



# **CITY OF RICHLAND, WASHINGTON**

## **Public Works Utilities Financial Statements**

**For the Quarter Ended**

**June 30, 2025**

(Unaudited)

*Prepared by:*

Finance Department

*Issued on:*

August 8, 2025

**CITY OF RICHLAND, WASHINGTON**  
**PUBLIC WORKS UTILITIES FINANCIAL STATEMENTS**  
**June 30, 2025**

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**City of Richland~WATER FUND~ 2nd QTR -As of June 30, 2025 and June 30, 2024**

**STATEMENT OF NET POSITION**

	2025	2024	Incr(Decr)		2025	2024	Incr(Decr)
<b>ASSETS</b>				<b>DEFERRED OUTFLOW OF RESOURCES</b>			
<i>Current:</i>				Deferred amount on refunding debt	128,909	143,349	(14,440)
Cash & equivalents				Deferred amount pension and OPEB	634,823	455,682	179,141
Unrestricted	15,650,915	8,007,131	7,643,785	Total deferred outflow of resources	<b>763,732</b>	<b>599,030</b>	<b>164,701</b>
Investments	(302,457)	(694,035)	391,578				
Deposit with Third Party	5,775	5,775	-	<b>LIABILITIES</b>			
				<i>Current:</i>			
Receivables:				Accounts payable & accrued expenses	270,515	495,793	(225,278)
Customer accounts (net)	858,318	1,012,839	(154,520)	Interest on outstanding debt	81,121	87,111	(5,990)
Due from other funds	-	-	-	Payable to other governments	72,005	65,394	6,611
Due from other governments	-	-	-	Notes payable-current portion	306,107	233,622	72,484
Special Assessments	18,259	11,498	6,761	Deposits payable	76,452	94,185	(17,733)
Interfund loans	-	3,890	(3,890)	Compensated absences-current portion	155,478	165,500	(10,023)
Unspent Bond Proceeds	-	-	-	Total OPEB liability - current	27,897	21,314	6,583
Prepaid items	150,928	143,800	7,128	Revenue bonds payable-current portion	542,078	524,888	17,190
Inventory	372,999	338,386	34,612	Total current liabilities	<b>1,531,652</b>	<b>1,687,807</b>	<b>(156,155)</b>
Total current assets	<b>16,754,737</b>	<b>8,829,284</b>	<b>7,925,453</b>				
<i>Noncurrent:</i>				<i>Noncurrent:</i>			
Restricted Cash & equivalents				Unearned Revenue	53,327	60,332	(7,005)
Unspent bond proceeds	-	-	-	Compensated absences	155,478	165,500	(10,023)
Bond Reserve	878,756	947,331	(68,575)	Net pension and OPEB liability	461,223	457,571	3,652
Scheduled debt repayments	916,877	975,322	(58,445)	Notes & loans payable	7,452,251	1,465,999	5,986,252
Facilities fees	1,128,002	6,599,689	(5,471,687)	Revenue bonds payable	9,667,281	10,271,990	(604,709)
Net pension asset	416,723	510,555	(93,832)	Total noncurrent liabilities	<b>17,789,559</b>	<b>12,421,392</b>	<b>5,368,167</b>
Restricted Investments				Total liabilities	<b>19,321,211</b>	<b>14,109,199</b>	<b>5,212,012</b>
Bond Reserve	-	-	-				
Receivables				<b>DEFERRED INFLOW OF RESOURCES</b>			
Special Assessments - LT	53,327	60,332	(7,005)	Deferred amount on pension and OPEB	273,245	416,058	(142,813)
Interfund Loans	-	-	-	Total deferred inflow of resources	<b>273,245</b>	<b>416,058</b>	<b>(142,813)</b>
Capital assets:				<b>NET POSITION</b>			
Land	5,604	5,604	-	Net investment in capital assets	87,839,269	81,790,566	6,048,703
Depreciable assets (net)	6,257,399	5,548,968	708,432	Restricted for:			
Infrastructure (net)	81,437,626	79,795,756	1,641,869	Pension assets	416,723	650,470	(233,747)
Construction in progress	15,897,826	11,400,807	4,497,019	Debt service	1,214,367	1,304,123	(89,756)
Total capital assets	103,598,455	96,751,134	6,847,320	Capital improvements	616,552	6,273,430	(5,656,878)
Total noncurrent assets	<b>106,992,139</b>	<b>105,844,363</b>	<b>1,147,776</b>	Unrestricted	14,829,242	10,728,831	4,100,411
Total assets	<b>123,746,876</b>	<b>114,673,647</b>	<b>9,073,229</b>	Total net position	<b>104,916,152</b>	<b>100,747,420</b>	<b>4,168,732</b>

