



City of  
**Ellensburg**  
WASHINGTON



*Comprehensive Annual Financial Report  
Fiscal Year Ended December 31, 2015*

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## COMPREHENSIVE ANNUAL FINANCIAL REPORT

Finance Director  
**Jerica Pascoe**

Accounting Manager  
**Holly Conti**

Sr. Financial Analyst/Budget Officer  
**Keith Bassett**

Accountant II  
**Gloria Lanphere**

Application Specialist  
**Brent Myrick**

For The Fiscal Year  
Ended December 31, 2015

Prepared by the Finance Department

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**CITY OF ELLENSBURG, WASHINGTON**  
 Comprehensive Annual Financial Report  
 For the Fiscal Year Ended December 31, 2015

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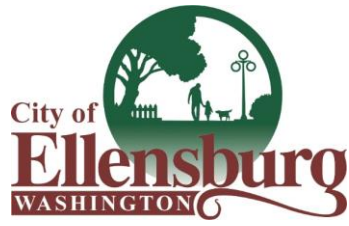
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## Introductory Section

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## City Council



Mary Morgan	Rich Elliott	Jill Scheffer	David Miller	Nancy Lillquist	Chris Herion	Bruce Tabb
Term Expires: 12/31/17	<b>Mayor</b> Mayoral Term Expires: 12/31/17	Term Expires: 12/31/19	Term Expires: 12/31/19	Term Expires: 12/31/17	Term Expires: 12/31/19	Term Expires: 12/31/17

As of December 31, 2015

## **Administrative Staff**

John Akers  
*City Manager*

Terry Weiner  
*City Attorney*

Cindy Smith  
*Director of Human Resources*

Jerica Pascoe  
*Director of Finance*

Kirsten Sackett  
*Director of Community Development*

Larry Dunbar  
*Director of Energy Services*

Debby DeSoer  
*Director of Library Services*

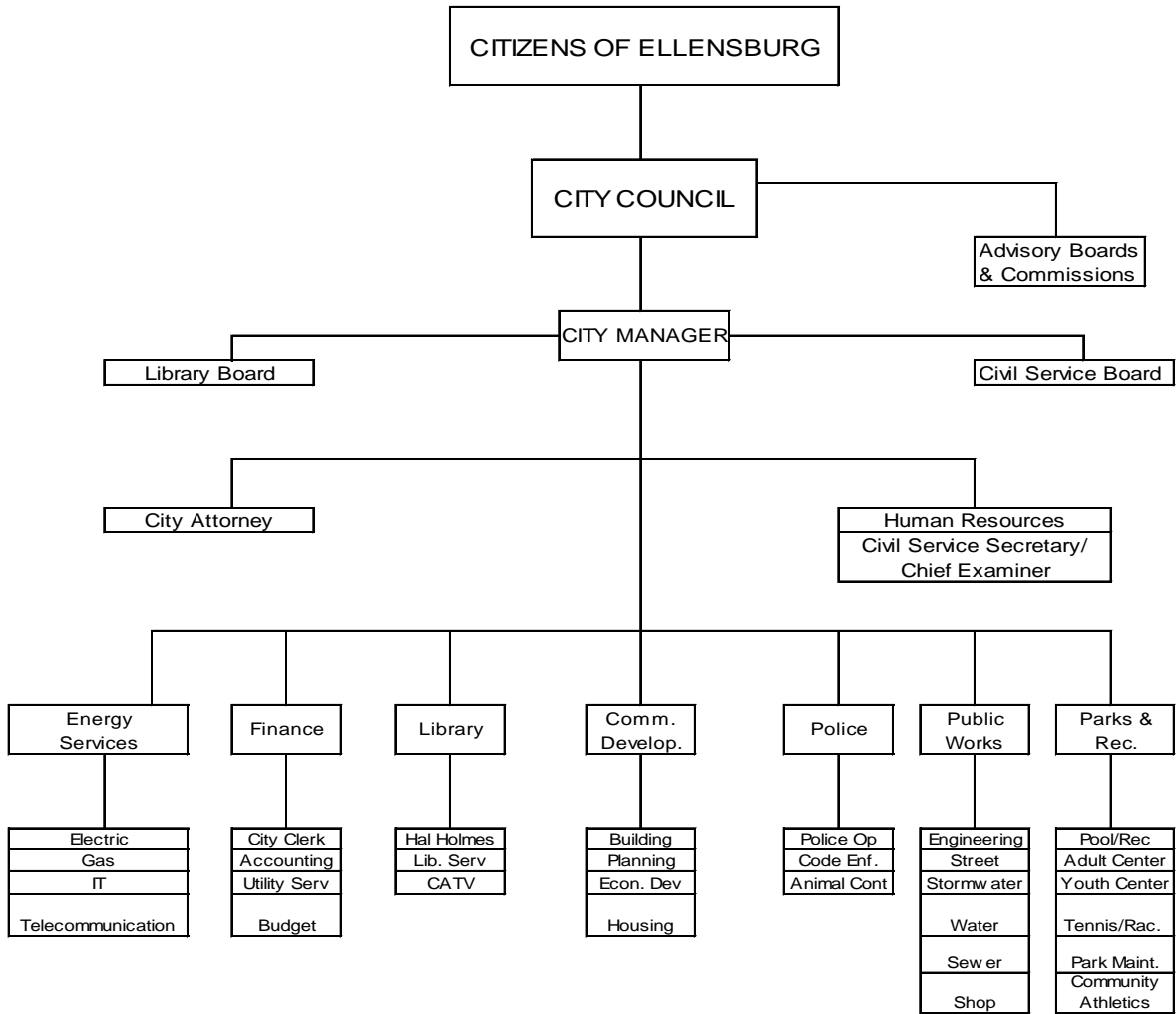
Dale Miller  
*Police Chief*

Brad Case  
*Director of Parks and Recreation*

Ryan Lyyski  
*Director of Public Works*

As of December 31, 2015

# *City of Ellensburg*



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## Financial Section

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# Washington State Auditor's Office

## INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

September 19, 2016

Mayor and City Council  
City of Ellensburg  
Ellensburg, Washington

### REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Ellensburg, Kittitas County, Washington, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Ellensburg, Kittitas County, Washington, as of December 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General and Arterial Streets funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Matters of Emphasis**

As described in Note 17, during the year ended December 31, 2015, the City has implemented the Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*. Our opinion is not modified with respect to this matter.

## **Other Matters**

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 2 through 16, information on postemployment benefits other than pensions on page 86 and pension plan information on pages 87 through 93 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary and Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying information listed as combining financial statements and supplementary information on pages 94 through 138 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This information has been subjected to auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures



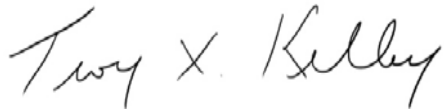
in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The information identified in the table of contents as the Introductory and Statistical Sections is presented for purposes of additional analysis and is not a required part of the basic financial statements of the City. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

#### **OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS**

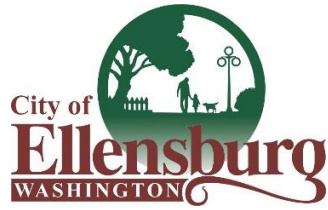
In accordance with *Government Auditing Standards*, we will also issue our report dated September 19, 2016, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report will be issued under separate cover in the City's Single Audit Report. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Sincerely,

A handwritten signature in cursive script that reads "Troy X. Kelley".

TROY KELLEY  
STATE AUDITOR  
OLYMPIA, WA

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# Management's Discussion & Analysis

## ***Management's Discussion and Analysis***

As management of the City of Ellensburg, we offer readers of the financial statements this narrative overview and analysis of the financial activities of the City of Ellensburg for the fiscal year ended December 31, 2015. The purpose is to highlight significant financial issues, major financial activities and resulting changes in financial position, and economic factors affecting the city. We encourage readers to consider the information presented here in conjunction with additional information we have furnished in our letter of transmittal in the introductory section and the City's financial statements and accompanying notes following the narrative. All amounts, unless otherwise indicated, are expressed in millions of dollars.

### **Financial Highlights**

- The assets of the City of Ellensburg exceeded its liabilities at the close of the most recent fiscal year by \$114.03 million (net position). Of this amount, \$20.99 million (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors. In addition, \$6.02 million (restricted net position) is dedicated to specific purposes and \$87.03 million is for net investment in capital assets.
- The government's total net position decreased by \$2.23 million. The governmental activities decreased by \$4.82 million and the business-type activities increased by \$2.58 million. The City of Ellensburg implemented GASB Statement 68 this year. In short, GASB 68 will require employers who participate in defined benefit pension plans to recognize a net pension liability on their financial statements. A restatement to record the effects of the new reporting guidance decreased net position by \$6.28 million. Decision regarding the allocations are made by the administrators of the pension plan, not by the City of Ellensburg's management. The majority of the increase to business type activities is attributable to excess of revenues over the expenses as well as capital contributions in the water and sewer funds.
- As of the close of the current fiscal year, the City of Ellensburg's governmental funds reported a combined ending fund balance of \$9.07 million, an increase of \$1.8 million over the prior year. This increase is due to an increase in retail sales tax and intergovernmental revenue collected for the "D" Street Bridge and John Wayne Trail projects.
- The City of Ellensburg's enterprise funds reported a combined ending fund balance of \$56.18 million, an increase of \$1.79 million over the prior year. This includes a \$3.07 increase in net position prior to applying the cumulative effect of a change in accounting principle for GASB 68. The majority of this increase is due to an increase in charges for services as well as a \$.73 million decrease in operating expenses in the Gas Fund. This

accounting principle for GASB 68. The majority of this increase is due to an increase in charges for services as well a \$.73 million decrease in operating expenses in the Gas Fund. This large drop is due to the decrease in natural gas prices. All funds saw an increase in net position except for the Gas Fund. The decrease in net position of the Gas Fund was expected as they passed on the cost savings to their customers.

### **Overview of the Financial Statements**

This discussion and analysis are intended to serve as an introduction to the City of Ellensburg's basic financial statements which are comprised of three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-Wide Financial Statements.** The *Government-Wide Financial Statements* are designed to provide readers with a broad overview of the City of Ellensburg's financial position in a manner similar to that of a private-sector business.

The *Statement of Net Position* presents information on all of the City of Ellensburg's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Ellensburg is improving or deteriorating.

The *Statement of Activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). The statement also identifies the amount of general revenues needed to fully fund each governmental function.

Both of the government-wide financial statements distinguish functions of the City of Ellensburg that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Ellensburg include general government, public safety, transportation, economic development, and culture and recreation. The business-type activities of City of Ellensburg include gas distribution, electric distribution, water distribution, sewer collection and treatment, telecommunications, and stormwater.

The *Government-Wide Financial Statements* can be found on pages 17 - 18 of this report.

**Fund Financial Statements.** A *fund* is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The City of Ellensburg, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Ellensburg can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

These statements focus on major governmental funds and proprietary funds separately. The city's major governmental funds are presented in their own column and the remaining funds are combined into a column titled "Other Governmental Funds." Statements for the city's proprietary funds and fiduciary funds follow the governmental funds and include net position, revenues, expenses, and changes in fund net position and cash flow.

**Governmental funds** are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements, and its capacity to finance its programs in the near future.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financial decisions. Both the governmental funds balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Ellensburg maintains 13 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund and Arterial Street Fund which are considered major funds. Data from the other 11 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Ellensburg adopts an annual appropriated budget for its General Fund and Arterial Street Fund. This report includes a budgetary comparison statement to demonstrate compliance with these budgets.

The basic governmental fund financial statements can be found on pages 21-24 of this report.

***Proprietary funds.*** The City of Ellensburg maintains two different types of proprietary funds; Enterprise and Internal Service Funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Ellensburg uses enterprise funds to account for telecommunications, gas distribution operations, electric distribution operations, water distribution operations, wastewater treatment operations, and stormwater operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City of Ellensburg's various functions. City of Ellensburg uses internal service funds to account for its information technology system, fleet of equipment, health and benefits, and risk management. The fleet of equipment, information technology system and risk management predominantly benefit business-type functions rather than governmental functions, therefore they have been included within the business-type activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary funds financial statements provide separate information for the Gas, Electric, Water, and Sewer funds, which are considered major funds of the City of Ellensburg. Conversely, Information Technology (IT), Equipment Repair and Replacement (ER&R), Health and Benefits, and Risk Management funds in the internal service funds are combined into single, aggregated presentation in the proprietary funds financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 28 - 32 of this report.

***Fiduciary funds.*** Fiduciary funds are used to account for resources held for the benefit of the City of Ellensburg employees and parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support City of Ellensburg's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 33 – 34 of this report.

***Notes to the financial statements.*** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 35 – 94 of this report.

***Other information.*** In addition to the basic financial statements and the accompanying notes, this report also presents certain *required supplementary information* concerning the City of Ellensburg's progress in funding its obligations to provide pension benefits to its employees.

The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the required supplementary information (RSI). The schedules can be found right before the combining and individual fund statements.

### **Government-Wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Assets exceeded liabilities by \$114.03 million at the close of the 2015 fiscal year. The City's fiscal condition remains stable and although the net position is less than last year, the City's fiscal condition is relatively better than last year. The decrease is due to a cumulative effect of a change in accounting principle applied in accordance with GASB 68.

The largest portion of City of Ellensburg's net position (76% (87.03/114.03)) reflects its investment in capital assets (e.g., land, buildings, improvements, machinery and equipment), less any related debt used to acquire those assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Ellensburg's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.



**City of Ellensburg's Statement of Net Position**  
**December 31, 2015**  
**(In Millions)**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2015	2014	2015	2014	2015	2014
<b>Assets:</b>						
Current and Other Assets	\$ 11.73	\$ 9.60	\$ 30.75	\$ 34.59	\$ 42.48	\$ 44.19
Capital Assets	50.41	51.99	57.74	53.51	108.15	105.50
Total Assets	62.14	61.59	88.49	88.10	150.63	149.69
<b>Deferred Outflow of Resources</b>						
Def. Outflow of Res. Pension	0.34	-	0.16	-	0.50	-
Total Deferred Charges	0.34	-	0.16	-	0.50	-
<b>Liabilities</b>						
Other Liabilities	0.86	0.66	3.71	2.44	4.57	3.10
Long-Term Liabilities	11.20	6.41	20.18	23.85	31.38	30.26
Total Liabilities	12.06	7.07	23.89	26.29	35.95	33.36
<b>Deferred Outflow of Resources</b>						
Deferred Gain on Refunding	-	-	0.06	0.07	0.06	0.07
Deferred: Pension	0.72	-	0.38	-	1.10	-
Total Deferred Outflows of Resources	0.72	-	0.43	0.07	1.15	0.07
<b>Net Position</b>						
Net Investment in Capital	47.08	48.41	39.95	38.63	87.03	87.05
Restricted	3.92	3.50	2.09	2.01	6.02	5.51
Unrestricted	(1.30)	2.61	22.29	21.09	20.99	23.71
Total Net Position	\$ 49.71	\$ 54.52	\$ 64.33	\$ 61.74	\$ 114.03	\$ 116.27

An additional portion of the City of Ellensburg's net position (\$6.02 million) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$20.99 million) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City of Ellensburg is able to report positive balances in all categories of net position, except for unrestricted in the governmental activities. This negative is an effect of the \$4.84 million decrease adjustment for GASB 68. Prior years showed a positive in all categories. The governmental activities net position increased by \$.03 million during the current fiscal year and saw a decrease of \$4.85 million as a cumulative effect for GASB 68 for an overall net position decrease of \$4.82 million. The government's restricted net position increased by 9% (from \$5.51 million to \$6.02 million), and the unrestricted decreased by 12% (from \$23.71 million to \$20.99 million). The increase in the restricted net position is due mainly to capital contributions. Prior to applying the cumulative effect in an accounting principle for GASB 68, the government's net position increased by \$4.04 million during the current fiscal year. Therefore, the net decrease of \$2.23 million is a direct result of applying GASB 68.

The governmental activities increased the City of Ellensburg's net position by \$.02 million, thereby accounting for less than 1 percent of the total growth in the net position. This increase is prior to applying the cumulative effect of a change in accounting principle for the City of Ellensburg. Key elements of this increase are as follows:

**City of Ellensburg's Statement of Activities**  
**For the Years Ended December 31, 2015 and 2014**

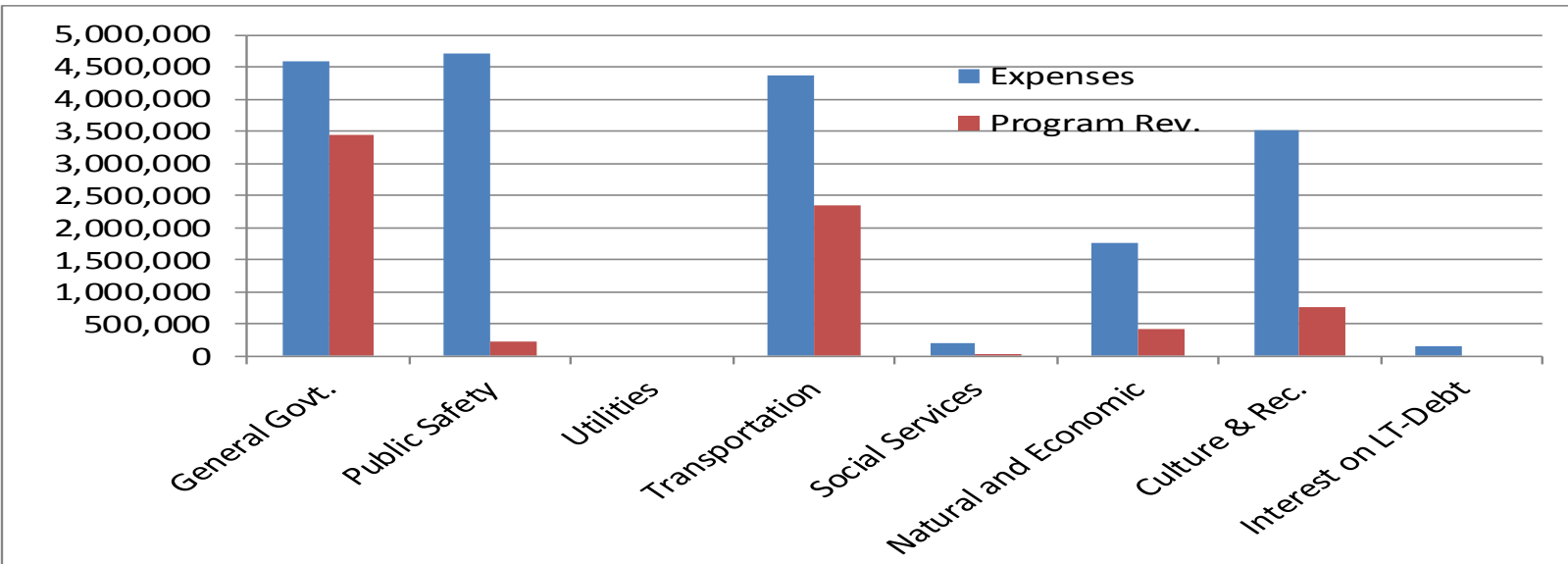
(In Millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program Revenues						
Charges for Services	\$ 4.61	\$ 5.05	\$ 31.66	\$ 30.54	\$ 36.28	\$ 35.59
Operating Grants & Contributions	0.85	0.42	0.11	0.08	0.97	0.50
Capital Grants & Contributions	2.10	2.32	0.63	1.49	2.73	3.81
General Revenues						
Property Taxes	2.86	2.79	-	-	2.86	2.79
Retail Sales & Use Tax	5.23	5.14	-	-	5.23	5.14
Other Taxes	3.27	3.04	-	-	3.27	3.04
Investment Earnings	0.03	0.32	0.06	0.04	0.09	0.36
Other Income	0.28	-	0.05	0.03	0.32	0.03
Total Revenues	19.24	19.08	32.51	32.19	51.75	51.27
Expenses:						
General Government	4.58	3.96			4.58	3.96
Public Safety	4.71	4.92			4.71	4.92
Transportation	4.36	4.41			4.36	4.41
Social Services	0.21	0.20			0.21	0.20
Natural and Economic	1.77	1.83			1.77	1.83
Culture & Recreation	3.51	3.30			3.51	3.30
Interest on LT Debt	0.15	0.23			0.15	0.23
Utilities			28.38	29.80	28.38	29.80
Others					-	-
Total Expenses	19.27	18.84	28.38	29.80	47.65	48.64
Inc(Dec) in Net Assets before Transfers	(0.03)	0.24	4.13	2.39	4.10	2.62
Special Items - Gain (Loss)	(0.06)		0.00		(0.06)	-
Transfers	0.12	0.12	(0.12)	(0.12)	-	-
Change in Net Position	0.03	0.36	4.01	2.27	4.04	2.62
Net Position - Beginning	54.52	54.15	61.74	59.48	116.27	113.63
Cumulative Effect of a Change in Accounting Principle	(4.85)	-	(1.43)	-	(6.28)	-
Beginning Net Position as Restated	49.68	54.15	60.31	59.48	109.99	113.63
Prior Period Adjustments	0.00	0.01			-	0.01
Net Position at Year End	\$ 49.71	\$ 54.52	\$ 64.32	\$ 61.74	\$ 114.03	\$ 116.27

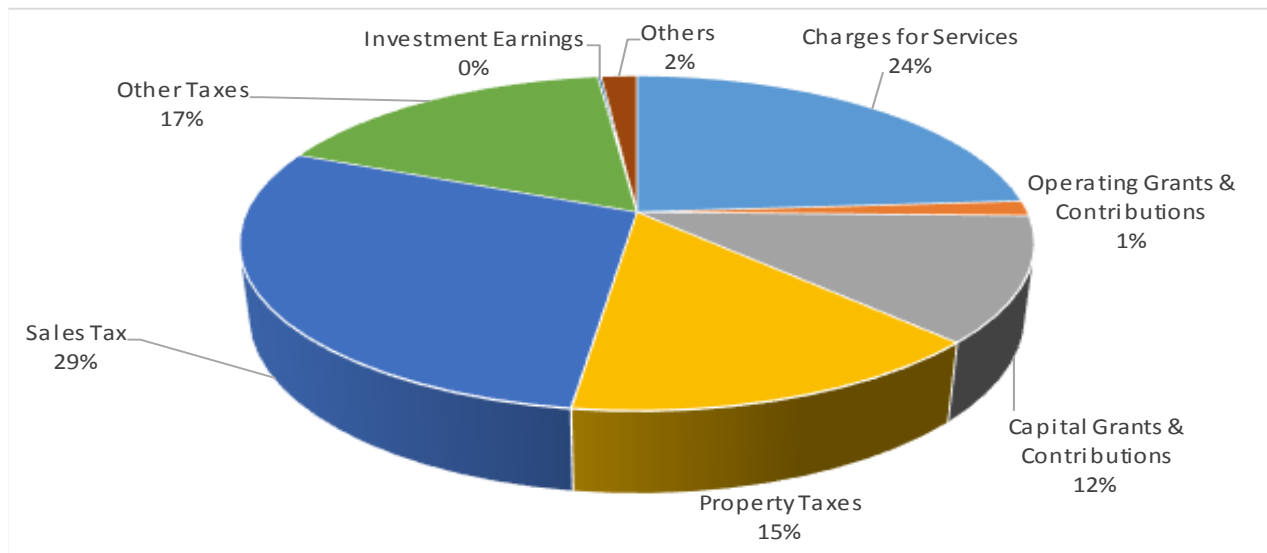
### Governmental Activities

There is not a significant change in net position for Governmental Activities from December 31, 2014 to December 31, 2015. This is attributed to the increase in general government and culture and recreation expenditures being relatively close to the increase in sales and use tax. A sizable portion of the general government expenditures increase is due to the sale of the Geddis Building and repayment of the interfund loan. The repayment was larger than the proceeds from the sale. The decrease in charges for services was covered with an increase in sales tax and decrease in areas of expenditures. The decrease in net position at year-end for the governmental activities is due to the large cumulative effect of a change in accounting principle created by applying GASB Statement 68.

## 2015 Expenses and Program Revenues - Governmental Activities



## 2015 Revenues by Source – Governmental Activities

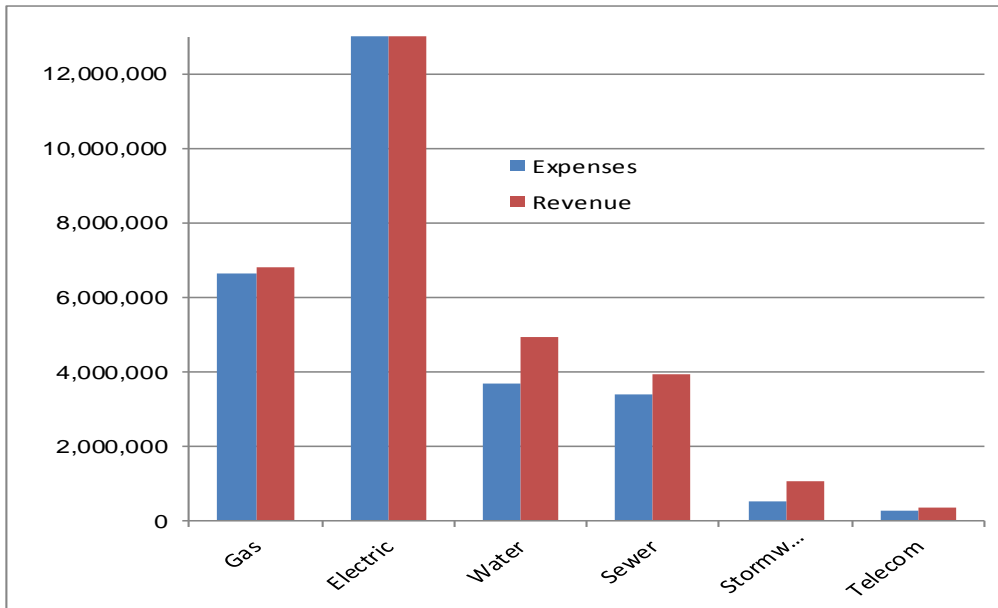


### Business-type activities

The business-type activities increased the City of Ellensburg’s net position by \$4.04 million, accounting for almost 100 percent of the total growth in the government’s net position. Key elements of this increase are as follows:

The increase in charges for services for the Electric, Water, Sewer, and Stormwater funds contributed approximately \$1.95 million. This increase is due to a combination of utility rate increases and weather. Also contributing is an increase in plant investment fee revenues in water and sewer.

## 2015 Expenses and Program Revenues – Business-type Activities



### Financial Analysis of the Government's Funds

As noted earlier, the City of Ellensburg uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of the City of Ellensburg's governmental funds is to provide information on near-term inflows, outflows, and balances of spending resources. Such information is useful in assessing the City of Ellensburg's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City of Ellensburg's governmental funds reported a combined ending fund balance of \$9.07 million (see page 21). This is an increase of \$1.80 million from the prior year. Of this amount, \$2.87 million constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is restricted, committed, or assigned to indicate it is not available for new spending because it has already been committed or designated to pay for contracts or special programs (\$6.10 million) or to pay debt service (\$0.11 million).

- The General Fund is the chief operating fund of the City of Ellensburg. At the end of the current fiscal year, the General Fund had a fund balance of \$2.96 million; the majority of this amount is classified as unassigned funds. The increase in fund balance

from the prior year is a result of the sale of the Geddis Building. Since financing to purchase the Geddis Building was done through an interfund loan, the liability was reported on the face of the basic financial statements. However, the asset is only reported in the government-wide financial statements. Therefore, the payoff of the interfund loan greatly reduced the liability for the General Fund, increasing the fund balance. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 22.5% (2,868,853/12,725,954) of the total General Fund expenditures. The General Fund reported \$1.835 million in interfund loans used to defease GO Bonds. As with the Geddis Building loan, the loan is reported on the face of the basic financial statements, however, the asset is only reported in the government-wide financial statements.

- Arterial Street Fund is a major fund of the governmental funds. Arterial Street Fund includes both the 123 (Arterial) and the 120 (Street) funds. At the end of the current fiscal year, Arterial Street had a fund balance of \$1.97 million, a decrease of \$.38 million from 2014. A majority of it is classified as assigned, which is \$1.92 million. The assigned amount is to be used for street construction and maintenance. During the current year the City of Ellensburg completed major projects with the D Street Bridge replacement, and 3<sup>rd</sup> Avenue extension that were carried over from 2014. The remainder of the expenditures were for street maintenance.

### **Proprietary funds**

The City of Ellensburg's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Restricted net position of the proprietary funds at the end of the year amounted to \$2.09 million including \$1.40 million in debt service and \$0.69 million in construction. Unrestricted net position was \$23.81 million, and the total net position for all proprietary funds was \$65.85 million. Of the \$23.81 million of unrestricted net position, there is \$15.91 million in cash and cash equivalents.

The Gas Fund had an ending fund balance of \$8.71 million in 2015. This is a decrease of \$.01 million from 2014. The majority of this decrease is due to a decrease in gas rates to its customers to reflect the decrease in natural gas purchasing costs resulting in a decrease in net position. The GASB 68 cumulative effect of a change in accounting principle reports a decrease of \$.295 million to beginning net position.

The Electric Fund had an ending balance of \$17.63 million, an increase of \$1.14 million over 2014. The majority of this increase is due to slightly higher operating revenues over expenses resulting in an increase in net position. The GASB 68 cumulative effect of a change in accounting principle reports a decrease of \$.55 million to beginning net position.

The Water Fund had an ending fund balance of \$14.08 million, an increase of \$1.13 million over 2014. This increase is attributed to the excess of revenues over expenditures and the addition of capital contributions resulting in an increase in net position. The GASB 68 cumulative effect of a change in accounting principle reports a decrease of \$.14 million to beginning net position.

The Sewer Fund had an ending fund balance of \$12.47 million, which was an increase of \$.40 over 2014. The increase is attributed to the excess of revenues over expenditures and the addition of capital contributions resulting in an increase in net position. The GASB 68 cumulative effect of a change in accounting principal reports a decrease of \$.22 million to beginning net position.

**General Fund Budgetary Highlights:** Actual General Fund revenues were lower than the final budgeted revenues by \$.03 million during fiscal year 2015. This decrease is mostly due to a lower collection of other taxes which includes telephone and utility taxes; a shortfall in licenses and permit revenue; and a decrease in charges for services associated with late fees and door tag fees. The reduction in permit fee revenue is due to projected building projects that did not happen or were pushed back to future years. The departments within the General Fund spent \$2.55 million less than their final annual budget.

Budget amendments and supplemental appropriations were made during the year to prevent budget overruns and to increase appropriations for unanticipated expenditures after adoption of the original budget.

The following are the significant supplemental appropriations during the year.

General Fund	BUDGET			ACTUAL		
	Original	Supplemental	Final	General	Other Funds	Total
<b>Revenues</b>						
Taxes	\$ 9.80	\$ -	\$ 9.80	\$ 6.05	\$ 3.96	\$ 10.01
Licenses & Permits	0.56	\$ -	0.56	0.42	-	0.42
Intergovernmental Revenues	0.27	\$ 0.03	0.30	0.40	-	0.40
Charges for Goods & Services	3.87	\$ 0.00	3.87	3.57	0.08	3.65
Fines & Penalties	0.29	\$ -	0.29	0.29	-	0.29
Miscellaneous Revenues	0.35	\$ (0.11)	0.23	0.21	0.03	0.24
Other Financing Sources	3.32	\$ (0.24)	3.08	3.02	0.06	3.09
<b>Total Revenues</b>	<b>18.45</b>	<b>(0.33)</b>	<b>18.12</b>	<b>13.96</b>	<b>4.13</b>	<b>18.09</b>
<b>Expenditures</b>						
City General	1.24	0.07	1.31	1.09	0.12	1.21
Finance	1.61	-	1.61	1.46	-	1.46
City Manager	0.88	-	0.88	0.83	-	0.83
Police	4.46	-	4.46	4.04	-	4.04
Community Development	0.92	-	0.92	0.85	-	0.85
Engineering	0.91	-	0.91	0.89	-	0.89
Parks & Rec	2.24	0.03	2.26	2.20	-	2.20
Library	1.06	0.10	1.16	1.06	-	1.06
Debt Service	1.70		1.70	0.02	-	0.02
Capital Outlay- General	0.05		0.05	0.05	0.09	0.14
Other Financing Uses	3.45	0.05	3.50	-	3.50	3.50
<b>Total expenditures</b>	<b>18.53</b>	<b>0.24</b>	<b>18.77</b>	<b>12.51</b>	<b>3.71</b>	<b>16.22</b>
Change to fund balance	\$ (0.08)	\$ (0.57)	\$ (0.65)	\$ 1.44	\$ 0.42	\$ 1.87

The difference between the original budget and final budget calculated to a \$.57 million decrease to fund balance. However, because of underspending budget in other areas, the budgeted decrease to fund balance was not used.

The City of Ellensburg's net investment in capital assets for governmental and business type activities as of December 31, 2015 amounts to \$87.03 million (net of accumulated depreciation) (see page 17). This investment in capital assets includes land, building, and systems improvements, machinery and equipment, park facilities, roads, highways and bridges. The total increase in the City of Ellensburg net investment in capital assets for the current year included a 2.76% (1,334,493/48,412,657) decrease for governmental activities and an increase of 3.4% (1,313,953/38,631,373) for business type activities.

At the end of the fiscal year 2015, the City of Ellensburg's net investment in capital assets for its governmental activities was \$47.08 million (see page 17). Major capital asset events during the current fiscal year included the following:

**Change in Capital Assets (millions)**

<b>Governmental</b>	12/31/2014	Additions	Retirements	12/31/2015
Land	\$ 12.83	\$ 0.03	\$ 0.05	\$ 12.81
Construction in Progress	0.36	0.10	0.27	0.19
Infrastructure	62.95	2.03	-	64.98
Building	12.71	0.04	1.22	11.53
Non-Building Improvements	3.29	0.21		3.50
Machinery & Equipment	1.23	0.09	0.29	1.03
Total	93.37	2.50	1.83	94.05
Less Accumulated Depreciation	41.38	2.62	0.36	43.64
Total Capital Assets Net of Depreciation	\$ 51.99	\$ (0.12)	\$ 1.46	\$ 50.41

The \$.05 million decrease in land was due to ancillary expenses previously reported as land associated with the Helena & Regal Parcel A that was never actually purchased.

The \$1.22 million decrease in building is from the sale of the Geddis Building.

The \$.29 million decrease in machinery and equipment is the retirement of police vehicles, outdated camcorders and computer equipment, parks playground toy, hot water heater, and other obsolete equipment.

The increase of \$.21 million for non-building improvements is the paving of the Rotary Park softball/baseball complex.

The \$2.03 million addition in infrastructure and the \$.03 million addition in land are from the donation of roads, sidewalks, and land from developers and the completion of the D Street Bridge and 3<sup>rd</sup> Avenue extension.

At the end of the fiscal year 2015, the City of Ellensburg's net investment in capital assets for its business type activities was \$39.95 million (see page 17). The major capital asset events during the current fiscal year included the following:

**Change in Capital Assets (millions)**

<b>Business Type activities</b>	12/31/2014	Additions	Retirements	12/31/2015
Land	\$ 1.06	\$ 0.09	\$ -	\$ 1.15
Construction in Progress	1.79	4.51	1.09	5.22
Building	10.51	-	-	10.51
Non-Building Improvements	71.25	2.56	3.30	70.51
Machinery & Equipment	21.25	1.19	2.06	20.39
Total	105.86	8.36	6.45	107.77
Less Accumulated Depreciation	52.35	2.94	5.26	50.03
Total Capital Assets Net of Depreciation	\$ 53.51	\$ 5.42	\$ 1.19	\$ 57.74

The City implemented a capital asset system in 2015 as well as conducted an extensive



audit of all the assets of the City. This resulted in removing a substantial amount of assets and the corresponding accumulated depreciation. The \$6.45 million in retirement of capital assets includes: \$2.96 million in power poles, overhead conductors, and underground conduit; \$1.43 million in electric line transformers, and various electrical equipment; and \$.57 million in gas meters and tools. A majority of these retirements were already completely depreciated. Additions to construction in progress include: Reecer Creek flood restoration project, Helena substation, Airport Road well-house, disinfectant upgrade and surface aerator at the treatment plant, and Anderson Road access to the city shop. Additions to non-building improvements included: telecommunications reclassification, new services and meters for light utility, additional distribution mains including Vista View distribution mains for water utility, main electrical panel at treatment plant, additional sewer lines, new mains on 3<sup>rd</sup> Avenue, and additional mains, services, and meters in the gas utility. Additions to machinery and equipment include; water meters and pumps, surface aerator at treatment plant, shop vehicles and equipment, and backup storage array and Dell server for the IT department.

See Note 5B for detail information on Capital Asset

### Long-term Debt

At year-end, the City had \$31.37 million in long-term debt.

### Outstanding Debt, at Year-End (millions)

<b>Governmental activities:</b>	2014	Addition	Deletion	2015
Bond Payable	\$ 3.57	\$ -	\$ 0.25	\$ 3.34
Premium	\$ 0.15	\$ -	\$ 0.01	\$ 0.14
Comp	0.54	0.02	0.01	0.55
OPEB Liability	2.15	0.75	-	2.90
Net Pension Liability	-	4.26	-	4.26
Total	\$ 6.41	\$ 5.03	\$ 0.28	\$ 11.19
<b>Enterprise activities:</b>				
Bond Payable	\$ 22.29	\$ -	\$ 4.74	\$ 17.55
Premium	\$ 0.80	\$ 0.09	\$ -	\$ 0.89
Comp	0.47	0.10	0.02	0.55
Net Pension Liability	-	1.19	-	1.19
Total	23.56	1.38	4.76	20.18
Total Long-Term Debt	\$ 29.97	\$ 6.41	\$ 5.04	\$ 31.37

See Note 8 for more detail on Long-Term Debt.

In December 2014, the City received \$3.825 million in bond proceeds for the refunding of previous 2005 electrical revenue bonds at a lower interest rate. Because these bonds were not yet callable in 2014, the reissuance proceeds were deposited with a fiscal agent and showed as Long-Term Debt until they were defeased in 2015. This accounts for a large decrease in Long-Term Debt.

The state law limits the amount of general obligation debt the City can issue without the vote of the people to 1.5% of the total assessed value. As of the end of the fiscal year, the City has \$16.81 million remaining in debt capacity (non-voted). More detail information on capital assets and long-term debt are provided in the notes to the financial statements (Note 8).

The City also has outstanding interfund loans in the total amount of \$2.12 million. One loan is from the Electric Fund to General Fund in the amount of \$1.83 million to defease the 2001 & 2002 G.O. bonds. The second interfund loan in the amount of \$283,943 is from the ER&R Fund to the Telecommunications Fund for construction of the new telecommunications utility. These loans are not part of the Long-Term Debt; they are reported under interfund loans payable.

### **Economic Factors and Next Year's Budgets and Rate**

The economy of the City is based mostly on government services and agriculture. The top major employers in the City of Ellensburg are government agencies and government support companies. A few of the City of Ellensburg's major employers are Central Washington University, Kittitas County, City of Ellensburg, and Twin City Foods, Inc.

### **Contacting the City's Finance Department**

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives.

