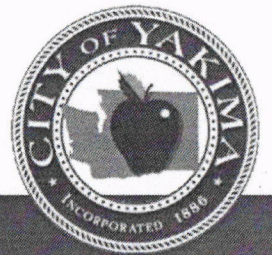


City of Yakima 2023-2024 Preliminary Biennial Budget

1st Public Hearing
November 1, 2022



Yakima Council Study Sessions

October 4th

- 2023-2024 Biennial Budget Overview
- Economic Development
- Fire
- Police
- Community Development
- Parks and Recreation

October 6th

- Airport
- Capitol Theatre
- TBD, REET I & II
- Clean City
- Refuse
- Water and Irrigation
- Transit
- Equipment Rental
- Wastewater and Stormwater
- Streets

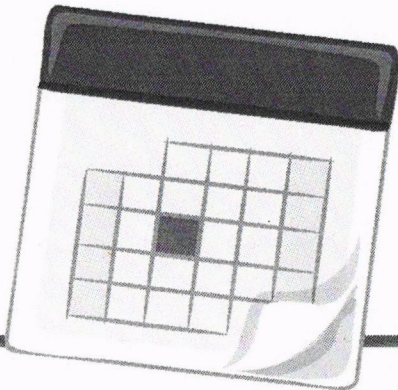
October 11th |

- ARPA Update
- YWCA
- Community Partnerships
- Affordable Housing Programs
- Yakima Arts Center
- Public Safety-Vehicle Update
- Engineering
- Yakima Convention and Event Center
- GRIT
- Parks and Recreation Fee Schedule
- Permitting and Fire Inspection Fee Analysis



Key Dates

Oct	4	Council Study Session 1
	6	Council Study Session 2
	11	Council Study Session 3
Nov	1	1st Budget Public Hearing
	1	Public Hearing and Ordinances on Ad Valorem Tax Rate
	15	2nd Budget Public Hearing & Ordinance to Adopt



Yakima Council Strategic Priorities

1. Public Safety
2. Fiscal Sustainability
3. Housing
4. Strengthening Partnership
5. Investment in Infrastructure



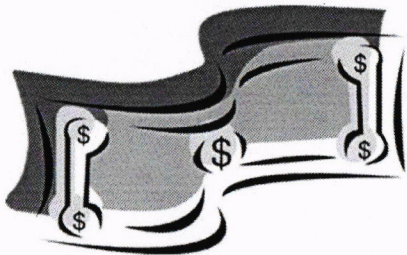
2023-2024 Budget Goals

- Achieve a balanced budget in every fund.
- Assure prioritized services citywide.
- Preserve General Fund's reserve, with a goal of 25% of expenditures.
- Establish sustainable funding for equipment replacement.
- An updated 5-year capital budget, developed for all funds, including projects within the General Fund.

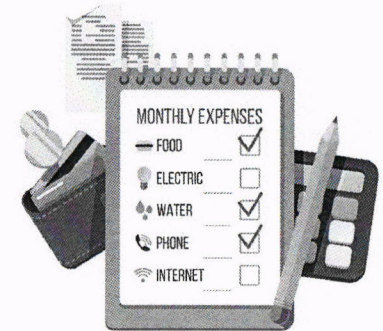


Revenues by Source

	General Fund				Citywide			
	2023	% of Total	2024	% of Total	2023	% of Total	2024	% of Total
Sales Tax	\$ 29,454,000	41.0 %	\$ 31,005,950	42.2 %	\$ 40,347,000	16.0 %	\$ 42,016,136	17.1 %
Utility & Franchise Taxes	20,334,354	28.3 %	20,554,893	28.0 %	21,944,962	8.7 %	22,185,608	9.0 %
Property Tax	9,229,468	12.9 %	8,990,443	12.2 %	22,863,709	9.1 %	23,285,527	9.5 %
Charges for Services	3,105,310	4.3 %	3,172,501	4.3 %	60,137,914	23.8 %	61,520,239	25.1 %
Intergovernmental Revenues	3,499,577	4.9 %	3,549,875	4.8 %	38,780,698	15.4 %	22,144,126	9.0 %
Other Taxes & Assessments	1,112,400	1.5 %	1,126,389	1.6 %	7,463,400	3.0 %	7,477,389	3.1 %
Licenses & Permits	1,908,700	2.7 %	1,927,700	2.6 %	3,389,585	1.3 %	3,408,585	1.4 %
Fines and Forfeitures	1,291,000	1.8 %	1,306,540	1.8 %	1,341,000	0.5 %	1,356,540	0.6 %
Transfers	—	— %	—	— %	17,810,700	7.1 %	19,125,588	7.8 %
Miscellaneous Revenues	1,838,636	2.6 %	1,866,508	2.5 %	38,025,405	15.1 %	42,749,701	17.4 %
	<u>\$ 71,773,445</u>		<u>\$ 73,500,799</u>		<u>\$ 252,104,373</u>		<u>\$ 245,269,439</u>	



