

MEMORANDUM

TO: Mayor and City Council

FROM: Roberta Likens, Finance Director

SUBJECT: FISCAL 2022-23 MID-YEAR FINANCIAL GRADE REPORT PRESENTATION

DATE: February 8, 2023

Background

The end of the calendar year is the mid-way point of the City's fiscal year (July 1, 2022 through June 30, 2023). The 2022-23 Financial Grade Report as of December 31, 2022 is attached. The report consists of revenues and expenditures compared to the adopted budget. The report includes changes to the original budget with the adoption of a supplemental budget last October. If all things were equal, we would expect to see 50% of the budget remaining. As some expected revenues are paid quarterly, and some monthly, as well as some expenditures are paid in full at the beginning of the year and some are paid monthly, not all things are equal. Staff uses reasonable deduction to apply the grades.

A traffic light indicating the grade scale is in each of the funds for revenue and expenses. All funds are meeting or exceeding expectations except for three, which are the Street Fund, Industrial Park Fund, and the Building Inspection Fund. They are graded at "Under Supervision".

In the Street Fund, we will be receiving Federal Urban Aid in the amount of \$257,407. State and local gas tax revenue is estimated to be at 36% received at the end of December, compared to the budgeted amounts. The fund also has \$2.5 million budgeted in Federal grant revenue that has not been received. The Federal grant is a reimbursement grant so we will not receive those funds until after eligible expenditures have been submitted.

The Industrial Park Fund is anticipating additional revenue from the sale of property. Sale of the property is actively being pursued. If property is not sold, an interfund loan will be necessary to pay the debt. The fund will be closely monitored.

Cash Carryover in the Building Inspection Fund was approximately \$57,000 less than anticipated. Building Inspection Fees are less than anticipated at this time from construction projects, but is on target at 50% for Building Inspection Fees from other agencies that contract with us for service. A number of expenditure items directly correlate to revenue received. If the revenue is not received, the expenditure is not made. We will continue to closely monitor cash flow.

Recommendation

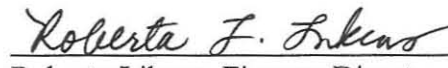
It is staff's recommendation that Council reviews the report and asks for clarification as needed.

COST



No Cost.



Richard Meyers, City Manager



Roberta Likens, Finance Director

REVENUE		Actual	Budget	Difference	%
Operating Income					
 Property Taxes - All Types		5,188,755	5,359,000	(170,245)	97%
Room Taxes		62,724	125,000	(62,276)	50%
Franchise Fees		218,196	668,000	(449,804)	33%
Administrative Fees		-	502,245	(502,245)	0%
Fines and Court Fees		43,038	105,600	(62,562)	41%
Broadband		24,210	48,200	(23,990)	50%
Planning Service Fees		10,375	30,000	(19,625)	35%
State Shared Revenues		42,833	150,000	(107,167)	29%
Marijuana Tax		62,123	160,000	(97,877)	39%
OLCC Liquor Tax		59,840	180,000	(120,160)	33%
Cigarette Tax		3,747	8,100	(4,353)	46%
Federal/State/Local Grants		1,409,569	2,395,620	(986,051)	59%
Library Card Sales and Fines		6,972	7,650	(678)	91%
South Lane County Fire & Rescue - PERS		-	66,530	(66,530)	0%
Engineering Services and Fees		-	122,700	(122,700)	0%
South Lane School District		-	50,000	(50,000)	0%
All Other Revenue		86,328	50,450	35,878	171%
Total Operating Income		7,218,709	10,029,095	(2,810,386)	72%
Non-Operating Income					
Carryover		2,606,058	2,972,155	(366,097)	88%
Interest Income		33,586	15,000	18,586	224%
Interest from Taxes		3,428	5,000	(1,572)	69%
Lease Income		9,366	19,000	(9,634)	49%
Loan Proceeds		830,000	955,000	(125,000)	87%
Community Center Rental Fees		12,582	11,700	882	108%
Donations		-	100	(100)	0%
Restitution - Municipal and Peer Court		2,548	11,500	(8,952)	22%
Total Non-Operating Income		3,497,568	3,989,455	(491,887)	88%
Total REVENUE		10,716,277	14,018,550	(3,302,273)	76%
EXPENSES					
Expenses by Department					
 City Council		32,985	58,560	(25,575)	56%
City Manager		303,535	627,380	(323,845)	48%
Finance		197,740	483,430	(285,690)	41%
Police Operations		1,410,453	3,695,065	(2,284,612)	38%
Municipal Court		40,850	106,100	(65,250)	39%
Court Support Services		31,282	90,500	(59,218)	35%
Youth Peer Court		13,123	48,850	(35,727)	27%
Maintenance		1,248,544	1,631,820	(383,276)	77%
Engineering		69,287	285,065	(215,778)	24%
Broadband Services		142,851	378,740	(235,889)	38%
Community Development		363,696	1,677,365	(1,313,669)	22%
Library		198,995	435,325	(236,330)	46%
Community Services		142,167	560,465	(418,298)	25%
Community Promotions		166,376	189,870	(23,494)	88%
Internal Support:					
Materials & Services/Capital Outlay/Debt		186,844	300,800	(113,956)	62%
Interfund Transfers		756,348	2,428,305	(1,671,957)	31%
Contingency		-	428,060	(428,060)	0%
Unappropriated Ending Fund Balance		-	592,850	(592,850)	0%
Total EXPENSES		5,305,077	14,018,550	(8,713,473)	38%
NET INCOME		5,411,200	-	5,411,200	



