



City of Florence, Oregon
Financial Report
Quarter Ended September 30, 2022

October 17, 2022

Dear Mayor Henry, City Councilors, Citizens of Florence and other interested individuals;

We are pleased to report on activities and progress we have made on Council goals on behalf of the City of Florence for the fifth quarter of the Biennium ending September 30, 2022. The report includes comparisons of actual to budgeted amounts, a City-wide summary of beginning fund balances, current period resources and expenditures, and the ending fund balance for all funds and narrative explaining results and highlights for the quarter. The financial information presented is unaudited and any significant adjustments are noted.

The City hosted its annual Block Party and Public Safety had National Night Out. Both events were a success for everyone who attended.

The final ARPA payment was received at the end of August and those funds were transferred as directed by Council last May.

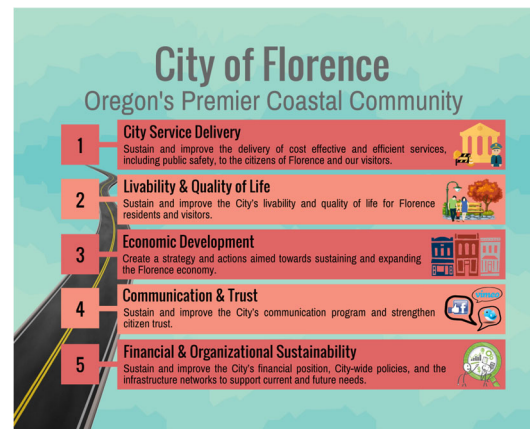
Please note that the budgeted amounts presented reflect the City's budget for the July 1, 2021 – June 30, 2023 biennium. Additionally, we have included reporting on the City's debt such as outstanding amounts, debt coverage ratios, maturities, and interest rates.

Budgeted amounts presented generally have been allocated proportionately, i.e., twelve and a half percent (12.5%) of the biennial amount for the quarter.

City Council continues to embrace five goals which assist in the building of the City Workplan. The current Workplan for the 2021-23 biennium can be found at <https://www.ci.florence.or.us/council/city-council-goals-work-plan>

These goals are:

- City Service Delivery
- Livability and Quality of Life
- Economic Development
- Communication and Trust, and
- Financial and Organizational Sustainability



The City continues to be very active and 'In Motion':

- General Fund ended the quarter with a fund balance of \$2.5 million.
- City Hall is open to the public from 8:00 a.m. to Noon, and 1:00 p.m. until 4:00 p.m.
- The City resumed in-person Meetings at City Hall, but is still providing a virtual option to those who prefer it.

Operations

- City Recorder
 - Managed the local election filing process for the City Council openings
 - Recruited for committee and commission openings
 - Continued progress on records archiving and organization
- Administrative Services
 - Hired eight employees and continued working on several other recruitments
 - Completed insurance renewals
 - Started preparing for Open Enrollment
 - Completed audit field work
 - Began preparing for the 2023 – 2025 biennial budget process
 - Said goodbye to Accounting Specialist, Katie Bennett
 - Began implementing multi-factor authorization on all City computers to enhance cyber security of the City's computers and networks
- Florence Events Center
 - Hired the FEC Manager, Administrative Assistant, and Kitchen Manager/Chef
 - Hosted additional vaccination clinics in partnership with Lane County and OHA
 - Hosted the Italian athletics team prior to the World Athletics Championship
 - Continued to support local organizations as they return to their annual events
- Community Development
 - The Environmental Management Committee hosted the Black and White Recycle event saving local residents over \$1200 in disposal fees. They accepted refrigerators, freezers, propane tanks and tires.
 - The Building Department issued permits for 8 manufactured homes in Three Mile Prairie and 9 houses in other areas of town
 - Planning processed the design review for the Microtel proposed for the Urban Renewal site on Quince St. across from the Florence Events Center
 - City Council annexed the Heceta Village RV and Mobile Home Park on Highway 101 into city jurisdiction, bringing in over 30 new Florence residents and making much needed sewer service available
- Public Works
 - Accepted the HB5202 grant in the amount of \$250,000 for the emergency fuel station
 - Entered into an MOU to lease additional airport property for the new fuel facility
 - Received permission to be the co-applicant for an Oregon Community Paths grant for multi-use paths on Rhododendron Drive between 35th and Heceta Beach Road and Heceta Beach Road from Rhododendron Drive to Highway 101
 - Accepted an FAA Bipartisan Infrastructure Law grant for the Airport pavement rehabilitation project
 - Completed the 9th Street Water and Roadway Improvement Project
 - Provide logistical support to the Italian athletes for the World Track and Field Championships
 - Installed three new art bases for the Art Exposed Program
 - Rehabilitated the soccer field at Miller Park
 - Received the new Kubota LX3310 tractor with front loader and backhoe attachment

- Public Safety
 - National Night Out was held on August 2nd
 - ✓ Ten giant inflatables
 - ✓ Games and events along with a free BBQ
 - ✓ Approximately 2,500 attended
 - During this quarter
 - ✓ 77 public records requests were made to Public Safety
 - ✓ 1,993 911 calls were made to Dispatch
 - ✓ 114 inmates were processed through the jail

- City Manager's Office
 - Planned and executed the city-wide block party in Old Town
 - Planned and executed the Back-to-School BBQ at Miller Park
 - Supported and staffed the Housing Implementation Plan project
 - Processed the call to artists and contracts for the rotation of the Art Exposed program
 - Supported and staffed the Transportation System Plan Update project
 - Confirmed Coast Guard City designation for the next five years
 - Continued support of the Florence Urban Renewal Agency, including approval of the payment plan for the Quince Street Development Agreement by the City Council
 - Continued progress on the Spruce Street purchase and sales agreement

If you have any questions, please let Erin or me know.