Expenditures by Category



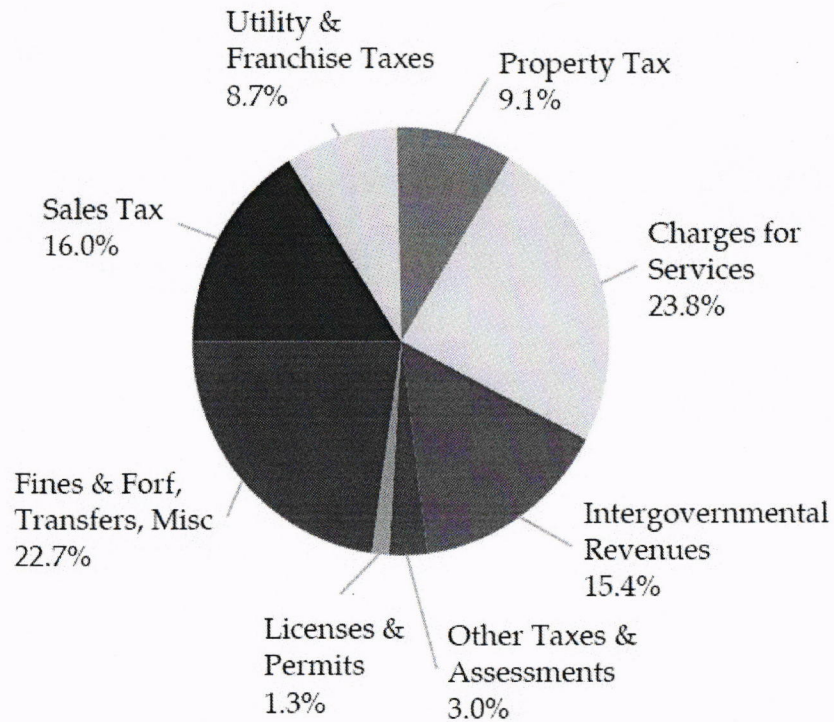
	General Fund				Citywide			
	2023	% of Total	2024	% of Total	2023	% of Total	2024	% of Total
Salaries & Wages	\$ 42,530,162	58.0 %	\$ 43,922,083	58.5 %	\$ 71,125,687	26.4 %	\$ 73,586,964	29.3 %
Personnel Benefits	14,664,269	20.0 %	15,053,109	20.0 %	41,038,408	15.2 %	42,200,089	16.8 %
Supplies for Consumption & Resale	2,079,730	2.8 %	2,089,699	2.8 %	9,634,115	3.6 %	9,913,410	4.0 %
Services & Pass-Through Payments	11,575,415	15.8 %	11,550,942	15.4 %	64,060,900	23.7 %	64,554,691	25.7 %
Capital Outlays	100,000	0.1 %	100,000	0.1 %	57,021,733	21.1 %	34,244,400	13.6 %
Transfers	2,193,819	3.0 %	2,224,257	3.0 %	17,810,700	6.6 %	19,125,588	7.6 %
Debt Service	206,233	0.3 %	166,852	0.2 %	9,128,254	3.4 %	7,597,435	3.0 %
	<u>\$ 73,349,628</u>		<u>\$ 75,106,942</u>		<u>\$ 269,819,797</u>		<u>\$ 251,222,577</u>	



