

*City of Prineville, Oregon  
Financial Report  
First Quarter Ended  
September 30, 2013*





September 30, 2013

### *Executive Summary*

During the first quarter ending September 30, 2013 the City's financial condition decreased by approximately 22% or \$1.5 million. Funds contributing significantly to the decrease in the City's ending fund balance include the General, Transportation, Water SDC and Wastewater funds. Timing of property tax collection, capital improvements, and scheduled debt service payments contributed to the decrease in the City's financial condition. Funds with a significant positive impact to fund balance include Emergency Dispatch and the Golf course.

In the first quarter, General fund revenues came in at approximately 13% of the annual budget or \$506,000. Overall revenue collection for the first quarter has increased approximately \$52,500 over the prior year. Property tax revenue is roughly \$48,000 for the first quarter; a decrease of roughly \$25,000 compared to the first quarter prior year. Franchise fee revenues are approximately \$305,000 at quarter end and collection increased approximately \$68,600 over the prior year's first quarter due to the increased collection in electrical franchise fees. Electrical franchise fees are up over the prior year's quarter end by approximately \$74,700. Transient lodging taxes are down slightly over the prior year's quarter end at roughly \$78,500, compared to \$79,100 last year. Overall the General fund realized a decrease in fund balance of approximately \$628,000 or 62%, which was anticipated as the receipt of property taxes begins in November.

The Transportation fund balance decreased by approximately \$144,000 or 91%. Budgeted capital projects and the timing in which intergovernmental revenues are collected contributed to this decrease in fund balance. Capital expenditures in the first quarter came in at approximately \$299,400 or 72% of the annual budget. First quarter expenditures for the grind inlay projects made up roughly \$249,000 of these capital expenditures.

The Water SDC fund balance decreased approximately \$214,800 through the first quarter largely due to budgeted capital projects for expanding the water system that serves the airport area and the timing in which the Apple reimbursements for those projects are received. This fund is anticipated to balance out by the end of the fiscal year. Roughly \$547,000 of the capital improvement expenditures were for water improvement projects including the waterline extension project and the water main replacement project.

The Wastewater fund balance decreased roughly 32% or \$365,000. This decrease is a result of budgeted debt service payments made in the first quarter totaling approximately \$560,600.

The Railroad's fund balanced decreased approximately \$50,000 in the first quarter. Contributing factors to the decrease in fund balance include a decrease in freight revenue rail cars, \$50,600 of semi-annual debt service payments, and \$48,000 in annual liability insurance payments. With the decline in freight revenue cars, the matching of revenues with expenses has been done well by management through the first quarter.

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The Airport fund balance decreased approximately \$39,000 in the first quarter. This decrease is due to the timing in which fuel is purchased. Fuel sales are up over the prior year's quarter end by approximately \$38,000 due to increased use of the facility from Hillsboro Aviation and Leading Edge Aviation.

In the first quarter the Emergency Dispatch fund increased its fund balance by roughly \$84,000 or 38%. This is largely due to the collection of intergovernmental revenue from the Crook County Fire and Rescue in the full budgeted amount of \$76,200 during the first quarter.

The Golf Course fund balance increased approximately \$16,000 or 4% through the end of the first quarter. Overall operating revenue for both the golf operations and the restaurant is up in comparison to the prior year's quarter end by roughly \$42,000 or 12%. Operating expenditures are also up by approximately 13% in comparison to the prior year's quarter end. The annual liability insurance payment of approximately \$10,000 and debt service payments of approximately \$52,700 took place in the first quarter.

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

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

Sincerely,

Steve Forrester  
City Manager

Liz Schuette,  
Finance Director

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*All City Funds*

Fund	Current Budget Beginning Fund Balance	Unaudited Actual Fund Balance	Current Year Resources	Current Year Expenditures	Ending Fund Balance	Change in Fund Balance	Percentage Change in Fund Balance
General	\$ 1,127,798	\$ 1,016,621	\$ 506,465	\$ 1,133,987	\$ 389,099	\$ (627,522)	-62%
Transportation	152,632	158,637	312,131	456,510	14,258	(144,379)	-91%
Emergency Dispatch	218,587	220,480	325,761	241,989	304,252	83,772	38%
Planning	64,697	69,139	68,467	88,422	49,184	(19,955)	-29%
Transportation SDC	258,342	256,912	6,388	3,528	259,772	2,860	1%
Water SDC	30,038	28,187	336,242	551,008	(186,579)	(214,766)	-762%
Wastewater SDC	188,988	185,333	422	69,328	116,427	(68,906)	-37%
LID Debt Service	69,075	68,909	87,034	78,234	77,709	8,800	13%
PERS / POB Fund	-	-	11,525	11,525	-	-	#DIV/0!
Railroad	623,097	660,121	193,811	243,906	610,026	(50,095)	-8%
Airport	46,235	99,993	228,556	267,601	60,947	(39,046)	-39%
Water	1,573,109	1,698,488	623,121	585,786	1,735,823	37,335	2%
Wastewater	1,165,930	1,130,268	769,596	1,134,635	765,229	(365,039)	-32%
Golf Course and Restaurant	401,260	406,180	478,082	461,861	422,401	16,221	4%
Freight Depot	125,884	68,478	-	40,000	28,478	(40,000)	-58%
Administration and Financial Services	144,004	168,148	445,979	531,134	82,993	(85,155)	-51%
Public Works Support Services	230,639	269,932	276,208	300,100	246,039	(23,893)	-9%
City Hall	124,523	137,938	45,103	12,088	170,953	33,015	24%
Plaza Maintenance	29,000	33,307	24	3,168	30,163	(3,144)	-
Totals	\$ 6,573,838	\$ 6,677,071	\$ 4,714,914	\$ 6,214,810	\$ 5,177,175	\$ (1,499,896)	-22%



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### General Fund

The General fund accounts for the City's police and non-departmental operations and activities. The primary sources of revenue include property taxes, transient lodging taxes, franchise fees, and intergovernmental revenue.

Overall revenue collection for the first quarter has increased approximately \$52,500 over prior year. Property tax revenue is roughly \$48,000 for the first quarter compared to approximately \$73,000 last year. First quarter property tax revenue is at approximately 12% of the quarter budget. Franchise fees are at roughly 70% of the quarter budget and collection increased approximately \$68,600 over prior year's first quarter due to the increased collection in electrical franchise fees. Electrical franchise fees are up over prior year quarter end by approximately \$74,700. Transient lodging taxes are down slightly over prior year quarter end at roughly \$78,500 compared to \$79,100 last year.

Police spending for the first quarter of the year was at approximately 26% of annual budget. A budget adjustment was done to appropriate funds for the acquisition of police vehicles through internal borrowing. Personnel services for the police department are on target at approximately 25% of annual budget.

Overall, the General fund realized a reduction in fund balance of roughly 62% or \$628,000 in the first quarter. This was anticipated as the receipt of property tax revenues begins in November. Staff will continue to monitor revenues and expenses and take further steps if necessary to ensure fund balance is not reduced below budget.

