

**City of Connell  
2011 Budget**



**Eastern Washington's Harvestland  
City of Connell  
104 East Adams St.  
Connell, WA 99326**

# City of Connell-2011 Budget

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## Community Profile

Connell is a small rural community with a population of 4220 and is located in the Columbia Basin of Eastern Washington. The community was established in the mid to late 1800's as a railroad stop called Palouse Junction.

Much of the old town was destroyed by fire in 1880. The community later became known as Connell; named after a local Northern Pacific trainman residing in the community at that time.

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 City celebrated its Centennial in 2010 and unveiled world-class bronze sculptures along Main Street to mark the occasion.



**Connell Fire Hall**

The primary industrial base is food processing and agricultural chemicals. The City also hosts Coyote Ridge Corrections Center, with medium and minimum security units totaling 2,648 beds. Coyote Ridge is Connell's largest employer with over 600 employees. The North Franklin School District maintains a High School, Junior High, Grade School and Administrative offices in Connell. Both the State and County have transportation facilities in the community.

The community is very proud of the number of Parks that it has and the care that is lavished upon them.

City athletic fields range from general purpose open space, to soccer and baseball fields.

There is a broad choice of housing styles and prices for residents with the potential for a golf course/housing development lurking in the wings.

The City has recently purchased additional water rights and has abundant water for future growth in residential, commercial and industrial activities.

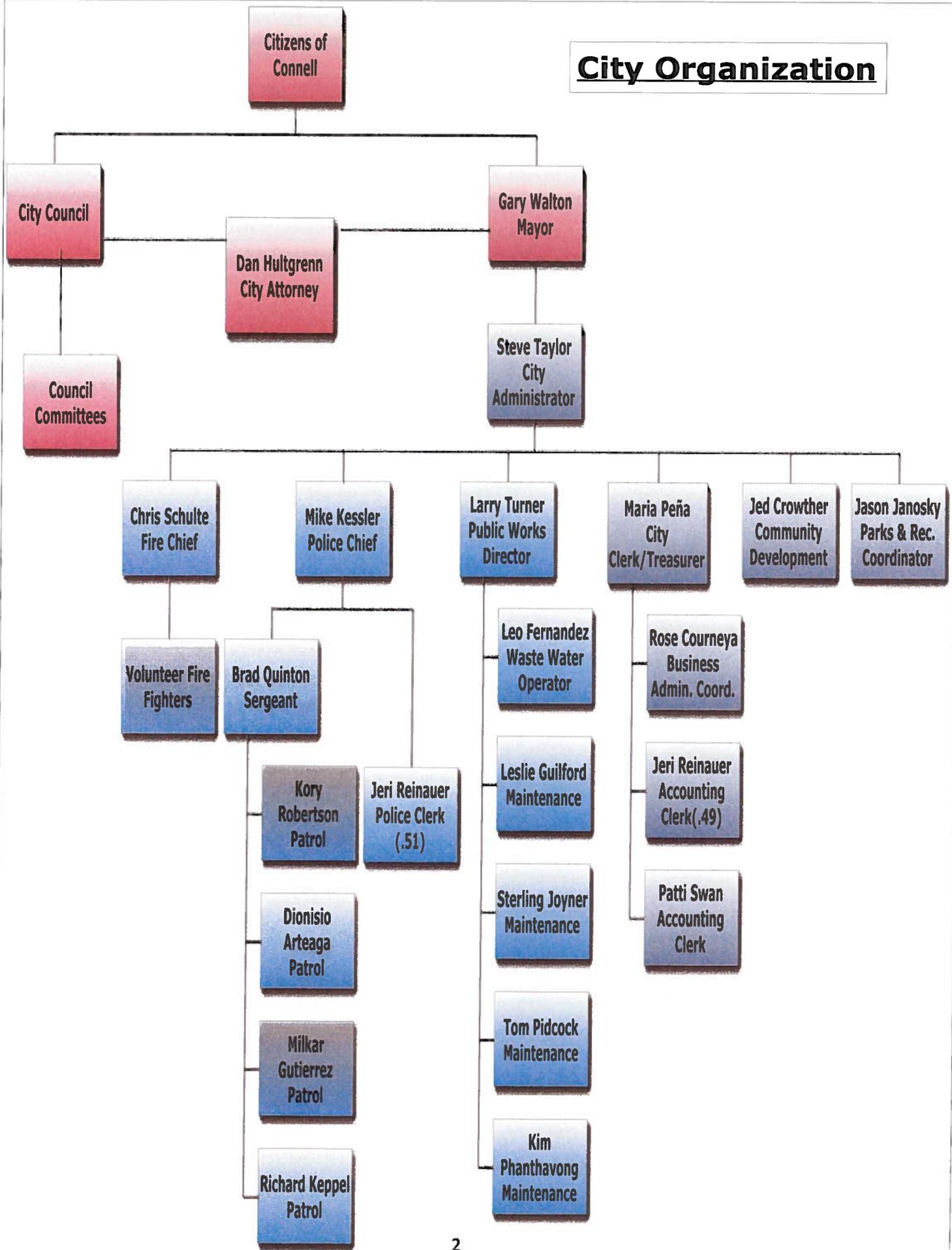
A new wastewater treatment facility has been completed, and additional storage and new waterlines have been installed to replace aging pipes.

Even with these timely improvements, the City will continue to experience some of the lowest water and sewer charges in the state.

During the last ten years the City has rebuilt Columbia Avenue, the main thoroughfare; reconstructed it's industrial street which connects the downtown to Highway 260 on the west side of town, and serves the Junior and Senior High Schools and administration buildings for the school district.

Connell has grown 70% since 2001 and is a vibrant progressive community that is poised for significant growth and opportunity in the years ahead.

# City Organization





## Mayoral Message

To the Citizens of Connell,

The City of Connell is pleased to present the 2011 Budget in a new, condensed format that streamlines the financial information provided and aims to better facilitate the public's understanding of the City's budget process and financial condition. We hope these changes are helpful, and I look forward to receiving your comments and feedback.

The City celebrated a banner year in 2010, commemorating its 100<sup>th</sup> Birthday, completing improvements to parks, streets, and water and sewer systems, and accommodating commercial and residential growth in the community. One-time impact funds received from the state legislature allowed the purchase of an aerial fire apparatus, expansion and renovation of the Fire Hall, and acquisition of an additional ambulance for the Hospital District. The City was also fortunate to receive funding from the Transportation Improvement Board to rebuild W. Adams Street, the City's top priority transportation project that ties into the School District's campus improvements. The capstone event of 2010, however, was the unveiling of the Tom Otterness *Wild Life* bronze sculptures installed along Main Street during the City's Centennial Celebration. These beautiful pieces are an outstanding addition to the City's art and recreation inventory.

Change continues at City Hall as we seek more efficient ways to provide municipal services given increasing costs and flat revenue growth. Municipal court services are now being provided by Franklin County District Court, Prosecutor and Public Defense Offices, and the number of authorized full-time employees has been reduced from 22 to 19. At the same time, the City has moved to professionalize the administration of the Volunteer Fire Department with the establishment of a full-time Fire Chief position to better handle emergency response arising from community and institutional growth.

The year ahead presents numerous challenges and opportunities, but we are committed to providing City services in a frugal and effective manner while investing in the growth and preservation of our facilities and public infrastructure. Connell is and remains a great place to live, work, and raise families. I would like to thank the citizens and volunteers in the community for their efforts in organizing festivals and events, delivering social services to those in need, and enhancing the quality of life for all of our residents. The City looks to expand these "public-private" partnerships and leverage the positive impact of community involvement as we push Connell forward.

Connell's future is bright, and I thank you for the opportunity to serve the community as your Mayor and neighbor.

Sincerely,

A handwritten signature in purple ink, appearing to read "Gary Walton".

Mayor Gary Walton



# City of Connell

EASTERN  
WASHINGTON'S  
HARVESTLAND

TO: Mayor and Councilmembers, City Employees, and Citizens of Connell

FROM: Steve Taylor, City Administrator

SUBJECT: City of Connell Proposed 2011 Budget -- Final Update

I am pleased to submit for your consideration the proposed 2011 Budget for the City of Connell.

## Summary

The proposed budget is in balance as required of all municipalities by Washington State law. The City and its enterprises continue to weather the stagnant economic environment and flat revenue growth, while coping with increasing personnel and maintenance costs. The City has mitigated much of the impact by contracting for municipal court services with Franklin County and reducing authorized employee positions through layoff and attrition. The proposed budget is balanced through expenditure reductions, utility rate increases, and the use of reserves in the forms of interfund transfers and spend-down of ending balances. The budget has nineteen (19) full-time equivalent positions, down from twenty-two (22) in 2010. Two clerk positions related to municipal court and building/planning services, one vacant police officer position, and the public works supervisor position have been eliminated. A full-time Fire Chief has been added to the budget.

The entire budget including all funds will total \$9,424,102 in FY2011 as compared to the FY2010 budgeted \$11,144,994, and the FY2009 actual budget of \$15,131,292. The General Fund budget is \$2,363,335 in FY2011 as compared to the FY2010 budgeted \$2,190,990, and the FY 2009 actual budget of \$2,181,870.

The FY2011 budget is 15.4% smaller than 2010 and the General Fund is 7.9% greater in the same respective years. The reduction in the overall budget is due to the smaller amount of capital projects planned for FY2011 in comparison with the projects funded in 2010 and the effect from changes made in the administration of several funds utilized within the overall budget. The increase in the General Fund is attributed to higher net revenues received through utility taxes and the fire protection services contract with the Department of Corrections. Increased expenditures in the General Fund relate to the addition of a full-time fire chief, the purchase of operating capital items that were previously expended from the Capital Facilities Fund, and a higher level of financial support for the Street Fund.

The General Fund beginning balance is estimated at \$530,000 in FY2011 with the ending balance anticipated to be \$470,370 (20% of the FY2011 General Fund budget). The two previous budgets anticipated significant transfers from the General Support Fund to the General Fund to help offset increased costs and soften the impact on the General Fund's ending balance. Neither of these transfers has been required, and the FY2011 budget does not anticipate the need for an infusion from the General Support Fund.

It is the City's policy to budget all resources contained within each fund. It is recognized that all resources will not be spent in a given budget year.

### **Fund Changes**

The City receipts revenues and makes expenditures through a series of funds. Several changes were authorized by the Council in 2010 realigning the funds in use, deleting several funds, and creating a new General Reserve Fund. These changes will reduce instances of doubling revenues and expenditures through interfund transfers and unnecessary inflation of stated budget amounts. The changes are summarized below:

- **General Reserve Fund (*new*)** – Consists of various “reserve accounts” previously contained within the Capital Facilities Fund. These accounts allow for funds to be set aside for future operating and capital expenditures and may or may not have designated ongoing funding streams. Funds will be transferred from the accounts to the appropriate fund for expenditure when authorized in the budget.
- **Parks & Recreation Fund (*deleted*)** – Parks and recreation activities are now funded directly through the General Fund with operating capital support provided by the Parks and Recreation Reserve account contained within the General Reserve Fund.
- **Community Policing Fund (*deleted*)** – Community policing functions and activities are now funded directly through the General Fund.
- **Contingency Fund (*deleted*)** – Fund closed in 2010 and monies transferred to the General Fund. General Fund ending fund balance and General Support Fund will serve as primary and secondary current expense reserves.
- **Park Bond Redemption Fund (*deleted*)** – Fund closed in 2010 and monies transferred to the Parks and Recreation Reserve account.
- **Capital Facilities Fund (*modified*)** – Reserve accounts transferred to the General Reserve Fund and the Street Fund. Monies received through interfund transfers will be expended on specific capital projects authorized by the budget.

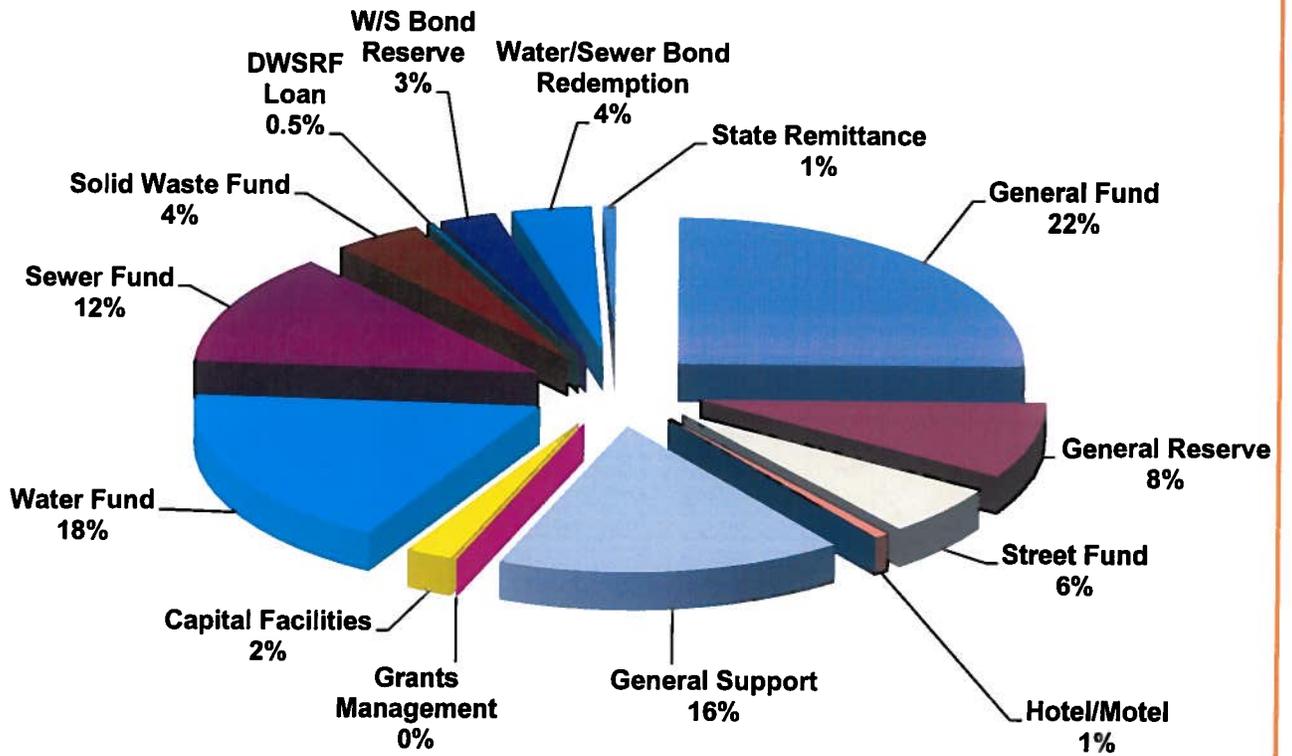
**City of Connell  
2011 Budget Summary (by Fund)**

<u>Fund</u>	<u>Estimated Beginning Fund Balance</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Anticipated Fund Balance 12/31/2011</u>
1 General Fund	\$ 530,000	\$ 1,833,335	\$ 2,363,335	\$ 470,370
2 General Reserve Fund	\$ 720,000	\$ 78,240	\$ 798,240	\$ 706,940
101 Street Fund	\$ 191,000	\$ 337,200	\$ 528,200	\$ 198,820
104 Hotel/Motel	\$ 48,000	\$ 10,150	\$ 58,150	\$ 41,050
111 General Support	\$ 1,443,000	\$ 82,655	\$ 1,525,655	\$ 1,394,450
199 Grants Management	\$ -	\$ -	\$ -	\$ -
300 Capital Facilities	\$ -	\$ 210,000	\$ 210,000	\$ -
401 Water Fund	\$ 400,000	\$ 1,286,455	\$ 1,686,455	\$ 438,371
402 Sewer Fund	\$ 473,000	\$ 695,280	\$ 1,168,280	\$ 454,670
403 Solid Waste Fund	\$ 60,000	\$ 337,130	\$ 397,130	\$ 62,740
414 DWSRF Loan	\$ -	\$ 29,990	\$ 29,990	\$ -
415 Water/Sewer Bond Reserve	\$ 251,617	\$ -	\$ 251,617	\$ 251,617
416 Water/Sewer Bond Redemption	\$ 111,830	\$ 238,820	\$ 350,650	\$ 112,070
633 State Remittance	\$ 8,300	\$ 48,100	\$ 56,400	\$ 5,450
	<b>\$ 4,236,747</b>	<b>\$ 5,187,355</b>	<b>\$ 9,424,102</b>	<b>\$ 4,136,548</b>
		<b>\$ 4,236,747</b>		
<b>Total Resources</b>		<b>\$ 9,424,102</b>		

The City budgets all resources of each fund. It is recognized that all resources will not be spent.

