



City of

# WENATCHEE

Washington

# 2026 Budget



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**Cover images** The Apple Capital Loop projects are the largest dollar capital projects the City has undertaken. The cover images show renderings of the East and West sides of the pedestrian bridge project, as well as the Miller Street railroad overpass and the McKittrick Street railroad underpass. The lower right image is a mockup for the aesthetic treatments for the retaining walls.

## INTRODUCTION

### Budget Overview

The 2026 budget was formally adopted by Wenatchee City Council Ordinance 2025-14. 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 2026 capital projects have been built into the individual fund budgets.

### 2026 Budget Priorities

The City has several budget priorities outlined for the development of the 2026 budget. These priorities are developed by the Mayor, Council, Finance Committee, and department directors.

1. Maintain the current level of service while navigating dramatically rising expenses and moderate revenues. Although revenues showed signs of growth in 2025, they have not been able to keep up with the large increases to jail services and public defender contracts.
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. The City should develop a budget that strives to maintain a 50% fund balance in the General Fund. This excludes the resources available in the Rainy Day fund.
4. 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.
5. 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.
6. Maintain General Fund cash balances in 2026 and then grow to levels that will allow the City to successfully cashflow the delayed grant reimbursement cycle of the Apple Capital Loop Project.

## 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 2024-14.

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, City Administrator, and Finance 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 2026 Budget was developed through a group effort of the City Council, Mayor, City Administrator, Finance Committee, directors, staff, and Finance Department. In early summer, the Finance Department estimates salaries and benefits position-by-position. For 2026, 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 Heads

**Mayor**



**Mike Poirier**

Term Ends: December 31, 2027

**City Council**



**Jose Luis Cuevas**  
District 1  
December 31, 2027



**Doug Miller**  
District 2  
December 31, 2029



**Top Rojanasthien**  
District 3  
December 31, 2029



**Travis Hornby**  
District 4  
December 31, 2027



**Charlie Atkinson**  
District 5  
December 31, 2027



**Linda Herald**  
At-Large "A"  
December 31, 2027



**Mayra Navarro Gomez**  
At-Large "B"  
December 31, 2029

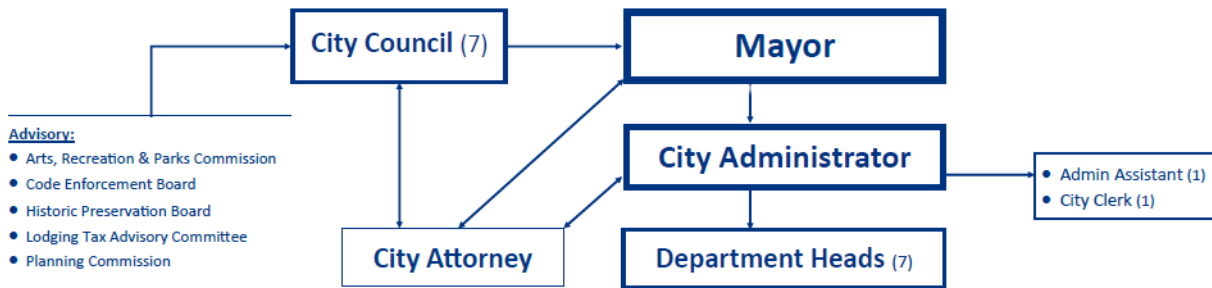
**City Administrator**    Edgar Reinfeld (Interim)

**City Attorney**            Danielle Marchant

**Department Heads**

Brad Posenjak	Finance Director
David Erickson	Parks, Recreation and Cultural Services Director
Edgar Reinfeld	Police Chief
Elizabeth Rossiter	Information Technology Director
Glen DeVries	Community Development Director
Kim Oglesbee	Human Resources Director
Tom Wachholder	Public Works Director

## City of Wenatchee Organizational Chart

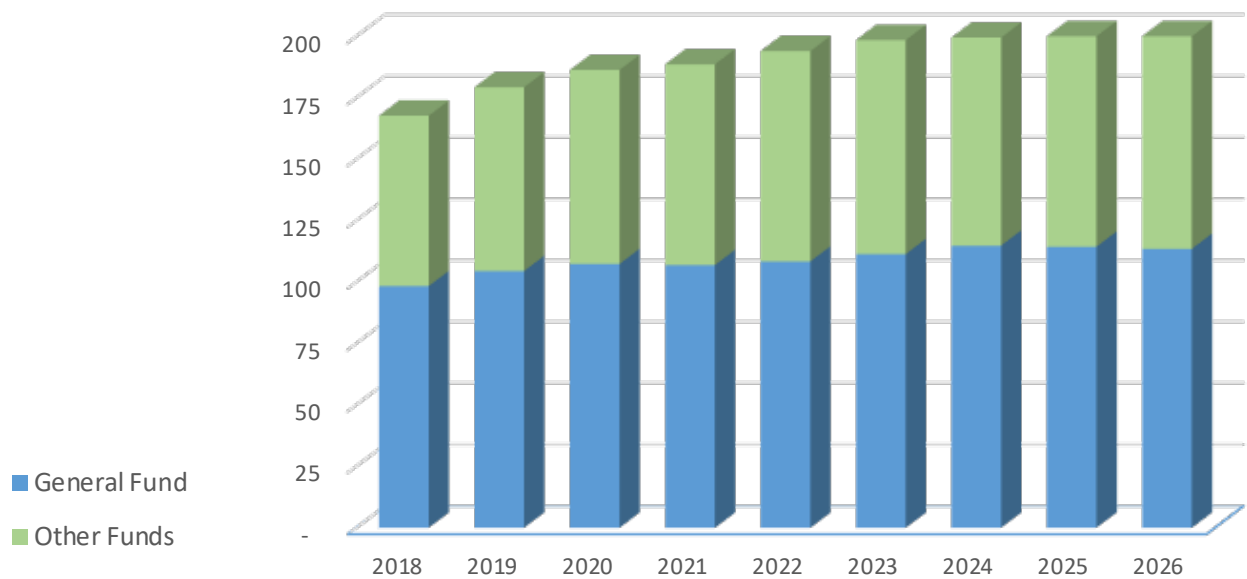


- Advisory:**
- Arts, Recreation & Parks Commission
  - Code Enforcement Board
  - Historic Preservation Board
  - Lodging Tax Advisory Committee
  - Planning Commission

Director of Community Development	Director of Finance	Director of Human Resources	Director of Information Technology	Director of Parks-Rec-Cultural Svcs	Police Chief	Director of Public Works	
<b>16</b>	<b>12</b>	<b>2</b>	<b>4</b>	<b>17</b>	<b>60</b>	<b>80</b>	
<ul style="list-style-type: none"> <li>• Admin Assistant (1)</li> <li>• Homeless Response Administrator (1)</li> <li><u>Planning &amp; Public Services</u></li> <li>• Assistant Director (1)</li> <li>• Principal Planner (1)</li> <li>• Senior Planner (2)</li> <li>• Associate Planner (1)</li> <li>• Public Services Supervisor (1)</li> <li>• Code Enforcement/Permit Specialist (1)</li> <li>• Permit Specialist (1)</li> <li><u>Building</u></li> <li>• Building/Fire Official (1)</li> <li>• Plans Examiner (1)</li> <li>• Bldg/Fire Inspector (1)</li> <li>• Code Compliance Supervisor (1)</li> <li>• Code Compliance Officer (1)</li> <li>• Building Inspector (1)</li> </ul>	<ul style="list-style-type: none"> <li>• Assistant Director (1)</li> <li>• Accountant (1)</li> <li>• Payroll Accounting Specialist (1)</li> <li>• Accounting Technician (2)</li> <li>• Accounting Supervisor (1)</li> <li>• Utility Billing Specialist II (1)</li> <li>• Utility Billing Specialist I (3)</li> <li>• Utility Billing Assistant (2)</li> </ul>	<ul style="list-style-type: none"> <li>• Admin Assistant (1)</li> <li>• Human Resources Generalist (1)</li> </ul>	<ul style="list-style-type: none"> <li>• Network Admin (1)</li> <li>• Systems Admin (1)</li> <li>• Sr Technology Specialist (1)</li> <li>• Technology Specialist (1)</li> </ul>	<ul style="list-style-type: none"> <li>• Admin Asst (1)</li> <li><u>Parks</u></li> <li>• Parks Maintenance Supervisor (1)</li> <li>• MWII-Parks (8)</li> <li>• MWII-Parks (Cemetery) (3)</li> <li>• MWI-Parks (2)</li> <li><u>Recreation</u></li> <li>• Recreation Supervisor (1)</li> <li>• Recreation Coordinator (2)</li> </ul>	<ul style="list-style-type: none"> <li>• Accreditation/Administration Coordinator (1)</li> <li><u>Operations Bureau</u></li> <li>• Captain (1)</li> <li>• Sergeant (5)</li> <li>• Corporal (4)</li> <li>• Police Officer (26)</li> <li>• Parking Enforcement Officer (1)</li> <li>• Technical Services Specialist (1)</li> <li><u>Administrative Bureau</u></li> <li>• Captain (1)</li> <li>• Sergeant (3)</li> <li>• Detective (4)</li> <li>• Police Officer (2)</li> <li>• Records Supervisor (1)</li> <li>• Records Specialist II (2)</li> <li>• Records Specialist I (6)</li> <li>• Records Assistant (1)</li> </ul>	<ul style="list-style-type: none"> <li>• Admin Assistant (1)</li> <li><u>Utilities</u></li> <li>• Deputy Director-Utilities(1)</li> <li>• Stormwater Technician (1)</li> <li>• Utility Project Manager (1)</li> <li>• Water &amp; Collections Mgr (1)</li> <li>• Regional Operator (2)</li> <li>• Water Quality Specialist (1)</li> <li>• Cross/Conn Ctrl Specialist (1)</li> <li>• Water Distribution Supv (1)</li> <li>• UW-Water (7)</li> <li>• Water Services Specialist (2)</li> <li>• Storm/Sewer Collect Supv (1)</li> <li>• UW-Storm/Sewer Collect (4)</li> <li>• WWTP Supervisor (1)</li> <li>• WWTP Maintenance Tech (2)</li> <li>• WWTP Operator (5)</li> <li>• Pretreatment Technician (1)</li> <li>• GIS &amp; Asset Manager (1)</li> <li>• Asset Mgmt Coord (1)</li> <li>• GIS Analyst (1) Tech (1)</li> </ul>	<ul style="list-style-type: none"> <li><u>Engineering</u></li> <li>• City Engineer (1)</li> <li>• Sr Financial Analyst (1)</li> <li>• Traffic/Light Tech (2) Sr (1)</li> <li>• Engineering Svcs Mgr (1)</li> <li>• Asst City Engineer (1)</li> <li>• Sr Utilities Engineer (1)</li> <li>• Sr Project Engineer (2)</li> <li>• Project Engineer (4)</li> <li>• Development Engineer (1)</li> <li>• Staff Engineer (2)</li> <li>• Permit Specialist (1)</li> <li>• Sr Engineering Tech (1)</li> <li><u>Operations</u></li> <li>• Deputy Director-Operations (1)</li> <li>• Admin Assistant (1)</li> <li>• Facilities Manager (1)</li> <li>• Facilities Maint Tech (5)</li> <li>• Street Maint Supv (1)</li> <li>• MWII-Streets (10)</li> <li>• Fleet Supervisor (1)</li> <li>• Mechanic (3)</li> <li>• Lube Technician (1)</li> </ul>

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

<b>General Fund</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
Mayor/Council	3.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Finance	5.5	5.6	5.4	5.4	5.4	6.4	6.4	6.4	6.4
Human Resources	2.0	2.0	2.0	2.0	2.0	3.0	3.0	3.0	3.0
Community Development	15.1	16.0	16.0	15.9	14.9	15.4	15.4	15.6	15.5
Engineering	8.4	9.5	8.3	7.9	9.6	9.6	11.0	10.4	9.6
Economic Development	1.0	1.0	2.0	1.0	-	-	-	-	-
Parks & Recreation	12.4	13.4	13.7	14.4	15.5	16.0	15.0	15.0	15.0
Police	51.0	53.0	56.0	56.3	57.0	57.0	60.0	60.0	60.0
<b>Total General Fund</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>	<b>114.8</b>	<b>114.4</b>	<b>113.5</b>
Convention Center	1.1	1.1	1.2	1.2	1.2	1.2	1.2	1.7	1.4
Streets Maintenance	12.6	12.8	14.8	14.6	14.7	14.7	14.6	15.4	15.6
Homeless Services	-	-	-	-	1.0	-	-	1.0	2.0
Water Utility	15.7	16.8	16.3	17.1	17.6	17.9	17.1	18.8	19.2
Sewer Utility	15.6	17.2	19.1	20.0	21.0	21.6	20.6	20.5	20.7
Storm Drain Utility	5.0	6.8	6.2	6.6	7.9	8.0	7.5	7.7	7.9
Regional Water System	2.2	2.2	2.4	2.4	2.4	2.4	2.4	2.4	2.4
Cemetery	2.1	2.1	2.6	2.6	2.6	3.1	3.1	3.1	3.1
Equipment Rental O&M	6.4	6.2	6.4	6.4	6.4	6.4	6.4	6.4	6.4
Equipment Rental Replacement	0.9	0.9	1.1	0.9	0.9	0.9	0.9	0.9	0.9
Facility Maintenance	2.7	3.7	3.8	4.9	4.9	5.9	5.9	5.4	5.6
Information Technology	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
<b>Total All Funds</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>	<b>199.5</b>	<b>202.7</b>	<b>203.7</b>



