

*City of Prineville, Oregon
Financial Report
Third Quarter Ended March 31, 2016*

Executive Summary

Through the third quarter ending March 31, 2016, the City's financial condition increased slightly by approximately 3% or \$221,000. Property taxes, franchise fees, PERS credits and charges for services in the Railroad Fund and Water Fund are the largest contributing factors to the increase in the City's financial condition. Fund's that have significant positive impacts to the City's financial condition included General Fund, the PERS / POB Fund, Railroad and Water. City funds with decreases in fund balances are largely due to capital improvements and scheduled debt service payments. Fund's that had significant negative impacts to the City's financial condition included Transportation, Water SDC, Airport, Golf Course, Public Works Support Services and Plaza Maintenance.

Through the third quarter, General Fund revenues came in at approximately 85% of the annual budget or \$3.55 million. Year to date property tax revenue is roughly \$1.74 million or 97% of the annual budget which is an increase of roughly \$40,000 over prior year's quarter end. Transient lodging taxes are up at roughly \$222,000 compared to \$186,200 in the prior year quarter end. Franchise fees are at roughly 73% of the annual budget and collection increased approximately \$137,000 over prior year's third quarter, largely due to increased revenue in electrical franchise fees. Electrical franchise fees have continued in their upward trend, ending the third quarter up by approximately \$138,600 over the same time frame last year. The General Funds ending balance increased approximately \$393,500 through the third quarter.

The Emergency Dispatch Fund shows a decrease to fund balance by roughly \$21,500 or -7% through the third quarter. A majority of the materials and services that were expensed during the third quarter were for the records management system (RMS) upgrade. With the Sheriff's Department also making the switch, the RMS upgrade allows for the sharing critical information between the public safety entities.

The Transportation Fund's ending balance shows a decrease of approximately \$86,000 or -37% through the third quarter. Expenditures for capital projects in the first half of FY 16 are the significant reason for the decrease in fund balance. This fund will need a budget adjustment for capital outlay prior to yearend due to the quick fix sidewalk project that had originally been budgeted for FY15.

Local development has positively affected the SDC funds. During the third quarter there were roughly 11 housing starts. SDC reimbursements took place during the third quarter which makes up a majority of the expenses in each of these funds with the exception of the Wastewater SDC fund. The Wastewater SDC fund is the only SDC fund with capital improvements budgeted for FY 16. The Crooked River Wetland project started construction during the third quarter.

The Railroad Fund has seen an increase to fund balance of approximately \$186,000 through the third quarter. Rail traffic and car storage has been on an upward trend over the last several quarters. Freight is up roughly 45%, switching is up 80% and storage is up 76% in comparison to the prior year at third quarter end. Also contributing the increase in fund balance is the selling of tax credits in the first and third quarters.

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Airport Fund balance shows a decrease of approximately \$20,000 or -28%. Activity continues to increase at the airport with hangar tie downs and rents revenues up roughly 11% and leases up roughly 18% in comparison to the prior year at quarter end. Fuel revenue is down compared to the prior year, mostly due to the decrease in fuel prices around the region. Fuel inventory is roughly \$45,600 at quarter end offsetting the decrease in fund balance.

Meadow Lakes Golf shows a decrease in fund balance of roughly \$303,000 or -56% with the purchase of golf carts in the first quarter and debt service payments that total roughly \$95,000. Overall revenues are up compared to the prior year. Expenditures are also up compared to the prior year and management continues to monitor them closely.

The Public Works Service Fund decrease in fund balance of roughly -31% is largely due to capital equipment acquisitions. The Plaza Maintenance Fund has an anticipated decrease in fund balance through the third quarter of roughly -43% which is largely due to the replacement of pavers that were causing a trip hazard with poured concrete.

Actual beginning fund balances do not include accrued absences liability as it has in the past for the proprietary funds. For continued transparency and comparability the accrued absences liability, calculated as of June 30th 2015, has been taken into consideration in the adjusted beginning fund balance. Ending fund balance and the percentage change in fund balance has been calculated from the adjusted beginning fund balance. Please see page 25 for the adjustment details.

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
 All City Funds

Liz Schuette,
 Finance Director

Fund	Adjusted* Beginning Fund Balance	Current Year Resources	Current Year Expenditures	Ending Fund Balance	Change in Fund Balance	Percentage	Projected Year-end Fund Balance	Variance Over / Under
						Change in Fund Balance		
General	\$ 797,059	\$ 3,553,957	\$ 3,160,427	\$ 1,190,590	\$ 393,531	49%	\$ 871,859	\$ (318,731)
Transportation	233,581	812,159	898,016	147,724	(85,857)	-37%	205,281	57,557
Emergency Dispatch	327,197	963,325	984,886	305,636	(21,561)	-7%	316,697	11,061
Planning	78,380	267,682	283,513	62,549	(15,831)	-20%	58,380	(4,169)
Transportation SDC	236,294	224,903	217,464	243,733	7,439	3%	459,094	215,361
Water SDC	117,092	163,561	242,840	37,813	(79,279)	-68%	10,592	(27,221)
Wastewater SDC	109,607	523,648	520,822	112,433	2,826	3%	115,207	2,774
LID Debt Service	88,675	162,680	149,914	101,441	12,766	14%	101,475	34
PERS/ POB	64,142	297,251	69,284	292,110	227,968	355%	185,342	(106,768)
Railroad	633,849	786,691	601,102	832,655	185,589	29%	784,649	(48,006)
Airport	72,949	542,371	562,441	56,443	(20,070)	-26%	37,449	(18,994)
Water	1,508,741	1,989,780	1,590,067	1,908,454	399,713	26%	1,524,941	(383,513)
Wastewater	1,766,550	2,450,298	2,809,286	1,422,409	(358,989)	-20%	1,554,950	132,541
Golf Course and Restaurant	542,662	1,040,842	1,344,002	371,165	(303,160)	-45%	337,862	(33,303)
Administration and Financial Services	328,700	1,474,764	1,459,942	451,587	14,822	3%	315,271	(136,316)
Plaza Maintenance	43,216	20,360	38,943	24,633	(18,583)	-43%	15,916	(8,717)
City Hall	169,199	141,021	152,497	157,723	(11,476)	-7%	169,999	12,276
Public Works Support Services	345,609	1,010,595	1,119,359	323,390	(108,764)	-25%	348,334	24,944
Totals	\$ 7,463,502	\$ 16,425,890	\$ 16,204,806	\$ 8,042,488	\$ 221,084	3%	\$ 7,413,298	\$ (629,190)

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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 for the third quarter is at approximately \$809,000 with roughly \$135,000 coming from property taxes. Year to date property tax revenue is roughly \$1.74 million or 97% of the annual budget through the third quarter compared to approximately \$1.70 million last year at quarter end. Transient lodging taxes are up over prior year at roughly \$222,000 or 106% of the annual budget, compared to \$186,200 last year. Franchise fees are at roughly 73% of the annual budget and collection increased approximately \$137,000 over last year during the same time frame. This increase continues to be associated to the upward trend in electrical franchise fees collection. Electrical franchise fees are up by approximately \$138,600 over third quarter prior year.

Police spending through the third quarter was at approximately 74% of the annual budget. Personnel services for the police department are at roughly 77% of annual budget with overtime at roughly 87% of the annual budget. Police facility is at approximately 76% of the annual budget and non-departmental is at 76% of the annual budget. This fund may require a budget adjustment prior to yearend because of costs associated with the strategic plan for the jail that were not budgeted.

Overall, the General Fund's fund balance has realized an increase of approximately 49% or \$393,500 through the third quarter. Estimates show fund balance at yearend at roughly \$872,000.

