



2023 Q2 Financial Report

Biennium to Date Revenues and Expenditures Thru June 30, 2023

2023 Second Quarter Financial Report

The Financial Report for the **City of Duvall** provides an unaudited overview of the major funds and how the revenues and expenditures performed in comparison to budget. This is not meant to be a complete accounting but rather a quick look at the highlights.

The Washington economy continued to recover, although high inflation threatens to slow economic growth.

The forecast for **GDP growth** in **2023** is now **1.2%**, up from **1.0%** in the March forecast. For **2024**, real GDP growth forecast is **0.7%**, down from **1.1%** in the March forecast. The Economic and Revenue Forecast Council (ERFC) of Washington State expects growth rates of **2.0%**, **2.0%**, and **1.9%** in 2025 through 2027 compared to **2.1%**, **2.1%**, and **1.9%** from the March forecast.

The City began the **2023/2024** biennium off with higher beginning fund balances than that estimated. Actual beginning fund balances totaled **\$37,579,087**, which was **\$4,285,718** more than the **\$33,293,369** estimated. The reserve increase is primarily due to slightly higher than anticipated receipts combined with a **10%** reduction in overall departmental expenditures over the **2021/2022** biennium. The increases in reserves were primarily generated from the General fund, Parks and Streets CIP funds and the Water & Sewer funds.

As of the end of **June**, **25%** of the biennium was reached. The City has received **20.2%** of budgeted revenues and has claimed **16.5%** of budgeted expenditures. The tables below show biennium to date budgeted vs. actual revenues and expenditures by fund type.

FUND TYPE SUMMARY REPORT

BIENNIUM TO DATE (BTD) REVENUE BY FUND TYPE

	23-24 ORIG BUDGET	THRU JUNE			-THRU JUNE		THRU JUNE-	
	FY2023	FY2023	REMAINING	% REACHED	FY2022	FY2023		
Revenues								
General								
General Fund	\$15,432,180	\$3,444,447	\$11,987,733	22.3%	\$3,201,730	\$3,444,447	\$242,717	
Contingency Fund	\$8,000	\$12,684	(\$4,684)	158.5%	\$1,236	\$12,684	\$11,448	
GENERAL TOTAL	\$15,440,180	\$3,457,131	\$11,983,049	22.4%	\$3,202,966	\$3,457,131	\$254,165	
Special Revenue	\$11,227,328	\$2,725,990	\$8,501,338	24.3%	\$1,311,249	\$2,725,990	\$1,414,741	
Debt Service	\$939,149	\$234,809	\$704,341	25.0%	\$243,828	\$234,809	(\$9,019)	
Capital Project	\$15,960,819	\$1,286,587	\$14,674,232	8.1%	\$884,583	\$1,286,587	\$402,004	
Enterprise	\$25,717,371	\$6,206,099	\$19,511,272	24.1%	\$5,628,964	\$6,206,099	\$577,134	
Internal Service	\$2,316,372	\$582,986	\$1,733,386	25.2%	\$520,760	\$582,986	\$62,226	
REVENUES TOTAL	\$71,601,219	\$14,493,600	\$57,107,619	20.2%	\$11,792,349	\$14,493,600	\$2,701,251	
Expenditures								
General	(\$16,411,946)	(\$3,301,690)	(\$13,110,256)	20.1%	(\$2,535,499)	(\$3,301,690)	(\$766,191)	
Special Revenue	(\$11,370,685)	(\$1,930,872)	(\$9,439,813)	17.0%	(\$755,146)	(\$1,930,872)	(\$1,175,726)	
Debt Service	(\$939,147)	(\$32,308)	(\$906,839)	3.4%	(\$52,752)	(\$32,308)	\$20,444	
Capital Project	(\$15,684,282)	(\$2,581,225)	(\$13,103,057)	16.4%	(\$262,730)	(\$2,581,225)	(\$2,318,494)	

	23-24 ORIG BUDGET	THRU JUNE			-THRU JUNE	THRU JUNE-	
	FY2023	FY2023	REMAINING	% REACHED	FY2022	FY2023	\$ CHANGE
Enterprise	(\$27,243,325)	(\$3,757,674)	(\$23,485,651)	13.8%	(\$4,041,467)	(\$3,757,674)	\$283,793
Internal Service	(\$1,859,818)	(\$511,745)	(\$1,348,073)	27.5%	(\$407,075)	(\$511,745)	(\$104,670)
EXPENDITURES TOTAL	(\$73,509,203)	(\$12,115,513)	(\$61,393,690)	16.5%	(\$8,054,669)	(\$12,115,513)	(\$4,060,844)

	% INCR (DECR)
Revenues	
General	
General Fund	7.6%
Contingency Fund	926.5%
GENERAL TOTAL	7.9%
Special Revenue	107.9%
Debt Service	(3.7%)
Capital Project	45.4%
Enterprise	10.3%
Internal Service	11.9%
REVENUES TOTAL	22.9%
Expenditures	
General	30.2%
Special Revenue	155.7%
Debt Service	(38.8%)
Capital Project	882.5%
Enterprise	(7.0%)
Internal Service	25.7%
EXPENDITURES TOTAL	50.4%

GENERAL FUND REVENUES

The City receives **68.24%** of its **General Fund** revenues from taxes. As of the end of **June 2023**, **26.2%** of tax revenue budgeted in the **General Fund** had been received.

Property tax is the General Fund's largest and most reliable source of revenue. **20%** of the City's non-levy lid lift property tax is receipted directly into the **Street Fund**, for use on street operations and maintenance and is not shown in the table above.

Property taxes are due in two payments with **April 30th** and **November 2nd** deadlines. As of the end of **June 2023**, the City had received just under **25.1%** of budgeted property tax.

Sales tax is the **General Fund's** second highest source of revenue. The City receives sales tax revenue two months after it is collected by businesses, so **June** receipts were from sales incurred in **April**. By the end of **June 2023**, the City had received approximately **26.3%** of sales and use tax budgeted in the **General Fund**. As of **June 2023** nearly half of the 23-24 budgeted **Sales Tax from Construction** had been collected.

The General Fund's third largest source of budgeted revenue is **Utility tax**. Revenue from utility tax is generally stable, but taxes on natural gas, electricity and water are affected by weather and fluctuate from year to year. By the end of **June 2023**, the City had collected **27.7%**, or **\$787,105**, of budgeted utility tax. Utility tax through **June 2023** was **6.3%**, or **\$46,455** higher than the same period last year.

GENERAL FUND TAX REVENUE

	23-24 ORIG BUDGET	THRU JUNE			-THRU JUNE	THRU JUNE-	
	FY2023	FY2023	REMAINING	% REACHED	FY2022	FY2023	\$ INCR (DECR)
General Fund Revenues							
General Fund							
Property Tax							

	23-24 ORIG BUDGET	THRU JUNE			-THRU JUNE	THRU JUNE-	
	FY2023	FY2023	REMAINING	% REACHED	FY2022	FY2023	\$ INCR (DECR)
Property Tax	\$3,037,339	\$762,751	\$2,274,588	25.1%	\$722,551	\$762,751	\$40,199
Property Taxes - Levy Lid Lift	\$1,051,800	\$264,235	\$787,565	25.1%	\$218,785	\$264,235	\$45,450
PROPERTY TAX TOTAL	\$4,089,139	\$1,026,986	\$3,062,153	25.1%	\$941,336	\$1,026,986	\$85,650
Retail Sales & Use Taxes							
Local Retail S & U Tax	\$2,560,293	\$582,722	\$1,977,571	22.8%	\$586,331	\$582,722	(\$3,609)
Sales Tax from Construction	\$435,835	\$214,380	\$221,455	49.2%	\$201,827	\$214,380	\$12,553
Aff & Supp Housing S & U Tax	\$18,000	\$1,182	\$16,818	6.6%	\$1,189	\$1,182	(\$7)
Criminal Justice S & U Tax	\$585,777	\$147,362	\$438,415	25.2%	\$136,604	\$147,362	\$10,758
RETAIL SALES & USE TAXES TOTAL	\$3,599,905	\$945,646	\$2,654,259	26.3%	\$925,951	\$945,646	\$19,695
Business & Occupation Taxes							
B&O Tax - Electricity	\$626,076	\$202,486	\$423,590	32.3%	\$207,233	\$202,486	(\$4,748)
Interfund Utility Tax - Water	\$555,679	\$122,358	\$433,321	22.0%	\$98,021	\$122,358	\$24,338
B&O Tax - Natural Gas	\$260,556	\$109,236	\$151,320	41.9%	\$122,072	\$109,236	(\$12,836)
Interfund Utility Tax - Sewer	\$672,781	\$155,396	\$517,385	23.1%	\$144,566	\$155,396	\$10,830
Business Tax - Garbage	\$260,922	\$92,443	\$168,479	35.4%	\$62,216	\$92,443	\$30,228
Business Tax - TV Cable	\$77,665	\$13,146	\$64,519	16.9%	\$19,073	\$13,146	(\$5,926)
Business Tax - Telephone	\$127,994	\$33,361	\$94,633	26.1%	\$33,090	\$33,361	\$272
Interfund Utility Tax - Storm	\$210,465	\$50,234	\$160,231	23.9%	\$45,392	\$50,234	\$4,843
Gambling Tax	\$50,000	\$8,444	\$41,556	16.9%	\$8,988	\$8,444	(\$545)
BUSINESS & OCCUPATION TAXES TOTAL	\$2,842,138	\$787,105	\$2,055,033	27.7%	\$740,650	\$787,105	\$46,455
Excise Tax in Lieu of Prop Tax							
Leasehold Excise Tax	\$4,600	\$625	\$3,975	13.6%	\$877	\$625	(\$252)
EXCISE TAX IN LIEU OF PROP TAX TOTAL	\$4,600	\$625	\$3,975	13.6%	\$877	\$625	(\$252)
GENERAL FUND TOTAL	\$10,535,782	\$2,760,362	\$7,775,420	26.2%	\$2,608,815	\$2,760,362	\$151,548
GENERAL FUND REVENUES TOTAL	\$10,535,782	\$2,760,362	\$7,775,420	26.2%	\$2,608,815	\$2,760,362	\$151,548

	% INCR (DECR)
General Fund Revenues	
General Fund	
Property Tax	
Property Tax	5.6%
Property Taxes - Levy Lid Lift	20.8%
PROPERTY TAX TOTAL	9.1%
Retail Sales & Use Taxes	
Local Retail S & U Tax	(0.6%)
Sales Tax from Construction	6.2%
Aff & Supp Housing S & U Tax	(0.6%)
Criminal Justice S & U Tax	7.9%
RETAIL SALES & USE TAXES TOTAL	2.1%
Business & Occupation Taxes	
B&O Tax - Electricity	(2.3%)
Interfund Utility Tax - Water	24.8%
B&O Tax - Natural Gas	(10.5%)
Interfund Utility Tax - Sewer	7.5%
Business Tax - Garbage	48.6%
Business Tax - TV Cable	(31.1%)
Business Tax - Telephone	0.8%
Interfund Utility Tax - Storm	10.7%
Gambling Tax	(6.1%)
BUSINESS & OCCUPATION TAXES TOTAL	6.3%
Excise Tax in Lieu of Prop Tax	
Leasehold Excise Tax	(28.7%)
EXCISE TAX IN LIEU OF PROP TAX TOTAL	(28.7%)
GENERAL FUND TOTAL	5.8%
GENERAL FUND REVENUES TOTAL	5.8%

The City received **2.1%**, or **\$19,695** more in sales tax through **June of 2023** than through **June of 2022**. Sales tax from **construction** represented **\$12,553** of the increase. Without sales tax from construction, the increase through June was **1.0%**, or **\$7,142**.