## 2011 Budget By Fund

**\$9,424,102**



## Expenditures

Proposed expenditures for 2011, stated by fund and compared with 2010 and 2009 actual expenditures are as follows:

<b>General Fund</b>		<b>2011</b>	<b>2010 (actual)</b>	<b>2009 (actual)</b>
	Legislative/Executive	105,900	94,019	51,275
	Judicial	24,000	50,063	92,214
	Administration	161,310	158,412	164,155
	Legal Services	90,500	127,360	136,293
	Other Administration	7,950	15,715	39,272
	Central Services	47,250	47,376	50,362
	General Government	190,260	187,023	36,827
	Law Enforcement	690,820	619,097	598,536
	Fire Control	188,460	63,021	38,475
	Protective Inspections	55,470	56,593	59,144
	Parks & Recreation	161,255	367	-
	Environment & Natural Resources	18,000	54,593	3,332
	Planning & Community Dev.	58,590	6,633	8,974
	Transfers	93,200	274,198	254,670
	Non Expenditures		15,140	15,133
	Ending Balance	470,370	660,292	633,208
	<b>Total General Fund</b>	<b>2,363,335</b>	<b>2,429,902</b>	<b>2,181,870</b>
<b>Other Funds</b>				
		<b>2011</b>	<b>2010 (actual)</b>	<b>2009 (actual)</b>
	2 General Reserve	798,240	-	-
	101 Street Fund	528,200	178,768	192,735
	102 Park/Rec	-	138,433	166,151
	103 Comm. Police	-	11,253	12,797
	104 Hotel/Motel	58,150	27,536	75,375
	108 Contingency	-	43,741	43,649
	111 General Support	1,525,655	-	1,705,352
	199 Grants Management	-	311,877	761,641
	203 Park Bond Redemp	-	7,887	7,869
	300 Capital Facilities	210,000	1,594,041	2,500,075
	401 Water Fund	1,686,455	1,112,372	1,583,766
	402 Sewer Fund	1,168,280	1,094,973	4,472,305
	403 Solid Waste Fund	397,130	313,360	410,262
	414 DWSRF Loan	29,990	30,582	31,183
	415 Water/Sewer Bond Reserve	251,617	-	442,895
	416 Water/Sewer Bond Redemption	350,650	240,720	482,599
	633 State Remittance	56,400	32,146	60,769
	<b>Total All Funds</b>	<b>9,424,102</b>	<b>7,567,592</b>	<b>15,131,292</b>

General Fund services in 2011 will undergo several changes as explained above, but the levels of overall service will generally mirror those in 2010. Significant changes from 2010 include the assumption of parks and recreation services, the transfer of municipal court services to Franklin County, the addition of a full-time fire chief to direct volunteer fire department operations, the addition of a half-time police clerk, and the elimination of a police officer position that has remained vacant since 2009. The assumption of parks and recreation services has no net effect on the General Fund as previous parks and recreation activities and maintenance was fully funded by transfers from the General Fund. General Fund spending on parks and recreation services are budgeted approximately three percent (3%) above 2010 levels in the Parks and Recreation Fund.

In prior budgets, operating capital items such as the purchase of vehicles and equipment for the police and fire departments had been funded through separate reserve accounts in the Capital Facilities Fund. These items will now be expensed through the General Fund representing an additional impact on expenditures that were previously funded by reserve accounts.

Insurance expenses have increased in FY2011 primarily due to the addition of fire department facilities and apparatus. Due to a change in the Washington Administrative Code which governs local government insurance pools, the Cities Insurance Association of Washington (CIAW), of which the City of Connell is a member and from which it receives liability insurance coverage, approved a retrospective assessment of its membership in 2010 to establish reserve levels that satisfy the new statutory requirements. The CIAW membership has a period of five years to attain the reserve levels, and the City of Connell's share in 2010 represents an approximate three percent (3%) increase of its annual premium.

The FY2011 budget proposes no cost of living adjustment in compensation for city employees; however, scheduled step increases will occur for eligible employees on their anniversary dates. Increasing health care premiums continue to challenge the City's ability to balance its annual budget. Non-represented employees will switch from the AWC Employee Benefit Trust Medical Plan B to the HealthFirst 250 Plan at the start of the new year resulting in premium cost savings of approximately 8% from 2009 premiums. The budget proposes continuing to pay the employee's full medical, dental, and vision premium, with the employee paying 20% of the medical premium for spouse and dependents.

The city is presently negotiating wage adjustments and benefit cost-sharing options with the labor union representing law enforcement officers. An agreement is anticipated to be reached before the close of 2010. An increase of ten percent (10%) in the premium for the benefit plan offered to represented employees has been budgeted for FY2011. The actual premium increase will be confirmed in the coming weeks. The City currently pays the entire medical, dental, and vision insurance premium for represented employees.

Funds have also been budgeted for the potential acquisition of water rights from a private party pending approval from the Department of Ecology. The amount of payment at closing is \$50,000, with a schedule of payments set within a purchase and sale agreement approved by the Council in 2007. The General Fund will receive a transfer of \$50,000 from the General Reserve Fund to offset the cost. This item was previously budgeted in the Water Fund.

Expenses for legal services and lobbying services have been increased or are in addition to the 2010 budget. Increased legal expenses pertain to pending litigation, while municipal legal service expenses have remained flat. In 2010 the City engaged a government affairs consultant to represent its interests in Olympia pertaining to one-time impact monies owed by the state in relation to the Coyote Ridge Corrections Center expansion.

Interfund transfer expenses are budgeted at \$93,200, a fifty-four percent (69%) reduction from 2010. The decrease is a result of the closure of the Parks & Recreation Fund which received all of its operating resources from the General Fund. The remaining transfers represent an increase in support to the Street Fund from \$60,000 in 2010 to \$66,200 in FY2011.

There are no new services budgeted in the Street Fund in FY2011. Monies previously held for street capital projects in the Street Improvement Reserve account of the Capital Facilities Fund are now located in the Street Fund. The fund includes matching dollars for the Date Street Sidewalk Improvement funded by the federal STP Transportation Enhancement program, and TIB applications for West Adams Street, Birch Street, and Columbia Avenue Chip Seal improvement projects.

An interfund loan from the General Support Fund to the Water Fund in the amount of \$133,355 was authorized in 2010 to replace revenues the Water Fund failed to receive from the purchaser of the City-owned farm property east of SR 395. These revenues are slated to pay the Water Fund's debt service related to the City's purchase of the farm property in 2000. In anticipation of losing the same revenue payment in 2011, an additional interfund loan to the Water Fund in the amount of \$131,205 has been budgeted.

As stated above, the reserve accounts previously ensconced within the Capital Facilities Fund have been moved to the newly established General Reserve Fund. The only expenditures budgeted in FY2011 are the street improvement project matching funds explained above.

The Water Fund anticipates lower expenses from maintenance and administrative personnel due to the elimination of a position in the Public Works Department and higher expenses for electricity costs. The City was successful in making the Public Works Trust Fund project list for its Klindworth and Campbell Additions neighborhood waterline upgrade. If the legislature funds the entire PWTF program, the city will receive a 30-year, 0.5% loan in the amount of \$1,900,000. The City's match of \$100,000 will be spent on engineering and environmental work slated to begin in FY2011 if the project is funded by the state. \$60,000 is budgeted for well pump replacement program. No other major capital projects are budgeted for FY2011.

The Sewer Fund will make a second payment of \$66,005 of the \$200,000 interfund loan from the General Support Fund authorized in 2009. Funds have been budgeted to replace 3,000 feet of sewer forcemain extending from Lift Station No. 4 following resolution of dispute with the contractor and engineering firm that installed the line. The dispute was settled in 2010. No other significant capital expenditures are planned for FY2011. Increased sewer rates and revenue related to the growth in offenders and employees at Coyote Ridge are sufficient to retire the remainder of the loan with interest by FY2012. The City's engineer will complete a wastewater treatment capacity study in FY2011 first authorized in 2010 once Coyote Ridge is near capacity.



## Revenues

Proposed revenues for 2011, compared with 2010 and 2009 actual revenues are as follows:

<b>General Fund</b>		<b>2011</b>	<b>2010 (actual)</b>	<b>2009 (actual)</b>
	Beginning Balance	530,000	633,208	685,836
	Property Tax	345,000	325,380	320,860
	Sales Tax	252,000	252,136	268,451
	Local Criminal Justice Tax	42,000	44,439	41,684
	Utility Taxes	518,250	491,955	326,010
	Charges for Services	135,960	115,755	211,095
	Licenses & Permits	48,065	94,359	35,245
	State Generated Revenues	211,760	197,273	167,004
	Fines & Forfeitures	45,000	36,962	62,744
	Miscellaneous and Other Reve	144,000	166,422	57,441
	Interfund Transfers	91,300	72,013	5,500
	<b>Total General Fund</b>	<b>\$ 2,363,335</b>	<b>\$ 2,429,902</b>	<b>\$ 2,181,870</b>
<b>Other Funds</b>		<b>2011</b>	<b>2010 (actual)</b>	<b>2009 (actual)</b>
	2 General Reserve	798,240	881,152	-
	101 Street Fund	528,200	373,865	192,735
	102 Park/Rec	-	138,433	166,151
	103 Comm. Police	-	11,253	12,797
	104 Hotel/Motel	58,150	82,743	75,375
	108 Contingency	-	43,741	43,649
	111 General Support	1,525,655	1,577,823	1,705,352
	199 Grants Management	-	311,877	761,641
	203 Park Bond Redemp	-	7,887	7,869
	300 Capital Facilities	210,000	1,594,041	2,500,075
	401 Water Fund	1,686,455	1,530,948	1,583,766
	402 Sewer Fund	1,168,280	1,655,058	4,472,305
	403 Solid Waste Fund	397,130	391,351	410,261
	414 DWSRF Loan	29,990	30,584	31,183
	415 Water/Sewer Bond Reserve	251,617	276,622	442,895
	416 Water/Sewer Bond Redemptio	350,650	352,856	482,599
	633 State Remittance	56,400	37,112	60,769
	<b>Total Other Funds</b>	<b>\$ 7,060,767</b>	<b>\$ 9,297,345</b>	<b>\$ 12,949,422</b>
	<b>Total All Funds</b>	<b>\$ 9,424,102</b>	<b>\$ 11,727,248</b>	<b>\$ 15,131,292</b>

General Fund revenues are slightly increased from 2010 reflecting the stagnant nature of the economy and the City's retail sales base. Property tax projections are slightly lower than 2010 levels, and sales tax assumptions are running even with 2010 current forecasts. This budget proposes a 1% increase in property taxes collected in 2010 plus the value of new construction.

Building permit revenue is projected thirty-nine percent (39%) lower in FY2011 as the majority of the elementary school construction permitting was completed in 2010. Charges for Services revenue increased seventy-three percent (73%) over 2010 due to the contract with Coyote Ridge Corrections Center for fire protection services and the addition of pool and recreation services revenue previously deposited in the Parks & Recreation Fund. Miscellaneous and Other revenue is up significantly from 2010 due to the budgeted reimbursement of \$110,000 from the Public Works Board pertaining to the closeout of the Local Infrastructure Grant awarded to the City in 2009 for prison growth-related infrastructure enhancements.

Utility taxes are projected nearly nine percent (9%) higher than 2010. The increase is due to inmate and employee growth at Coyote Ridge, residential and industrial growth in the City, and higher rates charged for City utility services. Natural gas utility tax revenue receipts that support the General Fund, Street Capital, and Parks & Recreation Capital programs are projected to return to 2008 levels due to overall growth in industrial, institutional, and residential sectors. The Water Utility Tax was increased from six percent (6%) to nine percent (9%) in 2010 to adequately compensate the Water Fund for fire suppression system capacity that serves fire protection, a General Fund function. The additional revenue to the Water Fund will be used to reduce the impact of water rate increases by \$29,000 in FY2011.

Interfund Transfers revenue is down considerably in FY2011. The General Support Fund is not anticipated to provide funding next year as the General Fund is moving toward self-sustainability. A transfer of \$50,000 from the General Reserve Fund will be used to offset the cost of the Hardung water rights if approval is received from the Department of Ecology.

The Street Fund anticipates a six percent (6%) increase in the amount of motor vehicle fuel taxes which represents a return to 2008 actual revenues. As stated above, the General Fund is increasing support of street maintenance operations from \$60,000 in 2010 to \$66,200 in FY2011. A separate dedicated source of revenue is necessary to ensure the integrity and preservation of this vital infrastructure network.

