

Final 2025 4th Quarter Financial Report

This report provides a snapshot of the City of Des Moines' financial performance for the year ending December 31, 2025. A preliminary 2025 4th Quarter Financial Report was presented to the City Council on April 23, 2026.

Notable Updates Since the Preliminary Report

General Fund

- **Property Tax:** The increase in uncollected property taxes associated with the 2025 levy is primarily attributable to a tax assessment dispute involving Wesley Homes. Prior to 2025, Wesley Homes was fully exempt from property taxes. In 2025, the State determined that portions of the new Wesley Homes campus were not eligible for the full exemption, resulting in a partial taxable assessment. Wesley Homes is currently reviewing and appealing this determination with the State and has not paid the disputed taxes pending resolution of the matter. Until the matter is resolved, future property tax revenue forecasts will assume that the disputed taxes may not be collected.
- **Operating Income/Loss:** In the Preliminary 4th Quarter Financial Report, the General Fund was projected to end 2025 with an operating loss of \$45,891. Following the completion of year-end closing entries and final adjustments, the General Fund reported operating income of \$109,847. As a result, the General Fund ended the year in a stronger financial position than reflected in the preliminary report.
- **One-Time Tax:** A review of sales tax and B&O tax revenues resulted in the reclassification of \$162,706 of sales tax and approximately \$7,000 of B&O tax from regular revenue to one-time revenue. As a result, the City now has a clearer understanding of the revenues generated from ongoing operations versus one-time activity.
- **Public Defender Costs:** In 2025, the City incurred \$223,000 in public defense costs, which was \$63,000 above budget and \$83,000 higher than the prior year. The increase is attributable to the City's efforts to comply with recent Washington Supreme Court requirements and standards regarding public defense services and attorney caseloads, which have increased the cost of providing constitutionally required legal representation. Staff will continue to monitor public defense expenditures and evaluate the need for future budget adjustments.
- **Ending Cash Balance:** The General Fund ended 2025 with a cash balance of \$2,966,581, an increase of \$86,765 compared to the prior year. The year-end cash balance represents 11.6% of recurring operating expenditures, remaining below the City's 16.67% operating reserve target.
- **Ending Fund Balance:** While the year-end cash balance reflects available liquidity, the General Fund's ending fund balance provides a broader measure of financial position by incorporating receivables, liabilities, and other accrual-based adjustments. At December 31, 2025, the General Fund reported an ending fund balance of \$4,842,789, of which \$4,590,059 was unrestricted. This unrestricted balance represents 17.8% of recurring operating expenditures and exceeds the City's policy target of 16.67%.

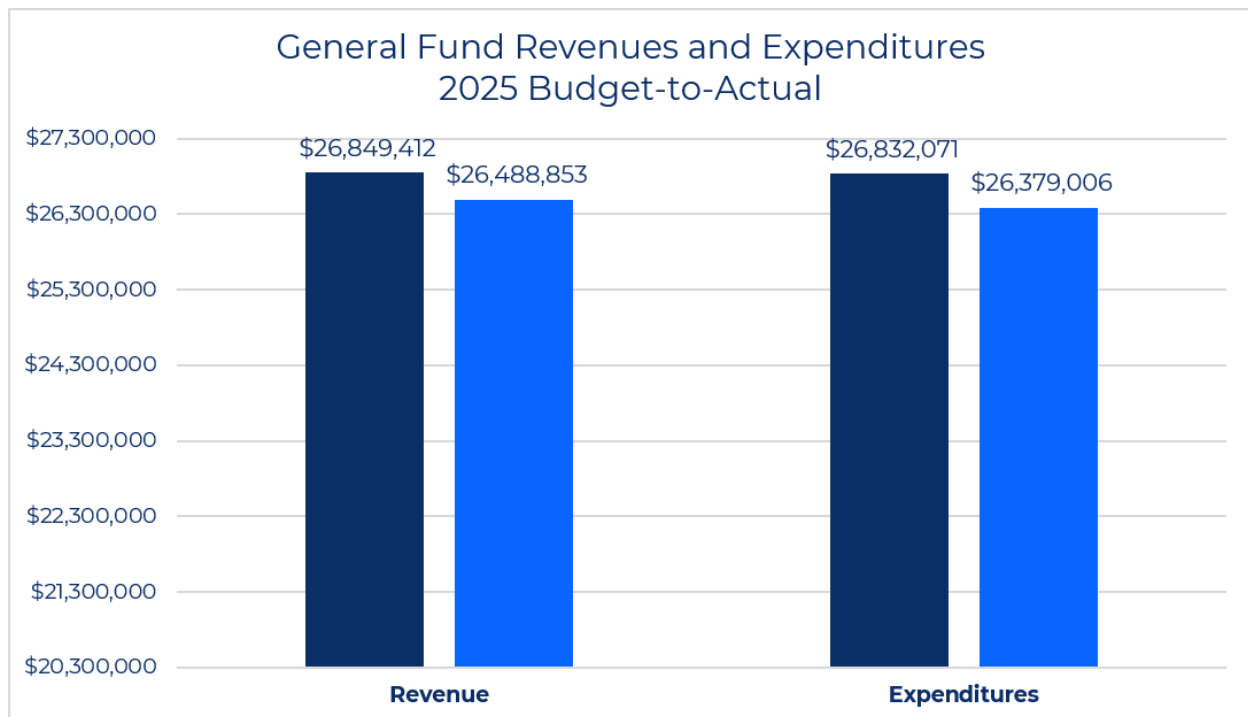


GENERAL FUND

The City's **General Fund** is the primary operating fund. It accounts for the majority of the City's day-to-day financial activities and supports essential public services that are not required to be funded by a separate, dedicated source.

Revenues for the general fund typically come from local taxes (such as property taxes and sales taxes), business licenses, service fees, fines, and intergovernmental transfers. These funds are used to cover general government operations—such as police, public works, parks and recreation, and administration.

At year-end 2025, the General Fund received \$26,488,853 in revenue, coming in 1.3% below the adopted budget of \$26,849,412. 2025 expenditures totaled \$26,379,006, or 1.7% below the annual budget of \$26,832,071. Operating Income was \$109,847.





General Fund Ending Balances

Pursuant to DMMC 3.08.010, the City Manager is directed to establish expenditure policies that maintain a General Fund unrestricted ending balance, or operating reserve, of no less than two months (16.67%) of recurring operating expenditures. The 16.67% threshold represents approximately two months of operating costs and is intended to provide sufficient reserves to manage cash flow fluctuations, respond to unforeseen expenditures, and maintain financial stability during economic downturns. The policy further provides that the General Fund unrestricted ending balance may not fall below this threshold without authorization from the City Council.

The Operating Reserve is a cash-based measure that reflects the funds available to meet current operating needs and cash flow requirements. The Unrestricted Ending Fund Balance is reported on the accrual basis of accounting and includes assets and liabilities that may not yet have affected cash. As a result, the two measures will differ, but together they provide a more complete picture of the General Fund's financial position.

Operating Reserve

At year-end, the General Fund cash balance represented 11.6% of recurring operating expenditures, which is below the City's established reserve target. Under cash basis accounting, recurring operating expenditures were \$25,518,228.

