased by \$635,459 due to assessed valuations (a combination of the existing cap at 1% and new growth). The following graph includes city-wide property tax revenue.



## Water

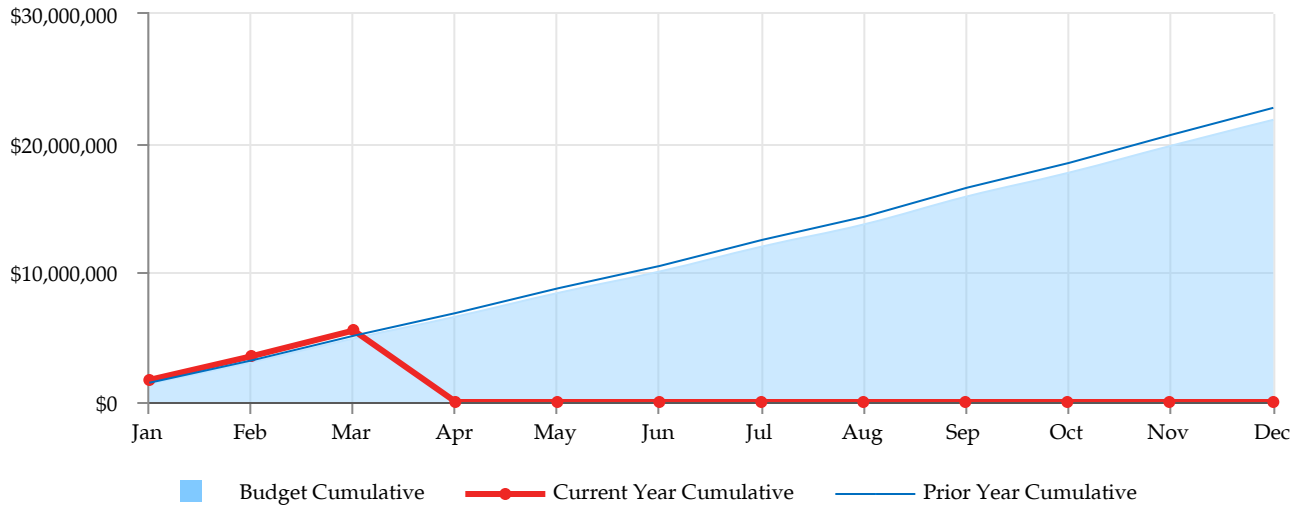
The 1st quarter cumulative water operating revenue of \$2.3 million through March is down \$221,657 from last year, most likely due to cooler spring weather, the timing of billings, and changes to the billing cycle. A rate increase of 5% went into effect in January of 2023. January 2022 was overstated, as there was a billing error in January that was corrected in February.



## Wastewater

The 1st quarter cumulative wastewater operating revenue of \$5.5 million is up \$616,290 over budget and \$408,057 over prior year. A cost of service and rate study for the division was planned and budgeted for 2022, but will not be completed until 2023.

