



FINANCE DEPARTMENT

To: Honorable Mayor and Members of the City Council
Vicki Baker, City Manager

From: Craig Warner, Director of Finance & Budget
Kathy Miles, Finance Department Analyst

Date: April 21, 2026

Subject: December Financial Update

This financial update is a preliminary, unaudited, report for January, 2025, with amounts shown as of the end of December, 2025 (100.0% of the year), intended to inform and assist governance decisions for future planning. In total, city General Fund revenues are at 103.2% of budget and expenditures are at 95.5% of budget. The timing of certain revenue payments and expenditures are normally the biggest reasons that revenues and expenditures may be below 100.0% at this point in the year.

The General Fund consists of resources that are available for use with greater flexibility. Therefore, the majority of this report contains information specifically to the General Fund. Future reports will build out other funds and resources that Council will find useful.

The information on the following pages provide insight into the monitoring of revenue and the management of expenses. This report shows information for a specific time period, and is only an indicator of how the City's finances are doing at one moment in time. Final numbers will not be known until after the annual independent audit for 2025, which will not be completed until later in 2026.

Revenues that are general in nature, specifically property tax, sales tax and utility tax, are reported in the General Fund, and then transferred to the individual fund where the money is to be spent on directed services. Examples are funds that are allocated for parks and recreation, streets, police and fire pension funds, and the communications center. This allows for greater transparency and a less complicated way to understand how general government revenues are collected and spent.

GENERAL FUND OVERVIEW

	2023 Actual	2024 Actual	2025 12/31/2025	2025 Amended	% of Budget
Beginning Balance	\$ 10,845,338	\$ 11,590,609	\$ 16,998,756	\$ 16,998,756	
Revenues					
Sales Tax	28,371,418	28,076,488	28,584,415	30,623,000	93.3%
Property Tax	20,937,251	21,367,588	22,028,576	22,497,871	97.9%
Utility Taxes	21,425,554	21,488,293	24,029,737	21,583,567	111.3%
Intergovernmental	3,189,146	3,628,878	3,274,876	5,273,964	62.1%
Charges for Services	3,310,876	3,304,579	3,581,166	3,318,674	107.9%
Investment Interest/Amortization	5,672,936	6,120,118	6,512,002	2,706,900	240.6%
Licenses & Permits	2,000,113	1,963,097	2,552,340	1,810,750	141.0%
Fines/Forfeitures/Misc	2,048,708	1,779,242	1,995,612	1,620,908	123.1%
Franchise Fees & Other Taxes	1,444,410	1,747,853	1,363,418	1,603,000	85.1%
Total	88,400,411	89,476,135	93,922,142	91,038,634	103.2%
Expenditures					
Salaries & Wages	42,863,699	44,890,146	44,658,479	47,876,403	93.3%
Personnel Benefits	15,383,008	16,030,496	17,317,750	17,703,032	97.8%
Transfers	15,427,402	19,451,106	17,280,394	17,219,468	100.4%
Services & Charges	10,961,667	(116,300)	10,222,270	11,680,387	87.5%
Supplies, Equip & Misc	2,360,424	2,548,784	2,341,075	2,350,759	99.6%
Capital Outlays	399,641	1,032,248	586,131	192,199	305.0%
Debt Service	259,301	231,508	423,897	153,978	275.3%
Total	87,655,140	84,067,988	92,829,996	97,176,226	95.5%
Net Gain (Loss)	\$ 745,271	\$ 5,408,147	\$ 1,092,147	\$ (6,137,592)	
Ending Balance	\$ 11,590,609	\$ 16,998,756	\$ 18,090,902	\$ 10,861,164	

Year to date revenue and expenditure categories above are mostly consistent with historical trends. Sales Tax, Property Tax, Utility Tax and Investment information are discussed in more detail on the following pages. Any other significant items in the chart above are noted below.

- Licenses & Permits are well above 100.0% mainly due to Single-family and Multi-family building permits and Residential alteration permits being up for 2025 (1119) compared to 2024 (901), as of December 31, 2025.
- Fines/Forfeitures/Misc revenue and Capital Outlays and Debt Service expenditures are high due to a Governmental Accounting Standards Board (GASB) accounting change for Subscription-Based Information Technology Arrangements (SBITA's).
- Franchise Fees & Other Taxes (85.1%) are below 100.0% mainly due to gambling taxes which are lower than budgeted. This is an ongoing issue that is currently under review.
- Expenditures for Services & Charges in 2024 are negative due to the reductions of \$11.0 million in American Rescue Plan Act (ARPA) Loss revenue.

GENERAL FUND REVENUES

The foundation of any city government is its fiscal health. The revenues it receives, both present and projected for the future, set the stage for discussing what services to provide as well as the level of those services – including the facilities, equipment, and infrastructure, that will be needed.

For most municipalities in the State of Washington, Property Tax, Sales Tax and Utility Tax make up the bulk of the funding sources for the General Fund. This is commonly referred to as the “Three-Legged Stool” for financing cities. In the City of Yakima, these three funding sources make up \$74.6 million, or 82.1%, of the General Fund’s total Amended Budget for revenue. Therefore, these three funding sources are reviewed in more detail.

