



City of Lacey, Washington
Finance & Economic Development Committee Agenda

Refer to bottom of the agenda for instructions on attendance and public comment.

Tuesday, May 23, 2023

8:30 AM

Council Chambers and Online

1. Agenda Items

A. 2023 1st Quarter Financial Report

Troy Woo, Finance Director

2. Adjourn

Attend Remote or In Person

The public may attend the meeting in person, or you may view or listen to the meeting using one of the following platforms:

- In Person: Council Chambers at Lacey City Hall, 420 College Street SE, Lacey, WA 98503
- Via Zoom: <https://us02web.zoom.us/j/83014584791>
- City Website: <https://cityoflacey.org/upcoming-meetings/>
- Facebook: <https://www.facebook.com/cityoflacey>
- YouTube: https://www.youtube.com/watch?v=_hXqTwCud18
- Cable: Channel 3 with your local cable provider
- By Phone: (888) 788-0099 or (877) 853-5247 (Webinar ID 830 1458 4791)



**FINANCE & ECONOMIC
DEVELOPMENT COUNCIL**
May 23, 2023

SUBJECT: 2023 First Quarter Financial Report

RECOMMENDATION: Review First Quarter Financial Report

STAFF CONTACT: Rick Walk, Interim City Manager *RW*
Troy Woo, Finance Director *TW*

ORIGINATED BY: Troy Woo, Finance Department

- ATTACHMENTS:**
1. [Expenditure Report for the Quarter Ending March 31, 2023](#)
 2. [Revenue Report for the Quarter Ending March 31, 2023](#)

FISCAL NOTE:

**WORK PLAN GOAL
AND STRATEGY:** None

PRIOR REVIEW:

BACKGROUND:

The 2023 first quarter financial report has been completed. This report focuses on the General Fund. The detailed revenue and expenditure summaries are attached.

GENERAL FUND EXPENDITURES

As of March 31, 2023, total General Fund Expenditures were \$12,927,972 or 18.0 percent of the amended 2023 Budget. This is an increase of \$2,389,133 or 22.7 percent compared to the first quarter 2022 expenditure level. A significant portion of the overall 2023 increase is related to retroactive pay related to labor contract settlements with three of the City's labor groups. These contracts went unsettled for the majority of the 2022 calendar year. Also, 2023 cost of living adjustments to employee salaries were higher than historical adjustments

due to high inflation. The estimated \$1.2 million retroactive payments were processed in January 2023 and March 2023. Further inflating the year-to-year variances, the majority of 2022 first quarter salaries and benefits were lower due to the delayed cost of living adjustments.

Although all first quarter expenditure categories show variances from the previous year, only the most significant variances are described below.

- A \$137,953 decrease occurred in the Contracted Services Department during the first quarter of 2023. The decrease was due to a timing difference relating to district court services billings.
- The Finance Department expenditures increased \$154,838. Three positions including an accountant, payroll specialist, and department assistant II were added during 2022, but the positions weren't filled until after the first quarter.
- The Police Department experienced an increase of \$536,696. Salary and benefits increased \$728,526 due to the aforementioned retroactive pay, which was an estimated \$520,000. Offsetting the increase is a \$160,092 decrease to the annual contribution for the records management system partnership. The 2023 contribution was not made until April.
- Public Works – Engineering first quarter expenditures increased \$317,759 mostly due to the retroactive salary payments.
- An increase of \$265,134 occurred in the Public Works – Parks Maintenance Department. Salary and benefits increased \$91,434 due to the aforementioned retroactive pay. The phased irrigation control upgrade project increased first quarter expenditures by \$176,506.
- Community and Economic Development's expenditures increased \$428,919. \$113,736 of the increase was related to salaries and benefits and \$305,283 was related to economic development investments. \$200,000 was invested in Lacey MakerSpace and \$119,283 was related to the undergrounding of utilities on 6th Avenue to further the economic development priorities in the Lacey Midtown District.
- An increase of \$212,758 occurred in the Public Works - Water Resources Department. Salary and benefits increased \$194,313 due to the aforementioned retroactive pay.
- Parks, Culture, and Recreation experienced a \$86,027 first quarter increase mostly due to retroactive payments.
- The Street Fund first quarter expenditures increased \$183,059. \$73,402 was expended for LED light replacements and salaries and benefits increased \$67,848.