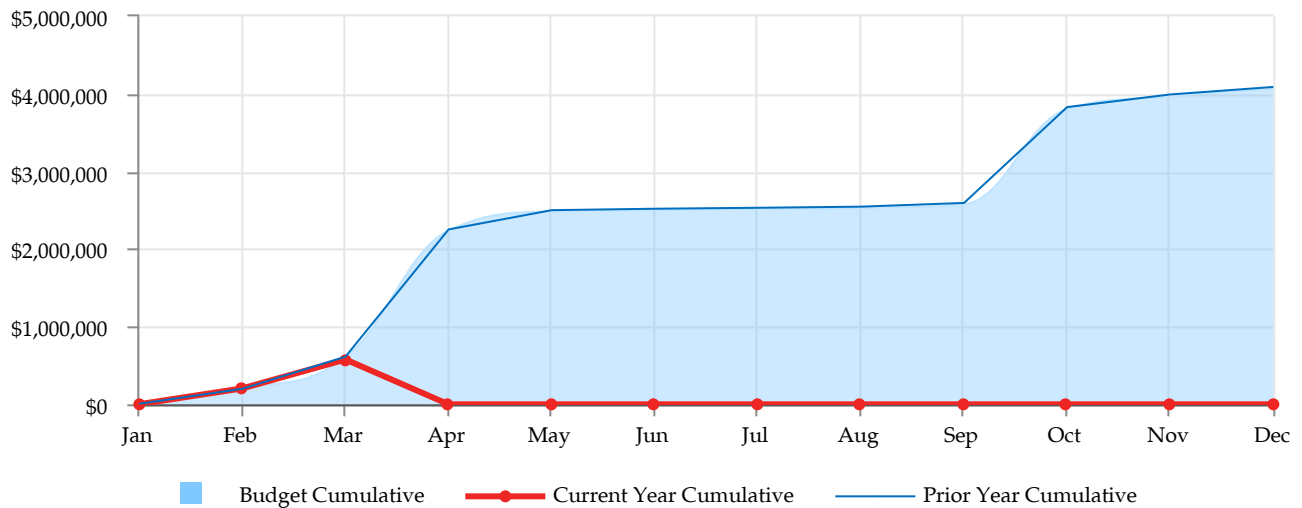
**WASTEWATER REVENUE**



## Stormwater

The 1st quarter cumulative operating assessments of \$577,953 are down \$32,902 under budget and \$36,723 under prior year. This is consistent with prior years due to the timing of payments. 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.

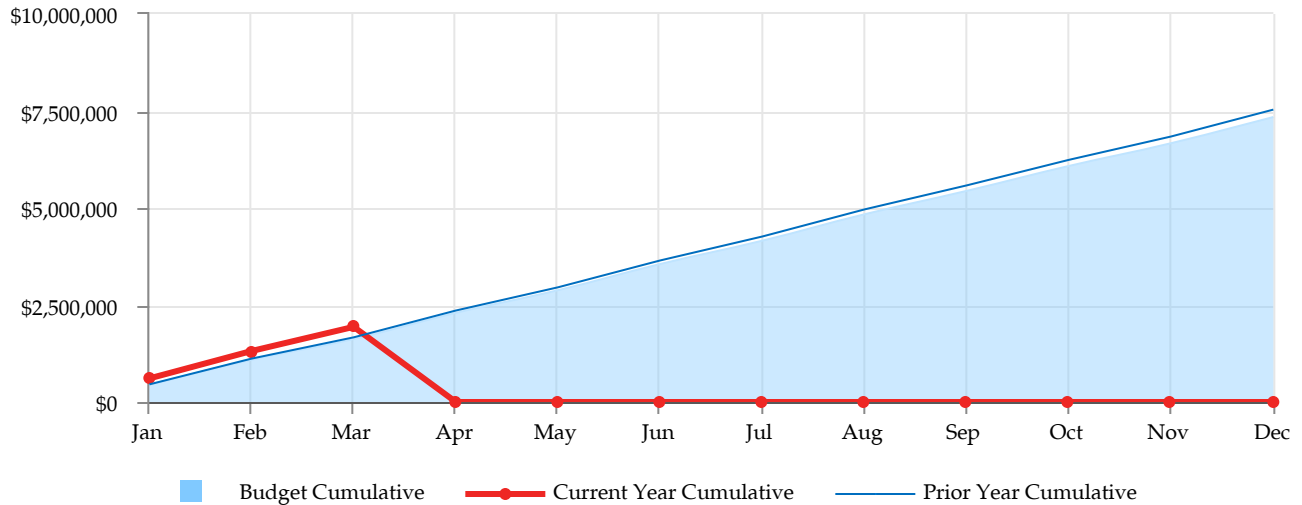
**STORMWATER REVENUE**



## Refuse

The 1st quarter cumulative automated residential revenue of \$1.9 million is up \$312,059 over budget and \$269,990 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 2023 budget.