Sincerely,



Erin Reynolds
City Manager



Anne Baker, CPFO, MAcc
Administrative Services Director

City-wide - All Funds

The City began the quarter with a combined \$7.9 million fund balance. During the quarter the City received \$6.8 million in revenue, had operating expenditures of \$5.0 million and invested \$635 thousand in capital.

Overall, revenue received covered operating expenses. All funds ended the quarter with a positive ending fund balance.

The City's ending combined fund balance totals \$8.9 million, an increase of \$1.0 million. The increase can be attributed to the final ARPA payment received in August.

Quarter Ended September 30, 2022

Information for the quarter ending September 30, 2022 only

Fund	Beginning Fund Balance	Revenue	Debt Proceeds	Total Resources	Expenses	Capital Outlay	Debt Service	Total Expenditures	Ending Fund Balance
General	2,880,524	1,338,887	-	4,219,411	1,695,752	-	-	1,695,752	2,523,659
Street	124,654	412,270	-	536,924	211,536	462,035	-	673,571	(136,647)
9-1-1	422,016	327,935	-	749,951	233,273	-	-	233,273	516,678
Transient Room Tax	48,292	149,997	-	198,289	137,421	-	-	137,421	60,868
ARPA Funds	469,973	1,018,495	-	1,488,468	928,600	-	-	928,600	559,868
Events Center	498,155	374,993	-	873,148	193,622	2,779	-	196,401	676,747
Water	(94,898)	889,224	-	794,326	467,371	60,049	-	527,420	266,906
Wastewater	975,399	1,038,351	-	2,013,750	574,969	95,151	-	670,120	1,343,630
Stormwater	595,721	174,286	-	770,007	127,728	-	-	127,728	642,279
Airport	304,118	95,349	-	399,467	101,829	2,500	-	104,329	295,138
Public Works Admin	60,632	622,268	-	682,900	256,745	12,950	-	269,695	413,205
Street SDC	173,792	13,720	-	187,512	22,569	-	-	22,569	164,943
Water SDC	353,907	47,401	-	401,308	50,069	-	-	50,069	351,239
Wastewater SDC	528,817	56,728	-	585,545	50,151	-	-	50,151	535,394
Stormwater SDC	197,046	29,720	-	226,766	25,069	-	-	25,069	201,697
GO Debt	17,822	890	-	18,712	-	-	-	-	18,712
Debt Service	350,914	245,322	-	596,236	850	-	111,112	111,962	484,274
Totals	7,906,884	6,835,836	-	14,742,720	5,077,554	635,464	111,112	5,824,130	8,918,590

The Florence Urban Renewal Agency (FURA) funds are not included in the above schedule as FURA is a separate entity from the City.

General Fund

The City's general fund accounts for all the City's governmental operations, excluding transportation and emergency dispatch. During the quarter revenue was above budget for the quarter. Revenue such as property tax and franchise fees are cyclical, meaning we receive them at certain times during the year. The City receives its major portion of property taxes in November.

Transfers were made as budgeted for the quarter. Revenues were down for the quarter, as expected, due to the expected decrease in tax receipts for the quarter. Charges for services were above estimates for the quarter. Debt proceeds have not been utilized.

During the quarter, expenditures for all departments were below budget due mainly to unfilled positions as recruitments are being done. The first year of the biennium is expected to end with all departments under budget.

Overall, the General Fund realized a decrease in fund balance of \$356,865 during the quarter, but is still on track to meet its fund balance requirement at the end of the biennium. The decrease is expected as property taxes received early in the year are used to fund the City's day-to-day operations of the fund.

	Quarter Ended September 30, 2022			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Taxes	735,200	22,469	(712,731)	5,881,500	2,945,007	(2,936,493)
Franchise Fees	268,300	166,666	(101,634)	2,146,300	1,199,008	(947,292)
Intergovernmental	292,400	478,849	186,449	2,339,300	1,297,687	(1,041,613)
Charges for Services	558,700	615,022	56,322	4,469,400	2,874,528	(1,594,872)
Earnings & Contributions	62,500	55,881	(6,619)	499,800	269,596	(230,204)
Debt proceeds	88,100	-	(88,100)	705,000	-	(705,000)
Total current resources	2,005,200	1,338,887	(666,313)	16,041,300	8,585,826	(7,455,474)
Expenditures						
Public Safety	672,600	619,710	(52,890)	5,380,600	3,064,695	(2,315,905)
Community Development	250,200	205,756	(44,444)	2,003,400	1,148,625	(854,775)
Parks	153,100	74,538	(78,562)	1,224,500	391,150	(833,350)
Municipal Court	84,200	55,310	(28,890)	673,800	335,041	(338,759)
Administration	320,200	210,611	(109,589)	2,560,900	1,110,196	(1,450,704)
Administrative Services	341,600	361,938	20,338	2,731,600	1,656,769	(1,074,831)
Non-Departmental	140,600	31,139	(109,461)	1,124,500	160,680	(963,820)
Total expenditures	1,962,500	1,559,002	(403,498)	15,699,300	7,867,156	(7,832,144)
Transfers	151,900	136,750	(15,150)	1,215,100	743,127	(471,973)
Other requirements						
Contingency	250,300	-	(250,300)	2,002,700	-	(2,002,700)
Total other requirements	250,300	-	(250,300)	2,002,700	-	(2,002,700)
Total expenditures and other requirements	2,364,700	1,695,752	(668,948)	18,917,100	8,610,283	(10,306,817)
Beginning balance	359,500	2,880,524	2,521,024	2,875,800	2,548,116	(327,684)
Ending Balance	\$ -	\$ 2,523,659	\$ 2,523,659	\$ -	\$ 2,523,659	\$ 2,523,659

