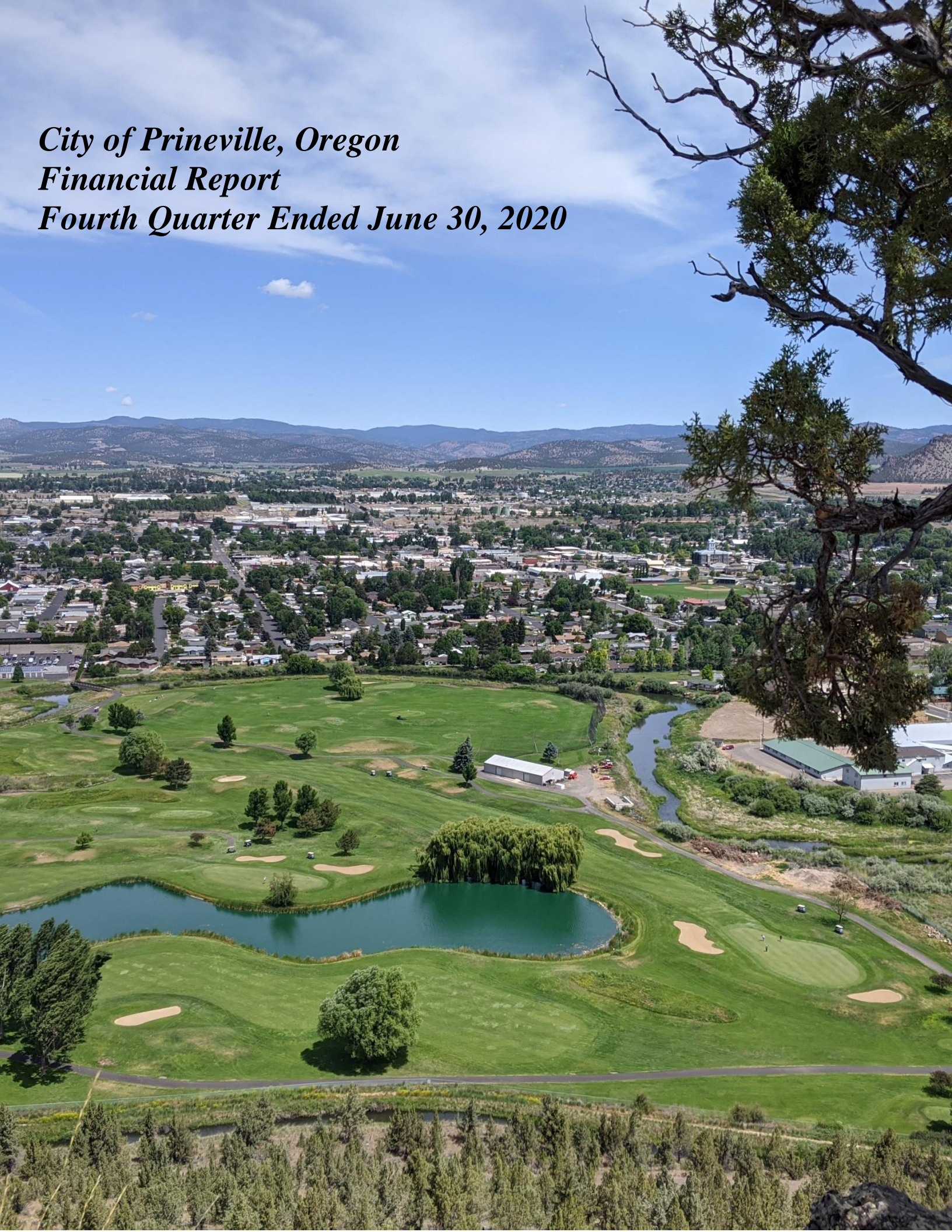


*City of Prineville, Oregon
Financial Report
Fourth Quarter Ended June 30, 2020*



Executive Summary

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

Through the fourth quarter ending June 30, 2020, the City’s financial condition decreased by approximately \$829,700 or -4 percent. Audit adjustments are still in the process of being made at the time of this presentation but changes are anticipated to be immaterial. Funds with a significant negative impact to fund balance include Transportation, Planning, Transportation SDC, Wastewater SDC, Airport, Water, Wastewater, Administration and the Plaza Fund. Funds with significant increases in fund balance include the Emergency Dispatch, Water SDC, PERS/POB, Golf Course and the Building Facilities Fund. Budgeted capital improvements are the largest contributor to the decrease in the City’s financial condition.

Through the fourth quarter, General Fund revenues came in at roughly 103 percent of the annual budget or \$6.78 million. Property tax revenue is at \$2.29 million which is up compared to the prior year by approximately \$100,900. Transient lodging taxes are down in comparison to the prior year quarter end by roughly \$106,600 and are expected to continue on this downward trend with the restrictions that have been put out by the Governor due to the COVID-19 pandemic. Franchise fees are at roughly 105 percent of the annual budget with collection increasing approximately \$269,700 over the prior year. Electrical franchise fees continue to be on the rise due to the continued build out of the data centers and are up over the prior year at quarter end roughly \$249,100. During the fourth quarter Facebook started construction of their ninth building. Overall, the General Fund realized an increase in fund balance of roughly 9 percent or approximately \$191,600 through the fourth quarter.

The Transportation’s fund balance decreased roughly \$168,300 or -43 percent through the fourth quarter. This was anticipated with the budgeted capital projects for FY 20. Fourth quarter state gas tax collection came in at roughly \$160,000 and is slightly down over the prior year with the Governor’s stay at home order put in place during the third quarter due to the COVID19

June 30, 2020

pandemic. Capital improvements during the fourth quarter are largely associated with the 2nd Street storm water project, the 4th street parking lot project and the ODOT transit grant.

In Emergency Dispatch, fund balance increased roughly 46 percent through the fourth quarter. Dispatch continues to be short staffed resulting in savings in personnel services. Personnel services are at 86 percent of the annual budget with overtime coming in at roughly 211 percent of the annual budget. As of March 31, 2020, there were three open dispatcher positions and two of those positions were filled during the fourth quarter.

For the Planning Department, development continued through the fourth quarter with roughly 20 housing starts paying SDC's. Materials and services are at roughly 103 percent of the annual budget largely due to roughly \$20,600 in expenses paid to Neighbor Impact throughout the year for the woodstove replacement program. These expenses are reimbursed through DEQ. Fund balance decreased roughly -62 percent.

Through the fourth quarter, fund balance decreased in both the Transportation SDC and the Wastewater SDC Funds largely due to capital projects and the semiannual admin fee and reimbursement fee distributions. In the Transportation SDC Fund, expenditures were largely associated with the 10th and Main Street project, the roundabout art project, 2nd street paving, Combs Flat extension design and tail end invoices for the Elm Street Bridge project. In the Water SDC Fund, the Aquifer Storage and Recovery (ASR) project continued. The ASR project is a method of water storage that uses the natural water storage capabilities of underground aquifers as a cost-effective, scalable and ecologically friendly water storage alternative to traditional storage options, such as above-ground reservoirs and short-term water supply storage tanks. In the Wastewater SDC Fund, capital expenditures are largely associated with the wetland irrigation upgrades and a screen for the wastewater treatment plant. A transfer was done for \$1 million from the Wastewater SDC Fund to the Water SDC Fund to reimburse for the wastewater portion of the ASR project.

At fourth quarter end, the railroad increased its operating revenue over the prior year by roughly 25 percent with significant increases in switching, freight depot and storage. The overall car count is down by approximately 42 cars but the revenue per car average has increased over the prior year at quarter end with the increased haulage diversity. The revenue per railcar average at fourth quarter end is approximately \$454 compared to \$423 the prior year. During the fourth quarter the railroad secured a new piping manufacturing customer who will be leasing a freight depot building and utilizing rail for inbound product to make the piping. Materials and services are at roughly 106 percent of the annual budget or \$293,900 which includes approximately \$30,000 in unanticipated repairs due to lightening damage from the first quarter. Fund balance increase roughly \$24,600 or 2 percent through the fourth quarter.

In the Airport Fund, fund balance decreased approximately \$43,100 or -26 percent largely due to capital projects. Operating revenues are down -31 percent and operating expenses are down -25 percent in comparison to the prior year at quarter end. Fuel sales are down roughly -36 percent. The price of fuel has gone down in comparison to the prior year and competitors in Bend have been keeping their fuel prices in line with the Prineville Airport. Fuel inventory at yearend totaled approximately \$34,800. Capital expenses during the fourth quarter are associated with the

June 30, 2020

finalization of the new fuel system and for helibase offsite improvements. The new U.S. Forest Service building, built at the airport, was set for occupancy during the fourth quarter.

Meadow Lakes Golf shows an increase in fund balance through the fourth quarter of approximately \$820,500 or 166 percent. This is largely due to a \$750,000 transfer from the Wastewater Fund to support the irrigation replacement project that started during the first quarter. Operating revenue for the golf course is up in comparison to the prior year roughly 4 percent and rounds of golf are up approximately 9 percent in comparison to the prior year at quarter end. Golf course and maintenance operating expenditures are up approximately 1 percent and 6 percent respectively over the prior year. Budgeted capital projects were completed as budgeted with the exception of the irrigation project. That project is started and bids are expected to come in during the first quarter of FY 21.

