

**City of Connell  
2019 Budget**



**Eastern Washington's Harvestland**

**City of Connell**

**104 East Adams St.**

**Connell, WA 99326**



## 2019 BUDGET MESSAGE

Honorable Mayor, City Council and Connell Residents:

I am pleased to present for your consideration the preliminary 2019 annual budget for the City of Connell. As required by state law, revenues and expenses proposed are balanced in all funds. As part of the budgeting process public hearings are held to allow for discussion from citizens and the City Council. Staff takes direction from City Council to finalize the budget and prepare it for adoption. Once adopted by the Council the budget establishes the direction for all City government programs and services for the coming year.

### EXPLANATION OF THE BUDGET DOCUMENT

*A budget is a legal document that forecasts the financial resources of a government and authorizes the spending of those resources for a fiscal period.* State Auditor's Office BARS Manual.

The City of Connell prepares the budget using the cash basis of accounting. The City adopts annual appropriated budgets for general, special revenue, capital projects, enterprise, and agency funds. These budgets are organized by fund and are appropriated at the fund level. The budget constitutes the legal authority for expenditures at that level. Projected revenues and expenditures are provided for each fund. Each fund is accounted for with a separate set of single-entry accounts that comprises its investments, cash, revenues and expenditures, as appropriate. Each fund is considered a separate accounting entity, except for those funds which are combined together for State reporting purposes. For State reporting purposes Funds 001, 002 and 111 are combined and reported on Fund 001; Funds 401, 404, and 416 are combined and reported on Fund 401; Funds 402 and 406 are combined and reported on Fund 402. Annual appropriations for these funds lapse at the fiscal year end.

### FINANCIAL POLICIES

The City's investment policy provides objectives on how to manage the City's total cash and cash equivalent assets. The goal is to have seventy-five percent (75%) or more of the City's entire cash and cash equivalent assets invested while maintaining a cash balance of \$1,000,000. The Clerk/Treasurer is the investment officer of the City and is overseen by the City Administrator. The city investments are held in the Local Government Investment Pool and Federal Agency Securities managed through Time Value Investments. Community First Bank provides banking services for City accounts.

If all programs and projects are completed as projected in the preliminary 2019 budget, the City's total cash and cash equivalent assets at the end of 2019 would be \$7,475,190. The City would maintain a cash balance of at least \$1,000,000 leaving \$6,475,190 to be held in investments.

## GENERAL FUND

In 2018 staff was able to transfer \$638,000 to the General Reserve Fund. This set the beginning and ending fund balance at \$1,000,000. For the 2019 Budget the General Fund revenues and expenditures are expected to offset each other at \$2,415,900, not including the \$1,000,000 beginning and ending fund balances. Staff continues to be vigilant in keeping expenses down and assuring that revenues are coming in as projected, otherwise the City would need to take a look at cutting cost or increasing revenues in some way.

The City continued to see growth in building and housing for 2018. Eight new homes started construction in 2018 and the School started construction of their new bus facility. I don't expect that we will continue to see the same level of construction for new homes in 2019 but hope to see increased construction of new commercial and industrial sites.

In 2018 staff positions for the city administration office were adjusted with the departure of the City Clerk-Treasurer. The City Administrator took on the additional title of City Clerk-Treasurer and the Deputy Clerk-Treasurer position was split into the Deputy Clerk and the Deputy Treasurer positions. The 2019 budget continues to reflect these changes.

The Comprehensive Plan Update was due for adoption in 2018 and the City hired AHBL to help us through this processes. Progress was made but adoption of the completed Comp Plan is scheduled for early 2019.

There were several exciting projects that commenced in 2018. The citizens of Connell came together to show their support of a new basketball court at pioneer park and raised half the funds to see that become a reality. The Port of Pasco invested in economic development in Connell and committed \$200,000 to build a visitors center. Franklin PUD's placement of an electric vehicle charging station in Connell was completed and was placed at the site of the future visitors center. The pool was able to make some necessary updates thanks to a grant from the State legislature, it received new paint, repair of the roof, and new changing stalls.

The 2019 General Fund preliminary budget includes capital projects that will be offset by reserves from the General Reserve Fund. These include; \$30,000 for the purchase of a new city vehicle, \$12,000 for police department desktop computers, \$118,000 for a 7<sup>th</sup> officer's wages along with the final payment for vehicles purchased, \$12,000 for a fire truck 4 year lease, \$15,000 improvements for the Community Center, \$35,000 for landscaping and furnishings for the visitors center, \$33,000 for a tractor for the Park Dept, \$10,000 for park equipment, \$8,000 for pool facility improvements, and \$50,000 for a pool evaluation.

## GENERAL RESERVE FUND

In 2018 the General Fund was able to transfer \$348,000 to the Economic Development Reserve that had been used to help retire the Hardung Water Rights debt in 2017. The General Reserve Fund also received transfers of; \$130,000 for Civic Facility, \$100,000 for Community Development, \$10,000 for Law Enforcement, \$40,000 for Fire Protection, and \$10,000 for Parks and Recreation. The 2019 preliminary budget does not have transfers coming to the General Reserve Fund but does have transfers going out for the items noted above.

## STREET FUND

In April of 2018 the State started collecting the .2% increase to the sales and use tax for Street Capital Improvements. These funds are to help offset the shortage created when the City moved

to no longer provide transfers from the General Fund to street operations. Allocations from the street reserve were moved to street operations leaving a shortage in the street reserve. It is anticipated that the City would receive \$40,000 in 2018 and \$60,000 in 2019 from this revenue source. These funds will be used for future street improvement projects.

Two street projects were completed in 2018. Crack/chip seal maintenance on Columbia Ave from HW395 to the north end of North Columbia was completed thanks to grants from WSDOT and TIB. Of this \$272,000 project the City's share was under \$59,000. Thanks to Emergency Management Funds the City was able to repair Nordheim Rd from Garfield Rd to Airport Lane. This project of over \$202,000 was matched by \$26,000 of city funds.

For 2019, the City has included funds for East Birch Street, crack/chip sealing, and South Columbia Ave sidewalk. The street improvement reserve budget also includes \$48,000 for new equipment and vehicles.

#### HOTEL/MOTEL FUND

Revenues for this fund have averaged \$14,000 over the last 6 years and continue to be constant. Expenditures have averaged \$11,000 (not counting capital purchases for the float) over the last 6 years allowing for a slow increase to the ending fund balance.

#### GENERAL SUPPORT FUND

There are no budgeted expenditures in this fund for 2019, it does continue to receive two annual loan payments from the Water Fund. Loan #1 was approved in 2011 to help pay down the Water Farm Bonds. Annual payments of \$68,417.19 (include principle and interest) will be concluded in 2022. Loan #2 was approved in 2014 to help pay down the USDA Water loan. Annual payments of \$52,791.04 (include principle and interest) will be concluded in 2024.

#### CAPITAL FACILITIES FUND

Staff has continued to work with WSDOT and BNSF on the Connell Rail Interchange Project, with WSDOT providing financial administration. \$18.5 million is still needed in order for this project to take place. The City is working closely with the Port of Moses Lake who has taken on a more active role in trying to secure the additional funding.

#### WATER FUND

Projects that took place in 2018 for the water fund included; installation of a water line along N. Columbia Ave, an emergency repair on West Franklin, and casing of Well 9. Staff determined that construction of a new well to replace Well 6 would not be needed and that the City could better utilize our existing wells. A water rate study was started in 2018 but would not be completed until 2019. With the completion of this study the City can make an informed assessment in regards to future water rate increases.

Capital projects for 2019 include; \$12,000 for new vehicles on a 4 year lease, \$25,000 for a vactor truck, \$50,000 for well rehab, and \$100,000 to reroof the large reservoir.

#### WASTEWATER FUND

Projects that took place in 2018 for the sewer fund included; installation of a sewer line along No. Columbia Ave, new pump and rail system for Lift Station 4, and a new augur and screen for Lift Station 5.

For 2019 the City is seeking funds to help remove the grinder pumps in the Striker area and install a new lift station and gravity delivery sewer system. This has not been included at this time in the preliminary budget but may be included prior to the adoption of the final budget.

The 2019 preliminary budget does include; \$50,000 for a lift station rebuild, \$65,000 for a vactor truck, and \$15,000 for vehicles on a 4 year lease. It also provides for the transfer of \$200,000 to create a sewer emergency fund.

#### SOLID WASTE FUND

In 2016 billing for sanitation services were transferred to Basin Disposal Incorporated. This fund now only receives revenue from chipping services and investment interest.

#### DWSRF FUND

In 2001 Council approved the DWSRF loan for water improvements. Annual payments of approximately \$25,000 (including principal and interest) will be concluded in 2020.

#### WATER EMERGENCY FUND

In 2017 the Water Emergency Fund was created to set aside funds for a water emergency. Under no circumstances can funds from this fund be used for normal operations, maintenance or repair. The minimum balance for this fund was set at \$200,000.

#### SEWER EMERGENCY FUND

This is a new fund for 2019 that is being created to set aside funds for a sewer emergency. Under no circumstance can funds from this fund be used for normal operations, maintenance or repair. The minimum balance for this fund is set at \$200,000.

#### CONCLUSION

Staff has prepared a conservative yet realistic balanced budget for 2019. The budget document provides accountability, planning, evaluation, and direction by City Council. All revenues and expenditures are based on analysis of previous figures and known future impacts. The budget may be amended as other priorities come up.

Although Connell has not seen the same rapid growth of as our neighboring communities, we are seeing steady growth and we continue to work on economic development. We are growing at a pace that current staff is able to manage. We are talking to developers and we continue to promote our wonderful city. We also continue to work with the amazing citizens and committees that are essential to the wellbeing of our community. It is through these strong partnerships that we continue to improve our community even, if it is one small step at a time.

Respectfully,

*Maria T. Peña*

Maria T. Peña, City Administrator

**CITY PROGRAMS REVENUES**

	Appropriated 2018	Preliminary 2019	% Change	
<b>001 General Fund - Beg Bal</b>	1,638,000.00	1,000,000.00	-39%	Transferred \$638k to 002 fund -2018
Property Tax	499,840.00	535,000.00	7%	
Sales Tax	261,000.00	268,500.00	3%	
Local Criminal tax	84,450.00	90,000.00	7%	
Utility Taxes	713,150.00	726,100.00	2%	
Licenses & Permits	35,000.00	36,300.00	4%	
State Generated Rev	214,700.00	213,400.00	-1%	
Charges for Services & Misc	221,800.00	213,600.00	-4%	
Interfund Transfers	219,000.00	333,000.00	52%	Transfer from 002 Fund for Capital Projects
<b>Total General Fund</b>	<b>3,886,940.00</b>	<b>3,415,900.00</b>	<b>-12%</b>	
<b>002 General Rsrv - Beg Bal</b>	717,000.00	1,366,000.00	91%	2018-Received transfer of \$638k from General Fund
Civic Facility	130,700.00	700.00	-99%	Reccieved \$130K transfer
Community Development	100,250.00	250.00	-100%	Received \$100K transfer
Economic Development	350,500.00	2,500.00	-99%	Received \$348k transfer
Law Enforcement	11,400.00	1,400.00	-88%	Received \$10k transfer
PS Criminal Justice	110,700.00	115,900.00	5%	
Fire Protection	50,900.00	900.00		Received \$50K transfer
Park & Rec	42,400.00	32,400.00	-24%	Received \$10k transfer
Pool	-	-		
Storm Water	100.00	100.00	0%	
<b>Total General Reserve</b>	<b>1,513,950.00</b>	<b>1,520,150.00</b>	<b>0.4%</b>	
<b>101 Street Fund - Beg Bal</b>	402,550.00	363,000.00	-10%	Had street projects in 2018
Operating	195,500.00	192,000.00	-2%	
Capital Improvements	1,510,000.00	1,164,900.00	-23%	Fewer Streeet projects for 2019
<b>Total Street Fund</b>	<b>2,108,050.00</b>	<b>1,719,900.00</b>	<b>-18%</b>	
<b>104 Hotel/Motel - Beg Bal</b>	39,000.00	42,000.00	8%	
Taxes & Interest	13,270.00	13,200.00	-1%	
<b>Total Street Fund</b>	<b>52,270.00</b>	<b>55,200.00</b>	<b>6%</b>	
<b>111 Gen Support - Beg Bal</b>	1,106,900.00	1,233,500.00	11%	No expenditures, only loan payments received
Payments & Interest	126,730.00	126,100.00	0%	
<b>Total Gen Support</b>	<b>1,233,630.00</b>	<b>1,359,600.00</b>	<b>10%</b>	
<b>300 Capital Fund - Beg Bal</b>	275,000.00	341,000.00	24%	
Reet 1	13,700.00	25,700.00	88%	Increased revenues for Reet
Reet 2	13,200.00	25,400.00	92%	Increased revenues for Reet
Railroad	17,500.00	-	-100%	No expenditures for the Rail Interchange project
<b>Total Street Fund</b>	<b>319,400.00</b>	<b>392,100.00</b>	<b>23%</b>	
<b>401 Water Fund - Beg Bal</b>	552,000.00	689,000.00	25%	
Operating	1,582,400.00	1,662,500.00	5%	
Capital Improvements	1,502,000.00	2,000.00	-100%	\$1.5 Mill 2018 budget for USDA water well loan
<b>Total Water Fund</b>	<b>3,636,400.00</b>	<b>2,353,500.00</b>	<b>-35%</b>	City dediced not build the new well
<b>402 Waste Water Beg Bal</b>	1,925,740.00	1,849,000.00	-4%	2018 Beg Bal was over projected
Operating	809,300.00	854,000.00	6%	increased projections for sewer charges for 2019
Capital Improvements	7,000.00	8,000.00	14%	
<b>Total Waste Water</b>	<b>2,742,040.00</b>	<b>2,711,000.00</b>	<b>-1%</b>	
<b>403 Solid Waste Beg Bal</b>	140,760.00	133,000.00	-6%	
Misc Revenue	700.00	500.00	-29%	
<b>Total Solid Waste</b>	<b>141,460.00</b>	<b>133,500.00</b>	<b>-6%</b>	
<b>404 Water Emergency Fund</b>	200,000.00	200,000.00	0%	Emergency Water Fund
<b>406 Sewer Emergency Fund</b>		200,000.00		Emergency SewerFund
<b>414 DWSRF Loan Beg Bal</b>	-	-		
Interfund Transfer	26,000.00	25,200.00	-3%	
<b>633 Remittance Clearing</b>	57,550.00	57,550.00	0%	
<b>TOTAL BUDGET ALL FUNDS</b>	<b>15,917,690.00</b>	<b>14,143,600.00</b>		