### 2026 Budget Ordinance 2025-14, 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	16,000,000	37,859,150	38,038,220	15,820,930
Rainy Day	005	1,800,000	50,000	-	1,850,000
Firemen's Pension	010	1,000,000	78,000	123,000	955,000
Public Arts	101	450,000	35,000	93,000	392,000
PFD Sales Tax	102	-	4,000,000	4,000,000	-
Paths & Trails	103	12,000	3,100	3,000	12,100
Tourism Promotion Area	104	600,000	705,000	778,080	526,920
Convention Center	106	1,000,000	810,000	1,284,940	525,060
Lodging Tax Advisory Committee	107	800,000	2,765,000	2,683,090	881,910
Street Maintenance	108	630,000	4,753,000	5,040,240	342,760
Arterial Streets	109	1,000,000	9,157,730	10,110,670	47,060
Street Overlay	111	3,000,000	2,310,000	4,598,750	711,250
Impact Fees	112	650,000	110,000	200,000	560,000
Low Income Housing	113	190,000	89,000	101,900	177,100
CDBG Entitlement	115	-	282,000	282,000	-
Homeless Services	117	1,400,000	2,360,000	1,858,760	1,901,240
Abatement	118	140,000	28,000	77,000	91,000
General Obligation Bonds	205	4,000	2,851,010	2,843,020	11,990
Real Estate Excise Tax Capital Proj.	301	1,000,000	670,000	1,036,400	633,600
Parks & Recreation Capital Projects	302	500,000	1,970,000	2,100,000	370,000
Economic Development Capital Proj.	304	(6,500,000)	6,520,000	20,000	-
Local Revitalization Financing Prgm.	307	-	1,449,000	1,313,780	135,220
Apple Capital Loop Project	310	750,000	80,923,190	81,157,290	515,900
Convention Center Capital Projects	312	525,000	400,000	925,000	-
Water Utility	401	4,500,000	13,810,900	17,920,710	390,190
Sewer Utility	405	9,000,000	14,421,100	22,695,420	725,680
Storm Drain Utility	410	4,500,000	8,810,790	12,515,620	795,170
Regional Water System	415	11,500,000	4,061,500	6,294,230	9,267,270
Cemetery	430	375,000	425,100	683,990	116,110
Equipment Rental O&M	501	500,000	1,612,040	1,935,240	176,800
Insurance	502	1,500,000	2,411,770	2,232,040	1,679,730
Equipment Rental Replacement	503	2,500,000	1,310,800	1,005,380	2,805,420
Facility Maintenance	504	1,100,000	2,243,200	2,526,320	816,880
Information Technology	505	250,000	2,630,640	2,481,490	399,150
Cemetery Endowment	710	1,400,000	70,000	-	1,470,000
<b>Total Annual Appropriation</b>		<b>62,076,000</b>	<b>211,986,020</b>	<b>228,958,580</b>	<b>45,103,440</b>

## 001 - GENERAL FUND

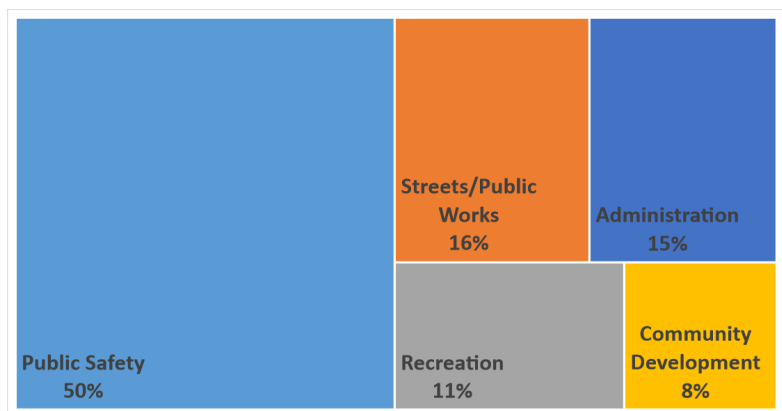
### Summary

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 2026 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 50% 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 includes 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 development.
- Administration provides general services to city departments and citizens and includes functions such as City Council, Mayor’s Office, City Clerk, Human Resources, Finance, City Attorney, debt service, and Cemetery operations support.



Noteworthy General Fund budget matters:

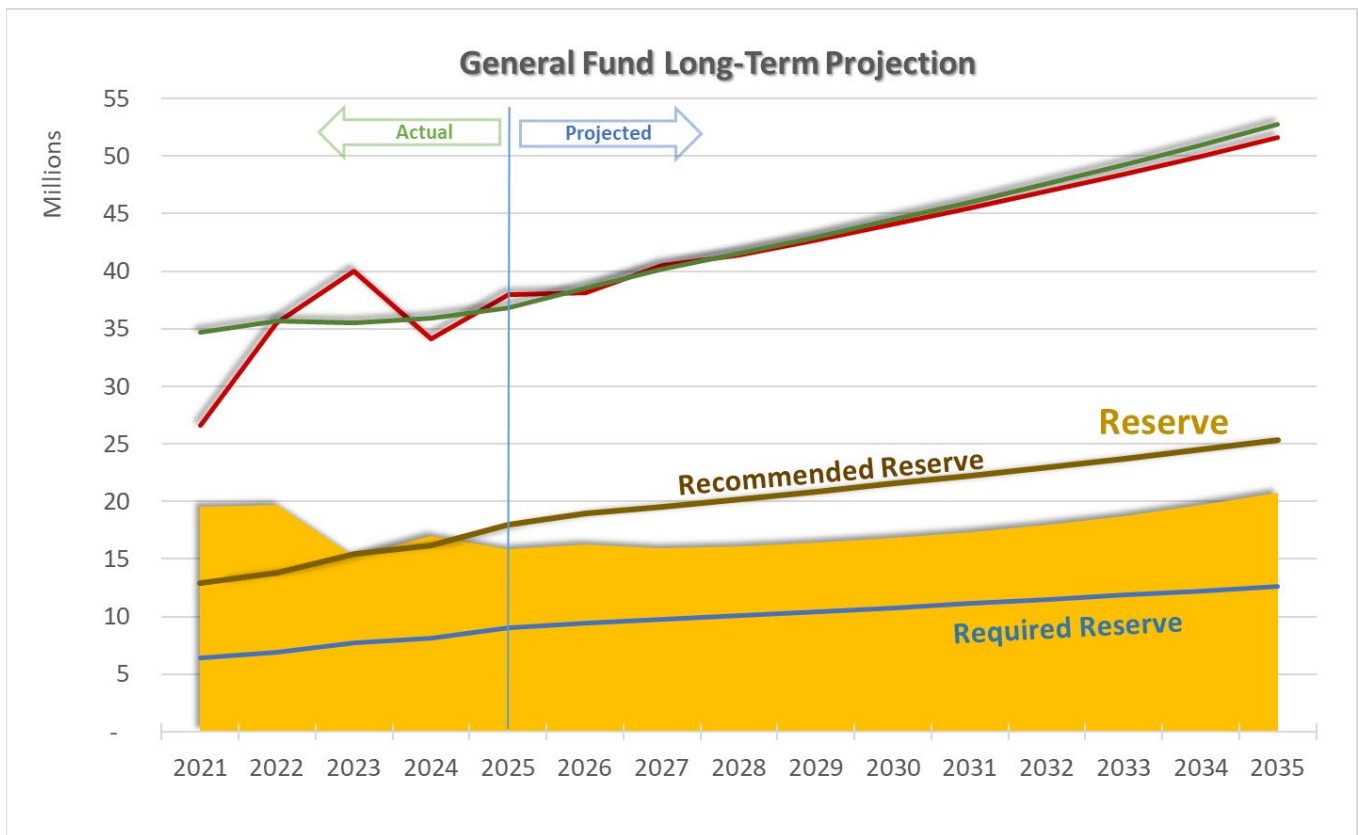
- At the date of the budget adoption, union agreements have not been settled and a 3.3% CPI wage increase was included. Depending on the results of the union negotiation process, a budget amendment may be required. Medical benefits are expected to increase by 8.7%
- Overall property taxes were increased 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 have been budgeted \$812,710 more than recurring revenues. This difference is expected to be made up during the year as revenues typically come in over budget, and by law, expenses must come in under budget.
- Despite modest revenue growth in 2025, revenues have not been sufficient to cover increases in expenses including, property and liability insurance, jail services, and public defender services. This impacts the City’s ability build reserve funds. In response to this, very few new budget requests were approved for the 2026 budget. In addition, City Council was asked to adopt a new 0.1% sales tax for criminal justice. This is expected to go into effect April 1, 2026.
- As of the date the budget was adopted, the Chelan County Jail inmate housing contract was not finalized. The 2024 contract terms and amount are continuing until an agreement is reached. The 2025 and 2026 contract amounts are expected to increase significantly over 2024.

## 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 2022 and 2023. This is due to intentionally spending accumulated reserves and Federal COVID Relief funds on one-time projects. Projected expenses spiked in 2025 due to increased costs for jail services and public defender. Revenues (green line) plateaued in 2023 and 2024, but are growing in 2025. With the adoption of the criminal justice sales tax, revenues should slightly outpace expenses over the next decade. Although the General Fund reserves may dip below the *recommended* reserve balance, the reserves will remain comfortably above the *required* reserve balance. If a couple years beat the conservative projections below, the reserve level could easily end up at the recommended balance.

The 2026-2035 projection below is based on several assumptions:

- Property taxes will increase at 2.5% per year, sales taxes will increase at 3.0% per year
- Utility taxes will grow at 5.0% 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 are generally projected to increase by 3% per year
- Non-recurring expenses are limited to the amount of non-recurring revenues.



### General Fund Revenue and Expense Summary

Revenues	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
Property tax	4,649,404	4,746,296	4,997,043	5,164,180	5,186,400	0.4%
Sales tax - recurring	11,962,448	12,517,839	12,415,206	12,800,000	13,400,000	4.7%
Sales tax - one time	974,938	1,094,952	529,480	700,000	800,000	14.3%
Criminal justice sales tax	1,239,114	1,268,739	1,279,895	1,340,000	1,340,000	0.0%
Criminal justice sales tax (new)	-	-	-	-	1,200,000	100.0%
Utility tax	8,514,213	9,014,620	9,472,567	9,610,000	10,040,000	4.5%
Other tax	355,740	343,868	342,628	310,000	330,000	6.5%
Building/planning permits	686,919	441,758	1,123,808	587,000	765,000	30.3%
Licenses	601,221	631,792	788,146	664,500	725,000	9.1%
Intergovernmental	388,973	257,590	282,435	686,660	260,000	-62.1%
Grants - one-time	117,560	108,397	519,606	302,800	155,500	-48.6%
Liquor/Marijuana excise tax	639,439	633,819	628,232	629,000	578,000	-8.1%
Interfund charges for services	963,298	1,167,511	1,072,535	1,201,580	1,350,050	12.4%
Recreation services	110,118	126,764	150,975	131,300	143,100	9.0%
Other charges for services	417,867	336,163	447,414	314,500	341,700	8.6%
Court fines & penalties	841,638	1,008,853	923,148	928,500	813,500	-12.4%
Utility payment in lieu of tax	140,200	141,600	131,100	154,400	170,900	10.7%
Miscellaneous - recurring	190,007	398,965	368,988	380,780	260,000	-31.7%
Miscellaneous - one time	2,894,511	1,295,890	416,257	2,600	-	-100.0%
	35,687,607	35,535,417	35,889,463	35,907,800	37,859,150	5.4%

Expenses	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
Mayor/Council	834,883	912,929	987,983	1,043,040	1,162,910	11.5%
Finance	849,500	1,094,500	1,163,989	1,169,470	1,264,230	8.1%
Human Resources	349,320	453,797	491,266	545,510	540,750	-0.9%
Community Development	2,054,984	2,402,695	2,476,253	2,616,950	2,839,790	8.5%
Engineering	1,229,346	1,483,852	1,573,600	2,091,300	2,140,500	2.4%
Defender/Court/Jail	2,803,130	3,193,089	3,407,884	3,875,060	4,448,800	14.8%
City Attorney	512,123	789,325	874,296	892,500	960,000	7.6%
Parks & Recreation	2,566,031	2,888,217	3,304,649	3,345,080	3,687,960	10.3%
Police	9,636,337	10,610,988	11,135,376	11,870,970	13,513,520	13.8%
Civil Service	12,918	30,070	43,200	33,060	33,790	2.2%
LEOFF 1 Retiree Health	-	453,448	387,043	491,000	486,000	-1.0%
Other Admin	6,788,641	6,643,807	6,548,271	7,412,880	6,719,170	-9.4%
Non-Recurring	7,876,303	9,047,057	1,756,011	1,497,400	240,800	-83.9%
	35,513,515	40,003,774	34,149,821	36,884,220	38,038,220	3.1%

Net Income	174,091	(4,468,357)	1,739,642	(976,420)	(179,070)	
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Recurring Budget	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
Recurring revenues	31,700,597	33,036,178	34,424,120	34,902,400	36,903,650	5.7%
Recurring expenses	27,637,213	30,956,717	32,393,810	35,386,820	37,797,420	6.8%
Net recurring budget	4,063,384	2,079,462	2,030,310	(484,420)	(893,770)	

## 01 - Mayor/Council

The Mayor’s Office/Department is staffed by the Mayor, City Administrator 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, in coordination with the Finance Department, is responsible for the creation and presentation of the City’s annual operating and capital budgets.