BEGINNING CASH	\$ 2,879,816	
Prior Period Adj	(10,672)	
Operating Income	109,847	
Deposits	(10,164)	
Retainage	(2,245)	
ENDING CASH	\$ 2,966,581	11.6%
<i>16.67% Minimum Operating Reserve</i>	<u>4,253,889</u>	

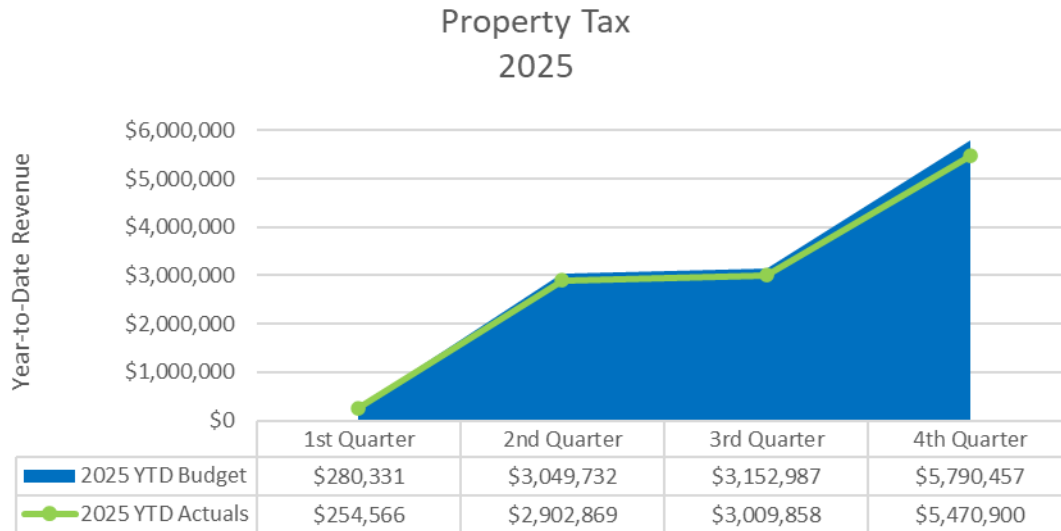
Unrestricted Ending Fund Balance

At year-end, the City's ending unrestricted fund balance under accrual accounting was 17.8% of recurring operating expenditures, which is above the City's established fund balance target. Under accrual accounting, recurring operating expenditures were \$25,774,169.

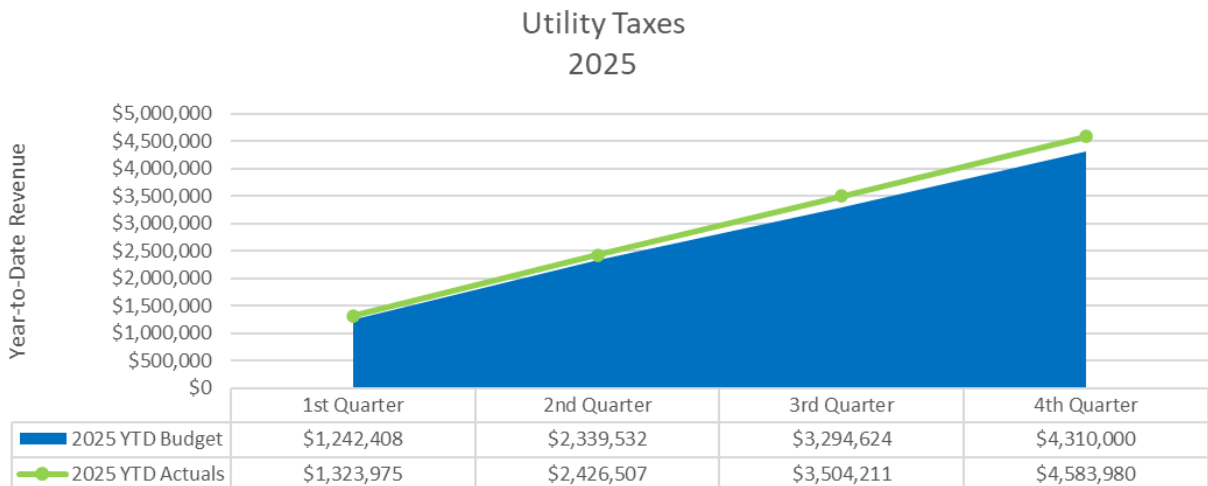
Ending Total Fund Balance	\$ 4,842,790	
Restricted Fund Balance	(252,731)	
Ending Unrestricted Fund Balance	\$ 4,590,059	17.8%
<i>16.67% Minimum Unrestricted Fund Balance</i>	<u>4,296,554</u>	

Revenue

Property Taxes are primarily collected in the second and fourth quarters (April and October). Property tax collected in 2025 was \$5,470,900, which was \$319,557 (5.5%) lower than the adopted budget of \$5,790,457.



Utility Taxes collected in 2025 were \$4,583,980, which is \$273,980 (6.36%) greater than budget. The City collects utility tax on the usage of electricity, natural gas, solid waste disposal, cable TV, telephone, and surface water. The City continues to see an increase in utility tax collections over past years. The adopted budget for Utility Tax revenue for 2025 was \$4,310,000.

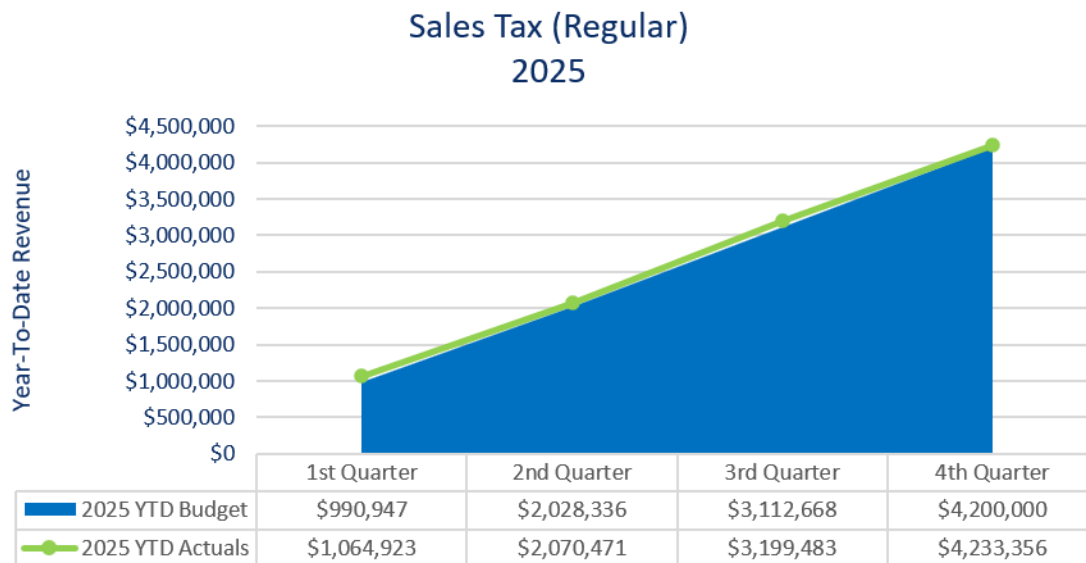


The table below demonstrates actual revenues compared to prior year collections by the different utility categories:

Utility Tax Type	2024 Total	2025 Total	Change from 2024	
			Amount	Percent
Electricity	\$ 1,589,038	\$ 1,800,510	\$ 211,472	13.3%
Natural Gas	466,260	543,662	77,402	16.6%
Solid Waste	686,658	681,465	(5,193)	-0.8%
Cable TV	737,820	682,435	(55,385)	-7.5%
Telephone	227,114	226,579	(534)	-0.2%
SWM*	629,263	649,329	20,066	3.2%
YE Total	\$ 4,336,153	\$ 4,583,980	\$ 247,827	5.7%

*Surface Water Management (SWM) billings include a 15% utility tax. The 15% tax is collected by the Surface Water Management Fund then paid to the General Fund and the Street Fund. The General Fund receives 87% of the SWM utility tax with the Street Fund receiving 13%.

