

Regular Session

RS

Milwaukie City Council

COUNCIL REGULAR SESSION

AGENDA

City Hall Council Chambers, 10501 SE Main Street
& Zoom Video Conference (www.milwaukieoregon.gov)

MARCH 19, 2024

Council will hold this meeting in-person and through video conference. The public may attend the meeting by coming to City Hall or joining the Zoom webinar, or watch the meeting on the [city's YouTube channel](#) or Comcast Cable channel 30 in city limits. **For Zoom login** visit <https://www.milwaukieoregon.gov/citycouncil/city-council-regular-session-368>.

To participate in this meeting by phone dial 1-253-215-8782 and enter Webinar ID 865 6947 8638 and Passcode: 111508. To raise hand by phone dial *9.

Written comments may be delivered to City Hall or emailed to ocr@milwaukieoregon.gov. Council will take verbal comments.

Note: agenda item times are estimates and are subject to change.

Page #

1. **CALL TO ORDER** (6:00 p.m.)
 - A. **Pledge of Allegiance**
 - B. **Native Lands Acknowledgment**

2. **ANNOUNCEMENTS** (6:01 p.m.) **2**

3. **PROCLAMATIONS AND AWARDS**
 - A. **Women's History Month – Proclamation** (6:05 p.m.) **4**
 Presenter: Lisa Batey, Mayor

4. **SPECIAL REPORTS**
 - A. **Fiscal Year 2023 Annual Comprehensive Financial Report** (6:15 p.m.) **6**
 Staff: Michael Osborne, Assistant Finance Director

5. **COMMUNITY COMMENTS** (6:35 p.m.) **143**
 To speak to Council, please submit a comment card to staff. Comments must be limited to city business topics that are not on the agenda. A topic may not be discussed if the topic record has been closed. All remarks should be directed to the whole Council. The presiding officer may refuse to recognize speakers, limit the time permitted for comments, and ask groups to select a spokesperson. **Comments may also be submitted in writing before the meeting, by mail, e-mail (to ocr@milwaukieoregon.gov), or in person to city staff.**

6. **CONSENT AGENDA** (6:40 p.m.)

Consent items are not discussed during the meeting; they are approved in one motion and any Council member may remove an item for separate consideration.

 - A. **Approval of Council Meeting Minutes of:** **147**
 1. **February 13, 2024, study session,**
 2. **February 13, 2024, special session,**
 3. **February 20, 2024, work session, and**
 4. **February 20, 2024, regular session.**
 - B. **Oregon Liquor and Cannabis Commission (OLCC) Application for** **157**
Gamma's Corner, 10880 SE McLoughlin Blvd – Full On-Premises Sales

7. BUSINESS ITEMS

A. None Scheduled.

8. PUBLIC HEARINGS

A. Hillside Redevelopment Project Street Vacation – Ordinance (6:45 p.m.) 159
Staff: Vera Koliias, Senior Planner

9. COUNCIL REPORTS (7:05 p.m.)

10. ADJOURNMENT (7:15 p.m.)

Redevelopment Commission Meeting.

After the regular session, Council will meet as the Milwaukie Redevelopment Commission (MRC). For information about the MRC meeting visit <https://www.milwaukieoregon.gov/bc-rc/redevelopment-commission-15>.

Meeting Accessibility Services and Americans with Disabilities Act (ADA) Notice

The city is committed to providing equal access to public meetings. To request listening and mobility assistance services contact the Office of the City Recorder at least 48 hours before the meeting by email at ocr@milwaukieoregon.gov or phone at 503-786-7502. To request Spanish language translation services email espanol@milwaukieoregon.gov at least 48 hours before the meeting. Staff will do their best to respond in a timely manner and to accommodate requests. Most Council meetings are broadcast live on the [city's YouTube channel](#) and Comcast Channel 30 in city limits.

Servicios de Accesibilidad para Reuniones y Aviso de la Ley de Estadounidenses con Discapacidades (ADA)

La ciudad se compromete a proporcionar igualdad de acceso para reuniones públicas. Para solicitar servicios de asistencia auditiva y de movilidad, favor de comunicarse a la Oficina del Registro de la Ciudad con un mínimo de 48 horas antes de la reunión por correo electrónico a ocr@milwaukieoregon.gov o llame al 503-786-7502. Para solicitar servicios de traducción al español, envíe un correo electrónico a espanol@milwaukieoregon.gov al menos 48 horas antes de la reunión. El personal hará todo lo posible para responder de manera oportuna y atender las solicitudes. La mayoría de las reuniones del Consejo de la Ciudad se transmiten en vivo en el [canal de YouTube de la ciudad](#) y el Canal 30 de Comcast dentro de los límites de la ciudad.

Executive Sessions

The City Council may meet in executive session pursuant to Oregon Revised Statute (ORS) 192.660(2); all discussions are confidential; news media representatives may attend but may not disclose any information discussed. Final decisions and actions may not be taken in executive sessions.



COUNCIL REGULAR SESSION

City Hall Council Chambers, 10501 SE Main Street
& Zoom Video Conference (www.milwaukieoregon.gov)

2399th Meeting

MINUTES

MARCH 19, 2024

Council Present: Councilors Shane Abma, Adam Khosroabadi, Rebecca Stavenjord, and Council President Robert Massey, and Mayor Lisa Batey

Staff Present: Joseph Briglio, Community Development Director Michael Osborne, Finance Director
Jennifer Garbely, City Engineer Emma Sagor, Assistant City Manager
Justin Gericke, City Attorney Scott Stauffer, City Recorder
Vera Kolias, Senior Planner

Mayor Batey called the meeting to order at 6:02 p.m.

1. CALL TO ORDER

A. Pledge of Allegiance.

B. Native Lands Acknowledgment.

2. ANNOUNCEMENTS

Mayor Batey announced upcoming activities, events and programs at the library, a Transportation System Plan (TSP) workshop, and city Earth Day activities.

Councilor Khosroabadi wished the community a happy Nowruz, Iranian new year.

Mayor Batey noted the city would accept board and committee applications until April 1 and read a Milwaukie haiku written by Linda Apperson.

3. PROCLAMATIONS AND AWARDS

A. Women’s History Month – Proclamation

Mayor Batey, and **Donna Baten** and **Jay Jones** with the North Clackamas Chamber of Commerce remarked on the life and career of former Milwaukie City Councilor and Mayor Wilda Parks. **Parks** commented on her life experiences and importance of recognizing Women’s History Month. **Batey** proclaimed March to be Women’s History Month.

4. SPECIAL REPORTS

A. Fiscal Year (FY) 2023 Audit Report

Osborne provided an overview of the annual audit process including the creation of the Annual Comprehensive Financial Report (ACFR) and People’s Annual Financial Report (PAFR) and reported that the city had received a “clean and unmodified opinion” from the audit firm despite several issues that had been identified. New financial and accounting standards and process timelines that had been implemented in the last year were noted as responses to the identified issues.

Council thanked staff for working through the issues. The group noted the goal of publishing the audit report by December 31 each year and that there were no financial penalties for missing the deadline.

Council President Massey and **Osborne** remarked on how an auditing firm audits their own work, noting the possibility of hiring a second firm to audit the city’s auditing firm.

Councilor Khosroabadi asked about reserve policy funds and **Osborne** agreed to provide the requested information after the meeting.

Mayor Batey and **Osborne** noted how the ACFR and PAFR were both available in paper form and online.

Sagor thanked Osborne for leading the finance department through many changes.

5. COMMUNITY COMMENTS

Mayor Batey reviewed the public comment procedures. **Sagor** reported staff’s work to respond to previous comments regarding the 29th Avenue Greenway and a request from Milwaukie resident David Chitsazan for Council to read a proclamation addressing the Israeli-Palestinian conflict. **Stauffer** reported that Chitsazan had submitted another written request for a Council proclamation regarding the Israeli-Palestinian conflict. No audience member wished to speak to Council.

6. CONSENT AGENDA

It was moved by **Councilor Khosroabadi** and seconded by **Council President Massey** to approve the Consent Agenda as presented.

- A. **City Council Meeting Minutes:**
 - 1. February 13, 2024, study session,
 - 2. February 13, 2024, special session,
 - 3. February 20, 2024, work session, and
 - 4. February 20, 2024, regular session.
- B. **An Oregon Liquor and Cannabis Commission (OLCC) Application for Gramma’s Corner Kitchen, 10880 SE McLoughlin Blvd – Full On-Premises Sales.**

Motion passed with the following vote: **Councilors Abma, Khosroabadi, Massey, and Stavenjord** and **Mayor Batey** voting “aye.” [5:0]

7. BUSINESS ITEMS

A. **None Scheduled.**

8. PUBLIC HEARING

A. Hillside Redevelopment Project Street Vacation – Ordinance

Call to Order: **Mayor Batey** called the public hearing on the proposed street vacations, to order at 6:57 p.m.

Purpose: **Mayor Batey** announced that the purpose of the hearing was to receive the staff report and take public comment on the proposed street vacations.

Conflict of Interest: No Council member declared a conflict of interest.

Staff Presentation: **Kolias** explained that Council was asked to vacate public street right-of-way (ROW) that lay within the Housing Authority of Clackamas County (HACC) Hillside Park redevelopment project area. An overview of the project was provided, and the ROW vacation hearing process was reviewed. **Kolias** reported that the staff recommendation was for Council to vacate the ROWs.

Councilor Khosroabadi asked if the project had changed since it was proposed and **Kolias** noted what had changed including slight layout changes and likely commercial uses. The group noted that space would be designated for resident resources and green spaces and that all the residential units would be affordable housing.

Councilor Stavenjord and **Kolias** commented on HACC's plan to relocate residents during the construction project. **Mayor Batey** noted that HACC staff would attend an upcoming Council meeting to provide a project update.

Councilor Stavenjord expressed concern that existing Hillside residents would be able to find a home in the rebuilt development and how individuals on the waiting list for Hillside would be invited to live there. **Briglio** suggested that HACC staff answer relocation questions at the May 7 regular session.

Mayor Batey and **Kolias** noted that residents of the Hillside Manor tower and laundry services would remain on the Hillside site throughout the redevelopment project.

Correspondence: No correspondence on the hearing topic had been received.

Audience Testimony: No audience member wished to address Council.

Close Public Comment: **It was moved by Councilor Khosroabadi and seconded by Council President Massey to close the public testimony part of the Hillside Redevelopment Project Street Vacation hearing. Motion passed with the following vote: Councilors Abma, Khosroabadi, Massey, Stavenjord, and Mayor Batey voting "aye." [5:0]**

Mayor Batey closed the public comment part of the hearing at 7:14 p.m.

Council Decision: **It was moved by Councilor Khosroabadi and seconded by Councilor Stavenjord for the first and second readings by title only and adoption of the ordinance vacating the public street rights-of-way within the Hillside Park development designated as portions of SE A Street, SE B Street, SE C Street, SE D Street, and SE D Place. Motion passed with the following vote: Councilors Abma, Khosroabadi, Massey, Stavenjord, and Mayor Batey voting "aye." [5:0]**

Sagor read the ordinance two times by title only.

Stauffer polled the Council with Councilors Abma, Khosroabadi, Massey, Stavenjord, and Mayor Batey voting "aye." [5:0]

Ordinance 2240:

AN ORDINANCE OF THE CITY OF MILWAUKIE, OREGON, VACATING THE PUBLIC STREET RIGHTS-OF-WAY WITHIN THE HILLSIDE PARK DEVELOPMENT DESIGNATED AS PORTIONS OF SE A STREET, SE B STREET, SE C STREET, SE D STREET, AND SE D PLACE.

