

# City Overview

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## 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, and 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. 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 a 160-acre claim, and plotted the future town site of Ellensburg, named for his wife Mary Ellen.

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.



## CITY OF ELLENSBURG 2019/2020 BIENNIAL BUDGET

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



Courtesy of Douglas MacArthur

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, now a part of Central Washington University, serves as a familiar landmark on University Way.

### Economic Outlook

In 2009 the region's nonfarm economy was hit hard by the nationwide recession. Total nonfarm employment remained level from 2010 through 2013. In 2015, Kittitas County's total nonfarm employment provided approximately 730 new jobs. This was a 4.8 percent average annual increase above the 15,220 nonfarm jobs tallied in 2014 and is higher than the state nonfarm job increases of 2.8 percent. Hence, 2016 is likely to be the year in which total nonfarm employment will meet or exceed the pre-recession peak employment figure recorded in 2008 – a process that took seven years. Washington State Employment Security Department projections indicate that three industries are likely to show the highest increases in their payrolls:

- State and local government education (which includes student employment at CWU) rose by 420 jobs in 2015.
- Construction expanded another 80 jobs in 2015.
- Leisure and hospitality had a growth of 130 jobs.
- The only sector that showed a decrease in 2015 was Manufacturing with a decrease of 20 jobs.

Although these statistics are for the entire county, employment within the city is a major component of these figures.<sup>1</sup>

In terms of wages generated in the Kittitas County economy, state and local governments are the dominate sources. In 2015, state and local government accounted for 38.6 percent, or almost four out of every ten dollars of wages earned in Kittitas County. Ellensburg is the largest city in Kittitas County, with 19,310 residents in 2016 and 44 percent of the county's total population of 43,710.

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<sup>1</sup> <https://fortress.wa.gov/esd/employmentdata/reports-publications/regional-reports/county-profiles/kittitas-county-profile>

## CITY OF ELLENSBURG 2019/2020 BIENNIAL BUDGET

According to the Economic Development Group of Kittitas County, four of the top five employers in Ellensburg are government organizations: Central Washington University (CWU), Kittitas Valley Hospital (KVH), Kittitas County government, the Ellensburg School District and Anderson Hay & Grain.

A comparison of the top five sectors that provided the most jobs in Kittitas County in 2015 with the sectors that produced the highest payrolls follows:

- Accommodation and food services (primarily hotels and restaurants) provided 18.2 percent of all jobs countywide, but only 8.7 percent of all payrolls (see Wages and income section). This is due to the part-time status of most positions in hotels and restaurants within the county.
- Local government had 15.4 percent of all jobs, but 18.3 percent of payrolls.
- State government provided 10.6 percent of all jobs countywide, but 20.3 percent of total payrolls.
- Retail trade provided 11.9 percent of all covered employment, but only 7.9 percent of payrolls. There are at least two reasons for the relatively high percentage of local jobs in the retail trade and in the accommodation and food services sectors:
  - A high proportion of jobs in the county are tourism related.
  - Kittitas County has an ample supply of labor (primarily CWU students working part-time jobs at hotels, restaurants and retail trade stores, etc.).
- Private health services tallied 8.7 percent of total covered employment but accounted but failed to appear in the top of sectors for wage. This sector only includes jobs with private health services firms. Jobs with public health care facilities (i.e., at KVH, etc.) are included in local government.

The two largest jobholder age groups in Kittitas County were the 55-years and over and the 25-34 year old categories. These two categories accounted for 22.8 percent and 20.4 percent of employment in 2015. A close third was the 45-54 year old group, at 19.8 percent.

In 2015, women held 50.2 percent of all jobs in Kittitas County. However, there were substantial differences in gender dominance by industry.

- Male-dominated industries included transportation and warehousing (86.1 percent), construction (83.7 percent) and utilities (73.9 percent)
- Female-dominated industries included healthcare and social assistance (76.4 percent), finance and insurance (71.7 percent) and educational services (61.6 percent).

