



City of Tukwila
***Finance and Governance
Committee***

- ◇ Armen Papyan, Chair
- ◇ Dennis Martinez
- ◇ Verna Seal

Distribution:

A. Papyan	Mayor McLeod
D. Martinez	M. Wine
V. Seal	A. Youn
T. Sharp	L. Humphrey
J. McConnell	

AGENDA

MONDAY, JULY 28, 2025 – 5:30 PM

ON-SITE PRESENCE:

**TUKWILA CITY HALL
HAZELNUT CONFERENCE ROOM
6200 SOUTHCENTER BOULEVARD**

REMOTE PARTICIPATION FOR THE PUBLIC:

1-253-292-9750, ACCESS CODE: 441656166#
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Item	Recommended Action	Page
1. BUSINESS AGENDA		
a. Ordinance Amending Business License Regulations <i>Adam Schierenbeck, Acting Fiscal Manager</i>	a. Forward to 8/11 C.O.W. & 08/18 Regular Consent	Pg.1
b. Compensation Policy Discussion <i>TC Croone, Chief People Officer</i>	b. Return to 8/25 Committee	Pg.23
c. 2026 Budget Adjustment Process Discussion <i>Aaron Be Miller, Finance Director</i>	c. Discussion only	Pg.41
d. 2025 2nd Quarter Financial Report <i>Tony Cullerton, Deputy Finance Director</i>	d. Discussion only	Pg.43
2. MISCELLANEOUS		

Next Scheduled Meeting: August 25, 2025



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INFORMATIONAL MEMORANDUM

TO: **Finance & Governance Committee**

FROM: **Aaron BeMiller, Finance Director**

BY: **Adam Schierenbeck, Acting Fiscal Manager**

CC: **Thomas McLeod**

DATE: **July 22, 2025**

SUBJECT: **Business Licensing – Amendments to Chapter 5.04 TMC**

ISSUE

The Finance Department is recommending amendments to Chapter 5.04 of the Tukwila Municipal Code (TMC) concerning business licensing. The amendments will align the code with current practice and state law, create administrative efficiencies, and strengthen enforcement of the City's business licensing requirements.

BACKGROUND

In 2019, the City joined into a partnership with the Washington State Department of Revenue (DOR) for administering City business license applications and issuing City business license endorsements. Staff have identified the need to align the TMC with current practice as it relates to DOR's administration of business licenses, in addition to improving other areas of the code.

Also, RCW 35.90.080 requires the City to adopt the mandatory provisions of the model ordinance developed by Washington cities when imposing a general business license requirement. Effective January 1, 2026, the minimum threshold under which a nonresident business is exempt from paying a business license fee will increase from \$2,000 to \$4,000, per the model ordinance.

DISCUSSION

Staff are proposing the following amendments to administer business licensing. An amendment to the minimum threshold is required by state law.

Definition Changes

Certain definition changes are recommended based upon definitions that have been adopted by other Washington cities. The new definitions add clarity and do not otherwise alter the City's business licensing requirements.

Purpose of Business License Regulations

The business licensing provisions are deemed an exercise of the power of the City to license for regulation and for revenue. Ensuring the legality of businesses and compliance with other sections of the TMC, for which separate code enforcement provisions already exist, is secondary and distinct from issuance of a general business license. It is recommended that the purpose statement be amended accordingly, and that a new section be added to clarify that the issuance of a business license does not indicate the legality of the business.

Minimum threshold

The Washington State business license model ordinance provides that if the annual gross income derived by a nonresident within Tukwila does not exceed \$2,000 per calendar year, then the business license fee is waived. This threshold amount will increase to \$4,000 effective January 1, 2026, and will subsequently be adjusted every 48 months based on the Consumer

Price Index for each of the preceding four years. This change is required by state law. Businesses with gross income under the threshold are still required to apply for and obtain a City business license.

Enforcement

New and amended enforcement provisions are recommended to more effectively administer and enforce the City's business licensing requirements. These include:

- A more efficient means for staff to assess underpaid license fees, including the right to estimate the license fee due if the business has not kept or does not provide requested information to substantiate the proper amount due.
- Stronger enforcement tools for failure to follow the business licensing requirements, including the possibility of issuing a criminal violation or injunction.
- Specific language stating that the Finance Director and staff have the right to inspect documentation or places of business to ensure compliance with business license regulations and may call upon other city departments to ensure compliance.

FINANCIAL IMPACT

The code changes are not anticipated to have a significant financial impact on business license fee revenues. The change to the minimum threshold may result in reduced business license fee revenue from nonresident businesses. However, this amount will likely be offset by a greater ability to assess and enforce past due or underpaid license fees.

RECOMMENDATION

The Council is being asked to approve the ordinance and consider this item at the August 11, 2025 Committee of the Whole Meeting and subsequent August 18, 2025 Regular Meeting.

ATTACHMENTS

- A. Draft Business License Ordinance
- B. 2026 Business License Model Threshold Update (from AWC)

DRAFT

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON; AMENDING VARIOUS ORDINANCES AS CODIFIED THROUGHOUT TUKWILA MUNICIPAL CODE (TMC) CHAPTER 5.04, “BUSINESS LICENSES & REGULATIONS, LICENSES GENERALLY”; REPEALING TMC SECTIONS 5.04.050, 5.04.080, AND 5.04.105; ESTABLISHING TMC SECTIONS 5.04.140 AND 5.04.150; TO AMEND THE BUSINESS LICENSE FEES, MINIMUM THRESHOLD AND ADMINISTRATIVE PROVISIONS RELATED TO BUSINESS LICENSING; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, in 2019, the City joined into a partnership with the Washington State Department of Revenue (DOR) for administering City business license applications and issuing City business license endorsements; and

WHEREAS, RCW 35.90.080 requires the City to adopt the mandatory provisions of the model ordinance developed by Washington cities when imposing a general business license requirement, including a minimum threshold under which a nonresident business is relieved of the requirement to pay the business license fee, which will be amended effective January 1, 2026; and

WHEREAS, additional amendments to the City’s business licensing code will align the code with current practice, create administrative efficiencies, and strengthen enforcement of the City’s business licensing requirements;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, HEREBY ORDAINS AS FOLLOWS:

Section 1. TMC Section 5.04.010 Amended. Ordinance Nos. 2315 §1 (part), 2333 §1, 2356 §1, 2381 §1, 2496 §1, 2544 §2, and 2588 §2, as codified at TMC Section 5.04.010, “Definitions,” are hereby amended to read as follows:

5.04.010 Definitions

For the purpose of this chapter, the following definitions shall apply:

1. “Business,” means ~~and includes~~ all activities, occupations, trades, pursuits, or professions located and/or engaged in within the City, ~~that involves the manufacturing or processing of materials of any type; the sale of goods, wares or merchandise; the rendition of services or the repair of goods, wares or merchandise for any consideration with the object of gain, benefit or advantage~~ to the person engaging in the same or to any other person or class, directly or indirectly, and includes nonprofit enterprises, whether or not an office or physical location for the business lies within the City limits.

2. “Department,” means Finance Department.

3. “Director,” means the Finance Director or his or her designee.

4. “Engaging in business” means commencing, conducting, or continuing in business, and also the exercise of corporate or franchise powers, as well as liquidating a business when the liquidators thereof hold themselves out to the public as conducting such business.

a. This section sets forth examples of activities that constitute engaging in business in the City and establishes safe harbors for certain of those activities so that a person who meets the criteria may engage in de minimus business activities in the City without having to pay a business license fee. The activities listed in this section are illustrative only and are not intended to narrow the definition of "engaging in business" as defined above. If an activity is not listed, whether it constitutes engaging in business in the City shall be determined by considering all the facts and circumstances and applicable law.

b. Without being all inclusive, any one of the following activities conducted within the City by a person, or its employee, agent, representative, independent contractor, broker or another acting on its behalf constitutes engaging in business and requires a person to register and obtain a business license:

(1) Owning, renting, leasing, maintaining, or having the right to use, or using, tangible personal property, intangible personal property, or real property permanently or temporarily located in the City.

(2) Owning, renting, leasing, using, or maintaining, an office, place of business, or other establishment in the City.

(3) Soliciting sales.

(4) Making repairs or providing maintenance or service to real or tangible personal property, including warranty work and property maintenance.

(5) Providing technical assistance or service, including quality control, product inspections, warranty work, or similar services on or in connection with tangible personal property sold by the person or on its behalf.

(6) Installing, constructing, or supervising installation or construction of, real or tangible personal property.

(7) Soliciting, negotiating, or approving franchise, license, or other similar agreements.

(8) Collecting current or delinquent accounts.

(9) Picking up and transporting tangible personal property, solid waste, construction debris, or excavated materials.

(10) Providing disinfecting and pest control services, employment and labor pool services, home nursing care, janitorial services, appraising, landscape architectural services, security system services, surveying, and real estate services including the listing of homes and managing real property.

(11) Rendering professional services such as those provided by accountants, architects, attorneys, auctioneers, consultants, engineers, professional athletes, barbers, baseball clubs and other sports organizations, chemists, consultants, psychologists, court reporters, dentists, doctors, detectives, laboratory operators, teachers, veterinarians.

(12) Meeting with customers or potential customers, even when no sales or orders are solicited at the meetings.

(13) Training or recruiting agents, representatives, independent contractors, brokers or others, domiciled or operating on a job in the City, acting on its behalf, or for customers or potential customers.

(14) Investigating, resolving, or otherwise assisting in resolving customer complaints.

(15) In-store stocking or manipulating products or goods, sold to and owned by a customer, regardless of where sale and delivery of the goods took place.

(16) Delivering goods in vehicles owned, rented, leased, used, or maintained by the person or another acting on its behalf.

c. If a person, or its employee, agent, representative, independent contractor, broker or another acting on the person's behalf, engages in no other activities in or with the City but the following, it need not register and obtain a business license.

(1) Meeting with suppliers of goods and services as a customer.

(2) Meeting with government representatives in their official capacity, other than those performing contracting or purchasing functions.

(3) Attending meetings, such as board meetings, retreats, seminars, and conferences, or other meetings wherein the person does not provide training in connection with tangible personal property sold by the person or on its behalf. This provision does not apply to any board of director member or attendee engaging in business such as a member of a board of directors who attends a board meeting.

(4) Renting tangible or intangible property as a customer when the property is not used in the City.

(5) Attending, but not participating in a "trade show" or "multiple vendor events". Persons participating at a trade show shall review the City's trade show or multiple vendor event ordinances.

(6) Conducting advertising through the mail.

(7) Soliciting sales by phone from a location outside the City.

d. A seller located outside the City merely delivering goods into the City by means of common carrier is not required to register and obtain a business license, provided that it engages in no other business activities in the City. Such activities do not include those in subsection 5.04.010(4)(c).

e. The City expressly intends that engaging in business include any activity sufficient to establish nexus for purposes of applying the license fee under the law and the constitutions of the United States and the State of Washington. Nexus is presumed to continue as long as the taxpayer benefits from the activity that constituted the original nexus generating contact or subsequent contacts.

5. "License or licensee," ~~as used generally in this chapter, means and includes respectively the words "permit" or "permittee" or the holder for any use or period of time of any similar privilege, wherever relevant to any provision of this chapter or other law or ordinance~~ means any business that applies for or is granted a business license. The term shall also mean the person who submits a business license application for approval, the owner or operator of a business, and any corporation, partnership, nonprofit, or organization which owns or operates the business.

~~6. "Nonprofit organization" includes individual person(s), partnerships, joint ventures, societies, associations, churches, clubs, trustees, trusts or corporations; or any officers, agents, employees, factors or any kind of personal representatives of any thereof, in any capacity, acting either for himself or any other person under either personal appointment or pursuant to law who qualifies under definition of and certification by the Internal Revenue Service as nonprofit.~~

~~7~~6. "Person," means any individual, receiver, agent, trustee in bankruptcy, trust, estate, firm, co-partnership, joint venture, company, joint stock company, business trust, corporation, society, or group of individuals acting as a unit, whether mutual, cooperative, fraternal, nonprofit or otherwise.

~~8~~7. "Person engaged in business" means the owner or one primarily beneficially interested in lawful business for profit and not employees.

~~9~~8. "Home occupation" means any business conducted in a residence within the corporate city limits of Tukwila, such business being subject to the requirements set forth in TMC Chapter 18.06, "Definitions," in the section entitled "Home Occupation."

~~10~~9. "Employee" means any individual employed at any business who performs any part of their duties within the City of Tukwila including all full-time, part-time, and temporary employees or workers. The term includes self-employed persons, sole proprietors, owners, officers, managers, and partners. An independent contractor is not an employee. ~~and includes each of the following persons who are not required by the City to have his/her/its own separate City of Tukwila business license:~~

~~a. Any person employed at any business who performs any part of their duties within the City of Tukwila or reports from a location within the City's corporate limits; and~~

~~_____ b. Any person who is on the business's payroll, and includes all full-time, part-time, and temporary employees or workers; and~~

~~c. Owners, officers, managers, and partners; and~~

~~d. Any other person who performs work, services or labor at the business including, but not limited to, family members, regardless of whether they receive a wage from the business.~~

~~e. Self-employed persons, sole proprietors, owners, officers, managers, and partners; and~~

~~f. Any other person who performs work, services or labor at the business, including an independent contractor who may be exempt from requirements to have a separate City of Tukwila business license. Employee is a unit of measure used to determine the Business License fee.~~

10. "Business Licensing Service" or "BLS" means the office within the Washington State Department of Revenue providing business licensing services to the City.

11. "Business license" means a license issued by the City authorizing a person to engage in business within the City. "Business license" also means the licensing document produced by the Business Licensing Service upon which the City-issued business license appears as an endorsement.

12. "City" means the City of Tukwila.

13. "Place of business" means a temporary or permanent physical location within City limits where business is conducted or is intended to be conducted.

Section 2. TMC Section 5.04.012 Amended. Ordinance No. 2315 §1 (part), as codified at TMC Section 5.04.012, "Purpose," is hereby amended to read as follows:

5.04.012 Purpose

The ~~purpose~~ provisions of this chapter shall be deemed an exercise of the power of the City to license for regulation and for revenue. ~~is to regulate and insure the legal conduct of businesses, assist in the effective administration of health, fire, building, zoning and other codes of the City, to impose fees for revenue purposes, and to provide a means for obtaining public information and compiling statistical information on existing and new businesses in the City.~~

Section 3. TMC Section 5.04.020 Amended. Ordinance Nos. 2315 §1 (part), 2333 §3, 2356 §2, 2381 §3, 2496 §2, 2544 §3, and 2588 §4, as codified at TMC Section 5.04.020, "Applications and fees required," is hereby amended to read as follows:

5.04.020 Applications and fees required

A. Application Required. Any person desiring to establish or conduct any business ~~enterprise or undertaking~~ within the corporate limits of the City shall first file a ~~master business license~~ application through the BLS ~~Washington State Department of Licensing Master License Service in coordination with the City of Tukwila Finance Department for a license to conduct such business.~~ The application shall be upon a form furnished by the BLS ~~Washington State Department of Licensing Master License Service~~ on which the

applicant shall state the company name and address; the nature of the business activity or activities in which he/she desires to engage; the place where the business will be conducted; the number of employees, whether full or part-time, ~~on the payroll as of January 1, or, if a new business, the number to be employed on the opening date; the Washington State Unified Business Identifier (UBI) number;~~ and other information pertaining to the business as required by the City or BLS. The applicant shall be required to provide all information requested on said form and failure to do so shall be grounds for refusing to issue the business license. If a person maintains more than one place of business within the City, a separate general business license registration is required for each business. Owners of residential rental property are not subject to the application requirements in this chapter but shall adhere to the ~~application~~ rental business license and inspection program requirements in TMC Chapter 5.06.

B. **Fee – General.** ~~1. The application must be accompanied by the appropriate application-business license fee in accordance with the fee schedule as adopted by separate resolution of the City Council, as well as the Master License Service BLS handling fee required by RCW 19.02.075. For persons with a place of business in Tukwila the City, other than a home occupation, the business license fee for the annual license (Business License fee) issued under this chapter shall be determined based on the total number of employees. The business license fee shall be determined by multiplying the appropriate Business License fee by the number of employees working at or reporting from a location within the City's corporate limits, in accordance with the fee schedule adopted by resolution of the City Council. In no event shall the Business License fee be less than the minimum fee set forth in this chapter.~~ If the number of employees is not known at the time of application or renewal of the license, the business shall estimate the maximum number of employees they anticipate working any time during the 12-month period subject to licensure and remit the associated business license fee.

~~2. It will be the responsibility of the business to determine the total number of employees and, if required, demonstrate to the satisfaction of the Finance Director that the information pertaining to the B business L license fee is accurate. Businesses without a full year of operating history shall estimate the number of employees that will be employed in a 12-month period.~~

C. **Minimum Threshold Fee.** ~~There shall be an annual minimum fee for a Business License in accordance with the fee schedule adopted by resolution of the City Council.~~
~~1. For purposes of the license by this chapter, any person or business whose annual value of products, gross proceeds of sales, or gross income of the business in the City is equal to or less than the threshold amount provided in this subsection \$2,000 and who does not maintain a place of business within the City, shall submit a business license registration to the Finance Director or designee but is exempt from the business license fee requirement as provided in this chapter.~~ The threshold does not apply to regulatory license requirements or activities that require a specialized permit.

1. Prior to January 1, 2026, the threshold amount is \$2,000 per calendar year.

2. Beginning January 1, 2026, the threshold amount is \$4,000 per calendar year. The threshold amount will be adjusted every forty-eight months on January 1, by an

amount equal to the increase in the Consumer Price Index (“CPI”) for “West Urban, All Urban Consumers” (CPI-U) for each 12-month period ending on June 30 as published by the United States Department of Labor Bureau of Labor Statistics or successor agency. To calculate this adjustment, the current rate will be multiplied by one plus the cumulative four-year (forty-eight-month) CPI increase using each 12-month period ending on June 30 of each prior year and rounded to the nearest \$100. However, if any of the annual CPI increases are more than five (5) percent, a five (5) percent increase will be used in computing the annual basis, and if any of the annual CPI decreased during the forty-eight-month period, a zero (0) percent increase will be used in computing the annual basis.

~~2. Businesses doing business in the City that have no employees physically working within the City’s corporate limits shall pay the minimum fee required under this chapter.~~

~~3. An entity subject to exemption pursuant to TMC Section 5.04.090 need not pay a Business License fee. An entity engaging in some activities or functions that are exempt from the Business License fee and some that are not exempt shall pay a Business License fee based on the number of employees involved in the functions or activities that are not exempt.~~

~~D. **New Businesses.** The Business License fee for a new business shall be based on the estimated number of employees that will work in Tukwila for a 12-month period. If, during the first license year for a new business, the City determines the actual number of employees is significantly different than the estimated number identified by the business owner, the amount of the Business License fee will be recalculated for the new business. If the revised Business License fee is higher than the original Business License fee paid by the business owner for the first license year, the business owner must pay the difference to the City within 30 days after written notice of the amount owed is sent to the business owner by the City.~~

~~E. **Over-reporting of Employees.** In the event the licensee ~~business owner~~ miscounted overreported the number of employees, ~~by an error factor of more than 15% and paid an excess B~~ resulting in an overpayment of the business L ~~license fee as a result, a business-the licensee~~ may request that the City refund the overpayment. The request must be made in writing to the Finance Department, and the City must receive the refund request and all supporting documentation no later than 60 days after the end of the calendar year in which the ~~error-overpayment~~ was made. If the City is satisfied the ~~business owner-licensee~~ paid an excess B ~~business L~~ license fee, the City will refund the excess amount ~~paid to the business owner.~~~~

~~F. **Under-reporting of Employees.** If, at the time of license renewal, the City determines the business owner under-reported the number of employees for the preceding year-license period or has otherwise underpaid the business license fee properly due ~~by an error factor of more than 15%~~, the business shall pay the balance of the corrected B ~~business L~~ license fee ~~(calculated as the difference between the paid Business License fee and the corrected Business License fee).~~ The Finance Director shall mail written notice of the balance due to the business owner, and the business shall ~~pay the balance due to the City~~ within 30 days of the date the written notice is mailed by the City. ~~A penalty of 20% of the balance due will be applied if payment is not received~~~~

~~within 30 days.~~ An additional penalty as adopted by separate resolution of the City Council shall be assessed if payment is not received by the notice due date or any extension thereof.

~~— G. Payment by Draft or Check. Payment made by draft or check shall not be deemed a payment of the Business License fee unless and until the same has been honored in the usual course of business, nor shall acceptance of any such check or draft operate as a quittance or discharge of the Business License fee unless and until the check or draft is honored. Any person who submits a Business License fee payment by check to the Washington State Department of Licensing Master License Service or City, pursuant to the provisions of this chapter, shall be assessed an NSF fee set by the Finance Director if the check is returned unpaid by a bank or other financial institution for insufficient funds in the account or for any other reason.~~

Section 4. TMC Section 5.04.030 Amended. Ordinance Nos. 2315 §1 (part) and 2588 §5, as codified at TMC Section 5.04.030, “Issuance of a license and annual renewal,” is hereby amended to read as follows:

5.04.030 Issuance of a license and annual renewal

A. Upon review and approval of ~~the a business license~~ application by the City, the ~~BLS Washington State Department of Licensing Master License Service or the Finance Director or designee~~ shall issue a business license to the applicant. The license shall grant to the applicant the privilege to conduct such business at a designated location in the City for the license period set forth in TMC Section 5.04.040.

B. Persons continuing to engage in business within the City shall renew their business license(s) each year. Businesses must pay a renewal fee, as well as the ~~BLS Master License Service~~ handling fee required by RCW 19.02.075. ~~The annual business license renewal fee shall be in accordance with the fee schedule adopted by resolution of the City Council. The annual fee may be prorated in order to conform the license expiration date with the expiration date established by the Master License Service.~~ Persons who do not renewing their business license by the expiration date may be subject to a late renewal penalty charged by the ~~Master License Service~~ BLS as provided in RCW 19.02.085.

C. Failure to renew the a business license within one hundred twenty (120) days of expiration will result in the cancellation of the business license and will requires a new application for a business license to engage in business in the City.

Section 5. TMC Section 5.04.040 Amended. Ordinance Nos. 2315 §1 (part), 2333 §4, and 2356 §3, as codified at TMC Section 5.04.040, “Prorating fee,” is hereby amended to read as follows:

5.04.040 License periodProrating fee

The license fee set forth in this chapter for new business license applications shall be for the ~~calendar~~ period beginning the date the business license application is submitted by the licensee through the last day of the same month in the following year. The license fee for business license renewals shall be for one year following the date of the prior

business license expiration date. ~~, and each person engaged in business must pay the full license fee for the current year.~~ License fees are not refundable and are not prorated, except as provided in TMC Section 5.04.100, regardless of whether the business operates for the entire license period ~~calendar year~~, or whether the business license is denied, revoked, withdrawn or suspended with cause.

Section 6. Repealer. Ordinance Nos. 2315 §1 (part), 2333 §5, 2356 §, 2381 §4, 2496 §3, and 2544 §4, as codified at TMC Section 5.04.050, “Late acquisition or renewal”, are hereby repealed, thereby eliminating this section:

~~5.04.050 Late acquisition or renewal~~

~~— A. Penalty. For new businesses, failure to pay the Business License fee by the first day of commencing business operations pursuant to TMC Section 5.04.020 will result in a late acquisition penalty in accordance with the fee schedule adopted by resolution of the City Council. For renewing businesses, failure to pay the Business License renewal fee by January 31st shall constitute delinquency and shall result in a penalty in accordance with the fee schedule adopted by resolution of the City Council. No business license and/or renewal for the current period shall be granted until all delinquent fees, together with penalties, have been paid in full. The Finance Director or his/her designee is authorized, but not obligated, to waive all or any portion of the penalties and interest provided herein in the event the Finance Director determines that the late payment was the result of excusable neglect or extreme hardship.~~

~~— B. Collection of Fees and Penalties. Any license fee due and unpaid under this chapter, and all penalties thereon, shall constitute a debt to the City and may be collected in court proceedings in the same manner as any other debt in like amount, which remedy shall be in addition to any and all other existing remedies.~~

~~— C. Revocation of License. The Finance Director may revoke any business license issued pursuant to this chapter to any business or other person who is in default in payment of any license fee hereunder, or who shall otherwise fail to comply with any of the provisions of this chapter. Notice of such revocation shall be issued pursuant to TMC Section 5.04.110.D. On and after the date of the notice of revocation, any business subject thereto that continues to engage in business shall be deemed to be operating without a license, and shall be subject to any and all penalties herein provided.~~

~~— D. There shall be a penalty to reinstate any business license revoked through nonpayment of the Business License fee. The penalty shall be identified in the fee schedule adopted by resolution of the City Council.~~

Section 7. TMC Section 5.04.060 Amended. Ordinance No. 2315 §1 (part), as codified at TMC Section 5.04.060, “Transferability,” is hereby amended to read as follows:

5.04.060 Transferability

The license granted in pursuance hereof shall be personal to the licensee and it shall not be assignable or transferable to any other person. A change in the Unified Business Identifier issued by the Washington State Department of Revenue will require the

submission of a new business license application and payment of the applicable business license fee as set forth in this chapter.

Section 8. TMC Section 5.04.070 Amended. Ordinance Nos. 2315 §1 (part), 2333 §6, 2356 §5, 2381 §5, and 2496 §4, as codified at TMC Section 5.04.070, “Change in UBI #, ownership, physical location or nature of business,” is hereby amended to read as follows:

5.04.070 Change in ~~UBI #, ownership,~~ physical location or nature of business

The license granted pursuant hereto shall be used to conduct the particular business or type of business at the designated address for which such license is issued. Any license holder with a change in the nature of the business, ~~a change in the Unified Business Identifier (UBI) issued by the Washington State Department of Licensing, or~~ a change in the physical location of the business, ~~and/or a change in ownership of the business~~ shall immediately submit an new application for licensure to the BLS Finance Department documenting the relevant change(s). ~~A change in the UBI or a change in ownership for the business will require payment of the applicable license fee set forth in the fee schedule adopted by resolution of the City Council, in addition to the submission of a new application.~~

Section 9. Repealer. Ordinance No. 2315 §1 (part), as codified at TMC Section 5.04.080, “Required – Display,” is hereby repealed, thereby eliminating this section:

~~5.04.080 Required – Display~~

~~It is unlawful for any person to engage in or carry on any business activity in the City without first procuring a license as provided in this chapter. The license shall thereafter be prominently displayed in the place of business of the applicant.~~

Section 10. TMC Section 5.04.090 Amended. Ordinance Nos. 2315 §1 (part), 2333 §7, 2356 §6, 2544 §5, 2588 §6, and 2593 §2, as codified at TMC Section 5.04.090, “Exemption,” is hereby amended to read as follows:

5.04.090 Exemptions

A. **Exemptions.**—The following persons entities may claim an exemption are exempt from the Business License fee, but if exempt under this subsection such persons entities shall still register apply for and obtain a business license under this chapter:

1. ~~Certain~~ Organizations exempt from federal income tax under a provision of 26 USC Section 501(c).—~~An Such~~ organization ~~that files with the City a copy of its current IRS 501(c)(3) exemption determination letter issued by the~~ must be able to show satisfactory proof from the Internal Revenue Service (IRS) of its tax exempt status, except in the case of religious organizations which are assumed by the IRS of being exempt from taxes under 26 USC Section 501(c)(3) without application for or issuance of a determination letter by the IRS.

2. A governmental entity that engages solely in the exercise of governmental functions. Activities that are not exclusively governmental, such as some of the activities of a hospital or medical clinic, are not exempt under this chapter.

~~3. A nonprofit business operated exclusively for a religious purpose, upon furnishing proof to the Finance Director of its nonprofit status. For the purposes of this chapter, the activities that are not part of the core religious functions are not exempt.~~

~~4. A civic group, service club, or social organization that is not engaged in any profession, trade, or occupation, but is organized to provide civic, service, or social activities in the City.~~

~~a. Examples of such organizations include but are not limited to: Soroptomists, Kiwanis, Lions' Rotary, American Legion, children's and adults' athletic leagues and similar types of groups, clubs or organizations.~~

53. A court interpreter who provides an oral translation between speakers who speak different languages, and who is either a certified interpreter, qualified interpreter, or registered interpreter, and who makes less than \$12,000 in gross annual revenue in Tukwila, Washington. Certified, qualified and registered interpreters are defined as follows:

a. "Certified interpreter" means an interpreter who is certified by the administrative office of the courts.

b. "Qualified interpreter" means a person who is readily able to interpret or translate spoken and written English for non-English-speaking persons and to interpret or translate oral or written statements of non-English-speaking persons into spoken English.

c. "Registered interpreter" means an interpreter who is registered by the administrative office of the courts.

64. A public card room (also known as a social card room) with a house-banked license.

B. Nothing in this chapter shall be construed to require a license for any farmer solely engaged in the business of, ~~gardener, or other person to~~ selling, delivering or peddleing any fruits, vegetables, berries, butter, eggs, fish, milk, poultry, meats or any ~~farm produce or edibles~~other agricultural product that is raised, caught, produced or manufactured by such person ~~in any place within the State~~. "Agricultural product" does not include cannabis or cannabis products as defined in RCW 69.50.101.

Section 11. TMC Section 5.04.100 Amended. Ordinance Nos. 2315 §1 (part) and 2588 §7, as codified at TMC Section 5.04.100, "Failure to Pay Fee," is hereby amended to read as follows:

5.04.100 Failure to Pay Fee

A. If any person engaged in business fails or refuses to pay the required license fee for any year period of time as herein provided, ~~they shall not be granted a license for the~~

~~current year until such delinquent license fees in accordance with the fee schedule adopted by resolution of the City Council have been paid, in addition to the current years' required fee(s)~~the Director shall assess all license fee amounts that should have been paid for the last four years, as determined by the Director, plus a penalty as adopted by separate resolution of the City Council. Such fees may be prorated as the City deems necessary if the assessment period is less than a 12-month license period. Such fees may be collected by the City by proper legal action brought for that purpose if any person engaged in business fails or refuses to pay the license fee. This remedy is cumulative and not exclusive.

B. If a person fails or refuses a Department request to provide or make available records to determine the amount of the license fee due under this chapter, the Director is authorized to determine the amount of the license fee payable by obtaining facts and information upon which to base the estimate of the fees due. Such fee assessment shall be deemed prima facie correct and shall be the amount of the business license fee owing to the City by the person.

C. The balance of the business license fee shall be due within 30 days of the date the written notice is mailed by the City. An additional penalty as adopted by separate resolution of the City Council shall be assessed if payment is not received by the notice due date or any extension thereof. Business license fees may be collected by the City by proper legal action brought for that purpose if any person engaged in business fails or refuses to pay the license fee. This remedy is cumulative and not exclusive.

Section 12. Repealer. Ordinance Nos. 2315 §1 (part) and 2588 §8, as codified at TMC Section 5.04.105, "Additional Requirements for Issuance of Business License," is hereby repealed, thereby eliminating this section:

~~5.04.105~~ — ~~Additional Requirements for Issuance of Business License~~

~~— A. A business license will only be issued provided the building, structure, operation or location of the business for which the license is sought complies with the requirements or standards of the Tukwila Municipal Code.~~

~~— B. In any case where an applicant seeks a business license for a business to be located in a building or structure for which a building or land use permit is required to operate the business as proposed, whether as a newly constructed building or structure or a remodeled building or structure, the permit process, including final inspections/issuance of occupancy permits, shall be completed prior to issuance of a business license.~~

~~— C. In any case where an applicant seeks a business license for a business to be located in a building or structure for which no building or land use permit is required to operate the business as proposed, the building department may require the business premises to be inspected for compliance with life and safety codes. If the inspection reveals outstanding code violations, the business license will not be issued until all life and safety code violations are resolved.~~

Section 13. TMC Section 5.04.110 Amended. Ordinance Nos. 2315 §1 (part), 2333 §8, 2352 §2, 2496 §5, and 2588 §9, as codified at TMC Section 5.04.110, "Denial, Suspension, Revocation," is hereby amended to read as follows:

5.04.110 Denial, Suspension, Revocation

~~A. The Finance Director may deny any business license application pursuant to TMC Section 5.04.105.~~

~~B.~~^{A.} The Finance Director may deny, suspend or revoke any business license under this chapter where one or more of the following conditions exist:

1. The licensee is in default of any fee, charge~~tax~~ or amounts due and payable to the City of Tukwila, as outlined in the Tukwila Municipal Code or City policy.