Revenue	Current Quarter		Quarter Budget %	Year to Date		Annual Budget %	Annual Budget	Balance
	Budget	Actual		Budget	Actual			
Property taxes	\$ 410,000	\$ 48,391	12%	\$ 410,000	\$ 48,391	3%	\$ 1,640,000	\$ 1,591,609
Transient lodging tax	50,000	78,500	157%	50,000	78,500	39%	200,000	121,500
Franchise fees	438,175	305,111	70%	438,175	305,111	17%	1,752,700	1,447,589
Licenses and permits	2,675	2,403	90%	2,675	2,403	22%	10,700	8,297
Intergovernmental revenues	67,600	51,403	76%	67,600	51,403	19%	270,400	218,997
Charges for services	25	-	-	25	-	0%	100	100
Interest	750	638	85%	750	638	21%	3,000	2,362
Miscellaneous	32,900	20,020	61%	32,900	20,020	15%	131,600	111,580
<b>Total revenue</b>	<b>\$ 1,002,125</b>	<b>\$ 506,465</b>	<b>51%</b>	<b>\$ 1,002,125</b>	<b>\$ 506,465</b>	<b>13%</b>	<b>\$ 4,008,500</b>	<b>\$ 3,502,035</b>
<b>Expenditures</b>								
Police	\$ 834,275	\$ 859,770	103%	\$ 834,275	\$ 859,770	26%	\$ 3,337,100	\$ 2,477,330
Police facility	17,150	15,452	90%	17,150	15,452	23%	68,600	53,148
Non-departmental	256,475	258,765	101%	256,475	258,765	25%	1,025,900	767,135
Contingency							704,698	704,698
<b>Total expenditures</b>	<b>\$ 1,107,900</b>	<b>\$ 1,133,987</b>	<b>102%</b>	<b>\$ 1,107,900</b>	<b>\$ 1,133,987</b>	<b>22%</b>	<b>\$ 5,136,298</b>	<b>\$ 4,002,311</b>
Revenue over (under) expenditures	(105,775)	(627,522)		(105,775)	(627,522)		(1,127,798)	
<b>Beginning fund balance</b>	<b>1,127,798</b>	<b>1,016,621</b>	<b>90%</b>	<b>1,127,798</b>	<b>1,016,621</b>	<b>90%</b>	<b>1,127,798</b>	<b>\$ 111,177</b>
<b>Ending fund balance</b>	<b>\$ 1,022,023</b>	<b>\$ 389,099</b>	<b>38%</b>	<b>\$ 1,022,023</b>	<b>\$ 389,099</b>	<b>38%</b>	<b>\$ -</b>	

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### ***Transportation Fund***

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

First quarter revenue for the Transportation fund came in at approximately 29% of the annual budget. Intergovernmental revenue collection is at 83% of quarter budget with the State of Oregon gas tax coming in at approximately \$129,400. Excavation permits is the primary contributor to miscellaneous income at roughly \$2,200.

Expenditures in the first quarter came in as anticipated with the continuation of the grind inlay capital project. Capital expenditures in the first quarter came in at approximately \$299,400 or 72% of the annual budget. First quarter expenditures for the grind inlay projects made up roughly \$249,000 of the capital expenditures.

Timing in which intergovernmental revenues are collected and the continuation of the grind inlay project contributed to the decrease in fund in the first quarter. Approximately, \$400,000 of the \$720,000 budgeted intergovernmental revenues are anticipated to be received in the latter half of the fiscal year.

Revenue	Current Quarter		Quarter Budget %	Year to Date		Annual Budget %	Annual Budget	Balance
	Budget	Actual		Budget	Actual			
Franchise Fees	\$ 60,275	\$ 60,275	100%	\$ 60,275	\$ 60,275	25%	\$ 241,100	\$ 180,825
Intergovernmental	180,075	149,398	83%	180,075	149,398	21%	720,300	570,902
Transfers	25,000	100,000	400%	25,000	100,000	100%	100,000	-
Interest	250	269	108%	250	269	27%	1,000	731
Miscellaneous	2,625	2,189	83%	2,625	2,189	21%	10,500	8,311
<b>Total revenue</b>	<b>\$ 268,225</b>	<b>\$ 312,131</b>	<b>116%</b>	<b>\$ 268,225</b>	<b>\$ 312,131</b>	<b>29%</b>	<b>\$ 1,072,900</b>	<b>\$ 760,769</b>
<b>Expenditures</b>								
Personal services	\$ 47,850	\$ 45,956	96%	\$ 47,850	\$ 45,956	24%	\$ 191,400	\$ 145,444
Material & services	48,450	46,046	95%	48,450	46,046	24%	193,800	147,754
Capital outlay								
Improvements	103,275	299,407	290%	103,275	299,407	72%	413,100	113,693
Transfers	65,100	65,100	100%	65,100	65,100	25%	260,400	195,300
Contingency							166,832	166,832
<b>Total expenditures</b>	<b>\$ 264,675</b>	<b>\$ 456,510</b>	<b>172%</b>	<b>\$ 264,675</b>	<b>\$ 456,510</b>	<b>37%</b>	<b>\$ 1,225,532</b>	<b>\$ 769,022</b>
<b>Revenue over (under) expenditures</b>	<b>\$ 3,550</b>	<b>\$ (144,379)</b>		<b>\$ 3,550</b>	<b>\$ (144,379)</b>		<b>\$ (152,632)</b>	
<b>Beginning fund balance</b>	<b>152,632</b>	<b>158,637</b>	<b>104%</b>	<b>152,632</b>	<b>158,637</b>	<b>104%</b>	<b>152,632</b>	<b>(6,005)</b>
<b>Ending fund balance</b>	<b>\$ 156,182</b>	<b>\$ 14,258</b>	<b>9%</b>	<b>\$ 156,182</b>	<b>\$ 14,258</b>	<b>9%</b>	<b>\$ -</b>	



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### *Emergency Dispatch Fund*

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

Revenue collection for the Emergency Dispatch fund was approximately \$326,000 or 31% of the annual budget. Revenue collection came in as anticipated for the first quarter with intergovernmental revenue coming in at approximately \$209,000 or 35% of the annual budget. Collection of the full budgeted amount of intergovernmental revenue from the Crook County Fire and Rescue equaling \$76,200 came in the first quarter.

Expenditures came in at approximately \$242,000 or 92% of the quarter budget. Personnel services came in at roughly 22% of the annual budget or \$176,000. Overall expenditures came in as anticipated at first quarter end.

Timing in which intergovernmental revenue is collected contributed to the increase in fund balance of approximately \$84,000.

Revenue	Current Quarter		Quarter Budget %	Year to Date		Annual Budget %	Annual Budget	Balance
	Budget	Actual		Budget	Actual			
Intergovernmental	\$ 148,500	\$ 208,883	141%	\$ 148,500	\$ 208,883	35%	\$ 594,000	\$ 385,117
Charges for services	750	176	23%	750	176	6%	3,000	2,825
Interest	750	178	24%	750	178	6%	3,000	2,822
Transfers from other funds	116,525	116,525	100%	116,525	116,525	25%	466,100	349,575
<b>Total revenue</b>	<b>\$ 266,525</b>	<b>\$ 325,761</b>	<b>122%</b>	<b>\$ 266,525</b>	<b>\$ 325,761</b>	<b>31%</b>	<b>\$ 1,066,100</b>	<b>\$ 740,339</b>
<b>Expenditures</b>								
Personal services	\$ 195,450	\$ 175,716	90%	\$ 195,450	\$ 175,716	22%	\$ 781,800	\$ 606,084
Material & services	23,250	24,323	105%	23,250	24,323	26%	93,000	68,677
Capital outlay								
Equipment	3,750	-	-	3,750	-	0%	15,000	15,000
Transfers	41,950	41,950	100%	41,950	41,950	25%	167,800	125,850
Contingency							227,087	227,087
<b>Total expenditures</b>	<b>\$ 264,400</b>	<b>\$ 241,989</b>	<b>92%</b>	<b>\$ 264,400</b>	<b>\$ 241,989</b>	<b>19%</b>	<b>\$ 1,284,687</b>	<b>\$ 1,042,698</b>
<b>Revenue over (under) expenditures</b>	<b>\$ 2,125</b>	<b>\$ 83,772</b>		<b>\$ 2,125</b>	<b>\$ 83,772</b>		<b>\$ (218,587)</b>	
<b>Beginning fund balance</b>	<b>218,587</b>	<b>220,480</b>	<b>101%</b>	<b>218,587</b>	<b>220,480</b>	<b>101%</b>	<b>218,587</b>	<b>(1,893)</b>
<b>Ending fund balance</b>	<b>\$ 220,712</b>	<b>\$ 304,252</b>	<b>138%</b>	<b>\$ 220,712</b>	<b>\$ 304,252</b>	<b>138%</b>	<b>\$ -</b>	

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### ***Planning Fund***

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

First quarter revenue collection came in at approximately \$68,500 or 82% of the quarter budget. Revenue collection for the licenses and permits is at approximately \$3,900 which is down over prior year first quarter by roughly \$7,900.

