



MILWAUKIE
Dogwood City of the West

Quarterly Financial Report

Reporting financial results
for the first quarter ended
September 30, 2015

Executive Summary

We are pleased to offer this preliminary financial report of City operations for your review. This report covers financial operations through the first quarter ended September 30, 2015 relating to the fiscal year ending June 30, 2016.

FINANCIAL STATEMENTS FOR QUARTER ENDED SEPTEMBER 30, 2015

Our auditors completed their annual audit fieldwork and issued their opinion for submission to the Secretary of State – Audits Division before the December 31, 2015 filing deadline. The Comprehensive Annual Financial Report (CAFR) is available for review at www.cityofmilwaukie.org/finance.

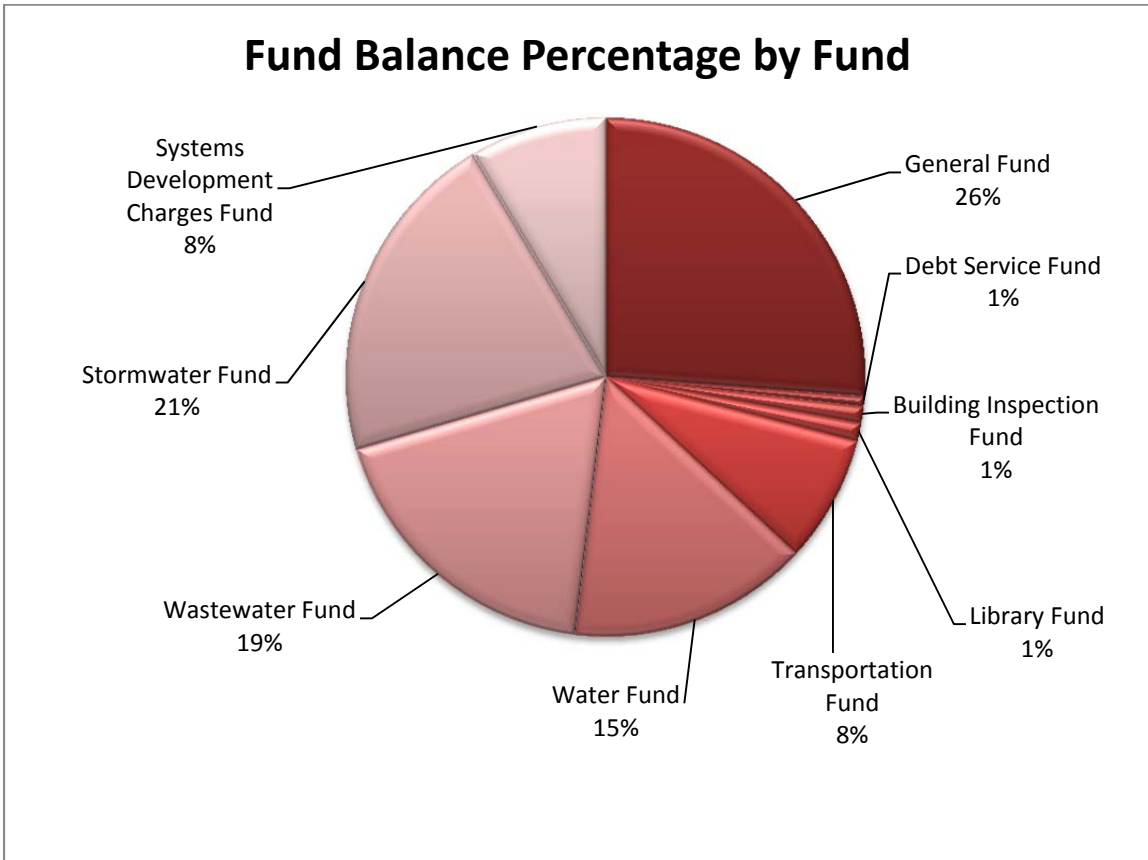
The City's Popular Annual Financial Report (PAFR) was also completed and is available online at www.cityofmilwaukie.org/finance. Popular Annual Financial Reports are specifically designed to be readily accessible and easily understandable to the general public and other interested parties without a background in public finance.

QUARTERLY HIGHLIGHTS

This financial report summarizes the financial results for the first quarter of fiscal year ending June 30, 2016 (year-to-date) 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 on July 1, 2015 for all funds would total \$10,785,000. In our financial statements for June 30, 2015, audited ending fund balances for all funds came in higher at \$18,014,000. Much of this variance is due to projects that have been delayed into the second year of the biennium.



First Quarter Financial Results

The General Fund and Library Fund are dependent upon property taxes and distributions from the Library District of Clackamas County. At September 30, 2015, only 1% of budgeted property taxes for the year were received by the end of the quarter. Overall, General Fund revenues are right on target and expenditures are below budget at 90%.

The Building Inspection Fund is beginning to recover from the lull in revenue production, with total revenue at 117% of expectation at the end of the first quarter. Substantial fee increases were implemented to ensure this fund’s self-supporting nature. Expenditures are slightly low at 94% due to the Building Official position being vacant for two months during the prior year.

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 no distribution to date. Library expenditures are right on target at 94%, without regard to the District capital funds that have been budgeted for use.

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.

State gas tax is 101% of budget and local gas tax is 97% of budget. Street Surface Maintenance revenues and expenditures are right on target at 80% and 110% respectively while the State Gas Tax revenues and expenditures are at 52% and 51% respectively. State Gas Tax figures are low due to project timing. In this report, ending fund balance for State Gas Tax dips below zero, however once all grant and intergovernmental revenues are received for current projects, it's anticipated that fund balance will return to positive figures.

Water Fund revenues are at 124% of budget and expenditures at 87% of budget. In the first quarter of the year we expect to see much higher revenues in the Water Fund due to seasonal impacts on water consumption. We do not anticipate that revenues will continue to trend at 124% though we do expect that the fund will remain healthy.

