



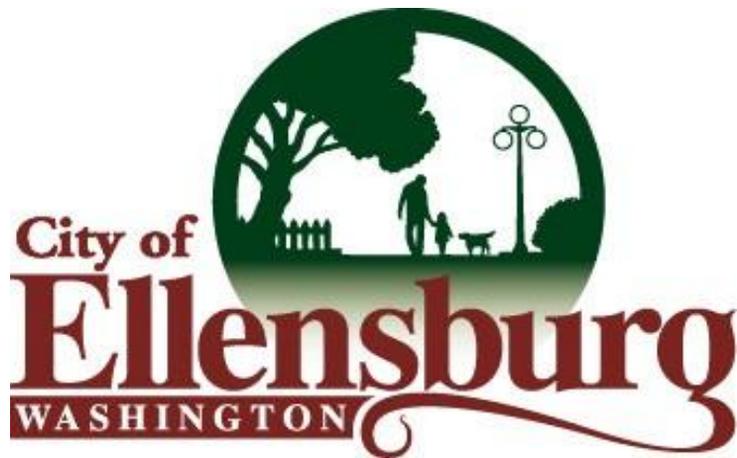
2012 Annual Budget



Dolarway Road Improvement Project

*City of Ellensburg
Washington*

*City of Ellensburg
Washington, USA*



2012 Annual Budget

*Ted Barkley
City Manager*

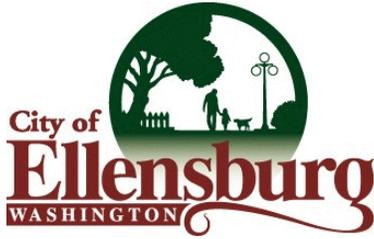
*Ade' Ariwoola
Finance Director*

City of Ellensburg, Washington

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CITY OF ELLENSBURG
501 North Anderson Street
Ellensburg, Washington 98926
Telephone: (509) 962-7221 Fax: (509) 962-7143

December 27, 2011

The Honorable Mayor,
City Council, and
Citizens of Ellensburg, Washington

We are pleased to present to you the 2012 Budget. This document represents our continued commitment to provide effective fiscal management, professional service delivery, and maintain a high quality of life for our citizens. This budget reflects our financial plan to move us forward toward achieving these goals within the confines of resources available to the City. This document shows the City's allocation of resources to a variety of programs necessary to protect the community, enhance our quality of life, increase economic development efforts, and maintain the City's infrastructure.

This Year's Budget Challenges

The following observations are directly from the Washington State Economic and Revenue Council Forecast dated September 20, 2011, and significantly impact our local thinking for 2012 and beyond:

- We are in the fragile aftermath of the Great Recession where a return to normalcy seems like a mirage in the desert – the closer we get to it, the further it moves away. Fear and uncertainty have overwhelmed consumer and business behavior. The risk of a recession has increased significantly.
- Revisions to U.S. real Gross Domestic Product show a much deeper recession than previously estimated, and a U.S. economy close to stall speed in the first half of this year.
- Our previous forecast prior to these data revisions had expected growth regaining momentum in the second half of 2011 as oil prices stabilized, and supply chains were restored with Japan rebuilding. Now that it turns out that there was no growth momentum in the first half of the year, a second half return to momentum seems unlikely.
- The likelihood of a full-blown European debt crisis, and the consequent ripples across the global economy have increased.
- Washington's economy is not immune to national and global economic developments. Like the nation, the outlook for the Washington economy has weakened since June.
- The employment recovery in Washington in this recession has been the weakest of any post-war recovery. Labor market conditions since the June forecast have been worse than anticipated.
- The recovery in state housing and construction will be later than previously expected. New construction faces headwinds from rising foreclosures and falling home prices.

- Washington is still expected to outperform the nation in employment and personal income growth, although the outlook for both has been lowered substantially.
- General Fund-State revenue for the 2011-13 biennium is now forecasted to be \$1.4 billion less than forecasted in June.
- The preliminary General Fund-State total for the 2009-11 biennium came in \$24.9 million below the June forecast.
- The downside risks to the outlook have risen and exceed the upside risks by a wide margin.

It appears that the Ellensburg economy is no longer shrinking, but neither is it growing appreciably. The local economy did grow slowly over the past year, with a modest increase in sales tax revenue over 2010. For the most part, economic activity and city revenues peaked in 2007 and 2008, and have not made any appreciable gains back to those levels. As a result, we are forecasting stabilization in revenue at a new lower level. It is not expected that many of our general fund revenue sources will return to 2008 levels for some time, possibly years. Put another way, the recession may be over, but it will be a long time before revenues return to pre-recession levels.

The City Council, management and staff have been largely proactive in responding to the recession. Spending was controlled early, capital projects rescheduled, cash and fund balances were preserved by borrowing to finance capital and numerous adjustments made to increase efficiency in key areas. Despite a decline in revenues during what has been described as the worst recession since the 1930's, we finished 2010 in fair shape, and have accumulated some reserve funds that we are using to support the 2012 budget. The cautionary note here is that, combined with lower revenue forecasts, the availability of reserve funds will not extend appreciably beyond 2012.

Even more than past years we must be cautious as we move ahead. Some of the curtailed spending can be absorbed through increased efficiency with little or no effect on service levels, but over the long term, the focus needs to be on sustainability. Because we do not see the economy recovering quickly, and because there is considerable lag time between the reporting of statistics and the real time effect of changes in revenue, we cannot simply declare the recession over, and resume business as usual.

We are certainly in a trying time, and economies are struggling everywhere. Ellensburg this past year has certainly experienced economic fallout. As a result of the City's organizational and fiscal structure, some of the good decisions made by the Council, and the management in past years, we are not as vulnerable as many cities of our size during this turmoil. The following are some of the challenges:

- **Slow growth in Sales Tax Revenue.** For the past six months, we have seen moderate growth in our sales tax revenue over 2010 (2010 was the lowest in the last five years). We expect to be operating with 15 percent less sales tax revenue than a few years ago. We do not expect to recover significantly in 2012 or 2013. Construction at the University appears to be picking up again which is fueling the modest growth in our sales tax revenue. Moderate growth in sales of automobiles and related parts and equipment, and CWU construction, represent the two largest components in the growth in sales tax revenue.
- **Almost no growth in Property Tax.** As a result of very little construction in the non-government sector, there won't be any significant property tax growth from new construction. The City's property valuation is updated every four years and the next one is in 2011 for 2012. There will be a decline in assessed property values (about 6.5%); however, we expect the property tax revenue to remain nearly the same as last year. The budget assumes a 1% increase in the property tax levy.

- **Little Net Growth in Utility Tax.** As a result of the significant decline in construction, there will be no significant increase in the number of customers. The year 2010 and the first half of 2011 saw utility sales revenue, and subsequently utility sales tax revenue, fall short of forecasts. This was driven significantly by warmer weather, and more precipitation than normal, resulting in lower utility sales. Electric rates increased in 2011 as a result of an increase in the wholesale purchased power cost, but resulting increases in utility sales tax revenue will be significantly offset by a decline in natural gas wholesale prices and retail rates.
- **Slight Increase in Permit Fees and Construction.** As a result of scheduled governmental construction, we are expecting a slight increase in revenue compared to last year. CWU is planning to continue construction and remodeling projects on campus in 2012 and 2013. CWU officials remain confident that State funding is still available. Overall revenue will remain low but slightly higher than 2010.
- **Risk Management Fund.** The Council approved the establishment of this fund in the Internal Service Fund category instead of the Special Revenue category. This will allow the City to charge the property, casualty, and liability insurance premium to all affected departments and create a little fund balance to fund the deductible which will lessen the pressure on the Sales Tax and General Fund. The fund will be used to pay small claims, as well as property and casualty insurance deductibles.
- **Required Fund Balances.** Due to a decrease in revenues and growing expenditures, some of our fund balances are decreasing as well. The good news is that a portion of the fund balance is intended to be used for years like this, and another portion of the balance is intended to be used to manage the cash flow. But there is a limit to how far we can spend down the fund balance without having to resort to short term borrowing to manage cash flow. There is no short term borrowing needed at this time. The General Fund Ending Fund Balance is expected to be at about 13%, which is less than the 20% target required by our policy.

Major Items Addressed In This Budget

Despite the difficult economic conditions this budget addressed a lot of the major issues for our departments and the citizens and some of them are as follows (assuming revenue projections are met):

- All employees will maintain the same hours as 2011, and maintain wages according to their bargaining agreement.
- The non-represented employees will receive a 1% market adjustment, and any step increase they may have earned. (Non-represented employees received no increase last year.)
- A 10% increase is factored into health insurance premiums.
- Current levels of service will be maintained.

Several unfunded requests for positions, programs and equipment by department directors are not included in this budget.

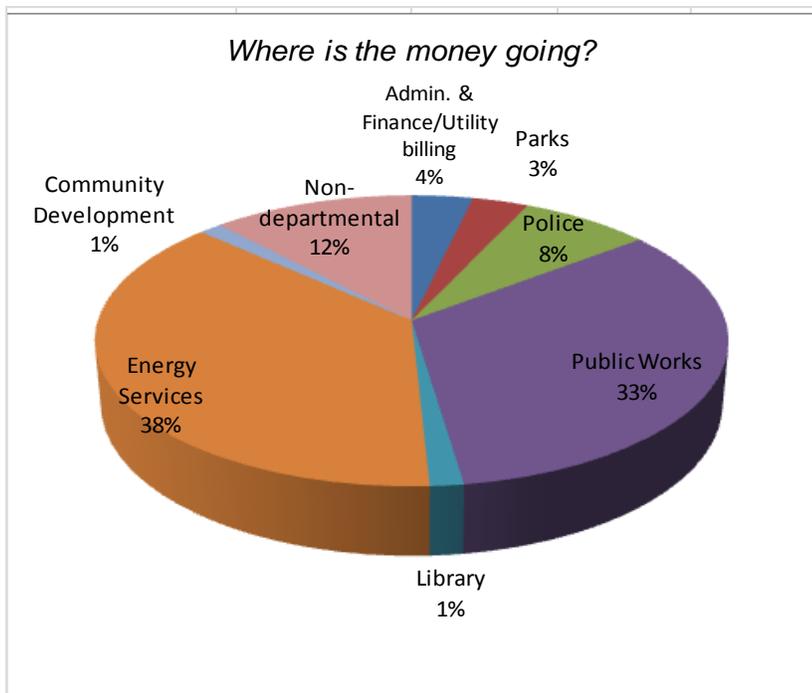
BUDGET HIGHLIGHTS

Expenditures

Public Works and Energy Services include I-Net, gas, electric, water, sewer, stormwater, information services, shop, sidewalk, traffic impact, street, arterial street funds plus engineering in the general fund. Together they account for about 71% of the total proposed budget. Police and Parks account for about 11% of the total proposed budget.

The City continues to invest in the security of its citizens, and police operation accounts for almost 8% of the total proposed budget.

	2012	% of Total Budget
City Administration	768,964	1.18%
Finance & Utility Billing	1,504,215	2.30%
Parks	2,120,252	3.24%
Police	4,865,618	7.44%
Public Works	22,067,430	33.74%
Library	963,326	1.47%
Energy Services	24,691,235	37.75%
Community Development	861,883	1.32%
Non-departmental	7,565,515	11.57%
	65,408,438	



The recreation programs support our quality of life and they account for over 3% of the total proposed annual budget. These programs include the after school youth program, adult activity programs, such as guided tours, computer training, social activities for our senior citizens, and the parks program that maintains soccer fields, baseball fields, softball fields, water front parks, trails, and the swimming pool.

Community Development programs account for about 1% of the total proposed budget.

The Sales Tax Fund is included as “Non-departmental” and it supports the General Fund, Street, Arterial Street, Capital Projects, and debt servicing funds. Changes in sales tax revenues

significantly affect programs in the General Fund and Street Fund that depend on annual transfers from the Sales Tax Fund. Sales tax revenues have a major impact on the City’s general administration, police programs, parks, library, and the maintenance of our streets. “Non-departmental” include the Fire Relief & Pension Fund, Risk Management Fund, and debt funds. The Fire Relief and Pension Fund is receiving \$264,375 in property tax in 2012, making it the fifth year in a row that the property tax will be used to fund pension payments of firefighters who retired from the former Ellensburg Fire Department.

*Note that the total budget amount shown above does not include the ending fund balances.

**Available Resources
Revenues**

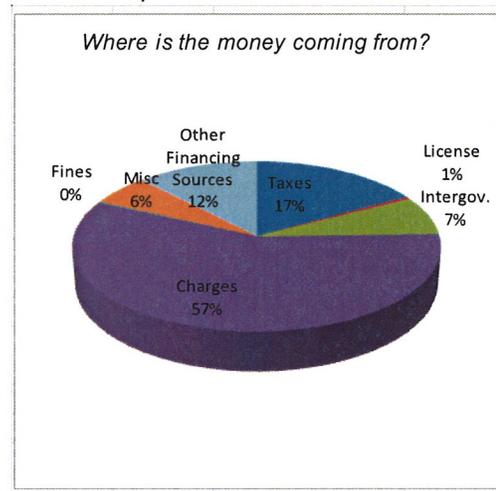
There is a slight decrease in the total tax revenue due to the distressed county sales tax that was

	Budget		Variance	
	2011	2012	Amount	%
Taxes	9,927,172	9,953,802	26,630	0.27%
License	275,050	275,350	300	0.11%
Intergov.	5,577,070	4,569,630	-1,007,440	-18.06%
Charges	33,018,658	34,423,529	1,404,871	4.25%
Fines	81,800	81,800	0	0.00%
Misc	3,419,240	3,475,875	56,635	1.66%
Other Financing Sources	7,508,517	7,109,649	-398,868	-5.31%
Total	\$59,807,507	\$59,889,635	\$82,128	0.14%

included in the 2011 budget in the amount of \$480,000 that we will not receive in 2012. The sales tax revenue will go up slightly and so will the property tax due to the 1% growth allowed by statute. Miscellaneous revenue went up as a result of the Health Insurance Fund that was established in 2010. The collection of the insurance premiums account for \$1.52

million in the Miscellaneous revenue line item. The Other Financing Sources category will decrease in 2012 as a result of no plans for a bond sale in 2012. This number was large in 2010 as a result of bonds that were issued in 2010, and various interfund loans which are not expected in 2012

Charges for services (primarily utilities) continue to be the major source of revenue for the City. The expected decline in natural gas prices and the increase in electric rates, when combined, will produce a slight increase in revenue in 2012.



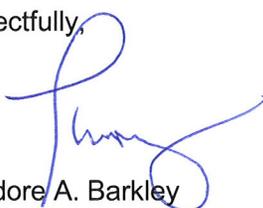
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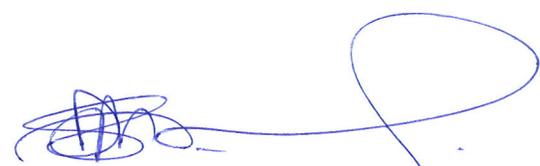
This budget is the financial plan that brings into being all the individual programs and projects envisioned by the City Council that we hope will serve and benefit our community, and carry us forward through uncertain times. Every effort has been made to assure consistency with the leadership direction of the City Council. Our City is blessed to have dedicated Council Members that spend countless hours during the budget meetings and Council retreats. The Council is supported by a professional staff that brings to bear extensive experience in meeting the needs of the community within the fiscal limitations that we face. We express our sincere appreciation for the teamwork, creativity, and the time spent by the department directors, their assistants, Finance Department staff, and the City Manager's Office staff.

We would like to thank the Mayor and the Council Members for their direction and policy insight, which enables staff to bring forward sound budget proposals and conduct the financial operations of the City in a responsible and progressive manner.

It is an honor to serve the Ellensburg community.

Respectfully,


Theodore A. Barkley
City Manager


Ademola A. Ariwoola, MBA, CGFM
Finance Director

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City Budget Overview

CITY OF ELLENSBURG, WASHINGTON

This part of the Budget Book deals with the historical background of the City, mission, goals, financial policies, and general financial picture of the City.

CITY OF ELLENSBURG, WASHINGTON

Introduction

Historic Ellensburg is located in central Washington, about halfway between Spokane in eastern Washington and Seattle in western Washington on Interstate 90. Citizens and visitors enjoy the four-season weather with easy access to the mountains for snow skiing and hiking, river rafting and fishing on the Yakima River.



Long before Ellensburg existed, the Yakama Indians roamed the Kittitas Valley, enjoying its beauty, bounty, and serenity. Kittitas means "plenty of food" and the Yakama Indians looked to the valley for berries, grains, and game to sustain them through the winter.

Settlers began moving into the valley in the early 1860s, and by the early 1870s, a trading post was established near the present corner of Third and Main Streets. John Shoudy bought the store, known as Robbers' Roost. Along with the 160-acre claim, he plotted the future town site of Ellensburg, named for his wife Mary Ellen. The lovely home John built for Mary Ellen is located at Kittitas and West 5th Avenue.

With the arrival of the Northern Pacific Railroad in 1886, there was speculation that Ellensburg would become the "Pittsburgh of the West" because of readily available sources of iron ore and coal.

Ellensburg was the site of the State Admissions Convention in 1889, called by citizens of the territory for petitioning Congress for statehood. There were high hopes that Ellensburg would be named the state capital due to its central location. Plans were even drawn up for the capitol site on the northwest edge of town and a mansion to house the Governor was built across town. That building, known locally as "The Castle" may be seen today at the corner of Third and Chestnut.

Whether it was disaster or politics that changed the course of history is



Courtesy of Douglas MacArthur

CITY OF ELLENSBURG, WASHINGTON

open to debate. On the evening of July 5, 1889, a fire, fanned by Ellensburg's famous northwest wind destroyed most of the business district and many homes. Although the rebuilding of the city began in a matter of days, this time with brick construction, Olympia was chosen as the state capital.



The only major business building to survive the fire was the Lynch Block. It is still alive and well today at the corner of Fifth and Pearl Avenue, and represents the city rising from the ashes.

Ellensburg was soon chosen as the site for the State Normal School for the preparation of teachers. The original

building, Barge Hall, serves as a familiar landmark on University Way for what became Central Washington University.

Economic Outlook

The City of Ellensburg is home to the Central Washington University with about 10,750 students. The Auto Sales category of the sales tax revenue accounts for a major share of the sales tax revenue and has declined by almost 7% compared to 2008 and 2007. The impact of the decline in the retail sales tax revenue will be felt in 2012 less than in 2010 and 2011 because the sales tax revenue from the construction projects by Central Washington University has moderately picked up. Unlike most communities in the state of Washington the sales tax revenues on construction projects by CWU are reducing the impact of general sales decline on the sales tax revenues.

Ellensburg Community Renewable Park. To help meet the future energy needs of our customers, the City is taking advantage of one of Ellensburg's most abundant energy resources, the sun (over 300 days of sunshine a year). A pilot community solar electric project is providing everyone in Ellensburg the opportunity to invest in locally produced clean electricity. Solar electric modules (panels) are converting free renewable sunshine directly into electrical power ready to be used in homes and businesses. With no



CITY OF ELLENSBURG, WASHINGTON

moving parts, no noise, and no pollution, solar electric modules are the simplest and cleanest power generation systems our community has available. The project is located on the west edge of Rotary Park, adjacent to Interstate 90. This project uses an innovative financing approach that makes it unique among the various renewable energy programs in the Northwest. *People in our community are being asked to collaborate with the City to help fund the project. In exchange for their financial support, the City gives the contributors credit on their electric bill for the value of the electricity produced by the solar system.* Example: If a customer's contribution represents 3% of the total funds contributed by utility customers, that customer would receive 3% of the power produced by the solar project - deducted directly off their electric bill.

Phase I of the community solar project (120 solar panels - 36 KW) was completed in November 2006. Since the system was brought on-line, it has produced over 104,000 kWh's- enough power to meet the needs of 12 homes and avoid over 149,000 pounds of carbon emissions from fossil fuels that would be needed to generate the same amount of power.

Phase II (72 additional panels – 21 KW) was added in 2009. Funding for the expansion came from a renewable energy grant of \$120,000 that Central Washington University received in April of 2008 from the State of Washington, Office of Financial Management, and the City's Conservation & Renewable Program. The project went out to bid in September 2008, and when completed the electrical power generated by the panels (about 31,000 KW hours/year) will be credited back to the University on their utility bill.

Phase III of the community solar project was completed in December 2009. The \$32,400.00 in contributions funded a total array of 24 solar panels. The electrical power generated from the panels is returned to the contributors in the form of a cash solar credit on their utility bill over the next 20 years.



Phase IV was installed in the spring of 2010. Ellensburg was awarded a \$600,000 federal Department of Ecology grant in the winter of 2009 that helped cover fifty percent of the cost to expand the solar system and to install eight residential wind turbines ranging in size from 1.2 to 10 KW. Ellensburg's customers will be given the same opportunities to financially contribute to the wind projects. In return for their contributions, utility customers will receive the power output from the wind turbines for a period of ten years.

The Ellensburg Community Renewable Park is one of the several renewable energy initiatives in the valley. Puget Sound Energy's Wild Horse wind/solar project is located about 11 miles east of Ellensburg. Doctor Steve Verhey, a former Central Washington University professor is producing and selling locally

manufactured biodiesel fuel. The fuel is produced from Washington based products only.

CITY OF ELLENSBURG, WASHINGTON

For additional information on the City of Ellensburg Renewable Energy Program, contact the program manager Gary Nystedt at (509) 962-7245.

Cultural Activities.

Ellensburg is the home to the famous “Ellensburg Rodeo”. The event is on Labor Day weekend of every year. This is where the old west really comes alive. The third full weekend in May is the “Western Art Show”, and for the music lovers “Jazz in the Valley” is a three-day music extravaganza during the last weekend of July. The Yakima River is also an ideal place for fly-fishing for trout, or just a place to get some peace and quiet on the water. Farmers Market provides the best vegetables and garden products our rich soil has to offer. Ellensburg’s greatest asset is its people who love their community and their dedication to keeping it a great place.



The City, because of its location, receives an average of 300 days of sunshine per year. This makes it an ideal place for summer sports like soccer, biking, hiking, or just soaking in the sun. It is also close to winter sport recreational areas like Mission Ridge in Wenatchee, and Snoqualmie Pass on I-90 for downhill skiing. The various federal forestlands around the area are also ideal for snowmobiling or cross-country skiing.

The following is a summary of the 2012 Community Calendar:

<u>Event</u>	<u>Dates</u>
Western Art Show (Display & Sale of Western Art)	May 18 – May 20, 2012
Jazz in the Valley (Music extravaganza)	July 27 – July 29, 2012
Kittitas County Fair	August 30 – September 3, 2012
Ellensburg Rodeo	August 30 – September 3, 2012

Awards

Tree City USA award: The City of Ellensburg holds the longest running “Tree City USA” award of any city in Washington State. It is also the first city in the State of Washington to receive the “Tree City USA” honor. The City of Ellensburg has received the award every year for the past 28 years. The Tree City USA Award is provided by the National Arbor Day Foundation, in cooperation with the National Association of State Foresters and the USDA Forest Service, to recognize the following:

- establishment of a community forestry program that is supported by an annual budget of at least \$2.00 per capita,
- issuance of a tree care ordinance that designates the establishment of a tree board or department and charge the department with the responsibility of writing and implementing an annual community forestry work plan, and
- the issuance of an Arbor Day proclamation.

CITY OF ELLENSBURG, WASHINGTON

Distinguished Budget Presentation Award: For the first time in its history, the City of Ellensburg received the prestigious award from Government Finance Officers Association of the United States and Canada (GFOA) for its 2010 budget presentation and has since received the same award for its 2011 budget presentation, making it two years in a row. The award represents a significant achievement by the City of Ellensburg. It reflects the commitment of the Council and the staff to meeting the highest principles of governmental budgeting. In order to receive the budget award, the entity had to satisfy nationally recognized guidelines for an effective budget presentation. These guidelines are designed to assess how well an entity's budget serves as:

- a policy document
- financial plan
- an operations guide
- a communications device

Budget documents must be rated "proficient" in all four categories, and the fourteen mandatory criteria within those categories, to receive the award.

The City hopes to submit its 2012 budget for the GFOA review.

Certificate of Achievement for Excellence in Financial Reporting Program (CAFR): For the first time in the City's history, the City of Ellensburg received Certificate of Achievement for Excellence in Financial Reporting from Government Finance Officers Associations of United States and Canada (GFOA) on its 2010 financial report and we will be requesting certification of our 2011 financial report as well. GFOA will notify the City before the end of the year whether our report meets the strict requirements of the award.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Ellensburg
Washington**

For the Fiscal Year Beginning

January 1, 2011

Linda C. Danson Jeffrey R. Egan

President

Executive Director

CITY OF ELLENSBURG, WASHINGTON

Education

Ellensburg School District

The Ellensburg School District's 3,007 students attend Valley View, Mount Stuart, and Lincoln Elementary Schools (K-5); Morgan Middle School (6-8); Excel High School program (9-12); Ellensburg High School (9-12) and the Parent Partner Program (1-12).

A five-member elected Board of Directors represent the district. They set major policies, hire the superintendent and determine major goals for the district while holding the superintendent and staff accountable for reaching them.

Dr. Paul Farris, Superintendent, manages the district which is charged with carrying out the district's goals. Dr. Farris is supported by an administrative staff that includes 5 principals, 2 vice-principals, and directors of: Teaching and Learning, Business and Fiscal Services, Special Education, Technology, Career and Technical Education, Athletics, Food Services, Transportation, Maintenance/Operations, and Community Schools. There is one Teacher of Special Assignment, (TOSA's) working in the area of curriculum and assessment for the 2011-2012 school year.

The district has a strong tradition of providing a solid educational program that prepares students for adult

<u>Teacher Information</u>	<u>District</u>	<u>State</u>
1 Average Years of Teacher Experience	11.40%	12.40%
2 % of teachers with at least a Master's Degree	64.60%	66.70%
3 Total # of teachers who teach core academic classes	145	50,095
5 % of teachers teaching with an emergency certificate	0.0%	0.1%
6 % of teachers teaching with conditional certificate	0.0%	0.1%
7 % of classes taught by teachers meeting NCLB HQ	98.3%	99.0%

life. The 161 certified teachers and 180 classified employees are committed to the education of Ellensburg's youth. The outstanding basic education offerings of the district are augmented by a Career and Technical Education (CTE) program, alternative programs, on-line credit retrieval, strong

remediation programs, a highly capable program, and an outstanding special services department.

Ellensburg School District also offers a full range of co-curricular programs including athletics, music, drama, and academic competitions. The Ellensburg community has demonstrated strong support for its schools through the regular passage of maintenance and operation levies and approval of bond measures to support excellent educational facilities.

Outstanding parent groups, an Education Foundation, and an exemplary community are part of the support base for Ellensburg School District.

There are three elementary schools in Ellensburg with total enrollment of 1,341 students, an average daily attendance of 94.2% with a 5.3% withdrawal rate in the 2010-2011 school year.

The City of Ellensburg has one middle school that serves all the three elementary schools and the surrounding area with an enrollment of 724 students and average attendance of 92.9%. Morgan Middle School serves students in the 6th, 7th, and 8th grade.

<u>WASL Data</u>		
	<u>District</u>	<u>State</u>
Reading		
4th Grade	67.1%	67.3%
7th Grade	55.8%	56.4%
10th Grade	84.1%	82.3%
Math		
4th Grade	60.4%	59.3%
7th Grade	61.9%	56.9%
10-12th Yr 1	58.6%	62.4%
10-12th Yr 2	71.8%	72.9%
Writing		
4th Grade	67.1%	61.4%
7th Grade	77.2%	71.0%
10th Grade	89.0%	86.0%
Science		
5th Grade	55.8%	55.6%
8th Grade	61.5%	61.5%
10th Grade	51.5%	49.7%

There is one high school that includes an alternative program. The total 9-12 enrollment is 883, with an

CITY OF ELLENSBURG, WASHINGTON

average daily attendance of 95.6 percent. The high school dropout rate in 2010-2011 was 4.0 percent.

Ellensburg is also the home of the Central Washington University with a student population of about 10,750. Over 8,000 of the students attend the Ellensburg campus, while the remainders attend the other satellite campuses across the State. About 3,100 students are on-campus residents.

Post-Secondary Education

Central Washington University (CWU) celebrated its 120-year presence in the community in 2011. From its beginning as a state normal school to prepare public school teachers, CWU has grown to an institution that serves over 10,750 resident and commuter students on the Ellensburg campus, and at extended degree centers in Yakima, Kent, Lynnwood, Des Moines, Moses Lake, Pierce County, and Wenatchee.

One of the state's three comprehensive regional universities, CWU prepares students for bachelor and master degrees in arts, sciences, business and economics, and professional studies. CWU's continuing education department works with area businesses, schools, and interest groups to design

State-Funded Student Enrollments		
	Fall Quarter	Annual Average
Headcounts 2000/2001	8,050.00	7,766.00
Headcounts 2011/2012	10,750.00	9,800.70
Growth	2,700.00	2,034.70
Growth %	33.54%	26.20%



Courtesy of Central Washington University

workshops.

Many of the high school students who attend one of the competitions for music, academics, or sports camps throughout the year choose to return to Central Washington University for their college education.

CWU music, art, and drama departments provide a rich variety of entertainment throughout the year. The department features nationally recognized speakers on thought-provoking topics at its activities and events which are also available to the entire community.

Around 2,500 students graduate from CWU every year in more than 150 majors. An average class size is about 25 students with a 50.5/49.5 male/female ratio.

CITY OF ELLENSBURG, WASHINGTON

Other Information:

Form of Government: Council/Manager

Date Incorporated: November 26, 1883

Area: 7.00 Square miles

Population (2010 census): 18,174

Governing Body: City Council
The seven council members are elected in non-partisan, at-large elections to four-year overlapping terms. The City Council elects a Mayor and the Mayor Pro-Tem from its members to serve a two-year term.

City Services: Full service including police, street maintenance, library services, planning & zoning, electric, gas, stormwater, water, wastewater collection & treatment, animal control, and parks & recreation.

Services Provided to Areas Outside City: Animal control & shelter, electric, gas, stormwater, water, wastewater collection & treatment, library, and parks & recreation.

Police Protection: One Station
29 full-time Officers (27 full & 2 limited commissioned)
6 patrol vehicles
627 citizens per officer

Number of Parks: 18 developed parks of over 250 acres
72 citizens per acre

Public Works 70 centerlane miles paved streets
67,398 feet of Sidewalks

Election Data:

	# of Registered Voters				Voter turnout				Percent			
	2008	2009	2010	2011	2008	2009	2010	2011	2008	2009	2010	2011
Primary Election	6,119	7,014	6,394	6,306	2,918	1,884	2,766	1,818	47.69%	26.86%	43.26%	28.83%
General Election	6,943	6,465	6,407	6,268	6,003	3,074	4,504	3,260	86.46%	47.55%	70.30%	52.01%

Due to the general interest in the presidential elections, the voter turnout is often higher in the presidential elections than the other elections.

* Information provided by the County Auditor

Library Service: 1 main building
84,163 materials
12,350 Sq Ft
337 children programs
97 adult programs
Open 56 hours a week

CITY OF ELLENSBURG, WASHINGTON

City Government Organization

Structure: The City of Ellensburg, incorporated on November 26, 1883, is a Council/City Manager form of government.

Ordinances enacted by the City Council govern the City. The Council may change an ordinance at any time or the voters of the City of Ellensburg can initiate an ordinance change. Generally, the city ordinances become effective 5 days after the day they are passed, adopted, and published.

The City Council is composed of seven council members elected to four-year terms on a non-partisan ballot. The Council's authority extends over all the City's powers and sets the policies by which the City serves its citizens. The Council takes official action at regular Council meetings, which are open to the public. The Mayor may call a special meeting, if the public is given a 24-hour notice. The Council elects a Mayor among its members for a term of two years, selects a City Manager to serve as the chief administrative officer of the city, and appoints citizens to serve on various advisory boards established by the Council.

The Mayor is the formal representative of the City, and presides over Council meetings.

The City Manager is responsible for the general management of the business operations of the City of Ellensburg that includes the appointment and supervision of staff, enforcement of the City Code, presentation of the City's annual budget, and the coordination of the issues that come before the Council. As the chief administrator, the City Manager has no vote in the Council, but may take part in discussions of matters before the Council.

The City Council appoints several citizens to serve on its advisory boards and commissions. The following is information on some of the commissions:

Arts Commission

The Arts Commission was created to advise Council on matters concerning performing and visual arts; encourage and promote art activities of individuals, organizations and government agencies in the city; and formulate and recommend to Council an arts advancement program for the City. Seven members (not required to be city residents).

Meetings: Second Thursday of each month
Time & Place: 5:30 p.m., Council Chambers, 501 North Anderson Street
Staff Contact: Debby DeSoer, (509) 962-7252
Authority: Chapter 1.33 of the City Code

Board of Adjustment

The Board of Adjustment has the power and duty to hear and decide variance appeals in accordance with the procedures set out in the Ellensburg City Code. Appeals of the Board's decisions shall be heard in a court of law. Five members (not required to be city residents).

Time & Place: Council Chambers, 501 North Anderson Street
Staff Contact: Brandi Eyerly, (509) 925-8608
Authority: Chapter 13.58 of the City Code
Meetings: At the call of the Chair

CITY OF ELLENSBURG, WASHINGTON

Building Appeals Board

The Building Appeals Board hears appeals of decisions or interpretations of the building official concerning alternate materials and types of construction as required in the International Building Code adopted by the city, and provides for reasonable interpretations of the provisions of the code. The Board may recommend to Council such new legislation as is consistent with its interpretations. Five members (not required to be city residents).

Meetings: At the call of the Chair
Time & Place: Council Chambers, 501 North Anderson Street
Staff Contact: Dan Davis, (509) 962-7239
Authority: Chapter 3.2 of the City Code

Ellensburg Business Development Board

The Ellensburg Business Development Group of Kittitas County Authority Board (formerly the Phoenix Development Authority Board) governs the affairs and manages the assets of the Phoenix Development Authority. Nine members (not required to be city residents)

Meetings: Third Tuesday of each month
Time & Place: 5:30 p.m., EDG of Kittitas County, 609 N. Main Avenue
Staff Contact: Ron Cridlebaugh, (509) 962-7244
Authority: Chapter 1.62.16 City Code

Cable Television Commission

The Cable TV Commission was created to advise Council in matters relating to the cable TV franchise; establish policy guidelines for the programming content of the community access channel; and to prepare annual reports. It is to conduct regular interviews and maintain contact with Central Washington University's administration regarding operation of the community access channel and the administration of the City's interlocal agreement for the operation of that channel. Five members (3 members must be city residents).

Meetings: Third Wednesday of each month
Time & Place: 7 p.m., Council Conference Room, 501 North Anderson Street
Staff Contact: Beth Leader, (509) 962-7124
Authority: Chapter 1.52 of the City Code

Civil Service Commission

Civil Service Commission members are appointed by the City Manager. Applicants must be city residents for at least three years preceding appointment. Commission duties include making rules and regulations regarding the manner in which police examinations may be held and in which appointments, promotions, transfers, reinstatements, demotions, suspensions and discharges shall be made; hearing and determining appeals or complaints regarding the administrative work of the personnel department, appeals of the allocation of positions, the rejection of the examination, and other such matters as may be referred; providing for, formulating and holding competitive tests to determine the relative qualifications of persons seeking appointment; and establishing and maintaining eligibility lists for various classes of positions. Three members (required to be city residents, governed by RCW 41.12.030)

Meetings: First Tuesday of each month
Time & Place: 4:00 p.m., Council Conference Room, 501 N. Anderson Street
Staff Contact: Cindy Smith, Chief Examiner, (509) 962-7222
Authority: Chapter 1.28 of the City Code

CITY OF ELLENSBURG, WASHINGTON

Environmental Commission

The Environmental Commission was created to advise Council on environmental matters with the mission of maintaining and enhancing the uniquely livable and sustainable environment enjoyed by city residents. The commission has 9 members, 3 members may be non-residents, and 2 members may be under 18 years of age. President of the Ellensburg Environmental Club is an ex-officio member.

Meetings: Third Wednesday of each month
Time & Place: 5:15 p.m., Council Conference Room, 501 North Anderson Street
Staff Contact: Shannon Johnson, (509) 962-7231
Authority: Chapter 1.60 of the City Code

Finance/ Budget Advisory Committee

The Finance/Budget Advisory Committee was created for purpose of providing avenue for the Council to have detailed involvement in the finance and budget administration of the City. The committee consists of 4 members (2 Council members, City Manager, and Finance Director.)

Meetings: Second Wednesday of each month (as needed)
Time & Place: 4:00 p.m., Council Conference Room, 501 North Anderson Street
Staff Contact: Ade Ariwoola, (509) 962-7205
Authority: Chapter 2.20.080 of the City Code

Landmarks and Design Commission

The role of the Landmarks and Design Commission is to identify, evaluate, designate, protect, enhance and perpetuate historic places within the City of Ellensburg; perform design review of all new commercial, industrial and multi-family construction projects and associated landscape and parking plans within the City of Ellensburg. Seven members (Majority of members (4) must be city residents. Board shall include: 2 property owners within the Downtown or Residential Historic Districts, 3 professionals, and 1 member at-large.)

Meetings: First & third Tuesdays of each month
Time & Place: 7 p.m., Council Conference Room, 501 North Anderson Street
Staff Contact: Brandi Eyerly, (509) 925-8608
Authority: Chapter 1.45.08.12 of the City Code

Library Board

Library Board members are appointed by the City Manager. The Board provides citizen input to the City Manager, City Council, and the Library Director. The Board considers and recommends policy to govern operations and programs of the library. It gives recommendations on Director appointment, participates in efforts to secure library funds, advises the Director during budget preparations, assists the Director in developing policies including collection development, and supports and participates in public relations and marketing programs. Five-Seven members (majority of members must be city residents).

Meetings: Second Tuesday of each month
Time & Place: 7 p.m., Ellensburg Public Library, 209 North Ruby Street
Staff Contact: Debby DeSoer, (509) 962-7252
Authority: City Ordinance No. 3937

CITY OF ELLENSBURG, WASHINGTON

Lodging Tax Advisory Committee

The Lodging Tax Advisory Committee reviews proposed changes to the lodging tax rate, exemptions and use. Tax proceeds may be used for tourism promotion, the acquisition and operation of tourism-related facilities, and other uses as authorized by state law. Five members (2 members must be from the lodging industry, 2 from organizations involving activities authorized to receive tax proceeds, and 1 council member).

Meetings: First Wednesday of each month
Time & Place: 3:00 p.m., Council Chambers, 501 North Anderson Street
Staff Contact: Beth Leader, (509) 962-7124
Authority: City Ordinance No. 4111

Parks & Recreation Commission

The role of the Parks & Recreation Commission is to make recommendations to Council pertaining to recreation programs and parks development and operation, encourage and promote all forms of recreation programs and activities that employ residents' leisure time in a constructive and wholesome manner, and periodically review and make recommendations for revisions to the Parks and Recreation Comprehensive Plan. The commission has 7 members (4 members must be city residents).

Meetings: Second Wednesday of each month
Time & Place: 5:30 p.m., Council Conference Room, 501 N. Anderson Street
Staff Contact: Brad Case, (509) 925-8639
Authority: Chapter 1.16 of the City Code

Planning Commission

The Planning Commission reviews and makes recommendations to Council pertaining to the long-term Comprehensive Land Use Plan and the zoning ordinance. It conducts hearings and makes decisions and/or recommendations on a variety of land-use applications including permits, conditional uses, annexations, rezones and subdivisions, and hears appeals of administrative decisions related to zoning. The commission has 7 members, at least five members must be city residents, and all members must live in Kittitas County.

Meetings: Second Thursday of each month
Time & Place: 5:30 p.m., Council Chambers, 501 North Anderson Street
Staff Contact: Lance Bailey, (509) 962-7108
Authority: Chapter 1.14 of the City Code

Senior Citizens Advisory Commission

The Senior Citizens Advisory Commission makes recommendations to Council on matters pertaining to senior citizen participation in programs and use of facilities provided by the City. The Commission encourages and promotes activities to meet the needs of seniors as well as formulating and articulating to Council the long-term needs and goals of senior citizens. The Commission has 7 members, members must be at least 55 years of age and the Commission includes representatives of agencies or organizations interested primarily in senior citizens issues.

Meetings: Second Tuesday of each month
Time & Place: 1:00 p.m., Adult Activity Center, 506 South Pine Street
Staff Contact: Katrina Kell, (509) 962-7242
Authority: Chapter 1.48 of the City Code

CITY OF ELLENSBURG, WASHINGTON

Utility Advisory Committee

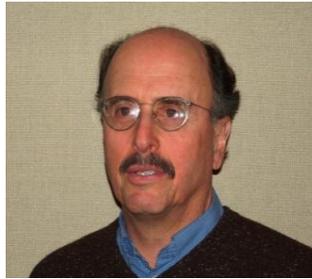
The Utility Advisory Committee was created to provide a mechanism for the City Council to obtain benefits of recommendations, advice, and opinions on those matters affecting City's energy policy and operations. The Committee may devote the resources necessary for careful consideration of such matters and which will increase citizen participation and input to local government. The 5 members include 2 Council members, 1 CWU representative and 2 members at large.

Meetings: Third Thursday of each month
Time & Place: 6:30 p.m. Council Conference Room, 501 North Anderson Street
Staff Contact: Bob Titus, (509) 962-7226
Authority: Chapter 1.50 of the City Code

For additional information on the commissions and the advisory boards, contact the City Manager's Office at (509) 962-7221.

CITY OF ELLENSBURG, WASHINGTON

CITY COUNCIL



Bruce Tabb, Mayor
Term Expires: December 31, 2015



Jill Arango
Term Expires: 12/31/15



George Bottcher
Term Expires: 12/31/11



Rich Elliott
Term Expires: 12/31/13



Nancy Lillquist
Term Expires: 12/31/13



Mary Morgan
Term Expires: 12/31/13



David Miller
Term Expires: 12/31/15

As of December 15, 2011

CITY OF ELLENSBURG, WASHINGTON

Vision and Purpose

The City of Ellensburg is committed to providing the citizens of Ellensburg with government services in the most efficient and effective way.

We are dedicated and committed to providing QUALITY SERVICE within the fiscal constraints of our city. We take pride in the history and heritage of our community and are very excited about its future.

Recommended Goals for the City of Ellensburg

Budget preparation allows the City the opportunity to reassess goals and objectives and the means for accomplishing them. The budget document is the method of presenting, in financial terms the overall plan for the 2012 fiscal year. This plan sets the direction of activity for the various departments during the year.

The Mayor and City Council goals are listed below. These goals set the overall direction for the City and focus on program development rather than provide a comprehensive list of ongoing City programs. It is intended that the ongoing programs be continued at a high level of quality.

Vision Statement

To enhance the quality of life of the citizens of the City of Ellensburg. We envision a city that protects its citizens and provides services for their well-being at a reasonable and equitable cost; that promotes a healthy economy and responsible stewardship of our natural beauty; that respects and encourages diversity; and that engages our citizens as partners in making the City of Ellensburg a great place to live, work and play.

GOAL: FINANCIAL STABILITY

Provide consistent and quality municipal services through adequate utilization, and development of appropriate financial resources that maximize return on investment, and leverage outside and local resources in an equitable and fair manner to the local taxpayers.

Objectives

- Update and improve long-range financial projections, data analysis, and trend profiles to facilitate strategic forecasting.
- Balance the need for increased tax, fee, and utility rates with review of staff effectiveness, ratio and efficient operations to maximize the benefits to the citizens per dollar spent.
- Diversify revenue sources to the greatest extent possible by pursuing outside grants, loans, and funding partnerships whenever feasible.
- Resolve litigation and minimize financial impact on the City through a proactive risk management strategy.
- Increase efficiencies through support efforts to decrease the negative impacts of state imposed mandates and program responsibilities.
- Review privatization, technology enhancements, and other effective cost-saving methods to provide quality municipal services.

GOAL: INTERGOVERNMENTAL RELATIONS

Promote communications, legislative influence, and agency cooperation with other public entities in Kittitas County, as well as State, and Federal agencies that impact our community and environment.

CITY OF ELLENSBURG, WASHINGTON

Objectives

- Work with other public agencies and their staffs in a productive, professional, and participatory way that enables cooperation, better fiscal management, economy of scale, and effective results that will positively impact our community.
- Coordinate major capital projects, financial resources, and strategic goals to promote a commonly shared vision for future benefits to our community and region.
- Strengthen partnerships and communications through joint strategy and planning sessions with other local agencies and community stakeholders.

GOAL: QUALITY MUNICIPAL SERVICES

Organize, coordinate and provide municipal services that meet the needs of our citizens, and improve the quality of life of our citizens by effectively utilizing available resources.

Objectives

- Assure that community support services are provided, within available resources to aid those segments of our community most in need such as the elderly, disabled, children, and others needing assistance.
- Strategically plan municipal services to maximize their efficiency and effectiveness.
- Update, modify, and enforce local regulations and codes which reduce nuisances, improve permit processing, and orient regulations in a more user-friendly and proactive direction.
- Protect and preserve the community's quality of life through public safety services conducted with the highest level of professionalism and integrity.
- Assure that the community is served by safe and effective utility and transportation infrastructure.
- Provide programs, facilities, and services that enhance recreational, cultural, and social opportunities for enjoyment by the community.
- Establish a regular maintenance and replacement program for City facilities.

GOAL: EMPLOYEE EXCELLENCE

Develop policies that enhance the work environment, stimulate employee performance, and promote good customer service to assure the provision of quality municipal services and prepare our employees for the future challenges in municipal government.

Objectives

- Provide leadership training and development for employees to assure that the City hires and retains the best work force possible.
- Incorporate Customer Commitment and Employee Values into the workplace.
- Integrate employees and work divisions with cohesive teamwork and organization.
- Emphasize service to the customer with a *“can-do”* attitude that concentrates efforts toward proactive results.
- Develop employee training to provide a viable succession strategy for our leadership positions.

GOAL: COMMUNITY DEVELOPMENT

Develop policies and promote implementation measures that enact our Comprehensive Plan, preserve the character of our community, and provide the necessary public facilities and infrastructure consistent with our vision for the future.

CITY OF ELLENSBURG, WASHINGTON

Objectives

- Maintain, replace, expand, and improve necessary public facilities and infrastructure to serve and protect the community's needs within available resources of the Capital Facilities Plan.
- Update and prepare comprehensive plans and strategies to guide our future capacity, quality, design, and capitalization of public facilities and infrastructure.
- Comply with government regulations and goals that impact our provision and operation of public utilities.
- Develop a property management plan for all land and facilities that provides an inventory and information suitable for proactive decision-making.
- Evaluate the options and impacts of expanding the UGA and corresponding annexation plan.
- Promote citizen and business involvement and responsibility in neighborhood maintenance, safety, and improvement programs.

GOAL: ECONOMIC DEVELOPMENT

Stimulate the community's economy through a combination of policies and programs which diversify the economic base, support the community and resource-based activities, provide adequate infrastructure and support, promote the opportunities for high technology and innovative applications for our business and industrial base, and establish the community's prominence as a service and activity center of Kittitas County.

Objectives

- Recommend and implement economic development strategies and projects, as well as informational reports on local economic activity.
- Support efforts of Ellensburg Business Development Authority, Ellensburg Downtown Association, Chamber of Commerce, and other community agencies to create a positive business climate that stimulates private investment.
- Revitalize the downtown core and create an economic partnership with local business that encourages economic vitality, encourages pedestrian interaction, and incorporates the objectives of the "Main Street" model.
- Explore opportunities to support and promote the economic diversification of our community, especially in the areas of advanced technology, agriculture, telecommunications, and other potential businesses that can expand our local economy.
- Promote participation in public/private partnerships in order to leverage opportunities for outside capital investment, consolidate resources, and seek financing that are sound and creative.
- Regularly meet and visit with community businesses.

GOAL: COMMUNITY LIVABILITY

Protect, preserve, and enhance the quality of living within our community, which fosters a commitment toward excellence in environmental, cultural, social, and physical recreations to our citizens.

Objectives

- Promote responsible efforts of stormwater, transportation management, parks and recreation programs that preserve, protect, and balance our community's livability with our natural environment while stimulating economic activity and family wage jobs.
- Research and adopt as necessary new ordinances that improve community aesthetics and welfare through responsible enforcement and regulations as well as incentives and heightened community awareness.
- Acknowledge citizens and businesses for civic contributions, community improvements, and public service in all forms of community participation.

CITY OF ELLENSBURG, WASHINGTON

GOAL: COMMUNITY RELATIONS

Enhance citizen - government communication in order to promote a more responsive and accountable municipal organization, which functions with understanding and support for its constituency.

Objectives

- Encourage community participation and interaction in local government affairs.
- Develop performance measures to gauge the effectiveness of municipal services and customer satisfaction.
- Utilize technology to improve informational exchange and communications between the City and our customers.

City Services. The City of Ellensburg provides a wide range of services to its citizens. In the 2012 budget, City services are grouped into the following broad service areas:

- **Public Safety Services** includes police patrol, investigation services, code enforcement, and animal control services. The City also provides social services through partnerships with other public and private non-profit agencies.
- **Transportation (Public Works)** includes acquisition, development, and maintenance of streets, sidewalks, and bridges. These services also include purchase and maintenance of city equipment and vehicles used in the construction and maintenance of the city's streets and bridges.
- **Culture and Recreation Services** include City of Ellensburg Library, operation of several acres of parks and recreational facilities, and Hal Holmes Community Center.
- **Planning and Community Development Services** include the developing and administration of zoning regulations, land use regulation and enforcement, and issuance of building permits.
- **Utility Services** include delivery of gas, water, electricity, sewer, and stormwater services to the City's residents. The City owns, operates, and maintains its distribution system of its gas, electric, water, and sewer throughout the City of Ellensburg.
- **Central Business Services** include the Council support, human resources, financial services, information technology, and equipment rental. Although all the services are primarily internal to the organization, they enable the City to provide services to the community in an efficient manner.

This budget document provides two views of the Operating Budget. The *services view* presents the City's operating budget by service delivery. This view includes descriptions of proposed changes to current service level, and service system measures and strategies to improve the service. The service view budget approach attempts to answer some of the following questions: "how much does it cost to provide a particular service, how will the service change in the coming year, how well does the service perform its mission?"

The *department view* presents the budget for each department and division and includes organization charts and a description of department functions. The department view attempts to answer some of the following questions: "how is the city organized to deliver services, and what appropriation is budgeted for each major organizational unit?"

CITY OF ELLENSBURG, WASHINGTON



ADMINISTRATIVE STAFF

Ted Barkley, City Manager



Jim Pidduck
Attorney



Mike Smith
Director of Community Development



Bob Titus
Director of Energy Services



Ade' Ariwoola
Director of Finance



Cindy Smith
Director of Human Resources



Debby DeSoer
Director of Library



Brad Case
Director of Parks and Recreation



John Akers
Director of Public Works

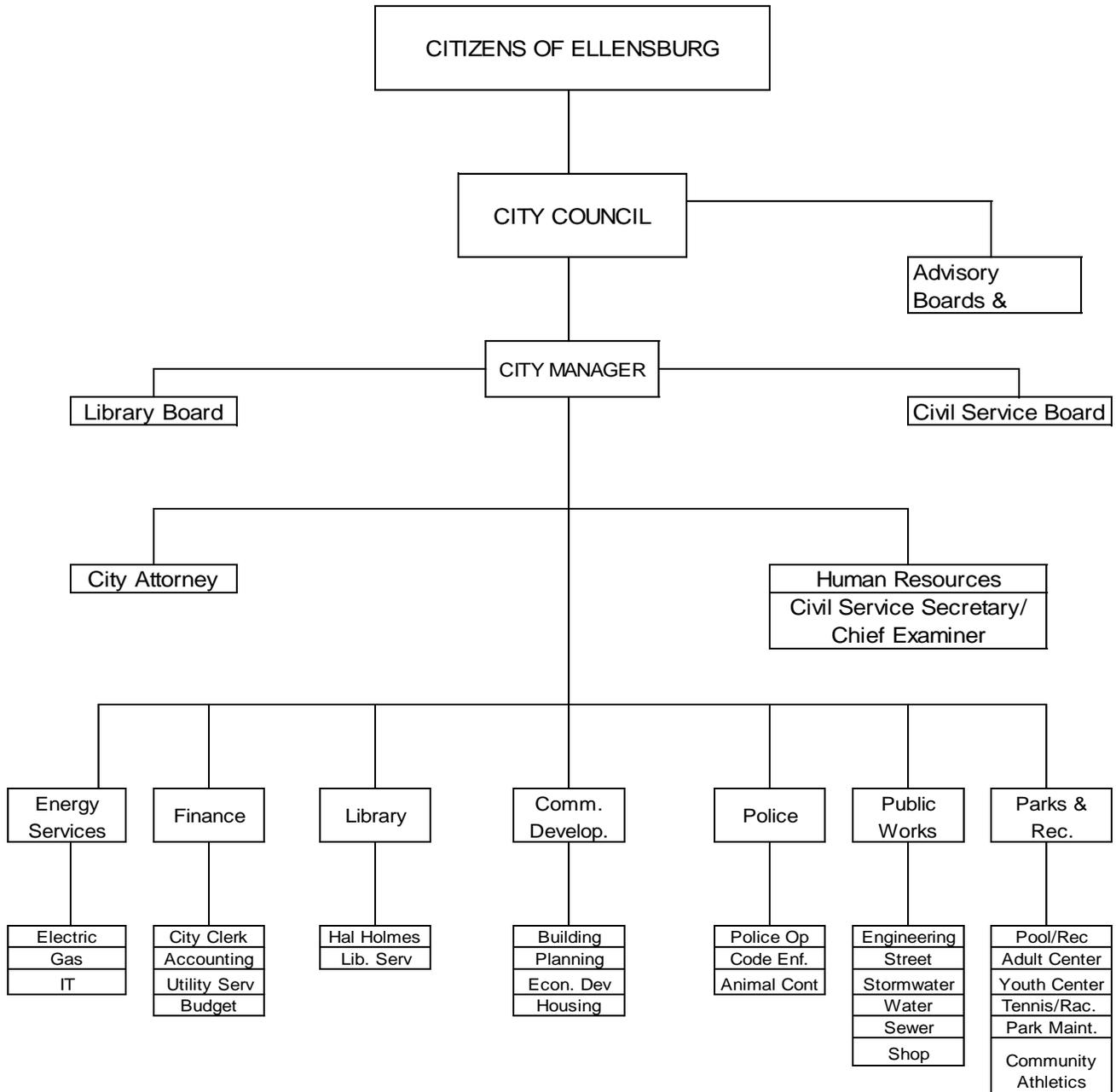


Dale Miller
Police Chief

As of December 31, 2011

CITY OF ELLENSBURG, WASHINGTON

City of Ellensburg



BUDGET PROCESS OVERVIEW

The 2012 Budget is a policy document, an operations guide, a financial plan, and a communications device. It includes the financial planning and legal authority to obligate public funds.

This section provides background information about the City of Ellensburg to help the reader obtain a better understanding of the budget and the budget process.

About the Budget and the Budget Process

The 2012 Budget is presented as a policy document, an operations guide, a financial plan, and a communications device. An adequate budget document must answer *what*, *why*, and *how* questions. This document is attempting to do just that.

What?

The budget includes the financial planning and legal authority to obligate public funds. Additionally, the budget provides significant policy direction by the City Council to the staff and the community. As a result, the City Council, staff, and public are involved in establishing the budget for the City of Ellensburg.

The budget provides four functions:

1. A Policy Document

The budget functions as a policy document because decisions made within the budget will “reflect the general principles or plans that guide the actions taken for the future.” As a policy document, the budget makes specific attempts to link desired goals and policy direction to the actual day-to-day activities and expenditures of the City staff.



2. An Operational Tool

The budget of the City reflects its operation. Activities of each city function and organization have been planned, debated, formalized, and described in the following sections. This process will help to maintain an understanding of the various operations of the City, how they relate to each other, and attain the policy issues and goals of the City Council. In this effort, the budget addresses areas that may not be traditional budget document topics but inclusion of the topics make the activities of the City more understandable.

These include current and future debt management, staffing levels, long-range planning, capital spending plans, and the tax base and its relationship to the provision of services. A statistical section is added to provide additional information. The City’s long-range plan will affect the future capital spending, staff level, and debt plan of the City.

3. A Link With the General Public

The budget provides a unique opportunity to allow and encourage public review of City operations. The budget describes the activities of the City, the reason or cause for those activities, future implications, and the direct relationship to the citizenry. An introduction summary section is included for this purpose.

4. A Legally Required Financial Planning Tool

Traditionally a financial planning tool, the budget is also a State law requirement of all cities as stated in the Revised Code of Washington Title 35A. The budget must be adopted as a balanced budget and must be in place prior to the spending of any city funds. The budget is the legal authority to expend public monies and controls those expenditures by limiting the amount of the appropriation at either the fund or the department level. The revenues of the City are estimated, along with available cash carry-forward, to indicate funds available. The staff requests for appropriations comprise the disbursement side of the budget. In this budget, the general fund appropriation level is set at the department level and the non-general funds are set at the total fund level.

CITY OF ELLENSBURG, WASHINGTON

How Does the Budget Compare to the Annual Report?

