

ANNUAL REPORT

CITY OF EPHRATA

MCAG 0304

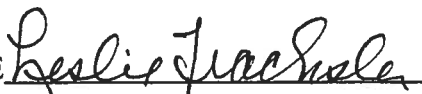
Submitted pursuant to RCW 43.09.230

to the

STATE AUDITOR'S OFFICE

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2009

CERTIFIED CORRECT THIS 19th DAY OF MAY, 2010 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

NOTES TO THE FINANCIAL STATEMENTS JANUARY 1, 2009 THROUGH DECEMBER 31, 2009

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. As of August 31, 2009, the CIAW had 86 regular members and 170 associate members.

The pool allows members to jointly purchase insurance coverage and provide related services, such as administration, risk management, claims administration, etc. Coverage for Employment Practices and Management 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 through St. Paul Fire & Marine Insurance Company (Travelers) that is 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 also purchases a Stop Loss Policy in the amount of \$5,500,000 to cap the total claims paid by the pool in any one year.

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 regular member 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, 2008 and 2009 were \$1,321,289 and \$1,389,379 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, 2009 are as follows:

<u>Type of Investment</u>	<u>Balance</u>
L.G.I.P.	\$1,074,609
Grant County Investment Pool	\$5,805,778
Time Deposit	\$ 95,715
TOTAL	\$6,976,102

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 2009 was \$2.48591 per \$1,000 on an assessed valuation of \$407,445,006 for a total regular levy of \$1,012,871.

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 2009. 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	\$ 542,184	\$ 78,032	\$ 720,201
2010	\$ 102,165	\$ 824,275	\$ 78,032	\$ 1,004,472
2011	\$ 104,045	\$ 823,430	\$ 78,032	\$ 1,005,507
2012	\$ 100,615	\$ 820,259	\$ 78,032	\$ 998,906
2013	\$ 102,115	\$ 725,628	\$ 78,032	\$ 905,775
2014	\$ 103,290	\$ 723,526	\$ -0-	\$ 826,816
2015-2019	\$ 408,778	\$ 3,586,150	\$ -0-	\$ 3,994,928
2020-2024	\$ -0-	\$ 2,288,105	\$ -0-	\$ 2,288,105
2025-2029	\$ -0-	\$ 1,352,945	\$ -0-	\$ 1,352,945
TOTAL	\$ 1,020,993	\$11,686,502	\$390,160	\$13,097,655

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 an internal audit of Petty Cash, discovered petty cash was increased in 2007 from \$3,200 to \$3,700 by Resolution 07-898. The \$500 difference was added back into the cash balance for Current Expense Fund (001). This created a \$500 difference between the ending fund balance for 2008 and the beginning fund balance for 2009 in Fund 001.

CITY OF EPHRATA
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS

For the Year Ended December 31, 2009

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		\$546,815	\$853,921
Revenues and Other Sources					
310	Taxes	2,339,335	2,504,354	231,400	226,286
320	Licenses and Permits	75,400	88,719		
330	Intergovernmental	278,650	310,962	275,000	198,487
340	Charges for Goods and Services	17,400	38,029	0	0
350	Fines and Forfeits	6,200	9,977		
360	Miscellaneous	65,300	64,145	100	5
370	Capital Contributions				
390	Other Financing Sources	0	521,709	4,000	4,316
Total Revenues and Other Sources		2,782,285	3,537,895	510,500	429,094
Total Resources		3,329,100	4,391,816	512,500	472,195
Operating Expenditures:					
510	General Government	273,850	243,173		
520	Public Safety	2,429,800	2,406,548		
530	Physical Environment	40,800	37,499		
540	Transportation			512,500	436,066
550	Economic Environment	260,600	256,430		
560	Mental and Physical Health	15,150	15,508		
570	Culture and Recreation	400	367		
Total Operating Expenditures		3,020,600	2,959,525	512,500	436,066
591-593	Debt Service				
594-595	Capital Outlay	0	123	0	0
Total Expenditures		3,020,600	2,959,648	512,500	436,066
597-599	Other Financing Uses	308,500	308,500	0	0
Total Expenditures and Other Uses		3,329,100	3,268,148	512,500	436,066
Excess (Deficit) of Resources Over Uses		0	1,123,668	0	36,129
380	Nonrevenues (Except 384 and 388.80)	0	8,009	0	0
580	Nonexpenditures (Except 584 and 588.80)	0	(8,122)		
Ending Net Cash and Investments		\$0	\$1,123,555	\$0	\$36,129