GRADE: Exceeding expectations

City of Cottage Grove

2022-23 Financial Report



As of December 31, 2022

202 WATER FUND

REVENUE		Actual	Budget	Difference	%
	All Revenues	1,638,809	2,536,400	(897,591)	65%
	Total Operating Income	1,638,809	2,536,400	(897,591)	65%
Total REVENUE		1,638,809	2,536,400	(897,591)	65%
EXPENSES					
	Expenses by Department				
	Water Distribution	489,289	1,320,875	(831,586)	37%
	Water Production	380,524	756,475	(375,951)	50%
	Internal Support	57,216	459,050	(401,834)	12%
Total EXPENSES		927,029	2,536,400	(1,609,371)	37%
NET INCOME		711,780	-	711,780	

GRADE: Exceeding expectations

302 WASTEWATER FUND

REVENUE		Actual	Budget	Difference	%
	All Revenues	1,731,805	2,885,145	(1,153,340)	60%
	Total Operating Income	1,731,805	2,885,145	(1,153,340)	60%
Total REVENUE		1,731,805	2,885,145	(1,153,340)	60%
EXPENSES					
	Expenses by Department				
	Wastewater Collection	226,714	582,740	(356,026)	39%
	Wastewater Treatment Plant	443,788	938,660	(494,872)	47%
	Golf Course Operations	323,955	801,770	(477,815)	40%
	Non Departmental	187,250	561,975	(374,725)	33%
Total EXPENSES		1,181,707	2,885,145	(1,703,438)	41%
NET INCOME		550,098	-	550,098	



GRADE: Exceeding expectations

City of Cottage Grove

2022-23 Financial Report

As of December 31, 2022

004 STREET FUND



REVENUE		Actual	Budget	Difference	%
	All Revenues	977,127	4,537,500	(3,560,373)	22%
	Total Operating Income	977,127	4,537,500	(3,560,373)	22%
Total REVENUE		977,127	4,537,500	(3,560,373)	22%
EXPENSES					
	Expenses by Department				
	Street Maintenance	266,968	676,680	(409,712)	39%
	Street Sweeping	44,958	106,360	(61,402)	42%
	Capital Improvements	289,791	3,442,500	(3,152,709)	8%
	Internal Support	28,203	311,960	(283,757)	9%
Total EXPENSES		629,920	4,537,500	(3,907,580)	14%
NET INCOME		347,207	-	347,207	

GRADE: UNDER SUPERVISION

Anticipating Federal Urban Aid Funds early February (\$257,000)

Following State/Local Gas Tax Closely - Estimated at 36% of Budget
as payments are typically two-months in arrears from the State.

006 POLICE COMMUNICATIONS

REVENUE		Actual	Budget	Difference	%
	All Revenues	407,412	935,685	(528,273)	44%
	Total REVENUE	407,412	935,685	(528,273)	44%
EXPENSES					
	Expenses by Department				
	Police Support Services	185,827	578,830	(393,003)	32%
	911 Services	91,443	341,275	(249,832)	27%
	Internal Support	3,145	15,580	(12,435)	20%
Total EXPENSES		280,415	935,685	(655,270)	30%
NET INCOME		126,998	-	126,998	



GRADE: Exceeding expectations

City of Cottage Grove

2022-23 Financial Report

As of December 31, 2022



502 INDUSTRIAL PARK OPERATIONS

REVENUE	Actual	Budget	Difference	%
 All Revenues	8	885,100	(885,092)	0%
Total REVENUE	8	885,100	(885,092)	0%
EXPENSES				
 All Expenses	47,319	885,100	(837,781)	5%
Total EXPENSES	47,319	885,100	(837,781)	5%
NET INCOME	(47,311)	-	(47,311)	

GRADE: UNDER SUPERVISION



(Fund is being closely monitored to meet debt requirements.)

