



MILWAUKIE
Dogwood City of the West

Quarterly Financial Report

Reporting financial results
for the third quarter ended
March 31, 2014

Executive Summary

We are pleased to offer this financial report of City operations for your review. This report covers financial operations through the third quarter ended March 31, 2014 relating to the fiscal year ending June 30, 2014.

QUARTERLY HIGHLIGHTS

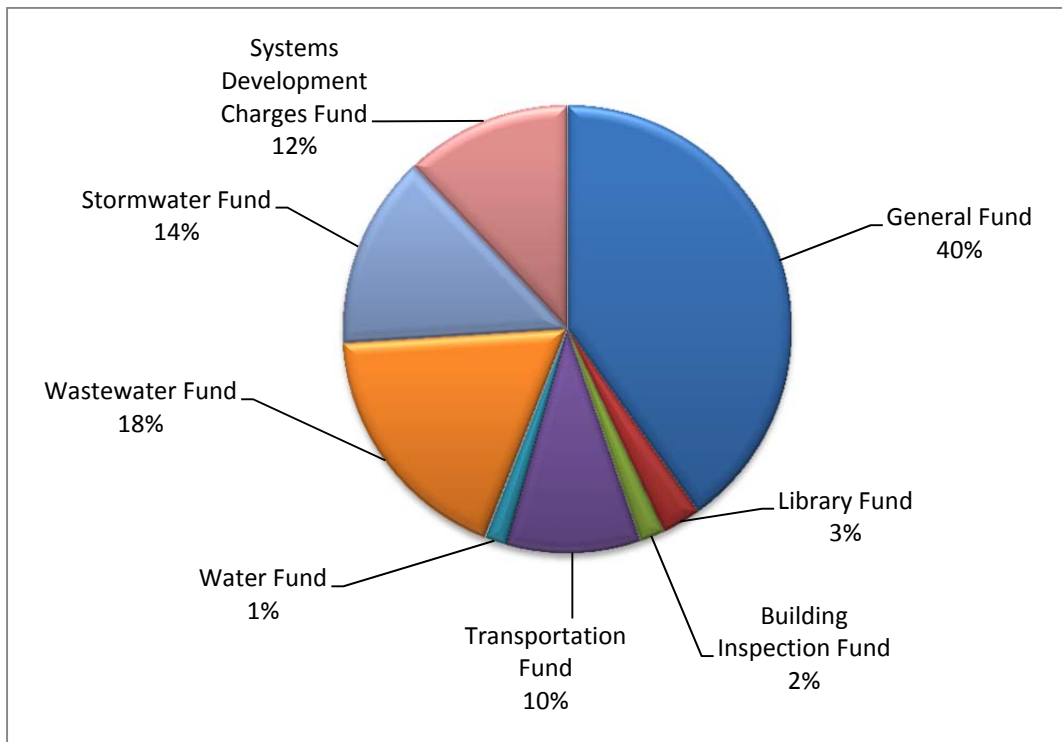
This third quarter financial report summarizes the financial results for the fiscal year ending June 30, 2014 (year-to-date) and highlights certain topics of interest.

Change in Quarterly Report Format – Move to Biennial Display

You'll notice that we've updated the quarterly report format starting with this report. We have added columns in the quarterly statements to illustrate the City's financial picture in relation to the entire biennial budget.

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 on July 1, 2013 for all funds would total \$11,505,000. In our financial statements for June 30, 2013, ending fund balances for all funds came in higher at \$13,576,853.



Third Quarter Financial Results

The General Fund and Library Fund are dependent upon property taxes and distributions from the Library District of Clackamas County. 97% of budgeted property taxes were received in the third quarter compared to 94% received at this time in fiscal year 2013. Overall, General Fund revenues are right on target.

The Library Fund receives distributions from the Library District of Clackamas County in the third and fourth quarters and therefore, the Library Fund is reflecting receipts of 93% of the budgeted distribution.

The Building Inspection Fund has experienced a lull in revenue production, with total revenue at 70% of expectations at the end of the third quarter, down from 76% last quarter. As we approach the end of the fourth quarter and beyond, it is important that we continue to monitor this Fund closely.

The Transportation Fund continues to be broken out into two distinct departments to separate its two main functions. These two functions are the Street Surface Maintenance program and the State Gas Tax program.

Neither local nor state gas taxes are received in alignment with the quarterly budget. Due to the identification of some previously omitted stations, these revenues have picked up dramatically.

The Water Fund's previous negative fund balance at the end of fiscal year 2012 continues to make up ground in this third quarter.

SDC Fund projects have been progressing, however revenues have been only 9% of budget. This is not atypical in this type of fund.

PERS Reform Bills to be Reviewed by Oregon Supreme Court

Before any of the current round of PERS reforms were passed, public employers around the State were facing a \$900 million increase in pension contributions during the 2014-2015 biennium. After the changes enacted in the regular legislative session, costs will be going up by about \$110 million.

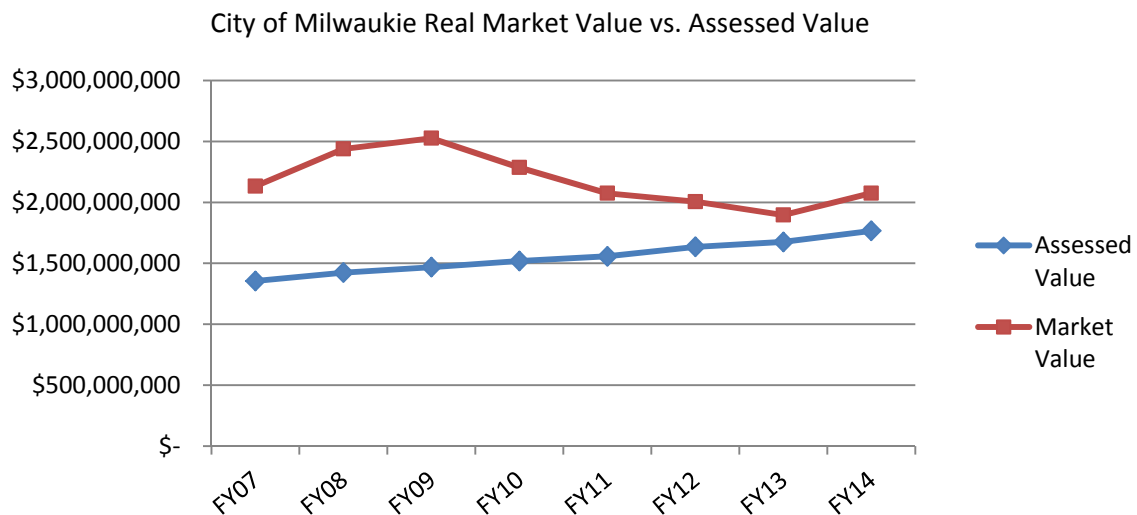
Now, the Oregon Supreme Court is reviewing these bills. Their decision on the changes might arrive by the spring of 2015, just before contribution rates are slated to change again. If the changes stand, PERS officials and the system actuary say the long-term savings will amount to \$4.5 billion to \$5 billion.