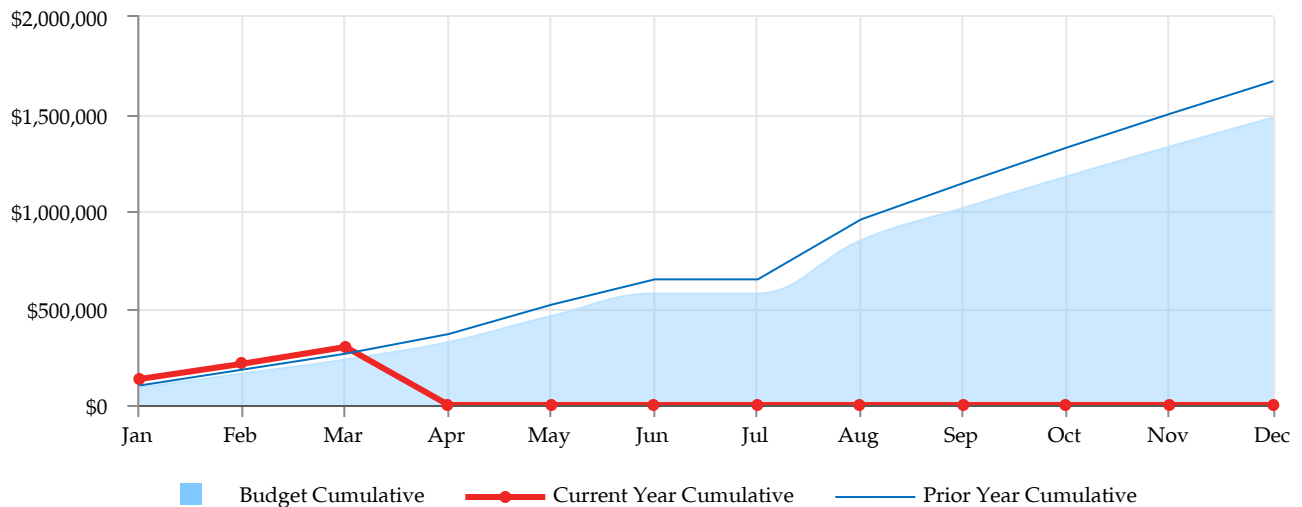
### REFUSE REVENUE



## Lodging Tax

The 1st quarter cumulative revenue of \$299,231 is up \$64,435 over budget and up \$34,767 compared to prior year. The comparison of each month's revenue to the same month in prior year improved throughout 2022, and into the 1st quarter of 2023, showing steady improvement. Due to staff shortages, the 2022 revenue for July was not posted until August, creating the anomaly in the chart below.

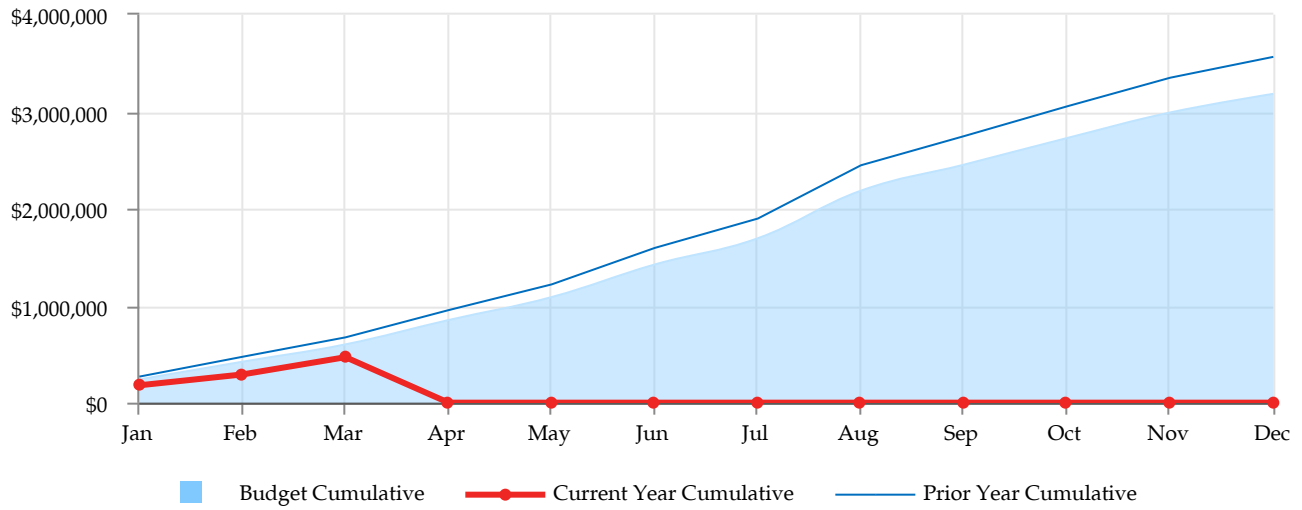
### LODGING TAX REVENUE



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

The 1st quarter cumulative revenue for REET of \$468,930 is down \$132,389 under budget and down \$204,376 under prior year, most likely due to fluctuating interest rates.

