

*City of Prineville, Oregon
Financial Report
Second Quarter Ended
December 31, 2023*



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 light green in each of the funds. Annual budget estimates for FY 24 reflect the estimated budget allocation for the fiscal year. The quarter budget estimates have been allocated proportionally of the fiscal year budget (25 percent). The financial information presented is unaudited.

Current Quarter Quarter budget estimates allocated at 25 percent of the fiscal year budget compared to actual ↓			Year to Date Fiscal year 2024 budget allocation 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, 2023, the City’s financial condition increased by approximately \$2.7 million. Funds with significant increases in fund balance include the General Fund, Emergency Dispatch, Transportation SDC, Wastewater SDC, Wastewater Fund, and the Building Facilities Fund. Funds with a significant negative impact to fund balance include the Transportation Fund, the Water SDC Fund, Airport, the Administrative and Financial Services Fund and the Public Works Support Service Fund. Tax collections and grant reimbursements largely contributed to the increase in the City’s financial condition.

Through the second quarter, General Fund revenues came in at roughly 73 percent of the annual budget or \$6.5 million. Property tax revenue is roughly 96 percent of the annual budget at quarter end. Transient lodging taxes are down approximately 7 percent in comparison to the prior year. Franchise fees are at roughly 70 percent of the annual budget with overall collection up approximately \$1.2 million over prior year. Electrical franchise fees are up in comparison to the prior year at quarter end roughly \$1.2 million largely due to the recent build out of the data centers. Overall, the General Fund realized an increase in fund balance of roughly \$2 million or 61 percent through the second quarter which was anticipated with property taxes due in November.

The Transportation’s fund balance decreased roughly \$244,000 or -35 percent at quarter end due to capital projects and the timing of when revenues are received. Second quarter state gas tax collection came in at roughly \$240,000 and is up approximately \$13,000 over the prior year quarter end. Capital improvements during the second quarter are largely associated with the grant funded EV charging station project.

In Emergency Dispatch, fund balance increased approximately \$302,000 or 22 percent at quarter end. Reimbursements for the 911 upgrades contributed to the increase in fund balance during the second quarter. There were 3 open positions still looking to be filled at quarter end with 2

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positions being filled out of the 5 from the previous quarter. Second quarter capital outlay expenditures were associated with the upgrade of the E-911 phone system.

In the SDC funds, capital projects continued. Transportation SDC capital projects taking place during the second quarter were the Peters Road / Combs Flat extension project and the Peters and Main Street intersection safety improvement project. In the Water SDC Fund, the water resiliency project, ASR well upgrades and the water master plan update continued. In the Wastewater SDC Fund, capital projects were largely associated with the master plan update and the water reuse project. SDC collection during the second quarter was associated with roughly 16 residential and 4 commercial starts.

In the Railroad Fund, revenue comparisons to the prior year show overall revenues are up roughly 20 percent. The significant increases are in freight and freight depot charges. Freight Depot charges for services are up due to increased lease revenue from Heniff Transportation and Ed Staub and Sons and an increase in lumber customers utilizing the facility. Freight cars are up over the prior year at quarter end by 96 cars. Materials and services are at roughly 71 percent of the annual budget or \$210,000, which includes approximately \$123,000 in liability insurance. Overall operating expenditures are up slightly in comparison to the prior year with increases in property insurance, utilities and personnel services. Capital outlay projects were done during the second quarter totaling roughly \$79,000 for bridge and track work. Fund balance decreased roughly \$160,000 or -13 percent at quarter end.

In the Airport Fund, fund balance decreased approximately \$114,000 or -78 percent through the second quarter. During the first quarter, negotiations began on bringing in a third party to run the operations of the Airport. The contract was solidified and went into effect as of October 1, 2023. The City and County were in discussions on what the new intergovernmental agreement will look like once the agreement expires at the end of the second quarter.

Meadow Lakes Golf shows an increase in fund balance at quarter end of approximately \$11,000 or 1 percent. This is largely due to increased activity. Operating revenue for the golf course is up in comparison to the prior year at quarter end roughly 17 percent with rounds of golf up by approximately 3,200 rounds. Golf course operating expenditures are up approximately 10 percent and Maintenance expenditures are up roughly 22 percent over the prior year quarter end. These increases can be attributed to increased activity and increases in personnel costs, insurance, utilities and course maintenance supplies.

In the Administration and Financial Support Services the fund balance decreased roughly -61 percent with Information Technology coming in at roughly 73 percent of the annual budget. This is largely due to upgrades to 911 infrastructure and 911 user equipment that continued through the second quarter totaling roughly \$431,000. A good portion of these upgrades will be reimbursed by the 911 users. Expenditures are tracking below budget in the Finance Department at quarter end largely due to being short staffed. In the Administration and City Council Departments, there were annual payments due during the first quarter and the departments are expected to fall in line with budget by the end of the year

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Through the second quarter the Building Facilities Fund balance increased roughly \$353,000 or 53 percent. All departments are running below budget at quarter end with the exception of the Public Works Department due to needed repair and maintenance work completed for a new garage door on the sander shed, air piping for the Public Works shop and new windows for the wastewater treatment lab.

In the Public Works Support Service Fund, a budget adjustment may be needed during the biennium for the Fleets and Vehicles Department, due to a dump truck that was budgeted and ordered in the prior year being delivered in this fiscal year. The timing in which the budgeted capital equipment for next fiscal year is delivered, will determine the need for a budget adjustment. Fund balance decreased roughly -73 percent through 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

Lori Hooper Antram,
Finance Director



Meadow Lakes in November 2023

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	\$ 2,610,081	\$ 3,231,995	\$ 6,497,877	\$ 4,520,858	\$ 5,209,015	\$ 1,977,020	61%
Transportation	487,198	702,065	1,029,023	1,273,175	457,913	(244,152)	-35%
Emergency Dispatch	1,107,340	1,400,515	1,535,801	1,233,400	1,702,916	302,401	22%
Planning	218,351	256,699	248,978	238,032	267,644	10,945	4%
Transportation SDC	11,054,372	1,323,642	772,353	155,816	1,940,179	616,537	47%
Water SDC	180,913	(83,898)	1,790,966	1,583,439	123,629	207,527	-247%
Wastewater SDC	7,710	119,699	199,777	152,213	167,263	47,564	40%
PERS / POB	1,427,357	1,821,141	316,474	26,835	2,110,780	289,639	16%
Railroad	1,354,624	1,259,728	538,398	698,400	1,099,726	(160,002)	-13%
Airport	100,068	145,669	268,051	382,305	31,414	(114,255)	-78%
Water	1,491,817	1,836,311	2,250,213	2,470,387	1,616,137	(220,174)	-12%
Wastewater	1,752,887	2,110,083	2,544,925	2,097,853	2,557,155	447,072	21%
Golf Course and Restaurant	1,018,692	1,109,422	919,588	908,797	1,120,213	10,791	1%
Administration and Financial Service:	639,699	373,384	1,953,050	2,181,342	145,092	(228,292)	-61%
Building Facilities	551,197	665,937	604,027	251,318	1,018,646	352,709	53%
Plaza Maintenance	29,273	39,353	20,518	4,735	55,137	15,784	40%
Public Works Support Services	520,752	784,560	1,109,464	1,685,712	208,312	(576,248)	-73%
Totals	\$ 24,552,331	\$ 17,096,305	\$ 22,599,483	\$ 19,864,617	\$ 19,831,171	\$ 2,734,866	16%



New Gazebo built at the wetlands during the second 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 revenue collection through the second quarter is at approximately \$6.5 million or 73 percent of the annual budget. Property tax revenue is roughly 96 percent of the annual budget at quarter end with property taxes being due in November. Transient lodging taxes are down in comparison to the prior year by roughly 7 percent. Franchise fees are at roughly 70 percent of the annual budget with overall collection up approximately \$1.17 million over prior year. Electrical franchise fees are up in comparison to the prior year at quarter end roughly \$1.15 million largely due to the recent build out of the data centers.

Police spending through the second quarter was at approximately 48 percent of the annual budget. Personnel services are at roughly 46 percent of the annual budget with 2 open positions being filled during the second quarter. The Police Department partnered with the Sheriff’s office to do their annual Shop with a Cop program during the second quarter.

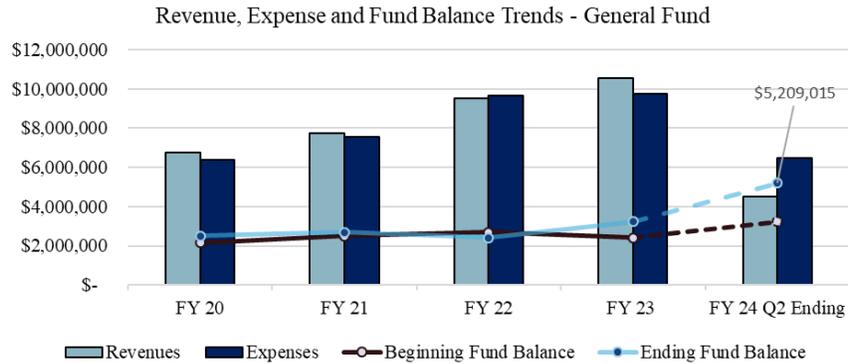
Non-Departmental is at roughly 46 percent of the annual budget. Second quarter significant expenditures in Non- Departmental included \$276,000 for the Prineville Renewable Energy Project (PREP), \$45,000 in street lighting, \$105,000 in transient lodging taxes to the chamber of commerce and \$430,000 in transfers to support planning, streets and the building facilities.



The Faith and Blue event in October 2023.

General Fund – Continued

Overall, the General Fund realized an increase in fund balance of roughly \$1.98 million or 61 percent through the second quarter. This was largely anticipated with a majority of property tax revenue being collected during the second quarter. Annual revenue, expense and fund balance trends for the General Fund are shown below.