402 STORM DRAIN FUND

REVENUE	Actual	Budget	Difference	%
 All Revenues	226,406	486,600	(260,194)	47%
Total REVENUE	226,406	486,600	(260,194)	47%
EXPENSES				
 All Expenses	141,112	486,600	(345,488)	29%
Total EXPENSES	141,112	486,600	(345,488)	29%
NET INCOME	85,294	-	85,294	



GRADE: Meeting expectations

011 BICYCLE & FOOTPATH FUND

REVENUE		Actual	Budget	Difference	%
	All Revenues	57,389	58,500	(1,111)	98%
Total REVENUE		57,389	58,500	(1,111)	98%
EXPENSES					
	All Expenses	899	58,500	(57,601)	2%
Total EXPENSES		899	58,500	(57,601)	2%
NET INCOME		56,491	-	56,491	

GRADE: Exceeding expectations

013 BUILDING INSPECTION PROGRAM FUND

REVENUE		Actual	Budget	Difference	%
	All Revenues	368,581	1,037,500	(668,919)	36%
Total REVENUE		368,581	1,037,500	(668,919)	36%
EXPENSES					
	All Expenses	246,443	1,037,500	(791,057)	24%
Total EXPENSES		246,443	1,037,500	(791,057)	24%
NET INCOME		122,138	-	122,138	

GRADE: Under Supervision

City of Cottage Grove

2022-23 Financial Report

As of December 31, 2022

005 ASSESSMENT FUND

REVENUE		Actual	Budget	Difference	%
	All Revenues	168,493	1,366,510	(1,198,017)	12%
	Total REVENUE	168,493	1,366,510	(1,198,017)	12%
EXPENSES					
	All Expenses	-	1,366,510	(1,366,510)	0%
	Total EXPENSES	-	1,366,510	(1,366,510)	0%
NET INCOME		168,493	-	168,493	



GRADE: Meeting expectations

020 HOUSING REHABILITATION FUND

REVENUE		Actual	Budget	Difference	%
	All Revenues	10,119	10,050	69	101%
	Total REVENUE	10,119	10,050	69	101%
EXPENSES					
	All Expenses	-	10,050	(10,050)	0%
	Total EXPENSES	-	10,050	(10,050)	0%
NET INCOME		10,119	-	10,119	



GRADE: Meeting expectations

823 HOUSING DEVELOPMENT COST ASSISTANCE TRUST

REVENUE	Actual	Budget	Difference	%
 All Revenues	203,084	201,190	1,894	101%
Total REVENUE	203,084	201,190	1,894	101%
EXPENSES				
 All Expenses	5,545	201,190	(195,645)	3%
Total EXPENSES	5,545	201,190	(195,645)	3%
NET INCOME	197,539	-	197,539	

GRADE: Meeting expectations

825 SPECIAL TRUST

REVENUE	Actual	Budget	Difference	%
 All Revenues	48,250	73,644	(25,394)	66%
Total REVENUE	48,250	73,644	(25,394)	66%
EXPENSES				
 All Expenses	4,684	73,644	(68,960)	6%
Total EXPENSES	4,684	73,644	(68,960)	6%
NET INCOME	43,567	-	43,567	



GRADE: Meeting expectations

City of Cottage Grove

2022-23 Financial Report



As of December 31, 2022

827 ARMORY TRUST

REVENUE	Actual	Budget	Difference	%
 All Revenues	299,658	312,100	(12,442)	96%
Total REVENUE	299,658	312,100	(12,442)	96%
EXPENSES				
 All Expenses	36,215	312,100	(275,885)	12%
Total EXPENSES	36,215	312,100	(275,885)	12%
NET INCOME	263,443	-	263,443	

GRADE: UNDER SUPERVISION

738 BUILDING INSPECTION RESERVE FUND

REVENUE	Actual	Budget	Difference	%
 All Revenues	105,304	154,300	(48,996)	68%
Total REVENUE	105,304	154,300	(48,996)	68%
EXPENSES				
 All Expenses	-	154,300	(154,300)	0%
Total EXPENSES	-	154,300	(154,300)	0%
NET INCOME	105,304	-	105,304	



GRADE: Meeting expectations

City of Cottage Grove

2022-23 Financial Report



As of December 31, 2022

731 GENERAL RESERVE FUND

REVENUE		Actual	Budget	Difference	%
	All Revenues	681,355	689,010	(7,656)	99%
Total REVENUE		681,355	689,010	(7,656)	99%
EXPENSES					
	All Expenses	182,183	689,010	(506,827)	26%
Total EXPENSES		182,183	689,010	(506,827)	26%
NET INCOME		499,172	-	499,172	

GRADE: Exceeding expectations

732 WATER RESERVE FUND

REVENUE		Actual	Budget	Difference	%
	All Revenues	2,018,765	3,067,000	(1,048,235)	66%
Total REVENUE		2,018,765	3,067,000	(1,048,235)	66%
EXPENSES					
	All Expenses	734,070	3,067,000	(2,332,930)	24%
Total EXPENSES		734,070	3,067,000	(2,332,930)	24%
NET INCOME		1,284,695	-	1,284,695	