**STATEMENT OF REVENUES, EXPENSES & CHANGES IN NET POSITION**

	2025	2024	Incr(Decr)		2025	2024	Incr(Decr)
<b>OPERATING REVENUES</b>				<b>NONOPERATING REVENUES (EXPENSES)</b>			
Charges for services:				Interest earnings	146,088	130,351	15,737
Rate revenues	4,033,910	3,910,494	123,416	Adjustment for Fair Market Value	-	-	-
All others	-	-	-	Interest expense	(128,256)	(99,374)	(28,882)
Other operating revenues	-	-	-	Debt costs	-	-	-
Total operating revenues	<b>4,033,910</b>	<b>3,910,494</b>	<b>123,416</b>	All other nonoperating revenues (expenses)	3,571	9,874	(6,303)
				Total nonoperating revenues (expenses)	<b>21,403</b>	<b>40,851</b>	<b>(19,448)</b>
<b>OPERATING EXPENSES</b>				Income before capital contributions and transfers	<b>184,653</b>	<b>347,934</b>	<b>(163,281)</b>
Maintenance & Operations	1,816,518	1,623,330	193,188				
Administration & general	542,240	527,877	14,363	Capital contributions	327,112	174,136	152,976
Taxes	671,199	661,969	9,230	Transfers in	-	-	-
Depreciation	840,703	790,235	50,468	Transfers out	(5,000)	(5,000)	0.01
Total operating expenses	<b>3,870,660</b>	<b>3,603,411</b>	<b>267,249</b>	Change in net position	<b>506,765</b>	<b>517,070</b>	<b>(10,305)</b>
Operating income (loss)	<b>163,250</b>	<b>307,083</b>	<b>(143,833)</b>	Net position-beginning	104,409,387	100,230,350	4,179,037
				Prior period adjustment	-	-	-
				Net position-ending	<b>104,916,152</b>	<b>100,747,420</b>	<b>4,168,732</b>

**City of Richland~WASTEWATER FUND~ 2nd QTR As of June 30, 2025 and June 30, 2024**

**STATEMENT OF NET POSITION**

	2025	2024	Incr(Decr)		2025	2024	Incr(Decr)
<b>ASSETS</b>				<b>DEFERRED OUTFLOW OF RESOURCES</b>			
<i>Current:</i>				Deferred amount on refunding debt	166,412	181,694	(15,281)
Cash & equivalents				Deferred amount pension and OPEB	586,310	443,311	142,999
Unrestricted	2,801,814	(2,545,533)	5,347,347	Total deferred outflow of resources	<b>752,722</b>	<b>625,004</b>	<b>127,718</b>
Investments	(65,140)	(254,380)	189,240				
Deposit with Third Party	2,650	2,650	-	<b>LIABILITIES</b>			
				<i>Current:</i>			
Receivables:				Accounts payable & accrued expenses	143,325	160,816	(17,491)
Customer accounts (net)	504,342	622,544	(118,203)	Interest on outstanding debt	39,495	41,834	(2,339)
Due from other funds	-	-	-	Payable to other governments	25,981	26,293	(312)
Due from other governments	-	-	-	Notes payable-current portion	86,968	84,485	2,483
Special Assessments	16,997	10,703	6,294	Deposits payable	88,930	88,020	911
Interfund loans	-	-	-	Compensated absences-current portion	83,135	83,642	(507)
				Total OPEB liability - current	-	14,010	(14,010)
Prepaid items	126,899	123,227	3,672	Revenue bonds payable-current portion	332,923	320,113	12,810
Inventory	1,040	1,040	-	Total current liabilities	<b>800,757</b>	<b>819,214</b>	<b>(18,456)</b>
Total current assets	<b>3,388,603</b>	<b>(2,039,747)</b>	<b>5,428,350</b>				
				<i>Noncurrent:</i>			
Noncurrent:				Unearned Revenue	205,641	212,161	(6,520)
Restricted Cash & equivalents				Compensated absences	83,135	83,642	(507)
Unspent bond proceeds	-	-	-	Net pension and OPEB liability	169,051	373,422	(204,371)
Bond Reserve	471,018	511,433	(40,414)	Notes & loans payable	486,519	561,683	(75,164)
Scheduled debt repayments	499,377	496,765	2,612	Revenue bonds payable	5,487,605	5,859,493	(371,888)
Facilities fees	1,284,177	6,747,986	(5,463,808)	Total noncurrent liabilities	<b>6,431,951</b>	<b>7,090,401</b>	<b>(658,450)</b>
Net pension asset	406,852	503,786	(96,934)				
Restricted Investments				Total liabilities	<b>7,232,709</b>	<b>7,909,614</b>	<b>(676,906)</b>
Receivables				<b>DEFERRED INFLOW OF RESOURCES</b>			
Special Assessments - LT	49,641	56,161	(6,520)	Deferred amount on pension and OPEB	174,580	370,399	(195,819)
Interfund Loans	-	-	-	Total deferred inflow of resources	174,580	370,399	(195,819)
Capital assets:				<b>NET POSITION</b>			
Land	-	-	-	Net investment in capital assets	67,702,921	62,275,671	5,427,250
Depreciable assets (net)	11,657,220	12,029,323	(372,103)	Restricted for:			
Infrastructure (net)	47,489,365	48,348,692	(859,327)	Pension assets	406,853	641,847	(234,994.00)
Construction in progress	14,632,938	11,215,154	3,417,784	Debt service	696,285	721,871	(25,586)
Total capital assets	<b>73,779,522</b>	<b>71,593,168</b>	<b>2,186,354</b>	Capital improvements	436,926	6,168,551	(5,731,624)
Total noncurrent assets	<b>76,490,588</b>	<b>79,909,299</b>	<b>(3,418,711)</b>	Unrestricted	3,981,638	406,602	3,575,036
<b>Total assets</b>	<b>79,879,191</b>	<b>77,869,552</b>	<b>2,009,638</b>	Total net position	<b>73,224,624</b>	<b>70,214,543</b>	<b>3,010,081</b>

