



Expenditures



The Town utilizes various types of expenditures to support its operations.

Types of Expenditures

- **Other Decreases in Fund Resources and Transfers-Out**
- **Salaries & Wages**
- **Personnel Benefits**
- **Supplies**
- **Services & Pass-Through Payments**
- **Capital Outlays**
- **Debt Service – Principal**
- **Debt Service – Interest & Issuance Costs**

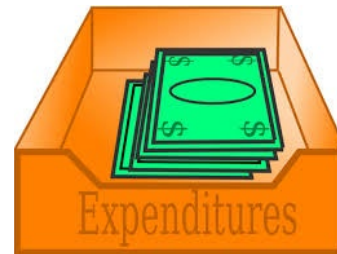
OTHER DECREASES IN FUND RESOURCES AND TRANSFERS-OUT include interfund loan disbursements, refundable deposits and retainage, remittances collected on behalf of another entity, special or extraordinary items, court remittances, prior period adjustments, changes in account principles, custodial remittances and disbursements, and holding or clearing account transactions.

SALARIES AND WAGES are gross amounts paid for personal services rendered by employees in accordance with the rates, hours, terms and conditions authorized by law or stated in employment contracts. This includes regular pay, overtime, sick leave, vacation leave, personal leave days, and holiday pay.

PERSONNEL BENEFITS are the Town's share of benefits provided to employees, in addition to compensation, that are part of the conditions of current or past employment. This includes insurance, unemployment compensation, Social Security, Medicare taxes, uniforms, and retirement.

SUPPLIES are items purchased for consumption and use by the government or items purchased for resale. This includes supplies, fuel, and small tools & minor equipment. Water meters are the only supply the Town purchases for resale for sub-metering needs.

SERVICES & PASS-THROUGH PAYMENTS professional and technical services which are provided by other governments (federal, state, local), other funds, or by private entities as well as for pass-through payments. This includes professional services, communication, travel, taxes and operating assessments, permits, licenses, accreditation or certifications, short-term lease and subscriptions, insurance, utility services, contracted repairs & maintenance, memberships, grants, and other miscellaneous services.



CAPITAL OUTLAYS are related to the purchase or construction of assets. This includes acquisition, construction, and improvements of land or buildings; infrastructure and other tangible or intangible assets; machinery and equipment; or assets acquired under executory conditional sales contracts (RCW 39.30.010).

DEBT SERVICE – PRINCIPAL are principal payments on general obligation, revenue, special assessment bonds, long-term leases/SBITA, installment purchases, anticipation and other notes, anticipation warrants, contracts, intergovernmental loans, other debt, LOCAL program payments, etc.

DEBT SERVICE – INTEREST & ISSUANCE COSTS Include interest on short and long-term external debt, interest on interfund debt, interests on debt to joint ventures and affiliates, LID assessments, interest on intergovernmental debt, leases, interest paid on overdue taxes (RCW [84.69.070](#)), debt issuance and other debt service costs.

EXPENDITURES

2024

ALL FUNDS	2018 ACTUAL	2019 ACTUAL	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 ACTUAL	2024 THRU SEPT	2025 BUDGETED
Other Decreases in Fund Resources	685	2,958,145	3,027,244	71,765	61,917	51,850	58,024	0
Other Financing Uses - Transfers-Out	1,215,690	1,020,150	243,000	500,000	659,479	500,000	2,326,355	3,647,746
Salaries and Wages	2,524,912	2,691,911	2,806,939	2,958,058	3,209,630	2,958,628	2,352,992	3,318,301
Personnel Benefits	1,026,293	1,122,140	1,142,916	1,139,321	1,118,044	1,103,664	898,823	1,247,173
Supplies	359,529	439,940	368,778	501,711	577,827	528,018	438,571	673,605
Services & Pass- Through Payments	3,003,672	3,433,233	3,497,885	3,706,610	4,700,860	3,258,937	3,290,253	4,465,473
Capital Outlays	6,110,798	4,664,059	2,163,655	4,282,070	4,776,110	1,810,931	1,752,837	28,169,285
Debt Service - Principal	5,787,361	833,273	817,271	1,160,039	930,513	474,723	289,181	487,141
Debt Service - Interest & Issuance Costs	150,098	202,674	252,760	216,887	190,890	182,694	92,169	220,763
TOTAL	20,179,037	17,365,525	14,320,448	14,536,461	16,225,270	10,869,445	11,499,205	42,229,487

GENERAL FUND #001

2024

The general fund is comprised of various activities to support local government, excluding expenses pertaining to utilities. The following categories make up the general fund:

GENERAL GOVERNMENT: Legislative activities, judicial activities, executive activities, financial recording and election activities, legal services, centralized/general services, risk management services.

