



Location: City Hall – Council Chambers
Date: March 25, 2025
Time: 6:00 PM

City Council Meeting Agenda

Mayor Jason Beebe, Council Members Steve Uffelman, Janet Hutchison, Shane Howard, Jerry Brummer, Scott Smith, Marv Sumner and City Manager Steve Forrester

Attend telephonically by calling 346-248-7799 Meeting ID 947 5839 2608 Passcode: 123456

Call to Order

Flag Salute

Additions to Agenda

Consent Agenda

- [1.](#) Regular Meeting Brief 3-11-2025

Visitors, Appearances and Requests

Council Presentations

2. Ceremonial Swear In of Sergeant Daniel Yanes & Officer Gabe Gibson - Chief Profio

Council Business

3. Appointment of Department Liaisons - Mayor Beebe

Staff Reports and Requests

- [4.](#) City Manager's Report - Steve Forrester
- [5.](#) Quarterly Financial Report - Lori Hooper Antram
6. Police Department Annual 2024 Update - Chief Profio

Council Reports

Ordinances

- [7.](#) Ordinance No. 1299 - Adding Chapter 99 to the Prineville City Code Regarding Park Rules & Regulations (**SECOND PRESENTATION**) - Jered Reid

Resolutions

- [8.](#) Resolution No. 1616 - Adopting a Supplemental Budget and Making Appropriations for BN 2023-2025 (**PUBLIC HEARING**) - Lori Hooper Antram



9. Resolution No. 1617 - For Inclusion Under the State of Oregon Deferred Compensation Plan - Karee Miller

10. Resolution No. 1618 - Authorizing an Amendment to IGA with Crook County for Crook County Road Agency - Jered Reid

Visitors, Appearances and Requests

Adjourn

Agenda items maybe added or removed as necessary after publication deadline

Individuals needing special accommodations such as sign language, foreign language interpreters or equipment for the hearing impaired must request such services at least 48 hours prior to the City Council meeting. To make your request, please contact the City Recorder at 541-447-5627 (voice), or by e-mail to lmorgan@cityofprineville.com.



CITY OF PRINEVILLE
Regular Meeting Brief
387 NE Third Street – Prineville, OR 97754
541.447.5627 ph 541-447-5628 fax

Full Meeting Recordings Available at:
<http://cityofprineville.com/meetings/>

City Council Meeting Brief
March 11, 2025

Council Members Present:

Scott Smith
Shane Howard
Janet Hutchison

Marv Sumner
Steve Uffelman

Council Members Absent

Jerry Brummer
Jason Beebe

Additions to the Agenda

None.

Consent Agenda

1. Regular Meeting Brief 2-25-2025

Councilor Smith made a motion to approve consent agenda as presented. Motion seconded. No discussion on motion. All in favor, motion carried.

Visitors, Appearances and Requests

Shane Mitchell, a Prineville resident came forward and complimented staff on moving the horse statues to the roundabout and placing the horse statue that is in the plaza now.

Mr. Mitchell proposed putting lights inside the horse statue in the plaza so that it could be lit at night and maybe we could get a grant or donations to do that. He asked Council to work on that so we could have a stunning piece of artwork day and night.

Council and staff agreed to look into it and will contact Mr. Mitchell for more input on how to achieve that.

Council President Uffelman talked about the EDCO luncheon and the speaker that they had. He said he has served on a lot of boards and committees and how our Council is one of the best he has worked with. He congratulated the Council for not being afraid to speak up and share what you need to and move on.

No one else came forward and there was not anyone on the phone.

Council Presentations

None.

Council Business

2. Intent to Award 2025 Laughlin Rd Waterline Improvements – Mike Kasberger

Mike Kasberger, City Engineer presented the staff report explaining that this is one of four projects identified to be completed with the funding received from SB1530.

There were discussions regarding timing of project completion and all of the projects having to be completed by July 1st.

Councilor Hutchison made a motion to approve intent to award the 2025 Laughlin Rd Waterline Improvements Project to Taylor Northwest in the amount of \$817,610.70. Motion seconded. No discussion on motion. All in favor, motion carried.

Staff Reports and Requests:

3. City Manager's Report – Casey Kaiser

Mr. Kaiser presented the City Manager's report highlighting activities in each department.

There were no questions.

Council Reports

Councilor President Uffelman stated that he did a presentation at the Rotary meeting today regarding the observatory at Barnes Butte Recreation Area. He would like to be able to put a red glow light around a concrete deck for people to be able to get up with their telescopes to view stars.

Councilor President Uffelman added that he has an appointment on Friday with an astronomer to work with the group to advise on proper storing of telescopes.

There were no further reports.

Ordinances:**4. Ordinance No. 1299 – Adding Chapter 99 to the Prineville City Code Regarding Park Rules and Regulations (FIRST PRESENTATION) – Jered Reid**

Steve Waring, Crook County Parks & Recreation Executive Director explained that the District Board adopted the rules a couple months back, however do not have a way of enforcing them without the city adopting them.

Jered Reid, City Attorney explained that this is basically for best practices for the city and this will help each entity on enforcing the same rules.

Mr. Waring said that if adopted he can start handing the rules out and parks staff can hand out citations and if that doesn't work, then they would get the Police Department involved.

There were discussions regarding fire arms, this not causing extra work for the Police Department since they already patrol regularly, dogs not being on leashes and community education.

Mr. Reid added that citations currently are associated with a bite from one dog to another dog, animal or person.

Mr. Waring explained that they will begin more public outreach for dogs being on a leash and that there are designated off leash areas.

Councilor Howard made a motion to approve the first presentation of Ordinance No. 1299. Motion seconded. No discussion on motion. All in favor, motion carried.

Resolutions:**5. Resolution No. 1615 – Establishing Council Liaisons and Terminating Certain Committees – Jered Reid**

Mr. Reid provided a summary of the information that was discussed at the workshop last month and this resolution codifies that.

Councilor Howard made a motion to adopt Resolution No. 1615. Motion seconded. No discussion on motion. All in favor, motion carried.

Councilor Howard is interest in utilities, Councilor Hutchison is interested in public safety, Councilor Smith is interested in streets, Council President Uffelman is interested in public facilities and Councilor Sumner would like solid waste.

Mr. Reid said that he would talk with Councilor Brummer and the Mayor.

Visitors, Appearances and Requests:

No one came forward and no one was on the phone.

Adjourn

Councilor Smith made a motion to adjourn the meeting. Motion seconded. No discussion on motion. All in favor, motion carried.

Meeting adjourned at 6:42 P.M.

Motions and Outcomes:

Motion:	Outcome	Beebe	Brummer	Howard	Hutchison	Smith	Sumner	Uffelman
Consent Agenda as Presented Corrected	PASSED	-	-	Y	Y	Y	Y	Y
Approve intent to award the 2025 Laughlin Rd Waterline Improvements Project to Taylor Northwest in the amount of \$817,610.70	PASSED	-	-	Y	Y	Y	Y	Y
Ordinance No. 1299 – Adding Chapter 99 to the Prineville City Code Regarding Park Rules and Regulations (FIRST PRESENTATION)	PASSED	-	-	Y	Y	Y	Y	Y
Resolution No. 1615 – Establishing Council Liaisons and Terminating Certain Committees	PASSED	-	-	Y	Y	Y	Y	Y
Adjourn Meeting	PASSED	-	-	Y	Y	Y	Y	Y

Public Records Disclosure

Under the Oregon public records law, all meeting information, agenda packets, ordinances, resolutions, audio and meeting briefs are available at the following URL:

<https://www.cityofprineville.com/meetings> .

City Manager Update to Council

March 25, 2025

Public Safety / Dispatch

The Evidence Tech candidate has passed all the background process and we hope to be filling that position soon.

We have a new dispatcher starting on April 1st and another round of candidates in process.

Public Works

Public Works is in full swing with numerous projects underway.

Railroad

The bridge repair is on pause waiting for materials to continue work. Railroad activities remain steady with McCall Oil starting up for the season.

Meadow Lakes Golf

Meadow Lakes is gearing up for the season and starting to bring back seasonal staff.

Zach has been working with Justin for some cart path repaving which will be coming to Council soon.

Airport - No Update

Planning

The Planning Commission had their public hearing on the proposed Urban Growth Boundary (UGB) expansion and all went well. It is now moving forward to Council for a public hearing on April 8th.

Josh is reporting that people are turning dirt everywhere with development.

The Laughlin Road water and sewer project will be kicking off soon, which will cause some intermittent traffic disruptions in that area all the way to Hickey Farms Road. The good news is that it will open up more development opportunities.

Human Resources

Karee is busy with recruitment efforts for Dispatch, PD, IT and Meadow Lakes seasonal staff.

Information Technology – No Update

Finance

Budget preparation is in full swing and getting ready for the second round of year end estimates.

City Recorder/Risk Management

Please be sure to complete your annual statement of economic interest with OGEC before April 15th.

City Legal – No Update

EDCO – No Update

Public Relations

ShanRae is working on April social media content, keeping our community engaged and informed.

Mayor/Council – No Update

Economic Development and Strategic

Caroline and Casey attended the Senator Wyden townhall on the 18th which was well attended.

We have received information that there will regrettably not be any federal funding received in FY2025, and will prepare to put in requests for FY2026. Unfortunately many projects across the region lost their federal funding for FY2025 despite many efforts to keep that from happening.

Other – No Update



*City of Prineville, Oregon
Financial Report
Second Quarter Ended
December 31, 2024*

Executive Summary

The City of Prineville moved to a biennial budget in FY 20 resulting in some changes being made to the presentation of the quarterly financial report. The report includes a city-wide summary of beginning fund balances, current period resources and expenditures, and the ending fund balances for all funds. Included in the fund summaries, starting on page six, are comparisons of actual to budgeted amounts, and narrative explaining results and highlights for the quarter. The biennial budget comparison to actual is highlighted in light green in each of the funds. Annual budget estimates for FY 25 reflect the estimated budget allocation for the fiscal year. The quarter budget estimates have been allocated proportionally of the fiscal year budget (25 percent).

Current Quarter Quarter budget estimates allocated at 25 percent of the fiscal year budget compared to actual			Year to Date Fiscal year 2025 budget allocation compared to actual				Biennial budget comparison to actual		
↓			↓				↓		
Current Quarter			Year to Date						
Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance	Biennial Budget	Biennial Budget %	Biennial Budget Remaining Balance

The information presented in this report is unaudited.

Through the second quarter, ending December 31, 2024, the City's overall financial condition increased by approximately \$5.1 million or 23 percent. Funds with significant increases in fund balance include the General Fund, Transportation SDC, Wastewater and the Building Facilities Fund. Significant contributors to the increase in the City's financial condition are increases in tax collection, grant reimbursements and the timing in which debt service payments are due.

Through the second quarter, General Fund revenues came in at roughly 72 percent of the annual budget or \$7.9 million. Property tax revenue is roughly 98 percent of the annual budget at quarter end. Transient lodging taxes are up approximately 8 percent in comparison to the prior year. Franchise fees are at roughly 65 percent of the annual budget with overall collection up approximately \$1.1 million over the prior year quarter end. Increases in electrical franchise fees are the main reason that overall franchise fees are up with their increases over the prior year at quarter end also equaling \$1.1 million. This is largely due to the recent build out of the data centers and electrical rate increases. Overall, the General Fund realized an increase in fund balance of roughly \$2.2 million or 32 percent through the second quarter which was anticipated with property taxes due in November.

The Transportation's fund balance decreased roughly \$328,000 or -39 percent through the second quarter. This was largely due to the timing in which budgeted projects are completed and revenues are received. Through the second quarter, state gas tax collection came in at roughly \$467,000 and is up approximately \$13,000 or 3 percent over the prior year quarter end. Capital improvements associated with summer street rehabilitation projects were wrapped up in the second quarter and totaled roughly \$721,000.

In Emergency Dispatch, fund balance increased approximately \$181,000 or 10 percent at quarter end. Contributing to the increase in fund balance is the shortage of staff for the department. At quarter end, there were 5 open positions looking to be filled. Capital expenditures during the

second quarter were for cabinet system equipment for the Stearns Butte radio site and new repeaters totaling approximately \$86,000.

In the SDC funds, capital projects continued. Transportation SDC capital projects taking place through the second quarter were the Peters Road / Combs Flat extension project which is anticipated to be completed in the summer of 2025. In the Water SDC Fund, the water resiliency project was completed and ASR well upgrades continued and are both being funded mostly through grants and reimbursements from the data centers. In the Wastewater SDC Fund, capital projects were largely associated with the utility expansion project out Madras Hwy. That expansion project will be reimbursed through a Business Oregon grant. SDC collection during the second quarter were associated with 11 residential starts and 1 commercial start.

Second quarter revenue comparisons to the prior year in the Railroad Fund show overall revenues are up roughly 4 percent. The significant increases are in storage and switching charges. Freight cars are down by 25 cars in comparison to the prior year at quarter end with a significant decrease in magnesium cars but there is an increase in oil cars offsetting the decrease. McCall oil brought in 125 of the 283 cars that were switched at the Prineville Junction through the second quarter. Freight depot charges for services are down largely due a decrease in lumber companies utilizing the freight depot facility. Materials and services are at roughly 89 percent of the annual budget with track work being completed in the second quarter. During the first quarter, the railroad bridge over Madras Hwy was hit by a truck and sustained significant damage. A supplemental budget is expected to be needed before yearend due to this unanticipated event. Fund balance decreased roughly \$52,000 or -5 percent through the second quarter. Fund balance is anticipated to decrease from approximately \$941,000 to roughly \$667,000 by yearend due to a capital grant awarded that has a \$400,000 match associated with it. The grant contract had not been finalized as of the end of the second quarter.

Meadow Lakes Golf fund balance decreased through the second quarter approximately \$34,000 or 3 percent. Through the second quarter, capital equipment and projects were completed totaling about \$113,000. Operating revenue for the golf course is up in comparison to the prior year at quarter end by 5 percent with rounds of golf down by approximately 800 rounds and the golf course closed three more days than the prior year. Golf course operating expenditures are up 13 percent and maintenance expenditures are up roughly 2 percent over the prior year. This increase can be attributed to pay increases that took place in July with some of those increases being mandatory with the increase in minimum wage.

In the Public Works Support Services, fund balance decreased \$66,000 or -77 percent. A new pickup truck was purchase in the first quarter and the annual capital lease payment was made contributing to the decrease in fund balance. At second quarter end, both departments in the Public Works Support Services Fund were tracking under budget.

Through the second quarter, the Building Facilities Fund increased its fund balance by roughly \$340,000. All departments are running below budget at quarter end. The City Hall Department may need a budget adjustment prior to yearend. Carpet replacement was budgeted for the building, but costs increased since the time of budgeting. The project was approved by council in December and is scheduled to be replaced in January 2025.