CITY OF EPHRATA
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS

For the Year Ended December 31, 2009

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		\$74,065	\$107,132	\$0	\$319,870
Revenues and Other Sources					
310	Taxes	387,123	378,566		
320	Licenses and Permits				
330	Intergovernmental	0	0	115,000	130,071
340	Charges for Goods and Services	172,012	175,667	861,700	959,164
350	Fines and Forfeits				
360	Miscellaneous	18,800	16,249	337,000	510,530
370	Capital Contributions				
390	Other Financing Sources	0	0	0	0
Total Revenues and Other Sources		577,935	570,482	1,313,700	1,599,765
Total Resources		652,000	677,614	1,313,700	1,919,635
Operating Expenditures:					
510	General Government			365,500	304,773
520	Public Safety				
530	Physical Environment			948,200	920,234
540	Transportation				
550	Economic Environment	5,000	5,000		
560	Mental and Physical Health				
570	Culture and Recreation	647,000	596,960		
Total Operating Expenditures		652,000	601,960	1,313,700	1,225,007
591-593	Debt Service				
594-595	Capital Outlay	0	0	0	123
Total Expenditures		652,000	601,960	1,313,700	1,225,130
597-599	Other Financing Uses	0	0	0	0
Total Expenditures and Other Uses		652,000	601,960	1,313,700	1,225,130
Excess (Deficit) of Resources Over Uses		0	75,654	0	694,505
380	Nonrevenues (Except 384 and 388.80)	0	10,700		
580	Nonexpenditures (Except 584 and 588.80)	0	(11,050)		
Ending Net Cash and Investments		\$0	\$75,304	\$0	\$694,505

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, 2009

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		\$534,000	\$758,135	\$268,000	\$2,312,752
Revenues and Other Sources					
310	Taxes				
320	Licenses and Permits				
330	Intergovernmental	0	0	0	0
340	Charges for Goods and Services	2,556,820	2,829,096	0	0
350	Fines and Forfeits				
360	Miscellaneous	0	183	30,000	64,328
370	Capital Contributions			0	0
390	Other Financing Sources	0	2,172	3,502,020	3,632,640
Total Revenues and Other Sources		2,556,820	2,831,451	3,532,020	3,696,968
Total Resources		3,090,820	3,589,586	3,800,020	6,009,720
Operating Expenditures:					
510	General Government	12,000	8,891		
520	Public Safety				
530	Physical Environment	2,036,800	1,932,545	0	0
540	Transportation				
550	Economic Environment				
560	Mental and Physical Health				
570	Culture and Recreation				
Total Operating Expenditures		2,048,800	1,941,436	0	0
591-593	Debt Service				
594-595	Capital Outlay	40,000	9,856	3,254,000	2,568,708
Total Expenditures		2,088,800	1,951,292	3,254,000	2,568,708
597-599	Other Financing Uses	1,002,020	1,002,020	546,020	546,020
Total Expenditures and Other Uses		3,090,820	2,953,312	3,800,020	3,114,728
Excess (Deficit) of Resources Over Uses		0	636,274	0	2,894,992
380	Nonrevenues (Except 384 and 388.80)	0	0		
580	Nonexpenditures (Except 584 and 588.80)	0	0	0	0
Ending Net Cash and Investments		\$0	\$636,274	\$0	\$2,894,992