**STATEMENT OF REVENUES, EXPENSES & CHANGES IN NET POSITION**

	2025	2024	Incr(Decr)		2025	2024	Incr(Decr)
<b>OPERATING REVENUES</b>				<b>NONOPERATING REVENUES (EXPENSES)</b>			
Charges for services:				Interest earnings	33,903	40,760	(6,857)
Rate revenues	2,673,415	2,608,938	64,477	Adjustment for Fair Market Value	-	-	-
All others	-	-	-	Interest expense	(55,577)	(44,957)	(10,620)
Other operating revenues	-	-	-	Debt costs	-	-	-
Total operating revenues	<b>2,673,415</b>	<b>2,608,938</b>	<b>64,477</b>	All other nonoperating revenues (expenses)	1,310	(5,117)	6,427
				Total nonoperating revenues (expenses)	<b>(20,363)</b>	<b>(9,314)</b>	<b>(11,049)</b>
<b>OPERATING EXPENSES</b>				Income before capital contributions and transfers	<b>153,332</b>	<b>130,672</b>	<b>22,659</b>
Maintenance & Operations	1,189,510	1,193,992	(4,482)	Capital contributions	436,493	224,062	212,431
Administration & general	400,098	379,455	20,643	Transfers in	723	450	273
Taxes	357,996	348,611	9,385	Transfers out	(1,250)	(1,250)	-
Depreciation	552,116	546,894	5,222	Change in net position	<b>589,297</b>	<b>353,934</b>	<b>235,363</b>
Total operating expenses	<b>2,499,720</b>	<b>2,468,952</b>	<b>30,768</b>	Net position-beginning	72,635,327	69,860,609	2,774,719
Operating income (loss)	<b>173,695</b>	<b>139,986</b>	<b>33,709</b>	Prior period adjustment	-	-	-
				Net position-ending	<b>73,224,624</b>	<b>70,214,543</b>	<b>3,010,081</b>

**City of Richland~SOLID WASTE FUND~ 2nd QTR As of June 30, 2025 and June 30, 2024**

**STATEMENT OF NET POSITION**

	2025	2024	Incr(Decr)		2025	2024	Incr(Decr)
<b>ASSETS</b>				<b>DEFERRED OUTFLOW OF RESOURCES</b>			
<i>Current:</i>				<i>Current:</i>			
Cash & equivalents				Deferred amount on refunding debt	-	-	-
Unrestricted	5,523,763	6,490,877	(967,114)	Deferred amount pension and OPEB	703,985	541,330	162,655
Investments	(165,073)	(358,335)	193,262	Total deferred outflow of resources	<b>703,985</b>	<b>541,330</b>	<b>162,655</b>
Deposit with Third Party	1,050	1,050	-	<b>LIABILITIES</b>			
				<i>Current:</i>			
Receivables:				Accounts payable & accrued expenses	187,961	516,402	(328,441)
Customer accounts (net)	749,748	1,097,218	(347,470)	Interest on outstanding debt	2,653	2,842	(189)
Due from other funds	-	-	-	Payable to other governments	44	406	(363)
Due from other governments	-	-	-	Notes payable-current portion	210,526	210,526	-
Special Assessments	-	-	-	Deposits payable	-	-	-
Interfund loans	-	-	-	Compensated absences-current portion	171,899	162,207	9,692
Prepaid items	63,395	71,941	(8,546)	Total OPEB liability - current	-	4,277	(4,277)
Inventory	-	-	-	Revenue bonds payable-current portion	-	-	-
Total current assets	<b>6,172,883</b>	<b>7,302,751</b>	<b>(1,129,869)</b>	Total current liabilities	<b>573,082</b>	<b>896,659</b>	<b>(323,578)</b>
<i>Noncurrent:</i>				<i>Noncurrent:</i>			
<i>Restricted Cash &amp; equivalents</i>				Unearned Revenue	-	-	-
Unspent bond proceeds	-	-	-	Compensated absences	171,899	162,207	9,692
Bond Reserve	-	-	-	Net pension and OPEB liability	202,980	319,128	(116,148)
Scheduled debt repayments	20,196	20,386	(190)	Notes & loans payable	3,190,210	2,947,368	242,842
Landfill closure	7,044,104	6,814,300	229,804	Landfill Closure liability	9,273,228	7,906,529	1,366,699
Net pension asset	488,511	628,719	(140,208)	Total noncurrent liabilities	<b>12,838,317</b>	<b>11,335,233</b>	<b>1,503,084</b>
Receivables	-	-	-	<b>Total liabilities</b>			
Special Assessments - LT	-	-	-		<b>13,411,398</b>	<b>12,231,892</b>	<b>1,179,506</b>
Interfund Loans	-	-	-				
Capital assets:				<b>DEFERRED INFLOW OF RESOURCES</b>			
Land	80,500	80,500	-	Deferred amount on pension and OPEB	209,620	386,733	(177,113)
Depreciable assets (net)	7,123,038	7,509,970	(386,932)	Total deferred inflow of resources	209,620	386,733	(177,113)
Infrastructure (net)	2,553,464	-	2,553,464	<b>NET POSITION</b>			
Construction in progress	2,155,062	2,831,628	(676,565)	Net investment in capital assets	7,495,627	7,006,038	489,589
Total capital assets	<b>11,912,065</b>	<b>10,422,097</b>	<b>1,489,967</b>	Restricted for:	-	-	-
Total noncurrent assets	<b>19,464,876</b>	<b>17,885,503</b>	<b>1,579,374</b>	Pension assets	488,511	801,017	(312,506)
Total assets	<b>25,637,759</b>	<b>25,188,254</b>	<b>449,505</b>	Debt service	142,702	144,028	(1,326)
				Capital improvements	(2,336,607)	(1,218,417)	(1,118,190)
				Unrestricted	6,930,493	6,378,293	552,201
				Total net position	<b>12,720,726</b>	<b>13,110,959</b>	<b>(390,233)</b>