December 31, 2024

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

Sincerely,

Steve Forrester
City Manager

Lori Hooper Antram,
Finance Director



Stryker Park in December 2024

December 31, 2024

							Percentage			
	Budgeted	Actual	Audited	Current	Current	Ending	Change	Change	Projected	Variance
Fund	Beginning Fund	Beginning Fund		Year	Year	Fund	in Fund	in Fund	Year-End	
	Balance	Balance		Resources	Expenditures	Balance	Balance	Balance	Estimate	Over / (Under)
General	\$ 1,957,481	\$ 6,842,202	\$ 7,871,269	\$ 5,690,961	\$ 9,022,510	\$ 2,180,308	32%		\$ 8,995,000	\$ (27,510)
Transportation	404,498	839,637	989,961	1,317,639	511,959	(327,678)	-39%		617,000	105,041
Emergency Dispatch	609,240	1,902,347	1,290,024	1,109,239	2,083,132	180,785	10%		1,844,000	(239,132)
Planning	231,951	248,505	243,722	301,100	191,127	(57,378)	-23%		200,000	8,873
Transportation SDC	20,176,872	2,430,096	5,184,929	3,271,382	4,343,643	1,913,547	79%		4,263,000	(80,643)
Water SDC	264,013	116,487	539,957	606,927	49,517	(66,970)	-57%		254,000	204,483
Wastewater SDC	7,710	186,772	129,722	163,101	153,394	(33,378)	-18%		263,000	109,606
PERS / POB	1,834,957	2,184,240	346,414	21,699	2,508,955	324,715	15%		2,567,000	58,045
Railroad	992,940	1,032,897	559,690	611,293	981,294	(51,603)	-5%		667,000	(314,294)
Airport	100,068	31	119,320	110,188	9,163	9,132	29457%		200	(8,963)
Water	1,491,817	1,809,385	2,457,120	2,320,235	1,946,270	136,885	8%		1,632,000	(314,270)
Wastewater	1,752,887	2,197,475	2,471,076	1,809,391	2,859,160	661,685	30%		2,202,670	(656,490)
Golf Course and Restaurant	1,018,692	1,058,765	962,112	996,000	1,024,877	(33,888)	-3%		800,000	(224,877)
Administration and Financial Services	617,199	143,271	2,391,447	2,389,872	144,846	1,575	1%		109,000	(35,846)
Building Facilities	551,197	907,116	641,077	301,299	1,246,893	339,777	37%		999,000	(247,893)
Plaza Maintenance	29,273	49,640	1,565	4,735	46,470	(3,170)	-6%		32,000	(14,470)
Public Works Support Services	838,052	400,392	1,124,893	1,191,257	334,028	(66,364)	-17%		124,000	(210,028)
Totals	\$ 32,878,847	\$ 22,349,258	\$ 27,324,299	\$ 22,216,319	\$ 27,457,238	\$ 5,107,980	23%		\$ 25,568,870	\$ (1,888,368)



The Plaza on 10/25/24

General Fund

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

Overall revenue collection through the second quarter is at approximately \$7.9 million or 72 percent of the annual budget. Property tax revenue is roughly 98 percent of the annual budget at quarter end with the taxes due in November. Transient lodging taxes are up in comparison to the prior year by roughly 8 percent. Franchise fees are at roughly 65 percent of the annual budget with overall collection up approximately \$1.1 million in comparison to the prior year at quarter end. This is largely due to increases in electrical franchise fees with the recent build out of the data centers and electricity rate increases.

Police spending through the second quarter was at approximately 50 percent of the annual budget. Personnel services are at roughly 42 percent of the annual budget with 3 open position, including the Police Chief position, being filled during the quarter. Shop with a Cop was a success and took place in December, helping to spread holiday cheer to some local families.

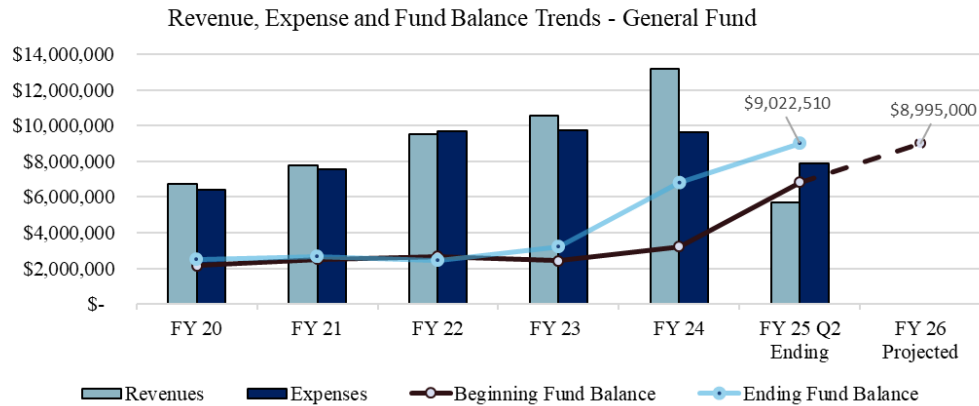
Non-Departmental is at roughly 50 percent of the annual budget at quarter end. Second quarter significant expenditures in Non- Departmental included \$322,000 for the Prineville Renewable Energy Project (PREP), \$48,000 in street lighting, \$114,000 in transient lodging taxes to the chamber of commerce and \$1.1 million in transfers to support planning, streets, the airport, administrative services and the building facilities.



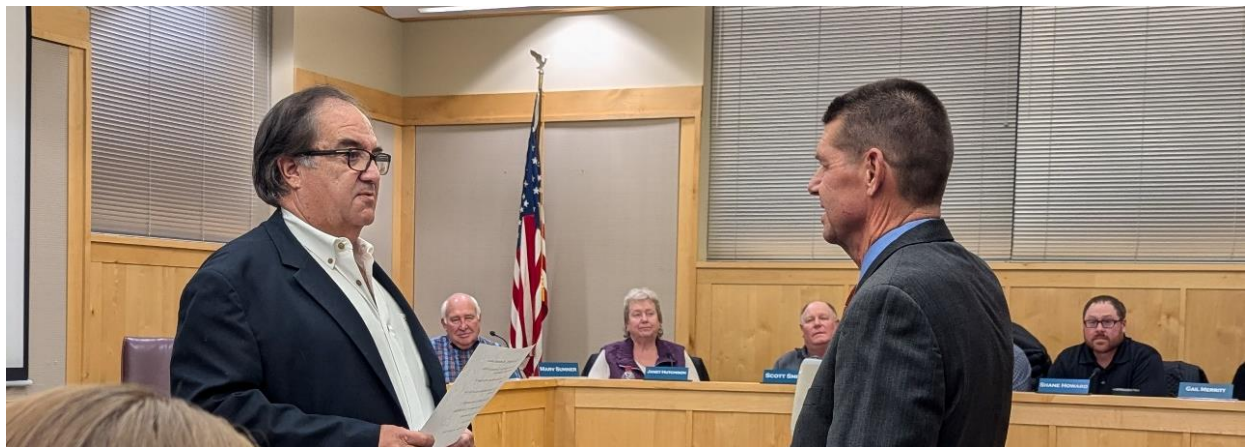
Shop with a Cop participants - December 2024.

General Fund – Continued

Overall, the General Fund realized an increase in fund balance of roughly \$2.2 million or 32 percent through quarter end. This was anticipated with property tax collections due in November. Yearend estimates are projecting the beginning fund balance for FY 26 to be roughly \$9 million.



	Current Quarter			Year to Date							
	Quarter Budget Est.	Quarter Actual	Quarter Budget %	Annual Budget Est.	Annual Actual	Annual Est. Budget %	Annual Est. Budget Balance	Biennial Budget	Biennial Actual To Date	Biennial Budget %	Biennial Budget Remaining Balance
Revenue											
Property taxes	\$ 722,300	\$ 2,795,744	387%	\$ 2,889,200	\$ 2,828,132	98%	\$ 61,068	\$ 5,695,100	\$ 5,747,669	101%	\$ (52,569)
Transient lodging tax	150,000	117,289	78%	600,000	302,676	50%	297,324	1,200,000	755,681	63%	444,319
Franchise fees	1,549,338	2,055,472	133%	6,197,350	4,013,395	65%	2,183,955	10,491,750	11,698,986	112%	(1,207,236)
Licenses and permits	1,525	586	38%	6,100	2,936	48%	3,165	12,200	9,211	76%	2,989
Intergovernmental revenues	296,075	39,809	13%	1,184,300	191,351	16%	992,949	2,113,600	1,627,917	77%	485,683
Interest	8,750	107,504	1229%	35,000	160,006	457%	(125,006)	70,000	419,805	600%	(349,805)
Miscellaneous	15,875	354,770	2235%	63,500	372,773	587%	(309,273)	817,000	870,156	107%	(53,156)
Total revenue	\$ 2,743,863	\$ 5,471,175	199%	\$ 10,975,450	\$ 7,871,269	72%	\$ 3,104,181	\$ 20,399,650	\$ 21,129,424	104%	\$ (729,774)
Expenditures											
Police	\$ 2,062,500	\$ 2,054,943	100%	\$ 8,250,000	\$ 4,090,388	50%	\$ 4,159,612	\$ 16,326,300	\$ 11,738,121	72%	\$ 4,588,179
Non-departmental	793,500	465,097	59%	3,174,000	1,600,573	50%	1,573,427	5,174,500	3,600,788	70%	1,573,712
Contingency				1,508,931				1,508,931			
Total expenditures	\$ 2,856,000	\$ 2,520,040	88%	\$ 12,932,931	\$ 5,690,961	44%	\$ 5,733,039	\$ 23,009,731	\$ 15,338,909	67%	\$ 6,161,891
Revenue over (under) expenditures	\$ (112,138)	\$ 2,951,135	43%	\$ (1,957,481)	\$ 2,180,308	32%	\$ (2,628,858)	\$ (2,610,081)	\$ 5,790,515		
Beginning fund balance	1,957,481	6,842,202	350%	1,957,481	6,842,202	350%		2,610,081	3,231,995		
Ending fund balance	\$ 1,845,344	\$ 9,793,337	531%	\$ -	\$ 9,022,510	-		\$ -	\$ 9,022,510		



Police Chief, Jeff Profio, being sworn in - November 2024.

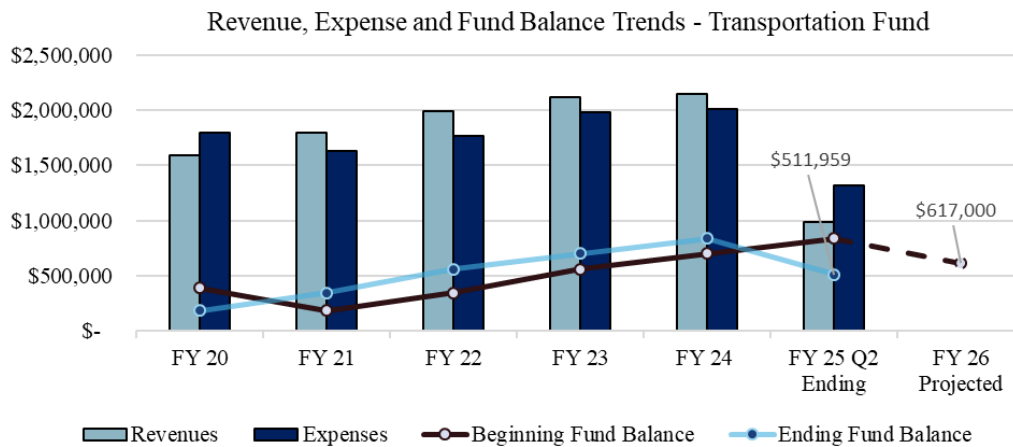
Transportation Fund

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

Revenue for the Transportation Fund through the second quarter is at approximately 51 percent of the annual budget. Intergovernmental revenue collection is at 49 percent of the annual budget with roughly \$467,000 coming in for gas taxes through the second quarter. State gas tax collection is up approximately 3 percent over the prior year at quarter end.

Expenditures through the second quarter are at approximately 56 percent of annual budget. Second quarter capital expenses were largely associated with completing the summer street rehabilitation projects that totaled roughly \$721,000. Personnel services are at 48 percent of the annual budget and materials and services are at 41 percent of the annual budget.

Fund balance decreased roughly \$328,000 through the second quarter, largely due to the timing in which budgeted projects are completed and revenues are received. Below are revenue, expense and fund balance trends for the Transportation Fund. Fund balance is estimated to be roughly \$617,000 to start FY 26.



December 31, 2024

Transportation Fund - Continued

	Current Quarter			Year to Date							
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance	Biennial Budget	Biennial Actual To Date	Biennial Budget %	Biennial Budget Remaining Balance
Revenue											
Franchise fees	\$ 101,000	\$ 101,000	100%	\$ 404,000	\$ 202,000	50%	\$ 202,000	\$ 908,700	\$ 706,700	78%	\$ 202,000
Intergovernmental	280,550	294,668	105%	1,122,200	554,724	49%	567,476	2,243,400	1,697,888	76%	545,512
Transfers	100,000	100,000	100%	400,000	200,000	50%	200,000	800,000	600,000	75%	200,000
Interest	1,325	11,627	877%	5,300	20,932	395%	(15,632)	11,300	60,243	533%	(48,943)
Miscellaneous	4,000	8,279	207%	16,000	12,305	77%	3,695	137,000	72,857	53%	64,143
Total revenue	\$ 486,875	\$ 515,574	106%	\$ 1,947,500	\$ 989,961	51%	\$ 957,539	\$ 4,100,400	\$ 3,137,688	77%	\$ 962,712
Expenditures											
Personnel services	\$ 75,800	\$ 74,669	99%	\$ 303,200	\$ 145,892	48%	\$ 157,308	\$ 593,200	\$ 420,155	71%	\$ 173,045
Material and services	113,950	98,880	87%	455,800	186,149	41%	269,651	956,500	555,905	58%	400,595
Capital outlay											
Improvements	187,500	53,199	28%	750,000	720,948	96%	29,052	1,675,000	1,567,183	94%	107,817
Transfers	132,325	132,325	100%	529,300	264,650	50%	264,650	1,049,200	784,550	75%	264,650
Contingency				313,698				313,698			
Total expenditures	\$ 509,575	\$ 359,073	70%	\$ 2,351,998	\$ 1,317,639	56%	\$ 720,661	\$ 4,587,598	\$ 3,327,794	73%	\$ 946,106
Revenue over (under) expenditures	\$ (22,700)	\$ 156,501	19%	\$ (404,498)	\$ (327,678)	-39%	\$ 236,878	\$ (487,198)	\$ (190,106)		
Beginning fund balance	404,498	839,637	208%	404,498	839,637	208%		487,198	\$ 702,065		
Ending fund balance	\$ 381,798	\$ 996,138	261%	\$ -	\$ 511,959	-		\$ -	\$ 511,959		



Combs Flat Extension Project - October 2024.

Emergency Dispatch Fund

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

Revenue collection for the Emergency Dispatch fund was approximately \$1.3 million or 58 percent of the annual budget. Intergovernmental revenue collection through the quarter was at roughly \$842,000 with E-911 funds slightly down in comparison to the prior year at quarter end. The fire district made their annual payment in the first quarter bring intergovernmental revenue to 60 percent of the annual budget.

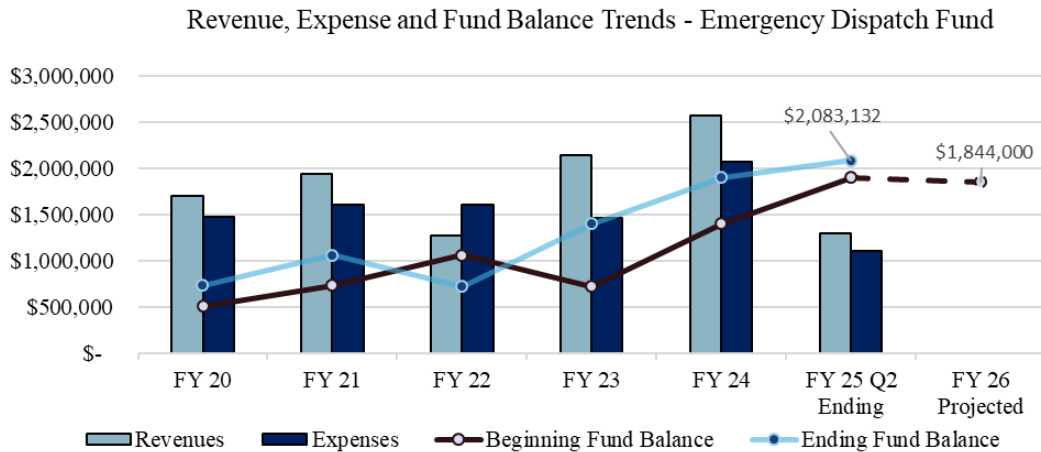
Expenditures are at approximately \$1.1 million or 39 percent of the annual budget. Personnel services are 34 percent of the annual budget or approximately \$578,000 with overtime coming in at roughly 89 percent of the annual budget. Dispatch continued to be short staff through the second quarter and management starting looking at new strategies on getting more applicants for their 5 open positions. Capital expenditures during the second quarter were for cabinet system equipment for the Stearns Butte radio site and new repeaters.



E-911 staff helped with Shop with a Cop in December 2024.