The City prepares an annual financial report in conformance with Generally Accepted Accounting Principles (GAAP). Since the budget is not prepared using the same basis of accounting, it cannot in all cases be compared to information depicted in the annual report. The Governmental Fund types are budgeted on a modified accrual basis and can be directly compared to the operating statements in the City annual report. The Proprietary Fund types are budgeted on a modified accrual basis and depicted in the annual report using a full accrual basis. The Proprietary Fund types are treated like regular business because a majority of their revenues are derived from fees for service to the public. These funds, therefore, cannot be compared between the two reports. As a first step to implementing Governmental Accounting Standard Board (GASB) Statement 34, the Permanent Fund group has been established and included in the budget.

Why?

The budget and budget process are required by State law. The budget, as adopted, constitutes the legal authority for expenditures. The City's budget is adopted at the fund level except the General Fund that is adopted at the department level, so expenditures may not legally exceed appropriations at that level. The City's budget is amended at least once a year. All appropriations, except operating grants and capital projects, lapse at year-end. Unexpended resources must be re-appropriated in the subsequent period.

In addition, the budget process affords both an interesting and challenging opportunity to reassess plans, overall goals, and the means for accomplishing them. It is through this effort that the budget is the single most important policy document produced each year. Much effort is expended to ensure the budget plan will achieve the goals and objectives of the City Council.

How?

The Budget Process

- *Determining Policies and Goals:* The Budget process for the City of Ellensburg is, in some respects, an ongoing, year-round activity. The formal budget planning begins in the summer with discussions between the City Manager, departments, and City Council about the status of ongoing programs, new goals, and objectives for the future.
- *Reporting and Monitoring:* The budget and its policies are implemented through the individual departments and the accounting controls of the Finance Department. The budget is monitored by a reporting system consisting of monthly reports to department heads and divisional managers. Financial reports are issued by the Finance Department comparing actual expenditures and revenues with the budget. In these reports, financial data is presented at a more detailed level than the final budget. Financial reports are submitted to the City Council on a quarterly basis. The budget may be amended by Council action at any time during the year.
- *Staff Planning and Preparation:* Budget preparation begins in July with the budget message to the departments and the projection of city reserves, revenues, expenditures, and financial capacity. It is with this background information and guidelines that departments develop their expenditure requests that are subsequently reviewed.
- *Components of the Budget:* There are two components of the budget: the base operation budget and capital improvements.
 - *Base Budget Approach:* The base operation budget consists of budget proposals that will be sufficient to maintain the operation of programs that have been authorized in earlier budgets.

CITY OF ELLENSBURG, WASHINGTON

- *Capital Improvements:* The budget includes capital projects scheduled for construction. The City’s approach to capital budgeting is financial in character. The budget authorizes a series of potential projects to be considered for funding. The Council works with city staff to approve specific projects up to the funding approved in the budget. If more funds become available, or third party funding can be arranged, a budget amendment is considered.

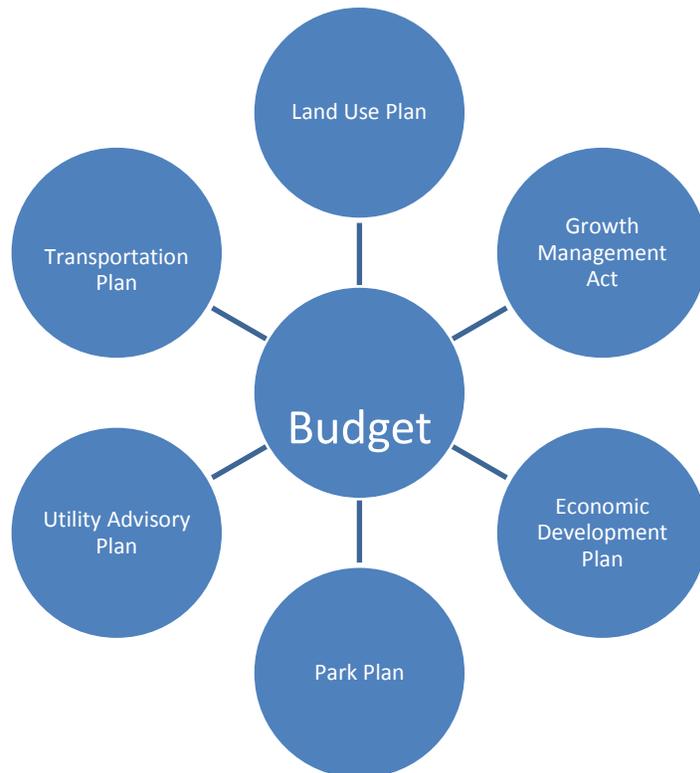
The City’s capital program is funded primarily through the issuance of general obligation bonds, revenue bonds, real estate excise tax funds, sales tax funds, federal and state loan and grant programs.

- **Preliminary Budget:** The budget is ready for the City Manager’s review in September. The Council reviews the preliminary budget in October. The proposed budget is also available for citizen review in October. The Council conducts a series of workshops to examine the budget in detail and then conducts a preliminary budget hearing before acting formally on the budget as modified during its workshop meetings. Final action on the budget usually occurs in November.
- **Final Budget:** The final budget is issued as a formal published document in summarized format from the preliminary budget, but as modified by the City Council. The actual appropriations implementing and amending the budget are contained in the budget ordinance adopted by the City Council. A public hearing is scheduled for a City Council meeting in October, with the final budget adoption in November.
- **Amending the Budget:** The City Manager is authorized to transfer budgeted line item amounts within departments in the General Fund and within the funds in the non-General Fund budgets. However, any revisions that alter the total expenditures and fund balance of a fund, total expenditures of departments within the General Fund, or that change the number of permanently authorized employee positions, salary ranges, or other conditions of employment, must be approved by the City Council.

The City Council may determine what is in the best interest of the City to increase or decrease the appropriation of a particular department or fund. This can be accomplished by adoption of an ordinance.

The status of the budget is comprehensively

reviewed in November to identify any needed adjustments. All requests for amendments should



CITY OF ELLENSBURG, WASHINGTON

first be filed with the Finance Director. The Finance Director and City Manager, after careful review of the process, make a recommendation to the City Council for budget amendments.

What is included in the budget process?

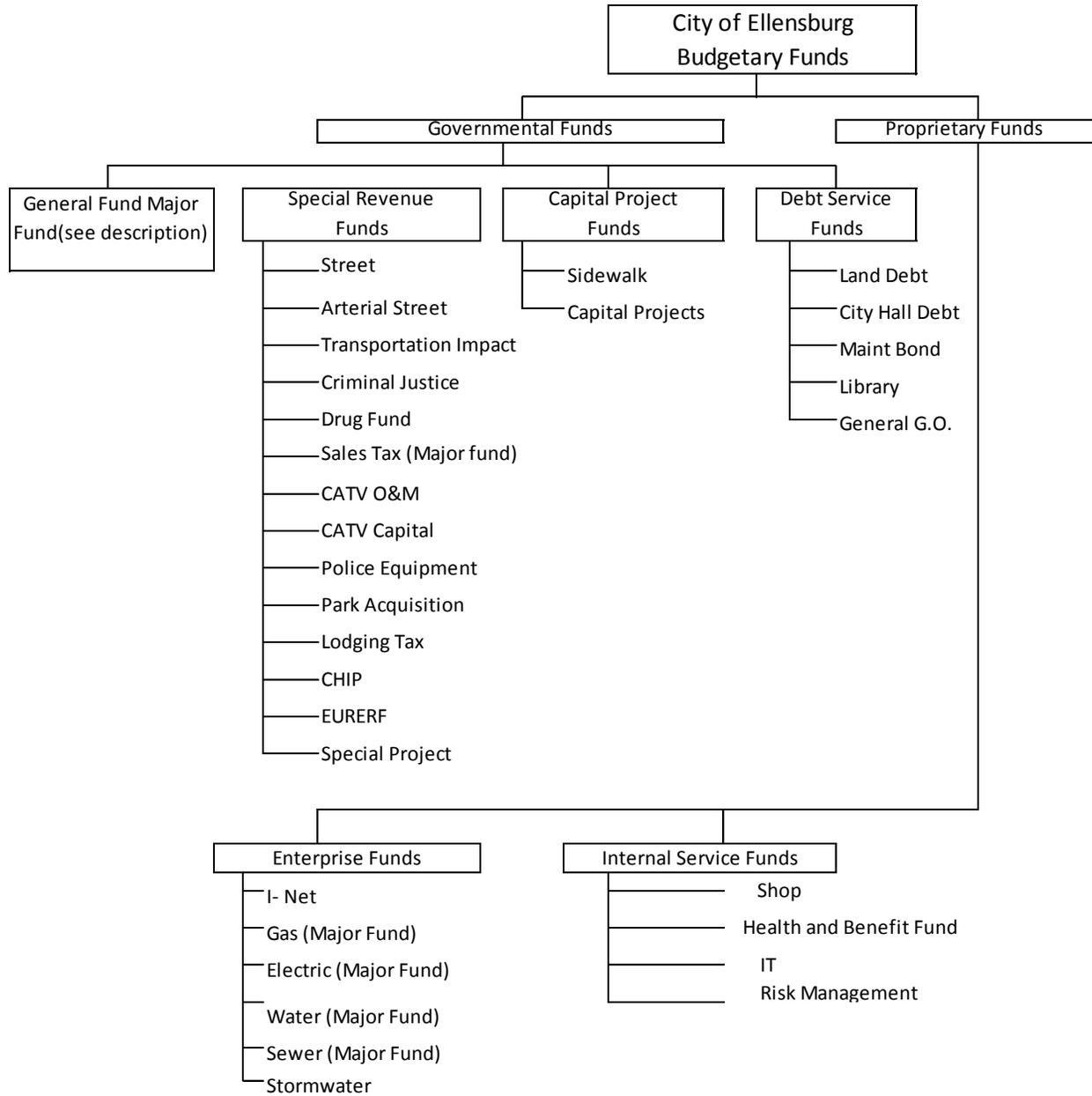
City of Ellensburg		
Budget Process Schedule		
2012 Annual Budget		
Date	Action	
Wednesday, June 15, 2011	Personnel Estimates Sent Out For Review	
Monday, June 27, 2011	Council Retreat on Goal Setting	
Thursday, June 30, 2011	Personnel Estimates back to Finance	
Thursday, June 30, 2011	Shop, Warehouse and Rental Rates to Finance	
Wednesday, July 13, 2011	IT Budget Due	
Tuesday, July 19, 2011	Budget Message to Departments	
Wednesday, July 27, 2011	Budget & Capital Facility Workshop(if needed)	
Wednesday, August 17, 2011	Budget Returned to Finance Department	
August 19 - September 2	Budget Compilation	
September 6 - 9	Individual Meetings with Directors	
Wednesday, September 21, 2011	Assemble & Print Preliminary - Manager's Budget	
Friday, September 30, 2011	City Clerk Publishes Notice of Public Hearing	
Monday, October 03, 2011	Evening	Public Hearing on Revenue Estimates
Friday, October 14, 2011	All Day	Council Study Session on Budget - * Revenues (010), Finance (012), * City General (011), City Manger (013) * Council Funded Programs * Public Works (019, 120, 123, 366, 481, 491, * Energy Services (150, 155, 451, 461, 471, * Community Development (017, 165, 170) * Police (016, 137) * Parks (022, 160) * Library (023, 605)
Monday, October 17, 2011	Evening	Public Hearing - * Introduction of Tax Levy Ordinance
Monday, November 07, 2011		Public Hearing - * Budget Ordinance/1st Reading * Adoption of Tax Levy
Monday, December 05, 2011	Evening	* Adoption of Budget Ordinance

CITY OF ELLENSBURG, WASHINGTON

Financial Structure

Organization

City of Ellensburg Fund Structure



The City of Ellensburg’s accounting and budgeting systems are organized and operated on a department and fund basis. Departments and funds are accounting entities used to record revenues and expenditures. The City of Ellensburg’s funds are grouped into eight categories: General, Special Revenue, Debt Service, Permanent, Capital Projects, Enterprise, Internal Service, and Fiduciary Funds. The City of Ellensburg budgets its funds on a modified accrual basis.

CITY OF ELLENSBURG, WASHINGTON

The following are budgeted funds:

- General Fund
- Special Revenue Funds
- Debt Service Funds
- Capital Improvements Funds
- Enterprise Funds
 - I-Net
 - Stormwater
 - Gas
 - Light
 - Water
 - Sewer
- Internal Service Funds
 - Shop
 - Information Technology
 - Risk Management
 - Health and Benefit
- Fiduciary Funds
 - Fire Relief & Pension
 - Permanent Funds
 - Library Trust
 - Hal Holmes trust



Definition of Major Funds

Major funds represent the significant activities of the City, and basically include any fund whose revenues or expenditures, excluding other financing sources and uses, constitute more than 10% of the revenues or expenditures of the appropriated budget. The City reports General, Arterial Street, Sales Tax, Gas, Electric, Water, and Sewer funds as major funds. Detailed information is provided on these funds under their respective categories.

Major Governmental Funds Summary

The financial outlook for 2012 is positive, however, the long-term financial outlook includes projected shortfalls in 2013 through 2014. These shortfalls are largely due to a high rate of expenditure growth, such as escalating state retirement contributions, and a slower growth in projected retail sales tax revenue.

General Fund: The General Fund is the principal operating fund of the City. It accounts for the financial resources of the City that are not accounted for in any other fund. Principal sources of revenue are property tax, sales tax, utility tax, licenses and permits, state-shared revenues, charges for services, and interest income. Primary expenditures are for general city administration, police, engineering, planning services, parks, library, and cultural and recreational services. The General Fund “buys” services from Internal Service funds as follows: fuel and rental of vehicles from the Shop Fund, health insurance from the Health & Benefits Fund, and data processing services from the Information Technology Fund (IT).

Cost allocations from the General Fund are provided to all funds in an effort to distribute accounting, budgeting, auditing, personnel, legal, city management, and public information services.

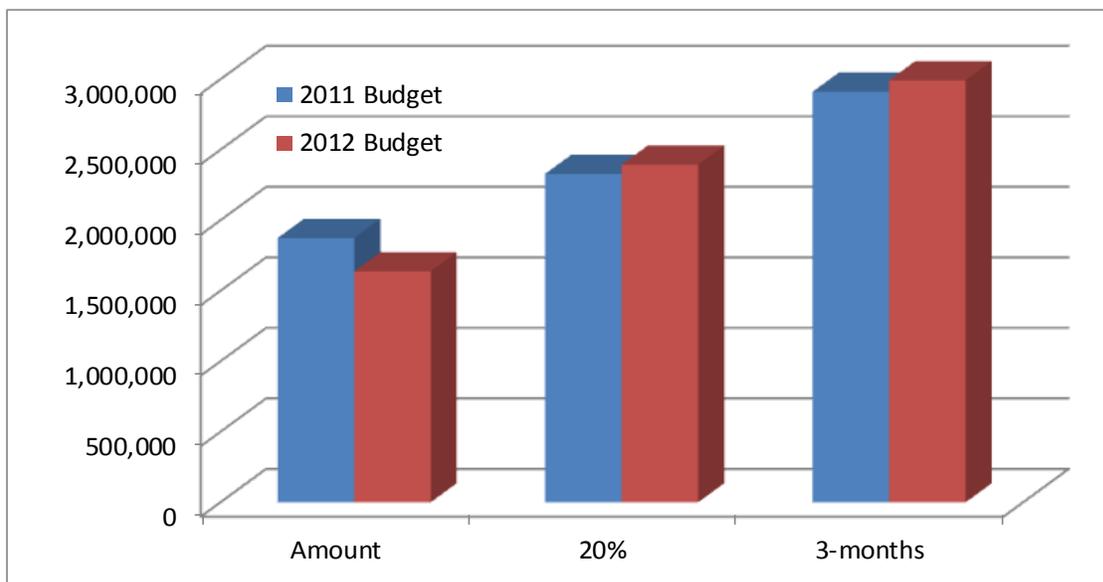
It includes most tax revenues and such services as public safety, parks & recreation, engineering, planning, library, and general administration of the city government.

CITY OF ELLENSBURG, WASHINGTON

GENERAL FUND	Actual 2008	Actual 2009	Actual 2010	Budget 2011	Budget 2012	Projected 2013
Revenues						
Taxes	\$4,918,940	\$5,223,636	\$5,233,705	\$5,475,972	\$5,719,202	\$5,712,751
Licenses & Permits	903,935	503,953	487,303	271,350	271,350	271,350
Intergovernmental	534,843	627,387	622,878	615,487	501,284	477,890
Charges for Services	2,884,551	2,849,455	3,196,339	3,269,008	3,372,816	3,361,269
Fines & Forfeits	85,995	100,246	90,955	81,800	81,800	81,800
Miscellaneous	246,983	235,475	211,248	175,290	194,240	189,790
Total Revenues	\$9,575,247	\$9,540,152	\$9,842,428	\$9,888,907	\$10,140,692	\$10,094,850
Expenditures						
Salary	\$5,157,660	\$5,205,679	\$5,462,048	\$5,571,802	\$5,732,708	\$5,791,604
Benefits	2,123,734	2,097,483	2,036,308	2,311,232	2,475,522	2,661,771
Supplies	385,461	417,206	381,334	444,695	473,011	441,000
Services	2,058,737	1,736,454	1,847,777	2,105,670	2,001,989	1,908,487
Intergovernmental	476,117	522,410	552,547	572,581	600,231	626,008
Capital Outlay	70,481	72,262	78,557	67,200	65,500	65,500
Debt Services	911	3,586	1,148	910	0	0
Interfund	357,155	312,936	312,457	310,681	360,035	309,661
Total Expenditures	\$10,630,256	\$10,368,016	\$10,672,176	\$11,384,771	\$11,708,996	\$11,804,031
Rev over Exp	-1,055,009	-827,864	-829,748	-1,495,864	-1,568,304	-1,709,181
Other Financing Sources (Uses)						
*Financing Sources	1,908,742	1,683,920	1,591,770	1,000,000	1,000,000	1,530,000
Financing Uses	626,837	6,770	10,368	264,375	264,375	264,375
Contribution to Fund Balance	\$226,896	\$849,286	\$751,654	-\$760,239	-\$832,679	-\$443,556

*In accordance with City ordinance, the City is supposed to maintain 20% of its annual expenditures in fund balance in order to adequately deal with its cash flow needs for operations, and emergencies. Due to the current economic condition, the City is using a portion of its fund balance to lessen the impact of the revenue shortfall. For 2012, The City is using \$832,679 of its fund balance to balance its budget.

Fund Balance



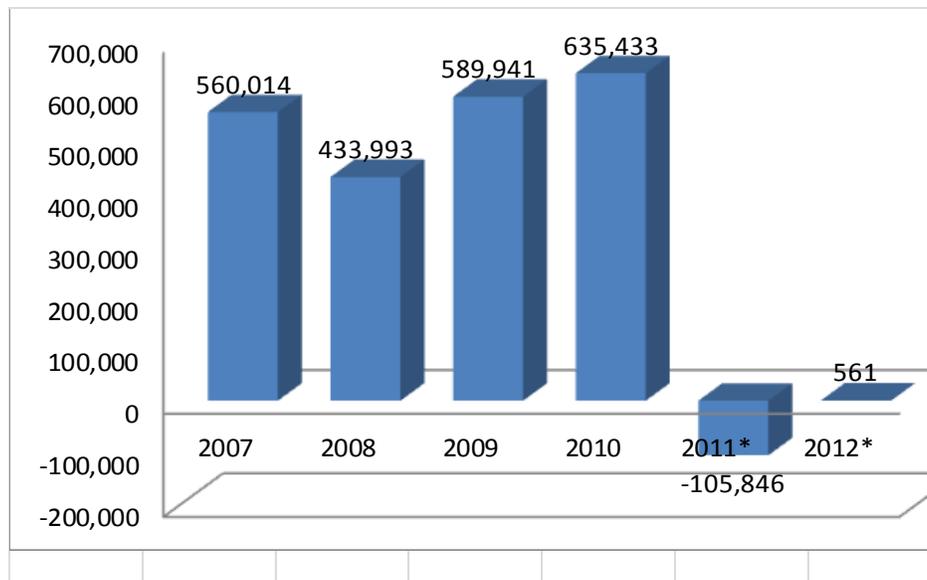
CITY OF ELLENSBURG, WASHINGTON

Arterial Street Fund is used to account for the construction of the city's streets, bridges, trails, traffic signals, and signs. Most of the funding for these construction projects comes from the gasoline tax, grants from both state and federal government, and the grant matching from the City's sales tax revenue. The projected decrease in sales tax revenue will also affect the projects that will be funded out of the Arterial Street Fund.

ARTERIAL STREET	Actual	Actual	Actual	Budget	Budget	Projected
Revenues	2008	2009	2010	2011	2012	2013
Taxes	\$0	\$0		\$480,000	\$0	\$0
License & Permits	3,233	3,345	2,993	3,700	3,500	3,500
Intergovernmental	1,751,022	799,894	584,237	3,881,533	2,952,235	665,151
Charges for Services	47,859	1,775	-1,775	0	0	0
Miscellaneous	15,104	84,387	3,013	3,000	0	0
Total Revenues	\$1,817,218	\$889,401	\$588,468	\$4,368,233	\$2,955,735	\$668,651
Expenditures						
Capital Outlay	\$2,700,240	\$733,454	\$549,970	\$6,409,105	\$4,829,750	\$1,567,500
Total Expenditures	\$2,700,240	\$733,454	\$549,970	\$6,409,105	\$4,829,750	\$1,567,500
Rev over Exp	-883,022	155,947	38,498	-2,040,872	-1,874,015	-898,849
Other Financing Sources (Uses)						
Other Fin. Sources	757,000	0	6,992	1,416,576	799,576	150,000
Change to Fund Balance	-\$126,022	\$155,947	\$45,490	-\$624,296	-\$1,074,439	-\$748,849

* The City accumulates funds in this fund in order to finance road projects as it sees fit, 2012 is one of the years we plan to do some of these projects and use the accumulated funds in the fund balance to pay for the applicable projects. We are planning to use \$1,074,439 of the fund balance in 2012 to fund the road projects.

Fund balance



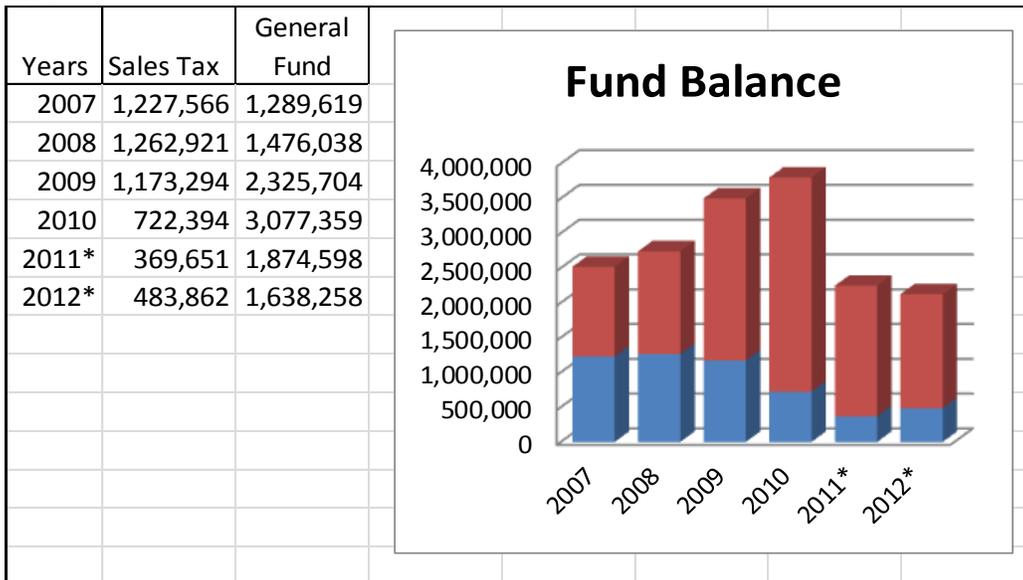
*The 2011 and 2012 are budgets.

CITY OF ELLENSBURG, WASHINGTON

Sales Tax Fund is used to accumulate the collection of the general sales tax revenues and the transfers of this money to various funds to support the respective programs as follows:

SALES TAX FUND	Actual 2008	Actual 2009	Actual 2010	Budget 2011	Budget 2012	Projected 2013
Revenues						
Taxes	\$3,441,089	\$3,137,752	\$2,979,989	\$2,820,000	\$3,050,000	\$3,015,000
Miscellaneous	28,697	13,302	5,910	5,000	5,000	5,000
Total Revenues	\$3,469,786	\$3,151,054	\$2,985,899	\$2,825,000	\$3,055,000	\$3,020,000
Expenditures						
General Fund	\$1,700,000	\$1,702,945	\$1,591,770	\$1,000,000	\$1,000,000	\$1,530,000
Street Fund	670,000	958,133	1,012,313	1,097,855	1,237,303	1,000,000
*Arterial Street	632,000	0	0	0	183,000	0
Police Vehicle	0	30,000	30,000	0	0	47,000
Risk Management	0	0	25,000	67,000	0	0
Debt funds	419,931	537,102	752,717	840,494	750,835	767,040
Special Projects	0	5,000	0	0	0	0
Capital funds	12,500	7,500	25,000	0	0	0
IT	0	0	0	0	0	0
I- Net	0	0	0	0	0	0
Total Expenditures	\$3,434,431	\$3,240,680	\$3,436,800	\$3,005,349	\$3,171,138	\$3,344,040
Contribution to Fund Balance	\$35,355	-\$89,626	-\$450,901	-\$180,349	-\$116,138	-\$324,040

Fund balance



The City had its highest fund balance in 2010, which was due in part to bond proceeds from our Water System Revenue Bonds and the General Obligation Bonds that were sold in 2010 to finance the new wells, other improvements to the water and sewer lines, and the City's general facilities.

CITY OF ELLENSBURG, WASHINGTON

Major Proprietary Funds

Enterprise Funds: Enterprise funds are used to account for the financing of services provided to the general public where all or most of the costs involved are paid for by user charges. Operations financed as enterprise funds are operated in a manner similar to private business enterprises.

Enterprise funds “buy” services from the Shop Fund for equipment rental and gasoline, and from the Information Technology Fund for data processing and computer maintenance. The enterprise funds also reimburse the General Fund for cost allocations for budgeting, auditing, accounting, personnel, utility billings and collections, legal, and engineering costs that relate to enterprise funds. Other funds purchase utilities at the same rate as the public.

Gas Fund is used to account for the activities of the City’s gas distribution operations. The major source of revenue is the charges for the sale of gas, and the bulk of its expenses are the purchase of gas for resale. The gas activities will be affected by the weather, the unit cost of gas the City pays, and the rate the City charges for the units sold. The expected decrease in the volume will be determined by weather and not by decreased number of customers. More than 65% of the department budget is spent on the gas inventory purchased for resale. The salary and benefit costs account for just about 10% of the total department budget. Central Washington University and Twin City Foods account for a large share of the department’s annual sale. The price of gas decreased in May of 2011, which is affecting the price we charge our customers and the utility tax we pay into General Fund. Due to the Defeasing of a 1998 Gas Bonds, the debt service expenditure is eliminated from the 2012 budget and 2013 projection.

GAS	Actual 2008	Actual 2009	Actual 2010	Budget 2011	Budget 2012	Projected 2013
Revenues						
Intergovernmental	\$0	\$3,578	\$0	\$250,000	\$0	\$0
Charges for Services	9,517,837	9,631,697	9,391,241	8,790,713	8,438,422	8,431,096
Miscellaneous	26,665	8,807	6,713	6,000	3,500	3,500
Total Revenues	\$9,544,502	\$9,644,082	\$9,397,954	\$9,046,713	\$8,441,922	\$8,434,596
Expenses by Object						
Salary	\$663,845	\$717,484	\$911,790	\$940,939	\$924,833	\$902,196
Benefits	276,049	285,744	287,835	334,460	354,535	379,182
Supplies	5,890,551	5,908,141	5,777,898	5,526,554	5,107,295	5,082,244
Services	195,614	208,107	312,167	644,191	435,603	541,681
Intergovernmental	871,620	948,374	926,258	854,796	819,820	818,917
Capital Outlay	0	0	-424,645	22,500	22,500	22,500
Depreciation	395,977	411,432	407,263	0	0	0
Debt Service	70,664	66,536	60,795	1,158,899	0	0
Interfund	634,919	627,185	812,908	817,801	884,951	826,450
Total Expenses	\$8,999,239	\$9,173,004	\$9,072,267	\$10,300,140	\$8,549,537	\$8,573,170
Rev over Exp	\$545,263	\$471,078	\$325,687	-\$1,253,427	-\$107,615	-\$138,574
Other Financing Sources (Uses)						
Other Sources						
Other Uses						
Cont. to Net Assets	\$545,263	\$471,078	\$325,687	-\$1,253,427	-\$107,615	-\$138,574

CITY OF ELLENSBURG, WASHINGTON

Electric Fund is used to account for the purchase of electricity (mainly from Bonneville Power Administration), and the sale of electricity to City residents and businesses. Central Washington University and Twin Foods account for 22% of the department's annual sale. Electricity purchased accounted for 48.5% of the total cost in 2010. The cost went up in October of 2011. The City defeased its 2001A Electric Revenue Bonds in 2011.

ELECTRIC FUND	Actual 2008	Actual 2009	Actual 2010	Budget 2011	Budget 2012	Projected 2013
Revenues						
Intergovernmental	\$0	\$446	\$172,689	\$374,800	\$120,000	\$25,000
Charges for Services	12,528,964	13,038,006	12,924,810	13,210,530	12,966,305	13,483,254
Miscellaneous	296,377	823,065	151,732	331,962	357,962	349,888
Total Revenues	\$12,825,340	\$13,861,517	\$13,249,231	\$13,917,292	\$13,444,267	\$13,858,142
Expenses by Object						
Salary	\$1,042,249	\$1,156,080	\$1,142,479	\$1,055,779	\$1,068,409	\$1,080,691
Benefits	427,567	425,955	361,003	382,017	388,267	411,686
Supplies	6,062,390	7,407,356	6,958,782	7,437,829	8,105,718	9,610,622
Services	683,327	795,878	1,263,190	1,169,222	1,374,408	1,384,895
Intergovernmental	1,135,610	1,186,357	1,138,524	1,167,100	1,187,120	1,236,118
Capital Outlay	0	0	-258,916	1,010,000	300,195	85,200
Depreciation	756,827	790,704	809,704	0	0	0
Debt Service	350,625	287,028	290,288	2,105,116	393,190	395,590
Interfund	1,204,754	1,227,804	1,283,893	1,296,132	1,401,511	1,322,241
Total Expenses	\$11,663,348	\$13,277,160	\$12,988,947	\$15,623,195	\$14,218,818	\$15,527,043
Rev over Exp	\$1,161,993	\$584,356	\$260,284	-\$1,705,903	-\$774,551	-\$1,668,901
Other Financing Sources (Uses)						
Other Sources	98,986	80,845	0	0	0	0
Other Uses	50,000	144,468	99,768	70,000	100,000	70,000
Cont. to Net Assets	\$1,210,979	\$520,733	\$160,516	-\$1,775,903	-\$874,551	-\$1,738,901

*The City is planning to use \$874,551 of its fund balance to absolve the potential increase in electric prices in 2012 instead of passing it to our customer. This is in addition to the absorbing of cost in the amount of \$1,775,903 planned for 2011 with cumulative effect of about \$2.65 million. This is as a result of the defeasance of the 2001A Electric Revenue Bonds in 2011.

CITY OF ELLENSBURG, WASHINGTON

Water Fund was established in 1933 and is used to account for the construction and the operation of the City's water wells and reservoirs, and the distribution of water to the City of Ellensburg's almost 5,000 residents and businesses. The City sold revenue bonds to fund the construction of four new wells and expansion of its distribution system in 2010. Prior to the bond sale, the City went through a bond rating process and received a AA rating from Standard & Poor's. It was the City's first rating.

WATER FUND	Actual 2008	Actual 2009	Actual 2010	Budget 2011	Budget 2012	Projected 2013
Revenues						
Licenses & Permits					500	500
Charges for Services	\$2,828,035	\$3,000,364	\$3,095,905	\$3,238,930	\$3,639,792	\$3,817,039
Miscellaneous	53,733	32,283	23,128	15,900	14,000	13,000
Total Revenues	\$2,881,768	\$3,032,647	\$3,119,033	\$3,254,830	\$3,654,292	\$3,830,539
Expenses by Object						
Salary	\$448,117	\$417,330	\$501,325	\$531,265	\$553,299	\$533,033
Benefits	171,974	162,158	175,594	198,126	208,175	224,460
Supplies	154,016	152,331	234,128	225,328	233,800	234,800
Services	369,217	517,763	518,144	680,546	652,292	696,876
Intergovernmental	359,316	417,427	480,753	518,397	578,643	605,281
Capital Outlay	0	0	-202,707	2,992,000	3,257,000	942,000
Depreciation	317,225	459,932	510,297	0	0	0
Debt Service	101,442	101,216	301,600	480,755	481,377	481,671
Interfund	805,448	804,029	777,307	783,226	835,579	786,396
Total Expenses	\$2,726,755	\$3,032,186	\$3,296,441	\$6,409,643	\$6,800,165	\$4,504,517
Rev over Exp	\$155,013	\$461	-\$177,408	-\$3,154,813	-\$3,145,873	-\$673,978
Other financing Sources(Uses)						
Other Sources	0	395,537	6,565,102	1,665,000	2,480,560	1,115,000
Other Uses	3,773	60,154	6,310,025	0	517,360	910,000
Cont. to Net Assets	\$151,240	\$335,844	\$77,669	-\$1,489,813	-\$1,182,673	-\$468,978

The use of the fund balance as reflected in the "Cont. to Net Assets" in the table above shows the use of the bond proceeds in 2011 of the Revenue bonds that were sold in 2010 to complete the water system line extension and drilling of wells.

CITY OF ELLENSBURG, WASHINGTON

Sewer Fund was established in 1908 and currently serves about 4,000 customers. The major issues facing the division are the rates charged to customers, the ever-increasing cost of hiring and maintaining good employees, and the replacement costs of our aging system.

SEWER FUND	Actual 2008	Actual 2009	Actual 2010	Budget 2011	Budget 2012	Projected 2013
Revenues						
Intergovernmental	\$41,116	\$48,735		\$10,770		
Charges for Services	2,556,639	2,994,140	2,926,681	2,834,131	3,237,395	3,413,775
Miscellaneous	21,512	41,581	12,708	9,450	6,950	6,750
Total Revenues	\$2,619,267	\$3,084,457	\$2,939,389	\$2,854,351	\$3,244,345	\$3,420,525
Expenses by Object						
Salary	\$548,480	\$559,001	\$578,950	\$662,963	\$657,338	\$659,847
Benefits	214,403	180,600	228,753	259,757	271,462	296,229
Supplies	71,165	102,859	81,665	123,222	126,000	128,050
Services	440,063	447,908	505,104	549,632	493,543	479,185
Intergovernmental	283,059	330,166	370,526	361,603	399,336	421,034
Capital Outlay	0	0	-92,875	1,806,000	536,000	130,000
Depreciation	313,875	381,727	390,556	0	0	0
Debt Service	117,585	84,402	239,547	388,484	387,236	383,761
Interfund	623,057	627,750	727,312	723,351	853,925	780,271
Total Expenses	\$2,611,687	\$2,714,413	\$3,029,538	\$4,875,012	\$3,724,840	\$3,278,377
Rev over Exp	\$7,579	\$370,044	(\$90,149)	(\$2,020,661)	(\$480,495)	\$142,148
Other Financing Sources (Uses)						
Other Sources	0	328,756	5,594,930	700,392	212,500	249,500
Other Uses	0	58,844	5,452,564	441,392	258,200	
Cont. To Net Assets	\$7,579	\$639,956	\$52,217	-\$1,761,661	-\$526,195	\$391,648

The use of the fund balance as reflected in the “Cont. to Net Assets” in the table above shows the use of the bond proceeds in 2011 of the Revenue bonds that were sold in 2010 to complete the Sewer system line extension.

CITY OF ELLENSBURG, WASHINGTON

Definition of Non-major Funds

Non-major funds represent the activities of the City that are not significant in terms of the amount of revenue or expenditures in the fund. In other words activities whose revenues or expenditures, excluding other financing sources and uses constitute less than 10% of the revenues or expenditures of the City's appropriated budget.

Non-major Special Revenue Funds

These funds are used to account for the proceeds of special revenue sources that are legally restricted to expenditures for specific purposes. The non-major special revenue funds include the Street Fund, Traffic Impact Fee, Criminal Justice Fund, Drug Fund, Police Equipment Fund, CATV O & M Fund, CATV Capital Fund, Park Acquisition Fund, Lodging Tax Fund, EURERF Fund, CHIP Fund, and the Special Projects Fund.

Non-major Debt Service Funds: Debt service funds are used to account for the accumulation of resources to be used for the retirement of general, long-term debt. Sources of revenue to fund the retirement of general obligation long-term debt are property taxes and transfers from other funds that are responsible for debt.

We have two groups of general obligation debts, and they are (a) voter approved unlimited debt, and (b) the limited obligation debt. The limited obligation debts are funded by a transfer out of the Sales Tax Fund. After the debt fund transfers are made, the balance of the Sales Tax Fund is available for transfer into the General, Street, Arterial Street, and Capital Funds. The unlimited debt obligations are funded directly through the excess tax approved by the voter.

Date	Limited Debt				Unlimited
	City Hall Debt	Maintenance Debt	West Ellensburg Land Debt	Total Transfer-Out of Sales Tax Fund	Library Debt
2012	369,270	213,100	167,259	749,629	151,388
2013	373,920	225,100	167,114	766,134	153,103
2014	372,650	206,650	166,724	746,024	159,635
2015	370,920	213,650	171,089	755,659	165,803
2016	368,200	215,350	169,964	753,514	171,318
2017	370,000	216,900	143,594	730,494	176,443
2018	370,500	212,100	147,681	730,281	180,908
2019	370,250	212,300	146,231	728,781	184,963
2020	369,250	212,300	144,513	726,063	193,453
2021	367,500	217,100	147,525	732,125	196,313
2022		212,200		212,200	203,483
2023		217,125		217,125	
2024		161,500		161,500	
2025		57,250		57,250	
2026		57,250		57,250	
2027		57,250		57,250	
2028		57,250		57,250	
2029		57,250		57,250	
2030		1,202,250		1,202,250	
	\$3,702,460	\$4,223,875	\$1,571,694	\$9,498,029	\$1,936,810

The funds included in the non-major debt service funds are G.O. Bond Land Debt Fund, City Hall Bond Debt Fund, Library Construction Debt Fund, and G.O. Maintenance Debt Fund.

The table above shows the cash requirements to service the general obligation bond debts through 2030. The City does not have any plan to issue any new debt in the near future.

CITY OF ELLENSBURG, WASHINGTON

Non-major Capital Improvement Funds: Capital project funds are used to account for the financing of major capital projects other than those financed by proprietary funds. Sources of revenue are proceeds of debt issuance, grants, and transfers from other funds (generally from special revenue funds).

Internal Service Funds are used to account for the financing of specific services provided to departments within the City by other departments within the City. These funds provide centrally administered services that generate revenue by billing other funds at cost plus a reserve for future needs. These funds include the Shop Fund, Information Technology Fund, Health and Benefits Fund, and Risk Management Fund.

Non-major Fiduciary Funds

Fiduciary Funds are used to account for assets held by the City as trustee or agent for individuals, private organizations, or other governmental units. These funds include Fire Relief and Pension Fund, and the LID Fund. The Fire Relief and Pension Fund is used to provide pension benefits to former City firefighters hired before 1965. The major source of the revenue to this fund is the City's property tax revenues. Local Improvement District (LID) is another fund in the fiduciary fund group, and it is used to accumulate payments from the land owners to satisfy the debt incurred for the local improvement district.

CITY OF ELLENSBURG, WASHINGTON

2012 Combined City Budget by Fund

Fund #	Fund Description	Beg. Fund Balance	Revenue	Other Sources	Total Resources	Expenditures / Expenses	Other Uses	End. Fund Balance	Total Requirement
001	General Fund	\$2,470,937	\$10,140,692	\$1,000,000	\$13,611,629	\$11,708,996	\$264,375	\$1,638,258	\$13,611,629
120	Street	398,886	339,357	1,357,303	2,095,546	1,755,877	0	339,669	2,095,546
123	Arterial	1,075,000	2,955,735	799,576	4,830,311	4,829,750	0	561	4,830,311
125	Traffic Impact	310,841	31,800	0	342,641	3,000	150,000	189,641	342,641
130	Criminal Justice	145,000	540,400	0	685,400	679,475	0	5,925	685,400
137	Drug	106,882	0	0	106,882	10,000	64,000	32,882	106,882
140	Sales Tax	600,000	3,055,000	0	3,655,000	0	3,171,138	483,862	3,655,000
150	CATV	82,272	62,000	10,000	154,272	72,000	0	82,272	154,272
155	CATV Capital	156,313	29,600	0	185,913	40,000	10,000	135,913	185,913
159	Police Vehicle	58,999	0	64,000	122,999	64,000	0	58,999	122,999
160	Parks Acq.	117,945	136,800	0	254,745	215,000	0	39,745	254,745
165	Lodging tax	406,679	325,000	0	731,679	415,537	0	316,142	731,679
170	CHIP	1,321	0	0	1,321	0	0	1,321	1,321
175	EURERF	0	0	100,000	100,000	100,000	0	0	100,000
198	Special Projects	7,011	0	0	7,011	5,000	0	2,011	7,011
210	GO Bond	0	0	167,861	167,861	167,861	0	0	167,861
220	City Hall	0	0	369,572	369,572	369,572	0	0	369,572
225	Maintenance Bd	0	0	213,402	213,402	213,402	0	0	213,402
230	Library bond	49,169	148,000	0	197,169	151,690	0	45,479	197,169
240	GO Bond	8,766	0	0	8,766	0	0	8,766	8,766
325	Maint bond	0	0	0	0	0	0	0	0
365	Capital Projects	66,135	0	0	66,135	0	0	66,135	66,135
366	Sidewalk	276,292	80,500	0	356,792	177,000	0	179,792	356,792
431	Stormwater	475,277	1,154,003	0	1,629,280	1,265,733	208,000	155,547	1,629,280
451	I-NET	127,437	80,150	0	207,587	80,000	0	127,587	207,587
461	Gas	7,776,896	8,441,922	0	16,218,818	8,549,537	0	7,669,281	16,218,818
471	Light	13,079,168	13,444,267	0	26,523,435	14,218,818	100,000	12,204,617	26,523,435
481	Water	10,715,000	3,654,292	2,480,560	16,849,852	6,800,165	517,360	9,532,327	16,849,852
491	Sewer	10,818,808	3,244,345	212,500	14,275,653	3,724,840	258,200	10,292,613	14,275,653
531	Shop	5,105,064	1,482,474	5,500	6,593,038	1,549,623	0	5,043,415	6,593,038
540	Health Ins.	470,401	1,658,632	65,000	2,194,033	1,574,479	0	619,554	2,194,033
545	Risk Mgmt	0	0	670,991	670,991	650,492	0	20,499	670,991
550	IT	321,707	1,080,026	0	1,401,733	1,105,343	0	296,390	1,401,733
605	Library Trust	250,743	7,500	0	258,243	8,800	0	249,443	258,243
651	Fire Relief	250,000	16,500	264,375	530,875	159,375	0	371,500	530,875
Grand Total		\$55,728,949	\$52,108,995	\$7,780,640	\$115,618,584	\$60,665,365	\$4,743,073	\$50,210,146	\$115,618,584

59,889,635

65,408,438

Summary of City's Financial Management Policies

1. Resource Planning and Allocation Policies

- 1.1. Reporting and Control – The City will maintain a financial system which will develop budgets, provide control, and report revenues and expenditures at the line-item detail. The City will also provide a quarterly report to the Council that will show the budget amount, the year to date spending and the balance of the budget in both the revenues and expenditures.
- 1.2. Service Budgeting – The City will report actual expenditures by organization unit, department and by fund.
- 1.3. Service Priorities – Operating and Capital budgets which reflect council adopted service levels, will be prepared by the City Manager and reviewed by the Finance Committee consistent with the following municipal service priorities:
 - 1.3.1. Service level 1. Preserve the public safety system, which includes the police, and the intergovernmental human services program.
 - 1.3.2. Service level 2. Maintain and replace the City's fixed assets, which include equipment, infrastructure and facilities so as to optimize their useful life.
 - 1.3.3. Service level 3. Maintain and enhance efficiency of administrative support and community planning systems in order to provide efficient and effective business management service and orderly community growth.
- 1.4. Operating and Capital Budgets – The relationship between the Operating and Capital budgets will be explicitly recognized and incorporated into the budget process. Funding for the Operating and Capital budgets shall be sufficient to provide for operating services and maintenance or enhancement of fixed assets needed to support City services.
- 1.5. New Program Funding – Prior to authorizing funds for a new program, Council will receive an estimate of fiscal impact from the City Manager.
- 1.6. Balanced Operating Budget – The City shall adopt a balanced budget where operating revenues are equal to, or exceed operating expenditures. Any increase in expenses, decrease in revenues, or combination of the two that would result in a budget imbalance will require budget revision, rather than spending unappropriated surplus or designated reserves to support ongoing operations. Any year end operating surpluses will revert to unappropriated balances for use in maintaining reserve levels set by policy and the balance will be available for capital projects and/or "one-time only" General Fund expenditures.
 - 1.6.1. Special Revenue Funds are supported by special levies and fees, grants or intergovernmental revenues. Expenditures in these funds are strictly limited to the mandates of the funding sources. Special Revenue funds are not to be used to subsidize other funds, except as required or permitted by program regulations.
 - 1.6.2. Enterprise Funds are expected to derive a majority of their revenue from charges and user fees. Enterprise funds should strive to be self-supporting entities through annual reviews of its fee structure, charges for services, and other operating revenues and expenditures.
 - 1.6.3. Internal Service Funds shall levy sufficient charges and rate schedule to support operations of the funds. No trend of operating deficits shall be allowed.
- 1.7. Budget Document – The operating budget shall serve as the annual financial plan for the City. It will serve as the policy document of the City Council for implementing Council goals and objectives. The budget shall provide the staff the resources necessary to accomplish City Council determined service levels.

2. Accounting and Financial Practices Policies

- 2.1. Fund Management - The City will manage its funds as independent financial entities in accordance with the Washington State Budget Accounting Reporting System (BARS).
- 2.2. Accounting and Financial Reporting System – The City will maintain an accounting and financial reporting system that will allow reporting in conformance with Generally Accepted Accounting Principles and Washington State Budget Accounting Reporting System, and will

CITY OF ELLENSBURG, WASHINGTON

issue a comprehensive Annual Financial Report each fiscal year.

- 2.3. Cost Allocation Plan - The City will annually prepare an internal Cost Allocation Plan (CAP). The CAP's purpose is to determine the cost of providing central business management services, or indirect costs, to the City's various funds. These indirect costs will be recovered from Non-General funds through the Central Services Allocation (CSA). This practice ensures the cost of General Fund central business management services are paid by the Non-General fund receiving those services.
- 2.4. Enterprise Funds – The City will establish enterprise funds to administer programs that receive their principal revenues from user charges in order to facilitate rate setting for cost recovery and provide information to determine the efficiency and effectiveness of operations.
- 2.5. Emergency Reserve Funds – Each fund, as appropriate, will maintain an emergency reserve fund to meet unanticipated requirements during the budget year.
- 2.6. Unappropriated Ending Fund Balance – In order to maintain a prudent level of reserves in the General Fund to be able to meet the cash requirement of the fund between June and November when the majority of the property tax revenues are received, the City shall target 15% of the annual operating expenditure budget as the reserve balance.
- 2.7. Cash Balancing and Financing – The fund will maintain an adequate cash balance, borrow internally from another City fund, or, as a last resort, borrow externally to provide adequate cash flow requirements at a reasonable cost.

3. Investment Policy (Resolution 2011-19)

3.1. The objective

- 3.1.1. Safety – Safety of the principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To obtain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.
- 3.1.2. Liquidity – The investment portfolio of the City will remain sufficiently liquid to enable the City to meet all operating requirements, which might be reasonably anticipated.
- 3.1.3. Yield – The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the City's investment risk constraints and the cash flow characteristics of the portfolio.

3.2. Authorized and Suitable Investments

- 3.2.1. The City of Ellensburg is empowered by RCW 35A.40.050 to invest in the following types of securities:
 - 3.2.1.1. United States bonds;
 - 3.2.1.2. United States certificate of indebtedness;
 - 3.2.1.3. Federal Home Loan Bank notes, Federal Land Bank bonds, Federal National Mortgage Association notes, or the obligations of any other government sponsored corporation whose obligations are or may become eligible as a collateral for advances to member banks;
 - 3.2.1.4. Bankers acceptances purchased on the secondary market;
 - 3.2.1.5. Bonds or warrants of the State of Washington;
 - 3.2.1.6. General obligation or utility revenue bonds or warrants of its own or of any other city or town in the state;
 - 3.2.1.7. Its own bonds or warrants of a local improvement district which are within the protection of the local improvement guaranty fund law;
 - 3.2.1.8. Savings or time accounts in designated qualified public depositories;
 - 3.2.1.9. The Washington State Local Government Investment Pool; and
 - 3.2.1.10. In any other investments authorized by law for any other taxing districts.

CITY OF ELLENSBURG, WASHINGTON

4. Revenues and Collection Policies

- 4.1. Revenue Base – The City will work to diversify the supporting revenue base in the General Fund.
- 4.2. Non-Recurring Revenue – Except for the local option levies approved by the voters, the City will use non-recurring revenue on limited-duration services, capital projects, equipment requirements, or services that can be terminated without significant disruption to the community or City organization.
- 4.3. Past Due and Delinquent Utility Revenues –
 - 4.3.1. Monthly accounts are due and payable within 15 days following the date of mailing of the bill.
 - 4.3.2. If not paid by the due date, the entire account is deemed delinquent.
 - 4.3.3. When an account becomes delinquent, a final notice shall be sent by regular mail within five days after the due date.
 - 4.3.4. If there is no response to the mailed final notice, a tag for disconnect shall be delivered within 48 hours to the service address of the consumer giving 48 hours' notice of pending disconnection for said service address.
 - 4.3.5. If there is no response to the tag for disconnect, the service shall be disconnected for said service address. [Ord. 3434 § 2, 1984; Ord. 3411 § 1, 1983.]

5. Capital Improvement Policies

- 5.1. Capital Improvement Program – The City shall make the Capital Improvement Program part of its annual budget. Operating funds to maintain capital improvements and to fund additional staff and service needs will be estimated and identified prior to making a decision to undertake specific capital improvements (Res 2007-20).

6. Debt and Bond Policies

- 6.1. Revenue Bonds – Whenever a service is an enterprise or utility-based operation and where the ratepayer directly benefits, the City will work to finance the capital improvements by using self-supporting revenue bonds, which at the discretion of the Council may also be General Obligation backed if determined to be in the best interest of the City.
- 6.2. General Obligation Bond – The City may pledge its full faith and credit to fund the capital projects in the general government after an appropriate repayment plan has been developed and appropriate revenue source identified.
 - 6.2.1. Non-voted GO Bond -The City Council may authorize the issuance of general obligation debt up to 1.5% of the City's assessed value without a vote of the public as long as there is an available source of funding to pay the debt service.
 - 6.2.2. Voted GO Bond - The City Council may place any general obligation debt issue before the electorate. According to State law, if a debt issue is placed before the City's electorate, it must receive a 60% or greater yes vote and have a turnout of at least 40% of those voting at the previous general election. Voted issues are limited to capital purposes only.
- 6.3. Bond Rating – City will seek to maintain, and, if possible, improve its bond rating in order to lower its borrowing cost and preserve its access to the credit market.