There are lots of moving parts in the PERS cost equation. Those include ongoing returns on the pension fund's investments, the PERS Board's decision to lower the system's assumed earnings rate, and a change the board recently made to the system's rate setting methodology to slow rate increases.

For the City of Milwaukie, we are projecting a sixteen percent increase in our annual PERS costs and this is assuming these PERS Reforms hold up (at this time, the actual rate of payroll is projected to increase 2.03% for a total PERS rate of 20.41% of payroll, which includes the 6% pickup).

Property Tax Bills Mailed out by County

Clackamas County mailed out property tax bills during the second quarter. Although market values have dropped over the last couple of years, this five-year downward trend has turned around. Understanding that every individual property is different, at least in total, the City’s real market and assessed values increased in FY 2014:

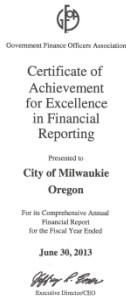


ANNUAL REPORTS

Our auditors completed their annual audit fieldwork in mid-December with a “clean” opinion and no proposed adjustments. The Comprehensive Annual Financial Report (Financial Statements) was issued at the end of December and is available for review at www.milwaukieoregon.gov/finance. The audit was properly filed with the Secretary of State-Audits Division by the December 31, 2013 deadline.

The City’s third Popular Annual Financial Report (PAFR) was also issued in December and is available online at www.milwaukieoregon.gov/finance or in printed form at any one of the City’s facilities. Popular Annual Financial Reports are specifically designed to be readily accessible and easily understandable to the general public and other interested parties without a background in public finance.

INTERNATIONAL AWARDS RECEIVED FOR FINANCE DOCUMENTS



Comprehensive Annual Financial Reporting Award. For the third time since the early nineties, the City received the *Certificate of Achievement for Excellence in Financial Reporting* award from the Government Finance Officers Association (GFOA). In order to receive this award, a government unit must publish an easily readable and efficiently organized CAFR whose contents conform to program standards and satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

Popular Annual Financial Reporting Award. For the second time the City received an *Award for Outstanding Achievement in Popular Annual Financial Reporting* from the GFOA. In order to receive this award, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal. The City is still awaiting notice on its third PAFR submission for the GFOA award.

Distinguished Budget Presentation Award. The City also received the *Distinguished Budget Presentation Award* for its biennium 2013-2014 budget document from the GFOA. This award is the highest form of recognition in governmental budgeting. Its attainment represents a significant accomplishment by a governmental entity, its financial staff, and its management. This international award program was established in 1984 to encourage exemplary budgetary practices and to provide peer recognition for government finance officers who prepare budget documents. They rate a budget's proficiency in four major categories: as a policy document, an operations guide, a financial plan, and a communications device.



These awards are prestigious national awards that recognizes conformance with the highest standards for preparation of state and local government financial reports.

Two Utility Assistant Programs Offered

As a reminder, the City of Milwaukie 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. During the first three quarters of FY 2014, 209 customers have applied for and received low income utility assistance. 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.

With the 2013-2014 Budget, the pilot program called the *Emergency Utility Assistance Program* was extended. Modeled after a similar successful program in West Linn, the idea is to provide emergency seed money to reduce City utility obligations to help those who find themselves in poor economic situations. This program is generally geared towards utility accounts showing solid payment history, but due to some emergency or dramatic loss in income, the citizen is unable to catch up on their utility obligations. This program just gives a little bit of help to get back on track with regular monthly payments. During the first three quarters of FY 2014, 15 customers have received emergency utility assistance.

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, the regular "non-online" 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

As a reminder, the Finance Department has 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. This is being offered as a convenience to our business partners as well as to reduce the costs of administering the business registration program.

We value your trust and promise to ensure fiscal integrity in all that we do. As you review this quarterly report, I welcome your questions, comments, and any suggestions you may have. As always, the best method of contact is by email at: camorsc@milwaukieoregon.org.

Respectfully,



Casey Camors, CPA CMA CPFO
Finance Director, City of Milwaukie

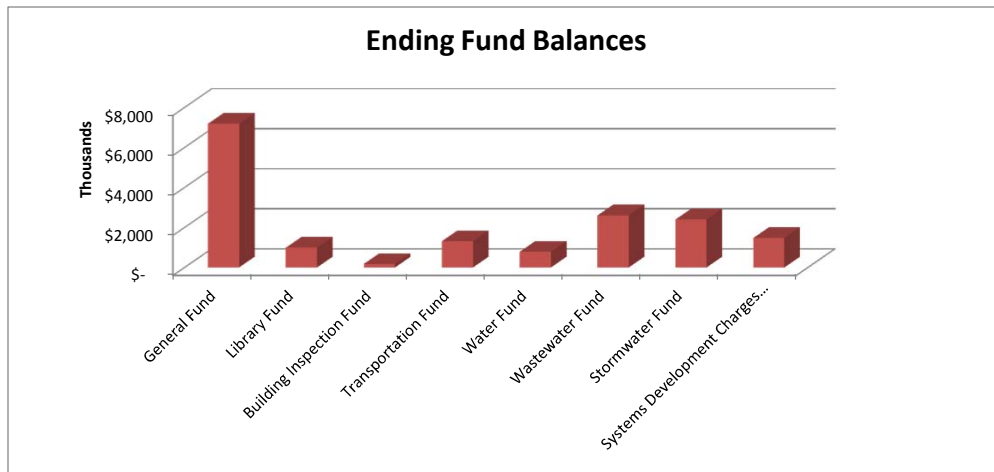
27 May 2014

City of Milwaukie, Oregon
 Quarterly Financial Report
 Budget-to-Actual
 Through the third quarter ended March 31, 2014