Additional details are provided in the attached expenditure summaries for the General Fund departments and other funds.

GENERAL FUND REVENUES

As of March 31, 2023, total General Fund Revenues were \$13,020,006 or 18.1 percent of the amended budget. Last year at this same time, revenues were 19.7 percent of budget. First quarter General Fund revenues decreased \$182,472 compared to the previous year. A significant portion of the decrease relates to 2022 capital project reimbursements relating to the Veterans Services Hub and U.S. Veteran Affairs Outstation Center projects.

- Through March 2023, \$212,157 of property taxes have been collected. This is equal to 2.6 percent of the annual property tax budget. The low collection rate during the first quarter is normal. Property taxes are due twice per year on April 30 and October 31, so the majority of property taxes are collected near these dates. The first quarter 2023 property tax collections were \$118,563 lower than 2022. This likely is due to a slowdown in real estate transactions. It is typical for half-year property taxes to be paid-in-full at real estate sale closings, so fewer sales resulted in fewer property tax assessments being paid in advance of the April due date. Real Estate Excise Taxes, which are collected in the Arterial Street Fund, are down 66.7% during the first quarter.
- 2023 sales tax receipts totaled \$3,923,723 at the end of March. This is \$78,697 or 2.1 percent higher than last year. Sales tax receipts from January and February will be accrued back to 2022 when the sales activity actually took place. Only two months of the 2023 have been received through April 2023. The accrual basis increase compared to the first two months of 2022 is 104,934 or 4.8% higher. The following table shows the year-to-date (end of April) receipts of the City's top 20 sales tax sources.

<u>Category</u>	<u>This Year</u>	<u>Last Year</u>	<u>% Chg</u>	<u>Months</u>
General Merchandise Retailers	\$ 848,318	\$ 833,669	1.8	\$ 2,479,726
Sporting Goods, Hobby, Musical Instrument, Book	621,742	577,201	7.7	2,149,967
Construction of Buildings	511,407	471,623	8.4	1,654,717
Food Services and Drinking Places	487,107	428,646	13.6	1,507,178
Building Material and Garden Equipment and Supplie	285,154	273,007	4.4	1,027,766
Specialty Trade Contractors	264,543	255,096	3.7	937,187
Merchant Wholesalers, Durable Goods	244,411	183,853	32.9	680,353
Motor Vehicle and Parts Dealers	168,613	160,413	5.1	625,700
Furniture, Home Furnishings, Electronics, and Appl	179,964	199,130	(9.6)	571,523
Administrative and Support Services	179,413	223,884	(19.9)	521,849
Professional, Scientific, and Technical Services	130,773	136,616	(4.3)	475,226
Clothing, Clothing Accessories, Shoe, and Jewelry	117,744	124,716	(5.6)	334,429
Food and Beverage Retailers	106,911	104,866	2.0	327,794
Repair and Maintenance	89,950	83,375	7.9	288,732
Health and Personal Care Retailers	95,139	91,745	3.7	278,331
Telecommunications	94,679	86,940	8.9	266,645
Rental and Leasing Services	71,376	63,588	12.2	230,397
Merchant Wholesalers, Nondurable Goods	69,095	68,781	0.5	214,519
<i>Unclassified</i>	37,325	49,228	(24.2)	166,702
Couriers and Messengers	52,605	51,920	1.3	158,121
	\$ 4,656,269	\$ 4,468,297		\$ 14,896,862

The top 20 sources provide 92.4 percent of all sales tax. The largest sales tax category, “General Merchandise Stores”, experienced a first quarter 1.8 percent increase compared to 2022. The “Sporting Goods, Hobby, Musical Instruments, Book” category has increased 7.7 percent. During the May 2022 category reorganization, this category likely contained the most significant changes, so the year-to-year comparisons aren’t necessarily an accurate depiction of sales activity trends. The “Construction of Buildings” category increased 8.4 percent as a result of strong construction activity in the multifamily and commercial development. The “Food Services and Drinking Places” category continues to show growth compared to the public health safety restrictions period.