The City Administrator, under the Mayor's direction, oversees all city daily operations, implements City policy direction established by the Mayor and City Council, and manages daily operations of the City to ensure that city services are provided effectively and efficiently.

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 Services.

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.

Expenses	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
Salaries & Benefits	662,503	698,864	721,033	747,910	778,330	4.1%
Supplies & Services	172,380	214,065	266,950	295,130	384,580	30.3%
Total Expenses	834,883	912,929	987,983	1,043,040	1,162,910	11.5%
Staffing FTE	4.0	4.0	4.0	4.0	4.0	

2026 Budget Notes: Supplies & Services category increased in 2026 due to changes in interfund billing. A methodology change in the interfund insurance allocation shifted costs from Other Admin (department 22) to specific General Fund departments. The Information Technology allocation also had to be increased to cover the costs of core servers and phone system upgrades.

## 02 - 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, 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 or staffing totals below.

<b>Expenses</b>	<b>2022 Actual</b>	<b>2023 Actual</b>	<b>2024 Actual</b>	<b>2025 Budget</b>	<b>2026 Budget</b>	<b>26/25 Change</b>
Salaries & Benefits	685,509	833,416	886,347	917,410	943,820	2.9%
Supplies & Services	163,992	261,085	277,642	252,060	320,410	27.1%
Total Expenses	849,500	1,094,500	1,163,989	1,169,470	1,264,230	8.1%
Staffing FTE	5.4	6.4	6.4	6.4	6.4	

2026 Budget Notes: Supplies & Services category increased in 2026 due to changes in interfund billing. A methodology change in the interfund insurance allocation shifted costs from Other Admin (department 22) to specific General Fund departments. The Information Technology (fund 505) allocation also had to be increased to cover the costs of core servers and phone system upgrades.

## 07 - Human Resources

The Human Resources Department is dedicated to providing high-quality, customer-focused services that support the City’s operational effectiveness. Our mission is to attract, develop, motivate, and retain a diverse and talented workforce that reflects the community we serve. We strive to create a workplace culture that values inclusion, collaboration, and continuous improvement.

Through strategic organizational development initiatives, HR promotes leadership that manages with empathy and integrity. We foster a positive and productive work environment by investing in employee growth, encouraging innovation, and reinforcing a shared commitment to excellence. These efforts position the City as an employer of choice, one that prioritizes employee well-being, professional development, and long-term engagement.

By aligning HR practices with the City’s broader goals, we ensure that our workforce is equipped to meet current and future challenges while delivering exceptional public service.

<b>Expenses</b>	<b>2022 Actual</b>	<b>2023 Actual</b>	<b>2024 Actual</b>	<b>2025 Budget</b>	<b>2026 Budget</b>	<b>26/25 Change</b>
Salaries & Benefits	293,896	385,853	412,292	451,240	411,830	-8.7%
Supplies & Services	55,425	67,944	78,974	94,270	128,920	36.8%
Total Expenses	349,320	453,797	491,266	545,510	540,750	-0.9%
Staffing FTE	2.0	3.0	3.0	3.0	3.0	

2026 Budget Notes: Supplies & Services category increased in 2026 due to changes in interfund billing. A methodology change in the interfund insurance allocation shifted costs from Other Admin (department 22) to specific General Fund departments. The Information Technology (fund 505) allocation also had to be increased to cover the costs of core servers and phone system upgrades.

## 08 - Community Development

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 Building 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 Building 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.

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).

Expenses	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
<b>Building</b>						
Salaries & Benefits	908,334	1,032,209	936,045	1,112,510	1,128,590	1.4%
Supplies & Services	171,333	222,000	271,693	218,160	302,200	38.5%
Total Expenses	1,079,667	1,254,209	1,207,737	1,330,670	1,430,790	7.5%
<b>Planning</b>						
Salaries & Benefits	850,077	1,003,478	1,068,860	1,101,720	1,137,450	3.2%
Supplies & Services	125,239	145,008	199,656	184,560	271,550	47.1%
Total Expenses	975,316	1,148,486	1,268,516	1,286,280	1,409,000	9.5%
Total	2,054,984	2,402,695	2,476,253	2,616,950	2,839,790	8.5%
Staffing FTE	14.9	15.4	15.4	15.6	15.5	

2026 Budget Notes: Supplies & Services categories increased in 2026 due to changes in interfund billing. A methodology change in the interfund insurance allocation shifted costs from Other Admin (department 22) to specific General Fund departments. The Information Technology (fund 505) allocation also had to be increased to cover the costs of core servers and phone system upgrades.

## 11 - 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>2022 Actual</b>	<b>2023 Actual</b>	<b>2024 Actual</b>	<b>2025 Budget</b>	<b>2026 Budget</b>	<b>26/25 Change</b>
Salaries & Benefits	1,030,749	1,240,175	1,322,167	1,742,370	1,654,420	-5.0%
Supplies & Services	198,597	243,677	251,433	348,930	486,080	39.3%
Total Expenses	1,229,346	1,483,852	1,573,600	2,091,300	2,140,500	2.4%
Staffing FTE	9.6	9.6	11	10.4	9.6	

2026 Budget Notes: Supplies & Services category increased in 2026 due to changes in interfund billing. A methodology change in the interfund insurance allocation shifted costs from Other Admin (department 22) to specific General Fund departments. The Information Technology (fund 505) allocation also had to be increased to cover the costs of core servers and phone system upgrades.

Staffing FTE decreased slightly because several positions were reallocated between the General Fund and utility funds to accurately charge out the work being performed by the Engineering department.

### 13 - 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>2022 Actual</b>	<b>2023 Actual</b>	<b>2024 Actual</b>	<b>2025 Budget</b>	<b>2026 Budget</b>	<b>26/25 Change</b>
District Court Services	252,481	350,203	378,604	392,800	392,800	0.0%
Public Defender	614,759	626,363	697,569	661,560	1,011,000	52.8%
Red Light Camera	182,433	182,433	182,433	185,000	185,000	0.0%
Chelan County Jail	1,469,133	1,570,677	1,669,821	2,140,000	2,340,000	9.3%
Rivercom	466,757	463,414	479,457	495,700	520,000	4.9%
<b>Total Expenses</b>	<b>2,985,563</b>	<b>3,193,089</b>	<b>3,407,884</b>	<b>3,875,060</b>	<b>4,448,800</b>	<b>14.8%</b>

2026 Budget Notes: Beginning in 2025, the State of Washington implemented case load limits for public defenders. This greatly increased the costs required to pay the contracted public defender.

As of the date the budget was adopted, the Chelan County Jail inmate housing contract was not finalized. The 2024 contract terms and amount are continuing until an agreement is reached. The 2025 and 2026 contract amounts are expected to increase significantly over 2024.

### 14 - City Attorney

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>2022 Actual</b>	<b>2023 Actual</b>	<b>2024 Actual</b>	<b>2025 Budget</b>	<b>2026 Budget</b>	<b>26/25 Change</b>
<b>Total Expenses</b>	<b>512,123</b>	<b>789,325</b>	<b>874,296</b>	<b>892,500</b>	<b>960,000</b>	<b>7.6%</b>

## 16 - 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 is guided by three primary goals. The first is to provide high-quality recreation programs and events that focus on fun, safety, fitness, skill-building, life enrichment, and creating a strong sense of community. These programs are designed for people of all ages, interests, and abilities.

The second goal is to plan, acquire, develop, and maintain an exceptional park system for both residents and visitors, as outlined in the Parks, Recreation, and Open Space Comprehensive Plan. This includes 24 city park areas covering over 1,600 acres, as well as landscaped spaces throughout the city, ranging from streetscapes and public buildings to stormwater facilities.

The third goal is to support and promote the visual and performing arts, helping to foster creativity, cultural engagement, and artistic development throughout the City of Wenatchee.

Expenses	2022	2023	2024	2025	2026	26/25
	Actual	Actual	Actual	Budget	Budget	Change
<b>Parks Admin/Programs</b>						
Salaries & Benefits	850,801	778,609	783,583	873,200	885,960	1.5%
Supplies & Services	213,269	276,308	315,587	351,060	404,730	15.3%
Total Expenses	1,064,070	1,054,917	1,099,170	1,224,260	1,290,690	5.4%
<b>Maintenance</b>						
Salaries & Benefits	1,065,137	1,212,784	1,342,755	1,376,180	1,387,920	0.9%
Supplies & Services	436,823	620,516	862,725	744,640	1,009,350	35.5%
Total Expenses	1,501,961	1,833,300	2,205,479	2,120,820	2,397,270	13.0%
Total	2,566,031	2,888,217	3,304,649	3,345,080	3,687,960	10.3%
Staffing FTE	15.5	16.0	15.0	15.0	15.0	

2026 Budget Notes: Supplies & Services category increased in 2026 due to changes in interfund billing. A methodology change in the interfund insurance allocation shifted costs from Other Admin (department 22) to specific General Fund departments. The Information Technology (fund 505) allocation also had to be increased to cover the costs of core servers and phone system upgrades.

## 18 - Police

The Wenatchee Police Department provides a full range of law enforcement services 24 hours a day to the City of Wenatchee and remains committed to enhancing public trust through community engagement. The department is a leading stakeholder in regional partnerships serving Chelan and Douglas Counties, as a founding partner in the Columbia River Drug Task Force, the East Cascade SWAT team, North Central Washington Special Investigations Unit, and Wenatchee School District School Resource Officers program. Furthermore, the department continues to be a leader in regional training including Emergency Vehicle Operations Course, Patrol Tactics Instruction, and Victim-Centered Engagement and Resiliency Tactics. Through inter-local agreements, partners are able to work collaboratively to provide enhanced services to our communities.

The department places a strong emphasis on personal development, focusing on recruiting, developing, and retaining dedicated 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 upholds a history of operating under industry best practices and standards. In 2023, the department was recognized for achieving re-accreditation by the Washington Association of Sheriffs and Police Chiefs. One department member is a certified assessor for that accreditation program as well. 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>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>26/25</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Change</b>
Salaries & Benefits	8,130,389	8,984,546	9,314,457	9,972,040	10,632,250	6.6%
Supplies & Services	1,323,515	1,626,442	1,820,919	1,898,930	2,881,270	51.7%
Total Expenses	9,453,904	10,610,988	11,135,376	11,870,970	13,513,520	13.8%
Staffing FTE	57.0	57.0	60.0	60.0	60.0	

2026 Budget Notes: Supplies & Services category increased in 2026 due to changes in interfund billing. A methodology change in the interfund insurance allocation shifted costs from Other Admin (department 22) to specific General Fund departments. The Information Technology (fund 505) allocation also had to be increased to cover the costs of core servers and phone system upgrades.

## 19 - 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>2022 Actual</b>	<b>2023 Actual</b>	<b>2024 Actual</b>	<b>2025 Budget</b>	<b>2026 Budget</b>	<b>26/25 Change</b>
Total Expenses	12,918	30,070	43,200	33,060	33,790	2.2%

## 20 - LEOFF 1 Retiree Health

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.

<b>Expenses</b>	<b>2022 Actual</b>	<b>2023 Actual</b>	<b>2024 Actual</b>	<b>2025 Budget</b>	<b>2026 Budget</b>	<b>26/25 Change</b>
Medical	308,240	285,110	285,110	306,000	316,000	3.3%
Long Term Care	244,876	168,338	168,338	185,000	170,000	-8.1%
Total Expenses	553,116	453,448	387,043	491,000	486,000	-1.0%

2026 Budget Notes: Prior to 2023, the LEOFF 1 Retiree Health function was accounted for as separate funds (110 and 116 in prior budget documents). The General fund would transfer cash each year to support the program. This function is now being reported as a General Fund department as per accounting standards. Year 2022 is for reference only and not included in the General Fund Summary.

Decreases in LEOFF 1 Retiree costs are due to fewer retirees needing long-term care or medical services in 2026.

## 22 - 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.

<b>Expenses</b>	<b>2022 Actual</b>	<b>2023 Actual</b>	<b>2024 Actual</b>	<b>2025 Budget</b>	<b>2026 Budget</b>	<b>26/25 Change</b>
Transfer to Streets	3,100,000	3,200,000	3,400,000	3,820,000	3,900,000	2.1%
Other Transfers	1,440,700	1,540,900	1,037,100	1,037,900	1,099,400	5.9%
Animal Control	250,700	258,221	265,968	319,170	335,120	5.0%
Museum	438,655	605,514	765,097	824,480	600,590	-27.2%
Other Services	1,558,585	1,039,172	1,080,106	1,411,330	784,060	-44.4%
<b>Total Expenses</b>	<b>6,788,641</b>	<b>6,643,807</b>	<b>6,548,271</b>	<b>7,412,880</b>	<b>6,719,170</b>	<b>-9.4%</b>

2026 Budget Notes: The General fund transfers \$3.9 million of property taxes to support street maintenance. Of all property tax collected by the City, 74% is going to fund streets.

The City and Wenatchee Valley Museum & Cultural Center are entering in to new service and lease agreements as they transfer the ownership of the Museum facility from the City to the Museum. In prior budgets, the Museum expenses were reported as a separate department. Due to the change in the nature of Museum services, the Museum budget was moved to the Other Admin department.