**CITY PROGRAMS EXPENDITURES**

	Appropriated	Preliminary	%	
	2018	2019	Change	
<b>001 General Fund - End Bal</b>	1,000,000.00	1,000,000.00	0%	
Legislative/Executive	135,800.00	135,600.00	-0.1%	
Judicial	78,500.00	76,000.00	-3%	
Administration	173,725.00	220,550.00	27%	30k for Vehicle purchase (002), 8k increase in wages, audit
Police Dept	1,083,265.00	1,074,900.00	-1%	Reduced capital expenditures
Fire Protection	305,800.00	270,950.00	-11%	2018 included 50k transfer - 2019 does not
Community Development	104,900.00	91,000.00	-13%	Reallocation of salaries
Parks & Rec	203,750.00	259,050.00	27%	35k welcome center, 33k tractor
General Government	726,200.00	158,850.00	-78%	2018 included 588k in transfers to 002 fund
Library	5,500.00	5,500.00	0%	
Pool	69,500.00	123,500.00	78%	50k pool evaluation
<b>Total General Fund</b>	<b>3,886,940.00</b>	<b>3,415,900.00</b>	<b>-12%</b>	
<b>002 General Rsrv - End Bal</b>	1,294,950.00	1,187,150.00	-8%	
Civic Facility	35,000.00	55,000.00	57%	30k CA vehicle, 10k council, 15k community center proj
Fire Development	-	12,000.00		4 year Fire Truck lease
Economic Development	-	35,000.00		Welcome Center
Law Enforcemen	-	12,000.00		7 new desktop computers
PS Criminal Justice	173,000.00	118,000.00	-32%	2019 - 7th officer wages & 32k car lease,
Park & Rec	11,000.00	93,000.00	745%	33k tractor, 10k park equip, 50k pool evaluation
Pool Reserve	-	8,000.00		5.4k driveway for chemical truck, 2.6k irrigation repair
<b>Total General Reserve</b>	<b>1,513,950.00</b>	<b>1,520,150.00</b>	<b>0.4%</b>	
<b>101 Street Fund - End Bal</b>	228,100.00	432,190.00	89%	2018 implemented public transportation tax
Operating	212,950.00	191,910.00	-10%	Natural Gas tax revenue is declining
Capital Improvements	1,667,000.00	1,095,800.00	-34%	Fewer capital projects in 2019
<b>Total Street Fund</b>	<b>2,108,050.00</b>	<b>1,719,900.00</b>	<b>-18%</b>	
<b>104 Hotel/Motel - End Bal</b>	38,190.00	43,200.00	13%	
Community Ser/Capital Exp	14,080.00	12,000.00	-15%	
<b>Total Hotel/Motel Fund</b>	<b>52,270.00</b>	<b>55,200.00</b>	<b>6%</b>	
<b>111 Gen Support - End Bal</b>	1,233,630.00	1,359,600.00	10%	
<b>300 Capital Fund - End Bal</b>	301,900.00	392,100.00	30%	
Railroad	17,500.00	-	-100%	WSDOT is administrating the rail interchange funds
<b>Total Street Fund</b>	<b>319,400.00</b>	<b>392,100.00</b>	<b>23%</b>	
<b>401 Water Fund - End Bal</b>	623,800.00	874,750.00	40%	
Operating	1,241,600.00	1,288,750.00	4%	
Capital Improvements	1,771,000.00	190,000.00	-89%	2018 included USDA loan for new well
<b>Total Water Fund</b>	<b>3,636,400.00</b>	<b>2,353,500.00</b>	<b>-35%</b>	
<b>402 Waste Water End Bal</b>	1,925,740.00	1,849,000.00	-4%	2018 Beg Bal was over projected
Operating	809,300.00	854,000.00	6%	Increased projections for sewer charges
Capital Improvements	7,000.00	8,000.00	14%	
<b>Total Waste Water</b>	<b>2,742,040.00</b>	<b>2,711,000.00</b>	<b>-1%</b>	
<b>403 Solid Waste End Bal</b>	137,860.00	132,200.00	-4%	
Operating	3,600.00	1,300.00	-64%	
<b>Total Solid Waste</b>	<b>141,460.00</b>	<b>133,500.00</b>	<b>-6%</b>	
<b>404 Water Emergency Fund</b>	200,000.00	200,000.00	0%	Emergency Water Fund
<b>406 Sewer Emergency Fund</b>	-	200,000.00		Emergency Sewer Fund
<b>414 DWSRF Loan End Bal</b>	-	-		Pass through account for DWSRF Loan
Dept Service	26,000.00	25,200.00	-3%	
<b>633 Remittance Clearing</b>	57,550.00	57,550.00	0%	State Remittance Fund
<b>TOTAL BUDGET ALL FUNDS</b>	<b>15,917,690.00</b>	<b>14,143,600.00</b>		

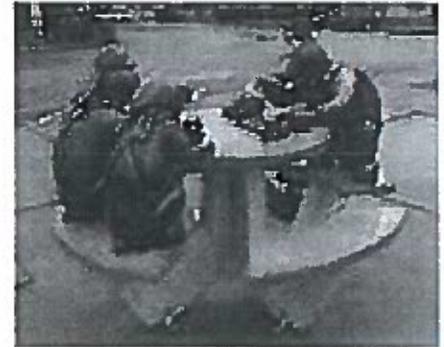
## Community Profile

## Budget

Connell is a thriving rural community, and is located in the Columbia Basin of Eastern Washington. With a population of 5,500 Connell has been designated one of the 50 Safest Cities in Washington. It may be a small community but offers many advantages.

The community was originally called Palouse Junction and was established in the mid-1800s when pioneer families settled here to farm the soil, raise sheep, cattle, and horses. The community later became known as Connell, named after Northern Pacific Station Agent, Joseph Connell who resided in the community at the time. Much of the original town was destroyed by fire in the late 1890s and was rebuilt along the present Columbia Avenue. A major portion of the business district again burned in July 1905. The Town of Connell was incorporated in 1910 and was later established as a Non-Charter Code City in 1985 with a Mayor-Council form of government.

The Connell Heritage Museum is a great resource on the history and culture of Connell and the surrounding area. It is located adjacent to Heritage Park, one of the five parks maintained by the City of Connell. Park facilities include; a seasonal pool, picnic shelters, a skate park, basketball courts, playgrounds, public restrooms, soccer fields, volleyball court, and baseball diamonds.



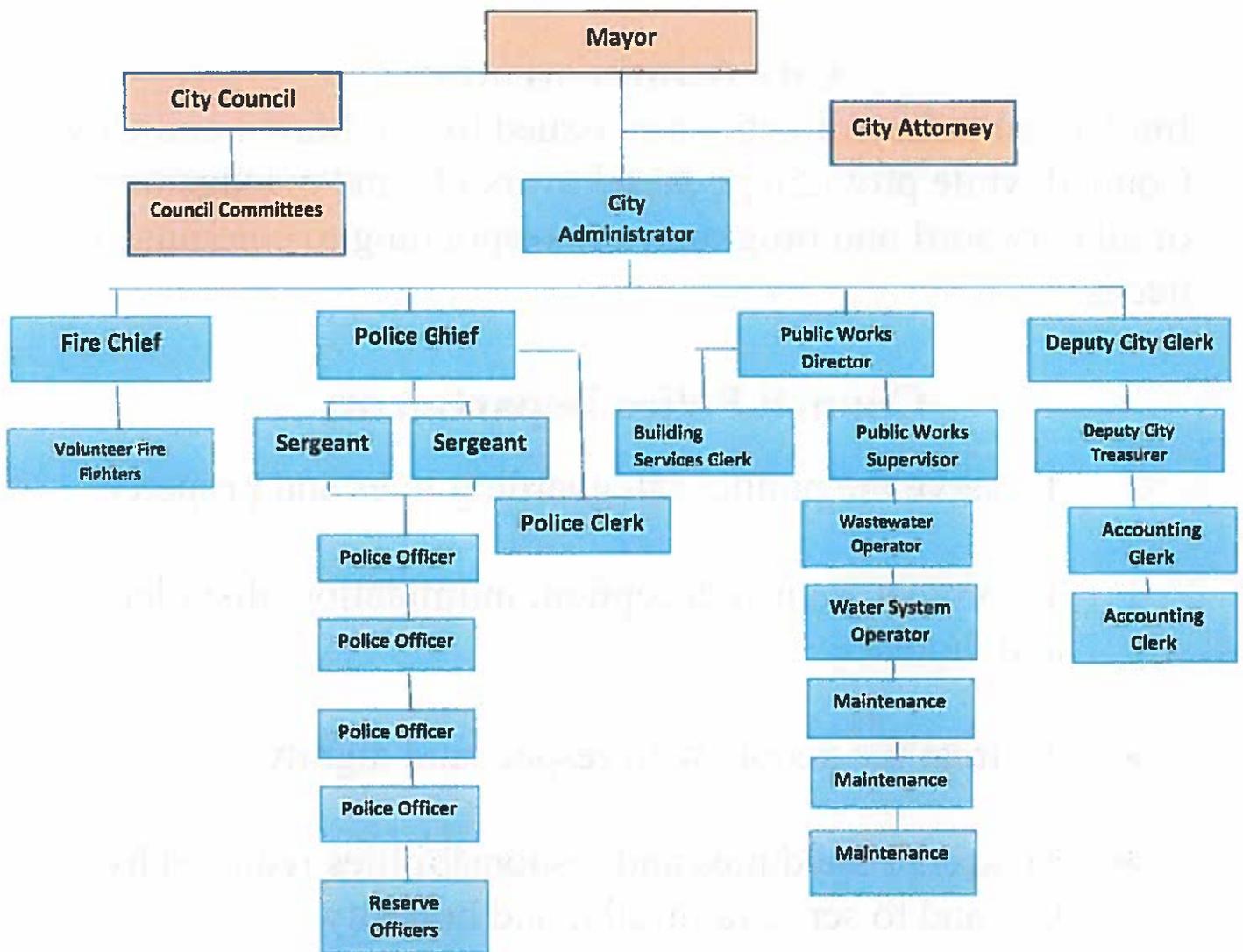
The City celebrated its Centennial in 2010 and unveiled world-class bronze sculptures along the City's main street to mark the occasion. These sculptures along with six forged and painted steel flowers that line the fenced walking path along Highway 395, were developed in coordination with the Washington State Arts Commission in partnership with the Department of Corrections and the City of Connell. The City is also proud of the vibrant murals along Columbia Avenue depicting events in local history.

The primary industrial base is food processing and agricultural industries. Coyote Ridge Corrections Center, with medium and minimum security units, is Connell's largest employer with roughly 700 employees. The North Franklin School District maintains a High School, Alternative School, Junior High, Grade School and Administrative offices in Connell. Both the State and County have transportation facilities in the community. Columbia Basin Health Association opened their doors in 2008 to offer dental services, now they also offer medical and eye care.

Housing construction saw a significant increase in 2016. Fourteen new homes were constructed in 2016 compared to seven in 2015. There is a broad choice of housing styles and prices for residents. The Oasis Village is near complete construction with only a few lots remaining.

The City has abundant water for future growth in residential, commercial and industrial activities. Updated in 2016, the Water System Plan and Sewer System Plan will aid in long-term planning and provision of services. Recent waterline replacement in Campbell and Klindworth residential areas adds benefit. Even with these timely improvements, the City will continue to experience some of the lowest water and sewer charges in the state of Washington.

## 2019 City of Connell Organization



# MISSION STATEMENTS

## **City Administrator;**

Implement policy/directions as issued by the Mayor and City Council while providing general oversight and management of all City staff and programs and responding to community needs.

## **Connell Police Department;**

- To serve the public, safeguarding lives and property.
- To protect against deception, intimidation, disorder and violence.
- To treat the people with respect and dignity.
- To accept the duties and responsibilities required by law and to serve faithfully, and honestly.
- To investigate diligently those crimes and activities which violate the law or ordinance.
- To utilize professional and cost effective implementation of standards and techniques of law enforcement.

## **Public Works Department;**

- Provide the highest quality level of water that meets or exceeds our customer and regulatory standards.
- Provide a street system that supports community objectives.
- Provide a sewer system that supports growth and complexity of community.

## **Connell Clerk/Treasurer Office;**

- Providing exceptional service with Integrity, Efficiency and Professionalism.

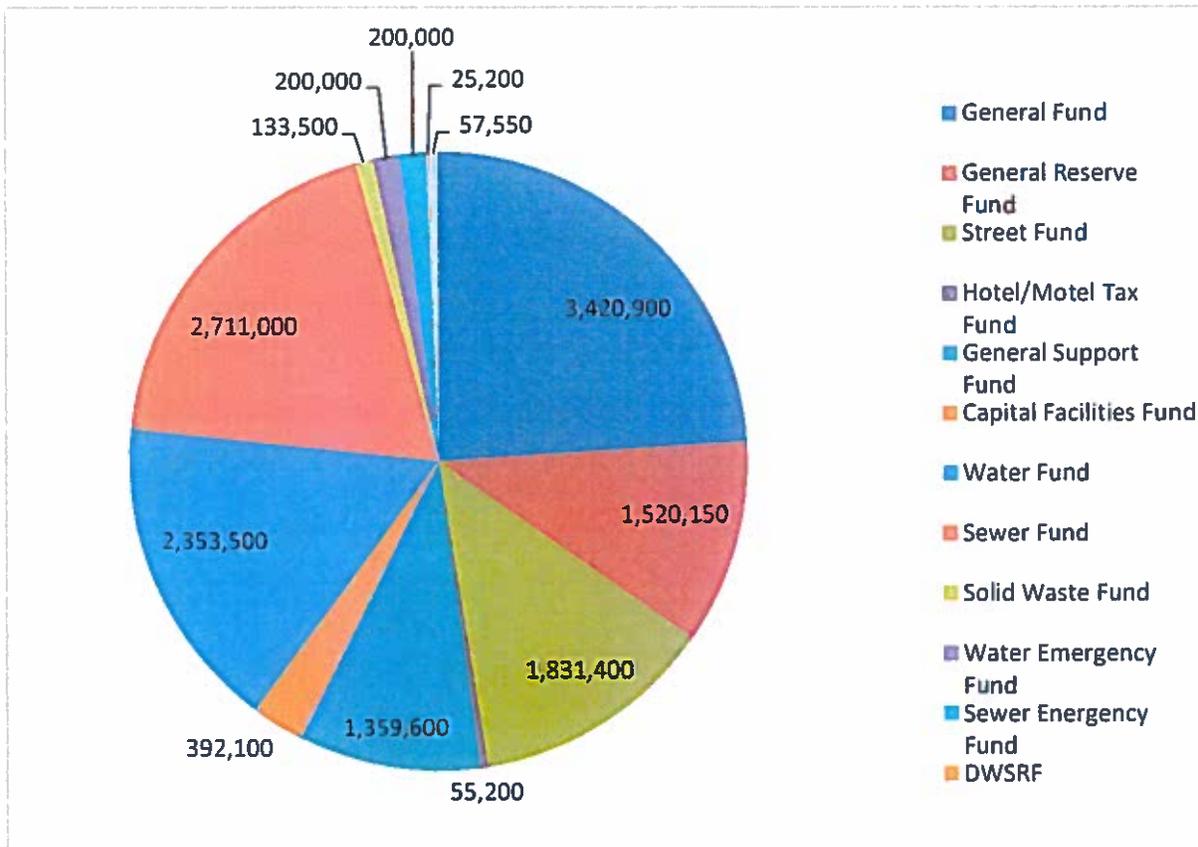
## **Fire Department;**

- Maintain Fire Department resources (Personnel, Equipment, Documentation, and Supplies) in order to provide the City of Connell with a Fire Department that is safe, proactive, effective, properly trained, properly equipped, and integral part of the fire service response team and a resource for our community.