**STATEMENT OF REVENUES, EXPENSES & CHANGES IN NET POSITION**

	2025	2024	Incr(Decr)		2025	2024	Incr(Decr)
<b>OPERATING REVENUES</b>				<b>NONOPERATING REVENUES (EXPENSES)</b>			
Charges for services:				Interest earnings	117,982	124,017	(6,035)
Rate revenues	3,278,331	3,327,237	(48,906)	Adjustment for Fair Market Value	-	-	-
All others	-	-	-	Interest expense	(9,163)	(8,905)	(258)
Other operating revenues	30,368	16,351	14,017	Debt costs	-	-	-
Total operating revenues	<b>3,308,700</b>	<b>3,343,589</b>	<b>(34,889)</b>	All other nonoperating revenues (expenses)	4,024	7,235	(3,211)
<b>OPERATING EXPENSES</b>				Total nonoperating revenues (expenses)	<b>112,842</b>	<b>122,347</b>	<b>(9,504)</b>
Maintenance & Operations	2,145,188	2,443,579	(298,391)	Income before capital contributions and transfers	<b>391,335</b>	<b>166,853</b>	<b>224,482</b>
Administration & general	345,227	323,371	21,855	Capital contributions	-	-	-
Taxes	418,960	431,638	(12,678)	Transfers in	-	-	-
Depreciation	120,832	100,494	20,338	Transfers out	-	-	-
Total operating expenses	<b>3,030,207</b>	<b>3,299,082</b>	<b>(268,875)</b>	Change in net position	<b>391,335</b>	<b>166,853</b>	<b>224,482</b>
Operating income (loss)	<b>278,493</b>	<b>44,507</b>	<b>233,986</b>	Net position-beginning	12,329,390	12,944,105	(614,715)
				Prior period adjustment	-	-	-
				Net position-ending	<b>12,720,726</b>	<b>13,110,959</b>	<b>(390,233)</b>