Street Fund

This fund accounts for the City's street-related activities. During the quarter, revenues received were below budget expectations. Charges for services were as expected and debt proceeds were not utilized during the quarter.

With respect to expenditures, all categories are under budget. Financing will be initiated to fund projects expected to start within the next 18 months. It is anticipated that the entire \$2.5 million in debt proceeds will be utilized.

Revenues for the quarter lagged expenditures \$261,301 accounting for the negative fund balance at September 30th. Transfers in were received as budgeted.

	Quarter Ended September 30, 2022			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Franchise Fees	\$ 23,475	\$ 13,382	\$ (10,093)	\$ 188,000	\$ 136,822	\$ (51,178)
Intergovernmental	660,000	250,908	(409,092)	5,280,100	1,940,732	(3,339,368)
Charges for Services	122,000	119,913	(2,087)	976,100	598,322	(377,778)
Earnings & Contributions	575	5,567	4,992	4,800	64,492	59,692
Transfers in	22,500	22,500	-	180,000	112,500	(67,500)
Debt proceeds	312,500	-	(312,500)	2,500,000	-	(2,500,000)
Total current resources	\$ 1,141,050	\$ 412,270	\$ (728,780)	\$ 9,129,000	\$ 2,852,868	\$ (6,276,132)
Expenditures						
Personnel Services	17,400	13,760	(3,640)	139,400	37,300	(102,100)
Materials and Services	192,000	197,776	5,776	1,535,900	698,889	(837,011)
Capital Purchases	757,800	462,035	(295,765)	6,062,700	1,763,218	(4,299,482)
Transfers	96,700	-	(96,700)	773,900	409,508	(364,392)
Debt service	-	-	-	-	-	-
Total expenditures	1,063,900	673,571	(390,329)	8,511,900	2,908,915	(5,602,985)
Other requirements						
Contingency	93,300	-	(93,300)	746,300	-	(746,300)
Total other requirements	93,300	-	(93,300)	746,300	-	(746,300)
Total expenditures and other requirements	1,157,200	673,571	(483,629)	9,258,200	2,908,915	(6,349,285)
Total resources over (under) requirements						
Beginning balance	16,150	124,654	108,504	129,200	(80,600)	(209,800)
Ending Balance	\$ -	\$ (136,647)	\$ (136,647)	\$ -	\$ (136,647)	\$ (136,647)

9-1-1 Fund

This fund accounts for the area's 9-1-1 emergency dispatch operations, managed by the City. The City charges users, including the City police department, of emergency dispatch services and receives dedicated tax revenue for 9-1-1 operations. The police department charge for services is included in transfers from the general fund.

Revenue from 9-1-1 user taxes and charges for services anticipated for the quarter are on target with estimates. Receipt of payments lag from the quarter earned; services provided for the quarter being reported are expected to be received shortly after the fiscal year end. Interest received on the fund balance is slightly higher than the conservative estimate used during the budget process.

Total expenditures for the biennium are below budget in all areas.

Overall, 9-1-1 Fund expenditures exceeded revenue by \$94,662 for the quarter leaving an ending fund balance of \$516,678.

	Quarter Ended September 30, 2022			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Taxes	\$ 37,700	\$ 47,118	\$ 9,418	\$ 301,600	\$ 232,607	\$ (68,993)
Intergovernmental	6,000	-	(6,000)	47,600	270	(47,330)
Charges for Services	55,400	142,915	87,515	443,400	293,712	(149,688)
Earnings & Contributions	200	1,152	952	2,000	3,692	1,692
Transfers in	136,700	136,750	50	1,094,000	683,750	(410,250)
Total current resources	\$ 236,000	\$ 327,935	\$ 91,935	\$ 1,888,600	\$ 1,214,031	\$ (674,569)
Expenditures						
Personnel Services	166,000	144,669	(21,331)	1,328,200	778,544	(549,656)
Materials and Services	55,200	88,604	33,404	441,800	277,762	(164,038)
Capital Purchases	32,500	-	(32,500)	260,000	126,414	(133,586)
Total expenditures	253,700	233,273	(20,427)	2,030,000	1,182,720	(847,280)
Other requirements						
Contingency	39,900	-	(39,900)	319,500	-	(319,500)
Total other requirements	39,900	-	(39,900)	319,500	-	(319,500)
Total expenditures and other requirements	293,600	233,273	(60,327)	2,349,500	1,182,720	(1,166,780)
Total resources over (under) requirements						
Beginning balance	57,600	422,016	364,416	460,900	485,367	24,467
Ending Balance	\$ -	\$ 516,678	\$ 516,678	\$ -	\$ 516,678	\$ 516,678

Transient Lodging Tax Fund

This fund accounts for the City's share of the tourism promotion tax (4%). Tourism activity had recovered to pre-recession levels while growth slowed as occupancy rates during peak seasons reached capacity, then COVID-19 arrived. Revenue for the quarter was below budget as payments from Lane County lag. Tax receipts continue to outpace receipts for the same time period just one year ago, and continue to increase.

