

ANNUAL REPORT

CITY OF EPHRATA

MCAG 0304

Submitted pursuant to RCW 43.09.230

to the

STATE AUDITOR'S OFFICE

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

CERTIFIED CORRECT THIS 26th DAY OF MAY, 2009 TO THE BEST OF MY
KNOWLEDGE AND BELIEF:

SIGNATURE



LESLIE TRACHSLER, CMC
CITY CLERK/FINANCE DIRECTOR

PREPARED BY LESLIE TRACHSLER, CITY CLERK/FINANCE DIRECTOR

TELEPHONE NUMBER (509)754-4601, ext. 120

CITY OF EPHRATA
STATISTICAL INFORMATION
DECEMBER 31, 2008

1. DATE OF INCORPORATION JUNE, 1909
2. DATE PRESENT CHARTER ADOPTED SEPTEMBER 1947
3. FORM OF GOVERNMENT STRONG MAYOR
4. POPULATION 7,065
5. NUMBER OF REGISTERED VOTERS 3,427
6. AREA - SQUARE MILES 10.09
7. EMPLOYEES FULL TIME (END OF YEAR PAYROLL)
FIREMEN - 1 POLICEMEN - 15 OTHERS - 32
TOTAL - 48
8. VOLUNTEERS: FIREMEN - 30
9. MUNICIPAL FACILITIES OWNED:

AMBULANCE	1	FIRE STATIONS	1	POLICE STATIONS	1
AUDITORIUMS	1	GOLF COURSE	1	SHOPS(GARAGES)	2
CEMETERIES	1	LIBRARIES	1	SWIMMING POOL	1
FIRE HYDRANTS	484	PARKS (ACRES)	140.07	OPEN SPACE (ACRES)	181.2
10. MUNICIPAL UTILITIES OR ENTERPRISES OWNED:
GARBAGE COLLECTION
SEWER SYSTEM
SEWER TREATMENT PLANT
WATER SYSTEM

CITY OF EPHRATA

NOTES TO THE FINANCIAL STATEMENTS JANUARY 1, 2008 THROUGH DECEMBER 31, 2008

The following notes are an integral part of the accompanying financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Ephrata reports financial activity using the revenue and expenditure classifications, statements, and schedules contained in the Cash Basis Budgeting, Accounting and Reporting System (BARS) manual. This basis of accounting and reporting is another comprehensive basis of accounting (OCBOA) that is prescribed by the State Auditor's Office under the authority of Washington State law, Chapter 43.09 RCW.

The City of Ephrata was incorporated in June, 1909 and operates under the laws of the State of Washington applicable to a non-charter code city with a mayor/council form of government. The city is a general purpose government and provides public safety, fire prevention, general administration, street improvement, parks and recreation. In addition, the city owns and operates water, sewer and garbage services. The city uses single-entry, cash basis accounting which is a departure from generally accepted accounting principles (GAAP).

A. Fund Accounting

The accounts of the city are organized on the basis of funds, each of which is considered a separate accounting entity. Each fund is accounted for with a separate set of single-entry accounts that comprises its cash, investments, revenues and expenditures, as appropriate. The city resources are allocated to and accounted for in individual funds depending on their intended purpose. The following are the fund types used by the city.

GOVERNMENT FUND TYPES:

Current Expense Fund

This fund is the primary operating fund of the city. 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 revenues that are legally restricted or designated to finance particular activities of the city.

Debt Service Funds

These funds account for the accumulation of resources to pay principal, interest and related costs on general long-term debt.

Capital Projects Funds

These funds account for financial resources which are designated for the acquisition or construction of general government capital projects.

Permanent Funds

These funds account for financial resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support programs for the benefit of the government or its citizenry.

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.

Internal Service Funds

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

FIDUCIARY FUND TYPES:

Fiduciary funds account for assets held by the city in a trustee capacity or as an agent on behalf of others.

Pension Trust Funds

These funds are used to account for the operations of trusts established for employee retirement benefits. They are accounted for in essentially the same manner as proprietary funds because of the need for determining the periodic income of the trust.

B. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Revenues are recognized only when cash is received and expenditures are recognized when paid, including those properly chargeable against the report year budget appropriations as required by state law.

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.

Purchases of capital assets are expensed during the year of acquisition. There is no capitalization of capital assets, nor allocation of depreciation expense. Inventory is expensed when purchased.

The basis of accounting described above represents a comprehensive basis of accounting other than accounting principles generally accepted in the United State of America.

C. Budgets

Annual appropriated budgets are adopted for Current Expense, Special Revenue, Debt Service, Capital Project, Proprietary and Fiduciary Funds. The financial statements include budgetary comparisons for those funds.

Annual appropriated budgets are adopted at the fund level. The budgets constitute the legal authority for expenditures at that level. Annual appropriations for all funds lapse at the fiscal period end.

The Mayor is authorized to transfer budgeted amounts between departments within any fund; 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.

D. Cash

It is the city's policy to invest all temporary cash surpluses. The amount is included in the net cash and investments shown on the statements of fund resources and uses arising from cash transactions. The interest on these investments is prorated to the various funds.

E. Deposits

The city deposits and certificates of deposit are covered by the Federal Deposit Insurance Corporation and the Washington Public Deposit Protection Commission.

F. Investments - See Note 3

G. Capital Assets

Capital assets are long-lived assets of the city and are recorded as expenditures when purchased.

H. Compensated Absences

Vacation leave may be accumulated up to 35 days and is payable upon separation or retirement.

