

DRAFT - REVISED PRELIMINARY

# 2023 Budget

City of  
**WENATCHEE**  
Washington



DRAFT

10/27/2022

**TABLE OF CONTENTS**

**INTRODUCTION ..... 4**

- Budget Overview ..... 4
- 2023 Budget Priorities ..... 4
- Financial Policy ..... 5
- Budget Process ..... 5
- Elected Officials & Department Directors ..... 6
- City of Wenatchee Organizational Chart ..... 7
- Staffing Trends – Full Time Equivalents (FTE) ..... 8
- 2023 Budget Ordinance 2022-28, Exhibit A ..... 9

**001 - GENERAL FUND .....10**

- Summary ..... 10
- Long-term Projection ..... 11
- General Fund Revenue and Expense Summary ..... 12
- 005 - Defender/Court/Jail ..... 13
- 007 - Human Resources ..... 13
- 008 - Community & Building Safety ..... 14
- 009 - Mayor/Council ..... 15
- 010 - Civil Service ..... 16
- 011 - Engineering ..... 16
- 013 - Finance ..... 17
- 014 - Legal ..... 17
- 015 - Community Development & Planning ..... 18
- 016 - Parks, Recreation & Cultural Services ..... 19
- 017 - Museum ..... 19
- 018 - Police ..... 20
- 019 - Other Admin ..... 21
- 022 - Parks Ground Maintenance ..... 21
- 023 - Non-Recurring ..... 22

**RESERVE FUND .....23**

- 005 - Rainy Day ..... 23

**SPECIAL REVENUE FUNDS .....23**

- 101 - Public Arts ..... 23
- 102 - PFD .2% Sales Tax ..... 24
- 103 - Paths & Trails ..... 24
- 104 - Tourism Promotion Area ..... 25
- 105 - Hotel/Motel Tax – Capital Outlay ..... 25
- 106 - Convention Center ..... 26
- 107 - Hotel Motel Tax - Tourism ..... 27
- 108 - Street Maintenance ..... 28
- 109 - Arterial Streets ..... 29
- 110 - LEOFF 1 Long Term Care ..... 30
- 111 - Street Overlay ..... 30
- 112 - Impact Fees ..... 31
- 113 - Low Income Housing ..... 31

114 - Community Center ..... 32

115 - CDBG Entitlement ..... 32

116 - LEOFF 1 Retiree Health Insurance..... 32

117 - Homeless..... 33

118 - Abatement ..... 33

120 - ARP Recovery ..... 34

**DEBT SERVICE FUNDS.....34**

205 - Councilmanic Bonds..... 34

**CAPITAL PROJECT FUNDS .....35**

301 - Real Estate Excise Tax Capital Projects ..... 35

302 - Parks & Recreation Capital Projects..... 35

304 - Economic Development Capital Projects ..... 36

306 - General Capital Projects..... 36

307 - Local Revitalization Financing Program ..... 37

309 - Foothills Streets..... 37

310 – INFRA Grant..... 38

312 – Convention Center Capital Outlay..... 38

**ENTERPRISE FUNDS .....39**

401 - Water Utility..... 39

405 - Sewer Utility ..... 40

410 - Storm Drain Utility ..... 41

415 - Regional Water..... 42

430 - Cemetery..... 43

**INTERNAL SERVICE FUNDS .....44**

501 - Equipment Rental O&M..... 44

502 - Self Insurance ..... 44

503 - Equipment Rental Replacement ..... 45

504 - Facility Maintenance ..... 46

505 - Information Systems ..... 47

**AGENCY FUNDS .....48**

610 - Cemetery Endowment ..... 48

611 - Firemen’s’ Pension ..... 48

**CAPTIAL BUDGET .....49**

Parks & Recreation Capital Projects..... 49

Facilities Capital Projects..... 51

Economic Development Capital Projects ..... 52

Street Capital Projects..... 53

Utility Capital Projects..... 58

Capital Budget Summary..... 63

## INTRODUCTION

### Budget Overview

The 2023 budget was formally adopted by Wenatchee City Council Ordinance 2022-28. This budget document provides additional detail to the ordinance. It is used as a financial management tool and as a method of communicating the financial picture of the City of Wenatchee.

Municipal budgets often focus on the General Fund because it is the chief operating fund. The first section of this budget document focuses on the City's General Fund, starting with a budget summary and then highlighting each department. In addition to the General Fund, the City has many other funds, including streets, utilities, housing, tourism, and capital projects. The pages following the General Fund section describe each stand-alone fund. These funds are supported by specific revenue sources or by transfers-in from the General fund or other funds.

The last section of the budget document presents the City's capital budget. These are typically large projects that can span multiple years. Funding for these projects can come from multiple sources including grants, borrowing, or a spend-down of accumulated reserves. In addition to being listed separately in the capital section, the expenses anticipated for 2023 capital projects have been built into the individual fund budgets.

### 2023 Budget Priorities

The City has several budget priorities outlined for the development of the 2023 budget. These priorities are developed by the Mayor, Council, Finance Committee, and department directors.

1. The City should develop a budget that maintains a 25% fund balance in the General Fund. This excludes the resources available in the Rainy Day fund.
2. Per City Financial Policies, recurring expenses and recurring revenues in the General Fund must balance. To ensure a continuous level of service into future years, the city should not support recurring expenses with one-time revenues.
3. Ensure each fund is charged accurately for services and staffing that are charged across multiple funds. There are many functions of the City that serve multiple funds. Utility funds should only pay for staff and services that benefit the utility funds, and the General Fund should only pay for staff and services that are not attributable to utilities.
4. Finance economic development and parks project without reducing the current level of service. Several large projects are in process across the City. This requires investments from several City funds. It is important to ensure these projects can be completed without cutting into resources needed for day-to-day operations.
5. Use accumulated reserves to fill funding shortfalls in several capital projects, including park and facilities projects.

## Financial Policy

The City of Wenatchee has adopted extensive financial policies. The detailed financial policies and goals can be found in City's Financial Management Policies document, last updated by Resolution 2022-04.

There are four principal financial goals detailed in the City's financial policies:

1. Ensure delivery of an adequate level of municipal services by relying on ongoing resources and by maintaining an adequate financial base to withstand changes in volatile revenue sources.
2. Ensure that the City is in a position to respond to changes in the economy or new service requirements without an undue amount of financial stress.
3. Maintain a good credit rating in the financial community and assure taxpayers that City Government is well managed financially and maintained in sound fiscal condition.
4. Maintain City facilities, infrastructure, equipment and fleets in a well-planned and efficient manner to minimize unexpected and preventable expenditures.

The City has a standing Finance Committee that meets at least monthly. The committee members are: Mayor, three Councilmembers, Finance Director, and Executive Services Director. The Finance Committee reviews the budget, monthly financial updates, personnel increases, grant agreements with extended commitments and match requirements, contracts with financial impacts, debt commitments, and other financial topics as needed.

## Budget Process


The 2023 Budget was developed through a group effort of the City Council, Mayor, Finance Committee, directors, staff, and Finance Department. In early summer, the Finance Department estimates salaries and benefits position-by-position. For 2023, the city budgeted salary adjustments as per union contracts and adjusted retirement, medical and other benefits as needed. Supplies, services, contracts, and other obligations were also updated. At the beginning of the budget process, all one-time and capital projects are removed from the budget to focus on the operating budget. The Finance Department also analyzes and projects revenues for the upcoming year.

Early in September, department directors provide their operating budget requests, capital project budgets, and any other significant changes to be reviewed by the Finance Committee. The Finance Committee makes recommendations on which budget requests should be included. They must take into consideration whether or not the expenses are recurring or non-recurring, as the recurring revenues should be sufficient to fund recurring expenses. These recommendations are incorporated into the preliminary budget and provided to City Council at the beginning of October.

During October, final adjustments are made to ensure the funds balance and the budget is accurate. It is further reviewed by Finance Committee and then presented to the City Council for adoption in mid-November.

Elected Officials & Department Directors

**Mayor**



**Frank Kuntz**

Term Ends: December 31, 2023

**City Council**



**Jose Luis Cuevas**  
District 1  
December 31, 2023



**Mike Poirier**  
District 2  
December 31, 2025



**Top Rojanasthien**  
District 3  
December 31, 2025



**Travis Hornby**  
District 4  
December 31, 2023



**Mark Kulaas**  
District 5  
December 31, 2023



**Linda Herald**  
At-Large "A"  
December 31, 2023



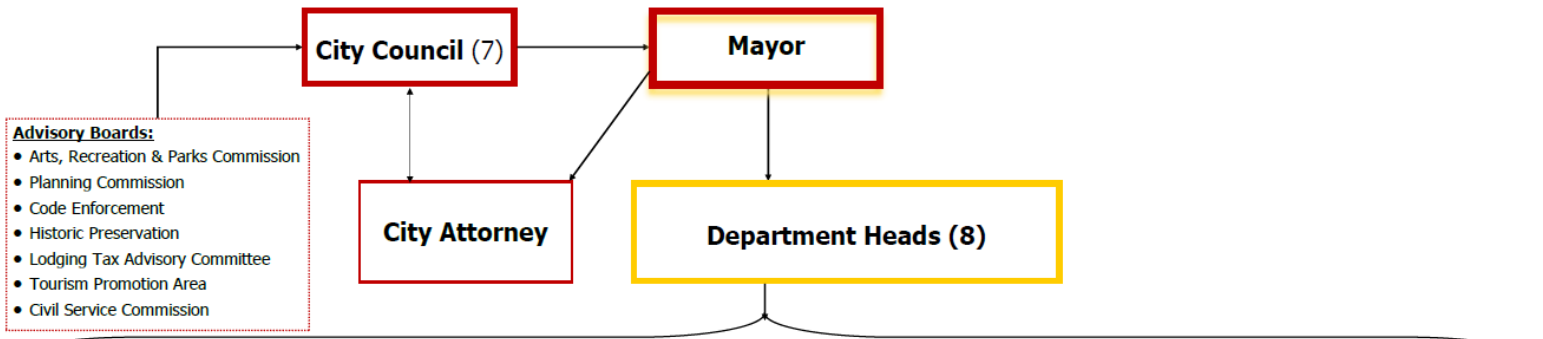
**Keith Huffaker**  
At-Large "B"  
December 31, 2025

**Department Directors**

Laura Gloria	Executive Services Director
Brad Posenjak	Finance Director
Dale Cantrell	Information Systems Director
David Erickson	Parks, Rec. and Cultural Svcs. Director
Glen DeVries	Community Development Director
Kari Page	Human Resources Director
Rob Jammerman	Public Works Director
Steve Crown	Police Chief
Danielle Marchant	City Attorney



**City of Wenatchee Organizational Chart**



Community Development Director	Executive Services Director	Finance Director	Human Resources Director	Information Systems Director	Parks/Rec/Cultural Svcs Director	Police Chief	Public Works Director
<b>16</b>	<b>2</b>	<b>10</b>	<b>1</b>	<b>4</b>	<b>17</b>	<b>56</b>	<b>72</b>
<ul style="list-style-type: none"> <li>Admin Assistant (1)</li> <li><u>Planning</u> <ul style="list-style-type: none"> <li>Planning Manager (1)</li> <li>Senior Planner (2)</li> <li>Assoc Planner (2)</li> <li>Housing Program Coordinator (1)</li> </ul> </li> <li><u>Building</u> <ul style="list-style-type: none"> <li>Building/Fire Official (1)</li> <li>Plans Examiner (1)</li> <li>Code Compliance Officer (1)</li> <li>CCO/Bldg Inspect (1)</li> <li>Bldg/Fire Inspect (1)</li> <li>Building Inspector (1)</li> <li>Public Svc Supv (1)</li> <li>Code Enforcement Coord (1)</li> <li>Permit Specialist (1)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Admin Assistant(1)</li> <li>City Clerk (1)</li> </ul>	<ul style="list-style-type: none"> <li>Asst Finance Director (1)</li> <li>Accountant (1)</li> <li>Accounting Technician (2)</li> <li>Accounting Supervisor (1)</li> <li>Utility Billing Specialist - Senior (1)</li> <li>Utility Billing Specialist (2)</li> <li>Utility Billing Assistant (2)</li> </ul>	<ul style="list-style-type: none"> <li>Human Resources Coordinator (1)</li> </ul>	<ul style="list-style-type: none"> <li>Network Admin (1)</li> <li>Network Specialist (1)</li> <li>IS Support Technician (2)</li> </ul>	<ul style="list-style-type: none"> <li>Admin Asst (1)</li> <li>Capital Projects Manager (1)</li> <li>Recreation Supervisor (1)</li> <li>Recreation Coordinator (2)</li> <li>Parks Maint Supervisor (1)</li> <li>MWII-Parks (5)</li> <li>MWII-Parks (Cemetery) (2)</li> <li>Inmate Trustee Coordinator (1)</li> <li>MWI-Parks (3)</li> </ul>	<ul style="list-style-type: none"> <li>Captains (2)</li> <li>Accreditation/ Administration Coordinator (1)</li> <li>Sergeants (7)</li> <li>Corporals (4)</li> <li>Officers (31)</li> <li>Tech Services Specialist (1)</li> <li>Records Supervisor (1)</li> <li>Records Specialist (8)</li> <li>Parking Control Officer (1)</li> </ul>	<ul style="list-style-type: none"> <li>Admin Assistant (1)</li> <li><u>Engineering</u> <ul style="list-style-type: none"> <li>City Engineer (1)</li> <li>Eng Services Mgr (1)</li> <li>Transportation Planning &amp; Dev Eng Mgr (1)</li> <li>Sr Utilities Engineer (1)</li> <li>Development Review Engineer (1)</li> <li>Project Engineer (5)</li> <li>Staff Engineer (1)</li> <li>Eng Tech - (1) Sr (2)</li> <li>T/L Tech (1) Sr (1)</li> <li>Financial Analyst (1)</li> </ul> </li> <li><u>Operations</u> <ul style="list-style-type: none"> <li>Operations Manager (1)</li> <li>Admin Assistant (1)</li> <li>Facilities Manager (1)</li> <li>Facilities Maint Tech (4)</li> <li>Street Maint Supv (1)</li> <li>MWII-Streets (10)</li> <li>Fleet Supervisor (1)</li> <li>Mechanic (3)</li> <li>Lube Tech (1)</li> </ul> </li> <li><u>Utilities</u> <ul style="list-style-type: none"> <li>Deputy Director - Utilities (1)</li> <li>Utilities Assistant Manager (1)</li> <li>GIS Manager (1)</li> <li>GIS Analyst (1) Tech (1)</li> <li>Asset Coordinator (1)</li> <li>Utility Planner (1)</li> <li>Water Quality Spec (1)</li> <li>Stormwater Tech (1)</li> <li>CCC Specialist (1)</li> <li>Water Dist. Supv (1)</li> <li>CS/Permit Specialist (1)</li> <li>UW-Water (6)               <ul style="list-style-type: none"> <li>MWI-Water Seasonal (1)</li> <li>Water Svc Specialist (1)</li> <li>Reg Water Plant Op (2)</li> <li>Wastewater Supv (1)</li> <li>WWTP Maint Tech (2)</li> <li>WWTP Operator (3)</li> <li>WWTP OIT (1)</li> <li>WWTP Lab Tech (1)</li> <li>SS Collections Supervisor (1)</li> </ul> </li> </ul> </li> </ul>

**Staffing Trends – Full Time Equivalents (FTE)**

<b>General Fund</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Human Resources	1.8	2.0	2.0	2.0	2.0	2.0	2.0	3.0
Community & Building Safety	6.4	7.7	7.6	7.9	7.9	7.6	7.9	7.9
Mayor/Council	3.1	3.0	3.0	4.0	4.0	4.0	4.0	4.0
Engineering	7.3	8.1	8.4	9.5	8.3	7.9	9.6	9.6
Economic Development	-	1.0	1.0	1.0	2.0	1.0	-	-
Finance	5.5	5.4	5.5	5.6	5.4	5.4	5.4	6.4
Planning & Development	7.1	7.1	7.5	8.1	8.1	8.3	7.0	7.5
Parks & Recreation	3.1	4.0	4.0	5.0	4.9	5.6	5.5	5.5
Police	47.0	49.0	51.0	53.0	56.0	56.3	57.0	57.0
Parks Ground Maintenance	8.2	8.3	8.4	8.4	8.8	8.8	10.0	10.5
<b>Total General Fund</b>	<b>89.5</b>	<b>95.6</b>	<b>98.4</b>	<b>104.5</b>	<b>107.4</b>	<b>106.9</b>	<b>108.4</b>	<b>111.4</b>
Convention Center	1.3	1.3	1.1	1.1	1.2	1.2	1.2	1.2
Streets Maintenance	12.6	12.9	12.6	12.8	14.8	14.6	14.7	14.7
Homeless	-	-	-	-	-	-	1.0	-
Water Utility	13.4	14.4	15.7	16.8	16.3	17.1	17.6	17.9
Sewer Utility	15.3	13.8	15.6	17.2	19.1	20.0	21.0	21.6
Storm Drain Utility	5.5	5.3	5.0	6.8	6.2	6.6	7.9	8.0
Regional Water	1.7	2.2	2.2	2.2	2.4	2.4	2.4	2.4
Cemetery	2.1	2.1	2.1	2.1	2.6	2.6	2.6	3.1
Equipment Rental - O&M	3.9	3.9	6.4	6.2	6.4	6.4	6.4	6.4
Equipment Rental - Replacement	0.5	0.6	0.9	0.9	1.1	0.9	0.9	0.9
Facility Maintenance	2.6	2.8	2.7	3.7	3.8	4.9	4.9	5.9
Information Systems	4.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
<b>Total All Funds</b>	<b>152.4</b>	<b>159.9</b>	<b>167.7</b>	<b>179.3</b>	<b>186.3</b>	<b>188.6</b>	<b>194.0</b>	<b>198.5</b>