All City Funds

Fund	Beginning Fund Balance as of July 1, 2013	Year-to-Date through March 31, 2014		Ending Fund Balance as of Mar 31, 2014	Change in Fund Balance
		Revenues	Expenditures		
1 General Fund	\$ 5,444,327	\$ 12,784,886	\$ 11,042,177	\$ 7,187,036	\$ 1,742,709
2 Library Fund	381,124	2,380,365	1,769,312	992,177	611,053
3 Building Inspection Fund	243,561	151,863	217,774	177,650	(65,911) ¹
4 Transportation Fund	1,322,633	3,251,938	3,261,069	1,313,502	(9,131) ²
5 Water Fund	210,615	2,401,605	1,824,931	787,289	576,674
6 Wastewater Fund	2,445,429	4,942,035	4,778,707	2,608,757	163,328
7 Stormwater Fund	1,895,752	1,641,083	1,137,733	2,399,102	503,350
8 Systems Development Charges Fund					
Transportation SDC Department	467,004	12,077	100,000	379,081	(87,923) ³
Water SDC Department	194,264	6,214	28,929	171,549	(22,715) ³
Wastewater SDC Department	779,420	10,804	60,504	729,720	(49,700) ³
Stormwater SDC Department	192,724	1,294	-	194,018	1,294
Systems Development Charges Fund	<u>1,633,412</u>	<u>30,389</u>	<u>189,433</u>	<u>1,474,368</u>	<u>(159,044)</u>
Totals	<u>\$ 13,576,853</u>	<u>\$ 27,584,164</u>	<u>\$ 24,221,136</u>	<u>\$ 16,939,881</u>	<u>\$ 3,363,028</u>

¹ Building activity continues to be low. The Building Official is working on rate structures for approval by the State.
² Projects qualifying for intergovernmental grants during the year have not yet been completed to allow for reimbursement.
³ The decrease in fund balance is due to anticipated spending on capital projects.



City of Milwaukie, Oregon
Quarterly Financial Report
Budget-to-Actual
Through the third quarter ended March 31, 2014

General Fund

Revenue	Biennial	Flexible	FY 2013	FY 2014	Total Biennium	Variance	% of Budget
	Budget	Biennial Budget	Actual (Audited)	YTD Actual	To-Date Actual		
Property taxes	\$ 11,647,000	\$ 11,647,000	\$ 5,627,755	\$ 5,712,499	\$ 11,340,254	\$ (306,746)	97%
Licenses & permits	1,439,000	1,259,000	863,663	349,378	1,213,041	(45,959)	96%
Franchise fees	3,442,000	2,995,000	1,547,731	1,100,273	2,648,004	(346,996)	88%
Intergovernmental	2,455,000	2,148,000	1,446,187	831,280	2,277,467	129,467	106%
Fines & forfeitures	3,234,000	2,830,000	1,692,557	1,194,031	2,886,588	56,588	102%
Miscellaneous	318,000	278,000	184,952	136,734	321,686	43,686	116%
	22,535,000	21,157,000	11,362,845	9,324,195	20,687,040	(469,960)	98%
Other financing sources	4,010,000	3,729,000	3,656,000	63,200	3,719,200	(9,800)	100%
Transfers	9,080,000	7,888,000	4,490,000	3,397,491	7,887,491	(509)	100%
Total revenue	35,625,000	32,774,000	19,508,845	12,784,886	32,293,731	(480,269)	99%
Expenditures							
City Council	137,000	120,000	42,656	51,047	93,703	26,297	78%
City Manager	1,365,000	1,194,000	596,536	500,902	1,097,438	96,562	92%
Community Development and Public Works	8,980,000	8,262,000	6,921,780	1,168,172	8,089,952	172,048	98%
Engineering Services	1,081,000	946,000	502,295	359,992	862,287	83,713	91%
Facilities Management	2,394,000	2,095,000	912,346	654,866	1,567,212	527,788	75%
Finance	1,540,000	1,348,000	677,153	576,372	1,253,525	94,475	93%
Fleet Services	1,750,000	1,531,000	678,690	543,676	1,222,366	308,634	80%
Human Resources	546,000	478,000	228,126	196,687	424,813	53,187	89%
Information Systems Technology	2,475,000	2,166,000	1,101,184	949,916	2,051,100	114,900	95%
Municipal Court	714,000	625,000	336,569	265,775	602,344	22,656	96%
Planning Services	1,045,000	914,000	516,562	331,312	847,874	66,126	93%
Code Enforcement	370,000	324,000	181,120	107,690	288,810	35,190	89%
Public Access Studio	163,000	143,000	57,153	13,431	70,584	72,416	49%
Records and Information Management	831,000	727,000	364,544	298,321	662,865	64,135	91%
Non-Departmental	1,719,000	1,504,000	634,060	675,331	1,309,391	194,609	87%
Police Administration	1,036,000	907,000	478,126	338,899	817,025	89,975	90%
Police Field Services	10,632,000	9,303,000	5,328,505	3,845,794	9,174,299	128,701	99%
Police Support Services	689,000	603,000	289,065	163,994	453,059	149,941	75%
Total expenditures	37,467,000	33,190,000	19,846,470	11,042,177	30,888,647	2,301,353	93%
Revenue over (under) expenditures	(1,842,000)	(416,000)	(337,625)	1,742,709	1,405,084	1,821,084	
Beginning fund balance	5,043,000	5,043,000	5,781,952	5,444,327	5,781,952	738,952	
Ending fund balance	\$ 3,201,000	\$ 4,627,000	\$ 5,444,327	\$ 7,187,036	\$ 7,187,036	\$ 2,560,036	

¹ A portion of this variance is due to timing, however franchise fees overall have seen a decline. One main contributor seems to be PGE customers going to private providers.