9. COUNCIL REPORTS

Mayor Batey reported that Council had been asked to send a letter to the Oregon Department of Transportation (ODOT) regarding the speed limit on Highway 224. **Garbely** reported that ODOT had denied the city's previous requests to reduce the speed limits on Hwy 224 and supported Council sending a letter to ODOT.

The group remarked on how Council and staff could review a draft letter that Council could consider at the April 2 regular session. **Garbely** and **Mayor Batey** remarked on the limited scope of work that ODOT was planning to do on Hwy 224.

Councilor Khosroabadi commented on Clackamas County Water Environment Service's (WES') recent contest to name a new drilling bore.

Mayor Batey discussed ongoing North Clackamas Parks and Recreation District (NCPRD) issues related to the allocation of funds for the district's Concord Property and Milwaukie Bay Park projects. **Councilor Khosroabadi** and **Batey** remarked on whether system development charge (SDC) funds from Milwaukie were being used for Concord. **Council President Massey** believed the NCPRD director had stated that the district planned to use SDCs from across the district for the Concord project.

Mayor Batey reported on NCPRD's system plan update process and encouraged Milwaukie residents to participate in the update process. **Sagor** and **Councilor Abma** agreed it was a good opportunity for residents to participate in the NCPRD process.

10. ADJOURNMENT

Mayor Batey announced that after the meeting Council would convene as the Milwaukie Redevelopment Commission (MRC).

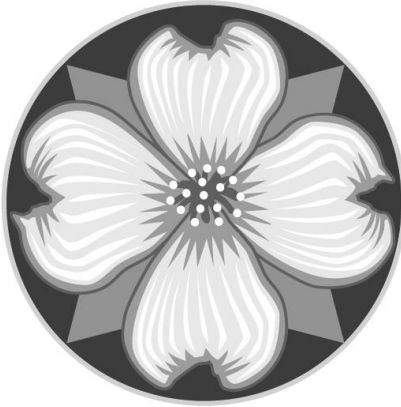
It was moved by Council President Massey and seconded by Councilor Stavenjord to adjourn the Regular Session. Motion passed with the following vote: Councilors Abma, Khosroabadi, Massey, and Stavenjord and Mayor Batey voting "aye." [5:0]

Mayor Batey adjourned the meeting at 7:42 p.m.

Respectfully submitted,



Scott Stauffer, City Recorder



RS Agenda Item

2

Announcements



TRANSPORTATION SYSTEM PLAN UPDATE

COMMUNITY WORKSHOP



Mayor's Announcements – March 19, 2024

- **Loneliness and Aging w/ Pamela Slaughter – Wed., Mar. 20 (6 PM)**
 - Join a conversation about experiences and ideas for connection.
 - Ledding Library (10660 SE 21st Ave.)
- **Transportation System Plan (TSP) Community Workshop – Thu., Mar. 21 (6 – 7:30 PM)**
 - Join a discussion about the goals and policies for the city's TSP 2023-25 Update.
 - Participants will break into small groups from 6:15 to 7:15 p.m.
 - Childcare available. Refreshments will be served.
 - Can't attend? Review and comment online starting March 22, 2024 at engage.milwaukieoregon.gov.
- **Spring Break Scavenger Hunt at the Library – March 24-31**
 - Find 10 hidden pictures for a prize, anytime the library is open. Stop by the children's desk to get started. All ages welcome to participate.
 - Ledding Library (10660 SE 21st Ave.)
- **Container Gardening with Laura (OSU Extension Class) – Sun., Mar. 31 (2 PM)**
 - Learn the key steps to achieving spectacular spring and summer container gardens.
 - Ledding Library (10660 SE 21st Ave.)
- **Save the date to volunteer! Earth Day 2024 – Sat., Apr. 20 (9 AM – 12:30 PM)**
 - City is hosting a volunteer event at Willow Place Natural Area (4699 Pennywood Dr.)
 - Volunteers will focus on removing invasive plants and planting native plants.
 - Register to volunteer at www.milwaukieoregon.gov/sustainability/earthday.
- **LEARN MORE AT WWW.MILWAUKIEOREGON.GOV OR CALL 503-786-7555**



Let Your
Community
Spirit Soar!

Join a
BOARD or
COMMITTEE

Mayor's Announcements – March 19, 2024

Apply Now!

- The annual board and committee recruitment window is open!
 - 2 current vacancies to fill.
 - Several expiring positions to fill.
 - 20 applications received (so far).
- **Applications due April 1st.**
- Apply online at onboard.milwaukieoregon.gov

LEARN MORE AT WWW.MILWAUKIEOREGON.GOV/BC OR CALL 503-786-7502

Enjoy the river,

Walk, ride, or play in the parks.

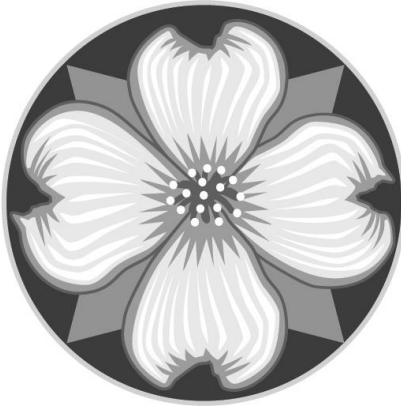
Celebrate our town!

- Linda Apperson

Share Milwaukie Haiku!

Email your Haiku to Mayor Batey

bateyl@milwaukieoregon.gov



RS Agenda Item

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Proclamations & Awards

PROCLAMATION

WHEREAS in each year since 1987, the United States has observed Woman’s History Month, a month-long celebration every March to acknowledge the struggles and contributions of women of every race, class, and ethnic background, and

WHEREAS, despite the challenges of finding appropriate childcare, which were exacerbated by the pandemic, and the continuing pay gap between men and women, women have played and continue to play critical economic, cultural, and social roles in every sphere of society and constitute a significant portion of the labor force, and

WHEREAS women have been leaders, not only in securing their own rights of suffrage and equal opportunity, but also in the industrial labor movement, the civil rights movement, and especially the peace movement, and continue to be on the forefront of efforts toward a more equitable and democratic society, and

WHEREAS despite these contributions, the role of women in Milwaukie, Oregon, and our national histories, has been overlooked and undervalued.

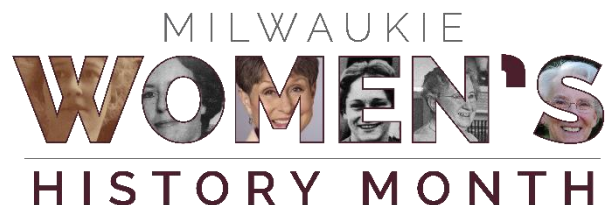
NOW, THEREFORE, I, Lisa M. Batey, Mayor of the City of Milwaukie, a municipal corporation in the County of Clackamas, in the State of Oregon, and with the full support and sponsorship of the Milwaukie Historical Society, do hereby proclaim **MARCH 2024** to be **WOMEN’S HISTORY MONTH** in Milwaukie and do recommend its observance with appropriate programs, ceremonies, and activities.

IN WITNESS WHEREOF, and with the consent of the City Council of the City of Milwaukie, I have hereunto set my hand on this 19th day of **March 2024**.

Lisa M. Batey, Mayor

ATTEST:

Scott S. Stauffer, City Recorder





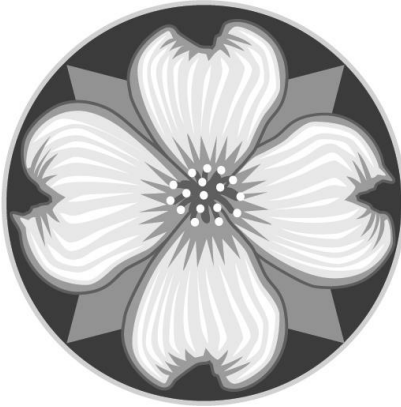
Milwaukie's Historic Women

Activists, Leaders & Great Personalities



PRESERVING MILWAUKIE'S HISTORY FOR FUTURE GENERATIONS

3737 SE ADAMS ST. • WWW.MILWAUKIEMUSEUM.COM • MILWAUKIEMUSEUM@GMAIL.COM • 



RS Agenda Item

4

Special Reports

COUNCIL STAFF REPORT

To: Mayor and City Council
Ann Ober, City Manager

Reviewed: Emma Sagor, Assistant City Manager

From: Michael Osborne, Finance Director

Subject: **Fiscal Year (FY) 2023 Audit Presentation**

Date Written: Mar. 11, 2024

ACTION REQUESTED

Information only.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

[August 10, 2023](#): The Audit Committee met to discuss the risk assessment, audit scope, and plan for the FY 2023 audit.

August 2023: Aldrich CPAs & Advisors (Aldrich) performed onsite field work and reviewed city's processes.

November 2023: Aldrich performed the audit and reviewed city's workpapers and schedules.

[February 26, 2024](#): Aldrich met with the Audit Committee to review the results of the financial statement audit for the FY ending June 30, 2024. The committee also reviewed its bylaws.

ANALYSIS

The Annual Comprehensive Financial Report (ACFR) for the FY ending June 30, 2023, was audited by the city's independent audit firm, Aldrich. The city was issued a "clean" opinion.

BUDGET & WORKLOAD IMPACT

Preparation of the ACFR is a significant work accomplishment for the finance department every year. Receiving a "clean" opinion is important to maintaining the city's Aa2 credit rating, which keeps the cost of borrowing down.

In addition, staff prepares the People's Annual Financial Report (PAFR), which incorporates information from the ACFR with other information about the city to create a readily accessible and easily understandable report for those without a background in public finance.

CLIMATE IMPACT

None.

COORDINATION, CONCURRENCE, OR DISSENT

The ACFR is being submitted to the Oregon Secretary of State for legal compliance on the week of March 15th and will be posted on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access (EMMA) database service and submitted with the PAFR to the Government Finance Officers Association (GFOA) for compliance with best practice.

ATTACHMENTS

1. ACFR for the FY ending June 30, 2023.

CITY OF MILWAUKIE, OREGON

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**



**FOR THE FISCAL YEAR ENDED
JUNE 30, 2023**



This report was printed on recycled paper

RS9

CITY OF MILWAUKIE, OREGON

Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023

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SECTION I


INTRODUCTORY SECTION

LETTER OF TRANSMITTAL
GFOA CERTIFICATE OF ACHIEVEMENT
ELECTED AND APPOINTED OFFICIALS
ORGANIZATIONAL CHART



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March 12, 2024 

Mayor Lisa Batey, City Councilors and
Citizens of the City of Milwaukie, Oregon

The Annual Comprehensive Financial Report (Annual Report) of the City of Milwaukie, Oregon (city) for the fiscal year ended June 30, 2023, is hereby submitted.

This report presents the financial position of the city as of June 30, 2023, and the results of its operations for the prior fiscal year. The city prepared financial statements and supporting schedules in accordance with the Generally Accepted Accounting Principles (GAAP) of the United States of America and the standards prescribed by the Oregon Secretary of State Audits Division. We believe the data, as presented, is accurate in all material respects and presented in a manner designed to fairly set forth the financial position and results of operations of the various city funds.

The accuracy of the city's financial statements and the completeness and fairness of their presentation is the responsibility of city management. The city maintains a system of internal accounting controls designed to provide reasonable assurance that assets are safeguarded against loss or unauthorized use, and that financial records can be relied upon to produce financial statements in accordance with GAAP. The concept of reasonable assurance recognizes that the cost of maintaining the system of internal accounting controls should not exceed benefits likely to be derived.

The city's annual financial statements are a culmination of on-going monitoring of revenues and expenditures to ensure compliance with financial policies and appropriation requirements. Additionally, financial reports are posted to the city's website for review by the City Council, Budget Committee members, and the public. The city did not experience any operating deficits during the fiscal year.