**2023 Budget Ordinance 2022-28, Exhibit A**

<b>Fund</b>	<b>Fund No.</b>	<b>Estimated Beginning Balance</b>	<b>Budgeted Revenues</b>	<b>Budgeted Expenses</b>	<b>Estimated Ending Balance</b>
General	001	15,000,000	31,717,800	35,296,650	11,421,150
Rainy Day	005	1,615,000	12,000	-	1,627,000
Public Arts	101	-	32,000	4,000	28,000
PFD .2% Sales Tax	102	-	3,000,000	3,000,000	-
Paths and Trails	103	4,000	3,100	3,000	4,100
Tourism Promotion Area	104	450,000	583,150	580,670	452,480
Hotel/Motel Tax - Capital Outlay	105	-	430,000	430,000	-
Convention Center	106	350,000	1,773,000	1,640,370	482,630
Hotel/Motel - Tourism	107	300,000	863,000	779,320	383,680
Street Maintenance	108	1,700,000	3,453,500	4,099,810	1,053,690
Arterial Streets	109	500,000	6,380,080	6,753,760	126,320
LEOFF 1 Long-Term Care	110	235,000	203,000	267,000	171,000
Street Overlay	111	968,500	2,135,000	1,598,500	1,505,000
Impact Fees	112	270,000	102,000	200,000	172,000
Low Income Housing	113	200,000	86,500	92,640	193,860
Community Center	114	50,000	39,890	26,400	63,490
CDBG Entitlement	115	195,980	391,610	587,590	-
LEOFF 1 Retiree Health Insurance	116	400,000	303,000	303,000	400,000
Homeless Housing	117	1,500,000	2,486,190	2,732,410	1,253,780
Abatement	118	130,000	31,000	75,000	86,000
ARP Recovery	120	1,000,000	-	1,000,000	-
Councilmanic LTGO Bonds	205	30,000	1,750,300	1,748,650	31,650
REET Capital Projects	301	800,000	727,000	720,450	806,550
Parks & Recreation Capital Projects	302	500,000	3,098,500	3,131,500	467,000
Economic Development Projects	304	(6,000,000)	2,190,200	3,734,770	(7,544,570)
General Capital Projects	306	-	3,978,000	3,978,000	-
Local Revitalization Financing	307	3,000,000	625,000	2,843,400	781,600
Foothills Streets	309	630,000	-	-	630,000
INFRA Grant	310	-	10,798,260	10,798,260	-
Convention Center Capital Projects	312	-	766,000	766,000	-
Water Utility	401	2,700,000	9,054,350	9,491,360	2,262,990
Sewer Utility	405	10,000,000	21,365,340	28,139,650	3,225,690
Storm Drain Utility	410	5,500,000	5,079,500	8,071,700	2,507,800
Regional Water	415	5,800,000	2,247,070	1,274,220	6,772,850
Cemetery	430	350,000	422,600	529,260	243,340
Equipment Rental O&M	501	700,000	1,199,260	1,374,500	524,760
Self Insurance	502	1,700,000	984,000	1,110,000	1,574,000
Equipment Rental Replacement	503	3,300,000	1,048,270	929,260	3,419,010
Facilities Maintenance	504	100,000	2,043,100	2,042,150	100,950
Information Systems	505	275,000	1,662,560	1,709,990	227,570
Cemetery Endowment	610	1,300,000	29,000	-	1,329,000
Firemen's Pension	611	1,150,000	38,500	138,000	1,050,500
<b>Total Annual Appropriation</b>		<b>56,703,480</b>	<b>123,132,630</b>	<b>142,001,240</b>	<b>37,834,870</b>

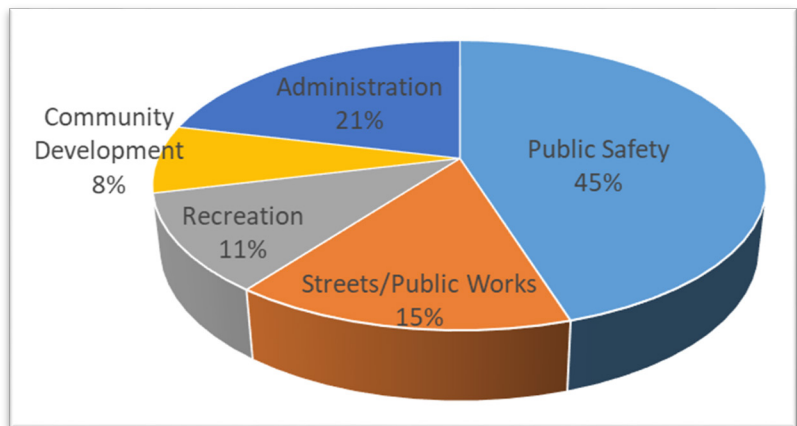
**001 - GENERAL FUND****Summary**

The General Fund is the principal governmental fund of the City and is used to account for all revenues and expenditures which are not accounted for in any other fund. The City monitors the General Fund budget based on recurring versus non-recurring expenses to analyze the ongoing cost of operations. For the financial sustainability of the City, recurring expenses should not be balanced with non-recurring revenues.

The 2023 budget is presented with 84% of General Fund's recurring revenues coming from property taxes, sales taxes and utility taxes. Recurring revenues of the General Fund pay for the ongoing services provided to the citizens of Wenatchee. The salary and benefits of City employees account for 53% of the General Fund's recurring expenditures.

The General Fund provides the following ongoing services:

- Public safety includes police, jail, prosecution and defense of individuals in Wenatchee's legal system, animal control and police and fire retiree medical.
- Streets/Public Works include funding for street construction, street maintenance, and engineering services.
- Recreation Services includes recreation programs, swimming pool, park ground maintenance, and museum support.
- Community Development includes building safety, planning, and economic development.
- Administration provides general services to city departments and citizens and includes functions such as city council, mayor, executive services, public information, city clerk, human resources, finance, city attorney, building maintenance, property liability insurance for all General Fund services and departments, debt service, and cemetery operations support.



Noteworthy General Fund budget matters:

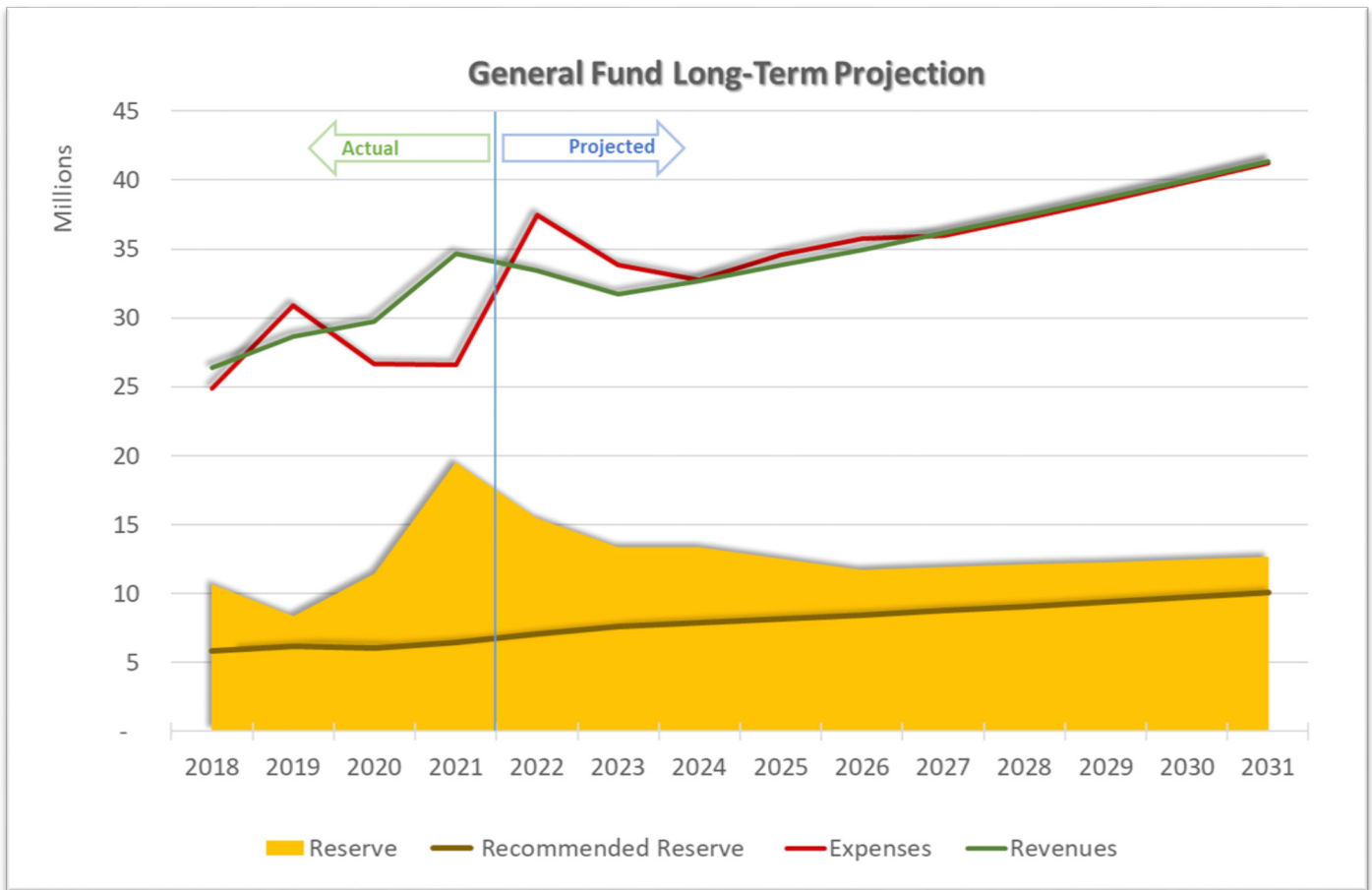
- Across most departments and funds, salaries and benefits show larger increases than most years. Due to extraordinary inflation, in August 2022, the City Council approved an across-the-board 5% increase in wages. In addition, union agreements prescribed a 3.5% - 4.0% increase effective January 1, 2023.
- Although the COVID pandemic reduced some 2020 revenues, most 2023 revenues are expected to return to the growth rates of pre-pandemic projections.
- Overall property taxes were increased by 1%, plus new construction. The average property owner will only experience a 1% increase in their property taxes bill for City services.
- Recurring expenses substantially balance with recurring revenues. Minor differences will be made up during the year as revenues typically come in over budget, and by law, expenses must come in under budget.
- Non-recurring expenses have been intentionally budgeted higher than non-recurring revenues. Over the past several years, the City has grown a significant reserve, which allows flexibility to commit to larger one-time projects such as the City Pool Liner project, street investments, facility projects.
- One-time General Fund requests are detailed with the Non-Recurring (department 023) expenses at the end of the General Fund section in this budget document.

**Long-term Projection**

The purpose of projecting the General Fund helps to analyze what commitments the City will be able to make. The chart below shows spikes in expenses (red line) in 2019 and 2022. This is due to intentionally spending down accumulated reserves on one-time projects. Revenues (green line) appear to decline in 2023. However, in 2021 and 2022 the City received federal COVID Relief grant funds which inflated one-time revenues. That is not expected to occur again in 2023, so the revenue projection returns to the normal trajectory.

The 2023-2031 projection below is based on several assumptions:

- Property taxes will increase at 2.5% per year, sales taxes will increase at 3.5% per year
- Utility taxes will grow at 4.5% per year due to authorized rate increases in the water, sewer and storm drain utilities
- All other revenues are projected to grow 3% per year
- Expenses will generally increase by 3.5% per year overall
- Non-recurring expenses are limited to a few commitments the City expects to incur in future years including the City Pool project, Museum capital, and a development agreement



Despite the COVID pandemic in 2020, new federal revenue sources and a slowing of expenses allowed significant growth of the fund balance. In 2021, the fund balance (orange) climbed to \$19.5 million. The 2022 budget was strategically designed to spend some of the fund balance, which is also why the red expense line shows a sharp uptick in 2022. This is still expected to leave a healthy reserve, and future revenues and expenses are projected to keep pace with each other.

**General Fund Revenue and Expense Summary**

<b>Revenues</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Actual</b>	<b>2022 Budget</b>	<b>2023 Budget</b>	<b>23/22 Change</b>
Property tax	3,638,106	4,126,323	4,224,048	4,739,920	4,861,100	2.6%
Sales tax - recurring	9,714,332	9,699,660	11,425,686	10,750,000	12,100,000	12.6%
Sales tax - one time	679,103	660,906	703,238	650,000	650,000	0.0%
Criminal justice sales tax	919,620	929,755	1,093,298	975,000	1,160,000	19.0%
Utility tax	6,886,486	6,964,227	7,696,232	7,315,000	8,005,000	9.4%
Other tax	255,595	254,442	250,332	235,000	235,000	0.0%
Building/planning permits	848,065	737,252	869,779	740,000	670,000	-9.5%
Licenses	279,836	253,789	350,206	514,000	567,000	10.3%
Intergovernmental	292,241	238,325	294,123	232,600	247,600	6.4%
Grants - one-time	337,316	1,303,149	250,008	168,250	18,000	-89.3%
Liquor/Marijuana excise tax	550,980	578,395	613,295	593,000	625,000	5.4%
Interfund charges for services	1,158,876	1,087,671	988,183	1,000,300	984,800	-1.5%
Recreation services	124,473	5,158	91,033	101,500	101,500	0.0%
Other charges for services	404,643	396,734	502,973	312,700	291,700	-6.7%
Court fines & penalties	1,030,317	719,681	856,474	991,500	868,500	-12.4%
Utility payment in lieu of tax	250,500	241,300	262,100	140,200	141,600	1.0%
Miscellaneous - recurring	175,057	160,034	90,141	73,120	116,000	58.6%
Miscellaneous - one time	1,085,519	1,366,886	4,132,793	-	75,000	0.0%
	28,631,065	29,723,687	34,693,942	29,532,090	<b>31,717,800</b>	7.4%

<b>Expenses</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Actual</b>	<b>2022 Budget</b>	<b>2023 Budget</b>	<b>23/22 Change</b>
Defender/Court/Jail	2,870,822	1,996,030	2,988,594	3,039,710	3,198,380	5.2%
Human Resources	283,629	272,346	275,270	352,280	485,880	37.9%
Community & Building Safety	1,001,319	998,583	960,307	1,119,160	1,211,410	8.2%
Mayor/Council	737,094	719,660	713,629	856,600	930,650	8.6%
Civil Service	14,963	13,091	13,278	15,630	16,060	2.8%
Engineering	1,319,988	1,160,220	1,088,470	1,517,300	1,597,200	5.3%
Economic Development	272,748	219,379	-	-	-	0.0%
Finance	797,696	799,154	824,703	884,790	1,128,040	27.5%
Legal	475,898	453,794	458,533	543,600	720,000	32.5%
Planning & Development	1,017,015	1,057,945	983,279	1,039,100	1,146,310	10.3%
Parks & Recreation	928,031	713,588	957,875	1,079,900	1,232,250	14.1%
Museum	403,966	431,693	429,957	451,630	458,710	1.6%
Police	8,211,489	8,522,384	8,938,582	9,834,340	10,551,780	7.3%
Other Administration	4,978,515	5,440,685	5,807,121	6,361,720	6,693,520	5.2%
Parks Ground Maintenance	1,275,727	1,291,061	1,361,741	1,583,460	1,701,260	7.4%
Non-Recurring	6,339,481	2,605,601	772,522	5,586,120	4,225,200	-24.4%
	30,928,381	26,695,218	26,573,861	34,265,340	<b>35,296,650</b>	3.0%

<b>Net Income</b>	(2,297,316)	3,028,469	8,120,081	(4,733,250)	<b>(3,578,850)</b>	
-------------------	-------------	-----------	-----------	-------------	--------------------	--

<b>Recurring Budget</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Actual</b>	<b>2022 Budget</b>	<b>2023 Budget</b>	<b>23/22 Change</b>
Recurring revenues	26,529,126	26,392,746	29,607,903	28,713,840	30,974,800	7.9%
Recurring expenses	24,316,152	23,870,237	25,801,339	28,679,220	31,071,450	8.3%
Net recurring budget	2,212,974	2,522,508	3,806,564	34,620	<b>(96,650)</b>	

## 005 - Defender/Court/Jail

---

The City of Wenatchee has expenditures related to public safety that are not included in the Police Department budget. Chelan County District Court provides court services by interlocal agreement. The agreement provides for the filing and processing of a number of city infractions and misdemeanors including traffic and non-traffic, photo enforcement, parking, and delinquent tickets. For indigent defense (public defender) services, the City contracts with private attorneys.