Sales Tax

Total Sales Tax revenue collections through December, 2025 are being collected at a rate of 93.3% of the 2025 Amended Budget. Sales Tax revenue is reported with a two-month delay (December numbers are from October). This revenue began a major downturn in the beginning of 2024, dropping incrementally until February of 2025. At that time, numbers began to stabilize but they remained below last year’s numbers. Staff will continue to monitor this situation.

GENERAL FUND SALES TAX HISTORY

	2020	2021	2022	2023	2024	2025	2025	% of
	Actual	Actual	Actual	Actual	Actual	Actual	Amended	Amended
								Budget
Jan	\$ 1,777,158	\$ 1,879,728	\$ 2,146,642	\$ 2,211,690	\$ 2,314,908	\$ 2,239,499	\$ 2,524,868	88.7%
Feb	2,004,526	2,197,249	2,472,470	2,449,186	2,576,626	2,550,730	2,810,324	90.8%
Mar	1,611,986	1,844,581	1,897,904	2,026,820	1,999,776	1,991,452	2,181,154	91.3%
Apr	1,558,111	1,693,421	1,935,523	2,031,782	2,117,779	1,896,739	2,309,860	82.1%
May	1,638,567	2,409,418	2,408,664	2,492,945	2,397,732	2,373,896	2,615,204	90.8%
Jun	1,665,082	2,311,566	2,272,599	2,240,804	2,402,379	2,347,196	2,620,272	89.6%
Jul	1,967,392	2,665,465	(50,204)	2,476,170	2,401,820	2,512,971	2,619,663	95.9%
Aug	2,100,935	2,467,885	4,951,845	2,635,157	2,516,559	2,622,709	2,744,808	95.6%
Sep	1,975,382	2,270,942	2,341,840	2,380,840	2,350,772	2,383,920	2,563,985	93.0%
Oct	1,943,089	2,076,716	2,373,261	2,435,130	2,383,895	2,487,019	2,600,112	95.7%
Nov	2,145,727	2,391,766	2,431,663	2,415,867	2,460,824	2,569,665	2,684,018	95.7%
Dec	2,423,694	2,720,435	2,415,873	2,575,027	2,153,419	2,608,620	2,348,732	111.1%
	\$ 22,811,648	\$ 26,929,172	\$ 27,598,080	\$ 28,371,418	\$ 28,076,488	\$ 28,584,415	\$ 30,623,000	93.3%

Note: The chart above is inclusive of all current General Fund Sales Tax, along with all Criminal Justice Sales tax, including those funds currently in funds 153 and 303, which will be incorporated into the General Fund next year.

The Department of Revenue has a way of tracking the base sales tax numbers by category. While this report does not include all the types of sales tax in the previous chart, it does track the main revenue stream. The major categories and their current performance measures (in relation to 2025) reported for the base sales tax include:

- Construction (buildings & contractors) - 93.1%.
- Manufacturing (soft goods, machinery, wood, etc.) - 93.2%.
- Wholesale Trade (goods sold to retail merchants) - 91.6%.
- Retail Trade (goods sold to the end user) - 98.9%.
- Information (telecommunications, publishing, broadcasting, etc.) - 119.2%.
- Real Estate, Rentals & Leasing (machinery, vehicle, office, etc.) - 93.9%.
- Accommodations & Food (hotels & Restaurants) - 98.5%.
- Other (automotive and appliance repair & maintenance/laundry services) - 88.8%.
- Miscellaneous (administrative support, professional services, finance, amusement, etc.) - 101.9%.

Major categories that affected this change in Sales Tax were:

- Construction was down (6.9%) improving over previous months mainly due to increased revenue in the specialty trade contractors category.
- Manufacturing, while it continues to be negative, went from being down (9.5%) in November to being down (6.8%) in December - with most of the gains in the transportation equipment manufacturing category.
- Wholesale Trade is down (8.4%) with losses mainly in the durable goods category.
- Information was up (19.2%) from last year at this time due to a surge in the both the Telecommunications and Software Publishing categories.
- The Other category was down (11.2%), mainly in the repair and maintenance category which surged during COVID.

Below is a 3-year history of the base sales tax for comparison.

DEPARTMENT OF REVENUE SALES TAX BY CATEGORY

	2023	Cumulative % Chng	2024	Cumulative % Chng	2025	Monthly % Chng	Cumulative % Chng
Jan	\$ 1,814,976	103.3%	\$ 1,868,791	103.0%	\$ 1,801,632	96.4%	96.4%
Feb	2,014,620	101.7%	2,089,641	103.4%	2,041,237	97.7%	97.1%
Mar	1,671,110	103.1%	1,637,892	101.7%	1,608,974	98.2%	97.4%
Apr	1,701,828	103.9%	1,754,477	102.1%	1,525,463	86.9%	94.9%
May	2,068,649	104.0%	1,977,348	100.6%	1,904,062	96.3%	95.2%
Jun	1,858,259	103.1%	1,971,871	101.5%	1,888,939	95.8%	95.3%
Jul	2,041,226	103.8%	1,971,172	100.8%	2,005,518	101.7%	96.3%
Aug	2,157,601	103.5%	2,053,126	100.0%	2,085,004	101.6%	97.0%
Sep	1,942,307	103.3%	1,915,742	99.8%	1,873,328	97.8%	97.1%
Oct	1,997,662	103.3%	1,942,751	99.6%	1,984,164	102.1%	97.6%
Nov	1,966,070	102.9%	1,994,057	99.7%	2,015,260	101.1%	97.9%
Dec	1,932,767	102.8%	1,885,002	99.5%	1,922,107	102.0%	98.2%
	\$ 23,167,075		\$ 23,061,870		\$ 22,655,688		