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

For the Year Ended December 31, 2009

BARS CODE		Fund Number and Name 426 Public Works Trust		Fund Number and Name	
		Budget	Actual	Budget	Actual
Beginning Net Cash and Investments			\$9,724		
Revenues and Other Sources					
310	Taxes				
320	Licenses and Permits				
330	Intergovernmental				
340	Charges for Goods and Services				
350	Fines and Forfeits				
360	Miscellaneous	500	745		
370	Capital Contributions				
390	Other Financing Sources	289,370	289,316		
Total Revenues and Other Sources		289,870	290,061	0	0
Total Resources		289,870	299,785	0	0
Operating Expenditures:					
510	General Government				
520	Public Safety				
530	Physical Environment				
540	Transportation				
550	Economic Environment				
560	Mental and Physical Health				
570	Culture and Recreation				
Total Operating Expenditures		0	0	0	0
591-593	Debt Service	31,800	29,101		
594-595	Capital Outlay	0		0	0
Total Expenditures		31,800	29,101	0	0
597-599	Other Financing Uses			0	0
Total Expenditures and Other Uses		31,800	29,101	0	0
Excess (Deficit) of Resources Over Uses		258,070	270,684	0	0
380	Nonrevenues (Except 384 and 388.80)	0		0	0
580	Nonexpenditures (Except 584 and 588.80)	(239,570)	(238,442)		
Ending Net Cash and Investments		\$18,500	\$32,242	\$0	\$0

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CITY OF EPHRATA
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS

For the Year Ended December 31, 2009

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	\$0	\$270,823	\$0
Revenues and Other Sources					
310	Taxes				
320	Licenses and Permits				
330	Intergovernmental	0	0		
340	Charges for Goods and Services			0	1,806
350	Fines and Forfeits				
360	Miscellaneous			482,600	353,305
370	Capital Contributions				
390	Other Financing Sources	274,650	274,650	0	0
Total Revenues and Other Sources		274,650	274,650	482,600	355,111
Total Resources		274,650	545,473	482,600	376,722
Operating Expenditures:					
510	General Government				
520	Public Safety				
530	Physical Environment				
540	Transportation			324,600	305,498
550	Economic Environment				
560	Mental and Physical Health				
570	Culture and Recreation				
Total Operating Expenditures		0	0	324,600	305,498
591-593	Debt Service				
594-595	Capital Outlay			158,000	33,586
Total Expenditures		0	0	482,600	339,084
597-599	Other Financing Uses	0	0		
Total Expenditures and Other Uses		0	0	482,600	339,084
Excess (Deficit) of Resources Over Uses		274,650	545,473	0	37,638
380	Nonrevenues (Except 384 and 388.80)			0	0
580	Nonexpenditures (Except 584 and 588.80)	(274,650)	(274,641)		
Ending Net Cash and Investments		\$0	\$270,832	\$0	\$37,638

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, 2009

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	\$28,800	\$54,698	\$60,750	\$288,815
Revenue and Other Financing Sources	169,500	172,593	56,950	66,400
Total Resources	198,300	227,291	117,700	355,215
Expenditures And Other Financing Uses	198,300	195,454	117,700	109,866
Excess (Deficit) of Resources Over Uses	0	31,837	0	245,349
Nonrevenues (Except 384 and 388.80)				
Nonexpenditures (Except 584 and 588.80)				
Ending Net Cash and Investments	\$0	\$31,837	\$0	\$245,349

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	\$92,750	\$290,471	\$12,000	\$17,928
Revenue and Other Financing Sources	65,000	71,810	130,000	130,000
Total Resources	157,750	362,281	142,000	147,928
Expenditures And Other Financing Uses	157,750	141,271	142,000	140,547
Excess (Deficit) of Resources Over Uses	0	221,010	0	7,381
Nonrevenues (Except 384 and 388.80)				
Nonexpenditures (Except 584 and 588.80)				
Ending Net Cash and Investments	\$0	\$221,010	\$0	\$7,381

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	\$0	\$57,249	\$40,000	\$121,230
Revenue and Other Financing Sources	3,000	3,874	78,100	82,901
Total Resources	3,000	61,123	118,100	204,131
Expenditures And Other Financing Uses	0	0	118,100	117,111
Excess (Deficit) of Resources Over Uses	3,000	61,123	0	87,020
Nonrevenues (Except 384 and 388.80)			0	431
Nonexpenditures (Except 584 and 588.80)			0	(431)
Ending Net Cash and Investments	\$3,000	\$61,123	\$0	\$87,020