Sick leave may be accumulated indefinitely. Upon separation or retirement, employees receive payment for 50% of unused sick leave, once they reach a threshold of 200 hours, up to a maximum cash out of 480 hours.

I. Long-Term Debt - See Note 5

J. Other Financing Sources or Uses

The city's "Other Financing Sources or Uses" consist of transfers in and transfers out.

K. Risk Management

The City of Ephrata is a member of the Cities Insurance Association of Washington. Chapter 48.62 RCW authorizes the governing body of any one or more governmental entities to form together into or join a pool or organization for the joint purchasing of insurance, and/or joint self-insuring, and/or joint hiring or contracting for risk management services to the same extent that they may individually purchase insurance, self-insure, or hire or contract for risk management services. An agreement to form a pooling arrangement was made pursuant to the provisions of Chapter 39.34 RCW, the Interlocal Cooperation Act. The pool was formed on September 1, 1988 when 34 cities in the State of Washington joined together by signing an Interlocal Governmental Agreement to pool their self-insured losses and jointly purchase insurance and administrative services. Currently, the CIAW has 97 member cities and 162 fire and special districts in the program.

The pool allows members to jointly purchase insurance coverage and provide related services, such as administration, risk management, claims administration, etc. Coverage for Public Officials Liability is on a "claims made basis". All other coverage's are on an "occurrence basis". The pool provides the following forms of group purchased insurance coverage for its members: Property, liability, vehicle liability, other mobile equipment, boiler and machinery, bonds of various types, excess liability and public official liability.

The pool acquires liability insurance from unrelated underwriters that are subject to a per-occurrence deductible of \$100,000. Members are responsible for the first \$1,000 of the deductible amount of each claim, while the pool is responsible for the remaining \$99,000. Insurance carriers cover insured losses over \$100,000 to the limits of each policy. Since the pool is a cooperative program, there is a joint liability among the participating members towards the sharing of the \$99,000 portion of the deductible. The pool, however, purchases a Stop Loss Policy in the amount of \$5,500,000 to reduce risk to its members.

Property insurance is subject to a per-occurrence deductible of \$10,000. Members are responsible for the first \$1,000 of the deductible amount of each claim, while the pool is responsible for the remaining \$9,000.

Boiler and machinery insurance is subject to a per-occurrence deductible of \$2,500. Members are responsible for the deductible amount of each claim.

Each new member now pays the pool an admittance fee. This amount covers the member's share of unrestricted reserves. Members contract to remain in the pool for a minimum of one year, and must give notice before August 31 before terminating participation the following September 1. The Interlocal Governmental Agreement is renewed automatically each year. Even after termination, a member remains responsible

for contributions to the pool for any unresolved, unreported, and in-process claims for the period they were a signatory to the Interlocal Governmental Agreement.

The pool is fully funded by its member participants. Claims are filed by members with Canfield & Associates, which has been contracted to perform pool administration, claims adjustment and administration and loss prevention for the pool. Fees paid to the third party administrator and loss prevention for the pool. Fees paid to the third party administrator under this arrangement for the year ended August 31, 2007 and 2008 were \$1,242,382 and \$1,321,289 respectively.

A governing board is selected by the membership and is responsible for conducting the business affairs of the pool. The Board of Directors has contracted with Canfield & Associates to perform day-to-day administration of the pool. This pool has no employees. Copies of the pool's annual report may be obtained by writing to 451 Diamond Drive, Ephrata, WA 98823.

NOTE 2 – COMPLIANCE AND ACCOUNTABILITY

There have been no material violations of finance-related legal or contractual provisions.

NOTE 3 – INVESTMENTS

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

Investments by type at December 31, 2008 are as follows:

<u>Type of Investment</u>	<u>Balance</u>
L.G.I.P.	\$2,459,554
Grant County Investment Pool	\$3,657,572
Time Deposit	<u>\$ 91,595</u>
TOTAL	\$6,208,721

Investments are at cost which approximates market.

NOTE 4 – PROPERTY TAXES

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

Property tax revenues are recognized when cash is received by the city. Delinquent taxes are considered fully collectible because a lien affixes to the property after taxes are levied.

The city's regular levy for the year 2008 was \$2.94511 per \$1,000 on an assessed valuation of \$331,461,116 for a total regular levy of \$976,189.

NOTE 5 – LONG-TERM DEBT

The accompanying Schedule of Long-Term Debt (09) provides a listing of the outstanding debt of the city and summarizes the city's debt transactions for 2008. The debt service requirements, including interest, are as follows:

	<u>General Obligation Bonds</u>	<u>Inter Gov't Debt</u>	<u>Other Debt</u>	<u>Total Debt</u>
2009	\$ 99,985	\$ 665,397	\$ 78,032	\$ 843,414
2010	\$ 102,165	\$ 662,964	\$ 78,032	\$ 843,161
2011	\$ 104,045	\$ 660,534	\$ 78,032	\$ 842,611
2012	\$ 100,615	\$ 658,101	\$ 78,032	\$ 836,748
2013	\$ 102,115	\$ 622,336	\$ 78,032	\$ 802,483
2014-2018	\$ 512,068	\$2,629,318	\$ -0-	\$3,141,386
2019-2023	\$ -0-	\$1,702,612	\$ -0-	\$1,702,612
2024-2028	\$ -0-	\$ 784,938	\$ -0-	\$ 784,938
TOTAL	\$1,020,993	\$8,386,200	\$390,160	\$9,797,353

NOTE 6 – PENSION PLANS

Substantially all city full-time and qualifying part-time employees participate in Law Enforcement and Fire Fighters (LEOFF) or Public Employees Retirement System (PERS) administered by the Washington State Department of Retirement System, under cost-sharing multiple-employer public employee defined benefit and defined contribution retirement plans. Actuarial information is on a system-wide basis and is not considered pertinent to the city's financial statements. Contributions to the systems by both employee and employer are based upon gross wages covered by plan benefits.

