



*City of Prineville, Oregon
Financial Report
Second Quarter Ended
December 31, 2021*

Executive Summary

The City of Prineville moved to a biennial budget in FY 20 resulting in some changes being made to the presentation of the quarterly financial report. The report includes a city-wide summary of beginning fund balances, current period resources and expenditures, and the ending fund balances for all funds. Included in the fund summaries, starting on page six, are comparisons of actual to budgeted amounts, and narrative explaining results and highlights for the quarter. The biennial budget comparison to actual is highlighted in blue in each of the funds. Annual budget estimates for FY 22 reflect the annual allocation that the City’s BN 23 budget was based on and the quarter budget estimates have been allocated proportionally of the fiscal year budget (25 percent). The financial information presented is unaudited.

Quarter budget estimates allocated at 25 percent of the fiscal year budget compared to actual			Fiscal year 2022 numbers utilized in the preparation of the 2022-23 biennial budget compared to actual				Biennial budget comparison to actual		
Current Quarter			Year to Date						
Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance	Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance

During the second quarter ending December 31, 2021 the City’s financial condition increased by approximately \$2.01 million. Funds with significant increases in fund balance include the General Fund, Water SDC, Water, PERS / POB Fund, Wastewater, Golf Course and the Building Facilities Fund. Funds with a significant negative impact to fund balance include the Emergency Dispatch Fund, Transportation, Transportation SDC and the Administrative and Financial Services Fund. Capital improvements and scheduled debt service payments largely contributed to the decrease in the City’s financial condition.

Through the second quarter, General Fund revenues came in at roughly 65 percent of the annual budget or \$5.9 million. Property tax revenue is at 93 percent of the annual budget and up compared to the prior year roughly \$122,000. Transient lodging taxes are up in comparison to the prior year quarter end by roughly \$80,000, bouncing back from the travel restrictions that are no longer in place by the Governor in response to the CV19 pandemic. Franchise fees are at roughly 43 percent of the annual budget with collection increasing approximately \$19,000 over the prior year at quarter end. Electrical franchise fees are up over the prior year at second quarter end \$10,000, but are behind budget estimates. Overall, the General fund realized an increase in fund balance of roughly 27 percent or approximately \$734,000 through the second quarter. This was largely due to the November due date for property taxes with roughly \$2.34 million coming in during the second quarter.

The Transportation’s fund balance decreased roughly \$97,000 or -28 percent through the second quarter. This is anticipated with the timing in which street projects are completed versus the timing in which revenue for the fund is received. Second quarter state gas tax collection came in at roughly \$204,000 and is up approximately \$68,000 over the prior year quarter end with CV19 restrictions being lifted in June 2021. Capital improvements during the second quarter are largely associated with paving projects and the transit grant. Personnel services are at 68 percent of the annual budget with the retirement of the Streets Superintendent, Scott Smith, in December.

December 31, 2021

In Emergency Dispatch, fund balance decreased approximately \$268,000 or -25 percent through the second quarter with roughly \$138,000 in capital expenditures for radio system upgrades. Second quarter revenues were at roughly 60 percent of the annual budget with E-911 funds being up over the prior year due to a rate increase in January of 2021. Personnel services is at 41 percent of the annual budget, and overtime came in at roughly 149 percent of the annual budget with open positions looking to be filled.

Through the second quarter, fund balance decreased in the Transportation SDC with projects continuing for the 10th and Main Street signal work, the Peters / Main Street intersection safety improvements and the Peters Road / Combs Flat extension project. In the Water SDC Fund, the Aquifer Storage and Recovery (ASR) well project began and a transfer of \$700,000 to support the project was made, contributing to the increase in fund balance of \$576,000. In Wastewater SDC, the fund balance increased approximately \$18,000 with no capital expenses budgeted for the biennium. SDC collection during the second quarter was associated with roughly 9 housing and 4 commercial starts.

In the Railroad Fund, second quarter revenue comparisons to the prior year show the overall railroad operating revenues are down by roughly -12 percent. Significant decreases are in switching and storage, largely due to a loss of storage cars in July. The overall car count is down by approximately 36 cars though the revenue per car average is up slightly over the prior year at quarter end with the increases in McCall Oil and Heniff Transportation cars. Freight Depot charges for services are up over prior year quarter end, largely due to increased lease revenue from Heniff Transportation. Materials and services are at roughly 56 percent of the annual budget or \$169,000, which includes approximately \$71,000 in liability insurance paid in the first quarter. Overall operating expenditures are up in comparison to the prior year at quarter end approximately 9 percent largely due to a new employee that was brought on in January 2021 and increases in insurance costs. Capital expenditures during the second quarter was for the beginning phases of needed bridge repairs due to a traffic accident. These unanticipated expenditures may require a budget adjustment prior to yearend. Fund balance increased roughly \$23,000 or 2 percent through the second quarter.

In the Airport Fund, fund balance decreased approximately \$23,000 largely due to a reimbursement transfer to the General Fund. Operating revenues are down roughly -15 percent with operating expenses up 11 percent in comparison to the prior year at quarter end. Fuel sales are down significantly in comparison to the second quarter of the prior year by roughly -24 percent. Last year, August was a record fuel sales month for the airport due to firefighting air crafts setting up operations at the airport for the extremely active fire season. This year, the fire season was a bit milder. Fuel inventory at quarter end totaled approximately \$74,000. Hangar rent / tie downs and leases are up a combined total of 54 percent over the prior year at second quarter end.

Meadow Lakes Golf shows an increase in fund balance through the second quarter of approximately \$146,000 or 28 percent due to increased activity. Operating revenue for the golf course is up in comparison to the prior year roughly 5 percent. Rounds of golf are up by approximately 700 rounds in comparison to the prior year at quarter end despite having to close for several days in December due to snow. Golf course operating expenditures are up approximately

December 31, 2021

12 percent largely due to increased activity. Maintenance expenditures are up roughly 12 percent over the prior year at quarter end due to needed pond and equipment maintenance and additional course supplies from the first quarter. New golf carts were purchased during the second quarter and were delivered in December of 2021.

In the Administration and Financial Support Services the fund balance decreased roughly -19 percent with Information Technology coming in at roughly 64 percent of the annual budget. This is due to several annual service agreements coming due during the first quarter and upgrades to 911 infrastructure and 911 user equipment that took place through the second quarter. Both the City Council and Finance Departments in this fund are tracking under budget. The Administration Department is at 50 percent of the annual budget with the annual insurance payment coming due during the first quarter.

Through the second quarter, the Building Facilities fund balance increased roughly 76 percent with both the Police Facilities, Public Works Facilities and Barnes Butte Facilities tracking under budget. Debt for the City Hall building was refinance for a lower interest rate during the first quarter. A budget adjustment will need to be done in the CDBG – Sr. Center Department due to their steam table no longer working and the State agreeing to let the remaining dollars from the Community Development Block Grant pay for its replacement which took place during the second quarter. The steam table cost roughly \$15,000 with installation. The senior center reimbursed the City for the costs that were not covered by the remaining grant funds during the second quarter.

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

Sincerely,

Steve Forrester
City Manager

Liz Schuette,
Finance Director

Lori Hooper,
Accounting Manager

December 31, 2021

All City Funds

Fund	Budgeted	Actual Audited	Current	Current	Ending	Change	Percentage
	Beginning Fund Balance	Beginning Fund Balance	Year Resources	Year Expenditures	Fund Balance	in Fund Balance	Change in Fund Balance
General	\$ 2,760,579	\$ 2,689,901	\$ 5,905,786	\$ 5,172,212	\$ 3,423,475	\$ 733,574	27%
Transportation	309,692	345,857	1,086,381	1,183,633	248,605	(97,252)	-28%
Emergency Dispatch	1,079,426	1,059,703	684,287	952,478	791,512	(268,191)	-25%
Planning	105,620	135,505	214,231	199,733	150,003	14,498	11%
Transportation SDC	1,006,745	894,283	147,172	948,041	93,414	(800,870)	-90%
Water SDC	678,559	163,653	883,240	307,652	739,241	575,588	352%
Wastewater SDC	108,660	153,715	68,612	49,837	172,490	18,775	12%
PERS / POB	1,376,018	1,377,472	203,291	36,036	1,544,727	167,255	12%
Railroad	1,185,460	1,166,597	472,387	449,332	1,189,652	23,055	2%
Airport	35,436	60,483	514,393	536,947	37,930	(22,553)	-37%
Water	1,051,618	1,090,792	4,045,022	3,214,553	1,921,261	830,469	76%
Wastewater	2,554,024	1,838,803	7,745,937	7,342,987	2,241,753	402,950	22%
Golf Course and Restaurant	420,025	518,550	1,367,071	1,220,898	664,723	146,173	28%
Administration and Financial Service:	642,949	693,898	1,531,834	1,662,826	562,907	(130,991)	-19%
Building Facilities	362,428	448,426	1,699,267	1,359,418	788,276	339,850	76%
Plaza Maintenance	25,402	23,339	20,068	5,109	38,298	14,959	64%
Public Works Support Services	208,638	375,558	1,225,772	1,163,550	437,780	62,222	17%
Totals	\$ 13,911,279	\$ 13,036,535	\$ 27,814,753	\$ 25,805,243	\$ 15,046,045	\$ 2,009,510	15%



October 2021

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 second quarter is at approximately \$5.9 million or 65 percent of the annual budget. Year to date property tax revenue is roughly 93 percent of the annual budget with second quarter collection coming in at \$2.3 million with the November due date of property taxes. Transient lodging taxes are up in comparison to the prior year quarter end by roughly \$80,000, bouncing back from the travel restrictions that are no longer in place by the Governor in response to the CV19 pandemic. Franchise fees are at roughly 43 percent of the annual budget with collection increasing approximately \$19,000 over prior year's second quarter. Electrical franchise fees are up over the prior year at quarter end roughly \$10,000, but they are behind budget estimates due to the timing of when new data center buildings are projected to come on line and a building being taken off line.