Revenue	Current Quarter		Quarter Budget %	Year to Date		Annual Budget %	Annual Budget	Year-end Estimate	Estimate to Budget Variance
	Budget	Actual		Budget	Actual				
Property taxes	\$ 447,500	\$ 134,741	30%	\$ 1,342,500	\$ 1,743,495	97%	\$ 1,790,000	\$ 1,830,000	\$ 40,000
Transient lodging tax	52,500	49,339	94%	157,500	221,823	106%	210,000	310,000	100,000
Franchise fees	430,250	506,411	118%	1,290,750	1,259,812	73%	1,721,000	1,733,000	12,000
Licenses and permits	2,675	2,653	99%	8,025	8,250	77%	10,700	9,600	(1,100)
Intergovernmental revenues	58,450	92,586	158%	175,350	184,234	79%	233,800	235,500	1,700
Charges for services	25	-	-	75	-	0%	100	100	-
Interest	750	1,104	147%	2,250	2,646	88%	3,000	3,000	-
Miscellaneous	49,675	22,262	45%	149,025	133,696	67%	198,700	210,100	11,400
Total revenue	\$ 1,041,825	\$ 809,097	78%	\$ 3,125,475	\$ 3,553,957	85%	\$ 4,167,300	\$ 4,331,300	\$ 164,000
Expenditures									
Police	847,925	787,574	93%	2,543,775	2,542,974	75%	3,391,700	3,400,700	9,000
Police facility	17,300	13,739	79%	51,900	52,509	76%	69,200	69,200	-
Non-departmental	185,725	189,721	102%	557,175	564,943	76%	742,900	786,600	43,700
Contingency							761,398		(761,398)
Total expenditures	\$ 1,050,950	\$ 991,034	94%	\$ 3,152,850	\$ 3,160,427	64%	\$ 4,965,198	\$ 4,256,500	\$ (708,698)
Revenue over (under) expenditures	(9,125)	(181,938)	-	(27,375)	393,531	49%	(797,898)	74,800	872,698
Beginning fund balance	797,898	797,059	100%	797,898	797,059	100%	797,898	797,059	(839)
Ending fund balance	\$ 788,773	\$ 615,121	78%	\$ 770,523	\$ 1,190,590	155%	\$ -	\$ 871,859	

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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, insurance, power for traffic signals and asphalt.

Overall revenues through the third quarter for the Transportation Fund came in at approximately 68% of the annual budget. Intergovernmental revenue collection is at 65% of the annual budget. The State of Oregon gas tax came in at approximately \$418,000 through the third quarter which is an increase from the prior year third quarter end of roughly \$20,000.

Third quarter expenditures are roughly 66% of annual budget. Capital expenditures in the third quarter totaled approximately \$37,000 with roughly 25,000 going towards the support of Cascade East Transit. Personnel services are at approximately 72% of the annual budget. This fund will need a budget adjustment for capital outlay prior to yearend due to the quick fix sidewalk project that had originally been budgeted for FY15.

Fund balance started recovering from the first half of the year's capital projects, ending the third quarter with a total \$86,000 decrease or -37%.

Revenue	Current Quarter			Year to Date			Annual Budget	Year-end Estimate	Estimate to Budget Variance
	Budget	Actual	Budget %	Budget	Actual	Budget %			
Franchise Fees	\$ 64,750	\$ 64,750	100%	\$ 194,250	\$ 194,250	75%	\$ 259,000	\$ 259,000	\$ -
Intergovernmental	207,200	184,951	89%	621,600	536,606	65%	828,800	870,800	42,000
Transfers	25,000	25,000	100%	75,000	75,000	75%	100,000	100,000	-
Interest	300	230	77%	900	902	75%	1,200	1,200	-
Miscellaneous	2,625	2,577	98%	7,875	5,402	51%	10,500	8,500	(2,000)
Total revenue	\$ 299,875	\$ 277,508	93%	\$ 899,625	\$ 812,159	68%	\$ 1,199,500	\$ 1,239,500	\$ 40,000
Expenditures									
Personal services	53,500	49,840	93%	160,500	153,351	72%	214,000	214,000	-
Material & services	50,875	11,517	23%	152,625	96,529	47%	203,500	196,000	(7,500)
Capital outlay									
Improvements	101,150	36,992	37%	303,450	364,562	90%	404,600	479,700	75,100
Transfers	94,525	94,525	100%	283,575	283,575	75%	378,100	378,100	-
Contingency							169,799		(169,799)
Total expenditures	\$ 300,050	\$ 192,874	64%	\$ 900,150	898,016	66%	\$ 1,369,999	\$ 1,267,800	\$ (102,199)
Revenue over (under) expenditures	(175)	84,634	36%	(525)	(85,857)	-37%	(170,499)	(28,300)	142,199
Beginning fund balance	170,499	233,581	137%	170,499	233,581	137%	170,499	233,581	63,082
Ending fund balance	\$ 170,324	\$ 318,215	187%	\$ 169,974	\$ 147,724	87%	\$ -	\$ 205,281	

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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.

Overall revenue collection for the Emergency Dispatch Fund was approximately \$923,000 or 78% of the annual budget. Third quarter revenue collection came in at roughly 111% of the quarter budget. Intergovernmental revenue came in at 120% of the quarter budget with roughly \$138,000 coming from Fire and Rescue.

Expenditures are approximately \$985,000 or 63% of the annual budget. Personnel services are at approximately 73% of the annual budget, and are projected to come in under budget at yearend. Materials and services expenditures during the third quarter were largely for the records management system (RMS) upgrade which allows for the sharing of critical information with the Sheriff's Department.

The Emergency Dispatch Fund decreased its fund balance by roughly \$22,000 or -7% through the third quarter.

Revenue	Current Quarter			Year to Date			Annual Budget	Annual Estimate	Year-end Estimate	Estimate to Budget Variance
	Budget	Actual	Budget %	Budget	Actual	Budget %				
Intergovernmental	\$ 173,025	\$ 207,704	120%	\$ 519,075	559,702	81%	\$ 692,100	\$ 692,100	\$ -	
Charges for services	625	-	-	1,875	2,420	97%	2,500	2,500	-	
Interest	750	221	30%	2,250	929	31%	3,000	1,900	(1,100)	
Transfers from other funds	133,425	133,425	100%	400,275	400,275	75%	533,700	533,700	-	
Total revenue	\$ 307,825	\$ 341,350	111%	\$ 923,475	\$ 963,325	78%	\$ 1,231,300	\$ 1,230,200	\$ (1,100)	
Expenditures										
Personal services	224,775	203,658	91%	674,325	656,454	73%	899,100	850,000	(49,100)	
Material & services	25,400	46,966	185%	76,200	117,346	115%	101,600	133,700	32,100	
Capital outlay	23,600	5,538	23%	70,800	73,836	78%	94,400	74,000	(20,400)	
Transfers	45,750	45,750	100%	137,250	137,250	75%	183,000	183,000	-	
Contingency						-	274,035		(274,035)	
Total expenditures	\$ 319,525	\$ 301,913	94%	\$ 958,575	\$ 984,886	63%	\$ 1,552,135	\$ 1,240,700	\$ (311,435)	
Revenue over (under) expenditures	(11,700)	39,438	-337%	(35,100)	(21,561)	-7%	(320,835)	(10,500)	310,335	
Beginning fund balance	320,835	327,197	102%	320,835	327,197	102%	320,835	327,197	6,362	
Ending fund balance	\$ 309,135	\$ 366,635	119%	\$ 285,735	\$ 305,636	107%	\$ -	\$ 316,697		

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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.

Third quarter revenue collection came in at approximately \$86,000 or 87% of the quarter budget. Revenue collection through the third quarter for licenses and permits is at approximately \$35,000 or 76% which is an increase over the prior year at quarter end by roughly \$16,000. There were 11 housing starts in the third quarter.