City of Milwaukie, Oregon
Quarterly Financial Report
Budget-to-Actual
Through the third quarter ended March 31, 2014

Library Fund

Revenue	Biennial	Flexible	FY 2013	FY 2014	Total Biennium	Variance	% of Budget
	Budget	Biennial Budget	Actual (Audited)	YTD Actual	To-Date Actual		
Intergovernmental Revenue	\$ 2,836,000	\$ 2,836,000	\$ 1,343,679	\$ 1,304,544	\$ 2,648,223	\$ (187,777)	93%
Intergovernmental Revenue - Capital	1,000,000	-	-	-	-	-	-
Fines	123,000	108,000	61,442	45,112	106,554	(1,446)	99%
Miscellaneous	6,000	5,000	6,768	38,432	45,200	40,200	904%
Allocation of general property taxes	1,947,000	1,928,000	936,000	992,277	1,928,277	277	100%
Total revenue	5,912,000	4,877,000	2,347,889	2,380,365	4,728,254	(148,746)	97%
Expenditures							
Personnel services	2,950,000	2,581,000	1,429,896	1,104,579	2,534,475	46,525	98%
Materials & services	384,000	336,000	188,929	139,736	328,665	7,335	98%
Debt service	195,000	195,000	195,000	-	195,000	-	100%
Transfers	1,410,000	1,225,000	710,000	524,997	1,234,997	(9,997)	101%
Capital outlay	1,000,000	-	-	-	-	-	-
Total expenditures	5,939,000	4,337,000	2,523,825	1,769,312	4,293,137	43,863	99%
Revenue over (under) expenditures	(27,000)	540,000	(175,936)	611,053	435,117	(104,883)	
Beginning fund balance	548,000	548,000	557,060	381,124	557,060	9,060	
Ending fund balance	\$ 521,000	\$ 1,088,000	\$ 381,124	\$ 992,177	\$ 992,177	\$ (95,823)	

¹ Capital improvements and related revenue from the County for the Library did not occur during the 2013-2014 biennium and are rebudgeted for the 2015-2016 biennium.

² Donations in services, goods and programs from the Friends of the Library.

City of Milwaukie, Oregon
Quarterly Financial Report
Budget-to-Actual
Through the third quarter ended March 31, 2014

Building Inspection Fund

	Biennial Budget	Flexible Biennial Budget	FY 2013	FY 2014	Total Biennium	Variance	% of Budget
			Actual (Audited)	YTD Actual	To-Date Actual		
Revenue							
Fees & charges	\$ 652,000	\$ 571,000	\$ 248,565	\$ 151,319	\$ 399,884	\$ (171,116)	70% ¹
Miscellaneous	10,000	9,000	1,311	544	1,855	(7,145)	21%
Total revenue	662,000	580,000	249,876	151,863	401,739	(178,261)	69%
Expenditures							
Personnel services	434,000	380,000	209,565	162,149	371,714	8,286	98%
Materials and services	21,000	18,000	10,906	3,128	14,034	3,966	78%
Transfers	140,000	122,000	70,000	52,497	122,497	(497)	100%
Total expenditures	595,000	520,000	290,471	217,774	508,245	11,755	98%
Revenue over (under) expenditures	67,000	60,000	(40,595)	(65,911)	(106,506)	(166,506)	
Beginning fund balance	192,000	192,000	284,156	243,561	284,156	92,156	
Ending fund balance	\$ 259,000	\$ 252,000	\$ 243,561	\$ 177,650	\$ 177,650	\$ (74,350)	

¹ Building activity continues to be low. The Building Official is working on rate structures for approval by the State.

City of Milwaukie, Oregon
Quarterly Financial Report
Budget-to-Actual
Through the third quarter ended March 31, 2014

Transportation Fund - in Total

	Biennial		FY 2013		FY 2014		Total Biennium		% of Budget
	Budget	Biennial Budget	Actual (Audited)	YTD Actual	To-Date Actual	Variance			
Revenue									
Dedicated to St/Surf Maintenance Program:									
Fees (from street maintenance fee)	\$ 1,212,000	\$ 1,061,000	\$ 612,159	\$ 470,458	\$ 1,082,617	\$ 21,617	102%	1	
Franchise fees (from 1.5% privilege tax)	657,000	657,000	315,054	315,054	630,108	(26,892)	96%	2	
Intergovernmental (from local gas tax)	374,000	249,000	219,519	94,276	313,795	64,795	126%	2	
	2,243,000	1,967,000	1,146,732	879,788	2,026,520	59,520	103%		
Intergovernmental (from state gas tax)	2,363,000	1,772,000	1,117,175	800,490	1,917,665	145,665	108%		
Intergovernmental (other)	3,497,000	2,623,000	106,231	1,061,510	1,167,741	(1,455,259)	45%	3	
Franchise fees (from utility funds)	1,213,000	1,061,000	615,999	447,750	1,063,749	2,749	100%		
Miscellaneous	516,000	182,000	83,956	62,400	146,356	(35,644)	80%		
Total revenue	9,832,000	7,605,000	3,070,093	3,251,938	6,322,031	(1,282,969)	83%		
Expenditures									
Personnel services	928,000	812,000	417,870	271,296	689,166	122,834	85%		
Materials and services	1,062,000	929,000	455,156	225,130	680,286	248,714	73%		
Transfers	2,050,000	1,781,000	1,010,000	780,003	1,790,003	(9,003)	101%		
Capital outlay	6,792,000	5,944,000	1,603,023	1,984,640	3,587,663	2,356,337	60%	3	
Total expenditures	10,832,000	9,466,000	3,486,049	3,261,069	6,747,118	2,718,882	71%		
Revenue over (under) expenditures	(1,000,000)	(1,861,000)	(415,956)	(9,131)	(425,087)	1,435,913			
Beginning fund balance	891,000	891,000	1,738,589	1,322,633	1,738,589	847,589			
Ending net available fund balance	\$ (109,000)	\$ (970,000)	\$ 1,322,633	\$ 1,313,502	\$ 1,313,502	\$ 2,283,502			

1 PGE experienced a 3% decrease in customers and loads from 2013 to 2014 (mainly commercial, but large commercial too), reducing our revenue based franchise fee.