Police spending for the second quarter of the year was at approximately 47 percent of the annual budget. Personnel services are at roughly 48 percent of the annual budget with overtime tracking at approximately 30 percent. During the second quarter the shop with a cop program took place (pictured on the next page). The Shop with a Cop program is a joint venture between local law enforcement and Walmart, to help less-fortunate families and provide an opportunity for children to have a positive interaction with police.

Non-Departmental is at roughly 72 percent of budget with the Prineville Renewable Energy Project (PREP) having roughly \$213,000 in expenditures. A portion of these expenditures will be reimbursed through an Energy Trust of Oregon and U.S Forest Service grant. Non-Departmental is anticipated to need a budget adjustment prior to yearend due to the increased collection of transient lodging taxes that are turned over to the Chamber of Commerce and the Peoples Irrigation project.

Overall, the General Fund realized an increase in fund balance of roughly 27 percent through the second quarter largely due to the property taxes that were collected in November.

General Fund – Continued

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Quarter Actual	Quarter Budget %	Annual Budget Est.	Annual Actual	Annual Est. Budget %	Annual Est. Budget Balance			
Property taxes	\$ 635,000	\$ 2,339,415	368%	\$ 2,540,000	\$ 2,358,056	93%	\$ 181,944	\$ 5,160,000	46%	\$ 2,801,944
Transient lodging tax	87,500	122,090	140%	350,000	285,031	81%	64,969	700,000	41%	414,969
Franchise fees	926,550	799,230	86%	3,706,200	1,585,584	43%	2,120,616	7,834,400	20%	6,248,816
Licenses and permits	1,925	336	17%	7,700	3,749	49%	3,952	15,900	24%	12,152
Intergovernmental revenues	384,950	105,634	27%	1,539,800	1,372,072	89%	167,728	1,987,800	69%	615,728
Charges for services	100,000	72,366	72%	400,000	72,366	18%	327,634	400,000	18%	327,634
Interest	2,500	2,651	106%	10,000	5,445	54%	4,555	20,000	27%	14,555
Miscellaneous	87,000	31,639	36%	348,000	93,484	27%	254,516	706,000	13%	612,516
Transfers	32,500	130,000	400%	130,000	130,000	100%	-	280,000	46%	150,000
Total revenue	\$ 2,257,925	\$ 3,603,361	160%	\$ 9,031,700	\$ 5,905,786	65%	\$ 3,125,914	\$ 17,104,100	35%	\$ 11,198,314
Expenditures										
Police	\$ 1,552,350	\$ 1,369,584	88%	\$ 6,209,400	\$ 2,927,217	47%	\$ 3,282,183	\$ 12,876,500	23%	9,949,283
Non-departmental	781,250	1,610,096	206%	3,125,000	2,244,994	72%	880,006	4,636,100	48%	2,391,106
Contingency				2,457,879				2,352,079		2,352,079
Total expenditures	\$ 2,333,600	\$ 2,979,680	128%	\$ 11,792,279	\$ 5,172,212	44%	\$ 4,162,188	\$ 19,864,679	26%	\$ 12,340,388
Revenue over (under) expenditures	\$ (75,675)	\$ 623,681	23%	\$ (2,760,579)	\$ 733,574	27%	\$ (1,036,274)	\$ (2,760,579)		
Beginning fund balance	2,760,579	2,689,901	97%	2,760,579	2,689,901	97%	2,760,579	2,760,579		
Ending fund balance	\$ 2,684,904	\$ 3,313,582	123%	\$ -	\$ 3,423,475	-	\$ 1,724,305	\$ -		



Shop with a Cop taking place during the second quarter.

Transportation Fund

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

Revenue for the Transportation Fund through the first quarter is at approximately 56 percent of the annual budget. Intergovernmental revenue collection is at 63 percent of the annual budget with roughly \$204,000 coming in for gas taxes during the second quarter. State gas tax collection is up approximately \$68,000 over the prior year quarter end with CV19 restrictions being lifted in June 2021. During the second quarter the City received a donation from Fortis Construction in the amount of \$65,000 to go towards moving the Maverick statue to the roundabout at the top of the grade and for a downtown arch.

Expenditures through the second quarter are at approximately 56 percent of annual budget with capital improvements associated with paving projects being completed during the first quarter. Second quarter capital expenses were associated with the transit grant. Personnel services are at 68 percent of the annual budget with the retirement of the Streets Superintendent, Scott Smith, in December.

Fund balance decreased roughly \$97,000 through the second quarter. This is anticipated with the timing in which street projects are completed versus the timing in which revenue for the fund is received. Fund balance is anticipated to recover by yearend.



Scott Smith receiving the pavement manager of the year award from the NW Pavement Management Association during the 2nd quarter.

Transportation Fund - Continued

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance			
Franchise fees	\$ 87,250	\$ 85,000	97%	\$ 349,000	\$ 170,000	49%	\$ 179,000	\$ 709,000	24%	\$ 539,000
Intergovernmental	259,400	260,042	100%	1,037,600	648,951	63%	388,649	2,116,700	31%	1,467,749
Transfers	100,000	100,000	100%	400,000	200,000	50%	200,000	800,000	25%	600,000
Interest	250	410	164%	1,000	1,272	127%	(272)	2,000	64%	728
Miscellaneous	4,750	65,294	1375%	19,000	66,158	348%	(47,158)	38,000	174%	(28,158)
Total revenue	\$ 451,650	\$ 510,745	113%	\$ 1,806,600	\$ 1,086,381	60%	\$ 720,219	\$ 3,665,700	30%	\$ 2,579,319
Expenditures										
Personnel services	\$ 64,025	\$ 113,165	177%	\$ 256,100	\$ 175,271	68%	\$ 80,829	\$ 526,300	33%	351,029
Material and services	75,675	35,998	48%	302,700	181,928	60%	120,772	606,300	30%	424,372
Capital outlay										
Improvements	188,650	23,153	12%	754,600	571,684	76%	182,916	1,509,200	38%	937,516
Transfers	127,375	127,375	100%	509,500	254,750	50%	254,750	1,035,500	25%	780,750
Contingency				293,392				298,092		298,092
Total expenditures	\$ 455,725	\$ 299,690	66%	\$ 2,116,292	\$ 1,183,633	56%	\$ 639,267	\$ 3,975,392	30%	\$ 2,791,759
Revenue over (under) expenditures	\$ (4,075)	\$ 211,055	61%	\$ (309,692)	\$ (97,252)	-28%	\$ 80,952	\$ (309,692)		
Beginning fund balance	309,692	345,857	112%	309,692	345,857	112%		309,692		
Ending fund balance	\$ 305,617	\$ 556,912	182%	\$ -	\$ 248,605	-		\$ -		



The Maverick statue that will be moved to the roundabout at the top of the grade.

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 \$684,000 or 60 percent of the annual budget. Intergovernmental revenue collection through the second quarter was at roughly \$525,000 with E-911 funds up over the prior year at quarter end.

Expenditures are at approximately \$952,000 or 43 percent of the annual budget. Personnel services are 41 percent of the annual budget or approximately \$542,000 with overtime coming in at roughly 149 percent of the annual budget. Dispatch continued to be short staffed through the second quarter as open positions are looking to be filled. Materials and services are at roughly 61 percent of the annual budget with the annual insurance and annual service agreement payments coming out in the first quarter. Second quarter capital expenditures were largely associated with new radio system upgrades.

Fund balance decreased roughly \$268,000 or -25 percent through the second quarter.