2023 Citywide

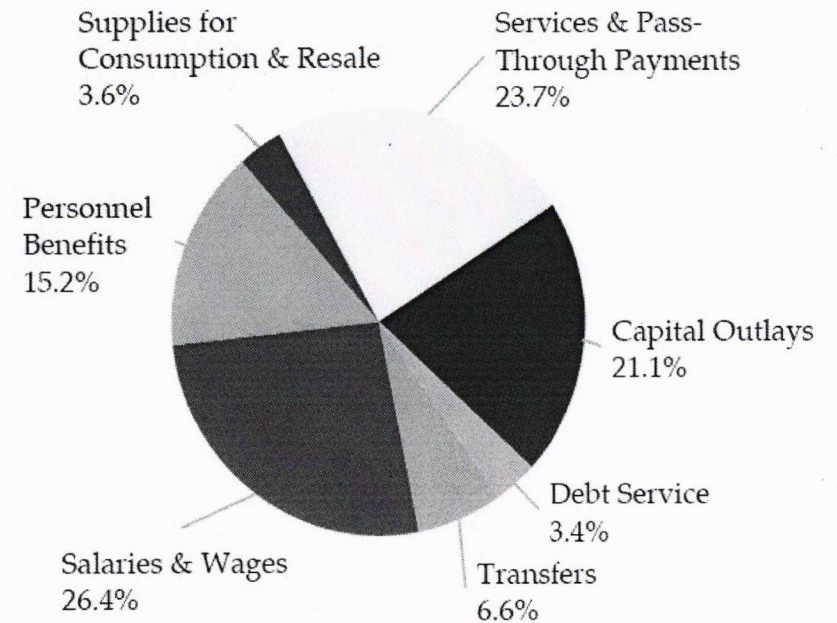
2023 REVENUES BY SOURCE

\$252,104,373



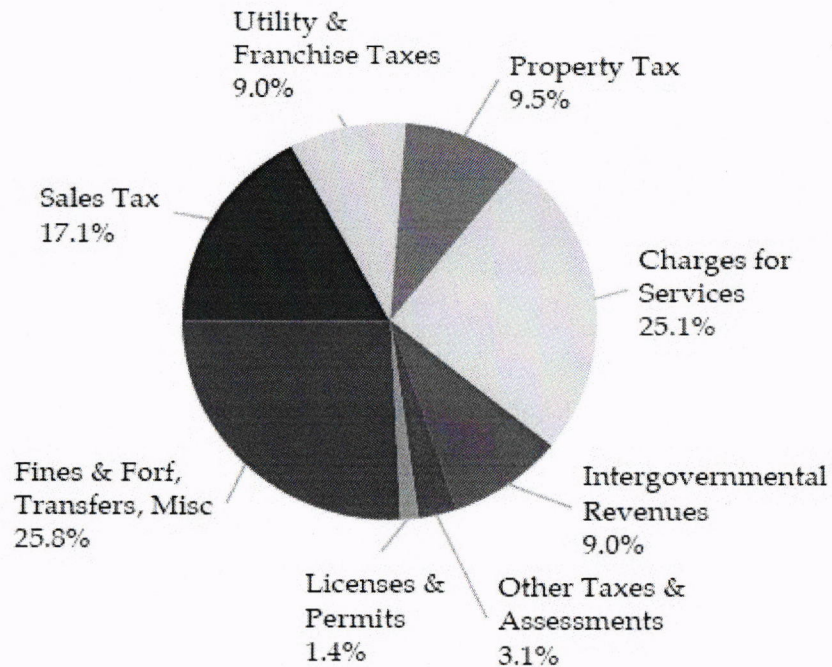
EXPENDITURES BY CATEGORY

\$269,819,797

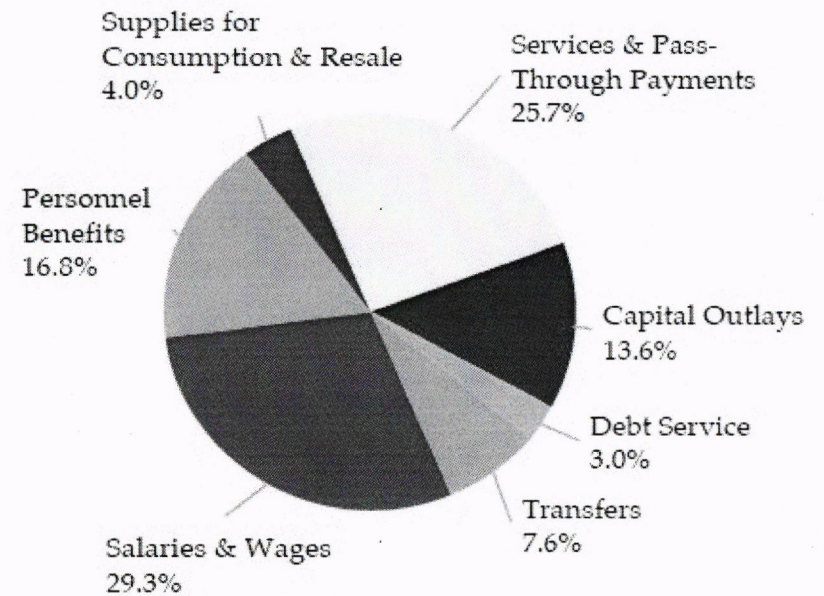


2024 Citywide

REVENUES BY SOURCE
\$245,269,439