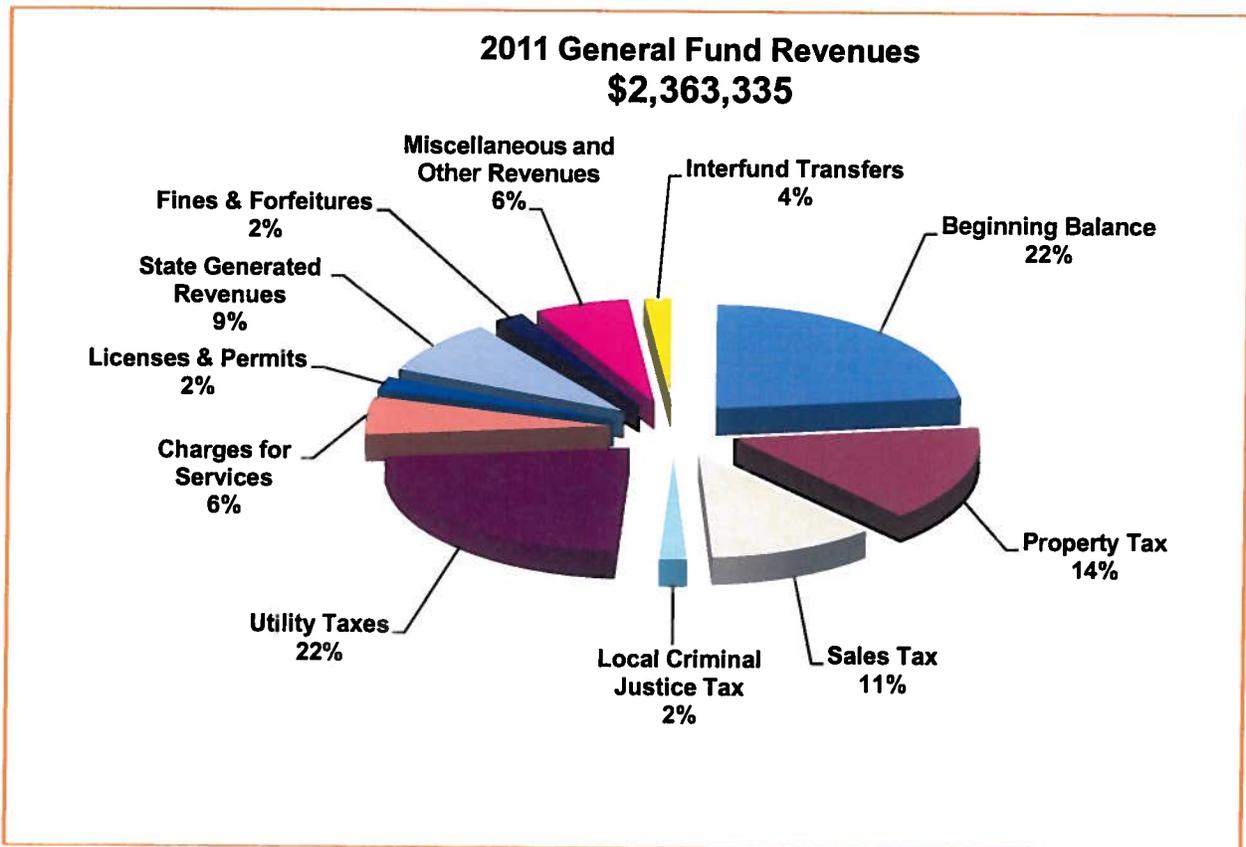
No new short-term or long-term debt was issued in 2010, and no new debt is anticipated to be issued in FY2011. However, anticipation of an additional interfund loan from the General Support Fund to the Water Fund has been budgeted.

Revenues from interest-bearing accounts have been pared back further in FY2011 from 2010 levels across all funds reflecting the low interest rates offered for demand deposits and the Local Government Investment Pool.

The city continues to take a conservative approach in forecasting water and sewer service revenues in FY2011. The City Council increased water and sewer rates in July 2010 in the effort to implement recommendations from the FCS Group rate study adopted in 2009. An additional rate increase was adopted by Council in November 2010 for new revenue to be received in

January 2011. The purpose of the rate increases is to build reserves and fund future capital expenditures. Revenue growth patterns are stabilizing based on consistent returns from the City's industrial sector and the offender population and workforce at Coyote Ridge nearing full capacity.

The City has benefited from a number of state-funded grants and direct appropriations in the past two years. A primary focus of the City's 2011 legislative agenda is securing additional impact funding related to the Coyote Ridge expansion and urging legislators to fund the Public Works Trust Fund in the next biennium. Both items will have a profound impact on the City's ability to upgrade aging infrastructure and provide general government services to a growing community.



## **Conclusion**

Coming off the success of its much celebrated Centennial, the City of Connell is adapting to tough economic conditions and rising costs by right-sizing the organization to best fit the service model desired by its citizens. The City, as with most municipalities, is facing several challenges as it tackles infrastructure financing, economic development, and general service cost control. Connell continues to hold a strong financial position with healthy reserves, and is positioned to capitalize on growth opportunities through strategic investment, promotion of community assets, and human resource development.

The City has narrowed the gap between revenues and expenditures considerably by establishing new partnerships with public service providers, enhancing revenue levels, and cutting expenses for non-essential services. This ongoing process will help the organization achieve greater effectiveness in public service delivery and long-term financial sustainability. The proposed budget before you seeks to realize these goals and is respectfully submitted for your review and consideration.

## A Guide to City of Connell Budget

The 2011 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 cost 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. A cash basis accounting is under which 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 2011 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 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 the property taxes, except those that are voter approved for the repayment of debt.

**Special Revenue Funds: 100's** Funds used to 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 requirement 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 a 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 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, accountability of other purposes.

**Trust/Agency 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 35.33.

During the summer months departments begin preparation of their budget requests for the coming year. Throughout this process meeting are held with appropriate staff and with the City Administrator and Clerk/Treasurer to review the budget requests. After compiling the data, the Preliminary Budget document is prepared. This document then is 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.

## EXPLANATION OF MAJOR REVENUE SOURCES

### General Fund Revenues:

#### Property Tax Revenue

Property taxes play an essential role in the finances of the municipal budget. State law limits the City to \$3.60 levy per \$1,000 assessed valuation, deducting from there the levy of \$0.50 for the Mid-Columbia Library District, which leaves the City with the authority to levy \$3.10 for its own purposes. The levy amount must be established by ordinance by November 30<sup>th</sup> prior to the levy year.

#### Local Retail Sales and Use Tax

The local retail sales and use tax is comprised of two separate 0.5% options with Franklin County receiving 15% of each 0.5%. After deducting 0.01% as a County administrative fee, the City's effective rate is 0.84%.

#### Local Criminal Justice Sales Tax

Local Sales Tax for Criminal Justice funding is to be used solely for criminal justice purposes, such as expenses related to equipping and fielding a professional police force. This tax is authorized at 1/10 of 1% of retail sales transacted in the County. Of the total amount collected, the State distributes 10% to the County, with the remainder being distributed by population to the cities and the unincorporated areas of the County.

#### Utility Business and Occupation Taxes

The City of Connell levies utility taxes on the gross operating revenues earned by private utilities from operations within City boundaries and the City's own municipal utilities. A 6% tax is levied on natural gas, cable television, telephone, electricity, sewer, and solid waste utilities. A 9% tax is levied on the City's water utility. Natural gas and cable television utility tax revenues are divided as follows: 20% General Fund, 20% Parks & Recreation Reserve Account within the General Reserve Fund, 60% Street Improvement Reserve within the Street Fund.

#### State-Shared Revenues

State-shared revenues are received from liquor sales and motor vehicle excise taxes. These taxes are collected by the State of Washington and shared with local governments based on population. The 2010 population figure used in the 2011 City Budget is 4,220 as determined by the Office of Financial Management for Washington State. This figure is important when determining distribution of State-shared revenues on a per capita basis.

#### Liquor Board Profits and Liquor Excise Tax

Cities receive a share of both liquor board profits and liquor excise tax receipts. To be eligible to receive these revenues, a city must devote at least two percent of the distribution to support an approved alcoholism or drug addiction program.

#### Service Revenues

Fees are charged for services rendered by the City of Connell. Most of these fees in the General Fund are construction inspections and permits related to services such as planning, zoning and building. The City has an agreement to provide fire protection services to the Coyote Ridge Corrections Center for an

**Special Revenue Funds: 100's** Funds used to 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 requirement 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 a 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 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, accountability of other purposes.

**Trust/Agency 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**

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the City does not compete for STP grant funds for road projects. The agreement allows for maximum flexibility of the use of these funds. The City deposits these funds in the Street Improvement Reserve.

HOTEL/MOTEL FUND:

This fund receives all revenue resulting from the Hotel/Motel Tax levied upon charges made for the furnishing of lodging by a hotel, rooming house, tourist court, motel, trailer camp and other transient accommodations in the City. The tax rate is 2 percent of the selling price or charge made for lodging. It is collected and administered by the Washington State Department of Revenue. State law requires that these taxes be credited to a special fund with limitations on use, principally to generate tourism activities that bring new visitors to our area, as prescribed by RCW 67.28.310.

UTILITY FUNDS (WATER, SEWER, SOLID WASTE):

The City's operates and administers three utility enterprises (water, sewer, and solid waste services) and charges rates set by ordinance and codified in the Connell Municipal Code to recover the costs associated with providing these services.

INTERFUND TRANSFERS:

Many funds receive their revenues from other funds in the form of an interfund transfer. These transfers may represent payments for service, an operating transfer, or a concentration of revenues for a specific project.

**City of Connell  
2011 Budget  
Detail Revenues by Type**

<b>General Fund Revenues</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budgeted</b>
<u>Beginning Fund Balance</u>	\$ 685,836	\$ 633,208	\$ 530,000
<u>Property Tax</u>	\$ 320,860	\$ 325,380	\$ 345,000
<u>Sales Taxes</u>			
Retail Sales And Use Tax	268,451	252,136	252,000
Local Criminal Justice Tax	41,684	44,439	42,000
Local Leasehold	12	-	-
	<u>310,147</u>	<u>296,575</u>	<u>294,000</u>
<u>Utility Occupational Taxes</u>			
Natural Gas Utility Tax (20%)	33,587	41,470	40,000
Water User Fee	-	50,673	86,850
Sewer User Fee	-	28,256	33,000
Solid Waste User Fee	-	14,963	16,200
Cable Tv Utility Tax 20%	1,074	641	1,200
Telephone Utility Tax	25,898	44,671	27,000
PUD Occupational Tax	265,439	311,281	314,000
	<u>325,998</u>	<u>491,954</u>	<u>518,250</u>
<u>Licenses &amp; Permits</u>			
Business Licenses	5,539	6,100	6,000
Building Permits	29,126	86,422	41,000
Infrastructure Permits	-	1,231	515
Animal Licenses/tags	209	299	300
Weapons Permits	371	307	250
	<u>35,245</u>	<u>94,359</u>	<u>48,065</u>
<u>State Generated Revenues</u>			
US Econ Dev Administration Grant	-	-	25,000
Department Of Justice Grant '05	55	-	-
Department Of Justice Grant '06	840	-	-
Department Of Justice Grant '07	113	-	-
Secretary Of State Grant	-	-	6,210
OFM Reimbursement	-	336	-
Admin Office Of The Courts	631	-	-
Department Of Ecology Grant	-	23,059	20,000
Franklin PUD Privilege	50,828	51,377	50,000
City Assistance	74,975	77,433	70,000
DUI-Cities/Criminal Justice Assistance	1,071	636	550
Liquor Excise Tax	15,984	16,996	16,000
Liquor Board Profits	22,507	27,437	24,000
	<u>167,004</u>	<u>197,273</u>	<u>211,760</u>

**City of Connell  
2011 Budget  
Detail Revenues by Type**

	<b>2009 Actual</b>	<b>2010 Actual</b>	<b>2011 Budgeted</b>
<b><u>Charges for Services</u></b>			
Franklin Co PUD Services	24,000	24,000	24,000
CRCC Expansion Admin Fee (DOC)	171,846	14,822	-
Mesa Court Services	61	-	300
Reserve Officer Security	3,045	2,625	2,500
Fire Protection Services	-	31,250	79,160
Zoning-subdivision-plat Review	1,800	1,100	1,500
Site Plans - Appeals - Plan Reviews	7,253	36,124	6,500
Conditional Use - Variance	250	-	500
Community Improvement Fee	2,715	5,834	4,000
SEPA	125	-	500
Pool Passes & Daily Receipts	-	-	10,000
Rentals, Lessons, Lf Grd Trng	-	-	4,000
P&R Program Fees	-	-	3,000
	211,095	115,755	135,960
<b><u>Fines &amp; Forfeitures</u></b>			
Court Receipts: City	62,744	36,962	45,000
<b><u>Miscellaneous</u></b>			
Interest Earned On Investments	4,582	1,420	1,000
Sales Interest	1,151	665	500
Community Center Rental	11,828	13,723	14,000
Pharmacy Bldg Lease	6,301	5,776	6,000
Contributions/Donations	977	12,566	500
Port of Pasco Economic Grant	-	-	10,000
Litigation Settlement	-	110,000	-
Revenue Overage/shortage	(90.52)	(5.63)	-
Other Miscellaneous Revenue	7,058	2,313	2,000
Surplus Equipment Sales	3,564	4,361	-
Firemen Membership Dues	-	30	-
Other Non-revenue Receipts	14,410	15,253	-
Land Sales	7,470	-	-
Public Works Board - DOC Impacts	-	-	110,000
Compensation For Loss/Impairment	191	320	-
	57,441	166,422	144,000

**City of Connell**  
**2011 Budget**  
**Detail Revenues by Type**

	2009 Actual	2010 Actual	2011 Budgeted
<u>Interfund Transfers</u>			
Transfer From Contingency	-	43,741	-
Transfer From Community Policing Fund	-	10,050	-
Transfer From Grants Management	-	18,222	-
Transfer From H/m Tax Fund	5,500	-	-
Transfer From Economic Development	-	-	65,000
Transfer From Park & Rec Reserve	-	-	26,300
	5,500	72,013	91,300
Total General Fund Revenue	\$ 1,496,035	\$ 1,796,693	\$ 1,833,335
Total General Fund Revenue and Beginning Fund Balance	\$ 2,181,870	\$ 2,429,902	\$ 2,363,335

**Other Fund Revenues**

002 General Reserve Fund

Beginning Fund Balance	-	-	720,000
Investment Interest	-	-	1,240
Taxes	-	10,352	41,000
Real Estate Excise Tax	-	1,448	9,000
Transfers	-	869,351	27,000
	-	881,151	798,240

101 Street Fund

Beginning Fund Balance	36,851	12,818	191,000
Motor Fuel (Gas) Tax	71,164	74,293	72,000
Utility Taxes	-	18,033	123,000
Transfer from General Fund	60,000	60,000	66,200
Transfer from Street Improvement	20,000	207,994	-
Federal Grants (STP)	-	-	42,000
Fr Co STP Allocation	-	-	34,000
Miscellaneous	4,720	726	-
	192,735	373,865	528,200

102 Parks & Recreation Fund

Beginning Fund Balance	4,301	-	-
Recreation Activity & Program Fees	13,730	15,165	-
Transfer from P/R Improvement Reserve	11,000	-	-
Transfer from General Fund	137,120	123,198	-
Miscellaneous	-	70	-
	166,151	138,433	-

103 Community Policing Fund

Beginning Fund Balance	12,712	11,231	-
Interest Earnings	84	21	-
	12,796	11,252	-

**City of Connell**  
**2011 Budget**  
**Detail Revenues by Type**

	<b>2009 Actual</b>	<b>2010 Actual</b>	<b>2011 Budgeted</b>
<b><u>104 Hotel/Motel Fund</u></b>			
Beginning Fund Balance	62,727	68,875	48,000
Hotel/Motel Tax	12,205	13,685	10,000
Interest Earnings	443	183	150
	75,375	82,743	58,150
<b><u>108 Contingency Fund</u></b>			
Beginning Fund Balance	43,334	43,649	-
Interest Earnings	316	91	-
	43,649	43,741	-
<b><u>111 General Support Fund</u></b>			
Beginning Fund Balance	1,692,923	1,505,352	1,443,000
Interest Earnings	12,429	4,467	12,000
Interest from Interfund Loan	-	2,000	4,650
Interfund Loan Principal Repayment	-	66,004	66,005
	1,705,352	1,577,823	1,525,655
<b><u>199 Grants Management Fund</u></b>			
Beginning Fund Balance	4,696	31	-
Public Works Board - DOC Impacts	472,521	292,595	-
Grant Proceeds	274,874	16,043	-
Miscellaneous	-	3,208	-
Transfer from General Fund	9,550	-	-
	761,641	311,877	-
<b><u>203 Park Bond Redemption Fund</u></b>			
Beginning Fund Balance	7,704	7,869	-
Taxes	165	19	-
	7,869	7,887	-
<b><u>300 Capital Facilities Fund</u></b>			
Beginning Balance	2,218,903	1,149,544	-
Interest Earnings	10,108	2,763	-
Taxes	138,644	140,139	-
Real Estate Excise Taxes	11,925	10,806	-
Fr Co STP Allocation	34,021	40,039	-
Grant Proceeds	32,966	5,978	76,500
Public Works Board - DOC Impacts	-	224,884	-
Transfers	48,000	18,887	133,500
Miscellaneous	5,510	1,000	-
	2,500,076	1,594,041	210,000

**City of Connell  
2011 Budget  
Detail Revenues by Type**

	2009 Actual	2010 Actual	2011 Budgeted
<b><u>401 Water Fund</u></b>			
Beginning Fund Balance	171,680	405,926	400,000
Water Charges	810,937	1,012,553	996,500
Surcharges	38,791	73,933	135,000
System Connection Charges	13,908	36,183	23,000
Interest Earnings	4,380	988	750
Transfers	469,375	-	-
Interfund Loan from General Support	-	-	131,205
Miscellaneous	74,694	1,365	-
	1,583,766	1,530,949	1,686,455
<b><u>402 Sewer Fund</u></b>			
Beginning Fund Balance	61,497	494,120	473,000
Sewer Charges	410,278	576,222	550,000
Surcharges	20,704	40,898	54,180
System Connection Charges	5,834	20,220	75,600
DOC Infrastructure	3,522,264	359,633	-
Interest Earnings	2,274	812	-
Transfers	230,108	-	-
Interfund Loan from General Support	200,000	-	-
Miscellaneous	19,346	163,153	15,500
	4,472,305	1,655,058	1,168,280
<b><u>403 Solid Waste Fund</u></b>			
Beginning Fund Balance	68,890	79,942	60,000
Sanitation Charges	285,696	285,197	290,000
Surcharges	14,357	21,360	36,000
Interest Earnings	412	172	130
Transfers	40,907	-	-
Miscellaneous	-	4,680	11,000
	410,262	391,351	397,130
<b><u>414 DWSRF Loan Fund</u></b>			
Beginning Fund Balance	2	1	-
Transfer From Water	31,181	30,583	29,990
	31,183	30,584	29,990
<b><u>415 Water/Sewer Bond Reserve Fund</u></b>			
Beginning Fund Balance	441,365	276,622	251,617
Interest Earnings	1,530	-	-
	442,895	276,622	251,617

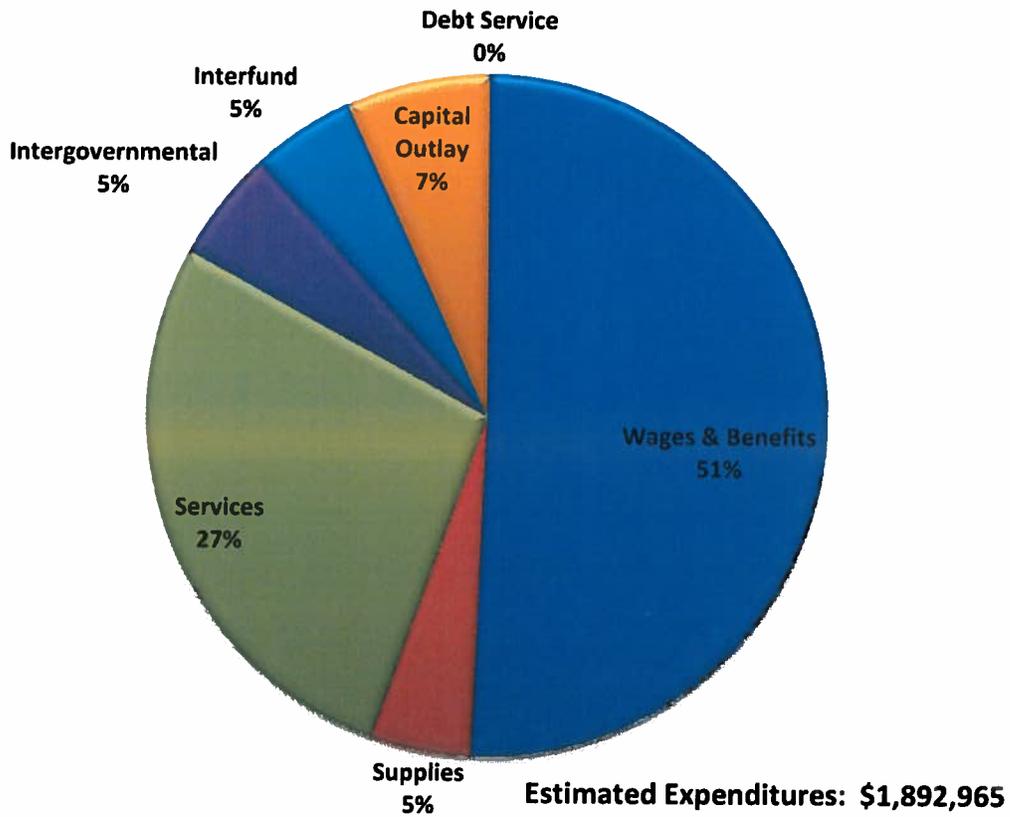
**City of Connell  
2011 Budget  
Detail Revenues by Type**

	<b>2009</b>	<b>2010</b>	<b>2011</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budgeted</b>
<b><u>416 Water/Sewer Bond Redemption Fund</u></b>			
Beginning Balance	141,221	244,953	111,830
Interest Earnings	1,595	1,143	850
Transfer from Water Fund	173,510	106,760	237,970
Transfer from 415 Bond Reserve Fund	166,273	-	-
	<u>482,599</u>	<u>352,856</u>	<u>350,650</u>
<b><u>633 State Remittance Fund</u></b>			
Beginning Fund Balance	6,322	6,890	8,300
State Remitted Revenues	54,448	30,221	48,100
	<u>60,770</u>	<u>37,111</u>	<u>56,400</u>
Total Gen Fund & Beg Balance Revenue	<u>\$ 2,181,870</u>	<u>\$ 2,429,902</u>	<u>\$ 2,363,335</u>
All Other Funds	<u>12,949,422</u>	<u>9,297,344</u>	<u>7,060,767</u>
<b>Total Revenues</b>	<b><u><u>\$ 15,131,292</u></u></b>	<b><u><u>\$ 11,727,246</u></u></b>	<b><u><u>\$ 9,424,102</u></u></b>

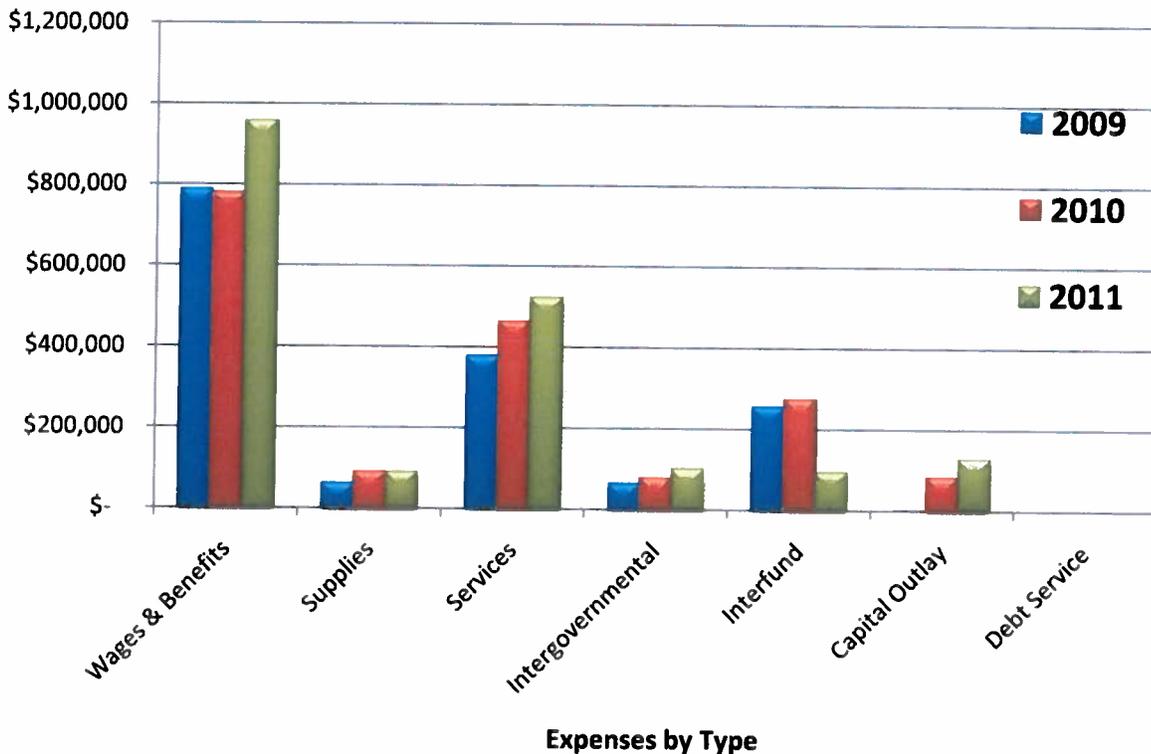
**General Fund Expenditures by Department by Type  
2011 Budget**

	<u>Wares &amp; Benefits</u>	<u>Supplies</u>	<u>Services</u>	<u>Intergovernmental</u>	<u>Interfund</u>	<u>Capital Expenditures</u>	<u>Debt Service</u>	<u>Total</u>
<b>General Fund</b>								
Executive/Legislative	\$ 83,050	\$ 800	\$ 27,050	\$ -	\$ -	\$ -	\$ -	\$ 110,900
Judicial	-	-	20,500	24,000	-	-	-	44,500
Administration	91,700	4,700	67,860	-	-	-	-	164,260
Police Department	519,570	40,000	59,250	72,950	-	40,000	-	731,770
Fire Protection	109,260	7,500	64,700	-	-	11,000	-	192,460
Parks & Recreation	73,970	15,200	70,085	-	-	28,300	-	187,555
Community Development	47,670	1,500	100,200	-	-	-	-	149,370
General Government	32,950	21,000	108,900	3,000	93,200	50,000	-	309,050
Library	-	-	3,100	-	-	-	-	3,100
<b>Total General Fund</b>	<b>\$ 958,170</b>	<b>\$ 90,700</b>	<b>\$ 521,645</b>	<b>\$ 99,950</b>	<b>\$ 93,200</b>	<b>\$ 129,300</b>	<b>\$ -</b>	<b>\$ 1,892,965</b>
<b>Other Funds</b>								
002 General Reserve Fund	-	-	-	-	-	-	-	91,300
101 Street Fund	84,715	24,000	49,540	-	133,500	37,625	-	329,380
104 Hotel/Motel Fund	-	-	17,100	-	-	-	-	17,100
111 General Support Fund	-	-	-	-	-	-	-	131,205
199 Grants Management Fund	-	-	-	-	-	-	-	-
300 Capital Facilities Fund	-	-	-	-	-	-	-	-
401 Water Fund	217,210	56,914	333,400	135,450	267,960	210,000	-	210,000
402 Sewer Fund	207,030	38,510	180,065	58,000	-	234,500	2,650	1,248,084
403 Solid Waste Fund	41,330	720	255,070	32,270	-	162,000	68,005	713,610
414 DWSRF Loan Fund	-	-	-	-	-	5,000	-	334,390
415 Water/Sewer Bond Reserve Fund	-	-	-	-	-	-	29,990	29,990
416 Water/Sewer Bond Redemption Fund	-	-	-	-	-	-	-	-
633 State Remittance Fund	-	-	-	50,950	-	-	238,580	238,580
<b>Total All Funds</b>	<b>\$ 1,508,455</b>	<b>\$ 210,844</b>	<b>\$ 1,356,820</b>	<b>\$ 376,620</b>	<b>\$ 585,960</b>	<b>\$ 778,425</b>	<b>\$ 470,430</b>	<b>\$ 5,287,554</b>

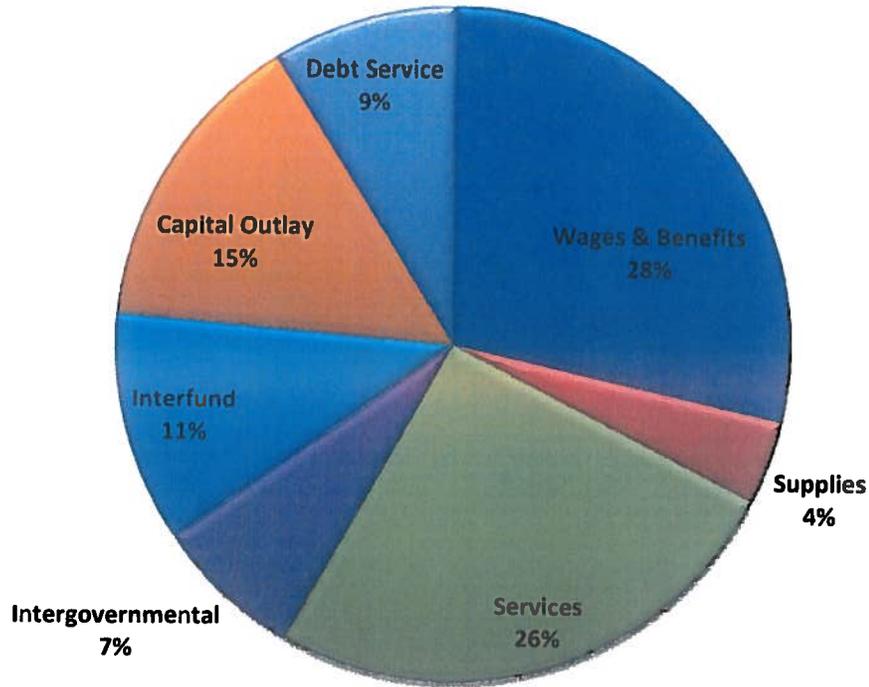
## Connell 2011 General Fund Expenditures by Type



## Connell General Fund Expenses 2009-11

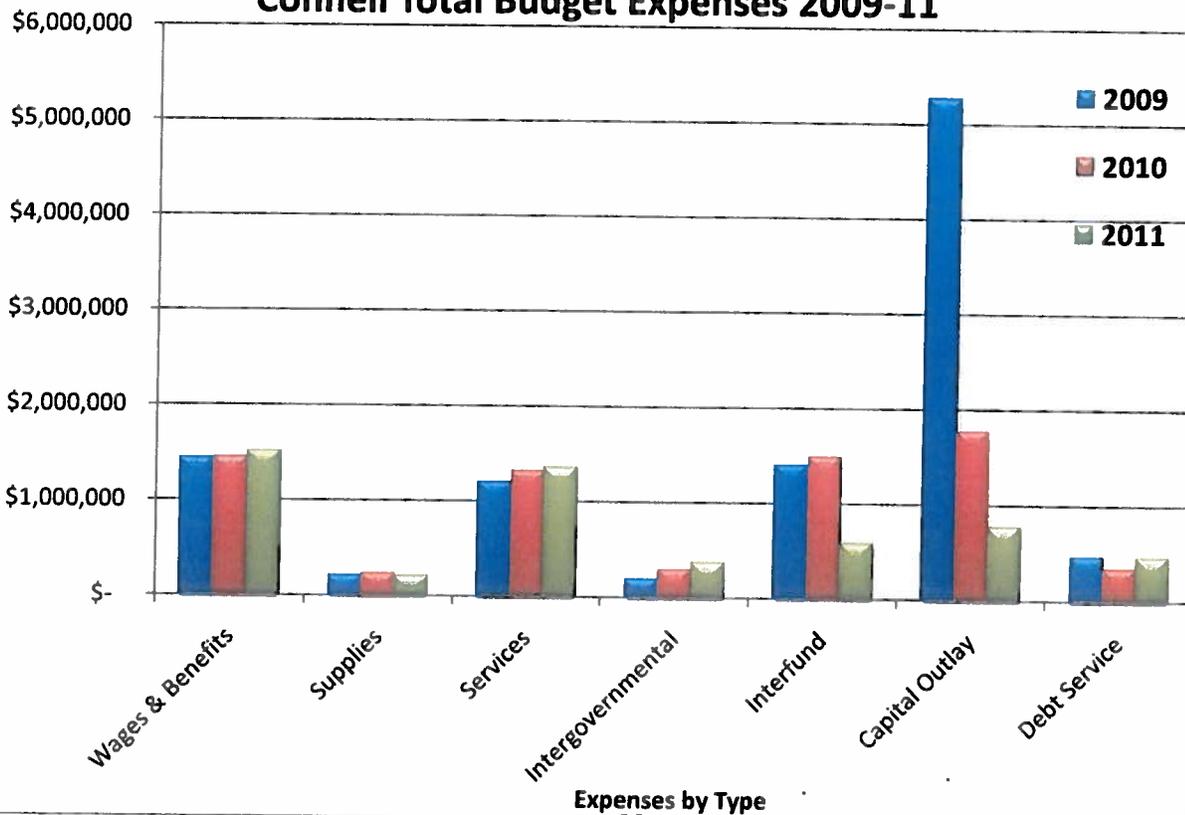


## Connell 2011 Total Budget Expenditures by Type



Estimated Expenditures: \$5,287,554

## Connell Total Budget Expenses 2009-11



Expenses by Type

**Council**

The Council consists of five elected citizens and is responsible for all legislative actions and policy-making for the City. The Council is empowered with the authority to enact ordinances and policies to protect the rights of the citizens and allocate resources through a public budget process to provide for municipal services.

**Mayor**

The Mayor is the elected Chief Executive Officer of the City and is responsible for executing the policies and implementing the goals adopted by the City Council within the constraints of the resources allocated through the City budget.

**Administrator**

The City Administrator is responsible for carrying out the directives of the Mayor and policies adopted by the City Council. The Administrator is accountable to the Mayor and coordinates work with all city departments and employees.

**Accomplishments for 2010**

- **Coyote Ridge Impact Funding** – Administered funding agreement with the state to purchase new fire apparatus, expand and remodel the existing Fire Hall, and purchase an ambulance to accommodate impacts from Coyote Ridge Corrections Center expansion.
- **Water & Sewer Utility Rate Study Update** – Updated rate study for both water and sewer utilities, and adopted rate adjustments to fund current operations and future capital investments of both systems. Adopted funding source to be brought into compliance with Supreme Court ruling on fire suppression system expenses. Negotiated new water rate agreement with ConAgra Lamb Weston.
- **Municipal Court Transfer to Franklin County** – Negotiated and adopted agreements with Franklin County District Court, Prosecutor, and Public Defense Offices to provide municipal court services for city.
- **Municipal Code Updates** – Drafted and adopted several municipal code changes in coordination with department heads relating to the City's budget funds, volunteer fire department, domestic animal regulations, water and sewer fees and charges, and wireless communications facilities.
- **Grant Application and Awards** – Applied for grant funding for transportation infrastructure, industrial area feasibility study, water distribution improvements, and fire protection equipment. City received approval for funding of W. Adams Street reconstruction, industrial area study, E. Date Street sidewalks, and a Public Works Trust Fund loan for waterline improvements.
- **Legislative Advocacy** – Promoted legislation favorable to City's interests in Olympia and advocated for correction facilities one-time impact funding in meetings with legislators, the Governor's office, and state agencies.
- **CRCC Fire Services Agreement** – Negotiated and adopted agreement with the Department of Corrections to provide fire protection services to Coyote Ridge and receive compensation for those services.

**Executive and Legislative**

**Goals for 2011**

- **Draft Comprehensive Financial Policies** – Establish formal financial policies related to budgeting, purchasing, appropriation, and debt financing.
- **Pursue Revenue Options** – Research options for new revenue streams dedicated to street maintenance and infrastructure improvements and parks operations.
- **Adopt Capital Improvement Plan** – Draft and adopt city-wide capital improvement plan including general government, utilities, and civic facility needs.
- **Review Debt Refinancing Options** – Conduct review of City’s debt capacity and seek opportunities to refinance existing debt.
- **DOC Impact Funding** – Advocate for one-time impact funding authorization from the state legislature in the 2011-13 biennium.
- **City Communications** – Complete City website update and establish regular information maintenance program. Release periodic community newsletter to inform citizens of city organization goals and policies.
- **Build Wellness Program** – Follow up establishment of AWC Wellness Program with regular activities and increased involvement of City employees resulting in health care premium savings and a healthy workforce.
- **Municipal Code Update** – Continue update of municipal code in the areas of utilities, code enforcement, law enforcement, and development standards
- **Perform Connell Industrial Area Feasibility Study** – Utilize federal and local grant funding to conduct marketing and feasibility study on the Connell Industrial Area located to the east of SR-395.
- **Update Employee Job Classifications** – Perform review of all current employee job descriptions and update to align city needs with current FTE authorization.

**Budget Summary**

	<b>2009</b>	<b>2010</b>	<b>2011</b>
	<b><u>Actual</u></b>	<b><u>Actual</u></b>	<b><u>Budget</u></b>
<b><u>Personnel – Full-Time Equivalent</u></b>			
Mayor	1	1	1
Councilmembers	5	5	5
City Administrator	<u>0.6</u>	<u>0.6</u>	<u>0.6</u>
<b>Total FTE's:</b>	<b>6.6</b>	<b>6.6</b>	<b>6.6</b>
<b><u>Budget Detail</u></b>			
Salaries, Wages, & Benefits	\$ 37,730	\$ 78,312	\$ 83,050
Supplies	116	231	800
Services & Charges	15,521	17,263	27,050
Capital Outlay	-	-	-
Interfund Charges	-	-	-
<b>Total Executive/Legislative Branch</b>	<b>\$ 53,367</b>	<b>\$ 95,805</b>	<b>\$ 110,900</b>

Fund 001	General Fund Judicial	City of Connell Budget 2011
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**Judicial**

The Judicial Department previously administered Connell's Municipal Court processing infractions and criminal offenses committed within City boundaries. In 2010, the City began contracting for municipal court services with Franklin County District Court, Franklin County Prosecutor, and Franklin County Office of Public Defense.

**Budget Summary**

	<b>2009</b>	<b>2010</b>	<b>2011</b>
	<b><u>Actual</u></b>	<b><u>Actual</u></b>	<b><u>Budget</u></b>
<b><u>Personnel –Full Time Equivalent</u></b>			
Court Clerks	<u>1.6</u>	<u>1.6</u>	-
<b>Total FTE's</b>	1.6	1.6	-
<b><u>Budget Detail</u></b>			
Salaries, Wages, Benefits	\$ 77,217	\$ 37,752	\$ -
Supplies	770	129	-
Services & Charges	19,602	15,680	20,500
Intergovernmental Charges	-	-	24,000
<b>Total Judicial</b>	<b>\$ 97,589</b>	<b>\$ 57,018</b>	<b>\$ 44,500</b>

Fund 001	General Fund Administration	City of Connell Budget 2011
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**Administration**

The general administration department is responsible for, accounting and reporting, payroll, human resources, accounts receivable, accounts payable, records management and customer service.

**Accomplishments for 2010**

- Received Grant from WA State Archives to preserve the official Minutes, Ordinances and Resolutions.
- Partnered with Master License Services for business license applications and renewals.
- Established Employee Wellness Program through Association of WA Cities.

**Goals for 2011**

- Update utilities chapters in Connell Municipal Code.
- Implement filing and records retention system update.
- Review all BARS codes for accuracy.
- Draft and adopt comprehensive Financial Policies for the City.
- Provide detailed work flows of utility billing, end-of-month, payroll, and vouchers processes.
- Continue to file all state-required reports accurately and within established timeframes.

**Budget Summary**

	<b><u>2009</u></b>	<b><u>2010</u></b>	<b><u>2011</u></b>
	<b><u>Actual</u></b>	<b><u>Actual</u></b>	<b><u>Budget</u></b>
<b><u>Personnel – Full-Time Equivalent</u></b>			
City Clerk-Treasurer	.5	.5	.5
Business Admin Coord.	.5	.5	.25
Accounting/Records Clerks	.7	.7	.5
<b>Total FTE's:</b>	<b>1.7</b>	<b>1.7</b>	<b>1.25</b>
<b><u>Budget Detail</u></b>			
Salaries, Wages, & Benefits	\$ 108,659	\$ 101,227	\$ 91,700
Supplies	4,240	4,291	4,700
Services & Charges	88,644	65,979	67,860
Intergovernmental Charges	239	62	-
<b>Total Executive/Legislative Branch</b>	<b>\$ 201,782</b>	<b>\$ 171,559</b>	<b>\$ 164,260</b>

Fund 001	General Fund Police Department	City of Connell 2011 Budget
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**Police Department**

The Connell Police Department provides services and security to the community. The Police Department staff consists of a Police Chief, a Sergeant, and 4 Patrol Officers. The police department strives for a "community oriented" police department. The main idea is to create partnerships between law enforcement and the community in an effort to improve the quality of life for all.

**Accomplishments for 2010**

- Maintained 24/7 coverage for the Community.
- Instituted Records Management and SECTOR computer systems for the Police Department.
- Began a project to enhance connectivity between Franklin County and Connell PD leading to a savings of time in officers completing police reports.

**Goals for 2011**

- Complete an update of the Police Department policy manual through Lexipol.
- Enhance radio communications by separating Connell PD and Pasco PD on the current radio system, thereby increasing officer safety.
- Upgrade the current dog holding facilities.

**Budget Summary**

	<b>2009</b>	<b>2010</b>	<b>2011</b>
	<b><u>Actual</u></b>	<b><u>Actual</u></b>	<b><u>Budget</u></b>
<b><u>Personnel – Full-Time Equivalent</u></b>			
Police Chief	1	1	1
Police Sergeant	1	1	1
Police Patrolman	5	4	4
Police Clerk	-	-	<u>.51</u>
<b>Total FTE's:</b>	<b>7.0</b>	<b>7.0</b>	<b>6.51</b>
<b><u>Budget Detail</u></b>			
Salaries, Wages, & Benefits	\$ 461,410	\$ 461,636	\$ 519,570
Supplies	38,791	43,585	40,000
Services & Charges	37,723	42,973	59,250
Capital Outlay	-	-	40,000
Intergovernmental Charges	62,102	72,211	72,950
<b>Total Police Department</b>	<b>\$ 600,026</b>	<b>\$ 620,405</b>	<b>\$ 731,770</b>

Fund 001	General Fund Fire Department	City of Connell Budget 2011
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### **Fire Department**

The City of Connell Fire Department protects life property and resources through efficient fire suppression, prevention and education. The Fire Department is also responsible for administration and enforcement of the Uniform Fire Code pursuant RCW 19.27.030 and applicable local codes or ordinances that come under the jurisdiction of the fire department. The City of Connell Fire Department is a volunteer based program with one full time position (Fire Chief) and 3 volunteers that are on a small monthly salary that compensates them for their contributions.

### **Accomplishments for 2010**

- Advertised and filled a Fire Chief in December. Position started service to the City of Connell staff in February of 2011.
- Completed contract construction and remodeling of the City of Connell Fire Department facility at 605 S. Columbia Ave.
- Funded, acquired and put into service new aerial apparatus currently housed in new portion of the Fire Station.

### **Goals for 2011**

- Conduct all fire operations, training, and public activities in a SAFETY FIRST manner that is professional and compliant with industry standards that provides protection for fire fighters and public.
- Establish and deliver community based International Fire Code Compliance Program.
- Develop, enhance and maintain professional working relationships with Coyote Ridge Correction Center that provide for efficient delivery of fire prevention, emergency management response and Uniform Fire Code compliance at the Coyote Ridge facilities.
- Establish and document department priorities, policies, procedures and regulations as they apply to Washington State Labor and Industry standards for volunteer fire departments in relation to training, certification, equipment use, maintenance, operations, and safety.
- Maintain and improve volunteer base with development and documentation of recruitment, training, certification, evaluations, personnel expectations and standards plan with the involvement and knowledge of the volunteer workforce.
- Develop and deliver a Fire Prevention/Emergency Response Program that reaches out to the community to assist them with education and preparedness.

- Establish, develop, document and coordinate with City of Connell departments, Federal, State, mutual aid cooperators, interagency cooperators, adjacent Fire Districts, and emergency services providers in order to build a network and fabric of assistance for City of Connell Fire Department and community.
- Establish, develop, enhance and maintain appropriate documentation and records for City of Connell Fire Department.
- Practice wise prudent fiscal responsibility while aggressively pursuing grant and funding opportunities to supplement City of Connell Fire Department budget for as many resources, activities and equipment as is reasonable.

**Budget Summary**

	<b>2009</b>	<b>2010</b>	<b>2011</b>
	<b><u>Actual</u></b>	<b><u>Actual</u></b>	<b><u>Budget</u></b>
<b><u>Personnel – Full-Time Equivalent</u></b>			
Fire Chief	-	-	<u>1</u>
<b>Total FTE's:</b>	-	-	<b>1.0</b>

**Budget Detail**

Salaries, Wages, & Benefits	\$ 18,209	\$ 20,882	\$ 109,260
Supplies	1,031	4,642	7,500
Services & Charges	18,320	36,192	64,700
Capital Outlay	915	1,304	11,000
<b>Total Fire Department</b>	<b>\$ 38,475</b>	<b>\$ 63,021</b>	<b>\$ 192,460</b>

Fund 001	General Fund Park and Recreation	City of Connell Budget 2011
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### Accomplishments for 2010

**Administration:** Recreation department worked with the budget allotted to provide parks and recreation activities as well as swimming pool needs. The department was able to do this by working with the Park Board and City staff to identify recreation needs. These needs included identifying recreation programs for the community, uses for the parks, identifying improvements and future additions to the parks, and addressing current safety issues. The Recreation Department also managed the use of the public pool by being pool supervisor, hiring pool staff, scheduling lessons and working with pool operators to make sure pool operated efficiently. Finally, the recreation director served on the Fall festival Committee to assist with different aspects of the fall festival weekend. Some of the aspects included helping with the parade, recruit and provide space for entertainment, and setting up community recreation in the park.

**Recreation Coordination:** Recreation Department provided and publicized a variety of recreation opportunities to Connell residents. Some of the activities included Zumba fitness, soccer & basketball open gym, Tiny-Tot-Play Time, youth arts and crafts, beading, self defense and computer basic s for seniors. The director recruited local community members to teach classes, worked with other groups to enhance activities and conducted activities himself.

**Parks:** The City pool at Pioneer Park had its grate system upgraded and cracks were filled in to reduce leakage. Aluminum bleachers and team benches were purchase for use at youth baseball games and a dug out area was extended on one of the fields at the Pioneer Park play fields. The Recreation Department was able to enhance Pioneer Park with a 9-target disc golf course. The reasoning behind putting in the course was to provide a relatively inexpensive recreation activity to the community as well as bring people from out of town to play. Finishing touches are still being done to the course. Improvements have been made to other parks as well. The Volleyball area at Heritage Park has been painted; the sand tilled and play area staked to show boundaries. Markers were put in along the walking path to show distances of every quarter mile.

### Goals for 2011

- Increase community involvement in recreation activities and park system usage.
- Develop summer music and entertainment series.
- Go over summer swim schedule to better meet the needs of the public as well as fit with public works schedule.
- Determine area for possible future splash park.
- Promote the use of new disc golf course and teach the community the basic s of the game.
- Partner with community groups and school district.

**Budget Summary**

Parks & Recreation Fund 102 was deleted in 2010.  
Parks and Recreation Department within the General Fund was established in 2011.

	<u>2009</u> <u>Actual</u>	<u>2010</u> <u>Actual</u>	<u>2011</u> <u>Budget</u>
<b><u>Personnel – Full-Time Equivalent</u></b>			
Maintenance II			0.4
Parks & Recreation Coordinator	=	=	<u>0.5</u>
<b>Total FTE's:</b>	-	-	<b>0.90</b>
<b><u>Budget Detail</u></b>			
Salaries, Wages, & Benefits	\$ -	\$ -	\$ 73,970
Supplies	-	-	15,200
Services & Charges	-	367	70,085
Capital Outlay	-	-	28,300
<b>Total Parks &amp; Recreation</b>	<b>\$ -</b>	<b>\$ 367</b>	<b>\$ 187,555</b>

Fund 001	General Fund Planning and Community Development	City of Connell Budget 2011
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**Planning and Community Division**

**COMMUNITY DEVELOPMENT COORDINATOR-** This division is responsible for development, zoning, SEPA, subdivision, planned unit development, conditional use, variance, short plat, comprehensive plan update & amendment, binding site plan, annexation, zoning map, street vacation and code enforcement. This department follows legal requirements for all land use, including issuance of building permits.

**Accomplishments for 2010**

**Building Permits**

- Issued 66 permits, over \$124,000 fees received, including 16 new homes.
- CBHA Dental Clinic – Construction completed – Opened Spring 2010.
- Oasis Village – Landscaping completed, lot sales and home construction proceeding.
- Fire Hall – Expansion completed.

**Planning & Zoning**

- NFSD New Grade School – 700-student facility – CUP Approved – Opening August 2011.
- CrossRoads Commercial – 12 acre Highway Commercial – Site buildout completed.
- Art in Public Places – Artwork installed, linked with Centennial celebration.
- Park Comprehensive Plan – Update of 2003 Plan – 80% complete – Final expected in May.
- Wireless Communication Facilities – Provided research, guidance & direction – Adopted.
- Community Development & Parks presentations – Highlighted progress.
- EDA Grant application – Connell Industrial Area.

**Code Enforcement**

- Issued 35 citations (increase of 52%) – Coordinated with Police Dept & Public Works.

**Economic Development**

- CIA Rezone approved, Initial planning for industrial park underway.
- Prepared site sheets & marketing letters.
- Collaborated with Port of Pasco and Tridec for marketing studies.
- Hosted successful prospect visits.

**Goals for 2011**

**Building Permits**

- Expedite plan submittals, coordinate with inspectors, monitor and assure compliance.

**Planning & Zoning**

- Be clear, consistent, fair, and responsive.
- Provide quality staff reports and presentations.
- Ensure sound process and public participation.
- NFSD CUP – Jr High expansion.
- Quail Run – 70 lot subdivision preliminary plat.

**Code Enforcement**

- Improve timeliness and attention, as limited resources allow.

**Economic Development**

- Market advantages of Connell.
- Pursue training opportunities.

**Budget Summary**

	<b>2009</b>	<b>2010</b>	<b>2011</b>
	<b><u>Actual</u></b>	<b><u>Actual</u></b>	<b><u>Budget</u></b>
<b><u>Personnel – Full-Time Equivalent</u></b>			
Community Development Coordinator	.5	.5	.5
Public Works Director	.15	.15	.15
Assistant Clerk	<u>.2</u>	<u>.2</u>	<u>.2</u>
<b>Total FTE's:</b>	<b>0.85</b>	<b>0.85</b>	<b>0.85</b>
<b><u>Budget Detail</u></b>			
Salaries, Wages, & Benefits	\$ 51,723	\$ 50,698	\$ 47,670
Supplies	1,032	478	1,500
Services & Charges	29,532	89,007	100,200
<b>Total Planning and Comm. Dev.</b>	<b>\$ 82,287</b>	<b>\$ 140,182</b>	<b>\$ 149,370</b>

Fund 001	General Fund General Government	City of Connell Budget 2011
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**General Government**

The General Government Department comprises activities that encompass services to multiple departments. Included in this department are special legal services, City building maintenance and repair, management information systems, association and intergovernmental memberships, economic development, and interfund transfers.

**Budget Summary**

	<u>2009</u> <u>Actual</u>	<u>2010</u> <u>Actual</u>	<u>2011</u> <u>Budget</u>
<u>Personnel – Full-Time Equivalent</u>			
Maintenance II	<u>0.55</u>	<u>0.55</u>	<u>0.55</u>
<b>Total FTE's:</b>	<b>0.55</b>	<b>0.55</b>	<b>0.55</b>

Budget Detail

Salaries, Wages, & Benefits	\$ 34,040	\$ 30,322	\$ 32,950
Special Legal Services	130,918	120,405	70,000
Legislative Advocacy	-	20,830	15,000
Computer Software & Equipment	9,843	14,784	10,730
Network & Website Maintenance	4,835	2,948	3,300
Other Supplies	3,861	3,291	5,000
Equipment Repair/Replacement	3,027	618	1,000
Other Services	1,248	259	1,000
Assn of Wash. Cities Dues	1,602	1,602	2,080
Benton/Franklin Council of Governments	1,750	1,724	1,750
Other Memberships	-	-	750
Property Assessments	1,396	1,789	2,000
Esquatzel Coulee Flood Control	-	38,273	10,000
Engineering Services - Facilities	1,645	2,568	5,000
City Hall Maintenance Prof. Serv.	-	193	3,000
Building Maintenance & Repair	2,009	15,529	-
Inmate Work Crew Charges – City Hall	-	-	1,000
Comm. Advertising, Postage & Travel	6,495	16	290
Alcoholism Intergovernmental Service	782	853	1,000
Ambulance Purchase (PWB – Gen. Fund)	-	72,581	-
Water Rights Purchase – Econ. Dev.	-	-	50,000
Non-expenditures	13,902	15,140	-

	<u>2009</u>	<u>2010</u>	<u>2011</u>
<u>Interfund Transfers</u>			
To City Hall Reserve	5,000	-	-
To Comm. Development Reserve	-	-	2,000
To Civic Facility Reserve	-	-	15,000
To Police Improvement Reserve	20,000	5,000	-
To Emergency Management (199)	9,550	-	-
To Fire Protection Reserve	5,000	30,000	10,000
To Street Fund	60,000	60,000	66,200
To Tourism Reserve	2,000	-	-
To Planning Dept. Reserve	2,000	-	-
To Economic Development Reserve	-	50,000	-
To Museum Reserve	5,000	-	-
To Community Center Reserve	6,000	6,000	-
To Parks & Recreation Fund	137,120	123,198	-
To Industrial Park Reserve	3,000	-	-
<b>Total General Government</b>	<b>\$ 472,023</b>	<b>\$ 617,922</b>	<b>\$ 309,050</b>

Fund 001	General Fund Library	City of Connell Budget 2011
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**Library**

The City of Connell has a contract with the Mid-Columbia Library District for operations and management of the Connell Library. The City provides the building and pays all necessary maintenance and utility costs.

**Budget Summary**

<u>Budget Detail</u>	<u>2009</u> <u>Actual</u>	<u>2010</u> <u>Actual</u>	<u>2011</u> <u>Budget</u>
Supplies	\$ -	\$ 185	\$ -
Services & Charges	3,113	3,147	3,100
<b>Total Library</b>	<b>\$ 3,113</b>	<b>\$ 3,332</b>	<b>\$ 3,100</b>

Fund 102	Park /Recreation Fund	City of Connell Budget 2011
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**Park and Recreation Fund**

The Parks & Recreation Fund is a special reserve fund for which receipt, disbursement and accounting of all funds appropriated by the City Council and any gifts, donations, government grants, or other funds specifically earmarked for municipal park and recreation programs are received and disbursed. The Parks & Recreation Fund was closed at the end of 2010 and all proceeds were deposited into the General Fund.

**Budget Summary**

	<b>2009</b>	<b>2010</b>	<b>2011</b>
	<b><u>Actual</u></b>	<b><u>Actual</u></b>	<b><u>Budget</u></b>
<b><u>Personnel – Full-Time Equivalent</u></b>			
Maintenance II	0.25	0.4	-
<b>Total FTE's:</b>	<b>0.25</b>	<b>0.4</b>	<b>-</b>
 <b><u>Budget Detail</u></b>			
Salaries, Wages, & Benefits	\$ 72,521	\$ 61,457	\$ -
Supplies	13,865	12,117	-
Services & Charges	65,298	57,776	-
Intergovernmental Charges	733	877	-
Capital Outlay	1,970	351	-
<b>Total Parks &amp; Recreation</b>	<b>\$ 154,387</b>	<b>\$ 132,578</b>	<b>\$ -</b>

Fund 103	Community Policing Fund	City of Connell Budget 2011
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**Community Policing Fund**

The Community Policing Fund was into which shall be paid and deposited all moneys from any source, including, but not limited to, appropriations by the City Council, donations, and proceeds from the sale of merchandise which has been designated for use in administering community policing activities and programs including the D.A.R.E. program within the City. The Community Policing Fund was closed at the end of 2010 and all proceeds were deposited into the General Fund.

**Budget Summary**

	<b>2009</b>	<b>2010</b>	<b>2011</b>
	<b><u>Actual</u></b>	<b><u>Actual</u></b>	<b><u>Budget</u></b>
<b><u>Budget Detail</u></b>			
Services	\$ 1,565	\$ 1,203	\$ -
Transfer to General Fund	\$ -	10,050	-
<b>Total Community Policing Fund</b>	<b>\$ 1,565</b>	<b>\$ 11,253</b>	<b>\$ -</b>

Fund 108	Contingency Fund	City of Connell Budget 2011
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**Contingency Fund**

Contingency Fund is a special fund set up to provide moneys with which to meet any municipal expense, the necessity or extent of which could not have been foreseen or reasonably evaluated at the time of adopting the annual budget. The Contingency Fund was closed at the end of 2010 and all proceeds were deposited into the General Fund.

**Budget Summary**

<u>Budget Detail</u>	<b>2009 <u>Actual</u></b>	<b>2010 <u>Actual</u></b>	<b>2011 <u>Budget</u></b>
Transfer to General Fund	\$ -	\$ 43,741	-
<b>Total Contingency Fund</b>	<b>\$ -</b>	<b>\$ 43,741</b>	<b>\$ -</b>

Fund 203	Park Bond Redemption	City of Connell Budget 2011
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**Park Bond Redemption**

The Park Bond Redemption Fund was established to collect revenues from a voted levy to repay debt issued for city park improvements. The bonds were repaid in 2007, but the fund continued to receive delinquent property tax revenues through 2010. The fund was closed in 2010 and the remaining balance was transferred to the Parks & Recreation Reserve Account.

**Budget Summary**

	2009 <u>Actual</u>	2010 <u>Actual</u>	2011 <u>Budget</u>
<u>Budget Detail</u>			
Transfer to Parks & Rec Reserve	\$ -	\$ 7,887	-
<b>Total Park Bond Redemption Fund</b>	<b>\$ -</b>	<b>\$ 7,887</b>	<b>\$ -</b>

Fund 002	General Reserve Fund	City of Connell Budget 2011
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**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.

<b>Reserve Account</b>	<b>2011 Account Balance</b>
• Civic Facilities	\$ 73,925
• Community Development	\$ 31,207
• Economic Development	\$ 432,595
• Law Enforcement	\$ 9,722
• Fire Protection	\$ 144,012
• Parks & Recreation	\$ 67,681
• Storm Water	\$ 15,658
• Real Estate Excise Reserve	<u>\$ 106,351</u>
<b>Total:</b>	<b>\$ 881,152</b>

**Budget Summary**

<b><u>Budget Detail</u></b>	<b><u>2009 Actual</u></b>	<b><u>2010 Actual</u></b>	<b><u>2011 Budget</u></b>
Transfer from Econ. Dev. Reserve to General Fund	\$ -	\$ -	\$ 65,000
Transfer from Parks & Rec Reserve To General Fund	-	-	26,300
<b>Total General Reserve Fund</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 91,300</b>

Fund 101	Streets	City of Connell Budget 2011
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**Street**

The Street Departments day-to-day activities includes: patching, striping, sweeping, seal coating, signage and sidewalk maintenance. Preservation and beautification our City is also performed by our street department with the help from our CRCC work crew.

**Accomplishments for 2010**

- Seal coat North Chelan from Clark to Columbia
- Seal coat Fir from Highway 260 to Fifth Street
- City awarded a Federal Grant in amount of approximately \$43,000 to improve sidewalk on East Date Street.
- City was awarded a Transportation Improvement Board Grant in amount of \$895.00 to reconstruct West Adams Street

**Goals for 2011**

- Engineering and Design West Adams Reconstruction Project
- West Adams Street Reconstruction from Columba Avenue to Sixth Street
- Reconstruction of sidewalk on East Date Street
- Continue seal coating program

**Budget Summary**

	<b>2009</b>	<b>2010</b>	<b>2011</b>
	<b><u>Actual</u></b>	<b><u>Actual</u></b>	<b><u>Budget</u></b>
<b><u>Personnel – Full-Time Equivalent</u></b>			
Public Work Director	.25	.25	.25
Public Works Supervisor	.5	.25	-
Maintenance II	<u>1.55</u>	<u>1.05</u>	<u>1.05</u>
<b>Total FTE's:</b>	<b>2.30</b>	<b>1.55</b>	<b>1.30</b>

**Budget Detail**

Salaries, Wages, & Benefits	\$ 95,400	\$ 98,265	\$ 84,715
Supplies	30,737	29,307	24,000
Services & Charges	52,540	51,176	49,540
Intergovernmental Payment	169	20	-
Capital Expenditures	1,071	-	37,625
Interfund Charges		-	133,500
<b>Total Street Fund</b>	<b>\$ 179,917</b>	<b>\$ 178,768</b>	<b>\$ 329,380</b>

Fund: 104	Hotel/Motel Fund	City of Connell Budget 2011
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**Hotel/Motel Fund**

The Hotel/Motel Fund accounts for the receipt and expenditure of a special excise tax of two percent on the sale or charge made for the furnishing of lodging under the Revised Code of Washington 82.08. 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.

**Budget Summary**

<u>Budget Detail</u>	<b>2009 <u>Actual</u></b>	<b>2010 <u>Actual</u></b>	<b>2011 <u>Budget</u></b>
Tourism Promotion	\$ 1,000	\$ 27,536	\$ 17,100
Interfund Transfers	\$ 5,500	-	-
<b>Total Hotel/Motel Fund</b>	<b>\$ 6,500</b>	<b>\$ 27,536</b>	<b>\$ 17,100</b>

Fund 111	General Support Fund	City of Connell Budget 2011
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**General Support**

The General Support Fund is used for the segregation, budgeting, expenditure 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 the laws of the State of Washington.

**Budget Summary**

<u>Budget Detail</u>	<b>2009 <u>Actual</u></b>	<b>2010 <u>Actual</u></b>	<b>2011 <u>Budget</u></b>
Debt Service – Loan to Water Fund	\$ -	\$ -	\$ 131,205
Debt Service – Loan to Sewer Fund	200,000	-	-
<b>Total General Support Fund</b>	<b>\$ 200,000</b>	<b>\$ -</b>	<b>\$ 131,205</b>

Fund 199	Grant Management Fund	City of Connell 2011 Budget
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**Grants Management Fund**

The Grant Management Fund was established in order to effectively track, monitor and manage specific grant activity as it relates to projects by department within a fund.

**Budget Summary**

<u>Budget Detail</u>	<u>2009</u> <u>Actual</u>	<u>2010</u> <u>Actual</u>	<u>2011</u> <u>Budget</u>
CDBG – Sportsman Addition	\$ 276,074	\$ -	\$ -
Public Works Board – Fire Hall Impr.	6,300	175,972	-
Public Works Board – Fire Apparatus	465,161		-
DHS – Emer. Mgmt	14,075	-	-
Public Works Board - Ambulance		117,684	-
Interfund Transfer to General Fund	-	18,222	-
<b>Total Executive/Legislative Branch</b>	<b>\$ 761,610</b>	<b>\$ 311,877</b>	<b>\$ -</b>

Fund 300	Capital Fund	City of Connell Budget 2011
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**Capital Facilities 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. Reserve Accounts previously held within this fund were moved to the General Reserve Fund and Street Fund in 2011.

**Capital Program**

A plan for capital expenditures to be incurred each year over a fixed period of years to meet capital needs arising from the long-term work program or otherwise. It sets forth each project or other long term expenditure in which the government is to have a part and specifies the full resources estimated to be available to finance the projected expenditure.

**Goals for 2011**

- TIB-Project match for West Adams Street improvements.
- Date Street Sidewalk STP-Transportation Enhancement improvements.
- Columbia Avenue Chip Seal.

**Budget Summary**

<u>Budget Detail</u>	<u>2009</u> <u>Actual</u>	<u>2010</u> <u>Actual</u>	<u>2011</u> <u>Budget</u>
Supplies	\$ -	\$ 2,287	\$ -
Services & Charges	-	4,149	-
Capital Outlay	579,141	589,669	210,000
Interfund Charges	771,390	997,346	-
<b>Total Executive/Legislative Branch</b>	<b>\$ 1,350,531</b>	<b>\$ 1,594,041</b>	<b>\$ 210,000</b>

Fund 401	Water	City of Connell Budget 2011
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**Water**

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 insure the quality of the City's water supply. Once a month meters are read by the Water Department for consumer billing.

**Accomplishments for 2010**

- Replaced a bad section of pipe on E. Franklin and N. Almira.
- Rebuilt Well 6 by converting it with a submersible pump.
- Rebuilt Well 8 by replacing the pump and replace the booster pump.
- Rebuilt Well 9 by replacing a pump.

**Goals for 2011**

- Rebuild Well 4
- If legislature passes the funding for the Public Works Trust Fund; Major waterline replacement projects would happen from E. Elm to E. Davis and from Columbia Ave. to Burke Street.

**Budget Summary**

	<b><u>2009</u></b> <b><u>Actual</u></b>	<b><u>2010</u></b> <b><u>Actual</u></b>	<b><u>2011</u></b> <b><u>Budget</u></b>
<b><u>Personnel – Full-Time Equivalent</u></b>			
City Administrator	.2	.2	.2
City Clerk/Treasurer	.2	.2	.2
Public Works Director	.25	.35	.35
Public Works Supervisor	.4	.4	-
Comm. Development Coord	.3	.3	.3
Maintenance II	1.3	1.4	1.4
Business Admin Coord	.25	.25	.25
Accounting Clerks	<u>.60</u>	<u>.60</u>	<u>.50</u>
<b>Total FTE's:</b>	<b>3.5</b>	<b>3.7</b>	<b>3.2</b>

**Budget Detail**

Salaries, Wages, & Benefits	\$ 226,791	\$ 236,962	\$ 217,210
Supplies	66,290	59,148	56,914
Services & Charges	289,116	336,391	333,400
Capital Outlay	347,810	236,128	234,500
Intergovernmental Charges	43,142	106,400	135,450
Interfund Charges	204,691	137,343	267,960
Debt Service	-	-	2,650
<b>Total Water Department</b>	<b>\$ 1,177,840</b>	<b>\$ 1,112,372</b>	<b>\$ 1,248,084</b>

Fund 402	Sewer	City of Connell Budget 2011
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**Sewer**

The Sewer Department provides for the collection and treatment of sewage. It continuously monitors and cleans sewer lines, and 5 lift stations, as well as running the Waste Water Plant with two Irrigation circles.

**Accomplishments for 2010**

- A main sewer Lift Station located on Clark Street was rebuilt

**Goals for 2011**

- Perform a sewer capacity study
- Replace 3000' of force main line from Clark Street going north past McGregor's.

**Budget Summary**

	<b><u>2009</u></b>	<b><u>2010</u></b>	<b><u>2011</u></b>
	<b><u>Actual</u></b>	<b><u>Actual</u></b>	<b><u>Budget</u></b>
<b><u>Personnel – Full-Time Equivalent</u></b>			
City Administrator	.20	.20	.20
City Clerk/Treasurer	.15	.15	.15
Public Works Director	.25	.25	.25
Public Works Supervisor	.10	.35	-
Comm. Development Coord	.20	.20	.20
Wastewater Treatment Operator	1.0	1.0	1.0
Maintenance II	.15	.60	.60
Business Admin Coord	.15	.15	.15
Accounting Clerks	<u>.45</u>	<u>.45</u>	<u>.35</u>
<b>Total FTE's:</b>	<b>2.65</b>	<b>3.35</b>	<b>2.9</b>
<b><u>Budget Detail</u></b>			
Salaries, Wages, & Benefits	\$ 208,996	\$ 225,926	\$ 207,030
Supplies	38,036	35,287	38,510
Services & Charges	135,940	131,875	177,565
Capital Outlay	3,582,781	586,442	164,500
Intergovernmental Charges	12,432	47,439	58,000
Debt Service	-	68,004	68,005
<b>Total Sewer Department</b>	<b>\$ 3,978,185</b>	<b>\$ 1,094,973</b>	<b>\$ 713,610</b>

Fund 403	Solid Waste	City of Connell Budget 2011
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**Solid Waste**

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.

**Budget Summary**

	<b>2009</b>	<b>2010</b>	<b>2011</b>
	<b><u>Actual</u></b>	<b><u>Actual</u></b>	<b><u>Budget</u></b>
<b><u>Personnel – Full-Time Equivalent</u></b>			
City Clerk/Treasurer	.15	.15	.15
Business Admin. Coordinator	.1	.1	.1
Accounting Clerk	<u>.45</u>	<u>.45</u>	<u>.39</u>
<b>Total FTE's:</b>	<b>0.7</b>	<b>0.7</b>	<b>.64</b>
<b><u>Budget Detail</u></b>			
Salaries, Wages, & Benefits	\$ 42,856	\$ 41,784	\$ 41,330
Supplies	271	482	720
Services & Charges	272,289	233,203	255,070
Capital Outlay	-	5,973	5,000
Intergovernmental Charges	14,903	31,918	32,270
<b>Total Solid Waste Department</b>	<b><u>\$ 330,320</u></b>	<b><u>\$ 313,360</u></b>	<b><u>\$ 334,390</u></b>

Fund 414	Drinking Water State Revolving Fund	City of Connell Budget 2011
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**DWSRF**

The DWSRF (Drinking Water State Revolving Fund) loan was taken 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.

**Budget Summary**

<u>Budget Detail</u>	<u>2009 Actual</u>	<u>2010 Actual</u>	<u>2011 Budget</u>
Debt Service	\$ 31,182	\$ 30,582	\$ 29,990
<b>Total General Reserve Fund</b>	<b>\$ 31,182</b>	<b>\$ 30,582</b>	<b>\$ 29,990</b>

Fund 415	Water/Sewer Bond Reserve	City of Connell Budget 2011
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**Water/Sewer Bond Reserve Fund**

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 mandate by the ordinance authorizing the issuance of revenue bonds to pay for certain water infrastructure improvements.

**Budget Summary**

	<b><u>2009</u></b>	<b><u>2010</u></b>	<b><u>2011</u></b>
	<b><u>Actual</u></b>	<b><u>Actual</u></b>	<b><u>Budget</u></b>
<b><u>Budget Detail</u></b>			
Transfer to Water/Sewer Bond Redemption Fund	\$ 166,273	\$ -	\$ -
<b>Total Water/Sewer Bond Reserve</b>	<b><u>\$ 166,273</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>

Fund 416	Water/Sewer Bond Redemption	City of Connell Budget 2011
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**Water/Sewer Bond Redemption**

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. The City currently makes principal and interest payments on outstanding debt related to water infrastructure improvements including private and USDA-Rural Development debt from this fund.

**Budget Summary**

	2009 <u>Actual</u>	2010 <u>Actual</u>	2011 <u>Budget</u>
<u>Budget Detail</u>			
USDA Debt Service	\$ 106,760	\$ 106,760	\$ 106,765
Farm Bond Debt Service	130,280	133,355	131,205
Bond Administration Expense	605	605	610
<b>Total Water/Sewer Bond Redemp</b>	<b>\$ 237,645</b>	<b>\$ 240,720</b>	<b>\$ 238,580</b>

Fund 633	State Remittance	City of Connell Budget 2011
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**State Remittance**

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

**Budget Summary**

<u>Budget Detail</u>	<b>2009 <u>Actual</u></b>	<b>2010 <u>Actual</u></b>	<b>2011 <u>Budget</u></b>
Intergovernmental Charges	\$ 53,879	\$ 32,146	\$ 50,950
<b>Total Community Policing Fund</b>	<b>\$ 53,879</b>	<b>\$ 32,146</b>	<b>\$ 50,950</b>

YEAR

2011 2012 2013

DEBT OBLIGATION PROJECTIONS

2014 2015 2016 2017 2018 2019 2020 2021

Farm Bonds (1.75 mill)	5.50%	5.75%	6.00%	6.25%	6.50%	6.60%	6.70%	6.75%	6.80%	6.85%	6.90%
Principal	40,000.00	45,000.00	45,000.00	50,000.00	50,000.00	55,000.00	60,000.00	65,000.00	65,000.00	70,000.00	75,000.00
Interest	91,205.00	88,811.25	86,167.50	83,255.00	80,067.50	76,627.50	72,802.50	68,598.75	64,195.00	59,567.50	54,602.50
<b>Sub-Total</b>	<b>131,205.00</b>	<b>133,811.25</b>	<b>131,167.50</b>	<b>133,255.00</b>	<b>130,067.50</b>	<b>131,627.50</b>	<b>132,802.50</b>	<b>133,598.75</b>	<b>129,195.00</b>	<b>129,567.50</b>	<b>129,602.50</b>
Principal Balance	1,540,000.00	1,495,000.00	1,450,000.00	1,400,000.00	1,350,000.00	1,295,000.00	1,235,000.00	1,170,000.00	1,105,000.00	1,035,000.00	960,000.00

Waterline DWSRF Loan @ 2.5%

Principal	23,986.19	23,986.19	23,986.19	23,986.19	23,986.20	23,986.19	23,986.19	23,986.19	23,986.19	23,986.19	23,986.19
Interest	5,996.55	5,396.89	4,797.24	4,197.58	3,597.93	2,998.28	2,398.61	1,798.97	1,199.31	599.65	0.00
<b>Sub-Total</b>	<b>29,982.74</b>	<b>29,383.08</b>	<b>28,783.43</b>	<b>28,183.77</b>	<b>27,584.13</b>	<b>26,984.47</b>	<b>26,384.80</b>	<b>25,785.16</b>	<b>25,185.50</b>	<b>24,585.84</b>	<b>0.00</b>
Principal Balance	215,875.72	191,889.53	167,903.34	143,917.15	119,930.95	95,944.76	71,958.57	47,972.38	23,986.19	0.00	0.00

USDA water/Bonds (2 mill @ 4.375%)

Principal	24,902.06	25,991.52	27,128.65	28,315.53	29,554.33	30,847.34	32,196.91	33,605.52	35,075.76	36,610.33	38,212.03
Interest	81,857.94	80,768.48	79,631.35	78,444.47	77,205.67	75,912.66	74,563.09	73,154.48	71,684.24	70,149.67	68,547.97
<b>Sub-Total</b>	<b>106,760.00</b>										
Principal Balance	1,846,136.65	1,820,145.13	1,793,016.48	1,764,700.95	1,735,146.62	1,704,299.28	1,672,102.38	1,638,496.86	1,603,421.09	1,566,810.77	1,528,598.74

TOTAL YEARLY OBLIGATION

	<b>267,947.74</b>	<b>269,954.33</b>	<b>266,710.93</b>	<b>268,198.77</b>	<b>264,411.63</b>	<b>265,371.97</b>	<b>265,947.30</b>	<b>266,143.91</b>	<b>261,140.50</b>	<b>260,933.34</b>	<b>236,362.50</b>
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TOTAL REMAINING PRINCIPAL

	3,602,012.37	3,507,034.66	3,410,919.82	3,308,618.10	3,205,077.57	3,095,244.04	2,979,060.95	2,856,469.24	2,732,407.28	2,601,810.77	2,488,598.74
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Capital Leases

Police Dept Vehicles	36,908.52										
Public Works Dept Vehicles	54,139.08	54,139.08	54,139.08	54,139.08	54,139.08	54,139.08	54,139.08	54,139.08	54,139.08	54,139.08	54,139.08
Planning Printer	1,176.00										
<b>Total</b>	<b>92,223.60</b>	<b>54,139.08</b>									

Farm Bonds:

In 2000 the City issued bonds for the purchase of the Rodstiel Farm. These were redeemed in 2005 and new bonds were issued.

DWSRF Loan:

In 2001 the City obtained a loan for the replacement of a mainline on the east side of town and the replacement of existing waterlines in Striker.

USDA Bonds:

In 2004 the City issued bonds for improvements to the water system that included a waterline from the farm and improvements to Terrace Heights and Sagewood.

LONG TERM DEBT  
Debt service including interest

Year	Farm Bonds	DWSRF	USDA Bonds	Capital Leases	Total Debt
2011	131,205.00	29,982.74	106,760.00	92,223.60	360,171.34
2012	133,811.25	29,383.08	106,760.00	54,139.08	324,093.41
2013	131,167.50	28,783.43	106,760.00	54,139.08	320,850.01
2014	133,255.00	28,183.77	106,760.00	54,139.08	322,337.85
2015-2019	657,291.25	131,924.06	533,800.00	1,323,015.31	2,635,030.62
2020-2024	657,062.50	24,585.84	533,800.00	1,215,448.34	2,430,900.68
2025-2029	675,076.25		533,800.00	1,208,876.25	2,422,752.50
2030-2034	138,678.75		533,800.00	672,478.75	1,344,957.50
2035-2039			533,800.00	533,800.00	1,067,600.00
2040-2044			533,197.26	533,197.26	1,066,394.52
<b>TOTALS</b>	<b>2,657,547.50</b>	<b>272,842.92</b>	<b>3,629,237.26</b>	<b>254,640.84</b>	<b>6,814,268.52</b>

Riddell Corporation purchase agreement/contract.

The City entered into a land Purchase and Sale Agreement with Riddell Development Co in 2005 for the sale of farm land, land the City had purchased by issuing bonds. Per the Purchase and Sale Agreement, the land purchase was to be paid in full within thirteen years after the first closing escrow on Nov 15, 2007 and Riddell Development Co. would pay the amount needed to cover the City's yearly bond payment.

Year	Purchase amount received from buyer	Payments	Balance
2006	\$2,021,000	130,180.00	1,890,820.00
2007		134,130.00	1,756,690.00
2007		237,273.62	1,519,416.38
2009		26,611.38	1,492,805.00
2010		-	1,492,805.00
2011		264,560.00	1,228,245.00
2012		133,811.25	1,094,433.75
2013		131,167.50	963,266.25
2014		133,255.00	830,011.25
2015		130,067.50	699,943.75
2016		131,627.50	568,316.25
2017		132,802.50	435,513.75
2018		133,598.75	301,915.00
2019		129,195.00	172,720.00
2020		172,720.00	-

13th year from first closing of escrow

**CAPITAL FACILITIES PROJECTS**  
**FUNDS: #001, #101, #300, #401, #402, #403**

Capital expenditures are made across various funds and enterprises administered by the City.  
 A narrative of the proposed capital expenditures in 2011 within each fund is provided below.

Fund	NAME	DESCRIPTION	AMOUNT
<b>General 001</b>			
	<b>POLICE DEPARTMENT</b>		
	Bldgs & Structures	Animal Control Facility Upgrade	2,000.00
	Machinery & Equip	Patrol Car Lease Program	38,000.00
		<b>SUB-TOTAL</b>	<b>40,000.00</b>
	<b>FIRE PROTECTION</b>		
	Machinery & Equip	Fire Protection Gear/Equipment	7,000.00
	Interfund Payment	Purchase Command Vehicle from Public Works	4,000.00
		<b>SUB-TOTAL</b>	<b>11,000.00</b>
	<b>PARKS &amp; RECREATION</b>		
	Bldgs & Structures	Pool Renovation	11,000.00
	Pool Equipment	Kiddie Pool/Family Area Equipment	2,000.00
	Other Improvements	Playground Equipment	5,000.00
	Machinery & Equip	Lawn Mower Lease	10,300.00
		<b>SUB-TOTAL</b>	<b>28,300.00</b>
	<b>GENERAL GOVERNMENT</b>		
	Water Rights Purchase	Closing Costs Transferred from Econ. Dev. Reserve	50,000.00
		<b>SUB-TOTAL</b>	<b>50,000.00</b>
		<b>Total General Fund</b>	<b>129,300.00</b>
<b>Street 101</b>			
	<b>STREET IMPROVEMENT</b>		
	Street Signage & Replacement		2,575.00
	Machinery & Equipment	Public Works Maintenance Vehicle Leases	35,050.00
		<b>Total Street Fund</b>	<b>37,625.00</b>
<b>Capital Facilities 300</b>			
	Chip Seal Program		70,000.00
	West Adams Street	Design Engineering - TIB	85,000.00
	E. Date Street Sidewalk	Federal STP Transportation Enhancement Funds	55,000
		<b>Total Capital Facilities Fund</b>	<b>210,000.00</b>
<b>Water 401</b>			
	<b>WATER IMPROVEMENT</b>		
	Professional Services	Klindworth, Campbell Project Design Engineering	170,000.00
	Bldgs & Structures	Wells No. 4 Improvements	60,000.00
	Machinery & Equip	Public Works Maintenance Vehicle Leases	4,500.00
		<b>Total Water Fund</b>	<b>234,500.00</b>
<b>Sewer 402</b>			
	<b>WASTE WATER IMPROV</b>		
	City Engineering	DOC Closeout, Sewer Force Main Eng. Sewer Capacity Study	44,500.00
	Sewer Line Replacement	Sewer Force Main from Lift Station No. 4	90,000.00
	Sewer Capacity Enhancement	Lift Station No. 4 Improvements & Retainage	23,000.00
	Machinery & Equip	Public Works Maintenance Vehicle Leases	4,500.00
		<b>Total Sewer Fund</b>	<b>162,000.00</b>
<b>Solid Waste 403</b>			
	<b>SOLID WASTE MGMNT</b>		
	Other Improvements	Solid Waste Receptacles	5,000.00
		<b>Total Solid Waste Fund</b>	<b>5,000.00</b>
		<b>TOTAL CAPITAL PROJECTS EXPENDITURES</b>	<b>778,425.00</b>

## Appendix

- A. Ordinance No. 893- Annual Budget Adoption
- B. Resolution No. 2010-12 Salary Schedules
- C. Ordinance No. 981 –Valorem General Property taxes and Levy Certification
- D. City of Connell Directory of Official
- E. Glossary of Budget Terms

CITY OF CONNELL, WASHINGTON

ORDINANCE NO. 893

AN ORDINANCE OF THE CITY OF CONNELL, WASHINGTON, ADOPTING THE ANNUAL BUDGET OF THE CITY OF CONNELL FOR THE 2011 FISCAL YEAR IN THE TOTAL AMOUNT OF \$9,424,102.00 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 2011, 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 100 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	2,363,335.00	2,363,335.00
002	General Reserve Fund	798,240.00	798,240.00
101	Street Fund	528,200.00	528,200.00
104	Hotel/Motel Tax Fund	58,150.00	58,150.00
111	General Support Fund	1,525,655.00	1,525,655.00
199	Grants Management Fund	0.00	0.00
300	Capital Facilities Fund	210,000.00	210,000.00
401	Water Utility Department Fund	1,686,455.00	1,686,455.00
402	Sewer Utility Department Fund	1,168,280.00	1,168,280.00
403	Solid Waste Fund	397,130.00	397,130.00
414	DWSRF Loan (CTED)	29,990.00	29,990.00
415	Water/Sewer Bond Reserve	251,617.00	251,617.00
416	Water/Sewer Bond Redemption	350,650.00	350,650.00
633	State Remittance Fund	56,400.00	56,400.00
	<b>TOTAL</b>	<b>\$9,424,102.00</b>	<b>\$9,424,102.00</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, 2011 are fixed at \$9,424,102.00.

**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.

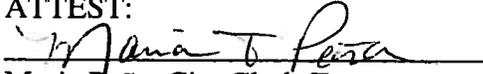
ORDINANCE NO. 893  
ADOPTING THE 2011 BUDGET  
Page 2.

**PASSED** by the City Council of the City of Connell, Washington and  
**APPROVED** by the Mayor on this 20 day of December, 2010.



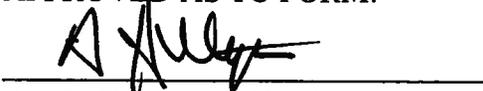
Garland D. Walton, Mayor

ATTEST:



Maria Peña, City Clerk-Treasurer

APPROVED AS TO FORM:



Dan F. Hultgrenn, City Attorney

INTRODUCED:

12/20/10

ADOPTED:

12/20/10

APPROVED:

12/20/10

PUBLISHED:

12/30/10, 2010 in the Franklin County Graphic,

A COPY OF THIS ORDINANCE WAS SENT TO THE OFFICE OF THE STATE  
AUDITOR ON THE 21<sup>st</sup> DAY OF December, 2010

City of Connell, Washington

RESOLUTION NO. 2010-12

A RESOLUTION SETTING SALARY SCHEDULES FOR 2011.

WHEREAS, the City Council of the City of Connell has discussed salaries for city employees for the year 2011, and

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

WHEREAS, a new salary classification matrix incorporating a revised "range" and "step" structure is proposed for non-represented employees,

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

SECTION 1: The City's existing salary matrix for non-represented employees has been revised to contain twenty-six (26) ranges, with each succeeding range valued 5% greater than the one preceding, and seven (7) steps, with each succeeding step valued 3% greater than the one preceding. Non-represented employees shall be eligible to advance to the next succeeding step annually in accordance with the provisions set forth in the City's Personnel Policies. The non-represented employee salaries set forth below reflect the respective range classification assigned to each employee by management. As collective bargaining agreement negotiations with the City's law enforcement employees represented by the Teamsters Local Union No. 839 have not been finalized, the represented employee salaries set forth in this resolution reflect no change made to the 2010 Union salary classification matrix.

<u>POSITION</u>	<u>MONTHLY SALARY RANGE</u>
City Administrator	6,222.51 – 7,428.81
City Clerk/Treasurer	4,421.51 – 5,279.52
Business Administrative Coordinator	3,142.29 – 3,752.05
Accounting Clerk	2,585.17 – 3,086.82
Accounting Clerk	2,585.17 – 3,086.82
Community Development Coordinator	3,299.40 – 3,939.68
Park and Recreation Director (Reg. Part Time)	900.00 – 3,000.00
Fire Chief	4,874.72 – 5,820.67
Public Works Director	4,421.51 – 5,279.52
Wastewater Treatment Plant Operator	3,299.40 – 3,939.66
Maintenance Position II	2,714.43 – 3,241.17
Maintenance Position II	2,714.43 – 3,241.17
Maintenance Position II	2,714.43 – 3,241.17
Maintenance Position II	2,714.43 – 3,241.17
Police Chief	5,118.45 – 6,111.70
Police Sergeant	4,002.15 – 4,504.46

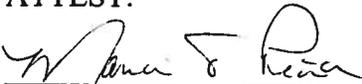
<u>POSITION</u>	<u>MONTHLY SALARY RANGE</u>
Police Patrolman	3,625.75 – 4,080.82

SECTION 2: This resolution shall be in full force and effect January 1, 2011.

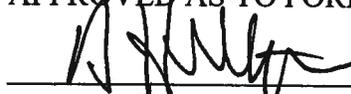
PASSED BY THE CITY COUNCIL of the City of Connell, Washington, and APPROVED by the Mayor this 1 day of December, 2010.

  
 Garland D. Walton, Mayor

ATTEST:

  
 Maria T. Peña, City Clerk-Treasurer

APPROVED AS TO FORM:

  
 Dan F. Hultgrenn, City Attorney

INTRODUCED:

ADOPTED:

APPROVED:

12/1/10  
12/1/10  
12/1/10

**CITY OF CONNELL, WASHINGTON**

**ORDINANCE NO. 891**

**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 2011 calendar year; and

**WHEREAS**, the City of Connell's actual levy amount from the previous year was \$332,067.00 and,

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

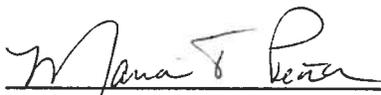
**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CONNELL, WASHINGTON**, as follows:

Section 1. An increase in the regular property tax levy is hereby authorized for the levy to be collected for the 2011 tax year. The dollar amount of the increase over the actual levy amount from the previous year shall be \$3,320.67 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 AND ADOPTED** by the City Council of the City of Connell, Washington, and **APPROVED** by the Mayor this 3 day of November, 2010.

  
Garland D. Walton, Mayor

ATTEST:

  
Maria T. Peña, City Clerk-Treasurer





# 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, Maria T. Peña,  
(Name)

City Clerk Treasurer, 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 2011 as provided in the district's  
(Year of Collection)

budget, which was adopted following a public hearing held on 12/20/10 :  
(Date of Public Hearing)

Regular Levy: \$339,762.00  
(State the total dollar amount to be levied)

Excess Levy: \$0.00  
(State the total dollar amount to be levied)

Refund Levy: \$0.00  
(State the total dollar amount to be levied)

Signature: Maria T. Peña

Date: 1/12/11

For tax assistance or to request this document in an alternate format, visit <http://dor.wa.gov/content/taxes/property/default.aspx> or call (360) 534-1400. Teletype (TTY) users may call (360) 705-6718.

**CITY OF CONNELL**  
**2011 DIRECTORY OF OFFICIALS**

<u>Elected Officials</u>		<u>Position</u>	<u>Term</u>	<u>Expiration</u>
MAYOR	Garland "Gary" Walton	No. 1	4	December 2013
COUNCILMEMBER	Jared Broberg	No. 2	4	December 2013
COUNCILMEMBER	Rhonda Quinton	No. 3	4	December 2013
COUNCILMEMBER	Lee Barrow	No. 4	4	December 2013
COUNCILMEMBER	Ron Boyer	No. 5	4	December 2011
COUNCILMEMBER	Monica Pruet	No. 6	4	December 2011

**Appointed**

CITY ADMINISTRATOR	Steve Taylor
CITY CLERK/TREASURER	Maria Peña
POLICE CHIEF	Michael Kessler
PUBLIC WORKS DIRECTOR	Larry Turner
FIRE CHIEF	Chris Schulte

**Park & Recreation Board Members**

Board Members	Term End
1. Helen Tobin	5/31/2014
2. Gene Stocking	5/31/2013
3. Carol Lindner	5/31/2012
4. Lori Stiner	5/31/2011
5. Rhonda Quinton	5/31/2015

**Planning Commission Members**

Commission Members	Term End
1. Molly Kunkel	12/31/2014
2. Roger Bailie	12/31/2013
3. Bruce Bowen	12/31/2012
4. Darrell Ferguson	12/31/2011
5. Casey Hart	12/31/2016

**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

## 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 a 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.

## **Glossary of Budget Terms**

**Fund** A fiscal and accounting entity with a self-balancing set of accounts in which cash and other financial resources, and related liabilities and residual equities, or balances, and changes therein, are recorded and segregated to carry on specific activities or attain certain objectives in accordance with special regulations, restrictions or limitations.

**General Ledger** A book, file, or other device which contains the accounts needed to reflect the financial position and the results of operations of an entity.

**Grant** An external contribution of gifts of cash or other assets to be used or expended for a specified purpose, activity, or facility.

**Infrastructure** Long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets.

**Internal Control** Internal control comprises the plan of organization, and all of the coordinate methods and measures adopted within a government to accomplish its objectives.

**Interfund Transfers** The movement of monies between funds of the same governmental entity.

**Levy (verb)** (– To impose taxes, special assessments or service charges for the support of government activities. (noun) – The total amount of taxes, special assessments or service charges imposed by a government.

**Long-Term Debt** Debt with a maturity of more than one year after the date of issuance.

**Operating Budget** Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing acquisition, spending and service delivery activities of a government are controlled. The use of annual operating budgets is usually required by law. Even when not required by law, however, annual operating budgets are essential to sound financial management and should be adopted by every government.

**Ordinance** A statute or regulation enacted by City Council.

**Personnel Benefits** Those benefits paid by the City as part of the conditions of employment. Examples include insurance and retirement benefits.

**Revenues** Increase in the net current assets of a government fund type from other than expenditure refunds and residual equity transfers. Also, increases in the net total assets of a proprietary fund type from other than expense refunds, capital contributions and residual equity transfer.