# City of Connell

## 2019 Budget Appropriated

		<b>Revenues</b>	<b>Expenses</b>
001	General Fund	3,420,900	3,420,900
002	General Reserve Fund	1,520,150	1,520,150
101	Street Fund	1,831,400	1,831,400
104	Hotel/Motel Tax Fund	55,200	55,200
111	General Support Fund	1,359,600	1,359,600
300	Capital Facilities Fund	392,100	392,100
401	Water Fund	2,353,500	2,353,500
402	Sewer Fund	2,711,000	2,711,000
403	Solid Waste Fund	133,500	133,500
404	Water Emergency Fund	200,000	200,000
406	Sewer Emergency Fund	200,000	200,000
414	DWSRF	25,200	25,200
633	State Remittance Fund	57,550	57,550
		<b>14,260,100</b>	<b>14,260,100</b>



## A GUIDE TO CITY OF CONNELL BUDGET

The 2019 Budget is an annual budget which includes the financial planning and legal authority to obligate public funds. Additionally, the budget provides for significant policy direction by the City Council to the staff and the community. As a result, the City Council, Staff, and public are involved in establishing the budget for the City of Connell.

### **What is a Budget?**

The annual budget of the City of Connell is a formal statement of the financial policy and plan for the City for the calendar year. The Budget document presents in detail the financial plan of the City, including its various sources of revenues and the allocation of these resources to the various programs.

### **What is Revenue?**

The 300 series of accounts categorizing all resources received through taxes, licenses and permits, intergovernmental sources, charges for goods and services, fines and penalties, miscellaneous and other financing sources (Transfers-in and Debt Proceeds) that a political unit receives into the treasury for public use.

### **What is Expenditures?**

The 500 series of accounts categorizing expenditures decreasing the net of current assets including debt service, capital outlays, and those current operating costs which require the use of current assets. Expenditures occur when the City buys goods and/or services and pays its employees. Operating expenditures are sorted by function, activity and character: General Government, Public Safety, Utilities and Environment, Transportation, Economic Environment, Mental and Physical Health, Cultural and Recreational. Expenditures should be classified according to the function and activity it supports, regardless of the department that incurs it.

### **Accounting Policy**

The City of Connell operates on the Washington State Governmental accounting system called Cash Basis accounting. Under a cash basis accounting system, transactions are recognized only when cash is received or disbursed in/out of a fund.

Cash Basis Accounting formula: Revenues-Expenditures=Cash + Investments.

### **What is a Fund?**

The City is financially organized into separate fiscal and accounting entities. Each fund is a separate division for accounting and budgetary purposes. The fund accounting process allows the City to budget and account for revenues and expenditures.

The City of Connell 2019 Budget includes 13 separate funds. Each fund can be reviewed as a separate account to be used for specific purpose.

**General Fund: 000-099** The General Fund finances most services that the City provides. This includes law enforcement, fire protection, courts, parks and recreation, community development and administrative activities. The General Fund is essentially a "catch-all" fund for accounting for City operations that are not required to be in a separate fund. The General Fund receives all property taxes, except those that are voter approved for the repayment of debt.

**Special Revenue Funds: 100's** Funds set aside for certain revenue sources for specific purposes.

**Debt Service Funds: 200's** Funds used to set aside resources to meet current and future debt service requirements on general long-term debt.

**Capital Project Funds: 300's** This fund is used to account for and report financial resources that are restricted, committed, or assigned to an expenditure for a capital project including the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds). A plan for capital expenditures can be incurred each year over a fixed period of years to meet capital related expenditures.

**Enterprise Funds: 400's** Funds used to account for operations that are financed and operated similar to private business, where the intent of the governing body is cost recovery or where the governing body has decided that periodic determination of net income is appropriate for capital maintenance, public policy, management control and accountability of other purposes.

**Fiduciary Funds: 600's** These funds are used to account for assets held by the City on behalf of outside parties, including other governments, or other funds within the City. For example, the State Remittance Fund.

#### **Summary of the Budget Process**

The City of Connell's budgetary process follows the provision of the Revised Code of Washington (RCW), Chapter 35A.33.

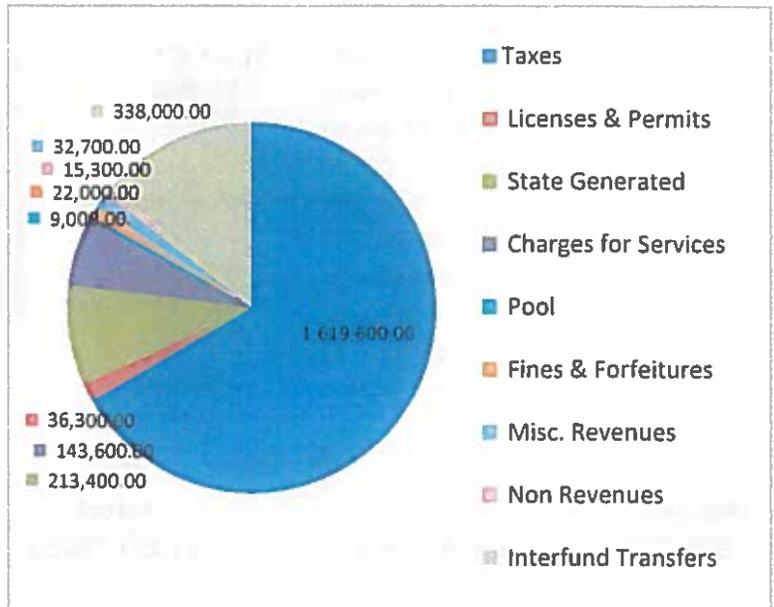
During the summer months, departments begin preparation of their budget requests for the coming year. Throughout this process meetings are held with appropriate staff, including the City Administrator and Clerk/Treasurer to review the budget requests. After compiling the data, the Preliminary Budget document is prepared. This document is then reviewed by the Finance Committee before being presented to the City Council.

The preliminary budget includes the annual operating expenditures and estimated revenues, as well as the current period appropriation of the City's six year Capital Improvement Plan. The City holds several public hearings on the Annual Budget and then the Budget is formally adopted by Council.

# General Fund

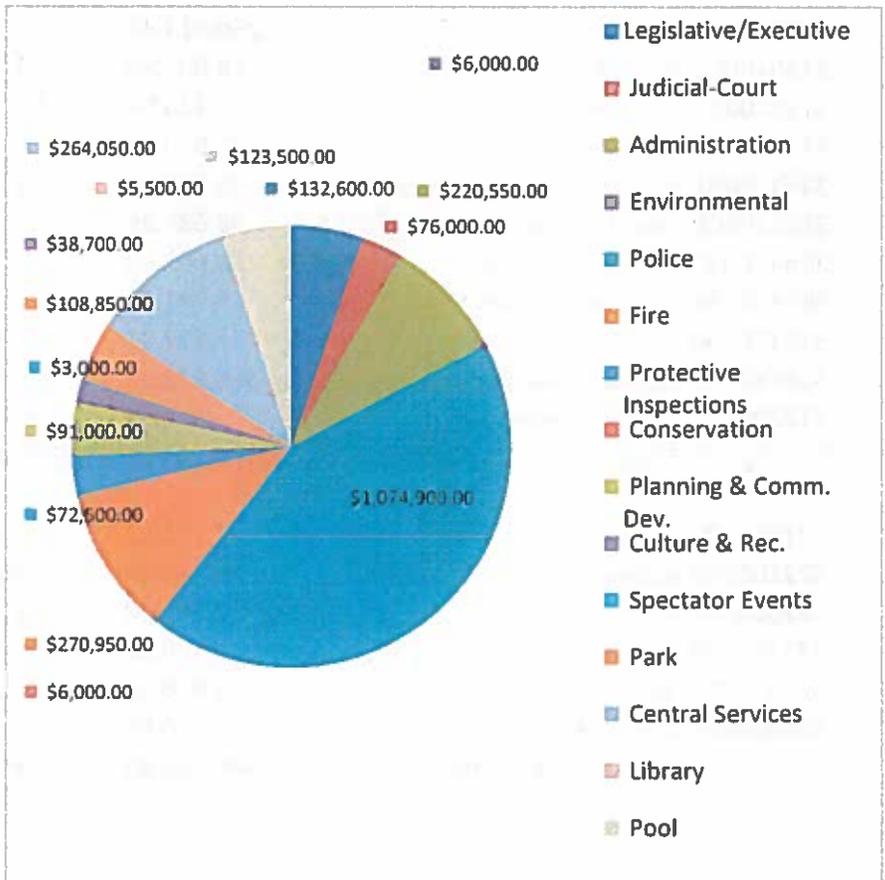
## General Fund Revenues by Departments 2019

Taxes	1,619,600.00
Licenses & Permits	36,300.00
State Generated Revenues	213,400.00
Charges for Services	143,600.00
Pool	9,000.00
Fines & Forfeitures	22,000.00
Misc. Revenues	32,700.00
Non Revenues	15,300.00
Interfund Transfers	338,000.00
<b>Total Revenues without Beginning Fund Balance</b>	<b>\$2,420,900.00</b>



## General Fund Expenditures by Department 2019

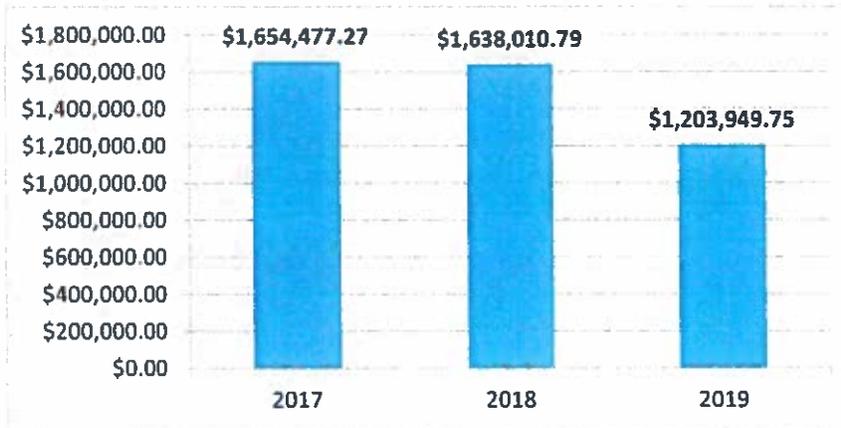
Legislative/Executive	\$132,600.00
Judicial-Court Costs	\$76,000.00
Administration	\$220,550.00
Environmental Service	\$6,000.00
Police Department	\$1,074,900.00
Fire Department	\$270,950.00
Protective Inspections	\$72,500.00
Conservation	\$6,000.00
Community Development	\$91,000.00
Culture & Recreational Activities	\$38,700.00
Spectator Community Events	\$3,000.00
Park Facilities	\$108,850.00
Park & Recreation	\$264,050.00
Library	\$5,500.00
Pool	\$123,500.00
<b>Total Expenditure without Ending Fund balance</b>	<b>\$2,420,900.00</b>



001 General Fund

The General Fund supports Legislative/Executive, Judicial, Administration, Legal Service, Central Services, General Government, Law Enforcement, Fire Control, Protective Inspections, Culture & Recreation, Environmental & Natural Resources, and Planning & Community Development.

**Beginning Fund Balance**



Account	Title	2016 Actual	2017 Actual	2018 Actual	2019 Proposed
308800001	Beginning Balance	\$1,257,750.35	\$1,654,477.27	\$1,638,010.79	\$1,203,949.75
<b>REVENUES</b>		<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Proposed</b>
311110000	General Property Taxes	450,765.97	403,230.27	408,779.58	470,000.00
311110100	Prop. 1 Voted Funds	0.00	58,875.18	66,489.03	65,000.00
313110000	Retail Sales And Use Tax	260,913.47	266,112.30	281,134.85	268,500.00
313610000	Natural Gas 20% State	18,907.78	25,160.81	21,716.03	20,000.00
313710000	Local Criminal Justice Tax	84,316.54	87,739.30	96,483.75	90,000.00
316410000	Water User Fee	128,970.09	130,122.23	135,054.12	130,000.00
316410001	PUD Privilege Franklin County	48,885.88	47,051.69	48,544.63	45,500.00
316420000	Sewer User Fee	48,637.26	50,009.64	52,624.42	50,000.00
316430000	Solid Waste User Fee	20,697.09	24,987.53	28,054.13	25,000.00
316430100	Natural Gas Tax 20% Avista	10,941.83	11,564.42	10,582.32	10,000.00
316470000	Telephone Utility Tax	58,827.35	64,300.29	62,543.94	60,500.00
316480000	PUD Occupational Tax	368,923.92	385,780.50	401,495.49	385,000.00
317200000	Leasehold Excise Tax	348.03	117.47	142.82	100.00
	<b>Taxes</b>	<b>\$1,501,135.21</b>	<b>\$1,555,051.63</b>	<b>\$1,613,645.11</b>	<b>\$1,619,600.00</b>
321990000	Business Licenses	7,745.00	8,905.00	8,732.50	8,000.00
322100000	Building Permits	30,216.44	26,810.65	35,176.84	25,000.00
322300000	Animal Licenses/tags	1,669.00	2,014.50	1,963.00	1,800.00
322400000	Right Of Way Permits	0.00	25.00	0.00	0.00
322900000	Weapons Permits	1,070.00	1,351.00	2,033.00	1,500.00
322900001	Golf Cart Permits	0.00	0.00	300.00	0.00
	<b>Licenses &amp; Permits</b>	<b>\$40,700.44</b>	<b>\$39,106.15</b>	<b>\$48,205.34</b>	<b>\$36,300.00</b>