CITY OF ELLENSBURG, WASHINGTON

Budget Summary

2012 Budget

CITY OF ELLENSBURG, WASHINGTON

ORDINANCE NO.4604

**AN ORDINANCE adopting the 2012 Annual Budget for the City of Ellensburg, Washington.
The CITY COUNCIL OF THE CITY OF ELLENSBURG, WASHINGTON, DO ORDAIN AS
FOLLOWS:**

FUND/DEPARTMENT	Expenditures	Fund Balance	Total
General Fund			
City General	1,102,506	1,638,258	
Finance	1,504,215		
City Manager	768,964		
Police	4,048,143		
Community Development	861,883		
Engineering	827,882		
Parks and Recreation	1,905,252		
Library	954,526		
Total General Fund	11,973,371	1,638,258	13,611,629
Special Revenue Funds			
Street	1,755,877	339,669	2,095,546
Arterial Street	4,829,750	561	4,830,311
Traffic Impact Fee	153,000	189,641	342,641
Criminal Justice	679,475	5,925	685,400
Drug	74,000	32,882	106,882
Sales Tax	3,171,138	483,862	3,655,000
CATV Operations & Maintenance	72,000	82,272	154,272
CATV Capital	50,000	135,913	185,913
Police Reserve	64,000	58,999	122,999
Park Acquisitions	215,000	39,745	254,745
Lodging Tax	415,537	316,142	731,679
CHIP Reserve	0	1,321	1,321
EURED RF	100,000	0	100,000
Special Projects	5,000	2,011	7,011
Total Special Revenue Funds	11,584,777	1,688,943	13,273,720
Debt Service Funds			
G.O. Bond Land Debt	167,861	0	167,861
G.O. Bond City Hall Debt	369,572	0	369,572
Maintenance Bond	213,402	0	213,402
Library Bond Debt	151,690	45,479	197,169
G.O. Bond Debt	0	8,766	8,766
Total Debt Service Funds	902,525	54,245	956,770
Capital Project Funds			
Maintenance Bond Projects	0	0	0
General Capital Project	0	66,135	66,135
Sidewalk Improvements	177,000	179,792	356,792
Total Capital Project Funds	177,000	245,927	422,927

CITY OF ELLENSBURG, WASHINGTON

FUND/DEPARTMENT	Expenditures	Fund Balance	Total
Trust & Agency Funds			
Library Trust	8,800	249,443	258,243
Fire Relief & Pension Trust	159,375	371,500	530,875
Total Trust & Agency Funds	168,175	620,943	789,118
Enterprise Funds			
Stormwater	1,473,733	155,547	1,629,280
I-Net	80,000	127,587	207,587
Gas	8,549,537	7,669,281	16,218,818
Light	14,318,818	12,204,617	26,523,435
Water	7,317,525	9,532,327	16,849,852
Sewer	3,983,040	10,292,613	14,275,653
Total Enterprise Funds	35,722,653	39,981,972	75,704,625
Internal Service Funds			
Shop & Equipment	1,549,623	5,043,415	6,593,038
Health Insurance	1,574,479	619,554	2,194,033
Risk Management	650,492	20,499	670,991
IT Fund	1,105,343	296,390	1,401,733
Total Internal Service Funds	4,879,937	5,979,858	10,859,795
Grand Total	\$65,408,438	\$50,210,146	\$115,618,584

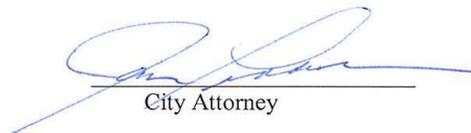
PASSED AND ADOPTED by the City Council of the City of Ellensburg this **5th day of December, 2011.**



 Mayor

Attest: 
 City Clerk

Approved as to form:

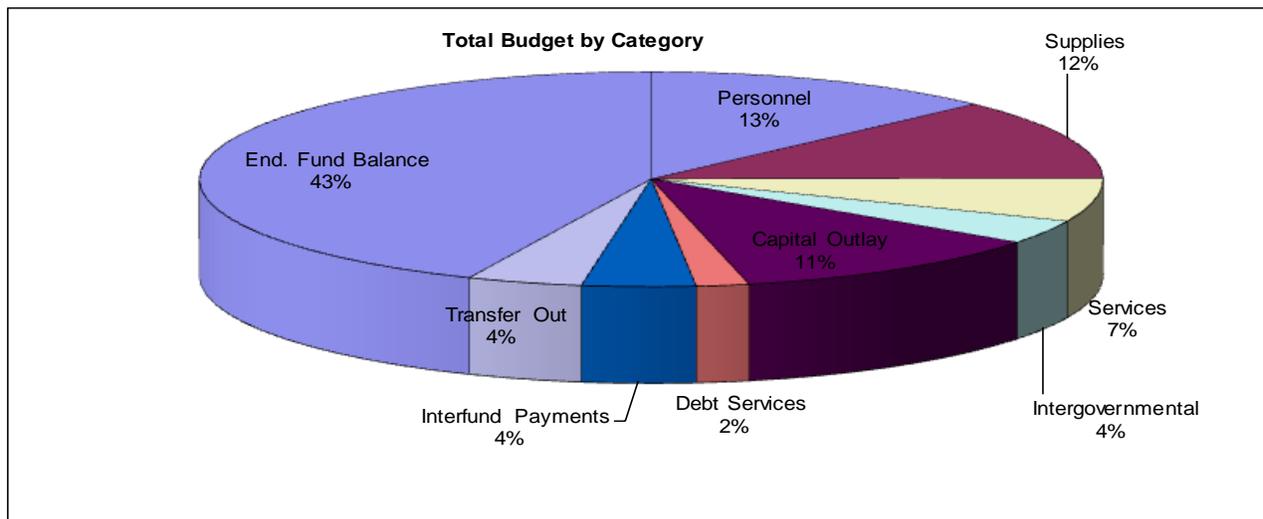


 City Attorney

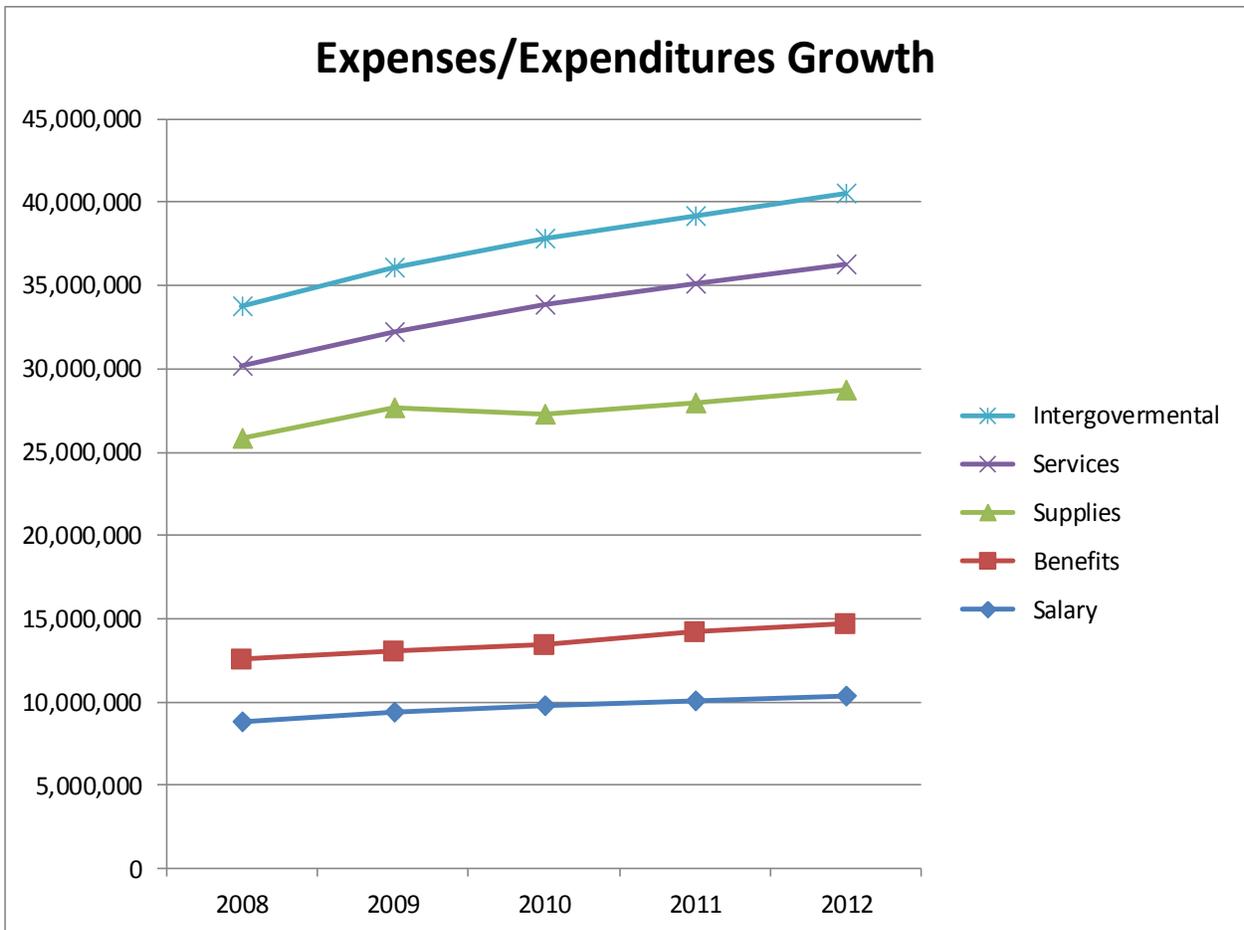
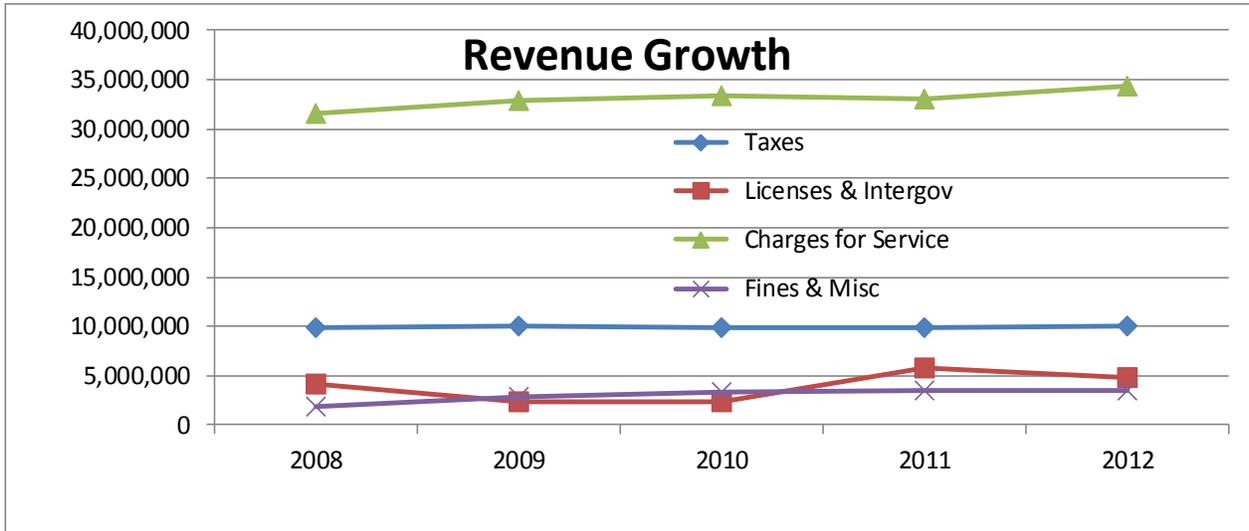
CITY OF ELLENSBURG, WASHINGTON

Summary of Major Revenues, Expenditures, Other Financing Sources and Uses

	<u>2008</u> <u>Actual</u>	<u>2009</u> <u>Actual</u>	<u>2010</u> <u>Actual</u>	<u>2011</u> <u>Budget</u>	<u>2012</u> <u>Budget</u>
Revenue					
Taxes 310 - 319	\$9,835,477	\$9,967,984	\$9,796,506	\$9,927,172	\$9,953,802
Licenses & Permits 320 - 329	907,168	507,299	490,296	275,050	275,350
Intergovernmental 330 - 339	3,180,792	1,811,264	1,889,525	5,577,070	4,569,630
Charges for Services 340 - 349	31,566,919	32,818,381	33,373,247	33,018,658	34,423,529
Fines & Forfeits 350 - 359	96,289	100,946	230,214	81,800	81,800
Misc 360 - 369	1,714,409	2,705,471	3,126,779	3,419,240	3,475,875
Total Revenues	\$47,301,054	\$47,911,345	\$48,906,566	\$52,298,990	\$52,779,986
Expenditures					
Salary	\$8,860,351	\$9,349,000	\$9,777,540	\$10,059,440	\$10,321,395
Benefits	3,677,275	3,710,026	3,649,526	4,132,281	4,365,091
Supplies	13,296,163	14,596,132	13,853,655	13,736,260	14,080,488
Services	1,357,643	4,593,066	6,583,274	7,140,508	7,545,183
Intergovernmental	3,570,315	3,861,094	3,952,800	4,056,466	4,167,814
Capital Outlay	3,827,377	1,208,039	1,324,479	16,840,699	13,315,947
Debt Services	1,378,486	1,240,923	1,826,877	5,039,348	2,176,350
Interfund Payments	3,893,892	3,894,343	4,161,005	4,203,689	4,693,097
Depreciation	2,212,145	2,425,363	0	0	0
Total Expenditures	\$42,073,647	\$44,877,986	\$45,129,155	\$65,208,691	\$60,665,365
Excess of Rev. over Exp.	\$5,227,407	\$3,033,359	\$3,777,411	(\$12,909,701)	(\$7,885,379)
Other Financing Sources(uses)					
Other Receipts/Sale of Assets	\$222,226	\$25,813	\$433,418	\$19,373	\$5,500
Transfers-In	4,236,268	3,532,657	15,625,968	5,760,517	5,274,649
Transfers-Out	(4,236,268)	(3,510,916)	(15,615,887)	(5,384,616)	(4,743,073)
Loan/Bond Receipts	95,214	611,671	2,947,521	1,748,000	1,829,500
Excess of Rev. over Exp. & OFSU	\$5,544,847	\$3,692,584	\$7,168,430	(\$10,766,427)	(\$5,518,803)
Beginning Fund Balance	46,684,587	52,251,628	56,201,588	49,594,301	55,728,949
Prior Period Adjustments	22,194	257,376	6,451,292	0	0
Ending Fund Balance	\$52,251,628	\$56,201,588	\$69,821,310	\$38,827,874	\$50,210,146



CITY OF ELLENSBURG, WASHINGTON



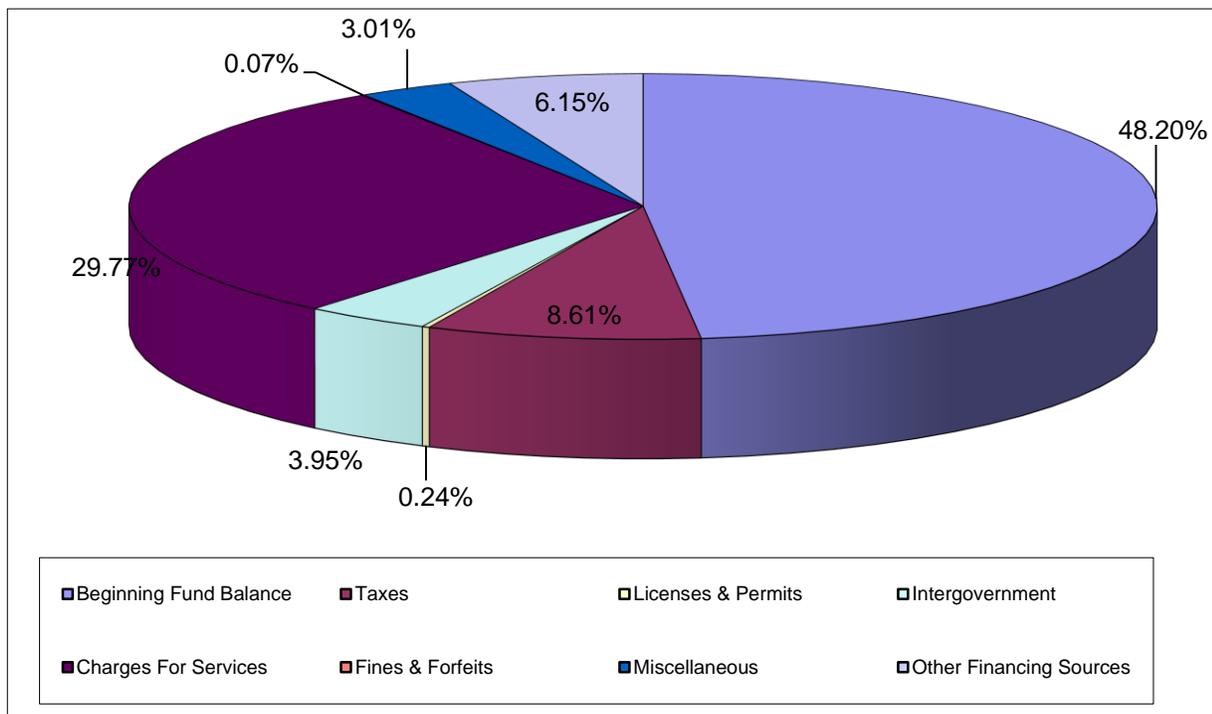
CITY OF ELLENSBURG, WASHINGTON

FY 2012 Proposed Budget Summary

The total annual budget for the City is **\$115,618,584**. When the Beginning Fund Balance and other sources are omitted, the net **revenue** budget is \$52,779,986, an increase of \$.481 million from the FY 2011 budget, a 0.92% increase. The major increase is in the “Charges For Services” which is due to the increase in utility service rates as a result of a Bonneville rate increase for electricity, and the annual rate increase approved by the Council. The Utilities account for \$28.9 million out of the \$34.42 million of the Charges for Services revenues which is 83.96%.

Summary of Total City Revenues by Sources

	2011		2012		%
	<u>Budget</u>	<u>%</u>	<u>Budget</u>	<u>%</u>	<u>Change</u>
Beginning Fund Balance	49,594,301	45.32%	55,728,949	48.20%	12.37%
Taxes	9,927,172	9.07%	9,953,802	8.61%	0.27%
Licenses & Permits	275,050	0.25%	275,350	0.24%	0.11%
Intergovernment	5,577,070	5.10%	4,569,630	3.95%	-18.06%
Charges For Services	33,018,658	30.18%	34,423,529	29.77%	4.25%
Fines & Forfeits	81,800	0.07%	81,800	0.07%	0.00%
Miscellaneous	3,419,240	3.12%	3,475,875	3.01%	1.66%
Other Financing Sources	7,527,890	6.88%	7,109,649	6.15%	-5.56%
	\$ 109,421,181	100.00%	\$ 115,618,584	100.00%	5.66%



The 5.56% decrease in the “Other Financing Sources” is due to the bond sale in 2010 and transfer of that fund in 2011 to complete the construction projects.

CITY OF ELLENSBURG, WASHINGTON

Revenue Source By Fund and Category:

	Taxes	Licenses & Permits	Intergovt Revenue	Charges for Services	Fines & Forfeits	Misc	Total Operating Revenues	Other Financing Sources	Total
General	\$5,719,202	\$271,350	\$501,284	\$3,372,816	\$81,800	\$194,240	\$10,140,692	\$1,000,000	\$11,140,692
Street	0	0	262,857	75,800	0	700	339,357	1,357,303	1,696,660
Arterial	0	3,500	2,952,235	0	0	0	2,955,735	799,576	3,755,311
Traffic Impact Fee	0	0	0	31,500	0	300	31,800	0	31,800
Criminal Justice	540,000	0	0	0	0	400	540,400	0	540,400
Drug	0	0	0	0	0	0	0	0	0
Sales Tax	3,050,000	0	0	0	0	5,000	3,055,000	0	3,055,000
CATV Operations	62,000	0	0	0	0	0	62,000	10,000	72,000
CATV Capital	29,600	0	0	0	0	0	29,600	0	29,600
Police Equipment	0	0	0	0	0	0	0	64,000	64,000
Parks Acquisition	0	0	101,800	35,000	0	0	136,800	0	136,800
Lodging Tax	325,000	0	0	0	0	0	325,000	0	325,000
EURERF	0	0	0	0	0	0	0	100,000	100,000
Spec. Project	0	0	0	0	0	0	0	0	0
G.O. Land Bond	0	0	0	0	0	0	0	167,861	167,861
City Hall Bond	0	0	0	0	0	0	0	369,572	369,572
Maintenance Bond	0	0	0	0	0	0	0	213,402	213,402
Library bond	148,000	0	0	0	0	0	148,000	0	148,000
G.O. Bond	0	0	0	0	0	0	0	0	0
Capital Projects	0	0	0	0	0	0	0	0	0
Sidewalk	80,000	0	0	0	0	500	80,500	0	80,500
Stormwater	0	0	565,977	587,626	0	400	1,154,003	0	1,154,003
I-Net	0	0	49,477	30,523	0	150	80,150	0	80,150
Gas	0	0	0	8,438,422	0	3,500	8,441,922	0	8,441,922
Light	0	0	120,000	12,966,305	0	357,962	13,444,267	0	13,444,267
Water	0	500	0	3,639,792	0	14,000	3,654,292	2,480,560	6,134,852
Sewer	0	0	0	3,237,395	0	6,950	3,244,345	212,500	3,456,845
Shop	0	0	0	299,658	0	1,182,816	1,482,474	5,500	1,487,974
Health Insurance	0	0	0	0	0	1,658,632	1,658,632	65,000	1,723,632
IT	0	0	0	1,037,701	0	42,325	1,080,026	0	1,080,026
Risk Management	0	0	0	670,991	0	0	670,991	0	670,991
Library Trust	0	0	0	0	0	7,500	7,500	0	7,500
Fire Relief	0	0	16,000	0	0	500	16,500	264,375	280,875
Total	\$9,953,802	\$275,350	\$4,569,630	\$34,423,529	\$81,800	\$3,475,875	\$52,779,986	\$7,109,649	\$59,889,635

Beginning Fund Balance

This is the estimate of funds remaining unspent at the end of the previous budget year and may be available for use in the following budget year. This amount will fluctuate annually depending on the amount of reserves, under and over collection of revenues, and under and over expenditure of appropriations. Fund balance is made up of nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance.

- Nonspendable fund balance - portion of net resources that is not spendable because of their form i.e. equipment, receivables, or investment.
- Restricted fund balance - portion of the net resources with limitations imposed by creditors,

CITY OF ELLENSBURG, WASHINGTON

- grantors, or law i.e. bond reserve.
- Committed fund balance – portion of the net resources with limitations set by the City Council prior to the end of the year. It will require the action of the same Council to use the resources i.e. cashflow reserve, emergency reserve established by Council’s resolution. The City Council approved maintaining a 15% cash flow reserve for all funds except Enterprise funds and Internal Service funds that need 20%.
 - Assigned fund balance – portion of the net resources with limitation resulting from intended use established by the Ellensburg’s City Council i.e. portion intended to use to fund City’s new park.
 - Unassigned fund balance – residual of the net resources after all the others (nonspendable, restricted, committed, and assigned fund balances) have been subtracted from the total fund balance. This is often referred to as budgetable or spendable fund balance.

The classification outlined above is more critical in the Enterprise funds where the City of Ellensburg has major investments in fixed assets, outside legally enforceable restrictions on the cash through the bond agreements, investments, large average account receivable balances, and high dollar amount of product purchases like gas purchases for resale or electric purchases.

The beginning fund balance is the budget for individual funds. The City of Ellensburg looks to the future with great hope that our fund balance will grow and we will be able to meet or exceed our target fund balance because of our expected revenues and the steps we have taken to control our expenses.

The current policy sets the Fund balances at 20% of appropriations of the fund. The Council may also elect to temporarily reduce this percentage with the average cashflow need in mind. The proposed budget is presented with the use of fund balance and less than 20% ending fund balance in the General Fund.

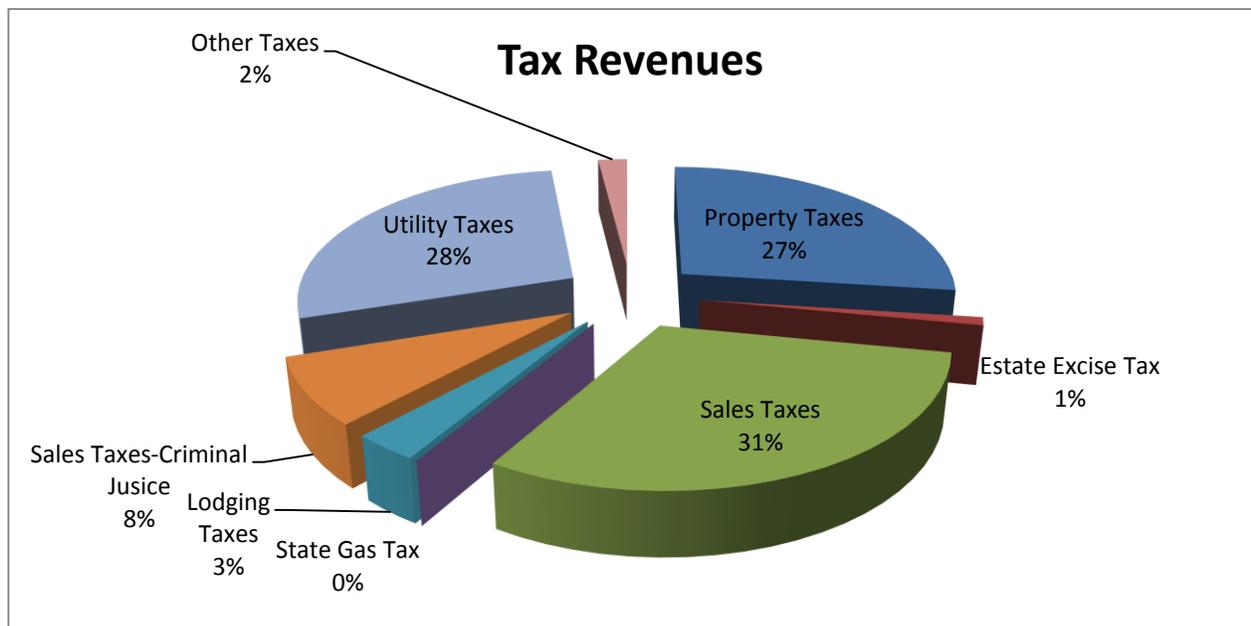
CITY OF ELLENSBURG, WASHINGTON

MAJOR REVENUES

TAXES

Taxes breakdown:

	2011		2012		%
	<u>Budget</u>	<u>%</u>	<u>Budget</u>	<u>%</u>	<u>Change</u>
Property Taxes	2,590,566	26.10%	2,691,520	27.04%	3.90%
Estate Excise Tax	96,000	0.97%	96,000	0.96%	0.00%
Sales Taxes	2,820,000	28.41%	3,050,000	30.64%	8.16%
Distressed County Sales Tax	480,000	4.84%	0	0.00%	100.00%
Lodging Taxes	300,000	3.02%	325,000	3.27%	8.33%
Sales Taxes-Criminal Justice	801,824	8.08%	801,824	8.06%	0.00%
Utility Taxes	2,650,682	26.70%	2,791,358	28.04%	5.31%
Other Taxes	188,100	1.89%	198,100	1.99%	5.32%
	\$ 9,927,172	100.00%	\$ 9,953,802	100.00%	0.27%



Property tax

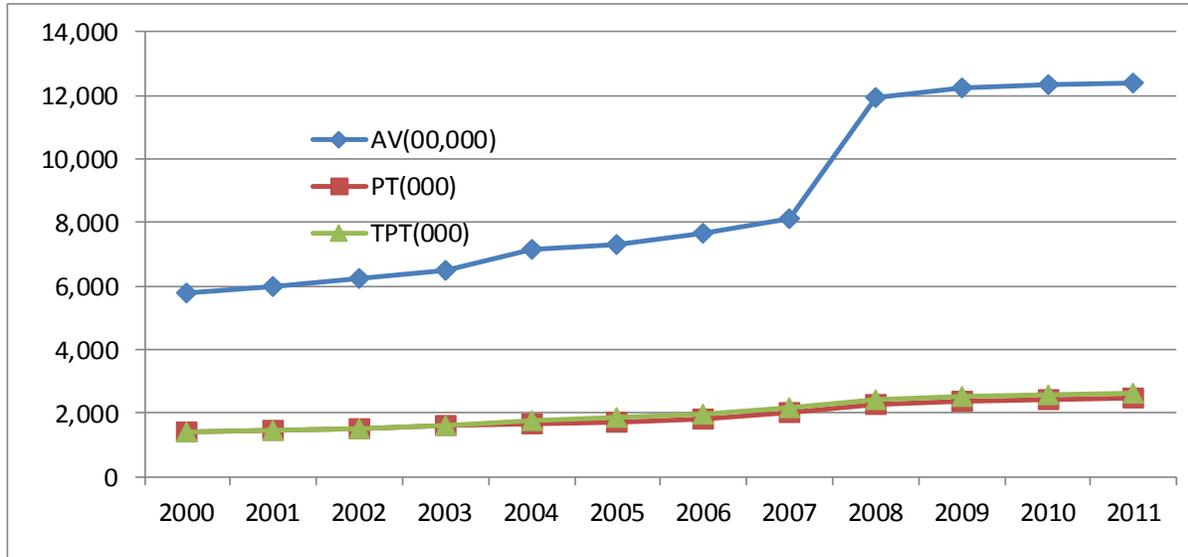
Property tax accounts for 5% of the 2012 total revenue (\$2,691,520 out of \$52,779,986). The tax revenue (\$9,953,802) accounts for 19%. Property tax revenue is expected to remain stable through 2013 despite the national economic down-turn. The real estate market in Ellensburg seems to be more stable than the national market; the price of real estate appears to remain relatively calm. The City's properties are valued every four years by the County Assessor and was last valued in 2011 for 2012 collection. The next valuation will be 2015 for 2016 collection.

The Council decided in 2007 to use a portion of the General Fund property tax for the Fire Relief & Pension Fund in 2008-2011, and we are doing the same for 2012. In order to keep the fund solvent, we hope that the Council will continue to levy this portion of the property tax to support the pension fund. This fund supports the retired fire fighters that joined the City before the State of Washington established its Law Enforcement Officers and Firefighters retirement plan. Currently we have 11 members in this program.

CITY OF ELLENSBURG, WASHINGTON

Total Assessed Value(AV) in Relation to Regular Property tax Levy(PT) and Total Property Tax(TPT)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
AV(00,000)	5,789	5,958	6,254	6,510	7,159	7,307	7,649	8,122	11,944	12,255	12,358	12,408
PT(000)	1,404	1,461	1,523	1,586	1,647	1,717	1,833	2,034	2,284	2,366	2,421	2,472
TPT(000)	1,404	1,461	1,523	1,586	1,774	1,841	1,957	2,162	2,412	2,506	2,569	2,620

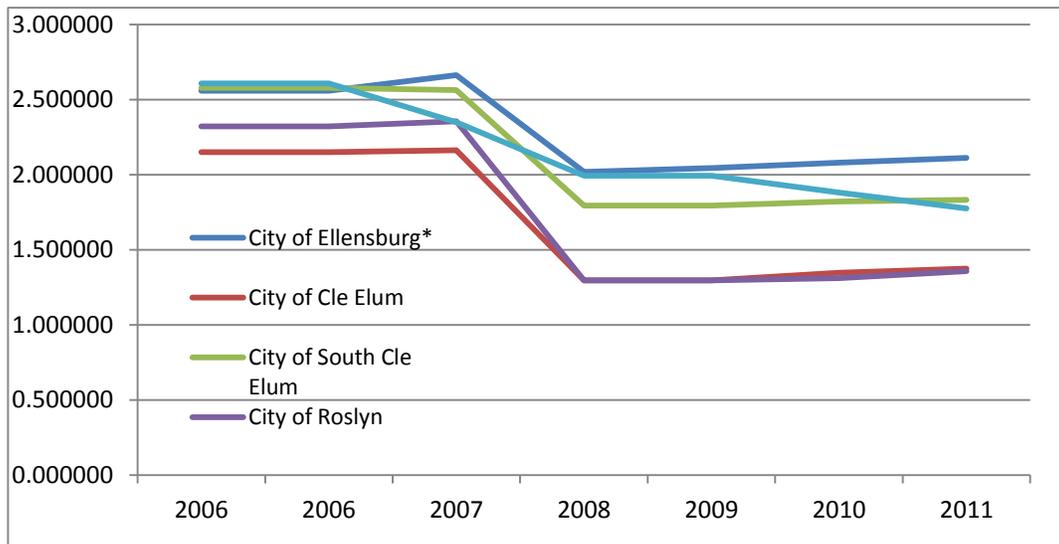


The Total Property Tax (TPT) includes the tax levied for the City Library upgrade in 2004. Also, as indicated in 2008, the City's property tax levy did not increase at the same proportion as the property assessed value.

CITY OF ELLENSBURG, WASHINGTON

	<u>2004</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
City of Ellensburg*							
Regular	2.2998	2.396533	2.504246	1.912050	1.931010	1.959075	1.992511
Library Bond	0.1809	0.164092	0.159064	0.107908	0.114799	0.120952	0.120657
	<u>2.480700</u>	<u>2.560625</u>	<u>2.663310</u>	<u>2.019958</u>	<u>2.045809</u>	<u>2.080027</u>	<u>2.113168</u>
City of Cle Elum							
Regular	2.649500	2.151094	2.163066	2.109708	1.297042	1.348360	1.375281
City of South Cle Elum							
Regular	2.967400	2.580192	2.563822	2.547625	1.794620	1.821915	1.834131
City of Kittitas							
Regular	2.728300	2.523059	2.581964	2.621952	1.933554	1.951009	1.978741
City of Roslyn							
Regular	2.600000	2.009424	2.054552	2.068175	1.148293	1.167010	1.186814
Bond/100% TAV	0.361300	0.313621	0.303027	0.288462	0.148917	0.143990	0.171183
	<u>2.961300</u>	<u>2.323045</u>	<u>2.357579</u>	<u>2.356637</u>	<u>1.297210</u>	<u>1.311000</u>	<u>1.357997</u>
Kittitas County							
Current Expense	1.283400	1.161777	1.055765	0.962609	0.854796	0.994662	1.012841
Community Servic	0.025000	0.024899	0.022429	0.025176	0.024992	0.024954	0.024928
Veterans	0.005600	0.005999	0.019051	0.015105	0.012237	0.011697	0.011651
Road District 1	1.566200	1.378983	1.223011	1.200654	1.083042	0.831793	0.683274
Co. Road Divertec	0.049900	0.037933	0.030553	0.024951	0.019889	0.018666	0.043719
	<u>2.930100</u>	<u>2.609591</u>	<u>2.350809</u>	<u>2.228495</u>	<u>1.994956</u>	<u>1.881772</u>	<u>1.776413</u>

* Properties within the City of Ellensburg are valued by the Assessor every 4 years



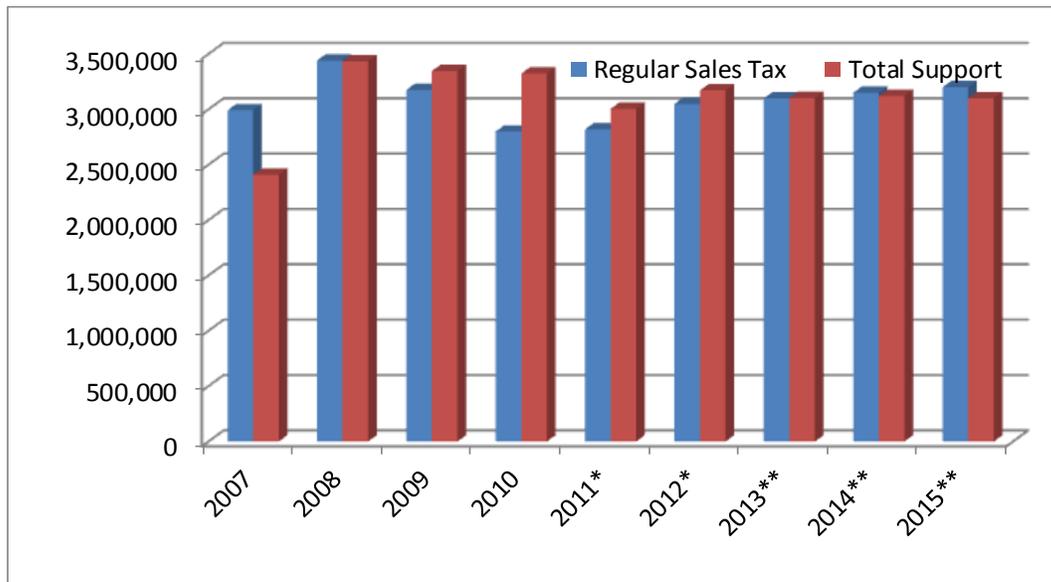
CITY OF ELLENSBURG, WASHINGTON

Sales tax

Sales tax revenue accounts for the largest (30.64%) share of the City's tax revenue source. The City uses the regular sales tax revenue mainly to support General Fund operations, road projects, capital projects, and to service the City's unlimited general obligation debts. Currently, the City has four GO bond debts, which are serviced with sales tax revenues. The 3/10 Sales Tax revenue is used exclusively for law enforcement programs.

The following is the breakdown of the Regular Sales Tax revenue support

Year	Receipts	Supports				Total Support
	Regular Sales Tax	General Fund	Debt Service	Arterial & Street funds	Others	
2007	2,992,583	1,000,000	197,885	870,346	342,093	2,410,324
2008	3,441,089	1,700,000	180,000	1,554,431		3,434,431
2009	3,137,752	1,702,944	537,102	958,133	42,500	3,240,679
2010	2,979,989	1,591,770	639,517	1,012,313	80,000	3,323,600
2011	2,820,000	1,000,000	840,494	1,097,855	67,000	3,005,349
2012*	3,050,000	1,000,000	750,835	1,420,303	0	3,171,138
2013**	3,100,000	1,530,000	766,134	751,000	55,000	3,102,134
2014**	3,150,000	1,540,000	746,024	780,000	55,000	3,121,024
2015**	3,200,000	1,560,000	755,659	730,000	55,000	3,100,659



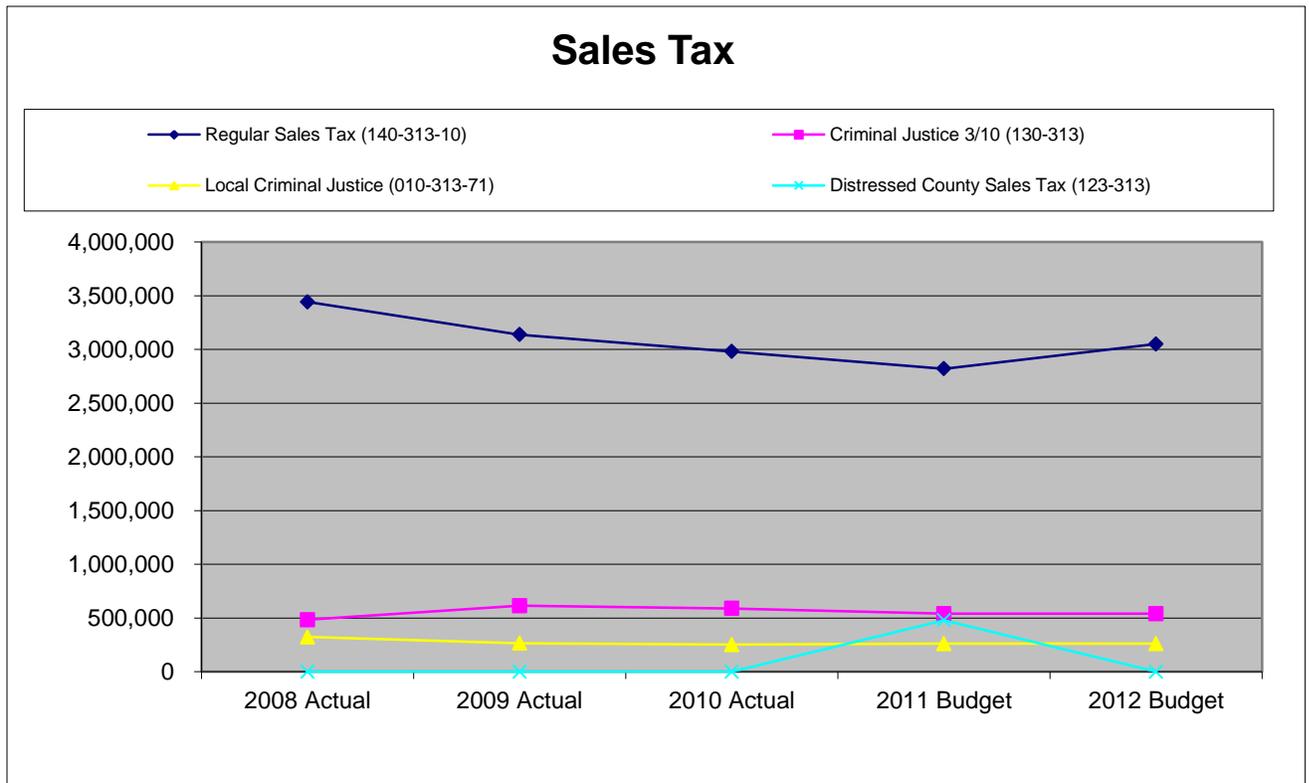
* - Budget, ** Projections, Other - Support for Police Vehicle, General fund capital, & others

Criminal Justice Sales Tax

Kittitas County levied 3/10 of a percent sales tax to support criminal justice programs in 2008 under the authority granted by the State based on the citizens' approval. This optional tax is collected by the State and distributed to the cities within Kittitas County and the county government.

Sales tax

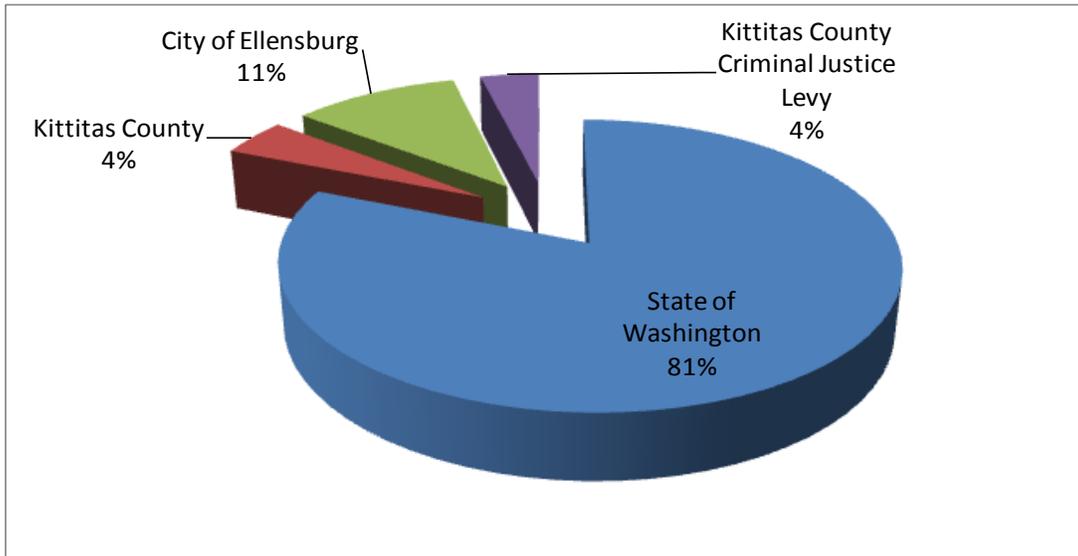
	<u>2008 Actual</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Budget</u>	<u>2012 Budget</u>
Regular Sales Tax (140-313-10)	3,441,089	3,137,752	2,979,989	2,820,000	3,050,000
Criminal Justice 3/10 (130-313)	483,596	614,712	590,119	540,000	540,000
Local Criminal Justice (010-313-71)	323,328	266,734	252,424	261,824	261,824
Distressed County Sales Tax (123-313)	0	0	0	480,000	0



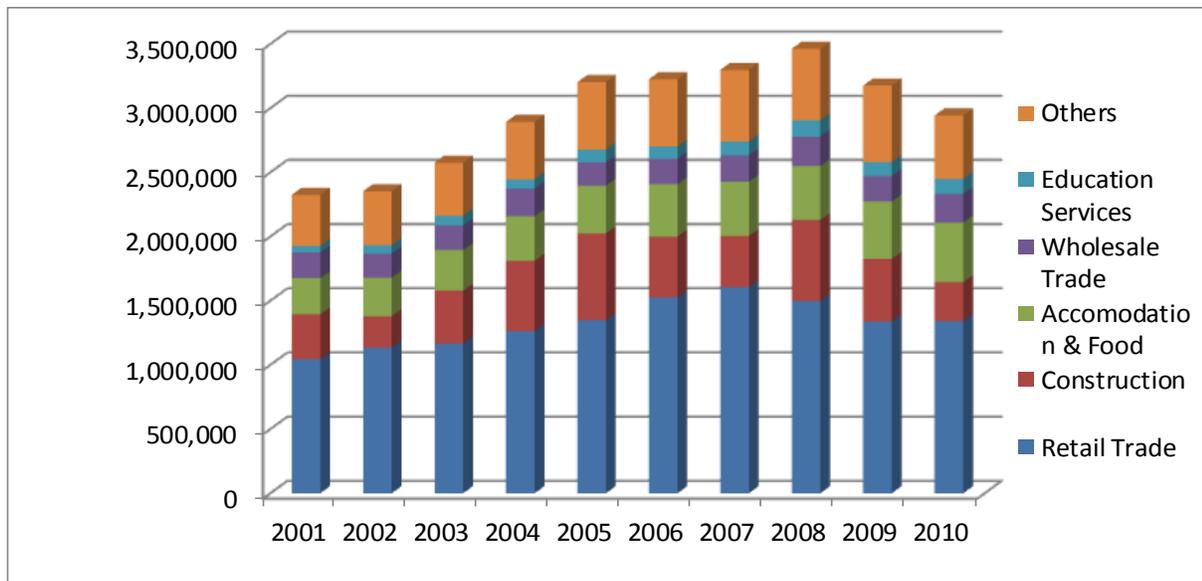
As the graph indicates, the regular sales tax revenue is expected to continue to gradually increase over the next few years; it will take a while before we reach the level of 2008. Also, the general recession has significantly affected the sales of our local automobile and parts dealers, which is the largest contributor to the City's Retail Trade group of the sales tax revenue. This being said, the regular sales tax revenue is experiencing a slight incline. This is due to construction projects at CWU, which we expect to continue to fuel our sales tax revenue for the next few years. However, we need to keep in mind that these are projects which provide one-time sales tax revenue.

CITY OF ELLENSBURG, WASHINGTON

The following is the distribution of the City of Ellensburg sales tax, currently the rate is 8%:



The following is a breakdown of the sales tax collection by category. Retail trade provides the largest sales tax revenue in this category, which is made up of the auto and parts dealers.



CITY OF ELLENSBURG, WASHINGTON

Utility Taxes.

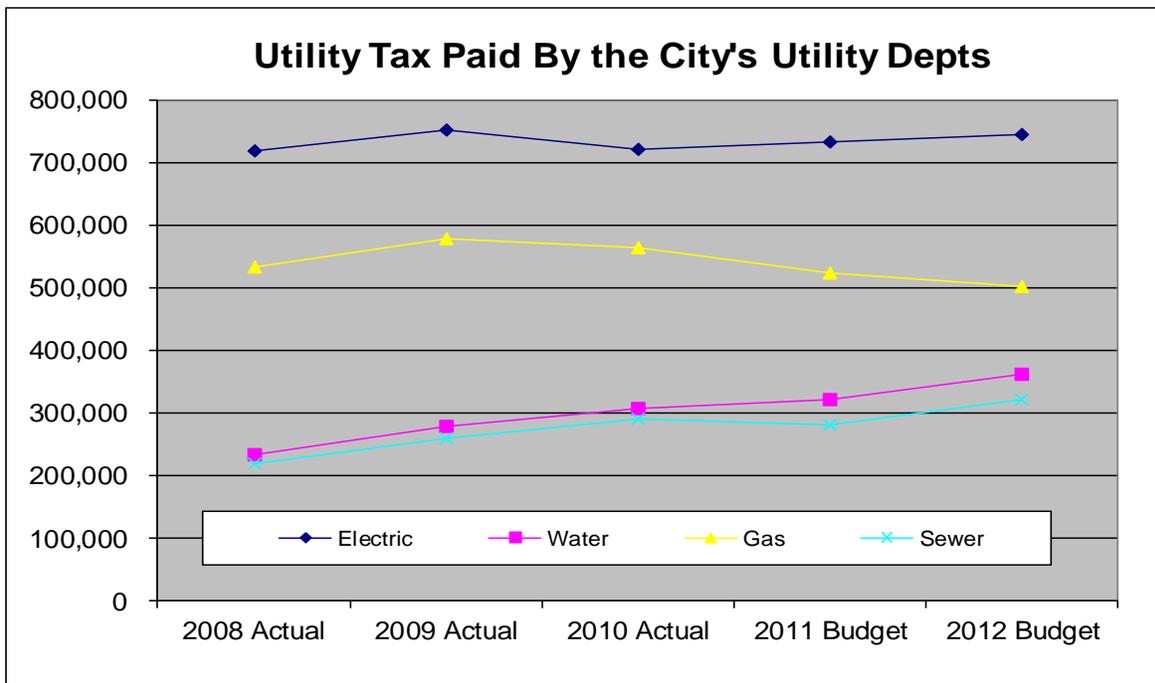
The following are the utility taxes collected by the City. The utility departments' payment accounts for 69% of the total utility tax receipt (1,928,758 / 2,791,358).

Our utility tax revenues come from 7 major business categories and they are as follows:

	2008 Actual	2009 Actual	2010 Actual	2011 Budget	2012 Budget
Electric	722,883	755,510	724,764	737,887	750,571
Water	233,267	279,651	306,938	321,643	361,729
Gas	531,831	579,237	563,763	522,571	501,768
Sewer	220,164	260,287	290,389	280,381	320,690
Garbage	169,393	173,520	178,078	165,000	175,000
Television	119,018	173,985	186,451	173,200	181,600
Telephone	464,257	522,474	509,334	450,000	500,000

The following is the portion of utility tax revenue generated from the City's Utility departments:

	2008 Actual	2009 Actual	2010 Actual	2011 Budget	2012 Budget
Electric	717,842	750,708	719,990	731,887	744,571
Water	233,267	279,651	306,938	321,643	361,729
Gas	531,831	579,237	563,763	522,571	501,768
Sewer	220,164	260,287	290,389	280,381	320,690

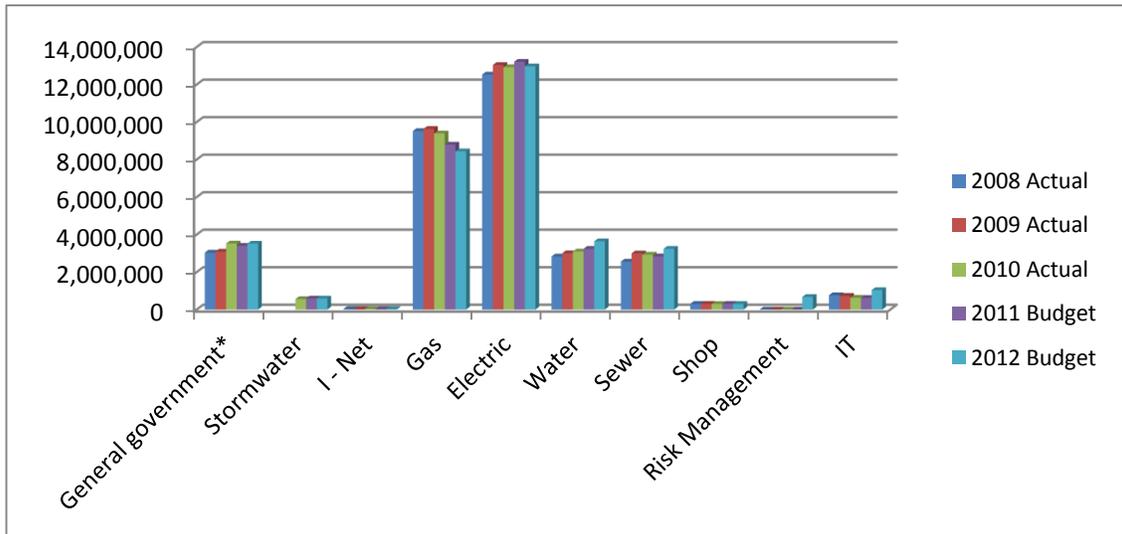


CITY OF ELLENSBURG, WASHINGTON

Charges for fees- Mostly Utilities and Internal Service Funds

Charges

	<u>2008 Actual</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Budget</u>	<u>2012 Budget</u>
General government*	3,033,507	3,089,876	3,520,683	3,400,808	3,515,116
Stormwater			558,509	587,626	587,626
I - Net	30,522	30,523	30,523	30,522	30,523
Gas	9,517,837	9,631,697	9,391,241	8,790,713	8,438,422
Electric	12,528,964	13,038,006	12,924,810	13,210,530	12,966,305
Water	2,828,035	3,000,364	3,095,905	3,238,930	3,639,792
Sewer	2,556,639	2,994,140	2,926,681	2,834,131	3,237,395
Shop	303,344	301,931	293,965	305,158	299,658
Risk Management	0	0	0	0	670,991
IT	763,533	731,612	630,755	620,240	1,037,701



*The General government includes the General, Street, Arterial Street, Traffic Impact Fees, and Park Acquisition funds

Charges for Services account for 65.22% (\$34,423,529 / \$52,779,986) of the total City revenue in 2012. Proprietary funds account for 89.793% of the total Charges for Services revenue. The General Fund accounts for the majority of the remaining 10.21% of the charges for services. The General Fund's charges for services is mostly the charges for providing accounting, meter reading, cashing, legal, human resources, and the general administrative services to the enterprise funds.

CITY OF ELLENSBURG, WASHINGTON

General Fund Summary

	Actuals			Budget	Budget	Projections			
	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenue									
Taxes	\$4,918,940	\$5,223,636	\$5,233,705	\$5,475,972	\$5,719,202	\$5,637,783	\$5,665,972	\$5,694,302	\$5,722,773
Lic. & Permits	903,935	503,953	487,303	271,350	271,350	271,350	271,350	271,350	271,350
Intergov.	534,843	627,387	622,879	615,487	501,284	434,947	434,947	434,947	434,947
Charges for Serv.	2,884,551	2,849,455	3,196,339	3,269,008	3,372,816	3,241,290	3,241,290	3,273,703	3,273,703
Fines & Forfeits	85,995	100,246	90,955	81,800	81,800	81,800	81,800	81,800	81,800
Misc.	246,983	235,475	211,248	175,290	194,240	175,290	175,290	175,290	175,290
Transfer	1,700,000	1,702,945	1,591,770	1,000,000	1,000,000	1,530,000	1,540,000	1,560,000	1,575,600
Total Revenues	\$11,275,247	\$11,243,097	\$11,434,199	\$10,888,907	\$11,140,692	\$11,372,460	\$11,410,649	\$11,491,391	\$11,535,463
Expenditures									
Administration	\$760,564	\$808,412	\$866,470	\$769,770	\$768,964	\$780,498	\$792,206	\$804,089	\$816,150
Finance	1,357,987	1,375,925	1,414,700	1,509,338	1,504,215	1,526,778	1,549,680	1,572,925	1,596,519
Police	3,457,385	3,422,033	3,428,548	3,779,557	4,048,143	4,108,865	4,170,498	4,233,056	4,296,551
Community Dev.	757,777	642,825	713,505	847,633	861,883	874,811	887,933	901,252	914,771
Engineering	720,674	733,565	759,005	816,934	827,882	840,300	852,905	865,698	878,684
Parks & Rec.	1,705,983	1,737,070	1,773,146	1,864,164	1,905,252	1,933,831	1,962,838	1,992,281	2,022,165
Library	1,080,758	880,901	892,267	948,423	954,526	968,844	983,377	998,127	1,013,099
City General	677,341	774,055	824,260	1,113,327	1,102,506	1,119,044	1,135,829	1,152,867	1,170,160
Total Expenditures	10,518,469	10,374,786	10,671,901	11,649,146	11,973,371	12,152,972	12,335,266	12,520,295	12,708,100
Exc. of Rev over Exp.	\$756,778	\$868,311	\$762,298	-\$760,239	-\$832,679	-\$780,512	-\$924,618	-\$1,028,904	-\$1,172,637
Other Financing Sources(Uses)									
Other Sources	208,742	-19,025							
Other Uses	626,837	6,770	21,011	264,375	264,375	264,375	264,375	264,375	264,375
Contr. To Fund Bal.	\$338,683	\$842,516	\$741,287	-\$1,024,614	-\$1,097,054	-\$1,044,887	-\$1,188,993	-\$1,293,279	-\$1,437,012

As explained in the budget letter, the City expects lower Sales Tax revenues in the years ahead and needs to make attempts to control its costs now to be able to weather the financial stress ahead. The projection above is to show the use and the contribution to the fund balance without cost control but the City is already working on its plan to reduce its operating costs to prevent budget deficits.

CITY OF ELLENSBURG, WASHINGTON

Expenditure Growth by Cost Center without Fund Balance

	<u>08 Actual *</u>	<u>09 Actual *</u>	<u>10 Actual*</u>	<u>11 Budget</u>	<u>12 Budget</u>
City General	1,304,178	774,055	824,260	1,113,327	1,102,506
Finance	1,357,987	1,375,925	1,414,700	1,509,338	1,504,215
Administration	760,564	808,412	866,470	769,770	768,964
Police	3,457,385	3,422,033	3,428,548	3,779,557	4,048,143
Community Development	757,777	642,825	713,505	847,633	861,883
Engineering	720,674	733,565	759,005	816,934	827,882
Parks & Recreation	1,705,983	1,737,070	1,773,146	1,864,164	1,905,252
Library	1,080,758	880,901	892,267	948,423	954,526
Special Revenue Funds					
Street	1,212,233	1,115,201	1,255,876	1,551,364	1,755,877
Arterial Street	2,700,240	733,454	549,970	6,409,105	4,829,750
Traffic Impact Fee	0	0	0	154,000	153,000
Criminal Justice	381,079	569,078	608,555	685,955	679,475
Drug Fund	6,695	8,613	3,416	57,500	74,000
Sales Tax	3,434,431	3,240,680	3,436,800	3,005,349	3,171,138
CATV O&M	64,764	64,973	61,918	67,895	72,000
CATV Capital	6,136	51,790	13,149	46,400	50,000
Police Reserve	41,092	64,700	28,706	47,500	64,000
Park Acquisition	392,959	54,528	72,225	3,700	215,000
Lodging Taxes	298,126	301,216	344,133	416,667	415,537
EURERF	50,000	70,000	70,000	70,000	100,000
Special Projects	0	24,328	12,787	0	5,000
Debt Services					
Land Debt	169,024	170,244	171,159	167,061	167,861
City Hall	369,658	366,858	368,358	369,472	369,572
Maintenance			213,200	215,402	213,402
Library	136,238	139,288	142,013	144,690	151,690
General GO	42,165	13,339	8,643	118,559	0
Capital Projects					
Maintenance	0	0	1,084,099	2,580,000	0
Capital Projects	0	93,535	10,751	0	0
Sidewalk	553,086	143,636	138,726	91,000	177,000
Trust					
Library Trust	5,567	1,324	8,627	8,800	8,800
Hal Holmes Trust	0	21,556	10,081	0	0
Fire Relief & Pension	191,388	190,775	155,048	166,071	159,375
Enterprise Funds					
Stormwater			258,902	994,604	1,473,733
I-Net	52,514	51,400	42,388	250,000	80,000
Gas	8,603,262	8,761,572	8,665,004	10,300,140	8,549,537
Light	10,956,521	12,630,925	12,279,012	15,693,195	14,318,818
Water	2,409,529	2,632,408	6,631,765	6,409,643	7,317,525
Sewer	2,297,812	2,391,529	8,091,547	5,316,404	3,983,040
Internal Service Funds					
Shop & Equipment	919,563	918,433	899,960	1,308,535	1,549,623
Health Insurance		14,487	1,156,499	1,609,101	1,574,479
IT	452,937	666,644	551,252	607,234	1,105,343
Risk Management	42,288	81,830	76,126	78,815	650,492
Total	\$46,892,325	\$46,006,930	\$58,092,596	\$70,593,307	\$65,408,438

*Includes depreciation and does not include capital costs for Proprietary funds.

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CITY OF
ELLENSBURG,
WASHINGTON

BUDGET BY FUND

2012 BUDGET

City of Ellensburg, Washington

2012 Budget

Consolidated Financial Schedule of Revenues and Expenditures

Page 1 of 5

	Special Service Revenue Funds							
	General Fund	Street Fund	Arterial Street	Traffic Impact	Criminal Justice	Drug Fund	Sales Tax	CATV Operations
Available Resources								
Beginning Fund Balance	\$2,470,937	\$398,886	\$1,075,000	\$310,841	\$145,000	\$106,882	\$600,000	\$82,272
Revenues								
Taxes	5,719,202	0	0	0	540,000	0	3,050,000	62,000
Licenses & Permits	271,350	0	3,500	0	0	0	0	0
Intergovernmental	501,284	262,857	2,952,235	0	0	0	0	0
Charges for Services	3,372,816	75,800	0	31,500	0	0	0	0
Fines & Forfeits	81,800	0	0	0	0	0	0	0
Miscellaneous	194,240	700	0	300	400	0	5,000	0
Total Revenues	10,140,692	339,357	2,955,735	31,800	540,400	0	3,055,000	62,000
Other Resources								
Transfers	1,000,000	1,357,303	799,576	0	0	0	0	10,000
Long-Term Debt Issuance	0	0	0	0	0	0	0	0
Others	0	0	0	0	0	0	0	0
Total Other Resources	1,000,000	1,357,303	799,576	0	0	0	0	10,000
Total Available Resources	13,611,629	2,095,546	4,830,311	342,641	685,400	106,882	3,655,000	154,272
Use of Resources								
Expenditures								
Salary	5,732,708	476,545	0	0	496,850	0	0	0
Benefits	2,475,522	169,505	0	0	182,625	0	0	0
Supplies	473,011	347,600	0	0	0	10,000	0	0
Services	2,001,989	392,324	0	0	0	0	0	10,000
Intergovernmental	600,231	50,000	0	0	0	0	0	62,000
Capital Outlay	65,500	80,000	4,829,750	3,000	0	0	0	0
Debt Services	0	0	0	0	0	0	0	0
Interfund Payments	360,035	239,903	0	0	0	0	0	0
Total Expenditures	11,708,996	1,755,877	4,829,750	3,000	679,475	10,000	0	72,000
Other Uses								
Transfers	264,375	0	0	150,000	0	64,000	3,171,138	0
Total Other Uses	264,375	0	0	150,000	0	64,000	3,171,138	0
Total Use of Resources	11,973,371	1,755,877	4,829,750	153,000	679,475	74,000	3,171,138	72,000
Change in Fund Balance	-832,679	-59,217	-1,074,439	-121,200	-139,075	-74,000	-116,138	0
Ending Fund Balance	\$1,638,258	\$339,669	\$561	\$189,641	\$5,925	\$32,882	\$483,862	\$82,272
% Change in Fund Balance	-33.70%	-14.85%	-99.95%	-38.99%	-95.91%	-69.24%	-19.36%	0.00%
Fund Balance as a % of Total Use	13.68%	19.34%	0.01%	123.95%	0.87%	44.44%	15.26%	114.27%

The City decided to use a portion of the fund balance to balance the 2012 budget. The City's policy is to maintain 20% fund balance.