2. The license was procured by fraud or by a false or misleading representation of fact in the application, or in any report or record required to be filed with the Finance Department.

3. The building, structure, equipment, operation or location of the business for which the license was issued does not comply with the requirements or standards of the Tukwila Municipal Code.

4. The license holder, his or her employee, agent, partner, director, officer or manager has knowingly violated any provisions of any chapter of the Tukwila Municipal Code, or has knowingly permitted, failed to prevent, or has otherwise allowed a violation of any of the provisions of any chapter of the Tukwila Municipal Code to occur on his or her business premises.

5. The license holder, his or her employee, agent, partner, director, officer or manager has repeatedly violated any provision of City policies or the Tukwila Municipal Code after having received notice of such violation.

6. Conduct of the business would be in violation of any local, state or federal law, rule or regulation prohibiting the conduct of that type of business.

7. The property at which the business is located has been determined by a court to be a chronic nuisance property, a Violation Notice and Order for a chronic nuisance property has been issued and not timely remedied or appealed, or the Hearing Examiner has determined the property to be a chronic nuisance property, as provided in TMC Chapter 8.27.

8. The building or structure for which the licensee seeks a business license requires a building or land use permit under any provision of City policies or the Tukwila Municipal Code for which the permit process, including final inspections and/or issuance of occupancy permits, has not been completed.

9. The building or structure for which the licensee seeks a business license has not been inspected for compliance with life and safety codes, if such are required under any provision of City policies or the Tukwila Municipal Code, or if such inspection reveals outstanding code violations.

~~C.B.~~ Upon determination that grounds for denial, suspension or revocation of a license exist, the Finance Director shall send the ~~licensee~~~~applicant or license holder~~ a Notice of Denial, Suspension or Revocation. The Notice of Denial, Suspension or Revocation shall set forth the grounds for and terms of the denial, suspension or revocation, and a statement advising the applicant or license holder that he/she may appeal the Notice of Denial, Suspension or Revocation in accordance with the provisions of TMC Section 5.04.112. The filing of such appeal shall stay the action of the Finance Director pending decision on the appeal by the City Hearing Examiner or other hearing body pursuant to TMC Section 5.04.112.

~~D.C.~~ **Receipt of the Notice of Denial, Suspension or Revocation.** The Notice of Denial, Suspension or Revocation shall be: (1) sent to the ~~licensee~~~~applicant or license holder~~ by registered mail at the address provided on the license application; (2) hand delivered to the address provided on the license application; or (3) posted upon the premises where such ~~licensee~~~~applicant or license holder~~ conducts the business that is the subject of the denied, suspended or revoked license. Notice shall be deemed received by the ~~licensee~~~~applicant or license holder~~ upon posting, hand delivery, or 3 business days after mailing, whichever occurs first.

D.- Ten (10) calendar days after receipt of the notice of denial, suspension, or revocation, any business subject thereto that continues to engage in business shall be deemed to be operating without a license and shall be subject to penalties and enforcement as provided in TMC Section 5.04.115, unless an appeal has been filed pursuant to TMC Section 5.04.112 for which a written decision has not been issued.

E.- There shall be assessed a penalty to reinstate any business license that has been revoked or suspended under this subsection, as adopted by separate resolution of the City Council.

Section 14. TMC Section 5.04.115 Amended. Ordinance Nos. 2315 §1 (part) and 2549 §2, as codified at TMC Section 5.04.115, "Penalties," is hereby amended to read as follows:

5.04.115 Violations and Enforcement Penalties

Any violation of this chapter, or failure to comply with any of the requirements of this chapter, may be enforced as provided for in this section. Each separate date, or portion thereof, during which any violation occurs shall constitute a separate violation~~shall be subject to enforcement and penalties as prescribed in TMC Chapter 8.45 and the issuance of a Notice of Violation in accordance with TMC Section 8.45.070.~~

A. **Civil infraction.** A business, licensee, or person who violates any provision of this chapter commits a Class 1 civil infraction as set forth in RCW 7.80.120(1)(a), as currently enacted or hereafter amended. An infraction issued pursuant to this section shall be issued by code enforcement officers, filed in the Tukwila Municipal Court and processed in the same manner as other infractions filed in the Tukwila Municipal Court. If a business, licensee, or person cited for failure to obtain a business license appears before the Tukwila Municipal Court and provides written evidence that he or she obtained

a business license prior to adjudication of the infraction, the monetary penalty shall be reduced to \$150.

B. Civil code enforcement. A civil code enforcement action may be instituted pursuant to Chapter 8.45 TMC to effectuate the abatement or corrective action required as a result of a violation of this chapter. Failure to timely abate the violation or take corrective action, as required by an issued Notice of Violation, may result in the imposition of a fine in accordance with TMC 8.45.120(A)(2) and 8.45.080(C).

C. Criminal violation. A person who knowingly violates a provision of this chapter, or commits a repeat violation of this chapter, is guilty of a misdemeanor, punishable by up to the maximum penalty established in RCW 9A.20.021(3), as now enacted or hereafter amended. For purposes of this section, repeat violation means either a prior committed finding by the Tukwila municipal court of an infraction issued under this chapter, or a committed finding by the hearing examiner of a notice of violation issued under Chapter 8.45 TMC, has occurred or has been committed by the same business, licensee, or person within a five-year period. To constitute a repeat violation, the violation need not be the same violation as the prior violation.

D. Injunction. In addition to or as an alternative to any other enforcement or penalty provided for in this chapter, and because a violation constitutes an actual injury to the community, the City may seek injunctive or other equitable relief to prevent any activity in violation of this chapter.

E. Any license fee or penalty due, unpaid, and delinquent under this chapter shall constitute a debt to the City. The City may, pursuant to Chapter 19.16 RCW, use a collection agency to collect unpaid license fees or penalties, or it may seek collection by court proceedings, which remedies shall be in addition to all other remedies.

Section 15. Regulations Established. A new TMC section 5.04.140 is hereby established to read as follows:

5.04.140 License Does Not Indicate Legality of Business

The issuance of a license pursuant to this chapter shall not be evidence of the legality of a business or that such business is conducted in conformity with any laws or regulations of the City of Tukwila, the State of Washington, or the United States. The issuance of a business license shall not prevent the City, the State of Washington, or the United States from taking any action relating to the conduct of the business or the licensee, including but not limited to an action to revoke the license or deny an application for a future license, an action to cause the cessation of the business, or any action set forth in this chapter.

Section 16. Regulations Established. A new TMC section 5.04.150 is hereby established to read as follows:

5.04.150 Administration

A. The Director shall have general charge of, and supervision over, the administration and enforcement of this chapter.

B. The Director may call upon other City departments to aid in the enforcement of this chapter.

C. The licensee shall, upon reasonable request, provide or allow the Director to inspect relevant documentation and/or to inspect places of business for verification of the requirements of this chapter.

Section 17. Corrections by City Clerk or Code Reviser Authorized. Upon approval of the City Attorney, the City Clerk and the code reviser are authorized to make necessary corrections to this ordinance, including the correction of clerical errors; references to other local, state or federal laws, codes, rules, or regulations; or ordinance numbering and section/ subsection numbering.

Section 18. Severability. If any section, subsection, paragraph, sentence, clause or phrase of this ordinance or its application to any person or situation should be held to be invalid or unconstitutional for any reason by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this ordinance or its application to any other person or situation.

Section 19. Effective Date. This ordinance or a summary thereof shall be published in the official newspaper of the City and shall take effect and be in full force within five days after passage and publication as provided by law.

PASSED BY THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, at a Regular Meeting thereof this _____ day of _____, 2025.

ATTEST/AUTHENTICATED:

Andy Youn-Barnett, CMC, City Clerk

Thomas McLeod, Mayor

APPROVED AS TO FORM BY:

Filed with the City Clerk: _____

Passed by the City Council: _____

Published: _____

Effective Date: _____

Ordinance Number: _____

Office of the City Attorney



2026 City Business License Model Threshold update

Effective January 1, 2026

What are the main changes to the model threshold?

The main change in the update would make a one-time increase to a higher threshold to \$4000 for out-of-city businesses from the current \$2,000 threshold, effective January 1, 2026.

Other changes include:

- Every four years thereafter, the threshold would have an automatic periodic increase based on cumulative inflation.
- The rates of inflation would be calculated using the Consumer Price Index-U (CPI-U) Western for June of each year compared to the previous year for the previous four years.
- The rate of inflation would be calculated as zero in any year in which inflation was negative and capped at 5% per year or 20% over four years if inflation exceeded those amounts.
- To make the threshold easier to administer, the cumulative inflation amount would be rounded to the nearest \$100.

Could my city still require a no fee registration for out-of-city businesses below the threshold?

Cities retain the local option of requiring a no-fee registration for out-of-city businesses below the threshold.

Was the definition of “engaging in business” changed?

No, the definition of engaging in business has not changed since the 2018 model was adopted.

What are the deadlines for all cities with business licenses to adopt the 2026 model threshold?

Cities with a business license **must** adopt the model by **January 1, 2026**.

However, cities that currently partner with the state’s Business Licensing Service (BLS) for business licensing administration must adopt it by mid-October 2025, because they must **provide BLS 75-day notice** of any changes to their business licenses, including this mandatory change.

What if my city has a higher threshold?

Cities can choose to enact a higher threshold. The \$4,000 city threshold for out-of-city businesses is the minimum level that every city must enact.

What if my city wants to have a threshold that applies to in-city businesses in addition to the out-of-city business threshold?

The \$4,000 threshold level for out-of-city businesses is a mandatory minimum threshold that every city business license city must adopt, but the law does not impact the city’s authority to have exemptions or other thresholds.

Cities can continue to require a license for businesses located in the city without regard to the threshold (unless the city chose to exempt these businesses).

Cities can also choose to enact a separate threshold exemption that applies to in-city businesses.

Who should my city notify when the model is adopted?

BLS partner cities: Send a completed Change Request Form to BLS notifying them of the update
All other cities: Email Sheila Gall, AWC (sheilag@awcnet.org) so we can track updates.

How will businesses find out about the changes?

Consider providing information on changes to your business license by adding information to your license renewal letter, sending a letter to your potentially impacted businesses, updating information on your city’s website or presenting to your local chamber.

Background on the 2018 model threshold

In the 2017 session, EHB 2005 (RCW 35.90) passed requiring three actions by cities with business licenses and local B&O taxes. The law required cities to make changes to business licensing, including requiring cities with business licenses to establish a workgroup to create a model business license threshold by July 2018 for adoption by all business license cities by January 1, 2019.

**2018 model ordinance for local business licenses
– minimum threshold**

The 2018 model included a mandatory definition of “engaging in business” and a \$2000 minimum threshold (or occasional sale) exemption to establish when out-of-town or transient businesses are required to be licensed. All business license cities adopted the model by January 1, 2019 (RCW 35.90.080).

Contact

Sheila Gall

General Counsel

sheilag@awcnet.org

wacities.org

City Business License Model Ordinance

1. Outline of Changes to Business License Model Ordinance

- Effective date to January 1, 2026.
- One-time increase to a higher threshold to \$4,000 for out-of-city businesses.
- Combined with an automatic periodic increase four years later based on cumulative inflation. The rate of inflation would be calculated as zero in any year in which inflation was negative and capped at 5% per year or 20% over four years if inflation exceeded those amounts.
- The rates of inflation would be calculated using the Consumer Price Index-U (CPI-U) Western for June of each year compared to the previous year for the previous four years.
- To make the threshold easier to administer, the cumulative inflation amount would be rounded to the nearest \$100.
- Cities that partner with the state's Business License Service would need to update their ordinance in time to provide 75-days' notice to the Department of Revenue of the change. Cities that partner with File local would need to notify them of an expected system change by August.
- Cities would retain the local option of requiring a no-fee registration for out-of-city businesses below the threshold and the local option of imposing a higher threshold than the model minimum threshold.

2. Changes to Model Threshold

The 2018 model is amended to include the threshold change effective January 1, 2026.

Model business license threshold options: (cities would adopt one of the options effective January 1, 2026)

1. **Threshold Exemption Option:**

To the extent set forth in this section, the following persons and businesses shall be exempt from the registration, license and/or license fee requirements as outlined in this chapter: (1) Any person or business whose annual value of products, gross proceeds of sales, or gross income of the business in the city is equal to or less than \$2,000 [or higher threshold as determined by city] and who does not maintain a place of business within the city shall be exempt from the general business license requirements in this chapter. The exemption does not apply to regulatory license requirements or activities that require a specialized permit.

Beginning January 1, 2026, the threshold amount is \$4000 [or higher threshold as determined by city]. The threshold amount will be adjusted every forty-eight months on January 1, by an amount equal to the increase in the Consumer Price Index ("CPI") for "West Urban, All Urban Consumers" (CPI-U) for each 12-month period ending on June 30 as published by the United States Department of Labor Bureau of Labor Statistics or successor agency. To calculate this adjustment, the current rate will be multiplied by one plus the cumulative four-year (forty-eight month) CPI increase using each 12-month period ending on June 30 of each prior year, and rounded to the nearest \$100. However, if any of the annual CPI increases are more than five (5) percent, a five (5) percent increase will be used in computing the annual basis and if any of the annual CPI decreased during the forty-eight-month period, a zero (0) percent increase will be used in computing the annual basis.

2. **Threshold with Fee-free License/Registration-only Option:**

For purposes of the license by this chapter, any person or business whose annual value of products, gross proceeds of sales, or gross income of the business in the city is equal to or less than \$2,000 [or higher threshold as determined by city] and who does not maintain a place of business within the city, shall submit a business license registration to the Director or designee. The threshold does not apply to regulatory license requirements or activities that require a specialized permit.

Beginning January 1, 2026, the threshold amount is \$4000 [or higher threshold as determined by city]. The threshold amount will be adjusted every forty-eight months on January 1, by an amount equal to the increase in the Consumer Price Index ("CPI") for "West Urban, All Urban Consumers" (CPI-U) for each 12-month period ending on June 30 as published by the United States Department of Labor Bureau of Labor Statistics or successor agency. To calculate this adjustment, the current rate will be multiplied by one plus the cumulative four-year (forty-eight month) CPI increase using each 12-month period ending on June 30 of each prior year, and rounded to the nearest \$100. However, if any of the annual CPI increases are more than five (5) percent, a five (5) percent increase will be used in computing the annual basis and if any of the annual CPI decreased during the forty-eight-month period, a zero (0) percent increase will be used in computing the annual basis.

[Note: City would list this fee-free license in its business license rates section as \$0 or no fee.]

3. **Background Information**

- Model threshold was required by 2017 legislation ([RCW 35.90.080: Adoption of model ordinance](#)) to address out-of-city licensing/delivery concerns.
- 2018 final recommendation was \$2000 for out-of-city businesses, with option to require no-fee registration only requirement below threshold.
- Changes must be adopted by cities with same effective date (RCW 35.90.080(1)(c)).
- Model cannot be updated more frequently than every 4 years.



INFORMATIONAL MEMORANDUM

To: Finance and Governance Committee

From: TC Croone, Chief People Officer

CC: Mayor Thomas McLeod

Date: July 28, 2025

Subject: Compensation Policy presentation follow-up

Purpose

As a follow-up to the presentation provided to the full City Council on July 14, 2025, I will be presenting additional information and responding to Councilmember questions regarding Resolution 1951 at the upcoming Finance and Governance Committee meeting on July 28.

Background

During the July 14 Council meeting, I provided an overview of the City's current Compensation Policy under Resolution 1951. The presentation highlighted challenges with the assessed value (AV) benchmark, internal equity concerns, and insights gained through recent labor negotiations and the 2023 compensation study.

Council requested further discussion on potential revisions to the resolution to ensure it remains a useful and practical tool for guiding compensation policy. This follow-up presentation will build on the feedback received and offer options for modernizing the resolution to better reflect the City's goals and labor market realities.

Next Steps

During the July 28 Finance and Governance Committee meeting, I will:

- Recap key points from the July 14 Council presentation
- Address follow-up questions
- Request guidance on next steps for potential policy updates

Attachments

- A. Resolution 1951 - Compensation Policy
- B. PowerPoint Presentation



City of Tukwila

Washington

Resolution No. 1951

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, ESTABLISHING A COMPENSATION POLICY FOR CITY OF TUKWILA EMPLOYEES AND REPEALING RESOLUTION NO. 1796.

WHEREAS, the City believes that the purpose of a compensation program is to facilitate recruiting, retention, development and productivity of employees; and

WHEREAS, the City desires to utilize standardized policies, procedures and processes, wherever possible, for compensating all employee groups, both represented and non-represented; and

WHEREAS, the City recognizes that current economic conditions and forecasts, long-range City budget forecasts, and position rates for comparable jurisdictions, as well as internal equity considerations, should assist in guiding the compensation of employees; and

WHEREAS, the City has made a determination to, when economic conditions allow, review and adjust non-represented employee salaries via a market analysis to that of the average of comparable jurisdictions in even-numbered years, and to provide a cost-of-living (COLA) allowance in odd-numbered years; and

WHEREAS, the City has made a determination to, when economic conditions and negotiations allow, provide represented employees with salaries that reflect the average of comparable jurisdictions; and

WHEREAS, the City has made a determination to, when economic conditions allow, provide benefits to represented and non-represented employees that are slightly above the average of comparable jurisdictions; and

WHEREAS, the City Council will participate in setting negotiation expectations and reviewing and approving represented employee group contracts;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

Section 1. The following statements and processes are adopted for the purpose of guiding compensation programs for employees of the City of Tukwila.

A. Information to be provided to the City Council.

1. **For Represented Employees.** A written presentation of current internal and local external public agency salary and benefit trends, including a salary and benefits market survey of comparable jurisdictions, as defined herein, will be provided to the City Council. This presentation must be made to the Council prior to the commencement of negotiations with the bargaining units regarding salary and benefits. The City Council and Administration will discuss represented employee group negotiation expectations, negotiating points, salary and benefit change floors and/or ceilings prior to the beginning of, and at appropriate points during, negotiation sessions.

2. **For Non-Represented Employees.** A written presentation of current internal and local external public agency salary and benefit trends, including a salary and benefits market survey of comparable jurisdictions, as defined herein, will be provided to the City Council by Administration every year by the end of the third quarter that a non-represented salary increase is due. Relevant Association of Washington Cities (AWC) data from the previous year's Washington City and County Employee Salary and Benefit Survey, for the comparable jurisdictions, will be used in the salary market survey.

B. Compensation Policy.

1. All Puget Sound jurisdictions with +75/-50% of Tukwila's annual assessed valuation, using the most current data from County Assessors, will be used to create the list of comparable jurisdictions for evaluation of salary information. A second criteria to be used to refine comparable jurisdictions is to only include cities with their own police department. It is desirable to use the same comparable jurisdictions for both represented and non-represented employee groups.

2. For non-represented employees, the City desires to pay the average salary for the particular pay scale, as derived from the comparable jurisdiction data described in Section B.1. If the City's pay scale for any classification does not represent the average of comparable salary ranges (+/-5%), written justification must be provided to the City Council. For represented employees, the City desires to pay salaries that are competitive to the City's comparable jurisdictions.

3. Positions that are 5% below the market and up to 10% above the market are considered competitive with the market and will receive a market adjustment the year the survey is to occur. Those positions more than 10% above the market will not receive an adjustment during the year the market adjustment is to occur and will warrant further evaluation. Documented justification of potential reclassification will be provided to the City Council for review and approval. If the documented justification results in reclassification, any adjustments will be made in alignment with City policy.

4. The cost-of-living adjustment (COLA) in odd-numbered years for non-represented employees shall be based upon 90% of the Seattle-Tacoma-Bellevue Consumer Price Index (CPI-W) Average (June to June). It is desirable to calculate represented cost-of-living adjustments the same way, unless a different method is authorized by the Council. Considerations for cost-of-living adjustment for odd-numbered years will be based upon internal equity with represented groups to determine if an adjustment is warranted. Administration will provide a written justification documenting that an adjustment is warranted for the City Council's review and approval prior to implementation.

5. The goal of the City is to establish parity between represented and non-represented employees' benefits. The City desires to provide employee benefits that are competitive to the comparable cities described herein. The City will endeavor to keep increases to annual health care costs under market averages. If costs exceed market averages, adjustments will be made to reduce benefit costs.

6. The goal of the City is to mitigate or avoid salary compression issues where possible. An example of salary compression is when there is only a small difference in pay between employees regardless of their skills, level, seniority or experience. Administration will provide a written justification documenting that an adjustment is warranted for the City Council's review and approval prior to implementation.

7. The City Council shall review the compensation policy described herein on an annual basis to assess efficacy and make adjustments if warranted. If the Administration determines that a deviation from the above process (in its entirety or for individual positions) is necessary, it will provide justification to the City Council for review and approval prior to the adoption of any process change.

Section 2. Resolution No. 1796 is hereby repealed.

PASSED BY THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON,
at a Regular Meeting thereof this 19TH day of November, 2018.

ATTEST/AUTHENTICATED:


Christy O'Flaherty, MMC, City Clerk


Verna Seal, Council President

APPROVED AS TO FORM BY:


Rachel B. Turpin, City Attorney

Filed with the City Clerk: 11-14-18
Passed by the City Council: 11-19-18
Resolution Number: 1951



Tukwila's Compensation Policy Resolution 1951

JULY 14, 2025

Tonight's Presentation: Introduction

- Overview: Resolution 1951 and its intent
- Policy & Practice
- Our Experience: 2023 Class & Comp study, Application of Res. 1951
- Managing Salary Compression and Internal Salary Equity
- Future: Consider Policy Changes
- Council Review & Discussion

Tukwila's Employees & Classifications:

243 Represented, 37 Non-Represented

3 Unions, 8 Bargaining Units

Police

Non-commissioned

- Police Records staff
- Represented by USW

Commissioned

- Officers, Sergeants, Commanders
- Represented by Teamsters 117

Program Managers

- Courts
- Public Works
- Emergency Management

Represented by Teamsters 763

Administrative/Technical

- Court operations and support staff
- DCD inspections & permits
- Finance support
- Parks & Recreation staff
- Administrative support staff
- Represented by Teamsters 763

Maintenance/Trades

- Facilities Custodians & Techs
- Maintenance & Operations staff (Utilities)
- Fleet & Facilities staff
- Represented by Teamsters 763

Professional/Supervisory

- TIS, DCD professional staff
- Courts, Emergency Management
- Public Works Project & Program management
- Parks & Rec, Finance/Payroll Project & Program management
- Represented by Teamsters 763

Non-Represented

- Confidential administrative support
- Analysts
- Managers
- Directors & Deputy Directors
- Deputy City Administrator
- Police Chief and Deputy Police Chief

Res 1951: What's in the Policy

- **Comparable jurisdictions** to evaluate pay: Puget Sound, +75/-50% of Tukwila's assessed valuation (AV), cities with police department
- **Compensation Goals: Non-represented** - average of comparable jurisdictions or justify to Council; **Represented** - competitive to comparable jurisdictions. Avoid compression.
- **Competitive**: market adjustment for -5% market and up to 10% above market
- **COLA**: odd years (non-rep), 90% of CPI-W Average. Parity between represented and non-rep, consider internal equity; justify to Council.
- **Benefits**: goal is parity between represented and non-rep employees, competitive with comparables, keep increases below market average.
- **Information for Council**: benefit trends, market survey of comparables, negotiation expectations, updates (for **Represented** Employees, before negotiations; **Non-Rep** Employees, each year 3rd quarter)
- Annual City Council **policy review**

Res. 1951: Intent of Comp Policy

- Help recruit, retain, and develop productive employees
- Use standard approaches to compensate all employees (parity)
- Informed by economics; budget forecast; comparables; internal equity
- Adjust non-rep pay with market analysis (even years), COLA (odd years)
- Provide represented employees with pay at average of comparables as economic conditions and negotiations allow
- Provide non-rep employees with benefits above average of comparables
- Council participation: set negotiation expectations, review CBAs

Policy and Practice

Last Class & Comp Study (Non-Rep)	<ul style="list-style-type: none"> • Planned for 2020 • Postponed due to COVID and HR turnover • Completed & Implemented in 2023
Interest Arbitration (Police)	<ul style="list-style-type: none"> • Why Assessed Value is important • Objective benchmarks • Indicator of what a city can afford • Signals stability
Administration Policy 02.05.21	<ul style="list-style-type: none"> • Defines Administration and Council responsibility • Procedure for new hires, transfers, promotions, reclassifications

Our Experience

2023

- Completed & Implemented Class and Comp Study for non-reps only

2024

- Negotiated 7 of 8 contracts
- Used AWC data for market compensation benchmarks
- Presented to council via Closed Sessions to get authority

2025

- Negotiation for 1 contract pending
- Potential rollover to 2026 of 4 contracts – Teamsters 763
- Class & Comp studies for Non-Rep and Teamsters 763 will begin, per Res. 1951

Our Experience – 2023 Class & Comp Study

Study was for non-represented employees

Delayed from 2020 due to COVID and HR turnover

Goals: Ensure that salaries aligned with market competitors; eliminate the Decision Band Method (DBM) of determining salaries and pay grades

Implemented salary changes in Dec. 2023, funded with mid-biennium budget adjustment

Study recommendations: 7-step compensation schedule, point factor system, built from average of market, don't use AV, designed to minimize compression, separate schedule for Deputy Chief, Chief, City Administrator

Our Experience – Pros & Cons of Res. 1951

What has worked well

- Authorization from council prior to negotiations gives clarity and guidance
- Benchmarking both AV cities based upon Res. 1951 and Valley cities

Challenges

- Using only AV cities based upon Res. 1951
- Required frequency of comp studies
- Updating outdated job classifications, descriptions, together with conducting compensation studies
- Adhering to Policy 02.05.21 for new hires
- Salary compression, internal equity is still unbalanced
- Calculating comps manually
- Transparency to Council

Salary Compression

Salary Compression – Employees at pay rates close to, or sometimes higher than, what long-term employees or supervisors earn.

How do we manage it? Regularly review and adjust compensation structure to keep pay equitable across roles and experience levels.



Internal Salary Equity

What is it?

- Employees are paid fairly compared to others based on job responsibilities, experience, and performance.
- Similar pay for similar work

How do we manage it?

Regularly review pay across roles to ensure employees in similar positions with comparable experience and performance are compensated fairly.

Needs clear job descriptions, consistent evaluation, structured pay ranges, management accountability.

Internal Equity



Comparable Jurisdictions

Comparable jurisdictions based upon Assessed Value (AV)			Valley Cities that are geographically near Tukwila		
Edmonds	Lakewood	Lynnwood	Auburn	Des Moines	
Marysville	Mukilteo	Mill Creek	Federal Way	Kent	
Lake Stevens	Issaquah	Bothell			
	Puyallup			Renton	

Potential Policy Changes

- Remove Council reclassification approval - align with City policy
- Challenges meeting current policy: frequency of/time needed for market studies, timing for council reports and COLA
- Compensation data always a year behind
- Total cost of compensation vs. pay
- Update comparable cities: expand criteria beyond AV, include geography of neighbors (surrounding/Valley Cities)
- Better job classifications for comparison and job matching
- What would be part of an ideal policy?
- **Council Discussion & Questions**



INFORMATIONAL MEMORANDUM

TO: **City Council**

FROM: **Aaron BeMiller, Finance Director**

CC: **Thomas McLeod, Mayor & Marty Wine, City Administrator**

DATE: **July 28, 2025**

SUBJECT: **Mid-Biennium Adjustment**

ISSUE

The kickoff for the 2026 mid-biennium adjustment took place on July 15. Finance team staff provided an update on the process and timing for adjustments to the 2026 budget.

BACKGROUND

The City is legally required to adopt a balanced budget where resources are at least equal to budgeted expenses. The mid-biennium adjustment provides an opportunity for the City to update our assumptions made in the summer of 2024. Generally, the mid-biennium adjustment provides an opportunity to better refine revenue and expenditure estimates which were generated in the summer of 2024 for the 2026 fiscal year. We now have data available for 2026 which wasn't available in August/September 2024. Typical adjustments include updating the assumptions for COLA, healthcare benefits, and retirement rates, budgeting for any approved initiatives in 2025 that continue into 2026, and other items.

The Council's role in the mid-biennium adjustment is the same as during a regular biennial budget process. The Mayor will provide his recommendations for changes to the adopted 2026 budget and Council will hold deliberations on the Mayor's budget and ultimately vote on a) the updated 2026 budget and, b) the 2026 property tax levy.

DISCUSSION

This is a discussion item only, no Committee action is required. Staff will be available to answer any questions/clarifications from Committee members.

FINANCIAL IMPACT

Discussion item only. There is no financial impact associated with this agenda item.

RECOMMENDATION

Discussion item only. There is no recommendation currently for future action.

ATTACHMENTS

None.



INFORMATIONAL MEMORANDUM

TO: **Finance & Governance Committee**
CC: **Mayor McLeod**
FROM: **Tony Cullerton, Deputy Finance Director**
DATE: **July 28, 2025**
SUBJECT: **June 2025 Financial Report**

Financial Overview Through June 2025

As of the end of June 2025, the City has completed 50% of the fiscal year. Overall, the City's financial condition remains strong, with General Fund revenues and expenditures tracking close to expectations. General Fund revenues are at 58.8% of the annual budget, while expenditures are at 50.7%. Notable year-over-year variances exceed 5% and \$50,000 and are described below.

General Fund Revenues

General Fund revenues and transfers-in through June total \$44.96 million, which is 12.2% higher than the same period in 2024 (an increase of \$4.87 million).

Business & Occupation Taxes increased 316.7% (+\$1.11 million) due to full-year implementation and updated filings. Intergovernmental Payments rose 24.0% (+\$1.13 million), reflecting an increase in state grants.

Charges for Services increased 44.9% (+\$457K), due to increases in Public Safety (Mall security) and fire Admin/Protective Inspections.

Admission Taxes rose 42.9% (+\$163.6K), indicating strong performance in entertainment and venue-related activity (K1 Speed inc, Fandango Skygroup, Seattle Rugby).

Building Permits & Rental Housing Permits rose 18.8% (+\$183K), signaling continued development activity.

Gambling Taxes declined 17.6% (-\$381K), due to extended facility closures and reduced activity. Business Licenses also decreased 7.5% (-\$97.5K), potentially reflecting timing or economic shifts.

Fund Expenditures

Through June, General Fund expenditures and transfers-out total \$38.0 million, which is 5.0% lower than the same period in 2024.

Non-Departmental Expenses increased 625.1% (+\$1.76 million), related to the shift of vehicle lease costs into this category.

Police Department expenditures increased 16.3% (+\$1.94 million), due to fleet and dispatch service costs.

Finance Department increased 20.1% (+\$480K), related to insurance and software expenses. Street Maintenance Department increased 19.8% (+\$457K), and Park Maintenance increased 32.7% (+\$373K), primarily due to a Tree/Landscaping Maintenance and Contracted Services (lighting project at Crystal Springs). Public Works and Community Development also showed increases of 11.6% and 9.3%, respectively.

Overall General Fund Expenditure decreases are mainly due to the Fire Department, which dropped 93.7% (-\$7.77 million), related to the full transition to PSRFA.

OTHER FUNDS

Special Revenue and Capital Funds

The Hotel/Motel Fund saw revenues decrease 15.6% (-\$71K), primarily due to a 55.9% decline in investment earnings. Expenditures in the fund decreased 22.1% (-\$61K), driven by reduced labor costs and service costs.

The Residential Street Fund reported a 44.4% decrease in revenues (-\$126K), largely due to the reduction in grants and state entitlements. Expenditures were also down 47.9% (-\$47K) due to reduced capital outlay.

The Arterial Street Fund experienced a 6.8% decrease in revenues (-\$198K), with reductions in grant revenue (-60.6%) and REET (-20.5%). Expenditures declined 11.5% (-\$203K), as a result of reduced capital outlays.

Enterprise Funds and Other Operations

The Water Utility Fund reported revenue increases of 9.9% (+\$365K), driven by a 9% rate increase that was supported by the city's utility rate study. Expenditures rose 12.6% (+\$517K), resulting from capital costs and wage growth.

The Sewer Utility Fund's revenues increased 9.6% (+\$540K), while expenditures rose 26.3% (+1.44 million), primarily due to capital investments.