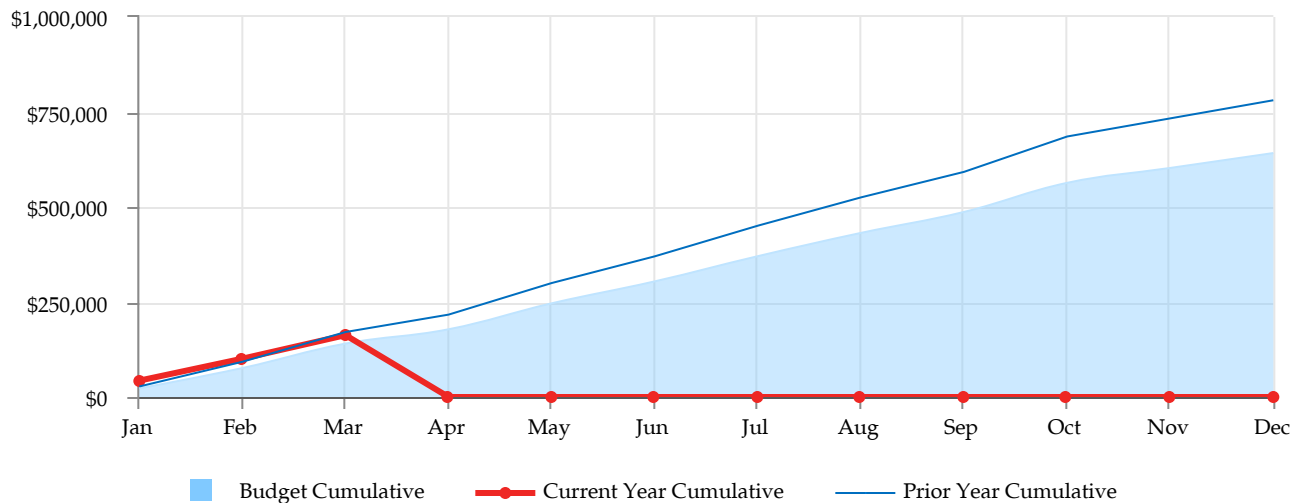
REET 1 / REET 2



### Building Permits

After a slow start in 2022, the 1st quarter cumulative revenues of \$162,767 are up \$22,205 over budget and \$8,211 below prior year. Permit activity shows that there were 278 permits for 83 dwelling units in the 1st quarter for 2023, compared with 188 permits for 85 dwelling units in 2022, with the difference in permit type mainly within the residential and commercial alteration categories.

BUILDING PERMIT REVENUE



## CITY-WIDE FUND BALANCE SUMMARY

### CHANGE IN FUND BALANCE

	2023	As of March 31			% of	Change
	Beginning	2023	2023	Ending	Amended	in Fund
	Balance	Actual Rev.	Actual Exp.	Balance	Budget	Balance
General Fund (001)	9,534,450	15,398,902	17,582,198	7,351,154	10.5%	(22.9)%
Criminal Justice (003)	1,457,735	780,719	843,719	1,394,735	37.3%	(4.3)%
Firemen's Relief & Pension (612)	1,587,704	76,984	302,530	1,362,158	140.9%	(14.2)%
<b>General Fund Subtotal</b>	<b>\$ 12,579,889</b>	<b>\$ 16,256,605</b>	<b>\$ 18,728,447</b>	<b>\$ 10,108,047</b>	<b>13.5%</b>	<b>(19.6)%</b>
Parks and Recreation	563,546	976,689	1,157,885	382,350	6.1%	(32.2)%
Street & Traffic Operations	1,537,274	750,200	1,322,061	965,413	14.7%	(37.2)%
<b>General Government Subtotal</b>	<b>14,680,709</b>	<b>17,983,494</b>	<b>21,208,393</b>	<b>11,455,810</b>	<b>89.6%</b>	<b>(22.0)%</b>
Other Governmental Operating Funds	8,229,941	5,221,515	5,943,665	7,507,791	19.4%	(8.8)%
Government Capital Funds	17,373,589	1,390,989	1,245,114	17,519,464	61.0%	0.8 %
Enterprise Operating Funds	34,914,960	14,204,698	14,120,640	34,999,018	49.3%	0.2 %
Enterprise Capital Funds	55,965,955	2,594,614	5,386,163	53,174,406	114.4%	(5.0)%
Internal Service Funds	7,019,347	2,430,497	2,072,617	7,377,227	54.4%	5.1 %
Employee Benefit Reserve	4,713,761	3,970,856	4,489,157	4,195,460	24.3%	(11.0)%
Risk Management Reserves	6,646,597	1,533,022	2,897,971	5,281,648	81.5%	(20.5)%
Debt Service & Agency Funds	5,669,071	2,078,375	452,283	7,295,163	106.7%	28.7 %
<b>Total</b>	<b>\$155,213,930</b>	<b>\$ 51,408,060</b>	<b>\$ 57,816,003</b>	<b>\$148,805,987</b>	<b>61.5%</b>	<b>(4.1)%</b>

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.

The ending fund balance in the General Fund (001) has been reduced to 10.5% at this point in time, which falls below Council policy of maintaining 16.7% of reserves.

Staff and Council continue budget discussions to review options, new revenues or budget reductions to comply with reserve policies.