In the Administration and Financial Support Services the fund balance decreased roughly -39 percent. Expenditures are below budget in the City Council and Financial Services departments at fourth quarter end. In the IT Department expenses are up due to services that are being provided to the 911 users which are to be reimbursed. The additional revenue for the installation of 911 equipment and maintenance are expected to offset the expenses and a budget adjustment will be needed before yearend in FY 21.

In Building Facilities the fund balance increased roughly \$996,400 or 32 percent largely due to the City refunding the loan, which included additional dollars, for the new police facility building. A supplemental budget was done during the fourth quarter to budget for the refunding of debt, additional grant dollars awarded for the completion of the senior center and grant dollars that were received for unanticipated costs associated with spraying noxious weeds at Barnes Butte. Fourth quarter capital spending in the Building Facilities Fund were for the adaptation of the new police building, the senior center remodel that is expected to be completed in late summer and the joints park master plan.

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

June 30, 2020

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	\$ 1,918,286	\$ 2,153,326	\$ 6,778,402	\$ 6,586,823	\$ 2,344,905	\$ 191,579	9%
Transportation	456,058	389,301	1,609,468	1,777,807	220,962	(168,339)	-43%
Emergency Dispatch	376,056	505,672	1,695,627	1,461,243	740,056	234,384	46%
Planning	240,958	241,205	249,220	399,703	90,722	(150,483)	-62%
Transportation SDC	1,400,086	1,500,753	2,205,482	2,421,818	1,284,416	(216,337)	-14%
Water SDC	2,186,423	1,710,797	7,074,132	6,525,020	2,259,909	549,112	32%
Wastewater SDC	3,090,992	3,127,928	254,299	2,508,439	873,788	(2,254,140)	-72%
PERS / POB	608,691	594,230	659,445	288,057	965,618	371,388	62%
Railroad	1,145,793	1,127,669	945,153	920,563	1,152,260	24,591	2%
Airport	13,215	163,422	1,278,897	1,322,006	120,313	(43,109)	-26%
Water	585,270	783,298	2,918,579	3,242,186	459,691	(323,607)	-41%
Wastewater	3,932,316	3,940,686	3,846,786	4,603,986	3,183,487	(757,199)	-19%
Golf Course and Restaurant	483,295	494,280	1,990,993	1,170,465	1,314,807	820,527	166%
Administration and Financial Services	452,914	281,653	3,201,149	3,310,630	172,172	(109,481)	-39%
Building Facilities	2,871,408	3,117,775	8,133,196	7,136,758	4,114,213	996,438	32%
Plaza Maintenance	36,318	37,077	13,995	21,980	29,092	(7,985)	-22%
Public Works Support Services	174,933	183,109	2,005,822	1,992,860	196,071	12,962	7%
Totals	\$ 19,973,012	\$ 20,352,181	\$44,860,645	\$ 45,690,346	\$ 19,522,481	\$ (829,700)	-4%



Picture taken at the golf course during the fourth quarter.

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 General Fund revenue collection through the fourth quarter is at approximately \$6.78 million or 103 percent of the annual budget. Property tax revenue is roughly \$2.29 million or 103 percent of the annual budget and up over the prior year by approximately \$100,900. Transient lodging taxes are down in comparison to the prior year quarter end by roughly \$106,600 and are expected to continue on this downward trend with the restrictions that have been put out by the Governor due to the COVID-19 pandemic. Franchise fees are at roughly 105 percent of the annual budget with collection increasing approximately \$269,700 over prior year. Electrical franchise fees are up over the prior year roughly \$249,100 largely due to the continued build out of the data centers. Construction of Facebooks ninth building started during the fourth quarter.

Police spending is at approximately 102 percent of the annual budget. Personnel services are at roughly 99 percent of the annual budget. Police materials and services are approximately 127 percent with increased spending in personnel fees with the hiring of a new officer and an increase in motor vehicle expenses with the installation of MDT’s and radios. Non-departmental is at 114 percent of the annual budget with the City prefunding the Airports FY21 transfer and roughly \$70,000 in expenses for the biomass feasibility study coming in during the fourth quarter.

Overall, the General Fund realized an increase in fund balance of roughly \$191,600 or 9 percent through the fourth quarter.

Revenue	Current Quarter			Year to Date			Annual Est. Budget Balance	Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Quarter Actual	Quarter Budget %	Annual Budget Est.	Annual Actual	Annual Est. Budget %				
Property taxes	\$ 557,500	\$ 103,744	19%	\$ 2,230,000	\$ 2,294,985	103%	\$ (64,985)	\$ 4,570,000	50.22%	\$ 2,275,015
Transient lodging tax	95,000	48,341	51%	380,000	325,698	86%	54,302	760,000	42.86%	434,302
Franchise fees	787,500	1,123,654	143%	3,150,000	3,301,223	105%	(151,223)	6,558,000	50.34%	3,256,777
Licenses and permits	2,200	3,681	167%	8,800	9,485	108%	(685)	17,200	55.14%	7,715
Intergovernmental revenues	112,300	48,558	43%	449,200	413,991	92%	35,209	866,000	47.81%	452,009
Charges for services	68,750	772	1%	275,000	280,499	102%	(5,499)	560,000	50.09%	279,501
Interest	10,000	8,120	81%	40,000	42,603	107%	(2,603)	80,000	53.25%	37,397
Miscellaneous	10,000	22,333	223%	40,000	109,917	275%	(69,917)	81,000	135.70%	(28,917)
Total revenue	\$ 1,643,250	\$ 1,359,202	83%	\$ 6,573,000	\$ 6,778,402	103%	\$ (205,402)	\$ 13,492,200	50.24%	\$ 6,713,798
Expenditures										
Police	\$ 1,349,750	\$ 1,479,430	110%	\$ 5,399,000	\$ 5,494,658	102%	\$ (95,658)	\$ 11,102,100	49.49%	5,607,442
Non-departmental	240,425	450,424	187%	961,700	1,092,166	114%	(130,466)	2,210,900	49.40%	1,118,734
Contingency				2,130,586				2,097,486		2,097,486
Total expenditures	\$ 1,590,175	\$ 1,929,854	121%	\$ 8,491,286	\$ 6,586,823	78%	\$ (226,123)	\$ 15,410,486	42.74%	\$ 6,726,177
Revenue over (under) expenditures	\$ 53,075	\$ (570,652)	-27%	\$ (1,918,286)	\$ 191,579	9%	\$ 20,721	\$ (1,918,286)		
Beginning fund balance	1,918,286	2,153,326	112%	1,918,286	2,153,326	112%	1,918,286	1,918,286		
Ending fund balance	\$ 1,971,361	\$ 1,582,674	80%	\$ -	\$ 2,344,905	-	\$ 1,939,007	\$ -		

June 30, 2020

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 fourth quarter is at approximately 100 percent of the annual budget. Intergovernmental revenue collection is at 98 percent of the annual budget with approximately \$83,000 coming in for the ODOT transit grant and roughly \$160,000 coming in for gas taxes during the fourth quarter. State gas tax collection is slightly down over the prior year with the Governor's stay at home order put in place during the third quarter due to the COVID19 pandemic. Miscellaneous revenue collected during the fourth quarter was largely from the Chamber of Commerce for support in getting an old oil tank removed that was discovered buried under a city parking lot (pictured below).



Expenditures through the fourth quarter are approximately 86 percent of the annual budget. Capital improvements during the fourth quarter are largely associated with the 2nd Street storm water project, the 4th street parking lot project and the ODOT transit grant.

Fund balance decreased roughly \$168,300 or -43 percent through the fourth 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	\$ 81,750	\$ 81,750	100%	\$ 327,000	\$ 327,000	100%	\$ -	\$ 665,000	49.17%	\$ 338,000
Intergovernmental	239,075	271,128	113%	956,300	941,776	98%	14,524	1,962,700	47.98%	1,020,924
Transfers	75,000	75,000	100%	300,000	300,000	100%	-	700,000	42.86%	400,000
Interest	1,250	919	74%	5,000	5,235	105%	(235)	10,000	52.35%	4,765
Miscellaneous	4,750	12,132	255%	19,000	35,458	187%	(16,458)	28,000	126.63%	(7,458)
Total revenue	\$ 401,825	\$ 440,930	110%	\$ 1,607,300	\$ 1,609,468	100%	\$ (2,168)	\$ 3,365,700	47.82%	\$ 1,756,232
Expenditures										
Personnel services	\$ 62,800	\$ 57,002	91%	\$ 251,200	\$ 234,201	93%	\$ 16,999	\$ 512,100	45.73%	277,899
Material and services	62,150	28,706	46%	248,600	205,444	83%	43,156	501,000	41.01%	295,556
Capital outlay										
Improvements	243,425	148,704	61%	973,700	970,062	100%	3,638	1,833,400	52.91%	863,338
Transfers	92,025	92,025	100%	368,100	368,100	100%	0	735,300	50.06%	367,200
Contingency				221,758				239,958		239,958
Total expenditures	\$ 460,400	\$ 326,437	71%	\$ 2,063,358	\$ 1,777,807	86%	\$ 63,793	\$ 3,821,758	46.52%	\$ 2,043,951
Revenue over (under) expenditures	\$ (58,575)	\$ 114,492	29%	\$ (456,058)	\$ (168,339)	-43%	\$ (65,961)	\$ (456,058)		
Beginning fund balance	456,058	389,301	85%	456,058	389,301	85%		456,058		
Ending fund balance	\$ 397,483	\$ 503,793	127%	\$ -	\$ 220,962	-		\$ -		



Paving on South Main that took place during the fourth quarter

Emergency Dispatch Fund

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

Revenue collection for the Emergency Dispatch Fund was approximately \$1.70 million or 104 percent of the annual budget. Fourth quarter intergovernmental revenue collection was at roughly \$240,020 with \$103,000 coming from the county for services and \$120,900 coming in from the state from E-911 taxes and maintenance reimbursement agreements.

