



# Quarterly Financial Report

Reporting financial results  
for the third quarter ended  
March 31, 2013

## *Executive Summary*

---

### **QUARTERLY HIGHLIGHTS**

This third quarter financial report summarizes the financial results for the period ended March 31, 2013 of the fiscal year ending June 30, 2013 and highlights certain topics of interest.

#### *Summary of Beginning Fund Balances*

Beginning fund balances represent the amount of funds available to fund capital projects and operations until property taxes begin to be received in November. During the budget process we estimated that beginning fund balances for all funds would total \$14,534,000. In our financial statements for June 30, 2012 fund balance for all funds was \$14,398,000, which is less than a 1% variance from that anticipated.

#### *Third Quarter Financial Results*

The construction on the TriMet Lightrail project continues. In the General Fund, for accounting purposes, the entire cost of the contribution to TriMet for light rail has been booked as an expenditure of the Community Development Department. Additionally, licenses and permits related to this project that are counted as a reduction to the project liability in accordance with the TriMet agreement are shown as revenues.

The General Fund and Library Fund are dependent upon property taxes for operations. The majority of property taxes have been received showing revenue at 94% of property taxes budgeted for the fiscal year. Distributions from the Library District of Clackamas County shown in the Library Fund have also been received.

The Building Inspection Fund's financial position has improved significantly over the prior year, predominately due to the increase in fees and charges from the Lightrail project.

In this third quarter report, we continue to report the Transportation Fund in total, but also broken out into two distinct departments: the Street Surface Maintenance program and the State Gas Tax program.

The Street Surface Maintenance program fund balance has declined due to planned capital projects. The City was able to combine bids on planned projects which advanced the timeline for project completion and overall, saved City funds.

The State Gas Tax program for streets is projecting a negative fund balance at June 30, 2013.

The Water Fund had a negative fund balance at the end of fiscal year 2012. It has made up some ground this fiscal year and we anticipate that this Fund will have a positive fund balance by the end of the biennium. Overall, increases in water consumption and increases in the utility rate for water have facilitated the quick recovery in this Fund.

Wastewater treatment is performed by Clackamas County Service District No. 1 (CCSD #1). During the budget process in the spring of 2012 the City was working with CCSD #1 to come to an agreement on the cost of wastewater treatment. After the budget was adopted, the City finalized the agreement with CCSD #1 which resulted in expenditures for treatment being much higher than that originally anticipated. To fund the increase in treatment costs, the City implemented an interim 30% wastewater rate increase and then conducted a rate study. Rates were updated again in January 2013 to reflect the results of that analysis. In February 2013 Council adopted a supplemental budget which reflected the increased rates and treatment costs.

Expenditures in the SDC Fund exceed revenues due to planned capital projects and items related to the Lightrail project.

### ***PERS and Supplemental Budget***

In October 2012, the PERS board announced rates for the biennium beginning July 1, 2013 and indicated a 4.5% increase. In our budget for the 2013-2014 biennium, we expected a 3% increase in PERS rates; however rates can increase to 4.5% when the funding status of the actuarial liability is below a certain rate. Since then, the legislature has been in session and several PERS reform bills are under discussion. The final rate is not yet known but it appears likely that it will fall between 3 and 4.5%.

Personnel service costs also had unanticipated increases due to rising health insurance costs and enrollment, and increases in workers compensation and unemployment rates. Additionally, some projects budgeted in 2012 were not completed by year-end and needed to continue into fiscal year 2013. As a result, the Budget Committee approved a supplemental budget which the City Council adopted in February 2013.

### ***Utility Assistance Programs***

The City continues to offer its residential customers a *Low Income Utility Program*. This reduced rate program is a waiver of the established base charge for water service; one-half of the established base charge for wastewater (sewer) and storm water service; one-half of the established volume charge for wastewater service; and waiver of the street maintenance fee. The Finance Department is currently reviewing the annual application renewals. For more information on the eligibility requirements for the *Low Income Utility Program*, please visit: <http://www.cityofmilwaukie.org/finance/low-income-program> or call (503) 786-7525.

In 2012 the City offered a new program, the *Emergency Utility Assistance Program*. This program provides small amounts of funds to be applied to City utility accounts, usually as a match to payments made by customers who find themselves in financial difficulties. This program is generally geared towards utility customers with a good payment history who are struggling to maintain their payments.

### Receive Utility Bills Electronically and Pay Online

We offer paperless billing for utility customers. After registering for this service, customers receive an email notification that their utility billing statement is available for viewing. After viewing the statement payments may be made online via credit card using the City's online payment program or by using a personal bank bill pay feature from the convenience and security of a home computer. Payments can also be made by calling 1-800-701-8560, 24 hours a day, 7 days a week (a "live" person is available if you call between 8am to 9pm EST). Of course, traditional ways of making payments are still available. These new services are simply additional ways to make payments for customer convenience.