2 Gas taxes have increased across the board, partially due to additional stations paying taxes.

3 Projects qualifying for intergovernmental 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, 2014

Transportation Fund - by Program
Street Surface Maintenance Program

	Biennial		FY 2013		FY 2014		Total Biennium		% of Budget
	Budget	Flexible Biennial Budget	Actual (Audited)	YTD Actual	YTD Actual	To-Date Actual	Variance		
Revenue									
Dedicated to St/Surf Maintenance Program:									
Fees (from street maintenance fee)	\$ 1,212,000	\$ 1,061,000	\$ 612,159	\$ 470,458	\$ 470,458	\$ 1,082,617	\$ 21,617	102%	1
Franchise fees (from 1.5% privilege tax)	657,000	657,000	315,054	315,054	315,054	630,108	(26,892)	96%	2
Intergovernmental (from local gas tax)	374,000	249,000	219,519	94,276	94,276	313,795	64,795	126%	2
Total revenue	2,243,000	1,967,000	1,146,732	879,788	879,788	2,026,520	59,520	103%	
Expenditures									
Materials and services	120,000	105,000	14,199	7,997	7,997	22,196	82,804	21%	
Transfers	412,000	358,000	202,000	157,500	157,500	359,500	(1,500)	100%	
Capital outlay	2,340,000	2,048,000	1,382,963	814,422	814,422	2,197,385	(149,385)	107%	3
Total expenditures	2,872,000	2,511,000	1,599,162	979,919	979,919	2,579,081	(68,081)	103%	
Revenue over (under) expenditures	(629,000)	(544,000)	(452,430)	(100,131)	(100,131)	(552,561)	(8,561)		
Beginning fund balance	875,000	875,000	1,903,732	1,451,302	1,451,302	1,903,732	1,028,732		
Ending net available fund balance	\$ 246,000	\$ 331,000	\$ 1,451,302	\$ 1,351,171	\$ 1,351,171	\$ 1,351,171	\$ 1,020,171		

State Gas Tax Program

	Biennial		FY 2013		FY 2014		Total Biennium		% of Budget
	Budget	Flexible Biennial Budget	Actual (Audited)	YTD Actual	YTD Actual	To-Date Actual	Variance		
Revenue									
Intergovernmental (from state gas tax)	2,363,000	1,772,000	1,117,175	800,490	800,490	1,917,665	145,665	108%	2
Intergovernmental (other)	3,497,000	2,623,000	106,231	1,061,510	1,061,510	1,167,741	(1,455,259)	45%	3
Franchise fees (from utility funds)	1,213,000	1,061,000	615,999	447,750	447,750	1,063,749	2,749	100%	
Fee in Lieu of Construction	468,000	140,000	73,537	62,400	62,400	135,937	(4,063)	97%	
Miscellaneous	48,000	42,000	10,419	-	-	10,419	(31,581)	25%	
Total revenue	7,589,000	5,638,000	1,923,361	2,372,150	2,372,150	4,295,511	(1,342,489)	76%	
Expenditures									
Personnel services	928,000	812,000	417,870	271,296	271,296	689,166	122,834	85%	
Materials and services	942,000	824,000	440,957	217,133	217,133	658,090	165,910	80%	
Transfers	1,638,000	1,423,000	808,000	622,503	622,503	1,430,503	(7,503)	101%	
Capital outlay	4,452,000	3,896,000	220,060	1,170,218	1,170,218	1,390,278	2,505,722	36%	3
Total expenditures	7,960,000	6,955,000	1,886,887	2,281,150	2,281,150	4,168,037	2,786,963	60%	
Revenue over (under) expenditures	(371,000)	(1,317,000)	36,474	91,000	91,000	127,474	1,444,474		
Beginning fund balance	16,000	16,000	(165,143)	(128,669)	(128,669)	(165,143)	(181,143)		
Ending net available fund balance	\$ (355,000)	\$ (1,301,000)	\$ (128,669)	\$ (37,669)	\$ (37,669)	\$ (37,669)	\$ 1,263,331		

1 PGE experienced a 3% decrease in customers and loads from 2013 to 2014 (mainly commercial, but large commercial too), reducing our revenue based franchise fee.

2 Gas taxes have increased across the board, partially due to additional stations paying taxes.

3 Projects qualifying for intergovernmental 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, 2014

Water Fund

	Biennial Budget	Flexible Biennial Budget	FY 2013 Actual (Audited)	FY 2014 YTD Actual	Total Biennium To-Date Actual	Variance	% of Budget
Revenue							
Fees and charges	\$ 5,960,000	\$ 5,215,000	\$ 2,738,689	2,354,453	5,093,142	(121,858)	98%
Miscellaneous	144,000	126,000	82,900	47,152	130,052	4,052	103%
Total revenue	6,104,000	5,341,000	2,821,589	2,401,605	5,223,194	(117,806)	98%
Expenditures							
Personnel services	1,167,000	1,021,000	522,580	414,374	936,954	84,046	92%
Materials and services	1,381,000	1,208,000	601,558	505,097	1,106,655	101,345	92%
Transfers	1,970,000	1,711,000	980,000	742,500	1,722,500	(11,500)	101%
Capital outlay	965,000	844,000	281,967	162,960	444,927	399,073	53%
Total expenditures	5,483,000	4,784,000	2,386,105	1,824,931	4,211,036	572,964	88%
Revenue over (under) expenditures	621,000	557,000	435,484	576,674	1,012,158	455,158	
Beginning fund balance	2,000	2,000	(224,869)	210,615	(224,869)	(226,869)	
Ending fund balance	\$ 623,000	\$ 559,000	\$ 210,615	\$ 787,289	\$ 787,289	\$ 228,289	

¹

¹ Large project originally budgeted for FY 2014 will not be completed until FY 2015.