The Foster Golf Course Fund reported a strong quarter, with revenues up 31.4% (+\$209K), due to higher greens fees and other income (Pro Shop sales), while expenditures decreased 2.5% (-\$29K), indicating efficient operations.

Summary at a Glance

General Fund revenues totaled \$44.96 million or 58.8% of the annual budget, up 12.2% from 2024. Business & Occupation Taxes, Charges for Services, and Admission Taxes showed strong growth. General Fund expenditures totaled \$38.0 million or 50.7% of the annual budget, down 5.0% from the prior year. Key increases were seen in Police, Finance, and Non-Departmental costs, while the Fire Department saw a substantial decrease. Special Revenue Funds experienced timing-related revenue shortfalls and expenditure reductions. Utility funds continue to have a stable performance, and Foster Golf Course reported notable gains.

Summary at a Glance General Fund Performance Summary:

Revenues:

- Total: \$44.96 million (58.8% of budget), up 12.2% (+\$4.87 million) from 2024.
- Business & Occupation Taxes up 316.7% (+\$1.11 million)
- Intergovernmental Payments up 24.0% (+\$1.13 million)
- Charges for Services up 44.9% (+\$457K)
- Admission Taxes up 42.9% (+\$163.6K)
- Building Permits & Rental Housing Permits up 18.8% (+\$183K)
- Sale of Capital Assets: \$4.51 million (new in 2025)
- Gambling Taxes down 17.6% (-\$381K)
- Business Licenses down 7.5% (-\$97.5K)

Expenditures:

- Total: \$38.0 million (50.7% of budget), down 5.0% (-\$1.99 million) from 2024.
- Non-Departmental Expenses up 625.1% (+\$1.76 million)
- Police Department up 16.3% (+\$1.94 million)
- Finance Department up 20.1% (+\$480K)
- Street Maintenance up 19.8% (+\$457K)
- Park Maintenance up 32.7% (+\$373K)
- Fire Department down 93.7% (-\$7.77 million)

Other Key Funds of Interest – Notable Variances >5% and \$50,000:

Hotel/Motel Fund (101):

- Revenues down 15.6% (-\$71K)
- Expenditures down 22.1% (-\$61K)

Residential Street Fund (103):

- Revenues down 44.4% (-\$126K)
- Expenditures down 47.9% (-\$47K)

Arterial Street Fund (104):

- Revenues down 6.8% (-\$198K)
- Expenditures down 11.5% (-\$203K)

Water Utility Fund (401):

- Revenues up 9.9% (+\$365K)
- Expenditures up 12.6% (+\$517K)

Sewer Utility Fund (402):

- Revenues up 9.6% (+\$540K)
- Expenditures up 26.3% (+\$1.44 million)

Foster Golf Course (411):

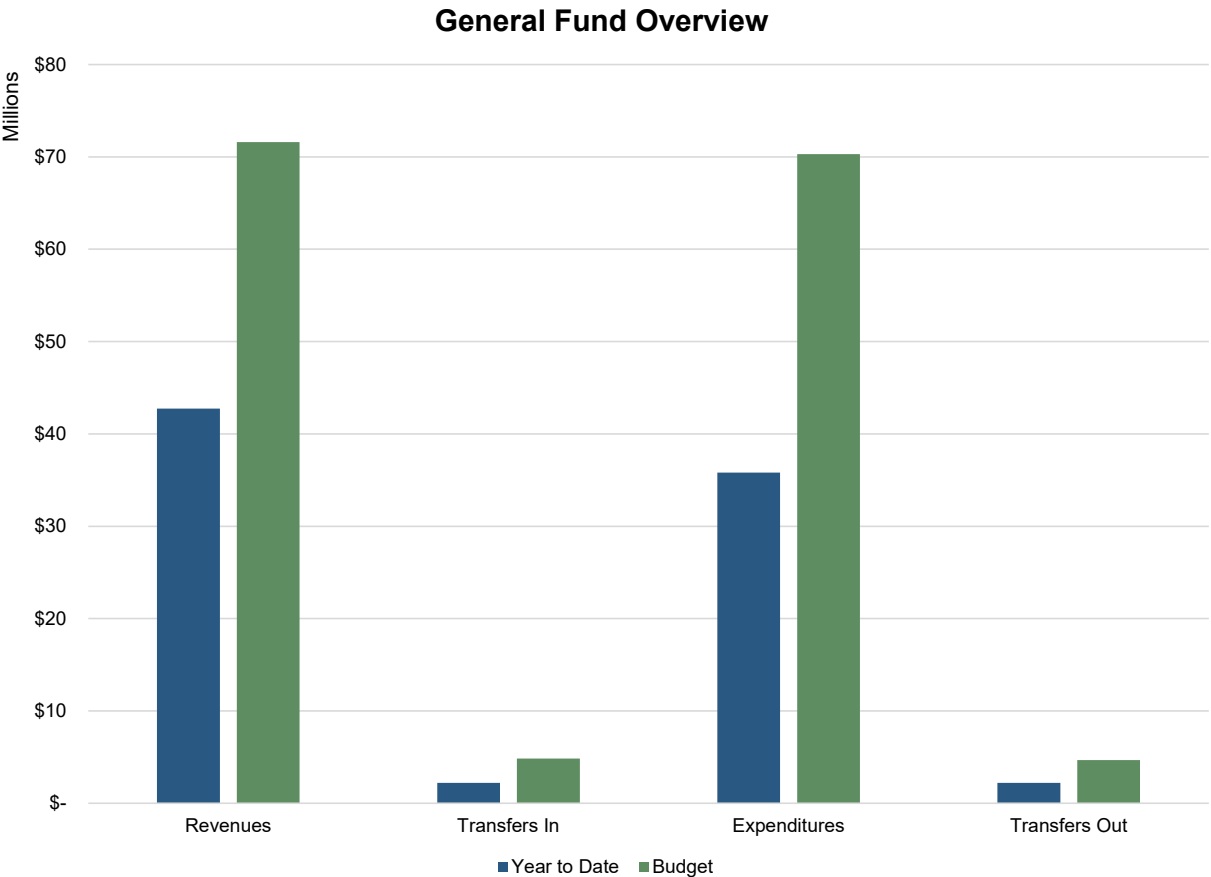
- Revenues up 31.4% (+\$209K)
- Expenditures down 2.5% (-\$29K)

Attachments:

- 2nd Quarter Report
- June Cash & Investment Data

General Fund Overview				
	2025 Actuals through June		2025 Total Budget	Budget Variance % of Annual Budget
Revenues	\$	42,748,682	\$ 71,601,037	59.7%
Transfers In		2,215,258	4,836,952	45.8%
Expenditures		35,799,106	70,298,671	50.9%
Transfers Out		2,215,196	4,663,479	47.5%
Net Revenues Less Expenditures	\$	6,949,638	\$ 1,475,839	% of Year Complete 50.0%

General Fund figures include General Fund and Contingency Fund, a Sub-Fund of the General Fund

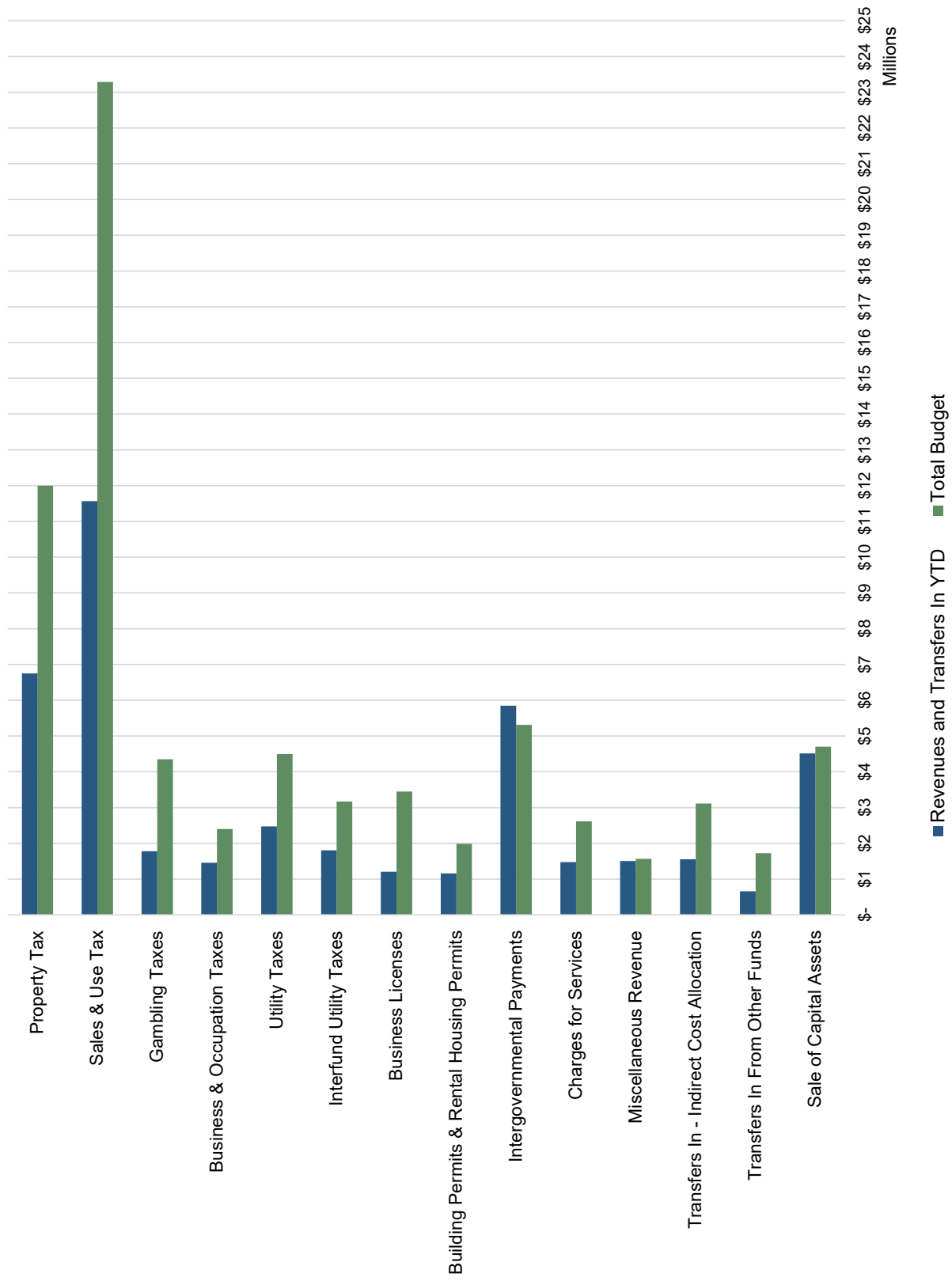


General Fund Overview - Revenues and Transfers In by Category

Category	2025 Total Budget	2025 Revenues through June	Budget Variance (Unfavorable) / Favorable	Budget Variance % of Annual Budget
Taxes:				
Property Tax	\$ 11,999,227	\$ 6,749,595	\$ (5,249,632)	56.3%
Sales & Use Tax	23,283,886	11,564,090	(11,719,796)	49.7%
Other Sales Taxes	1,163,100	532,795	(630,305)	45.8%
Gambling Taxes	4,349,500	1,781,450	(2,568,050)	41.0%
Business & Occupation Taxes	2,400,000	1,455,555	(944,445)	60.6%
Utility Taxes	4,493,702	2,475,342	(2,018,360)	55.1%
Interfund Utility Taxes	3,167,729	1,805,010	(1,362,719)	57.0%
Admission Taxes	859,235	545,274	(313,961)	63.5%
Leasehold Excise Tax	260,000	136,726	(123,274)	52.6%
Business Licenses	3,445,500	1,204,450	(2,241,050)	35.0%
Building Permits & Rental Housing Permits	1,985,200	1,160,829	(824,371)	58.5%
Intergovernmental Payments	5,313,474	5,846,663	533,189	110.0%
Charges for Services	2,612,121	1,474,373	(1,137,748)	56.4%
Miscellaneous Revenue	1,568,363	1,505,094	(63,269)	96.0%
Transfers In - Indirect Cost Allocation	3,111,694	1,555,846	(1,555,848)	50.0%
Transfers In From Other Funds	1,725,258	659,412	(1,065,846)	38.2%
Sale of Capital Assets	4,700,000	4,511,436	(188,564)	96.0%
Total	\$ 76,437,989	\$ 44,963,940	(32,141,877)	58.8%

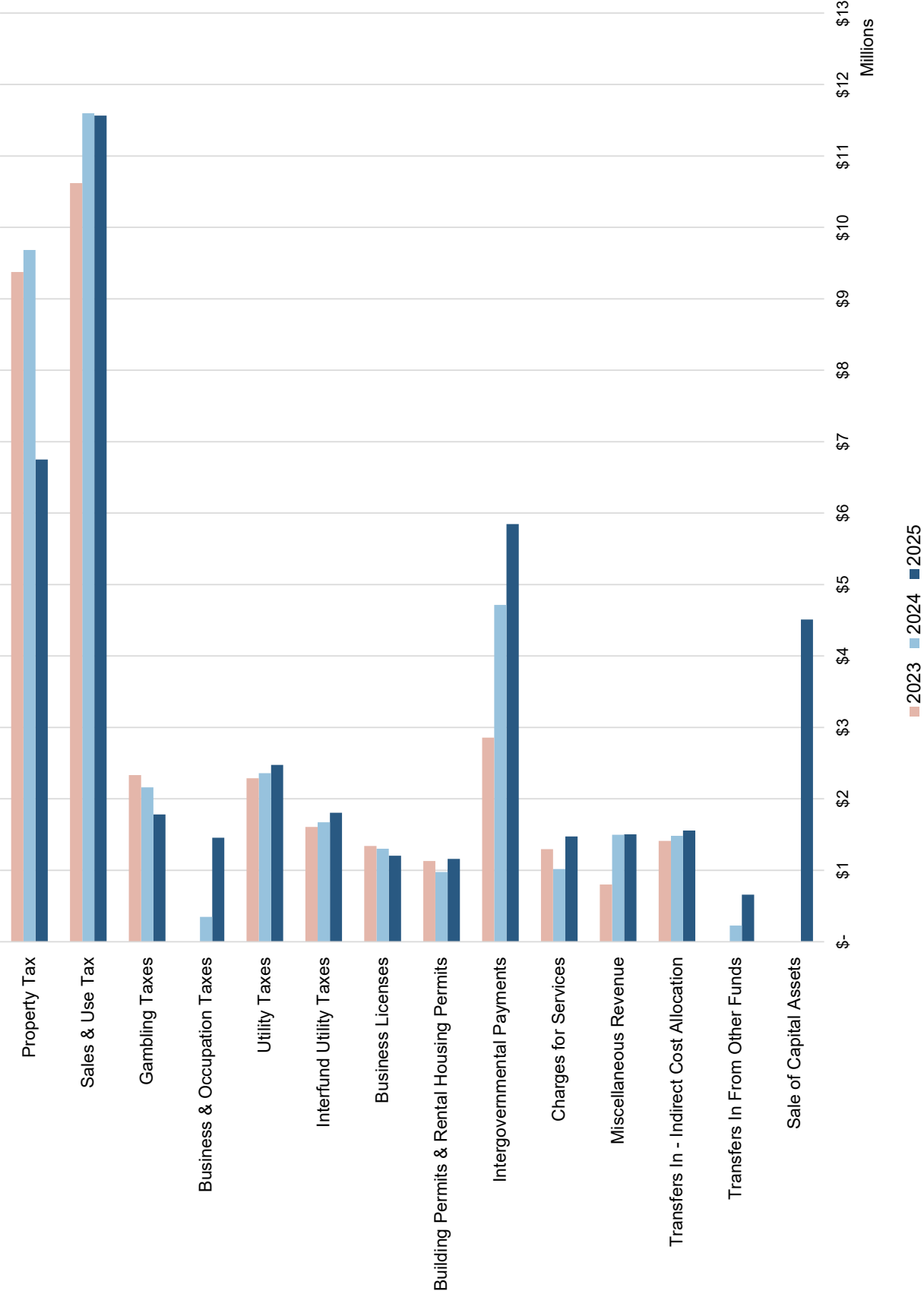
Percent of Year Complete: 50.0%

General Fund Major Revenues



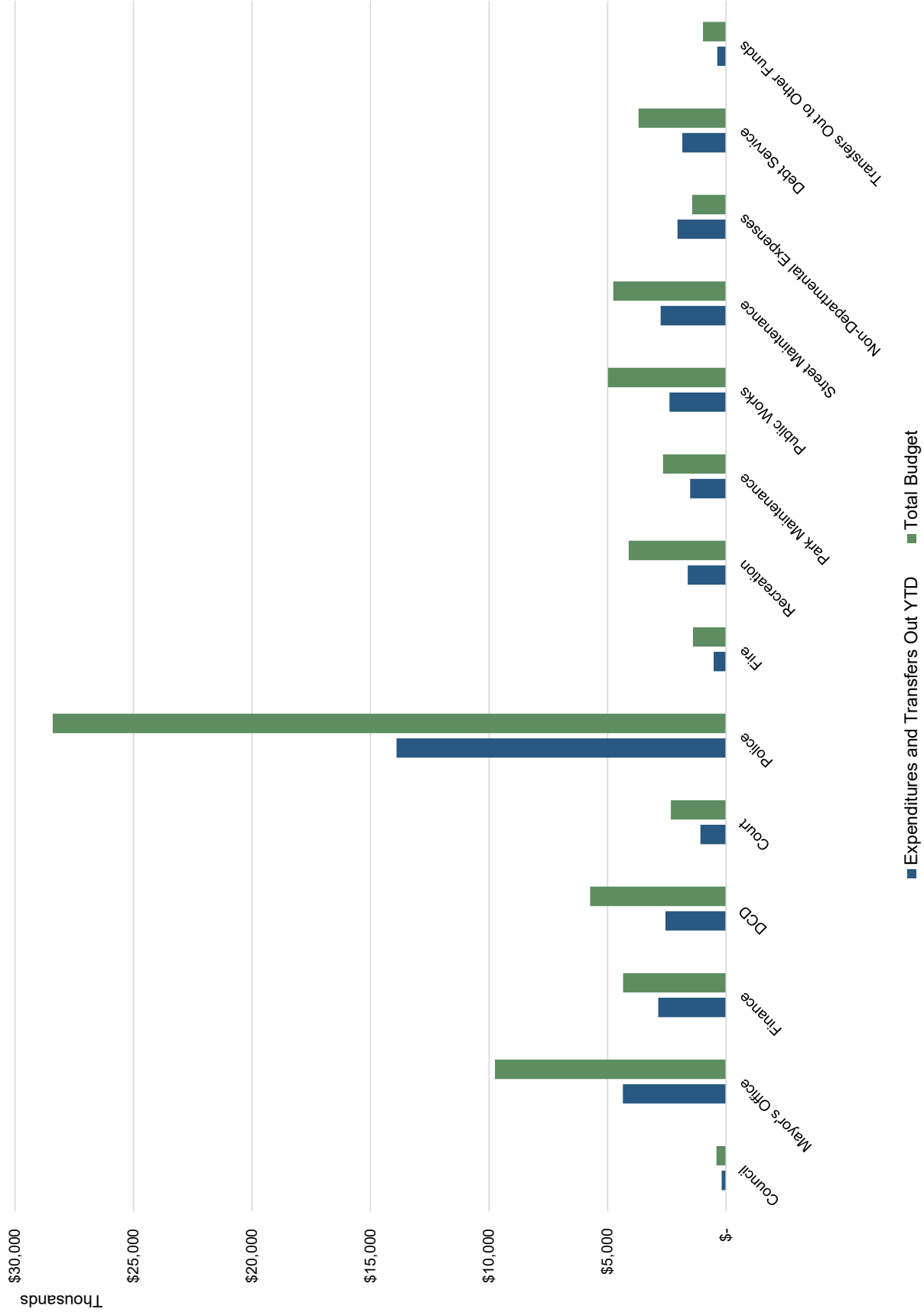
General Fund: Year-to-Year Revenues and Transfers In				
Category	2023 Revenues Through June	2024 Revenues Through June	2025 Revenues through June	2025 vs 2024 \$ %
Taxes:				
Property Tax	\$ 9,376,326	\$ 9,683,846	\$ 6,749,595	(2,934,251) -30.3%
Sales & Use Tax	10,620,212	11,598,122	11,564,090	(34,032) -0.3%
Other Sales Taxes	585,459	535,463	532,795	(2,668) -0.5%
Gambling Taxes	2,334,179	2,162,616	1,781,450	(381,166) -17.6%
Business & Occupation Taxes	-	349,284	1,455,555	1,106,271 +316.7%
Utility Taxes	2,288,456	2,360,365	2,475,342	114,977 +4.9%
Interfund Utility Taxes	1,608,724	1,672,580	1,805,010	132,430 +7.9%
Admission Taxes	444,385	381,681	545,274	163,593 +42.9%
Leasehold Excise Tax	121,273	128,894	136,726	7,832 +6.1%
Business Licenses	1,339,496	1,301,930	1,204,450	(97,480) -7.5%
Building Permits & Rental Housing Permits	1,130,249	977,405	1,160,829	183,424 +18.8%
Intergovernmental Payments	2,858,673	4,716,396	5,846,663	1,130,267 +24.0%
Charges for Services	1,295,313	1,017,801	1,474,373	456,572 +44.9%
Miscellaneous Revenue	800,202	1,497,507	1,505,094	7,587 +0.5%
Transfers In - Indirect Cost Allocation	1,411,206	1,481,763	1,555,846	74,083 +5.0%
Transfers In From Other Funds	-	225,891	659,412	433,521 +191.9%
Sale of Capital Assets	-	-	4,511,436	4,511,436 -
Total	\$ 36,214,153	\$ 40,091,544	\$ 44,963,940	4,872,396 +12.2%

General Fund Major Revenues Prior Year Comparisons YTD



General Fund Overview - Expenditures & Transfers Out by Department				
Department	2025 Total Budget	2025 Expenses through June	Budget Variance (Unfavorable) / Favorable	Budget Variance % of Annual Budget
City Council	\$ 400,093	\$ 185,339	\$ 214,754	46.3%
Mayor's Office	9,748,218	4,356,475	5,391,743	44.7%
Finance Department	4,343,230	2,864,900	1,478,330	66.0%
Community Development (DCD)	5,732,921	2,559,532	3,173,389	44.6%
Municipal Court	2,329,525	1,084,097	1,245,428	46.5%
Police Department	28,411,330	13,902,343	14,508,987	48.9%
Fire Department	1,398,192	523,740	874,452	37.5%
Recreation Department	4,110,113	1,613,058	2,497,055	39.2%
Park Maintenance Dept	2,659,037	1,512,459	1,146,578	56.9%
Public Works Dept	4,977,693	2,386,638	2,591,055	47.9%
Street Maintenance Dept	4,761,271	2,763,290	1,997,981	58.0%
Non-Departmental				
Expenses	1,427,046	2,047,235	(620,189)	143.5%
Transfers Out - Debt Service	3,692,390	1,846,196	1,846,194	50.0%
Transfers Out to Other Funds	971,089	369,000	602,089	38.0%
Total	\$ 74,962,148	\$ 38,014,302	\$ 36,947,846	50.7%
Percent of Year Complete:				50.0%

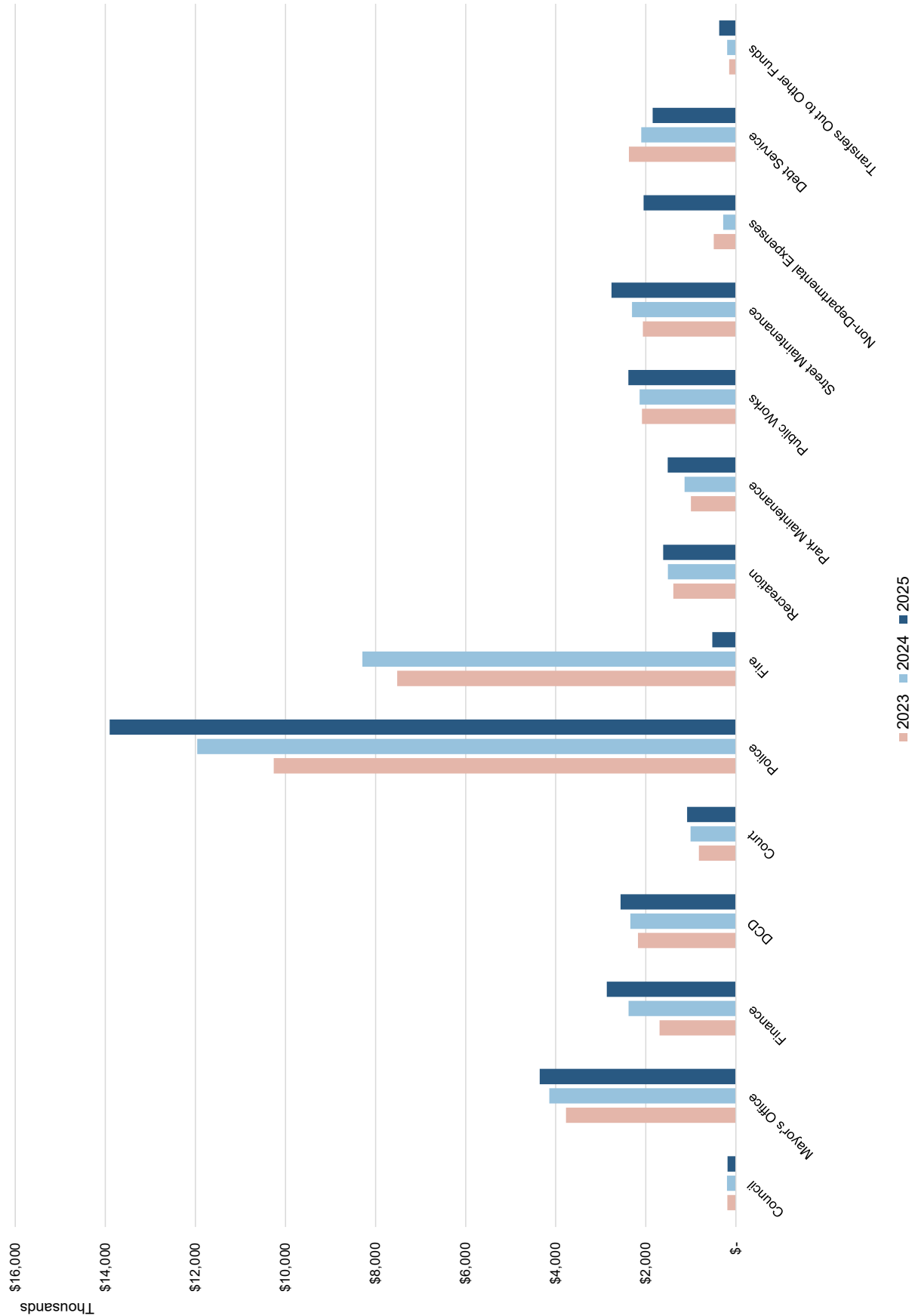
General Fund Expenditures and Transfers Out by Department



General Fund Overview - Year-to-Year Expenditures & Transfers Out by Department					
Category	2023 Expenses through June	2024 Expenses through June	2025 Expenses through June	2025 vs 2024 \$	2025 vs 2024 %
City Council	\$ 187,650	\$ 198,798	\$ 185,339	(13,459)	-6.8%
Mayor's Office	3,772,250	4,143,728	4,356,475	212,747	+5.1%
Finance Department	1,694,394	2,384,934	2,864,900	479,966	+20.1%
Community Development (DCD)	2,174,326	2,341,460	2,559,532	218,072	+9.3%
Municipal Court	821,248	1,006,528	1,084,097	77,569	+7.7%
Police Department	10,260,103	11,958,169	13,902,343	1,944,174	+16.3%
Fire Department	7,518,435	8,291,980	523,740	(7,768,240)	-93.7%
Recreation Department	1,388,171	1,511,118	1,613,058	101,940	+6.7%
Park Maintenance Dept	999,112	1,139,733	1,512,459	372,726	+32.7%
Public Works Dept	2,086,555	2,137,880	2,386,638	248,758	+11.6%
Street Maintenance Dept	2,063,666	2,305,904	2,763,290	457,386	+19.8%
Non-Departmental Expenses ¹	491,402	282,321	2,047,235	1,764,914	+625.1%
Transfers Out - Debt Service	2,374,914	2,103,172	1,846,196	(256,976)	-12.2%
Transfers Out to Other Funds	150,000	194,660	369,000	174,340	+89.6%
Total	\$ 35,982,226	\$ 40,000,385	\$ 38,014,302	(1,986,083)	-5%

Notes:
¹In 2025, vehicle leases across the General Fund are now Non-Departmental expenses. From 2023-2024, these expenses were paid from savings accumulated in the Fleet Fund

General Fund Expenditures by Department Prior Year Comparisons YTD



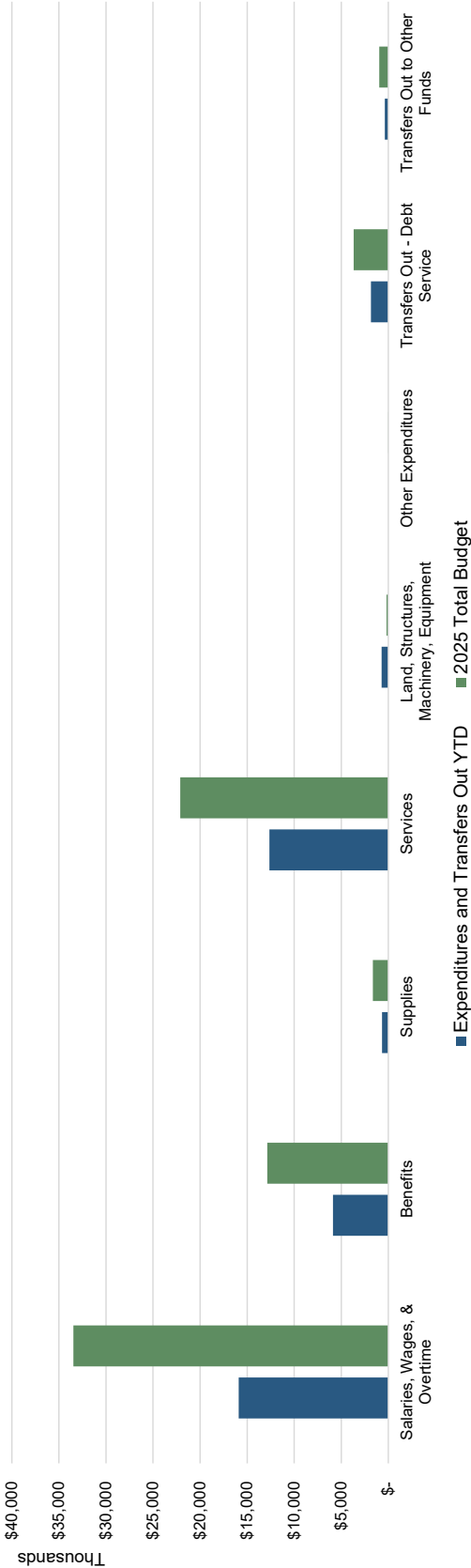
General Fund Overview - Expenditures by Category

Category	2025 Total Budget	2025 Expenses through June	Budget Variance (Unfavorable) / Favorable	Budget Variance % of Annual Budget
Salaries, Wages, & Overtime	\$ 33,466,376	\$ 15,900,942	\$ 17,565,434	47.5%
Benefits	12,851,718	5,879,419	6,972,299	45.7%
Supplies	1,640,914	670,031	970,883	40.8%
Services	22,109,457	12,629,199	9,480,258	57.1%
Land, Structures, Machinery, Equipment	200,000	719,514	(519,514)	359.8%
Other Expenditures	30,205	-	30,205	0.0%
Transfers Out - Debt Service	3,692,390	1,846,196	1,846,194	50.0%
Transfers Out to Other Funds	971,089	369,000	602,089	38.0%
Total	\$ 74,962,149	\$ 38,014,301	\$ 36,947,848	50.7%

Percent of Year Complete:

50.0%

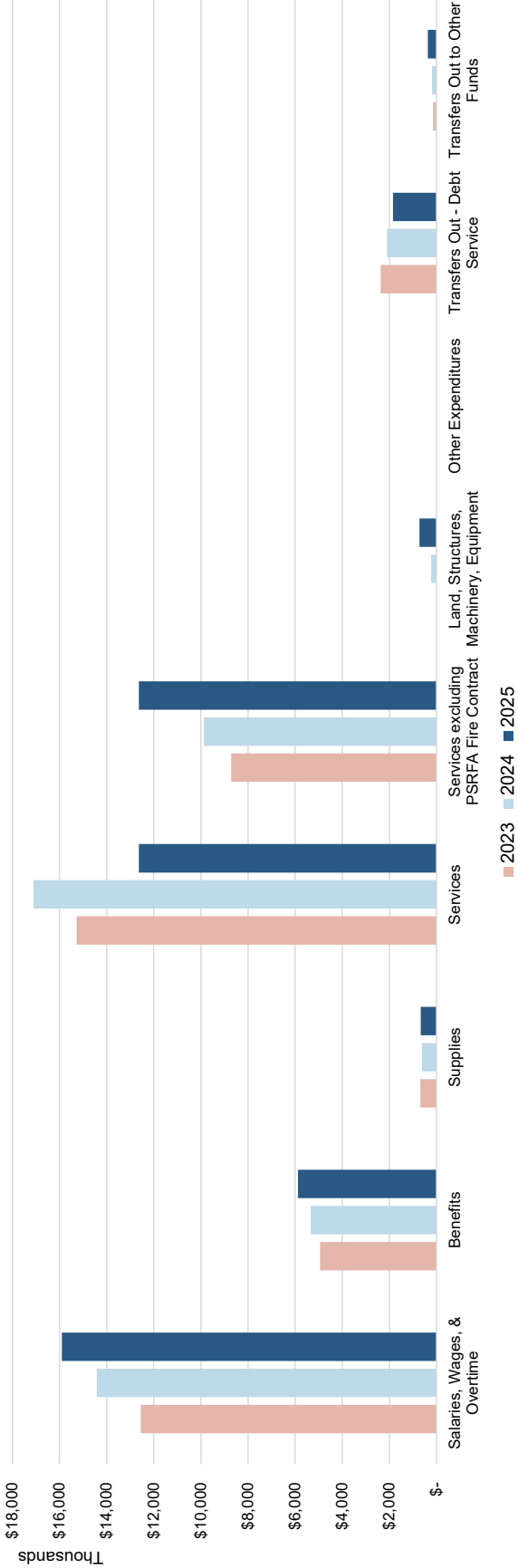
General Fund Expenditures and Transfers Out by Category



General Fund: Year-to-Year Expenditures & Transfers Out by Category

Category	2023 Expenses through June	2024 Expenses through June	2025 Expenses through June	2025 vs 2024	%
Salaries, Wages, & Overtime	\$ 12,552,264	\$ 14,419,283	\$ 15,900,942	\$ 1,481,659	+10.3%
Benefits	4,936,374	5,335,668	5,879,419	543,751	+10.2%
Supplies	686,663	615,379	670,031	54,652	+8.9%
Services	15,277,782	17,106,330	12,629,199	(4,477,131)	-26.2%
Services excluding PSRFA Fire Contract	8,715,483	9,873,696	12,629,199	2,755,503	+27.9%
Land, Structures, Machinery, Equipment	4,230	225,891	719,514	493,623	+218.5%
Other Expenditures	-	-	-	-	-
Transfers Out - Debt Service	2,374,914	2,103,172	1,846,196	(256,976)	-12.2%
Transfers Out to Other Funds	150,000	194,660	369,000	174,340	+89.6%
Total	\$ 35,982,227	\$ 40,000,383	\$ 38,014,301	(1,986,082)	-5.0%

General Fund Expenditures by Category Prior Year Comparisons YTD

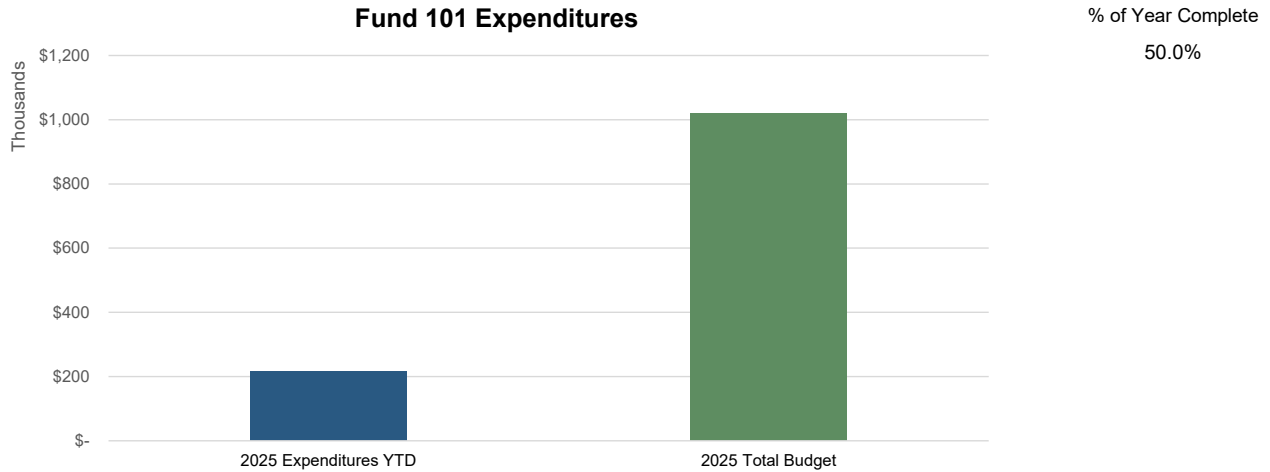


Fund 101 Hotel/Motel Special Revenue Fund
Overview

	2025 through June		2025 Total Budget		Budget Variance % of Annual Budget
Revenues	\$	384,330	\$	897,750	42.8%
Expenditures		200,374		992,204	20.2%
Transfers Out		14,605		29,209	50.0%
Net Revenues Less Expenditures	\$	169,351	\$	(123,663)	% of Year Complete 50.0%

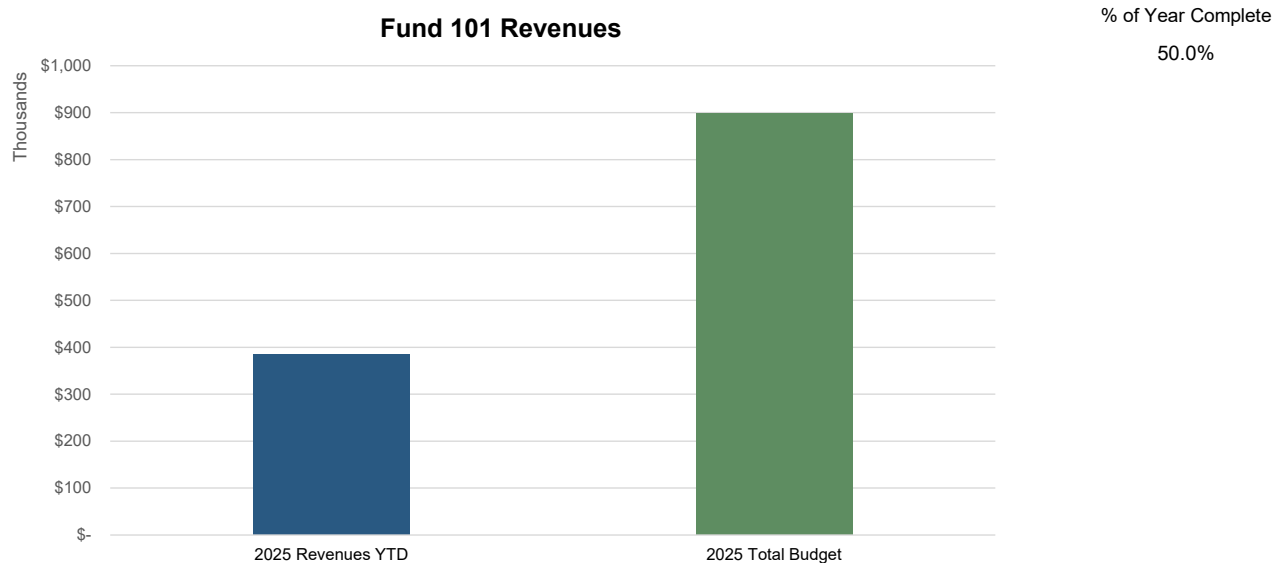
Fund 101 Hotel/Motel Special Revenue Fund
Expenditures and Transfers Out by Category

Category	2025 Total Budget	2025 Expenses through June	Budget Variance (Unfavorable) / Favorable	Budget Variance % of Annual Budget
Salaries, Wages, & Overtime	\$ 51,393	\$ 25,957	\$ 25,436	50.5%
Benefits	20,561	5,775	14,786	28.1%
Supplies	3,000	-	3,000	0.0%
Services	917,250	168,642	748,608	18.4%
Transfers Out - Internal Cost Allocation	29,209	14,605	14,604	50.0%
Total	\$ 1,021,413	\$ 214,979	\$ 806,434	21.0%



Revenues and Transfers In by Category

Category	2025 Total Budget	2025 Revenues through June	Budget Variance (Unfavorable) / Favorable	Budget Variance % of Annual Budget
Hotel/Motel Tax	\$ 850,000	\$ 349,786	\$ (500,214)	41.2%
Investment Earnings	47,750	34,544	(13,206)	72.3%
Total	\$ 897,750	\$ 384,330	\$ (513,420)	42.8%



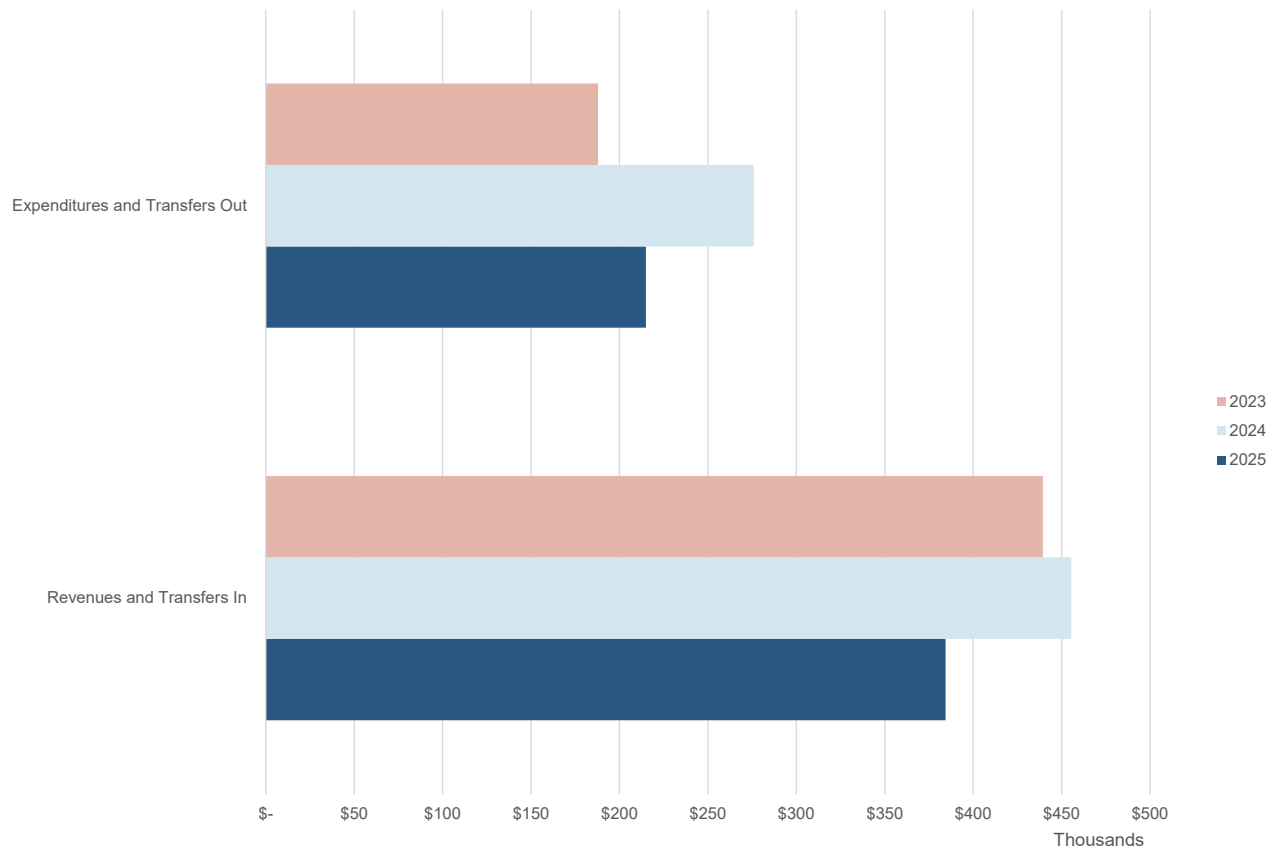
Fund 101 Hotel/Motel Special Revenue Fund
Year-to-Year Expenditures & Transfers Out by Category

Category	2023 Expenses through June		2024 Expenses through June		2025 Expenses through June		2025 vs 2024	
	\$		\$		\$		\$	%
Salaries, Wages, & Overtime	\$	35,129	\$	45,962	\$	25,957	\$ (20,005)	-43.5%
Benefits		8,863		10,715		5,775	(4,940)	-46.1%
Services		130,497		205,262		168,642	(36,620)	-17.8%
Transfers Out - Internal Cost Allocation		13,248		13,910		14,605	695	+5.0%
Total	\$	187,891	\$	275,849	\$	214,979	\$ (60,870)	-22.1%

Fund 101 Hotel/Motel Special Revenue Fund
Year-to-Year Revenues and Transfers In by Category

Category	2023 Revenues through June		2024 Revenues through June		2025 Revenues through June		2025 vs 2024	
	\$		\$		\$		\$	%
Hotel/Motel Tax	\$	384,699	\$	377,063	\$	349,786	\$ (27,277)	-7.2%
Investment Earnings		54,688		78,348		34,544	(43,804)	-55.9%
Total	\$	439,387	\$	455,411	\$	384,330	\$ (71,081)	-15.6%

Fund 101 Prior Year Comparisons YTD



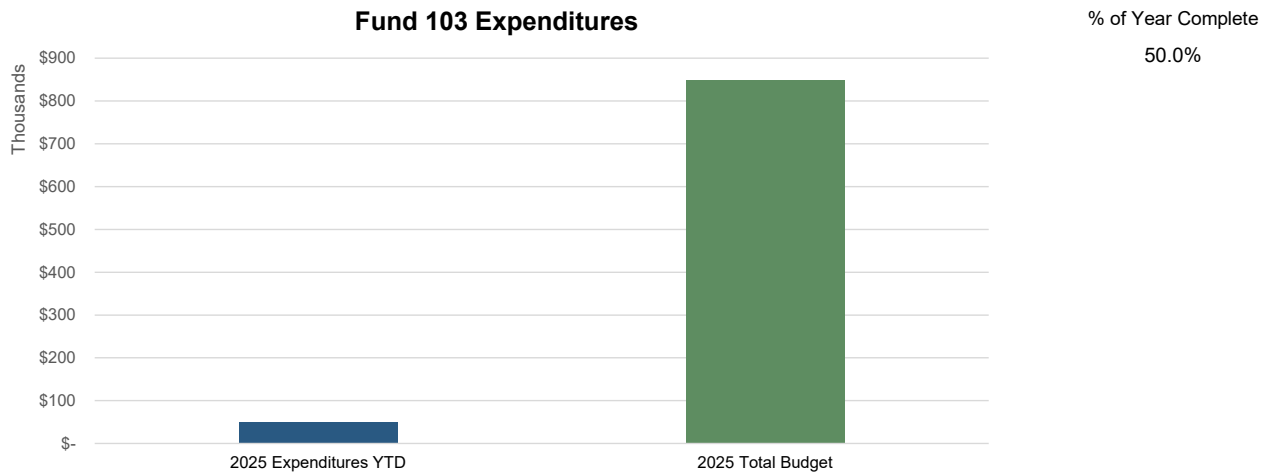
Fund 103 Residential Street Fund

Overview

	2025 through June		2025 Total Budget		Budget Variance % of Annual Budget
Revenues	\$	158,403	\$	1,130,000	14.0%
Expenditures		51,098		850,000	6.0%
Net Revenues Less Expenditures	\$	107,305	\$	280,000	% of Year Complete 50.0%

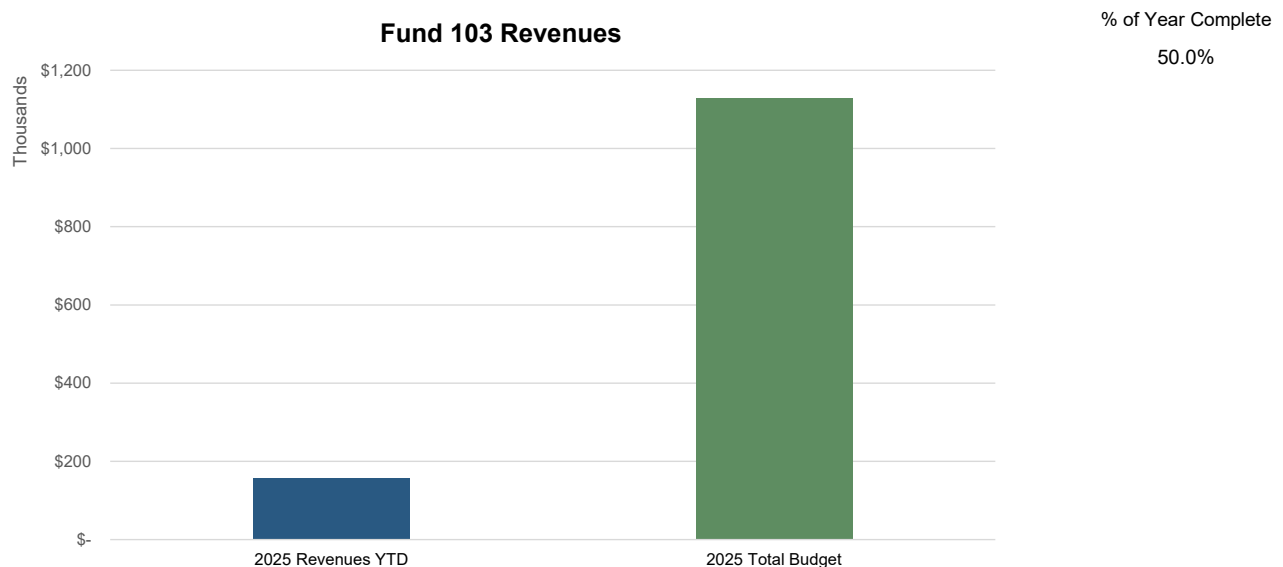
Fund 103 Residential Street Fund
Expenditures and Transfers Out by Category

Category	2025 Total Budget	2025 Expenses through June	Budget Variance (Unfavorable) / Favorable	Budget Variance % of Annual Budget
Supplies	\$ -	\$ 5,266	\$ (5,266)	-
Services	850,000	45,832	804,168	5.4%
Total	\$ 850,000	\$ 51,098	\$ 798,902	6.0%



Revenues and Transfers In by Category

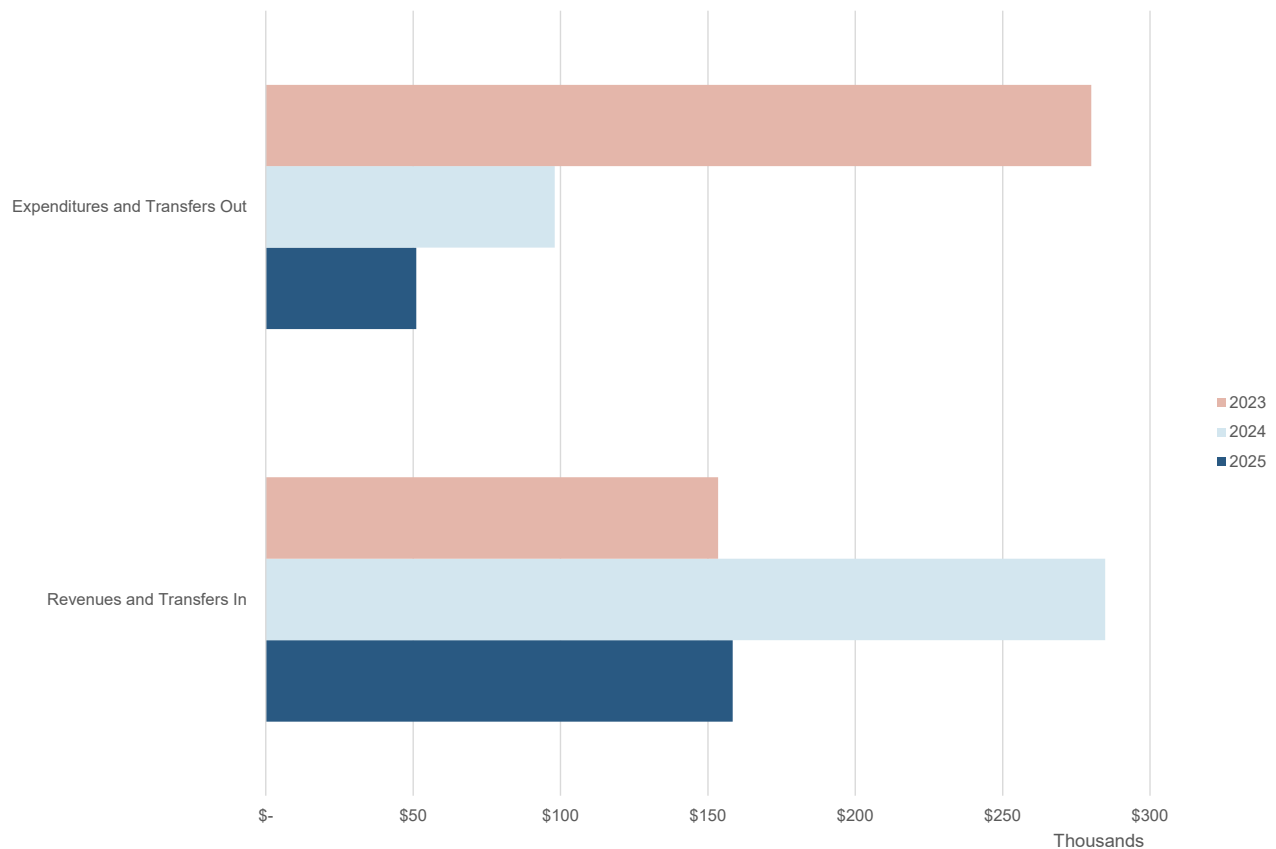
Category	2025 Total Budget	2025 Revenues through June	Budget Variance (Unfavorable) / Favorable	Budget Variance % of Annual Budget
Utility Taxes	\$ 100,000	\$ -	\$ (100,000)	0.0%
Grant Revenues	724,000	-	(724,000)	0.0%
State Entitlements	280,000	128,302	(151,698)	45.8%
Investment Earnings	26,000	30,101	4,101	115.8%
Total	\$ 1,130,000	\$ 158,403	\$ (971,597)	14.0%



Fund 103 Residential Street Fund						
Year-to-Year Expenditures & Transfers Out by Category						
Category	2023 Expenses through June	2024 Expenses through June	2025 Expenses through June	2025 vs 2024		
				\$	%	
Salaries, Wages, & Overtime	\$ 7,715	\$ 1,935	\$ -	\$ (1,935)	-100.0%	
Benefits	4,892	868	-	(868)	-100.0%	
Supplies	-	14,528	5,266	(9,262)	-63.8%	
Services	267,501	52,939	45,832	(7,107)	-13.4%	
Land, Structures, Machinery, Equipment	-	27,762	-	(27,762)	-100.0%	
Total	\$ 280,108	\$ 98,032	\$ 51,098	\$ (46,934)	-47.9%	

Fund 103 Residential Street Fund						
Year-to-Year Revenues and Transfers In by Category						
Category	2023 Revenues through June	2024 Revenues through June	2025 Revenues through June	2025 vs 2024		
				\$	%	
Grant Revenues	\$ -	\$ 70,797	\$ -	\$ (70,797)	-100.0%	
State Entitlements	139,661	136,516	128,302	(8,214)	-6.0%	
Investment Earnings	13,828	32,843	30,101	(2,742)	-8.3%	
Transfers In	-	44,660	-	(44,660)	-100.0%	
Total	\$ 153,489	\$ 284,816	\$ 158,403	\$ (126,413)	-44.4%	

Fund 103 Prior Year Comparisons YTD



Fund 104 Arterial Street Fund

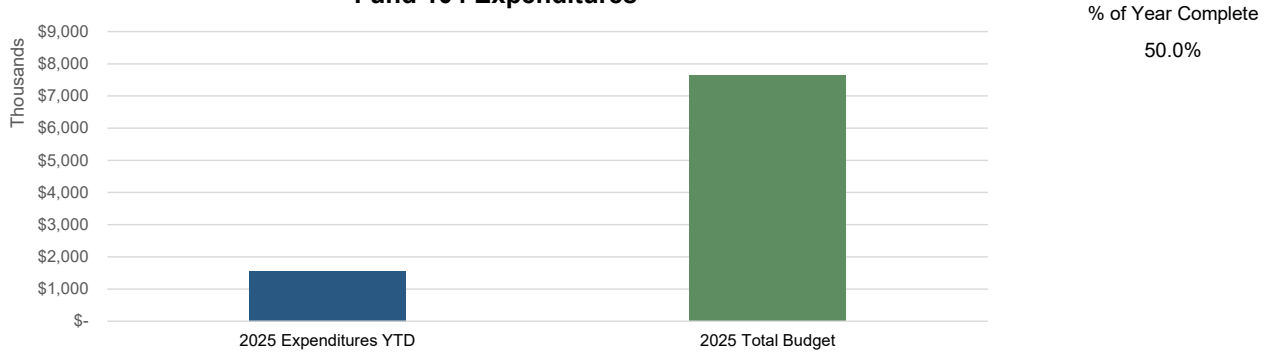
Overview

	2025 through June		2025 Total Budget		Budget Variance % of Annual Budget
Revenues	\$	2,729,087	\$	5,586,001	48.9%
Expenditures		1,563,642		7,636,726	20.5%
Net Revenues Less Expenditures	\$	1,165,445	\$	(2,050,725)	
					% of Year Complete 50.0%

Fund 104 Arterial Street Fund
Expenditures and Transfers Out by Category

Category	2025 Total Budget	2025 Expenses through June	Budget Variance (Unfavorable) / Favorable	Budget Variance % of Annual Budget
Salaries, Wages, & Overtime	\$ 793,142	\$ 320,458	\$ 472,684	40%
Benefits	312,185	111,656	200,529	36%
Supplies	23,200	63,558	(40,358)	274.0%
Services	6,508,200	630,244	5,877,956	9.7%
Land, Structures, Machinery, Equipment	-	437,726	(437,726)	-
Total	\$ 7,636,727	\$ 1,563,642	\$ 6,073,085	20.5%

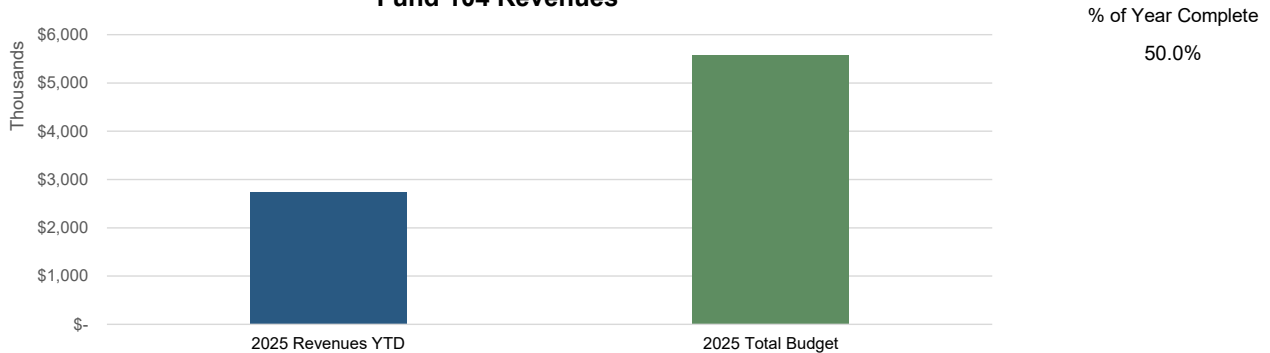
Fund 104 Expenditures



Revenues and Transfers In by Category

Category	2025 Total Budget	2025 Revenues through June	Budget Variance (Unfavorable) / Favorable	Budget Variance % of Annual Budget
Utility Taxes	\$ 1,320,000	\$ 776,873	\$ (543,127)	58.9%
Parking Tax	800,000	411,112	(388,888)	51.4%
Real Estate Excise Tax (REET)	500,000	296,288	(203,712)	59.3%
Permits	1	-	(1)	0.0%
Franchise Fees	450,000	235,241	(214,759)	52.3%
Grant Revenues	2,026,000	299,270	(1,726,730)	14.8%
State Entitlements	135,000	66,248	(68,752)	49.1%
General Government Revenue	-	360	360	-
Traffic Impact Fees	200,000	390,734	190,734	195.4%
Fines and Penalties	2,000	562	(1,438)	28.1%
Other Income	80,000	113,200	33,200	141.5%
Investment Earnings	73,000	139,199	66,199	190.7%
Total	\$ 5,586,001	\$ 2,729,087	\$ (2,856,914)	48.9%

Fund 104 Revenues



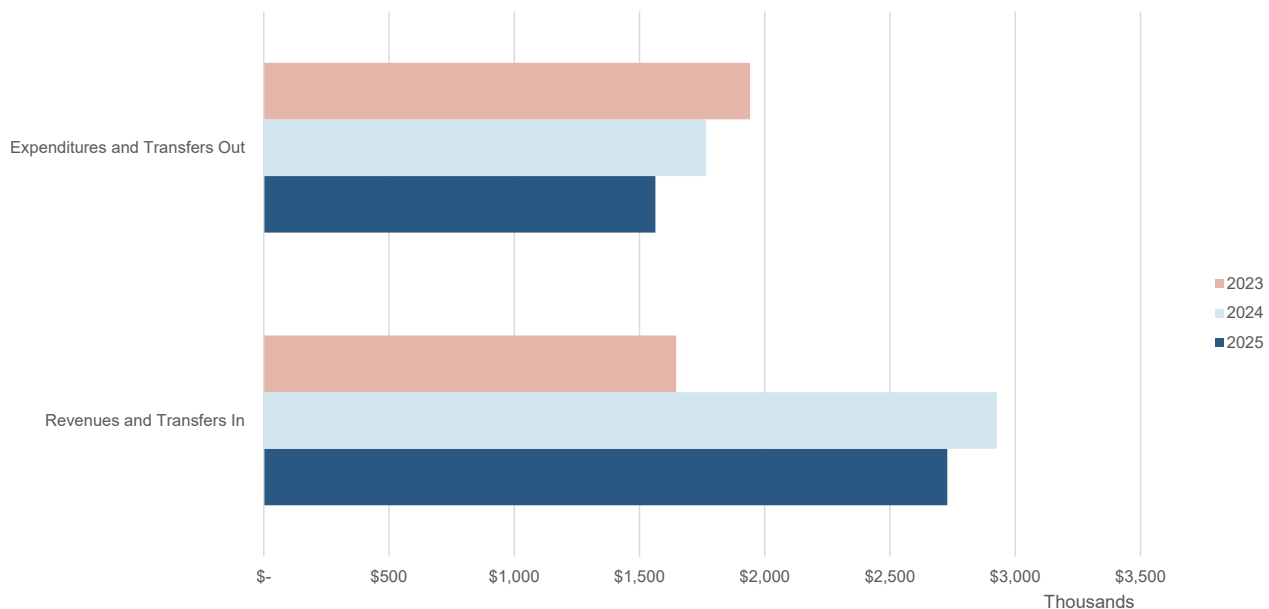
Fund 104 Arterial Street Fund
Year-to-Year Expenditures & Transfers Out by Category