If you have questions about this report or need additional financial information, contact:

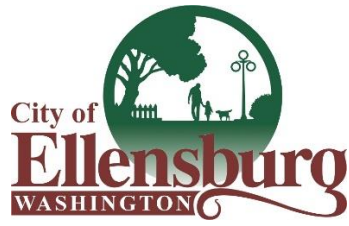
Finance Department

City of Ellensburg

501 N Anderson Street

Ellensburg, Washington 98926

or visit the City web site at [www.ci.ellensburg.wa.us](http://www.ci.ellensburg.wa.us)



# Basic Financial Statements

# CITY OF ELLENSBURG, WASHINGTON

## Statement of Net Position

December 31, 2015

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Primary Government Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 9,040,493	\$ 14,864,578	\$ 23,905,071
Deposits with fiscal agents	588,341	-	588,341
Investments	2,187,042	3,653,327	5,840,369
Receivables(net)			
Property taxes	198,811	-	198,811
Accounts	338,908	4,488,045	4,826,953
Internal balances	(1,427,452)	1,420,275	(7,178)
Due from other governments	633,284	87,148	720,432
Inventories	40,844	1,858,220	1,899,065
Restricted assets:			
Cash and cash equivalents	-	3,853,075	3,853,075
Deposits with fiscal agents	-	508,876	508,876
Net pension asset	1,346,795	-	1,346,795
Capital assets, not being depreciated			
Land	12,814,618	1,149,114	13,963,732
Construction in progress	188,056	5,215,119	5,403,175
Capital assets, net (see note 6)			
Infrastructure	29,790,249	-	29,790,249
Buildings	5,691,301	5,993,437	11,684,738
Improvements & other buildings	1,648,837	37,829,555	39,478,392
Machinery & equipment	280,734	7,554,305	7,835,038
Total Assets	<u>63,360,860</u>	<u>88,475,073</u>	<u>151,835,933</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows of resources pension	610,880	293,010	903,890
Total Deferred Outflows of Resources	<u>610,880</u>	<u>293,010</u>	<u>903,890</u>
<b>LIABILITIES</b>			
Accounts payable and accrued expenses	735,801	3,046,556	3,782,357
Other liabilities	123,447	662,027	785,474
Non current liabilities (Note 8):			
Due within one year	654,096	1,203,288	1,857,384
Due in more than one year	6,283,796	17,769,239	24,053,035
Net pension liability	4,246,946	2,416,810	6,663,756
Total Liabilities	<u>12,044,085</u>	<u>25,097,920</u>	<u>37,142,006</u>
<b>DEFERRED INFLOW OF RESOURCES</b>			
Deferred gain on refunding	-	57,694	57,694
Deferred inflows of resources: pension	1,002,760	429,797	1,432,556
Total Deferred Inflows of Resources	<u>1,002,760</u>	<u>487,491</u>	<u>1,490,251</u>
<b>NET POSITION</b>			
Net investment in capital assets	47,078,164	39,948,326	87,026,490
Restricted:			
Capital projects	678,989	-	678,989
Construction	-	693,339	693,339
Debt service	54,082	1,398,220	1,452,302
Transportation	1,100,673	-	1,100,673
Public Safety	490,774	-	490,774
Natural and Economic	470,014	-	470,014
Culture and Recreation	1,130,041	-	1,130,041
Unrestricted	(77,842)	21,142,789	21,064,947
Total Net Position	<u>\$ 50,924,894</u>	<u>\$ 63,182,674</u>	<u>\$ 114,107,569</u>

The notes to the financial statements are an integral part of this statement.

## CITY OF ELLENSBURG, WASHINGTON

### Statement of Activities

For the Year Ended December 31, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
Primary Government:							
Governmental Activities							
General government	\$ 4,504,020	\$ 3,141,898	\$ 351,463	\$ 412,320	\$ (598,339)	\$ -	\$ (598,339)
Public safety	4,585,712	182,712	281,051	-	(4,121,949)	-	(4,121,949)
Transportation	4,350,421	265,052	-	1,689,121	(2,396,248)	-	(2,396,248)
Social Services	205,256	51,865	3,337	-	(150,055)	-	(150,055)
Natural and Economic	1,765,916	369,134	62,907	-	(1,333,875)	-	(1,333,875)
Culture & recreation	3,492,768	603,455	155,855	-	(2,733,458)	-	(2,733,458)
Interest on long-term debt	147,987	-	-	-	(147,987)	-	(147,987)
Total governmental Activities	<u>19,052,080</u>	<u>4,614,116</u>	<u>854,613</u>	<u>2,101,441</u>	<u>(11,481,911)</u>	<u>0</u>	<u>(11,481,911)</u>
Business-type Activities							
Telecommunications	270,221	365,308	-	-	-	95,087	95,087
Stormwater	508,475	940,027	112,062	-	-	543,614	543,614
Gas	6,626,001	6,818,519	-	-	-	192,519	192,519
Light	13,819,412	15,333,042	-	-	-	1,513,631	1,513,631
Water	3,666,380	4,499,484	-	418,724	-	1,251,828	1,251,828
Sewer	3,358,061	3,706,183	-	206,917	-	555,039	555,039
Total business-type activities	<u>28,248,550</u>	<u>31,662,563</u>	<u>112,062</u>	<u>625,641</u>	<u>-</u>	<u>4,151,717</u>	<u>4,151,717</u>
Total Primary Government	<u>\$ 47,300,630</u>	<u>\$ 36,276,679</u>	<u>\$ 966,675</u>	<u>\$ 2,727,082</u>	<u>(11,481,911)</u>	<u>4,151,717</u>	<u>(7,330,195)</u>
General revenues:							
Taxes:							
Property taxes, levied for general purposes					2,706,323	-	2,706,323
Property taxes, levied for debt service					150,748	-	150,748
Sales & use taxes					5,234,221	-	5,234,221
Other taxes					3,274,807	-	3,274,807
Investment earnings					31,127	60,089	91,216
Miscellaneous					344,826	51,998	396,824
Disposition of capital assets(gain)					(59,411)	(515)	(59,926)
Transfers					120,000	(120,000)	-
Total general revenues and transfers					<u>11,802,642</u>	<u>(8,428)</u>	<u>11,794,214</u>
Change in net position					320,730	4,143,289	4,464,019
Net position - beginning					54,524,490	61,742,129	116,266,619
Cumulative effect of a change in accounting principle					(3,920,326)	(2,702,740)	(6,623,066)
Beginning net position as restated					50,604,164	59,039,389	109,643,553
Prior period adjustments					-	-	-
Net position - ending					<u>\$ 50,924,894</u>	<u>\$ 63,182,678</u>	<u>\$ 114,107,572</u>

The notes to the financial statements are an integral part of this statement.

## **FUND FINANCIAL STATEMENTS**

Unlike Government-Wide Financial Statements that report on the City as a whole, Fund Financial Statements focus on the individual major funds of the City.

- Balance Sheet- Governmental Funds
- Reconciliation of Governmental Fund Balance Sheet to the Statement of Net Position
- Statement of Revenues, Expenditures, and Changes in Fund Balance- Governmental Funds
- Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
- Statement of Revenues, Expenditures, and Changes in Fund Balances- Budget and Actual- General Fund and Arterial Street Fund
- Statement of Fund Net Position- Proprietary Funds
- Statement of Revenues, Expenses, and Changes in Fund Net Position- Proprietary Funds
- Statement of Cash Flows- Proprietary Funds
- Statement of Fiduciary Net Position- Fiduciary Funds
- Statement of Changes in Fiduciary Net Position- Fiduciary Funds

## MAJOR GOVERNMENTAL FUNDS

**General Fund**- Classified as a major fund and is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund. This fund includes our regular General Fund, Ellensburg Public Transit, Sales Tax, Police Vehicles, EUREDRAF and Special Projects Funds. See page 21.

**Arterial Street**- This fund accounts for maintenance of transportation improvements within the public right of way and the construction of streets, bridges, trails, and traffic signals. The majority of the revenue in this fund is from the receipt of grant revenues and fuel excise tax revenue restricted for the maintenance and construction of the City's streets. This fund includes are regular Arterial Street and our Street Fund. See page 21.

## MAJOR ENTERPRISE FUNDS

**Gas Fund**- This 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 its expenses are the purchase of gas for resale.

**Electric Fund**- This fund accounts for the activities of the City's electric distribution operations. The major source of revenue is the sale of electricity and a major part of its expenses are the purchase of power from entities like Bonneville.

**Water Fund**- This fund accounts for operations that provide goods or services to the general public for receiving water services and are supported primarily through user charges.

**Sewer Fund**- This fund accounts for the activities of the City's sewer treatment plant, sewer pumping station, and collection system. The fund is supported through service charges.

# City of Ellensburg, Washington

Balance Sheet  
Governmental Funds  
December 31, 2015

	General Fund*	Arterial Street**	Other Governmental Funds	Total Governmental Funds
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>				
Cash and cash equivalents	\$3,281,307	\$1,572,693	\$3,138,180	\$7,992,180
Deposits with other agents	112,344	-	400,359	512,703
Investments	1,190,576	479,786	516,680	2,187,042
Receivables (net)				
Property Taxes	190,259	-	8,553	198,811
Accounts	182,857	10,647	145,404	338,908
Due from other funds	806	9,399	3,821	14,026
Due from other governments	491,693	39,192	102,399	633,284
Inventory	-	40,844	-	40,844
<b>Total Assets</b>	<b>5,449,842</b>	<b>2,152,562</b>	<b>4,315,394</b>	<b>11,917,799</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
	-	-	-	-
<b>Total Assets and Deferred Outflows of Resources</b>	<b>5,449,842</b>	<b>2,152,562</b>	<b>4,315,394</b>	<b>11,917,799</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
Accounts payable	372,987	147,158	165,624	685,768
Due to other funds	3,007	39,689	4,133	46,829
Due to other governments	-	-	-	-
Other liabilities	112,434	-	-	112,434
Interfund Loan	1,834,657	-	-	1,834,657
<b>Total Liabilities</b>	<b>2,323,084</b>	<b>186,847</b>	<b>169,757</b>	<b>2,679,688</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue-property taxes	162,615	-	5,557	168,173
<b>Total Deferred Inflows of Resources</b>	<b>162,615</b>	<b>-</b>	<b>5,557</b>	<b>168,173</b>
<b>FUND BALANCE</b>				
Nonspendable	-	40,844	-	40,844
Restricted	-	-	3,883,728	3,883,728
Committed	-	-	122,987	122,987
Assigned	95,289	1,924,871	133,366	2,153,526
Unassigned	2,868,853	-	-	2,868,853
<b>Total Fund Balance</b>	<b>2,964,143</b>	<b>1,965,716</b>	<b>4,140,080</b>	<b>9,069,938</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 5,449,842</b>	<b>\$ 2,152,562</b>	<b>\$ 4,315,395</b>	<b>\$ 11,917,799</b>

\* General Fund includes Funds 001 (General Fund), 127 (Ellensburg Public Transit) 140 (Sales Tax) 159(Police Vehicles), 175(Geddis) and 198(Special Projects)

\*\* Arterial Street includes Funds 123( Arterial Street) and 120 (Street). The revenue in Arterial Street is catagorized as assigned to only be spent on street related projects.

The notes to the financial statements are an integral part of this statement



**CITY OF ELLENSBURG**  
**Reconciliation of the Governmental Funds Balance Sheet to the**  
**Statement of Net Position**  
**For the Year End December 31, 2015**

The governmental funds balance sheet includes a reconciliation between fund balance in governmental funds and net position-governmental activities as reported in the government-wide statement of net position.

Fund balance of governmental funds- Page 21 \$9,069,938

The Internal Service Health and Benefit Fund (\$1,073,917) is used to charge the cost of health benefits. The assets and liabilities of this fund is included in the government activities column on the government wide statement of net position. Less \$7,178 Internal Fund allocated to other Internal Service Funds. 1,066,740

Liabilities that are not due and payable in the current period are therefore not reported in the governmental funds balance sheet but are reported on the government wide statement of net position Page 17

Bonds Payable (Page 87)	3,345,000
OPEB Liability	2,907,495
Compensated Absences	545,099
Bond Issuance Premium	140,298
Accrued Interest on Bonds	11,013

Net adjustment to reduce fund balance - Total of Governmental Funds to Net Position of Governmental Funds (6,948,905)

The reporting of net investment in capital assets for governmental activities are not financial resources and therefore are not reported in the funds. The detail of this \$50,413,794 difference is as follows: (page 17)

Land	12,814,618
Infrastructure	29,790,249
Building	5,691,301
Improvements	1,648,837
Machinery & Equipment	280,734
Construction in Progress	188,056
Net Adjustment to increase fund balance-total governmental funds to net position governmental funds	50,413,794

Other longterm assets are not available to be collected in current period revenues and therefore are deferred in the funds (deferred property tax \$168,173 (p. 21) 168,173

The net pension asset is not an available resource and therefore is not reported in the funds ( pension liability) (p.17) 1,346,795

Internal Service funds are used by management to charge the cost of ER&R, Management Information Systems(IT), Health Benefits and Risk Management to individual funds. The asset and liabilities of the internal service funds of ER&R,IT, and Risk Management are included in the governmental activities in the statement of net position. From 2010 - 2014, the net profit for internal service funds were allocated out to different activities based on the percentage of support (page 49). In 2015, the City made a change in accounting method to follow BARS 4.3.6.20 to report Health fund solely as a governmental activity. 447,185

GASB 68 adjustments

Contributions to the pension plan in the current fiscal year are deferred outflows of resources	610,880
Pension Liability	(4,246,946)
Pension related deferrals are inflows of resources	(1,002,760)
Net Adjustment to decrease fund balance-total governmental funds to net position governmental funds.	(4,638,826)

Net Position of Governmental Activities (page 17) \$50,924,894

The notes to the financial statements are an integral part of this statement

# City of Ellensburg, Washington

## Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

For the Year Ended December 31, 2015

	General Fund*	Arterial Street**	Other Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>				
Property taxes	\$ 2,745,731	\$ -	\$ 153,449	\$ 2,899,180
Retail sales & use taxes	4,309,668	-	1,276,017	5,585,684
Other taxes	2,952,821	-	321,986	3,274,807
Licenses and permits	421,227	4,116	-	425,343
Intergovernmental	398,874	1,949,556	130,194	2,478,624
Charges for services	3,645,131	78,809	172,041	3,895,981
Fines & forfeits	286,772	-	5,026	291,799
Investment earnings	22,986	7,074	(1,362)	28,697
Miscellaneous	221,661	35,584	17,864	275,109
<b>Total Revenues</b>	<b>15,004,871</b>	<b>2,075,139</b>	<b>2,075,215</b>	<b>19,155,225</b>
<b>EXPENDITURES:</b>				
Current:				
General Government	3,726,382	40,551	-	3,766,934
Public Safety	4,054,343	-	693,684	4,748,027
Utilities	-	-	-	-
Transportation	212,310	2,098,739	107,540	2,418,589
Social Services	205,256	-	-	205,256
Natural and Economic	1,189,958	-	612,498	1,802,455
Culture & Recreation	3,170,514	-	4,285	3,174,799
Debt service				
Principal	-	-	225,000	225,000
Interest and other charges	24,497	-	138,408	162,905
Capital outlay	142,694	1,834,811	131,637	2,109,141
<b>Total Expenditures</b>	<b>12,725,954</b>	<b>3,974,101</b>	<b>1,913,051</b>	<b>18,613,106</b>
Excess (Deficiency) of Revenues Over Expenditures	<b>2,278,917</b>	<b>(1,898,962)</b>	<b>162,164</b>	<b>542,119</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Refunding bond proceeds	-	-	-	-
Bond premiums	-	-	-	-
Insurance recovery	-	-	-	-
Disposition of capital assets	1,135,033	-	-	1,135,033
Transfers in	21,000	1,514,674	213,953	1,749,627
Transfers out	(1,567,168)	-	(62,459)	(1,629,627)
Other adjustments	-	-	-	-
<b>Total other financing sources &amp; uses</b>	<b>(411,135)</b>	<b>1,514,674</b>	<b>151,494</b>	<b>1,255,033</b>
<b>Net change in fund balance</b>	<b>1,867,782</b>	<b>(384,287)</b>	<b>313,658</b>	<b>1,797,152</b>
Fund Balances-Beginning****	1,096,361	2,350,003	3,826,423	7,272,787
Prior Period Adjustments	-	-	-	-
<b>Fund Balances-Ending</b>	<b>\$ 2,964,143</b>	<b>\$ 1,965,716</b>	<b>\$ 4,140,080</b>	<b>\$ 9,069,938</b>

\* General Fund includes Funds 001 (General Fund), 127 (Ellensburg Public Transit) 140 (Sales Tax) 159(Police Vehicles), 175(Geddis) and 198(Special Projects).

\*\* Arterial Street includes Funds 123 (Arterial Street) and 120 (Street). The revenue in Arterial Street is categorized as assigned to only be spent on street related projects.

The notes to the financial statements are an integral part of this statement.

**CITY OF ELLENSBURG**  
**Reconciliation of the Statement of Revenues, Expenditures**  
**Statement of Activities**  
**For the Year End December 31, 2015**

Amounts reported for governmental activities in the statement of activities are different because of the following reconciling items:

Net Change in fund balance-total governmental funds (page 23) \$1,797,152

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense

Capital Outlay	2,109,141	
Depreciation Expense	(2,621,876)	
		(512,735)

The net effect of various miscellaneous transactions involving capital assets i.e. sales (-\$1,194,444.14), trade ins, and donations (\$126,959.06) is to increase net position. The following is from donated assets.

(1,067,485)

Issuance of long-term debt provides current financial resources to governmental funds while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however has any effect on net position. Also governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The following details the net change in long-term debt as reflected in government-wide reporting

Debt Issued or Incurred		
OPEB Liability		(755,451)
Pension Liability- net position asset		-
Compensated Balance		(6,957)
Other Finance Sources, Uses, and expenditures resulting from debt issuance		
Bond Payments (Includes Refunded Amounts)	225,000	
Amortization of premiums	14,452	
Accrued Interest	467	
Debt Related Cost		239,918
Net effect of Long-term Debt		(522,490)

Revenues in the statement of activities that do not provide current financial resources are not recorded as revenues in the fund statements (current year deferred property tax).

(42,108)

GASB 68 Pension Expenses 430,647

State of Washington GASB 68 Pension Contributions 69,717

Internal service funds are used by management to charge the cost of certain activities to individual funds. The net revenue is reported with the governmental activities. The net profit for internal service funds were allocated out to different activities based on the percentage of support.

168,033

Change in net position of governmental activities (page 18)

\$320,730

The notes to the financial statements are an integral part of this statement

# City of Ellensburg, Washington

## General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2015

	Budget- General Fund		Actual	*Other Funds	Total
	Original	Final			
<b>REVENUES:</b>					
Property taxes	\$ 2,750,856	\$ 2,750,856	\$ 2,745,731	\$ -	\$ 2,745,731
Retail sales & use taxes	325,824	325,824	351,463	3,958,205	4,309,668
Other taxes	3,146,608	3,146,608	2,952,821	-	2,952,821
Licenses and permits	558,250	558,250	421,227	-	421,227
Intergovernmental	269,550	296,070	398,874	-	398,874
Charges for services	3,791,084	3,793,533	3,565,754	79,377	3,645,131
Fines & forfeits	287,800	287,800	286,772	-	286,772
Investment earnings	13,000	13,000	17,659	5,327	22,986
Miscellaneous	201,607	196,058	195,393	26,269	221,661
<b>Total Revenues</b>	<b>11,344,579</b>	<b>11,367,999</b>	<b>10,935,694</b>	<b>4,069,178</b>	<b>15,004,871</b>
<b>EXPENDITURES:</b>					
Current:					
General Government					
City General	524,209	544,832	519,184	21,274	540,459
Finance	1,610,739	1,610,739	1,464,599	-	1,464,599
Managers	876,888	876,888	833,577	-	833,577
Engineering	911,738	911,738	887,747	-	887,747
<b>Total General Government</b>	<b>3,923,574</b>	<b>3,944,197</b>	<b>3,705,108</b>	<b>21,274</b>	<b>3,726,382</b>
Security of Person and Property					
City General	204,582	213,502	220,265	-	220,265
Police	4,232,274	4,232,274	3,834,078	-	3,834,078
Community Development	-	-	-	-	-
<b>Total Security of Person and Property</b>	<b>4,436,856</b>	<b>4,445,776</b>	<b>4,054,343</b>	<b>-</b>	<b>4,054,343</b>
Utilities					
City General	-	-	-	-	-
Police	-	-	-	-	-
Community Development	-	-	-	-	-
Engineering	-	-	-	-	-
<b>Total Utilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Transportation					
City General	116,103	116,103	111,301	101,009	212,310
<b>Total Transportation</b>	<b>116,103</b>	<b>116,103</b>	<b>111,301</b>	<b>101,009</b>	<b>212,310</b>
Natural and Economic					
City General	130,537	130,537	129,037	-	129,037
Police	231,525	231,525	210,429	-	210,429
Community Development	924,325	924,325	850,491	-	850,491
<b>Total Natural and Economic</b>	<b>1,286,387</b>	<b>1,286,387</b>	<b>1,189,958</b>	<b>-</b>	<b>1,189,958</b>
Social Services					
City General	41,072	41,072	37,883	-	37,883
Parks and Recreation	153,928	153,928	167,373	-	167,373
<b>Total Social Services</b>	<b>195,000</b>	<b>195,000</b>	<b>205,256</b>	<b>-</b>	<b>205,256</b>
Culture & recreation					
City General	79,650	85,376	71,589	-	71,589
Parks and Recreation	2,083,123	2,109,554	2,036,879	-	2,036,879
Library	1,060,501	1,157,487	1,062,046	-	1,062,046
<b>Total Culture and Recreation</b>	<b>3,223,274</b>	<b>3,352,417</b>	<b>3,170,514</b>	<b>-</b>	<b>3,170,514</b>

Continued on next page

Debt Service					
City General	1,699,997	1,699,997	24,497	-	24,497
Total Debt Service	<u>1,699,997</u>	<u>1,699,997</u>	<u>24,497</u>	<u>-</u>	<u>24,497</u>
Capital outlay					
General		0	54,000	88,695	142,694
Total Expenditures	<u>14,881,191</u>	<u>15,039,877</u>	<u>12,514,977</u>	<u>210,978</u>	<u>12,725,954</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(3,536,612)</u>	<u>(3,671,878)</u>	<u>(1,579,283)</u>	<u>3,858,200</u>	<u>2,278,917</u>
<b>OTHER FINANCING SOURCES (USES):</b>					
Insurance recoveries	-	-	-	-	-
Disposition of capital assets	1,400,000	1,135,032	1,135,033	-	1,135,033
Transfers in	1,859,243	1,880,243	21,000	-	21,000
Transfers out	-	-	-	-	-
City General	-	-	-	(1,567,168)	(1,567,168)
Total other financing sources & uses	<u>3,259,243</u>	<u>3,015,275</u>	<u>1,156,033</u>	<u>(1,567,168)</u>	<u>(411,135)</u>
Net change in fund balance	(277,369)	(656,603)	(423,250)	2,291,032	1,867,782
Fund Balance-Beginning	3,006,702	3,011,702	(229,344)	1,325,705	1,096,361
Prior Period Adjustment					
Fund Balances-Ending	<u>\$ 2,729,333</u>	<u>\$ 2,355,099</u>	<u>\$ (652,594)</u>	<u>\$ 3,616,736</u>	<u>\$ 2,964,143</u>

\* Other Funds include 127 (Ellensburg Public Transit) 140 (Sales Tax) 159(Police Vehicles),175(Geddiss) and 198(Special Projects) see workpaper page 128-132 for detail of budget for these funds

\*\* Transfers In and Out are reported as adopted by council on the budget to actual statement and netted together on the operating statement.

The notes to the financial statements are an integral part of this statement

# City of Ellensburg, Washington

## Arterial Street Fund

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2015

	Budget		Actual	*Other Funds	Total
	Original	Final			
<b>REVENUES:</b>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Retail sales & use taxes	-	-	-	-	-
Other taxes	-	-	-	-	-
Licenses and permits	4,000	4,000	4,116	-	4,116
Intergovernmental	2,482,530	2,787,030	1,676,048	273,508	1,949,556
Charges for services	-	-	16,905	61,903	78,809
Fines & forfeits	-	-	-	-	-
Investment earnings	500	500	5,393	1,681	7,074
Miscellaneous	-	-	32,022	3,562	35,584
<b>Total Revenues</b>	<b>2,487,030</b>	<b>2,791,530</b>	<b>1,734,486</b>	<b>340,653</b>	<b>2,075,139</b>
<b>EXPENDITURES:</b>					
Current:					
General Government	-	-	-	40,551	40,551
Judicial Services	-	-	-	-	-
Public Safety	-	-	-	-	-
Utilities	-	-	-	-	-
Transportation	-	21,346	558,607	1,540,131	2,098,739
Social Services	-	-	-	-	-
Natural and Economic	-	-	-	-	-
Culture & Recreation	-	-	-	-	-
Interest on long-term debt	-	-	-	-	-
Debt service	-	-	-	-	-
Principal	-	-	-	-	-
Interest and other charges	-	-	-	-	-
Capital outlay	4,440,215	4,872,689	1,834,811	-	1,834,811
<b>Total Expenditures</b>	<b>4,440,215</b>	<b>4,894,035</b>	<b>2,393,418</b>	<b>1,580,683</b>	<b>3,974,101</b>
Excess (Deficiency) of Revenues Over Expenditures	(1,953,185)	(2,102,505)	(658,932)	(1,240,029)	(1,898,962)
<b>OTHER FINANCING SOURCES (USES):</b>					
Bond issue proceeds	-	-	-	-	-
Bond premiums	-	-	-	-	-
Payment to bond refunding escrow agent	-	-	-	-	-
Disposition of capital assets	-	-	-	-	-
Transfers in	1,098,215	1,098,215	194,674	1,320,000	1,514,674
Transfers out	-	-	-	-	-
Other adjustments	-	-	-	-	-
<b>Total Other Financing Sources &amp; Uses</b>	<b>1,098,215</b>	<b>1,098,215</b>	<b>194,674</b>	<b>1,320,000</b>	<b>1,514,674</b>
<b>Net Change in Fund Balance</b>	<b>(854,970)</b>	<b>(1,004,290)</b>	<b>(464,258)</b>	<b>79,971</b>	<b>(384,287)</b>
Fund Balances-Beginning	1,287,742	1,470,239	1,470,239	879,764	2,350,003
Prior Period Adjustments	-	-	-	-	-
<b>Fund Balances-Ending</b>	<b>\$ 432,772</b>	<b>\$ 465,949</b>	<b>\$ 1,005,981</b>	<b>\$ 959,735</b>	<b>\$ 1,965,716</b>

\* Other funds includes Fund 120 (Street), see page 127 for budget details

The notes to the financial statements are an integral part of this statement

# CITY OF ELLENSBURG, WASHINGTON

Statement of Fund Net Position  
 Proprietary Funds  
 December 31, 2015

	Enterprise Funds						Internal Services Funds
	Major				Non-Major		
	Gas	Electric	Water	Sewer	Funds	Total	
<b>ASSETS</b>							
Current assets:							
Cash and cash equivalents	\$ 1,369,499	\$ 3,935,962	\$ 1,527,488	\$ 1,996,985	\$ 925,463	\$ 9,755,398	\$ 6,157,493
Deposits with fiscal agents	-	-	-	-	-	-	75,637
Investments	340,185	-	1,259,284	1,000,330	200,000	2,799,799	853,528
Receivables(net)							
Special assessments	-	-	-	-	-	-	-
Accounts	1,424,424	2,153,757	388,231	409,388	112,245	4,488,045	-
Due from other funds	-	9,425	23,055	4,513	-	36,993	10,669
Due from other governments	-	613	280	2,000	79,003	81,896	5,252
Interfund loan receivable	-	1,834,657	-	-	-	1,834,657	283,943
Inventories	589,229	990,828	186,514	18,924	-	1,785,495	72,726
Restricted assets:							
Cash and cash equivalents	-	2,874,918	472,042	506,115	-	3,853,075	-
Deposits with fiscal agents	-	-	-	-	-	-	-
Investments	-	-	508,876	-	-	508,876	-
Total current assets	<u>3,723,337</u>	<u>11,800,160</u>	<u>4,365,771</u>	<u>3,938,254</u>	<u>1,316,712</u>	<u>25,144,234</u>	<u>7,459,248</u>
Noncurrent assets:							
Capital assets, net							
Land	124,208	522,268	29,623	32,290	-	708,389	440,725
Buildings	525,940	208,979	3,243,731	4,730,235	458,451	9,167,337	1,340,345
Improvements	12,659,574	20,220,380	19,557,123	15,384,007	2,421,774	70,242,857	265,595
Machinery & equipments	612,087	7,687,645	2,583,637	3,096,485	214,086	14,193,940	6,193,689
Construction In progress	-	3,504,232	1,355,512	147,162	163,840	5,170,746	44,373
Less accumulated depreciation	(7,909,263)	(15,086,578)	(10,408,439)	(10,688,855)	(279,212)	(44,372,346)	(5,654,121)
Unamortized bond insurance premium	-	16,713	-	-	-	16,713	-
Total noncurrent assets	<u>6,012,545</u>	<u>17,073,639</u>	<u>16,361,188</u>	<u>12,701,324</u>	<u>2,978,940</u>	<u>55,127,635</u>	<u>2,630,607</u>
Total Assets	<u>9,735,882</u>	<u>28,873,799</u>	<u>20,726,959</u>	<u>16,639,578</u>	<u>4,295,652</u>	<u>80,271,869</u>	<u>10,089,855</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>							
Deferred outflows of resources pension	62,088	116,078	29,694	45,891	16,197	269,950	23,060
Total Deferred Outflows of Resources	<u>62,088</u>	<u>116,078</u>	<u>29,694</u>	<u>45,891</u>	<u>16,197</u>	<u>269,950</u>	<u>23,060</u>

"Continue on Next Page"

**LIABILITIES**

## Current liabilities:

Accounts payable and accrued expenses	590,888	2,037,287	159,679	97,265	25,365	2,910,486	186,103
Due to other funds	3,913	4,638	537	5,674	19	14,782	78
Due to other governments	-	-	-	-	-	-	-
Interfund loan payable	-	-	-	-	283,943	283,943	-
Other liabilities	-	24,060	20,122	13,262	604,582	662,027	-
Due within one year	64,221	407,665	518,049	169,409	15,527	1,174,870	28,418
Total current liabilities	<u>659,023</u>	<u>2,473,650</u>	<u>698,388</u>	<u>285,611</u>	<u>929,436</u>	<u>5,046,108</u>	<u>214,599</u>

## Non current liabilities:

Due in more than one year	71,369	8,198,024	5,784,951	3,663,103	8,270	17,725,717	60,235
Net pension liability	528,058	987,239	252,549	390,304	137,754	2,295,904	120,907
Total noncurrent liabilities	<u>599,427</u>	<u>9,185,263</u>	<u>6,037,500</u>	<u>4,053,406</u>	<u>146,024</u>	<u>20,021,621</u>	<u>181,141</u>

## Total Liabilities

	<u>1,258,450</u>	<u>11,658,913</u>	<u>6,735,888</u>	<u>4,339,017</u>	<u>1,075,460</u>	<u>25,067,728</u>	<u>395,740</u>
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**DEFERRED INFLOWS OF RESOURCES**

Deferred gain on refunding	-	-	-	-	-	-	-
Deferred pension inflows	-	24,958	27,171	5,565	-	57,694	-
Total Deferred Inflows of Resources	<u>90,312</u>	<u>168,844</u>	<u>43,193</u>	<u>66,752</u>	<u>23,560</u>	<u>392,662</u>	<u>37,135</u>

**NET POSITION**

Net investment in capital assets	6,012,545	8,924,033	10,311,768	9,090,434	2,978,940	37,317,719	2,630,607
Restricted:							
Debt service	-	604,525	508,876	284,818	-	1,398,220	-
Rate stabilization	-	-	-	-	-	-	-
Construction	-	-	472,042	221,296	-	693,339	-
Unrestricted	2,436,663	7,608,603	2,657,715	2,677,586	233,889	15,614,457	7,049,433
Total Net Position	<u>\$ 8,449,208</u>	<u>\$ 17,137,161</u>	<u>\$ 13,950,402</u>	<u>\$ 12,274,135</u>	<u>\$ 3,212,829</u>	<u>55,023,735</u>	<u>\$ 9,680,040</u>

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.

Net position of business-type activities

8,158,937  
\$ 63,182,672

The notes to the financial statements are an integral part of this statement.



**CITY OF ELLENSBURG, WASHINGTON**

Statement of Revenues, Expenses, and Changes in Fund Net Position

Proprietary Funds

For the Year Ended December 31, 2015

	Enterprise Funds						
	Major Funds				Non-Major		Internal Service Funds
	Gas	Electric	Water	Sewer	Funds	Total	
Operating revenues:							
Charges for services	\$ 6,802,536	\$ 15,299,937	\$ 4,482,352	\$ 3,694,278	\$ 1,304,589	\$ 31,583,693	\$ 2,099,090
Miscellaneous	15,983	33,105	17,132	11,904	746	78,870	3,426,839
Total operating revenues	6,818,519	15,333,042	4,499,484	3,706,183	1,305,335	31,662,563	5,525,929
Operating expenses:							
Operating expenses	5,180,898	10,600,769	1,927,087	1,550,480	611,276	19,870,510	3,626,075
Maintenance	533,049	1,344,280	385,050	877,078	95,665	3,235,122	497,941
Depreciation	455,010	744,116	589,790	492,125	144,814	2,425,854	378,090
Taxes	628,749	1,351,088	665,563	431,629	13,811	3,090,839	-
Total operating expenses	6,797,705	14,040,253	3,567,489	3,351,312	865,565	28,622,325	4,502,106
Operating income	20,814	1,292,789	931,995	354,871	439,769	3,040,238	1,023,823
Nonoperating revenue (expenses)							
Intergovernmental revenues	-	-	-	-	112,062	112,062	-
Interest and investment revenue	4,754	32,351	13,311	6,628	3,044	60,089	16,868
Miscellaneous revenue	-	-	-	-	-	-	26,618
Interest expense	-	(90,742)	(223,010)	(151,050)	(2,839)	(467,642)	-
Miscellaneous expense	-	(373)	(273)	(56)	-	(702)	-
Gain/Loss on Assets	(515)	-	-	-	-	(515)	2,019
Total nonoperating revenue (expenses)	4,240	(58,764)	(209,972)	(144,478)	112,267	(296,707)	45,505
Income (loss) before contributions & transfers	25,054	1,234,025	722,023	210,393	552,036	2,743,531	1,069,328
Capital contributions	-	-	418,724	206,917	-	625,641	-
Transfers in	-	-	-	-	-	-	49,079
Transfers out	(6,552)	(42,527)	-	-	(120,000)	(169,079)	-
Change in net position	18,502	1,191,499	1,140,747	417,310	432,036	3,200,093	1,118,406
Total net position - beginning	9,020,292	17,047,930	13,091,631	12,292,606	2,934,598		8,700,959
Cumulative effect of a change in accounting principle	(589,585.14)	(1,102,267.87)	(281,975.50)	(435,780.32)	(153,804.82)		(139,326)
Beginning net position as restated	8,430,706	15,945,663	12,809,655	11,856,826	2,780,793		8,561,633
Prior period adjustments	-	-	-	-	-		-
Total net position - ending	\$ 8,449,208	\$ 17,137,161	\$ 13,950,402	\$ 12,274,136	\$ 3,212,829		\$ 9,680,039

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.

Change in net position of business-type activities (page 18)

943,196  
\$ 4,143,289

The notes to the financial statements are an integral part of this statement.

# CITY OF ELLENSBURG, WASHINGTON

Statement of Cash Flows  
 Proprietary Funds  
 For the Year Ended December 31, 2015

	Enterprise Funds						Internal service Funds
	Major				Non Major		
	Gas	Electric	Water	Sewer	Funds	Total	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
Receipts from customers	\$ 6,604,622	\$ 14,658,108	\$ 4,370,070	\$ 3,594,044	\$ 1,183,606	\$ 30,410,451	\$ 87,742
Receipts for interfund services provided	9,828	363,201	8,439	13,686	18,753	413,907	5,499,015
Payments to suppliers	(4,016,458)	(9,406,892)	(1,189,905)	(957,035)	(335,696)	(15,905,987)	(3,207,762)
Payment for interfund services used	(884,268)	(1,391,647)	(974,479)	(892,199)	(200,121)	(4,342,714)	(115,420)
Payments to employees	(1,266,093)	(1,564,441)	(713,900)	(987,397)	(231,462)	(4,763,294)	(789,919)
Other Operating Cash Receipts	-	350	4,321	6,000	-	10,671	-
Net Cash Provided by Operating Activities	447,631	2,658,678	1,504,546	777,099	435,080	5,823,034	1,473,656
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>							
Non capital grants	-	-	-	-	3,106	3,106	-
Transfer from other funds	-	-	-	-	-	-	49,079
Transfer to other funds	(6,552)	(42,527)	-	-	(120,000)	(169,079)	-
Interfund loan receivable	-	265,000	-	-	-	265,000	1,400,000
Misc revenue	-	-	-	-	-	-	6,433
Net Cash Provided by Noncapital Activities	(6,552)	222,473	-	-	(116,894)	99,027	1,455,512
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>							
Capital contribution	-	-	237,904	-	-	237,904	-
Capital grants	-	-	-	-	108,957	108,957	-
Proceeds from sales of assets	(515)	-	-	-	-	(515)	2,019
Purchases of capital assets	(313,666)	(3,759,953)	(1,210,590)	(299,579)	(621,696)	(6,205,484)	(319,370)
Principal paid on capital debt	-	(4,415,000)	(506,907)	(143,109)	-	(5,065,017)	-
Interest paid on capital debt	-	(90,742)	(224,307)	(151,436)	(2,839)	(469,324)	-
Debt cost on capital debt	-	(373)	(273)	(56)	-	(702)	-
Net Cash from Related Financing Activities	(314,181)	(8,266,068)	(1,704,173)	(594,180)	(515,579)	(11,394,181)	(317,351)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>							
Interest and dividends	3,209	32,351	13,311	6,628	3,044	58,543	16,868
Net Cash Provided by Investing Activities	3,209	32,351	13,311	6,628	3,044	58,543	616,865
Net (Decrease) in Cash and Cash Equivalents	130,108	(5,352,565)	(186,317)	189,548	(194,350)	(5,413,576)	3,228,681
Balances - Beginning of the Year	1,579,577	12,163,445	3,954,009	3,313,882	1,319,813	22,330,726	3,857,978
Balances - End of the Year	\$ 1,709,685	\$ 6,810,880	\$ 3,767,692	\$ 3,503,430	\$ 1,125,463	\$ 16,917,150	\$ 7,086,659

"Continued on next page"

**Reconciliation of operating income  
(loss) to net cash provided  
(used) by operating activities:**

Operating income (loss)	\$ 20,814	\$ 1,292,789	\$ 931,995	\$ 354,871	\$ 439,769	\$ 3,040,238	1,023,823
Adjustments to reconcile operating income to net cash provided (used) by operating activities:							
Depreciation expense	455,010	744,116	589,790	492,125	144,814	2,425,854	378,090
Change in assets and liabilities:							
Receivables, net	(213,096)	(336,346)	(93,319)	(86,452)	(36,517)	(765,729)	60,729
Due from other funds	-	(9,425)	(23,055)	(4,001)	109	(36,372)	2,270
Due from other governments	9,027	34,387	(280)	(2,000)	(66,568)	(25,433)	(4,924)
Inventories	240,065	(243,261)	(9,229)	691	-	(11,733)	3,905
Accounts and other payables	(64,470)	1,196,048	105,983	35,240	(35,979)	1,236,823	38,677
Due to other funds	3,151	3,769	119	276	19	7,333	(383)
Employee benefits	30,433	38,864	18,470	10,965	-	98,732	(17,537)
Accrued expenses	-	-	-	-	-	-	(6,649)
Deposit with fiscal agents	-	-	-	-	(1,881)	(1,881)	-
Deferred outflows of resources	(62,088)	(116,078)	(29,694)	(45,891)	(16,197)	(269,950)	(23,060)
Deferred inflows of resources	90,312	168,844	43,193	66,752	23,560	392,662	37,135
Net pension liability	528,058	987,239	252,549	390,304	137,754	2,295,904	120,907
Restatement GASB 68	(589,585)	(1,102,268)	(281,976)	(435,780)	(153,805)	(2,563,414)	(139,326)
Net Cash Provided by Operating Activities	<u>\$ 447,631</u>	<u>\$ 2,658,678</u>	<u>\$ 1,504,546</u>	<u>\$ 777,100</u>	<u>\$ 435,079</u>	<u>\$ 5,823,033</u>	<u>\$ 1,473,655</u>

**Noncash Investing, capital, and financing activities:**

Borrowing under capital lease	-	-	-	-	-	-	-
Contributions of capital assets	-	-	101,365	23,150	-	-	-
Purchase of equipment on account	-	-	-	-	-	-	-
Increase in fair value of investments	-	-	-	-	-	-	-
Capital asset trade-ins	-	-	-	-	-	-	-

The contribution of capital assets under noncash investing, capital and financing activities is from donated assets

The notes to the financial statements are an integral part of this statement

# City of Ellensburg, Washington

## Statement of Fiduciary Net Position

Fiduciary Funds

December 31, 2015

	<u>Fire Relief and Pension Fund</u>	<u>Agency Fund</u>
<b>ASSETS</b>		
Cash	\$ 283,676	\$ 180,868
Investments	50,000	-
Receivable (Net)	-	81
Special Assessments	-	350,325
Total Assets	<u>333,676</u>	<u>531,275</u>
<b>LIABILITIES</b>		
Accounts Payable	932	-
Due to Other Governments		
Notes Payable		350,325
Other Liabilities	-	180,950
Total Liabilities	<u>932</u>	<u>531,275</u>
<b>NET POSITION</b>		
Net Pension Restricted for Pensions - Ending	332,744	
Total Net Position	<u>\$ 332,744</u>	<u>\$ -</u>

The notes to financial statements are an integral part of this statement.