According to the U.S. Census Bureau FactFinder, the median household income in Ellensburg was \$36,016 in the period 2013 to 2017. This was less the statewide median household income of \$66,174 and the national median income of \$57,652 during the same period.

The Ellensburg poverty rate of 34.1 percent in the period 2013 to 2017 was much higher than the state's rate of 12.2 percent and the nation's rate of 14.6 percent, according to U.S Census Bureau FactFinder. Relatively low student wages often increase poverty statistics and depress median household income in college-dominant cities such as Ellensburg (where a major employer is Central Washing University or CWU).

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### Cultural Activities

Ellensburg is the home to the famous “Ellensburg Rodeo”. The event is on Labor Day and 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. A weekly 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 and state forestlands around the area are also ideal for snowmobiling, snowshoeing, or cross-country skiing throughout Kittitas County.

### 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 35 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
- issuance of an Arbor Day proclamation

### Education

#### Ellensburg School District

The Ellensburg School District’s 3,109 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).

The district has a strong tradition of providing a solid educational program that prepares students for adult life. The basic education offerings of the district are augmented by a Career and Technical Education (CTE) program, alternative programs, on-line credit retrieval, remediation programs, a Highly Capable program, and a special services department.

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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.

### Post-Secondary Education

Central Washington University (CWU) celebrated its 125-year presence in the community in 2016. From its beginning as a state normal school to prepare public school teachers in 1891, CWU has grown to an institution that serves over 11,376 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. Over 8,000 of the students attend the Ellensburg campus, and about 2,800 students are on-campus residents at any given time.



One of the state's three comprehensive regional universities, CWU educates 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 workshops.

Many Washington high school students who attend one of the many competitions, clinics, and camps for music, academics, or sports 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 university features nationally recognized speakers on thought-provoking topics at its activities and events which are also available to the entire community.

Around 2,000 students graduate from CWU every year in more than 135 majors. An average class size is about 20 students with a 49/51 male/female ratio.

## CITY OF ELLENSBURG 2019/2020 BIENNIAL BUDGET

### Other Information

Form of Government:	Council/Manager
Date Incorporated:	November 26, 1883
Area:	7.00 Square miles
Population (2018 Estimate):	19,660
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, telecommunications, water, wastewater collection & treatment, animal control, and parks & recreation.
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Services Provided to Areas Outside City:	Animal control & shelter, electric, gas, stormwater, water, wastewater collection & treatment, library, and parks & recreation.
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Police Protection:	One Station 29 full-time Commissioned Officers 8 patrol vehicles 666 citizens per officer
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Number of Parks:	17 parks totaling over 250 acres Approximately 77 citizens per acre of park
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Public Works	80.1 miles of paved streets 1003.32 miles of Sidewalks
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Library Service:	1 main building 80,000 items in collection 45,000 electronic items in collection 12,350 Sq. Ft 400 youth and adult programs annually 14,000 program attendance annually Open 52 hours a week
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## CITY OF ELLENSBURG 2019/2020 BIENNIAL BUDGET

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

#### Affordable Housing Commission

The purpose of the Affordable Housing Commission is to support the development of safe and affordable housing and related services in the City, by assisting the City in determining gaps in affordable housing, and by making recommendations to the City Council for addressing the identified affordable housing needs of city residents. Seven members, five are required to be city residents.