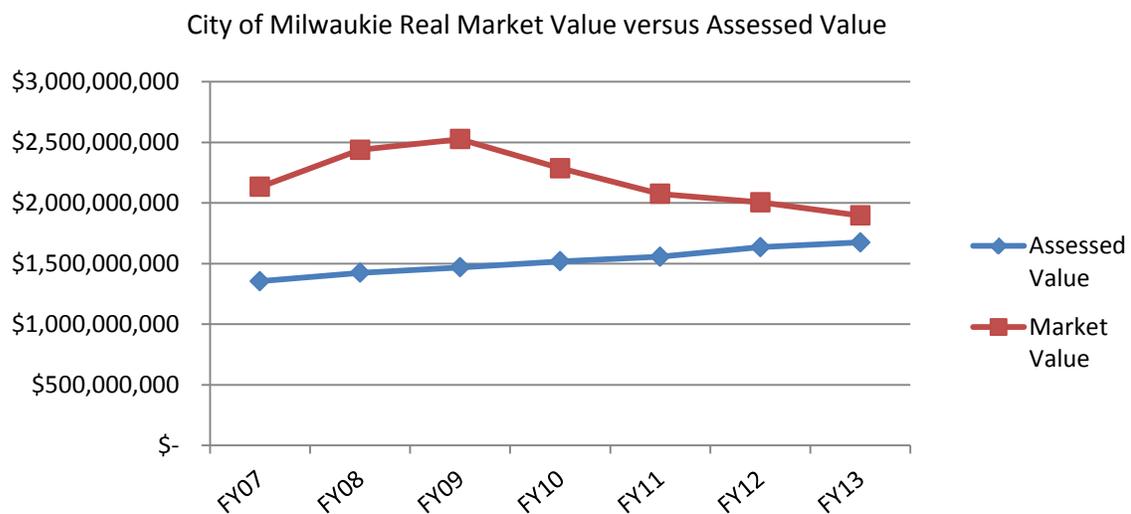
### Business Registrations are Now Online

The Finance Department recently converted business registration and renewal to an online service. Businesses may register, renew and pay online as well as print their own business registration certificate. Annual renewal reminders will be sent by email to all registered businesses. This is being offered as a convenience to our business partners and as well as to reduce the costs of administering the business registration program.

### Property Taxes

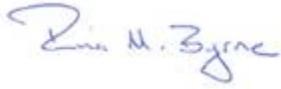
This year, property taxes in Clackamas County are at their lowest growth rate of the past 16 years. Oregon's slow to improve economy and struggling real estate market coupled with Oregon's two constitutional property tax limitations all contributed to lower than normal tax growth.

The County is reporting an overall increase of 0.83% in property tax growth county-wide. For the City of Milwaukie, the County reports a 1.58% increase. Overall Real Market Values are still above Assessed Values, but we are seeing some properties where this gap has closed completely.



I welcome your questions, comments, and any suggestions you may have regarding this report.  
I can be reached at (503) 786 7505 or by email at: [byrner@ci.milwaukie.or.us](mailto:byrner@ci.milwaukie.or.us).

Respectfully,

A handwritten signature in blue ink that reads "Rina M. Byrne". The signature is written in a cursive style with a large initial "R".

Rina Byrne, CPA CFE  
Finance Director, City of Milwaukie

May 21, 2013

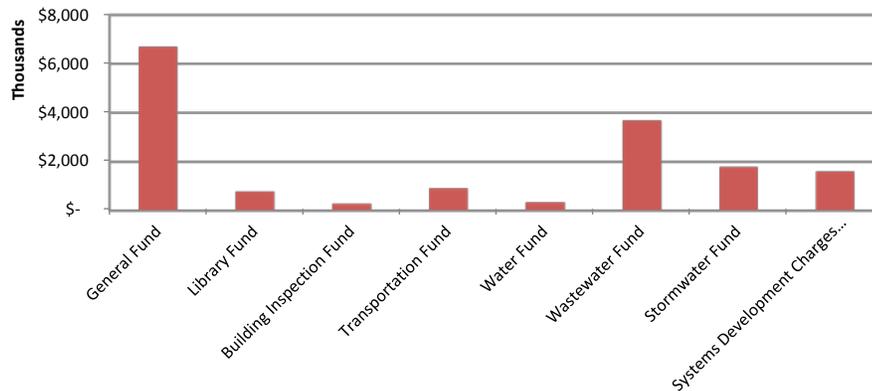
City of Milwaukie, Oregon  
 Quarterly Financial Report  
 Budget-to-Actual  
 Through the third quarter ended March 31, 2013

**All City Funds**

Fund	Beginning Fund Balance as of June 30, 2012	Year-to-Date through March 31, 2013		Ending Fund Balance as of March 31, 2013	Change in Fund Balance
		Revenues	Expenditures		
1 General Fund	\$ 5,781,952	\$ 17,021,498	\$ 16,113,101	\$ 6,690,349	\$ 908,397
2 Library Fund	557,060	2,130,969	1,903,705	784,324	227,264
3 Building Inspection Fund	284,156	212,376	218,065	278,467	(5,689)
4 Transportation Fund	1,738,589	2,115,910	2,947,191	907,308	(831,281) <sup>1</sup>
5 Water Fund	(224,869)	2,130,189	1,565,895	339,425	564,294
6 Wastewater Fund	3,085,206	4,755,856	4,151,016	3,690,046	604,840
7 Stormwater Fund	1,416,231	1,482,756	1,110,842	1,788,145	371,914
8 Systems Development Charges Fund					
Transportation SDC Department	451,556	10,693	261	461,988	10,432
Water SDC Department	235,926	1,314	73,340	163,900	(72,026) <sup>1</sup>
Wastewater SDC Department	805,180	14,352	12,219	807,313	2,133
Stormwater SDC Department	267,182	14,919	105,432	176,669	(90,513) <sup>1</sup>
Systems Development Charges Fund	<u>1,759,844</u>	<u>41,278</u>	<u>191,252</u>	<u>1,609,870</u>	<u>(149,974)</u>
Totals	<u>\$ 14,398,169</u>	<u>\$ 29,890,832</u>	<u>\$ 28,201,067</u>	<u>\$ 16,087,934</u>	<u>\$ 1,689,765</u>

<sup>1</sup> These changes are the result of planned capital projects that were combined and advanced to take advantage of weather and cost savings.

