



CITY OF RICHLAND, WASHINGTON

Public Works Utilities Financial Statements

For the Quarter Ended

June 30, 2024

(Unaudited)

Prepared by:

Finance Department

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CITY OF RICHLAND, WASHINGTON
PUBLIC WORKS UTILITIES FINANCIAL STATEMENTS
June 30, 2024

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City of Richland~WATER FUND~ 2nd QTR -As of June 30, 2024 and June 30, 2023

STATEMENT OF NET POSITION

	2024	2023	Incr(Decr)		2024	2023	Incr(Decr)
ASSETS				DEFERRED OUTFLOW OF RESOURCES			
<i>Current:</i>							
Cash & equivalents				Deferred amount on refunding debt	143,349	154,521	(11,172)
Unrestricted	8,007,131	6,561,740	1,445,390	Deferred amount pension and OPEB	455,682	543,746	(88,064)
Investments	(694,035)	(1,220,253)	526,218	Total deferred outflow of resources	599,030	698,266	(99,236)
Deposit with Third Party	5,775	5,775	-	LIABILITIES			
<i>Receivables:</i>				<i>Current:</i>			
Customer accounts (net)	1,012,839	943,151	69,688	Accounts payable & accrued expenses	495,793	229,502	266,292
Due from other funds	-	-	-	Interest on outstanding debt	87,111	116,517	(29,406)
Due from other governments	-	-	-	Payable to other governments	65,394	70,891	(5,498)
Special Assessments	11,498	12,120	(622)	Notes payable-current portion	233,622	407,289	(173,667)
Interfund loans	3,890	3,890	-	Deposits payable	94,185	44,263	49,922
Unspent Bond Proceeds	-	-	-	Compensated absences-current portion	165,500	141,477	24,023
Prepaid items	143,800	98,187	45,613	Total OPEB liability - current	21,314	29,360	(8,046)
Inventory	338,386	524,285	(185,899)	Revenue bonds payable-current portion	524,888	829,578	(304,690)
Total current assets	8,829,284	6,928,896	1,900,388	Total current liabilities	1,687,807	1,868,877	(181,069)
<i>Noncurrent:</i>				<i>Noncurrent:</i>			
Restricted Cash & equivalents				Unearned Revenue	60,332	70,851	(10,519)
Unspent bond proceeds	-	-	-	Compensated absences	165,500	141,477	24,023
Bond Reserve	947,331	980,082	(32,752)	Net pension and OPEB liability	457,571	610,380	(152,809)
Scheduled debt repayments	975,322	1,164,069	(188,747)	Notes & loans payable	1,465,999	1,699,622	(233,622)
Facilities fees	6,599,689	8,888,492	(2,288,803)	Revenue bonds payable	10,271,990	10,883,615	(611,626)
Net pension asset	510,555	520,105	(9,550)	Total noncurrent liabilities	12,421,392	13,405,945	(984,553)
Restricted Investments				Total liabilities	14,109,199	15,274,822	(1,165,623)
Bond Reserve	-	-	-	DEFERRED INFLOW OF RESOURCES			
<i>Receivables</i>				<i>Deferred amount on pension and OPEB</i>			
Special Assessments - LT	60,332	70,851	(10,519)		416,058	765,589	(349,530)
Interfund Loans	-	3,890	(3,890)	Total deferred inflow of resources	416,058	765,589	(349,530)
Capital assets:				NET POSITION			
Land	5,604	5,604	-	Net investment in capital assets	81,790,566	78,455,665	3,334,901
Depreciable assets (net)	5,548,968	4,804,517	744,450	Restricted for:			
Infrastructure (net)	79,795,756	80,088,946	(293,190)	Pension assets	650,470	488,438	162,032
Construction in progress	11,400,807	9,227,024	2,173,783	Debt service	1,304,123	1,526,739	(222,616)
Total capital assets	96,751,134	94,126,090	2,625,044	Capital improvements	6,273,430	8,512,151	(2,238,721)
Total noncurrent assets	105,844,363	105,753,579	90,784	Unrestricted	10,728,831	8,357,338	2,371,493
Total assets	114,673,647	112,682,475	1,991,172	Total net position	100,747,420	97,340,331	3,407,089