# City of Ellensburg, Washington

## Statement of Changes in Fiduciary Net Position

Fiduciary Funds

For the Year Ended December 31, 2015

	<b>Fire Relief and Pension Fund</b>
<b>ADDITIONS</b>	
Contributions:	
Employer	
State	\$ 20,187
Total Contributions	<u>20,187</u>
Investment Earnings:	
Interest	2,226
Total Investment Earnings	<u>2,226</u>
Total Additions	<u>22,413</u>
<b>DEDUCTIONS</b>	
Benefits	118,378
Administrative Expenses	11,275
Total Deductions	<u>129,653</u>
<b>CHANGE IN NET POSITION</b>	(107,240)
Net Pension Restricted for Pensions - Beginning	439,984
Net Pension Restricted for Pensions - Ending	332,744
Total Net Position	<u>\$ 332,744</u>

The notes to financial statements are an integral part of this statement.

**City of Ellensburg, Washington**  
**Notes to Basic Financial Statements**  
**For the Year Ended December 31, 2015**

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**City of Ellensburg, Washington**  
**Notes to Basic Financial Statements**  
**For the Year Ended December 31, 2015**

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**City of Ellensburg, Washington**  
**Notes to Basic Financial Statements**  
**For the Year Ended December 31, 2015**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the City of Ellensburg have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies are described below.

The City of Ellensburg voters elect seven Council members on a non-partisan basis to serve overlapping 4 year terms. The council is the legislative body and also has a quasi-judicial role dealing with land use matters. Every two years, the body elects one of its members to serve as Mayor. The Council appoints a City Manager that is responsible for the day to day operations of the City.

**A. Reporting Entity**

The City of Ellensburg was incorporated on November 26, 1883 and operates under the laws of the state of Washington applicable to a Noncharter Code City. As required by the generally accepted accounting principles the financial statements present City of Ellensburg, the primary government and its component units. At this time, there are no component units to report.

The City is a general-purpose government and provides public safety, animal control, street improvement, transit services, parks and recreation, library services, planning and zoning, and general administration. In addition, the City owns and operates the following utilities: telecommunications, gas, electric, water, stormwater and wastewater collection and treatment. The accompanying financial statements present the government entity for which the government is considered to be financially accountable.

**B. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Our policy is to allocate indirect costs to a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements or a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.



**City of Ellensburg, Washington**  
**Notes to Basic Financial Statements**  
**For the Year Ended December 31, 2015**

Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds even though the latter are excluded from government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**C. Measurement focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resource measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenue to be available if they are collected within 30 days of the end of the current fiscal period. The City considers property taxes as available if they are collected within 60 days after year end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, licenses, and interest associated within the current period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessment receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

**General Fund** - The general fund is the operating fund of the City. It accounts for all financial resources of general government, except those required or elected to be accounted for in another fund. This fund includes the City's budgeted General Fund (001), Ellensburg Public Transit Fund (127), Sales Tax fund (140), Police Vehicles (159), Geddis (175), and Special Projects (198).

**Arterial Street Fund** - This fund accounts for maintenance of transportation improvements within the public rights of way and the construction of streets, bridges, trails, and traffic signals. The majority of the revenue in this fund is from the receipt of grant revenues and fuel excise tax revenue restricted for the maintenance and construction of the City streets. This fund includes the City's budgeted Arterial Street (123) and Street (120).

**City of Ellensburg, Washington**  
**Notes to Basic Financial Statements**  
**For the Year Ended December 31, 2015**

The City reports the following major proprietary funds:

**Gas Fund** - This 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 its expenses are the purchase of gas for resale.

**Electric Fund** - This fund accounts for the activities of the City's electric distribution operations. The major source of revenue is the sale of electricity and a major part of the expenses are the purchase of power from entities like Bonneville.

**Water Fund** - This fund accounts for the activities of the City's water pumping and distribution operations. The major source of revenue is the sale of water and the major part of expenses are the water pumping, storage, and purification costs.

**Sewer Fund** - This fund accounts for the activities of the City's sewer treatment plant, sewer pumping station, and collection system. The fund is supported through service charges.

Additionally, the City reports the following fund types:

**Special Revenue Funds**- These funds account for revenue from specific taxes or other earmarked revenue sources that by law are designed to finance particular functions or activities of the city.

**Traffic Impact Fees**- This fund is used to account for the use of traffic impact fees.

**Criminal Justice Fund**- This fund is used to account for the 3/10 of one percent sales taxes to be spent on criminal justice activities.

**Drug Fund**- A fund used to account for the monies derived from the forfeiture of property in connection with drug investigations.

**CATV**- A fund used to account for the University operation of the Ellensburg Community Television station.

**CATV Capital Outlay**- A fund used to account for the maintenance and purchase of capital expenditures relating to the CATV fund.

**Park Acquisition**- A fund used to account for the maintenance and construction of path and trail development, and the acquisition of new parks.

**Lodging Tax**- A fund used to account for the use of lodging tax revenue.

**C.H.I.P Reserve**- A fund used to account for activities relating to CDBG guidelines.

**City of Ellensburg, Washington**  
**Notes to Basic Financial Statements**  
**For the Year Ended December 31, 2015**

**Debt Service Funds-** These funds account for the resources accumulated for the payment of interest and principal on long-term general obligation debt of governmental funds.

**G.O. Maintenance Bond-** A fund used to account for the payment of debt on various maintenance and capital projects through-out the city.

**G.O. Bonded Library Debt-** A fund used to account for the payment of debt on the remodel and expansion of the City of Ellensburg Library.

**Capital Projects Funds-** These funds account for financial resources used for the construction and acquisition of major capital facilities other than those financed by special assessments or proprietary funds.

**G.O. Maintenance Bond-** A fund used to account for 2010 G.O. Bonds issued for the purpose of providing funds necessary to pay or reimburse a portion of costs for various capital and maintenance projects.

**Capital Projects-** A fund used to account for the purchase of regional and local general government capital outlays.

**Sidewalk Construction-** A fund used to account for the repairing of sidewalks in the City's residential areas and Central Business District.

**Internal Service Funds** - These funds account for operations that provide goods or services to other departments or funds of the City or to other governmental units on a cost-reimbursement basis. The ER&R, IT and Risk Management Fund are predominantly used by enterprise funds. Therefore, based on GASB 34 par 62 the internal service funds residual assets and liabilities should be reported in the business-type activities column of the statement of net assets. The Health and Benefits Fund is predominantly used by governmental funds therefore the assets and liabilities of the Health and Benefit Fund should be reported in the governmental-type activities.

**Pension Trust Funds** – This fund accounts for the activities of the Public Safety Employees Retirement System, which accumulates resources for pension benefit payments to qualified public safety employees

**Agency Funds** - The City of Ellensburg has three agency funds. (1) The LID Guarantee Fund, the (2) LID Fund accounts for revenue to be used for debt payment of the outstanding debt on local improvement districts, (3) The Clearing Fund is used to account for payments in transit to other government that is not legally the City of Ellensburg money (i.e. state sales tax)

As a general rule, the effect of the Interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's gas,

**City of Ellensburg, Washington**  
**Notes to Basic Financial Statements**  
**For the Year Ended December 31, 2015**

water, electric, and sewer functions and other activities of the government. Elimination of these charges would distort the direct cost of program revenue reported for the various functions concerned. Amounts reported as program revenues include 1) charges to customers, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than program revenues. General revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of storm water, water, sewer, gas, and light are charges to customers for sales and services. Operating expenses for enterprise funds and internal services funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as non-operating revenues and expenses.

**D. Budgets and Budgetary Accounting**

**(1) Scope of Budget**

Appropriated budgets are adopted on a biennial schedule for the general and special revenue funds on a modified accrual basis of accounting and for all proprietary funds on the accrual basis of accounting. There are no differences between the budgetary basis and generally accepted accounting principles. Budgetary accounts are integrated in fund ledgers for all budgeted funds, but the financial statements include budgetary comparisons for annually budgeted governmental funds only. Budgets for debt service and capital project funds are adopted at the level of the individual debt issue or project and for fiscal periods that correspond to the lives of debt issues or projects. Since these funds are not required to be budgeted on an annual basis, budgetary comparisons are not presented. NCGA Statement 1 does not require, and the financial statements do not present, budgetary comparisons for proprietary fund types.

Appropriated budgets are adopted at the level of the fund, except in the General Fund, where the expenditure may not exceed appropriation at the department level, and the budgets constitute the legal authority for expenditures at that level. Subsidiary revenue and expenditure ledgers are used to compare the budgeted amounts with actual revenues and expenditures. As a management control device, the subsidiary ledgers monitor expenditures for individual functions and activities by object class.

Appropriations for general and special revenue funds lapse at year-end, except for appropriations for capital outlays, which are carried forward from year to year until fully expended or the purpose of the appropriation has been accomplished or abandoned.

**(2) Amending the Budget**

The City Manager is authorized to transfer budgeted amounts within an approved amount; however, any revisions that alter the total expenditures of a fund or a department in the case of

**City of Ellensburg, Washington**  
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general fund, or that affect the number of authorized employee positions, salary ranges, hours, or other conditions of employment must be approved by the City Council by a supplemental appropriation ordinance (in accordance with biennial budget requirements).

When the City determines that it is in the best interest of the city to increase or decrease the appropriation for a particular (fund/department/object class), it may do so by ordinance approved by one more than the majority after holding public hearing(s).

All appropriations expire at the end of the fiscal year and must be re-appropriated for the next fiscal year. Encumbrances are integrated into the accounting system, but are not reported in the financial statements.

The governmental financial statements contain the original and final budget information. The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized changes applicable for the fiscal year.

**(3) Excess of Expenditures over Appropriations**

For the year ended December 31, 2015, in no department did expenditures exceed appropriations.

**E. Assets, Liabilities and Equities**

**(1) Cash and Equivalents**

It is the City's policy to invest all temporary cash surpluses. At December 31, 2015, the treasurer was holding \$ 28,559,657 in short-term residual investments of surplus cash. This amount is classified on the Statement of Net Position as cash and equivalents in various funds. The interest on these investments is prorated to the various funds.

The amounts reported as cash and cash equivalents also includes a compensating balance maintained with U.S. Bank in lieu of payments for services rendered. The average compensating balance maintained during 2015 was approximately \$6,880,369.

For purposes of the statement of cash flows, the City considers all highly liquid investments (including restricted assets) with maturity of three months or less when purchased to be cash equivalents (See Note 3).

The City's deposits are entirely covered by federal depository insurance (FDIC and FSLIC) or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission (PDPC).

**(2) Deposits and Investments - See Note 3**

**(3) Receivables**

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Taxes receivable consists of property taxes and related interest and penalties (See Note 4). Accrued interest receivable consists of amounts earned on investments, notes, and contracts at the end of the year.

Special assessments are recorded when levied. Special assessments receivable consist of current and delinquent assessments and related interest and penalties. Deferred assessments on the fund financial statements consist of unbilled special assessments that are liens against the property benefited. As of December 31, 2015, the balance of special assessments receivable was \$350,325. The special assessments are not with government commitment; therefore, they are reported in the LID Agency Funds.

Special Assessments are reported in fiduciary funds and therefore are not included in the Government-Wide Statements.

Customer accounts receivable consists of amounts owed from private individuals or organizations for goods and services including amounts owed for which billings have not been prepared. Notes and contracts receivable consist of amounts owed on open accounts from private individuals or organizations for goods and services rendered.

**(4) Amounts Due to and from Other Funds and Governments, Interfund Loans, and Advances Receivable**

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to either as interfund loans receivables/payables or advances to/from other funds. All other outstanding balances between funds are reported as due to/from other funds. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances. A separate schedule of interfund loans receivable and payable is furnished in Interfund Balances and Transfers Note No. 13.

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

**(5) Inventories**

Inventories in governmental funds consist of expendable supplies held for consumption. The cost is recorded as expenditure at the time individual inventory items are purchased. The reserve for inventory is equal to the ending amount of inventory to indicate that a portion of the fund balance is not available for future expenditures. A comparison to market value is not considered necessary.

Inventories in proprietary funds are valued by the weighted average method, (which approximates the market value).

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**(6) Restricted Assets and Liabilities**

These accounts contain resources for construction and debt service including current and delinquent special assessments receivable in enterprise funds. The current portion of related liabilities is shown as Payables from Current Restricted Assets. Specific debt service reserve requirements are described in (Long-Term Debt Note No. 8).

The restricted assets of the enterprise funds are composed of the following:

Cash and Investments - Debt Service	1,498,220
Cash and Investments - Construction	2,863,731
Total Restricted Assets	\$ 4,361,951

**(7) Capital Assets and Depreciation - See Note 5**

**(8) Other Property and Investments - See Note 3**

**(9) Other Assets and Debits**

These accounts reflect future resources needed to retire general long-term debt principal and amounts currently available in debt service or other funds to retire general long-term debt.

**(10) Custodial Accounts**

This account reflects the liability for net monetary assets being held by the City in its trustee or agency capacity.

**(11) Deferred Inflows/Outflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government only has two items that qualifies for reporting in this category. One is the deferred gain on refunding reported in the government-wide statement of net position. A deferred gain on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second, pension, is the recognition of the adjustments to prior and current year contributions to satisfy the requirements in GASB Statement No. 68. The adjustment will be amortized over 4.4 years.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has three types of items, which arises only under a modified accrual basis of accounting that qualifies for

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reporting in this category. Accordingly, the item, unavailable revenue, is reported in the governmental funds balance sheet and the Business Activity statements. The government funds report unavailable revenues from one source, property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The Business Type reports unavailable revenues from one source, a deferred gain on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The third is the recognition of the net effect of the change in proportion on beginning reported balances to prior and current year contributions to satisfy the requirements in GASB Statement No. 68. Deferred inflows account for the difference between expected and actual earnings.

<b>City of Ellensburg</b>				
Deferred inflow and and outflows				
December 31, 2015				
<b>Deferred inflows</b>				
<b>Fund</b>	<b>Amount</b>	<b>Reason</b>	<b>Fund Statements</b>	<b>Governmentwide Statement</b>
General Fund	168,173	unavailable property taxes	Yes	No
General Fund	1,002,760	Resources: Pension	No	Yes
<b>Total Inflows</b>	<b>1,170,933</b>			
<b>Deferred outflows</b>				
<b>Fund</b>	<b>Amount</b>	<b>Reason</b>	<b>Fund Statements</b>	<b>Governmentwide Statement</b>
General Fund	610,880	Resources: Pension	No	Yes
<b>Total Outflows</b>	<b>610,880</b>			
<b>Deferred Inflows</b>				
Storm Water	23,560	Resources: Pension	Yes	Yes
Gas	90,312	Resources: Pension	Yes	Yes
Electric	24,958	Deferred gain on refunding	Yes	Yes
Electric	168,844	Resources: Pension	Yes	Yes
Water	27,171	Deferred gain on refunding	Yes	Yes
Water	43,193	Resources: Pension	Yes	Yes
Sewer	5,565	Deferred gain on refunding	Yes	Yes
Sewer	66,752	Resources: Pension	Yes	Yes
ER&R	18,567	Resources: Pension	Yes	Yes
IT	18,567	Resources: Pension	Yes	Yes
<b>Total inflows</b>	<b>487,489</b>			
<b>Deferred Outflows</b>				
Storm Water	16,197	Resources: Pension	Yes	Yes
Gas	62,088	Resources: Pension	Yes	Yes
Electric	116,078	Resources: Pension	Yes	Yes
Water	29,694	Resources: Pension	Yes	Yes
Sewer	45,891	Resources: Pension	Yes	Yes
ER&R	11,530	Resources: Pension	Yes	Yes
IT	11,530	Resources: Pension	Yes	Yes
<b>Total outflows</b>	<b>293,008</b>			



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**(12) Compensated Absences**

Compensated absences are absences for which employees will be paid, such as vacation and sick leave. Compensated absences are reported in governmental funds only if they have matured (i.e., unused reimbursable leave still outstanding following an employees' resignation or retirement.) All vacation and sick pay is accrued at year end in the government-wide, proprietary, and fiduciary fund financial statements. In government-wide statements, all governmental funds compensated absences that are expected to be liquidated with expendable available financial resources are reported as expenditures and fund liability in the fund that will pay for them. In proprietary funds, compensated absences are recorded as an expense and liability of the fund that will pay for them.

Vacation pay, which may be accumulated up to a maximum of 30 days, is payable upon resignation, retirement, or death. Sick leave may accumulate indefinitely. Fifty percent of a maximum of 960 hours of outstanding sick leave is payable upon resignation, retirement, or death to those employees hired prior to July 1, 1985. As of December 31, 2015 we have 4 employees employed prior to July 1<sup>st</sup> 1985. They have a total of 4,918 hours accumulated of which 1,325.93 hours is compensable at the current rate. Employees hired after July 1, 1985, do not receive a payout for outstanding sick leave upon resignation, retirement, or death.

**(13) Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of all state sponsored pension plans and additions to/deductions from those plans' fiduciary net position have been determined on the same basis as they are reported by the Washington State Department of Retirement Systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**(14) Other Accrued Liabilities**

These accounts consist of accrued wages and accrued employee benefits.

**(15) Long-term Debt - See Note 8**

**(16) Fund Balance Classification**

Fund balance is classified as non-spendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Non-spendable- The non-spendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of Interfund loans.

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Restricted- Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation.

Enabling legislation authorizes the City to assess, levy, charge or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used for the specific purposes stipulated in the legislation. Legal enforceability means that the City can be compelled by an external party such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purpose specified by the legislation.

Fund	Amount Restricted	Reason for Restriction
Traffic Impact (125)	\$ 1,059,828	Restricted by third party (state law), revenue must be used for traffic puposes
Criminal Justice (130)	\$ 469,079	Restricted by third party (voted sales tax revenue, restricted by law), revenue must be used for public safety puposes
Drug (137)	\$ 21,695	Restricted by third party (state law), revenue must be used for public safety drug investigation puposes
Park Acquisition(160)	\$ 401,753	Restricted by third party (state law), revenue must be used for the development of parks
Lodging Tax (165)	\$ 470,014	Restricted by third party (state law), revenue must be used for expenditures relating to
Library Construction	\$ 54,082	Restricted by third party ( voted on by citizens), revenue must be used for the payment of debt
Bond Maint (325)	\$ 51,990	Restricted by third party, revenue must be used for projects listed in Bond ordinance
Sidewalk Improvements (366)	\$ 626,998	Restricted by third party (state law), revenue must be used for sidewalk improvements
Library Trust (605)	\$ 288,685	Restricted by third party (restricted donations), revenue must be used for purpose of library operations
Hal Holmes (621)	\$ 439,603	Restricted by third party, Bank of America trust committee has to approved before we can spend
<b>Total Restricted</b>	<b>\$ 3,883,728</b>	

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (ordinance) of City Council. Those committed amounts cannot be used for any other purpose unless City Council removes or

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changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. In contrast to fund balance in that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by City Council, separate from the authorization to raise the underlying revenue: therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by City Council or a City official delegated that authority by City ordinance.

Unassigned - Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned. The City does not have a formal policy for authorizing the assignment of resources. The City uses the natural flow of revenue which implies the City will use restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned and unassigned) amounts are available.

The flow assumption of the City is to reduce restricted amounts first, followed by committed, and then assigned and lastly unassigned.

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**(17) Fund Balance Detail**

Balance Sheet	Fund Balance			
	Major			Total
	General Fund *	Arterial Street **	Other Funds	
Fund Balances				
<b>Nonspendable</b>		-		-
Inventory		\$40,844		\$ 40,844
Permanet Fund Principal				-
<b>Total Nonspendable</b>		40,844		<b>40,844</b>
<b>Restricted for:</b>				-
Transportation		-	1,686,827	1,686,827
Public Safety			490,774	490,774
Parks and Recreation			1,130,041	1,130,041
Economic Environment			470,014	470,014
Debt Service			54,082	54,082
Capital			51,990	51,990
<b>Total Restricted</b>		-	3,883,728	<b>3,883,728</b>
<b>Committed to:</b>				-
Economic Environment			122,987	122,987
<b>Total Committed</b>			122,987	<b>122,987</b>
<b>Assigned to:</b>				-
Transportation	77,317	1,924,872	22,880	2,025,069
Public Safety	17,972		7,719	25,692
Economic Environment	-		10,465	10,465
Parks and Recreation			14,168	14,168
Debt Service			51,392	51,392
Capital Projects			26,742	26,742
<b>Total Assigned</b>	95,289	1,924,872	133,365	<b>2,153,526</b>
<b>Unassigned</b>	2,868,853	-	-	<b>2,868,853</b>
Total Fund Balance	\$ 2,964,143	\$ 1,965,716	\$ 4,140,080	<b>\$ 9,069,939</b>

\*General Fund includes the City 001, 127, 140,159,175, and 198 funds

\*\* Arterial Street includes the City 123 and 120 funds

**(18) Minimum Fund Balance**

It is essential that the City maintain adequate levels of unreserved fund balance to mitigate current and future risks and ensure stable tax rates. As such, unreserved ending fund balances, excluding contingency and cumulative reserve funds, for the operating funds (all funds except the sales tax and proprietary funds) will be required to have a minimum of 15% of operating expenditures in unreserved ending fund balance.

Proprietary funds, such as utility funds and internal service funds will be required to have a 20% minimum unreserved.

**F. Accounting Changes**

For the 2015 reporting year, the City changed the accounting method for reporting internal

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service funds in the Government Wide Financial Statements. Previously, the City had allocated, based on net income per service fund (without regard to interest income and other non-allocable items) as a percentage to appropriate enterprise and governmental funds. For 2015, the City followed BARS section 4.3.6.20, which states ‘in cases where internal service funds provide services for both governmental and enterprise funds...the fund should be consolidated entirely within either... The financial impact is insignificant, the change in method is strictly compliance.

The City also implemented GASB 68, see Note 17.

**G. Transportation Benefit District**

In December 2015 the City Council adopted Ordinance No. 4719, the effect of which eliminates separate entity status of the Transportation Benefit District ‘TBD’ formed by the Council in July of 2015. This allowed the City to absorb the TBD into the general government and for the city to assume the rights, powers, functions and obligations of the TBD.

**2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**A. Explanation of Certain Differences between the Governmental Funds Balance Sheet and the Government-Wide Statement of Net Position**

The governmental funds’ balance sheet includes a reconciliation of fund balance – total governmental funds and net position - governmental activities as reported in the government-wide statement of net position. This reconciliation is necessary because of the differences in accounting basis, most significantly the differences in accounting for capital assets, debt, GASB 68 adjustment, and that portion of the Health Benefit internal service fund that is attributed to governmental activities. This information can be found on the Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position form on page 22.

The proprietary funds’ Statement of Net Position reports a difference in the net position balance to the Government-wide Statement of Net Position due to internal service fund activity. Internal service funds are used by management to charge the cost of certain activities to individual fund. The net profit for Health Benefit Fund before investment income, gain on sale of asset and outside revenue source \$168,033. This amount was attributed to governmental activities. The governmental fund portion was treated as an interactivity payable for the ER&R, IT and Risk Management internal service funds and as an interactivity receivable for the Health and Benefits included in the internal balance on the Government-Wide Statement of Net position.

Internal Service Fund Net Position (Page 133)	\$9,680,039
Less: Health and Benefits Fund (Page 133)	(\$1,073,918)
Internal Service Funds Governmental-Type Activities Portion (page 22)	447,185
Government-Wide Statement of Net Position for Business Type (page 29)	\$8,158,936

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**B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities**

The governmental funds' Statement of Revenues, Expenditures, and Changes in Fund Balances includes a reconciliation between net changes in fund balances-total governmental funds to changes in net position of governmental activities as reported in the government-wide statements of activities. Elements of the reconciliation include: governmental funds reporting capital outlays as expenditures, however, in the statement of activities the cost is allocated over their estimated useful lives and reported as depreciation expense; the net effect of other transactions involving capital assets (donations); issuance, repayment, and other costs associated with the long-term debt; GASB 68 pension expense; and the net revenue of the internal service funds which are allocated to the governmental funds. This information can be found on the reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities on page 24.

The proprietary funds' Statement of Revenues, Expenses, and Changes in Fund Net Position reports a difference in the net position balance to the Government-wide Statement of Activities. This information can be found on the reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities on page 24.

Proprietary Fund Statement of Revenues, Expenses, and Changes in Net Position for Internal Service Funds (page 133)	\$1,118,406
Internal Service Fund Governmental Type Activities Portion (page 24)	(168,033)
Internal Service Fund Allocated to Other Internal Service Funds	(7,177)
Government-Wide Statement of Changes in Net Position for Internal Service Funds (page 30)	\$943,196

**3. DEPOSITS AND INVESTMENTS**

**A. Deposits**

The City's deposits and certificates of deposit are entirely covered by federal depository insurance (FDIC) or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission (PDPC).

At December 31, 2015, the bank balance was \$28,783,937 of the bank balance \$250,000 was covered by Federal Depository insurance. The remainder of the bank balance was covered by the State of Washington Public Deposit Protection Commission established by RCW 39.58 that also regulates depository financial institutions within the state. The Commission requires each public depository a pledge agreement with the commission and trustee. The deposit shall at all times maintain segregation from its other assets, eligible collateral in the form of securities described in RCW 39.58.050(5) & (6) and having a value at least equal to its maximum liability. Such collateral shall be segregated by deposit with the depository's trustee and shall be clearly

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designated as security for the benefit of public depositors. The collateral is used through the depositors, net of deposit insurance already received by them. The remaining bank balance includes uninsured and unregistered investments which are held by the counter party's trust department or agent in the city's name.

**B. Investments**

As required by state law, all investments of the City of Ellensburg funds (except as noted below) are obligations of the U.S Government, U.S. Agency issues, obligations of the State of Washington, general obligations of Washington State municipalities, the State Treasurer's Investment Pool, bankers' acceptances, or certificates of deposit with Washington State banks and savings and loan institutions. Investments of pension trust funds are not subject to the preceding limitations. All temporary investments are stated at cost except Hal Holmes trust is stated at market value. Other property and investments are shown on the statement of net position at historical cost (other property consists of real estate held for future use).

As of December 31, 2015, the City of Ellensburg had the following investments:

Investment Type	Maturities	Fair Value of the City of Ellensburg's own investments	Credit Rating ( Moody)	Fair Value of investments held by the City of Ellensburg as an agent for other local governments, individuals, or private organizations	Total
Hal Holmes Trust	various	400,359			400,359
US Treasury Notes	5/15/2017	1,002,145			1,002,145
Federal Agency Security	11/1/2016	400,208	AAA		400,208
Federal Agency Security	11/23/2016	499,994	Aaa		499,994
Federal Agency Security	8/15/2017	500,037	Aaa		500,037
Federal Agency Security	11/22/2017	500,857	Aaa		500,857
Federal Agency Security	8/27/2018	996,926	Aaa		996,926
Federal Agency Security	10/26/2018	496,943	Aaa		496,943
Federal Agency Security	11/13/2018	999,242	Aaa		999,242
Federal Agency Security	8/1/2019	1,002,861	Aaa		1,002,861
Total		<u>\$ 6,799,572</u>		<u>\$ -</u>	<u>\$ 6,799,572</u>

*Credit Risk*- Safety of principal is the foremost objective of the City's investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. Credit risk is the risk that an issuer or other counter party to an investment will not fulfill its obligations. The Washington State Investment Pool, a 2a-7 fund, managed by the State Treasurer's Office is limited to high quality obligations with limited maximum and average maturities which will minimize both market and credit risk. The pool is unrated. Based on the City's investment policy adopted on August 1, 2011 and revised December 7, 2015, the city is authorized to invest in certain types of securities which have the highest credit rating from at least one nationally recognized rating agency (i.e. Moody, Standard and Poor or Fitch Rating)

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provided that the payment of the principal and interest is either guaranteed by the Federal Government, carries an outright government backing or carries an implicit guarantee.

*Concentration of Credit Risk-* Concentration risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City's policy states the City will assure that no single institution or security is invested to such an extent that a delay of liquidation at maturity is likely to cause a current cash flow emergency. With the exception of U.S. Treasury securities, the State Investment Pool, and certificates of deposit, the City will invest no more than twenty-five percent of its total investment portfolio in a single security type or with a single financial institution.

*Custodial Credit Risk-investments-* The City policy states that all security transactions will be settled "delivery versus payment" by the City's safekeeping bank.

### **C. Gains and Losses on Investments**

The Hal Holmes Trust Fund had a loss in market value of investment in the amount of \$12,801. The Hal Holmes Trust Fund is held by a third party, Bank of America.

## **4. PROPERTY TAXES**

The County Treasurer acts as an agent to collect property taxes levied in the county for all taxing authorities. Collections are distributed after the end of each month.

### **Property Tax Calendar**

January 1	Taxes are levied and become an enforceable lien against properties.
February 14	Tax bills are mailed.
April 30	First of two equal installment payments is due.
May 31	Assessed value of property established for next year's levy at 100 percent of market value.
October 31	Second installment is due.

Property tax is recorded as a receivable when levied. Property tax collected in advance of the fiscal year to which it applies is recorded as deferred inflow and recognized as revenue of the period to which it applies. No allowance for uncollectible tax is established because delinquent taxes are considered fully collectable. Prior year tax levies were recorded using the same principal, and delinquent taxes are evaluated annually.

The City may levy up to \$ 3.375 per \$1,000 of assessed valuation for general governmental services, subject to three limitations:

Washington State law in RCW 84.55.010 and RCW 84.55.0101 limits the growth of regular property taxes to 1 percent per year, after adjustments for new construction. If the assessed valuation increases by more than 1 percent due to revaluation, the levy rate will be decreased.



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Chapter 84.52 RCW establishes a limitation on the levies for ports, public utilities, state schools, emergency medical services, counties, roads, cities, and towns. All other regular levies are proportionately reduced if a composite rate of \$5.55 per thousand is exceeded. The Washington State Constitution limits the total regular property taxes to 1 percent of assessed valuation or \$10 per \$1,000 of value. If the taxes of all districts exceed this amount, each is proportionately reduced until the total is at or below the 1 percent limit.

The City's regular levy for 2015 was \$ 2.183030 per \$1,000 on an assessed valuation of \$ 1,244,884,915 for a total regular levy of \$ 2,717,621. In addition, the levy for debt service on a voter approved bond issue was \$0.121650 per \$1,000 on an assessed valuation of \$ 1,234,656,425 for a total of \$150,196.

## **5. CAPITAL ASSETS AND DEPRECIATION**

### **A. General Policies**

Major expenditures for capital assets, including capital leases and major repairs that increase useful lives, are capitalized. Maintenance, repairs, and minor renewals are accounted for as expenditures or expenses when incurred (obligations under capital leases are disclosed in Note 11B).

All capital assets are valued at historical cost or estimated cost, where historical cost is not known or fair market value for donated assets or the lower of cost or fair market value when transferred between proprietary funds and governmental funds.

The City has acquired certain assets with funding provided by federal financial assistance programs. Depending on the terms of the agreements involved, the federal government could retain an equity interest in these assets. However, the City has sufficient legal interest to accomplish the purposes for which the assets were acquired, and has included such assets within the applicable account group or fund.

Capital assets, which include property, plant, equipment and infrastructure assets (e.g. roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Infrastructure fixed assets worth individual or system cost of \$50,000 or more are also capitalized. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Cost for additions or improvements to capital assets are capitalized when they increase the effectiveness or efficiency of the asset.

Assets are placed in service when they are ready and available for their intended use.

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The cost for normal maintenance and repairs are not capitalized.

Property, plant, and equipment of the primary government are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Building/Improvements	20-50
Infrastructure	25-50
Machinery and Equipment	4-45
Vehicles	5-12
Land Improvements	25-50

**B. Governmental Activities Capital Assets**

Asset	Beginning Balances 1/1/2015	Increase	Decrease	Ending Balance 12/31/2015
Capital assets, not being depreciated				
Land	\$ 12,831,668	\$ 33,350	\$ 50,400	\$ 12,814,618
Construction In progress	358,236	96,869	267,049	188,056
Total	<b>13,189,904</b>	<b>130,219</b>	<b>317,449</b>	<b>13,002,674</b>
Capital assets, being depreciated				
Buildings	12,711,421	39,095	1,215,614	11,534,902
Improvements other than building	3,292,198	210,468		3,502,666
Machinery & equipment	1,230,292	91,489	292,262	1,029,519
Infrastructure	62,949,887	2,031,879	-	64,981,766
Total	<b>80,183,798</b>	<b>2,372,931</b>	<b>1,507,876</b>	<b>81,048,853</b>
Less accumulated depreciation for				
Buildings	5,564,842	359,801	81,041	5,843,601
Improvements other than buildings	1,639,967	310,837		1,950,804
Machinery & equipment	934,166	97,410	282,791	748,785
Infrastructure	33,240,714	1,853,829		35,094,543
Total	<b>41,379,689</b>	<b>2,621,876</b>	<b>363,832</b>	<b>43,637,734</b>
Total capital assets, being depreciated, net	<b>38,804,109</b>	<b>(248,945)</b>	<b>1,144,044</b>	<b>37,411,119</b>
Total	<b>\$ 51,994,013</b>	<b>\$ (118,727)</b>	<b>\$ 1,461,493</b>	<b>\$ 50,413,793</b>

- The significant decrease in construction in progress is due to the completion of the D Street bridge replacement and 3<sup>rd</sup> Avenue Extension. The increase in construction in progress is continuation of the John Wayne Trail project and commencement of Capital Avenue and 7<sup>th</sup> Avenue Bike Boulevard projects.
- The increase in land is purchase of an easement and the decrease is to remove ancillary costs associated with a land purchase that did not materialize.
- The decrease in buildings is the sale of the ‘Geddis Building’ and the increase is the installation of an HVAC system for the library.
- The decrease in machinery and equipment is the surplus of Police vehicles and computer and office equipment, the increase is the addition of two police vehicles and various office equipment.

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- The significant increase in Infrastructure was due to completions of bridges, streets, lighting, sidewalks and donated infrastructure.

**Accumulated Depreciation & Depreciation Expense-** Depreciation expense was charged to functions/programs of the primary governments as follows:

<b>Governmental Activities</b>	<b>Amount</b>
General Government	\$199,268
Security of Person	\$63,253
Culture and Recreation	\$404,345
Transportation	\$1,955,011
Total	\$2,621,876

**C. Proprietary Fund Capital Assets**

Capital assets of proprietary funds are capitalized in their respective balance sheets.

Utility Plant in Service and Depreciation - Utility plant in service is stated substantially at original cost. Additions to utility plant include the cost of contracted services, direct labor, direct material, and indirect charges for overhead items. Maintenance and repairs of property and replacements and renewals of items determined to be less than units of property, are charged to operating and maintenance expense. Depreciation expense is charged to operations using the group concept where every item in the group is assumed to have the life of the group and to be fully depreciated at the time of retirement.

**Internal Service Fund-** Rolling stock and equipment in the Shop are depreciated using the straight-line method with useful lives of 4 to 45 years.

**Accumulated Depreciation & Depreciation Expense-** Depreciation expense was charged to functions/programs of the primary governments as follows:

<b>Business-Type Activities</b>	<b>Amount</b>
Utilities	\$2,425,854
Internal Service	378,090
Total	\$2,803,944

Accumulated depreciation and amortization on proprietary fund assets at December 31, 2015 are as follows:

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<b>Business Type Assets</b>	<b>Beginning Balances 1/1/2015</b>	<b>Increase</b>	<b>Decrease</b>	<b>Adjustment</b>	<b>Ending Balance 12/31/2015</b>
Capital Assets, not being depreciated					
Land	\$ 1,055,098	\$ -	\$ -	\$ 94,014	\$ 1,149,112
Construction in progress	1,793,910	4,508,138	1,086,927	-	5,215,122
Total	<b>2,849,008</b>	<b>4,508,138</b>	<b>1,086,927</b>	<b>-</b>	<b>6,364,234</b>
Capital Assets, being depreciated					
Building	10,507,683	-		-	10,507,683
Improvements other than building	71,250,328	3,647,128	6,054,026	1,665,023	70,508,453
Machinery & equipment	21,250,316	1,054,430	158,082	(1,759,035)	20,387,629
Total	<b>103,008,327</b>	<b>4,701,558</b>	<b>6,212,108</b>	<b>(94,012)</b>	<b>101,403,765</b>
Less accumulated depreciation for					
Building	4,234,110	69,308		210,827	4,514,245
Improvements other than building	34,250,116	1,862,322	3,208,064	(225,478)	32,678,896
Machinery & equipment	13,862,963	872,314	1,916,604	14,651	12,833,324
Total	<b>52,347,189</b>	<b>2,803,944</b>	<b>5,124,668</b>	<b>-</b>	<b>50,026,465</b>
Total capital assets, being depreciated, net	<b>50,661,138</b>	<b>1,897,614</b>	<b>1,087,440</b>		<b>51,377,300</b>
Total	<b>\$ 53,510,146</b>	<b>\$ 6,405,752</b>	<b>\$ 2,174,367</b>	<b>\$ (94,012)</b>	<b>\$ 57,741,533</b>

Internal service funds ER&R and IT predominately serves the enterprise funds. Accordingly, capital assets for them are part of the Business Activities.

