



*City of Prineville, Oregon*  
*Financial Report*  
*Second Quarter Ended December 31, 2020*

*Photo by Corinne Phinney*

**Executive Summary**

The City of Prineville has moved to a biennial budget resulting in some changes being made to the presentation of the quarterly financial report. The report includes a city-wide summary of beginning fund balances, current period resources and expenditures, and the ending fund balances for all funds. Included in the fund summaries, starting on page six, are comparisons of actual to budgeted amounts, and narrative explaining results and highlights for the quarter. The biennial budget comparison to actual is highlighted in blue in each of the funds. Annual budget estimates for FY 21 reflect estimates based on the remainder of the City’s 2020-21 biennial budget with budget adjustments during the biennium and the quarter budget estimates have been allocated proportionally of the fiscal year budget (25 percent). The financial information presented is unaudited.

Quarter budget estimates allocated at 25 percent of the fiscal year budget compared to actual			Fiscal year 2021 budget estimates based on the remainder of the 2020-21 biennial budget compared to actual				Biennial budget comparison to actual			
Current Quarter			Year to Date							
Quarter Budget Est.	Quarter Actual	Quarter Budget %	Annual Budget Est.	Annual Actual	Annual Est. Budget %	Annual Est. Budget Bal.	Biennial Budget	Biennial Actual to Date	Biennial Budget %	Biennial Budget Remaining Bal.

During the second quarter ending December 31<sup>st</sup>, 2020 the City’s financial condition decreased by approximately \$3.61 million or -19 percent. Funds with a significant negative impact to fund balance include the Transportation, Transportation SDC, Water SDC, Wastewater SDC, Airport, Golf Course Fund, Public Works Support Fund and the Building Facilities Fund. Funds with significant increases in fund balance include the General Fund, Emergency Dispatch, Planning, PERS/POB, Water and the Administration Fund. Capital improvements and scheduled debt service payments largely contributed to the decrease in the City’s financial condition.

Through the second quarter, General Fund revenues came in at roughly 66 percent of the annual budget or \$4.24 million. Property tax revenue is at 104 percent of the annual budget and up \$141,000 compared to the prior year. Transient lodging taxes are down in comparison to the prior year quarter end by roughly \$22,000 and are expected to continue on this downward trend with the travel restrictions that have been put out by the Governor due to the COVID-19 pandemic. Franchise fees are at roughly 50 percent of the annual budget with collection increasing approximately \$209,000 over the prior year at quarter end. Electrical franchise fees continue to be on the rise due to the continued build out of the data centers and are up over the prior year at quarter end roughly \$200,000. Also, during the second quarter the Police put on their second annual Shop with a Cop which is fully funded through community donations. This program helped nine families this year. Overall, the General fund realized an increase in fund balance of roughly 46 percent or approximately \$1.14 million through the second quarter, bringing the fund balance to roughly \$3.64 million.

The Transportation’s fund balance decreased roughly \$95,000 or -51 percent through the second quarter. This is anticipated with the timing in which street projects are completed versus the timing in which revenue for the fund is received. State gas tax collection came in at roughly \$338,000 through the second quarter and is down approximately \$34,000 over the prior year

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quarter end with the Governor's travel restrictions that were first put in place in March 2020 due to the COVID-19 pandemic. Capital improvements during the second quarter are primarily associated with the ADA transition plan and the finishing touches on the 4<sup>th</sup> and Belknap parking lot.

In Emergency Dispatch, fund balance increased approximately \$204,000 through the second quarter. Second quarter revenues were at roughly 60 percent of the annual budget with intergovernmental revenue being the largest source of revenue during the quarter coming from Crook County for dispatching services, E-911 taxes and Coronavirus relief funds. Personnel services are at 37 percent of the annual budget with overtime coming in at roughly 139 percent. Dispatch continued to be short staffed and two dispatchers were hired to start in January 2021 during the second quarter.

Through the second quarter, fund balance decreased in all the SDC funds largely due to capital projects and the semiannual administration fee distribution. In the Transportation SDC Fund, expenditures were largely associated with the 10<sup>th</sup> and Main Street project, the roundabout art piece and the Peters Road / Combs Flat extension project. In the Water SDC Fund, the Aquifer Storage and Recovery (ASR) project continued and is anticipated to be completed by the end of the fiscal year. The ASR project is a method of water storage that uses the natural water storage capabilities of underground aquifers as a cost-effective, scalable and ecologically friendly water storage alternative to traditional storage options, such as above-ground reservoirs and short-term water supply storage tanks. In the Wastewater SDC Fund capital project for the second quarter included a screen and irrigation upgrades for the wastewater treatment plant. SDC collection during the second quarter was associated with roughly 19 housing starts.

During the second quarter, the railroad increased its operating revenue over the prior year quarter end by roughly 43 percent with significant increases in switching, freight depot and storage. The overall car count is up by approximately 19 cars in comparison the prior year at quarter end. This is largely due to a strong December with Envirotech bringing in 40 cars alone during that month. Freight Depot charges for services are up over prior year quarter end, largely due to the new lease with Krah, a piping company. Switching fees are up in line with the increased rail car storage. Every storage car that is handled by the railroad is charged a switch fee to move the car. Materials and services are at roughly 66 percent of the annual budget which includes approximately \$63,000 in liability insurance paid in the first quarter and roughly \$11,000 in locomotive repairs and maintenance done in the second quarter. Overall operating expenses are down in comparison to the prior year at quarter end by about 8 percent. Fund balance increase roughly \$127,000 or 11 percent through the second quarter.

In the Airport Fund, fund balance decreased approximately \$93,000 or -79 percent largely due to the paving of the road to the helibase at the airport. Operating revenues are up 46 percent with operating expenses up 48 percent in comparison to the prior year at quarter end. Fuel sales are up significantly in comparison to the second quarter of the prior year with August being a record fuel sales month due to firefighting air crafts setting up operations at the airport for the extremely active fire season and December also being a record breaking month due to Erickson's Inc. facilitating sky crane training. Fuel inventory at quarter end totaled approximately \$24,000.

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Meadow Lakes Golf shows a decrease in fund balance through the second quarter of approximately \$788,000 or -60 percent due to the irrigation project that is expected to be completed in the spring. Operating revenue for the golf course is up in comparison to the prior year roughly 39 percent. Rounds of golf are up by approximately 3200 rounds in comparison to the prior year at quarter end. Golf is one of the few sports that can be played within the social distancing guidelines of the state due to COVID-19. This coupled with good weather, has resulted in the best calendar year in operating revenue for the golf course to date. Golf course operating expenditures are up approximately 8 percent and maintenance expenditures are down roughly -1 percent over the prior year at quarter end. The irrigation project had roughly \$1.35 million in capital expenditures during the second quarter.

In the Administration and Financial Support Services the fund balance increased roughly 28 percent. A budget adjustment was done during the first quarter to provide additional dollars for 911 upgrades and additional costs associated with the COVID-19 pandemic in the Information Technology Department. The adjustment done was for known costs to date and a supplemental budget will be needed prior to yearend to recognize the reimbursements associated with these costs and the additional costs that are unknown at this time. Other departments in this fund are tracking slightly above budget with the exception of the exception of the City Council Department. The City Council Department has significant savings in training and travel due to COVID-19. In the City Manager Department, JEDI (justice, equity, diversity and inclusion) training continued through the second quarter and finance is seeing increases in credit card fees due to more customers using our city website and paying over the phone with the City Hall lobby being closed.

Through the second quarter the Building Facilities fund balance decreased roughly -72 percent largely due to the capital projects associated with the adaptation and remodel of the new police facility building. Capital expenditures during the second quarter were roughly \$1.75 million for the police facility, approximately \$7,600 for the Sr. Center and \$23,000 for the joints park master plan in the Barnes Butte Department. The new Police Department is expected to be ready for occupancy around April 2021 and the Sr. Center project close out is expected in the third quarter.

Other funds are as anticipated at quarter end. A summary is presented in each fund to provide an explanation of financial performance and operating issues. We appreciate comments on how we may be able to improve this report to enhance your understanding of the City's finances.

Sincerely,

Steve Forrester  
City Manager

Liz Schuette,  
Finance Director

Lori Hooper,  
Accounting Manager



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*All City Funds*

Fund	Budgeted	Actual Audited	Current	Current	Ending	Change	Percentage
	Beginning Fund Balance	Beginning Fund Balance	Year Resources	Year Expenditures	Fund Balance	in Fund Balance	Change in Fund Balance
General	\$ 2,544,701	\$ 2,500,771	\$ 4,240,509	\$ 3,097,127	\$ 3,644,152	\$ 1,143,381	46%
Transportation	205,346	184,692	1,048,489	1,143,409	89,772	(94,920)	-51%
Emergency Dispatch	738,572	730,916	1,059,940	856,130	934,726	203,810	28%
Planning	90,405	90,723	230,257	185,241	135,739	45,016	50%
Transportation SDC	1,183,366	1,288,745	157,979	538,645	908,079	(380,666)	-30%
Water SDC	2,259,908	2,259,907	1,521,395	3,243,099	538,203	(1,721,704)	-76%
Wastewater SDC	873,788	869,460	78,183	296,637	651,005	(218,455)	-25%
PERS / POB	965,618	965,618	306,259	40,087	1,231,789	266,171	28%
Railroad	1,154,585	1,150,560	537,292	410,269	1,277,583	127,023	11%
Airport	116,835	116,835	396,007	488,743	24,099	(92,736)	-79%
Water	455,917	456,218	2,273,817	1,208,626	1,521,409	1,065,191	233%
Wastewater	3,117,989	3,179,624	2,127,622	2,388,529	2,918,717	(260,907)	-8%
Golf Course and Restaurant	1,245,628	1,307,175	1,246,769	2,034,994	518,951	(788,224)	-60%
Administration and Financial Services	452,914	157,625	1,573,293	1,528,462	202,457	44,832	28%
Building Facilities	3,859,508	3,917,100	422,046	3,242,316	1,096,830	(2,820,270)	-72%
Plaza Maintenance	41,318	29,093	8,113	5,007	32,199	3,106	11%
Public Works Support Services	174,933	173,520	1,000,424	1,128,710	45,234	(128,286)	-74%
Totals	\$ 19,481,331	\$ 19,378,582	\$ 18,228,395	\$ 21,836,033	\$ 15,770,944	\$ (3,607,638)	-19%



*The sculpture, War Paint, on display in the plaza before being moved to its permanent home at the roundabout.*

### ***General Fund***

The General Fund accounts for the City’s police and non-departmental operations and activities. The primary sources of revenue include property taxes, transient lodging taxes, franchise fees, and intergovernmental revenue.

Overall revenue collection through the second quarter is at approximately \$4.24 million or 66 percent of the annual budget. Second quarter property tax collection came in at approximately \$2.2 million with year to date property tax revenue being roughly 104 percent of the annual budget. Property taxes are up over the prior year at quarter end by approximately \$141,000. Transient lodging taxes are down in comparison to the prior year quarter end by roughly \$22,000 which is likely due to the travel restrictions that have been put in place by the Governor due to the COVID-19 pandemic. Franchise fees are at roughly 50 percent of the annual budget with collection increasing approximately \$209,000 over prior year’s second quarter. Electrical franchise fees continue to be on the rise and are up over the prior year at quarter end roughly \$200,000 with the continued build outs of the data centers. During the second quarter the Police Department received roughly \$7,600 in donations for the Shop with a Cop program and Community Policing program which includes random acts of kindness.

Police spending through the second quarter is at approximately 48 percent of the annual budget. Personnel services are at roughly 47 percent of the annual budget with overtime tracking at approximately 41 percent. During the second quarter the Police put on their second annual Shop with a Cop which is fully funded through community donations. The program was administered differently due to COVID-19, with the children who were selected shopping online with an officer and the officer delivering the presents to the families (pictured below). This program helped nine families this year. Non-department is at roughly 44 percent of the annual budget with second quarter expenditures largely associated with the grant funded biomass feasibility study, transient lodging taxes to the Prineville Chamber of Commerce, street lighting and budgeted transfers.