	2016 Actual	2017 Actual	2018 Actual	2019 Proposed
361110001 Interest Earned On Investments	10,590.40	5,800.91	9,592.83	4,500.00
361400000 Sales Interest	327.93	469.12	840.88	500.00
362000000 Pharmacy Bldg Lease	2.00	0.00	0.00	0.00
362000001 Community Center Rental	16,830.00	13,445.00	23,160.00	16,000.00
362000004 Lease of Tower For Wireless-Telco	200.00	1,300.00	1,100.00	1,200.00
367000100 Pioneer Park Baseball Donations	0.00	0.00	17,582.35	0.00
367110002 P & R Sponsorship	0.00	0.00	0.00	0.00
367110100 Contributions/Donations	1,383.50	1,420.00	0.00	0.00
369100001 Sale of Scrap and Junk	3,982.49	4,200.00	0.00	0.00
369300000 Confiscated and Forfeited Property	4,725.00	0.00	0.00	0.00
369400000 Judgments And Settlements	0.00	0.00	3,500.00	0.00
369810000 Revenue Overage/shortage	101.59	-318.75	-11.77	0.00
369910000 Other Miscellaneous Revenue	17,085.34	12,977.70	18,288.16	10,500.00
<b>Misc Revenues</b>	<b>\$55,228.25</b>	<b>\$39,293.98</b>	<b>\$74,052.45</b>	<b>\$32,700.00</b>
386300000 Firemen/Reserve Memb. Dues	0.00	0.00	0.00	0.00
389100001 Refundable Deposits-CC	18,790.00	10,213.01	15,622.61	15,000.00
389300001 Agency Remittance-Non Revenue	8,588.95	180.00	0.00	300.00
389400000 Per Diem Federal Fire Pass through	0.00	0.00	613.25	0.00
<b>Non Revenues</b>	<b>\$27,378.95</b>	<b>\$10,393.01</b>	<b>\$16,235.86</b>	<b>\$15,300.00</b>
395100000 Sale of Capital Assets(land & Building	63,487.20	0.00	0.00	0.00
395200000 Compensation For Loss/Impair	0.00	0.00	0.00	0.00
<b>Other Revenues</b>	<b>\$63,487.20</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
397180000 Transfer for General Gov.	10,000.00	0.00	0.00	0.00
397180001 Transfer to 002 Econic Develop/Hardgun	0.00	348,000.00	0.00	0.00
397130000 Transfer for City Admin Capital	0.00	0.00	0.00	30,000.00
397180002 Transter for Special Council Project	0.00	0.00	0.00	10,000.00
397210002 Transfer Reserve to PS CJ	60,544.36	137,235.00	61,771.97	118,000.00
397210003 Transfer to Police Capital	0.00	0.00	0.00	12,000.00
397220001 For Fire Capital	0.00	0.00	0.00	12,000.00
397226400 From Fire Reserve	0.00	0.00	0.00	0.00
397570000 Transfer for Economic Development	0.00	0.00	0.00	35,000.00
397500000 Community Center Capital	4,202.71	0.00	22,121.58	20,000.00
397756098 From Pool Reserve	0.00	0.00	0.00	8,000.00
397766000 Transfer From Park & Rec Reserve	0.00	0.00	0.00	93,000.00
<b>Interfund Transfers</b>	<b>\$74,747.07</b>	<b>\$485,235.00</b>	<b>\$83,893.55</b>	<b>\$338,000.00</b>
<b>Revenues With Beginning Fund Balances</b>	<b>\$3,517,821.70</b>	<b>\$4,183,085.47</b>	<b>\$3,917,858.68</b>	<b>\$3,420,900.00</b>

	2016 Actual	2017 Actual	2018 Actual	2019 Proposed
514201000 Financial - Salaries	55,491.15	30,099.68	4,974.07	18,400.00
514201001 Financial - Overtime	0.00	0.00	0.00	500.00
514201002 Buyout Earnings	0.00	0.00	0.00	1,000.00
514202000 Financial - Benefits	33,467.71	19,204.77	3,469.23	10,900.00
514202001 Financ OT Taxes/Benefits	0.00	0.00	0.00	500.00
514202005 Personnel Benefits-Uniforms	0.00	164.08	453.39	100.00
514203100 Office & Operating Supplies	4,359.98	4,558.46	4,632.48	4,000.00
514203200 Financial & Records -fuel	0.00	127.96	0.00	0.00
514203500 Machinery & Equipment	0.00	0.00	32.40	500.00
514204200 Telephone	2,415.16	1,568.89	1,571.40	2,000.00
514204201 Metered Envelopes & Postage	1,494.19	1,778.83	1,944.59	2,500.00
514204300 Travel	1,407.17	2,897.26	2,319.32	2,000.00
514204500 Equipment Lease/rental	6,763.34	7,291.49	7,363.65	7,600.00
514204700 Public Utility Services	10,272.06	11,286.72	11,397.73	12,000.00
514204900 Miscellaneous	595.35	429.14	331.32	1,000.00
514204901 Dues,mbrshps & Subscriptions	954.59	1,403.40	827.40	1,000.00
514204902 Training	1,825.00	4,911.74	4,079.00	4,000.00
514234100 Misc. Services	162.86	117.00	112.08	300.00
514234101 Auditor Services	10,325.62	2,654.41	0.00	10,000.00
514301000 Records Services - Salaries	22,917.97	38,066.64	41,412.77	59,900.00
514301001 Record Services - Overtime	0.00	23.05	52.38	300.00
514302000 Records Services - Benefits	14,922.23	24,297.14	27,599.60	43,150.00
514302001 Record Services OT Taxes/ Ben	0.00	4.57	10.66	300.00
514304901 Codification	882.81	1,392.47	1,393.49	2,000.00
514905100 Voter Registration	4,464.10	8,438.75	0.00	4,500.00
<b>Administration</b>	<b>\$172,721.29</b>	<b>\$160,716.45</b>	<b>\$113,976.96</b>	<b>\$188,450.00</b>
517664900 Nat'l Home Bldg Assoc/I&i Pool	988.81	1013.55	1152.86	1500.00
517902010 Employee Benefits Misc Issues	0.00	0.00	0.00	100.00
517903100 Employee Wellness Program	98.93	437.93	192.20	500.00
<b>Other Admin</b>	<b>\$1,087.74</b>	<b>\$1,451.48</b>	<b>\$1,345.06</b>	<b>\$2,100.00</b>
594137000 City Administrator Vehicle Purchase	0.00	0.00	0.00	30000.00
594138000 City Administrator Vehicle Lease Interest	0.00	0.00	0.00	0.00
<b>Capital Expenditures</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$30,000.00</b>
521101000 Police Dept: Salaries	373,224.80	439,648.58	413,735.43	471,800.00
521101001 Police Dept: Overtime	18,582.19	12,662.66	22,419.14	15,000.00
521101002 Buyout Earnings	0.00	0.00	0.00	3,000.00
521101003 Police Clerk Salaries	9,041.52	20,337.57	36,116.80	43,200.00
521101004 Police Clerk Overtime	0.00	0.00	0.00	1,000.00
521102000 Police Dept: Benefit	160,877.40	181,387.69	174,805.08	226,500.00
521102001 Police OT Taxes And Benefits	2,595.74	2,159.92	3,554.59	3,000.00
521102002 Police Resrv Pension/Disability	1,690.00	3,295.00	3,959.00	3,800.00
521102003 Police Clerk Benefits	6,272.61	5,285.13	7,706.17	10,800.00
521102004 Police Clerks Benefits OT	0.00	0.00	0.00	500.00
521103100 Office And Operating Supplies	1,182.79	2,299.09	2,794.73	3,000.00

	2016 Actual	2017 Actual	2018 Actual	2019 Proposed
554301000 Animal Control Salaries	0.00	0.00	0.00	0.00
554301001 Animal Control Overtime	0.00	0.00	0.00	0.00
554302000 Animal Control Benefits	811.78	0.00	0.00	0.00
554302001 Animal Control Overtime Benefits	15.11	0.00	0.00	0.00
554303100 Animal Control Supplies	504.29	424.15	556.59	1,000.00
554304100 Animal Control Services	1,425.00	4,246.42	4,400.00	5,000.00
<b>Environmental Services</b>	<b>\$2,756.18</b>	<b>\$4,670.57</b>	<b>\$4,956.59</b>	<b>\$6,000.00</b>
591217500 Police Capital Leases-Principal	0.00	0.00	3,615.00	3,615.00
<b>Debt Service</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$3,615.00</b>	<b>\$3,615.00</b>
592216400 Police Car Lease-Interest	0.00	0.00	3610.07	1900.00
594216000 Police Equip/Homeland Sec. Grant	303.76	0.00	0.00	0.00
594216400 Machinery & Equipment	17,603.33	32,817.77	29,207.70	0.00
594216401 Police Machinery/Equipment	0.00	0.00	0.00	12,000.00
594216002 Police Equip/City match	101.25	0.00	0.00	0.00
594216403 Police Capital-Machinery & Equipmer	40,000.00	29,919.79	6,469.02	0.00
594217000 PS Criminal - Vehicle		0.00	0.00	31,000.00
594218300 Police Capital Leases - Interest	0.00	0.00	0.00	0.00
<b>Capital Expenditures</b>	<b>\$58,008.34</b>	<b>\$62,737.56</b>	<b>\$39,286.79</b>	<b>\$44,900.00</b>
522101000 Fire Dept: Fire Chief Salary	74,796.77	61,017.20	69,427.08	86,800.00
522101001 Fire Chief Overtime Federal	6,245.71	-9,261.51	0.00	0.00
522101002 Fire Chief Buyout	0.00	0.00	0.00	12,200.00
522102000 Fire Dept. Fire Chief Benefits	23,330.12	24,345.09	21,751.53	45,850.00
522102001 Fire Dept -Fed. Fire Chief Benefits	1,050.95	5,084.19	180.68	0.00
522102002 Fire Dept. Pension/Disability	2,190.00	4,314.30	-450.00	2,500.00
522103100 Fire Dept: Office/oper Supply	1,319.40	2,276.51	1,899.00	1,500.00
522103500 Fire Dept: Small Tools/Equip	5,398.87	3,660.62	2,052.67	5,000.00
522104000 Fire Dept: Dispatch Fees	0.00	0.00	0.00	2,000.00
522104200 Fire Dept: Communications	2,355.67	1,862.09	4,320.53	2,500.00
522104300 Fire Dept - Travel	7.61	968.76	72.19	1,000.00
522104301 Fire Federal Reimbursement	0.00	402.74	0.00	0.00
522104700 Fire Dept: Public Utility Srv	3,582.87	4,173.52	3,463.05	4,500.00
522104900 Fire Dept: Dues/Subscriptions	1,563.59	2,728.04	2,061.44	2,000.00
522201000 Fire Dept: Salaries	18,555.00	8,754.54	19,192.50	15,800.00
522202000 Fire Dept - Benefits	2,779.82	4,490.96	4,189.70	4,000.00
522202001 Fire Overtime Benefits	0.00	0.00	0.00	0.00
522204700 Fire Suppression	31,460.00	31,531.70	29,040.00	29,000.00
522204900 Professional Services	449.77	1,430.51	1,957.47	1,500.00
522304100 Fire Dept: Fire Inspect	0.00	434.74	20.00	500.00
522453100 Fire Dept - Training Supplies	250.00	315.39	1,255.79	2,400.00

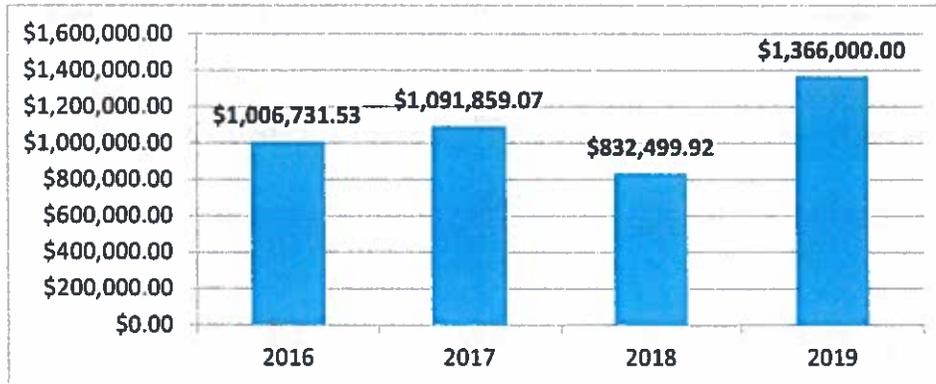
	2016 Actual	2017 Actual	2018 Actual	2019 Proposed
597580001 Transfer to RR Interchange Match	\$0.00	\$0.00	\$0.00	\$0.00
571101000 Recreation Admn: Salaries	2,047.50	0.00	0.00	0.00
571102000 Recreation Admn - Benefits	246.93	0.00	0.00	0.00
571103100 Recreation Admin: Overhead	0.00	0.00	0.00	0.00
571104100 Advertising	0.00	0.00	0.00	0.00
571104200 Recreation-Communications	258.14	0.00	0.00	0.00
571104300 Participant Recreation - Travel	0.00	0.00	0.00	0.00
571104400 Participant Recreation Excise Taxes	0.00	0.00	0.00	0.00
571104900 Participant Recreation - Dues/Reg.	0.00	0.00	0.00	0.00
571104901 Recreation Services	2,556.00	250.00	50.00	500.00
571204100 Recreation-Professional Services	0.00	0.00	0.00	0.00
571303100 Swim Team Supplies	0.00	0.00	0.00	0.00
571304900 Swim Team Professional Service	0.00	0.00	0.00	0.00
<b>Culture &amp; Recreational Activites</b>	<b>\$5,108.57</b>	<b>\$250.00</b>	<b>\$50.00</b>	<b>\$500.00</b>
597580001 Transter to RR Interchange Match	\$0.00	\$0.00	\$0.00	\$0.00
573903100 Spectator And Community Events - S	0.00	2,500.00	2,500.00	2,500.00
573903101 Community Events - Cinema	0.00	0.00	0.00	0.00
573904900 Community Events - Misc.	684.35	0.00	348.00	500.00
<b>Spectator &amp; Community Events</b>	<b>\$684.35</b>	<b>\$2,500.00</b>	<b>\$2,848.00</b>	<b>\$3,000.00</b>
575304100 Museum:Professional Services	664.35	1,875.00	0.00	0.00
575304200 Museum: Communications	119.40	0.00	0.00	0.00
575304700 Museum: Utilities	2,293.65	0.00	0.00	0.00
575503100 Center: Janitorial Supplies	3,418.12	2,622.97	4,171.56	4,000.00
575503500 Center:Small Tool/Minor Equip	1,731.77	39.01	5,853.22	1,200.00
575504100 Center: Professional Services	4,763.75	8,721.18	5,304.34	6,000.00
575504200 Center: Communications	388.14	481.42	1,241.75	500.00
575504600 Center: Insurance	10,650.70	9,699.02	10,124.05	11,000.00
575504700 Center: Utilities	14,989.37	16,114.35	16,140.09	16,000.00
<b>Cultural &amp; Recreational Facility</b>	<b>\$39,019.25</b>	<b>\$39,552.95</b>	<b>\$42,835.01</b>	<b>\$38,700.00</b>
576201000 Swimming Pool: Salaries	3,018.25	15,590.94	27,432.08	32,000.00
576202000 Swimming Pool - Benefits	571.33	2,567.66	4,109.50	3,400.00
576203100 Swim Pool: Office/oper. Supp.	471.08	2,213.26	1,857.40	2,000.00
576203101 Swim Pool: Chemicals	1,645.65	5,576.36	6,178.81	7,000.00
576203102 Swimming Pool - Maint. Supplies	350.99	1,143.04	2,301.29	4,600.00
576203500 Swim Pool: Sm Tools & Equip.	257.93	16,119.20	4,200.30	5,000.00
576203501 Swim Pool: Activity Equip Rplc	0.00	0.00	0.00	1,000.00
576204001 Pool Evaluation	0.00	0.00	0.00	50,000.00
576204100 Pool - Professional Services	493.00	609.20	1,327.00	1,500.00
576204101 Swim Pool: Advertising	0.00	34.40	0.00	300.00