Sales tax is the General Fund’s largest source of revenue and construction activity is highly cyclical, so the close monitoring of sales tax collections will continue.

- The General Fund business & occupation (B&O) tax first quarter revenues total \$952,655 or 31.0 percent of budget estimate. This is an increase of \$58,452 or 6.5 percent. B&O tax collections are likely continuing to benefit from the fully reopened economy, which is likely having a more positive effect on the service business activity versus retail sales activity.
- Overall, utility tax collections for the first quarter were \$104,581 higher than the previous year. Natural gas utility tax increased \$67,974 during the first quarter. After finishing with an increase for 2022, first quarter telephone utility tax decreased \$25,518 compared to the previous year. With the shift to mobile devices, telephone utility tax has been declining, because the majority of monthly bills are related to data, which are exempt from local utility taxes.
- Admissions Tax and Gambling Tax increased \$6,503 and \$32,745, respectively. Admissions tax continues to be collected below the prepandemic levels. Gambling Tax appears to have fully recovered.
- Non-business license (includes building, mechanical, plumbing, and electrical permits fees) revenues have been collected at 31.9 percent of the budget estimate. Building permits increased \$92,434. Building permit activity can be an indicator of future one-time sales tax increases, ongoing property, and utility tax increases, so the current indication is certain taxes may experience future growth.
- Plan checking fees increased \$47,011 during the first quarter. This is an indicator of potential future building permit activity.
- Intergovernmental Service Charges increased \$619,036 due to increased Public Works Engineering and Water Resources staffing levels. The staff increases are a result of growing workloads and the significant planned capital improvement programs for transportation and utilities. These costs are recovered for the specific projects and City departments that benefit from the services.

- The timing of grant reimbursements related to the Veterans Services Hub building and U.S. Veteran Affairs Outstation Center facility improvements impacted the Other Grants (-\$1,913,333) and Other Miscellaneous (+\$581,617) revenue categories.
- Interest earnings increased \$157,151 as a result of the most recent 14-month period, which experienced 10 Federal Reserve rate increases. At the end of February 2022, the City's overnight earnings rate was 0.13 percent. The March 2023 overnight rate was 4.89 percent. On May 2-3, 2023, the Federal Reserve increased rates 0.25 percent and omitted a statement that additional policy firming may be appropriate. This may be in indication that rate increases may pause or have peaked.

UTILITY FUNDS

First quarter 2023 operating expenditures for the City's utilities were consistent with the amended budget.

The Water Utility Maintenance and Operations Fund expenditures were \$1,100,932 or 45.9 percent higher in 2023. Salaries and benefits increased \$279,629 mostly related to the aforementioned retroactive salary payments. A \$578,309 increase is related to the first quarter 2023 payments for 2022 backordered water meter and meter transmitting units. The adopted 2022 carryover budget amendment included \$705,773 anticipating this supply chain delayed order. Water revenues were \$138,758 or 5.1 percent higher than the first quarter of 2022. Water sales increased \$58,407. The water revenue increase is consistent with the adopted 5.25 percent rate increase.

Wastewater Utility Maintenance and Operations Fund expenditures were \$60,506 or 1.7 percent higher in 2023. Wastewater total revenues were \$51,714 or 1.0 percent higher than the previous year. Wastewater Sales increased \$104,925, which is consistent with the 9.5 percent adopted rate increase.

The Stormwater Maintenance and Operations Fund expenditures were \$117,332 or 18.1 percent higher than 2022. Salaries and benefits increased \$59,238. Stormwater revenues were \$93,547 or 7.4 percent higher than 2022 due to a \$94,520 increase to Stormwater sales. 2023 Stormwater rates were increased 4.5 percent.

