



Office of the Washington State Auditor
Pat McCarthy

Financial Statements and Federal Single Audit Report

City of Ellensburg

For the period January 1, 2024 through December 31, 2024

Published September 18, 2025

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**Office of the Washington State Auditor
Pat McCarthy**

September 18, 2025

Mayor and City Council
City of Ellensburg
Ellensburg, Washington

Report on Financial Statements and Federal Single Audit

Please find attached our report on the City of Ellensburg's financial statements and compliance with federal laws and regulations.

We are issuing this report in order to provide information on the City's financial activities and condition.

Sincerely,

Pat McCarthy, State Auditor
Olympia, WA

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS

City of Ellensburg January 1, 2024 through December 31, 2024

SECTION I – SUMMARY OF AUDITOR’S RESULTS

The results of our audit of the City of Ellensburg are summarized below in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Financial Statements

We issued an unmodified opinion on the fair presentation of the City’s financial statements in accordance with its regulatory basis of accounting. Separately, we issued an adverse opinion on the fair presentation with regard to accounting principles generally accepted in the United States of America (GAAP) because the financial statements are prepared using a basis of accounting other than GAAP.

Internal Control over Financial Reporting:

- *Significant Deficiencies:* We reported no deficiencies in the design or operation of internal control over financial reporting that we consider to be significant deficiencies.
- *Material Weaknesses:* We identified no deficiencies that we consider to be material weaknesses.

We noted no instances of noncompliance that were material to the financial statements of the City.

Federal Awards

Internal Control over Major Programs:

- *Significant Deficiencies:* We reported no deficiencies in the design or operation of internal control over major federal programs that we consider to be significant deficiencies.
- *Material Weaknesses:* We identified no deficiencies that we consider to be material weaknesses.

We issued an unmodified opinion on the City’s compliance with requirements applicable to its major federal program.

We reported no findings that are required to be disclosed in accordance with 2 CFR 200.516(a).

Identification of Major Federal Programs

The following program was selected as a major program in our audit of compliance in accordance with the Uniform Guidance.

<u>ALN</u>	<u>Program or Cluster Title</u>
21.027	COVID-19 – CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS

The dollar threshold used to distinguish between Type A and Type B programs, as prescribed by the Uniform Guidance, was \$750,000.

The City did not qualify as a low-risk auditee under the Uniform Guidance.

SECTION II – FINANCIAL STATEMENT FINDINGS

None reported.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.

INDEPENDENT AUDITOR'S REPORT

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

City of Ellensburg January 1, 2024 through December 31, 2024

Mayor and City Council
City of Ellensburg
Ellensburg, Washington

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the City of Ellensburg, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's financial statements, and have issued our report thereon dated September 11, 2025.

We issued an unmodified opinion on the fair presentation of the City's financial statements in accordance with its regulatory basis of accounting. We issued an adverse opinion on the fair presentation with regard to accounting principles generally accepted in the United States of America (GAAP) because the financial statements are prepared by the City using accounting practices prescribed by state law and the State Auditor's *Budgeting, Accounting and Reporting System* (BARS) manual described in Note 1, which is a basis of accounting other than GAAP. The effects on the financial statements of the variances between the basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described above and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

REPORT ON COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this

report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

A handwritten signature in black ink that reads "Pat McCarthy". The signature is written in a cursive, flowing style.

Pat McCarthy, State Auditor

Olympia, WA

September 11, 2025

INDEPENDENT AUDITOR'S REPORT

Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance

City of Ellensburg
January 1, 2024 through December 31, 2024

Mayor and City Council
City of Ellensburg
Ellensburg, Washington

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM

Opinion on Each Major Federal Program

We have audited the compliance of the City of Ellensburg, with the types of compliance requirements identified as subject to audit in the U.S. *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2024. The City's major federal programs are identified in the auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination on the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

Performing an audit in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance includes the following responsibilities:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances;
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed; and
- We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed. Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.



Pat McCarthy, State Auditor

Olympia, WA

September 11, 2025

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

City of Ellensburg January 1, 2024 through December 31, 2024

Mayor and City Council
City of Ellensburg
Ellensburg, Washington

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Unmodified and Adverse Opinions

We have audited the financial statements of the City of Ellensburg, as of and for the year ended December 31, 2024, and the related notes to the financial statements, as listed in the financial section of our report.

Unmodified Opinion on the Regulatory Basis of Accounting (BARS Manual)

As described in Note 1, the City has prepared these financial statements to meet the financial reporting requirements of state law and accounting practices prescribed by the State Auditor's *Budgeting, Accounting and Reporting System* (BARS) Manual. Those accounting practices differ from accounting principles generally accepted in the United States of America (GAAP). The differences in these accounting practices are also described in Note 1.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash and investments of the City of Ellensburg, and its changes in cash and investments, for the year ended December 31, 2024, on the basis of accounting described in Note 1.

Adverse Opinion on U.S. GAAP

The financial statements referred to above were not intended to, and in our opinion, they do not, present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the City of Ellensburg, as of December 31, 2024, or the changes in financial position or cash flows thereof for the year then ended, because of the significance of the matter discussed below.

Basis for Unmodified and Adverse Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and *Government Auditing Standards*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit unmodified and adverse opinions.

Matter Giving Rise to Adverse Opinion on U.S. GAAP

Auditing standards issued by the American Institute of Certified Public Accountants (AICPA) require auditors to formally acknowledge when governments do not prepare their financial statements, intended for general use, in accordance with GAAP. As described in Note 1 of the financial statements, the financial statements are prepared by the City in accordance with state law using accounting practices prescribed by the BARS Manual, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of state law and the BARS Manual described in Note 1. This includes determining that the basis of accounting is acceptable for the presentation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and

Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Performing an audit in accordance with GAAS and *Government Auditing Standards* includes the following responsibilities:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed;
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements;
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time; and
- We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City's financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The Schedule of Liabilities is also presented for purposes of additional analysis, as required by the prescribed BARS manual. These schedules are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and

certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated September 11, 2025 on our consideration of the City's internal control over financial reporting and on the tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink, reading "Pat McCarthy". The signature is fluid and cursive, with the first name "Pat" and last name "McCarthy" clearly distinguishable.

Pat McCarthy, State Auditor

Olympia, WA

September 11, 2025

FINANCIAL SECTION

City of Ellensburg January 1, 2024 through December 31, 2024

FINANCIAL STATEMENTS

Fund Resources and Uses Arising from Cash Transactions – 2024
Fiduciary Fund Resources and Uses Arising from Cash Transactions – 2024
Notes to the Financial Statements – 2024

SUPPLEMENTARY AND OTHER INFORMATION

Schedule of Liabilities – 2024
Schedule of Expenditures of Federal Awards – 2024
Notes to the Schedule of Expenditures of Federal Awards – 2024

City of Ellensburg
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2024

		Total for All Funds (Memo Only)	001 General Fund	120 Street Fund	125 Traffic Impact Fee Fund
Beginning Cash and Investments					
308	Beginning Cash and Investments	88,870,929	15,276,144	2,748,241	452,964
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	21,700,497	15,690,867	-	-
320	Licenses and Permits	726,632	719,789	6,324	-
330	Intergovernmental Revenues	9,748,856	989,800	2,289,106	-
340	Charges for Goods and Services	59,700,659	2,094,146	590,282	257,491
350	Fines and Penalties	181,641	181,165	-	-
360	Miscellaneous Revenues	7,876,620	1,169,031	119,240	25,607
Total Revenues:		99,934,905	20,844,798	3,004,952	283,098
Expenditures					
510	General Government	9,641,507	2,514,195	70,384	-
520	Public Safety	7,868,257	6,077,512	-	-
530	Utilities	39,752,790	-	-	-
540	Transportation	8,299,715	1,447,585	2,895,917	39,437
550	Natural/Economic Environment	3,406,562	1,865,463	-	-
560	Social Services	220,489	220,489	-	-
570	Culture and Recreation	4,773,878	4,773,878	-	-
Total Expenditures:		73,963,198	16,899,122	2,966,301	39,437
Excess (Deficiency) Revenues over Expenditures:		25,971,707	3,945,676	38,651	243,661
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	3,846,138	-	3,096,808	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	5,196,790	10,687	1,056,867	-
Total Other Increases in Fund Resources:		9,042,928	10,687	4,153,675	-
Other Decreases in Fund Resources					
594-595	Capital Expenditures	19,446,386	2,642,827	5,562,490	-
591-593, 599	Debt Service	3,676,856	65,124	-	-
597	Transfers-Out	3,846,138	3,349,330	-	13,754
585	Special or Extraordinary Items	545,980	-	-	-
581, 582, 589	Other Uses	3,534,642	71,254	-	-
Total Other Decreases in Fund Resources:		31,050,002	6,128,535	5,562,490	13,754
Increase (Decrease) in Cash and Investments:		3,964,633	(2,172,172)	(1,370,164)	229,907
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	25,095,811	1,449,460	-	537,149
50841	Committed	390,117	201,609	-	-
50851	Assigned	57,503,160	1,606,415	1,378,078	145,722
50891	Unassigned	9,846,484	9,846,484	-	-
Total Ending Cash and Investments		92,835,572	13,103,968	1,378,078	682,871

The accompanying notes are an integral part of this statement.

City of Ellensburg
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2024

		127 Public Transit Fund	130 Criminal Justice Sales Tax Fund	137 Drug Fund	150 Ellensburg Community TV
Beginning Cash and Investments					
308	Beginning Cash and Investments	3,868,732	2,819,826	28,426	109,136
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	1,619,208	1,784,369	-	85,350
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	875,774	-	-	-
340	Charges for Goods and Services	62,500	-	-	-
350	Fines and Penalties	-	-	476	-
360	Miscellaneous Revenues	175,431	98,398	1,350	4,138
Total Revenues:		2,732,913	1,882,767	1,826	89,488
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	-	1,786,780	3,965	-
530	Utilities	-	-	-	-
540	Transportation	1,999,744	-	-	-
550	Natural/Economic Environment	-	86,659	-	80,936
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		1,999,744	1,873,439	3,965	80,936
Excess (Deficiency) Revenues over Expenditures:		733,169	9,328	(2,139)	8,552
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	-	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	127	-	-
Total Other Increases in Fund Resources:		-	127	-	-
Other Decreases in Fund Resources					
594-595	Capital Expenditures	301,687	-	-	-
591-593, 599	Debt Service	202	41,950	-	-
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		301,889	41,950	-	-
Increase (Decrease) in Cash and Investments:		431,280	(32,495)	(2,139)	8,552
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	3,778,233	2,462,874	20,296	-
50841	Committed	-	-	-	117,688
50851	Assigned	521,779	324,459	5,990	-
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		4,300,012	2,787,333	26,286	117,688

The accompanying notes are an integral part of this statement.