	2016 Actual	2017 Actual	2018 Actual	2019 Proposed
518804101 Network/Website Maintenance	20,054.42	20,330.00	17,500.00	18,000.00
518804102 Equipment Repair	1,659.06	230.10	0.00	1,000.00
518804103 GIS/Annual Maint. Cost	0.00	4,210.00	0.00	2,000.00
518804200 Communications-Interconnect	0.00	0.00	123.08	1,000.00
518904000 Central Services-Other	3,437.70	1,287.82	531.74	1,000.00
518904700 Central Services - Utility Services	1,233.24	901.58	985.35	1,400.00
518904901 Risk Mgmt - Claims Processing	250.00	0.00	494.80	1,000.00
<b>Central Services</b>	<b>\$145,548.62</b>	<b>\$145,609.83</b>	<b>\$99,701.56</b>	<b>\$145,350.00</b>
557304101 CC/TriCities Visitor Guide	\$0.00	0	0.00	0.00
<b>Community Services</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
566105000 Alcoholism: Intergov Service	1,436.41	\$1,429.43	\$1,388.99	\$1,500.00
<b>Substance Abuse</b>	<b>\$1,436.41</b>	<b>\$1,429.43</b>	<b>\$1,388.99</b>	<b>\$1,500.00</b>
589100001 Misc: Non-Expen / Refunds	16,949.65	10,423.14	15,422.61	15,000.00
589300001 Agency Collections/Non Revenue	0.00	229.87	0.00	0.00
<b>Non Expenditures</b>	<b>\$16,949.65</b>	<b>\$10,653.01</b>	<b>\$15,422.61</b>	<b>\$15,000.00</b>
591347500 Water Rights Purchase	28,779.34	600,363.19	0.00	0.00
<b>Debt Service</b>	<b>\$28,779.34</b>	<b>\$600,363.19</b>	<b>\$0.00</b>	<b>\$0.00</b>
592348001 Water Rights Interest	30,250.55	24,672.46	0.00	0.00
592188002 Water Rights Escrow Fees	97.83	161.71	0.00	0.00
<b>Debt Interest &amp; Fees</b>	<b>\$30,348.38</b>	<b>\$24,834.17</b>	<b>\$0.00</b>	<b>\$0.00</b>
594186400 Computer Equipment	0.00	0.00	0.00	0.00
594186401 New Phone System	11,492.51	0.00	0.00	0.00
<b>Capital Expenditures</b>	<b>\$11,492.51</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
597180010 Transfer out-Comm. Development			100000.00	0
597186006 Transfer out-Economic Development			348000.00	0
597190010 Transfer out- Civic Facility			130000.00	133,500.00
597210010 Transfer out-Law Enforcement			10000.00	10,000.00
597420000 Transfer To Street Fund	0.00	0.00	0.00	0.00
<b>Interfund Transfers</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$588,000.00</b>	<b>\$143,500.00</b>
572503100 Library:Supplies	452.54	489.09	340.40	500.00
572504100 Library: Maintenance/repairs	585.56	1,005.31	524.38	1,000.00
572504700 Library: Utilities	3,241.61	3,433.53	3,072.35	4,000.00
<b>Libraries</b>	<b>\$4,279.71</b>	<b>\$4,927.93</b>	<b>\$3,937.13</b>	<b>\$5,500.00</b>
<b>Expenditures without Ending Fund Balance</b>	<b>\$1,863,344.43</b>	<b>\$2,544,074.68</b>	<b>\$2,713,908.93</b>	<b>\$2,420,900.00</b>

002 General Reserve

General Reserve Fund was established in 2010, into which shall be paid monies as the City now holds or may hereafter receive or set aside and retain for general fund activities and other activities deemed appropriate by the City Council and consistent with the State of Washington. The Clerk/Treasurer shall maintain separate accounts within the fund.

**Beginning Fund Balance**



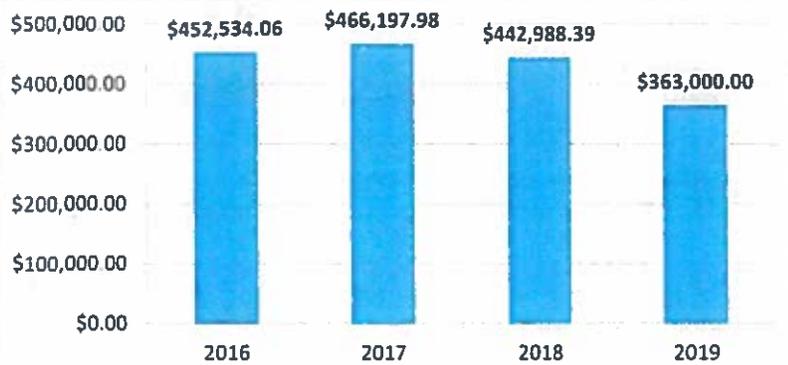
Account	Title	2016 Actual	2017 Actual	2018 Actual	2019 Proposed
308800002	Beginning Balances	\$1,006,731.53	\$1,091,859.07	\$832,499.92	\$1,366,000.00
<b>Revenues</b>					
		2016 Actual	2017 Actual	2018 Actual	2019 Proposed
397190010	Civic Facility	0.00	0.00	130000.00	0.00
361111000	Interest On Investment	918.84	581.19	2232.02	700.00
	<b>Civic Facility Reserve</b>	<b>\$918.84</b>	<b>\$581.19</b>	<b>\$132,232.02</b>	<b>\$700.00</b>
397180010	Community Development	0	0	100,000.00	0
361111100	Interest On Investment	279.86	220.74	1,330.03	250.00
395102000	Sales of Capital Assets	0.00	3,913.20	0.00	0.00
	<b>Community Development Reserve</b>	<b>\$279.86</b>	<b>\$4,133.94</b>	<b>\$101,330.03</b>	<b>\$250.00</b>
361111200	Interest On Investment	3,303.57	1,487.70	4,698.25	2,500.00
397580010	Economic Development	0.00	0.00	348,000.00	
395103000	Sale of Capital Assets	0.00	54,712.50	0.00	0.00
	<b>Misc Revenues</b>	<b>\$3,303.57</b>	<b>\$56,200.20</b>	<b>\$352,698.25</b>	<b>\$2,500.00</b>
336062100	CJ - Population	1,488.71	1,516.81	1,580.34	1,300.00
	<b>State Generated Revenues</b>	<b>\$1,488.71</b>	<b>\$1,516.81</b>	<b>\$1,580.34</b>	<b>\$1,300.00</b>
361111300	Interest On Investment	109.63	81.29	261.57	100.00
	<b>Misc Revenues</b>	<b>\$109.63</b>	<b>\$81.29</b>	<b>\$261.57</b>	<b>\$100.00</b>
397210010	Law Enforcement	109.63	81.29	10,000.00	0.00
	<b>Interfund Transfers</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$10,000.00</b>	<b>\$0.00</b>

597210002	Transfer to General for PS Criminal Justice	60,544.36	137,235.00	61,771.97	118,000.00
	<b>Public Safety Criminal Justice</b>	<b>\$60,544.36</b>	<b>\$137,235.00</b>	<b>\$61,771.97</b>	<b>\$118,000.00</b>
597226400	Transfer to General for Fire Equip.	0.00	0.00	0.00	0.00
	<b>Fire Protection RSRV</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
597766000	Transfer to General Park & Rec.	0.00	0.00	0.00	93,000.00
	<b>Park &amp; Recreation RSRV</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$93,000.00</b>
597756098	Transfer for Pool Improvements	0.00	0.00	0.00	8,000.00
	<b>Pool Reserve</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$8,000.00</b>
	<b>Total Expenditures w/o Ending Fund Balances</b>	<b>\$74,747.07</b>	<b>\$485,235.00</b>	<b>\$83,893.55</b>	<b>\$338,000.00</b>

101 Street Fund

The Street Department's day to day activities include: patching, striping, sweeping, seal coating, signage and sidewalk maintenance. Preservation and beautification of our City is also performed by our street department with the help of the Coyote Ridge Correctional work crew.

Beginning Fund Balance



Account	Title	2016 Actual	2017 Actual	2018 Actual	2019 Proposed
308800101	Beginning Balance	\$452,534.06	\$466,197.98	\$442,988.39	\$363,000.00

REVENUES	2016 Actual	2017 Actual	2018 Actual	2019 Proposed
313610001 Natural Gas 45% State	42,542.52	56,611.90	48,861.23	47,000.00
316430400 Natural Gas 45% Avista	24,619.13	26,019.95	23,810.24	24,000.00
336007101 Multimodal Transport City	5,530.59	5,640.41	7,669.01	6,000.00
336008700 Motor Vehicle Fuel Tax	116,679.30	116,190.49	119,317.65	115,000.00
344100000 Street Maintenance & Repair Charges	601.58	366.18	885.00	0.00
369100002 Sale of Scrap and Junk	92.00	3,712.30	503.50	0.00
369900101 Other Miscellaneous Revenue	0.00	108.08	0.00	0.00
397420101 Transfer From General Fund	0.00	0.00	0.00	0.00
<b>Street Operating w/o beginning fund bal.</b>	<b>\$190,065.12</b>	<b>\$208,649.31</b>	<b>\$201,046.63</b>	<b>\$192,000.00</b>

Street Improvement Reserve				
	2016 Actual	2017 Actual	2018 Actual	2019 Proposed
313210000 Public Transportation Tax	0.00	0.00	43,396.50	50,000.00
313610101 Natural Gas 15% State	14,180.83	18,870.64	16,287.10	16,000.00
313430300 Natural Gas 15% Avista	8,206.38	8,673.31	7,936.76	8,000.00
<b>Taxes</b>	<b>\$22,387.21</b>	<b>\$27,543.95</b>	<b>\$67,620.36</b>	<b>\$74,000.00</b>

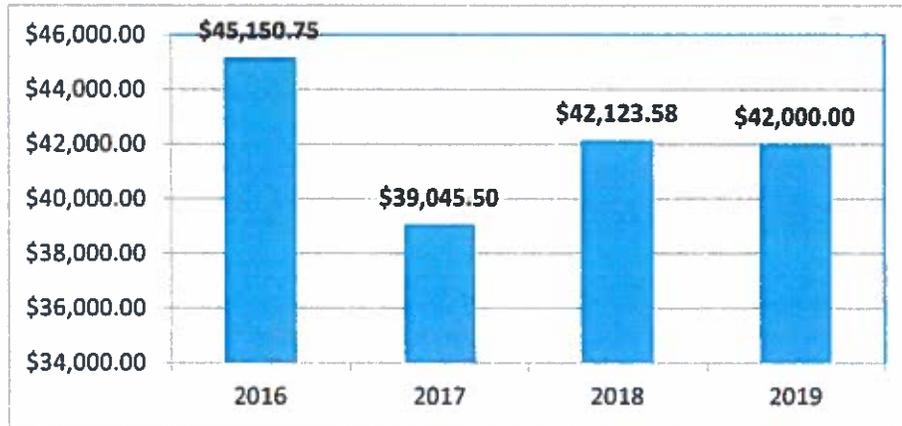
333200000 Columbia Ave Chip Seal WSDOT	0.00	0.00	184,508.00	0.00
333202005 Federal Indirect-WSDOT-BFCG	0.00	0.00	0.00	0.00
333970000 Federal Indirect-homeland Norheim	0.00	19835.73	153,117.98	176,400.00
334018005 Nordheim WA State - Fed Indirect	0.00	0.00	22,824.84	0.00
334038000 TIB Grant-E Birch Street	0.00	0.00	0.00	774,000.00
334038001 TIB-S. Columbia Sidewalk Grant	0.00	0.00	0.00	138,000.00
334023000 Arbor Day Grant	0.00	234.13	0.00	0.00
334038002 TIB-Chip Seal Project	0.00	0.00	0.00	0.00
334038003 TIB-LED Street Lights Grant	0.00	77,606.00	0.00	0.00
334038004 TIB-Street Work Grant-State	0.00	49,357.00	0.00	0.00
334038005 TIB-Columbia Chip Seal For BFCG	0.00	0.00	28,796.00	111,500.00
<b>State Generated Revenues</b>	<b>\$0.00</b>	<b>\$147,032.86</b>	<b>\$389,246.82</b>	<b>\$1,199,900.00</b>

	2016 Actual	2017 Actual	2018 Actual	2019 Proposed
543101000 Street: Superintendent Wages	14,058.00	14,198.88	14,723.04	6,450.00
543102000 Street: Superintendent Benefits	6,440.94	6,677.78	6,887.33	5,750.00
543104100 Audit	0.00	0.00	0.00	5,000.00
543104200 Communication	575.82	0.00	0.00	0.00
543303100 Street: Misc. Supplies	7,045.58	9,234.85	10,028.91	5,500.00
543303500 Street: Small Tools & Equip.	1,699.34	0.00	88.71	1,500.00
543304100 Street: Professional Services	995.59	735.01	1,213.50	1,000.00
543304200 Street: Communications	2,535.46	1,993.67	2,977.41	3,200.00
543304600 Street: Insurance	7,670.25	7,569.01	8,005.45	9,000.00
543304700 Street: Utilities	2,638.54	3,200.95	3,014.74	3,500.00
543304701 Street Department Sanitation	337.55	501.05	353.87	500.00
543501000 Equipment/bldg Maint Wages	4,730.70	3,361.74	2,757.12	0.00
543501001 Equip/bldg Maint - Overtime	45.69	68.51	58.77	500.00
543502000 Equipment/bldg Maint Benefits	2,871.09	2,220.04	1,339.65	0.00
543502001 Equip OT Taxes & Benefits	10.60	17.58	14.02	100.00
543503100 Street: Parts & Supplies	5,765.12	6,133.40	6,554.82	7,500.00
543503200 Street: Fuel Consumed	4,988.73	5,622.08	6,561.11	6,500.00
543504100 Street: Professional Services	1,562.44	2,201.14	812.93	1,000.00
543504300 Street Travel For Training	211.58	340.33	318.06	500.00
543504800 Street: Equipment Maintenance	7,670.40	1,173.57	1,049.55	6,000.00
543504801 Street: Auto Parts & Repairs	0.00	0.00	0.00	0.00
543504900 Street Training	465.67	178.35	165.01	500.00
<b>Street Admin &amp; Overhead</b>	<b>\$72,319.09</b>	<b>\$65,427.94</b>	<b>\$66,924.00</b>	<b>\$64,000.00</b>
589300020 Other Non-expenditures -LED TIB	\$0.00	19,200.00	0.00	0.00
594427500 Capital Leases Principal	0.00	0.00	0.00	0.00
594426400 Machinery & Equipment	18,783.76	45,679.69	0.00	33,000.00
594427000 Vehicle Lease Principal	0.00	0.00	0.00	15,000.00
594428000 Vehicle Leases Interest	0.00	0.00	0.00	0.00
595306000 Connell Park Estates Alley	0.00	0.00	9,471.02	0.00
595306105 East Davis TIB	0.00	0.00	1,620.00	0.00
595306106 East Davis City Match	0.00	0.00	180.00	0.00
595306304 TIB-Street work grant-State	0.00	49,357.00	0.00	0.00
595306306 Date Sidewalk City	0.00	0.00	0.00	0.00
<b>Capital Expenditures</b>	<b>\$18,783.76</b>	<b>\$95,036.69</b>	<b>\$11,271.02</b>	<b>\$48,000.00</b>
595306105 East Davis TIB	0.00	0.00	0.00	111,500.00
595306106 East Davis City Match	0.00	0.00	0.00	18,000.00
595306110 FEMA-Nordheim	0.00	0.00	151,512.56	0.00
595306111 Nordheim WA State	0.00	0.00	25,252.10	0.00
595306112 Nordheim City Match	0.00	0.00	26,122.08	0.00
595306200 East Birch TIB	0.00	0.00	9,020.25	774,000.00
595306201 East Birch City Match	0.00	0.00	1,002.25	86,000.00
595306300 Crack/Chip seal Maintenance	9,773.00	31,082.00	0.00	30,000.00
595306343 TIB-Chip Seal Project-Grant	0.00	0.00	0.00	0.00
595616301 TIB-Chip Seal Project-City match	0.00	0.00	0.00	0.00
595306301 Columbia Ave Chip Seal WSDOT	5,496.73	4,187.50	184,508.00	0.00
595306303 Columbia Ave Chip Seal City Match	0.00	0.00	60,803.07	0.00
595306341 TIB-East T Birch City	0.00	0.00	0.00	0.00
595306342 TIB-East T Birch Grant	0.00	0.00	0.00	0.00

**104 Hotel/Motel Tax Fund**

The Hotel/Motel Fund accounts for the receipt and expenditures of a special excise tax of two percent on the sale or charge made for the furnishing and lodging under the Revised Code of Washington 67.28.180. These funds will be used solely for the purpose of paying all or any part of the cost of tourist promotion, acquisition or operation of tourism-related facilities, and marketing of special events and festivals designed to attract tourists.