Expenditures are at approximately \$1.46 million or 73 percent of the annual budget. Personnel services are 86 percent of the annual budget with overtime coming in at roughly 211 percent of the annual budget. As of March 31, 2020, there were three open dispatcher positions and two of those positions were filled during the fourth quarter. Capital expenditures during the fourth quarter were for radio system equipment associated with the expansion of the 700/800 megahertz system. This project will continue into FY21.

Fund balance increased roughly \$234,400 or 46 percent through the fourth quarter.

	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Budget Est.	Actual	Quarter Budget %	Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance			
Revenue										
Intergovernmental	\$ 225,450	\$ 240,164	107%	\$ 901,800	\$ 977,249	108%	\$ (75,449)	\$ 1,874,200	52.14%	\$ 896,951
Miscellaneous	1,000	-	-	4,000	15	0%	3,985	8,000	0.19%	7,985
Interest	2,500	2,087	83%	10,000	10,964	110%	(964)	20,000	54.82%	9,036
Transfers from other funds	176,850.00	176,850	100%	707,400	707,400	100%	-	1,501,700	47.11%	794,300
Total revenue	\$ 405,800	\$ 419,101	103%	\$ 1,623,200	\$ 1,695,627	104%	\$ (72,427)	\$ 3,403,900	49.81%	\$ 1,708,273
Expenditures										
Personnel services	\$ 299,200.00	\$ 247,280	83%	\$ 1,196,800	\$ 1,028,272	86%	\$ 168,528	\$ 2,457,100	41.85%	\$ 1,428,828
Material and services	70,025	59,962	86%	280,100	237,309	85%	42,791	553,600	42.87%	316,291
Capital outlay										
Equipment	8,750	8,375	96%	35,000	12,263	35%	22,737	90,000	13.63%	77,737
Transfers	45,850.00	45,850	100%	183,400	183,400	100%	0	372,900	49.18%	189,500
Contingency				303,956				306,356		306,356
Total expenditures	\$ 423,825	\$ 361,467	85%	\$ 1,999,256	\$ 1,461,243	73%	\$ 234,057	\$ 3,779,956	38.66%	\$ 2,318,713
Revenue over (under) expenditures	\$ (18,025)	\$ 57,635	11%	\$ (376,056)	\$ 234,384	46%	\$ (306,484)	\$ (376,056)		
Beginning fund balance	376,056	505,672	134%	376,056	505,672	134%		376,056		
Ending fund balance	\$ 358,031	\$ 563,307	157%	\$ -	\$ 740,056	-		\$ -		

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.

Revenue collection through the fourth quarter came in at approximately \$249,220 or 106 percent of the annual budget. Licenses and permits revenue is down coming in at \$32,319 compared to \$41,000 in the prior year. Intergovernmental revenue collected during the fourth quarter is associated with the woodstove replacement program which is reimbursed through DEQ. Charges for services revenue are largely associated with the SDC admin fee distribution and there were roughly 20 housing starts that paid SDC's during the fourth quarter.

Expenditures through the fourth quarter are at approximately \$399,703 or 84 percent of the annual budget. Materials and services are at roughly 103 percent of the annual budget largely due to roughly \$20,600 in expenses paid to Neighbor Impact throughout the year for the woodstove replacement program.

Fund balance decreased approximately \$150,500 or -62 percent.

	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										
Licenses and permits	\$ 10,000	\$ 6,962	70%	\$ 40,000	\$ 32,319	81%	\$ 7,681	\$ 80,000	40.40%	\$ 47,681
Intergovernmental	1,250	5,246	420%	5,000	16,978	340%	(11,978)	10,000	169.78%	(6,978)
Charges for services	36,725	71,382	194%	146,900	156,128	106%	(9,228)	171,600	90.98%	15,472
Interest	1,000	270	27%	4,000	3,795	95%	205	8,000	47.44%	4,205
Transfers from other funds	10,000	10,000	100%	40,000	40,000	100%	(0)	360,000	11.11%	320,000
Total revenue	\$ 58,975	\$ 93,860	159%	\$ 235,900	\$ 249,220	106%	\$ (13,320)	\$ 629,600	39.58%	\$ 380,380
Expenditures										
Personnel services	\$ 58,325	\$ 56,463	97%	\$ 233,300	\$ 229,185	98%	\$ 4,115	\$ 479,700	47.78%	\$ 250,515
Material and services	12,475	7,277	58%	49,900	51,518	103%	(1,618)	93,500	55.10%	41,982
Transfers	29,750	29,750	100%	119,000	119,000	100%	0	241,000	49.38%	122,000
Contingency				74,658				56,358		56,358
Total expenditures	\$ 100,550	\$ 93,490	93%	\$ 476,858	\$ 399,703	84%	\$ 2,497	\$ 870,558	45.91%	\$ 470,855
Revenue over (under) expenditures	\$ (41,575)	\$ 370	0%	\$ (240,958)	\$ (150,483)	-62%	\$ (15,817)	\$ (240,958)		
Beginning fund balance	240,958	241,205	100%	240,958	241,205	100%		240,958		
Ending fund balance	\$ 199,383	\$ 241,575	121%	\$ -	\$ 90,722	-		\$ -		

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 98 percent of the annual budget. SDC collection at year end is at roughly \$633,300 with roughly 20 housing starts that paid SDC's during the fourth quarter. Intergovernmental revenue is from ODOT for the final reimbursements of the Elm Street Bridge project.

Expenditures at quarter end are at roughly 66 percent of the annual budget. A supplemental budget was adopted during the fourth quarter to adjust for the multiyear Elm street project where more was expended in the second year than in the first and to budget for the Combs Flat extension design project that started in the fourth quarter. Fourth quarter expenditures were largely associated with capital projects. Capital expenditures during the fourth quarter were for the 10th and Main Street project, the roundabout art project, 2nd street paving, Combs Flat extension design and tail end invoices for the Elm Street Bridge project.

Fund balance decreased roughly \$216,300 or -14 percent through the fourth quarter.

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 Budget %	Annual Budget Balance			
Intergovernmental	\$ 375,100	\$ 113,005	30%	\$ 1,500,400	\$ 1,547,600	103%	\$ (47,200)	\$ 1,500,400	103.15%	\$ (47,200)
Miscellaneous	30,667	-	-	122,667	-	-	122,667	122,667	0.00%	122,667
Interest	7,500	4,106	55%	30,000	24,536	82%	5,464	49,000	50.07%	24,464
System development charges	150,375	100,007	67%	601,500	633,346	105%	(31,846)	988,500	64.07%	355,154
Total revenue	\$ 563,642	\$ 217,118	39%	\$ 2,254,567	\$ 2,205,482	98%	49,085	\$ 2,660,567	82.90%	\$ 455,085
Expenditures										
Material and services	\$ 2,500	\$ -	-	\$ 10,000	\$ -	-	\$ 10,000	\$ 20,000	0.00%	\$ 20,000
Capital outlay										
Improvements	597,505	158,056	26%	2,390,020	2,390,020	100%	0	3,700,000	64.60%	1,309,980
Transfers	8,750	11,365	130%	35,000	31,798	91%	3,202	54,400	58.45%	22,602
Contingency				1,219,633				286,253	0.00%	286,253
Total expenditures	\$ 608,755	\$ 169,421	28%	\$ 3,654,653	\$ 2,421,818	66%	\$ 13,202	\$ 4,060,653	59.64%	\$ 1,638,835
Revenue over (under) expenditures	\$ (45,113)	\$ 47,697	3%	\$ (1,400,086)	\$ (216,337)	-14%	\$ 35,884	\$ (1,400,086)		
Beginning fund balance	1,400,086	1,500,753	107%	1,400,086	1,500,753	107%		1,400,086		
Ending fund balance	\$ 1,354,973	\$ 1,548,450	114%	\$ -	\$ 1,284,416	-		\$ -		

Notes: FY20 supplemental budget per resolution no. 1446 for FY20-21 biennium



Measurements being taken for the scaling of the roundabout art during the fourth quarter.

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 fourth quarter was at approximately \$7.07 million. Fourth quarter SDC collection came in at roughly \$1.1 million and was largely association with the Aquifer Storage and Recovery (ASR) project from Apple. During the fourth quarter there were roughly 20 housing starts that paid SDC's. Transfers during the fourth quarter are from the Wastewater SDC Fund to reimburse for the wastewater portion of the ASR project.

Expenditures are at roughly \$6.05 million through the fourth quarter and are largely associated with capital expenditures for the ASR project. The ASR project is a method of water storage that uses the natural water storage capabilities of underground aquifers as a cost-effective, scalable and ecologically friendly water storage alternative to traditional storage options, such as above-ground reservoirs and 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.

At fourth quarter end, fund balance increased roughly \$549,100 or 32 percent.