**Ending Fund Balances**



**City of Milwaukie, Oregon**  
**Quarterly Financial Report**  
**Budget-to-Actual**  
**Through the third quarter ended March 31, 2013**

**General Fund**

	Year-to-Date through March 31, 2013			Annual through June 30, 2013 (year-to-date)			
	Flexible Budget	Actual	% of Budget	Annual Budget	Actual	Variance	% of Budget
<b>Revenue</b>							
Property taxes	\$ 5,587,000	\$ 5,401,367	97%	\$ 5,760,000	\$ 5,401,367	\$ (358,633)	94%
Licenses & permits	797,000	807,637	101% <sup>2</sup>	1,063,000	807,637	(255,363)	76%
Franchise fees	1,279,000	1,103,692	86%	1,705,000	1,103,692	(601,308)	65%
Intergovernmental	977,000	984,522	101%	1,302,000	984,522	(317,478)	76%
Fines & forfeitures	1,195,000	1,232,282	103%	1,593,000	1,232,282	(360,718)	77%
Miscellaneous	118,000	114,498	97%	157,000	114,498	(42,502)	73%
	9,953,000	9,643,998	97%	11,580,000	9,643,998	(1,936,002)	83%
Other financing sources	4,010,000	4,010,000	100%	4,010,000	4,010,000	-	100%
Transfers	3,390,000	3,367,500	99%	4,520,000	3,367,500	(1,152,500)	75%
<b>Total revenue</b>	<b>17,353,000</b>	<b>17,021,498</b>	<b>98%</b>	<b>20,110,000</b>	<b>17,021,498</b>	<b>(3,088,502)</b>	<b>85%</b>
<b>Expenditures</b>							
City Council	37,000	21,653	59%	49,000	21,653	27,347	44%
City Manager	447,000	454,475	102% <sup>1</sup>	596,650	454,475	142,175	76%
Community Development and Public Works	6,256,000	6,294,773	101% <sup>1,2</sup>	6,950,900	6,294,773	656,127	91%
Engineering Services	407,000	375,318	92%	542,000	375,318	166,682	69%
Facilities Management	905,000	662,337	73%	1,207,000	662,337	544,663	55%
Finance	530,000	510,942	96%	706,000	510,942	195,058	72%
Fleet Services	474,000	512,603	108% <sup>3</sup>	632,000	512,603	119,397	81%
Human Resources	248,000	168,255	68%	331,000	168,255	162,745	51%
Information Systems Technology	866,000	813,336	94%	1,154,000	813,336	340,664	70%
Municipal Court	265,000	250,628	95%	353,000	250,628	102,372	71%
Planning Services	425,000	380,251	89%	566,000	380,251	185,749	67%
Code Enforcement	152,000	134,907	89%	202,000	134,907	67,093	67%
Public Access Studio	115,000	32,642	28%	153,000	32,642	120,358	21%
Records and Information Management	323,000	276,725	86%	431,000	276,725	154,275	64%
Non-Departmental	788,000	810,940	103%	1,051,000	810,940	240,060	77%
Police Administration	386,000	359,772	93%	515,000	359,772	155,228	70%
Police Field Services	3,930,000	3,841,037	98%	5,240,000	3,841,037	1,398,963	73%
Police Support Services	236,000	212,507	90%	314,000	212,507	101,493	68%
<b>Total expenditures</b>	<b>16,790,000</b>	<b>16,113,101</b>	<b>96%</b>	<b>20,993,550</b>	<b>16,113,101</b>	<b>4,880,449</b>	<b>77%</b>
Revenue over (under) expenditures	563,000	908,397		(883,550)	908,397	1,791,947	
Beginning fund balance	5,717,000	5,781,952		5,717,000	5,781,952	64,952	
<b>Ending fund balance</b>	<b>\$ 6,280,000</b>	<b>\$ 6,690,349</b>		<b>\$ 4,833,450</b>	<b>\$ 6,690,349</b>	<b>\$ 1,856,899</b>	

<sup>1</sup> The Community Services Department actual activity has moved to the City Manager, Community Development and Public Access Studio Departments.

<sup>2</sup> Most revenues and expenditures related to the TriMet Lightrail project have been recorded in the first quarter of the fiscal year for accounting purposes.

<sup>3</sup> Fleet cost include expenses for services billed to other agencies. Fleet is at budget after accounting for the revenue generated.