There are no intangible assets to report for 2015 based on GASB 51 which states that if the intangible asset has an indefinite life or was internally generated then the entity is not required to retro back to previous years. All intangible assets received before 2015 either have an indefinite life or was internally generated (i.e. computer software). All intangible asset received in 2015 did not meet the threshold for reporting purposes.

A need was identified for additional substations in 2006. Through Ordinance No. 4688, amending the City's Comprehensive Plan, the City Council approved building of the Helena Substation. This project was secured with an Electric Revenue Bond in 2014. The total amount of interest incurred during the period was \$283,567, of which \$192,825 was capitalized to the project.

## 6. PENSION PLANS

The following table represents the aggregate pension amounts for all plans subject to the requirements of the GASB Statement 68, *Accounting and Financial Reporting for Pensions* for the year 2015:

<b>Aggregate Pension Amounts – All Plans</b>	
Pension liabilities	\$ 6,663,757
Pension assets	\$ 1,346,795
Deferred outflows of resources	\$ 903,890
Deferred inflows of resources	\$ 1,432,556
Pension expense/expenditures	\$ 310,991

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**State Sponsored Pension Plans**

Substantially all the City's full-time and qualifying part-time employees participate in one of the following statewide retirement systems administered by the Washington State Department of Retirement Systems, under cost-sharing, multiple-employer public employee defined benefit and defined contribution retirement plans. The state Legislature establishes, and amends, laws pertaining to the creation and administration of all public retirement systems.

The Department of Retirement Systems (DRS), a department within the primary government of the State of Washington, issues a publicly available comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for each plan. The DRS CAFR may be obtained by writing to:

Department of Retirement Systems  
Communications Unit  
P.O. Box 48380  
Olympia, WA 98540-8380

Or the DRS CAFR may be downloaded from the DRS website at [www.drs.wa.gov](http://www.drs.wa.gov).

**Public Employees' Retirement System (PERS)**

PERS members include elected officials; state employees; employees of the Supreme, Appeals and Superior Courts; employees of the legislature; employees of district and municipal courts; employees of local governments; and higher education employees not participating in higher education retirement programs. PERS is comprised of three separate pension plans for membership purposes. PERS plans 1 and 2 are defined benefit plans, and PERS plan 3 is a defined benefit plan with a defined contribution component.

**PERS Plan 1** provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the member's average final compensation (AFC) times the member's years of service. The AFC is the average of the member's 24 highest consecutive service months. Members are eligible for retirement from active status at any age with at least 30 years of service, at age 55 with at least 25 years of service, or at age 60 with at least five years of service. Members retiring from active status prior to the age of 65 may receive actuarially reduced benefits. Retirement benefits are actuarially reduced to reflect the choice of a survivor benefit. Other benefits include duty and non-duty disability payments, an optional cost-of-living adjustment (COLA), and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries. PERS 1 members were vested after the completion of five years of eligible service. The plan was closed to new entrants on September 30, 1977.

Contributions

The **PERS Plan 1**-member contribution rate is established by State statute at 6 percent. The employer contribution rate is developed by the Office of the State Actuary and includes an administrative expense component that is currently set at 0.18 percent. Each biennium, the state Pension Funding Council adopts Plan 1 employer contribution rates. The PERS Plan 1 required contribution rates (expressed as a percentage of covered payroll) for 2015 were as follows:

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<b>PERS Plan 1</b>		
<b>Actual Contribution Rates:</b>	<b>Employer</b>	<b>Employee*</b>
January through June 2015	9.21%	6.00%
July through December 2015	11.18%	6.00%

\* For employees participating in JBM, the contribution rate was 12.26%

The City's actual contributions to the plan were \$19,945 for the year ended December 31, 2015.

**PERS Plan 2/3** provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the member's average final compensation (AFC) times the member's years of service for Plan 2 and 1 percent of AFC for Plan 3. The AFC is the average of the member's 60 highest-paid consecutive service months. There is no cap on years of service credit. Members are eligible for retirement with a full benefit at 65 with at least five years of service credit. Retirement before age 65 is considered an early retirement. PERS Plan 2/3 members who have at least 20 years of service credit and are 55 years of age or older, are eligible for early retirement with a benefit that is reduced by a factor that varies according to age for each year before age 65. PERS Plan 2/3 members who have 30 or more years of service credit and are at least 55 years old can retire under one of two provisions:

- With a benefit that is reduced by three percent for each year before age 65; or
- With a benefit that has a smaller (or no) reduction (depending on age) that imposes stricter return-to-work rules.

PERS Plan 2/3 members hired on or after May 1, 2013 have the option to retire early by accepting a reduction of five percent for each year of retirement before age 65. This option is available only to those who are age 55 or older and have at least 30 years of service credit. PERS Plan 2/3 retirement benefits are also actuarially reduced to reflect the choice of a survivor benefit. Other PERS Plan 2/3 benefits include duty and non-duty disability payments, a cost-of-living allowance (based on the CPI), capped at three percent annually and a one-time duty related death benefit, if found eligible by the Department of Labor and Industries. PERS 2 members are vested after completing five years of eligible service. Plan 3 members are vested in the defined benefit portion of their plan after ten years of service; or after five years of service if 12 months of that service are earned after age 44.

**PERS Plan 3** defined contribution benefits are totally dependent on employee contributions and investment earnings on those contributions. PERS Plan 3 members choose their contribution rate upon joining membership and have a chance to change rates upon changing employers. As established by statute, Plan 3 required defined contribution rates are set at a minimum of 5 percent and escalate to 15 percent with a choice of six options. Employers do not contribute to the defined contribution benefits. PERS Plan 3 members are immediately vested in the defined contribution portion of their plan.

Contributions

The **PERS Plan 2/3** employer and employee contribution rates are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. The Plan 2/3 employer rates include a component to address the PERS Plan 1 UAAL and an administrative expense that is currently set at 0.18

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percent. Each biennium, the state Pension Funding Council adopts Plan 2 employer and employee contribution rates and Plan 3 contribution rates. The PERS Plan 2/3 required contribution rates (expressed as a percentage of covered payroll) for 2015 were as follows:

<b>PERS Plan 2/3</b>		
<b>Actual Contribution Rates:</b>	<b>Employer 2/3</b>	<b>Employee 2*</b>
January through June 2015	9.21%	4.92%
July through December 2015	11.18%	6.12%
Employee PERS Plan 3		varies

\* For employees participating in JBM, the contribution rate was 15.30%

The City's actual contributions to the plan were \$802,906 for the year ended December 31, 2015.

**Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF)**

LEOFF membership includes all full-time, fully compensated, local law enforcement commissioned officers, firefighters, and as of July 24, 2005, emergency medical technicians. LEOFF is comprised of two separate defined benefit plans.

**LEOFF Plan 1** provides retirement, disability and death benefits. Retirement benefits are determined per year of service calculated as a percent of final average salary (FAS) as follows:

- 20+ years of service – 2.0% of FAS
- 10-19 years of service – 1.5% of FAS
- 5-9 years of service – 1% of FAS

The FAS is the basic monthly salary received at the time of retirement, provided a member has held the same position or rank for 12 months preceding the date of retirement. Otherwise, it is the average of the highest consecutive 24 months' salary within the last ten years of service. Members are eligible for retirement with five years of service at the age of 50. Other benefits include duty and non-duty disability payments, a cost-of living adjustment (COLA), and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries. LEOFF 1 members were vested after the completion of five years of eligible service. The plan was closed to new entrants on September 30, 1977.

Contributions

Starting on July 1, 2000, **LEOFF Plan 1** employers and employees contribute zero percent, as long as the plan remains fully funded. The LEOFF Plan I had no required employer or employee contributions for fiscal year 2015. Employers paid only the administrative expense of 0.18 percent of covered payroll.

**LEOFF Plan 2** provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the final average salary (FAS) per year of service (the FAS is based on the highest consecutive 60 months). Members are eligible for retirement with a full benefit at 53 with at least five years of service credit. Members who retire prior to the age of 53 receive reduced benefits. If the member has at least 20 years of service and is age 50, the reduction is three percent for each year prior to age 53. Otherwise, the benefits are actuarially reduced for each year prior to age 53. LEOFF 2 retirement benefits

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are also actuarially reduced to reflect the choice of a survivor benefit. Other benefits include duty and non-duty disability payments, a cost-of-living allowance (based on the CPI), capped at three percent annually and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries. LEOFF 2 members are vested after the completion of five years of eligible service.

Contributions

The **LEOFF Plan 2** employer and employee contribution rates are developed by the Office of the State Actuary to fully fund Plan 2. The employer rate included an administrative expense component set at 0.18 percent. Plan 2 employers and employees are required to pay at the level adopted by the LEOFF Plan 2 Retirement Board. The LEOFF Plan 2 required contribution rates (expressed as a percentage of covered payroll) for 2015 were as follows:

<b>LEOFF Plan 2</b>		
<b>Actual Contribution Rates:</b>	<b>Employer</b>	<b>Employee</b>
State and local governments	5.23%	8.41%
Ports and Universities	8.59%	8.41%

The City’s actual contributions to the plan were \$110,607.31 for the year ended December 31, 2015.

The Legislature, by means of a special funding arrangement, appropriates money from the state General Fund to supplement the current service liability and fund the prior service costs of Plan 2 in accordance with the recommendations of the Pension Funding Council and the LEOFF Plan 2 Retirement Board. This special funding situation is not mandated by the state constitution and could be changed by statute. For the state fiscal year ending June 30, 2015, the state contributed \$58,339,032 to LEOFF Plan 2.

**Actuarial Assumptions**

The total pension liability (TPL) for each of the DRS plans was determined using the most recent actuarial valuation completed in 2015 with a valuation date of June 30, 2014. The actuarial assumptions used in the valuation were based on the results of the Office of the State Actuary’s (OSA) *2007-2012 Experience Study*.

Additional assumptions for subsequent events and law changes are current as of the 2014 actuarial valuation report. The TPL was calculated as of the valuation date and rolled forward to the measurement date of June 30, 2015. Plan liabilities were rolled forward from June 30, 2014, to June 30, 2015, reflecting each plan’s normal cost (using the entry-age cost method), assumed interest and actual benefit payments.

- **Inflation:** 3% total economic inflation; 3.75% salary inflation
- **Salary increases:** In addition to the base 3.75% salary inflation assumption, salaries are also expected to grow by promotions and longevity.
- **Investment rate of return:** 7.5%

Mortality rates were based on the RP-2000 report’s Combined Healthy Table and Combined Disabled



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Table, published by the Society of Actuaries. The OSA applied offsets to the base table and recognized future improvements in mortality by projecting the mortality rates using 100 percent Scale BB. Mortality rates are applied on a generational basis; meaning, each member is assumed to receive additional mortality improvements in each future year throughout his or her lifetime.

There were minor changes in methods and assumptions since the last valuation.

- The OSA updated demographic assumptions, consistent with the changes from the *2007-2012 Experience Study Report*, used when valuing the PERS 1 and TERS 1 Basic Minimum COLA.
- The OSA corrected how valuation software calculates a member's entry age under the entry age normal actuarial cost method. Previously, the funding age was rounded, resulting in an entry age one year higher in some cases.
- For purposes of calculating the Plan 2/3 Entry Age Normal Cost contribution rates, the OSA now uses the current blend of Plan 2 and Plan 3 salaries rather than using a long-term membership assumption of two-thirds Plan 2 members and one-third Plan 3 members.
- The OSA changed the way it applies salary limits, as described in the *2007-2012 Experience Study Report*.

### **Discount Rate**

The discount rate used to measure the total pension liability for all DRS plans was 7.5 percent.

To determine that rate, an asset sufficiency test included an assumed 7.7 percent long-term discount rate to determine funding liabilities for calculating future contribution rate requirements. (All plans use 7.7 percent except LEOFF 2, which has assumed 7.5 percent). Consistent with the long-term expected rate of return, a 7.5 percent future investment rate of return on invested assets was assumed for the test. Contributions from plan members and employers are assumed to continue being made at contractually required rates (including PERS 2/3, PSERS 2, SERS 2/3, and TRS 2/3 employers, whose rates include a component for the PERS 1, and TRS 1 plan liabilities). Based on these assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 7.5 percent was used to determine the total liability.

### **Long-Term Expected Rate of Return**

The long-term expected rate of return on the DRS pension plan investments of 7.5 percent was determined using a building-block-method. The Washington State Investment Board (WSIB) used a best estimate of expected future rates of return (expected returns, net of pension plan investment expense, including inflation) to develop each major asset class. Those expected returns make up one component of WSIB's capital market assumptions. The WSIB uses the capital market assumptions and their target asset allocation to simulate future investment returns at various future times. The long-term expected rate of return of 7.5 percent approximately equals the median of the simulated investment returns over a 50-year time horizon.

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**Estimated Rates of Return by Asset Class**

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2015, are summarized in the table below. The inflation component used to create the table is 2.2 percent and represents the WSIB's most recent long-term estimate of broad economic inflation.

Asset Class	Target Allocation	% Long-Term Expected Real Rate of Return Arithmetic
Fixed Income	20%	1.70%
Tangible Assets	5%	4.40%
Real Estate	15%	5.80%
Global Equity	37%	6.60%
Private Equity	23%	9.60%
	<b>100%</b>	

**Sensitivity of NPL**

The table below presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.5 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.5 percent) or 1-percentage point higher (8.5 percent) than the current rate. Amounts in the table are presented in thousands.

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
PERS 1	\$ 4,433,041	\$ 3,641,093	\$ 2,960,091
PERS 2/3	8,838,424	3,022,663	(1,430,247)
LEOFF 1	(306,752)	(479,485)	(626,708)
LEOFF 2	740,440	(739,379)	(1,852,998)

**Pension Plan Fiduciary Net Position**

Detailed information about the State's pension plans' fiduciary net position is available in the separately issued DRS financial report.

**Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2015, the City reported a total pension liability of \$ 6,663,756 for its proportionate share of the net pension liabilities as follows:

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	<b>Liability</b>
PERS 1	\$ 3,641,093
PERS 2/3	3,022,663

At June 30, 2015, the City reported a total pension asset of \$ 1,218,864 for its proportionate share of the net pension liabilities as follows:

	<b>Asset</b>
LEOFF 1	\$ 479,485
LEOFF 2	739,379

The amount of the asset reported above for LEOFF Plan 2 reflects a reduction for State pension support provided to the City. The amount recognized by the City as its proportionate share of the net pension asset, the related State support, and the total portion of the net pension asset that was associated with the City were as follows:

	<b>Asset</b>
LEOFF 2 – employer’s proportionate share	\$ 739,379
LEOFF 2 – State’s proportionate share of the net pension liability/(asset) associated with the employer	488,878
<b>TOTAL</b>	<b>\$1,228,257</b>

At June 30, the City’s proportionate share of the collective net pension liabilities was as follows:

	<b>Proportionate Share 6/30/14</b>	<b>Proportionate Share 6/30/15</b>	<b>Change in Proportion</b>
PERS 1	0.072711%	0.069607%	-0.003104%
PERS 2/3	0.088371%	0.084596%	-0.003775%
LEOFF 1	0.039867%	0.039784%	-0.000083%
LEOFF 2	0.073203%	0.071938%	-0.001265%

Employer contribution transmittals received and processed by the DRS for the fiscal year ended June 30 are used as the basis for determining each employer’s proportionate share of the collective pension amounts reported by the DRS in the *Schedules of Employer and Nonemployer Allocations* for all plans except LEOFF 1.

LEOFF Plan 1 allocation percentages are based on the total historical employer contributions to LEOFF 1 from 1971 through 2000 and the retirement benefit payments in fiscal year 2015. Historical data was obtained from a 2011 study by the Office of the State Actuary (OSA). In fiscal year 2015, the state of Washington contributed 87.12 percent of LEOFF 1 employer contributions and all other employers contributed the remaining 12.88 percent of employer contributions. LEOFF 1 is fully funded and no further employer contributions have been required since June 2000. If the plan becomes underfunded, funding of the remaining liability will require new legislation. The allocation method the plan chose

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reflects the projected long-term contribution effort based on historical data.

In fiscal year 2015, the state of Washington contributed 39.80 percent of LEOFF 2 employer contributions pursuant to RCW 41.27.726 and all other employers contributed the remaining 60.20 percent of employer contributions.

The collective net pension liability (asset) was measured as of June 30, 2015, and the actuarial valuation date on which the total pension liability (asset) is based was as of June 30, 2014, with update procedures used to roll forward the total pension liability to the measurement date.

**Pension Expense**

For the year ended December 31, 2015, the City recognized pension expense as follows:

	<b>Pension Expense</b>
PERS 1	\$ 39,344
PERS 2/3	321,905
LEOFF 1	( 94,186)
LEOFF 2	43,928
<b>TOTAL</b>	<b>\$ 310,991</b>

**Deferred Outflows of Resources and Deferred Inflows of Resources**

At December 31, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<b>PERS Plan 1</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience		
Net difference between projected and actual investment earnings on pension plan investments		\$ 199,208
Changes of assumptions		
Changes in proportion and differences between contributions and proportionate share of contributions		
Contributions subsequent to the measurement date	\$ 200,502	
<b>TOTAL</b>	<b>\$ 200,502</b>	<b>\$ 199,208</b>

<b>PERS Plan 2-3</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 321,310	
Net difference between projected and actual investment earnings on pension plan investments		\$ 806,908

**City of Ellensburg, Washington**  
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Changes of assumptions	4,870	
Changes in proportion and differences between contributions and proportionate share of contributions		157,192
Contributions subsequent to the measurement date	250,331	
<b>TOTAL</b>	<b>\$ 361,905</b>	<b>\$ 964,100</b>

<b>LEOFF 1</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience		\$ 80,947
Net difference between projected and actual investment earnings on pension plan investments		
Changes of assumptions		
Changes in proportion and differences between contributions and proportionate share of contributions		
Contributions subsequent to the measurement date		
<b>TOTAL</b>		<b>\$ 80,947</b>

<b>LEOFF 2</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 64,745	
Net difference between projected and actual investment earnings on pension plan investments		\$ 224,028
Changes of assumptions	1,950	
Changes in proportion and differences between contributions and proportionate share of contributions	7,905	
<b>TOTAL</b>	<b>\$ 74,600</b>	<b>\$ 224,028</b>

Deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as:

<b>Year ended December 31:</b>	<b>PERS 1</b>
2016	\$ (77,206)
2017	\$ (77,206)
2018	\$ (77,206)
2019	\$ 32,410
2020	
Thereafter	

**City of Ellensburg, Washington**  
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Year ended December 31:	PERS 2-3
2016	\$(254,805)
2017	\$(254,805)
2018	\$(254,805)
2019	\$ 162,220
2020	
Thereafter	

Year ended December 31:	LEOFF 1
2016	\$ (31,410)
2017	\$ (31,410)
2018	\$ (31,410)
2019	\$ 13,284
2020	
Thereafter	

Year ended December 31:	LEOFF 2
2016	\$(73,475)
2017	\$(73,475)
2018	\$(73,475)
2019	\$ 52,801
2020	\$ 14,102
Thereafter	\$ 2,820

**A. Other Local Government Pension Systems**

The City is also the administrator of a pension retirement system called the Fire Relief and Pension Fund, a single employer defined benefit plan. The system is shown as a trust fund in the financial reports of the City. The system provides retirement, disability, and death benefits to members and beneficiaries. The system is closed with no active members.

As of December 31, 2015 there were a total of 5 individuals (all retirees) covered by this system. Four of them are retirees, and one is a widow of a retiree.

**Plan Description.** The Kittitas County Disability Board is governed by RCW 41.26.110. Each county shall establish a disability board composed of five members to be chosen as follows: one member to be a representative of the City of Ellensburg determined by council; one to be a representative of Kittitas County and is also a county commissioner; one to be active or retired firefighter employed by or retired from an employer within the county to be elected by the firefighters employed or retired from an employer within the county who are not employed by or retired from a city in which a disability board is established and who are subject to

**City of Ellensburg, Washington**  
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**For the Year Ended December 31, 2015**

jurisdiction of that board; one to be active or retired law enforcement officer employed by or retired from an employer within the county to be elected by the law enforcement officers employed in or retired from an employer within the county who are not employed by or retired from a city in which a disability board is established and who are subject to the jurisdiction of that board; one member from the public at large who resides within the county but does not reside within a city which a city disability board is established, to be appointed by the other four members designated in this subsection. All members appointed or elected pursuant to this subsection shall serve for two year terms.

**Investment Policy.** The City's investments will be in compliance with all statutes governing the investment of public funds. This includes the Revised Code of Washington (RCW), the State's Budgeting, Accounting and Reporting System (BARS) Manual, the City's Investment Policy and corresponding administrative procedures. All investments of the City are made in compliance with Federal and State law and in accordance with applicable legal interpretations. The investment policy and future versions shall be adopted by resolution of the City Council, and when practicable will first be reviewed by the Certification Committee of the Washington Municipal Treasurers' Association (WMTA). The policy will be reviewed annually and any changes will be approved by a resolution of the City Council, and such record of adoption shall become a part of the document. The City will diversify its investments by security type and institution.

The most recent actuarial study of the system was done by Milliman Consultants and Actuaries to determine the funding requirements as of December 31, 2015. As of this date, the assets valued at market were \$ 0.332 million and the actuarial present value of future benefits was \$ 0.859 million with unfunded actuarial accrued liabilities of \$ 0.527 million. The assets of the fund, along with future revenues from state fire insurance taxes and investment earnings are not sufficient to pay all future pension benefits, resulting in an actuarial deficiency. During the FY 2014 budget hearing, the City Council authorized allocating \$.141 million of 2016 property tax receipts to the Fire Relief and Pension fund. Based on the number of members in the City's plan, the City is only obligated to calculate the liability of pension cost every three years.

The following schedules show the system's annual pension cost and net pension obligation as well as three-year trend information.

**City of Ellensburg, Washington**  
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**For the Year Ended December 31, 2015**

Annual Required Contribution (ARC)		For Fiscal Year Ending*			
		12/31/2012	12/31/2013	12/31/2014	12/31/2015
1	Annual Normal Cost (BOY)	\$ -	\$ -	\$ -	\$ -
2	Amortization of UAAL (BOY)	57,619	57,619	42,068	42,068
3	Interest to EOY [(1)+(2)]X(i)*	2,305	2,305	1,578	1,578
4	ARC at EOY [(1)+(2)+(3)], not less than zero	59,924	59,924	43,646	43,646
5	Interest on NPO	2,546	(3,246)	(3,551)	(2,225)
6	Adjustment to ARC	5,031	(6,696)	(8,066)	(8,066)
7	Annual Pension Cost (APC)[(4)+(5)-(6)]	57,439	63,374	48,161	49,487
8	Employer Contributions**	202,238	76,923	81,404	(61,886)
9	Change in NPO [(7)-(8)]	(144,799)	(13,549)	(33,243)	111,373
10	NPO at BOY [(11) prior year]	63,660	(81,139)	(94,688)	(127,931)
11	NPO at EOY [(9)+(10)]	\$ (81,139)	\$ (94,688)	\$ (127,931)	\$ (16,558)

\* "i" is the assumed interest rate that year: 4.0% in 2012, 3.75% in 2013, and 3.75% in 2014

\*\* Employer contributions for pensions are total contributions to the Fund net of disbursements from the Fund for medical expenses under RCW 41.26.150 and administrative expenses. Prior to 2014, administrative expenses were also subtracted from employer contributions. The above information is only required to be completed every two years. The above information is from 2014 and will be updated in 2016.

The following are the actuarial assumptions used in the above calculations:

Valuation Date	January 1, 2015
Actuarial Cost Method	Entry Age Normal
Amortization Method	21-years, closed as of January 1 <sup>st</sup> 2008
Remaining Amortization Period	17 years
Asset Valuation Method	Fair Market value
Actuarial Assumptions	
Investment Rate of Return	3.50%
Projected Salary Increases	3.25%
Inflation	2.25%
Cost of Living Adjustments	Based upon salary increase assumption when appropriate, for FPF benefits. Based upon inflation assumption for some FPF benefits and all LEOFF benefits

SCHEDULE OF FUNDING PROGRESS (in thousands)						
Fund	Value of Assets	Actuarial Accrued Liability	Unfunded AAL	Funded Ratio	Covered payroll	UAAL as a percentage of Covered Payroll
Fire Relief and Pension	440	867	427	51%	-	N/A

The above information is only required to be completed every two years. The above information is from 2014 and will be updated in 2016.



**City of Ellensburg, Washington**  
**Notes to Basic Financial Statements**  
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The following schedules show the City's changes in net pension liability as well as discloses the sensitivity analysis.

<b>Changes in Net Pension Liability</b>	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (a) - (b)</b>
Balances as of December 31, 2014	\$866,513	\$439,985	\$426,528
Charges for the year:			
Service Cost	-		
Interest on total pension liability	29,698		29,698
Effect of economic/demographic gains or losses	-		-
Effect of assumptions changes or inputs	-		-
Benefit Payments	(36,305)	(36,305)	-
Medical payments from fund		(82,073)	82,073
Employer contributions		-	-
Contributions from state fire insurance premium tax		20,187	(20,187)
Net investment income		2,225	(2,225)
Administrative expenses		(11,275)	11,275
Balances as of December 31, 2015	859,906	332,744	527,162
The following presents the net pension liability of the City, calculated using a discount rate of 3.50%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.50%) or 1 percentage higher (4.50%) than the current rate.			
	<b>1% Decrease 2.50%</b>	<b>Current Discount Rate 3.50%</b>	<b>1% Increase 4.50%</b>
Total pension liability	\$957,270	\$859,906	\$776,819
Fiduciary net position	332,744	332,744	332,744
Net pension liability	\$ 624,526	\$ 527,162	\$ 444,075

The schedule of funding progress for the postemployment defined benefit plan immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of the plan assets is increasing or decreasing relative to the actuarial accrued liability for benefits over time. The City does not have active employees in this group therefore there is no covered payroll. The Actuarial value of the plan is decreasing.

The City of Ellensburg does not prepare a separate financial report for the single employer defined benefit plan. Therefore, a schedule of employer contributions is provided as RSI on page 96 & 97.

**City of Ellensburg, Washington**  
**Notes to Basic Financial Statements**  
**For the Year Ended December 31, 2015**

**7. RISK MANAGEMENT**

**A. Pool Insurance**

The City of Ellensburg is a member of the Washington Cities Insurance Authority (WCIA).

Utilizing Chapter 48.62 RCW (self-insurance regulation) and Chapter 39.34 RCW (Interlocal Cooperation Act), nine cities originally formed WCIA on January 1, 1981. WCIA was created for the purpose of providing a pooling mechanism for jointly purchasing insurance, jointly self-insuring, and/or jointly contracting for risk management services. WCIA has a total of 175 members.

New members initially contract for a three-year term, and thereafter automatically renew on annual basis. A one-year withdrawal notice is required before membership can be terminated. Termination does not relieve a former member from its unresolved loss history incurred during membership.

Liability coverage is written on an occurrence basis, without deductibles. Coverage includes general, automobile, police, public officials' errors or omissions, stop gap, and employee benefits liability. Limits are \$4 million per occurrence self-insured layer, and \$20 million per occurrence in the reinsured excess layer. The excess layer is insured by the purchase of reinsurance and insurance and is subject to aggregate limits. Total limits are \$4 million per occurrence subject to aggregate sub-limits in the excess layers. The Board of Directors determines the limits and terms of coverage annually.

Insurance coverage for property, automobile physical damage, fidelity, inland marine, and boiler and machinery are purchased on a group basis. Various deductibles apply by type of coverage. Property insurance and auto physical damage are self-funded from the members' deductible to \$750,000, for all perils other than flood and earthquake, and insured above that amount by the purchase of insurance.

In-house services include risk management consultation, loss control field services, claims and litigation administration, and loss analyses. WCIA contracts for the claims investigation consultants for personnel issues and land use problems, insurance brokerage, and lobbyist services.

WCIA is fully funded by its members, who make annual assessments on a prospectively rated basis, as determined by an outside, independent actuary. The assessment covers loss, loss adjustment, and administrative expenses. As outlined in the interlocal, WCIA retains the right to additionally assess the membership for any funding shortfall.

An investment committee, using investment brokers, produces additional revenue by investment of WCIA's assets in financial instruments which comply with all State guidelines.

A Board of Directors governs WCIA, which is comprised of one designated representative from each member. The Board elects an Executive Committee and appoints a Treasurer to provide general policy direction for the organization. The WCIA Executive Director reports to

**City of Ellensburg, Washington**  
**Notes to Basic Financial Statements**  
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the Executive Committee and is responsible for conducting the day to day operations of WCIA.

The City's settlements did not exceed the insurance coverage in the past four years.

**B. Partial Self Insurance**

As of December 31, 2015, the City is partially self-insured for its employee health and benefits program. The health insurance activities are funded and accounted for separately in the fund financial statements based upon the activities of the fund in an Internal Service Fund. The City purchased individual and aggregate stop loss insurance to limit its risk exposure. The City will pay up to \$ 65,000 in claims for an individual employee with an aggregating specific deductible of \$30,000 and up to 2 million for the entire group. Once the maximum amount is exceeded then the insurance companies takes over. To cover the 2 million, the City has 2.5 million in operating revenues in 2015. In 2015 the City had \$ 700,635 in stop loss recoveries. The City has not exceeded the insurance coverage in the first 5 years of the program.

	2015	2014	2013	2012
Year to Date medical claims	\$ 942,510	\$ 1,866,557	\$ 930,996	\$ 1,120,103
Year to Date Pharmacy Claims	215,232	202,824	217,563	199,523
Run-out Claims*	-	-	-	-
Less Eligible Individual Stop Loss Recover	-	494,012	21,213	204,172
Less Prior Contract Year Service Date Claim	36,578	275,298	109,378	60,436
Less vision Claims	3,856	26,194	26,889	24,910
less Refunded Claims	18,207	3,347	6,239	5,667
<b>Total Aggregate Stop Loss Claims</b>	<b>\$1,099,101</b>	<b>\$1,270,530</b>	<b>\$984,840</b>	<b>\$1,024,441</b>

\*Run-out Claim numbers were adjusted to reflect refunds given after the close of the year recovered in the following year.

**8. LONG-TERM DEBT**

**A. Long-Term Debt**

In the fund financial statements, governmental funds recognize bond premiums and discounts as well as bond issuance costs during the current period. The face amount of debt issued is reported as other financial sources. Premiums received on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from actual debt proceeds received are reported as debt service expenditures.

State law provides that debt cannot be incurred in excess of the following percentages of the value of the taxable property of the city:

1.5% - Without a vote of the people

2.5% - With a vote of the people

5.0% - With a vote of the people provided the indebtedness in excess of 2.5% is for utilities, parks, or open space development.

**City of Ellensburg, Washington**  
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**For the Year Ended December 31, 2015**

As of December 31, 2015, the debt limits of the City were as follows:

Assessed Value	1,270,554,665		
	Without a Vote	With a Vote	
		2.50%	5.00%
Legal Limit	\$ 19,058,320	\$ 31,763,867	\$ 63,527,733
Applicable Outstanding Debt	2,285,000	3,345,000	3,345,000
Available Assets	40,164	100,577	100,577
Margin Available	\$ 16,813,484	\$ 28,519,444	\$ 60,283,310

General Obligation Bonds

The City of Ellensburg issues general obligation and revenue bonds to finance the purchase of general government assets and the acquisition or construction of utility infrastructure. General obligation and revenue bonds have been issued for both general government and business type activities and are being repaid from the applicable resources. Proprietary fund revenues are repaying the revenue bonds.

The general obligation bonds are direct obligations and pledge the full faith and credit of the government. These bonds are generally 20-year serial bonds with equal amounts of payment each year. General obligation bonds currently outstanding are as follows:

Purpose	Maturity Range	Interest Rate(s)	Original Amount	Amount of Installment	Outstanding Amount
2014 GO Bond - Library	2021	2.50 - 4.35%	1,175,000	156,800	1,060,000
2010 GO Bond - Maintenance	2030	2.00 - 5.00%	2,495,000	215,350	2,285,000
Total			\$ 3,670,000	\$ 372,150	\$ 3,345,000

The 2014 Unlimited Tax General Obligation Refunding Bonds were sold to provide funds with which to pay costs associated with remodeling, expanding, and equipping the Ellensburg Public Library and Hal Holmes Community Center in the City and making related capital improvements, and to levy those excess property taxes

The 2010 Limited Tax General Obligation Bonds were sold to provide funds necessary to pay and reimburse a portion of the costs necessary for several capital projects, including: roof replacement of 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 chamber; various transportation related improvements, including traffic signal and road projects, and parking improvements; and a flood plain improvement project.

**City of Ellensburg, Washington**  
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The annual requirements to maturity, including interest for general obligation bonds are as follows:

<b>Year Ending</b>	<b>Governmental Activities</b>	
	<b>Principal</b>	<b>Interest</b>
<b>December 31</b>		
2016	\$ 240,000	\$ 132,150
2017	255,000	124,950
2018	260,000	116,100
2019	275,000	107,100
2020	290,000	97,600
2021-2025	935,000	351,075
2026-2030	1,090,000	286,250
2031-2035	-	-
<b>Total</b>	<b>\$ 3,345,000</b>	<b>\$ 1,215,225</b>

Revenue Bonds

Revenue bonds are bonds where the government pledges income derived from the acquired or constructed assets to pay debt service. Revenue bonds are created by ordinance, adopted by the City Council, and financed from Enterprise Fund revenues.

Annual principal and interest payments on the bonds are expected to require less than 5 percent of net revenues.

2010 Water/Sewer Ref(99) Bonds for the purpose of paying the cost of carrying out of the system or plan of addition to and betterments and extension of the waterworks utility. The bonds will mature in 2019 with a debt payment in 2016 of \$271,950 and operating revenue of \$8,205,667 in 2015.

2010 Water/Sewer Revenue Bonds for the purpose of paying the cost of carrying out of the system or plan of addition to and betterments and extension of the waterworks utility. Drilling of deep wells, extend water and sewer mains and replace the bio-solid thickening equipment. The bonds will mature in 2029 with a debt payment in 2016 of \$520,650 and operating revenue of \$8,205,667 in 2015.

2013 Water Revenue Bonds for the purpose of paying the cost of carrying out of the system or plan of addition to and betterments and extension of the waterworks utility. Construction of two well houses and the installation of pumps, motors, and electronic control systems and if funds are available the City shall make other improvements to the Waterworks Utility. The bonds will mature in 2022 with a debt payment in 2016 of \$241,643 and operating revenue of \$4,499,484 in 2015.

2014 Refunding/Revenue Bond for the purpose of providing funds to refund outstanding electric revenue bonds of the City and to finance the cost of a new substation of the City's Electric Utility. The bonds will mature in 2032 with a debt payment in 2016 of \$603,725 and operating revenue of \$15,333,042 in 2015.

**City of Ellensburg, Washington**  
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The Revenue bonds currently outstanding are as follows:

Purpose	Maturity Range	Interest Rates	Original Amount	Amount of Installment	Outstanding Amount
2010 Water/Sewer (ref 99) Bonds	12/1/2019	2.00-4.50%	2,290,000	271,950	985,000
2010 Water/Sewer Revenue Bonds	12/1/2029	2.00-4.50%	7,420,000	520,650	7,150,000
2013 Water Bonds	12/1/2022	2.82%	2,100,000	241,643	1,525,310
2014 Electric (refunding)	12/1/2025	2.00-4.50%	3,650,000	395,900	3,360,000
2014 Electric	12/1/2034	2.00-4.50%	4,540,000	207,825	4,530,000
<b>Total</b>			<b>\$ 20,000,000</b>	<b>\$ 1,637,968</b>	<b>\$ 17,550,310</b>

The Revenue bond debt service requirements to maturity are as follows:

Year Ending	Business-type Activities	
	Principal	Interest
December 31		
2016	950,030	687,938
2017	975,710	658,558
2018	1,006,552	628,316
2019	1,042,560	594,658
2020	1,073,739	559,730
2021-2025	5,251,719	2,197,142
2026-2030	5,090,000	1,086,550
2031-2035	2,160,000	248,175
Total	\$ 17,550,310	\$ 6,661,067

Local Improvement Funds

Local Improvement Bonds are used for debt payments of the outstanding debt on local improvement districts.

Special Assessments	Beginning Balance 1/1/2015	Amount Issued	Amount Redeemed	Ending Balance 12/31/2015
LID Notes & Bonds	\$ 378,190	\$ -	\$ 36,125	\$ 342,065
<b>Total</b>	<b>\$ 378,190</b>	<b>\$ -</b>	<b>\$ 36,125</b>	<b>\$ 342,065</b>

In the government-wide financial statements and proprietary fund financial statements long-term debt and other long-term obligations are reported as liabilities in the applicable governmental and business-type activities and proprietary financial statements as net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. In the fund financial statements, governmental fund types recognize bond premiums and discounts as bond issuance costs during the current period. Issuance costs whether or not withheld from the actual debt proceeds received are reported as debt service expenditure items.

**City of Ellensburg, Washington**  
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At December 31, 2015, the City has \$103,028 available in debt service funds to service the general obligation bonded debt. Restricted assets in proprietary funds contain \$1,442,008 in sinking funds and reserves as required by bond indentures to service the revenue bonded debt.

The various bond indentures contain commitments and restrictions regarding tax levies and debt service requirements. The City is in compliance with all such significant commitments and restrictions.

Arbitrage-The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax-exempt bonds after August 31<sup>st</sup>, 1986. Rebate arbitrage occurs when earnings on investments purchased from gross proceeds of a bond issue are in excess of the amount that would have been earned if the investment were invested at a yield equal to the yield on the bond issue. The rebate arbitrage must be paid to the federal government. The City of Ellensburg carefully monitors its investments to restrict earnings to a yield less than the bond issue and therefore limit any arbitrage liability. As of December 31, 2015 the City has no arbitrage rebate liability.

**B. Changes in Long-Term Liabilities**

During the year ended December 31, 2015, the following changes occurred in long-term Liabilities reported as General Long-Term Debt.