	Current Quarter			Year to Date				Annual Est. Budget Balance	Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Quarter Actual	Quarter Budget %	Annual Budget Est.	Annual Actual	Annual Est. Budget %					
Revenue											
Interest	\$ 12,500	\$ 1,604	13%	\$ 50,000	\$ 20,289	41%	\$ 29,711	\$ 90,000	22.54%	\$ 69,711	
System development charges	1,587,000	1,100,525	69%	6,348,000	6,053,843	95%	294,157	7,627,200	79.37%	1,573,357	
Transfers	250,000	1,000,000	400%	1,000,000	1,000,000	100%	-	1,489,800	67.12%	489,800	
Debt Proceeds	-	-	-	-	-	-	-	3,000,000	0.00%	3,000,000	
Total revenue	\$ 1,849,500	\$ 2,102,129	114%	\$ 7,398,000	\$ 7,074,132	96%	\$ 323,868	\$ 12,207,000	57.95%	\$ 5,132,868	
Expenditures											
Capital outlay											
Improvements	\$ 1,600,000	1,251,488	78%	\$ 6,400,000	6,052,626	95%	\$ 347,374	\$ 12,880,400	46.99%	6,827,774	
Transfers	110,875	101,157	91%	443,500	472,394	107%	(28,894)	690,000	68.46%	217,606	
Contingency				2,740,923				823,023		823,023	
Total expenditures	\$ 1,710,875	\$ 1,352,645	79%	\$ 9,584,423	\$ 6,525,020	45%	\$ 318,480	\$ 14,393,423	45.33%	\$ 7,868,403	
Revenue over (under) expenditures	\$ 138,625	\$ 749,484	44%	\$ (2,186,423)	\$ 549,112	32%	\$ 5,388	\$ (2,186,423)			
Beginning fund balance	2,186,423	1,710,797	78%	2,186,423	1,710,797	78%		2,186,423			
Ending fund balance	\$ 2,325,048	\$ 2,460,281	106%	\$ -	\$ 2,259,909	78%		\$ -			

Notes: FY20 supplemental budget per resolution no. 1446 for FY20-21 biennium

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 fourth quarter is at approximately \$254,300. Fourth quarter revenue can largely be attributed to SDC collection from 20 housing starts that paid SDC's during the fourth quarter.

Expenditures are at roughly \$2.51 million or 77 percent of the annual budget through the fourth quarter. Material and services expenditures are associated with consulting costs during the first half of the year, helping with funding assistance (potential grants). Capital expenditures for the fourth quarter are largely associated with wetland irrigation upgrades and a screen for the wastewater treatment plant. Transfers during the fourth quarter are to the Water SDC Fund to reimburse for the wastewater portion of the ASR project. A budget adjustment was done in the fourth quarter to allow for the additional materials and service and to decrease capital outlay and increase transfers for the ASR project.

Fund balance decreased roughly \$2.25 million or -72 percent largely due to capital projects.

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			
Interest	\$ 12,500	\$ 6,687	53%	\$ 50,000	\$ 64,322	129%	\$ (14,322)	\$ 55,000	116.95%	\$ (9,322)
System development charges	29,425	62,445	212%	117,700	189,977	161%	(72,277)	235,400	80.70%	45,423
Total revenue	\$ 41,925	\$ 69,132	165%	\$ 167,700	\$ 254,299	152%	\$ (86,599)	\$ 290,400	87.57%	\$ 36,101
Expenditures										
Material and services	\$ 3,750	\$ -	-	\$ 15,000	\$ 19,585	131%	\$ (4,585)	\$ 25,000	78.34%	\$ 5,415
Capital outlay										
Improvements	385,000	185,122	48%	1,540,000	1,313,421	85%	226,579	1,540,000	85.29%	226,579
Transfers	405,500	1,061,961	262%	1,622,000	1,175,433	72%	446,567	1,703,800	68.99%	528,367
Contingency				81,692				112,592		112,592
Total expenditures	\$ 794,250	\$ 1,247,083	157%	\$ 3,258,692	\$ 2,508,439	77%	\$ 668,561	\$ 3,381,392	74.18%	\$ 872,953
Revenue over (under) expenditures	\$ (752,325)	\$ (1,177,951)	-38%	\$ (3,090,992)	\$ (2,254,140)	-72%	\$ (755,160)	\$ (3,090,992)		
Beginning fund balance	3,090,992	3,127,928	101%	3,090,992	3,127,928	101%		3,090,992		
Ending fund balance	\$ 2,338,667	\$ 1,949,977	83%	\$ -	\$ 873,788	-		\$ -		

Notes: FY20 budget adjustment per resolution no. 1445 for FY20-21 biennium

June 30, 2020

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.

Fourth quarter revenue is roughly 113 percent of budget. Miscellaneous revenue is associated with a PERS rate credit from the creation of the City’s new side account in March 2019. In December 2019, the City was able to use the new side account to participate in the Employer Incentive Fund program to apply for matching funds. The City qualified for the first round of matching funds and has been approved for a side account deposit of \$200,000 from the state. The extra deposit will give an extra rate credit offset to be used in the calculation of the City’s PERS rates starting in FY22.

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

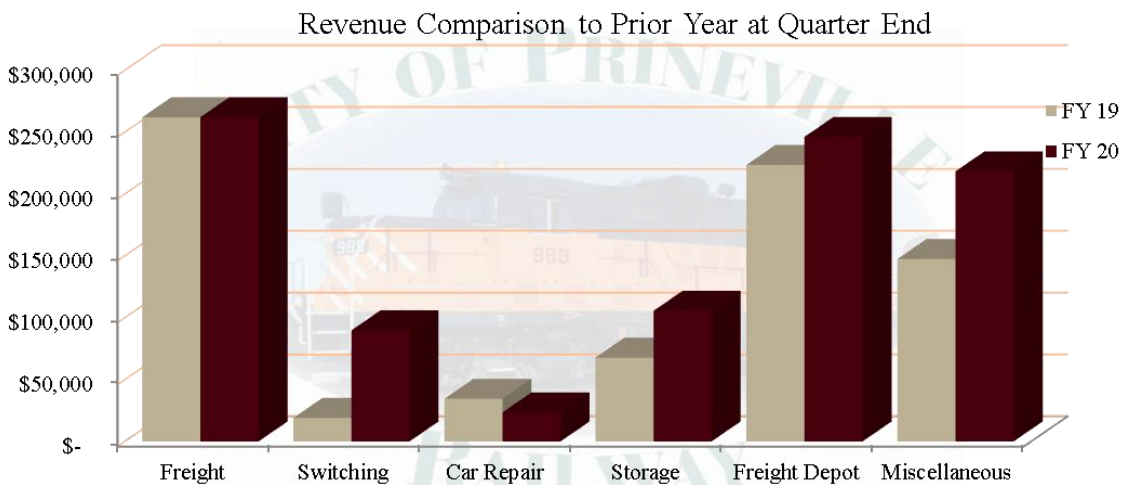
Fund balance increased approximately 62 percent through the fourth quarter.

	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	\$ 116,700	\$ 128,325	110%	\$ 466,800	\$ 478,578	103%	\$ (11,778)	\$ 997,900	47.96%	\$ 519,322
Interest	3,750	3,279	87%	15,000	15,826	106%	(826)	35,000	45.22%	19,174
Miscellaneous	-	16,158	-	-	65,041	-	\$ (65,041)	-	-	(65,041)
Transfer from other funds	25,000	100,000	400%	100,000	100,000	100%	\$ -	200,000	50.00%	100,000
Total revenue	\$ 145,450	\$ 247,762	170%	\$ 581,800	\$ 659,445	113%	\$ (77,645)	\$ 1,232,900	53.49%	\$ 573,455
Expenditures										
Personnel services	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -
Debt service										
Principal - POB 2013	50,125	200,465	400%	200,500	200,465	100%	35	419,500	47.79%	219,035
Interest - POB 2013	21,900	43,796	200%	87,600	87,592	100%	8	167,800	52.20%	80,208
Contingency				603,191				955,091		955,091
Total expenditures	\$ 72,025	\$ 244,261	339%	\$ 891,291	\$ 288,057	32%	\$ 43	\$ 1,542,391	18.68%	\$ 1,254,334
Revenue over (under) expenditures	\$ 73,425	\$ 3,501	1%	\$ (309,491)	\$ 371,388	62%	\$ (77,688)	\$ (309,491)		
Debt service reserve		299,200			299,200					299,200
Beginning fund balance	608,691	594,230	98%	608,691	594,230	98%		608,691		
Ending fund balance	\$ 682,116	\$ 597,731	88%	\$ -	\$ 965,618	-		\$ -		

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.

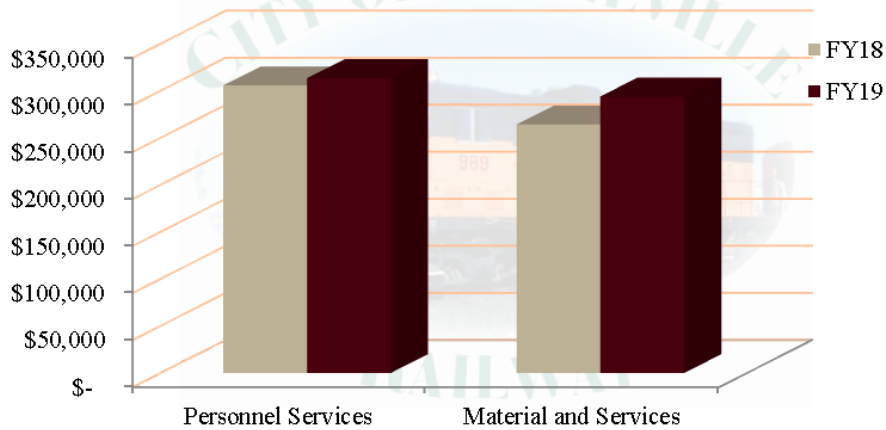
At fourth quarter end, overall revenue collection is at approximately \$945,000 or 120 percent of the annual budget. Charges for services for the railroad are at approximately \$376,000 or 104 percent of the annual budget, with the freight depot at approximately \$246,100 or 107 percent of annual budget. Overall operating revenue is up roughly 25 percent in comparison to the prior year at quarter end with significant increases in switching, freight depot and storage. The revenue per car average has increased over the prior year at quarter end with the decrease in tire haulage and an increase in more diversified commodities being hauled through the City of Prineville Railway. The revenue per railcar average at fourth quarter end is approximately \$454 compared to \$423 the prior year. During the fourth quarter the railroad secured a new piping manufacturing customer who will be leasing a freight depot building and utilizing rail for inbound product to make the piping. Below is a prior year comparison at quarter end of operating revenues for the Railroad Fund.