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			
Property taxes	\$ 701,475	\$ 2,668,555	380%	\$ 2,805,900	\$ 2,685,934	96%	\$ 119,966	\$ 5,695,100	47%	\$ 3,009,166
Transient lodging tax	150,000	101,051	67%	600,000	280,146	47%	319,854	1,200,000	23%	919,854
Franchise fees	1,029,025	1,497,677	146%	4,116,100	2,896,319	70%	1,219,781	8,424,500	34%	5,528,181
Licenses and permits	1,525	805	53%	6,100	3,248	53%	2,852	12,200	27%	8,952
Intergovernmental revenues	232,325	56,826	24%	929,300	122,928	13%	806,372	2,113,600	6%	1,990,672
Interest	8,750	50,285	575%	35,000	68,638	196%	(33,638)	70,000	98%	1,362
Miscellaneous	100,875	365,515	362%	403,500	440,665	109%	(37,165)	817,000	54%	376,335
Total revenue	\$ 2,223,975	\$ 4,740,714	213%	\$ 8,895,900	\$ 6,497,877	73%	\$ 2,398,023	\$ 18,332,400	35%	\$ 11,834,523
Expenditures										
Police	\$ 1,913,875	\$ 1,782,057	93%	\$ 7,655,500	\$ 3,648,442	48%	\$ 4,007,058	\$ 15,397,550	24%	11,749,108
Non-departmental	473,250	416,482	88%	1,893,000	872,416	46%	1,020,584	4,036,000	22%	3,163,584
Contingency				1,957,481				1,508,931		1,508,931
Total expenditures	\$ 2,387,125	\$ 2,198,538	92%	\$ 11,505,981	\$ 4,520,858	39%	\$ 5,027,642	\$ 20,942,481	22%	\$ 14,912,692
Revenue over (under) expenditures	\$ (163,150)	\$ 2,542,176	79%	\$ (2,610,081)	\$ 1,977,020	61%	\$ (2,629,620)	\$ (2,610,081)		
Beginning fund balance	2,610,081	3,231,995	124%	2,610,081	3,231,995	124%	2,610,081	2,610,081		
Ending fund balance	\$ 2,446,931	\$ 5,774,171	236%	\$ -	\$ 5,209,015	-	\$ (19,539)	\$ -		



Shop with a Cop that took place in December 2023.

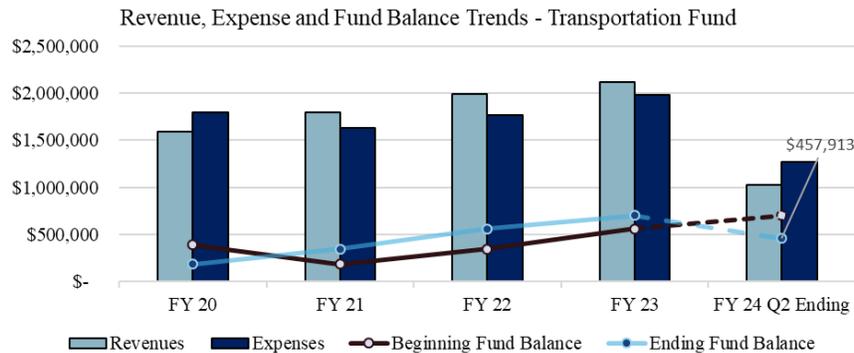
Transportation Fund

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

Revenue for the Transportation Fund through the second quarter is at approximately 48 percent of the annual budget. Intergovernmental revenue collection is at 47 percent of the annual budget with roughly \$240,000 coming in for gas taxes during the second quarter. State gas tax collection is up approximately 3 percent over the prior year.

Expenditures through the second quarter are at approximately 48 percent of annual budget. Second quarter capital expenses were largely associated with the grant funded EV charging station. Personnel services are at 47 percent of the annual budget and materials and services are at 24 percent of the annual budget.

Fund balance decreased roughly \$244,000 through the second quarter with capital improvement projects and the timing in which revenue is received being the major contributing factor to the decrease. Below are revenue, expense and fund balance trends for the Transportation Fund.



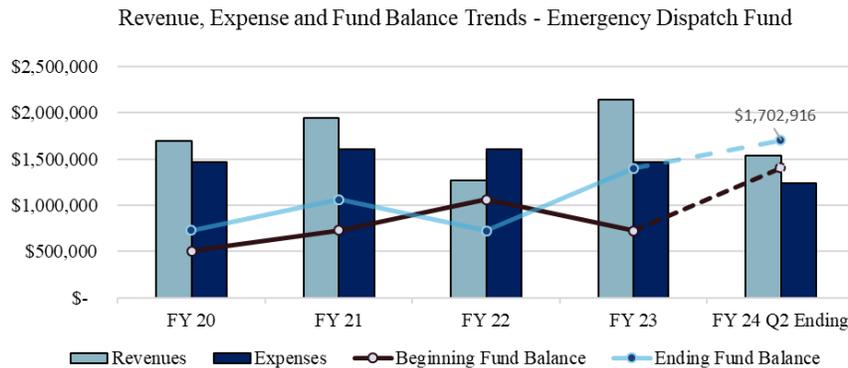
Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Quarter Actual	Quarter Budget %	Annual Budget Est.	Annual Actual	Annual Est. Budget %	Annual Est. Budget Balance			
Franchise fees	\$ 126,175	\$ 126,175	100%	\$ 504,700	\$ 252,350	50%	\$ 252,350	\$ 908,700	28%	\$ 656,350
Intergovernmental	292,800	278,195	95%	1,171,200	551,175	47%	620,025	2,296,400	24%	1,745,225
Transfers	100,000	100,000	100%	400,000	200,000	50%	200,000	800,000	25%	600,000
Interest	1,500	10,023	668%	6,000	16,143	269%	(10,143)	11,300	143%	(4,843)
Miscellaneous	17,750	2,407	14%	71,000	9,355	13%	61,645	87,000	11%	77,645
Total revenue	\$ 538,225	\$ 516,800	96%	\$ 2,152,900	\$ 1,029,023	48%	\$ 1,123,877	\$ 4,103,400	25%	\$ 3,074,377
Expenditures										
Personnel services	\$ 72,500	\$ 70,287	97%	\$ 290,000	\$ 135,968	47%	\$ 154,032	\$ 593,200	23%	457,232
Material and services	125,175	54,897	44%	500,700	117,833	24%	382,867	956,500	12%	838,667
Capital outlay										
Improvements	231,250	78,860	34%	925,000	759,423	82%	165,577	1,675,000	45%	915,577
Transfers	129,975	129,975	100%	519,900	259,950	50%	259,950	1,049,200	25%	789,250
Contingency				404,498				316,698		316,698
Total expenditures	\$ 558,900	\$ 334,018	60%	\$ 2,640,098	\$ 1,273,175	48%	\$ 962,425	\$ 4,590,598	28%	\$ 3,317,423
Revenue over (under) expenditures	\$ (20,675)	\$ 182,781	26%	\$ (487,198)	\$ (244,152)	-35%	\$ 161,452	\$ (487,198)		
Beginning fund balance	487,198	702,065	144%	487,198	702,065	144%		487,198		
Ending fund balance	\$ 466,523	\$ 884,846	190%	\$ -	\$ 457,913	-		\$ -		

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 \$1.54 or 58 percent of the annual budget at quarter end. Intergovernmental revenue collection through the second quarter was at roughly \$1.1 million with E-911 funds flat in comparison to the prior year at quarter end. Reimbursement for the E-911 telephone upgrade came in during the second quarter totaling \$307,000.

Expenditures are at approximately \$1.23 million or 33 percent of the annual budget. Personnel services are 29 percent of the annual budget or approximately \$475,000 with overtime coming in at roughly 107 percent of the annual budget. Dispatch was able to fill 2 out of 5 open positions during the second quarter. Capital outlay expenditures were associated with the upgrade of the phone system. Below are revenue, expense and fund balance trends for the Emergency Dispatch Fund.



Katie Kemper being recognized for her promotion to supervisor in the Emergency Dispatch Department in November 2023.

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Emergency Dispatch Fund – Continued

Fund balance increased roughly \$302,000 or 22 percent through the second 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 Est. Budget %	Annual Est. Budget Balance			
Intergovernmental	\$ 454,800	\$ 612,898	135%	\$ 1,819,200	\$ 1,093,649	60%	\$ 725,551	\$ 3,225,500	34%	\$ 2,131,851
Miscellaneous	750	-	-	3,000	-	-	3,000	6,000	0%	6,000
Interest	1,500	21,861	1457%	6,000	30,002	500%	(24,002)	12,000	250%	(18,002)
Transfers from other funds	206,075	206,075	100%	824,300	412,150	50%	412,150	1,627,500	25%	1,215,350
Total revenue	\$ 663,125	\$ 840,835	127%	\$ 2,652,500	\$ 1,535,801	58%	\$ 1,116,699	\$ 4,871,000	32%	\$ 3,335,199
Expenditures										
Personnel services	\$ 409,475	\$ 229,758	56%	\$ 1,637,900	\$ 474,596	29%	\$ 1,163,304	\$ 3,323,300	14%	\$ 2,848,704
Material and services	83,725	55,436	66%	334,900	149,304	45%	185,596	679,900	22%	530,596
Capital outlay										
Equipment	235,500	115,819	49%	942,000	491,600	52%	450,400	1,082,000	45%	590,400
Transfers	58,950.00	58,950	100%	235,800	117,900	50%	117,900	481,800	24%	363,900
Contingency				609,240				411,340		411,340
Total expenditures	\$ 787,650	\$ 459,964	58%	\$ 3,759,840	\$ 1,233,400	33%	\$ 1,917,200	\$ 5,978,340	21%	\$ 4,744,940
Revenue over (under) expenditures	\$ (124,525)	\$ 380,870	27%	\$ (1,107,340)	\$ 302,401	22%	\$ (800,501)	\$ (1,107,340)		
Beginning fund balance	1,107,340	1,400,515	126%	1,107,340	1,400,515	126%		1,107,340		
Ending fund balance	\$ 982,815	\$ 1,781,385	181%	\$ -	\$ 1,702,916	-		\$ -		



Wendy Weitman's 10-year anniversary with the Emergency Dispatch Department was in October 2023.