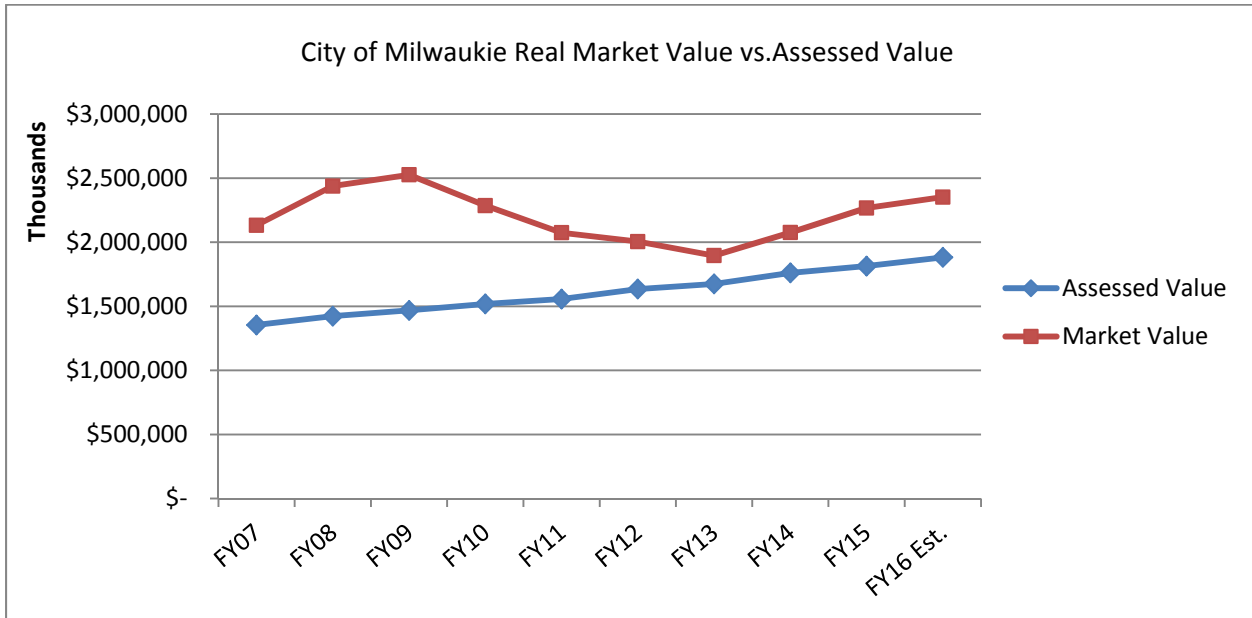
The Wastewater Fund is stable, with revenues at 104% of budget and expenditures at 96% of budget. A primary expenditure in the Wastewater Fund is the payment for wastewater treatment to Water Environmental Services, of which only two payments have been made by the date of this report, resulting in lower expenditures than anticipated. These expenditures will likely catch up by year-end.

The Stormwater Fund has been accumulating fund balance to help pay for future projects. The City completed a rate analysis in fiscal year 2015 and new rates were implemented to ensure the future health of the stormwater system. Revenues appear low due to intergovernmental revenues for an uncompleted project; however revenues are steady and healthy. Expenditures are equally below budget due to the same project. We expect this fund to remain solid.

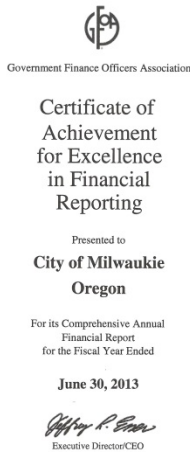
SDC Fund projects have been started and revenues are higher than anticipated at 167%.

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 2016. In a letter received from Clackamas County in March, the County anticipates that the City's Assessed Values will increase by 3.5-4% for fiscal year 2016:



INTERNATIONAL AWARDS RECEIVED FOR FINANCE DOCUMENTS



Comprehensive Annual Financial Reporting Award. For the fourth 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 fourth 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.

Distinguished Budget Presentation Award. The City also received the *Distinguished Budget Presentation Award* for its biennium 2015-2016 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.

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 CGMA
Finance Director, City of Milwaukie

28 March 2016

City of Milwaukie, Oregon
 Quarterly Financial Report
 Budget-to-Actual
 Through the first quarter ended September 30, 2015

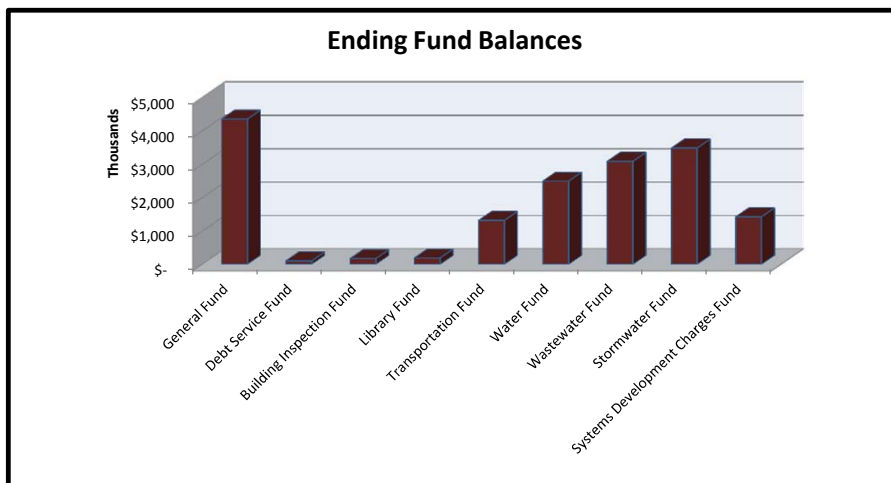
All City Funds

Fund	Beginning Fund Balance as of July 1, 2015	Year-to-Date through September 30, 2015		Ending Fund Balance as of September 30, 2015	Change in Fund Balance
		Revenues	Expenditures		
1 General Fund	\$ 5,779,705	\$ 2,242,371	\$ 3,672,080	\$ 4,349,996	\$ (1,429,709) ¹
2 Debt Service Fund	100,460	2,007	-	102,467	2,007
3 Building Inspection Fund	136,852	108,156	71,679	173,329	36,477
4 Library Fund	745,774	24,413	578,873	191,314	(554,460) ¹
5 Transportation Fund	2,015,959	569,998	1,269,914	1,316,043	(699,916) ²
6 Water Fund	1,700,005	1,338,204	544,165	2,494,044	794,039 ³
7 Wastewater Fund	2,716,486	1,883,123	1,515,804	3,083,805	367,319 ³
8 Stormwater Fund	3,390,816	738,947	645,949	3,483,814	92,998 ³
9 Systems Development Charges Fund					
Transportation SDC Department	278,787	9,935	30,139	258,583	(20,204)
Water SDC Department	174,486	1,488	-	175,974	1,488
Wastewater SDC Department	775,320	9,134	-	784,454	9,134
Stormwater SDC Department	199,546	2,490	-	202,036	2,490
Systems Development Charges Fund	1,428,140	23,047	30,139	1,421,048	(7,092)
Totals	\$ 18,014,197	\$ 6,930,266	\$ 8,328,603	\$ 16,615,860	\$ (1,398,337)

¹ The majority of property tax revenues are received in November, and as such, at the end of September it is typical to see expenditures out pacing revenues.