**Meetings:** First Wednesday of each month; third Wednesday of each month, as needed  
**Time & Place:** 4:30p.m., Council Conference Room, 501 North Anderson Street  
**Staff Contact:** Angela San Filippo, (509) 925-8653  
**Authority:** Chapter 1.86 of the City Code

#### 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:** 4:00p.m., Council Conference Room, 501 North Anderson Street  
**Staff Contact:** Carolyn Honeycutt, (509) 962-7146  
**Authority:** Chapter 1.33 of the City Code

## CITY OF ELLENSBURG 2019/2020 BIENNIAL BUDGET

### Finance/ Budget Advisory Committee

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

**Meetings:** Third Wednesday of January, April, July, October and as needed  
**Time & Place:** 4:00 p.m., Council Conference Room, 501 North Anderson Street  
**Staff Contact:** Jerica Pascoe, (509) 962-7205  
**Authority:** Chapter 2.20.080 of the City Code

### 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:** Kim Caulkins, (509) 962-7239  
**Authority:** Chapter 3.2 of the City Code

### Ellensburg Business Development Authority

The Ellensburg Business Development Group of Kittitas County Authority Board governs the affairs and manages the assets of the Ellensburg Business Development Authority to strategically recruit and support businesses, and connects businesses to resources so they can start, grow, and prosper. Nine members (not required to be city residents)

**Meetings:** Second Wednesday of each month  
**Time & Place:** 4:00 p.m., Ellensburg City Hall  
**Staff Contact:** Carolyn Honeycutt, (509) 962-7146  
**Authority:** Chapter 1.62.16 City Code

### Civil Service Commission

The City Manager appoints Civil Service Commission members. 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)

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*(Civil Service Commission – Continued)*

**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

### 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:** Laura Wilson, (509) 962-7231  
**Authority:** Chapter 1.60 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:** 5:45 p.m., Council Conference Room, 501 North Anderson Street  
**Staff Contact:** Jonathan Kesler, (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:** 4:30 p.m., Puget Sound Energy Conference Room, 207 North Pearl Street  
**Staff Contact:** Josephine Camarillo, (509) 962-7252  
**Authority:** City Ordinance No. 3937

## CITY OF ELLENSBURG 2019/2020 BIENNIAL BUDGET

### 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 Conference Room, 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:** Shannon Johnson, (509) 962-7108  
**Authority:** Chapter 1.14 of the City Code

### Public Transit Advisory Committee

The role of the Public Transit Advisory Committee is to advise and make recommendations to Council pertaining to the maintenance and operation of public transit within the City, develop and implement a community outreach program, provide advice and recommendations to city's transit provider, Council and staff concerning the public transit system, and report at least annually to Council on matters as they pertain to the city's public transit system. The committee has five members, including one Councilmember, two representatives from CWU and to members at large.

## CITY OF ELLENSBURG 2019/2020 BIENNIAL BUDGET

*(Public Transit Commission – Continued)*

**Meetings:** Third Tuesday of the Month  
**Time & Place:** 3:30 p.m., Council Conference Room, 501 North Anderson Street  
**Staff Contact:** Bruce Sackron, (509) 925-8620  
**Authority:** Chapter 1.84 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 citizen issues.

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

### 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 7 members include 2 Council members, 1 CWU representative, 1 KITTCOM representative, 1 telecommunications utility customer, and 2 customers of one or more city utility systems.

**Meetings:** Third Tuesday of each month  
**Time & Place:** 3:30 p.m. Council Conference Room, 501 North Anderson Street  
**Staff Contact:** Ryan Lyyski, (509) 962-7226  
**Authority:** Chapter 1.50 of the City Code

CITY OF ELLENSBURG 2019/2020 BIENNIAL BUDGET

**City Council**  
*(As of 12/31/2018)*



Bruce Tabb, Mayor



Nancy Lillquist



Stacy Bankston Engel



Mary Morgan



Nicole Klauss



David Miller



Nancy Goodloe

## CITY OF ELLENSBURG 2019/2020 BIENNIAL BUDGET

### 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.

#### 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 2019/2020 fiscal years. 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 2019/2020 BIENNIAL BUDGET

### 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 2019/2020 BIENNIAL BUDGET

### 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.

## CITY OF ELLENSBURG 2019/2020 BIENNIAL BUDGET

- 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.