## CITY WIDE REVENUES & EXPENDITURES BY FUND GROUPING

### REVENUE COMPARISON

(Budget vs. Actual)

	2022			2023		
	Annual			Annual		
	Amended	Actual	%	Amended	Actual	%
	Budget	as of 3/31	Rec'd	Budget	as of 3/31	Rec'd
General Fund	\$ 70,544,525	\$ 15,774,962	22.4 %	\$ 72,217,525	\$ 16,256,605	22.5 %
Parks and Recreation	5,710,259	531,055	9.3 %	6,162,753	976,689	15.8 %
Street & Traffic Operations	6,478,808	744,699	11.5 %	6,415,663	750,200	11.7 %
<b>General Government Subtotal</b>	<b>82,733,592</b>	<b>17,050,716</b>	<b>20.6 %</b>	<b>84,795,941</b>	<b>17,983,494</b>	<b>21.2 %</b>
Other Government Operating Funds	46,513,849	2,686,688	5.8 %	38,067,160	5,221,515	13.7 %
Government Capital Funds	41,148,287	1,645,129	4.0 %	21,702,284	1,390,989	6.4 %
Enterprise Operating Funds	69,830,538	13,181,522	18.9 %	65,952,528	14,204,698	21.5 %
Enterprise Capital Funds	38,366,070	3,864,800	10.1 %	39,855,154	2,594,614	6.5 %
Internal Service Funds	12,049,036	2,060,477	17.1 %	10,307,381	2,430,497	23.6 %
Employee Benefit Reserves	17,700,231	3,789,391	21.4 %	18,292,441	3,970,856	21.7 %
Risk Management Reserve	5,873,577	1,548,705	26.4 %	5,438,458	1,533,022	28.2 %
Debt Service & Agency Funds	7,100,227	2,186,121	30.8 %	6,837,743	2,078,375	30.4 %
<b>Total</b>	<b>\$ 321,315,407</b>	<b>\$ 48,013,549</b>	<b>14.9 %</b>	<b>\$ 291,249,090</b>	<b>\$ 51,408,060</b>	<b>17.7 %</b>

### EXPENDITURE COMPARISON

(Budget vs. Actual)

	2022			2023		
	Annual			Annual		
	Amended	Actual	%	Amended	Actual	%
	Budget	as of 3/31	Exp'd	Budget	as of 3/31	Exp'd
General Fund	\$ 72,847,262	\$ 14,714,425	20.2 %	\$ 74,661,209	\$ 18,728,447	25.1 %
Parks and Recreation	6,386,672	1,097,051	17.2 %	6,233,727	1,157,885	18.6 %
Street & Traffic Operations	6,567,056	1,170,623	17.8 %	6,558,038	1,322,061	20.2 %
<b>General Government Subtotal</b>	<b>85,800,990</b>	<b>16,982,099</b>	<b>19.8 %</b>	<b>87,452,974</b>	<b>21,208,393</b>	<b>24.3 %</b>
Other Government Operating Funds	38,743,539	3,523,130	9.1 %	38,628,565	5,943,665	15.4 %
Government Capital Funds	37,008,593	610,893	1.7 %	28,728,913	1,245,114	4.3 %
Enterprise Operating Funds	75,163,417	14,831,644	19.7 %	70,983,688	14,120,640	19.9 %
Enterprise Capital Funds	58,471,085	2,794,239	4.8 %	46,499,813	5,386,163	11.6 %
Internal Service Funds	13,124,430	2,364,717	18.0 %	13,567,171	2,072,617	15.3 %
Employee Benefit Reserves	17,265,080	4,296,050	24.9 %	17,272,153	4,489,157	26.0 %
Risk Management Reserve	5,555,497	2,991,439	53.8 %	6,477,822	2,897,971	44.7 %
Debt Service & Agency Funds	7,100,520	307,341	4.3 %	6,837,234	452,283	6.6 %
<b>Total</b>	<b>\$ 338,233,151</b>	<b>\$ 48,701,552</b>	<b>14.4 %</b>	<b>\$ 316,448,333</b>	<b>\$ 57,816,003</b>	<b>18.3 %</b>