Sales and Use Tax (Regular) collection increased \$411,656 (10.3%) over the prior year. At year-end, the City collected \$4,233,356 in sales tax, which was \$33,356 (0.79%) over budgeted expectations. "Regular" Sales and Use Tax excludes the sales and use tax generated by construction projects that are valued at \$15 million or more. The adopted budget for regular Sales Tax revenue for 2025 is \$4,200,000.

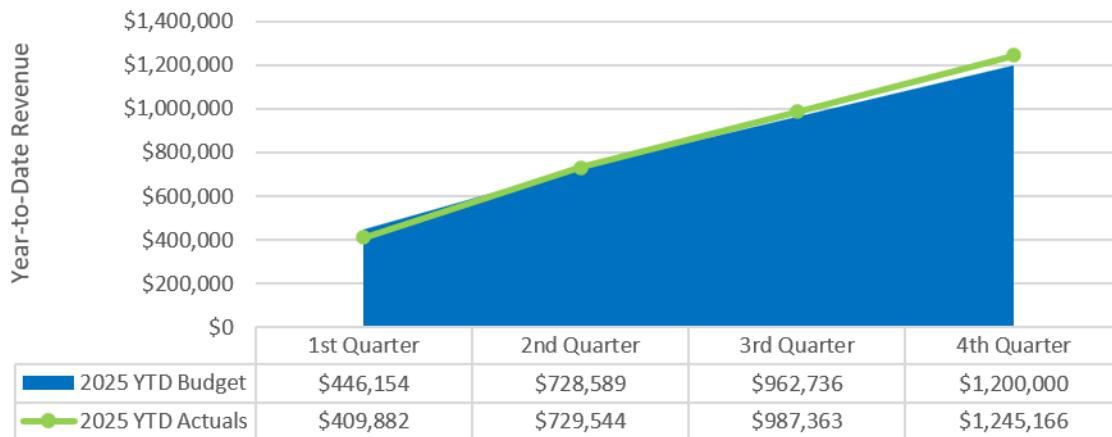


The City receives **One-Time Sales and Use Tax** from construction projects with permit valuations of \$15 million or more. In 2025, the City collected \$195,696 in One-Time Sales Tax revenue, achieving 97.8% of the annual budget of \$200,000.

Please see Attachment #1 for a breakdown of sales tax by revenue category.

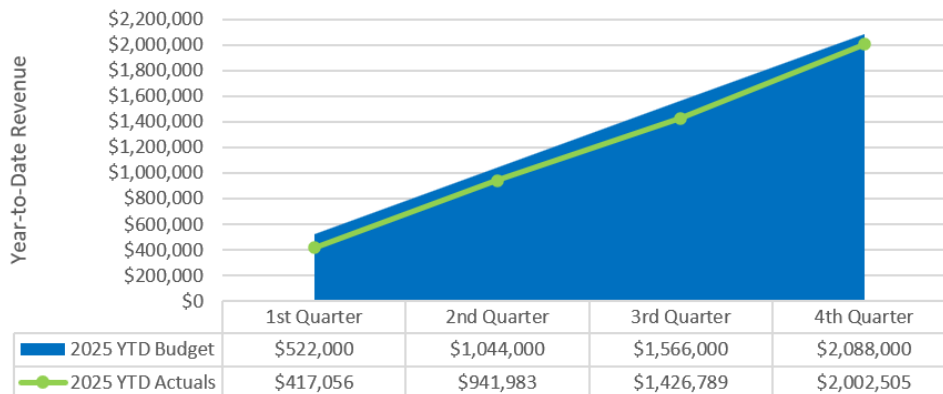
The City received \$1,252,189 in **Business and Occupation Tax** in 2025. This amount was \$45,166 (3.8%) more than budget. Collections of B&O Tax were also \$45,893 (3.8%) more than the prior year. The B&O Tax revenue budget for 2025 was \$1,200,000.