Compared to year to date **June 2022**, year to date sales tax from **Accommodation and Food Services** increased by **12.6%**, or **\$8,147**, Retail Trade decreased by **3.9%**, or **\$11,632**, and the category of **Admin and Support of Waste Management and Remedial services** decreased by **6.6%**, or **\$4,757**, primarily from the sub-category e-commerce services.

The amounts in the table below show year to date sales tax revenue compared to the same period in the prior year and do not have the administrative fee charged by the Department of Revenue removed, whereas the amounts in the table on the prior page are net of the fee. Year to date through **June 2022** has been added for comparison purposes.

Sales Tax

Current Period-to-date vs Prior Period-to-date

NAICS Code	Current Thru Jun 2023	Prior Thru Jun 2022	Variance	Variance %
Retail Trade	\$287,138 <small>35%</small>	\$298,770 <small>5%</small>	(\$11,632)	-3.9%
Construction	\$238,228 <small>29%</small>	\$259,328 <small>1%</small>	(\$21,100)	-8.1%
Accommodation & Food Services	\$73,056 <small>9%</small>	\$64,909 <small>3%</small>	\$8,147	12.6%
Admin & Support of Waste Mgmt & Remedial Svcs	\$67,386 <small>8%</small>	\$72,143 <small>3%</small>	(\$4,757)	-6.6%
Wholesale Trade	\$34,454 <small>4%</small>	\$29,948 <small>4%</small>	\$4,507	15.0%
Information/Communication	\$29,278 <small>4%</small>	\$31,487 <small>4%</small>	(\$2,209)	-7.0%
Manufacturing	\$22,380 <small>3%</small>	\$17,021 <small>2%</small>	\$5,358	31.5%
Professional, Scientific, & Technical Svcs	\$21,088 <small>3%</small>	\$17,194 <small>2%</small>	\$3,893	22.6%
Other Services (except Public Administration)	\$15,875 <small>2%</small>	\$15,577 <small>2%</small>	\$298	1.9%
Miscellaneous	\$12,050 <small>1%</small>	\$15,591 <small>2%</small>	(\$3,541)	-22.7%
Real Estate & Rental & Leasing	\$8,241 <small>1%</small>	\$10,344 <small>1%</small>	(\$2,103)	-20.3%
Finance	\$7,151 <small>1%</small>	\$7,589 <small>1%</small>	(\$438)	-5.8%
Arts, Entertainment, & Recreation	\$3,622 <small>0%</small>	\$2,833 <small>1%</small>	\$790	27.9%
Transportation & Warehousing	\$2,102 <small>0%</small>	\$3,610 <small>1%</small>	(\$1,508)	-41.8%
Educational Services	\$1,463 <small>0%</small>	\$1,212 <small>1%</small>	\$251	20.7%
Agriculture, Forestry, Fishing & Hunting	\$1,119 <small>0%</small>	\$1,254 <small>1%</small>	(\$136)	-10.8%
Health Care & Social Assistance	\$299 <small>0%</small>	\$1,542 <small>1%</small>	(\$1,244)	-80.6%
Mining	\$32 <small>0%</small>	\$10 <small>1%</small>	\$22	214.0%
Public Administration	\$15 <small>0%</small>	\$20 <small>1%</small>	(\$6)	-27.9%
TOTAL	\$824,977	\$850,384	(\$25,408)	-3.0%

Approximately **4.0%** of budgeted **General Fund** revenue comes from licenses and permits. As of the end of **June 2023**, the City had received **30.9%** of its budgeted General Fund license and permit revenue. Year to date, revenue through **June** increased by **144.5%**, or **\$112,569** over the same period in the prior year, primarily due to garbage franchise fees and IT surcharges collected as part of permitting and development related fees.

GENERAL FUND LICENSE & PERMIT REVENUE

	23-24 ORIG BUDGET	THRU JUNE			-THRU JUNE	THRU JUNE-	
	FY2023	FY2023	REMAINING	% REACHED	FY2022	FY2023	\$ INCR (DECR)
General Fund Revenues							
Business Licenses & Permits							
Fireworks Permits	\$400	\$100	\$300	25.0%	\$100	\$100	\$0
Special Events Permits	\$2,000	\$1,000	\$1,000	50.0%	(\$175)	\$1,000	\$1,175
Franchise Fees - Cable TV	\$49,248	\$17,352	\$31,896	35.2%	\$15,093	\$17,352	\$2,259
Franchise Fees - Garbage	\$360,961	\$90,535	\$270,426	25.1%	\$12,467	\$90,535	\$78,068
Business Licenses	\$92,400	\$25,855	\$66,545	28.0%	\$23,558	\$25,855	\$2,296
BUSINESS LICENSES & PERMITS TOTAL	\$505,009	\$134,841	\$370,168	26.7%	\$51,043	\$134,841	\$83,799
Non-Business License & Permits							
Permit Fee IT Surcharge	\$107,383	\$54,877	\$52,506	51.1%	\$26,224	\$54,877	\$28,652
Concealed Weapons Permit Fees	\$3,540	\$776	\$2,764	21.9%	\$658	\$776	\$118
NON-BUSINESS LICENSE & PERMITS TOTAL	\$110,923	\$55,653	\$55,270	50.2%	\$26,882	\$55,653	\$28,770
GENERAL FUND REVENUES TOTAL	\$615,932	\$190,494	\$425,438	30.9%	\$77,925	\$190,494	\$112,569

	% INCR (DECR)
General Fund Revenues	
Business Licenses & Permits	
Fireworks Permits	0.0%
Special Events Permits	(671.4%)
Franchise Fees - Cable TV	15.0%
Franchise Fees - Garbage	626.2%
Business Licenses	9.7%
BUSINESS LICENSES & PERMITS TOTAL	164.2%
Non-Business License & Permits	
Permit Fee IT Surcharge	109.3%
Concealed Weapons Permit Fees	17.9%
NON-BUSINESS LICENSE & PERMITS TOTAL	107.0%
GENERAL FUND REVENUES TOTAL	144.5%

Revenue from **charges for services** accounts for approximately **6.5%** of the General Fund budget. As of the end of the second quarter of **2023**, the City had received **11.7%** of budgeted General Fund charges for services revenue. Year to date, revenue through **June** decreased by **65.8%**, or **\$224,321**, over the same period in the prior year, primarily due to fewer land use permits issued in the **2nd quarter** of **2023** and less public safety charges received.

GENERAL FUND CHARGES FOR SERVICES REVENUE

	23-24 ORIG BUDGET	THRU JUNE	-THRU JUNE				
	FY2023	FY2023	FY2022	REMAINING	% REACHED	\$ INCR (DECR)	% INCR (DECR)
GENERAL FUND REVENUES							
General Government							
Admin Fees - Cell Tower Lease	\$6,821	\$1,204	\$1,359	\$5,617	17.7%	(\$155)	(11.4%)
Admin Fee - Alcohol Use	\$200	\$0	-	\$200	0.0%	\$0	-
Sales of Maps & Publications	\$200	-	\$108	\$200	0.0%	(\$108)	(100.0%)
Engineering Fees & Charges	\$300,632	\$81,303	\$58,907	\$219,329	27.0%	\$22,396	38.0%
GENERAL GOVERNMENT TOTAL	\$307,853	\$82,507	\$60,373	\$225,346	26.8%	\$22,133	36.7%
Public Safety							
Law Enforcement Services	-	\$749	\$40,926	(\$749)	-	(\$40,177)	(98.2%)
RSD School Officer Services	\$80,000	-	\$50	\$80,000	0.0%	(\$50)	(100.0%)
PUBLIC SAFETY TOTAL	\$80,000	\$749	\$40,976	\$79,251	0.9%	(\$40,227)	(98.2%)
Natural & Economic Environment							
Animal Control & Shelter Serv	\$52,000	-	\$13,000	\$52,000	0.0%	(\$13,000)	(100.0%)
Pass-Thru Development	-	\$1,500	\$23,753	(\$1,500)	-	(\$22,253)	(93.7%)
Zon & Sub: Land Use Permits	\$310,000	\$9,905	\$172,538	\$300,095	3.2%	(\$162,633)	(94.3%)

	23-24 ORIG BUDGET	THRU JUNE	-THRU JUNE				
	FY2023	FY2023	FY2022	REMAINING	% REACHED	\$ INCR (DECR)	% INCR (DECR)
Zon & Sub: Planning Dep	–	\$8,240	\$11,056	(\$8,240)	–	(\$2,815)	(25.5%)
Plan Checking Services	–	\$450	–	(\$450)	–	\$450	–
Plan Check Serv: Dev Charges	\$223,000	\$61	\$10,382	\$222,939	0.0%	(\$10,321)	(99.4%)
NATURAL & ECONOMIC ENVIRONMENT TOTAL	\$585,000	\$20,156	\$230,729	\$564,844	3.4%	(\$210,573)	(91.3%)
Culture & Recreation							
Sponsorship Fees	\$25,000	\$13,345	\$9,000	\$11,655	53.4%	\$4,345	48.3%
CULTURE & RECREATION TOTAL	\$25,000	\$13,345	\$9,000	\$11,655	53.4%	\$4,345	48.3%
GENERAL FUND REVENUES TOTAL	\$997,853	\$116,757	\$341,078	\$881,096	11.7%	(\$224,321)	(65.8%)

General Fund Revenue Summary and Expenditure Overview

As of the end of **June 2023**, the City had received approximately **22.4%** of its budgeted General Fund revenue. Year to date revenue through **June** increased by **7.9%**, or **\$254,165**, over the same period in the prior year, primarily from an increase in **tax** revenue and **licenses & permit** collections. **Miscellaneous Revenue** reached **95.3%** of the **\$105,600** biennial budget primarily due to the receipt of **\$70,881** in **interest revenue**. Charges for Services are down **65.8%** or **\$224,321** primarily due to land use permits being down **\$162,633** or **94.3%** and charges for law enforcement services being down **\$40,177** or **98.2%** as compared to the 6 months ended **June 2022**. The Miscellaneous category includes investment interest, which increased significantly in **2023** with rising interest rates.