**City of Richland~STORMWATER FUND~ 2nd QTR As of June 30, 2025 and June 30, 2024**

**STATEMENT OF NET POSITION**

	2025	2024	Incr(Decr)		2025	2024	Incr(Decr)
<b>ASSETS</b>				<b>DEFERRED OUTFLOW OF RESOURCES</b>			
<i>Current:</i>				<i>Current:</i>			
Cash & equivalents				Deferred amount on refunding debt	37,989	40,838	(2,849)
Unrestricted	3,476,256	2,918,815	557,441	Deferred amount pension and OPEB	38,905	31,834	7,071
Investments	(58,508)	(82,031)	23,523	Total deferred outflow of resources	<b>76,894</b>	<b>72,672</b>	<b>4,222</b>
Deposit with Third Party	-	-	-	<b>LIABILITIES</b>			
				<i>Current:</i>			
Receivables:				Accounts payable & accrued expenses	12,840	11,199	1,641
Customer accounts (net)	74,338	106,311	(31,973)	Interest on outstanding debt	4,608	4,927	(319)
Due from other funds	-	-	-	Payable to other governments	2,962	(42,875)	45,837
Due from other governments	-	68,496	(68,496)	Notes payable-current portion	-	-	-
Special Assessments	-	-	-	Deposits payable	-	-	-
Interfund loans	-	-	-	Compensated absences-current portion	3,854	3,447	406
				Total OPEB liability - current	-	2,138	(2,138)
Prepaid items	2,114	2,399	(284)	Revenue bonds payable-current portion	30,000	30,000	-
Inventory	-	-	-	Total current liabilities	<b>54,263</b>	<b>8,837</b>	<b>45,427</b>
Total current assets	<b>3,494,200</b>	<b>3,013,989</b>	<b>480,211</b>	<i>Noncurrent:</i>			
				Unearned Revenue	-	-	-
Noncurrent:				Compensated absences	3,854	3,448	406
Restricted Cash & equivalents				Net pension and OPEB liability	11,216	38,889	(27,673)
Unspent bond proceeds	-	-	-	Notes & loans payable	-	-	-
Bond Reserve	55,447	59,319	(3,872)	Revenue bonds payable	646,200	681,540	(35,340)
Scheduled debt repayments	38,433	39,233	(800)	Total noncurrent liabilities	<b>661,270</b>	<b>723,876</b>	<b>(62,607)</b>
Net pension asset	26,997	34,982	(7,985)	Total liabilities	<b>715,533</b>	<b>732,713</b>	<b>(17,180)</b>
Restricted Investments				<b>DEFERRED INFLOW OF RESOURCES</b>			
Unspent bond proceeds	-	-	-		11,585	32,384	(20,799)
				Deferred amount on pension and OPEB	11,585	32,384	(20,799)
Receivables	-	-	-	Total deferred inflow of resources			
Special Assessments - LT	-	-	-				
Interfund Loans	-	-	-				
				<b>NET POSITION</b>			
Capital assets:				Net investment in capital assets	14,545,421	14,139,594	405,827
Land	8,587	8,587	-	Restricted for:			
Depreciable assets (net)	7,645	9,445	(1,800)	Pension assets	26,997	44,568	(17,571)
Infrastructure (net)	14,945,730	14,523,816	421,914	Debt service	65,056	72,894	(7,838)
Construction in progress	19,488	139,446	(119,957)	Capital improvements	-	-	-
Total capital assets	14,981,450	14,681,293	300,157	Unrestricted	3,308,830	2,879,335	429,495
<b>Total noncurrent assets</b>	<b>15,102,328</b>	<b>14,814,828</b>	<b>287,500</b>	Total net position	<b>17,946,304</b>	<b>17,136,391</b>	<b>809,913</b>
<b>Total assets</b>	<b>18,596,528</b>	<b>17,828,817</b>	<b>767,711</b>				

**STATEMENT OF REVENUES, EXPENSES & CHANGES IN NET POSITION**

	2025	2024	Incr(Decr)		2025	2024	Incr(Decr)
<b>OPERATING REVENUES</b>				<b>NONOPERATING REVENUES (EXPENSES)</b>			
<i>Charges for services:</i>				Interest earnings	28,072	20,462	7,610
Rate revenues	536,101	515,744	20,357	Adjustment for Fair Market Value	-	-	-
All others	-	-	-	Interest expense	(6,290)	(6,590)	300
Other operating revenues	-	-	-	Debt costs	-	-	-
Total operating revenues	<b>536,101</b>	<b>515,744</b>	<b>20,357</b>	All other nonoperating revenues (expenses)	0	0	-
				Total nonoperating revenues (expenses)	<b>21,782</b>	<b>13,873</b>	<b>7,910</b>
<b>OPERATING EXPENSES</b>				Income before capital contributions and transfers	<b>(149,481)</b>	<b>(1,431)</b>	<b>(148,050)</b>
Maintenance & Operations	375,772	204,645	171,127	Capital contributions	-	-	-
Administration & general	166,729	164,191	2,538	Transfers in	-	-	-
Taxes	57,832	59,121	(1,289)	Transfers out	-	-	-
Depreciation	107,031	103,090	3,941	Change in net position	<b>(149,481)</b>	<b>(1,431)</b>	<b>(148,050)</b>
Total operating expenses	<b>707,364</b>	<b>531,047</b>	<b>176,317</b>	Net position-beginning	18,095,785	17,137,822	957,963
Operating income (loss)	<b>(171,263)</b>	<b>(15,303)</b>	<b>(155,960)</b>	Prior period adjustment	-	-	-
				Net position-ending	<b>17,946,304</b>	<b>17,136,391</b>	<b>809,913</b>