Transient room taxes are allocated forty percent (40%) to tourism promotion via contract with the Chamber of Commerce and sixty percent (60%) to the Florence Events Center. Monthly payments to the Chamber and transfers to the FEC were made as revenue was received from the City of Eugene. Council adopted Ordinance No. 6, Series 2022 at its March 21st meeting, which amended Title 3, Chapter 7 regarding the City's room tax and directed the City Manager to enter into an agreement with the State to begin collecting the tax on behalf of the City. Due to issues encountered by Lane County and the City of Eugene, the State won't begin collecting for the City until October 2022. Administrative costs of collecting the tax are expected to decrease.

Revenue received for the fiscal year are 78% of the budgeted amount for the 2021-23 biennium. Expenditures are within budget. The increase in the ending fund balance is due to a 0.43% fee the City collects for tax administration.

	Quarter Ended September 30, 2022			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Taxes	\$ 114,400	\$ 149,997	\$ 35,597	\$ 915,000	\$ 712,798	\$ (202,202)
Total current resources	123,000	149,997	26,997	983,800	712,798	(271,002)
Expenditures						
Materials and Services	45,400	59,943	14,543	363,000	286,478	(76,522)
Transfers	68,100	77,478	9,378	544,600	385,114	(159,486)
Total expenditures	113,500	137,421	23,921	907,600	671,592	(236,008)
Other requirements						
Reserves	9,500	-	(9,500)	76,300	-	(76,300)
Total other requirements	9,500	-	(9,500)	76,300	-	(76,300)
Total expenditures and other requirements	123,000	137,421	14,421	983,900	671,592	(312,308)
Total resources over (under) requirements						
Beginning balance	-	48,292	48,292	100	19,662	19,562
Ending Balance	\$ -	\$ 60,868	\$ 60,868	\$ -	\$ 60,868	\$ 60,868

American Rescue Act Plan (ARPA) Fund

The American Rescue Plan Act (ARPA), also called the Covid-19 Stimulus Package or American Rescue Plan, is a \$1.9 trillion economic stimulus bill passed by the 117th United States Congress and signed into law by the President on March 11, 2021. The City of Florence will receive \$2,032,574 in funds through the State of Oregon as a Non-Entitlement Unit (NEU). The funding will arrive in two tranches, one received in August 2021 and one in August 2022.

In May, the City Council approved the use of funds with the adoption of Resolution No. 17, Series 2022. This resolution adopted a supplemental budget appropriating the ARPA funding, which was budgeted in contingency during the 2021-23 biennial budget process.

The final tranche of \$1,016,287 was received at the end of August. The funds were dispersed in September leaving a balance of 559,868, which is being set aside for capital projects in Old Town.

	Quarter Ended September 30, 2022			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Intergovernmental	\$ 254,000	\$ 1,016,287	\$ 762,287	\$ 2,031,500	\$ 2,032,574	\$ 1,074
Earnings & Contributions	300	2,208	1,908	2,500	5,694	3,194
Total current resources	254,300	1,018,495	764,195	2,034,000	2,038,268	4,268
Expenditures						
Personnel Services	-	-	-	-	-	-
Materials and Services	184,800	928,600	743,800	1,478,400	1,478,400	-
Capital Purchases	69,500	-	(69,500)	555,600	-	(555,600)
Transfers	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Total expenditures	254,300	928,600	674,300	2,034,000	1,478,400	(555,600)
Total expenditures and other requirements	254,300	928,600	674,300	2,034,000	1,478,400	(555,600)
Total resources over (under) requirements						
Beginning balance	-	469,973	469,973	-	-	-
Ending Balance	\$ -	\$ 559,868	\$ 559,868	\$ -	\$ 559,868	\$ 559,868

Florence Events Center Fund

This fund accounts for the activities of the City's events center.

Revenue is over budget for the quarter as events resume at the Center. Charges for services for the quarter is above budgeted estimates for the first time since early 2019.

At September 30th the Center is once again fully staffed, which will increase personnel services costs going forward. Materials and services are under budget and are increasing as the number of events held at the Center increase.

Overall, the FEC Fund's revenues were \$178,592 above the expenses for the quarter leaving a fund balance of \$676,747. Despite the issues the Center is facing dealing with the effects of the pandemic, the fund's ending balance hasn't been materially affected when compared to the estimated budget amount.