**Beginning Fund Balance**

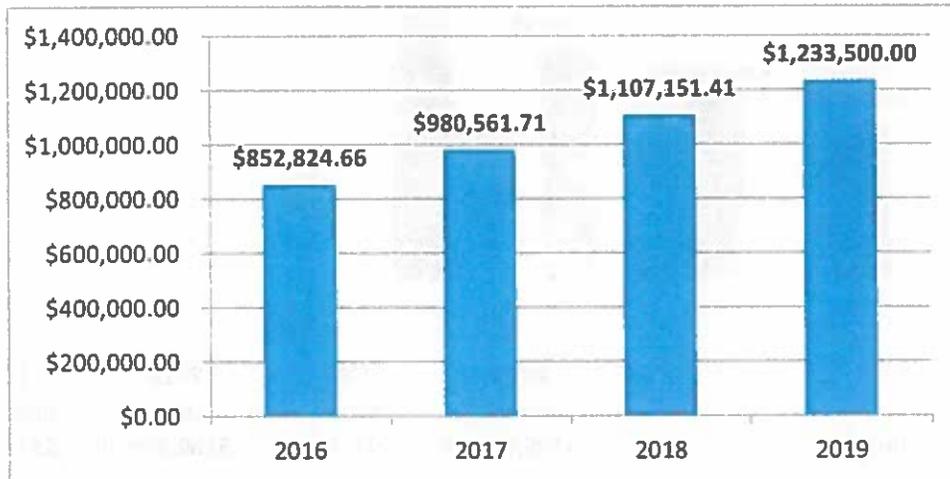


Account	Title	2016 Actual	2017 Actual	2018 Actual	2019 Proposed
308800104	Beginning Fund Balances	\$45,150.75	\$39,045.50	\$42,123.58	\$42,000.00
<b>REVENUES</b>					
		2016 Actual	2017 Actual	2018 Actual	2019 Proposed
313310000	State Shared Tax Revenues	12,743.02	15,861.84	15,889.06	13,000.00
361110104	Interest Earned On Investment	309.36	220.93	439.81	200.00
<b>Total Revenues without beginning Fund Balance</b>		<b>\$13,052.38</b>	<b>\$16,082.77</b>	<b>\$16,328.87</b>	<b>\$13,200.00</b>
<b>EXPENDITURES</b>					
		2016 Actual	2017 Actual	2018 Actual	2019 Proposed
557304100	Hotel/Motel Committee Allocations	11,950.18	10,896.64	12,744.48	12,000.00
594576400	Machinery & Equipment	7,207.45	2,108.05	0.00	0.00
<b>Expenditures without Ending Fund Balance</b>		<b>\$19,157.63</b>	<b>\$13,004.69</b>	<b>\$12,744.48</b>	<b>\$12,000.00</b>

111 General Support Fund

The General Support fund is used for segregation, budgeting, expenditures and accounting for monies received from various activities of the general fund, and to create a tool for the express purpose of establishing current and future revenue support for general fund activities and other activities deemed appropriate by the City Council and consistent with laws of the State of Washington.

**Beginning Fund Balance**

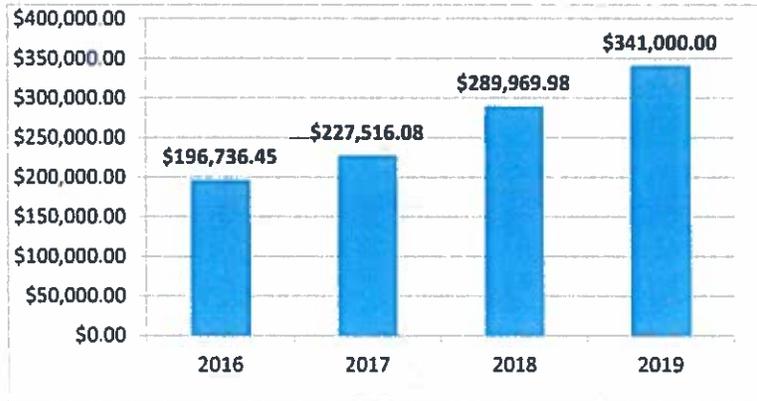


Account Title	2016 Actual	2017 Actual	2018 Actual	2019 Proposed
308100111 Beginning Balance	\$852,824.66	\$980,561.71	\$1,107,151.41	\$1,233,500.00
<b>REVENUES</b>				
	<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Proposed</b>
361110111 Interest Earned On Investment	6,528.82	5,381.47	10,662.58	5,000.00
361400001 Interfund Water Loan Interest	5,860.63	3,965.10	3,320.58	2,650.00
361400002 USDA Water Loan Interest	4,522.09	4,039.40	3,551.88	3,050.00
381207902 USDA Water Loan Principal	48,268.95	48,751.64	49,239.16	49,700.00
381207901 Interfund Water Loan Principal	62,556.56	64,452.09	65,096.61	65,700.00
<b>Revenues Without Beginning Fund Balances</b>	<b>\$127,737.05</b>	<b>\$126,589.70</b>	<b>\$131,870.81</b>	<b>\$126,100.00</b>
<b>EXPENDITURES</b>				
581100012 Interfund Loan To Water Fund	0.00	0.00	0.00	0.00
<b>Expenditures Without Ending Fund Balances</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

### 300 Capital Facilities Fund

Capital funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets. All Capital projects are accounted for within the appropriate fund and no longer in the Capital

**Beginning Fund Balance**

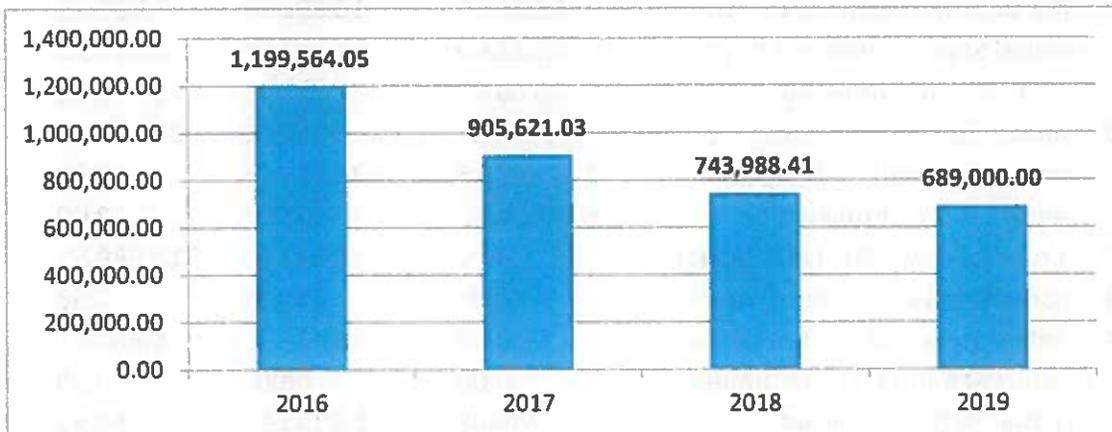


	2016 Actual	2017 Actual	2018 Actual	2019 Proposed
<b>308800300 Beginning Balance</b>	<b>\$196,736.45</b>	<b>\$227,516.08</b>	<b>\$289,969.98</b>	<b>\$341,000.00</b>
<b>REVENUES</b>				
	<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Proposed</b>
318340001 REET 1	23,309.67	21,370.16	25,389.45	25,000.00
361110300 REET 1 Investment Interest	1,116.87	966.61	1,969.71	700.00
318350000 REET 2	23,309.68	21,370.15	25,389.45	25,000.00
361110400 REET 2 Investment Interest	337.01	411.28	968.99	400.00
<b>Reet 1 &amp; 2 Rev. w/o beginning Fund Balances</b>	<b>\$48,073.23</b>	<b>\$44,118.20</b>	<b>\$53,717.60</b>	<b>\$51,100.00</b>
330000000 RR Interchange Grant	\$2,123.85	\$10,500.00	\$0.00	\$0.00
334036000 RR Interchange Grant-State	\$0.00	\$18,335.70	\$6,996.40	\$0.00
334042000 CERB Grant Interchange Study	\$13,951.37	\$10,000.00	\$0.00	\$0.00
<b>State Generated Revenues</b>	<b>\$16,075.22</b>	<b>\$38,835.70</b>	<b>\$6,996.40</b>	<b>\$0.00</b>
367000000 Misc Revenue	\$0.00	\$0.00	\$0.00	\$0.00
397580001 Transfer from General City Match	\$0.00	\$0.00	\$0.00	\$0.00
<b>Revenues Without Beginning Fund Balances</b>	<b>\$64,148.45</b>	<b>\$82,953.90</b>	<b>\$60,714.00</b>	<b>\$51,100.00</b>
<b>EXPENDITURES</b>				
	<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Proposed</b>
594470000 RR Interchange 09 Grant -Franklir	0	10000		
595106000 RR Interchange Engineering	2,123.85	0.00	6,996.40	0.00
595906000 RR Interchange Study	31,244.97	0.00	0.00	0.00
595106000 RR Interchange WSDOT Grant	0.00	10,500.00	0.00	0.00
<b>Capital Expenditures</b>	<b>\$33,368.82</b>	<b>\$20,500.00</b>	<b>\$6,996.40</b>	<b>\$0.00</b>

### 401 Water Utility Fund

The Water Department provides planning and maintenance of water lines, wells, booster stations, reservoirs, and meters within the City. The Water Department does daily and monthly water sampling to ensure the quality of the City's water supply. Once a month, meters are read by the Water Department for consumer billing. The Water Fund is an Enterprise Fund that is self-supporting.

**Beginning Fund Balance**



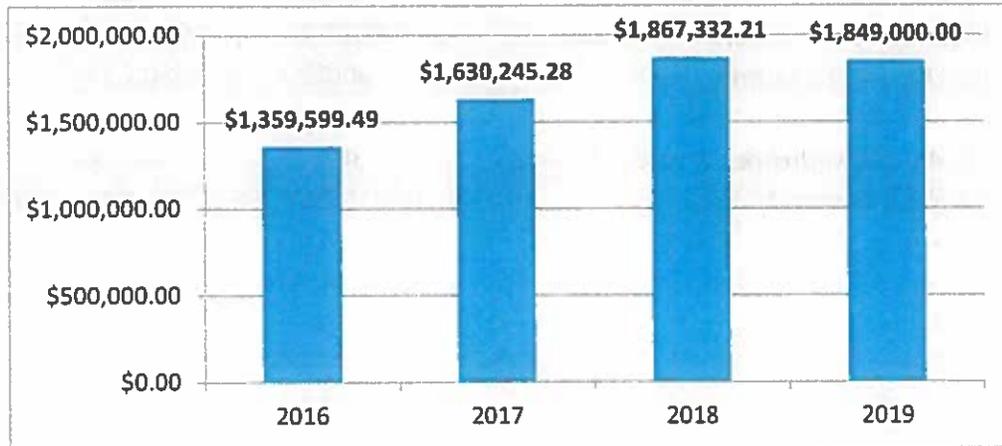
	2016	2017	2018	2019
	Actual	Actual	Actual	Proposed
308800401 Beginning Fund Balances	122,000.00	125,000.00	252,000.00	200,000.00
308802401 Beginning Reserve Balance	1,077,564.05	780,621.03	491,988.41	489,000.00
<b>Total Estimated Beginning Balance</b>	<b>1,199,564.05</b>	<b>905,621.03</b>	<b>743,988.41</b>	<b>689,000.00</b>
<b>(Includes Operating &amp; Reserve)</b>				
	2016	2017	2018	2019
REVENUES	Actual	Actual	Actual	Proposed
333664600 DOH Grant -Well 6	15,125.96	0.00	0.00	0.00
333934000 DOH Grant Enviromental Study Well 6	0.00	25,000.00	0.00	0.00
343400001 Other Water Service Fees	1,475.00	1,666.32	1,829.11	1,000.00
343400003 Surcharges For Water	200,187.48	201,686.20	205,953.53	200,000.00
343400099 Bulk Water	338.25	806.42	813.59	300.00
343400100 Lamb-weston Water Charges	527,549.45	534,540.81	526,357.23	515,000.00
343400200 Water Charges	741,791.44	733,549.01	763,663.22	750,000.00
343400300 Water Hook-up Charges	19,129.00	16,861.35	11,464.00	7,000.00
357390001 Court Restitution	0.00	0.00	0.00	0.00
359900000 Late Fees And Interest	25,265.18	23,311.52	20,432.22	19,000.00
361110000 Interest On Investment	2,313.51	3,253.11	7,092.38	3,000.00
369100000 Sale Of Scrap And Junk	870.35	3,406.50	0.00	50,000.00
369904000 Other Miscellaneous Revenue	275.00	146.05	0.00	0.00
388100000 Prior Adjust/other Revenue	0.00	0.00	54,712.50	0.00
389100401 Refundable Deposits-Bulk Water	0.00	0.00	600.00	0.00
389000401 Other Non-Revenue Receipts	0.00	0.00	0.00	0.00
395100001 Farm Agreement	131,627.50	132,802.50	133,598.75	117,200.00
397000416 Water Bond Redemption	0.00	168.42	0.00	0.00
361110401 Interest On Investment	4,342.82	2,141.84	1,906.02	2,000.00
381100012 Loans Received From General	0.00	0.00	0.00	0.00

534904001 State Certificates & Surchrgs	2,264.30	3,096.30	3,221.80	4,700.00
589000401 Misc: Non-Expenditures / Refunds	0.00	0.00	0.00	0.00
581207000 Hardung Water Rights-Repayment	0.00	0.00	0.00	0.00
581200000 General Support Principal Payment	63,813.95	64,452.09	65,096.61	65,700.00
581200002 USDA General Support Loan	48,268.95	48,751.64	49,239.16	49,700.00
589000401 Non-Expenditure/Refunds	0.00	0.00	0.00	0.00
591347800 PWB K/C Loan Principal	45,693.67	45,693.67	45,693.67	45,700.00
592348202 USDA General Support Loan Inst.	4,603.24	3,965.10	3,551.88	3,050.00
592348200 General Support Interest Payment	4,522.09	4,039.40	3,320.58	2,650.00
592348302 PWB K/C Loan Interest	2,970.09	2,855.85	2,741.62	2,650.00
597347000 Transfer To DWSRF Fund(414)	26,984.47	26,384.80	25,785.15	25,200.00
597347007 Transfer To Bond Redemption	122,499.13	103,374.32	0.00	0.00
597347010 Transfer -USDA Principal	672,508.10	0.00	0.00	0.00
594346001 N.Columbia Ave Wtr Line Project	0.00	0.00	316,639.55	0.00
594346003 Engineering Well 6 South wateline	0.00	0.00	0.00	0.00
594346004 Franklin Street Water line replace	0.00	225,959.11	8,384.83	0.00
594346006 Loan -USDA Rural Development-	0.00	0.00	0.00	0.00
594346210 Machinery & Equipment	17,205.88	45,679.69	37,158.92	75,000.00
594346401 Buildings & Structures	53,052.30	55,885.68	88,646.40	100,000.00
594346000 Vehicle Lease	0.00	0.00	0.00	15,000.00
597346000 Emergency Fund Transfer for Water	0.00	200,000.00	0.00	0.00
<b>Total Expenditures w/o Ending fund Balance</b>	<b>\$1,964,233.96</b>	<b>\$1,840,972.67</b>	<b>\$1,617,501.75</b>	<b>\$1,478,750.00</b>

### 402 Sewer Utility Fund

The Sewer Department provides for the collection and treatment of sewage. It continuously monitors and cleans sewer lines, and 6 lift stations, as well as running the Waste Water Plant with two irrigation circles. The Sewer Fund is an enterprise fund that is self-supporting.