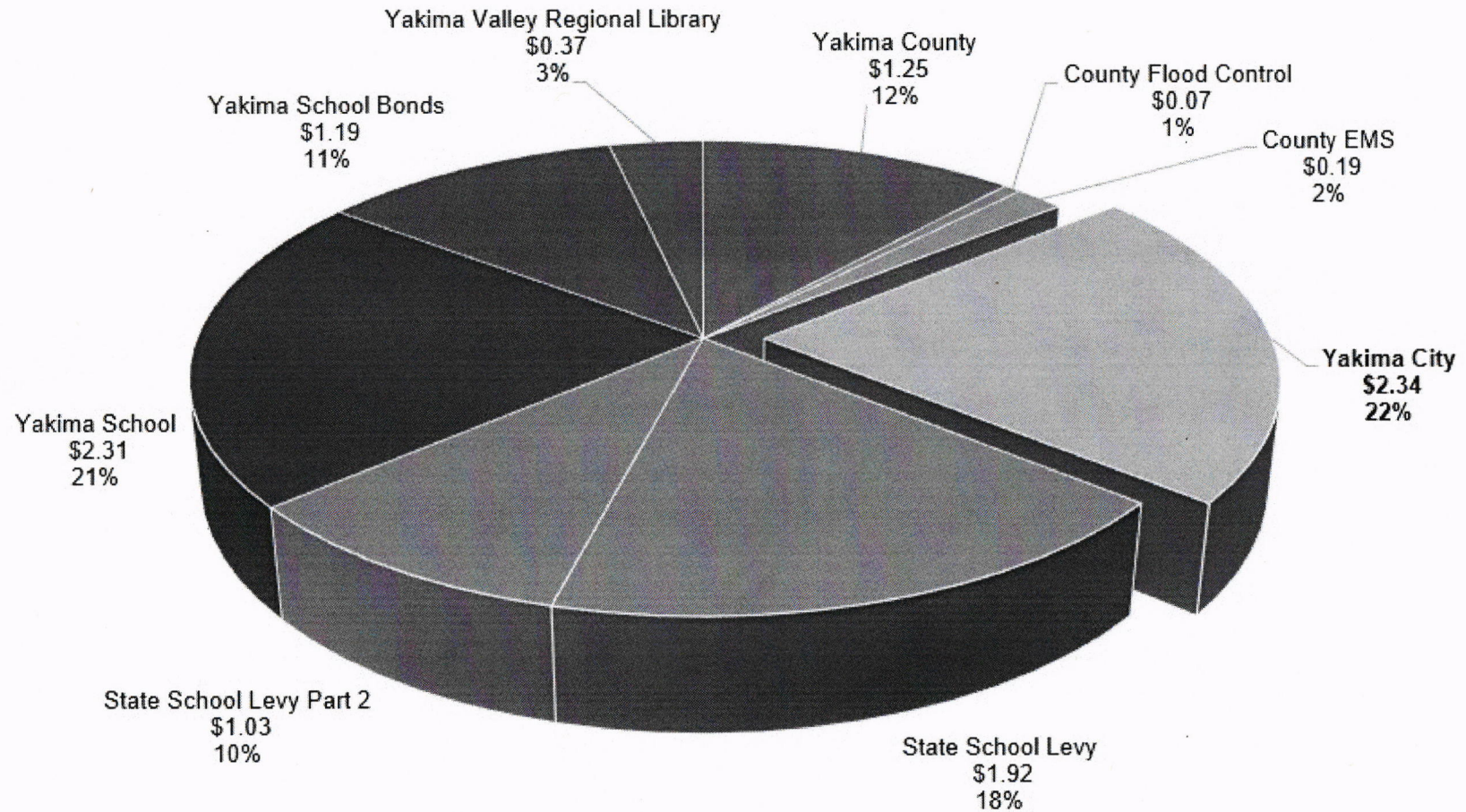


EXPENDITURES BY CATEGORY
\$251,222,577

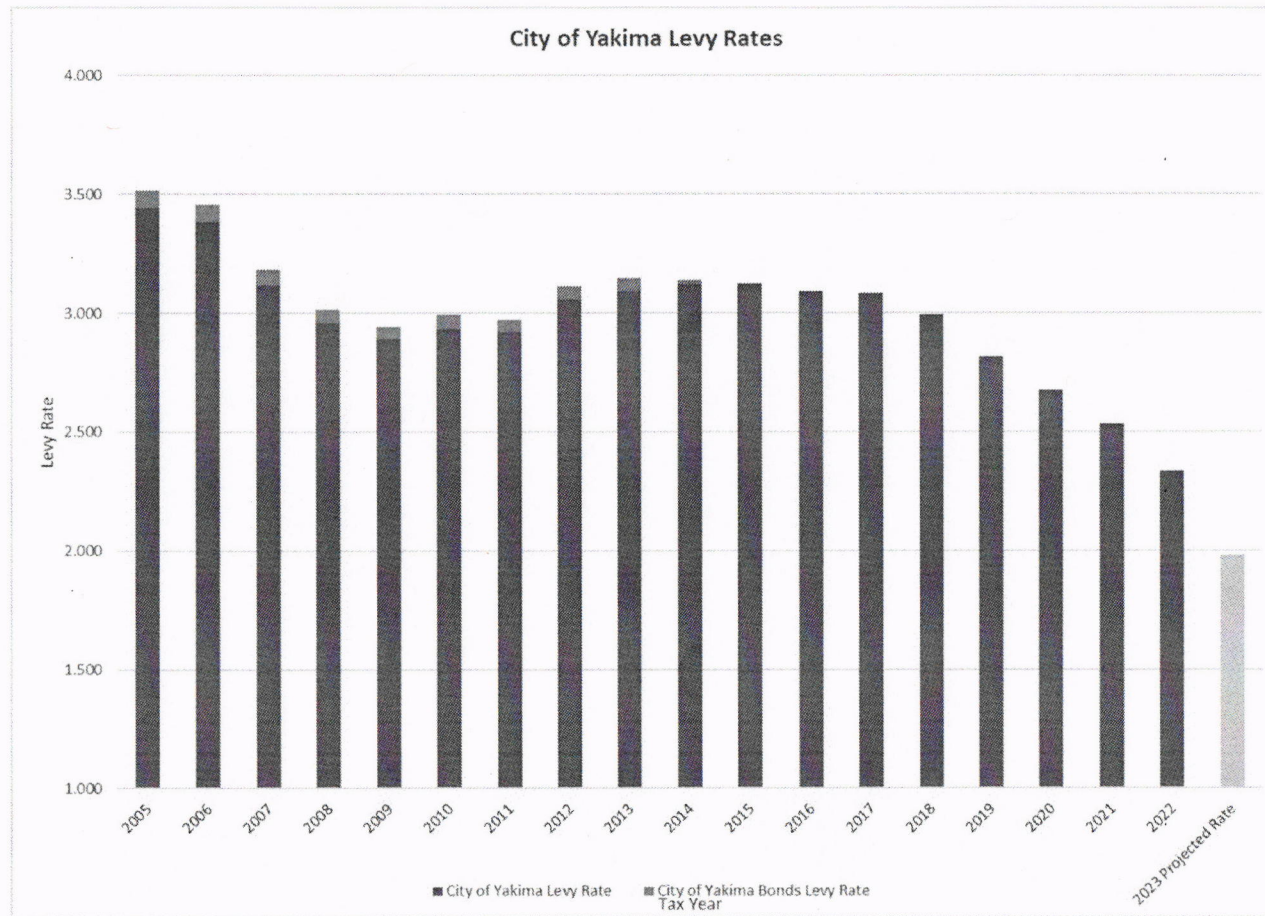


Property Tax

Yakima County Tax District Levy 2022



City of Yakima Levy Rates



Budget Challenges

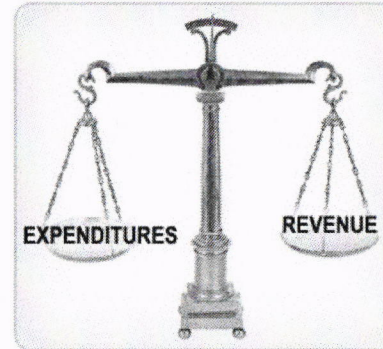
- ☐ Health insurance rate increase, 3%
- ☐ Collective bargaining (unsettled contracts-Public Safety)
- ☐ Staffing needs
- ☐ Significant unfunded capital facilities/equipment needs
- ☐ Inflation, 9%
- ☐ Recruit and retain-competitive wages



"Our only problem is
figuring out how to switch these."