The Chelan County Regional Jail provides inmate housing by interlocal agreement. Under the current agreement, the City pays a monthly rate that is based on a proportionate share of the County Jail's budget. Rivercom is the multijurisdictional agency that provides 911 service and dispatch for the Chelan-Douglas County area. The cost of Rivercom is set annually and the per call assessment is based on the call volume of the prior year.

<b>Expenses</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Actual</b>	<b>2022 Budget</b>	<b>2023 Budget</b>	<b>23/22 Change</b>
District Court Services	300,538	245,790	263,652	362,800	433,600	19.5%
Public Defender	556,340	576,072	614,628	626,610	641,710	2.4%
Chelan County Jail	1,158,106	464,188	1,392,365	1,485,300	1,558,070	4.9%
Rivercom	855,838	709,979	717,949	565,000	565,000	0.0%
<b>Total Expenses</b>	<b>2,870,822</b>	<b>1,996,029</b>	<b>2,988,594</b>	<b>3,039,710</b>	<b>3,198,380</b>	<b>5.2%</b>

**2023 Budget Notes:** The District Court Services contract was renegotiated for 2023 and included a 20% increase. The amount budgeted for the 2023 Chelan County Jail contract assumes a relatively stable inmate population along with a 5% annual increase.

## 007 - Human Resources

---

The Human Resources (HR) Department mission is to provide quality, customer focused internal and external services to increase the City's effectiveness by attracting, developing, motivating and retaining a diverse workforce within a positive and supportive work environment. Organizational development strategies are geared toward managing with heart, building and maintaining a culture of excellence and positioning the City as an employer of choice. Key functions of the HR Department include: Recruitment, Onboarding and Retention; Leadership Development; Compensation and Benefits; Legal Compliance and Risk Management; Safety; Wellness; Employee Relations; Labor Relations; Employee Development and Performance Management.

<b>Expenses</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Actual</b>	<b>2022 Budget</b>	<b>2023 Budget</b>	<b>23/22 Change</b>
Salaries & Benefits	236,618	225,887	239,292	286,710	418,890	46.1%
Supplies & Services	47,011	46,459	35,977	65,570	66,990	2.2%
<b>Total Expenses</b>	<b>283,629</b>	<b>272,346</b>	<b>275,270</b>	<b>352,280</b>	<b>485,880</b>	<b>37.9%</b>
Staffing FTE	2.0	2.0	2.0	2.0	3.0	

**2023 Budget Notes:** Human Resources was granted a new Administrative Assistant position for 2023.

## 008 - Community & Building Safety

---

The Community & Building Safety Division's mission is to protect the citizens and visitors of Wenatchee by effectively and efficiently administering state and local code provisions which provide minimum standards to safeguard life, health, property and public welfare by regulating and controlling the design, construction, quality of materials, use and occupancy, location and maintenance of all buildings, structures and properties within our jurisdiction. This is accomplished through fair and consistent enforcement of these regulations.

The Division provides four distinct services to the citizens of Wenatchee: Permit Services (front counter), Plan Review, Inspection Services and Code Enforcement. Permit Services staff the front counter, field building, development and code enforcement related inquiries, accept permit applications, calculate and collect permit and development fees and issue permits. Plan Review staff is responsible for reviewing plans for new residential, commercial, and industrial construction, non-residential tenant improvements and home improvements. Inspection Services staff spend most of their time in the field conducting inspections of projects under construction to verify compliance with Building, Plumbing, Fire and Mechanical Codes, and also confirm that projects are being built according to the approved plans. Code Compliance activity encompasses broad issues such as inoperable vehicles, poor property maintenance, garbage and debris accumulation and substandard housing conditions.

<b>Expenses</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Actual</b>	<b>2022 Budget</b>	<b>2023 Budget</b>	<b>23/22 Change</b>
Salaries & Benefits	831,776	853,465	833,814	965,420	1,059,640	9.8%
Supplies & Services	169,543	145,119	126,493	153,740	151,770	-1.3%
Total Expenses	1,001,319	998,583	960,307	1,119,160	1,211,410	8.2%
Staffing FTE	7.9	7.9	7.6	7.9	7.9	

2023 Budget Notes: The decrease in Supplies & Services is largely due to changes in interfund billing rates for Equipment Rental and Information Systems.



**009 - Mayor/Council**

---

The Mayor’s Office/Department is staffed by the Mayor, Executive Services Director and City Clerk. Under the Mayor/Council form of government, the Mayor is the official and ceremonial head of the City. He serves as the chief executive officer and is charged with the responsibility of ensuring that all policies, laws and ordinances enacted by the Council are carried out. The Mayor also manages the day to day operations of the City. The Mayor, in coordination with the Finance Department, is responsible for the creation and presentation of the City’s annual operating and capital budgets.

The Wenatchee City Council consists of seven members (representing five districts and two-at large positions) who have been elected by the residents of Wenatchee to serve staggered terms. The Council is responsible for establishing and prioritizing levels of service for all City operations and for the adoption of the City’s annual operating plan and capital budgets. Council members and the Mayor represent the city in serving on various community boards and councils, including three City Council committees: Finance, Public Safety and Public Works/Economic Development.

The Mayor’s office is the lead for local, state and federal legislative advocacy, media relations and provides staff to the Lodging Tax Advisory Committee, Tourism Promotion Area Board and ad hoc committees as designated by the City Council. The City Clerk is the Public Records Officer for the City.

<b>Expenses</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Actual</b>	<b>2022 Budget</b>	<b>2023 Budget</b>	<b>23/22 Change</b>
Salaries & Benefits	557,538	577,413	577,958	664,540	707,300	6.4%
Supplies & Services	179,555	142,247	135,670	192,060	223,350	16.3%
Total Expenses	737,094	719,660	713,629	856,600	930,650	8.6%
Staffing FTE	4.0	4.0	4.0	4.0	4.0	

2023 Budget Notes: The increase in Supplies & Services is for additional professional services related to economic development.

## 010 - Civil Service

---

The Civil Service Commission (CSC) is made up of three volunteer city residents appointed by the Mayor. They are governed under Chapter 41.08 and 41.12 of the RCW's. They are an independent entity representing the interest of all civil service employees (Wenatchee Police Department). They are responsible for hiring a Secretary-Examiner to act as their records keeper, etc. Their main functions are to authorize and oversee entry level and promotion exams ensuring fair practices are used.

<b>Expenses</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Actual</b>	<b>2022 Budget</b>	<b>2023 Budget</b>	<b>23/22 Change</b>
Total Expenses	14,963	13,091	13,278	15,630	16,060	2.8%

## 011 - Engineering

---

Engineering provides technical services to the public, developers, and other City Departments. Engineering is responsible for right of way management, traffic engineering, infrastructure management, infrastructure comprehensive planning, design and construction of most City capital projects; development project review and permitting; provides engineering services to all City departments; responds to various questions and complaints received via Government Outreach, telephone, e-mail, and walk-ins; obtains grants and low interest loan funding from Federal and State sources; assists in regional transportation planning and coordination; provides GIS mapping/data support for utilities, environmental, planning, cemetery, police, parks and recreation.

<b>Expenses</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Actual</b>	<b>2022 Budget</b>	<b>2023 Budget</b>	<b>23/22 Change</b>
Salaries & Benefits	1,114,671	972,434	911,340	1,304,510	1,394,840	6.9%
Supplies & Services	205,317	187,786	177,130	212,790	202,360	-4.9%
Total Expenses	1,319,988	1,160,220	1,088,470	1,517,300	1,597,200	5.3%
Staffing FTE	9.5	8.3	7.9	9.6	9.6	

2023 Budget Notes: The decrease in Supplies & Services is largely due to changes in interfund billing rates for Equipment Rental and Information Systems.

**013 - Finance**

---

The Finance Department assists the Mayor, Council, City staff in financial planning, budgeting, reporting and overall stewardship of the City’s resources. Finance also serves City utility customers in the billing and receipting of water, sewer and storm water utility services.

The Finance Department is responsible for the administration, coordination, supervision and control of the Cities financial activities. The department performs the following activities in compliance with acceptable accounting practices and state, federal, local and contractual guidelines: accounts receivable/payable, payroll, annual budget preparation, annual financial statement reporting, cash management, internal control, utility billing & collection, local improvement district billing, tracking and reporting on expenses and revenues, managing financial software, and coordinating the annual state audit.

The staff and services expenses related to utility billing and collection are charged directly to the utility funds and are not included in the General Fund budget.

<b>Expenses</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Actual</b>	<b>2022 Budget</b>	<b>2023 Budget</b>	<b>23/22 Change</b>
Salaries & Benefits	639,857	641,244	653,196	696,610	860,220	23.5%
Supplies & Services	157,840	157,911	171,507	188,180	267,820	42.3%
Total Expenses	797,696	799,154	824,703	884,790	1,128,040	27.5%
Staffing FTE	5.6	5.4	5.4	5.4	6.4	

2023 Budget Notes: The Finance Department was granted an additional Accounting Technician position for 2023. The increase in Supplies & Services is due to higher state audit costs and additional interfund billing from Information Systems for software maintenance. In 2023, the Finance Department is expected to begin a major software migration process that will run through 2025.

**014 - Legal**

---

The City contracts with Davis Arneil Law Firm, LLP for City Attorney and Prosecution services. The contract is a flat amount to provide all legal services required by the city.

<b>Expenses</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Actual</b>	<b>2022 Budget</b>	<b>2023 Budget</b>	<b>23/22 Change</b>
Total Expenses	475,898	453,794	458,533	543,600	720,000	32.5%

2023 Budget Notes: The City Attorney contract was renegotiated for 2023 an includes a significant increase to cover the amount of hours the City Attorney has been committing to the City.

## 015 - Community Development & Planning

---

The Community Development Department includes two divisions, the Planning Division and the Community & Building Safety Division. These divisions provide a wide variety of services to the community and include multiple fund sources.

The Planning Division handles all current and long range planning, historic preservation, neighborhood planning, and oversees low income and homeless funding programs. Staff works with the Planning Commission and City Council on an ongoing basis to develop, monitor and update policies, codes, and neighborhood programs to be relevant to changing community needs. Planning staff coordinate land use and environmental permitting and review. The division strives to implement city policies and development regulations in a fair, efficient and customer oriented manner for applicants and the general public.

The City's planning staff also administers the City's Low Income and Housing Fund (see fund 113), Community Development Block Grant Program (see fund 115), and the Homeless Housing Program (see fund 117).

<b>Expenses</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Actual</b>	<b>2022 Budget</b>	<b>2023 Budget</b>	<b>23/22 Change</b>
Salaries & Benefits	875,196	930,405	855,017	895,610	1,013,410	13.2%
Supplies & Services	141,819	127,539	128,263	143,490	132,900	-7.4%
Total Expenses	1,017,015	1,057,945	983,279	1,039,100	1,146,310	10.3%
Staffing FTE	8.1	8.1	8.3	7.0	7.5	

2023 Budget Notes: Some of increase in Salaries & Benefits is related to the Administrative Assistant position moving from part-time to full-time. The decrease in Supplies & Services is largely due to changes in interfund billing rates for Information Systems.

**016 - Parks, Recreation & Cultural Services**

The mission of the Parks, Recreation and Cultural Services Department is to build a great community through its people, parks, and programs. This includes a commitment to managing and expanding the community’s arts, recreation, parks and natural resources to support the City’s vitality. The outcome is a consistent effort to create a great community—one that is vibrant, healthy, and strong.

The department has three primary goals. The first is to offer high quality recreation programs and events. These programs emphasize fun, safety, physical fitness, community building, skill development and life enrichment for all ages, interests and abilities. The second goal is to plan, acquire, develop and maintain a high-quality park system for residents and visitors as defined in the Parks, Recreation and Open Space Comprehensive Plan. The third goal is to promote and encourage the development, awareness and interest in the visual and performing arts in connection with the artistic and cultural development of the City of Wenatchee.

<b>Expenses</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Actual</b>	<b>2022 Budget</b>	<b>2023 Budget</b>	<b>23/22 Change</b>
Salaries & Benefits	751,147	585,471	763,797	882,340	993,010	12.5%
Supplies & Services	176,884	128,117	194,078	197,560	239,240	21.1%
Total Expenses	928,031	713,588	957,875	1,079,900	1,232,250	14.1%
Staffing FTE	5.0	4.9	5.6	5.5	5.5	

2023 Budget Notes: The Parks, Recreation & Cultural Services department received additional funding for temporary recreation program staff. They also received additional Supplies & Services funding due to increased operating costs and the ongoing need for park security services.

**017 - Museum**

The operation of the Wenatchee Valley Museum and Cultural Center was turned over to the Wenatchee Valley Museum and Cultural Center Association in 2014. The City owns and maintains the property, and provides additional financial support to the Association through a contract for services.

<b>Expenses</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Actual</b>	<b>2022 Budget</b>	<b>2023 Budget</b>	<b>23/22 Change</b>
Total Expenses	403,966	431,693	429,957	451,630	458,710	1.6%

## 018 - Police

The Wenatchee Police Department provides law enforcement services to the City of Wenatchee 24 hours a day. The department is a key stakeholder in regional partnerships that serve Chelan and Douglas Counties, and beyond, as a founding partner in the Columbia River Drug Task Force, the East Cascade SWAT team, Cellular Phone Forensic Team, North Central Washington Special Investigations Unit, and Wenatchee School District School Resource Officers program. Through inter-local agreements, partners can collaboratively provide enhanced services to our communities.

The department has a rich history of embracing best practices in policing and leveraging technology in order to detect, prevent, and deter crime. In January 2022, body-worn cameras were implemented and have proven to be invaluable by providing details and fidelity of information in response to complaints, policy compliance, and critical incidents. Body-worn cameras provide for additional transparency and allow for the elevation of public trust.

The department is committed to building and maintaining public trust in tandem with community engagement. Personnel also provide training to law enforcement professionals across the state in a number of disciplines, including interview and investigation, DUI enforcement, Patrol Tactics, and firearms.

Perhaps most importantly, the department places major emphasis on workforce development with increased focus on recruiting, hiring, and retaining highly trained, quality professionals. All first-line supervisors have attended West Point Leadership model training, and all supervisory personnel have achieved Washington State Criminal Justice Training Commission certifications for leadership at the appropriate levels. The Department is proud to be accredited by the Washington Association of Sheriffs and Police Chiefs and is seeking re-accreditation in 2023. Through our strategic planning process, we strive to utilize and maximize all available resources to provide quality services to our community and those visiting our City.

<b>Expenses</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Actual</b>	<b>2022 Budget</b>	<b>2023 Budget</b>	<b>23/22 Change</b>
Salaries & Benefits	6,779,930	7,077,261	7,507,519	8,324,920	8,966,220	7.7%
Supplies & Services	1,431,559	1,445,122	1,431,064	1,509,420	1,585,560	5.0%
Total Expenses	8,211,489	8,522,384	8,938,582	9,834,340	10,551,780	7.3%
Staffing FTE	53.0	56.0	56.3	57.0	57.0	

2023 Budget Notes: The Police Department received additional Supplies & Services funding for SWAT team operating supplies and patrol equipment.



## 019 - Other Admin

The Other Administrative group are services or fees for the general operation of the General Fund that are not allocated to a specific department or expenditures to community organizations as directed by City Council. Below is an overview of the major categories for this funding.

Expenses	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
Transfer to Streets	3,000,000	3,000,000	3,000,000	3,100,000	3,100,000	0.0%
Bldg Maint./Insurance	795,010	828,930	1,099,290	1,144,370	1,257,800	9.9%
Other Transfers	618,000	978,200	906,750	1,440,700	1,510,900	4.9%
Animal Control	198,876	210,000	218,000	250,700	258,230	3.0%
Other Services	366,629	423,555	583,081	425,950	566,590	33.0%
<b>Total Expenses</b>	<b>4,978,515</b>	<b>5,440,685</b>	<b>5,807,121</b>	<b>6,361,720</b>	<b>6,693,520</b>	<b>5.2%</b>

2023 Budget Notes: The General fund transfers \$3.1 million of property taxes to support street maintenance and capital grant match requirement. Of all property tax collected by the City, 65% is going to fund streets. Increases in the Building Maintenance and Insurance category are due to increased support required for the Facilities Maintenance Fund. Increases to Other Transfers are due to additional General Fund support required for the LEOFF retiree medical benefits. The increase in Other Services is due to ongoing support of Our Valley Our Future, a shift in funding for the Literacy Council, and an increase in election costs as the City will have to cover the cost of Councilmember and Mayor ballot races in November 2023.

## 022 - Parks Ground Maintenance

The Parks and Grounds Maintenance Division of the Parks, Recreation and Cultural Services Department has the responsibility for the operation and maintenance of the City's park system. This includes 21 City park areas and the landscaping of a variety of locations throughout the City. The division plants and maintains over 100 floral baskets in downtown and prunes, maintains over 300 trees along City streets. The Parks crew also maintains the landscaping around city buildings, landscaping along roadways, storm water facilities and aids at the Cemetery when necessary. In the winter, the division is responsible for snow and ice control of walkways within the parks and city buildings as well as all of the sidewalks that adjoin City properties and assists with street snow plowing.