STATEMENT OF REVENUES, EXPENSES & CHANGES IN NET POSITION

	2024	2023	Incr(Decr)		2024	2023	Incr(Decr)
OPERATING REVENUES				NONOPERATING REVENUES (EXPENSES)			
<i>Charges for services:</i>				<i>Interest earnings</i>			
Rate revenues	3,910,494	3,780,644	129,850		130,351	85,211	45,141
All others	-	-	-	Adjustment for Fair Market Value	-	-	-
Other operating revenues	-	-	-	Interest expense	(99,374)	(89,527)	(9,847)
Total operating revenues	3,910,494	3,780,644	129,850	Debt costs	-	-	-
OPERATING EXPENSES				<i>All other nonoperating revenues (expenses)</i>			
Maintenance & Operations	1,623,330	1,352,922	270,408		9,874	-	9,874
Administration & general	527,877	503,572	24,305	Total nonoperating revenues (expenses)	40,851	(4,316)	45,167
Taxes	661,969	619,214	42,756	Income before capital contributions and transfers	347,934	538,570	(190,636)
Depreciation	790,235	762,050	28,185	Capital contributions	174,136	264,390	(90,254)
Total operating expenses	3,603,411	3,237,758	365,654	Transfers in	-	-	-
Operating income (loss)	307,083	542,886	(235,803)	Transfers out	(5,000)	(5,000)	-
				Change in net position	517,070	797,960	(280,890)
				Net position-beginning	100,230,350	96,542,372	3,687,979
				Prior period adjustment	-	-	-
				Net position-ending	100,747,420	97,340,331	3,407,089

City of Richland~WASTEWATER FUND~ 2nd QTR As of June 30, 2024 and June 30, 2023

STATEMENT OF NET POSITION

	2024	2023	Incr(Decr)		2024	2023	Incr(Decr)
ASSETS				DEFERRED OUTFLOW OF RESOURCES			
<i>Current:</i>				Deferred amount on refunding debt	181,694	197,503	(15,810)
Cash & equivalents				Deferred amount pension and OPEB	443,311	512,039	(68,728)
Unrestricted	(2,545,533)	2,713,833	(5,259,365)	Total deferred outflow of resources	625,004	709,542	(84,538)
Investments	(254,380)	(820,418)	566,038				
Deposit with Third Party	2,650	2,650	-	LIABILITIES			
				<i>Current:</i>			
Receivables:				Accounts payable & accrued expenses	160,816	1,447,325	(1,286,508)
Customer accounts (net)	622,544	661,021	(38,476)	Interest on outstanding debt	41,834	38,631	3,204
Due from other funds	-	-	-	Payable to other governments	26,293	25,348	946
Due from other governments	-	-	-	Notes payable-current portion	84,485	82,073	2,412
Special Assessments	10,703	11,282	(579)	Deposits payable	88,020	9,069	78,950
Interfund loans	-	-	-	Compensated absences-current portion	83,642	76,281	7,361
				Total OPEB liability - current	14,010	11,824	2,186
Prepaid items	123,227	120,468	2,759	Revenue bonds payable-current portion	320,113	720,423	(400,310)
Inventory	1,040	1,040	-	Total current liabilities	819,214	2,410,973	(1,591,760)
Total current assets	(2,039,747)	2,689,876	(4,729,623)				
				<i>Noncurrent:</i>			
Noncurrent:				Unearned Revenue	212,161	221,953	(9,792)
Restricted Cash & equivalents				Compensated absences	83,642	76,281	7,361
Unspent bond proceeds	-	-	-	Net pension and OPEB liability	373,422	418,454	(45,032)
Bond Reserve	511,433	548,191	(36,759)	Notes & loans payable	561,683	646,169	(84,485)
Scheduled debt repayments	496,765	778,534	(281,769)	Revenue bonds payable	5,859,493	6,242,567	(383,074)
Facilities fees	6,747,986	7,746,869	(998,883)	Total noncurrent liabilities	7,090,401	7,605,423	(515,022)
Net pension asset	503,786	508,865	(5,079)				
Restricted Investments				Total liabilities	10,080,673	10,080,673	(2,106,782)
Receivables				DEFERRED INFLOW OF RESOURCES			
Special Assessments - LT	56,161	65,953	(9,792)	Deferred amount on pension and OPEB	370,399	629,364	(258,965)
Interfund Loans	-	-	-	Total deferred inflow of resources	370,399	629,364	(258,965)
Capital assets:				NET POSITION			
Land	-	-	-	Net investment in capital assets	62,275,671	54,591,747	7,683,924
Depreciable assets (net)	12,029,323	10,310,709	1,718,613	Restricted for:			
Infrastructure (net)	48,348,692	48,398,760	(50,068)	Pension assets	641,847	477,883	163,964.00
Construction in progress	11,215,154	6,702,520	4,512,634	Debt service	721,871	837,367	(115,495)
Total capital assets	71,593,168	65,411,990	6,181,179	Capital improvements	6,168,551	7,126,968	(958,417)
Total noncurrent assets	79,909,299	75,060,402	4,848,897	Unrestricted	406,602	4,780,094	(4,373,492)
Total assets	77,869,552	77,750,278	119,274	Total net position	70,214,543	67,814,059	2,400,483