Expenses incurred during the first quarter came in at approximately \$88,400 or 104% of quarter budget. Spending associated with materials and services came in at approximately 220% largely due to the payment made for the GIS (geographic information system) agreement made to the county in the first quarter equivalent to \$7,200 for the Planning funds share.

Notes:	Current Quarter			Quarter Budget %	Year to Date			Annual Budget %	Annual		Balance
	Budget	Actual			Budget	Actual			Budget		
Licenses & Permits	\$ 11,500	\$ 3,902	34%		\$ 11,500	\$ 3,902	8%		\$ 46,000	\$	42,099
Charges for services	9,725	2,014	21%		9,725	2,014	5%		38,900		36,886
Interest	50	52	103%		50	52	26%		200		148
Transfers from other funds	62,500	62,500	100%		62,500	62,500	25%		250,000		187,500
<b>Total revenue</b>	<b>\$ 83,775</b>	<b>\$ 68,467</b>	<b>82%</b>		<b>\$ 83,775</b>	<b>\$ 68,467</b>	<b>20%</b>		<b>\$ 335,100</b>	<b>\$</b>	<b>266,633</b>
Personal services	\$ 53,150	\$ 50,518	95%		\$ 53,150	\$ 50,518	24%		\$ 212,600	\$	162,082
Material & services	5,100	11,229	220%		5,100	11,229	55%		20,400		9,171
Transfers	26,675	26,675	100%		26,675	26,675	25%		106,700		80,025
Contingency									60,097		60,097
<b>Total expenditures</b>	<b>\$ 84,925</b>	<b>\$ 88,422</b>	<b>104%</b>		<b>\$ 84,925</b>	<b>\$ 88,422</b>	<b>22%</b>		<b>\$ 399,797</b>	<b>\$</b>	<b>311,375</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (1,150)</b>	<b>\$ (19,955)</b>			<b>\$ (1,150)</b>	<b>\$ (19,955)</b>			<b>\$ (64,697)</b>		
<b>Beginning fund balance</b>	<b>64,697</b>	<b>69,139</b>	<b>107%</b>		<b>64,697</b>	<b>69,139</b>	<b>107%</b>		<b>64,697</b>		<b>(4,442)</b>
<b>Ending fund balance</b>	<b>\$ 63,547</b>	<b>\$ 49,184</b>	<b>77%</b>		<b>\$ 63,547</b>	<b>\$ 49,184</b>	<b>77%</b>		<b>\$ -</b>		



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### *Transportation SDC Fund*

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

Revenue collection for the Transportation SDC fund is at approximately 5% of the quarter budget. SDC collection at quarter end is up slightly at roughly \$4,500 in comparison to prior year quarter end at \$3,050.

Expenditures at quarter end were at approximately \$3,500 or 17% of the quarter budget. All first quarter capital expenditures were incurred from the Habitat Conservation Plan and Crooked River Concept.

Revenue	Current Quarter		Quarter Budget %	Year to Date		Annual Budget %	Annual Budget	Balance
	Budget	Actual		Budget	Actual			
Intergovernmental	\$ 1,250	\$ 1,632	131%	\$ 1,250	\$ 1,632	33%	\$ 5,000	\$ 3,368
Interest	125	210	168%	125	210	42%	500	290
System development charges	127,850	4,546	4%	127,850	4,546	1%	511,400	506,854
<b>Total revenue</b>	<b>\$ 129,225</b>	<b>\$ 6,388</b>	<b>5%</b>	<b>\$ 129,225</b>	<b>\$ 6,388</b>	<b>1%</b>	<b>\$ 516,900</b>	<b>\$ 510,512</b>
<b>Expenditures</b>								
Material & services	\$ 2,500	-	-	\$ 2,500	-	0%	\$ 10,000	\$ 10,000
Capital outlay								
Improvements	11,250	3,528	31%	11,250	3,528	8%	45,000	41,472
Debt service - interest note payable								-
Transfers	6,425	-	-	6,425	-	-	25,700	25,700
Contingency							694,542	694,542
<b>Total expenditures</b>	<b>\$ 20,175</b>	<b>\$ 3,528</b>	<b>17%</b>	<b>\$ 20,175</b>	<b>\$ 3,528</b>	<b>0%</b>	<b>\$ 775,242</b>	<b>\$ 771,714</b>
<b>Revenue over (under) expenditures</b>	<b>\$ 109,050</b>	<b>\$ 2,860</b>		<b>\$ 109,050</b>	<b>\$ 2,860</b>		<b>\$ (258,342)</b>	
<b>Beginning fund balance</b>	<b>258,342</b>	<b>256,912</b>	<b>99%</b>	<b>258,342</b>	<b>256,912</b>	<b>99%</b>	<b>258,342</b>	<b>1,430</b>
<b>Ending fund balance</b>	<b>\$ 367,392</b>	<b>\$ 259,772</b>	<b>71%</b>	<b>\$ 367,392</b>	<b>\$ 259,772</b>	<b>71%</b>	<b>\$ -</b>	

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### ***Water SDC Fund***

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

Overall first quarter revenue came in at approximately \$336,000 or 44% of the quarterly budget. First quarter revenue collection for system development charges remained flat at approximately \$2,700 in comparison to first quarter prior year. Charges for services revenue is reimbursements for the Apple project which came in at approximately \$332,800 in the first quarter.

Overall expenditures are approximately 75% of quarter budget or \$551,000 all of which are made up by capital improvements. Roughly \$547,000 of the capital improvements expenditures were for water improvement projects including the waterline extension project and the water main replacement project.

The Water SDC fund balance decreased approximately \$214,800 through the first quarter largely due to budgeted capital projects for expanding the water system that serves the airport area and the timing in which the Apple reimbursements for those projects are received. This fund is anticipated to balance out by yearend.

Revenue	Current Quarter			Quarter Budget %	Year to Date			Annual Budget %	Annual		Balance
	Budget	Actual			Budget	Actual			Budget		
Interest	\$ 125	\$ 15		12%	\$ 125	\$ 15		3%	\$ 500		\$ 485
System development charges	64,550	2,699		4%	64,550	2,699		1%	258,200		255,501
Intergovernmental	6,250	733		12%	6,250	733		3%	25,000		24,267
Charges for Services	700,000	332,795		48%	700,000	332,795		12%	2,800,000		2,467,205
<b>Total revenue</b>	<b>\$ 770,925</b>	<b>\$ 336,242</b>		<b>44%</b>	<b>\$ 770,925</b>	<b>\$ 336,242</b>		<b>11%</b>	<b>\$ 3,083,700</b>		<b>\$ 2,747,458</b>
<b>Expenditures</b>											
Material & services	\$ 1,250			-	\$ 1,250	\$ -		0%	\$ 5,000		\$ 5,000
Capital outlay											
Improvements	698,925	551,008		79%	698,925	551,008		20%	2,795,700		2,244,692
Transfers	33,250			-	33,250	-		0%	133,000		133,000
Contingency									180,038		180,038
<b>Total expenditures</b>	<b>\$ 733,425</b>	<b>\$ 551,008</b>		<b>75%</b>	<b>\$ 733,425</b>	<b>\$ 551,008</b>		<b>18%</b>	<b>\$ 3,113,738</b>		<b>\$ 2,562,730</b>
<b>Revenue over (under) expenditures</b>	<b>\$ 37,500</b>	<b>\$ (214,766)</b>			<b>\$ 37,500</b>	<b>\$ (214,766)</b>			<b>\$ (30,038)</b>		
<b>Beginning fund balance</b>	<b>30,038</b>	<b>28,187</b>		<b>94%</b>	<b>30,038</b>	<b>28,187</b>		<b>94%</b>	<b>30,038</b>		<b>1,851</b>
<b>Ending fund balance</b>	<b>\$ 67,538</b>	<b>\$ (186,579)</b>		<b>-</b>	<b>\$ 67,538</b>	<b>\$ (186,579)</b>		<b>-</b>	<b>\$ -</b>		



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### *Wastewater SDC Fund*

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

Overall first quarter revenue collection came in at approximately 1% of the quarter budget.