**City of Milwaukie, Oregon**  
**Quarterly Financial Report**  
**Budget-to-Actual**  
**Through the third quarter ended March 31, 2013**

**Library Fund**

	Year-to-Date through March 31, 2013			Annual through June 30, 2013 (year-to-date)			
	Flexible Budget	Actual	% of Budget	Annual Budget	Actual	Variance	% of Budget
<b>Revenue</b>							
Intergovernmental Revenue	\$ 1,235,000	\$ 1,205,656	98% <sup>1</sup>	\$ 1,403,000	\$ 1,205,656	\$ (197,344)	86%
Fines	46,000	44,744	97%	61,000	44,744	(16,256)	73%
Miscellaneous	-	1,849	100%	-	1,849	1,849	100%
Allocation of general property taxes	908,000	878,720	97%	936,000	878,720	(57,280)	94%
<b>Total revenue</b>	<b>2,189,000</b>	<b>2,130,969</b>	<b>97%</b>	<b>2,400,000</b>	<b>2,130,969</b>	<b>(269,031)</b>	<b>89%</b>
<b>Expenditures</b>							
Personnel services	1,082,000	1,072,323	99%	1,442,000	1,072,323	369,677	74%
Materials & services	155,000	103,882	67%	207,000	103,882	103,118	50%
Debt service	195,000	195,000	100%	195,000	195,000	-	100%
Transfers	533,000	532,500	100%	710,000	532,500	177,500	75%
<b>Total expenditures</b>	<b>1,965,000</b>	<b>1,903,705</b>	<b>97%</b>	<b>2,554,000</b>	<b>1,903,705</b>	<b>650,295</b>	<b>75%</b>
Revenue over (under) expenditures	224,000	227,264		(154,000)	227,264	381,264	
Beginning fund balance	657,000	557,060		657,000	557,060	(99,940)	
<b>Ending fund balance</b>	<b>\$ 881,000</b>	<b>\$ 784,324</b>		<b>\$ 503,000</b>	<b>\$ 784,324</b>	<b>\$ 281,324</b>	

<sup>1</sup> County District Levy funding was received in the third quarter.

**City of Milwaukie, Oregon**  
**Quarterly Financial Report**  
**Budget-to-Actual**  
**Through the third quarter ended March 31, 2013**

**Building Inspection Fund**

	Year-to-Date through March 31, 2013			Annual through June 30, 2013 (year-to-date)			
	Flexible Budget	Actual	% of Budget	Annual Budget	Actual	Variance	% of Budget
<b>Revenue</b>							
Fees & charges	\$ 289,000	\$ 212,058	73%	\$ 385,000	\$ 212,058	\$ (172,942)	55%
Miscellaneous	4,000	318	8%	5,000	318	(4,682)	6%
<b>Total revenue</b>	<b>293,000</b>	<b>212,376</b>	<b>72%</b>	<b>390,000</b>	<b>212,376</b>	<b>(177,624)</b>	<b>54%</b>
<b>Expenditures</b>							
Personnel services	158,000	157,596	100%	210,000	157,596	52,404	75%
Materials and services	6,000	7,969	133% <sup>1</sup>	8,000	7,969	31	100%
Transfers	53,000	52,500	99%	70,000	52,500	17,500	75%
<b>Total expenditures</b>	<b>217,000</b>	<b>218,065</b>	<b>100%</b>	<b>288,000</b>	<b>218,065</b>	<b>69,935</b>	<b>76%</b>
Revenue over (under) expenditures	76,000	(5,689)		102,000	(5,689)	(107,689)	
Beginning fund balance	80,000	284,156		80,000	284,156	204,156	
<b>Ending fund balance</b>	<b>\$ 156,000</b>	<b>\$ 278,467</b>		<b>\$ 182,000</b>	<b>\$ 278,467</b>	<b>\$ 96,467</b>	

<sup>1</sup> Unexpected costs were incurred to fill a temporary personnel gap using a contracted service.

**City of Milwaukie, Oregon**  
**Quarterly Financial Report**  
**Budget-to-Actual**  
**Through the third quarter ended March 31, 2013**

**Transportation Fund - in Total**

	Year-to-Date through March 31, 2013			Annual through June 30, 2013 (year-to-date)			
	Flexible Budget	Actual	% of Budget	Annual Budget	Actual	Variance	% of Budget
<b>Revenue</b>							
Dedicated to St/Surf Maintenance Program:							
Fees (from street maintenance fee)	\$ 455,000	\$ 457,708	101%	\$ 606,000	\$ 457,708	\$ (148,292)	76%
Franchise fees (from 1.5% privilege tax)	327,000	315,054	96% <sup>1</sup>	327,000	315,054	(11,946)	96%
Intergovernmental (from local gas tax)	109,000	101,963	94%	186,000	101,963	(84,037)	55%
	<u>891,000</u>	<u>874,725</u>	<u>98%</u>	<u>1,119,000</u>	<u>874,725</u>	<u>(244,275)</u>	<u>78%</u>
Intergovernmental (from state gas tax)	763,000	762,375	100%	1,145,000	762,375	(382,625)	67%
Intergovernmental (other)	12,000	12,071	101% <sup>2</sup>	1,194,000	12,071	(1,181,929)	1%
Franchise fees (from utility funds)	462,000	462,000	100%	616,000	462,000	(154,000)	75%
Miscellaneous	11,000	4,739	43%	14,000	4,739	(9,261)	34%
	<u>2,139,000</u>	<u>2,115,910</u>	<u>99%</u>	<u>4,088,000</u>	<u>2,115,910</u>	<u>(1,972,090)</u>	<u>52%</u>
<b>Expenditures</b>							
Personnel services	335,000	317,465	95%	447,000	317,465	(129,535)	71%
Materials and services	390,000	321,734	82%	520,000	321,734	(198,266)	62%
Transfers	758,000	757,500	100%	1,010,000	757,500	(252,500)	75%
Capital outlay	1,518,000	1,550,492	102%	3,407,000	1,550,492	(1,856,508)	46%
	<u>3,001,000</u>	<u>2,947,191</u>	<u>98%</u>	<u>5,384,000</u>	<u>2,947,191</u>	<u>(2,436,809)</u>	<u>55%</u>
Revenue over (under) expenditures	(862,000)	(831,281)		(1,296,000)	(831,281)	(4,408,899)	
Beginning fund balance	<u>1,792,000</u>	<u>1,738,589</u>		<u>1,792,000</u>	<u>1,738,589</u>	<u>(53,411)</u>	
<b>Ending net available fund balance</b>	<u>\$ 930,000</u>	<u>\$ 907,308</u>		<u>\$ 496,000</u>	<u>\$ 907,308</u>	<u>\$ (4,462,310)</u>	