STATEMENT OF REVENUES, EXPENSES & CHANGES IN NET POSITION

	2024	2023	Incr(Decr)		2024	2023	Incr(Decr)
OPERATING REVENUES				NONOPERATING REVENUES (EXPENSES)			
Charges for services:				Interest earnings	40,760	56,522	(15,762)
Rate revenues	2,608,938	2,576,817	32,120	Adjustment for Fair Market Value	-	-	-
All others	-	-	-	Interest expense	(44,957)	(47,037)	2,080
Other operating revenues	-	-	-	Debt costs	-	-	-
Total operating revenues	2,608,938	2,576,817	32,120	All other nonoperating revenues (expenses)	(5,117)	-	(5,117)
				Total nonoperating revenues (expenses)	(9,314)	9,485	(18,799)
OPERATING EXPENSES				Income before capital contributions and transfers	130,672	287,941	(157,269)
Maintenance & Operations	1,193,992	1,064,454	129,538	Capital contributions	224,062	339,895	(115,833)
Administration & general	379,455	370,781	8,674	Transfers in	450	-	450
Taxes	348,611	350,247	(1,636)	Transfers out	(1,250)	(1,250)	-
Depreciation	546,894	512,880	34,014	Change in net position	353,934	626,586	(272,652)
Total operating expenses	2,468,952	2,298,361	170,590	Net position-beginning	69,860,609	67,187,473	2,673,135
Operating income (loss)	139,986	278,456	(138,470)	Prior period adjustment	-	-	-
				Net position-ending	70,214,543	67,814,059	2,400,483

City of Richland~SOLID WASTE FUND~ 2nd QTR As of June 30, 2024 and June 30, 2023

STATEMENT OF NET POSITION

	2024	2023	Incr(Decr)		2024	2023	Incr(Decr)
ASSETS				DEFERRED OUTFLOW OF RESOURCES			
<i>Current:</i>				Deferred amount on refunding debt	-	-	-
Cash & equivalents				Deferred amount pension and OPEB	541,330	616,900	(75,571)
Unrestricted	6,490,877	7,397,645	(906,768)	Total deferred outflow of resources	541,330	616,900	(75,571)
Investments	(358,335)	(704,487)	346,152				
Deposit with Third Party	1,050	1,050	-	LIABILITIES			
				<i>Current:</i>			
Receivables:				Accounts payable & accrued expenses	516,402	990,005	(473,603)
Customer accounts (net)	1,097,218	936,418	160,800	Interest on outstanding debt	2,842	3,032	(189)
Due from other funds	-	-	-	Payable to other governments	406	379	27
Due from other governments	-	-	-	Notes payable-current portion	210,526	210,526	-
Special Assessments	-	-	-	Deposits payable	-	-	-
Interfund loans	-	-	-	Compensated absences-current portion	162,207	166,046	(3,839)
Prepaid items	71,941	89,810	(17,869)	Total OPEB liability - current	4,277	3,563	714
Inventory	-	-	-	Revenue bonds payable-current portion	-	-	-
Total current assets	7,302,751	7,720,435	(417,684)	Total current liabilities	896,659	1,373,550	(476,891)
<i>Noncurrent:</i>				<i>Noncurrent:</i>			
<i>Restricted Cash & equivalents</i>				Unearned Revenue	-	-	-
Unspent bond proceeds	-	-	-	Compensated absences	162,207	166,046	(3,839)
Bond Reserve	-	-	-	Net pension and OPEB liability	319,128	398,601	(79,473)
Scheduled debt repayments	20,386	20,575	(189)	Notes & loans payable	2,947,368	3,157,895	(210,526)
Landfill closure	6,814,300	6,564,773	249,527	Landfill Closure liability	7,906,529	8,281,687	(375,158)
Net pension asset	628,719	625,968	2,751	Total noncurrent liabilities	11,335,233	12,004,229	(668,996)
Receivables	-	-	-				
Special Assessments - LT	-	-	-	Total liabilities	12,231,892	13,377,779	(1,334,154)
Interfund Loans	-	-	-				
Capital assets:				DEFERRED INFLOW OF RESOURCES			
Land	80,500	80,500	-	Deferred amount on pension and OPEB	386,733	696,425	(309,693)
Depreciable assets (net)	7,509,970	7,674,521	(164,552)	Total deferred inflow of resources	386,733	696,425	(309,693)
Infrastructure (net)	-	-	-				
Construction in progress	2,831,628	2,100,716	730,912				
Total capital assets	10,422,097	9,855,737	566,360				
Total noncurrent assets	17,885,503	17,067,054	818,448	NET POSITION			
Total assets	25,188,254	24,787,489	400,764	Net investment in capital assets	7,006,038	4,508,615	2,497,423
				Restricted for:			
				Pension assets	801,017	587,856	213,161
				Debt service	144,028	145,354	(1,326)
				Capital improvements	(1,218,417)	(1,823,558)	605,141
				Unrestricted	6,378,293	7,911,918	(1,533,625)
				Total net position	13,110,959	11,330,185	1,780,774