	Balance 1/1/2015	Additions	Reductions	Balance 12/31/2015	Due Within One Year
<b>Governmental Activities:</b>					
Bonds payable					
General Obligation Debt	\$ 3,570,000	-	\$ 225,000	\$ 3,345,000	\$ 240,000
Less/add Deferred amounts for issuance discount and Premiums	\$ 154,752	-	\$ 14,452	\$ 140,300	\$ 14,452
<b>Total Bonds Payable</b>	<b>3,724,752</b>	<b>-</b>	<b>239,452</b>	<b>3,485,300</b>	<b>254,452</b>
Capital Leases	-			-	-
Compensated Absences	538,141	19,831	12,874	545,098	414,096
OPEB Liability	2,152,044	755,451	-	2,907,495	-
Net Pension Liability		4,262,994		4,262,994	
<b>Total Governmental LT Liabilities</b>	<b>6,414,937</b>	<b>5,038,276</b>	<b>252,326</b>	<b>11,200,887</b>	<b>668,548</b>
<b>Business-Type Activities</b>					
Revenue Bonds	22,289,816	-	4,739,506	17,550,310	950,030
Less/add Deferred amounts for issuance discount and Premiums	800,112	92,199	-	892,311	41,105
Unamortized Bond Premium	-	(16,713)		(16,713)	-
<b>Total Bond Payable</b>	<b>23,089,928</b>	<b>92,199</b>	<b>4,739,506</b>	<b>18,425,908</b>	<b>991,135</b>
Compensated Absences	467,306	102,065	22,750	546,620	253,258
Net Pension Liability		1,189,099	-	1,189,099	
<b>Total Business-Type LT Liabilities</b>	<b>23,557,234</b>	<b>1,383,363</b>	<b>4,762,256</b>	<b>20,161,627</b>	<b>1,244,393</b>
<b>Total</b>	<b>\$ 29,972,171</b>	<b>\$ 6,421,639</b>	<b>\$ 5,014,582</b>	<b>\$ 31,362,515</b>	<b>\$ 1,912,941</b>

Internal service funds predominately serve the enterprise funds, accordingly, long-term liabilities for them are included as part of the above Business-Type Activities i.e., compensated absences total in the amount of \$88,653. Also, for the governmental activities, claims, judgments, and

**City of Ellensburg, Washington**  
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compensated absences are generally liquidated by the fund it is associated with. The net pension obligation OPEB liabilities are generally liquidated by the General Fund.

**9. UTILITY RATE SETTING POLICY**

The City operates six classified utilities: Gas, Electric, Water, Sewer, Stormwater and Telecommunications. The rates for these six utilities are approved by the City Council.

**10. CONTINGENCIES AND LITIGATION**

The City has recorded in its financial statements all material liabilities, including an estimate for situations, which are not yet resolved, but where, based on available information, management believes it is probable that the City will have to make payment. In the opinion of management, the City's insurance policies and self-insurance reserves are adequate to pay all known or pending claims.

The City participates in a number of federal and state-assisted programs. These grants are subject to audit by the grantors or their representatives. Such audits could result in requests for reimbursement to grantor agencies for expenditures disallowed under the terms of the grants. City management believes that such disallowances, if any, will be immaterial.

**11. COMMITMENTS**

**A. Operating Leases**

The City leases equipment under non-cancelable operating leases. Total cost for such leases was \$ 40,743 for the year ended December 31, 2015. The future minimum lease payments for these leases are as follows; all leases are completed by 2020 as of December 31<sup>st</sup> 2015.

Year ending December 31	Amount
2015	\$40,743
2016	\$41,560
2017	\$38,861
2018	\$37,341
2019	2,388
Total	\$160,893

Pension commitments are discussed in Note 6.

**12. INTERGOVERNMENTAL GRANTS AND ENTITLEMENTS**

The accompanying Schedule of Financial Assistance provides a listing of all federal, state, and local assistance programs in which the City participates and summarizes the City's grant transactions for 2015.



**City of Ellensburg, Washington**  
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**13. INTERFUND BALANCES AND TRANSFER**

**Classification of Interfund Transactions**

Interfund transactions are classified as follows:

- A. Transactions that would be treated as revenues, expenditures or expenses if they involved external organizations, such as buying goods and services or payments in lieu of taxes, are similarly treated when they involve other funds of the City.
- B. Transfers to support the operations of other funds are recorded as "Transfers" and classified with "Other Financing Sources or Uses."
- C. Contributions to the capital of enterprise or internal service funds, transfers to establish or reduce working capital in other funds, and transfers of remaining balances when funds are closed are classified as transfers and reported as direct additions to or deductions from fund equity.
- D. Loans between funds are classified as interfund loans receivable and payable or as
  - a. advances to and from other funds on the combined balance sheet depending on the time
  - b. period for which the loan was made. Interfund loans do not affect total fund equity, but
  - c. advances to other funds are offset by a reservation of fund equity

The following table displays interfund transfer activity during 2015:

<b>Transfer</b>	<b>Transfer To</b>	<b>Transfer To</b>	<b>Transfer To</b>	<b>Transfer To</b>	<b>Transfer To</b>	<b>Total</b>
<b>From</b>	<b>General Fund</b>	<b>Street</b>	<b>Arterial</b>	<b>Non Major Gov</b>	<b>Internal Service</b>	
General Fund		1,200,000	153,215	213,953		1,567,168
Sidewalk			41,459			41,459
Stormwater		120,000				120,000
Gas					6,552	6,552
Light					42,527	42,527
Trust funds	21,000					21,000
Total	21,000	1,320,000	194,674	213,953	49,079	1,798,706

**City of Ellensburg, Washington**  
**Notes to Basic Financial Statements**  
**For the Year Ended December 31, 2015**

The following table displays interfund balances activity during 2015:

Due To	Due From General Fund	Due From Street/Art	Due From Gas	Due From Light	Due From Water	Due From Sewer	Due From Shop	Due From All Others	Total
Major Governmental									-
General Fund	308			498					806
Arterial and Street			2,157	2,157	471	4,146		468	9,399
Non Major Governmental								3,821	3,821
Major Business Type									-
Gas									-
Light		9,425							9,425
Water		22,318			67	652		19	23,055
Sewer		4,513							4,513
Nonmajor Business Type									-
Internal Service Fund	2,543	3,433	1,756	1,982		876		78	10,669
Total	2,851	39,689	3,913	4,638	537	5,674		4,386	61,688

The following table displays interfund loan activity during 2015:

Interfund loan	Beginning Balance 1/1/2015	Installment	Balance 12/31/15
Receivable	General		
Major funds:			
Light	2,099,657	265,000	1,834,657
Internal Service	1,400,000	1,400,000	-
Equipment Revolving	283,943		283,943
Total	\$ 3,783,600	\$ 1,665,000	\$ 2,118,600

#### 14. FUND EQUITIES

The government -wide and proprietary fund financial statements utilize a net position presentation. Net positions are categorized as invested in capital assets (net of related debt), restricted, and unrestricted. Invested in capital assets (net of related debt) - this category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of the assets reduce the balance in this category.

**Net Investment in capital assets**

Statement of Net Position	Governmental Funds	Gas	Light	Water	Sewer	Other
Capital Assets	94,051,527	\$ 13,921,808	\$ 32,143,504	\$ 26,769,626	\$ 23,390,179	\$ 10,541,190
Minus						
Accumulated Depreciation	43,637,732	7,909,263	15,086,578	10,408,439	10,688,855	\$ 5,521,628
Longterm Debt	3,335,630		8,132,893	6,049,420	3,610,890	131,938
Other Liabilities	-					
Total Investment of Capital Assets	47,078,165	6,012,545	8,924,033	10,311,767	9,090,434	4,887,624

**City of Ellensburg, Washington**  
**Notes to Basic Financial Statements**  
**For the Year Ended December 31, 2015**

It is essential that the City maintain adequate levels of unassigned fund balance to mitigate current and future risks and ensure stable tax rates. As such, unassigned ending fund balances, excluding contingency and cumulative reserve funds, for the operating funds (all funds except the sales tax and proprietary funds) will be required to have a minimum of 15% of operating expenditures in unreserved ending fund balance.

Proprietary funds, such as utility funds and internal service funds will be required to have a 20% minimum unrestricted.

**15. JOINT OPERATION**

The City of Ellensburg and Kittitas County entered into a cooperative service enterprise to purchase and operate the facility previously known as the City/County Community Center (currently known as the Adult Activity Center), effective July 19, 1977. The \$62,500 in initial costs of the facility were split \$46,875 to the City and \$15,625 to the County. The City is responsible for operating and maintaining the facility.

The City accounts for the operations of the facility in the Recreation Department of the General Fund. The 2015 operations are as follows:

	<b>Budget</b>	<b>Actual</b>
Kittitas County	\$ 49,000	\$ 51,865
City of Ellensburg	77,828	84,656
Tour Fees	5,500	2,970
Other Revenues	21,600	27,883
Total Support	\$ 153,928	\$ 167,374

A copy of the agreement can be obtained from the City of Ellensburg Finance Department.

**16. POSTRETIREMENT BENEFITS OTHER THAN PENSION BENEFIT**

In addition to the pension benefits described in Note 7, the City of Ellensburg provides postretirement health care benefits, in accordance with Washington State law to 27 police and firefighters who retired or disabled under the LEOFF I Pension Act or the City's Fire Relief and Pension Plan. A single employer defined benefit plan.

**A. Summary of Significant Accounting Policies**

The Leoff's financial statements are prepared using the accrual basis of accounting. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable. Investments are reported at fair value. The City has elected to calculate information of an actuarial nature using the alternative measurement method permitted by GASB Statement 45 for plans with fewer than one hundred employees.

**B. Plan Description**

**City of Ellensburg, Washington**  
**Notes to Basic Financial Statements**  
**For the Year Ended December 31, 2015**

The plan is directed and defined by the State of Washington Revised Code (RCW 41.26.150). Employers such as municipalities, counties, and fire districts are required to pay the costs for necessary medical services for any active or retired members of the Law Enforcement Officers' and Fire Fighters Retirement System Plan One (LEOFFI). Under subsection 4, the employer may provide for medical insurance through insurance carriers. The plan covers retirees who are on disability as well as those who are retired after reaching age requirements. To qualify for medical services, the employee needs to only be active or disability retired, or the employee's service retirement date is that day following separation from LEOFF employment with the City. To make this plainer, if the employee leaves the City and takes a job with another member of the Washington State Retirement System, regardless of the plan, then the member would then be liable for the employee's medical services. Employees may retire after 5 years of service after reaching age 50. Employees with 20 years of service who leave employment before retirement age are eligible for medical benefits upon reaching age 50. Insurance for retired individuals is provided through the employer's group plan, which covers both active and qualified retired members. The health insurance coverage and medical costs for retired firefighters are paid for out of the Fire Relief and Pension Fund and general government. For law enforcement officers, costs are paid out of the police department budget. The medical services cover active and retired members only. Spouses are not eligible.

**C. Funding Status and Funding Policy**

The plan has 23 retired members and zero active. Health insurance premiums are paid monthly. Other medical services are paid monthly as billings are presented for reimbursement. The pension board performs an annual survey to determine the care to be covered. The City of Ellensburg reimburses 100 percent of the amount of validated claims for medical, dental, and hospitalization costs incurred by pre-Medicare retirees.

Employer contributions are financed on a pay-as-you-go basis. Expenditures for postretirement health care benefits are recognized as retirees report claims. During the year 2015, expenditures of \$255,424 were recognized for postretirement health care. 2014 expenditures were \$237,813.

The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC). The City has elected to calculate the ARC and related information using the alternative measurement method permitted by GASB Statement No. 45 for employers in plans with fewer than one hundred total plan members. The City used the tool for this calculation set up by the State Actuary office.

A single retirement age of 55.3 years was assumed for all active members for the purpose of determining the actuarial accrued liability and normal cost. Retirement, disablement, termination, and mortality rates were assumed to follow the LEOFF 1 termination and mortality rates used in the June 30, 2014 actuarial valuation report issued by the Office of the State Actuary (OSA). Healthcare costs and trends were determined by Milliman and used by OSA in the state-wide LEOFF 1 medical study performed in 2013. The results were based on grouped data with 4 active and 4 inactive grouping. The actuarial cost method used to determine the actuarial accrued liability was Projected Unit Credit. The AAL and NOO are amortized on an open basis

**City of Ellensburg, Washington**  
**Notes to Basic Financial Statements**  
**For the Year Ended December 31, 2015**

as a level dollar over 15 years. These assumptions are individually and collectively reasonable for the purpose of this valuation.

The following tables shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's OPEB obligation to the Retiree Health Plan. Based on the number of members in the City's plan, the City is only obligated to calculate the liability of OPEB every three years; however, the City has chosen to update the information as it becomes available.

<b>Fiscal Year 2015</b>	<b>Fire</b>	<b>Pre leoff Fire</b>	<b>Police</b>
Actuarial Accrued Liability(AAL)	\$ 4,167,704	\$ 2,143,952	\$ 4,108,135
Annual Required Contribution (ARC)	374,848	192,829	369,490
Annual OPEB Cost	338,880	162,004	319,284
NET OPEB Obligation (NOO)	\$ 977,074	\$ 697,166	\$ 1,233,255
Participants	8	6	9

<b>Fiscal Year 2015</b>	<b>Fire</b>	<b>Pre leoff Fire</b>	<b>Police</b>	<b>Total</b>
Medical Expenses	\$ 2,661,699	\$ 1,163,080	\$ 2,494,234	\$ 6,319,013
Longterm Care	1,506,004	980,873	1,613,902	4,100,779
Total Inactive	4,167,703	2,143,953	4,108,136	10,419,792
Arc				
Normal Cost	-	-	-	-
UAAI Amortization	374,848	192,829	369,490	937,167
<b>ARC</b>	374,848	192,829	369,490	937,167
Annual OPEB Cost				
ARC	374,848	192,829	369,490	937,167
NOO Interest	28,808	24,689	40,212	93,709
NOO Amortization	(64,776)	(55,515)	(90,419)	(210,710)
Annual OPEB Cost	338,880	162,003	319,283	820,166
NOO				
Starting NOO	720,207	617,234	1,005,309	2,342,750
Annual OPEB Cost	338,880	162,004	319,284	820,168
Contributions	82,013	82,073	91,338	255,424
NOO*	\$ 977,074	\$ 697,165	\$ 1,233,255	\$ 2,907,495

\*Estimated

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2015 and three preceding fiscal years were as follows:

**City of Ellensburg, Washington**  
**Notes to Basic Financial Statements**  
**For the Year Ended December 31, 2015**

<b>FIRE FUND</b>				
<b>SCHEDULE OF EMPLOYER CONTRIBUTIONS</b>				
<b>FISCAL YEAR ENDED</b>	<b>ANNUAL OPEB COST</b>	<b>ANNUAL OPEB ACTUAL COSTS CONTRIBUTIONS</b>	<b>PERCENTAGE OF ANNUAL OPEB COST CONTRIBUTED</b>	<b>NET OPEB OBLIGATIONS</b>
2012	213,677	70,501	32.99%	717,288
2013	176,663	74,486	42.16%	819,465
2014	271,756	71,759	26.41%	720,207
2015	338,880	82,013	24.20%	977,074

<b>PRE LEOFF FIRE FUND</b>				
<b>SCHEDULE OF EMPLOYER CONTRIBUTIONS</b>				
<b>FISCAL YEAR ENDED</b>	<b>ANNUAL OPEB COST</b>	<b>ANNUAL OPEB ACTUAL COSTS CONTRIBUTIONS</b>	<b>PERCENTAGE OF ANNUAL OPEB COST CONTRIBUTED</b>	<b>NET OPEB OBLIGATIONS</b>
2012	150,178	78,992	53%	475,374
2013	119,895	75,059	63%	520,210
2014	169,108	72,084	43%	617,234
2015	162,004	82,073	51%	697,166

<b>Police FUND</b>				
<b>SCHEDULE OF EMPLOYER CONTRIBUTIONS</b>				
<b>FISCAL YEAR ENDED</b>	<b>ANNUAL OPEB COST</b>	<b>ANNUAL OPEB ACTUAL COSTS CONTRIBUTIONS</b>	<b>PERCENTAGE OF ANNUAL OPEB COST CONTRIBUTED</b>	<b>NET OPEB OBLIGATIONS</b>
2012	228,459	104,584	46%	713,288
2013	204,985	95,432	47%	822,841
2014	276,474	94,006	34%	1,005,309
2015	319,284	91,338	29%	1,233,255

Funding Status and Funding Progress- As of December 2015, the actuarial accrued liability for benefits was \$10,419,791.

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trends. Amounts determined regarding the funded status of the plan and annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. There are no active employees.

**City of Ellensburg, Washington**  
**Notes to Basic Financial Statements**  
**For the Year Ended December 31, 2015**

<b>SCHEDULE OF FUNDING PROGRESS</b>						
<b>Fund</b>	<b>Value of Assets</b>	<b>Actuarial Accrued Liability</b>	<b>Unfunded AAL</b>	<b>Funded Ratio</b>	<b>Covered payroll</b>	<b>UAAL as a percentage of Covered Payroll</b>
Pre leoff	-	860,000	527,000	39%	-	N/A
Leoff 1 Fire	-	4,167,704	4,167,704	0%	-	N/A
Leoff 1 Police	-	4,108,135	4,108,135	0%	-	N/A

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

There are no active employees. The historical age of retirement for regular retirees is 55 years of age. The city average is 50 years of age. Employees who retired on disability were excluded from this calculation.

Life expectancies are based on mortality tables at the office of the State Actuary for Washington ([osa.leg.wa.gov](http://osa.leg.wa.gov)). Life expectancies that included partial years were rounded to the nearest whole year. The calculation of postemployment health insurance coverage for each year in the worksheet is based on the assumption that all participants will live until their expected age displayed in the mortality tables.

The expected rate of increase in healthcare insurance premiums is based on projection of the office of the Actuary at the Centers for Medicare and Medicaid Services, as published in National Health Care Expenditures Projection Tables, Table 3: National Health Expenditures, Aggregate & Per Capita Amounts, Percent Distribution and Average Annual Percent Change by Source of Funds: Selected Calendar Years 2003-2018, published March 2008 by the Health Care Financing Administration ([www.cms.hhs.gov](http://www.cms.hhs.gov)).

The assumed long term earning rate on current and expected investments that are expected to be used in financing the payment of benefits is 3%.

Inflation rate- The expected long-term inflation assumption for 2015 of 0.91 percent was based on projected changes in the Consumer Price Index for Urban Wage earners and Clerical Workers (SPI-W) from the office of the State Actuary for Washington ([osa.leg.wa.gov](http://osa.leg.wa.gov)).

Payroll growth-rate- The expected long-term payroll growth rate was assumed to equal the rate of inflation.

Based on the historical and expected returns of the City's short-term investment portfolio, a discount rate of 2.1 percent was used. In addition, the actuarial cost method used to determine the actuarial accrued liability was Projected Unit Credit. The funded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2015 was twenty-four years.

**City of Ellensburg, Washington**  
**Notes to Basic Financial Statements**  
**For the Year Ended December 31, 2015**

**17. IMPLEMENTATION OF GASB STATEMENT NO. 68 AND No.71**

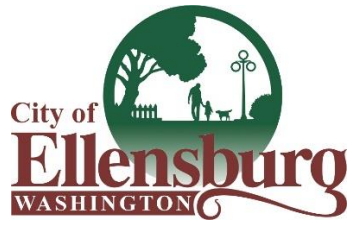
During 2015 the City implemented GASB Statement No. 68 Accounting and Financial Reporting for Pensions and GASB Statement No. 71 Pension Transaction for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68. As a result, the City is required to recognize on the face of the financial statements the proportional share of collective pension amounts: net pension liability, deferred outflows of resources and deferred inflows of resources, and a reduction in pension expense of \$483,233 reported in payroll expense. Fiscal year 2014, the earliest year feasible for restatement based on available information, has been restated by the following amounts for implementation of this statement:

	Amount	Increase or Decrease from Previously Reported
Previously Reported Beginning Balances:		
Net Position	\$6,623,064	Decrease
Ending Balances:		
Deferred Outflows of Resources	903,890	Increase
Deferred Inflows of Resources	1,432,556	Increase
Net Pension Liability	6,663,757	Increase
Net Pension Asset	1,218,864	Increase

**18. NONRECOGNIZED SUBSEQUENT EVENT**

In April of 2016 Ellensburg residents voted in favor of a proposition that allows the City to raise sales taxes to fund transportation in the city. The City Council set the rate, at two-tenths of 1 percent. The City will begin collecting the tax October 1, 2016.





## Required Supplementary Information

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**CITY OF ELLENSBURG  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESS  
(Amount expressed in Thousands)**

**Fire Relief and Pension Fund**

Actuarial Valuation Date	Value of Assets (a)	Actuarial Accrued Liability (AAL-Unit Credit Cost (b)	unfunded AAL(UAAL)(a-b)	Funded Ratio (a/b)	Covered Payroll ©	UAAL as a percentage of Covered Payroll (b-a)/c)
12/31/1997	693	612	(81)	113%	0	N/A
12/31/2000	543	454	(89)	120%	0	N/A
12/31/2002	410	404	(6)	101%	0	N/A
12/31/2004	276	600	324	46%	0	N/A
12/31/2006	66	745	679	9%	0	N/A
12/31/2008	(152)	842	994	-18%	0	N/A
12/31/2010	37	890	853	4%	0	N/A
12/31/2012	285	1014	729	28%	0	N/A
12/31/2014	440	867	427	51%	0	N/A

\*\*required to be done every two years

**LEOFF 1 POLICE**

Actuarial Valuation Date	Value of Assets (a)	Actuarial Accrued Liability (AAL-Unit Credit Cost (b)	unfunded AAL(UAAL)(a-b)	Funded Ratio (a/b)	Covered Payroll ©	UAAL as a percentage of Covered Payroll (b-a)/c)
12/31/2008	0	3,025	3,025	0%	0	N/A
12/31/2009	0	2,827	2,827	0%	0	N/A
12/31/2010	0	2,773	2,773	0%	0	N/A
12/31/2011	0	2,890	2,890	0%	0	N/A
12/31/2012	0	2,758	2,758	0%	0	N/A
12/31/2013	0	2,570	2,570	0%	0	N/A
12/31/2014	0	3,531	3,531	0%	0	N/A
12/31/2015	0	4,108	4,108	0%	0	N/A

**LEOFF 1 FIRE FIGHTERS**

Actuarial Valuation Date	Value of Assets (a)	Actuarial Accrued Liability (AAL-Unit Credit Cost (b)	unfunded AAL(UAAL)(a-b)	Funded Ratio (a/b)	Covered Payroll ©	UAAL as a percentage of Covered Payroll (b-a)/c)
12/31/2008	0	2,693	2,693	0%	0	N/A
12/31/2009	0	2,487	2,487	0%	0	N/A
12/31/2010	0	2,474	2,474	0%	0	N/A
12/31/2011	0	2,525	2,525	0%	0	N/A
12/31/2012	0	2,373	2,373	0%	0	N/A
12/31/2013	0	2,268	2,268	0%	0	N/A
12/31/2014	0	3,310	3,310	0%	0	N/A
12/31/2015	0	4,168	4,168	0%	0	N/A

**CITY OF ELLENSBURG**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**GASB Statement No. 67 Schedule of Employer Contributions**  
**2015**

**Schedule of Employer Contributions for 8 years**

**Fire Relief and Pension Fund**

<b>Fiscal Year Ending</b>	<b>Actuarially Determined Contribution</b>	<b>Actual Employer Contribution</b>	<b>Contribution Deficiency (Excess)</b>	<b>Covered Payroll</b>	<b>Contribution as a % of Covered Payroll</b>
December 31st 2008	77,535	143,574	(66,039)	0	N/A
December 31st 2009	77,535	149,853	(72,318)	0	N/A
December 31st 2010	64,903	199,940	(135,037)	0	N/A
December 31st 2011	64,903	184,471	(119,568)	0	N/A
December 31st 2012	59,924	202,238	(142,314)	0	N/A
December 31st 2013	59,924	76,923	(16,999)	0	N/A
December 31st 2014	43,646	89,679	(46,033)	0	N/A
December 31st 2015	27,000	(61,886)	88,886	0	N/A

\* Employer Contributions for pensions are total contributions to the Fund net of disbursements from the Fund for medical expenses under RCW 41.26.150. It includes revenues from fire insurance premium taxes. Prior to 2014, administrative expenses were also subtracted from employer contributions.

**CITY OF ELLENSBURG**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**GASB Statement No. 67 Schedule of Money Weighted Rate of Return**  
**2015**

Fiscal Year Ending December 31	Net Money Weighted Rate of Return
2015	0.57%

**Calculation of Money Weighted Rate of Return**

The money weighted rate of return considers the changing amounts actually invested during a period and weights the amount of pension plan investments by the proportion of time they are available to earn a return during that period. External cash flows are determined on a monthly basis and are assumed to occur at the beginning of each month. External cash inflows are netted with external cash outflows, resulting in a net external cash flow in each month. The money weighted rate of return is calculated net of investment expenses.

	Net External Cash Flows	Periods Invested	Period Weight	Net External Cash Flows With Interest
Beginning Value January 1, 2015	\$439,985	12.00	1.00	\$442,507
Monthly net external cash flows:				
January	(5,858)	12.00	1.00	(5,891)
February	(8,620)	11.00	0.92	(8,665)
March	(10,737)	10.00	0.83	(10,788)
April	(8,607)	9.00	0.75	(8,644)
May	12,584	8.00	0.67	12,632
June	(19,822)	7.00	0.58	(19,888)
July	(10,352)	6.00	0.50	(10,382)
August	(9,475)	5.00	0.42	(9,497)
September	(12,711)	4.00	0.33	(12,735)
October	(14,784)	3.00	0.25	(14,806)
November	(10,496)	2.00	0.17	(10,506)
December	(10,588)	1.00	0.08	(10,593)
Ending Value December 31, 2015	332,744			332,744
 Money Weighted Rate of Return	 0.57%			

**CITY OF ELLENSBURG  
 REQUIRED SUPPLEMENTARY INFORMATION  
 GASB Statement No. 67 Long-Term Expected Rate of Return  
 2015**

The long-term expected rate of return is determined by combining expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are per Milliman's investment consulting practice as of December 31, 2015.

<b>Asset Class</b>	<b>Index</b>	<b>Long-Term Expected Real Rate of Return</b>
Cash	Citigroup 90-Day T-Bills	0.65%
Short-Term Bonds	Citigroup 1-3 Year Gov/Cred	1.49%
Long-Term Bonds	Barclays Long Gov/Cred	3.05%
Assumed Inflation - Mean		2.25%
<b>Long-Term Expected Rate of Return</b>		<b>3.50%</b>

**CITY OF ELLENSBURG**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**GASB Statement No. 67 Net Pension Liability**  
**2015**

<b>Net Pension Liability</b>	<b>December 31, 2014</b>	<b>December 31, 2015</b>
Total pension liability	\$866,513	\$859,906
Fiduciary net position	439,985	332,744
Net pension liability	426,528	527,162
Fiduciary net position as a % of total pension liability	50.78%	38.70%
Covered payroll	0	0
Net pension liability as a % of covered payroll	N/A	N/A

The total pension liability was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below. There were no significant changes during this period. Any significant changes would need to be reflected as prescribed by GASB 67.

**Discount Rate**

Discount rate	3.50%	3.50%
Long-term expected rate of return, net of investment expense	3.50%	3.50%
Municipal bond rate	3.50%	3.50%

**Other Key Actuarial Assumptions**

Valuation Date	January 1, 2015	January 1, 2015
Measurement Date	December 31, 2014	December 31, 2015
Inflation	2.25%	2.25%
Salary increases including inflation	3.25%	3.25%
Mortality	RP-2000 Mortality Table (combined healthy) projected to 2019 using 50% of Projection Scale AA, with ages set back one year for males and forward one year for females (set forward two years for disabled members)	RP-2000 Mortality Table (combined healthy) with generational projection using 100% of Projection Scale BB, with ages set back one year for males and forward one year for females (set forward two years for disabled members)
Actuarial cost method	Entry Age Normal	Entry Age Normal

**CITY OF ELLENSBURG**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**GASB Statement No. 67 Schedule of Changes in Net Pension Liability and Related Ratios**  
**2015**

<b>\$ Thousands</b>	Fiscal Year Ending December 31 2015
<b>Total Pension Liability</b>	
Service Cost	\$0
Interest on total pension liability	30
Effect of plan charges	0
Effect of economic /demographic gains or (losses)	-
Effect of assumption changes or inputs	0
Benefit payments	(36)
Net change in total pension liability	(7)
Total pension liability, beginning	867
Total pension liability, ending (a)	860
 <b>Fiduciary Net Position</b>	
Employer contributions	\$0
Contributions from state fire insurance premium tax	20
Investment income net of investment expenses	2
Benefit payments	(36)
Medical payments from fund	(82)
Administrative expenses	(11)
Net change in plan fiduciary net position	-107
Fiduciary net position, beginning	440
Fiduciary net position, ending (b)	333
 Net pension liability, ending = (a) - (b)	 \$527
 Fiduciary net position as a % of total pension liability	 38.70%
 Covered payroll	 \$0
 Net pension liability as a % of covered payroll	 N/A

This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported.



**REQUIRED SUPPLEMENTARY INFORMATION - State Sponsored Plans**

City of Ellensburg  
 Schedule of Proportionate Share of the Net Pension Liability  
 Pension Plans, PERS 1; PERS 2; LEOFF 1; LEOFF 2  
 As of June 30 2015  
 Last 10 Fiscal Years\*

	<u>2015</u>
<b>PERS 1</b>	
Employer's proportion of the net pension liability (asset) %	0.069607%
Employer's proportionate share of the net pension liability \$	3,641,093
TOTAL \$	3,641,093
Employer's covered employee payroll \$	209,677
Employer's proportionate share of the net pension liability as a percentage of covered employee payroll %	5.76%
	<u>2015</u>
<b>PERS 2 &amp; 3</b>	
Employer's proportion of the net pension liability (asset) %	0.084596%
Employer's proportionate share of the net pension liability \$	3,022,663
TOTAL \$	3,022,663
Employer's covered employee payroll \$	7,506,240
Employer's proportionate share of the net pension liability as a percentage of covered employee payroll %	248.33%
	<u>2015</u>
<b>LEOFF 1</b>	
Employer's proportion of the net pension liability (asset) %	0.039784%
Employer's proportionate share of the net pension asset \$	479,485
TOTAL \$	479,485
Employer's covered employee payroll \$	0
Employer's proportionate share of the net pension liability as a percentage of covered employee payroll %	0.00%
	<u>2015</u>
<b>LEOFF 2</b>	
Employer's proportion of the net pension liability (asset) %	0.071938%
Employer's proportionate share of the net pension asset \$	739,379
TOTAL \$	739,379
Employer's covered employee payroll \$	2,087,922
Employer's proportionate share of the net pension liability as a percentage of covered employee payroll %	282.39%
Plan fiduciary net position as a percentage of the total pension liability %	60.66%

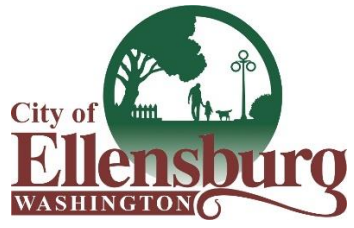
\* Until a full 10-year trend is compiled, governments should present information only for those years for which information is available.

**REQUIRED SUPPLEMENTARY INFORMATION - State Sponsored Plans**

City of Ellensburg  
 Schedule of Employer Contributions  
 Pension Plans, PERS 1; PERS 2; LEOFF 1; LEOFF 2  
 As of December 31 2015  
 Last 10 Fiscal Years\*

	<u>2015</u>
PERS 1	
Statutorily or contractually required contributions	\$ 161,736
Contributions in relation to the statutorily or contractually required contributions	\$ (161,736)
Contribution deficiency (excess)	<u>0</u>
Covered employer payroll	\$ 186,682
Contributions as a percentage of covered employee payroll	% 86.64%
	<u>2015</u>
PERS 2 & 3	
Statutorily or contractually required contributions	\$ 430,526
Contributions in relation to the statutorily or contractually required contributions	\$ (430,526)
Contribution deficiency (excess)	<u>0</u>
Covered employer payroll	\$ 7,600,570
Contributions as a percentage of covered employee payroll	% 5.66%
	<u>2015</u>
LEOFF 1	
Statutorily or contractually required contributions	\$ 0
Contributions in relation to the statutorily or contractually required contributions	\$ 0
Contribution deficiency (excess)	<u>0</u>
Covered employer payroll	\$ 0
Contributions as a percentage of covered employee payroll	% 0.00%
	<u>2015</u>
LEOFF 2	
Statutorily or contractually required contributions	\$ 106,850
Contributions in relation to the statutorily or contractually required contributions	\$ (106,850)
Contribution deficiency (excess)	<u>0</u>
Covered employer payroll	\$ 2,115,847
Contributions as a percentage of covered employee payroll	% 5.05%

\* Until a full 10-year trend is compiled, governments should present information only for those years for which information is available.



## Nonmajor Funds

## Nonmajor Governmental Funds

1. Description
2. Combining Balance Sheet- Nonmajor Governmental Funds
3. Combining Statement of Revenues, Expenditures, and Changes in Fund Balance- Nonmajor Governmental Funds
4. Schedule of Revenues, Expenditures and Changes in Fund Balance- Budget and Actual – Nonmajor Funds

# City of Ellensburg, Washington Nonmajor Governmental Funds

## Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

**Traffic Impact Fees-** This fund is used to account for the use of traffic impact fees.

**Criminal Justice Fund-** This fund is used to account for the 3/10 of one percent sales tax to be spent on criminal justice activities.

**Drug Fund-** A fund used to account for the monies derived from the forfeiture of property in connection with drug investigations.

**CATV-** A fund used to account for the University operation of the Ellensburg Community Television station.

**CATV Capital Outlay-** A fund used to account for the maintenance and purchase of capital expenditures relating to the CATV fund.

**Park Acquisition-** A fund used to account for the maintenance and construction of path and trail development, and the acquisition of new parks.

**Lodging Tax-** A fund used to account for the use of lodging tax revenue.

**C.H.I.P Reserve-** A fund used to account for activities relating to CDBG guidelines.

## Debt Service Funds

A fund used to account for the debt service associated with various issues of general obligation bonds of the City.

**G.O. Maintenance Bond-** A fund used to account for the payment of debt on various maintenance and capital projects through-out the city.

**G.O. Bonded Library Debt-** A fund used to account for the payment of debt on the remodel and expansion of the City of Ellensburg Library.

**G.O. Bonded Debt-** A fund used to account for payment made to retire principal and interest due on the outstanding Public Works Trust Fund Loans received in 1988, the 1989 Public Works Trust Fund Loan for creek work, and the 1991 Public Works Trust Fund Loan for Capital Avenue improvements and the Youth Center building debt payment.

## **Capital Project Funds**

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

**G.O. Maintenance Bond-** Classified as a major fund and used to account for 2010 G.O. Bonds issued for the purpose of providing funds necessary to pay or reimburse a portion of costs for various capital and maintenance projects.

**Capital Projects-** A fund used to account for the purchase of regional and local general government capital outlays.

**Sidewalk Construction-** A fund used to account for the repairing of sidewalks in the City's residential areas and Central Business District.