First quarter expenditures came in at approximately 18% or \$69,300 of the annual budget. Capital expenditures associated with sewer improvements, the Habitat Conservation Plan and the Crooked River Concept makes up the first quarter expenditures.

Revenue	Current Quarter		Quarter Budget %	Year to Date		Annual Budget %	Annual Budget	Balance
	Budget	Actual		Budget	Actual			
Interest	125	116	93%	125	116	23%	500	384
System development charges	46,725	306	1%	46,725	306	0%	186,900	186,594
<b>Total revenue</b>	<b>\$ 46,850</b>	<b>\$ 422</b>	<b>1%</b>	<b>\$ 46,850</b>	<b>\$ 422</b>	<b>0%</b>	<b>\$ 187,400</b>	<b>\$ 186,978</b>
<b>Expenditures</b>								
Capital outlay								
Improvements	\$ 32,500	\$ 69,328	213%	\$ 32,500	\$ 69,328	53%	\$ 130,000	\$ 60,672
Transfers	3,250	-	-	3,250	-	-	13,000	13,000
Contingency							233,388	233,388
<b>Total expenditures</b>	<b>\$ 35,750</b>	<b>\$ 69,328</b>	<b>194%</b>	<b>\$ 35,750</b>	<b>\$ 69,328</b>	<b>18%</b>	<b>\$ 376,388</b>	<b>\$ 307,060</b>
<b>Revenue over (under) expenditures</b>	<b>\$ 11,100</b>	<b>\$ (68,906)</b>		<b>\$ 11,100</b>	<b>\$ (68,906)</b>		<b>\$ (188,988)</b>	
<b>Beginning fund balance</b>	<b>188,988</b>	<b>185,333</b>	<b>98%</b>	<b>188,988</b>	<b>185,333</b>	<b>98%</b>	<b>188,988</b>	<b>3,655</b>
<b>Ending fund balance</b>	<b>\$ 200,088</b>	<b>\$ 116,427</b>	<b>58%</b>	<b>\$ 200,088</b>	<b>\$ 116,427</b>	<b>58%</b>	<b>\$ -</b>	

September 30, 2013

***LID Debt Service Fund***

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

The LID Debt service fund is as anticipated.

Revenue	Current Quarter		Quarter Budget %	Year to Date		Annual Budget %	Annual Budget	Balance
	Budget	Actual		Budget	Actual			
Interest	\$ 125	\$ 42	34%	\$ 125	\$ 42	8%	\$ 500	\$ 458
Assessment repayments	44,400	86,992	196%	44,400	86,992	49%	177,600	90,608
<b>Total revenue</b>	<b>\$ 44,525</b>	<b>\$ 87,034</b>	<b>195%</b>	<b>\$ 44,525</b>	<b>\$ 87,034</b>	<b>49%</b>	<b>\$ 178,100</b>	<b>\$ 91,066</b>
<b>Expenditures</b>								
Materials and services	\$ 100		-	\$ 100	\$ -	0%	\$ 400	\$ 400
Debt service								
Principal								
10th St/Madras Hwy LID - 2003	2,400	3,120	130%	2,400	3,120	33%	9,600	6,480
Ironhorse LID - 2006	17,650	34,787	197%	17,650	34,787	49%	70,600	35,813
Interest								
10th Street/Madras Hwy LID - 2003	75	157	209%	75	157	52%	300	143
Ironhorse LID - 2006	19,850	40,169	202%	19,850	40,169	51%	79,400	39,231
Contingency							86,875	86,875
<b>Total expenditures</b>	<b>\$ 40,075</b>	<b>\$ 78,234</b>	<b>195%</b>	<b>\$ 40,075</b>	<b>\$ 78,234</b>	<b>32%</b>	<b>\$ 247,175</b>	<b>\$ 168,941</b>
<b>Revenue over (under) expenditures</b>	<b>4,450</b>	<b>8,800</b>		<b>4,450</b>	<b>8,800</b>		<b>(69,075)</b>	
<b>Beginning fund balance</b>	<b>69,075</b>	<b>68,909</b>	<b>100%</b>	<b>69,075</b>	<b>68,909</b>	<b>100%</b>	<b>69,075</b>	<b>166</b>
<b>Ending fund balance</b>	<b>\$ 73,525</b>	<b>\$ 77,709</b>	<b>106%</b>	<b>\$ 73,525</b>	<b>\$ 77,709</b>	<b>106%</b>	<b>\$ -</b>	



September 30, 2013

**PERS/ POB Fund**

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

In the first quarter Resolution NO. 1221 was passed by the city council which authorized the city the issuance, sale and delivery of its full faith and credit pension bonds in order to fund the unfunded actuarial liability to the State of Oregon Public Employees Retirement System. The bonds have not been issued as the uncertainty of the market has increased interests rates above the 5.5% true interest cost limit. Management and the city's bonding company continue to monitor the market and look for other opportunities.

	Current Quarter		Quarter	Year to Date		Annual	Annual	
Revenue	Budget	Actual	Budget %	Budget	Actual	Budget %	Budget	Balance
Interest	\$ -	-	-	\$ -	\$ -	-	\$ -	\$ -
Debt Proceeds	987,500	-	-	987,500	-	-	3,950,000	3,950,000
Transfer from other funds	45,000	11,525	26%	45,000	11,525	26%	180,000	168,475
<b>Total revenue</b>	<b>\$ 1,032,500</b>	<b>\$ 11,525</b>	<b>1%</b>	<b>\$ 1,032,500</b>	<b>\$ 11,525</b>	<b>1%</b>	<b>\$ 4,130,000</b>	<b>\$ 4,118,475</b>
<b>Expenditures</b>								
Personnel Service	\$ 950,000	\$ -	-	\$ 950,000	\$ -	-	\$ 3,800,000	\$ 3,800,000
Materials and Services	37,500	11,525	31%	37,500	11,525	31%	150,000	138,475
Debt service								
Principal - POB 2013	-	-	-	-	-	-	-	-
Interest - POB 2013	27,500	-	-	27,500	-	-	110,000	110,000
Contingency							70,000	70,000
<b>Total expenditures</b>	<b>\$ 1,015,000</b>	<b>\$ 11,525</b>	<b>1%</b>	<b>\$ 1,015,000</b>	<b>\$ 11,525</b>	<b>1%</b>	<b>\$ 4,130,000</b>	<b>\$ 4,118,475</b>
<b>Revenue over (under) expenditures</b>	<b>\$ 17,500</b>	<b>\$ -</b>	<b>-</b>	<b>\$ 17,500</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>	
<b>Beginning fund balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Ending fund balance</b>	<b>\$ 17,500</b>	<b>\$ -</b>	<b>-</b>	<b>\$ 17,500</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>	

September 30, 2013

***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 fund were consolidated. Primary revenue sources are payments for the use of railroad and freight depot facilities and related services. Expenditures are for the railroad and freight depot operations, including repair, debt service and capital improvements. Additionally, transfers to other City operations are budgeted.