<sup>1</sup> Privilege taxes were received from PGE along with the Franchise Fee in the third quarter.

<sup>2</sup> Projects qualifying for grants during the year have not yet been completed to allow for reimbursement.

**City of Milwaukie, Oregon**  
**Quarterly Financial Report**  
**Budget-to-Actual**  
**Through the third quarter ended March 31, 2013**

**Transportation Fund - by Program**

**Street Surface Maintenance Program**

	Year-to-Date through March 31, 2013			Annual through June 30, 2013 (year-to-date)			
	Flexible Budget	Actual	% of Budget	Annual Budget	Actual	Variance	% of Budget
<b>Revenue</b>							
Dedicated to St/Surf Maintenance Program:							
Fees (from street maintenance fee)	\$ 455,000	\$ 457,708	101%	\$ 606,000	\$ 457,708	\$ (148,292)	76%
Franchise fees (from 1.5% privilege tax)	327,000	315,054	96% <sup>1</sup>	327,000	315,054	(11,946)	96%
Intergovernmental (from local gas tax)	109,000	101,963	94%	186,000	101,963	(84,037)	55%
<b>Total revenue</b>	<b>891,000</b>	<b>874,725</b>	<b>98%</b>	<b>1,119,000</b>	<b>874,725</b>	<b>(244,275)</b>	<b>78%</b>
<b>Expenditures</b>							
Materials and services	45,000	8,670	19%	60,000	8,670	51,330	14%
Transfers	152,000	151,500	100%	202,000	151,500	50,500	75%
Capital outlay	1,349,000	1,380,210	102%	1,420,000	1,380,210	39,790	97%
<b>Total expenditures</b>	<b>1,546,000</b>	<b>1,540,380</b>	<b>100%</b>	<b>1,682,000</b>	<b>1,540,380</b>	<b>141,620</b>	<b>92%</b>
Revenue over (under) expenditures	(655,000)	(665,655)		(563,000)	(665,655)	(102,655)	
Beginning fund balance	1,459,000	1,903,732		1,459,000	1,903,732	444,732	
<b>Ending net available fund balance</b>	<b>\$ 804,000</b>	<b>\$ 1,238,077</b>		<b>\$ 896,000</b>	<b>\$ 1,238,077</b>	<b>\$ 342,077</b>	

**State Gas Tax Program**

	Year-to-Date through March 31, 2013			Annual through June 30, 2013 (year-to-date)			
	Flexible Budget	Actual	% of Budget	Annual Budget	Actual	Variance	% of Budget
<b>Revenue</b>							
Intergovernmental (from state gas tax)	763,000	762,375	100%	1,145,000	762,375	(382,625)	67%
Intergovernmental (other)	12,000	12,071	101% <sup>2</sup>	1,194,000	12,071	(1,181,929)	1%
Franchise fees (from utility funds)	462,000	462,000	100%	616,000	462,000	(154,000)	75%
Fee in Lieu of Construction	-	-	-	405,000	-	(405,000)	-
Miscellaneous	11,000	4,739	43%	14,000	4,739	(9,261)	34%
<b>Total revenue</b>	<b>1,248,000</b>	<b>1,241,185</b>	<b>99%</b>	<b>3,374,000</b>	<b>1,241,185</b>	<b>(2,132,815)</b>	<b>37%</b>
<b>Expenditures</b>							
Personnel services	335,000	317,465	95%	447,000	317,465	129,535	71%
Materials and services	345,000	313,064	91%	460,000	313,064	146,936	68%
Transfers	606,000	606,000	100%	808,000	606,000	202,000	75%
Capital outlay	169,000	170,282	101%	1,987,000	170,282	1,816,718	9%
<b>Total expenditures</b>	<b>1,455,000</b>	<b>1,406,811</b>	<b>97%</b>	<b>3,702,000</b>	<b>1,406,811</b>	<b>2,295,189</b>	<b>38%</b>
Revenue over (under) expenditures	(207,000)	(165,626)		(328,000)	(165,626)	162,374	
Beginning fund balance	333,000	(165,143)		333,000	(165,143)	(498,143)	
<b>Ending net available fund balance</b>	<b>\$ 126,000</b>	<b>\$ (330,769)</b>		<b>\$ 5,000</b>	<b>\$ (330,769)</b>	<b>\$ (335,769)</b>	

<sup>1</sup> Privilege taxes were received from PGE along with the Franchise Fee in the third quarter.

<sup>2</sup> Projects qualifying for grants during the year have not yet been completed to allow for reimbursement.