	Quarter Ended September 30, 2022			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Intergovernmental	\$ 58,500	\$ 191,600	\$ 133,100	\$ 467,700	\$ 329,334	\$ (138,366)
Charges for Services	71,500	73,204	1,704	572,200	223,463	(348,737)
Earnings & Contributions	9,150	32,711	23,561	73,000	134,397	61,397
Transfers in	68,100	77,478	9,378	544,600	385,114	(159,486)
Debt proceeds	150,000	-	(150,000)	1,200,000	-	(1,200,000)
Total current resources	357,250	374,993	17,743	2,857,500	1,072,308	(1,785,192)
Expenditures						
Personnel Services	66,500	38,535	(27,965)	532,000	190,411	(341,589)
Materials and Services	156,200	155,087	(1,113)	1,249,500	627,892	(621,608)
Capital Purchases	145,250	2,779	(142,471)	1,162,000	23,379	(1,138,621)
Debt service	11,900	-	(11,900)	95,000	-	(95,000)
Total expenditures	379,850	196,401	(183,449)	3,038,500	841,682	(2,196,818)
Other requirements						
Contingency	27,200	-	(27,200)	217,600	-	(217,600)
Total other requirements	27,200	-	(27,200)	217,600	-	(217,600)
Total expenditures and other requirements	407,050	196,401	(210,649)	3,256,100	841,682	(2,414,418)
Total resources over (under) requirements						
Beginning balance	49,800	498,155	448,355	398,600	446,121	47,521
Ending Balance	\$ -	\$ 676,747	\$ 676,747	\$ -	\$ 676,747	\$ 676,747

Water Fund

This fund accounts for the City's water utility activities. Revenue during the quarter was under the quarterly budgeted amounts. Transfers from the SDC fund were made as budgeted and debt proceeds are not currently being utilized.

Expenditures as a whole were under budget for the quarter, and are under budget for the biennium. There were no debt payments due during the quarter.

Charges for services received biennium-to-date are 63% of the amount budgeted. Interest earnings are above the estimates made during the budget process.

During the quarter revenues exceeded expenses by \$361,804 leaving a fund balance of \$266,906, an increase of \$215,560 since July 1, 2020. It is expected that the \$1.7 million in debt proceeds will be utilized.

	Quarter Ended September 30, 2022			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Intergovernmental	\$ 269,000	\$ 116,900	\$ (152,100)	\$ 2,152,000	\$ 232,478	\$ (1,919,522)
Charges for Services	588,200	721,250	133,050	4,705,400	2,982,277	(1,723,123)
Earnings & Contributions	2,700	1,074	(1,626)	22,000	19,524	(2,476)
Transfers in	62,500	50,000	(12,500)	500,000	350,000	(150,000)
Debt proceeds	210,000	-	(210,000)	1,680,000	-	(1,680,000)
Total current resources	1,132,400	889,224	(243,176)	9,059,400	3,584,279	(5,475,121)
Expenditures						
Personnel Services	103,100	95,167	(7,933)	824,800	499,816	(324,984)
Materials and Services	413,000	372,204	(40,796)	3,304,200	1,813,303	(1,490,897)
Capital Purchases	441,900	60,049	(381,851)	3,535,000	910,044	(2,624,956)
Debt service	59,700	-	(59,700)	477,300	145,556	(331,744)
Total expenditures	1,017,700	527,420	(490,280)	8,141,300	3,368,719	(4,772,581)
Other requirements						
Contingency	149,000	-	(149,000)	1,192,100	-	(1,192,100)
Total other requirements	149,000	-	(149,000)	1,192,100	-	(1,192,100)
Total expenditures and other requirements	1,166,700	527,420	(639,280)	9,333,400	3,368,719	(5,964,681)
Total resources over (under) requirements						
Beginning balance	34,300	(94,898)	(129,198)	274,000	51,346	(222,654)
Ending Balance	\$ -	\$ 266,906	\$ 266,906	\$ -	\$ 266,906	\$ 266,906

Wastewater Fund

This fund accounts for the City's wastewater operations. Charges for services during the quarter increased as restrictions mandated by the Governor laxed. Capital expenditures are less than budgeted pending final agreement for the various projects.

Charges for sewer services are above estimates for the quarter and are exceeding estimates for the year. Overall, revenues are under budget estimates due to financings that have not been utilized.

On the expenditure side, operating costs for the quarter are below budget except for personnel services. Promotions for staff are contributing to this. Capital project expenditures are under budget as projects included in the 2021-23 biennial budget have yet to be started.

Revenue exceeded expenses \$368,231 for the quarter leaving a fund balance of \$1,343,630.

	Quarter Ended September 30, 2022			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Intergovernmental	\$ 383,900	\$ -	\$ (383,900)	\$ 3,070,900	\$ 281	\$ (3,070,619)
Charges for Services	843,800	971,114	127,314	6,750,400	4,421,332	(2,329,068)
Earnings & Contributions	1,400	17,237	15,837	11,100	89,132	78,032
Transfers in	24,900	50,000	25,100	200,000	50,000	(150,000)
Debt proceeds	326,300	-	(326,300)	2,610,000	-	(2,610,000)
Total current resources	1,580,300	1,038,351	(541,949)	12,642,400	4,560,745	(8,081,655)
Expenditures						
Personnel Services	121,100	118,857	(2,243)	969,100	618,054	(351,046)
Materials and Services	476,500	456,112	(20,388)	3,811,400	2,296,159	(1,515,241)
Capital Purchases	707,500	95,151	(612,349)	5,660,000	302,380	(5,357,620)
Debt service	109,300	-	(109,300)	874,100	320,252	(553,848)
Total expenditures	1,414,400	670,120	(744,280)	11,314,600	3,536,845	(7,777,755)
Other requirements						
Contingency	190,900	-	(190,900)	1,527,400	-	(1,527,400)
Total other requirements	190,900	-	(190,900)	1,527,400	-	(1,527,400)
Total expenditures and other requirements	1,605,300	670,120	(935,180)	12,842,000	3,536,845	(9,305,155)
Total resources over (under) requirements						
Beginning balance	25,000	975,399	950,399	199,600	319,730	120,130
Ending Balance	\$ -	\$ 1,343,630	\$ 1,343,630	\$ -	\$ 1,343,630	\$ 1,343,630

Stormwater Fund

This fund accounts for the City's stormwater activities.