Historical trend or other information regarding each plan is presented in the Washington State Department of Retirement Systems annual financial report. A copy of this report may be obtained by writing to:

Department of Retirement Systems
Communications Unit
P.O. Box 48380
Olympia, WA 98504-8380

OTHER DISCLOSURES

During the annual audit for 2007, Auditor required that the balance of petty cash be added back into the cash balance for Current Expense Fund (001). This created a \$3,200 difference between the ending fund balance for 2007 and the beginning fund balance for 2008 in Fund 001.

**CITY OF EPHRATA
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS**

For the Year Ended December 31, 2008

BARS CODE		Fund Number and Name 001 Current Expense		Fund Number and Name 112 Street Fund	
		Budget	Actual	Budget	Actual
Beginning Net Cash and Investments		\$277,137	\$940,455	\$53,473	\$99,462
Revenues and Other Sources					
310	Taxes	2,437,685	2,538,072	190,900	189,986
320	Licenses and Permits	112,000	124,754		
330	Intergovernmental	512,450	454,638	267,000	236,413
340	Charges for Goods and Services	32,300	34,483		
350	Fines and Forfeits	8,800	7,913		
360	Miscellaneous	123,100	87,429		352
370	Capital Contributions				
390	Other Financing Sources			85,727	25,727
Total Revenues and Other Sources		3,226,335	3,247,289	543,627	452,478
Total Resources		3,503,472	4,187,744	597,100	551,940
Operating Expenditures:					
510	General Government	281,400	261,102		
520	Public Safety	2,304,900	2,206,615		
530	Physical Environment	132,800	104,834		
540	Transportation			579,000	505,549
550	Economic Environment	260,000	243,772		
560	Mental and Physical Health	15,600	15,262		
570	Culture and Recreation				
Total Operating Expenditures		2,994,700	2,831,585	579,000	505,549
591-593	Debt Service				
594-595	Capital Outlay	204,200	198,250	18,100	3,290
Total Expenditures		3,198,900	3,029,835	597,100	508,839
597-599	Other Financing Uses	304,572	304,572		
Total Expenditures and Other Uses		3,503,472	3,334,407	597,100	508,839
Excess (Deficit) of Resources Over Uses		0	853,337	0	43,101
380	Nonrevenues (Except 384 and 388.80)		5,762		
580	Nonexpenditures (Except 584 and 588.80)		(5,678)		
Ending Net Cash and Investments		\$0	\$853,421	\$0	\$43,101

The Accompanying Notes Are An Integral Part Of This Statement.

**CITY OF EPHRATA
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS**

For the Year Ended December 31, 2008

BARS CODE		Fund Number and Name 116 Park Fund		Fund Number and Name 422 Sanitation Fund	
		Budget	Actual	Budget	Actual
Beginning Net Cash and Investments		\$8,300	\$88,080	\$25,600	\$3,466
Revenues and Other Sources					
310	Taxes	382,300	377,484		
320	Licenses and Permits				
330	Intergovernmental			200,000	207,956
340	Charges for Goods and Services	201,400	196,951	925,000	976,986
350	Fines and Forfeits				
360	Miscellaneous	20,500	25,414	845,500	927,318
370	Capital Contributions				
390	Other Financing Sources	132,700	116,065		
Total Revenues and Other Sources		736,900	715,914	1,970,500	2,112,260
Total Resources		745,200	803,994	1,996,100	2,115,726
Operating Expenditures:					
510	General Government			364,500	331,182
520	Public Safety				
530	Physical Environment			1,603,400	1,441,825
540	Transportation				
550	Economic Environment	5,000	5,000		
560	Mental and Physical Health				
570	Culture and Recreation	740,200	689,962		
Total Operating Expenditures		745,200	694,962	1,967,900	1,773,007
591-593	Debt Service				
594-595	Capital Outlay			28,200	22,849
Total Expenditures		745,200	694,962	1,996,100	1,795,856
597-599	Other Financing Uses				
Total Expenditures and Other Uses		745,200	694,962	1,996,100	1,795,856
Excess (Deficit) of Resources Over Uses		0	109,032	0	319,870
380	Nonrevenues (Except 384 and 388.80)		16,503		
580	Nonexpenditures (Except 584 and 588.80)		(18,403)		
Ending Net Cash and Investments		\$0	\$107,132	\$0	\$319,870

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CITY OF EPHRATA
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS

For the Year Ended December 31, 2008

BARS CODE		Fund Number and Name 424 Water/Sewer		Fund Number and Name 425 Water/Sewer Const	
		Budget	Actual	Budget	Actual
Beginning Net Cash and Investments		\$224,000	\$834,133	\$806,200	\$1,960,988
Revenues and Other Sources					
310	Taxes				
320	Licenses and Permits				
330	Intergovernmental				
340	Charges for Goods and Services	2,917,000	2,813,602		
350	Fines and Forfeits				
360	Miscellaneous		85	70,000	83,861
370	Capital Contributions				
390	Other Financing Sources	5,000	5,126	3,886,000	3,858,577
Total Revenues and Other Sources		2,922,000	2,818,813	3,956,000	3,942,438
Total Resources		3,146,000	3,652,946	4,762,200	5,903,426
Operating Expenditures:					
510	General Government	12,000	9,988		
520	Public Safety				
530	Physical Environment	2,135,600	1,975,972		
540	Transportation				
550	Economic Environment				
560	Mental and Physical Health				
570	Culture and Recreation				
Total Operating Expenditures		2,147,600	1,985,960	0	0
591-593	Debt Service				
594-595	Capital Outlay	112,400	22,851	3,876,200	3,200,333
Total Expenditures		2,260,000	2,008,811	3,876,200	3,200,333
597-599	Other Financing Uses	886,000	886,000	390,341	390,341
Total Expenditures and Other Uses		3,146,000	2,894,811	4,266,541	3,590,674
Excess (Deficit) of Resources Over Uses		0	758,135	495,659	2,312,752
380	Nonrevenues (Except 384 and 388.80)				
580	Nonexpenditures (Except 584 and 588.80)				
Ending Net Cash and Investments		\$0	\$758,135	\$495,659	\$2,312,752

The Accompanying Notes Are An Integral Part Of This Statement.

CITY OF EPHRATA
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS

For the Year Ended December 31, 2008

BARS CODE		Fund Number and Name 428 SRF Redemption		Fund Number and Name 523 Equipment Rental	
		Budget	Actual	Budget	Actual
Beginning Net Cash and Investments			\$270,814	\$168,000	\$174,816
Revenues and Other Sources					
310	Taxes				
320	Licenses and Permits				
330	Intergovernmental				
340	Charges for Goods and Services			2,000	1,917
350	Fines and Forfeits				
360	Miscellaneous			446,200	437,861
370	Capital Contributions				
390	Other Financing Sources	274,650	274,650	5,000	1,772
Total Revenues and Other Sources		274,650	274,650	453,200	441,550
Total Resources		274,650	545,464	621,200	616,366
Operating Expenditures:					
510	General Government				
520	Public Safety				
530	Physical Environment				
540	Transportation			353,200	343,791
550	Economic Environment				
560	Mental and Physical Health				
570	Culture and Recreation				
Total Operating Expenditures		0	0	353,200	343,791
591-593	Debt Service				
594-595	Capital Outlay			268,000	250,964
Total Expenditures		0	0	621,200	594,755
597-599	Other Financing Uses				
Total Expenditures and Other Uses		0	0	621,200	594,755
Excess (Deficit) of Resources Over Uses		274,650	545,464	0	21,611
380	Nonrevenues (Except 384 and 388.80)				
580	Nonexpenditures (Except 584 and 588.80)	(274,650)	(274,641)		
Ending Net Cash and Investments		\$0	\$270,823	\$0	\$21,611

The Accompanying Notes Are An Integral Part Of This Statement.

**CITY OF EPHRATA
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS**

For the Year Ended December 31, 2008

Fund Type: Special Revenue Funds	Fund Number and Name 114 Library Fund		Fund Number and Name 115 Cemetery Fund	
	Budget	Actual	Budget	Actual
Beginning Net Cash and Investments	\$2,000	\$55,459	\$22,300	\$302,766
Revenue and Other Financing Sources	177,043	177,033	95,550	95,898
Total Resources	179,043	232,492	117,850	398,664
Expenditures And Other Financing Uses	179,043	177,794	117,850	109,849
Excess (Deficit) of Resources Over Uses	0	54,698	0	288,815
Nonrevenues (Except 384 and 388.80)				
Nonexpenditures (Except 584 and 588.80)				
Ending Net Cash and Investments	\$0	\$54,698	\$0	\$288,815

Fund Type:	Fund Number and Name 120 Convention Center		Fund Number and Name 140 Street Lights	
	Budget	Actual	Budget	Actual
Beginning Net Cash and Investments	\$10,000	\$282,187	\$12,000	\$29,601
Revenue and Other Financing Sources	80,000	96,283	125,000	125,000
Total Resources	90,000	378,470	137,000	154,601
Expenditures And Other Financing Uses	90,000	87,999	137,000	136,673
Excess (Deficit) of Resources Over Uses	0	290,471	0	17,928
Nonrevenues (Except 384 and 388.80)				
Nonexpenditures (Except 584 and 588.80)				
Ending Net Cash and Investments	\$0	\$290,471	\$0	\$17,928

Fund Type:	Fund Number and Name 153 Park Development		Fund Number and Name 154 Fire Reserve	
	Budget	Actual	Budget	Actual
Beginning Net Cash and Investments		\$47,479	\$44,627	\$95,732
Revenue and Other Financing Sources	6,000	9,770	56,260	126,367
Total Resources	6,000	57,249	100,887	222,099
Expenditures And Other Financing Uses	6,000		100,887	100,869
Excess (Deficit) of Resources Over Uses	0	57,249	0	121,230
Nonrevenues (Except 384 and 388.80)				
Nonexpenditures (Except 584 and 588.80)				
Ending Net Cash and Investments	\$0	\$57,249	\$0	\$121,230

The Accompanying Notes Are An Integral Part Of This Statement.