Property Tax

Property Tax increases each year due to assessed valuations (a combination of the existing cap at 1% and new growth). The first half of property taxes are due in April and the second half are due in October. The percentage of the amended budget (97.9%) is normal for year-end, as some property tax is collected in subsequent years.

GENERAL FUND PROPERTY TAX HISTORY

	2020	2021	2022	2023	2024	2025	2025	% of
	Actual	Actual	Actual	Actual	Actual	Actual	Amended	Amended
								Budget
Jan	\$ 37,579	\$ 86,756	\$ 58,182	\$ 65,431	\$ 70,058	\$ 64,539	\$ 73,764	87.5%
Feb	775,217	744,276	812,946	950,058	966,522	912,447	1,017,648	89.7%
Mar	768,000	1,103,203	1,077,781	1,115,643	1,061,909	1,151,742	1,118,081	103.0%
Apr	8,176,993	8,616,060	8,499,621	8,680,847	9,217,230	9,426,435	9,704,794	97.1%
May	1,084,414	779,671	1,074,815	1,025,081	788,661	875,976	830,379	105.5%
Jun	172,023	110,052	86,030	111,304	60,345	125,156	63,537	197.0%
Jul	110,417	77,303	90,311	77,032	60,119	91,671	63,299	144.8%
Aug	126,149	89,258	86,693	106,641	109,755	77,797	115,561	67.3%
Sep	387,834	407,946	326,248	349,692	329,277	428,457	346,695	123.6%
Oct	7,243,604	6,930,241	7,409,235	7,464,717	7,870,900	8,006,183	8,287,247	96.6%
Nov	771,804	1,059,473	712,973	894,186	683,715	809,998	719,881	112.5%
Dec	88,845	157,354	108,241	96,620	149,099	58,174	156,986	37.1%
	\$ 19,742,880	\$ 20,161,592	\$ 20,343,077	\$ 20,937,251	\$ 21,367,588	\$ 22,028,576	\$ 22,497,871	97.9%

Note: The chart above is inclusive of all current General Fund Property Tax, along with any Property Tax currently included in funds 131, 132, 133, 141, 154, 281, 323, 331, 346, 612 and 613, which will be incorporated into the General Fund next year.

Utility Tax

Utility Taxes are collected from internal sources as well as external sources for all utilities. This revenue is over 100.0% mainly due to the unbudgeted increase in the electric utility tax.

GENERAL FUND UTILITY TAX HISTORY

	2020	2021	2022	2023	2024	2025	2025	% of
	Actual	Actual	Actual	Actual	Actual	Actual	Amended	Amended
								Budget
Jan	\$ 1,722,242	\$ 1,383,309	\$ 2,021,712	\$ 2,088,600	\$ 1,970,793	\$ 2,014,386	\$ 1,979,531	101.8%
Feb	1,653,938	1,793,495	1,281,095	1,910,582	1,869,762	2,050,429	1,878,052	109.2%
Mar	1,474,468	1,884,217	1,821,691	1,991,276	1,891,715	2,255,758	1,900,102	118.7%
Apr	1,484,199	1,623,247	1,548,826	1,768,674	1,739,939	1,910,122	1,747,653	109.3%
May	1,220,663	2,020,569	1,587,745	1,592,983	1,645,449	1,973,407	1,652,745	119.4%
Jun	1,497,303	1,395,648	1,492,057	1,551,377	1,604,511	1,581,135	1,611,625	98.1%
Jul	1,570,291	1,405,638	1,618,506	1,712,707	1,756,848	2,004,649	1,764,637	113.6%
Aug	1,279,524	1,841,104	1,630,287	1,953,126	1,696,867	1,956,187	1,704,391	114.8%
Sep	1,666,553	1,724,817	1,837,367	1,955,305	1,976,318	2,102,846	1,985,080	105.9%
Oct	1,611,041	1,333,007	1,702,848	1,705,149	1,713,382	2,115,472	1,720,979	122.9%
Nov	1,460,018	1,686,845	1,813,879	1,734,021	1,786,085	2,137,504	1,794,004	119.1%
Dec	1,764,404	896,575	2,040,976	1,461,754	1,836,625	1,927,843	1,844,768	104.5%
	\$ 18,404,645	\$ 18,988,471	\$ 20,396,990	\$ 21,425,554	\$ 21,488,293	\$ 24,029,737	\$ 21,583,567	111.3%