City of Ellensburg
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2024

		155 Ellensburg Community TV Capital	160 Park Acquisition & Improvement	165 Lodging Tax Fund	172 Affordable Housing Fund
Beginning Cash and Investments					
308	Beginning Cash and Investments	66,951	445,635	1,320,169	2,412,282
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	-	-	832,762	905,587
320	Licenses and Permits	519	-	-	-
330	Intergovernmental Revenues	-	1,851	-	1,043,916
340	Charges for Goods and Services	-	220,684	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	3,350	20,648	5,367	118,920
Total Revenues:		3,869	243,183	838,129	2,068,423
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	317,083	1,056,421
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		-	-	317,083	1,056,421
Excess (Deficiency) Revenues over Expenditures:		3,869	243,183	521,046	1,012,002
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	-	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		-	-	-	-
Other Decreases in Fund Resources					
594-595	Capital Expenditures	-	16,580	-	-
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		-	16,580	-	-
Increase (Decrease) in Cash and Investments:		3,869	226,603	521,046	1,012,002
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	-	570,907	1,763,110	3,142,582
50841	Committed	70,820	-	-	-
50851	Assigned	-	101,330	78,106	281,702
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		70,820	672,237	1,841,216	3,424,284

The accompanying notes are an integral part of this statement.

City of Ellensburg
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2024

		210 Facilities Improvement Debt Service	225 2010 Maintenance Bond Debt	325 Fieldhouse Fund	340 Capital Improvement Bond Fund
Beginning Cash and Investments					
308	Beginning Cash and Investments	362,380	87,815	4,877,900	404,141
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	-	-	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	-	-	-
340	Charges for Goods and Services	-	-	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	-	-	231,388	-
Total Revenues:		-	-	231,388	-
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		-	-	-	-
Excess (Deficiency) Revenues over Expenditures:		-	-	231,388	-
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	562,327	187,003	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	986,476	-
Total Other Increases in Fund Resources:		562,327	187,003	986,476	-
Other Decreases in Fund Resources					
594-595	Capital Expenditures	-	-	488,145	56,591
591-593, 599	Debt Service	562,326	186,403	-	-
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		562,326	186,403	488,145	56,591
Increase (Decrease) in Cash and Investments:		1	600	729,719	(56,591)
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	-	-	-	-
50841	Committed	-	-	-	-
50851	Assigned	362,382	88,415	5,607,619	347,551
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		362,382	88,415	5,607,619	347,551

The accompanying notes are an integral part of this statement.

City of Ellensburg
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2024

		365 General Capital Facilities Fund	366 Sidewalk Fund	370 Capital Facilities Fund	431 Stormwater Utility Fund
Beginning Cash and Investments					
308	Beginning Cash and Investments	116,203	555,127	389,182	1,354,636
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	-	391,177	391,177	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	-	-	40,000
340	Charges for Goods and Services	-	-	-	2,087,494
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	-	65,843	26,576	74,512
Total Revenues:		-	457,020	417,753	2,202,006
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	1,628,195
540	Transportation	-	296,775	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		-	296,775	-	1,628,195
Excess (Deficiency) Revenues over Expenditures:		-	160,245	417,753	573,811
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	-	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	127,992
Total Other Increases in Fund Resources:		-	-	-	127,992
Other Decreases in Fund Resources					
594-595	Capital Expenditures	-	-	-	129,553
591-593, 599	Debt Service	-	-	-	361,332
597	Transfers-Out	-	483,054	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	123,823
Total Other Decreases in Fund Resources:		-	483,054	-	614,708
Increase (Decrease) in Cash and Investments:		-	(322,809)	417,753	87,095
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	-	43,526	773,838	429,250
50841	Committed	-	-	-	-
50851	Assigned	116,203	188,793	33,098	1,012,482
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		116,203	232,319	806,936	1,441,732

The accompanying notes are an integral part of this statement.

City of Ellensburg
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2024

		451 Telecom Utility Fund	461 Natural Gas Utility Fund	471 Electric Utility Fund	481 Water Utility Fund
Beginning Cash and Investments					
308	Beginning Cash and Investments	431,946	3,072,815	14,757,623	9,320,250
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	-	-	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	4,077,572	333,968	96,869
340	Charges for Goods and Services	475,867	10,350,469	21,614,584	6,351,715
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	19,829	948,988	777,428	1,882,618
Total Revenues:		495,696	15,377,029	22,725,980	8,331,202
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	211,094	10,171,714	17,967,896	5,057,362
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		211,094	10,171,714	17,967,896	5,057,362
Excess (Deficiency) Revenues over Expenditures:		284,602	5,205,315	4,758,084	3,273,840
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	-	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	533,655	1,167,057	398,189
Total Other Increases in Fund Resources:		-	533,655	1,167,057	398,189
Other Decreases in Fund Resources					
594-595	Capital Expenditures	434,440	494,801	3,707,889	2,677,622
591-593, 599	Debt Service	19,327	58,450	627,833	740,942
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	545,980	-
581, 582, 589	Other Uses	-	516,170	1,128,874	385,115
Total Other Decreases in Fund Resources:		453,767	1,069,421	6,010,576	3,803,679
Increase (Decrease) in Cash and Investments:		(169,165)	4,669,549	(85,435)	(131,650)
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	-	4,955,132	834,576	1,983,737
50841	Committed	-	-	-	-
50851	Assigned	262,780	2,787,234	13,837,614	7,204,867
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		262,780	7,742,366	14,672,190	9,188,604

The accompanying notes are an integral part of this statement.

City of Ellensburg
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2024

		491 Wastewater Utility Fund	531 Shop & Warehouse Fund	535 General Facilities Fund	540 Health & Benefits Fund
Beginning Cash and Investments					
308	Beginning Cash and Investments	8,098,530	9,873,720	38,461	1,300,791
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	-	-	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	-	-	-
340	Charges for Goods and Services	5,725,224	2,681,832	891,911	2,468,762
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	1,440,541	384,211	3,420	80,786
Total Revenues:		7,165,765	3,066,043	895,331	2,549,548
Expenditures					
510	General Government	-	-	752,482	3,153,220
520	Public Safety	-	-	-	-
530	Utilities	4,716,529	-	-	-
540	Transportation	-	1,620,257	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		4,716,529	1,620,257	752,482	3,153,220
Excess (Deficiency) Revenues over Expenditures:		2,449,236	1,445,786	142,849	(603,672)
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	-	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	317,094	70	16	598,362
Total Other Increases in Fund Resources:		317,094	70	16	598,362
Other Decreases in Fund Resources					
594-595	Capital Expenditures	2,357,722	520,629	-	-
591-593, 599	Debt Service	691,700	2,521	-	-
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	306,414	1,002,992	-	-
Total Other Decreases in Fund Resources:		3,355,836	1,526,142	-	-
Increase (Decrease) in Cash and Investments:		(589,506)	(80,286)	142,865	(5,310)
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	2,351,141	-	-	-
50841	Committed	-	-	-	-
50851	Assigned	5,157,881	9,793,434	181,326	1,295,483
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		7,509,022	9,793,434	181,326	1,295,483

The accompanying notes are an integral part of this statement.

City of Ellensburg
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2024

		545 Risk Management Fund	550 IT Fund	555 GIS Fund
Beginning Cash and Investments				
308	Beginning Cash and Investments	1,736,766	2,108,471	435,666
388 / 588	Net Adjustments	-	-	-
Revenues				
310	Taxes	-	-	-
320	Licenses and Permits	-	-	-
330	Intergovernmental Revenues	-	-	-
340	Charges for Goods and Services	685,791	2,832,643	309,264
350	Fines and Penalties	-	-	-
360	Miscellaneous Revenues	63,522	113,024	22,454
Total Revenues:		749,313	2,945,667	331,718
Expenditures				
510	General Government	1,129,095	1,687,933	334,198
520	Public Safety	-	-	-
530	Utilities	-	-	-
540	Transportation	-	-	-
550	Natural/Economic Environment	-	-	-
560	Social Services	-	-	-
570	Culture and Recreation	-	-	-
Total Expenditures:		1,129,095	1,687,933	334,198
Excess (Deficiency) Revenues over Expenditures:		(379,782)	1,257,734	(2,480)
Other Increases in Fund Resources				
391-393, 596	Debt Proceeds	-	-	-
397	Transfers-In	-	-	-
385	Special or Extraordinary Items	-	-	-
381, 382, 389, 395, 398	Other Resources	-	156	42
Total Other Increases in Fund Resources:		-	156	42
Other Decreases in Fund Resources				
594-595	Capital Expenditures	-	55,410	-
591-593, 599	Debt Service	-	318,745	1
597	Transfers-Out	-	-	-
585	Special or Extraordinary Items	-	-	-
581, 582, 589	Other Uses	-	-	-
Total Other Decreases in Fund Resources:		-	374,155	1
Increase (Decrease) in Cash and Investments:		(379,782)	883,735	(2,439)
Ending Cash and Investments				
50821	Nonspendable	-	-	-
50831	Restricted	-	-	-
50841	Committed	-	-	-
50851	Assigned	1,356,984	2,992,205	433,228
50891	Unassigned	-	-	-
Total Ending Cash and Investments		1,356,984	2,992,205	433,228

The accompanying notes are an integral part of this statement.