	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance			
Revenue										
Intergovernmental	\$ 203,200	\$ 216,082	106%	\$ 812,800	\$ 525,016	65%	\$ 287,784	\$ 2,033,500	26%	\$ 1,508,484
Miscellaneous	1,000	-	-	4,000	-	-	4,000	8,000	0%	8,000
Interest	1,500	910	61%	6,000	2,121	35%	3,879	12,000	18%	9,879
Transfers from other funds	78,575	78,575	100%	314,300	157,150	50%	157,150	1,070,400	15%	913,250
Total revenue	\$ 284,275	\$ 295,567	104%	\$ 1,137,100	\$ 684,287	60%	\$ 452,813	\$ 3,123,900	22%	\$ 2,439,613
Expenditures										
Personnel services	\$ 327,350	\$ 255,082	78%	\$ 1,309,400	\$ 542,094	41%	\$ 767,306	\$ 2,713,400	20%	\$ 2,171,306
Material and services	71,375	74,392	104%	285,500	174,457	61%	111,043	575,300	30%	400,843
Capital outlay										
Equipment	27,000	46,800	173%	108,000	138,177	128%	(30,177)	177,000	78%	38,823
Transfers	48,875.00	48,875	100%	195,500	97,750	50%	97,750	401,000	24%	303,250
Contingency				318,126				336,626		336,626
Total expenditures	\$ 474,600	\$ 425,150	90%	\$ 2,216,526	\$ 952,478	43%	\$ 945,922	\$ 4,203,326	23%	\$ 3,250,848
Revenue over (under) expenditures	\$ (190,325)	\$ (129,583)	-12%	\$ (1,079,426)	\$ (268,191)	-25%	\$ (493,109)	\$ (1,079,426)		
Beginning fund balance	1,079,426	1,059,703	98%	1,079,426	1,059,703	98%		1,079,426		
Ending fund balance	\$ 889,101	\$ 930,120	105%	\$ -	\$ 791,512	-		\$ -		

Planning Fund

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

Through the second quarter, revenue collection came in at approximately \$214,000 or 51 percent of the annual budget. Revenue collection for the licenses and permits are at approximately \$24,000, slightly down in comparison to the prior year at quarter end. Development highlights for the quarter included the collection of SDC’s for roughly four commercial starts and nine residential starts.

Expenditures through the second quarter are at approximately \$200,000 or 38 percent of the annual budget. Expenditures are tracking slightly below budget at quarter end with annual insurance being paid during the first quarter.

Fund balance increased roughly \$14,000 through the second quarter.

	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance			
Revenue										
Licenses and permits	\$ 10,000	\$ 14,596	146%	\$ 40,000	\$ 23,827	60%	\$ 16,173	\$ 80,000	30%	\$ 56,173
Intergovernmental	1,250	2,003	160%	5,000	2,003	40%	2,998	10,000	20%	7,998
Charges for services	6,950	9,931	143%	27,800	13,014	47%	14,786	55,600	23%	42,586
Interest	250	164	66%	1,000	388	39%	613	2,000	19%	1,613
Transfers from other funds	87,500	87,500	100%	350,000	175,000	50%	175,000	710,000	25%	535,000
Total revenue	\$ 105,950	\$ 114,193	108%	\$ 423,800	\$ 214,231	51%	\$ 209,569	\$ 857,600	25%	\$ 643,369
Expenditures										
Personnel services	\$ 65,125	\$ 64,618	99%	\$ 260,500	\$ 129,329	50%	\$ 131,171	\$ 546,900	24%	\$ 417,571
Material and services	10,925	2,835	26%	43,700	5,754	13%	37,946	88,600	6%	82,846
Transfers	32,325	32,325	100%	129,300	64,650	50%	64,650	263,500	25%	198,850
Contingency				95,920				64,220		64,220
Total expenditures	\$ 108,375	\$ 99,779	92%	\$ 529,420	\$ 199,733	38%	\$ 233,767	\$ 963,220	21%	\$ 763,487
Revenue over (under) expenditures	\$ (2,425)	\$ 14,415	11%	\$ (105,620)	\$ 14,498	11%	\$ (24,198)	\$ (105,620)		
Beginning fund balance	105,620	135,505	128%	105,620	135,505	128%		105,620		
Ending fund balance	\$ 103,195	\$ 149,920	145%	\$ -	\$ 150,003	-		\$ -		

Transportation SDC Fund

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

Revenue collection for the Transportation SDC fund is at approximately 18 percent of the annual budget. SDC collection at quarter end is at roughly \$146,000 with roughly 9 housing and 4 commercial starts that paid SDC's in the second quarter.

Expenditures at quarter end were primarily associated with capital projects. Capital expenditures during the second quarter were largely for the Peters Road / Combs Flat extension project, 10th and Main signal work and the Peters and Main intersection safety improvement project. Transfers done during the second quarter were largely associated with the distribution of SDC administration fees.

Fund balance decreased roughly \$801,000 or -90 percent through the second quarter. Budgeted capital expenditures have contributed to the decrease in fund balance.

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance			
Miscellaneous	\$ 75,000	\$ -	-	\$ 300,000	\$ -	-	\$ 300,000	\$ 300,000	0%	\$ 300,000
Interest	1,000	133	13%	4,000	1,114	28%	2,886	8,000	14%	6,886
Transfers	37,500	-	-	150,000	-	-	150,000	150,000	0%	150,000
System development charges	85,875	69,417	81%	343,500	146,058	43%	197,442	687,000	21%	540,942
Total revenue	\$ 199,375	\$ 69,550	35%	\$ 797,500	\$ 147,172	18%	650,328	\$ 1,145,000	13%	\$ 997,828
Expenditures										
Material and services	\$ 2,500	\$ 740	30%	\$ 10,000	\$ 1,573	16%	\$ 8,428	\$ 20,000	8%	\$ 18,428
Capital outlay										
Improvements	325,000	70,963	22%	1,300,000	939,166	72%	360,834	1,900,000	49%	960,834
Transfers	4,300	7,303	170%	17,200	7,303	42%	9,897	34,400	21%	27,097
Contingency				477,045				197,345		197,345
Total expenditures	\$ 331,800	\$ 79,005	24%	\$ 1,804,245	\$ 948,041	53%	\$ 379,159	\$ 2,151,745	44%	\$ 1,203,704
Revenue over (under) expenditures	\$ (132,425)	\$ (9,455)	-1%	\$ (1,006,745)	\$ (800,870)	-90%	\$ 271,170	\$ (1,006,745)		
Beginning fund balance	1,006,745	894,283	89%	1,006,745	894,283	89%		1,006,745		
Ending fund balance	\$ 874,320	\$ 884,828	101%	\$ -	\$ 93,414	-		\$ -		



Completed 10th and Main realignment – pic taken in November 2021

Water SDC Fund

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

Revenue through the second quarter was at approximately \$883,000 which was largely associated with the budgeted transfer of \$700,000 for the ASR well project. There were roughly 9 housing and 4 commercial starts that paid SDC's in the second quarter. Miscellaneous revenue is associated with a reimbursement from the Energy Trust of Oregon for ASR well fields.

Expenditures are at roughly \$308,000 through the second quarter and are largely associated with the completion of the ASR project and the start of the ASR well project. The ASR project was originally anticipated to be completed by the end of June 2021 and will likely require a budget adjustment due to the crossing over in fiscal years and unanticipated expenditures associated with the completion of the project. The ASR project is a method of water storage that uses the natural water storage capabilities of underground aquifers as a cost-effective, scalable and ecologically friendly water storage alternative to traditional storage options, such as above-ground reservoirs and short-term water supply storage tanks. It allows water to be appropriated and injected into the aquifer via wells during periods of cooler temperatures, higher streamflow and lower demands. The stored water can later be recovered and used during periods of hotter temperatures and higher demands, thereby reducing stress on native water sources. In addition, it also provides for a readily available source of stored water for use in the event of drought or supply interruption. Transfers done during the second quarter were largely associated with the distribution of SDC administration fees.

At second quarter end, fund balance increased roughly \$576,000 due to the budgeted transfer made to support the ASR project.

	Current Quarter			Year to Date				Biennial		
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance	Budget	Biennial Budget %	Biennial Budget Remaining Balance
Revenue										
Interest	\$ 500	\$ 461	92%	\$ 2,000	\$ 1,507	75%	\$ 493	\$ 4,000	38%	\$ 2,493
System development charges	91,250	69,681	76%	365,000	139,951	38%	225,049	730,000	19%	590,049
Transfers	175,000	700,000	400%	700,000	700,000	100%	-	700,000	100%	-
Miscellaneous	-	40,161	-	-	41,782	-	(41,782)	-	-	(41,782)
Total revenue	\$ 266,750	\$ 810,303	304%	\$ 1,067,000	\$ 883,240	83%	\$ 183,760	\$ 1,434,000	62%	\$ 550,760
Expenditures										
Capital outlay										
Improvements	\$ 150,000	45,685	30%	\$ 600,000	283,003	47%	\$ 316,997	\$ 1,200,000	24%	916,997
Transfers	105,525	24,649	23%	422,100	24,649	6%	397,451	847,200	3%	822,551
Contingency				723,459				65,359		65,359
Total expenditures	\$ 255,525	\$ 70,334	28%	\$ 1,745,559	\$ 307,652	15%	\$ 714,448	\$ 2,112,559	15%	\$ 1,804,907
Revenue over (under) expenditures	\$ 11,225	\$ 739,969	452%	\$ (678,559)	\$ 575,588	352%	\$ (530,688)	\$ (678,559)		
Beginning fund balance	678,559	163,653	24%	678,559	163,653	24%		678,559		
Ending fund balance	\$ 689,784	\$ 903,622	131%	\$ -	\$ 739,241	24%		\$ -		

December 31, 2021

Wastewater SDC Fund

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

Overall revenue through the second quarter is at approximately \$69,000. Second quarter revenue can largely be attributed to SDC collection from roughly 9 housing and 4 commercial starts that paid SDC's during the quarter.