PUBLIC SAFETY: Law enforcement activities – traffic policing, fire and emergency medical activities, and disaster services.

NATURAL AND ECONOMIC ENVIRONMENT: Community planning and economic development.

SOCIAL SERVICES: Chemical dependency services.

CULTURE AND RECREATION: Arts and park facilities.



GENERAL FUND #001	2018 ACTUAL	2019 ACTUAL	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 ACTUAL	2024 SEPT	2025 BUDGET
Other Decreases in Fund Resources	685	4,016	6,619	2,455	14,781	0	0	0
Other Financing Uses - Transfers-Out	509,450	584,450	225,000	500,000	659,479	500,000	775,200	874,000
Salaries and Wages	602,834	627,298	643,804	677,468	817,163	619,010	545,937	771,040
Personnel Benefits	227,586	238,360	237,824	248,656	273,314	208,440	183,076	267,355
Supplies	28,038	26,918	29,886	29,191	47,851	35,709	27,776	49,600
Services & Pass-Through Payments	979,674	1,029,946	1,129,467	1,073,930	971,031	796,288	856,178	1,414,268
Capital Outlays	36,117	26,080	10,258	81,643	7,045	112,356	154,513	467,100
Debt Service - Principal	0	0	0	0	2,041	4,963	4,420	7,200
Debt Service - Interest & Issuance Costs	0	0	0	0	0	0	0	0
TOTAL	2,384,385	2,537,068	2,282,858	2,613,343	2,792,705	2,276,766	2,547,099	3,850,563

STREET FUND #101**SPECIAL REVENUE****2024**

Special revenue funds are utilized for specific revenue resources that are restricted, committed, or assigned for specific purposes. These restrictions may be imposed by creditors, grantors, contributors, laws or Town Council. The street fund is classified as a special revenue fund due to being entirely restricted, committed, and assigned.

Street expenditures support roads/streets administration, overhead, and ordinary maintenance for roadway, drainage, and traffic & pedestrian services for street lighting, traffic control devices, parking facilities, and snow/ice control.

STREET FUND #101	2018 ACTUAL	2019 ACTUAL	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 ACTUAL	2024 SEPT	2025 BUDGET
Other Decreases in Fund Resources	0	87,724	37,084	47,803	357	33,530	43,719	0
Other Financing Uses - Transfers-Out	64,300	27,500	0	0	0	0	265,000	265,000
Salaries and Wages	330,871	354,732	370,879	385,667	380,155	386,095	287,074	378,900
Personnel Benefits	139,408	150,719	153,369	149,965	134,910	145,533	121,756	154,440
Supplies	49,540	50,561	47,759	60,464	43,683	89,850	75,444	102,075
Services & Pass-Through Payments	128,446	176,868	187,052	165,350	832,099	87,436	233,003	222,325
Capital Outlays	4,465,041	896,570	526,028	1,197,826	767,963	1,239,587	468,336	526,100
Debt Service - Principal	0	0	0	0	23,227	26,389	20,090	16,405
Debt Service - Interest & Issuance Costs	0	0	0	0	0	0	0	0
TOTAL	5,177,605	1,744,674	1,322,171	2,007,075	2,182,394	2,008,420	1,514,421	1,665,245



SPECIAL REVENUE FUND #125

SPECIAL REVENUE

2024

SPECIAL REVENUE FUND (NOTE: This fund expenses are primarily used for tourism purposes.)

UTILITY CONNECTION CHARGE DEFERRAL PROGRAM defers the payment of the entire connection charges for the Town's water system and/or sewer system for a limited income household or a nonprofit corporation that provides affordable housing. The Town

AFFORDABLE HOUSING GRANT PROGRAM is distributed to qualified nonprofit entities whose purpose is to assist in providing home ownership to low-income households or operate an emergency housing shelter. The Town has not utilized this funding due to the available balance for this program.



IN LIEU OF PARKING FEES funds will be used to construct parking areas in the town.

HARBOR IMPROVEMENTS are to be used for waterfront-related improvements only.

HOTEL/MOTEL LODGING TAX are used for tourism promotion, acquisition of tourism-related facilities, or operation of tourism-related facilities.