City of Ellensburg
Fiduciary Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2024

		Custodial
308	Beginning Cash and Investments	3,762
388 & 588	Net Adjustments	-
310-390	Additions	45,329
510-590	Deductions	41,440
	Net Increase (Decrease) in Cash and Investments:	3,889
508	Ending Cash and Investments	7,650

The accompanying notes are an integral part of this statement.

City of Ellensburg, Washington
Notes to the Financial Statements
For the year ended December 31, 2024

Note 1 - Summary of Significant Accounting Policies

The City of Ellensburg was incorporated on November 26, 1883, and operates under the laws of the state of Washington applicable to a Noncharter Code City. The city is a general-purpose local government and provides public safety, animal control, street improvement, transit services, parks and recreation, library services, planning and zoning, and general administration. In addition, the city owns and operates six utility systems: stormwater, telecommunications, natural gas, electricity, water, and wastewater.

The City reports financial activity in accordance with the *Cash Basis Budgeting, Accounting and Reporting System* (BARS) Manual prescribed by the State Auditor's Office under the authority of Washington State law, Chapter 43.09 RCW. This manual prescribes a financial reporting framework that *differs* from generally accepted accounting principles (GAAP) in the following manner:

- Financial transactions are recognized on a cash basis of accounting as described below.
- Component units are required to be disclosed but are not included in the financial statements.
- Government-wide statements, as defined in GAAP, are not presented.
- All funds are presented, rather than a focus on major funds.
- The *Schedule of Liabilities* is required to be presented with the financial statements as supplementary information.
- Supplementary information required by GAAP is not presented.
- Ending balances for proprietary and fiduciary funds are presented using classifications that are different from the ending net position classifications in GAAP.

A. Fund Accounting

Financial transactions of the government are reported in individual funds. Each fund uses a separate set of self-balancing accounts that comprises its cash and investments, revenues, and expenditures. The government's resources are allocated to and accounted for in individual funds depending on their intended purpose. Each fund is reported as a separate column in the financial statements, except for fiduciary funds, which are presented by fund types. The total column is presented as "memo only" because interfund activities are not eliminated. The following fund types are used:

GOVERNMENTAL FUND TYPES:

General Fund

This fund is the primary operating fund of the government. It accounts for all financial resources except those required or elected to be accounted for in another fund.

Special Revenue Funds

These funds account for specific revenue sources that are restricted or committed to expenditures for specified purposes of the government.

Street Fund – accounts for maintenance of transportation improvements within the public rights of way. Includes snow removal, pavement repair, pavement preservation, flood response, tree trimming, and weed control. Revenue sources include state shared revenues, motor vehicle fuel tax, charges for services, interdepartmental services, transfers in from other funds, State and Federal grants, and interest income.

Traffic Impact Fee Fund – accounts for traffic impact fees restricted to aiding improvement to transportation system capacity that will reasonably benefit new development. Revenue sources include traffic impact fees and interest income.

Public Transit Fund – accounts for safe, reliable, fare-free public transit services which meets the needs of the riders while being good stewards of the taxpayers funding. Revenue sources include Transportation Benefit District retail sales tax 0.2% funding for public transit, state grants, and interest income.

Criminal Justice Fund – accounts for proceeds of criminal justice sales tax 3/10th of a cent and interest income and is expended on police operations and animal control.

Drug Fund – accounts for drug fund assessment and interest income and use of those resources for drug related investigations.

Ellensburg Community TVTV Fund – accounts for television cable 2% franchise fees restricted for supporting ECTV, television cable utility taxes, and interest income.

Ellensburg Community TV Capital Fund – accounts for cable franchise fees restricted for designated purposes supporting operation of ECTV and related systems.

Park Acquisition & Improvement Fund – accounts for park impact fees and a portion of gas tax restricted for park land acquisition, park development, and trail development. Revenue sources include Gas Tax and Impact Fees, along with interest income.

Lodging Tax Fund – accounts for Hotel/Motel tax revenues and distributions to enhance tourism in the city and to support visitor facilities. Revenue sources are from a 4% Hotel/Motel tax the city imposes on hospitality services and interest income.

Affordable Housing Fund – accounts for Housing and Related Services Sales & Use Tax revenue, Affordable and Supporting Housing Sales & Use Tax revenue, and interest income, used to support and develop affordable housing and related services.

Debt Service Funds

These funds account for the financial resources that are restricted, committed, or assigned to expenditures for principal, interest, and related costs on general long-term debt.

2017 Facilities Improvement Debt Service Fund – accounts for debt service on City issued bond to finance various capital improvement projects including renovation of the public safety building. Revenue source is a transfer-in from the General Fund.

2010 Maintenance Bond Debt Service Fund – accounts for debt service on City issued bonds to finance various capital projects including roof replacement on municipal buildings. Revenue source is a transfer in from the General Fund.

Capital Projects Funds

These funds account for financial resources which are restricted, committed, or assigned for the acquisition or construction of capital facilities or other capital assets.

Fieldhouse Development Fund – Fieldhouse Development Fund – accounts for resources designated for acquisition or construction of a Fieldhouse to replace the Ellensburg Raquet and Recreation Center which was destroyed by arson in December 2022.

2017 Facility Improvement Bond Capital Project Fund – accounts for issued debt to finance various capital improvement projects.

General Capital Facilities Fund – accounts for resources designated for capital facility purposes, including specific proceeds from the sale of surplus property restricted for park improvements.

Sidewalk Fund – accounts for resources designated for construction and maintenance of the City’s sidewalks, including Real Estate Excise Tax (REET “1”) and interest income.

Capital Facilities Fund – accounts for resources designated for capital facility purposes, specifically REET “2” revenue designated for parks and recreation facilities.

PROPRIETARY FUND TYPES:

Enterprise Funds

These funds account for operations that provide goods or services to the general public and are supported primarily through user charges.

Water Utility Fund – accounts for activities to provide safe, high-quality water to utility customers, while maintaining a utility rate structure that supports the expenses of the fund and maintains adequate fund balance, including monitoring, testing, repairing, and upgrading the City’s water sources and distribution system.

Wastewater Utility (Sewer) Fund – accounts for activities to provide efficient, economical wastewater collections and treatment, while maintaining a utility rate structure that supports the expenses of the fund and maintains adequate fund balance, including monitoring, testing, repairing, and upgrading the City’s collection system, and meeting permitted discharge standards.

Stormwater Utility Fund – accounts for activities to maintain public stormwater infrastructure, create public awareness about stormwater, enhance and improve water quality and our natural resources while providing future development with solutions that meet City, State and Federal requirements, while maintaining a utility rate structure that supports the expenses of the fund and maintains adequate fund balance, including requiring projects to obtain the proper permits for the design and construction of both private and public projects related to water quality, educating the public about water quality, and eliminating illicit discharges.

Natural Gas Utility Fund – accounts for activities to provide affordable, safe, and reliable gas services to customers, including administrative, engineering, operating, and maintenance services, while maintaining a utility rate structure that supports the expenses of the fund and maintains adequate fund balance, including monitoring, testing, repairing, and upgrading the utility’s infrastructure.

Electric Utility Fund – accounts for activities to provide affordable, safe, and reliable electric services to customers, including administrative, engineering, operating, and maintenance services, while maintaining a utility rate structure that supports the expenses of the fund and maintains adequate fund balance, including monitoring, testing, repairing, and upgrading the utility’s infrastructure.

Telecommunications Utility Fund – accounts for activities to operate and expand access to the City’s municipal fiber-optic network, including offering internet, fast Ethernet, and dark fiber to government entities, retail telecommunications service providers, and city departments, with limited public service offerings.

Internal Service Funds

These funds account for operations that provide goods or services to other departments or funds of the government on a cost reimbursement basis.

Shop and Warehouse Fund – accounts for activities to provide efficient and economical vehicle and equipment purchasing, equipment repairs, warehousing services for all City departments, including determining the proper rates to charge City departments for equipment rental, following City procurement policies, and maintaining warehouse inventory items.

General Facilities Fund– accounts for activities to provide efficient and economical facilities for providing city services. Customer funds/departments occupy space in facilities maintained by this fund including City Hall.

Health & Benefits Fund – principally accounts for the activities of providing self-insured employee health insurance to the other funds of the City.

Risk Management Fund – accounts for activities to provide risk management products and services to other funds of the City, including programs to reduce liability for the City.

Information Technology Fund – accounts for activities to provide Information Technology services to internal and external customers, including hardware and software support for financial management, utility billing system, permit tracking system, internet access, the City’s website and the voice network.

Geographic Information Systems (GIS) Fund – accounts for activities to provide GIS systems and support to other funds of the City.

FIDUCIARY FUND TYPES:

Fiduciary funds account for assets held by the government in a trustee capacity or as a custodian on behalf of others.

Custodial Funds

These funds are used to account assets that the government holds on behalf of others in a custodial capacity.

Intergovernmental Custodial Activities Fund – accounts for collection and remittance of retail sales tax, leasehold excise tax, and concealed pistol license fees.

B. Basis of Accounting and Measurement Focus

Financial statements are prepared using the cash basis of accounting and measurement focus. Revenues are recognized when cash is received, and expenditures are recognized when paid.

In accordance with state law the City also recognizes expenditures paid during twenty days after the close of the fiscal year for claims incurred during the previous period.

C. Cash and Investments

It is the city’s policy to invest all temporary cash surpluses. The interest on these investments is prorated to the various funds. For further information see Note 2, *Deposits and Investments*.

D. Capital Assets

Capital assets are assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of 1 year. Infrastructure will be capitalized when the cost or group cost is \$50,000 or more. Capital assets and inventory are recorded as inventory when purchased and assigned to capital expenditures or supplies as appropriate when assigned to a project for use.

E. Compensated Absences

City policy and collective bargaining agreements allow accumulation of various types of leave based on the employees’ classification. Upon termination of employment for any reason employees receive payment for their eligible accrued leave based on the employee contract classification. Paid time off (PTO) has a maximum accumulation of 584 hours, dependent on years of service. Sick leave and Reserved Time Off (RTO) may be accumulated indefinitely, however, upon separation from employment, employees do not receive payment for unused sick or RTO leave. Additionally, temporary, and part-time employees earn one hour of paid sick leave for every 40 hours they work, and balances of 40 hours or less are carried over to the next year in accordance with Washington Paid Sick Leave laws (WPSL). Payments are recognized as expenditures when paid.