**CITY OF EPHRATA
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS**

For the Year Ended December 31, 2008

Fund Type:	Fund Number and Name 155 Capital Improvement		Fund Number and Name 157 Police Reserve	
	Budget	Actual	Budget	Actual
	Beginning Net Cash and Investments	\$62,000	\$250,268	\$1,000
Revenue and Other Financing Sources	80,000	141,858	2,000	10,099
Total Resources	142,000	392,126	3,000	18,297
Expenditures And Other Financing Uses	142,000	26,733	3,000	2,390
Excess (Deficit) of Resources Over Uses	0	365,393	0	15,907
Nonrevenues (Except 384 and 388.80)				863
Nonexpenditures (Except 584 and 588.80)				
Ending Net Cash and Investments	\$0	\$365,393	\$0	\$16,770

Fund Type:	Fund Number and Name 170 Cooperative Growth		Fund Number and Name 234 Park Bond Redmptn	
	Budget	Actual	Budget	Actual
	Beginning Net Cash and Investments		\$20,857	\$31,446
Revenue and Other Financing Sources				2,211
Total Resources	0	20,857	31,446	31,446
Expenditures And Other Financing Uses			31,446	31,446
Excess (Deficit) of Resources Over Uses	0	20,857	0	0
Nonrevenues (Except 384 and 388.80)				
Nonexpenditures (Except 584 and 588.80)				
Ending Net Cash and Investments	\$0	\$20,857	\$0	\$0

Fund Type:	Fund Number and Name 296 94 GO Bond Redmptn		Fund Number and Name 299 GO Swim Pool Redm	
	Budget	Actual	Budget	Actual
	Beginning Net Cash and Investments	\$6,911	\$6,425	
Revenue and Other Financing Sources		486	103,145	103,145
Total Resources	6,911	6,911	103,145	104,101
Expenditures And Other Financing Uses	6,911	6,911	103,145	102,942
Excess (Deficit) of Resources Over Uses	0	0	0	1,159
Nonrevenues (Except 384 and 388.80)				
Nonexpenditures (Except 584 and 588.80)				
Ending Net Cash and Investments	\$0	\$0	\$0	\$1,159

The Accompanying Notes Are An Integral Part Of This Statement.

**CITY OF EPHRATA
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS**

For the Year Ended December 31, 2008

Fund Type:	Fund Number and Name 340 CDBG Grant		Fund Number and Name 380 Downtown Imprv	
	Budget	Actual	Budget	Actual
	Beginning Net Cash and Investments		\$5,319	
Revenue and Other Financing Sources	0	489	0	0
Total Resources	0	5,808	0	335
Expenditures And Other Financing Uses				0
Excess (Deficit) of Resources Over Uses	0	5,808	0	335
Nonrevenues (Except 384 and 388.80)				
Nonexpenditures (Except 584 and 588.80)				
Ending Net Cash and Investments	\$0	\$5,808	\$0	\$335

Fund Type:	Fund Number and Name 412 Geo Thermal		Fund Number and Name 426 Public Works Trust	
	Budget	Actual	Budget	Actual
	Beginning Net Cash and Investments		\$14,668	\$2,600
Revenue and Other Financing Sources			133,719	134,559
Total Resources	0	14,668	136,319	145,488
Expenditures And Other Financing Uses			13,346	12,868
Excess (Deficit) of Resources Over Uses	0	14,668	122,973	132,620
Nonrevenues (Except 384 and 388.80)				
Nonexpenditures (Except 584 and 588.80)			(122,973)	(122,896)
Ending Net Cash and Investments	\$0	\$14,668	\$0	\$9,724

Fund Type:	Fund Number and Name 427 SRF Reserve		Fund Number and Name 525 Equipment Reserve	
	Budget	Actual	Budget	Actual
	Beginning Net Cash and Investments		\$150,000	
Revenue and Other Financing Sources				
Total Resources	0	150,000	0	144,385
Expenditures And Other Financing Uses				
Excess (Deficit) of Resources Over Uses	0	150,000	0	144,385
Nonrevenues (Except 384 and 388.80)				
Nonexpenditures (Except 584 and 588.80)				
Ending Net Cash and Investments	\$0	\$150,000	\$0	\$144,385

The Accompanying Notes Are An Integral Part Of This Statement.

**CITY OF EPHRATA
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS**

For the Year Ended December 31, 2008

Fund Type:	Fund Number and Name 602 Cemetery Care		Fund Number and Name 615 Retirement Reserve	
	Budget	Actual	Budget	Actual
Beginning Net Cash and Investments		\$150,530		\$68,664
Revenue and Other Financing Sources	1,150	5,750		
Total Resources	1,150	156,280	0	68,664
Expenditures And Other Financing Uses	1,150			
Excess (Deficit) of Resources Over Uses	0	156,280	0	68,664
Nonrevenues (Except 384 and 388.80)				
Nonexpenditures (Except 584 and 588.80)				
Ending Net Cash and Investments	\$0	\$156,280	\$0	\$68,664

Fund Type:	Fund Number and Name		Fund Number and Name	
	Budget	Actual	Budget	Actual
Beginning Net Cash and Investments				
Revenue and Other Financing Sources				
Total Resources	0	0	0	0
Expenditures And Other Financing Uses				
Excess (Deficit) of Resources Over Uses	0	0	0	0
Nonrevenues (Except 384 and 388.80)				
Nonexpenditures (Except 584 and 588.80)				
Ending Net Cash and Investments	\$0	\$0	\$0	\$0

Fund Type:	Fund Number and Name		Fund Number and Name	
	Budget	Actual	Budget	Actual
Beginning Net Cash and Investments				
Revenue and Other Financing Sources				
Total Resources	0	0	0	0
Expenditures And Other Financing Uses				
Excess (Deficit) of Resources Over Uses	0	0	0	0
Nonrevenues (Except 384 and 388.80)				
Nonexpenditures (Except 584 and 588.80)				
Ending Net Cash and Investments	\$0	\$0	\$0	\$0

The Accompanying Notes Are An Integral Part Of This Statement.