CONCLUSION AND FORECAST

At its May meeting, the Federal Reserve increased rates 0.25 percent, which was in reaction inflation remaining higher than its target rate. A key phrase was dropped from the previous policy statement, which stated the Federal Reserve anticipated some addition increases might be appropriate. However, Chair Powell indicted the Federal Reserve is prepared to do more if more policy restraint is warranted. The conclusion of the May 2023 Federal Reserve meeting left a wider range of uncertainty moving forward. After the previous nine rate increases, there wasn't much doubt that the rate increases would continue. The Federal Reserve has indicated that there may be a pause to the rate increases at the June meeting.

Inflation, job reports, and credit availability (banking segment) will be the main factors for future rate decisions. It is still anticipated by many market analysts and economists there will be a mild recession late in 2023.

Locally inflation has been lagging behind the national inflation trends and this has commonly occurred historically. The Seattle area inflation appeared to peak mid-2022, but remains higher than the national inflation levels. For example, the latest Seattle area inflation was 6.9 percent (April 2023), while the April U.S. inflation was 4.9 percent. This continues a trend of decreasing inflation levels, but inflation remains well above the Federal Reserve's target.

Inflation is likely impacting Lacey's retail sales volume activity, but it isn't reflected in the numbers. The City's largest single source of sales tax, General Merchandise Stores, increased 1.8% during the first quarter. Assuming that general merchandise prices increased consistent with inflation, actual sales activity volume likely decreased. This isn't intended to raise an alarm, but perhaps a future economic indicator to watch.

To this point in 2023, there are no surprises. Through the first quarter, the both revenues and expenditures are consistent with the budget projections. No adjustments from the projected path are recommended. Staff will continue to monitor and evaluate the impacts of economic conditions and indicators. If warranted, staff will communicate any needs to adjust the 2023 Budget and future financial outlook.

City of Lacey
Monthly Expenditure Summary
March 2023

Expenditures: General Fund	2022 Amended Budget	YTD 3/31/2022 Actual	2022 YTD % of Budget	2023 Amended Budget	YTD 3/31/2023 Actual	2023 YTD % of Budget	2023-2022 YTD Variance
City Council	\$ 558,766	\$ 156,581	28.0%	\$ 610,711	\$ 195,527	32.0%	\$ 38,947
Contracted Services	2,847,206	298,231	10.5%	2,437,172	160,278	6.6%	(137,953)
City Manager	753,122	186,430	24.8%	947,361	164,468	17.4%	(21,962)
Human Resources	1,371,075	308,934	22.5%	1,937,876	306,465	15.8%	(2,468)
Social Services	1,610,677	184,049	11.4%	5,321,888	208,069	3.9%	24,020
Public Affairs/City Clerk	1,180,096	186,324	15.8%	1,219,394	238,559	19.6%	52,235
Finance	1,633,565	359,489	22.0%	2,288,988	514,327	22.5%	154,838
Legal & Judicial	725,068	173,287	23.9%	782,478	184,368	23.6%	11,082
Common Facilities Overhead	1,628,579	756,819	46.5%	1,612,239	813,741	50.5%	56,922
Police	13,082,624	2,962,744	22.6%	13,932,367	3,499,440	25.1%	536,696
Public Works - Support SVC	151,100	30,687	20.3%	155,637	32,055	20.6%	1,368
Public Works - Engineering	4,639,793	953,067	20.5%	4,907,884	1,270,826	25.9%	317,759
Public Works - Parks Maint.	3,274,820	673,561	20.6%	3,686,499	938,695	25.5%	265,134
Public Works - Facilities Maint.	938,472	201,559	21.5%	1,251,174	198,432	15.9%	(3,127)
Community & Economic Dev.	4,288,060	737,368	17.2%	4,998,483	1,166,286	23.3%	428,919
Public Works - Water Resources	1,900,084	308,005	16.2%	2,165,118	520,763	24.1%	212,758
Parks, Culture, & Recreation	3,337,438	514,595	15.4%	3,376,937	600,622	17.8%	86,027
Transfers Out	5,891,802	-	0.0%	6,750,508	-	0.0%	-

Total Current Expense Fund: \$ 49,812,347 \$ 8,991,729 18.05% \$58,382,714 \$ 11,012,924 18.86% \$ 2,021,195

