

*City of Prineville,
Oregon
Financial Report
Third Quarter Ended
March 31, 2017*

Executive Summary

Through the third quarter ending March 31st, 2017 the City's financial condition decreased by approximately -3% or \$297,000. City funds with decreases in fund balances are largely due to capital improvements and the timing in which funding is received and scheduled debt service payments. Fund's that had significant negative impacts to the City's financial condition included Transportation, Wastewater SDC, Airport, Water, Golf Course and Public Works Support Services. Fund's that have significant positive impacts to the City's financial condition included General Fund, Emergency Dispatch, Water SDC, LID Debt Service, PERS / POB and the Railroad Fund.

Through the third quarter, General Fund revenues came in at approximately 89% of the annual budget or \$4.86 million. Year to date property tax revenue is roughly \$1.9 million or 98% of the annual budget which is an increase of roughly \$141,000 over prior year's quarter end. Transient lodging taxes are up over prior year at roughly \$258,600 compared to \$221,800 last year. Franchise fees are at roughly 84% of the annual budget and collection increased approximately \$359,000 over last year same time frame, largely due to increased revenue in electrical franchise fees. Electrical franchise fees have continued on their upward trend and are up by approximately \$357,000 over third quarter prior year due to the continued build out of data centers. During the third quarter the Iron Horse property acquisition was finalized. The General Funds ending balance increased approximately \$719,000 through the third quarter.

The Transportation Fund's ending balance shows a decrease of approximately \$50,600 or -19% through the third quarter. Expenditures for budgeted capital projects in the first half of FY 17 are the significant reason for the decrease in fund balance. This fund is as anticipated.

Local development continues to positively affect the SDC funds. During the third quarter there were 14 housing starts. Timing in which reimbursements are collected for the Crooked River Wetlands project is the contributing factor negatively affecting the Wastewater SDC's fund balance. The Crooked River Wetland Complex grand opening was scheduled during the fourth quarter.

The LID Debt Service fund balance increased roughly \$45,500 through the third quarter. During the second quarter, Brooks Resources paid off the Iron Horse assessment that was outstanding and the City applied the revenue to pay off the outstanding debt at Bank of the Cascades during the third quarter.

The Railroad Fund has seen an increase to fund balance of approximately \$164,000 through the third quarter. Rail activity and car storage has been on an upward trend over the last several quarters. Operating revenue is up approximately 34% while operating expenditures are up roughly 18% over the prior year at quarter end.

Airport fund balance shows a decrease of approximately \$479,000 largely due to capital projects and the timing in which grant dollars are received. Capital expenditures are for the expansion of the tie-down/run up apron and beacon replacement project. This project is considered phase one of

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an FAA funded project. Fuel inventory is approximately \$52,000 at quarter end and the airport is operating as anticipated.

The Water Fund's fund balance decreased roughly -25% through the third quarter, largely due to capital improvements associated with the master plan update, narrow band mobile radio replacements and groundwater monitoring up by the airport.

Meadow Lakes Golf shows a decrease in fund balance of roughly \$87,000 or -23%. Overall revenues are down slightly in comparison to the prior year at quarter end. Significant snow fall December through February impacted operating revenues for both the restaurant and the golf course. During the month of March, the golf course experienced flooding which also impacted revenues. Expenditures are also down compared to the prior year and management continues to monitor them closely.

Other enterprise funds are as anticipated with insignificant change to fund balance through the third quarter. Internal service funds are as anticipated and will balance out during the remaining quarters.

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 Supervisor

Fund	Actual 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	Percentage		
General	\$ 963,852	\$ 4,864,304	\$ 4,145,315	\$ 1,682,841	\$ 718,989	75%	\$ 1,429,052	\$ (253,789)	
Transportation	267,186	974,056	1,024,617	216,625	(50,561)	-19%	195,486	(21,139)	
Emergency Dispatch	339,206	963,379	873,498	429,086	89,880	26%	312,273	(116,813)	
Planning	78,021	287,668	283,536	82,153	4,132	5%	95,121	12,968	
Transportation SDC	496,755	294,656	250,000	541,411	44,656	9%	556,955	15,544	
Water SDC	70,107	104,609	-	174,716	104,609	149%	86,207	(88,509)	
Wastewater SDC	365,822	3,054,097	3,607,927	(188,008)	(553,830)	-151%	226,322	414,330	
LID Debt Service	101,666	1,271,780	1,226,331	147,115	45,449	45%	72,186	(74,929)	
PERS/ POB	252,680	422,092	66,567	608,205	355,525	141%	556,480	(51,725)	
Railroad	902,565	923,783	759,698	1,066,650	164,085	18%	1,101,565	34,915	
Airport	61,663	1,383,531	1,862,426	(417,232)	(478,895)	-777%	156,563	573,795	
Water	1,884,514	1,859,554	2,324,058	1,420,010	(464,504)	-25%	1,479,814	59,804	
Wastewater	1,657,741	2,533,168	2,593,075	1,597,834	(59,907)	-4%	1,962,841	365,007	
Golf Course and Restaurant	373,308	1,013,031	1,100,257	286,082	(87,226)	-23%	423,008	136,926	
Administration and Financial Services	415,879	1,561,264	1,576,111	401,032	(14,847)	-4%	436,879	35,847	
Plaza Maintenance	29,052	120	5,045	24,127	(4,925)	-17%	32,852	8,725	
City Hall	177,067	278,966	255,892	200,141	23,074	13%	232,747	32,606	
Public Works Support Services	323,665	1,088,837	1,221,719	190,783	(132,882)	-41%	298,765	107,982	
Totals	\$ 8,760,749	\$ 22,878,895	\$ 23,176,073	\$ 8,463,570	\$ (297,179)	-3%	\$ 9,655,116	\$ 1,191,546	

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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 \$4.86 million with roughly \$1.88 million coming from property taxes. Year to date property tax revenue is roughly 98% of the annual budget through the third quarter compared to approximately \$1.74 million last year at quarter end. Transient lodging taxes are up over prior year at roughly \$258,600 compared to \$221,800 last year. Franchise fees are at roughly 84% of the annual budget and collection increased approximately \$359,000 over last year same time frame, largely due to increased revenue in electrical franchise fees. Electrical franchise fees are up by approximately \$357,000 over third quarter prior year due to the continued build out of data centers.

Police spending through the third quarter was at approximately 75% of the annual budget. Personnel services for the police department are at roughly 76% of annual budget with overtime at roughly 103% of the annual budget. Non-departmental is at 81% of the annual budget with the acquisition of the Iron Horse property starting in the second quarter and finalizing in the third quarter.

The police department may require a budget adjustment prior to yearend in personnel services due to staffing needs leading to overtime and in capital outlay with the acquisition of two vehicles. Non departmental may also require a budget adjustment prior to yearend with the acquisition of the Iron horse property. Overall, the General Fund realized an increase in fund balance of approximately 75% or \$719,000 through the third quarter. Yearend estimates show a favorable variance with the fund balance ending at roughly \$1.4 million.