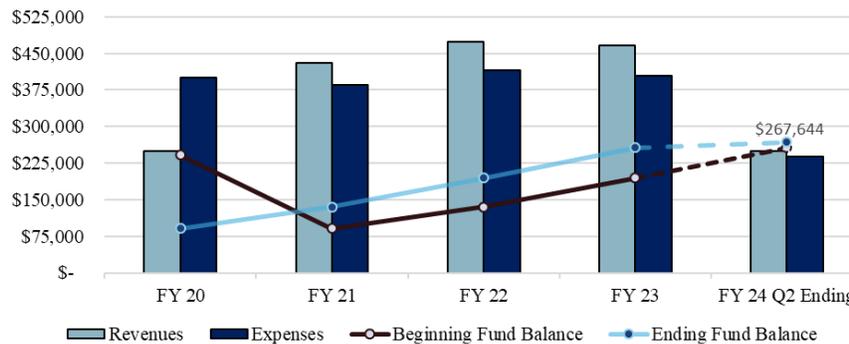
Planning Fund

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.

Overall revenue collection through the second quarter came in at approximately \$249,000 or 48 percent of the annual budget. Revenue collection for the licenses and permits are at approximately 49 percent of the annual budget and are down roughly \$12,000 in comparison to the prior year at quarter end. Development highlights for the quarter included the collection of SDC’s for roughly 16 residential and 4 commercial starts.

Expenditures are at approximately \$238,000 or 32 percent of the annual budget at quarter end with personnel services and materials and services tracking below budget. A budget adjustment was done in the second quarter to allow for expenditures associated with a floodplain feasibility study. Fund balance increased roughly \$11,000 through the second quarter.

Revenue, Expense and Fund Balance Trends - Planning Fund



	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										
Licenses and permits	\$ 10,000	\$ 5,104	51%	\$ 40,000	\$ 19,411	49%	\$ 20,589	\$ 75,000	26%	\$ 55,589
Intergovernmental	1,250	1,901	152%	5,000	1,901	38%	3,099	10,000	19%	8,099
Charges for services	27,300	35,274	129%	109,200	40,519	37%	68,681	141,400	29%	100,881
Interest	500	5,023	1005%	2,000	7,147	357%	(5,147)	4,000	179%	(3,147)
Transfers from other funds	90,000	90,000	100%	360,000	180,000	50%	180,000	720,000	25%	540,000
Total revenue	\$ 129,050	\$ 137,302	106%	\$ 516,200	\$ 248,978	48%	\$ 267,222	\$ 950,400	26%	\$ 701,422
Expenditures										
Personnel services	\$ 71,400	\$ 67,393	94%	\$ 285,600	\$ 118,036	41%	\$ 167,564	\$ 585,200	20%	\$ 467,164
Material and services	35,575	7,093	20%	142,300	32,646	23%	109,654	184,700	18%	152,054
Transfers	43,675	43,675	100%	174,700	87,350	50%	87,350	356,900	24%	269,550
Contingency				131,951				41,951		41,951
Total expenditures	\$ 150,650	\$ 118,161	78%	\$ 734,551	\$ 238,032	32%	\$ 364,568	\$ 1,168,751	20%	\$ 930,719
Revenue over (under) expenditures	\$ (21,600)	\$ 19,141	7%	\$ (218,351)	\$ 10,945	4%	\$ (97,345)	\$ (218,351)		
Beginning fund balance	218,351	256,699	118%	218,351	256,699	118%		218,351		
Ending fund balance	\$ 196,751	\$ 275,840	140%	\$ -	\$ 267,644	-		\$ -		

Notes: Budget adjustment per resolution 1584 approved in the second quarter

Transportation SDC Fund

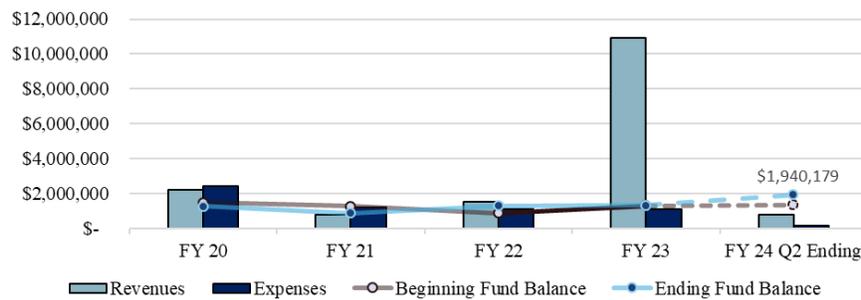
This fund accounts for the collection and expenditure of transportation system development charges. The primary revenue source is SDC's. Expenditures are for qualified capital improvement projects and related costs.

Revenue collection for the Transportation SDC fund is at approximately 5 percent of the annual budget at quarter end. SDC collection is roughly \$526,000 or 117 percent of the annual budget with roughly 16 residential and 4 commercial starts paying SDC's in the second quarter.

Expenditures at quarter end were associated with capital projects for the Peters Road / Combs Flat extension project and the Peters and Main intersection safety improvement project. This fund may require a budget adjustment in transfers prior to yearend due to collections for SDC's being higher than anticipated at the time the time of budgeting.

Fund balance increased roughly \$617,000 or 47 percent through the second quarter.

Revenue, Expense and Fund Balance Trends - Transportation SDC Fund



	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	\$ 3,500,000	\$ -	-	\$ 14,000,000	\$ -	-	\$ 14,000,000	\$ 14,000,000	0%	\$ 14,000,000
Interest	25,000	173,028	692%	100,000	246,261	246%	(146,261)	175,000	141%	(71,261)
System development charges	112,500	355,332	316%	450,000	526,091	117%	(76,091)	900,000	58%	373,909
Total revenue	\$ 3,637,500	\$ 528,360	15%	\$ 14,550,000	\$ 772,353	5%	13,777,647	\$ 15,075,000	5%	\$ 14,302,647
Expenditures										
Material and services	\$ 3,750	\$ -	-	\$ 15,000	\$ -	-	\$ 15,000	\$ 30,000	0%	\$ 30,000
Capital outlay										
Improvements	1,347,500	88,273	7%	5,390,000	129,511	2%	5,260,489	5,490,000	2%	5,360,489
Transfers	5,625	26,305	468%	22,500	26,305	117%	(3,805)	45,000	58%	18,695
Contingency				20,176,872				20,564,372		20,564,372
Total expenditures	\$ 1,356,875	\$ 114,578	8%	\$ 25,604,372	\$ 155,816	1%	\$ 5,271,684	\$ 26,129,372	1%	\$ 25,973,556
Revenue over (under) expenditures	\$ 2,280,625	\$ 413,782	31%	\$ (11,054,372)	\$ 616,537	47%	\$ 8,505,963	\$ (11,054,372)		
Beginning fund balance	11,054,372	1,323,642	12%	11,054,372	1,323,642	12%		11,054,372		
Ending fund balance	\$ 13,334,997	\$ 1,737,424	13%	\$ -	\$ 1,940,179	-		\$ -		

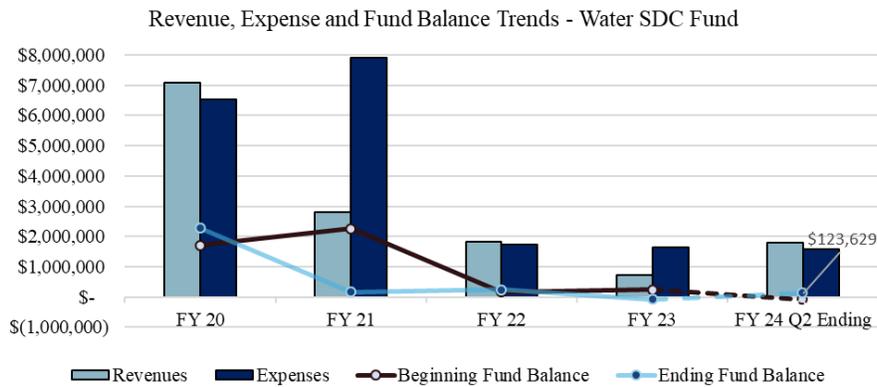
Water SDC Fund

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 is at approximately \$1.8 million or 16 percent of the annual budget. Second quarter revenues are largely associated with reimbursements for the waterline resiliency project. SDC revenue for the second quarter is associated with roughly 16 residential and 4 commercial starts.

Expenditures are at roughly \$1.6 through the second quarter and are largely associated with the water resiliency project, ASR well upgrades and the master plan update.