The City built the fund balance for the future projects. Some of the projects are planned for 2012.

This fund is affected by the sales tax revenue and the fund may require interfund loan during the year. City policy does not require any minimum fund

This fund is funded mostly by the properties seized from illegal drug activities.

The City decided to use a portion of the fund balance to balance the 2012 budget. The City's policy is to maintain 15% fund balance.

City of Ellensburg, Washington

2012 Budget

Consolidated Financial Schedule of Revenues and Expenditures

Page 2 of 5

	Special Service Revenue Funds						
	CATV Capital	Police Equipment	Park Acquisition	Lodging Taxes	CHIP	EURERF	Special Projects
Available Resources							
Beginning Fund Balance	\$156,313	\$58,999	\$117,945	\$406,679	\$1,321	\$0	\$7,011
Revenues							
Taxes	29,600	0	0	325,000	0	0	0
Licenses & Permits	0	0	0	0	0	0	0
Intergovernmental	0	0	101,800	0	0	0	0
Charges for Services	0	0	35,000	0	0	0	0
Fines & Forfeits	0	0	0	0	0	0	0
Miscellaneous	0	0	0	0	0	0	0
Total Revenues	29,600	0	136,800	325,000	0	0	0
Other Resources							
Transfers	0	64,000	0	0	0	100,000	0
Long-Term Debt Issuance	0	0	0	0	0	0	0
Others	0	0	0	0	0	0	0
Total Other Resources	0	64,000	0	0	0	100,000	0
Total Available Resources	185,913	122,999	254,745	731,679	1,321	100,000	7,011
Use of Resources							
Expenditures							
Salary	0	0	0	0	0	0	0
Benefits	0	0	0	0	0	0	0
Supplies	0	0	0	32,550	0	0	0
Services	0	0	0	400	0	0	5,000
Intergovernmental	0	0	0	282,587	0	100,000	0
Capital Outlay	40,000	64,000	215,000	100,000	0	0	0
Debt Services	0	0	0	0	0	0	0
Interfund Payments	0	0	0	0	0	0	0
Total Expenditures	40,000	64,000	215,000	415,537	0	100,000	5,000
Other Uses							
Transfers	10,000	0	0	0	0	0	0
Total Other Uses	10,000	0	0	0	0	0	0
Total Use of Resources	50,000	64,000	215,000	415,537	0	100,000	5,000
Change in Fund Balance	-20,400	0	-78,200	-90,537	0	0	-5,000
Ending Fund Balance	\$135,913	\$58,999	\$39,745	\$316,142	\$1,321	\$0	\$2,011
% Change in Fund Balance	-13.05%	0.00%	-66.30%	-22.26%	0.00%	0.00%	-71.32%
Fund Balance as a % of Total Use	271.83%	92.19%	18.49%	76.08%	N/A	0.00%	40.22%

The City is building the fund balance for the future projects.

The City built the fund balance for future projects. Some of the projects are planned for 2012.

The City built the fund balance for the future projects. Some of the projects are planned for 2012.

The City built the fund balance for future projects. Some of the projects are planned for 2012.

City of Ellensburg, Washington

2012 Budget

Consolidated Financial Schedule of Revenues and Expenditures

Page 3 of 5

	Debt Service Funds					Capital Project Funds		
	Land Debt	City Hall Debt	Maint. Debt	Library Bond	GO Bond	Maint. Projects	Capital Projects	Sidewalk
Available Resources								
Beginning Fund Balance	\$0	\$0	\$0	\$49,169	\$8,766	\$0	\$66,135	\$276,292
Revenues								
Taxes	0	0	0	148,000	0	0	0	80,000
Licenses & Permits	0	0	0	0	0	0	0	0
Intergovernmental	0	0	0	0	0	0	0	0
Charges for Services	0	0	0	0	0	0	0	0
Fines & Forfeits	0	0	0	0	0	0	0	0
Miscellaneous	0	0	0	0	0	0	0	500
Total Revenues	0	0	0	148,000	0	0	0	80,500
Other Resources								
Transfers	167,861	369,572	213,402	0	0	0	0	0
Long-Term Debt Issuance	0	0	0	0	0	0	0	0
Others	0	0	0	0	0	0	0	0
Total Other Resources	167,861	369,572	213,402	0	0	0	0	0
Total Available Resources	167,861	369,572	213,402	197,169	8,766	0	66,135	356,792
Use of Resources								
Expenditures								
Salary	0	0	0	0	0	0	0	0
Benefits	0	0	0	0	0	0	0	0
Supplies	0	0	0	0	0	0	0	0
Services	0	0	0	0	0	0	0	0
Intergovernmental	0	0	0	0	0	0	0	0
Capital Outlay	0	0	0	0	0	0	0	177,000
Debt Services	167,861	369,572	213,402	151,690	0	0	0	0
Interfund Payments	0	0	0	0	0	0	0	0
Total Expenditures	167,861	369,572	213,402	151,690	0	0	0	177,000
Other Uses								
Transfers	0	0	0	0	0	0	0	0
Total Other Uses	0	0	0	0	0	0	0	0
Total Use of Resources	167,861	369,572	213,402	151,690	0	0	0	177,000
Change in Fund Balance	0	0	0	-3,690	0	0	0	-96,500
Ending Fund Balance	\$0	\$0	\$0	\$45,479	\$8,766	\$0	\$66,135	\$179,792
% Change in Fund Balance	0.00%	0.00%	0.00%	-7.50%	0.00%	0.00%	0.00%	-34.93%
Fund Balance as a % of Total Use	0.00%	0.00%	0.00%	29.98%	N/A	0.00%	N/A	101.58%

The City built the fund balance for future projects. Some of the projects are planned for 2012.

City of Ellensburg, Washington

2012 Budget

Consolidated Financial Schedule of Revenues and Expenditures

Page 4 of 5

	Enterprise Funds					
	Storm water	I-Net	Gas	Light	Water	Sewer
Available Resources						
Beginning Fund Balance	\$475,277	\$127,437	\$7,776,896	\$13,079,168	\$10,715,000	\$10,818,808
Revenues						
Taxes	0	0	0	0	0	0
Licenses & Permits	0	0	0	0	500	0
Intergovernmental	565,977	49,477	0	120,000	0	0
Charges for Services	587,626	30,523	8,438,422	12,966,305	3,639,792	3,237,395
Fines & Forfeits	0	0	0	0	0	0
Miscellaneous	400	150	3,500	357,962	14,000	6,950
Total Revenues	1,154,003	80,150	8,441,922	13,444,267	3,654,292	3,244,345
Other Resources						
Transfers	0	0	0	0	258,200	88,000
Long-Term Debt Issuance	0	0	0	0	1,500,000	124,500
Others	0	0	0	0	205,000	0
Total Other Resources	0	0	0	0	1,963,200	212,500
Total Available Resources	1,629,280	207,587	16,218,818	26,523,435	16,332,492	14,275,653
Use of Resources						
Expenditures						
Salary	72,924	0	748,561	990,909	553,299	657,338
Benefits	34,978	0	354,535	388,267	208,175	271,462
Supplies	10,000	0	4,827,295	7,616,718	233,800	126,000
Services	84,380	0	378,753	1,106,528	520,292	469,543
Intergovernmental	15,577	60,000	819,820	1,187,120	578,643	399,336
Capital Outlay	1,015,000	10,000	535,622	1,134,575	3,389,000	560,000
Debt Services	0	0	0	393,190	481,377	387,236
Interfund Payments	32,874	10,000	884,951	1,401,511	835,579	853,925
Total Expenditures	1,265,733	80,000	8,549,537	14,218,818	6,800,165	3,724,840
Other Uses						
Transfers	208,000	0	0	100,000	0	258,200
Total Other Uses	208,000	0	0	100,000	0	258,200
Total Use of Resources	1,473,733	80,000	8,549,537	14,318,818	6,800,165	3,983,040
Change in Fund Balance	-319,730	150	-107,615	-874,551	-1,182,673	-526,195
Ending Fund Balance	\$155,547	\$127,587	\$7,669,281	\$12,204,617	\$9,532,327	\$10,292,613
% Change in Fund Balance	-67.27%	0.12%	-1.38%	-6.69%	-11.04%	-4.86%
Fund Balance as a % of Total Use	10.55%	159.48%	89.70%	85.23%	140.18%	258.41%

The City built the fund balance for the future projects. Some of the projects are planned for 2012.

City is completing some of the capital projects that were started in 2010 with the 2010 Revenue Water System Bonds.

City of Ellensburg, Washington

2012 Budget

Consolidated Financial Schedule of Revenues and Expenditures

Page 5 of 5

	Internal Service Funds				Trust Funds		Total Budget	
	Shop	IT	Health Insurance	Risk Management	Library Trust	Fire Relief	Adopted 2012	Adopted 2011
Available Resources								
Beginning Fund Balance	\$5,105,064	\$321,707	\$470,401	\$0	\$250,743	\$250,000	\$55,728,949	\$49,598,651
Revenues								
Taxes	0	0	0	0	0	0	9,953,802	9,927,172
Licenses & Permits	0	0	0	0	0	0	275,350	275,050
Intergovernmental	0	0	0	0	0	16,000	4,569,630	5,491,542
Charges for Services	299,658	1,037,701	0	670,991	0	0	34,423,529	32,918,056
Fines & Forfeits	0	0	0	0	0	0	81,800	81,800
Miscellaneous	1,182,816	42,325	1,658,632	0	7,500	500	3,475,875	3,422,140
Total Revenues	1,482,474	1,080,026	1,658,632	670,991	7,500	16,500	52,779,986	52,115,760
Other Resources								
Transfers	0	0	65,000	0	0	264,375	4,757,289	5,087,911
Long-Term Debt Issuance	0	0	0	0	0	0	1,624,500	1,748,000
Others	5,500	0	0	0	0	0	210,500	6,000
Total Other Resources	5,500	0	65,000	0	0	264,375	6,592,289	6,841,911
Total Available Resources	6,593,038	1,401,733	2,194,033	670,991	258,243	530,875	115,101,224	108,556,322
Use of Resources								
Expenditures								
Salary	312,697	201,564	0	0	0	78,000	10,321,395	9,971,806
Benefits	115,306	83,341	0	0	0	81,375	4,365,091	4,129,584
Supplies	255,100	146,414	0	0	2,000	0	14,080,488	13,713,266
Services	262,401	88,202	1,574,479	650,492	400	0	7,545,183	6,945,525
Intergovernmental	2,500	10,000	0	0	0	0	4,167,814	4,048,371
Capital Outlay	527,300	563,800	0	0	6,400	0	13,315,947	16,394,006
Debt Services	0	12,022	0	0	0	0	2,176,350	2,611,242
Interfund Payments	74,319	0	0	0	0	0	4,693,097	4,101,092
Total Expenditures	1,549,623	1,105,343	1,574,479	650,492	8,800	159,375	60,665,365	61,914,892
Other Uses								
Transfers	0	0	0	0	0	0	4,225,713	4,621,335
Total Other Uses	0	0	0	0	0	0	4,225,713	4,621,335
Total Use of Resources	1,549,623	1,105,343	1,574,479	650,492	8,800	159,375	64,891,078	66,536,227
Change in Fund Balance	-61,649	-25,317	149,153	20,499	-1,300	121,500	-5,518,803	-7,578,556
Ending Fund Balance	\$5,043,415	\$296,390	\$619,554	\$20,499	\$249,443	\$371,500	50,210,146	\$42,020,095
% Change in Fund Balance	-1.21%	-7.87%	31.71%	0.00%	-0.52%	48.60%	-9.90%	
Fund Balance as a % of Total Use	325.46%	26.81%	39.35%	3.15%	2834.58%	233.10%		

City of *Ellensburg, Washington*

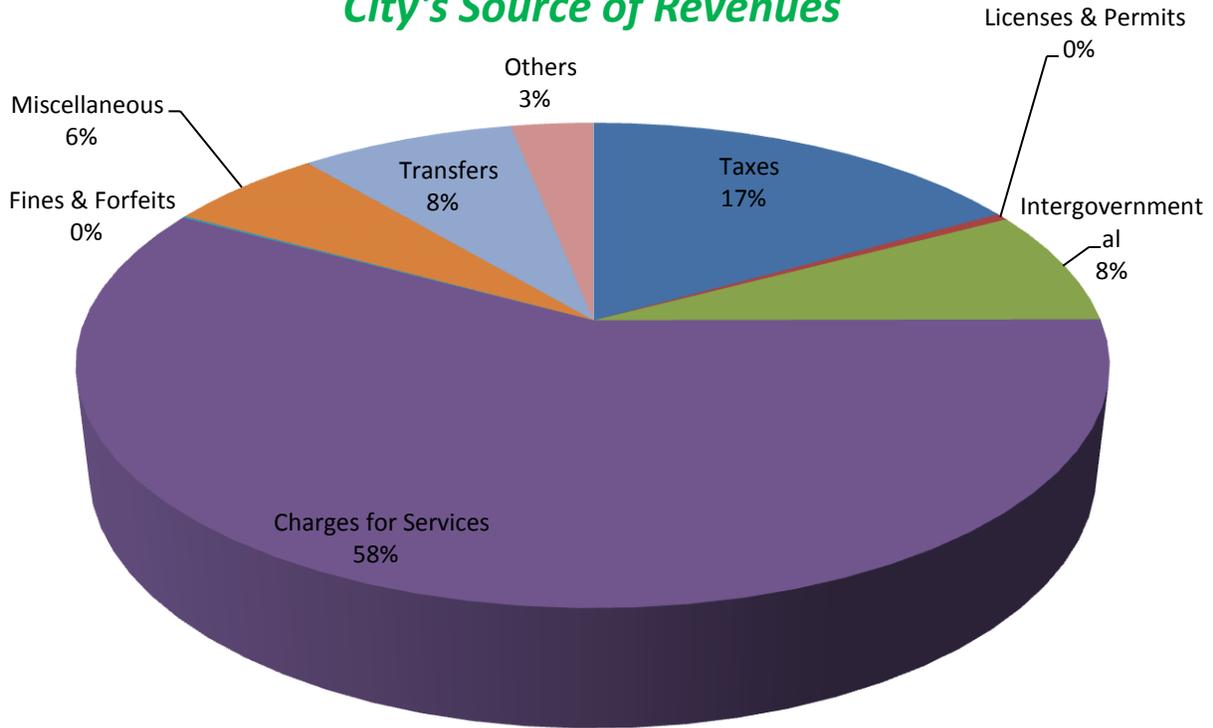
2012 Budget

Consolidated Financial Schedule of Revenues and Expenditures

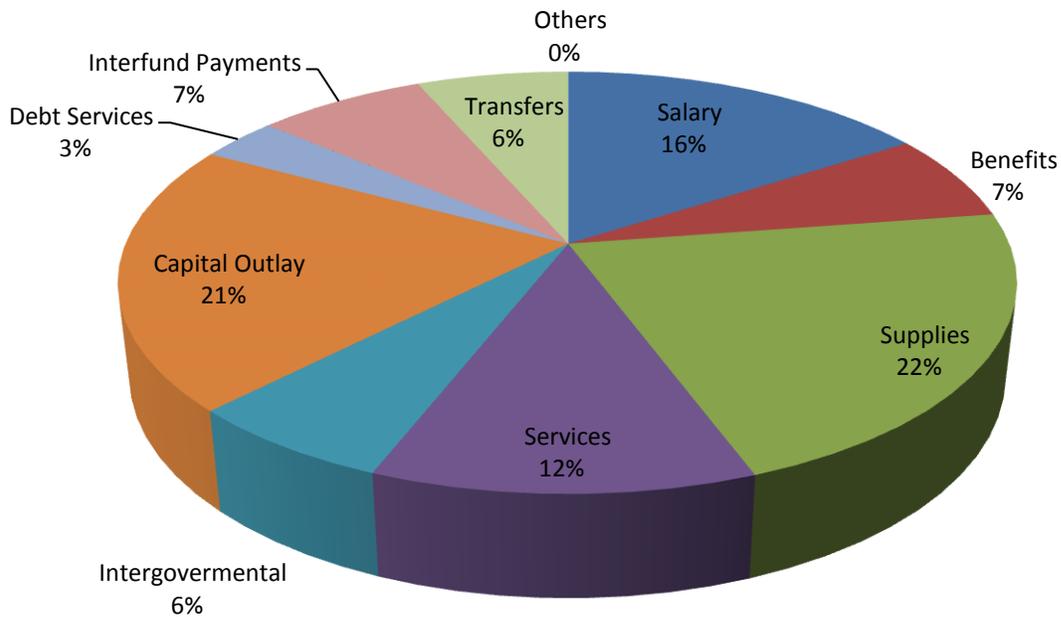
General Fund Expenditures by Department	
City General	\$1,102,506
Finance	1,504,215
City Manager	768,964
Police	4,048,143
Community Develop.	861,883
Engineering	827,882
Parks & Rec.	1,905,252
Library	954,526
Total Expenditures	<u><u>\$11,973,371</u></u>

City of Ellensburg, Washington

City's Source of Revenues



City's Spendings



*Purchase of Gas and Electricity for resale account for about 88% of Supplies as shown above.

CITY OF ELLENSBURG, WASHINGTON

2012 Adopted Budget

Consolidated Financial Schedule of the City-wide Revenues Expenditures

	Governmental Funds			Business-Type Funds		
	General Fund	Sales Tax Fund	Other Non-Major Governmental Funds	Gas	Light	Water
Available Resources						
Beginning Fund Balance	\$2,470,937	\$600,000	\$9,665,426	\$7,776,896	\$13,079,168	\$10,715,000
Revenues						
Taxes	5,719,202	3,050,000	1,184,600	0	0	0
Licenses & Permits	271,350	0	3,500	0	0	500
Intergovernmental	501,284	0	3,332,892	0	120,000	0
Charges for Services	3,372,816	0	2,150,650	8,438,422	12,966,305	3,639,792
Fines & Forfeits	81,800	0	0	0	0	0
Miscellaneous	194,240	5,000	2,893,673	3,500	357,962	14,000
Total Revenues	10,140,692	3,055,000	9,565,315	8,441,922	13,444,267	3,654,292
Other Resources						
Transfers	1,000,000	0	3,411,089	0	0	258,200
Long-Term Debt Issuance	0	0	0	0	0	1,500,000
Others	0	0	5,500	0	0	205,000
Total Other Resources	1,000,000	0	3,416,589	0	0	1,963,200
Total Available Resources	13,611,629	3,655,000	22,647,330	16,218,818	26,523,435	16,332,492
Use of Resources						
Expenditures						
Salary	5,732,708	0	1,565,656	748,561	990,909	553,299
Benefits	2,475,522	0	632,152	354,535	388,267	208,175
Supplies	473,011	0	793,664	4,827,295	7,616,718	233,800
Services	2,001,989	0	2,983,698	378,753	1,106,528	520,292
Intergovernmental	600,231	0	507,087	819,820	1,187,120	578,643
Capital Outlay	65,500	0	6,606,250	535,622	1,134,575	3,389,000
Debt Services	0	0	914,547	0	393,190	481,377
Interfund Payments	360,035	0	314,222	884,951	1,401,511	835,579
Total Expenditures	11,708,996	0	14,317,276	8,549,537	14,218,818	6,800,165
Other Uses						
Transfers	264,375	3,171,138	224,000	0	100,000	0
Bond Redemptions	0	0	0	0	0	0
Others	0	0	0	0	0	0
Total Other Uses	264,375	3,171,138	224,000	0	100,000	0
Total Use of Resources	11,973,371	3,171,138	14,541,276	8,549,537	14,318,818	6,800,165
Change in Fund Balance	-832,679	-116,138	-1,559,372	-107,615	-874,551	-1,182,673
Ending Fund Balance	\$1,638,258	\$483,862	\$8,106,054	\$7,669,281	\$12,204,617	\$9,532,327

CITY OF ELLENSBURG, WASHINGTON

2012 Adopted Budget

Consolidated Financial Schedule of the City-wide Revenues Expenditures

	inds		Grand Total	
	Sewer	Other Non-Major Business-Type Funds	2012 Adopted	2011 Adopted
Available Resources				
Beginning Fund Balance	\$10,818,808	\$602,714	\$55,728,949	\$49,598,651
Revenues				
Taxes	0	0	9,953,802	9,927,172
Licenses & Permits	0	0	275,350	275,050
Intergovernmental	0	615,454	4,569,630	5,491,542
Charges for Services	3,237,395	618,149	34,423,529	32,918,056
Fines & Forfeits	0	0	81,800	81,800
Miscellaneous	6,950	550	3,475,875	3,422,140
Total Revenues	3,244,345	1,234,153	52,779,986	52,115,760
Other Resources				
Transfers	88,000	0	4,757,289	5,087,911
Long-Term Debt Issuance	124,500	0	1,624,500	1,748,000
Others	0	0	210,500	6,000
Total Other Resources	212,500	0	6,592,289	6,841,911
Total Available Resources	14,275,653	1,836,867	115,101,224	108,556,322
Use of Resources				
Expenditures				
Salary	657,338	72,924	10,321,395	9,971,806
Benefits	271,462	34,978	4,365,091	4,129,584
Supplies	126,000	10,000	14,080,488	13,713,266
Services	469,543	84,380	7,545,183	6,945,525
Intergovernmental	399,336	75,577	4,167,814	4,048,371
Capital Outlay	560,000	1,025,000	13,315,947	16,394,006
Debt Services	387,236	0	2,176,350	2,611,242
Interfund Payments	853,925	42,874	4,693,097	4,101,092
Total Expenditures	3,724,840	1,345,733	60,665,365	61,914,892
Other Uses				
Transfers	258,200	208,000	4,225,713	4,621,335
Bond Redemptions	0	0	0	0
Others	0	0	0	0
Total Other Uses	258,200	208,000	4,225,713	4,621,335
Total Use of Resources	3,983,040	1,553,733	64,891,078	66,536,227
Change in Fund Balance	-526,195	-319,580	-5,518,803	-7,578,556
Ending Fund Balance	\$10,292,613	\$283,134	\$50,210,146	\$42,020,095

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CITY OF ELLENSBURG, WASHINGTON

Budget By Department

2012 Annual Budget

CITY'S DEPARTMENTS

This section presents the budget information by department. A department may have responsibility over multiple funds in order to track expenditures/expenses and revenues properly.

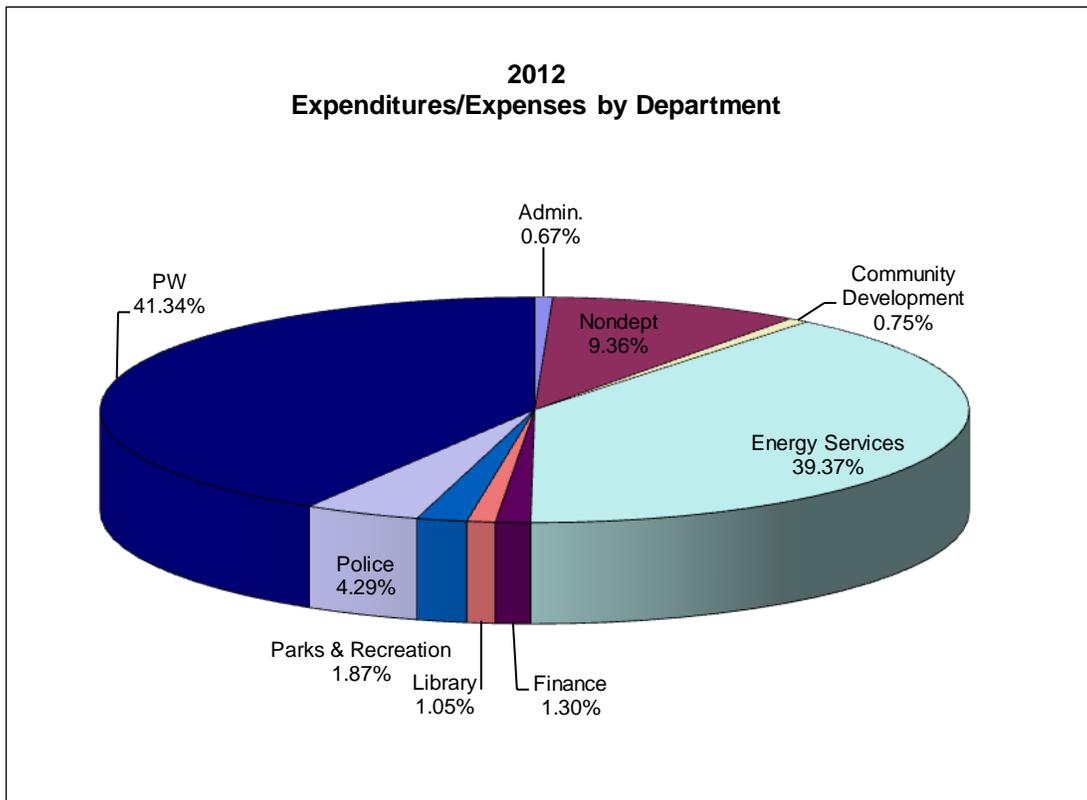
The following are some of the departments and their areas of responsibility:

- City Administration Department
 - o General Fund - City Manager
 - o General Fund - City Attorney
 - o General Fund - Human Resources
- City Non-Departmental
 - o General Fund - City General
 - o Sales Tax Fund
 - o Special Projects Fund
 - o Debt Service Funds
 - o Health Insurance Fund
 - o Risk Management Fund
 - o Fire Relief and Pension Fund
- Community Development Department
 - o General Fund - Community Development
 - o CHIP Fund
- Energy Services Department
 - o I-Net Fund
 - o Gas Fund
 - o Electric Fund
 - o Information Services Fund
 - o CATV Fund
 - o CATV Capital Fund
 - o Lodging Tax Fund
 - o EUREDRE Fund
- Finance Department
 - o General Fund – Finance
- Library Department
 - o General Fund - Library
 - o Hal Holmes Trust Fund
 - o Library Trust Fund
- Parks & Recreation
 - o General Fund - Parks & Recreation
 - o Parks Acquisition Fund
- Police
 - o General Fund - Police
 - o Criminal Justice Fund
 - o Drug Fund
 - o Police Equipment Fund
- Public Works
 - o General Fund - Engineering
 - o Street Fund
 - o Arterial Street Fund
 - o Traffic Impact Fund
 - o Sidewalk Improvement Fund
 - o Stormwater Fund
 - o Water Fund
 - o Sewer Fund
 - o Shop & Equipment Fund

CITY OF ELLENSBURG, WASHINGTON

Expenditures/Expenses By Department

		<u>Expenditures/Expenses</u>	<u>Fund Balance</u>	<u>Total</u>	<u>% by Total</u>
City Administration	Admin.	\$768,964	\$0	\$768,964	0.67%
City Non-departmental	Nondept	7,565,515	3,256,064	10,821,579	9.36%
Community Development	CD	861,883	1,321	863,204	0.75%
Energy Services	ES	24,691,235	20,832,202	45,523,437	39.37%
Finance	Fin.	1,504,215	0	1,504,215	1.30%
Library	Lib.	963,326	249,443	1,212,769	1.05%
Parks & Recreation	P&R	2,120,252	39,745	2,159,997	1.87%
Police	Pol.	4,865,618	97,806	4,963,424	4.29%
Public Works	PW	22,067,430	25,733,565	47,800,995	41.34%
		<u>\$65,408,438</u>	<u>\$50,210,146</u>	<u>\$115,618,584</u>	



City Administration includes the City Manager, Human Resources, and the City Attorney.

Non-departmental includes the City General in General Fund (City Council, community projects and other general government spending that is not identifiable under any particular department). Other funds that are included in this department are Sales Tax, Special Projects, Debt Service, General Capital Project, GO Maintenance Bond Projects, Health Insurance, Risk Management, and Fire Relief & Pension Trust funds. Property tax revenue that supports all the general government services is accounted for here.

Community Development includes Building, Planning, Economic Development, and Housing.

Energy Services includes the CATV Operations & Maintenance, CATV Capital, Lodging Tax, EUREDRE, I-NET, Gas, Light, and IT funds.

CITY OF ELLENSBURG, WASHINGTON

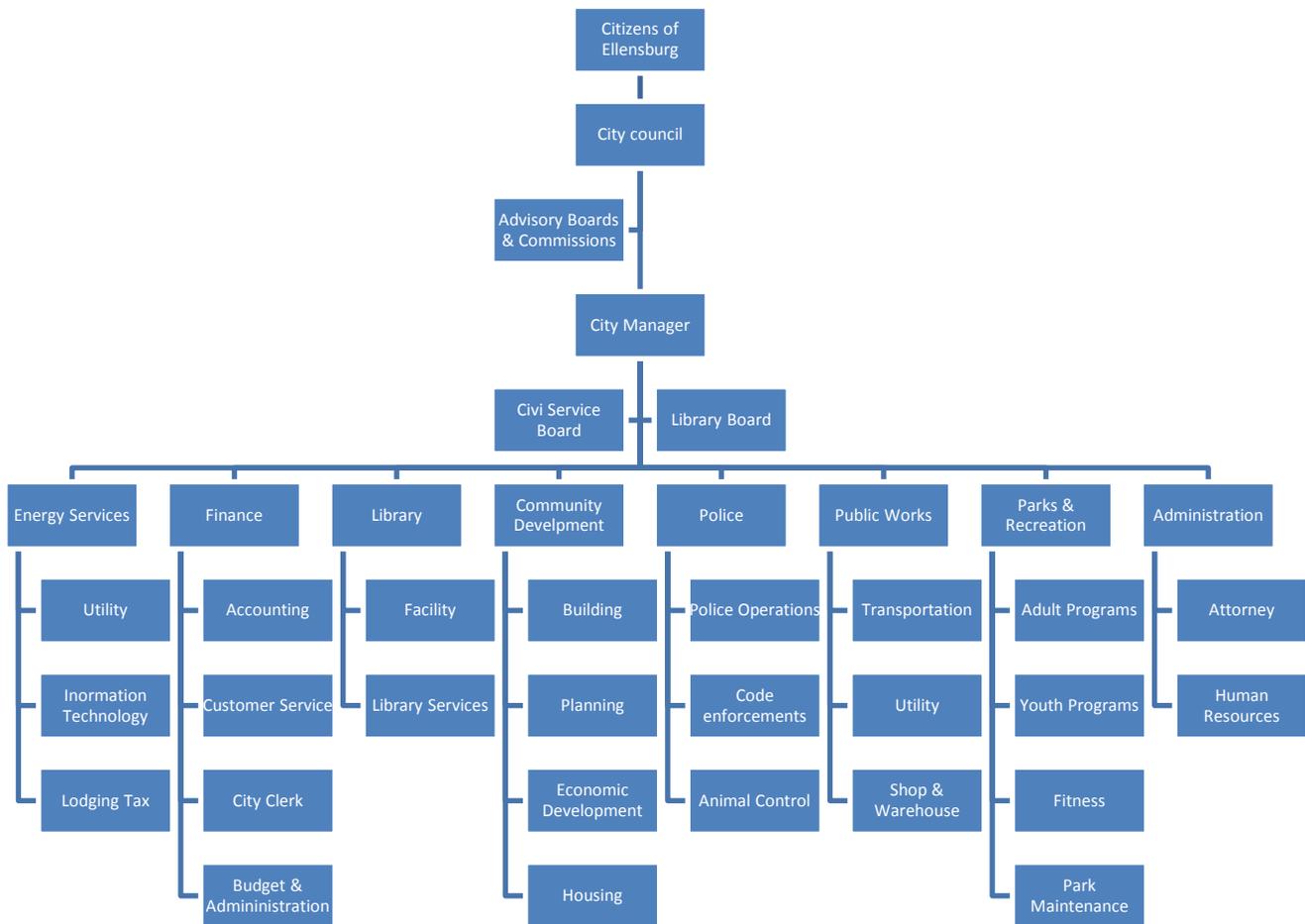
Finance Department includes Accounting, Customer Service, Budget, and Financial Reporting for the City, as well as City Clerk.

Library includes the Library department, Library Trust Fund, and the Hal Holmes Trust Fund.

Parks and Recreation includes the Parks and Recreation Department and the Park Acquisition Fund.

Police includes the Police, Criminal Justice Fund, Drug Fund, and Police Equipment Fund.

Public Works includes Engineering, Street Fund, Arterial Street Fund, Traffic Impact Fund, Sidewalk Improvement Fund, Stormwater Fund, Water Fund, Sewer Fund, and Shop & Equipment Fund.



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NON-DEPARTMENTAL

Non-Departmental

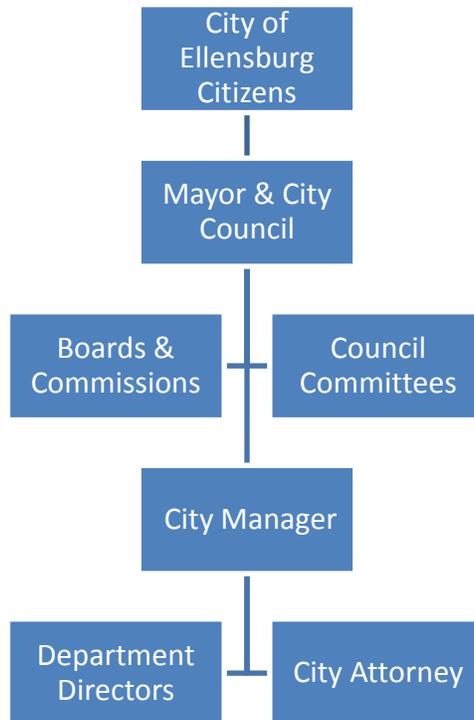
General Overview

The City General department covers both the City Council and other functions that are not the responsibility of other departments.

The City Council consists of the Mayor and six other council members. The Council is the legislative arm of the city government. It is responsible for all the legislative actions and setting policy for administration of the city government by setting policies to protect the rights of citizens of the City of Ellensburg and adopting policies that set the rates and fees to fund the services that are provided. The Council gives general direction to the City Manager, and the City Manager performs the day-to-day general administration of the City.

The City's general taxes like the property tax, utility tax, and excise tax are reported in the non-departmental department of the General Fund.

The City is dedicating \$264,375 of the general property tax revenue to fund the Fire Relief & Pension Fund (page D-14), and the amount is reported in the fund accordingly.



You can reach your City Council by

- Regular mail - 501 North Anderson Street
- e-mail - citycouncil@ci.ellensburg.wa.us
- Message phone - (509) 962-7221

CITY OF ELLENSBURG, WASHINGTON

City Non-Departmental Summary

Department: City Non-Departmental **Fund:** General Fund **Account #:** 001-010

	2009 Actual	2010 Actual	2011 Budget	Budget	
				2012	Variance
Property Taxes*	\$2,069,968	\$2,102,313	\$2,442,566	\$2,543,520	\$100,954
Local Criminal Justice	266,734	252,424	261,824	261,824	0
Municipal- Electric	750,708	719,990	731,887	744,571	12,684
Municipal- Water	279,651	306,938	321,643	361,729	40,086
Municipal- Gas	579,237	563,763	522,571	501,768	(20,803)
Municipal- Sewer	260,287	290,389	280,381	320,690	40,309
Admission Tax	100,976	89,330	75,000	85,000	10,000
Electric- Puget & PUD	4,802	4,774	6,000	6,000	0
Garbage Tax	173,520	178,078	165,000	175,000	10,000
Television Cable 3% Tax	89,991	93,571	90,000	90,000	0
Telephone Tax	522,474	509,334	450,000	500,000	50,000
Leasehold Excise Tax	12,598	18,096	16,000	16,000	0
Gambling Tax- Punchboard	16,992	27,540	18,000	18,000	0
Gambling Tax- Bingo/Raffles	25	28	50	50	0
Gambling Tax- Amusement Games	119	104	50	50	0
Gambling Tax- Card Games	95,555	76,973	95,000	95,000	0
Garbage Permit Fee	500	500	500	500	0
State-City Assist	43,279	64,614	17,000	0	(17,000)
Criminal Justice- High Crime	41,063	38,873	40,000	40,000	0
Criminal Justice- Violent Crimes	3,780	3,860	3,700	3,700	0
Criminal Justice- Special Prog	14,395	14,500	14,000	14,000	0
Liquor Excise Tax	85,187	85,389	80,000	40,000	(40,000)
Liquor Board Profits	119,257	137,903	115,000	135,000	20,000
Photocopy Sales	299	403	250	250	0
Fines	2,402	0	0	0	0
Earned Interest	11,433	8,986	11,000	11,000	0
AT&T Site Lease	81,789	85,911	81,789	86,789	5,000
Historic History E-burg	0	0	0	0	0
Sale of Surplus Items	155	1,343	1,000	1,000	0
Judgment and Settlements	199	2,127	0	0	0
Other Cashier Over/ Short	(463)	(1)	0	0	0
Miscellaneous Revenues	17,926	4,267	0	5,000	5,000
Sales Tax Support	1,702,945	1,591,770	1,000,000	1,000,000	0
Total Revenues	\$7,347,783	\$7,274,090	\$6,840,211	\$7,056,441	\$216,230

* The increase in property tax is due to the way the total property tax was accounted for last year. This year, the \$264,375 that is used to support the Firefighter Pension is shown as a receipt in General Fund and as a Transfer to the Pension Fund.

CITY OF ELLENSBURG, WASHINGTON

Non-Departmental - City General Summary

Department: Non-Departmental **Fund:** General Fund **Account #:** 001-011



Other City General expenditures include the City's Newsletter. The City spent \$41,820 in 2009, \$33,218 in 2010 and budgeted \$30,500 in 2011 and 2012 for Town Talk.

The City spent \$36,215 in 2009, \$39,227 in 2010, and budgeted \$41,156 in 2011 and \$42,284 in 2012 for EMS services. The City spent \$83,920 in 2009, \$82,913 in 2010 and budgeted \$83,000 in 2011 and 2012 for Fire Marshal services. The \$264,375 property tax transfer to the Fire Fighter Pension Fund is also included for 2012.

The City spent \$86,554 for LEOFF 1 retired firefighter's medical benefits in 2009, \$64,397 in 2010 and budgeted \$69,000 for 2011, and \$78,526 for 2012.

Revenues:	2009	2010	2011	Budget	
	Actual	Actual	Budget	2012	Variance
Charges for Goods & Services	\$235,463	\$423,071	\$441,529	\$412,059	(\$29,470)
Miscellaneous	1,250	1,550	0	0	0
Total Revenues	\$236,713	\$424,621	\$441,529	\$412,059	(\$29,470)

Expenditures by Object	2009	2010	2011	Budget	
	Actual	Actual	Budget	2012	Variance
Salaries/Wages	\$68,485	\$113,127	\$80,140	\$80,213	\$73
Personnel Benefits	107,660	86,143	94,023	103,745	9,722
Supplies	37,061	25,398	30,500	30,500	0
Services	489,737	551,247	591,259	533,453	(57,806)
Intergovernmental Services	55,807	31,925	40,564	41,664	1,100
Debt Services	3,586	1,148	910	0	(910)
Interfund Payments	11,717	12,285	11,556	48,556	37,000
Transfer Out	0	2,987	264,375	264,375	0
Total Expenditures by Object	\$774,055	\$824,260	\$1,113,327	\$1,102,506	(\$10,821)

Expenditures by program:

	Actual		Budget	
	2009	2010	2011	2012
Children's Museum	1,508	1,508	1,508	1,508
CW Disability	4,019	4,019	6,500	6,500
Downtown Association	50,000	50,000	50,000	50,000
Downtown Clean up	4,360	4,360	8,188	7,488
Farmers Market	0	0	3,000	0
Fostering Hope	0	0	0	600
FISH Food Bank	7,000	7,000	7,000	7,000
HopeSource	13,500	13,500	13,500	15,000
Substance Abuse	16,692	16,692	5,564	5,564
Kittitas Youth Service	4,000	4,000	4,000	4,000
Yakima River Clean-up	750	750	750	700
Total Funding	\$101,829	\$101,829	\$100,010	\$98,360

The City of Ellensburg prides itself in supporting community activities and events for its citizens. The City Council funds several programs including Hope Source, Fostering Hope, and Children's Activity Museum for the pleasure and general wellbeing of its citizens. The following are some of the programs:

CITY OF ELLENSBURG, WASHINGTON

Non-Departmental Summary - Sales Tax

Department: Non-Departmental **Fund:** Sales Tax Fund **Account #:** 100-140

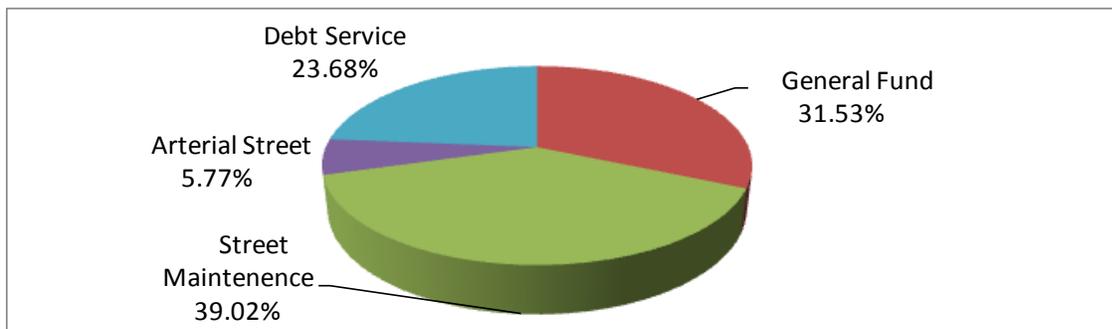
Resolution 2011-20 requires the fund to maintain a minimum of 20% of its annual budget in its reserve fund balance. The 20% of the estimated revenue of \$3,050,000 is \$610,000 and the expected 2012 fund balance is \$483,862, which is 15.86%. Due to the economic condition, we are using a portion of the fund balance to support the 2012 operations.

	2009 Actual	2010 Actual	2011 Budget	Budget	
				2012	Variance
Revenues					
Retail Sales Tax	\$3,137,752	\$2,979,989	\$2,820,000	\$3,050,000	\$230,000
Miscellaneous	13,302	5,910	5,000	5,000	0
Total Revenues	\$3,151,054	\$2,985,899	\$2,825,000	\$3,055,000	\$230,000

Expenditures by Object					
Transfers Out	\$3,240,680	\$3,436,800	\$3,005,349	\$3,171,138	\$165,789
Total Expenditures by Object	\$3,240,680	\$3,436,800	\$3,005,349	\$3,171,138	\$165,789

Expenditures by Program					
Capital Projects	\$7,500	\$25,000	\$0	\$0	\$0
General Fund	1,702,945	1,591,770	1,000,000	1,000,000	0
Police Equipment	30,000	30,000	0	0	0
Street Maintenance	958,133	1,012,313	1,097,855	1,237,303	139,448
Arterial Street	0	0	0	183,000	183,000
Special Projects	5,000	0	0	0	0
Debt Service	537,102	752,717	840,494	750,835	(89,659)
Risk Management	0	25,000	67,000	0	(67,000)
Total Expenditures by Program	\$3,240,680	\$3,436,800	\$3,005,349	\$3,171,138	\$165,789

Excess Rev. Over Exp.	(\$89,626)	(\$450,901)	(\$180,349)	(\$116,138)
Beginning Fund Balance	1,262,921	1,173,296	550,000	600,000
Ending Fund Balance	\$1,173,295	\$722,395	\$369,651	\$483,862



Sales Tax Fund will be used to service several general obligation bonds for the next few years. Therefore, a portion of the future receipts will not be available for other appropriations. See page D-13 for the expected debt schedule through 2030.

CITY OF ELLENSBURG, WASHINGTON

Non-Departmental Summary - Special Projects

Department: Non-Departmental **Fund:** Special Projects Fund **Account #:** 100-198

The Special Projects Fund was created in 2008 to set aside money to fund Council's special project allocations in order to not inflate the department's regular budget.

	2009 Actual	2010 Actual	2011 Budget	Budget	
				2012	Variance
Revenues					
Donations	\$18,200	\$15,600	\$0	\$0	\$0
Transfer In	0	0	0	0	0
Total Revenues	\$18,200	\$15,600	\$0	\$0	\$0
Expenditures by Object					
Supplies	\$13,816	\$9,427	\$0	\$0	\$0
Services	0	3,360	0	5,000	5,000
Capital Outlays	10,512	0	0	0	0
Total Expenditures by Object	\$24,328	\$12,787	\$0	\$5,000	\$5,000
Expenditures by Program					
Animal Shelter	\$10,512	\$3,360	\$0	\$0	\$0
Library Computers	13,816	9,427	0	0	0
Pool	0	0	0	5,000	5,000
Total Expenditures by Program	\$24,328	\$12,787	\$0	\$5,000	\$5,000
Excess Rev. Over Exp.	(\$6,128)	\$2,813	\$0	(\$5,000)	
Beginning Fund Balance	0	7,011	0	7,011	
Ending Fund Balance	(\$6,128)	\$9,824	\$0	\$2,011	

The \$5,000 will be spent to repair sump pit valve (\$2,500) and replace filter pit return valve (\$2,500) at the Memorial Pool.

CITY OF ELLENSBURG, WASHINGTON

Non-Departmental Summary - G.O. Bond Debt Funds

Department: Non-Departmental **Fund:** G.O. Bond Land Debt Fund **Account #:**200-210

Date: June 1999

Purpose: The City used the bond proceeds to acquire 363 acres of land for potential public and private use to be determined by the City Council in the future. The City first issued a bond anticipatory note to purchase the land and later issued a bond to repay the note in the amount of \$2,025,000. A portion of the land was used to develop West Ellensburg Park. The transfer amounts that are in the revenue to support the debt payments on this bond come from the Sales Tax Fund. The City will consider internal refunding of these bonds in 2012.

Budget Year Impact:

	2009	2010	2011	Budget	
	Actual	Actual	Budget	2012	Variance
Revenues					
Transfers In	\$170,244	\$171,159	\$167,061	\$167,861	\$800
Total Revenues	170,244	171,159	167,061	167,861	800
Expenditures					
Debt Services					
Principal	\$90,000	\$100,000	\$100,000	\$105,000	\$5,000
Interest	75,244	71,159	66,759	62,559	(4,200)
Admin Fees			302	302	0
Total Expenditures	\$165,244	\$171,159	\$167,061	\$167,861	\$800
Excess of Rev Over Exp	\$5,000	\$0	\$0	\$0	
Ending Fund Balance	\$257,813	\$0	\$0	\$0	

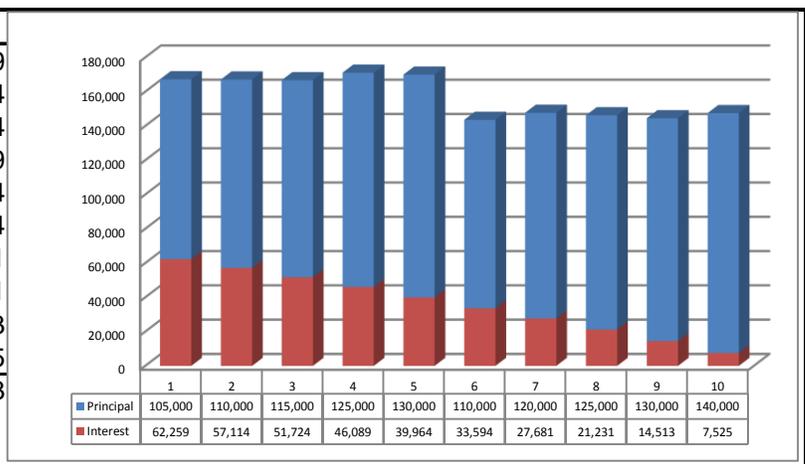
Interest: Semiannual each June 1st and December 1st of every year.
Interest accrues at rate ranging from 4% to 5.375%, and callable after December 2011.

Rating: The city bought insurance to cover the rating for these bonds.

Security: The bonds are secured with the full faith and credit of the City and are payable from any legally available funds of the City.

Debt Service:

Years	Principal	Interest	Total
2012	105,000	62,259	167,259
2013	110,000	57,114	167,114
2014	115,000	51,724	166,724
2015	125,000	46,089	171,089
2016	130,000	39,964	169,964
2017	110,000	33,594	143,594
2018	120,000	27,681	147,681
2019	125,000	21,231	146,231
2020	130,000	14,513	144,513
2021	140,000	7,525	147,525
	\$1,210,000	\$361,693	\$1,571,693



CITY OF ELLENSBURG, WASHINGTON

Non-Departmental Summary - G.O. Bond Debt Funds

Department: Non-Departmental **Fund:** City Hall Debt Fund **Account #:**200-220

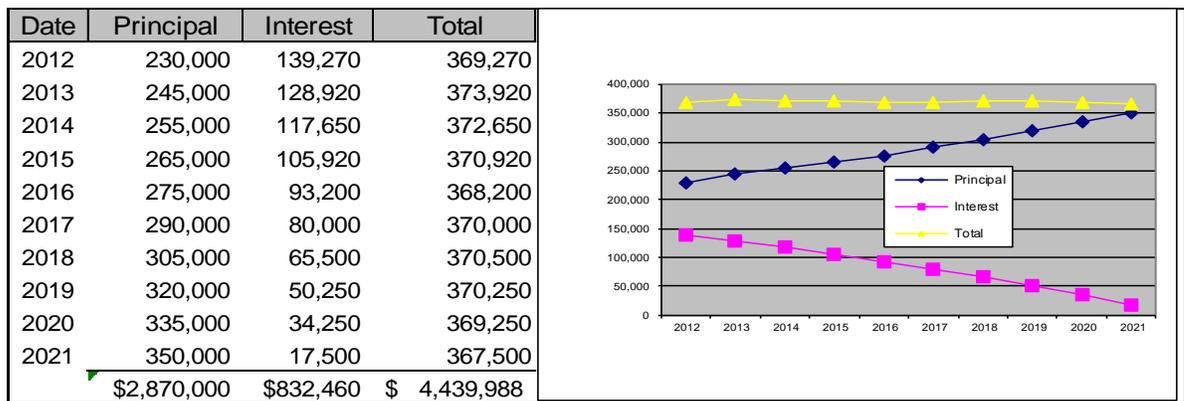
Date: 2002

Purpose: A \$4,575,000 bond to finance the acquisition of Washington Elementary School, and to pay for the remodeling of the building for the use as City Hall. The bonds are callable in December 2012.

Interest: Semiannual each June 1st and December 1st
Interest rates range from 3.25% to 5.05%.

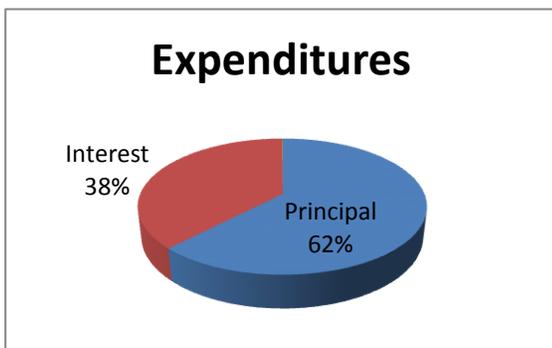
Rating: The City bought insurance for these bonds.

Debt Service:



Budget Year Impact:

	2009	2010	2011	Budget	
	Actual	Actual	Budget	2012	Variance
Revenues					
Transfers In	\$366,858	\$368,358	\$409,472	\$369,572	(\$39,900)
Total Revenues	\$366,858	\$368,358	\$409,472	\$369,572	(\$39,900)
Expenditures					
Debt Services					
Principal	\$200,000	\$210,000	\$220,000	\$230,000	\$10,000
Interest	166,858	158,358	149,170	139,270	(\$9,900)
Admin Fees	0	0	302	302	\$0
Total Expenditures	\$366,858	\$368,358	\$369,472	\$369,572	\$100



Security: The bonds are secured with the full faith and credit of the City and are payable from any legally available funds of the City.

CITY OF ELLENSBURG, WASHINGTON

Non-Departmental Summary – 2010 G.O. Bond Debt Funds

Department: Non-Departmental **Fund:** 2010 GO Debt Fund **Account #:**200-225

Date: 2010

Purpose: The City issued bonds to finance various capital projects, including: roof replacement on various municipal buildings; renovations at the City’s pool facility and various other recreational properties and facilities; upgrade of an audio system for the Council chambers; various transportation related improvements, including traffic signal and road projects, and parking improvements; and a flood plain improvement project.

Interest: Semiannual each June 1st and December 1st
Interest rates range from 2.00% to 5.00%. The bond is callable in December 2020.

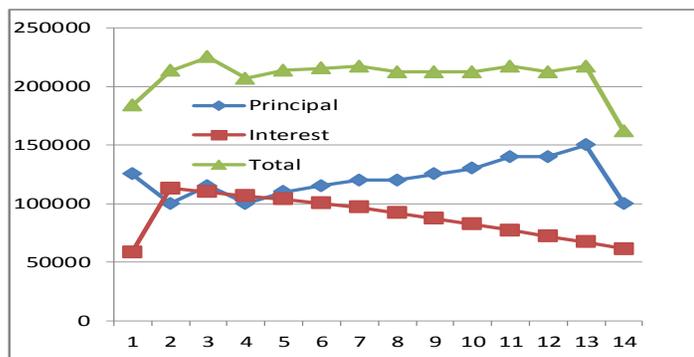
Rating: Standard & Poor’s AA

Budget Year Impact:

	2009	2010	2011	Budget	
	Actual	Actual	Budget	2012	Variance
Revenues					
Transfers In	\$0	\$213,200	\$255,402	\$213,402	(\$42,000)
Total Revenues	\$0	\$213,200	\$255,402	\$213,402	(\$42,000)
Expenditures					
Principal	\$0	\$125,000	\$100,000	\$100,000	\$0
Interest	0	88,200	115,100	113,100	(2,000)
Admin Fees	0	0	302	302	0
Total Expenditures	\$0	\$213,200	\$215,402	\$213,402	(\$2,000)

Debt Service:

Years	Principal	Interest	Total
2012	100,000	113,100	213,100
2013	115,000	110,100	225,100
2014	100,000	106,650	206,650
2015	110,000	103,650	213,650
2016	115,000	100,350	215,350
2017	120,000	96,900	216,900
2018	120,000	92,100	212,100
2019	125,000	87,300	212,300
2020	130,000	82,300	212,300
2021	140,000	77,100	217,100
2022	140,000	72,200	212,200
2023	150,000	67,125	217,125
2024	100,000	61,500	161,500
2025		57,250	57,250
2026		57,250	57,250
2027		57,250	57,250
2028		57,250	57,250
2029		57,250	57,250
2030	1,145,000	57,250	1,202,250
	\$2,710,000	\$1,513,875	\$4,223,875



The City will stop making payments on the principal in 2025 and make a balloon payment in 2030, in order to make the balloon payment in 2030 the City should start setting aside \$190,834 per year in 2025 for the principal to accumulate \$1,145,000 in 2030.

Security: The bonds are secured with the full faith and credit of the City and are payable from any legally available funds of the City.

CITY OF ELLENSBURG, WASHINGTON

Summary of limited Debt Service Payments

Year	Land Debt (# 210)		City Hall (# 220)		2010 Bond(# 225)		Total		
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Total
2012	105,000	62,259	230,000	139,270	100,000	113,100	435,000	314,629	749,629
2013	110,000	57,114	245,000	128,920	115,000	110,100	470,000	296,134	766,134
2014	115,000	51,724	255,000	117,650	100,000	106,650	470,000	276,024	746,024
2015	125,000	46,089	265,000	105,920	110,000	103,650	500,000	255,659	755,659
2016	130,000	39,964	275,000	93,200	115,000	100,350	520,000	233,514	753,514
2017	110,000	33,594	290,000	80,000	120,000	96,900	520,000	210,494	730,494
2018	120,000	27,681	305,000	65,500	120,000	92,100	545,000	185,281	730,281
2019	125,000	21,231	320,000	50,250	125,000	87,300	570,000	158,781	728,781
2020	130,000	14,513	335,000	34,250	130,000	82,300	595,000	131,063	726,063
2021	140,000	7,525	350,000	17,500	140,000	77,100	630,000	102,125	732,125
2022					140,000	72,200	140,000	72,200	212,200
2023					150,000	67,125	150,000	67,125	217,125
2024					100,000	61,500	100,000	61,500	161,500
2025						57,250	0	57,250	57,250
2026						57,250	0	57,250	57,250
2027						57,250	0	57,250	57,250
2028						57,250	0	57,250	57,250
2029						57,250	0	57,250	57,250
2030					\$1,145,000	\$57,250	\$1,145,000	\$57,250	\$1,202,250

The City plans to cover the annual debt service amounts shown above with revenues from Sales Tax transferred into the respective debt service funds. Therefore, amounts set aside to service the debts will no longer be available for general operations.