General Fund Revenue Summary

	23-24 ORIG BUDGET	THRU JUNE			-THRU JUNE	THRU JUNE-	
	FY2023	FY2023	REMAINING	% REACHED	FY2022	FY2023	\$ INCR (DECR)
General Fund Revenues							
Taxes	\$10,535,782	\$2,760,362	\$7,775,420	26.2%	\$2,608,815	\$2,760,362	\$151,548
Licenses and Permits	\$615,932	\$190,494	\$425,438	30.9%	\$77,925	\$190,494	\$112,569
Intergovernmental Revenues	\$581,542	\$102,549	\$478,993	17.6%	\$78,559	\$102,549	\$23,990
Charges for Services	\$997,853	\$116,757	\$881,096	11.7%	\$341,078	\$116,757	(\$224,321)
Fines and Penalties	\$12,480	\$5,812	\$6,668	46.6%	\$3,459	\$5,812	\$2,354
Miscellaneous Revenues	\$105,600	\$100,675	\$4,925	95.3%	\$24,483	\$100,675	\$76,192
Other Increases in Fund Resources	–	\$3,925	(\$3,925)	–	\$500	\$3,925	\$3,425
Other Financing Sources	\$2,590,991	\$176,557	\$2,414,434	6.8%	\$68,148	\$176,557	\$108,410
GENERAL FUND REVENUES TOTAL	\$15,440,180	\$3,457,131	\$11,983,049	22.4%	\$3,202,966	\$3,457,131	\$254,165

	% INCR (DECR)
General Fund Revenues	
Taxes	5.8%
Licenses and Permits	144.5%
Intergovernmental Revenues	30.5%
Charges for Services	(65.8%)
Fines and Penalties	68.1%
Miscellaneous Revenues	311.2%
Other Increases in Fund Resources	685.0%
Other Financing Sources	159.1%
GENERAL FUND REVENUES TOTAL	7.9%

General Fund Expenditures by Department

Year to date expenditures through **June 2023** reached a modest **20.1%** of the biennial budget with the following highlights: **Cultural Commission** expenditures reached **95.3%** of the **\$25,124** biennial budget primarily due to year to date expenditures of **\$22,896** expenditures related to Summer Stage Services. Various departments to include **Recycling**, the **Emergency Preparedness Department**, the **Economic Development department**, **City Mitigation**, and the **Engineering Department** have registered slower expenditure activity over the 6 months ended **June 2023**.

General Fund Expenditures by Dept.

	23-24 ORIG BUDGET	THRU JUNE			-THRU JUNE	THRU JUNE-	
	FY2023	FY2023	REMAINING	% REACHED	FY2022	FY2023	\$ INCR (DECR)
Expenditures by Department							
Non-Departmental	(\$1,040,630)	(\$256,503)	(\$784,127)	24.6%	(\$216,985)	(\$256,503)	\$39,518
Legislative	(\$373,287)	(\$86,186)	(\$287,101)	23.1%	(\$85,810)	(\$86,186)	\$377
Executive	(\$978,095)	(\$151,012)	(\$827,083)	15.4%	(\$81,105)	(\$151,012)	\$69,907
Community Events and Services	(\$582,173)	(\$71,991)	(\$510,182)	12.4%	(\$30,048)	(\$71,991)	\$41,942
Finance and Administration	(\$1,355,601)	(\$337,898)	(\$1,017,703)	24.9%	(\$291,558)	(\$337,898)	\$46,340
Recycling	(\$52,340)	(\$1,390)	(\$50,950)	2.7%	(\$344)	(\$1,390)	\$1,046
Emergency Preparedness	(\$340,283)	(\$20,659)	(\$319,624)	6.1%	(\$2,124)	(\$20,659)	\$18,536
Emergency Response	-	(\$6,494)	\$6,494	-	(\$8,543)	(\$6,494)	(\$2,050)
Cultural Commission	(\$25,124)	(\$23,958)	(\$1,166)	95.3%	(\$937)	(\$23,958)	\$23,021
City Attorney	(\$258,860)	(\$74,612)	(\$184,248)	28.8%	(\$62,823)	(\$74,612)	\$11,789
Planning Department	(\$2,026,833)	(\$318,390)	(\$1,708,443)	15.7%	(\$221,226)	(\$318,390)	\$97,164
Building Department	-	-	\$0	-	(\$166)	-	(\$166)
Economic Development	(\$277,000)	(\$3,649)	(\$273,351)	1.3%	-	(\$3,649)	\$3,649
City Mitigation Projects	(\$68,000)	-	(\$68,000)	0.0%	-	-	\$0
Fire	-	(\$21,370)	\$21,370	-	-	(\$21,370)	\$21,370
Police Department	(\$6,556,545)	(\$1,448,276)	(\$5,108,269)	22.1%	(\$1,197,190)	(\$1,448,276)	\$251,086
Civil Service Department	(\$44,360)	(\$9,455)	(\$34,905)	21.3%	(\$10,912)	(\$9,455)	(\$1,458)
Parks Department	(\$1,231,256)	(\$279,852)	(\$951,404)	22.7%	(\$204,968)	(\$279,852)	\$74,884
Engineering Department	(\$1,201,559)	(\$189,996)	(\$1,011,563)	15.8%	(\$120,759)	(\$189,996)	\$69,236
EXPENDITURES BY DEPARTMENT TOTAL	(\$16,411,946)	(\$3,301,690)	(\$13,110,256)	20.1%	(\$2,535,499)	(\$3,301,690)	\$766,191

	% INCR (DECR)
Expenditures by Department	
Non-Departmental	18.2%
Legislative	0.4%
Executive	86.2%
Community Events and Services	139.6%
Finance and Administration	15.9%
Recycling	304.4%
Emergency Preparedness	872.9%
Emergency Response	(24.0%)
Cultural Commission	2,457.3%
City Attorney	18.8%
Planning Department	43.9%
Building Department	(100.0%)
Economic Development	-
City Mitigation Projects	-
Fire	-
Police Department	21.0%
Civil Service Department	(13.4%)
Parks Department	36.5%
Engineering Department	57.3%
EXPENDITURES BY DEPARTMENT TOTAL	30.2%

General Fund Expenditures by Category

Overall, General Fund expenditures through **June 2023** are **30.21%**, or **\$766,191**, higher than year to date through **June 2022**, for the reasons listed above. The Capital expenditures has exceeded its **\$21,500** biennial budget by **\$682** due to more than anticipated purchases of machinery and equipment in the Parks Department.

General Fund Expenditures by Category

	23-24 ORIG BUDGET	THRU JUNE			-THRU JUNE	THRU JUNE-	
	FY2023	FY2023	REMAINING	% REACHED	FY2022	FY2023	\$ INCR (DECR)
Expenditures Category							
Salaries and Wages	(\$7,318,364)	(\$1,494,535)	(\$5,823,829)	20.4%	(\$1,097,980)	(\$1,494,535)	\$396,555
Benefits	(\$2,579,373)	(\$476,778)	(\$2,102,595)	18.5%	(\$370,089)	(\$476,778)	\$106,689
Supplies	(\$240,913)	(\$63,649)	(\$177,264)	26.4%	(\$46,148)	(\$66,666)	\$20,519
Professional Services	(\$5,211,166)	(\$928,002)	(\$4,283,164)	17.8%	(\$768,088)	(\$985,026)	\$216,938
Deposit Return	-	-	\$0	-	(\$50)	(\$350)	\$300
Capital	(\$21,500)	(\$22,182)	\$682	103.2%	(\$36,160)	(\$22,182)	(\$13,978)
Transfer Out	(\$1,040,630)	(\$256,153)	(\$784,477)	24.6%	(\$216,985)	(\$256,153)	\$39,168
EXPENDITURES CATEGORY TOTAL	(\$16,411,946)	(\$3,241,298)	(\$13,170,648)	19.7%	(\$2,535,499)	(\$3,301,690)	\$766,191

	% INCR (DECR)
Expenditures Category	
Salaries and Wages	36.1%
Benefits	28.8%
Supplies	44.5%
Professional Services	28.2%
Deposit Return	600.0%
Capital	(38.7%)
Transfer Out	18.1%
EXPENDITURES CATEGORY TOTAL	30.2%

Building and Permitting Fund Revenue Summary and Expenditure Overview

Building and Permitting revenue was **224.9%**, or **\$1,427,245**, higher through the **second quarter of 2023** compared to the **second quarter of 2022**, due to a combined increase in building permit, plan check and school impact fee revenues, which more than tripled in **2023**. Except for the plan review fee, Building Permit revenue is received when permits are issued and will vary from year to year depending on development. The City issued **255** new housing permits from **January to June 2023**, compared to **19** during the same time in **2022**. **Building and Permitting expenditures** increased by **274.19%**, or **\$973,362**, from the same period in **2022**, which are slightly below the targeted budget.