Emergency Dispatch Fund - Continued

Fund balance increased roughly \$181,000 or 10 percent through quarter end. Below are revenue, expense and fund balance trends for the Emergency Dispatch Fund.



	Current Quarter			Year to Date							
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance	Biennial Budget	Biennial Actual To Date	Biennial Budget %	Biennial Budget Remaining Balance
Revenue											
Intergovernmental	\$ 351,575	\$ 322,539	92%	\$ 1,406,300	\$ 842,449	60%	\$ 563,851	\$ 3,225,500	\$ 2,516,554	78%	\$ 708,946
Miscellaneous	750	55	7%	3,000	55	2%	2,945	6,000	55	1%	5,945
Interest	1,500	30,668	2045%	6,000	45,920	765%	(39,920)	12,000	120,645	1005%	(108,645)
Transfers from other funds	200,800	200,800	100%	803,200	401,600	50%	401,600	1,627,500	1,225,900	75%	401,600
Total revenue	\$ 554,625	\$ 554,062	100%	\$ 2,218,500	\$ 1,290,024	58%	\$ 928,476	\$ 4,871,000	\$ 3,863,154	79%	\$ 1,007,846
Expenditures											
Personnel services	\$ 421,350	\$ 291,489	69%	\$ 1,685,400	\$ 577,530	34%	\$ 1,107,870	\$ 3,323,300	\$ 1,600,188	48%	\$ 1,723,112
Material and services	86,250	87,802	102%	345,000	268,006	78%	76,994	679,900	516,168	76%	163,732
Capital outlay											
Equipment	35,000	86,311	247%	140,000	140,703	101%	(703)	1,082,000	705,381	65%	376,619
Transfers	61,500.00	61,500	100%	246,000	123,000	50%	123,000	481,800	358,800	74%	123,000
Contingency				411,340				411,340			
Total expenditures	\$ 604,100	\$ 527,102	87%	\$ 2,827,740	\$ 1,109,239	39%	\$ 1,307,161	\$ 5,978,340	\$ 3,180,537	53%	\$ 2,386,463
Revenue over (under) expenditures	\$ (49,475)	\$ 26,960	1%	\$ (609,240)	\$ 180,785	10%	\$ (378,685)	\$ (1,107,340)	\$ 682,617		
Beginning fund balance	609,240	1,902,347	312%	609,240	1,902,347	312%		1,107,340	1,400,515		
Ending fund balance	\$ 559,765	\$ 1,929,307	345%	\$ -	\$ 2,083,132	-		\$ -	2,083,132		

Planning Fund

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

Overall revenue collection through quarter end came in at approximately \$244,000 or 46 percent of the annual budget. Revenue collection for the licenses and permits are at approximately 63 percent of the annual budget and are up roughly \$2,700 in comparison to the prior year at quarter end. Second quarter development had roughly 11 residential and one commercial start paying for SDC's during the quarter.

Expenditures are at approximately \$301,000 or 40 percent of the annual budget. Personnel services is tracking slightly over the annual budget but below the biennial budget. Expenditures associated with the urban growth boundary expansion totaled \$53,000 through the second quarter.

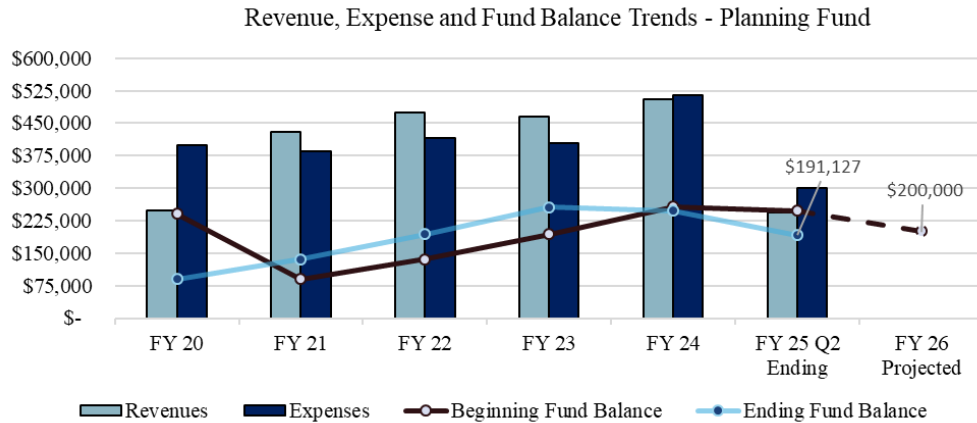


Planning Director, Josh Smith and Assistant City Manager, Casey Keiser, on a project site in October 2024.

December 31, 2024

Planning Fund - Continued

Fund balance decreased roughly \$57,000 but will be partially replenished with a budgeted transfer from the General Fund by yearend. FY 26 Fund balance is estimated to begin at \$200,000.



	Current Quarter			Year to Date							
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance	Biennial Budget	Biennial Actual To Date	Biennial Budget %	Biennial Budget Remaining Balance
Revenue											
Licenses and permits	\$ 8,750	\$ 10,379	119%	\$ 35,000	\$ 22,078	63%	\$ 12,922	\$ 75,000	\$ 61,213	82%	\$ 13,787
Intergovernmental	1,250	1,099	88%	5,000	1,099	22%	3,901	10,000	3,000	30%	7,000
Charges for services	8,050	29,048	361%	32,200	33,465	104%	(1,265)	141,400	123,479	87%	17,921
Interest	1,300	4,388	338%	5,200	7,080	136%	(1,880)	4,000	21,439	536%	(17,439)
Transfers from other funds	112,500	90,000	80%	450,000	180,000	40%	270,000	850,000	540,000	64%	310,000
Total revenue	\$ 131,850	\$ 134,914	102%	\$ 527,400	\$ 243,722	46%	\$ 283,678	\$ 1,080,400	\$ 749,131	69%	\$ 331,269
Expenditures											
Personnel services	\$ 74,900	\$ 81,409	109%	\$ 299,600	\$ 156,060	52%	\$ 143,540	\$ 585,200	\$ 420,982	72%	\$ 164,218
Material and services	58,900	24,250	41%	235,600	53,940	23%	181,660	314,700	127,921	41%	186,779
Transfers	45,550	45,550	100%	182,200	91,100	50%	91,100	356,900	265,800	74%	91,100
Contingency				41,951				41,951			
Total expenditures	\$ 179,350	\$ 151,210	84%	\$ 759,351	\$ 301,100	40%	\$ 416,300	\$ 1,298,751	\$ 814,703	63%	\$ 442,097
Revenue over (under) expenditures	\$ (47,500)	\$ (16,296)	-7%	\$ (231,951)	\$ (57,378)	-23%	\$ (132,622)	\$ (218,351)	\$ (65,572)		
Beginning fund balance	231,951	248,505	107%	231,951	248,505	107%		218,351	256,699		
Ending fund balance	\$ 184,451	\$ 232,209	126%	\$ -	\$ 191,127	-		\$ -	\$ 191,127		

Transportation SDC Fund

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

Revenue collection for the Transportation SDC fund is at approximately 100 percent of the annual budget at quarter end. Intergovernmental revenue is from OID for the piping of the canal at Barnes Butte. SDC collection is roughly \$599,000 or 133 percent of the annual budget with 11 residential and one commercial development paying SDC's during the second quarter.

Expenditures at quarter end were largely associated with the capital project for the Peters Road / Combs Flat extension. This project is anticipated to be finished in the summer of 2025, which is a year sooner than originally projected.

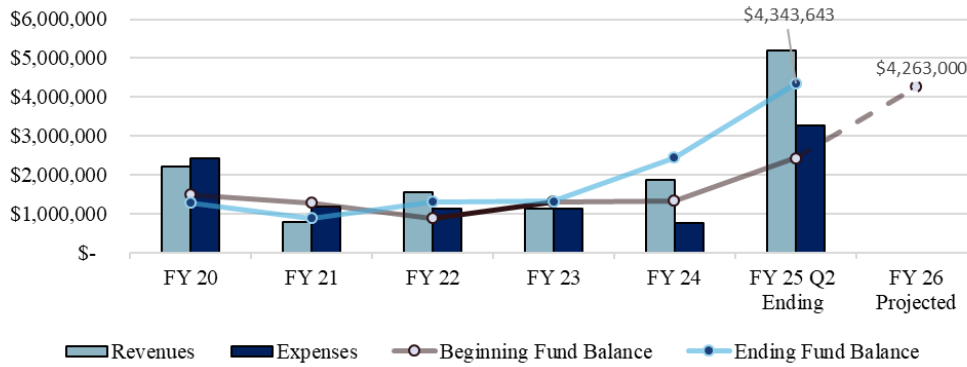


Combs Flat Extension Project - December 2024.

Transportation SDC Fund - Continued

Fund balance increased roughly \$1.9 million or 79 percent through quarter end. Below are revenue, expense and fund balance trends for the Transportation SDC Fund. The fund balance is projected to start FY 26 at approximately \$4.3 million.

Revenue, Expense and Fund Balance Trends - Transportation SDC Fund



	Current Quarter			Year to Date				Biennial Budget	Biennial Actual To Date	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance				
Revenue											
Intergovernmental	\$ 1,162,125	\$ 3,759,906	324%	\$ 4,648,500	\$ 4,349,468	94%	\$ 299,032	\$ 14,000,000	\$ 5,014,639	36%	\$ 8,985,361
Interest	18,750	136,859	730%	75,000	236,524	315%	(161,524)	175,000	766,330	438%	(591,330)
System development charges	112,500	90,069	80%	450,000	598,938	133%	(148,938)	900,000	1,273,302	141%	(373,302)
Total revenue	\$ 1,293,375	\$ 3,986,833	308%	\$ 5,173,500	\$ 5,184,929	100%	(11,429)	\$ 15,075,000	\$ 7,054,272	47%	\$ 8,020,728
Expenditures											
Material and services	\$ 3,750	-	-	\$ 15,000	-	-	\$ 15,000	\$ 30,000	-	0%	\$ 30,000
Capital outlay											
Improvements	3,440,250	655,547	19%	13,761,000	3,241,436	24%	10,519,564	14,490,000	3,970,606	27%	10,519,394
Transfers	15,000	29,947	200%	60,000	29,947	50%	30,053	95,000	63,665	67%	31,335
Contingency				11,514,372				11,514,372			
Total expenditures	\$ 3,459,000	\$ 685,494	20%	\$ 25,350,372	\$ 3,271,382	13%	\$ 10,564,618	\$ 26,129,372	\$ 4,034,271	15%	\$ 10,580,729
Revenue over (under) expenditures	\$ (2,165,625)	\$ 3,301,339	136%	\$ (20,176,872)	\$ 1,913,547	79%	\$ (10,576,047)	\$ (11,054,372)	\$ 3,020,001		
Beginning fund balance	20,176,872	2,430,096	12%	20,176,872	2,430,096	12%		11,054,372	1,323,642		
Ending fund balance	\$ 18,011,247	\$ 5,731,435	32%	\$ -	\$ 4,343,643	-		\$ -	\$ 4,343,643		



The Construction of Combs Flat to Peters Road Extension in October 2024.

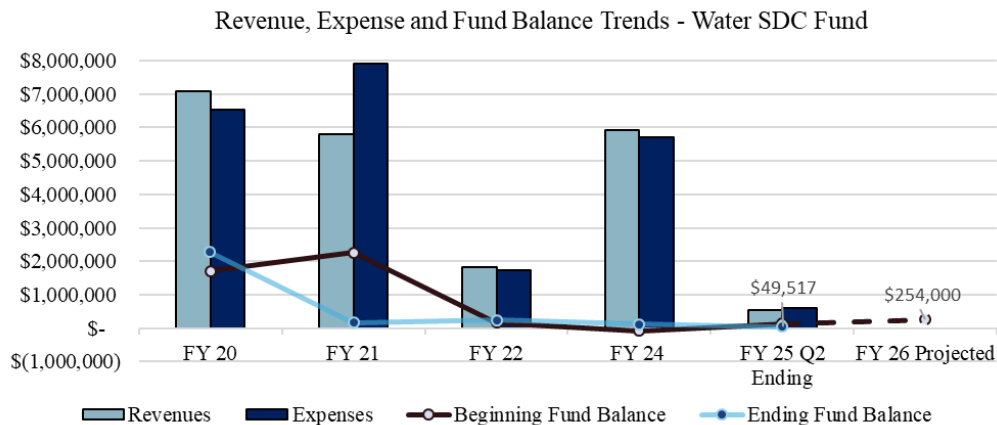
Water SDC Fund

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

Revenue at quarter end is at approximately \$540,000 or 141 percent of the annual budget. Intergovernmental revenue is associated with two grants for utility improvements for multi-family housing development and ASR / water treatment facility improvements. Second quarter SDC collections are associated with 11 housing and one commercial start. Miscellaneous revenue is associated with the contract with Meta for ASR improvements.

Expenditures are at roughly \$607,000 through quarter end and are largely associated with the grant funded projects mentioned above. The SDC administrative fee was distributed in the second quarter totaling approximately \$125,000.

Through quarter end, fund balance decreased roughly \$67,000. Fund balance is anticipated to improve by yearend and FY 26 is estimated to start the year with a fund balance of roughly \$254,000.



	Current Quarter			Year to Date							
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance	Biennial Budget	Biennial Actual To Date	Biennial Budget %	Biennial Budget Remaining Balance
Revenue											
Interest	\$ 1,750	\$ -	-	\$ 7,000	\$ -	-	\$ 7,000	\$ 15,000	\$ -	0%	\$ 15,000
System development charges	93,750	98,417	105%	375,000	251,324	67%	123,676	750,000	767,851	102%	(17,851)
Miscellaneous	-	96,350	-	-	112,017	-	(112,017)	11,000,000	5,163,414	47%	5,836,586
Intergovernmental	-	176,617	-	-	176,617	-	(176,617)	-	519,218	-	(519,218)
Total revenue	\$ 95,500	\$ 371,383	389%	\$ 382,000	\$ 539,957	141%	\$ (157,957)	\$ 11,765,000	\$ 6,450,483	55%	\$ 5,314,517
Expenditures											
Capital outlay											
Improvements	\$ -	357,595	-	\$ -	481,470	-	\$ (481,470)	\$ 10,230,000	\$ 5,507,753	54%	4,722,247
Transfers	75,475	125,457	166%	301,900	125,457	42%	176,443	1,371,800	809,315	59%	562,485
Contingency				344,113				344,113			
Total expenditures	\$ 75,475	\$ 483,052	640%	\$ 646,013	\$ 606,927	5%	\$ (305,027)	\$ 11,945,913	\$ 6,317,068	53%	\$ 5,284,732
Revenue over (under) expenditures	\$ 20,025	\$ (111,669)	-96%	\$ (264,013)	\$ (66,970)	-57%	\$ 147,070	\$ (180,913)	\$ 133,415		
Beginning fund balance	264,013	116,487	44%	264,013	116,487	44%		180,913	(83,898)		
Ending fund balance	\$ 284,038	\$ 4,818	2%	\$ -	\$ 49,517	44%		\$ -	\$ 49,517		

December 31, 2024

Wastewater SDC Fund

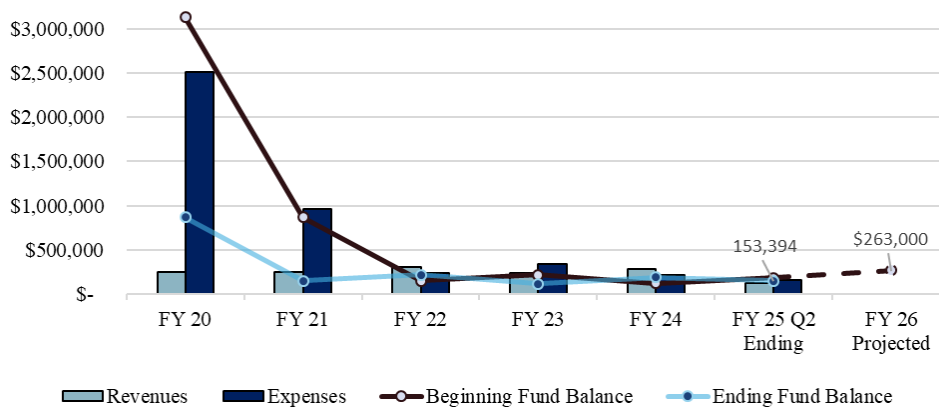
This fund accounts for the collection and expenditure of wastewater system development charges. The primary revenue source is SDC's. Expenditures are for qualified capital improvement projects and related costs.