STATEMENT OF REVENUES, EXPENSES & CHANGES IN NET POSITION

	2024	2023	Incr(Decr)		2024	2023	Incr(Decr)
OPERATING REVENUES				NONOPERATING REVENUES (EXPENSES)			
Charges for services:				Interest earnings	124,017	99,972	24,045
Rate revenues	3,327,237	3,154,410	172,827	Adjustment for Fair Market Value	-	-	-
All others	-	-	-	Interest expense	(8,905)	(9,474)	568
Other operating revenues	16,351	19,819	(3,468)	Debt costs	-	-	-
Total operating revenues	3,343,589	3,174,229	169,360	All other nonoperating revenues (expenses)	7,235	2,770	4,465
				Total nonoperating revenues (expenses)	122,347	93,268	29,078
				Income before capital contributions and transfers	166,853	453,023	(286,170)
OPERATING EXPENSES							
Maintenance & Operations	2,443,579	1,966,819	476,760	Capital contributions	-	-	-
Administration & general	323,371	334,126	(10,754)	Transfers in	-	-	-
Taxes	431,638	402,131	29,507	Transfers out	-	-	-
Depreciation	100,494	111,399	(10,905)	Change in net position	166,853	453,023	(286,170)
Total operating expenses	3,299,082	2,814,474	484,608	Net position-beginning	12,944,105	10,877,162	2,066,943
Operating income (loss)	44,507	359,755	(315,248)	Prior period adjustment	-	-	-
				Net position-ending	13,110,959	11,330,185	1,780,774

City of Richland~STORMWATER FUND~ 2nd QTR As of June 30, 2024 and June 30, 2023

STATEMENT OF NET POSITION

	2024	2023	Incr(Decr)		2024	2023	Incr(Decr)
ASSETS				DEFERRED OUTFLOW OF RESOURCES			
<i>Current:</i>				Deferred amount on refunding debt	40,838	43,687	(2,849)
Cash & equivalents				Deferred amount pension and OPEB	31,834	49,195	(17,361)
Unrestricted	2,918,815	2,849,618	69,197	Total deferred outflow of resources	72,672	92,882	(20,210)
Investments	(82,031)	(116,750)	34,719				
Deposit with Third Party	-	-	-	LIABILITIES			
				<i>Current:</i>			
Receivables:				Accounts payable & accrued expenses	11,199	493,911	(482,712)
Customer accounts (net)	106,311	109,722	(3,412)	Interest on outstanding debt	4,927	5,165	(238)
Due from other funds	-	-	-	Payable to other governments	(42,875)	3,068	(45,943)
Due from other governments	68,496	3,496	65,000	Notes payable-current portion	-	10,945	(10,945)
Special Assessments	-	-	-	Deposits payable	-	-	-
Interfund loans	-	-	-	Compensated absences-current portion	3,447	3,189	259
				Total OPEB liability - current	2,138	3,563	(1,424)
Prepaid items	2,399	1,957	442	Revenue bonds payable-current portion	30,000	30,000	-
Inventory	-	-	-	Total current liabilities	8,837	549,840	(541,003)
Total current assets	3,013,989	2,848,043	165,946				
				<i>Noncurrent:</i>			
Noncurrent:				Unearned Revenue	-	-	-
Restricted Cash & equivalents				Compensated absences	3,448	3,189	259
Unspent bond proceeds	-	-	-	Net pension and OPEB liability	38,889	64,175	(25,286)
Bond Reserve	59,319	60,106	(787)	Notes & loans payable	-	-	-
Scheduled debt repayments	39,233	43,800	(4,566)	Revenue bonds payable	681,540	716,880	(35,340)
Net pension asset	34,982	45,963	(10,981)	Total noncurrent liabilities	723,876	784,244	(60,367)
				Total liabilities	732,713	1,334,084	(601,370)
Restricted Investments							
Unspent bond proceeds	-	-	-	DEFERRED INFLOW OF RESOURCES	32,384	74,511	(42,127)
				Deferred amount on pension and OPEB	32,384	74,511	(42,127)
Receivables	-	-	-	Total deferred inflow of resources			
Special Assessments - LT	-	-	-				
Interfund Loans	-	-	-	NET POSITION			
				Net investment in capital assets	14,139,594	13,050,398	1,089,196
Capital assets:				Restricted for:			
Land	8,587	8,587	-	Pension assets	44,568	43,164	1,404
Depreciable assets (net)	9,445	11,244	(1,799)	Debt service	72,894	73,881	(987)
Infrastructure (net)	14,523,816	12,623,773	1,900,043	Capital improvements	-	-	-
Construction in progress	139,446	1,448,703	(1,309,257)	Unrestricted	2,879,335	2,607,064	272,271
Total capital assets	14,681,293	14,092,308	588,986	Total net position	17,136,391	15,774,507	1,361,884
Total noncurrent assets	14,814,828	14,242,176	572,651				
Total assets	17,828,817	17,090,220	738,597				