City of Milwaukie, Oregon
Quarterly Financial Report
Budget-to-Actual
Through the third quarter ended March 31, 2014

Wastewater Fund

Revenue	Biennial	Flexible	FY 2013	FY 2014	Total Biennium	Variance	% of Budget
	Budget	Biennial Budget	Actual (Audited)	YTD Actual	To-Date Actual		
Fees and charges	\$ 12,773,000	\$ 11,176,000	\$ 6,323,714	\$ 4,883,967	\$ 11,207,681	\$ 31,681	100%
Intergovernmental	168,000	-	-	-	-	-	-
Miscellaneous	10,000	9,000	25,296	1,036	26,332	17,332	293%
Proceeds from Reimbursement District	261,000	228,000	51,468	57,032	108,500	(119,500)	48%
Total revenue	13,212,000	11,413,000	6,400,478	4,942,035	11,342,513	(70,487)	99%
Expenditures							
Personnel services	854,000	747,000	393,923	297,212	691,135	55,865	93%
Materials and services	8,956,000	7,837,000	4,409,020	2,943,038	7,352,058	484,942	94%
Debt service	220,000	202,000	109,977	100,678	210,655	(8,655)	104%
Transfers	1,950,000	1,694,000	980,000	727,497	1,707,497	(13,497)	101%
Capital outlay	2,523,000	2,208,000	1,147,335	710,282	1,857,617	350,383	84%
Total expenditures	14,503,000	12,688,000	7,040,255	4,778,707	11,818,962	869,038	93%
Revenue over (under) expenditures	(1,291,000)	(1,275,000)	(639,777)	163,328	(476,449)	798,551	
Beginning fund balance	2,321,000	2,321,000	3,085,206	2,445,429	3,085,206	764,206	
Ending fund balance	\$ 1,030,000	\$ 1,046,000	\$ 2,445,429	\$ 2,608,757	\$ 2,608,757	\$ 1,562,757	

1 Projects qualifying for intergovernmental grants during the year have not yet been completed to allow for reimbursement.

2 Accounting entry fair value adjustment for Local Government Investment Pool in FY 2013.

3 Revenue based on connection dates which is uncontrollable by the City.

4 Projects are not completed uniformly throughout the year or the biennium.

City of Milwaukie, Oregon
Quarterly Financial Report
Budget-to-Actual
Through the third quarter ended March 31, 2014

Stormwater Fund

	Biennial Budget	Flexible Biennial Budget	FY 2013 Actual (Audited)	FY 2014 YTD Actual	Total Biennium To-Date Actual	Variance	% of Budget
Revenue							
Fees and charges	\$ 4,049,000	\$ 3,543,000	\$ 1,971,315	\$ 1,640,715	\$ 3,612,030	\$ 69,030	102% ¹
Intergovernmental	1,004,000	-	3,250	-	3,250	3,250	0% ²
Miscellaneous	2,000	1,750	17,931	368	18,299	16,549	1046% ²
Total revenue	5,055,000	3,544,750	1,992,496	1,641,083	3,633,579	88,829	103%
Expenditures							
Personnel services	950,000	831,000	422,978	320,203	743,181	87,819	89%
Materials and services	689,000	603,000	264,237	173,382	437,619	165,381	73%
Transfers	1,500,000	1,303,000	740,000	569,997	1,309,997	(6,997)	101%
Capital outlay	2,694,000	2,357,000	85,760	74,151	159,911	2,197,089	7% ^{1,3}
Total expenditures	5,833,000	5,094,000	1,512,975	1,137,733	2,650,708	2,443,292	52%
Revenue over (under) expenditures	(778,000)	(1,549,250)	479,521	503,350	982,871	2,532,121	
Beginning fund balance	983,000	983,000	1,416,231	1,895,752	1,416,231	433,231	
Ending fund balance	\$ 205,000	\$ (566,250)	\$ 1,895,752	\$ 2,399,102	\$ 2,399,102	\$ 2,965,352	

¹ Projects qualifying for intergovernmental grants during the year have not yet been completed to allow for reimbursement.

² Accounting entry fair value adjustment for Local Government Investment Pool in FY 2013.

³ Large project originally budgeted for FY 2014 will not be completed until FY 2015.

City of Milwaukie, Oregon
 Quarterly Financial Report
 Budget-to-Actual
 Through the third quarter ended March 31, 2014

Systems Development Charges Fund

	Biennial Budget	Flexible Biennial Budget	FY 2013 Actual (Audited)	FY 2014 YTD Actual	Total Biennium To-Date Actual	Variance	% of Budget
Revenue							
System development charges	\$ 646,000	\$ 565,000	\$ 15,855	\$ 30,307	\$ 46,162	\$ (518,838)	8%
Miscellaneous	13,000	11,000	4,990	83	5,073	(5,927)	46%
Total revenue	659,000	576,000	20,845	30,390	51,235	(524,765)	9%
Expenditures							
Materials and services	130,000	114,000	66,188	-	66,188	47,812	58%
Capital outlay	1,195,000	1,046,000	81,089	189,434	270,523	775,477	26%
Total expenditures	1,325,000	1,160,000	147,277	189,434	336,711	823,289	29%
Revenue over (under) expenditures	(666,000)	(584,000)	(126,432)	(159,044)	(285,476)	298,524	
Beginning fund balance	1,525,000	1,525,000	1,759,844	1,633,412	1,759,844	234,844	
Ending fund balance	\$ 859,000	\$ 941,000	\$ 1,633,412	\$ 1,474,368	\$ 1,474,368	\$ 533,368	

City of Milwaukie, Oregon
Quarterly Financial Report
Project Status Report
Through the third quarter ended March 31, 2014