Revenue is below the budgeted amounts for the quarter following the trends in the Water and Wastewater funds. Revenue for the year is below estimates due to not utilizing the budgeted financing.

Expenses for the quarter are below budget for the quarter. Capital projects are still below budget as projects included in the budget have yet to begin.

Revenues for the quarter were sufficient to cover the expenses. The ending fund balance for the quarter of \$642,279 increased \$46,558 from the prior quarter.

	Quarter Ended September 30, 2022			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Charges for Services	\$ 147,300	\$ 146,756	\$ (544)	\$ 1,177,900	\$ 728,442	\$ (449,458)
Earnings & Contributions	100	2,530	2,430	1,000	5,351	4,351
Transfers in	25,000	25,000	-	200,000	125,000	(75,000)
Debt proceeds	105,000	-	(105,000)	840,000	-	(840,000)
Total current resources	397,400	174,286	(223,114)	3,178,900	858,811	(2,320,089)
Expenditures						
Personnel Services	59,100	53,504	(5,596)	472,400	277,245	(195,155)
Materials and Services	73,000	74,224	1,224	583,700	373,473	(210,227)
Capital Purchases	238,700	-	(238,700)	1,910,000	139,549	(1,770,451)
Debt service	17,500	-	(17,500)	140,300	23,651	(116,649)
Total expenditures	388,300	127,728	(260,572)	3,106,400	813,918	(2,292,482)
Other requirements						
Contingency	74,400	-	(74,400)	594,900	-	(594,900)
Total other requirements	74,400	-	(74,400)	594,900	-	(594,900)
Total expenditures and other requirements	462,700	127,728	(334,972)	3,701,300	813,918	(2,887,382)
Total resources over (under) requirements						
Beginning balance	65,300	595,721	530,421	522,400	597,386	74,986
Ending Balance	\$ -	\$ 642,279	\$ 642,279	\$ -	\$ 642,279	\$ 642,279

Airport Fund

This fund accounts for the activities of the City's municipal airport.

Revenues received for the quarter were less than budgeted. Revenues lagged expenses by \$8,980.

Capital expenses are under budget for the biennium.

Ending fund balance for the quarter is \$295,138.

	Quarter Ended September 30, 2022			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Intergovernmental	\$ 88,700	\$ 48,000	\$ (40,700)	\$ 709,500	\$ 661,731	\$ (47,769)
Charges for Services	15,000	30,468	15,468	120,000	104,394	(15,606)
Earnings & Contributions	49,500	16,881	(32,619)	395,600	305,599	(90,001)
Total current resources	153,200	95,349	(57,851)	1,225,100	1,071,724	(153,376)
Expenditures						
Materials and Services	58,200	101,829	43,629	465,600	288,949	(176,651)
Capital Purchases	75,000	2,500	(72,500)	600,000	400,941	(199,059)
Total expenditures	133,200	104,329	(28,871)	1,065,600	689,890	(375,710)
Other requirements						
Contingency	21,900	-	(21,900)	175,000	-	(175,000)
Total other requirements	21,900	-	(21,900)	175,000	-	(175,000)
Total expenditures and other requirements	155,100	104,329	(50,771)	1,240,600	689,890	(550,710)
Total resources over (under) requirements						
Beginning balance	1,900	304,118	302,218	15,500	(86,696)	(102,196)
Ending Balance	\$ -	\$ 295,138	\$ 295,138	\$ -	\$ 295,138	\$ 295,138

Public Works Administration and Support Services Fund

This fund accounts for the activities of Public Works administration and staffing that serves several public works functions. Revenue is received through internal charges for services from benefitting funds.

Revenue for the quarter exceeded budget expectations. The grant for the fuel farm was received during the quarter. Debt proceeds for projects have not been utilized. Charges for services provided were received as budgeted.

Expenses were under appropriations for the quarter. Transfers were made as expected.

Ending fund balance for the quarter is \$413,205 and is expected to end the biennium on target.

	Quarter Ended September 30, 2022			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Intergovernmental	\$ 33,200	\$ 250,000	\$ 216,800	\$ 265,400	\$ 257,378	\$ (8,022)
Charges for Services	371,100	371,675	575	2,968,500	1,747,350	(1,221,150)
Debt proceeds	65,000	-	(65,000)	520,000	-	(520,000)
Total current resources	469,300	622,268	152,968	3,753,900	2,006,263	(1,747,637)
Expenditures						
Personnel Services	223,000	170,102	(52,898)	1,784,500	941,691	(842,809)
Materials and Services	95,900	86,643	(9,257)	766,800	420,902	(345,898)
Capital Purchases	96,300	12,950	(83,350)	770,000	116,311	(653,689)
Transfers	59,600	-	(59,600)	477,000	219,610	(257,390)
Total expenditures	474,800	269,695	(205,105)	3,798,300	1,698,165	(2,100,135)
Other requirements						
Contingency	8,200	-	(8,200)	65,500	-	(65,500)
Total other requirements	8,200	-	(8,200)	65,500	-	(65,500)
Total expenditures and other requirements	483,000	269,695	(213,305)	3,863,800	1,698,165	(2,165,635)
Total resources over (under) requirements						
Beginning balance	13,700	60,632	46,932	109,900	105,107	(4,793)
Ending Balance	\$ -	\$ 413,205	\$ 413,205	\$ -	\$ 413,205	\$ 413,205

System Development Funds

The City maintains four separate funds to account for system development charge revenue; street, water, wastewater and stormwater. Revenue is accumulated and transferred to the various operational funds to pay for qualified improvements costs.