Below is a chart showing the treatment of each type of leave based on the employee classification:

	NON EXEMPT	OPEIU/ LOPE	IBEW	TEAM PW	TEAM POLICE	Temporary & Part-time
Bank Days	N/A	N/A	Accrued @ 4 days per year—no max accrual	Hired prior to 12/2009 accrued @ 3 days per yr- no max accrual	N/A	N/A
Comp time	N/A	Accrue to 40 hours maximum per year	Accrue to 40 hours maximum year	Accrue to 80 hours maximum per year	Accrue to 40 hours maximum per year	N/A
RTO	No new accrual. No payout.	N/A	N/A	N/A	N/A	N/A
Sick Leave	See PTO	No accrual limit/ no payout	No accrual limit/ no payout	No accrual limit/ no payout	No accrual limit/ payout up to 500 hours	See WPSL
Vacation	N/A	Not to exceed 240 hours	Not to exceed 240 hours	Not to exceed 240 hours	Not to exceed 296 hours	N/A
PTO	Accrual based on years of service. Maximum accrual 584 hours	N/A	N/A	N/A	N/A	N/A
WPSL	See PTO	See Sick Leave	See Sick Leave	See Sick Leave	See Sick Leave	Earn 1 hour of paid sick leave for every 40 hours worked

F. Liabilities

See Note 5, *Long-term Liabilities*.

G. Leases and Subscription Based Information Technology Arrangements (SBITA)

Leases and SBITAs are reported as liabilities. For more information see Note 12 – Leases and Note 13 – SBITA.

H. Restricted and Committed Portion of Ending Cash and Investments

Beginning and Ending Cash and Investments is reported as restricted or committed when it is subject to restrictions on use imposed by external parties or due to internal commitments established by City Council ordinance or resolution. When expenditures that meet restrictions are incurred, the City intends to use the most restricted resources first.

Restrictions and commitments of Ending Cash and Investments consist of:

Fund	Amount	Reason
General	\$1,651,070	External Restriction/Restrictions by Donors/Art Grant
Traffic Impact Fees	537,149	Traffic Impact Fees Restricted by law RCW 82.02.050
Transportation Benefit District	3,778,233	RCW 82.14.045 Voter approved sales tax
Criminal Justice	2,462,874	Local Criminal Justice Tax RCW 82.14.340(4)-(5)
Drug Fund	20,296	RCW 69.50.505
CATV Operations Fund	117,688	Cable TV Utility Tax
CATV Capital Fund	70,820	Cable TV Utility Tax
Park Acquisition	570,907	Gas tax is externally restricted RCW 46.68.110/RCW 47.24.040
Lodging Tax	1,763,110	RCW 67.28.180
Housing	3,142,582	RCW 82.14.045 Voter Approved Sales Tax & State Affordable Housing Credit
Capital Fund - Sidewalk Fund	43,526	Capital Projects identified in RCW 82.46.030 and 82.45.180
Capital Fund - Facilities	773,838	Capital Projects identified in RCW 82.46.030 and 82.45.180
Enterprise - Stormwater	429,250	Bond Reserve Requirements and Utility Deposits
Enterprise - Natural Gas Utility	4,955,132	Bond Reserve Requirements and Utility Deposits/HEAR Grant/Climate Commitment Act Funds
Enterprise - Electric Utility	834,576	Bond Reserve Requirements and Utility Deposits
Enterprise - Water Utility	1,983,737	Bond Reserve Requirements, Bond Cash, Plant Investment Fees, and Utility Deposits
Enterprise - Sewer Utility	\$2,351,141	Bond Reserve Requirements, Bond Cash, Plant Investment Fees, and Utility Deposits

Note 2 – Deposits and Investments

Investments are reported at amortized cost. Deposits and Investments by type on December 31, 2024, are as follows

Type of Investment	City of Ellensburg's Own Deposits and Investments	Deposits held by City of Ellensburg as custodian for individuals	Total
Bank deposits	\$4,001,264.50	\$7,650.00	\$4,008,914.50
L.G.I.P.	\$66,438,764.87		\$66,438,764.87
U.S. Government securities	\$22,395,542.63		\$22,395,542.63
Total	\$92,835,572.00	\$7,650.00	\$92,843,222.00

It is the city's policy to invest all temporary cash surpluses. The interest on these investments is prorated to the various funds and the investments held by fund retains the investment income.

Investments in the State Local Government Investment Pool (LGIP)

The city is a voluntary participant in the Local Government Investment Pool, an external investment pool operated by the Washington State Treasurer. The pool is not rated and not registered with the SEC. Rather, oversight is provided by the State Finance Committee in accordance with Chapter 43.250 RCW. Investments in the LGIP are reported at amortized cost, which is the same as the value of the pool per share. The LGIP does not impose any restrictions on participant withdrawals.

The Office of the State Treasurer prepares a stand-alone financial report for the pool. A copy of the report is available from the Office of the State Treasurer, PO Box 40200, Olympia, Washington 98504-0200, online at www.tre.wa.gov.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in event of a failure of a depository financial institution, the City would not be able to recover deposits or would not be able to recover collateral securities that are in possession of an outside party. The City's deposits and certificates of deposit are mostly covered by federal depository insurance (FDIC) or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection

Commission (PDPC).

All investments are insured, registered, or held by the city or its agent in the government's name.

Compensating Balances

The amounts previously referred to as bank balance, also includes a compensating balance maintained with U.S. Bank in lieu of payments for services rendered. The average compensating balance maintained during 2024 was approximately \$5,756,349.

Note 3 - Joint Operations and Related Parties

A. Joint Operations with the County

The City of Ellensburg and Kittitas County entered into a cooperative service enterprise to purchase and operate the facility previously known as the City/County Community Center (currently known as the Adult Activity Center), effective July 19, 1977. The \$62,500 in initial costs of the facility were split \$46,875 to the city and \$15,625 to the County. The city is responsible for operating and maintaining the facility. The City accounts for the operations of the facility in the Recreation Department of the General Fund. The 2024 operations are as follows:

	Budget	Actual
Kittitas County	\$49,000	\$ 76,910
City Of Ellensburg	141,850	97,023
Tour Fees	5,000	5,073
Other Revenues	17,760	16,018
Total Support	\$213,610	\$195,024

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

B. Related Party Transactions

The Ellensburg Business Development Authority (EBDA), doing business as Centerfuse, operated as an independent non-profit corporation from 1995 until 2024. As part of the winding-up and dissolution of the entity the City received title to a business park facility and assumed lease of property formerly leased by EBDA. The city provided funding for economic development services provided. The city is identified as the beneficiary at dissolution, although continuing operation of several EBDA functions and related assets were disposed of separately. City staff are assisting the independent EBDA board with dissolution activities. Complete dissolution is projected to occur in 2025.

Note 4 - Property Tax

The county treasurer acts as an agent to collect property tax levied in the county for all taxing authorities. Collections are distributed after the end of each month. Property tax revenues are recognized when cash is received by the City. Delinquent taxes are considered fully collectible because a lien affixes to the property after tax is levied.

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

The City's regular levy for the year 2024 was \$1.314970 per \$1,000 on an assessed valuation of \$2,740,766,919 for a total regular levy of \$3,604,026.28.

Note 5 – Budget Compliance

A. Budgets

The City adopts biennial appropriated budgets for thirty-seven funds. These budgets are appropriated at the fund level. Several managerial funds of the general fund, combined for annual financial reporting purposes, are appropriated as separate funds. The budget constitutes the legal authority for expenditures at that level. Biennial appropriations for these funds lapse at the fiscal year end.

Biennial appropriated budgets are adopted on the same basis of accounting as used for financial reporting. Intrafund transactions between managerial funds are reported both as appropriated and actual expenditures in the table below.

The appropriated and actual expenditures for the legally adopted budgets were as follows:

Table 1 - 2024 Final Budget and Actual Expenditures

Fund	2024 Original Budget	2024 Final Budget	2024 Actuals (Budgetary Basis)	Total Reconcile to Cash BARS Basis	2024 Actuals (Cash BARS Basis)	Variance
Total Budgeted General Fund	\$ 19,368,990	\$ 22,018,898	\$ 19,747,803	\$ (3,046,086)	-	\$ 2,271,095
Managerial Funds of the General Fund						-
Economic Development	-	10,000	2,083	-	-	7,917
Sales Tax Reserve Fund	6,825,007	8,770,693	8,770,693	(5,421,363)	-	-
Art Acquisition Fund	59,000	74,000	40,043	-	-	33,957
COVID-19 Grants	-	4,645,659	3,839,748	(1,025,628)	-	805,911
*LID Guaranty Fund	-	-	-	-	-	-
Library Trust Fund	8,800	8,800	227	-	-	8,573
Hal Holmes Trust Fund	10,000	10,000	-	-	-	10,000
Fire Relief & Pension Trust Fund	147,594	255,986	102,510	-	-	153,477
*LID Debt Service Fund	-	-	-	16,015	-	-
Total Managerial Funds of the General Fund	7,050,401	13,775,138	12,755,305	(6,430,977)	-	1,019,833
Total General Fund for Annual Financial Reporting	\$ 26,419,391	\$ 35,794,036	\$ 32,503,107	\$ (9,477,062)	\$ 23,026,045	\$ 3,290,929
Street Fund	\$ 6,712,360	\$ 10,594,515	\$ 9,301,782	\$ (772,991)	\$ 8,528,791	\$ 1,292,733
Traffic Impact Fees Fund	797,500	657,385	53,191	-	53,191	604,194
Public Transit Fund	2,482,106	2,791,717	2,301,633	-	2,301,633	490,084
Criminal Justice Sales Tax Fund	1,716,760	2,364,125	1,915,389	-	1,915,389	448,736
Drug Fund	5,000	5,000	3,965	-	3,965	1,035
Ellensburg Community TV	98,646	111,582	80,936	-	80,936	30,646
Parks Acquisition Fund	-	16,581	16,580	-	16,580	1
Lodging Tax Fund	330,313	366,066	317,083	-	317,083	48,983
Housing Fund	682,500	1,892,772	1,056,421	-	1,056,421	836,351
Facilities Improvement Debt Service	562,326	563,326	562,326	-	562,326	1,000
2010 Maintenance Bond Debt Service	187,003	188,003	186,403	-	186,403	1,600
Field House	-	1,383,613	488,145	-	488,145	895,468
Capital Improvement Bond Projects	-	55,757	56,591	-	56,591	(834)
Sidewalk Fund	586,000	769,402	779,829	-	779,829	(10,427)
Recreation Facilities	760,000	760,000	-	-	-	760,000
Stormwater Utility Fund	2,069,506	3,646,854	2,039,950	123,823	2,242,902	1,606,904
Stormwater Bond Fund	-	79,130	79,130	-	-	(0)
Telecommunications Utility Fund	368,013	1,019,737	664,862	-	664,862	354,875
Gas Utility Fund	13,224,241	17,483,307	10,562,833	678,303	11,241,136	6,920,474
Electric Utility Fund	23,355,697	26,882,568	22,379,846	1,598,626	23,978,472	4,502,722
Water Utility Fund	7,378,390	9,577,316	8,315,177	545,863	8,861,040	1,262,139
Water Construction	1,210,000	543,650	543,649	-	-	1
Wastewater Utility Fund	7,104,576	12,308,177	7,763,542	308,824	8,072,366	4,544,635
Shop Fund	2,534,407	5,158,298	3,139,243	7,156	3,146,399	2,019,055
General Facilities	550,383	777,906	752,482	-	752,482	25,424
Health Insurance	2,703,393	4,348,612	3,153,220	-	3,153,220	1,195,392
Risk Management Fund	937,098	1,240,711	1,129,095	-	1,129,095	111,616
Information Technology Fund	2,879,734	3,846,667	2,062,088	-	2,062,088	1,784,579
GIS Fund	352,137	490,993	334,199	-	334,199	156,794
All Funds	\$ 106,007,479	\$ 145,717,807	\$ 125,298,002	\$ (6,987,458)	\$ 105,011,589	\$ 20,419,805

Table 2 - Reconciling Items Budgetary Basis to BARS Cash Basis

Fund	2024 Admin.	2024 400/441	2024 Interfund	2024 Inventory	2024 Actuals	Non Budgeted	Total
	Elimination	Reallocation	Transfers	Conversion	Non-Budget Limited Funds	Gross Ups	Reconcile to Cash BARS Basis
Total Budgeted General Fund	\$ (2,905,005)	\$ -	\$ (141,081)	\$ -	\$ -	\$ 71,254	\$ (3,046,086)
Managerial Funds of the General Fund							-
Sales Tax Reserve Fund			(5,421,363)				(5,421,363)
COVID-19			(1,025,628)				(1,025,628)
LID Debt Service Fund					16,015		16,015
Total Managerial Funds	0	0	(6,446,992)	0	16,015		(6,430,977)
Total General Fund	(2,905,005)	-	(6,588,073)	-	16,015	71,254	(9,477,062)
Street Fund			(773,667)	676			(772,991)
Stormwater		123,823		-			123,823
Gas Utility Fund		516,170		162,133			678,303
Electric Utility Fund		1,128,875		469,751			1,598,626
Water Utility Fund		385,114		160,749			545,863
Sewer Utility Fund		306,414		2,410			308,824
Shop Fund				7,156			7,156
All Funds	\$ (2,905,005)	\$ 2,460,396	\$ (7,361,740)	\$ 802,875	\$ 16,015	\$ 71,254	\$ (6,987,458)

The City of Ellensburg budgets for “expenditure” of administrative activities in the General Fund, and “expenditure” from beneficiary funds to pay for those services, with revenue budgeted in the General Fund. This activity must be allocated and eliminated for annual financial reporting purposes.

The City of Ellensburg reported the Utility Deposit Fund (441) as a separate unbudgeted fund until the Office of the State Auditor asserted those funds to be managerial funds of the distinct Utility Funds. Deposits are not collected by the separate funds. The City established a percentage allocation based on revenue. The resulting revenues and expenditures are a result of complying with the allocation of deposits for annual financial reporting purposes only, and not for purposes of enterprise fund budget compliance. The utility funds do not collect this “revenue” or budget for this “expenditure”. Therefore, the reporting of this 400/441 reallocation is for annual financial reporting purposes only. In addition, for financial reporting purposes only, the table includes funds 261 LID Guarantee and 800 LID in order to complete the information included in the General Fund.

Budgeted interfund transfers between managerial funds of the same fund are eliminated for annual financial reporting purposes. Gross-up of non-budgeted activities are reported for annual financial reporting purposes, specifically inventory conversion between budgetary and BARS Cash basis and receipt and payment of deposits.

Budgeted amounts are authorized to be transferred within funds; however, any revisions that alter the total expenditures of a fund, or that affect the number of authorized employee positions, salary ranges, hours, or other conditions of employment must be approved by the City’s legislative body.

Note 5 – Long-Term Liabilities

The following tables provide details of the outstanding debt of the City and summarizes the City’s debt transactions for the year ended December 31, 2024.

The debt service requirements for general obligation bonds, revenue bonds and assessment debt are as follows:

General Obligation Bonds			
	Principal	Interest	Total
2025	\$ 565,095	\$ 183,634	\$ 748,729
2026	\$ 573,407	\$ 175,322	\$ 748,729
2027	\$ 588,281	\$ 160,448	\$ 748,729
2028	\$ 603,550	\$ 145,179	\$ 748,729
2029	\$ 619,223	\$ 129,506	\$ 748,729
2030-2034	\$ 2,548,590	\$ 420,141	\$ 2,968,732
2035-2039	\$ 1,606,704	\$ 80,273	\$ 1,686,977
Total	\$ 7,104,849	\$ 1,294,505	\$ 8,399,354

General Obligation Debt Issued for Business-Type Activities			
	Principal	Interest	Total
2025	\$ 13,673	\$ 5,590	\$ 19,263
2026	\$ 14,078	\$ 5,185	\$ 19,263
2027	\$ 14,495	\$ 4,768	\$ 19,263
2028	\$ 14,924	\$ 4,339	\$ 19,263
2029	\$ 15,366	\$ 3,897	
2030-2034	\$ 83,934	\$ 12,381	\$ 96,315
2035-2039	\$ 37,054	\$ 1,369	\$ 38,423
Total	\$ 193,524	\$ 37,529	\$ 231,053

Revenue Bonds			
	Principal	Interest	Total
2025	\$ 1,797,776	\$ 644,323	\$ 2,442,099
2026	\$ 1,846,777	\$ 593,814	\$ 2,440,591
2027	\$ 1,896,280	\$ 541,771	\$ 2,438,051
2028	\$ 1,955,504	\$ 489,061	\$ 2,444,565
2029	\$ 2,006,830	\$ 433,073	
2030-2034	\$ 6,981,367	\$ 1,431,752	\$ 8,413,119
2035-2039	\$ 4,776,784	\$ 2,078,815	\$ 6,855,599
2040-2044	\$ 654,275	\$ 16,630	\$ 670,905
Total	\$ 21,915,592	\$ 6,229,240	\$ 28,142,109

Assesment Debt/Liabilities (with commitments)			
	Principal	Interest	Total
2025	\$ 153	\$ -	\$ 153
Total	\$ 153	\$ -	\$ 153

General obligation bonds are direct obligations and pledge the full faith and credit of the government. These bonds are generally 20-year serial bonds with equal amounts of payments each year.

The 2017 Facilities Capital Bonds were sold to provide funds with which to pay costs associated with remodeling, expanding, and equipping the Ellensburg Police Department and other related capital improvements. The bond will mature in 2037.

The 2016 Limited Tax General Obligation Bonds were sold to provide funds necessary to repay an interfund loan and to provide funds for long term financing of the City's telecommunication infrastructure. This is a General Obligation Debt issued for Business-Type activities. The bond will mature in 2036.

The 2021 Limited Tax General Obligation Refunding (2010) Bonds were sold to refund certain outstanding limited tax general obligation bonds of the City to achieve a debt service savings and to pay the costs of issuance and sale of the bonds. The bond will mature in 2030.

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

2014 Electric Refunding/Revenue Bonds for the purpose of providing funds to refund outstanding electric revenue bonds of the City and to finance the cost of a new substation of the City's electric Utility. The bonds will mature in 2034.

2016 Water/Sewer Refunding (2010) Bonds for the purpose of providing funds to refund outstanding water/sewer revenue bonds of the City. These bonds will mature in 2029.

2016 Gas Bonds for the purpose of proving funds to pay or reimburse the costs of certain capital improvements to and extension of the Natural Gas Utility. These bonds will mature in 2036.

2020 Waterworks Bonds for the purpose of funding capital improvements to the Stormwater Utility including the purchase of 56 acres of active floodplain, construction of a fish-passable bridge and three flood swales, and construction of a setback levee. The bonds will mature in 2039.

2021 Waterworks Bonds for the purpose of funding capital improvements to the Waterworks Utility System consisting of certain capital improvements to the Waterworks Utility System, including the Bull Road Utility Extension, Illinois Well Fitting, Anderson Road Sewer Extension, Craigs Hill Pressure Zone, Wastewater Treatment Facility Clarifiers, and Digester/GBT Building Electrical Upgrades. The bonds will mature in 2040.