Project Status Report

Biennium-to-Date through March 31, 2014

	Number	FY13 Annual Budget	FY14 Annual Budget	Total BN Budget	FY13 Audited Actual	FY14 YTD Actual	Total BN Actual	Variance	% of Budget	Project Status
General Fund										
Portland-Milwaukie Light Rail (PMLR)	D06	\$ 4,946,000	\$ -	\$ 4,946,000	\$ 5,073,202	\$ 43,876	\$ 5,117,078	\$ (171,078)	103%	Accounting treatment of City obligation for PMLR.
Riverfront Design	Q04	100,000	80,000	180,000	84,027	113,670	197,697	(17,697)	110%	Project awarded to contractor. Construction is expected to occur late spring and summer of 2014.
Klein Point and Riverfront Construction	Q01	333,000	100,000	433,000	326,502	381	326,883	106,117	75%	Project completed 12/2012. Metro reimbursements completed 5/2013.
Capital Campaign	Q03	30,000	30,000	60,000	34,121	-	34,121	25,879	57%	C3 Strategies work halted February 2013.
PSB - Replace Emergency Generator	F08	100,000	-	100,000	-	-	-	100,000	-	Clackamas County Fire District No. 1 did not receive grant funds this year for this project but believe they will in the future.
JCB - Property Retaining Wall	F09	80,000	-	80,000	-	-	-	80,000	-	This project's expenditure will be reduced to around \$5K. Public Works will shrink the scope and complete with in house labor.
Library - Seismic Bookshelf	F10	-	150,000	150,000	-	-	-	150,000	-	Project will not be completed now and the City is holding for the library expansion.
PSB Bullet Proof Glass	F11	-	80,000	80,000	-	-	-	80,000	-	Project will not be completed this year though the City has enlisted an architect to do the design and specifications. When City has funding available for the project it will be ready.
Total General Fund Capital Projects		5,589,000	440,000	6,029,000	5,517,852	157,927	5,675,779	353,221	94%	

City of Milwaukie, Oregon
Quarterly Financial Report
Project Status Report
Through the third quarter ended March 31, 2014

Project Status Report

Biennium-to-Date through March 31, 2014

	Number	FY13 Annual Budget	FY14 Annual Budget	Total BN Budget	FY13 Audited Actual	FY14 YTD Actual	Total BN Actual	Variance	% of Budget	Project Status
Transportation Fund										
State Gas Tax										
Harrison Street Reconstruction - Phase 1 (Campbell to 42nd) & Monroe	S01	-	-	-	500	-	500	(500)	0%	Project completed.
Walk Safety Milwaukie Program	T01	160,000	100,000	260,000	55,311	-	55,311	204,689	21%	Because of the Fund's status no additional money is expected to be spent for this project in this budget cycle. However, it is assumed that the program will return once the Fund can afford to support it.
Lake Road Multimodal Improvements Phase 1	T02	350,000	-	350,000	-	-	-	350,000	-	This project is in a closeout phase with ODOT. The remaining funds (approximately \$170,000) have been requested to be transferred to the 17th Avenue Multiuse Trail Project.
Union Pacific Mainline Railroad Quiet Zone	T03	195,000	-	195,000	58,638	90,178	148,816	46,184	76%	Project completed.
School Zone Implementation	T04	25,000	-	25,000	11,327	1,661	12,988	12,012	52%	All zones have been updated with the exception of downtown. Completion of the downtown school zones was held off to prevent duplication of work with TriMet improvements. Staff expects to spend the remaining \$13k.
17th Avenue Pedestrian Improvements	T05	963,000	2,000,000	2,963,000	-	1,044,460	1,044,460	1,918,540	35%	The total Metro grant for this project is \$2,963,000 split over two years with the first \$1M intended for design and the remaining \$2M for construction. The City's share of this work is split across multiple funds, but totals \$62,401 (within this budget cycle) from the State Gas Tax Fund. As of May 1, 2014 Staff began working with HHPR to advance construction drawings.
Lake Road Safe Routes to School	T06	234,000	-	234,000	-	-	-	234,000	-	Project was cancelled via Council direction.
Adams Street Improvements	T07	60,000	365,000	425,000	91,034	33,920	124,954	300,046	29%	Project is being re-designed at the request of Metro Staff. Construction is expected to begin early spring of 2015.
Total State Gas Tax Projects		1,987,000	2,465,000	4,452,000	216,810	1,170,219	1,387,029	3,064,971	31%	

City of Milwaukie, Oregon
Quarterly Financial Report
Project Status Report
Through the third quarter ended March 31, 2014

Project Status Report

Biennium-to-Date through March 31, 2014

	Number	FY13 Annual Budget	FY14 Annual Budget	Total BN Budget	FY13 Audited Actual	FY14 YTD Actual	Total BN Actual	Variance	% of Budget	Project Status
Street Surface Maintenance Program										
Harrison Street Reconstruction - Phase 1 (Campbell to 42nd) & Monroe	S01	1,355,000	555,000	1,910,000	1,354,763	-	1,354,763	555,237	71%	Project completed.
SSMP Preventative Maintenance	S04	65,000	65,000	130,000	2,875	135,117	137,992	(7,992)	106%	Project completed. It was coupled with FY14's SSMP Preventative Maintenance for a combined total of \$130K.
Harrison Street & Main Street - Phase 2	S06	-	300,000	300,000	-	679,304	679,304	(379,304)	226%	Project completed. Payments in second quarter.
McBrod Avenue	S07	-	-	-	12,375	-	12,375	(12,375)	0%	Survey was performed ahead of schedule so that the McBrod water project could also take advantage of the survey data.
Granted Equipment		-	-	-	3,250	-	3,250	(3,250)	0%	Granted equipment
Lake Road	T02	-	-	-	12,950	-	12,950	(12,950)	0%	Match payment for Lake Road.
Total Street Surface Maintenance Program Projects		1,420,000	920,000	2,340,000	1,386,213	814,421	2,200,634	139,366	94%	
Total Transportation Fund Capital Projects		3,407,000	3,385,000	6,792,000	1,603,023	1,984,640	3,587,663	3,204,337	53%	
Water Fund										
Granted Equipment		-	-	-	3,250	-	3,250	(3,250)	0%	Granted equipment
Maintenance Improvements	W03	40,000	40,000	80,000	18,935	40,627	59,562	20,438	74%	Miscellaneous improvements.
Harrison St Water System Improvement Ph II (21st to UPRR Crossing)	W04	404,000	-	404,000	259,782	122,333	382,115	21,885	95%	Project completed.
McBrod Ave Water System Improvements	W27	-	481,000	481,000	-	-	-	481,000	-	Project changed to Monroe due to failed water line. McBrod slated for FY15. Monroe has been awarded and is expected to go to construction June 1, 2014.
Total Water Fund Capital Projects		444,000	521,000	965,000	281,967	162,960	444,927	520,073	46%	