Overall, the General Fund realized an increase in fund balance of roughly \$1.14 million or 46 percent through the second quarter. This increase is largely due to property tax collections that took place in November.



**General Fund – Continued**

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Actual to Date	Biennial Budget %	Biennial Budget Remaining
	Quarter Budget Est.	Quarter Actual	Quarter Budget %	Annual Budget Est.	Annual Actual	Annual Est. Budget %	Annual Est. Budget Balance				
Property taxes	\$ 537,250	\$ 2,202,007	410%	\$ 2,149,000	\$ 2,235,733	104%	\$ (86,733)	\$ 4,570,000	\$ 4,533,228	99%	\$ 36,772
Transient lodging tax	80,000	88,749	111%	320,000	204,710	64%	115,290	760,000	516,709	68%	243,291
Franchise fees	784,175	862,565	110%	3,136,700	1,566,867	50%	1,569,834	6,558,000	4,832,540	74%	1,725,460
Licenses and permits	2,100	270	13%	8,400	2,506	30%	5,895	17,200	11,990	70%	5,210
Intergovernmental revenues	104,200	68,274	66%	416,800	123,940	30%	292,860	866,000	541,192	62%	324,808
Charges for services	71,250	19,253	27%	285,000	20,625	7%	264,375	560,000	301,124	54%	258,876
Interest	10,000	4,463	45%	40,000	8,791	22%	31,209	80,000	51,395	64%	28,605
Miscellaneous	10,250	22,506	220%	41,000	77,338	189%	(36,338)	81,000	186,733	231%	(105,733)
<b>Total revenue</b>	<b>\$ 1,599,225</b>	<b>\$ 3,268,086</b>	<b>204%</b>	<b>\$ 6,396,900</b>	<b>\$ 4,240,509</b>	<b>66%</b>	<b>\$ 2,156,391</b>	<b>\$ 13,492,200</b>	<b>\$ 10,974,911</b>	<b>81%</b>	<b>\$ 2,517,289</b>
<b>Expenditures</b>											
Police	\$ 1,335,000	1,233,658	92%	5,340,000	2,547,519	48%	2,792,481	11,102,100	7,842,311	71%	3,259,789
Non-departmental	309,800	265,858	86%	1,239,200	549,608	44%	689,592	2,210,900	1,641,774	74%	569,126
Contingency				2,362,401				2,097,486			
<b>Total expenditures</b>	<b>\$ 1,644,800</b>	<b>\$ 1,499,515</b>	<b>91%</b>	<b>\$ 8,941,601</b>	<b>\$ 3,097,127</b>	<b>35%</b>	<b>\$ 3,482,073</b>	<b>\$ 15,410,486</b>	<b>\$ 9,484,085</b>	<b>62%</b>	<b>\$ 3,828,915</b>
<b>Revenue over (under) expenditures</b>	<b>(45,575)</b>	<b>1,768,570</b>	<b>71%</b>	<b>(2,544,701)</b>	<b>1,143,381</b>	<b>46%</b>	<b>\$ (1,325,681)</b>	<b>(1,918,286)</b>			
<b>Beginning fund balance</b>	<b>2,544,701</b>	<b>2,500,771</b>	<b>98%</b>	<b>2,544,701</b>	<b>2,500,771</b>	<b>98%</b>		<b>1,918,286</b>			
<b>Ending fund balance</b>	<b>\$ 2,499,126</b>	<b>\$ 4,269,341</b>	<b>171%</b>	<b>\$ -</b>	<b>\$ 3,644,152</b>	<b>-</b>		<b>\$ -</b>			



*Officers doing some online shopping with one of the Shop with a Cop program winners*



**Transportation Fund**

The Transportation Fund accounts for the operation and maintenance of the City’s streets, bike lanes, and sidewalk systems. Principal sources of revenue are state gas taxes allocated to cities, permits, and interest. Principal expenditures are for public works staff, patching, painting, slurry seals, signals, insurance and asphalt.

Revenue for the Transportation Fund through the second quarter is at approximately 58 percent of the annual budget. Intergovernmental revenue collection is at 40 percent of the annual budget with roughly \$338,000 coming in for gas taxes through the second quarter. State gas tax collection is down approximately \$34,000 in comparison to the prior year quarter end with COVID-19 restrictions still in place. Miscellaneous revenues collected during the second quarter are largely associated with the ryegrass canal pipe reimbursement from the Ochoco Irrigation District.

Expenditures through the second quarter came in at approximately 57 percent of annual budget. Capital improvements during the second quarter were largely associated with the ADA transition plan and the finishing touches on the 4<sup>th</sup> and Belknap parking lot.

Fund balance decreased roughly \$95,000 or -51 percent through the second quarter. This is anticipated with the timing in which street projects are completed versus the timing in which revenue for the fund is received.

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget to Date	Biennial Budget %	Biennial Budget Remaining
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance				
Franchise fees	\$ 84,500	\$ 84,500	100%	\$ 338,000	\$ 169,000	50%	\$ 169,000	\$ 665,000	\$ 496,000	75%	\$ 169,000
Intergovernmental	262,600	249,383	95%	1,050,400	423,897	40%	626,503	1,962,700	1,345,021	69%	617,679
Transfers	100,000	300,000	300%	400,000	400,000	100%	-	700,000	700,000	100%	-
Interest	1,250	202	16%	5,000	866	17%	4,134	10,000	6,101	61%	3,899
Miscellaneous	2,250	54,065	2403%	9,000	54,725	608%	(45,725)	28,000	90,182	322%	(62,182)
<b>Total revenue</b>	<b>\$ 450,600</b>	<b>\$ 688,150</b>	<b>153%</b>	<b>\$ 1,802,400</b>	<b>\$ 1,048,489</b>	<b>58%</b>	<b>\$ 753,911</b>	<b>\$ 3,365,700</b>	<b>\$ 2,637,305</b>	<b>78%</b>	<b>\$ 728,395</b>
<b>Expenditures</b>											
Personnel services	\$ 65,225	\$ 57,356	88%	\$ 260,900	\$ 117,486	45%	143,414	\$ 512,100	\$ 351,688	69%	\$ 160,412
Material and services	72,400	37,119	51%	289,600	101,342	35%	188,258	501,000	306,786	61%	194,214
Capital outlay											
Improvements	211,925	52,622	25%	847,700	740,980	87%	106,720	1,833,400	1,726,661	94%	106,739
Transfers	91,800	91,800	100%	367,200	183,600	50%	183,600	735,300	551,700	75%	183,600
Contingency				242,346				239,958			
<b>Total expenditures</b>	<b>\$ 441,350</b>	<b>\$ 238,896</b>	<b>54%</b>	<b>\$ 2,007,746</b>	<b>1,143,409</b>	<b>57%</b>	<b>\$ 621,992</b>	<b>\$ 3,821,758</b>	<b>\$ 2,936,834</b>	<b>77%</b>	<b>\$ 644,966</b>
<b>Revenue over (under) expenditures</b>	<b>\$ 9,250</b>	<b>\$ 449,254</b>	<b>243%</b>	<b>\$ (205,346)</b>	<b>\$ (94,920)</b>	<b>-51%</b>	<b>\$ 131,920</b>	<b>\$ (456,058)</b>			
<b>Beginning fund balance</b>	<b>205,346</b>	<b>184,692</b>	<b>90%</b>	<b>205,346</b>	<b>184,692</b>	<b>90%</b>		<b>456,058</b>			
<b>Ending fund balance</b>	<b>\$ 214,596</b>	<b>\$ 633,946</b>	<b>295%</b>	<b>\$ -</b>	<b>\$ 89,772</b>	<b>-</b>		<b>\$ -</b>			



*Sidewalk improvements being done improving ADA accessibility on the corner of NE Fairview and 1st Street.*



**Emergency Dispatch Fund**

This fund accounts for the Emergency Dispatch operation. The operation provides dispatching and records management services for the public safety departments serving the Crook County area, with the exception of the State Police. The primary revenue sources are payments by users for services provided, including a transfer from the City’s police department in the General Fund. The operation is managed by the City’s Police Department.

Revenue collection for the Emergency Dispatch fund was approximately \$1.06 million or 60 percent of the annual budget. Second quarter intergovernmental revenue collection was at roughly \$234,000 coming in from Crook County for dispatching services, E-911 taxes and Coronavirus relief funds.

Expenditures came in at approximately \$856,000 or 34 percent of the annual budget. Personnel services are 37 percent of the annual budget or approximately \$479,000 with overtime coming in at roughly 139 percent of the annual budget. Dispatch continued to be short staffed and two dispatchers were hired to start in January 2021 during the second quarter. Capital outlay will require a budget adjustment prior to yearend. ProQA software was purchased in response to COVID-19 to enhance COVID-19 screening protocols. Grant dollars are looking to be secured through a Federal Emergency Management Agency (FEMA) grant to cover a portion of this expense.

Fund balance increased roughly \$204,000 or 28 percent through the second quarter.

	Current Quarter			Year to Date				Biennial Budget	Biennial Budget to Date	Biennial Budget %	Biennial Budget Remaining
	Quarter Budget Est.	Quarter Actual	Quarter Budget %	Annual Budget Est.	Annual Actual	Annual Est. Budget %	Annual Est. Budget Balance				
<b>Revenue</b>											
Intergovernmental	\$ 243,100	\$ 233,611	96%	\$ 972,400	\$ 659,632	68%	\$ 312,768	\$ 1,874,200	\$ 1,636,881	87%	\$ 237,319
Miscellaneous	1,000	-	-	4,000	-	-	4,000	8,000	15	0%	7,985
Interest	2,500	1,527	61%	10,000	3,158	32%	6,842	20,000	14,121	71%	5,879
Transfers from other funds	198,575	198,575	100%	794,300	397,150	50%	397,150	1,501,700	1,104,550	74%	397,150
<b>Total revenue</b>	<b>\$ 445,175</b>	<b>\$ 433,714</b>	<b>97%</b>	<b>\$ 1,780,700</b>	<b>\$ 1,059,940</b>	<b>60%</b>	<b>\$ 720,760</b>	<b>\$ 3,403,900</b>	<b>\$ 2,755,568</b>	<b>81%</b>	<b>\$ 648,332</b>
<b>Expenditures</b>											
Personnel services	\$ 327,900	\$ 239,221	73%	\$ 1,311,600	\$ 479,058	37%	832,542	\$ 2,457,100	\$ 1,507,330	61%	\$ 949,770
Material and services	68,375	64,991	95%	273,500	152,562	56%	120,938	553,600	398,755	72%	154,845
Capital outlay											
Equipment	13,750	128,500	935%	55,000	129,760	236%	(74,760)	90,000	142,023	158%	(52,023)
Transfers	47,375	47,375	100%	189,500	94,750	50%	94,750	372,900	278,150	75%	94,750
Contingency				689,672				306,356			
<b>Total expenditures</b>	<b>\$ 457,400</b>	<b>\$ 480,086</b>	<b>105%</b>	<b>\$ 2,519,272</b>	<b>\$ 856,130</b>	<b>34%</b>	<b>\$ 973,470</b>	<b>\$ 3,779,956</b>	<b>\$ 2,326,258</b>	<b>62%</b>	<b>\$ 1,147,342</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (12,225)</b>	<b>\$ (46,373)</b>	<b>-6%</b>	<b>\$ (738,572)</b>	<b>\$ 203,810</b>	<b>28%</b>	<b>\$ (252,710)</b>	<b>\$ (376,056)</b>			
<b>Beginning fund balance</b>	<b>738,572</b>	<b>730,916</b>	<b>99%</b>	<b>738,572</b>	<b>730,916</b>	<b>99%</b>		<b>376,056</b>			
<b>Ending fund balance</b>	<b>\$ 726,347</b>	<b>\$ 684,543</b>	<b>94%</b>	<b>\$ -</b>	<b>\$ 934,726</b>	<b>-</b>		<b>\$ -</b>			

**Planning Fund**

The Planning Fund accounts for the planning activities of the City. A transfer of funds from General Fund to Planning helps support the short term planning needs of the city. General administrative costs are paid through internal charges to the Internal Services Fund for the following services based upon the cost to the department for using these services; administrative and financial services, risk management, computer and phone services. The costs of these services are at full cost, including replacement cost, thereby providing a more accurate cost of providing services.