Building License & Permit Fund

	23-24 ORIG BUDGET	THRU JUNE			-THRU JUNE	THRU JUNE-	
	FY2023	FY2023	REMAINING	% REACHED	FY2022	FY2023	\$ CHANGE
Building & Permit Revenue							
Non-Business License & Permits							
Building Permit Fees	\$1,924,651	\$662,806	\$1,261,845	34.4%	\$235,667	\$662,806	\$427,139
NON-BUSINESS LICENSE & PERMITS TOTAL	\$1,924,651	\$662,806	\$1,261,845	34.4%	\$235,667	\$662,806	\$427,139
General Government							
Admin Fees - Impact Fees	\$23,725	\$4,810	\$18,915	20.3%	\$1,235	\$4,810	\$3,575
GENERAL GOVERNMENT TOTAL	\$23,725	\$4,810	\$18,915	20.3%	\$1,235	\$4,810	\$3,575
Public Safety							
Building Inspection Fees	\$31,025	\$97	\$30,928	0.3%	-	\$97	\$97

	23-24 ORIG BUDGET	THRU JUNE			-THRU JUNE	THRU JUNE-	
	FY2023	FY2023	REMAINING	% REACHED	FY2022	FY2023	\$ CHANGE
PUBLIC SAFETY TOTAL	\$31,025	\$97	\$30,928	0.3%	-	\$97	\$97
Natural & Economic Environment							
Plan Checking Services	\$1,251,023	\$339,451	\$911,572	27.1%	\$113,394	\$339,451	\$226,056
Plan Check Serv: Dev Charges	-	\$75	(\$75)	-	-	\$75	\$75
Impact Fees	\$4,514,685	\$1,010,311	\$3,504,374	22.4%	\$265,770	\$1,010,311	\$744,541
Fire Plan Review & Inspection	\$69,500	\$3,060	\$66,440	4.4%	\$16,042	\$3,060	(\$12,982)
NATURAL & ECONOMIC ENVIRONMENT TOTAL	\$5,835,208	\$1,352,897	\$4,482,311	23.2%	\$395,207	\$1,352,897	\$957,690
Interest & Other Earnings	\$16,000	\$41,313	(\$25,313)	258.2%	\$2,546	\$41,313	\$38,768
Other	-	-	\$0	-	\$23	-	(\$23)
BUILDING & PERMIT REVENUE TOTAL	\$7,830,609	\$2,061,922	\$5,768,687	26.3%	\$634,677	\$2,061,922	\$1,427,245
Expenses							
Salaries and Wages	(\$815,729)	(\$195,867)	(\$619,862)	24.0%	(\$148,730)	(\$195,867)	(\$47,137)
Benefits	(\$304,011)	(\$73,281)	(\$230,730)	24.1%	(\$57,105)	(\$73,281)	(\$16,176)
Supplies	(\$12,650)	(\$992)	(\$11,658)	7.8%	(\$7,274)	(\$992)	\$6,283
Professional Services	(\$4,898,001)	(\$1,039,379)	(\$3,858,622)	21.2%	(\$104,878)	(\$1,039,379)	(\$934,501)
Capital	-	-	\$0	-	(\$28,700)	-	\$28,700
Transfer Out	(\$70,804)	(\$18,834)	(\$51,970)	26.6%	(\$8,304)	(\$18,834)	(\$10,530)
EXPENSES TOTAL	(\$6,101,195)	(\$1,328,353)	(\$4,772,842)	21.8%	(\$354,991)	(\$1,328,353)	(\$973,362)

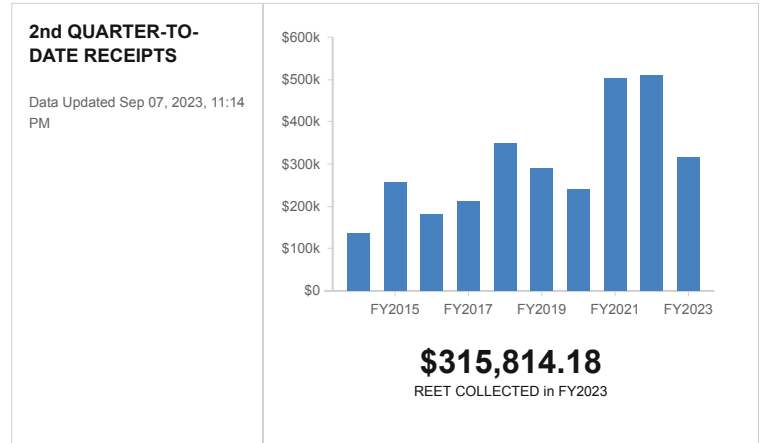
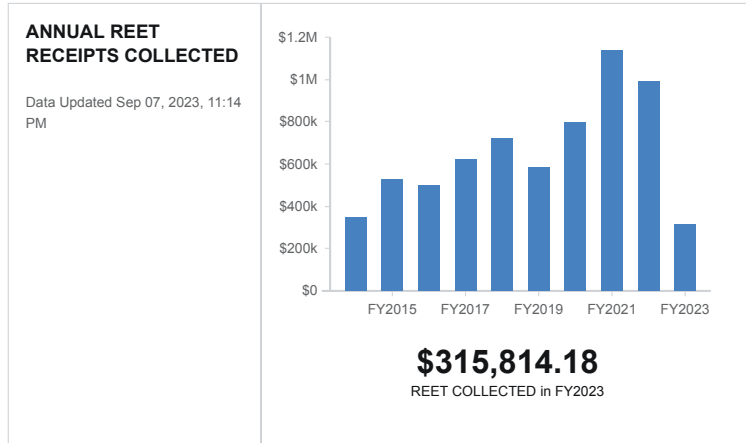
	% INCR (DECR)
Building & Permit Revenue	
Non-Business License & Permits	
Building Permit Fees	181.2%
NON-BUSINESS LICENSE & PERMITS TOTAL	181.2%
General Government	
Admin Fees - Impact Fees	289.5%
GENERAL GOVERNMENT TOTAL	289.5%
Public Safety	
Building Inspection Fees	-
PUBLIC SAFETY TOTAL	-
Natural & Economic Environment	
Plan Checking Services	199.4%
Plan Check Serv: Dev Charges	-
Impact Fees	280.1%
Fire Plan Review & Inspection	(80.9%)
NATURAL & ECONOMIC ENVIRONMENT TOTAL	242.3%
Interest & Other Earnings	1,522.9%
Other	(100.0%)
BUILDING & PERMIT REVENUE TOTAL	224.9%
Expenses	
Salaries and Wages	31.7%
Benefits	28.3%
Supplies	(86.4%)
Professional Services	891.0%
Capital	(100.0%)
Transfer Out	126.8%
EXPENSES TOTAL	274.2%

Capital Funding Sources

Real Estate Excise Tax (REET)

REET is a tax on the sale of real estate and is typically paid by the seller of the property. There is imposed a tax of one-quarter of one percent of the selling price on each sale of real property within city limits.

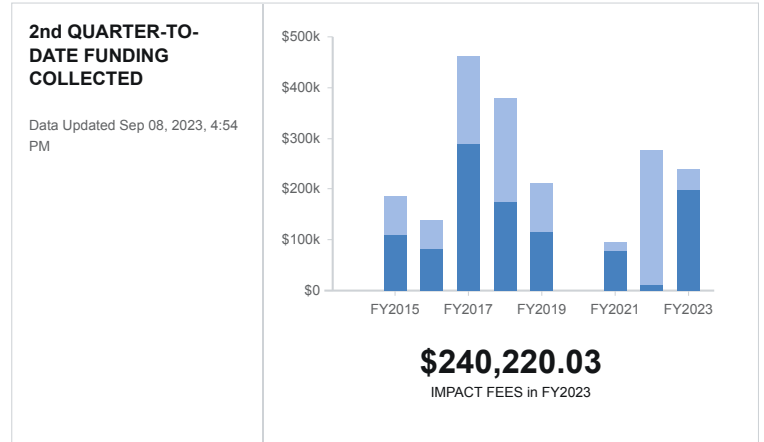
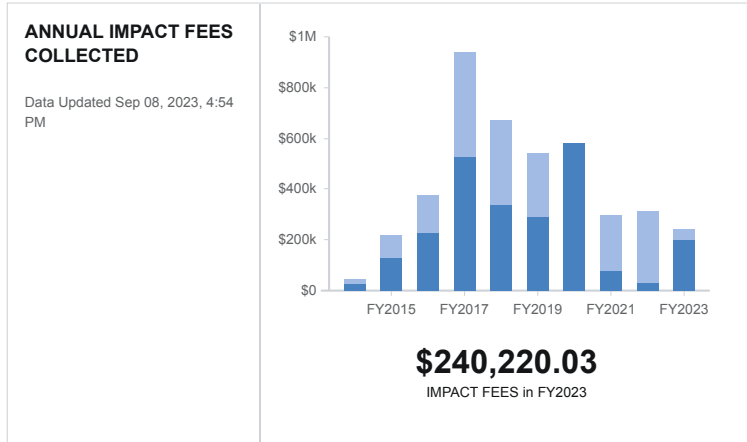
The City received **\$315,814** in **Real Estate Excise Tax (REET)** from the sale of **78 units** thru **June 2023** as compared **\$509,950** and **114 units** sold in the **6 months** ended **2022**. The average unit sales price sold in **June of 2023** was **\$906,469** compared to the average price of **\$960,424** for the same period in **2022**.



Impact Fees

“Impact fee” means a payment of money imposed upon development as a condition of development approval to pay for public facilities needed to serve new growth and development, and that is reasonably related to the new development that creates additional demand and need for public facilities, that is a proportionate share of the cost of the public facilities, and that is used for facilities that reasonably benefit the new development. “Impact fee” does not include a reasonable permit or application fee.