Revenue from all SDC's were below allocated budget in the quarter and the year. Transfers from SDC funds to the operating funds were made consistent with qualified project expenditures and the budget.

STREET SDC FUND

	Quarter Ended September 30, 2022			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Earnings & Contributions	\$ 10,200	\$ 13,720	\$ 3,520	\$ 81,500	\$ 88,295	\$ 6,795
Total current resources	10,200	13,720	3,520	81,500	88,295	6,795
Expenditures						
Materials and Services	100	69	(31)	1,000	267	(733)
Transfers	22,500	22,500	-	180,000	112,500	(67,500)
Total expenditures	22,600	22,569	(31)	181,000	112,767	(68,233)
Other requirements						
Reserves	1,700	-	(1,700)	13,700	-	(13,700)
Total other requirements	1,700	-	(1,700)	13,700	-	(13,700)
Total expenditures and other requirements	24,300	22,569	(1,731)	194,700	112,767	(81,933)
Total resources over (under) requirements						
Beginning balance	14,100	173,792	159,692	113,200	189,415	76,215
Ending Balance	\$ -	\$ 164,943	\$ 164,943	\$ -	\$ 164,943	\$ 164,943

WATER SDC FUND

	Quarter Ended September 30, 2022			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Earnings & Contributions	\$ 31,200	\$ 47,401	16,201	\$ 250,000	\$ 280,688	30,688
Total current resources	31,200	47,401	16,201	250,000	280,688	30,688
Expenditures						
Materials and Services	-	69	69	-	69	69
Transfers	62,500	50,000	(12,500)	500,000	350,000	(150,000)
Total expenditures	62,500	50,069	(12,431)	500,000	350,069	(149,931)
Other requirements						
Reserves	17,500	-	(17,500)	140,200	-	(140,200)
Total other requirements	17,500	-	(17,500)	140,200	-	(140,200)
Total expenditures and other requirements	80,000	50,069	(29,931)	640,200	350,069	(290,131)
Total resources over (under) requirements						
Beginning balance	48,800	353,907	305,107	390,200	420,620	30,420
Ending Balance	\$ -	\$ 351,239	\$ 351,239	\$ -	\$ 351,239	\$ 351,239

WASTEWATER SDC FUND

	Quarter Ended September 30, 2022			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Earnings & Contributions	\$ 45,500	\$ 56,728	11,228	\$ 364,000	\$ 357,830	(6,170)
Total current resources	45,500	56,728	11,228	364,000	357,830	(6,170)
Expenditures						
Materials and Services	300	151	(149)	2,200	866	(1,334)
Transfers	25,000	50,000	25,000	200,000	50,000	(150,000)
Total expenditures	25,300	50,151	24,851	202,200	50,866	(151,334)
Other requirements						
Contingency	44,900	-	(44,900)	359,300	-	(359,300)
Total other requirements	44,900	-	(44,900)	359,300	-	(359,300)
Total expenditures and other requirements	70,200	50,151	(20,049)	561,500	50,866	(510,634)
Total resources over (under) requirements						
Beginning balance	24,700	528,817	504,117	197,500	228,430	30,930
Ending Balance	\$ -	\$ 535,394	\$ 535,394	\$ -	\$ 535,394	\$ 535,394



STORMWATER SDC FUND

	Quarter Ended September 30, 2022			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Earnings & Contributions	\$ 19,100	\$ 29,720	10,620	\$ 153,000	\$ 115,540	(37,460)
Total current resources	19,100	29,720	10,620	153,000	115,540	(37,460)
Expenditures						
Materials and Services	100	69	(31)	1,000	724	(276)
Transfers	25,000	25,000	-	200,000	125,000	(75,000)
Total expenditures	25,100	25,069	(31)	201,000	125,724	(75,276)
Other requirements						
Contingency	42,600	-	(42,600)	341,000	-	(341,000)
Total other requirements	42,600	-	(42,600)	341,000	-	(341,000)
Total expenditures and other requirements	67,700	25,069	(42,631)	542,000	125,724	(416,276)
Total resources over (under) requirements						
Beginning balance	48,600	197,046	148,446	389,000	211,881	(177,119)
Ending Balance	\$ -	\$ 201,697	\$ 201,697	\$ -	\$ 201,697	\$ 201,697



Debt Service Funds

GO Debt Service Fund

This fund accounted for the repayment of voter approved debt obligations to complete water improvements.

The last payment on this debt issue was made in June 2022. The Fund is expected to be closed in the 2022-23 fiscal year and any delinquent taxes received on this issue will be paid to the Water Fund.