The following is the schedule of outstanding amount of the Limited Tax General Obligation Bond debts:

Year	Land Debt (# 210)		City Hall (# 220)		2010 Bond(# 225)		Grand Total
	Principal	Balance	Principal	Balance	Principal	Balance	Balance
End of 2011		\$1,210,000		\$2,870,000		\$2,710,000	\$6,790,000
2012	105,000	1,105,000	230,000	2,640,000	100,000	2,610,000	6,355,000
2013	110,000	995,000	245,000	2,395,000	115,000	2,495,000	5,885,000
2014	115,000	880,000	255,000	2,140,000	100,000	2,395,000	5,415,000
2015	125,000	755,000	265,000	1,875,000	110,000	2,285,000	4,915,000
2016	130,000	625,000	275,000	1,600,000	115,000	2,170,000	4,395,000
2017	110,000	515,000	290,000	1,310,000	120,000	2,050,000	3,875,000
2018	120,000	395,000	305,000	1,005,000	120,000	1,930,000	3,330,000
2019	125,000	270,000	320,000	685,000	125,000	1,805,000	2,760,000
2020	130,000	140,000	335,000	350,000	130,000	1,675,000	2,165,000
2021	140,000	0	350,000	0	140,000	1,535,000	1,535,000
2022 and after					1,535,000	0	0

CITY OF ELLENSBURG, WASHINGTON

Non-Departmental Summary - G.O. Bond Debt Funds

Department: Non-Departmental **Fund:** Library Constr. Debt Fund **Account #:**200-230

Date: March of 2003

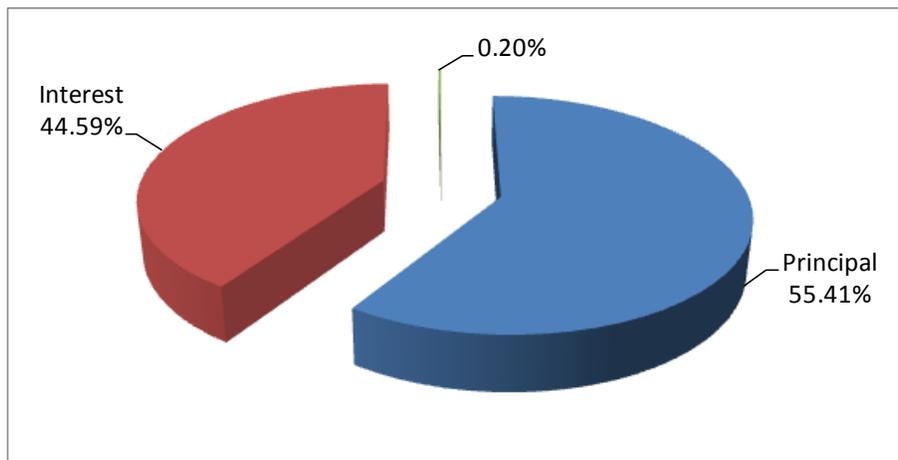
Purpose: The citizens of the City of Ellensburg voted to approve an unlimited liability bond to finance the renovation of the City's Library and event center (Hal Holmes) in 2002. The unlimited liability bond was \$1,905,000, issued in March of 2003.

Interest: Semiannual each June 1st and December 1st
The interest rates range from about 3% to 4.35% through the year 2022.

Security: The bonds are secured by the full faith and credit of the City and are payable from special property tax levy and any legally available funds of the City.

Budget Year Impact:

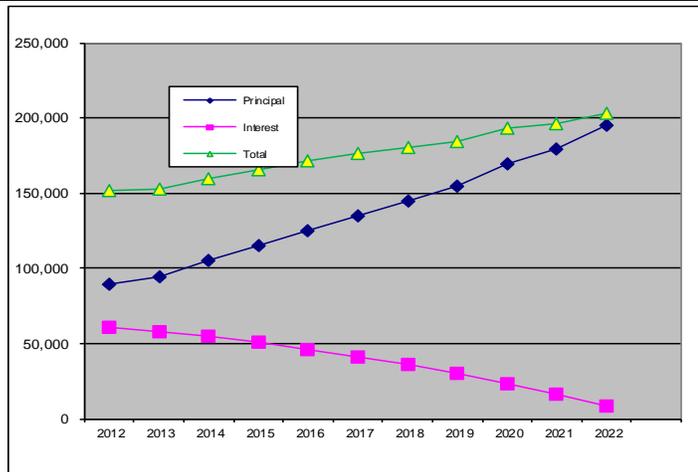
	2009	2010	2011	Budget	
	Actual	Actual	Budget	2012	Variance
Revenues					
Taxes	\$137,571	\$144,764	\$148,000	\$148,000	\$0
Misc	248	167	0	0	0
Total Revenues	\$137,819	\$144,931	\$148,000	\$148,000	\$0
Expenditures					
Debt Services					
Principal	\$70,000	\$75,000	\$80,000	\$90,000	\$10,000
Interest	69,288	67,013	64,388	61,388	(3,000)
Admin Fees	0	0	302	302	0
Total Expenditures	\$139,288	\$142,013	\$144,690	\$151,690	\$7,000
Excess of Rev. Over Exp.	(\$1,469)	\$2,918	\$3,310	(\$3,690)	
Beginning Fund Balance	50,477	49,008	0	49,169	
Ending Fund Balance	\$49,008	\$51,926	\$3,310	\$45,479	



CITY OF ELLENSBURG, WASHINGTON

Debt Service:

Years	Principal	Interest	Total
2012	90,000	61,388	151,388
2013	95,000	58,103	153,103
2014	105,000	54,635	159,635
2015	115,000	50,803	165,803
2016	125,000	46,318	171,318
2017	135,000	41,443	176,443
2018	145,000	35,908	180,908
2019	155,000	29,963	184,963
2020	170,000	23,453	193,453
2021	180,000	16,313	196,313
2022	195,000	8,483	203,483
	<u>\$1,510,000</u>	<u>\$426,805</u>	2,223,205



Non-Department Summary – Health & Benefits

Department: Non-Departmental **Fund:** Health & Benefits Fund **Account #:** 500-540

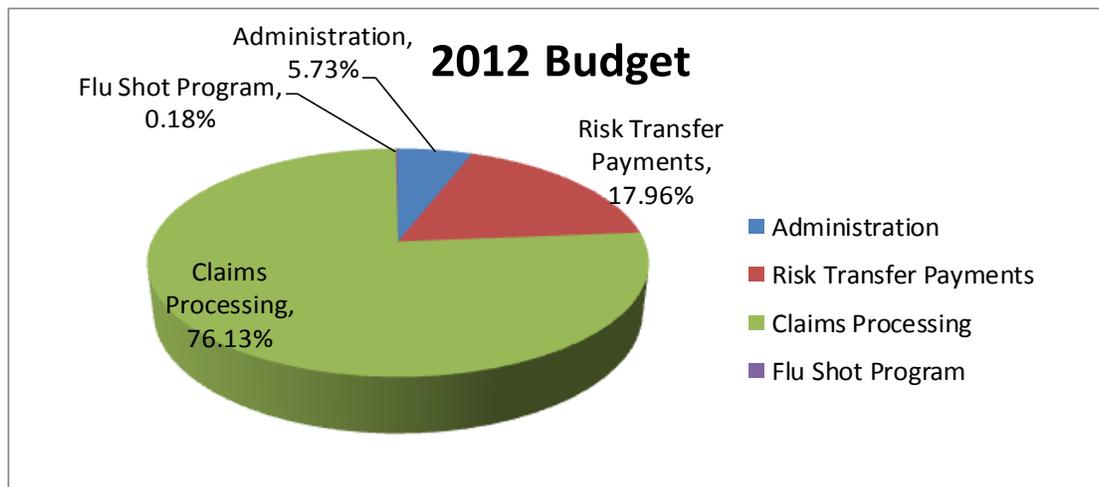
The Health & Benefits Fund was created in 2010. The City is partially self-insured for its employee health and benefits program. The City purchased individual and aggregate stop loss insurance to limit its risk exposure. The City will pay up to \$50,000 in claims for an individual employee and up to \$1.3 million for the entire group. Once the maximum amount is exceeded then the insurance company takes over. As of the end of June 2011, the City has recovered \$100,707 from the Insurance companies.

	2009	2010	2011	Budget	
	Actual	Actual	Budget	2012	Variance
Revenues					
Miscellaneous	\$0	\$1,503,281	\$1,727,158	\$1,658,632	-\$68,526
Insurance Recoveries	0	0	0	65,000	65,000
Total Revenues	\$0	\$1,503,281	\$1,727,158	\$1,723,632	-\$3,526

Expenditures by Program

Administration	\$0	\$66,740	\$240,912	\$90,247	-\$150,665
Risk Transfer Payments	\$0	\$169,776	\$169,487	\$282,730	\$113,243
Claims Processing	0	919,983	1,198,702	1,198,702	\$0
Flu Shot Program	0	0	0	2,800	\$2,800
Total Expenditures	\$0	\$1,156,499	\$1,609,101	\$1,574,479	-\$34,622

Excess of Rev. Over Exp.	\$0	\$346,782	\$118,057	\$149,153
Beginning Fund Balance	0	105,562	265,000	470,401
Ending Fund Balance	\$0	\$452,344	\$383,057	\$619,554



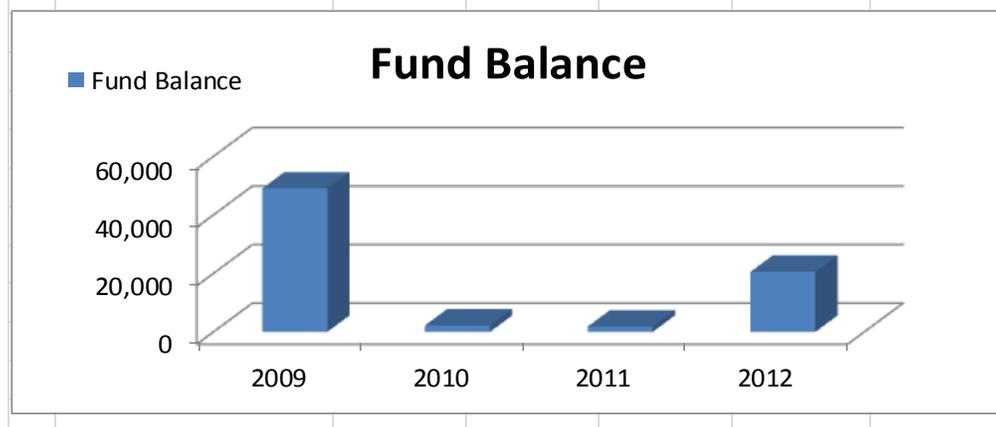
CITY OF ELLENSBURG, WASHINGTON

Non-Department Summary – Risk Management

Department: Non-Departmental **Fund:** Risk Management Fund **Account #:** 500-545

The Risk Management Fund was established in 1984 to pay claims that are self-insured by the City, i.e. the deductibles. In 1998, the City Council expanded the fund’s program to include programs that may also reduce the City’s liability in terms of employees’ health, safety, or injury by sponsoring training and wellness programs for the City employees. The fund was previously accounted for in 100-171 and was moved to 500-545 in 2011.

	2009	2010	2011	Budget	
Revenues	Actual	Actual	Budget	2012	Variance
Intergovernmental	\$1,000	\$0	\$0	\$0	\$0
Miscellaneous	3,024	4,284	250	0	-250
Charges for Fees	0	25,000	67,000	670,991	603,991
Insurance Proceeds	9,451	0	13,373	0	-13,373
Total Revenues	\$13,475	\$29,284	\$80,623	\$670,991	\$590,368
Expenses by Object					
Supplies	2,446	1,241	0	0	0
Services	79,384	74,884	78,815	650,492	-571,677
Total Expenses by Object	81,830	76,125	78,815	650,492	-571,677
Expenses by Program					
Flu shots	3,691	1,900	1,850	0	1,850
Insurance Admin	75,952	74,141	65,171	640,492	-575,321
Payments to claimants	0	0	10,513	10,000	513
Wellnes Program	1,761	0	0	0	0
Safety	426	85	1,281	0	1,281
Total Expenses by Program	\$81,830	\$76,126	\$78,815	\$650,492	-\$571,677
Excess Rev. over Exp.	-\$68,355	-\$46,842	\$1,808	\$20,499	
Beginning Fund Balance	117,410	49,055	0	0	
Ending fund Balance	\$49,055	\$2,213	\$1,808	\$20,499	



CITY OF ELLENSBURG, WASHINGTON

Non-Departmental Summary - Fire Relief & Pension Fund

Department: Non-Departmental

Fund: FR&P Fund

Account #: 600-651

	2009	2010	2011	Budget	
	Actual	Actual	Budget	2012	Variance
Revenues					
Property Tax	\$264,375	\$264,375	\$0	\$0	\$0
Insurance Premium	15,914	23,723	16,000	16,000	0
Miscellaenous	4,464	3,237	500	500	0
Transfers			264,375	264,375	0
Total Revenues	\$284,753	\$291,335	\$280,875	\$280,875	\$0

Expenditures by Object

Salaries/Wages	\$60,340	\$66,890	\$73,023	\$78,000	\$4,977
Personnel Benefits	116,096	85,214	85,273	81,375	(3,898)
Services	7,275	0	7,775	0	(7,775)
Debt Service	7,065	2,944	0	0	0
Total Expenditures by Object	\$190,776	\$155,048	\$166,071	\$159,375	(\$6,696)

Expenditures by Program

Pension Salary	\$60,340	\$66,890	\$73,023	\$78,000	\$4,977
Medical Benefits	116,096	85,214	85,273	81,375	(3,898)
Actuary Study	7,275	0	7,775	0	(7,775)
Debt Service	7,065	2,944	0	0	0
Total Expenditures by Program	\$190,776	\$155,048	\$166,071	\$159,375	(\$6,696)

Excess Rev. Over Exp.

Beginning Fund Balance

Ending Fund Balance

\$93,977	\$136,287	\$114,804	\$121,500	
(56,724)	37,253	56,596	250,000	
\$37,253	\$173,540	\$171,400	\$371,500	

The Pension Fund as of September 2011 has 11 participants, out of these 11 participants, nine of them are retirees, and two are widows of the retirees. Their ages range from 64 to 81 years old.

The actuarial valuation study performed by Milliman Consultants and Actuaries in 2011 for period ending December 31, 2010 concluded that the Ellensburg Firefighters' Pension Fund had \$0.89 million actuarial accrued liabilities against the \$.037 million actuarial value of assets with unfunded actuarial accrued liabilities of \$0.853 million. As of the end of 2010, the consulting firm of Milliman estimated our funding ratio to be about 4% of our actuarial accrual liabilities. The City will conduct another study in 2013.

The City is dedicating \$264,375 of the total property tax levy to the Fire Relief and Pension Fund, to fund the unfunded actuarial accrued liabilities. The year 2012 will be the fifth year where the City has used a portion of the Property Tax revenue to fund this pension fund in accordance with the law. The consultant recommends annual contributions through 2017.

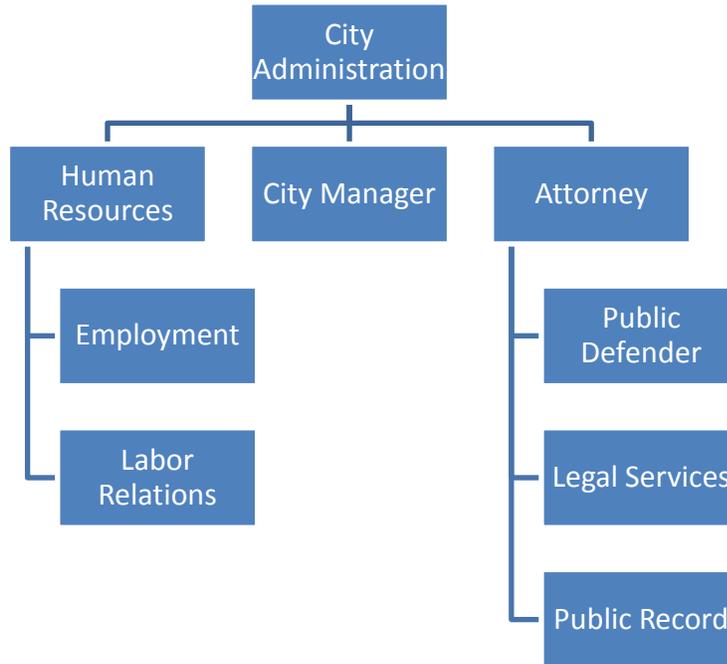
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CITY ADMINISTRATION

City Administration

The City Administration consists of the City Manager's Office, City Attorney's Office, and the Human Resources Department. Currently it is staffed by 6 FTE.

Location: First floor, City Hall, 501 North Anderson Street, Ellensburg
Business Hours: 8:00 a.m. - 5:00 p.m.



City Manager

Mission Statement: To provide administrative leadership and support to the City Council in the setting and accomplishment of community goals.

Goals:

- Continue to expand support for a positive business environment.
- Continue improvements to the City's web presence.
- Coordinate and support all the City Boards and Commissions through an effective recruitment, selection process and monitor the work of the appointed officials and staff.

Strategies

- Coordinate and support all the City departments and boards through an effective recruitment and selection process, and by monitoring the work of the appointed officials and staff.
- Work closely with other local governmental jurisdictions, local civic organizations and agencies to better serve the City.
- Continue improvements to the City's web presence.
- Continue to expand support for a positive business environment.

General Overview

The City Manager is the chief executive officer of the City. It is the City Manager's responsibility to execute and enforce the policies established by the City Council, provide administrative direction to all City departments, and to expend funds according to the budget approved by the City Council. Major functions include:

- analyzing primary policy and preparing alternative actions;
- coordinating and directing cross departmental activities;
- supervising department directors, City Attorney, Human Resources Director, and Executive Assistant;
- developing and monitoring annual work program;
- providing interface with federal, state and local institutions and agencies;
- developing and providing oversight for major research and analytical studies;

- serving as the public information center for the City; and
- representing the City in negotiations, intergovernmental efforts, and ceremonial activities as requested by Council.

Balancing the community and employees' needs with the resources available to the City of Ellensburg in a manner that does not over tax the residents of the city is the major task of the City Manager. The following are some of the ways we accomplished this:

- We seek outside financing sources like state and federal grants to complement the local resources and lessen the burden on the city residents.
- We collaborate with other government entities to provide quality services. The City worked with Fire District No. 2 to combine resources to serve the citizens better. The City's Fire Department merged with the Fire District to serve the citizens of the City of Ellensburg more efficiently. We work with the County to provide good park facilities and programs for our citizens. The City of Ellensburg also collaborates with Kittitas County to provide library service, adult activity programs, and an animal shelter for the residents of the City of Ellensburg and its surroundings.

New Initiatives

- Lead an operational review of city government services in preparation for the 2013/2014 City budget process.
- Develop objective and collaborative ways to measure the activities of our department and allocation of City resources.
- Continue to provide management oversight of City activities.

Ongoing Commitments

- Complete employee reviews within 30 days of the due date.

City Attorney

Mission Statement: To provide legal advice and support to the City Council in the setting and accomplishment of community goals.

Goals:

- Enhance preventive law strategies for the City departments.
- Continue to provide timely and quality legal services to the City Council, City Manager, and the City departments in the most cost effective manner for the benefit of the citizens of the City of Ellensburg
- Initiate and defend lawsuits on behalf of the City
- Preparation of ordinances, resolutions, and other related documents required to carry out City policies and City Council's decisions

Strategies:

- Enhance preventive law strategies for the City departments.
- Provide timely and quality legal services to the City Council, City Manager, and the City departments in the most cost effective manner for the benefit of the citizens of the City of Ellensburg.
- Initiate and defend lawsuits on behalf of the City.
- Preparation of ordinances, resolutions, and other related documents required to carry out City policies and City Council's decisions.



General Overview:

State law requires that each city have a City Attorney. The City Attorney is appointed by the City Manager with the consent of the City Council.

Human Resources

Mission Statement: The Human Resources Division serves the City of Ellensburg by focusing efforts on the Department's most valuable asset, its employees. The Department does this through recruiting, hiring, retaining, and developing staff. They provide services that promote an environment characterized by fair treatment of staff, open communications, personal accountability, trust, and mutual respect.

Strategies

- Optimizing the Organization.
 - Competency models/skills/job descriptions
 - Personnel policies and programs
 - Organization review, planning, succession planning and management development
- Ensuring competitive pay and benefits
 - Conduct Employee Compensation Survey every three years
 - Conduct benefit package cost every year
- Hiring and retaining people who will make us successful
 - Conduct a process to attract, screen, and select the most qualified candidate
 - Recruit, interview, and assist in the selection of employees
 - Utilize recruitment websites, job search engines, in-house recruitment, trade publishing, and agencies

General Overview

The Human Resources Division of the City Administration is responsible for labor relations, safety, employee relations and compensation, benefit program administration, employment, training, and individual and organization development.

New Initiatives

- Coordinate benefit program and pricing structure for each benefit year with the City Manager and Finance Director for the following year budget
- Heighten awareness on the safety program
- Continue to ensure all City employees receive at least one performance evaluation a year

Ongoing commitments

- Provide leadership and direction in the development of short and long-term personnel goals
- Continue to promote wellness programs for employees
- Provide general human resources consulting services to department directors, supervisors, and employees regarding legal compliance, performance management, HR policies and procedures, city values and priorities, and conflict resolution

2011 Accomplishments

- Comprehensive safety training programs
- Received Well City award for 2011
- New VEBA plan for Non-Represented employees
- Assist City Attorney in preparation for union negotiations

Workload Measures

	2009	2010	2011
Regular Full & Part time	148	146	157
Positions opened & processed	16	15	14
Compensation study	2	4	4
Safety meetings held	12	12	12
Wellness meetings	8	12	12

CITY OF ELLENSBURG, WASHINGTON

City Administration – Financial Summary

Department: City Administration **Fund:** General Fund **Account #:** 001-013

	2009	2010	2011	Budget	
	Actual	Actual	Budget	2012	Variance
Revenues					
Charges for Serv.	\$447,848	\$457,473	\$466,622	\$475,954	\$9,332
Total Revenues	\$447,848	\$457,473	\$466,622	\$475,954	\$9,332
Expenditures by Object					
Salaries/Wages	\$504,473	\$554,351	\$476,878	\$467,080	(\$9,798)
Personnel Benefits	159,463	149,593	139,177	136,299	(2,878)
Supplies	7,233	10,857	11,901	11,901	0
Services	115,607	126,633	118,503	133,289	14,786
Interfund Payments	21,636	25,036	23,311	20,395	(2,916)
Total Expenditures by Object	\$808,412	\$866,470	\$769,770	\$768,964	(\$806)
Expenditures by Program					
City Manager's Office	\$369,492	\$392,378	\$280,430	\$274,517	\$5,913
Legal Services	265,480	290,810	286,166	300,727	(14,561)
Personnel services	173,440	183,282	203,174	193,720	9,454
Total Expenditures by Program	\$808,412	\$866,470	\$769,770	\$768,964	\$806
Excess of Rev. over Exp	(360,564)	(408,997)	(303,148)	(293,010)	10,138
FTE	6.76	5.76	5.46	5.46	0



The City Administration Department includes City Manager's Office which consists of one (1) City Manager, and one (1) Executive Assistant. The City Attorney's Office consists of one (1) City Attorney and a .46 FTE Executive Assistant. The Human Resources Division consists of one (1) HR Director and one (1) HR Specialist.

The New City Hall. The City completed the renovation of the old Washington Elementary School in 2005. In staying true to our past, the City renovated the building to meet the City's needs without having to tear the building down. The outside remains intact and on the national historical register.

FINANCE DEPARTMENT

Finance Department

Finance Department consists of the (1) Customer Service, (2) Accounting Division, (3) City Clerk, and (4) Budget.

Location: First floor, City Hall, 501 North Anderson Street, Ellensburg.

Business Hours: 8:00 a.m. - 5:00 p.m. The office is open during lunch to serve the public.

Mission Statement: To promote responsible fiscal management and accountability.

Goals:

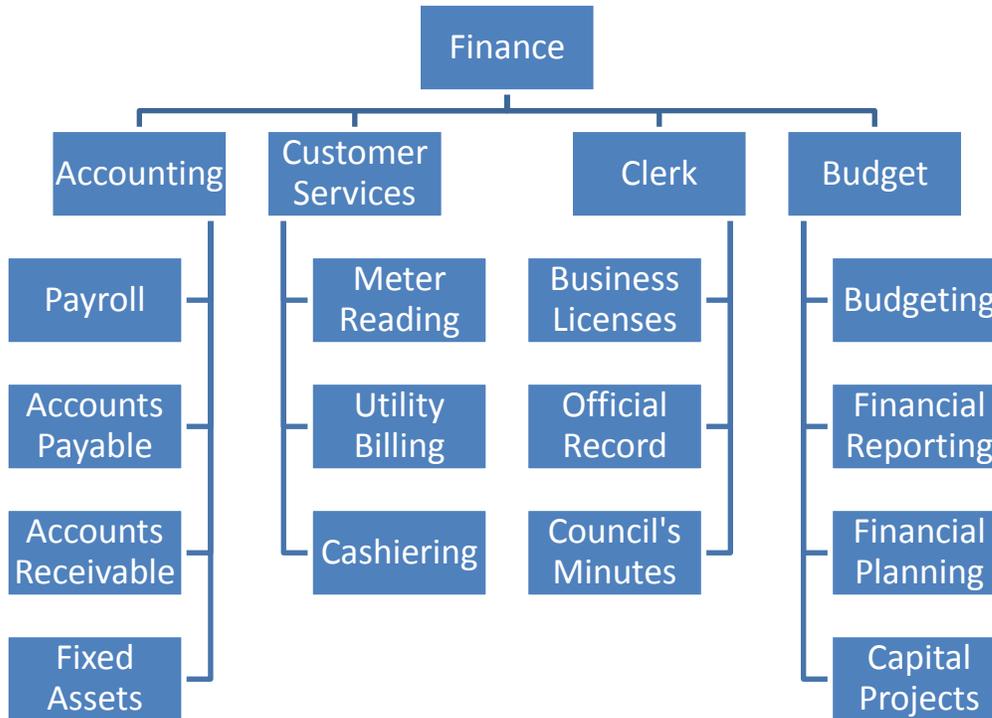
- Ensure the long-term financial stability and health of the City of Ellensburg
- Protect the City's financial integrity and credibility
- Strengthen the department's customer service excellence

Strategies

- Ensure the long-term financial stability and health of the City of Ellensburg
 - Recommend to Council and Management responsible financial management practices to ensure financial decisions are sustainable and the City's AA bond rating is maintained
 - Continue to provide timely and accurate financial information to the City Council and the City management staff to improve the quality of management decisions
 - Seek third party certification of the City's budget and financial reports
- Protect the City's financial integrity and credibility
 - Continue to receive unqualified audit opinions from State Auditor's Office
 - Maintain the City's AA credit rating
 - Continue to provide regular and timely financial reports
 - Conduct annual department cash audits
- Strengthen the department's customer service excellence
 - Conduct internal operations in a way that emphasizes high quality customer service, provides effective and efficient services, and contributes to a positive community identity
 - Provide timely and accurate utility meter reading
 - Provide timely and accurate billing
 - Continue document imaging of the Clerk's records
 - Continue up-to-date maintenance of the department's web site

General Overview

The Finance Department provides financial management for the City and has oversight responsibility of the financial activities of the City. This includes budget coordination, debt management, day-to-day accounting of the city's financial transactions, investments, financial reporting, utility billing and payments, and maintaining City's official records.



Accounting Division provides accounting services to all the City's departments and KITTCOM including payroll, accounts payable, general billing, investment, general ledger, capital project accounting, cash management, accounts receivable, and financial reporting.



Customer Service is responsible for the timely and accurate reading of the utility meters, timely and accurate billing of the customers, and cashiering for payment of utility billings. The centralized cashiering supports the City's five utility services: electric, gas, water, sewer, and stormwater. Additionally, due to its location it serves as the City's information desk.

The City started its "online" payment in September of 2007. This has increased the payment options for the utility customers. The City also moved all its customers from bimonthly to monthly billing at the beginning of 2007. This has increased the

volume of meters to read, the number of utility bills to be mailed out, the number of monthly payments and this in-turn has increased the cash flow of the City as well.



Clerk is responsible for maintaining the City's legal documents, and receiving official documents on behalf of the City. The Clerk records and maintains the official minutes of the City Council, and issues business licenses for businesses operating within the city limits. The Clerk bills and maintains records on gambling taxes.

Budget & Administration is responsible for the general administration of the department, budget and financial reporting.

Trends and Major Challenges Influencing the Department

- **Transient Community:** Majority of our utility customers are students and when they leave it is hard to track them down making our uncollectible accounts a little higher and collections more difficult.
- **Investment Return:** Due to the current economy, the returns on the investment of City's surplus cash are lower this year compared to few years ago.
- **Technology:** Technology will continue to affect how we do business, we are investing in online bill payment that will make it easy for people to use credit card, check, or debit card to pay their bills online. In addition, we are exploring a kiosk facility that will allow people to pay their bills at an automated kiosk inside city hall without talking to our customer service staff. This will improve our efficiency and provide more options for our customers to pay.

New Initiatives

- Continue to submit the report to the State Auditor's Office by the due date
- Submit the CAFR to the GFOA for certification to enhance the City's credit rating
- Submit our budget to GFOA for certification
- Improve the online payment process
- Propose a revised past due collection policy to the City Manager & Council
- Work with other agencies within the area to improve service delivery and reduce costs
- Increase the number of clerk's records available online to the employees and the public

Ongoing Commitments

- Complete employee review within 30 days of the due date
- Submit the Quarterly Financial Report to the Council by the 3rd Council meeting following the end of the quarter
- Submit the monthly Financial Report to the departments before the end of the first full week following the end of the month
- Keep the total utility 90 days past due accounts to 30 accounts and \$100,000 or less

CITY OF ELLENSBURG, WASHINGTON

2011 Accomplishments

- Received Distinguished Budget Presentation Award on the 2011 budget from Government Finance Officers Association (GFOA) of United States and Canada
- Submitted our financial report to the State Auditor's Office before the due date
- Received Certificate of Achievement For Excellence in Financial Reporting on the 2010 Comprehensive Annual Financial Report (CAFR) from GFOA
- Presented a timely monthly management report to the departments
- Paid our employees timely and accurately
- Assisted the City Manager in developing and presenting a balanced budget to the Council

Workload Measures

	2007	2008	2009	2010	2011
Received GFOA CAFR Certification	N/A	N/A	N/A	N/A	Yes
Received GFOA Budget Award	N/A	N/A	N/A	Yes	Yes
Monthly Financial Report by 10th	Yes	Yes	Yes	Yes	Yes
Quarterly Financial Report by 2nd meeting following the end of the qtr	No	Yes	Yes	Yes	Yes
Timely Billing		Yes	Yes	Yes	Yes
Review Financial Management Policy		Yes	Yes	Yes	Yes
Active business license account	1319	1305	1302	1301	
Bond Ratings - GO bonds	N/A	N/A	N/A	AA	AA
Bond Ratings - Revenue bonds	N/A	N/A	N/A	AA	AA
# of Budget violations (incl. Fund Bal.)		2	1	0	0
Number of 90 Day Past Due Accounts			162	83	58

CITY OF ELLENSBURG, WASHINGTON

Financial Summary

Department: Finance

Fund: General Fund

Account: 001-012

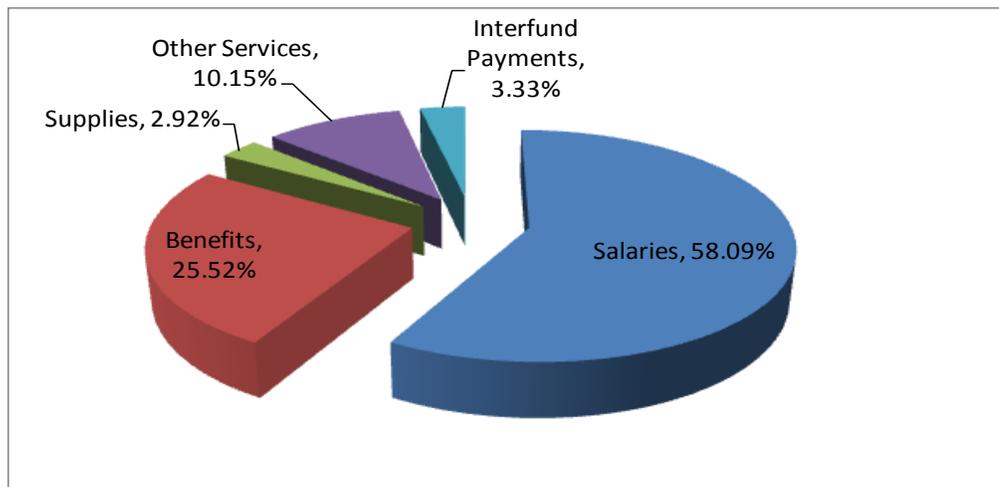
	2009	2010	2011	Budget	
	Actual	Actual	Budget	2012	Variance
Revenues					
Licenses & Permits	\$57,606	\$57,315	\$58,150	\$58,150	\$0
Intergovernmental	10,295	7,011	7,710	5,000	2,710
Interfund charges	1,214,528	1,328,635	1,355,237	1,382,342	27,105
Miscellaneous	752	7,991	900	2,400	1,500
Total Revenue	\$1,283,181	\$1,400,952	\$1,421,997	\$1,447,892	\$31,315

Expenditure by Object

Salaries/Wages	\$811,146	\$840,941	\$874,458	\$873,751	\$707
Personnel Benefits	339,553	338,253	386,023	383,834	2,189
Supplies	37,207	39,683	43,866	43,866	0
Services	135,416	139,068	151,991	152,685	(694)
Interfund Payments	52,604	56,755	53,000	50,079	2,921
Total Expenditures	\$1,375,926	\$1,414,700	\$1,509,338	\$1,504,215	\$5,123

Expenditure by Program

Accounting	\$421,108	\$431,197	\$463,578	\$466,170	\$2,592
Customer Service	665,007	682,784	715,810	698,243	(17,567)
Clerk	124,803	127,289	136,265	137,262	997
Training	12,078	8,228	16,000	16,000	0
Administration	152,930	165,203	177,685	186,540	8,855
Total Expenditures	\$1,375,926	\$1,414,701	\$1,509,338	\$1,504,215	(\$5,123)
Excess of Rev over Exp	(\$92,745)	(\$13,748)	(\$87,341)	(\$56,323)	\$31,018
FTE	14.5	14.5	13.5	13.5	0



POLICE DEPARTMENT

Police Department

The Ellensburg Police Department consists of police operations, which includes; patrol, motorcycles, K-9, the school resource officer, reserves and critical incident planning. The criminal investigations division specializes in felony, crimes against persons, missing persons, and crime scene investigations, anti-crime drug and narcotic investigations, along with evidence processing and evidence storage. The Ellensburg Police Department also provides code enforcement and animal control services.

Locations: Police Department – 100 North Pearl Street, Ellensburg
8:00 a.m. – 5:00 p.m.

Animal Shelter – 1007 Industrial Way, Ellensburg
8:00 a.m. – 5:00 p.m.

Mission Statement: To maintain peace and order by protecting our community through action, while serving with respect, integrity and innovation.

Goals:

- Enhance public safety and improve the quality of life in Ellensburg by exemplifying Equality, Professionalism and Dedication.
- Remain focused on our core responsibility, which is to aggressively fight crime with the use of partnerships and innovative policing strategies.

Strategies

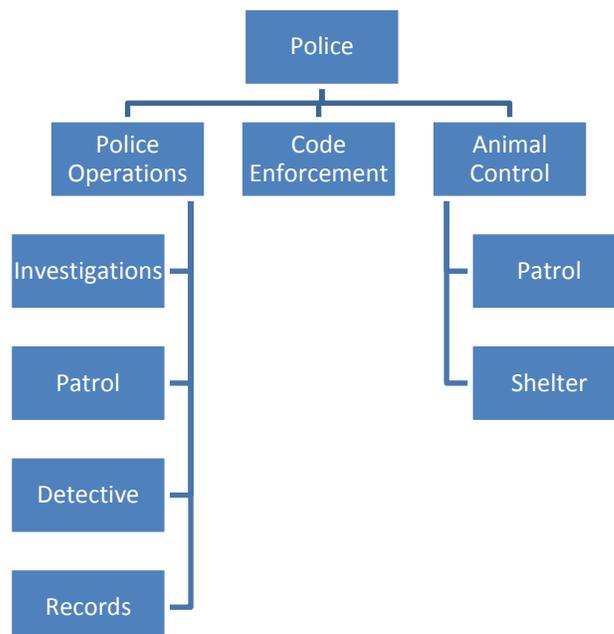
- Communications
 - Maintain the department’s website with an emphasis on promoting the department and informing the public.
 - Use new social media to communicate with the public.
 - Command staff will communicate informally with all departmental staff throughout the year.
 - Communicate annually at a department-wide meeting with all personnel.
- Community Outreach
 - When practical and beneficial to our mission, the department will participate with a variety of community groups on common issues.
 - Promote community events and departmental programs throughout the year.
 - Encourage the initiation of more informal contacts with citizens to build and maintain stronger community connections.

CITY OF ELLENSBURG, WASHINGTON

- Future Growth
 - Maintain fiscal responsibility during the economic down turn.
 - Be prepared organizationally to grow to full strength once economic indicators improve.
 - Prepare a long-term facilities strategy focused on the public safety building and animal shelter.
 - Create a systems team that will include all levels of the organization to review and make recommendations on systems improvements.
- Positive Culture
 - Recognize achievement and individual successes in a timely manner.
 - Recognize internal and external ethical behavior.
 - Mentor and provide career development opportunities.
 - Continue to collect, preserve and exhibit the department's history.
- Technology
 - As an agency, recognize and prepare for the next generation of technological advances in our profession.
 - Focus on sharing information with different and/or new partners as needed.
 - Maintain crime data transparency through the use of technology.
 - Seek and use technology that enhances training for all employees.
 - Identify and utilize new technology as it becomes available to combat crime.

Administration

The Administrative Division of the Ellensburg Police Department is composed of the Chief, Operations Captain, Administrative Captain and Administrative Supervisor. This division is charged with fiscal, personnel, operational, internal affairs functions and policy management. It also provides both guidance and support to the other divisions within the Police Department; allowing those other divisions to be on the street, taking calls and responding to our citizens' needs. The Ellensburg Police Department shares City Council's goal to reduce the overall crime rate while enhancing the quality of life in our community for all of our citizens.



General Overview

The Ellensburg Police Department is the only department within the City that is staffed 24-hours a day, 7-days a week. The department is responsible to our 18,300 plus citizens, as well as thousands of visitors who stop in our valley each day. The department currently has 27 commissioned officers, 9 full-time and 3 part-time civilian and/or commissioned personnel.

The Ellensburg Police Department is broken down into different divisions and responsibilities. The biggest and most recognizable division is Patrol. The Patrol Division handles the initial response for nearly all calls for service. In addition, this includes traffic enforcement, traffic collision investigations, and all criminal investigations, which are not referred to the Detective Division.



The Patrol Division is also supported by the Detective Division, which includes two detectives and one detective sergeant. These individuals are tasked with a variety of in-depth and often times labor intensive investigations. The Detective Division also includes two anti-crime detectives, whose primary focus is on quality of life issues within the community. These issues typically include illegal narcotics, which many times are tied into burglaries, thefts and vehicle prowls.



Other divisions within the Ellensburg Police Department include Code Enforcement Division and Records Division. The Code Enforcement Division consists of two limited commissioned officers whose primary duties are parking enforcement and nuisance properties. The Records Division consists of three full-time Secretary/Records Clerks, one part-time Secretary/Records Clerk and is managed by the Administrative Records Supervisor. Their primary duties include data entry, dissemination and processing of confidential information, handling records requests, as well as call-taking and reception of the front counter.

Throughout the year, the Ellensburg Police Department sponsors a variety of events, which are intended to strengthen partnerships with our community and its members. Some of these events include the Citizen's Academy and National Night Out, which focuses on "Operation Child Identification" for families and children. They also provide CrimeReports.com, which is an interactive website that provides timely and relevant crime data and is free to the community.



Animal Control & Shelter

The Animal Control and Shelter is a division of the Ellensburg Police Department. The Animal Control and

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Shelter consists of one full-time Animal Shelter Manager, two full-time Animal Control Officers, and two part-time Shelter Aides. The Shelter Manager and Animal Control Officers respond to various animal related calls; such as animals at large, vicious animals, allegations of cruelty, neglected and/or abused animals just to name a few. They also patrol within the city limits of Ellensburg, do license canvassing and oversee the Animal Shelter and Animal Shelter Volunteer program.

The Animal Shelter's Volunteer Program is an invaluable resource. Volunteers assist Animal Control Officers with dog walking/socializing, cat socializing, special events and fundraisers, rescue and transport assistance, Petfinder.com, photography, and marketing, as well as website maintenance to name a few. During the year, the shelter maintains anywhere from 30-50 volunteers.



The Animal Shelter has 16 dog kennels, 14 cat cages and is the only shelter facility in Kittitas County. The animals at the shelter are a combination of strays, impounds and/or pets that have been released by their owners.

New Initiatives

- Maintain the department's website with an emphasis on promoting the department and informing the public.
- As an agency, recognize and prepare for the next generation of technological advances in our profession.
- Create a systems team that will include all levels of the organization to review and make recommendations on systems.

Ongoing Commitments

- Continue training on operational proficiency.
- Maintain personnel competencies through training to include cross training where applicable.
- Maintain comprehensive training records system.
- Continue a high level of data accuracy in Criminal Justice Reporting System (CJRS).
- Maintain accreditation standards.

2011 Accomplishments

- Northwest Ride of Dreams
- National Night Out
- NIBRS

Workload Measures

	2008	2009	2010	2011*
Person crimes	353	385	267	295
Property crimes	1,696	1,632	1,670	1,392
Traffic accidents	485	454	494	442
Calls for service	15,159	16,170	17,100	15,182
Number of arrests	1,691	1,970	1,708	1,428
Traffic violation contacts	4,213	4,983	5,263	4,270
Traffic citations	805	892	883	726
Completed police reports	5,615	5,940	5,634	5,105
Total animal impounds	901	864	799	647
Animal returned/adopted/rescued	883	831	733	584

*Data represents statistics pulled from January 2011 to November 2011

For more detailed information on Ellensburg Police Department statistics, visit the Ellensburg Police Department's Annual Report page at www.ci.ellensburg.wa.us/pdannualreport

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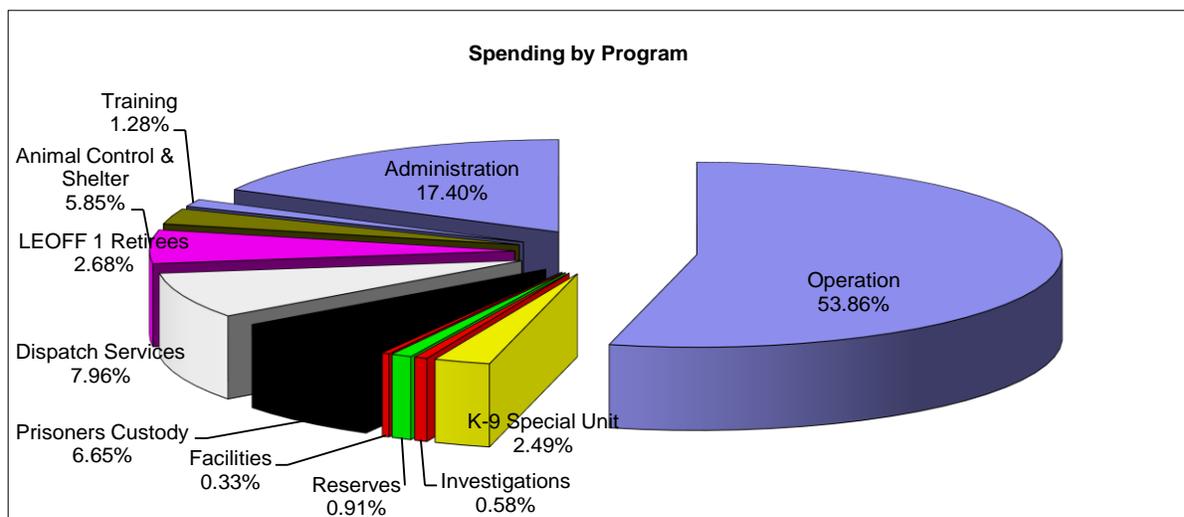
Financial Summary-General Fund

Department: Police

Fund: General Fund

Account #: 001-016

	2009 Actual	2010 Actual	2011 Budget	Budget	
				2012	Variance
Revenues					
Licenses & Permits	\$10,123	\$8,299	\$7,000	\$7,000	\$0
Intergovernmental Revenues	112,906	86,472	55,947	57,803	1,856
Charges for Services	25,174	27,123	25,300	25,300	0
Fines & Forfeitures	73,461	67,894	59,800	59,800	0
Miscellaneous Revenues	4,765	1,315	1,700	1,700	0
Total Revenues	\$226,429	\$191,103	\$149,747	\$151,603	\$1,856
Expenditures by Object					
Salaries/Wages	\$1,735,676	\$1,786,977	\$1,902,766	\$2,016,343	\$113,577
Personnel Benefits	751,607	722,529	848,339	934,244	85,905
Supplies	163,294	112,774	150,162	155,641	5,479
Services	221,789	220,067	274,522	313,874	39,352
Intergovernmental Charges	465,983	518,522	530,997	557,547	26,550
Interfund Payments	83,684	78,321	72,771	70,494	(2,277)
Total Expenditures by Object	\$3,422,033	\$3,439,191	\$3,779,557	\$4,048,143	\$268,586
Expenditures by Program					
Operation	\$1,843,014	\$1,861,167	\$1,966,202	\$2,180,130	\$213,928
Investigations	475	21,539	23,400	23,400	0
K-9 Special Unit	95,831	75,944	103,069	100,964	(2,105)
Reserves	23,263	19,071	36,883	36,883	0
Facilities	12,700	11,481	13,360	13,360	0
Prisoners Custody	233,392	244,001	245,101	269,206	24,105
Dispatch Services	238,132	275,373	307,823	322,268	14,445
Animal Control & Shelter	205,404	207,210	238,293	236,999	(1,294)
LEOFF 1 Retirees	133,469	98,296	103,709	108,679	4,970
Training	20,585	22,142	42,600	51,979	9,379
Administration	615,768	592,324	699,117	704,275	5,158
Total Expenditures by Program	\$3,422,033	\$3,428,548	\$3,779,557	\$4,048,143	\$268,586
Excess of Rev. over Exp	(\$3,195,604)	(\$3,248,088)	(\$3,629,810)	(\$3,896,540)	(\$266,730)



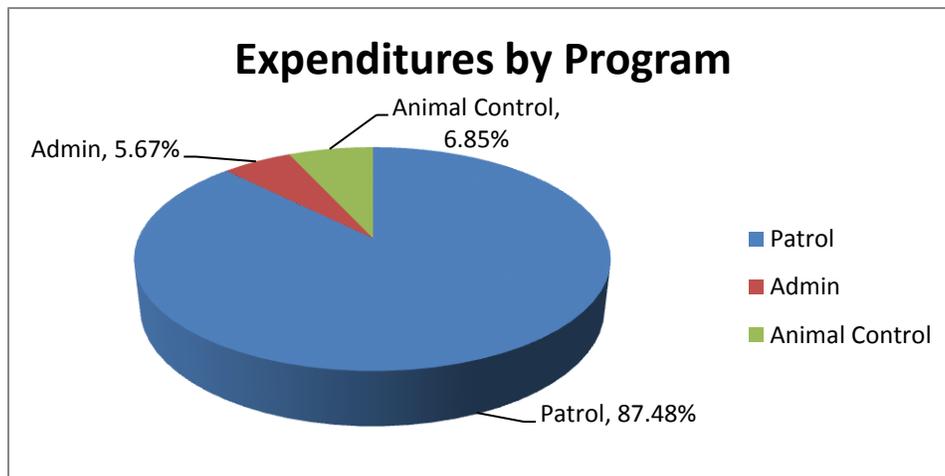
CITY OF ELLENSBURG, WASHINGTON

Financial Summary – Criminal Justice Fund

Department: Police **Fund:** Criminal Justice Fund **Account #:** 100-130

Kittitas County levied a 3/10 of one percent sales tax to be spent on criminal justice activities. The tax went into effect in April of 2008 and will be in effect for seven years when it must either be renewed or discontinued. The City funded six FTE police officers and 1.65 animal control officers and .5 Secretary/Records Clerk in 2012.

	2009 Actual	2010 Actual	2011 Budget	Budget	
				2012	Variance
Revenues					
Retail Sales Tax	\$614,712	\$590,119	\$540,000	\$540,000	\$0
Miscellaneous Revenues	391	238	400	400	0
Total Revenues	\$615,103	\$590,357	\$540,400	\$540,400	\$0
Expenditures by Object					
Salaries/Wages	\$412,455	\$432,659	\$464,009	\$496,850	\$32,841
Personnel Benefits	135,539	152,522	170,284	182,625	12,341
Supplies	12,057	13,408	33,908	0	(33,908)
Services	2,350	9,966	17,754	0	(17,754)
Debt Services	0	0	0	0	0
Capital Outlay	6,677	0	0	0	0
Total Expenditures by Object	\$569,078	\$608,555	\$685,955	\$679,475	(\$6,480)
Expenditures by Program					
Patrol	\$495,276	\$535,547	\$609,107	\$594,084	(\$15,023)
Administration	36,049	42,851	29,824	38,842	9,018
Animal Control & Shelter	31,076	30,157	47,024	46,549	(475)
Debt Services	0	0	0	0	0
Capital Projects - Patrol	6,677	0	0	0	0
Total Expenditures by Program	\$569,078	\$608,555	\$685,955	\$679,475	(\$6,480)
Excess Rev. Over Exp.	\$46,025	(\$18,198)	(\$145,555)	(\$139,075)	
Beginning Fund Balance	0	46,025	145,555	145,000	
Ending Fund Balance	\$46,025	\$27,827	\$0	\$5,925	
FTE	6.5	7.85	8.15	8.15	0



CITY OF ELLENSBURG, WASHINGTON

Financial Summary – Drug Fund

Department: Police **Fund:** Drug Fund **Account #:** 100-137

The Drug Fund is used during undercover investigations to purchase information and evidence. Information is gathered through confidential sources while evidence is purchased from criminal suspects. The majority of the evidence purchases involve the delivery of illegal narcotics and stolen property from suspects. The major source of revenue for this fund is through property seizures, fines and forfeit of property.

	2009 Actual	2010 Actual	2011 Budget	Budget	
				2012	Variance
Revenues					
Licenses & Permits	\$0	\$0	\$0	\$0	\$0
Intergovernmental Revenue	0	0	0	0	0
Fines & Forfeitures	700	139,258	0	0	0
Miscellaneous Revenues	63	283	0	0	0
Total Revenues	\$763	\$139,541	\$0	\$0	\$0
Expenditures by Object					
Supplies	\$7,279	\$2,851	\$10,000	\$10,000	\$0
Services	1,334	564	0	0	0
Transfers	0	0	47,500	64,000	16,500
Total Expenditures by Object	\$8,613	\$3,415	\$57,500	\$74,000	\$16,500
Expenditures by Program					
Investigations	\$8,613	\$3,416	\$10,000	\$10,000	\$0
Transfers	0	0	47,500	64,000	64,000
Total Expenditures by Program	\$8,613	\$3,416	\$57,500	\$74,000	\$64,000
Excess Rev. Over Exp.	(\$7,850)	\$136,126	(\$57,500)	(\$74,000)	
Beginning Fund Balance	16,186	8,336	138,548	106,882	
Ending Fund Balance	\$8,336	\$144,462	\$81,048	\$32,882	

The Transfer in 2012 is being used to fund the replacement of 2 patrol vehicles in the Police Equipment Fund. Sales Tax Fund and the General Fund would have funded these purchases but because of the current economic condition, both the Sales Tax and the General funds cannot fund the purchase. It is a one-time use of the resources of this fund.

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Financial Summary – Police Equipment Fund

Department: Police **Fund:** Police Equipment Fund **Account #:** 100-159

	2009	2010	2011	Budget	
	Actual	Actual	Budget	2012	Variance
Revenues					
Intergovernmental Revenues	\$50,701	\$153	\$0	\$0	\$0
Transfer In- Drug Fund	30,000	30,000	47,500	64,000	16,500
Miscellaneous Revenues	0		0	0	0
Disposition of Capital Assets	35,346		0	0	0
Total Revenues	\$116,047	\$30,153	\$47,500	\$64,000	\$16,500

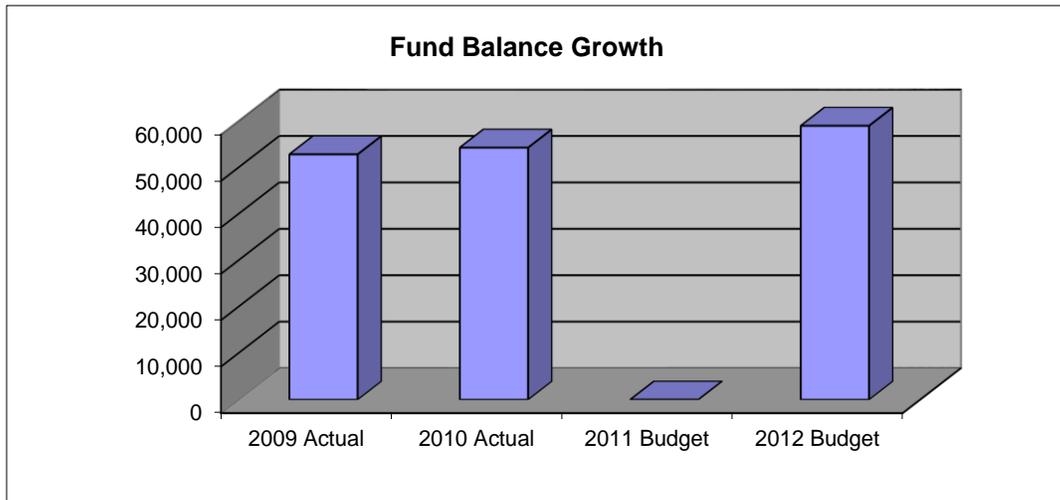
Expenditures by Object

Capital Outlay	\$64,700	\$28,706	\$47,500	\$64,000	\$16,500
Total Expenditures by Object	\$64,700	\$28,706	\$47,500	\$64,000	\$16,500

Expenditures by Program

Police Equipment	\$64,700	\$28,706	\$47,500	\$64,000	\$16,500
Total Expenditures by Program	\$64,700	\$28,706	\$47,500	\$64,000	\$16,500

Excess of Rev. Over Exp. \$51,347 \$1,447 \$0 \$0
 Beginning Fund Balance 1,498 52,845 0 58,999
 Ending Fund Balance \$52,845 \$54,292 \$0 \$58,999



This fund is used to accumulate money for the replacement of the police vehicles and equipment. The City will make regular annual transfers of funds from the Sales Tax Fund to this fund to maintain the routine four-year replacement cycle on the patrol vehicles. In 2012 the City will transfer \$64,000 from the Drug Fund instead of the Sales Tax Fund to fund the purchase of two patrol vehicles. The City has purchased one patrol vehicle from this fund each year since 2008.

**COMMUNITY DEVELOPMENT
DEPARTMENT**

Community Development Department

Community Development Department consists of Building division and Planning division.

Location: First Floor, City Hall, 501 North Anderson Street, Ellensburg
Business Hours: 8:00 am – 5:00 pm and *closed 12:00pm to 1:00pm for lunch*

Mission Statement: To promote and support safe and efficient development in the community that is consistent with the City's Comprehensive Plan, Land Development Codes, and Building and Fire Codes.

Goals:

- Ensure that all new structures and major remodel work on existing structures are constructed in accordance with City Building and Fire Codes.
- Implement and further the community's vision for future growth, including development patterns and design.
- Provide timely, accurate, consistent and impartial review of all land development permits including subdivisions, zoning, and environmental/critical areas.

Strategies

- Ensure that all new structures and major remodel work on existing structures are constructed in accordance with City Building and Fire Codes.
 - Require submittal of a building permit application with appropriate plans for proposed work;
 - Review all submitted permit plans for Code compliance;
 - Inspect and approve all work performed prior to issuance of a Certificate of Occupancy;
 - Perform Code Enforcement activities as needed to identify Code violations and to resolve those violations in a fair and consistent manner.



- Implement and further the community's vision for future growth, including development patterns and design.
 - Review and update all development regulations for consistency with the Comprehensive Plan and to ensure that development options and alternatives exist for accomplishing the Plan's goals.
 - Plan for development and redevelopment of land in a sustainable manner, consistent with community expectations.
 - Utilize design review on larger projects to ensure design characteristics are consistent with the Comprehensive Plan policy direction.
 - Work to preserve and enhance the historic character of the City.
 - Monitor community expectations and provide City Council with alternatives for new Code language that is consistent with those expectations.
- Provide timely, accurate, consistent and impartial review of all land development permits including subdivisions, zoning, and environmental/critical areas.
 - Establish consistent and easily understood development regulations and processes, and regularly review and update them as needed.
 - Assist the public through the development and regulatory processes.
 - Coordinate timing of review to ensure Code defined timelines for completion of review and issuance of a final decision are met.