STATEMENT OF REVENUES, EXPENSES & CHANGES IN NET POSITION

	2024	2023	Incr(Decr)		2024	2023	Incr(Decr)
OPERATING REVENUES				NONOPERATING REVENUES (EXPENSES)			
Charges for services:				Interest earnings	20,462	12,175	8,287
Rate revenues	515,744	515,356	387	Adjustment for Fair Market Value	-	-	-
All others	-	-	-	Interest expense	(6,590)	(7,007)	418
Other operating revenues	-	-	-	Debt costs	-	-	-
Total operating revenues	515,744	515,356	387	All other nonoperating revenues (expenses)	0	3,162	(3,162)
				Total nonoperating revenues (expenses)	13,873	8,330	5,543
				Income before capital contributions and transfers	(1,431)	76,546	(77,977)
OPERATING EXPENSES				Capital contributions	-	-	-
Maintenance & Operations	204,645	163,610	41,035	Transfers in	-	-	-
Administration & general	164,191	144,161	20,030	Transfers out	-	-	-
Taxes	59,121	54,473	4,648	Change in net position	(1,431)	76,546	(77,977)
Depreciation	103,090	84,896	18,194	Net position-beginning	17,137,822	15,697,960	1,439,861
Total operating expenses	531,047	447,140	83,907	Prior period adjustment	-	-	-
Operating income (loss)	(15,303)	68,217	(83,520)	Net position-ending	17,136,391	15,774,507	1,361,884