Through the second quarter, revenue collection came in at approximately \$230,000 or 58 percent of the annual budget. Revenue collection for the licenses and permits is at approximately \$25,000, an increase over prior year quarter end by roughly \$4,400. Intergovernmental revenue collected during the second quarter was for a Department of Environmental Quality (DEQ) air quality grant. Development highlights include roughly 19 housing starts that paid SDC's during the second quarter.

Expenditures through the second quarter are at approximately \$185,000 or 38 percent of the annual budget. Expenditures are tracking slightly below budget at quarter end in both personnel services and materials and services.

Fund balance increased approximately \$45,000 or 50 percent through the second quarter.

	Current Quarter			Year to Date				Biennial Budget	Biennial Budget to Date	Biennial Budget %	Biennial Budget Remaining
	Quarter Budget Est.	Quarter Actual	Quarter Budget %	Annual Budget Est.	Annual Actual	Annual Est. Budget %	Annual Est. Budget Balance				
<b>Revenue</b>											
Licenses and permits	\$ 10,000	\$ 18,365	184%	\$ 40,000	\$ 24,566	61%	\$ 15,434	\$ 80,000	\$ 56,885	71%	\$ 23,115
Intergovernmental	1,250	4,070	326%	5,000	4,070	81%	930	10,000	21,048	210%	(11,048)
Charges for services	6,175	37,993	615%	24,700	41,122	166%	(16,422)	171,600	197,250	115%	(25,650)
Interest	1,000	210	21%	4,000	499	12%	3,501	8,000	4,294	54%	3,706
Transfers from other funds	80,000	80,000	100%	320,000	160,000	50%	160,000	360,000	200,000	56%	160,000
<b>Total revenue</b>	<b>\$ 98,425</b>	<b>\$ 140,638</b>	<b>143%</b>	<b>\$ 393,700</b>	<b>\$ 230,257</b>	<b>58%</b>	<b>\$ 163,443</b>	<b>\$ 629,600</b>	<b>\$ 479,478</b>	<b>76%</b>	<b>\$ 150,122</b>
<b>Expenditures</b>											
Personnel services	\$ 62,825	\$ 58,319	93%	\$ 251,300	\$ 116,600	46%	\$ 134,700	\$ 479,700	\$ 345,785	72%	\$ 133,915
Material and services	9,900	4,633	47%	39,600	7,642	19%	31,958	93,500	59,160	63%	34,340
Transfers	30,500	30,500	100%	122,000	61,000	50%	61,000	241,000	180,000	75%	61,000
Contingency				71,205				56,358			
<b>Total expenditures</b>	<b>\$ 103,225</b>	<b>\$ 93,452</b>	<b>91%</b>	<b>\$ 484,105</b>	<b>\$ 185,241</b>	<b>38%</b>	<b>\$ 227,659</b>	<b>\$ 870,558</b>	<b>\$ 584,944</b>	<b>67%</b>	<b>\$ 229,256</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (4,800)</b>	<b>\$ 47,185</b>	<b>52%</b>	<b>\$ (90,405)</b>	<b>\$ 45,016</b>	<b>50%</b>	<b>\$ (64,216)</b>	<b>\$ (240,958)</b>			
<b>Beginning fund balance</b>	<b>90,405</b>	<b>90,723</b>	<b>100%</b>	<b>90,405</b>	<b>90,723</b>	<b>100%</b>		<b>240,958</b>			
<b>Ending fund balance</b>	<b>\$ 85,605</b>	<b>\$ 137,908</b>	<b>161%</b>	<b>\$ -</b>	<b>\$ 135,739</b>	<b>-</b>		<b>\$ -</b>			

**Transportation SDC Fund**

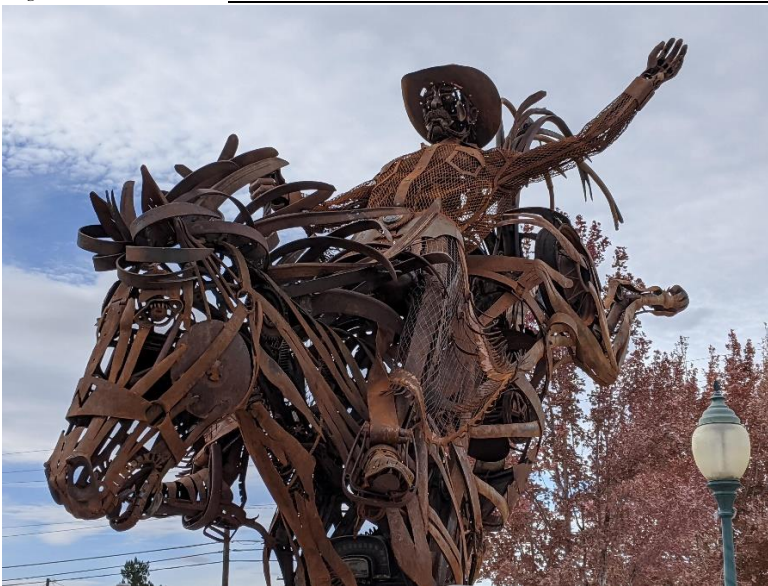
This fund accounts for the collection and expenditure of transportation system development charges. The primary revenue source is SDC's. Expenditures are for qualified capital improvement projects and related costs.

Revenue collection for the Transportation SDC fund is at approximately 40 percent of the annual budget. SDC collection through the second quarter is at roughly \$153,000 with roughly 19 housing starts paying SDC's in the second quarter.

Expenditures at quarter end were primarily associated with capital projects. Capital expenditures during the second quarter were largely for the roundabout art piece (pictured below), the 10<sup>th</sup> and Main Street design build project, and the Peters Road / Combs Flat extension project.

Fund balance decreased roughly \$381,000 or -30 percent through the second quarter. Budgeted capital expenditures have contributed to the decrease in fund balance.

	Current Quarter		Quarter Budget %	Year to Date		Annual Est. Budget %	Annual Est. Budget Balance	Biennial Budget	Biennial Budget to Date	Biennial Budget %	Biennial Budget Remaining
	Quarter Budget Est.	Actual		Annual Budget Est.	Actual						
<b>Revenue</b>											
Intergovernmental	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ 1,500,400	\$ 1,547,600	103%	\$ (47,200)
Miscellaneous	-	-	-	-	-	-	-	122,667	-	-	122,667
Interest	3,000	1,939	65%	12,000	4,927	41%	7,073	49,000	29,462	60%	19,538
System development charges	96,750	89,377	92%	387,000	153,053	40%	233,947	988,500	786,398	80%	202,102
<b>Total revenue</b>	<b>\$ 99,750</b>	<b>\$ 91,316</b>	<b>92%</b>	<b>\$ 399,000</b>	<b>\$ 157,979</b>	<b>40%</b>	<b>\$ 241,021</b>	<b>\$ 2,660,567</b>	<b>\$ 2,363,461</b>	<b>89%</b>	<b>\$ 297,106</b>
<b>Expenditures</b>											
Material and services	\$ 2,500	\$ 262	10%	\$ 10,000	\$ 656	7%	\$ 9,344	\$ 20,000	\$ 656	3%	\$ 19,344
Capital outlay											
Improvements	327,475	304,026	93%	1,309,900	531,606	41%	778,294	3,700,000	2,917,298	79%	782,702
Transfers	4,850	6,383	132%	19,400	6,383	33%	13,017	54,400	38,181	70%	16,219
Contingency				243,066				286,253			
<b>Total expenditures</b>	<b>\$ 334,825</b>	<b>\$ 310,671</b>	<b>93%</b>	<b>\$ 1,582,366</b>	<b>\$ 538,645</b>	<b>34%</b>	<b>\$ 800,655</b>	<b>\$ 4,060,653</b>	<b>\$ 2,956,136</b>	<b>73%</b>	<b>\$ 818,264</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (235,075)</b>	<b>\$ (219,355)</b>	<b>-17%</b>	<b>\$ (1,183,366)</b>	<b>\$ (380,666)</b>	<b>-30%</b>	<b>\$ (559,634)</b>	<b>\$ (1,400,086)</b>			
<b>Beginning fund balance</b>	<b>1,183,366</b>	<b>1,288,745</b>	<b>109%</b>	<b>1,183,366</b>	<b>1,288,745</b>	<b>109%</b>		<b>1,400,086</b>			
<b>Ending fund balance</b>	<b>\$ 948,291</b>	<b>\$ 1,069,390</b>	<b>113%</b>	<b>\$ -</b>	<b>\$ 908,079</b>	<b>-</b>		<b>\$ -</b>			



The sculpture, War Paint, on display through the winter at the city plaza.



### ***Water SDC Fund***

This fund accounts for the collection and expenditure of water system development charges. The primary revenue source is SDC's. Expenditures are for qualified capital improvement projects and related costs.

Revenue through the second quarter was at approximately \$1.52 million which was largely associated with the collection of SDC's. There were 19 housing starts that paid SDC's during the second quarter. Miscellaneous revenues is associated with a refund from Cascade Natural Gas related to the ASR project. During the second quarter a contract was finalized with Business Oregon for a \$3 million loan to finish the ASR project. These loan proceeds are expected to start coming in during the third quarter.

Expenditures are at roughly \$3.24 million through the second quarter and are largely associated with capital expenditures for the ASR project. The ASR project is a method of water storage that uses the natural water storage capabilities of underground aquifers as a cost-effective, scalable and ecologically friendly water storage alternative to traditional storage options, such as above-ground reservoirs and water supply storage tanks. It allows water to be appropriated and injected into the aquifer via wells during periods of cooler temperatures, higher streamflow and lower demands. The stored water can later be recovered and used during periods of hotter temperatures and higher demands, thereby reducing stress on native water sources. It also provides for a readily available source of stored water for use in the event of drought or supply interruption. Second quarter transfers were for the semiannual administration fee and water SDC distribution. A budget adjustment will be needed prior to yearend due to the unanticipated increase in SDC collections resulting in increased administrative fees.

At second quarter end, fund balance decreased roughly \$1.72 million or -76 percent.