At quarter end, overall revenue collection is at approximately \$194,000 or 50% of the quarter budget. Charges for services for the railroad are at approximately \$47,500 or 53% of the quarter budget. This is a significant decline in comparison to prior year first quarter end by roughly \$100,000 partly due to the decline in overall rail traffic by approximately 98 freight revenue cars. First quarter miscellaneous revenue collected was from fees for fiber optic easement contracts that are billed annually. Charges for services for the freight depot are at roughly \$29,900 or 80% of the quarter budget which is a decline over first quarter prior year by roughly \$7,000.

Overall expenditures at quarter end are at approximately 66% or \$244,000 of the quarter budget. Materials and services are at roughly 32% of the annual budget or \$104,000, which includes approximately \$48,000 in liability insurance expenditures. Personnel services are at roughly \$65,600 or 25% of the annual budget. The semiannual debt service payment of approximately \$50,600 took place in the first quarter. Railroad and freight depot operating expenditures are down a combined total of approximately \$73,000 in comparison to prior year quarter end.

The Railroad's fund balanced decreased approximately \$50,000 in the first quarter. The decrease in freight revenue rail cars, the semiannual debt service payment and annual liability insurance payments were the significant contributors to the decrease in fund balance. With the decline in freight revenue cars, matching of revenues with expenses has been done well by management through the first quarter.



September 30, 2013

	Current Quarter		Quarter Budget %	Year to Date		Annual Budget %	Annual Budget	Balance
	Budget	Actual		Budget	Actual			
<b>Revenue</b>								
Charges for services								
Railroad	\$ 89,250	\$ 47,482	53%	\$ 89,250	47,482	13%	\$ 357,000	\$ 309,518
Freight Depot	37,250	29,880	80%	37,250	29,880	20%	149,000	119,120
Use of money & property	17,900	14,432	81%	17,900	14,432	20%	71,600	57,168
Intergovernmental	175,000	-	-	175,000	-	0%	700,000	700,000
Miscellaneous	5,000	11,016	220%	5,000	11,016	55%	20,000	8,984
Transfers	62,946	91,000	145%	62,946	91,000	36%	251,784	160,784
<b>Total revenue</b>	<b>\$ 387,346</b>	<b>\$ 193,811</b>	<b>50%</b>	<b>\$ 387,346</b>	<b>\$ 193,811</b>	<b>13%</b>	<b>\$ 1,549,384</b>	<b>\$ 1,355,573</b>
<b>Expenditures</b>								
Personal services	\$ 65,900	\$ 65,606	100%	\$ 65,900	65,606	25%	\$ 263,600	\$ 197,994
Material and services	81,150	103,733	128%	81,150	103,733	32%	324,600	220,867
Capital outlay								
Improvements	175,000	-	-	175,000	-	0%	700,000	700,000
Debt service								
Principal - Credit Facility	22,100	43,882	199%	22,100	43,882	50%	88,400	44,518
Interest - Credit Facility	3,125	6,710	215%	3,125	6,710	54%	12,500	5,790
Transfers	23,975	23,975	100%	23,975	23,975	25%	95,900	71,925
Contingency							687,481	687,481
<b>Total expenditures</b>	<b>\$ 371,250</b>	<b>\$ 243,906</b>	<b>66%</b>	<b>\$ 371,250</b>	<b>\$ 243,906</b>	<b>11%</b>	<b>\$ 2,172,481</b>	<b>\$ 1,928,575</b>
<b>Revenue over (under) expenditures</b>	<b>\$ 16,096</b>	<b>\$ (50,095)</b>		<b>\$ 16,096</b>	<b>\$ (50,095)</b>		<b>(623,097)</b>	
<b>Beginning fund balance</b>	<b>623,097</b>	<b>660,121</b>	<b>106%</b>	<b>623,097</b>	<b>660,121</b>	<b>106%</b>	<b>623,097</b>	<b>(37,024)</b>
<b>Ending fund balance</b>	<b>\$ 639,193</b>	<b>\$ 610,026</b>	<b>95%</b>	<b>\$ 639,193</b>	<b>\$ 610,026</b>	<b>95%</b>	<b>\$ -</b>	

September 30, 2013

## Airport fund

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

Revenue collection in the first quarter came in at approximately 18% of the annual budget or \$228,600. Revenue collection associated with charges for services is at roughly \$218,000 or 31% of the annual budget. Fuel sales were the largest revenue contributor in the first quarter for the airport at approximately \$210,000. Fuel sales are up over prior year quarter end by approximately \$38,000 due to increased use of the facility from Hillsboro Aviation and Leading Edge Aviation.

Quarter end expenditures came in at approximately \$267,600 or 21% of the annual budget. Fuel and oil expenditures were roughly \$192,500 making up the majority of expenditures associated with materials and services which came in at approximately \$220,000 or 37% of the annual budget.

Overall fund balance is down approximately \$39,000 or 39% at the end of the first quarter. Contributing to this decrease in fund balance is a fuel purchase made at the end of the September of approximately \$39,400.

	Current Quarter		Quarter	Year to Date		Annual	Annual	
	Budget	Actual	Budget %	Budget	Actual	Budget %	Budget	Balance
Intergovernmental	\$ 129,500	\$ 10,381	8%	\$ 129,500	\$ 10,381	2%	\$ 518,000	\$ 507,619
Charges for services	175,125	218,146	125%	175,125	218,146	31%	700,500	482,354
Other revenues	25	29	117%	25	29	29%	100	71
Transfers	6,250	-	-	6,250	-	-	25,000	
<b>Total revenue</b>	<b>\$ 310,900</b>	<b>\$ 228,556</b>	<b>74%</b>	<b>\$ 310,900</b>	<b>\$ 228,556</b>	<b>18%</b>	<b>\$ 1,243,600</b>	<b>\$ 990,044</b>
Personal Service	\$ 19,900	\$ 20,020	101%	\$ 19,900	\$ 20,020	25%	\$ 79,600	\$ 59,580
Materials and Services	147,750	220,310	149%	147,750	220,310	37%	591,000	370,690
Capital outlay	125,375	6,747	5%	125,375	6,747	1%	501,500	494,753
Transfers	20,525	20,525	100%	20,525	20,525	25%	82,100	61,575
Contingency							35,635	35,635
<b>Total expenditures</b>	<b>\$ 313,550</b>	<b>\$ 267,601</b>	<b>85%</b>	<b>\$ 313,550</b>	<b>\$ 267,601</b>	<b>21%</b>	<b>\$ 1,289,835</b>	<b>\$ 1,022,234</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (2,650)</b>	<b>\$ (39,046)</b>		<b>\$ (2,650)</b>	<b>\$ (39,046)</b>		<b>\$ (46,235)</b>	
<b>Beginning fund balance</b>	<b>46,235</b>	<b>99,993</b>	<b>216%</b>	<b>46,235</b>	<b>99,993</b>	<b>216%</b>	<b>46,235</b>	<b>(53,758)</b>
<b>Ending fund balance</b>	<b>\$ 43,585</b>	<b>\$ 60,947</b>	<b>140%</b>	<b>\$ 43,585</b>	<b>\$ 60,947</b>	<b>140%</b>	<b>\$ -</b>	

September 30, 2013

### 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 system including repair and maintenance of infrastructure.

Overall revenue collection in the first quarter came in at approximately \$623,000 or 31% of the annual budget. Revenue associated with charges for services came in at roughly \$622,000 which is an increase over prior year first quarter by approximately \$40,800.