#### Beginning Fund Balance



	2016	2017	2018	2019
	Actual	Actual	Actual	Proposed
308800402 Beginning Fund Balance	81,600.00	100,000.00	151,140.00	120,000.00
308802402 Beginning Reserve Balance	1,277,999.49	1,530,245.28	1,716,192.21	1,729,000.00
<b>Total Estimated Beginning Balance (includes Operating &amp; Reserve)</b>	<b>\$1,359,599.49</b>	<b>\$1,630,245.28</b>	<b>\$1,867,332.21</b>	<b>\$1,849,000.00</b>

Revenues	2016	2017	2018	2019
	Actual	Actual	Actual	Proposed
343500003 Surcharges For Sewer	78,825.00	81,056.01	85,758.57	80,000.00
343500200 Sewer Charges	728,666.42	743,668.50	790,152.91	755,000.00
343500300 Sewer Connection Charges	15,132.00	12,804.00	9,312.00	8,000.00
343500400 Sewer Inspection For Hook-up	0.00	0.00	0.00	0.00
359900001 Miscellaneous Fines and Penalties	9,108.08	1,913.84	5,381.80	0.00
361110402 Interest On Investment	1,504.01	1,406.63	2,495.40	1,000.00
362500001 Farm Lease - Amber Fields	25,497.34	26,851.56	39,071.48	10,000.00
Contributions & Donations from				
367000402 Nongovernmental sources	0.00	0.00	9,255.26	0.00
369100003 Sale of Scrap and Junk	0.00	3,404.50	0.00	0.00
369900402 Miscellaneous Revenues	28,728.22	772.44	0.00	0.00
389000000 Other Non-Revenue Receipts	0.00	0.00	0.00	0.00
361110002 Interest On Investment	9,220.58	7,782.55	14,326.93	8,000.00
<b>Revenues Without Beginning Fund Balances</b>	<b>\$896,681.65</b>	<b>\$879,660.03</b>	<b>\$955,754.35</b>	<b>\$862,000.00</b>

2016	2017	2018	2019
Actual	Actual	Actual	Proposed

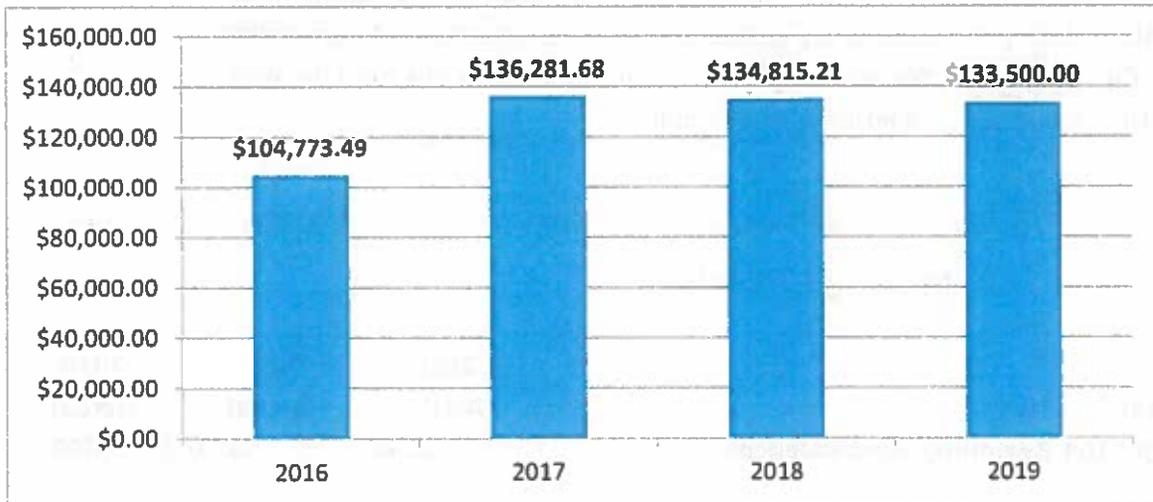
594356001 N Columbia Ave Sewer Line Project	0.00	0.00	260858.04	0.00
595356010 Engineering - Sagewood Acres	0.00	0.00	0.00	110000.00
594356200 Buildings & Structures	31,830.07	6,480.86	40,072.78	100,000.00
594356400 Machinery & Equipment	18,038.50	45,679.70	49,640.86	65,000.00
594357500 Capital Leases Principal	0.00	0.00	0.00	15,000.00
<b>Debt, Interfund Transfers, Non Expenditures</b>	<b>\$49,868.57</b>	<b>\$52,160.56</b>	<b>\$350,571.68</b>	<b>\$290,000.00</b>
<b>Interfund Transfers</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$200,000.00</b>

<b>Total Expenditures Without Ending Fund Balances</b>	<b>\$626,035.86</b>	<b>\$642,573.10</b>	<b>\$991,287.26</b>	<b>\$1,223,000.00</b>
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### 403 Solid Waste Fund

The Solid Waste is an Enterprise fund, accounting for operations much in the same way as a private business. The objective of an enterprise fund is to be self-supporting; this is accomplished by charging user fees. The City has entered into a contract with Basin Disposal, Inc. of Pasco, Washington, for collection and disposal services. Starting January 1, 2016 Basin Disposal took over the billing of the Solid Waste. The City no longer bills for Solid Waste pickup.

**Beginning Fund Balance**



Title	2016 Actual	2017 Actual	2018 Actual	2019 Proposed
<b>308800403 Beginning Balance (Includes Operating and Reserves)</b>	<b>\$104,773.49</b>	<b>\$136,281.68</b>	<b>\$134,815.21</b>	<b>\$133,500.00</b>
<b>REVENUES</b>	<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Proposed</b>
343700000 Sanitation Collections	36,240.62	19.31	0.00	0.00
343700001 Chipper Services	645.00	0.00	0.00	0.00
333152201 Wood Chipping -Federal Grant	0.00	0.00	0.00	0.00
343700003 Surcharge For Solid Waste	4,625.23	2.41	0.00	0.00
361110403 Interest Earned On Investment	250.55	158.60	250.68	0.00
361110003 Interest On Investment	760.64	542.54	977.51	500.00
369910001 Other Miscellaneous	0.00	324.94	0.00	0.00
<b>Revenues without Beginning Fund Balances</b>	<b>\$42,522.04</b>	<b>\$1,047.80</b>	<b>\$1,228.19</b>	<b>\$500.00</b>

## 404 Water Emergency Fund

The Water Emergency Fund was established in 2016 to set aside funds for a water emergency. Fund 404 was Established by Ordinance No. 971-2016. This fund can be used for unforeseen or emergency water system expenses. Including repair or replacement of damaged system facilities and supplement operations during the emergency period, or other actions deemed appropriate by the City Council. Under no circumstances can funds from this fund be used for normal operations, maintenance or repair.

### Beginning Fund Balance

Account	Title	2016 Actual	2017 Actual	2018 Actual	2019 Proposed
308800104	Beginning Fund Balances	\$0.00	\$0.00	\$200,000.00	\$200,000.00
<b>Revenues</b>					
		2016 Actual	2017 Actual	2018 Actual	2018 Proposed
3973460000	Water Revenue	0.00	200,000.00	0.00	0.00
	<b>Total Revenues with beginning Fund Balance</b>	<b>\$0.00</b>	<b>\$200,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>Expenditures</b>					
		2016 Actual	2017 Actual	2018 Actual	2019 Proposed
		0.00	0.00	200,000.00	200,000.00
508100000	Ending Fund Balance	\$0.00	\$0.00	\$200,000.00	\$200,000.00

## Fund 414-Drinking Water State Revolving

### 414-Drinking Water State Revolving Fund

The DWSRF Loan was utilized for a waterline project within the city. This fund is a debt service fund used to set aside resources to meet current and future debt service requirements on general long-term debt.

	2016 Actual	2017 Actual	2018 Actual	2019 Proposed
<b>308800414 DWSRF Beginning Fund Balance</b>	<b>\$0.61</b>	<b>\$0.61</b>	<b>\$0.61</b>	<b>\$0.00</b>
397340202 Transfer From Water Fund -Debt Payment	26,984.47	26,384.80	25,785.15	25,200.00
<b>Total Revenue from transfers</b>	<b>\$26,984.47</b>	<b>\$26,384.80</b>	<b>\$25,785.15</b>	<b>\$25,200.00</b>
591347200 Dwsrf:principal Payment	23,986.19	23,986.19	23,986.19	24,000.00
592348000 Dwsrf Loan: Interest Payment	2,998.28	2,398.61	1,798.96	1,200.00
<b>Total Debt Service Payments</b>	<b>\$26,984.47</b>	<b>\$26,384.80</b>	<b>\$25,785.15</b>	<b>\$25,200.00</b>

### 415-Water/Sewer Bond Reserve (Closed 2017)

The Water/Sewer Bond Reserve Fund is a debt service fund used to set aside resources to meet current and future debt service requirements on general long-term debt. The fund is mandated by the ordinance authorizing the issuance of revenue bonds to pay for certain water infrastructure improvements. (Fund Closed in 2017)

	2015 Actual	2016 Actual	2017 Actual
308100415 Beginning Fund Balance	245,720.61	245,720.61	138,960.61
361100005 Interest Earned On Investment	0.00	0.00	0.00
<b>Total Revenue from transfers</b>	<b>245,720.61</b>	<b>245,720.61</b>	<b>138,960.61</b>
	<b>Actual</b>	<b>Actual</b>	<b>Proposed</b>
591347204 USDA Principal Last Payment	0.00	106,760.00	0.00
591347414 Payoff Farm Bond	0.00	0.00	138,680.00
<b>Total Debt Service Payments</b>	<b>\$0.00</b>	<b>\$106,760.00</b>	<b>\$138,680.00</b>

633 State Remittance Fund

The State Remittance Fund is used to account for assets held by the City of Connell in an agency capacity for others.

	2016	2017	2018	2019
	Actual	Actual	Actual	Proposed
<b>308800633 Beginning Balance</b>	<b>6,353.32</b>	<b>6,012.86</b>	<b>6,219.79</b>	<b>6,000.00</b>
<b>REVENUES</b>				
	2016	2017	2018	2019
	Actual	Actual	Actual	Proposed
389300002 Weapons Permits DOL	750.00	696.00	1,365.00	1,000.00
389300000 Building Permit: St.sur.chrg.	216.00	171.00	191.50	250.00
389300100 Weapons/fingerprints	408.50	288.00	594.00	450.00
389300004 Trauma Care	811.93	1,851.66	768.60	1,200.00
389303100 Auto Theft Prevention Fee	1,629.99	3,706.68	1,543.99	2,500.00
389303200 Trauma Brain Injuries	320.55	714.22	277.44	500.00
389300005 ST Gen Fund 54	277.35	274.08	231.98	250.00
389300900 State Patrol Highway Account	112.89	43.56	195.48	300.00
389301400 HWY Safety Act	31.42	11.97	79.01	300.00
389301500 Death Inv Acct	19.77	7.53	34.26	150.00
389300006 ST Gen Fund 40	11,749.11	18,813.93	11,202.66	25,000.00
389300007 ST Gen Fund 50	6,622.69	10,856.65	6,547.63	11,000.00
389300102 Crime Lab Analysis	1.45	0.00	0.00	1,000.00
389300008 Judicial Info Systems Account	3,974.28	8,764.66	4,370.62	6,000.00
389300009 School Zone Safety	256.10	155.91	676.53	1,000.00
389300200 County/crime Victim Compnstn	462.17	649.80	439.02	650.00
389300003 Confiscated & forfeited property	50.00	0.00	0.00	0.00
<b>Revenues Without Beginning Fund Balances</b>	<b>\$27,694.20</b>	<b>\$47,005.65</b>	<b>\$28,517.72</b>	<b>\$51,550.00</b>

	2016	2017	2018	2019
	Actual	Actual	Actual	Proposed
<b>EXPENDITURES</b>				
589300012 Court Receipts - State Remit.	0.00	0.00	0.00	0.00
589300000 Building Permits -st.surcharge	229.50	201.50	191.50	250.00
589300200 County/crime Victim Compnstn	462.15	649.16	404.66	650.00
589300009 School Zone Safety	217.60	109.44	671.05	1,000.00
589300002 Weapons Permits(DOL)	684.00	756.00	1,398.00	1,000.00
589300100 Weapons/fingerprints	423.25	312.00	632.00	450.00
589309601 Breath Test - State	0.00	0.00	0.00	0.00
589300008 Judicial Info System	4,158.43	8,660.10	4,004.00	6,000.00
589300010 Trauma Brain Injuries	329.81	704.00	253.97	500.00
589300031 Auto Theft	1,676.31	3,655.51	1,416.35	2,500.00
589300005 ST Gen Fund 54	278.33	289.78	201.17	250.00

## Resources

- A. Directory of Officials
- B. Ordinance No.996-2018 Annual Budget Adopted
- C. Resolution No.2018-09 Salary Schedules
- D. Ordinance No. 994-2018 Valorem General Property taxes and Levy Certification
- E. Debt Obligation
- F. Capital Facility Project 2019
- G. Glossary of Budget Terms

CITY OF CONNELL

2019 DIRECTORY OF OFFICIALS

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<u>Elected Officials</u>		<u>Position</u>	<u>Term</u>	<u>Expiration</u>
MAYOR	Lee Barrow	No. 1	4	December 2021
COUNCILMEMBER	John White	No. 2	4	December 2021
COUNCILMEMBER	Patricia Barrera	No. 3	4	December 2021
COUNCILMEMBER	Joe Escalera	No. 4	4	December 2021
MAYOR PRO TEM	Ray Minor	No. 5	4	December 2019
COUNCILMEMBER	Kathie Silva	No. 6	4	December 2019

Appointed

CITY ADMINISTRATOR	Maria Peña
DEPUTY CITY CLERK	Marissa Ortiz
DEPUTY CITY TREASURER	Genesis Bernal
POLICE CHIEF	Chris Turner
PUBLIC WORKS DIRECTOR	Hallie Tuck
FIRE CHIEF	Ken Woofenden