**CITY OF EPHRATA
SCHEDULE OF LONG TERM DEBT
For the Year Ended December 31, 2008**

X G.O. Debt
 Revenue Debt
 Assessment Debt

ID No.	Date of Original Issuance	Date of Maturity	Beginning Outstanding Debt 01/01/08 (Ending Outstanding Debt Balance from Prior Year)	Amount Issued in Current Year	Amount Redeemed in Current Year	BARS Code for Redemption	Redeeming Fund Number	Ending Outstanding Debt 12/31/08
251.11	3/1/1999	12/1/2018	\$ 840,000.00	\$ -	\$ 60,000.00	591.76.71	299	\$ 780,000.00

CITY OF EPHRATA
SCHEDULE OF LONG TERM DEBT
For the Year Ended December 31, 2008

G.O. Debt
 Revenue Debt
 Assessment Debt

ID No.	Date of Original Issuance	Date of Maturity	Beginning Outstanding Debt 01/01/08 (Ending Outstanding Debt Balance from Prior Year)	Amount Issued in Current Year	Amount Redeemed in Current Year	BARS Code for Redemption	Redeeming Fund Number	Ending Outstanding Debt 12/31/08
263.82	7/1/1992	7/1/2012	\$ 129,803.00	\$ -	\$ 25,960.00	582.35.70	426 \$	103,843.00
263.82	9/1/1999	9/1/2019	\$ 3,570,333.00	\$ -	\$ 274,641.00	582.35.78.01	428 \$	3,295,692.00
263.82	7/1/2003	7/1/2022	\$ 1,095,157.00	\$ -	\$ 73,010.00	582.34.78	426 \$	1,022,147.00
263.54	2/1/1999	2/1/2008	\$ 21,651.00	\$ -	\$ 21,651.00	591.22.64	154 \$	-
263.54	2/1/2003	2/1/2013	\$ 410,834.00	\$ -	\$ 62,146.00	591.22.75	154 \$	348,688.00
263.82	7/1/2004	7/1/2023	\$ 21,474.00	\$ -	\$ 1,342.00	582.35.78	426 \$	20,132.00
263.82	7/1/2005	7/1/2025	\$ 273,789.00	\$ -	\$ 15,210.00	582.35.78	426 \$	258,579.00
263.82	7/1/2006	7/1/2012	\$ 36,859.00	\$ -	\$ 7,372.00	582.34.78.01	426 \$	29,487.00
263.82	8/20/2007	7/1/2013	\$ 462,188.00	\$ -	\$ -	582.34.78.02	426 \$	462,188.00
263.82	3/7/2008	7/1/2028	\$ -	\$ 2,972,577.00	\$ -	582.34.78.03	426 \$	2,972,577.00
			\$ 6,022,088.00	\$ 2,972,577.00	\$ 481,332.00		\$	\$ 8,513,333.00

**CITY OF EPHRATA
SCHEDULE OF LIMITATION OF INDEBTEDNESS**

For the Year Ended December 31, 2008

Total Taxable Property Value \$ 331,461,116

I.	General Purpose Indebtedness (Legal Limit 2.5% Of Taxable Property Value)		\$ <u>8,286,528</u>
A.	General Purpose Indebtedness <u>Without</u> A Vote (Legal Limit 1.5%)	\$ <u>4,971,917</u>	
	Indebtedness (Liabilities):		
	GO Bonds	\$ <u>780,000</u>	
	Others	_____ -	
	Less Assets Available	_____ -	
	Indebtedness Incurred - Section A	_____ <u>780,000</u>	
	Indebtedness Margin - Section A	\$ <u>4,191,917</u>	
B.	Capital Lease Without A Vote (Legal Limit 1.5%)	\$ <u>4,971,917</u>	
	Capital Leases Payable	\$ <u>348,688</u>	
	Less Assets Available	_____ <u>486,624</u>	
	Indebtedness Incurred - Section B	_____ <u>(137,936)</u>	
	Indebtedness Margin - Section B	\$ <u>5,109,852</u>	
C.	General Purpose Indebtedness With A Vote (Legal Limit 2.5%)	\$ <u>8,286,528</u>	
	Indebtedness (Liabilities):		
	GO Bonds	\$ _____ -	
	Others	_____ -	
	Less Assets Available	_____ -	
	Indebtedness Incurred - Section C	_____ -	
	Indebtedness Margin - Section C	\$ <u>8,286,528</u>	
Less:	Indebtedness Incurred - General Purposes (Sections A+B+C)		_____ <u>642,064</u>
Less:	Indebtedness From Section II In Excess of 2.5% Of Property Value		_____ -
Less:	Indebtedness From Section III In Excess of 2.5% of Property Value		_____ -
	Margin Of Indebtedness Available - General Purposes		\$ <u>7,644,463</u>