B&O Tax (Regular) 2025



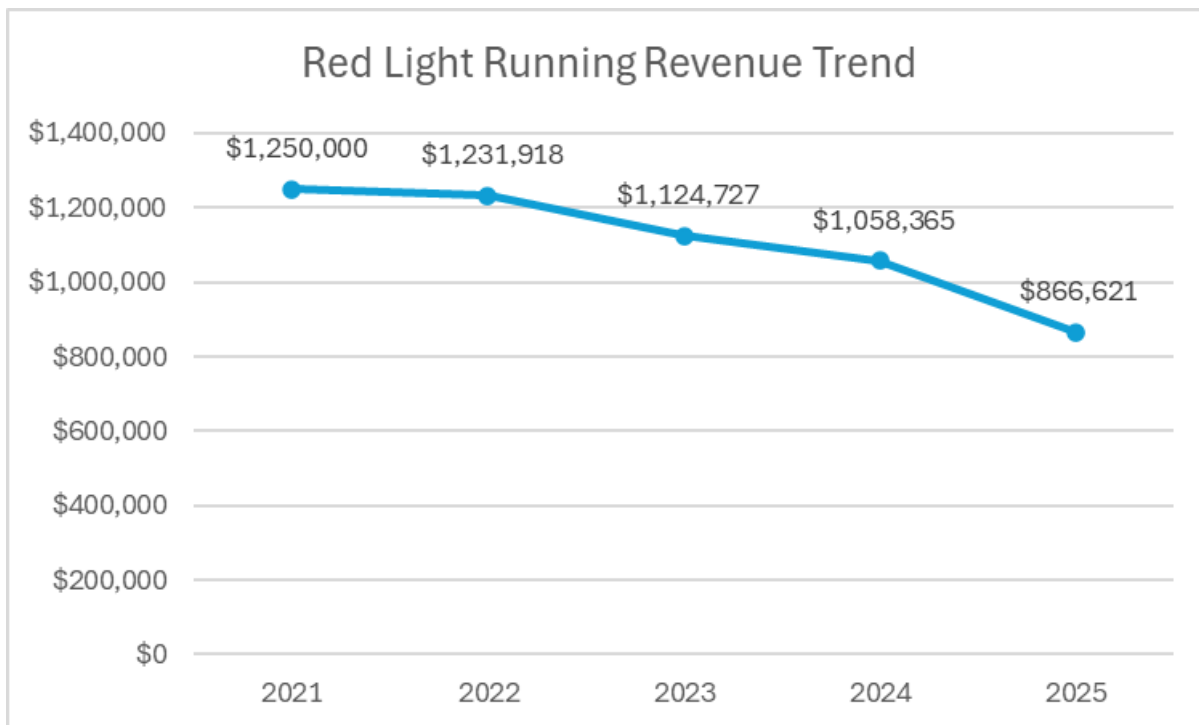
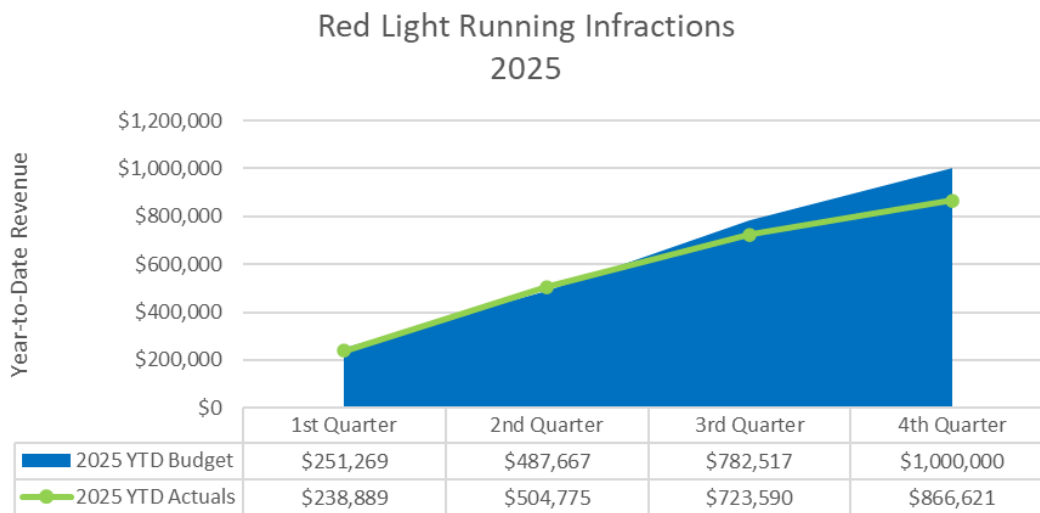
Franchise Fees help the City recoup the cost of allowing a utility to use its public space. In 2025, the City collected \$2,002,505 in franchise fees, which was \$85,495 (4.0%) less than the year-to-date budget. The adopted budget for Franchise Fee revenue for 2025 was \$2,088,000.

Franchise Fees 2025



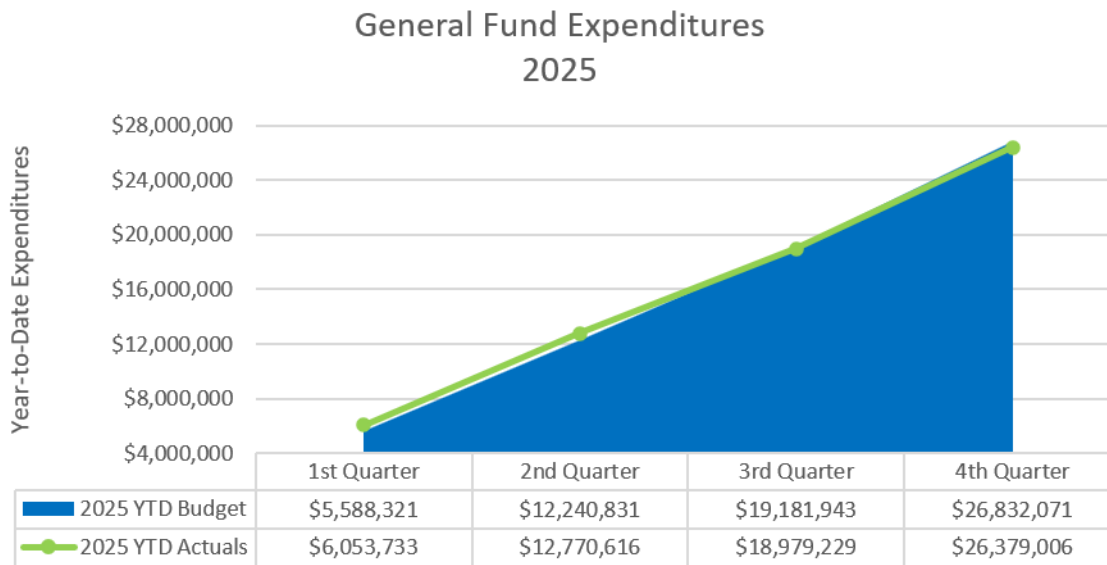


Red Light Running Infractions is revenue received from fines generated by the red light camera ticketing system installed at select intersections in the City. In 2025, the City collected \$866,621 in red light running fee revenue, which was \$191,744 (18.1%) less than the prior year and \$133,379 (13.3%) less than budget. This amount follows the trend of safer driving resulting in reduced revenues. The 2025 adopted budget for Red Light Running revenue was \$1.1 million.



Expenditures

General Fund expenditures were \$26,389,578, which was \$442,393 (1.7%) less than budget. The 2025 budget for General Fund Expenditures was \$26,832,071.



General Fund Summary of Uses Year to Date through September	2024 Actual	2025 Original Budget	2025 Amended Budget	2025 Actuals	2025 vs 2024		2025 vs. Budget	
					\$	%	\$	%
Personnel	18,579,181	16,791,999	17,302,610	17,084,323	(1,494,858)	-8.0%	(218,287)	-1.3%
Supplies	792,195	588,255	665,265	717,847	(74,349)	-9.4%	52,582	7.3%
Services	6,177,138	6,020,345	6,120,745	5,835,465	(341,674)	-5.5%	(285,280)	-4.9%
Internal Services	1,247,751	2,713,376	2,713,376	2,713,374	1,465,623	117.5%	(2)	0.0%
Capital	60,565	-	-	-	(60,565)	-100.0%	0	0.0%
Transfers Out	326,600	-	30,075	27,998	(298,602)	-91.4%	(2,077)	-7.4%
Total Expenditures	27,183,431	26,113,975	26,832,071	26,379,006	(804,425)	-3.0%	(453,065)	-1.7%

Personnel: Personnel costs represent expenditure of funds for salary and benefits expenses. In 2025, personnel costs were \$1,494,858 (8.0%) lower than the prior year and \$218,287 (1.3%) less than budget.

Supplies: Expenditures for Supplies were \$52,582 (7.3%) more than budget in 2025 and \$74,349 (9.4%) less than the prior year. The variance was primarily due to the purchase of software that was budgeted in the Computer Replacement Fund but was required to be recorded in the General Fund.

Internal Services: Internal service fund charges were at budget in 2025 and increased by \$1,465,623 compared to the prior year, reflecting the City's efforts to restore funding for vehicle replacement. Following the COVID-19 pandemic, the City had fallen behind in adequately funding fleet replacement, which placed added strain on the General Fund. With funding levels now restored and aligned with long-term needs, future required funding levels should be smaller.