*ASR building at the beginning of the second quarter*



**Water SDC Fund - Continued**

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget to Date	Biennial Budget %	Biennial Budget Remaining
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance				
Interest	\$ 3,000	\$ 2,401	80%	\$ 12,000	\$ 7,250	60%	\$ 4,750	\$ 90,000	\$ 27,538	31%	\$ 62,462
System development charges	483,550	66,943	14%	1,934,200	1,507,392	78%	426,808	7,627,200	7,561,236	99%	65,964
Transfers	372,450	-	-	489,800	-	-	489,800	1,489,800	1,000,000	0%	489,800
Miscellaneous	-	6,753	-	-	6,753	-	(6,753)	-	6,753	-	(6,753)
Debt Proceeds	750,000	-	-	3,024,900	-	-	3,024,900	3,000,000	-	0%	3,000,000
<b>Total revenue</b>	<b>\$ 1,609,000</b>	<b>\$ 76,097</b>	<b>5%</b>	<b>\$ 5,460,900</b>	<b>\$ 1,521,395</b>	<b>28%</b>	<b>\$ 431,558</b>	<b>\$ 12,207,000</b>	<b>\$ 8,595,527</b>	<b>70%</b>	<b>\$ 3,611,473</b>
<b>Expenditures</b>											
Capital outlay											
Improvements	\$ 1,706,925	\$ 1,187,254	70%	\$ 6,827,700	\$ 3,020,632	44%	\$ 3,807,068	\$ 12,880,400	\$ 9,073,258	70%	\$ 3,807,142
Debt service				158,000	-	-	-	-	-	-	-
Transfers	117,075	222,467	190%	468,300	222,467	48%	245,833	690,000	694,861	101%	(4,861)
Contingency				266,808				823,023			
<b>Total expenditures</b>	<b>\$ 1,824,000</b>	<b>\$ 1,409,721</b>	<b>77%</b>	<b>\$ 7,720,808</b>	<b>\$ 3,243,099</b>	<b>42%</b>	<b>\$ 4,052,901</b>	<b>\$ 14,393,423</b>	<b>\$ 9,768,119</b>	<b>68%</b>	<b>\$ 3,802,281</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (215,000)</b>	<b>\$ (1,333,624)</b>	<b>-59%</b>	<b>\$ (2,259,908)</b>	<b>\$ (1,721,704)</b>	<b>-76%</b>	<b>\$ (3,621,343)</b>	<b>\$ (2,186,423)</b>			
<b>Beginning fund balance</b>	<b>2,259,908</b>	<b>2,259,907</b>	<b>100%</b>	<b>2,259,908</b>	<b>2,259,907</b>	<b>100%</b>		<b>2,186,423</b>			
<b>Ending fund balance</b>	<b>\$ 2,044,908</b>	<b>\$ 926,283</b>	<b>45%</b>	<b>\$ -</b>	<b>\$ 538,203</b>	<b>-</b>		<b>\$ -</b>			



*Second quarter progress of the ASR building.*

**Wastewater SDC Fund**

This fund accounts for the collection and expenditure of wastewater system development charges. The primary revenue source is SDC's. Expenditures are for qualified capital improvement projects and related costs.

Overall revenue through the second quarter is at approximately \$78,000. Second quarter revenue can largely be attributed to SDC collection from 19 housing starts that paid SDC's in the quarter.

Second quarter expenditures are largely attributed to capital projects that are associated with irrigation upgrades for the wastewater treatments plant (WWTP) and a WWTP screen. During the second quarter the semiannual distribution of administrative fees and wastewater SDC reimbursements took place. This fund will require a budget adjustment prior to yearend for capital expenditures and unanticipated consulting.

Fund balance decreased roughly \$218,000 or -25 percent.

Revenue	Current Quarter			Year to Date			Annual Est. Budget Balance	Biennial Budget	Biennial Budget to Date	Biennial Budget %	Biennial Budget Remaining
	Quarter Budget Est.	Quarter Actual	Quarter Budget %	Annual Budget Est.	Annual Actual	Annual Budget %					
Interest	\$ 1,250	\$ 1,501	120%	\$ 5,000	\$ 3,777	76%	\$ 1,223	\$ 55,000	\$ 68,098	124%	\$ (13,098)
System development charges	29,425	32,235	110%	117,700	74,406	63%	43,294	235,400	264,383	112%	(28,983)
<b>Total revenue</b>	<b>\$ 30,675</b>	<b>\$ 33,736</b>	<b>110%</b>	<b>\$ 122,700</b>	<b>\$ 78,183</b>	<b>64%</b>	<b>\$ 44,517</b>	<b>\$ 290,400</b>	<b>\$ 332,481</b>	<b>114%</b>	<b>\$ (42,081)</b>
<b>Expenditures</b>											
Material and services	\$ 1,350	\$ 4,520	335%	\$ 5,400	\$ 6,008	111%	\$ (608)	\$ 25,000	\$ 25,593	102%	\$ (593)
Capital outlay											
Improvements	56,625	239,409	423%	226,500	239,409	106%	(12,909)	1,540,000	1,557,158	101%	(17,158)
Transfers	142,900	51,221	36%	571,600	51,221	9%	520,379	1,703,800	1,226,654	72%	477,146
Contingency				192,988				149,528			
<b>Total expenditures</b>	<b>\$ 200,875</b>	<b>\$ 295,150</b>	<b>147%</b>	<b>\$ 996,488</b>	<b>\$ 296,637</b>	<b>30%</b>	<b>\$ 506,863</b>	<b>\$ 3,418,328</b>	<b>\$ 2,809,404</b>	<b>82%</b>	<b>\$ 459,396</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (170,200)</b>	<b>\$ (261,414)</b>	<b>-30%</b>	<b>\$ (873,788)</b>	<b>\$ (218,455)</b>	<b>-25%</b>	<b>\$ (462,345)</b>	<b>\$ (3,127,928)</b>			
<b>Beginning fund balance</b>	<b>873,788</b>	<b>869,460</b>	<b>100%</b>	<b>873,788</b>	<b>869,460</b>	<b>100%</b>		<b>3,127,928</b>			
<b>Ending fund balance</b>	<b>\$ 703,588</b>	<b>\$ 608,046</b>	<b>86%</b>	<b>\$ -</b>	<b>\$ 651,005</b>	<b>-</b>		<b>\$ -</b>			



*Irrigation upgrades being done at the WWTP during the second quarter.*

**PERS/ POB Fund**

This fund accounts for the issuance of pension obligation debt to fund the City’s existing unfunded actuarial liability (UAL) and associated debt repayment. The principal source of revenue is charges to other funds with salaries subject to PERS via a surcharge. A transfer from the General Fund is included to pre-fund a portion of debt service costs. Expenditures are for payments to PERS for the UAL and for debt service requirements.

Revenue through the second quarter is roughly 47 percent of annual budget. Miscellaneous revenue is associated with a PERS rate credit from the creation of the City’s new side account in March 2019.

Expenditures through the second quarter were for a debt service interest payment.

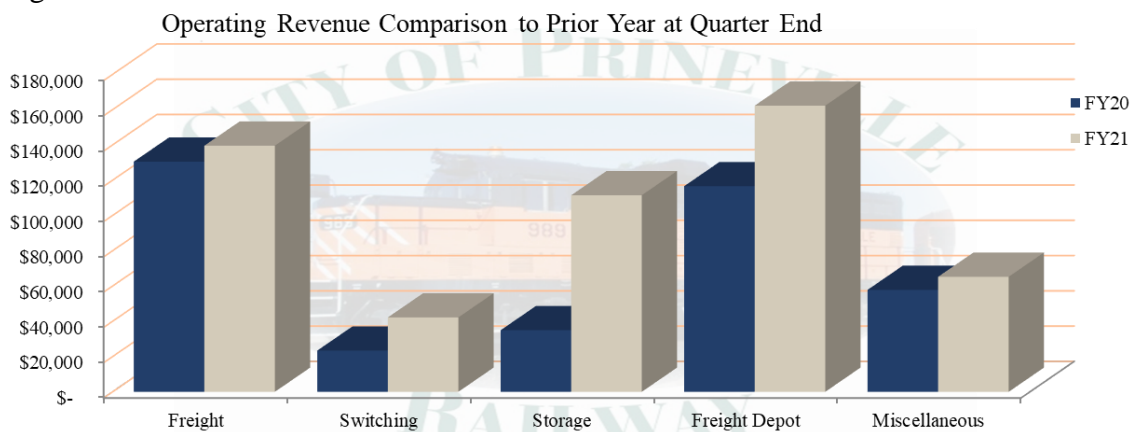
Fund balance increased approximately 28 percent through the second quarter.

	Current Quarter			Year to Date				Biennial Budget			
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance	Biennial Budget	Biennial Budget to Date	Biennial Budget %	Biennial Budget Remaining
<b>Revenue</b>											
Charges for services	\$ 132,775	\$ 133,075	100%	\$ 531,100	\$ 266,150	50%	\$ 264,950	\$ 997,900	\$ 744,728	75%	\$ 253,172
Interest	5,000	2,028	41%	20,000	4,501	23%	15,499	35,000	20,327	58%	14,673
Miscellaneous	-	18,547	-	-	35,608	-	(35,608)	-	100,648	-	(100,648)
Transfer from other funds	25,000	-	-	100,000	-	-	100,000	200,000	100,000	50%	100,000
<b>Total revenue</b>	<b>\$ 162,775</b>	<b>\$ 153,650</b>	<b>94%</b>	<b>\$ 651,100</b>	<b>\$ 306,259</b>	<b>47%</b>	<b>\$ 344,841</b>	<b>\$ 1,232,900</b>	<b>\$ 965,703</b>	<b>78%</b>	<b>\$ 267,197</b>
<b>Expenditures</b>											
Personnel services	\$ -	\$ -	-	\$ -	\$ -	-	-	\$ -	\$ -	-	\$ -
Debt service											
Principal - POB 2013	54,750	-	-	219,000	-	-	219,000	419,500	200,465	48%	219,035
Interest - POB 2013	20,050	40,087	200%	80,200	40,087	50%	40,113	167,800	127,679	76%	40,121
Contingency				1,018,318				955,091			
<b>Total expenditures</b>	<b>\$ 74,800</b>	<b>\$ 40,087</b>	<b>54%</b>	<b>\$ 1,317,518</b>	<b>\$ 40,087</b>	<b>3%</b>	<b>\$ 259,113</b>	<b>\$ 1,542,391</b>	<b>\$ 328,144</b>	<b>21%</b>	<b>\$ 259,156</b>
<b>Revenue over (under) expenditures</b>	<b>\$ 87,975</b>	<b>\$ 113,563</b>	<b>12%</b>	<b>\$ (666,418)</b>	<b>\$ 266,171</b>	<b>28%</b>	<b>\$ 85,729</b>	<b>\$ (309,491)</b>			
<b>Debt service reserve</b>	<b>299,200</b>			<b>299,200</b>				<b>299,200</b>			<b>299,200</b>
<b>Beginning fund balance</b>	<b>965,618</b>	<b>965,618</b>	<b>100%</b>	<b>965,618</b>	<b>965,618</b>	<b>100%</b>		<b>608,691</b>			
<b>Ending fund balance</b>	<b>\$ 1,053,593</b>	<b>\$ 1,079,181</b>	<b>102%</b>	<b>\$ -</b>	<b>\$ 1,231,789</b>	<b>-</b>		<b>\$ -</b>			

***Railroad Fund***

This fund accounts for the activities of the City’s railroad operation and for the City’s freight depot operation. Starting in FY 14 the Railroad and Freight Depot Funds were consolidated. Primary revenue sources are payments for the use of railroad and freight depot facilities and related services. Expenditures are for the railroad and freight depot operations, including repair, debt service and capital improvements. Additionally, transfers to other City operations are budgeted.

At second quarter end, overall revenue collection is at approximately \$537,000 or 49 percent of the annual budget. Charges for services for the railroad are at approximately \$183,000 or 38 percent of the annual budget, with the freight depot at approximately \$162,000 or 50 percent of annual budget. Overall operating revenue is up roughly 43 percent in comparison to the prior year at quarter end with significant increases in storage, switching and freight depot. The rail car count is up approximately 19 cars in comparison to the prior year at second quarter end with Envirotech bringing in 40 cars in December. Freight Depot charges for services are up over prior year quarter end by roughly 39 percent, largely due to the new lease with Krah. Switching fees are up in line with the increased rail car storage. Every storage car that is handled by the railroad is charged a switch fee to move the car. Below is a prior year comparison at quarter end of operating revenues for the Railroad Fund.