Overall expenditures at fourth quarter end are at approximately \$920,600 or 48 percent of the annual budget. During the fourth quarter a budget adjustment was done in capital outlay to allow for an additional office building to be placed at the freight depot and fourth quarter capital expenditures are associated with that project. Materials and services are at roughly 106 percent of the annual budget or \$293,900, which includes approximately \$30,000 in unanticipated repairs due to lightening damage from the first quarter. Overall operating expenditures are up roughly 7 percent in comparison to the prior year at quarter end and management is watching them closely. 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



Through the fourth quarter, fund balance increase roughly \$24,600 or 2 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										
Charges for services										
Railroad	\$ 90,000	\$ 133,290	148%	\$ 360,000	\$ 376,045	104%	\$ (16,045)	\$ 755,000	49.81%	\$ 378,955
Freight Depot	57,500	62,647	109%	230,000	246,080	107%	(16,080)	480,000	51.27%	233,920
Use of money and property	31,900	62,238	195%	127,600	173,212	136%	(45,612)	270,200	64.11%	96,988
Miscellaneous	17,500	-	-	70,000	149,817	214%	(79,817)	145,000	103.32%	(4,817)
Total revenue	\$ 196,900	\$ 258,175	131%	\$ 787,600	\$ 945,153	120%	\$ (157,553)	\$ 1,650,200	57.28%	\$ 705,047
Expenditures										
Personnel services	\$ 80,900	\$ 76,401	94%	\$ 323,600	\$ 313,543	97%	\$ 10,057	\$ 747,000	41.97%	\$ 433,457
Material and services	69,450	49,189	71%	277,800	293,921	106%	(16,121)	543,300	54.10%	249,379
Capital outlay										
Improvements	90,750	166,367	46%	363,000	222,298	61%	140,702	404,000	55.02%	181,702
Transfers	22,700	22,700	100%	90,800	90,800	100%	(0)	181,700	49.97%	90,900
Contingency				878,193				919,993		919,993
Total expenditures	\$ 263,800	\$ 314,657	119%	\$ 1,933,393	\$ 920,563	48%	\$ 134,637	\$ 2,795,993	32.92%	\$ 1,875,430
Revenue over (under) expenditures	\$ (66,900)	\$ (56,483)	-5%	\$ (1,145,793)	\$ 24,591	2%	\$ (292,191)	\$ (1,145,793)		
Beginning fund balance	1,145,793	1,127,669	98%	1,145,793	1,127,669	98%		1,145,793		
Ending fund balance	\$ 1,078,893	\$ 1,071,186	99%	\$ -	\$ 1,152,260	-		\$ -		

Notes: FY20 budget adjustment per resolution no. 1445 for FY20-21 biennium

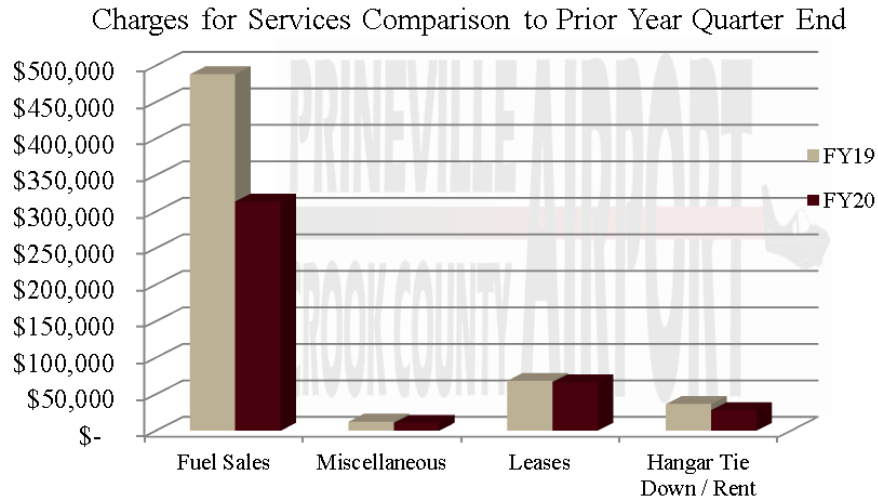


City of Prineville locomotive pick up rail cars at the junction during the fourth quarter.

Airport Fund

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

Revenue collection through the fourth quarter came in at approximately 72 percent of the annual budget or \$1.28 million. Overall charges for services are down approximately -31 percent over the prior year with fuel sales being down roughly -36 percent. The price of fuel has gone down in comparison to the prior year and competitors in Bend have been keeping their fuel prices in line with the Prineville Airport. Intergovernmental revenue for the fourth quarter is largely associated with an FAA operational grant that was awarded in the fourth quarter. Below is a prior year comparison for operating revenue making up charges for services.

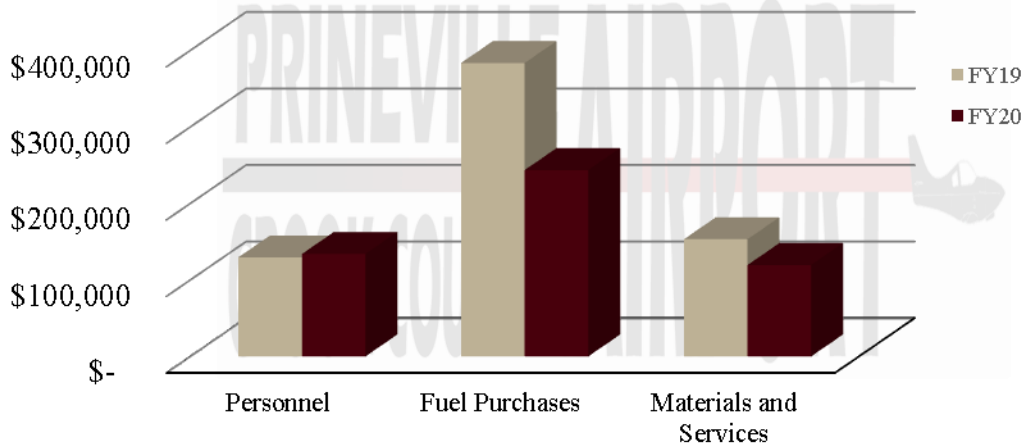


Overall expenditures through the fourth quarter came in at approximately \$1.32 million or 74 percent of the annual budget. Materials and services are under budget at 66 percent of the annual budget. Capital expenditures during the fourth quarter were for the finalization of the new fuel system and for helibase offsite improvements. The new U.S. Forest Service building, built at the airport, was set for occupancy during the fourth quarter (pictured below). Overall operating expenses are down roughly -25 percent over the prior year at quarter end. Fuel costs have decrease roughly -37 percent in comparison to the prior year. On the next page is a prior year comparison of operating expenditures.



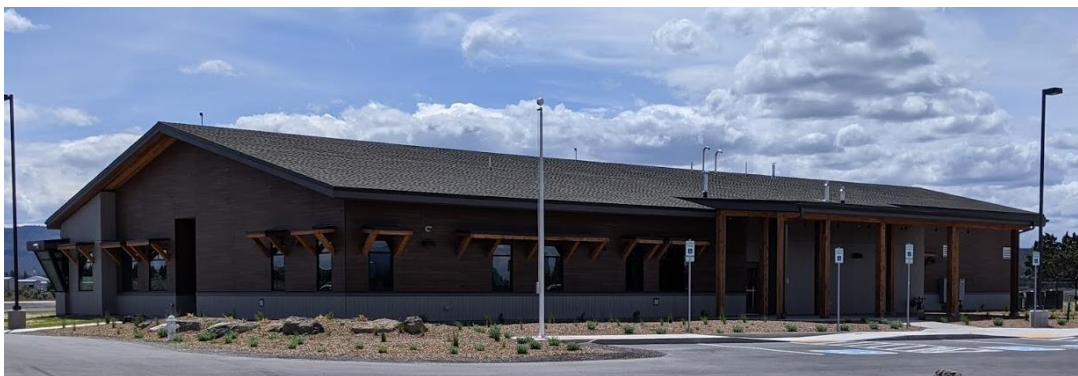
Airport Fund - Continued

Expenditure Comparison to Prior Year Quarter End



At fourth quarter end, fund balance decreased roughly -26 percent. Decreases in fund balance are largely due to capital improvements. Inventory at yearend totaled approximately \$34,800.