Transfers Out: A transfer out to the American Rescue Plan Act (ARPA) Fund was recorded during the third quarter. A reconciliation of ARPA funds found that \$8,075 should not have been transferred to the General Fund in a prior year. Also, \$19,992 was transferred to the Capital Projects Fund for the HVAC system in the Engineering Building.

General Fund Details

General Fund Summary of Sources and Uses	2025			2025 Budget vs Actual	
	Adopted Budget	Amended Budget	Actuals	Amount	Percentage
Recurring Revenues					
Taxes	\$ 20,343,457	\$ 19,753,457	\$ 19,343,140	\$ (410,317)	-2%
Licenses and Permits	425,500	425,500	432,054	6,554	2%
Intergovernmental (Grants, etc.)	910,519	910,519	1,113,623	203,104	22%
Fees/Charges/Fines	1,897,100	1,797,100	1,593,371	(203,729)	-11%
Other	2,747,758	2,210,758	2,067,995	(142,763)	-6%
Total Recurring Revenue	\$ 26,324,334	\$ 25,097,334	\$ 24,550,182	\$ (547,152)	-2.2%
Nonrecurring Revenues					
Sound Transit	154,868	154,868	176,800	21,932	14%
Body Cam Refresh	-	77,010	77,010	(0)	0%
Sales Tax (One-Time)	200,000	40,000	195,696	155,696	389%
B&O Tax (One-Time)	75,000	15,000	15,006	6	0%
Sale of Tract C to Port of Seattle	-	690,000	689,120	(880)	0%
Street Vacation Revenue from Sound Transit	-	775,200	775,200	-	0%
Insurance Recoveries	-	-	9,839	9,839	-
Total Nonrecurring Revenues	\$ 429,868	\$ 1,752,078	\$ 1,938,671	\$ 186,593	10.6%
Total Revenue	\$ 26,754,202	\$ 26,849,412	\$ 26,488,853	\$ (360,559)	-1.3%



General Fund Summary of Sources and Uses	2025			2025 Budget vs Actual	
	Adopted Budget	Amended Budget	Actuals	Amount	Percentage
Recurring Expenditures					
City Council	\$ 88,008	\$ 88,008	\$ 71,475	(16,533)	-19%
City Manager's Office	666,224	498,372	531,972	33,601	7%
City Clerk	501,813	538,350	575,158	36,808	7%
Human Resources	270,978	336,425	331,298	(5,127)	-2%
Emergency Management	20,900	20,900	5,880	(15,020)	-72%
Communications	177,188	250,264	314,262	63,998	26%
Finance	1,263,480	1,322,167	1,238,820	(83,348)	-6%
Information Technology Services	1,220,197	1,220,197	1,109,681	(110,516)	-9%
Legal	994,297	994,297	920,378	(73,919)	-7%
Municipal Court	1,658,969	1,658,969	1,550,794	(108,175)	-7%
Police	11,193,645	11,505,570	11,161,001	(344,569)	-3%
Planning and Building (Tax-based)	429,601	429,601	151,395	(278,206)	-65%
Building and Parks Maintenance	1,476,135	1,476,135	1,779,292	303,157	21%
Community Events and Services	1,623,356	1,642,101	1,724,720	82,619	5%
Non-Departmental					
Professional Services - Code Update	2,000	2,000	5,100	3,100	155%
Official Publication Services	1,400	1,400	1,879	479	34%
Des Moines Historical Society Rent	7,800	7,800	7,150	(650)	-8%
County Recording Services	5,000	5,000	4,472	(528)	-11%
Election Services	125,000	125,000	114,872	(10,128)	-8%
Voter Registration Services	55,000	55,000	107,038	52,038	95%
Organizational Memberships	97,550	97,550	91,070	(6,480)	-7%
Fire Suppression - South King Fire	21,000	21,000	20,376	(624)	-3%
Fire Investigation Services	45,000	45,000	29,820	(15,180)	-34%
SCORE	794,310	822,710	822,710	-	0%
Public Defender	160,000	160,000	223,055	63,055	39%
Bank Fees	23,880	23,880	53,929	30,049	126%
Computer Replacement	164,792	164,792	165,414	622	0%
Equipment Rental Maintenance	492,787	492,787	485,903	(6,884)	-1%
Equipment Rental Replacement	1,286,365	1,286,365	1,284,764	(1,601)	0%
Facility Repair and Replacement	96,230	96,230	52,000	(44,230)	-46%
Insurance	673,202	673,202	554,553	(118,649)	-18%
Transfers Out - Fund 114 (American Rescue Plan Act Fund)	-	8,075	8,075	0	0%
Transfers Out - Fund 310 (Capital Projects Fund)	-	22,000	19,923	(2,077)	-9%
Total Recurring Expenditures	\$ 25,636,107	\$ 26,091,147	\$ 25,518,228	\$ (572,919)	-2.2%
Nonrecurring Expenditures					
Sound Transit	154,868	154,868	176,800	21,932	14%
Professional Development Program	15,000	15,000	13,800	(1,200)	-8%
Professional Services - One-time	100,000	100,000	123,745	23,745	24%
Sustainable Airport Master Plan	114,000	114,000	16,985	(97,015)	-85%
Body Cam Refresh	-	77,010	77,010	(0)	0%
Government Relations	54,000	54,000	74,631	20,631	38%
Communications Contract	40,000	40,000	16,370	(23,630)	-59%
Staff Reduction	-	114,046	289,436	175,390	154%
Encampment Cleanup	-	72,000	72,000	-	0%
Total Nonrecurring Expenditures	\$ 477,868	\$ 740,924	\$ 860,778	\$ 119,854	16.2%
Total Expenditures	\$ 26,113,975	\$ 26,832,071	\$ 26,379,006	\$ (453,065)	-1.7%
Total Operating Income (Loss)	\$ 640,227	\$ 17,341	\$ 109,847		

**December is month 12 of 12= 100.0%

OTHER FUNDS

SPECIAL REVENUE FUNDS

A **special revenue fund** is a type of government fund used to account for money that must be spent on a specific purpose, as required by law or regulation.

Unlike the general fund, which can be used for a wide range of services, special revenue funds are restricted. The money that goes into these funds often comes from dedicated sources—such as grants, special taxes, or fees—and it can only be used for the specific program or service it was intended for.

For example, a city might have a special revenue fund for road maintenance that's funded by a gas tax, or one for parks and recreation funded by a portion of sales tax. The key point is that the money in these funds is legally earmarked and cannot be redirected to unrelated expenses.

These funds help ensure transparency and accountability by making it easier to track how specific revenue sources are used.