Materials and services expenditures during the quarter were for project assistance associated with utility expansion projects. Transfers done during the second quarter were largely associated with the distribution of SDC administration fees.

Fund balance increased roughly \$19,000 or 12 percent.

	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Quarter Actual	Quarter Budget %	Annual Budget Est.	Annual Actual	Annual Est. Budget %	Annual Est. Budget Balance			
Revenue										
Interest	\$ 500	\$ 279	56%	\$ 2,000	\$ 468	23%	\$ 1,532	\$ 4,000	12%	\$ 3,532
System development charges	46,250	32,209	70%	185,000	68,145	37%	116,855	370,000	18%	301,855
Total revenue	\$ 46,750	\$ 32,488	69%	\$ 187,000	\$ 68,612	37%	\$ 118,388	\$ 374,000	18%	\$ 305,388
Expenditures										
Material and services	\$ 2,500	\$ 1,031	41%	\$ 10,000	\$ 1,031	10%	\$ 8,969	\$ 20,000	5%	\$ 18,969
Capital outlay	-	-	-	-	-	-	-	-	-	-
Improvements	-	-	-	-	-	-	-	-	-	-
Transfers	32,150	48,806	152%	128,600	48,806	38%	79,794	257,200	19%	208,394
Contingency	-	-	-	157,060	-	-	-	205,460	-	205,460
Total expenditures	\$ 34,650	\$ 49,837	144%	\$ 295,660	\$ 49,837	17%	\$ 88,763	\$ 482,660	10%	\$ 432,823
Revenue over (under) expenditures	\$ 12,100	\$ (17,349)	-11%	\$ (108,660)	\$ 18,775	12%	\$ 29,625	\$ (108,660)		
Beginning fund balance	108,660	153,715	141%	108,660	153,715	141%		108,660		
Ending fund balance	\$ 120,760	\$ 136,366	113%	\$ -	\$ 172,490	-		\$ -		

PERS/ POB Fund

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

Revenue collection through the second quarter is at roughly 41 percent of the annual budget. Revenues are as anticipated through the second quarter.

Expenditures through the second quarter are as anticipated with the debt service payments coming out in December and June annually.

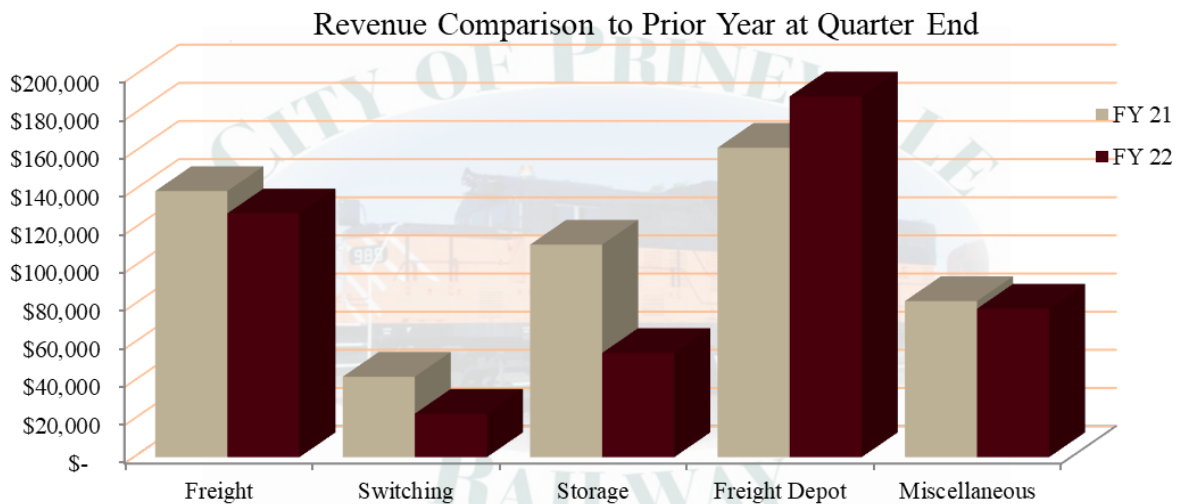
Fund balance increased approximately 12 percent through the second quarter.

	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance			
Revenue										
Charges for services	\$ 99,075	\$ 100,025	101%	\$ 396,300	\$ 200,050	50%	\$ 196,250	\$ 815,200	25%	\$ 615,150
Interest	1,250	1,495	120%	5,000	3,241	65%	1,759	10,000	32%	6,759
Transfer from other funds	25,000	-	-	100,000	-	-	100,000	200,000	-	200,000
Total revenue	\$ 125,325	\$ 101,520	81%	\$ 501,300	\$ 203,291	41%	\$ 298,009	\$ 1,025,200	20%	\$ 821,909
Expenditures										
Personnel services	\$ -	-	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -
Debt service										
Principal - POB 2013	59,325	-	-	237,300	-	-	237,300	497,500	-	497,500
Interest - POB 2013	18,025	36,036	200%	72,100	36,036	50%	36,064	135,400	27%	99,364
Contingency				1,258,518				1,768,318		1,768,318
Total expenditures	\$ 77,350	\$ 36,036	47%	\$ 1,567,918	\$ 36,036	2%	\$ 273,364	\$ 2,401,218	2%	\$ 2,365,182
Revenue over (under) expenditures	\$ 47,975	\$ 65,484	5%	\$ (1,066,618)	\$ 167,255	12%	\$ 24,645	\$ (1,376,018)		
Debt service reserve	309,400			309,400				323,500		
Beginning fund balance	1,376,018	1,377,472	100%	1,376,018	1,377,472	100%		1,376,018		
Ending fund balance	\$ 1,423,993	\$ 1,442,956	101%	\$ 309,400	\$ 1,544,727	499%		\$ -		

Railroad Fund

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

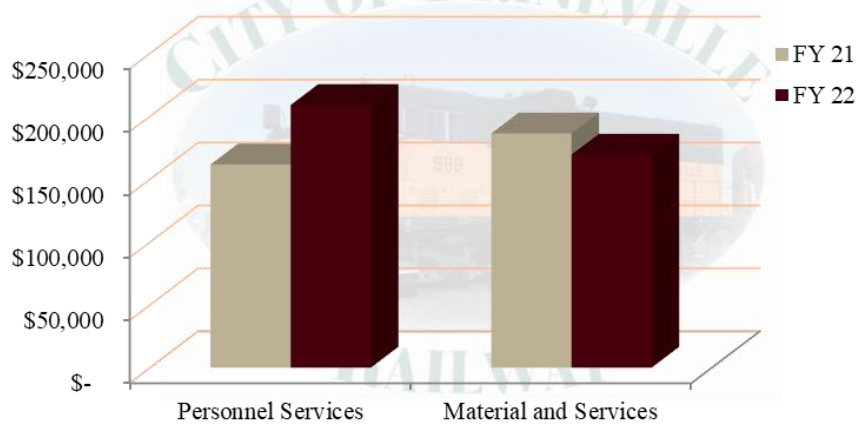
At quarter end, overall revenue collection is at approximately \$472,000 or 49 percent of the annual budget. Charges for services for the railroad are at approximately \$153,000 or 46 percent of the annual budget, with the freight depot at approximately \$189,000 or 50 percent of annual budget. Overall revenue is down roughly -12 percent in comparison to the prior year at quarter end with significant decreases in switching and storage due to a significant number of cars leaving storage in July. Freight revenue is down roughly -8 percent in comparison to the prior year at quarter end. The revenue per railcar average at quarter end is approximately \$467 compared to \$456 the prior year. Freight Depot charges for services are up approximately 17 percent over prior year quarter end, largely due to increased lease revenue from Heniff Transportation. Below is a prior year comparison at quarter end of operating revenues for the Railroad Fund.



Overall expenditures at quarter end are at approximately \$449,000 or 21 percent of the annual budget. Materials and services are at roughly 56 percent of the annual budget or \$169,000, which includes approximately \$71,000 in liability insurance paid in the first quarter. Overall operating expenditures are up in comparison to the prior year at quarter end approximately 9 percent largely due to a new employee that was brought on in January 2021 and increases in insurance costs. Capital expenditures during the second quarter was for the beginning phases of needed bridge repairs due to a traffic accident. These unanticipated expenditures may require a budget adjustment prior to yearend. On the next page is a graph comparison of operating expenditures at quarter end to prior year.