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, 2009

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	\$0	\$365,393	\$6,000	\$16,770
Revenue and Other Financing Sources	80,000	109,900	2,000	2,579
Total Resources	80,000	475,293	8,000	19,349
Expenditures And Other Financing Uses	45,000	39,279	8,000	3,960
Excess (Deficit) of Resources Over Uses	35,000	436,014	0	15,389
Nonrevenues (Except 384 and 388.80)			0	40
Nonexpenditures (Except 584 and 588.80)			0	(903)
Ending Net Cash and Investments	\$35,000	\$436,014	\$0	\$14,526

Fund Type:	Fund Number and Name 170 Cooperative Growth		Fund Number and Name 299 GO Swim Pool Redm	
	Budget	Actual	Budget	Actual
Beginning Net Cash and Investments	\$0	\$20,857	\$0	\$1,159
Revenue and Other Financing Sources	0	0	100,400	100,400
Total Resources	0	20,857	100,400	101,559
Expenditures And Other Financing Uses		0	100,400	100,369
Excess (Deficit) of Resources Over Uses	0	20,857	0	1,190
Nonrevenues (Except 384 and 388.80)				
Nonexpenditures (Except 584 and 588.80)				
Ending Net Cash and Investments	\$0	\$20,857	\$0	\$1,190

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	\$0	\$5,808	\$0	\$335
Revenue and Other Financing Sources	0	392	0	0
Total Resources	0	6,200	0	335
Expenditures And Other Financing Uses	0	0	0	0
Excess (Deficit) of Resources Over Uses	0	6,200	0	335
Nonrevenues (Except 384 and 388.80)				
Nonexpenditures (Except 584 and 588.80)				
Ending Net Cash and Investments	\$0	\$6,200	\$0	\$335

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, 2009

Fund Type:	Fund Number and Name 412 Geo Thermal		Fund Number and Name 427 SRF Reserve	
	Budget	Actual	Budget	Actual
Beginning Net Cash and Investments	\$14,668	\$14,668	\$0	\$150,000
Revenue and Other Financing Sources	0	0		0
Total Resources	14,668	14,668	0	150,000
Expenditures And Other Financing Uses	14,668	14,668	0	0
Excess (Deficit) of Resources Over Uses	0	0	0	150,000
Nonrevenues (Except 384 and 388.80)				
Nonexpenditures (Except 584 and 588.80)				
Ending Net Cash and Investments	\$0	\$0	\$0	\$150,000

Fund Type:	Fund Number and Name 525 Equipment Reserve		Fund Number and Name 602 Cemetery Care	
	Budget	Actual	Budget	Actual
Beginning Net Cash and Investments	\$0	\$144,385	\$0	\$156,280
Revenue and Other Financing Sources	0	0	1,000	4,830
Total Resources	0	144,385	1,000	161,110
Expenditures And Other Financing Uses	0	0		
Excess (Deficit) of Resources Over Uses	0	144,385	1,000	161,110
Nonrevenues (Except 384 and 388.80)				
Nonexpenditures (Except 584 and 588.80)				
Ending Net Cash and Investments	\$0	\$144,385	\$1,000	\$161,110

Fund Type:	Fund Number and Name 615 Retirement Reserve		Fund Number and Name	
	Budget	Actual	Budget	Actual
Beginning Net Cash and Investments	\$25,000	\$68,664	\$0	
Revenue and Other Financing Sources	0	0	0	0
Total Resources	25,000	68,664	0	0
Expenditures And Other Financing Uses	25,000	0	0	0
Excess (Deficit) of Resources Over Uses	0	68,664	0	0
Nonrevenues (Except 384 and 388.80)				
Nonexpenditures (Except 584 and 588.80)				
Ending Net Cash and Investments	\$0	\$68,664	\$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, 2009**

X G.O. Debt
 _____ Revenue Debt
 _____ Assessment Debt

ID No.	Date of Original Issuance	Date of Maturity	Beginning Outstanding Debt 01/01/09 (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 12/31/09
251.11	3/1/1999	12/1/2018	\$ 780,000.00	\$ -	\$ 60,000.00	591.76.71	299	\$ 720,000.00