Aldrich CPAs + Advisors LLP (Aldrich), Certified Public Accountants (CPA), issued an unmodified or "clean" opinion on the city's financial statements for the fiscal year ended June 30, 2023. The independent auditor's report is located within the Financial Section of this Annual Report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The city's MD&A is located immediately following the independent auditor's report.

Governmental Structure

Nestled along the banks of the Willamette River and steeped in a rich history, Milwaukie enjoys the comforts of a small-town while being near the heart of the Portland metropolitan area. The determination and optimistic outlook that have inspired Milwaukie residents for centuries are still felt by the people that call it home today.

This suburban city of over twenty-one thousand residents works to stay true to itself and the spirit of the community, even if that's unconventional at times. Woven through the fabric of the community is the value of ingenuity. Milwaukie prizes finding innovative solutions to get things done, and residents creatively seek ways to better the community.

Milwaukie is a municipality that operates under a council/city manager form of government. The elected city council consists of the mayor and four councilors who act as the board of directors. The city council sets policies for city government, enacts ordinances, and hires, directs and evaluates the city manager. In turn, the city manager is the city's chief executive officer, responsible for overall management and administration.



Municipal services are provided by city employees and headed by the city manager. The city operates its own police department, a municipal court, a library and provides services for street operations, building permits, planning and engineering, water, wastewater, and surface water utilities.

Milwaukie maintains budgetary controls to ensure compliance with legal provisions in the biannual appropriated budget adopted by the city council. The level of budgetary control (the position in which expenditures cannot legally exceed the appropriated amount) is established by department within each individual Fund.

Milwaukie lies within Clackamas County, which is headed by a board of commissioners and is based in the neighboring City of Oregon City. Clackamas Fire District No. 1 (CCFD) provides fire and emergency services to the community. Parks and recreation are maintained and operated by North Clackamas Parks and Recreation District, which was formed in 1990 with Milwaukie as an original member. The City of Milwaukie is also part of Metro, the tri-county urban services district based in Portland, and receives light rail and bus services from TriMet, the Portland metropolitan area transit provider.

Financial Condition: Economy, Long-Term Financial Planning and Major Initiatives

The essential economic indicators for the city were strong in 2023. At the end of fiscal year 2023, the local unemployment rate was 3.7%, similar to the state rate of 3.5% and national rate of 3.6%. The city relies heavily on property tax revenues, which increased by 4.0% in 2023; this is inclusive of the State Measures 5 and 50 limitations and new development in Milwaukie.

Milwaukie's economy is part and parcel of a robust residential community. Much of Milwaukie's growth occurred in the 1960s when the population increased from 9,100 to 15,000 residents. Today, Milwaukie has emerged as an industrial employment center with two major industrial parks. In addition, Milwaukie's central location has attracted major businesses such as Oregon Tool, Inc. and Precision Castparts, Inc.

The City of Milwaukie prepares a Five-Year Financial Forecast (Forecast) planning for operational needs, and a Capital Improvement Plan (CIP), with the operational impact of the capital projects linking the two plans together. These dynamic documents are prepared through the budgeting process every two years with ongoing reviews at least quarterly.

The Forecast includes reserves by fund that fall within the policy guidelines set by City Council and is also reviewed by the Budget Committee during the budget process. Reserve policy guidelines are measured as a percentage of annual operating expenditures and generally range between 17% and 50% depending on the fund. The Forecast is included in the 2023-2024 biennial budget that was adopted in June 2022.

The Fee Schedule guiding the city's rates and charges is updated during the biennial budget process. The Fee Schedule includes rates for building permits, trees, copies, business registration, code violations and all other fees and rates issued by the city. Although all fees and charges are adopted by City Council, the utility rates are informed by the Citizens Utility Advisory Board and discussed with the Budget Committee. Utility rates include water, stormwater, wastewater and transportation fees.

While reviewing the long-term financial health of the city, it is important to note that the city does carry debt from several projects. This debt includes general obligation bonds of \$6.9 million for the construction of the library. Additional debt includes \$2.3 million in outstanding pension bonds and \$25.9 million full faith and credit obligations that were issued for transportation projects, a new city hall and the light-rail construction. The total debt liability for the city is \$58.4 million as of the end of fiscal year 2023.

The city maintains a credit rating of Aa2 representing a solid financial position.

Lastly, when looking at Milwaukie's Forecast, it is important to note that the city does have limitations with regards to the property tax rate. Property tax revenue is the largest source of revenue in the General Fund paying for services such as police and library. In the 1990s, Oregon voters passed Measures 5 and 50 which converted the property tax structure from a levy system to a rate system. Measure 50 replaced most tax levies with a permanent tax rate that was computed at that time from the county assessor. At that time, Milwaukie's permanent tax rate was \$6.5370 per \$1,000 of assessed value.

During the 2005 election, the Milwaukie voters passed ballot measure #3-166 authorizing CCFD to annex fire and medical services into the City of Milwaukie. In February 2006, City Council passed Ordinance No. 1958, which reduced the City tax rate by 2.4012 per one thousand dollars (\$1,000.00) of assessed valuation for any year in which property within the City is required to pay property tax to CFD1. The City may certify a high property tax rate only if the voters approve the higher rate.

The city has continued to establish and work toward clearly defined goals, objectives, and performance measures. During the budget review process, measures continued to be updated and reconsidered. The process is a continuing cycle of setting goals and objectives, reviewing short- and long-term goals, evaluating results, and reassessing the goals and their priority. These performance measures are included in the budget document and offer a historical perspective on operating trends for city departments. The use of performance measures is an important tool to ensure that resources are being used efficiently and effectively in pursuit of Council's goals.

The city continues to strive towards embracing transparency, accountability and continuous improvement to the community. City Council convene annually to discuss goals and objectives for the city. On April 18, 2023, the City Council identified three primary goals for the city in Resolution 21-2023. Those goals are:



Climate Change Mitigation and Resilience Action – The city continues to experience the unprecedented signs of climate change. These regular emergencies have tested our systems and community. To mitigate the consequences and adapt to a new world, City Council and staff have worked tirelessly to change the world's trajectory. Implementation of our Climate Action Plan has allowed the city to do its part in the global efforts. City Council declared a climate emergency in January 2020, calling for an acceleration of the climate goals outlined in the plan, pushing the city to achieve net-zero carbon emissions from electricity by 2040.



Equity, Justice and Inclusion – On May 25, 2020, people across our community and around the world were horrified by the murder of George Floyd. In the subsequent weeks, a movement arose that marked a sea change in how governments, private companies and communities confront the history and continued impacts of systemic racism in the United States. In August 2020, and again in 2023, City Council adopted equity, justice, and inclusion as a goal. Since then, the city has worked to take intentional, concrete steps to make Milwaukie a safe and equitable community for all. The city commits to the pursuit of an entirely equitable Milwaukie, recognizing that Black, Indigenous, and other People of Color (BIPOC) have suffered horrific inequities and crimes against humanity in addition to restrictions from generational wealth building in this country. In 2023, the City completed a comprehensive equity assessment of city policies and services and used these findings to develop an equity plan of actions to be implemented over the next three years.



Milwaukie's Parks System and Services – With this goal, the City Council committed to the difficult work of determining its relationship with the North Clackamas Parks and Recreation District (NCPRD). Whatever decision is reached will have a long-term impact on how Milwaukie residents engage with and influence their local park amenities. Simultaneously, the goal has allowed staff time to apply for and administer several grants to create three new neighborhood parks Balfour, Scott and Bowman Brae Parks. The steps the city is taking today to invest in better neighborhood parks for Milwaukie are a long-term down payment on better health, public space, and community building.

In 2023, the City of Milwaukie will cut the ribbon on its new home – a city hall located just north of historic city hall on Main Street. The new city hall includes 21,000 square feet of new office and meeting space to serve the growing needs of our growing community. The old facility is being rehabilitated by its new owners into office and dining spaces, which will serve as a critical hub and gathering space for Milwaukians.

The city continues to see significant redevelopment for a built-out community. In 2024 we will be introducing our new Urban Renewal Economic Development programs around our Main Street. There are also several significant developments under construction across the city. These projects will provide much needed senior and affordable housing, servicing the most vulnerable communities in our state. Of special note, the city will help cut the ribbon on a new grocery store, New Seasons, along our major corridor, providing food access for underserved areas.

The Water and Wastewater Departments continue to work on the Supervisory Control and Data Acquisition (SCADA) design and construction. SCADA is a system that will enable remote monitoring and control of the water and wastewater systems while providing site security, control capabilities, data acquisition, and a simplified user interface. The total project is approximately \$2.4 million and will be substantially completed in the next fiscal year.

In 2023, the city manager directed the development of a three-year operational strategic plan. This effort seeks to identify short term priorities, objectives, and tactics for the organization to strive for, better aligning near-term work with the city's longer-term vision. The strategic plan will be finalized in February 2024 and used to inform the next biennial budget.

National Financial and Budget Awards

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

People's Annual Financial Reporting Award. The city has consecutively received the *Award for Outstanding Achievement in Popular Annual Financial Reporting* from the GFOA. In order to receive this award, a government unit must publish a People's Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal.

Distinguished Budget Presentation Award. Additionally, the city received the *Distinguished Budget Presentation Award* for its biennium 2023-2024 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. A budget's proficiency is rated in four major categories: policy document, an operations guide, a financial plan, and a communications device.

Triple Crown Award. GFOA recognizes governments who have received all three of the above awards. Milwaukie has received these awards since the 2021-2022 biennium budget, which is the inaugural year of this award from GFOA. These awards are prestigious national awards that recognize conformance with the highest standards for preparation of state and local government financial reports.

Acknowledgments

Audit Committee. In July 2012, the City Council established an audit committee to ensure that audits are completed annually in accordance with Oregon state law, provide oversight of the independent auditors, assist in the review and selection of audit firms, and ensure transparent communication back to the City Council and the Milwaukie residents. The committee members are comprised of one council member, one budget committee member and three community members. Preference is first given to CPAs residing within the city limits and second to CPAs with a city affiliation; committee terms are for two years. Gratitude is given to the dedicated members who reviewed this fiscal year's audit. Thank you to Matthew Dake (Chair), Councilor Robert Massey, Mary Rowe (Budget Committee liaison and Vice Chair), community members Mona Henry and Mack Golos.

City Team. The preparation of this report was a combined effort of the dedicated finance staff under the direction of Toby LaFrance during fiscal year 2023. A special thank you is given to the team of Michael Osborne, Judy Serio, Kelli Tucker, Joyce White, Tayler Bremont, and Mattie Dulka on the completion of this year's audit and report. We wish to express our appreciation to everyone who contributed to the preparation of this report. We also express gratitude to the Mayor and Councilors for their dedication and support in maintaining the highest standards of professionalism in the management of the city's finances.