Summary of Special Revenue Funds:

Special Revenue Funds:	Revenue			Expenditures		
Fund	Budget	Actual	% of Budget	Budget	Actual	% of Budget
Street	\$ 2,621,000	\$ 2,517,101	96.0%	\$ 2,742,053	\$ 2,123,552	77.4%
Arterial Pavement	1,631,000	1,060,767	65.0%	2,798,788	1,333,234	47.6%
Development Fund	3,035,246	3,702,166	122.0%	3,373,028	3,372,203	100.0%
Police Drug Seizure	26,000	-	0.0%	20,500	5,135	25.0%
Hotel-Motel Tax	125,000	99,085	79.3%	165,000	157,925	95.7%
Affordable Housing Sales Tax	35,000	34,933	99.8%	35,000	30,667	87.6%
American Rescue Plan Act	8,455	19,127	226.2%	179,975	160,363	89.1%
Redondo Zone	189,800	121,982	64.3%	186,135	151,246	81.3%
Waterfront Zone	484,181	447,540	92.4%	559,462	484,819	86.7%
PBPW Automation Fee	195,000	165,000	84.6%	120,409	87,925	73.0%
Urban Forestry	5,000	-	0.0%	5,000	-	0.0%
Abatement	3,600	621	17.2%	2,500	-	0.0%
Automated Speed Enforcement (ASE)	360,000	166,960	46.4%	490,976	309,130	63.0%
Redondo Speed Enforcement Fund	1,111,300	1,022,278	92.0%	1,422,424	512,520	36.0%
Transport Benefit District	1,040,000	1,090,024	105%	2,450,000	1,900,000	77.6%

Special Revenue Funds:	CASH		
Fund	At 12/31/2024	At 12/31/2025	Change
Street	\$ 713,492	\$ 1,107,041	\$ 393,549
Arterial Pavement	1,344,084	1,071,617	(272,467)
Development Fund	1,537,371	1,867,334	329,963
Police Drug Seizure	135,100	129,965	(5,135)
Hotel-Motel Tax	143,488	84,648	(58,840)
Affordable Housing Sales Tax	86,746	91,012	4,266
American Rescue Plan Act	171,520	30,285	(141,235)
Redondo Zone	51,900	22,636	(29,264)
Waterfront Zone	80,591	43,312	(37,279)
PBPW Automation Fee	614,050	691,125	77,075
Urban Forestry	-	-	-
Abatement	38,143	38,764	621
Automated Speed Enforcement (ASE)	268,751	126,581	(142,170)
Redondo Speed Enforcement Fund	614,822	1,124,580	509,758
Transport Benefit District	3,265,452	2,455,476	(809,976)

Development Fund Details

The purpose of the Development Fund is to account for revenue generated by fee-based development-related activities, including permitting, plan review, etc. and the associated cost of providing services. Divisions included in this fund include Planning and Development Services, Building, Joint and Minor Home Repair, Code Enforcement, Engineering Services, and City Project Management.

Development Fund Summary of Sources and Uses	2025			2025 Budget vs Actual	
	Original Budget	Amended Budget	Actuals	Amount	Percentage
Operating Revenues					
Planning and Building					
Building Permits	\$ 685,465	\$ 835,465	\$ 802,896	\$ (32,569)	-3.9%
Other Licenses and Permits	351,799	351,799	376,039	24,240	6.9%
Intergovernmental (Grants, etc.)	97,749	97,749	137,347	39,598	40.5%
Charges for Services:					
Zoning Fees	319,278	319,278	377,635	58,357	18.3%
Plan Check Fees	638,000	638,000	1,325,425	687,425	107.7%
SEPA-Related Mitigation Fees	-	-	19,599	19,599	0.0%
Other Fees	7,480	7,480	9,684	2,204	29.5%
Credit Card Fees	41,200	41,200	36,947	(4,253)	-10.3%
Misc. Revenue	-	-	92	92	0.0%
Penalties - Stop Work	15,500	15,500	8,876	(6,624)	-42.7%
Planning and Building Revenue Subtotal	\$ 2,156,471	\$ 2,306,471	\$ 3,094,542	\$ 788,071	34.2%
Engineering					
Right-Of-Way Permits	\$ 137,500	\$ 137,500	\$ 267,931	\$ 130,431	94.9%
Engineering Fees	159,254	159,254	132,185	(27,069)	-17.0%
Engineering Revenue Subtotal	\$ 296,754	\$ 296,754	\$ 400,116	\$ 103,362	34.8%
Interest Income	65,000	65,000	82,029	17,029	26.2%
Transfers In - PBPW Automation Fee Fund	32,484	32,484	-	(32,484)	-100.0%
Total Operating Revenues	\$ 2,550,709	\$ 2,700,709	\$ 3,576,686	\$ 875,977	32.4%
Operating Expenditures					
Planning and Building					
Salaries and Benefits	\$ 1,613,355	\$ 1,613,355	1,609,502	(3,853)	-0.2%
Supplies	32,927	36,427	14,972	(21,455)	-58.9%
Services	470,649	747,649	647,494	(100,155)	-13.4%
Planning and Building Expenditures Subtotal	\$ 2,116,931	\$ 2,397,431	\$ 2,271,968	\$ (125,463)	-5.2%
Engineering					
Salaries and Benefits	\$ 381,277	\$ 381,277	\$ 562,235	\$ 180,958	47.5%
Supplies	12,000	12,000	4,811	(7,189)	-59.9%
Services	247,783	247,783	294,025	46,242	18.7%
Engineering Expenditures Subtotal	\$ 641,060	\$ 641,060	\$ 861,072	\$ 220,012	34.3%
Total Operating Expenditures	\$ 2,757,991	\$ 3,038,491	\$ 3,133,040	\$ 94,549	3.1%
Total Operating Income (Loss)	\$ (207,282)	\$ (337,782)	\$ 443,647	\$ 781,429	

**December is month 12 of 12 = 100%

DEBT SERVICE FUND

The **debt service fund** accounts for the financial resources that are restricted, committed, or assigned to expenditures for principal, interest and related costs on general long-term debt.

	Revenue			Expenditures		
Fund	Budget	Actual	% Actual to Budget	Budget	Actual	% Actual to Budget
Debt Service Fund	\$ 1,048,483	\$ 1,048,482	100.0%	\$ 1,161,980	\$ 1,108,672	95.4%

	CASH		
Fund	At 12/31/2024	At 12/31/2025	Change
Debt Service Fund	122,540	62,350	(60,190)

CAPTIAL PROJECT FUND

A **capital project fund** is used by a city or town to track money set aside for large, long-term construction or improvement projects—like building a new school, library, fire station, or major road.

These funds are separate from the general fund because capital projects often involve large amounts of money and take multiple years to complete. The money in a capital project fund usually comes from sources like bonds (borrowed money), grants, or dedicated taxes.

The purpose of the fund is to ensure that all the revenues and expenses related to a specific project are kept together in one place, making it easier to manage and monitor.

A capital project fund helps a municipality plan, finance, and track big infrastructure investments over time, separate from everyday operating expenses.

	Revenue			Expenditures		
Fund	Budget	Actual	% of Budget	Budget	Actual	% of Budget
Capital Project Fund	\$ 18,573,375	\$ 12,258,969	66%	\$ 20,358,863	\$ 12,266,696	60%

	CASH		
Fund	At 12/31/2024	At 12/31/2025	Change
Capital Project Fund	19,822,582	19,814,855	(7,727)

ENTERPRISE FUNDS

An **enterprise fund** is used by a city or town to manage services that operate like a business—where the goal is to cover the cost of providing the service through the fees charged to users.

Common examples include water and sewer utilities, public transportation, or municipal airports. These services are typically self-supporting, meaning the money to run them comes mostly from customer payments, not taxes.