General Overview

Department staff are simultaneously engaged in permit processing, regulatory reviews, long-range land use planning, strategic planning, and providing staff support to numerous City Boards, Commissions, and the City Council. The work of the staff plays a vital role in ensuring that all sectors of the community receive fair, courteous, timely, and effective services during development project processes - from initial idea - to permit application - to approval - to completion.

Building Division. The Building Division is responsible for ensuring that all new structures and major remodel work on existing structures are built to the nationally recognized standards in the International Building and Fire Code(s). The goal is to have construction in the City designed and completed so that buildings are structurally sound and free of any major life safety hazards. Accomplishing that goal requires that Building Division staff engage in all phases of a building's life cycle - from initial questions at the counter - to approval of occupancy - to major repair and retrofitting projects - to demolitions that start the building life cycle over again.

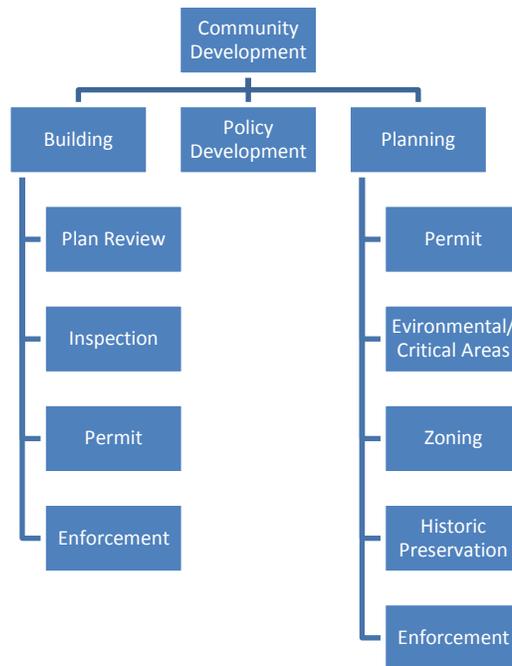


Planning Division. The Planning Division is responsible for the timely and accurate review of all land development permits including subdivisions, zoning, and environmental/critical areas review and appeals. This work involves service to the public that starts with initial questions well in advance of any permit application, and continues through the project design phases and the permit review process including any required public hearings, and ends with official City action on the project permit or with

CITY OF ELLENSBURG, WASHINGTON

appeals of that City action if appeals are made. The Planning Division also is charged with preserving and enhancing the City's Historic District and other historic structures in the City. In addition, the Planning Division is charged with ensuring that the City's various land development codes are complied with as the land uses on individual properties change over time.

Policy Development. Land use policy development duties of the Department involves both the Building and Planning Division staff providing policy support to the City Council, City Planning Commission, City Landmarks and Design Commission, and Board of Adjustment. Major work consists of providing staff support, guidance and energy in the conception, drafting, and public participation processes needed to develop the major policy directives and ordinances that guide land use decisions in both private and public investments in the City of Ellensburg.



New and Ongoing Initiatives

- Complete the revision and updating of all land development codes to be consistent with the Comprehensive Plan policy direction

2011 Accomplishments

- Performed significant work on an Energy Efficiency and Conservation Strategy project and on the Land Development Code update project
- Obtained a Community-wide Brownsfields Assessment Grant to begin in 2012
- Initiated development of a Shoreline Master Program pursuant to the requirements of the Shoreline Management Act

Ongoing commitments

- Update the land use maps as directed by the City Council
- Review and issue most administrative permits in 30 days
- Bring changes to the City Code to the City Council for review, recommendation, and adoption
- Complete employee reviews within 30 days of the due date

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Financial Summary

Department: Community Development **Fund:** General Fund **Account #:** 001-017

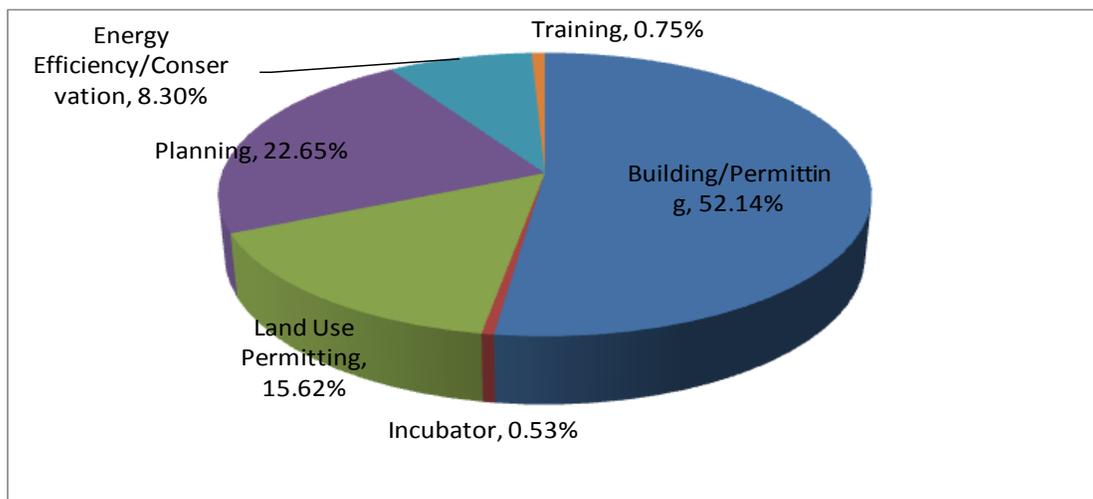
The License and Permit fees will probably remain the same as 2011 due to the construction at the University.

	2009	2010	2011	Budget	
	Actual	Actual	Budget	2012	Variance
Revenues					
Licenses & Permits	\$435,725	\$421,189	\$205,700	\$205,700	\$0
Intergovernmental Revenue	914	32,998	64,350	64,350	0
Charges for Goods & Services	13,199	14,195	16,400	16,400	0
Miscellaneous Revenue	1	55	1	1	0
Total Revenues	\$449,839	\$468,437	\$286,451	\$286,451	\$0

Expenditures by Object					
Salaries/Wages	\$358,263	\$391,922	\$394,965	\$438,441	\$43,476
Personnel Benefits	146,392	132,044	148,245	184,266	36,021
Supplies	7,304	7,631	8,100	8,100	0
Services	115,603	157,568	268,761	203,880	(64,881)
Interfund Payments	15,264	24,340	27,562	27,196	(366)
Total Expenditures by Object	\$642,826	\$713,505	\$847,633	\$861,883	\$14,250

Expenditures by Program					
Building/Permitting	\$455,856	\$406,387	\$370,382	\$449,382	\$79,000
Incubator	5,527	5,874	4,610	4,610	0
Land Use Permitting	87,127	141,855	135,406	134,653	(753)
Planning	85,240	133,370	261,250	195,238	(66,012)
Energy Efficiency/Conservation	0	26,019	71,500	71,500	0
Training	9,076		4,485	6,500	2,015
Total Expenditures by Program	\$642,826	\$713,505	\$847,633	\$861,883	\$14,250
Excess of Rev. over Exp.	(\$192,987)	(\$245,068)	(\$561,182)	(\$575,432)	(\$14,250)

FTE	8	8	7	7	0
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PUBLIC WORKS DEPARTMENT

Public Works Department

Public Works Department consists of the Engineering, Street, Water, Sewer, Stormwater, and Shop divisions.

Location: **Engineering, Street, Stormwater, and Water divisions,**
Second Floor, City Hall, 501 North Anderson Street, Ellensburg
8:00am – 5:00pm, closed 12:00 – 1:00pm lunch

Wastewater Treatment Plant
2415 Canyon Road, Ellensburg
6:30am – 3:30pm, closed 12:00 – 12:30pm for lunch

Shop
607 Industrial Way, Ellensburg
7:00am – 3:30pm, closed 12:00 – 12:30pm for lunch

Mission Statement: The City of Ellensburg Public Works Department efficiently administers the design, construction and maintenance of public infrastructure and facilities through the enforcement and observance of appropriate city codes, ordinances and standards.

Goals:

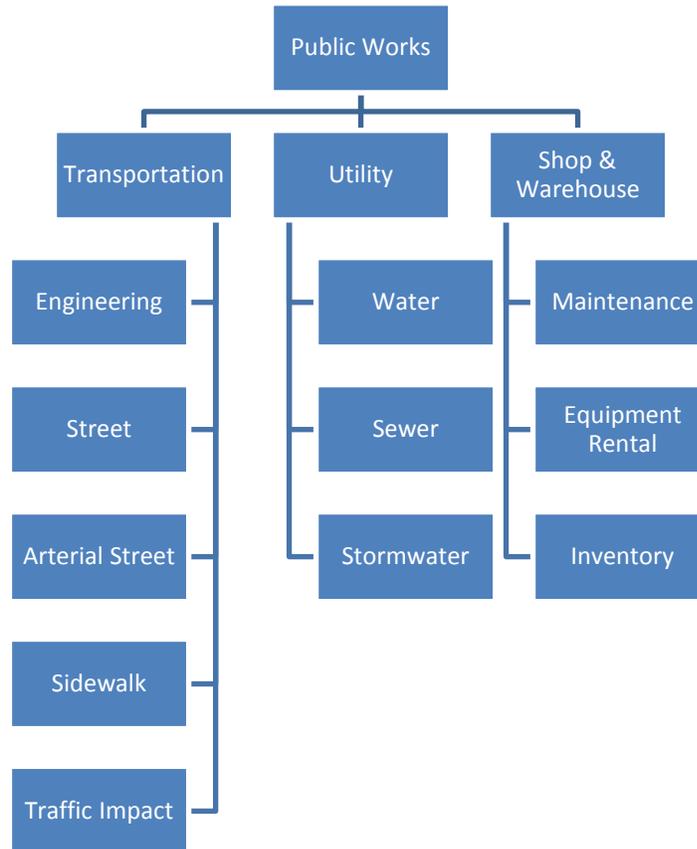
- Continue implementation of the Geographic Information System for mapping and system management.
- Participate in the development code update process and provide input on public works issues being refined through the process.
- Begin implementation of the Non-Motorized System Plan with project development of the first capital component of the plan.

Strategies

- Provide staff training consistent with the goals of the Department.
- Maintain a positive work environment with a focus on customer service to our citizens and utility clients.

General Overview

The Public Works Department consists of the City's Engineering, Shop, Warehouse, Fleet, Water Utility, Sewer Utility, Stormwater Utility and Street Divisions. The Engineering Division serves as the administrative arm of the Department and as the connection between the citizens, contractors, other departments and outside agencies. The department designs and administers infrastructure and construction contracts, issues public works permits, and provides field inspection of public and private development projects.



Engineering Division

Mission Statement: serves as the liaison between the citizens, contractors, City departments, and other agencies by supplying information, engineering and permit services, constructing capital improvement projects, and responding to customer inquiries. The department issues public works permits and provides inspections.

Strategies

- Provide training for division staff to insure consistent and efficient maintenance practices.
- Research and obtain maintenance equipment when appropriate to implement new practices or change old ones.

General Overview

The Engineering Division provides general oversight of the road construction projects including the design and construction.

CITY OF ELLENSBURG, WASHINGTON

Financial Summary – General Fund

Department: Public Works **Fund:** General Fund **Account #:** 001-019

	2009	2010	2011	Budget	
	Actual	Actual	Budget	2012	Variance
Revenues					
Intergovernmental Revenues	\$2,297	\$0	\$420	\$0	(\$420)
Interfund charges	606,142	653,804	656,883	678,046	21,163
Charges for Goods & Services	33,379	16,969	10,000	10,000	0
Miscellaneous Revenues	0	0	0	0	0
Total Revenues	\$641,818	\$670,773	\$667,303	\$688,046	\$21,163

Expenditures by Object					
Salaries/Wages	\$474,315	\$501,261	\$507,676	\$504,719	(\$2,957)
Personnel Benefits	179,603	178,181	214,455	228,915	14,460
Supplies	7,947	8,764	10,050	10,050	0
Services	52,131	49,300	59,437	60,273	836
Interfund Payments	19,569	21,500	25,316	23,925	(1,391)
Total Expenditures by Object	\$733,565	\$759,006	\$816,934	\$827,882	\$10,948

Expenditures by Program					
Engineering	\$733,565	\$759,006	\$816,934	\$827,882	\$10,948
Total Expenditures by Program	\$733,565	\$759,006	\$816,934	\$827,882	\$10,948
Excess of Rev. over Exp.	(\$91,747)	(\$88,233)	(\$149,631)	(\$139,836)	\$10,215

FTE	8	8	8	8	0
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Engineering services are provided for several other departments and divisions of the City and the citizens of Ellensburg.



Street Division

Mission Statement: Maintain the public rights of way in the most efficient and cost effective manner possible utilizing appropriate technology and industry standards.

Goals:

- Maximize the amount of crack filling, seal coating and patching within the available division budget.
- Complete the centerline monumentation program and obtain field coordinates for input into the City's Geographic Information System.

Strategies

- Provide training for division staff to insure consistent and efficient maintenance practices.
- Research and obtain maintenance equipment when appropriate to implement new practices or change old ones.

General Overview

The Street Division is responsible for maintenance of transportation improvements within the public right of way. This work includes, but is not limited to, snow removal, pavement repair, pavement preservation, flood response, street striping, tree trimming and weed control. The division includes the Street Foreman and five Heavy Equipment Operators. Summer temporary employees are hired to supplement the work force during the summer months.

CITY OF ELLENSBURG, WASHINGTON

Financial Summary - Street

Department: Public Works **Fund:** Street **Account #:** 100-120

	2009	2010	2011	Budget	
	Actual	Actual	Budget	2012	Variance
Revenues					
Intergovernmental Revenue	\$267,591	\$256,654	\$260,484	\$262,857	\$2,373
Charges for Goods & Services	95,840	79,947	70,800	75,800	5,000
Miscellaneous Revenues	1,199	2,046	700	700	0
Transfers In	958,133	1,132,313	1,217,855	1,357,303	139,448
Total Revenues	\$1,322,763	\$1,470,960	\$1,549,839	\$1,696,660	\$146,821
Expenditure by Object					
Salaries/Wages	\$408,718	\$424,397	\$469,949	\$476,545	\$6,596
Personnel Benefits	138,798	146,754	166,362	169,505	3,143
Supplies	157,684	199,617	328,803	347,600	18,797
Services	304,058	346,092	351,847	392,324	40,477
Intergovernmental Services	10,336	15,358	71,000	50,000	(21,000)
Capital Outlay	0	0	0	80,000	80,000
Interfund Payments	95,606	123,658	163,403	239,903	76,500
Total Expenditures by Object	\$1,115,200	\$1,255,876	\$1,551,364	\$1,755,877	\$204,513
Expenditures by Program					
Reimbursable	\$64,824	\$56,354	\$52,000	\$58,000	\$6,000
Street Preservation	154,898	167,899	380,300	357,930	(22,370)
Street Maintenance	106,198	129,961	139,700	146,200	6,500
Shoulders	11,023	4,982	17,589	18,000	411
Alley Maintenance	8,392	11,969	15,550	15,700	150
Traffic Control Devices	108,802	132,239	159,450	171,750	12,300
Parking Facilities	465	1,554	2,300	2,220	(80)
Snow & Ice Control	78,509	154,734	133,930	169,900	35,970
Street Cleaning	142,731	131,270	139,100	132,100	(7,000)
Ground Cover Maintenance	32,672	66,973	52,500	43,000	(9,500)
Anxillary Operations	14,273	8,911	12,500	13,600	1,100
Maintenance Supervision	28,523	26,659	26,364	28,448	2,084
Administration	133,049	132,299	140,937	233,041	92,104
General Services	20,403	22,885	23,845	28,814	4,969
Facilities	72,617	71,931	92,354	92,854	500
Training	11,514	5,270	10,700	9,700	(1,000)
Undistributed Labor	126,307	129,933	152,245	154,620	2,375
Street Construction	0	0	0	80,000	80,000
Crews	0	0	0	0	0
Jobbing	0	53	0	0	0
Total Expenditures by Program	\$1,115,200	\$1,255,876	\$1,551,364	\$1,755,877	\$204,513
Excess of Rev. over Exp.	\$207,563	\$215,084	(\$1,525)	(\$59,217)	
Beginning Fund Balance	19,108	226,672	23,886	398,886	
Ending Fund Balance	\$226,671	\$441,756	\$22,361	\$339,669	

The majority of the funding for the Street Fund (road maintenance) comes from Sales Tax Revenue. The operating transfer of \$1,357,303 includes a transfer of \$120,000 from the Stormwater Utility Fund.

New Initiatives

- Complete Dolarway Road construction between 5th Avenue and University Way
- Grind and overlay Main Street from Jackson Avenue to University Way
- Design Dolarway/SR97 Intersection
- Construct John Wayne Trail Extension

Ongoing Commitments

- Review the striping plan for all seal coat and overlay areas by June
- Complete seal coating preparation by July
- Complete seal coating project by August (approximately 4 miles)
- Maintain signal preventative maintenance program (i.e. lamp and painting plan on a 5 – 7 year cycle)
- Complete striping Phase 1 by June
- Complete annual street sweeping, removing about 100 tons of sand/debris by May
- Complete routine annual roadway maintenance (i.e. patching, tree trimming, etc. as dictated by season)
- Maintain snow removal response to clear streets
- Continue education and training of employees on annual basis

2011 Accomplishments

- Completed the annual residential sidewalk repair program
- Completed annual crack fill (8+ miles of city streets project)
- Completed annual seal coat (4+ miles of city streets project)
- Applied for and received an ARRA grant (100%) to overlay Canyon Road from Umptanum to Jackson Avenue.
 - Applied for grant and received the grant
 - Obtained bids for construction
 - Completed the overlay

Arterial Street Division

Mission Statement: Arterial Street Division is responsible for the construction of streets, bridges, trails, and traffic signals.

Strategies

- Provide training for division staff to insure consistent and efficient maintenance practices.
- Research and obtain maintenance equipment when appropriate to implement new practices or change old ones.

General Overview

The Arterial Street Division is responsible for the road construction.

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Financial Summary – Arterial Street

Department: Public Works **Fund:** Arterial Street **Account #:** 100-123

	2009	2010	2011	Budget	
	Actual	Actual	Budget	2012	Variance
Revenues					
Taxes	\$0	\$0	\$480,000	\$0	\$300,000
License & Permits	3,345	2,993	3,700	3,500	0
Intergovernmental Revenue	799,895	584,237	3,881,533	2,952,235	111,783
Charges for Goods & Service	1,775	(1,775)	0	0	0
Miscellaneous Revenue	84,387	10,005	3,000	0	(20,500)
Transfer In	0	0	1,416,576	799,576	(525,924)
Total Revenues	\$889,402	\$595,460	\$5,784,809	\$3,755,311	(\$134,641)

Expenditures by Object

Salaries/Wages	\$0	\$0	\$0	\$0	\$0
Personnel Benefits	0	0	0	0	0
Supplies	2,442	198	0	0	0
Services	157,354	532,979	349,354	567,000	217,646
Intergovernmental Services	933	967	3,000	3,000	0
Interfund Payments	17,828	15,826	15,000	15,000	0
Capital Outlay	554,897	0	6,041,751	4,244,750	(1,797,001)
Total Expenditures by Object	\$733,454	\$549,970	\$6,409,105	\$4,829,750	(\$1,579,355)

Expenditures by Program

Street Preservation	\$0	\$330,693	\$0	\$0	\$0
Engineering	177,850	212,297	344,354	562,000	217,646
Right of Way	0	6,980	225,355	0	(225,355)
Roadway	94,530	0	1,209,003	953,156	(255,847)
Base	0	0	909,750	835,104	(74,646)
Surfacing	233,751	0	981,436	1,125,500	144,064
Other Improvements	37,600	0	47,300	31,500	(15,800)
Storm Drainage	9,455	0	708,334	283,800	(424,534)
Bridges	80,492	0	618,000	198,000	(420,000)
Sidewalks	0	0	306,240	185,640	(120,600)
Street Lighting	0	0	169,600	161,050	(8,550)
Traffic Control Devices	99,776	0	889,733	494,000	(395,733)
Total Expenditures by Program	\$733,454	\$549,970	\$6,409,105	\$4,829,750	(\$1,579,355)

Excess of Rev. over Exp.

Beginning Fund Balance

Ending Fund Balance

\$155,948	\$45,490	(\$624,296)	(\$1,074,439)
433,993	589,941	518,450	1,075,000
\$589,941	\$635,431	(\$105,846)	\$561

A majority of the beginning fund balance in 2012 is the Dolarway project that will be a carry-over from 2011. The Ellensburg City Council awarded the construction contract of the Dolarway Road Improvements project to Belsaas and Smith Construction, for \$4,955,727, with a total project cost of \$5,645,000. Construction began in mid-June and is anticipated for completion mid-summer 2012. The improvements include the rehabilitation and widening of Dolarway Road from immediately south of University Way to 5th Avenue (approximately 1.6 miles). The completed road section will consist of a

CITY OF ELLENSBURG, WASHINGTON

thru lane in each direction, a continuous center turn lane, bike lanes, and sidewalks on both sides of the roadway. Improvements also include street illumination, a storm drainage system, and miscellaneous improvements to existing utilities.

Before Pictures



After Pictures



Funding for the completed project consists of the following sources and approximate amounts:

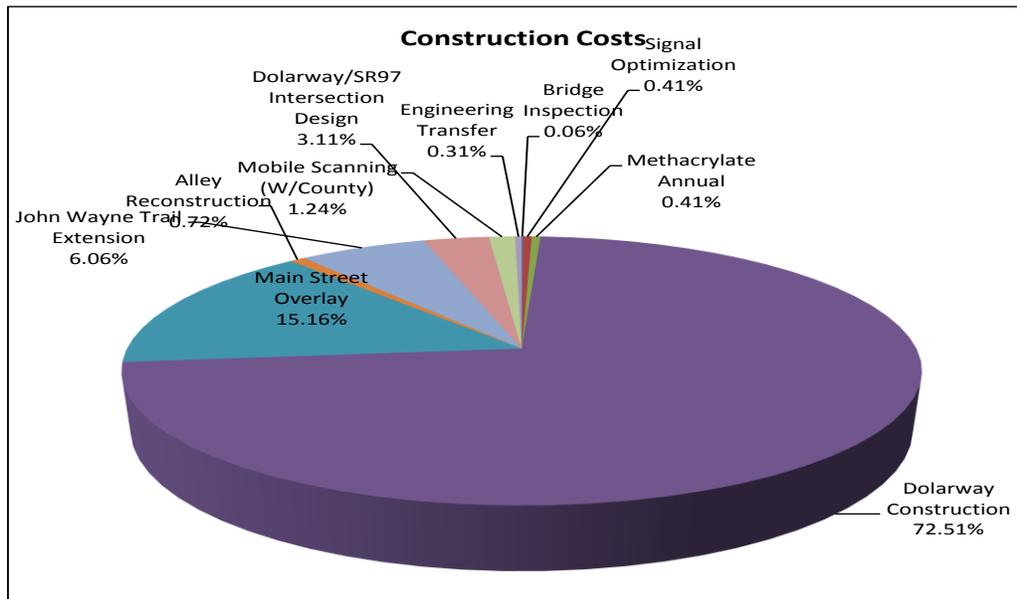
- Washington State Transportation Improvement Board: \$2,660,000
- Federal STP Grant Funding: \$1,400,000
- Distressed County Sales and Use Tax Grant Funding: \$ 480,000
- Adjacent Property Owner Deferrals: \$ 475,000
- City of Ellensburg Funding (incl. Capital Bond): \$ 630,000

A major part of funding for the Arterial Street Fund is from grants from both state and federal government. Gas tax is distributed to municipalities on a per capita basis. We estimate about \$6.81 per capita in 2011. A UAB grant of \$1,401,110 and STP grant for \$683,245 are included in Intergovernmental Revenues for the Dolarway project. The operating transfer of \$799,576 includes \$466,576 from the property owner deferral agreements for the Dolarway road project.

The following are the projects planned for 2012 including the completion of the Dolarway road project:

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Project Description		Cost
1	Bridge Inspection	\$3,000
2	Signal Optimization	20,000
4	Methacrylate Annual	20,000
5	Dolarway Construction	3,502,000
6	Main St Overlay- Jackson to U. Way	732,000
7	Alley Reconstruction	35,000
8	John Wayne Trail Extension	292,750
9	Dolarway/SR97 Intersection Design (WSDOT)	150,000
10	Mobile Scanning (W/County)	60,000
11	Engineering Transfer	15,000
Total		\$ 4,829,750



New Initiatives

- Complete Dolarway Road construction between 5th Avenue and University Way.
- Design Dolarway/SR97 Intersection
- Construct John Wayne Trail Extension

Ongoing Commitments

- Continue to pursue external funding to support City's capital projects
- Continue to work with contractors to perform quality work and complete their projects on time

2011 Accomplishments

- Applied for and received an ARRA grant (100%) to overlay Canyon Road from Umptanum to Jackson Avenue.
 - Applied for grant and received the grant
 - Obtained bids for construction
 - Completed the overlay

Traffic Impact Fees Division

Mission Statement: Traffic Impact Fee is responsible for improvement to public facility infrastructures that will reasonably benefit new development.

Strategies

- Provide training for division staff to insure consistent and efficient maintenance practices.
- Research and obtain maintenance equipment when appropriate to implement new practices or change old ones.

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Financial Summary – Traffic Impact Fees

Department: Public Works **Fund:** Traffic Impact Fees **Account #:** 100-125

	2009	2010	2011	Budget	
	Actual	Actual	Budget	2012	Variance
Revenues					
Charges for Goods & Services	\$105,443	\$175,785	\$21,000	\$31,500	\$10,500
Miscellaneous Revenue	13	372	200	300	100
Total Revenues	\$105,456	\$176,157	\$21,200	\$31,800	\$10,600

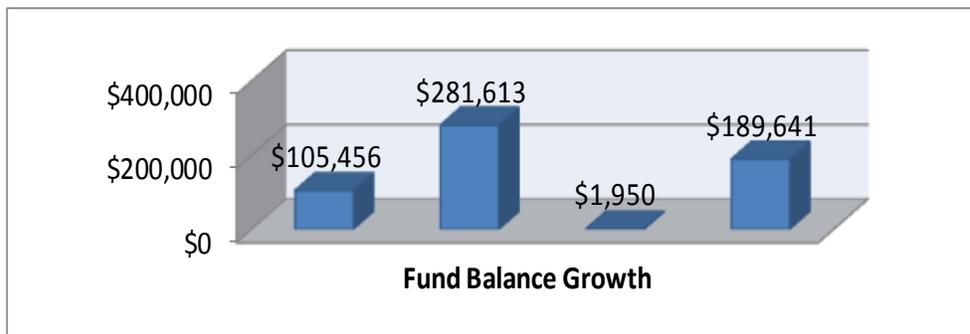
Expenditures by Object

Services	\$0	\$0	\$150,000	\$150,000	\$0
Interfund Charges	0	0	4,000	3,000	-1,000
Total Expenditures by Object	\$0	\$0	\$154,000	\$153,000	-\$1,000

Expenditures by Program

Capital Outlay	\$0	\$0	\$4,000	\$3,000	-\$1,000
Transfers Out	0	0	150,000	150,000	0
Total Expenditures by Program	\$0	\$0	\$154,000	\$153,000	-\$1,000

Excess of Rev. over Exp.	\$105,456	\$176,157	-\$132,800	-\$121,200	
Beginning Fund Balance	0	105,456	134,750	310,841	
Ending Fund Balance	\$105,456	\$281,613	\$1,950	\$189,641	



The Traffic Impact Fees Fund was established in 2009 to be used for public facility improvements that will reasonably benefit new development. Impact fees will be spent for improvements listed in the Six Year Transportation Plan and identified as being funded in part by impact fees.

The fund balance was accumulated in 2009 and 2010 for the expected projects in 2011 and 2012.

Sidewalk Improvement Division

Mission Statement: Sidewalk Improvement is for construction and maintenance of the City's sidewalk.

Strategies

- Provide training for division staff to insure consistent and efficient maintenance practices.
- Research and obtain maintenance equipment when appropriate to implement new practices or change old ones.

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Financial Summary – Sidewalk Improvement

Department: Public Works **Fund:** Sidewalk Improvement Fund **Account #:** 300-366

	2009 Actual	2010 Actual	2011 Budget	Budget	
				2012	Variance
Revenues					
Real Estate Excise	\$148,888	\$120,016	\$80,000	\$80,000	\$0
Intergovernmental Revenues	(2,520)	0	0	0	0
Interfund Charges	0	0	0	0	0
Miscellaneous Revenues	975	5,995	1,000	500	(500)
Total Revenues	\$147,343	\$126,011	\$81,000	\$80,500	(\$500)
Expenditures by Object					
Supplies	\$5,232	\$2,609	\$0	\$0	\$0
Services	5,040	110,756	28,000	38,000	10,000
Capital Outlay	0	0	63,000	139,000	76,000
Interfund Payments	112,521	0	0	0	0
Transfer Out	20,844	25,361	0	0	0
Total Expenditures by Object	\$143,637	\$138,726	\$91,000	\$177,000	\$86,000
Expenditures by Program					
Sidewalks	\$60,987	\$61,189	\$39,000	\$38,000	(\$1,000)
Special Purpose Paths	82,650	77,537	52,000	139,000	87,000
Transfer to Arterial	0	0	0	0	0
Total Expenditures by Program	\$143,637	\$138,726	\$91,000	\$177,000	\$86,000
Excess of Rev. over Exp.	\$3,706	(\$12,715)	(\$10,000)	(\$96,500)	
Beginning Fund Balance	283,654	287,360	161,000	276,292	
Ending Fund Balance	\$287,360	\$274,645	\$151,000	\$179,792	

A major part of funding for the Sidewalk Improvement Fund is from the Real Estate Excise Tax. The following are the projects proposed in 2012:

Project Description	Cost
1 Sidewalk Repair	\$52,000
2 Replace Trees in CBD/Repair Curbs	38,000
3 Upgrade corner ADA ramps	87,000
Total	\$177,000

New Initiatives

- Construct John Wayne Trail Extension

Ongoing Commitments

- Continue education and training of employees on annual basis

2011 Accomplishments

- Completed the annual residential sidewalk repair program

Stormwater Division

Mission Statement: Maintain public infrastructure, create public awareness about stormwater, enhance and improve water quality and our natural resources while providing future development with solutions that meet City, State and Federal requirements.

Goals:

- Comply with the requirements of the National Pollution Discharge Elimination System (NPDES) Stormwater permit
- Provide public awareness about water quality and natural resource protection
- Improve and help maintain public infrastructure

Strategies

- Implement design standards that meet the requirements of the Department of Ecology's Eastern Washington Stormwater Construction Manual
- Maintain a positive work environment that respects employees and customers

General Overview

The Stormwater Utility permits the design and construction of both public and private projects throughout the City, educates the public about water quality, performs maintenance on the public system, eliminates illicit discharges, holds public meetings and meets the requirements of the NPDES Stormwater permit.



New Initiatives

- Update the stormwater management program.
- Complete the field survey and mapping of the stormwater system

Ongoing Commitments

- Expand the current outreach education program
- Purchase new equipment to enhance the public cleaning system
- Inventory and inspect new storm systems that were completed after 2007

2011 Accomplishments

- Completed the Stormwater Master Plan update
- Completed the Stormwater Operation and Maintenance (O&M) plan
- Citywide public storm system was mapped using GPS/GIS
- All public stormwater outfalls were mapped, inventoried and field screened
- Publicized the spill hotline for the public to report spills or other environmental problems
- Trained all staff on best management practices with regards to stormwater pollution prevention
- Educated the public by creating and mailing two separate stormwater brochures to eight thousand utility customers twice in 2011
- Published three articles in the City newsletter - “Town Talk”, pertaining to stormwater pollution prevention and creation of the utility

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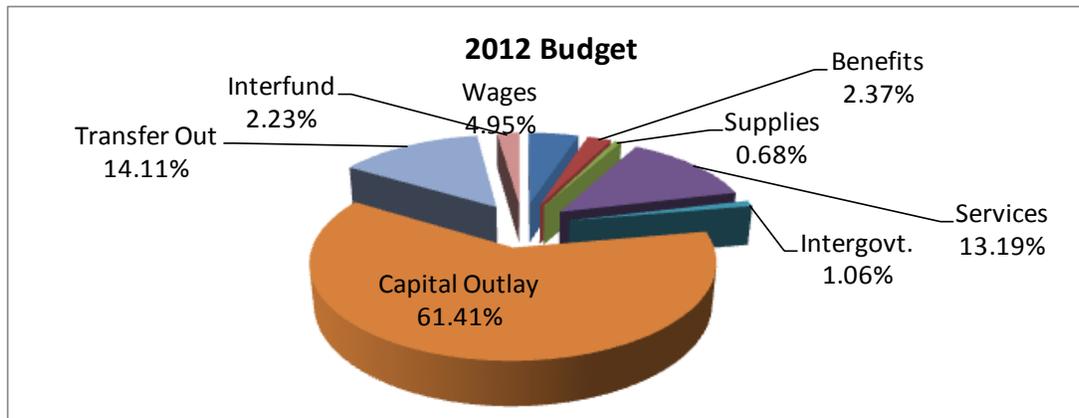
Financial Summary – Stormwater

Department: Public Works **Fund:** Stormwater **Account #:** 400-431

	2009	2010	2011	Budget	
	Actual	Actual	Budget	2012	Variance
Revenues					
Intergovernmental	\$0	\$160,000	\$116,718	\$565,977	\$449,259
Charges for Services	0	558,509	587,626	587,626	\$0
Miscellaneous	0	242	164	400	\$236
Transfer		90,676	209,325		
Total Revenues	\$0	\$809,427	\$913,833	\$1,154,003	\$449,495

Expenses by Object	2009	2010	2011	2012	Variance
Salaries/Wages	\$0	\$32,220	\$72,639	\$72,924	\$285
Personnel Benefits	0	12,727	33,964	34,978	1,014
Supplies	0	15,436	6,500	10,000	3,500
Services	0	66,342	13,988	194,380	180,392
Intergovernmental Services	0	9,190	19,277	15,577	(3,700)
Capital Outlay	0	0	529,325	905,000	375,675
Transfer Out	0	122,987	296,000	208,000	(88,000)
Interfund Payments	0	0	22,911	32,874	9,963
Total Expenses by Object	\$0	\$258,902	\$994,604	\$1,473,733	\$479,129

Expenses by Program	2009	2010	2011	2012	Variance
Administration	\$0	\$115,039	\$159,019	\$172,293	\$13,274
General Operations	0	\$20,876	\$10,260	\$5,000	(5,260)
Maintenance	0	\$0	\$0	\$73,440	73,440
Capital	0	\$0	\$529,325	\$1,015,000	485,675
Transfer Out	0	\$122,987	\$296,000	\$208,000	(88,000)
Total Expenses by Program	\$0	\$258,902	\$994,604	\$1,473,733	\$479,129
Excess of Rev. over Exp.	\$0	\$550,525	(\$80,771)	(\$319,730)	
Beginning Fund Balance	0	0	240,493	475,277	
Ending Fund Balance	\$0	\$550,525	\$159,722	\$155,547	



Water Division

Mission Statement: To provide safe, high quality water to the City residents.

Goals:

- Maintain a utility rate structure that supports the expenses of the utility fund and provides adequate retained earnings
- Provide quality water and good customer service to our customers

Strategies

- Maintain a positive work environment that values and respects employees and customers
- Design, operate and maintain our infrastructure to meet community expectations and demands
- Utilize appropriate emerging technology to improve operations
- Continue to pursue training opportunities for division staff

General Overview

Water Utility Division is responsible for monitoring, testing, repairing, and upgrading of the City's water sources and distribution system. The division maintains several wells, pump houses, and reservoirs. Established by the City in 1933, the Water Utility has grown to serve over 4,700 customers delivering over 1.4 billion gallons of water annually.

Water is pumped into the City's system from several deep water wells located throughout the City and surrounding area. The utility has reservoir facilities at Craig's Hill and the Airport. Current capacity and plans for improvements to the system assures the City will be able to accommodate the future water needs of the growing community. Through constant monitoring, testing, repairing, and upgrading of the sources and distribution of the system, the City provides a safe, reliable water supply to its customers.

New Initiatives

- Construct new wellhouses at Highway 10, Hayward Hill, and Airport wells

Ongoing Commitments

- Continue education and training of 7 employees on an annual basis
- Continue and expand the valve maintenance program

2011 Accomplishments

- Completed the drilling of the Airport replacement well

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Financial Summary - Water

Department: Public Works **Fund:** Water **Account #:** 400-481 & 485

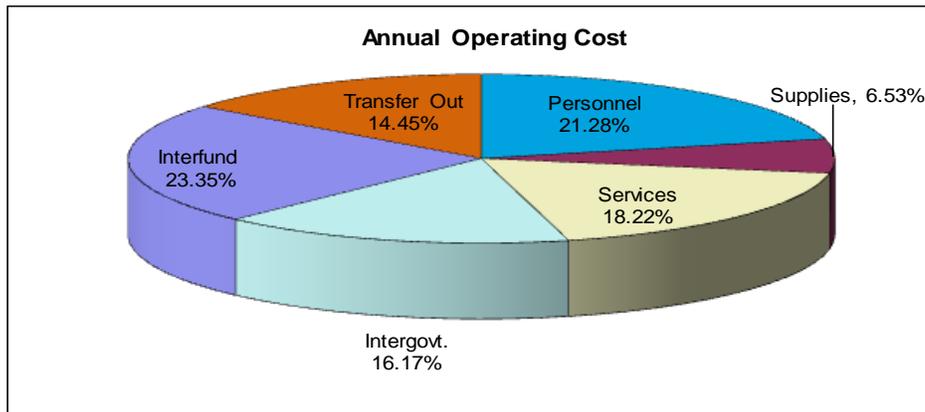
	2009 Actual	2010 Actual	2011 Budget	Budget	
				2012	Variance
Revenues					
Licenses and Permits	\$0	\$0	\$0	\$500	\$500
Charges for Goods	2,849,040	3,095,905	3,238,930	3,639,792	400,862
Miscellaneous	34,567	23,129	15,900	14,000	(1,900)
Capital Contributions	484,421	258,064	165,000	205,000	40,000
Transfers In	60,154	6,307,038	0	775,560	775,560
Total Revenues	\$3,428,182	\$9,684,136	\$3,419,830	\$4,634,852	\$1,215,022
Expenses by Object					
Salaries/Wages	\$417,330	\$478,943	\$531,265	\$553,299	\$22,034
Personnel Benefits	162,158	175,594	198,126	208,175	10,049
Supplies	152,331	200,224	225,328	233,800	8,472
Services	517,763	373,049	680,546	652,292	(28,254)
Intergovernmental	417,427	480,754	518,397	578,643	60,246
Capital Outlay	0	0	2,992,000	3,257,000	265,000
Depreciation	459,932	510,297	0	0	0
Debt Service	101,216	301,600	480,755	481,377	622
Interfund Payments	804,029	775,981	783,226	835,579	52,353
Transfer Out	60,154	6,310,025	0	517,360	517,360
Change in Inventory	0	0	0	0	0
Total Expenses by Object	\$3,092,340	\$9,606,467	\$6,409,643	\$7,317,525	\$907,882
Expenses by Program					
Jobbing	\$15,550	\$26,299	\$21,000	\$21,500	\$500
Administration	1,422,819	1,615,587	1,694,581	1,847,110	152,529
Depreciation	459,932	510,297	0	0	0
Training	13,810	8,061	17,000	17,000	0
Maintenance	426,917	415,691	496,937	532,538	35,601
Operations	424,991	418,908	517,640	511,640	(6,000)
Customer Service	166,951	0	0	0	0
Debt Service	101,216	301,600	480,755	481,377	622
Capital Outlay	0	0	3,181,730	3,389,000	207,270
Transfers	60,154	6,310,025	0	517,360	517,360
Change in Inventory	0	0	0	0	0
Total Expenses by Program	\$3,092,340	\$9,606,468	\$6,409,643	\$7,317,525	\$907,882
Excess Rev. over Exp.	\$335,842	\$77,669	(\$2,989,813)	(\$2,682,673)	
Bond Proceeds & Loans	\$0	\$0	\$1,500,000	\$1,500,000	
Prior Period Adjustments	3,532,203	0	0	0	
Capital/Inventory Trxs.	0	0	0	0	
Beginning Fund Balance	5,418,993	9,287,038	6,006,564	10,715,000	
Ending Fund Balance	\$9,287,038	\$9,364,707	\$4,516,751	\$9,532,327	

Water fund is planning on completing the 2010 Revenue bond projects in 2012 and that accounts for part of the fund balance carryover into 2012.

The Water Fund spends most of its budget on salaries, benefits, contractual services, and intergovernmental payments for regulatory agencies to maintain its wells and water lines. The capital spending continues in 2012 to complete the construction of three new wells.

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	2012 Budget	% of Budget	% W/O Capital	% W/O Cap & Debt	% Comb. Sal, Ben, & Interfund
Salaries /Wages	\$553,299	7.56%	13.63%	15.46%	21.28%
Personnel Benefits	208,175	2.84%	5.13%	5.82%	
Supplies	233,800	3.20%	5.76%	6.53%	6.53%
Services	652,292	8.91%	16.06%	18.22%	18.22%
Intergovernmental	578,643	7.91%	14.25%	16.17%	16.17%
Capital Outlay	3,257,000	44.51%			
Debt Service	481,377	6.58%	11.86%		
Interfund Payment	835,579	11.42%	20.58%	23.35%	23.35%
Transfer Out	517,360	7.07%	12.74%	14.45%	14.45%
	\$7,317,525	100.00%	100.00%	100.00%	100.00%



Date: May 2010

Purpose: To refund the 1999 Water system Revenue Bonds, the drilling of replacement wells, and upgrade to the water and sewer lines.

Interest: Semiannual each June 1st and December 1st
Interest rates range from 2% – 4.5%

Rating: Standard & Poor's AA

Security The bonds are secured with the revenue generated from the services that are provided

Debt Service:

The Water/Sewer funds have outstanding bonds and the following is the payment schedule:

2010 Water/Sewer Revenue Bond							
Year	Principal	Interest	Total	Year	Principal	Interest	Total
2012	225,000	393,150	618,150	2022	560,000	232,225	792,225
2013	230,000	386,400	616,400	2023	585,000	207,025	792,025
2014	240,000	379,500	619,500	2024	610,000	180,700	790,700
2015	420,000	372,300	792,300	2025	640,000	153,250	793,250
2016	435,000	357,600	792,600	2026	665,000	124,450	789,450
2017	450,000	340,200	790,200	2027	695,000	47,263	742,263
2018	470,000	322,200	792,200	2028	730,000	63,250	793,250
2019	490,000	301,050	791,050	2029	760,000	30,400	790,400
2020	510,000	279,000	789,000	Total	\$9,250,000	\$4,426,013	\$13,676,013
2021	535,000	256,050	791,050				

Sewer Division

Mission Statement: To provide for efficient, economical sewer collection and treatment.

Goals:

- Meet or exceed permitted discharge standards
- Complete the bond financed plant upgrade

Strategies

- Maintain a positive work environment that values and respects employees and customers
- Design, operate and maintain our infrastructure to meet community expectations and demands
- Continue to provide training opportunities for division staff

General Overview

Sewer Utility Division is responsible for processing, testing and final discharge of wastewater produced within the City of Ellensburg. Established by the City in 1908, the Wastewater Utility serves over 3,900 customers within the Ellensburg city limits. The utility provides an efficient and safe sewer system for the community through the operation of a Wastewater Treatment Plant and the associated lab, which maintain compliance with all Department of Ecology regulations.

Current capacity and future plans for improvements to the system assures the City can accommodate the future needs of local growth.

New Initiatives

- Design and construct the plant digester boiler/heater exchange upgrade project
- Complete the sewer system plan update

Ongoing Commitments

- Line cleaning and flushing
- Obtaining field coordinates of system components for input into the City's Geographic Information System

2011 Accomplishments

- Completed the annual collection system upgrade project
- Completed phase 1 of the digester heating system upgrade



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Financial Summary - Sewer

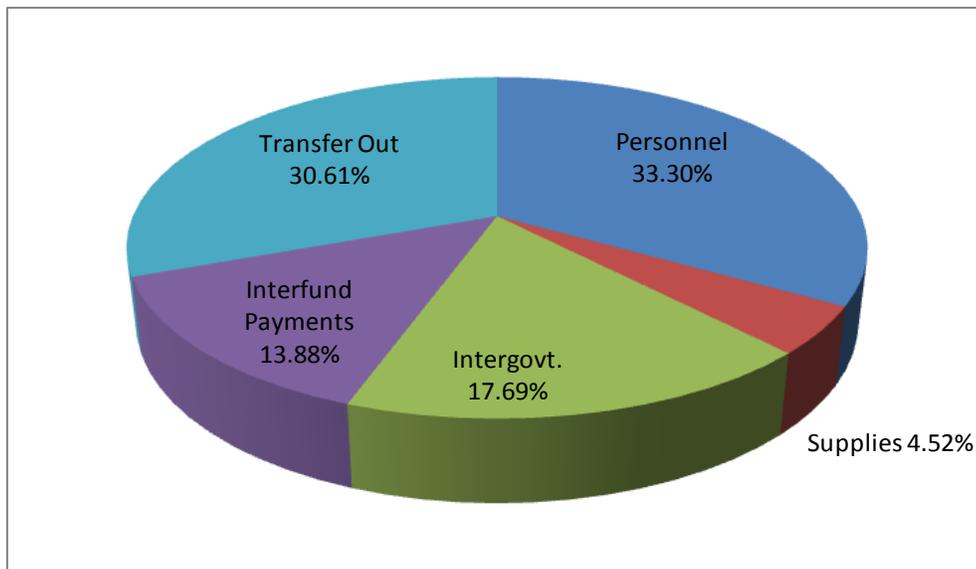
Department: Public Works **Fund:** Sewer **Account #:** 400-491 & 495

	2009 Actual	2010 Actual	2011 Budget	Budget	
				2012	Variance
Revenues					
Intergovernmental	\$48,735	\$0	\$10,770	\$0	(\$10,770)
Charges for Gds & Serv.	2,994,140	2,926,681	2,834,131	3,237,395	403,264
Miscellaneous Revenues	41,581	12,708	9,450	6,950	(2,500)
Capital Contributions	58,844	5,449,577	83,000	124,500	41,500
Transfer In	269,912	145,354	617,392	88,000	(529,392)
Total Revenues	\$3,413,213	\$8,534,320	\$3,554,743	\$3,456,845	(\$97,898)
Expenses by Object					
Salaries/Wages	\$559,001	\$578,950	\$662,963	\$657,338	(\$5,625)
Personnel Benefits	180,600	228,753	259,757	271,462	11,705
Supplies	102,859	81,665	123,222	126,000	2,778
Services	447,908	505,104	549,632	493,543	(56,089)
Intergovernmental Service	330,165	5,812,638	361,603	657,536	295,933
Capital Outlay	657,178	(92,875)	1,806,000	536,000	(1,270,000)
Depreciation	381,697	390,556	0	0	0
Debt Service	84,402	239,547	388,484	387,236	(1,248)
Interfund Payments	627,750	727,313	723,351	595,725	(127,626)
Transfer Out	58,844	10,452	441,392	258,200	(183,192)
Changes in Inventory	2,129	0	0	0	0
Total Expenses by Object	\$3,432,533	\$8,482,103	\$5,316,404	\$3,983,040	(\$1,333,364)
Expenses by Program					
Capital & Others	\$657,178	\$0	\$1,806,000	\$560,000	(\$1,246,000)
Depreciation	381,697	390,556	0	0	0
Taxes	317,887	366,601	361,403	404,136	42,733
Training	0	660	17,000	16,500	(500)
Jobbing Expense	11,535	16,165	16,445	16,145	(300)
Operations	466,290	482,033	503,851	524,328	20,477
Maintenance	254,446	247,130	313,495	312,650	(845)
Storm Lines	143,792	85,673	128,809	135,756	6,947
Pretreatment Program	0	0	1,500	1,500	0
Customer Services	82,766	0	0	0	0
Debt Service	84,402	239,547	388,484	387,236	(1,248)
Administration & General	971,567	1,201,174	1,338,025	1,366,589	28,564
Transfers	58,844	5,452,564	441,392	258,200	(183,192)
Changes in Inventory	2,129	0	0	0	0
Total Expenses by Program	\$3,432,533	\$8,482,103	\$5,316,404	\$3,983,040	(\$1,333,364)
Excess Rev. over Exp.	(\$19,320)	\$52,217	(\$1,761,661)	(\$526,195)	
Bond Proceeds	0	0	0	0	
Capital/Inventory Trxs.	659,307	0	0	0	
Beginning Fund Balance	7,037,765	10,596,841	9,088,808	10,818,808	
Prior Period Adjustments	2,919,089	0	0	0	
Ending Fund Balance	\$10,596,841	\$10,649,058	\$7,327,147	\$10,292,613	

CITY OF ELLENSBURG, WASHINGTON

Sewer Fund just like the Water Fund spends most of its budget on salaries, benefits, contractual services, and intergovernmental services. There is capital spending in both departments to extend the service lines.

	2012 Budget	% of Budget	% W/O Capital	% W/O Capt & Debt	% Comb Salaries, & Benefits
Salaries/Wages	\$657,338	16.50%	19.77%	23.56%	33.30%
Personnel Benefits	271,462	6.82%	8.16%	9.73%	
Supplies	126,000	3.16%	3.79%	4.52%	4.52%
Intergovernmental Services	493,543	12.39%	14.84%	17.69%	17.69%
Capital Outlay	657,536	16.51%			
Debt Service	536,000	13.46%	16.12%		
Interfund Payments	387,236	9.72%	11.64%	13.88%	13.88%
Transfer Out	853,925	21.44%	25.68%	30.61%	30.61%
	\$3,983,040	100%	100%	100%	100%



Water and Sewer funds have outstanding debt as shown in the Water Fund.

Date: November 2002

Purpose: To refund the 1994 Sewer System Revenue Bonds

Interest: Semiannual each January 1st and July 1st
Interest rates range from 2.5% to 4.15%

Rating: City bought insurance for these bonds from MBIA with a AAA rating from Standard & Poor's

Debt Service:

2002 Sewer Revenue Refunding Bond (Ref. 94)			
Year	Principal	Interest	Total
2012	155,000	16,704	171,704
2013	160,000	10,168	170,168
2014	165,000	3,424	168,424

Security: The bonds are secured with the revenue generated from the services that are provided

Shop Division

Mission Statement: To provide efficient, economical vehicle purchasing, equipment repair and warehousing services for all City departments.

Strategies

- Maintain a positive work environment that values and respects employees and customers
- Provide “just in time” warehouse and purchasing service for our warehouse customers

General Overview

Shop and Warehouse provides other City departments with warehousing, inventory, central purchasing services, and maintenance of city vehicles and equipment.

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Financial Summary – Shop & Equipment

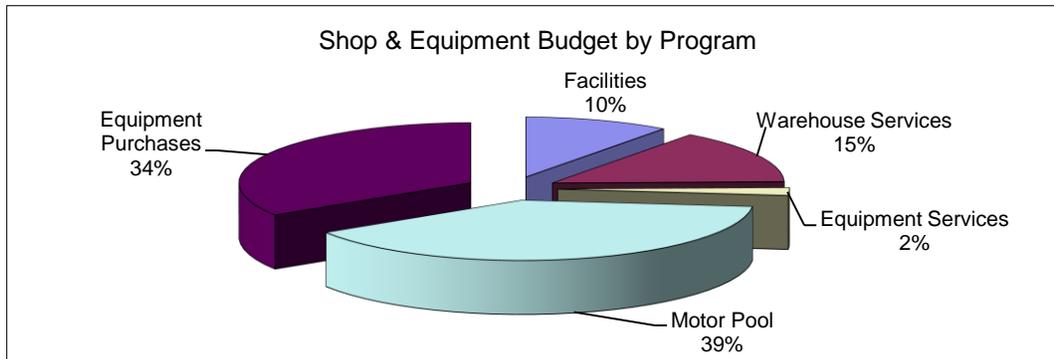
Department: Public Works **Fund:** Shop & Equipment **Account #:** 500-531

	2009	2010	2011	Budget	
	Actual	Actual	Budget	2012	Variance
Revenues					
Intergovernmental	\$1,192	\$0	\$0	\$0	\$0
Charges for Services	301,931	293,965	305,158	299,658	(5,500)
Miscellaneous	1,148,737	1,111,184	1,130,966	1,182,816	51,850
Transfer In	0	32,266	6,000	5,500	(500)
Total Revenues	\$1,451,859	\$1,437,415	\$1,442,124	\$1,487,974	\$45,850

Expenses by Object					
Salaries/Wages	\$244,346	\$270,376	\$278,531	\$312,697	\$34,166
Personnel Benefits	98,293	95,909	108,089	115,306	7,217
Supplies	220,511	268,282	257,600	255,100	(2,500)
Services	220,504	182,592	242,501	262,401	19,900
Intergovernmental Services			2,500	2,500	0
Capital Outlay	0	0	343,130	527,300	184,170
Depreciation	357,354	335,676	0	0	0
Debt Service	0	0	0	0	0
Interfund Payments	134,779	82,802	76,184	74,319	(1,865)
Change in Inventory	1,389		0	0	0
Total Expenses by Object	\$1,277,176	\$1,235,636	\$1,308,535	\$1,549,623	\$241,088

Expenses by Program					
Facilities	\$154,996	\$128,040	\$149,161	\$157,237	\$8,076
Warehouse Services	203,705	175,598	192,221	224,699	32,478
Equipment Services	28,096	29,817	31,884	31,978	94
Motor Pool	531,636	566,504	592,139	608,409	16,270
Equipment Purchases	0	0	343,130	527,300	184,170
Changes in Inventory	1,389	0	0	0	0
Depreciation Expense	357,354	335,676	0	0	0
Total Expenses by Program	\$1,277,176	\$1,235,636	\$1,308,535	\$1,549,623	\$241,088

Excess of Rev. over Exp.	\$174,684	\$201,778	\$133,589	(\$61,649)	
Capital/Inventory Adjustment	1,389	0	0	0	
Beginning Fund Balance	5,031,233	5,207,306	4,995,064	5,105,064	
Ending Fund Balance	\$5,207,306	\$5,409,084	\$5,128,653	\$5,043,415	



The Shop Division provides other City departments with warehousing, inventory and central purchasing services, as well as maintaining a fleet of 150 vehicles and pieces of equipment that are utilized by various departments.

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PARKS AND RECREATION DEPARTMENT

Parks and Recreation Department

Locations: Ellensburg Memorial Pool Stan Bassett Youth Center
815 E 6th Avenue 406 E. Capitol Avenue

Adult Activity Center Ellensburg Racquet & Recreation Center
506 S. Pine Street 6061 Vintage Hwy.

Park Administration
Second Floor, 501 N. Anderson Street

Mission Statement: To enhance the lives of community residents and visitors of all ages by providing a wide range of quality leisure experience in our parks, recreational facilities, programs, and services. Through our efforts, we will advance the health and wellness of individuals and families, foster greater community spirit, protect and enhance our natural resources and environment, contribute to the vitality of the local economy, and promote a high quality of life in Ellensburg.

Goals:

- Manage the City parks in an efficient manner
- Design and implement programs that will enhance the quality of life of its residents

Strategies

- Promote maximum public use and access to all community facilities by those who work or live in Ellensburg
- Provide high quality programs, lessons and leagues to meet the needs of our diverse community in a safe, enjoyable, friendly atmosphere
- Provide for the social, recreational, educational, psychological and physical needs of residents and promote their participation in all aspects of community life
- Develop and maintain the park and open space system with sufficient recreation facilities to meet community needs
- Provide a high level of maintenance for all current park facilities

General Overview

The Parks and Recreation Department is responsible for serving residents of all ages in the Ellensburg community. The department plans, organizes, and manages the City's parks and recreation programs including a park acquisition, development and improvement program, park maintenance and city beautification program, and comprehensive recreation program.

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The City's Parks and Recreation Department has six program divisions as follows:

Youth Program Division is responsible for the development and maintenance of programs for youth. The City runs most of the programs from the youth center building.

The Stan Bassett Community Center (SBCC) opened in February of 2001 after extensive remodeling. Its convenient location is directly across from Morgan Middle School and two blocks from Lincoln Elementary. It is easy to access from any school bus route. This facility is evidence of the City of



Ellensburg's dedication to providing on-going youth and community recreational and educational opportunities. (Daddy Daughter Dinner Dance)

Ellensburg's Youth Program is a non-fee based program available to youth who are in 4th grade and up, open 3-7 pm Monday through Friday, with extended hours for special events and late night programs. This drop-in program includes a daily schedule of events geared toward youth like homework assistance, small group activities, sports and active games, arts & crafts, multi-cultural activities, guest speakers, field trips, late nights, special events, vacation day trips, T.V. lounge, and

computer lab complete with internet access.

Senior Services Division is responsible for developing adult programs like exercise programs, dancing, trips, and computer workshops. The City runs most of the programs out of the Adult Activity Center.

The following activities are held on a weekly basis: Pine Needle Basketry, Arts & Crafts, Bridge, Pinochle, Pool, Aerobic Exercise, Yoga, Oil & Water Color Art lessons, and Computer Classes.