**CITY OF EPHRATA
SCHEDULE OF LONG TERM DEBT
For the Year Ended December 31, 2009**

G.O. Debt
 Revenue Debt
 Assessment Debt

ID No.	Date of Original Issuance	Date of Maturity	Beginning Outstanding Debt 01/01/09 (Ending Balance from Prior Year)	Amount Issued in Current Year	Amount Redeemed in Current Year	BARS Code for Redemption	Redeeming Fund Number	Ending Outstanding Debt 12/31/09
263.82	7/1/1992	7/1/2012	\$ 103,843.00	\$	25,960.00	582.35.70	426	\$ 77,883.00
263.82	9/1/1999	9/1/2019	\$ 3,295,692.00	\$	274,641.00	582.35.78.01	428	\$ 3,021,051.00
263.82	7/1/2003	7/1/2022	\$ 1,022,147.00	\$	73,011.00	582.34.78	426	\$ 949,136.00
263.54	2/1/2003	2/1/2013	\$ 348,688.00	\$	64,549.00	591.22.75	154	\$ 284,139.00
263.82	7/1/2004	7/1/2023	\$ 20,132.00	\$	1,342.00	582.35.78	426	\$ 18,790.00
263.82	7/1/2005	7/1/2025	\$ 258,579.00	\$	15,211.00	582.35.78	426	\$ 243,368.00
263.82	7/1/2006	7/1/2012	\$ 29,487.00	\$	7,372.00	582.34.78.01	426	\$ 22,115.00
263.82	8/20/2007	7/1/2013	\$ 462,188.00	\$ (172,243.00)	115,547.00	582.34.78.02	426	\$ 174,398.00
263.82	3/7/2008	7/1/2028	\$ 2,972,577.00	\$ 3,302,864.00	-	582.34.78.03	426	\$ 6,275,441.00
			\$ 8,513,333.00	\$ 3,130,621.00	\$ 577,633.00			\$ 11,066,321.00

The Accompanying Notes Are An Integral Part Of This Schedule.

(ENTITY NAME)
SCHEDULE OF LIMITATION OF INDEBTEDNESS

For the Year Ended December 31, 2009

Total Taxable Property Value \$ 407,445,006

I.	General Purpose Indebtedness (Legal Limit 2.5% Of Taxable Property Value)		\$ <u>10,186,125</u>
A.	General Purpose Indebtedness <u>Without</u> A Vote (Legal Limit 1.5%)		\$ <u>6,111,675</u>
	Indebtedness (Liabilities):		
	GO Bonds	\$ <u>720,000</u>	
	Others	<u>-</u>	
	Less Assets Available	<u>-</u>	
	Indebtedness Incurred - Section A		<u>720,000</u>
	Indebtedness Margin - Section A		\$ <u>5,391,675</u>
B.	Capital Lease Without A Vote (Legal Limit 1.5%)		\$ <u>6,111,675</u>
	Capital Leases Payable	\$ <u>284,139</u>	
	Less Assets Available	<u>523,034</u>	
	Indebtedness Incurred - Section B		<u>(238,895)</u>
	Indebtedness Margin - Section B		\$ <u>6,350,570</u>
C.	General Purpose Indebtedness With A Vote (Legal Limit 2.5%)		\$ <u>10,186,125</u>
	Indebtedness (Liabilities):		
	GO Bonds	\$ <u>-</u>	
	Others	<u>-</u>	
	Less Assets Available	<u>-</u>	
	Indebtedness Incurred - Section C		<u>-</u>
	Indebtedness Margin - Section C		\$ <u>10,186,125</u>
Less:	Indebtedness Incurred - General Purposes (Sections A+B+C)		<u>481,105</u>
Less:	Indebtedness From Section II In Excess of 2.5% Of Property Value		<u>-</u>
Less:	Indebtedness From Section III In Excess of 2.5% of Property Value		<u>-</u>
	Margin Of Indebtedness Available - General Purposes		\$ <u>9,705,020</u>