City of Richland, Washington

Water Utility

Notes to the Financial Statements

June 30, 2024

1. The Water fund activities increased net position in the 2nd Quarter of 2024 by \$517,070, a decrease of \$280,890 compared to 2023. Operating income was \$307,083 which was a 43.4% decrease compared to the same quarter from last year. The operating expenses were \$3.6 million, an 11.3% increase compared to the second quarter of 2023. Maintenance and operations expenses increased by \$270,408, administration expenses increased by \$24,305, depreciation increased by \$28,185, and taxes increased by \$42,756. Payroll expense of \$156,901 made up most of the increase in maintenance and operations with another \$136,207 increase in software for the meter data management system making up the rest. The maintenance and operational expenses tend to vary based on the equipment repairs or the timing of supplies.
2. Nonoperating revenue increased by \$45,167 compared to the second quarter in 2023. Interest income increased by \$45,141, interest expense decreased \$9,847, and nonoperating revenue increased \$9,874. Most of the difference in interest expense was due to reduced interest after paying off a water main replacement loan last year. The nonoperating revenue came from a small portion of land sale in the Horn Rapids development area.
3. On the balance sheet total assets were \$114,673,647, an increase of almost \$2.0 million over 2023. Total current assets were \$8.8 million, an increase of \$1.9 million or 27% over the same period last year. There were increases in unrestricted cash of \$1.4 million, investments of \$526,218, customer receivables of \$69,668, and prepaids of \$45,613. The main decrease of \$185,899 was in inventory.
4. Noncurrent assets increased by \$90,784, with a \$2.6 million increase in capital assets. Most of this increase was in construction in progress of \$2.2 million and another \$744,450 in depreciable assets. In addition, there was a decrease in infrastructure of \$293,190. All of this was offset by a non-capital decrease of \$2.3 million in facilities fees and \$188,747 in scheduled debt repayments. The facilities fees were used to fund several capital projects including the Columbia River intake screen upgrade, the Tapteal 1 Booster Pump Station, and the irrigation well drilling for the Chief Joseph school in 2023. Most of the construction in progress can be attributed to the 400 area booster pump stations project.
5. Current liabilities decreased by \$181,069, consisting of increases in accounts payable of \$266,292 and another \$49,922 in deposits payable. The decreases were from revenue bonds payable of \$304,690 and another \$173,667 from notes payable. Notes payable decreased because the loan for the Torbett water main replacement was paid off last year. The noncurrent liabilities decreased by \$1.2 million with most of the decrease coming from revenue bonds payable of \$611,626 and notes and loan payable of \$233,622. The revenue bonds decreased due to the 2014 Waterworks revenue bond being paid off last year.
6. The Water Utility recognized \$174,136 in facility development fee revenue (capital contributions) in the second quarter of 2024 and \$332,964 total year-to-date. According to Governmental Accounting Standard Board (GASB) Statement No. 33, capital contributions from external sources are to be recognized as revenue in the current year rather than as a direct increase to contributed capital.

City of Richland, Washington
Wastewater Utility
Notes to the Financial Statements
June 30, 2024

1. The Wastewater fund activities increased net position in the 2nd Quarter of 2024 by \$353,934 and decreased by \$272,652 compared to the same quarter in 2023. Operating income was \$139,986, a 49.7% decrease from last year. The operating expenses were \$2.5 million, a 7.4% increase over the same time period from 2023. This increase of \$170,590 consisted of additions in maintenance and operations expenses of \$129,538, depreciation of \$34,014, administration expenses of \$8,674, and a decrease of \$1,636 in taxes. Payroll expenses made up most of the maintenance and operations expense increase. The maintenance and operational expenses tend to vary based on the equipment repairs or the timing of supplies.
2. Nonoperating revenue decreased by \$18,799 in 2024, due to an increase of \$2,080 in interest expense, a decrease of \$15,762 in interest earnings, and a decrease of \$5,117 in nonoperating revenue. This revenue consisted of LID payments and a sale of land allocated to the Utility in the Horn Rapids development area.
3. On the balance sheet total assets were \$77.9 million, an increase of \$4.8 million over 2023. Total current assets were (\$2.0 million), a decrease from last year of \$4.7 million. Most of this decrease was due to a reduction in unrestricted cash of \$5.2 million and an increase in investments of \$566,038. Most of this decrease was to fund the capital asset work being done last year.
4. Noncurrent assets increased by \$4.8 million in 2024 with all the increase in capital assets. Capital assets increased almost \$6.2 million with increases in construction in progress of \$4.5 million, in depreciable assets of \$1.7 million, and a decrease in infrastructure of \$50,068. The other non-capital decreases included \$998,883 in facilities fees, \$281,769 in scheduled debt repayments and \$36,759 in bond reserves. Facilities fees were used to fund capital projects in 2023 including improvements at the Wastewater Treatment Plant and rehabilitation to the wastewater collection system. Most of the construction in progress of \$4.5 million was in the Aeration Basin retrofit project at the Wastewater Treatment Plant.
5. Current liabilities decreased by \$1.6 million, with most of that amount coming from decreases of \$1.3 million in accounts payable and another \$400,310 in the current portion of revenue bonds payable. The decrease in accounts payable was due to work performed in 2023 for the Aeration Basin project. Revenue bonds payable decreased due to the 2014 Waterworks revenue and refunding bond being paid off last year. The noncurrent liabilities decreased by \$515,022. The decrease was due primarily to \$383,074 in long term revenue bonds payable, \$84,485 in notes & loan payable, and \$45,032 in net pension and OPEB liability.
6. The Wastewater Utility recognized \$224,062 in facility development fee revenue (capital contributions) in the second quarter of 2024. The year-to-date total is \$432,420. According to Governmental Accounting Standard Board (GASB) Statement No. 33, capital contributions from external sources are to be recognized as revenue in the current year rather than as a direct increase to contributed capital.