## **Trust Funds**

**Library Trust Fund-** A fund used to account for donations and bequests made to the Ellensburg Public Library.

**Hal Holmes Trust Fund-** A fund used to account for the last will and testament of Otis Halbert.

**City of Ellensburg, Washington**

**Combining Balance Sheet**

Nonmajor Governmental Funds

For the Year Ended December 31, 2015

	Special Revenue Funds			Special Revenue Funds		
	Traffic	Criminal		CATV	CATV	Parks
	Impact Fee	Justice	Drug	O & M	Capital	Acquisitions
	125	130	137	150	155	160
<b>ASSETS AND DEFERRED OUTFLOWS OF</b>						
Cash and cash equivalents	\$ 921,446	\$ 325,568	\$ 22,390	\$ 70,501	\$ 35,569	\$ 231,732
Deposits with other agents	-	-	-	-	-	-
Investments	149,680	100,000	-	-	-	54,000
Receivables (net)	-	-	-	-	-	-
Property taxes	-	-	-	-	-	-
Accounts	-	-	-	18,610	-	126,793
Due from other funds	-	-	-	-	-	3,821
Due from other governments	-	60,850	20	-	-	155
Interfund loan receivable	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Advance to other funds	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 1,071,126</b>	<b>\$ 486,418</b>	<b>\$ 22,410</b>	<b>\$ 89,111</b>	<b>\$ 35,569</b>	<b>\$ 416,500</b>
<b>LIABILITIES, DEFERRED INFLOWS OF</b>						
Accounts payable	-	10,335	-	307	5,498	11,408
Due to other funds	3,821	-	-	-	-	-
Due to other governments	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Interfund payable	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>3,821</b>	<b>10,335</b>	<b>-</b>	<b>307</b>	<b>5,498</b>	<b>11,408</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue- property taxes	-	-	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE</b>						
Nonspendable	-	-	-	-	-	-
Restricted	1,059,828	469,079	21,695	-	-	401,753
Committed	-	-	-	87,143	28,442	-
Assigned	7,477	7,004	715	1,661	1,630	3,339
Unassigned	-	-	-	-	-	-
<b>Total Fund Balance</b>	<b>1,067,305</b>	<b>476,083</b>	<b>22,410</b>	<b>88,804</b>	<b>30,071</b>	<b>405,092</b>
<b>Total Liabilities &amp; Fund Balances</b>	<b>\$ 1,071,126</b>	<b>\$ 486,418</b>	<b>\$ 22,410</b>	<b>\$ 89,111</b>	<b>\$ 35,569</b>	<b>\$ 416,500</b>

Lodging Tax 165	CHIP Reserve 170	Total Special Revenue	Debt Service			Total Debt Service
			G.O. Bond 225	Library Construction 230	G.O. Bond 240	
\$ 394,502	\$ 7,403	\$ 2,009,111	\$ 40,164	\$ 51,860	\$ 11,004	\$ 103,028
-	-	-	-	-	-	-
163,000	-	466,680	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	8,553	-	8,553
-	-	145,404	-	-	-	-
-	-	3,821	-	-	-	-
27,332	-	88,356	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 584,834</u>	<u>\$ 7,403</u>	<u>\$ 2,713,371</u>	<u>\$ 40,164</u>	<u>\$ 60,413</u>	<u>\$ 11,004</u>	<u>\$ 111,581</u>
107,646	-	135,194	275	275	-	550
-	-	3,821	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>107,646</u>	<u>-</u>	<u>139,015</u>	<u>275</u>	<u>275</u>	<u>-</u>	<u>550</u>
-	-	-	-	5,557	-	5,557
-	-	-	-	<u>5,557</u>	-	<u>5,557</u>
-	-	-	-	-	-	-
470,014	-	2,422,370	-	54,082	-	54,082
-	7,403	122,987	-	-	-	-
7,174	-	29,000	39,889	498	11,004	51,392
-	-	-	-	-	-	-
<u>477,187</u>	<u>7,403</u>	<u>2,574,356</u>	<u>39,889</u>	<u>54,580</u>	<u>11,004</u>	<u>105,474</u>
<u>\$ 584,834</u>	<u>\$ 7,403</u>	<u>\$ 2,713,371</u>	<u>\$ 40,164</u>	<u>\$ 60,413</u>	<u>\$ 11,004</u>	<u>\$ 111,581</u>



**City of Ellensburg, Washington**

**Combining Balance Sheet  
Nonmajor Governmental Funds  
For the Year Ended December 31, 2015**

	Capital Projects				Trust Funds			Total Nonmajor Governmental Funds
	Bond Maint 325	Capital Projects 365	Sidewalk Improvements 366	Total Capital Projects	Library Trust 605	Holmes Trust 621	Total Trust Funds	
<b>ASSETS AND DEFERRED OUTFLOWS OF</b>								
Cash and cash equivalents	\$ 57,103	\$ 21,629	\$ 608,551	\$ 687,283	\$ 299,514	\$ 39,243	\$ 338,758	\$ 3,138,180
Deposits with other agents	-	-	-	-	-	400,359	400,359	400,359
Investments	-	-	50,000	50,000	-	-	-	516,680
Receivables (net)	-	-	-	-	-	-	-	-
Property taxes	-	-	-	-	-	-	-	8,553
Accounts	-	-	-	-	-	-	-	145,404
Due from other funds	-	-	-	-	-	-	-	3,821
Due from other governments	-	-	14,043	14,043	-	-	-	102,399
Interfund loan receivable	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-
Advance to other funds	-	-	-	-	-	-	-	-
	<u>\$ 57,103</u>	<u>\$ 21,629</u>	<u>\$ 672,594</u>	<u>\$ 751,326</u>	<u>\$ 299,514</u>	<u>\$ 439,603</u>	<u>\$ 739,117</u>	<u>\$ 4,315,394</u>
<b>LIABILITIES, DEFERRED INFLOWS OF</b>								
Accounts payable	-	-	29,880	29,880	-	-	-	165,624
Due to other funds	-	-	312	312	-	-	-	4,133
Due to other governments	-	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-	-
Interfund payable	-	-	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>30,192</u>	<u>30,192</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>169,757</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable revenue- property	-	-	-	-	-	-	-	5,557
Total Deferred Inflows of Reso	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,557</u>
<b>FUND BALANCE</b>								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	51,990	-	626,998	678,989	288,685	439,603	728,288	3,883,728
Committed	-	-	-	-	-	-	-	122,987
Assigned	5,113	21,629	15,403	42,145	10,829	-	10,829	133,366
Unassigned	-	-	-	-	-	-	-	-
	<u>57,103</u>	<u>21,629</u>	<u>642,402</u>	<u>721,134</u>	<u>299,514</u>	<u>439,603</u>	<u>739,117</u>	<u>4,140,080</u>
Total Liabilities & Fund Balanc	<u>\$ 57,103</u>	<u>\$ 21,629</u>	<u>\$ 672,594</u>	<u>\$ 751,326</u>	<u>\$ 299,514</u>	<u>\$ 439,603</u>	<u>\$ 739,117</u>	<u>\$ 4,315,395</u>

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**CITY OF ELLENSBURG, WASHINGTON**

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**

Nonmajor Governmental Funds

For the Year Ended December 31, 2015

	Special Revenue Funds					Parks Acquisitions 160
	Traffic Impact Fee 125	Criminal Justice 130	Drug 137	CATV O & M 150	CATV Capital 155	
<b>REVENUES:</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retail sales & use taxes	-	803,842	-	-	-	-
Other taxes	-	-	-	95,440	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	128,742
Charges for services	101,758	-	-	778	-	69,506
Fines & forfeits	-	-	5,026	-	-	-
Investment earnings	3,725	1,844	25	57	88	2,072
Miscellaneous	-	-	-	-	-	-
<b>Total revenues</b>	<b>105,482</b>	<b>805,686</b>	<b>5,052</b>	<b>96,275</b>	<b>88</b>	<b>200,320</b>
<b>EXPENDITURES:</b>						
Current:						
General government	-	-	-	-	-	-
Judicial services	-	-	-	-	-	-
Public safety	-	640,408	5,979	-	-	-
Utilities	-	-	-	-	-	-
Transportation	8,685	-	-	-	-	-
Social services	-	-	-	-	-	-
Natural and economic	-	46,644	-	69,055	31,656	-
Culture & recreation	-	-	-	-	-	-
Interest on long-term debt	-	-	-	-	-	-
Debt service						
Principal	-	-	-	-	-	-
Interest and other charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	27,463	104,174
<b>Total expenditures</b>	<b>8,685</b>	<b>687,053</b>	<b>5,979</b>	<b>69,055</b>	<b>59,119</b>	<b>104,174</b>
Excess(deficiency) of revenues over expenditures	<b>96,798</b>	<b>118,633</b>	<b>(928)</b>	<b>27,221</b>	<b>(59,031)</b>	<b>96,146</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Refunding bonds issued	-	-	-	-	-	-
Capital -related debt issued	-	-	-	-	-	-
Payment to bond refunding escrow agent	-	-	-	-	-	-
Disposition of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-
<b>Total other financing sources &amp; uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>96,798</b>	<b>118,633</b>	<b>(928)</b>	<b>27,221</b>	<b>(59,031)</b>	<b>96,146</b>
Fund balances-beginning	970,508	357,450	23,338	61,583	89,102	308,946
<b>Fund balances-ending</b>	<b>\$ 1,067,305</b>	<b>\$ 476,083</b>	<b>\$ 22,410</b>	<b>\$ 88,804</b>	<b>\$ 30,071</b>	<b>\$ 405,092</b>

Special Revenue Funds			Debt Funds			
Lodging Tax 165	CHIP Reserve 170	Total Special Revenue	G.O. Bond 225	Library Construction 230	G.O. Bond 240	Total Debt Funds
\$ -	\$ -	\$ -	\$ -	\$ 153,449	\$ -	\$ 153,449
472,175	-	1,276,017	-	-	-	-
-	-	95,440	-	-	-	-
-	-	-	-	-	-	-
-	-	128,742	-	-	-	-
-	-	172,041	-	-	-	-
-	-	5,026	-	-	-	-
1,989	-	9,799	-	-	-	-
-	-	-	-	-	-	-
474,164	-	1,687,066	-	153,449	-	153,449
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	646,388	-	-	-	-
-	-	-	-	-	-	-
-	-	8,685	-	-	-	-
-	-	-	-	-	-	-
465,143	-	612,498	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	110,000	115,000	-	225,000
-	-	-	103,979	34,430	-	138,408
-	-	131,637	-	-	-	-
465,143	-	1,399,207	213,979	149,430	-	363,408
9,021	-	287,859	(213,979)	4,019	-	(209,959)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	213,953	-	-	213,953
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	213,953	-	-	213,953
9,021	-	287,859	(26)	4,019	-	3,994
468,166	7,403	2,286,497	39,915	50,561	11,004	101,480
\$ 477,187	\$ 7,403	\$ 2,574,356	\$ 39,889	\$ 54,580	\$ 11,004	\$ 105,474

			Capital Projects		Trust Funds			Total Nonmajor Governmental Funds
	Maint Bond Projects-325	Capital Projects 365	Sidewalk Improvements 366	Total Capital Funds	Library Trust 605	Holmes Trust 621	Total Permanent Fund	
<b>REVENUES:</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 153,449
Retail sales & use taxes	-	-	-	-	-	-	-	1,276,017
Other taxes	-	-	226,546	226,546	-	-	-	321,986
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	1,452	1,452	-	-	-	130,194
Charges for services	-	-	-	-	-	-	-	172,041
Fines & forfeits	-	-	-	-	-	-	-	5,026
Investment earnings	62	56	1,199	1,318	322	(12,801)	(12,479)	(1,362)
Miscellaneous	-	-	9,726	9,726	8,138	-	8,138	17,864
<b>Total revenues</b>	<b>62</b>	<b>56</b>	<b>238,923</b>	<b>239,041</b>	<b>8,460</b>	<b>(12,801)</b>	<b>(4,341)</b>	<b>2,075,215</b>
<b>EXPENDITURES:</b>								
Current:								
General government	-	-	-	-	-	-	-	-
Judicial services	-	-	-	-	-	-	-	-
Public safety	-	47,296	-	47,296	-	-	-	693,684
Utilities	-	-	-	-	-	-	-	-
Transportation	-	-	98,855	98,855	-	-	-	107,540
Social Service	-	-	-	-	-	-	-	-
Natural and Economic	-	-	-	-	-	-	-	612,498
Culture & recreation	-	-	-	-	4,285	-	4,285	4,285
Interest on long-term debt	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-	225,000
Interest and other charges	-	-	-	-	-	-	-	138,408
Capital outlay	-	-	-	-	-	-	-	131,637
<b>Total expenditures</b>	<b>-</b>	<b>47,296</b>	<b>98,855</b>	<b>146,151</b>	<b>4,285</b>	<b>-</b>	<b>4,285</b>	<b>1,913,051</b>
Excess(deficiency) of revenues over expenditures	62	(47,240)	140,067	92,889	4,175	(12,801)	(8,626)	162,164
<b>OTHER FINANCING SOURCES (USES):</b>								
Refunding bonds issued	-	-	-	-	-	-	-	-
Capital -related debt issued	-	-	-	-	-	-	-	-
Payment to bond refunding escrow age	-	-	-	-	-	-	-	-
Disposition of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	213,953
Transfers out	-	-	(41,459)	(41,459)	(6,197)	(14,803)	(21,000)	(62,459)
Other adjustments	-	-	-	-	-	-	-	-
<b>Total other financing sources &amp; uses</b>	<b>-</b>	<b>-</b>	<b>(41,459)</b>	<b>(41,459)</b>	<b>(6,197)</b>	<b>(14,803)</b>	<b>(21,000)</b>	<b>151,494</b>
<b>Net change in fund balance</b>	<b>62</b>	<b>(47,240)</b>	<b>98,608</b>	<b>51,430</b>	<b>(2,022)</b>	<b>(27,604)</b>	<b>(29,626)</b>	<b>313,658</b>
Fund balances-beginning	57,041	68,869	543,794	669,703	301,536	467,206	768,743	3,826,423
<b>Fund balances-ending</b>	<b>\$ 57,103</b>	<b>\$ 21,629</b>	<b>\$ 642,402</b>	<b>\$ 721,134</b>	<b>\$ 299,514</b>	<b>\$ 439,603</b>	<b>\$ 739,117</b>	<b>\$ 4,140,080</b>

# CITY OF ELLENSBURG, WASHINGTON

## Traffic Impact Fee Fund 125

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Retail sales & use taxes	-	-	-	-
Other taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	114,500	114,500	101,758	(12,742)
Fines & forfeits	-	-	-	-
Investment earnings	600	600	3,725	3,125
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<b>115,100</b>	<b>115,100</b>	<b>105,482</b>	<b>(9,618)</b>
<b>EXPENDITURES:</b>				
Current:				
General Government	-	-	-	-
Judicial Services	-	-	-	-
Public Safety	-	-	-	-
Utilities	-	-	-	-
Transportation	5,000	5,000	8,685	(3,685)
Social Services	-	-	-	-
Natural and Economic	-	-	-	-
Culture & Recreation	-	-	-	-
Interest on long-term debt	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<b>5,000</b>	<b>5,000</b>	<b>8,685</b>	<b>(3,685)</b>
Excess(deficiency) of revenues over expenditures	110,100	110,100	96,798	(13,302)
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	-	-
Transfers out	(900,000)	(900,000)	-	(900,000)
Other adjustments	-	-	-	-
<b>Total other financing sources &amp; uses</b>	<b>(900,000)</b>	<b>(900,000)</b>	<b>-</b>	<b>(900,000)</b>
<b>Net change in fund balance</b>	<b>(789,900)</b>	<b>(789,900)</b>	<b>96,798</b>	<b>(913,302)</b>
Fund balances-beginning	923,500	970,507	970,508	1
Prior period adjustments	-	-	-	-
<b>Fund balances-ending</b>	<b>\$ 133,600</b>	<b>\$ 180,607</b>	<b>\$ 1,067,305</b>	<b>\$ (913,302)</b>

# CITY OF ELLENSBURG, WASHINGTON

## Criminal Justice Fund 130

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Retail sales & use taxes	720,120	720,120	803,842	83,722
Other taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines & forfeits	-	-	-	-
Investment earnings	400	400	1,844	1,444
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<b>720,520</b>	<b>720,520</b>	<b>805,686</b>	<b>85,166</b>
<b>EXPENDITURES:</b>				
Current:				
General Government	-	-	-	-
Judicial Services	-	-	-	-
Public Safety	698,139	698,139	640,408	57,731
Utilities	-	-	-	-
Transportation	-	-	-	-
Social Services	-	-	-	-
Natural and Economics	60,695	60,695	46,644	14,051
Culture & Recreation	-	-	-	-
Interest on long-term debt	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<b>758,834</b>	<b>758,834</b>	<b>687,053</b>	<b>71,781</b>
Excess(deficiency) of revenues over expenditures	<b>(38,314)</b>	<b>(38,314)</b>	<b>118,633</b>	<b>156,947</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Other adjustments	-	-	-	-
<b>Total other financing sources &amp; uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balance	<b>(38,314)</b>	<b>(38,314)</b>	<b>118,633</b>	<b>156,947</b>
Fund balances-beginning	289,071	357,451	357,450	(1)
Prior period adjustments	-	-	-	-
<b>Fund balances-ending</b>	<b>\$ 250,757</b>	<b>\$ 319,137</b>	<b>\$ 476,083</b>	<b>\$ 156,946</b>

# CITY OF ELLENSBURG, WASHINGTON

## Drug Fund 137

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Retail sales & use taxes	-	-	-	-
Other taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines & forfeits	1,600	1,600	5,026	3,426
Investment earnings	-	-	25	25
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<b>1,600</b>	<b>1,600</b>	<b>5,052</b>	<b>3,452</b>
<b>EXPENDITURES:</b>				
Current:				
General Government	-	-	-	-
Judicial Services	-	-	-	-
Public Safety	10,000	10,000	5,979	4,021
Utilities	-	-	-	-
Transportation	-	-	-	-
Social Services	-	-	-	-
Natural and Economics	-	-	-	-
Culture & Recreation	-	-	-	-
Interest on long-term debt	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay				
Total expenditures	10,000	10,000	5,979	4,021
Excess(deficiency) of revenues over expenditures	(8,400)	(8,400)	(928)	7,472
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Other adjustments	-	-	-	-
Total other financing sources & uses	-	-	-	-
Net change in fund balance	(8,400)	(8,400)	(928)	7,472
Fund balances-beginning	16,545	23,338	23,338	0
Prior period adjustments	-	-	-	-
<b>Fund balances-ending</b>	<b>\$ 8,145</b>	<b>\$ 14,938</b>	<b>\$ 22,410</b>	<b>\$ 7,472</b>



# CITY OF ELLENSBURG, WASHINGTON

## CATV O & M Fund 150

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Retail sales & use taxes	-	-	-	-
Other taxes	93,200	93,200	95,440	2,240
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	778	778
Fines & forfeits	-	-	-	-
Investment earnings	-	-	57	57
Miscellaneous	-	-	-	-
Total revenues	<u>93,200</u>	<u>93,200</u>	<u>96,275</u>	<u>3,075</u>
<b>EXPENDITURES:</b>				
Current:				
General Government	-	-	-	-
Judicial Services	-	-	-	-
Public Safety	-	-	-	-
Utilities	-	-	-	-
Transportation	-	-	-	-
Social Services	-	-	-	-
Natural and Economics	95,501	95,501	69,055	26,446
Culture & Recreation	-	-	-	-
Interest on long-term debt	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>95,501</u>	<u>95,501</u>	<u>69,055</u>	<u>26,446</u>
Excess(deficiency) of revenues over expenditures	<u>(2,301)</u>	<u>(2,301)</u>	<u>27,221</u>	<u>29,522</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Other adjustments	-	-	-	-
Total other financing sources & uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>(2,301)</u>	<u>(2,301)</u>	<u>27,221</u>	<u>29,522</u>
Fund balances-beginning	<u>36,637</u>	<u>61,583</u>	<u>61,583</u>	<u>0</u>
Prior period adjustments	-	-	-	-
Fund balances-ending	<u>\$ 34,336</u>	<u>\$ 59,282</u>	<u>\$ 88,804</u>	<u>\$ 29,522</u>

# CITY OF ELLENSBURG, WASHINGTON

## CATV Capital Fund 155

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Retail sales & use taxes	-	-	-	-
Other taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines & forfeits	-	-	-	-
Investment earnings	50	50	88	38
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<b>50</b>	<b>50</b>	<b>88</b>	<b>38</b>
<b>EXPENDITURES:</b>				
Current:				
General Government	-	-	-	-
Judicial Services	-	-	-	-
Public Safety	-	-	-	-
Utilities	-	-	-	-
Transportation	-	-	-	-
Social Services	-	-	-	-
Natural and Economics	-	-	31,656	(31,656)
Culture & Recreation	-	-	-	-
Interest on long-term debt	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	35,250	78,000	27,463	50,537
<b>Total expenditures</b>	<b>35,250</b>	<b>78,000</b>	<b>59,119</b>	<b>18,881</b>
Excess(deficiency) of revenues over expenditures	(35,200)	(77,950)	(59,031)	18,919
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Other adjustments	-	-	-	-
<b>Total other financing sources &amp; uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>(35,200)</b>	<b>(77,950)</b>	<b>(59,031)</b>	<b>18,919</b>
Fund balances-beginning	82,753	89,103	89,102	(1)
Prior period adjustments	-	-	-	-
<b>Fund balances-ending</b>	<b>\$ 47,553</b>	<b>\$ 11,153</b>	<b>\$ 30,071</b>	<b>\$ 18,918</b>

# CITY OF ELLENSBURG, WASHINGTON

## Park Acquisition Fund 160

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Retail sales & use taxes	-	-	-	-
Other taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	151,800	151,800	128,742	(23,058)
Charges for services	35,000	35,000	69,506	34,506
Fines & forfeits	-	-	-	-
Investment earnings	-	-	2,072	2,072
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<b>186,800</b>	<b>186,800</b>	<b>200,320</b>	<b>13,520</b>
<b>EXPENDITURES:</b>				
Current:				
General Government	-	-	-	-
Judicial Services	-	-	-	-
Public Safety	-	-	-	-
Utilities	-	-	-	-
Transportation	-	-	-	-
Social Services	-	-	-	-
Natural and Economics	-	-	-	-
Culture & Recreation	-	-	-	-
Interest on long-term debt	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	362,760	312,760	104,174	208,586
<b>Total expenditures</b>	<b>362,760</b>	<b>312,760</b>	<b>104,174</b>	<b>208,586</b>
Excess(deficiency) of revenues over expenditures	(175,960)	(125,960)	96,146	222,106
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Other adjustments	-	-	-	-
<b>Total other financing sources &amp; uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>(175,960)</b>	<b>(125,960)</b>	<b>96,146</b>	<b>222,106</b>
Fund balances-beginning	177,605	308,947	308,946	(1)
Prior period adjustments	-	-	-	-
<b>Fund balances-ending</b>	<b>\$ 1,645</b>	<b>\$ 182,987</b>	<b>\$ 405,092</b>	<b>\$ 222,105</b>

# CITY OF ELLENSBURG, WASHINGTON

## Lodging Tax Fund 165

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Retail sales & use taxes	452,000	452,000	472,175	20,175
Other taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines & forfeits	-	-	-	-
Investment earnings	1,000	1,000	1,989	989
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<b>453,000</b>	<b>453,000</b>	<b>474,164</b>	<b>21,164</b>
<b>EXPENDITURES:</b>				
Current:				
General Government	-	-	-	-
Judicial Services	-	-	-	-
Public Safety	-	-	-	-
Utilities	-	-	-	-
Transportation	-	-	-	-
Social Services	-	-	-	-
Natural and Economics	451,996	451,996	465,143	(13,147)
Culture & Recreation	-	-	-	-
Interest on long-term debt	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	125,000	125,000	-	125,000
<b>Total expenditures</b>	<b>576,996</b>	<b>576,996</b>	<b>465,143</b>	<b>111,853</b>
Excess(deficiency) of revenues over expenditures	(123,996)	(123,996)	9,021	133,017
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Other adjustments	-	-	-	-
<b>Total other financing sources &amp; uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balance	(123,996)	(123,996)	9,021	133,017
Fund balances-beginning	395,909	468,166	468,166	0
Prior period adjustments	-	-	-	-
<b>Fund balances-ending</b>	<b>\$ 271,913</b>	<b>\$ 344,170</b>	<b>\$ 477,187</b>	<b>\$ 133,017</b>

# CITY OF ELLENSBURG, WASHINGTON

## CHIP Reserve Fund 170

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Retail sales & use taxes	-	-	-	-
Other taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines & forfeits	-	-	-	-
Investment earnings	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	-	-	-
<b>EXPENDITURES:</b>				
Current:				
General Government	-	-	-	-
Judicial Services	-	-	-	-
Public Safety	-	-	-	-
Utilities	-	-	-	-
Transportation	-	-	-	-
Social Services	-	-	-	-
Natural and Economics	-	-	-	-
Culture & Recreation	-	-	-	-
Interest on long-term debt	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay				
Total expenditures	-	-	-	-
Excess(deficiency) of revenues over expenditures	-	-	-	-
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Other adjustments	-	-	-	-
Total other financing sources & uses	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balances-beginning	-	-	7,403	7,403
Prior period adjustments	-	-	-	-
Fund balances-ending	\$ -	\$ -	\$ 7,403	\$ 7,403

# CITY OF ELLENSBURG, WASHINGTON

## G.O. Bond Fund 225

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Retail sales & use taxes	-	-	-	-
Other taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines & forfeits	-	-	-	-
Investment earnings	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	-	-	-
<b>EXPENDITURES:</b>				
Current:				
General Government	-	-	-	-
Judicial Services	-	-	-	-
Public Safety	-	-	-	-
Utilities	-	-	-	-
Transportation	-	-	-	-
Social Services	-	-	-	-
Natural and Economics	-	-	-	-
Culture & Recreation	-	-	-	-
Interest on long-term debt	-	-	-	-
Debt service				
Principal	110,000	110,000	110,000	-
Interest and other charges	103,953	103,953	103,979	(26)
Capital outlay				
Total expenditures	213,953	213,953	213,979	(26)
Excess(deficiency) of revenues over expenditures	(213,953)	(213,953)	(213,979)	26
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	213,953	213,953	213,953	0
Transfers out	-	-	-	-
Other adjustments	-	-	-	-
Total other financing sources & uses	213,953	213,953	213,953	0
Net change in fund balance	-	-	(26)	26
Fund balances-beginning	39,902	39,915	39,915	-
Prior period adjustments	-	-	-	-
Fund balances-ending	\$ 39,902	\$ 39,915	\$ 39,889	\$ 26

# CITY OF ELLENSBURG, WASHINGTON

## Library Construction Debt Fund 230

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ 150,000	\$ 150,000	\$ 153,449	\$ 3,449
Retail sales & use taxes	-	-	-	-
Other taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines & forfeits	-	-	-	-
Investment earnings	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>150,000</u>	<u>150,000</u>	<u>153,449</u>	<u>3,449</u>
<b>EXPENDITURES:</b>				
Current:				
General Government	-	-	-	-
Judicial Services	-	-	-	-
Public Safety	-	-	-	-
Utilities	-	-	-	-
Transportation	-	-	-	-
Social Services	-	-	-	-
Natural and Economics	-	-	-	-
Culture & Recreation	-	-	-	-
Interest on long-term debt	-	-	-	-
Debt service				
Principal	132,050	132,050	115,000	17,050
Interest and other charges	17,352	17,352	34,430	-
Capital outlay	-	-	-	-
Total expenditures	<u>149,402</u>	<u>149,402</u>	<u>149,430</u>	<u>17,050</u>
Excess(deficiency) of revenues over expenditures	<u>598</u>	<u>598</u>	<u>4,019</u>	<u>3,421</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Other adjustments	-	-	-	-
Total other financing sources & uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>598</u>	<u>598</u>	<u>4,019</u>	<u>3,421</u>
Fund balances-beginning	50,486	50,561	50,561	(0)
Prior period adjustments	-	-	-	-
Fund balances-ending	<u>\$ 51,084</u>	<u>\$ 51,159</u>	<u>\$ 54,580</u>	<u>\$ 3,421</u>

# CITY OF ELLENSBURG, WASHINGTON

## G.O. Bond Debt Fund 240

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Retail sales & use taxes	-	-	-	-
Other taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines & forfeits	-	-	-	-
Investment earnings	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	-	-	-
<b>EXPENDITURES:</b>				
Current:				
General Government	-	-	-	-
Judicial Services	-	-	-	-
Public Safety	-	-	-	-
Utilities	-	-	-	-
Transportation	-	-	-	-
Social Services	-	-	-	-
Natural and Economics	-	-	-	-
Culture & Recreation	-	-	-	-
Interest on long-term debt	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay				
Total expenditures	-	-	-	-
Excess(deficiency) of revenues over expenditures	-	-	-	-
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Other adjustments	-	-	-	-
Total other financing sources & uses	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balances-beginning	-	-	11,004	11,004
Prior period adjustments	-	-	-	-
Fund balances-ending	\$ -	\$ -	\$ 11,004	\$ 11,004



# City of Ellensburg, Washington

## Maintenance Bond Fund 325

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Retail sales & use taxes	-	-	-	-
Other taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines & forfeits	-	-	-	-
Investment earnings	75	75	62	(13)
Miscellaneous	-	-	-	-
Total revenues	<u>75</u>	<u>75</u>	<u>62</u>	<u>(13)</u>
<b>EXPENDITURES:</b>				
Current:				
General Government	-	-	-	-
Judicial Services	-	-	-	-
Public Safety	-	-	-	-
Utilities	-	-	-	-
Transportation	-	-	-	-
Social Services	-	-	-	-
Natural and Economics	-	-	-	-
Culture & Recreation	57,067	57,067	-	57,067
Interest on long-term debt	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay				
Total expenditures	<u>57,067</u>	<u>57,067</u>	<u>-</u>	<u>57,067</u>
Excess(deficiency) of revenues over expenditures	<u>(56,992)</u>	<u>(56,992)</u>	<u>62</u>	<u>57,054</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Other adjustments	-	-	-	-
Total other financing sources & uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>(56,992)</u>	<u>(56,992)</u>	<u>62</u>	<u>57,054</u>
Fund balances-beginning	<u>57,042</u>	<u>57,041</u>	<u>57,041</u>	<u>(0)</u>
Prior period adjustments	-	-	-	-
Fund balances-ending	<u>\$ 50</u>	<u>\$ 49</u>	<u>\$ 57,103</u>	<u>\$ 57,054</u>

# CITY OF ELLENSBURG, WASHINGTON

## Capital Projects fund 365

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Retail sales & use taxes	-	-	-	-
Other taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines & forfeits	-	-	-	-
Investment earnings	-	-	56	56
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>56</b>	<b>56</b>
<b>EXPENDITURES:</b>				
Current:				
General Government	-	-	-	-
Judicial Services	-	-	-	-
Public Safety	-	-	47,296	(47,296)
Utilities	-	-	-	-
Transportation	-	-	-	-
Social Services	-	-	-	-
Natural and Economics	-	-	-	-
Culture & Recreation	-	-	-	-
Interest on long-term debt	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	75,146	75,146	-	75,146
Total expenditures	75,146	75,146	47,296	27,850
Excess(deficiency) of revenues over expenditures	(75,146)	(75,146)	(47,240)	27,906
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	47,296	47,296	-	(47,296)
Transfers out	-	-	-	-
Other adjustments	-	-	-	-
Total other financing sources & uses	47,296	47,296	-	(47,296)
Net change in fund balance	(27,850)	(27,850)	(47,240)	(19,390)
Fund balances-beginning	61,321	68,869	68,869	(0)
Prior period adjustments	-	-	-	-
<b>Fund balances-ending</b>	<b>\$ 33,471</b>	<b>\$ 41,019</b>	<b>\$ 21,629</b>	<b>\$ (19,390)</b>

# City of Ellensburg, Washington

## Sidewalk Improvement Fund 366

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Retail sales & use taxes	-	-	-	-
Other taxes	150,000	150,000	226,546	76,546
Licenses and permits	-	-	-	-
Intergovernmental	-	-	1,452	1,452
Charges for services	-	-	-	-
Fines & forfeits	-	-	-	-
Investment earnings	400	400	1,199	799
Miscellaneous	-	-	9,726	9,726
<b>Total revenues</b>	<b>150,400</b>	<b>150,400</b>	<b>238,923</b>	<b>88,523</b>
<b>EXPENDITURES:</b>				
Current:				
General Government	-	-	-	-
Judicial Services	-	-	-	-
Public Safety	-	-	-	-
Utilities	-	-	-	-
Transportation	-	-	98,855	(98,855)
Social Services	-	-	-	-
Natural and Economics	-	-	-	-
Culture & Recreation	-	-	-	-
Interest on long-term debt	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	186,000	186,000	-	186,000
Total expenditures	186,000	186,000	98,855	87,145
Excess(deficiency) of revenues over expenditures	(35,600)	(35,600)	140,067	175,667
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	-	-
Transfers out	(45,000)	(45,000)	(41,459)	3,541
Other adjustments	-	-	-	-
Total other financing sources & uses	(45,000)	(45,000)	(41,459)	-
Net change in fund balance	(80,600)	(80,600)	98,608	175,667
Fund balances-beginning	381,859	543,794	543,794	(0)
Prior period adjustments	-	-	-	-
<b>Fund balances-ending</b>	<b>\$ 301,259</b>	<b>\$ 463,194</b>	<b>\$ 642,402</b>	<b>\$ 179,208</b>

# City of Ellensburg, Washington

## Library Trust Fund 605

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Retail sales & use taxes	-	-	-	-
Other taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines & forfeits	-	-	-	-
Investment earnings	-	-	322	322
Miscellaneous	7,500	15,600	8,138	(7,462)
<b>Total revenues</b>	<b>7,500</b>	<b>15,600</b>	<b>8,460</b>	<b>(7,140)</b>
<b>EXPENDITURES:</b>				
Current:				
Current:	-	-	-	-
General Government	-	-	-	-
Judicial Services	-	-	-	-
Public Safety	-	-	-	-
Utilities	-	-	-	-
Transportation	-	-	-	-
Social Services	-	-	-	-
Natural and Economics	-	-	-	-
Culture & Recreation	8,800	8,800	4,285	4,515
Interest on long-term debt	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay				
Total expenditures	8,800	8,800	4,285	4,515
Excess(deficiency) of revenues over expenditures	(1,300)	6,800	4,175	(2,625)
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	-	-
Transfers out	-	(21,000)	(6,197)	14,803
Other adjustments	-	-	-	-
Total other financing sources & uses	-	(21,000)	(6,197)	14,803
Net change in fund balance	(1,300)	(14,200)	(2,022)	12,178
Fund balances-beginning	289,649	289,649	301,536	11,887
Prior period adjustments	-	-	-	-
<b>Fund balances-ending</b>	<b>\$ 288,349</b>	<b>\$ 275,449</b>	<b>\$ 299,514</b>	<b>\$ 24,065</b>

# City of Ellensburg, Washington

## Hal Holmes Trust Fund 621

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Retail sales & use taxes	-	-	-	-
Other taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines & forfeits	-	-	-	-
Investment earnings	-	-	(12,801)	(12,801)
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>(12,801)</b>	<b>(12,801)</b>
<b>EXPENDITURES:</b>				
Current:				
General Government	-	-	-	-
Judicial Services	-	-	-	-
Public Safety	-	-	-	-
Utilities	-	-	-	-
Transportation	-	-	-	-
Social Services	-	-	-	-
Natural and Economics	-	-	-	-
Culture & Recreation	-	-	-	-
Interest on long-term debt	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay				
Total expenditures	-	-	-	-
Excess(deficiency) of revenues over expenditures	-	-	(12,801)	(12,801)
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	21,000	-	(21,000)
Transfers out	(60,243)	(60,243)	(14,803)	45,440
Other adjustments	-	-	-	-
Total other financing sources & uses	(60,243)	(39,243)	(14,803)	24,440
Net change in fund balance	(60,243)	(39,243)	(27,604)	11,639
Fund balances-beginning	39,243	39,243	467,206	427,963
Prior period adjustments	-	-	-	-
<b>Fund balances-ending</b>	<b>\$ (21,000)</b>	<b>\$ -</b>	<b>\$ 439,603</b>	<b>\$ 439,603</b>

## **CITY OF ELLENSBURG, WASHINGTON**

### **Nonmajor Enterprise Funds**

Enterprise funds are used by the City of Ellensburg to account for operations that are financed and operated in a manner similar to a private business enterprise.

**Utility Deposit-** A fund used to account for customer utility deposits.

**I-Net-** A fund used to account for the collection and distributions associated with the operations, maintenance, and debt service of the electronics used to interconnect the City to other governmental entities.

**Stormwater-** A fund used to account for the collection and distributions associated with the operation and maintenance of a storm water utility. The fund is supported through service charge.

# CITY OF ELLENSBURG, WASHINGTON

Combining Statement of Net Position  
 Nonmajor Enterprise Funds  
 December 31, 2015

	Enterprise Funds			
	Utility Deposit	Telecom	Storm Water	Total
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 438,797	\$ 87,871	\$ 398,795	\$ 925,463
Deposits with fiscal agents	-	-	-	-
Investments	200,000	-	-	200,000
Receivables(net)	-	-	-	-
Accounts	99	3,133	109,013	112,245
Due from other funds	-	-	-	-
Due from other governments	-	7,805	71,199	79,003
Total current assets	<u>638,896</u>	<u>98,809</u>	<u>579,007</u>	<u>1,316,712</u>
Noncurrent assets:				
Capital assets, net (Note1)				
Land	-	-	-	-
Buildings	-	-	458,451	458,451
Improvements	-	1,529,046	892,729	2,421,774
Machinery & equipment	-	214,086	-	214,086
Construction in progress	-	-	163,840	163,840
Less accumulated depreciation	-	(138,556)	(140,656)	(279,212)
Total noncurrent assets	<u>-</u>	<u>1,604,576</u>	<u>1,374,364</u>	<u>2,978,940</u>
Total Assets	<u>638,896</u>	<u>1,703,385</u>	<u>1,953,371</u>	<u>4,295,652</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows of resources pension	-	-	16,197	16,197
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>16,197</u>	<u>16,197</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable and accrued expenses	-	19,627	5,739	25,365
Due to other funds	-	-	19	19
Due to other governments	-	-	-	-
Interfund Loan Payable	-	283,943	-	283,943
Other liabilities	604,582	-	-	604,582
Due within one year	-	-	15,527	15,527
Total current liabilities	<u>604,582</u>	<u>303,570</u>	<u>21,284</u>	<u>929,436</u>
Non current liabilities (Note 2):				
Due in more than one year	-	-	8,270	8,270
Net Pension Liability	-	-	137,754	137,754
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>146,024</u>	<u>146,024</u>
Total Liabilities	<u>604,582</u>	<u>303,570</u>	<u>167,308</u>	<u>1,075,460</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred gain on refunding	-	-	-	-
Deferred inflows of resources pension	-	-	23,560	23,560
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>23,560</u>	<u>23,560</u>
<b>NET POSITION</b>				
Net Investment in capital assets	-	1,604,576	1,374,364	2,978,940
Restricted:				
Debt service	-	-	-	-
Unrestricted	34,314	(204,761)	404,335	233,889
Total Net Position	<u>\$ 34,314</u>	<u>\$ 1,399,815</u>	<u>\$ 1,778,700</u>	<u>\$ 3,212,828</u>

## CITY OF ELLENSBURG, WASHINGTON

Combining Statement of Revenues, Expenses, and Changes in Fund Net position  
 Nonmajor Enterprise Funds  
 For the Year Ended December 31, 2015

	Enterprise Funds			
	Utility Deposit	Telecom	Storm Water	Total
Operating revenues:				
Intergovernmental revenues	\$ -	\$ -	\$ -	\$ -
Charges for services	-	364,562	940,027	1,304,589
Miscellaneous	-	746	-	746
Total operating revenues	-	365,308	940,027	1,305,335
Operating expenses:				
Operating expenses	-	205,892	405,383	611,276
Maintenance	-	-	95,665	95,665
Depreciation	-	91,746	53,068	144,814
Taxes	-	-	13,811	13,811
Total operating expenses	-	297,638	567,928	865,565
Operating income	-	67,670	372,099	439,769
Nonoperating revenue (expenses)				
Intergovernmental revenues	-	-	112,062	112,062
Interest and investment revenue	2,413	339	291	3,044
Miscellaneous revenue	-	-	-	-
Interest expense	-	(2,839)	-	(2,839)
Miscellaneous expense	-	-	-	-
Gain/Loss on Assets	-	-	-	-
Total nonoperating expenses	2,413	(2,500)	112,353	112,267
Income (loss) before contributions & transfers	2,413	65,170	484,453	552,036
Capital contributions	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(120,000)	(120,000)
Change in net position	2,413	65,170	364,453	432,036
Total net position - beginning	31,901	1,334,645	1,568,052	2,934,598
Cumulative effect of a change in accounting principle	-	-	(153,805)	(153,805)
Beginning net position as restated	31,901	1,334,645	1,414,247	2,780,793
Prior period adjustments	-	-	-	-
Total net position - ending	\$ 34,314	\$ 1,399,815	\$ 1,778,700	\$ 3,212,829



# CITY OF ELLENSBURG, WASHINGTON

Combining Statement of Cash Flows

Nonmajor Enterprise Funds

December 31, 2015

	Utility Deposit	Telecom	Storm Water	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	\$ (99)	\$ 342,869	\$ 840,836	\$ 1,183,606
Receipts for interfund services provided	-	15,559	3,194	18,753
Payments to suppliers	59,538	(284,885)	(110,349)	(335,696)
Payment for interfund services used	-	-	(200,121)	(200,121)
Payments to employees	-	(18,386)	(213,076)	(231,462)
Net Cash Provided by Operating Activities	59,438	55,157	320,484	435,080
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Operating grants received	-	-	3,106	3,106
Operating transfer in	-	-	-	-
Operating transfer out	-	-	(120,000)	(120,000)
Net Cash Provided by Noncapital Activities	-	-	(116,894)	(116,894)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Capital contributions	-	-	-	-
Capital grant	-	-	108,957	108,957
Proceeds from sales and maturities of investments	-	-	-	-
Proceeds from Interfund Loan	-	-	-	-
Purchases of capital assets	-	(471,304)	(150,392)	(621,696)
Principal paid on capital debt	-	-	-	-
Interest paid on capital debt	-	(2,839)	-	(2,839)
Net Cash from Related Financing Activities	-	(474,143)	(41,435)	(515,579)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchase of investment	-	-	-	-
Interest and dividends	2,413	339	291	3,044
Net Cash Provided by Investing Activities	2,413	339	291	3,044
Net (decrease) in cash and cash equivalents	61,852	(418,647)	162,445	(194,350)
Balances - beginning of the year	576,945	506,518	236,350	1,319,813
Balances - end of the year	\$ 638,797	\$ 87,871	\$ 398,795	\$ 1,125,463
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>				
Operating income (loss)	-	67,670	372,099	439,769
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation expense	-	91,746	53,068	144,814
Pension expense	-	-	-	-
Change in assets and liabilities:				
Receivables, net	(99)	(3,133)	(33,284)	(36,517)
DFOF	-	-	109	109
DFOG	-	(3,747)	(62,821)	(66,568)
Inventories	-	-	-	-
Prepaid	-	-	-	-
Accounts and other payables	59,538	(97,379)	1,862	(35,979)
DTOF	-	-	19	19
DTOG	-	-	-	-
Employee benefits	-	-	-	-
Accrued expenses	-	-	-	-
Employee leave benefits	-	-	(1,881)	(1,881)
Deferred outflows of resources	-	-	(16,197)	(16,197)
Deferred inflows of resources	-	-	23,560	23,560
Net pension liability	-	-	137,754	137,754
Restatement GASB 68	-	-	(153,805)	(153,805)
Net Cash Provided by Operating Activities	\$ 59,438	\$ 55,157	\$ 320,483	\$ 435,079

# CITY OF ELLENSBURG, WASHINGTON

## Internal Service Funds

Internal Service Funds are used by the City of Ellensburg to account for the financing of goods and services provided by a department or agency to other departments or agencies of the City of Ellensburg or to the other governmental units on a cost reimbursement basis.