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Budget Est.	Actual	Quarter Budget %	Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance			
Intergovernmental	\$ 272,500	\$ 30,200	11%	\$ 1,090,000	\$ 633,583	58%	\$ 456,417	\$ 1,180,000	53.69%	\$ 546,417
Charges for services	147,000	82,406	56%	588,000	419,374	71%	168,626	1,164,000	36.03%	744,626
Interest	-	-	-	-	939	-	(939)	-	-	(939)
Transfers	22,500	135,000	600%	90,000	225,000	250%	(135,000)	180,000	125.00%	(45,000)
Total revenue	\$ 442,000	\$ 247,606	56%	\$ 1,768,000	\$ 1,278,897	72%	\$ 489,103	\$ 2,524,000	50.67%	\$ 1,245,103
Expenditures										
Personnel service	\$ 33,600	\$ 31,937	95%	\$ 134,400	\$ 133,803	100%	\$ 597	\$ 269,900	49.57%	\$ 136,097
Materials and services	136,675	59,441	43%	546,700	362,943	66%	183,757	1,088,400	33.35%	725,457
Capital outlay	250,000	126,633	51%	1,000,000	733,760	73%	266,240	1,000,000	73.38%	266,240
Debt service										
Less Schwab Hangar	6,250	-	-	25,000	25,000	100%	-	50,000	50.00%	25,000
Transfers	16,625	16,625	100%	66,500	66,500	100%	(0)	122,700	54.20%	56,200
Contingency				8,615				6,215	-	6,215
Total expenditures	\$ 443,150	\$ 234,636	53%	\$ 1,781,215	\$ 1,322,006	74%	\$ 450,594	\$ 2,537,215	52.10%	\$ 1,215,209
Revenue over (under) expenditures	\$ (1,150)	\$ 12,970	8%	\$ (13,215)	\$ (43,109)	-26%	\$ 38,509	\$ (13,215)		
Beginning fund balance	13,215	163,422	1237%	13,215	163,422	1237%		13,215		
Ending fund balance	\$ 12,065	\$ 176,392	1462%	\$ -	\$ 120,313	-		\$ -		



New USFS building at the Prineville Airport that was ready for occupancy during the fourth quarter.

Water Fund

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

Overall revenue collection through the fourth quarter came in at approximately \$2.92 million or 98 percent of the annual budget. Revenue associated with charges for service came in at roughly \$2.74 million which is a decrease over the prior year of roughly \$95,800. Water sales in comparison to the prior year have dropped with the phases of the Facebook expansion needing bulk water for construction and dust abatement being completed during the prior year. This coupled with mild summer temperatures in comparison to the prior year and thunderstorms that brought rain over the first quarter has led to less water consumption needed for irrigation during FY20. Facebook started construction of its ninth building in June 2020 and bulk water sales are starting to increase with the timing of the construction.

Expenditures through quarter end are at approximately \$3.24 million or 96 percent of the annual budget. Fourth quarter capital expenditures are largely associated with the Bowman Hydro project, Habitat Conservation Plan, water well improvements at the Lamonta site, a waterline project at Dunham and Elm Street and water rights support.

Fund balance decreased roughly \$323,600 or -41 percent at yearend largely due to capital projects.

	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	\$ 710,000	\$ 706,638	100%	\$ 2,840,000	\$ 2,735,443	96%	\$ 104,557	\$ 5,785,000	47.29%	\$ 3,049,557
Interest	5,000	396	8%	20,000	5,699	28%	14,301	40,000	14.25%	34,301
Miscellaneous	1,375	-	-	5,500	-	-	5,500	11,000	-	11,000
Transfers	31,500	50,438	160%	126,000	177,438	141%	(51,438)	255,000	69.58%	77,562
Total revenue	\$ 747,875	\$ 757,471	101%	\$ 2,991,500	\$ 2,918,579	98%	\$ 72,921	\$ 6,091,000	47.92%	\$ 3,172,421
Expenditures										
Materials and services	\$ 145,075	\$ 138,450	95%	\$ 580,300	\$ 597,287	103%	\$ (16,987)	1,184,500	50.43%	\$ 587,213
Franchise fee expense	35,500	35,500	100%	142,000	142,000	100%	0	289,000	49.13%	147,000
Capital outlay										
Equipment										
Improvements	165,000	413,821	251%	660,000	1,097,785	166%	(437,785)	1,269,000	86.51%	171,215
Principal										
Refunding bond 2017	34,150	136,602	400%	136,600	136,602	100%	(2)	276,900	49.33%	140,299
Interest										
Refunding bond 2017	14,500	28,957	200%	58,000	57,913	100%	87	112,300	51.57%	54,387
Transfers	302,650	302,650	100%	1,210,600	1,210,600	100%	(0)	2,431,700	49.78%	1,221,100
Contingency				594,670				918,270		918,270
Total expenditures	\$ 696,875	\$ 1,055,979	152%	\$ 3,382,170	\$ 3,242,186	96%	\$ (454,686)	\$ 6,481,670	50.02%	\$ 3,239,484
Revenue over (under) expenditures	\$ 51,000	\$ (298,508)	-38%	\$ (390,670)	\$ (323,607)	-41%	\$ 527,607	\$ (390,670)		
Debt service reserve	194,600			194,600				194,600		194,600
Beginning fund balance	585,270	783,298	134%	585,270	783,298	134%		585,270		
Ending fund balance	\$ 636,270	\$ 484,790	76%	\$ -	\$ 459,691	-		\$ -		

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 fourth quarter came in at approximately \$3.85 million or 99 percent of the annual budget. Revenue collection for charges for services was roughly \$3.55 million or 96 percent of the annual budget which is an increase over the prior year of approximately \$75,000. SDC reimbursement fees were distributed during the fourth quarter.

Expenditures at quarter end came in at roughly \$4.60 million or 70 percent of the annual budget. Capital expenditures during the fourth quarter are largely associated with a pump replacement for collection improvements and the purchase of a utility vehicle. Budgeted capital improvements that were anticipated being completed in FY 20 are being evaluated for completion in FY 21.

Fund balance decreased roughly \$757,200 or -19 percent through the fourth quarter largely due to the \$750,000 transfer to the golf course for the irrigation project that took place in the first quarter.

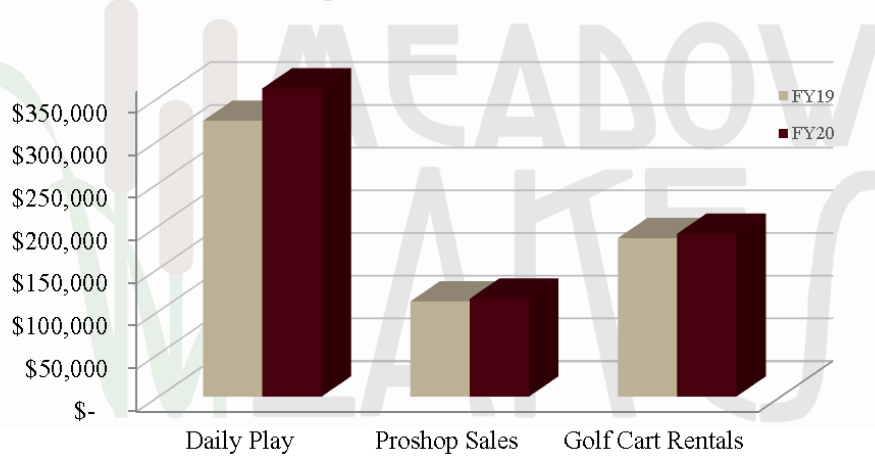
Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance			
Charges for services	\$ 923,075	\$ 903,797	98%	\$ 3,692,300	\$ 3,546,699	96%	\$ 145,601	\$ 7,518,300	47.17%	\$ 3,971,601
Interest	13,500	9,345	69%	54,000	47,548	88%	6,452	96,000	49.53%	48,452
Miscellaneous	20,925	405	2%	83,700	86,331	103%	(2,631)	167,400	51.57%	81,069
SDCs - reimbursement fees	12,000	57,698	481%	48,000	166,208	346%	(118,208)	98,000	169.60%	(68,208)
Total revenue	\$ 969,500	\$ 971,245	100%	\$ 3,878,000	\$ 3,846,786	99%	\$ 31,214	\$ 7,879,700	48.82%	\$ 4,032,914
Expenditures										
Personnel services	\$ 31,775	\$ 30,324	95%	\$ 127,100	\$ 121,670	96%	\$ 5,430	\$ 259,000	46.98%	\$ 137,330
Materials and services	179,225	148,031	83%	716,900	615,057	86%	101,843	1,448,900	42.45%	833,843
Franchise fee expense	46,250	46,250	100%	185,000	185,000	100%	(0)	376,000	49.20%	191,000
Capital outlay										
Improvements	76,250	66,845	88%	305,000	141,315	46%	163,685	1,355,000	10.43%	1,213,685
Debt service										
Principal										
DEQ CWSRF R74682/2	118,825	-	-	475,300	475,244	100%	56	964,700	49.26%	489,456
Refunding 2017	39,850	159,399	400%	159,400	159,399	100%	2	323,200	49.32%	163,802
State of Oregon IFA	7,825	-	-	31,300	26,753	85%	4,547	58,400	45.81%	31,647
USDA 2015	14,425	-	-	57,700	57,704	100%	(4)	117,000	49.32%	59,296
Interest										
DEQ CWSRF R74682/2	28,000	-	-	112,000	111,976	100%	24	209,900	53.35%	97,924
Refunding 2017	16,900	33,788	200%	67,600	67,577	100%	23	131,000	51.59%	63,423
State of Oregon IFA	1,875	-	-	7,500	7,302	97%	198	82,000	8.91%	74,698
USDA 2015	27,125	-	-	108,500	108,456	100%	44	215,400	50.35%	106,944
Fees										
DEQ CWSRF R74682/2	4,925	-	-	19,700	19,633	100%	67	37,000	53.06%	17,367
Transfers	626,725	439,225	70%	2,506,900	2,506,900	100%	0	4,273,900	58.66%	1,767,000
Contingency				1,715,616				745,816		745,816
Total expenditures	\$ 1,219,975	\$ 923,862	76%	\$ 6,595,516	\$ 4,603,986	70%	\$ 275,914	\$ 10,597,216	43.45%	\$ 5,993,230
Revenue over (under) expenditures	\$ (250,475)	\$ 47,383	1%	\$ (2,717,516)	\$ (757,199)	-19%	\$ (244,701)	\$ (2,717,516)		
Other resources / (requirements)										
Debt service reserve	1,014,800			1,014,800				1,014,800		1,014,800
Capital reserve	200,000			200,000				200,000		200,000
Beginning fund balance	3,932,316	3,940,686	100%	3,932,316	3,940,686	100%		3,932,316		
Ending fund balance	\$ 3,681,841	\$ 3,988,069	108%	\$ -	\$ 3,183,487	-		\$ -		