Revenue through the second quarter is at approximately \$130,000 or 86 percent of the annual budget. SDC collection was from 11 residential and one commercial start.

Second quarter expenses are associated with capital expenses for the utility expansion out Madras Hwy, which will be reimbursed through a Business Oregon grant from HB 1530. This fund will require a supplemental budget prior to yearend due this grant.

Fund balance decreased roughly \$33,000 or -18 percent. Below are revenue, expense and fund balance trends for the Wastewater SDC Fund.

Revenue, Expense and Fund Balance Trends - Wastewater SDC Fund



	Current Quarter			Year to Date							
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance	Biennial Budget	Biennial Actual To Date	Biennial Budget %	Biennial Budget Remaining Balance
Revenue											
Intergovernmental	\$ -	\$ 3,617	-	\$ -	\$ 3,617	-	\$ (3,617)	\$ -	-	-	\$ (3,617)
Interest	250	3,887	1555%	1,000	5,760	576%	(4,760)	2,000	14,996	750%	(12,996)
Miscellaneous	-	-	-	-	-	-	-	50,000	18,751	38%	31,249
System development charges	37,500	37,020	99%	150,000	120,346	80%	29,654	420,000	377,395	90%	42,605
Total revenue	\$ 37,750	\$ 44,523	118%	\$ 151,000	\$ 129,722	86%	\$ 21,278	\$ 472,000	411,143	87%	\$ 57,241
Expenditures											
Material and services	\$ 2,500	\$ -	-	\$ 10,000	\$ -	-	\$ 10,000	\$ 20,000	-	0%	\$ 20,000
Capital outlay											
Improvements	12,500	76,575	613%	50,000	79,737	159%	(29,737)	120,000	119,806	100%	194
Transfers	26,000	83,363	321%	104,000	83,363	80%	20,637	308,000	261,258	85%	46,742
Contingency				31,710				31,710			
Total expenditures	\$ 41,000	\$ 159,938	390%	\$ 195,710	\$ 163,101	83%	\$ 899	\$ 479,710	381,064	79%	\$ 66,936
Revenue over (under) expenditures	\$ (3,250)	\$ (115,415)	-62%	\$ (44,710)	\$ (33,378)	-18%	\$ 20,378	\$ (7,710)	33,695		
Beginning fund balance	7,710	186,772	2422%	44,710	186,772	418%		7,710	119,699		
Ending fund balance	\$ 4,460	\$ 71,357	1600%	\$ -	\$ 153,394	-		\$ -	\$ 153,394		

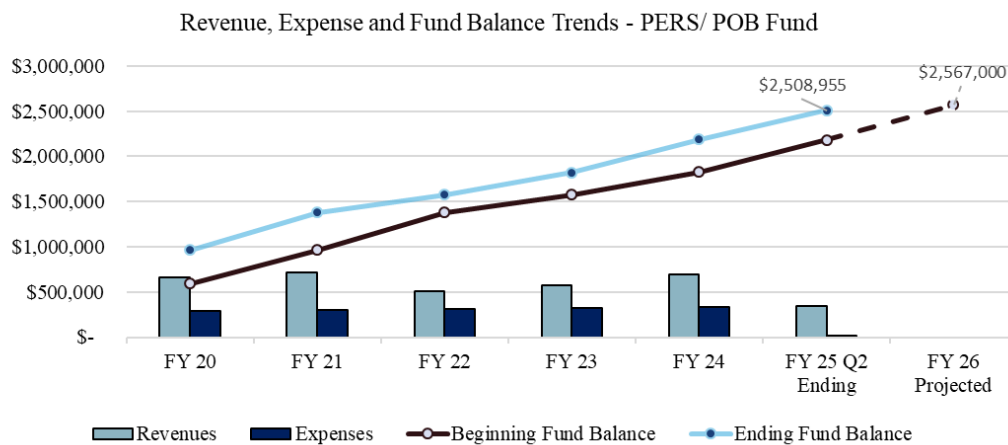
PERS/ POB Fund

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

Revenue collection through the second quarter is at roughly 46 percent of the annual budget totaling approximately \$346,000.

Expenditures through the quarter are as anticipated with the debt service payments coming out in December and June annually.

Fund balance is being built up for creating another side account to further stabilize PERS rates for the City. The PERS incentive fund program is anticipated to reopen in the next fiscal year. In this program, the State will match 25 percent of establishing deposits into a new side account to help offset PERS contribution rates, up to a predetermined amount.



Leadership training held in October 2024.

December 31, 2024

PERS/ POB Fund - Continued

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Actual To Date	Biennial Budget %	Biennial Budget Remaining Balance
	Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance				
Charges for services	\$ 138,550	\$ 142,025	103%	\$ 554,200	\$ 284,050	51%	\$ 270,150	\$ 1,088,900	\$ 832,050	76%	\$ 256,850
Interest	5,000	38,892	778%	20,000	58,772	294%	(38,772)	40,000	155,185	388%	(115,185)
Miscellaneous	-	3,592	-	-	3,592	-	(3,592)	-	3,592	-	(3,592)
Transfer from other funds	46,725	-	-	186,900	-	-	186,900	371,200	50,000	13%	321,200
Total revenue	\$ 190,275	\$ 184,510	97%	\$ 761,100	\$ 346,414	46%	\$ 414,686	\$ 1,500,100	\$ 1,040,828	69%	\$ 459,272
Expenditures											
Personnel services	\$ -	-	-	\$ -	\$ -	-	\$ -	\$ -	-	-	\$ -
Debt service											
Principal - POB 2013	75,000	-	-	300,000	-	-	300,000	577,700	277,643	48%	300,057
Interest - POB 2013	10,850	21,699	200%	43,400	21,699	50%	21,701	97,100	75,370	78%	21,730
Contingency				1,893,757				1,893,757			
Total expenditures	\$ 85,850	\$ 21,699	25%	\$ 2,237,157	\$ 21,699	1%	\$ 321,701	\$ 2,568,557	\$ 353,013	14%	\$ 321,787
Revenue over (under) expenditures	\$ 104,425	\$ 162,811	7%	\$ (1,476,057)	\$ 324,715	15%	\$ 92,985	\$ (1,068,457)	\$ 687,814		
Debt service reserve	358,900			358,900				358,900	358,900		
Beginning fund balance	1,427,357	2,184,240	153%	1,834,957	2,184,240	119%		1,427,357	1,821,141		
Ending fund balance	\$ 1,531,782	\$ 2,347,051	153%	\$ 358,900	\$ 2,508,955	699%		\$ 358,900	\$ 2,508,955		

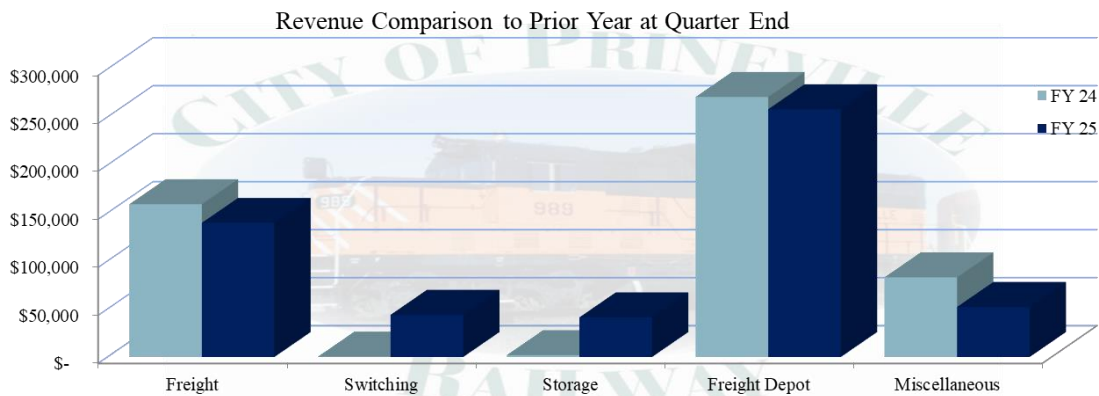


Three new Sergeants were sworn in on November 12th, 2024.

Railroad Fund

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

Second quarter revenue collections are at approximately \$560,00 or 56 percent of the annual budget. Charges for services for the railroad are at approximately 188,000 or 49 percent of the annual budget, with the freight depot at approximately \$258,000 or 54 percent of annual budget. Overall revenue is up in comparison to the prior year roughly 4 percent with significant increases in storage and switching. Freight cars are down by 25 cars in comparison to the prior year at quarter end with a significant decrease in magnesium cars but there is an increase in oil cars offsetting the decrease. McCall oil brought in 125 of the 283 cars that were switched at the Prineville Junction through the second quarter. The decreases in freight depot charges for services can be attributed to a decrease in lumber companies utilizing the Freight Depot. Below is a prior year comparison at quarter end of operating revenues for the Railroad Fund.



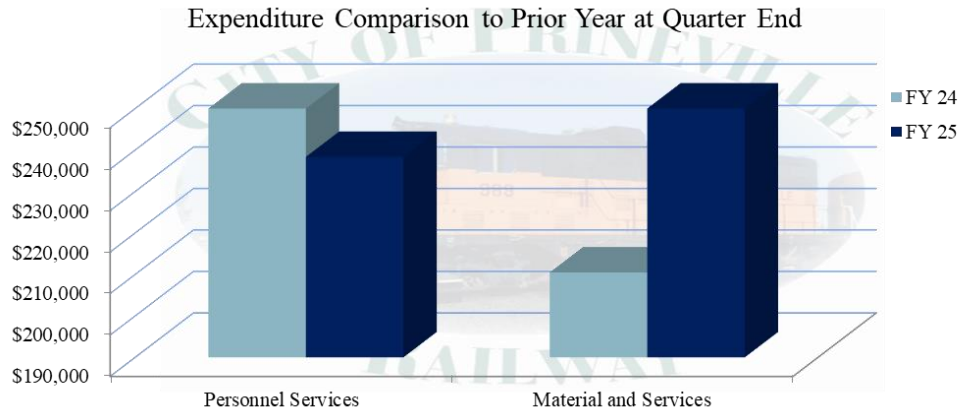
Lytle Creek bridge was removed and the creek was piped in November 2024.

Railroad Fund- Continued

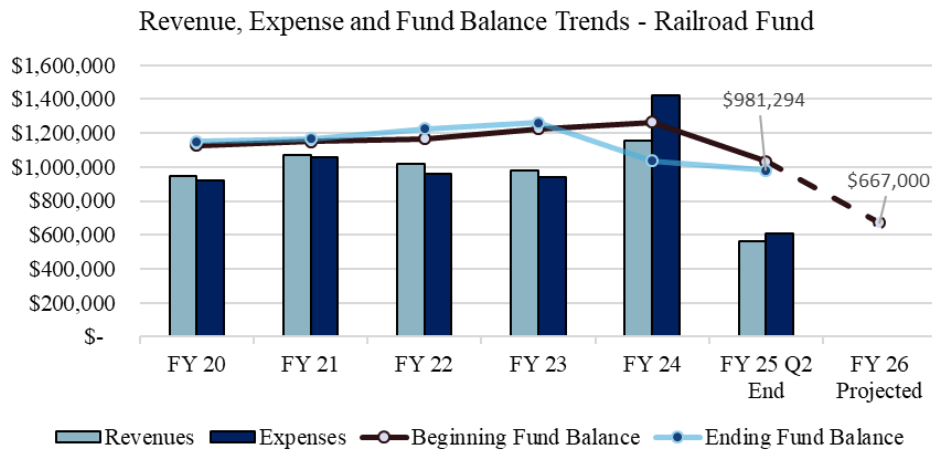
Overall expenditures at quarter end are at approximately \$611,000 or 31 percent of the annual budget. Materials and services are at roughly 89 percent of the annual budget with track work being completed during the second quarter. Overall operating expenditures are up in comparison to the prior year roughly 15 percent. During the first quarter the railroad bridge over Madras Hwy was hit by a truck and sustained significant damage. A supplemental budget is expected to be needed before yearend due to this unanticipated event. The following page had a graph comparison of operating expenditures to the prior year.



Lytle Creek bridge was removed in November 2024

Railroad Fund- Continued

Fund balance decreased roughly \$52,000 or -5 percent through the second quarter. Below are revenue, expense and fund balance trends for the Railroad Fund. Fund balance is anticipated to decrease to roughly \$667,000 by yearend due to a capital grant awarded that has a \$400,000 match associated with it.



Revenue	Current Quarter			Year to Date				Annual Est. Budget %	Annual Est. Budget Balance	Biennial Budget	Biennial Actual To Date	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual								
Charges for services													
Railroad	\$ 95,000	\$ 91,054	96%	\$ 380,000	\$ 187,764	49%	\$ 192,236	\$ 712,000	\$ 571,981	80%	\$ 140,019		
Freight Depot	119,171	134,383	113%	476,684	258,099	54%	218,585	970,000	793,838	82%	176,162		
Use of money and property	26,075	40,005	153%	104,300	74,351	71%	29,949	185,000	155,073	84%	29,927		
Miscellaneous	10,375	25,300	244%	41,500	39,476	95%	2,024	194,000	192,173	99%	1,827		
Total revenue	\$ 250,621	\$ 290,741	116%	\$ 1,002,484	\$ 559,690	56%	\$ 442,794	\$ 2,061,000	\$ 1,713,066	83%	\$ 347,934		
Expenditures													
Personnel services	\$ 135,450	\$ 119,384	88%	\$ 541,800	\$ 238,347	44%	\$ 303,453	\$ 1,035,000	\$ 731,495	71%	\$ 303,505		
Material and services	81,900	83,669	102%	327,600	292,873	89%	34,727	670,000	630,336	94%	39,664		
Capital outlay													
Improvements	7,375	-	-	29,500	28,573	97%	927	515,000	479,068	93%	35,932		
Transfers	25,750	25,750	100%	103,000	51,500	50%	51,500	202,100	150,600	75%	51,500		
Contingency				993,524				993,524					
Total expenditures	\$ 250,475	\$ 228,803	91%	\$ 1,995,424	\$ 611,293	31%	\$ 390,607	\$ 3,415,624	\$ 1,991,500	58%	\$ 430,600		
Revenue over (under) expenditures	\$ 146	\$ 61,937	6%	\$ (992,940)	\$ (51,603)	-5%	\$ 52,187	\$ (1,354,624)	\$ (278,434)				
Beginning fund balance	992,940	1,032,897	104%	992,940	1,032,897	104%		1,354,624	1,259,728				
Ending fund balance	\$ 993,086	\$ 1,094,834	110%	\$ -	\$ 981,294	-		\$ -	\$ 981,294				

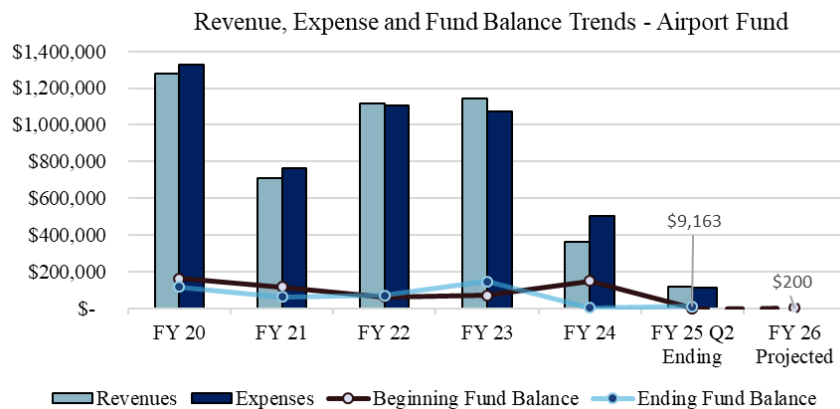
Airport Fund

This fund largely accounts for the personnel services of the Crook County Airport. The airport's main source of revenue is through a transfer from Crook County and the City's General Fund. In October 2023, the operations of the airport were taken over by Hood Aero and the City and the County have an intergovernmental agreement in place for the management of the Airport.