Category	2023 Expenses through June		2024 Expenses through June		2025 Expenses through June		2025 vs 2024	
	\$		\$		\$		\$	%
Salaries, Wages, & Overtime	\$	189,193	\$	249,979	\$	320,458	\$ 70,479	+28.2%
Benefits		67,098		85,565		111,656	26,091	+30.5%
Supplies		86,680		749		63,558	62,809	+8385.7%
Services		437,658		561,649		630,244	68,595	+12.2%
Land, Structures, Machinery, Equipment		1,161,096		868,390		437,726	(430,664)	-49.6%
Total	\$	1,941,725	\$	1,766,332	\$	1,563,642	\$ (202,690)	-11.5%

Fund 104 Arterial Street Fund
Year-to-Year Revenues and Transfers In by Category

Category	2023 Revenues through June		2024 Revenues through June		2025 Revenues through June		2025 vs 2024	
	\$		\$		\$		\$	%
Utility Taxes	\$	632,612	\$	778,550	\$	776,873	\$ (1,677)	-0%
Parking Tax		386,269		432,912		411,112	(21,800)	-5.0%
Real Estate Excise Tax (REET)		107,072		372,709		296,288	(76,421)	-20.5%
Permits		797		2		-	(2)	-100.0%
Franchise Fees		-		177,890		235,241	57,351	+32.2%
Grant Revenues		55,049		758,800		299,270	(459,530)	-60.6%
State Entitlements		71,662		70,148		66,248	(3,900)	-5.6%
General Government Revenue		-		140		360	220	+157.1%
Traffic Impact Fees		145,581		132,114		390,734	258,620	+195.8%
Fines and Penalties		10,655		1,119		562	(557)	-49.8%
Other Income		115,334		44,600		113,200	68,600	+153.8%
Investment Earnings		121,669		158,566		139,199	(19,367)	-12.2%
Total	\$	1,646,700	\$	2,927,550	\$	2,729,087	\$ (198,463)	-6.8%

Fund 104 Prior Year Comparisons YTD



Fund 109 Drug Seizure Fund
Overview

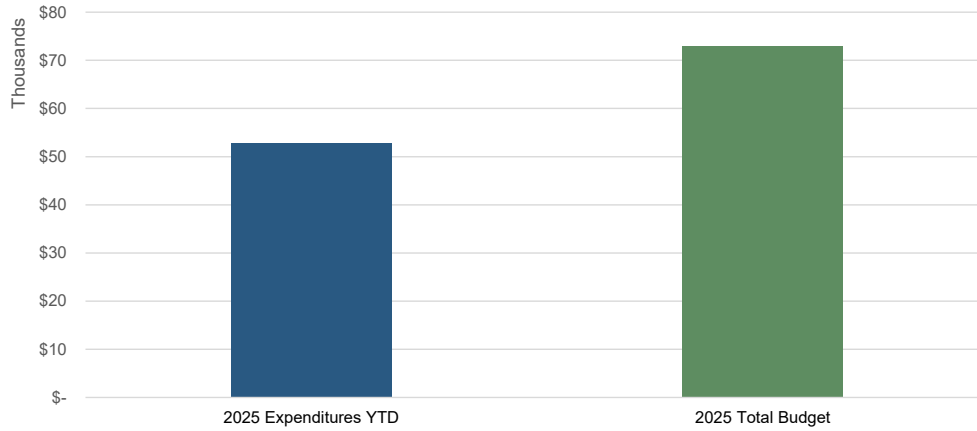
	2025 through June		2025 Total Budget	Budget Variance % of Annual Budget
Revenues	\$	8,794	\$ 98,100	9.0%
Expenditures		52,798	73,000	72.3%
Net Revenues Less Expenditures	\$	(44,004)	\$ 25,100	% of Year Complete 50.0%

Fund 109 Drug Seizure Fund
Expenditures and Transfers Out by Category

Category	2025 Total Budget	2025 Expenses through June	Budget Variance (Unfavorable) / Favorable	Budget Variance % of Annual Budget
Supplies	\$ 36,000	\$ 32,968	\$ 3,032	91.6%
Services	37,000	19,830	17,170	53.6%
Total	\$ 73,000	\$ 52,798	\$ 20,202	72.3%

Fund 109 Expenditures

% of Year Complete
50.0%

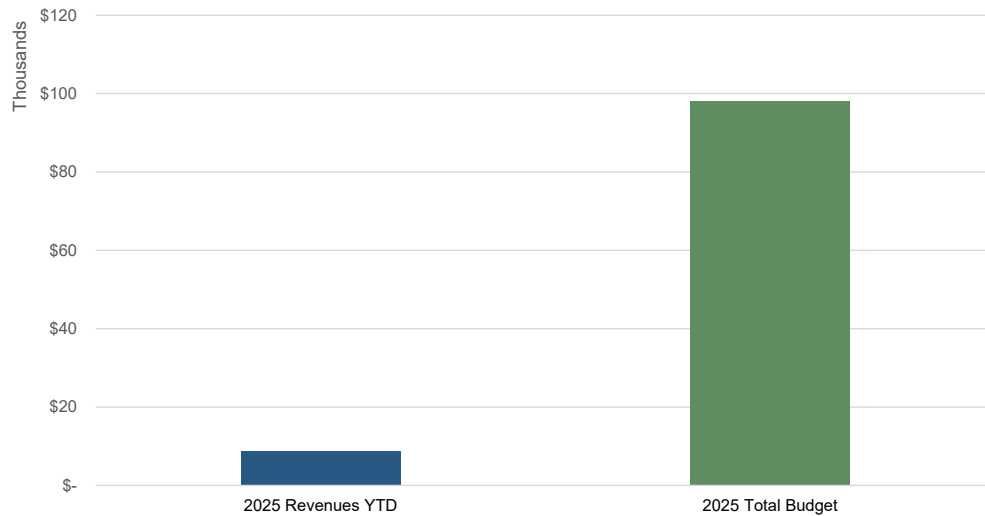


Revenues and Transfers In by Category

Category	2025 Total Budget	2025 Revenues through June	Budget Variance (Unfavorable) / Favorable	Budget Variance % of Annual Budget
Intergovernmental Revenue	\$ 35,000	\$ 8,794	\$ (26,206)	25.1%
Other Income	60,000	-	(60,000)	0.0%
Investment Earnings	3,100	-	(3,100)	0.0%
Total	\$ 98,100	\$ 8,794	\$ (89,306)	9.0%

Fund 109 Revenues

% of Year Complete
50.0%



Fund 109 Drug Seizure Fund

Year-to-Year Expenditures & Transfers Out by Category

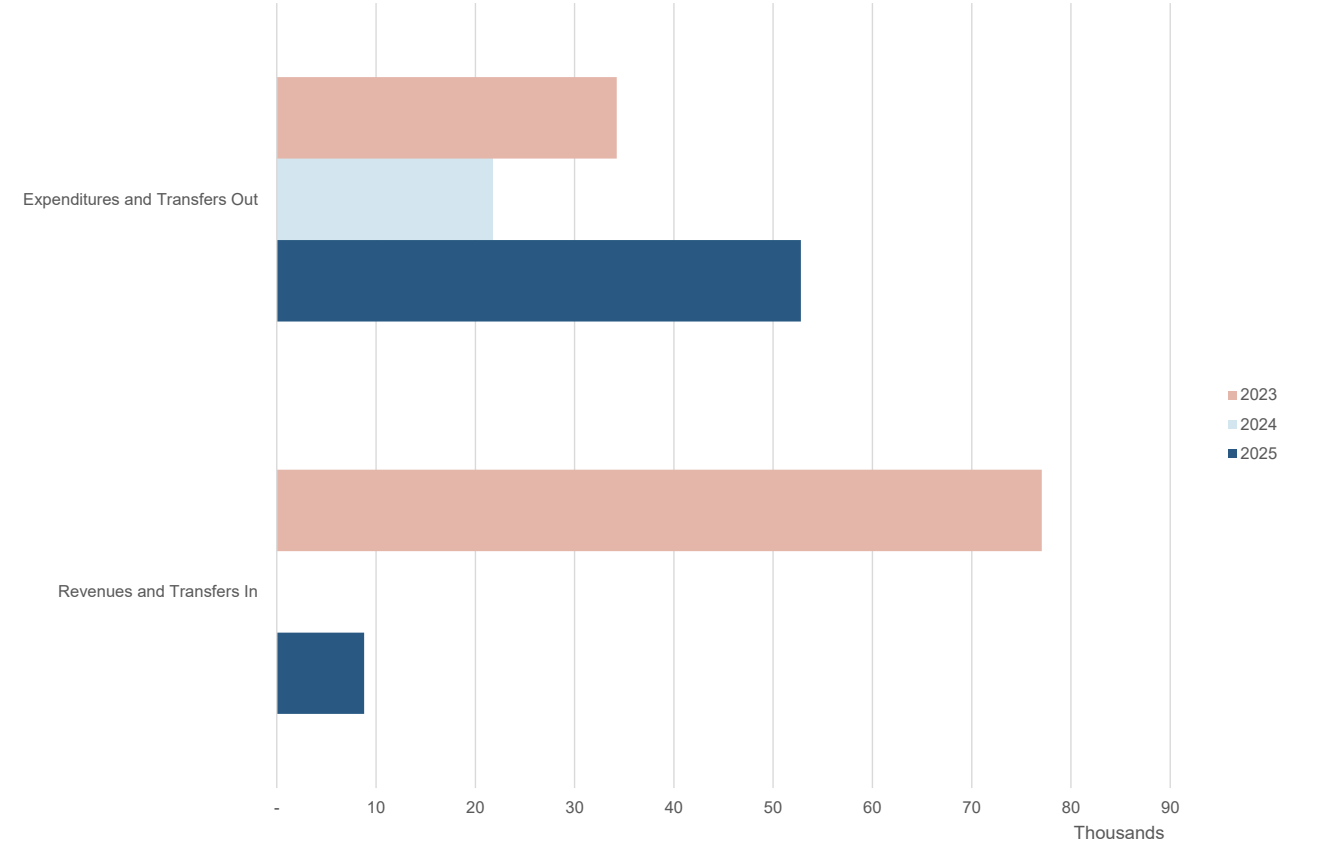
Category	2023 Expenses through June		2024 Expenses through June		2025 Expenses through June		2025 vs 2024	
	\$		\$		\$		\$	%
Supplies	\$	11,423	\$	4,570	\$	32,968	\$ 28,398	+621.4%
Services		22,822		17,149		19,830	2,681	+15.6%
Total	\$	34,245	\$	21,719	\$	52,798	\$ 31,079	+143.1%

Fund 109 Drug Seizure Fund

Year-to-Year Revenues and Transfers In by Category

Category	2023 Revenues through June		2024 Revenues through June		2025 Revenues through June		2025 vs 2024	
	\$		\$		\$		\$	%
Intergovernmental Revenue	\$	77,060	\$	-	\$	8,794	\$ 8,794	-
Total	\$	77,060	\$	-	\$	8,794	\$ 8,794	-

Fund 109 Prior Year Comparisons YTD



Fund 301 Land Acq., Rec. & Park Development
Overview

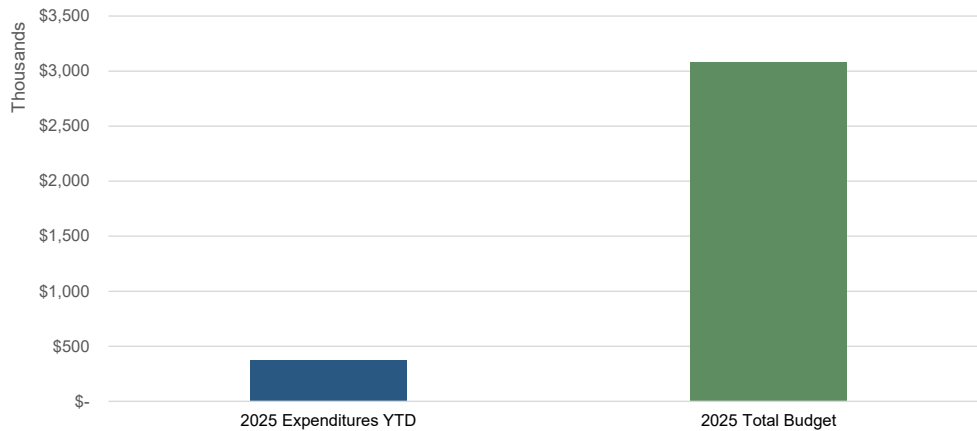
	2025 through June		2025 Total Budget	Budget Variance % of Annual Budget
Revenues	\$	1,491,571	\$ 2,841,300	52.5%
Expenditures		378,169	2,431,000	15.6%
Transfers Out		-	652,605	0.0%
Net Revenues Less Expenditures	\$	1,113,402	\$ (242,305)	% of Year Complete 50.0%

Fund 301 Land Acq., Rec. & Park Development
Expenditures and Transfers Out by Category

Category	2025 Total Budget	2025 Expenses through June	Budget Variance (Unfavorable) / Favorable	Budget Variance % of Annual Budget
Supplies	\$ 30,000	\$ -	\$ 30,000	0.0%
Services	1,876,000	374,259	1,501,741	19.9%
Land, Structures, Machinery, Equipment	525,000	3,910	521,090	1%
Transfers Out to Other Funds	652,605	-	652,605	0%
Total	\$ 3,083,605	\$ 378,169	\$ 2,705,436	12.3%

Fund 301 Expenditures

% of Year Complete
50.0%

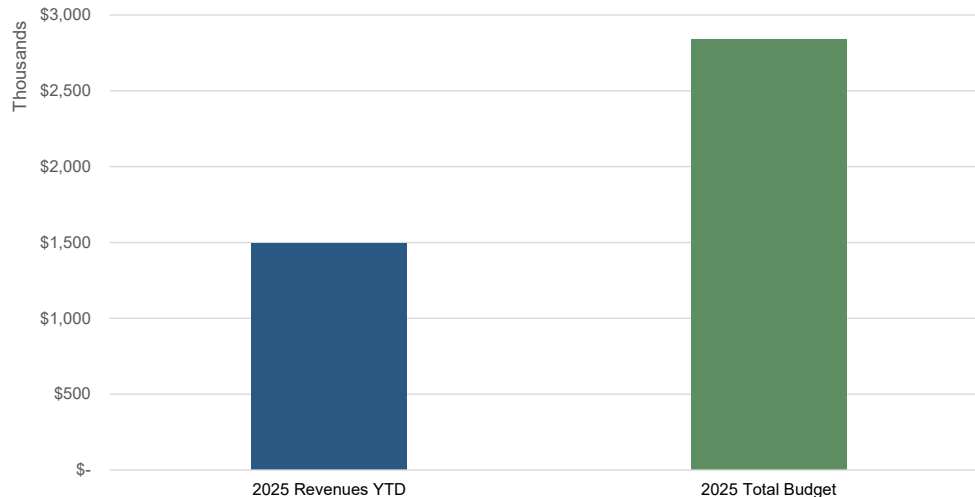


Revenues and Transfers In by Category

Category	2025 Total Budget	2025 Revenues through June	Budget Variance (Unfavorable) / Favorable	Budget Variance % of Annual Budget
Property Tax	\$ 207,800	\$ 138,193	\$ (69,607)	66.5%
Real Estate Excise Tax (REET)	500,000	-	(500,000)	0.0%
Grant Revenues	1,976,000	1,249,810	(726,190)	63.2%
Park Impact Fees	100,000	17,515	(82,485)	17.5%
Investment Earnings	57,500	86,053	28,553	149.7%
Total	\$ 2,841,300	\$ 1,491,571	\$ (1,349,729)	52.5%

Fund 301 Revenues

% of Year Complete
50.0%



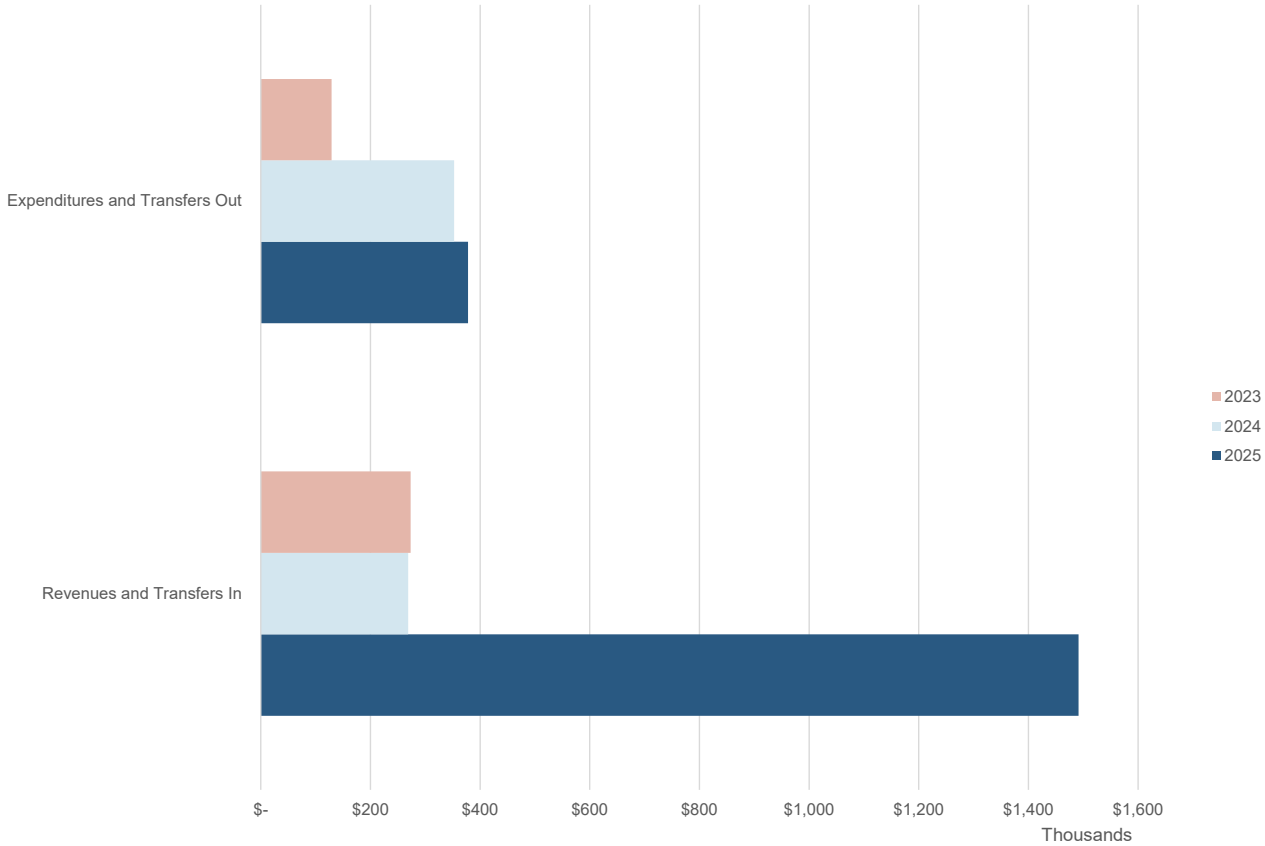
Fund 301 Land Acq., Rec. & Park Development
Year-to-Year Expenditures & Transfers Out by Category

Category	2023 Expenses through June		2024 Expenses through June		2025 Expenses through June		2025 vs 2024	
	\$		\$		\$		\$	%
Services	\$	82,680	\$	352,472	\$	374,259	\$ 21,787	+6.2%
Land, Structures, Machinery, Equipment		-		-		3,910	3,910	-
Total	\$	129,250	\$	352,472	\$	378,169	\$ 25,697	+7.3%

Fund 301 Land Acq., Rec. & Park Development
Year-to-Year Revenues and Transfers In by Category

Category	2023 Revenues through June		2024 Revenues through June		2025 Revenues through June		2025 vs 2024	
	\$		\$		\$		\$	%
Property Tax	\$	128,923	\$	133,701	\$	138,193	\$ 4,492	+3%
Real Estate Excise Tax (REET)		36,224		-		-	-	-
Grant Revenues		-		-		1,249,810	1,249,810	-
Park Impact Fees		33,733		24,924		17,515	(7,409)	-29.7%
Investment Earnings		74,344		110,436		86,053	(24,383)	-22%
Total	\$	273,224	\$	269,061	\$	1,491,571	\$ 1,222,510	+454.4%

Fund 301 Prior Year Comparisons YTD



Fund 303 General Government Improvements
Overview

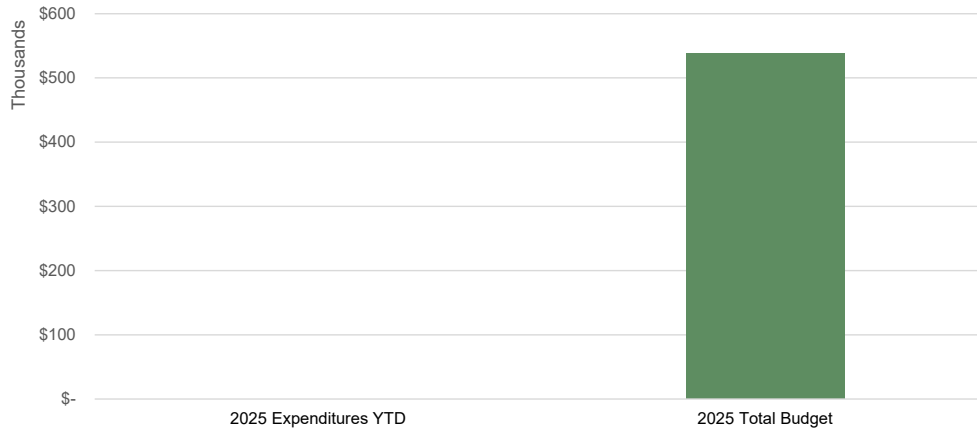
	2025 through June		2025 Total Budget		Budget Variance % of Annual Budget
Revenues	\$	5,711	\$	1,000	571.1%
Transfers In		219,000		438,000	50.0%
Expenditures		-		538,000	0.0%
Net Revenues Less Expenditures	\$	224,711	\$	(99,000)	% of Year Complete 50.0%

Fund 303 General Government Improvements
Expenditures and Transfers Out by Category

Category	2025 Total Budget	2025 Expenses through June	Budget Variance (Unfavorable) / Favorable	Budget Variance % of Annual Budget
Services	\$ 538,000	- \$	538,000	0.0%
Total	\$ 538,000	- \$	538,000	0.0%

Fund 303 Expenditures

% of Year Complete
50.0%

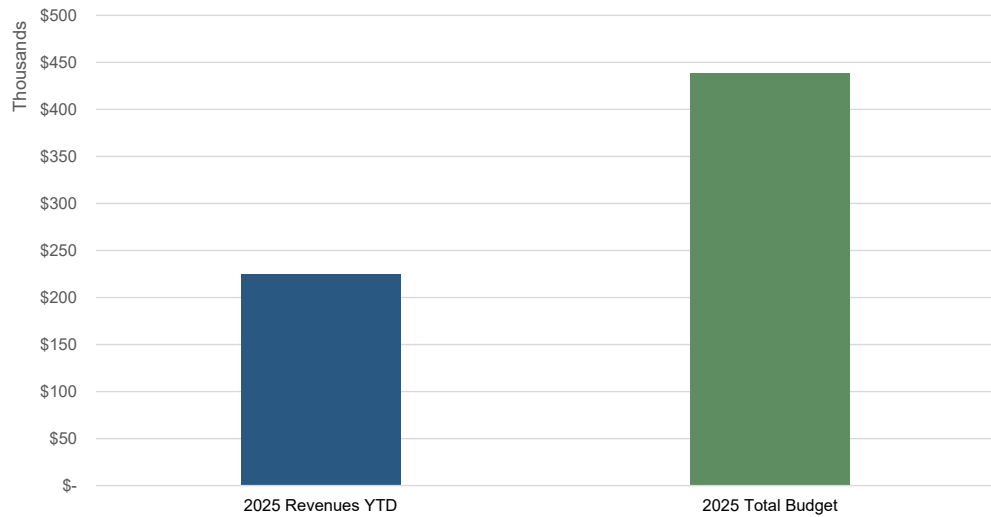


Revenues and Transfers In by Category

Category	2025 Total Budget	2025 Revenues through June	Budget Variance (Unfavorable) / Favorable	Budget Variance % of Annual Budget
Investment Earnings	\$ 1,000	\$ 5,711	\$ 4,711	571.1%
Transfer In From General Fund	438,000	219,000	(219,000)	50%
Total	\$ 439,000	\$ 224,711	\$ (214,289)	51.2%

Fund 303 Revenues

% of Year Complete
50.0%



Fund 303 General Government Improvements

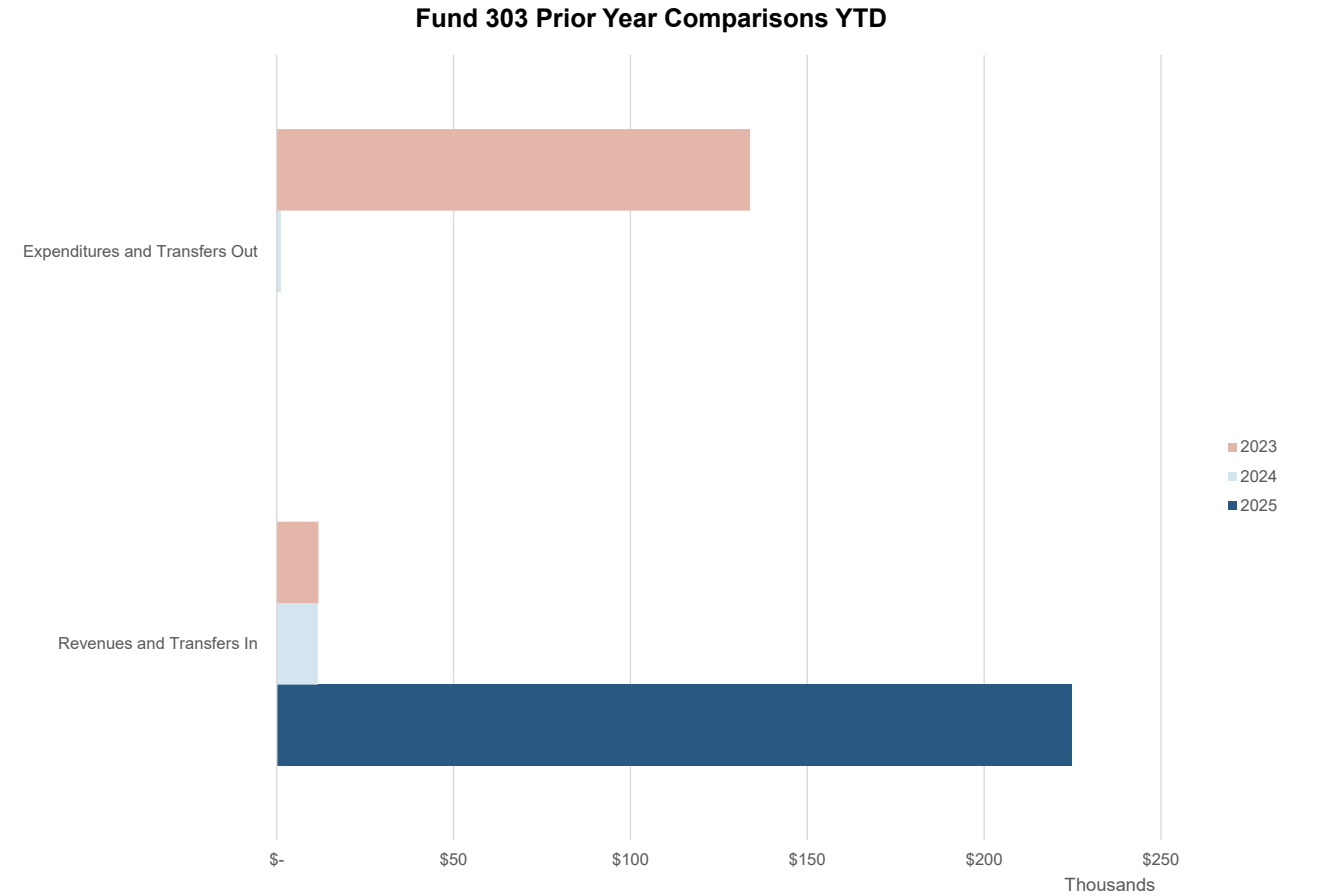
Year-to-Year Expenditures & Transfers Out by Category

Category	2023 Expenses through June		2024 Expenses through June		2025 Expenses through June		2025 vs 2024	
	\$		\$		\$		\$	%
Services	\$	133,850	\$	1,146	\$	-	\$ (1,146)	-100.0%
Total	\$	133,850	\$	1,146	\$	-	\$ (1,146)	-100.0%

Fund 303 General Government Improvements

Year-to-Year Revenues and Transfers In by Category

Category	2023 Revenues through June		2024 Revenues through June		2025 Revenues through June		2025 vs 2024	
	\$		\$		\$		\$	%
Investment Earnings	\$	11,781	\$	11,610	\$	5,711	\$ (5,899)	-51%
Transfer In From General Fund		-		-		219,000	219,000	-
Total	\$	11,781	\$	11,610	\$	224,711	\$ 213,101	+1835.5%



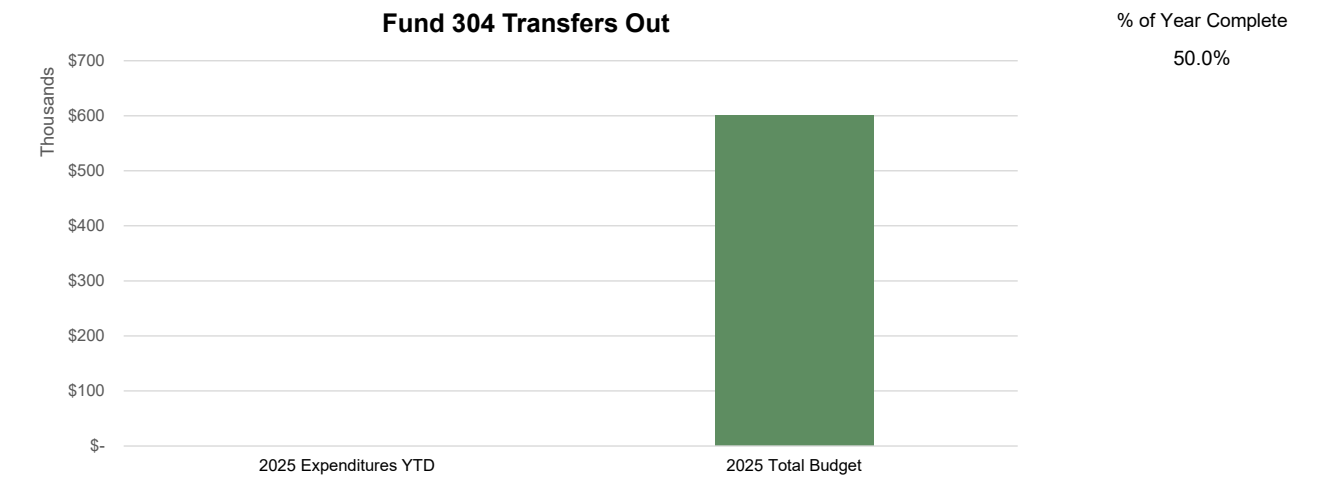
Fund 304 Fire Improvements
Overview

	2025 through June		2025 Total Budget		Budget Variance % of Annual Budget
Revenues	\$	16,592	\$	600,000	2.8%
Transfers Out		-		600,000	0.0%
Net Revenues Less Expenditures	\$	16,592	\$	-	% of Year Complete 50.0%