**City of Milwaukie, Oregon
Quarterly Financial Report
Project Status Report
Through the third quarter ended March 31, 2014**

Project Status Report

Biennium-to-Date through March 31, 2014

	Number	FY13 Annual Budget	FY14 Annual Budget	Total BN Budget	FY13 Audited Actual	FY14 YTD Actual	Total BN Actual	Variance	% of Budget	Project Status
Wastewater Fund										
Granted Equipment		-	-	-	3,250	-	3,250	(3,250)	0%	Granted equipment
Harrison Street LRT Crossing Replacement	X01	120,000	-	120,000	-	-	-	120,000	-	This total includes \$58K from TriMet and \$62K from the City. Project work was completed as a part of the Pipe Replacement for PMLR and SSMP (without transfer of any funds). Project completed.
Monroe Street LRT Crossing Replacement	X02	220,000	-	220,000	-	-	-	220,000	-	This total includes \$110K from TriMet and \$110K from the City. Work was completed as a part of the Pipe Replacement for PMLR and SSMP (without transfer of any funds). Project completed.
Wastewater Main Repair Program	X07	110,000	100,000	210,000	67,154	-	67,154	142,846	32%	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.
Pipe Replacement for Light Rail and SSMP	X08	1,393,000	-	1,393,000	1,076,681	561,885	1,638,566	(245,566)	118%	Project completed. Staff expects this contract to cost approximately \$637K. Payment for this project will be made in a lump sum. While an additional \$500K coming in at the second half of the biennium, this project is well under budget. Scheduled to be constructed in FY14. Staff began this project ahead of schedule in FY13. Staff expects that this contract will sum \$1,222,000 combined over all the projects involved.
Clay Pipe Replacement	X10	-	530,000	530,000	-	148,397	148,397	381,603	28%	Project completed. Combined over three projects.
Manhole Replacement	X11	-	50,000	50,000	250	-	250	49,750	1%	Project is expected to be completed by Oct. 31st. Staff anticipates a total cost \$1,222,000 combined over all the projects involved.
Total Wastewater Fund Capital Projects		1,843,000	680,000	2,523,000	1,147,335	710,282	1,857,617	665,383	74%	
Stormwater Fund										
Granted Equipment		-	-	-	3,250	-	3,250	(3,250)	0%	Granted equipment
Stormwater Master Plan	Y01	60,000	-	60,000	79,113	47,338	126,451	(66,451)	211%	Project completed. Overages will be absorbed into Stormwater Capital Outlay in lieu of supplemental budget as proposed by Finance.
Upsizing Storm Pipe at Rail Crossing	Y02	75,000	-	75,000	-	-	-	75,000	-	Staff expects that this \$75K will be paid to TriMet as billed in FY14.
UIC Decommission/Pretreat Program	Y03	90,000	90,000	180,000	-	-	-	180,000	-	Staff is currently waiting on a permit from DEQ to determine which UIC's will need decommissioning and how they will be decommissioned.
Kellogg Creek Dam Removal and HWY 99E Underp	Y04	350,000	754,000	1,104,000	-	-	-	1,104,000	-	Tied to Wildlands Contract. Undetermined when (or if) this money will be spent.
Stanley Avenue Pipe Replacement	Y05	600,000	675,000	1,275,000	3,397	26,813	30,210	1,244,790	2%	Project is under design with AKS Engineering and is slated to begin construction as early as possible in FY15.
Total Stormwater Fund Capital Projects		1,175,000	1,519,000	2,694,000	85,760	74,151	159,911	2,534,089	6%	

City of Milwaukie, Oregon
Quarterly Financial Report
Project Status Report
Through the third quarter ended March 31, 2014

Project Status Report

Biennium-to-Date through March 31, 2014

	Number	FY13 Annual Budget	FY14 Annual Budget	Total BN Budget	FY13 Audited Actual	FY14 YTD Actual	Total BN Actual	Variance	% of Budget	Project Status
SDC Fund										
Portland-Milwaukie Light Rail (Wastewater)	D06	1,000	-	1,000	-	-	-	1,000	-	Accounting treatment of City obligation for PMLR.
Portland-Milwaukie Light Rail (Water)	D06	74,000	-	74,000	25,021	-	25,021	48,979	34%	Accounting treatment of City obligation for PMLR.
Portland-Milwaukie Light Rail (Storm)	D06	61,000	-	61,000	-	-	-	61,000	-	Accounting treatment of City obligation for PMLR.
Union Pacific Mainline Railroad Quiet Zone	T03	50,000	-	50,000	-	50,000	50,000	-	100%	Construction is complete. QZ designation is expected to occur before Dec. 31, 2014.
17th Avenue Pedestrian Improvements	T05	50,000	-	50,000	-	50,000	50,000	-	100%	Portion of City's match for the improvements on 17th Ave. This money has been transferred.
Kellogg Lake Multi Use Bridge	T08	200,000	-	200,000	-	-	-	200,000	-	Matching funds.
Harrison St Water System Improvement Ph II (21st St)	W04	81,000	-	81,000	44,741	28,930	73,671	7,329	91%	Work under this project title was combined with the Clay Pipe Replacement project.
McBrod Ave Water System Improvements	W27	-	79,000	79,000	-	-	-	79,000	-	Project changed to Monroe due to failed water line. McBrod slated for FY15.
Pipe Replacement for Light Rail and SSMP	X08	150,000	-	150,000	-	60,504	60,504	89,496	40%	Work is complete.
Brookside Forcemain	X09	-	450,000	450,000	11,327	-	11,327	438,673	3%	This project has been cancelled.
Total SDC Fund Capital Projects		666,000	529,000	1,195,000	81,089	189,434	270,523	924,477	23%	
Total		\$ 11,281,000	\$ 6,394,000	\$ 17,675,000	\$ 7,569,691	\$ 2,569,112	\$ 10,138,803	\$ 7,536,197		