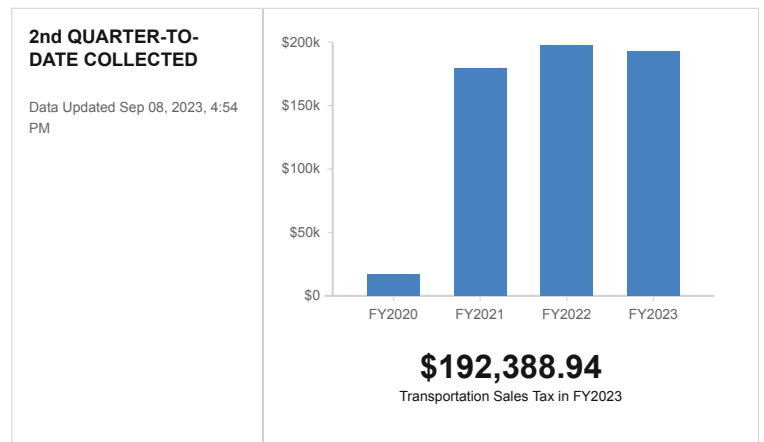
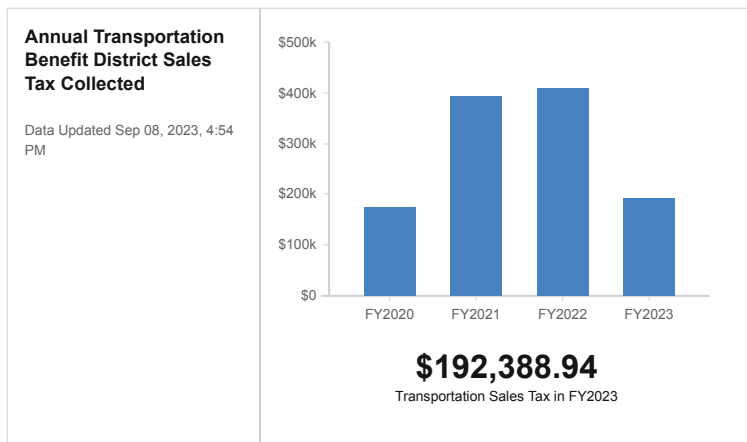
In the **second quarter of 2023**, the City collected **\$199,583** in **Street Impact fees** and **\$40,637** in **Park Impact fees** from the issuance of **81** new housing permits, compared to **\$9,584** and **\$8,416** for the same period last year from the issuance of **3** new housing permits. Please note that the City did not receive impact fees from the two other housing permits issued in quarter 1 of 2022 due to credits for developer improvements.



Transportation Benefit District Sales Tax

The City imposed a voter approved **0.2% sales tax** to fund transportation operations and maintenance related projects that first went into effect in **April of 2020**. The City started receiving the tax in **May of 2020**. The graph below shows the annual tax trend.

As of the end of the **second quarter of 2023**, the City had received **\$192,339** in **Transportation Benefit District sales tax** compared to **\$197,479** received during the same period in **2022**.



Utility Funds

Utility Funds Revenue from utility billing is reported on an accrual basis until the year end, when an adjusting entry is made to remove revenue that has been billed in December but will be received in January.

Water Fund

As of the **second quarter of 2023**, the City had received **25.7%** of its budgeted **Water Fund** revenue and expended **17.2%** of budgeted expenditures. **Water Fund** revenues are higher through the **second quarter of 2023**. In part due to an increase in water hook-up fees. **Water Fund** expenditures are higher in the **second quarter of 2023** primarily due to increases in water supply purchases, professional services incurred and capital outlays in **2023**.

WATER FUND

	23-24 ORIG BUDGET	THRU JUNE			-THRU JUNE	THRU JUNE-	
	FY2023	FY2023	REMAINING	% REACHED	FY2022	FY2023	\$ CHANGE
Water Fund Revenue							
Building Inspection Fees	–	\$117	(\$117)	–	–	\$117	\$117
Water Charges for Services	\$5,556,789	\$1,325,254	\$4,231,535	23.8%	\$1,149,089	\$1,325,254	\$176,166
Water Main/Hydrant Repairs	–	–	\$0	–	\$202	–	(\$202)
Water Hook-Up Fees	\$44,000	\$49,157	(\$5,157)	111.7%	\$13,521	\$49,157	\$35,636
Water Connection Fees	–	\$3,382	(\$3,382)	–	\$2,835	\$3,382	\$547
Non-Court Fines & Penalties	\$100,000	\$20,831	\$79,169	20.8%	\$32,866	\$20,831	(\$12,035)
Investment Earnings	\$52,000	\$79,179	(\$27,179)	152.3%	\$8,232	\$79,179	\$70,948
Miscellaneous Other Revenue	–	–	\$0	–	\$583	–	(\$583)
WATER FUND REVENUE TOTAL	\$5,752,789	\$1,477,920	\$4,274,869	25.7%	\$1,207,327	\$1,477,920	\$270,593
Expenses							
Salaries and Wages	(\$1,072,060)	(\$255,194)	(\$816,866)	23.8%	(\$275,147)	(\$255,194)	\$19,954
Benefits	(\$434,486)	(\$97,406)	(\$337,080)	22.4%	(\$106,275)	(\$97,406)	\$8,869
Supplies	(\$1,525,289)	(\$191,034)	(\$1,334,255)	12.5%	(\$153,061)	(\$191,034)	(\$37,972)
Professional Services	(\$1,525,799)	(\$320,132)	(\$1,205,667)	21.0%	(\$271,613)	(\$320,132)	(\$48,519)
Capital	(\$389,500)	(\$29,158)	(\$360,342)	7.5%	–	(\$29,158)	(\$29,158)
Transfer Out	(\$405,982)	(\$28,406)	(\$377,576)	7.0%	(\$18,152)	(\$28,406)	(\$10,254)
EXPENSES TOTAL	(\$5,353,116)	(\$921,329)	(\$4,431,787)	17.2%	(\$824,248)	(\$921,329)	(\$97,080)

	% INCR (DECR)
Water Fund Revenue	
Building Inspection Fees	–
Water Charges for Services	15.3%
Water Main/Hydrant Repairs	(100.0%)
Water Hook-Up Fees	263.6%
Water Connection Fees	19.3%
Non-Court Fines & Penalties	(36.6%)
Investment Earnings	861.9%
Miscellaneous Other Revenue	(100.0%)
WATER FUND REVENUE TOTAL	22.4%
Expenses	
Salaries and Wages	(7.3%)
Benefits	(8.3%)
Supplies	24.8%
Professional Services	17.9%
Capital	–
Transfer Out	56.5%
EXPENSES TOTAL	11.8%

Sewer Fund

As of the **second quarter of 2023**, the City had received **27.8%** of budgeted Sewer Fund revenue and spent **20.8%** of budgeted expenditures. Revenues are trending slightly higher than expected due to the implementation of the new **2023** sewer rates and the inclusion of December year-end adjustment being added to 2023 billings. Expenditures overall are on target with supply expenditures trending higher at **42.9%** of the biennial budget.

SEWER FUND

	23-24 ORIG BUDGET	THRU JUNE			-THRU JUNE	THRU JUNE-	
	FY2023	FY2023	REMAINING	% REACHED	FY2022	FY2023	\$ CHANGE
Sewer Fund Revenue							
Sewer Charges for Services	\$6,727,813	\$1,806,202	\$4,921,611	26.8%	\$1,673,022	\$1,806,202	\$133,179
Side Sewer Connection Fees	\$4,400	\$7,000	(\$2,600)	159.1%	\$1,900	\$7,000	\$5,100
Investment Earnings	\$28,000	\$46,740	(\$18,740)	166.9%	\$10,464	\$46,740	\$36,276
Rents & Leases	–	\$16,800	(\$16,800)	–	–	\$16,800	\$16,800
Miscellaneous Other Revenue	–	\$915	(\$915)	–	\$828	\$915	\$88
SEWER FUND REVENUE TOTAL	\$6,760,213	\$1,877,657	\$4,882,556	27.8%	\$1,686,214	\$1,877,657	\$191,443
Expenses							
Salaries and Wages	(\$1,530,579)	(\$321,323)	(\$1,209,256)	21.0%	(\$314,810)	(\$321,323)	(\$6,512)
Benefits	(\$604,918)	(\$119,574)	(\$485,344)	19.8%	(\$114,788)	(\$119,574)	(\$4,786)
Supplies	(\$205,972)	(\$88,414)	(\$117,558)	42.9%	(\$24,606)	(\$88,414)	(\$63,808)
Professional Services	(\$2,119,821)	(\$536,779)	(\$1,583,042)	25.3%	(\$453,575)	(\$536,779)	(\$83,204)
Capital	(\$260,000)	(\$35,072)	(\$224,928)	13.5%	(\$3,973)	(\$35,072)	(\$31,099)
Transfer Out	(\$759,413)	(\$38,682)	(\$720,730)	5.1%	(\$1,517,885)	(\$38,682)	\$1,479,202
EXPENSES TOTAL	(\$5,480,703)	(\$1,139,845)	(\$4,340,858)	20.8%	(\$2,429,637)	(\$1,139,845)	\$1,289,792

	% INCR (DECR)
Sewer Fund Revenue	
Sewer Charges for Services	8.0%
Side Sewer Connection Fees	268.4%
Investment Earnings	346.7%
Rents & Leases	–
Miscellaneous Other Revenue	10.6%
SEWER FUND REVENUE TOTAL	11.3%
Expenses	
Salaries and Wages	2.1%
Benefits	4.2%
Supplies	259.3%
Professional Services	18.3%
Capital	782.7%
Transfer Out	(97.5%)
EXPENSES TOTAL	(53.1%)

Storm Drainage Fund

As of the **first quarter of 2023**, the City had received **28.5%** of budgeted **Storm Drainage Fund** revenues and spent **23.0%** of budgeted expenditures. **Storm Drainage Fund** operating revenues are slightly higher than expected with **Miscellaneous Revenues** exceeding budgetary targets by **205.8%** or **\$12,692** primarily due to the receipt of **interest revenue**. Expenditures overall are trending as expected in **2023** with the exception of capital machinery and equipment expenditures exceeding the **\$6,500** biennial budget by **\$760**.