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	\$ 480,000	\$ 85,491	18%	\$ 1,440,000	\$ 1,884,516	98%	\$ 1,920,000	\$ 1,975,000	\$ 55,000
Transient lodging tax	75,000	46,860	62%	225,000	258,590	86%	300,000	350,000	50,000
Franchise fees	479,750	617,910	129%	1,439,250	1,619,076	84%	1,919,000	2,251,000	332,000
Licenses and permits	2,675	1,358	51%	8,025	5,430	51%	10,700	8,900	(1,800)
Intergovernmental revenues	58,250	98,970	170%	174,750	179,424	77%	233,000	214,600	(18,400)
Charges for services	25	-	-	75	-	-	100	100	-
Interest	1,000	1,471	147%	3,000	4,543	114%	4,000	4,000	-
Miscellaneous	72,925	66,274	91%	218,775	192,724	66%	291,700	204,900	(86,800)
Transfers	25,000	-	-	75,000	-	-	100,000	75,000	(25,000)
Debt Proceeds	175,000	720,000	411%	525,000	720,000	103%	700,000	720,000	20,000
Total revenue	\$ 1,369,625	\$ 1,638,334	120%	\$ 4,108,875	\$ 4,864,304	89%	\$ 5,478,500	\$ 5,803,500	\$ 325,000
Expenditures									
Police	927,725	938,807	101%	2,783,175	2,793,696	75%	3,710,900	3,742,300	31,400
Non-departmental	415,250	313,172	75%	1,245,750	1,351,619	81%	1,661,000	1,596,000	(65,000)
Contingency							978,459		(978,459)
Total expenditures	\$ 1,342,975	\$ 1,251,979	93%	\$ 4,028,925	\$ 4,145,315	65%	\$ 6,350,359	\$ 5,338,300	\$ (1,012,059)
Revenue over (under) expenditures	26,650	386,356	1450%	79,950	718,989	75%	(871,859)	465,200	1,337,059
Beginning fund balance	871,859	963,852	111%	871,859	963,852	111%	871,859	963,852	91,993
Ending fund balance	\$ 898,509	\$ 1,350,208	150%	\$ 951,809	\$ 1,682,841	177%	\$ -	\$ 1,429,052	

Notes: This fund may require a budget adjustment prior to yearend.

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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, slurry seals, signals, insurance and asphalt.

Third quarter revenue, for the Transportation Fund, came in at approximately 81% of the annual budget. Intergovernmental revenue collection is at 83% of the annual budget. The State of Oregon gas tax came in at approximately \$457,600 through the third quarter which is an increase from the prior year third quarter end of roughly \$39,700.

Third quarter expenditures are roughly 73% of annual budget. Capital expenditures through the third quarter totaled approximately \$427,000 with the completion of the Lynn Blvd and Knowledge crosswalk work, 2016 grind and inlay project during the first quarter, the second quarter work of 2016 fall crack sealing and 3rd street curb and asphalt paving. Personnel services are at approximately 84% of the annual budget with overtime at roughly 158% of the budget due to the extra hours required for snow plowing during the this winter.

Revenue over expenditure projections show an anticipated decrease in fund balance ending the year at roughly \$195,500. A budget adjustment will be required prior to yearend in personnel services and capital outlay, largely due to the amount of snow that needed to be plowed this year, the fiscal year crossover of the Lynn and Knowledge traffic safety improvements and the ODOT grant funded 3rd street sidewalk project. The capital projects completed during the first and second quarter contributed to the overall decrease in fund balance through the third quarter of approximately \$50,500 or -19%.

Revenue	Current Quarter		Quarter Budget %	Year to Date		Annual Budget %	Annual Budget	Year-end Estimate	Estimate to Budget Variance
	Budget	Actual		Budget	Actual				
Franchise Fees	\$ 69,250	\$ 69,250	100%	\$ 207,750	\$ 207,750	75%	\$ 277,000	\$ 277,000	\$ -
Intergovernmental	205,000	195,244	95%	615,000	683,309	83%	820,000	911,700	91,700
Transfers	25,000	25,000	100%	75,000	75,000	75%	100,000	100,000	-
Interest	300	404	135%	900	1,400	117%	1,200	1,200	-
Miscellaneous	2,125	2,124	100%	6,375	6,597	78%	8,500	15,000	6,500
Total revenue	\$ 301,675	\$ 292,022	97%	\$ 905,025	\$ 974,056	81%	\$ 1,206,700	\$ 1,304,900	\$ 98,200
Expenditures									
Personnel services	54,350	62,835	116%	163,050	181,587	84%	217,400	233,300	15,900
Material & services	51,600	42,387	82%	154,800	115,153	56%	206,400	237,400	31,000
Capital outlay									
Improvements	102,600	25,016	24%	307,800	426,753	104%	410,400	504,400	94,000
Transfers	100,375	100,375	100%	301,125	301,125	75%	401,500	401,500	-
Contingency							176,281		(176,281)
Total expenditures	\$ 308,925	\$ 230,613	75%	\$ 926,775	1,024,617	73%	\$ 1,411,981	\$ 1,376,600	\$ (35,381)
Revenue over (under) expenditures	(7,250)	61,409	23%	(21,750)	(50,561)	-19%	(205,281)	(71,700)	133,581
Beginning fund balance	205,281	267,186	130%	205,281	267,186	130%	205,281	267,186	61,905
Ending fund balance	\$ 198,031	\$ 328,595	166%	\$ 183,531	\$ 216,625	118%	\$ -	\$ 195,486	

Notes: This fund may require a budget adjustment prior to yearend.

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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.

Revenue collection for the Emergency Dispatch Fund was approximately \$963,000 or 79% of the annual budget. Third quarter revenue collection came in at roughly 136% of the quarter budget. Intergovernmental revenue came in at 165% of the quarter budget with roughly \$138,000 coming from Crook County Fire and Rescue.

Expenditures are approximately \$873,000 or 57% of the annual budget. Personnel services are at 66% of the annual budget with overtime at approximately 312% of the annual budget due to being understaffed. Dispatcher positions are currently looking to be filled.

This fund may require a budget adjustment prior to yearend in materials and services partially due to the purchasing of telephone hardware for the Crook County Sheriff’s office per Amendment 1 to the Intergovernmental Agreement. Reimbursements for these expenditures are anticipated during the fourth quarter. Yearend projections show fund balance ending at roughly \$312,000. The Emergency Dispatch Fund increased its fund balance by roughly \$90,000 or 26% through the third quarter.

	Current Quarter		Quarter Budget %	Year to Date		Annual Budget %	Annual Budget	Year-end Estimate	Estimate to Budget Variance
	Budget	Actual		Budget	Actual				
Revenue									
Intergovernmental	\$ 173,325	\$ 285,182	165%	\$ 519,975	570,840	82%	\$ 693,300	\$ 693,100	\$ (200)
Charges for services	875	-	-	2,625	-	-	3,500	3,500	-
Interest	500	479	96%	1,500	1,488	74%	2,000	2,000	-
Transfers from other funds	130,350	130,350	100%	391,050	391,050	75%	521,400	521,400	-
Total revenue	\$ 305,050	\$ 416,011	136%	\$ 915,150	\$ 963,379	79%	\$ 1,220,200	\$ 1,220,000	\$ (200)
Expenditures									
Personnel services	231,500	200,758	87%	694,500	608,241	66%	926,000	867,800	(58,200)
Material & services	45,625	26,668	58%	136,875	126,417	69%	182,500	188,233	5,733
Capital outlay	7,500	12,165	162%	22,500	12,165	41%	30,000	22,000	(8,000)
Transfers	42,225	42,225	100%	126,675	126,675	75%	168,900	168,900	-
Contingency							229,497		(229,497)
Total expenditures	\$ 326,850	\$ 281,816	86%	\$ 980,550	\$ 873,498	57%	\$ 1,536,897	\$ 1,246,933	\$ (289,964)
Revenue over (under) expenditures	(21,800)	134,195	40%	(65,400)	89,880	26%	(316,697)	(26,933)	289,764
Beginning fund balance	316,697	339,206	107%	316,697	339,206	107%	316,697	339,206	22,509
Ending fund balance	\$ 294,897	\$ 473,401	161%	\$ 251,297	\$ 429,086	171%	\$ -	\$ 312,273	

Notes: This fund may require a budget adjustment prior to yearend.