SPECIAL REVENUE FUND #125	2018 ACTUAL	2019 ACTUAL	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 ACTUAL	2024 SEPT	2025 BUDGET
Other Decreases in Fund Resources	0	0	0	0	5,656	0	0	0
Other Financing Uses - Transfers-Out	0	200,000	18,000	0	0	0	0	0
Salaries and Wages	12,963	12,046	13,035	16,397	23,987	40,670	33,282	30,760
Personnel Benefits	5,246	4,876	5,062	6,034	8,034	13,611	11,540	15,000
Supplies	10,268	14,651	7,218	9,255	10,907	35,691	23,162	31,150
Services & Pass-Through Payments	407,324	382,895	274,206	320,159	548,053	337,300	243,234	391,795
Capital Outlays	0	14,160	14,613	135,811	376	5,815	3,153	2,000
Debt Service - Principal	0	0	0	0	450	450	0	450
Debt Service - Interest & Issuance Costs	0	0	0	0	0	0	0	0
TOTAL	435,801	628,628	332,134	487,656	597,463	433,537	314,370	471,155

REET FUND #315

CAPITAL PROJECTS

2024

REAL ESTATE EXCISE TAXES

The Real Estate Excise Tax fund is primarily funded through the REET tax. However, a small portion of the revenues received in this fund are from investment earnings. REET funds are restricted and can only be used for the following purposes:

REET 1 – FIRST QUARTER PERCENT

- Any capital purpose identified in a capital improvement plan for improvements to streets, parks, sewers, water mains, or Town Hall.
- Acquisition of real and personal property associated for capital improvements.

Use of up to \$100,000 or 25% of available REET funds, whichever is greater but not exceeds \$1 million per year, for Maintenance of capital projects. Additional reporting requirements must be adopted as part of the budget process if use is for maintenance.

REET 2 – SECOND QUARTER PERCENT

- Any capital purpose identified in a capital improvement plan for improvements to streets, parks, sewers, water mains, or Town Hall.
- Acquisition of real and personal property associated for capital improvements.
- Use of up to \$100,000 or 25% of available REET funds, whichever is greater but not exceeds \$1 million per year, for Maintenance of capital projects. Additional reporting requirements must be adopted as part of the budget process if use is for maintenance.

The Town has used REET revenue for the following projects:

2014 – Blair Ave Street Project \$400,000

2018 – Tucker Ave Improvement Project \$400,000



REET FUND #315	2018 ACTUAL	2019 - 2023 ACTUAL	2024 SEPT	2025 BUDGET
Other Decreases in Fund Resources	0	0	0	0
Other Financing Uses - Transfers-Out	400,000	0	0	0
Salaries and Wages	0	0	0	0
Personnel Benefits	0	0	0	0
Supplies	0	0	0	0
Services & Pass-Through Payments	0	0	0	0
Capital Outlays	0	0	0	0
Debt Service - Principal	0	0	0	0
Debt Service - Interest & Issuance Costs	0	0	0	0
TOTAL	400,000	0	0	0

UTILITY FUNDS

2024

WATER UTILITY



Treated surface water is the sole source of water for customers served by the Town of Friday Harbor. The Town monitors all aspects of water treatment from the Trout Lake Reservoir & transmission through 12 miles of distribution lines to its customers. The water utility is considered a proprietary activity that is separate from general governmental activities. As a result, revenues must meet the expenses of the system, in addition to setting aside reserves. Expenses include operating costs; insurance; taxes; debt service, planning and engineering; reserves for improvements, expansions, and upgrades; and reserves for unforeseen events.

WATER FUND #410	2018 ACTUAL	2019 ACTUAL	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 ACTUAL	2024 SEPT	2025 BUDGET
Other Decreases in Fund Resources	0	2,861,667	30,099	7,972	357	6,096	2,796	0
Other Financing Uses - Transfers-Out	26,400	26,400	0	0	0	0	110,000	788,225
Salaries and Wages	601,125	638,188	654,808	689,137	748,683	698,485	540,593	807,805
Personnel Benefits	251,609	275,668	278,916	269,635	279,406	280,196	240,204	314,120
Supplies	110,823	157,485	147,420	203,864	217,473	164,639	167,653	234,675
Services & Pass-Through Payments	509,874	467,844	634,865	639,513	654,810	642,950	891,816	990,100
Capital Outlays	594,014	698,981	265,132	278,502	921,937	207,141	549,676	4,310,000
Debt Service - Principal	5,128,212	71,197	72,638	75,375	77,784	85,896	45,324	90,762
Debt Service - Interest & Issuance Costs	88,066	147,007	145,566	142,829	140,647	138,395	68,335	133,707
TOTAL	7,310,124	5,344,437	2,229,444	2,306,827	3,041,097	2,223,798	2,616,398	7,669,394

UTILITY FUNDS

2024

SEWER/WASTEWATER UTILITY

The Town provides collection, treatment, and disposal of domestic, commercial, and industrial wastewater in accordance with federal and state regulations. Operations to provide this service include the treatment plant, approximately 40,000 linear feet of sewer pipelines, pump stations, and other related facilities. The sewer/wastewater utility is considered a proprietary activity that is separate from general governmental activities. As a result, revenues must meet the expenses of the system, in addition to setting aside reserves. Expenses include operating costs; insurance; taxes; debt service, planning and engineering; reserves for improvements, expansions, and upgrades; and reserves for unforeseen events.