II. Indebtedness For Utility Purposes With 3/5 Vote (Legal Limit 2.5%)		<u>\$ 10,186,125</u>
Indebtedness (Liabilities):		
GO Bonds	<u>\$ -</u>	
Others	<u>-</u>	
Less Assets Available	<u>-</u>	
Indebtedness Incurred - Utility		<u>-</u>
Indebtedness Margin - Utility Purposes		<u>\$ 10,186,125</u>
III. Indebtedness For Open Space And Parks Facilities With 3/5 Vote (Legal Limit 2.5%)		<u>\$ 10,186,125</u>
Indebtedness (Liabilities):		
GO Bonds	<u>\$ -</u>	
Others	<u>-</u>	
Less Assets Available	<u>-</u>	
Indebtedness Incurred - Open Space, Park Facilities, and Capital Facilities		<u>-</u>
Indebtedness Margin - Open Space, Parks Facilities and Capital Facilities		<u>\$ 10,186,125</u>
Total Indebtedness Allowable (Legal Limit 7.5%)		<u>\$ 30,558,375</u>
Less: Indebtedness Incurred - General Purposes		<u>481,105</u>
Less: Indebtedness Incurred - Utility Purposes		<u>-</u>
Less: Indebtedness Incurred - Open Space and Parks Facilities		<u>-</u>
MARGIN OF INDEBTEDNESS AVAILABLE		<u>\$ 30,077,270</u>

CITY OF EPHRATA
SCHEDULE OF CASH ACTIVITY

For the Year Ended December 31, 2009

FUND NO.	DESCRIPTION	CASH ACTIVITY-IN						TOTAL AVAILABLE
		BEGINNING BALANCE	RECEIPTS	INVESTMENTS LIQUIDATED	TRANSFERS-IN			
1	CURRENT EXPENSE	\$ 853,421.10	\$ 2,540,138.78		\$ 1,006,266.41	\$ 4,399,826.29		
112	STREET	\$ 43,100.82	\$ 429,093.84			\$ 472,194.66		
114	LIBRARY	\$ 54,697.67	\$ 172,592.61			\$ 227,290.28		
115	CEMETERY	\$ 288,814.66	\$ 66,400.24			\$ 355,214.90		
116	PARK	\$ 107,131.75	\$ 581,181.68			\$ 688,313.43		
120	CONVENTION CENTER	\$ 290,471.23	\$ 71,809.47			\$ 362,280.70		
140	STREET LIGHTS	\$ 17,927.92	\$ -		\$ 130,000.00	\$ 147,927.92		
153	PARK DEVELOPMENT	\$ 57,249.35	\$ 3,873.54			\$ 61,122.89		
154	FIRE RESERVE	\$ 121,230.14	\$ 5,231.50		\$ 78,100.00	\$ 204,561.64		
155	CAPITAL IMPORVEMENT	\$ 365,393.37	\$ 109,899.60			\$ 475,292.97		
157	POLICE RESERVE	\$ 16,770.39	\$ 2,618.65			\$ 19,389.04		
170	COOPERATIVE GROWTH	\$ 20,857.20	\$ -			\$ 20,857.20		
299	GO POOL REDEMPTION	\$ 1,158.97	\$ -		\$ 100,400.00	\$ 101,558.97		
340	CDBG GRANT	\$ 5,807.99	\$ 392.49			\$ 6,200.48		
380	DOWNTOWN IMPORVEMENT	\$ 334.87	\$ -			\$ 334.87		
412	GEO THERMAL	\$ 14,668.28	\$ -			\$ 14,668.28		
422	SANITATION	\$ 319,869.98	\$ 1,599,764.69			\$ 1,919,634.67		
424	WATER/SEWER	\$ 758,135.26	\$ 2,831,450.81			\$ 3,589,586.07		
425	WATER/SEWER CONST	\$ 2,221,157.22	\$ 3,194,948.40		\$ 502,020.00	\$ 5,918,125.62		
426	PUBLIC WORKS TRUST	\$ 9,724.15	\$ 18,690.62		\$ 271,370.00	\$ 299,784.77		
427	SRF RESERVE	\$ 150,000.00	\$ -			\$ 150,000.00		
428	SRF REDEMPTION	\$ 270,823.35	\$ -		\$ 274,650.00	\$ 545,473.35		
523	EQUIPMENT RENTAL	\$ 21,611.37	\$ 295.00		\$ 354,816.30	\$ 376,722.67		
525	EQUIPMENT RENTAL RESERVE	\$ 144,385.20	\$ -			\$ 144,385.20		
602	CEMETERY CARE	\$ 156,280.07	\$ 4,830.00			\$ 161,110.07		
615	RETIREMENT RESERVE	\$ 68,664.13	\$ -			\$ 68,664.13		
999	INVESTMENTS	\$ (6,117,126.79)	\$ -	\$ 1,900,000.00		\$ (4,217,126.79)		
TOTAL		\$ 262,559.65	\$ 11,633,211.92	\$ 1,900,000.00	\$ 2,717,622.71	\$ 16,513,394.28		