**City of Richland, Washington**  
Water Utility  
Notes to the Financial Statements  
June 30, 2025

1. The Water fund activities increased net position in the 2nd Quarter of 2025 by \$506,765, a decrease of \$10,305 compared to 2024. Operating income was \$163,250, a 46.8% decrease compared to the same quarter as last year. The operating expenses were \$3.87 million, a 7.4% increase compared to the second quarter of 2024. Maintenance and operations expenses increased by \$193,188, administration expenses increased by \$14,363, depreciation increased by \$50,468, and taxes increased by \$9,230. Supplies for operations and for repairs were \$127,330 more in 2025 than last year at this time. Also, there was an increase in expert services of \$63,777 in 2025 for work being done on the North Richland slow sand facility evaluation.
2. Nonoperating revenue decreased by \$19,448 compared to the second quarter in 2024. Interest income increased by \$15,737, interest expense increased \$28,882, and nonoperating revenue decreased \$6,303. The reason for the decrease was that nonoperating revenue in 2024 came from a small portion of land sale in the Horn Rapids development area.
3. On the balance sheet total assets were \$123,746,876, an increase of over \$9.0 million from 2024. Total current assets were \$16.8 million, an increase of \$7.9 million or 89.8% over the same period last year. Most of the increase came in unrestricted cash of \$7.6 million and in investments of \$391,578. The reason for the increase in unrestricted cash was because in 2024 there was a transfer from facilities fees of almost \$6.5 million.
4. Noncurrent assets increased by \$1.1 million, with a \$6.8 million increase in capital assets. Most of the capital increase came from construction in progress in the amount of \$4.5 million and another \$1.6 million from infrastructure, and \$708,432 in depreciable assets. This was offset by non-capital decreases of \$5.4 million in facilities fees, \$58,445 in scheduled debt repayments, and \$68,575 in bond reserves. The facilities fees were used to fund several capital projects including the Tapteal 1 booster pump station, the Tapteal 2 Truman Avenue project, and continuing the automated meter reading system. Most of the construction in progress can be attributed to the projects mentioned above.
5. Current liabilities decreased by \$156,155, consisting of decreases in accounts payable of \$225,2789, \$49,922 in deposits payable, and \$10,023 in compensated absences. The increases were from revenue bonds payable of 17,190 and another \$72,484 in notes payable. Notes payable increased due to the Public Works Trust loan for the Tapteal 1 booster pump station improvements. The \$5.5 million loan will provide greater capacity for both the City and for the City of West Richland. They will reimburse 20% of the annual loan costs incurred by the City for the loan term. The noncurrent liabilities increased by \$5.4 million with most of the increase coming from the loan for the Tapteal 1 booster pump improvements mentioned above.
6. The Water Utility recognized \$327,1112 in facility development fee revenue (capital contributions) in the second quarter of 2025 and \$511,450 total year-to-date. According to Governmental Accounting Standard Board (GASB) Statement No. 33, capital contributions from external sources are to be recognized as revenue in the current year rather than as a direct increase to contributed capital.

**City of Richland, Washington**  
Wastewater Utility  
Notes to the Financial Statements  
June 30, 2025

1. The Wastewater fund activities increased net position in the 2nd Quarter of 2025 by \$589,297 and increased by \$235,363 compared to same quarter in 2024. Operating income was \$173,695, a 24.1% increase from last year. The operating expenses were \$2.5 million, only a 1.2% increase over the same time period from 2024. This increase of \$30,768 consisted of additions in depreciation of \$5,222, administration expenses of \$20,643, and taxes of \$9,385. There was also a decrease of \$4,482 in maintenance and operations.
2. Nonoperating revenue decreased by \$20,363 in 2025, due to an increase of \$10,620 in interest expense, a decrease of \$6,857 in interest earnings, and an increase of \$6,427 in nonoperating revenue.
3. On the balance sheet total assets were \$79.9 million, an increase of \$2.0 million over 2024. Total current assets were almost \$3.4 million, an increase from last year of \$5.4 million. Most of this was due to an increase in unrestricted cash of \$5.3 million and an increase in investments of \$189,240. Most of the increase in unrestricted cash came from a transfer from facilities fees of \$6.7 million in 2024.
4. Noncurrent assets decreased by \$3.4 million in 2025 with an increase of \$3.4 million in construction in progress. This was offset by decreases of \$5.5 million in facilities fees, in depreciable assets of \$372,103, and in infrastructure of \$859,327. Facilities fees were used to fund capital projects in 2024 including improvements at the Wastewater Treatment Plant and rehabilitation to the wastewater collection system. For 2024 most of the construction in progress of \$3.7 million was in the Aeration Basin retrofit project at the Wastewater Treatment Plant.
5. Current liabilities only decreased by \$18,456 with decreases of \$17,491 in accounts payable and accrued expenses and another \$14,010 in the total OPEB liability and an increase of \$12,810 in the current portion of revenue bonds payable. The noncurrent liabilities decreased by \$658,450. The decrease was due primarily to \$371,888 in long term revenue bonds payable, \$75,164 in notes & loan payable, and \$204,371 in net pension and OPEB liability.
6. The Wastewater Utility recognized \$436,493 in facility development fee revenue (capital contributions) in the second quarter of 2025. The year-to-date total is \$691,251. According to Governmental Accounting Standard Board (GASB) Statement No. 33, capital contributions from external sources are to be recognized as revenue in the current year rather than as a direct increase to contributed capital.