# GENERAL GOVERNMENT REVENUE DETAIL

## GENERAL GOVERNMENT REVENUES

General Fund	Revenues as of March 31			2023	2023
	2021	2022	2023	Amended Budget	Percent Rec'd
Property Tax	\$ 910,407	\$ 944,627	\$ 989,703	\$ 9,229,468	10.7 %
General Sales Tax	4,967,269	5,379,781	5,546,690	24,247,000	22.9 %
Criminal Justice Sales Tax	1,017,169	1,203,154	1,246,253	5,207,000	23.9 %
Utility & Franchise Taxes	5,082,235	5,135,376	6,012,305	20,334,354	29.6 %
Other Taxes	16,698	10,048	53,603	1,112,400	4.8 %
Licenses and Permits	414,010	430,645	444,244	1,908,700	23.3 %
Intergovernmental Revenues	692,708	939,418	868,564	3,943,657	22.0 %
Charges for Services	1,750,641	684,121	690,050	3,105,310	22.2 %
Fines and Forfeitures	203,033	264,681	236,162	1,291,000	18.3 %
Other Revenue	278,084	783,111	169,031	1,838,636	9.2 %
<b>Total General Fund</b>	<b>15,332,254</b>	<b>15,774,962</b>	<b>16,256,605</b>	<b>72,217,525</b>	<b>22.5 %</b>
<b>Parks &amp; Recreation</b>					
Property Tax	250,624	238,121	305,408	3,173,716	9.6 %
Intergovernmental Revenues	5,958	7,992	5,958	64,830	9.2 %
Charges for Services	81,399	166,359	164,725	907,615	18.1 %
Other Revenue	349,959	118,583	500,598	2,016,592	24.8 %
<b>Total Parks &amp; Recreation</b>	<b>687,940</b>	<b>531,055</b>	<b>976,689</b>	<b>6,162,753</b>	<b>15.8 %</b>
<b>Streets</b>					
Property Tax	399,914	391,846	423,414	4,400,000	9.6 %
Intergovernmental Revenues	316,583	338,967	323,991	1,488,000	21.8 %
Charges for Services	2,970	1,932	825	527,663	0.2 %
Other Revenue	36,977	11,954	1,970	—	n/a
<b>Total Streets</b>	<b>756,444</b>	<b>744,699</b>	<b>750,200</b>	<b>6,415,663</b>	<b>11.7 %</b>
<b>Total General Government</b>	<b>\$ 16,776,638</b>	<b>\$ 17,050,716</b>	<b>\$ 17,983,494</b>	<b>\$ 84,795,941</b>	<b>21.2 %</b>

Note: Year to date revenues above are consistent with historical trends.

# GENERAL GOVERNMENT EXPENDITURE DETAIL

## GENERAL FUND EXPENDITURE DETAIL

General Fund	Expenditures as of March 31			2023	Percent Exp'd
	2021	2022	2023	Amended Budget	
Police	\$ 6,036,731	\$ 6,888,260	\$ 8,505,256	\$ 33,879,657	25.1 %
Fire	3,505,152	3,742,656	4,601,484	17,257,776	26.7 %
Information Technology	1,218,406	979,403	1,049,028	4,637,440	22.6 %
Finance	570,542	606,330	612,747	2,684,943	22.8 %
Legal	549,380	483,897	543,903	2,332,556	23.3 %
Municipal Court	380,804	405,405	618,857	2,192,980	28.2 %
Code Administration	425,292	402,853	408,362	2,030,022	20.1 %
Indigent Defense	274,138	280,285	387,201	1,500,000	25.8 %
Human Resources	173,740	171,589	177,299	1,303,967	13.6 %
Engineering	202,902	198,388	275,310	1,104,257	24.9 %
Firemen's Relief/Pension	334,054	309,888	302,530	966,840	31.3 %
Planning	182,429	166,290	137,811	956,252	14.4 %
City Clerk/Records	113,880	119,571	136,199	839,064	16.2 %
City Management	149,375	163,481	158,283	711,898	22.2 %
Police Pension	226,629	198,674	329,465	637,130	51.7 %
Economic Development	60,810	21,155	192,669	599,493	32.1 %
City Hall Facility	92,552	103,284	112,828	515,704	21.9 %
Purchasing	103,444	103,345	79,237	486,136	16.3 %
City Council	104,070	104,913	114,215	284,813	40.1 %
Intergovernmental	41,597	36,114	81,305	137,189	59.3 %
Interfund Distributions <sup>1</sup>	391,415	(791,925)	(99,227)	(396,908)	25.0 %
Parking <sup>2</sup>	36,125	20,568	3,685	—	n/a
Clean City Fund <sup>3</sup>	48,768	—	—	—	n/a
<b>Total General Fund</b>	<b>15,222,235</b>	<b>14,714,424</b>	<b>18,728,447</b>	<b>74,661,209</b>	<b>25.1 %</b>

<sup>1</sup> 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.

<sup>2</sup> Parking was moved into the Police department as of 2023.