SEWER FUND #420	2018 ACTUAL	2019 ACTUAL	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 ACTUAL	2024 SEPT	2025 BUDGET
Other Decreases in Fund Resources	0	1,085	2,953,442	13,535	23,632	5,480	875	0
Other Financing Uses - Transfers-Out	133,540	99,800	0	0	0	0	1,049,300	1,219,521
Salaries and Wages	473,552	502,432	537,928	568,860	611,074	642,339	491,657	684,035
Personnel Benefits	184,384	199,831	212,711	208,007	206,227	238,760	168,486	253,575
Supplies	112,133	132,904	92,589	128,741	146,390	126,724	100,002	158,575
Services & Pass- Through Payments	518,317	936,799	819,059	970,648	1,192,287	858,303	626,635	762,680
Capital Outlays	1,005,964	2,946,308	1,294,664	1,866,434	2,416,878	233,198	407,517	22,436,485
Debt Service - Principal	624,149	727,076	704,633	689,664	826,557	356,401	218,763	370,904
Debt Service - Interest & Issuance Costs	32,836	28,343	81,944	58,555	50,243	44,299	23,834	87,057
TOTAL	3,084,874	5,574,578	6,696,970	4,504,444	5,473,288	2,505,504	3,087,069	25,972,832

UTILITY FUNDS

2024

REFUSE UTILITY



The Town provides collection of refuse, recycling, yard waste, and plastics recycling for residents and businesses within the Town of Friday Harbor. Recycling is provided by San Juan Sanitation for multi-family residences and businesses. The refuse utility is considered a proprietary activity that is separate from general governmental activities. As a result, revenues must meet the expenses of the system, in addition to setting aside reserves. Expenses include operating costs; insurance; taxes; debt service, planning and engineering; reserves for improvements, expansions, and upgrades; and reserves for unforeseen events.

REFUSE FUND #430	2018 ACTUAL	2019 ACTUAL	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 ACTUAL	2024 SEPT	2025 BUDGET
Other Decreases in Fund Resources	0	0	0	0	357	0	0	0
Other Financing Uses - Transfers-Out	73,800	73,800	0	0	0	0	76,855	262,000
Salaries and Wages	334,337	383,133	407,989	433,120	444,521	434,907	356,843	492,720
Personnel Benefits	149,818	180,623	183,062	186,881	154,952	167,673	131,936	186,195
Supplies	42,469	49,922	38,705	58,716	99,656	66,879	37,976	84,905
Services & Pass-Through Payments	426,307	401,757	417,399	479,087	422,947	472,304	348,080	589,115
Capital Outlays	1,344	1,265	52,960	211,913	287,377	22,686	169,630	210,000
Debt Service - Principal	0	0	0	0	227	357	427	980
Debt Service - Interest & Issuance Costs	0	0	0	0	0	0	0	0
TOTAL	1,028,075	1,090,500	1,100,115	1,369,717	1,410,037	1,164,806	1,121,746	1,825,915

UTILITY FUNDS

2024

STORMWATER UTILITY

The Town provides stormwater services for operation and maintenance of the storm drainage system for water runoff, including catch basins and pipes. The stormwater utility is considered a proprietary activity that is separate from general governmental activities. As a result, revenues must meet the expenses of the system, in addition to setting aside reserves. Expenses include operating costs; insurance; taxes; debt service, planning and engineering; reserves for improvements, expansions, and upgrades; and reserves for unforeseen events.



STORMWATER FUND #450	2018 ACTUAL	2019 ACTUAL	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 ACTUAL	2024 SEPT	2025 BUDGET
Other Decreases in Fund Resources	0	3,653	0	0	16,777	6,744	10,634	0
Other Financing Uses - Transfers-Out	8,200	8,200	0	0	0	0	50,000	239,000
Salaries and Wages	169,231	174,082	178,496	187,409	184,047	137,122	97,606	153,041
Personnel Benefits	68,242	72,063	71,972	70,143	61,201	49,451	41,826	56,488
Supplies	6,257	7,499	5,201	11,480	11,867	8,526	6,559	12,625
Services & Pass- Through Payments	33,730	37,124	35,837	57,923	79,633	64,356	91,307	95,190
Capital Outlays	8,318	80,695	0	509,941	374,534	-9,852	13	217,600
Debt Service - Principal	35,000	35,000	40,000	395,000	227	267	157	440
Debt Service - Interest & Issuance Costs	29,196	27,324	25,250	15,503	0	0	0	0
TOTAL	358,173	445,640	356,756	1,247,399	728,286	256,614	298,102	774,384