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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 \$91,000 or 91% of the quarter budget. Revenue collection through the third quarter for licenses and permits is at approximately \$43,000 with roughly \$9,000 coming in the third quarter. Prior year collection was at approximately \$35,000 at third quarter end. There were approximately 14 housing starts in the third quarter.

Expenditures incurred during the third quarter came in at approximately \$92,000 or 95% of the quarter budget with overall expenditures at roughly 62% of the annual budget.

Fund balance is projected to come in at roughly \$95,000 at yearend. Through the third quarter fund balance increased roughly 5% or \$4,000.

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	\$ 10,000	\$ 9,020	90%	\$ 30,000	42,890	107%	\$ 40,000	\$ 48,000	8,000
Intergovernmental	1,325	-	-	3,975	-	-	5,300	15,300	10,000
Charges for services	9,725	2,856	29%	29,175	8,077	21%	38,900	21,300	(17,600)
Interest	100	112	112%	300	451	113%	400	500	100
Transfers from other funds	78,750	78,750	100%	236,250	236,250	75%	315,000	315,000	-
Total revenue	\$ 99,900	\$ 90,738	91%	\$ 299,700	\$ 287,668	72%	\$ 399,600	\$ 400,100	\$ 500
Personnel services	60,500	59,839	99%	181,500	178,963	74%	242,000	240,000	(2,000)
Material & services	6,950	2,811	40%	20,850	15,698	56%	27,800	24,500	(3,300)
Transfers	29,625	29,625	100%	88,875	88,875	75%	118,500	118,500	-
Contingency							69,680		(69,680)
Total expenditures	\$ 97,075	\$ 92,274	95%	\$ 291,225	\$ 283,536	62%	\$ 457,980	\$ 383,000	\$ (74,980)
Revenue over (under) expenditures	2,825	(1,536)	-54%	8,475	4,132	5%	(58,380)	17,100	75,480
Beginning fund balance	58,380	78,021	134%	58,380	78,021	134%	58,380	78,021	19,641
Ending fund balance	\$ 61,205	\$ 76,485	125%	\$ 66,855	\$ 82,153	123%	\$ -	\$ 95,121	

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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 84% of the annual budget. Third quarter SDC collection came in at roughly \$167,000 with roughly \$113,000 coming from project Knox and project Garrin, both associated with the continued build out of the data centers. Total collection through third quarter end is approximately \$292,000 which is approximately 83% of the annual budget. Local development, through the third quarter, continued to positively affect the SDC funds.

There were no expenditures during the third quarter and total expenditures are roughly 31% of the annual budget.

Through the third quarter, fund balance increased approximately 9% or \$44,700. Yearend estimates project the fund balance to end at roughly \$557,000 on June 30th.

Revenue	Current Quarter		Quarter	Year to Date		Annual	Annual	Year-end	Estimate to
	Budget	Actual	Budget %	Budget	Actual	Budget %	Budget	Estimate	Budget Variance
Interest	500	498	100%	1,500	2,534	127%	2,000	3,700	1,700
System development charges	87,500	167,236	191%	262,500	292,123	83%	350,000	324,000	(26,000)
Total revenue	\$ 88,000	\$ 167,734	191%	\$ 264,000	\$ 294,656	84%	\$ 352,000	\$ 327,700	\$ (24,300)
Expenditures									
Capital outlay									
Improvements	62,500	-	-	187,500	250,000	100%	250,000	250,000	-
Transfers	4,375	-	-	13,125	-	-	17,500	17,500	-
Contingency							543,594		(543,594)
Total expenditures	\$ 66,875	\$ -	-	\$ 200,625	\$ 250,000	31%	\$ 811,094	\$ 267,500	\$ (543,594)
Revenue over (under) expenditures	21,125	167,734	34%	63,375	44,656	9%	(459,094)	60,200	519,294
Beginning fund balance	459,094	496,755	108%	459,094	496,755	108%	459,094	496,755	\$ 37,661
Ending fund balance	\$ 480,219	\$ 664,489	138%	\$ 522,469	\$ 541,411	104%	\$ -	\$ 556,955	

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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 \$41,000 or 82% of the quarterly budget which was mostly system development charges collected during the third quarter. Local development continued in the third quarter, positively affecting the SDC funds. There were 14 housing starts during the third quarter.

There are no expenditures that have been charged to this fund through the third quarter and no capital projects budgeted in this fund for FY17.

This fund may require a budget adjustment prior to yearend. SDC reimbursements are based on a calendar year and collection during that time frame came in higher than anticipated. Yearend projections show fund balance coming in at roughly \$86,000 by June 30th. Through the third quarter, fund balance increased roughly \$105,000 or 149%.

Revenue	Current Quarter		Quarter Budget %	Year to Date		Annual Budget %	Annual Budget	Year-end Estimate	Estimate to Budget Variance
	Budget	Actual		Budget	Actual				
Interest	\$ 150	\$ 177	118%	\$ 450	\$ 552	92%	\$ 600	\$ 600	-
System development charges	50,000	41,105	82%	150,000	104,058	52%	200,000	150,000	(50,000)
Total revenue	\$ 50,150	\$ 41,281	82%	\$ 150,450	\$ 104,609	52%	\$ 200,600	\$ 150,600	\$ (50,000)
Expenditures									
Transfers	31,000	-	-	93,000	-	-	124,000	134,500	10,500
Contingency							87,192		(87,192)
Total expenditures	\$ 31,000	\$ -	-	\$ 93,000	\$ -	-	\$ 211,192	\$ 134,500	\$ (76,692)
Revenue over (under) expenditures	19,150	41,281	59%	57,450	104,609	149%	(10,592)	16,100	26,692
Beginning fund balance	10,592	70,107	662%	10,592	70,107	662%	10,592	70,107	59,515
Ending fund balance	\$ 29,742	\$ 111,388	375%	\$ 68,042	\$ 174,716	257%	\$ -	\$ 86,207	

Notes: This fund may require a budget adjustment prior to yearend.

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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 third quarter revenue collection came in at approximately 46% of the quarter budget. Approximately \$547,800 in intergovernmental grants was collected for the wetlands project during the third quarter.

Expenditures during the third quarter totaled roughly \$274,000 which is all associated with the Crooked River Wetlands construction. The grand opening is anticipated for the 4th quarter.

Ending fund balance through the third quarter decreased of roughly \$554,000 due to the timing in the receipts of reimbursable capital improvements. Fund balance is expected to recover by yearend. Ending fund balance is projected at \$226,000 by June 30th.