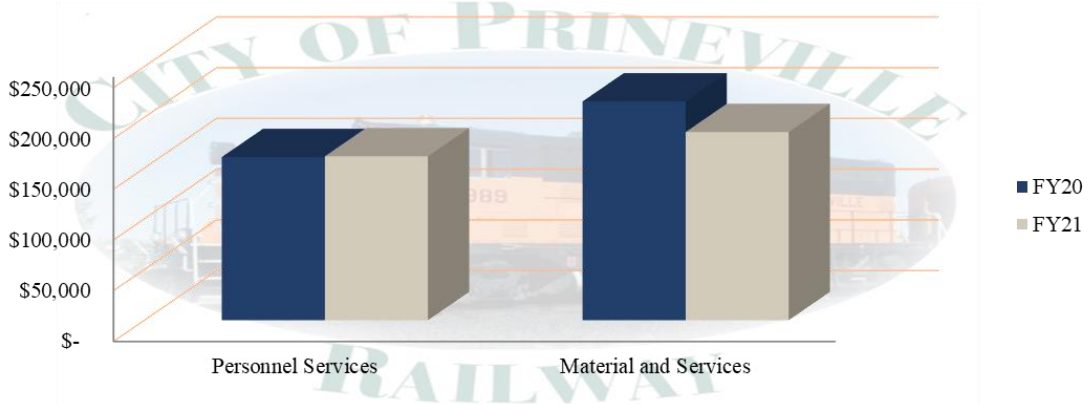


Overall expenditures at quarter end are at approximately \$410,000 or 18 percent of the annual budget. Materials and services are at roughly 66 percent of the annual budget or \$185,000, which includes approximately \$63,000 in liability insurance from the first quarter and roughly \$11,000 in locomotive repairs and maintenance done in the second quarter. Personnel services are at roughly \$161,000 or 39 percent of the annual budget. The railroad had a new open position that was posted in December. Overall operating expenditures are down in comparison to the prior year at quarter end approximately 8 percent. In the prior year, the freight depot had incurred significant lightening damage, inflating materials and services. Capital expenditures during the second quarter was for needed track work (pictured on the next page). On the next page is a graph comparison of operating expenditures at quarter end to prior year.



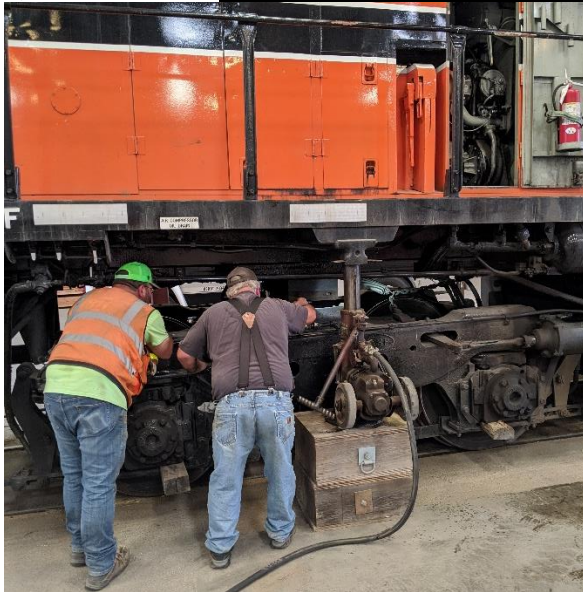
**Railroad Fund- Continued**

Operating Expenditure Comparison to Prior Year at Quarter End



Fund balance increase roughly \$127,000 or 11 percent through the second quarter.

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget to Date	Biennial Budget %	Biennial Budget Remaining
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance				
Charges for services											
Railroad	\$ 118,750	\$ 74,407	63%	\$ 475,000	\$ 182,602	38%	\$ 292,398	\$ 755,000	\$ 558,647	74%	\$ 196,353
Freight Depot	81,250	79,778	98%	325,000	162,248	50%	162,752	480,000	408,328	85%	71,672
Use of money and property	52,650	66,149	126%	210,600	127,217	60%	83,383	270,200	300,429	111%	(30,229)
Miscellaneous	18,750	52,999	283%	75,000	65,225	87%	9,775	145,000	215,042	148%	(70,042)
<b>Total revenue</b>	<b>\$ 271,400</b>	<b>\$ 273,332</b>	<b>101%</b>	<b>\$ 1,085,600</b>	<b>\$ 537,292</b>	<b>49%</b>	<b>\$ 548,308</b>	<b>\$ 1,650,200</b>	<b>\$ 1,482,445</b>	<b>90%</b>	<b>\$ 167,755</b>
<b>Expenditures</b>											
Personnel services	\$ 102,825	\$ 79,994	78%	\$ 411,300	\$ 161,481	39%	\$ 249,819	\$ 747,000	\$ 475,024	64%	\$ 271,976
Material and services	70,600	61,497	87%	282,400	186,211	66%	96,189	543,300	479,639	88%	63,661
Capital outlay											
Improvements	73,500	13,503	18%	294,000	17,127	6%	276,873	404,000	239,426	59%	164,574
Transfers	22,725	22,725	100%	90,900	45,450	50%	45,450	181,700	136,250	75%	45,450
Contingency				1,161,585				919,993			
<b>Total expenditures</b>	<b>\$ 269,650</b>	<b>\$ 177,719</b>	<b>66%</b>	<b>\$ 2,240,185</b>	<b>\$ 410,269</b>	<b>18%</b>	<b>\$ 668,331</b>	<b>\$ 2,795,993</b>	<b>\$ 1,330,338</b>	<b>48%</b>	<b>\$ 545,662</b>
<b>Revenue over (under) expenditures</b>	<b>\$ 1,750</b>	<b>\$ 95,613</b>	<b>8%</b>	<b>\$ (1,154,585)</b>	<b>\$ 127,023</b>	<b>11%</b>	<b>\$ (120,023)</b>	<b>(1,145,793)</b>			
<b>Beginning fund balance</b>	<b>1,154,585</b>	<b>1,150,560</b>	<b>100%</b>	<b>1,154,585</b>	<b>1,150,560</b>	<b>100%</b>		<b>1,145,793</b>			
<b>Ending fund balance</b>	<b>\$ 1,156,335</b>	<b>\$ 1,246,173</b>	<b>108%</b>	<b>\$ -</b>	<b>\$ 1,277,583</b>			<b>\$ -</b>			

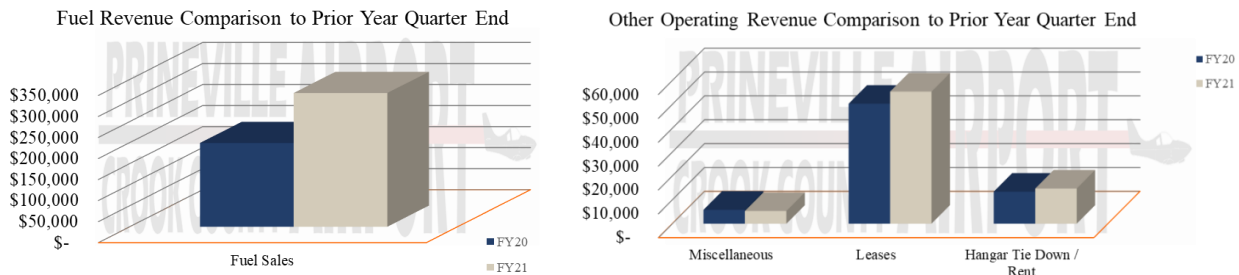


Track and locomotive maintenance getting done during the second quarter

***Airport Fund***

This fund accounts for the activities of the airport. The airport’s main source of operating revenue is through charges for services that revolve around fuel sales and hangar leases. Expenditures are for general operations of the airport including cost of goods sold, maintenance and capital improvements.

Revenue collection through the second quarter came in at approximately 48 percent of the annual budget or \$396,000. Overall charges for services are up approximately 46 percent over the prior year at quarter end largely due to fuel sales being up roughly 60 percent. The airport had a record fuel sale month in August due to several firefighting aircrafts that set up operations at the airport during the fire season. December was another record breaking fuel sale month with Erickson’s Inc. facilitating sky crane training at the airport. Annual hangar leases were billed out for calendar year 2021 in December. Below is a prior year comparison for operating revenue making up charges for services.

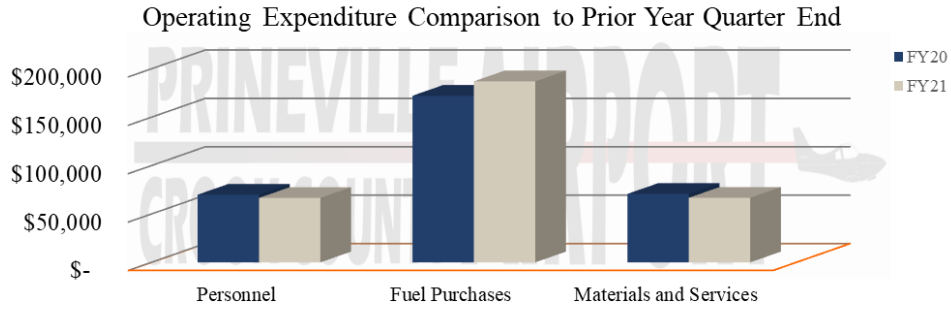


Overall expenditures through the second quarter came in at approximately \$489,000 or 52 percent of the annual budget. Capital expenses during the second quarter were largely for the paving of the road to the helibase at the airport (pictured on the next page). Materials and services are roughly 48 percent of the annual budget with fuel purchases making up most of those costs. Overall operating expenses are up roughly 2 percent over the prior year at quarter end all due to the needed fuel inventory. On the next page is a prior year comparison of operating expenditures.



*Helicopter at the Prineville / Crook County Airport*

**Airport Fund - Continued**



At second quarter end, fund balance decreased roughly \$93,000 or -79 percent. Decreases in fund balance are largely due to capital projects taking place in the second quarter. Inventory at quarter end totaled approximately \$24,000.

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget to Date	Biennial Budget %	Biennial Budget Remaining
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance				
Intergovernmental	\$ 47,500	\$ 2,500	5%	\$ 190,000	\$ 2,500	1%	\$ 187,500	\$ 1,180,000	\$ 636,083	54%	\$ 543,917
Charges for services	144,000	144,808	101%	576,000	393,328	68%	182,672	1,164,000	812,702	70%	351,298
Interest	250	9	4%	1,000	179	18%	821	-	1,118	-	(1,118)
Transfers	13,750	-	-	55,000	-	-	55,000	180,000	225,000	125%	(45,000)
<b>Total revenue</b>	<b>\$ 205,500</b>	<b>\$ 147,318</b>	<b>72%</b>	<b>\$ 822,000</b>	<b>\$ 396,007</b>	<b>48%</b>	<b>\$ 425,993</b>	<b>\$ 2,524,000</b>	<b>\$ 1,674,904</b>	<b>66%</b>	<b>\$ 849,096</b>
<b>Expenditures</b>											
Personnel service	\$ 33,550	\$ 33,281	99%	\$ 134,200	\$ 66,524	50%	\$ 67,676	\$ 269,900	\$ 200,326	74%	\$ 69,574
Materials and services	133,275	77,573	58%	533,100	253,838	48%	279,262	1,088,400	616,876	57%	471,524
Capital outlay	33,750	106,013	314%	135,000	115,281	85%	19,719	1,000,000	849,042	85%	150,958
Debt service											
Les Schwab Hangar	6,250	-	-	25,000	25,000	100%	-	50,000	50,000	100%	-
Transfers	14,050	14,050	100%	56,200	28,100	50%	28,100	122,700	94,600	77%	28,100
Contingency				55,335				6,215			
<b>Total expenditures</b>	<b>\$ 220,875</b>	<b>\$ 230,917</b>	<b>105%</b>	<b>\$ 938,835</b>	<b>\$ 488,743</b>	<b>52%</b>	<b>\$ 394,757</b>	<b>\$ 2,537,215</b>	<b>\$ 1,810,844</b>	<b>71%</b>	<b>\$ 720,156</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (15,375)</b>	<b>\$ (83,600)</b>	<b>-72%</b>	<b>\$ (116,835)</b>	<b>\$ (92,736)</b>	<b>-79%</b>	<b>\$ 31,236</b>	<b>\$ (13,215)</b>			
<b>Beginning fund balance</b>	<b>116,835</b>	<b>116,835</b>	<b>100%</b>	<b>116,835</b>	<b>116,835</b>	<b>100%</b>		<b>13,215</b>			
<b>Ending fund balance</b>	<b>\$ 101,460</b>	<b>\$ 33,235</b>	<b>33%</b>	<b>\$ -</b>	<b>\$ 24,099</b>	<b>-</b>		<b>\$ -</b>			



*Helibase paving at the airport that took place during the second quarter.*

**Water Fund**

This fund accounts for the activities of the City’s water utility. The primary source of revenue is water sales and expenditures are for the operation of the system including repair and maintenance of infrastructure.