Criminal Justice Fund	\$ 3,283,881	\$ 322,930	9.8%	\$ 3,052,855	\$ 359,164	11.8%	\$ 36,234
Community Buildings Fund	767,973	133,742	17.4%	1,025,781	169,143	16.5%	35,401
Regional Athletic Complex	1,233,312	257,198	20.9%	1,360,495	315,414	23.2%	58,216
Street Fund	4,017,012	746,121	18.6%	4,545,559	929,180	20.4%	183,059
Capital Equipment Fund	3,376,487	87,118	2.6%	3,517,995	142,147	4.0%	55,029

Total General Fund Expenditures \$ 62,491,012 \$ 10,538,838 16.86% \$ 71,885,399 \$ 12,927,972 17.98% \$ 2,389,133

Expenditures:
Other Funds

Arterial Street Fund	\$ 3,816,998	\$ 173,352	4.5%	\$ 9,944,299	\$ 377,319	3.8%	\$ 203,968
Transportation Improvement	4,750,000	119,844	2.5%	8,150,000	837,033	10.3%	717,189
Lodging Tax	580,500	26,969	4.6%	887,230	32,121	3.6%	5,152
Community Block Grant	122	-	0.0%	479	-	0.0%	-
Hicks Lake Management District	46,358	-	0.0%	47,793	-	0.0%	-
General Obligation Bond	1,261,390	-	0.0%	1,270,434	-	0.0%	-
LID Debt	70,897	-	0.0%	100,609	-	0.0%	-
Building Improvement	5,488,770	69,580	1.3%	4,709,316	649,555	13.8%	579,974
Parks & Open Space	614,766	28,876	4.7%	1,169,866	143,687	12.3%	114,811
Regional Athletic Complex Capital	4,076,090	4,493	0.1%	4,221,634	77,823	1.8%	73,330
Water Utility	16,010,213	2,401,201	15.0%	16,900,441	3,502,133	20.7%	1,100,932
Wastewater Utility	20,947,953	3,605,781	17.2%	23,524,369	3,666,287	15.6%	60,506
Stormwater Utility	4,651,470	648,215	13.9%	5,472,547	765,547	14.0%	117,332
Reclaimed Water	408	-	0.0%	1,385	-	0.0%	-
Water Capital	28,416,622	950,843	3.3%	19,983,069	1,689,774	8.5%	738,931
Wastewater Capital	12,999,652	760,220	5.8%	12,838,423	927,800	7.2%	167,580
Stormwater Capital	1,927,284	18,908	1.0%	2,431,636	34,420	1.4%	15,512
Reclaimed Water Capital	7,939	-	0.0%	26,905	-	0.0%	-
Water Debt Service	4,779,149	-	0.0%	4,788,294	-	0.0%	-
Wastewater Debt Service	2,893,646	25,370	0.9%	3,196,092	23,347	0.7%	(2,022)
Stormwater Debt Service	2,352,444	-	0.0%	2,353,609	-	0.0%	-
Equipment Rental	3,702,866	453,172	12.2%	4,376,581	597,751	13.7%	144,579
Information Management	2,934,844	457,238	15.6%	2,967,111	566,219	19.1%	108,981

Total Expenditures \$ 184,821,393 \$ 20,282,899 10.97% \$ 201,247,521 \$ 26,818,785 13.33% \$ 6,535,886