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 \$1.99 million at year end or 103 percent of the annual budget. Golf operating revenue came in at about \$818,700 or 107 percent of the annual budget which is an increase over the prior year of roughly 4 percent. Rounds of golf are up roughly 9 percent overall through the fourth quarter with golf being one of the few sports that can be played with in the social distancing guidelines of the state due to COVID-19. Below is a comparison to the prior year of the significant operating revenue sources for the golf course.

Golf Revenue Comparison to Prior Year at Quarter End



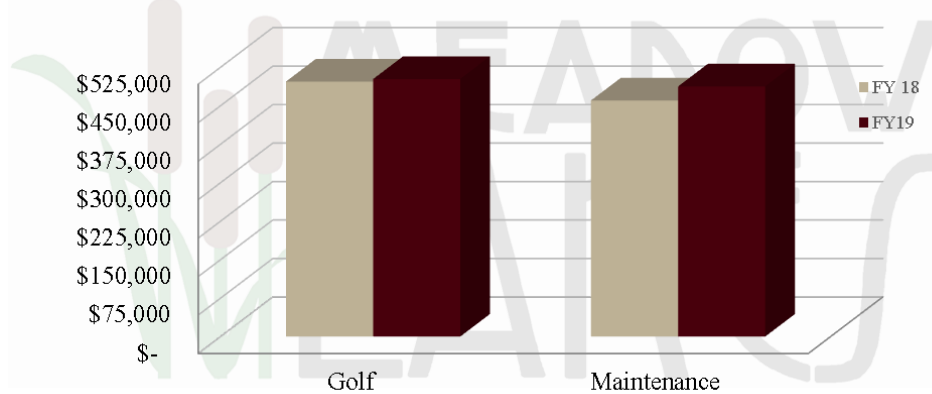
Expenditures at quarter end came in at roughly \$1.17 million or 50 percent of the annual budget. Waste disposal expenditures are at roughly \$487,500 or 100 percent of the annual budget, an increase of approximately 6 percent over the prior year. Golf course operating expenditures are up approximately 1 percent over the prior year and came in at 44 percent of the annual budget. Budgeted capital projects were completed as budgeted with the exception of the irrigation project. That project is started and bids are expected to come in during the first quarter of FY 21. On the following page is a comparison of operating only expenditures to the prior year by department.



Golf Course in May 2020

Golf Course and Restaurant Fund - Continued

Operating Expenditure Comparison to Prior Year at Quarter End



Fund balance increased roughly \$820,500 or 166 percent through the fourth quarter with the budgeted transfer of \$750,000 that was completed in the first quarter from the Wastewater Fund for the needed irrigation replacement project which was in phase 2 (construction cost estimates, construction documents and bidding) at the end of the fourth quarter.

	Current Quarter			Year to Date			Annual Est. Budget Balance	Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %				
Revenue										
Charges for services										
Golf Course	\$ 191,375	\$ 303,860	159%	\$ 765,500	\$ 818,712	107%	\$ (53,212)	\$ 1,556,000	52.62%	\$ 737,288
Waste Disposal	92,500	92,500	100%	370,000	370,000	100%	0	740,000	50.00%	370,000
Restaurant	5,400	2,573	48%	21,600	17,860	83%	3,740	48,200	37.05%	30,340
Other	1,125	1,348	120%	4,500	4,778	106%	(278)	9,000	53.09%	4,222
Interest	2,250	4,671	208%	9,000	25,107	279%	(16,107)	15,000	167.38%	(10,107)
Transfers	187,500	-	-	750,000	750,000	100%	-	750,000	100.00%	-
Miscellaneous	1,250	1,111	89%	5,000	4,536	91%	464	10,000	45.36%	5,464
Total revenue	\$ 481,400	\$ 406,063	84%	\$ 1,925,600	\$ 1,990,993	103%	\$ (65,393)	\$ 3,128,200	63.65%	\$ 1,137,207
Expenditures										
Golf Course	\$ 327,625	\$ 149,487	46%	\$ 1,310,500	\$ 575,245	44%	\$ 735,255	\$ 1,880,100	30.60%	\$ 1,304,855
Waste Disposal	121,700	139,832	115%	486,800	487,539	100%	(739)	994,500	49.02%	506,961
Restaurant	8,250	5,483	66%	33,000	21,820	66%	11,180	68,000	32.09%	46,180
Debt service										
Principal - note payable	6,475	6,518	101%	25,900	25,875	100%	25	82,200	31.48%	56,325
Interest - note payable	500	442	88%	2,000	1,959	98%	41	2,200	89.05%	241
Principal - 2017 bond	11,250	45,000	400%	45,000	45,000	100%	-	90,000	50.00%	45,000
Interest - 2017 bond	2,375	4,726	199%	9,500	9,452	99%	48	17,800	53.10%	8,348
Scooter lease	-	825	-	-	3,576	-	(3,576)	-	-	(3,576)
Contingency				413,795				394,295		394,295
Total expenditures	\$ 478,175	\$ 352,312	74%	\$ 2,326,495	\$ 1,170,465	50%	\$ 745,811	\$ 3,529,095	33.17%	\$ 2,358,630
Revenue over (under) expenditures	\$ 3,225	\$ 53,750	11%	\$ (400,895)	\$ 820,527	166%	\$ (811,203)	\$ (400,895)		
Debt service reserve		82,400		82,400				82,400		82,400
Beginning fund balance	483,295	494,280	102%	483,295	494,280	102%		483,295		
Ending fund balance	\$ 486,520	\$ 548,030	113%	\$ -	\$ 1,314,807	-		\$ -		

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 fourth quarter came in at approximately \$3.20 million or 117 percent of the annual budget. Fourth quarter charges for services include approximately \$465,700 in 911 user equipment reimbursements and \$586,100 in Internal Service Fund transfers. Intergovernmental revenue is from the Coronavirus Relief Funds Grant totaling roughly \$46,700 in the fourth quarter.

Overall expenditures at quarter end are at approximately 104 percent of the annual budget or \$3.31 million. Expenditures came in below budget in the City Council and Financial Services Departments at year end. In the IT Department expenses are up largely due to services that are being provided to the 911 users which totaled roughly \$256,400 during fourth quarter. These expenses are to be reimbursed and the additional revenue will offset the expense. A budget adjustment will be needed before year end in FY 21.

Fund balance decreased roughly \$109,500 or -39 percent through the fourth quarter largely due to 911 user equipment upgrades that are currently in process.

Revenue	Current Quarter			Year to Date			Annual Est. Budget Balance	Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %				
Charges for services	\$ 680,600	\$ 1,185,062	174%	\$ 2,722,400	\$ 3,148,336	116%	\$ (425,936)	\$ 5,319,900	59.18%	\$ 2,171,564
Intergovernmental Revenue	-	46,654	-	-	46,654	-	(46,654)	-	-	(46,654)
Interest	2,500	471	19%	10,000	6,159	62%	3,841	20,000	30.79%	13,841
Total revenue	\$ 683,100	\$ 1,232,187	180%	\$ 2,732,400	\$ 3,201,149	117%	\$ (468,749)	\$ 5,339,900	59.95%	\$ 2,138,751
Expenditures										
City Council	\$ 22,575	\$ 36,632	162%	\$ 90,300	\$ 87,384	97%	\$ 2,916	\$ 182,100	47.99%	\$ 94,716
Administration / Team Services	200,750	265,982	132%	803,000	858,502	107%	(55,502)	1,614,500	53.17%	755,998
Financial Services	231,725	226,076	98%	926,900	872,043	94%	54,857	1,878,500	46.42%	1,006,457
Information Technology	221,700	449,062	203%	886,800	1,492,700	168%	(605,900)	1,723,000	86.63%	230,300
Contingency				478,314				394,714		394,714
Total expenditures	\$ 676,750	\$ 977,752	144%	\$ 3,185,314	\$ 3,310,630	104%	\$ (603,630)	\$ 5,792,814	57.15%	\$ 2,482,184
Revenue over (under) expenditures	\$ 6,350	\$ 254,435	90%	\$ (452,914)	\$ (109,481)	-39%	\$ 134,881	\$ (452,914)		
Beginning fund balance	452,914	281,653	62%	452,914	281,653	62%		452,914		
Ending fund balance	\$ 459,264	\$ 536,088	117%	\$ -	\$ 172,172	-		\$ -		



Mayor Steve Uffelman giving his Mayors Message on Facebook during the fourth quarter

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 102 percent of the annual budget. Fourth quarter intergovernmental revenues collections were largely for the Senior Center CDBG project which is anticipated to be completed during the first quarter of FY 21. During the fourth quarter the City sold property for services associated with a pedestrian bridge for the Barnes Butte property in the amount of roughly \$150,000. Debt was refunded for the new police building which included additional dollars to complete the retrofitting needed to house the police, dispatch and information technology departments. Approximately \$9,000 in miscellaneous revenue came in for Barnes Butte support for weed spraying and ADA wagons.