At second quarter end, fund balance increased roughly \$208,000. As of December 31, 2023, this fund has roughly \$575,000 in expenditures waiting to be reimbursed through an EPA grant. The contract was finalized in January, so reimbursements are expected during the third 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										
Interest	\$ 2,000	\$ -	-	\$ 8,000	\$ -	-	\$ 8,000	\$ 15,000	0%	\$ 15,000
System development charges	93,750	163,496	174%	375,000	350,252	93%	24,748	750,000	47%	399,748
Transfers	-	-	-	-	-	-	-	-	-	-
Miscellaneous	2,750,000	1,440,714	52%	11,000,000	1,440,714	13%	9,559,286	11,000,000	13%	9,559,286
Total revenue	\$ 2,845,750	\$ 1,604,210	56%	\$ 11,383,000	\$ 1,790,966	16%	\$ 9,592,034	\$ 11,765,000	15%	\$ 9,974,034
Expenditures										
Capital outlay										
Improvements	\$ 2,557,500	1,070,150	42%	10,230,000	1,423,643	14%	8,806,357	10,230,000	14%	8,806,357
Transfers	267,475	159,796	60%	1,069,900	159,796	15%	910,104	1,371,800	12%	1,212,004
Contingency	-	-	-	264,013	-	-	-	344,113	-	344,113
Total expenditures	\$ 2,824,975	\$ 1,229,946	44%	\$ 11,563,913	\$ 1,583,439	13%	\$ 9,716,461	\$ 11,945,913	13%	\$ 10,362,474
Revenue over (under) expenditures	\$ 20,775	\$ 374,264	-446%	\$ (180,913)	\$ 207,527	-247%	\$ (124,427)	\$ (180,913)		
Beginning fund balance	180,913	(83,898)	-	180,913	(83,898)	-	-	180,913		
Ending fund balance	\$ 201,688	\$ 290,366	144%	\$ -	\$ 123,629	-46%	-	\$ -		

Wastewater SDC Fund

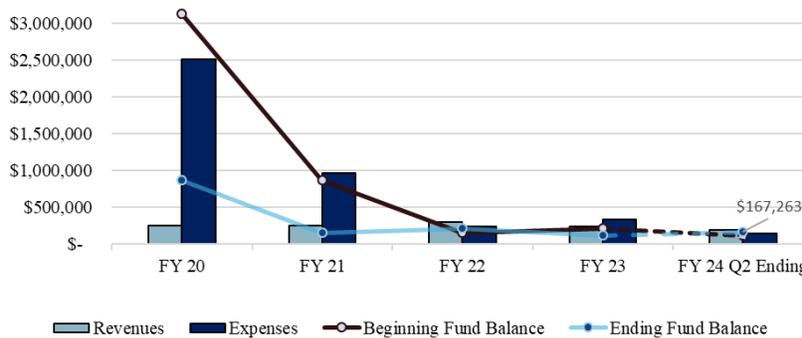
This fund accounts for the collection and expenditure of wastewater system development charges. The primary revenue source is SDC's. Expenditures are for qualified capital improvement projects and related costs.

Revenue through the second quarter is at approximately \$200,000 or 81 percent of the annual budget. Second quarter revenue can largely be attributed to SDC collection from roughly 16 residential and 4 commercial starts. Miscellaneous revenue is associated with reimbursements for the wastewater reuse project.

Second quarter expenses are largely associated with the semiannual SDC distribution and capital expenses are associated with the master plan update. A budget adjustment was done during the second quarter due to the master plan update crossing fiscal years.

Fund balance increased roughly \$48,000 or 40 percent, ending at \$167,000.

Revenue, Expense and Fund Balance Trends - Wastewater SDC Fund



	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										
Interest	\$ 250	\$ 3,458	1383%	\$ 1,000	\$ 4,535	453%	\$ (3,535)	\$ 2,000	227%	\$ (2,535)
Miscellaneous	6,250	18,750	300%	25,000	18,750	75%	6,250	50,000	38%	31,250
System development charges	55,000	65,190	119%	220,000	176,492	80%	43,508	420,000	42%	243,508
Total revenue	\$ 61,500	\$ 87,398	142%	\$ 246,000	\$ 199,777	81%	\$ 46,223	\$ 472,000	42%	\$ 272,223
Expenditures										
Material and services	\$ 2,500	\$ -	-	\$ 10,000	\$ -	-	\$ 10,000	\$ 20,000	0%	\$ 20,000
Capital outlay										
Improvements	17,500	25,661	147%	70,000	30,066	43%	39,934	120,000	25%	89,934
Transfers	32,250	122,147	379%	129,000	122,147	95%	6,853	308,000	40%	185,853
Contingency				44,710				31,710		31,710
Total expenditures	\$ 52,250	\$ 147,807	283%	\$ 253,710	\$ 152,213	60%	\$ 56,787	\$ 479,710	32%	\$ 327,497
Revenue over (under) expenditures	\$ 9,250	\$ (60,410)	-50%	\$ (7,710)	\$ 47,564	40%	\$ (10,564)	\$ (7,710)		
Beginning fund balance	7,710	119,699	1553%	7,710	119,699	1553%		7,710		
Ending fund balance	\$ 16,960	\$ 59,289	350%	\$ -	\$ 167,263	-		\$ -		

Notes: Supplemental budget per resolution 1585 approved in the second quarter

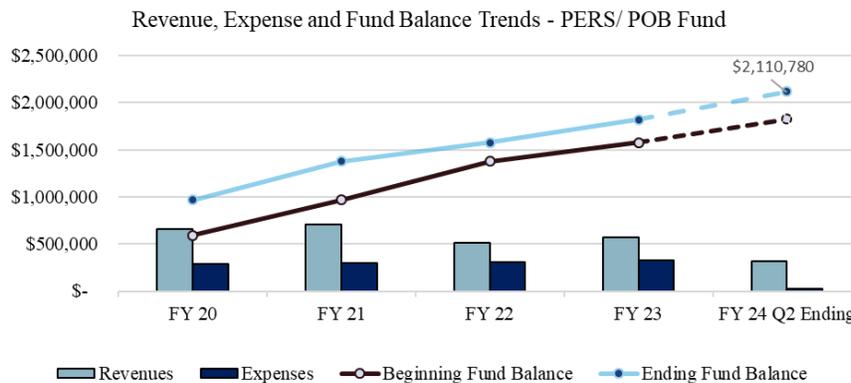
PERS/ POB Fund

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

Revenue collection at second quarter end is at roughly 43 percent of the annual budget. Revenues are as anticipated with the annual transfer taking place in the fourth 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 \$290,000 or 16 percent through the second quarter. Fund balance is being built up for the potential of creating another side account to further stabilize PERS rates for the City.

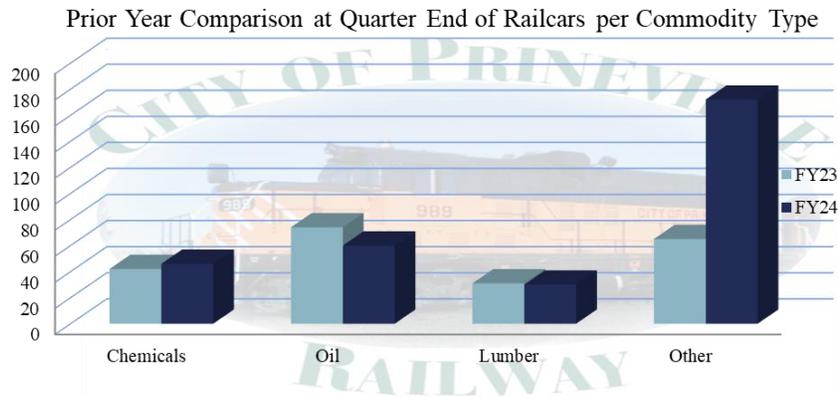
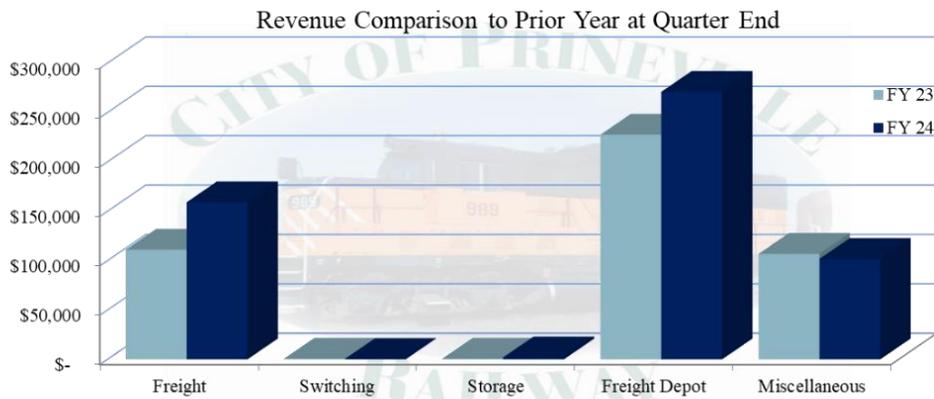


	Current Quarter			Year to Date				Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Annual Actual	Annual Est. Budget %	Annual Est. Budget Balance			
Revenue										
Charges for services	\$ 133,675	\$ 137,000	102%	\$ 534,700	\$ 274,000	51%	\$ 260,700	\$ 1,088,900	25%	\$ 814,900
Interest	5,000	30,317	606%	20,000	42,474	212%	(22,474)	40,000	106%	(2,474)
Transfer from other funds	46,075	-	-	184,300	-	-	184,300	371,200	-	371,200
Total revenue	\$ 184,750	\$ 167,317	91%	\$ 739,000	\$ 316,474	43%	\$ 422,526	\$ 1,500,100	21%	\$ 1,183,626
Expenditures										
Personnel services	\$ -	-	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -
Debt service										
Principal - POB 2013	69,425	-	-	277,700	-	-	277,700	577,700	-	577,700
Interest - POB 2013	13,425	26,835	200%	53,700	26,835	50%	26,865	97,100	28%	70,265
Contingency				1,476,057				1,893,757		1,893,757
Total expenditures	\$ 82,850	\$ 26,835	32%	\$ 1,807,457	\$ 26,835	1%	\$ 304,565	\$ 2,568,557	1%	\$ 2,541,722
Revenue over (under) expenditures	\$ 101,900	\$ 140,481	8%	\$ (1,068,457)	\$ 289,639	16%	\$ 117,961	\$ (1,068,457)		
Debt service reserve	358,900			358,900				358,900		
Beginning fund balance	1,427,357	1,821,141	128%	1,427,357	1,821,141	128%		1,427,357		
Ending fund balance	\$ 1,529,257	\$ 1,961,622	128%	\$ 358,900	\$ 2,110,780	588%		\$ 358,900		