In addition, the Center offers regular classes in driver safety refresher courses, casino trips, women's night out events, lecture series on legal & financial guidance, dinner club, free income tax return preparation, and special Friday socials to include dances, musical entertainment and seasonal celebrations.



Our Wellness Program includes foot care, massage therapy, blood pressure checks, nutrition courses and a lecture series on healthy aspects of aging.

We offer a wide variety of trips and tours to meet the individual interests and budget, from local day sightseeing tours to North American adventures. A few highlights from this past year include Steheikin Lodge on Lake Chelan, Pike Place Market, Mt. Rainier Dinner Train Ride, and white-water-river rafting on the Wenatchee River, Lake Washington Christmas Lights Tour, and San Juan Islands orca whale watching adventure.

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Athletics Division offers limited sports leagues, however we are looking at the opportunity to expand the number of programs offered by the department. The City offers youth and adult basketball leagues. The youth leagues are open to boys and girls in grades K-8, from December – February at Ellensburg School District facilities. In addition, the City offers youth and adult indoor soccer at the Ellensburg Racquet and Recreation Center throughout the year. During the summer, the City offers women's and men's softball, as well as co-ed softball. In 2012 the City will be adding an adult outdoor soccer league, as well as, youth flag football, tiny tots sports, and youth volleyball. (Rotary Park Softball Fields)

Aquatics Division is responsible for the operation of the Kittitas Valley Memorial Pool and Fitness Center (KVMP). The KVMP offers a 25m pool, a 22'x44' kiddie pool with play shower, 1m diving board, drop slide, hot tub, sauna, men's and women's shower/dressing room, and a well-equipped fitness center with weights and cardio equipment.



Fitness & Recreational Division is responsible for the operation of the Ellensburg Racquet and Recreation Center (ERRC) and recreation events.



The ERRC focuses on tennis, racquetball and fitness. The ERRC has two (2) heated indoor tennis courts, three (3) racquetball courts, a 50' x 108' indoor soccer facility, and a fitness/weight room equipped with both Nautilus and free weights. In addition, we have men's & women's showers & locker rooms, both with saunas. The Parks & Recreation Department offers a wide range of recreation events throughout the year for all ages and interests. The popular events include the Daddy Daughter Dinner Dance, Mother-Son Bowlorama, summer movies at City Hall, and the Flashlight Easter Egg Hunt. (West Ellensburg Park Big Toy)

Park Maintenance Division is responsible for the maintenance of the City's parks for both day and night activities. The City maintains 18 parks with a total of 250 acres.

The City maintains a diverse inventory of parks:

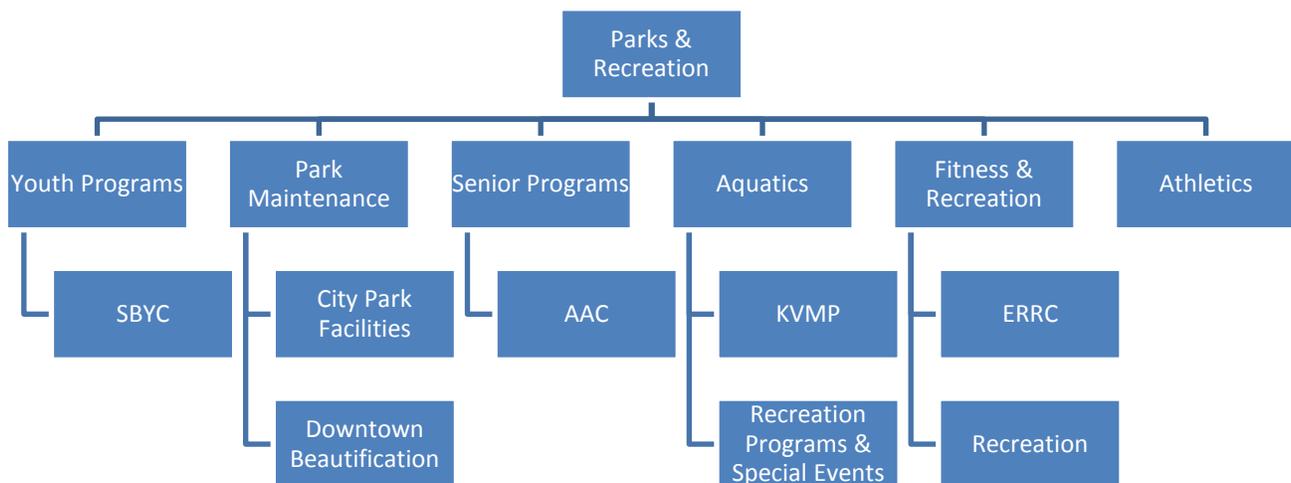
- Irene Rinehart Riverfront Park sits on 117 acres of land and has a boat landing, lake swimming, sand volleyball, picnic and barbecue facilities, hiking/biking trails, scenic walking paths, Yakima River access, two ponds and open grass areas.
- McElroy Park is a 6.7-acre park with walking trails, a pond, natural areas, picnic tables, large open turf area, and a natural play structure.
- Paul Rogers Wildlife Park is a 20-acre park that has



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improved trails with natural settings.

- Kiwanis Neighborhood Park is a 4-acre park with a picnic shelter; children's play structure, basketball, youth baseball field, and restrooms.
- Wippel Neighborhood Park is 0.6 acres and perfect for neighborhood gatherings. It has picnic and barbecue facilities, basketball court, and an open turf area.
- Veterans' Memorial Park sits on 3.0 acres and has a picnic shelter, children's play structure, basketball court, and large open turf area and is located next to the swimming pool.
- Reed Neighborhood Park is on 4.0 acres of land with panoramic views of Ellensburg and Kittitas Valley. It includes turf areas and picnic tables. It is located at the top of Craig's Hill.
- West Ellensburg Neighborhood Park sits on 6.0 acres of land with a picnic shelter, children's play structure, sport court, restrooms, and one full-sized baseball field.
- Rotary Park (formerly known as the West Ellensburg Park Expansion) is a 72 acre-master planned sports complex that currently has 4 youth baseball fields, 2 full sized softball fields, 2 full sized baseball fields, restroom facilities, children's play toy, five court basketball area, 18 acres of multi-purpose fields and a walking/bike trail connected to Irene Rinehart Riverfront Park.
- Lions/Mt. View Community Park is on 8.0 acres of land with two soccer fields, a youth baseball field, roller hockey rink, picnic shelter, barbecues, toddler, and youth play structures, and restrooms.
- Skate Park is a 0.66-acre park with ramps and jumps for skateboarders.



New Initiatives

- Develop a program that will provide consistent and uniform information and regulatory signage throughout all city parks
- Work with other agencies to further the vision of a comprehensive community recreation center

Ongoing Commitments

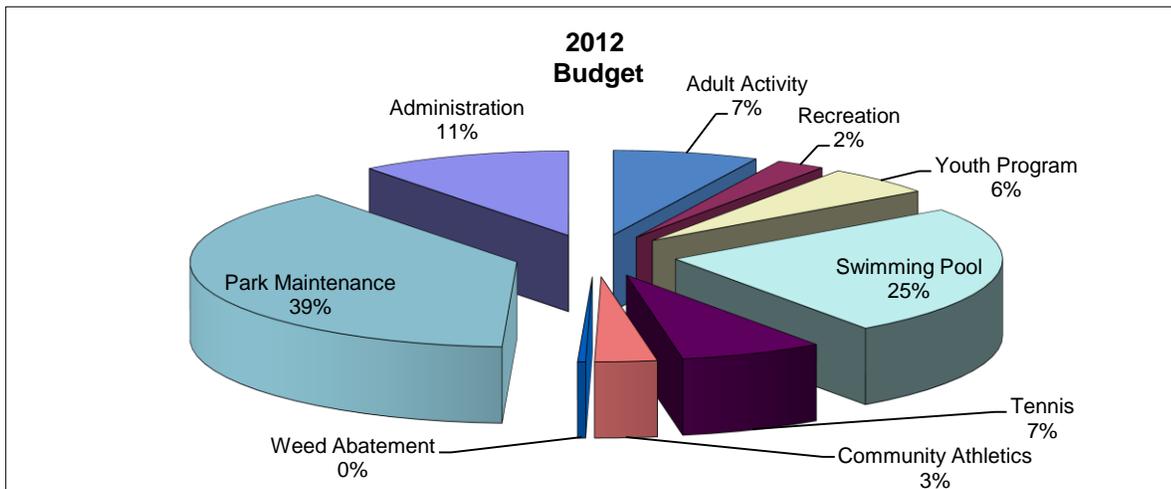
- Maintain all developed parkland grounds, buildings and site amenities in a safe and aesthetically pleasing condition
- Provide timely removal of solid waste from park waste containers
- Continue to offer a wide variety of quality adult athletic programs at various applicable City properties
- Coordinate 4th of July Celebration with community partners
- Continue to offer a wide variety of quality recreation programs, lessons, leagues and events to meet the recreational needs of youth and adults in our community
- Continue to offer a wide variety of quality recreation programs, events and exercise programs to meet the needs of our senior citizens
- Provide and promote water safety through a variety of recreational and instructional aquatic programs in a safe, friendly, and enjoyable atmosphere
- Provide the residents with timely and accurate information on programs and services through various communication tools (brochures, newsletters, flyers, website, etc.)
- Continue to develop and maintain partnerships with other agencies and community organizations when appropriate to provide programs and services
- Continue to utilize public support for community projects and programs through donations, financial support, volunteer hours, product/merchandise support, and interns

CITY OF ELLENSBURG, WASHINGTON

Financial Summary

Department: Parks & Recreation **Fund:** General Fund **Account #:** 001-022

	2009	2010	2011	Budget	
	Actual	Actual	Budget	2012	Variance
Revenues					
Intergovernmental Services	\$96,240	\$52,546	\$70,056	\$43,000	(\$27,056)
Charges for Good & Services	269,140	270,723	317,200	368,265	51,065
Miscellaneous Revenue	53,919	49,340	47,100	51,550	4,450
Total Revenues	\$419,299	\$372,610	\$434,356	\$462,815	\$28,459
Expenditures by Object					
Salaries/Wages	\$794,312	\$791,776	\$833,553	\$864,410	\$30,857
Personnel Benefits	248,801	251,176	279,889	302,696	22,807
Supplies	135,548	158,209	169,664	192,733	23,069
Services	494,169	498,076	520,037	492,752	(27,285)
Interfund Payments	0	1,419	61,021	52,661	(8,360)
Transfer Out	64,241	72,489	0	0	0
Total Expenditures by Object	\$1,737,070	\$1,773,146	\$1,864,164	\$1,905,252	\$41,088
Expenditures by Program					
Adult Activity Center	\$110,388	\$127,950	\$148,291	\$137,423	(\$10,868)
Recreation	30,501	38,538	44,590	46,293	1,703
Youth Program	91,795	98,001	96,184	104,252	8,068
Swimming Pool	457,474	445,413	498,619	477,262	(21,357)
Raquet & Rec Center	122,133	118,068	136,282	135,054	(1,228)
Park Maintenance	709,355	715,664	704,138	739,817	35,679
Community Athletics	4,370	20,619	25,310	58,489	33,179
Weed Abatement	6,770	10,437	7,500	7,500	0
Administration	204,283	191,075	203,250	199,162	(4,088)
Transfers	0	7,381	0	0	0
Total Expenditures by Program	\$1,737,070	\$1,773,145	\$1,864,164	\$1,905,252	\$41,088
Excess Rev. over Exp.	(\$1,317,772)	(\$1,400,536)	(\$1,429,808)	(\$1,442,437)	(\$12,629)



CITY OF ELLENSBURG, WASHINGTON

Financial Summary-Park Acquisition

Department: Parks & Recreation **Fund:** Park Acquisition **Account #:** 100-160

The Park Acquisition Fund was created for the purpose of park land acquisition and park development.

	2009 Actual	2010 Actual	2011 Budget	Budget	
				2012	Variance
Revenues					
Intergovernmental Revenue	(\$1,428)	\$49,866	\$1,800	\$101,800	\$100,000
Charges for Goods & Services	37,363	70,388	40,000	35,000	(5,000)
Miscellaneous Revenue	50	102	0		0
Total Revenues	\$35,984	\$120,355	\$41,800	\$136,800	\$95,000
Expenditures by Object					
Supplies	\$0	\$0	\$0	\$0	\$0
Services	0	0	3,700	0	(3,700)
Capital Outlay	53,574	72,225	0	215,000	215,000
Interfund Payments	953	0	0	0	0
Total Expenditures by Object	\$54,528	\$72,225	\$3,700	\$215,000	\$211,300
Expenditures by Program					
Rotary Park	\$0	\$0	\$3,700	\$175,000	\$171,300
Alder Street Park	53,574	72,225	0	40,000	40,000
Debt Service	953	0	0	0	0
Total Expenditures by Program	\$54,528	\$72,225	\$3,700	\$215,000	\$211,300
Excess Rev. over Exp.	(\$18,544)	\$48,129	\$38,100	(\$78,200)	
Beginning Fund Balance	58,107	39,563	26,800	117,945	
Ending Fund Balance	\$39,563	\$87,693	\$64,900	\$39,745	

The \$215,000 will be spent as follows:

- A new picnic shelter at Alder Park - \$40,000
- Additional 75 parking stalls at Rotary Park - \$175,000

LIBRARY DEPARTMENT

Library Department

Location: 209 North Ruby Street, Ellensburg

Mission Statement: To provide a safe and welcoming place where patrons can develop an appreciation for reading and learning, find information about their community and its opportunities, and investigate or explore a wide range of topics relevant to their work, school and personal lives.

Goals:

- The Ellensburg Public Library informs, educates, entertains, enriches and empowers our patrons.

Strategies

- Educate, entertain, enrich, and empower our community
 - Stimulating young children's interest in and appreciation of reading
 - Encouraging lifelong learning
 - Ensuring freedom of access to information
 - Providing the space and the opportunity for people and ideas to come together
 - Responding to the needs of our diverse community

General Overview

The Ellensburg Library celebrated its 100th birthday in 2010. Its mission is to provide a diverse collection of materials and electronic resources, community space, and educational programming to encourage lifelong learning. The Library protects intellectual freedom and access to information and ideas. It also provides the community with a safe, welcoming environment and skilled assistance.



The Library has over 58,000 books, 10,000 audio-visual items, and 148 magazine subscriptions, 16 online database subscriptions most with remote access, 3,000 e-books, 3,000 downloadable audiobooks and 3 digital collections of Local History photographs.

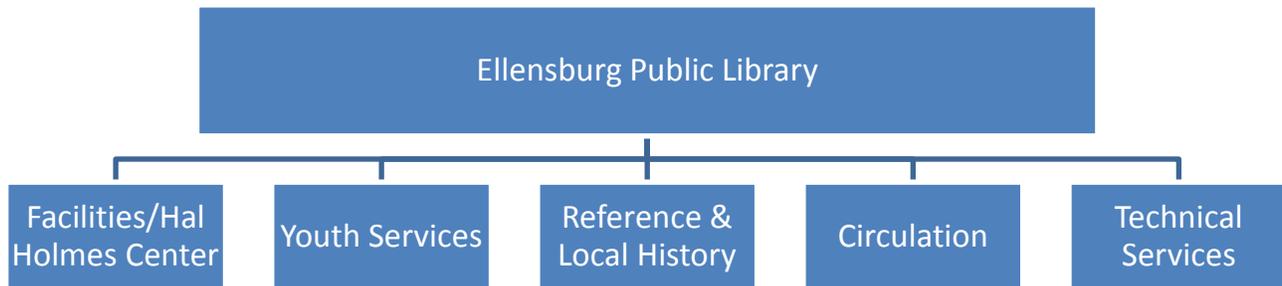
Over 150,000 people visit our library annually to request services, use the public computer workstations, check out books, and attend programs.

Over 10,000 library cards are currently active, and the Library circulates over 200,000 books and materials annually.

The story-time program for the children records an average of 9,000 attendances annually.

CITY OF ELLENSBURG, WASHINGTON

An integral part of the library, the Hal Homes Community Center has seen a steady increase in use. The Library, community, and statewide groups use the center for trainings, social events, and meetings.



New Initiatives

- Downloadable eBooks
- Mobile laptop training lab
- “Supporting Student Success”
- In-house laptop computer use

Ongoing Commitment

- Provide free access to information
- Encourage lifelong learning
- Fiscal responsibility and good stewardship of taxpayer resources
- Maintain a well-kept public facility



2010/2011 Accomplishments

- Celebrated 100 year anniversary ☺
- Digitized 2275 local history photographs; awarded 4th digitization grant from the Washington State Library
- Partnered with many agencies and non-profits in the community to offer a diverse range of programming
- Maintained a good core collection of library materials for our community to use
- 705 children participated in the 2011 Summer Reading Program

Service Measures

	2007	2008	2009	2010
Items Borrowed	176,940	185,742	214,000	216,200
Library Visits	154,100	155,650	165,000	155,500
Library Card Holders	9,700	10,110	10,064	10,924
Programs	388	384	398	383
Program Attendance	11,500	12,209	15,800	11,016
Hal Holmes		3,476 hours	3,320 hours	3,455 hours
Friends of the Library Support			\$9,500	\$12,037

CITY OF ELLENSBURG, WASHINGTON

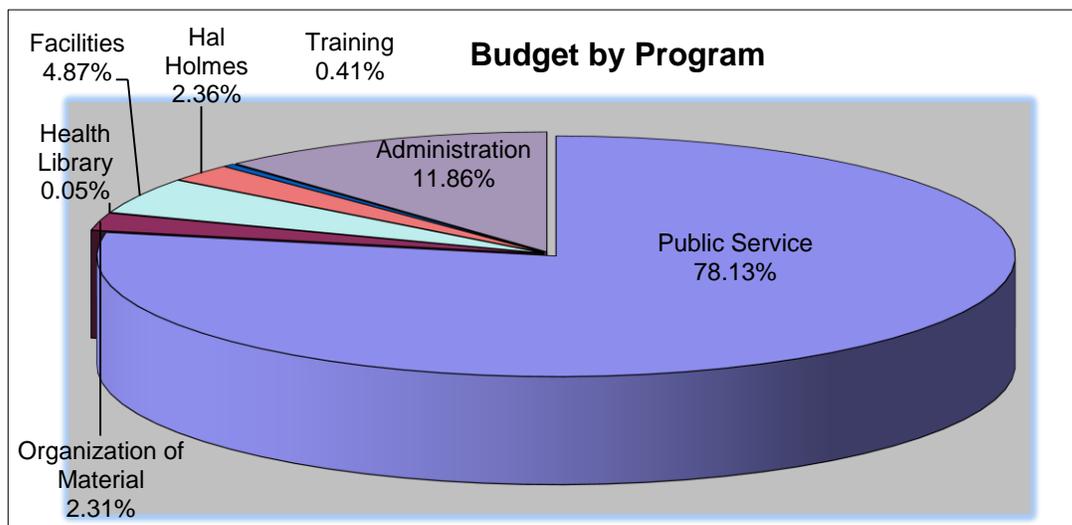
Financial Summary – General Fund

Department: Library Fund: General Fund Account #: 001-023

	2009	2010	2011	Budget	
	Actual	Budget	Budget	2012	Variance
Revenues					
Intergovernmental Revenues	\$97,776	\$98,612	\$122,691	\$98,431	(\$24,260)
Charges for Goods & Services	4,283	3,943	4,200	4,200	0
Fines & Penalties	24,383	23,061	22,000	22,000	0
Miscellaneous Revenues	63,750	48,355	31,800	34,800	3,000
Insurance Recovery	0	0	0	0	0
Total Revenues	\$190,191	\$173,971	\$180,691	\$159,431	(\$21,260)

Expenditures by Object					
Salaries/Wages	\$459,009	\$481,692	\$501,366	\$487,751	(\$13,615)
Personnel Benefits	164,404	178,390	201,081	201,523	442
Supplies	21,612	18,019	20,452	20,220	(232)
Services	112,002	105,817	121,160	111,783	(9,377)
Intergovernmental Services	620	681	1,020	1,020	0
Capital Outlay	72,262	78,557	67,200	65,500	(1,700)
Interfund Payments	50,992	29,111	36,144	66,729	30,585
Total Expenditures by Object	\$880,901	\$892,267	\$948,423	\$954,526	\$6,103

Expenditures by Program					
Public Service	\$639,522	\$681,056	\$695,928	\$735,669	\$39,741
Organization of Material	20,005	19,922	21,250	21,750	500
Health Library	0	0	500	500	0
Facilities	54,650	50,781	48,750	45,850	(2,900)
Parking/Rental Property	10,273	2,051	0	0	0
Hal Holmes	61,192	19,084	22,691	22,233	(458)
Training	1,954	546	3,900	3,900	0
Administration	88,844	107,111	117,698	111,643	(6,055)
Donation	3,404	3,149	3,000	3,000	0
Supplies	1,056	8,568	34,706	9,981	(24,725)
Total Expenditures by Program	\$880,901	\$892,267	\$948,423	\$954,526	\$6,103
Excess Rev. over Exp.	(\$690,710)	(\$718,296)	(\$767,732)	(\$795,095)	

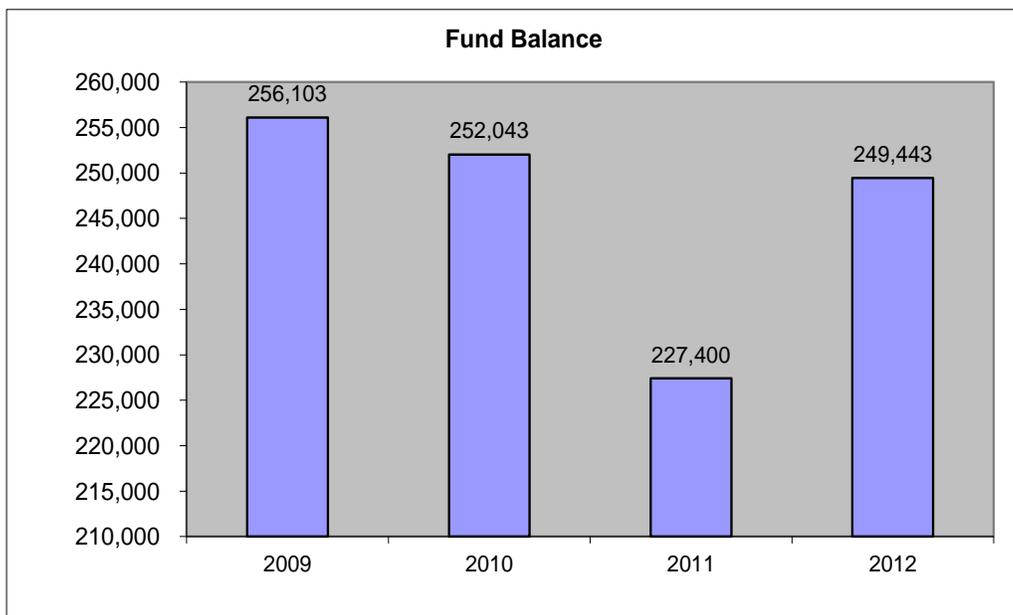


CITY OF ELLENSBURG, WASHINGTON

Financial Summary - Trust

Department: Library **Fund:** Library Trust Fund **Account #:** 600-605

	2009	2010	2011	Budget	
	Actual	Actual	Budget	2012	Variance
Revenues					
Charges for Gds & Serv.	\$232	\$174	\$0	\$0	\$0
Miscellaneous Revenues	3,882	4,393	7,500	7,500	0
Total Revenues	\$4,114	\$4,567	\$7,500	\$7,500	\$0
Expenditures by Object					
Supplies	\$25	\$2,029	\$2,000	\$2,000	\$0
Services	127	511	400	400	0
Capital Outlay	1,172	6,087	6,400	6,400	0
Total Expenditures by Object	\$1,324	\$8,627	\$8,800	\$8,800	\$0
Expenditures by Program					
Farrell	\$694	\$450	\$600	\$600	\$0
Berg	244	77	250	250	0
Public Donations	0		3,500	3,500	0
Andersen	0	0	0	0	0
Public Service Supplies	387	5,864	2,000	2,000	0
Professional Services	0	0	300	300	0
Acquisitions	0	2,235	2,050	2,050	0
Library Auction	0	0	100	100	0
Total Expenditures by Program	\$1,324	\$8,627	\$8,800	\$8,800	\$0
Excess Rev. over Exp.	\$2,790	(\$4,059)	(\$1,300)	(\$1,300)	
Beginning Fund Balance	253,313	256,103	228,700	250,743	
Ending Fund Balance	\$256,103	\$252,043	\$227,400	\$249,443	



The Ellensburg Public Library's Trust Fund frequently receives donations from our citizens to honor friends and relatives, or as memorials and bequests. These funds are held in trust and the interest is budgeted each year for enhancements to improve the library and the library's collection of materials.

CITY OF ELLENSBURG, WASHINGTON

- Mr. Donald H. **Anderson** bequeathed one half of his estate to the Library and one half to the hospital in 1998.
- Mr. Walter L. **Berg's** donation in 1987 in memory of his wife Rosemary has enabled the Library to purchase a dozen mystery books each and every year since that time.
- Marcus & Dorothy **Rathbun** bequeathed \$49,892 to the Library in 2003. \$10,000 was used for the millennium public art labyrinth project that was done that year.
- Pearl A. **Farrell** donated \$15,000 to the Library in 1985. The fund has made it possible for many purchases of local historical materials over the years.
- Mrs. Marguerite **Gustafson** in 2005 bequeathed \$50,000 to the Library for the benefit of its residents.
- **Rotary Club of Ellensburg** donates \$600 per year for the purchase of children's books.
- Sadly, in 2007, our community lost two dedicated women who were former teachers in our public schools, Dora **Cissell** and Anna B. **Shuck**. Dora left the library \$23,756 to be used for children's services. Anna B. Shuck bequeathed \$6,360, half of which has been spent for new display cases in the lobby. The other half will continue to grow in the trust fund to be used in future years for other library enhancements.
- In 2009, with the passing of James G. **Nylander**, a fund was established for donations to go toward sponsoring the Nylander Memorial Humanities Speaker Series. Speakers and entertainers will be sponsored twice a year.



CITY OF ELLENSBURG, WASHINGTON

Financial Summary – Holmes Trust

Department: Library **Fund:** Holmes Memorial Trust Fund **Account #:** 600-621

	2009	2010	2011	Budget	
	Actual	Budget	Budget	2012	Variance
Revenues					
Miscellaneous Revenues	\$104,966	\$52,493	\$0	\$0	\$0
Total Revenues	\$104,966	\$52,493	\$0	\$0	\$0
Expenditures by Object					
Capital Outlay	\$21,556	\$10,081	\$0	\$0	\$0
Total Expenditures by Object	\$21,556	\$10,081	\$0	\$0	\$0
Expenditures by Program					
Capital Outlay	\$21,556	\$10,081	\$0	\$0	\$0
Total Expenditures by Program	\$21,556	\$10,081	\$0	\$0	\$0
Excess Rev. over Exp.	\$83,410	\$42,412	\$0	\$0	\$0
Beginning Fund Balance	529,648	363,581	0	0	0
Ending Fund Balance	\$613,058	\$405,993	\$0	\$0	\$0

The City of Ellensburg Library received thousands of dollars in the past several years in the form of a trust from the estate of Mr. Otis Halbert Holmes.

- Mr. Otis Halbert **Holmes'** last will and testament directed that the net income and portions of the principal, as the trustee deems advisable, shall be used for the benefit of the City of Ellensburg and its residents. Since the City does not have control over the asset and its use, we have removed the fund balance from the books for budget purposes.

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ENERGY SERVICES DEPARTMENT

Energy Services Department

Location: Second Floor, 501 North Anderson Street
8:00am – 5:00pm, *closed 12:00 – 1:00pm for lunch*

Mission Statement: Bringing customers low rates and quality customer service since 1892.

Strategies

- Provide our employees with the resources necessary to efficiently and effectively carry out their jobs.
- Continue to provide reliable service to our customers.
- Provide our internal and external customers with greater access to information by expanding our GIS system and our website.

General Overview

The Energy Services Department is responsible for the City's Electric Utility, Gas Utility, Institutional Fiber Optics Network (I-Net) and citywide Information Technology. The Electric Utility (City Light) provides electrical service within the city limits and is governed solely by the City Council. City Light is the oldest municipal electric utility in the State of Washington.

The Gas Utility has a prescribed service territory established by the Washington Utilities and Transportation Commission (WUTC) that is currently about 5 times the size of the existing city limits. Energy Services staff provides administrative, operating and maintenance services for utility customers. The City's Finance Department provides billing and accounting services.

The City of Ellensburg is the only city in the State of Washington that has both a municipal electric and gas utility. The City's two largest customers are Central Washington University and Twin City Foods. They both account for a combined usage amount of approximately 25% of each utility's total load.

The I-Net is a broadband fiber optics network connecting



CITY OF ELLENSBURG, WASHINGTON

governmental facilities. The City administers the network for a governmental consortium of Kittitas County, Central Washington University, Ellensburg School District, Kittitas County PUD, and Kittitas County's emergency dispatch center (KITTCOM).

Electric Division was formed as a municipal electric utility in 1892 making it the oldest municipal electric utility in Washington. The utility serves over 9,000 customers within the city limits and purchases all of its power from the Bonneville Power Administration.



As a public and customer owned utility, our mandate is to serve customers with a safe, reliable, and low cost energy source. The citizens of Ellensburg enjoy the lowest electric rates in Kittitas County.

Operating revenues for 2012 are projected at \$13.4 million compared to \$13.3 million in sales of over 194 million-kilowatt hours in 2010. The City has two substations, which

are fed from BPA. Current capacity and plans for future improvements to the transmission system assures the City can accommodate the future power needs of almost any type of customer. The City is planning to build an additional substation in 2014.

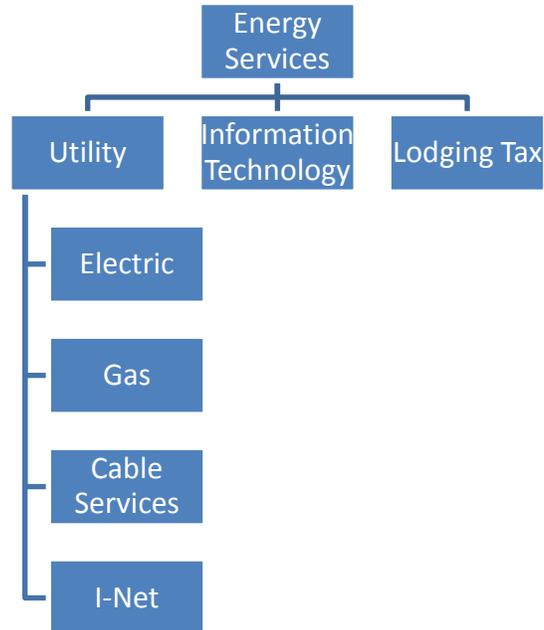
Natural Gas Utility Division was established by the City in 1957 and it is the oldest municipal gas utility west of the Mississippi. The gas utility has grown to serve about 5,000 customers delivering 9.5 million CCF's annually. By the authority of the Washington Utilities and Transportation Commission, the gas utility has a dedicated service area that includes the city limits as well as most of the surrounding area.

Operating revenues for 2012 are projected at \$8.3 million compared to \$9.4 million in sales of 9.5 million CCF's in 2010. The City taps into the Williams' Pipeline at a station on the Kittitas Highway and utilizes 2" to 6" mains and several regulating stations to deliver gas to



CITY OF ELLENSBURG, WASHINGTON

its customers. Gas is purchased from various suppliers in the Rocky Mountain Region as well as Canada. The City has underground and liquefied gas storage capacity also with the goal of maintaining reliable, low cost service. Current capacity and plans for future improvements to the system assures the City can accommodate the future natural gas needs of local growth. The average cost of natural gas for residential customers is 1.2 cents per ccf.



2011 Accomplishments

Light Division

- Designed and installed 15 kV Underground Electrical Main Feeder and relocated a 15 kV Overhead power line in conjunction with DPW rebuild of Dolarway Road
- Designed and installed 15 kV Underground Electrical for Renewable Energy Park including fiber optic line and will have completed installing 4 wind generators for Renewable Energy Park by years end
- Installed 45 sets of snowflake mounting brackets and receptacles on downtown historic 3 globe street lights
- Finished multi-year program to test, treat, and acquire GPS coordinates for utility poles
- Started multi-year program to test and replace transformers above the new Federal guideline for PCB's in our system

Gas Division

- Completed initial integrity management assessments in compliance with Federal requirements
- Installed over 2000 ft. of new 4 inch PE main along Elmview
- Worked with CWU to install a new service and main as part of Barto Hall development
- Replaced the (undersized) Meter/Regulator facility at Twin City Foods
- Replaced 2" pipe with 4" pipe at SR-97 to remove a bottle-neck in the northern loop
- Relocated and installed new mains as part of Dolarway Road project

Resources Division

- Successfully competed for \$600,000 in Federal stimulus funds for expansion of Renewables Park as part of Regional Smart Grid Project
- Successfully competed for \$344,000 in Federal stimulus funds for a Community Natural Gas Conservation Program
- Finalized all of the conservation and renewable projects required to close out the City's BPA CRC 2007-2009 Agreement
- Acquired \$124,000 in solar contributions to complete Phase III of Ellensburg's Solar Community Project
- Helped with passage of SB 6170 which will provide \$250,000 in solar production incentives for Ellensburg's Community Solar contributors over the next ten years



IT Division

- Implemented Geographical Information System in cooperation with County
- Upgraded and expanded Ellensburg Public Library computer lab
- Installed City Hall security camera system & installed security cameras for Ellensburg Public Library
- Installed City Hall wireless internet access
- City Wide Windows 7 Rollout & Deployment
- Implemented a new redesigned City website with Civic Plus's hosted Content Management System
- Improved Dynamics GP performance by 80%
- Improved Remote access by implementing Smart Phone access & Terminal Server for "Remote Desktop Access" for approved employees

CITY OF ELLENSBURG, WASHINGTON

Financial Summary – I-Net

Department: Energy Services **Fund:** I-Net **Account #:** 400-451

	2009	2010	2011	Budget	
	Actual	Actual	Budget	2012	Variance
Revenues					
Intergovernmental Revenues	\$49,477	\$49,477	\$49,477	\$49,477	\$0
Charges for Services	30,523	30,523	30,523	30,523	0
Miscellaneous Revenues	1,003	645	1,000	150	-850
Transfer In	0	0	0	0	0
Total Revenues	\$81,003	\$80,645	\$81,000	\$80,150	-\$850

Expenses by Object

Supplies	\$0	\$2,388	\$0	\$0	\$0
Services	11,400	0	0	0	0
Intergovernmental Services	30,000	30,000	60,000	60,000	0
Capital Outlay	0	0	180,000	10,000	-170,000
Interfund Payments	10,000	10,000	10,000	10,000	0
Total Expenses by Object	\$51,400	\$42,388	\$250,000	\$80,000	-\$170,000

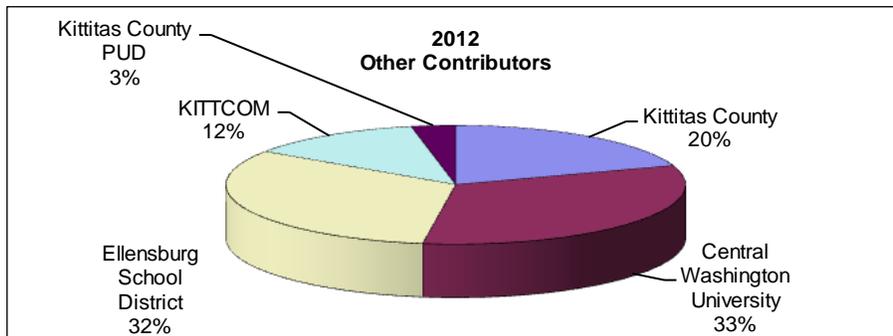
Expenses by Program

I-Net	\$51,400	\$42,388	\$250,000	\$80,000	-\$170,000
Total Expenses by Program	\$51,400	\$42,388	\$250,000	\$80,000	-\$170,000

Excess Rev. over Exp.	\$29,603	\$38,257	-\$169,000	\$150
Beginning Fund Balance	208,946	238,549	188,100	127,437
Ending Fund Balance	\$238,549	\$276,806	\$19,100	\$127,587

Although the City makes the largest (38%) single contribution to the I-Net Fund, the City is not the only contributor. The following entities are part of the consortium that funds the program:

Kittitas County	\$9,786
Central Washington University	16,087
Ellensburg School District	15,903
KITTCOM	6,163
Kittitas County PUD	1,538
	<u>\$49,477</u>



CITY OF ELLENSBURG, WASHINGTON

Financial Summary-Natural Gas

Department: Energy Services **Fund:** Natural Gas **Account #:** 400-461

	2009	2010	2011	Budget	
	Actual	Actual	Budget	2012	Variance
Revenues					
Intergovernmental	\$3,578	\$0	\$250,000	\$0	(\$250,000)
Charges for Gds & Serv.	9,631,697	9,391,241	8,790,713	8,438,422	(352,291)
Miscellaneous	8,807	6,713	6,000	3,500	(2,500)
Transfer In	0	0	0	0	0
Total Revenues	\$9,644,082	\$9,397,955	\$9,046,713	\$8,441,922	(\$354,791)

Expenses by Object	2009	2010	2011	2012	Variance
Salaries/Wages	\$717,484	\$755,691	\$940,939	\$924,833	(\$16,106)
Personnel Benefits	285,744	287,835	334,460	354,535	20,075
Supplies	5,908,141	5,561,089	5,526,554	5,107,295	(419,259)
Services	208,107	252,416	644,191	435,603	(208,588)
Intergovernmental	948,374	923,271	854,796	819,820	(34,976)
Capital Outlay	0	0	22,500	22,500	0
Depreciation	411,432	407,263	0	0	0
Debt Services	66,536	60,795	1,158,899	0	(1,158,899)
Interfund Payment	627,185	804,540	817,801	884,951	67,150
Change in Inventory	(31,961)	16,382	0	0	0
Transfer Out	0	2,985	0	0	0
Total Expenses by Object	\$9,141,043	\$9,072,267	\$10,300,140	\$8,549,537	(\$1,750,603)

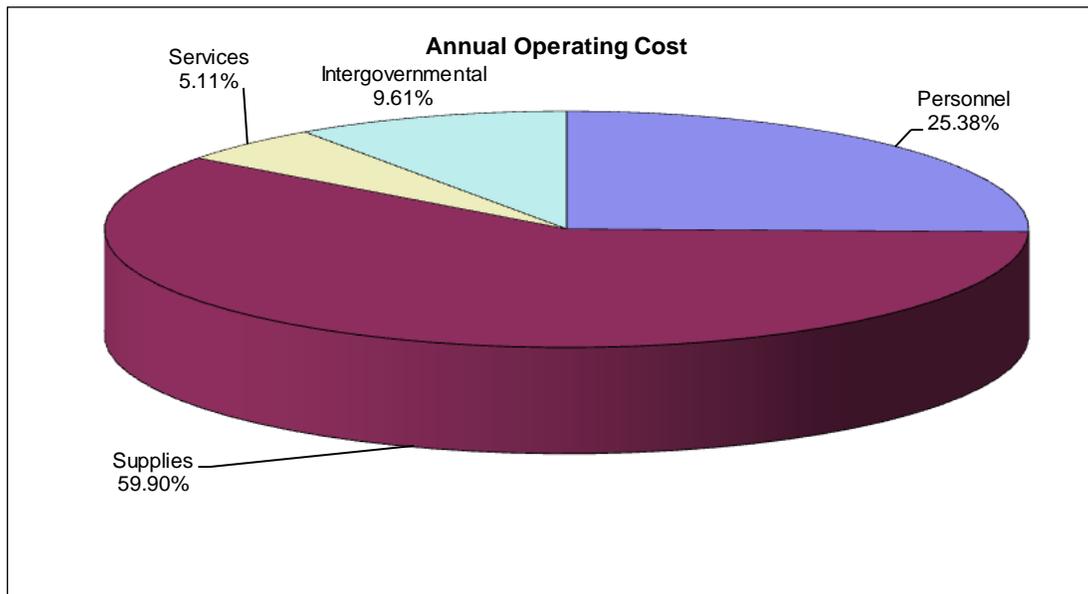
Expenses by Program	2009	2010	2011	2012	Variance
Distribution Operation	\$6,122,776	\$5,774,604	\$5,460,552	\$4,907,983	(\$552,569)
Maintenance	399,709	332,016	355,122	370,392	15,270
Customer Services	251,973	41,312	93,301	75,234	(18,067)
Contract Services	0	0	49,500	59,000	9,500
Planning	14,541	15,143	22,559	22,503	(56)
Capital Projects	0	60,615	549,400	535,622	(13,778)
Depreciation	411,432	407,263	0	0	0
Jobbing	1,353	1,622	724	724	0
Debt Services	66,536	60,795	1,158,899	0	(1,158,899)
Administration	1,904,684	2,378,897	2,335,722	2,555,798	220,076
Conservation	0	0	274,361	22,281	(252,080)
Change in Inventory	(31,961)	0	0	0	0
Total Expenses by Program	\$9,141,043	\$9,072,267	\$10,300,140	\$8,549,537	(\$1,750,603)

Excess Rev. over Exp.	\$503,039	\$325,688	(\$1,253,427)	(\$107,615)	
Capital/Inventory Trx.	(31,961)	0	0	0	
Beginning Fund Balance	7,826,310	8,297,388	7,776,896	7,776,896	
Ending Fund Balance	\$8,297,388	\$8,623,076	\$6,523,469	\$7,669,281	

CITY OF ELLENSBURG, WASHINGTON

A major part of the Gas Division's budget is spent on the purchase of gas for resale, which accounts for over 53% of the 2012 budget. Salaries and benefits account for less than 15% of the total budget.

	Proposed 2012 Budget	% of Budget	% W/Capital	% W/O Cap & Debt	% Comb. Sal, Ben, & Interfund
Salaries/Wages	\$924,833	10.82%	10.85%	10.85%	25.38%
Personnel Benefits	354,535	4.15%	4.16%	4.16%	
Supplies	5,107,295	59.74%	59.90%	59.90%	59.90%
Services	435,603	5.10%	5.11%	5.11%	5.11%
Intergovernmental Services	819,820	9.59%	9.61%	9.61%	9.61%
Capital Outlay	22,500	0.26%			
Debt Service	0	0.00%	0.00%		
Interfund Payments	884,951	10.35%	10.38%	10.38%	
Transfer Out	0	0.00%	0.00%		
Total	\$8,549,537	100.00%	100.00%	100.00%	100.00%



Gas Division has no outstanding debts; its 1996 Revenue bonds were defeased in August of 2011.

CITY OF ELLENSBURG, WASHINGTON

Financial Summary-Electric

Department: Energy Services **Fund:** Electric **Account #:** 400-471 & 475

	2009	2010	2011	Budget	
	Actual	Actual	Budget	2012	Variance
Revenues					
Intergovernmental	\$446	\$172,689	\$374,800	\$120,000	(\$254,800)
Charges for Gds & Serv.	13,038,006	12,924,810	13,210,530	12,966,305	(244,225)
Miscellaneous	829,442	151,732	331,962	357,962	26,000
Transfer In	74,468	0	0	0	0
Loan/Bonds Receipts	0	0	0	0	0
Total Revenues	\$13,942,361	\$13,249,231	\$13,917,292	\$13,444,267	(\$473,025)

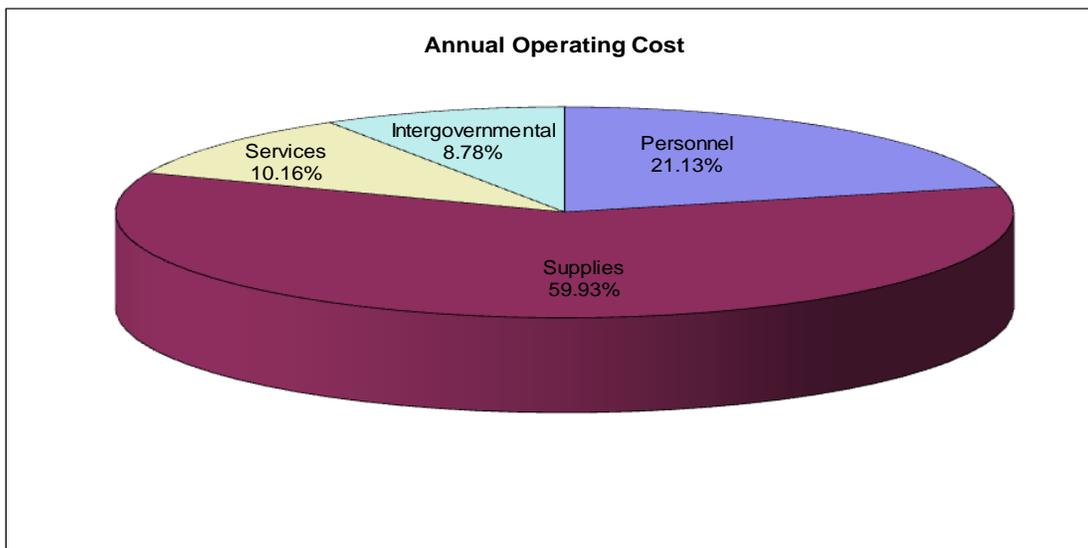
Expenses by Object					
Salaries/Wages	\$1,156,080	\$1,093,323	\$1,055,779	\$1,068,409	\$12,630
Personnel Benefits	425,955	361,003	382,017	388,267	6,250
Supplies	7,407,356	6,840,452	7,437,829	8,105,718	667,889
Services	795,878	1,171,760	1,169,222	1,374,408	205,186
Intergovernmental	1,186,357	1,138,524	1,167,100	1,187,120	20,020
Capital Outlay	0	0	1,010,000	300,195	(709,805)
Depreciation	790,704	809,704	0	0	0
Debt Services	287,028	290,288	2,105,116	393,190	(1,711,926)
Interfund Payment	1,227,804	1,283,893	1,296,132	1,401,511	105,379
Change in Inventory	0	0	0	0	0
Transfer Out	144,468	99,768	70,000	100,000	30,000
Total Expenses by Object	\$13,421,628	\$13,088,716	\$15,693,195	\$14,318,818	(\$1,374,377)

Expenses by Program					
Distribution	\$7,371,613	\$6,777,109	\$6,978,410	\$7,688,522	\$710,112
Maintenance	1,010,129	923,308	909,470	941,666	32,196
Public Event Work	2,945	3,064	4,437	4,506	69
Customer Services	418,851	38,130	38,657	83,026	44,369
Contract Services	153,215	146,075	162,500	130,676	(31,824)
Conservation	216,429	615,376	164,485	281,946	117,461
Capital Projects	0	0	1,870,956	1,134,575	(736,381)
Jobbing	6,650	8,168	14,222	14,447	225
Debt Services	287,028	290,288	2,105,116	393,190	(1,711,926)
Transfer out	144,468	99,768	70,000	100,000	30,000
Administration	3,019,597	3,377,725	3,374,942	3,546,264	171,322
Depreciation	790,704	809,704	0	0	0
Change in Inventory	0	0	0	0	0
Total Expenses by Program	\$13,421,628	\$13,088,716	\$15,693,195	\$14,318,818	(\$1,374,377)
Excess Rev. over Exp.	520,733	160,515	(1,775,903)	(874,551)	
Bond Proceeds	0	0	0	0	
Prior Period Adjustment	0	0	0	0	
Capital/Inventory Trxs.	0	0	0	0	
Beginning Fund Balance	15,722,235	16,242,968	13,079,168	13,079,168	
Ending Fund Balance	\$16,242,968	\$16,403,483	\$11,303,265	\$12,204,617	

Similar to Gas Division activities, Electric Division buys and sells its power, and the items purchased for resale account for the major part of the annual operating budget. Salaries and benefits account for 10.2%, which is less than Gas Division, and the power supply purchase accounts for about 46%, which is less than the 53% of Gas Division.

CITY OF ELLENSBURG, WASHINGTON

	Proposed 2012 Budget	% of Budget	% W/Capital	% W/O Cap & Debt	% Comb. Sal, Ben, & Interfund
Salaries/Wages	\$1,068,409	7.46%	7.62%	7.90%	21.13%
Personnel Benefits	388,267	2.71%	2.77%	2.87%	
Supplies	8,105,718	56.61%	57.82%	59.93%	59.93%
Services	1,374,408	9.60%	9.80%	10.16%	10.16%
Intergovernmental Services	1,187,120	8.29%	8.47%	8.78%	8.78%
Capital Outlay	300,195	2.10%			
Debt Service	393,190	2.75%	2.80%		
Interfund Payments	1,401,511	9.79%	10.00%	10.36%	
Transfer Out	100,000	0.70%	0.71%		
Total	\$14,318,818	100.00%	100.00%	100.00%	100.00%



The following is the payment schedule to cover the outstanding 2005 bond:

Date: December 2005.

Purpose: To fund the expansion of the electric distribution network into the new developments throughout the City.

Rating: AAA, Insured by Financial Guaranty Insurance.

Interest: Semiannual each June 1 and December 1. Interest rates range from 4.00% - 5.0%.

Years	Balance	Principal	Interest	Total
2012	\$4,420,000	\$190,000	\$203,190	\$393,190
2013	4,230,000	200,000	195,590	395,590
2014	4,030,000	205,000	187,590	392,590
2015	3,825,000	210,000	178,878	388,878
2016	3,615,000	225,000	169,953	394,953
2017	3,390,000	230,000	160,390	390,390
2018	3,160,000	245,000	148,890	393,890
2019	2,915,000	255,000	136,640	391,640
2020	2,660,000	270,000	123,890	393,890
2021	2,390,000	280,000	110,390	390,390
2022	2,110,000	490,000	96,390	586,390
2023	1,620,000	515,000	71,890	586,890
2024	1,105,000	540,000	46,140	586,140
2025	565,000	565,000	23,730	588,730

Bonds maturing on and after December 1, 2016 are subject to redemption at the option of the City on any date on and after December 1, 2015.

Security: Bonds are secured by a lien on and pledge of the Net Revenue of the utility and ULID Assessments equal to the lien thereon of the City's outstanding Parity Bonds.

CITY OF ELLENSBURG, WASHINGTON

Financial Summary-Information Services

Department: Energy Services **Fund:** Information Services **Account #:** 500-550

	2009	2010	2011	Budget	
	Actual	Actual	Budget	2012	Variance
Revenues					
Charges for Goods & Services	\$731,612	\$630,755	\$620,240	\$1,037,701	\$417,461
Miscellaneous	3,246	2,458	2,500	42,325	39,825
Transfer In	21,556	28,004	0	0	0
Total Revenues	\$756,414	\$661,217	\$622,740	\$1,080,026	\$457,286

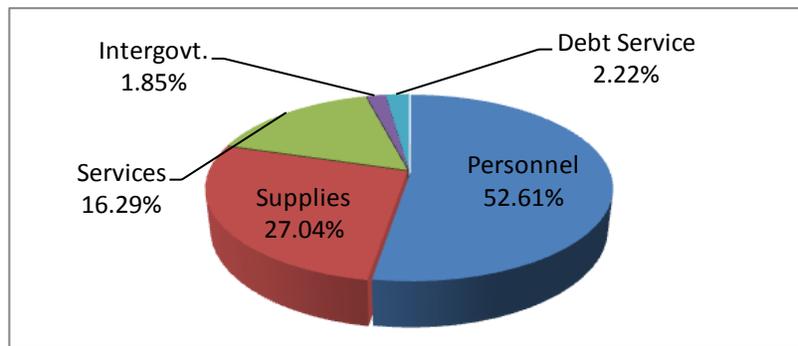
Expenses by Object					
Salaries/Wages	\$167,568	\$182,417	\$201,091	\$201,564	\$473
Personnel Benefits	69,360	66,908	82,717	83,341	624
Supplies	150,653	237,049	137,821	146,414	8,593
Services	232,628	52,878	97,805	88,202	-9,603
Intergovernmental Serv.	12,000	12,000	6,000	10,000	4,000
Capital Outlay	0	0	81,800	563,800	482,000
Depreciation	24,245	28,077	0	0	0
Debt Services	0	0	0	12,022	12,022
Interfund Payments	34,435	0	0	0	0
Transfer Out	0	0	0	0	0
Total Expenses by Object	\$690,889	\$579,329	\$607,234	\$1,105,343	\$498,109

Expenses by Program					
Training & Admin.	\$54,689	\$23,611	\$45,113	\$43,495	-\$1,618
Network Resources	105,657	141,415	127,026	122,129	-4,897
Desktop Resources	59,524	185,096	100,783	104,718	3,935
Enterprise Applications	171,509	153,779	166,265	165,155	-1,110
GIS	275,265	47,352	86,247	94,024	7,777
Capital Outlay	24,245	28,077	81,800	563,800	482,000
Transfer Out	0	0	0	0	0
Debt Service	0	0	0	12,022	12,022
Total Expenses by Program	\$690,889	\$579,330	\$607,234	\$1,105,343	\$498,109

Excess Rev. over Exp.	\$65,525	\$81,888	\$15,506	-\$25,317
Capital Transactions	0	0	0	0
Beginning Fund Balance	482,250	547,775	321,707	321,707
Ending Fund Balance	\$547,775	\$629,663	\$337,213	\$296,390

CITY OF ELLENSBURG, WASHINGTON

	2012 Budget	% of Budget	% W/O Capital	% Combined Sal/Ben W/O Capital
Salaries/Wages	\$201,564	18.24%	37.22%	52.61%
Personnel Benefits	83,341	7.54%	15.39%	
Supplies	146,414	13.25%	27.04%	27.04%
Services	88,202	7.98%	16.29%	16.29%
Intergovernmental Services	10,000	0.90%	1.85%	1.85%
Capital Outlay	563,800	51.01%		
Debt Service	12,022	1.09%	2.22%	2.22%
Totals	\$1,105,343	100.00%	100.00%	100.00%



The increased Capital Outlay budget amount for 2012 (\$377,000) is included to fund the initial set-up costs of the GIS system. This system will be funded with charges as follows:

Fund	Amount
City General	\$37,000
Street	63,000
Gas	64,000
Light	88,000
Water	50,000
Sewer	75,000
Total	<u>\$377,000</u>

CITY OF ELLENSBURG, WASHINGTON

Financial Summary-CATV

Department: Energy Services

Fund: CATV

Account #: 100-150

	2009	2010	2011	Budget	
	Actual	Actual	Budget	2012	Variance
Revenues					
Franchise Fees 2%	\$59,994	\$62,380	\$54,000	\$62,000	\$8,000
Misc.	324	190	0	0	0
Transfer In	0	0	10,000	10,000	0
Total Revenues	\$60,318	\$62,570	\$64,000	\$72,000	\$8,000

Expenditures by Object

Other Services	\$0	\$0	\$0	\$10,000	\$10,000
Intergovernmental	64,973	61,918	67,895	62,000	(5,895)
Total Expenditures by Object	\$64,973	\$61,918	\$67,895	\$72,000	\$4,105

Expenditures by Program

Operations	\$64,973	\$61,918	\$67,895	\$72,000	\$4,105
Total Expenditures by Program	\$64,973	\$61,918	\$67,895	\$72,000	\$4,105

Excess Rev. over Exp.	(\$4,655)	\$652	(\$3,895)	\$0	
Beginning fund balance	72,490	67,835	50,000	82,272	
Ending Fund Balance	\$67,835	\$68,487	\$46,105	\$82,272	

The CATV Fund 150 receives its funding from the 2% Franchise Fee paid by Charter Communications. In 2011 and 2012, a Transfer-In of \$10,000 is budgeted from Fund 155 CATV-Capital Fund to help support the operations. The only expenditure out of this fund is paid to Central Washington University for the operation of the Ellensburg Community Television Station, Channel 2 KCWU and the maintenance of the ECTV production van. The remaining 3% from the total 5% Franchise Fee charged is reported in the City's General Fund.

CITY OF ELLENSBURG, WASHINGTON

Financial Summary - CATV Capital

Department: Energy Services **Fund:** CATV Capital **Account #:** 100-155

	2009	2010	2011	Budget	
	Actual	Actual	Budget	2012	Variance
Revenues					
Franchise Fees 3%	\$30,673	\$30,500	\$29,200	\$29,600	\$400
Misc.	735	476	0	0	0
Total Revenues	\$31,408	\$30,976	\$29,200	\$29,600	\$400

Expenditures by Object					
Supplies	\$9,159	\$4,101	\$0	\$0	\$0
Capital Outlay	\$42,631	\$9,049	\$36,400	\$40,000	
Transfer Out	0	0	10,000	10,000	0
Total Expenditures by Object	\$51,790	\$13,149	\$46,400	\$50,000	\$0

Expenditures by Program					
Capital Outlay	\$51,790	\$13,149	\$36,400	\$40,000	\$3,600
Transfer Out	0	0	10,000	10,000	0
Total Expenditures by Program	\$51,790	\$13,149	\$36,400	\$40,000	\$3,600

Excess Rev. over Exp.	(\$20,382)	\$17,827	(\$17,200)	(\$20,400)
Beginning Fund balance	204,919	184,537	105,300	156,313
Ending Fund Balance	\$184,537	\$202,364	\$88,100	\$135,913

The CATV Capital Fund receives its funding from the 50 cents a month per customer charged by Charter Communications. This money is used for capital improvements to the CATV program. In 2011 and 2012, \$10,000 was budgeted to be transferred out to Fund 150 for CATV Operating support.