Overall revenue collection through the second quarter is largely associated with the transfer from the General Fund and the quarterly payment from the County per the newly establish intergovernmental contract.

Overall expenditures at quarter end are at approximately \$110,000. Materials and services expenses continue to be transferred over to the County per the new contract with the City being responsible for very few material and services expenses. The City is responsible for the payroll of the Airport Manager.

Cashflow for the Airport Fund will be provided to the City by the County quarterly per the new contract with the goal of keeping the fund balance near zero.



	Current Quarter			Year to Date							
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance	Biennial Budget	Biennial Actual To Date	Biennial Budget %	Biennial Budget Remaining Balance
Revenue											
Intergovernmental	\$ 21,250	\$ 36,578	172%	\$ 85,000	\$ 65,547	77%	\$ 19,453	\$ 170,000	\$ 96,570	57%	\$ 73,430
Charges for services	168,500	3,254	2%	674,000	8,135	1%	665,865	1,391,000	303,428	22%	1,087,572
Interest	-	682	-	-	838	-	(838)	1,000	3,596	360%	(2,596)
Transfers	21,250	22,000	104%	85,000	44,800	53%	40,200	170,000	75,160	26%	94,840
Total revenue	\$ 211,000	\$ 62,514	30%	\$ 844,000	\$ 119,320	14%	\$ 724,680	\$ 1,732,000	\$ 478,753	28%	\$ 1,253,247
Expenditures											
Personnel service	\$ 50,750	\$ 47,174	93%	\$ 203,000	\$ 93,593	46%	\$ 109,407	\$ 400,000	\$ 290,567	73%	\$ 109,433
Materials and services	147,600	4,700	3%	590,400	13,596	2%	576,804	1,180,600	264,692	22%	915,908
Capital outlay	-	-	-	-	-	-	-	100	-	0%	100
Debt service											
Les Schwab Hangar	6,250	-	-	25,000	-	-	25,000	50,000	25,000	50%	25,000
Transfers	17,050	1,500	9%	68,200	3,000	4%	65,200	132,200	35,000	26%	97,200
Contingency				69,168				69,168			
Total expenditures	\$ 221,650	\$ 53,374	24%	\$ 955,768	\$ 110,188	12%	\$ 776,412	\$ 1,832,068	\$ 615,260	34%	\$ 1,147,641
Revenue over (under) expenditures	\$ (10,650)	\$ 9,140	29485%	\$ (111,768)	\$ 9,132	29457%	\$ (51,732)	\$ (100,068)	\$ (136,506)		
Beginning fund balance	100,068	31	0%	111,768	31	0%		100,068	145,669		
Ending fund balance	\$ 89,418	\$ 9,171	10%	\$ -	\$ 9,163	-		\$ -	\$ 9,163		

December 31, 2024

Water Fund

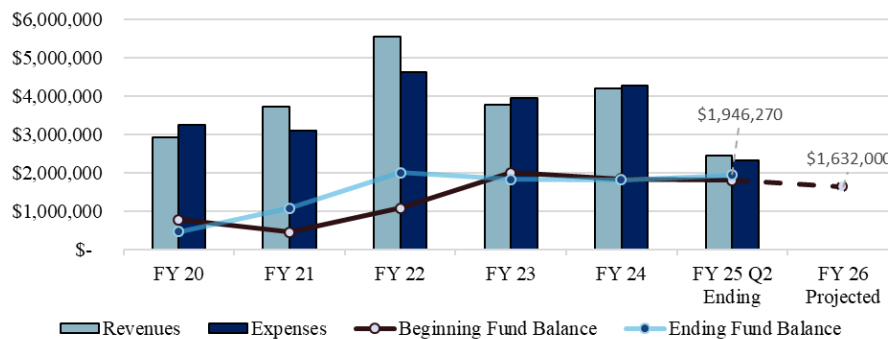
This fund accounts for the activities of the City's water utility. The primary source of revenue is water sales and expenditures are for the operation of the system including repair and maintenance of infrastructure.

Total revenue collection through the second quarter came in at approximately \$2.5 million or 71 percent of the annual budget. Charges for service are up in comparison to the prior year roughly \$202,000. This increase can largely be attributed to the rate increase in July of 2024.

Expenditures through the second quarter are at approximately \$2.3 million or 54 percent of the annual budget. Materials and services are currently at 61 percent of the annual budget. Capital expenditures are at roughly \$560,000 or 78 percent of the annual budget and are largely associated with the S. Main waterline project.

Fund balance increased roughly \$137,000 or 8 percent through the second quarter. Yearend projections estimate the FY 26 beginning fund balance to be approximately \$1.6 million.

Revenue, Expense and Fund Balance Trends - Water Fund



Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Actual	Biennial Budget %	Biennial Remaining Balance
	Quarter Budget Est.	Actual	Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance	To Date	To Date	To Date	To Date
Charges for services	\$ 850,825	\$ 922,614	108%	\$ 3,403,300	\$ 2,343,849	69%	\$ 1,059,451	\$ 7,106,600	\$ 5,953,281	84%	\$ 1,153,319
Intergovernmental	-	-	-	-	-	-	-	-	305,803	-	(305,803)
Interest	2,000	19,114	956%	8,000	27,871	348%	(19,871)	16,000	74,073	463%	(58,073)
Miscellaneous	2,500	11,133	445%	10,000	27,430	274%	(17,430)	20,000	96,287	481%	(76,287)
Transfers	5,125	57,970	1131%	20,500	57,970	283%	(37,470)	346,100	230,071	66%	116,029
Total revenue	\$ 860,450	\$ 1,010,831	117%	\$ 3,441,800	\$ 2,457,120	71%	\$ 984,680	\$ 7,488,700	\$ 6,659,514	89%	\$ 829,186
Expenditures											
Materials and services	\$ 312,850	\$ 315,840	101%	\$ 1,251,400	\$ 757,638	61%	\$ 493,763	\$ 2,860,000	\$ 2,308,595	81%	\$ 551,405
Franchise fee expense	45,050	45,050	100%	180,200	90,100	50%	90,100	395,400	305,300	77%	90,100
Capital outlay											
Improvements	178,500	80,567	45%	714,000	560,147	78%	153,853	1,300,000	1,145,796	88%	154,204
Debt service											
Principal											
Refunding bond 2021	40,850	-	-	163,400	-	-	163,400	322,500	159,039	49%	163,461
Water revenue bond ASR	18,500	-	-	74,000	-	-	74,000	147,000	-	0%	147,000
Interest											
Refunding bond 2021	4,325	8,651	200%	17,300	8,651	50%	8,649	36,600	27,878	76%	8,722
Water revenue bond ASR	16,250	39,000	240%	65,000	39,000	60%	26,000	131,300	62,247	47%	69,053
Transfers	432,350	432,350	100%	1,729,400	864,700	50%	864,700	3,405,400	2,540,700	75%	864,700
Contingency				69,902				64,902			
Total expenditures	\$ 1,048,675	\$ 921,457	88%	\$ 4,264,602	\$ 2,320,235	54%	\$ 1,874,465	\$ 8,663,102	\$ 6,549,555	76%	\$ 2,048,645
Revenue over (under) expenditures	\$ (188,225)	\$ 89,374	5%	\$ (822,802)	\$ 136,885	8%	\$ (889,785)	\$ (1,174,402)	\$ 109,959		
Debt service reserve	317,415			317,415				317,415			
Beginning fund balance	1,491,817	1,809,385	121%	1,140,217	1,809,385	159%		1,491,817	1,836,311		
Ending fund balance	\$ 1,303,592	\$ 1,898,759	146%	\$ -	\$ 1,946,270	-		\$ -	\$ 1,946,270		

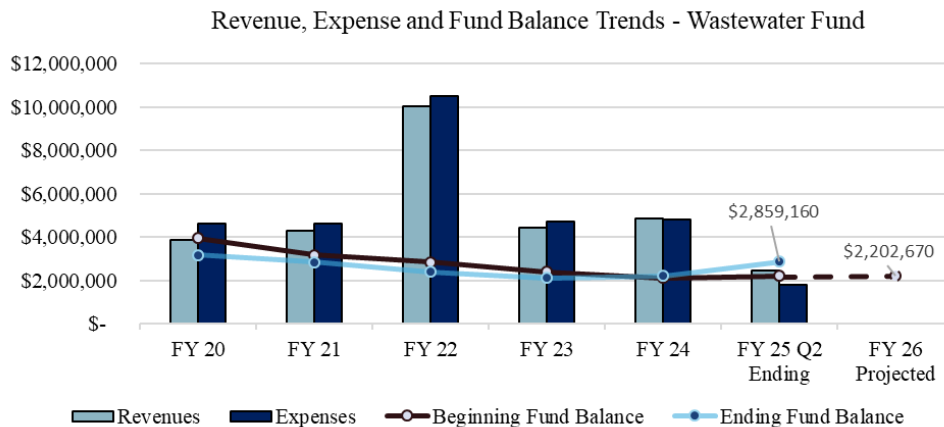
Wastewater Fund

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

Overall revenue collection at quarter end is at approximately \$2.5 million or 53 percent of the annual budget. Charges for services increased approximately \$72,000 in comparison to the prior year at second quarter end. This increase can largely be attributed to rate increases that went in to affect at the beginning of the fiscal year.

Expenditures through the second quarter are at roughly \$1.8 million or 31 percent of the annual budget. All appropriation categories are at or below budget. Capital expenditures totaled approximately \$159,000 and were largely associated with collection improvements, new pumps at the wastewater treatment facility and influent slide gate replacement .

Fund balance increased roughly \$662,000 through quarter end. Below are revenue, expense and fund balance trends for the Wastewater Fund.



Wastewater Treatment Facility holding pond.

December 31, 2024

Wastewater Fund - Continued

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Actual To Date	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Quarter Actual	Quarter Budget %	Annual Budget Est.	Annual Actual	Annual Est. Budget %	Annual Est. Budget Balance				
Charges for services	\$ 1,118,750	\$ 1,113,494	100%	\$ 4,475,000	\$ 2,304,892	52%	\$ 2,170,108	\$ 8,825,000	\$ 6,705,828	76%	\$ 2,119,172
Interest	6,250	33,975	544%	25,000	49,435	198%	(24,435)	50,000	138,477	277%	(88,477)
Miscellaneous	18,550	8,985	48%	74,200	39,114	53%	35,086	148,400	233,480	157%	(85,080)
SDCs - reimbursement fees	24,200	77,635	321%	96,800	77,635	80%	19,165	193,600	242,874	125%	(49,274)
Total revenue	\$ 1,167,750	\$ 1,234,089	106%	\$ 4,671,000	\$ 2,471,076	53%	\$ 2,199,924	\$ 9,217,000	\$ 7,320,658	79%	\$ 1,896,342
Expenditures											
Personnel services	\$ 68,000	\$ 66,552	98%	\$ 272,000	\$ 132,280	49%	\$ 139,720	\$ 530,100	\$ 393,928	74%	\$ 136,172
Materials and services	251,738	223,696	89%	1,006,950	471,197	47%	535,753	2,020,000	1,437,724	71%	582,276
Franchise fee expense	55,950	55,950	100%	223,800	111,900	50%	111,900	513,300	401,400	78%	111,900
Capital outlay							-				
Improvements	132,600	98,493	74%	530,400	158,822	30%	371,578	1,142,600	692,695	61%	449,905
Debt service											
Principal											
Refunding 2021	186,050	-	-	744,200	-	-	744,200	1,479,600	735,327	50%	744,273
State of Oregon IFA	7,050	28,117	399%	28,200	28,117	100%	83	56,100	55,957	100%	143
USDA 2015	16,525	-	-	66,100	-	-	66,100	130,500	64,319	49%	66,181
Interest											
Refunding 2021	9,225	18,437	200%	36,900	18,437	50%	18,463	82,700	64,208	78%	18,492
State of Oregon IFA	1,500	5,938	396%	6,000	5,938	99%	62	12,200	12,154	100%	46
USDA 2015	25,025	-	-	100,100	-	-	100,100	202,000	99,421	49%	102,579
Transfers	441,350	441,350	100%	1,765,400	882,700	50%	882,700	3,497,100	2,614,400	75%	882,700
Contingency				327,372				327,372			
Total expenditures	\$ 1,195,013	\$ 938,533	79%	\$ 5,107,422	\$ 1,809,391	35%	\$ 2,970,659	\$ 9,993,572	\$ 6,571,532	66%	\$ 3,094,668
Revenue over (under) expenditures	\$ (27,263)	\$ 295,556	13%	\$ (436,422)	\$ 661,685	30%	\$ (770,735)	\$ (776,572)	\$ 749,127		
Other resources / (requirements)											
Debt service reserve	976,315			976,315				976,315			
Capital reserve				-							
Beginning fund balance	1,752,887	2,197,475	125%	1,412,737	2,197,475	156%		1,752,887	2,110,033		
Ending fund balance	\$ 1,725,625	\$ 2,493,031	144%	\$ -	\$ 2,859,160	-		\$ -	\$ 2,859,160		

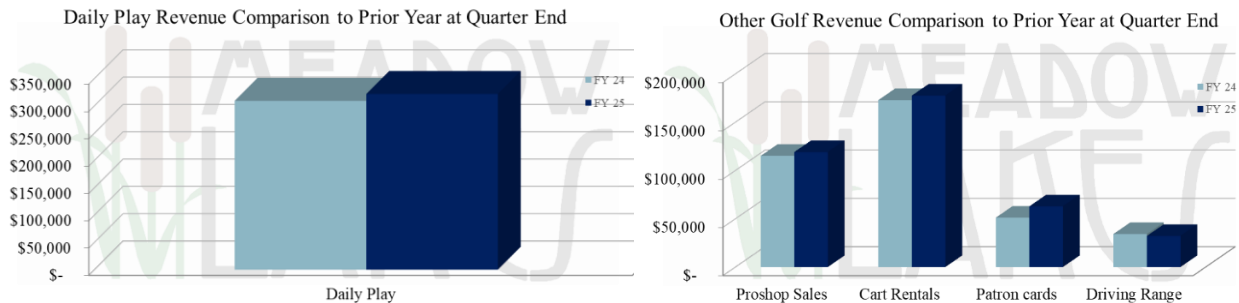


Wastewater Treatment Facility view from the 66 Trail system.

Golf Course and Restaurant Fund

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

Overall revenue collection is at approximately \$962,000 at quarter end or 56 percent of the annual budget. Golf operating revenue came in at about \$722,000 or 56 percent of the annual budget which is an increase over the prior year of roughly 5 percent. Rounds of golf are down by roughly 800 rounds with the golf course closed three more days in comparison to the prior year due to snow. Below is a comparison to the prior year of the significant operating revenue sources for the golf course.



Expenditures through the second quarter came in at roughly \$996,000 or 42 percent of the annual budget. Golf course operating expenditures and maintenance expenditures are up roughly 7 percent combined over the prior year quarter end. Operational expense increases can largely be attributed to pay increases that took place in July.

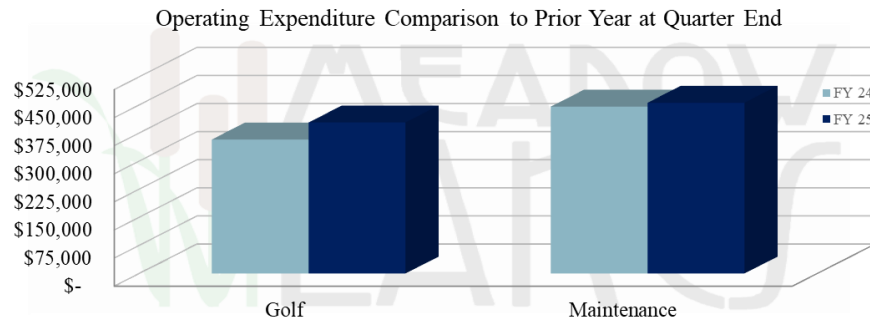


Meadow Lakes Golf Course – December 2024

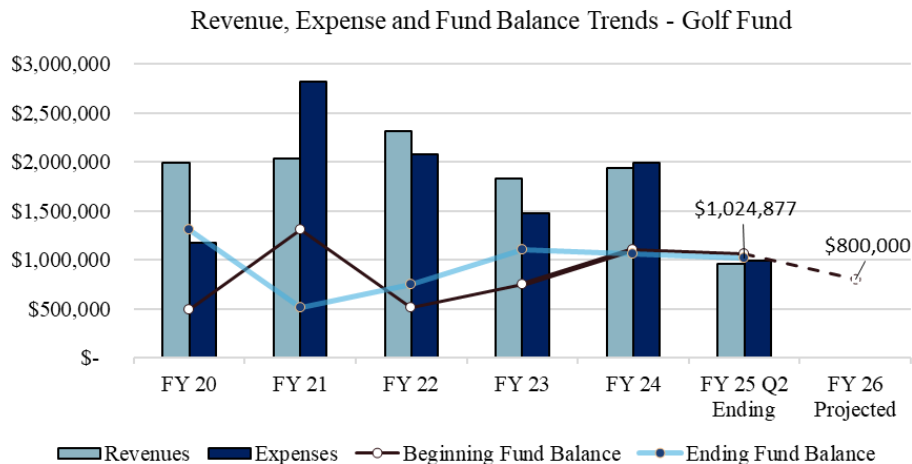
December 31, 2024

Golf Course and Restaurant Fund – Continued

Below is a comparison of operating only expenditures to the prior year by department.



Fund balance decreased roughly \$34,000 or -3 percent through quarter end with roughly \$113,000 in capital equipment and projects getting completed through the second quarter.



	Current Quarter			Year to Date				Biennial Budget	Biennial Actual To Date	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance				
Revenue											
Charges for services											
Golf Course	\$ 324,875	\$ 191,692	59%	\$ 1,299,500	\$ 722,435	56%	\$ 577,065	\$ 2,536,000	\$ 2,192,585	86%	\$ 343,415
Waste Disposal	92,500	92,500	100%	370,000	185,000	50%	185,000	740,000	555,000	75%	185,000
Restaurant	9,625	9,000	94%	38,500	18,000	47%	20,500	71,000	50,500	71%	20,500
Interest	3,000	18,607	620%	12,000	28,775	240%	(16,775)	24,000	82,538	344%	(58,538)
Miscellaneous	2,750	4,378	159%	11,000	7,903	72%	3,097	21,000	17,440	38%	3,560
Total revenue	\$ 432,750	\$ 316,177	73%	\$ 1,731,000	\$ 962,112	56%	\$ 768,888	\$ 3,392,000	2,898,063	85%	\$ 493,937
Expenditures											
Golf Course	\$ 232,600	\$ 172,563	74%	\$ 930,400	\$ 516,136	55%	\$ 414,264	\$ 1,849,100	\$ 1,519,829	82%	\$ 329,271
Waste Disposal	212,463	196,398	92%	849,850	455,967	54%	393,883	1,662,900	1,277,265	77%	385,635
Restaurant	8,725	12,151	139%	34,900	22,409	64%	12,491	68,100	56,299	83%	11,801
Debt service											
Principal - 2021 Refunding	30,900	-	-	123,600	-	-	123,600	247,100	123,493	50%	123,607
Interest - 2021 Refunding	750	1,489	198%	3,000	1,489	50%	1,511	7,500	5,723	76%	1,777
Contingency				451,992				451,992			
Total expenditures	\$ 485,438	\$ 382,601	79%	\$ 2,393,742	\$ 996,000	42%	\$ 945,750	\$ 4,286,692	2,982,608	70%	\$ 852,092
Revenue over (under) expenditures	\$ (52,688)	\$ (66,424)	-6%	\$ (662,742)	\$ (33,888)	-3%	\$ (176,862)	\$ (894,692)	\$ (84,545)		
Debt service reserve	124,000			124,000				124,000			
Beginning fund balance	1,018,692	1,058,765	104%	786,742	1,058,765	135%		1,018,692	1,109,422		
Ending fund balance	\$ 966,005	\$ 992,341	103%	\$ -	\$ 1,024,877	-	\$ -	\$ -	\$ 1,024,877		

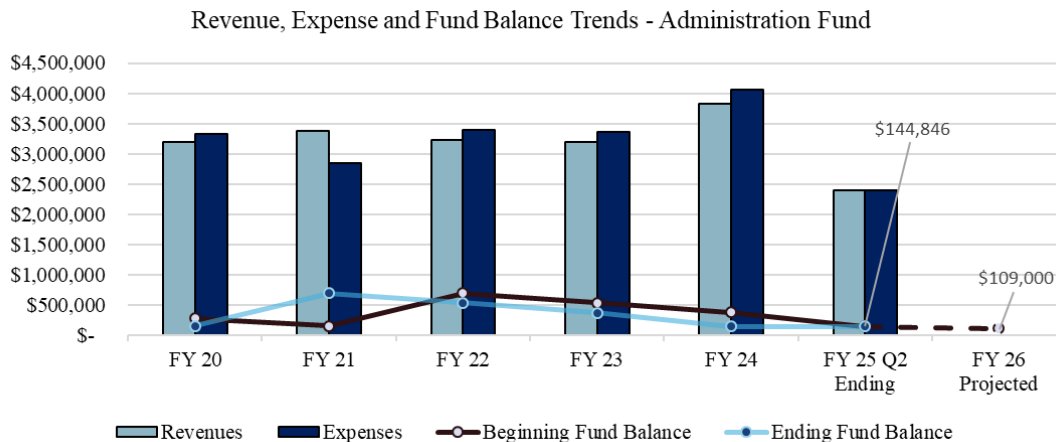
Administration and Financial Support Services Fund

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

Overall revenue collection through quarter end came in at approximately \$2.4 million or 55 percent of the annual budget. Charges for services are largely associated with Internal Service Fund transfers totaling \$1.8 million. A budgeted transfer from the General Fund was completed in the first quarter to ensure adequate cash flow for the fund.

Overall expenditures at quarter end are at approximately 48 percent of the annual budget or \$2.4 million. All departments, with the exception of the IT Department, are at or below the quarter budget. In the IT Department, many annual maintenance agreements came due in the first quarter which is contributing to the department being at 51 percent of the annual budget.

Fund balance increased roughly \$2,000 through the second quarter. Below are revenue, expense and fund balance trends for the Administration and Financial Support Services Fund.



The Finance Department's staff in December 2024.

December 31, 2024

Administration and Financial Support Services Fund - Continued

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Actual To Date	Biennial Budget %	Biennial Remaining Balance
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance				
Charges for services	\$ 886,150	\$ 907,813	102%	\$ 3,544,600	\$ 1,776,890	50%	\$ 1,767,710	\$ 7,575,100	\$ 5,588,723	74%	\$ 1,986,377
Transfers	200,000	-	-	800,000	600,000	75%	200,000	800,000	600,000	75%	200,000
Interest	2,500	11,068	443%	10,000	14,557	146%	(4,557)	20,000	35,326	177%	(15,326)
Total revenue	\$ 1,088,650	\$ 918,881	84%	\$ 4,354,600	\$ 2,391,447	55%	\$ 1,963,153	\$ 8,395,100	\$ 6,224,049	74%	\$ 2,171,051
Expenditures											
City Council	\$ 25,600	\$ 13,999	55%	\$ 102,400	\$ 42,071	41%	\$ 60,329	\$ 193,200	\$ 132,825	69%	\$ 60,375
Administration / Team Services	374,250	329,907	88%	1,497,000	697,133	47%	799,867	2,592,000	1,792,003	69%	799,997
Financial Services	350,675	356,144	102%	1,402,700	685,114	49%	717,586	2,571,000	1,853,318	72%	717,682
Information Technology	473,650	472,815	100%	1,894,600	965,554	51%	929,046	3,603,500	2,674,441	74%	929,059
Contingency				75,099				75,099			
Total expenditures	\$ 1,224,175	\$ 1,172,865	96%	\$ 4,971,799	\$ 2,389,872	48%	\$ 2,506,828	\$ 9,034,799	\$ 6,452,586	71%	\$ 2,507,114
Revenue over (under) expenditures	\$ (135,525)	\$ (253,985)	-177%	\$ (617,199)	\$ 1,575	1%	\$ (543,675)	\$ (639,699)	\$ (228,538)		
Beginning fund balance	617,199	143,271	23%	617,199	143,271	23%		639,699	373,384		
Ending fund balance	\$ 481,674	\$ (110,714)	-	\$ -	\$ 144,846	-		\$ -	\$ 144,846		



City Hall staff the week of Christmas 2024

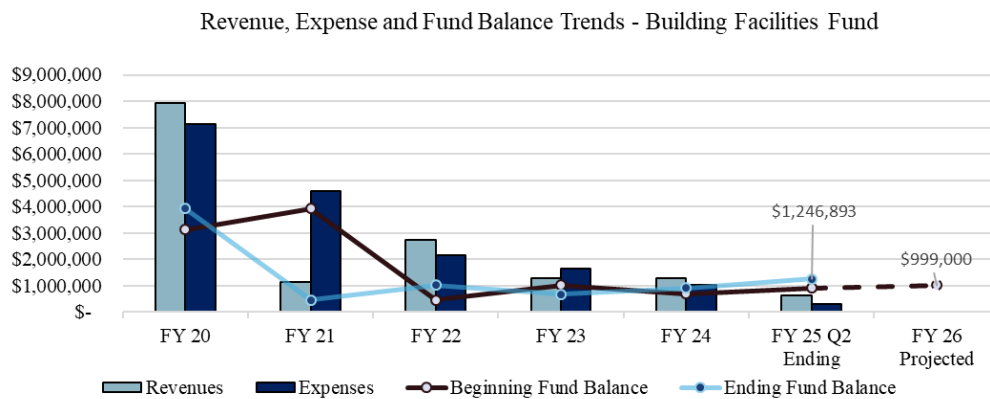
Building Facilities Fund

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

Overall revenues are roughly \$641,000 or 44 percent of the annual budget. Second quarter revenues are largely associated with user rents and transfers.

Expenditures through quarter end are roughly 11 percent of the annual budget. All departments are running below budget at quarter end. The City Hall Department may need a budget adjustment prior to yearend. Carpet replacement was budgeted for the building, but costs increased since the time of budgeting. The project was approved by council in December and is scheduled to be replaced in January 2025.

Fund balance increased roughly \$340,000 or 37 percent through second quarter end. Below are revenue, expense and fund balance trends for the Building Facilities Fund.



City Hall in October 2024

December 31, 2024

Building Facilities Fund – Continued

Revenue	Current Quarter			Year to Date				Biennial Budget	Biennial Actual To Date	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance				
Rent	\$ 57,875	\$ 64,000	111%	\$ 231,500	\$ 128,000	55%	\$ 103,500	\$ 452,900	\$ 371,400	82%	\$ 81,500
Transfers	238,150	240,650	101%	952,600	481,300	51%	471,300	1,859,900	1,398,600	75%	461,300
Miscellaneous	2,325	1,368	59%	9,300	4,553	49%	4,747	18,600	13,854	74%	4,746
Intergovernmental	62,500	-	-	250,000	-	-	250,000	450,000	52,693	12%	397,307
Interest	1,250	18,625	1490%	5,000	27,224	544%	(22,224)	10,000	71,134	711%	(61,134)
Total revenue	\$ 362,100	\$ 324,643	90%	\$ 1,448,400	\$ 641,077	44%	\$ 807,323	\$ 2,791,400	\$ 1,907,681	68%	\$ 883,719
Expenditures											
City Hall facilities	\$ 68,100	\$ 36,344	53%	\$ 272,400	\$ 106,140	39%	\$ 166,260	\$ 588,300	\$ 290,683	49%	\$ 297,617
Police facilities	172,350	80,816	47%	689,400	133,785	19%	555,615	1,364,200	851,120	62%	513,080
Public Works facilities	10,325	6,715	65%	41,300	12,111	29%	29,189	82,500	51,880	63%	30,620
Barnes Butte	84,000	33,290	40%	336,000	49,263	15%	286,737	619,000	133,042	21%	485,958
Contingency				155,597				155,597			
Total expenditures	\$ 334,775	\$ 157,164	47%	\$ 1,494,697	\$ 301,299	11%	\$ 1,037,801	\$ 2,809,597	\$ 1,326,725	47%	\$ 1,327,275
Revenue over (under) expenditures	\$ 27,325	167,479	18%	\$ (46,297)	339,777	37%	\$ (230,477)	\$ (18,197)	\$ 580,956		
Other requirements											
Debt service reserve	533,000			533,000				533,000			
Beginning fund balance	551,197	907,116	165%	579,297	907,116	157%		551,197	665,937		
Ending fund balance	\$ 578,522	\$ 1,074,595	186%	\$ 533,000	\$ 1,246,893	234%		\$ -	\$ 1,246,893		

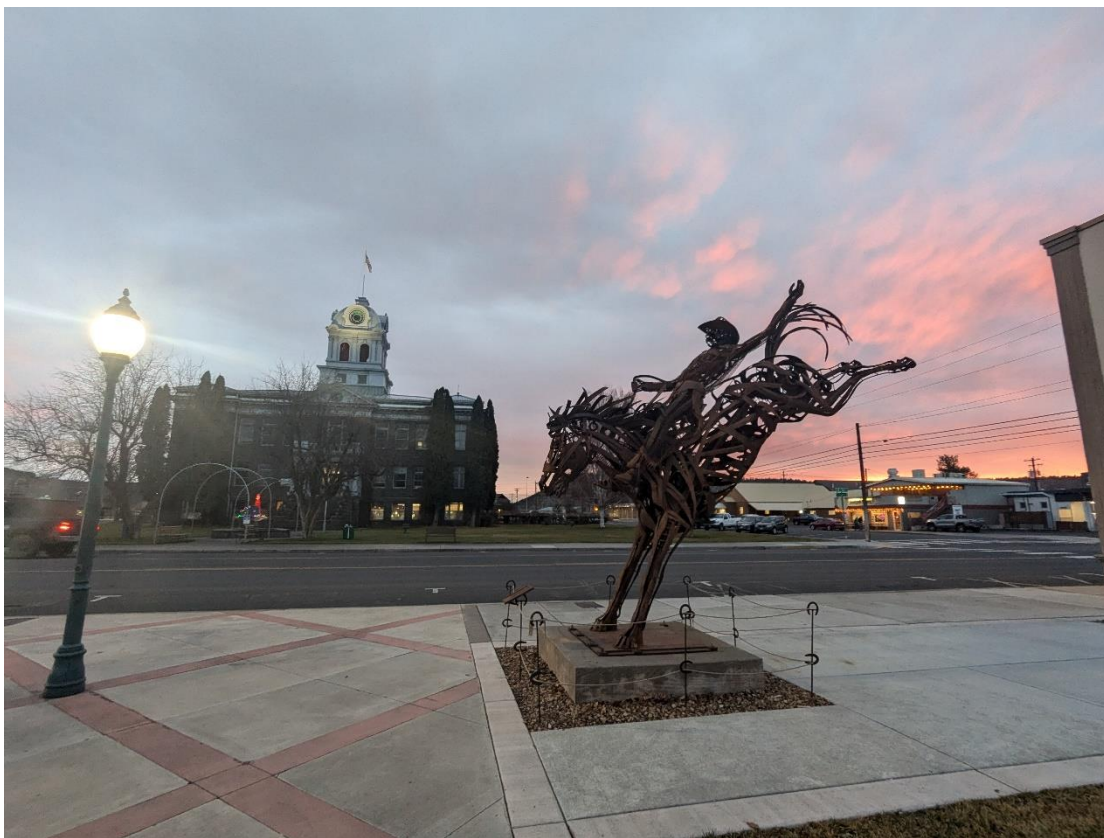


Inside City Hall – December 2024.

Plaza Maintenance Fund

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

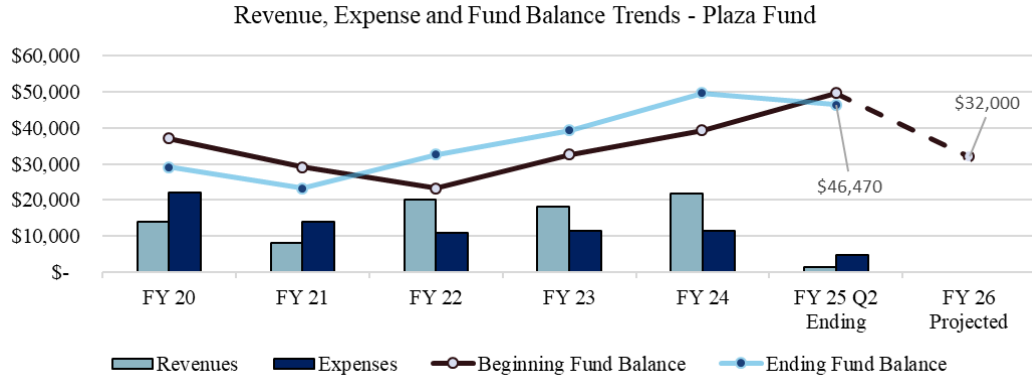
Revenues are as anticipated with both Crook County and the City paying their contribution in the first quarter. The intergovernmental agreement between the City and County states that the fund balance can not go above \$50,000. Both the City and County's annual contribution was only \$180 as a result.



The plaza in December 2024

Plaza Maintenance Fund - Continued

Second quarter materials and services are for contracted grounds keeping totaling approximately \$1,900. Fund balance decreased roughly -6 percent through the second quarter and ending at roughly \$46,000 at quarter end.



	Current Quarter			Year to Date				Biennial Budget	Biennial Actual To Date	Biennial Budget %	Biennial Remaining Balance
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance				
Revenue	\$ 2,500	\$ -	-	\$ 10,000	\$ 180	2%	\$ 9,820	\$ 20,000	\$ 9,868	49%	\$ 10,132
Intergovernmental	50	769	1539%	200	1,205	602%	(1,005)	400	3,592	898%	(3,192)
Interest	2,500	-	-	10,000	180	2%	9,820	20,000	9,868	49%	10,132
Transfers											
Total revenue	\$ 5,050	\$ 769	15%	\$ 20,200	\$ 1,565	8%	\$ 18,635	\$ 40,400	\$ 23,328	58%	\$ 17,072
Expenditures											
Materials and services	\$ 5,400	\$ 1,867	35%	\$ 21,600	\$ 3,735	17%	\$ 17,866	\$ 43,000	\$ 13,211	31%	\$ 29,789
Transfers	500	500	100%	2,000	1,000	50%	1,000	4,000	3,000	75%	1,000
Contingency				22,473				22,673			
Total expenditures	\$ 5,900	\$ 2,367	40%	\$ 46,073	\$ 4,735	10%	\$ 18,866	\$ 69,673	\$ 16,211	23%	\$ 30,789
Revenue over (under) expenditures	\$ (850)	\$ (1,598)	-3%	\$ (25,873)	\$ (3,170)	-6%	\$ (230)	\$ (29,273)	\$ 7,118		
Beginning fund balance	29,273	49,640	170%	29,273	49,640	170%		29,273	39,353		
Ending fund balance	\$ 28,423	\$ 48,042	169%	\$ 3,400	\$ 46,470	1367%		\$ -	\$ 46,471		



The plaza in December 2024

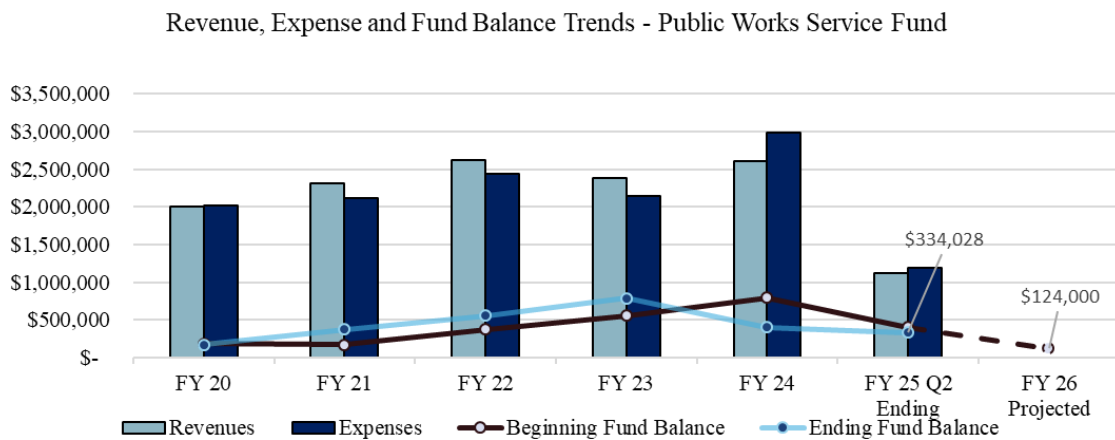
Public Works Support Services Fund

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

Through the second quarter, revenues are at roughly 59 percent of the annual budget and are largely associated with transfers for services from the streets, water and wastewater departments for public works.

Expenditures through second quarter end are at roughly 44 percent of the annual budget. Both departments in this fund are tracking under budget.

Fund balance decreased approximately \$66,000 or -17 percent at through quarter end. Below are revenue, expense and fund balance trends for the Public Works Support Services Fund.



	Current Quarter			Year to Date				Biennial Budget	Biennial Actual To Date	Biennial Budget %	Biennial Budget Remaining Balance
	Quarter Budget Est.	Actual	Quarter Budget %	Annual Budget Est.	Actual	Annual Est. Budget %	Annual Est. Budget Balance				
Revenue											
Intergovernmental	\$ 27,500	\$ -	-	\$ 110,000	\$ -	-	\$ 110,000	\$ 220,000	\$ 145,103	66%	\$ 74,897
Charges for services	443,925	566,391	128%	1,775,700	1,093,916	62%	681,784	4,962,200	3,522,231	71%	1,439,969
Interest	500	9,147	1829%	2,000	13,851	693%	(11,851)	4,000	43,097	1077%	(39,097)
Miscellaneous	2,500	15,509	620%	10,000	17,127	171%	(7,127)	20,000	20,448	102%	(448)
Total revenue	\$ 474,425	\$ 591,047	125%	\$ 1,897,700	\$ 1,124,893	59%	\$ 772,807	\$ 5,206,200	3,730,879	72%	\$ 1,475,321
Expenditures											
Public Works Support Services	\$ 559,375	\$ 513,975	92%	\$ 2,237,500	\$ 1,026,777	46%	\$ 1,210,723	\$ 4,448,500	\$ 3,237,725	73%	\$ 1,210,775
Public Works Fleet and Vehicles	124,200	37,151	30%	496,800	164,480	33%	332,320	1,277,000	943,685	74%	333,315
Contingency				1,452				1,452			
Total expenditures	\$ 683,575	\$ 551,127	81%	\$ 2,735,752	\$ 1,191,257	44%	\$ 1,543,043	\$ 5,726,952	4,181,410	73%	\$ 1,544,090
Revenue over (under) expenditures	\$ (209,150)	\$ 39,920	10%	\$ (838,052)	\$ (66,364)	-17%	\$ (770,236)	\$ (520,752)	\$ (450,532)		
Beginning fund balance	838,052	400,392	48%	838,052	400,392	48%		520,752	784,560		
Ending fund balance	\$ 628,902	\$ 440,312	70%	\$ -	\$ 334,028	-		\$ -	\$ 334,028		

ORDINANCE NO. 1299

**AN ORDINANCE ADDING CHAPTER 99 TO THE PRINEVILLE CITY CODE
REGARDING PARK RULES AND REGULATIONS**

Whereas, Chapter II, section 4 of the City of Prineville Code provides:

Powers. The city has all powers that the constitutions, statutes and common law of the United States and Oregon expressly or impliedly grant or allow the city, as fully as this charter specifically enumerated each of those powers.

Whereas, the Crook County Parks and Recreation District requested that the City Council of Prineville (“Council”) adopt a formal Park Rules and Regulations Ordinance to be enforceable within the City of Prineville.

Whereas, the Council declares that the health, safety and welfare of citizens are promoted by adopting said Ordinance.

**NOW, THEREFORE, THE PEOPLE OF THE CITY OF PRINEVILLE DO
ORDAIN AS FOLLOWS:**

1. The Council hereby adopts proposed Chapter 99 attached to this Ordinance to the Prineville City Code.

Presented for the first time at a regular meeting of the City Council held on March 11, 2025, and the City Council finally enacted the foregoing ordinance this ____ day of March, 2025.

Rodney J. Beebe, Mayor

ATTEST:

Lisa Morgan, City Recorder

CHAPTER 99 – PARK RULES AND REGULATIONS

Sections:

99.10	Policy
99.20	Short Title
99.30	Definitions
99.40	General Rules and Regulations
99.50	Prohibited Conduct
99.60	Hunting, Fishing, Firearms & Fireworks
99.70	Animals
99.80	Vehicles
99.90	Special Use Permits
99.100	Closures.
99.110	Enforcement of Rules and Regulations

99.10 Policy

The City may develop, construct, improve, operate and maintain park and recreation facilities in a manner which will best afford the public with necessary conveniences and accommodations. In order to protect such areas, protect the health, safety and well-being of the public, and ensure the greatest use and enjoyment for all park users of the benefits from such areas, it is necessary to make regulations and provisions the City Council deems necessary.

99.20 Short Title

This chapter shall be known and may be cited as the Prineville Park Rules.

99.30 Definitions

As used in this chapter:

“Park” or “park area” means the City’s or District’s community parks, area parks and other park classifications, the buildings and other facilities located within such areas, public bike paths and pedestrian ways (but not sidewalks along City streets), recreation facilities, which have been placed under City or District jurisdiction, either by deed or dedication, regardless of whether such areas have been opened up for public use.

“City” means the City of Prineville

“District” means the Crook County Parks and Recreation District.

“Council” means the Prineville City Council.

“Park employee” means any regular employee of the City or District who has been assigned to supervision of the parks.

“Parks and recreation director” or “director” means the Executive director of the District.

“Special event” means the use of a park or park area which constitutes one or more of the following:

1. Large or special use of an area or facility;
2. Creates a special demand for park services such as parking, cleaning, power or water;
3. Requires coordination so that other users can co-exist without disruption; and/or
4. Which constitutes a commercial use.

“Alcohol” or “alcoholic beverage” means any form of alcohol containing more than one-half of one percent alcohol by volume, including but not limited to malt and fermented beverages, whether licensed for sale in the state or not.

99.40 General Rules and Regulations

The general rules and regulations for parks and park areas shall be as provided in this chapter. Unless otherwise provided, although an offense defined under this chapter requires no culpable mental state with respect to one or more of its material elements, the culpable commission of the offense may be alleged and proved, in which case criminal negligence constitutes sufficient culpability. The parent or parents of an unemancipated minor child, other than a parent who is not entitled to legal custody of such child, shall be liable for any damage to persons or property and responsible for the acts committed by such child.

99.50 Prohibited Conduct

The following acts shall be prohibited within parks or park areas:

1. No person shall engage in a criminal activity. All criminal activity shall be reported to the Prineville Police Department.
2. No person shall disturb, injure, or endanger the comfort, health, peace, or safety of others.
3. No unauthorized person shall cut, remove, or damage vegetation.
4. No person shall build a fire in any area not specifically designated for that use. Portable propane camp stoves and barbeques in safe operating condition may be used.
5. No person shall camp unless it is specifically designated for that purpose.
6. No person shall damage or deface City or District property.

7. No person shall sell merchandise or services or operate a concession without valid authorization and shall possess, on their person, evidence of such approval.
8. No person shall litter. Garbage and refuse shall be deposited in proper receptacles provided for this purpose or carried off site for disposal. Garbage and refuse shall not be brought in for disposal.
9. No person shall use airborne projectiles such as golf equipment, archery equipment, discus, javelin, or shot-put that may harm property or person except as authorized by the Director or designee.
10. No person shall possess a firearm except those persons authorized to carry firearms under Oregon law.
11. No person shall dig up, deface, or remove dirt, stones, rock or other substances nor make any excavation.
12. No person shall place signs, markers, or instructions without authorization of the Director or designee.
13. No person shall wash clothes or material or clean fish in streams, ponds, or restrooms.
14. The use of any device that amplifies sound shall be regulated in accordance with City code.
15. No person shall use any rolling device such as a bicycle, skateboard, scooter, inline skates, etc., in a manner that may cause potential harm to other people, pets, and wildlife.
16. No bicycles or pets, except service animals are allowed in restrooms.
17. No person shall operate a metal detector without a permit in their possession.
18. No person shall drink or being in possession of an open container of an alcoholic beverage without obtaining an alcohol consumption permit issued by the City of Prineville.
19. No person shall use a cell phone, camera, or other photographic equipment inside a restroom facility, dressing room or changing area.
20. No person shall organize, conduct, or participate in any tournament, camp or scheduled activity without prior authorization from the Director or designee. Any scheduled activity has priority within facilities.
21. Sexually explicit material, as defined by Oregon law, shall not be displayed in view of minors. No person or group engaging in an authorized event may display sexually explicit artwork or similar displays or performances.

22. No person shall tether, launch, or land a hot air balloon without authorization from the Director or designee.
23. No person shall jump, dive, or launch themselves from bridges.
24. The use of any tobacco product or any device that produces smoke or vape is prohibited. This includes, but is not limited to, tobacco products, cannabis products, hemp, e-cigarette, cigar, or pipe tobacco.
25. No person shall urinate or defecate except in restrooms or portable toilets provided for that purpose.

99.60 Hunting, Firearms and Fireworks

1. No person shall discharge a firearm or use a weapon within a park or park area. Weapons include spring or air-activated weapons that propel projectiles by use of a bow or sling, explosives, or jet or rocket propulsion. Only persons authorized by the State of Oregon in accordance with their official duties, or in writing by the Director or designee, shall be authorized to fire or discharge any firearm or weapon.
2. No person shall hunt on any district property, except as authorized by the Director or designee and/or the Oregon Department of Fish and Wildlife.
3. No person shall discharge any fireworks or explosives on district property, except as authorized by the Director or designee.

99.70 Animals

1. Domestic animals must be on a leash within a park or park area. Dogs are allowed off-leash only in designated areas. Dog owners must comply with applicable City Code.
2. A service animal shall be under the control of its handler. A service animal shall have a harness, leash, or other tether, unless either the handler is unable because of a disability to use a harness, leash, or other tether, or the use of a harness, leash, or other tether would interfere with the service animals sale, effective performance of work or tasks, In which case the service animal must be otherwise under the handler's control (e.g. voice control, signals, or other effective means).
3. Owners or keepers must not allow a dog or animal to engage in fighting with other dogs, animals or persons nor shall allow a dog or animal to harass, threaten, or injure any person or other animal.
4. Owners or keepers must not allow a dog or animal to damage property or property belonging to persons other than the owner or keeper of the animal.
5. Animal waste must be removed by the owner or keeper before leaving the area.

6. An animal must not be left unsupervised or fixed to any stationary object in a manner that may allow the animal to charge, become free or lunge causing injury to humans or other animals.
7. Owners or keepers must not ride or lead a horse or other stock animal within a park or park area except in designated areas or with a special permit.
8. While using designated off-leash areas, dogs must be always under verbal control of an owner or keeper.
9. While using designated off-leash areas, owners or keepers must always carry a dog leash with them.
10. Owners or keepers may not have more than 3 dogs in an off-leash area at one time.
11. Owners or keepers must obey posted times of use in off-leash areas.
12. Children under the age of 12 may not be in the off-leash area without adult supervision.