**City of Milwaukie, Oregon**  
**Quarterly Financial Report**  
**Budget-to-Actual**  
**Through the third quarter ended March 31, 2013**

**Water Fund**

	Year-to-Date through March 31, 2013			Annual through June 30, 2013 (year-to-date)			
	Flexible Budget	Actual	% of Budget	Annual Budget	Actual	Variance	% of Budget
<b>Revenue</b>							
Fees and charges	\$ 2,090,000	\$ 2,090,278	100% <sup>1</sup>	\$ 2,786,000	2,090,278	(695,722)	75%
Miscellaneous	46,000	39,911	87%	61,000	39,911	(21,089)	65%
<b>Total revenue</b>	<b>2,136,000</b>	<b>2,130,189</b>	<b>100%</b>	<b>2,847,000</b>	<b>2,130,189</b>	<b>(716,811)</b>	<b>75%</b>
<b>Expenditures</b>							
Personnel services	436,000	387,840	89%	581,000	387,840	193,160	67%
Materials and services	472,000	423,851	90%	629,000	423,851	205,149	67%
Transfers	735,000	735,000	100%	980,000	735,000	245,000	75%
Capital outlay	22,000	19,204	87%	444,000	19,204	424,796	4%
<b>Total expenditures</b>	<b>1,665,000</b>	<b>1,565,895</b>	<b>94%</b>	<b>2,634,000</b>	<b>1,565,895</b>	<b>1,068,105</b>	<b>59%</b>
Revenue over (under) expenditures	471,000	564,294		213,000	564,294	351,294	
Beginning fund balance	(267,000)	(224,869)		(267,000)	(224,869)	42,131	
<b>Ending fund balance</b>	<b>\$ 204,000</b>	<b>\$ 339,425</b>		<b>\$ (54,000)</b>	<b>\$ 339,425</b>	<b>\$ 393,425</b>	

<sup>1</sup> Water consumption is up compared to the same period last year.

**City of Milwaukie, Oregon**  
**Quarterly Financial Report**  
**Budget-to-Actual**  
**Through the third quarter ended March 31, 2013**

**Wastewater Fund**

	Year-to-Date through March 31, 2013			Annual through June 30, 2013 (year-to-date)			
	Flexible Budget	Actual	% of Budget	Annual Budget	Actual	Variance	% of Budget
<b>Revenue</b>							
Fees and charges	\$ 4,790,000	\$ 4,655,964	97%	\$ 6,386,000	\$ 4,655,964	\$ (1,730,036)	73%
Intergovernmental	-	-	- <sup>1</sup>	168,000	-	(168,000)	-
Miscellaneous	4,000	-	-	5,000	-	(5,000)	-
Proceeds from Reimbursement District	92,000	99,892	109%	123,000	99,892	(23,108)	81%
<b>Total revenue</b>	<b>4,886,000</b>	<b>4,755,856</b>	<b>97%</b>	<b>6,682,000</b>	<b>4,755,856</b>	<b>(1,926,144)</b>	<b>71%</b>
<b>Expenditures</b>							
Personnel services	325,000	307,932	95%	433,000	307,932	125,068	71%
Materials and services	1,848,000	2,934,841	159%	4,435,000	2,934,841	1,500,159	66%
Debt service	101,000	100,919	100%	110,000	100,919	9,081	92%
Transfers	735,000	735,000	100%	980,000	735,000	245,000	75%
Capital outlay	1,382,000	72,324	5%	1,843,000	72,324	1,770,676	4%
<b>Total expenditures</b>	<b>4,391,000</b>	<b>4,151,016</b>	<b>95%</b>	<b>7,801,000</b>	<b>4,151,016</b>	<b>3,649,984</b>	<b>53%</b>
Revenue over (under) expenditures	495,000	604,840		(1,119,000)	604,840	1,723,840	
Beginning fund balance	3,260,000	3,085,206		3,260,000	3,085,206	(174,794)	
<b>Ending fund balance</b>	<b>\$ 3,755,000</b>	<b>\$ 3,690,046</b>		<b>\$ 2,141,000</b>	<b>\$ 3,690,046</b>	<b>\$ 1,549,046</b>	

<sup>1</sup> Projects qualifying for grants during the year have not yet been completed to allow for reimbursement.

**City of Milwaukie, Oregon**  
**Quarterly Financial Report**  
**Budget-to-Actual**  
**Through the third quarter ended March 31, 2013**

**Stormwater Fund**

	Year-to-Date through March 31, 2013			Annual through June 30, 2013 (year-to-date)			
	Flexible Budget	Actual	% of Budget	Annual Budget	Actual	Variance	% of Budget
<b>Revenue</b>							
Fees and charges	\$ 1,467,000	\$ 1,477,508	101%	\$ 1,956,000	\$ 1,477,508	\$ (478,492)	76%
Intergovernmental	-	-	-	300,000	-	300,000	-
Miscellaneous	1,000	5,248	525%	1,000	5,248	4,248	525%
<b>Total revenue</b>	<b>1,468,000</b>	<b>1,482,756</b>	<b>101%</b>	<b>2,257,000</b>	<b>1,482,756</b>	<b>(174,244)</b>	<b>66%</b>
<b>Expenditures</b>							
Personnel services	308,000	321,600	104%	411,000	321,600	89,400	78%
Materials and services	254,000	175,367	69%	339,000	175,367	163,633	52%
Transfers	555,000	555,000	100%	740,000	555,000	185,000	75%
Capital outlay	881,000	58,875	7%	1,175,000	58,875	1,116,125	5%
<b>Total expenditures</b>	<b>1,998,000</b>	<b>1,110,842</b>	<b>56%</b>	<b>2,665,000</b>	<b>1,110,842</b>	<b>1,554,158</b>	<b>42%</b>
Revenue over (under) expenditures	(530,000)	371,914		(408,000)	371,914	1,379,914	
Beginning fund balance	1,391,000	1,416,231		1,391,000	1,416,231	25,231	
<b>Ending fund balance</b>	<b>\$ 861,000</b>	<b>\$ 1,788,145</b>		<b>\$ 983,000</b>	<b>\$ 1,788,145</b>	<b>\$ 1,405,145</b>	

<sup>1</sup> Projects qualifying for grants during the year have not yet been completed to allow for reimbursement.