Revenue	Current Quarter		Quarter	Year to Date		Annual	Annual	Year-end	Estimate to
	Budget	Actual	Budget %	Budget	Actual	Budget %	Budget	Estimate	Budget Variance
Miscellaneous Revenue	\$ -	2,000	-	\$ -	2,000	-	\$ -	\$ 2,000	2,000
Interest	250	-	-	750	2,069	207%	1,000	3,000	2,000
Intergovernmental	602,500	547,843	91%	1,807,500	1,056,481	44%	2,410,000	2,081,400	(328,600)
System development charges	87,500	4,691	5%	262,500	85,898	23%	350,000	126,200	(223,800)
Debt Proceeds	562,500	20,161	4%	1,687,500	1,907,648	85%	2,250,000	2,159,300	(90,700)
Total revenue	\$ 1,252,750	\$ 574,694	46%	\$ 3,758,250	\$ 3,054,097	61%	\$ 5,011,000	\$ 4,371,900	\$ (639,100)
Expenditures									
Material & services	2,500	225	9%	7,500	225	2%	10,000	10,000	-
Capital outlay									
Improvements	1,202,500	276,956	23%	3,607,500	3,607,702	75%	4,810,000	4,442,300	(367,700)
Transfers	28,625	-	-	85,875	-	-	114,500	59,100	(55,400)
Contingency							191,707		(191,707)
Total expenditures	\$ 1,233,625	\$ 277,181	22%	\$ 3,700,875	\$ 3,607,927	70%	\$ 5,126,207	\$ 4,511,400	\$ (614,807)
Revenue over (under) expenditures	19,125	297,513	81%	57,375	(553,830)	-151%	(115,207)	(139,500)	(24,293)
Beginning fund balance	115,207	365,822	318%	115,207	365,822	318%	115,207	365,822	250,615
Ending fund balance	\$ 134,332	\$ 663,335	494%	\$ 172,582	\$ (188,008)	-	\$ -	\$ 226,322	

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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.

During the third quarter the city paid off the debt service that was associated with Brooks Resources Iron Horse LID. This was part the agreement in the city acquiring the Iron Horse property.

This fund will require a budget adjustment in debt service prior to yearend due to the payoff.

Revenue	Current Quarter		Quarter Budget %	Year to Date		Annual Budget %	Annual Budget	Year-end Estimate	Estimate to Budget Variance
	Budget	Actual		Budget	Actual				
Interest	\$ -	\$ 1,257	-	\$ -	\$ 1,929	-		\$ 2,000	\$ 2,000
Assessment repayments	300,000		-	900,000	1,269,851	106%	1,200,000	1,269,851	69,851
Total revenue	\$ 300,000	\$ 1,257	0%	\$ 900,000	\$ 1,271,780	106%	\$ 1,200,000	\$ 1,271,851	\$ 71,851
Expenditures									
Debt service									
Principal									
Ironhorse LID - 2006	300,000	1,122,683	374%	900,000	1,164,016	97%	1,200,000	1,164,016	(35,984)
Interest									
Ironhorse LID - 2006	-	28,691	-	-	62,315	-	-	62,315	62,315
Transfer	-	-	-	-	-	-	-	75,000	
Contingency							101,475		(101,475)
Total expenditures	\$ 300,000	\$ 1,151,374	384%	\$ 900,000	\$ 1,226,331	94%	\$ 1,301,475	\$ 1,301,331	\$ (75,144)
Revenue over (under) expenditures	-	(1,150,117)	-	-	45,449	45%	(101,475)	(29,480)	146,995
Beginning fund balance	101,475	101,666	100%	101,475	101,666	100%	101,475	101,666	191
Ending fund balance	\$ 101,475	\$ (1,048,451)	-	\$ 101,475	\$ 147,115	145%	\$ -	\$ 72,186	

Notes: This fund may require a budget adjustment prior to yearend.

March 31, 2017

PERS/POB Fund

This fund accounts for the 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. Expenditures are payments for debt service requirements.

Third quarter revenues included the PERS credit of approximately \$60,000 from the setup of the City's side account in 2014 that provides rate relief from funding the City's unfunded PERS liability.

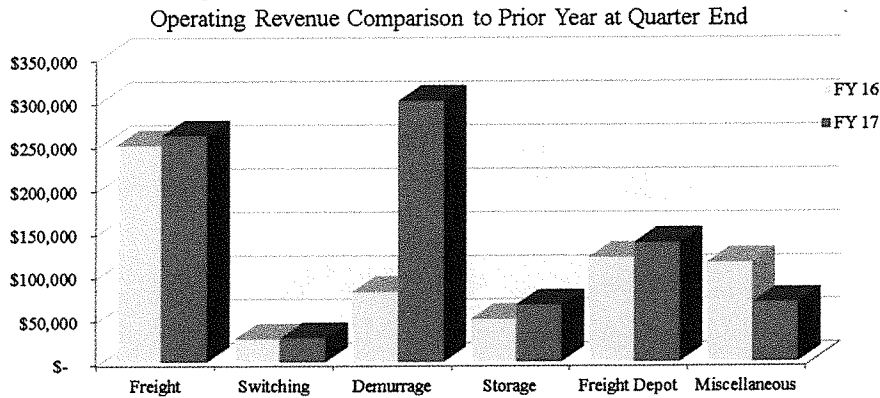
Expenditures are as anticipated.

	Current Quarter		Quarter	Year to Date		Annual	Annual	Year-End	Estimate to
	Budget	Actual	Budget %	Budget	Actual	Budget %	Budget	Estimate	Budget Variance
Revenue									
Interest	\$ 250	\$ 692	277%	\$ 750	\$ 2,105	211%	\$ 1,000	\$ 2,000	\$ 1,000
Miscellaneous	-	60,099	-	-	186,361	-	-	247,000	247,000
Transfer from other funds	78,250	77,875	100%	234,750	233,625	75%	313,000	313,000	-
Total revenue	\$ 78,500	\$ 138,666	177%	\$ 235,500	\$ 422,092	134%	\$ 314,000	\$ 562,000	\$ 248,000
Expenditures									
Debt service									-
Principal - POB 2013	31,250	-	-	93,750	-	-	125,000	125,000	-
Interest - POB 2013	33,300	-	-	99,900	66,567	50%	133,200	133,200	-
Contingency							241,142		(241,142)
Total expenditures	\$ 64,550	\$ -	-	\$ 193,650	\$ 66,567	13%	\$ 499,342	\$ 258,200	\$ (241,142)
Revenue over (under) expenditures	\$ 13,950	\$ 138,666	994%	\$ 41,850	\$ 355,525	141%	\$ (185,342)	\$ 303,800	\$ 489,142
Beginning fund balance	185,342	252,680		185,342	252,680		185,342	252,680	67,338
Ending fund balance	\$ 199,292	\$ 391,346		\$ 227,192	\$ 608,205		\$ -	\$ 556,480	

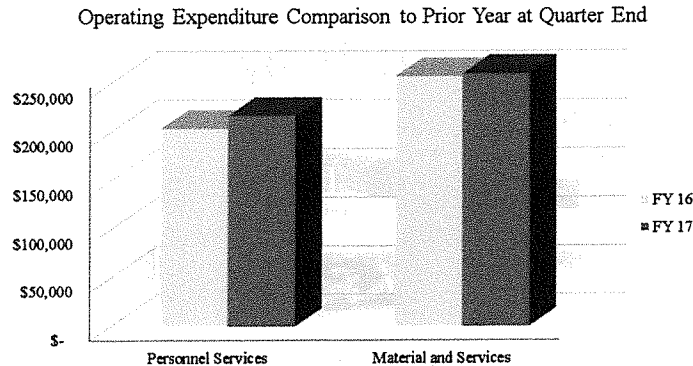
Railroad Fund

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 \$279,000 or 115% of the quarter budget. Charges for services for the railroad are at approximately \$587,000 or 117% of the annual budget and freight depot charges for services are approximately \$182,800 or 82% of annual budget. Overall revenue comparisons to prior year are up roughly \$217,000 or 34% through the third quarter. 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 \$760,000 or 43% of the annual budget. Capital expenditures for equipment and deferred maintenance are currently at \$99,000 and will require a budget adjustment before year end. Personnel services are at roughly \$217,000 or 58% of the annual budget. Prior year comparisons show personnel services and materials and services up a combined total of roughly 17% at quarter end which is expected with the increase in rail services.