Railroad Fund- Continued

Expenditure Comparison to Prior Year at Quarter End



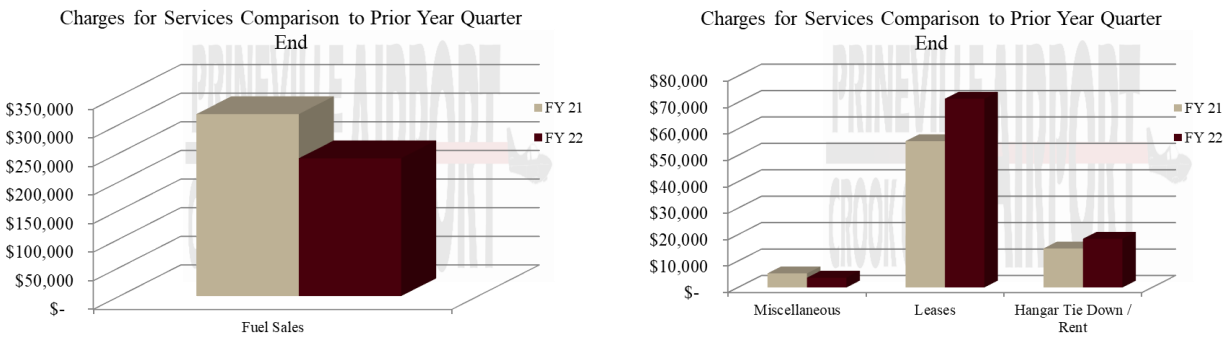
Fund balance increased roughly \$23,000 or -2 percent through the second quarter.

	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance			
Revenue										
Charges for services										
Railroad	\$ 82,750	\$ 47,722	58%	\$ 331,000	\$ 153,081	46%	\$ 177,919	\$ 682,000	22%	\$ 528,919
Freight Depot	94,250	95,868	102%	377,000	189,186	50%	187,814	784,000	24%	594,814
Use of money and property	39,900	30,974	78%	159,600	68,730	43%	90,870	319,600	22%	250,870
Miscellaneous	26,250	48,300	184%	105,000	61,390	58%	43,611	215,000	29%	153,611
Total revenue	\$ 243,150	\$ 222,865	92%	\$ 972,600	\$ 472,387	49%	\$ 500,213	\$ 2,000,600	24%	\$ 1,528,213
Expenditures										
Personnel services	\$ 107,125	\$ 104,348	97%	\$ 428,500	\$ 208,781	49%	\$ 219,719	\$ 885,800	24%	\$ 677,019
Material and services	75,200	39,815	53%	300,800	169,330	56%	131,470	584,100	29%	414,770
Capital outlay										
Improvements	30,000	1,568	1%	120,000	25,671	21%	94,329	205,000	13%	179,329
Transfers	22,775	22,775	100%	91,100	45,550	50%	45,550	182,600	25%	137,050
Contingency				1,217,660				1,328,560		1,328,560
Total expenditures	\$ 235,100	\$ 168,507	72%	\$ 2,158,060	\$ 449,332	21%	\$ 491,068	\$ 3,186,060	14%	\$ 2,736,728
Revenue over (under) expenditures	\$ 8,050	\$ 54,359	5%	\$ (1,185,460)	\$ 23,055	2%	\$ 9,145	\$ (1,185,460)		
Beginning fund balance	1,185,460	1,166,597	98%	1,185,460	1,166,597	98%		1,185,460		
Ending fund balance	\$ 1,193,510	\$ 1,220,956	102%	\$ -	\$ 1,189,652	-		\$ -		

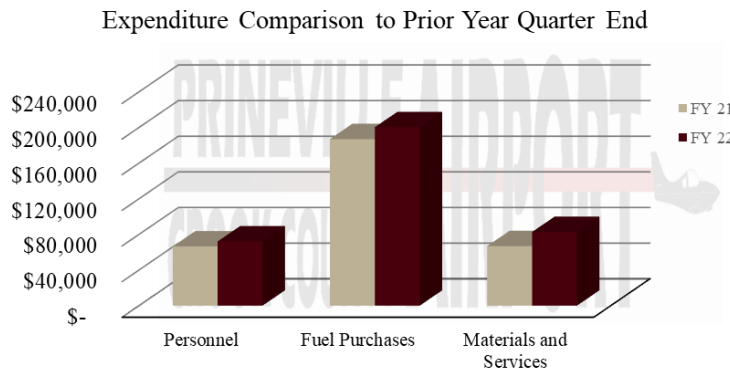
Airport Fund

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

Revenue collection through the second quarter came in at approximately 60 percent of the annual budget or \$514,000. Overall charges for services are down approximately -15 percent over the prior year at quarter end with fuel sales being down in comparison to the prior year same time frame. Fire season was much slower in comparison to the previous year where the airport was seeing record breaking fuel sale months. Leases and hangar rent activity has increased over the prior year. Below is a prior year comparison for operating revenue making up charges for services.



Overall expenditures through the second quarter came in at approximately \$537,000 or 60 percent of the annual budget. Materials and services are roughly 56 percent of the annual budget with the annual payment for liability insurance taking place during the first quarter. Overall operating expenses are up roughly 11 percent over the prior year at quarter end with fuel inventory at approximately \$74,000. Below is a prior year comparison of operating expenditures.



At second quarter end, fund balance decreased roughly \$23,000 or -37 percent, largely due to a reimbursing transfer to the General Fund.

Airport Fund - Continued

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Quarter Actual	Quarter Budget %	Annual Budget Est.	Annual Actual	Annual Est. Budget %	Annual Est. Budget Balance			
Intergovernmental	\$ 45,000	\$ -	-	\$ 180,000	\$ 180,000	100%	\$ -	\$ 430,000	42%	\$ 250,000
Charges for services	144,250	130,943	91%	577,000	334,213	58%	242,787	1,154,000	29%	819,787
Interest	125	72	58%	500	181	36%	319	1,000	18%	819
Transfers	25,000	-	-	100,000	-	-	100,000	200,000	-	200,000
Total revenue	\$ 214,375	\$ 131,015	61%	\$ 857,500	\$ 514,393	60%	\$ 343,107	\$ 1,785,000	29%	\$ 1,270,607
Expenditures										
Personnel service	\$ 35,425	\$ 35,933	101%	\$ 141,700	\$ 72,126	51%	\$ 69,574	\$ 297,100	24%	\$ 224,974
Materials and services	127,150	86,812	68%	508,600	283,021	56%	225,579	1,028,000	28%	744,979
Capital outlay	25	-	-	100	-	-	100	100	0%	100
Debt service										
Les Schwab Hangar	6,250	-	-	25,000	25,000	100%	-	50,000	50%	25,000
Transfers	45,900	143,400	312%	183,600	156,800	85%	26,800	389,200	40%	232,400
Contingency				33,936				56,036	-	56,036
Total expenditures	\$ 214,750	\$ 266,145	124%	\$ 892,936	\$ 536,947	60%	\$ 322,053	\$ 1,820,436	29%	\$ 1,283,489
Revenue over (under) expenditures	\$ (375)	\$ (135,131)	-223%	\$ (35,436)	\$ (22,553)	-37%	\$ 21,053	\$ (35,436)		
Beginning fund balance	35,436	60,483	171%	35,436	60,483	171%		35,436		
Ending fund balance	\$ 35,061	\$ (74,648)	-	\$ -	\$ 37,930	-		\$ -		



Airport Manager, Kelly Coffelt, giving Mayor, Jason Beebe a tour of completed projects at the Prineville Airport.

Water Fund

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

Overall revenue collection through the second quarter came in at approximately \$4.05 million or 128 percent of the annual budget with \$1.9 million coming in from debt proceeds in the first quarter. Revenue associated with charges for service came in at roughly \$2.08 million which is a decrease compared to the prior year of roughly \$44,000. Miscellaneous revenue is associated with reimbursements for water quality monitoring.

Second quarter expenditures are at approximately \$3.21 million or 83 percent of the annual budget with \$1.9 million being associated with the refinancing of debt previously mentioned from the first quarter. Materials and services are at 51 percent of the annual budget with the annual insurance coming out in the first quarter. Capital expenditures are largely associated with meter reading upgrades, Crooked River Concepts and the Habitat Conservation Plan.

Fund balance increased roughly \$830,000 or 76 percent through the second quarter.