**City of Richland, Washington**  
Solid Waste Utility  
Notes to the Financial Statements  
June 30, 2025

1. The Solid Waste fund activities increased net position in the 2<sup>nd</sup> Quarter of 2025 by \$391,335. This resulted in a decrease of \$224,482 compared to 2024. Operating income was \$278,493, a 525.7% increase compared to the same quarter from last year. The operating expenses were \$3.0 million, an 8.1% decrease over 2024. The operating expense decreases of \$268,875 consisted mostly of a decrease in maintenance and operations expenses of \$298,391. Most of this amount came from decreases of \$159,332 in services. The majority was a difference of \$273,192 in recycling fees. The City made a vendor change to do their recycling in 2024 and there were billing issues receiving invoices in a timely manner from the new vendor. In addition to this, there were also decreases of \$100,971 in vehicle repairs and replacement and \$148,570 in capital assets and an increase in supplies of \$165,551. The maintenance and operational expenses tend to vary based on the equipment repairs or the timing of supplies.
2. Nonoperating revenue decreased in 2025 by \$9,504, mostly due to decreases in interest earnings of \$6,035, interest expense of \$258, and in nonoperating revenue of \$3,211 from the sale of salvage in 2024.
3. On the balance sheet total assets in 2025 were \$25,188,254 and increased by \$449,505 over 2024. Total current assets in 2025 were almost \$6.2 million, a decrease of \$1.1 million over last year. Most of this was due to a \$967,114 decrease in unrestricted cash, along with a decrease of \$347,470 in accounts receivable, \$8,546 in prepaids, and offset by an increase of \$193,262 in investments.
4. Noncurrent assets increased in 2025 by \$1.6 million, mostly due to an increase of \$1,489,967 in capital assets. Most of the increase of \$2.5 million in capital assets was in moving infrastructure from construction in progress for the completion of phase 2 of the landfill closure project. Construction in progress decreased by \$676,565 and depreciable assets decreased by \$386,932.
5. Current liabilities decreased in 2025 by \$323,578, due to a decrease of \$328,441 in accounts payable expenses. The noncurrent liabilities increased by \$1.5 million due to increases of \$1.37 million in landfill closure liability, and \$242,842 in notes payable. The estimate of closure cost for 2024 was updated, which resulted in the recognition of additional expense of \$793,056.

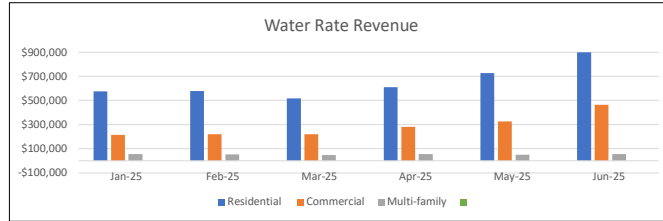
**City of Richland, Washington**  
Stormwater Utility  
Notes to the Financial Statements  
June 30, 2025

1. The Stormwater fund activities decreased net position in the 2<sup>nd</sup> Quarter of 2025 by \$149,481 and decreased \$148,050 compared to 2024. Operating income in 2025 was (\$171,263), a decrease of 1019.1% compared to the same quarter last year. The operating expenses were \$707,364, a 33.2% increase over 2024. This \$176,317 addition in operating expenses consisted mostly of an increase of \$171,127 in maintenance and operations with smaller increases of \$2,538 in administration and general expenses, and \$3,941 in depreciation. Taxes decreased by \$1,289. The difference in maintenance and operations was due to a 2025 increase of \$113,489 in street sweeping, \$37,532 in vehicle repair and replacement, and an increase of \$17,423 in payroll salaries and benefits. There was not any street sweeping charged in 2024 but those charges will be reflected in 2025. Operating revenue was \$536,101 and increase of \$20,357 compared to the same time period in 2024. Nonoperating revenue increased by \$7,910 due to a \$7,610 increase in interest earnings, and a decrease of \$300 in interest expense.
2. On the balance sheet total assets in 2025 were \$18.6 million, an increase of \$767,711 over 2024. Total current assets in 2025 were \$3.5 million, an increase of \$480,211 over the previous year. This was due to increases of \$557,441 in unrestricted cash and \$23,523 in investments. There were decreases of \$68,496 in due from other governments and \$31,973 in receivables.
3. Noncurrent assets increased in 2025 by \$287,500, with all of the increase coming from capital assets. Capital assets increased by \$421,914 in infrastructure and decreased by \$119,957 in construction in progress. The reason for the increase in infrastructure was because the Meadow Springs Outfall project was completed and moved from construction in progress to infrastructure in 2024. There were also slight decreases in non-capital assets of \$7,985 in net pension assets, \$3,872 in bond reserve, and \$800 in scheduled debt repayments.
4. Current liabilities increased in 2025 by \$45,427 due to an increase of \$45,837 in payable to other governments. The reason for the increase was because excise taxes were miscoded to the Solid Waste utility but were corrected later in the year. The noncurrent liabilities decreased by \$62,607. These decreases consisted of \$35,340 in long-term revenue bonds payable and \$27,673 in net pension and OPEB liability.

**CITY OF RICHLAND, WASHINGTON**  
**WATER UTILITY**  
**COMPARATIVE MONTHLY WATER ACTIVITY**  
**FOR THE PERIOD ENDED**  
**Jun-25**

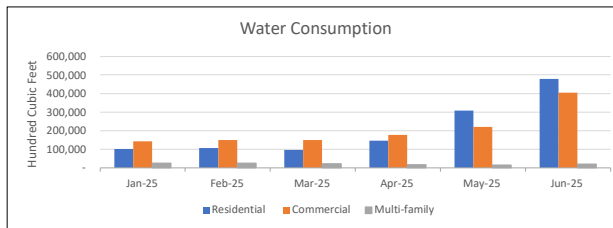
**BILLED REVENUES by class type:**

	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Total
Residential	\$ 574,394	\$ 578,100	\$ 516,784	\$ 611,351	\$ 727,926	\$ 900,035							3,908,591
Commercial	213,346	218,731	219,082	279,837	326,668	463,628							1,721,291
Multi-family	54,410	52,230	47,636	54,958	50,294	56,131							315,660