Expenditures incurred during the third quarter came in at approximately \$90,000 or 91% of the quarter budget with overall expenditures at roughly 60% of the annual budget. This fund will likely need a budget adjustment prior to yearend for DEQ – Air Quality related expenditures in materials and services.

Ending fund balance is at \$62,500 at third quarter end and projected to decrease by yearend to \$58,400.

Revenue	Current Quarter		Quarter Budget %	Year to Date		Annual Budget %	Annual Budget	Year-end Estimate	Estimate to Budget Variance
	Budget	Actual		Budget	Actual				
Licenses & Permits	\$ 11,500	\$ 2,099	18%	\$ 34,500	\$ 35,176	76%	\$ 46,000	\$ 40,000	(6,000)
Intergovernmental	12,500	-	-	37,500	-	-	50,000	5,300	(44,700)
Charges for services	3,425	12,551	366%	10,275	18,470	135%	13,700	25,000	11,300
Interest	50	72	144%	150	287	144%	200	400	200
Transfers from other funds	71,250	71,250	100%	213,750	213,750	75%	285,000	285,000	-
Total revenue	\$ 98,725	\$ 85,972	87%	\$ 296,175	\$ 267,682	68%	\$ 394,900	\$ 355,700	\$ (39,200)
Personal services	57,775	57,546	100%	173,325	171,214	74%	231,100	229,100	(2,000)
Material & services	5,475	3,889	71%	16,425	20,357	93%	21,900	26,400	4,500
Capital Outlay	7,500	-	-	22,500	7,193	24%	30,000	7,200	(22,800)
Transfers	28,250	28,250	100%	84,750	84,750	75%	113,000	113,000	-
Contingency							74,372		(74,372)
Total expenditures	\$ 99,000	\$ 89,685	91%	\$ 297,000	\$ 283,513	60%	\$ 470,372	\$ 375,700	\$ (94,672)
Revenue over (under) expenditures	(275)	(3,713)	-	(825)	(15,831)	-20%	(75,472)	(20,000)	55,472
Beginning fund balance	75,472	78,380	104%	75,472	78,380	104%	75,472	78,380	2,908
Ending fund balance	\$ 75,197	\$ 74,667	99%	\$ 74,647	\$ 62,549	84%	\$ -	\$ 58,380	

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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 through the third quarter for the Transportation SDC Fund is at approximately 91% of the annual budget. Third quarter SDC collection came in at roughly \$35,000 with \$224,000 total collection through third quarter end which is approximately 91% of the annual budget. Residential development in the third quarter continues to positively affect the SDC funds, as nine transportation SDC's were collected in the third quarter.

SDC reimbursements in the amount of roughly \$208,000 took place in the third quarter which is roughly 77% of the annual budget for materials and services.

Ending fund balance increased approximately 3% through the third quarter. Yearend fund balance is projected to come in at roughly \$459,000.

Revenue	Current Quarter		Quarter Budget %	Year to Date		Annual Budget %	Annual Budget	Year-end Estimate	Estimate to Budget Variance
	Budget	Actual		Budget	Actual				
Interest	625	229	37%	1,875	998	40%	2,500	1,500	(1,000)
Misc Income	-	-	-	-	44	-	-	100	100
System development charges	61,450	35,334	58%	184,350	223,860	91%	245,800	448,000	202,200
Total revenue	\$ 62,075	\$ 35,563	57%	\$ 186,225	\$ 224,903	91%	\$ 248,300	\$ 449,600	\$ 201,300
Expenditures									
Material & services	90,000	208,038	231%	270,000	208,038	77%	360,000	208,000	(152,000)
Capital outlay	-	-	-	-	-	-	-	-	-
Improvements	-	-	-	-	-	-	-	-	-
Transfers	3,075	9,426	307%	9,225	9,426	102%	12,300	18,800	6,500
Contingency	-	-	-	-	-	-	238,032	-	(238,032)
Total expenditures	\$ 93,075	\$ 217,464	234%	\$ 279,225	\$ 217,464	36%	\$ 610,332	\$ 226,800	\$ (383,532)
Revenue over (under) expenditures	(31,000)	(181,901)	-77%	(93,000)	7,439	3%	(362,032)	222,800	584,832
Beginning fund balance	362,032	236,294	65%	362,032	236,294	65%	362,032	236,294	\$ (125,738)
Ending fund balance	\$ 331,032	\$ 54,393	16%	\$ 269,032	\$ 243,733	91%	\$ -	\$ 459,094	

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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.

Overall third quarter revenue came in at approximately \$31,000 or 164% of the quarterly budget. Total revenue collection is at 216% of the annual budget through the third quarter. Local development continued in the third quarter positively affecting the SDC funds. During the third quarter there were ten residential water SDC's collected.

Overall expenditures that took place during the third quarter came in the form of transfers, mostly to the water fund for debt service payments. Expenditures through the third quarter are at 124% of the annual budget. With SDC collection coming in higher than budget, transfers based on collection will also come in higher than budget.

Fund balance is projected to be at approximately \$10,600 by yearend.

Revenue	Current Quarter		Quarter	Year to Date		Annual	Annual	Year-end	Estimate to
	Budget	Actual	Budget %	Budget	Actual	Budget %	Budget	Estimate	Budget Variance
Interest	\$ 25	\$ 114	456%	\$ 75	\$ 520	520%	\$ 100	\$ 600	500
System development charges	18,875	30,943	164%	56,625	163,041	216%	75,500	188,000	112,500
Total revenue	\$ 18,900	\$ 31,058	164%	\$ 56,700	\$ 163,561	216%	\$ 75,600	\$ 188,600	\$ 113,000
Expenditures									
Transfers	48,450	242,840	501%	145,350	242,840	125%	193,800	295,100	101,300
Contingency							2,188		(2,188)
Total expenditures	\$ 48,450	\$ 242,840	501%	\$ 145,350	\$ 242,840	124%	\$ 195,988	\$ 295,100	\$ 99,112
Revenue over (under) expenditures	(29,550)	(211,782)	-181%	(88,650)	(79,279)	-68%	(120,388)	(106,500)	13,888
Beginning fund balance	120,388	117,092	97%	120,388	117,092	97%	120,388	117,092	(3,296)
Ending fund balance	\$ 90,838	\$ (94,690)	-	\$ 31,738	\$ 37,813	119%	\$ -	\$ 10,592	

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Wastewater SDC Fund

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

Overall revenue through the third quarter is at approximately 20% of the annual budget. Third quarter revenue can largely be attributed to the funding coming for the Crooked River Wetlands project that started in the third quarter. During the third quarter there were 11 residential wastewater SDC's collected with third quarter collection coming in at 197% of the quarter budget.

Expenditures were roughly \$407,000 or 59% of quarter budget. The Crooked River Wetlands construction is the only capital expenditure budgeted for FY 16. The project has been in the planning phase for a couple of years and during the third quarter construction started.

Ending fund balance through the third quarter increased roughly 3% to \$112,000.