CITY OF ELLENSBURG, WASHINGTON

Financial Summary-Lodging Tax

Department: Energy Services **Fund:** Lodging Tax

Account #: 100-165

	2009	2010	2011	Budget	
	Actual	Actual	Budget	2012	Variance
Revenues					
Lodging Tax	\$350,385	\$370,659	\$300,000	\$325,000	\$25,000
Intergovernmental Revenues	0	0	0	0	0
Miscellaneous Revenues	1,777	1,246	0	0	0
Total Revenues	\$352,161	\$371,904	\$300,000	\$325,000	\$25,000

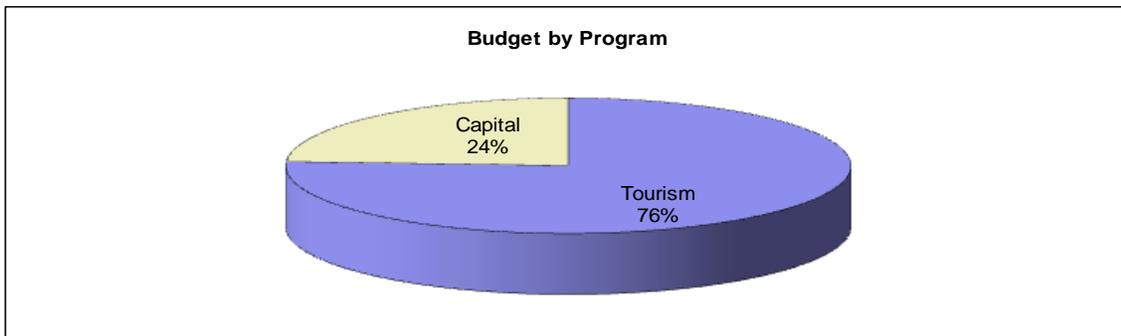
Expenditures by Object

Supplies	\$32,878	\$31,000	\$31,000	\$32,550	\$1,550
Services	150	257	350	400	50
Intergovernmental Services	268,188	287,876	285,317	282,587	(2,730)
Capital Outlay	0	25,000	100,000	100,000	0
Interfund Payment	0	0	0	0	0
Transfer Out	0	0	0	0	0
Total Expenditures by Object	\$301,216	\$344,133	\$416,667	\$415,537	(\$1,130)

Expenditures by Program

Tourism	\$260,649	\$319,133	\$301,100	\$315,537	\$14,437
Cultural & Recreational	40,567	25,000	15,567	0	(15,567)
Capital	0	0	100,000	100,000	0
Debt Service	0	0	0	0	0
Transfer out	0	0	0	0	0
Total Expenditures by Program	\$301,216	\$344,133	\$416,667	\$415,537	(\$1,130)

Excess Rev. over Exp.	\$50,945	\$27,771	(\$116,667)	(\$90,537)
Beginning Fund Balance	416,857	467,802	226,383	406,679
Ending Fund Balance	\$467,802	\$495,574	\$109,716	\$316,142



The City charges a 4% Hotel/Motel tax on the hospitality services within the city limits. The fund is disbursed based on the recommendations of the Lodging Tax Advisory Committee. The Committee is made up of one council member who chairs the committee, two members from the lodging industry, and two members from agencies that receive funding from the Lodging Tax Fund. The major plan for 2012 is to complete the “Welcome Signs” at the west and south interchange entrances at a projected \$100,000 cost of construction. The Ellensburg Chamber of Commerce will receive up to \$68,000 in funding in 2012 to complete the project.

CITY OF ELLENSBURG, WASHINGTON

Financial Summary - EURED RF

Department: Energy Services **Fund:** EURED RF **Account #:** 100-175

	2009	2010	2011	Budget	
	Actual	Budget	Budget	2012	Variance
Revenues					
Intergovernmental Revenues	\$0	\$0	\$0	\$0	\$0
Transfer In	70,000	70,000	70,000	100,000	30,000
Total Revenues	\$70,000	\$70,000	\$70,000	\$100,000	\$30,000

Expenditures by Object					
Intergovernmental Services	\$70,000	\$70,000	\$70,000	\$100,000	\$30,000
Transfer Out	0	0	0	0	0
Total Expenditures by Object	\$70,000	\$70,000	\$70,000	\$100,000	\$30,000

Expenditures by Program					
Projects	\$70,000	\$70,000	\$70,000	\$100,000	\$30,000
Transfer Out	0	0	0	0	0
Total Expenditures by Program	\$70,000	\$70,000	\$70,000	\$100,000	\$30,000

Excess Rev. over Exp.	\$0	\$0	\$0	\$0
Beginning Fund Balance	0	0	0	0
Ending Fund Balance	\$0	\$0	\$0	\$0

The Electric Utility Rural Economic Development Revolving Fund (EURERF) is funded by the City of Ellensburg Electric Fund and administered by the Ellensburg Business Development Authority (EBDA) to promote job creation and economic development.

CITY OF ELLENSBURG, WASHINGTON

CAPITAL PROJECTS LIST

2012 BUDGET

Non-routine significant capital projects may or may not have an impact on the operating budget. The impact on the annual maintenance and operation (M&O) costs is listed in the table and defined as follows:

- Positive (P) The project is expected to reduce operating costs or generate income to offset additional costs.
- Negligible (N) The impact on the operating budget will be minimal and additional operating costs are expected to be less than \$5,000.
- Moderate (M) There will be an impact on the operating budget of the affected department and the additional operating costs are expected to increase between \$5,001 and \$25,000.
- High (H) The operating costs are expected to exceed \$25,001.
- (*) The project is routine and will not impact the operating budget as long as the projects are kept up. However, if these projects are not done on a regular basis it can create increased maintenance or capital costs in the future.

2012/2013 Capital Projects List

Item #	Item	Item Description	Department	Amount	Status	M&O Impact
1	Animal Shelter Dog Run	The outside dog exercise runs and public visiting areas are in need of repair and upgrading. Through normal wear and tear, several pens have become dilapidated and are falling apart. In addition, new needs have been identified. Shelter dogs, many of which are large strong breeds, often dig under and/or jump the existing shelter pen fences. This is dangerous to staff, volunteer, and other animals if the dogs escape and come in contact with each other unsupervised. To stop this from happening, it is necessary to bury the wire into the ground, pour concrete, raise the height level of a short existing pen and put a top on at least one pen.	Animal Shelter	\$14,600	2012 request not funded	N
2	Tennis Court Cleaner	Purchase a court cleaner to wash the tennis courts.	Parks & Rec	6,000	2012 request not funded	N
3	In Line Hockey Pads	Replace in-line hockey pads. Current pads are over 10 yrs old. Need 16 of 22" h panels and 20 of the 12" panels	Parks & Rec	12,500	2012 request not funded	N
4	Locker Replacement	Replace coin-operated lockers that are available to pool patrons for a fee. Through locker revenue will pay for themselves in 3-5 yrs. Replacing a total of 24 lockers	Parks & Rec	14,500	2012 request not funded	P
5	Replace Spare Pool Pump	If current pump goes out the pool would be closed for min of 1 month. Each pump typically has 5 yr life	Parks & Rec	16,000	2012 request not funded	N
6	KVMP Shower Replacement	Replace column showers in men/womens dressing rooms with touch flo 5 column shower.	Parks & Rec	8,000	2012 request not funded	N
7	Replace Windows	Replace storefront windows located on N. side of pool.	Parks & Rec	33,545	2012 request not funded	P
8	Purifying system	Install UV water purifiers to the spa	Parks & Rec	13,000	2012 request not funded	P
9	Portable Fencing	Purchase of 630' of portable fencing	Parks & Rec	10,000	2012 request not funded	N

2012/2013 Capital Projects List

Item #	Item	Item Description	Department	Amount	Status	M&O Impact
10	Resurface Tennis Courts	Resurface two tennis courts. Courts have not been resurfaced in 30+ years, most are resurfaced every 3-5 yrs	Parks & Rec	12,000	2012 request not funded	N
11	Purifying system	Install UV water purifiers to the main pool and instructional pool	Parks & Rec	22,000	2013	P

Total General Fund Capital-2012 Unfunded \$140,145
Total General Fund Capital-2013 \$22,000

12	Replacement Vehicle	Replace 2 patrol vehicles	Police Equipment	\$64,000	2012	*
13	Replacement Vehicle	Replace 1 patrol vehicle	Police Equipment	32,000	2013	*
14	Replacement Vehicle	Replace one of the 2003 staff vehicles with 96,500 miles in 2013 due to high mileage and dependability.	Police Equipment	15,000	2013	*

Total Police Vehicles-2012 \$64,000
Total Police Vehicles-2013 \$47,000

15	Street	Reconstruct 380 feet of 15th Ave from Mt Stuart Elementary westward to the end of the curb	Street	\$80,000	2012	*
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Total Street- 2012 \$80,000

16	Inspection	Annual inspection of bridges required by the State of Washington	Arterial Street	\$3,000	2012	*
17	Methylmethacrylate Striping	Annual program to refresh arterial street markings with methylmethacrylate epoxy material	Arterial Street	20,000	2012	*
18	Signal Optimization	Perform annual signal upgrade- enhancement work	Arterial Street	20,000	2012	*
19	Dolarway Improvements Project	Complete construction- Project limits- Fifth Avenue to University Way	Arterial Street	3,502,000	2012	N
20	Main Street Overlay	Grind/Pave Main Street from Jackson Ave to University Way	Arterial Street	732,000	2012	*
21	Alley Reconstruction	Reconstruct One Downtown Alley/Repave	Arterial Street	35,000	2012	N
22	Dolarway/SR97 Intersection Design (WSDOT)	Contribution to WSDOT design work for intersection improvements- "Impact Fee Funding"	Arterial Street	150,000	2012	N
23	John Wayne Trail	Design/Construct trail improvements from Cascade Canal to Sanders Rd/Sidewalk at Canal	Arterial Street	292,750	2012	N
24	GIS Mobile Scanning	Utilize QUADCO UPWP Grant to hire GIS firm to perform mobile scanning work. Work will include Kittitas Co roadways as well	Arterial Street	60,000	2012	N
25	Engineering Transfer	Engineering transfer to cover above projects	Arterial Street	15,000	2012	N

Total Arterial Street- 2012 \$4,829,750

26	Alder Park Improvement	Construction of a new picnic shelter at the Alder Park	Park Acquisition	\$40,000	2012	N
27	Rotary Park Improvement	Construction of additional 75 parking stalls at the Rotary Park.	Park Acquisition	\$175,000	2012	M

Total Park Acquisition-2012 \$215,000

2012/2013 Capital Projects List

Item #	Item	Item Description	Department	Amount	Status	M&O Impact
28	Residential Sidewalk Repair	Annual construction/repair of sidewalks in residential areas	Sidewalk	\$52,000	2012	*
29	CBD Replacement and Repairs	Annual tree removal/replacement of tree damaged curbs/sidewalks in downtown	Sidewalk	38,000	2012	*
30	ADA Ramp Upgrades	This project will upgrade the corner ADA ramps to current standards in conjunction with annual HMA overlay project	Sidewalk	87,000	2012	N

Total Sidewalk- 2012

\$177,000

31	Vactor Truck	Purchase of a New Vactor Truck	Stormwater	\$345,000	2012	H
32	Fairgrounds On-Site Stormwater Storage	Participation in Kittitas County project to minimize stormwater runoff at fairgrounds	Stormwater	10,000	2012	N
33	Levee Extension	Design of West Ellensburg levee extension	Stormwater	60,000	2012	N
34	Decant Facility	Design & bid specification preparation for new decant facility	Stormwater	50,000	2012	N
35	Decant Facility	Construction of New Decant Facility	Stormwater	550,000	2012	M

Total Stormwater -2012

\$1,015,000

36	Electronics	Replacement of the I-Net electronics	I-Net	\$10,000	2012	*
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Total I-Net - 2012

\$10,000

37	FlatBed Truck	Additional Flatbed Truck- Used	Gas	\$36,000	2012	N
38	Leak Detection Equipment	Leak Detection Equipment to distinguish natural gas (Methane) from LPG and other odors	Gas	19,000	2012	N
39	Asphalt	Asphalt at Seattle Avenue	Gas	5,000	2012	N
40	Pipe Storage & Meter Shop	Pipe Storage/Meter/Instrumentation Calibration Room	Gas	65,000	2012	N
41	Tapping	Fusion and Steel Line Tapping Equipment	Gas	14,000	2012	N
42	Read One Pro		Gas	12,000	2012	N
43	Cathodic Protection	Cathodic Protection Equipment	Gas	6,000	2012	N
44	Trailer	Trailer for Tapping Equipment	Gas	6,000	2012	N
45	Trailer	2" PE Pipe Trailer	Gas	6,000	2012	N
46	New Mains	New Mains	Gas	120,643	2012	P
47	New Services	New Services	Gas	100,523	2012	P
48	New Meters	New Meters	Gas	248,433	2012	P
49	Station Equipment	New Station Equipment	Gas	66,023	2012	P

Total Gas- 2012

\$704,622

50	Services	New Services	Light	\$35,000	2012	P
51	Meters	New Meters	Light	130,387	2012	P
52	Station Equipment	New Station Equipment	Light	157,200	2012	P
53	Poles & Towers	New Poles, Towers & Fixtures	Light	39,620	2012	P
54	OH Conductors	New OH Conductors	Light	153,016	2012	P
55	UG Conductors	New UG Conductors	Light	267,824	2012	P
56	Conduits & Vaults	New UG Conduits & Vaults	Light	44,000	2012	P
57	Line Transformers	New Line Transformers	Light	52,528	2012	P

2012/2013 Capital Projects List

Item #	Item	Item Description	Department	Amount	Status	M&O Impact
99	Replacement Vehicle	Replace existing utility bucket truck (#56) with a new utility bucket truck for use by the Light Division	Shop	135,000	2013	*

Total Shop- 2012

\$527,300

Total Shop- 2013

\$247,000

100	Network Media Upgrade	Upgrade the network connectivity between departments and buildings	IT	\$13,400	2012	N
101	Email Archive solution	Email archive solution for public disclosure requests	IT	15,000	2012	N
102	GIS Integration		IT	377,000	2012	N
103	Imagery & Orthrectification		IT	6,500	2012	N
104	Permit Tracking System	Permit tracking software or all departments	IT	70,000	2012	M
105	Replacement Vehicle	New Vehicle to Replace truck #5	IT	22,000	2012	*
106	Server replacements	Server replacements- DC1, DC2, printserver, email archive	IT	16,000	2012	N
107	2012 Fleet	2012 Fleet- (11)	IT	8,800	2012	*
108	Laptop	1 Laptop	IT	1,600	2012	N
109	Desktop Replacement	14 desktop replacements	IT	14,000	2012	*
110	Printer	1 large network printer- Finance	IT	7,000	2012	*
111	Plotter	The IT Division is adding the Plotter to the replacement & Maint Program	IT	12,500	2012	*

Total IT- 2012

\$563,800

Total of All Funds-2012 Funded

\$13,270,047

Total of All Funds-2012 UnFunded

\$140,145

Total of All Funds-2013 Requests

\$1,688,000

CITY OF ELLENSBURG, WASHINGTON

Statistical Information

CITY OF ELLENSBURG, WASHINGTON

Personnel

City employees who are eligible under state law to be represented by labor organizations are employed under labor contract provisions on such matters as salaries, vacation, sick leave, medical and dental insurance, working conditions, and grievance procedures. City of Ellensburg strives to complete these agreements in a timely manner and promote labor relations policies that are mutually beneficial to the City and the employees.

Employee Groups

Represented:

- Teamster's (38 members)
- Ellensburg Police Officer's Guild (24 members)
- OPEIU Professional/Technical (37 members)
- OPEIU Library (16 members)
- IBEW Light (10 members)

Non-represented:

- Management and professional (43 members)

Medical Plans

The City provides medical insurance coverage to employees and their dependents and provides for the payment of insurance premiums with a modest contribution from employees per pay period for coverage. Currently in 2011, the City medical insurance is provided through a partial self-insured program and we are continuing the program in 2012.

Pension Plans

All City full-time and qualifying part-time employees participate in either a Public Employees Retirement System (PERS) or the Law Enforcement Officers and Fire Fighters (LEOFF) Retirement system. PERS and LEOFF are statewide government employees' retirement systems administered by the Washington State Department of Retirement Systems. Both the employees and the employer contribute to fund the plan and the State sets the rate of the contribution.

Pension Plans Rate Contributions

(As of 12/31/2011)

Plan	Contribution Rates		
	City	Employee	Total
LEOFF 1			
LEOFF 2	5.24%	8.46%	13.70%
PERS 1	7.25%	6.00%	13.25%
PERS2	7.25%	4.64%	11.89%
PERS 3	7.25%	5% - 15%	

CITY OF ELLENSBURG, WASHINGTON

Function/Department	2006	2007	2008	2009	2010	2011	2012	Monthly Salary Range	
								Low	High
City Council									
Mayor	1	1	1	1	1	1	1		500
City Council	6	6	6	6	6	6	6		250
<i>Total City Council</i>	<i>7</i>								
City Manager									
City Manager	1	1	1	1	1	1	1	7,889	10,519
Executive Assistant	1	1	1	1	1	1	1	3,227	4,303
Land Use Consultant / Project Manager	0	0	0	1	1	0	0	6,383	8,511
City Attorney	1	1	1	1	1	1	1	6,592	8,790
Executive Assistant / Asst. City Clerk	0.46	0.46	0.46	0.46	0.46	0.46	0.46	3,227	4,303
Human Resources Director	1	1	1	1	1	1	1	5,548	7,397
Human Resources Specialist	0	0.75	1	1	1	1	1	3,612	4,815
HR Assistant	0.75	0	0	0	0	0	0		0
Civil Service / Chief Examiner	0	0	0	0	0	0	0	150	150
On-Call	0	0	0	0	0.27	0	0		0.00
<i>Total City Manager</i>	<i>5.21</i>	<i>5.21</i>	<i>5.46</i>	<i>6.46</i>	<i>6.73</i>	<i>5.46</i>	<i>5.46</i>		
Financial Services									
Finance Director	1	1	1	1	1	1	1	7,410	9,881
Budget & Accounting Supervisor	1	0	0	0	0	0	0		0
Accounting Manager	0	1	1	1	1	1	1	4,765	6,353
City Clerk	1	1	1	1	1	1	1	3,819	5,091
Assistant City Clerk	0.54	0.54	0.54	0.54	0.54	0.54	0.54	3,227	4,303
Assistant Treasurer	0	0	0	0	0	0	0		0
Utility Services Supervisor	1	1	1	1	1	1	1	4,186	5,581
Accounting Analyst	1	1	1	1	1	1	1	3,447	4,596
Account Clerk I / RPZ	2	2	2	2	2	2	2		2,954
Account Clerk II	1	1	1	1	1	1	1		3,274
Accounting Specialist	1	1	1	2	2	2	2		3,594
Senior Account Clerk	1	1	1	0	0	0	0		0
Billing Specialist	0	1	1	1	1	1	1		3,488
Data Entry / Billing Clerk	1	1	1	1	1	1	1		3,080
Meter Reader	1	1	1	1.5	1.5	1.5	1.5		3,260
Payroll & Benefits Technician	1	1	1	1	1	0	0		3,488
Payroll / Accounting Specialist	1	1	1	1	1	1	1		3,655
Senior Utility Account Clerk	1	1	1	1	1	1	1		3,488
Senior Meter Reader	1	1	1	1	1	1	1		3,562
<i>Total Financial</i>	<i>16.5</i>	<i>17.5</i>	<i>17.5</i>	<i>18.0</i>	<i>18.0</i>	<i>17.0</i>	<i>17.0</i>		

The Project Manager's position in the City Manager's Office is not funded in the 2012 budget. The Payroll & Benefits Technician position in the Finance department is not funded in the 2012 budget.

CITY OF ELLENSBURG, WASHINGTON

Personnel List

Function/Department	2006	2007	2008	2009	2010	2011	2012	Monthly Salary Range	
								Low	High
Police Department									
Police Chief	1	1	1	1	1	1	1	6,383	8,511
Police Captain	1	1	0	2	2	2	2	5,226	6,967
Police Admin. Supervisor	1	1	1	1	1	1	1	3,529	4,705
Animal Control Supervisor	1	1	1	1	1	1	1	3,605	4,806
Animal Shelter Aide	0.5	0.5	1.5	0.9	0.9	0.9	0.9		9.64
Animal Control Officer	1	1	1.5	2	2	2	2		3,236
Secretary / Records Clerk	3	3	3.5	3.45	3.75	3.5	3.75		3,043
Code Enforcement Officer	2	2	2	2	2	2	2		3,260
Sergeant	5	5	5	5	5	4	5	33.78	34.46
Corporal	4	4	4	4	4	4	4	30.91	31.53
Officer First Class	12	12	17	7	7	11	13	30.03	30.63
Officer Second Class	0	0	0	2	5	3	2	26.13	26.65
Officer Third Class	0	0	0	0	3	2	0	24.71	25.20
Probationary Officer	0	0	0	8	2	0	0	23.08	23.54
<i>Total Police</i>	31.5	31.5	37.5	39.4	39.7	37.4	37.7		
Community Development									
Community Development Director	1	1	1	1	1	1	1	6,383	8,511
Assistant Building Official	0	0	0	1	1	0	0	4,081	5,443
Building Inspector	2	2	2	2	2	2	2	3,356	4,475
Building Inspector II	1	1	1	0	0	0	0	3,664	4,886
Building Plans Examiner	0	0	0	0	0	0	0		0
Planning Supervisor	0	0	0	1	1	1	1	4,770	6,360
Associate Planner	2	1	1	0	0	0	0		4,383
Community Development Admin Secret	0	0	0	0	0	0	0		3,221
Planner	0	0	0	1	1	1	1		4,791
Planning/Permit Technician	2	2	2	2	2	2	2		3,955
Secretary	0	0	0	0	0	0	0		0
Senior Planner	1	1	1	0	0	0	0		5,201
<i>Total Community Development</i>	9	8	8	8	8	7	7		

Two vacant Probationary Officer's positions are unfunded in the 2012 budget.

The Assistant Building Official and one Senior Planner position were vacant at time of budget and unfunded in the 2012 budget.

CITY OF ELLENSBURG, WASHINGTON

Personnel List

Function/Department	2006	2007	2008	2009	2010	2011	2012	Monthly Salary Range	
								Low	High
Engineering / Public Works									
Public Works Director	1	1	1	1	1	1	1	6,592	8,790
Assistant Public Works Director	1	1	1	1	1	1	1	5,563	7,417
Assistant City Engineer	0	0	0	0	0	1	1	4,962	6,616
City Engineer	1	1	1	1	1	1	1	5,563	7,417
Civil Engineer	2	1	1	1	1	0	0	4,502	6,002
Executive Assistant - Public Works	0	0	0	0	0	0	0	3,227	4,303
Operations Analyst	2	2	2	2	2	2	2	3,447	4,596
Stormwater Utility Manager	0	0	0	0	1	1	1	4,502	6,002
Engineering Aide	1	1	1	1	1	1	1		3,714
Engineering Technician I	1	1	1	1	1	1	1		4,214
Engineering Technician II	0	0	0	1	1	1	1		4,396
Engineering Technician III (Aborist)	1	1	1	1	1	1	1		4,963
Public Works Administrative Secreta	1	1	1	1	1	1	1		3,334
Tempory Labor- Engineering	0.3	0	0	0.25	0.32	0	0		0
Street Foreperson	1	1	1	1	1	1	1		27.99
Water Foreperson	1	1	1	1	1	1	1		27.99
Sewer Foreperson	1	1	1	1	1	1	1		27.99
Shop Foreperson	1	1	1	1	1	1	1		27.99
Heavy Equipment Operator- Street	6	5	5	5	5	5	5		24.08
Tempory Laborers- Street	1.92	1.92	1.92	1.92	1.92	1.92	1.92		11.37
Cross Connection Control Specialist	1	1	1	1	1	1	1		24.08
Senior Pipeman	4	4	4	4	4	4	4		24.08
Plant Maintenance Tech- Water	1	1	1	1	1	1	1		24.33
Temporary Laborer- Water	1	1	1	1.42	1.42	1.5	1.5		11.37
Plant Maintenance Tech- Sewer	1	1	1	1	1	1	1		24.33
Lab-Tech Operator	1.5	1.5	1.5	1	1	1	1		24.32
Treatment Plant Operator	4	4	4	5	5	5	5		24.30
Collection Serviceman	2	2	2	2	2	2	2		24.08
Temporary Laborers- Sewer	0.54	0.59	0.59	0.7	0.84	0.58	0.58		11.37
Equipment Mechanic	2	2	2	2	2	2	2		25.50
Plant Maintenance- Shop	1	1	1	1	1	1	1		24.33
Warehouseperson	1	1	1	1	1	1	1		24.50
Temporary Student Laborer- Shop	0.4	0.4	0.4	0.58	0.58	0.58	0.58		11.37
Total Engineering / Public Works	43.7	41.4	41.4	43.9	45.1	44.6	44.6		

CITY OF ELLENSBURG, WASHINGTON

Personnel List

Monthly Salary
Range

Function/Department	2006	2007	2008	2009	2010	2011	2012	Low	High
Parks and Recreation									
Parks and Recreation Director	1	1	1	1	1	1	1	5,548	7,397
Aquatic and Recreation Supervisor	1	1	1	1	1	1	1	3,866	5,155
ERRC Coordinator	1	1	1	1	1	1	1		3,358
Recreation Aide- ERRC	1.8	1.8	1.8	1.24	1.24	1.24		8.77	9.67
Pool Administrative Secretary	1	1	1	1	1	1	1		3,221
Rac & Rec Center Assistant Coordinator	0	0	0	0	0	0	0		2,258
Senior Services Coordinator	1	1	1	1	1	1	1		3,695
Youth Activity Coordinator	1	1	1	1	1	1	1		3,695
Senior Van Driver	0.45	0.45	0.45	0.45	0.45	0	0.45	10.96	12.09
Aquatic / Recreation Leader	0.85	0.85	0.14	0.14	0.14	0.14	0.14		10.64
Lifeguard	8.88	8.88	5.96	5.96	5.12	5.96	4.87	8.77	9.67
Instructor	0	0	2.03	2.03	2.03	2.03	2.03	8.77	9.67
Recreation Aide	0	0	0.75	0.75	0.75	0.75	0	8.77	9.67
Custodian	0.58	0.58	0.58	0.58	0.58	0.58	0.58	8.77	9.67
Recreation Leader	0	0	0.83	1.36	1.36	0.7	0.62	9.27	12.24
Park Attendants	0.53	0.53	0.53	0	0	0	0	9.27	12.24
Parks Foreman	1	1	1	1	1	1	1		27.99
Park Maintenance Technician	4	3	3	3	3	2	3		24.08
Temporary Laborers- Parks	1.67	1.67	1.67	2.53	2.53	2.53	2.53		11.37
Total Parks & Recreation	25.8	24.8	24.7	25	24.2	22.9	21.2		
Library									
Library Director	1	1	1	1	1	1	1	5,548	7,397
Librarian	2	1	1	1	1	1	1	3,618	4,824
Hal Holmes Office Assistant	0.4	0.4	0.4	0.45	0	0	0		0.00
Hal Holmes Facility Assistant	0	0	0	0	0.9	0.9	0.9		0.00
Hal Holmes Office Manager	1	1	1	1	0	0	0		0.00
Library Administrative Assistant	0	0	0	0	1	1	1		19.05
Library Aide	0.4	0.8	0.8	0.4	0.4	0.4	0.4		9.54
Library Associate	3.38	3.5	3.5	3.5	3.5	3.5	3.5		19.05
Library Assistant	1.8	2.7	2.7	3.15	3.15	3.15	3.15		14.07
Library Specialist	0.75	0.75	0.75	0.75	0	0	0		16.42
Office Specialist	0.45	0.75	0.75	0.45	0.75	0.75	0.75		17.07
Total Library	11.2	11.9	11.9	11.7	11.7	11.7	11.7		

The Parks Maintenance division funded a third Parks Maintenance position in the 2012 budget that was unfunded for 2011.

The Library department has no change.

CITY OF ELLENSBURG, WASHINGTON

Personnel List

Monthly Salary
Range

Function/Department	2006	2007	2008	2009	2010	2011	2012	Low	High
Energy Services / IT									
Energy Services Director	1	1	1	1	1	1	1	7,514	10,019
Electrical Engineer	1	1	1	1	1	1	1	5,828	7,771
Energy Services Resource Manager	1	1	1	1	1	1	1	4,220	5,627
Executive Assistant- Energy Services	1	1	1	1	1	1	1	3,227	4,303
Field Engineer	0	0.75	0.75	0.75	0	0	0	5,173	6,897
Gas Engineer	1	1	1	1	1	1	1	5,828	7,771
IT Systems Administrator	0	0	0	1	1	1	1	4,502	6,002
Network / Desktop Analyst	2	2	2	1	1	1	1	4,207	5,610
Operations Supervisor- Gas	1	1	1	1	1	1	1	5,563	7,417
Operations Supervisor- Electric	1	1	1	1	1	1	1	5,828	7,771
Rate Analyst	1	1	1	1	1	1	1	3,858	5,145
Energy Specialist	1	1	1	1	1	1	1		4,675
Energy Services Administrative Secretary	0	0	0	0	0	0	0		3,221
Engineering Specialist- Gas	0	0	0	0	0	0	0		5,032
Engineering Specialist- Light	0	0	0	1	1	1	1		5,296
Engineering Tech- Gas	0.4	0.4	0.4	1	1	1	1		4,396
Engineering Tech- Light	0.6	0.6	0.6	0	0	0	0		4,963
Key Accounts Representative	0	0	0	0	0	0	0		4,902
Mapping / CAD Technician	1	1	1	1	0	0	0		3,714
Network / Desktop Specialist	0	0	0	0	0	0	0		4,332
GIS Specialist	0	0	0	1	1	1	1		4,332
Gas Foreman	1	1	1	1	1	1	1		36.60
Gas Journeyman	1	4	4	5	5	5	5		31.81
Gas Serviceman	1	1	1	1	1	1	1		31.81
Gas Technician	3	1	1	0	0	0	0		0.00
Tempory Labor- Gas	1	0.5	0.5	0.25	0.25	0	0		11.37
Light Foreman	1	1	1	1	1	1	1		42.91
Light Serviceman	1	1	1	1	1	1	1		40.28
Lineman	5	6	4	5.5	5.5	5	5		37.64
Meterman	1	2	2	2	2	0	0		37.64
Groundman	0	0	1	0	0	0	0		28.23
Apprentice	0	0	1	0	0	0	0	28.23	33.88
Temporary Labor- Light	0.5	0.5	0.5	0.3	0	0	0		0.00
Total Energy Services	28.5	31.8	31.8	32.8	30.8	28	28		

CITY OF ELLENSBURG, WASHINGTON

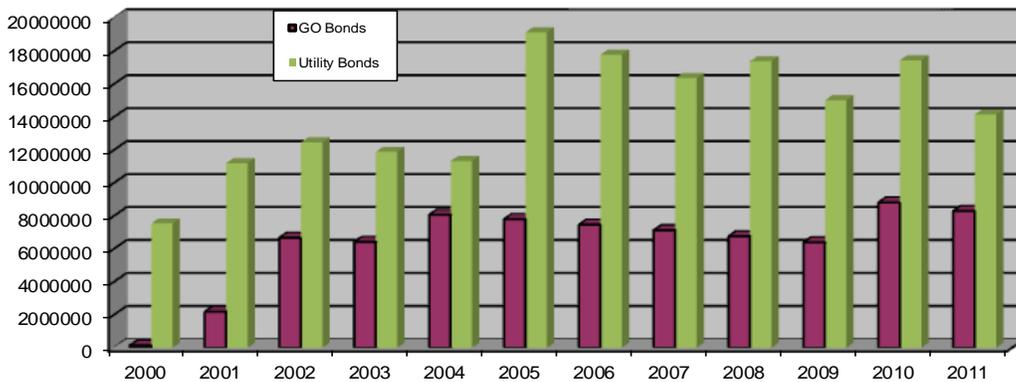
Debt Limit Calculation

	Taxable Property Value (2011/2012)		\$ 1,189,575,411	
A.	2.5% general purposes limit is allocated between:	0.025	29,739,385	
1	Up to 1.5% debt without a vote (councilmanic debt)	0.015	17,843,631	
a	Less: outstanding debt 2011(Park, City Hall, & 2010)		6,790,000	
b	Less: contract payable			
c	Add: available assets -est.		309,337	
d	Equals: remaining debt capacity without a vote			\$ 11,362,968
2	1% general purposes debt with a vote	0.01	11,895,754	
a	Less: outstanding debt (Library-2003)		1,510,000	
b	Less: contract payable			
c	Add: assets available - est.		47,949	
d	Equals: remaining debt capacity with a vote			\$ 10,433,703
e	Equals: remaining debt capacity for general purpose			\$ 21,796,671
B.	2.5% utility purpose limit, voted	0.025	29,739,385	
a	Less: outstanding debt			
b	Less: contract payable			
c	Add: assets available			
d	Equals: remaining debt capacity -utility purpose, voted			29,739,385
C.	2.5% open space, park and capital facilities, voted	0.025	29,739,385	
a	Less: outstanding debt			
b	Less: contract payable			
c	Add: assets available			
d	Equals: remaining debt capacity - open space park and capital facilities, voted			29,739,385

CITY OF ELLENSBURG, WASHINGTON

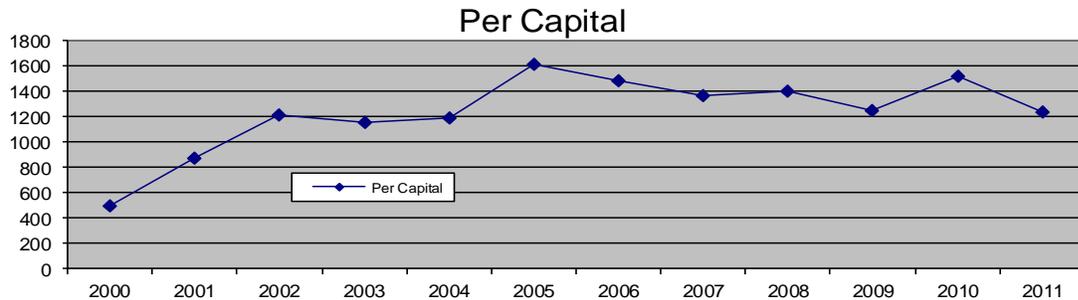
CITY OF ELLENSBURG
Ratios of Outstanding Debt by Type
Debt per Capita
Last Ten Fiscal Years

Fiscal Years	*GO Debt	**Revenue Bonds	Total	Population	Per Capita
1999	147,337	7,745,000	7,892,337	14,230	554.63
2000	134,299	7,540,000	7,674,299	15,414	497.88
2001	2,186,260	11,195,000	13,381,260	15,460	865.54
2002	6,678,220	12,460,000	19,138,220	15,830	1,208.98
2003	6,425,181	11,885,000	18,310,181	15,940	1,148.69
2004	8,067,143	11,330,000	19,397,143	16,390	1,183.47
2005	7,799,103	19,135,000	26,934,103	16,700	1,612.82
2006	7,471,064	17,775,000	25,246,064	17,080	1,478.11
2007	7,133,026	16,360,000	23,493,026	17,220	1,364.29
2008	6,769,986	17,383,884	24,153,870	17,330	1,393.76
2009	6,391,947	15,010,585	21,402,532	17,230	1,242.17
2010	8,808,474	17,440,000	26,248,474	17,326	1,514.98
2011	8,300,000	14,150,000	22,450,000	18,174	1,235.28



* Includes Public Works Trust Fund Loans.

** Includes Water/Sewer Revenue Bonds sold to Light Fund. Does not include interfund loans.

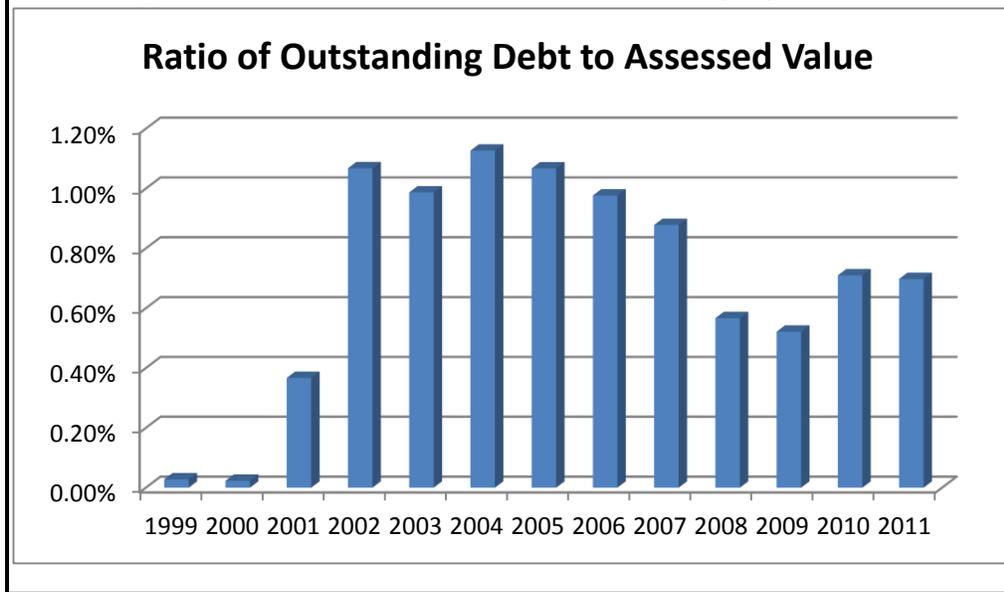


CITY OF ELLENSBURG, WASHINGTON

CITY OF ELLENSBURG
Ratio of Outstanding Debt to Assessed Value
Last Ten fiscal Years

Fiscal Years	GO Debt	Assessed Valuation	GO as a % of Assessed Value
1999	147,337	527,545,430	0.03%
2000	134,299	578,869,152	0.02%
2001	2,186,260	595,846,353	0.37%
2002	6,678,220	625,428,560	1.07%
2003	6,425,181	650,956,710	0.99%
2004	8,067,143	715,936,460	1.13%
2005	7,799,103	730,745,857	1.07%
2006	7,471,064	764,903,579	0.98%
2007	7,133,026	812,208,120	0.88%
2008	6,769,986	1,194,400,244	0.57%
2009	6,391,947	1,225,498,404	0.52%
2010	8,808,474	1,240,861,642	0.71%
2011	8,300,000	1,189,575,411	0.70%

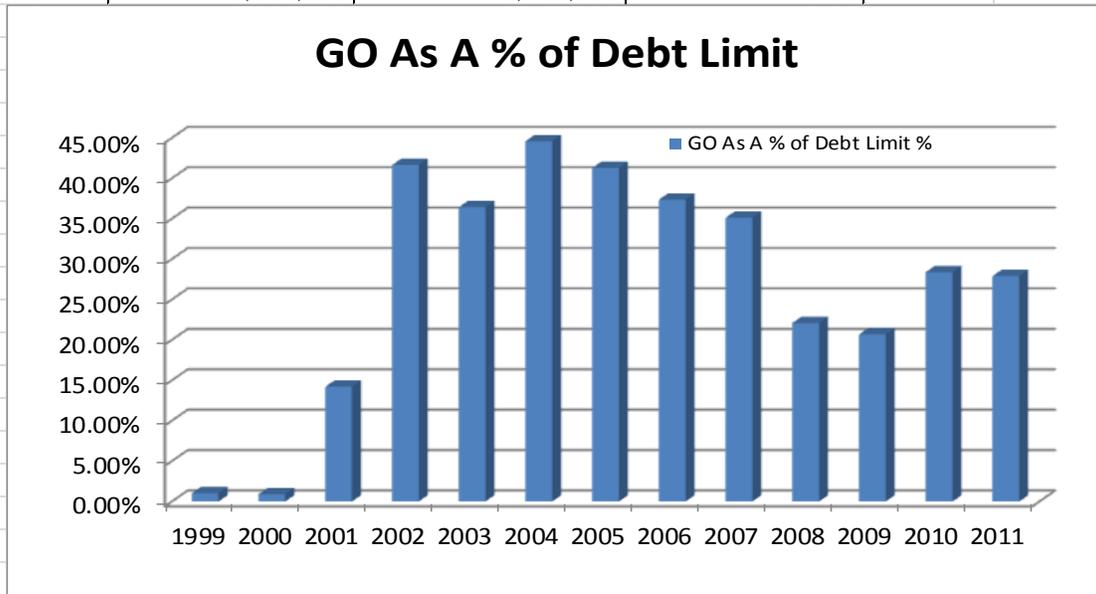
GO As A % of Assessed Property Value



CITY OF ELLENSBURG, WASHINGTON

CITY OF ELLENSBURG
 Outstanding General Obligation Debt To The Debt Limit
 Last Ten Fiscal Years

Fiscal Years	GO Debt	Debt Limit	GO as a % of Debt Limit
1999	147,337	14,210,654	1.04%
2000	134,299	14,631,253	0.92%
2001	2,186,260	15,389,114	14.21%
2002	6,678,220	16,033,945	41.65%
2003	6,425,181	17,640,818	36.42%
2004	8,067,143	18,090,740	44.59%
2005	7,799,103	18,891,768	41.28%
2006	7,471,064	19,997,589	37.36%
2007	7,133,026	20,305,203	35.13%
2008	6,769,986	30,637,460	22.10%
2009	6,391,947	30,894,671	20.69%
2010	8,808,474	31,021,541	28.39%
2011	8,300,000	29,739,385	27.91%



CITY OF ELLENSBURG, WASHINGTON

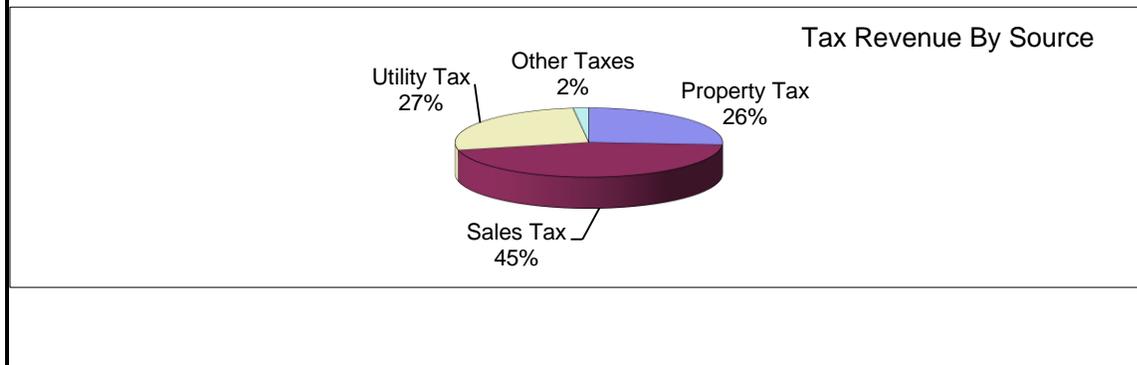
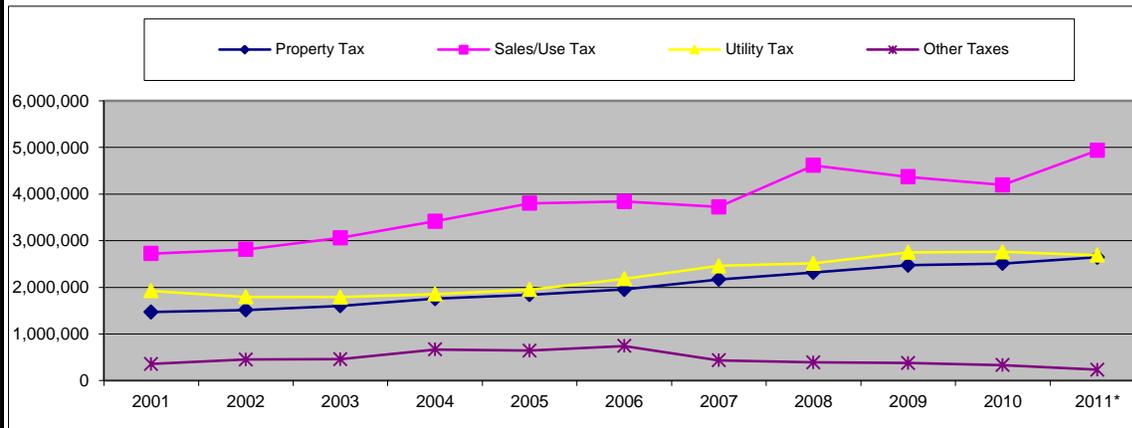
CITY OF ELLENSBURG Top Ten Property Tax Payers

<u>Tax Payer</u>	<u>Type of Business</u>	<u>Assessed Value</u>	<u>%</u>
Fred Meyer Stores Inc	Retail	12,434,690	1.00%
Fairway Investments LLC	Multi Residential Property	12,208,120	0.98%
Timothy Park LLC	Multi Residential Property	11,403,502	0.92%
Ellensburg Telephone Company	Telephone Company	9,871,960	0.80%
Twin City Foods Inc	Food Processing	9,282,760	0.75%
Pautzke Bait Co Inc	Fish Bait Processing	9,068,060	0.73%
Directv Inc	Satellite Television	8,675,071	0.70%
Sun Lakes Properties LLC	Commercial Properties	7,429,300	0.60%
University Court Apts LLC	Multi Residential Property	6,224,990	0.50%
University Park Apts LLC	Multi Residential Property	6,210,390	0.50%
		92,808,843	7.48%
2010 Assessment for 2011 Levy		1,240,861,642	

CITY OF ELLENSBURG, WASHINGTON

**CITY OF ELLENSBURG
Tax Revenues by Source
Governmental Funds
Last Ten Fiscal Years**

Fiscal Year	Property Tax	Sales/Use Tax	Utility Tax	Other Taxes	Total
2001	1,469,987	2,721,982	1,924,372	356,487	6,472,828
2002	1,513,708	2,810,189	1,794,377	452,499	6,570,773
2003	1,603,218	3,061,574	1,789,657	459,296	6,913,745
2004	1,755,524	3,417,608	1,856,376	667,340	7,696,848
2005	1,840,604	3,802,092	1,949,929	643,726	8,236,351
2006	1,952,704	3,837,793	2,181,656	743,424	8,715,577
2007	2,169,530	3,721,657	2,458,623	435,037	8,784,847
2008	2,319,286	4,613,737	2,513,155	389,299	9,835,477
2009	2,471,914	4,369,582	2,751,337	375,151	9,967,984
2010	2,511,511	4,193,191	2,759,717	332,087	9,796,506
2011*	2,642,551	4,934,540	2,688,422	234,763	10,500,276



*Budget figures

Budget Glossary

Adopted Budget – Budget adopted by the Ellensburg’s City Council that goes into effect on January 1st, including amendments through December 31st, of the current year.

Accrual Basis - A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent. Used in proprietary and non-expendable types of funds.

Agency Fund - A governmental accounting classification used to describe those situations where one jurisdiction is acting on behalf of another.

Appropriation - The legal spending level authorized by an ordinance of the City Council. Spending should not exceed this level without approval by the Council.

Assessed Valuation - The value assigned to properties within the City, which is used in computing the property taxes to be paid by property owners.

Asset - Resources owned or held by a government, which have monetary value.

Available (Undesignated Fund Balance) - Refers to the funds remaining from the prior year which are available for appropriation and expenditure in the current year.

Balanced Budget - A budget wherein revenues equal expenditures.

BARS - The State of Washington Budgeting, Accounting and Reporting System required for all governmental entities in the State.

Benefits - Benefits provided for employees, such as Social Security, retirement, worker’s compensation, life insurance, and medical insurance.

Bond - A written promise to pay a sum of money at a specified interest rate. The interest payments and the repayment of the principal are detailed in a bond ordinance. The most common types of bonds are general obligation, revenue bonds, and special improvement district bonds. These are most frequently used to finance capital projects.

Bond Refinancing - The payoff and re-issuance of bonds to obtain better interest rates and/or bond conditions.

Budget - The financial plan for the operation of a program or organization for the year (or other fiscal period).

Budgetary Basis - This refers to the basis of accounting used to estimate financing sources and uses in the budget. This generally takes one of three forms: GAAP, cash, or modified accrual.

Budget Calendar - The schedule of key dates, which a government follows in the preparation, and adoption of the budget.

Budgetary Control - The control or management of a government in accordance with the approved budget for the purpose of keeping expenditures within the limitations of available appropriations and resources.

CITY OF ELLENSBURG, WASHINGTON

Capital Facilities Plan (CFP) - The six-year plan or schedule of project expenditures for public facilities, equipment, and infrastructure.

Capital Improvement Program (CIP) - The one-year plan or schedule of project expenditures for public facilities, equipment, and infrastructure, which is incorporated into the Budget.

Capital Outlay - Expenditures for furnishings, equipment, vehicles, or machinery that result in the acquisition of assets with a useful life of more than one year.

Capital Project - The one-time cost for acquisition, construction, improvement, replacement, or renovation of land, structures, and improvements thereon. Capital project budgets are adopted at the time the project is authorized and continue until completion.

Cash Basis - A basis of accounting in which transactions are recognized only when cash increased or decreased.

Contingency - The appropriation of reserve funds for future allocation in the event specific budget allotments have expired and additional funds are needed.

COSA - Cost of Service Analysis. An analysis of costs associated with providing services, in an effort to determine revenue requirements to recover those costs.

Cost Allocation - Assignment of applicable costs and charges from one fund to another required by treating each fund as an independent entity.

Cost-of-Living Adjustment (COLA) - An increase in salaries to offset the adverse effect of inflation on compensation.

Coverage - Percent of revenues, which covers expenditures.

Debt Service - The annual payment of principal and interest on the City's bonded indebtedness. Bonds are issued to finance the construction of capital projects such as utility facilities and expansion.

Debt Service Funds - Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general obligation bonds.

Department - The basic organizational unit of government, which is functionally unique in its delivery of services.

Division - A group of homogeneous cost centers within a department, i.e. Accounting Division within the Finance Department.

Employee Benefits - Contributions made by a government to meet commitments or obligations for employee fringe benefits. Included are the government's share of costs for Social Security and the various pension, medical, and life insurance plans.

Encumbrances - The amount of funds committed to vendors for goods or services received or to be received by the City as specified in a City purchase order.

Enterprise Fund - An accounting entity of the City used to record and report transactions for business-type activities of the City. Examples include the utility funds.

CITY OF ELLENSBURG, WASHINGTON

Estimated Revenue - The amount of projected revenue to be collected during the fiscal year.

Expenditure - Funds spent in accordance with budgeted appropriations on assets or goods and services obtained.

Expense - Charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest or other charges.

Fees - A general term for any charge levied by the City associated with providing a service, permitting an activity, or imposing a fine or penalty. Major types of fees include business licenses, fines, and user charges.

Fiduciary Funds - Fiduciary Funds are used to account for assets held by the City as trustee or agent for individuals, private organizations, or other governmental units.

Fiscal Policy - A government's policies with respect to revenues, spending, and debt management as these relate to government services, programs and capital investment. Fiscal policy provides an agreed-upon set of principles for the planning and programming of government budgets and their funding.

Full Faith and Credit - A pledge of a government's taxing power to repay debt obligations.

Full-time Equivalent Position (FTE) - A part-time position converted to the decimal equivalent of a fulltime position based on 2,080 hours per year. For example, a part-time typist working 20 hours per week would be the equivalent to .5 of a full-time position.

Fund - A fiscal entity with revenues and expenses, which are segregated for carrying out a specific purpose or activity.

Fund Balance - The excess of the assets of a fund over its liabilities, reserves, and carry-over.

GAAP - Generally Accepted Accounting Principles are standards used for accounting and reporting for both private industry and governments. Government GAAP is currently set by the Governmental Accounting Standards Board.

GASB - Governmental Accountant Standards Board established in 1985 is the current standards-setting board for governmental GAAP.

General Fund - The General Fund is the general operating fund of the City used to account for all financial resources and expenditures of the City that are not accounted for in other funds.

General Obligation (G. O.) Bond - This type of bond is backed by the full faith, credit and taxing power of the City of Ellensburg government.

GFOA - Government Finance Officers Association of the United States and Canada. A professional association of state/provincial and local finance officers in the United States and Canada founded 1906. This association plays a major role in the development and promotion of GAAP for state and local governments.

Goal - A statement of broad direction, purpose, or intent based on the needs of the community. A goal is general and timeless.

CITY OF ELLENSBURG, WASHINGTON

Grants - A contribution by a government or other organization to support a particular function. Grants may be classified as either operational or capital, depending upon the grantee.

Growth Management Act (GMA) Passed in 1990 by the Washington State Legislature and later amended in 1991, 1993, and 1995. The Act provides a growth strategy that protects property rights and the environment, encourages economic development, and gives local cities and counties experiencing rapid population growth, the tools to better manage the development that accompanies it.

Implicit Price Deflector (IPD) - An index of inflation for personal consumption expenditures for the previous 12 months, as published in September of each year by the Bureau of Economic Analysis.

Interfund Transfers - The movement of monies between funds of the same governmental entity.

Intergovernmental Revenue - Revenue from other governments, primarily shared State revenue from auto excise tax, and liquor profits and tax.

Internal Control - The system of controls established by the City to protect the assets from misappropriation and ensure accurate reporting of financial transactions.

Internal Service Fund - Internal Service Funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a basis of cost-reimbursement.

LEOFF - Law Enforcement Officers and Firefighters Retirement System provided in the State of Washington.

Levy Rate - The rate of tax to be imposed on the assessed value of real property for the computation of property tax revenues.

Licenses and Permits - Revenue category that includes building permits, business licenses, and any other miscellaneous licenses.

LID - Local Improvement District or Special Assessments made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

Long-term Debt - Debt with a maturity of more than one year after the date of issuance.

LTGO - Limited Tax General Obligation Bond. Non-voted debt payable from regular tax levies or general revenues.

Miscellaneous Revenue - The account which provides for accumulation of revenues not specifically identified in other accounts. This includes interest, rents, and incidentals.

Modified Accrual - Basis of accounting in which revenues are recognized when available and measurable and expenditures are recognized when the underlying liability is incurred.

Non-Operating Expense - Expenses of enterprise funds that are incidental to the main purpose of the fund.

CITY OF ELLENSBURG, WASHINGTON

Objective - A strategy that when carried out results in the accomplishment of a goal. An objective is specific, measurable, achievable, realistic, and time bound.

Operating Budget - An operation plan, expressed in financial terms, by which a program is funded. It should include: (1) the mission; (2) the services provided; (3) impact on future years; and (4) current year operations.

Operating Expense - Those costs including expenditures for salaries and wages, benefits, supplies, services, and charges, which are necessary to support the primary services of the organization.

Operating Revenue - Funds that the government receives as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.

PERS - Public Employees Retirement System provided for employees other than police and fire personnel in the State of Washington.

Permanent Funds - Permanent Funds account for resources that are legally restricted to only earnings, not principal; may be used to support the reporting government's programs for the benefit of the government or its citizens.

Personal Services - Expenditures for salaries, wages, and fringe benefits of a government's employees.

Preliminary Budget - The recommended and unapproved City budget submitted to the City Council and the public.

PWTF - Public Works Trust Fund. Used in reference to low interest loans issued to the City by the Washington State Department of Community, Trade and Economic Development to finance public infrastructure improvements.

RCW - Revised Code of Washington. The compilation of all permanent laws now in force in the State of Washington.

Refunded Bonds - General obligation or revenue bonds where the outstanding balance was defeased by the issuance of new general obligation or revenue bonds.

Refunding Bonds - General obligation or revenue bonds issued to provide funds with which to defease outstanding debt.

Reserve - An account used either to set aside budgeted revenues that are not required for expenditure in the current budget year or to earmark revenues for a specific future purpose.

Resources - Total amounts available for appropriation including estimated revenues, fund transfers, and beginning balances.

Revenue - Sources of income financing the operations of government.

Revenue Bonds - A municipal bond issued to provide funding for utility or other projects that serve the public. Future revenues from the projects are pledged for payment of debt service on the bonds.

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Service Level - Services or products that comprise actual or expected output of a given program. Focus is on results, not measures of work load.

Source of Revenue - Revenues are classified according to their source or point of origin.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or for major capital projects) that are legally restricted to expenditures for specific purposes.

Standard Work Year - 2080 hours or 260 working days.

Tax Levy - The resultant product when the tax rate per one hundred dollars is multiplied by the tax base.

Taxes - Compulsory charges levied by a government for financing services performed for the common benefit of the people. This term does not include specific charges made against particular persons or property for current or permanent benefit, such as special assessments.

TIP - Transportation Improvement Program. A six-year specific program of transportation improvements for roadways, transit, and other transportation infrastructure, including non-motorized improvements.

Transfers In/Out - See Interfund Transfers.

Unreserved Fund Balance - The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

UTGO - Unlimited Tax General Obligation Bond. Voter approved debt payable from a specific excess bond levy.

WFOA - Washington Finance Officers Association. A Washington State nonprofit association of public finance professionals and governmental officials founded in 1956, whose mission is "To promote excellence in governmental finance through leadership, education and communication for the public benefit."

Working Capital - The year-end balance of current assets less current liabilities in the Enterprise and Internal Service Funds. The unencumbered balance at year-end is available for appropriation in the next year's budget.

Working Cash - Excess of readily available assets over current liabilities. Alternatively, cash on hand equivalents, which may be used to satisfy cash flow needs.