Railroad Fund

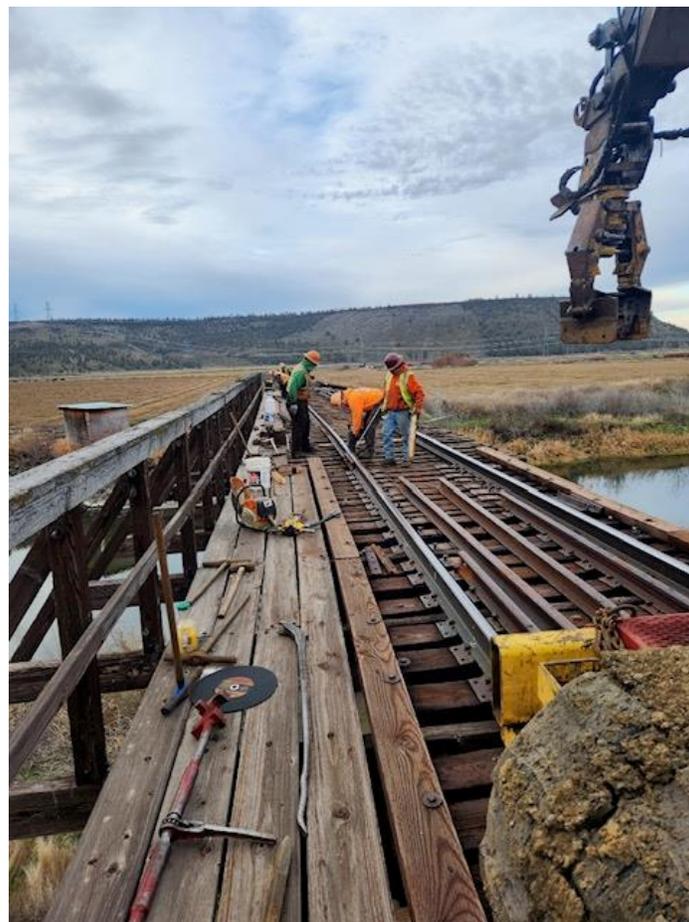
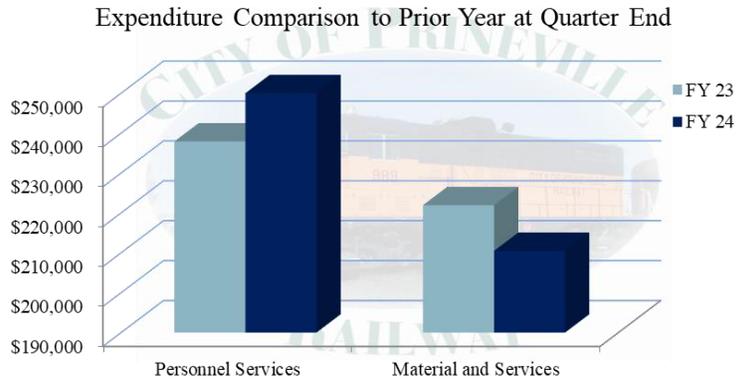
This fund accounts for the activities of the City’s railroad operation and for the City’s freight depot operation. Starting in FY 14 the Railroad and Freight Depot Funds were consolidated. Primary revenue sources are payments for the use of railroad and freight depot facilities and related services.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

Second quarter revenue collections are at approximately \$538,000 or 54 percent of the annual budget. Charges for services for the railroad are at approximately \$163,000 or 46 percent of the annual budget, with the freight depot at approximately \$271,000 or 56 percent of annual budget. Overall revenue is up in comparison to the prior year roughly 20 percent with increases in freight and freight depot. Freight cars are up by 96 cars in comparison to the prior year with a large increase in feed cars taking place during the second quarter. The increases in freight depot charges for services is largely due to increased lease revenue from Heniff Transportation and Ed Staub and Sons and an increase in lumber customers utilizing the freight depot. Below is a prior year comparison at quarter end of operating revenues for the Railroad Fund and a comparison of the number of cars per commodity type.



Railroad Fund- Continued

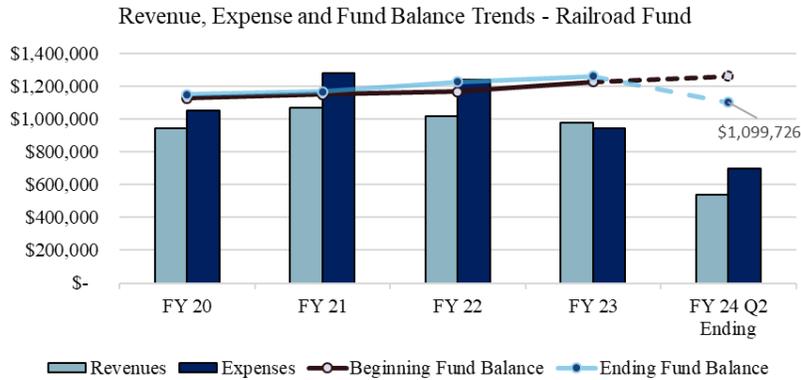
Overall expenditures at quarter end are at approximately \$698,000 or 30 percent of the annual budget. Materials and services are at roughly 71 percent of the annual budget or \$210,000, which includes approximately \$123,000 in liability insurance. Overall operating expenditures are up in comparison to the prior year less than a half of a percent (.47%) with increases in personnel services largely dictated by the union contract. Capital outlay projects were done during the second quarter totaling roughly \$79,000 for bridge and track work. Below is a graph comparison of operating expenditures at quarter end to prior year.



Bridge work being done during the second quarter.

Railroad Fund- Continued

Fund balance decreased roughly \$160,000 or -13 percent through the second quarter. Below are revenue, expense and fund balance trends for the Railroad Fund.



	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										
Railroad	\$ 89,000	\$ 87,932	99%	\$ 356,000	\$ 162,889	46%	\$ 193,111	\$ 712,000	23%	\$ 549,111
Freight Depot	121,250	136,100	112%	485,000	270,883	56%	214,117	970,000	28%	699,117
Use of money and property	25,000	23,843	95%	100,000	36,325	36%	63,675	185,000	20%	148,675
Miscellaneous	16,250	30,216	186%	65,000	68,301	105%	(3,301)	194,000	35%	125,699
Total revenue	\$ 251,500	\$ 278,091	111%	\$ 1,006,000	\$ 538,398	54%	\$ 467,602	\$ 2,061,000	26%	\$ 1,522,602
Expenditures										
Personnel services	\$ 119,875	\$ 114,826	96%	\$ 479,500	\$ 251,510	52%	\$ 227,990	\$ 984,000	26%	\$ 732,490
Material and services	73,750	53,178	72%	295,000	210,489	71%	84,511	625,800	34%	415,311
Capital outlay										
Improvements	60,000	79,362	33%	240,000	186,852	78%	53,148	240,000	78%	53,148
Transfers	24,775	24,775	100%	99,100	49,550	50%	49,550	202,100	25%	152,550
Contingency				1,247,024				1,363,724		1,363,724
Total expenditures	\$ 278,400	\$ 272,140	98%	\$ 2,360,624	\$ 698,400	30%	\$ 415,200	\$ 3,415,624	20%	\$ 2,717,224
Revenue over (under) expenditures	\$ (26,900)	\$ 5,950	0%	\$ (1,354,624)	\$ (160,002)	-13%	\$ 52,402	\$ (1,354,624)		
Beginning fund balance	1,354,624	1,259,728	93%	1,354,624	1,259,728	93%		1,354,624		
Ending fund balance	\$ 1,327,724	\$ 1,265,678	95%	\$ -	\$ 1,099,726	-		\$ -		



The Mount Emily Shay found a new home during the second quarter.

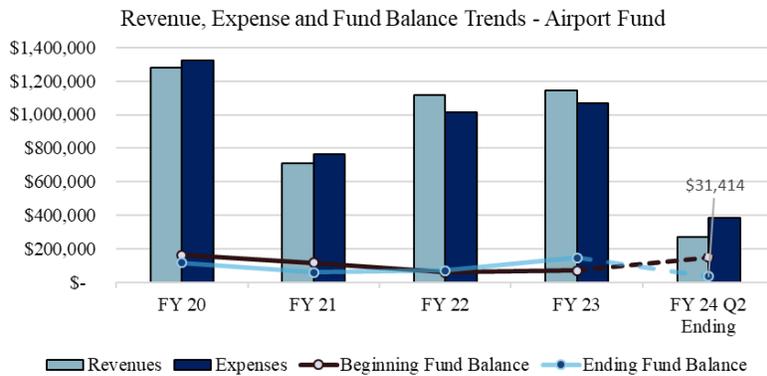
Airport Fund

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

Overall revenue collection through the second quarter is at roughly 31 percent of the annual budget. Revenue, associated with charges for services, for the second quarter is largely from the sale of fuel inventory to Hood Aero, who took over the operations of the airport in October.

Overall expenditures at quarter end are at approximately \$382,000 or 40 percent of the annual budget. Materials and services are largely associated with the recognition of fuel inventory that was sold to Hood Aero and other expenses that are in the process of being transferred to the County.

Fund balance decreased roughly \$114,000 through the second quarter. Below are revenue, expense and fund balance trends for the Airport Fund.



Hangar mural at the Prineville / Crook County Airport.