<sup>3</sup> 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	2023	As of March 31			% Change in Fund Balance
	Beginning Balance	2023 Actual Rev.	2023 Actual Exp.	Ending Balance	
Neighborhood Development	1,204,804	—	120,394	1,084,410	(10.0)%
Community Relations	778,111	148,048	154,597	771,562	(0.8)%
Clean City Program	269,222	198,580	170,432	297,370	10.5%
Cemetery	192,236	93,154	86,001	199,389	3.7%
Emergency Services <sup>1</sup>	204,613	181,753	467,521	(81,155)	(139.7)%
Public Safety Communication	1,623,079	901,026	946,470	1,577,635	(2.8)%
Police Grants	948,530	20,094	17,094	951,530	0.3%
PBIA (Park/Bus Improvement Area)	77,990	45,137	340	122,787	57.4%
Trolley	42,535	2,500	538	44,497	4.6%
Front Street Bus Improvement Area	8,013	863	—	8,876	10.8%
Convention & Event Center	716,785	427,223	598,270	545,738	(23.9)%
Capitol Theatre	102,725	97,626	98,221	102,130	(0.6)%
PFD - Convention Center	1,204,762	199,119	377,558	1,026,323	(14.8)%
Tourism Promotion Area	143,220	212,090	212,090	143,220	—%
PFD - Capitol Theatre	645,616	150,845	169,880	626,581	(2.9)%
American Rescue Plan Act (ARPA) <sup>2</sup>	67,700	2,543,457	2,524,259	86,898	28.4%
<b>Total Other Gov't Operating Funds</b>	<b>\$ 8,229,941</b>	<b>\$ 5,221,515</b>	<b>\$ 5,943,665</b>	<b>\$ 7,507,791</b>	<b>(8.8)%</b>

### GOVERNMENTAL CAPITAL FUNDS

Fund	2023	As of March 31			% Change in Fund Balance
	Beginning Balance	2023 Actual Rev.	2023 Actual Exp.	Ending Balance	
Central Bus District Capital	55,024	—	—	55,024	—%
Capitol Theatre Construction	86,977	15,000	—	101,977	17.2%
Yakima Redevelopment Area	330,542	—	7,852	322,690	(2.4)%
Parks & Recreation Capital	12,181	29,928	9,962	32,147	163.9%
Fire Capital	510,237	25,000	6,726	528,511	3.6%
Law and Justice Capital	1,431,977	100,080	314,896	1,217,161	(15.0)%
Public Works Trust Construction	4,323,052	255,577	197,449	4,381,180	1.3%
REET 2 Capital	1,535,139	234,465	176,187	1,593,417	3.8%
Street Capital	4,281,860	346,955	338,157	4,290,658	0.2%
Street Overlay & Reconstruction	2,719,374	205,939	314,502	2,610,811	(4.0)%
Conv & Event Center Cap Impr	1,758,805	178,045	(120,617)	2,057,467	17.0%
Reserve for Capital Improvement	328,421	—	—	328,421	—%
<b>Total Gov't Capital Funds</b>	<b>\$ 17,373,589</b>	<b>\$ 1,390,989</b>	<b>\$ 1,245,114</b>	<b>\$ 17,519,464</b>	<b>0.8%</b>

<sup>1</sup> Emergency Services fund balance is negative due to the timing of Property Tax in the first quarter.

<sup>2</sup> 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.

## ENTERPRISE OPERATING FUNDS

Fund	2023	As of March 31			% Change in Fund Balance
	Beginning Balance	2023 Actual Rev.	2023 Actual Exp.	Ending Balance	
Airport Operating	\$ 1,395,854	\$ 225,746	\$ 309,457	\$ 1,312,143	(6.0)%
Stormwater Operating	1,178,326	577,953	829,151	927,128	(21.3)%
Transit Operating	11,078,853	2,071,521	1,907,060	11,243,314	1.5%
Refuse	4,518,024	2,198,801	1,976,140	4,740,685	4.9%
Wastewater Operating	8,669,177	6,144,540	5,441,641	9,372,076	8.1%
Water Operating	7,204,357	2,521,367	2,813,402	6,912,322	(4.1)%
Irrigation	870,369	464,770	843,789	491,350	(43.5)%
<b>Total Enterprise Operating Funds</b>	<b>\$ 34,914,960</b>	<b>\$ 14,204,698</b>	<b>\$ 14,120,640</b>	<b>\$ 34,999,018</b>	<b>0.2%</b>

## ENTERPRISE CAPITAL FUNDS

Fund	2023	As of March 31			% Change in Fund Balance
	Beginning Balance	2023 Actual Rev.	2023 Actual Exp.	Ending Balance	
Airport Capital	\$ 20,083	\$ 17,703	\$ 6,065	\$ 31,721	57.9%
Stormwater Capital	5,274,607	162,500	80,304	5,356,803	1.6%
Transit Capital	8,538,336	109,995	3,338,821	5,309,510	(37.8)%
Wastewater Facilities Capital	5,740,655	239,917	86,814	5,893,758	2.7%
Wastewater Construction Capital	11,235,140	250,000	130,605	11,354,535	1.1%
Wastewater Capital	5,355,860	625,000	850,644	5,130,216	(4.2)%
Water Capital	7,184,285	750,000	36,501	7,897,784	9.9%
Irrigation Capital	12,616,989	439,499	856,409	12,200,079	(3.3)%
<b>Total Enterprise Capital Funds</b>	<b>\$ 55,965,955</b>	<b>\$ 2,594,614</b>	<b>\$ 5,386,163</b>	<b>\$ 53,174,406</b>	<b>(5.0)%</b>