### 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.

**Administrative Staff**



Terry Weiner  
*Assistant City Manager / City Attorney*



John Akers  
*City Manager*



Ryan Lyyski  
*Director of Public Works and Utilities*



Ken Wade  
*Police Chief*



Kirsten Sackett  
*Director of Community Development*



Jerica Pascoe  
*Director of Finance*



Cindy Smith  
*Director of Human Resources*



Brad Case  
*Director of Parks and Recreation*



Josephine Camarillo  
*Director of Library Services*

## Budget Process Overview

The 2019-2020 Biennial 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. An adequate budget document must answer *what*, *why*, and *how* questions.

### 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 allocates of scarce resources for the purpose of financing competing interests.

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.

#### 4. A Legally Required Financial Planning Tool

Traditionally a financial planning tool, the budget is also a 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 the fund 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 and the non-general funds appropriation levels are set at the fund level.

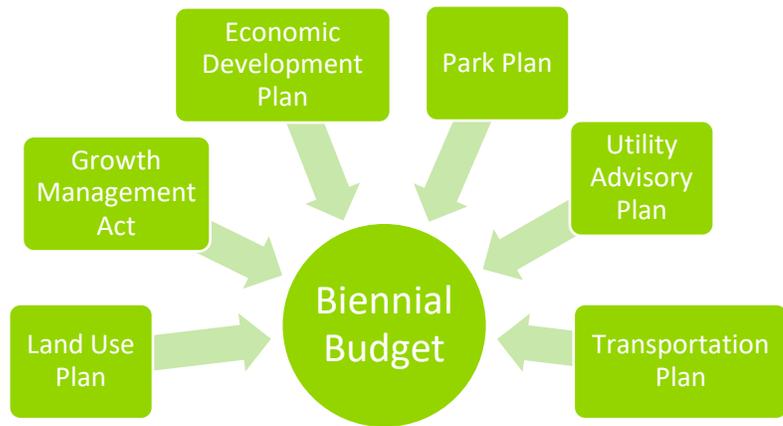
### How Does the Budget Compare to the Annual Report?

The City prepares an annual financial report in conformance with the requirements of the Washington State Auditor's Office. The budget is prepared using a similar basis of accounting, however it cannot in all cases be compared to information depicted in the annual report.

### 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. Many city planning, policy, and goal setting documents are reflected in the budget.

*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.

## CITY OF ELLENSBURG 2019/2020 BIENNIAL BUDGET

*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.

*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. Public hearings are scheduled for City Council meetings in October and November, with the final budget adoption typically scheduled in December.

*Amending the Budget:* The City Manager is authorized to transfer budgeted line item amounts within appropriated funds. 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 a supplemental budget ordinance.

The status of the budget is comprehensively reviewed in November to identify any needed adjustments. All requests for amendments are 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.