Revenue	Current Quarter		Quarter Budget %	Year to Date		Annual Budget %	Annual Budget	Year-end Estimate	Estimate to Budget Variance
	Budget	Actual		Budget	Actual				
Interest	125	-	-	375	338	68%	500	500	-
Intergovernmental	187,500	6,500	3%	562,500	6,500	1%	750,000	620,000	(130,000)
System development charges	28,375	55,890	197%	85,125	119,346	105%	113,500	157,000	43,500
Debt Proceeds	455,000	397,464	87%	1,365,000	397,464	29%	1,820,000	2,600,000	780,000
Total revenue	\$ 671,000	\$ 459,854	69%	\$ 2,013,000	\$ 523,648	20%	\$ 2,684,000	\$ 3,377,500	\$ 693,500
Expenditures									
Material & services	33,250	103,565	311%	99,750	103,565	104%	133,000	112,700	(20,300)
Capital outlay									
Improvements	642,500	297,601	46%	1,927,500	411,215	16%	2,570,000	3,220,000	650,000
Transfers	9,250	6,043	65%	27,750	6,043	16%	37,000	39,200	2,200
Contingency				-			96,103		(96,103)
Total expenditures	\$ 685,000	\$ 407,209	59%	\$ 2,055,000	\$ 520,822	18%	\$ 2,836,103	\$ 3,371,900	\$ 535,797
Revenue over (under) expenditures	(14,000)	52,645	48%	(42,000)	2,826	3%	(152,103)	5,600	157,703
Beginning fund balance	152,103	109,607	72%	152,103	109,607	72%	152,103	109,607	(42,496)
Ending fund balance	\$ 138,103	\$ 162,252	117%	\$ 110,103	\$ 112,433	102%	\$ -	\$ 115,207	

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LID Debt Service Fund

This fund accounts for the repayment of debt issued to finance property owner requested infrastructure projects. The primary revenue source is payment of assessments by benefited property owners.

Semiannual assessment payment came in and debt service payment went out during the third quarter. The LID Debt Service Fund is as anticipated.

Revenue	Current Quarter		Quarter	Year to Date		Annual	Annual	Year-end	Estimate to
	Budget	Actual	Budget %	Budget	Actual	Budget %	Budget	Estimate	Budget Variance
Interest	\$ 75	\$ 91	121%	\$ 225	\$ 243	81%	\$ 300	\$ 300	\$ -
Assessment repayments	40,625	81,218	200%	121,875	162,437	100%	162,500	162,500	-
Total revenue	\$ 40,700	\$ 81,309	200%	\$ 122,100	\$ 162,680	100%	\$ 162,800	\$ 162,800	\$ -
Expenditures									
Debt service									
Principal									
Ironhorse LID - 2006	19,800	40,163	203%	59,400	79,187	100%	79,200	79,200	-
Interest									
Ironhorse LID - 2006	17,700	34,795	197%	53,100	70,727	100%	70,800	70,800	-
Contingency							145,529		(145,529)
Total expenditures	\$ 37,500	\$ 74,957	200%	\$ 112,500	\$ 149,914	51%	\$ 295,529	\$ 150,000	\$ (145,529)
Revenue over (under) expenditures	3,200	6,352	199%	9,600	12,766	14%	(132,729)	12,800	145,529
Beginning fund balance	132,729	88,675	67%	132,729	88,675	67%	132,729	88,675	(44,054)
Ending fund balance	\$ 135,929	\$ 95,027	70%	\$ 142,329	\$ 101,441	71%	\$ -	\$ 101,475	

March 31, 2016

PERS/ POB Fund

This fund accounts for the potential issuance of pension obligation bonds 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.

Third quarter revenues included credits from PERS of approximately \$59,000 from the setup of the City's side account in 2014 that provides rate relief from funding the City's unfunded PERS liability.

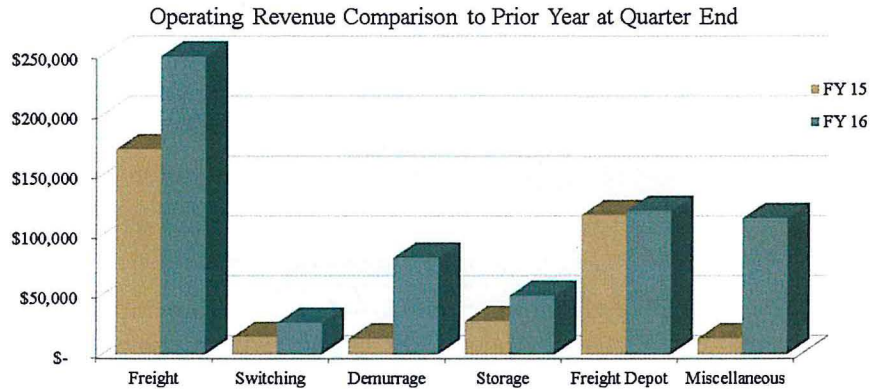
Expenditures are as anticipated.

Revenue	Current Quarter			Year to Date			Annual Budget	Annual Budget %	Year-End Estimate	Estimate to Budget Variance
	Budget	Actual	Budget %	Budget	Actual	Budget %				
Interest	\$ 75	\$ 188	251%	\$ 225	\$ 566	252%	\$ 300	\$ 600	\$ 300	
Miscellaneous	-	59,233	-	-	79,260	-	-	79,300	79,300	
Transfer from other funds	72,475	72,475	100%	217,425	217,425	75%	289,900	289,900	-	
Total revenue	\$ 72,550	\$ 131,896	182%	\$ 217,650	\$ 297,251	102%	\$ 290,200	\$ 369,800	\$ 79,600	
Expenditures										
Debt service										-
Principal - POB 2013	27,500		-	82,500	-	-	110,000	110,000		-
Interest - POB 2013	34,650		-	103,950	69,284	50%	138,600	138,600		-
Contingency							108,418			(108,418)
Total expenditures	\$ 62,150	\$ -	-	\$ 186,450	\$ 69,284	19%	\$ 357,018	\$ 248,600	\$ (108,418)	
Revenue over (under) expenditures	\$ 10,400	\$ 131,896	1268%	\$ 31,200	\$ 227,968	355%	\$ (66,818)	\$ 121,200	\$ 188,018	
Beginning fund balance	66,818	64,142		66,818	64,142		66,818	64,142	(2,676)	
Ending fund balance	\$ 77,218	\$ 196,038		\$ 98,018	\$ 292,110		\$ -	\$ 185,342		

Railroad Fund

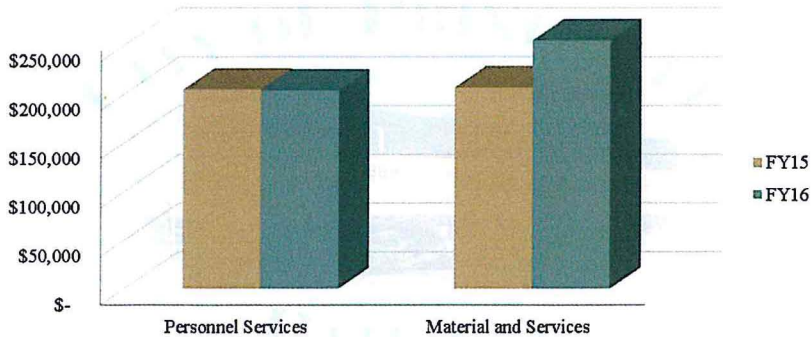
This fund accounts for the activities of the City’s railroad operation and for the City’s freight depot operation. Starting in FY 14 the Railroad and Freight Depot Funds were consolidated. Primary revenue sources are payments for the use of railroad and freight depot facilities and related services.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

Overall revenue collection during the third quarter is at roughly \$292,600 or 162% of the quarter budget. Charges for services for the railroad are at approximately \$358,000 or 101% of the annual budget and freight depot charges for services are approximately \$147,000 or 83% of annual budget. Railroad activity continues to increase with new customers like Carson Oil and increased traffic from Les Schwab. Year to date overall revenue comparisons to prior year are up roughly 79% or \$282,000. Below is a breakdown of the funds major revenue sources compared to prior year collection at third quarter end.



Overall expenditures through the third quarter are at approximately \$601,000 or 46% of the annual budget. Personnel services are at roughly \$204,000 or 71% of the annual budget. Year to date operating expenses in comparison to prior year are up roughly 11% with the increased activity. This fund will likely require a budget adjustment prior to yearend.