Overall revenue collection through the second quarter came in at approximately \$2.27 million or 77 percent of the annual budget. Revenue associated with charges for service came in at roughly \$2.12 million which is an increase over the prior year of roughly \$572,000. Facebook started construction of its ninth building in June 2020 and bulk water sales increased significantly with the timing of the construction. This is the largest contributing factor to the increase in revenue over the prior year. Transfer revenue is associated with the semiannual SDC reimbursement distribution.

Expenditures through the second quarter are at approximately \$1.21 million or 37 percent of the annual budget. Materials and services are at 60 percent of the annual budget and may need a budget adjustment prior to yearend with extra consulting costs associated with 20 year modeling for the fund. Capital expenditures are largely associated with well improvements, Crooked River Concepts and the Habitat Conservation Plan.

Fund balance increased roughly \$1.07 million or 233 percent through the second quarter.

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget to Date	Biennial Budget %	Biennial Budget Remaining
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance				
Charges for services	\$ 706,065	\$ 861,657	122%	\$ 2,824,260	\$ 2,121,717	75%	\$ 702,543	\$ 5,785,000	\$ 4,857,160	84%	\$ 927,840
Interest	1,500	954	64%	6,000	1,081	18%	4,919	40,000	6,780	17%	33,220
Miscellaneous	1,375	-	-	5,500	826	15%	4,674	11,000	826	8%	10,174
Transfers	32,250	147,643	458%	129,000	147,643	114%	(18,643)	255,000	325,080	127%	(70,080)
<b>Total revenue</b>	<b>\$ 741,190</b>	<b>\$ 1,010,253</b>	<b>136%</b>	<b>\$ 2,964,760</b>	<b>\$ 2,273,817</b>	<b>77%</b>	<b>\$ 690,943</b>	<b>\$ 6,091,000</b>	<b>\$ 5,192,396</b>	<b>85%</b>	<b>\$ 898,604</b>
<b>Expenditures</b>											
Materials and services	\$ 146,350	\$ 144,303	99%	\$ 585,400	\$ 353,065	60%	\$ 232,335	\$ 1,184,500	\$ 950,352	80%	\$ 234,148
Franchise fee expense	36,750	36,750	100%	147,000	73,500	50%	73,500	289,000	215,500	75%	73,500
Capital outlay											
Improvements	42,300	104,817	248%	169,200	144,378	85%	24,822	1,269,000	1,243,431	98%	25,569
Debt service											
Principal											
Refunding bond 2017	35,075	-	-	140,300	-	-	140,300	276,900	136,602	49%	140,299
Interest											
Refunding bond 2017	13,575	27,133	200%	54,300	27,133	50%	27,167	112,300	85,046	76%	27,254
Transfers	305,275	305,275	100%	1,221,100	610,550	50%	610,550	2,431,700	1,821,150	75%	610,550
Contingency				908,777				918,270			
<b>Total expenditures</b>	<b>\$ 579,325</b>	<b>\$ 618,278</b>	<b>107%</b>	<b>\$ 3,226,077</b>	<b>\$ 1,208,626</b>	<b>37%</b>	<b>\$ 1,108,674</b>	<b>\$ 6,481,670</b>	<b>\$ 4,452,080</b>	<b>69%</b>	<b>\$ 1,111,320</b>
<b>Revenue over (under) expenditures</b>	<b>\$ 161,865</b>	<b>\$ 391,975</b>	<b>86%</b>	<b>\$ (261,317)</b>	<b>\$ 1,065,191</b>	<b>233%</b>	<b>\$ (417,731)</b>	<b>\$ (390,670)</b>			
<b>Debt service reserve</b>	194,600			194,600				194,600			194,600
<b>Beginning fund balance</b>	455,917	456,218	100%	455,917	456,218	100%		585,270			
<b>Ending fund balance</b>	<b>\$ 617,782</b>	<b>\$ 848,193</b>	<b>137%</b>	<b>\$ -</b>	<b>\$ 1,521,409</b>	<b>-</b>		<b>\$ -</b>			



**Wastewater Fund**

This fund accounts for the activities of the City’s wastewater and treatment facilities. The primary source of revenue is sewer service fees. Expenditures are for the operation of the wastewater system including repair and maintenance of infrastructure and debt service related to infrastructure costs.

Overall revenue collection at quarter end came in at approximately \$2.13 million or 55 percent of the annual budget. Revenue collection for charges for services was roughly \$2.01 million or 54 percent of annual budget which is an increase of approximately \$227,000 over the prior year at quarter end. This increase can largely be attributed to the data centers increased water usage. The semiannual SDC reimbursement distribution took place during the second quarter.

Expenditures at quarter end came in at roughly \$2.39 million or 41 percent of the annual budget. Personnel services and materials and services are tracking under budget. Capital expenditures during the second quarter were largely for the purchase and installation of an emergency generator at the treatment plant.

Fund balance decreased roughly \$261,000 or -8 percent through the second quarter primarily due to the \$500,000 transfer to the golf course that was completed in the second quarter for the completion of the irrigation project.

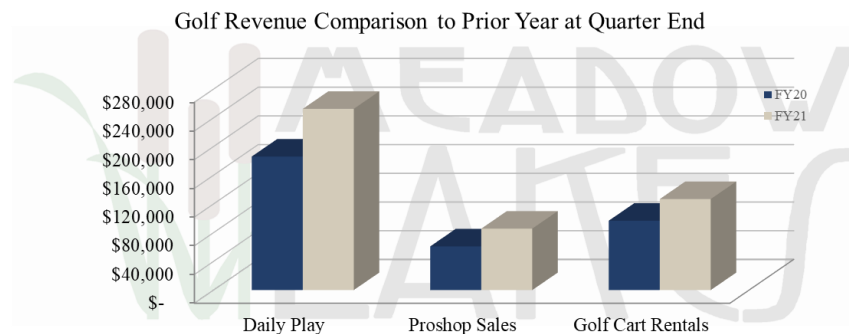
Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget to Date	Biennial Budget %	Biennial Budget Remaining
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance				
Charges for services	\$ 925,000	\$ 987,705	107%	\$ 3,700,000	\$ 2,006,674	54%	\$ 1,693,326	\$ 7,518,300	\$ 5,553,373	74%	\$ 1,964,927
Interest	10,500	4,995	48%	42,000	11,836	28%	30,164	96,000	59,384	62%	36,616
Miscellaneous	18,300	19,101	104%	73,200	55,706	76%	17,494	167,400	142,037	85%	25,363
SDCs - reimbursement fees	12,500	47,679	381%	50,000	47,679	95%	2,321	98,000	213,887	218%	(115,887)
Intergovernmental	-	-	-	-	5,726	-	(5,726)	-	5,726	-	(5,726)
<b>Total revenue</b>	<b>\$ 966,300</b>	<b>\$ 1,059,481</b>	<b>110%</b>	<b>\$ 3,865,200</b>	<b>\$ 2,127,622</b>	<b>55%</b>	<b>\$ 1,743,305</b>	<b>\$ 7,879,700</b>	<b>\$ 5,974,408</b>	<b>76%</b>	<b>\$ 1,905,292</b>
<b>Expenditures</b>											
Personnel services	\$ 32,975	\$ 30,439	92%	\$ 131,900	\$ 62,027	47%	\$ 69,873	\$ 259,000	\$ 183,697	71%	\$ 75,303
Materials and services	203,750	131,422	65%	815,000	319,202	39%	495,798	1,448,900	934,260	64%	514,640.28
Franchise fee expense	47,750	47,750	100%	191,000	95,500	50%	95,500	376,000	280,500	75%	95,500
Capital outlay											
Improvements	270,950	151,422	56%	1,083,800	151,716	14%	932,084	1,355,000	293,031	22%	1,061,969
Debt service											
Principal											
DEQ CWSRF R74682/2	122,350	-	-	489,400	242,874	50%	246,526	964,700	718,118	74%	246,582
Refunding 2017	40,950	-	-	163,800	-	-	163,800	323,200	159,399	49%	163,802
State of Oregon IFA	6,775	27,020	399%	27,100	27,020	100%	80	58,400	53,773	92%	4,627
USDA 2015	14,825	-	-	59,300	-	-	59,300	117,000	57,704	49%	59,296
Interest											
DEQ CWSRF R74682/2	24,475	-	-	97,900	50,736	52%	47,164	209,900	162,712	78%	47,188
Refunding 2017	15,850	31,661	200%	63,400	31,661	50%	31,739	131,000	99,238	76%	31,762
State of Oregon IFA	1,750	7,035	402%	7,000	7,035	100%	(35)	14,500	14,337	99%	163
USDA 2015	26,725	-	-	106,900	-	-	106,900	215,400	108,456	50%	106,944
Fees											
DEQ CWSRF R74682/2	4,325	-	-	17,300	17,257	100%	43	37,000	36,890	100%	110
Transfers	584,500	941,750	161%	2,338,000	1,383,500	59%	954,500	4,273,900	3,890,400	91%	383,500
Contingency				176,589				813,316			
<b>Total expenditures</b>	<b>\$ 1,397,950</b>	<b>\$ 1,368,498</b>	<b>98%</b>	<b>\$ 5,768,389</b>	<b>\$ 2,388,529</b>	<b>41%</b>	<b>\$ 3,203,271</b>	<b>\$ 10,597,216</b>	<b>\$ 6,992,515</b>	<b>66%</b>	<b>\$ 2,791,385</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (431,650)</b>	<b>\$ (309,018)</b>	<b>-10%</b>	<b>\$ (1,903,189)</b>	<b>\$ (260,907)</b>	<b>-8%</b>	<b>\$ (1,459,966)</b>	<b>\$ (2,717,516)</b>			
<b>Other resources / (requirements)</b>											
Debt service reserve	1,014,800			1,014,800				1,014,800			1,014,800
Capital reserve	200,000			200,000				200,000			200,000
<b>Beginning fund balance</b>	<b>3,117,989</b>	<b>3,179,624</b>	<b>102%</b>	<b>3,117,989</b>	<b>3,179,624</b>	<b>102%</b>		<b>3,932,316</b>			
<b>Ending fund balance</b>	<b>\$ 2,686,339</b>	<b>\$ 2,870,606</b>	<b>107%</b>	<b>\$ -</b>	<b>\$ 2,918,717</b>	<b>-</b>		<b>\$ -</b>			

Notes: Supplemental budget during the 2nd quarter per Res. No. 1468

***Golf Course and Restaurant Fund***

This fund accounts for the activities of Meadow Lakes Golf Course and Restaurant. Revenue is generated through user fees, restaurant lease revenue (starting February 2019), and an operating payment from the City’s Wastewater Fund for treatment.

Overall revenue collection is at approximately \$1.25 million at quarter end or 69 percent of the annual budget. During the second quarter the wastewater fund transferred \$500,000 to golf for the irrigation project. Golf operating revenue came in at about \$528,000 or 59 percent of the annual budget which is an increase over the prior year of roughly 39 percent. Rounds of golf are up roughly 3200 rounds through the second quarter compared to the prior year quarter end. Golf is one of the few sports that can be played within the social distancing guidelines of the state due to COVID-19. Below is a comparison to the prior year of the significant operating revenue sources for the golf course.