**Equipment Rental and Revolving Fund-** A fund used to account for the operation of the City of Ellensburg vehicles and rental of equipment to other funds within the City.

**Information Services-** A fund used to account for the operation of data processing services to the City of Ellensburg departments, computer rentals, and GIS services etc.

**Health and Benefits Fund** – A fund used for the purpose of collecting and paying medical, dental, vision and life insurance premiums, insurance claims, administrative costs, and other related benefit costs.

**Risk Management** – This fund accounts for claims made against the City that is not covered by insurance and also for the allocation of property insurance expense.

# CITY OF ELLENSBURG, WASHINGTON

Combining Statement of Net Position  
Internal Service Funds  
December 31, 2015

	Equipment Rental and Revolving	Information Services	Health & Benefits Fund	Risk Management Fund	Total
<b>ASSETS</b>					
Current Assets					
Cash and cash equivalents	\$ 3,779,781	\$ 766,843	\$ 1,048,313	\$ 562,556	\$ 6,157,493
Deposits with fiscal agents	-	-	75,637	-	75,637
Investments	853,528	-	-	-	853,528
Receivables(net)	-	-	-	-	-
Due from other funds	7,916	2,753	-	-	10,669
Due from other governments	5,252	-	-	-	5,252
Inventories	72,726	-	-	-	72,726
Other current receivables	-	-	-	-	-
Interfund loan receivables	283,943	-	-	-	283,943
Total Current Assets	5,003,146	769,596	1,123,950	562,556	7,459,248
Noncurrent Assets					
Land	440,725	-	-	-	440,725
Buildings	1,340,345	-	-	-	1,340,345
Improvements	265,595	-	-	-	265,595
Machinery & equipments	5,574,544	619,146	-	-	6,193,689
Less accumulated depreciation	(5,056,126)	(597,995)	-	-	(5,654,121)
Construction In progress	44,373	-	-	-	44,373
Net property plant & equipment	2,609,456	21,151	-	-	2,630,607
Total Assets	7,612,602	790,746	1,123,950	562,556	10,089,855
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred outflows of resources pension	11,530	11,530	-	-	23,060
Total Deferred Outflows of Resources	11,530	11,530	-	-	23,060
<b>LIABILITIES</b>					
Current Liabilities					
Accounts payable and accrued expenses	39,678	96,392	50,033	-	186,103
Due to other funds	78	-	-	-	78
Due to other Governments	-	-	-	-	-
Interfund loan payable	-	-	-	-	-
Other liabilities	-	-	-	-	-
Due within one year	15,126	13,292	-	-	28,418
Total Current Liabilities	54,882	109,685	50,033	-	214,599
Long-Term Liabilities:					
Net Pension Liability	60,453	60,453	-	-	120,907
Due in more than one year	55,586	4,648	-	-	60,235
Total Long-Term Liabilities	116,040	65,102	-	-	181,141
Total Liabilities	170,921	174,786	50,033	-	395,740
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred gain on refunding	-	-	-	-	-
Deferred pension inflows	18,567	18,567	-	-	37,135
Total Deferred Inflows of Resources	18,567	18,567	-	-	37,135
<b>NET POSITION</b>					
Net Investment in capital assets, Restricted	2,609,456	21,151	-	-	2,630,607
For Health Benefits	-	-	-	-	-
Unrestricted	4,825,187	587,772	1,073,917	562,556	7,049,433
Total Net Position	\$ 7,434,643	\$ 608,923	\$ 1,073,917	\$ 562,556	\$ 9,680,040

## CITY OF ELLENSBURG, WASHINGTON

### Combining Statement of Revenues, Expenses, and Changes in Fund Net Position

#### Internal Service Funds

For the Year Ended December 31, 2015

	Equipment Rental and Revolving	Information Services	Health & Benefits Fund	Risk Management Fund	Total
<b>Operating revenues:</b>					
Intergovernmental revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	291,807	1,169,178	-	638,105	2,099,090
Miscellaneous	1,535,386	2,798	1,845,604	43,050	3,426,839
Total operating revenues	<u>1,827,193</u>	<u>1,171,977</u>	<u>1,845,604</u>	<u>681,155</u>	<u>5,525,929</u>
<b>Operating expenses:</b>					
Operating expenses	388,248	969,541	1,672,823	595,463	3,626,075
Maintenance	497,941	-	-	-	497,941
Depreciation	372,492	5,598	-	-	378,090
Taxes	-	-	-	-	-
Total operating expenses	<u>1,258,680</u>	<u>975,139</u>	<u>1,672,823</u>	<u>595,463</u>	<u>4,502,106</u>
Operating income	<u>568,513</u>	<u>196,837</u>	<u>172,781</u>	<u>85,692</u>	<u>1,023,823</u>
<b>Nonoperating revenue (expenses)</b>					
Intergovernmental revenues	-	-	-	-	-
Interest and investment rev.	12,889	583	2,430	966	16,868
Miscellaneous revenue	-	20,185	-	6,433	26,618
Interest expense	-	-	-	-	-
Miscellaneous expense	-	-	-	-	-
Gain/Loss on sale of Assets	2,019	-	-	-	2,019
Total nonoperating revenue (expenses)	<u>14,908</u>	<u>20,768</u>	<u>2,430</u>	<u>7,399</u>	<u>45,505</u>
Income (loss) before contributions & transfers	583,421	217,605	175,211	93,091	1,069,328
Capital contributions	-	-	-	-	-
Transfers in	49,079	-	-	-	49,079
Transfers out	-	-	-	-	-
Change in net assets	632,500	217,605	175,211	93,091	1,118,406
Total net position - beginning	6,871,806.19	460,980.79	898,706.90	469,464.87	8,700,958.75
Cumulative effect of a change in accounting principle	(69,662.96)	(69,662.96)	-	-	(139,325.92)
Beginning net position as restated	6,802,143.23	391,317.83	898,706.90	469,464.87	8,561,632.83
Total net position - ending	<u>\$ 7,434,643</u>	<u>\$ 608,923</u>	<u>\$ 1,073,918</u>	<u>\$ 562,556</u>	<u>\$ 9,680,039</u>

## CITY OF ELLENSBURG, WASHINGTON

Combining Statement of Cash Flows  
Internal Service Funds  
December 31, 2015

	Equipment Rental and Revolving	Information Services	Health & Benefits Fund	Risk Management Fund	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Receipts from customers	\$ 27,139	\$ 17,553	\$ -	\$ 43,050	\$ 87,742
Receipt for interfund service provided	1,800,153	1,154,423	1,906,333	638,105	5,499,015
Payments to suppliers	(379,372)	(542,996)	(1,689,930)	(595,463)	(3,207,762)
Payment for interfund service used	(115,420)	-	-	-	(115,420)
Payments to employees	(404,094)	(385,825)	-	-	(789,919)
Net Cash Provided by Operating Activities	928,406	243,155	216,403	85,692	1,473,656
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Operating grants received	-	-	-	-	-
Transfers in	49,079	-	-	-	49,079
Transfers out	-	-	-	-	-
Interfund loan receivable	1,400,000	-	-	-	1,400,000
Misc revenue	-	-	-	6,433	6,433
Net Cash Provided by Noncapital Activities	1,449,079	-	-	6,433	1,455,512
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Capital contributions	-	-	-	-	-
Capital grant	-	-	-	-	-
Proceed from sale assets	2,019	-	-	-	2,019
Proceed from bond sale	-	-	-	-	-
Purchases of capital assets	(317,162)	(2,208)	-	-	(319,370)
Principal paid on capital debt	-	-	-	-	-
Interest paid on capital debt	-	-	-	-	-
Net Cash from Related Financing Activities	(315,143)	(2,208)	-	-	(317,351)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Proceeds from sales and maturities of investments	-	-	-	99,997	99,997
Purchase of investment	-	-	-	-	-
Interest and dividends	12,889	583	2,430	966	16,868
Net Cash Provided by Investing Activities	12,889	583	2,430	100,963	116,865
Net (decrease) in cash and cash equivalents	2,075,231	241,530	218,833	193,088	2,728,681
Balances - beginning of the year	2,558,078	525,313	405,119	369,468	3,857,978
Balances - end of the year	4,633,309	766,843	623,952	562,556	6,586,659
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>					
Operating income (loss)	568,513	196,837	172,781	85,692	1,023,823
Adjustments to reconcile operating income to net cash provided (used) by operating activities:					
Depreciation expense	372,492	5,598	-	-	378,090
Pension expense	-	-	-	-	-
Change in assets and liabilities:					
Receivables, net	-	-	60,729	-	60,729
Due from other funds	5,023	(2,753)	-	-	2,270
Due from other governments	(4,924)	-	-	-	(4,924)
Inventories	3,905	-	-	-	3,905
Prepaid	-	-	-	-	-
Accounts and other payables	13,472	42,312	(17,107)	-	38,677
Due to other funds	(383)	-	-	-	(383)
Due to other government	-	-	-	-	-
Employee benefits	(20,870)	3,332	-	-	(17,537)
Accrued expenses	(6,649)	-	-	-	(6,649)
Deferred outflows of resources	-	-	-	-	-
Deferred inflows of resources	-	-	-	-	-
Net pension liability	-	-	-	-	-
Net Cash Provided by Operating Activities	\$ 930,578	\$ 245,327	\$ 216,403	\$ 85,692	\$ 1,478,000

## CITY OF ELLENSBURG, WASHINGTON

### Agency Funds

Agency fund is used by a governmental entity to report assets that are held in a custodial relationship. In a typical custodial relationship, a governmental entity receiving assets may temporarily invest those assets and then remit those assets to individuals, private organizations, or other governments.

**LID Guarantee Fund**- A fund used to account for the monies reserved for the payment of the special improvement districts.

**LID Fund**- A fund used to account for the activity of the special improvement districts.

**Clearing Fund** – A fund used for the purpose of collecting and remitting payments to the State of Washington.

# City of Ellensburg, Washington

## Combining Statement of Fiduciary Net Position

Agency Funds

December 31, 2015

	<u>LID Guarantee Fund</u>	<u>LID Fund</u>	<u>Clearing Fund</u>	<u>Total Agency Funds</u>
<b>ASSETS</b>				
Cash	\$ 130,916	\$ 47,495	\$ 2,458	\$ 180,868
Receivable, (Net)		81		81
Special Assessments		350,325		350,325
Total Assets	<u>130,916</u>	<u>397,901</u>	<u>2,458</u>	<u>531,275</u>
<b>LIABILITIES</b>				
Notes Payable		350,325		350,325
Other Liabilities	130,916	47,576	2,458	180,950
Total Liabilities	<u>\$ 130,916</u>	<u>\$ 397,901</u>	<u>\$ 2,458</u>	<u>\$ 531,275</u>

# City of Ellensburg, Washington

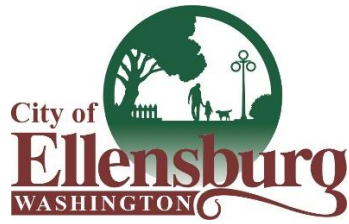
## Combining Statement of Changes in Assets and Liabilities

Agency Funds

December 31, 2015

	<u>Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u>
<b>LID Guarantee Fund</b>				
<b>ASSETS</b>				
Cash	\$ 130,777	\$ 139	\$ -	\$ 130,916
Total Assets	<u>130,777</u>	<u>139</u>	<u>-</u>	<u>130,916</u>
<b>LIABILITIES</b>				
Other Liabilities	<u>130,777</u>	<u>139</u>		<u>130,916</u>
Total Liabilities	<u>130,777</u>	<u>139</u>	<u>-</u>	<u>130,916</u>
<b>LID Fund</b>				
<b>ASSETS</b>				
Cash	40,771	59,091	52,367	47,495
Investments				-
Receivables (Net)		59,121	59,040	81
Special Assessments	<u>386,496</u>		<u>36,171</u>	<u>350,325</u>
Total Assets	<u>427,267</u>	<u>118,213</u>	<u>147,578</u>	<u>397,901</u>
<b>LIABILITIES</b>				
Notes Payable	386,543		36,171	350,372
Other Liabilities	<u>40,724</u>	<u>6,805</u>		<u>47,529</u>
Total Liabilities	<u>427,267</u>	<u>6,805</u>	<u>36,171</u>	<u>397,901</u>
<b>Clearing Fund</b>				
<b>ASSETS</b>				
Cash	3,402	10,145,526	10,146,470	2,458
Receivables (Net)	<u>53</u>	<u>29,332</u>	<u>29,385</u>	<u>-</u>
Total Assets	<u>3,455</u>	<u>10,174,858</u>	<u>10,175,855</u>	<u>2,458</u>
<b>LIABILITIES</b>				
Accounts Payable	-			-
Deferred Revenue				
Other Liabilities	<u>3,455</u>	<u>10,150,385</u>	<u>10,149,272</u>	<u>2,458</u>
Total Liabilities	<u>\$ 3,455</u>	<u>\$ 10,150,385</u>	<u>\$ 10,149,272</u>	<u>\$ 2,458</u>





## Supplementary Information

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**CITY OF ELLENSBURG (MCAG #0465)**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**  
**Schedule 16**

Federal Awards Received Directly From A Federal Agency Or Indirectly From A State.

GRANTOR/ PASS THROUGH GRANTOR PROGRAM TITLE	FEDERAL CFDA NUMBER	OTHER ID. NUMBERS	CURRENT YEAR EXPEND.	Passed Through To Subrecipients	FOOT NOTES
<b>U.S. Dept of Transportation-Federal Highway Administration- Indirect from WA State DOT</b>					
STPE-Highway Planning and Construction	20.205	TA-4983/LA-7943	\$ 438,622	\$ -	1,2,3
STPE-Highway Planning and Construction	20.205	TA-5393/LA-8343	5,263	-	1,2,3
STPE-Highway Planning and Construction	20.205	STPUS-6955(001)/TA-5600/LA-8546	297,957	-	1,2,3
STPE-Highway Planning and Construction	20.205	TAP-9919(001)/LA8620	15,857	-	1,2,3
<b>Total Department of Transportation</b>			<u>757,699</u>	-	
<b>Department of Transportation</b>					
<b>National Highway Traffic Safety Administration (NHTSA)- Indirect</b>					
Alcohol Impaired Driving Countermeasures Incentive Grants	20.601	0008367-00	5,295	-	1,2,3
<b>Total National Highway Traffic Safety Administration</b>			<u>5,295</u>	-	
<b>Department of Justice/Bureau of Justice Assistance-Direct</b>					
Bulletproof Vest Partnership Grant Program	16.607	1121-0235	1,287	-	1,2,3
<b>Total Department of Justice</b>			<u>1,287</u>	-	
<b>US Institute of Museum and Library Services -Indirect From WA State</b>					
State Library- Library Services and Technology Act	45.310	G-4800/ 14-DL-010	6,811	-	1,2,3
State Library- Library Services and Technology Act	45.310	G-4966/ 15-DL-002	1,627	-	1,2,3
<b>Total US Institute of Museum and Library Service Indirect from WA State Library</b>			<u>8,438</u>	-	
<b>Department of Health and Human Services/Adminstration on Aging-Indirect From Yakima County</b>					
Aging and Long term Care	93.044	6909-10762	3,337	-	1,2,3
<b>Total Department of Health</b>			<u>3,337</u>	-	
<b>Environmental Protection Agency/Office of Solid Waste and Emergency Response-Direct</b>					
Brownfields Assessment and Cleanup Cooperative Agreements	66.818	BF-00J47101	62,779	-	1,2,3
<b>Total Department of Environmental Protection Agency</b>			<u>62,779</u>	-	
<b>Total Expenditure of Federal Awards</b>			<b>Total Federal Awards Expended</b>		
			<b><u>\$ 838,835</u></b>		

*The Accompanying Notes To The Schedule Of Expenditures of Federal Awards Are An Integral Part Of This Schedule*

**CITY OF ELLENSBURG (MCAG #0465)  
SCHEDULE OF STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED DECEMBER 31, 2015**

Schedule 16

**Assistance Received Directly From A State**

<b>GRANTOR/ PASS THROUGH GRANTOR PROGRAM TITLE</b>	<b>OTHER ID. NUMBERS</b>	<b>CURRENT YEAR EXPEND.</b>	<b>Passed Through To Subrecipients</b>
<b>WA State Department of Transportation</b>			
WSDOT Ped Bicycle Safety	HLP-PB13(003)	\$ -	\$ -
<b>HLP-SR15(012)</b>	LA-8830	-	-
<b>Total WA State Department of Transportation</b>		-	-
<b>WA State Department of Ecology</b>			
Municipal Stormwater Capacity Grant	G1400264	3,106	-
Flood Hazard Reduction Grants	G1400637	108,957	-
<b>Total Washington Department of Ecology</b>		112,063	-
<b>WA State Transportation Improvement Board (TIB)</b>			
TIB UAP Grant	TIB-8-4-175(017)-1	792,848	-
<b>Total Washington State Transportation Improvement Board (TIB)</b>		792,848	-
<b>WA State Library</b>			
Digital Skills Training	G-4881/ OPP1015357	16,228	-
<b>Total Washington State Library</b>		16,228	-
<b>TOTAL STATE ASSISTANCE</b>		<b>\$ 921,139</b>	

**CITY OF ELLENSBURG (MCAG #0465)**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**(AND STATE/LOCAL ASSISTANCE)**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

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**NOTE 1 - BASIS OF ACCOUNTING**

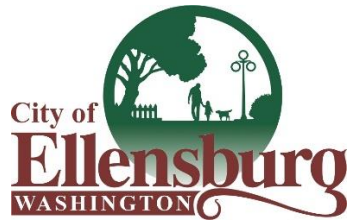
The Schedule of Financial Assistance is prepared on the same basis of accounting as the City's financial statements. The City uses the modified accrual system of account for governmental funds and the full accrual system of accounting for enterprise funds.

**NOTE 2 - PROGRAM COSTS**

The amounts shown as current year expenditures represent only federal portion of the program costs. Actual program costs, including the City's portion, may be more than shown.

**NOTE 3 - INDIRECT COST RATE**

The amount expended includes \$0 claimed as an indirect cost recovery.  
The City has elected to use the 10-percent de minimus indirect cost rate allowed under the Uniform Guidance.



Other Supplemental  
Schedules For GASB 54

# CITY OF ELLENSBURG, WASHINGTON

## Street Fund 120

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Retail sales & use taxes	-	-	-	-
Other taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	253,036	253,036	273,508	20,472
Charges for services	81,000	81,000	61,903	(19,097)
Fines & forfeits	-	-	-	-
Investment earnings	600	600	1,681	1,081
Miscellaneous	500	500	3,562	3,062
Total revenues	<u>335,136</u>	<u>335,136</u>	<u>340,653</u>	<u>5,517</u>
<b>EXPENDITURES:</b>				
Current:				
General Government	53,000	53,000	40,551	12,449
Judicial Services	-	-	-	-
Public Safety	-	-	-	-
Utilities	-	-	-	-
Transportation	1,811,223	1,852,544	1,540,131	312,413
Social Services	-	-	-	-
Natural and Economic	-	-	-	-
Culture & Recreation	-	-	-	-
Interest on long-term debt	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay				
Total expenditures	<u>1,864,223</u>	<u>1,905,544</u>	<u>1,580,683</u>	<u>324,861</u>
Excess(deficiency) of revenues over expenditures	<u>(1,529,087)</u>	<u>(1,570,408)</u>	<u>(1,240,029)</u>	<u>330,379</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	1,320,000	1,320,000	1,320,000	-
Transfers out	-	-	-	-
Other adjustments	-	-	-	-
Total other financing sources & uses	<u>1,320,000</u>	<u>1,320,000</u>	<u>1,320,000</u>	<u>-</u>
Net change in fund balance	<u>(209,087)</u>	<u>(250,408)</u>	<u>79,971</u>	<u>330,379</u>
Fund balances-beginning	479,591	843,575	879,764	36,189
Prior period adjustments	-	-	-	-
Fund balances-ending	<u>\$ 270,504</u>	<u>\$ 593,167</u>	<u>\$ 959,735</u>	<u>\$ 366,568</u>

# CITY OF ELLENSBURG, WASHINGTON

## Ellensburg Public Transit Fund 127

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-
Other taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	75,000	75,000	79,377	4,377
Fines & forfeits	-	-	-	-
Investment earnings	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>75,000</u>	<u>75,000</u>	<u>79,377</u>	<u>4,377</u>
<b>EXPENDITURES:</b>				
Current:				
General Government	-	-	-	-
Judicial Services	-	-	-	-
Public Safety	-	-	-	-
Utilities	-	-	-	-
Transportation	107,500	157,584	101,009	56,575
Social Services	-	-	-	-
Natural and Economics	-	-	-	-
Culture & Recreation	-	-	-	-
Interest on long-term debt	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	-	-	39,573	(39,573)
Total expenditures	<u>107,500</u>	<u>157,584</u>	<u>140,582</u>	<u>17,002</u>
Excess(deficiency) of revenues over expenditures	<u>(32,500)</u>	<u>(82,584)</u>	<u>(61,205)</u>	<u>21,379</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Bond Issue Proceeds				
Transfers in	32,500	32,500	32,500	
Transfers out	-	-	-	-
Other adjustments	-	-	-	-
Total other financing sources & uses	<u>32,500</u>	<u>32,500</u>	<u>32,500</u>	<u>-</u>
Net change in fund balance	-	(50,084)	(28,705)	21,379
Fund balances-beginning	-	-	106,021	106,021
Fund balances-ending	<u>\$ -</u>	<u>\$ (50,084)</u>	<u>\$ 77,317</u>	<u>\$ 127,401</u>



# City of Ellensburg, Washington

## Sales Tax Fund 140

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-
Retail sales & use taxes	3,575,000	3,575,000	3,958,205	383,205
Other taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines & forfeits	-	-	-	-
Investment earnings	5,000	5,000	5,327	327
Miscellaneous	-	-	-	-
Total revenues	<u>3,580,000</u>	<u>3,580,000</u>	<u>3,963,532</u>	<u>383,532</u>
<b>EXPENDITURES:</b>				
Current:				
General Government	-	-	-	-
Judicial Services	-	-	-	-
Public Safety	-	-	-	-
Utilities	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess(deficiency) of revenues over expenditures	<u>3,580,000</u>	<u>3,580,000</u>	<u>3,963,532</u>	<u>383,532</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Bond Issue Proceeds	-	-	-	-
Bond Premiums	-	-	-	-
Payment to bond refunding escrow agent	-	-	-	-
Disposition of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(3,449,668)	(3,449,668)	(3,449,668)	(0)
Other adjustments	-	-	-	-
Total other financing sources & uses	<u>(3,449,668)</u>	<u>(3,449,668)</u>	<u>(3,449,668)</u>	<u>(0)</u>
Net change in fund balance	130,332	130,332	513,864	383,532
Fund balances-beginning	853,051	1,135,397	1,135,397	(1)
Fund balances-ending	<u>\$ 983,383</u>	<u>\$ 1,265,729</u>	<u>\$ 1,649,260</u>	<u>\$ 383,531</u>

# CITY OF ELLENSBURG, WASHINGTON

## Police Vehicles Fund 159

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Retail sales & use taxes	-	-	-	-
Other taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines & forfeits	-	-	-	-
Investment earnings	-	-	-	-
Miscellaneous	-	-	6,835	6,835
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>6,835</b>	<b>6,835</b>
<b>EXPENDITURES:</b>				
Current:				
General Government	-	-	-	-
Judicial Services	-	-	-	-
Public Safety	-	-	126	(126)
Utilities	-	-	-	-
Transportation	-	-	-	-
Social Services	-	-	-	-
Natural and Economics	-	-	-	-
Culture & Recreation	-	-	-	-
Interest on long-term debt	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	50,700	50,700	49,121	1,579
<b>Total expenditures</b>	<b>50,700</b>	<b>50,700</b>	<b>49,247</b>	<b>1,453</b>
Excess(deficiency) of revenues over expenditures	(50,700)	(50,700)	(42,412)	8,288
<b>OTHER FINANCING SOURCES (USES):</b>				
Refunding bonds issued	-	-	-	-
Capital -related debt issued	-	-	-	-
Transfers in	30,000	30,000	30,000	-
Transfers out	-	-	-	-
Other adjustments	-	-	-	-
<b>Total other financing sources &amp; uses</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>(20,700)</b>	<b>(20,700)</b>	<b>(12,412)</b>	<b>8,288</b>
Fund balances-beginning	289,071	357,451	30,384	(327,067)
Prior period adjustments	-	-	-	-
<b>Fund balances-ending</b>	<b>\$ 268,371</b>	<b>\$ 336,751</b>	<b>\$ 17,972</b>	<b>\$ (318,779)</b>

# CITY OF ELLENSBURG, WASHINGTON

## Geddis Fund 175

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2015

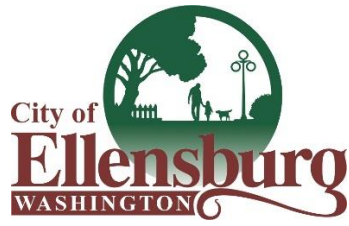
	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Retail sales & use taxes	-	-	-	-
Other taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines & forfeits	-	-	-	-
Investment earnings	-	-	-	-
Miscellaneous	127,360	19,433	19,434	1
Total revenues	127,360	19,433	19,434	1
<b>EXPENDITURES:</b>				
Current:				
General Government	40,340	21,607	21,274	(333)
Judicial Services	-	-	-	-
Public Safety	-	-	-	-
Utilities	-	-	-	-
Transportation	-	-	-	-
Social Services	-	-	-	-
Natural and Economics	-	-	-	-
Culture & Recreation	-	-	-	-
Interest on long-term debt	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	40,340	21,607	21,274	(333)
Excess(deficiency) of revenues over expenditures	87,020	(2,174)	(1,841)	333
<b>OTHER FINANCING SOURCES (USES):</b>				
Refunding bonds issued	-	-	-	-
Capital -related debt issued	-	-	-	-
Payment to bond refunding escrow agent	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	(47,523)	(47,856)	(333)
Other adjustments	-	-	-	-
Total other financing sources & uses	-	(47,523)	(47,856)	(333)
Net change in fund balance	87,020	(49,697)	(49,697)	(0)
Fund balances-beginning	55,959	49,697	49,697	0
Prior period adjustments	-	-	-	-
Fund balances-ending	\$ 142,979	\$ -	\$ -	\$ -

# CITY OF ELLENSBURG, WASHINGTON

## Special Project Fund 198

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Retail sales & use taxes	-	-	-	-
Other taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines & forfeits	-	-	-	-
Investment earnings	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	-	-	-
<b>EXPENDITURES:</b>				
Current:				
General Government	-	-	-	-
Judicial Services	-	-	-	-
Public Safety	-	-	-	-
Utilities	-	-	-	-
Transportation	-	-	-	-
Social Services	-	-	-	-
Natural and Economics	-	-	-	-
Culture & Recreation	-	-	-	-
Interest on long-term debt	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Excess(deficiency) of revenues over expenditures	-	-	-	-
<b>OTHER FINANCING SOURCES (USES):</b>				
Refunding bonds issued	-	-	-	-
Capital -related debt issued	-	-	-	-
Payment to bond refunding escrow agent	-	-	-	-
Disposition of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Other adjustments	-	-	-	-
Total other financing sources & uses	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balances-beginning	4,205	4,205	4,205	0
Prior period adjustments	-	-	-	-
Fund balances-ending	\$ 4,205	\$ 4,205	\$ 4,205	\$ 0



## Statistical Information

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**CITY OF ELLENSBURG, WASHINGTON  
FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 201  
INDEX**

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<p>These schedules contain trend information to assist the reader in understanding how the City's financial performance and well being have changed over time.</p>	
<b><u>Revenue Capacity</u></b>	143
<p>These schedules contain information to assist the reader in assessing the City's significant local revenues source of property taxes.</p>	
<b><u>Debt Capacity</u></b>	147
<p>These schedules present information to assist the reader in assessing the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.</p>	
<b><u>Demographic and Economic Information</u></b>	157
<p>These schedules offer demographic and economic indicators to assist the reader in understanding the environment within which the government's financial activities take place.</p>	
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<p>These Schedules contain service and infrastructure data to help the reader understand how the information in the government's financial reports relates to the services the government provides and the activities it performs.</p>	
<p><i>Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.</i></p>	

**CITY OF ELLENSBURG**  
**Schedule of changes in Net Position/Net Position by Component**  
**LAST EIGHT YEARS ( \*)**  
(amounts expressed in thousands)

	2008	2009	2010	2011	2012	2013	2014	2015
<b>Expenses</b>								
<b>Governmental Activities</b>								
General governments	2,799	2,868	2,666	2,695	2,557	3,751	3,956	4,576
Public Safety	4,436	5,283	4,893	5,027	5,459	4,963	4,925	4,713
Utilities	936	970	988	995	1,035	-	-	-
Transportation	2,498	2,676	3,477	3,346	4,105	3,852	4,406	4,350
Social Services	-	17	6	6	6	196	199	205
Natural and Economic	829	791	965	1,077	1,223	1,967	1,826	1,766
Culture and Recreation	3,017	2,846	2,914	2,941	3,242	3,232	3,296	3,493
Interest on Longterm Debt	333	315	413	390	322	203	228	148
<b>Total governmental expenses</b>	<b>14,848</b>	<b>15,765</b>	<b>16,322</b>	<b>16,476</b>	<b>17,949</b>	<b>18,164</b>	<b>18,834</b>	<b>19,252</b>
<b>Business Type Activities</b>								
Deposits	5	-	-	-	-	-	-	-
I- Net	53	51	42	40	41	71	35	270
Stormwater	-	-	131	150	241	397	595	508
Gas	8,946	9,137	9,022	8,056	6,992	7,447	7,570	6,626
Light	11,577	13,202	12,875	12,249	13,260	13,788	14,308	13,819
Water	2,687	3,011	3,275	3,265	3,070	3,731	3,790	3,666
Sewer	2,573	2,689	3,006	3,217	3,207	3,199	3,507	3,358
<b>Total Business Type Activities</b>	<b>25,840</b>	<b>28,091</b>	<b>28,351</b>	<b>26,976</b>	<b>26,811</b>	<b>28,633</b>	<b>29,806</b>	<b>28,249</b>
<b>Total Primary Government Expenses</b>	<b>40,689</b>	<b>43,856</b>	<b>44,671</b>	<b>43,452</b>	<b>44,760</b>	<b>46,797</b>	<b>48,640</b>	<b>47,500</b>
<b>Program Revenue</b>								
<b>Governmental Activities</b>								
General governments	1,963	1,959	2,443	2,313	2,235	3,097	3,235	3,142
Public Safety	115	109	243	102	114	173	355	183
Utilities	663	640	671	683	712	-	-	-
Transportation	135	206	81	197	165	297	428	265
Social Services	-	-	-	-	-	-	48	52
Natural and Economic	853	449	435	265	288	631	500	369
Culture and Recreation	313	335	368	381	436	757	487	603
<b>Operating Grants and Contributions</b>								
General governments	552	318	352	306	300	269	-	351
Public Safety	63	113	86	71	74	11	275	281
Utilities	-	2	-	1	-	-	-	-
Transportation	1,765	420	394	548	860	231	-	-
Social Services	-	-	-	-	-	-	3	3
Natural and Economic	127	1	33	68	53	137	128	63
Culture and Recreation	282	193	201	198	248	11	10	156
<b>Capital Grants and Contributions</b>								
General governments	23	-	-	-	-	-	377	412
Public Safety	-	-	-	-	11	-	-	-
Physical Environment	-	-	-	-	-	-	-	-
Transportation	251	645	447	5,040	1,668	1,208	1,946	1,689
Health & Human Services	-	-	-	-	-	-	-	-
Natural and Economic	3	-	-	-	-	-	-	-
Culture and Recreation	7	-	30	75	-	-	-	-
<b>Total Governmental program revenues</b>	<b>7,115</b>	<b>5,390</b>	<b>5,754</b>	<b>10,204</b>	<b>7,238</b>	<b>6,822</b>	<b>7,792</b>	<b>7,570</b>
<b>Business Type Activities</b>								
Deposits	4	-	-	-	-	-	-	-
I- Net	80	80	31	30	31	61	485	365
Stormwater	-	-	559	574	569	663	703	940
Gas	9,519	9,633	9,393	8,482	7,316	7,327	7,528	6,819
Light	12,709	13,828	12,930	12,838	13,260	14,215	14,416	15,333
Water	2,864	2,876	3,112	3,391	3,805	3,874	3,995	4,499
Sewer	2,602	2,876	2,933	3,142	3,245	3,409	3,417	3,706
<b>Operating Grants and Contributions</b>								
Deposits	-	-	-	-	-	-	-	-
I- Net	-	-	49	49	125	-	-	-
Stormwater	-	-	-	1	-	-	81	112



Gas	-	4		59	-	-	-	-
Light	-	-	173	\$ 4	\$ -	\$ -	\$ -	-
Water	-	-	-	-	-	-	-	-
Sewer	-	49	-	-	-	-	-	-
<b>Capital Grants and Contributions</b>								
Deposits	-	-	-	-	-	-	-	-
I- Net	-	-	-	-	-	-	461	-
Stormwater	-	-	130	271	189	408	121	-
Gas	-	-	-	-	-	-	-	-
Light	-	-	-	210	360	83	-	-
Water	-	-	-	795	363	359	545	419
Sewer	-	-	-	567	250	207	361	207
<b>Total Business Type Activities Program Revenue</b>	<b>27,777</b>	<b>29,345</b>	<b>29,309</b>	<b>30,413</b>	<b>29,510</b>	<b>30,605</b>	<b>32,113</b>	<b>32,400</b>
<b>Total Primary Government Net Expenses</b>	<b>(5,197)</b>	<b>(9,123)</b>	<b>(9,607)</b>	<b>(2,835)</b>	<b>(8,011)</b>	<b>(9,370)</b>	<b>(8,735)</b>	<b>(7,530)</b>
<b>General Revenues</b>								
Property Taxes	1,930	2,146	2,151	247	2,541	2,578	2,625	2,706
Property Taxes, Levied for Debt Services	125	142	147	147	147	152	162	151
Sales and Use Taxes	4,078	4,518	4,193	4,935	4,553	4,711	5,137	5,234
Other taxes	3,438	2,978	3,092	3,040	3,088	3,447	3,011	3,275
Grants and Contributions (not restricted)	99	1,934	611	-	-	-	-	-
Investment Earnings	349	195	239	7	0	130	64	91
Miscellaneous	52	412	247	252	835	347	357	327
Disposition of Capital Assets	209	11	-	-	772	(434)	-	(60)
<b>Total Primary Governments General Revenues</b>	<b>10,280</b>	<b>12,336</b>	<b>10,680</b>	<b>8,628</b>	<b>11,937</b>	<b>10,930</b>	<b>11,356</b>	<b>11,724</b>
<b>Change in Net Assets</b>								
Governmental Activities	2,270	1,021	(407)	4,639	1,366	250	393	28
Business Type Activities	2,212	2,194	1,480	3,410	2,560	1,468	2,229	4,015
<b>Total Change in Net Assets</b>	<b>4,482</b>	<b>3,215</b>	<b>1,073</b>	<b>8,048</b>	<b>3,926</b>	<b>1,719</b>	<b>2,621</b>	<b>4,043</b>
<b>Net Assets by component</b>								
Invested in Capital Assets, net of related debt	66,725	75,108	73,681	81,423	88,306	87,271	87,047	87,026
Restricted								
Prepayment/Inventory	42	-	-	-	-	-	-	-
Rate Stabilization	676	676	676	676	676	-	-	-
Capital Projects	317	242	2,204	535	354	492	426	679
Construction	377	259	2,572	246	318	530	556	693
Debt Service	2,196	1,817	2,292	1,337	1,332	1,330	1,509	1,452
Transportation		64	1,359	817	506	719	1,003	1,101
Public Safety			275	341	318	312	375	491
Natural and Economic			496	552	804	437	463	470
Cultural and Recreation			741	825	807	1,133	1,182	1,130
Unrestricted	17,367	20,462	15,403	20,994	18,734	21,414	23,872	21,065
<b>Total Net Assets</b>	<b>87,699</b>	<b>98,627</b>	<b>99,699</b>	<b>107,748</b>	<b>112,156</b>	<b>113,637</b>	<b>116,432</b>	<b>114,108</b>

\* Data is presented since implementation of Full GASB 34

**CITY OF ELLENSBURG**  
**GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE\*\***  
**LAST TEN FISCAL YEARS**  
**(amounts expressed in thousands)**

Description	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Property Tax	\$1,953	\$2,170	\$2,055	\$2,208	\$2,247	\$2,637	\$2,661	\$2,712	\$2,810	\$2,899
Sales Tax	3,213	2,993	3,441	3,138	2,980	3,190	3,263	3,337	3,660	3,958
Criminal Justice Sales Tax*	-	-	484	615	590	626	629	662	719	804
Local Criminal Justice Tax	305	373	323	267	252	274	276	290	314	351
Admission Tax	91	92	94	101	89	90	94	95	91	99
Electric Tax	7	6	5	5	5	5	5	4	2	6
Solid Waste Tax	159	165	169	174	178	193	192	235	222	251
Television Cable	74	75	88	90	94	91	92	96	94	106
Telephone Tax	379	471	464	522	509	478	440	407	389	370
Utility Tax	1,636	1,575	1,703	1,870	1,881	1,871	1,921	1,995	1,890	2,017
Leasehold Tax	25	16	19	13	18	16	18	18	20	18,926
Television Cable	75	74	83	91	93	89	108	93	94	95
Motel/Hotel Tax	320	356	366	350	371	365	385	422	445	472
Real Estate Excise Tax	308	290	153	149	120	125	152	229	186	227
Distressed County Sales	-	-	-	-	-	480	-	-	-	-
Gambling Tax	170	129	122	113	105	83	67	16	24	85
<b>Total</b>	<b>\$8,716</b>	<b>\$8,785</b>	<b>\$9,571</b>	<b>\$9,704</b>	<b>\$9,532</b>	<b>\$10,612</b>	<b>\$10,303</b>	<b>\$10,613</b>	<b>\$10,958</b>	<b>\$11,760</b>

\* First year of tax was 2008

\*\* Includes general , special revenues, debt service ,capital service funds, library and hal holmes trusts