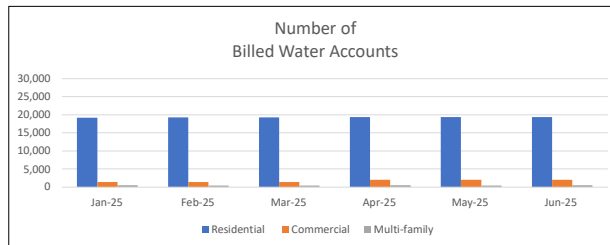
**CONSUMPTION by class type:**

	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Total
Residential	101,759	107,779	96,815	147,407	308,630	478,192							1,240,582
Commercial	143,438	149,269	149,587	178,220	219,692	404,459							1,244,665
Multi-family	26,810	25,713	22,840	18,451	16,725	21,245							131,784

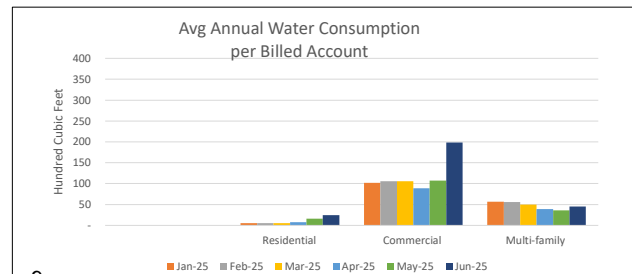
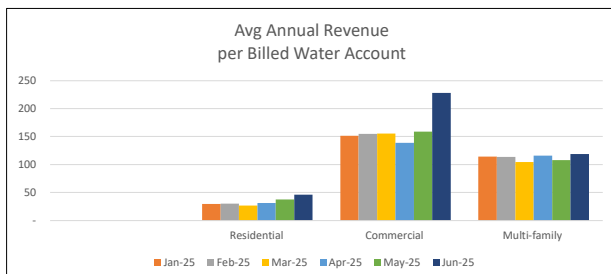


**BILLED ACCOUNTS by class type:**

	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Average Total
Residential	19,220	19,289	19,305	19,361	19,385	19,395							19,326
Commercial	1,407	1,412	1,411	2,014	2,054	2,036							1,722
Multi-family	476	460	457	475	467	473							468



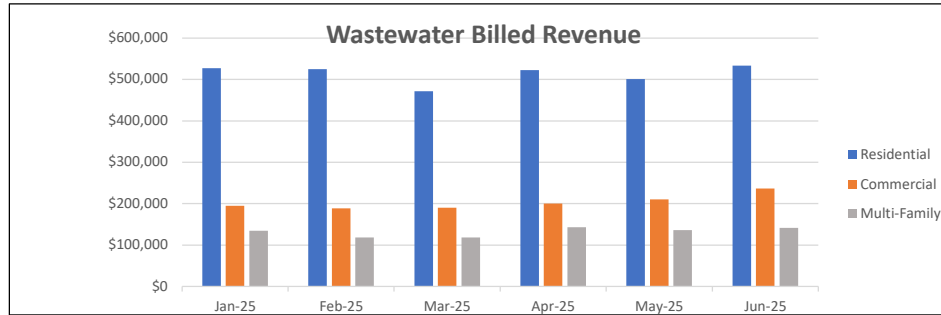
Avg Revenue per acct	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Total
Residential	29.89	29.97	26.77	31.58	37.55	46.41							34
Commercial	151.63	154.91	155.27	138.95	159.04	227.72							165
Multi-family	114.31	113.54	104.24	115.70	107.70	118.67							112
Avg Consump. Per acct	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Total
Residential	5.29	5.59	5.02	7.61	15.92	24.66							11
Commercial	101.95	105.71	106.01	88.49	106.96	198.65							118
Multi-family	56.32	55.90	49.98	38.84	35.81	44.92							47



**CITY OF RICHLAND, WASHINGTON**  
**WASTEWATER & SOLID WASTE UTILITIES**  
**COMPARATIVE BILLED REVENUE MONTHLY ACTIVITY**  
**FOR THE PERIOD ENDED**  
**Jun-25**

**WASTEWATER BILLED REVENUE - Comparative Months**

	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Total
Residential	527,483	525,206	472,302	522,884	501,057	534,160							3,083,092
Commercial	195,333	189,154	190,717	200,574	210,897	236,923							1,223,598
Multi-Family	134,348	118,652	118,976	143,326	136,407	141,123							792,831
Total	857,164	833,012	781,994	866,785	848,360	912,206	-	-	-	-	-	-	2,472,170



**SOLID WASTE BILLED REVENUE - Comparative Months**

	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Total
Residential	285,032.26	270,444.07	252,151.57	272,651	268,787	282,649							1,631,714
Commercial	278,838.96	272,560.90	262,313.22	310,998	285,479	294,042							1,704,233
Total	563,871	543,005	514,465	583,649	554,266	576,691	-	-	-	-	-	-	3,335,947