City of Richland, Washington
Solid Waste Utility
Notes to the Financial Statements
June 30, 2024

1. The Solid Waste fund activities increased net position in the 2nd Quarter of 2024 by \$166,853. This was a decrease of \$286,170 compared to 2023. Operating income was \$44,507, an 87.6% decrease compared to the same quarter from last year. The operating expenses were \$3.3 million, a 17.2% increase over 2023. The operating expense increase of \$484,608 consisted of an increase in maintenance and operations expenses of \$476,760, an increase in taxes of \$29,507, a decrease in administration and general expenses of \$10,754, and depreciation expense decreased by \$10,905.
The increase in maintenance and operations expenses consists of an increase in recycling fees of \$310,085, fleet maintenance and operations of \$142,554, and payroll expenses of \$33,818. The City changed the vendor for recycling and there were some issues receiving their billing in a timely manner last year. The increase reflects their billing from September 2023. The maintenance and operational expenses tend to vary based on the equipment repairs or the timing of supplies.
2. Nonoperating revenue increased in 2024 by \$29,078, mostly due to an increase in interest earnings of \$24,045, a decrease in interest expense of \$568, and an increase in nonoperating revenue of \$4,465 from the sale of salvage in 2024.
3. On the balance sheet total assets in 2024 were \$25,188,254 and increased by \$400,764 over 2023. Total current assets in 2024 were \$7.3 million, a decrease of \$417,684 over last year. Most of this was due to a \$906,768 decrease in unrestricted cash, along with a decrease of \$17,869 in prepaids, and offset by increases of \$346,152 in investments and \$160,800 in accounts receivable.
4. Noncurrent assets increased in 2024 by \$818,448, mainly due to an increase of \$566,360 in capital assets. Most of the increase in capital assets was in construction in progress for phase 2 of the landfill closure project.
5. Current liabilities decreased in 2024 by \$476,891, due to a decrease of \$473,603 in accounts payable expenses. The noncurrent liabilities decreased by \$668,996 due to decreases of \$210,526 in notes payable, \$375,158 in landfill closure liability, and \$79,473 in net pension and OPEB liability.

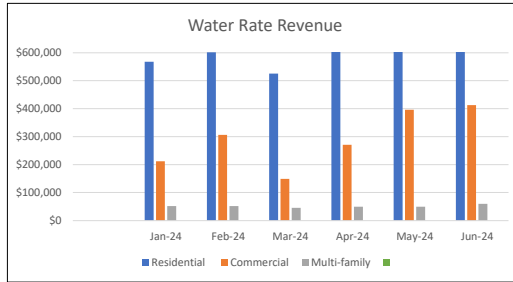
City of Richland, Washington
Stormwater Utility
Notes to the Financial Statements
June 30, 2024

1. The Stormwater fund activities decreased net position in the 2nd Quarter of 2024 by \$1,431 and decreased \$77,977 compared to 2023. Operating income in 2024 was (\$15,303), a decrease of 122.4% compared to the same quarter last year. The operating expenses were \$531,047, an 18.8% increase over 2023. This \$83,907 addition in operating expenses consisted of increases of \$41,035 in maintenance and operations, \$20,030 in administration and general expenses, \$18,194 in depreciation, and \$4,648 in taxes. Operating revenue was \$515,744 and increased by only \$387 compared to the same time period in 2023. Nonoperating revenue increased by \$5,543 due to an \$8,287 increase in interest earnings, and a decrease of \$3,162 in nonoperating revenue. This revenue came from the Department of Ecology for stormwater projects at Leslie Road, Hains Avenue, and the North Richland Upbasin retrofit.
2. On the balance sheet total assets in 2024 were \$17.8 million, an increase of \$738,597 over 2023. Total current assets in 2024 were \$3.0 million, an increase of \$165,946 over the previous year. This was due to increases of \$69,197 in unrestricted cash, \$65,000 in due from other governments, and \$34,719 in investments. The \$65,000 consisted of accrued revenue from the Department of Ecology for the funding of stormwater projects.
3. Noncurrent assets increased in 2024 by \$738,597, with most of the increase coming from capital assets. Capital assets increased by \$1.9 million in infrastructure and decreased by \$1.3 million in construction in progress. The reason for the increase in infrastructure was because several of the projects, including the Hains Avenue outflow, Columbia Park Trail at Leslie Road, and the North Richland Upbasin retrofit, were completed and moved from construction in progress to infrastructure in 2023. There were also slight decreases in non-capital assets of \$10,981 in net pension assets and \$4,566 in scheduled debt repayments.
4. Current liabilities decreased in 2024 by \$541,003 due to decreases of \$482,712 in accounts payable, \$45,943 in payable to other governments and \$10,945 in notes payable. The noncurrent liabilities decreased by \$60,367. These decreases consisted of \$35,340 in long-term revenue bonds payable and \$25,286 in net pension and OPEB liability.