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Through the third quarter the ending fund balance is at approximately \$1,071,000, an increase of roughly \$168,000 or 19%. Revenue over expenditure yearend projections show a favorable variance to budget. Ending fund balance is projected to be roughly \$1.1 million at yearend.

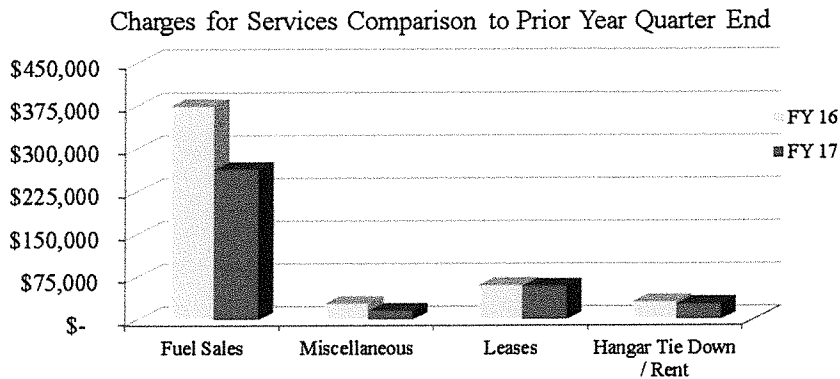
Revenue	Current Quarter		Quarter Budget %	Year to Date		Annual Budget %	Annual Budget	Year-end Estimate	Estimate to Budget Variance
	Budget	Actual		Budget	Actual				
Charges for services									
Railroad	\$ 125,375	\$ 189,604	151%	\$ 376,125	587,173	117%	\$ 501,500	\$ 740,700	239,200
Freight Depot	55,500	68,921	124%	166,500	182,753	82%	222,000	247,000	25,000
Use of money & property	33,925	19,613	58%	101,775	85,495	63%	135,700	107,000	(28,700)
Intergovernmental	-	-	-	-	-	-	-	-	-
Miscellaneous	15,350	630	4%	46,050	68,361	111%	61,400	68,400	7,000
Transfers	12,625	-	-	37,875	-	-	50,500	50,500	-
Total revenue	\$ 242,775	\$ 278,768	115%	\$ 728,325	\$ 923,783	95%	\$ 971,100	\$ 1,213,600	\$ 242,500
Expenditures									
Personnel services	93,475	72,565	78%	280,425	216,926	58%	373,900	286,900	(87,000)
Material and services	96,525	88,308	91%	289,575	325,068	84%	386,100	422,600	36,500
Capital outlay									
Improvements	-	-	-	-	99,116	-	-	163,600	163,600
Debt Service									
Principal - Credit Facility	12,625	-	-	37,875	49,221	97%	50,500	49,300	(1,200)
Interest - Credit Facility	-	-	-	-	967	-	-	1,000	1,000
Transfers	22,800	22,800	100%	68,400	68,400	75%	91,200	91,200	-
Contingency							854,049		(854,049)
Total expenditures	\$ 225,425	\$ 183,674	81%	\$ 676,275	\$ 759,698	43%	\$ 1,755,749	\$ 1,014,600	\$ (741,149)
Revenue over (under) expenditures	17,350	95,094	11%	52,050	164,085	18%	(784,649)	199,000	983,649
Beginning fund balance	784,649	902,565	115%	784,649	902,565	115%	784,649	902,565	117,916
Ending fund balance	\$ 801,999	\$ 997,659	124%	\$ 836,699	\$ 1,066,650	127%	\$ -	\$ 1,101,565	

Notes: This fund may require a budget adjustment prior to yearend.

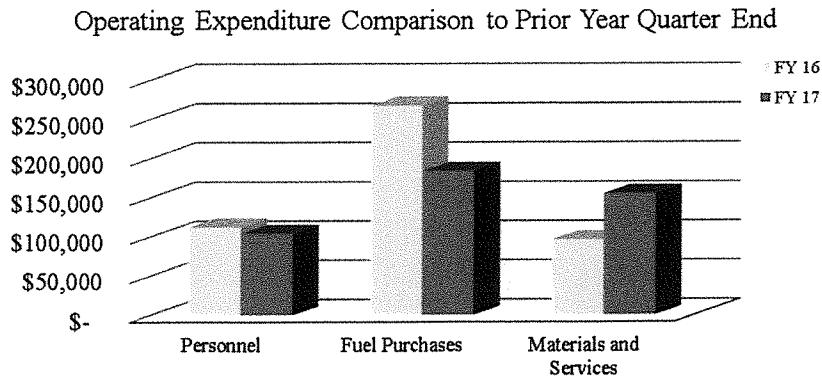
Airport Fund

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.

Overall revenues through the third quarter are approximately 29% of the annual budget or \$1,383,500. Fuel sales are at roughly \$263,000 and hangar lease charges at approximately \$58,500 through the third quarter. Decreases in fuel prices over the last year, bad weather and a slower fire season in comparison to the year before have played a role in the decrease in fuel revenue in comparison to the prior year third quarter end. Overall charges for services are down in comparison to the prior year by roughly -26%. Below is a comparison to prior year for the revenue sources that make up charges for services at quarter end.

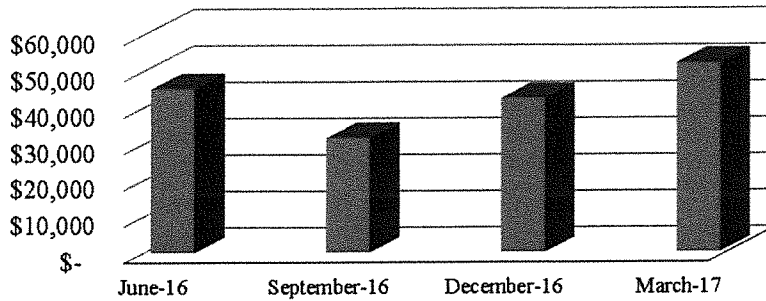


Expenditures are at approximately \$1,862,000 or 39% of the annual budget. The capital projects for the expansion of the tie-down/run up apron and beacon replacement neared completion during the third quarter. These projects are considered phase one of a FAA funded project. Below is a comparison of operating expenditures to the prior year at quarter end.



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Airport Ending Fuel Inventory by Quarter



Overall fund balance is down approximately \$479,000 through the third quarter largely due to the timing in which the receipts of reimbursable capital improvements are received. Fund balance is expected to recover by yearend with an ending fund balance of roughly \$156,600. Fuel inventory at quarter end is roughly \$52,000.