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance			
Charges for services	\$ 744,750	\$ 751,936	101%	\$ 2,979,000	\$ 2,078,150	70%	\$ 900,850	\$ 6,035,000	34%	\$ 3,956,850
Interest	1,250	1,083	87%	5,000	1,772	35%	3,228	10,000	18%	8,228
Miscellaneous	125	16,719	13375%	500	32,029	6406%	(31,529)	1,000	3203%	(31,029)
Debt proceeds	-	-	-	-	1,915,036	-	(1,915,036)	-	-	(1,915,036)
Transfers	42,200	18,035	43%	168,800	18,035	11%	150,765	340,600	5%	322,565
Total revenue	\$ 788,325	\$ 787,772	100%	\$ 3,153,300	\$ 4,045,022	128%	\$ (891,722)	\$ 6,386,600	63%	\$ 2,341,578
Expenditures										
Materials and services	\$ 181,775	\$ 159,107	88%	\$ 727,100	\$ 373,372	51%	\$ 353,728	1,459,300	26%	\$ 1,085,928
Franchise fee expense	36,000	36,000	100%	144,000	72,000	50%	72,000	292,000	25%	220,000
Capital outlay										
Improvements	125,000	37,749	30%	500,000	83,279	17%	416,722	1,000,000	8%	916,722
Debt service										
Principal										
Refunding bond 2017	35,775	-	-	143,100	1,892,115	1322%	(1,749,015)	293,600	644%	(1,598,515)
Water revenue bond ASR	18,050	-	-	72,200	-	-	72,200	144,400	0%	144,400
Interest										
Refunding bond 2017	12,650	-	-	50,600	13,753	27%	36,847	97,300	14%	83,547
Water revenue bond ASR	16,750	23,537	141%	67,000	23,537	35%	43,463	134,000	18%	110,463
2021 Refunding	-	3,347	-	-	3,347	-	(3,347)	-	-	(3,347)
Transfers	376,575	376,575	100%	1,506,300	753,150	50%	753,150	3,036,000	25%	2,282,850
Contingency				658,418				645,418		645,418
Total expenditures	\$ 802,575	\$ 636,314	79%	\$ 3,868,718	\$ 3,214,553	83%	\$ (4,253)	\$ 7,102,018	45%	\$ 3,887,465
Revenue over (under) expenditures	\$ (14,250)	\$ 151,457	14%	\$ (715,418)	\$ 830,469	76%	\$ (887,469)	\$ (715,418)		
Debt service reserve	336,200			336,200				336,200		194,600
Beginning fund balance	1,051,618	1,090,792	104%	1,051,618	1,090,792	104%		1,051,618		
Ending fund balance	\$ 1,037,368	\$ 1,242,249	120%	\$ -	\$ 1,921,261	-		\$ -		

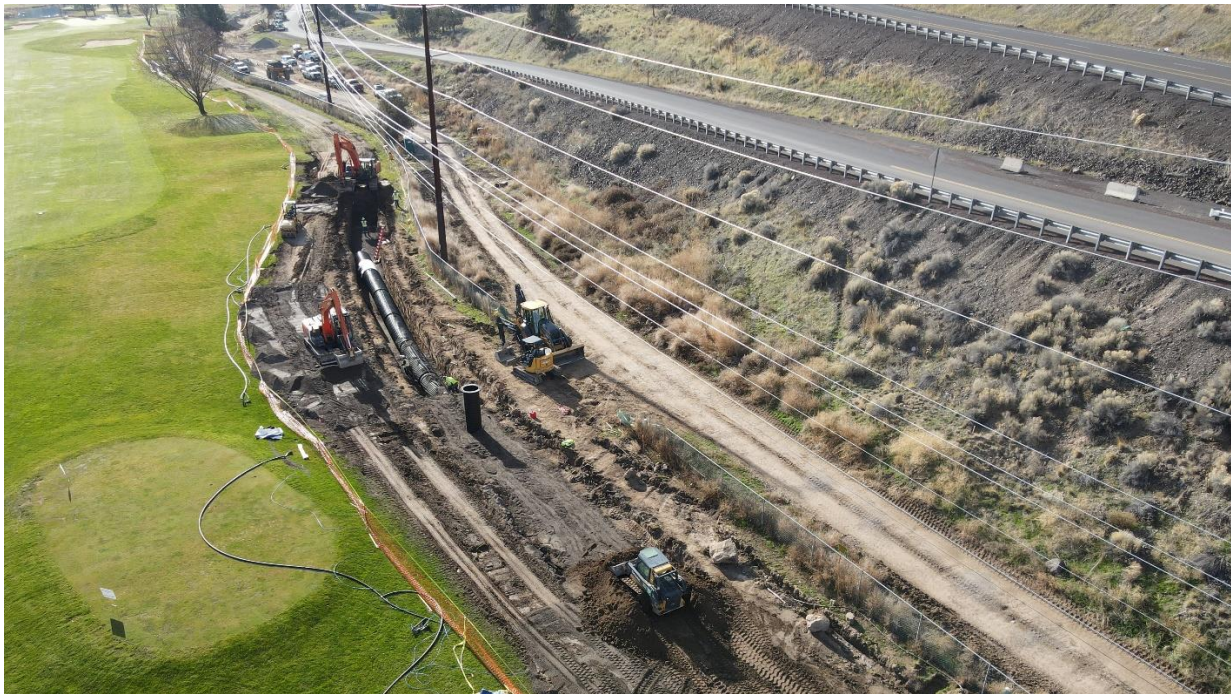
Wastewater Fund

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

Overall revenue collection at quarter end came in at approximately \$7.75 million or 183 percent of the annual budget with the \$4.96 million from debt proceeds in the first quarter and a transfer of \$511,300 in the second quarter to support the Peoples Irrigation Project. Revenue collection for charges for services was roughly \$2.21 million or 55 percent of annual budget which is an increase of approximately \$205,000 over the prior year at quarter end. This increase can largely be attributed to the data centers increased water usage and rate increases during the first quarter.

Expenditures at quarter end came in at roughly \$7.34 million or 127 percent of the annual budget with \$4.96 being associated with refinancing of debt from the first quarter previously mentioned. Personnel services are tracking under budget with the Public Works Department working on restructuring personnel, affecting several departments including Wastewater. Materials and services are at 94 percent of budget with the annual insurance payment of roughly \$71,000 coming out in the first quarter. Also coming out of materials and services is unanticipated repairs to the People’s Irrigation District’s ditch of roughly \$435,000 through the second quarter; this will likely require a budget adjustment prior to yearend.

Fund balance increased roughly \$403,000 or 22 percent through the second quarter largely due to the support transfer from the General Fund for the People’s Irrigation ditch project.



Work being done in November adjacent to the golf course for the Peoples Irrigation Ditch.

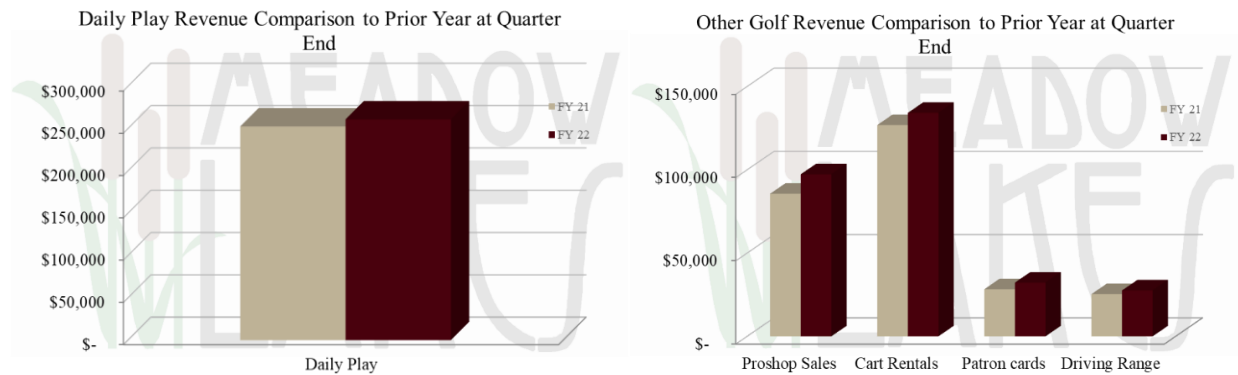
Wastewater Fund - Continued

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance			
Charges for services	\$ 1,004,500	\$ 1,087,851	108%	\$ 4,018,000	\$ 2,211,186	55%	\$ 1,806,814	\$ 8,124,300	27%	\$ 5,913,114
Interest	2,500	2,300	92%	10,000	5,081	51%	4,919	20,000	25%	14,919
Transfers	-	511,300	-	-	511,300	-	(511,300)	-	-	(511,300)
Miscellaneous	20,925	8,124	39%	83,700	11,206	13%	72,494	167,400	7%	156,194
SDCs - reimbursement fees	29,850	45,562	153%	119,400	45,562	38%	73,838	241,300	19%	195,738
Debt proceeds	-	-	-	-	4,961,475	-	(4,961,475)	-	-	(4,961,475)
Intergovernmental	-	-	-	-	126	-	(126)	-	-	(126)
Total revenue	\$ 1,057,775	\$ 1,655,137	156%	\$ 4,231,100	\$ 7,745,937	183%	\$ (3,514,837)	\$ 8,553,000	91%	\$ 807,063
Expenditures										
Personnel services	\$ 62,700	\$ 34,318	55%	\$ 250,800	\$ 63,242	25%	\$ 187,558	\$ 509,600	12%	\$ 446,358
Materials and services	203,850	341,141	167%	815,400	763,731	94%	51,669	1,638,600	47%	874,869
Franchise fee expense	49,000	49,000	100%	196,000	98,000	50%	98,000	401,000	24%	303,000
Capital outlay										
Improvements	121,500	113,927	94%	486,000	211,196	43%	274,804	972,000	22%	760,804
Debt service										
Principal										
DEQ CWSRF R74682/2	125,950	-	-	503,800	2,962,108	588%	(2,458,308)	1,022,600	290%	(1,939,508)
Refunding 2017	41,750	-	-	167,000	2,207,885	1322%	(2,040,885)	342,600	644%	(1,865,285)
State of Oregon IFA	6,825	27,291	400%	27,300	27,291	100%	9	54,900	50%	27,609
USDA 2015	15,250	-	-	61,000	-	-	61,000	123,600	0%	123,600
Interest										
2021 Refunding - Key Bank	-	8,672	-	-	8,672	-	(8,672)	-	-	(8,672)
DEQ CWSRF R74682/2	20,875	-	-	83,500	45,291	54%	38,209	152,000	30%	106,709
Refunding 2017	14,750	-	-	59,000	16,048	27%	42,952	113,500	14%	97,452
State of Oregon IFA	1,700	6,765	398%	6,800	6,765	99%	35	13,300	51%	6,535
USDA 2015	26,325	-	-	105,300	-	-	105,300	208,900	0%	208,900
Fees										
DEQ CWSRF R74682/2	3,725	14,811	398%	14,900	14,811	99%	89	27,200	54%	12,389
Transfers	483,975	458,975	95%	1,935,900	917,950	47%	1,017,950	3,911,900	23%	2,993,950
Contingency				1,057,624				825,324		825,324
Total expenditures	\$ 1,178,175	\$ 1,054,899	90%	\$ 5,770,324	\$ 7,342,987	127%	\$ (2,630,287)	\$ 10,317,024	71%	\$ 2,974,037
Revenue over (under) expenditures	\$ (120,400)	\$ 600,238	33%	\$ (1,539,224)	\$ 402,950	22%	\$ (884,550)	\$ (1,764,024)		
Other resources / (requirements)										
Debt service reserve	1,014,800			1,014,800				790,000		790,000
Capital reserve										
Beginning fund balance	2,554,024	1,838,803	72%	2,554,024	1,838,803	72%		2,554,024		
Ending fund balance	\$ 2,433,624	\$ 2,439,041	100%	\$ -	\$ 2,241,753	-		\$ -		

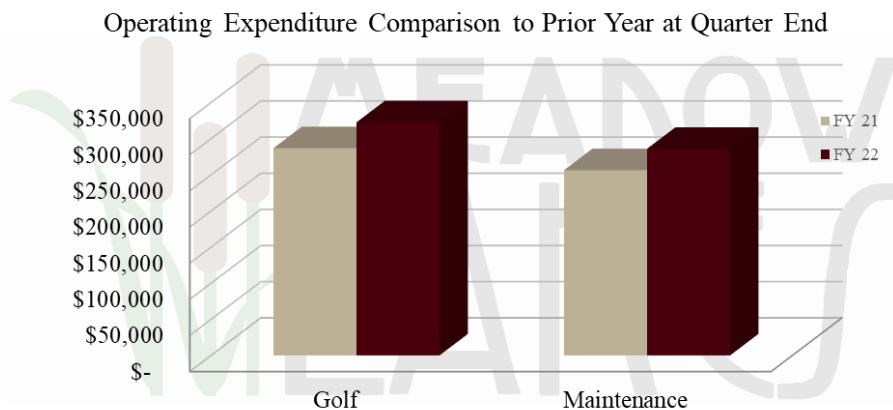
Golf Course and Restaurant Fund

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

Overall revenue collection is at approximately \$1.37 million at quarter end or 74 percent of the annual budget, with roughly \$596,000 of debt proceeds coming in for new golf carts and refinancing some debt to get a better interest rate during the first quarter. Golf operating revenue came in at about \$557,000 or 57 percent of the annual budget which is an increase over the prior year of roughly 5 percent. The golf course had to close for several days in December due to snow. Despite this, rounds of golf are up roughly 700 rounds through the second quarter compared to the prior year quarter end due to the first quarter finishing strong. Below is a comparison to the prior year of the significant operating revenue sources for the golf course.



Expenditures at quarter end came in at roughly \$1.22 million or 56 percent of the annual budget with \$264,000 being associated with the refinancing of debt previously mentioned from the first quarter and the purchasing of new golf carts in the second quarter totaling roughly \$321,000. Waste disposal expenditures are at roughly \$286,000 or 53 percent of the annual budget, an increase of approximately 12 percent over the prior year. This increase can largely be attributed to needed pond and equipment maintenance and additional course supplies from the first quarter. Golf course expenditures are 63 percent of the annual budget with operating expenditures up approximately 12 percent over the prior year, largely due to increased activity. Below is a comparison of operating only expenditures to the prior year by department.



Golf Course and Restaurant Fund - Continued

Fund balance increased roughly \$146,000 or 28 percent through the second quarter largely due to increased activity.

	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance			
Revenue										
Charges for services										
Golf Course	\$ 246,500	\$ 148,857	60%	\$ 986,000	\$ 557,211	57%	\$ 428,789	\$ 1,997,800	28%	\$ 1,440,589
Waste Disposal	92,500	92,500	100%	370,000	185,000	50%	185,000	740,000	25%	555,000
Restaurant	6,025	5,358	89%	24,100	10,716	44%	13,384	57,700	19%	46,984
Interest	1,500	1,060	71%	6,000	1,922	32%	4,078	12,000	16%	10,078
Transfers	25,000	-	-	100,000	-	-	100,000	200,000	-	200,000
Miscellaneous	2,425	6,100	252%	9,700	16,179	167%	(6,479)	19,900	81%	3,721
Debt proceeds	90,900	-	-	363,600	596,044	164%	(232,444)	363,600	164%	(232,444)
Total revenue	\$ 464,850	\$ 253,875	55%	\$ 1,859,400	\$ 1,367,071	74%	\$ 492,329	\$ 3,391,000	40%	\$ 2,023,929
Expenditures										
Golf Course	\$ 258,875	\$ 474,218	183%	\$ 1,035,500	\$ 653,326	63%	\$ 382,174	\$ 1,726,800	38%	\$ 1,073,474
Waste Disposal	134,125	120,443	90%	536,500	285,926	53%	250,574	1,113,800	26%	827,874
Restaurant	7,800	6,344	81%	31,200	14,686	47%	16,514	66,200	22%	51,514
Debt service										
Principal - note payable	12,500	-	-	50,000	-	-	50,000	122,800	-	122,800
Interest - note payable	1,150	-	-	4,600	-	-	4,600	4,600	-	4,600
Principal - 2021 Refunding	-	-	-	-	-	-	-	-	-	-
Interest - 2021 Refunding	-	1,042	-	-	1,042	-	(1,042)	-	-	(1,042)
Principal - 2017 bond	12,500	-	-	50,000	264,000	528%	(214,000)	100,000	264%	(164,000)
Interest - 2017 bond	2,500	-	-	10,000	1,919	19%	8,081	18,200	11%	16,281
Contingency				447,025				527,625		527,625
Total expenditures	\$ 429,450	\$ 602,047	140%	\$ 2,164,825	\$ 1,220,898	56%	\$ 496,902	\$ 3,680,025	33.2%	\$ 2,459,127
Revenue over (under) expenditures	\$ 35,400	\$ (348,171)	-67%	\$ (305,425)	\$ 146,173	28%	\$ (4,573)	\$ (289,025)		
Debt service reserve	114,600			114,600				131,000		131,000
Beginning fund balance	420,025	518,550	123%	420,025	518,550	123%		420,025		
Ending fund balance	\$ 455,425	\$ 170,379	37%	\$ -	\$ 664,723	-		\$ -		



New golf carts delivered in December 2021

Administration and Financial Support Services Fund

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

Overall revenue collection through the second quarter came in at approximately \$1.53 million or 50 percent of the annual budget. Charges for services are largely associated with Internal Service Fund transfers totaling \$1.44 million and 911 user equipment reimbursements of \$62,000 through the second quarter.

Overall expenditures at quarter end are at approximately 45 percent of the annual budget or \$1.66 million. Expenditures are tracking below budget in the City Council Department and Finance Department with the Administrative Services Department tracking at roughly 50 percent of the budget. In the Information Technology Department, expenditures are at 64 percent of budget with several annual service agreements coming due during the first quarter and upgrades to 911 infrastructure and 911 user equipment continuing through the second quarter.

Fund balance decreased roughly \$131,000 or -19 percent through the second quarter.