The main reason for the decrease in Other Services is due to a methodology change in the interfund insurance allocation that shifted costs from Other Admin to more accurately charge the costs of each responsible General Fund department.

## 23 - 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 short-term grants, capital purchases, projects, 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 one-time budget requests to help departments gain efficiencies, improve City services, and spur economic development.

<b>Expenses</b>	<b>2022 Actual</b>	<b>2023 Actual</b>	<b>2024 Actual</b>	<b>2025 Budget</b>	<b>2026 Budget</b>	<b>26/25 Change</b>
Supplies & Services	818,300	1,114,866	391,840	439,800	212,100	-51.8%
Capital Outlay	886,414	1,015,884	94,821	57,600	28,700	-50.2%
Transfers Out	6,171,588	6,916,308	1,269,350	1,000,000	-	-100.0%
<b>Total Expenses</b>	<b>7,876,303</b>	<b>9,047,057</b>	<b>1,756,011</b>	<b>1,497,400</b>	<b>240,800</b>	<b>-83.9%</b>

2026 Budget Notes: Due to the tighter 2026 budget, the City greatly decreased the amount of one-time budget requests that use General fund reserves. See the detailed list of projects below.

<b>Department</b>	<b>Amount</b>	<b>Description</b>
Police	37,000	BLEA Attendance
Finance	28,700	Enterprise ERP Software Migration
Community Development	20,000	Forms and Checklists
Community Development	127,500	GMA Updates
Community Development	15,000	DAHP Archeological Survey Grant
Parks & Recreation	12,600	ADA Lift and Starting Blocks
<b>Total</b>	<b>240,800</b>	

## RESERVE FUNDS

Per accounting standards, reserve funds are technically part of the General Fund. However, the City of Wenatchee prefers to budget and track reserve funds separate from the General Fund so they are not comingled with general resources.

### 005 - Rainy Day

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The Rainy Day Fund was established by policy to accumulate \$1.5 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. Expenditures from this fund must be approved by Council action. Revenues come from interest earnings.

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
<b>Revenues</b>	21,715	61,782	77,167	50,000	50,000	0.0%
<b>Expenses</b>	-	-	-	-	-	-
Net income	21,715	61,782	77,167	50,000	50,000	
Beginning fund balance *	1,610,136	1,631,851	1,693,633	1,725,000	1,800,000	
Ending fund balance	1,631,851	1,693,633	1,770,800	1,775,000	1,850,000	4.2%

### 010 - Firemen’s Pension

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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 10 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 fully-funded and any excess could be used to pay other mandatory benefits for the retirees.

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
<b>Revenues</b>	51,269	73,822	82,058	63,000	78,000	23.8%
<b>Expenses</b>	140,362	130,362	119,286	118,000	123,000	4.2%
Net income	(89,093)	(56,539)	(37,228)	(55,000)	(45,000)	
Beginning fund balance *	1,254,974	1,165,881	1,109,341	1,000,000	1,000,000	
Ending fund balance	1,165,881	1,109,341	1,072,113	945,000	955,000	1.1%

\*Since budget figures are estimates, the estimated beginning fund balances of 2025 and 2026 may not equal the ending fund balances of 2024 and 2025 respectively.

## SPECIAL REVENUE FUNDS

Special revenue funds are used to manage money that must be spent on specific purposes. These funds help cities ensure that restricted revenues—such as grants or dedicated taxes—are used only for their intended programs. By keeping these funds separate from general operations, cities promote transparency and accountability in how public money is spent.

### 101 - Public Arts

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The Wenatchee Municipal Code requires that 1% of the construction costs for certain public projects be set aside for public art. Adopted art policies provide guidelines for how these funds are allocated across several categories:

- Visual Arts – For the purchase of non-commissioned artwork.
- Performing Arts – To support and sponsor performing arts programming.
- Arts Education – To fund arts education initiatives and partnerships.
- Administration – To cover general expenses related to managing the Public Art Program.
- Maintenance – To ensure the proper care and upkeep of the public art collection.

In 2019, these policies were formalized into a capital plan for the fund, which is reviewed and updated annually.

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
<b>Revenues</b>	180,727	187,066	118,434	35,000	35,000	0.0%
<b>Expenses</b>	328,437	11,385	18,132	155,500	93,000	-40.2%
Net income	(147,709)	175,680	100,302	(120,500)	(58,000)	
Beginning fund balance *	317,217	169,508	345,188	400,000	450,000	
Ending fund balance	169,508	345,188	445,490	279,500	392,000	40.3%

### 102 - PFD Sales Tax

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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 (PFD) related expenses and was put into place to help the PFD refinance their 2008 Notes that matured December 1, 2011. All revenues receipted into this fund are immediately transferred to the PFD.

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
<b>Revenues</b>	2,971,331	3,118,604	2,958,337	4,200,000	4,000,000	-4.8%
<b>Expenses</b>	2,971,331	3,118,604	2,958,337	4,200,000	4,000,000	-4.8%
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 the construction or improvement of paths and trails within the City.

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
<b>Revenues</b>	2,822	3,033	3,105	3,100	3,100	0.0%
<b>Expenses</b>	-	-	-	3,000	3,000	0.0%
Net income	2,822	3,033	3,105	100	100	
Beginning fund balance *	2,935	5,756	8,789	10,000	12,000	
Ending fund balance	5,756	8,789	11,894	10,100	12,100	19.8%

### 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.

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
<b>Revenues</b>	588,092	697,439	659,791	665,000	705,000	6.0%
<b>Expenses</b>	328,063	653,605	693,322	737,980	778,080	5.4%
Net income	260,030	43,834	(33,531)	(72,980)	(73,080)	
Beginning fund balance *	349,242	609,271	653,105	650,000	600,000	
Ending fund balance	609,271	653,105	619,574	577,020	526,920	-8.7%

## 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 70,000+ 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 is used to fund all of the City’s activities in the building.

The Convention Center fund receives the majority of its funding through transfers from the Lodging Tax Advisory Committee (LTAC) fund.

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
<b>Revenues</b>						
Hotel/motel tax	866,704	1,013,675	-	-	-	-
Commission	129,994	183,246	-	-	180,000	100.0%
Transfers-in	524,934	890,868	600,000	500,000	600,000	20.0%
Other	8,716	33,378	73,873	30,000	30,000	0.0%
<b>Total Revenues</b>	<b>1,530,347</b>	<b>2,121,167</b>	<b>673,873</b>	<b>530,000</b>	<b>810,000</b>	<b>52.8%</b>

<b>Expenses</b>						
Salaries & benefits	108,588	134,529	140,938	236,200	201,040	-14.9%
Supplies & services	250,813	196,793	280,832	494,200	733,900	48.5%
Capital outlay	251,176	1,385,499	125,798	150,000	350,000	133.3%
Debt service	223,900	-	-	-	-	-
<b>Total Expenses</b>	<b>834,477</b>	<b>1,716,822</b>	<b>547,568</b>	<b>880,400</b>	<b>1,284,940</b>	<b>45.9%</b>

Net income	695,871	404,346	126,305	(350,400)	(474,940)	
Beginning fund balance *	435,106	1,130,976	1,535,322	1,600,000	1,000,000	
<b>Ending fund balance</b>	<b>1,130,976</b>	<b>1,535,322</b>	<b>1,661,627</b>	<b>1,249,600</b>	<b>525,060</b>	<b>-58.0%</b>

<b>Staffing FTE</b>	<b>1.2</b>	<b>1.2</b>	<b>1.2</b>	<b>1.7</b>	<b>1.4</b>	
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**2026 Budget Notes:** Due to the Convention Center Expansion project, the Commission revenues were waived during construction, per agreement. As the expansion project concludes, commission revenues should resume. During the Convention Center Expansion project, a larger portion of the Facilities Manager salary was allocated to the Convention Center fund to account for the increased staff efforts required.

Supplies & Services increased largely due to placeholders for additional equipment that may be necessary after the expansion project is completed. Capital Outlay also includes a placeholder in case of project cost overruns.

## 107 – Lodging Tax Advisory Committee

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. The main ongoing LTAC commitments include supporting the Convention Center operations, Convention Center debt payments, and the Wenatchee Valley Chamber of Commerce for destination marketing services.

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
<b>Revenues</b>	870,680	1,022,634	2,692,583	2,615,000	2,765,000	5.7%
<b>Expenses</b>						
Destination Marketing	475,000	338,890	405,421	538,290	552,880	2.7%
Convention Center Ops	-	-	600,000	500,000	600,000	20.0%
Convention Ctr. Capital	334,345	-	-	-	200,000	100.0%
Convention Center Debt	100,000	400,000	1,209,853	1,306,490	1,330,210	1.8%
Total Expenses	909,345	738,890	2,215,274	2,344,780	2,683,090	14.4%
Net income	(38,665)	283,744	477,309	270,220	81,910	
Beginning fund balance *	337,356	298,691	582,435	600,000	800,000	
Ending fund balance	298,691	582,435	1,059,744	870,220	881,910	1.3%

2026 Budget Notes: Capital Outlay includes a placeholder in case the Convention Center Expansion project experiences cost overruns.

## 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, overseen by the City Engineer, which maintains the City’s 55 traffic signal systems and approximately 1,700 street lights and electrical systems in the City.

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
<b>Revenues</b>						
Motor vehicle fuel tax	701,175	703,585	678,194	705,000	645,000	-8.5%
Transfers-in	2,300,000	2,600,000	2,910,000	3,420,000	3,900,000	14.0%
Other	204,894	311,553	234,838	197,500	208,000	5.3%
<b>Total Revenues</b>	<b>3,206,069</b>	<b>3,615,138</b>	<b>3,823,032</b>	<b>4,322,500</b>	<b>4,753,000</b>	<b>10.0%</b>
<b>Expenses</b>						
Salaries & benefits	1,941,312	1,838,979	1,962,023	2,082,040	2,191,770	5.3%
Supplies & services	1,714,925	2,034,452	2,328,943	2,656,050	2,818,470	6.1%
Capital outlay	-	-	11,466	30,000	30,000	0.0%
<b>Total Expenses</b>	<b>3,656,237</b>	<b>3,873,431</b>	<b>4,302,432</b>	<b>4,768,090</b>	<b>5,040,240</b>	<b>5.7%</b>
Net income	(450,168)	(258,293)	(479,400)	(445,590)	(287,240)	
Beginning fund balance *	2,160,036	1,709,868	1,451,575	1,200,000	630,000	
Ending fund balance	1,709,868	1,451,575	972,175	754,410	342,760	-54.6%
<b>Staffing FTE</b>	<b>14.7</b>	<b>14.7</b>	<b>14.7</b>	<b>15.4</b>	<b>15.6</b>	

2026 Budget Notes: Over the past several years, increased street maintenance and unexpected snow removal costs have spent down the Street Maintenance reserve faster than anticipated. This has required the General Fund to transfer a larger portion of Property Tax revenues than in prior years.

## 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. See the capital budget section of this document for details on Arterial Streets projects.

The Engineering Division 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 Block Grant 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.

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
<b>Revenues</b>						
Grants	894,530	5,232,600	3,679,797	4,990,990	8,722,730	74.8%
Transfers-in	1,300,000	1,100,000	750,000	500,000	400,000	-20.0%
Other	45,903	57,072	65,556	35,000	35,000	0.0%
<b>Total Revenues</b>	<b>2,240,433</b>	<b>6,389,672</b>	<b>4,495,353</b>	<b>5,525,990</b>	<b>9,157,730</b>	<b>65.7%</b>
<b>Expenses</b>						
Capital outlay	1,051,549	7,117,759	5,459,532	5,953,770	10,110,670	69.8%
<b>Total Expenses</b>	<b>1,051,549</b>	<b>7,117,759</b>	<b>5,459,532</b>	<b>5,953,770</b>	<b>10,110,670</b>	<b>69.8%</b>
Net income	1,188,884	(728,088)	(964,179)	(427,780)	(952,940)	
Beginning fund balance *	635,984	1,824,868	1,096,781	500,000	1,000,000	
<b>Ending fund balance</b>	<b>1,824,868</b>	<b>1,096,781</b>	<b>132,602</b>	<b>72,220</b>	<b>47,060</b>	<b>-34.8%</b>

2026 Budget Notes: Transfers-in previously came from the General Fund. In 2026, transfers-in will come from 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.

## 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.

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
<b>Revenues</b>						
TBD Sales Tax	-	1,569,555	1,469,816	1,600,000	1,600,000	0.0%
Real estate excise tax	685,854	545,486	761,005	650,000	650,000	0.0%
Transfers in	2,260,022	500,000	-	-	-	-
Other	33,428	79,510	61,601	30,000	60,000	100.0%
<b>Total Revenues</b>	<b>2,979,304</b>	<b>2,694,551</b>	<b>2,292,421</b>	<b>2,280,000</b>	<b>2,310,000</b>	<b>1.3%</b>
<b>Expenses</b>						
Capital outlay	2,822,095	3,676,565	1,688,704	2,223,750	4,198,750	88.8%
Transfers out	-	-	-	-	400,000	100.0%
<b>Total Expenses</b>	<b>2,822,095</b>	<b>3,676,565</b>	<b>1,688,704</b>	<b>2,223,750</b>	<b>4,598,750</b>	<b>106.8%</b>
Net income	157,209	(982,014)	603,717	56,250	(2,288,750)	
Beginning fund balance *	1,650,481	1,807,690	825,676	1,000,000	3,000,000	
<b>Ending fund balance</b>	<b>1,807,690</b>	<b>825,676</b>	<b>1,429,393</b>	<b>1,056,250</b>	<b>711,250</b>	<b>-32.7%</b>

2026 Budget Notes: In 2022, the City Council repealed the \$20 TBD vehicle registration fee and implemented a 0.1% TBD sales tax.