GENERAL FUND UTILITY TAX REVENUES

	2023	2024	2025	2025	% of
	Actual	Actual	12/31/2025	Amended	Budget
Water Utility Tax	2,304,239	2,368,774	2,580,738	2,355,000	109.6%
Wastewater Utility Tax	4,855,904	4,838,313	5,160,118	4,971,000	103.8%
Refuse Utility Tax	1,470,316	1,530,647	1,584,825	1,480,337	107.1%
Stormwater Utility Tax	613,330	633,218	713,481	633,218	112.7%
Electric Utility Tax	6,292,358	6,347,121	7,996,968	6,094,000	131.2%
Private Water Utility Tax	1,090,645	1,240,099	1,242,955	1,354,000	91.8%
Gas Utility Tax	1,885,330	1,854,907	2,056,367	1,726,000	119.1%
Private Garbage Utility Tax	1,118,074	1,231,461	1,270,432	1,320,588	96.2%
Cable TV Utility Tax	591,714	509,913	445,538	606,424	73.5%
Cellular Utility Tax	362,155	264,570	250,423	277,000	90.4%
Telephone Utility Tax	628,715	515,796	559,375	601,000	93.1%
Brokered Natural Gas Util Tax	212,775	153,475	168,518	165,000	102.1%
	21,425,554	21,488,293	24,029,737	21,583,567	111.3%

CITY-WIDE UTILITY TAX RATES

	General	Mandated by City Ordinance			Total
		Fund	Clean	Capitol	
		City	Pools	Theatre	
Water Utility Tax	20.0%	— %	— %	— %	20.0%
Wastewater Utility Tax	20.0%	— %	— %	— %	20.0%
Refuse Utility Tax	15.0%	5.0%	— %	— %	20.0%
Stormwater Utility Tax	15.0%	— %	5.0%	— %	20.0%
Electric Utility Tax	6.0%	— %	— %	— %	20.0%
Private Water Utility Tax	20.0%	— %	— %	— %	20.0%
Gas Utility Tax	6.0%	— %	— %	— %	6.0%
Private Garbage Utility Tax	16.0 %	9.0%	— %	— %	25.0%
Cable TV Utility Tax	5.0%	— %	— %	1.0%	6.0%
Cellular Utility Tax	6.0%	— %	— %	— %	6.0%
Telephone Utility Tax	6.0%	— %	— %	— %	6.0%
Brokered Natural Gas Util Tax	6.0%	— %	— %	— %	6.0%

In summary, of the 3 main funding sources for the General Fund, Sales Tax revenue (93.3%) is trending less than last year, while Utility Tax (111.3%) is trending above, which results in these two legs of the “Three-Legged Stool” offsetting each other somewhat at this time, while the third leg, Property tax (97.9%) remains within normal limits.

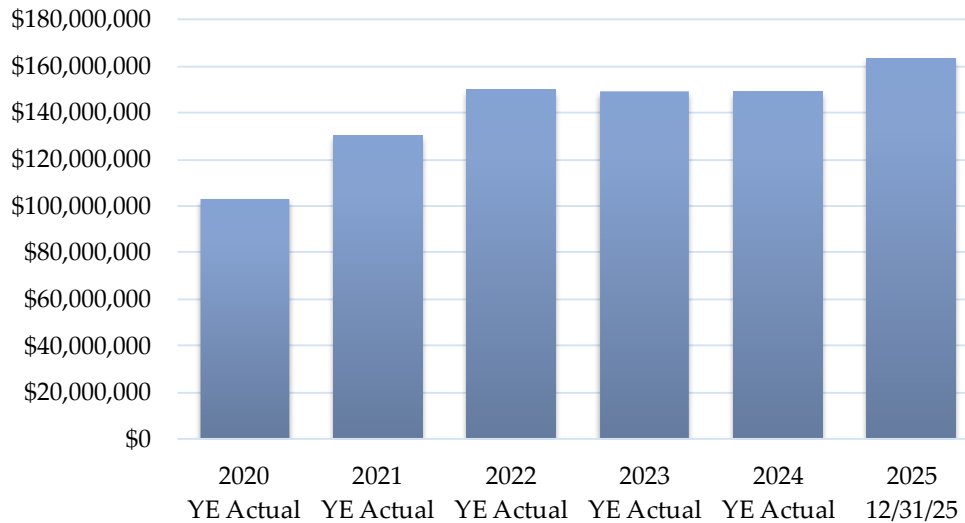
Cash & Investments

It is the policy of the City of Yakima to invest public funds in a manner that, giving first regard to safety, suitability and liquidity, will maximize long-term yield in conformance with State Statute, Federal Regulations and City Charter.

The 5-year historic core (US Bank, Key Bank, Local Government Investment Pool and investment portfolio) city-wide cash and investments balance trend shows December ending at \$163.6 million.

Cash & Investment year end amounts generally improve year over year, as shown below.