Enterprise funds help keep these business-like operations financially separate from the rest of the city's budget. This makes it easier to see whether a specific service is paying for itself and to manage its revenues, expenses, and long-term investments (like equipment or infrastructure upgrades).

Marina Fund Details

The purpose of the Marina Fund is to account for the revenues and expenditures related to Marina operations, construction, and debt.

Marina Fund Summary of Sources and Uses	2025			2025 Budget vs Actual		2025
	Original Budget	Amended Budget	YTD Actual	Amount	Percentage	Remaining Budget
Operating Revenue						
Charges for Services	\$ 3,883,417	\$ 3,883,417	\$ 3,871,586	\$ (11,831)	-0.3%	\$ 11,831
Fuel Sales	1,503,000	1,503,000	1,384,315	(118,685)	-7.9%	118,685
Intergovernmental Revenues	-	19,000	18,666	(334)	0.0%	(18,666)
Miscellaneous Revenues	18,330	18,330	18,748	418	2.3%	(418)
Operating Revenue Subtotal	\$ 5,404,747	\$ 5,423,747	\$ 5,293,315	\$ (130,432)	-2.4%	\$ 111,432
Operating Expense						
Salaries and Benefits	\$ 1,459,598	\$ 1,459,598	\$ 1,340,777	\$ (118,821)	-8.1%	\$ 118,821
Supplies	150,550	150,550	108,008	(42,542)	-28.3%	42,542
Fuel Purchases	1,200,000	1,200,000	1,160,554	(39,446)	-3.3%	39,446
Services	713,909	796,409	460,924	(335,485)	-42.1%	252,985
Services - Interfund	1,052,806	1,052,806	1,052,806	(0)	0.0%	0
Total Operating Expenses (excl. depreciation)	\$ 4,576,863	\$ 4,659,363	\$ 4,123,069	\$ (536,294)	-11.5%	\$ 453,794
Operating Income/(Loss)	\$ 827,884	\$ 764,384	\$ 1,170,246	\$ 405,862	53.1%	\$ (342,362)
Non-Operating Revenue						
Insurance Recoveries	-	-	105	105	0.0%	(105)
Interest Income	280,000	343,000	487,770	144,770	42.2%	(207,770)
Non-operating Revenue Subtotal	\$ 280,000	\$ 343,000	\$ 487,875	\$ 144,875	42.2%	\$ (207,875)
Non-operating Expense						
Capital Outlay	\$ 14,692,000	\$ 14,692,000	\$ 9,965,736	\$ (4,726,264)	-32.2%	\$ 4,726,264
Debt Service	1,101,996	1,101,996	1,170,834	68,838	6.2%	(68,838)
Non-operating Expense Subtotal	\$ 15,793,996	\$ 15,793,996	\$ 11,136,570	\$ (4,657,426)	-29.5%	\$ 4,657,426
Net Change in Cash Balance	\$ (14,686,112)	\$ (14,686,612)	\$ (9,478,448)	\$ 5,208,164	-35.5%	\$ (5,207,664)

**December is month 12 of 12 = 100%

Fuel Profits (Using COGS) \$ 303,546

BEGINNING CASH	21,002,708
Prior Period Adjustment	(1,174,051)
Change from Revenue/Expenditures	(9,478,448)
ENDING CASH	10,350,209



Surface Water Management (SWM) Fund Details

The purpose of the Surface Water Management(SWM) Fund is to account for revenues and expenses related to Surface Water Management operations and construction.

Surface Water Management Fund Summary of Sources and Uses	2025			2025 Budget vs Actual		2025 Remaining Budget
	Adopted Budget	Amended Budget	Actuals	Amount	Percentage	
Operating Revenue						
Charges for Services	\$ 5,794,001	\$ 5,794,001	\$ 6,478,533	\$ 684,532	11.8%	\$ (684,532)
Intergovernmental Revenue	844,000	844,000	305,291	(538,709)	-63.8%	538,709
Operating Revenue Subtotal	\$ 6,638,001	\$ 6,638,001	\$ 6,783,824	\$ 145,823	2.2%	\$ (145,823)
Operating Expense						
Salaries and Benefits	\$ 2,023,034	\$ 2,063,034	\$ 1,954,013	\$ (109,021)	-5.3%	\$ 69,021
Supplies	119,650	119,650	94,139	(25,511)	-21.3%	25,511
Services	1,698,715	1,698,715	1,417,199	(281,516)	-16.6%	281,516
Services - Interfund	1,012,635	1,012,635	1,012,635	-	0.0%	-
Total Operating Expenses (excl. depreciation)	\$ 4,854,034	\$ 4,894,034	\$ 4,477,986	\$ (416,048)	-8.5%	\$ 376,048
Operating Income/(Loss)	\$ 1,783,967	\$ 1,743,967	\$ 2,305,837	\$ 561,870	32.2%	\$ (521,870)
Non-Operating Revenue						
Insurance Recovery	-	-	4,072	4,072	0.0%	(4,072)
Miscellaneous Revenue	-	-	967	967	0.0%	(967)
Interest Income	400,000	400,000	500,152	100,152	25.0%	(100,152)
Non-operating Revenue Subtotal	\$ 400,000	\$ 400,000	\$ 505,190	\$ 105,190	26.3%	\$ (105,190)
Non-operating Expense						
Capital Outlay	\$ 2,094,000	\$ 3,978,000	3,448,227	\$ (529,773)	-13.3%	\$ (1,354,227)
Debt Service	-	-	903	903	0.0%	(903)
Transfers Out to Fund 319 (Transportation Improvements)	500,000	500,000	6,000	(494,000)	-98.8%	494,000
Non-operating Expense Subtotal	\$ 2,594,000	\$ 4,478,000	\$ 3,455,131	\$ (1,022,869)	-22.8%	\$ (861,131)
Net Change in Cash Balance	\$ (410,033)	\$ (2,334,033)	\$ (644,103)	\$ 1,689,930	-72.4%	\$ 234,070

**December is month 12 of 12 = 100%

BEGINNING CASH	11,058,641
Change from Revenue/Expenditures	(644,103)
Deposits	4,538
Retainage	69,187
ENDING CASH	10,488,263

INTERNAL SERVICE FUNDS

Internal Service Funds are funds that cities use to manage services provided internally from one department to another, rather than to the public. These funds operate like internal businesses within the government, charging city departments for the services they use—such as vehicle maintenance, information technology support, or insurance coverage.

By tracking these costs separately, Internal Service Funds help ensure accurate budgeting, promote cost accountability, and allow departments to see the true cost of the resources they consume.