Expenditures during the fourth quarter are roughly 62 percent of the annual budget. The City Hall Facilities department tracked under budget coming in at 76 percent of the annual budget and the Public Works Facility came in as anticipated at 100 percent of the annual budget. A supplemental budget was done during the fourth quarter to budget for the refunding of debt that included additional dollars for the new police building, additional grant dollars awarded for the completion of the senior center and grant dollars that were received for unanticipated costs associated with spraying noxious weeds at Barnes Butte. Capital expenditures in the Police Facility Department during the fourth quarter were mostly for the demolition and construction of the adaptation for the new police facility totaling \$1.06 million. In the CDBG- Sr. Center Department, the construction piece of the senior center rehabilitation project started in the fourth quarter with roughly \$908,100 being expended during that time. This project is expected to be completed in late summer. In the Barnes Butte Department, fourth quarter expenditures are largely associated with capital spending associated with the joints park master plan.

Fund balance increased approximately \$996,400 or 32 percent through the fourth quarter largely due to the refunding of debt and additional loan dollars received to complete the new police facility.



Demolition to the new Police building during the fourth quarter.

Building Facilities Fund - Continued

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Annual Actual	Annual Est. Budget %	Annual Est. Budget Balance			
Rent	\$ 52,775	\$ 52,800	100%	\$ 211,100	\$ 211,200	100%	\$ (100)	\$ 438,000	48.22%	\$ 226,800
Transfers	158,550	147,550	93%	634,200	584,200	92%	50,000	867,100	67.37%	282,900
Miscellaneous	1,250	13,599	1088%	5,000	33,367	667%	(28,367)	10,000	333.67%	(23,367)
Debt proceeds	1,489,500	5,958,000	400%	5,958,000	5,958,000	100%	-	5,958,000	100.00%	-
Intergovernmental	286,600	879,708	307%	1,146,400	1,132,721	99%	13,679	1,575,300	71.91%	442,579
Sale of Assets	-	150,000	-	-	150,000	-	(150,000)	-	-	(150,000)
Interest	11,250	12,338	110%	45,000	63,708	142%	(18,708)	70,000	91.01%	6,292
Total revenue	\$ 1,999,925	\$ 7,213,995	361%	\$ 7,999,700	\$ 8,133,196	102%	\$ (133,496)	\$ 8,918,400	91.20%	\$ 785,204
Expenditures										
City Hall facilities	\$ 64,000	\$ 120,233	188%	\$ 256,000	\$ 193,604	76%	\$ 62,396.00	\$ 512,300	37.79%	\$ 318,696
Police facilities	1,838,950	4,910,301	267%	7,355,800	5,520,105	75%	1,835,695	9,051,100	60.99%	3,530,995
CDBG - Sr. Center	378,825	908,088	240%	1,515,300	1,154,723	76%	360,577	1,515,300	76.20%	360,577
Public Works facilities	10,500	17,557	167%	42,000	42,039	100%	(39)	85,000	49.46%	42,961
Barnes Butte	64,050	75,905	119%	256,200	226,288	88%	29,912	361,200	62.65%	134,912
Contingency				1,232,908				27,008		27,008
Total expenditures	\$ 2,356,325	\$ 6,032,084	256%	\$ 10,658,208	\$ 7,136,758	62%	\$ 2,288,542	\$ 11,551,908	61.78%	\$ 4,415,150
Revenue over (under) expenditures	\$ (356,400)	\$ 1,181,910	38%	\$ (2,658,508)	996,438	32%	\$ (2,422,038)	\$ (2,633,508)		
Other requirements										
Debt service reserve	212,900			212,900				237,900		237,900
Beginning fund balance	2,871,408	3,117,775	109%	2,871,408	3,117,775	109%		2,871,408		
Ending fund balance	\$ 2,515,008	\$ 4,299,685	171%	\$ -	\$ 4,114,213	-		\$ -		

Notes: FY20 supplemental budget per resolution no. 1446 for FY20-21 biennium



Barnes Butte hiking views during the fourth quarter.

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.

Fourth quarter revenue collection was from interest. Revenues are as anticipated with the county and city agreement specifying that the ending fund balance is not to exceed \$50,000.

Fourth quarter expenditures are for contracted grounds keeping and lighting improvements that included LED retrofitting kits.

Fund balance decreased roughly -22 percent through the fourth 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	\$ 4,375	\$ -	-	\$ 17,500	\$ 6,461	37%	\$ 11,039	\$ 22,500	28.72%	\$ 16,039
Interest	250	342	137%	1,000	1,073	107%	(73)	2,000	53.66%	\$ 927
Transfers	4,375	-	-	17,500	6,461	37%	11,039	22,500	28.72%	\$ 16,039
Total revenue	\$ 9,000	\$ 342	4%	\$ 36,000	\$ 13,995	39%	\$ 22,005	\$ 47,000	29.78%	\$ 33,005
Expenditures										
Materials and services	\$ 7,250	\$ 12,958	179%	\$ 29,000	\$ 19,980	69%	\$ 9,020	\$ 43,000	46.47%	\$ 23,020
Transfers	500	2,000	400%	2,000	2,000	100%	-	4,000	50.00%	2,000
Contingency				41,318				36,318		36,318
Total expenditures	\$ 7,750	\$ 14,958	193%	\$ 72,318	\$ 21,980	30%	\$ 9,020	\$ 83,318	26.38%	\$ 61,338
Revenue over (under) expenditures	\$ 1,250	\$ (14,616)	-39%	\$ (36,318)	\$ (7,985)	-22%	\$ 12,985	\$ (36,318)		
Other requirements										
Debt service reserve	-	-	-	-	-	-	-	-	-	-
Beginning fund balance	36,318	37,077	102%	36,318	37,077	102%		36,318		
Ending fund balance	\$ 37,568	\$ 22,461	60%	\$ -	\$ 29,092	-		\$ -		



Protesters in the plaza in May 2020.

Public Works Support Services Fund

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

Revenues through the fourth quarter are at roughly 94 percent of the annual budget. The State’s STP fund exchange program has made some changes in the way they distribute dollars for projects. This change pushed out intergovernmental revenue anticipated for FY20 to now be anticipated in FY21. Charges for services included \$235,000 in engineering fees from the Water SDC fund for the ASR project.

Overall expenditures through the fourth quarter are at roughly 86 percent of the annual budget with both departments coming in slightly under budget. Personnel services, in the support services department, came in under budget at year end at 98 percent of the annual budget. Fourth quarter expenditures in the fleet and vehicles department were largely associated maintenance and supplies for maintaining the equipment and vehicles.

Fund balance increased approximately \$13,000 or 7 percent through the fourth quarter.

	Current Quarter			Year to Date			Annual Est. Budget Balance	Biennial	Biennial	Biennial Budget
	Quarter Budget Est.	Quarter Actual	Quarter Budget %	Annual Budget Est.	Annual Actual	Annual Est. Budget %		Budget	Budget %	Remaining Balance
Revenue										
Intergovernmental	\$ 29,250	\$ 1,025	4%	\$ 117,000	\$ 1,025	1%	\$ 115,975	\$ 236,000	0.43%	\$ 234,975
Charges for services	499,750	676,000	135%	1,999,000	1,999,000	100%	-	4,000,500	49.97%	2,001,500
Interest	875	356	41%	3,500	3,426	98%	74	7,000	48.95%	3,574
Miscellaneous	4,500	2,173	48%	18,000	2,371	13%	15,629	36,000	6.59%	33,629
Total revenue	\$ 534,375	\$ 679,554	127%	\$ 2,137,500	\$ 2,005,822	94%	\$ 131,678	\$ 4,279,500	46.87%	\$ 2,273,678
Expenditures										
Public Works Support Services	\$ 430,275	\$ 415,419	97%	\$ 1,721,100	\$ 1,682,125	98%	\$ 38,975	\$ 3,527,000	47.69%	\$ 1,844,875
Public Works Fleet and Vehicles	78,275	48,829	62%	313,100	310,736	99%	2,364	636,600	48.81%	325,864
Contingency				278,233				290,833		290,833
Total expenditures	\$ 508,550	\$ 464,247	91%	\$ 2,312,433	\$ 1,992,860	86%	\$ 41,340	\$ 4,454,433	44.74%	\$ 2,461,573
Revenue over (under) expenditures	\$ 25,825	\$ 215,307	118%	\$ (174,933)	\$ 12,962	7%	\$ 90,338	\$ (174,933)		
Beginning fund balance	174,933	183,109	105%	174,933	183,109	105%		174,933		
Ending fund balance	\$ 200,758	\$ 398,416	198%	\$ -	\$ 196,071	-		\$ -		

Notes: