



City of Florence, Oregon

Financial Report

Quarter Ended March 31, 2023

June 5, 2023

Dear Mayor Ward, 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 seventh quarter of the biennium ending March 31, 2023. 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.

Total property taxes received at March 31, 2023 is \$2,966,359, \$17,141 below budget estimates with one collection day (May 15) remaining. Lodging taxes appear to be below budget estimates, however, the State remits collections three months after returns are due from tax payers.

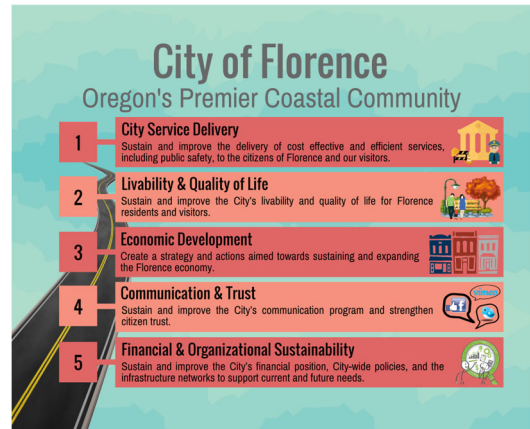
Please note that the budgeted amounts presented reflect the City's budget for the July 1, 2021 – June 30, 2023 biennium. Additionally, we have included reporting on the City's debt such as outstanding amounts, debt coverage ratios, maturities, and interest rates.

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'

Operations

- City Recorder
 - Onboarded and trained new City Council, including Departmental presentations on City Services
- Administrative Services
 - Began working with Banner Bank on a \$13.6 million financing
 - The budget process for the 2023-25 biennium began in March with meetings with the Directors
 - The 2022 Annual Comprehensive Financial Report was issued with an 'Unmodified' or clean audit opinion
- Community Development
 - Planning issued decisions on 13 land-use applications
 - Staffed 14 Planning Commission, EMAC, Transportation, TSP STAC and HIP SAT meetings
 - Code Enforcement processed 157 cases and violations:
 - ✓ 87 – Storage on the streets
 - ✓ 11 – Dog related
 - ✓ 11 – Prohibited parking
 - ✓ 4 – Business license
 - ✓ 4 – Vegetation
 - ✓ 8 – Nuisance
 - ✓ 8 – Signs
 - ✓ 7 – Obstruction of streets
 - ✓ 4 – Found property
- Public Works
 - Received authorization to submit a grant application to the Ford Family Foundation for a Small Good Neighbor Grant to help fund the Miller Park play structure rehab project
 - Awarded the purchase and installation of the new Miller Park playground equipment to Buell Recreation for \$249,805
 - Renewed the Oregon Public Works Emergency Response Cooperative Assistance Agreement
 - Accepted Critical Oregon Airport Relief (COAR) grant from Oregon Department of Aviation to help fund the airport pavement rehabilitation project
 - Entered into engineering services agreement with Century West Engineering for Florence Airport Pavement Rehabilitation Project
 - Entered into engineering services agreement with Kennedy Jenks Engineering for the UV System Improvement Project
 - Submitted a Congressional Directed Spending Fund request of \$800,000 for the Siuslaw River Slope Stabilization project
 - Assisted Mapleton Water District by providing a water bottle fill station at the airport for residents of the district to get clean and high-quality drinking water. The fill station was provided by Eugene Water and Electric Board (EWEB).
 - Met with RH2 Engineering and Geotech's from Shannon & Wilson to discuss possible mitigation solutions to the Siuslaw River Slope slippage situation
 - The 'Heart of Old Town' returned during February to shine brightly at the Siuslaw River Bridge Interpretive Site. For March the lighted art display was exchanged for the 'Shamrock of Old Town' for March.
 - Responded to late season snow events with applying traction aid on City streets and keeping pedestrian accessways at City facilities clear of snow/ice

Public Safety

- During this quarter
 - ✓ 112 public records requests were made to Public Safety
 - ✓ 1,838 911 calls were made to Dispatch
 - ✓ 84 inmates were processed through the jail
 - ✓ 163 arrests made
 - ✓ 371 violation citations issued

- Florence Event Center
 - Continued with HVAC repairs due to storm damage
 - 2023 Winter Music Festival with nearly all shows selling out during the 3-day festival!
 - Multiple annual events returned, including Crab Crack, FRAA – A Taste of Art and Wine, the Home and Garden Show, and the Rotary Auction
 - LRP produced “Rumors” on the flat floor
 - Homes for Good held an open house for their future plans on the old ball field
 - Several City meetings were held at the FEC, including the State of the City and City Expo
 - The new Food & Beverage Manager/Chef was fully on-board and provided services for the customers needing catering
 - Continued work towards policy updates, volunteer recruitment and training, and management of scheduling software
 - Reinitiated marketing efforts with the FEC’s contract marketing professional

- City Manager’s Office
 - Worked through the Work Plan update and adoption of the 2023-25 City Work Plan
 - The City Council held a retreat and developed the City Council Norms
 - Hosted the State of the City and City Services Expo
 - Worked through forecasting and budgeting with the Administrative Services Department and the other Departments of the City
 - Participated in various community events and meetings
 - Continued work on the Natural Hazard Mitigation Plan update with Lane County
 - Continued working through the long-term planning processes for transportation and housing
 - Introduction of new Economic Development Analyst to partner organizations.
 - Presented at the Oregon Coast Board of Realtors meeting

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 \$10.5 million fund balance. During the quarter the City received \$4.7 million in revenue, had operating expenditures of \$4.6 million and invested \$0.4 million in capital.

Overall, revenue received covered operating expenses. All funds ended the quarter with a positive ending fund balance except Street (which will be discussed in more detail on page 8).

The City's ending combined fund balance totals \$10.1 million, a decrease of \$0.6 million. The decrease can be attributed to capital spending and debt payments for the quarter.

Quarter Ended March 31, 2023

Information for the quarter ending March 31, 2023 only

Fund	Beginning Fund Balance	Revenue	Debt Proceeds	Total Resources	Expenses	Capital Outlay	Debt Service	Total Expenditures	Ending Fund Balance
General	4,595,338	1,457,081	-	6,052,419	1,919,962	30,553	-	1,950,515	4,101,904
Street	(141,696)	427,527	-	285,831	372,338	39,868	-	412,206	(126,375)
9-1-1	521,824	191,368	-	713,192	208,256	935	-	209,191	504,001
Transient Room Tax	23,341	-	-	23,341	-	-	-	-	23,341
ARPA Funds	563,299	4,896	-	568,195	-	-	-	-	568,195
Events Center	788,728	193,857	-	982,585	293,948	-	-	293,948	688,637
Water	267,281	552,796	-	820,077	543,473	50,688	-	594,161	225,916
Wastewater	843,980	952,194	-	1,796,174	573,686	134,420	-	708,106	1,088,068
Stormwater	676,438	178,128	-	854,566	157,728	17,901	-	175,629	678,937
Airport	291,009	40,751	-	331,760	46,245	72,458	-	118,703	213,057
Public Works Admin	347,457	482,586	-	830,043	290,748	70,460	-	361,208	468,835
Street SDC	148,312	2,161	-	150,473	22,548	-	-	22,548	127,925
Water SDC	319,439	6,187	-	325,626	50,048	-	-	50,048	275,578
Wastewater SDC	514,146	46,396	-	560,542	50,106	-	-	50,106	510,436
Stormwater SDC	192,162	3,899	-	196,061	25,048	-	-	25,048	171,013
Debt Service	531,660	149,988	-	681,648	450	-	111,112	111,562	570,086
Totals	10,482,718	4,689,815	-	15,172,533	4,554,584	417,283	111,112	5,082,979	10,089,554

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 below budgeted estimates for the quarter as debt proceeds were not utilized and due to revenues being more cyclical than monthly. Property taxes continue to be remitted, but at a lower amount than the November turnover. Going forward, taxes will be under the quarter budget estimates as they are not received evenly throughout the year. Charges for services were above estimates for the quarter.

During the quarter, overall expenditures were below budget. Public Safety, Community Development, and Administrative Services exceeded quarterly budget amounts. Public Safety purchased a new patrol car, which over expended capital purchases \$11,168 and the department \$8,860 for the quarter. Community Development costs are up due to the upcoming retirement of its long-time Sr. Building Analyst. Building has been operating with two employees for the past few months for training. Materials and services costs for Information Technology continue above budget estimates as equipment purchases for budgeted projects are made. At March 31, all General Fund departments are under budget for the biennium

Overall, the General Fund realized a decrease in fund balance of \$493,484 during the quarter. Fund balance is expected to decrease until the end of the fiscal year as property tax revenue is utilized to fund operations as planned.

	Quarter Ended March 31, 2023			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Taxes	735,200	128,166	(607,034)	5,881,500	5,898,643	17,143
Franchise Fees	268,300	275,646	7,346	2,146,300	1,709,674	(436,626)
Intergovernmental	292,400	298,262	5,862	2,339,300	1,828,607	(510,693)
Charges for Services	558,700	678,910	120,210	4,469,400	4,113,179	(356,221)
Earnings & Contributions	62,500	76,097	13,597	499,800	409,362	(90,438)
Debt proceeds	88,100	-	(88,100)	705,000	-	(705,000)
Total current resources	2,005,200	1,457,081	(548,119)	16,041,300	13,959,465	(2,081,835)
Expenditures						
Public Safety	672,600	681,460	8,860	5,380,600	4,274,650	(1,105,950)
Community Development	250,200	254,394	4,194	2,003,400	1,643,658	(359,742)
Parks	153,100	89,672	(63,428)	1,224,500	608,697	(615,803)
Municipal Court	84,200	72,625	(11,575)	673,800	465,890	(207,910)
Administration	320,200	315,196	(5,004)	2,560,900	1,690,618	(870,282)
Administrative Services	341,600	366,113	24,513	2,731,600	2,421,720	(309,880)
Non-Departmental	140,600	31,102	(109,498)	1,124,500	244,551	(879,949)
Total expenditures	1,962,500	1,810,562	(151,938)	15,699,300	11,349,784	(4,349,516)
Transfers	151,900	139,953	(11,947)	1,215,100	1,055,893	(159,207)
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	1,950,515	(414,185)	18,917,100	12,405,677	(6,511,423)
Beginning balance	359,500	4,595,338	4,235,838	2,875,800	2,548,116	(327,684)
Ending Balance	\$ -	\$ 4,101,904	\$ 4,101,904	\$ -	\$ 4,101,904	\$ 4,101,904

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 except materials and services are under budget. Financing has been initiated to fund projects and equipment purchases that have been started or are expected to be started before December 31, 2023. \$640,700 million in debt proceeds will be received in April for heavy equipment purchases and the 9th Street Project with another \$2.5 million to be received in spring of 2024 to fund the second half of the Rhododendron Drive Realignment Project.

Revenues for the quarter just exceeded expenditures leaving a fund balance of \$(126,375) for the quarter. Debt proceeds expected to be received in April for projects and purchases already made will bring fund balance back in line with policy. Transfers in were received as budgeted.

	Quarter Ended March 31, 2023			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Franchise Fees	\$ 23,475	\$ 45,408	\$ 21,933	\$ 188,000	\$ 204,644	\$ 16,644
Intergovernmental	660,000	232,533	(427,467)	5,280,100	2,376,775	(2,903,325)
Charges for Services	122,000	120,036	(1,964)	976,100	838,140	(137,960)
Earnings & Contributions	575	7,050	6,475	4,800	81,460	76,660
Transfers in	22,500	22,500	-	180,000	157,500	(22,500)
Debt proceeds	312,500	-	(312,500)	2,500,000	-	(2,500,000)
Total current resources	\$ 1,141,050	\$ 427,527	\$ (713,523)	\$ 9,129,000	\$ 3,658,519	\$ (5,470,481)
Expenditures						
Personnel Services	17,400	16,732	(668)	139,400	68,529	(70,871)
Materials & Services	192,000	351,889	159,889	1,535,900	1,212,959	(322,941)
Capital Purchases	757,800	39,868	(717,932)	6,062,700	1,816,073	(4,246,627)
Transfers	96,700	3,717	(92,983)	773,900	606,733	(167,167)
Debt service	-	-	-	-	-	-
Total expenditures	1,063,900	412,206	(651,694)	8,511,900	3,704,294	(4,807,606)
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	412,206	(744,994)	9,258,200	3,704,294	(5,553,906)
Total resources over (under) requirements						
Beginning balance	16,150	(141,696)	(157,846)	129,200	(80,600)	(209,800)
Ending Balance	\$ -	\$ (126,375)	\$ (126,375)	\$ -	\$ (126,375)	\$ (126,375)

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 at March 31st.

Overall, 9-1-1 Fund expenditures exceeded revenue by \$17,823 for the quarter leaving an ending fund balance of \$504,001.

	Quarter Ended March 31, 2023			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Taxes	\$ 68,000	\$ 47,580	\$ (20,420)	\$ 543,700	\$ 327,610	\$ (216,090)
Intergovernmental	6,000	-	(6,000)	47,600	270	(47,330)
Charges for Services	55,500	2,627	(52,873)	443,400	298,967	(144,433)
Earnings & Contributions	200	4,411	4,211	2,000	11,444	9,444
Transfers in	136,700	136,750	50	1,094,000	957,250	(136,750)
Total current resources	\$ 266,400	\$ 191,368	\$ (75,032)	\$ 2,130,700	\$ 1,595,541	\$ (535,159)
Expenditures						
Personnel Services	166,100	165,359	(741)	1,328,200	1,084,555	(243,645)
Materials & Services	55,200	42,897	(12,303)	441,800	360,408	(81,392)
Capital Purchases	62,800	935	(61,865)	502,100	131,944	(370,156)
Total expenditures	284,100	209,191	(74,909)	2,272,100	1,576,907	(695,193)
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	324,000	209,191	(114,809)	2,591,600	1,576,907	(1,014,693)
Total resources over (under) requirements						
Beginning balance	57,600	521,824	464,224	460,900	485,367	24,467
Ending Balance	\$ -	\$ 504,001	\$ 504,001	\$ -	\$ 504,001	\$ 504,001

Transient Lodging Tax Fund

This fund accounts for the City's share of the tourism promotion tax (4%). Tourism activity continues to grow. The City entered into an MOU with the State Department of Revenue to collect its taxes as of October 2022. The State remits the City's taxes on a quarterly basis. The first remittance from the State is expected early in April 2022, which is why there is no activity for this quarter. The last payment received from the City of Eugene was in November of 2022 for returns filed for September 2022 taxes.

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 are made as revenue is received.

Revenue received for the biennium is 94% of the budgeted amount for the 2021-23 biennium with six months of collections remaining. Expenditures are within budget for the biennium, but will exceed budgeted amounts in materials and services due to receiving more tax revenue than budget estimates.

	Quarter Ended March 31, 2023			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Taxes	\$ 114,400	\$ -	\$ (114,400)	\$ 915,000	\$ 860,692	\$ (54,308)
Total current resources	123,000	-	(123,000)	983,800	860,692	(123,108)
Expenditures						
Materials & Services	45,400	-	(45,400)	363,000	345,786	(17,214)
Transfers	68,100	-	(68,100)	544,600	511,227	(33,373)
Total expenditures	113,500	-	(113,500)	907,600	857,013	(50,587)
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	-	(123,000)	983,900	857,013	(126,887)
Total resources over (under) requirements						
Beginning balance	-	23,341	23,341	100	19,662	19,562
Ending Balance	\$ -	\$ 23,341	\$ 23,341	\$ -	\$ 23,341	\$ 23,341

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 2022, 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 revenue for the quarter represents interest earnings on the fund balance. The balance of \$568,195 is earmarked for projects in Old Town.

	Quarter Ended March 31, 2023			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Intergovernmental	\$ 254,000	\$ -	\$ (254,000)	\$ 2,031,500	\$ 2,032,574	\$ 1,074
Earnings & Contributions	300	4,896	4,596	2,500	14,021	11,521
Total current resources	254,300	4,896	(249,404)	2,034,000	2,046,595	12,595
Expenditures						
Personnel Services	-	-	-	-	-	-
Materials & Services	184,800	-	(184,800)	1,478,400	1,478,400	-
Capital Purchases	69,500	-	(69,500)	555,600	-	(555,600)
Transfers	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Total expenditures	254,300	-	(254,300)	2,034,000	1,478,400	(555,600)
Total expenditures and other requirements	254,300	-	(254,300)	2,034,000	1,478,400	(555,600)
Total resources over (under) requirements						
Beginning balance	-	563,299	563,299	-	-	-
Ending Balance	\$ -	\$ 568,195	\$ 568,195	\$ -	\$ 568,195	\$ 568,195

Florence Events Center Fund

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

Revenue is under budget for the quarter partially due to the delayed receipt of lodging tax from the State. Charges for services and interest earned for the quarter is above budgeted estimates.

Expenses are under budget for the quarter as full staffing and events resume and are expected to remain within budget for the biennium.

Overall, the FEC Fund's revenues were \$100,091 below the expenses for the quarter leaving a fund balance of \$688,637. As full operations return to the Center, fund balance is expected to be stable and remain within policy.

	Quarter Ended March 31, 2023			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Intergovernmental	\$ 58,500	\$ -	\$ (58,500)	\$ 467,700	\$ 479,079	\$ 11,379
Charges for Services	71,500	132,224	60,724	572,200	441,830	(130,370)
Earnings & Contributions	9,150	61,633	52,483	73,000	218,651	145,651
Transfers in	68,100	-	(68,100)	544,600	511,227	(33,373)
Debt proceeds	150,000	-	(150,000)	1,200,000	-	(1,200,000)
Total current resources	357,250	193,857	(163,393)	2,857,500	1,650,787	(1,206,713)
Expenditures						
Personnel Services	66,500	89,774	23,274	532,000	344,646	(187,354)
Materials & Services	156,200	204,174	47,974	1,249,500	1,040,246	(209,254)
Capital Purchases	145,250	-	(145,250)	1,162,000	23,379	(1,138,621)
Debt service	11,900	-	(11,900)	95,000	-	(95,000)
Total expenditures	379,850	293,948	(85,902)	3,038,500	1,408,271	(1,630,229)
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	293,948	(113,102)	3,256,100	1,408,271	(1,847,829)
Total resources over (under) requirements						
Beginning balance	49,800	788,728	738,928	398,600	446,121	47,521
Ending Balance	\$ -	\$ 688,637	\$ 688,637	\$ -	\$ 688,637	\$ 688,637

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 will be utilized.

Expenditures except for personnel services and materials and services were under budget for the quarter, and all are under budget for the biennium. Increases in payroll due to merit and promotions contributed to this. Capital purchases are under budget as expenses are not made equally throughout the year. Debt payments were made as scheduled during the quarter.

Charges for services received biennium-to-date are 86% of the amount budgeted, which is on par for the biennium. Interest earnings remain above the estimates made during the budget process.

During the quarter expenses exceeded revenues by \$41,365 leaving a fund balance of \$225,916, an increase of \$174,570 since July 1, 2021. \$3.4 million in debt proceeds will be utilized to fund various equipment purchases and the 9th Street and Rhododendron Drive projects.

	Quarter Ended March 31, 2023			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Intergovernmental	\$ 269,000	\$ -	\$ (269,000)	\$ 2,152,000	\$ 232,478	\$ (1,919,522)
Charges for Services	588,200	497,680	(90,520)	4,705,400	4,063,382	(642,018)
Earnings & Contributions	2,700	5,116	2,416	22,000	51,286	29,286
Transfers in	62,500	50,000	(12,500)	500,000	469,157	(30,843)
Debt proceeds	210,000	-	(210,000)	1,680,000	-	(1,680,000)
Total current resources	1,132,400	552,796	(579,604)	9,059,400	4,816,303	(4,243,097)
Expenditures						
Personnel Services	103,100	115,925	12,825	824,800	710,713	(114,087)
Materials & Services	413,000	427,548	14,548	3,304,200	2,561,959	(742,241)
Capital Purchases	441,900	50,688	(391,212)	3,535,000	1,166,218	(2,368,782)
Debt service	59,700	-	(59,700)	477,300	202,843	(274,457)
Total expenditures	1,017,700	594,161	(423,539)	8,141,300	4,641,733	(3,499,567)
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	594,161	(572,539)	9,333,400	4,641,733	(4,691,667)
Total resources over (under) requirements						
Beginning balance	34,300	267,281	232,981	274,000	51,346	(222,654)
Ending Balance	\$ -	\$ 225,916	\$ 225,916	\$ -	\$ 225,916	\$ 225,916

Wastewater Fund

This fund accounts for the City's wastewater operations. Charges for services are at normal levels for the quarter. 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 yet to be utilized. \$2,300,000 in debt proceeds will be received in April.

On the expenditure side, operating costs for the quarter are below budget for the quarter except for personnel services. Costs continue to be within budget for the biennium.

Revenue exceeded expenses \$244,088 for the quarter leaving a fund balance of \$1,088,068.

	Quarter Ended March 31, 2023			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	874,548	30,748	6,750,400	6,230,300	(520,100)
Earnings & Contributions	1,400	27,646	26,246	11,100	123,572	112,472
Transfers in	24,900	50,000	25,100	200,000	150,000	(50,000)
Debt proceeds	326,300	-	(326,300)	2,610,000	-	(2,610,000)
Total current resources	1,580,300	952,194	(628,106)	12,642,400	6,504,153	(6,138,247)
Expenditures						
Personnel Services	121,100	122,160	1,060	969,100	844,086	(125,014)
Materials & Services	476,500	451,526	(24,974)	3,811,400	3,317,907	(493,493)
Capital Purchases	707,500	134,420	(573,080)	5,660,000	1,070,076	(4,589,924)
Debt service	109,300	-	(109,300)	874,100	503,746	(370,354)
Total expenditures	1,414,400	708,106	(706,294)	11,314,600	5,735,815	(5,578,785)
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	708,106	(897,194)	12,842,000	5,735,815	(7,106,185)
Total resources over (under) requirements						
Beginning balance	25,000	843,980	818,980	199,600	319,730	120,130
Ending Balance	\$ -	\$ 1,088,068	\$ 1,088,068	\$ -	\$ 1,088,068	\$ 1,088,068

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.

Personnel services and materials and services 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 \$678,937 increased \$2,499 from the prior quarter.

	Quarter Ended March 31, 2023			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Charges for Services	\$ 147,300	\$ 147,588	\$ 288	\$ 1,177,900	\$ 1,023,323	\$ (154,577)
Earnings & Contributions	100	5,540	5,440	1,000	15,597	14,597
Transfers in	25,000	25,000	-	200,000	175,000	(25,000)
Debt proceeds	105,000	-	(105,000)	840,000	-	(840,000)
Total current resources	397,400	178,128	(219,272)	3,178,900	1,213,938	(1,964,962)
Expenditures						
Personnel Services	59,100	65,267	6,167	472,400	395,614	(76,786)
Materials & Services	73,000	92,461	19,461	583,700	534,634	(49,066)
Capital Purchases	238,700	17,901	(220,799)	1,910,000	157,450	(1,752,550)
Debt service	17,500	-	(17,500)	140,300	44,689	(95,611)
Total expenditures	388,300	175,629	(212,671)	3,106,400	1,132,387	(1,974,013)
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	175,629	(287,071)	3,701,300	1,132,387	(2,568,913)
Total resources over (under) requirements						
Beginning balance	65,300	676,438	611,138	522,400	597,386	74,986
Ending Balance	\$ -	\$ 678,937	\$ 678,937	\$ -	\$ 678,937	\$ 678,937

Airport Fund

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

Revenues received for the quarter were less than budgeted as grants are not cyclical in nature. Revenues lagged expenses by \$72,952 with an increase in capital spending for FAA grant projects.

Capital expenses are under budget for the biennium.

Ending fund balance for the quarter is \$213,057.

	Quarter Ended March 31, 2023			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Intergovernmental	\$ 88,700	\$ -	\$ (88,700)	\$ 709,500	\$ 661,731	\$ (47,769)
Charges for Services	15,000	23,011	8,011	120,000	141,882	21,882
Earnings & Contributions	49,500	17,740	(31,760)	395,600	339,722	(55,878)
Total current resources	153,200	40,751	(112,449)	1,225,100	1,143,335	(81,765)
Expenditures						
Materials & Services	58,200	46,245	(11,955)	465,600	353,581	(112,019)
Capital Purchases	75,000	72,458	(2,542)	600,000	490,001	(109,999)
Total expenditures	133,200	118,703	(14,497)	1,065,600	843,582	(222,018)
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	118,703	(36,397)	1,240,600	843,582	(397,018)
Total resources over (under) requirements						
Beginning balance	1,900	291,009	289,109	15,500	(86,696)	(102,196)
Ending Balance	\$ -	\$ 213,057	\$ 213,057	\$ -	\$ 213,057	\$ 213,057

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 were short of budget expectations due to debt proceeds not being utilized. Charges for services provided exceeded budget.

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

Ending fund balance for the quarter of \$468,835 contains a \$250,000 grant for the emergency refueling station. In April, the fund will receive \$398,400 to finance several vehicles and the construction of the emergency refueling station.

	Quarter Ended March 31, 2023			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Intergovernmental	\$ 33,200	\$ -	\$ (33,200)	\$ 265,400	\$ 257,378	\$ (8,022)
Charges for Services	371,100	478,139	107,039	2,968,500	2,580,746	(387,754)
Debt proceeds	65,000	-	(65,000)	520,000	-	(520,000)
Total current resources	469,300	482,586	13,286	3,753,900	2,875,076	(878,824)
Expenditures						
Personnel Services	223,000	203,903	(19,097)	1,784,500	1,318,148	(466,352)
Materials & Services	95,900	86,845	(9,055)	766,800	605,784	(161,016)
Capital Purchases	96,300	70,460	(25,840)	770,000	258,350	(511,650)
Transfers	59,600	-	(59,600)	477,000	329,415	(147,585)
Total expenditures	474,800	361,208	(113,592)	3,798,300	2,511,348	(1,286,952)
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	361,208	(121,792)	3,863,800	2,511,348	(1,352,452)
Total resources over (under) requirements						
Beginning balance	13,700	347,457	333,757	109,900	105,107	(4,793)
Ending Balance	\$ -	\$ 468,835	\$ 468,835	\$ -	\$ 468,835	\$ 468,835

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, 2023			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Earnings & Contributions	\$ 10,200	\$ 2,161	\$ (8,039)	\$ 81,500	\$ 96,385	\$ 14,885
Total current resources	10,200	2,161	(8,039)	81,500	96,385	14,885
Expenditures						
Materials & Services	100	48	(52)	1,000	375	(625)
Transfers	22,500	22,500	-	180,000	157,500	(22,500)
Total expenditures	22,600	22,548	(52)	181,000	157,875	(23,125)
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	22,548	(1,752)	194,700	157,875	(36,825)
Total resources over (under) requirements						
Beginning balance	14,100	148,312	134,212	113,200	189,415	76,215
Ending Balance	\$ -	\$ 127,925	\$ 127,925	\$ -	\$ 127,925	\$ 127,925

WATER SDC FUND

	Quarter Ended March 31, 2023			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Earnings & Contributions	\$ 31,200	\$ 6,187	(25,013)	\$ 250,000	\$ 305,006	55,006
Total current resources	31,200	6,187	(25,013)	250,000	305,006	55,006
Expenditures						
Materials & Services	-	48	48	-	48	48
Transfers	62,500	50,000	(12,500)	500,000	450,000	(50,000)
Total expenditures	62,500	50,048	(12,452)	500,000	450,048	(49,952)
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	50,048	(29,952)	640,200	450,048	(190,152)
Total resources over (under) requirements						
Beginning balance	48,800	319,439	270,639	390,200	420,620	30,420
Ending Balance	\$ -	\$ 275,578	\$ 275,578	\$ -	\$ 275,578	\$ 275,578

WASTEWATER SDC FUND

	Quarter Ended March 31, 2023			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Earnings & Contributions	\$ 45,500	\$ 46,396	896	\$ 364,000	\$ 433,109	69,109
Total current resources	45,500	46,396	896	364,000	433,109	69,109
Expenditures						
Materials & Services	300	106	(194)	2,200	1,103	(1,097)
Transfers	25,000	50,000	25,000	200,000	150,000	(50,000)
Total expenditures	25,300	50,106	24,806	202,200	151,103	(51,097)
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	50,106	(20,094)	561,500	151,103	(410,397)
Total resources over (under) requirements						
Beginning balance	24,700	514,146	489,446	197,500	228,430	30,930
Ending Balance	\$ -	\$ 510,436	\$ 510,436	\$ -	\$ 510,436	\$ 510,436



STORMWATER SDC FUND

	Quarter Ended March 31, 2023			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Earnings & Contributions	\$ 19,100	\$ 3,899	(15,201)	\$ 153,000	\$ 134,964	(18,036)
Total current resources	19,100	3,899	(15,201)	153,000	134,964	(18,036)
Expenditures						
Materials & Services	100	48	(52)	1,000	832	(168)
Transfers	25,000	25,000	-	200,000	175,000	(25,000)
Total expenditures	25,100	25,048	(52)	201,000	175,832	(25,168)
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	25,048	(42,652)	542,000	175,832	(366,168)
Total resources over (under) requirements						
Beginning balance	48,600	192,162	143,562	389,000	211,881	(177,119)
Ending Balance	\$ -	\$ 171,013	\$ 171,013	\$ -	\$ 171,013	\$ 171,013



Debt Service Funds

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 five 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 \$570,086 is reserved for future LID loan payments.

	Quarter Ended March 31, 2023			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Intergovernmental	\$ 154,900	\$ 111,112	\$ (43,788)	\$ 1,239,000	\$ 813,793	\$ (425,207)
Earnings & Contributions	21,300	31,956	10,656	170,000	411,901	241,901
Transfers in	171,500	6,920	(164,580)	1,372,000	1,034,791	(337,209)
Total current resources	347,700	149,988	(197,712)	2,781,000	2,260,485	(520,515)
Expenditures						
Materials & Services	200	450	250	1,700	1,250	(450)
Debt service	353,700	111,112	(242,588)	2,829,000	2,071,697	(757,303)
Total expenditures	353,900	111,562	(242,338)	2,830,700	2,072,947	(757,753)
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	2,072,947	(1,239,053)
Total resources over (under) requirements						
Beginning balance	66,400	531,660	465,260	531,000	382,548	(148,452)
Ending Balance	\$ -	\$ 570,086	\$ 570,086	\$ -	\$ 570,086	\$ 570,086

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, 2023 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, 2023 is \$16.5 million.

The City is working with Banner bank on a \$13.6 million financing to close in April of 2023.

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