The City has internal service funds for:

- Equipment maintenance (repairing city vehicles, etc.)
- Equipment replacement
- Repair and replacement of municipal facilities
- Information technology (managing computers and networks)
- Insurance

Internal Service Funds:	Revenue			Expenditures		
Fund	Budget	Actual	% Actual to Budget	Budget	Actual	% Actual to Budget
Equipment Rental Operations	\$ 1,077,976	\$ 1,052,747	97.7%	\$ 855,438	\$ 734,348	85.8%
Equipment Rental Replacement	2,518,511	2,463,518	97.8%	1,389,000	937,992	67.5%
Facility Major Repairs	380,393	522,607	137.4%	428,885	277,861	64.8%
Computer Replacement	238,000	265,421	111.5%	460,000	169,170	36.8%
Self Insurance	1,147,472	1,157,059	100.8%	1,270,971	1,184,804	93.2%
Unemployment Insurance	60,000	72,555	121%	300,000	99,016	33.0%

Internal Service Funds:	CASH		
Fund	At 12/31/2024	At 12/31/2025	Change
Equipment Rental Operations	117,543	435,942	318,399
Equipment Rental Replacement	3,031,355	4,556,881	1,525,526
Facility Major Repairs	297,226	541,972	244,746
Computer Replacement	1,341,917	1,438,168	96,251
Self Insurance	660,261	632,516	(27,745)
Unemployment Insurance	581,997	555,536	(26,461)

ATTACHMENT 1 – Sales Tax by Category

SALES TAX SUMMARY December 2025(October 2025 Sales)

NAICS	CONSTRUCTION	24 TOTAL	24 YTD	25 YTD	YTD
236	Construction of Buildings	\$47,585	\$47,585	\$59,431	55.5%
237	Heavy & Civil Construction	\$7,120	\$7,120	\$19,970	180.1%
238	Specialty Trade Contractors	\$71,885	\$71,885	\$75,073	0.5%
	TOTAL CONSTRUCTION	\$126,590	\$126,590	\$154,474	21.6%
	Overall Construction Change from Previous Year			\$27,884	21.6%
NAICS	MANUFACTURING	24 TOTAL	24 YTD	25 YTD	YTD
311	Food Manufacturing	\$797	\$797	\$1,262	56.6%
312	Beverage & Tobacco Products	2,229	2,229	2,596	16.5%
313	Textile Mills	1,420	1,420	1,420	0.0%
314	Textile Product Mills	173	173	173	0.0%
315	Apparel Manufacturing	320	320	410	28.4%
316	Leather & Allied Products	434	434	547	25.1%
321	Wood Product Manufacturing	6,365	6,365	872	13.7%
322	Paper Manufacturing	289	289	1,486	412.5%
323	Printing & Related Support	4,907	4,907	7,315	48.1%
324	Plastics & Rubber Products	80	80	34	-42.5%
325	Chemical Manufacturing	1,367	1,367	1,521	11.2%
326	Plastic & Rubber Products	289	289	87	-70.0%
327	Nonmetallic Mineral Products	4,459	4,459	4,191	-6.0%
331	Primary Metal Manufacturing	68	68	71	4.1%
332	Fabricated Metal Industry Products	1,863	1,863	1,695	-9.0%
333	Machinery Manufacturing	730	730	10,068	1283.8%
334	Computer & Electronic Products	2,730	2,730	2,598	-4.8%
335	Electric, Electronic, & Appliance	1,637	1,637	1,964	19.8%
336	Transportation Equipment Manufacturing	15,615	15,615	18,610	19.2%
337	Furniture & Related Products	2,949	2,949	2,945	-0.1%
339	Miscellaneous Manufacturing	4,278	4,278	5,099	19.2%
	TOTAL MANUFACTURING	\$30,979	\$30,979	\$63,434	104.7%
	Overall Manufacturing Change from Previous Year			\$32,455	104.7%
NAICS	TRANSPORTATION & WAREHOUSING	24 TOTAL	24 YTD	25 YTD	YTD
431	Air Transportation	\$	\$	\$	0.0%
432	Rail Transportation	2	2	40	2200.0%
433	Water Transportation	-	-	0	0.0%
434	Truck Transportation	6,412	6,412	5,408	-15.7%
435	Tunnel and Sound Passages	-	-	2	0.0%
436	Scientific and Squeezing Tools	-	-	-	0.0%
437	Transportation Support	3,486	3,486	1,325	-62.0%
438	Postal Services	106	106	95	-10.4%
439	Couriers & Messengers	32,317	32,317	40,573	25.4%
440	Warehousing & Storage	371	371	255	-31.3%
	TOTAL TRANSPORTATION & WAREHOUSING	\$42,694	\$42,694	\$47,469	11.2%
	Overall Transportation Change from Previous Year			\$4,775	11.2%
NAICS	WHOLESALE TRADE	24 TOTAL	24 YTD	25 YTD	YTD
423	Wine Trade-Nonstore	\$	\$	\$	0.0%
424	Wine Trade-Store	159,627	159,627	160,485	0.5%
425	Wine Trade-Nonstore	54,307	54,307	62,018	14.0%
426	Wine Trade-Store	1,370	1,370	1,370	0.0%
	WHOLESALE TRADE TOTAL	\$215,304	\$215,304	\$223,873	3.9%
	Overall Wholesale Change from Previous Year			\$8,569	3.9%
NAICS	RETAIL TRADE	24 TOTAL	24 YTD	25 YTD	YTD
441	Motor Vehicle & Parts Dealer	\$	\$	\$	0.0%
442	Motor Vehicle & Parts Dealer	207,679	207,679	117,729	-43.3%
443	Gasoline Stations	-	-	-	0.0%
444	Gasoline Stations	207,679	207,679	117,729	-43.3%
445	Gasoline Stations	-	-	-	0.0%
446	Gasoline Stations	-	-	-	0.0%
447	Gasoline Stations	-	-	-	0.0%
448	Gasoline Stations	-	-	-	0.0%
449	Gasoline Stations	-	-	-	0.0%
450	Gasoline Stations	-	-	-	0.0%
451	Gasoline Stations	-	-	-	0.0%
452	Gasoline Stations	-	-	-	0.0%
453	Gasoline Stations	-	-	-	0.0%
454	Gasoline Stations	-	-	-	0.0%
455	Gasoline Stations	-	-	-	0.0%
456	Gasoline Stations	-	-	-	0.0%
457	Gasoline Stations	-	-	-	0.0%
458	Gasoline Stations	-	-	-	0.0%
459	Gasoline Stations	-	-	-	0.0%
	TOTAL RETAIL TRADE	\$207,679	\$207,679	\$117,729	-43.3%
	Overall Retail Change from Previous Year			-\$90,000	-43.3%
NAICS	SERVICES	24 TOTAL	24 YTD	25 YTD	YTD
511	Information	\$215,632	\$215,632	\$223,873	3.8%
512	Information	215,632	215,632	223,873	3.8%
513	Information	215,632	215,632	223,873	3.8%
514	Information	215,632	215,632	223,873	3.8%
515	Information	215,632	215,632	223,873	3.8%
516	Information	215,632	215,632	223,873	3.8%
517	Information	215,632	215,632	223,873	3.8%
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529	Information	215,632	215,632	223,873	3.8%
530	Information	215,632	215,632	223,873	3.8%
531	Information	215,632	215,632	223,873	3.8%
532	Information	215,632	215,632	223,873	3.8%
533	Information	215,632	215,632	223,873	3.8%
534	Information	215,632	215,632	223,873	3.8%
535	Information	215,632	215,632	223,873	3.8%
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545	Information	215,632	215,632	223,873	3.8%
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575	Information	215,632	215,632	223,873	3.8%
576	Information	215,632	215,632	223,873	3.8%
577	Information	215,632	215,632	223,873	3.8%
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