Fund 304 Fire Improvements

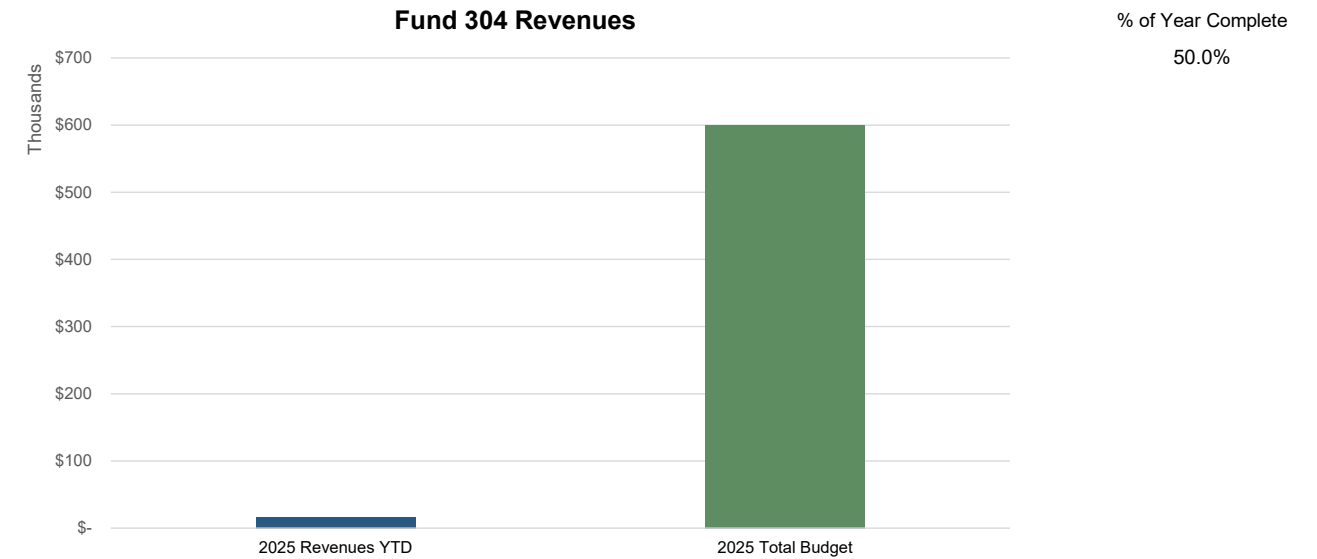
Transfers Out

Category	2025 Total Budget	2025 Transfers Out through June	Budget Variance (Unfavorable) / Favorable	Budget Variance % of Annual Budget
Transfers Out to Other Funds	\$ 600,000	\$ -	\$ 600,000	0%
Total	\$ 600,000	\$ -	\$ 600,000	0.0%



Revenues and Transfers In by Category

Category	2025 Total Budget	2025 Revenues through June	Budget Variance (Unfavorable) / Favorable	Budget Variance % of Annual Budget
Fire Impact Fees	\$ 600,000	\$ 16,592	\$ (583,408)	2.8%
Total	\$ 600,000	\$ 16,592	\$ (583,408)	2.8%



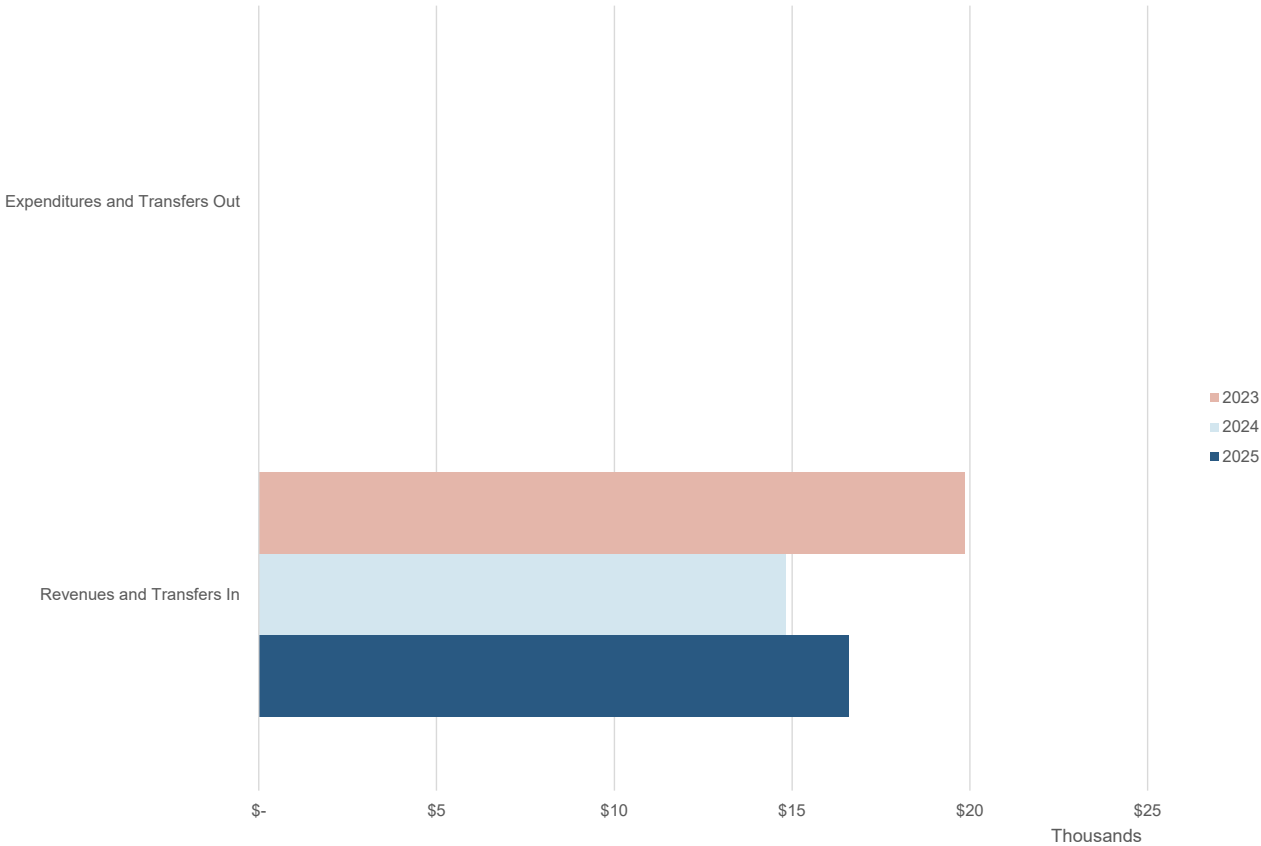
Fund 304 Fire Improvements
Year-to-Year Expenditures & Transfers Out by Category

Category	2023 Expenses through June		2024 Expenses through June		2025 Expenses through June		2025 vs 2024	
	\$		\$		\$		\$	%
Transfers Out to Other Funds	\$	-	\$	-	\$	-	\$	-
Total	\$	-	\$	-	\$	-	\$	-

Fund 304 Fire Improvements
Year-to-Year Revenues and Transfers In by Category

Category	2023 Revenues through June		2024 Revenues through June		2025 Revenues through June		2025 vs 2024	
	\$		\$		\$		\$	%
Fire Impact Fees	\$	19,852	\$	14,812	\$	16,592	\$	1,780 +12.0%
Total	\$	19,852	\$	14,812	\$	16,592	\$	1,780 +12.0%

Fund 304 Prior Year Comparisons YTD



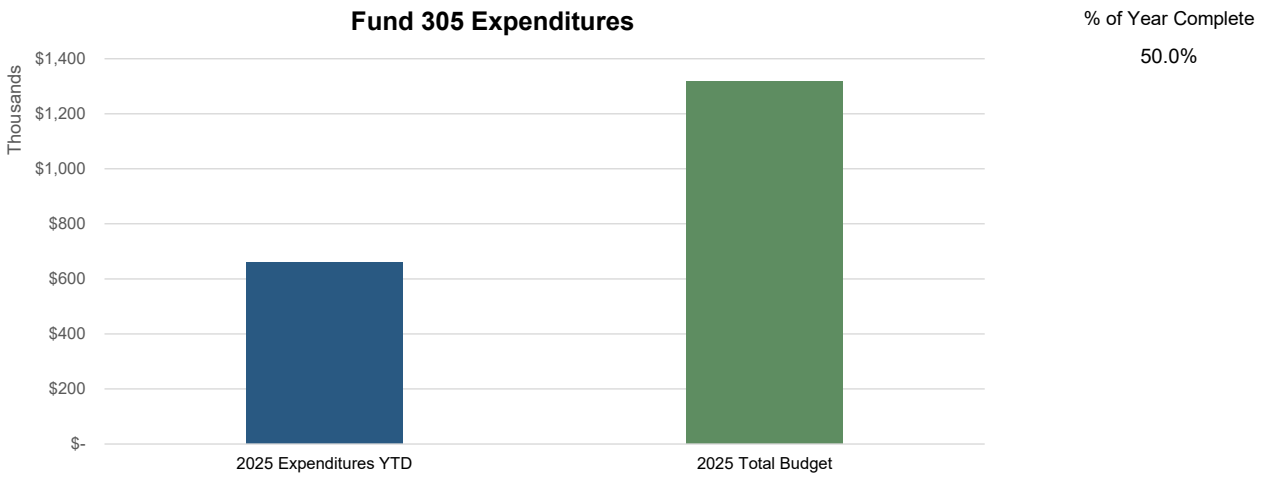
Fund 305 Public Safety Plan

Overview

	2025 through June		2025 Total Budget	Budget Variance % of Annual Budget
Revenues	\$	323,481	\$ 15,000	2156.5%
Transfers In		-	1,100,000	0.0%
Transfers Out		659,412	1,318,824	50.0%
Net Revenues Less Expenditures	\$	(335,931)	\$ (203,824)	% of Year Complete 50.0%

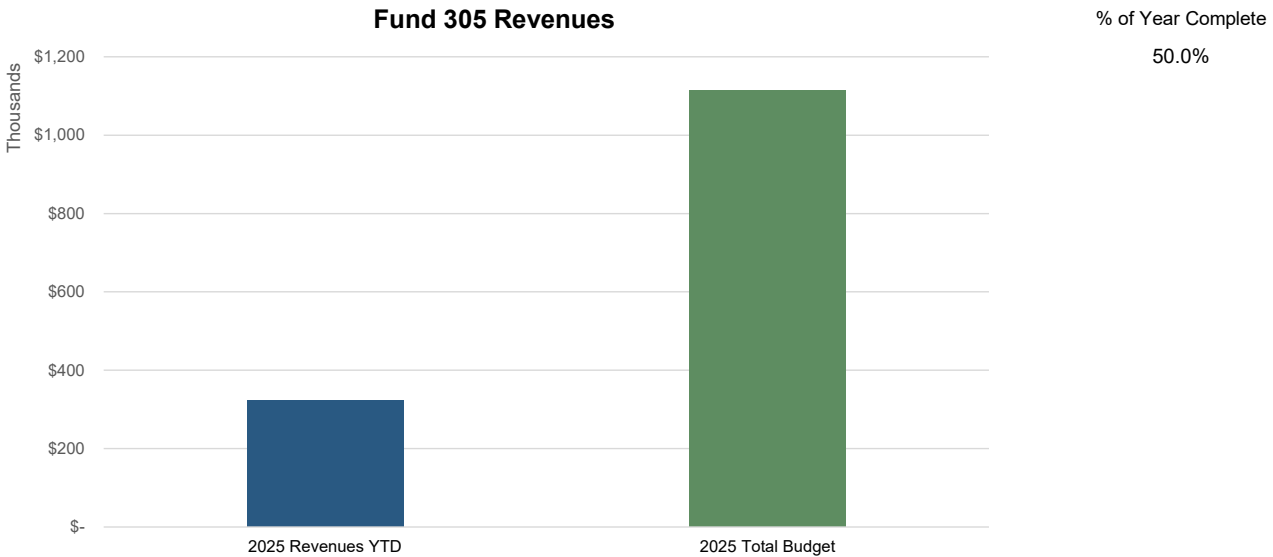
Fund 305 Public Safety Plan
Expenditures and Transfers Out by Category

Category	2025 Total Budget		2025 Expenses through June		Budget Variance (Unfavorable) / Favorable	Budget Variance % of Annual Budget
Transfers Out to Other Funds	\$	1,318,824	\$	659,412	\$ 659,412	50%
Total	\$	1,318,824	\$	659,412	\$ 659,412	50%



Revenues and Transfers In by Category

Category	2025 Total Budget		2025 Revenues through June		Budget Variance (Unfavorable) / Favorable	Budget Variance % of Annual Budget
Real Estate Excise Tax (REET)	\$	-	\$	296,288	\$ 296,288	-
Investment Earnings		15,000		27,193	12,193	181.3%
Transfers In		1,100,000		-	(1,100,000)	0%
Total	\$	1,115,000	\$	323,481	\$ (791,519)	29.0%



Fund 305 Public Safety Plan

Year-to-Year Expenditures & Transfers Out by Category

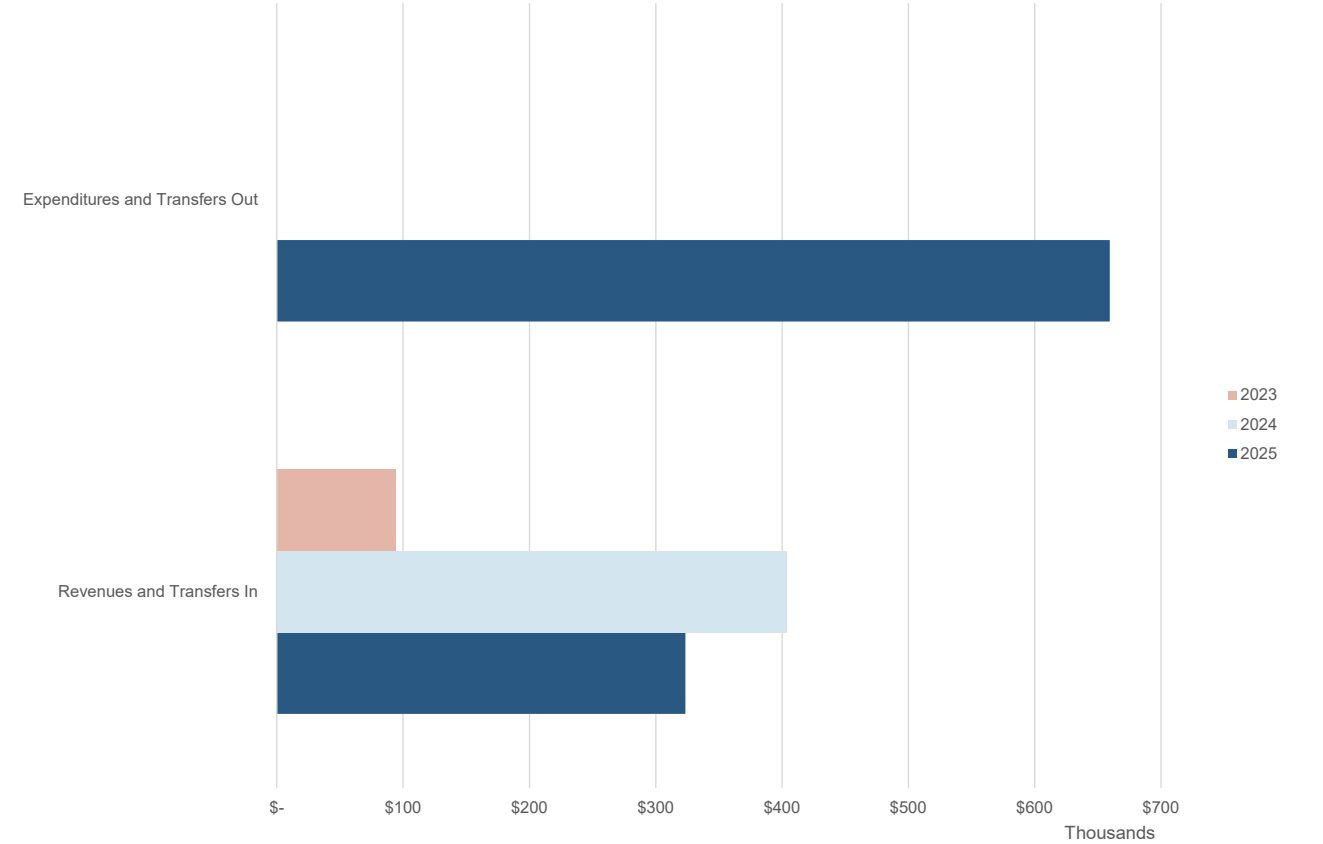
Category	2023 Expenses through June		2024 Expenses through June		2025 Expenses through June		2025 vs 2024	
	\$		\$		\$		\$	%
Transfers Out to Other Funds	\$	-	\$	-	\$	659,412	659,412	-
Total	\$	-	\$	-	\$	659,412	659,412	-

Fund 305 Public Safety Plan

Year-to-Year Revenues and Transfers In by Category

Category	2023 Revenues through June		2024 Revenues through June		2025 Revenues through June		2025 vs 2024	
	\$		\$		\$		\$	%
Real Estate Excise Tax (REET)	\$	70,848	\$	372,709	\$	296,288	\$ (76,421)	-20.5%
Investment Earnings		23,468		31,148		27,193	(3,955)	-13%
Total	\$	94,316	\$	403,857	\$	323,481	\$ (80,376)	-19.9%

Fund 305 Prior Year Comparisons YTD

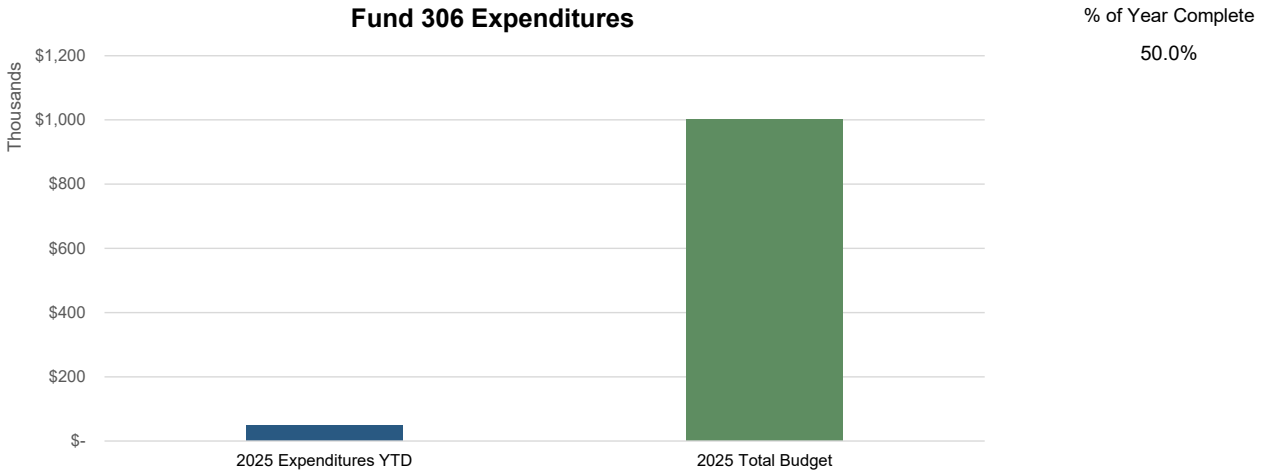


Fund 306 City Facilities Overview

	2025 through June		2025 Total Budget	Budget Variance % of Annual Budget
Revenues	\$	-	\$ 846,937	0.0%
Transfers In		500,001	1,000,000	50.0%
Expenditures		48,122	1,000,000	4.8%
Net Revenues Less Expenditures	\$	451,879	\$ 846,937	% of Year Complete 50.0%

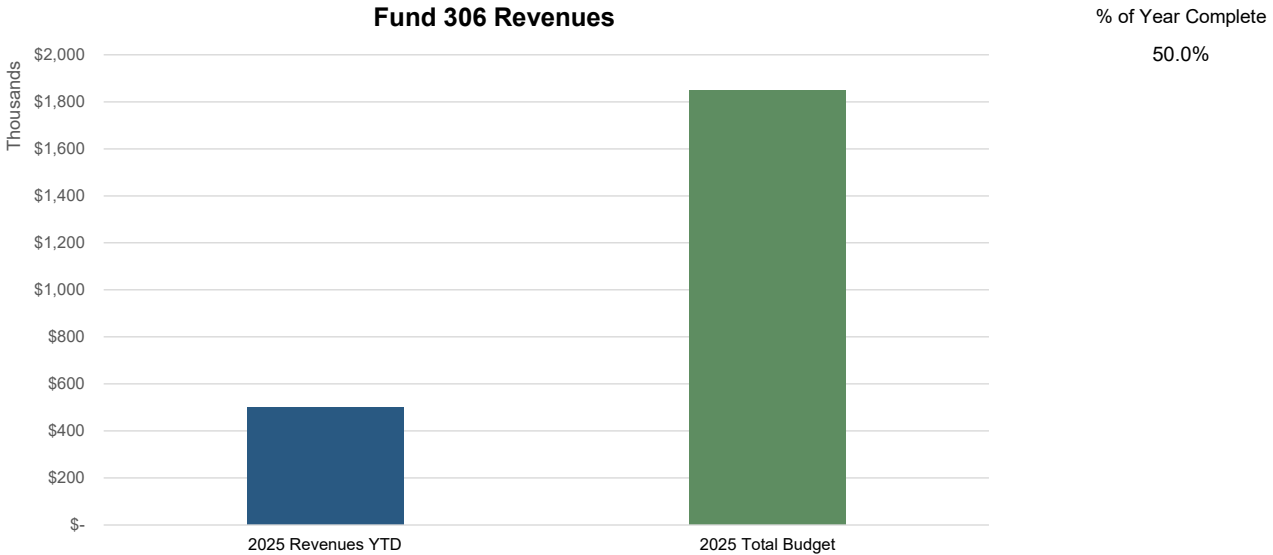
Fund 306 City Facilities
Expenditures and Transfers Out by Category

Category	2025 Total Budget	2025 Expenses through June	Budget Variance (Unfavorable) / Favorable	Budget Variance % of Annual Budget
Services	\$ 1,000,000	\$ 48,122	\$ 951,878	4.8%
Total	\$ 1,000,000	\$ 48,122	\$ 951,878	4.8%



Revenues and Transfers In by Category

Category	2025 Total Budget	2025 Revenues through June	Budget Variance (Unfavorable) / Favorable	Budget Variance % of Annual Budget
Investment Earnings	\$ 5,000	\$ -	\$ (5,000)	0.0%
Rent & Concessions	841,937	-	(841,937)	0.0%
Transfers In	1,000,000	500,001	(499,999)	50%
Total	\$ 1,846,937	\$ 500,001	\$ (1,346,936)	27.1%



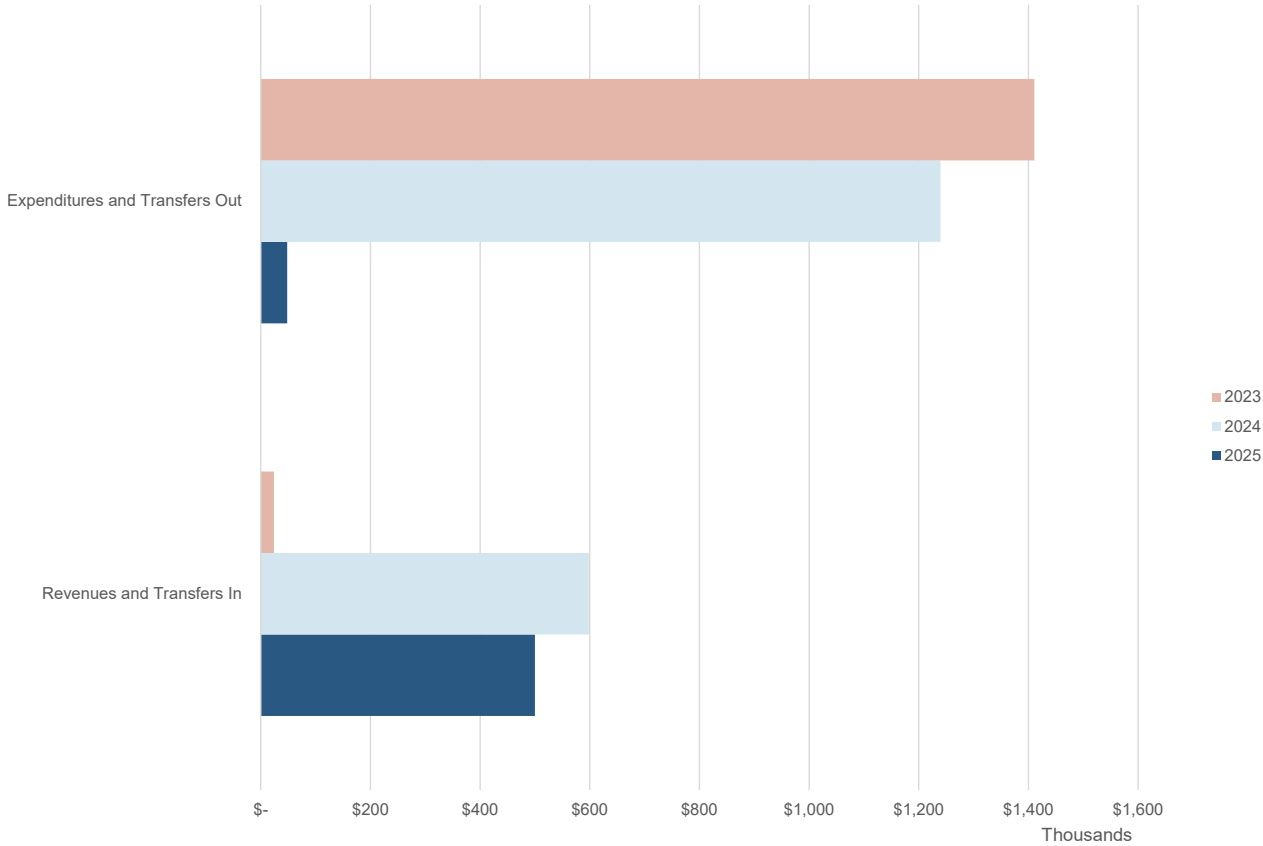
Fund 306 City Facilities
Year-to-Year Expenditures & Transfers Out by Category

Category	2023 Expenses through June		2024 Expenses through June		2025 Expenses through June		2025 vs 2024	
	\$		\$		\$		\$	%
Services	\$	82,434	\$	1,238,872	\$	48,122	\$ (1,190,750)	-96.1%
Land, Structures, Machinery, Equipment		1,320,579		808		-	(808)	-100.0%
Total	\$	1,410,923	\$	1,239,680	\$	48,122	\$ (1,191,558)	-96.1%

Fund 306 City Facilities
Year-to-Year Revenues and Transfers In by Category

Category	2023 Revenues through June		2024 Revenues through June		2025 Revenues through June		2025 vs 2024	
	\$		\$		\$		\$	%
Investment Earnings	\$	24,163	\$	13,602	\$	-	\$ (13,602)	-100.0%
Rent & Concessions		-		-		-	-	-
Transfers In		-		500,000		500,001	1	+0%
Total	\$	24,163	\$	598,352	\$	500,001	\$ (98,351)	-16.4%

Fund 306 Prior Year Comparisons YTD



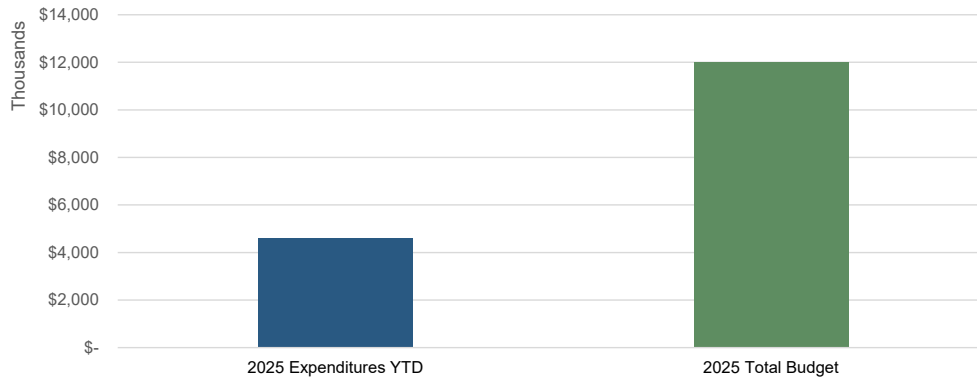
Fund 401 Water Utility Fund
Overview

	2025 through June		2025 Total Budget		Budget Variance % of Annual Budget
Revenues	\$	4,062,967	\$	11,341,356	35.8%
Expenditures		3,871,458		10,493,596	36.9%
Transfers Out		753,809		1,507,615	50.0%
Net Revenues Less Expenditures	\$	(562,300)	\$	(659,855)	% of Year Complete 50.0%

Fund 401 Water Utility Fund
Expenditures and Transfers Out by Category

Category	2025 Total Budget	2025 Expenses through June	Budget Variance (Unfavorable) / Favorable	Budget Variance % of Annual Budget
Salaries, Wages, & Overtime	\$ 957,112	\$ 445,345	\$ 511,767	47%
Benefits	538,827	188,129	350,698	35%
Supplies	3,105,196	1,815,951	1,289,245	58.5%
Services	5,677,288	967,576	4,709,712	17.0%
Land, Structures, Machinery, Equipment	-	453,399	(453,399)	-
Other Expenditures	215,173	1,058	214,115	0.5%
Transfers Out - Internal Cost Allocation	816,232	408,118	408,114	50%
Transfers Out - Debt Service	358,050	179,024	179,026	50%
Transfers Out to Other Funds	333,333	166,667	166,666	50%
Total	\$ 12,001,211	\$ 4,625,267	\$ 7,375,944	38.5%

Fund 401 Expenditures and Transfers Out

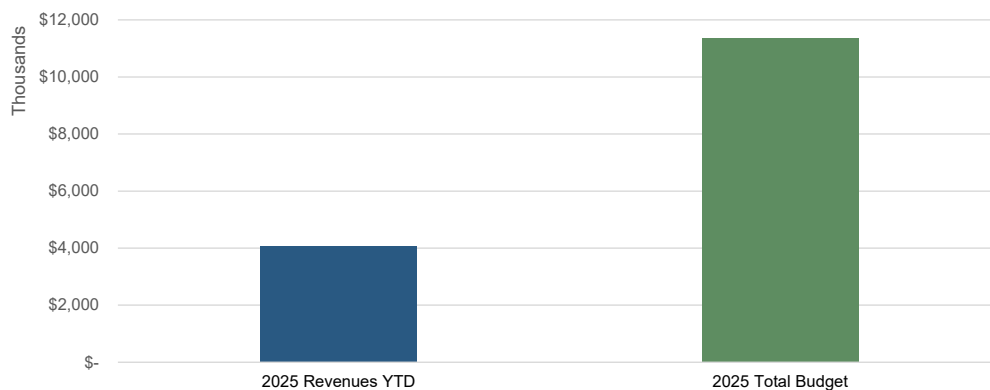


% of Year Complete
50.0%

Revenues and Transfers In by Category

Category	2025 Total Budget	2025 Revenues through June	Budget Variance (Unfavorable) / Favorable	Budget Variance % of Annual Budget
Water Sales	\$ 9,239,856	\$ 4,023,112	\$ (5,216,744)	43.5%
Security Revenue	-	(13,854)	(13,854)	-
Other Income	1,500	10,139	8,639	675.9%
Investment Earnings	100,000	43,570	(56,430)	43.6%
Bond Proceeds	2,000,000	-	(2,000,000)	0%
Total	\$ 11,341,356	\$ 4,062,967	\$ (7,278,389)	35.8%