Respectfully submitted,

Ann Ober
City Manager

Michael Osborne
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Milwaukie
Oregon**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

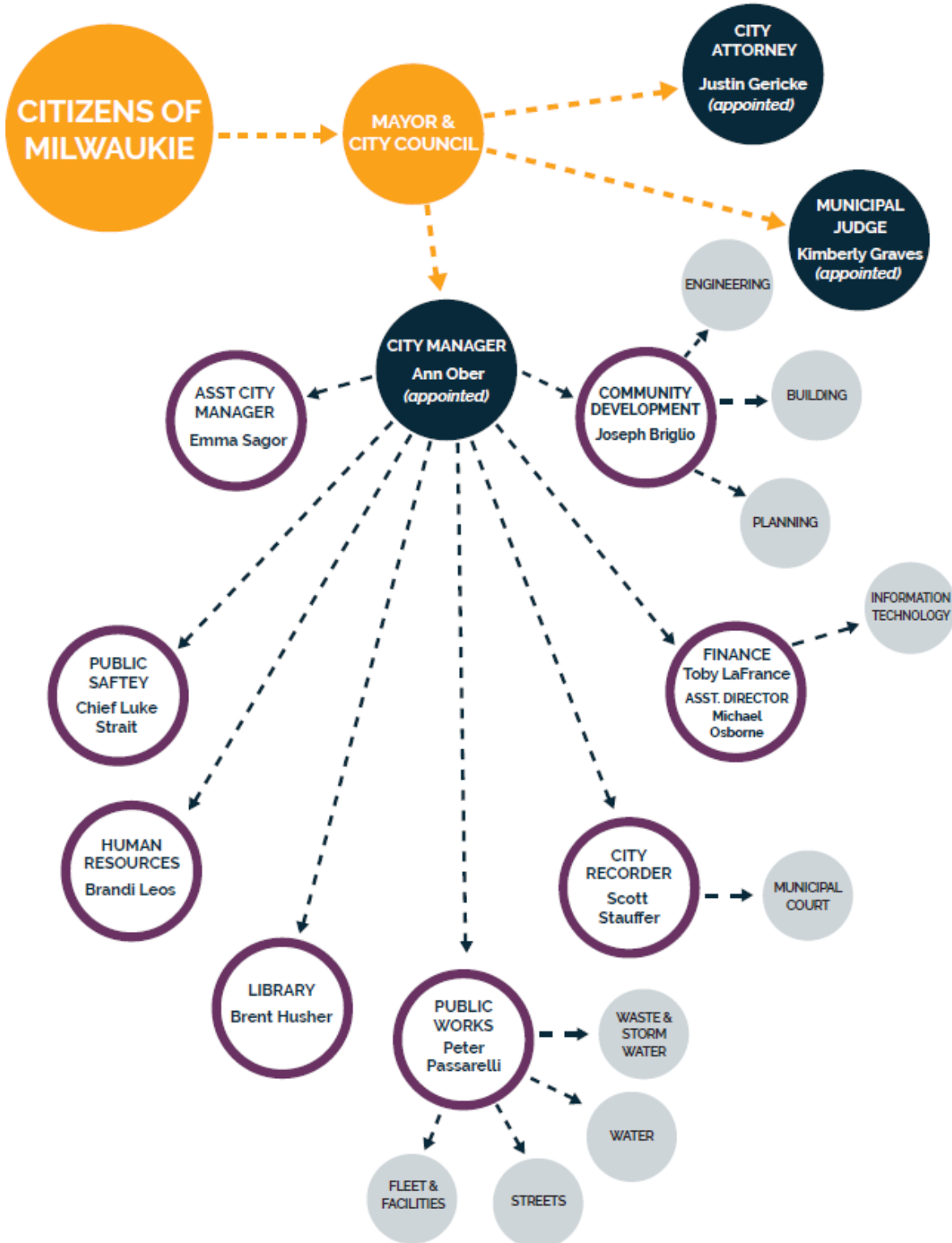
Executive Director/CEO

**CITY OF MILWAUKIE, OREGON
ELECTED AND APPOINTED OFFICIALS
AS OF JUNE 30, 2023**

Elected Officials	Term Expires
Lisa Batey, Mayor	December 31, 2026
Adam Khosroabadi, Councilor	December 31, 2024
Desi Nicodemus, Councilor	December 31, 2024
Robert Massey, Councilor	December 31, 2026
Rebecca Stavenjord, Councilor	December 31, 2026

Appointed Officials	Position
Ann Ober	City Manager
Justin D. Gericke	City Attorney
Kimberly Graves	Municipal Court Judge
 Management Team:	
Emma Sagor	Assistant City Manager
Joseph Briglio	Community Development Director
Scott Stauffer	City Recorder
Toby LaFrance	Finance Director
Brandi Leos	Human Resources Director
Brent Husher	Library Director
Luke Strait	Police Chief
Peter Passarelli, PE	Public Works Director

**CITY OF MILWAUKIE, OREGON
ORGANIZATIONAL CHART
AS OF JUNE 30, 2023**





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SECTION II

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT
MANAGEMENT'S DISCUSSION AND ANALYSIS
BASIC FINANCIAL STATEMENTS
REQUIRED SUPPLEMENTARY INFORMATION
OTHER SUPPLEMENTARY INFORMATION
OTHER FINANCIAL SCHEDULES



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CITY OF MILWAUKIE, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Management's Discussion and Analysis (MD&A) is presented to facilitate financial analysis and provide an overview of the financial activities of the city for the fiscal year ended June 30, 2023. Information in the MD&A is based on currently known facts, decisions, and conditions. Please read it in conjunction with the basic financial statements and the accompanying notes to those financial statements.

FINANCIAL HIGHLIGHTS

- The city's assets totaled \$190.8 million on June 30, 2023, consisting of \$99.5 million in capital assets, \$43.3 million in unrestricted cash and investments, \$42.7 million in restricted cash and investments, and \$5 million in other assets. Total assets increased by \$24.4 million (14%) from the previous fiscal year.
- The city's liabilities totaled \$89.0 million on June 30, 2023, consisting of \$77.1 million in long-term liabilities and \$11.9 million in accounts payable and other liabilities. Total liabilities increased by \$26.8 million (42%) from the previous fiscal year.
- The assets of the city exceeded its liabilities by \$102.9 million at the close of fiscal year 2023. The city's net position invested in capital assets (\$62.7 million) and restricted for capital projects, building operations, library services, debt service, and public safety (\$45.0 million).
- The deferred outflows of resources for the city decreased to \$7.4 million, compared to \$7.7 million in fiscal year 2022. The primary decrease relates to pension and Other Postemployment Benefits (OPEB) assets as the return on investments within their respective plans was less than originally forecasted.
- The deferred inflows of resources for the city decreased to \$6.3 million, compared to \$10.9 million in fiscal year 2022. The primary decrease relates to pension and OPEB liabilities as the change in proportionate share was higher for the city in 2023.
- For its governmental activities, the city generated \$5.5 million in charges for services and received \$5.6 million in operating and capital grants and contributions. Direct expenses, including interest on long-term debt for governmental activities were \$33.3 million for the year, resulting in a net expense of \$22.1 million. The governmental activities also received \$16.7 million in general revenues and \$4.4 million in transfers, resulting in a decreased net position of \$1 million.
- For its business-type activities, the city generated \$19.0 million in charges for services to fund direct expenses of \$12.3 million. Business-type activities had transfers of \$4.4 million. Business-type activities had an increase in net position of \$3.0 million.
- Fund balance in the city's governmental funds was \$58.1 million on June 30, 2023, an increase of \$21.9 million from the previous fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

In addition to this discussion and analysis, the financial section of this annual report contains the *basic financial statements, required supplementary information, and other supplementary information*. The basic financial statements include *notes* that explain the information in the financial statements and provide additional details.

Government-wide Statements

The government-wide statements report information about the city using accounting methods similar to those used by private-sector companies. The *Statement of Net Position* includes all the city's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All the current year's revenues and expenses are accounted for in the *Statement of Activities* regardless of when cash is received or paid.

The two government-wide statements report the city's net position and how it has changed over the preceding year. Net position—the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources—is one way to measure the city's financial health or position.

Increases or decreases in the city's net position are one indicator of whether its *financial health* is improving or deteriorating. To assess the overall health of the city, additional nonfinancial factors such as changes in the city's property tax base, and the condition of the city's infrastructure must be considered.

The government-wide financial statements of the city are divided into two categories:

- **Governmental Activities** – includes most the city's basic services such as community development, code enforcement, police, library, highways and streets, and general administration. Property taxes, charges for services, grants, and contributions fund most of these activities.
- **Business-type Activities** – city charges fees to customers to help cover the costs of certain services it provides. The city's water, wastewater, and stormwater services are included here.

Statement of Net Position

Net position serves as a useful indicator of a government's financial position. The city has continued to see assets exceeding liabilities. At the close of fiscal year 2023, assets exceeded liabilities by \$102.9 million.

By far the largest portion of the city's net position (61%) reflects its investment in capital assets (e.g., land, buildings, vehicles, equipment, infrastructure, intangible leases), less any related debt outstanding used to acquire those assets. The city uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the city's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital

assets themselves either cannot or are not expected to be used or liquidated to repay these liabilities.

Combined net position of the City of Milwaukie on June 30, 2023, and 2022 was as follows:

Statement of Net Position
(in thousands)

	Governmental Activities		Business-Type Activities		Total	
	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022
Current and other assets	\$ 62,215	\$ 42,608	\$ 28,739	\$ 23,730	\$ 90,954	\$ 66,338
Capital assets	67,724	68,014	31,769	32,032	99,493	100,046
Total assets	<u>129,939</u>	<u>110,622</u>	<u>60,508</u>	<u>55,762</u>	<u>190,447</u>	<u>166,384</u>
Deferred outflows of resources	6,620	6,902	796	808	7,416	7,710
Long-term liabilities	74,326	49,412	2,737	2,333	77,063	51,745
Other liabilities	4,419	4,887	7,160	5,593	11,579	10,480
Total liabilities	<u>78,745</u>	<u>54,299</u>	<u>9,897</u>	<u>7,926</u>	<u>88,642</u>	<u>62,225</u>
Deferred inflows of resources	5,481	9,763	826	1,117	6,307	10,880
Net position:						
Net investment in capital assets	31,778	33,501	30,988	31,164	62,766	64,665
Restricted for:						
Public safety	112	217	-	-	112	217
Debt service	243	9	12	12	255	21
Construction Excise Tax	3,026	1,267	-	-	3,026	1,267
Library services	777	789	-	-	777	789
OPEB Asset	197	147	23	22	220	169
Building operations	4,561	3,469	-	-	4,561	3,469
Urban renewal	6,678	1,506	-	-	6,678	1,506
Transportation	26,867	10,318	-	-	26,867	10,318
Capital projects	2,485	2,276	-	-	2,486	2,276
Unrestricted	(24,392)	(38)	19,558	16,328	(4,833)	16,290
Total net position	<u>\$ 52,333</u>	<u>\$ 53,461</u>	<u>\$ 50,581</u>	<u>\$ 47,526</u>	<u>\$ 102,914</u>	<u>\$ 100,987</u>

Classification of Net Position

As of June 30, 2023, the city had positive balances in three categories of net position for the city. Total net position increased from the prior year by \$2 million (2%) to \$102.9 million.

A portion of the city's net position (\$45.0 million or 44%) represents resources that are subject to external restrictions on how they may be used. The balance of unrestricted net position (\$15.3 million or 15%) may be used to meet the city's ongoing obligations to citizens and creditors.

Statement of Activities
Changes in Net Position
(in thousands)

	Governmental Activities		Business-Type Activities		Total	
	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022
Revenues						
Program revenues:						
Charges for services	\$ 5,523	\$ 10,186	\$ 19,027	\$ 18,313	\$ 24,553	\$ 28,499
Operating grants and contributions	5,640	5,554	-	75	5,640	5,629
Capital grants and contributions	17	181	-	-	17	181
General revenues:						
Property taxes	11,087	10,704	-	-	11,087	10,704
Franchise taxes	3,909	3,542	-	-	3,909	3,542
Miscellaneous	1,651	386	779	60	2,430	446
Total revenues	<u>27,827</u>	<u>30,553</u>	<u>19,806</u>	<u>18,448</u>	<u>47,636</u>	<u>49,001</u>
Expenses						
Governmental activities:						
General government	15,786	14,991	-	-	15,786	14,991
Highways and streets	5,557	4,686	-	-	5,557	4,686
Public safety	7,914	6,950	-	-	7,914	6,950
Culture and recreation	2,477	2,450	-	-	2,477	2,450
Interest on long-term debt	1,569	1,210	-	-	1,569	1,210
Business-type activities:						
Water	-	-	2,918	2,929	2,918	2,929
Wastewater	-	-	6,872	6,781	6,872	6,781
Stormwater	-	-	2,509	2,457	2,509	2,457
Total expenses	<u>33,303</u>	<u>30,287</u>	<u>12,299</u>	<u>12,167</u>	<u>45,603</u>	<u>42,454</u>
Change in net position before transfers	<u>(5,476)</u>	<u>266</u>	<u>7,507</u>	<u>6,280</u>	<u>2,034</u>	<u>6,547</u>
Transfers	4,453	3,439	(4,453)	(3,439)	-	-
Change in net position	<u>(1,023)</u>	<u>3,706</u>	<u>3,054</u>	<u>2,841</u>	<u>2,034</u>	<u>6,546</u>
Net Position - beginning	53,461	49,755	47,526	44,484	100,987	94,239
Prior Period Adjustment	(105)		-	202	(105)	202
Net position - ending	<u>\$ 52,333</u>	<u>\$ 53,461</u>	<u>\$ 50,581</u>	<u>\$ 47,526</u>	<u>\$ 102,914</u>	<u>\$ 100,987</u>

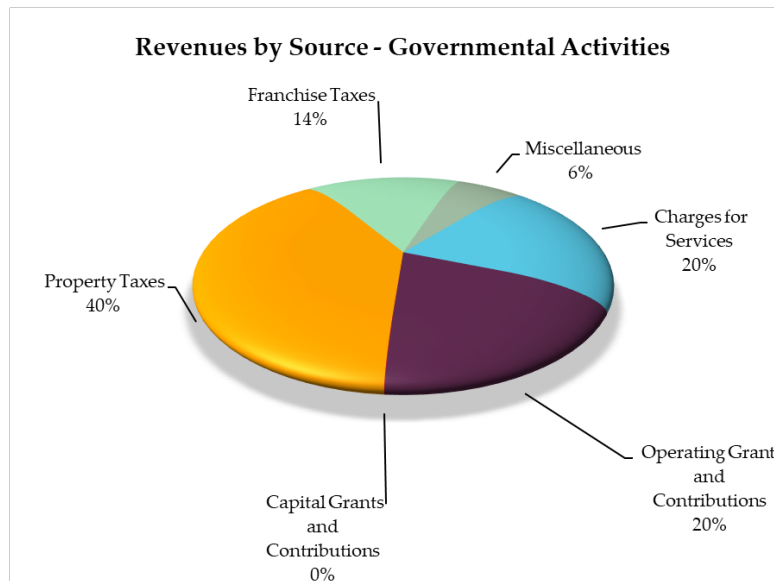
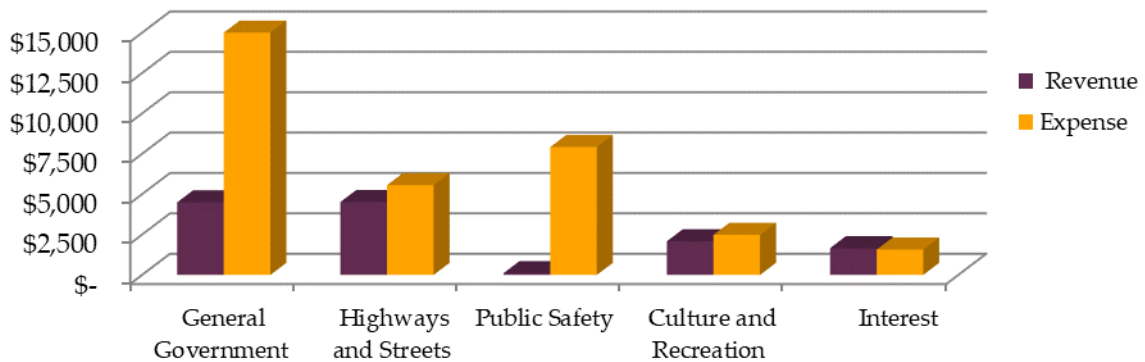
Governmental Activities

Governmental activities decreased the city's net position by \$1 million in fiscal year 2023, compared to a \$3.7 million increase in the prior fiscal year. Transfers from business to government activities were \$4.4 million. The decrease in net position was due to an increase in governmental

activities expenses of \$3.2 million, part of which is due to moving library services into the general fund. Further, \$4.4 million in transfers were made to the general fund. The property tax increase is a result of additional properties coming into the tax base and prior year collections of outstanding balances.

The revenues in the following pie chart include all program and general revenues for governmental activities including property taxes, franchise taxes, charges for services, operating and capital grants and contributions, and miscellaneous revenues. Property taxes continue to be the major source of revenue for the city's governmental activities.

**Program Revenues and Expenses - Governmental Activities
(in thousands)**

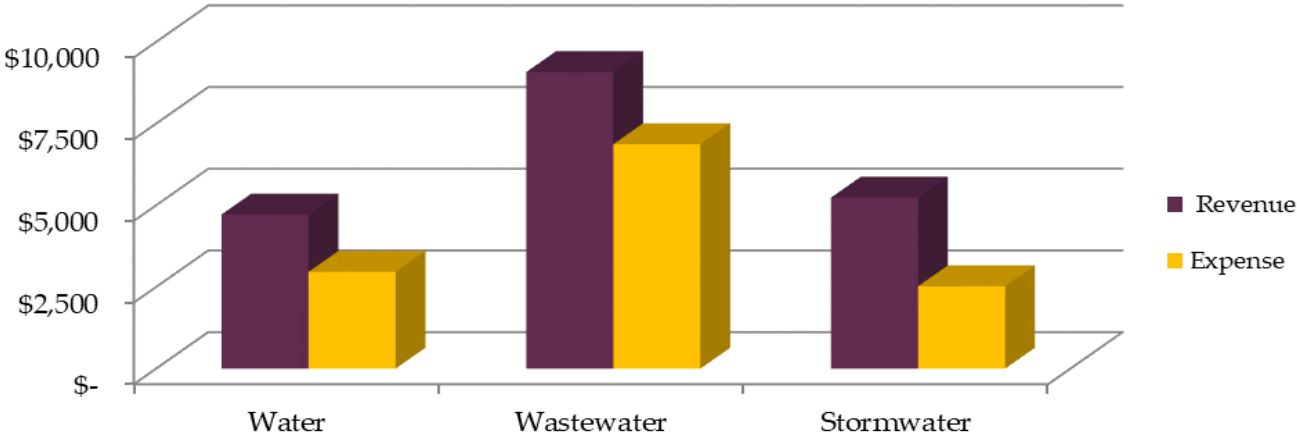


Business-type Activities

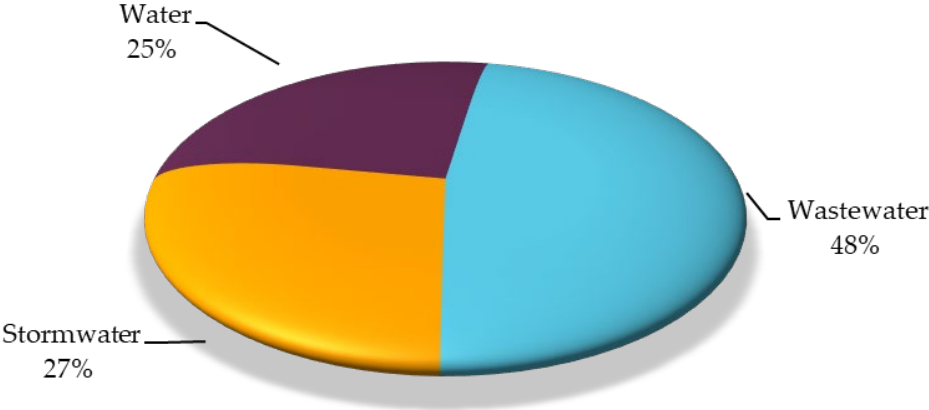
Business-type activities increased the city's net position by \$3.0 million due to a planned increase in utility rates year over year. In addition, the utility funds did not expend all the budgeted capital for improvements during the fiscal year due to project delays.

The Water, Wastewater, and Stormwater fund revenues represent approximately 25%, 48%, and 27% of all utility revenue, respectively. The Water Fund accounts for all services that provide clean water to residents and businesses; the Wastewater Fund accounts for all sewer collection services; and the Stormwater fund accounts for surface water management services.

**Program Revenues and Expenses - Business-Type Activities
(in thousands)**



Revenues by Utility - Business-Type Activities



FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS

The focus of the city's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the city's financing requirements. In particular, the unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of June 30, 2023, the city's governmental funds reported a combined ending fund balance of \$58.0 million, an increase of \$21.8 million for the year. Unassigned fund balance decreased to \$12.5 million as of June 30, 2023, and is available for spending at the city's discretion.

General Fund

The General Fund accounts for all the general governmental services provided by the city. On June 30, 2023, the total fund balance was \$13.7 million, which is a decrease of \$1.2 million for the year. The city's General Fund is funded with property taxes and franchise taxes, as well as charges for services provided to other funds. General Fund expenditures increased \$4.9 million to \$24.7 million in fiscal year 2023 primarily due to transferring the Public Library into the General Fund as well as inflationary increases.

Transportation Fund

The Transportation Fund is a special revenue fund that accounts for the operation and maintenance of the city's street and sidewalk systems, including medians. Charges for service increased by \$0.1 million to \$2.3 million. Total expenditures decreased \$2.5 million, consisting of capital projects (\$3.1 million), debt service (\$2.0 million), transfers to other funds (\$2.2 million) and personnel, materials and services (\$1.3 million). Also, the Transportation Fund issued a bond in the amount of \$18.4 million for future capital projects. As a result, the Transportation Fund had an overall increase in fund balance of \$16.6 million for the fiscal year ending June 30, 2023. At June 30, 2023, the fund balance was \$26.8 million.

Milwaukie Redevelopment Commission

The Milwaukie Redevelopment Commission is a special revenue fund that supports projects in within the city's designated boundary to promote growth and renewal. As of June 30, 2023 the fund balance was \$6,665,046.

Other Governmental Funds

The other governmental funds are considered as nonmajor funds which include the Systems Development Charges Fund, City Hall Fund, Building Fund, Affordable Housing Fund, and Debt Service Fund. These funds had a combined fund balance of \$10.9 million. Further details on these funds can be found starting on page 94.

GENERAL FUND BUDGETARY HIGHLIGHTS

The original General Fund budget for the 2023-2024 biennium budget period amounted to \$59.6 million. There was one supplemental budget resolution adopted during the biennium to reallocate departmental budget authority and allow for previously unanticipated expenditures.

During the first year of the biennium budget, one budget transfer resolution was adopted authorizing the following:

- Transfer of \$70,000 from the General Fund to City Hall Fund for construction costs
- Recognize the library materials grant of \$4,000
- Transfer budget savings of \$297,000 to Police
- Transfer Information Technology's budget savings of \$48,000 to Police
- Transfer Finance budget savings of \$91,000 to Police

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2023, the city had invested \$99.4 million in capital assets, net of depreciation as reflected in the following table, representing a net decrease (additions, deductions and depreciation) of \$.5 million in fiscal year 2023. Governmental capital assets totaled \$67.7 million while business-type capital assets totaled \$31.8 million.

	Governmental Activities		Business-type Activities		Total	
	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022
Land and easements	\$ 6,317	\$ 6,216	\$ 1,204	\$ 1,204	\$ 7,522	\$ 7,420
Buildings and improvements	19,336	21,880	4,415	4,841	23,752	26,722
Vehicles and equipment	1,709	1,625	1,493	1,626	3,201	3,251
Furniture and fixtures	411	365	-	-	411	365
Right to use assets	490	30	11	-	501	30
Infrastructure	33,411	35,168	21,405	21,244	54,816	56,412
Construction in progress	6,055	2,760	3,240	3,116	9,295	5,876
Capital assets, net	<u>\$ 67,729</u>	<u>\$ 68,044</u>	<u>\$ 31,769</u>	<u>\$ 32,032</u>	<u>\$ 99,498</u>	<u>\$ 100,076</u>

The following table reconciles the change in capital assets for the fiscal year. Expenditures for construction projects in progress at fiscal year-end are included in additions. Reductions are for capital asset dispositions and transfers of construction projects completed during the fiscal year. When applicable, additions include capital contributions from outside developers with the revenue from these contributions reflected in program revenues on the *Statement of Activities*.

Assets utilized in governmental activities decreased by a net \$.3 million from the prior fiscal year, while business-type activities decreased by a net \$0.2 million. The decreases include transfers of construction projects completed this fiscal year. Capital asset additions include completion of various projects throughout the community, as well as vehicle and equipment purchases. More

detailed information about the city's capital assets is presented in the *Notes to the Basic Financial Statements*, beginning on page 45.

Change in Capital Assets
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022
Beginning balance	\$ 68,044	\$ 67,527	\$ 32,032	\$ 31,276	\$ 100,076	\$ 98,803
Additions	6,822	16,217	2,426	2,591	9,247	18,808
GASB 96/87 implementation	316	30	15	-	331	30
Reductions and adjustments	-	(9,306)	-	651	-	(8,654)
Depreciation	(7,453)	(6,425)	(2,704)	(2,486)	(10,156)	(8,911)
Ending balance	\$ 67,730	\$ 68,044	\$ 31,769	\$ 32,032	\$ 99,499	\$ 100,076

Debt Outstanding

As of the end of the fiscal year, the city had \$58.4 million in long-term debt obligations outstanding, an increase from the prior year by \$20.7 million due to debt issuance for Transportation bonds. More detailed information about the city's long-term debt obligations is presented in the *Notes to the Basic Financial Statements*, beginning on page 45.

Outstanding Long-term Debt Obligations as of June 30th
(in thousands)

	Fiscal Year Ending	
	2023	2022
Governmental:		
Transportation Full-Faith & Credit Obligations	\$ 39,405	\$ 17,225
Library General Obligation Bond	6,500	6,910
City Hall Full-Faith & Credit Obligation	5,845	6,135
Light Rail General Obligation Bond	2,375	2,545
Pension Bond	2,005	2,345
Milwaukie Bay Park Full-Faith & Credit Obligation	445	510
Special Public Works Fund Loan	322	353
Add in Bond Premiums	782	835
	<u>57,679</u>	<u>36,858</u>
Business-Type:		
Oregon DEQ	<u>772</u>	<u>868</u>
Total	\$ 58,451	\$ 37,726

The city has maintained its Aa2 rating with Moody's Investor Service. Credit ratings reflect the city's ability to continue to participate in the public bond markets while obtaining the lowest interest rate costs available.

Under Oregon Revised Statutes, general obligation debt issues are limited to three percent of the real market value of all taxable property within the city's boundaries. As of June 30, 2023, the city carried \$8.8 million general obligation debt subject to this \$152.0 million limit.

Economic Factors

The City of Milwaukie is predominantly residential in nature, with commercial property and industrial property representing approximately 9% and 15% of the city's taxable assessed value, respectively. Therefore, the city receives a significant share of its revenue directly from residents in the form of property taxes and charges for services.

The State of Oregon does not have a sales tax, making property taxes the primary funding source for general government, public safety, and culture and recreation services provided by the city. The underlying taxable assessed value continues to be below real market values (currently about 49%); therefore, overall real market values would have to decrease an additional 51% before the city's property tax revenue stream would be significantly impacted.

Property taxes and charges for services provided approximately 62% of revenue used for governmental activities. Other significant revenue sources include operating grants and contributions, franchise fees, and capital grants and contributions.

Business-type activities are primarily funded with utility fees and charges. The Citizens' Utility Advisory Board oversees utility rate studies and reviews financial forecasts for each utility to recommend rates to the City Council for adoption. On January 1, 2017, City Council adopted the Safe Access For Everyone (SAFE) fee in order to improve safety and access throughout the city, such as improvements for ADA compliance, bicycle and pedestrian accessibility. The commercial rates are based on square footage and type of business; single-family residential rates are fixed at \$6.11. On June 5, 2019, the City Council adopted a new rate structure for water fees, providing a tiered system. With this new rate structure, there were no fee increases to water. Wastewater received a decrease in the administrative fee but had an increase of 2.5% in volume charges. Stormwater received an increase of 2.5% in volume charges.

Requests for Information

This financial statement report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the city's finances and to demonstrate the city's accountability for the resources it receives and expends. If you have questions about this report or need additional financial information, contact the Finance Department at the City of Milwaukie, 10501 SE Main Street, Milwaukie, Oregon 97222 or by email: finance@milwaukieoregon.gov.

BASIC FINANCIAL STATEMENTS

STATEMENT OF NET POSITION

STATEMENT OF ACTIVITIES

FUND FINANCIAL STATEMENTS

NOTES TO BASIC FINANCIAL STATEMENTS



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CITY OF MILWAUKIE, OREGON

STATEMENT OF NET POSITION

JUNE 30, 2023

	Governmental Activities	Business-type Activities	Total
ASSETS:			
Cash and investments	\$ 18,876,043	\$ 24,424,286	\$ 43,300,329
Restricted cash and investments	40,506,175	2,166,864	42,673,039
Property taxes receivable	302,177	-	302,177
Accounts receivable, net of allowance	2,410,667	1,962,710	4,373,377
Prepaid expenses	295,522	12,767	308,289
Lease receivable	5,824	148,893	154,717
Net OPEB Asset	196,759	23,035	219,794
Capital assets not being depreciated:			
Land and easements	6,317,494	1,204,142	7,521,636
Construction in progress	6,055,507	3,240,235	9,295,742
Capital assets net of accumulated depreciation:			
Buildings and improvements	19,330,198	4,415,494	23,745,692
Vehicles and equipment	1,709,080	1,492,876	3,201,956
Furniture and fixtures	411,010	-	411,010
Right to use assets - subscriptions	343,731	11,237	354,968
Right to use assets - leases	145,805	-	145,805
Infrastructure	33,410,689	21,405,175	54,815,864
TOTAL ASSETS	130,316,681	60,507,714	190,824,395
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred outflows of resources - pension	6,425,998	773,131	7,199,129
Deferred outflows of resources - OPEB	194,297	22,746	217,043
TOTAL DEFERRED OUTFLOWS OF RESOURCES	6,620,295	795,877	7,416,172

Continued on following page.

The notes to basic financial statements are an integral part of this statement.

CITY OF MILWAUKIE, OREGON

STATEMENT OF NET POSITION

JUNE 30, 2023

LIABILITIES:

Accounts payable	\$ 1,860,185	\$ 2,399,269	\$ 4,259,454
Accrued salaries and payroll taxes payable	376,566	49,576	426,142
Accrued compensated absences payable	1,342,075	135,870	1,477,945
Accrued interest payable	193,419	1,931	195,350
Deposits payable	69,483	11,250	80,733
Unearned revenue	576,993	4,561,704	5,138,697
Noncurrent liabilities:			
Lease liability	150,962	-	150,962
Long-term obligations, due within one year	2,285,859	96,458	2,382,317
Long-term obligations, due in more than one year	55,330,751	675,204	56,005,955
Net pension liability	15,621,447	1,879,463	17,500,910
SBITA Liability	282,650	9,618	292,268
Total OPEB liability	654,290	76,597	730,887
TOTAL LIABILITIES	<u>78,744,680</u>	<u>9,896,940</u>	<u>88,641,620</u>

DEFERRED INFLOWS OF RESOURCES:

Deferred inflows of resources - leases	5,740	167,968	173,708
Deferred inflows of resources - pension	5,137,074	618,057	5,755,131
Deferred inflows of resources - OPEB	338,011	39,571	377,582
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>5,480,825</u>	<u>825,596</u>	<u>6,306,421</u>

NET POSITION:

Net investment in capital assets	31,778,292	30,987,879	62,766,171
Restricted for:		-	
Public safety supplies	112,467	-	112,467
Debt service	242,786	12,056	254,842
Construction Excise Tax	3,026,372	-	3,026,372
Library	777,169	-	777,169
OPEB Restricted	196,759	23,035	219,794
Building operations	4,560,746	-	4,560,746
Urban renewal	6,678,189	-	6,678,189
Transportation	26,866,632		26,866,632
Capital projects	2,485,177	-	2,485,177
Unrestricted	<u>(24,391,530)</u>	<u>19,558,085</u>	<u>(4,833,445)</u>
TOTAL NET POSITION	<u>\$ 52,333,059</u>	<u>\$ 50,581,055</u>	<u>\$ 102,914,114</u>

The notes to basic financial statements are an integral part of this statement.

CITY OF MILWAUKIE, OREGON

STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

FUNCTION / PROGRAM	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating	Capital	Governmental Activities	Business-type Activities	Total
			Grants and Contributions	Grants and Contributions			
GOVERNMENTAL ACTIVITIES:							
General government	\$ 15,786,049	\$ 3,235,619	\$ 1,253,018	\$ -	\$ (11,297,412)	\$ -	\$ (11,297,412)
Highways and streets	5,557,171	2,287,808	2,221,167	-	(1,048,196)	-	(1,048,196)
Public safety	7,914,144	-	89,592	16,994	(7,807,558)	-	(7,807,558)
Culture and recreation	2,477,322	-	2,075,775	-	(401,547)	-	(401,547)
Interest on long-term debt	1,568,560	-	-	-	(1,568,560)	-	(1,568,560)
TOTAL GOVERNMENTAL ACTIVITIES	33,303,246	5,523,427	5,639,552	16,994	(22,123,273)	-	(22,123,273)
BUSINESS-TYPE ACTIVITIES:							
Water	2,917,699	4,715,996	-	-	-	1,798,297	1,798,297
Wastewater	6,872,318	9,076,581	-	-	-	2,204,263	2,204,263
Stormwater	2,508,577	5,234,085	-	-	-	2,725,508	2,725,508
TOTAL BUSINESS-TYPE ACTIVITIES	12,298,594	19,026,662	-	-	-	6,728,068	6,728,068
TOTAL ACTIVITIES	\$ 45,601,840	\$ 24,550,089	\$ 5,639,552	\$ 16,994	(22,123,273)	6,728,068	(15,395,205)
GENERAL REVENUES:							
Property taxes, levied for general purposes					11,087,336	-	11,087,336
Franchise taxes					3,909,158	-	3,909,158
Unrestricted investment earnings					1,651,474	779,560	2,431,034
TOTAL GENERAL REVENUES					16,647,968	779,560	17,427,528
TRANSFERS					4,453,000	(4,453,000)	-
CHANGE IN NET POSITION					(1,022,305)	3,054,628	2,032,323
NET POSITION - beginning					53,461,613	47,526,427	100,988,040
Prior period adjustment					(106,249)	-	(106,249)
NET POSITION - ending					\$ 52,333,059	\$ 50,581,055	\$ 102,914,114

The notes to basic financial statements are an integral part of this statement.

CITY OF MILWAUKIE, OREGON

GOVERNMENTAL FUNDS BALANCE SHEET

JUNE 30, 2023

	General Fund	Transportation Fund	Milwaukie Redevelopment Commission	Other Governmental Funds	Total Governmental Funds
ASSETS:					
Cash and investments	\$ 9,012,981	\$ 8,910,865	\$ -	\$ 952,197	\$ 18,876,043
Restricted cash and investments	4,592,515	19,124,529	6,290,783	10,498,348	40,506,175
Property taxes receivable	288,005	-	14,172	-	302,177
Accounts receivable	1,582,635	449,620	-	-	2,032,255
Due from other funds	-	-	378,412	-	378,412
Prepaid expenditures	285,127	-	-	10,395	295,522
Lease receivable	5,824	-	-	-	5,824
TOTAL ASSETS	\$ 15,767,087	\$ 28,485,014	\$ 6,683,367	\$ 11,460,940	\$ 62,396,408
LIABILITIES:					
Accounts payable	\$ 685,639	\$ 618,579	\$ 5,178	\$ 550,789	\$ 1,860,185
Due to other funds	-	378,412	-	-	378,412
Accrued salaries and payroll taxes	351,592	15,518	-	9,456	376,566
Deposits payable	21,483	48,000	-	-	69,483
Unearned revenue	19,120	557,873	-	-	576,993
TOTAL LIABILITIES	1,077,834	1,618,382	5,178	560,245	3,261,639
DEFERRED INFLOWS OF RESOURCES:					
Unavailable revenue - municipal court assessments	398,446	-	-	-	398,446
Unavailable revenue - settlements	295,867	-	-	-	295,867
Unavailable revenue - property taxes	265,970	-	13,143	-	279,113
Unavailable revenue - assessment liens	65,367	-	-	-	65,367
Unavailable revenue - leases	5,740	-	-	-	5,740
TOTAL DEFERRED INFLOWS OF RESOURCES	1,031,390	-	13,143	-	1,044,533
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	2,109,224	1,618,382	18,321	560,245	4,306,172
FUND BALANCES:					
Nonspendable	285,127	-	-	10,395	295,522
Restricted	889,636	26,866,632	6,665,046	10,304,686	44,726,000
Assigned	-	-	-	585,614	585,614
Unassigned	12,483,100	-	-	-	12,483,100
TOTAL FUND BALANCES	13,657,863	26,866,632	6,665,046	10,900,695	58,090,236
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 15,767,087	\$ 28,485,014	\$ 6,683,367	\$ 11,460,940	\$ 62,396,408

The notes to basic financial statements are an integral part of this statement.

CITY OF MILWAUKIE, OREGON

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION**

JUNE 30, 2023

Total Fund Balances for Governmental Funds		\$ 58,090,236
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and therefore, are not reported in funds.		67,723,514
Other assets are not available to pay for current-period expenditures and are therefore deferred in the funds:		
Property tax revenues	279,113	
Opioid settlement	295,867	
Municipal court assessments	398,446	
Net OPEB asset	196,759	
Deferred outflows of resources - pensions	6,425,998	
Deferred outflows of resources - OPEB	194,297	
Assessment liens	65,367	7,855,847
		<hr/>
Liabilities, including accrued liabilities and bonds payable, that are not due and payable in the current period and therefore, are not reported in funds:		
Accrued compensated absences payable	(1,342,075)	
Accrued interest payable	(193,419)	
SBITA liability	(282,650)	
Lease liability	(150,962)	
Net pension liability	(15,621,447)	
Total OPEB liability	(654,290)	
Deferred inflows of resources - pension	(5,137,074)	
Deferred inflows of resources - OPEB	(338,011)	
Long-term debt obligations	(57,616,610)	(81,336,538)
		<hr/>
Net position of governmental activities		\$ 52,333,059

The notes to basic financial statements are an integral part of this statement.

CITY OF MILWAUKIE, OREGON

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	General Fund	Transportation Fund	Milwaukie Redevelopment Commission	Other Governmental Funds	Total Governmental Funds
REVENUES:					
Property taxes	\$ 9,708,081	\$ -	\$ 590,430	\$ 860,000	\$ 11,158,511
Franchise taxes	2,446,520	1,462,638	-	-	3,909,158
Intergovernmental	3,313,197	2,233,677	-	168,200	5,715,074
Fines and forfeitures	459,721	-	-	-	459,721
Licenses and permits	594,306	-	-	1,918,350	2,512,656
Charges for services	-	2,287,808	-	-	2,287,808
Systems development charges	-	-	-	1,186,923	1,186,923
Lease revenue	-	-	-	203,831	203,831
Investment earnings	356,389	777,775	153,859	363,451	1,651,474
Miscellaneous	230,635	23,598	1,068	44,496	299,797
TOTAL REVENUES	17,108,849	6,785,496	745,357	4,745,251	29,384,953
EXPENDITURES:					
Current:					
General government	12,540,636	-	24,867	963,890	13,529,393
Highways and streets	-	1,272,346	-	-	1,272,346
Public safety	7,700,069	-	-	-	7,700,069
Culture and recreation	2,102,929	-	-	-	2,102,929
Debt service:					
Principal	370,127	1,061,340	290,160	935,000	2,656,627
Interest	134,569	886,793	67,243	442,967	1,531,572
Capital outlay	1,875,268	3,154,761	206,478	1,586,016	6,822,523
TOTAL EXPENDITURES	24,723,598	6,375,240	588,748	3,927,873	35,615,459
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(7,614,749)	410,256	156,609	817,378	(6,230,506)
OTHER FINANCING SOURCES (USES):					
Proceeds from sale of capital assets	6,300	-	-	-	6,300
Lease financing	141,911	-	-	-	141,911
SBITA financing	174,928	-	-	-	174,928
Issuance from borrowing	-	18,479,500	5,052,100	-	23,531,600
Transfers from other funds	7,657,156	-	-	1,860,000	9,517,156
Transfers to other funds	(1,528,000)	(2,235,000)	(35,000)	(1,266,156)	(5,064,156)
TOTAL OTHER FINANCING SOURCES (USES)	6,452,295	16,244,500	5,017,100	593,844	28,307,739
NET CHANGE IN FUND BALANCES	(1,162,454)	16,654,756	5,173,709	1,411,222	22,077,233
FUND BALANCES - beginning	14,820,317	10,318,125	1,491,337	9,489,473	36,119,252
Prior period adjustments	-	(106,249)	-	-	(106,249)
FUND BALANCES - beginning, as restated	14,820,317	10,211,876	1,491,337	9,489,473	36,013,003
FUND BALANCES - ending	\$ 13,657,863	\$ 26,866,632	\$ 6,665,046	\$ 10,900,695	\$ 58,090,236

The notes to basic financial statements are an integral part of this statement.

CITY OF MILWAUKIE, OREGON

**RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES**

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Amounts reported for governmental activities in the Statement of Activities are different because:

Net change in fund balances - total governmental funds	\$	22,077,233
Governmental funds defer revenues that do not provide current financial resources However, the Statement of Activities recognizes such revenues at their net realizable value when earned, regardless of when received		(1,557,012)
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay was greater than depreciation.		
Capital outlay	6,299,206	
Depreciation expense	(7,072,844)	
Right-to-use assets - lease	141,733	
Amortization expense - lease	(26,321)	
Right-to-use assets - subscription	490,704	
Amortization expense - subscription	<u>(146,974)</u>	(314,496)
The issuance of long-term debt (e.g., bonds, capital leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount represents debt issued during the current fiscal year and scheduled principal payments on existing debt.		(20,874,973)
Proceeds of borrowing	(23,531,600)	
Long-term debt principal repayments	<u>2,656,627</u>	
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Net pension liability and related deferrals	11,664	
Net OPEB liability and related deferrals	23,575	
Accrued interest payable	(36,988)	
Proceeds of sale of capital asset	(6,300)	
Accrued compensated absences payable	(3,014)	
Net lease liability	(112,518)	
Net subscription liability	(282,650)	
Amortization of bond premium	<u>53,174</u>	<u>(353,057)</u>
Change in net position of governmental activities	\$	<u>(1,022,305)</u>

The notes to basic financial statements are an integral part of this statement.

CITY OF MILWAUKIE, OREGON

PROPRIETARY FUNDS

STATEMENT OF NET POSITION

JUNE 30, 2023

	Business-type Activities - Enterprise Funds			
	Water Fund	Wastewater Fund	Stormwater Fund	Total
ASSETS:				
Current assets:				
Cash and investments	\$ 8,743,793	\$ 6,914,710	\$ 8,765,783	\$ 24,424,286
Restricted cash and investments	1,419,536	747,328	-	2,166,864
Accounts receivable, net of allowance for doubtful accounts	526,225	967,565	468,920	1,962,710
Lease receivable	31,928	-	-	31,928
Prepaid expenses	9,617	-	3,150	12,767
Total current assets	10,731,099	8,629,603	9,237,853	28,598,555
Noncurrent assets:				
Net OPEB asset	9,957	5,583	7,495	23,035
Lease receivable	116,965	-	-	116,965
Right to use asset	-	-	11,237	11,237
Capital assets not being depreciated	1,178,527	2,029,956	1,235,894	4,444,377
Capital assets, net of accumulated depreciation	10,174,289	9,073,504	8,065,752	27,313,545
Total noncurrent assets	11,479,738	11,109,043	9,320,378	31,909,159
TOTAL ASSETS	22,210,837	19,738,646	18,558,231	60,507,714
DEFERRED OUTFLOWS OF RESOURCES:				
Deferred outflows of resources - pensions	322,981	196,601	253,549	773,131
Deferred outflows of resources - OPEB	9,832	5,513	7,401	22,746
TOTAL DEFERRED OUTFLOWS OF RESOURCES	332,813	202,114	260,950	795,877
LIABILITIES:				
Current liabilities:				
Accounts payable	182,080	2,090,383	126,806	2,399,269
Accrued salaries and payroll taxes payable	22,396	11,224	15,956	49,576
Accrued compensated absences payable	50,312	48,095	37,463	135,870
Accrued interest payable	-	1,931	-	1,931
SBITA Liability	-	-	9,618	9,618
Deposits payable	11,250	-	-	11,250
Unearned revenue	3,696,704	745,000	120,000	4,561,704
Current portion of long-term debt	-	96,458	-	96,458
Total current liabilities	3,962,742	2,993,091	309,843	7,265,676
Noncurrent liabilities:				
Net pension liability	785,160	477,932	616,371	1,879,463
Total OPEB liability	33,109	18,565	24,923	76,597
Long-term debt	-	675,204	-	675,204
TOTAL LIABILITIES	4,781,011	4,164,792	951,137	9,896,940
DEFERRED INFLOWS OF RESOURCES:				
Deferred inflows of resources - lease receivable	167,968	-	-	167,968
Deferred inflows of resources - pensions	258,198	157,167	202,692	618,057
Deferred inflows of resources - OPEB	17,104	9,591	12,876	39,571
TOTAL DEFERRED INFLOWS OF RESOURCES	443,270	166,758	215,568	825,596
NET POSITION:				
Net investment in capital assets	11,352,816	10,331,798	9,303,265	30,987,879
Restricted:				
Debt service	-	12,056	-	12,056
OPEB asset	9,957	5,583	7,495	23,035
Unrestricted	5,956,596	5,259,773	8,341,716	19,558,085
TOTAL NET POSITION	\$ 17,319,369	\$ 15,609,210	\$ 17,652,476	\$ 50,581,055

The notes to basic financial statements are an integral part of this statement.