Operating Expenditure Comparison to Prior Year at Quarter End



March 31, 2016

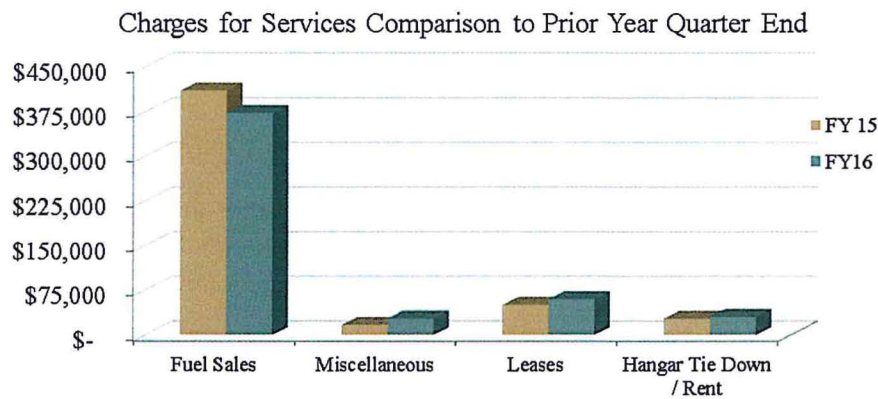
Through the third quarter the ending fund balance is at approximately \$819,000, an increase of roughly \$186,000 or 29%.

Revenue	Current Quarter		Quarter	Year to Date		Annual	Annual	Year-end	Estimate to
	Budget	Actual	Budget %	Budget	Actual	Budget %	Budget	Estimate	Budget Variance
Charges for services									
Railroad	\$ 88,375	\$ 112,592	127%	\$ 265,125	357,531	101%	\$ 353,500	\$ 481,200	127,700
Freight Depot	44,150	52,204	118%	132,450	147,197	83%	176,600	201,600	25,000
Use of money & property	15,675	24,276	155%	47,025	64,865	103%	62,700	84,200	21,500
Intergovernmental	-	-	-	-	1,821	-	-	1,800	1,800
Miscellaneous	7,500	52,997	707%	22,500	114,377	381%	30,000	114,400	84,400
Transfers	25,225	50,500	200%	75,675	100,900	100%	100,900	100,900	-
Total revenue	\$ 180,925	\$ 292,569	162%	\$ 542,775	\$ 786,691	109%	\$ 723,700	\$ 984,100	\$ 260,400
Expenditures									
Personal services	71,900	69,651	97%	215,700	203,779	71%	287,600	291,400	3,800
Material and services	63,675	69,396	109%	191,025	255,125	100%	254,700	385,800	131,100
Debt Service									
Principal - Credit Facility	23,000	48,392	210%	69,000	95,810	104%	92,000	92,000	-
Interest - Credit Facility	2,225	2,007	90%	6,675	4,988	56%	8,900	8,900	-
Transfers	13,800	13,800	100%	41,400	41,400	75%	55,200	55,200	-
Contingency							618,863		(618,863)
Total expenditures	\$ 174,600	\$ 203,246	116%	\$ 523,800	\$ 601,102	46%	\$ 1,317,263	\$ 833,300	\$ (483,963)
Revenue over (under) expenditures	6,325	89,323	14%	18,975	185,589	29%	(593,563)	150,800	744,363
Beginning fund balance	593,563	633,849	107%	593,563	633,849	107%	593,563	633,849	40,286
Ending fund balance	\$ 599,888	\$ 723,172	121%	\$ 612,538	\$ 819,438	134%	\$ -	\$ 784,649	

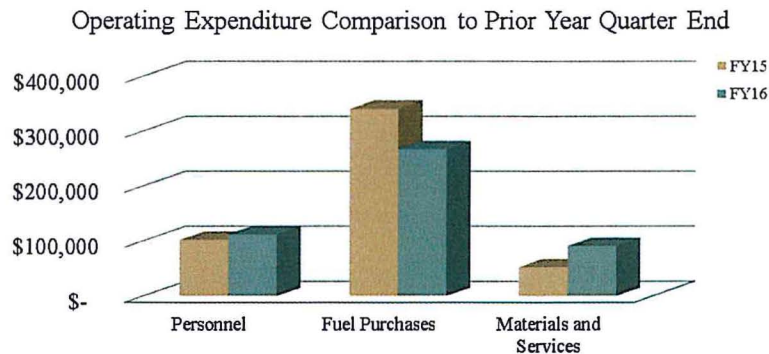
Airport Fund

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 hanger leases. Expenditures are for general operations of the airport including cost of goods sold, maintenance and capital improvements.

Overall revenues are at approximately \$542,000 or 56% of the annual budget. Year to date fuel sales are at roughly \$373,000 and hangar lease charges at approximately \$60,000. Fuel Prices have decreased significantly over the last year which has played a role in the decrease in fuel revenue as overall airport activity has increased. Below is a comparison to prior year for the revenue sources that make up charges for services at quarter end.

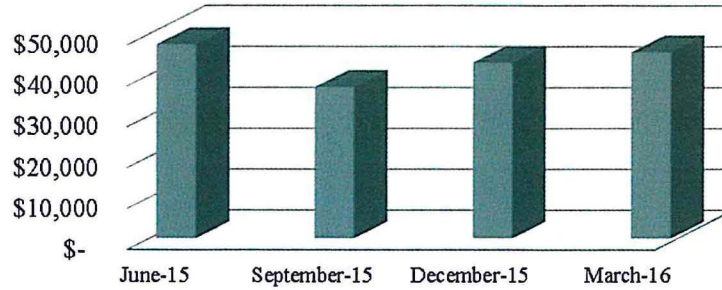


Overall expenditures are at approximately \$562,000 or 56% of the annual budget at third quarter end. Jet A and 100LL fuel purchases were made totaling roughly \$44,700 at the end of March resulting in fuel inventory being roughly \$45,500 at the end of the third quarter. Year to date operating expenditures are down roughly -5% in comparison to prior year at the end of the third quarter. Below is a comparison of expenditures to the prior year at quarter end and a breakdown of fuel inventory by quarter is on the following page.



March 31, 2016

Airport Ending Fuel Inventory by Quarter



Overall fund balance is down approximately \$20,000 or -28% through the third quarter with fuel inventory at quarter end at roughly \$45,500.

	Current Quarter		Quarter Budget %	Year to Date		Annual Budget %	Annual Budget	Year-end Estimate	Estimate to Budget Variance
	Budget	Actual		Budget	Actual				
Intergovernmental	\$ 15,000	\$ -	-	\$ 45,000	\$ 50,000	83%	\$ 60,000	\$ 60,000	-
Charges for services	212,625	176,153	83%	637,875	492,371	58%	850,500	830,300	(20,200)
Other revenues	25	-	-	75	-	0%	100	100	-
Transfers	12,500	-	-	37,500	-	0%	50,000	50,000	-
Total revenue	\$ 240,150	\$ 176,153	73%	\$ 720,450	\$ 542,371	56%	\$ 960,600	\$ 940,400	\$ (20,200)
Personnel Service	37,350	37,591	101%	112,050	112,256	75%	149,400	149,900	500
Materials and Services	175,875	116,794	66%	527,625	358,254	51%	703,500	695,000	(8,500)
Capital outlay	6,525	-	-	19,575	3,256	12%	26,100	21,100	(5,000)
Debt Service	6,250	-	-	18,750	25,000	100%	25,000	25,000	-
Transfers	21,225	21,225	100%	63,675	63,675	75%	84,900	84,900	-
Contingency							20,591		(20,591)
Total expenditures	\$ 247,225	\$ 175,610	71%	\$ 741,675	\$ 562,441	56%	\$ 1,009,491	\$ 975,900	\$ (33,591)
Revenue over (under) expenditures	(7,075)	543	1%	(21,225)	(20,070)	-28%	(48,891)	(35,500)	13,391
Beginning fund balance	48,891	72,949	149%	48,891	72,949	149%	48,891	72,949	24,058
Ending fund balance	\$ 41,816	\$ 73,492	176%	\$ 27,666	\$ 52,879	191%	\$ -	\$ 37,449	

March 31, 2016

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 in the third quarter came in at approximately \$652,000 or 120% of the quarter budget with the debt service transfer from water SDC of \$236,000. Revenue associated with charges for services came in at roughly \$414,000 or 79% of quarter budget. Overall revenues through the third quarter are at approximately 91% of the annual budget.