	Current Quarter		Quarter	Year to Date		Annual	Annual	Year-end	Estimate to
	Budget	Actual	Budget %	Budget	Actual	Budget %	Budget	Estimate	Budget Variance
Intergovernmental	\$ 932,500		-	\$ 2,797,500	\$ 888,953	24%	\$ 3,730,000	\$ 1,628,200	(2,101,800)
Charges for services	220,250	80,047	36%	660,750	364,578	41%	881,000	725,500	(155,500)
Other revenues	25	-	-	75	-	-	100	100	-
Transfers	45,000	130,000	289%	135,000	130,000	72%	180,000	130,000	(50,000)
Total revenue	\$ 1,197,775	\$ 210,047	18%	\$ 3,593,325	\$ 1,383,531	29%	\$ 4,791,100	\$ 2,483,800	\$ (2,307,300)
Personnel Service	39,775	38,024	96%	119,325	104,180	65%	159,100	145,800	(13,300)
Materials and Services	191,000	93,970	49%	573,000	338,215	44%	764,000	653,300	(110,700)
Capital outlay	940,000	8,547	1%	2,820,000	1,327,681	35%	3,760,000	1,475,000	(2,285,000)
Debt Service	6,250	-	-	18,750	25,000	100%	25,000	25,000	-
Transfers	22,450	22,450	100%	67,350	67,350	75%	89,800	89,800	-
Contingency							30,649		(30,649)
Total expenditures	\$ 1,199,475	\$ 162,990	14%	\$ 3,598,425	\$ 1,862,426	39%	\$ 4,828,549	\$ 2,388,900	\$ (2,439,649)
Revenue over (under) expenditures	(1,700)	47,056	76%	(5,100)	(478,895)	-777%	(37,449)	94,900	132,349
Beginning fund balance	37,449	61,663	165%	37,449	61,663	165%	37,449	61,663	24,214
Ending fund balance	\$ 35,749	\$ 108,719	304%	\$ 32,349	\$ (417,232)	-	\$ -	\$ 156,563	

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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 \$439,000 or 72% of the quarter budget. Revenue associated with charges for services came in at roughly \$437,000 or 77% of quarter budget. Overall revenues through the third quarter are at approximately 77% of the annual budget.

Third quarter expenditures are at roughly 78% of the quarter budget. Capital improvements during the third quarter were at approximately \$90,000. Third quarter capital improvements that took place were for largely for the master plan update, narrow band mobile radio replacements and groundwater monitoring up by the airport.

Overall, the fund balance through the third quarter decreased by roughly \$464,500 or -25%. This decrease can largely be attributed to capital improvements and the first and third quarter debt service payments. Fund balance is projected to be at roughly \$1.48 million by June 30th. This fund may require a budget adjustment at yearend in materials and services and capital improvements for water rights support and water mitigation credits.

Revenue	Current Quarter Budget	Current Quarter Actual	Quarter Budget %	Year to Date Budget	Year to Date Actual	Annual Budget %	Annual Budget	Year-end Estimate	Estimate to Budget Variance
Charges for services	\$ 564,000	\$ 436,991	77%	\$ 1,692,000	\$ 1,779,836	79%	\$ 2,256,000	\$ 2,367,800	111,800
Intergovernmental	8,750	-	-	26,250	-	-	35,000	25,000	(10,000)
Interest	1,250	1,221	98%	3,750	5,173	103%	5,000	5,000	-
Miscellaneous	1,375	561	41%	4,125	74,545	1355%	5,500	77,000	71,500
Transfers	31,000	-	-	93,000	-	-	124,000	124,000	-
Total revenue	\$ 606,375	\$ 438,773	72%	\$ 1,819,125	\$ 1,859,554	77%	\$ 2,425,500	\$ 2,598,800	\$ 173,300
Expenditures									
Materials and services	125,025	80,522	64%	375,075	327,759	66%	500,100	509,000	8,900
Franchise fees expense	28,250	28,250	100%	84,750	84,750	75%	113,000	113,000	-
Capital outlay									
Improvements	183,750	90,023	49%	551,250	752,683	102%	735,000	929,600	194,600
Debt service									
Principal									
Refunding bond 2011	28,750	-	-	86,250	115,000	100%	115,000	115,000	-
Water revenue bond 2003	11,250	45,000	400%	33,750	45,000	100%	45,000	45,000	-
Interest									
Refunding bond 2011	25,175	-	-	75,525	100,636	100%	100,700	100,700	-
Water revenue bond 2003	4,850	9,690	200%	14,550	19,380	100%	19,400	19,400	-
Transfers	292,950	292,950	100%	878,850	878,850	75%	1,171,800	1,171,800	-
Contingency							1,150,441		(1,150,441)
Total expenditures	\$ 700,000	\$ 546,436	78%	\$ 2,100,000	\$ 2,324,058	59%	\$ 3,950,441	\$ 3,003,500	\$ (946,941)
Revenue over (under) expenditures	(93,625)	\$ (107,663)	-6%	(280,875)	(464,504)	-25%	(1,524,941)	(404,700)	1,120,241
Beginning fund balance	1,524,941	1,884,514	124%	1,524,941	1,884,514	124%	1,524,941	1,884,514	359,573
Ending fund balance	\$ 1,431,316	\$ 1,776,851	124%	\$ 1,244,066	\$ 1,420,010	114%	\$ -	\$ 1,479,814	

Notes: This fund may require a budget adjustment prior to yearend.

March 31, 2017

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 \$2.53 million or 32% of the annual budget. Third quarter revenue collection for charges for services was roughly \$823,000 or 100% of the quarter budget.

Expenditures are at roughly 28% of the annual budget with debt service payments taking place during the third quarter.

Fund balance has decreased through the third quarter by roughly \$60,000 or -4%. This decrease can largely be attributed to the first and third quarter debt service payments. This fund may require a budget adjustment in personnel services and material and services prior to yearend. Yearend projections show the ending fund balance to come in at approximately \$1.96 million by June 30th.

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	\$ 821,750	\$ 823,483	100%	\$ 2,465,250	\$ 2,497,240	76%	\$ 3,287,000	\$ 3,312,000	25,000
Interest	1,000	1,496	150%	3,000	4,824	121%	4,000	4,000	-
Miscellaneous	8,900	563	6%	26,700	28,515	80%	35,600	218,400	182,800
SDCs - reimbursement fees	12,500	-	-	37,500	2,588	5%	50,000	52,000	2,000
Transfers	1,125,000	-	-	3,375,000	-	-	4,500,000	-	(4,500,000)
Total revenue	\$ 1,969,150	\$ 825,543	42%	\$ 5,907,450	\$ 2,533,168	32%	\$ 7,876,600	\$ 3,586,400	\$ (4,290,200)
Expenditures									
Personnel services	28,300	29,529	104%	84,900	87,119	77%	113,200	119,800	6,600
Materials and services	142,375	95,740	67%	427,125	391,634	69%	569,500	608,300	38,800
Franchise fees expense	41,000	41,000	100%	123,000	123,000	75%	164,000	164,000	-
Capital outlay									
Improvements	33,750	-	-	101,250	66,098	49%	135,000	135,000	-
Debt service									
Principal									
DEQ Bridge Loan	1,125,000	-	-	3,375,000	-	-	4,500,000	-	(4,500,000)
DEQ CWSRF R74682/2	108,850	219,289	201%	326,550	435,401	100%	435,400	435,400	-
Refunding 2011 / principal	31,250	-	-	93,750	125,000	100%	125,000	125,000	-
Interest									
State of Oregon IFA	2,500	-	-	7,500	-	-	10,000	-	(10,000)
DEQ Bridge Loan	11,250	-	-	33,750	-	-	45,000	-	(45,000)
DEQ CWSRF R74682/2	37,975	74,321	196%	113,925	151,819	100%	151,900	151,900	-
Refunding 2011 / interest	50,075	-	-	150,225	200,244	100%	200,300	200,300	-
Refinance									
Fees									
DEQ CWSRF R74682/2	6,600	-	-	19,800	26,360	100%	26,400	26,400	-
Transfers	328,800	328,800	100%	986,400	986,400	75%	1,315,200	1,315,200	-
Contingency							1,336,650		(1,336,650)
Total expenditures	1,947,725	788,679	40%	5,843,175	2,593,075	28%	9,127,550	3,281,300	(5,846,250)
Revenue over (under) expenditures	21,425	36,863	2%	64,275	(59,907)	-4%	(1,250,950)	305,100	1,556,050
Other resources / (requirements)									
Debt service reserve	304,000	-	-	304,000	-	-	304,000	-	-
Beginning fund balance	1,554,950	1,657,741	107%	1,554,950	1,657,741	107%	1,554,950	1,657,741	102,791
Ending fund balance	\$ 1,576,375	\$ 1,694,604	108%	\$ 1,619,225	\$ 1,597,834	99%	\$ 304,000	\$ 1,962,841	