<sup>2</sup> Unexpected costs in personnel services.

**City of Milwaukie, Oregon**  
**Quarterly Financial Report**  
**Budget-to-Actual**  
**Through the third quarter ended March 31, 2013**

**Systems Development Charges Fund**

	Year-to-Date through March 31, 2013			Annual through June 30, 2013 (year-to-date)			
	Flexible Budget	Actual	% of Budget	Annual Budget	Actual	Variance	% of Budget
<b>Revenue</b>							
System development charges	\$ 288,000	\$ 41,189	14%	\$ 384,000	\$ 41,189	\$ (342,811)	11%
Miscellaneous	5,000	89	2%	6,000	89	(5,911)	1%
<b>Total revenue</b>	<b>293,000</b>	<b>41,278</b>	<b>14%</b>	<b>390,000</b>	<b>41,278</b>	<b>(348,722)</b>	<b>11%</b>
<b>Expenditures</b>							
Materials and services	96,000	46,232	48% <sup>1</sup>	128,000	46,232	81,768	36%
Capital outlay	500,000	145,020	29%	666,000	145,020	520,980	22%
<b>Total expenditures</b>	<b>596,000</b>	<b>191,252</b>	<b>32%</b>	<b>794,000</b>	<b>191,252</b>	<b>602,748</b>	<b>24%</b>
Revenue over (under) expenditures	(303,000)	(149,974)		(404,000)	(149,974)	254,026	
Beginning fund balance	1,854,000	1,759,844		1,854,000	1,759,844	(94,156)	
<b>Ending fund balance</b>	<b>\$ 1,551,000</b>	<b>\$ 1,609,870</b>		<b>\$ 1,450,000</b>	<b>\$ 1,609,870</b>	<b>\$ 159,870</b>	

<sup>1</sup> Materials and services expenditures are for the stormwater master plan and are not incurred evenly throughout the year.

**City of Milwaukie, Oregon**  
**Quarterly Financial Report**  
**Project Status Report**  
**Through the third quarter ended March 31, 2013**

**Project Status Report**

Year-to-Date through March 31, 2013

<b>General Fund</b>	Number	Annual Budget	Actual	Variance	% of Budget	Project Status
Portland-Milwaukie Light Rail	D06	4,946,000	4,687,557	258,443	95%	Accounting treatment of City obligation for PMLR.
Riverfront Design	Q04	100,000	44,761	55,239	45%	Klein Point and grant application design. There will be further costs related to design for grant apps, if successful.
Capital Campaign	Q03	30,000	16,581	13,419	55%	C3 Strategies work halted February 2013
Klein Point and Riverfront Construction	Q01	333,000	320,135	12,865	96%	Klein Point complete. Signs to be installed 6/2013
JCB - Property Retaining Wall	F09	80,000	-	80,000	-	Project not started
PSB - Replace Emergency Generator	F08	100,000	-	100,000	-	On hold pending a grant application
<b>Total General Fund Capital Projects</b>		<b>5,589,000</b>	<b>5,069,034</b>	<b>519,966</b>	<b>91%</b>	
<b>Transportation Fund</b>						
<b>State Gas Tax</b>						
Lake Road Multimodal Improvements Phase 1	T02	350,000		350,000	-	\$350,000 was identified as match for this ODOT Grant, but these funds are no longer available. Staff is currently discussing the future of this projects with ODOT.
Walk Safety Milwaukie Program	T01	160,000	55,311	104,689	35%	Engineering Staff is working with PSAC to complete two additional project with these funds. 1 project (Washington Street Crosswalk) is scheduled to be completed this summer. Another (Harrison Street Crosswalk), will be completed with the reconstruction of Harrison Street (SSMP).
School Zone Implementation	T04	25,000	11,327	13,673	45%	All zones have updated with the exception of the downtown. Completion of the downtown school zones was held off to prevent duplication of work with Trimet improvements. Staff does expect to spend the remaining 13k.
Union Pacific Mainline Railroad Quiet Zone	T03	195,000	58,138	136,862	30%	Staff is currently waiting for rail permits to perform the 3rd phase of this project. Completion (including QZ designation) is expected to occur before Dec. 31, 2013.
17th Avenue Pedestrian Improvements	T05	963,000	-	963,000	-	This represents METRO's contribution to this project. T
Adams Street Improvements	T07	60,000	45,506	14,494	76%	This design is nearing completion. Staff anticipates all 60k to be spent.
Lake Road Safe Routes to School	T06	234,000	-	234,000	-	Funded by ODOT. Staff is discussing which improvements qualify for this grant in an attempt to spend this (no match) grant.
<b>SSMP</b>						
Harrison Street Reconstruction - Phase 1 (Campbell to 42n)	S01	1,355,000	1,352,385	2,615	100%	This project is complete.
SSMP Preventative Maintenance	S04	65,000	-	65,000	-	Engineering Staff is looking into options for performing this work. It may be advantageous (with respect to cost) for City Operations Staff to perform a majority of this work. Either way, it is expected that all 65k will be spent later this summer.
SSMP Project			2,500	(2,500)		This is a project expense of SSMP.
Lake Road	T02		12,950	(12,950)		Final payment on Lake Road
McBrod Avenue	S07		12,375	(12,375)		This survey was a project expense of SSMP. The reason it was performed ahead of schedule was so that the McBrod water project could take advantage of the data as well.
<b>Total Transportation Fund Capital Projects</b>		<b>3,407,000</b>	<b>1,550,492</b>	<b>1,856,508</b>	<b>46%</b>	<b>0</b>
<b>Water Fund</b>						
Harrison St Water System Improvement Ph II (21st to UPRI)	W04	404,000	3,969	400,031	1%	Currently under construction and is expected to be completed at cost of 479k (includes SDC funding)
Maintenance Improvements	W03	40,000	15,235	24,765	38%	Miscellaneous improvements
<b>Total Water Fund Capital Projects</b>		<b>444,000</b>	<b>19,204</b>	<b>424,796</b>	<b>4%</b>	