II. Indebtedness For Utility Purposes With 3/5 Vote (Legal Limit 2.5%)		<u>\$ 8,286,528</u>
Indebtedness (Liabilities):		
GO Bonds	\$ _____	-
Others	_____	-
Less Assets Available	_____	-
Indebtedness Incurred - Utility		<u> -</u>
Indebtedness Margin - Utility Purposes		<u>\$ 8,286,528</u>
III. Indebtedness For Open Space And Parks Facilities With 3/5 Vote (Legal Limit 2.5%)		<u>\$ 8,286,528</u>
Indebtedness (Liabilities):		
GO Bonds	\$ _____	-
Others	_____	-
Less Assets Available	_____	-
Indebtedness Incurred - Open Space, Park Facilities, and Capital Facilities		<u> -</u>
Indebtedness Margin - Open Space, Parks Facilities and Capital Facilities		<u>\$ 8,286,528</u>
Total Indebtedness Allowable (Legal Limit 7.5%)		<u>\$ 24,859,584</u>
Less: Indebtedness Incurred - General Purposes		<u>642,064</u>
Less: Indebtedness Incurred - Utility Purposes		<u> -</u>
Less: Indebtedness Incurred - Open Space and Parks Facilities		<u> -</u>
MARGIN OF INDEBTEDNESS AVAILABLE		<u>\$ 24,217,519</u>

CITY OF EPHRATA
SCHEDULE OF CASH ACTIVITY

For the Year Ended December 31, 2008

FUND NO.	DESCRIPTION	CASH ACTIVITY-IN					TOTAL AVAILABLE
		BEGINNING BALANCE	RECEIPTS	INVESTMENTS LIQUIDATED	TRANSFERS-IN		
112	CURRENT EXPENSE	\$ 937,255.55	\$ 2,763,301.09		\$ 492,950.06	\$ 4,193,506.70	
112	STREET	\$ 99,462.26	\$ 426,750.29		\$ 25,727.00	\$ 551,939.55	
114	LIBRARY	\$ 55,459.08	\$ 177,032.90			\$ 232,491.98	
115	CEMETERY	\$ 302,766.33	\$ 95,897.89			\$ 398,664.22	
116	PARK	\$ 88,079.69	\$ 616,627.28		\$ 115,790.32	\$ 820,497.29	
120	CONVENTION CENTER	\$ 282,186.70	\$ 96,283.65			\$ 378,470.35	
140	STREET LIGHTS	\$ 29,600.68	\$ -		\$ 125,000.00	\$ 154,600.68	
153	PARK DEVELOPMENT	\$ 47,479.03	\$ 9,770.32			\$ 57,249.35	
154	FIRE RESERVE	\$ 95,731.68	\$ 126,367.56			\$ 222,099.24	
155	CAPITAL IMPORVEMENT	\$ 250,268.66	\$ 141,857.71			\$ 392,126.37	
157	POLICE RESERVE	\$ 8,198.38	\$ 10,962.00			\$ 19,160.38	
170	COOPERATIVE GROWTH	\$ 20,857.20	\$ -			\$ 20,857.20	
234	PARK BOND REDEMPTION	\$ 29,235.61	\$ 2,210.68			\$ 31,446.29	
296	94 GO BOND REDEMPTION	\$ 6,425.18	\$ 485.85			\$ 6,911.03	
299	GO POOL REDEMPTION	\$ 955.42	\$ -		\$ 103,145.00	\$ 104,100.42	
340	CDBG GRANT	\$ 5,318.70	\$ 489.29			\$ 5,807.99	
380	DOWNTOWN IMPORVEMENT	\$ 334.87	\$ -			\$ 334.87	
412	GEO THERMAL	\$ 14,668.28	\$ -			\$ 14,668.28	
422	SANITATION	\$ 3,465.76	\$ 2,112,260.11			\$ 2,115,725.87	
424	WATER/SEWER	\$ 834,133.32	\$ 2,818,813.56			\$ 3,652,946.88	
425	WATER/SEWER CONST	\$ 1,872,710.75	\$ 3,056,438.99		\$ 886,000.00	\$ 5,815,149.74	
426	PUBLIC WORKS TRUST	\$ 10,929.05	\$ 18,867.78		\$ 115,691.00	\$ 145,487.83	
427	SRF RESERVE	\$ 150,000.00	\$ -			\$ 150,000.00	
428	SRF REDEMPTION	\$ 270,814.37	\$ -		\$ 274,650.00	\$ 545,464.37	
523	EQUIPMENT RENTAL	\$ 174,815.79	\$ 1,832.01		\$ 439,718.18	\$ 616,365.98	
525	EQUIPMENT RENTAL RESERVE	\$ 144,385.20	\$ -			\$ 144,385.20	
602	CEMETERY CARE	\$ 150,530.07	\$ 5,750.00			\$ 156,280.07	
615	RETIREMENT RESERVE	\$ 68,664.13	\$ -			\$ 68,664.13	
999	INVESTMENTS	\$ (5,738,290.09)	\$ 12,481,998.96	\$ 2,050,000.00	\$ 2,578,671.56	\$ (3,688,290.09)	
	TOTAL	\$ 216,441.65	\$ 12,481,998.96	\$ 2,050,000.00	\$ 2,578,671.56	\$ 17,327,112.17	