Third quarter expenditures are at roughly 71% of the quarter budget. Capital improvements during the third quarter were at approximately \$31,000. A majority of the third quarter capital expenditures were from water improvements that were related to the groundwater monitoring and exploration up by the airport.

Overall, the fund balance through the third quarter increased by approximately \$400,000 or 26%.

Revenue	Current Quarter		Quarter Budget %	Year to Date		Annual Budget %	Annual Budget	Year-end Estimate	Estimate to Budget Variance
	Budget	Actual		Budget	Actual				
Charges for services	\$ 524,500	\$ 413,685	79%	\$ 1,573,500	\$ 1,747,482	83%	\$ 2,098,000	\$ 2,190,500	92,500
Interest	1,250	1,101	88%	3,750	3,102	62%	5,000	5,000	-
Miscellaneous	1,375	503	37%	4,125	2,961	54%	5,500	5,500	-
Transfers	17,500	236,235	1350%	52,500	236,235	337%	70,000	287,100	217,100
Total revenue	\$ 544,625	\$ 651,524	120%	\$ 1,633,875	\$ 1,989,780	91%	\$ 2,178,500	\$ 2,488,100	\$ 309,600
Expenditures									
Materials and services	122,225	92,989	76%	366,675	313,220	64%	488,900	463,600	(25,300)
Franchise fees expense	25,000	25,000	100%	75,000	75,000	75%	100,000	100,000	-
Capital outlay									
Improvements	180,625	30,902	17%	541,875	118,262	16%	722,500	548,000	(174,500)
Debt service									
Principal									
Refunding bond 2011	27,500			82,500	105,000	95%	110,000	110,000	-
Water revenue bond 2003	11,250	45,000	400%	33,750	45,000	100%	45,000	45,000	-
Interest									
Refunding bond 2011	26,525			79,575	103,786	98%	106,100	106,100	-
Water revenue bond 2003	5,425	10,837	200%	16,275	21,675	100%	21,700	21,700	-
Transfers	269,375	269,375	100%	808,125	808,125	75%	1,077,500	1,077,500	-
Contingency				-			1,130,022		(1,130,022)
Total expenditures	\$ 667,925	\$ 474,103	71%	\$ 2,003,775	\$ 1,590,067	42%	\$ 3,801,722	\$ 2,471,900	\$ (1,329,822)
Revenue over (under) expenditures	(123,300)	\$ 177,420	-	(369,900)	399,713	26%	(1,623,222)	16,200	1,639,422
Beginning fund balance	1,623,222	1,508,741	93%	1,623,222	1,508,741	93%	1,623,222	1,508,741	(114,481)
Ending fund balance	\$ 1,499,922	\$ 1,686,161	112%	\$ 1,253,322	\$ 1,908,454	152%	\$ -	\$ 1,524,941	

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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 through the third quarter came in at approximately \$2.45 million or 75% of the annual budget. Third quarter revenue collection for charges for services was roughly \$796,000 or 100% of the quarter budget. Prior year comparisons show charges for services up at third quarter end by roughly 4.7%.

Expenditures are at roughly 61% of the annual budget and are as anticipated at quarter end with the debt service payments made during the third quarter.

Fund balance has decreased through the third quarter by roughly \$359,000 or -20%. Yearend estimate project ending fund balance at \$1.55 million at June 30th.

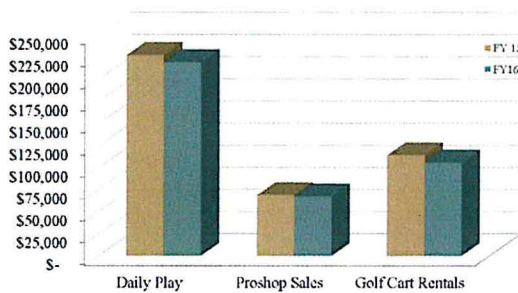
Revenue	Current Quarter			Year to Date			Annual Budget	Year-end Estimate	Estimate to Budget Variance
	Budget	Actual	Budget %	Budget	Actual	Budget %			
Charges for services	\$ 792,500	\$ 795,955	100%	\$ 2,377,500	\$ 2,393,143	75%	\$ 3,170,000	\$ 3,183,000	13,000
Interest	750	909	121%	2,250	2,647	88%	3,000	3,000	-
Miscellaneous	12,000	13,207	110%	36,000	38,084	79%	48,000	50,200	2,200
SDCs - reimbursement fees	-	1,283	-	-	16,424	-	-	32,000	32,000
Transfers	7,825	-	-	23,475	-	-	31,300	-	(31,300)
Total revenue	\$ 813,075	\$ 811,354	100%	\$ 2,439,225	\$ 2,450,298	75%	\$ 3,252,300	\$ 3,268,200	\$ 15,900
Expenditures									
Personal services	27,575	26,393	96%	82,725	79,537	72%	110,300	110,300	-
Materials and services	130,075	70,040	54%	390,225	328,915	63%	520,300	520,000	(300)
Franchise fees expense	39,750	39,750	100%	119,250	119,250	75%	159,000	159,000	-
Capital outlay									
Improvements	122,925	72,190	59%	368,775	430,021	87%	491,700	491,700	-
Debt service									
Principal									
DEQ CWSRF R74682/2	105,725	212,982	201%	317,175	422,878	100%	422,900	422,900	-
Refunding 2011 / principal	25,000	-	-	75,000	85,000	85%	100,000	100,000	-
Interest	-	-	-	-	-	-	-	-	-
DEQ CWSRF R74682/1	4,750	-	-	14,250	-	-	19,000	-	(19,000)
DEQ CWSRF R74682/2	41,100	80,628	196%	123,300	164,342	100%	164,400	164,400	-
Refunding 2011 / interest	54,725	-	-	164,175	202,794	93%	218,900	218,900	-
Refinance									
Fees									
DEQ CWSRF R74682/2	7,125	-	-	21,375	28,474	100%	28,500	28,500	-
Transfers	316,025	316,025	100%	948,075	948,075	75%	1,264,100	1,264,100	-
Contingency							1,128,524		(1,128,524)
Total expenditures	874,775	818,008	94%	2,624,325	2,809,286	61%	4,627,624	3,479,800	(1,147,824)
Revenue over (under) expenditures	(61,700)	(6,654)	0%	(185,100)	(358,989)	-20%	(1,375,324)	(211,600)	1,163,724
Other resources / (requirements)									
Debt service reserve	304,000	-	-	304,000	-	-	304,000		
Beginning fund balance	1,679,324	1,766,550	105%	1,679,324	1,766,550	105%	1,679,324	1,766,550	87,226
Ending fund balance	\$ 1,617,624	\$ 1,759,896	109%	\$ 1,494,224	\$ 1,407,561	94%	\$ 304,000	\$ 1,554,950	

Golf Course and Restaurant Fund

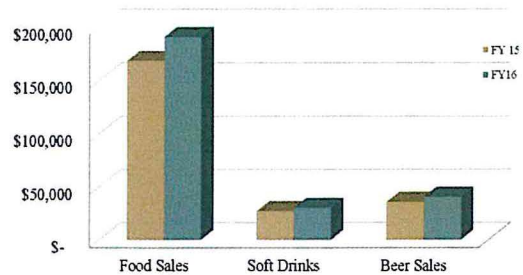
This fund accounts for the activities of Meadow Lakes Golf Course and Restaurant. Revenue is generated through user fees, restaurant sales, and an operating payment from the City's Wastewater Fund for treatment.