First quarter expenditures are at approximately \$586,000 or 16% of the annual budget. Expenditures are as anticipated as insurance and debt service payments were scheduled in the first quarter. Capital improvement expenditures for the first quarter came in at roughly \$21,000 with close to \$14,000 coming in for water meter replacements.

Overall fund balance at quarter end increased by approximately \$37,600 or 2%.

	Current Quarter		Quarter	Year to Date		Annual	Annual	
Revenue	Budget	Actual	Budget %	Budget	Actual	Budget %	Budget	Balance
Charges for services	\$ 462,950	\$ 621,624	134%	\$ 462,950	\$ 621,624	34%	\$ 1,851,800	\$ 1,230,176
Intergovernmental	0	-	-	0	-	#DIV/0!	0	-
Interest	1,000	925	93%	1,000	925	23%	4,000	3,075
Miscellaneous	1,000	571	57%	1,000	571	14%	4,000	3,429
Transfers	30,000	-	-	30,000	-	0%	120,000	120,000
<b>Total revenue</b>	<b>\$ 494,950</b>	<b>\$ 623,121</b>	<b>126%</b>	<b>\$ 494,950</b>	<b>\$ 623,121</b>	<b>31%</b>	<b>\$ 1,979,800</b>	<b>\$ 1,356,679</b>
<b>Expenditures</b>								
Materials and services	\$ 115,400	\$ 116,472	101%	\$ 115,400	\$ 116,472	25%	\$ 461,600	\$ 345,128
Franchise fee expense	22,525	22,525	100%	22,525	22,525	25%	90,100	67,575
Capital outlay								
Improvements	273,500	20,825	8%	273,500	20,825	2%	1,094,000	1,073,175
Debt service								
Principal								
Refunding bond 2011 SDC	25,000	100,000	400%	25,000	100,000	100%	100,000	-
Water revenue bond 2003	10,000	-	-	10,000	-	0%	40,000	40,000
Interest								
Refunding bond 2011 SDC	27,450	109,786	400%	27,450	109,786	100%	109,800	14
Water revenue bond 2003	6,450	12,878	200%	6,450	12,878	50%	25,800	12,923
Transfers	203,300	203,300	100%	203,300	203,300	25%	813,200	609,900
Contingency							818,409	818,409
<b>Total expenditures</b>	<b>\$ 683,625</b>	<b>\$ 585,786</b>	<b>86%</b>	<b>\$ 683,625</b>	<b>\$ 585,786</b>	<b>16%</b>	<b>\$ 3,552,909</b>	<b>\$ 2,967,123</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (188,675)</b>	<b>\$ 37,335</b>		<b>\$ (188,675)</b>	<b>\$ 37,335</b>		<b>\$ (1,573,109)</b>	
<b>Beginning fund balance</b>	<b>1,573,109</b>	<b>1,698,488</b>	<b>108%</b>	<b>1,573,109</b>	<b>1,698,488</b>	<b>108%</b>	<b>1,573,109</b>	<b>(125,379)</b>
<b>Ending fund balance</b>	<b>\$ 1,384,434</b>	<b>\$ 1,735,823</b>	<b>125%</b>	<b>\$ 1,384,434</b>	<b>\$ 1,735,823</b>	<b>125%</b>	<b>\$ -</b>	



September 30, 2013

### ***Wastewater Fund***

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

Overall revenue collection at quarter end came in at approximately \$769,600 or 24% of the annual budget. Revenue collection for charges for services was roughly \$730,000 or 24% of quarter budget. This is an approximately \$6,600 increase over prior year first quarter end.

Expenditures at quarter end came in at roughly \$1,135,000 or 28% of the annual budget. Overall expenditures are as anticipated as insurance and debt service payments were scheduled in the first quarter.

Revenue	Current Quarter		Quarter Budget %	Year to Date		Annual Budget %	Annual Budget	Balance
	Budget	Actual		Budget	Actual			
Charges for services	\$ 754,150	\$ 729,874	97%	\$ 754,150	\$ 729,874	24%	\$ 3,016,600	\$ 2,286,726
Interest	750	601	80%	750	601	20%	3,000	2,399
Miscellaneous	15,125	38,003	251%	15,125	38,003	63%	60,500	22,497
SDCs - reimbursement fees	17,925	1,118	6%	17,925	1,118	2%	71,700	70,582
<b>Total revenue</b>	<b>\$ 787,950</b>	<b>\$ 769,596</b>	<b>98%</b>	<b>\$ 787,950</b>	<b>\$ 769,596</b>	<b>24%</b>	<b>\$ 3,151,800</b>	<b>\$ 2,382,204</b>
<b>Expenditures</b>								
Personal services	\$ 48,725	\$ 46,256	95%	\$ 48,725	\$ 46,256	24%	\$ 194,900	\$ 148,644
Materials and services	133,600	155,472	116%	133,600	155,472	29%	534,400	378,928
Franchise fee expense	37,750	37,750	100%	37,750	37,750	25%	151,000	113,250
Capital outlay								
Improvements	28,375	6,142	22%	28,375	6,142	5%	113,500	107,358
Debt service	-	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-	-
DEQ CWSRF R74682/2	99,725	197,995	199%	99,725	197,995	50%	398,900	200,905
Refunding 2011 / principle	15,000	60,000	400%	15,000	60,000	100%	60,000	-
Interest	-	-	-	-	-	-	-	-
DEQ CWSRF R74682/2	47,100	95,615	203%	47,100	95,615	51%	188,400	92,785
Refunding 2011 / interest	51,750	206,994	400%	51,750	206,994	100%	207,000	6
Fees	-	-	-	-	-	-	-	-
DEQ CWSRF R74682/2	4,075	16,261	399%	4,075	16,261	100%	16,300	39
Transfers	312,150	312,150	100%	312,150	312,150	25%	1,248,600	936,450
Contingency							900,730	900,730
<b>Total expenditures</b>	<b>\$ 778,250</b>	<b>\$ 1,134,635</b>	<b>146%</b>	<b>\$ 778,250</b>	<b>\$ 1,134,635</b>	<b>28%</b>	<b>\$ 4,013,730</b>	<b>\$ 2,879,095</b>
<b>Revenue over (under) expenditures</b>	<b>9,700</b>	<b>(365,039)</b>		<b>9,700</b>	<b>(365,039)</b>		<b>(861,930)</b>	<b>(496,891)</b>
<b>Other resources/(requirements)</b>								
Debt service reserve	304,000	-	-	304,000	-	-	304,000	
<b>Beginning fund balance</b>	<b>1,165,930</b>	<b>1,130,268</b>	<b>97%</b>	<b>1,165,930</b>	<b>1,130,268</b>	<b>97%</b>	<b>1,165,930</b>	<b>35,662</b>
<b>Ending fund balance</b>	<b>\$ 1,175,630</b>	<b>\$ 765,229</b>	<b>65%</b>	<b>\$ 1,175,630</b>	<b>\$ 765,229</b>	<b>65%</b>	<b>\$ -</b>	

September 30, 2013

### ***Golf Course and Restaurant Fund***

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

Overall revenue collection is at approximately \$478,000 at quarter end or 34% of the annual budget. At first quarter end, operating revenue for the restaurant came in at roughly 35% of the annual budget and golf operating revenue came in at about 38% of the annual budget. Prior year comparison for operating revenue shows roughly a 12% increase at quarter end between the golf course and restaurant combined. Operating revenue for the restaurant and golf operations has both increased roughly \$21,000 a piece over prior year first quarter end.

