



City of Florence, Oregon

Financial Report

Quarter Ended March 31, 2022

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May 16, 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 eighth quarter of the Biennium ending March 31, 2022. The report includes comparisons of actual to budgeted amounts, a City-wide summary of beginning fund balance, 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 adjustment are noted.

The City completed its onboarding process on schedule with StepUp IT Services. The StepUp team met with each department Director at the end of the conversion process to discuss each department's IT needs. Moving to StepUp handling the City's day-to-day IT operations will free up IT Manager, Les Cardwell, to focus on numerous IT projects to help with departmental IT needs.

The City's first expense report for its ARPA funding is due on April 30th. Staff prepared project suggestions, which were presented to Council at their March 7th Work Session. Staff will be bringing forward a supplemental budget for Council's consideration in May.

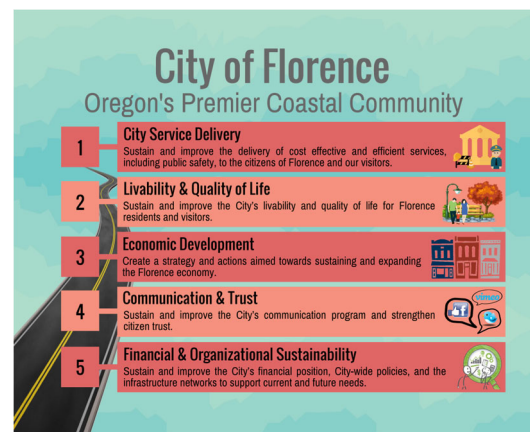
Please note that the budgeted amounts presented reflect the City's budget for the July 1, 2021 – June 30, 2023 biennium. Additionally, we have included reporting on the City's debt such as outstanding amounts, debt coverage ratios, maturities, and interest rates.

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 \$2.9 million.**
- **Most staff have returned to in-person work. City Hall is open to the public from 8:00 a.m. to Noon, and 1:00 p.m. until 4:00 p.m.**
- **City Council is expected to resume in-person Council Meetings in April.**

Operations

- **City Manager's Office**

- Compiled the Budget Document for the 2021-23 biennium
- Participated in budget process with the Budget Committee and City Council
- Developed and facilitated the Work Plan adoption with City Council
- Continued COVID-19 related Incident Command and other meetings with Lane County
- Coordinated three additional vaccination clinics for a total of seven
- Initiated renewal negotiations for CLPUD Franchise agreement
- Revived the July 4th celebration planning and coordination
- Coast Guard City Renewal Application prep

- **Economic Development**

- Creation and publication of COVID-19 Economic Development Emergency Response Report
- Coordination of the sale of Lots #38 & #20 in the Pacific View Business Park
- Quince Street: Coordination with developer on next steps with predevelopment studies as well as with multiple financing entities, extension of the ENA and updates with Florence Urban Renewal Agency
- Completion of Enterprise Zone Redesignation including special districts stakeholder meeting, Port of Siuslaw Approval, City Council Approval, and Application to Business Oregon
- Completion of third round of PPE distribution to local businesses and acquiring a grant to cover administrative costs
- Completed application for Community Development Block Grant for Regional Housing and Rehabilitation program in conjunction with St. Vincent de Paul
- Completion of business outreach for vaccine clinic sign-ups to assist in vaccine education for frontline workers
- Coordination with the Florence Area Chamber of Commerce on placement of Banners and agreements with the City of Florence and Central Lincoln People's Utility District
- Submittal of Ford Family GRO program letter of intent for entrepreneurial ecosystem support
- Completion of Youth Employment and Common Employment Application to support local businesses with workforce shortage
- Coordination with United Way of Lane County, Lane Workforce Partnership, and other stakeholders on opportunities to support childcare in the region including the submittal of Cascade West Economic Development District grant for Childcare programs
- Coordination with the Regional Accelerator & Innovation Network on their biennial agreement with the City of Florence
- Negotiation with the Florence Area Chamber of Commerce regarding the one-year Transient Room Tax agreement

- City Recorder
 - Responded to 10 Council Correspondence items, including general correspondence and written / verbal correspondence for Council meetings
 - Responded to 15 Public Records Requests
 - Creation of two new Ad-Hoc Committees; Transportation Systems Plan Update Project Ad-Hoc Committee and Housing Implementation Plan Project Committee.
 - Coordination of a City Council recruitment process and appointment
 - Coordination of City of Florence Planning Commission and Florence Urban Renewal Agency recruitment process and appointments,
 - Coordination of Committees, Commission, and Board Recruitment process and appointments
 - Completion of move to in-person City Council meetings, which included the retrofit of Council Chambers by ProSound & Video and staff training

- Administrative Services
 - Finished the replacement of the physical visual surveillance camera at the Justice Center
 - Worked with Wave converting point-to-point fiber connectivity to improve traffic efficiencies to all six City buildings
 - Attended the Oregon Government Finance Officer's Spring conference in person for the first time in two years
 - Onboarded Public Works Utility Worker, Cindy Ichikawa, January 31st
 - Onboarded Municipal Court Clerk, Phae Latta, February 3rd
 - Recruitments for four employees ongoing
 - ✓ Communications Officer
 - ✓ Facilities Maintenance Worker
 - ✓ Management Analyst
 - ✓ Office Assistant
 - Received online payments for business licenses for the first time through XPress Bill Pay portal and collected updates to business contact information
 - Said goodbye to Finance Administrative Assistant Camellia Jensen

- Community Development
 - Issued the first construction permits for Three Mile Prairie
 - Worked with Lane Council of Governments to process GIS maps and property descriptions for the last five Department of Revenue annexation notices

- Public Works
 - Contracted to lower the 12-inch water lines along highway 101 to accommodate the sewer extension to Three Mile Prairie subdivision
 - Council approved the purchase of two 2023 Ford Maverick hybrid trucks
 - Completed the Safe Routes to School grant project on Oak Street
 - Responded to the Tonga Tsunami Alert with signage and barriers to prevent visitor access to the ocean and Siuslaw River
 - Started work on design concepts for the Miller Park playground structure
 - Held the project kick-off meeting for the UV system upgrade/replacement at the Wastewater Treatment Plant
 - Xylo Street water and sewer improvements completed and placed into service

- Public Safety
 - Officer Cody Muir graduated from the Basic Police Academy
 - Officer Thad Fanning started Basic Police Academy
 - Corrections Officer Erica
 - Hired Police Officer Cody Muir, who will graduate from the Police Academy in October
 - Recruited for a Communications Officer
 - Identified and arrested two suspects, one of which fled the state, of the 7-11 robbery
 - Police Department Officers issued 171 traffic citations
 - Dispatch answered 1,719 calls to 911
 - Processed 98 inmates through the jail

- Florence Events Center
 - Continued to host COVID-19 vaccination clinics
 - The Winter Music Festival returned to the FEC after its cancellation due to COVID-19
 - Hosted:
 - ✓ Florence Home and Garden Show
 - ✓ FRAA's Taste of Art and Wine Festival
 - ✓ LRP's John & Jen

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 \$7.7 million fund balance. During the quarter the City received \$4.1 million in revenue, had operating expenditures of \$3.8 million and invested \$731 thousand in capital.

Overall, revenue received covered operating expenses. All funds ended the quarter with a positive ending fund balance except for the Street fund and the Airport Fund, which will be addressed on the individual fund pages.

The City's ending combined fund balance totals \$7.2 million, a decrease of \$566,916. Property taxes received in November and February are being spent on operations, and capital projects have been started using reserves until reimbursements are received from the granting agencies funding the projects. It is time to begin looking for financing for those projects that were budgeted with the intent of financing them.

Quarter Ended March 31, 2021

Information for the quarter ending March 31, 2022 only

Fund	Beginning Fund Balance	Revenue	Debt Proceeds	Total Resources	Expenses	Capital Outlay	Debt Service	Total Expenditures	Ending Fund Balance
General	3,349,255	1,121,066	-	4,470,321	1,587,799	-	-	1,587,799	2,882,522
Street	(490,815)	385,371	-	(105,444)	209,142	515,713	-	724,855	(830,299)
9-1-1	471,432	186,693	-	658,125	189,830	-	-	189,830	468,295
Transient Room Tax	59,022	62,221	-	121,243	61,958	-	-	61,958	59,285
Events Center	587,414	114,192	-	701,606	154,203	-	-	154,203	547,403
Water	849,511	559,681	-	1,409,192	446,782	107,350	-	554,132	855,060
Wastewater	717,539	819,977	-	1,537,516	593,369	78,533	-	671,902	865,614
Stormwater	740,413	164,873	-	905,286	130,774	1,125	-	131,899	773,387
Airport	(117,890)	33,803	-	(84,087)	30,467	21,174	-	51,641	(135,728)
Public Works Admin	163,858	370,664	-	534,522	269,580	6,678	-	276,258	258,264
Street SDC	150,031	7,115	-	157,146	22,536	-	-	22,536	134,610
Water SDC	298,812	16,852	-	315,664	75,036	-	-	75,036	240,628
Wastewater SDC	293,551	68,992	-	362,543	128	-	-	128	362,415
Stormwater SDC	200,504	16,839	-	217,343	25,078	-	-	25,078	192,265
GO Debt	176,379	4,510	-	180,889	-	-	-	-	180,889
Debt Service	331,627	139,052	-	470,679	450	-	111,112	111,562	359,117
Totals	7,780,643	4,071,901	-	11,852,544	3,797,132	730,573	111,112	4,638,817	7,213,727

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 decrease in tax receipts. All other revenues were above the quarter budget amount.

During the quarter, expenditures for all departments were below budget. The first year of the biennium is expected to end with all departments under budget their expected appropriations. Payroll expenses are down due to open positions with departments facing recruitment difficulties.

Overall, the General Fund realized a decrease in fund balance of \$466,763 during the quarter. The decrease is expected as property taxes are used to fund the City's day-to-day operations in the fund.

	Quarter Ended March 31, 2022			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Taxes	735,200	117,347	(617,853)	5,881,500	2,852,278	(3,029,222)
Franchise Fees	268,300	260,224	(8,076)	2,146,300	766,042	(1,380,258)
Intergovernmental	214,000	138,390	(75,610)	1,711,600	325,573	(1,386,027)
Charges for Services	558,700	556,755	(1,945)	4,469,400	1,788,054	(2,681,346)
Earnings & Contributions	62,500	48,350	(14,150)	499,800	174,977	(324,823)
Debt proceeds	88,100	-	(88,100)	705,000	-	(705,000)
Total current resources	1,926,800	1,121,066	(805,734)	15,413,600	5,906,924	(9,506,676)
Expenditures						
Public Safety	672,600	568,803	(103,797)	5,380,600	2,024,013	(3,356,587)
Community Development	250,200	183,086	(67,114)	2,003,400	643,777	(1,359,623)
Parks	153,100	83,687	(69,413)	1,224,500	265,453	(959,047)
Municipal Court	84,200	79,530	(4,670)	673,800	236,741	(437,059)
Administration	320,200	202,882	(117,318)	2,560,900	701,603	(1,859,297)
Administrative Services	341,600	288,258	(53,342)	2,731,600	1,098,713	(1,632,887)
Non-Departmental	62,200	44,803	(17,397)	496,800	108,566	(388,234)
Total expenditures	1,884,100	1,451,049	(433,051)	15,071,600	5,078,866	(9,992,734)
Transfers	151,900	136,750	(15,150)	1,215,100	493,652	(721,448)
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	2,286,300	1,587,799	(698,501)	18,289,400	5,572,518	(12,716,882)
Beginning balance	359,500	3,349,255	2,989,755	2,875,800	2,548,116	(327,684)
Ending Balance	\$ -	\$ 2,882,522	\$ 2,882,522	\$ -	\$ 2,882,522	\$ 2,882,522

Street Fund

This fund accounts for the City's street-related activities. During the quarter, revenues received were at budgeted levels except for intergovernmental. Revenues anticipated from the ODOT STP Fund Exchange, and the FURA Grant won't be received until the projects they are associated with have begun.

With respect to expenditures, all categories except materials and services were under budget. Budgeted projects have been started, which has contributed to the negative balance at March 31st. The Safe Routes to School project was completed during the quarter, and the final reimbursement has been made. Requests for reimbursement continue for the project at 9th and Rhododendron. As the reimbursement requests are received from grants funding those projects, the balance will return to a positive status.

Expenditures for the quarter exceeded revenues \$339,484. Transfers were received as budgeted. Fund balance decreased during the quarter as capital projects and capital purchases planned for the biennium were initiated.

	Quarter Ended March 31, 2022			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Franchise Fees	\$ 23,475	\$ 32,181	\$ 8,706	\$ 188,000	\$ 93,675	\$ (94,325)
Intergovernmental	641,800	203,834	(437,966)	5,134,500	552,899	(4,581,601)
Charges for Services	122,000	116,640	(5,360)	976,100	396,106	(579,994)
Earnings & Contributions	575	10,216	9,641	4,800	51,072	46,272
Transfers in	22,500	22,500	-	180,000	75,000	(105,000)
Debt proceeds	312,500	-	(312,500)	2,500,000	-	(2,500,000)
Total current resources	\$ 1,122,850	\$ 385,371	\$ (737,479)	\$ 8,983,400	\$ 1,168,752	\$ (7,814,648)
Expenditures						
Personnel Services	17,400	7,652	(9,748)	139,400	13,351	(126,049)
Materials and Services	173,800	201,490	27,690	1,390,300	600,891	(789,409)
Capital Purchases	757,800	515,713	(242,087)	6,062,700	1,106,692	(4,956,008)
Transfers	96,700	-	(96,700)	773,900	197,407	(576,493)
Total expenditures	1,045,700	724,855	(320,845)	8,366,300	1,918,451	(6,447,849)
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	1,139,000	724,855	(414,145)	9,112,600	1,918,451	(7,194,149)
Total resources over (under) requirements						
Beginning balance	16,150	(490,815)	(506,965)	129,200	(80,600)	(209,800)
Ending Balance	\$ -	\$ (830,299)	\$ (830,299)	\$ -	\$ (830,299)	\$ (830,299)

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 early in May. Interest received on the fund balance is slightly higher than was anticipated during the budget process.

Total expenditures for the fiscal year are below budget in all areas.

Overall, 9-1-1 Fund expenditures exceeded revenue by \$3,137 for the quarter leaving an ending fund balance of \$468,295.

	Quarter Ended March 31, 2022			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Taxes	\$ 37,700	\$ 46,726	\$ 9,026	\$ 301,600	\$ 185,489	\$ (116,111)
Intergovernmental	6,000	-	(6,000)	47,600	270	(47,330)
Charges for Services	55,400	2,627	(52,773)	443,400	150,797	(292,603)
Earnings & Contributions	200	590	390	2,000	1,789	(211)
Transfers in	136,700	136,750	50	1,094,000	455,833	(638,167)
Total current resources	\$ 236,000	\$ 186,693	\$ (49,307)	\$ 1,888,600	\$ 794,178	\$ (1,094,422)
Expenditures						
Personnel Services	166,000	149,783	(16,217)	1,328,200	520,956	(807,244)
Materials and Services	55,200	40,047	(15,153)	441,800	163,880	(277,920)
Capital Purchases	32,500	-	(32,500)	260,000	126,414	(133,586)
Total expenditures	253,700	189,830	(63,870)	2,030,000	811,250	(1,218,750)
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	189,830	(103,770)	2,349,500	811,250	(1,538,250)
Total resources over (under) requirements						
Beginning balance	57,600	471,432	413,832	460,900	485,367	24,467
Ending Balance	\$ -	\$ 468,295	\$ 468,295	\$ -	\$ 468,295	\$ 468,295

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. Administrative costs of collecting the tax are expected to decrease.

Revenue received the second quarter of this fiscal year increased \$8,933 (1.7%) over the same period last fiscal year and \$14,087 (4.5%) over FY 2019-20. Expenditures are within budget.

	Quarter Ended March 31, 2022			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Taxes	\$ 114,400	\$ 62,221	\$ (52,179)	\$ 915,000	\$ 484,093	\$ (430,907)
Total current resources	123,000	62,221	(60,779)	983,800	484,093	(499,707)
Expenditures						
Materials and Services	45,400	25,431	(19,969)	363,000	179,732	(183,268)
Transfers	68,100	36,527	(31,573)	544,600	264,738	(279,862)
Total expenditures	113,500	61,958	(51,542)	907,600	444,470	(463,130)
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	61,958	(61,042)	983,900	444,470	(539,430)
Total resources over (under) requirements						
Beginning balance	-	59,022	59,022	100	19,662	19,562
Ending Balance	\$ -	\$ 59,285	\$ 59,285	\$ -	\$ 59,285	\$ 59,285

Florence Events Center Fund

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

Revenue is under budget for the quarter as the COVID-19 pandemic continues to affect events. Charges for services for the quarter is lagging budgeted estimates, but is increasing.

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 \$40,000 under the expenses for the quarter, but surpass expenses by \$101,282 for the fiscal year, leaving a fund balance of \$547,403. 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 March 31, 2022			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Intergovernmental	\$ 58,500	\$ -	\$ (58,500)	\$ 467,700	\$ 137,734	\$ (329,966)
Charges for Services	71,500	42,502	(28,998)	572,200	110,298	(461,902)
Earnings & Contributions	9,150	35,163	26,013	73,000	83,629	10,629
Transfers in	68,100	36,527	(31,573)	544,600	264,738	(279,862)
Debt proceeds	150,000	-	(150,000)	1,200,000	-	(1,200,000)
Total current resources	357,250	114,192	(243,058)	2,857,500	596,399	(2,261,101)
Expenditures						
Personnel Services	66,500	36,693	(29,807)	532,000	121,099	(410,901)
Materials and Services	156,200	117,510	(38,690)	1,249,500	345,194	(904,306)
Capital Purchases	145,250	-	(145,250)	1,162,000	28,824	(1,133,176)
Debt service	11,900	-	(11,900)	95,000	-	(95,000)
Total expenditures	379,850	154,203	(225,647)	3,038,500	495,117	(2,543,383)
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	154,203	(252,847)	3,256,100	495,117	(2,760,983)
Total resources over (under) requirements						
Beginning balance	49,800	587,414	537,614	398,600	446,121	47,521
Ending Balance	\$ -	\$ 547,403	\$ 547,403	\$ -	\$ 547,403	\$ 547,403

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 slightly over budget for the quarter, but are under budget for the biennium. Personnel Services was \$7,791 over budget for the quarter due to staff promotions. Transfer payments were made as scheduled during the quarter.

Fees are under budget for the quarter, but are on target for the fiscal year. Interest earnings are above the estimates made during the budget process.

During the quarter revenues exceeded expenses by \$5,549 leaving a fund balance of \$855,060.

	Quarter Ended March 31, 2022			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Intergovernmental	\$ 240,200	\$ -	\$ (240,200)	\$ 1,921,800	\$ 478	\$ (1,921,322)
Charges for Services	588,200	484,160	(104,040)	4,705,400	1,880,471	(2,824,929)
Earnings & Contributions	2,700	521	(2,179)	22,000	16,902	(5,098)
Transfers in	62,500	75,000	12,500	500,000	250,000	(250,000)
Debt proceeds	210,000	-	(210,000)	1,680,000	-	(1,680,000)
Total current resources	1,103,600	559,681	(543,919)	8,829,200	2,147,851	(6,681,349)
Expenditures						
Personnel Services	103,100	110,891	7,791	824,800	330,776	(494,024)
Materials and Services	384,200	335,891	(48,309)	3,074,000	1,220,425	(1,853,575)
Capital Purchases	441,900	107,350	(334,550)	3,535,000	769,432	(2,765,568)
Debt service	59,700	-	(59,700)	477,300	57,839	(419,461)
Total expenditures	988,900	554,132	(434,768)	7,911,100	2,378,472	(5,532,628)
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	1,137,900	554,132	(583,768)	9,103,200	2,378,472	(6,724,728)
Total resources over (under) requirements						
Beginning balance	34,300	849,511	815,211	274,000	1,085,681	811,681
Ending Balance	\$ -	\$ 855,060	\$ 855,060	\$ -	\$ 855,060	\$ 855,060

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 below estimates for the quarter, but 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 contributed 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 \$148,075 for the quarter increasing the fund balance to \$865,614.

	Quarter Ended March 31, 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	818,849	(24,951)	6,750,400	2,862,740	(3,887,660)
Earnings & Contributions	1,400	1,128	(272)	11,100	70,756	59,656
Transfers in	24,900	-	(24,900)	200,000	-	(200,000)
Debt proceeds	326,300	-	(326,300)	2,610,000	-	(2,610,000)
Total current resources	1,580,300	819,977	(760,323)	12,642,400	2,933,777	(9,708,623)
Expenditures						
Personnel Services	121,100	129,977	8,877	969,100	409,582	(559,518)
Materials and Services	476,500	463,392	(13,108)	3,811,400	1,542,901	(2,268,499)
Capital Purchases	707,500	78,533	(628,967)	5,660,000	87,754	(5,572,246)
Debt service	109,300	-	(109,300)	874,100	176,897	(697,203)
Total expenditures	1,414,400	671,902	(742,498)	11,314,600	2,217,134	(9,097,466)
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	671,902	(933,398)	12,842,000	2,217,134	(10,624,866)
Total resources over (under) requirements						
Beginning balance	25,000	717,539	692,539	199,600	148,971	(50,629)
Ending Balance	\$ -	\$ 865,614	\$ 865,614	\$ -	\$ 865,614	\$ 865,614

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 except for personnel services. Promotions within the department contributed to this. 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 \$773,387 increased \$32,974 from the prior quarter.

	Quarter Ended March 31, 2022			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Charges for Services	\$ 147,300	\$ 139,324	\$ (7,976)	\$ 1,177,900	\$ 484,084	\$ (693,816)
Earnings & Contributions	100	549	449	1,000	1,941	941
Transfers in	25,000	25,000	-	200,000	83,333	(116,667)
Debt proceeds	105,000	-	(105,000)	840,000	-	(840,000)
Total current resources	397,400	164,873	(232,527)	3,178,900	569,376	(2,609,524)
Expenditures						
Personnel Services	59,100	61,662	2,562	472,400	182,882	(289,518)
Materials and Services	73,000	69,112	(3,888)	583,700	256,680	(327,020)
Capital Purchases	238,700	1,125	(237,575)	1,910,000	117,253	(1,792,747)
Debt service	17,500	-	(17,500)	140,300	20,113	(120,187)
Total expenditures	388,300	131,899	(256,401)	3,106,400	576,928	(2,529,472)
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	131,899	(330,801)	3,701,300	576,928	(3,124,372)
Total resources over (under) requirements						
Beginning balance	65,300	740,413	675,113	522,400	780,939	258,539
Ending Balance	\$ -	\$ 773,387	\$ 773,387	\$ -	\$ 773,387	\$ 773,387

Airport Fund

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

Revenues received for the quarter were less than budgeted and fell short of expenses by \$17,838.

Capital expenses are under budget for the biennium, but are causing a negative fund balance as timing for the AWOS grant reimbursements continues to be an issue.

Ending fund balance for the quarter is (\$135,728) and will improve as grant funding is received.

	Quarter Ended March 31, 2022			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Intergovernmental	\$ 76,700	\$ -	\$ (76,700)	\$ 613,500	\$ -	\$ (613,500)
Charges for Services	15,000	15,204	204	120,000	64,326	(55,674)
Earnings & Contributions	49,500	18,599	(30,901)	395,600	282,035	(113,565)
Total current resources	141,200	33,803	(107,397)	1,129,100	346,361	(782,739)
Expenditures						
Materials and Services	46,200	30,467	(15,733)	369,600	150,218	(219,382)
Capital Purchases	75,000	21,174	(53,826)	600,000	386,556	(213,444)
Total expenditures	121,200	51,641	(69,559)	969,600	536,774	(432,826)
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	143,100	51,641	(91,459)	1,144,600	536,774	(607,826)
Total resources over (under) requirements						
Beginning balance	1,900	(117,890)	(119,790)	15,500	54,685	39,185
Ending Balance	\$ -	\$ (135,728)	\$ (135,728)	\$ -	\$ (135,728)	\$ (135,728)

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 is less than budget as 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 \$258,264, an increase from last quarter.

	Quarter Ended March 31, 2022			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Intergovernmental	\$ 33,200	\$ -	\$ (33,200)	\$ 265,400	\$ 7,378	\$ (258,022)
Charges for Services	371,100	370,450	(650)	2,968,500	1,234,833	(1,733,667)
Debt proceeds	65,000	-	(65,000)	520,000	-	(520,000)
Total current resources	469,300	370,664	(98,636)	3,753,900	1,242,842	(2,511,058)
Expenditures						
Personnel Services	223,000	189,824	(33,176)	1,784,500	643,159	(1,141,341)
Materials and Services	95,900	79,756	(16,144)	766,800	277,779	(489,021)
Capital Purchases	96,300	6,678	(89,622)	770,000	53,638	(716,362)
Transfers	59,600	-	(59,600)	477,000	109,805	(367,195)
Total expenditures	474,800	276,258	(198,542)	3,798,300	1,084,381	(2,713,919)
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	276,258	(206,742)	3,863,800	1,084,381	(2,779,419)
Total resources over (under) requirements						
Beginning balance	13,700	163,858	150,158	109,900	99,803	(10,097)
Ending Balance	\$ -	\$ 258,264	\$ 258,264	\$ -	\$ 258,264	\$ 258,264

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 March 31, 2022			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Earnings & Contributions	\$ 10,200	\$ 7,115	\$ (3,085)	\$ 81,500	\$ 20,330	\$ (61,170)
Total current resources	10,200	7,115	(3,085)	81,500	20,330	(61,170)
Expenditures						
Materials and Services	100	36	(64)	1,000	135	(865)
Transfers	22,500	22,500	-	180,000	75,000	(105,000)
Total expenditures	22,600	22,536	(64)	181,000	75,135	(105,865)
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	22,536	(1,764)	194,700	75,135	(119,565)
Total resources over (under) requirements						
Beginning balance	14,100	150,031	135,931	113,200	189,415	76,215
Ending Balance	\$ -	\$ 134,610	\$ 134,610	\$ -	\$ 134,610	\$ 134,610

WATER SDC FUND

	Quarter Ended March 31, 2022			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Earnings & Contributions	\$ 31,200	\$ 16,852	(14,348)	\$ 250,000	\$ 70,044	(179,956)
Total current resources	31,200	16,852	(14,348)	250,000	70,044	(179,956)
Expenditures						
Transfers	62,500	75,000	12,500	500,000	250,000	(250,000)
Total expenditures	62,500	75,036	12,536	500,000	250,036	(249,964)
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	75,036	(4,964)	640,200	250,036	(390,164)
Total resources over (under) requirements						
Beginning balance	48,800	298,812	250,012	390,200	420,620	30,420
Ending Balance	\$ -	\$ 240,628	\$ 240,628	\$ -	\$ 240,628	\$ 240,628

WASTEWATER SDC FUND

	Quarter Ended March 31, 2022			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Earnings & Contributions	\$ 45,500	\$ 68,992	23,492	\$ 364,000	\$ 134,472	(229,528)
Total current resources	45,500	68,992	23,492	364,000	134,472	(229,528)
Expenditures						
Materials and Services	300	128	(172)	2,200	487	(1,713)
Transfers	25,000	-	(25,000)	200,000	-	(200,000)
Total expenditures	25,300	128	(25,172)	202,200	487	(201,713)
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	128	(70,072)	561,500	487	(561,013)
Total resources over (under) requirements						
Beginning balance	24,700	293,551	268,851	197,500	228,430	30,930
Ending Balance	\$ -	\$ 362,415	\$ 362,415	\$ -	\$ 362,415	\$ 362,415



STORMWATER SDC FUND

	Quarter Ended March 31, 2022			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Earnings & Contributions	\$ 19,100	\$ 16,839	(2,261)	\$ 153,000	\$ 47,666	(105,334)
Total current resources	19,100	16,839	(2,261)	153,000	47,666	(105,334)
Expenditures						
Materials and Services	100	78	(22)	1,000	516	(484)
Transfers	25,000	25,000	-	200,000	83,333	(116,667)
Total expenditures	25,100	25,078	(22)	201,000	83,849	(117,151)
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	25,078	(42,622)	542,000	83,849	(458,151)
Total resources over (under) requirements						
Beginning balance	48,600	200,504	151,904	389,000	228,448	(160,552)
Ending Balance	\$ -	\$ 192,265	\$ 192,265	\$ -	\$ 192,265	\$ 192,265



Debt Service Funds

GO Debt Service Fund

This fund accounts for the repayment of voter approved debt obligations to complete water improvements. Since property taxes are not received until November of each fiscal year, the fund keeps a balance to pay the first principal and interest debt payment of each fiscal year.

The last payment on this debt issue is in June 2022.

	Quarter Ended March 31, 2022			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Taxes	\$ 13,900	\$ 4,510	\$ (9,390)	\$ 110,900	\$ 112,925	\$ 2,025
Total current resources	13,900	4,510	(9,390)	110,900	112,925	2,025
Expenditures						
Debt service	20,900	-	(20,900)	167,600	1,731	(165,869)
Total expenditures	20,900	-	(20,900)	167,600	1,731	(165,869)
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	1,731	(179,069)
Total resources over (under) requirements						
Beginning balance	8,700	176,379	167,679	69,900	69,695	(205)
Ending Balance	\$ -	\$ 180,889	\$ 180,889	\$ -	\$ 180,889	\$ 180,889

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 \$359,117 is reserved for future LID loan payments.

	Quarter Ended March 31, 2022			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Intergovernmental	\$ 154,900	\$ 111,112	\$ (43,788)	\$ 1,239,000	\$ 345,339	\$ (893,661)
Earnings & Contributions	21,300	27,940	6,640	170,000	66,432	(103,568)
Transfers in	171,500	-	(171,500)	1,372,000	345,389	(1,026,611)
Total current resources	347,700	139,052	(208,648)	2,781,000	757,160	(2,023,840)
Expenditures						
Materials and Services	200	450	250	1,700	850	(850)
Debt service	353,700	111,112	(242,588)	2,829,000	779,741	(2,049,259)
Total expenditures	353,900	111,562	(242,338)	2,830,700	780,591	(2,050,109)
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	111,562	(302,538)	3,312,000	780,591	(2,531,409)
Total resources over (under) requirements						
Beginning balance	66,400	331,627	265,227	531,000	382,548	(148,452)
Ending Balance	\$ -	\$ 359,117	\$ 359,117	\$ -	\$ 359,117	\$ 359,117

Debt Summary

The following schedule provides information related to the City's outstanding debt during the 2021-2023 biennium through fiscal year 2026. The schedule includes:

- Debt issue
- Fund(s) that the debt is repaid/budgeted
- Original amount of the loan
- The annual payment in fiscal year 2020
- Interest rate
- Maturity of the obligation
- Outstanding principal balance as of June 30, by fiscal year through 2025
- 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 \$1,876. During the subsequent five fiscal years, the debt per capita is projected to decline to \$1,154 by June 30, 2026. Total debt outstanding at June 30 is \$16.7 million.

Description	Fund(s)	Original Amount	Annual Payment FY 2022	Interest Rate	Maturity	Outstanding balance fiscal year ending June 30,					
						2022	2023	2024	2025	2026	2027
Existing Obligations											
LOCAP 2011	GF/Street/W/WW	1,245,000	91,841	3.0-4.6%	2030	675,000	610,000	545,000	475,000	405,000	330,000
LID 2010 (Spruce)	LID	1,478,000	107,753	1.9-4.5%	2030	900,000	825,000	745,000	660,000	570,000	470,000
FFCO 2010B	GF/WW/SW	8,750,000	124,200	2.5-4.0%	2030	735,000	665,000	590,000	515,000	440,000	360,000
OBDD SPW	WW	657,057	34,782	2.0-4.0%	2034	391,916	367,425	337,794	307,978	277,969	223,988
CWSRF	WW	4,923,260	255,657	0.50%	2032	2,659,308	2,417,552	2,175,796	1,934,040	1,692,284	1,450,528
FFCO 2017 - Banner	Street	3,395,000	338,775	2.92%	2026	2,794,886	2,656,825	2,514,073	2,365,959	2,212,542	2,053,633
FFCO 2016 - FURA	Street/W/FURA	8,500,000	769,954	2.92%	2036	6,628,367	6,256,219	5,873,463	5,478,799	5,072,365	4,653,809
Banner Bank - 20 yr	FURA	3,150,000	308,689	3.50%	2040	2,770,912	2,647,065	2,519,096	2,386,870	2,250,245	2,019,073
Tax Exempt Banner Bank - 5 yr Taxable	FURA	150,000	7,950	5.30%	2024	150,000	150,000	-	-	-	-
Total City Debt		32,248,317	2,039,601			17,705,389	16,595,086	15,300,222	14,123,646	12,920,405	11,561,031
Population	assumes 1% annual increase					9,600	9,696	9,793	9,891	9,990	10,090
Debt per capita						1,844	1,712	1,562	1,428	1,293	1,146
Proposed Debt											
General Fund						360,000	705,000	655,650	609,755	567,072	527,377
Street						1,150,000	2,500,000	2,325,000	2,162,250	2,010,893	1,870,130
Water						80,000	1,680,000	1,562,400	1,453,032	1,351,320	1,256,727
Wastewater						310,000	2,610,000	2,427,300	2,257,389	2,099,372	1,952,416
Stormwater						840,000	840,000	781,200	726,516	675,660	628,364
FEC						1,200,000	1,200,000	1,116,000	1,037,880	965,228	897,662
PW Administration						395,000	520,000	483,600	449,748	418,266	388,987
Total Proposed Debt						4,335,000	10,055,000	9,351,150	8,696,570	8,087,810	7,521,663
Total Proposed and City Debt						22,040,389	26,650,086	24,651,372	22,820,216	21,008,215	19,082,694