## CITY OF ELLENSBURG 2019/2020 BIENNIAL BUDGET

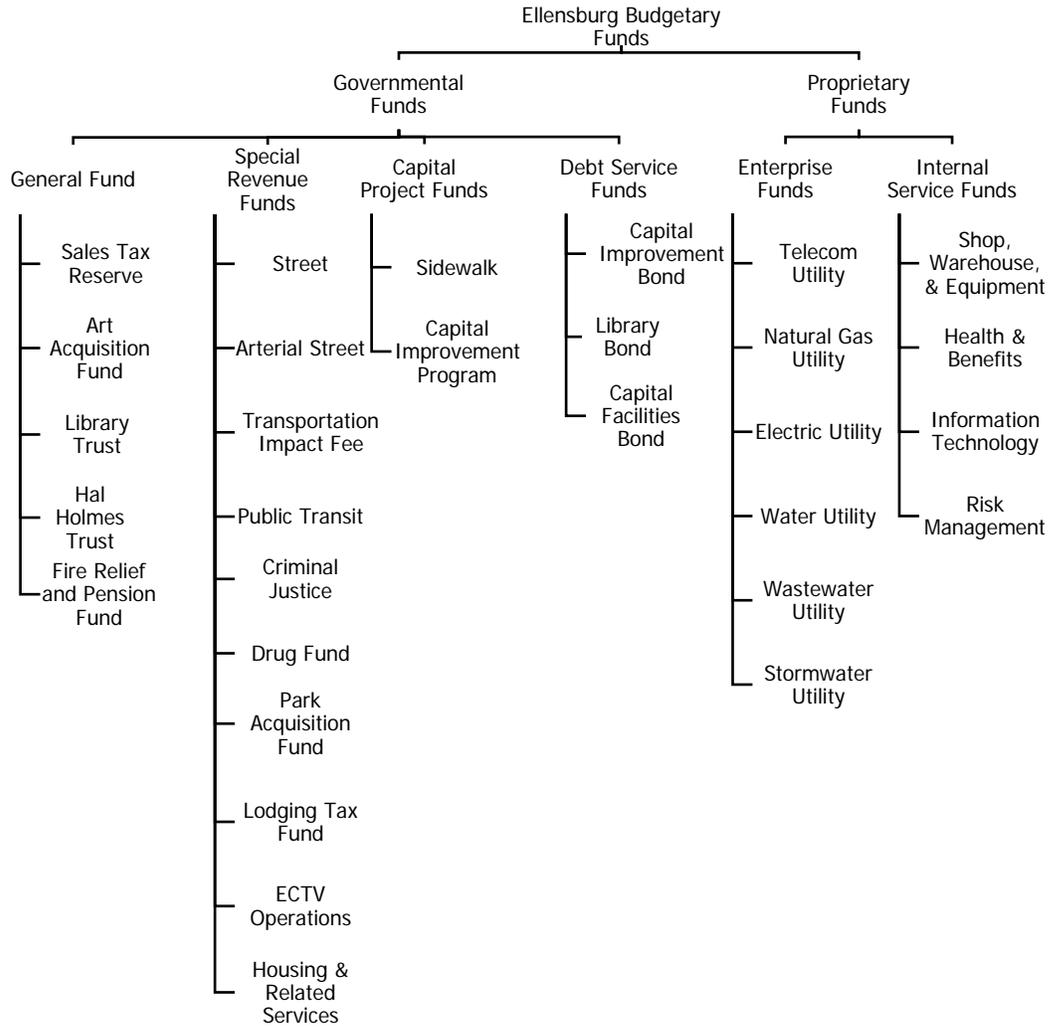
### City of Ellensburg

Budget Process Schedule  
2019/2020 Biennium Budget Preparation

Budget Item	City Deadline	Statutory Deadline
<b>2019-2020 Budget Initiation</b>		
Council Retreat	2/23/2018	
Update Budget Policies (Finance Department)	5/11/2018	
Finalize Budgeting Expectations/ Objectives (Finance/City Manager)	6/15/2018	
<b>2019-2020 Budget Preliminary Preparation</b>		
Personnel Worksheets to Departments (Finance)	5/9/2018	
Internal Service Fund Worksheets to Departments (Finance)	5/9/2018	
Personnel Worksheets back to Finance (All Departments)	6/1/2018	
Internal Service Fund Worksheets back to Finance (Internal Service Funds)	6/13/2018	
<b>2019-2020 Departmental Budget Preparation</b>		
Budget Kickoff Meeting; budget instructions released (Finance/ All Departments)	6/28/2018	9/10/2018
Budget worksheets released to Departments (Finance)	6/28/2018	9/10/2018
Department submit current service level budget and proposal packages to Finance (All Departments)	7/27/2018	9/24/2018
Non-departmental revenue estimates prepared by Finance Department	7/27/2018	
<b>2019-2020 City Manager's Preliminary Budget Preparation</b>		
Finance and Department Work-sessions / Questions and Answers (All Departments)	7/27 - 8/31	
Departmental estimates provided to City Manager; complete financial program (Finance Department)	8/31/2018	10/1/2018
City Manager/Department Budget Review Sessions (All Departments)	9/10 - 9/14	
Manager provides <b>Council</b> with estimates of revenues from all sources (Finance Department)	9/17/2018	10/1/2018
Preparation of Manager's Preliminary budget (Finance Department)	10/15/2018	11/2/2018
Manager's preliminary budget & budget message to <b>Council</b> & Clerk (Finance Department & City Manager)	10/31/2018	11/2/2018
<b>2019-2020 Council Budget Review &amp; Adoption</b>		
Copies of budget available to public (Finance Department)	10/31/2018	11/19/2018
<b>Council- Public hearing(s)</b> on preliminary budget	11/5/2018	
Publication notice of preliminary budget and final hearing (Finance Department)	11/6/2018	11/20/2018
<b>Council- Public hearing</b> revenues for levy setting	11/5/2018	11/29/2018
Council- Property Tax Levy Ordinance first reading	11/5/2018	
Council- Property Tax Levy Ordinance second reading & Adoption	11/19/2018	11/30/2018
<b>Council- Public Hearing</b> , Budget Ordinance first reading	11/19/2018	12/3/2018
Council- Budget Ordinance second reading & Adoption	12/3/2018	12/31/2018
<b>2019-2020 Budget Post-Adoption</b>		
Adopted budget filed with AWC, MRSC, SAO, and Chase bond-holder	1/1/2019	
Publication of Budget Worksheet to City Staff	1/1/2019	
Publication of Budget Book to website, Dept. Heads and Council Members	1/18/2019	