Significant Debt Agreement Terms

Debt	Clause
2014 UTO Refunding Bonds	If any Bond is not redeemed when properly presented at maturity or call date, the City shall be obligated to pay interest on that Bond at the same rate provided in the Bond from and after its maturity or call date until that Bond, both principal and interest, is paid in full or until sufficient money for its payment in full is on the bond redemption fund hereinafter created and the Bond has been called for payment by giving notice of that call to the registered owner thereof.
2021 LTGO Refunding (2010) Bonds	If any Bond is not redeemed when properly presented at maturity or call date, the City will pay interest on that Bond at the same rate provided on the Bond from and after its maturity or call date until that Bond is paid in full or until sufficient money for its payment in full is on deposit in a special account created by the City for such purpose.
2010 Water/Sewer Refunding and Revenue Bonds	If the City fails to make a payment on the Bonds or does not comply with the covenants in the Bond Ordinance, a bond owner has remedies permitted under State law, including without limitation, the remedies provided in RCW 35.67.108 and RCW 35.92.160.
2016 Gas Bonds	If the principal of the Bond is not paid when the Bond is properly presented at its maturity or date fixed for redemption, the City shall be obligated to pay interest on that Bond at the same rate provided in the Bond from and after its maturity or date fixed for the redemption until that Bond, both principal and interest, is paid in full or until sufficient money for its payment in full is on deposit in the Bond Debt Service Account, or in a trust account established to refund or defease the Bond, and the Bond has been called for payment by giving notice of that call to the Registered Owner.
2020 Waterworks	If the principal of the Bond is not paid when the Bond is properly presented at its maturity or date fixed for redemption, the City shall be obligated to pay interest on that Bond at the same rate provided in the Bond from and after its maturity or date fixed for the redemption until that Bond, both principal and interest, is paid in full or until sufficient money for its payment in full is on deposit in the Bond Fund, or in a trust account established to refund or defease the Bond, and the Bond has been called for payment by giving notice of that call to the Registered Owner.

Assessment Debt or Conduit Debt obligations are debt instruments issued for the express purpose of providing financing for a third party that is not part of the financial reporting entity.

Local Improvement District (LIDS) are a means of assisting benefiting properties in financing needed capital improvements through the formation of special assessment districts. All financing was secured through Cashmere Valley Bank, Ellensburg, WA. For the 2023 fiscal year the city had one active LID, Helena Street assigned LID #2004-1 and the improvements were street and utility related.

Interfund Loans

Interfund loans at fiscal year-end were as follows:

Borrowing Fund	Lending Fund	Balance 1/1/2024	New Loans	Repayments	Balance 12/31/2024
Street Fund	Shop and Warehouse Fund	\$0	\$1,002,991.96	\$0	\$1,002,991.96

Compensated Absences

During the year ended December 31, 2024, the following changes occurred in compensated absences:

	Balance 1/1/2024	Additions	Reductions	Balance 12/31/2024
Compensated Absences*	\$2,080,428	\$243,789	\$0	\$2,324,217

*Additions and reductions are reported as a net change

Note 6 – Pension Plans

A. State Sponsored Pension Plans

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

The Department of Retirement Systems (DRS), a department within the primary government of the State of Washington, issues a publicly available Annual Comprehensive Financial Report (ACFR) that includes financial statements and required supplementary information for each plan.

The DRS ACFR may be downloaded from the DRS website at www.drs.wa.gov.

Public Employees' Retirement System (PERS)

PERS members include elected officials; state employees; employees of local governments; and higher education employees not participating in higher education retirement programs.

PERS is composed of and reported as three separate plans for accounting purposes: Plan 1, Plan 2/3 and Plan 3. Plan 1 accounts for the defined benefits of Plan 1 members. Plan 2/3 accounts for the defined benefits of Plan 2 members and the defined benefit portion of benefits for Plan 3 members. Plan 3 accounts for the defined contribution portion of benefits for Plan 3 members. Although employees can be a member of only Plan 2 or Plan 3, the defined benefits of Plan 2 and Plan 3 are accounted for in the same pension trust fund. All assets of Plan 2/3 may legally be used to pay the defined benefits of any Plan 2 or Plan 3 members or beneficiaries.

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

PERS Plan 2/3 provides retirement, disability and death benefits. Retirement benefits are determined as 2% of the member's AFC times the member's years of service for Plan 2 and 1% of AFC for Plan 3. The AFC is the average of the member's 60 highest-paid consecutive service months. Members are eligible for retirement with a full benefit at 65 with at least five years of service credit. Retirement before age 65 is considered early retirement. PERS Plan 2/3 members who have at least 20 years of service credit and are 55 years of age or older, are eligible for early retirement with a benefit that is reduced by a factor that varies according to age for each year before age 65. PERS Plan 2/3 retirement benefits are

actuarially reduced if a survivor benefit is chosen. Other PERS Plan 2/3 benefits include a COLA based on the CPI, capped at 3% annually. PERS 2 members are vested after completing five years of eligible service. Plan 3 members are vested in the defined benefit portion of their plan after ten years of service; or after five years of service if 12 months of that service are earned after age 44.

PERS Plan 3 defined contribution benefits are totally dependent on employee contributions and investment earnings on those contributions. Members are eligible to withdraw their defined contributions upon separation. Members have multiple withdrawal options, including purchase of an annuity. PERS Plan 3 members are immediately vested in the defined contribution portion of their plan.

At June 30, 2024, (the measurement date of the plans), the City's proportionate share of the collective net pension liabilities, as reported on the Schedule of Liabilities, was as follows:

	Employer Contributions	Allocation Percentage*	Liability (Asset)
PERS 1	\$390,029	0.065155%	\$1,157,699
PERS 2/3	\$830,532	0.084379%	\$(2,781,615)
LEOFF 1	\$0	0.041031%	\$(1,166,876)
LEOFF 2	\$155,341	0.063403%	\$(1,187,377)

Only the net pension liabilities are reported on the Schedule 09.

LEOFF Plan 1

The city also participates in LEOFF Plan 1. The LEOFF Plan 1 is fully funded, and no further employer contributions have been required since June 2000. If the plan becomes underfunded, funding of the remaining liability will require new legislation. Starting on July 1, 2000, employers and employees contribute zero percent.

LEOFF Plan 2

The city also participates in the LEOFF Plan 2. The Legislature, by means of a special funding arrangement, appropriates money from the state general fund to supplement the current service liability and fund the prior service costs of Plan 2 in accordance with the recommendations of the Pension Funding Council and the LEOFF Plan 2 Retirement Board. This special funding situation is not mandated by the state constitution and could be changed by statute.

B. Local Government Pension Plans

The City is the administrator of a pension retirement system called the Fire Relief and Pension Fund; a closed, single employer defined benefit plan established under RCW 14.16, 14.18 and 14.220 – as applicable. The system provides retirement, disability, and death benefits to members and beneficiaries. The system has no active members.

As of December 31, 2024, there were a total of 4 individuals covered by this system.

Firefighters' Pension Fund (RCW 41.16.050) – The State contributes 25% of the taxes on fire insurance premiums to these plans and is considered a non-employer contributing entity. The amount of these contributions received in 2024 was \$141,081. This is not considered a special funding situation.

Note 7 – Risk Management

A. Pool Insurance

Washington Cities Insurance Authority (WCIA)

The City of Ellensburg is a member of the Washington Cities Insurance Authority (WCIA). Utilizing Chapter 48.62 RCW (self-insurance regulation) and Chapter 39.34 RCW (Interlocal Cooperation Act), nine cities originally formed WCIA on January 1, 1981. WCIA was created for the purpose of providing a pooling mechanism for jointly purchasing insurance, jointly self-insuring, and/or jointly contracting for risk management services. As of December 31, 2024, WCIA had a total of 168 members.

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

Liability coverage is written on an occurrence basis, without deductibles. Coverage includes general, automobile, police, errors or omissions, stop gap, employment practices, prior wrongful acts, and employee benefits liability. Limits are \$4 million per occurrence in the self-insured layer, and \$16 million in limits above the self-insured layer is provided by reinsurance. Total limits are \$20 million per occurrence subject to aggregates and sublimits. The Board of Directors determines the limits and terms of coverage annually.

All Members are provided a separate cyber risk policy and premises pollution liability coverage group purchased by WCIA. The cyber risk policy provides coverage and separate limits for security & privacy, event management, and cyber extortion, with limits up to \$1 million and subject to member deductibles, sublimits, and a \$5 million pool aggregate. Premises pollution liability provides Members with a \$2 million incident limit and \$10 million pool aggregate subject to a \$100,000 per incident Member deductible.

Insurance for property, automobile physical damage, fidelity, inland marine, and equipment breakdown coverage are purchased on a group basis. Various deductibles apply by type of coverage. Property coverage is self-funded from the members' deductible to \$1,000,000, for all perils other than flood and earthquake, and insured above that to \$400 million per occurrence subject to aggregates and sublimits. Automobile physical damage coverage is self-funded from the members' deductible to \$250,000 and insured above that to \$100 million per occurrence subject to aggregates and sublimits.

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

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

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

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

Association of Washington Cities Employee Benefit Trust Health Care Program

Beginning January 1, 2025, the City of Ellensburg is a member of the Association of Washington Cities Employee Benefit Trust Health Care Program (AWC Trust HCP). Chapter 48.62 RCW provides that two or more local government entities may, by Interlocal agreement under Chapter 39.34 RCW, form together or join a pool or organization for the joint purchasing of insurance, and/or joint self-insurance, to the same extent that they may individually purchase insurance or self-insure.

An agreement to form a pooling arrangement was made pursuant to the provisions of Chapter 39.34 RCW, the Interlocal Cooperation Act. The AWC Trust HCP was formed on January 1, 2014, when participating cities, towns, and non-city entities of the AWC Employee Benefit Trust in the State of Washington joined together by signing an Interlocal Governmental Agreement to jointly self-insure certain health benefit plans and programs for participating employees, their covered dependents and other beneficiaries through a designated account within the Trust.

As of December 31, 2024, 268 cities/towns/non-city entities participate and have enrollment in the AWC Trust HCP.

The AWC Trust HCP allows members to establish a program of joint insurance and provides health and welfare services to all participating members.

In April 2020, the Board of Trustees adopted a large employer policy, requiring newly enrolling groups with 600 or more employees to submit medical claims experience data in order to receive a quote for medical coverage. Outside of this, the AWC Trust HCP pools claims without regard to individual member experience. The pool is actuarially rated each year with the assumption of projected claims run-out for all current members.

The AWC Trust HCP includes medical, dental and vision insurance through the following carriers: Kaiser Foundation Health Plan of Washington, Kaiser Foundation Health Plan of Washington Options, Inc., Regence BlueShield, Asuris Northwest Health, Delta Dental of Washington, Willamette Dental Group, and Vision Service Plan. Eligible members are cities and towns within the state of Washington. Non-City Entities (public agency, public corporation, intergovernmental agency, or political subdivision within the state of Washington) are eligible to apply for coverage into the AWC Trust HCP, submitting application to the Board of Trustees for review as required in the Trust Agreement.

Participating employers pay monthly premiums to the AWC Trust HCP. The AWC Trust HCP is responsible for payment of all covered claims. In 2024, the AWC Trust HCP purchased medical stop loss insurance for Regence/Asuris and Kaiser plans at an Individual Stop Loss (ISL) of \$2 million through United States Fire Insurance Company. The aggregate policy is for 200% of expected medical claims.

Participating employers contract to remain in the AWC Trust HCP for a minimum of three years. Participating employers with over 250 employees must provide written notice of termination of all coverage a minimum of 12 months in advance of the termination date, and participating employers with under 250 employees must provide written notice of termination of all coverage a minimum of 6 months in advance of termination date. When all coverage is being terminated, termination will only occur on December 31. Participating employers terminating a group or line of coverage must notify the AWC Trust HCP a minimum of 60 days prior to termination. A participating employer's termination will not obligate that member to past debts, or further contributions to the AWC Trust HCP. Similarly, the terminating member forfeits all rights and interest to the AWC Trust HCP Account.

The operations of the Health Care Program are managed by the Board of Trustees or its delegates. The Board of Trustees is comprised of four regionally elected officials from Trust member cities or towns, the Employee Benefit Advisory Committee Chair and Vice Chair, and two appointed individuals from the AWC Board of Directors, who are from Trust member cities or towns. The Trustees or its appointed delegates review and analyze Health Care Program related matters and make operational decisions regarding premium contributions, reserves, plan options and benefits in compliance with Chapter 48.62 RCW. The Board of Trustees has decision authority consistent with the Trust Agreement, Health Care

Program policies, Chapter 48.62 RCW and Chapter 200-110-WAC.

The accounting records of the AWC Trust HCP are maintained in accordance with methods prescribed by the State Auditor's office under the authority of Chapter 43.09 RCW. The AWC Trust HCP also follows applicable accounting standards established by the Governmental Accounting Standards Board ("GASB"). In 2018, the retiree medical plan subsidy was eliminated, and is noted as such in the report for the fiscal year ending December 31, 2018. Year-end financial reporting is done on an accrual basis and submitted to the Office of the State Auditor as required by Chapter 200-110 WAC. The audit report for the AWC Trust HCP is available from the Washington State Auditor's office.

B. Partial Self Insurance

As of December 31, 2024, the city is no longer partially self-insured for its employee health and benefits program. The City purchased individual and stop loss insurance to limit its risk exposure. The city will pay up to \$90,000 in claims for an individual employee with an aggregating specific deductible of \$45,000 and up to \$2.12 million or 90% of the first monthly aggregate deductible times 12 for the entire group. Once the maximum amount is exceeded then the insurance companies take over. To cover the \$2.12 million, the city has \$ 2.55 million in operating revenues in 2024. In 2024 the city had \$560,451 in stop loss recoveries and prescription drug rebates.

Note 9 – Other Post-Employment Benefits (OPEB) Plans

The City administers two closed, single employer, defined OPEB plans designed for post-employment health care benefits to 15 police and firefighters who are retired or disabled. They are the Law Enforcement Officers' and Fire Fighters Retirement System Plan One (LEOFF 1), as required by Washington State law RCW 41.26.150 and the Fire Relief and Pension Plan which provides for pre-LEOFF 1 police and firefighters who retired or disabled.

The Fire Relief and Pension Plan, which pre-dates the Law Enforcement Officers' and Fire Fighters Retirement System Plan, is addressed in RCW 41.26.150(1) which states 'in the case of active or retired firefighters the employer may make the payments provided in this section from the firefighter's pension fund established pursuant to RCW 41.16.050 where the fund had been established prior to March 1, 1970. If this pension fund is depleted, the employer shall have the obligation to pay all benefits payable under chapters 41.16 and 41.18 RCW'. This plan requires expenses to be approved by the Kittitas County LEOFF Disability Board.

The LEOFF 1 retiree medical plan is directed and defined by the State of Washington Revised Code RCW 41.26.150, states in part 'whenever any active member, or any member hereafter retired, on account of service, sickness, or disability, not caused or brought on by dissipation or abuse, of which the disability board shall be the judge, is confined in any hospital or in home, and whether or not so confined, requires medical services, the employer shall pay for the active or retired member the necessary medical services not payable from some other source as provided for in subsection (2) of this section'. Washington RCW 43.62.030 requires cities with populations over 20,000 to establish a disability board. The City created their own LOFF Disability Board under Ordinance 4927 in October of 2023. The board is comprised of five members; two of which are City Council members appointed by the mayor, one firefighter and one law enforcement officer which are elected to their positions by commissioned law enforcement officers who are employed by or retired from the City themselves, and one at-large member who shall be a City resident and is appointed by a majority vote of the other members.

For both plans, to qualify for medical services, the employee needs to only be active, or disability retired, or the employee's service retirement date is that day following separation from LEOFF employment with the City. Employees may retire after 5 years of service after reaching age 50. Employees with 20 years of service who leave employment before retirement age are eligible for medical benefits upon reaching age 50. Insurance for retired individuals is provided through the employer's group plan, which covers both active and qualified retired members. The medical services cover active and retired members only. Spouses are not eligible. Health insurance premiums are paid monthly, and other

medical services are paid as billings are presented for payment.

Employer contributions are financed on a pay-as-you-go basis. During 2024, expenditures of \$168,163 were recognized for other post-employment benefits.

The City of Ellensburg's OPEB liability as of December 31, 2024, was \$6,368,894 and was calculated using the Office of the Washington State Actuary alternative measurement method tool.

Note 10 – Contingencies and Litigations

Presently there is one lawsuit pending against the city for personal injury. The amount of damages alleged in the claim is \$21,000,000. The city denies any liability and has retained outside counsel to handle this litigation.

Note 11 – Leases

The city leases copiers from Copiers NW for a total of \$2,805 per month under lease agreements that range from 36 to 60 months. The leases begin and end in various time periods. These are non-cancelable contracts. In addition, there is one five-year mailing machine lease with Pitney Bowes \$33,862 per quarter. The city has a 3- year lease with the Bonneville Power Administration for a substation for \$16,875 per year.

Year Ended December 31	Total
2025	\$60,788
2026	\$56,848
2027	\$33,673
2028	\$23,618
2029	\$4,027

Note 12 – Subscription Based Information Technology Arrangements

The city has five agreements in place for operating systems, geographic information systems, utility billing, library cataloging, and public safety software ranging from two to five-year arrangements. Total amount paid in 2024 was \$388,756.

Year Ended December 31	Total
2025	\$386,543
2026	\$288,912
2027	\$22,319

Note 13 – Special Items

Foster Plat Development Refund

The City refunded the Foster Plat developer \$545,980.03 that they were invoiced for in 2022 to provide power to 141 houses. The refund was due to the number of houses in the first phase of the development being reduced from 141 to 15. The City invoiced the developer \$115,539.17 in 2024 for the 15 houses included in the modified plan.

Note 14 – Significant Commitments

The City has active projects and contracts as of December 31, 2024.
These commitments include:

Project/Contract	Spent to Date	Amount Remaining on Contract
Bid Call 2021-01 Main Street Corridor Project	\$1,121,337.90	\$90,162.10
Bid Call 2021-13 Illinois Well Facility	\$3,506,019.20	\$313,681.39
Bid Call 2023-04 Main St./Wildcat Way Overlay & CBD Slurry Seal	\$1,242,924.58	\$123,424.70
Bid Call 2023-16 University Way Overlay	\$906,334.92	\$40,588.68
Bid Call 2023-17 Anderson Road Sewer Extension	\$1,723,030.00	\$57,786.88
Bid Call 2023-18 Craig's Hill Pressure Zone Improvements	\$1,930,787.84	\$76,465.09
Bid Call 2023-12 Unity Park	\$2,611,505.88	\$45,010.12
Bid Call 2024-03 2024/2025 City Property Groundskeeping	\$204,300.15	\$215,176.65
Bid Call 2024-05 2024 Electrical Utility On-Call const. services	\$9,060.13	\$694,923.24
Bid Call 2024-06 Cured-in-Place Sewer Line Rehab	\$246,774.44	\$28,487.85
Bid Call 2024-10 Brick Rd Improvements	\$1,395,001.99	\$170,128.85
Bid Call 2024-11 Kittitas County Courthouse Sidewalk Improvements	\$278,723.35	\$20,116.65
Bid Call 2024-12 Pfenning Road Sidewalk Extension	\$1,153,792.92	\$204,848.74
Bid Call 2024-13 City Wide Crosswalk Striping	\$118,473.64	\$13,850.16
Bid Call 2024-16 Annual Tree Trimming Contract	\$256,412.38	\$39,761.42
Bid Call 2024-19 Seattle Ave. Utility Extension	\$-	\$551,826.46
Bid Call 2024-23 Anderson Rd Sewer Extension Phase 2	\$-	\$3,732,862.40
Agreement A2137 -02 Anderson Sewer Main	\$192,123.39	\$51,086.61
Agreement A2213-01 Aquifer Storage and Recovery Feasibility	\$244,287.47	\$55,712.53
Agreement 2230 & -01 Gateway II Stormwater LID Retrofit Project	\$649,541.16	\$327,587.84
Agreement A2274 -01, -02 General Sewer Plan/Aeration System Improvements	\$358,750.63	\$24,791.37
Agreement A2334 -02 Secondary Clarifier Rehabilitation	\$337,750.94	\$31,767.06
Agreement A2344 -01, -02, -03 Reservoir Siting Study New 4.0 MG 1824 Zone Reservoir	\$51,855.39	\$17,840.61
Agreement A2345 -01, -02 Craig Hill Pressure Zone Improvements	\$298,836.62	\$58,425.38
Agreement A2350 -01 -02 SCADA & Electrical Engineering - on call support for 2023	\$12,458.90	\$107,541.10
Agreement A2374 -01, -02 GIS Support Services	\$145,090.29	\$27,409.71
Agreement A2400 -01 -02 Granite Service & System Loop	\$153,365.17	\$15,059.83
Agreement Fieldhouse Project - Rec Center 1 Legal Services	\$27,545.00	\$34,655.00
Agreement A2487 -01 Cultural Resource Consulting for Dolarway Levee Project	\$25,771.11	\$26,426.14
Agreement A2506 Urban Flooding Analysis	\$26,858.01	\$234,641.99
Agreement A2507 Ellensburg Fieldhouse Project	\$99,277.33	\$535,954.35
Agreement A2529-01 -02 -03 Anderson Rd South Sewer Extension	\$53,452.53	\$36,515.67
Agreement A2531 Helena Ave Street Improvements/Extension Design	\$35,332.61	\$126,280.44
Agreement A2537 -01 Software & Services Agreement for Laserfiche	\$79,391.87	\$23,845.93
Agreement A2541 2024 Transportation Safety Action Plan	\$61,627.97	\$138,235.04
Agreement A2544 City Reservoir & Substation Acquisition	\$6,991.82	\$89,188.18
Agreement A2545 Renewable Natural Gas Feasibility Study	\$26,597.26	\$28,811.74
Agreement A2561 Flock Safety camera infrastructure & implementation	\$45,473.80	\$35,476.20
Agreement A2562 -01 Public Transit Marketing Services	\$7,562.50	\$92,437.50
Agreement A2573-01 Home Electrification and Appliance Rebates (HEAR) professional services	\$60,638.44	\$2,355,649.56
Agreement A2577 Consultant Services for RFQ R24-09 - Joint Use Pole Load Analysis	\$-	\$75,500.00
Agreement A2599 Tree Inventory, Urban Forest Management Plan & Municipal Tree Ord Project	\$-	\$247,024.09
Agreement A2600 Owner/Design-BUILDER Agreement for Fieldhouse Project	\$-	\$423,381.00
Agreement A2601 Creation of sculpture artwork at Unity Park	\$-	\$45,000.00

Note 14 – Subsequent Events

Organizational Changes

The 2025/2026 Biennial Budget effected several changes to the administrative structure of the City effective 1/1/2025 and throughout 2025.

- Operations of the Electric Utility and Natural Gas Utility split from the Public Works and Utilities Department to form two departments: the Public Works Department and Energy Services Department. Buddy Stanavich was selected to head the Energy Services Department.
- The Assistant City Manager/City Attorney position was eliminated upon retirement of Terry Weiner, who had served in that capacity since 2018, and replaced with a City Attorney position. Chris Horner was selected to fill the City Attorney position.

City of Ellensburg
Schedule of Liabilities
For the Year Ended December 31, 2024

ID. No.	Debt ID Title	Description	Due Date	Beginning Balance	Additions	Reductions	Ending Balance
General Obligation Debt/Liabilities							
251.11	Non-voted General obligation bonds	2010 GO Debt Refi	12/1/2030	1,190,331	-	169,328	1,021,003
251.11	Non-voted General obligation bonds	LTGO Bonds, 2017	12/1/2037	6,466,371	-	382,525	6,083,846
251.11	Non-voted General obligation bonds	LTGO Bonds, 2016, issued for Telecom	12/1/2036	206,804	-	13,280	193,524
263.56	Leases, SBITA, and PPPs	Leases copiers - monthly		67,082	49,236	32,911	83,407
263.56	Leases, SBITA, and PPPs	Leases - Mailing Equipment - quarterly		1,288	77,248	16,739	61,797
263.56	Leases, SBITA, and PPPs	Leases - Substation - annual		-	50,625	16,875	33,750
263.56	Leases, SBITA, and PPPs	SBITA		604,278	482,685	389,189	697,774
Total General Obligation Debt/Liabilities:				8,536,154	659,794	1,020,847	8,175,101
Revenue and Other (non G.O.) Debt/Liabilities							
252.11	Non-voted Revenue bonds	Electric Refunding Bond - 2014	12/1/2025	755,000	-	370,000	385,000
252.11	Non-voted Revenue bonds	Electric Bond - 2014	12/1/2034	4,420,000	-	10,000	4,410,000
252.11	Non-voted Revenue bonds	Gas 2016	12/1/2036	596,230	-	40,502	555,728
252.11	Non-voted Revenue bonds	Water Sewer Refunding 2016	12/1/2029	4,205,000	-	660,000	3,545,000
252.11	Non-voted Revenue bonds	Stormwater 2020 Bond	12/1/2039	4,563,049	-	227,693	4,335,356
252.11	Non-voted Revenue bonds	2021 Waterworks Bond	12/1/2040	9,119,608	-	435,100	8,684,508
259.12	Compensated Absences	Compensated Absences		2,080,428	243,789	-	2,324,217

City of Ellensburg
Schedule of Liabilities
For the Year Ended December 31, 2024

ID. No.	Debt ID Title	Description	Due Date	Beginning Balance	Additions	Reductions	Ending Balance
264.30	Pension Liabilities	Net Pension Liability		1,479,370	-	321,671	1,157,699
264.40	OPEB Liabilities	OPEB		6,115,783	737,456	484,345	6,368,894
Total Revenue and Other (non G.O.) Debt/Liabilities:				33,334,468	981,245	2,549,311	31,766,402
Assessment Debt/Liabilities (with commitments)							
253.43	Local Improvement District (LID) Warrants with Commitments	LID Warrants with Commitments	7/29/2025	14,980	-	14,827	153
Total Assessment Debt/Liabilities (with commitments):				14,980	-	14,827	153
Total Liabilities:				41,885,602	1,641,039	3,584,985	39,941,656

City of Ellensburg
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
FOREST SERVICE, AGRICULTURE, DEPARTMENT OF (via WADNR)	Inflation Reduction Act Urban & Community Forestry Program	10.727	93-107975	9,776	-	9,776	-	
RURAL HOUSING SERVICE, AGRICULTURE, DEPARTMENT OF	Community Facilities Loans and Grants	10.766	CLSS000000079 940	-	344,375	344,375	344,375	7
NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION, COMMERCE, DEPARTMENT OF (via Department of Commerce)	Broadband Infrastructure Program	11.031	968G0220	183,457	-	183,457	-	7
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF	Bulletproof Vest Partnership Program	16.607	N/A	-	4,810	4,810	-	7
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WSDOT)	Highway Planning and Construction	20.205	N/A	139,557	-	139,557	-	7
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WSDOT)	Highway Planning and Construction	20.205	STPUS-6909	906,335	-	906,335	-	7
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WSDOT)	Highway Planning and Construction	20.205	STBGUS-6900 (010)	626,571	-	626,571	-	7

The accompanying notes are an integral part of this schedule.

City of Ellensburg
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
			Total ALN 20.205:	1,672,463	-	1,672,463	-	
FEDERAL TRANSIT ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WSDOT)	Formula Grants for Rural Areas and Tribal Transit Program	20.509	PTD0617	330,133	-	330,133	-	7
Highway Safety Cluster								
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA Traffic SafetyCommission)	State and Community Highway Safety	20.600	N/A	24,041	-	24,041	-	
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA Traffic SafetyCommission)	National Priority Safety Programs	20.616	N/A	3,394	-	3,394	-	
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA Traffic SafetyCommission)	National Priority Safety Programs	20.616	N/A	894	-	894	-	
			Total ALN 20.616:	4,288	-	4,288	-	
			Total Highway Safety Cluster:	28,329	-	28,329	-	
OFFICE OF THE SECRETARY, TRANSPORTATION, DEPARTMENT OF	Safe Streets and Roads for All	20.939	693JJ32340149	-	37,375	37,375	-	

The accompanying notes are an integral part of this schedule.

City of Ellensburg
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
DEPARTMENTAL OFFICES, TREASURY, DEPARTMENT OF THE	CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	21.027	N/A	-	4,055,426	4,055,426	-	
	CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	21.027	N/A	663,416	-	663,416	-	
Total ALN 21.027:				663,416	4,055,426	4,718,842	-	
Aging Cluster								
ADMINISTRATION FOR COMMUNITY LIVING (ACL), HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via DSHS)	Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	N/A	4,781	-	4,781	-	7
Total Aging Cluster:				4,781	-	4,781	-	
Total Federal Awards Expended:				2,892,355	4,441,986	7,334,341	344,375	

The accompanying notes are an integral part of this schedule.

CITY OF ELLENSBURG, WASHINGTON

Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024

Note 1 – Basis of Accounting

This Schedule is prepared on the same basis of accounting as the City's financial statements. The City uses the *Cash Basis Budgeting, Accounting and Reporting System* (BARS) Manual prescribed by the State Auditor's Office under the authority of Washington State law, Chapter 43.09 RCW.

Note 2 – Federal Indirect Cost Rate

The City has elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 7 – Program Cost

The amounts shown as current year expenditures represent only the federal award portion of the program costs. Entire program cost, including the City's portion are more than shown. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the Washington State Constitution and is part of the executive branch of state government. The State Auditor is elected by the people of Washington and serves four-year terms.

We work with state agencies, local governments and the public to achieve our vision of increasing trust in government by helping governments work better and deliver higher value.

In fulfilling our mission to provide citizens with independent and transparent examinations of how state and local governments use public funds, we hold ourselves to those same standards by continually improving our audit quality and operational efficiency, and by developing highly engaged and committed employees.

As an agency, the State Auditor's Office has the independence necessary to objectively perform audits, attestation engagements and investigations. Our work is designed to comply with professional standards as well as to satisfy the requirements of federal, state and local laws. The Office also has an extensive quality control program and undergoes regular external peer review to ensure our work meets the highest possible standards of accuracy, objectivity and clarity.

Our audits look at financial information and compliance with federal, state and local laws for all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits and cybersecurity audits of state agencies and local governments, as well as state whistleblower, fraud and citizen hotline investigations.

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