GRADE: Meeting expectations

City of Cottage Grove

2022-23 Financial Report



As of December 31, 2022

735 WASTEWATER RESERVE FUND

REVENUE		Actual	Budget	Difference	%
	All Revenues	1,403,298	2,582,300	(1,179,002)	54%
Total REVENUE		1,403,298	2,582,300	(1,179,002)	54%
EXPENSES					
	All Expenses	1,000,171	2,582,300	(1,582,129)	39%
Total EXPENSES		1,000,171	2,582,300	(1,582,129)	39%
NET INCOME		403,128	-	403,128	

GRADE: Meeting expectations

736 STORM DRAIN RESERVE FUND

REVENUE		Actual	Budget	Difference	%
	All Revenues	2,322,017	2,506,000	(183,983)	93%
Total REVENUE		2,322,017	2,506,000	(183,983)	93%
EXPENSES					
	All Expenses	300,140	2,506,000	(2,205,860)	12%
Total EXPENSES		300,140	2,506,000	(2,205,860)	12%
NET INCOME		2,021,877	-	2,021,877	



GRADE: Exceeding expectations

City of Cottage Grove

2022-23 Financial Report



As of December 31, 2022

007 NARCOTICS FORFEITURE FUND

REVENUE	Actual	Budget	Difference	%
 All Revenues	66,395	91,085	(24,690)	73%
Total REVENUE	66,395	91,085	(24,690)	73%
EXPENSES				
 All Expenses	338	91,085	(90,747)	0%
Total EXPENSES	338	91,085	(90,747)	0%
NET INCOME	66,058	-	66,058	



GRADE: Meeting expectations

602 WATER SYSTEM DEVELOPMENT CHARGE FUND

REVENUE	Actual	Budget	Difference	%
 All Revenues	1,648,719	1,770,000	(121,281)	93%
Total REVENUE	1,648,719	1,770,000	(121,281)	93%
EXPENSES				
 All Expenses	69,123	1,770,000	(1,700,877)	4%
Total EXPENSES	69,123	1,770,000	(1,700,877)	4%
NET INCOME	1,579,596	-	1,579,596	



GRADE: Exceeding expectations

608 STREET SYSTEMS DEVELOPMENT CHARGES FUND

REVENUE		Actual	Budget	Difference	%
	All Revenues	1,283,746	1,600,000	(316,254)	80%
Total REVENUE		1,283,746	1,600,000	(316,254)	80%
EXPENSES					
	All Expenses	14,991	1,600,000	(1,585,009)	1%
Total EXPENSES		14,991	1,600,000	(1,585,009)	1%
NET INCOME		1,268,755	-	1,268,755	

GRADE: Exceeding expectations

604 WASTEWATER SYSTEMS DEVELOPMENT CHARGES FUND

REVENUE		Actual	Budget	Difference	%
	All Revenues	316,109	381,500	(65,391)	83%
Total REVENUE		316,109	381,500	(65,391)	83%
EXPENSES					
	All Expenses	4,146	381,500	(377,354)	1%
Total EXPENSES		4,146	381,500	(377,354)	1%
NET INCOME		311,963	-	311,963	



GRADE: Exceeding expectations

City of Cottage Grove

2022-23 Financial Report



As of December 31, 2022

606 STORM DRAIN SYSTEM DEVELOPMENT CHARGES FUND

REVENUE		Actual	Budget	Difference	%
	All Revenues	537,565	612,500	(74,935)	88%
Total REVENUE		537,565	612,500	(74,935)	88%
EXPENSES					
	All Expenses	274,656	612,500	(337,844)	45%
Total EXPENSES		274,656	612,500	(337,844)	45%
NET INCOME		262,909	-	262,909	



GRADE: Meeting expectations

610 PARKS SYSTEM DEVELOPMENT CHARGES FUND

REVENUE		Actual	Budget	Difference	%
	All Revenues	565,673	592,000	(26,327)	96%
		565,673	592,000	(26,327)	96%
Total REVENUE		565,673	592,000	(26,327)	96%
EXPENSES					
	All Expenses	56,457	592,000	(535,543)	10%
Total EXPENSES		56,457	592,000	(535,543)	10%
NET INCOME		509,216	-	509,216	

GRADE: Meeting expectations

817 DEBT SERVICE FUND

REVENUE		Actual	Budget	Difference	%
	All Revenues	1,710,187	2,748,310	(1,038,123)	62%
	Total REVENUE	1,710,187	2,748,310	(1,038,123)	62%
EXPENSES					
	All Expenses	1,710,187	2,748,310	(1,038,123)	62%
	Total EXPENSES	1,710,187	2,748,310	(1,038,123)	62%
NET INCOME		0	-	0	

GRADE: Meeting expectations