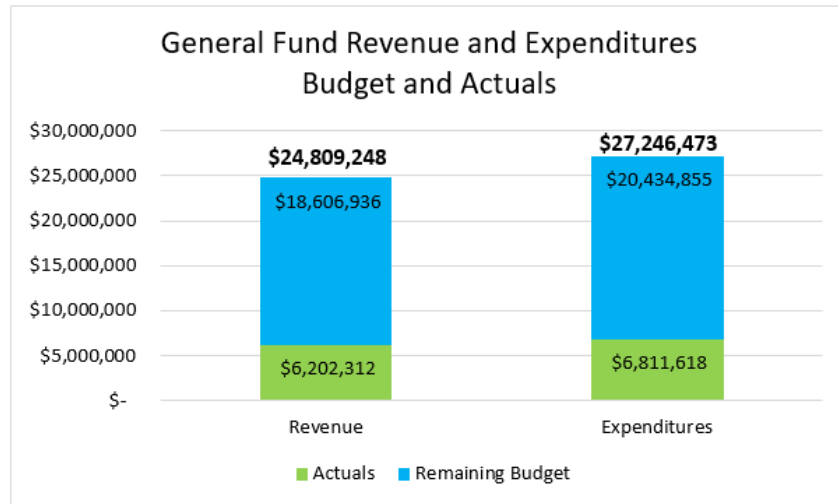


## 2023 1ST QUARTER FINANCIAL REPORT

This report provides an overview of the City's overall financial position for the first quarter of 2023, reflecting financial data available June 6, 2023.

### GENERAL FUND

Through the first quarter of 2023, the General Fund received \$6,202,312 of revenue which represents 24.4% of budgeted revenue for the year. The general fund also incurred \$6,811,618 of expenditures representing 24.99% of the annual 2023 expenditure budget.



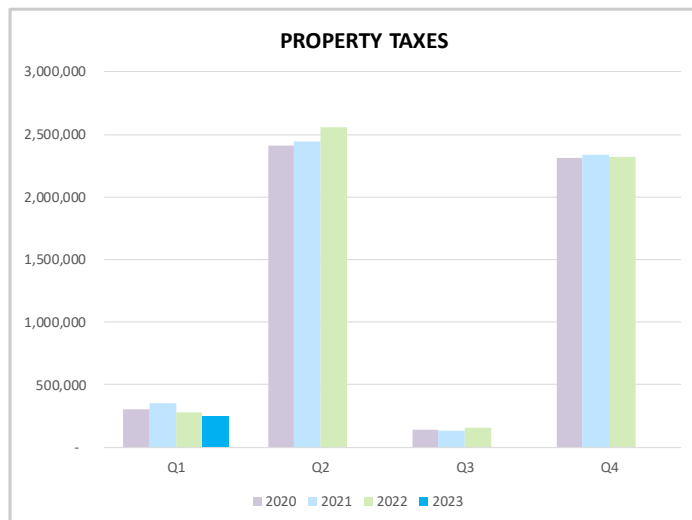
### Revenue

**Property Tax** collected in the first quarter was \$247,228 which was a \$29,540 (10.7%) decrease from the same period in the prior year. Property tax levies by the City are based on the assessed value of the City which has steadily increased over the past few years. Property taxes are primarily collected in April and October.

PROPERTY TAXES				
	2020	2021	2022	2023
Jan	7,893	15,727	41,595	11,454
Feb	49,315	42,269	8,972	31,664
Mar	244,488	292,081	226,701	204,610
Apr	1,776,167	1,427,756	1,374,884	
May	388,009	956,647	1,133,679	
Jun	245,697	56,028	49,571	
Jul	53,783	19,615	6,852	
Aug	11,412	29,051	39,674	
Sep	76,970	84,841	112,850	
Oct	1,841,432	1,815,634	1,592,366	
Nov	443,996	502,576	702,505	
Dec	27,193	19,660	26,685	
<b>Totals</b>	<b>5,166,355</b>	<b>5,261,886</b>	<b>5,316,334</b>	<b>247,728</b>