	Quarter Ended September 30, 2022			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Taxes	\$ 13,900	\$ 890	\$ (13,010)	\$ 110,900	\$ 116,573	\$ 5,673
Total current resources	13,900	890	(13,010)	110,900	116,573	5,673
Expenditures						
Debt service	20,900	-	(20,900)	167,600	167,556	(44)
Total expenditures	20,900	-	(20,900)	167,600	167,556	(44)
Other requirements						
Reserves	1,700	-	(1,700)	13,200	-	(13,200)
Total other requirements	1,700	-	(1,700)	13,200	-	(13,200)
Total expenditures and other requirements	22,600	-	(22,600)	180,800	167,556	(13,244)
Total resources over (under) requirements						
Beginning balance	8,700	17,822	9,122	69,900	69,695	(205)
Ending Balance	\$ -	\$ 18,712	\$ 18,712	\$ -	\$ 18,712	\$ 18,712

Debt Service Fund

This fund accounts for several debt service obligations incurred by the City, one of which is debt incurred to complete local improvements which are paid for by property owners via assessments against their properties (LID). The accumulated reserve balance for this debt is sufficient to pay approximately the next three years LID debt service payments without receiving any additional assessment payments from property owners.

Other revenue for the fund is received as payment from the Florence Urban Renewal Agency (FURA) for debt the City holds on its behalf and also as transfers from other funds for their portion of debt issues. The fund earns modest interest on the reserve balance, which is applied to the LID payments.

The fund balance of \$484,274 is reserved for future LID loan payments.

	Quarter Ended September 30, 2022			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Intergovernmental	\$ 154,900	\$ -	\$ (154,900)	\$ 1,239,000	\$ 468,454	\$ (770,546)
Earnings & Contributions	21,300	134,210	112,910	170,000	210,637	40,637
Transfers in	171,500	111,112	(60,388)	1,372,000	799,607	(572,393)
Total current resources	347,700	245,322	(102,378)	2,781,000	1,478,698	(1,302,302)
Expenditures						
Materials and Services	200	850	650	1,700	1,250	(450)
Debt service	353,700	111,112	(242,588)	2,829,000	1,375,722	(1,453,278)
Total expenditures	353,900	111,962	(241,938)	2,830,700	1,376,972	(1,453,728)
Other requirements						
Reserves	60,200	-	(60,200)	481,300	-	(481,300)
Total other requirements	60,200	-	(60,200)	481,300	-	(481,300)
Total expenditures and other requirements	414,100	111,962	(302,138)	3,312,000	1,376,972	(1,935,028)
Total resources over (under) requirements						
Beginning balance	66,400	350,914	284,514	531,000	382,548	(148,452)
Ending Balance	\$ -	\$ 484,274	\$ 484,274	\$ -	\$ 484,274	\$ 484,274

Debt Summary

The following schedule provides information related to the City's outstanding debt during the 2021-2023 biennium through fiscal year 2027. The schedule includes:

- Debt issue
- Fund(s) that the debt is repaid/budgeted
- Original amount of the loan
- The annual payment in fiscal year 2022
- Interest rate
- Maturity of the obligation
- Outstanding principal balance as of June 30, by fiscal year through 2027
- Estimated debt per capita for each fiscal year (Total City Debt)

The City's total debt per capita as of June 30, 2022 is projected to total \$1,844. During the subsequent five fiscal years, the debt per capita is projected to decline to \$1,146 by June 30, 2027. Total debt outstanding at June 30, 2022 is \$17.7 million.

Description	Fund(s)	Original Amount	Annual Payment FY 2023	Interest Rate	Maturity	Outstanding balance fiscal year ending June 30,					
						2023	2024	2025	2026	2027	2028
Existing Obligations											
LOCAP 2011	GF/Street/W/WW	1,245,000	65,000	3.0-4.6%	2030	610,000	545,000	475,000	4,405,000	330,000	255,000
LID 2010 (Spruce)	LID	1,478,000	75,000	1.9-4.5%	2030	825,000	745,000	660,000	570,000	470,000	365,000
FFCO 2010B	GF/WW/SW	8,750,000	70,000	2.5-4.0%	2030	665,000	590,000	515,000	440,000	360,000	275,000
OBDD SPW	WW	657,057	18,199	2.0-4.0%	2034	295,107	271,580	247,877	223,988	199,905	175,618
CWSRF	WW	4,923,260	241,756	0.50%	2032	2,417,552	2,175,796	1,934,040	1,692,284	1,450,528	1,208,772
FFCO 2017 - Banner	Street	3,395,000	138,061	2.92%	2026	2,656,825	2,514,073	2,365,959	2,212,542	2,053,633	1,889,226
FFCO 2016 - FURA	Street/PW/W/FURA	8,500,000	372,148	2.92%	2036	6,256,219	5,873,463	5,478,799	5,072,365	4,653,809	4,223,130
Banner Bank - 20 yr Tax Exempt	FURA	3,150,000	123,848	3.50%	2040	2,647,065	2,519,096	2,386,870	2,250,245	2,109,073	1,963,204
Banner Bank - 5 yr Taxable	FURA	150,000	-	5.30%	2024	150,000	-	-	-	-	-
Total City Debt		32,248,317	1,104,012			16,522,768	15,234,008	14,063,545	16,866,424	11,626,948	10,354,950
Population	assumes 1% annual increase					9,600	9,696	9,793	9,891	9,990	10,090
Debt per capita						1,721	1,571	1,436	1,705	1,164	1,026