Airport 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			
Intergovernmental	\$ 21,250	-	-	\$ 85,000	\$ -	-	\$ 85,000	\$ 170,000	0%	\$ 170,000
Charges for services	173,875	75,884	44%	695,500	265,942	38%	429,558	1,391,000	19%	1,125,058
Interest	125	1,464	1171%	500	2,109	422%	(1,609)	1,000	211%	(1,109)
Transfers	21,250	-	-	85,000	-	-	85,000	170,000	-	170,000
Total revenue	\$ 216,500	\$ 77,348	36%	\$ 866,000	\$ 268,051	31%	\$ 597,949	\$ 1,732,000	15%	\$ 1,463,949
Expenditures										
Personnel service	\$ 43,750	\$ 51,885	119%	\$ 175,000	\$ 100,595	57%	\$ 74,405	\$ 360,600	28%	\$ 260,005
Materials and services	147,550	63,661	43%	590,200	224,710	38%	365,490	1,180,600	19%	955,890
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	16,000	16,000	100%	64,000	32,000	50%	32,000	132,200	24%	100,200
Contingency				111,768				108,568	-	108,568
Total expenditures	\$ 213,575	\$ 131,545	62%	\$ 966,068	\$ 382,305	40%	\$ 471,995	\$ 1,832,068	21%	\$ 1,449,763
Revenue over (under) expenditures	\$ 2,925	\$ (54,198)	-37%	\$ (100,068)	\$ (114,255)	-78%	\$ 125,955	\$ (100,068)		
Beginning fund balance	100,068	145,669	146%	100,068	145,669	146%		100,068		
Ending fund balance	\$ 102,993	\$ 91,471	89%	\$ -	\$ 31,414	-		\$ -		



Hood Aero took over the FBO on October 1st, 2023.

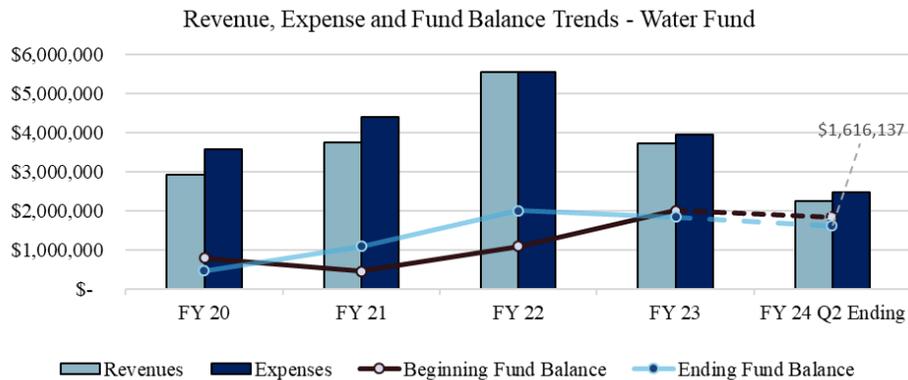
Water Fund

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.

Total revenue collection through the second quarter came in at approximately \$2.25 million or 61 percent of the annual budget. Revenue associated with charges for service came in at roughly \$2.14 million which is an increase in comparison to the prior year of roughly \$106,000. This increase can largely be attributed to rate increases and the implementation of tiered rates in January of 2023.

Second quarter expenditures are at approximately \$2.47 million or 51 percent of the annual budget. Materials and services are currently at 75 percent of the annual budget with \$175,000 spent on the calibration of the water treatment plant, \$36,000 for the ASR well meter replacement, \$109,000 in well maintenance and \$89,000 in insurance renewals. Second quarter capital expenditures are at roughly \$586,000 or 90 percent of the annual budget and are associated with the waterline rehabilitation project on Fairmont Street and the American Pine well booster pump control upgrades.

Fund balance decreased roughly \$220,000 or -12 percent through the second quarter. As of December 31, 2023, this fund has roughly \$175,000 in expenditures waiting to be reimbursed through an EPA grant. The contract was finalized in January, so reimbursements are expected during the third quarter.



Utility work being completed during the second quarter.

Water 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			
Charges for services	\$ 875,825	\$ 798,374	91%	\$ 3,503,300	\$ 2,142,113	61%	\$ 1,361,187	\$ 7,106,600	30%	\$ 4,964,487
Interest	2,000	17,162	858%	8,000	24,449	306%	(16,449)	16,000	153%	(8,449)
Miscellaneous	2,500	11,928	477%	10,000	31,919	319%	(21,919)	20,000	160%	(11,919)
Transfers	43,025	51,732	120%	172,100	51,732	30%	120,368	346,100	15%	294,368
Total revenue	\$ 923,350	\$ 879,196	95%	\$ 3,693,400	\$ 2,250,213	61%	\$ 1,443,187	\$ 7,488,700	30%	\$ 5,238,487
Expenditures										
Materials and services	\$ 296,525	\$ 335,999	113%	\$ 1,186,100	\$ 892,197	75%	\$ 293,903	2,237,500	40%	\$ 1,345,303
Franchise fee expense	53,800	53,800	100%	215,200	107,600	50%	107,600	395,400	27%	287,800
Capital outlay										
Improvements	162,500	336,522	207%	650,000	583,977	90%	66,023	1,300,000	45%	716,023
Debt service										
Principal										
Refunding bond 2021	39,775	-	-	159,100	-	-	159,100	322,500	-	322,500
Water revenue bond ASR	18,250	-	-	73,000	-	-	73,000	147,000	0%	147,000
Interest										
Refunding bond 2021	4,825	9,613	199%	19,300	9,613	50%	9,687	36,600	26%	26,987
Water revenue bond ASR	16,575	39,000	235%	66,300	39,000	59%	27,300	131,300	30%	92,300
Transfers	419,000	419,000	100%	1,676,000	838,000	50%	838,000	3,405,400	25%	2,567,400
Contingency				822,802				687,402		687,402
Total expenditures	\$ 1,011,250	\$ 1,193,935	118%	\$ 4,867,802	\$ 2,470,387	51%	\$ 1,574,613	\$ 8,663,102	29%	\$ 6,192,715
Revenue over (under) expenditures	\$ (87,900)	\$ (314,739)	-17%	\$ (1,174,402)	\$ (220,174)	-12%	\$ (131,426)	\$ (1,174,402)		
Debt service reserve	317,415			317,415				317,415		
Beginning fund balance	1,491,817	1,836,311	123%	1,491,817	1,836,311	123%		1,491,817		
Ending fund balance	\$ 1,403,917	\$ 1,521,572	108%	\$ -	\$ 1,616,137	-		\$ -		



Utility line work being done during the second quarter.

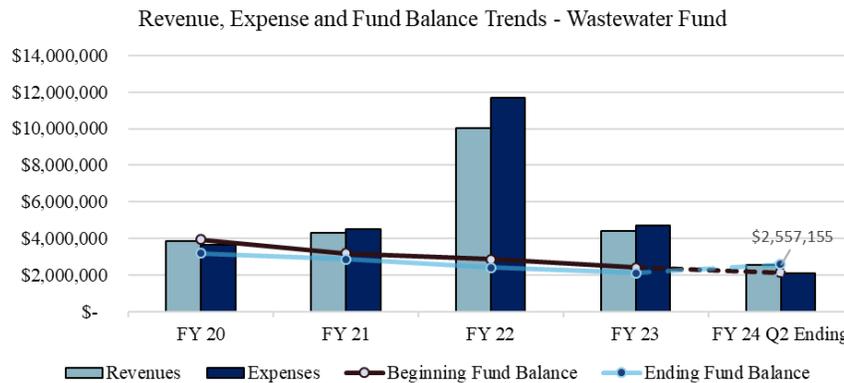
Wastewater Fund

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 is at approximately \$2.54 million or 56 percent of the annual budget. Revenue collection for charges for services was roughly \$2.23 million or 51 percent of annual budget which is an increase of approximately \$87,000 from the prior year. This increase can largely be attributed to rate increases that went in to affect at the beginning of the fiscal year.

Expenditures at quarter end came in at roughly \$2.10 million or 39 percent of the annual budget. Appropriation categories for personnel services and debt are at or below budget and materials and services are slightly above budget. Capital expenditures totaled approximately \$387,000 and were largely for pump upgrades and a motor control center cabinet at the wastewater treatment plant (WWTP), an easement acquisition, a sewer line relocation and WWTP chlorination conversion.

Fund balance increased roughly \$447,000 or 21 percent through the second quarter.



Crooked River Wetlands complex in November 2023

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	\$ 1,087,500	\$ 1,085,704	100%	\$ 4,350,000	\$ 2,233,262	51%	\$ 2,116,738	\$ 8,825,000	25%	\$ 6,591,738
Interest	6,250	29,608	474%	25,000	41,111	164%	(16,111)	50,000	82%	8,889
Miscellaneous	18,550	10,263	55%	74,200	157,087	212%	(82,887)	148,400	106%	(8,687)
SDCs - reimbursement fees	24,200	113,465	469%	96,800	113,465	117%	(16,665)	193,600	59%	80,135
Total revenue	\$ 1,136,500	\$ 1,239,041	109%	\$ 4,546,000	\$ 2,544,925	56%	\$ 2,001,075	\$ 9,217,000	28%	\$ 6,672,075
Expenditures										
Personnel services	\$ 64,525	\$ 60,934	94%	\$ 258,100	\$ 123,141	48%	\$ 134,959	\$ 530,100	23%	\$ 406,959
Materials and services	253,263	268,569	106%	1,013,050	519,852	51%	493,198	2,020,000	26%	1,500,148
Franchise fee expense	72,375	72,375	100%	289,500	144,750	50%	144,750	513,300	28%	368,550
Capital outlay										
Improvements	153,050	162,220	106%	612,200	387,319	63%	224,881	1,142,600	34%	755,281
Debt service										
Principal										
Refunding 2021	183,850	-	-	735,400	-	-	735,400	1,479,600	0%	1,479,600
State of Oregon IFA	6,975	27,839	399%	27,900	27,839	100%	61	56,100	50%	28,261
USDA 2015	16,100	-	-	64,400	-	-	64,400	130,500	0%	130,500
Interest										
Refunding 2021	11,450	22,886	200%	45,800	22,886	50%	22,914	82,700	28%	59,814
State of Oregon IFA	1,550	6,216	401%	6,200	6,216	100%	(16)	12,200	51%	5,984
USDA 2015	25,475	-	-	101,900	-	-	101,900	202,000	0%	202,000
Transfers	432,925	432,925	100%	1,731,700	865,850	50%	865,850	3,497,100	25%	2,631,250
Contingency				436,422				327,372		327,372
Total expenditures	\$ 1,221,538	\$ 1,053,964	86%	\$ 5,322,572	\$ 2,097,853	39%	\$ 2,788,297	\$ 9,993,572	21%	\$ 7,895,719
Revenue over (under) expenditures	\$ (85,038)	\$ 185,077	9%	\$ (776,572)	\$ 447,072	21%	\$ (787,222)	\$ (776,572)		
Other resources / (requirements)										
Debt service reserve	976,315			976,315				976,315		
Capital reserve										
Beginning fund balance	1,752,887	2,110,083	120%	1,752,887	2,110,083	120%		1,752,887		
Ending fund balance	\$ 1,667,850	\$ 2,295,160	138%	\$ -	\$ 2,557,155	-		\$ -		