City of Lacey
 Monthly Revenue Summary
 March 2023

Revenues:	2022 Amended Budget	YTD 3/31/2022 YTD Actual	2022 YTD % of Budget	2023 Amended Budget	YTD 3/31/2023 YTD Actual	2023 YTD % of Budget	2023-2022 YTD Variance
General Fund							
Taxes:							
Property	\$ 7,565,892	\$ 330,720	4.4%	\$ 8,082,842	\$ 212,157	2.6%	\$ (118,563)
Sales	13,163,089	3,845,025	29.2%	14,566,341	3,923,723	26.9%	78,697
Business & Occupation	2,540,102	894,203	35.2%	3,075,390	952,655	31.0%	58,452
Admissions	84,000	34,901	41.5%	168,000	41,404	24.6%	6,503
Utility - Electric	2,509,713	835,031	33.3%	3,078,839	868,218	28.2%	33,187
Utility - Natural Gas	812,609	384,399	47.3%	1,063,521	452,373	42.5%	67,974
Utility - Solid Waste	429,537	125,154	29.1%	554,444	140,181	25.3%	15,027
Utility - Telephone	468,525	166,177	35.5%	555,349	140,659	25.3%	(25,518)
Utility - Water/Sewer/Storm	3,361,406	750,929	22.3%	3,636,822	764,840	21.0%	13,911
Excise - Forest/Leasehold	20,000	6,166	30.8%	20,000	4,998	25.0%	(1,168)
Gambling	239,136	94,539	39.5%	403,832	127,284	31.5%	32,745
Total Taxes	\$ 31,194,009	\$ 7,467,245	23.94%	\$ 35,205,380	\$ 7,628,491	21.67%	\$ 161,246
Penalties & Interest	\$ 4,750	\$ 567	11.9%	\$ 5,000	\$ 1,300	26.0%	\$ 732
Franchises	701,790	179,308	25.6%	734,980	178,983	24.4%	(325)
Licenses & Permits	1,568,237	448,360	28.6%	1,601,438	510,319	31.9%	61,959
Inter-Governmental:							
Criminal Justice	\$ -	\$ 2,784		\$ -	\$ 5,851		\$ 3,068
Traffic Safety	-	-		-	-		-
Liquor Excise	353,331	96,581	27.3%	397,369	96,567	24.3%	(14)
Liquor Profits	426,736	111,237	26.1%	437,514	111,381	25.5%	144
Other State Entitlements	81,622	28,778	35.3%	81,622	34,828	42.7%	6,049
Inter-Gov. Service Charges	126,055	195,916	155.4%	286,733	43,158	15.1%	(152,758)
Other Grants	8,000	1,936,296	24203.7%	3,000	121,774	4059.1%	(1,814,522)
Total Inter-Governmental	\$ 995,744	\$ 2,371,591	238.17%	\$ 1,206,238	\$ 413,559	34.29%	\$ (1,958,032)
Service Charges:							
General Government	\$ 51,750	\$ 1,650	3.2%	\$ 6,750	\$ 10,488	155.4%	\$ 8,838
Security of Persons/Property	181,500	50,194	27.7%	6,500	-		(50,194)
Economic Environment/Plan Checking	579,500	85,878	14.8%	578,750	132,889	23.0%	47,011
Culture and Recreation	892,940	61,638	6.9%	892,940	75,850	8.5%	14,212
Total Service Charges	\$ 1,705,690	\$ 199,360	11.69%	\$ 1,484,940	\$ 219,228	14.76%	\$ 19,868
Interfund Charges:							
Engineering Services	\$ 3,269,255	\$ 705,175	21.6%	\$ 3,301,232	\$ 1,024,897	31.0%	\$ 319,722
Park Maintenance	451,228	64,502	14.3%	514,250	108,190	21.0%	43,687
Water Resources	2,411,187	355,593	14.7%	2,645,404	558,999	21.1%	203,406
Other Interfund Charges	1,296,823	324,207	25.0%	1,505,743	376,427	25.0%	52,220
Total Interfund Charges	\$ 7,428,493	\$ 1,449,477	19.51%	\$ 7,966,629	\$ 2,068,513	25.96%	\$ 619,036
Violations	\$ 250,000	\$ 25,725	10.3%	\$ 100,000	\$ 22,859	22.9%	\$ (2,866)
Interest Earnings	168,680	203,242	120.5%	643,186	360,393	56.0%	157,151
Other Miscellaneous	236,176	21,888	9.3%	62,900	719,782	1144.3%	697,893
Contributions	76,000	18,800	24.7%	76,000	27,300	35.9%	8,500
Financing	-	-		-	-		-
Transfers	48,500	-		48,500	-		-
Beginning Cash	9,216,012	-		9,247,523	-		-
Total Current Expense Fund Revenues	\$ 53,594,081	\$ 12,385,564	23.11%	\$ 58,382,714	\$ 12,150,726	20.81%	\$ (234,838)
Criminal Justice Fund	\$ 3,283,881	\$ 358,134	10.9%	\$ 3,052,855	\$ 388,505	12.7%	\$ 30,371
Community Buildings Fund	767,973	34,501	4.5%	1,025,781	52,167	5.1%	17,666
Regional Athletic Complex Fund	1,595,477	172,261	10.8%	1,360,495	178,150	13.1%	5,889
Street Fund	4,043,012	221,136	5.5%	4,545,559	215,127	4.7%	(6,009)
Capital Equipment Fund	3,791,487	30,882	0.8%	3,517,995	35,330	1.0%	4,448
Total General Fund Revenues	\$ 67,075,911	\$ 13,202,477	19.68%	\$ 71,885,399	\$ 13,020,006	18.11%	\$ (182,472)