CASH AND INVESTEMENT HISTORY



GENERAL FUND INVESTMENT INTEREST HISTORY

	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual	2025 Actual	2025 Amended	Amended Budget
Jan	\$ (313,436)	\$ 121,383	\$ 586,289	\$ (676,712)	\$ (605,315)	\$ (1,706,299)	\$ (267,728)	637.3%
Feb	159,002	67,442	62,669	383,648	177,545	400,083	78,527	509.5%
Mar	147,651	50,146	89,671	305,331	370,402	368,567	163,827	225.0%
Apr	161,159	102,464	122,335	338,120	340,104	281,412	150,426	187.1%
May	140,464	62,684	98,477	339,831	391,002	277,157	172,939	160.3%
Jun	123,784	117,284	(687,038)	401,628	405,168	1,483,488	179,204	827.8%
Jul	88,115	53,985	101,304	309,231	351,736	327,052	155,571	210.2%
Aug	88,837	89,945	179,251	427,509	433,112	423,209	191,563	220.9%
Sep	96,034	78,326	227,631	423,714	436,156	515,855	192,910	267.4%
Oct	114,698	103,044	246,474	337,532	342,453	177,784	151,466	117.4%
Nov	90,396	86,858	267,342	371,347	306,383	522,955	135,512	385.9%
Dec	1,136,684	(1,996,141)	(1,867,700)	2,711,755	3,171,371	3,440,739	1,402,683	245.3%
	\$ 2,033,387	\$ (1,062,580)	\$ (573,295)	\$ 5,672,936	\$ 6,120,118	\$ 6,512,002	\$ 2,706,900	240.6%

GENERAL FUND EXPENDITURES

GENERAL FUND EXPENDITURES

(Inclusive of Funds 001 & 003)

	2023 Actual	2024 Actual	2025 12/31/2025	2025 Amended	% of Budget
Law & Justice					
Legal	\$ 2,262,956	\$ 2,312,826	\$ 2,448,270	\$ 3,089,671	79.2%
Municipal Court	2,014,370	2,044,739	2,272,858	3,051,658	74.5%
Indigent Defense	1,610,047	1,769,696	1,844,428	1,750,000	105.4%
Public Safety					
Police	35,725,658	38,411,698	37,999,420	39,951,683	95.1%
Fire	19,036,490	20,033,995	19,727,390	18,459,325	106.9%
Code Administration	1,741,830	2,003,728	1,839,357	3,216,952	57.2%
Subtotal Law & Justice/Public Safety	62,391,351	66,576,681	66,131,722	69,519,288	
General Government					
Information Technology	4,108,372	4,691,659	5,198,348	5,130,490	101.3%
Finance	2,573,541	2,099,174	2,092,852	2,101,184	99.6%
Planning	650,747	789,701	1,087,150	1,339,388	81.2%
Human Resources	871,373	923,592	1,174,104	1,318,305	89.1%
Engineering	984,446	876,648	879,686	1,036,878	84.8%
City Clerk / Records	905,962	542,556	757,561	795,648	95.2%
Economic Development	464,018	1,332,165	593,354	781,498	75.9%
City Management	623,355	736,892	578,361	678,878	85.2%
City Hall Facility	484,964	546,775	454,163	590,671	76.9%
Purchasing	354,422	332,076	466,955	490,456	95.2%
City Council	273,488	328,562	291,665	330,622	88.2%
Intergovernmental	132,427	150,264	161,228	161,001	100.1%
ARPA Loss Revenue	-	(10,992,574)	-	-	n/a
City Service Reimbursement	(2,590,727)	(4,317,291)	(4,317,546)	(4,317,547)	100.0%
Subtotal General Government	9,836,387	(1,959,799)	9,417,880	10,437,471	
Transfers Out					
Parks & Recreation	6,077,445	6,475,054	6,776,728	6,715,802	100.9%
Streets & Traffic	5,005,782	5,277,006	5,555,266	5,555,266	100.0%
Public Safety	3,654,290	3,545,509	3,977,023	3,977,023	100.0%
ARPA/Afford Housing/Econ Dev	689,885	4,153,537	971,377	971,377	100.0%
Subtotal Transfers	15,427,402	19,451,106	17,280,394	17,219,468	
Total General Fund	\$ 87,655,140	\$ 84,067,989	\$ 92,829,996	\$ 97,176,227	95.5%

The year to date expenditures above are mostly consistent with historical trends, significant items are noted below:

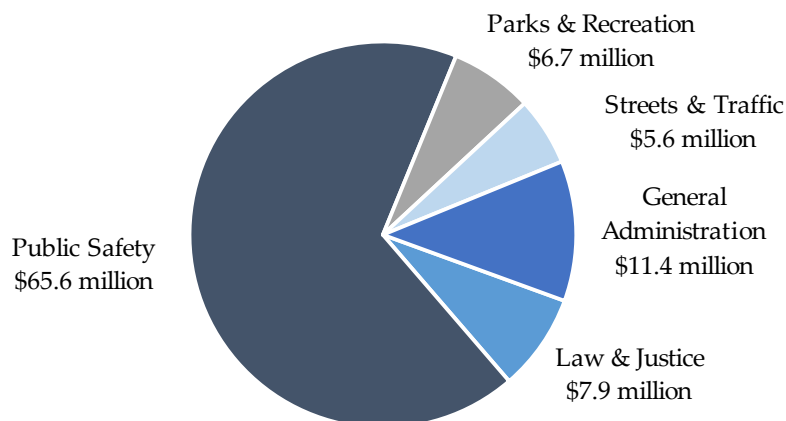
- Indigent Defense is at 105.4% due to increased rates for professional services.
- Fire (106.9%) is over budget due to overtime.