Expenditures at quarter end came in at roughly \$462,000 or 26% of the annual budget. Overall golf and restaurant operating expenses are up by approximately 13% over prior year first quarter. Course maintenance expenditures are up over prior year by approximately \$5,800 at quarter end. The annual liability insurance payment of approximately \$10,000 and debt service payments of approximately \$52,700 took place in the first quarter.

Overall effectively matching operating revenue and expenses has contributed to the 4% increase in the fund balance at quarter end. Management continues to monitor expenditures closely.

Revenue	Current Quarter		Quarter Budget %	Year to Date		Annual Budget %	Annual Budget	Balance
	Budget	Actual		Budget	Actual			
Charges for services								
Golf Course	\$ 178,375	\$ 272,236	153%	\$ 178,375	\$ 272,236	38%	\$ 713,500	\$ 441,264
Waste disposal	87,500	87,500	100%	87,500	87,500	25%	350,000	262,500
Restaurant	83,750	116,891	140%	83,750	116,891	35%	335,000	218,109
Other	1,250	1,067	85%	1,250	1,067	21%	5,000	3,933
Interest	500	389	78%	500	389	19%	2,000	1,611
Miscellaneous	500	-	-	500	-	0%	2,000	2,000
<b>Total revenue</b>	<b>\$ 351,875</b>	<b>\$ 478,082</b>	<b>136%</b>	<b>\$ 351,875</b>	<b>\$ 478,082</b>	<b>34%</b>	<b>\$ 1,407,500</b>	<b>\$ 929,418</b>
<b>Expenditures</b>								
Golf Course	\$ 106,100	\$ 136,932	129%	\$ 106,100	\$ 136,932	32%	\$ 424,400	\$ 287,468
Waste disposal	113,275	139,971	124%	113,275	139,971	31%	453,100	313,129
Restaurant	99,325	132,300	133%	99,325	132,300	33%	397,300	265,000
Debt service	-	-	-	-	-	-	-	-
Principal - Credit facility	10,500	20,651	197%	10,500	20,651	49%	42,000	21,349
Interest - Credit facility	1,500	3,158	211%	1,500	3,158	53%	6,000	2,842
Principal - 2011 bond	2,500	10,000	400%	2,500	10,000	100%	10,000	-
Interest - 2011 bond	4,725	18,850	399%	4,725	18,850	100%	18,900	50
Contingency	-	-	-	-	-	-	457,060	457,060
<b>Total expenditures</b>	<b>\$ 337,925</b>	<b>\$ 461,861</b>	<b>137%</b>	<b>\$ 337,925</b>	<b>\$ 461,861</b>	<b>26%</b>	<b>\$ 1,808,760</b>	<b>\$ 1,346,899</b>
<b>Revenue over (under) expenditures</b>	<b>\$ 13,950</b>	<b>\$ 16,221</b>		<b>\$ 13,950</b>	<b>\$ 16,221</b>		<b>\$ (401,260)</b>	
<b>Beginning fund balance</b>	<b>401,260</b>	<b>406,180</b>	<b>101%</b>	<b>401,260</b>	<b>406,180</b>	<b>101%</b>	<b>401,260</b>	<b>(4,920)</b>
<b>Ending fund balance</b>	<b>\$ 415,210</b>	<b>\$ 422,401</b>	<b>102%</b>	<b>\$ 415,210</b>	<b>\$ 422,401</b>	<b>102%</b>	<b>\$ -</b>	

September 30, 2013

### *Freight Depot Fund*

This fund is in a process of transition for being accounted for in the Railroad fund. This fund accounted for the activities of the City's freight loading and storage activities. The facility has been successful in bringing additional traffic to the railroad as well as providing non-rail served industry in Central Oregon a connection to the National Rail network.

The finance department is waiting for the audited fund balance in order to transfer the amount to the Railroad fund.

Revenue	Current Quarter		Quarter Budget %	Year to Date		Annual Budget %	Annual		Balance
	Budget	Actual		Budget	Actual		Budget		
Intergovernmental	\$ -	\$ -	-	\$ -	\$ -	#DIV/0!	\$ -		\$ -
Charges for services	-	-	-	-	-	#DIV/0!	-		-
Interest	-	-	-	-	-	#DIV/0!	-		-
Miscellaneous	-	-	-	-	-	#DIV/0!	-		-
Debt Proceeds	-	-	-	-	-	#DIV/0!	-		-
Transfers	-	-	-	-	-	#DIV/0!	-		-
<b>Total revenue</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>	<b>\$ -</b>	<b>#DIV/0!</b>	<b>\$ -</b>		<b>\$ -</b>
<b>Expenditures</b>									
Transfers	125,884	40,000	32%	125,884	40,000	32%	125,884		85,884
Contingency							0		-
<b>Total expenditures</b>	<b>\$ 125,884</b>	<b>\$ 40,000</b>	<b>32%</b>	<b>\$ 125,884</b>	<b>\$ 40,000</b>	<b>32%</b>	<b>\$ 125,884</b>		<b>\$ 85,884</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (125,884)</b>	<b>\$ (40,000)</b>		<b>\$ (125,884)</b>	<b>\$ (40,000)</b>		<b>\$ (125,884)</b>		<b>\$ (85,884)</b>
<b>Beginning fund balance</b>	<b>125,884</b>	<b>68,478</b>	<b>54%</b>	<b>125,884</b>	<b>68,478</b>	<b>54%</b>	<b>125,884</b>		<b>57,406</b>
<b>Ending fund balance</b>	<b>\$ -</b>	<b>\$ 28,478</b>	<b>#DIV/0!</b>	<b>\$ -</b>	<b>\$ 28,478</b>	<b>#DIV/0!</b>	<b>\$ -</b>		



September 30, 2013

***Administration and Financial Support Services Fund***

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

Overall revenue collection for the first quarter came in at approximately \$446,000 or 24% of the annual budget.

Overall expenditures at quarter end are at approximately 26% of the annual budget or \$531,000. Expenditures for information technology came in at approximately \$162,000 or 37% of the annual budget which was anticipated as IT service and maintenance contract renewals generally fall in the first quarter.

Revenues and expenditures are as anticipated at quarter end.

Revenue	Current Quarter		Quarter Budget %	Year to Date		Annual Budget %	Annual Budget	Balance
	Budget	Actual		Budget	Actual			
Charges for services	\$ 465,525	\$ 445,863	96%	\$ 465,525	\$ 445,863	24%	\$ 1,862,100	\$ 1,416,237
Interest	250	116	46%	250	116	12%	1,000	884
<b>Total revenue</b>	<b>\$ 465,775</b>	<b>\$ 445,979</b>	<b>96%</b>	<b>\$ 465,775</b>	<b>\$ 445,979</b>	<b>24%</b>	<b>\$ 1,863,100</b>	<b>\$ 1,417,121</b>
<b>Expenditures</b>								
City Council	\$ 20,225	\$ 12,157	60%	\$ 20,225	\$ 12,157	15%	\$ 80,900	\$ 68,743
Administration/team services	171,300	203,057	119%	171,300	203,057	30%	685,200	482,143
Financial services	156,975	154,049	98%	156,975	154,049	25%	627,900	473,851
Information technology	115,700	161,870	140%	115,700	161,870	37%	432,800	270,930
Contingency							180,304	180,304
<b>Total expenditures</b>	<b>\$ 464,200</b>	<b>\$ 531,134</b>	<b>114%</b>	<b>\$ 464,200</b>	<b>\$ 531,134</b>	<b>26%</b>	<b>\$ 2,007,104</b>	<b>\$ 1,475,970</b>
<b>Revenue over (under) expenditures</b>	<b>\$ 1,575</b>	<b>\$ (85,155)</b>		<b>\$ 1,575</b>	<b>\$ (85,155)</b>		<b>\$ (144,004)</b>	<b>\$ (58,849)</b>
<b>Beginning fund balance</b>	<b>144,004</b>	<b>168,148</b>	<b>117%</b>	<b>144,004</b>	<b>168,148</b>	<b>117%</b>	<b>144,004</b>	<b>(24,144)</b>
<b>Ending fund balance</b>	<b>\$ 145,579</b>	<b>\$ 82,993</b>	<b>57%</b>	<b>\$ 145,579</b>	<b>\$ 82,993</b>	<b>57%</b>	<b>\$ -</b>	

September 30, 2013

### City Hall Fund

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

Operating revenues and expenditures are as anticipated.