STORM DRAINAGE FUND

	23-24 ORIG BUDGET		THRU JUNE		-THRU JUNE		
	FY2023	FY2023	REMAINING	% REACHED	FY2022	FY2023	\$ CHANGE
Storm Drainage Fund Revenue							
Intergovernmental Revenues	\$50,000	–	\$50,000	0%	–	\$0	\$0
Charges for Services	\$2,104,643	\$593,122	\$1,511,521	28%	\$528,049	\$593,122	\$65,072
Miscellaneous Revenues	\$12,000	\$24,698	(\$12,698)	206%	\$2,843	\$24,698	\$21,854
STORM DRAINAGE FUND REVENUE TOTAL	\$2,166,643	\$617,819	\$1,548,824	29%	\$530,892	\$617,819	\$86,927
Expenses							
Non-Departmental							
Transfer Out	(\$97,067)	(\$25,916)	(\$71,151)	27%	(\$12,624)	(\$25,916)	(\$13,292)
NON-DEPARTMENTAL TOTAL	(\$97,067)	(\$25,916)	(\$71,151)	27%	(\$12,624)	(\$25,916)	(\$13,292)
Storm Drainage Department							
Salaries and Wages	(\$732,338)	(\$172,117)	(\$560,221)	24%	(\$137,721)	(\$172,117)	(\$34,395)
Benefits	(\$290,700)	(\$63,256)	(\$227,444)	22%	(\$51,905)	(\$63,256)	(\$11,351)
Supplies	(\$49,914)	(\$7,571)	(\$42,343)	15%	(\$4,372)	(\$7,571)	(\$3,199)
Professional Services	(\$763,391)	(\$169,581)	(\$593,810)	22%	(\$151,428)	(\$169,581)	(\$18,153)
Capital	(\$6,500)	(\$7,260)	\$760	112%	–	(\$7,260)	(\$7,260)
STORM DRAINAGE DEPARTMENT TOTAL	(\$1,842,843)	(\$419,785)	(\$1,423,058)	23%	(\$345,427)	(\$419,785)	(\$74,358)
EXPENSES TOTAL	(\$1,939,910)	(\$445,701)	(\$1,494,209)	23%	(\$358,051)	(\$445,701)	(\$87,650)

	% INCR (DECR)
Storm Drainage Fund Revenue	
Intergovernmental Revenues	–
Charges for Services	12%
Miscellaneous Revenues	769%
STORM DRAINAGE FUND REVENUE TOTAL	16%
Expenses	
Non-Departmental	
Transfer Out	105%
NON-DEPARTMENTAL TOTAL	105%
Storm Drainage Department	
Salaries and Wages	25%
Benefits	22%
Supplies	73%
Professional Services	12%
Capital	–
STORM DRAINAGE DEPARTMENT TOTAL	22%
EXPENSES TOTAL	24%

Fund Balance

At the end of the **second quarter**, the City had an ending fund balance of **\$39,957,166**, an increase of **\$2,378,086** over the fund balance at the beginning of the biennium.

City of Duvall
2023-2024 Revenue and Expenditure Summary by Fund
 Biennium to Date as of June 30, 2023

Fund	Description	Beginning Fund			Fund Balance	Net Change		
		Balance	Revenues	Expenditures*				
001	General Fund	\$ 3,665,494	\$ 3,444,447	\$ 3,301,690	\$ 3,808,251	\$ 142,757		
002	Contingency Fund	687,347	12,684	-	700,031	12,684	155,441	General Fund
101	Street Fund	109,251	279,378	293,122	95,507	(13,744)		
102	Transportation Benefit District	482,744	203,362	19,382	666,724	183,980		
103	Strategic Fund	911,556	38,375	-	949,931	38,375		
104	Building and Permitting Fund	1,559,983	2,061,922	1,328,353	2,293,552	733,569	795,117	Special Revenue Funds
105	American Rescue Plan Act	2,091,267	-	182,658	1,908,609	(182,658)		
106	Big Rock Ball Park Maintenance	220,953	142,191	107,356	255,788	34,835		
107	Sensitive Areas Mitigation Fund	41,189	760	-	41,949	760		
206	2016 LTGO - Main St Debt Svc	21,500	234,809	32,308	224,001	202,501	202,501	Debt Svc Fund
303	Facilities CIP Fund	82	228,252	207,323	21,011	20,929		
304	Real Estate Excise Tax Fund 1	2,468,444	204,644	30,429	2,642,659	174,215		
305	Real Estate Excise Tax Fund 2	2,224,423	200,002	30,429	2,393,996	169,573		
306	Main Street Improvement	94,789	997	103,177	(7,391)	(102,180)	(1,294,637)	Capital Project Funds
307	Street CIP Fund	970,169	580,403	811,638	738,934	(231,235)		
308	Parks CIP Fund *	2,312,559	72,289	1,398,228	986,620	(1,325,939)		
401	Water Fund	4,119,166	1,477,920	921,329	4,675,757	556,591		
402	Sewer Fund	2,229,362	1,877,657	1,139,845	2,967,174	737,812		
404	Storm Drainage Fund	1,266,552	617,819	445,701	1,438,670	172,118	2,448,424	Proprietary Funds
407	Water CIP Fund	3,804,585	795,557	80,097	4,520,045	715,460		
408	Sewer CIP Fund	6,125,574	1,267,195	1,161,025	6,231,744	106,170		
409	Storm Drainage CIP Fund	1,021,643	169,951	9,678	1,181,916	160,273		
501	Equipment Fund	640,523	227,427	172,037	695,913	55,390		
502	IT Fund	190,895	298,701	266,398	223,198	32,303	71,240	Internal Service Funds
503	Building Maintenance Fund	319,030	56,858	73,311	302,577	(16,453)		
TOTAL		\$ 37,579,081	\$ 14,493,600	\$ 12,115,514	\$ 39,957,166	\$ 2,378,086		

\$ 52,072,680
\$ 52,072,680

Revenues

As of the end of **June 2023**, approximately **20.2%** of budgeted **2023/2024** biennial revenues had been collected. The cause for significant changes in revenues from the end of **June 2023** to the same period in the prior year for most funds can be found on the preceding pages; significant changes for other funds compared to **2022** are as follows: **Transportation Benefit District Fund** revenues are lower in **2023** than in **2022** due to grant revenues for the Roney Road Overlay project received in **2022**. **Street CIP Fund** revenues are higher in **2023** due to grant revenues for the 142nd Street Sidewalk Extension project. **Water CIP fund** revenues are higher by **\$325,000** in **2023** than in **2022** due to an increase in Water Capital Improvement charges. **Sewer CIP** revenues are significantly higher in **2023** by **\$522,000** due to increases in sewer general facility charges. **IT Fund** revenues are higher due to slightly higher internal charges for services transferred in **2023** than in the **first quarter of 2022**.

City of Duvall
2023-2024 Budget vs. Actual Revenues by Fund
 Biennium to Date as of June 30, 2023

Biennium to Date Revenue by Fund

	23-24 ORIG BUDGET	THRU JUNE			-THRU JUNE	THRU JUNE-	
	FY2023	FY2023	REMAINING	% REACHED	FY2022	FY2023	\$ INCR (DECR)
Revenue							
001 - General Fund	\$15,432,180	\$3,444,447	\$11,987,733	22.3%	\$3,201,730	\$3,444,447	\$242,717
002 - Contingency Fund	\$8,000	\$12,684	(\$4,684)	158.5%	\$1,236	\$12,684	\$11,448
101 - Street Fund	\$1,153,599	\$279,378	\$874,221	24.2%	\$284,329	\$279,378	(\$4,950)
102 - Transportation Benefit Dist	\$977,466	\$203,362	\$774,104	20.8%	\$216,207	\$203,362	(\$12,844)
103 - Strategic Fund	\$691,004	\$38,375	\$652,629	5.6%	\$56,216	\$38,375	(\$17,841)
104 - Building & Permit Fund	\$7,830,609	\$2,061,922	\$5,768,687	26.3%	\$634,677	\$2,061,922	\$1,427,245
106 - Big Rock Ball Park Fund	\$574,500	\$142,191	\$432,309	24.8%	\$119,730	\$142,191	\$22,462
107 - Sensitive Areas Mitigation Fnd	\$150	\$760	(\$610)	506.7%	\$91	\$760	\$670
206 - Ltgo - Debt Service Fund	\$939,149	\$234,809	\$704,341	25.0%	\$243,828	\$234,809	(\$9,019)
303 - Facilities Capital Improvement	\$2,000,000	\$228,252	\$1,771,748	11.4%	\$28,053	\$228,252	\$200,199
304 - Real Estate Excise Tax I Fund	\$1,128,800	\$204,644	\$924,156	18.1%	\$259,736	\$204,644	(\$55,092)
305 - Real Estate Excise Tax II Fund	\$1,124,800	\$200,002	\$924,798	17.8%	\$259,142	\$200,002	(\$59,140)
306 - Main Street Improvement Fund	-	\$997	(\$997)	-	\$687	\$997	\$310
307 - Street Capital Improvement Fnd	\$9,314,042	\$580,403	\$8,733,639	6.2%	\$12,256	\$580,403	\$568,147
308 - Parks Capital Improvement Fund	\$2,393,177	\$72,289	\$2,320,888	3.0%	\$324,709	\$72,289	(\$252,420)
401 - Water Fund	\$5,752,789	\$1,477,920	\$4,274,869	25.7%	\$1,207,327	\$1,477,920	\$270,593
402 - Sewer Fund	\$6,760,213	\$1,877,657	\$4,882,556	27.8%	\$1,686,214	\$1,877,657	\$191,443
404 - Storm Drainage Fund	\$2,166,643	\$617,819	\$1,548,824	28.5%	\$530,892	\$617,819	\$86,927
407 - Water Capital Improvement Fund	\$3,934,982	\$795,557	\$3,139,425	20.2%	\$243,751	\$795,557	\$551,806
408 - Sewer Capital Improvement Fund	\$6,457,168	\$1,267,195	\$5,189,973	19.6%	\$1,860,709	\$1,267,195	(\$593,514)
409 - Storm Drain Capital Imprv Fund	\$645,576	\$169,951	\$475,625	26.3%	\$100,070	\$169,951	\$69,880
501 - Vehicle & Equip Maintenance	\$918,557	\$227,427	\$691,130	24.8%	\$185,428	\$227,427	\$41,999
502 - IT Services Fund	\$1,195,546	\$298,701	\$896,845	25.0%	\$217,220	\$298,701	\$81,480
503 - Building Maintenance Fund	\$202,269	\$56,858	\$145,411	28.1%	\$118,112	\$56,858	(\$61,254)
REVENUE TOTAL	\$71,601,219	\$14,493,600	\$57,107,619	20.2%	\$11,792,349	\$14,493,600	\$2,701,251