Revenues:	2022	YTD	2022	2023	YTD	2023	2023-2022
<u>Other Funds</u>	<u>Amended</u>	<u>3/31/2022</u>	<u>YTD % of</u>	<u>Amended</u>	<u>3/31/2023</u>	<u>YTD % of</u>	<u>YTD</u>
	<u>Budget</u>	<u>YTD Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>YTD Actual</u>	<u>Budget</u>	<u>Variance</u>
Arterial Street Fund	\$ 3,996,998	\$ 1,894,334	47.4%	\$ 9,944,299	\$ 1,155,824	11.6%	\$ (738,511)
Transportation Improvement Fund	4,750,000	917,668	19.3%	8,150,000	946,282	11.6%	28,613
Lodging Tax	580,500	109,743	18.9%	887,230	103,617	11.7%	(6,125)
Community Block Grant	122	160	130.7%	479	214	44.8%	55
Hicks Lake Management District	46,358	2,866	6.2%	47,793	1,624	3.4%	(1,241)
General Obligation Bond	1,576,380	36,752	2.3%	1,270,434	18,148	1.4%	(18,604)
LID Debt	70,897	14,086	19.9%	100,609	22,351	22.2%	8,265
Building Improvement	6,165,393	33,061	0.5%	4,709,316	429,388	9.1%	396,327
Parks & Open Space	2,544,841	5,309	0.2%	1,169,866	9,396	0.8%	4,086
Regional Athletic Complex Capital	4,160,101	393,352	9.5%	4,221,634	442,384	10.5%	49,032
Water Utility	17,493,672	2,747,214	15.7%	16,900,441	2,885,972	17.1%	138,758
Wastewater Utility	21,262,397	5,314,884	25.0%	23,524,369	5,366,598	22.8%	51,714
Stormwater Utility	4,651,470	1,266,523	27.2%	5,472,547	1,360,069	24.9%	93,547
Reclaimed Water	408	461	113.0%	1,385	620	44.7%	159
Water Capital	28,809,295	1,347,491	4.7%	19,983,069	2,043,377	10.2%	695,886
Wastewater Capital	13,131,652	708,368	5.4%	12,838,423	1,233,614	9.6%	525,246
Stormwater Capital	2,027,284	18,322	0.9%	2,431,636	36,307	1.5%	17,985
Reclaimed Water Capital	7,939	8,954	112.8%	26,905	12,037	44.7%	3,083
Water Debt Service	4,779,149	3,905	0.1%	4,788,294	5,323	0.1%	1,417
Wastewater Debt Service	2,893,646	1,741	0.1%	3,196,092	1,817	0.1%	76
Stormwater Debt Service	2,352,444	175	0.0%	2,353,609	237	0.0%	62
Equipment Rental	4,122,883	896,576	21.7%	4,376,581	1,008,347	23.0%	111,771
Information Management	2,934,844	710,993	24.2%	2,967,111	711,843	24.0%	850
Total Revenues	\$ 195,434,584	\$ 29,635,414	15.16%	\$ 201,247,521	\$ 30,815,394	15.31%	\$ 1,179,980