	Current Quarter		Quarter	Year to Date		Annual	Annual	
	Budget	Actual	Budget %	Budget	Actual	Budget %	Budget	Balance
Revenue								
Rent	\$ 43,225	\$ 44,150	102%	\$ 43,225	\$ 44,150	26%	\$ 172,900	\$ 128,750
Transfers	2,500	-	-	2,500	-	0%	10,000	10,000
Misc. Income	1,250	830	66%	-	830	17%	5,000	4,170
Interest	125	123	99%	125	123	25%	500	377
<b>Total revenue</b>	<b>\$ 47,100</b>	<b>\$ 45,103</b>	<b>96%</b>	<b>\$ 45,850</b>	<b>\$ 45,103</b>	<b>24%</b>	<b>\$ 188,400</b>	<b>\$ 143,297</b>
Expenditures								
Materials and services	\$ 18,850	\$ 12,088	64%	\$ 18,850	\$ 12,088	16%	\$ 75,400	\$ 63,312
Debt service								
Principal - USDA 2005	10,075	-	-	10,075	-	0%	40,300	40,300
Interest - USDA - 2005	16,175	-	-	16,175	-	0%	64,700	64,700
Transfers	2,500			2,500		0%	10,000	10,000
Contingency							17,523	17,523
<b>Total expenditures</b>	<b>\$ 47,600</b>	<b>\$ 12,088</b>	<b>25%</b>	<b>\$ 47,600</b>	<b>\$ 12,088</b>	<b>6%</b>	<b>\$ 207,923</b>	<b>\$ 195,835</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (500)</b>	<b>\$ 33,015</b>		<b>\$ (1,750)</b>	<b>\$ 33,015</b>		<b>\$ (19,523)</b>	<b>\$ (52,538)</b>
Other requirements								
Debt service reserve	105,000	-	-	105,000	-	-	105,000	105,000
<b>Beginning fund balance</b>	<b>124,523</b>	<b>137,938</b>	<b>111%</b>	<b>124,523</b>	<b>137,938</b>	<b>111%</b>	<b>124,523</b>	<b>(13,415)</b>
<b>Ending fund balance</b>	<b>\$ 124,023</b>	<b>\$ 170,953</b>	<b>138%</b>	<b>\$ 122,773</b>	<b>\$ 170,953</b>	<b>139%</b>	<b>\$ -</b>	

September 30, 2013

***Plaza Maintenance Fund***

This fund accounts for the maintenance of the plaza joining City Hall and the Crook County Annex building. The county and the city maintain the plaza in a joint effort. Starting in 2005 the county was responsible for accounting for the maintenance of the plaza per a city and county agreement. The agreement has been revised and the city starting FY 13 now assumes the responsibility of accounting for the plaza maintenance. Revenues are generated through a transfer from the city with matching monies from the county. Expenditures are for maintaining the landscaping, sidewalks and lighting.

This fund is as anticipated.

Revenue	Current Quarter		Quarter Budget %	Year to Date		Annual Budget %	Annual Budget	Balance
	Budget	Actual		Budget	Actual			
Intergovernmental	\$ 2,500		-	\$ 2,500	\$ -	0%	\$ 10,000	\$ 10,000
Interest	25	24	94%	25	24	24%	100	76
Transfers	2,500		-	2,500	-	0%	10,000	10,000
<b>Total revenue</b>	<b>\$ 5,025</b>	<b>\$ 24</b>	<b>0%</b>	<b>\$ 5,025</b>	<b>\$ 24</b>	<b>0%</b>	<b>\$ 20,100</b>	<b>\$ 20,076</b>
<b>Expenditures</b>								
Materials and services	\$ 3,900	\$ 2,243	58%	\$ 3,900	\$ 2,243	14%	\$ 15,600	\$ 13,357
Transfers	925	925	100%	925	925	25%	3,700	2,775
Contingency							29,800	29,800
<b>Total expenditures</b>	<b>\$ 4,825</b>	<b>\$ 3,168</b>	<b>66%</b>	<b>\$ 4,825</b>	<b>\$ 3,168</b>	<b>6%</b>	<b>\$ 49,100</b>	<b>\$ 45,932</b>
<b>Revenue over (under) expenditures</b>	<b>\$ 200</b>	<b>\$ (3,144)</b>		<b>\$ 200</b>	<b>\$ (3,144)</b>		<b>\$ (29,000)</b>	<b>\$ (25,856)</b>
<b>Beginning fund balance</b>	<b>29,000</b>	<b>33,307</b>	<b>115%</b>	<b>29,000</b>	<b>33,307</b>	<b>115%</b>	<b>29,000</b>	<b>(4,307)</b>
<b>Ending fund balance</b>	<b>\$ 29,200</b>	<b>\$ 30,163</b>		<b>\$ 29,200</b>	<b>\$ 30,163</b>		<b>\$ -</b>	



September 30, 2013

***Public Works Support Services Fund***

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

Fund is performing as anticipated.

Revenue	Current Quarter		Quarter Budget %	Year to Date		Annual Budget %	Annual Budget	Balance
	Budget	Actual		Budget	Actual			
Charges for services	\$ 287,625	\$ 272,835	95%	\$ 287,625	\$ 272,835	24%	\$ 1,150,500	\$ 877,665
Interest	125	198	159%	125	198	40%	500	302
Miscellaneous	3,425	3,174	93%	3,425	3,174	23%	13,700	10,526
<b>Total revenue</b>	<b>\$ 291,175</b>	<b>\$ 276,208</b>	<b>95%</b>	<b>\$ 291,175</b>	<b>\$ 276,208</b>	<b>24%</b>	<b>\$ 1,164,700</b>	<b>\$ 888,492</b>
<b>Expenditures</b>								
Public Works Support Services	\$ 253,750	\$ 239,489	94%	\$ 253,750	\$ 239,489	24%	\$ 1,015,000	\$ 775,511
Public Works Fleet & Vehicles	72,750	50,682	70%	72,750	50,682	21%	246,000	195,318
Public Works Facilities	6,875	9,929	144%	6,875	9,929	36%	27,500	17,571
Contingency							106,839	106,839
<b>Total expenditures</b>	<b>\$ 333,375</b>	<b>\$ 300,100</b>	<b>90%</b>	<b>\$ 333,375</b>	<b>\$ 300,100</b>	<b>22%</b>	<b>\$ 1,395,339</b>	<b>\$ 1,095,239</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (42,200)</b>	<b>\$ (23,893)</b>		<b>\$ (42,200)</b>	<b>\$ (23,893)</b>		<b>\$ (230,639)</b>	<b>\$ (206,746)</b>
<b>Beginning fund balance</b>	<b>230,639</b>	<b>269,932</b>	<b>117%</b>	<b>230,639</b>	<b>269,932</b>	<b>117%</b>	<b>230,639</b>	<b>(39,293)</b>
<b>Ending fund balance</b>	<b>\$ 188,439</b>	<b>\$ 246,039</b>	<b>131%</b>	<b>\$ 188,439</b>	<b>\$ 246,039</b>	<b>131%</b>	<b>\$ -</b>	