CITY OF EPHRATA
SCHEDULE OF CASH ACTIVITY

For the Year Ended December 31, 2008

CASH ACTIVITY-OUT						
FUND NO.	INVESTMENTS ACQUIRED	INVESTMENTS PURCHASED	OTHER TRANSFERS-OUT	DISBURSEMENTS	TOTAL USED	ENDING BALANCE
112	CURRENT EXPENSE		\$ 424,033.18	\$ 2,916,052.42	\$ 3,340,085.60	\$ 853,421.10
114	STREET		\$ 128,138.50	\$ 380,700.23	\$ 508,838.73	\$ 43,100.82
115	LIBRARY		\$ 2,178.00	\$ 175,616.31	\$ 177,794.31	\$ 54,697.67
116	CEMETERY		\$ 14,305.00	\$ 95,544.56	\$ 109,849.56	\$ 288,814.66
120	PARK		\$ 33,255.50	\$ 680,110.04	\$ 713,365.54	\$ 107,131.75
140	CONVENTION CENTER			\$ 87,999.12	\$ 87,999.12	\$ 290,471.23
153	STREET LIGHTS			\$ 136,672.76	\$ 136,672.76	\$ 17,927.92
154	PARK DEVELOPMENT			\$ -	\$ -	\$ 57,249.35
155	FIRE RESERVE			\$ 100,869.10	\$ 100,869.10	\$ 121,230.14
157	CAPITAL IMPORVEMENT		\$ 26,733.00	\$ -	\$ 26,733.00	\$ 365,393.37
170	POLICE RESERVE			\$ 2,389.99	\$ 2,389.99	\$ 16,770.39
234	COOPERATIVE GROWTH			\$ -	\$ -	\$ 20,857.20
296	PARK BOND REDEMPTION		\$ 31,446.29	\$ -	\$ 31,446.29	\$ -
299	GO BOND REDEMPTION		\$ 6,911.03	\$ -	\$ 6,911.03	\$ -
340	GO POOL REDEMPTION			\$ 102,941.45	\$ 102,941.45	\$ 1,158.97
380	CDBG GRANT			\$ -	\$ -	\$ 5,807.99
412	DOWNTOWN IMPORVEMENT			\$ -	\$ -	\$ 334.87
422	GEO THERMAL			\$ -	\$ -	\$ 14,668.28
424	SANITATION		\$ 109,325.37	\$ 1,686,530.52	\$ 1,795,855.89	\$ 319,869.98
425	WATER/SEWER		\$ 1,412,004.69	\$ 1,482,806.93	\$ 2,894,811.62	\$ 758,135.26
426	WATER/SEWER CONST	\$ 3,318.16	\$ 390,341.00	\$ 3,200,333.36	\$ 3,593,992.52	\$ 2,221,157.22
427	PUBLIC WORKS TRUST			\$ 135,763.68	\$ 135,763.68	\$ 9,724.15
428	SRF RESERVE			\$ -	\$ -	\$ 150,000.00
523	SRF REDEMPTION			\$ 274,641.02	\$ 274,641.02	\$ 270,823.35
525	EQUIPMENT RENTAL			\$ 594,754.61	\$ 594,754.61	\$ 21,611.37
602	EQUIPMENT RENTAL RESERVE			\$ -	\$ -	\$ 144,385.20
615	CEMETERY CARE			\$ -	\$ -	\$ 156,280.07
999	RETIREMENT RESERVE			\$ -	\$ -	\$ 68,664.13
	INVESTMENTS	\$ 2,428,836.70		\$ -	\$ 2,428,836.70	\$ (6,117,126.79)
TOTAL		\$ 2,432,154.86	\$ 2,578,671.56	\$ 12,053,726.10	\$ 17,084,552.52	\$ 262,559.65

CITY OF EPHRATA
SCHEDULE OF CASH AND INVESTMENT ACTIVITY, SHORT TERM INTEREST BEARING DEBT

For the Year Ended December 31, 2008

	Amount At End Of Fiscal Year (omit cents)		
	ALL MONEY HELD FOR REDEMPTION OF LONG-TERM DEBT	UNEXPENDED PROCEEDS OF BOND ISSUES	ALL OTHER MONEYS
SCHEDULE 13: CASH AND INVESTMENT AT YEAR-END			
Include proprietary fund assets and most trust funds, but exclude pension trust and agency funds.			
A. CASH AND DEPOSITS - Cash on hand and demand, time or saving deposits.	421,982		6,049,299
B. FEDERAL SECURITIES - Obligations of U.S. Treasury (including short-term notes) and Federal Financing Bank.			
C. FEDERAL AGENCY SECURITIES - Obligations of government owned agencies comprising CCC, Export-Import Bank, FHA, GNMA, Postal Service and TVA.			
D. STATE AND LOCAL GOVERNMENT SECURITIES			
E. OTHER SECURITIES - Bonds, notes, mortgages, etc., not included in the foregoing classes. Include the following privately financed former federal agencies: FHLB, FLB, FNMA, Banks for Cooperatives and Federal Intermediate Credit Banks. Exclude accounts receivable, value of real property and any other nonsecurity assets.			
		BALANCE AS OF BEGINNING OF YEAR	BALANCE AS OF END OF YEAR
SCHEDULE 14: SHORT-TERM INTEREST BEARING DEBT			
Tax anticipation notes, bond anticipation notes, interest-bearing warrants, and other obligations with a term of one year or less. Exclude accounts payable and other noninterest-bearing obligations. Include proprietary and most trust funds but exclude pension trusts and agency funds.			
	NONE		NONE

LABOR RELATIONS CONSULTANT

For the Year Ended December 31, 2008

Has your government engaged labor relations consultants? Yes No

If yes, please provide the following information for each consultant(s):

Name Of Firm
Name Of Consultant
Business Address
Amount Paid To Consultant During Fiscal Year
Terms And Conditions, As Applicable, Including: Rates (E.g., Hourly, Etc) _____ Maximum Compensations Allowed _____ Duration Of Service _____ Services Provided _____

Certified Correct this 26th day of May, 2009 to the best of my knowledge and belief:

Leslie Trachsler

Signature

Leslie Trachsler

Name

City Clerk/Finance Director

Title