	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Quarter Actual	Quarter Budget %	Annual Budget Est.	Annual Actual	Annual Est. Budget %	Annual Est. Budget Balance			
Revenue										
Charges for services	\$ 740,675	\$ 791,393	107%	\$ 2,962,700	\$ 1,529,714	52%	\$ 1,432,986	\$ 6,095,600	25%	\$ 4,565,886
Intergovernmental	25,000		-	100,000	502	1%	99,498	100,000	1%	99,498
Interest	625	711	114%	2,500	1,618	65%	882	5,000	32%	3,382
Total revenue	\$ 766,300	\$ 792,104	103%	\$ 3,065,200	\$ 1,531,834	50%	\$ 1,533,366	\$ 6,200,600	25%	\$ 4,668,766
Expenditures										
City Council	\$ 22,975	\$ 18,271	80%	\$ 91,900	\$ 37,007	40%	\$ 54,893	\$ 185,300	20%	\$ 148,293
Administration / Team Services	227,400	219,378	96%	909,600	451,367	50%	458,233	1,838,000	25%	1,386,633
Financial Services	275,050	257,167	93%	1,100,200	484,607	44%	615,593	2,166,300	22%	1,681,693
Information Technology	267,900	249,120	93%	1,071,600	689,845	64%	381,755	2,193,900	31%	1,504,055
Contingency				534,849				460,049		460,049
Total expenditures	\$ 793,325	\$ 743,936	94%	\$ 3,708,149	\$ 1,662,826	45%	\$ 1,510,474	\$ 6,843,549	24%	\$ 5,180,723
Revenue over (under) expenditures	\$ (27,025)	\$ 48,168	7%	\$ (642,949)	\$ (130,991)	-19%	\$ 22,891	\$ (642,949)		
Beginning fund balance	642,949	693,898	108%	642,949	693,898	108%		642,949		
Ending fund balance	\$ 615,924	\$ 742,066	120%	\$ -	\$ 562,907	-		\$ -		

December 31, 2021

Building Facilities Fund

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

Overall revenues are roughly \$1.7 million or 98 percent of the annual budget with \$987,000 in debt proceeds coming in from a refinancing during the first quarter. Second quarter intergovernmental revenues were associated with the Community Development Block grant for the senior center. Other revenue for the quarter was largely associated with user rents and transfers.

Expenditures through the second quarter are roughly 51 percent of the annual budget with the refinancing of debt mentioned earlier in the first quarter. The City Hall building debt was refinanced in the amount of \$986,000 affecting the City Hall Facilities Department. The Barnes Butte Department and the Police Facilities Department are tracking under budget at approximately 33 percent and 14 percent of the annual budget respectively. Capital expenditures for police facilities included budgeted sidewalk and curb improvements during the second quarter. The Sr. Center project was completed in the last fiscal year but when they opened to the public a couple months later, their steam table stopped working. The project had finished slightly under budget leaving some grant dollars still to be spent. The State was contacted and they allowed the rest of the grant dollars to be used to replace the steam table. The senior center reimbursed the City for the costs that were not covered by the remaining grant funds during the second quarter. In the Public Works facilities Department, expenditures are at 41 percent of budget.

Fund balance increased roughly 76 percent through the second quarter.



Picture taken by Officer Jordan Zamora during the 2nd quarter.

Building Facilities Fund - Continued

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Quarter Actual	Quarter Budget %	Annual Budget Est.	Annual Actual	Annual Est. Budget %	Annual Est. Budget Balance			
Rent	\$ 54,400	\$ 55,000	101%	\$ 217,600	\$ 110,000	51%	\$ 107,600	\$ 451,300	24%	\$ 341,300
Transfers	283,700	284,050	100%	1,134,800	568,100	50%	566,700	1,995,700	28%	1,427,600
Miscellaneous	1,250	3,075	246%	5,000	6,582	132%	(1,582)	10,000	66%	3,418
Debt proceeds	-	-	-	-	986,811	-	(986,811)	-	-	(986,811)
Intergovernmental	94,400	13,432	14%	377,600	26,715	7%	350,885	377,600	7%	350,885
Interest	1,250	564	45%	5,000	1,059	21%	3,941	10,000	11%	8,941
Total revenue	\$ 435,000	\$ 356,120	82%	\$ 1,740,000	\$ 1,699,267	98%	\$ 40,733	\$ 2,844,600	60%	\$ 1,145,333
Expenditures										
City Hall facilities	\$ 73,500	\$ 32,260	44%	\$ 294,000	\$ 1,051,836	358%	\$ (757,836)	\$ 540,800	194%	\$ (511,036)
Police facilities	146,925	99,047	67%	587,700	192,357	33%	395,343	1,142,800	17%	950,443
CDBG - Sr. Center	-	14,966	-	-	14,966	-	(14,966)	-	-	(14,966)
Public Works facilities	9,125	5,464	60%	36,500	14,840	41%	21,660	73,000	20%	58,160
Barnes Butte	151,575	53,044	35%	606,300	85,419	14%	520,881	788,200	11%	702,781
Contingency				35,628				119,928		119,928
Total expenditures	\$ 381,125	\$ 204,781	54%	\$ 1,560,128	\$ 1,359,418	51%	\$ 165,082	\$ 2,664,728	51%	\$ 1,305,310
Revenue over (under) expenditures	\$ 53,875	151,340	34%	\$ 179,872	339,850	76%	\$ (124,350)	\$ 179,872		
Other requirements										
Debt service reserve	542,300			542,300				542,300		
Beginning fund balance	362,428	448,426	124%	362,428	448,426	124%		362,428		
Ending fund balance	\$ 416,303	\$ 599,766	144%	\$ 542,300	\$ 788,276	145%		\$ -		



Pedestrian bridge being installed for additional access to Barnes Butte.

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.

Revenues through the second quarter are at roughly 99 percent of the annual budget with the City’s annual transfer being completed in the second quarter.

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

Fund balance increased roughly 64 percent through the second quarter.

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance			
Intergovernmental	\$ 2,500	\$ -	-	\$ 10,000	\$ 10,000	100%	\$ -	\$ 20,000	50%	\$ 10,000
Interest	50	31	62%	200	68	34%	132	400	17%	332
Transfers	2,500	10,000	-	10,000	10,000	100%	-	20,000	50%	10,000
Total revenue	\$ 5,050	\$ 10,031	199%	\$ 20,200	\$ 20,068	99%	\$ 132	\$ 40,400	50%	\$ 20,332
Expenditures										
Materials and services	\$ 7,250	\$ 1,867	26%	\$ 29,000	\$ 4,109	14%	\$ 24,891	\$ 43,000	10%	\$ 38,891
Transfers	500	500	100%	2,000	1,000	50%	1,000	4,000	25%	3,000
Contingency				14,602				18,802		18,802
Total expenditures	\$ 7,750	\$ 2,367	31%	\$ 45,602	\$ 5,109	11%	\$ 25,891	\$ 65,802	8%	\$ 60,693
Revenue over (under) expenditures	\$ (2,700)	\$ 7,664	33%	\$ (25,402)	\$ 14,959	64%	\$ (25,759)	\$ (25,402)		
Beginning fund balance	25,402	23,339	92%	25,402	23,339	92%		25,402		
Ending fund balance	\$ 22,702	\$ 31,003	137%	\$ -	\$ 38,298	-		\$ -		



The plaza in December 2021

Public Works Support Services Fund

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

Second quarter revenues are at roughly 47 percent of the annual budget and are largely associated with transfers for services from the streets, water and wastewater departments for public works.

Expenditures through the second quarter are at roughly 41 percent of the annual budget. Expenditures for support services are as anticipated through the second quarter with personnel services coming in at 49 percent at quarter end. Expenditures in the fleet and vehicles department are tracking at 41 percent of the annual budget with no capital expenditures taking place in the second quarter.

Fund balance increased approximately \$62,000 or 17 percent through the second quarter.

	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Quarter Actual	Quarter Budget %	Annual Budget Est.	Annual Actual	Annual Est. Budget %	Annual Est. Budget Balance			
Revenue										
Intergovernmental	\$ 27,500	\$ -	-	\$ 110,000	\$ 1,294	1%	\$ 108,706	\$ 220,000	1%	\$ 218,706
Charges for services	577,075	518,325	90%	2,308,300	1,036,650	45%	1,271,650	4,640,600	22%	3,603,950
Interest	300	610	203%	1,200	1,273	106%	(73)	2,400	53%	1,127
Miscellaneous	1,750	615	35%	7,000	1,615	23%	5,385	14,000	12%	12,385
Debt Proceeds	45,825	-	-	183,300	184,940	101%	(1,640)	183,300	101%	(1,640)
Total revenue	\$ 652,450	\$ 519,550	80%	\$ 2,609,800	\$ 1,225,772	47%	\$ 1,385,668	\$ 5,060,300	24%	\$ 3,836,168
Expenditures										
Public Works Support Services	\$ 462,725	\$ 470,806	102%	\$ 1,850,900	\$ 918,140	50%	\$ 932,760	\$ 3,805,000	24%	\$ 2,886,860
Public Works Fleet and Vehicles	149,200	31,026	21%	596,800	245,411	41%	351,389	1,025,200	24%	779,789
Contingency				370,738				438,738		438,738
Total expenditures	\$ 611,925	\$ 501,832	82%	\$ 2,818,438	\$ 1,163,550	41%	\$ 1,284,150	\$ 5,268,938	22%	\$ 4,105,388
Revenue over (under) expenditures	\$ 40,525	\$ 17,718	5%	\$ (208,638)	\$ 62,222	17%	\$ 101,518	\$ (208,638)		
Beginning fund balance	208,638	375,558	180%	208,638	375,558	180%		208,638		
Ending fund balance	\$ 249,163	\$ 393,276	158%	\$ -	\$ 437,780	-		\$ -		