GENERAL FUND TRANSFERS

Transfer To:	2023 Actual	2024 Actual	2025 12/31/2025	2025 Amended	Source
Public Safety					
Police	772,995	605,092	800,000	800,000	Property Tax
Fire	800,000	750,000	850,000	850,000	Property Tax
Law & Justice Capital	120,000	120,000	120,000	120,000	.03% CJ Tax
Law & Justice Capital	270,979	282,431	287,023	287,023	.03% CJ Tax
Public Safety Comm	1,450,000	1,550,000	1,650,000	1,650,000	Property Tax
Public Safety Comm	240,316	237,986	270,000	270,000	.03% CJ Tax
Subtotal Public Safety	3,654,290	3,545,509	3,977,023	3,977,023	
Other Funds					
Parks & Recreation	3,173,716	3,570,919	3,031,845	2,970,919	Property Tax
Parks & Recreation	1,896,856	1,977,015	2,009,162	2,009,162	Utility Tax
Streets & Traffic	4,400,000	4,580,000	3,130,000	3,130,000	Property Tax
Aquatics Facilities	-	-	700,000	700,000	Property Tax
LTGO Bond Debt	420,000	420,000	450,000	450,000	Property Tax
LTGO Bond Debt	400,000	400,000	450,000	450,000	Property Tax
Parks Capital	186,873	107,120	135,721	135,721	Property Tax
Street Overlay & Recon	605,782	697,006	2,425,266	2,425,266	Property Tax
ARPA/Aff Hsg/Ec Dev	689,885	4,153,537	971,377	971,377	
Total Other Funds	11,773,112	15,905,597	13,303,371	13,242,445	
Total Transfers	15,427,402	19,451,106	17,280,394	17,219,468	

GENERAL FUND AMENDED EXPENDITURES WITH TRANSFERS

(Inclusive of funds 001 & 003)



CITYWIDE OVERVIEW

CITYWIDE SUMMARY BY CATEGORY

(With Transfers)

	2023 Actual	2024 Actual	2025 12/31/2025	2025 Amended	% of Budget
Beginning Balance	\$ 133,177,462	\$ 142,435,819	156,011,692	156,011,692	
Revenues					
Operating Contribution & Misc	61,778,211	69,109,854	70,139,193	84,775,943	82.7%
Intergovernmental	35,929,320	52,858,682	45,384,923	71,278,483	63.7%
Charges for Services	60,566,917	61,801,216	66,573,036	65,517,238	101.6%
Sales Tax	42,326,096	42,039,611	40,013,332	43,140,987	92.8%
Property Tax	35,522,584	37,614,844	38,363,938	38,552,688	99.5%
Utility Taxes	22,992,007	23,005,085	25,739,060	23,393,921	110.0%
Franchise Fees & Other Taxes	6,685,164	6,861,983	7,098,328	7,138,000	99.4%
Licenses & Permits	3,396,026	3,355,606	3,930,923	3,281,578	119.8%
Investment Interest/Amortization	6,030,744	6,457,203	6,843,866	3,038,628	225.2%
Total Revenues	275,227,071	303,104,082	304,086,598	340,117,465	89.4%
Expenditures					
Capital Outlays	35,562,565	44,134,564	44,264,470	99,596,374	44.4%
Services & Charges	64,213,070	66,867,269	71,583,799	79,949,046	89.5%
Salaries & Wages	68,501,170	70,938,603	72,236,709	79,567,243	90.8%
Transfers	32,857,627	40,343,885	33,888,587	36,112,973	93.8%
Personnel Benefits	41,253,607	45,014,697	47,143,882	47,910,191	98.4%
Supplies, Equip & Misc	9,198,690	8,809,964	8,813,055	10,375,385	84.9%
Debt Service	9,123,179	7,688,671	6,261,152	6,023,293	103.9%
Intergovernmental	5,258,805	5,730,559	5,015,895	-	n/a
	265,968,714	289,528,210	289,207,549	359,534,504	80.4%
Net Gain (Loss)	<u>\$ 9,258,357</u>	<u>\$ 13,575,872</u>	<u>\$ 14,879,049</u>	<u>\$ (19,417,039)</u>	
Ending Balance	\$ 142,435,819	\$ 156,011,692	\$ 170,890,741	\$ 136,594,653	

Year to date revenue and expenditure categories above are mostly consistent with historical trends.

Significant items are noted below.

- Operating Contributions & Miscellaneous revenue is at 82.7% of the Amended Budget due to a \$10.0 million Irrigation bond and a \$8.0 million Millsite bond that are not likely to happen until 2026. Without these bonds, the percentage is within normal range.
- Sales Tax continues to lag behind last year (see discussion on page 3) and continues to be monitored.
- Utility Taxes revenue (110.0%) continues to be high due to rate increases in 2025 (see discussion on pages 5-6).
- Licenses & Permits (119.8%) revenue is well above 100.0% mainly due to Single-family and Multi-family building permits and Residential alteration permits being up for 2025 (1119) compared to 2024 (901), as of December 31, 2025.
- Salaries, Wages and Personnel Benefit expenditures are down due to position vacancies and the final union contract negotiations that will require retroactive pay.