The Street Overlay fund is transferring a portion of real estate excise tax to the Arterial Street fund (109) to provide grant match requirements in 2026.

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.

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
<b>Revenues</b>						
	93,964	125,240	123,980	100,000	110,000	10.0%
<b>Expenses</b>						
	26,649	-	-	200,000	200,000	0.0%
Net income	67,315	125,240	123,980	(100,000)	(90,000)	
Beginning fund balance *	240,833	308,147	433,387	500,000	650,000	
<b>Ending fund balance</b>	<b>308,147</b>	<b>433,387</b>	<b>557,367</b>	<b>400,000</b>	<b>560,000</b>	<b>40.0%</b>

### 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.

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
<b>Revenues</b>	97,215	96,549	92,565	89,000	89,000	0.0%
<b>Expenses</b>	110,268	69,026	84,890	101,900	101,900	0.0%
Net income	(13,053)	27,523	7,675	(12,900)	(12,900)	
Beginning fund balance *	242,618	229,564	257,087	190,000	190,000	
Ending fund balance	229,564	257,087	264,762	177,100	177,100	0.0%

### 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.

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
<b>Revenues</b>	133,205	161,812	368,066	715,450	282,000	-60.6%
<b>Expenses</b>	130,455	306,941	84,382	715,450	282,000	-60.6%
Net income	2,749	(145,129)	283,683	-	-	
Beginning fund balance *	(135,005)	(132,255)	(277,384)	-	-	
Ending fund balance	(132,255)	(277,384)	6,299	-	-	-

2026 Budget Notes: CDBG funds are being used to fund the 1<sup>st</sup> Street Curb Ramps – Miller Ave. to Chelan Ave. project. Details of the capital project administered by this fund can be found in the Capital Budget section toward the end of this document.

## 117 - Homeless Services

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 the interlocal agreement between the two cities and recommendations from a joint task force made up of local governmental officials from each city, community members, and other social service agencies.

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
<b>Revenues</b>						
Sales Tax	1,512,769	1,598,584	1,517,244	1,600,000	1,600,000	0.0%
Intergovernmental	775,044	695,734	724,883	700,000	700,000	0.0%
Grants	31,232	972,715	-	-	-	-
Other	194,381	84,380	74,154	60,000	60,000	0.0%
<b>Total Revenues</b>	<b>2,513,426</b>	<b>3,351,412</b>	<b>2,316,280</b>	<b>2,360,000</b>	<b>2,360,000</b>	<b>0.0%</b>
<b>Expenses</b>						
Salaries & benefits	38,888	-	-	157,620	308,440	95.7%
Supplies & services	679,163	1,521,767	1,795,553	2,052,710	1,522,320	-25.8%
Capital Outlay	-	2,221,593	894,847	-	28,000	100.0%
<b>Total Expenses</b>	<b>718,051</b>	<b>3,743,360</b>	<b>2,690,401</b>	<b>2,210,330</b>	<b>1,858,760</b>	<b>-15.9%</b>
Net income	1,795,375	(391,948)	(374,121)	149,670	501,240	
Beginning fund balance *	909,648	2,705,023	2,313,075	1,400,000	1,400,000	
<b>Ending fund balance</b>	<b>2,705,023</b>	<b>2,313,075</b>	<b>1,938,954</b>	<b>1,549,670</b>	<b>1,901,240</b>	<b>22.7%</b>
<b>Staffing FTE</b>	<b>1.0</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>2.0</b>	

2026 Budget Notes: The Homeless Services fund was granted a Homeless Response Coordinator position. This position will assume outreach tasks that were previously included in the Wenatchee Rescue Mission contract.

## 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.

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
<b>Revenues</b>	42,081	89,334	67,819	28,000	28,000	0.0%
<b>Expenses</b>	79,524	30,431	78,483	77,000	77,000	0.0%
Net income	(37,443)	58,904	(10,664)	(49,000)	(49,000)	
Beginning fund balance *	161,820	124,377	183,280	140,000	140,000	
<b>Ending fund balance</b>	<b>124,377</b>	<b>183,280</b>	<b>172,617</b>	<b>91,000</b>	<b>91,000</b>	<b>0.0%</b>

## DEBT SERVICE FUNDS

Debt service funds are set aside to repay bonds that a city has issued to finance large projects. These funds track principal and interest payments over time, making it easier to manage long-term obligations and demonstrate fiscal responsibility to residents and investors.

### 205 – General Obligation Bonds

This fund accumulates resources to make timely payments on the 2015 LTGO, 2016 LTGO, 2019 LTGO and 2024 LTGO (Limited Tax General Obligation Bonds). 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.

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
<b>Revenues</b>	1,787,558	1,764,426	2,759,276	2,830,590	2,851,010	0.7%
<b>Expenses</b>	1,817,153	1,747,796	2,724,553	2,822,590	2,843,020	0.7%
Net income	(29,594)	16,630	34,724	8,000	7,990	
Beginning fund balance *	32,790	3,196	19,826	4,000	4,000	
Ending fund balance	3,196	19,826	54,550	12,000	11,990	-0.1%

2026 Budget Notes: As of January 1, 2026, the City has the following general obligation bonds outstanding:

- \$456,000 for the 2015 LTGO bonds, used for a 2007 Convention Center project
- \$5,085,000 for the 2016 LTGO bonds, used for the construction of the Public Services Center
- \$10,035,000 for the 2019 LTGO bonds, used for the City Hall remodel and street projects
- \$15,895,000 for the 2024 LTGO bonds, used for the Convention Center expansion project

## CAPITAL PROJECT FUNDS

Capital Project Funds are used to plan and pay for major infrastructure or construction efforts. Because these projects often span multiple years and involve large sums of money, capital project funds help cities organize spending, monitor progress, and keep these activities distinct from day-to-day operations.

### 301 - Real Estate Excise Tax Capital Projects

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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 2016 Limited Tax General Obligation debt, which matures in 2027. The remaining amount is available for City capital projects.

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
<b>Revenues</b>	731,942	694,571	812,260	670,000	670,000	0.0%
<b>Expenses</b>	1,158,673	720,450	1,014,652	369,200	1,036,400	180.7%
Net income	(426,731)	(25,879)	(202,392)	300,800	(366,400)	
Beginning fund balance *	1,422,702	995,971	970,092	600,000	1,000,000	
Ending fund balance	995,971	970,092	767,700	900,800	633,600	-29.7%

2026 Budget Notes: The Real Estate Excise Tax Capital Projects fund is funding several one-time requests including the Cemetery Capacity project, Pybus South Parking Lot project, ADA Transition Plan, dust control, and sidewalk repairs.

### 302 - Parks & Recreation Capital Projects

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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.

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
<b>Revenues</b>	5,935,615	1,666,088	1,589,437	1,610,000	1,970,000	22.4%
<b>Expenses</b>	4,703,780	2,481,665	1,664,342	1,982,000	2,100,000	6.0%
Net income	1,231,835	(815,577)	(74,905)	(372,000)	(130,000)	
Beginning fund balance *	763,875	1,995,710	1,180,133	800,000	500,000	
Ending fund balance	1,995,710	1,180,133	1,105,228	428,000	370,000	-13.6%

2026 Budget Notes: The Parks & Recreation Capital Projects fund is managing the Bighorn Ridge Acquisition, Burch Mountain Acquisition, and Cemetery Capacity projects. 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.

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
<b>Revenues</b>	77,868	4,592,689	89,511	6,520,000	6,520,000	0.0%
<b>Expenses</b>	614,864	3,479,944	228,154	20,000	20,000	0.0%
Net income	(536,996)	1,112,745	(138,643)	6,500,000	6,500,000	
Beginning fund balance *	(5,600,120)	(6,137,116)	(5,024,372)	(6,500,000)	(6,500,000)	
Ending fund balance	(6,137,116)	(5,024,372)	(5,163,015)	-	-	0.0%

**2026 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.

### 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.

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
<b>Revenues</b>						
Property tax	119,114	91,929	87,019	115,000	85,000	-26.1%
Sales tax rebate	500,000	500,000	500,000	500,000	500,000	0.0%
Other	25,003	46,293	38,276	10,000	864,000	8540.0%
Total Revenues	644,117	638,222	625,294	625,000	1,449,000	131.8%
<b>Expenses</b>	2,321,649	1,519,611	1,929,454	1,091,000	1,313,780	20.4%
Net income	(1,677,532)	(881,389)	(1,304,160)	(466,000)	135,220	
Beginning fund balance *	3,906,933	2,229,401	1,348,012	500,000	-	
Ending fund balance	2,229,401	1,348,012	43,852	34,000	135,220	297.7%

**2026 Budget Notes:** The original bond proceeds have been completely spent down. The LRF district and remaining debt balance will end in 2037. Between now and the closure of the LRF district, this fund will generate minimal revenues that can be used for minor LRF projects. For 2026, the LRF fund is receiving grant funding and real estate excise tax funds for the Pybus South Parking project. Details of the capital projects administered by this fund can be found in the Capital Budget section toward the end of this document.

### 310 – Apple Capital Loop Project

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.

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
<b>Revenues</b>	-	4,675,105	14,528,943	63,451,840	80,923,190	27.5%
<b>Expenses</b>	47,494	3,996,781	15,069,303	63,451,840	81,157,290	27.9%
Net income	(47,494)	678,324	(540,360)	-	(234,100)	
Beginning fund balance *	-	(47,494)	630,830	1,000,000	750,000	
Ending fund balance	(47,494)	630,830	90,470	1,000,000	515,900	-48.4%

2026 Budget Notes: Details of the 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

In 2024, the City issued \$16.4 million in debt to finance a renovation project of the Wenatchee Convention Center. The bonds are being repaid using lodging taxes. This fund was setup to track the costs of the capital project and the eventual spend-down of bond proceeds.

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
<b>Revenues</b>	-	1,043,499	17,100,762	-	400,000	100.0%
<b>Expenses</b>	-	1,053,521	6,528,870	11,240,000	925,000	-91.8%
Net income	-	(10,021)	10,571,892	(11,240,000)	(525,000)	
Beginning fund balance *	-	-	(10,021)	11,240,000	525,000	
Ending fund balance	-	(10,021)	10,561,871	-	-	0.0%

2026 Budget Notes: The Convention Center Renovation project began in early 2024 and substantially completed in Fall 2025. There will be some minor remaining costs into 2026. 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.

## ENTERPRISE FUNDS

Enterprise Funds operate more like businesses within the city government. They support services that charge fees to users, and are expected to cover their own costs through those charges. This structure allows the City to track the financial health of these services and ensure they remain self-sustaining.

### 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.

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
<b>Revenues</b>						
Water service fees	6,750,001	7,549,531	8,694,733	8,884,700	9,570,500	7.7%
Grants	-	-	-	473,250	434,600	-8.2%
Loan Proceeds	-	-	-	3,660,880	3,650,800	-0.3%
Other	105,580	103,052	175,271	135,000	155,000	14.8%
<b>Total Revenues</b>	<b>6,855,581</b>	<b>7,652,583</b>	<b>8,870,004</b>	<b>13,153,830</b>	<b>13,810,900</b>	<b>5.0%</b>

<b>Expenses</b>						
Salaries & benefits	1,763,708	1,933,457	2,190,690	2,443,320	2,591,990	6.1%
Supplies & services	3,495,859	4,130,876	4,846,936	4,998,770	6,075,780	21.5%
Capital outlay	27,440	436,224	1,618,694	6,404,400	8,790,040	37.3%
Debt service	413,835	409,290	383,800	383,990	462,900	20.6%
<b>Total Expenses</b>	<b>5,700,842</b>	<b>6,909,847</b>	<b>9,040,120</b>	<b>14,230,480</b>	<b>17,920,710</b>	<b>25.9%</b>

Net income	1,154,739	742,736	(170,116)	(1,076,650)	(4,109,810)	
Beginning working capital	2,153,905	3,308,644	4,051,381	3,700,000	4,500,000	
Ending working capital	3,308,644	4,051,381	3,881,264	2,623,350	390,190	-85.1%

Staffing FTE	17.6	17.9	17.9	18.8	19.2	
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2026 Budget Notes: Salaries and FTE increased slightly as several positions were reallocated between the General Fund and utility funds to more accurately charge out the work being performed by the Engineering department. The supplies & services category increase is mainly attributed to increases in the cost of purchasing water from Regional Water, utility taxes, credit card fees, and insurance allocation adjustments. The Water Utility rates are set to increase by 6% each year. This will provide funding for necessary improvements to aging infrastructure. The addition of the loan proceeds in 2025 and 2026 is related to a Public Works Board loan for the Crawford Avenue Water Main Replacement 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.

## 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.

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
<b>Revenues</b>						
Sewer service fees	10,489,009	11,417,755	12,324,498	12,499,000	13,476,500	7.8%
Grants	-	-	-	473,250	434,600	-8.2%
Loan Proceeds	3,988,139	7,270,801	3,891,080	-	-	0.0%
Other	240,126	570,613	552,220	510,000	510,000	0.0%
<b>Total Revenues</b>	<b>14,717,274</b>	<b>19,259,169</b>	<b>16,767,798</b>	<b>13,482,250</b>	<b>14,421,100</b>	<b>7.0%</b>

<b>Expenses</b>						
Salaries & benefits	2,081,923	3,514,128	2,446,368	2,786,790	2,812,790	0.9%
Supplies & services	4,345,155	3,733,066	5,723,103	6,551,560	7,166,090	9.4%
Capital outlay	9,627,708	12,881,761	4,609,773	1,825,340	10,009,810	448.4%
Debt service	2,500,141	2,483,680	2,382,629	2,750,390	2,706,730	-1.6%
<b>Total Expenses</b>	<b>18,554,927</b>	<b>22,612,635</b>	<b>15,161,873</b>	<b>13,914,080</b>	<b>22,695,420</b>	<b>63.1%</b>

Net income	(3,837,653)	(3,353,466)	1,605,925	(431,830)	(8,274,320)	
Beginning working capital	16,192,868	12,355,215	9,001,749	9,000,000	9,000,000	
Ending working capital	12,355,215	9,001,749	10,607,674	8,568,170	725,680	-91.5%

Staffing FTE	21	21.6	21.6	20.5	20.7	
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**2026 Budget Notes:** The Sewer Utility rates are set to increase by 6% each year. This will provide funding for necessary improvements to aging infrastructure. 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.

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
<b>Revenues</b>						
Storm drain fees	4,243,788	4,369,744	4,797,348	4,952,000	5,282,000	6.7%
Grants	2,210,890	311,312	2,031,965	547,500	3,088,680	464.1%
Loan proceeds	-	-	-	136,000	240,110	76.6%
Other	73,035	240,157	352,882	200,000	200,000	0.0%
<b>Total Revenues</b>	<b>6,527,713</b>	<b>4,921,213</b>	<b>7,182,194</b>	<b>5,835,500</b>	<b>8,810,790</b>	<b>51.0%</b>
<b>Expenses</b>						
Salaries & benefits	849,765	1,007,257	1,076,987	1,061,180	1,106,940	4.3%
Supplies & services	1,909,256	1,597,162	2,080,147	2,325,100	2,786,280	19.8%
Capital outlay	3,453,701	1,273,033	7,151,990	916,870	8,167,160	790.8%
Debt service	269,729	265,970	232,492	468,240	455,240	-2.8%
<b>Total Expenses</b>	<b>6,482,451</b>	<b>4,143,422</b>	<b>10,541,616</b>	<b>4,771,390</b>	<b>12,515,620</b>	<b>162.3%</b>
Net income	45,262	777,790	(3,359,422)	1,064,110	(3,704,830)	
Beginning working capital	6,202,595	6,247,857	7,025,647	6,000,000	4,500,000	
Ending working capital	6,247,857	7,025,647	3,666,225	7,064,110	795,170	-88.7%
<b>Staffing FTE</b>	<b>7.9</b>	<b>8.0</b>	<b>8.0</b>	<b>7.7</b>	<b>7.9</b>	

2026 Budget Notes: Supplies & Services increased due to adjustments to utility tax and credit card expenses. The Stormwater Utility rates are set to increase by 6% each year. This will provide funding for necessary improvements to aging infrastructure. 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 System

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.

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
<b>Revenues</b>	2,412,663	3,001,688	3,613,413	3,363,000	4,061,500	20.8%
<b>Expenses</b>						
Salaries & benefits	313,403	313,111	335,102	332,450	337,960	1.7%
Supplies & services	396,446	449,211	514,461	1,029,400	1,056,270	2.6%
Capital outlay	-	-	201,416	15,000	4,900,000	32566.7%
Total Expenses	709,849	762,322	1,050,979	1,376,850	6,294,230	357.1%
Net income	1,702,814	2,239,366	2,562,434	1,986,150	(2,232,730)	
Beginning working capital	5,264,376	6,967,190	9,206,556	10,000,000	11,500,000	
Ending working capital	6,967,190	9,206,556	11,768,990	11,986,150	9,267,270	-22.7%
Staffing FTE	2.4	2.4	2.4	2.4	2.4	

2026 Budget Notes: The Regional Water Utility has agreed to increase rates by 10% each year to build a larger reserve in anticipation of a future second-source project. Capital outlay is budgeted for three projects, which is much larger than most years. 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 & Cultural Services Department manages the 34-acre Wenatchee Cemetery and the Home of Peace Mausoleum. Staff oversee all aspects of operations, including landscaping, burial service setup, sales of graves, niches, crypts, and markers, as well as performing burials, setting markers, and handling other day-to-day tasks. They also work closely with funeral directors and families to respectfully meet the needs of those using cemetery services.

Cemetery revenues come from three primary sources: service fees, sales of burial plots and related items, and interest earnings from the Cemetery Endowment Care Fund. However, for many years, these traditional sources have not fully covered operational costs. As a result, the City’s General Fund provides recurring transfers to help support continued operations.

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
<b>Revenues</b>						
Operations	256,294	245,988	320,393	125,100	125,100	0.0%
Transfers-in	240,000	270,000	240,000	240,000	300,000	25.0%
<b>Total Revenues</b>	<b>496,294</b>	<b>515,988</b>	<b>560,393</b>	<b>365,100</b>	<b>425,100</b>	<b>16.4%</b>
<b>Expenses</b>						
Salaries & benefits	298,319	354,023	384,629	406,190	411,650	1.3%
Supplies & services	109,955	157,198	230,774	253,700	272,340	7.3%
<b>Total Expenses</b>	<b>408,274</b>	<b>511,221</b>	<b>615,403</b>	<b>659,890</b>	<b>683,990</b>	<b>3.7%</b>
Net income	88,020	4,766	(55,009)	(294,790)	(258,890)	
Beginning working capital	331,232	419,252	424,019	375,000	375,000	
<b>Ending working capital</b>	<b>419,252</b>	<b>424,019</b>	<b>369,009</b>	<b>80,210</b>	<b>116,110</b>	<b>44.8%</b>
<b>Staffing FTE</b>	<b>2.6</b>	<b>3.1</b>	<b>3.1</b>	<b>3.1</b>	<b>3.1</b>	

**2026 Budget Notes:** Operations revenue has been estimated lower for 2025 and 2026 because the Cemetery has run out of developed area for plot sales. A Cemetery expansion project is being managed by the Parks Capital Projects Fund (302) in 2026 so the Cemetery fund can generate similar levels of revenue as in prior years.

## INTERNAL SERVICE FUNDS

Internal Service Funds are used to provide shared services to other city departments. These funds help centralize operations like maintenance, technology, or insurance, and allocate costs based on usage. This promotes efficiency and helps departments budget more accurately for the services they rely on.

### 501 - Equipment Rental O&M

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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, Operations Administrative Assistant, and four mechanics providing automotive, heavy truck, heavy equipment, emergency vehicle and small engine maintenance.

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
<b>Revenues</b>	1,235,169	1,325,888	1,480,296	1,607,040	1,612,040	0.3%
<b>Expenses</b>						
Salaries & benefits	562,725	596,793	650,581	668,890	702,330	5.0%
Supplies & services	902,172	832,379	1,015,035	1,110,170	1,232,910	11.1%
Total Expenses	1,464,897	1,429,172	1,665,616	1,779,060	1,935,240	8.8%
Net income	(229,728)	(103,283)	(185,320)	(172,020)	(323,200)	
Beginning working capital	807,521	577,793	474,510	500,000	500,000	
Ending working capital	577,793	474,510	289,190	327,980	176,800	-46.1%
<b>Staffing FTE</b>	6.4	6.4	6.4	6.4	6.4	

### 502 - Insurance

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The 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 revenues for this fund come from transfers from the various operating funds.

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
<b>Revenues</b>	1,314,057	1,263,650	1,548,145	2,005,000	2,411,770	20.3%
<b>Expenses</b>	1,328,221	1,125,140	1,792,726	1,887,740	2,232,040	18.2%
Net income	(14,164)	138,510	(244,581)	117,260	179,730	
Beginning working capital	1,720,495	1,706,332	1,844,842	1,500,000	1,500,000	
Ending working capital	1,706,332	1,844,842	1,600,261	1,617,260	1,679,730	3.9%

2026 Budget Notes: Over the past couple years, the City experienced sharp increase in the assessment rate charged by the Washington Cities Insurance Authority (WCIA). This impacts all funds that contribute to the Insurance fund.

## 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 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, Deputy Public Works Director - Operations, Fleet Supervisor, and Operations Administrative Assistant) 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.

	2022	2023	2024	2025	2026	26/25
	Actual	Actual	Actual	Budget	Budget	Change
<b>Revenues</b>	1,013,816	1,231,784	2,018,439	1,410,460	1,310,800	-7.1%
<b>Expenses</b>						
Salaries & benefits	102,495	116,687	123,572	130,920	131,200	0.2%
Supplies & services	11,711	397	42,699	20,400	20,400	0.0%
Capital outlay	1,878,666	1,356,302	1,591,630	1,030,180	853,780	-17.1%
Total Expenses	1,992,872	1,473,385	1,757,902	1,181,500	1,005,380	-14.9%
Net income	(979,056)	(241,602)	260,537	228,960	305,420	
Beginning working capital	4,050,147	3,071,091	2,829,489	2,500,000	2,500,000	
Ending working capital	3,071,091	2,829,489	3,090,026	2,728,960	2,805,420	2.8%
Staffing FTE	0.9	0.9	0.9	0.9	0.9	

2026 Budget Notes: ER&R replacement costs vary from year to year. The City targets to maintain a certain level of reserves in the Equipment Rental Replacement fund, so the replacement rates were adjusted a little lower for 2026.

## 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, the Public Services Center Complex, the Community Center, Convention Center, the City Pool and Bathhouse and some of the work at the buildings in City parks, Parkside, and the Carnegie Building. This fund primarily derives its facility maintenance and upkeep revenue from interfund transfers from other departments and funds.

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

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
<b>Revenues</b>						
Interfund Services	713,948	1,458,905	1,400,000	1,400,000	1,400,000	0.0%
Leases	461,833	491,077	620,120	703,200	703,200	0.0%
Transfers In	460,898	1,036,841	-	-	-	-
Other	122,563	43,641	220,135	130,000	140,000	7.7%
<b>Total Revenues</b>	<b>1,759,243</b>	<b>3,030,464</b>	<b>2,240,255</b>	<b>2,233,200</b>	<b>2,243,200</b>	<b>0.4%</b>
<b>Expenses</b>						
Salaries & benefits	645,284	726,030	748,669	758,140	788,210	4.0%
Supplies & services	886,356	1,798,095	1,327,634	1,410,710	1,588,110	12.6%
Capital outlay	-	99,424	-	150,000	150,000	0.0%
<b>Total Expenses</b>	<b>1,531,640</b>	<b>2,623,549</b>	<b>2,076,303</b>	<b>2,318,850</b>	<b>2,526,320</b>	<b>8.9%</b>
Net income	227,603	406,915	163,952	(85,650)	(283,120)	
Beginning working capital	402,430	630,033	1,036,948	1,000,000	1,100,000	
Ending working capital	630,033	1,036,948	1,200,900	914,350	816,880	-10.7%
<b>Staffing FTE</b>	<b>4.9</b>	<b>5.9</b>	<b>5.9</b>	<b>5.4</b>	<b>5.6</b>	

## 505 - Information Technology

The Information Technology (IT) Department provides the technology services essential for serving the residents and businesses of our vibrant community. IT collaborates with all City departments to implement technologies that align with Council priorities, uphold City values, and enhance operations.

IT is focused on leveraging enterprise solutions, supporting a growing mobile workforce, providing sound infrastructure, creating efficiencies and implementing innovative services. IT prioritizes a robust infrastructure, effective policies, proactive disaster planning, and strong information security programs to ensure that all departments have the necessary tools to serve the public while keeping data secure.

**Mission:** *Provide secure, accessible & reliable services through exceptional customer service, innovation, and fiscally responsible technology*

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
<b>Revenues</b>	1,510,356	1,670,783	1,835,070	2,025,000	2,630,640	29.9%
<b>Expenses</b>						
Salaries & benefits	623,598	651,622	733,544	758,450	737,400	-2.8%
Supplies & services	693,051	1,071,549	1,139,580	1,209,820	1,744,090	44.2%
Capital outlay	167,295	-	-	-	-	0.0%
Total Expenses	1,483,944	1,723,172	1,873,124	1,968,270	2,481,490	26.1%
Net income	26,412	(52,388)	(38,054)	56,730	149,150	
Beginning working capital	331,181	357,593	305,205	250,000	250,000	
Ending working capital	357,593	305,205	267,151	306,730	399,150	30.1%
Staffing FTE	5.0	5.0	5.0	5.0	5.0	

**2026 Budget Notes:** Significant increases to software maintenance costs, core server replacements, and replacing the phone system have increased the supplies & services category. These increased costs are allocated to all funds that utilize Information Technology services.

## PERMANENT FUNDS

Permanent Funds are used to manage money that must be kept intact forever, while allowing the city to spend the earnings from that money on public purposes.

### 710 - Cemetery Endowment

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This fund is used to account of endowment 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.

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	26/25 Change
<b>Revenues</b>	44,865	72,002	91,000	70,000	70,000	0.0%
<b>Expenses</b>	-	-	-	-	-	0.0%
Net income	44,865	72,002	91,000	70,000	70,000	
Beginning fund balance *	1,284,276	1,329,141	1,401,143	1,400,000	1,400,000	
Ending fund balance	1,329,141	1,401,143	1,492,142	1,470,000	1,470,000	0.0%

\*Since budget figures are estimates, the estimated beginning fund balances of 2025 and 2026 may not equal the ending fund balances of 2024 and 2025 respectively.

## CAPITAL BUDGET

While capital expenses are included within each fund’s budget, this section provides a detailed, project-by-project view of how those dollars will be spent. It focuses on long-term improvements—such as parks, buildings, roads, and systems—that support public services and enhance community quality of life. By listing individual projects separately, the Capital Budget offers greater transparency and helps residents understand the scope, timing, and funding sources behind each initiative.

### Parks & Recreation Capital Projects

**Bighorn Ridge Acquisition.** This partnership project with the Chelan Douglas Land Trust and State of Washington will acquire 134 acres of property to provide recreational and educational opportunities and habitat preservation north of the City.

<b>Bighorn Ridge Acquisition</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # PK2015O2 Managing Fund: 302					
Resources					
302 Park & Rec Capital Projects	Reserves	10,000	60,000	-	70,000
302 Park & Rec Capital Projects	RCO Grant	-	750,000	-	750,000
302 Park & Rec Capital Projects	Donations	-	800,000	-	800,000
Total resources		10,000	1,610,000	-	1,620,000

**Burch Mountain Acquisition.** This partnership project would acquire property to provide recreational and educational opportunities and habitat preservation north of the City. It would also develop a trailhead to provide improved safety and access.

<b>Burch Mountain Acquisition</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # PK2015O2 Managing Fund: 302					
Resources					
302 Park & Rec Capital Projects	Reserves	30,000	30,000	20,000	80,000
302 Park & Rec Capital Projects	RCO Grant	-	-	950,000	950,000
302 Park & Rec Capital Projects	Donations	-	-	640,000	640,000
Total resources		30,000	30,000	1,610,000	1,670,000

**Cemetery Capacity.** The Cemetery is running out of space. This project addresses the vacancy issue by constructing a new roadway located on the southern portion of the Cemetery that connects Western Avenue with Story Lane to open up the area of the Cemetery for expansion. Engineering was prepared in 2023 for the project. The project also purchases two new niche walls. The project would be paid for over time through sales.

<b>Cemetery Capacity</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # PK2023S1 Managing Fund: 302					
Resources					
301 Real Estate Excise Tax	Reserves	-	400,000	-	400,000
Total resources		-	400,000	-	400,000

## Street Capital Projects

**Ninth Street Rail Crossing.** This project will improve 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	2026 Budget	Future Years	Project Total
Project # 1801 Managing Fund: 109					
Resources					
109 Arterial Streets	Reserves	111,200	-	-	111,200
109 Arterial Streets	Federal Grant	1,024,542	511,770	-	1,536,312
Total resources		1,135,742	511,770	-	1,647,512

**Confluence Parkway Phase 1.** Design, Right-of-Way acquisition and construction of the McKittrick St. underpass and Confluence Parkway South. This is an INFRA funded project identified as segments 1B and 2A of the Apple Capital Loop. The combined projects will eliminate two at-grade railroad crossings, construct two grade separated crossings, construct and reconstruct existing minor arterial streets, construct and reconstruct traffic signals and other work.

<b>Confluence Parkway Phase 1</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # 2201.1 Managing Fund: 310					
Resources					
310 Apple Capital Loop Project	INFRA Grant	43,102,162	37,544,730	-	80,646,892
310 Apple Capital Loop Project	MAW Grant	1,248,555	11,119,929	23,305,600	35,674,084
310 Apple Capital Loop Project	Other Grants	11,021,510	8,709,530	-	19,731,040
Total resources		55,372,227	57,374,189	23,305,600	136,052,016

**Apple Capital Loop (Segment 2C).** This project will construct two new grade-separated shared use path crossings; one over SR 28 in East Wenatchee and one over BNSF right-of-way near the existing Loop Trail pipeline bridge in Wenatchee.

<b>Apple Capital Loop (Segment 2C)</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # 2201.2 Managing Fund: 310					
Resources					
310 Apple Capital Loop Project	Reserves	-	234,104	-	234,104
310 Apple Capital Loop Project	INFRA Grant	8,429,764	5,461,244	-	13,891,008
310 Apple Capital Loop Project	MAW Grant	1,254,507	792,310	-	2,046,817
310 Apple Capital Loop Project	Other Grants	825,000	675,000	-	1,500,000
Total resources		10,509,271	7,162,658	-	17,671,929

**Confluence Parkway North.** Design, Right-of-Way acquisition and construction of portions of Segment 2B of the Apple Capital Loop project identified in the INFRA grant application. Segment 2B constructs Phases 2-3 of Confluence Parkway, including a new roadway and Wenatchee River bridge crossing. New roadway partially on new alignment and existing street alignments.

<b>Confluence Parkway North</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # 2201.3 Managing Fund: 310					
Resources					
310 Apple Capital Loop Project	State MAW Grant	27,183,238	3,286,762	20,502,263	50,972,263
Total resources		27,183,238	3,286,762	20,502,263	50,972,263

**Millerdale Avenue Canal Bridge.** This project will replace the existing structurally deficient bridge with a new bridge or box culvert structure. It will also widen the roadway at the location of the structure to provide for pedestrian improvements and placement of the bridge rail outside of the clear zone.

<b>Millerdale Avenue irrigation Canal Bridge</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # 2213 Managing Fund: 109					
Resources					
109 Arterial Streets	Reserves	22,000	5,000	-	27,000
109 Arterial Streets	Federal Grant	430,000	1,264,982	1,074,285	2,769,267
401 Water Utility	Reserves	10,000	95,000	95,000	200,000
405 Sewer Utility	Reserves	5,000	72,500	72,500	150,000
410 Storm Drain Utility	Reserves	6,000	72,500	72,500	151,000
Total resources		473,000	1,509,982	1,314,285	3,297,267

**Red Apple Road - Vista Pl. to Miller St.** This project will improve Red Apple Road between Vista Place and Miller Street.

<b>Red Apple Road - Vista Pl. to Miller St.</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # 2315 Managing Fund: 109					
Resources					
109 Arterial Streets	Reserves	120,634	594,779	-	715,413
109 Arterial Streets	TIB Grant	482,536	1,436,692	-	1,919,228
109 Arterial Streets	Owner Agreements	-	54,200	-	54,200
Total resources		603,170	2,085,671	-	2,688,841

**Pybus South Parking Lot.** Public Parking lot south of Pybus on Worthen Street at Orondo Avenue.

<b>Pybus South Parking Lot</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # 2317 Managing Fund: 307					
Resources					
301 Real Estate Excise Tax	Reserves	-	173,775	-	173,775
307 LRF	Reserves	50,000	-	-	50,000
307 LRF	EV Charger Grant	20,000	643,000	-	663,000
307 LRF	Other Grants	-	-	1,556,725	1,556,725
Total resources		70,000	816,775	1,556,725	2,443,500

**North Wenatchee Avenue Shared-Use Trail - Phase 1.** This project will construct a shared use path/trail between Maiden Ln and Walnut St and include ADA curb ramps at both ends of the path, pedestrian scale illumination and bicycle wayfinding signs/markings. The project was awarded \$2.1M in grant funding through the 2023-2025 Pedestrian & Bicycle Safety Program.

<b>North Wenatchee Avenue Shared-Use Trail - Phase 1</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # 2318 Managing Fund: 109					
Resources					
109 Arterial Streets	Reserves	23,400	114,716	145,780	283,896
109 Arterial Streets	Ped & Bicycle Grant	171,600	841,254	1,121,820	2,134,674
Total resources		195,000	955,970	1,267,600	2,418,570

**Sunset Avenue Pedestrian Improvements.** This project will install new sidewalk with curb and gutter, new ADA compliant curb ramps, new marked crosswalks, and a new marked pedestrian route along Sunset Avenue. The project will also construct Rectangular Rapid-Flashing Beacons (RRFB) at the intersection of Fifth Street and Sunset Avenue.

<b>Sunset Avenue Pedestrian Improvements</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # 2319 Managing Fund: 109					
Resources					
109 Arterial Streets	Safe Routes Grant	142,800	485,200	-	628,000
Total resources		142,800	485,200	-	628,000

**Crawford and Okanogan Intersection Improvements.** This project will construct a mini/compact roundabout at the intersection of Crawford Avenue and Okanogan Avenue. The project will also fill in sidewalk gaps along Okanogan Avenue north and south of the intersection.

<b>Crawford and Okanogan Intersection Improvements</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # 2320 Managing Fund: 109					
Resources					
109 Arterial Streets	Safe Routes Grant	382,000	1,583,500	-	1,965,500
401 Water Utility	Reserves	-	5,000	-	5,000
Total resources		382,000	1,588,500	-	1,970,500

**N Wenatchee Ave Corridor Improvements.** This project is funded by WSDOT through the Connection Washington program. This project provides for safety and mobility improvements along Wenatchee Avenue between Walnut/Hawley and Horselake Rd.

<b>N Wenatchee Ave Corridor Improvements</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # 2323 Managing Fund: 310					
Resources					
310 Apple Capital Loop Project	WSDOT Grant	1,813,163	13,333,681	7,942,575	23,089,419
Total resources		1,813,163	13,333,681	7,942,575	23,089,419

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

<b>Pavement Preservation - Chip Seal</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # 2401 Managing Fund: 111					
Resources					
111 Street Overlay	Reserves	50,000	1,738,750	-	1,788,750
Total resources		50,000	1,738,750	-	1,788,750

**Wenatchee Safe Streets and Roads for All Action Plan.** This project will develop a comprehensive Safety Action Plan for the City of Wenatchee, which will be used to pursue eligible funding for projects within the federal SS4A funding program.

<b>Wenatchee Safe Streets &amp; Roads for All Action Plan</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # 2406 Managing Fund: 109					
Resources					
109 Arterial Streets	Reserves	30,000	20,000	-	50,000
109 Arterial Streets	Grants	120,000	80,000	-	200,000
Total resources		150,000	100,000	-	250,000

**9<sup>th</sup> Street Corridor Improvements.** This project will improve 9th Street between Miller Street to the west and the existing railroad crossing to the east by reconfiguring the traffic signals, updating ADA curb ramps, and altering the roadway to a three lane section with bike lanes.

<b>9th Street Corridor Improvements</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # 2407 Managing Fund: 109					
Resources					
109 Arterial Streets	Reserves	176,092	603,447	-	779,539
109 Arterial Streets	TIB Grant	159,240	1,039,760	-	1,199,000
Total resources		335,332	1,643,207	-	1,978,539

**1st Street Curb Ramps - Miller Ave. to Chelan Ave.** This is a multi-phase project that will replace all existing non-compliant curb ramps with new ADA compliant curb ramps. This project will also remove and replace all of the asphalt at each intersection to address existing issues with low utility castings, steep cross slopes, etc. Completion of this project would improve safety and accessibility for pedestrians, motorists, and bicyclists of all ages and ability.

<b>1st Street Curb Ramps - Miller Ave. to Chelan Ave.</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # 2408 Managing Fund: 115					
Resources					
111 Street Overlay	Reserves	85,000	-	-	85,000
115 CDBG Entitlement	Grants	840,000	282,000	543,000	1,665,000
Total resources		925,000	282,000	543,000	1,750,000

**SR 285 Couplet Signal Upgrades.** Upgrade Signal heads to all 12" indicators and add retro-reflective backplates on the following streets for the signalized intersections on SR285 (both Mission Street and Chelan Avenue): Kittitas Street, Yakima Street, Orondo Avenue, Palouse Street, First Street, Second Street, and Fifth Street.

<b>SR 285 Couplet Signal Upgrades</b>		Prior	2026	Future	Project
Project # 2412 Managing Fund: 109		Years	Budget	Years	Total
Resources					
109 Arterial Streets	Federal Grant	40,000	795,270	-	835,270
Total resources		40,000	795,270	-	835,270

**2026 Pavement Preservation.** This project will resurface existing streets in accordance with the City's StreetSaver Pavement Management Program.

<b>2026 Pavement Preservation</b>		Prior	2026	Future	Project
Project # 2501 Managing Fund: 111		Years	Budget	Years	Total
Resources					
111 Street Overlay	Reserves	300,000	2,200,000	-	2,500,000
Total resources		300,000	2,200,000	-	2,500,000

**2025-2027 Pavement Condition Survey.** This project will provide one citywide pavement condition survey including updating StreetSaver Pavement Management Software and providing technical support to City staff for running budget scenarios, project planning and reporting.

<b>2025-2027 Pavement Condition Survey</b>		Prior	2026	Future	Project
Project # 2504 Managing Fund: 111		Years	Budget	Years	Total
Resources					
111 Street Overlay	Reserves	50,000	20,000	-	70,000
Total resources		50,000	20,000	-	70,000

**Bridge Street Multimodal Corridor Improvements.** This project extends improvements from the South End Bike/Ped Access Bridges Project to South Wenatchee Avenue, enhancing pedestrian and cyclist safety with a one-way road and two-way cycle track. It adds sidewalks, pedestrian lighting, designated parking, and safety features like RRFBs and ADA-compliant ramps.