Expenses	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
Salaries & Benefits	906,631	917,266	933,497	1,069,450	1,185,820	10.9%
Supplies & Services	369,096	373,796	428,244	514,010	515,440	0.3%
<b>Total Expenses</b>	<b>1,275,727</b>	<b>1,291,061</b>	<b>1,361,741</b>	<b>1,583,460</b>	<b>1,701,260</b>	<b>7.4%</b>
Staffing FTE	8.4	8.8	8.8	10.0	10.5	

2023 Budget Notes: Parks Ground Maintenance and the Cemetery Fund received funding to hire an additional Maintenance Worker.

**023 - Non-Recurring**

Nonrecurring activities are one-time expenses that are inconsistent and would distort the city's ability to determine the regular costs of operations. These activities typically consist of grant projects that will stop with the funding source, capital purchases, donations and special transfers to other city funds. Due to the uncertainty of these items, this department often requires yearend budget amendments.

During the budget process, City departments make requests for items beyond their regular operating budget. When the General Fund has a healthy fund balance, the City is able to approve many one-time budget requests to help departments gain efficiencies, improve City services, and spur economic development.

<b>Expenses</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Actual</b>	<b>2022 Budget</b>	<b>2023 Budget</b>	<b>23/22 Change</b>
Salary & Benefits	43,350	67,767	38,085	9,000	-	-100.0%
Supplies & Services	1,051,808	1,244,173	367,533	1,737,440	1,494,200	-14.0%
Capital Outlay	715,221	11,507	38,527	300,000	863,000	187.7%
Transfers Out	4,529,101	1,282,155	328,376	3,539,680	1,868,000	-47.2%
<b>Total Expenses</b>	<b>6,339,481</b>	<b>2,605,601</b>	<b>772,522</b>	<b>5,586,120</b>	<b>4,225,200</b>	<b>-24.4%</b>

**2023 Budget Notes:** The City is intentionally spending down reserves to accomplish several one-time projects. The detail of projects are listed below.

<b>Department</b>	<b>Amount</b>	<b>Description</b>
Community Development	75,000	Burke and Updated Housing Analysis
Community Development	80,000	Architectural Design Services for Affordable Housing
Community Development	44,200	Interim Building Inspection Services
Community Development	12,000	Scanning Project
Finance	188,000	Tyler Enterprise ERP Software Migration
Mayor	8,000	WDA Historic Preservation
Mayor	200,000	Reimagine Consultant
Mayor	40,000	Firm Foundations Community Outreach
Parks & Recreation	175,000	Memorial Park Native Peoples Project
Parks & Recreation	100,000	Highway 2/Easy Street Roundabout Art
Parks & Recreation	95,000	Lincoln Park Baseball Field Renovation
Parks & Recreation	135,000	Lions Locomotive Park Landscaping Replacement
Parks & Recreation	35,000	Electrical Plans for Various Parks
Parks & Recreation	930,000	City Pool Liner Replacement (capital project)
Parks & Recreation	8,000	Washington Park (capital project)
Parks & Recreation	110,000	Okanogan Street Park (capital project)
Public Works	25,000	ROW ADA Transition Plan
Public Works	30,000	SR285 Art Banners
Public Works	30,000	Mission @ Stevens Traffic Improvement
Public Works	50,000	N. Wenatchee Ave. Street Modifications w/PUD Redev.
Public Works	50,000	Neighborhood Traffic Control Program
Public Works	100,000	S Wenatchee Ave. Improvement Study (Kittitas to Ferry)
Public Works	120,000	Skyline Drive Guardrail
Public Works	400,000	Facilities Asset Replacements
Public Works	300,000	PSC Expansion
Public Works	300,000	Sidewalk Improvements
Public Works	40,000	Streets Equipment - Asphalt Zipper Rental
Public Works	120,000	Streets Equipment - Broom & Paver Purchase
Public Works	25,000	LiDAR Data
Public Works	400,000	New City Hall Elevators
<b>Total</b>	<b>4,225,200</b>	

**RESERVE FUND**

**005 - Rainy Day**

The Rainy Day Fund was established by policy to accumulate \$1 million to help withstand minor economic downturns or, if necessary, provide time to review City operations and establish priorities and reduction in levels of service. The Rainy Day fund has been sufficiently funded since 2016. Expenditures from this fund must be approved by Council action. Revenues come from interest earnings or transfers from the General Fund.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>	32,148	25,589	9,364	3,500	12,000	242.9%
<b>Expenses</b>	-	-	-	-	-	-
Net income	32,148	25,589	9,364	3,500	12,000	
Beginning fund balance *	1,543,035	1,575,183	1,600,773	1,610,000	1,615,000	
Ending fund balance	1,575,183	1,600,773	1,610,136	1,613,500	1,627,000	0.8%

2023 Budget Notes: As investment interest rates rebounded after the pandemic, interest earning projections across all funds are projected to increase.

**SPECIAL REVENUE FUNDS**

**101 - Public Arts**

Wenatchee Municipal Code requires that 1% of construction costs of certain construction projects be set aside for public art projects. In 2015, five art policies were adopted which establish allocation guidelines for expenditures including: Visual Arts – For the purchase of non-commissioned visual artwork; Performing Arts – For the sponsorship and underwriting of the performing arts program; Arts Education - For the sponsorship and underwriting of the arts in education program; Administration - Covers general expenditures associated with the administration of the Public Art Program; and Maintenance - An amount for the care and maintenance of the public art collection. In 2019 these policies were incorporated into a capital plan for the fund.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>	143,029	63,846	45,452	30,500	32,000	4.9%
<b>Expenses</b>	4,870	1,268	1,588	326,000	4,000	-98.8%
Net income	138,159	62,578	43,864	(295,500)	28,000	
Beginning fund balance *	72,616	210,775	273,353	295,500	-	
Ending fund balance	210,775	273,353	317,217	-	28,000	100.0%

2023 Budget Notes: Expenses in 2022 include an anomaly due to the use of Public Arts funds for the Lincoln Park stage.

\*Since budget figures are estimates, the estimated beginning fund balances of 2022 and 2023 may not equal the ending fund balances of 2021 and 2022 respectively.

**102 - PFD .2% Sales Tax**

This fund was created in 2012 to account for the .2% sales tax that went into effect July 2012. This revenue source is to be used exclusively for Public Facility District related expenses and was put into place to help the Public Facilities District refinance their 2008 Notes that matured December 1, 2011.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>	2,382,259	2,402,178	2,795,924	2,800,000	3,000,000	7.1%
<b>Expenses</b>	2,382,259	2,402,178	2,795,924	2,800,000	3,000,000	7.1%
Net income	-	-	-	-	-	
Beginning fund balance *	-	-	-	-	-	
Ending fund balance	-	-	-	-	-	-

**103 - Paths & Trails**

The Paths and Trails Fund source of revenue is .42% of the total money received from the Motor Vehicle Fuel Tax (RCW 46.68.090). This money is restricted for construction and/or improvement of paths and trails within the City. Because the cost of such projects is typically much larger than the funds generated in a single year we leave the fund balance untouched until an adequate balance is available.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>	3,443	2,955	2,989	3,100	3,100	0.0%
<b>Expenses</b>	-	-	23,000	3,000	3,000	0.0%
Net income	3,443	2,955	(20,011)	100	100	
Beginning fund balance *	16,549	19,991	22,946	3,000	4,000	
Ending fund balance	19,991	22,946	2,935	3,100	4,100	32.3%

## 104 - Tourism Promotion Area

In September 2006, the City established a Tourism Promotion Area (TPA) for the City of Wenatchee, at the request of the Wenatchee Hotel-Motel Association, as enabled by RCW 35.101. By establishing a tourism promotion area in the city, all hotels larger than 40 rooms are assessed \$2 per room night which is collected by the Department of Revenue and returned to the City to be utilized for marketing purposes as specified in the RCW and the city formation ordinance. The City created an advisory board to oversee the budget for the TPA. The TPA board approves the expenditures and the City pays the expenses. The budget and accomplishments are reviewed annual by the City Council in December. This fund provides a real time understanding of the number of hotel rooms used on an annual basis.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>	254,787	187,792	482,179	450,450	583,150	29.5%
<b>Expenses</b>	257,663	160,386	273,606	450,000	580,670	29.0%
Net income	(2,876)	27,405	208,573	450	2,480	
Beginning fund balance *	116,139	113,263	140,669	150,000	450,000	
Ending fund balance	113,263	140,669	349,242	150,450	452,480	200.8%

2023 Budget Notes: During 2020, the COVID pandemic stay-at-home order caused TPA revenue to decline. Toward the end of 2020, the City Council approved an increase in the TPA fee from \$1 to \$2 per night. Tourism Promotion Area revenues are back on track with the pre-pandemic levels. For 2023, the Chamber of Commerce Destination Marketing contract has been restructured to split the funding between TPA and Lodging Tax Advisory Committee (see fund 107).

## 105 - Hotel/Motel Tax – Capital Outlay

Twenty percent of all Hotel/Motel Taxes are dedicated to debt service payments on prior capital investments. The revenues in this fund are currently reserved to pay a large portion of the Convention Center debt service.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>	357,763	211,380	347,814	320,000	430,000	34.4%
<b>Expenses</b>	353,499	228,414	327,565	320,000	430,000	34.4%
Net income	4,264	(17,034)	20,249	-	-	
Beginning fund balance *	46,612	50,875	33,841	-	-	
Ending fund balance	50,875	33,841	54,090	-	-	0.0%

2023 Budget Notes: Hotel/Motel Tax revenues have substantially rebounded from the pandemic recession.

## 106 - Convention Center

The Wenatchee Convention Center (WCC) is a City owned facility operated under a management contract with Coast Hotels & Resorts. The contract is managed by the Public Works Department, the Mayor’s Office and the Finance Department collaboratively. The Convention Center is a 50,000+ square foot regional meeting facility which can host any event from a small business meeting to a statewide convention for over 500. The Convention Center is the home of the Washington State Horticultural Convention every three years (Yakima and Tri-Cities host in other years) and frequently hosts state wide labor and government conventions as well as weddings and entertainment events.

The Convention Center was originally constructed in 1979-80 and was operated by the Westerberg Hotel. Since then, Coast Hotels manage and market the building as they see fit and return a percentage of the revenues back to the facility for debt service and long term upkeep. The City is responsible for maintaining the physical building including the HVAC, electrical, plumbing, lighting, and A/V systems. The Convention Center Fund (Fund 106) is used to fund all of the City’s activities in the building.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>						
Hotel/motel tax	715,605	422,761	695,848	640,000	860,000	34.4%
Commission	113,854	-	-	50,000	80,000	60.0%
Transfers-in	594,171	278,414	377,565	420,000	830,000	97.6%
Other	7,818	10,419	828	200	3,000	1400.0%
Total Revenues	1,431,447	711,594	1,074,241	1,110,200	1,773,000	59.7%
<b>Expenses</b>						
Salaries & benefits	137,758	130,037	133,006	143,020	142,500	-0.4%
Supplies & services	253,655	225,516	240,360	379,610	351,520	-7.4%
Capital outlay	368,363	112,685	97,981	150,000	916,000	510.7%
Debt service	772,099	400,923	377,915	450,000	230,350	-48.8%
Total Expenses	1,531,875	869,161	849,262	1,122,630	1,640,370	46.1%
Net income	(100,428)	(157,567)	224,979	(12,430)	132,630	
Beginning fund balance *	468,121	367,693	210,127	150,000	350,000	
Ending fund balance	367,693	210,127	435,106	137,570	482,630	250.8%
Staffing FTE	1.1	1.2	1.2	1.2	1.2	

**2023 Budget Notes:** Hotel/Motel Tax revenues have substantially rebounded from the pandemic recession. The City is currently in the process of designing a renovation project for the Convention Center, which will require the issuance of new bonds. The 2023 budget reflects an increase in Capital Outlay for the project design work. Transfers-in revenues are increased by \$400,000 to reflect additional Lodging Tax Advisory Committee (see fund 107) funding for the Convention Center Renovation project.



## 107 - Hotel Motel Tax - Tourism

---

In 2011, the city reconstituted a Lodging Tax Advisory Committee (LTAC) for the oversight of the lodging tax funds and recommendations for uses to the City Council. The role of the Lodging Tax Advisory Committee (LTAC) was strengthened during the 2013 legislative session and requires uses of hotel motel tax be awarded through an application process carried out by the LTAC and funds provided to those on a list provided to the Wenatchee City Council. The City Council may choose to not fund the entire list, however, what is funded has to be on the list that has gone through the application process with the LTAC. Forty percent of all Hotel/Motel Taxes are dedicated to LTAC.

	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Actual</b>	<b>2022 Budget</b>	<b>2023 Budget</b>	<b>23/22 Change</b>
<b>Revenues</b>	720,757	424,623	697,179	640,100	863,000	34.8%
<b>Expenses</b>	754,772	536,833	510,482	595,000	779,320	31.0%
Net income	(34,015)	(112,210)	186,697	45,100	83,680	
Beginning fund balance *	296,884	262,869	150,659	150,000	300,000	
Ending fund balance	262,869	150,659	337,356	195,100	383,680	96.7%

2023 Budget Notes: Hotel/Motel Tax revenues have substantially rebounded from the pandemic recession. For 2023, the Chamber of Commerce Destination Marketing contract has been restructured to split the funding between LTAC and Tourism Promotion Area (see fund 104). Lodging Tax Advisory Committee is now directly accepting applications for local event funding and contributing \$400,000 to the Convention Center Renovation project (see fund 106).

## 108 - Street Maintenance

The Street Maintenance Division of the Public Works Department has the responsibility for the maintenance of the City's streets and alleys and publicly maintained sidewalks. The Street Division maintains over 275 lane miles of streets utilizing nearly 40 pieces of street equipment. The Street Division is responsible for snow and ice control on all City streets along with those sections of the state highways that run through the City. The street crews also sweep and clean all city streets and maintain pavement markings and signage. In addition, the Street Division maintains those portions of the sidewalks that are the responsibility of the City.

Another group within the Street Maintenance Division is the Signals and Lighting group which maintains the City's 50 traffic signal systems and the hundreds of street lights and electrical systems in the City.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>						
Motor vehicle fuel tax	479,499	417,368	449,798	773,000	773,000	0.0%
Transfers-in	3,000,000	3,000,000	3,000,000	2,300,000	2,500,000	8.7%
Other	314,301	447,742	184,399	122,500	180,500	47.3%
<b>Total Revenues</b>	<b>3,793,800</b>	<b>3,865,111</b>	<b>3,634,197</b>	<b>3,195,500</b>	<b>3,453,500</b>	<b>8.1%</b>
<b>Expenses</b>						
Salaries & benefits	1,639,210	1,626,350	1,689,046	1,807,250	1,892,480	4.7%
Supplies & services	1,988,800	1,722,166	1,555,532	1,872,570	2,177,330	16.3%
Capital outlay	-	932,573	526,105	30,000	30,000	0.0%
<b>Total Expenses</b>	<b>3,628,010</b>	<b>4,281,089</b>	<b>3,770,683</b>	<b>3,709,820</b>	<b>4,099,810</b>	<b>10.5%</b>
Net income	165,790	(415,979)	(136,486)	(514,320)	(646,310)	
Beginning fund balance *	2,546,711	2,712,500	2,296,522	2,000,000	1,700,000	
Ending fund balance	2,712,500	2,296,522	2,160,036	1,485,680	1,053,690	-29.1%
Staffing FTE	12.8	14.8	14.6	14.7	14.7	

2023 Budget Notes: Beginning in 2022, all motor vehicle fuel tax revenues were deposited into fund 108. At the same time, Transfers-In from General Fund property taxes were decreased and shifted to fund 109. Supplies & services have been increased for interfund Equipment Rental Rates and an increase in repair and maintenance costs.

## 109 - Arterial Streets

The Arterial Streets Fund was developed in 1972 for the purpose of constructing key capital street projects. The revenue from this fund is used to match State and Federal grants. As an example, in the past five years, \$3.2 million of local revenues leveraged \$14.9 Million in state and federal grants. See the capital budget section of this document for details on Arterial Streets projects.

The Engineering Department carries out the project development of these projects including initial scoping and grant application, design, right-of-way activities, construction, and final documentation. The primary grant sources for City street projects are the State Transportation Improvement Board and the Federal Surface Transportation Program. Other grant programs that often do not require a match that are administered through this fund include the Safe Routes to School program, the CDBG program, and the Highway Safety Improvement Programs.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>						
Motor vehicle fuel tax	297,139	250,564	275,445	-	-	0.0%
Grants	2,971,132	1,360,312	1,624,446	5,660,220	5,770,080	1.9%
Transfers-in	53,530	-	500,000	1,300,000	600,000	-53.8%
Other	101,776	41,965	46,469	1,500	10,000	566.7%
Total Revenues	3,423,576	1,652,841	2,446,360	6,961,720	6,380,080	-8.4%
<b>Expenses</b>						
Capital outlay	3,135,018	1,706,425	2,277,339	7,154,220	6,753,760	-5.6%
Transfers-out	489,422	40,105	-	-	-	0.0%
Total Expenses	3,624,440	1,746,530	2,277,339	7,154,220	6,753,760	-5.6%
Net income	(200,863)	(93,689)	169,021	(192,500)	(373,680)	
Beginning fund balance *	761,516	560,652	466,963	400,000	500,000	
Ending fund balance	560,652	466,963	635,984	207,500	126,320	-39.1%

**2023 Budget Notes:** Beginning in 2022, all motor vehicle fuel tax revenues were deposited into the Street Maintenance Fund 108. At the same time, a portion of the General Fund property tax transfer was shifted to the Arterial Streets Fund 109. This will help the Arterial Streets fund to accumulate adequate reserves to meet grant match requirements.

Details of the street capital projects administered by this fund can be found in the Capital Budget section toward the end of this document.

## 110 - LEOFF 1 Long Term Care

RCW 41.16 and 41.18 require cities in the State of Washington to pay for most health care and long term care costs incurred by pre-LEOFF and LEOFF 1 employees and retirees for as long as they live. The acronym "LEOFF" stands for Law Enforcement Officers and Fire Fighters.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>	63,263	50,324	3,249	81,000	203,000	150.6%
<b>Expenses</b>	38,946	109,390	201,392	159,000	267,000	67.9%
Net income	24,317	(59,067)	(198,143)	(78,000)	(64,000)	
Beginning fund balance *	630,740	655,056	595,989	415,000	235,000	
Ending fund balance	655,056	595,989	397,846	337,000	171,000	-49.3%

2023 Budget Notes: The need for LEOFF retiree long-term care has increased in the past couple years. Therefore, additional funding from the General fund is needed to maintain the necessary fund balance.

## 111 - Street Overlay

The Street Overlay Fund was developed to dedicate funding to street preservation and repay bonds. In the past, these funds have been used to repave or overlay streets with hot mix asphalt. More recently, staff has explored alternative pavement preservation methods to extend the life of payment at a lower cost. Revenues for this fund are the 2nd ¼ percent of Real Estate Excise Tax (REET) and Transportation Benefit District (TBD) sales tax.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>						
TBD Sales Tax	-	-	-	-	1,400,000	100.0%
Real estate excise tax	608,387	639,997	883,579	650,000	720,000	10.8%
Transfers in	760,000	40,105	-	-	-	-
Other	70,686	51,489	5,894	2,000	15,000	650.0%
<b>Total Revenues</b>	<b>1,439,074</b>	<b>731,591</b>	<b>889,473</b>	<b>652,000</b>	<b>2,135,000</b>	<b>227.5%</b>

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Expenses</b>						
Capital outlay	1,148,473	1,064,376	134,805	2,071,900	1,598,500	-22.8%
Transfers-out	1,211,000	-	-	241,930	-	-100.0%
<b>Total Expenses</b>	<b>2,359,473</b>	<b>1,064,376</b>	<b>134,805</b>	<b>2,313,830</b>	<b>1,598,500</b>	<b>-30.9%</b>

Net income	(920,399)	(332,785)	754,668	(1,661,830)	536,500	
Beginning fund balance *	2,148,996	1,228,597	895,812	1,675,000	968,500	
Ending fund balance	1,228,597	895,812	1,650,481	13,170	1,505,000	

2023 Budget Notes: In 2022, the City Council repealed the \$20 TBD vehicle registration fee and implemented a 0.1% TBD sales tax. Beginning in 2023, the TBD funding has been combined in the Street Overlay Fund 111.

Details of the street capital projects administered by this fund can be found in the Capital Budget section toward the end of this document.

**112 - Impact Fees**

This fund is setup by WCC 15.02.080 to accumulate impact fees that are to be used for public facility improvements that benefit the Broadview and Western Foothills developments.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>	5,540	102,130	145,045	100,400	102,000	1.6%
<b>Expenses</b>	4,443	-	40,892	200,000	200,000	0.0%
Net income	1,097	102,130	104,153	(99,600)	(98,000)	
Beginning fund balance *	33,453	34,550	136,680	150,000	270,000	
Ending fund balance	34,550	136,680	240,833	50,400	172,000	241.3%

**113 - Low Income Housing**

Revenues supporting this fund are from a State affordable housing sales tax. These funds are limited to projects within the city limits of Wenatchee and are restricted for affordable housing projects meeting specific income requirements.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>	54,158	137,825	164,430	140,300	86,500	-38.3%
<b>Expenses</b>	49,925	68,167	69,913	142,640	92,640	-35.1%
Net income	4,233	69,657	94,517	(2,340)	(6,140)	
Beginning fund balance *	74,211	78,444	148,101	100,000	200,000	
Ending fund balance	78,444	148,101	242,618	97,660	193,860	98.5%

2023 Budget Notes: In prior years, the City had an interlocal agreement with Chelan County to use County recording fees to provide low-income housing services. This interlocal agreement was terminated and the City has adjusted the level of services to reflect the decrease in revenues.

## 114 - Community Center

The Community Center operations fund is a separate account that is used specifically for the Wenatchee Community Center. The Wenatchee Community Center was established in 2006 to provide an inclusive multicultural facility for all members of the community. In 2021 Pinnacles Prep took over the operation and management of the Center through an agreement with the City.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>	155,393	61,074	12,883	2,530,100	39,890	-98.4%
<b>Expenses</b>	105,240	141,799	31,054	2,528,040	26,400	-99.0%
Net income	50,153	(80,725)	(18,172)	2,060	13,490	
Beginning fund balance *	90,488	140,642	59,917	50,000	50,000	
Ending fund balance	140,642	59,917	41,745	52,060	63,490	22.0%

2023 Budget Notes: The 2022 budget included authority for a \$2.5 million grant-funded remodel of the Community Center facility for Pinnacles Prep. The budget for this project has since been moved to the General Capital Projects fund 306.

## 115 - CDBG Entitlement

The City became an entitlement community in 2005. These funds must be used in accordance with HUD regulations and are restricted to the following use percentages (20% Administration and Planning and 15% Public Services). The remaining funds must be used for bricks and mortar projects meeting one of three national objectives, serving low to moderate income individuals.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>	132,804	182,910	148,304	788,870	391,610	-50.4%
<b>Expenses</b>	165,982	149,731	283,304	788,870	587,590	-25.5%
Net income	(33,179)	33,179	(135,000)	-	(195,980)	
Beginning fund balance *	(4)	(33,183)	(4)	-	195,980	
Ending fund balance	(33,183)	(4)	(135,005)	-	-	-

## 116 - LEOFF 1 Retiree Health Insurance

RCW 41.16 and 41.18 require cities in the State of Washington to pay for most health care and long term care costs incurred by pre-LEOFF and LEOFF 1 employees and retirees for as long as they live.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>	150,722	246,567	242,275	320,800	303,000	-5.5%
<b>Expenses</b>	356,089	282,177	267,153	323,000	303,000	-6.2%
Net income	(205,367)	(35,610)	(24,878)	(2,200)	-	
Beginning fund balance *	636,770	431,403	395,793	370,000	400,000	
Ending fund balance	431,403	395,793	370,914	367,800	400,000	8.8%



**117 - Homeless**

The City manages these funds on behalf of both East Wenatchee and Wenatchee via an interlocal agreement. Revenue from this fund originates from surcharges that are being collected by the Chelan County Auditor's Office for the City of Wenatchee under RCW 43.185C.080, RCW 36.22.179 and RCW 36.22.1791; funds collected for both cities under RCW 82.14.530; and any additional funds the two cities allocate to the homeless programs to implement the Five-Year Local Homeless Housing Plan. The City manages these funds under the guidance of a task force made up of local governmental officials from each city, community members, and other social service agencies.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>						
Sales Tax	-	-	741,659	1,300,000	1,400,000	7.7%
Intergovernmental	828,504	972,671	710,509	580,000	520,000	-10.3%
Grants	492,435	2,196,064	1,927,783	636,790	557,190	-12.5%
Other	10,932	7,816	30,261	400	9,000	2150.0%
Total Revenues	1,331,871	3,176,550	3,410,212	2,517,190	2,486,190	-1.2%

<b>Expenses</b>						
Salaries & benefits	-	-	38,833	107,120	-	-100.0%
Services	1,252,092	3,196,374	3,284,816	2,336,150	2,732,410	17.0%
Total Expenses	1,252,092	3,196,374	3,323,649	2,443,270	2,732,410	11.8%

Net income	79,779	(19,823)	86,563	73,920	(246,220)	
Beginning fund balance *	763,129	842,908	823,085	200,000	1,500,000	
Ending fund balance	842,908	823,085	909,648	273,920	1,253,780	357.7%

Staffing FTE	-	-	-	1.0	-	
--------------	---	---	---	-----	---	--

**2023 Budget Notes:** In 2021, the City stepped down as the lead agency for the regional homeless steering committee and also implemented a one-tenths housing sales tax. The City of Wenatchee is partnering with the City of East Wenatchee to provide low-barrier pallet shelters and RV Safe Parks.

**118 - Abatement**

The Abatement fund assists code compliance officers by providing resources for resolving onsite violations such as cleanup activities. The abatement fund is primarily funded by violation fees and at times, assistance from the General Fund.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>	24,636	27,972	122,818	20,200	31,000	53.5%
<b>Expenses</b>	11,328	31,173	45,450	75,000	75,000	0.0%
Net income	13,308	(3,201)	77,369	(54,800)	(44,000)	
Beginning fund balance *	74,344	87,652	84,451	150,000	130,000	
Ending fund balance	87,652	84,451	161,820	95,200	86,000	-9.7%

## 120 - ARP Recovery

In early 2021, the American Rescue Plan Act (ARPA) was signed into law by the President. This established Coronavirus Local Fiscal Recovery Funds. These funds are to be used to support public health response, replace public sector revenue loss, water and sewer infrastructure, and address negative economic impacts. The City received \$6,191,820 in revenue and this fund tracks the spend-down of those funds.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>	-	-	3,117,919	3,191,820	-	100.0%
<b>Expenses</b>	-	-	3,117,919	6,191,820	1,000,000	100.0%
Net income	-	-	-	(3,000,000)	(1,000,000)	
Beginning fund balance *	-	-	-	3,000,000	1,000,000	
Ending fund balance	-	-	-	-	-	0.0%

2023 Budget Notes: To date, the City has used the funds to provide economic aid to the Convention Center and Performing Arts Center, COVID cleaning, security, remote working, and recovering General fund revenue loss. Reimbursing General fund revenue loss has allowed the City to complete projects such as Lincoln Park, New City Hall Remodel, and additional pavement preservation.

## DEBT SERVICE FUNDS

### 205 - Councilmanic Bonds

This fund accumulates resources to make timely payments on the 2015 LTGO, 2016 LTGO, and 2019 LTGO. These bonds were approved by the City Council and were used to finance the Public Services Center, remodel council chambers, museum HVAC upgrades, Convention Center upgrades, projects related to the Local Revitalization Financing district by Pybus Market, the purchase and remodel of the new City Hall facility, and certain street projects.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>	2,095,777	1,774,753	1,703,626	2,007,050	1,750,300	-12.8%
<b>Expenses</b>	2,088,140	1,764,488	1,702,315	2,006,400	1,748,650	-12.8%
Net income	7,636	10,265	1,311	650	1,650	
Beginning fund balance *	13,578	21,214	31,479	30,000	30,000	
Ending fund balance	21,214	31,479	32,790	30,650	31,650	3.3%

2023 Budget Notes: As of January 1, 2023, there is \$1,110,000 outstanding on the 2015 LTGO bonds, \$6,525,000 outstanding on the 2016 LTGO bonds, and \$11,105,000 outstanding on the 2019 LTGO bonds.

\*Since budget figures are estimates, the beginning fund balances of 2022 and 2023 may not equal the estimated ending fund balances of 2021 and 2022 respectively.

**CAPITAL PROJECT FUNDS****301 - Real Estate Excise Tax Capital Projects**

The Real Estate Excise Tax (REET) Fund collects revenues via ¼ of 1% real estate excise tax that is paid by the seller of a piece of real estate. A portion of this revenue currently reserved to pay for a portion of the 2007 Limited Tax General Obligation debt, which matures in 2027. The remaining amount is available for City capital projects.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>	628,791	683,393	943,905	651,500	727,000	11.6%
<b>Expenses</b>	473,932	1,019,149	221,250	726,000	720,450	-0.8%
Net income	154,859	(335,756)	722,655	(74,500)	6,550	
Beginning fund balance *	880,944	1,035,803	700,047	1,000,000	800,000	
Ending fund balance	1,035,803	700,047	1,422,702	925,500	806,550	-12.9%

2023 Budget Notes: The Real Estate Excise Tax Capital Projects fund is funding \$500,000 of the Springwater Avenue project. Details of this project are included at the end of this document in the Capital Budget section.

**302 - Parks & Recreation Capital Projects**

The City's Parks & Recreation department manages several park construction projects. This fund accounts for the capital project expenses and revenues from grants, donations, and available City funds.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>	3,417,117	3,015,924	711,046	6,253,100	3,098,500	-50.4%
<b>Expenses</b>	4,244,877	2,226,316	195,458	6,252,400	3,131,500	-49.9%
Net income	(827,760)	789,608	515,587	700	(33,000)	
Beginning fund balance *	286,439	(541,320)	248,288	100,000	500,000	
Ending fund balance	(541,320)	248,288	763,875	100,700	467,000	363.8%

2023 Budget Notes: Details of the parks capital projects administered by this fund can be found in the Capital Budget section toward the end of this document.

### 304 - Economic Development Capital Projects

This fund is used to track the expenses and revenues related to economic development capital projects.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>	6,706,901	2,521,142	860,646	9,891,480	2,190,200	-77.9%
<b>Expenses</b>	8,904,492	1,494,923	1,826,139	4,891,480	3,734,770	-23.6%
Net income	(2,197,591)	1,026,219	(965,493)	5,000,000	(1,544,570)	
Beginning fund balance *	(3,463,255)	(5,660,846)	(4,634,627)	(5,000,000)	(6,000,000)	
Ending fund balance	(5,660,846)	(4,634,627)	(5,600,120)	-	(7,544,570)	

2023 Budget Notes: The Economic Development Capital Projects fund is borrowing from the General fund to finance the North Wenatchee Avenue property development at the old WA State Department of Transportation site. As portions of the property are sold over the next couple years, the interfund loan will be repaid. Details of the economic development capital projects administered by this fund can be found in the Capital Budget section toward the end of this document.

### 306 - General Capital Projects

This fund is used to track the expenses and revenues related to general City capital projects that are not large enough to warrant their own fund.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>	-	-	-	-	3,978,000	100.0%
<b>Expenses</b>	-	-	-	-	3,978,000	100.0%
Net income	-	-	-	-	-	
Beginning fund balance *	-	-	-	-	-	
Ending fund balance	-	-	-	-	-	0.0%

2023 Budget Notes: The General Capital Projects fund was created in 2022 to account for two projects that are fully grant funded. These projects include the Pinnacles Prep renovation and Parkside Facility Improvements. Details of the facilities capital projects administered by this fund can be found in the Capital Budget section toward the end of this document.

## 307 - Local Revitalization Financing Program

The City created a Local Revitalization District in 2009 through ordinance 2009-26 under the authority of RCW 39.89.050. Formation of this District allows the City and participating junior taxing districts (Chelan County Port District and the NCW Regional Library District) to dedicate incremental growth in property tax revenues to the financing of capital projects within the District. The City was also awarded the opportunity for a tax rebate from the State of Washington up to \$500,000 annually. This award allows increases in State of Washington tax revenue resulting from development activity to be returned to the City of Wenatchee for financing of public infrastructure providing benefit to the District. The District is generally bounded by the Columbia River to the east, Thurston Street to the south, the railroad tracks and Walla Walla Avenue to the West, and private property located just north of Walla Walla Park to the north.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>						
Property tax	59,145	94,344	110,082	110,000	115,000	4.5%
Sales tax rebate	500,000	500,000	500,000	500,000	500,000	0.0%
Other	509,156	20,117	2,678	3,000	10,000	233.3%
Total Revenues	1,068,301	614,461	612,760	613,000	625,000	2.0%
<b>Expenses</b>	829,157	1,113,542	873,067	2,824,550	2,843,400	0.7%
Net income	239,143	(499,081)	(260,307)	(2,211,550)	(2,218,400)	
Beginning fund balance *	4,427,177	4,666,320	4,167,239	3,000,000	3,000,000	
Ending fund balance	4,666,320	4,167,239	3,906,933	788,450	781,600	-0.9%

**2023 Budget Notes:** The City has committed \$2,000,000 through an interlocal agreement with the Chelan County PUD for redevelopment of the Wenatchee Riverfront Park area. Details of the economic development capital projects administered by this fund can be found in the Capital Budget section toward the end of this document.

## 309 - Foothills Streets

To promote economic development and safety in the Wenatchee foothills, the City must make a significant investment in expanding the street infrastructure. Debt was issued in 2019 and the proceeds of the bonds were deposited into the Foothill Streets fund. This fund accounts for the construction costs and spend-down of the bond proceeds.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>	2,038,264	8,805	747	200	-	-100.0%
<b>Expenses</b>	38,977	232,810	1,146,799	629,400	-	-100.0%
Net income	1,999,287	(224,005)	(1,146,052)	(629,200)	-	
Beginning fund balance *	-	1,999,287	1,775,282	630,000	630,000	
Ending fund balance	1,999,287	1,775,282	629,230	800	630,000	

**2023 Budget Notes:** Although there are no projects anticipated from the Foothills Streets fund in 2023, the fund remains active and the budget could be amended when an eligible project is defined.

### 310 – INFRA Grant

In 2021, the City was awarded a \$92.4 million Infrastructure for Rebuilding America (INFRA) grant from the U.S. Department of Transportation (DOT) for the Apple Capital Loop. This project will also require leveraging \$123 million in total match commitments from a combination of local, state, and other sources of funds. Due to the extraordinary size of this project, a separate fund was created to manage the revenues and expenses.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>	-	-	-	3,950,000	10,798,260	173.4%
<b>Expenses</b>	-	-	-	3,950,000	10,798,260	173.4%
Net income	-	-	-	-	-	
Beginning fund balance *	-	-	-	-	-	
Ending fund balance	-	-	-	-	-	0.0%

2023 Budget Notes: Details of the INFRA Grant Apple Capital Loop capital budget can be found in the streets capital project section toward the end of this document.

### 312 – Convention Center Capital Outlay

The City has been exploring the idea of a renovation project of the Wenatchee Convention Center. Initial design expenses are coming from lodging tax revenues, but the construction phase will necessitate the issuance of bonds. The debt issuance is anticipated for the end of 2023 or early 2024. This is a new fund setup to track the costs of the capital project and the eventual spend-down of bond proceeds.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>	-	-	-	-	766,000	-
<b>Expenses</b>	-	-	-	-	766,000	-
Net income	-	-	-	-	-	
Beginning fund balance *	-	-	-	-	-	
Ending fund balance	-	-	-	-	-	-

2023 Budget Notes: Details of the Convention Center Capital Outlay fund capital budget can be found in the facilities capital project section toward the end of this document.

\*Since budget figures are estimates, the beginning fund balances of 2022 and 2023 may not equal the estimated ending fund balances of 2021 and 2022 respectively.

**ENTERPRISE FUNDS****401 - Water Utility**

The Water Division of the Public Works Department provides water services for the City of Wenatchee. This division is funded through utility rates and fees for miscellaneous services rendered as well as interest revenue generated from invested cash reserves. This division is not supported by any taxes.

The water system service area covers a majority of the corporate City limits, but does not cover west of Western Avenue or north of Maple Street. The water system infrastructure includes two booster pump stations, four reservoirs (totaling 15 million gallons storage) and over 100 miles of pipes spread across three pressure zones.

The Water Division includes two staff positions that assist the operation groups in complying with regulations and providing communication and public outreach with customers and the public. They are also responsible for administering the utility programs, including water quality testing and cross connection control.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>						
Water service fees	5,402,392	5,845,044	6,197,076	6,178,000	7,011,700	13.5%
Grants	-	-	-	-	743,750	100.0%
Loan Proceeds	-	-	-	-	1,276,900	100.0%
Other	55,127	156,402	23,132	8,000	22,000	175.0%
<b>Total Revenues</b>	<b>5,457,519</b>	<b>6,001,446</b>	<b>6,220,208</b>	<b>6,186,000</b>	<b>9,054,350</b>	<b>46.4%</b>
<b>Expenses</b>						
Salaries & benefits	1,449,931	1,691,756	1,706,201	1,995,180	2,202,950	10.4%
Supplies & services	3,017,996	3,217,668	3,406,820	3,469,110	3,872,110	11.6%
Capital outlay	1,533,089	889,462	10,127	466,300	3,007,010	544.9%
Debt service	449,303	450,062	437,021	413,650	409,290	-1.1%
<b>Total Expenses</b>	<b>6,450,319</b>	<b>6,248,949</b>	<b>5,560,169</b>	<b>6,344,240</b>	<b>9,491,360</b>	<b>49.6%</b>
Net income	(992,799)	(247,504)	660,039	(158,240)	(437,010)	
Beginning working capital	2,789,533	1,796,734	1,549,230	1,400,000	2,700,000	
Ending working capital	1,796,734	1,549,230	2,209,269	1,241,760	2,262,990	82.2%
<b>Staffing FTE</b>	<b>16.8</b>	<b>16.3</b>	<b>17.1</b>	<b>17.6</b>	<b>17.9</b>	

**2023 Budget Notes:** The Water Utility rates are currently set to increase by 12% as of January 1, 2023 and then 6% each year thereafter. This will provide funding for necessary improvements to aging infrastructure. The addition of the Loan Proceeds in 2023 is related to two Drinking Water State Revolving Fund Loans for the AC Main Replacement and Crawford Main Replacement Preconstruction projects. Details of the utility capital projects administered by this fund can be found in the Capital Budget section toward the end of this document.

## 405 - Sewer Utility

The Wastewater Division of the Public Works Department provides sanitary sewer services for the City of Wenatchee. This division is funded through utility rates and fees for miscellaneous services rendered as well as interest revenue generated from invested cash reserves. This division is not supported by any taxes. The wastewater system service area covers the entire City of Wenatchee, plus areas with the urban growth boundary. Some of these areas do not have a conveyance system installed yet, but staff has been working with developers over the last several years to plan and install wastewater infrastructure. The wastewater system includes the Waste Water Treatment Plant (WWTP) with a capacity of 5.5 Million Gallons per Day (MGD), a biosolids drying bed facility, five lift stations, and over 140 miles of gravity wastewater lines.

The utility includes operations and maintenance staff at the wastewater treatment plant, collections maintenance staff and a Pretreatment Technician to implement the City's pretreatment program and wastewater education and outreach.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>						
Sewer service fees	8,742,816	8,853,195	10,227,095	10,063,000	10,780,000	7.1%
Grants	-	-	-	-	743,750	100.0%
Loan Proceeds	-	-	-	6,307,000	9,721,590	54.1%
Other	327,348	380,401	88,579	28,000	120,000	328.6%
Total Revenues	9,070,164	9,233,596	10,315,674	16,398,000	21,365,340	30.3%

<b>Expenses</b>						
Salaries & benefits	1,726,602	1,805,162	1,873,292	2,454,790	2,699,940	10.0%
Supplies & services	3,703,611	3,654,297	4,139,222	5,107,860	4,874,120	-4.6%
Capital outlay	2,991,566	1,614,949	615,257	12,755,200	18,081,910	41.8%
Debt service	2,155,171	2,179,702	2,462,774	2,499,400	2,483,680	-0.6%
Total Expenses	10,576,950	9,254,110	9,090,545	22,817,250	28,139,650	23.3%

Net income	(1,506,786)	(20,514)	1,225,129	(6,419,250)	(6,774,310)	
Beginning working capital	16,711,895	15,205,109	15,184,595	12,000,000	10,000,000	
Ending working capital	15,205,109	15,184,595	16,409,724	5,580,750	3,225,690	-42.2%

Staffing FTE	17.2	19.1	20.0	21.0	21.6	
--------------	------	------	------	------	------	--

**2023 Budget Notes:** The Sewer Utility rates are set to increase by 6% each year. This will provide funding for necessary improvements to aging infrastructure. The addition of Bond/Loan Proceeds in 2022 is related to a State Revolving Fund Loan for the Waste Water Treatment Plant digester project. Details of the utility capital projects administered by this fund can be found in the Capital Budget section toward the end of this document.



## 410 - Storm Drain Utility

The purpose of the Storm Drain Utility Fund is to provide funding for operation, maintenance, improvement and expansion of the City's urban storm sewer system. The revenue for this fund is generated from a flat monthly charge to each single-family residence as well as a monthly charge to commercial and multi-family residences based on an "equivalent residential unit." The municipal storm water system consists of the complete system of streets, catch basins, curbs, gutters, ditches, manholes, treatment facilities and pipes for collecting, treating and conveying storm water throughout the City. This system does not include the canyon drains which flow through the City in their own channels.

The City operates the system under a NPDES (National Pollutant Discharge Elimination System) Phase II Municipal Stormwater Permit for Eastern Washington communities which regulates the operation of the system including mandating the regulations communities must put in place for citizens to operate under. Compliance with this permit has become an increasingly larger burden for all cities under Phase II requirements. City stormwater staff are responsible for cleaning and inspecting infrastructure, investigating complaints,, and reporting compliance.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>						
Storm drain fees	2,442,059	2,488,219	3,579,413	3,625,000	4,355,000	20.1%
Grants	61,618	391,320	88,702	1,483,750	684,500	-53.9%
Other	99,040	74,167	21,996	9,000	40,000	344.4%
Total Revenues	2,602,717	2,953,706	3,690,111	5,117,750	5,079,500	-0.7%
<b>Expenses</b>						
Salaries & benefits	691,466	667,549	694,549	897,880	1,005,870	12.0%
Supplies & services	814,499	1,163,440	1,467,126	1,769,550	1,999,600	13.0%
Capital outlay	1,264,257	512,980	164,093	3,508,570	4,800,260	36.8%
Debt service	277,914	285,265	296,639	269,440	265,970	-1.3%
Transfers-out	309,260	-	-	102,000	-	-100.0%
Total Expenses	3,357,396	2,629,235	2,622,407	6,547,440	8,071,700	23.3%
Net income	(754,679)	324,471	1,067,704	(1,429,690)	(2,992,200)	
Beginning working capital	4,818,577	4,063,898	4,388,369	5,100,000	5,500,000	
Ending working capital	4,063,898	4,388,369	5,456,073	3,670,310	2,507,800	-31.7%
Staffing FTE	6.8	6.2	6.6	7.9	8.0	

**2022 Budget Notes:** The Storm Drain Utility was approved for significant rate increases in 2021 and 2022. Future rate increases are set at 3.5% annually. This will provide funding for needed infrastructure improvements. Details of the utility capital projects administered by this fund can be found in the Capital Budget section toward the end of this document.

## 415 - Regional Water

The Wenatchee Regional Water System supplies water to the City of Wenatchee, Chelan County Public Utility District (PUD), and the East Wenatchee Water District (EWWD). These three water purveyors serve domestic water for the entire Wenatchee Valley. The City operates and maintains the system in cooperation with the PUD and the EWWD through an Advisory Committee. The Advisory Committee is comprised of 3 staff and 3 elected officials who govern the operations of the Regional Water System.

The activities of the Regional Water System include pumping and water delivery, monitoring and maintaining the transmission line, pumps, meters, valves, chlorination equipment, and telemetry equipment.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>	1,610,364	1,904,154	2,289,739	2,167,370	2,247,070	3.7%
<b>Expenses</b>						
Salaries & benefits	240,211	248,040	285,827	283,800	310,550	9.4%
Supplies & services	433,148	453,818	390,319	807,160	813,670	0.8%
Capital outlay	30,761	89,585	1,417,886	-	150,000	100.0%
Total Expenses	704,120	791,444	2,094,032	1,090,960	1,274,220	16.8%
Net income	906,244	1,112,710	195,707	1,076,410	972,850	
Beginning working capital	2,811,811	3,718,055	4,830,765	4,500,000	5,800,000	
Ending working capital	3,718,055	4,830,765	5,026,472	5,576,410	6,772,850	21.5%
Staffing FTE	2.2	2.4	2.4	2.4	2.4	

2023 Budget Notes: Details of the utility capital projects administered by this fund can be found in the Capital Budget section toward the end of this document.

## 430 - Cemetery

The Cemetery Division of the Parks, Recreation and Cultural Services Department operates the 34-acre Cemetery and the Home of Peace Mausoleum. Cemetery staff are responsible for overall operations, including landscape installation and maintenance, burial service setup, grave, niche and crypt sales, burials, marker setting and any other operational tasks. Staff works with funeral directors and families directly to accommodate the needs of those utilizing the Cemetery.

The Cemetery derives its revenues from three primary sources including fees for services; income from the sale of graves, crypts, niches, markers and other items; and from the interest earnings from the Cemetery Endowment Care Fund. For many years, the three traditional revenue sources have not been adequate to fund Cemetery operations. For this reason, the City's General Fund makes recurring transfers to the Cemetery fund.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>						
Operations	202,033	211,246	279,687	185,900	182,600	-1.8%
Transfers-in	311,000	261,000	261,000	240,000	240,000	0.0%
Total Revenues	513,033	472,246	540,687	425,900	422,600	-0.8%
<b>Expenses</b>						
Salaries & benefits	273,567	274,575	263,410	295,720	374,680	26.7%
Supplies & services	113,781	130,860	127,976	139,500	154,580	10.8%
Capital outlay	13,683	-	-	-	-	-
Total Expenses	401,031	405,434	391,386	435,220	529,260	21.6%
Net income	112,002	66,812	149,301	(9,320)	(106,660)	
Beginning working capital	337	112,340	179,151	255,000	350,000	
Ending working capital	112,340	179,151	328,452	245,680	243,340	-1.0%
Staffing FTE	2.1	2.6	2.6	2.6	3.1	

**2023 Budget Notes:** The Cemetery Fund and Parks Ground Maintenance received funding to hire an additional Maintenance Worker.

\*Since budget figures are estimates, the beginning fund balances of 2022 and 2023 may not equal the estimated ending fund balances of 2021 and 2022 respectively.

**INTERNAL SERVICE FUNDS****501 - Equipment Rental O&M**

The Equipment Operations & Maintenance Division of the Public Works Department is tasked with providing all of the Departments within the City of Wenatchee with high quality fleet management and operations to meet the needs of the end users and citizens of the City of Wenatchee. The Equipment Maintenance staff consists of one supervisor and fleet specialist and four mechanics providing automotive, heavy truck, heavy equipment, emergency vehicle and small engine maintenance.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>	1,119,851	1,280,949	1,148,352	1,103,790	1,199,260	8.6%
<b>Expenses</b>						
Salaries & benefits	507,277	520,133	464,930	559,800	615,530	10.0%
Supplies & services	596,513	506,933	583,825	645,080	758,970	17.7%
Total Expenses	1,103,790	1,027,066	1,048,755	1,204,880	1,374,500	14.1%
Net income	16,060	253,883	99,597	(101,090)	(175,240)	
Beginning working capital	372,931	388,991	642,874	740,000	700,000	
Ending working capital	388,991	642,874	742,471	638,910	524,760	-17.9%
Staffing FTE	6.2	6.4	6.4	6.4	6.4	

2023 Budget Notes: Increases in the price of fuel are driving the increase in supplies & services.

**502 - Self Insurance**

The Self Insurance Fund provides property/casualty insurance that covers all City assets and programs. The City is a member of the Washington Cities Insurance Authority (WCIA) pool. WCIA has over 165 member municipalities. Members pay an annual assessment to the WCIA. WCIA is responsible for payment of all covered causes of loss against the jurisdiction above stated liability limits. The revenue for this fund are transfers in from the operating funds. The reserve balance goal for this fund is to have \$500,000 in excess of the premium.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>	1,016,813	1,269,638	1,326,442	1,212,000	984,000	-18.8%
<b>Expenses</b>	981,895	1,142,706	1,418,179	1,310,000	1,110,000	-15.3%
Net income	34,918	126,932	(91,737)	(98,000)	(126,000)	
Beginning working capital	1,550,382	1,585,300	1,712,232	1,800,000	1,700,000	
Ending working capital	1,585,300	1,712,232	1,620,495	1,702,000	1,574,000	-7.5%

2023 Budget Notes: The City changed insurance pools from the Association of Washington City Risk Management Service Agency (RMSA) to the Washington Cities Insurance Authority (WCIA). This resulted in substantial insurance premium savings.

## 503 - Equipment Rental Replacement

The Equipment Rental & Replacement (ER&R) Division of the Public Works Department is responsible for managing the scheduled replacement of the City's fleet of vehicles and equipment. The ownership of all City vehicles and heavy equipment (with the exception of the 6 pieces of firefighting apparatus) is held by the ER&R Fund. These vehicles and pieces of equipment are rented back to the end-user department at a rental rate sufficient to cover the cost of replacement at the end of its useful life.

The ER&R staff (Public Works Director – Operations Manager, Fleet Supervisor, Fleet and Facilities Specialist) has developed a 25-year replacement plan which outlines the replacement schedule of all vehicles and equipment and a cash-flow plan to provide adequate funding for those purchases. The ER&R Fund is a revolving account in which current revenues are used to make the scheduled purchases in any given year.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>	1,493,390	1,442,557	765,042	714,280	1,048,270	46.8%
<b>Expenses</b>						
Salaries & benefits	102,602	107,924	97,575	107,210	121,460	13.3%
Supplies & services	46,123	19,633	22,103	20,400	20,400	0.0%
Capital outlay	505,100	931,409	930,548	1,049,290	787,400	-25.0%
Total Expenses	653,824	1,058,966	1,050,226	1,176,900	929,260	-21.0%
Net income	839,566	383,591	(285,184)	(462,620)	119,010	
Beginning working capital	3,038,691	3,878,257	4,261,848	4,000,000	3,300,000	
Ending working capital	3,878,257	4,261,848	3,976,664	3,537,380	3,419,010	-3.3%
Staffing FTE	0.9	1.1	0.9	0.9	0.9	

## 504 - Facility Maintenance

The Public Works Department’s Facility Maintenance Division is responsible for the building maintenance for all of the City’s facilities. This includes City Hall, the Police Station, the Historic Police Station (home of Information Services/Facility Maintenance/Drug Task Force), the Public Services Center Complex, the Museum Complex, the Community Center, Fire Station, the City Pool and Bathhouse and some of the work at the buildings in City parks. This fund primarily derives its revenue from a General Fund transfer in the “other administrative” section of the budget. Other non-General Fund departments also contribute to the Facility Maintenance fund for facility maintenance and upkeep.

The facility maintenance crew also provides tenant improvement services for City departments such as remodels of existing spaces, or expansions to accommodate departmental growth.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>	1,577,089	2,680,102	1,121,232	2,763,800	2,043,100	-26.1%
<b>Expenses</b>						
Salaries & benefits	507,209	508,476	542,279	634,780	809,160	27.5%
Supplies & services	975,739	901,187	713,040	615,660	532,990	-13.4%
Capital outlay	222,580	2,684,213	-	1,590,000	700,000	-56.0%
Total Expenses	1,705,528	4,093,876	1,255,319	2,840,440	2,042,150	-28.1%
Net income	(128,439)	(1,413,774)	(134,087)	(76,640)	950	
Beginning working capital	2,059,752	1,931,314	517,539	200,000	100,000	
Ending working capital	1,931,314	517,539	383,452	123,360	100,950	-18.2%
Staffing FTE	3.7	3.8	4.9	4.9	5.9	

2023 Budget Notes: The Facilities Maintenance fund was approved for \$400,000 of General fund reserves to address larger maintenance issues in 2023. The 2022 budget included authority for \$1,590,000 in grant-funded renovations of the Parkside facility. The budget for this project has since been moved to the General Capital Projects fund 306.

**505 - Information Systems**

The Information Systems department’s mission is to proactively provide cost effective, reliable, standardized, and current information technology tools, systems, and services including customer support to the departments of the City of Wenatchee. The Information Systems department designs, maintains, and monitors the City’s data network. The department orders, delivers, repairs, and maintains all desktop, handheld personal computers and peripheral equipment. They insure the integrity and security of data operations, and oversee and manage the City’s data center. Primary computer applications, such as financial, payroll, utilities, permitting, and public safety and related database systems, are maintained and supported by the Information Systems department. The department manages the City’s Internet and Intranet web sites, council chambers technology operations and support and the City’s telephone systems.

	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>23/22</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Change</b>
<b>Revenues</b>	1,357,389	1,394,523	1,426,633	1,501,550	1,662,560	10.7%
<b>Expenses</b>						
Salaries & benefits	577,185	603,926	609,061	639,550	681,480	6.6%
Supplies & services	627,413	639,451	721,595	723,660	828,510	14.5%
Capital outlay	133,005	69,940	225,624	180,000	200,000	11.1%
<b>Total Expenses</b>	<b>1,337,603</b>	<b>1,313,317</b>	<b>1,556,280</b>	<b>1,543,210</b>	<b>1,709,990</b>	<b>10.8%</b>
Net income	19,786	81,206	(129,647)	(41,660)	(47,430)	
Beginning working capital	300,635	320,421	401,627	175,000	275,000	
Ending working capital	320,421	401,627	271,980	133,340	227,570	70.7%
<b>Staffing FTE</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	

\*Since budget figures are estimates, the beginning fund balances of 2022 and 2023 may not equal the estimated ending fund balances of 2021 and 2022 respectively.

**AGENCY FUNDS****610 - Cemetery Endowment**

This fund is used to account of trust amounts received through sales of graves, crypts and niches in the Cemetery Enterprise Fund. Currently the interest earnings are reinvested in the fund to maximize the compound earning potential and are meant to provide funding for the operations of the Cemetery when the property is filled and service revenues decline.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>	43,821	43,664	43,516	22,500	29,000	28.9%
<b>Expenses</b>	-	-	-	-	-	-
Net income	43,821	43,664	43,516	22,500	29,000	
Beginning fund balance *	1,153,276	1,197,097	1,240,761	1,270,000	1,300,000	
Ending fund balance	1,197,097	1,240,761	1,284,276	1,292,500	1,329,000	2.8%

**611 - Firemen's' Pension**

RCW.3.24.380 established the authority to create a Firemen's Pension Fund to meet the requirement of Washington State Law to provide pension and related benefits to fire department employees hired prior to March 1, 1970. There are less than 20 retirees or beneficiaries eligible for retirement benefits. The State and City share in the costs of providing benefits. The City is required to have a bi-annual actuarial study done. Recent actuarial valuations have indicated the City pension fund is over-funded and may be used to pay other mandatory benefits for the retirees.

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Budget	23/22 Change
<b>Revenues</b>	60,966	54,061	40,890	30,500	38,500	26.2%
<b>Expenses</b>	147,075	191,291	144,221	159,500	138,000	-13.5%
Net income	(86,109)	(137,230)	(103,331)	(129,000)	(99,500)	
Beginning fund balance *	1,581,644	1,495,535	1,358,305	1,300,000	1,150,000	
Ending fund balance	1,495,535	1,358,305	1,254,974	1,171,000	1,050,500	-10.3%

\*Since budget figures are estimates, the beginning fund balances of 2022 and 2023 may not equal the estimated ending fund balances of 2021 and 2022 respectively.



**CAPTIAL BUDGET**

**Parks & Recreation Capital Projects**

**Foothills Regional Recreation Area.** This partnership project acquires 656.39 acres of property to expand recreational, habitat and educational opportunities at Saddle Rock and serve as a critical trail linkage between public properties.

<b>Foothills Regional Recreation Area</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # PK2006T1 Managing Fund: 302					
Resources					
001 General Fund	Staff Time	-	20,000	-	20,000
302 Park & Rec Capital Projects	Reserves	10,000	10,000	-	20,000
302 Park & Rec Capital Projects	RCO/CDLT Grants	-	883,500	-	883,500
302 Park & Rec Capital Projects	Donations	-	60,000	-	60,000
Total resources		10,000	973,500	-	983,500

**Washington Park.** This multi-phase project will replace sidewalks, add ADA curb ramps and sidewalk extensions at street crossings; replace the drinking fountain with an ADA fixture; add bicycle racks; add dog waste stations; underground park electrical and replace light poles; add angled parking and replace the sidewalk along Wilson Street; replace broken and heaved sidewalk sections along Miller Street; and add new connecting sidewalks to the restrooms as requested by park visitors. The goals of the project are to improve ADA access, reduce liability to the City and ease neighborhood congestion.

<b>Washington Park</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # PK2015O2 Managing Fund: 001					
Resources					
001 General Fund	Reserves	100,000	8,000	488,000	596,000
Total resources		100,000	8,000	488,000	596,000

**Riverfront Park Renovation.** This is a partnership project with the Chelan PUD and implements master plan improvements created through a public design process in 2021. Improvements include: a play area, splash pad, picnic pavilion, trail and access enhancements, river overlook and water access opportunities, restroom upgrades, train depot upgrades, dog off leash area and landscaping enhancements.

<b>Riverfront Park Renovation</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # PK2021C9 Managing Fund: 307					
Resources					
307 Park & Rec Capital Projects	Reserves	310,000	400,000	2,890,000	3,600,000
307 Park & Rec Capital Projects	Multiple Grants	-	-	1,500,000	1,500,000
Chelan County PUD	CCPUD Investment	-	-	5,290,000	5,290,000
Total resources		310,000	400,000	9,680,000	10,390,000

**City Pool Liner Replacement.** The City pool plaster liner was last replaced in 1996. Liners for outdoor pools typically last 8-10 years in optimal conditions. Annual required acid washing of the pool also increases the liner wear. The pool has been suffering from areas of liner delamination for years which has required patching. This project will replace the plaster liner and tiles and under pool circulation system.

<b>City Pool Liner Replacement</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # PK2006C3 Managing Fund: 302					
Resources					
001 General Fund	Reserves	-	930,000	-	930,000
302 Park & Rec Capital Projects	RCO/YAF/DOC Grants	68,500	1,165,000	-	1,233,500
Total resources		68,500	2,095,000	-	2,163,500

**Okanogan Street Community Garden.** This project implements the park design. Improvements include: community garden beds, shelter, fence, signs, utilities, shed, pathway and benches.

<b>Okanogan Street Community Garden</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # PK2016N12 Managing Fund: 001					
Resources					
001 General Fund	Reserves	55,000	110,000	-	165,000
Total resources		55,000	110,000	-	165,000

**Bighorn Ridge Acquisition.** This partnership project would acquire property to provide recreational and educational opportunities and habitat preservation north of the City.

<b>Bighorn Ridge Acquisition</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # PK2015O2 Managing Fund: 302					
Resources					
302 Park & Rec Capital Projects	Reserves	-	10,000	7,000	17,000
302 Park & Rec Capital Projects	RCO Grant	-	-	750,000	750,000
302 Park & Rec Capital Projects	Donations	-	-	738,000	738,000
Total resources		-	10,000	1,495,000	1,505,000

**Cemetery Road.** This project completes engineering for a new roadway located on the southern portion of the Cemetery and connects Western Avenue with Story Lane to open up the area of the Cemetery for expansion. It also completed a storm water plan and bid documents to address drainage and failing road infrastructure issues through the cemetery so the project will be shovel ready.

<b>Cemetery Road</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # N/A Managing Fund: 430					
Resources					
001 General Fund	Reserves	-	-	95,000	95,000
430 Cemetery Fund	Reserves	-	10,000	-	10,000
430 Cemetery Fund	Ecology Grant	-	-	300,000	300,000
Total resources		-	10,000	395,000	405,000

**Facilities Capital Projects**

**Community Center Facility Improvements.** The City of Wenatchee South Wenatchee Action Plan identifies the Community Center (WCC) as an opportunity for the creation of education and skill development programming as well as activity spaces similar to makerspaces. The project would fund capital improvements to the WCC to support innovative educational opportunities for local students and providing wrap around services and extracurricular programming for the entire neighborhood and surrounding community.

<b>Community Center Facility Improvements</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 2112 Managing Fund: 114					
Resources					
306 General Capital Projects	State Grant	-	2,500,000	-	2,500,000
Total resources		-	2,500,000	-	2,500,000

**Parkside Improvements.** Parkside Facilities improvements for behavioral health services. Improvements to roof, HVAC, exterior work including asphalt, landscaping and storm water.

<b>Parkside Improvements</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 2206 Managing Fund: 504					
Resources					
306 General Capital Projects	State Grant	522,000	1,478,000	-	2,000,000
Total resources		522,000	1,478,000	-	2,000,000

**Wenatchee Convention Center.** A 2019 E. D. Hovee Market Analysis report identified specific objectives to position the Wenatchee Convention Center (WCC) for continued success as a contributor to the Wenatchee area's economic, cultural and community vitality. The objectives are to renovate and/or expand the WCC in order to accommodate more adequate vendor and ballroom space, provide better access for visitors, facilitate ease of coordination through the design with the attached Performing Arts Center, maximize all indoor and outdoor spaces, and upgrade existing technology.

<b>Wenatchee Convention Center</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 2212 Managing Fund: 312					
Resources					
106 Convention Center	Reserves	334,000	766,000	-	1,100,000
312 Convention Center Capital	Bond Proceeds	-	-	11,000,000	11,000,000
Total resources		334,000	766,000	11,000,000	12,100,000

**Economic Development Capital Projects**

**Confluence Parkway NEPA & Pre-Design.** This project began in 2018 with preliminary design and preliminary NEPA work. In July of 2019, formal NEPA was initiated for the project. Additional funding has been secured to complete an environmental assessment which has been deemed as the appropriate level of environmental review in partnership with FHWA and WSDOT.

<b>Confluence Parkway NEPA &amp; Pre-Design</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 1804 Managing Fund: 304					
Resources					
001 General Fund	Reserves	100,000	-	-	100,000
304 Econ. Dev. Capital Projects	Reserves	232,500	78,070	-	310,570
304 Econ. Dev. Capital Projects	Street Overlay	1,139,070	71,930	-	1,211,000
304 Econ. Dev. Capital Projects	PWTF loan	185,230	14,770	-	200,000
304 Econ. Dev. Capital Projects	Donation	687,500	-	-	687,500
304 Econ. Dev. Capital Projects	State grant	400,000	-	-	400,000
410 Storm Drain Utility	Reserves	10,930	-	-	10,930
Total resources		2,755,230	164,770	-	2,920,000

**Waterfront Gateway Projects.** The "gateway" improvements are intended to provide aesthetic upgrades in the vicinity of the city's waterfront. The first phase of the project installed curb, gutter, and sidewalk on the west side of Worthen Street. The second phase will upgrade lighting and install cameras around the Thurston Street underpass.

<b>Waterfront Gateway Projects</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 1905 Managing Fund: 307					
Resources					
307 Local Revitalization Financ.	2016 Bond Proceeds	333,500	347,300	-	680,800
Total resources		333,500	347,300	-	680,800

**Low Barrier Shelter – Pallet Shelters.** Site and engineering plan development, site and utility preparation and installation, project management, contractor procurement and services, purchase and installation of approximately 45 Pallet Shelter Housing Units all occurring for the Wenatchee Rescue Mission.

<b>Low Barrier Shelter - Pallet Shelters</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 2214 Managing Fund: 117					
Resources					
117 Homeless	Reserves	19,700	974,990	-	994,690
Total resources		19,700	974,990	-	994,690

**Street Capital Projects**

**McKittrick and Wenatchee Avenue Signal.** This project will install a new traffic signal with controllers, pre-emption, and detection at the intersection of Wenatchee Avenue and McKittrick Street. The project will also install ADA compliant curb returns with increased turning radii and new roadway striping.

<b>McKittrick and Wenatchee Avenue Signal</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 0623 Managing Fund: 109					
Resources					
109 Arterial Streets	Reserves	556,900	16,620	-	573,520
109 Arterial Streets	Federal Grant	1,277,000	1,583,380	-	2,860,380
Total resources		1,833,900	1,600,000	-	3,433,900

**N. Wenatchee Pedestrian & Median Improvements.** Pedestrian and median improvements on North Wenatchee Avenue in the vicinity of the McKittrick Signal project. Includes highway corridor upgrade with wider sidewalks, landscaping, lighting, streetscape improvements, access consolidation, and medians. Construction will be combined with the McKittrick Signal and Columbia projects to save costs and reduce severity of traffic impacts.

<b>N. Wenatchee Pedestrian &amp; Median Improvements</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 1615 Managing Fund: 109					
Resources					
109 Arterial Streets	Reserves	24,750	4,500	-	29,250
109 Arterial Streets	Federal Grant	93,250	925,500	-	1,018,750
Total resources		118,000	930,000	-	1,048,000

**Ninth Street Rail Crossing.** This project will improve the safety at the Ninth Street railroad crossing. Improvements will include new sidewalk, curb ramps, signage, pavement markings, and a landscaped median.

<b>Ninth Street Rail Crossing</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 1801 Managing Fund: 109					
Resources					
109 Arterial Streets	Reserves	77,450	82,260	19,780	179,490
109 Arterial Streets	Federal Grant	57,050	20,700	1,243,420	1,321,170
Total resources		134,500	102,960	1,263,200	1,500,660

**Methow Street Improvements.** Install bicycle facilities on Methow St. between Crawford Ave. and Lincoln St. Additionally, construct a mini-roundabout at the intersection of Crawford Ave. and Methow St. Lastly, install a new water main in Methow St. between Marjo St. and Lincoln St. per the Comprehensive Water System Plan.

<b>Methow Street Improvements</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 1916 Managing Fund: 109					
Resources					
109 Arterial Streets	Reserves	184,400	23,800	-	208,200
109 Arterial Streets	Federal Grant	202,100	1,089,500	-	1,291,600
111 Street Overlay	Reserves	-	205,000	-	205,000
401 Water Utility	Reserves	37,000	235,300	-	272,300
405 Sewer Utility	Reserves	11,000	41,000	-	52,000
Total resources		434,500	1,594,600	-	2,029,100

**Columbia Street.** This project will extend McKittrick Street east from Wenatchee Avenue and construct a segment of Columbia Street. The McKittrick Street extension will be graded in a manner consistent with the future railroad underpass resulting in significant excavation and utility infrastructure.

<b>Columbia Street</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 1919 Managing Fund: 304					
Resources					
304 Econ. Dev. Capital Projects	Reserves	879,000	1,379,800	-	2,258,800
304 Econ. Dev. Capital Projects	Federal Grant	-	1,715,200	-	1,715,200
304 Econ. Dev. Capital Projects	Chelan County PUD	-	475,000	-	475,000
405 Sewer Utility	Reserves	-	625,000	-	625,000
410 Storm Drain Utility	Reserves	-	400,000	-	400,000
Total resources		879,000	4,595,000	-	5,474,000

**Springwater Avenue.** This project will upgrade Springwater Avenue between Woodward Drive and Western Ave. with new curb, sidewalk, illumination, and stormwater infrastructure. The project will also install approximately 500' of new stormwater pipe in Western Ave. to the north of Springwater Ave.

<b>Springwater Avenue</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 2007 Managing Fund: 109					
Resources					
109 Arterial Streets	Reserves	157,100	745,700	-	902,800
109 Arterial Streets	TIB Grant	395,000	1,505,000	-	1,900,000
301 Real Estate Excise Tax	Reserves	-	500,000	-	500,000
410 Storm Drain Utility	Reserves	-	413,600	-	413,600
Total resources		552,100	3,164,300	-	3,716,400

**2021-2023 Pavement Condition Survey.** This project will provide two city-wide pavement condition surveys over a span of three years. The first was performed in 2021 and the second will be completed in 2023. It also provides technical support to update the City's Streetsaver Pavement Management Software.

<b>2021-2023 Pavement Condition Survey</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 2109 Managing Fund: 111					
Resources					
111 Street Overlay	Reserves	104,500	120,500	-	225,000
Total resources		104,500	120,500	-	225,000

**Apple Capital Loop: Segments 1B, 2A, 2C.** Design, Right-of-Way acquisition and construction of the McKittrick St. underpass and extension, Confluence Parkway South, and the South End Bike/Ped Access segments of the Apple Capital Loop project identified in the INFRA grant application.

<b>Apple Capital Loop: Segments 1B, 2A, 2C</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 2201 Managing Fund: 310					
Resources					
109 Arterial Streets	Reserves	395,000	-	9,304,950	9,699,950
310 INFRA Grant	INFRA Grant	-	7,108,260	85,303,750	92,412,010
310 INFRA Grant	Other Grants	-	-	5,849,900	5,849,900
Total resources		395,000	7,108,260	100,458,600	107,961,860

**Confluence Parkway North.** Design, Right-of-Way acquisition and construction of segment 2B of the Apple Capital Loop project identified in the INFRA grant application. Constructs a new roadway and Wenatchee River bridge crossing. New roadway partially on new alignment and existing street alignments. Project expected to be tied to INFRA project number 2201.

<b>Confluence Parkway North</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 2201.1 Managing Fund: 310					
Resources					
310 INFRA Grant	MAW Grant	-	3,690,000	81,310,000	85,000,000
Total resources		-	3,690,000	81,310,000	85,000,000

**2023 Pavement Preservation.** This project will resurface existing streets in accordance with the city's StreetSaver Pavement Management Program.

<b>2023 Pavement Preservation</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 2203 Managing Fund: 111					
Resources					
111 Street Overlay	Reserves	177,000	1,023,000	-	1,200,000
Total resources		177,000	1,023,000	-	1,200,000

**McKittrick Street – Pershing to Pine.** This project will rebuild McKittrick Street between Pershing Street and Pine Street. Improvements include curb, gutter, and sidewalk on both sides of the road; illumination; stormwater collection and conveyance; as well as upgraded signing and striping.

<b>McKittrick Street - Pershing to Pine</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 2208 Managing Fund: 109					
Resources					
109 Arterial Streets	Reserves	13,000	110,800	442,690	566,490
109 Arterial Streets	TIB Grant	52,000	443,000	1,803,110	2,298,110
109 Arterial Streets	Other Agreements	-	-	12,200	12,200
Total resources		65,000	553,800	2,258,000	2,876,800

**Millerdale Avenue Bridge Rehabilitation.** This project will replace structurally-deficient girders and install a new bridge deck at the Millerdale Avenue irrigation canal crossing.

<b>Millerdale Avenue Bridge Rehabilitation</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 2213 Managing Fund: 109					
Resources					
109 Arterial Streets	Reserves	10,000	-	-	10,000
109 Arterial Streets	Federal Grant	-	75,000	1,101,000	1,176,000
Total resources		10,000	75,000	1,101,000	1,186,000

**2024 Pavement Preservation.** This project will resurface existing streets in accordance with the City's StreetSaver Pavement Management Program.

<b>2024 Pavement Preservation</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 2301 Managing Fund: 111					
Resources					
111 Street Overlay	Reserves	-	250,000	1,750,000	2,000,000
Total resources		-	250,000	1,750,000	2,000,000

**Worthen Street Trail Improvements.** This project will enhance channelization on Worthen Street between Hale Park and Thurston Street to better delineate the roadway and Apple Capital Loop Trail.

<b>Worthen Street Trail Improvements</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 2302 Managing Fund: 109					
Resources					
109 Arterial Streets	TIB Grant	10,000	23,000	182,000	215,000
Total resources		10,000	23,000	182,000	215,000



**Pedestrian Master Plan.** This project will develop a Pedestrian Master Plan.

<b>Pedestrian Master Plan</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 2303 Managing Fund: 109					
Resources					
109 Arterial Streets	TIB Grant	-	50,000	-	50,000
Total resources		-	50,000	-	50,000

**Complete Streets Sidewalk Improvements.** This project will construct sidewalk in coordination with the City's Pedestrian Master Plan.

<b>Complete Streets Sidewalk Improvements</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 2304 Managing Fund: 109					
Resources					
109 Arterial Streets	TIB Grant	-	30,000	155,000	185,000
Total resources		-	30,000	155,000	185,000

**Fifth and Emerson Pedestrian Crossing.** This project will construct a rectangular rapid-flashing beacon (RRFB) at the intersection of Fifth Street and Emerson Avenue.

<b>Fifth and Emerson Pedestrian Crossing</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 2312 Managing Fund: 109					
Resources					
109 Arterial Streets	Federal Grant	-	25,000	251,000	276,000
Total resources		-	25,000	251,000	276,000

**Utility Capital Projects**

**WWTP Digester 4.** This project is adding a new digester to the city's Wastewater Treatment Plant. The capacity and size of the new digester will be the same as existing Digester 3 and it will have the ability to operate independently of Digester 3. Structural and foundation design, gas handling improvements, boiler and heat exchanger upgrades, electrical and PLC system improvements, as well as mechanical system improvements for the digester system as a whole are all part of the project scope.

<b>WWTP Digester 4</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 1810 Managing Fund: 405					
Resources					
405 Sewer Utility	Reserves	1,626,000	22,410	-	1,648,410
405 Sewer Utility	SRF Loan	6,375,000	9,721,590	-	16,096,590
Total resources		8,001,000	9,744,000	-	17,745,000

**AC Water Main Replacement.** This project will replace the existing asbestos-cement (AC) water mains in First Street (Wilson to Miller), Chelan Avenue (Marr Street to Lincoln Street), and the alleys between 7th Street and 9th Street (Ramona Avenue to Miller Street).

<b>AC Water Main Replacement</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 1918 Managing Fund: 401					
Resources					
401 Water Utility	Reserves	120,000	309,750	-	429,750
401 Water Utility	DWSRF Loan	-	1,054,900	-	1,054,900
Total resources		120,000	1,364,650	-	1,484,650

**North Wenatchee Avenue Sewer Repair.** This project will reconfigure an existing sewer main in Wenatchee Avenue between Fifth Street and Seventh Street to reduce the potential for sewer backups.

<b>North Wenatchee Avenue Sewer Repair</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 2010 Managing Fund: 405					
Resources					
405 Sewer Utility	Reserves	3,100	35,000	311,900	350,000
Total resources		3,100	35,000	311,900	350,000

**Snohomish Street Outfall Improvements.** This project will install new stormwater infrastructure on Crescent Street (south of Marr Street) and Columbia Street (north of Marr Street) to alleviate flooding and erosion.

<b>Snohomish Street Outfall Improvements</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 2012 Managing Fund: 410					
Resources					
410 Storm Drain Utility	Reserves	56,000	532,700	-	588,700
Total resources		56,000	532,700	-	588,700

**9th Street Basin Stormwater.** This project includes removing the urban stormwater system from the No. 2 Canyon drain and re-routing the stormwater to the stormwater main on 9th Street. The canyon drain will also be piped in Ringold and 7th to help with flooding in this neighborhood. Because of limited capacity on 9th Street, infiltration facilities will installed on the Wenatchee Valley College Campus parking lots.

<b>9th Street Basin Stormwater</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 2101 Managing Fund: 410					
Resources					
410 Storm Drain Utility	Reserves	28,000	9,000	-	37,000
410 Storm Drain Utility	Ecology Grant	90,000	21,000	-	111,000
Total resources		118,000	30,000	-	148,000

**Pershing Street Stormwater & Water.** This project will added a municipal stormwater system to Pershing Street between Springwater and Maple. The adjacent neighborhood stormwater systems will be disconnected from the No. 1 Canyon Drain and the canyon drain pipe will be replaced. In addition, approximately 1,000 feet of 1956 cast iron water main will be replaced.

<b>Pershing Street Stormwater &amp; Water</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 2104 Managing Funds: 401/410					
Resources					
401 Water Utility	Reserves	-	40,000	1,047,900	1,087,900
410 Storm Drain Utility	Reserves	-	99,250	616,900	716,150
410 Storm Drain Utility	Ecology Grant	-	397,000	1,800,000	2,197,000
Total resources		-	536,250	3,464,800	4,001,050

**WWTP Blower Improvements.** The air blowers that serve the WWTP aeration basin are antiquated, oversized, single-speed units that are difficult to effectively control, consume vast amounts of energy, and have been identified as a potentially cost-reimbursable improvement by the PUD. The project will replace oversized motors and outdated electrical equipment in the blower building. In addition, the project will include replacement of the gates between the aeration basins and the secondary clarifiers.

<b>WWTP Blower Improvements</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 2106 Managing Fund: 405					
Resources					
405 Sewer Utility	2018 Bond Proceeds	179,000	1,210,000	-	1,389,000
Total resources		179,000	1,210,000	-	1,389,000

**Broadview Stormwater Improvements.** Stormwater improvements for the existing pond and conveyance system in the Broadview neighborhood. Repairs are needed to the pond and the conveyance system needs to be upsized with larger pipes in order to prevent flooding and erosion. This scope of service amendment will allow OCI to proceed with plans to design a stormwater system to repair the existing pond and plan for upsizing the stormwater pipes in Maiden Lane to handle the flows according to City standards.

<b>Broadview Stormwater Improvements</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 2107 Managing Funds: 405/410					
Resources					
405 Sewer Utility	Reserves	20,000	1,194,450	-	1,214,450
410 Storm Drain Utility	Reserves	217,240	1,918,460	-	2,135,700
Total resources		237,240	3,112,910	-	3,350,150

**Easy Street Sewer Relocation.** The city has sanitary sewer infrastructure in WSDOT right-of-way at the intersection of SR 2/97 and Easy Street. WSDOT is currently designing a new roundabout to replace the existing traffic signal, which will expand the intersection's footprint. One of the city's sewer manholes must be relocated outside of the travel way. Relocating the manhole also involves replacing approximately 150 feet of sewer pipe.

<b>Easy Street Sewer Relocation</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 2111 Managing Fund: 405					
Resources					
405 Sewer Utility	Reserves	7,000	143,000	-	150,000
Total resources		7,000	143,000	-	150,000

**Crawford Avenue Water Main Replacement.** This project will replace the existing 1950-era steel water main in Crawford Ave between Miller St and Okanogan Ave.

<b>Crawford Avenue Water Main Replacement</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 2202 Managing Fund: 401					
Resources					
401 Water Utility	Reserves	-	-	991,700	991,700
401 Water Utility	DWSRF Loan	19,740	222,000	-	241,740
Total resources		19,740	222,000	991,700	1,233,440

**North Wenatchee Water Quality Facility.** The North Wenatchee Avenue Stormwater Facility is a diversion structure that directs stormwater runoff from the north end of the City of Wenatchee to a series of three ditches running north along the BNSF railroad tracks. The ditches ultimately discharge to the Wenatchee River. This project will reduce stormwater pollutants discharging to the Wenatchee River and restore the waterways in the Horan Natural Area.

<b>North Wenatchee Water Quality Facility</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 2204 Managing Fund: 410					
Resources					
410 Storm Drain Utility	Reserves	-	209,000	-	209,000
410 Storm Drain Utility	Ecology Grant	-	43,000	-	43,000
Total resources		-	252,000	-	252,000

**WWTP Drying Bed Expansion.** This project will increase the size of the existing drying beds by adding two drying beds and preparing for an addition two bed to the east. The project will also include stormwater management, lighting, paving and fencing to accommodate the expanded drying beds area and adding a septic tank outhouse to the site.

<b>WWTP Drying Bed Expansion</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 2211 Managing Fund: 405					
Resources					
405 Sewer Utility	Reserves	247,500	3,162,150	-	3,409,650
Total resources		247,500	3,162,150	-	3,409,650

**Walla Walla Stormwater Outfall Retrofit.** This project will study how the City of Wenatchee can improve water quality to the Columbia River through installation of water quality treatment and will include an option to relocate the existing outfall to a more desirable, accessible location. This study will help the City determine the best course of action for the existing outfall and will allow us to consider the cost to repair the outfall in place, the cost to relocate the outfall and options to add water quality to improve our discharge to the river.

<b>Walla Walla Stormwater Outfall Retrofit</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 2215 Managing Fund: 410					
Resources					
410 Storm Drain Utility	Reserves	-	74,500	-	74,500
410 Storm Drain Utility	Ecology Grant	-	223,500	-	223,500
Total resources		-	298,000	-	298,000

**Digester No. 1 Improvements.** Digester No. 1 was constructed in the 1950s with improvements last completed in the early 1990s. At this time, staff anticipate installing a new mixing system, heater/heat exchanger and safety improvements to the digester gas system for the digester.

<b>Digester No. 1 Improvements</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 2305 Managing Fund: 405					
Resources					
405 Sewer Utility	Reserves	-	250,000	2,317,600	2,567,600
Total resources		-	250,000	2,317,600	2,567,600

**8 MG Reservoir Repairs.** The 8 million gallon drinking water reservoir located on Jefferson Street was constructed in 1961.

<b>8 MG Reservoir Repairs</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 2306 Managing Fund: 401					
Resources					
401 Water Utility	Reserves	-	150,000	1,150,000	1,300,000
Total resources		-	150,000	1,150,000	1,300,000

**Generators for Critical Utility Infrastructure.** Backup power is essential for maintaining critical utility services during and after natural disasters, such as wildfires, and power failures. City staff have applied for a grant through the Chelan County FEMA Post Fire mitigation program to provide generators for the wastewater treatment plant, two sewer lift stations, and the City's 4 drinking water reservoirs and pump stations.

<b>Generators for Critical Utility Infrastructure</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 2307 Managing Funds: 401/405					
Resources					
401 Water Utility	Reserves	-	107,310	-	107,310
401 Water Utility	FEMA Grant	-	743,750	-	743,750
405 Sewer Utility	Reserves	-	107,310	-	107,310
405 Sewer Utility	FEMA Grant	-	743,750	-	743,750
Total resources		-	1,702,120	-	1,702,120

**Grit Removal Upgrade.** Grit in the incoming wastewater is not being effectively removed and increasing operations and maintenance costs of the wastewater treatment plant. This project will upgrade the grit removal system at the wastewater treatment plant.

<b>Grit Removal Upgrade</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 2308 Managing Fund: 405					
Resources					
405 Sewer Utility	Reserves	-	50,000	3,493,800	3,543,800
Total resources		-	50,000	3,493,800	3,543,800

**Pump No. 2 Replacement.** The Eastbank Aquifer wellfield has four pumps. Pump No. 2 is the most used of the pumps and works in tandem with the smaller pumps to ensure the Regional partners can meet peak water demands. The pump was installed in the early 1970s. This project will replace the pump and motor and will require improvements to the pump house, pump platform and electrical system.

<b>Pump No. 2 Replacement</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 2309 Managing Fund: 415					
Resources					
415 Regional Water Utility	Reserves	-	150,000	1,050,000	1,200,000
Total resources		-	150,000	1,050,000	1,200,000

**Roosevelt Utility Improvements.** Roosevelt Street from Spokane to Kittitas is in need of utility improvements to the stormwater and drinking water systems. The street has an existing stormwater main but lacks curb and catch basins to capture the stormwater. The water system includes lead parts and a cast iron main from 1930. The project will eliminate lead parts from this area of the water system and add infrastructure to manage the stormwater.

<b>Roosevelt Utility Improvements</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 2310 Managing Fund: 401					
Resources					
401 Water Utility	Reserves	-	25,000	1,141,250	1,166,250
410 Storm Drain Utility	Reserves	-	5,000	351,250	356,250
Total resources		-	30,000	1,492,500	1,522,500

**Storm & Sewer Lining.** This project will install a lining in existing stormwater and sewer mains that are nearing the end of service life. This effort will help improve system function and significantly delay a more expensive full pipe replacement. The project at a minimum includes lining about 300 feet of 36" stormwater main on South Wenatchee Avenue.

<b>Storm &amp; Sewer Lining</b>		Prior Years	2023 Budget	Future Years	Project Total
Project # 2311 Managing Funds: 405/410					
Resources					
405 Sewer Utility	Reserves	-	454,250	-	454,250
410 Storm Drain Utility	Reserves	-	454,250	-	454,250
Total resources		-	908,500	-	908,500

### Capital Budget Summary

The capital projects listed on the previous pages are summarized in the chart below. The 2023 budget column of the capital projects are also reflected in the individual department/fund budgets located in previous sections of this document.

Fund		Prior Years	2023 Budget	Future Years
001	General Fund	255,000	1,068,000	583,000
106	Convention Center	334,000	766,000	-
109	Arterial Streets	3,505,000	6,753,760	14,515,150
111	Street Overlay	281,500	1,598,500	1,750,000
117	Homeless	19,700	974,990	-
301	Real Estate Excise Tax	-	500,000	-
302	Governmental Capital Projects	78,500	2,128,500	1,495,000
304	Economic Dev Capital Projects	3,523,300	3,734,770	-
306	General Capital Projects	522,000	3,978,000	-
307	Local Revitalization Financing	643,500	747,300	4,390,000
310	INFRA Grant	-	10,798,260	172,463,650
312	Convention Center Capital	-	-	11,000,000
401	Water Utility	176,740	2,888,010	4,330,850
405	Sewer Utility	8,468,600	17,759,910	6,123,300
410	Storm Drain Utility	402,170	4,800,260	2,768,150
415	Regional Water Utility	-	150,000	1,050,000
430	Cemetery	-	10,000	300,000
		18,210,010	58,656,260	220,769,100