Crook River Wetlands complex in November 2023

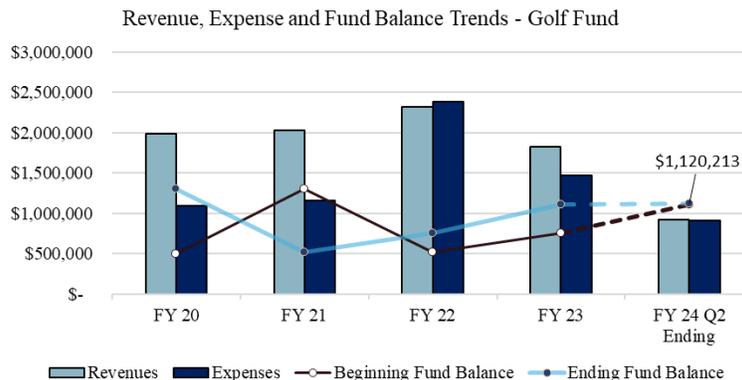
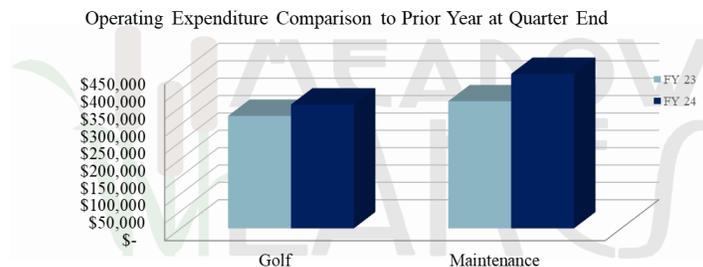
Golf Course and Restaurant Fund

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

Overall revenue collection is at approximately \$920,000 at quarter end or 55 percent of the annual budget. Golf operating revenue came in at about \$689,000 or 56 percent of the annual budget which is an increase over the prior year at quarter end of roughly 17 percent. Rounds of golf are up by roughly 3,200 rounds compared to the prior year quarter and the golf course continued to have record breaking revenues through the second quarter with the weather holding out through December. 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 \$909,000 or 36 percent of the annual budget. Golf course operating expenditures are up roughly 10 percent and maintenance expenditures are up roughly 22 percent over the prior year. Golf and maintenance expense increases can largely be attributed to increases in personnel costs, insurance, utilities, merchandise and course maintenance supplies. Below is a comparison of operating only expenditures to the prior year by department.



Golf Course and Restaurant Fund – Continued

Fund balance increased roughly \$11,000 or 1 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										
Golf Course	\$ 309,125	\$ 186,886	60%	\$ 1,236,500	\$ 688,560	56%	\$ 547,940	\$ 2,536,000	27%	\$ 1,847,440
Waste Disposal	92,500	92,500	100%	370,000	185,000	50%	185,000	740,000	25%	555,000
Restaurant	8,125	7,500	92%	32,500	15,000	46%	17,500	71,000	21%	56,000
Interest	3,000	18,308	610%	12,000	26,353	220%	(14,353)	24,000	110%	(2,353)
Miscellaneous	2,500	1,951	78%	10,000	4,675	47%	5,325	21,000	22%	16,325
Total revenue	\$ 415,250	\$ 307,145	74%	\$ 1,661,000	\$ 919,588	55%	\$ 741,412	\$ 3,392,000	27%	\$ 2,472,412
Expenditures										
Golf Course	\$ 229,675	\$ 207,472	90%	\$ 918,700	\$ 438,249	48%	\$ 480,451	\$ 1,849,100	24%	\$ 1,410,851
Waste Disposal	203,263	191,691	94%	813,050	444,859	55%	368,191	1,662,900	27%	1,218,041
Restaurant	8,300	6,819	82%	33,200	23,452	71%	9,748	68,100	34%	44,648
Debt service										
Principal - 2021 Refunding	30,875	-	-	123,500	-	-	123,500	247,100	0%	247,100
Interest - 2021 Refunding	1,125	2,236	199%	4,500	2,236	50%	2,264	7,500	30%	5,264
Contingency				662,742				451,992		451,992
Total expenditures	\$ 473,238	\$ 408,218	86%	\$ 2,555,692	\$ 908,797	36%	\$ 984,153	\$ 4,286,692	21.2%	\$ 3,377,895
Revenue over (under) expenditures	\$ (57,988)	\$ (101,073)	-9%	\$ (894,692)	\$ 10,791	1%	\$ (242,741)	\$ (894,692)		
Debt service reserve	124,000			124,000				124,000		
Beginning fund balance	1,018,692	1,109,422	109%	1,018,692	1,109,422	109%		1,018,692		
Ending fund balance	\$ 960,705	\$ 1,008,349	105%	\$ -	\$ 1,120,213	-	\$ -	\$ -		



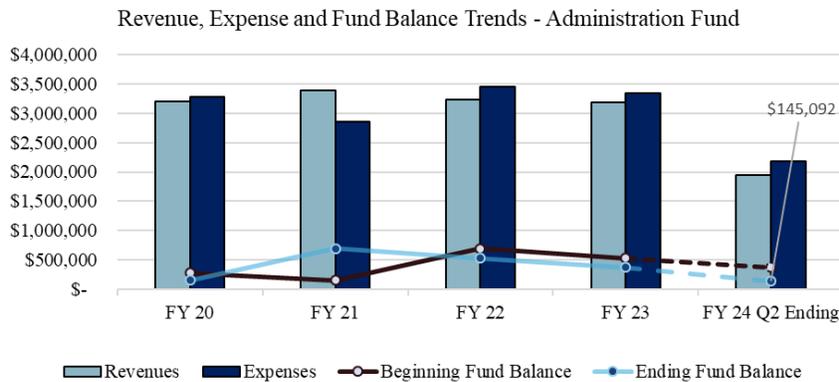
Frosty morning at Meadow Lakes Golf Course – November 2023

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 \$1.95 million or 53 percent of the annual budget. Charges for services are largely associated with Internal Service Fund transfers totaling \$1.64 million and 911 user equipment reimbursements totaling \$237,000. Interest revenue is roughly 106 percent of the annual budget. Investment interest has been on the rise over the last year, positively affecting all of the City funds. At quarter end, the City was earning 5 percent on roughly \$28 million.

Overall expenditures at quarter end are at approximately 51 percent of the annual budget or \$2.18 million. Expenditures are tracking slightly below budget in the Finance Department largely due to being short staffed at quarter end. In the Administration and City Council Departments, there were annual payments due during the first quarter and the departments are expected to fall in line with budget by the end of the year. In the Information Technology (IT) Department, expenditures are at 73 percent of budget with upgrades to 911 infrastructure and 911 user equipment continuing and coming in at \$431,000 through the second quarter. A good portion of these upgrades will be reimbursed by the 911 users. Other significant expenses out of the IT Department, totaling approximately \$284,000 are for computer supplies and software maintenance agreements.



Halloween 2023 at City Hall

Administration and Financial Support Services Fund – Continued

Fund balance decreased roughly \$228,000 or -61 percent through the second quarter.

Revenue	Current Quarter			Year to Date				Annual Est. Budget Balance	Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance
	Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %					
Charges for services	\$ 911,225	\$ 1,099,826	121%	\$ 3,644,900	\$ 1,942,464	53%	\$ 1,702,436	\$ 7,338,400	26%	\$ 5,395,936	
Interest	2,500	6,658	266%	10,000	10,586	106%	(586)	20,000	53%	9,414	
Total revenue	\$ 913,725	\$ 1,106,484	121%	\$ 3,654,900	\$ 1,953,050	53%	\$ 1,701,850	\$ 7,358,400	27%	\$ 5,405,350	
Expenditures											
City Council	\$ 24,000	\$ 20,730	86%	\$ 96,000	\$ 51,794	54%	\$ 44,206	\$ 193,200	27%	\$ 141,406	
Administration / Team Services	264,425	226,299	86%	1,057,700	562,116	53%	495,584	2,098,600	27%	1,536,484	
Financial Services	286,875	289,522	101%	1,147,500	557,594	49%	589,906	2,352,100	24%	1,794,506	
Information Technology	344,050	451,901	131%	1,376,200	1,009,838	73%	366,362	2,814,400	36%	1,804,562	
Contingency				617,199				539,799		539,799	
Total expenditures	\$ 919,350	\$ 988,452	108%	\$ 4,294,599	\$ 2,181,342	51%	\$ 1,496,058	\$ 7,998,099	27%	\$ 5,816,757	
Revenue over (under) expenditures	\$ (6,625)	\$ 118,032	32%	\$ (639,699)	\$ (228,292)	-61%	\$ 205,792	\$ (639,699)			
Beginning fund balance	639,699	373,384	58%	639,699	373,384	58%		639,699			
Ending fund balance	\$ 634,074	\$ 491,416	78%	\$ -	\$ 145,092	-		\$ -			



Tower work being done by IT during October of 2023

Building Facilities Fund

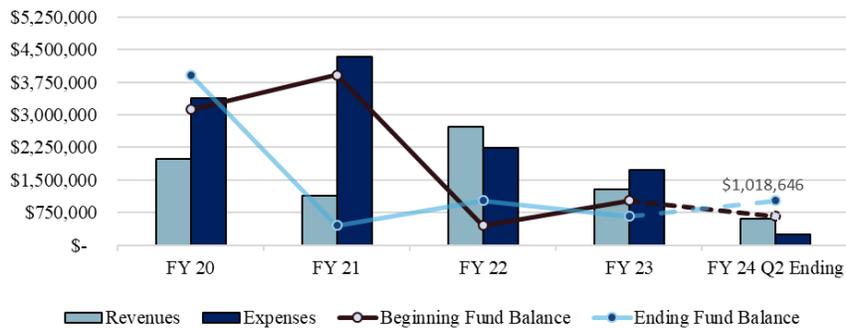
This fund accounts for the operating costs of the city hall facility and related debt service, police facility, public works facility, Barnes Butte Complex and the community development block grant (CDBG) for the senior center. Revenue is received through rental charges to user departments, grants and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

Overall revenues are roughly \$604,000 or 45 percent of the annual budget. Second quarter revenues are largely associated with user rents and transfers.