<b>Bridge Street Multimodal Corridor Improvements</b>		Prior	2026	Future	Project
Project # 2505 Managing Fund: 109		Years	Budget	Years	Total
Resources					
109 Arterial Streets	Grants	50,000	171,100	1,572,400	1,793,500
Total resources		50,000	171,100	1,572,400	1,793,500

**Community Safety Action Plan.** The project will develop and compose a Community Safety Action Plan for the City of Wenatchee aimed at decreasing vehicle crashes through driver education, engineering, and enforcement to improve driver behavior.

<b>Community Safety Action Plan</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # 2511 Managing Fund: 109					
Resources					
109 Arterial Streets	Grants	30,000	80,000	-	110,000
Total resources		30,000	80,000	-	110,000

**Ferry St Bicycle Corridor Development Project.** This project will study the vicinity surrounding Russell/Ferry St, from approximately S Miller St to S Wenatchee Ave and at least a block north/south to either side of that corridor, to inform design for active transportation connections between Middle and High Schools (and other destinations) and S. Wenatchee Avenue.

<b>Ferry St Bicycle Corridor Development Project</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # 2512 Managing Fund: 109					
Resources					
109 Arterial Streets	Grants	27,000	280,000	-	307,000
Total resources		27,000	280,000	-	307,000

**Methow and Ferry Crossing.** This project will improve the intersection of Methow Street and Ferry Street by installing bulbouts, ADA Compliant curb ramps, and bolstering the existing RRFB units for the east and west pedestrian crossing.

<b>Methow and Ferry Crossing</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # 2513 Managing Fund: 109					
Resources					
109 Arterial Streets	Grants	25,000	159,000	672,000	856,000
Total resources		25,000	159,000	672,000	856,000

**2027 Pavement Preservation.** This project will resurface existing streets in accordance with the City's StreetSaver Pavement Management Program.

<b>2027 Pavement Preservation</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # 2601 Managing Fund: 111					
Resources					
111 Street Overlay	Reserves	-	240,000	1,760,000	2,000,000
Total resources		-	240,000	1,760,000	2,000,000

## Utility Capital Projects

**Pershing Street Stormwater Retrofit & Water.** This project will add 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 lined. In addition, approximately 1,000 feet of 1956 cast iron water main will be replaced.

<b>Pershing Street Stormwater Retrofit &amp; Water</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # 2104 Managing Fund: 410					
Resources					
401 Water Utility	Reserves	-	511,272	-	511,272
410 Storm Drain Utility	Reserves	-	545,061	-	545,061
410 Storm Drain Utility	Dept of Ecology Grant	263,826	3,088,677		3,352,503
410 Storm Drain Utility	Dept of Ecology Loan	-	240,112	-	240,112
Total resources		263,826	4,385,122	-	4,648,948

**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	2026 Budget	Future Years	Project Total
Project # 2202 Managing Fund: 401					
Resources					
401 Water Utility	Reserves	35,800	-	-	35,800
401 Water Utility	DWSRF/PWB Loans	178,940	3,650,800	-	3,829,740
Total resources		214,740	3,650,800	-	3,865,540

**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	2026 Budget	Future Years	Project Total
Project # 2215 Managing Fund: 410					
Resources					
410 Storm Drain Utility	Reserves	44,700	1,500,000	621,106	2,165,806
410 Storm Drain Utility	Ecology Grant	200,491	52,809	3,519,603	3,772,903
Total resources		245,191	1,552,809	4,140,709	5,938,709

**Solids Handling Improvements.** Additional improvements are needed to the solids handling system at the wastewater treatment plant to keep up with increased growth in the community. This project will add a blend tank, gas conditioning, replace the existing boiler, and add an automated polymer system.

<b>Solids Handling Improvements</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # 2305 Managing Fund: 405					
Resources					
405 Sewer Utility	Reserves	250,000	1,187,315	6,852,550	8,289,865
Total resources		250,000	1,187,315	6,852,550	8,289,865

**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 received a grant through the Chelan County FEMA Post Fire mitigation program to purchase and install generators for the wastewater treatment plant, two sewer lift stations, and the City's 4 drinking water reservoirs and pump stations. 9 generators will be purchased and the project will be put out to bid for installation at each site requiring site work.

<b>Generators for Critical Utility Infrastructure</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # 2307 Managing Funds: 401/405					
Resources					
401 Water Utility	Reserves	-	213,363	-	213,363
401 Water Utility	FEMA Grant		434,603	-	434,603
405 Sewer Utility	Reserves	-	213,362	-	213,362
405 Sewer Utility	FEMA Grant	-	434,602	-	434,602
Total resources		-	1,295,930	-	1,295,930

**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 stormwater.

<b>Roosevelt Utility Improvements</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # 2310 Managing Fund: 410					
Resources					
401 Water Utility	Reserves	-	-	1,103,630	1,103,630
405 Sewer Utility	Reserves	-	-	51,215	51,215
410 Storm Drain Utility	Reserves	-	-	325,897	325,897
410 Water Utility	State Grant	3,000	9,000	15,000	27,000
410 Water Utility	State Loan	17,000	51,000	85,000	153,000
Total resources		20,000	60,000	1,580,742	1,660,742

**WWTP South Viewing Area.** The south viewing area at the Wastewater Treatment has settled and caused damage to the fence and public access area. This project will replace the viewing area with landscaping and prevent further settling.

<b>WWTP South Viewing Area</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # 2402 Managing Fund: 405					
Resources					
405 Sewer Utility	Reserves	570,000	180,000	-	750,000
Total resources		570,000	180,000	-	750,000

**WWTP Administration Building.** The wastewater treatment plant (WWTP) administration building was built in the 1950s over the influent pump station. The building is at the end of its service life and needs to be expanded. This project will build a new building at the WWTP site.

<b>WWTP Administration Building</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # 2403 Managing Fund: 405					
Resources					
405 Sewer Utility	Reserves	436,761	4,706,446	-	5,143,207
Total resources		436,761	4,706,446	-	5,143,207

**PSC Utility Building.** The sewer/storm collections crew is based at the Public Services Center, but stores all of their equipment and vehicles at the wastewater treatment plant. To improve operational efficiencies and provide storage at the Public Services Center, this project will construct a new garage will be built for the sewer/storm collections equipment, water utility equipment with an alternate to consider housing two street sweepers.

<b>PSC Utility Building</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # 2403.2 Managing Fund: 405					
Resources					
401 Water Utility	Reserves	145,587	1,680,000	-	1,825,587
405 Sewer Utility	Reserves	145,587	1,680,000	-	1,825,587
410 Storm Drain Utility	Reserves	145,587	1,680,000	-	1,825,587
Total resources		436,761	5,040,000	-	5,476,761

**4 Million Gallon Reservoir Replacement.** This project will acquire the property and start planning efforts to design and replace the existing 90 year old water reservoir. Planning is expected to take up to 3 years with construction in 2028. This tank will be a precast concrete tank and will be upsized from 4 million gallons to a 6 million gallon tank. We anticipate getting State Drinking Water Funds for the construction. City would be responsible for the match of costs. Land acquisition may be necessary or a kind of trade or improvements agreement.

<b>4 Million Gallon Reservoir Replacement</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # 2404 Managing Fund: 401					
Resources					
401 Water Utility	Reserves	397,554	2,200,000	300,000	2,897,554
401 Water Utility	Future Funding	-	-	56,327,000	56,327,000
Total resources		397,554	2,200,000	56,627,000	59,224,554

**Euclid Sewer Extension - Gunn to Penny.** To accommodate future expansion of sewer along Ohme Gardens Road and North Highway 97A, this project will re-route the existing 8" sewer line at Euclid Ave and Gunn Road south on Euclid to Penny Road. This project would install approximately 1,050 lineal feet of 15" diameter gravity sewer main.

<b>Euclid Sewer Extension - Gunn to Penny</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # 2502 Managing Fund: 405					
Resources					
405 Sewer Utility	Reserves	20,000	140,000	796,400	956,400
Total resources		20,000	140,000	796,400	956,400

**Olds Station Stormwater Pond Remediation.** The Olds Station stormwater facility was constructed in 1999 and discharges to the lower Wenatchee River which has 303d listings for temperature, fecal coliform and pH. The facility was intended to provide water quality treatment but the infiltration rates are too high and the soils are contaminated with heavy metals. This project will develop a plan to retrofit the facility to provide water quality treatment and protect the habitat at the confluence of the Wenatchee and Columbia Rivers. Staff and budget reflect an Ecology grant for the planning efforts. Staff may also apply for Ecology construction funds once the scope of work is more clear and an estimated budget is known.

<b>Olds Station Stormwater Pond Remediation</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # 2503 Managing Fund: 410					
Resources					
410 Storm Drain Utility	Reserves	-	88,950	606,000	694,950
410 Storm Drain Utility	Ecology Grants	-	504,050	3,400,000	3,904,050
Total resources		-	593,000	4,006,000	4,599,000

**WWTP Drying Bed Drains & Storage Building.** This project will serve as a requirement for the Washington State Department of Agriculture's application process to certify our biosolids as fertilizer by storing the fertilizer in a dry covered storage building. Also included in the project is repairing our older drying bed drains that have all but failed in the last 35 years.

<b>WWTP Drying Bed Drains &amp; Storage Building</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # 2509 Managing Fund: 405					
Resources					
405 Sewer Utility	Reserves	55,000	776,700	-	831,700
Total resources		55,000	776,700	-	831,700

**WWTP RAS & WAS Pumps Upgrade.** Replace the Return Activated Sludge (RAS) pumps and Waste Activated Sludge (WAS) pump. Add an additional WAS pump for redundancy. Upgrade the Programmable Logic Controls (PLC's) due to the existing Siemens PLC's will be at the end of their life in 12 months and only after market PLC's will be available.

<b>WWTP RAS &amp; WAS Pumps Upgrade</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # 2510 Managing Fund: 405					
Resources					
405 Sewer Utility	Reserves	50,000	618,886	126,100	794,986
Total resources		50,000	618,886	126,100	794,986

**Snohomish Outfall Stormwater Retrofit.** This planning project will design a project to 90 percent to add water quality increase water treatment ahead of the outfalls to address stormwater needs that affect the shoreline and water quality of the Columbia River. Improvements will include best management practices for water quality treatment including new pipe, catch basins, inlets, detention and retention facilities and curb & gutter to route stormwater to structures and conveyance. Then staff will apply for construction funding to complete the project by 2030.

<b>Snohomish Outfall Stormwater Retrofit</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # 2514 Managing Fund: 410					
Resources					
410 Storm Drain Utility	Reserves	94,209	50,250	353,178	497,637
410 Storm Drain Utility	Ecology Grants	-	284,750	1,978,712	2,263,462
Total resources		94,209	335,000	2,331,890	2,761,099

**Regional Surface Water Treatment Plant.** The Regional Water partners will be constructing a surface water treatment plant to provide drinking water for future growth and improve resiliency of the drinking water system in the Wenatchee Valley.

<b>Regional Surface Water Treatment Plant</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # 2602 Managing Fund: 415					
Resources					
415 Regional Water	Reserves	-	2,500,000	106,816,000	109,316,000
Total resources		-	2,500,000	106,816,000	109,316,000

**Regional Kentucky Aquifer Wellfield.** The Regional Water partners will be constructing a new wellfield to provide drinking water for future growth and improve resiliency of the drinking water system in the Wenatchee Valley.

<b>Regional Kentucky Aquifer Wellfield</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # 2603 Managing Fund: 415					
Resources					
415 Regional Water	Reserves	-	1,500,000	8,478,000	9,978,000
Total resources		-	1,500,000	8,478,000	9,978,000

**Regional Eastbank Well 3 Improvements.** The Regional Water partners will be updating and replacing Well 3 at the Eastbank Aquifer.

<b>Regional Eastbank Well 3 Improvements</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # 2604 Managing Fund: 415					
Resources					
415 Regional Water	Reserves	-	900,000	688,000	1,588,000
Total resources		-	900,000	688,000	1,588,000

## Facilities Capital Projects

**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 Expansion</b>		Prior Years	2026 Budget	Future Years	Project Total
Project # 2212 Managing Fund: 312					
Resources					
106 Convention Center	Reserves	1,400,000	200,000	-	1,600,000
107 Lodging Tax Advisory Cmte	Reserves	-	200,000	-	200,000
312 Convention Center Capital	Bond Proceeds	16,210,000	525,000	-	16,735,000
Total resources		17,610,000	925,000	-	18,535,000

## Capital Budget Summary

The capital projects listed on the previous pages are summarized in the chart below. The 2026 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	2026 Budget	Future Years
106	Convention Center	1,400,000	200,000	-
107	Lodging Tax Advisory Committee	-	200,000	-
109	Arterial Streets	3,568,044	10,120,670	4,586,285
111	Street Overlay	485,000	4,198,750	1,760,000
115	CDGB Entitlement	840,000	282,000	543,000
301	Real Estate Excise Tax	-	573,775	-
302	Park & Rec Capital Projects	40,000	1,640,000	1,610,000
307	Local Revitalization Financing	70,000	643,000	1,556,725
310	Apple Capital Loop Project	94,877,899	81,157,290	51,750,438
312	Convention Center Capital	16,210,000	525,000	-
401	Water Utility	767,881	8,790,038	57,825,630
405	Sewer Utility	1,532,348	10,009,811	7,898,765
410	Storm Drain Utility	774,813	8,167,159	10,976,996
415	Regional Water System	-	4,900,000	115,982,000
		120,565,985	131,407,493	254,489,839