**CITY OF ELLENSBURG**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
(amounts expressed in thousands)

	2006	2007	2008	2009	2010	**2011	2012	2013	2014	2015
General fund										
Reserved	-	22	23	23	-	-	-	-	-	-
Unreserved	1,864	1,267	1,453	2,303	3,077	-	-	-	-	-
Total General Fund	1,864	1,290	1,476	2,326	3,077	-	-	-	-	-
All other Governmental Funds										
Reserved	209	26	778	710	5,497	-	-	-	-	-
Unreserved, reported in:										
Special Revenue Funds	823	2,937	2,694	3,079	1,058	-	-	-	-	-
Capital Project Funds	375	451	-	-	-	-	-	-	-	-
Debt Service Funds	-	172	-	-	-	-	-	-	-	-
Permanent	770	625	617	703	-	-	-	-	-	-
General fund										
Nonspendable										
Restricted										
Committed										
Assigned						60	62	166	281	235
Unassigned						4,010	371	795	910	2,869
Total General Funds						4,070	433	961	1,191	3,104
All other Governmental Funds										
Nonspendable						33	37	44	36	41
Restricted						3,085	2,487	3,089	3,502	3,884
Committed						294	315	213	156	123
Assigned						2,072	1,777	1,734	2,518	2,049
Unassigned						-	-	-	-	-
Total all other governmental funds	2,177	4,211	4,089	4,492	6,555	5,485	4,616	5,080	6,212	6,097
Total Governmental Funds	\$ 4,041	\$ 5,500	\$ 5,567	\$ 6,818	\$ 9,632	\$ 9,555	\$ 5,049	\$ 6,041	\$ 7,404	\$ 9,201

\*\* The forming and assignment of Fund balance changed in 2011 due to the implementation of GASB 54

**CITY OF ELLENSBURG**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
(amounts expressed in thousands)

Revenues	Fiscal Year									
	2006	2007*	2008	2009	2010	2011	2012	2013	2014	2015
<b>Governmental</b>										
Taxes	\$8,716	\$8,735	\$9,571	\$9,704	\$9,532	\$10,612	\$10,303	\$10,613	\$10,958	\$11,760
Licenses and Permits	532	827	907	507	490	323	341	672	494	425
Intergovernmental	1,882	1,635	3,074	1,692	1,514	3,764	2,779	1,966	1,644	2,477
Charges for Services	3,553	3,057	3,038	3,090	3,521	3,517	3,509	4,125	4,222	3,896
Fines and Forfeits	93	119	96	101	230	111	100	158	338	292
Miscellaneous	853	589	184	530	310	245	787	374		
<b>Total Governmental</b>	<b>\$15,630</b>	<b>\$14,962</b>	<b>\$16,870</b>	<b>\$15,624</b>	<b>\$15,597</b>	<b>\$18,571</b>	<b>\$17,819</b>	<b>\$17,908</b>	<b>\$17,656</b>	<b>\$18,850</b>
<b>Expenditures</b>										
<b>Governmental</b>										
General Government	\$2,243	\$2,386	\$2,634	\$2,778	\$2,833	\$2,592	\$2,615	\$3,714	\$3,621	\$3,767
Security of Person & Property	5,711	5,152	4,384	4,426	4,470	4,757	4,956	4,665	4,849	4,748
Utilities	826	844	932	976	1,003	982	1,036	0	0	0
Transportation	974	1,046	1,072	1,101	1,889	1,785	2,558	2,038	2,425	2,419
Natural and Economic	759	890	861	790	963	1,076	1,230	1,959	1,826	1,802
Social Services	8	0	0	17	6	6	6	196	199	205
Culture and Recreation	2,250	2,383	2,721	2,561	2,629	2,635	2,862	2,833	2,900	3,175
Debt Service- Principal	724	765	724	694	938	508	4,270	210	1,560	225
Debt Service- Interest						397	338	209	223	163
Capital outlay and other	2,664	721	3,696	1,113	1,189	3,904	3,997	1,373	675	2,109
<b>Total Governmental</b>	<b>\$16,159</b>	<b>\$14,187</b>	<b>\$17,024</b>	<b>\$14,457</b>	<b>\$15,920</b>	<b>\$18,641</b>	<b>\$23,867</b>	<b>\$17,196</b>	<b>\$18,277</b>	<b>\$18,613</b>
Excess of revenue over(under) Expenditures	(528.64)	775.50	(154.09)	1,166.69	(322.94)	(69.97)	(6,048.05)	711.63	(274.77)	542.12
<b>Other Financing Sources</b>										
Disposition of capital assets	21	0.97	209	16	7	-	1,323	-	-	1,135
Transfer In	3,723	3,881.76	4,237	3,317	3,724	4,136	3,437	1,884	2,201	1,750
Transfer Out	(4,087)	(3,221.46)	(4,187)	(3,247)	(3,628)	(4,141)	(3,217)	(1,604)	(350)	(1,630)
Other	-	-	-	-	-	-	-	-	-	-
Total other financing Sources	-	-	-	-	-	-	-	-	-	-
Net Change in Fund Balance	(342)	661	259	86	3,139	(6)	1,543	280	1,850	1,255
\$	\$(871)	\$ 1,437	\$ 105	\$ 1,253	\$ 2,816	\$(76)	\$(4,505)	\$ 992	\$ 1,575	\$ 1,797
Debt Service as a percentage of noncapital expenditures	5.36%	5.68%	5.43%	5.20%	6.37%	3.55%	21.86%	1.34%	8.98%	1.38%

**CITY OF ELLENSBURG  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(amounts expressed in thousands)**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental Activities										
Invested in Capital Assets, net of related debt*	\$0	\$39,707	\$40,825	\$42,245	\$41,150	\$44,517	\$49,988	\$49,256	\$48,413	\$47,078
Restricted	584		801	733	5,497	3,118	2,831	3,133	3,499	3,925
Unrestricted	3,458	5,087	4,446	5,376	1,299	4,949	1,131	1,765	2,613	(1,296)
Total Governmental Type Activities Net Assets	4,041	44,794	46,072	48,354	47,946	52,584	53,951	54,154	54,524	49,706
Business Type Activities										
Invested in Capital Assets, net of related debt	21,016	24,049	25,900	32,864	32,531	36,907	38,319	38,014	38,634	39,948
Restricted	6,785	4,472	2,807	2,324	5,118	2,211	2,284	1,820	2,014	2,092
Unrestricted	8,411	10,598	12,921	15,086	14,104	16,045	17,603	19,649	21,259	21,143
Total Business Type Activities Net Assets	36,211	39,118	41,628	50,273	51,753	55,163	58,205	59,483	61,908	63,183
Primary Government										
Invested in Capital Assets, net of related debt	21,016	63,756	66,725	75,108	73,681	81,423	88,306	87,271	87,047	87,026
Restricted	7,369	4,472	3,607	3,057	10,615	5,330	5,115	4,953	5,513	6,016
Unrestricted	11,868	15,685	17,367	20,462	15,403	20,994	18,734	21,414	23,872	19,847
Total Primary Government Net Assets	\$40,253	\$83,912	\$87,699	\$98,627	\$99,699	\$107,748	112,155	113,637	116,432	112,889

\*The City implements the new GASB 34 standards in 2007

**CITY OF ELLENSBURG**  
**SUMMARY OF SALES TAX REVENUE**  
**LAST EIGHT YEARS**  
**Fiscal Year**

<b>Sales Tax Category</b>	<b>2007</b>	<b>2,008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Unknown	66,167	58,911	65,078	85,362	101,804	11,128	11,509	25,658	7,516
Agriculture, Forestry, Fishing	18,965	20,201	8,759	8,177	3,592	4,315	2,931	3,611	2,816
Mining	-	-	390	2	2,666	58	108	330	226
Utilities	39,018	6,717	4,903	3,663	3,864	4,188	5,049	3,777	7,098
Construction	472,767	657,229	410,907	316,044	407,154	393,299	332,459	446,724	532,049
Manufacturing	43,723	62,966	62,066	37,718	36,779	49,604	50,061	50,414	53,149
Wholesale Trade	208,774	212,757	199,266	238,256	236,277	227,758	266,433	270,753	265,524
Retail Trade	1,585,246	1,460,628	1,321,023	1,355,673	1,408,778	1,481,248	1,577,972	1,666,940	1,873,600
Transportation and Warehousing	5,217	9,828	12,379	6,393	18,615	10,589	5,091	10,784	13,470
Information	53,840	53,509	54,550	73,002	78,166	116,016	125,972	133,961	141,349
Finance and Insurance	40,647	34,339	33,305	31,451	29,739	34,897	53,203	32,871	29,572
Real Estate, Rental, Leasing	96,753	69,424	63,676	70,373	51,224	54,014	73,766	62,100	62,319
Prof, Sci, Technical SVCS	42,958	48,976	38,047	34,070	44,123	55,683	57,260	55,474	71,903
Company Management	264	266	191	28	-	-	-	4	4
Admin, Supp, Remed SVCS	41,276	35,423	34,079	31,645	38,117	33,527	40,736	40,380	49,062
Educational Service	112,927	124,851	109,838	121,787	116,194	117,323	127,640	116,484	130,991
Health Care Social Assistance	30,475	29,146	8,377	7,847	12,066	17,288	9,973	9,933	7,949
Arts, Entertain, Recreation	14,366	14,687	19,753	11,547	15,596	18,788	16,850	16,937	20,142
Accommodation and Food Svcs	422,039	417,623	448,437	465,611	472,250	492,905	520,154	540,628	586,141
Other Services	100,508	95,335	101,697	99,056	101,938	106,240	112,091	116,648	120,906
Public Administration	2,058	5,085	45,824	39,644	27,828	31,473	35,314	36,075	36,788
<b>Total</b>	<b>3,397,988</b>	<b>3,417,901</b>	<b>3,042,545</b>	<b>3,037,346</b>	<b>3,206,772</b>	<b>3,260,341</b>	<b>3,424,574</b>	<b>3,640,486</b>	<b>4,012,574</b>

Years 2003 - 2006 are not available

Source- Tax Tool Category Analysis Report--R03.4

**CITY OF ELLENSBURG  
PROPERTY TAXES LEVIES AND COLLECTIONS\*\***

**\*LAST TEN FISCAL YEARS  
(amounts expressed in thousands)**

FISCAL YEAR	TOTAL TAX LEVY	CURRENT TAX COLLECTIONS	PERCENT OF LEVY COLLECTED	DELINQUENT TAX COLLECTIONS	TOTAL TAX COLLECTION	OUTSTANDING DELINQUENT TAXES	% OF TOTAL TAX COLLECT TO TAX LEVY	% OF Del. OUTST TAX TO TAX LEVY
2006	1,834	1,574	85.8%	227	1,800	33	98.2%	1.8%
2007	2,034	1,743	85.7%	255	1,998	36	98.2%	1.8%
2008	2,284	2,027	88.7%	176	2,203	81	96.4%	4.0%
2009	2,366	2,072	87.5%	219	2,291	76	96.8%	3.7%
2010	2,421	2,053	84.8%	257	2,310	111	95.4%	5.4%
2011	2,472	2,177	88.1%	227	2,404	68	97.3%	3.1%
2012	2,545	2,423	95.2%	27	2,450	95	96.3%	3.9%
2013	2,588	2,259	87.3%	236	2,495	93	96.4%	4.1%
2014	2,651	2,221	83.8%	348	2,570	81	96.9%	3.7%
2015	2,717	2,431	89.5%	227	2,658	59	97.8%	2.4%

\*\* Source Kittitas County Monthly Collection Report

**CITY OF ELLENSBURG- Library Bond Levy (2004-2023)  
PROPERTY TAXES LEVIES AND COLLECTIONS\*\***

**LAST TEN FISCAL YEARS  
(amounts expressed in thousands)**

FISCAL YEAR	TOTAL TAX LEVY	CURRENT TAX COLLECTIONS	PERCENT OF LEVY COLLECTED	DELINQUENT TAX COLLECTIONS	TOTAL TAX COLLECTION	OUTSTANDING DELINQUENT TAXES	% OF TOTAL TAX COLLECT TO TAX LEVY	% OF Del. OUTST TAX TO TAX LEVY
2004	1,647	1,180	71.6%	451	1,631	16	99.0%	1.0%
2005	1,718	1,227	71.4%	446	1,673	45	97.4%	2.6%
2006	1,834	1,574	85.8%	227	1,800	34	98.1%	1.9%
2007	2,034	743	36.5%	255	1,998	36	98.2%	1.8%
2008	2,284	2,027	88.7%	176	2,203	81	96.5%	3.5%
2009	2,366	2,072	87.6%	219	2,291	75	96.8%	3.2%
2010	2,421	2,053	84.8%	257	2,310	111	95.4%	4.6%
2011	2,472	2,177	88.1%	227	2,404	68	97.2%	2.8%
2012	2,545	2,423	95.2%	27	2,450	95	96.3%	3.7%
2013	2,588	2,259	87.3%	236	2,495	93	96.4%	3.6%
2014	2,651	2,221	83.8%			2,651	0.0%	100.0%
2015	2,717		0.0%			2,717	0.0%	100.0%

\*\* Source Kittitas County Monthly Collection Report

**CITY OF ELLENSBURG**  
**PROPERTY TAX FUND COMPOSITE REPORT\*\***  
**LAST NINE YEARS\***  
(amounts expressed in thousands)

		Real Appraised Value	Personal Appraised Value	Open Space	Senior Exempt Loss	HOH Exemp Loss	Minimum Value Loss	Total Regular value	Total excess Value	New Construction
2007	Local	\$764,143	\$48,665	\$3,785	\$14,335	\$210	\$2	\$794,476	\$785,415	\$42,076
	State	2,077	15,654	0	0	0		17,732	17,732	
	Total	766,221	64,319	3,785	14,335	210	2	812,208	803,147	42,076
2008	Local	1,158,392	49,816	8,774	26,264	686	2	1,172,481	1,161,956	30,230
	State	2,425	19,494	0	0	0		21,919	21,919	
	Total	1,160,817	69,310	8,774	26,264	686	2	1,194,400	1,183,875	30,230
2009	Local	1,184,826	51,466	8,615	22,587	677	2	1,204,411	1,192,228	30,155
	State	3,151	17,936	0	0	0		21,088	21,088	
	Total	1,187,978	69,402	8,615	22,587	677	2	1,225,498	1,213,316	30,155
2010	Local	1,197,934	53,551	9,383	22,924	554	2	1,218,621	1,206,453	16,231
	State	3,734	13,432	0	0	0		17,166	17,166	
	Total	1,201,668	66,982	9,383	22,924	554	2	1,235,787	1,223,619	16,231
2011	Local	1,151,287	48,100	8,462	17,301	344	3	1,173,276	1,161,575	11,854
	State	4,907	11,915	0	0	0		16,822	16,822	
	Total	1,156,195	60,014	8,462	17,301	344	3	1,190,098	1,178,397	11,854
2012	Local	1,156,674	47,517	8,462	14,937	444	4	1,180,344	1,168,540	8,127
	State	4,753	11,126	0	0	0		15,879	15,879	
	Total	1,161,427	58,643	8,462	14,937	444	4	1,196,223	1,184,419	8,127
2013	Local	1,181,472	46,873	7,222	14,029	393	4	1,206,698	1,194,677	17,088
	State	4,447	11,570	0	0	0		16,017	16,017	
	Total	1,185,919	58,443	7,222	14,029	393	4	1,222,714	1,210,694	17,088
2014	Local	1,197,870	48,852	7,160	12,604	294	4	1,226,661	1,216,433	14,837
	State	4,232	13,991	0	0	0		18,224	18,224	0
	Total	1,202,102	62,843	7,160	12,604	294	4	1,244,885	1,234,657	14,837
2015	Local	1,229,111	52,453	13,251	15,582	286	4	1,252,441	1,242,511	18,865
	State	4,050	14,064	0	0	0	0	18,113	18,113	0
	Total	1,233,161	66,517	13,251	15,582	286	4	1,270,554	1,260,624	18,865

\* 2000-2006 information not available

\*\*Source: Kittitas County Assessor's office Composite Report

\*\*\* The City was not able to get information from the County Assessors office about major components .



**CITY OF ELLENSBURG  
DIRECT AND OVERLAPPING PROPERTY TAX RATE  
LAST TEN FISCAL YEARS**

	City Direct Rates			Overlapping Rate			Total Direct and Overlapping Rate	
	General Fund	General Obligation Debt Service	Total Direct Rate*	School District # 401	Hospital District # 1	Kittitas Valley Fire and Rescue		Total Overlapping
2006	2.504	0.159	2.663	4.329	0.341	-	4.671	7.334
2007	1.912	0.108	2.020	2.716	0.291	-	3.007	5.027
2008	1.931	0.115	2.046	2.827	3.090	-	5.917	7.963
2009	1.959	0.121	2.080	2.846	0.287	-	3.132	5.212
2010	1.993	0.121	2.113	2.981	0.308	-	3.289	5.403
2011	2.138	0.126	2.264	3.782	0.304	-	4.086	6.349
2012	2.163	0.129	2.292	4.099	0.304	-	4.403	6.695
2013	2.168	0.134	2.302	4.220	0.342	-	4.562	6.864
2014	2.183	0.122	2.305	4.582	0.350	1.687	6.619	8.924
2015	2.210	0.139	2.349	5.248	0.364	1.683	7.295	9.644

Source Kittitas County Assessors office

\*Tax rates are per \$1000 of assessed value

**CITY OF ELLENSBURG**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**AS OF DECEMBER 31, 2015**  
(amount expressed in thousands)

GOVERNMENTAL UNIT	OUTSTANDING DEBT*	ESTIMATED PERCENTAGE APPLICABLE*	ESTIMATED SHARE OF OVERLAPPING DEBT
Kittias County	\$8,375	20%	\$1,713
Ellensburg School District NO. 401	45,990	56%	25,801
Hospital Distict NO. 1	5,755	35%	2,006
Kittias County Fire and Rescue	5,925	50%	2,953
			32,473
City of Ellensburg Direct Debt			3,345
Total Direct and overlapping debt			\$35,818

\* Source Assessed value data used to estimate applicable percentages provided by Kittitas County Assessor and the debt outstanding data provided by each governmental unit, presented net of original issuance discount and premiums

**CITY OF ELLENSBURG**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**AS OF DECEMBER 31, 2014**  
(amount expressed in thousands)

GOVERNMENTAL UNIT	OUTSTANDING DEBT*	ESTIMATED PERCENTAGE APPLICABLE*	ESTIMATED SHARE OF OVERLAPPING DEBT
Kittias County	\$9,575	21%	\$2,044
Ellensburg School District NO. 401	19,205	56%	10,800
Hospital Distict NO. 1	7,226	35%	2,533
Kittias County Fire and Rescue	6,155	50%	3,077
			18,454
City of Ellensburg Direct Debt			2,395
Total Direct and overlapping debt			\$20,849

\* Source Assessed value data used to estimate applicable percentages provided by Kittitas County Assessor and the debt outstanding data provided by each governmental unit, presented net of original issuance discount and premiums

**CITY OF ELLENSBURG**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**AS OF DECEMBER 31, 2013**  
(amount expressed in thousands)

GOVERNMENTAL UNIT	OUTSTANDING DEBT*	ESTIMATED PERCENTAGE APPLICABLE*	ESTIMATED SHARE OF OVERLAPPING DEBT
Kittitas County	\$9,555	19%	\$1,842
Ellensburg School District NO. 401	22,225	58%	12,819
Hospital District NO. 1	11,737	38%	4,477
			19,138
City of Ellensburg Direct Debt			3,820
Total Direct and overlapping debt			\$22,958

\* Source Assessed value data used to estimate applicable percentages provided by Kittitas County Assessor and the debt outstanding data provided by each governmental unit, presented net of original issuance discount and premiums

**CITY OF ELLENSBURG, WASHINGTON**  
**PRINCIPAL PROPERTY TAXPAYERS**  
**As of December 31, 2015**  
**(amount expressed in thousands)**

TAX PAYER	TYPE OF BUSINESS	ASSESSED VALUE	PERCENT OF TOTAL ASSESSED VALUE \$1,257,141,367	RANK
Fred Meyer Stores Inc	Retail	15,265	1.21%	1
The Meadows Ellensburg LLC	Multi Residential House	12,889	1.03%	2
Timothy Park LLC	Multi Residential House	11,910	0.95%	3
Ellensburg Telephone Company	Telephone Company	10,682	0.85%	4
Twin City Foods INC	Food Processing	9,991	0.79%	5
Pautzke Bait CO INC	Fish Bait Processing	9,420	0.75%	6
SCL Sand Canyon LLC	Residential House	9,297	0.74%	7
Riexinger, Keith & Tamra	Residential House	8,364	0.67%	8
University Court Apts LLC	Multi Residential House	7,582	0.60%	9
University Place Apts I LLC	Multi Residential House	6,929	0.55%	10
<b>Total</b>		<b>102,329</b>	<b>8.14%</b>	

\*\*Source: Kittitas County Assessor Report 'Top 10 Property Owners By Fund'

\*\* Historical data for 2000 is not readily available from the County

**CITY OF ELLENSBURG, WASHINGTON**  
**PRINCIPAL PROPERTY TAXPAYERS**  
**As of December 31, 2014**  
**(amount expressed in thousands)**

TAX PAYER	TYPE OF BUSINESS	ASSESSED VALUE	PERCENT OF TOTAL ASSESSED VALUE \$1,196,222.885	RANK
Fred Meyer Stores Inc	Retail	15,265	1.20%	1
The Meadows Ellensburg LLC	Multi Residential House	12,889	1.01%	2
Timothy Park LLC	Multi Residential House	11,910	1.00%	3
Ellensburg Telephone Company	Telephone Company	\$10,205	0.85%	4
Twin City Foods INC	Food Processing	9,991	0.84%	5
Pautzke Bait CO INC	Fish Bait Processing	9,422	0.79%	6
SCL Sand Canyon LLC	Residential House	9,182	0.77%	7
University Parks Apt	Multi Residential House	7,645	0.64%	8
University Court Apts LLC	Multi Residential House	7,582	0.63%	9
University Park Apt	Multi Residential House	7,487	0.63%	10
<b>Total</b>		<b>101,578</b>	<b>8.35%</b>	

**CITY OF ELLENSBURG, WASHINGTON**  
**PRINCIPAL PROPERTY TAXPAYERS**  
**As of December 31, 2013**  
**(amount expressed in thousands)**

TAX PAYER	TYPE OF BUSINESS	ASSESSED VALUE	PERCENT OF TOTAL ASSESSED VALUE \$1,196,222.885	RANK
Fred Meyer Stores Inc	Retail	13,336	1.00%	1
The Meadows Ellensburg LLC	Multi Residential House	12,889	1.08%	2
Timothy Park LLC	Multi Residential House	11,910	1.00%	3
Ellensburg Telephone Company	Telephone Company	\$10,205	0.85%	4
Twin City Foods INC	Food Processing	9,991	0.84%	5
Pautzke Bait CO INC	Fish Bait Processing	9,422	0.79%	6
SCL Sand Canyon LLC	Residential House	9,182	0.77%	7
University Parks Apt	Multi Residential House	7,645	0.64%	8
University Court Apts LLC	Multi Residential House	7,582	0.63%	9
University Park Apt	Multi Residential House	7,487	0.63%	10
<b>Total</b>		<b>99,649</b>	<b>8.22%</b>	

**CITY OF ELLENSBURG**  
**OUTSTANDING GENERAL OBLIGATION DEBT TO THE DEBT LIMIT**  
**LAST TEN YEARS**  
(amounts expressed in thousands)

FISCAL YEARS	*GO DEBT	DEBT LIMIT	GO AS A %OF DEBT LIMIT
2006	7,471	19,998	37.36%
2007	7,133	20,305	35.13%
2008	6,770	30,637	22.10%
2009	6,375	30,895	20.63%
2010	8,800	31,022	28.37%
2011	8,300	29,739	27.91%
2012	4,030	29,906	13.48%
2013	3,820	30,568	12.50%
2014	3,570	31,122	11.47%
2015	3,345	31,764	10.53%

**Legal Debt Margin Calculation for fiscal Year 2015**

Assessed Value		\$1,270,554,665
Debt Limit	in thousands	31,764
Debt applicable to limit		
General Obligation Bonds		3,345,000
Less amount set aside for repayment of general obligation debt		(60,413)
Total net debt applicable to limit		3,405,413
Legal Debt Margin Calculation for 2015	in thousands	\$28,519

\* presented net of original issuance discount and premiums

**Legal Debt Margin Calculation for fiscal Year 2014**

Assessed Value	\$1,244,884,915
Debt Limit	31,122
Debt applicable to limit	
General Obligation Bonds	3,570,000
Less amount set aside for repayment of general obligation debt	(58,819)
Total net debt applicable to limit	<u>3,628,819</u>
Legal Debt Margin Calculation for 2014	<u><u>\$27,650</u></u>

\* presented net of original issuance discount and premiums

**City of Ellensburg**  
**Ratio of Net General Obligation Bonded Debt**  
**To Assessed Value and Net General Obligation Bonded Debt per Capita**  
**Last Ten Fiscal Years**  
**(amounts expressed in thousands)**

<b>Fiscal Year</b>	<b>Population*</b>	<b>Assessed Value**</b>	<b>Gross Bonded Debt***</b>	<b>Less Debt Service Fund****</b>	<b>Net Bonded Debt</b>	<b>Ratio of Net Bonded Debt to Assessed Value</b>	<b>Net Bonded Debt per Capita</b>
<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
2006	17	764,904	7,471	45	7,426	0.97%	435
2007	17	812,208	7,133	49	7,084	0.87%	411
2008	17	1,194,400	6,770	299	6,471	0.54%	373
2009	17	1,225,498	6,392	297	6,095	0.50%	354
2010	18	1,235,787	8,808	301	8,507	0.69%	468
2011	18	1,240,862	8,300	397	7,903	0.64%	433
2012	18	1,196,223	4,030	90	3,940	0.33%	216
2013	18	1,222,714	3,820	89	3,731	0.31%	203
2014	19	1,244,885	3,570	99	3,471	0.28%	185
2015	19	1,270,554	3,345	101	3,244	0.26%	171

\* From Washington State Office of Financial Management

\*\* From Kittitas County Assessors Office

\*\*\* Amount does not include special assessments and revenue bonds, presented net of original issuance discount and premiums

\*\*\*\* No general obligation bonds are being repaid by Enterprise revenue

G = F/C

H = F/B



**CITY OF ELLENSBURG**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**DEBT PER CAPITA**  
**LAST TEN FISCAL YEARS**  
(amounts expressed in thousands)

FISCAL YEARS	GOVERNMENTAL	BUSINESS TYPE	Total Primary Government	Population	Per Capita	Per Capita Income***	Personal Income	Percentage of Personal Income
	*GO DEBT	**REVENUE BONDS						
A	****B	****C	D	E	F	G	H	I
2006	7,471,064	17,775,000	25,246,064	17,080	1,478.11	28,184	481,382,720	5.24%
2007	7,133,026	16,360,000	23,493,026	17,220	1,364.29	30,960	533,131,200	4.41%
2008	6,769,986	17,383,884	24,153,870	17,330	1,393.76	32,139	556,968,870	4.34%
2009	6,391,947	15,010,585	21,402,532	17,230	1,242.17	32,149	553,927,270	3.86%
2010	8,808,474	17,440,000	26,248,474	18,174	1,444.29	32,010	581,749,740	4.51%
2011	8,300,000	14,150,000	22,450,000	18,250	1,230.14	33,031	602,815,750	3.72%
2012	4,030,000	13,580,000	17,610,000	18,320	961.24	35,630	652,741,600	2.70%
2013	3,820,000	14,898,951	18,718,951	18,348	1,020.22	28,029	514,276,092	3.64%
2014	3,570,000	22,289,816	25,859,816	18,774	1,377.43	19,473	365,586,102	7.07%
2015	3,345,000	17,550,310	20,895,310	19,001	1,099.70	25,888	491,897,888	4.25%

\*Includes Public Work Trust Fund Loans

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

\*\*\*Bureau of Economic Analysis - Regional Economic Accounts

\*\*\*\* presented net of original issuance discount and premiums

NA= Information not available at the time of this report

F=D/E

H = E\*G

I=D/H

**City of Ellensburg**  
**Ratio of Annual Debt Service Expenditures**  
**For General Obligation Bonded Debt**  
**to Total General Governmental Expenditures**  
**Last Ten Fiscal Years**  
**(amounts expressed in thousands)**

Fiscal Year	Total General Governmental Expenditures**	Debt Service Requirements			
		Principal	Interest*	Total	Ratio of Coverage
2006	16,159	315	349	664	4.00%
2007	14,187	325	337	662	5.00%
2008	17,024	350	325	675	4.00%
2009	14,457	365	311	676	5.00%
2010	15,921	510	355	865	5.00%
2011	18,641	500	395	895	5.00%
****2012	23,867	4,270	338	4,608	19.00%
2013	17,196	210	168	378	2.00%
2014	18,277	205	161	366	2.00%
2015	18,613	225	154	379	2.00%

\* excludes bond issuance and other costs

\*\* Includes general , special revenues, debt service ,capital service funds, library and hal holmes trusts

\*\*\* Enterprise funds do not have general obligation bonds

\*\*\*\* Principal amount is large due to the payoff of GO Bonds in 2012

**City of Ellensburg**  
**Revenue Bond Coverage**  
**Sewer Revenue Bonds**  
**Last Ten Fiscal Years**  
(amounts expressed in thousands)

Fiscal Year	Gross Operating Revenues*	Operating Expenses**	Net Revenue Available for Debt Service	Debt Service Requirements			
				Principal	Interest	Total	Coverage
2006	2,197	1,847	350	150	72	\$222	1.58
2007	2,296	2,005	291	156	67	\$223	1.30
2008	2,602	2,180	422	158	61	\$220	1.92
2009	2,876	2,248	627	164	56	\$220	2.86
2010	3,142	2,399	742	181	126	\$306	2.42
2011	2,933	2,586	347	194	309	\$503	0.69
2012	3,245	2,622	623	199	194	\$393	1.58
2013	3,409	2,575	835	204	180	\$384	2.18
2014	3,417	2,808	609	47	165	\$212	2.87
2015	3,706	2,859	847	132	164	\$296	2.86

\* Excludes investment earnings

\*\* Total operating expense exclusive of depreciation

**City of Ellensburg**  
**Revenue Bond Coverage**  
**Water Revenue Bonds**  
**Last Ten Fiscal Years**  
(amounts expressed in thousands)

Fiscal Year	Gross Operating Revenues*	Operating Expenses**	Net Revenue Available for Debt Service	Debt Service Requirements			
				Principal	Interest	Total	Coverage
2006	2,458	1,943	515	145	114	259	2
2007	2,605	2,175	430	129	108	236	2
2008	2,867	2,308	559	137	102	239	2
2009	2,876	2,471	404	141	95	236	2
2010	3,112	2,485	628	199	129	329	2
2011	3,391	2,542	850	176	129	305	3
2012	3,805	2,608	1,197	181	232	413	3
2013	3,874	2,810	1,064	377	275	653	2
2014	3,995	2,827	1,168	382	267	649	2
2015	4,499.48	2,978	1,522	541	256	797	2

\* Excludes investment earnings

\*\* Total operating expense exclusive of depreciation

**City of Ellensburg**  
**Revenue Bond Coverage**  
**Gas Revenue Bonds**  
**Last Ten Fiscal Years**  
(amounts expressed in thousands)

Fiscal Year	Gross Operating Revenues*	Operating Expenses**	Net Revenue Available for Debt Service	Debt Service Requirements			
				Principal	Interest	Total	Coverage
2002	5,900	6,114	(213)	80	95	175	(1)
2003	6,649	5,674	975	80	91	171	6
2004	6,710	6,277	433	85	87	172	3
2005	8,843	8,186	656	90	83	173	4
2006	9,387	8,333	1,055	90	79	169	6
2007	8,877	8,023	854	95	75	170	5
2008	9,519	8,533	986	100	70	170	6
2009	9,633	8,695	938	105	66	171	6
2010	9,393	8,601	791	110	60	170	5
2011	8,482	7,619	863	115	55	170	5

\* Excludes investment earnings

\*\* Total operating expense exclusive of depreciation

\*\*\* As of end of 2011 the Gas fund did not have debt

**City of Ellensburg**  
**Revenue Bond Coverage**  
**Light Revenue Bonds**  
**Last Ten Fiscal Years**  
(amounts expressed in thousands)

Fiscal Year	Gross Operating	Operating Expenses**	Net Revenue Available for Debt Service	Debt Service Requirements			
				Principal	Interest	Total	Coverage
2006	12,440	11,006	1,434	335	286	621	2
2007	13,347	10,757	2,590	355	278	633	4
2008	12,709	10,556	2,153	375	260	635	3
2009	13,828	12,199	1,628	395	240	635	3
2010	13,103	11,889	1,214	285	300	585	2
2011	12,838	11,227	1,612	300	289	589	3
2012	13,260	12,441	819	190	203	393	2
2013	14,215	12,881	1,334	200	196	396	3
2014	14,416	13,100	1,316	205	188	393	3
2015	15,333	13,296	2,037	300	288	588	3

\* Excludes investment earnings

\*\* Total operating expense exclusive of depreciation

**CITY OF ELLENSBURG  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**

<b>Year</b>	<b>City Population*</b>	<b>Kittitas County Population</b>	<b>Kittitas County Personal Income**</b>	<b>Kittitas County Per Capita Income**</b>	<b>Kittitas County Median Age*</b>	<b>City K-12 School Enrollment***</b>	<b>Kittitas County Percent Unemployment****</b>
2006	17,080	38,057	1,072,614	28,184	32	2,956	5.20
2007	17,220	38,384	1,188,368	30,960	33	2,976	4.80
2008	17,330	39,151	1,258,269	32,139	33	3,104	5.80
2009	17,230	39,532	1,270,931	32,149	33	3,030	8.50
2010	18,174	40,915	1,313,666	32,010	33	3,019	8.60
2011	18,250	41,300	1,375,042	33,031	33	3,023	9.60
2012	18,320	41,500	1,484,764	35,630	31	3,019	8.20
2013	18,370	41,900	1,577,653	37,775	31	3,000	8.20
2014	18,440	42,100	1,577,653	37,761	31	4,628	6.92
2015	18,810	42,670	1,605,659	37,761	32	4,675	6.20

**Data Source**

\*Washington Office of Financial Management - Population Estimates

\*\*Bureau of Economic Analysis - Regional Economic Accounts

\*\*\* Office of Superintendent of Public Instructions

\*\*\*\*Washington State Employment Security Department - Labor Market & Economic Analysis Branch

Na=Not available at time of report

**City of Ellensburg**  
**Miscellaneous Statistics**  
**December 31, 2015**

	2010	2011	2012	2013	2014	2015
Date of Incorporation	November 26, 1883	November 26, 1883	November 26, 1883	November 26, 1883	November 26, 1883	November 26, 1883
Form of Government	Council/Manager	Council/Manager	Council/Manager	Council/Manager	Council/Manager	Council/Manager
Population	17,326	18,174	18,250	18,348	18,440	18,810
Number of employees (excluding police and fire):						
Union	120	125	128	128	92	93
Non-Union	72	43	44	40	29	43
Area in square miles	7.00 square miles	7.00 square miles	7.00 square miles	7.00 square miles	7.00 square miles	7.00 square miles
City of Ellensburg facilities and services:						
Miles of streets	69	70	70	70	71	80
Feet of Sidewalks	67,398	67,398	67,398	503,395	510,946	529,690
<b>Culture and Recreation:</b>						
Parks	18	18	18	18	18	18
Park acreage	250	250	250	250	250	250
Swimming pools	1	1	1	1	1	1
Tennis courts	1	1	1	1	2	2
<b>Library</b>						
Active Library cards	10,924	10,924	11,864	11,445	11,002	12,558
Annual visitors	155,500	155,500	145,702	151,219	164,598	141,817
Annual attendance for children's programs	9,074	9,074	10,679	12,567	12,052	13,955
Annual attendance for adult programs*				4,733	2,430	380
Annual circulation of materials	216,231	216,231	201,683	210,120	206,964	194,423
<b>Public Safety</b>						
Number of Stations	1	1	1	1	1	1
Number of full-time personnel and officers	38	38	39	37	38	41
Number of patrol vehicles	7	6	6	8	8	9
Number of Commissioned officers	26	29	29	29	29	29
Total Calls for Service (Dispatched)	17,100	17,100	16,162	17,157	17,468	13,773
Physical arrests	1,708	1,679	1,582	1,499	1,505	1,411
Traffic violations	5,263	4,709	4,472	5,069	4,716	5,671
Parking violations	3,333	2,801	2,808	2,671	2,665	2,354
<b>Gas Distribution System:</b>						
Miles of Gas lines	115	115	115	125	125	128
Number of service connections	4,902	4,668	4,627	4,585	4,533	4,673
CCF's of gas delivered annually	7.3million	9.5 million	9.5 million	7.5 million	7.2 million	6.5 million
<b>Electric Distribution System:</b>						
Miles of service	88	88	88	88	90	97
Number of distribution stations	2	2	2	3	3	3
Number of service connections	9,343	9,316	9,531	9,324	9,436	9,546
<b>Water Distribution System:</b>						
Miles of Water Mains	98	98	101	101	101	102
Number of service connections	5,597	5,635	5,467	5,571	5,609	5,778
Number of fire hydrants	794	794	808	817	824	841
Daily average consumption in gallons	4.1 mgpd	4.1 mgpd	3.7mgpd	4.2mgpd	4.5mgpd	3.8mgpd
Maximum daily capacity of plant in gallons	10.5 mgpd	10.5 mgpd	7.00 mgpd	11.30 mgpd	11.30 mgpd	11.30 mgpd
<b>Sewage System:</b>						
Miles of sanitary sewers	77	77	78	78	78.98	79.43
Miles of storm sewers	9.7	9.7	37.4	37.4	37.93	50.31
Number of treatment plants	1mdg	1 mdg	2.8 mgd	2.8 mgd	2.8 mgd	2.8 mgd
Number of service connections	4,194	4,451	5,564	5,689	5,720	5,790
Daily average treatment in gallons	3.5 mgpd	3.5 mgpd	2.8 mgpd	3.03 mgpd	3 mgd	3.1 mgpd
maximum daily capacity of plant in gallons	8 mgpd	8 mgpd	8 mgpd	8 mgpd	8 mgd	8 mgd

\* Years 2003-2009 are not available



**CITY OF ELLENSBURG  
PRINCIPAL EMPLOYERS**

Employer	2015			2003		
	*Employees	Rank	Percentage of Total County Employment	*Employees	Rank	Percentage of Total County Employment
Central Washington University	1,759		8.37%	1,673	1	7.96%
Kittitas Valley Community Hospital	439		2.09%	340	2	1.62%
Ellensburg School District	426		2.03%	400	3	1.90%
Kittitas County			0.00%	294	4	1.40%
City of Ellensburg	265		1.52%	442	5	2.10%
Anderson Hay Grain/Agri	430		2.05%	115	7	0.55%
Fred Meyer			0.00%	205	6	0.98%
Elmview	162		0.93%	196	8	0.93%
Total County Working Population (2015)	21,005					
Total County Working Population(2003)	17,400					

\* Source is from the entities above, most recent information