**CITY OF RICHLAND, WASHINGTON
WATER UTILITY
COMPARATIVE MONTHLY WATER ACTIVITY
FOR THE PERIOD ENDED
Jun-24**

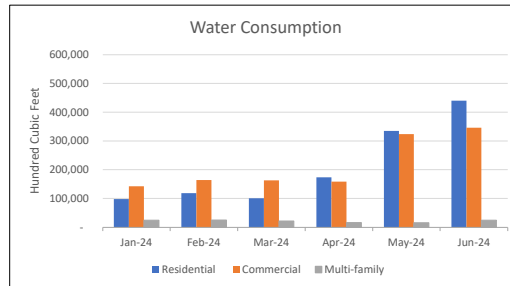
BILLED REVENUES by class type:

	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Total
Residential	567,647	601,139	525,048	609,814	763,517	854,205							3,921,370
Commercial	211,760	306,401	148,600	270,807	396,152	412,466							1,746,186
Multi-family	51,496	51,653	45,230	49,395	49,094	59,364							306,232



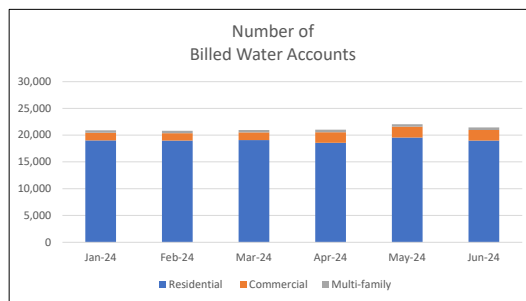
CONSUMPTION by class type:

	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Total
Residential	97,820	118,625	100,780	173,252	334,948	439,852							1,265,277
Commercial	142,390	163,974	162,997	158,531	323,722	345,982							1,297,596
Multi-family	24,380	24,930	21,717	15,913	15,726	24,625							127,291



BILLED ACCOUNTS by class type:

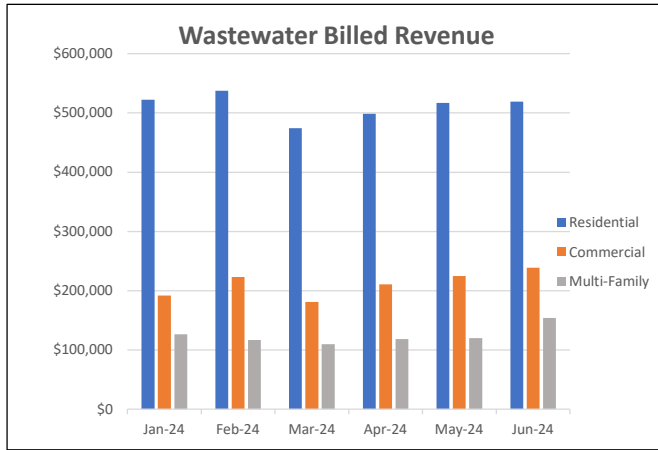
	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Total
Residential	19,017	18,975	19,076	18,555	19,551	18,979							19,026
Commercial	1,424	1,387	1,447	1,989	2,033	1,979							1,710
Multi-family	460	460	443	480	457	474							462



**CITY OF RICHLAND, WASHINGTON
WASTEWATER & SOLID WASTE UTILITIES
COMPARATIVE BILLED REVENUE MONTHLY ACTIVITY
FOR THE PERIOD ENDED
Jun-24**

WASTEWATER BILLED REVENUE - Comparative Months

	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Total
Residential	522,153	537,313	474,213	498,536	516,966	519,229	3,068,410
Commercial	192,081	223,339	181,237	210,629	224,807	238,911	1,271,005
Multi-Family	126,676	116,766	109,699	118,329	120,055	153,795	745,320
Total	840,910	877,418	765,149	827,494	861,828	911,936	2,483,478



SOLID WASTE BILLED REVENUE - Comparative Months

	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Total
Residential	338,890	294,589	255,750	265,413	272,438	272,563	1,699,643
Commercial	270,586	268,698	270,410	249,710	267,706	272,682	1,599,793
Total	609,476	563,287	526,160	515,123	540,144	545,246	3,299,436