	% INCR (DECR)
Revenue	
001 - General Fund	7.6%
002 - Contingency Fund	926.5%
101 - Street Fund	(1.7%)
102 - Transportation Benefit Dist	(5.9%)
103 - Strategic Fund	(31.7%)
104 - Building & Permit Fund	224.9%
106 - Big Rock Ball Park Fund	18.8%
107 - Sensitive Areas Mitigation Fnd	739.2%
206 - Ltgo - Debt Service Fund	(3.7%)
303 - Facilities Capital Improvement	713.6%
304 - Real Estate Excise Tax I Fund	(21.2%)
305 - Real Estate Excise Tax II Fund	(22.8%)
306 - Main Street Improvement Fund	45.1%
307 - Street Capital Improvement Fnd	4,635.6%
308 - Parks Capital Improvement Fund	(77.7%)
401 - Water Fund	22.4%
402 - Sewer Fund	11.3%
404 - Storm Drainage Fund	16.4%
407 - Water Capital Improvement Fund	226.4%
408 - Sewer Capital Improvement Fund	(31.9%)
409 - Storm Drain Capital Imprv Fund	69.8%
501 - Vehicle & Equip Maintenance	22.7%
502 - IT Services Fund	37.5%
503 - Building Maintenance Fund	(51.9%)
REVENUE TOTAL	22.9%

Expenditures

As of the end of **June 2023**, the City had expended **16.5%** of its budgeted biennial expenditures. The cause for significant changes in expenditures to most funds can be found on the preceding pages.

City of Duval 2023-2024 Budget vs. Actual Expenditures by Fund Biennium to Date as of June 30, 2023

Biennium to Date Expenditures by Fund

	23-24 ORIG BUDGET	THRU JUNE			-THRU JUNE	THRU JUNE-	
	FY2023	FY2023	REMAINING	% REACHED	FY2022	FY2023	\$ INCR (DECR)
Expenditures by Fund							
001 - General Fund	(\$16,411,946)	(\$3,301,690)	(\$13,110,256)	20.1%	(\$2,535,499)	(\$3,301,690)	\$766,191
101 - Street Fund	(\$1,092,871)	(\$293,122)	(\$799,749)	26.8%	(\$293,053)	(\$293,122)	\$69
102 - Transportation Benefit Dist	(\$646,757)	(\$19,382)	(\$627,375)	3.0%	(\$3,085)	(\$19,382)	\$16,298
103 - Strategic Fund	(\$1,000,000)	-	(\$1,000,000)	0.0%	-	-	\$0
104 - Building & Permit Fund	(\$6,101,195)	(\$1,328,353)	(\$4,772,842)	21.8%	(\$354,991)	(\$1,328,353)	\$973,362
105 - American Rescue Plan Act	(\$2,025,725)	(\$182,658)	(\$1,843,067)	9.0%	(\$22,061)	(\$182,658)	\$160,597
106 - Big Rock Ball Park Fund	(\$472,937)	(\$107,356)	(\$365,581)	22.7%	(\$81,955)	(\$107,356)	\$25,401
107 - Sensitive Areas Mitigation Fnd	(\$31,200)	-	(\$31,200)	0.0%	-	-	\$0
206 - Ltgo - Debt Service Fund	(\$939,147)	(\$32,308)	(\$906,839)	3.4%	(\$52,752)	(\$32,308)	(\$20,444)
303 - Facilities Capital Improvement	(\$2,000,000)	(\$207,323)	(\$1,792,677)	10.4%	(\$19,000)	(\$207,323)	\$188,323
304 - Real Estate Excise Tax I Fund	(\$2,405,007)	(\$30,429)	(\$2,374,578)	1.3%	(\$30,395)	(\$30,429)	\$34
305 - Real Estate Excise Tax II Fund	(\$1,918,752)	(\$30,429)	(\$1,888,323)	1.6%	(\$30,395)	(\$30,429)	\$34
306 - Main Street Improvement Fund	-	(\$103,177)	\$103,177	-	(\$8,073)	(\$103,177)	\$95,104
307 - Street Capital Improvement Fnd	(\$8,567,428)	(\$811,638)	(\$7,755,790)	9.5%	(\$122,863)	(\$811,638)	\$688,774
308 - Parks Capital Improvement Fund	(\$793,095)	(\$1,398,228)	\$605,133	176.3%	(\$52,004)	(\$1,398,228)	\$1,346,225
401 - Water Fund	(\$5,353,116)	(\$921,329)	(\$4,431,787)	17.2%	(\$824,248)	(\$921,329)	\$97,080
402 - Sewer Fund	(\$5,480,703)	(\$1,139,845)	(\$4,340,858)	20.8%	(\$2,429,637)	(\$1,139,845)	(\$1,289,792)
404 - Storm Drainage Fund	(\$1,939,910)	(\$445,701)	(\$1,494,209)	23.0%	(\$358,051)	(\$445,701)	\$87,650
407 - Water Capital Improvement Fund	(\$3,961,470)	(\$80,097)	(\$3,881,373)	2.0%	(\$151,995)	(\$80,097)	(\$71,899)
408 - Sewer Capital Improvement Fund	(\$10,192,283)	(\$1,161,025)	(\$9,031,258)	11.4%	(\$274,693)	(\$1,161,025)	\$886,332
409 - Storm Drain Capital Imprv Fund	(\$315,843)	(\$9,678)	(\$306,165)	3.1%	(\$2,842)	(\$9,678)	\$6,836
501 - Vehicle & Equip Maintenance	(\$625,363)	(\$172,037)	(\$453,326)	27.5%	(\$149,129)	(\$172,037)	\$22,908
502 - IT Services Fund	(\$1,034,185)	(\$266,398)	(\$767,787)	25.8%	(\$198,873)	(\$266,398)	\$67,525
503 - Building Maintenance Fund	(\$200,270)	(\$73,311)	(\$126,959)	36.6%	(\$59,074)	(\$73,311)	\$14,237
EXPENDITURES BY FUND TOTAL	(\$73,509,203)	(\$12,115,513)	(\$61,393,690)	16.5%	(\$8,054,669)	(\$12,115,513)	\$4,060,844

	% INCR (DECR)
Expenditures by Fund	
001 - General Fund	30.2%
101 - Street Fund	0.0%
102 - Transportation Benefit Dist	528.3%
103 - Strategic Fund	-
104 - Building & Permit Fund	274.2%
105 - American Rescue Plan Act	728.0%
106 - Big Rock Ball Park Fund	31.0%
107 - Sensitive Areas Mitigation Fnd	-
206 - Ltgo - Debt Service Fund	(38.8%)
303 - Facilities Capital Improvement	991.2%
304 - Real Estate Excise Tax I Fund	0.1%
305 - Real Estate Excise Tax II Fund	0.1%
306 - Main Street Improvement Fund	1,178.1%
307 - Street Capital Improvement Fnd	560.6%
308 - Parks Capital Improvement Fund	2,588.7%

	% INCR (DECR)
401 - Water Fund	11.8%
402 - Sewer Fund	(53.1%)
404 - Storm Drainage Fund	24.5%
407 - Water Capital Improvement Fund	(47.3%)
408 - Sewer Capital Improvement Fund	322.7%
409 - Storm Drain Capital Imprv Fund	240.6%
501 - Vehicle & Equip Maintenance	15.4%
502 - IT Services Fund	34.0%
503 - Building Maintenance Fund	24.1%
EXPENDITURES BY FUND TOTAL	50.4%

City of Duvall
Debt Service as of 06/30/2023

2017 General Obligation Bonds

Description	Date of Final Payment	Principal	Interest	Total	Remaining 2023/2024 Payment	Remaining 2023/2024 Funding Source(s)				
						Property Tax Levy	REET I	REET II	Park Impact Fees*	Street Impact Fees
Big Rock Ball Field	12/1/2025	\$650,000	\$24,651	\$674,651	\$444,049	\$444,049				
Main Street Project	12/1/2031	\$1,945,000	\$226,279	\$2,171,279	\$462,791		\$115,698	\$115,698	\$115,698	\$115,698

State of WA Local Program

Description	Date of Final Payment	Principal	Interest	Total	Remaining 2023/2024 Payment	Remaining 2023/2024 Funding Source(s)
						Internal Service Charges to Fund 501
Dump Truck Purchase	6/1/2029	\$107,156	\$19,796	\$126,951	\$20,523	\$20,523

Utility Revenue Debt

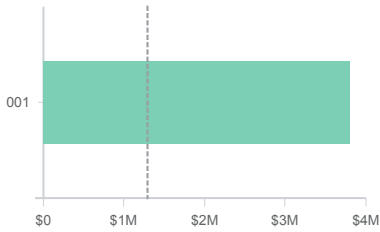
Utility Revenue Debt	Date of Final Payment	Principal	Interest	Total	Remaining 2023/2024 Payment	Remaining 2023/2024 Funding Source(s)
						Sewer General Facility Charges
SRF WWTP Construction Loan	6/30/2025	\$664,945	\$4,165	\$669,111	\$501,833	\$501,833

*Park impact fees are used to pay back the portion of Main Street Bond Proceeds used for the Big Rock Ballfield property purchase

RESERVE STATUS

GENERAL FUND RESERVES

RESERVES MET Target Greater than 1,293,621

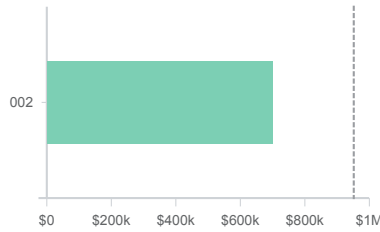


\$3,808,251.12

Target Status in 001

CONTINGENCY FUND RESERVES

NOT EXCEEDED Target Less than 951,077

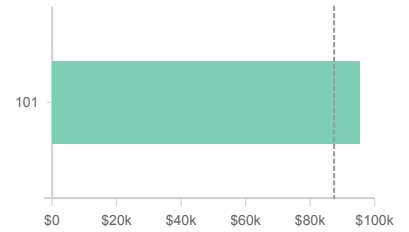


\$700,030.58

Target Status in 002

STREET FUND RESERVES

RESERVES MET Target Greater than 87,614



\$95,507.30

Target Status in 101

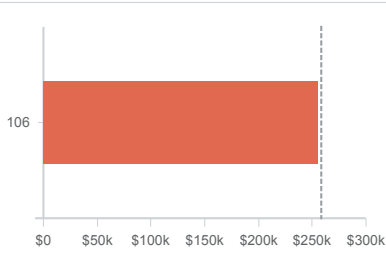
The City should maintain a **17%** (or **2 months**) reserve for the General Fund. The reserve was created and maintained to provide cash flow to meet the financial needs of the fund based upon the total operating expenses for the fund. The reserve will be calculated upon the fund's total expenditure budget, minus capital expenses and interfund operating transfers.