² Capital projects completed early in the year outpaced revenues however, this was to be expected.

³ Revenues were higher than anticipated and many of the budgeted capital projects will either begin in FY2016 or be completed in FY2016.



City of Milwaukie, Oregon
Quarterly Financial Report
Budget-to-Actual
Through the first quarter ended September 30, 2015

General Fund

Revenue	Biennial	Flexible	FY 2015		FY 2016		Total Biennium	% of Budget
	Budget	Biennial Budget	Actual	YTD Actual	To-Date Actual	Variance		
Property taxes	\$ 13,480,000	\$ 6,400,510	\$ 6,324,360	\$ 63,499	\$ 6,387,859	\$ (12,651)	100%	
Licenses and permits	775,000	490,000	441,051	53,650	494,701	4,701	101%	
Franchise fees	3,239,000	1,589,000	1,553,084	28	1,553,112	(35,888)	98%	
Intergovernmental	3,755,000	2,846,000	2,113,316	708,411	2,821,727	(24,273)	99%	
Fines and forfeitures	3,066,000	1,905,000	1,192,530	246,352	1,438,882	(466,118)	76%	
Miscellaneous	333,000	221,250	229,150	52,931	282,081	60,831	127%	
	24,648,000	13,451,760	11,853,491	1,124,871	12,978,362	(473,398)	96%	
Other financing sources	5,000,000	5,000,000	5,012,894	-	5,012,894	12,894	100%	
Transfers	8,890,000	5,537,500	4,420,000	1,117,500	5,537,500	-	100%	
Total revenue	38,538,000	23,989,260	21,286,385	2,242,371	23,528,756	(460,504)	98%	
Expenditures								
City Council	169,000	118,000	65,682	23,153	88,835	29,165	75%	
City Manager	1,509,000	934,500	673,303	211,008	884,311	50,189	95%	
Community Development	4,033,000	3,474,250	3,206,925	146,634	3,353,559	120,691	97%	
Public Works Administration	1,198,000	736,750	466,029	136,922	602,951	133,799	82%	
Engineering Services	1,190,000	725,750	490,565	122,437	613,002	112,748	84%	
Facilities Management	2,493,000	1,731,750	1,246,887	218,822	1,465,709	266,041	85%	
Finance	1,904,000	1,206,500	826,224	225,036	1,051,260	155,240	87%	
Fleet Services	2,297,000	1,619,000	1,054,219	133,211	1,187,430	431,570	73%	
Human Resources	640,000	397,750	279,103	71,293	350,396	47,354	88%	
Information Technology	2,296,000	1,468,000	1,049,669	283,411	1,333,080	134,920	91%	
Municipal Court	755,000	464,000	337,594	85,092	422,686	41,314	91%	
Planning Services	1,295,000	782,000	498,631	125,733	624,364	157,636	80%	
Code Enforcement	343,000	211,000	178,814	38,304	217,118	(6,118)	103%	
Public Access Studio	186,000	113,250	78,174	6,124	84,298	28,952	74%	
Records and Information Management	874,000	542,500	384,186	97,076	481,262	61,238	89%	
Non-Departmental	5,758,000	4,627,000	4,663,578	315,624	4,979,202	(352,202)	108%	
Police Administration	1,072,000	661,750	537,020	145,461	682,481	(20,731)	103%	
Police Field Services	11,508,000	7,065,000	5,212,560	1,212,871	6,425,431	639,569	91%	
Police Support Services	688,000	419,500	296,992	73,868	370,860	48,640	88%	
Total expenditures	40,208,000	27,298,250	21,546,155	3,672,080	25,218,235	2,080,015	92%	
Revenue over (under) expenditures	(1,670,000)	(3,308,990)	(259,770)	(1,429,709)	(1,689,479)	1,619,511		
Beginning fund balance	5,293,000	5,293,000	6,039,475	5,779,705	5,779,705	486,705		
Ending fund balance	\$ 3,623,000	\$ 1,984,010	\$ 5,779,705	\$ 4,349,996	\$ 4,090,226	\$ 2,106,216		

¹ Franchise fees are typically received later in the year and prior year receipts were 2% lower than anticipated.

² Photo radar and traffic fines are significantly less than expected due to staffing adaptations and modifications to photo radar van deployment.

³ Community Development experienced personnel vacancies in FY2015 and expenditures related to the Moving Forward Milwaukie project that were not made in FY2015 are anticipated to be made in FY2016.

⁴ Public Works Admin experienced personnel vacancies and delayed capital outlay expenditures in FY2015. The capital component is expected to catch up in FY2016.

⁵ Engineering experienced personnel vacancies in FY2015.

⁶ Capital outlay expenditures were delayed in FY2015 and have not yet caught up in FY2016.

⁷ Capital outlay expenditures slated for FY2015 were delayed but are expected to catch up in FY2016. Additionally, the department experienced changes in employee benefits reducing spending.

⁸ In FY2015, Fleet experienced personnel vacancies, fuel, oil, and fleet repair costs were lower than anticipated, and capital outlay expenditures were delayed until FY2016.

⁹ Information Technology experienced personnel vacancies in FY2015 and in FY2016.

¹⁰ Planning experienced personnel vacancies in FY2015. Additionally, urban renewal and comprehensive plan projects have yet to begin. In FY2016 we anticipate the use of the remaining budgeted funds.

¹¹ Code Enforcement has incurred significant costs related to pending litigation. A supplemental budget will be done to supply Code Enforcement with sufficient funding.

¹² Costs associated with the issuance of debt have exceeded those budgeted. Debt related items are exempt from Oregon Budget Law.

¹³ Due to staffing changes, the Police Department utilized the background investigator more than anticipated. As a result, this department will require a supplemental budget adjustment.

¹⁴ During 2015, the Police Department experienced several retirements and vacancies. Additionally, costs related to photo radar were much lower than anticipated due to a change in the unit's deployment. LOCOM payments have yet to be made in FY2016.