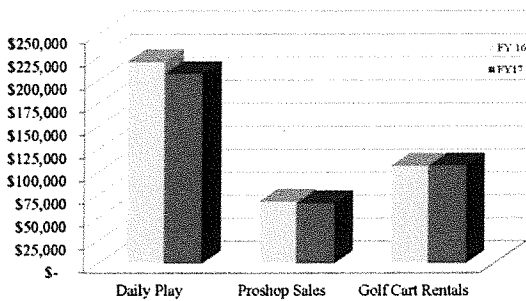
Notes: This fund may require a budget adjustment prior to yearend.

Golf Course and Restaurant Fund

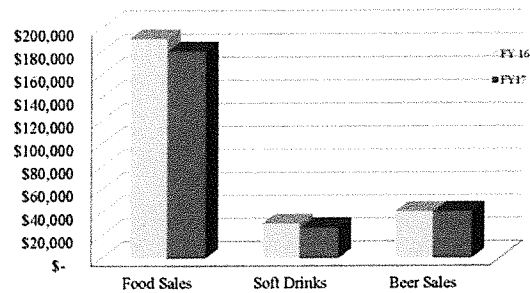
This fund accounts for the activities of Meadow Lakes Golf Course and Restaurant. Revenue is generated through user fees, restaurant sales, and an operating payment from the City’s Wastewater Fund for treatment.

Revenue collection through the third quarter is at approximately 64% of the annual budget or \$1.01 million. Golf revenue is at roughly \$445,000 or 59% of the annual budget through the third quarter, which is a decrease over prior year third quarter by approximately \$20,300 or -4.4%. Restaurant revenues are at approximately \$277,000 or 63% of the annual budget through the third quarter a decrease over prior year quarter end by roughly \$15,000 or -5.2%. Significant snow fall December through February impacted operating revenues for both the restaurant and the golf course. During the month of March, the golf course experienced flooding which also impacted revenues. 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

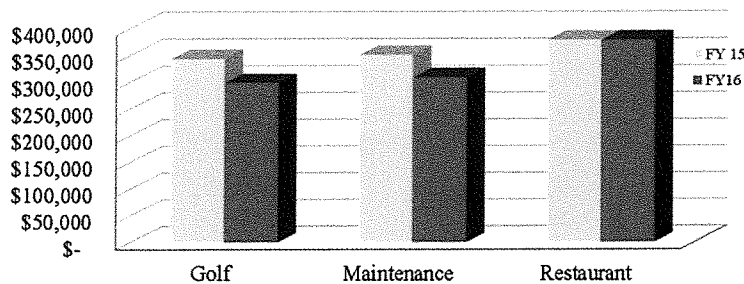


Restaurant Revenue Comparison to Prior Year at Quarter End



Overall expenditures through third quarter came in at roughly \$1.1million or 58% of the annual budget. Overall expenditures for the golf course are roughly \$321,000 or 70% through the third quarter. Restaurant operating expenditures through the third quarter are approximately 72% or \$378,000. Overall operating expenditures have decreased over prior year at third quarter end roughly -8.1%. Below is a comparison of operating expenditures to the prior year at quarter end by department.

Operating Expenditure Comparison to Prior Year at Quarter End



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Fund balance decreased roughly \$87,000 or -23% and management continues to monitor expenditures closely. Yearend projections show a favorable revenue over expenditure variance with the fund balance increasing to roughly \$423,000 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				
Charges for services									
Golf Course	\$ 189,500	\$ 102,899	54%	\$ 568,500	\$ 445,110	59%	\$ 758,000	\$ 713,700	(44,300)
Waste disposal	92,500	92,500	100%	277,500	277,500	75%	370,000	370,000	-
Restaurant	109,250	68,632	63%	327,750	277,096	63%	437,000	404,600	(32,400)
Other	1,250	614	49%	3,750	3,208	64%	5,000	4,500	(500)
Interest	625	483	77%	1,875	1,895	76%	2,500	2,500	-
Miscellaneous	500	7,438	1488%	1,500	8,223	411%	2,000	7,000	5,000
Total revenue	\$ 393,625	\$ 272,565	69%	\$ 1,180,875	\$ 1,013,031	64%	\$ 1,574,500	\$ 1,502,300	\$ (72,200)
Expenditures									
Golf Course	115,200	86,166	75%	345,600	321,249	70%	460,800	414,300	(46,500)
Waste disposal	110,575	72,511	66%	331,725	308,334	70%	442,300	423,900	(18,400)
Restaurant	131,950	109,189	83%	395,850	377,991	72%	527,800	514,500	(13,300)
Debt service									
Principal - note payable	5,975	5,965	100%	17,925	17,715	74%	23,900	23,900	-
Interest - note payable	1,025	993	100%	3,075	3,160	77%	4,100	4,100	-
Principal - Credit facility	5,700	-	-	17,100	23,398	103%	22,800	23,400	600
Interest - Credit facility	525	-	-	1,575	460	22%	2,100	500	(1,600)
Principal - 2011 bond	7,500	-	-	22,500	30,000	100%	30,000	30,000	-
Interest - 2011 bond	4,500	-	-	13,500	17,950	100%	18,000	18,000	-
Contingency							373,162		(373,162)
Total expenditures	\$ 382,950	\$ 274,824	72%	\$ 1,148,850	\$ 1,100,257	58%	\$ 1,904,962	\$ 1,452,600	\$ (452,362)
Revenue over (under) expenditures	10,675	(2,259)	-1%	32,025	(87,226)	-23%	(330,462)	49,700	380,162
Beginning fund balance	330,462	373,308	113%	330,462	373,308	113%	330,462	373,308	42,846
Ending fund balance	\$ 341,137	\$ 371,049	109%	\$ 362,487	\$ 286,082	79%	\$ -	\$ 423,008	

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Administration and Financial Support Services Fund

This fund accounts for the activities of the City Manager’s office, human resources, recorder, contracts / procurement, 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 \$517,000 or 97% of the quarter budget.

Overall expenditures for the third quarter end are at roughly 89% of the quarter budget or \$480,000. Information technology is at roughly 84% of the annual budget with a majority of the city’s software maintenance agreements coming due during the first quarter and continued improvements made in 911 infrastructures and city phone systems. A budget adjustment may be required for the IT department prior to yearend.