	2020	2021	2022	2023
Q1	301,696	350,077	277,268	247,728
Q2	2,409,872	2,440,432	2,558,134	-
Q3	142,165	133,507	159,376	-
Q4	2,312,621	2,337,870	2,321,557	-
<b>Totals</b>	<b>5,166,355</b>	<b>5,261,886</b>	<b>5,316,334</b>	<b>247,728</b>



**2023 Budget and YTD % collected: 5,522,043 4.5%**

**2023 YTD to 2022 YTD variance: (29,540) -10.7%**

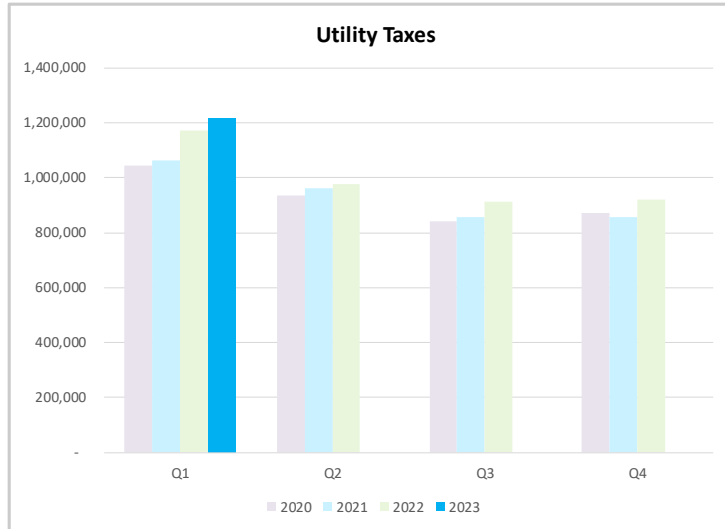
## 2023 1ST QUARTER FINANCIAL REPORT

**Utility Taxes** collected in the first quarter of 2023 were \$1,218,246 which is a \$47,832 (4.1%) increase from the same period in the prior year. The City collects utility tax on the usage of electricity, natural gas, solid waste disposal, cable TV, telephone, and surface water. The City continues to see an increase in utility tax collections over past years.

UTILITY TAXES				
	2020	2021	2022	2023
Jan	317,812	356,912	415,812	408,403
Feb	361,372	333,424	381,052	392,084
Mar	365,521	372,379	373,550	417,758
Apr	339,749	350,317	342,928	
May	318,816	321,555	372,039	
Jun	276,056	289,060	262,819	
Jul	287,198	284,693	334,278	
Aug	279,933	161,581	292,009	
Sep	274,822	409,898	288,223	
Oct	276,644	277,060	343,898	
Nov	228,718	288,366	330,062	
Dec	364,761	289,923	245,224	
<b>Totals</b>	<b>3,691,401</b>	<b>3,735,164</b>	<b>3,981,894</b>	<b>1,218,246</b>

	2020	2021	2022	2023
Q1	1,044,704	1,062,714	1,170,414	1,218,246
Q2	934,621	960,931	977,786	-
Q3	841,953	856,171	914,509	-
Q4	870,123	855,348	919,184	-
<b>Totals</b>	<b>3,691,401</b>	<b>3,735,164</b>	<b>3,981,894</b>	<b>1,218,246</b>



**2023 Budget and YTD % collected: 4,550,105 26.8%**

**2023 YTD to 2022 YTD variance: 47,832 4.1%**

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

Utility Tax Type	2021 Q1 Total	2022 Q1 Total	Change from 2021	
			Amount	Percent
Electricity	\$ 412,796	\$ 439,690	\$ 26,894	6.5%
Natural Gas	181,165	\$ 213,920	32,755	18.1%
Solid Waste	152,250	\$ 135,375	(16,875)	-11.1%
Cable TV	216,893	\$ 210,094	(6,799)	-3.1%
Telephone	71,606	\$ 68,860	(2,745)	-3.8%
SWM 13%	135,704	\$ 150,306	14,602	10.8%
<b>YE Total</b>	<b>\$1,170,414</b>	<b>\$1,218,246</b>	<b>\$ 47,832</b>	<b>4.09%</b>