Fund 401 Revenues

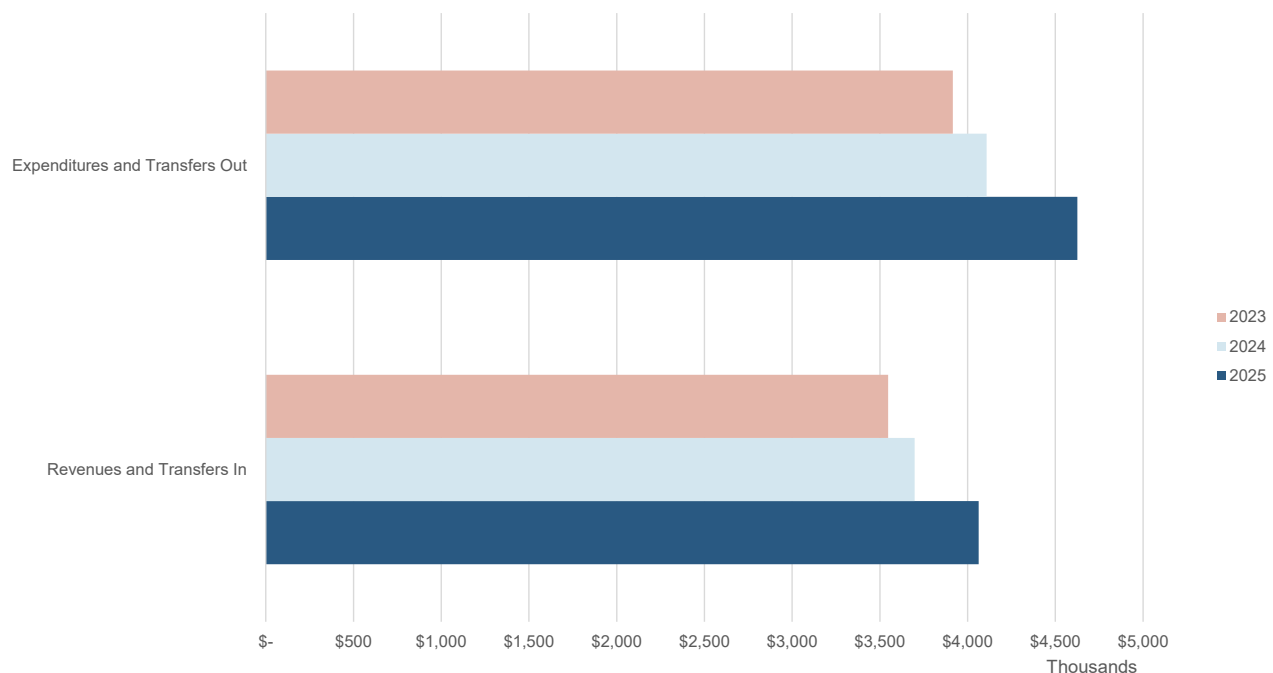


% of Year Complete
50.0%

Fund 401 Water Utility Fund						
Year-to-Year Expenditures & Transfers Out by Category						
Category	2023 Expenses through June		2024 Expenses through June		2025 Expenses through June	
					2025 vs 2024	
					\$	%
Salaries, Wages, & Overtime	\$	347,413	\$	386,756	\$	445,345
Benefits		155,331		186,610		188,129
Supplies		1,707,060		1,741,261		1,815,951
Services		1,073,189		917,014		967,576
Land, Structures, Machinery, Equipment		-		56,065		453,399
Other Expenditures		83,493		82,596		1,058
Transfers Out - Internal Cost Allocation		370,176		388,684		408,118
Transfers Out - Debt Service		179,023		179,023		179,024
Transfers Out to Other Funds		(121)		170,000		166,667
Total	\$	3,915,564	\$	4,108,009	\$	4,625,267
					\$	517,258
						+12.6%

Fund 401 Water Utility Fund						
Year-to-Year Revenues and Transfers In by Category						
Category	2023 Revenues through June		2024 Revenues through June		2025 Revenues through June	
					2025 vs 2024	
					\$	%
Water Sales	\$	3,446,861	\$	3,602,100	\$	4,023,112
Security Revenue		6,149		6,243		(13,854)
Other Income		5,491		5,563		10,139
Investment Earnings		88,769		83,683		43,570
Total	\$	3,547,270	\$	3,697,589	\$	4,062,967
					\$	365,378
						+9.9%

Fund 401 Prior Year Comparisons YTD



Fund 402 Sewer Utility Fund
Overview

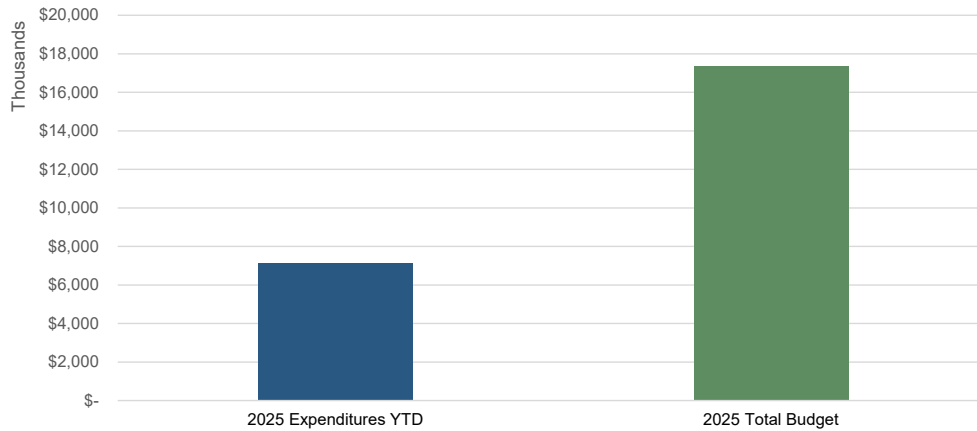
	2025 through June		2025 Total Budget		Budget Variance % of Annual Budget
Revenues	\$	5,636,169	\$	12,527,105	45.0%
Expenditures		6,501,591		16,129,584	40.3%
Transfers Out		610,542		1,221,086	50.0%
Net Revenues Less Expenditures	\$	(1,475,964)	\$	(4,823,565)	% of Year Complete 50.0%

Fund 402 Sewer Utility Fund
Expenditures and Transfers Out by Category

Category	2025 Total Budget	2025 Expenses through June	Budget Variance (Unfavorable) / Favorable	Budget Variance % of Annual Budget
Salaries, Wages, & Overtime	\$ 666,584	\$ 373,652	\$ 292,932	56%
Benefits	482,884	163,136	319,748	34%
Supplies	6,214,355	2,830,737	3,383,618	45.6%
Services	8,611,358	1,087,071	7,524,287	12.6%
Land, Structures, Machinery, Equipment	-	2,001,650	(2,001,650)	-
Other Expenditures	154,403	45,345	109,058	29%
Transfers Out - Internal Cost Allocation	687,666	343,830	343,836	50%
Transfers Out - Debt Service	200,087	100,045	100,042	50%
Transfers Out to Other Funds	333,333	166,667	166,666	50%
Total	\$ 17,350,670	\$ 7,112,133	\$ 10,238,537	41.0%

Fund 402 Expenditures and Transfers Out

% of Year Complete
50.0%

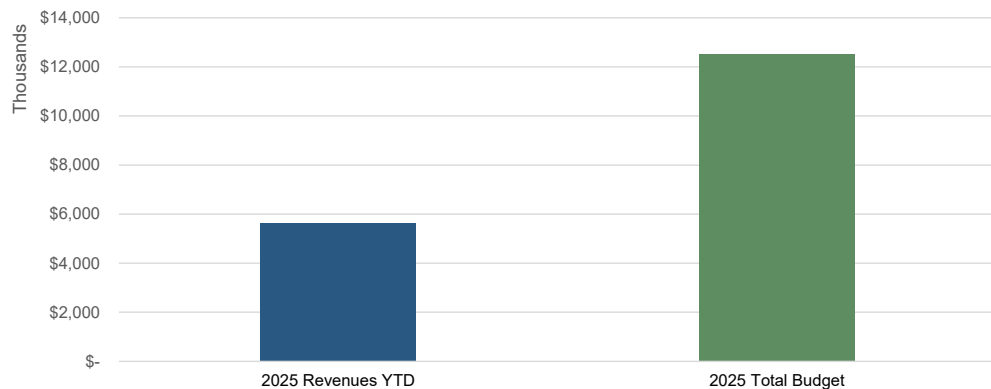


Revenues and Transfers In by Category

Category	2025 Total Budget	2025 Revenues through June	Budget Variance (Unfavorable) / Favorable	Budget Variance % of Annual Budget
Sewer Sales	\$ 12,127,105	\$ 5,443,217	\$ (6,683,888)	44.9%
Other Income	-	43,869	43,869	-
Investment Earnings	400,000	149,083	(250,917)	37.3%
Total	\$ 12,527,105	\$ 5,636,169	\$ (6,890,936)	45.0%

Fund 402 Revenues

% of Year Complete
50.0%



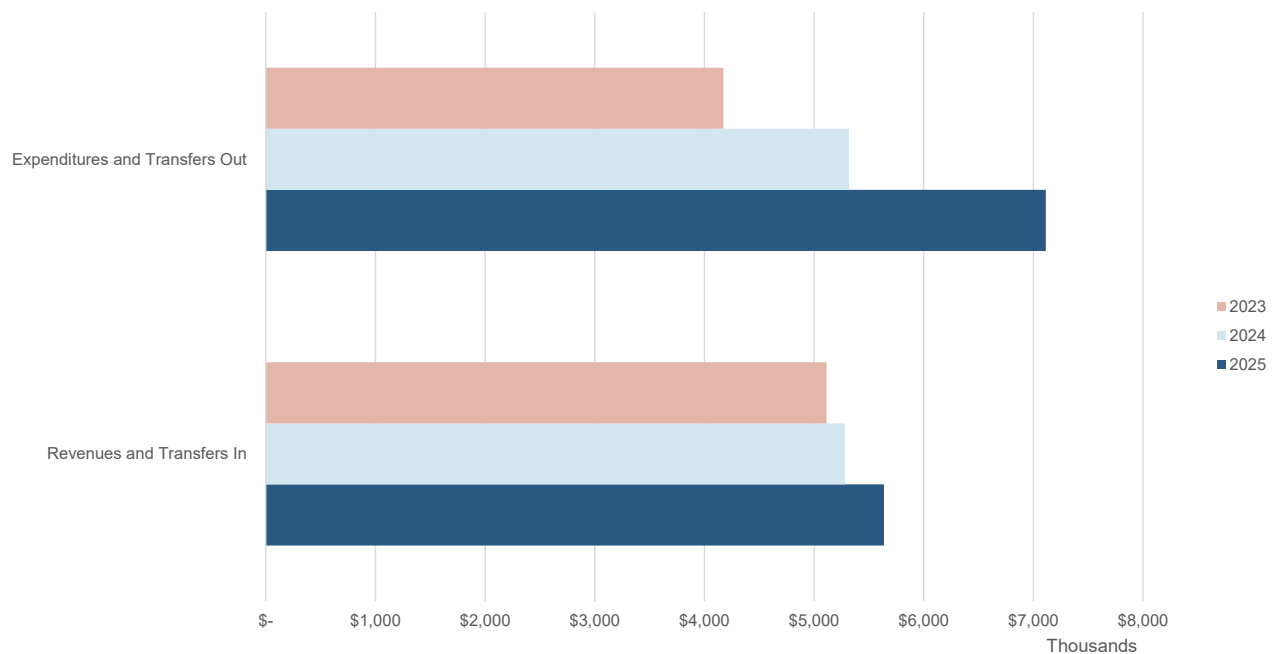
Fund 402 Sewer Utility Fund
Year-to-Year Expenditures and Transfers Out by Category

Category	2023 Expenses through June		2024 Expenses through June		2025 Expenses through June		2025 vs 2024	
							\$	%
Salaries, Wages, & Overtime	\$	419,811	\$	550,189	\$	373,652	\$ (176,537)	-32.1%
Benefits		182,191		230,558		163,136	(67,422)	-29.2%
Supplies		2,056,672		2,635,651		2,830,737	195,086	+7.4%
Services		860,570		1,139,209		1,087,071	(52,138)	-4.6%
Land, Structures, Machinery, Equipment		-		-		2,001,650	2,001,650	-
Other Expenditures		242,333		239,987		45,345	(194,642)	-81%
Transfers Out - Internal Cost Allocation		311,868		327,458		343,830	16,372	+5%
Transfers Out - Debt Service		100,042		100,042		100,045	3	+0%
Transfers Out to Other Funds		(67)		95,000		166,667	71,667	+75%
Total	\$	4,173,420	\$	5,318,094	\$	7,112,133	\$ 1,794,039	+33.7%

Fund 402 Sewer Utility Fund
Year-to-Year Revenues and Transfers In by Category

Category	2023 Revenues through June		2024 Revenues through June		2025 Revenues through June		2025 vs 2024	
							\$	%
Sewer Sales	\$	4,859,923	\$	5,028,180	\$	5,443,217	\$ 415,037	+8%
Other Income		23,391		4,667		43,869	39,202	+840.0%
Investment Earnings		229,411		250,107		149,083	(101,024)	-40.4%
Total	\$	5,112,725	\$	5,282,954	\$	5,636,169	\$ 353,215	+6.7%

Fund 402 Prior Year Comparisons YTD



Fund 411 Foster Golf Course

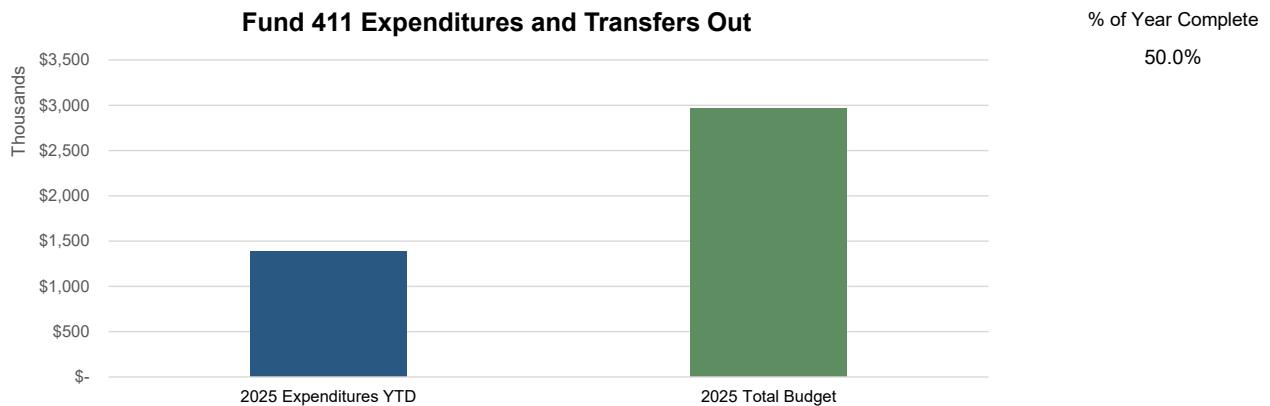
Overview

	2025 through June		2025 Total Budget	Budget Variance % of Annual Budget
Revenues	\$	1,235,279	\$ 2,487,500	49.7%
Transfers In		150,000	300,000	50.0%
Expenditures		1,264,602	2,719,666	46.5%
Transfers Out		120,894	241,788	50.0%
Net Revenues Less Expenditures	\$	(217)	\$ (173,954)	% of Year Complete 50.0%

Fund 411 Foster Golf Course

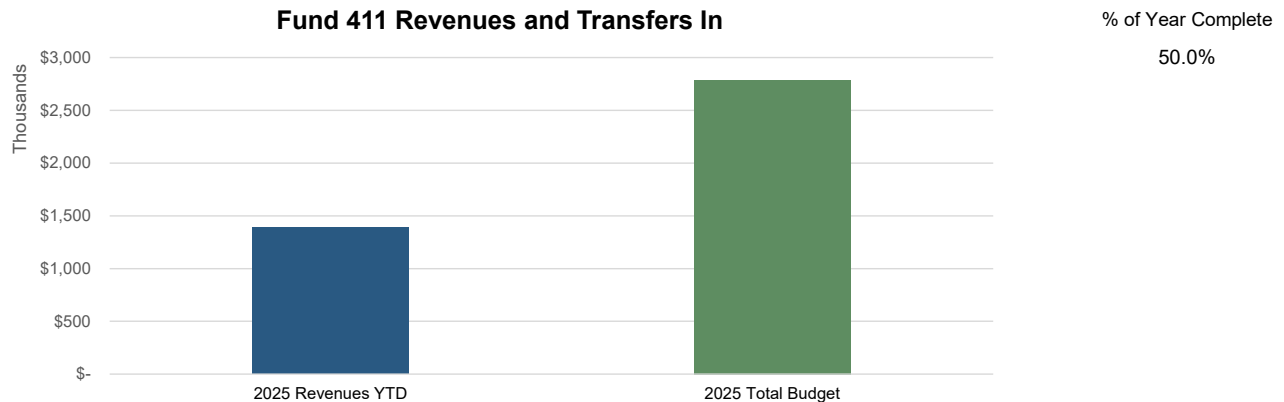
Expenditures and Transfers Out by Category

Category	2025 Total Budget	2025 Expenses through June	Budget Variance (Unfavorable) / Favorable	Budget Variance % of Annual Budget
Salaries, Wages, & Overtime	\$ 1,077,911	\$ 520,469	\$ 557,442	48%
Benefits	395,385	205,123	190,262	52%
Supplies	362,145	261,318	100,827	72.2%
Services	360,225	227,362	132,863	63.1%
Land, Structures, Machinery, Equipment	524,000	50,330	473,670	10%
Transfers Out - Internal Cost Allocation	241,788	120,894	120,894	50%
Total	\$ 2,961,454	\$ 1,385,496	\$ 1,575,958	46.8%



Revenues and Transfers In by Category

Category	2025 Total Budget	2025 Revenues through June	Budget Variance (Unfavorable) / Favorable	Budget Variance % of Annual Budget
Gambling & Excise Taxes	\$ 3,000	\$ -	\$ (3,000)	0.0%
Greens Fees	1,610,000	906,427	(703,573)	56.3%
General Government Revenue	165,000	97,161	(67,839)	58.9%
Culture and Recreation Fees	5,000	2,197	(2,803)	43.9%
Other Income	11,000	18,474	7,474	167.9%
Investment Earnings	60,000	27,165	(32,835)	45.3%
Rent & Concessions	633,500	183,855	(449,645)	29.0%
Transfer In From General Fund	300,000	150,000	(150,000)	50%
Total	\$ 2,787,500	\$ 1,385,279	\$ (1,402,221)	49.7%



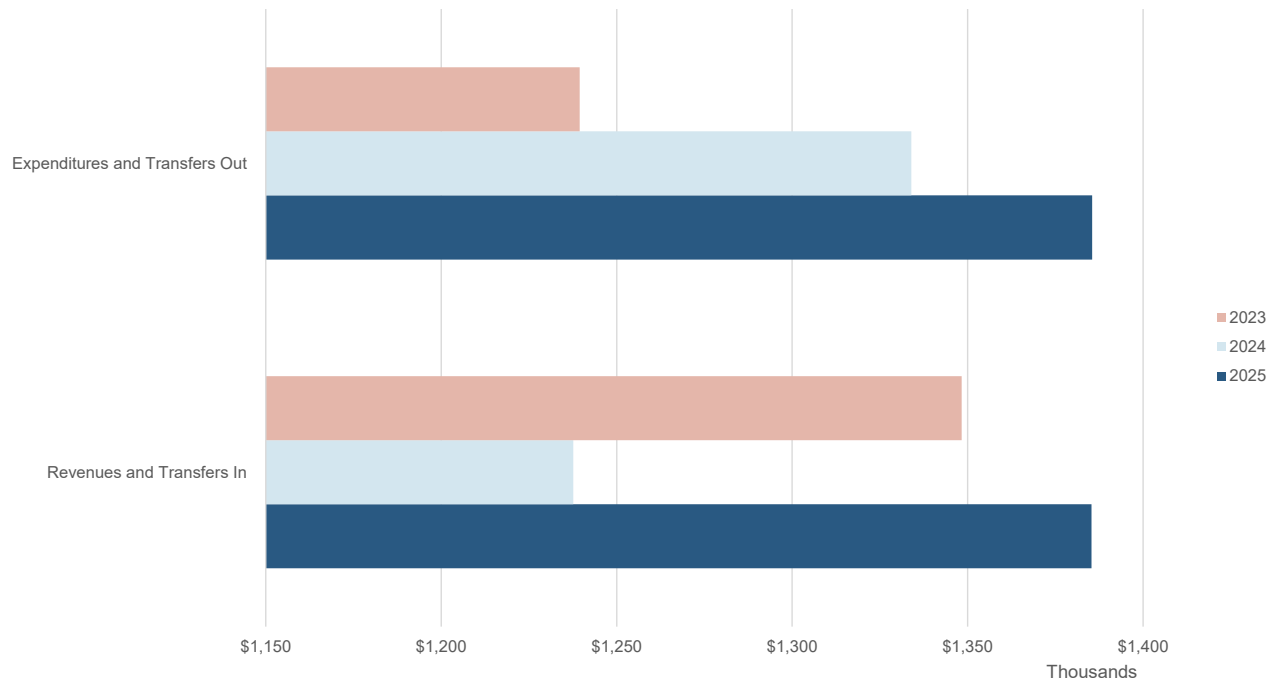
Fund 411 Foster Golf Course
Year-to-Year Expenditures & Transfers Out by Category

Category	2023 Expenses through June		2024 Expenses through June		2025 Expenses through June		2025 vs 2024	
	\$		\$		\$		\$	%
Salaries, Wages, & Overtime	\$	402,594	\$	459,984	\$	520,469	\$ 60,485	+13.1%
Benefits		181,133		188,739		205,123	16,384	+8.7%
Supplies		260,262		172,078		261,318	89,240	+51.9%
Services		285,830		346,394		227,362	(119,032)	-34.4%
Land, Structures, Machinery, Equipment		-		51,632		50,330	(1,302)	-2.5%
Transfers Out - Internal Cost Allocation		109,656		115,134		120,894	5,760	+5%
Total	\$	1,239,475	\$	1,333,961	\$	1,385,496	\$ 51,535	+3.9%

Fund 411 Foster Golf Course
Year-to-Year Revenues and Transfers In by Category

Category	2023 Revenues through June		2024 Revenues through June		2025 Revenues through June		2025 vs 2024	
	\$		\$		\$		\$	%
Greens Fees	\$	836,484	\$	771,868	\$	906,427	\$ 134,559	+17.4%
General Government Revenue		89,247		71,377		97,161	25,784	+36.1%
Culture and Recreation Fees		197		754		2,197	1,443	+191.4%
Other Income		21,025		5,684		18,474	12,790	+225%
Investment Earnings		33,269		45,193		27,165	(18,028)	-40%
Rent & Concessions		205,280		188,778		183,855	(4,923)	-3%
Sale of Capital Assets		12,800		4,000		-	(4,000)	-100%
Transfer In From General Fund		150,000		150,000		150,000	-	0%
Total	\$	1,348,302	\$	1,237,654	\$	1,385,279	\$ 147,625	+11.9%

Fund 411 Prior Year Comparisons YTD



Fund 412 Surface Water Utility Fund

Overview

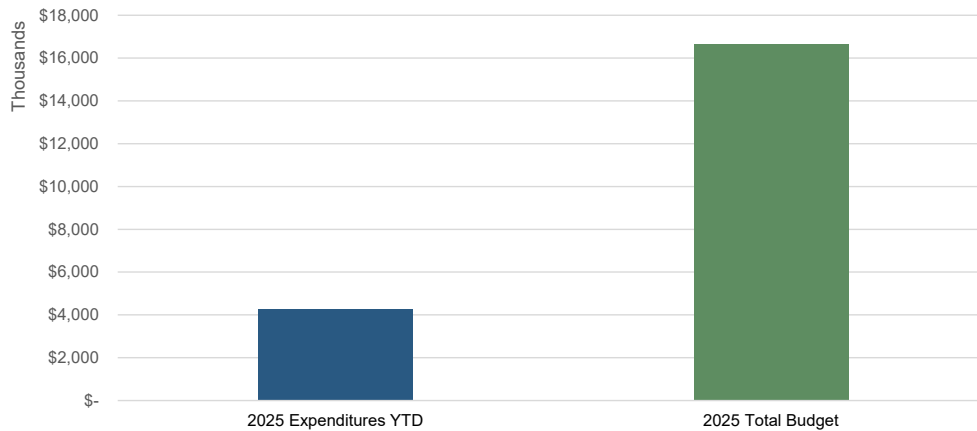
	2025 through June		2025 Total Budget	Budget Variance % of Annual Budget
Revenues	\$	9,286,239	\$ 14,742,267	63.0%
Expenditures		3,506,135	15,103,982	23.2%
Transfers Out		777,880	1,555,760	50.0%
Net Revenues Less Expenditures	\$	5,002,224	\$ (1,917,475)	% of Year Complete 50.0%

Fund 412 Surface Water Utility Fund
Expenditures and Transfers Out by Category

Category	2025 Total Budget	2025 Expenses through June	Budget Variance (Unfavorable) / Favorable	Budget Variance % of Annual Budget
Salaries, Wages, & Overtime	\$ 2,028,653	\$ 834,922	\$ 1,193,731	41%
Benefits	1,023,526	334,674	688,852	33%
Supplies	72,665	21,891	50,774	30.1%
Services	11,957,541	2,202,556	9,754,985	18.4%
Land, Structures, Machinery, Equipment	-	111,604	(111,604)	-
Other Expenditures	21,597	488	21,109	2%
Transfers Out - Internal Cost Allocation	727,476	363,738	363,738	50%
Transfers Out - Debt Service	494,951	247,475	247,476	50%
Transfers Out to Other Funds	333,333	166,667	166,666	50%
Total	\$ 16,659,742	\$ 4,284,015	\$ 12,375,727	25.7%

Fund 412 Expenditures and Transfers Out

% of Year Complete
50.0%

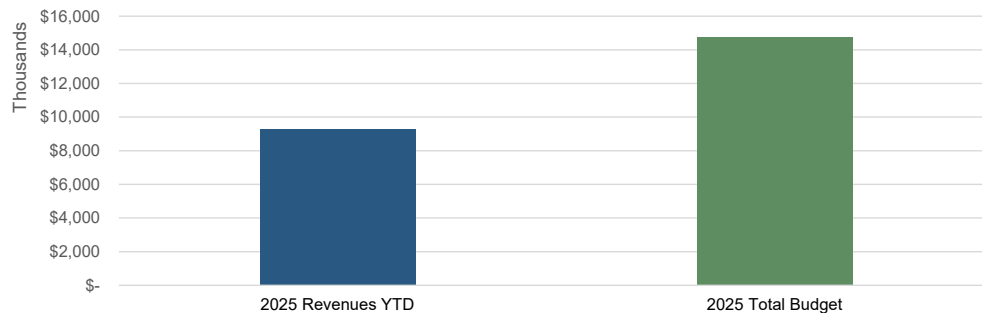


Revenues and Transfers In by Category

Category	2025 Total Budget	2025 Revenues through June	Budget Variance (Unfavorable) / Favorable	Budget Variance % of Annual Budget
Surface Water Sales	\$ 8,477,267	\$ 8,571,054	\$ 93,787	101.1%
Permits	-	(17)	(17)	-
Grant Revenues	3,322,000	290,647	(3,031,353)	8.7%
Other Income	2,643,000	211,268	(2,431,732)	8.0%
Investment Earnings	300,000	213,287	(86,713)	71.1%
Total	\$ 14,742,267	\$ 9,286,239	\$ (5,456,028)	63.0%

Fund 412 Revenues

% of Year Complete
50.0%



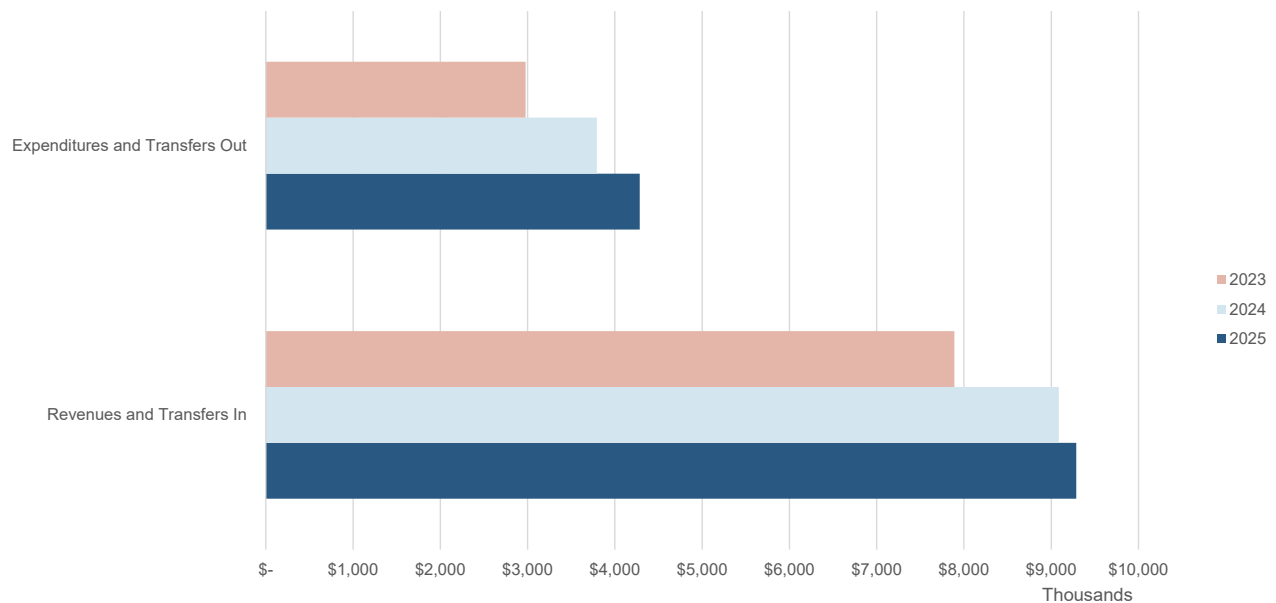
Fund 412 Surface Water Utility Fund
Year-to-Year Expenditures & Transfers Out by Category

Category	2023 Expenses through June		2024 Expenses through June		2025 Expenses through June		2025 vs 2024	
	\$		\$		\$		\$	%
Salaries, Wages, & Overtime	\$	598,988	\$	764,249	\$	834,922	\$ 70,673	+9.2%
Benefits		281,075		323,721		334,674	10,953	+3.4%
Supplies		27,254		57,802		21,891	(35,911)	-62.1%
Services		1,229,325		1,466,331		2,202,556	736,225	+50.2%
Land, Structures, Machinery, Equipment		-		92,320		111,604	19,284	+20.9%
Other Expenditures		262,901		261,376		488	(260,888)	-100%
Transfers Out - Internal Cost Allocation		329,922		346,418		363,738	17,320	+5%
Transfers Out - Debt Service		247,473		247,473		247,475	2	+0%
Transfers Out to Other Funds		(167)		235,000		166,667	(68,333)	-29%
Total	\$	2,976,771	\$	3,794,690	\$	4,284,015	\$ 489,325	+12.9%

Fund 412 Surface Water Utility Fund
Year-to-Year Revenues and Transfers In by Category

Category	2023 Revenues through June		2024 Revenues through June		2025 Revenues through June		2025 vs 2024	
	\$		\$		\$		\$	%
Surface Water Sales	\$	7,767,059	\$	8,091,932	\$	8,571,054	\$ 479,122	+6%
Permits		-		-		(17)	(17)	-
Grant Revenues		44,631		5,033		290,647	285,614	+5674.8%
Other Income		(56,081)		762,109		211,268	(550,841)	-72.3%
Investment Earnings		134,650		226,910		213,287	(13,623)	-6%
Total	\$	7,890,259	\$	9,085,984	\$	9,286,239	\$ 200,255	+2.2%

Fund 412 Prior Year Comparisons YTD



Fund 501 Equipment Rental
Overview

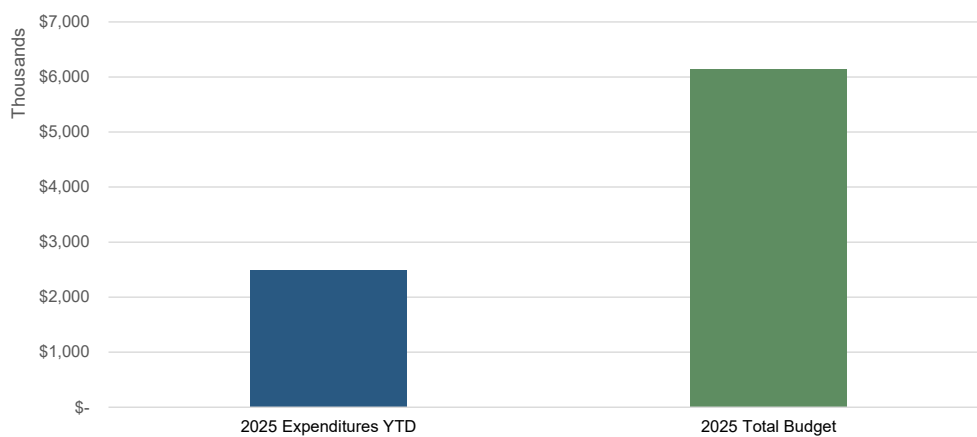
	2025 through June		2025 Total Budget	Budget Variance % of Annual Budget
Revenues	\$	3,168,288	\$ 6,223,147	50.9%
Expenditures		2,294,544	5,749,503	39.9%
Transfers Out		193,156	386,308	50.0%
Net Revenues Less Expenditures	\$	680,588	\$ 87,336	% of Year Complete 50.0%