City of Milwaukie, Oregon
Quarterly Financial Report
Budget-to-Actual
Through the first quarter ended September 30, 2015

Debt Service Fund

	Biennial Budget	Flexible Biennial Budget	FY 2015 Actual	FY 2016 YTD Actual	Total Biennium To-Date Actual	Variance	% of Budget
Revenue							
Property taxes	\$ 486,000	325,600	\$ 320,250	\$ 2,007	\$ 322,257	\$ (3,343)	99%
Intergovernmental	169,000	86,000	85,195	-	85,195	(805)	99%
Total revenue	655,000	411,600	405,445	2,007	407,452	(4,148)	99%
Expenditures							
Debt service	655,000	306,000	304,985	-	304,985	1,015	100%
Total expenditures	655,000	306,000	304,985	-	304,985	1,015	100%
Revenue over (under) expenditures	-	105,600	100,460	2,007	102,467	(3,133)	
Beginning fund balance	-	-	-	100,460	-	-	
Ending fund balance	\$ -	\$ 105,600	\$ 100,460	\$ 102,467	\$ 102,467	\$ (3,133)	

Building Inspection Fund

	Biennial Budget	Flexible Biennial Budget	FY 2015 Actual	FY 2016 YTD Actual	Total Biennium To-Date Actual	Variance	% of Budget
Revenue							
Fees and charges	\$ 468,000	282,500	\$ 225,775	\$ 107,785	\$ 333,560	\$ 51,060	118% ¹
Intergovernmental	-	2,500	522	371	893	371	0%
Miscellaneous	5,000	2,750	1,426	-	1,426	(1,324)	52%
Total revenue	473,000	287,750	227,723	108,156	335,879	50,107	117%
Expenditures							
Personnel services	451,000	274,750	193,886	57,931	251,817	22,933	92% ²
Materials and services	25,000	16,000	16,932	1,248	18,180	(2,180)	114%
Transfers	100,000	62,500	50,000	12,500	62,500	-	100%
Total expenditures	576,000	353,250	260,818	71,679	332,497	20,753	94%
Revenue over (under) expenditures	(103,000)	(65,500)	(33,095)	36,477	3,382	70,860	
Beginning fund balance	147,000	147,000	169,947	136,852	136,852	(10,148)	
Ending fund balance	\$ 44,000	\$ 81,500	\$ 136,852	\$ 173,329	\$ 140,234	\$ 60,712	

¹ Building permit volume increased more than anticipated in FY2016.

² The Building Official position was vacant for two months during FY2015.

City of Milwaukie, Oregon
Quarterly Financial Report
Budget-to-Actual
Through the first quarter ended September 30, 2015

Library Fund

	Biennial Budget	Flexible Biennial Budget	FY 2015 Actual	FY 2016 YTD Actual	Total Biennium To-Date Actual	Variance	% of Budget
Revenue							
Intergovernmental revenue	\$ 3,022,000	1,845,500	\$ 1,530,775	\$ -	\$ 1,530,775	\$ (314,725)	83%
Intergovernmental revenue - capital	1,000,000	-	-	-	-	-	-
Fines	126,000	78,750.00	59,910	14,843	74,753	(3,997)	95%
Miscellaneous	4,000	7,500	22,266	638	22,904	15,404	305%
Allocation of general property taxes	1,884,000	951,420	942,000	8,932	950,932	(488)	100%
Total revenue	6,036,000	2,883,170	2,554,951	24,413	2,579,364	(303,806)	89%
Expenditures							
Personnel services	3,266,000	2,002,250	1,471,717	375,236	1,846,953	155,297	92%
Materials and services	374,000	233,750	178,273	33,637	211,910	21,840	91%
Transfers	1,380,000	870,000	700,000	170,000	870,000	-	100%
Capital outlay	1,000,000	10,000	10,000	-	10,000	-	100%
Total expenditures	6,020,000	3,116,000	2,359,990	578,873	2,938,863	177,137	94%
Revenue over (under) expenditures	16,000	(232,830)	194,961	(554,460)	(359,499)	(126,669)	
Beginning fund balance	422,000	422,000	550,813	745,774	745,774	323,774	
Ending fund balance	\$ 438,000	\$ 189,170	\$ 745,774	\$ 191,314	\$ 386,275	\$ 197,105	

- ¹ Property tax and library district revenues are received in the second quarter of each fiscal year, and therefore have not yet been received for FY2016.
- ² Appropriate uses for these funds are not anticipated until the next biennium. The funds will be distributed to the City when an appropriate project is slated for construction.
- ³ Medical benefits were much lower than anticipated due to enrollment changes in FY2015. Workers' compensation was lower than anticipated.

City of Milwaukie, Oregon
Quarterly Financial Report
Budget-to-Actual
Through the first quarter ended September 30, 2015

Transportation Fund - in Total

	Biennial Budget	Flexible Biennial Budget	FY 2015 Actual	FY 2016 YTD Actual	Total Biennium To-Date Actual	Variance	% of Budget
Revenue							
<i>Dedicated to St/Surf Maintenance Program:</i>							
Fees (from street maintenance fee)	\$ 1,232,000	\$ 770,000	\$ 621,826	\$ 156,161	\$ 777,987	\$ 7,987	101%
Franchise fees (from 1.5% privilege tax)	647,000	647,000	314,819	-	314,819	(332,181)	49%
Intergovernmental (from local gas tax)	352,000	204,500	167,638	29,763	197,401	(7,099)	97%
	2,231,000	1,621,500	1,104,283	185,924	1,290,207	(331,293)	80%
<i>Dedicated to State Gas Tax Program:</i>							
Intergovernmental (from state gas tax)	2,373,000	1,373,000	1,183,631	202,550	1,386,181	13,181	101%
Intergovernmental (other)	3,295,000	3,295,000	655,735	-	655,735	(2,639,265)	20%
Franchise fees (from utility funds)	1,368,000	831,000	700,000	179,000	879,000	48,000	106%
Miscellaneous	100,000	100,000	12,952	2,524	15,476	(84,524)	15%
Total revenue	9,367,000	7,220,500	3,656,601	569,998	4,226,599	(2,993,901)	59%
Expenditures							
Personnel services	981,000	600,750	388,772	100,049	488,821	111,929	81%
Materials and services	911,000	564,500	358,207	59,754	417,961	146,539	74%
Debt service	-	-	-	-	-	-	-
Transfers	1,890,000	1,196,250	965,000	231,250	1,196,250	-	100%
Capital outlay	5,645,000	4,658,750	1,387,312	878,861	2,266,173	2,392,577	49%
Total expenditures	9,427,000	7,020,250	3,099,291	1,269,914	4,369,205	2,651,045	62%
Revenue over (under) expenditures	(60,000)	200,250	557,310	(699,916)	(142,606)	(342,856)	
Beginning fund balance	1,364,000	1,364,000	1,458,649	2,015,959	2,015,959	651,959	
Ending net available fund balance	\$ 1,304,000	\$ 1,564,250	\$ 2,015,959	\$ 1,316,043	\$ 1,873,353	\$ 309,103	

- ¹ PGE privilege taxes are received in the third quarter of the fiscal year, and therefore have not yet been received for FY2016.
- ² Contractual services were less than anticipated in FY2015 but are expected to catch up in FY2016.
- ³ Intergovernmental revenues are comprised of reimbursement grants. These may not be received uniformly through out the year based on when the related capital project is completed.
- ⁴ FILOC funds are slated to be used in the 17th Avenue project which had not concluded as of the end of the FY2016 first quarter.
- ⁵ Management continues to try to save in this department due to funding issues. Savings were realized in personnel services, and materials and services.