The City has established a Contingency Fund for unknown operational adjustments, service demands, or opportunities which may arise during the year. All expenditures from the Contingency Fund shall have the prior approval of the City Council. The total amount held in the Contingency Fund shall **not exceed 37.5 cents per thousand dollars** of assessed valuation of property within the City. The biennial ending fund balance is currently budgeted to be **\$695,397** by 2024.

The City's Street Service program serves as a key resource for the community. The program performs regular maintenance of roads, shoulders, gravel base surfaces, traffic markings, signage, sidewalks and bicycle/pedestrian facilities, roadside vegetation control, snow and ice removal and control, sweeping, pot-hole repair, and public right-of-way street lighting. Two months of operating expenditures are to be reserved. The biennial ending fund balance is budgeted to be **\$169,395** by 2024.

BIG ROCK BALL PARK MAINTENANCE RESERVES

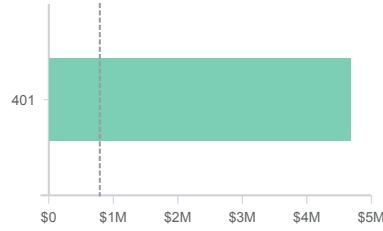
NOT MET Target Greater than 258,784



\$255,787.51
Target Status in 106

WATER UTILITY RESERVES

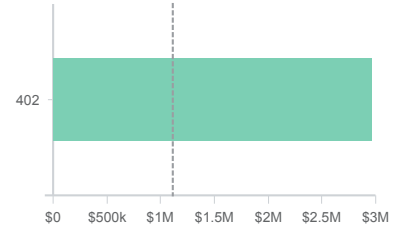
RESERVES MET Target Greater than 789,653



\$4,675,756.82
Target Status in 401

SEWER UTILITY RESERVES

RESERVES MET Target Greater than 1,115,900



\$2,967,174.30
Target Status in 402

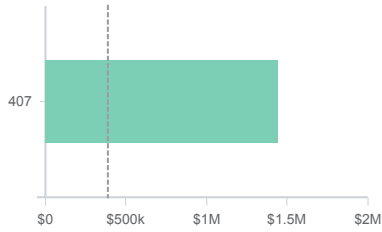
City adopted Resolution 18-16 that established a policy to reserve 50% of ballfield revenue for turf replacement, plus two months of operating expenditures. The current required reserve as of **June 2023** is **\$258,784**. The biennial ending fund balance is budgeted to be **\$322,516** by 2024.

The operating funds for the utilities will be maintained to provide sufficient cash flow to meet the financial needs of any unforeseen emergency. For the Water Fund, this reserve amount is **\$789,653**. This amount shall be adjusted each January 1 by the annual percentage change in the Seattle-Tacoma CPI-U (June — July).

The operating funds for the utilities will be maintained to provide sufficient cash flow to meet the financial needs of any unforeseen emergency. The Sewer Fund's reserve amount will be **\$1,115,900**. This amount shall be adjusted each January 1 by the annual percentage change in the Seattle-Tacoma CPI-U (June — July).

SEWER CIP - DEPARTMENT OF ECOLOGY RESERVES

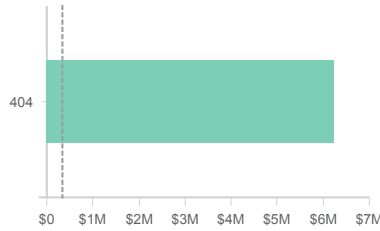
RESERVES MET Target Greater than 388,810



\$1,438,670.30
Target Status in 407

STORM DRAIN FUND RESERVES

RESERVES MET Target Greater than 345,587



\$6,231,744.44
Target Status in 404

EQUIPMENT FUND RESERVES

RESERVES MET Target Greater than 200,000



\$695,912.74
Target Status in 501

Annual loan payment in reserve.

The operating funds for the utilities will be maintained to provide sufficient cash flow to meet the financial needs of any unforeseen emergency. The Storm Drainage Fund reserve will be **\$345,587**. This amount shall be adjusted each January 1 by the annual percentage change in the Seattle-Tacoma CPI-U (June — July).

An equipment reserve for the City's vehicles and other fixed assets is to be maintained at a level sufficient to meet scheduled equipment replacements so as to sustain an acceptable level of municipal services and sustain the effective operation of the City's assets. At no time shall this reserve be less than **\$200,000**.

Quarter 2 Capital Improvement Projects

CAPITAL IMPROVEMENT PROJECT SUMMARY

	23-24 ORIG BUDGET		THRU JUNE		% REACHED	2021 ACTUAL		2022 ACTUAL	
	FY2023	FY2023	FY2023	REMAINING		FY2021	FY2022	21-22 TOTAL	
Expenditures by Fund									
102 - Transportation Benefit Dist	(\$570,000)	(\$3,003)	(\$566,997)		0.5%	(\$273,876)	(\$447,104)	(\$720,980)	
105 - American Rescue Plan Act	(\$213,000)	(\$47,635)	(\$165,365)		22.4%	-	(\$128,973)	(\$128,973)	
303 - Facilities Capital Improvement	(\$2,000,000)	(\$207,323)	(\$1,792,677)		10.4%	(\$110,346)	(\$115,386)	(\$225,732)	
305 - Real Estate Excise Tax II Fund	-	-	\$0		-	(\$525)	-	(\$525)	
306 - Main Street Improvement Fund	-	(\$7,391)	\$7,391		-	(\$149,765)	\$0	(\$149,765)	
307 - Street Capital Improvement Fnd	(\$8,307,044)	(\$751,494)	(\$7,555,550)		9.0%	(\$194,111)	(\$411,159)	(\$605,270)	
308 - Parks Capital Improvement Fund	(\$640,000)	(\$1,360,617)	\$720,617		212.6%	(\$105,229)	(\$29,354)	(\$134,584)	
401 - Water Fund	(\$350,000)	-	(\$350,000)		0.0%	(\$8,582)	(\$23,011)	(\$31,593)	
402 - Sewer Fund	-	(\$14,983)	\$14,983		-	(\$116,433)	(\$18,439)	(\$134,872)	
407 - Water Capital Improvement Fund	(\$3,834,000)	(\$50,270)	(\$3,783,730)		1.3%	(\$230,711)	(\$209,853)	(\$440,563)	
408 - Sewer Capital Improvement Fund	(\$8,088,850)	(\$925,769)	(\$7,163,081)		11.4%	-	(\$541,502)	(\$541,502)	
409 - Storm Drain Capital Imprv Fund	(\$235,000)	-	(\$235,000)		0.0%	-	-	\$0	
EXPENDITURES BY FUND TOTAL	(\$24,237,894)	(\$3,368,485)	(\$20,869,409)		13.9%	(\$1,189,578)	(\$1,924,781)	(\$3,114,359)	

AMERICAN RESCUE PLAN ACT (ARPA)

On **March 11, 2021**, the American Rescue Plan Act was signed into law, and established the Coronavirus State Fiscal Recovery Fund and Coronavirus Local Fiscal Recovery Fund, which together make up the **Coronavirus State and Local Fiscal Recovery Funds (“SLFRF”)** program. This program is intended to provide support to State, territorial, local, and Tribal governments in responding to the economic and public health impacts of COVID-19 and in their efforts to contain impacts on their communities, residents, and businesses.

The City's allocation of SLFRF totaled **\$2,265,264**, which must be financially obligated by **December 31, 2024**. Funds which are obligated must be spent by **December 31, 2026**.

Local governments may use the ARPA funds for a wide variety of public health needs and to address the negative impacts caused by the pandemic, including augmenting essential government services and investing in personnel and the local workforce. Other designated uses for ARPA funds include investing in water, sewer or broadband infrastructure and enhancing a City's art, culture, tourism and travel businesses through key one-time investments.

The plans for ARPA funds to be used to enhance the City's staffing provide essential core governmental services to our citizens, communities and businesses. The staffing component of the ARPA fund budget is targeted at providing information to our community, planning for emergencies and assisting our business community to recover from the COVID pandemic.

AMERICAN RESCUE PLAN ACT SUMMARY

	23-24 ORIG BUDGET		THRU JUNE		2021 ACTUAL	2022 ACTUAL		
	FY2023	FY2023	REMAINING	% REACHED		FY2021	FY2022	
Receipts	-	-	\$0	-	\$1,132,631	\$1,132,742	\$2,265,373	
Expenditures								
American Rescue Plan Act								
Non-Departmental	(\$1,512,725)	(\$151,736)	(\$1,360,989)	10.0%	-	(\$128,283)	(\$128,283)	
Community Events and Services	(\$213,000)	-	(\$213,000)	0.0%	-	(\$2,652)	(\$2,652)	
Emergency Response	-	(\$181)	\$181	-	(\$1,435)	(\$11,195)	(\$12,630)	
Economic Development	-	-	\$0	-	(\$16,031)	-	(\$16,031)	
Parks Department	-	(\$30,741)	\$30,741	-	-	(\$14,510)	(\$14,510)	
Engineering Department	(\$300,000)	-	(\$300,000)	0.0%	-	-	\$0	
AMERICAN RESCUE PLAN ACT TOTAL	(\$2,025,725)	(\$182,658)	(\$1,843,067)	9.0%	(\$17,466)	(\$156,640)	(\$174,106)	
EXPENDITURES TOTAL	(\$2,025,725)	(\$182,658)	(\$1,843,067)	9.0%	(\$17,466)	(\$156,640)	(\$174,106)	