CITYWIDE DETAIL BY FUNCTIONAL GROUP

GENERAL GOVERNMENT FUNDS

Fund	2025	As of 12/31/25		2025	% Change in Fund Balance
	Beginning Balance	2025 Actual Rev.	2025 Actual Exp.	Ending Balance	
General Fund (001)	\$ 16,111,949	\$ 90,195,488	\$ 88,908,124	\$ 17,399,312	8.0%
Criminal Justice (003)	886,807	3,726,654	3,921,871	691,590	(22.0%)
Subtotal General Fund	16,998,756	93,922,142	92,829,996	18,090,902	6.4%
Fire Relief & Pension	1,208,708	1,000,559	1,081,933	1,127,334	(6.7%)
Police Relief & Pension	-	800,000	446,630	353,370	n/a
Parks & Recreation	809,132	6,101,627	5,520,703	1,390,056	71.8%
Streets & Traffic	3,213,153	5,628,433	5,374,124	3,467,462	7.9%
Total General Government Funds	\$ 22,229,750	\$ 107,452,761	\$ 105,253,386	\$ 24,429,125	9.9%

GOVERNMENT OPERATING FUNDS

Fund	2025	As of 12/31/25		2025	% Change in Fund Balance
	Beginning Balance	2025 Actual Rev.	2025 Actual Exp.	Ending Balance	
Economic Development	\$ -	\$ 165,000	\$ -	\$ 165,000	n/a
Neighborhood Development	1,021,927	2,775,851	3,277,658	520,120	(49.1%)
Community Relations	549,516	408,286	640,291	317,511	(42.2%)
Aquatic Center at MLK Jr Park	719,000	77,180	237,196	558,984	(22.3%)
Aquatics Facilities	-	1,095,705	1,020,525	75,180	n/a
Clean City Program	869,897	990,118	637,994	1,222,022	40.5%
Cemetery	116,450	465,166	420,450	161,166	38.4%
Emergency Services	589,612	2,717,589	2,182,821	1,124,381	90.7%
Public Safety Communications	1,792,118	4,785,520	5,047,280	1,530,358	(14.6%)
Police Grants	1,140,176	699,035	823,796	1,015,415	(10.9%)
Opioid Lawsuit	904,535	168,528	62,658	1,010,405	11.7%
Downtown Yakima Bus Impr Dist	104,040	200,889	181,546	123,383	18.6%
Trolley	47,796	15,797	7,825	55,768	16.7%
Front Street Business Improvement	6,621	2,600	1,922	7,299	10.2%
Convention & Event Center	1,127,857	2,158,311	2,006,684	1,279,484	13.4%
Capitol Theatre	96,737	403,567	434,411	65,892	(31.9%)
PFD - Convention & Event Center	801,724	1,221,830	875,876	1,147,679	43.2%
Tourism Promotion Area	136,695	1,063,804	1,064,419	136,080	(0.4%)
PFD - Capitol Theatre	970,538	925,731	1,196,343	699,925	(27.9%)
American Rescue Plan Act (ARPA)	67,700	2,421,241	2,421,241	67,700	0.0%
Lodging Tax	-	1,809,320	1,531,782	277,538	n/a
Affordable Housing	-	973,701	-	973,701	n/a
Total Governmental Operating Funds	\$ 11,062,940	\$ 25,544,768	\$ 24,072,716	\$ 12,534,991	13.3%

GOVERNMENT CAPITAL FUNDS

	2025	As of 12/31/25		2025	% Change in Fund Balance
	Beginning	2025	2025	Ending	
	Balance	Actual Rev.	Actual Exp.	Balance	
CBD Capital Improvement	\$ 55,024	\$ -	\$ -	\$ 55,024	0.0%
Capitol Theatre Capital	224,258	560,000	255,585	528,673	135.7%
Yakima Revenue Development Area	2,214,921	1,033,520	156,632	3,091,809	39.6%
Parks & Recreation Capital	583,375	4,336,683	3,895,793	1,024,264	75.6%
Fire Capital	573,449	224,804	239,685	558,568	(2.6%)
Law & Justice Capital	1,421,399	414,573	127,527	1,708,444	20.2%
Real Estate Excise Tax (REET 1)	2,771,591	1,571,556	1,016,046	3,327,101	20.0%
Real Estate Excise Tax (REET 2)	389,902	1,487,108	1,256,468	620,542	59.2%
Transportation Benefit District	4,818,377	1,684,099	1,071,144	5,431,331	12.7%
Street Overlay & Reconstruction	3,641,435	11,934,617	10,461,164	5,114,888	40.5%
Convention & Event Center Capital	2,199,865	280,000	191,427	2,288,438	4.0%
Cumulative Reserve Capital	44,073	-	-	44,073	0.0%
Total Governmental Capital Funds	\$ 18,937,666	\$ 23,526,960	\$ 18,671,472	\$ 23,793,155	25.6%