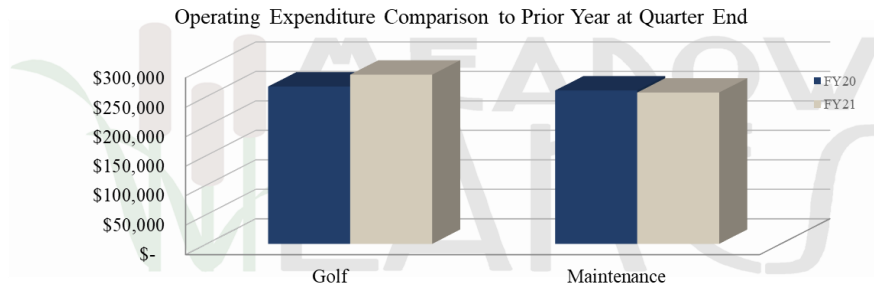


Expenditures at quarter end came in at roughly \$2.03 million or 69 percent of the annual budget. Waste disposal expenditures are at roughly \$257,000 or 51 percent of the annual budget, a decrease of approximately -1 percent in comparison to the prior year second quarter end. Golf course operating expenditures are up approximately 8 percent over the prior year with increases in merchandise, building repair and maintenance, and credit card merchant fees. Golf is at roughly 79 percent of the annual budget with \$1.35 million being spent on the irrigation project during the second quarter. This project is expected to be completed in the spring. On the following page is a comparison of operating only expenditures to the prior year by department.



*Irrigation project at Meadow Lakes in October 2020.*

**Golf Course and Restaurant Fund - Continued**



Fund balance decreased roughly \$788,000 or -60 percent through the second quarter largely due to the irrigation project.

Revenue	Current Quarter		Quarter Budget %	Year to Date		Annual Est. Budget %	Annual Est. Budget Balance	Biennial Budget	Biennial Budget to Date	Biennial Budget %	Biennial Budget Remaining
	Quarter Budget Est.	Actual		Annual Budget Est.	Actual						
Charges for services											
Golf Course	\$ 223,725	\$ 160,599	72%	\$ 894,900	\$ 528,293	59%	\$ 366,607	\$ 1,656,000	\$ 1,347,005	81%	\$ 308,995
Waste Disposal	92,500	92,500	100%	370,000	185,000	50%	185,000	740,000	555,000	75%	185,000
Restaurant	4,775	3,179	67%	19,100	8,537	45%	10,563	48,200	26,397	55%	21,803
Other	1,125	1,062	94%	4,500	2,603	58%	1,897	9,000	7,380	82%	1,620
Interest	1,500	1,762	117%	6,000	5,224	87%	776	15,000	30,331	202%	(15,331)
Transfers	125,000	500,000	400%	500,000	500,000	100%	-	1,250,000	1,250,000	100%	-
Intergovernmental		213		-	429		(429)	-	429		(429)
Miscellaneous	1,250	4,637	371%	5,000	16,684	334%	(11,684)	10,000	21,221	212%	(11,221)
<b>Total revenue</b>	<b>\$ 449,875</b>	<b>\$ 763,953</b>	<b>170%</b>	<b>\$ 1,799,500</b>	<b>\$ 1,246,769</b>	<b>69%</b>	<b>\$ 552,731</b>	<b>\$ 3,728,200</b>	<b>\$ 3,237,762</b>	<b>87%</b>	<b>\$ 490,438</b>
<b>Expenditures</b>											
Golf Course	\$ 540,025	\$ 1,463,887	271%	\$ 2,160,100	\$ 1,706,639	79%	\$ 453,461	\$ 2,838,700	\$ 2,281,906	80%	\$ 556,794
Waste Disposal	126,550	115,079	91%	506,200	256,879	51%	249,321	1,014,500	744,418	73%	270,082
Restaurant	8,075	3,330	41%	32,300	9,640	30%	22,660	68,000	31,459	46%	36,541
Debt service											
Principal - note payable	14,075	-	-	56,300	56,213	100%	87	82,200	82,088	100%	112
Interest - note payable	50	-	-	200	111	56%	89	2,200	2,070	94%	130
Principal - 2017 bond	11,250	-	-	45,000	-	-	45,000	90,000	45,000	50%	45,000
Interest - 2017 bond	2,075	4,125	199%	8,300	4,125	50%	4,175	17,800	13,577	76%	4,223
Scooter lease	-	-	-	-	1,386	-	(1,386)	-	4,962	-	(4,962)
Contingency				154,328				15,695			
<b>Total expenditures</b>	<b>\$ 702,100</b>	<b>\$ 1,586,422</b>	<b>226%</b>	<b>\$ 2,962,728</b>	<b>\$ 2,034,994</b>	<b>69%</b>	<b>\$ 774,792</b>	<b>\$ 4,129,095</b>	<b>\$ 3,205,480</b>	<b>78%</b>	<b>\$ 907,920</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (252,225)</b>	<b>\$ (822,469)</b>	<b>-63%</b>	<b>\$ (1,163,228)</b>	<b>\$ (788,224)</b>	<b>-60%</b>	<b>\$ (222,062)</b>	<b>\$ (400,895)</b>			
<b>Debt service reserve</b>	<b>82,400</b>			<b>82,400</b>				<b>82,400</b>			<b>82,400</b>
<b>Beginning fund balance</b>	<b>1,245,628</b>	<b>1,307,175</b>	<b>105%</b>	<b>1,245,628</b>	<b>1,307,175</b>	<b>105%</b>		<b>483,295</b>			
<b>Ending fund balance</b>	<b>\$ 993,403</b>	<b>\$ 484,706</b>	<b>49%</b>	<b>\$ -</b>	<b>\$ 518,951</b>	<b>-</b>		<b>\$ -</b>			

Notes: Supplemental budget during the 2nd quarter per Res. No. 1468



Hole 9 at Meadow Lakes - December 2020.

**Administration and Financial Support Services Fund**

This fund accounts for the activities of the City Manager’s office, human resources, recorder, finance, Council directed contributions, and information technology services. The primary source of revenue is charges to other funds for services.

Overall revenue collection through the second quarter came in at approximately \$1.57 million or 60 percent of the annual budget. Second quarter charges for services include approximately \$53,000 in SDC administrative fee disbursements and \$607,000 in Internal Service Fund transfers. Intergovernmental revenue is from the Coronavirus Relief Funds Grant totaling roughly \$92,000 in the second quarter.

Overall expenditures at quarter end are at approximately 50 percent of the annual budget or \$1.53 million. Expenditures are below budget in the City Council Department with significant savings in training and travel due to COVID-19. In the Administrative Services Department and in the Finance Department expenditures are up slightly. City management continued JEDI (justice, equity, diversity and inclusion) trainings through the second quarter. Credit card fees are on the rise with more customers paying for charges over the phone and through the city’s website due to City Hall being closed to the public. A budget adjustment was done for the Information Technology Department in August to provide additional dollars for 911 upgrades and additional costs associated with the COVID-19 pandemic. The adjustment done was for known costs to date and a supplemental budget will be needed prior to yearend to recognize the reimbursements associated with these costs and the additional costs that are unknown at this time.

Fund balance increased roughly \$45,000 or 28 percent through the second quarter.

	Current Quarter			Year to Date				Biennial Budget	Biennial Budget to Date	Biennial Budget %	Biennial Budget Remaining
	Quarter Budget Est.	Quarter Actual	Quarter Budget %	Annual Budget Est.	Annual Actual	Annual Est. Budget %	Annual Est. Budget Balance				
<b>Revenue</b>											
Charges for services	\$ 649,375	\$ 670,811	103%	\$ 2,597,500	\$ 1,387,401	53%	\$ 1,210,099	\$ 5,319,900	\$ 4,534,753	85%	\$ 785,147
Intergovernmental	-	92,297	-	-	184,712	-	-	-	231,365	-	(231,365)
Interest	2,500	612	24%	10,000	1,180	12%	8,820	20,000	7,339	37%	12,661
<b>Total revenue</b>	<b>\$ 651,875</b>	<b>\$ 763,720</b>	<b>117%</b>	<b>\$ 2,607,500</b>	<b>\$ 1,573,293</b>	<b>60%</b>	<b>\$ 1,218,918</b>	<b>\$ 5,339,900</b>	<b>\$ 4,773,458</b>	<b>89%</b>	<b>\$ 566,443</b>
<b>Expenditures</b>											
City Council	\$ 22,950	\$ 12,859	56%	\$ 91,800	\$ 36,991	40%	\$ 54,809	\$ 182,100	\$ 124,375	68%	\$ 57,725
Administration / Team Services	202,875	206,345	102%	811,500	423,225	52%	388,275	1,614,500	1,281,727	79%	332,773
Financial Services	237,900	240,167	101%	951,600	493,054	52%	458,546	1,878,500	1,365,097	73%	513,403
Information Technology	233,775	267,124	114%	935,100	575,192	62%	359,908	2,083,000	2,067,892	99%	15,108
Contingency				295,814				34,714			
<b>Total expenditures</b>	<b>\$ 697,500</b>	<b>\$ 726,496</b>	<b>104%</b>	<b>\$ 3,085,814</b>	<b>\$ 1,528,462</b>	<b>50%</b>	<b>\$ 1,261,538</b>	<b>\$ 5,792,814</b>	<b>\$ 4,839,092</b>	<b>84%</b>	<b>\$ 919,008</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (45,625)</b>	<b>\$ 37,224</b>	<b>24%</b>	<b>\$ (478,314)</b>	<b>\$ 44,832</b>	<b>28%</b>	<b>\$ (42,620)</b>	<b>\$ (452,914)</b>			
<b>Beginning fund balance</b>	<b>452,914</b>	<b>157,625</b>	<b>35%</b>	<b>478,314</b>	<b>157,625</b>	<b>33%</b>		<b>452,914</b>			
<b>Ending fund balance</b>	<b>\$ 407,289</b>	<b>\$ 194,849</b>	<b>48%</b>	<b>\$ -</b>	<b>\$ 202,457</b>	<b>-</b>		<b>\$ -</b>			

Notes: A supplemental budget will be needed prior to yearend for costs associated with COVID-19 and 911 upgrades



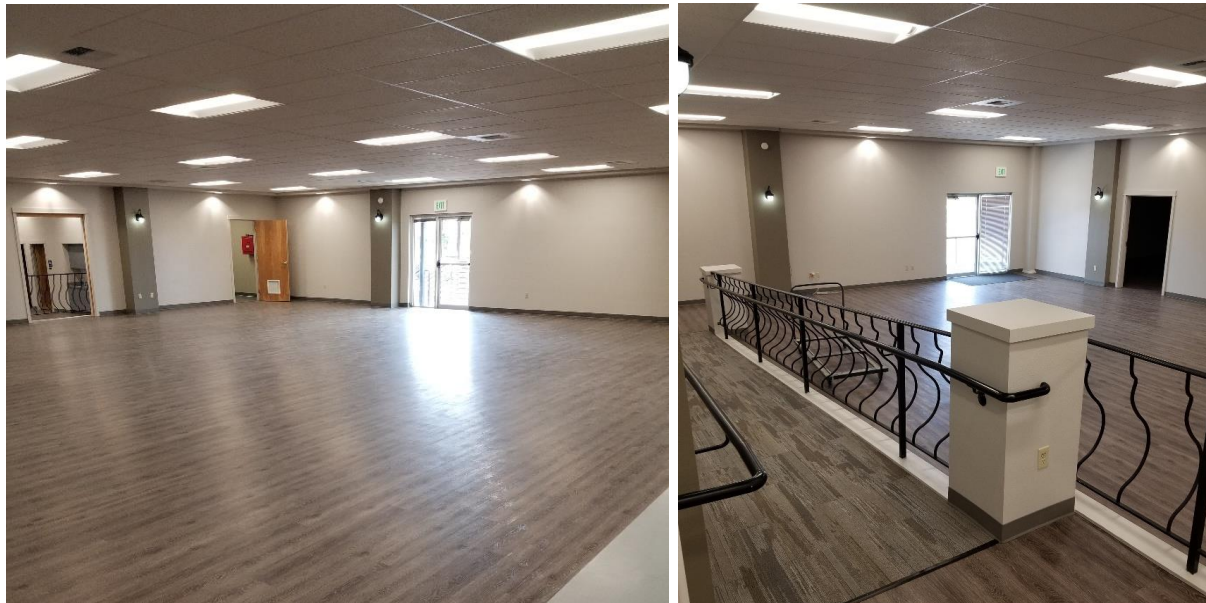
***Building Facilities Fund***

This fund accounts for the operating costs of the city hall facility and related debt service, police facility, public works facility, Barnes Butte Complex and the community development block grant (CDBG) for the senior center. Revenue is received through rental charges to user departments, grants and activities.