Fund balance decreased approximately \$15,000 or -4% through the third quarter. Fund balance is projected to increase by yearend to approximately \$437,000.

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	\$ 530,625	\$ 516,628	97%	1,591,875	\$ 1,559,306	73%	\$ 2,122,500	\$ 2,121,500	(1,000)
Interest	375	543	145%	1,125	1,959	131%	1,500	2,500	1,000
Total revenue	\$ 531,000	\$ 517,170	97%	\$ 1,593,000	\$ 1,561,264	74%	\$ 2,124,000	\$ 2,124,000	\$ -
Expenditures									
City Council	21,375	12,225	57%	64,125	43,815	51%	85,500	80,400	(5,100)
Administration/team services	192,725	162,390	84%	578,175	537,936	70%	770,900	725,800	(45,100)
Financial services	183,850	174,647	95%	551,550	524,540	71%	735,400	731,100	(4,300)
Information technology	139,000	130,637	94%	417,000	469,820	84%	556,000	565,700	9,700
Contingency							300,800		(300,800)
Total expenditures	\$ 536,950	\$ 479,900	89%	\$ 1,610,850	\$ 1,576,111	64%	\$ 2,448,600	\$ 2,103,000	\$ (345,600)
Revenue over (under) expenditures	(5,950)	37,271	-	(17,850)	(14,847)	-4%	(324,600)	21,000	345,600
Beginning fund balance	324,600	415,879	128%	324,600	415,879	128%	324,600	415,879	91,279
Ending fund balance	\$ 318,650	\$ 453,150	142%	\$ 306,750	\$ 401,032	131%	\$ -	\$ 436,879	

Notes: This fund may require a budget adjustment prior to yearend.

March 31, 2017

Building Facilities Fund

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

Revenues are currently 32% of the annual budget and debt proceeds for the police facility renovations in the amount of \$500,000 will not be coming in this fiscal year. It was announced in April 2017 that the City of Prineville was awarded roughly 1.2 million in state grant funds to improve the structural integrity of the City's police facility to withstand a major earthquake.

Expenditures through the third quarter are roughly 27% of the annual budget. Yearend estimates show a favorable variance to budget largely due to the police facility improvements starting at a later date.

Fund balance increased approximately \$23,000 through the third quarter.

	Current Quarter		Quarter Budget %	Year to Date		Annual Budget %	Annual Budget	Year-end Estimate	Estimate to Budget Variance
	Budget	Actual		Budget	Actual				
Revenue									
Rent	\$ 48,225	\$ 48,225	100%	144,675	\$ 144,675	75%	\$ 192,900	\$ 192,900	-
Transfers	41,575	40,650	98%	124,725	121,950	73%	166,300	166,300	-
Misc. Income	2,750	8,735	318%	8,250	11,248	102%	11,000	12,780	1,780
Debt Proceeds	125,000	-	-	375,000	-	-	500,000	-	(500,000)
Interest	200	275	-	600	1,094	137%	800	1,000	200
Total revenue	\$ 217,750	\$ 97,884	45%	\$ 653,250	\$ 278,966	32%	\$ 871,000	\$ 372,980	\$ (498,020)
Expenditures									
City Hall Facilities	54,075	39,471	73%	162,225	173,610	80%	216,300	210,300	(6,000)
Police Facilities	154,825	16,892	11%	464,475	52,755	9%	619,300	70,000	(549,300)
Public Works Facilities	9,250	11,487	124%	27,750	29,527	80%	37,000	37,000	-
Contingency							63,399		(63,399)
Total expenditures	\$ 218,150	67,850	31%	\$ 654,450	\$ 255,892	27%	\$ 935,999	\$ 317,300	\$ (618,699)
Revenue over (under) expenditures	(400)	30,035	-	(1,200)	23,074	13%	(64,999)	55,680	120,679
Other requirements									
Debt service reserve	105,000	105,000	100%	105,000	105,000	100%	105,000		105,000
Beginning fund balance	169,999	177,067	104%	169,999	177,067	104%	169,999	177,067	7,068
Ending fund balance	\$ 169,599	\$ 207,102	122%	\$ 168,799	\$ 200,141	119%	\$ 105,000	\$ 232,747	

March 31, 2017

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.

This fund is as anticipated.

Revenue	Current Quarter		Quarter Budget %	Year to Date		Annual Budget %	Annual Budget	Year-end Estimate	Estimate to Budget Variance
	Budget	Actual		Budget	Actual				
Intergovernmental	\$ 2,500		-	7,500	\$ -	-	\$ 10,000	\$ 10,000	\$ -
Interest	25	32	128%	75	120	120%	100	100	-
Transfers	2,500		-	7,500	-	-	10,000	10,000	-
Total revenue	\$ 5,025	\$ 32	1%	15,075	\$ 120	1%	\$ 20,100	\$ 20,100	\$ -
Expenditures									
Materials and services	3,975	2,244	56%	11,925	5,045	32%	15,900	12,600	(3,300)
Transfers	925		-	2,775	-	-	3,700	3,700	-
Contingency							16,416		(16,416)
Total expenditures	\$ 4,900	\$ 2,244	46%	\$ 14,700	\$ 5,045	14%	\$ 36,016	\$ 16,300	\$ (19,716)
Revenue over (under) expenditures	125	(2,212)	-	375	(4,925)	-17%	(15,916)	3,800	19,716
Beginning fund balance	15,916	29,052	183%	15,916	29,052	183%	15,916	29,052	13,136
Ending fund balance	\$ 16,041	\$ 26,840	167%	\$ 16,291	\$ 24,127	148%	\$ -	\$ 32,852	

March 31, 2017

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 at 68% of the annual budget through the third quarter. Miscellaneous revenue during the third quarter is largely from the sale of a dump truck and pickup truck.

Expenditures for public works support services are tracking under budget through the third quarter at \$969,000 or 71% of annual budget. Third quarter expenditures for fleet and vehicles is at roughly 88% of the annual budget with the purchase of a new dump truck taking place during the third quarter.

Fund balance decreased roughly \$133,000 or -41% 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	\$ 396,025	\$ 355,525	90%	\$ 1,188,075	\$ 1,066,575	67%	\$ 1,584,100	\$ 1,584,100	-
Interest	400	372	93%	1,200	1,644	103%	1,600	2,000	400
Miscellaneous	5,500	18,156	330%	16,500	20,618	94%	22,000	46,500	24,500
Total revenue	\$ 401,925	\$ 374,053	93%	\$ 1,205,775	\$ 1,088,837	68%	\$ 1,607,700	\$ 1,632,600	\$ 24,900
Expenditures									
Public Works Support Services	343,175	313,995	91%	1,029,525	969,083	71%	1,372,700	1,352,000	(20,700)
Public Works Fleet & Vehicles	71,625	102,344	143%	214,875	252,636	88%	286,500	305,500	19,000
Contingency							297,434		(297,434)
Total expenditures	\$ 414,800	\$ 416,339	100%	\$ 1,244,400	\$ 1,221,719	62%	\$ 1,956,634	\$ 1,657,500	\$ (299,134)
Revenue over (under) expenditures	(12,875)	(42,286)	-	(38,625)	(132,882)	-41%	(348,934)	(24,900)	324,034
Beginning fund balance	348,934	323,665	93%	348,934	323,665	93%	348,934	323,665	(25,269)
Ending fund balance	\$ 336,059	\$ 281,379	84%	\$ 310,309	\$ 190,783	61%	\$ -	\$ 298,765	

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