Expenditures through the second quarter are roughly 9 percent of the annual budget. All departments are running below budget at quarter end with the exception of the Public Works Department due to needed repair and maintenance work completed for a new garage door on the sander shed, new windows for the wastewater treatment lab and air piping for the Public Works shop.

Fund balance increased roughly \$353,000 or 53 percent through the second quarter.

Revenue, Expense and Fund Balance Trends - Building Facilities Fund



	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										
Rent	\$ 55,350	\$ 60,850	110%	\$ 221,400	\$ 121,700	55%	\$ 99,700	\$ 452,900	27%	\$ 331,200
Transfers	226,825	229,325	101%	907,300	458,650	51%	448,650	1,859,900	25%	1,401,250
Miscellaneous	2,325	1,776	76%	9,300	5,229	56%	4,071	18,600	28%	13,371
Debt proceeds	-	-	-	-	-	-	-	-	-	-
Intergovernmental	50,000	-	-	200,000	-	-	200,000	450,000	0%	450,000
Interest	1,250	13,844	1107%	5,000	18,448	369%	(13,448)	10,000	184%	(8,448)
Total revenue	\$ 335,750	\$ 305,794	91%	\$ 1,343,000	\$ 604,027	45%	\$ 738,973	\$ 2,791,400	22%	\$ 2,187,373
Expenditures										
City Hall facilities	\$ 78,975	\$ 22,397	28%	\$ 315,900	\$ 44,920	14%	\$ 270,980	\$ 588,300	8%	\$ 543,380
Police facilities	168,700	76,569	45%	674,800	141,844	21%	532,956	1,364,200	10%	1,222,356
Public Works facilities	10,300	14,097	137%	41,200	26,870	65%	14,330	82,500	33%	55,630
Barnes Butte	70,750	20,400	29%	283,000	37,684	13%	245,316	619,000	6%	581,316
Contingency	-	-	-	46,297	-	-	-	155,597	-	155,597
Total expenditures	\$ 328,725	\$ 133,463	41%	\$ 1,361,197	\$ 251,318	9%	\$ 1,063,582	\$ 2,809,597	9%	\$ 2,558,279
Revenue over (under) expenditures	\$ 7,025	172,332	26%	\$ (18,197)	352,709	53%	\$ (324,609)	\$ (18,197)		
Other requirements										
Debt service reserve	533,000	-	-	533,000	-	-	-	533,000	-	-
Beginning fund balance	551,197	665,937	121%	551,197	665,937	121%		551,197		
Ending fund balance	\$ 558,222	\$ 838,269	150%	\$ 533,000	\$ 1,018,646	191%		\$ -		

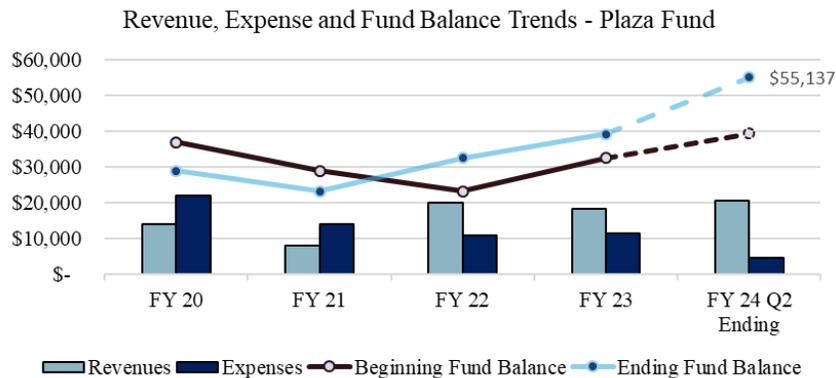
Plaza Maintenance Fund

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 are as anticipated with both Crook County and the City paying their contribution in the first quarter.

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

Fund balance increased roughly 40 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	\$ 2,500	\$ -	-	\$ 10,000	\$ 9,688	97%	\$ 312	\$ 20,000	48%	\$ 10,312
Interest	50	840	1681%	200	1,141	571%	(941)	400	285%	(741)
Transfers	2,500	-	-	10,000	9,688	97%	312	20,000	48%	10,312
Total revenue	\$ 5,050	\$ 840	17%	\$ 20,200	\$ 20,518	102%	\$ (318)	\$ 40,400	51%	\$ 19,882
Expenditures										
Materials and services	\$ 5,400	\$ 1,867	35%	\$ 21,600	\$ 3,735	17%	\$ 17,866	\$ 43,000	9%	\$ 39,266
Transfers	500	500	100%	2,000	1,000	50%	1,000	4,000	25%	3,000
Contingency				25,873				22,673		22,673
Total expenditures	\$ 5,900	\$ 2,367	40%	\$ 49,473	\$ 4,735	10%	\$ 18,866	\$ 69,673	7%	\$ 64,939
Revenue over (under) expenditures	\$ (850)	\$ (1,527)	-4%	\$ (29,273)	\$ 15,784	40%	\$ (19,184)	\$ (29,273)		
Beginning fund balance	29,273	39,353	134%	29,273	39,353	134%		29,273		
Ending fund balance	\$ 28,423	\$ 37,826	133%	\$ -	\$ 55,137	-		\$ -		

Public Works Support Services Fund

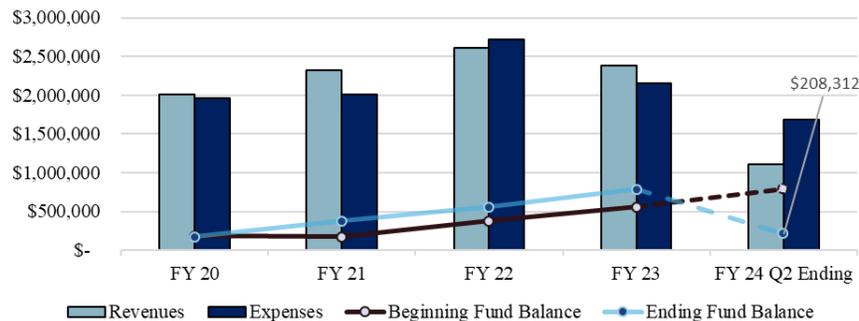
This fund accounts for the activities of the Public Works management, support staff, fleet and vehicle maintenance costs. The primary source of revenue is charges to other funds for services.

Revenues at quarter end are at roughly 39 percent of the annual budget and are largely associated with transfers for services from the streets, water and wastewater departments for public works. Overall, revenues are as anticipated with overages in interest revenue and the annual transfer for engineering services taking place at the end of the year. Intergovernmental revenue associated with STP funds are anticipated to be received during the third quarter.

Expenditures through the second quarter are at roughly 50 percent of the annual budget. Budgeted capital expenditures for this fund, in this fiscal year, were for a new truck with a utility bed and a new loader. These were ordered in the first quarter and delivered during the second quarter. A new dump truck was budgeted in the prior fiscal year, ordered in October of 2022 and delivered in October of 2023. Depending on the timing in which the budgeted capital equipment for next fiscal year is delivered, a budget adjustment may be required.

Fund balance decreased approximately \$576,000 or -73 percent at through the second quarter.

Revenue, Expense and Fund Balance Trends - Public Works Service Fund



Public Works staff reviewing plans during October of 2023

Public Works Support Services 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			
Intergovernmental	\$ 27,500	\$ -	-	\$ 110,000	\$ -	-	\$ 110,000	\$ 220,000	0%	\$ 220,000
Charges for services	685,525	577,421	84%	2,742,100	1,091,071	40%	1,651,029	4,962,200	22%	3,871,129
Interest	500	12,040	2408%	2,000	16,844	842%	(14,844)	4,000	421%	(12,844)
Miscellaneous	2,500	1,187	47%	10,000	1,549	15%	8,451	20,000	8%	18,451
Total revenue	\$ 716,025	\$ 590,647	82%	\$ 2,864,100	\$ 1,109,464	39%	\$ 1,754,636	\$ 5,206,200	21%	\$ 4,096,736
Expenditures										
Public Works Support Services	\$ 506,825	\$ 532,900	105%	\$ 2,027,300	\$ 1,076,104	53%	\$ 951,196	\$ 4,224,800	25%	\$ 3,148,696
Public Works Fleet and Vehicles	129,875	508,151	391%	519,500	609,608	117%	(90,108)	981,000	62%	371,392
Contingency				838,052				521,152		521,152
Total expenditures	\$ 636,700	\$ 1,041,051	164%	\$ 3,384,852	\$ 1,685,712	50%	\$ 861,088	\$ 5,726,952	29%	\$ 4,041,240
Revenue over (under) expenditures	\$ 79,325	\$ (450,404)	-57%	\$ (520,752)	\$ (576,248)	-73%	\$ 893,548	\$ (520,752)		
Beginning fund balance	520,752	784,560	151%	520,752	784,560	151%		520,752		
Ending fund balance	\$ 600,077	\$ 334,156	56%	\$ -	\$ 208,312	-		\$ -		



New Gazebo built by PW at the wetlands during the second quarter.