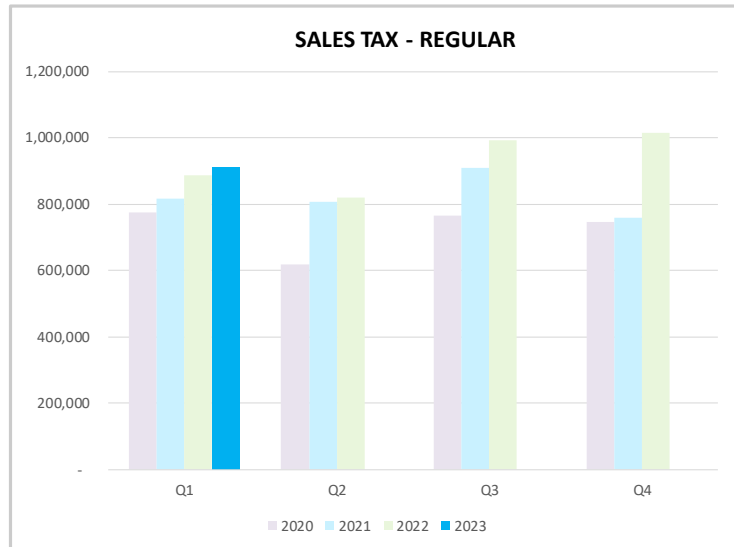
## 2023 1ST QUARTER FINANCIAL REPORT

**Sales and Use Tax (Regular)** collection increased \$25,519 (2.9%) over the same period in the prior year. During the first quarter, the City collected \$912,207 in sales tax which represented 24.1% of budgeted expectations.

SALES TAX - REGULAR				
	2020	2021	2022	2023
Jan	265,951	279,627	307,248	295,886
Feb	267,496	300,346	318,149	323,124
Mar	243,442	238,440	261,291	293,196
Apr	212,562	234,236	250,089	-
May	215,822	287,523	309,451	-
Jun	191,318	285,449	261,903	-
Jul	260,777	308,345	334,498	-
Aug	258,143	312,079	314,775	-
Sep	247,601	288,774	343,648	-
Oct	251,749	312,723	400,408	-
Nov	260,740	322,999	362,060	-
Dec	232,429	124,590	254,194	-
<b>Totals</b>	<b>2,908,029</b>	<b>3,295,131</b>	<b>3,717,713</b>	<b>912,207</b>

	2020	2021	2022	2023
Q1	776,888	818,413	886,688	912,207
Q2	619,702	807,207	821,443	-
Q3	766,521	909,198	992,921	-
Q4	744,918	760,312	1,016,662	-
<b>Totals</b>	<b>2,908,029</b>	<b>3,295,131</b>	<b>3,717,713</b>	<b>912,207</b>



**2023 Budget and YTD % collected: 3,790,875 24.1%**

**2023 YTD to 2022 YTD variance: 25,519 2.9%**

The following table breaks out the City's retail taxes by major business sector (the table includes only "regular" sales and use tax):

Component Group	Q1 Totals		Change from 2022	
	2022	2023	Amount	Percent
Construction	\$ 149,919	\$ 155,966	\$ 6,047	4.0%
Manufacturing	10,396	11,473	1,077	10.4%
Transportation & Warehousing	3,538	8,755	5,217	147.5%
Wholesale Trade	61,968	56,107	(5,861)	-9.5%
Automotive	33,580	44,237	10,657	31.7%
Retail Trade	312,780	328,495	15,715	5.0%
Services	270,327	276,358	6,031	2.2%
Miscellaneous	44,180	30,818	(13,362)	-30.2%
<b>YE Total</b>	<b>\$ 886,688</b>	<b>\$ 912,207</b>	<b>\$ 25,519</b>	<b>2.88%</b>

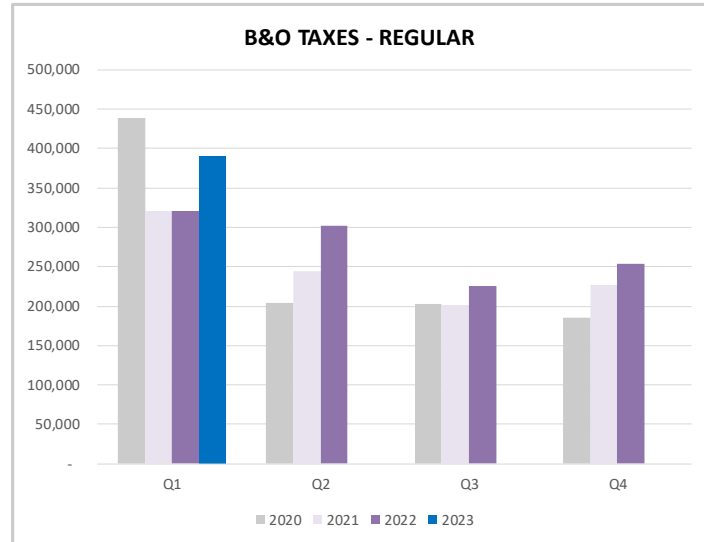
## 2023 1ST QUARTER FINANCIAL REPORT

The City received \$390,695 in **Business and Occupation Tax** through the first quarter of 2023. This amount was a \$70,469 (22.0%) increase over the prior year. Collections of Business and Occupation Tax are on an upward trend as the City refines its filing process and pursues delinquent payments.

B&O TAXES - REGULAR				
	2020	2021	2022	2023
Jan	181,573	66,546	109,430	220,009
Feb	287,559	245,260	191,636	152,492
Mar	(30,676)	8,303	19,159	18,194
Apr	58,498	132,192	198,624	
May	151,649	104,127	109,204	
Jun	(6,004)	8,121	(5,444)	
Jul	86,791	74,594	92,251	
Aug	109,513	125,512	83,386	
Sep	6,202	878	49,720	
Oct	67,009	67,391	163,660	
Nov	119,457	155,885	109,623	
Dec	(874)	4,159	(19,099)	
<b>Totals</b>	<b>1,030,698</b>	<b>992,966</b>	<b>1,102,150</b>	<b>390,695</b>

	2020	2021	2022	2023
Q1	438,456	320,109	320,226	390,695
Q2	204,144	244,440	302,384	-
Q3	202,506	200,983	225,357	-
Q4	185,592	227,435	254,183	-
<b>Totals</b>	<b>1,030,698</b>	<b>992,966</b>	<b>1,102,150</b>	<b>390,695</b>



**2023 Budget and YTD % collected:** 1,251,050 31.2%

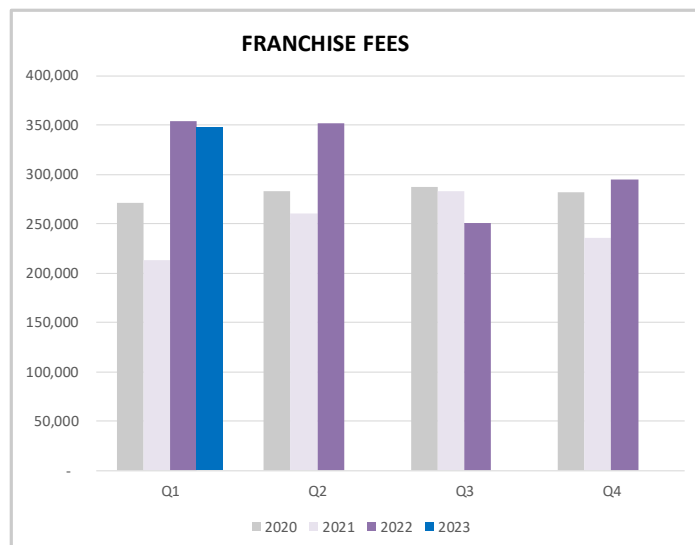
**2023 YTD to 2022 YTD variance:** 70,469 22.0%

**Franchise Fees** help the City recoup the cost of allowing a utility to use its public space. Through the first quarter of 2023, the City collected \$347,625 in franchise fees which was \$6,128 (1.7%) less than the same period in the prior year.

FRANCHISE FEES				
	2020	2021	2022	2023
Jan	112,153	119,037	245,777	173,449
Feb	86,857	86,631	70,914	123,221
Mar	72,149	7,587	37,062	50,955
Apr	117,654	115,318	256,013	
May	92,344	55,721	96,150	
Jun	72,643	89,430	0	
Jul	117,875	168,994	159,775	
Aug	94,716	72,647	59,357	
Sep	74,400	41,418	32,238	
Oct	114,376	177,795	179,959	
Nov	37,178	57,945	75,358	
Dec	130,998	-	40,035	
<b>Totals</b>	<b>1,123,342</b>	<b>992,524</b>	<b>1,252,638</b>	<b>347,625</b>

	2020	2021	2022	2023
Q1	271,158	213,255	353,753	347,625
Q2	282,641	260,469	352,163	-
Q3	286,991	283,060	251,371	-
Q4	282,552	235,740	295,352	-
<b>Totals</b>	<b>1,123,342</b>	<b>992,524</b>	<b>1,252,638</b>	<b>347,625</b>



**2023 Budget and YTD % collected:** 1,130,000 30.8%

**2023 YTD to 2022 YTD variance:** (6,128) -1.7%

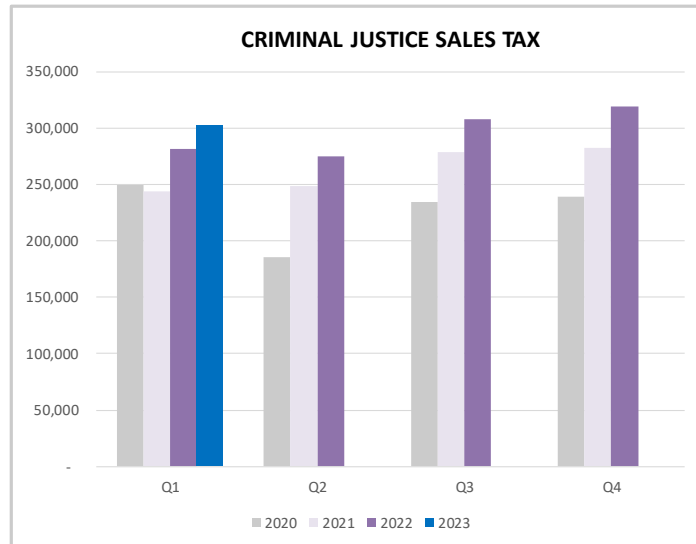
## 2023 1ST QUARTER FINANCIAL REPORT

**Criminal Justice Sales Tax** is a sales tax imposed by King County but shared with its cities and towns. State law allows counties to impose a .1% sales tax in which the receipts are dedicated for criminal justice purposes. Through the first quarter of 2023, the City collected \$302,253 in Criminal Justice Sales Tax which was \$20,884 (7.4%) more than the same period in the prior year.

CRIMINAL JUSTICE SALES TAX				
	2020	2021	2022	2023
Jan	78,038	75,664	91,875	98,970
Feb	95,920	94,898	104,753	112,129
Mar	75,957	73,495	84,742	91,155
Apr	62,259	71,268	82,227	
May	61,534	90,850	100,285	
Jun	61,848	86,287	92,622	
Jul	75,823	87,808	96,685	
Aug	79,504	95,648	107,009	
Sep	79,408	95,318	103,851	
Oct	78,382	93,711	106,482	
Nov	80,694	97,160	109,175	
Dec	80,289	91,753	103,618	
<b>Totals</b>	<b>909,656</b>	<b>1,053,859</b>	<b>1,183,324</b>	<b>302,253</b>

	2020	2021	2022	2023
Q1	249,914	244,056	281,370	302,253
Q2	185,642	248,405	275,134	-
Q3	234,735	278,774	307,544	-
Q4	239,365	282,624	319,275	-
<b>Totals</b>	<b>909,656</b>	<b>1,053,859</b>	<b>1,183,324</b>	<b>302,253</b>



2023 Budget and YTD % collected: **1,187,500** **25.5%**

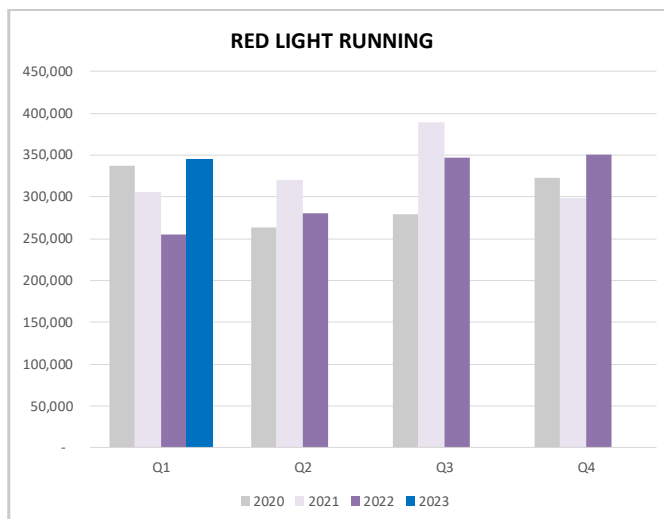
2023 YTD to 2022 YTD variance: **20,884** **7.4%**

**Red Light Running Infractions** is revenue received from fines generated by the red light camera ticketing system installed at select intersections in the City. Through the first quarter of 2023, the City collected \$344,990 in red light running fee revenue which was \$90,247 (35.4%) more than the same period in the prior year.

RED LIGHT RUNNING				
	2020	2021	2022	2023
Jan	117,300	111,284	85,665	150,079
Feb	105,681	85,275	77,910	99,253
Mar	114,283	109,113	91,168	95,658
Apr	99,100	101,518	81,893	
May	78,670	97,293	96,361	
Jun	85,511	121,298	102,210	
Jul	93,361	81,076	96,754	
Aug	92,523	154,085	142,340	
Sep	93,035	154,312	107,359	
Oct	123,470	121,645	101,010	
Nov	104,826	99,958	97,034	
Dec	94,946	76,358	152,214	
<b>Totals</b>	<b>1,202,707</b>	<b>1,313,215</b>	<b>1,231,918</b>	<b>344,990</b>

	2020	2021	2022	2023
Q1	337,263	305,673	254,743	344,990
Q2	263,282	320,109	280,464	-
Q3	278,919	389,473	346,453	-
Q4	323,243	297,961	350,259	-
<b>Totals</b>	<b>1,202,707</b>	<b>1,313,215</b>	<b>1,231,918</b>	<b>344,990</b>



2023 Budget and YTD % collected: **1,200,000** **28.7%**

2023 YTD to 2022 YTD variance: **90,247** **35.4%**

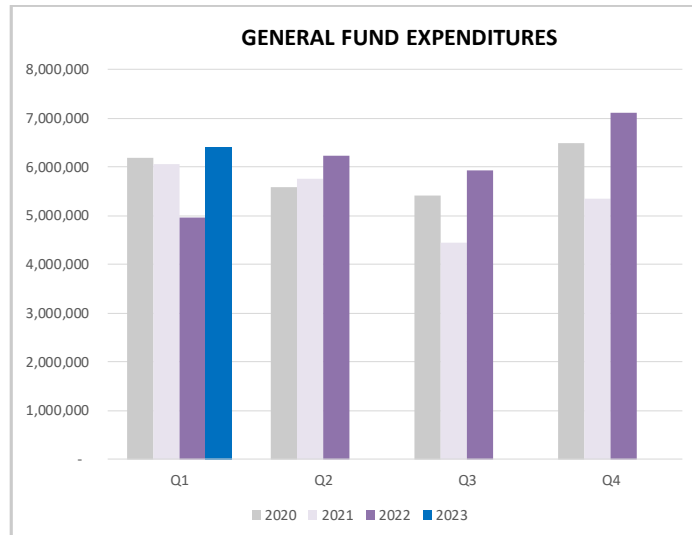
## 2023 1ST QUARTER FINANCIAL REPORT

### Expenditures

General Fund expenditures were \$6,405,723 which was \$1,448,542 (29.2%) more the same period in the prior year.

GENERAL FUND EXPENDITURES				
	2020	2021	2022	2023
Jan	2,525,301	2,144,873	1,732,897	1,665,629
Feb	1,852,855	1,521,148	1,507,316	1,916,138
Mar	1,819,238	2,389,548	1,716,968	2,823,957
Apr	1,750,911	1,617,624	2,492,685	
May	1,862,348	1,921,701	1,852,949	
Jun	1,973,698	2,225,871	1,894,233	
Jul	1,968,490	559,043	1,710,505	
Aug	1,625,045	1,699,309	1,832,064	
Sep	1,820,620	2,186,707	2,394,505	
Oct	2,354,881	1,865,683	1,317,298	
Nov	2,025,944	1,560,582	2,118,374	
Dec	2,110,204	1,917,077	3,670,925	
<b>Totals</b>	<b>23,689,536</b>	<b>21,609,165</b>	<b>24,240,719</b>	<b>6,405,723</b>

	2020	2021	2022	2023
Q1	6,197,395	6,055,568	4,957,181	6,405,723
Q2	5,586,957	5,765,197	6,239,867	-
Q3	5,414,155	4,445,058	5,937,074	-
Q4	6,491,029	5,343,342	7,106,596	-
<b>Totals</b>	<b>23,689,536</b>	<b>21,609,165</b>	<b>24,240,719</b>	<b>6,405,723</b>



**2023 Budget and YTD % collected: 27,246,473 23.5%**

**2023 YTD to 2022 YTD variance: 1,448,542 29.2%**

### Fund Balance

At the end of the first quarter of 2023, the General Fund's Fund Balance was \$6,362,765; a decrease of \$1,686,091 (21.0%) from the end of 2022 (\$8,041,404). The City is required by code to maintain a fund balance that is equal to or greater than 16.67% of its annual operating expenditures. At March 31<sup>st</sup>, the General Fund's Fund Balance was 23.4% of annual operating expenditures. It should be noted that the collection of property tax influences the level of fund balance on a quarterly basis. Property tax is collected in the second and fourth quarters of each year resulting in increased fund balance in those quarters and decreased fund balance in the first and third quarters.

## 2023 1ST QUARTER FINANCIAL REPORT

### General Fund Details

General Fund Summary of Sources and Uses	2023			2023 YTD Budget vs Actual		2023
	Adopted Budget	YTD Budget	YTD Actual	Amount	Percentage	Remaining Budget
<b>Operating Revenues</b>						
Property Tax	\$ 5,522,043	\$ 1,380,511	\$ 247,728	\$ (1,132,783)	-82%	\$ 5,274,315
Utility Tax	4,550,105	1,137,526	1,218,246	80,719	7%	3,331,859
Sales Tax	3,965,875	991,469	999,839	8,371	1%	2,966,036
B+O Tax	1,338,550	334,638	413,438	78,801	24%	925,112
Franchise Fees	1,130,000	282,500	347,625	65,125	23%	782,375
Criminal Justice Tax	1,187,500	296,875	302,253	5,378	2%	885,247
Gambling Tax	50,000	12,500	1,159	(11,341)	-91%	48,841
Leasehold Tax	239,000	59,750	53,147	(6,603)	-11%	185,853
<b>Taxes Subtotal</b>	<b>\$ 17,983,073</b>	<b>\$ 4,495,768</b>	<b>\$ 3,583,435</b>	<b>\$ (912,333)</b>	<b>-20%</b>	<b>\$ 14,399,638</b>
Business Licenses and Permits	231,000	57,750	111,615	53,865	93%	119,385
Other Licenses and Permits	12,000	3,000	8,681	5,681	189%	3,319
Intergovernmental (Grants, etc.)	1,016,020	254,005	281,132	27,127	11%	734,888
Charges for Services:						
General Government Services	263,000	65,750	88,463	22,713	35%	174,537
Court	94,624	23,656	16,545	(7,111)	-30%	78,079
Public Safety	80,900	20,225	25,333	5,108	25%	55,567
Culture and Recreation	718,900	179,725	56,050	(123,675)	-69%	662,850
Red Light Running Infractions	1,200,000	300,000	344,990	44,990	15%	855,010
Other fees and penalties	157,850	39,463	19,331	(20,131)	-51%	138,519
<b>Fees/Charges/Fines Subtotal</b>	<b>\$ 3,774,294</b>	<b>\$ 943,574</b>	<b>\$ 952,140</b>	<b>\$ 8,566</b>	<b>1%</b>	<b>\$ 2,822,154</b>
Interest Income	40,000	10,000	8,784	(1,216)	-12%	31,216
Rentals and Leases	344,869	86,217	167,769	81,552	95%	177,100
Contributions and Donations	10,600	2,650	3,385	735	28%	7,215
Miscellaneous	25,925	6,481	4,119	(2,362)	-36%	21,806
Interfund Charges	1,571,728	392,932	0	(392,932)	-100%	1,571,728
Transfers In	1,058,759	264,690	0	(264,690)	-100%	1,058,759
<b>Other Revenues Subtotal</b>	<b>\$ 3,051,881</b>	<b>\$ 762,970</b>	<b>\$ 184,057</b>	<b>\$ (578,913)</b>	<b>-76%</b>	<b>\$ 2,867,824</b>
<b>Total Operating Revenues</b>	<b>\$ 24,809,248</b>	<b>\$ 6,202,312</b>	<b>\$ 4,719,632</b>	<b>\$ (1,482,680)</b>	<b>-24%</b>	<b>\$ 20,089,616</b>
<b>Operating Expenditures</b>						
City Council	\$ 96,129	\$ 24,032	\$ 13,618	(10,414)	-43%	82,511
City Manager/Administration	1,627,728	406,932	617,530	210,598	52%	1,010,198
City Clerk	718,782	179,696	266,490	86,794	48%	452,292
Human Resources	542,420	135,605	123,445	(12,160)	-9%	418,975
Finance	1,425,025	356,256	375,546	19,289	5%	1,049,479
Technology Services	1,322,951	330,738	319,832	(10,906)	-3%	1,003,119
City Attorney	881,428	220,357	202,184	(18,173)	-8%	679,244
Municipal Court	1,735,114	433,779	355,264	(78,515)	-18%	1,379,850
Public Safety - Business Office	1,244,972	311,243	282,317	(28,926)	-9%	962,655
Police	11,393,049	2,848,262	3,016,001	167,739	6%	8,377,048
Social Services	486,416	121,604	113,344	(8,260)	-7%	373,072
Parks, Recreation, and Senior Services	5,283,559	1,320,890	720,154	(600,736)	-45%	4,563,405
Transfers Out	488,900	122,225	-	(122,225)	-100%	488,900
<b>Total Operating Expenditures</b>	<b>\$ 27,246,473</b>	<b>\$ 6,811,618</b>	<b>\$ 6,405,723</b>	<b>\$ (405,895)</b>	<b>-6%</b>	<b>\$ 20,840,750</b>
<b>Total Operating Income (Loss)</b>	<b>\$ (2,437,225)</b>	<b>\$ (609,306)</b>	<b>\$ (1,686,091)</b>	<b>\$ (1,076,785)</b>		