# CITY OF ELLENSBURG 2019/2020 BIENNIAL BUDGET

## Financial Structure



## CITY OF ELLENSBURG 2019/2020 BIENNIAL BUDGET

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, Governmental Capital Projects, Enterprise, and Internal Service Funds.

The City of Ellensburg budgets its funds according to the State Auditor's Office Cash Basis requirements.

The following are budgeted funds:

- General Fund
  - Sales Tax Reserve Fund
  - Art Acquisition Fund
  - Library Trust Fund
  - Hal Holmes Trust Fund
  - Fire Relief & Pension Fund
- Special Revenue Funds
  - Street
  - Arterial Street
  - Transportation Impact Fee
  - Public Transit
  - Criminal Justice
  - Drug Fund
  - Park Acquisition Fund
  - Lodging Tax Fund
  - ECTV Operations
  - Housing & Related Services
- Debt Service Funds
- Capital Improvements Funds
- Enterprise Funds
  - Telecommunications
  - Stormwater
  - Gas
  - Light
  - Water
  - Sewer
- Internal Service Funds
  - Shop
  - Information Technology
  - Risk Management
  - Health and Benefit



### Definition of Major Funds

Major funds represent the significant activities of the City, and include any fund whose revenues or expenditures, excluding other financing sources and uses, constitute more than 5% of the revenues or expenditures of the appropriated budget, or are of high community interest. The City

## CITY OF ELLENSBURG 2019/2020 BIENNIAL BUDGET

reports General, Gas, Water, Sewer, Sales Tax, Street, Arterial Street, and Electric funds as major funds. Detailed information is provided on these funds under their respective categories.

### Major Governmental Funds Summary

The financial outlook for 2019 and 2020 is positive. However, the long-term financial outlook includes moderate expenditure growth, such as escalating state retirement contributions, and slower growth in projected retail sales tax revenue than was seen in 2017 and 2018. Reduced projections for taxes have been offset by increases in utility taxes and charges for services.

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, insurance coverage from the Risk Management Fund, and information technology hardware and software support 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.

Separately budgeted sub-funds within the general fund support specified city activities. Several are set up with ongoing council-allocated revenue streams, and two hold donated and bequeathed funds.

The Sales Tax Reserve Fund accumulates general sales tax revenues to be transferred to other funds in support of city programs. Major support in the 2019/2020 biennium will be directed to General Fund and Street Fund activities.

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 for this fund is the support (transfer-in) of a portion of the City's property tax revenues.

The Art Acquisition Fund was created by Council in 2016 to fund public art acquisition and promotion. Funded by a dedicated portion of the City's construction related sales tax; annual revenues are set in city code between a ceiling of \$50,000 a year and a floor of \$25,000 per year.

For 2019/2020, two permanent funds are budgeted: (a) Library Trust, and (b) Hal Holmes Trust.

The General Fund includes most tax revenues and such services as public safety, parks & recreation, engineering, planning, library, and general administration of the city government. In accordance with City ordinance, the City's targeted General Fund reserve is set by resolution not to fall below 15%. The City is using \$651,360 in 2019 and \$53,944 in 2020 of its fund balance to balance the General Fund budget, with fund balance expected within target reserve levels.

The Street Fund is designed for street operations and maintenance. It is funded mostly from sales tax revenue and is not designed to carry much of a fund balance. The level of Street Fund

## CITY OF ELLENSBURG 2019/2020 BIENNIAL BUDGET

budgeted appropriations spends down a majority of the fund balance by the end of 2020. Street Fund maintenance and operations is mostly supported by transfers-in from the Sales Tax Fund.

The Arterial Street Fund is responsible for the construction of streets, bridges, signals, and trails. The City accumulates these funds in order to finance projects as it sees fit.

### 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.

The Natural Gas Fund accounts 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 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 the number of customers. More than 41% of the department budget is spent on the gas inventory purchased for resale. The salary and benefit costs account for just about 23.5% 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 has generally decreased leading into the 2019/2020 biennium, which is affecting the price we charge our customers and thusly the municipal utility tax paid into the city’s General Fund.

Electric Fund accounts for the activities of the city’s electric distribution operations. The major source of revenue is the same of electricity and major expense is the purchase of power from entities such as Bonneville Power Administration. Central Washington University and Twin Foods account for 14.42% of the department’s annual sale. Electricity purchased accounts for over 52% of total operating expense budget in 2019/2020. Salary and benefit costs account for approximately 14% of the utility budget.

## CITY OF ELLENSBURG 2019/2020 BIENNIAL BUDGET

The Water Fund accounts for the activities of the city's water pumping and distribution operations. In 2019/2020 the Water Fund spends a plurality of its budget on capital construction including drilling a commissioning a new well, with the remainder spent on salaries, benefits, contractual services, and intergovernmental payments to maintain its wells and water lines.

The Sewer Fund accounts for the activities of the city's wastewater treatment plant, sewer pumping station, and collection system, providing a system to collect and treat wastewater produced within the service area. The fund spends a large portion of its budget on salaries, benefits, contractual services, and intergovernmental services. There is also substantial capital spending budgeted for 2019-2020 for upgrades to the wastewater treatment plant. The wastewater activities are supported through service charges.

**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** account for the proceeds of special revenue sources that are legally restricted to expenditures for specific purposes. Non-major special revenue funds include the Traffic Impact Fees, Ellensburg Public Transit, Criminal Justice, Drug, ECTV Operations & Maintenance, Park Acquisition, Lodging Tax, and Housing & Related Services Funds.

**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.

The city has two groups of general obligation debts: (a) voter approved unlimited debt, and (b) limited obligation debt. Limited obligation debts are funded by a transfer out of the Sales Tax Fund. Unlimited debt obligations are funded directly through the excess tax approved by the voters.

Funds included in the non-major debt service funds are (a) Library Construction Debt Fund, (b) Maintenance Bond, and (c) initial payments thru the Capital Facilities Improvement Debt Fund.

**Non-major Capital Improvement Funds:** Capital project funds account for the financing of major capital projects other than those financed by proprietary funds. Sources of revenue include proceeds of debt issuance, grants, and transfers from other funds (generally from special revenue funds). Funds in this category for 2019/2020 are the Capital Facilities Improvement Program and Sidewalk Construction Funds.

**Internal Service Funds** 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, Information Technology, Health and Benefits, and Risk Management Funds.