CITY OF EPHRATA
SCHEDULE OF CASH ACTIVITY

For the Year Ended December 31, 2009

CASH ACTIVITY-OUT						
FUND NO.	DESCRIPTION	INVESTMENTS PURCHASED	OTHER TRANSFERS-OUT	DISBURSEMENTS	TOTAL USED	ENDING BALANCE
1	CURRENT EXPENSE		\$ 435,920.30	\$ 2,840,350.65	\$ 3,276,270.95	\$ 1,123,555.34
112	STREET		\$ 80,639.00	\$ 355,426.78	\$ 436,065.78	\$ 36,128.88
114	LIBRARY		\$ 2,178.00	\$ 193,275.59	\$ 195,453.59	\$ 31,836.69
115	CEMETERY		\$ 11,195.00	\$ 98,670.65	\$ 109,865.65	\$ 245,349.25
116	PARK		\$ 27,134.00	\$ 585,875.69	\$ 613,009.69	\$ 75,303.74
120	CONVENTION CENTER			\$ 141,270.77	\$ 141,270.77	\$ 221,009.93
140	STREET LIGHTS			\$ 140,546.94	\$ 140,546.94	\$ 7,380.98
153	PARK DEVELOPMENT			\$ -	\$ -	\$ 61,122.89
154	FIRE RESERVE			\$ 117,541.62	\$ 117,541.62	\$ 87,020.02
155	CAPITAL IMPORVEMENT			\$ 39,279.35	\$ 39,279.35	\$ 436,013.62
157	POLICE RESERVE			\$ 4,863.20	\$ 4,863.20	\$ 14,525.84
170	COOPERATIVE GROWTH			\$ -	\$ -	\$ 20,857.20
299	GO POOL REDEMPTION			\$ 100,368.98	\$ 100,368.98	\$ 1,189.99
340	CDBG GRANT			\$ -	\$ -	\$ 6,200.48
380	DOWNTOWN IMPROVEMENT			\$ -	\$ -	\$ 334.87
412	GEO THERMAL		\$ 14,668.28	\$ -	\$ 14,668.28	\$ -
422	SANITATION		\$ 88,326.85	\$ 1,136,802.76	\$ 1,225,129.61	\$ 694,505.06
424	WATERSEWER		\$ 1,511,541.28	\$ 1,441,770.79	\$ 2,953,312.07	\$ 636,274.00
425	WATERSEWER CONST	\$ 4,119.88	\$ 546,020.00	\$ 2,568,707.85	\$ 3,118,847.73	\$ 2,799,277.89
426	PUBLIC WORKS TRUST			\$ 267,543.12	\$ 267,543.12	\$ 32,241.65
427	SRF RESERVE			\$ -	\$ -	\$ 150,000.00
428	SRF REDEMPTION			\$ 274,641.02	\$ 274,641.02	\$ 270,832.33
523	EQUIPMENT RENTAL			\$ 339,084.34	\$ 339,084.34	\$ 37,638.33
525	EQUIPMENT RENTAL RESERVE			\$ -	\$ -	\$ 144,385.20
602	CEMETERY CARE			\$ -	\$ -	\$ 161,110.07
615	RETIREMENT RESERVE			\$ -	\$ -	\$ 68,664.13
999	INVESTMENTS	\$ 2,663,260.17		\$ -	\$ 2,663,260.17	\$ (6,880,386.96)
TOTAL		\$ 2,667,380.05	\$ 2,717,622.71	\$ 10,646,020.10	\$ 16,031,022.86	\$ 482,371.42

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

For the Year Ended December 31, 2009

	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.	\$ 183,432.00		\$ 7,275,041.00
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(S)

For the Year Ended December 31, 2009

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 19th day of May, 2010 to the best of my knowledge and belief.	
Signature	<i>Leslie Trachsler</i>
Name	Leslie Trachsler
Title	City Clerk/Finance Director