99.80 Vehicles

1. Motorized vehicles may be operated:
 - a. On roadways and parking areas specifically designated for motorized vehicles;
 - b. By special permit; or
 - c. For public safety purposes.
2. No vehicle shall be parked in a loading zone within a park or park area for more than 30 minutes.
3. Use of parking areas within a park or park area is restricted to users of those sites.
4. No person shall block the flow of traffic in a parking lot, or prevent emergency vehicles access, by double parking or blocking a fire hydrant, driveway or entry gate.
5. No vehicle may be parked within a park or park area between 10:00 p.m. and 5:00 a.m., except by:
 - a. Special permit; or
 - b. When pre-approved in writing by the Executive Director.
6. Vehicles left within a park or park area for twenty-four hours or more may be considered abandoned.

7. Vehicles may be towed in accordance with the requirements of Oregon law at the owner's expense.

99.90 Special Use Permits

Persons issued special use permits must abide by all park rules and regulations, and all applicable ordinances. The permit holder shall be liable for any loss, damage or injury sustained by any person using park facilities pursuant to the permit. The Director or designee shall have the authority to revoke a permit upon finding violation of any rule, regulations or ordinance, or for other cause. If the permit holder charges for permission to use a specific part of a park or park area for recreational purposes and the Director or designee provides notice with a description of that part of the land the immunities provided by Oregon apply to the remainder of any City or District land

99.100 Closures

1. Parks not designated for camping are closed from 10:00 p.m. to 5:00 a.m. unless otherwise posted. It shall be unlawful to enter or remain in a park or park area during closed hours except:

a. A person may enter and remain in a closed area for a reasonable amount of time to retrieve their personal property or vehicle;

b. A pedestrian may travel through a park or park area to travel outside of City or District property;

c. District staff and emergency responders may enter closed areas in the course of executing their duties; or

d. By special permit.

2. Park or park areas may be closed or its use limited by the Director or designee to ensure the safety and security of the public or District or City property when fire hazards or other hazards exist.

3. No person shall refuse an order to evacuate any park or park area in time of an emergency.

99.110 Enforcement of Rules and Regulations

1. The Director or designee, as well as any peace officer, as defined in Oregon law, are vested with the authority to enforce these rules and regulations and may:

a. Issue a citation as provided by Oregon law to any person who violates any provision of this chapter;

b. When authorized by law, seize from any persons' property that is being used or left in violation of this chapter;

c. Refuse entrance to a City or District facility or program, or to require a person to leave City or District property, facility, or program.

2. No person shall refuse to leave any City or District property, facility or program after being directed to leave by a peace officer, the Director, or designee.

3. No person shall interfere with any City or District personnel enforcing this chapter.

4. The Director or designee shall have the authority to issue special use permits, or to grant exceptions or waivers to any of the terms of this chapter for authorized events and activities.

5. Violations of this chapter may be considered a nuisance under Prineville City Code.

6. Should any word, sentence, paragraph, clause, or phrase of this chapter be adjudged or held to be void or unconstitutional, the same shall not affect the validity of the remaining portions of this chapter, which shall remain in full force and effect.

**RESOLUTION NO. 1616
CITY OF PRINEVILLE, OREGON**

**A RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET AND MAKING
APPROPRIATIONS FOR BN 2023-25**

Whereas, the City of Prineville is in need of a supplemental budget for the biennial budget 2023-25, commencing July 1, 2023, and

Whereas, discussion to adopt the supplemental budget was held before the City Council on March 25th, 2025; and

Whereas, now is the proper time to pass a resolution adopting the supplemental budget and making appropriations.

Now, therefore, the City of Prineville resolves as follows:

1. That the City of Prineville does hereby adopt the supplemental budget and Resolution No. 1585 is hereby amended.
2. That the amended amounts for the biennial budget beginning July 1, 2023, and for the purposes shown below are hereby appropriated as follows:

Summary of Supplemental Budget BN 2023-25

Amounts shown are revised appropriation totals in those funds being modified.

Wastewater SDC Fund

Expenditures (proposed changes)		
Capital outlay	\$	853,000
Transfers	\$	570,000
Revised Total Fund Expenditures	\$	1,474,710
Resources (proposed changes)		
System development charges (SDC)	\$	665,000
Intergovernmental Revenue	\$	750,000
Revised Total Fund Resources	\$	1,474,710

To adjust expenditures to cover costs in capital outlay for multi-family housing developments that are being grant funded through SB 1530 which passed in the spring of 2024. Also, to increase transfers to the administrative funds to capture the five percent administrative fee for additional SDC's collected. These costs will be covered by additional intergovernmental revenues collected through a grant designated from SB 1530 and SDC's not anticipated at budget time.

Approved and Adopted by the City Council this 25th day of March, 2025.

Rodney J. Beebe, Mayor

ATTEST:

Lisa Morgan, City Recorder



STAFF REPORT

MEETING DATE: 3/25/2025

PREPARED BY: Karee Miller

SECTION: Resolutions

DEPARTMENT: Human Resources

CITY GOAL: Fiscal Responsibility, Provide Quality Municipal Service & Programs, Position City for the Future

SUBJECT: Authorize Oregon Savings Growth Plan (OSGP) 457(b) For Employees

REASON FOR CONSIDERATION:

The Oregon Savings Growth Plan also known as OSGP is a 457(b) deferred compensation plan that is available to all Oregon public employees whose employers elect to participate.

BACKGROUND:

The City currently offers a 457(b) deferred compensation plan but it is only accessible using a financial advisor who is authorized. We would like to offer the OSGP as an alternative for our employees.

OSGP was authorized for all public employers to use in 1996. Prior to that, only State of Oregon employees had access to the plan.

The plan is managed by representatives from PERS. Voya Financial is the recordkeeper that works closely with OSGP to assist employees in understanding their retirement benefits.

FISCAL IMPACT:

There is no fiscal impact to the City. The 457(b) deferred compensation plans are funded with employee contributions only.

RECOMMENDATION:

Staff recommends Council approve resolution 1617 authorizing access to the Oregon Savings Growth Plan for the City's employees.

This will give our employees more retirement benefit options and it will be an attribute for those who are looking to come to work for the City of Prineville.

**RESOLUTION NO. 1617
CITY OF PRINEVILLE, OREGON**

**A RESOLUTION FOR INCLUSION UNDER THE STATE OF OREGON DEFERRED COMPENSATION
PLAN**

Whereas, The City of Prineville City Council (“Council”), the governing body of the City of Prineville (“City”), pursuant to the provisions of Oregon Revised Statutes (ORS) 243.474, which provides in part that:

“A local government that establishes a deferred compensation plan may invest all or part of the plan’s assets through the deferred compensation investment program established by the Oregon Investment Council (OIC) under ORS 243.421.”

Whereas, the Council determines to be included in the State of Oregon Deferred Compensation Investment Program, also known as the Oregon Savings Growth Plan, established by the OIC under ORS 243.421 and administered by the Public Employees Retirement Board according to ORS 243.435 for its eligible personnel.

NOW, THEREFORE, the City of Prineville resolves:

1. That the proper officers are herewith authorized and directed to take all actions and make such reductions and submit such deferrals as are required by the Public Employees Retirement Board of the State of Oregon pursuant to ORS 243.478(1).
2. That City agrees to be bound by the terms and conditions of the contracts between the state, its investment providers and record keeping company, and the “Plan Document” as identified in ORS 243.401 to 243.507 and TPA services as amended from time to time. Specifically, without limitation, City agrees to appoint its governing body as Trustee of its Plan, as required by Section 457(g) of the Internal Revenue Code (IRC) 26 USC 457(g)(2). The City certifies it is an “eligible employer” under IRC Section 457(e)(1) and has received a copy of the Plan Document and TPA Services.
3. That City shall submit a certified copy of this resolution and “Notification Memo” to the State of Oregon, Public Employees Retirement System (PERS) as the Plan Administrator.
4. That the Council and City, recognize the PERS Board’s responsibility for maintaining the integrity of the Plan and hereby agree to cooperate fully with the Plan Administrator in accordance with procedures established by PERS, including without limitation in processing requests for withdrawal in case of an unforeseeable emergency as defined in IRC Sec. 457(b)(5) and Treasury Regulations 1.457-2(h)(4) and (5).

Approved by the City Council this ____ day of March, 2025.

Rodney J. Beebe, Mayor

ATTEST:

Lisa Morgan, City Recorder

**RESOLUTION NO. 1618
CITY OF PRINEVILLE, OREGON**

**A RESOLUTION AUTHORIZING AN AMENDMENT TO INTERGOVERNMENTAL
AGREEMENT WITH CROOK COUNTY FOR CROOK COUNTY ROAD AGENCY**

Whereas, City of Prineville (“City”) and Crook County (“County”) are parties to that certain Intergovernmental Agreement (hereinafter “Agreement”) effective on or about February 1, 2023, for the creation of the Crook County Road Agency (“Agency”).

Whereas, the Agency’s purposes included receiving and distributing U.S. Forest Service Secure Rural Schools (“SRS”) funds for road construction in Crook County, Oregon.

Whereas, an amendment to the Agreement is required to effectuate the Agency’s purpose.

Whereas, County has prepared an Amendment 1 to Intergovernmental Agreement (“Amendment”); and

Whereas, City staff believes it is in the best interest of the City to approve and execute the Amendment;

Now, Therefore, the City of Prineville resolves that Amendment 1 to Intergovernmental Agreement attached to this Resolution between the City and County is hereby approved and that the Mayor is authorized and instructed to sign such Amendment on behalf of the City.

Approved by the City Council this ____ day of March, 2025.

Rodney J. Beebe, Mayor

ATTEST:

Lisa Morgan, City Recorder

AMENDMENT 1
To Intergovernmental Agreement to Create
The Crook County Road Agency

This Amendment 1 is entered into by the **City of Prineville**, an Oregon municipal corporation (hereinafter “City”), and **Crook County**, a political subdivision of the State of Oregon (hereinafter “County”); collectively, City and County may be referred to as “the Parties.”

RECITALS

WHEREAS, City and County are parties to that certain Intergovernmental Agreement (hereinafter “the Agreement”) effective on or about February 1, 2023, for the provision of services as more fully described in the Agreement; and

WHEREAS, the Parties wish to modify specified terms of the Agreement, as described in this Amendment 1.

AGREEMENT

NOW, THEREFORE, in exchange for the mutual covenants contained below, City and County agree as follows:

Section One: Effective Date: This Amendment 1 becomes effective on March 1, 2025, regardless of the date signed by the parties.

Section Two: Section 1.4 “Offices” of the Agreement is deleted in its entirety, and replaced with the following:

“1.4 Offices. The Board may meet at any location permitted by Oregon public meetings law. The County may, without charge, make space available for the Board’s use. For the purposes of sending and receiving correspondence, City and County agree that the Board and Agency may specify 203 NW Court Street, Prineville, OR 97754 as its offices.”

Section Three: Section 2.1 “Membership” of the Agreement is deleted in its entirety, and replaced with the following:

“2.1 Membership. Agency shall be governed by the Board consisting of three (3) members, as follows: One (1) member appointed by the County; one (1) member appointed by the City; and one (1) member appointed by

the other two members.” City hereby agrees that it’s City Manager shall be able to make such appointment on City’s behalf.

Section Four: Section 3.1 “Budget” of the Agreement is deleted in its entirety, and replaced with the following:

“3.1 Budget. Agency shall prepare the annual operating budget of the Agency in accordance with ORS 294.900 to 294.930. The budget shall be on a fiscal year basis beginning on the first of July each year. The County agrees to provide personnel to facilitate the adoption of the budget, provided, however, that the County may not charge for staff time or other expenses related thereto. The Board will consider and adopt the budget on behalf of the Agency. If there are any program changes, any supplemental budget shall proceed through the stages set forth herein and comply with all applicable budget policies and Oregon local budget law.”

Section Five: Section 3.3 “Expenses” of the Agreement is deleted in its entirety, and replaced with the following:

“3.3 Expenses. Except as otherwise provided herein, Agency is responsible for providing all funds necessary to pay for Agency’s costs, expenses, obligations, and/or liabilities; provided, however, that County at its option may supplement the Agency’s budget in amounts and on a schedule as County and Agency may agree. Notwithstanding anything contained in this Agreement to the contrary, City will not be responsible for (and will not pay) any funds for Agency’s costs, expenses, obligations, and/or liabilities.”

Section Six: Section 3.4 “Revenue” of the Agreement is deleted in its entirety, and replaced with the following:

“3.4 Revenue. Revenue or fees derived from the functions of activities of the Agency will be allocated in accordance with the Oregon local budget law, and upon Board approval, may be distributed to Oregon local governments for uses in furtherance of the provisions of Section 1.2 Purpose.”

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

Section Seven: Except as modified by this Amendment 1, the terms of the Agreement (including but not limited to Section 6.3, “Agency and County Indemnification,”) remain in full force and effect.

IN WITNESS WHEREOF, City and County have executed this Amendment 1 effective on the date specified in Section 1 above.

CITY

COUNTY

Crook County Board of Commissioners

By: _____
Signature

Seth Crawford, County Commissioner

Print Name

Susan Hermreck, County Commissioner

Date _____

Brian Barney, County Commissioner

Date: _____



Crook County Counsel's Office

Mailing Address: 300 NE Third St., Prineville, OR 97754
Physical Address: 305 NE 3rd St., Prineville, OR 97754

• Phone: 541-416-3919
• Fax: 541-447-6705

March 17, 2025

Prineville City Council
387 NE Third Street
Prineville, OR 97754

**Re: Proposed Amendment 1 to intergovernmental agreement to create the
Crook County Road Agency**

Dear Councilors,

Crook County respectfully requests that the City Council review and sign the attached first amendment to a 2023 intergovernmental agreement. The agreement created an ORS Chapter 190 intergovernmental entity called the Crook County Road Agency. The Agency was created to receive and spend federal funds allocated under the Secure Rural Schools (SRS) legislation.

For years, SRS funds were allocated from Congress to western states, which in turn allocated those funds to qualifying counties. One consequence of this system was that the amount of funds allocated to Oregon counties was diminished, through a complicated formula which deducted a portion of other federal funds allocated to that same county.

In 2021, the Oregon Legislature enacted House Bill 2174, which for the first time allowed SRS funds to be distributed to one of three different types of public entities: a special district formed under ORS Chapter 451; a road district formed under ORS Chapter 371; or an intergovernmental entity formed under ORS Chapter 190. The hope was that by allowing other public entities to receive the SRS funds, there would be no diminishment in light of other funds received by the counties, and more funds would be available for local public services.

To form a Chapter 190 intergovernmental entity, the law requires the participation of at least two existing public entities. The new intergovernmental entity becomes its own legal entity, which can have its own property; employ its own workers; can sue and be sued in its own name; and otherwise function as its own agency rather than merely being a department of another public body.

In 2023, the County asked if the City would agree to execute an intergovernmental agreement to create the Crook County Road Agency, the purposes of which include "receiving and

distributing U.S. Forest Service Secure Rural Schools ('SRS') funds for road construction in Crook County, Oregon, and all other necessary or appropriate functions related thereto." The IGA was executed, effective February 1, 2023. Other local governments in the Central Oregon region did the same.

In June 2024, the United States Department of the Interior contacted the office of the Governor, to ask for information regarding the SRS distributions to a number of counties which had directed the SRS funds be made to one of the entities listed under HB 2174. As I understand it, the Department believed that the new entities were not sufficiently independent of the counties to qualify for the full allocation of funds, though the Department has not yet issued any firm statement to that effect.

While the County disagrees with the idea that the Crook County Road Agency is not independent and a separate legal entity, the County would like to ask the City to approve the attached amendment. The amendment would alter the formative IGA in a number of respects: altering the location of the Agency's offices; updating the method of adopting an annual budget; and making revisions to the revenue and expenditure paragraphs. The amendment would also change the manner by which the Agency's governing board is selected – one board member would be appointed by the County, one by the City, and the third member would be appointed by the other two. It is hoped that these amendments will demonstrate to the Department that the Agency is independent of the County and City, such that no diminishment of the SRS funds would be made.

Please let me know if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "Eric Blaine", followed by a long horizontal flourish.

Eric Blaine
Crook County Counsel

CC: Jered Reid, City Attorney