Park & Recreation Board Members

Board Members

1. Betsy Aleman
2. Lilly Johnson
3. Sarah Gallo
4. Julie Brown
5. Kyung "Manny" Choi

Planning Commission Members

Commission Members

1. Robert Misener
2. Roger Bailie
3. Evangeline Ellwein
4. Jerry Sackmann
5. Bruce Blackwell

Mailing Address

CITY HALL

104 E. Adams Street  
PO Box 1200  
Connell, WA 99326-1200  
Phone # (509) 234-2701  
Fax # (509) 234-4140

CITY ATTORNEY

Dan Hultgren  
1915 Sun Willows Blvd Suite A  
Pasco, WA 99301  
Phone # (509) 545-8531

CITY OF CONNELL, WASHINGTON

ORDINANCE NO. 996-2018

AN ORDINANCE OF THE CITY OF CONNELL, WASHINGTON, ADOPTING THE ANNUAL BUDGET OF THE CITY OF CONNELL FOR THE 2019 FISCAL YEAR IN THE TOTAL AMOUNT OF \$14,260,100.00 FOR THE VARIOUS FUNDS COMBINED.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CONNELL AS FOLLOWS:

**SECTION 1.** The annual budget for the City of Connell for the year 2018, and each and every item thereof as fixed and determined in the preliminary budget, as revised by the City Council, is hereby adopted. A copy of the detailed budget consisting of approximately 40 pages may be obtained from the Connell City Clerk during business hours. A summary of said budget is as follows:

FUND #	FUND TITLE	REVENUES	EXPENDITURES
001	General Fund	3,420,900.00	3,420,900.00
002	General Reserve Fund	1,520,150.00	1,520,150.00
101	Street Fund	1,831,400.00	1,831,400.00
104	Hotel/Motel Tax Fund	55,200.00	55,200.00
111	General Support Fund	1,359,600.00	1,359,600.00
300	Capital Facilities Fund	392,100.00	392,100.00
401	Water Utility Department Fund	2,353,500.00	2,353,500.00
402	Sewer Utility Department Fund	2,711,000.00	2,711,000.00
403	Solid Waste Fund	133,500.00	133,500.00
404	Water Emergency Fund	200,000.00	200,000.00
406	Sewer Emergency Fund	200,000.00	200,000.00
414	DWSRF Loan (CTED)	25,200.00	25,200.00
633	State Remittance Fund	57,550.00	57,550.00
	<b>Total</b>	<b>\$14,260,100.00</b>	<b>\$14,260,100.00</b>

**SECTION 2.** The total of the estimated revenues and expenditures for the various funds combined of the City of Connell for the fiscal year ending December 31, 2019 are fixed at **\$14,260,100.00**.

**SECTION 3.** This ordinance shall be in force and effective five days following the date of its passage and publication in the official newspaper of the City.

PASSED by the City Council for the City of Connell, Washington, this 3<sup>rd</sup>  
day of December, 2018; and APPROVED by the Mayor this 3<sup>rd</sup> day of  
December, 2018.

  
\_\_\_\_\_  
Lee Barrow, Mayor

ATTEST:  
  
\_\_\_\_\_  
Maria Peña, City Administrator

APPROVED AS TO FORM:  
  
\_\_\_\_\_  
Dan F. Hultgren, City Attorney

INTRODUCED: 12-3-18  
ADOPTED: 12-3-18  
APPROVED: 12-3-18  
PUBLISHED: 12-13-18, 2018 in the Franklin County Graphic,

A COPY OF THIS ORDINANCE WAS SENT TO THE OFFICE OF THE STATE  
AUDITOR ON THE 4<sup>th</sup> DAY OF December, 2018.

City of Connell, Washington

RESOLUTION NO. 2018-09

A RESOLUTION SETTING SALARY SCHEDULES FOR 2019.

WHEREAS, the City Council of the City of Connell has discussed salaries for city employees for the year 2019, and

WHEREAS, salaries for said positions incorporated herein appear to be just and reasonable, and

NOW, THEREFORE, THE City Council of the City of Connell do resolve as follows:

SECTION 1: The salary matrix shall reflect a 2% Cost of Living Adjustment (COLA) upon the current 2018 non-union salary matrix which has been established by council. The Union salary reflects a 2% Cost of Living Adjustment (COLA) upon the current 2018 Union salary matrix. Employee salaries are also reflective of the increase by range and step; and various other adjustments as presented by department heads or by contract and approved by council.

<u>POSITION</u>	<u>MONTHLY SALARY RANGE</u>
City Administrator/City Clerk-Treasurer	7,253.40 – 8,660.94
Deputy City Clerk	3,663.46 – 4,374.36
Deputy Treasurer	3,663.46 – 4,374.36
Accounting Clerk	3,013.94 – 3,598.80
Accounting Clerk	3,013.94 – 3,598.80
Building Services Clerk	3,663.46 – 4,374.36
Fire Chief	5,683.26 – 6,786.07
Public Works Director	5,154.86 – 6,155.17
Public Works Assistant	4,675.61 – 5,582.92
Public Works Supervisor	4,452.96 - 5,317.06
Wastewater Treatment Plant Operator	3,846.63 – 4,593.08
Maintenance Position III/Water Operator	3,489.01 – 4,166.06
Maintenance Position II	3,164.63 – 3,778.74
Maintenance Position II	3,164.63 – 3,778.74
Maintenance Position II	3,164.63 – 3,778.74
Police Chief	5,967.39 – 7,125.38
Police Clerk	3,489.01 – 4,166.06
Police Sergeant	4,998.52– 5,625.88
Police Sergeant	4,998.52 – 5,625.88
Police Patrolman	4,417.97 – 4,972.46

SECTION 2: This resolution shall be in full force and effect January 1, 2019.

PASSED BY THE CITY COUNCIL of the City of Connell, Washington, and APPROVED by the Mayor this 5<sup>th</sup> day of NOVEMBER, 2018.

  
\_\_\_\_\_  
Lee Barrow, Mayor

ATTEST:

  
\_\_\_\_\_  
Maria T. Peña, City Administrator

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Dan F. Hultgrenn, City Attorney

INTRODUCED:

11-5-18

ADOPTED:

11-5-18

APPROVED:

11-5-18

**CITY OF CONNELL, WASHINGTON**

**ORDINANCE NO. 994-2018**

AN ORDINANCE OF THE CITY OF CONNELL, WASHINGTON,  
RELATING TO THE AMOUNT NECESSARY TO BE LEVIED BY AD  
VALOREM GENERAL PROPERTY TAXES.

**WHEREAS**, the City Council of the City of Connell, pursuant to RCW 84.55.120, gave proper notice for the public hearing on revenue sources; has met and considered it's budget and revenue sources for the 2019 calendar year; and

**WHEREAS**, the City of Connell's actual levy amount from the previous year was \$479,175.00; and

**WHEREAS**, the population of the City of Connell is less than 10,000; and now, therefore,

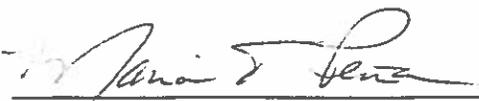
**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CONNELL, WASHINGTON**, as follows:

Section 1. An increase in the regular property tax levy is hereby authorized for the levy to be collected for the 2019 tax year. The dollar amount of the increase over the actual levy amount from the previous year shall be \$4,791.75 which is a percentage increase of 1% from the previous year. This increase is exclusive of additional revenue resulting from new construction, improvements to property, newly constructed wind turbines, any increase in the value of state assessed property, any annexations that have occurred and refunds made.

PASSED by the City Council for the City of Connell, Washington, this 15<sup>th</sup> day of October, 2018; and APPROVED by the Mayor this 15<sup>th</sup> day of October, 2018.

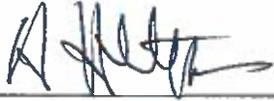
  
\_\_\_\_\_  
Lee Barrow, Mayor

ATTEST:

  
\_\_\_\_\_  
Maria T. Peña, City Administrator

ORDINANCE NO. 994-2018  
Ad Valorem Property Tax  
Page 2

APPROVED AS TO FORM:

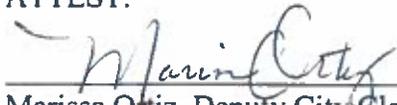


\_\_\_\_\_  
Dan F. Hultgrenn, Attorney

INTRODUCED: 10-15-18  
ADOPTED: 10-15-18  
APPROVED: 10-15-18  
PUBLISHED: 10-25-18 in the Franklin County graphic.

A copy of this Ordinance was mailed to the FRANKLIN COUNTY COMMISSIONERS, Franklin County, Washington, and the FRANKLIN COUNTY ASSESSOR, Franklin County, Washington on the 18<sup>th</sup> day of October, 2018.

ATTEST:



\_\_\_\_\_  
Marissa Ortiz, Deputy City Clerk



# Levy Certification

Submit this document to the county legislative authority on or before November 30 of the year preceding the year in which the levy amounts are to be collected and forward a copy to the assessor.

In accordance with RCW 84.52.020, I, Marissa Ortiz,  
(Name)

Deputy City Clerk, for City of Connell, do hereby certify to  
(Title) (District Name)

the Franklin County legislative authority that the City Council  
(Name of County) (Commissioners, Council, Board, etc.)

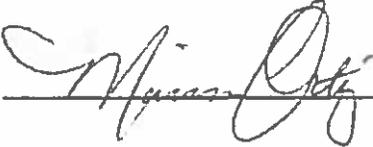
of said district requests that the following levy amounts be collected in 2019 as provided in the district's  
(Year of Collection)

budget, which was adopted following a public hearing held on 12/03/18 :  
(Date of Public Hearing)

Regular Levy: \$496,470.00  
(State the total dollar amount to be levied)

Excess Levy: \_\_\_\_\_  
(State the total dollar amount to be levied)

Refund Levy: \_\_\_\_\_  
(State the total dollar amount to be levied)

Signature: 

Date: 12-10-18

To ask about the availability of this publication in an alternate format for the visually impaired, please call (360) 705-6715. Teletype (TTY) users, please call (360) 705-6718. For tax assistance, call (360) 534-1400.



2028 2029 2030 2031 2032 2033 2034 2035 2036 2037 2038 2039 2040 2041



45,693.67	45,693.67	45,693.67	45,693.67	45,693.67	45,693.67	45,693.67	45,693.67	45,693.67	45,693.67	45,693.67	45,693.67	45,693.67	45,693.67	45,693.68
1,589.27	1,485.05	1,370.81	1,256.57	1,142.35	1,028.10	913.88	799.64	685.40	571.17	456.94	342.70	228.47	114.23	
47,282.94	47,178.72	47,064.48	46,950.23	46,836.02	46,721.77	46,607.55	46,493.30	46,379.07	46,264.84	46,150.61	46,036.36	45,922.14	45,807.91	
594,017.90	548,324.02	502,630.95	456,936.89	411,243.02	365,549.35	319,855.68	274,162.02	228,468.35	182,774.68	137,081.01	91,387.35	45,693.68		



## Capital Improvement/Equipment Replacement Schedule

### Water

No.	Item	0-5 Years 2019-2023	6-10 Years 2024-2028	11-15 Years 2029-2033	16-20 Years 2034-2038
1	<b>Well Equipment Replacement</b>				
	Well No. 3				
	Well No. 4		\$15,000		
	Well No. 5				\$15,000
	Well No. 6				
	Well No. 8			\$20,000	
	Well No. 9	\$50,000			\$20,000
	Well No. 10		\$20,000		
2	<b>Vehicles</b>				
	2002 F-350 (33%)				
	2019 F-250 (Jr) (33%)		\$7,000	\$7,000	
	2019 F-250 (Hallie) (33%)		\$7,000	\$7,000	
	2019 F-350 (Ed) (33%)		\$8,000	\$8,000	
	2009 F-250 (Kim) (33%)	\$7,000	\$7,000		
	2012 F-250 (Jose) (33%)	\$7,000	\$7,000		
	2020 Ford Explorer (Hallie) (33%)		\$7,000	\$7,000	
	2014 Chev 3/4 ton (Leo) (33%)		\$7,500	\$7,500	
	2000 Chev 6500 Dump Truck (33%) (a Year)			\$14,000	
3	2017 JD 310 Backhoe (33%)			\$40,000	
4	2014 JD Mini Excavator (33%)			\$30,000	
6	Air Compressor and Jack Hammer (33%)	\$8,000			\$10,000
7	Utility Trailer (33%)		\$10,000		
8	Misc. Tools and Equipment	\$5,000	\$5,000	\$5,000	\$5,000
10	0.5 MG Reservoir Recoating			\$30,000	
11	3.0 MG Reservoir Roofing Replacement	\$85,000			
12	3.0 MG Reservoir Recoating			\$50,000	
13	Pumphouse, Wells 9 & 10	\$30,000			
14	Wellhouse Replacement, Wells 4 & 5		\$40,000		
15	Waterline Replacements, 3,000 LF/Period @ \$65/ LF	\$195,000	\$195,000	\$195,000	\$195,000
TOTAL 2018 DOLLARS		\$387,000	\$335,500	\$420,500	\$245,000
Apply 5% Annual Inflation Factor		1.276	1.629	2.079	2.653
INFLATED TOTAL		\$493,812	\$546,530	\$874,220	\$649,985







## Glossary of Budget Terms

**Accounting System** The total structure of records and procedures designed to discover record, classify, summarize and report information on the financial position and results of operations of a government or any of its funds or organizational components.

**Accounting Period** A period at the end of which and for which financial statements are prepared.

**Annual Budget** A budget applicable to single fiscal year.

**Appropriation** A legal authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation usually is limited in amount and time it may be expended.

**Ad. Valorem Tax** (Property Tax): A tax levied on the assessed value of real property.

**Assessed Valuation** A valuation set upon real estate or other property by the County Assessor as a basis for levy property taxes.

**BARS** Budgeting, Accounting and Reporting System. Refers to the accounting rules established by the WA State Auditor's Office.

**Bond** A written promise to pay a specified sum of money, called the face value or principal amount, at a specified date or dates in the future, called the maturity date(s), together with periodic interest at specified rate.

**Budget** A plan of financial activity for a specified period of time (fiscal year or biennium) indicating all planned revenues and expenses for the budget period.

**Capital Assets** Land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period.

**Capital Outlay** Expenditures which result in the acquisition of or addition to capital assets.

**Capital Project Fund** Funds used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities and other capital assets.

**Cash Basis** The method of accounting under which revenues are recorded when received in cash and expenditures are recorded when paid.

**Debt** An obligation resulting from the borrowing of money or from the purchase of goods and services. Debts of governments include bonds, warrants, contracts, accounts payable, and notes.

**Debt Service** Payment of interest and principal on borrowed money according to a predetermined payment schedule.

**Ending Fund Balance** The cash balance remaining at the end of the fiscal year available for appropriation in future years.

**Expenditures** Decreases in net current assets. Expenditures include debt service, capital outlays, and those current operating costs which require the use of current assets.

**Fiscal Year** A 12-month period to which the annual operating budget applies and at the end of which a government determines its financial position and results of its operations.