\*\* March is month 3 of 12 = 25%

BEGINNING FUND BALANCE	8,041,404	
ENDING FUND BALANCE	<u>6,355,313</u>	23.3%

16.67% Minimum Ending Fund Balance	<u>4,541,987</u>
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## 2023 1ST QUARTER FINANCIAL REPORT

### City of Des Moines Deposits and Investment Portfolio Year-to-date March 31, 2023

Security Type	Fair Value as of 1/1/2023	2023 Activity	Fair Value as of 3/31/2023	% of Portfolio
Federal Farm Credit Bank	\$ 9,024,625	\$ 101,505	\$ 9,126,130	19.1%
Federal Home Loan Bank	4,264,860	53,025	4,317,885	9.0%
Federal Home Loan Mtg. Corp.	6,228,667	71,928	6,300,595	13.2%
Federal Agricultural Mortgage Corp	748,485	(878)	747,608	1.6%
Federal National Mortgage Association	1,422,975	18,930	1,441,905	3.0%
US Treasury Notes/Bonds	5,294,300	55,515	5,349,815	11.2%
United States Treasury STRIP	2,819,324	40,783	2,860,107	6.0%
Key Bank	3,573,280	285,617	3,858,897	8.1%
LGIP	17,193,610	(3,324,674)	13,868,936	29.0%
<b>Total</b>	<b>\$ 50,570,126</b>	<b>\$ (2,698,249)</b>	<b>\$ 47,871,877</b>	<b>100.0%</b>

Bond Investments	29,803,236	59%	30,144,044	63%
Local Government Investment Pool	17,193,610	34%	13,868,936	29%
Key Bank Account	3,573,280	7%	3,858,897	8%
	<b>\$ 50,570,126</b>	<b>100%</b>	<b>\$ 47,871,877</b>	<b>95%</b>