**City of Milwaukie, Oregon**  
**Quarterly Financial Report**  
**Project Status Report**  
**Through the third quarter ended March 31, 2013**

**Project Status Report**

Year-to-Date through March 31, 2013

	Number	Annual Budget	Actual	Variance	% of Budget	Project Status
<b>Wastewater Fund</b>						
Wastewater Main Repair Program	X07	110,000	67,404	42,596	61%	Staff will be combining the remaining 42k with 100k budgeted in the 2nd year of the biennium to perform the 2nd half of this work.
Harrison Street LRT Crossing Replacement	X01	120,000	-	120,000	-	Originally scheduled for the 2nd half of the biennium, this project was started to stay ahead of the Harrison Street SSMP project. This project is expected to cost 1.25M (545K under the total biennial budget). The LRT Crossings were combined with the clay pipe project.
Monroe Street LRT Crossing Replacement	X02	220,000	-	220,000	-	
Clay Pipe Replacement	X10		1,522	(1,522)		
Pipe Replacement for Light Rail and SSMP	X08	1,393,000	3,398	1,389,602	0%	Nearing completion. Staff expects this contract to cost approximately 622k. Payment for this project will be made in a lump sum.
<b>Total Wastewater Fund Capital Projects</b>		<b>1,843,000</b>	<b>72,324</b>	<b>1,770,676</b>	<b>4%</b>	
<b>Stormwater Fund</b>						
Stanley Avenue Pipe Replacement	Y05	600,000	3,398	596,602	1%	Staff plans on designing this project over the winter for a construction window of next summer. The total budget include an additional 600k from the 2nd half of the biennial.
UIC Decommission/Pretreat Program	Y03	90,000	-	90,000	-	Staff is currently waiting on a permit from DEQ to determine which UIC's will need decommissioning. This permit will also determine how each UIC will need to be decommissioned.
Kellogg Creek Dam Removal and HWY 99E Underpass	Y04	350,000	-	350,000	-	Tied to Wildlands Contract
Upsizing Storm Pipe at Rail Crossing	Y02	75,000	-	75,000	-	Staff expects that this 75k will be paid to Light Rail in one lump sum.
Stormwater Master Plan	Y01	60,000	55,477	4,523	92%	Nearing completion. All \$60,000 will be spent
<b>Total Stormwater Fund Capital Projects</b>		<b>1,175,000</b>	<b>58,875</b>	<b>1,116,125</b>	<b>5%</b>	
<b>SDC Fund</b>						
Union Pacific Mainline Railroad Quiet Zone	T03	50,000	261	49,739	1%	Staff is currently waiting for rail permits to perform the 3rd phase of this project. Completion (including QZ designation) is expected to occur before Dec. 31, 2013.
17th Avenue Pedestrian Improvements	T05	50,000	-	50,000	-	City SDC portion of METRO's contribution to this project. The City will not be billing on this line item.
Kellogg Lake Multi Use Bridge	T08	200,000	-	200,000	-	Matching funds
Harrison St Water System Improvement Ph II (21st to UPR)	W04	81,000	-	81,000	-	Work under this project title was combined with the Clay Pipe Replacement project
Portland-Milwaukie Light Rail	D06	74,000	73,340	660	99%	Accounting treatment of City obligation for PMLR.
Pipe Replacement for Light Rail and SSMP	X08	150,000	-	150,000	-	Nearing completion. Staff expects this contract to cost approximately 622k. Payment for this project will be made in a lump sum.
Brookside Forcemain	X09		11,326	(11,326)		Following a study it appears that this pipe will not need to be replaced.
Portland-Milwaukie Light Rail	D06	1,000	893	107	89%	Accounting treatment of City obligation for PMLR.
Portland-Milwaukie Light Rail	D06	60,000	59,200	800	99%	Accounting treatment of City obligation for PMLR.
<b>Total SDC Fund Capital Projects</b>		<b>666,000</b>	<b>145,020</b>	<b>520,980</b>	<b>22%</b>	



Milwaukie Finance