ENTERPRISE OPERATING FUNDS

	2025	As of 12/31/25		2025	% Change in Fund Balance
	Beginning	2025	2025	Ending	
	Balance	Actual Rev.	Actual Exp.	Balance	
Airport Operating	\$ 1,602,067	\$ 1,820,061	\$ 1,715,567	\$ 1,706,561	6.5%
Stormwater Operating	3,488,730	4,877,558	5,276,382	3,089,906	(11.4%)
Transit Operating	15,949,179	13,997,471	10,894,248	19,052,403	19.5%
Refuse	5,760,331	10,952,168	10,257,346	6,455,153	12.1%
Wastewater Operating	8,921,967	27,103,872	24,903,745	11,122,094	24.7%
Water Operating	6,930,093	13,669,517	14,185,331	6,414,278	(7.4%)
Irrigation Operating	734,004	2,309,351	2,284,354	759,001	3.4%
Total Enterprise Operating Funds	\$ 43,386,371	\$ 74,729,997	\$ 69,516,973	\$ 48,599,395	12.0%

ENTERPRISE CAPITAL FUNDS

	2025	As of 12/31/25		2025	% Change in Fund Balance
	Beginning	2025	2025	Ending	
	Balance	Actual Rev.	Actual Exp.	Balance	
Airport FAA	\$ 300,437	\$ 5,432,202	\$ 5,334,603	\$ 398,037	32.5%
Stormwater Capital	5,071,479	2,351,823	715,517	6,707,784	32.3%
Transit Capital	5,656,221	1,824,422	1,098,333	6,382,309	12.8%
Wastewater Facilities Capital	2,587,769	1,000,000	535,393	3,052,376	18.0%
Wastewater Construction Capital	7,203,839	2,852,994	4,869,991	5,186,842	(28.0%)
Wastewater Projects Capital	3,386,442	4,040,732	3,298,931	4,128,243	21.9%
Water Capital	14,758,679	4,000,000	5,609,679	13,149,001	(10.9%)
Irrigation Capital	(661,833)	6,486,172	5,890,429	(66,090)	(90.0%)
Total Enterprise Capital Funds	\$ 38,303,033	\$ 27,988,346	\$ 27,352,877	\$ 38,938,502	1.7%

NOTE: The negative ending balance for the Irrigation Capital Fund (due to Nelson Dam expenses) will be resolved with the pending rate study.

INTERNAL SERVICE FUNDS

	2025	As of 12/31/25		2025	% Change in Fund Balance
	Beginning Balance	2025 Actual Rev.	2025 Actual Exp.	Ending Balance	
Equipment Rental / Reserves	\$ 4,142,127	\$ 5,788,945	\$ 5,578,695	\$ 4,352,377	5.1%
Environmental	286,253	96,625	127,463	255,415	(10.8%)
Public Works Administration	717,983	1,691,603	1,764,743	644,843	(10.2%)
Utility Services	731,809	2,379,780	2,379,780	731,809	0.0%
Total Enterprise Operating Funds	\$ 5,878,172	\$ 9,956,952	\$ 9,850,681	\$ 5,984,444	1.8%

EMPLOYEE BENEFIT RESERVES

	2025	As of 12/31/25		2025	% Change in Fund Balance
	Beginning Balance	2025 Actual Rev.	2025 Actual Exp.	Ending Balance	
Unemployment Compensation Rsv	\$ 465,227	\$ 271,675	\$ 225,647	\$ 511,255	9.9%
Employees Health Benefit Reserve	3,543,240	17,322,212	16,544,530	4,320,921	21.9%
Worker's Compensation Reserve	1,151,702	4,338,842	3,674,720	1,815,824	57.7%
Wellness / Employee Asst Program	230,982	75,000	48,056	257,926	11.7%
Total Employee Benefit Reserves	\$ 5,391,152	\$ 22,007,729	\$ 20,492,954	\$ 6,905,927	28.1%

RISK MANAGEMENT RESERVE

	2025	As of 12/31/25		2025	% Change in Fund Balance
	Beginning Balance	2025 Actual Rev.	2025 Actual Exp.	Ending Balance	
Risk Management Reserve	\$ 7,551,294	\$ 4,559,058	\$ 5,601,970	\$ 6,508,383	(13.8%)

DEBT SERVICES, CUSTODIAL & TRUST FUNDS

	2025	As of 12/31/25		2025	% Change in Fund Balance
	Beginning Balance	2025 Actual Rev.	2025 Actual Exp.	Ending Balance	
Debt Service, Custodial & Trust Funds					
Debt Service					
PFD LTGO Bonds	\$ 633,195	\$ 1,199,832	\$ 1,413,051	\$ 419,976	(33.7%)
Miscellaneous LTGO Bonds	17,626	1,299,664	1,299,664	17,626	0.0%
Utility Revenue Bonds					
Wastewater LTGO Revenue Bond	15,760	387,550	384,838	18,472	17.2%
Irrigation LTGO Revenue Bond	29,802	274,900	269,075	35,627	19.5%
Wastewater Revenue Bond	1,620,948	-	-	1,620,948	0.0%
Custodial & Trust Funds					
Custodial Fund	210,587	5,109,636	5,015,895	304,328	44.5%
Cemetery Trust	743,395	48,445	12,000	779,840	4.9%
Total Debt Svc, Custodial & Trust Funds	\$ 3,271,314	\$ 8,320,026	\$ 8,394,522	\$ 3,196,818	(2.3%)