Overall revenues are roughly \$422,000 or 55 percent of the annual budget. Second quarter intergovernmental revenues were associated with reimbursements for the Sr. Center project and Coronavirus Relief Fund reimbursements. The City received a grant to be reimbursed for eligible expenses associated with mitigating the risk of COVID-19. The final reimbursement for the Sr. Center project is expected in the third quarter. Other revenue for the quarter was largely associated with user rents and transfers.

Expenditures through the second quarter are roughly 73 percent of the annual budget. The City Hall Facilities, Barnes Butte and Public Works Facilities Department are tracking under budget at approximately 28 percent, 46 percent and 31 percent of the annual budget respectively. In the Police Facilities Department, the new facility continues to be adapted and remodeled with approximately \$1.75 million in capital expenditures during the second quarter for that project. The new police department is expected to be ready for occupancy in April 2021. The Sr. Center project is almost completed (pictured below) and the final expenditures are expected in the third quarter. Second quarter expenditures in the Barnes Butte Department are primarily associated with the joints park master plan and debt service.

Fund balance decreased roughly -72 percent through the second quarter due to the capital projects going on in this fund with the largest project taking place in Police Facilities.



*The inside remodel of the Senior Center that was completed during the second quarter.*

**Building Facilities Fund - Continued**

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget to Date	Biennial Budget %	Biennial Budget Remaining
	Budget Est.	Actual	Quarter Budget %	Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance				
Rent	\$ 56,725	\$ 54,425	96%	\$ 226,900	\$ 108,850	48%	\$ 118,050	\$ 438,000	\$ 320,050	73%	\$ 117,950
Transfers	44,275	27,125	61%	177,100	72,850	41%	104,250	867,100	457,050	53%	410,050
Miscellaneous	1,250	4,549	364%	5,000	8,107	162%	(3,107)	10,000	41,474	415%	(31,474)
Debt proceeds	-	-	-	-	-	-	-	5,958,000	5,958,000	100%	-
Intergovernmental	81,825	210,805	258%	327,300	219,565	67%	107,735	1,575,300	1,352,286	86%	223,014
Sale of Assets	-	-	-	-	-	-	-	-	150,000	-	(150,000)
Interest	7,500	3,610	48%	30,000	12,675	42%	17,325	70,000	76,382	109%	(6,382)
<b>Total revenue</b>	<b>\$ 191,575</b>	<b>\$ 300,514</b>	<b>157%</b>	<b>\$ 766,300</b>	<b>\$ 422,046</b>	<b>55%</b>	<b>\$ 344,254</b>	<b>\$ 8,918,400</b>	<b>\$ 8,355,243</b>	<b>94%</b>	<b>\$ 563,157</b>
<b>Expenditures</b>											
City Hall facilities	\$ 79,650	\$ 45,995	58%	\$ 318,600	\$ 87,871	28%	\$ 230,729	\$ 512,300	\$ 281,475	55%	\$ 230,825
Police facilities	871,650	1,815,623	208%	3,486,600	2,875,730	82%	610,870	9,051,100	8,395,835	93%	655,265
CDBG - Sr. Center	56,175	7,550	13%	224,700	203,397	91%	21,303	1,515,300	1,358,119	90%	157,181
Public Works facilities	10,725	7,046	66%	42,900	13,146	31%	29,754	85,000	55,185	65%	29,815
Barnes Butte	33,725	36,292	108%	134,900	62,172	46%	72,728	361,200	288,460	80%	72,740
Contingency				205,208				27,008			
<b>Total expenditures</b>	<b>\$ 1,051,925</b>	<b>\$ 1,912,507</b>	<b>182%</b>	<b>\$ 4,412,908</b>	<b>\$ 3,242,316</b>	<b>73%</b>	<b>\$ 965,384</b>	<b>\$ 11,551,908</b>	<b>\$ 10,379,075</b>	<b>90%</b>	<b>\$ 1,145,825</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (860,350)</b>	<b>\$ (1,611,993)</b>	<b>-41%</b>	<b>\$ (3,646,608)</b>	<b>\$ (2,820,270)</b>	<b>-72%</b>	<b>\$ (621,130)</b>	<b>\$ (2,633,508)</b>			
<b>Other requirements</b>											
Debt service reserve	212,900			212,900				237,900			237,900
<b>Beginning fund balance</b>	<b>3,859,508</b>	<b>3,917,100</b>	<b>101%</b>	<b>3,859,508</b>	<b>3,917,100</b>	<b>101%</b>		<b>2,871,408</b>			
<b>Ending fund balance</b>	<b>\$ 2,999,158</b>	<b>\$ 2,305,107</b>	<b>77%</b>	<b>\$ -</b>	<b>\$ 1,096,830</b>	<b>-</b>		<b>\$ -</b>			



*Barnes Butte Recreational Area*

**Plaza Maintenance Fund**

This fund accounts for the maintenance of the plaza joining City Hall and the Crook County Annex building. The county and the city maintain the plaza in a joint effort. Starting in 2005 the county was responsible for accounting for the maintenance of the plaza per a city and county agreement. The agreement has been revised and the city, starting FY 13, now assumes the responsibility of accounting for the plaza maintenance. Revenues are generated through a transfer from the city with matching monies from the county. Expenditures are for maintaining the landscaping, sidewalks and lighting.

In the Plaza Fund, the city and county have an agreement that the audited ending fund balance is not to exceed \$50,000, with both entities putting in matching amounts not to exceed \$10,000. Revenues are tracking under budget because the timing in which the county is to make its annual payment per the contract and the timing in which audited fund balances are given do not align.

Second quarter materials and services are for contracted landscaping and grounds keeping, and snow and ice removal totaling approximately \$1,900.

Fund balance increased roughly 11 percent with the city transferring their matching portion per the contract in the second quarter.

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget to Date	Biennial Budget %	Biennial Budget Remaining
	Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance				
Intergovernmental	\$ 1,250	\$ -	-	\$ 5,000	\$ 3,991	80%	\$ 1,009	\$ 22,500	\$ 10,452	46%	\$ 12,048
Interest	250	51	20%	1,000	131	13%	869	2,000	1,205	60%	795
Transfers	1,250	3,991	319%	5,000	3,991	80%	1,009	22,500	10,452	46%	12,048
<b>Total revenue</b>	<b>\$ 2,750</b>	<b>\$ 4,042</b>	<b>147%</b>	<b>\$ 11,000</b>	<b>\$ 8,113</b>	<b>74%</b>	<b>\$ 2,887</b>	<b>\$ 47,000</b>	<b>\$ 22,109</b>	<b>47%</b>	<b>\$ 24,891</b>
<b>Expenditures</b>											
Materials and services	\$ 3,500	\$ 1,868	53%	\$ 14,000	\$ 4,007	29%	\$ 9,993	\$ 43,000	\$ 23,988	56%	\$ 19,012
Transfers	500	500	100%	2,000	1,000	50%	1,000	4,000	3,000	75%	1,000
Contingency					36,318			36,318			
<b>Total expenditures</b>	<b>\$ 4,000</b>	<b>\$ 2,368</b>	<b>59%</b>	<b>\$ 52,318</b>	<b>\$ 5,007</b>	<b>10%</b>	<b>\$ 10,993</b>	<b>\$ 83,318</b>	<b>\$ 26,988</b>	<b>32%</b>	<b>\$ 20,012</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (1,250)</b>	<b>\$ 1,674</b>	<b>6%</b>	<b>\$ (41,318)</b>	<b>\$ 3,106</b>	<b>11%</b>	<b>\$ (8,106)</b>	<b>\$ (36,318)</b>			
<b>Beginning fund balance</b>	<b>41,318</b>	<b>29,093</b>	<b>70%</b>	<b>41,318</b>	<b>29,093</b>	<b>70%</b>		<b>36,318</b>			
<b>Ending fund balance</b>	<b>\$ 40,068</b>	<b>\$ 30,767</b>	<b>77%</b>	<b>\$ -</b>	<b>\$ 32,199</b>	<b>-</b>		<b>\$ -</b>			



City staff working to set up the temporary display of the sculpture called War Paint in the plaza.



**Public Works Support Services Fund**

This fund accounts for the activities of the Public Works management, support staff, fleet and vehicle maintenance costs. The primary source of revenue is charges to other funds for services.

Revenues through the second quarter are at roughly 45 percent of the annual budget. Second quarter revenues are largely made up of charges for service transfers from the Water, Wastewater and Transportation Department.

Overall expenditures through the second quarter are at roughly 47 percent of the annual budget. Expenditures for support services are tracking slightly under budget through the second quarter with personnel services coming in at 48 percent at quarter end. In the fleet and vehicles department, expenditures through the second quarter are at approximately 68 percent. Second quarter expenditures were largely for capital expenditures associated with a new excavator that totaled roughly \$191,000. A budget adjustment will be required prior to yearend in the fleet and vehicles department due to unanticipated capital expenditures.

Fund balance decreased approximately \$128,000 or -74 percent through the second quarter largely due to the purchase of capital equipment in the second quarter.

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget to Date	Biennial Budget %	Biennial Budget Remaining
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance				
Intergovernmental	\$ 28,325	\$ 157	1%	\$ 113,300	\$ 113,708	100%	\$ (408)	\$ 236,000	\$ 114,733	49%	\$ 121,267
Charges for services	518,125	441,625	85%	2,072,500	883,250	43%	1,189,250	4,000,500	2,882,250	72%	1,118,250
Interest	875	403	46%	3,500	1,108	32%	2,392	7,000	4,535	65%	2,465
Miscellaneous	4,500	358	8%	18,000	2,358	13%	15,642	36,000	4,729	13%	31,271
<b>Total revenue</b>	<b>\$ 551,825</b>	<b>\$ 442,543</b>	<b>80%</b>	<b>\$ 2,207,300</b>	<b>\$ 1,000,424</b>	<b>45%</b>	<b>\$ 1,206,876</b>	<b>\$ 4,279,500</b>	<b>\$ 3,006,246</b>	<b>70%</b>	<b>\$ 1,273,254</b>
<b>Expenditures</b>											
Public Works Support Services	\$ 451,475	\$ 424,586	94%	\$ 1,805,900	\$ 860,138	48%	945,762	\$ 3,527,000	\$ 2,542,263	72%	\$ 984,737
Public Works Fleet and Vehicles	98,625	222,872	226%	394,500	268,572	68%	125,928	636,600	579,307	91%	57,293
Contingency				181,833				290,833			
<b>Total expenditures</b>	<b>\$ 550,100</b>	<b>\$ 647,459</b>	<b>118%</b>	<b>\$ 2,382,233</b>	<b>\$ 1,128,710</b>	<b>47%</b>	<b>\$ 1,071,690</b>	<b>\$ 4,454,433</b>	<b>\$ 3,121,570</b>	<b>70%</b>	<b>\$ 1,042,030</b>
<b>Revenue over (under) expenditures</b>	<b>\$ 1,725</b>	<b>\$ (204,916)</b>	<b>-118%</b>	<b>\$ (174,933)</b>	<b>\$ (128,286)</b>	<b>-74%</b>	<b>\$ 135,186</b>	<b>\$ (174,933)</b>			
<b>Beginning fund balance</b>	<b>174,933</b>	<b>173,520</b>	<b>99%</b>	<b>174,933</b>	<b>173,520</b>	<b>99%</b>		<b>174,933</b>			
<b>Ending fund balance</b>	<b>\$ 176,658</b>	<b>\$ (31,396)</b>	<b>-</b>	<b>\$ -</b>	<b>\$ 45,234</b>	<b>-</b>		<b>\$ -</b>			

Notes: Budget adjustment will likely be needed prior to yearend



*New excavator bought in the second quarter.*