Budget Development



- Reorganizations to improve coordination of programs and services
- Alternative revenue options
- Expand understanding of necessary repair/maintenance/upgrade of several facilities
- Continued discussion of equipment replacement funding for public safety
- Sustainable path to maintain existing levels of service beyond the next biennium



2023 Reserve Balance Summary

	Estimated 2023 Beginning Fund Balance	2023 Projected Revenues	2023 Proposed Expenditures	Increase in (Dec in) Reserves	Budgeted 2023 Ending Balance	% of Prop Exp
General Fund	\$ 16,251,335	\$ 71,773,445	\$ 73,349,628	(\$ 1,576,183)	\$ 14,675,152	20.0 %
Parks and Recreation	488,660	6,162,752	6,233,727	(70,975)	417,685	6.7 %
Street & Traffic Operations	1,318,167	6,415,663	6,517,426	(101,763)	1,216,404	18.7 %
General Government Subtotal	18,058,162	84,351,860	86,100,781	(1,748,921)	16,309,241	18.9 %
Other Governmental Operating Funds	20,366,497	16,063,629	20,982,018	(4,918,389)	15,448,108	73.6 %
Government Capital Funds	15,705,268	18,435,284	23,098,236	(4,662,952)	11,042,316	47.8 %
Enterprise Operating Funds	30,180,682	65,952,528	66,503,931	(551,403)	29,629,279	44.6 %
Enterprise Capital Funds	21,685,860	26,808,444	30,676,588	(3,868,144)	17,817,716	58.1 %
Internal Service Funds	3,233,360	10,307,381	11,930,152	(1,622,771)	1,610,589	13.5 %
Employee Benefit Reserve	6,137,063	17,909,046	17,272,153	636,893	6,773,956	39.2 %
Risk Management Reserves	4,985,438	5,438,458	6,418,704	(980,246)	4,005,192	62.4 %
Debt Service & Agency Funds	3,609,717	6,837,743	6,837,234	509	3,610,226	52.8 %
Total	\$ 123,962,047	\$ 252,104,373	\$ 269,819,797	(\$ 17,715,424)	\$ 106,246,623	39.4 %



2024 Reserve Balance Summary

	Estimated 2024 Beginning Fund Balance	2024 Projected Revenues	2024 Proposed Expenditures	Increase in (Dec in) Reserves	Budgeted 2024 Ending Balance	% of Prop Exp
General Fund 8	\$ 14,675,152	\$ 73,500,799	\$ 75,106,942	(\$ 1,606,143)	\$ 13,069,009	17.4 %
Parks and Recreation	417,685	6,691,386	6,362,168	329,218	746,903	11.7 %
Street & Traffic Operations	1,216,404	6,435,518	6,642,466	(206,948)	1,009,456	15.2 %
General Government Subtotal	16,309,241	86,627,703	88,111,576	(1,483,873)	14,825,368	16.8 %
Other Governmental Operating Funds	15,448,108	16,236,849	19,253,194	(3,016,345)	12,431,763	64.6 %
Government Capital Funds	11,042,316	19,358,327	21,450,951	(2,092,624)	8,949,692	41.7 %
Enterprise Operating Funds	29,629,279	66,227,943	68,644,017	(2,416,074)	27,213,205	39.6 %
Enterprise Capital Funds	17,817,716	16,715,026	12,080,147	4,634,879	22,452,595	185.9 %
Internal Service Funds	1,610,589	10,107,344	11,148,566	(1,041,222)	569,367	5.1 %
Employee Benefit Reserve	6,773,956	18,610,432	17,614,254	996,178	7,770,134	44.1 %
Risk Management Reserves	4,005,192	5,764,765	7,299,121	(1,534,356)	2,470,836	33.9 %
Debt Service & Agency Funds	3,610,226	5,621,050	5,620,751	299	3,610,525	64.2 %
Total	\$ 106,246,623	\$ 245,269,439	\$ 251,222,577	(\$ 5,953,138)	\$ 100,293,485	39.9 %



Questions

Thank you for your
time.