City of Milwaukie, Oregon
Quarterly Financial Report
Budget-to-Actual
Through the first quarter ended September 30, 2015

Street Surface Maintenance Program

	Biennial Budget	Flexible Biennial Budget	FY 2015 Actual	FY 2016 YTD Actual	Total Biennium To-Date Actual	Variance	% of Budget
Revenue							
Fees (from street maintenance fee)	\$ 1,232,000	770,000	\$ 621,826	\$ 156,161	\$ 777,987	\$ 7,987	101%
Franchise fees (from 1.5% privilege tax)	647,000	647,000	314,819	-	314,819	(332,181)	49%
Intergovernmental (from local gas tax)	352,000	204,500	167,638	29,763	197,401	(7,099)	97%
Total revenue	2,231,000	1,621,500	1,104,283	185,924	1,290,207	(331,293)	80%
Expenditures							
Materials and services	141,000	87,750	13,345	3,628	16,973	70,777	19%
Transfers	378,000	239,250	193,000	46,500	239,500	(250)	100%
Capital outlay	2,000,000	1,013,750	511,341	711,910	1,223,251	(209,501)	121%
Total expenditures	2,519,000	1,340,750	717,686	762,038	1,479,724	(138,974)	110%
Revenue over (under) expenditures	(288,000)	280,750	386,597	(576,114)	(189,517)	(470,267)	
Beginning fund balance	1,499,000	1,499,000	1,539,018	1,925,615	1,925,615	426,615	
Ending net available fund balance	\$ 1,211,000	\$ 1,779,750	\$ 1,925,615	\$ 1,349,501	\$ 1,736,098	\$ (43,652)	

State Gas Tax Program

	Biennial Budget	Flexible Biennial Budget	FY 2015 Actual	FY 2016 YTD Actual	Total Biennium To-Date Actual	Variance	% of Budget
Revenue							
Intergovernmental (from state gas tax)	\$ 2,373,000	1,373,000	\$ 1,183,631	\$ 202,550	\$ 1,386,181	\$ 13,181	101%
Intergovernmental (other)	3,295,000	3,295,000	655,735	-	655,735	(2,639,265)	20%
Franchise fees (from utility funds)	1,368,000	831,000	700,000	179,000	879,000	48,000	106%
Fee in Lieu of Construction	100,000	100,000	-	-	-	(100,000)	-
Miscellaneous	-	-	12,952	2,524	15,476	15,476	100%
Total revenue	7,136,000	5,599,000	2,552,318	384,074	2,936,392	(2,662,608)	52%
Expenditures							
Personnel services	981,000	600,750	388,772	100,049	488,821	111,929	81%
Materials and services	770,000	476,750	344,862	56,126	400,988	75,762	84%
Transfers	1,512,000	957,000	772,000	184,750	956,750	250	100%
Capital outlay	3,645,000	3,645,000	875,971	166,951	1,042,922	2,602,078	29%
Total expenditures	6,908,000	5,679,500	2,381,605	507,876	2,889,481	2,790,019	51%
Revenue over (under) expenditures	228,000	(80,500)	170,713	(123,802)	46,911	127,411	
Beginning fund balance	(135,000)	(135,000)	(80,369)	90,344	90,344	225,344	
Ending net available fund balance	\$ 93,000	\$ (215,500)	\$ 90,344	\$ (33,458)	\$ 137,255	\$ 352,755	

- 1 PGE privilege taxes are received in the third quarter of the fiscal year, and therefore have not yet been received for FY2016.
- 2 Contractual services were less than anticipated in FY2015 but are expected to catch up in FY2016.
- 3 Intergovernmental revenues are comprised of reimbursement grants. These may not be received uniformly through out the year based on when the related capital project is completed.
- 4 FILOC funds are slated to be used in the 17th Avenue project which had not concluded as of the end of the FY2016 first quarter.
- 5 Management continues to try to save in this department due to funding issues. Savings were realized in personnel services, and materials and services.

City of Milwaukie, Oregon
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Water Fund

	Biennial Budget	Flexible Biennial Budget	FY 2015 Actual	FY 2016 YTD Actual	Total Biennium To-Date Actual	Variance	% of Budget
Revenue							
Fees and charges	\$ 6,452,000	3,930,500	\$ 3,629,208	1,323,412	4,952,620	1,022,120	126%
Miscellaneous	196,000	121,750	69,029	14,792	83,821	(37,929)	69%
Total revenue	6,648,000	4,052,250	3,698,237	1,338,204	5,036,441	984,191	124%
Expenditures							
Personnel services	1,277,000	782,000	575,415	150,651	726,066	55,934	93%
Materials and services	1,584,000	966,750	774,589	164,764	939,353	27,397	97%
Transfers	1,830,000	1,143,750	915,000	228,750	1,143,750	-	100%
Capital outlay	1,522,000	913,000	514,151	-	514,151	398,849	56%
Total expenditures	6,213,000	3,805,500	2,779,155	544,165	3,323,320	482,180	87%
Revenue over (under) expenditures	435,000	246,750	919,082	794,039	1,713,121	1,466,371	
Beginning fund balance	395,000	395,000	780,923	1,700,005	1,700,005	1,305,005	
Ending fund balance	\$ 830,000	\$ 641,750	\$ 1,700,005	\$ 2,494,044	\$ 3,413,126	\$ 2,771,376	

¹ The Water Fund experienced higher usage in FY2015 due to the dry winter and hot summer, accompanied with higher rates.

² Projects slated for FY2016 have not yet been completed. See project status report for further information.

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Wastewater Fund

	Biennial Budget	Flexible Biennial Budget	FY 2015 Actual	FY 2016 YTD Actual	Total Biennium To-Date Actual	Variance	% of Budget
Revenue							
Fees and charges	\$ 13,836,000	8,508,750	\$ 6,939,074	\$ 1,851,677	\$ 8,790,751	\$ 282,001	103% ¹
Miscellaneous	8,000	5,000	4,757	3	4,760	(240)	95%
Proceeds from reimbursement district	30,000	15,000	75,508	31,443	106,951	91,951	713% ²
Total revenue	13,874,000	8,528,750	7,019,339	1,883,123	8,902,462	373,712	104%
Expenditures							
Personnel services	937,000	574,000	413,934	106,222	520,156	53,844	91%
Materials and services	9,743,000	5,605,500	4,568,268	802,472	5,370,740	234,760	96% ³
Debt service	220,000	137,500	104,416	48,229	152,645	(15,145)	111%
Transfers	1,820,000	1,118,750	885,000	233,750	1,118,750	-	100%
Capital outlay	1,709,000	1,031,750	649,394	325,131	974,525	57,225	94%
Total expenditures	14,429,000	8,467,500	6,621,012	1,515,804	8,136,816	330,684	96%
Revenue over (under) expenditures	(555,000)	61,250	398,327	367,319	765,646	704,396	
Beginning fund balance	2,196,000	2,196,000	2,318,159	2,716,486	2,716,486	520,486	
Ending fund balance	\$ 1,641,000	\$ 2,257,250	\$ 2,716,486	\$ 3,083,805	\$ 3,482,132	\$ 1,224,882	

¹ Wastewater Fund revenues were higher than anticipated due to usage.

² Payments on reimbursement district accounts were higher than anticipated in FY2015 due to the housing market sales.

³ Rents and leases and facilities repairs were less than anticipated.

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Stormwater Fund

	Biennial Budget	Flexible Biennial Budget	FY 2015 Actual	FY 2016 YTD Actual	Total Biennium To-Date Actual	Variance	% of Budget
Revenue							
Fees and charges	\$ 5,481,000	3,297,750	\$ 2,571,866	\$ 738,302	\$ 3,310,168	\$ 12,418	100%
Intergovernmental	1,004,000	1,004,000	-	-	-	(1,004,000)	0%
Miscellaneous	20,000	5,000	9,016	645	9,661	4,661	193%
Total revenue	6,505,000	4,306,750	2,580,882	738,947	3,319,829	(986,921)	77%
Expenditures							
Personnel services	1,375,000	838,750	483,480	120,593	604,073	234,677	72%
Materials and services	852,000	521,250	322,575	80,933	403,508	117,742	77%
Transfers	1,870,000	1,146,250	905,000	241,250	1,146,250	-	100%
Capital outlay	4,547,000	4,547,000	7,020	203,173	210,193	4,336,807	5%
Total expenditures	8,644,000	7,053,250	1,718,075	645,949	2,364,024	4,689,226	34%
Revenue over (under) expenditures	(2,139,000)	(2,746,500)	862,807	92,998	955,805	3,702,305	
Beginning fund balance	2,392,000	2,392,000	2,528,009	3,390,816	3,390,816	998,816	
Ending fund balance	\$ 253,000	\$ (354,500)	\$ 3,390,816	\$ 3,483,814	\$ 4,346,621	\$ 4,701,121	

- ¹ The project applicable to this grant has been delayed.
- ² One budgeted position was not filled during FY2015 and another was filled later than originally anticipated.
- ³ Contractual and professional services were less than anticipated during FY2015.
- ⁴ Capital projects have not been completed at the end of the first quarter. See project status report for further information.

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Systems Development Charges Fund

	Biennial Budget	Flexible Biennial Budget	FY 2015 Actual	FY 2016 YTD Actual	Total Biennium To-Date Actual	Variance	% of Budget
Revenue							
System development charges	\$ 78,000	56,250	\$ 70,493	\$ 22,968	\$ 93,461	\$ 37,211	166% ¹
Miscellaneous	-	-	241	79	320	320	100%
Total revenue	78,000	56,250	70,734	23,047	93,781	37,531	167%
Expenditures							
Capital outlay	430,000	430,000	35,383	30,139	65,522	364,478	15% ²
Total expenditures	430,000	430,000	35,383	30,139	65,522	364,478	15%
Revenue over (under) expenditures	(352,000)	(373,750)	35,351	(7,092)	28,259	402,009	
Beginning fund balance	1,318,000	1,318,000	1,392,789	1,428,140	1,428,140	110,140	
Ending fund balance	\$ 966,000	\$ 944,250	\$ 1,428,140	\$ 1,421,048	\$ 1,456,399	\$ 512,149	

¹ Wastewater and transportation SDC's are higher than anticipated.

² Projects for the biennium have not yet been completed.

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Project Status Report

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Project Number	FY15 Annual Budget		FY16 Annual Budget		Total BN Budget		FY15 YTD Actual		FY16 YTD Actual		Total BN Actual		% of Budget		Project Status
General Fund															
Portland-Milwaukie Light Rail (PMLR)	D06	\$ -	\$ -	\$ -	\$ -	\$ 3,975	\$ -	\$ 3,975	\$ (3,975)	0%	Project is complete.				
HVAC Intake Relocation - Johnson Creek Building - Facilities	F	-	15,000	15,000	-	-	-	15,000	-	Project deferred.					
Replace Emergency Generator at Public Safety Building - Facilities	F08	45,000	-	45,000	-	-	-	45,000	-	Waiting for CFD1 to purchase genset.					
Bertman House Exterior Structural Repairs - Facilities	F12	10,000	-	10,000	-	-	-	10,000	-	Combined with F13 for Q2 completion.					
Bertman House Exterior Paint - Facilities	F13	10,000	-	10,000	-	-	-	10,000	-	Anticipated Q2 completion.					
Brick Mortar Repair at City Hall - Facilities	F14	30,000	-	30,000	-	-	-	30,000	-	Need to spec/bid Q3.					
Re-roof Public Safety Building - Facilities	F15	350,000	-	350,000	346,462	1,490	347,952	2,048	99%	Project complete.					
Seal Brick on Public Safety Building - Facilities	F16	30,000	-	30,000	-	-	-	30,000	-	To be done with F14, Q3.					
Replace Caulking Windows and Doors at Public Safety Building - F	F17	17,000	-	17,000	-	-	-	17,000	-	Work slated for Q3/Q4.					
Removal of Oil Tank Bertman House - Facilities	F18	-	10,000	10,000	-	-	-	10,000	-	More complex than initially thought, Q3 completion.					
Replacement of Main Air Handler at the Library - Facilities	F19	-	20,000	20,000	-	-	-	20,000	-	Looking to complete with ESCO work.					
EOC Configuration - Public Safety Building - Facilities	F20	-	10,000	10,000	2,553	-	2,553	7,447	26%	Work to complete Q3/Q4.					
Incode Version X Upgrade	F15	-	90,000	90,000	-	10,283	10,283	79,717	11%	Implementation underway, project scheduled to complete Q3.					
CMMS Upgrade - Public Works	G01	80,000	-	80,000	30,908	19,487	50,395	29,605	63%	Implementation underway, project scheduled to complete Q3.					
Computer Refresh - IT	I02	45,000	-	45,000	50,567	-	50,567	(5,567)	112%	Complete.					
Server Virtualization Capacity Expansion - IT	I03	-	37,000	37,000	-	-	-	37,000	-	All systems targeted for the virtual environment completed as of September 1, 2015. System hardware scheduled for upgrade by July 2016.					
Enterprise Backup Solution - IT	I04	51,000	-	51,000	31,658	-	31,658	19,342	62%	Project completed.					
Enterprise WiFi Installation - IT	I05	38,000	-	38,000	32,163	-	32,163	5,837	85%	Project and expansion in Pond House complete.					
Network File Storage Capacity Expansion - IT	I06	-	15,000	15,000	-	-	-	15,000	-	Project completed.					
VOIP Upgrade	I08	32,000	-	32,000	52,800	-	52,800	(20,800)	165%	Project completed.					
Fleet Vehicle Purchases from Reserve - Streets	K01	100,000	14,000	114,000	97,290	-	97,290	16,710	85%	In various stages of purchasing.					
Fleet Vehicle Purchases from Reserve - Water	K02	166,000	149,000	315,000	78,188	-	78,188	236,812	25%	In various stages of purchasing.					
Fleet Vehicle Purchases from Reserve - Wastewater	K03	143,000	-	143,000	81,380	-	81,380	61,620	57%	In various stages of purchasing.					
Fleet Vehicle Purchases from Reserve - Stormwater	K04	227,000	-	227,000	212,225	-	212,225	14,775	93%	In various stages of purchasing.					
Tool Boxes and Tire Machine - Fleet	K05	17,000	-	17,000	15,965	-	15,965	1,035	94%	Project completed.					
Fuel Pumps and Software - Fleet	K05	35,000	-	35,000	-	-	-	35,000	-	Underway, Q2 completion.					
Brake Lathe - Fleet	K05	-	16,000	16,000	-	-	-	16,000	-	Scheduled for Q2.					
General Fund Department Vehicles - Fleet	K05	-	45,000	45,000	-	-	-	45,000	-	Deferred, funding to be used by G01.					
Library Video Security	L06	-	-	-	6,269	-	6,269	(6,269)	0%	Complete.					
Riverfront Construction	Q07	2,271,000	21,000	2,292,000	2,592,560	-	2,592,560	(300,560)	113%	Complete.					
Public Access Studio Equipment Replacement	V01	44,000	52,000	96,000	41,819	-	41,819	54,181	44%	The first portion of the project was completed October 2014. The camera replacement is out for quotes with Willamette Falls Media.					

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Project Status Report

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Project Number	Biennium-to-Date through September 30, 2015			Biennium-to-Date through September 30, 2015			Variance	% of Budget	Project Status	
	FY15 Annual Budget	FY16 Annual Budget	Total BN Budget	FY15 YTD Actual	FY16 YTD Actual	Total BN Actual				
Police Vehicle Replacement	Z09	100,000	100,000	200,000	91,084	-	91,084	108,916	46%	In progress for FY2016
Total General Fund Capital Projects		\$ 3,841,000	\$ 594,000	\$ 4,435,000	\$ 3,767,866	\$ 31,260	\$ 3,799,126	\$ 635,874	86%	
Library Fund										
Library Expansion	L03	\$ -	\$ 1,000,000	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 1,000,000	-	The Library Expansion Task Force (LETF) resumed monthly meetings on February 4, 2015.
Library Video Security	L06	-	-	-	10,000	-	10,000	(10,000)	0%	Complete.
Total Library Fund Capital Projects		\$ -	\$ 1,000,000	\$ 1,000,000	\$ 10,000	\$ -	\$ 10,000	\$ 990,000	1%	
Transportation Fund										
State Gas Tax										
Lake Road Multimodal Improvements	T02	\$ -	\$ -	\$ -	\$ 3,291	\$ 837	\$ 4,128	\$ (4,128)	0%	In progress.
School Zone Implementation	T04	-	-	-	13,403	-	13,403	(13,403)	0%	Project completed with lightrail project.
17th Avenue Multi-Use Trail	T05	3,170,000	-	3,170,000	593,334	-	593,334	2,576,666	19%	Currently under design and review with ODOT. Right-of-way actions are taking place. All is planned to be wrapped up by December 2015, so that the project may be bid for construction February 2016.
Adams Street Connector	T07/D13	375,000	-	375,000	265,943	166,114	432,057	(57,057)	115%	The on-site work is in the punch list phase. Staff expects completion in September 2015.
Transportation Vehicle Purchases	T31	-	50,000	50,000	-	-	-	50,000	-	In various stages of purchasing.
Asphalt Grinder & Trench Paver Machines	T32, T33	-	50,000	50,000	-	-	-	50,000	-	Not yet purchased.
Total State Gas Tax Projects		\$ 3,545,000	\$ 100,000	\$ 3,645,000	\$ 875,971	\$ 166,951	\$ 1,042,922	\$ 2,602,078	29%	

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Project Status Report

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	Project Number	FY15 Annual Budget		Total BN Budget	FY15 YTD Actual		FY16 YTD Actual	Total BN Actual	Variance	% of Budget	Project Status
Street Surface Maintenance Program											
SSMP Preventative Maintenance	S04	\$ 65,000	\$ 65,000	\$ 130,000	\$ 147	\$ -	\$ 147	\$ 129,853	0%	Complete.	
SSMP Paving	S10/S11	550,000	1,250,000	1,800,000	511,195	711,910	1,223,105	576,895	68%	This years paving consists of reconstructing Railroad Avenue with an additional 4 feet (as directed by Council - S11). Phase 1 is substantially completed. Phase 2 will start September 14th. Staff expects the project to be completed in October 2015. This project will likely need a supplemental budget adjustment to cover the additional expenditures for widening.	
Crack Seal Machine	S12	70,000	-	70,000	-	-	-	70,000	-	Purchased in FY14. Funding will be needed for project S10.	
Total Street Surface Maintenance Program Projects		\$ 685,000	\$ 1,315,000	\$ 2,000,000	\$ 511,342	\$ 711,910	\$ 1,223,252	\$ 776,748	61%		
Total Transportation Fund Capital Projects		\$ 4,230,000	\$ 1,415,000	\$ 5,645,000	\$ 1,387,313	\$ 878,861	\$ 2,266,174	\$ 3,378,826	40%		
Water Fund											
Water Well No. 2 Storage Tank Maintenance	W10	\$ 150,000	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ 150,000	-	Completion planned for Q3.	
Water Well No. 6 Storage Tank Maintenance	W14	-	400,000	400,000	-	-	-	400,000	-	Completion planned for Q3.	
McBrod Ave Water System Improvements	W27	-	-	-	-	-	-	-	0%	Delayed due to pending litigation with an adjacent property owner. In its place, Staff has moved up a project on 17th Avenue between Ochoco and McBrod.	
Wood Avenue Service Line Transfer	W32	10,000	-	10,000	-	-	-	10,000	-	Completion scheduled for Q2/Q3.	
Monroe Street Water System Improvements	W34	195,000	-	195,000	199,452	-	199,452	(4,452)	102%	Project complete.	
Water Production Preventative Maintenance	W35	40,000	52,000	92,000	-	-	-	92,000	-	Ongoing maintenance - expediture shown is for W27 (McBrod project spent on 17th).	
17th Avenue Water System Improvements	W37	315,000	-	315,000	314,699	-	314,699	301	100%	Complete.	
Main Street Water System Improvements	W38	-	160,000	160,000	-	-	-	160,000	-	Completion planned for Q3.	
Riverway Water System Improvements	W39	-	75,000	75,000	-	-	-	75,000	-	Completion planned for Q3.	
Wood Court Water System Improvements	W40	-	75,000	75,000	-	-	-	75,000	-	Completion planned for Q3.	
Monroe Water System Improvements (Abandon)	W41	-	50,000	50,000	-	-	-	50,000	-	Completion planned for Q3.	
Total Water Fund Capital Projects		\$ 710,000	\$ 812,000	\$ 1,522,000	\$ 514,151	\$ -	\$ 514,151	\$ 1,007,849	34%		

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Project Number	FY15 Annual Budget		Total BN Budget	FY15 YTD Actual		FY16 YTD Actual		Total BN Actual	Variance	% of Budget	Project Status
Wastewater Fund											
Wastewater Main Repair Program	X07	\$ 100,000	\$ 100,000	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000	-	Funding for both years will be combined into a single construction contract for late Spring of 2016. The project will be surveyed and design by in-house staff.
Lift Station Wet Well Lining	X09/X13	15,000	15,000	30,000	27,818	-	27,818	2,182	93%	Project completed October 2014 (Island Sta lift Sta).	
Clay Pipe Replacement	X10	640,000	540,000	1,180,000	592,576	325,131	917,707	262,293	78%	Project currently under construction. Staff expects completion in October 2015.	
Manhole Replacement/Rehabilitation Program	X11	50,000	50,000	100,000	-	-	-	100,000	-	Funding for this program will be combined with Project X07.	
Transporter and Camera Replacement	X14	-	29,000	29,000	29,000	-	29,000	-	100%	Complete.	
Wastewater Vehicle Purchases	X15	1,000	169,000	170,000	-	-	-	170,000	-	In various stages of purchasing.	
Total Wastewater Fund Capital Projects		\$ 806,000	\$ 903,000	\$ 1,709,000	\$ 649,394	\$ 325,131	\$ 974,525	\$ 734,475	57%		
Stormwater Fund											
Kellogg Creek Dam Removal and HWY 99E Underpass	Y04	\$ -	\$ 1,004,000	\$ 1,004,000	\$ -	\$ -	\$ -	\$ -	\$ 1,004,000	-	This project has been postponed. The City and ODOT need to determine when or if this money will be spent.
Stanley Avenue Pipe Replacement	Y05	1,200,000		1,200,000	7,020	203,173	210,193	989,807	18%	This project relies on a permit from UPRR. The permit has been received and is in the process of going through Council for authorization. Once this is done, the project will be bid for construction this summer.	
Stormwater Transporter and Camera Replacement	Y07		43,000	43,000	-	-	-	43,000	-	Gathering quotes for purchase.	
36th Avenue Stormwater Improvements	Y08	105,000	-	105,000	-	-	-	105,000	-	Work on this project is scheduled for Fall 2015 through June 2016.	
47th Avenue and Llewellyn Street	Y09	160,000		160,000	-	-	-	160,000	-	Work on this project is scheduled for Fall 2015 through June 2016.	
55th Avenue and Monroe Street Stormwater Improvements	Y10	25,000		25,000	-	-	-	25,000	-	Work on this project is scheduled for Fall 2015 through June 2016.	
Meek Street Pipe Installation	Y11		1,550,000	1,550,000	-	-	-	1,550,000	-	Work on this project is scheduled for Fall 2015 through June 2016.	
Stormwater Vehicle Replacements	Y12	228,000	209,000	437,000	-	-	-	437,000	-	In various stages of purchasing.	
Upgrade TV Van Computer			23,000	23,000	-	-	-	23,000	-	Gathering quotes for purchase.	
Total Stormwater Fund Capital Projects		\$ 1,718,000	\$ 2,829,000	\$ 4,547,000	\$ 7,020	\$ 203,173	\$ 210,193	\$ 4,336,807	18%		

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Project Number	FY15 Annual Budget		FY16 Annual Budget		Total BN Budget		FY15 YTD Actual		FY16 YTD Actual		Total BN Actual		Variance		% of Budget		Project Status	
SDC Fund																		
Portland-Milwaukie Light Rail	D06	\$ 20,000	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000	-	Complete.		
17th Avenue Multi-Use Trail - Streets	T05	20,000	-	20,000	-	-	-	-	-	-	-	-	-	20,000	-	Currently under design and review with ODOT. Right-of-way actions have begun to take place. All is planned to be wrapped up by December 2015, so that the project may be bid for construction February 2016.		
17th Avenue Multi-Use Trail - Stormwater	T05	100,000	-	100,000	16,432	30,139	46,571	53,429	47%	Currently under design and review with ODOT. Right-of-way actions have begun to take place. All is planned to be wrapped up by December 2015 so that the project may be bid for construction February 2016.								
Kellogg Multi-Use Bridge - Streets	T08	200,000	-	200,000	18,951	-	18,951	181,049	9%	Bridge is in place. 100% plans for the landings are complete pending review through City's Planning Type I process. Construction could take until the end of 2015.								
McBrod Ave Water System Improvements - Water	W27	90,000	-	90,000	-	-	-	90,000	-	Project funding moved to Monroe Street due to failed waterline.								
Total SDC Fund Capital Projects		\$ 430,000	\$ -	\$ 430,000	\$ 35,383	\$ 30,139	\$ 65,522	\$ 364,478	15%									
Total		\$ 11,735,000	\$ 7,553,000	\$ 19,288,000	\$ 6,371,127	\$ 1,468,564	\$ 7,839,691	\$ 11,448,309										