Revenue collection through the third quarter is roughly 60% of the annual budget or \$1 million. Golf revenue is at approximately \$465,000 or 60% of the annual budget through the third quarter, this down slightly over prior year third quarter by approximately \$36,000 or -7%. Restaurant revenues are at roughly \$292,200 or 72% of the annual budget through the third quarter which is an increase over prior year quarter end by roughly \$34,000 or 13%. Below is a comparison to the prior year quarter end of the significant operating revenue sources for golf and the restaurant.

Golf Revenue Comparison to Prior Year at Quarter End

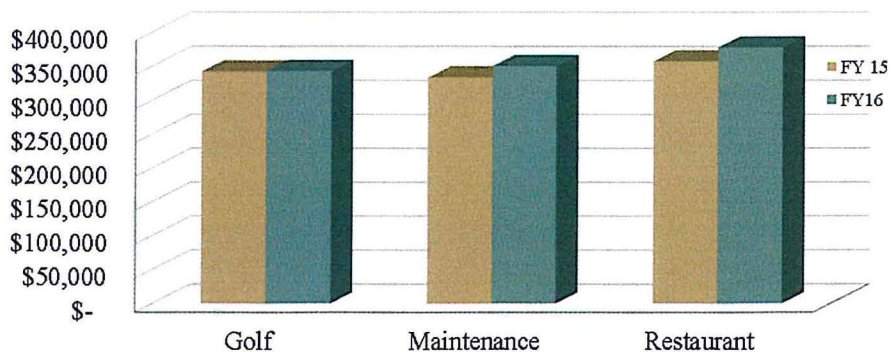


Restaurant Revenue Comparison to Prior Year at Quarter End



Total expenditures through third quarter came in at roughly \$1.34 million or 64% of the annual budget. Overall expenditures for the golf course are roughly \$522,000 or 83% through the third quarter. Restaurant operating expenditures through the third quarter are approximately 76% or \$378,000. Overall operating expenditures have increased over prior year at third quarter end roughly 3.65%. Below is a comparison of operating only expenditures to the prior year at quarter end by department.

Operating Expenditure Comparison to Prior Year at Quarter End



March 31, 2016

Fund balance decreased roughly \$303,000 or -56% leaving the ending fund balance at approximately \$239,500. Management continues to monitor expenditures closely.

Revenue	Current Quarter		Quarter	Year to Date		Annual	Annual	Year-end	Estimate to
	Budget	Actual	Budget %	Budget	Actual	Budget %	Budget	Estimate	Budget Variance
Charges for services									
Golf Course	\$ 192,950	\$ 118,603	61%	\$ 578,850	\$ 465,407	60%	\$ 771,800	\$ 711,500	(60,300)
Waste disposal	92,500	92,500	100%	277,500	277,500	75%	370,000	370,000	-
Restaurant	101,750	82,778	81%	305,250	292,190	72%	407,000	421,500	14,500
Other	1,250	668	53%	3,750	3,309	66%	5,000	5,000	-
Interest	500	352	70%	1,500	1,305	65%	2,000	2,000	-
Miscellaneous	500	838	168%	1,500	1,131	57%	2,000	2,000	-
Debt Proceeds	44,500	-	-	133,500	-	-	178,000	-	(178,000)
Total revenue	\$ 433,950	\$ 295,739	68%	\$ 1,301,850	\$ 1,040,842	60%	\$ 1,735,800	\$ 1,512,000	\$ (223,800)
Expenditures									
Golf Course	156,350	91,847	59%	469,050	521,729	83%	625,400	627,200	1,800
Waste disposal	121,275	86,249	71%	363,825	349,892	72%	485,100	468,500	(16,600)
Restaurant	124,975	110,775	89%	374,925	377,660	76%	499,900	506,500	6,600
Debt service									
Principal - note payable	9,500	5,800	61%	28,500	15,249	54%	38,000	38,000	-
Interest - note payable	-	1,158	-	-	3,307	-	-	-	-
Principal - Credit facility	10,950	23,004	210%	32,850	45,544	104%	43,800	43,800	-
Interest - Credit facility	1,050	954	91%	3,150	2,371	56%	4,200	4,200	-
Principal - 2011 bond	2,500	-	-	7,500	10,000	100%	10,000	10,000	-
Interest - 2011 bond	4,650	-	-	13,950	18,250	98%	18,600	18,600	-
Contingency							382,894		(382,894)
Total expenditures	\$ 431,250	\$ 319,787	74%	\$ 1,293,750	\$ 1,344,002	64%	\$ 2,107,894	\$ 1,716,800	\$ (391,094)
Revenue over (under) expenditures	2,700	(24,048)	-4%	8,100	(303,160)	-56%	(372,094)	(204,800)	167,294
Beginning fund balance	372,094	542,662	146%	372,094	542,662	146%	372,094	542,662	170,568
Ending fund balance	\$ 374,794	\$ 518,614	138%	\$ 380,194	\$ 239,502	63%	\$ -	\$ 337,862	

March 31, 2016

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 for the third quarter came in at approximately \$498,000 or 103% of the quarter budget.

Overall expenditures for the third quarter end are at roughly 93% of the quarter budget or \$449,000. Information technology is at roughly 98% of the annual budget with personnel services at approximately 142% of the annual budget. This fund will likely require a budget adjustment prior to yearend largely due to the IT manager position being filled.

Fund balance increased approximately \$15,000 or 5% through the third quarter.

Revenue	Current Quarter		Quarter Budget %	Year to Date		Annual Budget %	Annual Budget	Year-end Estimate	Estimate to Budget Variance
	Budget	Actual		Budget	Actual				
Charges for services	\$ 482,400	\$ 497,412	103%	1,447,200	\$ 1,473,443	76%	\$ 1,929,600	\$ 1,964,000	34,400
Interest	300	407	136%	900	1,321	110%	1,200	1,500	300
Total revenue	\$ 482,700	\$ 497,819	103%	\$ 1,448,100	\$ 1,474,764	76%	\$ 1,930,800	\$ 1,965,500	\$ 34,700
Expenditures									
City Council	21,250	14,802	70%	63,750	45,535	54%	85,000	82,700	(2,300)
Administration/team services	189,025	143,058	76%	567,075	530,742	70%	756,100	742,300	(13,800)
Financial services	175,225	182,429	104%	525,675	509,144	73%	700,900	682,300	(18,600)
Information technology	96,025	108,583	113%	288,075	374,521	98%	384,100	471,629	87,529
Contingency							274,867		(274,867)
Total expenditures	\$ 481,525	\$ 448,871	93%	\$ 1,444,575	\$ 1,459,942	66%	\$ 2,200,967	\$ 1,978,929	\$ (222,038)
Revenue over (under) expenditures	1,175	48,948	-	3,525	14,822	5%	(270,167)	(13,429)	256,738
Beginning fund balance	270,167	328,700	122%	270,167	328,700	122%	270,167	328,700	58,533
Ending fund balance	\$ 271,342	\$ 377,648	139%	\$ 273,692	\$ 343,522	126%	\$ -	\$ 315,271	

March 31, 2016

City Hall Fund

This fund accounts for the operating costs of the city hall facility and related debt service. Revenue is received through rental charges to user departments and activities.