## INTERNAL SERVICE FUNDS

Fund	2023	As of March 31			% Change in Fund Balance
	Beginning Balance	2023 Actual Rev.	2023 Actual Exp.	Ending Balance	
Equipment Rental	\$ 5,378,257	\$ 1,582,880	\$ 1,060,783	\$ 5,900,354	9.7%
Environmental	470,167	—	146,547	323,620	(31.2)%
Public Works Administration	649,924	358,362	378,311	629,975	(3.1)%
Utility Services	520,999	489,255	486,976	523,278	0.4%
<b>Total Enterprise Operating Funds</b>	<b>\$ 7,019,347</b>	<b>\$ 2,430,497</b>	<b>\$ 2,072,617</b>	<b>\$ 7,377,227</b>	<b>5.1%</b>

## EMPLOYEE BENEFIT RESERVES

Fund	2023	As of March 31			% Change in Fund Balance
	Beginning Balance	2023 Actual Rev.	2023 Actual Exp.	Ending Balance	
Unemployment Comp Reserve	\$ 427,771	\$ 79,409	\$ 22,613	\$ 484,567	13.3%
Employees Health Ben Reserve	4,057,840	3,341,592	3,368,033	4,031,399	(0.7)%
Worker's Comp Reserve <sup>3</sup>	41,380	549,855	1,090,712	(499,477)	n/a
Wellness/EAP	186,770	—	7,799	178,971	(4.2)%
<b>Total Employee Benefit Reserve</b>	<b>\$ 4,713,761</b>	<b>\$ 3,970,856</b>	<b>\$ 4,489,157</b>	<b>\$ 4,195,460</b>	<b>(11.0)%</b>

## RISK MANAGEMENT RESERVE

Fund	2023	As of March 31			% Change in Fund Balance
	Beginning Balance	2023 Actual Rev.	2023 Actual Exp.	Ending Balance	
Risk Management Reserve	\$ 6,646,597	\$ 1,533,022	\$ 2,897,971	\$ 5,281,648	(20.5)%

## DEBT SERVICE & AGENCY FUNDS

Fund	2023	As of March 31			% Change in Fund Balance
	Beginning Balance	2023 Actual Rev.	2023 Actual Exp.	Ending Balance	
<b>GO Bond Redemption</b>					
2002 GO Convention Center	\$ 223,141	\$ 327,117	\$ —	\$ 550,258	146.6 %
2005 GO Various Bonds	17,626	405,739	—	423,365	n/a
<b>Total GO Bond Redemption</b>	<b>\$ 240,767</b>	<b>\$ 732,856</b>	<b>\$ —</b>	<b>\$ 973,623</b>	<b>304.4 %</b>
<b>Water/Sewer Revenue Bond Redemption</b>					
WW Rev Bond & 2008 Debt Service	\$ 346,103	\$ 95,700	\$ (4,400)	\$ 446,203	28.9 %
Irrigation Bond Debt Service	213,054	69,150	(6,800)	289,004	35.6 %
WW Rev Bond Rsv & 2012 Debt Svc	2,723,111	291,200	(7,467)	3,021,778	11.0 %
<b>Total W/S Rev Bond Redemption</b>	<b>\$ 3,282,268</b>	<b>\$ 456,050</b>	<b>\$ (18,667)</b>	<b>\$ 3,756,985</b>	<b>14.5 %</b>
<b>Agency Funds</b>					
YakCorps	\$ 1,109,166	\$ 673,166	\$ 262,390	\$ 1,519,942	37.0 %
Custodial Fund	307,761	208,964	205,560	311,165	1.1 %
Cemetery Trust	729,109	7,339	3,000	733,448	0.6 %
<b>Total Agency Funds</b>	<b>\$ 2,146,036</b>	<b>\$ 889,469</b>	<b>\$ 470,950</b>	<b>2,564,555</b>	<b>19.5 %</b>
<b>Total Debt Service &amp; Agency Funds</b>	<b>\$ 5,669,071</b>	<b>\$ 2,078,375</b>	<b>\$ 452,283</b>	<b>\$ 7,295,163</b>	<b>28.7 %</b>

<sup>3</sup> The Workers Compensation fund experienced greater claim activity in 2022, which was corrected by an increase in rates for 2023. However, claims are currently at 67% in the first quarter of 2023. This situation is being monitored.