Fund 501 Equipment Rental
Expenditures and Transfers Out by Category

Category	2025 Total Budget	2025 Expenses through June	Budget Variance (Unfavorable) / Favorable	Budget Variance % of Annual Budget
Salaries, Wages, & Overtime	\$ 519,798	\$ 254,871	\$ 264,927	49%
Benefits	237,888	116,296	121,592	49%
Supplies	790,900	453,591	337,309	57.4%
Services	1,903,717	901,264	1,002,453	47.3%
Land, Structures, Machinery, Equipment	2,297,200	568,522	1,728,678	25%
Transfers Out - Internal Cost Allocation	386,308	193,156	193,152	50%
Total	\$ 6,135,811	\$ 2,487,700	\$ 3,648,111	40.5%

Fund 501 Expenditures and Transfers Out

% of Year Complete

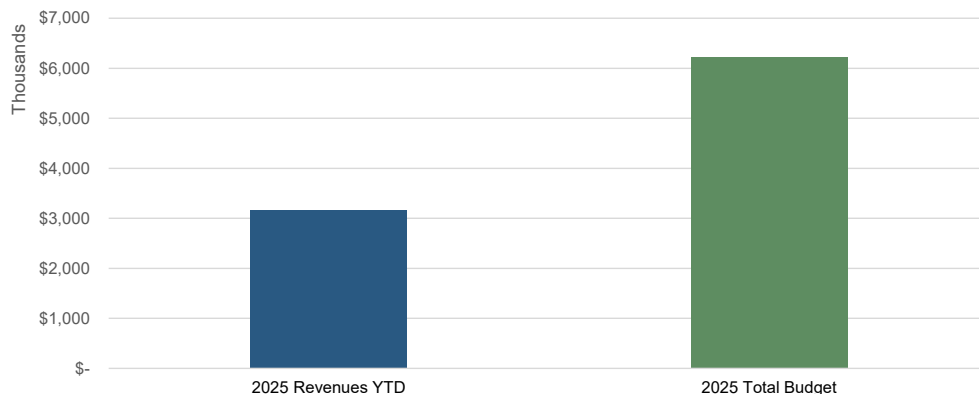


Revenues and Transfers In by Category

Category	2025 Total Budget	2025 Revenues through June	Budget Variance (Unfavorable) / Favorable	Budget Variance % of Annual Budget
Fleet Replacement Charges	\$ 2,294,324	\$ 1,147,153	\$ (1,147,171)	50.0%
Fleet Lease Charges	3,526,723	1,763,356	(1,763,367)	50.0%
Fleet Repair Charges	200,000	65,526	(134,474)	32.8%
Other Income	2,100	2,863	763	136.3%
Investment Earnings	40,000	36,132	(3,868)	90.3%
Sale of Capital Assets	160,000	153,258	(6,742)	95.8%
Total	\$ 6,223,147	\$ 3,168,288	\$ (3,054,859)	50.9%

Fund 501 Revenues

% of Year Complete



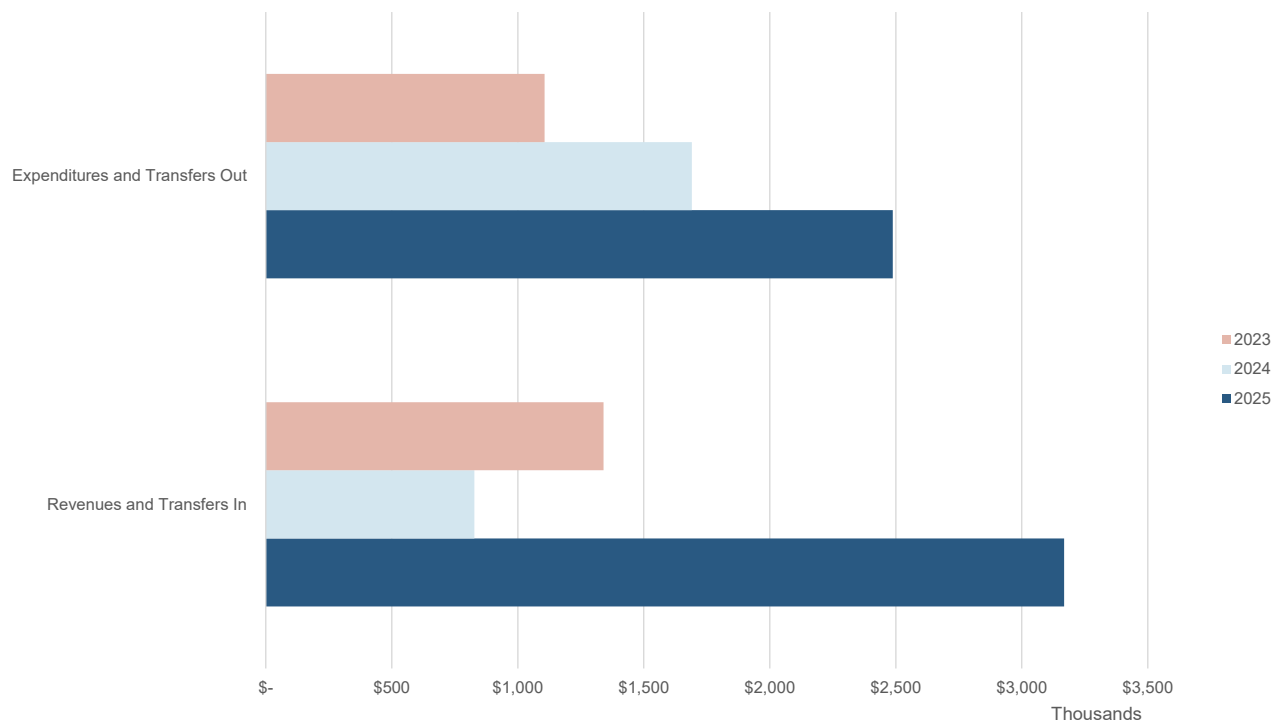
Fund 501 Equipment Rental
Year-to-Year Expenditures & Transfers Out by Category

Category	2023 Expenses through June		2024 Expenses through June		2025 Expenses through June		2025 vs 2024	
							\$	%
Salaries, Wages, & Overtime	\$	151,858	\$	199,733	\$	254,871	\$ 55,138	+27.6%
Benefits		78,605		100,151		116,296	16,145	+16.1%
Supplies		321,012		347,300		453,591	106,291	+30.6%
Services		366,655		728,876		901,264	172,388	+23.7%
Land, Structures, Machinery, Equipment		12,868		130,376		568,522	438,146	+336.1%
Transfers Out - Internal Cost Allocation		175,194		183,958		193,156	9,198	+5%
Total	\$	1,106,192	\$	1,690,394	\$	2,487,700	\$ 797,306	+47.2%

Fund 501 Equipment Rental
Year-to-Year Revenues and Transfers In by Category

Category	2023 Revenues through June		2024 Revenues through June		2025 Revenues through June		2025 vs 2024	
							\$	%
Fleet Replacement Charges	\$	525,252	\$	620,372	\$	1,147,153	\$ 526,781	+85%
Fleet Lease Charges		502,860		-		1,763,356	1,763,356	-
Fleet Repair Charges		-		74,119		65,526	(8,593)	-11.6%
Other Income		85		-		2,863	2,863	-
Investment Earnings		97,797		96,850		36,132	(60,718)	-63%
Sale of Capital Assets		214,403		36,480		153,258	116,778	+320%
Total	\$	1,340,397	\$	827,821	\$	3,168,288	\$ 2,340,467	+282.7%

Fund 501 Prior Year Comparisons YTD



Fund 502 Insurance - Active Employees

Overview

	2025 through June		2025 Total Budget		Budget Variance % of Annual Budget
Revenues	\$	3,530,269	\$	8,302,594	42.5%
Expenditures		2,812,978		6,599,439	42.6%
Transfers Out		104,539		209,077	50.0%
Net Revenues Less Expenditures	\$	612,752	\$	1,494,078	
					% of Year Complete 50.0%

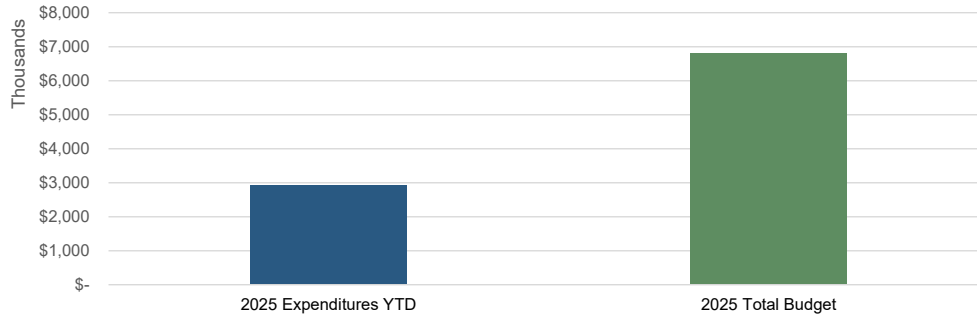
Fund 502 Insurance - Active Employees
Expenditures and Transfers Out by Category

Category	2025 Total Budget	2025 Expenses through June	Budget Variance (Unfavorable) / Favorable	Budget Variance % of Annual Budget
Self Insurance Medical Claims	\$ 4,108,327	\$ 1,793,063	\$ 2,315,264	44%
Dental Claims	413,306	196,441	216,865	48%
Prescription Claims	1,158,759	493,676	665,083	42.6%
Vision Claims	21,641	11,651	9,990	53.8%
Stop Loss Reimbursements	-	(146,230)	146,230	-
TPA Admin Fees	155,034	92,803	62,231	60%
Excess Loss Prem	621,372	334,641	286,731	54%
Contracted Services	100,000	31,988	68,012	32%
Employee Wellness Services	18,000	4,945	13,055	27%
Transfers Out - Internal Cost Allocation	209,077	104,539	104,538	50%
Total	\$ 6,805,516	\$ 2,917,517	\$ 3,887,999	42.9%

Fund 502 Expenditures and Transfers Out

% of Year Complete

50.0%



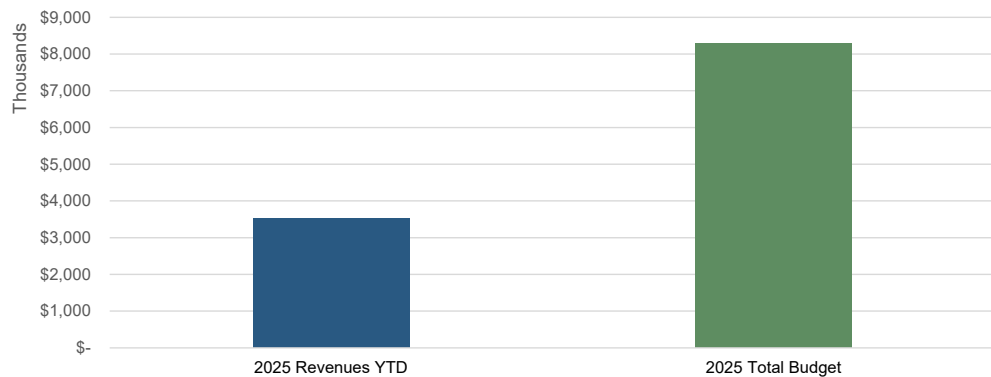
Revenues and Transfers In by Category

Category	2025 Total Budget	2025 Revenues through June	Budget Variance (Unfavorable) / Favorable	Budget Variance % of Annual Budget
Employer Trust Contributions	\$ 7,943,114	\$ 3,237,097	\$ (4,706,017)	40.8%
Employee Voluntary Contributions	-	26,347	26,347	-
Employee Mandatory Contributions	311,980	166,488	(145,492)	53.4%
Employee Benefit Program Services	-	43	43	-
Investment Earnings	47,500	100,294	52,794	211.1%
Total	\$ 8,302,594	\$ 3,530,269	\$ (4,772,325)	42.5%

Fund 502 Revenues

% of Year Complete

50.0%



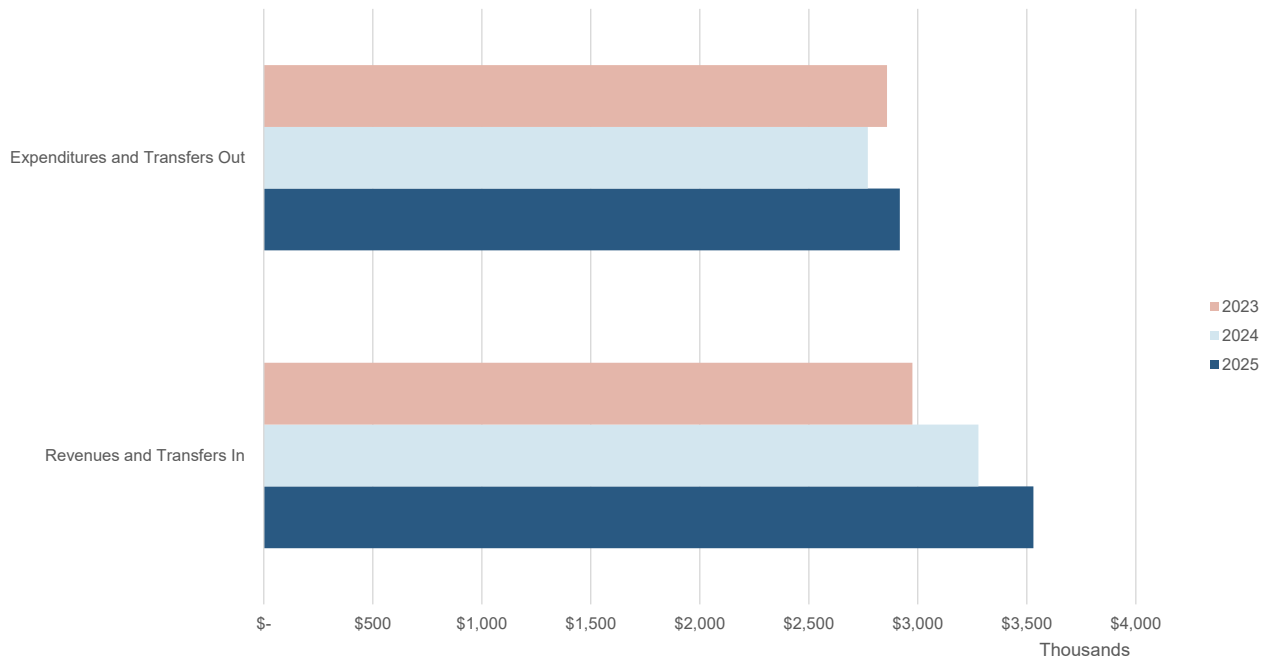
Fund 502 Insurance - Active Employees
Year-to-Year Expenditures & Transfers Out by Category

Category	2023 Expenses through June		2024 Expenses through June		2025 Expenses through June		2025 vs 2024	
	\$		\$		\$		\$	%
Self Insurance Medical Claims	\$	1,844,211	\$	1,822,864	\$	1,793,063	\$ (29,801)	-1.6%
Dental Claims		223,932		191,054		196,441	5,387	+2.8%
Prescription Claims		458,282		476,341		493,676	17,335	+3.6%
Vision Claims		9,789		9,831		11,651	1,820	+18.5%
Stop Loss Reimbursements		-		(125,060)		(146,230)	(21,170)	+16.9%
TPA Admin Fees		68,627		64,775		92,803	28,028	+43.3%
Excess Loss Prem		127,785		199,384		334,641	135,257	+67.8%
Employee Wellness Supplies		303		250		-	(250)	-100%
Contracted Services		31,331		31,878		31,988	110	+0%
Employee Wellness Services		-		132		4,945	4,813	+3646%
Transfers Out - Internal Cost Allocation		94,818		99,563		104,539	4,976	+5%
Total	\$	2,859,078	\$	2,771,012	\$	2,917,517	\$ 146,505	+5.3%

Fund 502 Insurance - Active Employees
Year-to-Year Revenues and Transfers In by Category

Category	2023 Revenues through June		2024 Revenues through June		2025 Revenues through June		2025 vs 2024	
	\$		\$		\$		\$	%
Employer Trust Contributions	\$	2,795,102	\$	3,107,376	\$	3,237,097	\$ 129,721	+4%
Employee Voluntary Contributions		41,150		13,539		26,347	12,808	+94.6%
Employee Mandatory Contributions		43,192		44,565		166,488	121,923	+273.6%
Employee Benefit Program Services		-		-		43	43	-
Investment Earnings		95,486		112,969		100,294	(12,675)	-11%
Total	\$	2,974,930	\$	3,278,449	\$	3,530,269	\$ 251,820	+7.7%

Fund 502 Prior Year Comparisons YTD



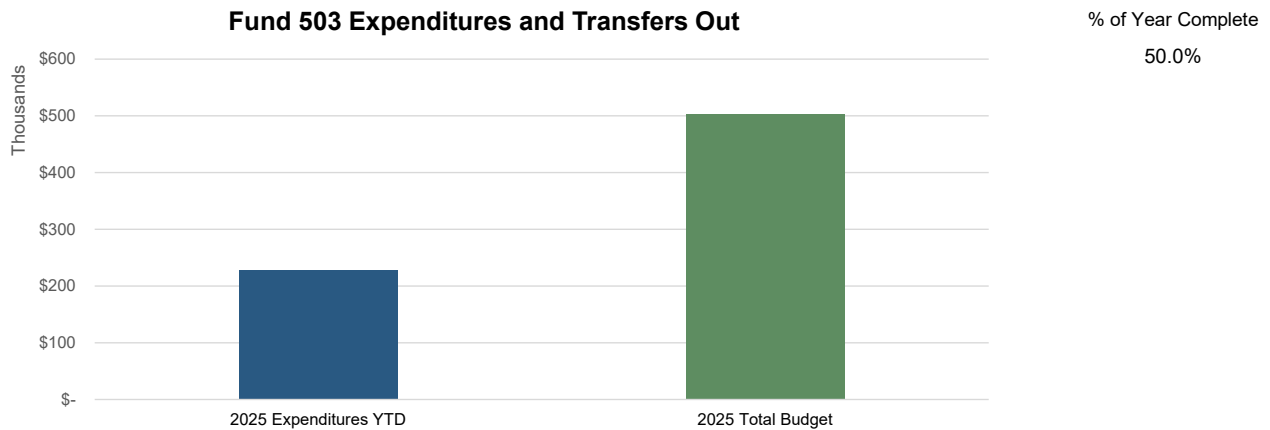
Fund 503 Insurance - LEOFF I Retirees

Overview

	2025 through June		2025 Total Budget		Budget Variance % of Annual Budget
Revenues	\$	205,152	\$	546,347	37.5%
Expenditures		222,001		488,766	45.4%
Transfers Out		6,966		13,938	50.0%
Net Revenues Less Expenditures	\$	(23,815)	\$	43,643	% of Year Complete 50.0%

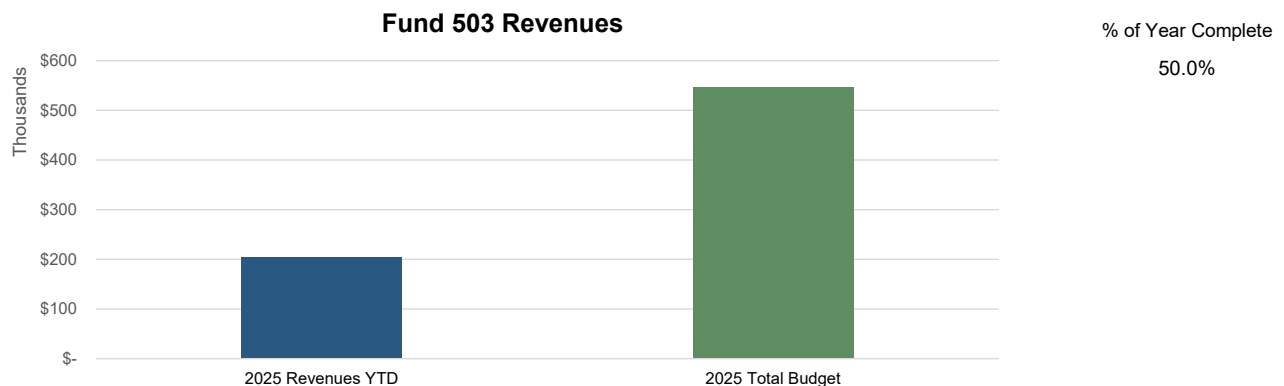
Fund 503 Insurance - LEOFF I Retirees
Expenditures and Transfers Out by Category

Category	2025 Total Budget	2025 Expenses through June	Budget Variance (Unfavorable) / Favorable	Budget Variance % of Annual Budget
Self Insurance Medical Claims	\$ 150,000	\$ 30,865	\$ 119,135	21%
Dental Claims	32,931	13,416	19,515	41%
Prescription Claims	169,644	89,610	80,034	52.8%
Vision Claims	4,419	1,512	2,907	34.2%
TPA Admin Fees	12,612	8,532	4,080	68%
Excess Loss Premium	24,160	13,846	10,314	57%
Long Term Care	15,000	48,370	(33,370)	322%
Out of Pocket	75,000	923	74,077	1%
Medicare Plan B	-	14,927	(14,927)	-
Contracted Services	5,000	-	5,000	0%
Transfers Out - Internal Cost Allocation	13,938	6,966	6,972	50%
Total	\$ 502,704	\$ 228,967	\$ 273,737	45.5%



Revenues and Transfers In by Category

Category	2025 Total Budget	2025 Revenues through June	Budget Variance (Unfavorable) / Favorable	Budget Variance % of Annual Budget
Employer Trust Contributions	\$ 545,833	\$ 204,936	\$ (340,897)	37.5%
Investment Earnings	514	194	(320)	37.7%
Employee Benefit Program Services	-	22	22	-
Total	\$ 546,347	\$ 205,152	\$ (341,195)	37.5%



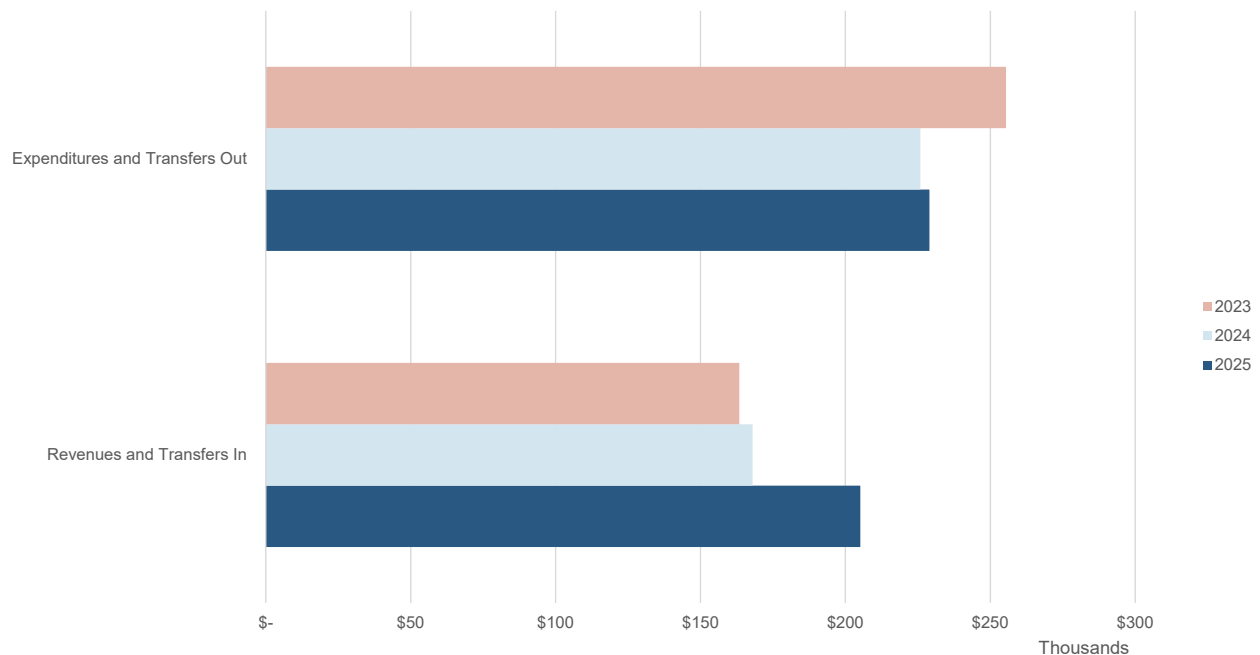
Fund 503 Insurance - LEOFF I Retirees
Year-to-Year Expenditures & Transfers Out by Category

Category	2023 Expenses through June		2024 Expenses through June		2025 Expenses through June		2025 vs 2024	
							\$	%
Self Insurance Medical Claims	\$	35,751	\$	34,508	\$	30,865	\$ (3,643)	-10.6%
Dental Claims		13,267		11,589		13,416	1,827	+15.8%
Prescription Claims		75,995		65,872		89,610	23,738	+36.0%
Vision Claims		903		10,244		1,512	(8,732)	-85.2%
TPA Admin Fees		7,956		7,519		8,532	1,013	+13.5%
Excess Loss Premium		41,464		8,326		13,846	5,520	+66.3%
Long Term Care		45,384		57,043		48,370	(8,673)	-15.2%
Out of Pocket		1,131		2,061		923	(1,138)	-55%
Medicare Plan B		27,243		20,094		14,927	(5,167)	-26%
Contracted Services		-		2,000		-	(2,000)	-100%
Transfers Out - Internal Cost Allocation		6,324		6,638		6,966	328	+5%
Total	\$	255,418	\$	225,894	\$	228,967	\$ 3,073	+1.4%

Fund 503 Insurance - LEOFF I Retirees
Year-to-Year Revenues and Transfers In by Category

Category	2023 Revenues through June		2024 Revenues through June		2025 Revenues through June		2025 vs 2024	
							\$	%
Employer Trust Contributions	\$	159,825	\$	165,414	\$	204,936	\$ 39,522	+24%
Investment Earnings		3,577		2,539		194	(2,345)	-92.4%
Employee Benefit Program Services		-		-		22	22	-
Total	\$	163,402	\$	167,953	\$	205,152	\$ 37,199	+22.1%

Fund 503 Prior Year Comparisons YTD



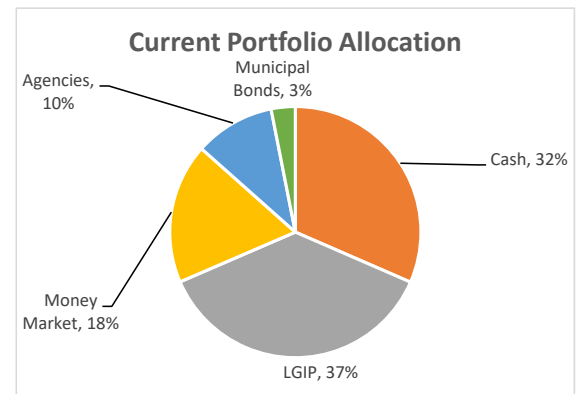
CITY OF TUKWILA
Cash and Investment Details
CASH & INVESTMENT REPORT
June 30, 2025

Depository	Investment Type	Maturity Date	Balance	Current Rate	(d) Annualized Return
CASH & CASH EQUIVALENTS					
US Bank Operating Cash	Depository	(b)	30,505,586	0.60%	183,034 (e)
Washington State Treasurer	LGIP Investment Pool	(b)	35,797,236	4.38%	1,569,029 (f)
Umpquah	Interest Checking	(b)	17,466,969	4.62%	806,974 (f)
Total Cash & Cash Equivalents			83,769,790	3.05%	2,559,036 (g)

Agency / Issuer	Rating	Investment Type	Purchase Date	Maturity Date	(a) Term Yrs.	Face Value	(c) Yield to Maturity	Annualized Return
INVESTMENTS								
Agencies								
Federal Home Loan Bank	Aaa	US agency	02/2021	02/2026	0.6	1,000,000	0.63%	6,250
Federal Farm Credit Bank	Aaa	US agency	06/2021	06/2026	0.9	1,000,000	0.90%	9,000
Federal Home Loan Bank	Aaa	US agency	11/2021	11/2026	1.4	2,000,000	1.46%	29,200
Federal Farm Credit Bank	Aaa	US agency	03/2022	12/2025	0.4	1,000,000	2.00%	20,000
Federal Home Loan Bank	Aaa	US agency	05/2022	05/2027	1.8	1,000,000	3.96%	40,000
Federal Home Loan Bank	Aaa	US agency	05/2022	05/2026	0.8	1,000,000	3.38%	33,750
Federal Home Loan Bank	Aaa	US agency	06/2022	06/2027	1.9	1,000,000	3.59%	35,900
Federal Farm Credit Bank	Aaa	US agency	06/2022	06/2027	2.0	1,000,000	4.00%	40,000
Federal Home Loan Bank	Aaa	US agency	12/2022	10/2025	0.3	1,000,000	4.35%	6,000
TOTAL AGENCIES						10,000,000	2.20%	220,100
Taxable Municipal Bonds								
Metro Oregon GO Taxable	AAA	LTGO	06/2021	06/2026	0.9	1,000,000	0.83%	32,500
King County WA GO Taxable			03/2022	12/2026	1.4	1,000,000	2.33%	14,000
Bellevue WA GO Taxable			04/2022	12/2026	1.4	1,000,000	3.12%	14,370
TOTAL MUNICIPAL BONDS						3,000,000	2.03%	60,870
Total Investments						13,000,000	2.16%	280,970
TOTAL PROJECTED CASH, CASH EQUIVALENTS & INVESTMENTS						\$ 96,769,790	2.93%	\$ 2,840,006

↑
Current Portfolio Yield

- (a) Term is calculated to final maturity or call date if bond has been called.
- (b) No fixed maturity, funds are available within one day.
- (c) Yield to Maturity represents average rate for the year for various investment vehicles.
- (d) Annualized return represents annual earnings at current rate.
- (e) Represents earning credit from US Bank. City earned interest up to the amount of fees.
- (f) Current rate reflects most recent interest rate for each depository account.
- (g) Represents annual earnings, assuming no changes in the Market. Actual earnings to date are \$1,388,779



CITY OF TUKWILA
Policy Compliance & Liquidity Analysis
CASH & INVESTMENT REPORT
June 30, 2025

Cash & Investments	Portfolio Amount	As of Report Date	
		Available Within 1 Year	Available Within 5 Years
Funds immediately available - US Bank, State LGIP, Money market	\$ 83,769,790	\$ 83,769,790	\$ 83,769,790
Fixed Maturity Investments, maturing in:			
0-90 days after Report Date	1,000,000		
91-180 days after Report Date	1,000,000		
181-270 days after Report Date	1,000,000		
271-360 days after Report Date	3,000,000		
Total Investments maturing in 1 year or less	6,000,000	6,000,000	6,000,000
Investments maturing in more than 1 year and less than 10 years.	7,000,000		7,000,000
Total Cash & Investments	\$ 96,769,790	\$ 89,769,790	\$ 96,769,790
		93%	100%

Financial Institution Diversification	Portfolio Amount	% of Total	POLICY MAXIMUM	Policy Met?
US Bank	\$ 30,505,586	31.5%	insured by PDPC	Yes
Umpquah Bank	17,466,969	18.1%	20%	Yes
State LGIP	35,797,236	37.0%	100.0%	Yes
Investments in US Government and other non-financial institutions	13,000,000	13.4%	varies see below	Yes
Total	\$ 96,769,790	100.0%		

Investment Mix	Portfolio Amount	% of Total	POLICY MAXIMUM	Policy Met?
Depository (USBank)	30,505,586	31.5%	insured by PDPC	Yes
State Investment Pool	35,797,236	37.0%	100%	Yes
Umpquah	17,466,969	18.1%	insured by PDPC	Yes
US Agency	10,000,000	10.3%	100%	Yes
Municipal Bonds	3,000,000	3.1%	30%	Yes
Total	96,769,790	100.0%		

Weighted Average Maturities:		Years	Performance Analysis	
Funds Immediately Available		0.0	Current portfolio yield	2.93%
Government Agency bonds		1.2		
Municipal bonds		1.3		
Total WAM		0.2		
POLICY MAXIMUM		2.0		
Policy Met?		Yes		

Benchmarks:		
2 year treasury		3.723%
3 year treasury		3.693%
5 year treasury		3.809%

Note: Funds immediately available are *not* factored into the Portfolio Investments weighted average maturity.