Revenues and expenditures are as anticipated.

Projections anticipate fund balance at roughly \$170,000 by yearend.

Revenue	Current Quarter		Quarter Budget %	Year to Date		Annual Budget %	Annual Budget	Year-end Estimate	Estimate to Budget Variance
	Budget	Actual		Budget	Actual				
Rent	\$ 45,900	\$ 45,900	100%	137,700	\$ 137,700	75%	\$ 183,600	\$ 183,600	-
Misc. Income	2,175	309	14%	6,525	2,752	32%	8,700	8,700	-
Interest	200	141	-	600	570	71%	800	800	-
Total revenue	\$ 48,275	\$ 46,351	96%	\$ 144,825	\$ 141,021	73%	\$ 193,100	\$ 193,100	\$ -
Expenditures									
Materials and services	20,025	19,837	99%	60,075	47,559	59%	80,100	76,300	(3,800)
Debt service							-		
Principal - USDA 2005	11,000	-	-	33,000	43,790	100%	44,000	44,000	-
Interest - USDA - 2005	15,500	-	-	46,500	61,148	99%	62,000	62,000	-
Transfers	2,500	-	-	7,500	-	0%	10,000	10,000	-
Contingency							55,744		(55,744)
Total expenditures	\$ 49,025	19,837	40%	\$ 147,075	\$ 152,497	61%	\$ 251,844	\$ 192,300	\$ (59,544)
Revenue over (under) expenditures	(750)	26,514	-	(2,250)	(11,476)	-7%	(58,744)	800	59,544
Other requirements									
Debt service reserve	105,000	105,000	100%	105,000	105,000	100%	105,000		105,000
Beginning fund balance	163,744	169,199	103%	163,744	169,199	103%	163,744	169,199	5,455
Ending fund balance	\$ 162,994	\$ 195,713	120%	\$ 161,494	\$ 157,723	98%	\$ 105,000	\$ 169,999	

March 31, 2016

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.

Third quarter revenues included CIS grant funds for the plaza improvements. This project's purpose was to replace the pavers that were causing a trip hazard with poured concrete.

Third quarter expenditures are related to the plaza project. The final touches of the project should be completed in the fourth quarter.

Fund balance decreased roughly \$18,600 or -43% which was anticipated as the plaza project continues.

Revenue	Current Quarter		Quarter	Year to Date		Annual	Annual	Year-end	Estimate to
	Budget	Actual	Budget %	Budget	Actual	Budget %	Budget	Estimate	Budget Variance
Intergovernmental	\$ 2,500	\$ -	-	7,500	\$ 10,000	100%	\$ 10,000	\$ 10,000	\$ -
Interest	25	20	82%	75	106	106%	100	100	-
Misc Income	-	7,500	-	-	10,254	-	-	-	-
Transfers	2,500	-	-	7,500	-	-	10,000	10,000	-
Total revenue	\$ 5,025	\$ 7,520	150%	15,075	\$ 20,360	101%	\$ 20,100	\$ 20,100	\$ -
Expenditures									
Materials and services	12,450	11,823	95%	37,350	38,943	78%	49,800	43,700	(6,100)
Transfers	925	-	-	2,775	-	-	3,700	3,700	-
Contingency							8,044		(8,044)
Total expenditures	\$ 13,375	\$ 11,823	88%	\$ 40,125	\$ 38,943	63%	\$ 61,544	\$ 47,400	\$ (14,144)
Revenue over (under) expenditures	(8,350)	(4,303)	-	(25,050)	(18,583)	-43%	(41,444)	(27,300)	14,144
Beginning fund balance	41,444	43,216	104%	41,444	43,216	104%	41,444	43,216	1,772
Ending fund balance	\$ 33,094	\$ 38,913	118%	\$ 16,394	\$ 24,633	150%	\$ -	\$ 15,916	

March 31, 2016

Public Works Support Services Fund

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

Overall revenues are as anticipated. Yearend estimates show a favorable variance to budget comparisons for revenues largely due to the debt proceeds for the street sweeper that was purchased during the first quarter.

Expenditures for public works support services are tracking under budget through the third quarter at \$868,000 or 70% of annual budget. Third quarter expenditures for fleet and vehicles is at roughly 94% of the annual budget with the purchase of a high pressure water jetting unit that took place during the third quarter. This fund requires a supplemental budget prior to yearend for the street sweeper that was purchased.

Fund balance decreased roughly \$109,000 or -31% through the third quarter.

Revenue	Current Quarter			Year to Date			Annual Budget	Year-end Estimate	Estimate to Budget Variance
	Budget	Actual	Budget %	Budget	Actual	Budget %			
Charges for services	\$ 363,525	\$ 331,775	91%	\$ 1,090,575	\$ 994,575	68%	\$ 1,454,100	\$ 1,469,100	15,000
Interest	375	327	87%	1,125	1,205	80%	1,500	1,500	-
Miscellaneous	5,500	4,199	76%	16,500	14,815	67%	22,000	77,300	55,300
Debt Proceeds	-	-	-	-	-	-	-	164,325	164,325
Total revenue	\$ 369,400	\$ 336,301	91%	\$ 1,108,200	\$ 1,010,595	68%	\$ 1,477,600	\$ 1,712,225	\$ 234,625
Expenditures									
Public Works Support Services	310,325	310,066	100%	930,975	868,421	70%	1,241,300	1,198,300	(43,000)
Public Works Fleet & Vehicles	61,250	81,820	134%	183,750	230,598	94%	245,000	475,600	230,600
Public Works Facilities	8,750	6,409	73%	26,250	20,341	58%	35,000	35,600	600
Contingency							293,084		(293,084)
Total expenditures	\$ 380,325	\$ 398,294	105%	\$ 1,140,975	\$ 1,119,359	62%	\$ 1,814,384	\$ 1,709,500	\$ (104,884)
Revenue over (under) expenditures	(10,925)	(61,993)	-	(32,775)	(108,764)	-31%	(336,784)	2,725	339,509
Beginning fund balance	336,784	345,609	103%	336,784	345,609	103%	336,784	345,609	8,825
Ending fund balance	\$ 325,859	\$ 283,616	87%	\$ 304,009	\$ 236,845	78%	\$ -	\$ 348,334	

March 31, 2016

Beginning Fund Balance Adjustment Details

Actual audited beginning fund balances do not include accrued absences liability as it has in the past for the proprietary funds. For continued transparency and comparability the accrued absences liability, calculated as of June 30th 2015, has been taken into consideration in the adjusted beginning fund balance. Ending fund balance and the percentage change in fund balance has been calculated from the adjusted beginning fund balance.

All City Funds

<u>Fund</u>	<u>Actual Audited Beginning Fund Balance</u>	<u>Accrued Absence Liability</u>	<u>Adjusted Beginning Fund Balance</u>
General	\$ 797,059	\$ -	\$ 797,059
Transportation	233,581	-	233,581
Emergency Dispatch	327,197	-	327,197
Planning	78,380	-	78,380
Transportation SDC	236,294	-	236,294
Water SDC	117,092	-	117,092
Wastewater SDC	109,607	-	109,607
LID Debt Service	88,675	-	88,675
PERS/ POB	64,142	-	64,142
Railroad	647,066	13,217	633,849
Airport	76,513	3,564	72,949
Water	1,508,741	-	1,508,741
Wastewater	1,781,398	14,848	1,766,550
Golf Course and Restaurant	674,325	131,663	542,662
Administration and Financial Services	436,765	108,065	328,700
Public Works Support Services	432,154	86,545	345,609
City Hall	169,199	-	169,199
Plaza Maintenance	43,216	-	43,216
Totals	\$ 7,821,404	\$ 357,902	\$ 7,463,502