CITY OF MILWAUKIE, OREGON

PROPRIETARY FUNDS

**STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION**

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Business-type Activities - Enterprise Funds			Total
	Water Fund	Wastewater Fund	Stormwater Fund	
OPERATING REVENUES:				
Charges for services	\$ 4,701,216	\$ 8,940,615	\$ 5,151,113	\$ 18,792,944
Intergovernmental	-	132,357	-	132,357
Miscellaneous	14,780	3,609	82,972	101,361
TOTAL OPERATING REVENUES	4,715,996	9,076,581	5,234,085	19,026,662
OPERATING EXPENSES:				
Salaries and wages	935,193	568,464	760,957	2,264,614
Materials and services	996,852	5,608,762	723,948	7,329,562
Depreciation	985,654	690,993	1,023,672	2,700,319
TOTAL OPERATING EXPENSES	2,917,699	6,868,219	2,508,577	12,294,495
OPERATING INCOME	1,798,297	2,208,362	2,725,508	6,732,167
NONOPERATING REVENUES (EXPENSES):				
Investment earnings	278,578	238,746	262,236	779,560
Interest expense	-	(4,099)	-	(4,099)
TOTAL NONOPERATING REVENUES (EXPENSES)	278,578	234,647	262,236	775,461
Transfers to other funds	(1,573,500)	(1,455,000)	(1,424,500)	(4,453,000)
TRANSFERS	(1,573,500)	(1,455,000)	(1,424,500)	(4,453,000)
CHANGE IN NET POSITION	503,375	988,009	1,563,244	3,054,628
NET POSITION - beginning	16,815,994	14,621,201	16,089,232	47,526,427
NET POSITION - ending	\$ 17,319,369	\$ 15,609,210	\$ 17,652,476	\$ 50,581,055

The notes to basic financial statements are an integral part of this statement.

CITY OF MILWAUKIE, OREGON

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Business-type Activities - Enterprise Funds			Total
	Water Fund	Wastewater Fund	Stormwater Fund	
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers and users of services	\$ 6,821,447	\$ 8,894,105	\$ 5,266,025	\$ 20,981,576
Payments to suppliers for goods and services	(976,468)	(6,152,802)	(826,268)	(7,955,538)
Payments to employees for services	(941,633)	(536,127)	(723,556)	(2,201,316)
NET CASH FROM OPERATING ACTIVITIES	<u>4,903,346</u>	<u>2,205,176</u>	<u>3,716,200</u>	<u>10,824,722</u>
CASH FLOWS TO NONCAPITAL FINANCING ACTIVITIES				
Transfers to other funds	(1,573,500)	(1,455,000)	(1,424,500)	(4,453,000)
NET CASH TO NONCAPITAL FINANCING ACTIVITIES	<u>(1,573,500)</u>	<u>(1,455,000)</u>	<u>(1,424,500)</u>	<u>(4,453,000)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Principal paid on capital debt	-	(96,458)	-	(96,458)
Principal paid on subscription liabilities	-	-	(1,619)	(1,619)
Interest expense	-	(4,099)	-	(4,099)
Acquisition and construction of capital assets	(160,469)	(1,543,856)	(721,706)	(2,426,031)
NET CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(160,469)</u>	<u>(1,644,413)</u>	<u>(723,325)</u>	<u>(2,528,207)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Principal payments received on lease	19,075	-	-	19,075
Investment Income	278,578	238,746	262,236	779,560
NET CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES	<u>297,653</u>	<u>238,746</u>	<u>262,236</u>	<u>798,635</u>
NET INCREASE IN CASH AND INVESTMENTS	3,467,030	(655,492)	1,830,611	4,642,150
CASH AND INVESTMENTS - beginning	<u>6,696,299</u>	<u>8,317,529</u>	<u>6,935,172</u>	<u>21,949,000</u>
CASH AND INVESTMENTS - ending	<u>\$ 10,163,329</u>	<u>\$ 7,662,038</u>	<u>\$ 8,765,783</u>	<u>\$ 26,591,150</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH FROM OPERATING ACTIVITIES:				
Operating income	\$ 1,798,297	\$ 2,208,362	\$ 2,725,508	\$ 6,732,167
Adjustments to reconcile operating income to net cash from operating activities:				
Depreciation expense	985,654	690,993	1,023,672	2,700,319
(Increase) decrease in accounts receivable	(150,549)	(98,553)	31,940	(217,163)
(Increase) decrease in prepaid expenses	(2,117)	5,697	(3,150)	430
Increase (decrease) in accounts payable	24,755	(549,737)	(79,105)	(604,087)
Increase (decrease) in deposits payable	(2,254)	-	-	(2,254)
Increase (decrease) in accrued salaries and payroll taxes payable	(4,527)	(3,591)	(3,092)	(11,210)
Increase (decrease) in accrued compensated absences payable	4,287	5,123	2,328	11,738
Increase (decrease) in pension and related liabilities	(5,006)	31,474	18,998	45,466
Increase (decrease) in OPEB and related liabilities	(1,194)	(669)	(898)	(2,761)
Increase (decrease) in unearned revenue	2,256,000	(83,923)	-	2,172,077
NET CASH FROM OPERATING ACTIVITIES	<u>\$ 4,903,346</u>	<u>\$ 2,205,176</u>	<u>\$ 3,716,200</u>	<u>\$ 10,824,722</u>

The notes to basic financial statements are an integral part of this statement.

CITY OF MILWAUKIE, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Note 1. Summary of Significant Accounting Policies

The financial statements of the City of Milwaukie, Oregon have been prepared in accordance with accounting principles generally accepted in the United States of America. These statements require the application of all relevant Governmental Accounting Standards Board (GASB) pronouncements.

Reporting Entity

The city is a municipal corporation, incorporated in 1903. It operates under its own charter with a council/city manager form of government. The City Council, composed of the mayor and four councilors, comprise the legislative branch of the government. Individual departments are under the direction of the city manager who is appointed by the City Council.

The city provides a range of municipal services to the community, which includes police protection and municipal court services, traffic control and improvement, street maintenance and improvement, water, sewer and stormwater management services, community development, planning and zoning regulation, building inspection and regulation, and community library services.

In defining the City of Milwaukie for financial reporting purposes, management considers all funds, organizations, institutions, agencies, departments, and offices that are legally part of the city (the primary government) and organizations for which the city is financially accountable. As defined by accounting principles generally accepted in the United States of America, the financial reporting entity consists of the primary government, as well as its component units. Component units can be defined as legally separate entities for which the city is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government.

Based on component unit criteria, the city's financial statements include the Milwaukie Urban Redevelopment Commission (MRC) as a blended component unit. The City's Council and the Board of Directors of the MRC are composed of the same individuals. Additionally, the management of the city manages the activities of the component unit in the same manner as it manages its own activities. The separately issued financial statements of the Milwaukie Urban Renewal Agency may be obtained from the Commission at 10501 SE Main St., Milwaukie, Oregon 97222.

There are certain governmental agencies and various service districts which provide services within the city. These agencies have independently elected governing boards and the city is not financially accountable for these organizations. Therefore, financial information for these agencies is not included in the accompanying basic financial statements.

Basis of Presentation – Government-wide Financial Statements

Basic financial statements are presented at both the government-wide and fund financial level. Both levels of statements categorize primary activities as either governmental or business-type. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely on fees and charges for service revenues.

Government-wide financial statements display information about the city as a whole. The effect of interfund activity has been removed from these statements except for interfund services provided and used and reimbursements between funds which, if eliminated, would distort the direct costs and program revenues reported for the various functions. These statements focus on the sustainability of the city as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. These aggregated statements consist of the *Statement of Net Position* and the *Statement of Activities*.

The *Statement of Net Position* presents information on all the city's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between them reported as net position.

The *Statement of Activities* demonstrates the degree to which the direct expenses of a given function, or segment, are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not attributable to a specific program are reported as general revenues.

Basis of Presentation – Fund Financial Statements

Fund financial statements display information at the individual fund level. Each fund is considered to be a separate accounting entity. Funds are classified and summarized as governmental, proprietary, or fiduciary. Currently, the city has only governmental and proprietary type funds. Major individual governmental funds and major individual enterprise funds are reported in the fund financial statements. Nonmajor funds are reported in the aggregate.

The city reports the following major governmental funds:

- *General Fund* – accounts for the city's legislative and administration, human resources, finance, information technology, municipal court, community development, engineering, planning, facilities management, fleet services, library, public safety services, and related debt service. The primary revenue sources are property taxes, franchise taxes, reimbursement charges for services to other funds, fines and forfeitures, licenses and permits, and miscellaneous income.

- *Transportation Fund* – accounts for the operation and maintenance of the city's street and sidewalk systems, including medians. The primary sources of revenue are intergovernmental revenues that include state and local gas taxes dedicated to construction and maintenance of local streets, fees for service, franchise fees, Portland General Electric privilege tax, and charges for services.
- *Milwaukie Redevelopment Commission Fund* – accounts for the urban renewal redevelopment. The primary revenue source is property taxes.

The city has nonmajor governmental funds that are reported as special revenue, debt service and capital projects funds. Nonmajor funds are:

- *Systems Development Charges Fund* – accounts for the receipt and expenditures of system development charges (SDCs) dedicated to streets, water, wastewater, and stormwater systems.
- *City Hall Fund* – accounts for the city's purchase of the new city hall building and sales lease-back agreement and capital expenses related to the renovation of the building. This fund will be dissolved once the renovations are completed and city staff move in.
- *Building Fund* – accounts for the receipt and expenditure of dedicated revenue sources related to building permits and inspections and is primarily supported by licenses and permit revenues.
- *Affordable Housing Fund* – accounts for the collection of construction excise taxes to fund incentives for the development and construction of affordable housing.
- *Debt Service Fund* – accounts for the accumulation of resources for the payment of general obligation bonds and full faith and credit obligation principal and interest.

The city reports each of its three proprietary funds as major funds:

- *Water Fund* – accounts for the operation and maintenance of water service and distribution facilities and is primarily supported through fees for service.
- *Wastewater Fund* – accounts for the operation and maintenance of the wastewater collection and treatment systems and is primarily supported through fees for service.
- *Stormwater Fund* – accounts for the operation and maintenance of the stormwater management and collection systems and is primarily supported through fees for service.

Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe which transactions are recorded within the various financial statements. *Basis of accounting* refers to when transactions are recorded. The government-wide financial statements are presented on a full accrual basis of accounting with an economic resource measurement focus, as are the proprietary fund financial statements. An economic resource measurement focus concentrates on an entity or fund's net position. All

transactions and events that affect the total economic resources (net position) during the period are reported. An economic resources measurement focus is inextricably connected with full accrual basis accounting. Under the full accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash inflows and outflows.

Governmental fund financial statements are presented on the modified accrual basis of accounting with a current financial resource measurement focus. The measurement focus concentrates on the fund's resources available for spending currently or in the near future. Only transactions and events affecting the fund's current financial resources during the period are reported. Similar to the connection between an economic resource measurement focus and full accrual basis of accounting, a current financial resource measurement focus is inseparable from a modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become *measurable* and *available*). *Measurable* means the amount of the transaction can be determined and revenues are considered *available* when they are collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the city considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues considered susceptible to accrual are property taxes, state, county and local shared revenues, franchise taxes, intergovernmental revenues, grants, and investment income.

A deferred inflow of resources arises on the balance sheet of the governmental funds when potential revenue does not meet both the *measurable* and *available* criteria for recognition in the current period. This unavailable revenue consists primarily of uncollected property taxes not deemed available to finance operations of the current period, long-term assessments receivable and court receivables. In the *Government-wide Statement of Activities*, with a full accrual basis of accounting, revenue must be recognized as soon as it is earned regardless of its availability. Thus, the deferred inflow of resources created on the *Balance Sheet* of the governmental funds for unavailable revenue is eliminated. In the *Government-wide Statement of Net Position*, deferred outflows of resources and deferred inflows of resources are recorded for pensions, other post-employment benefits and leases.

Similar to the way its revenues are recorded, governmental funds only record those expenditures that affect current financial resources. Debt service expenditures, as well as expenditures related to compensated absences, claims, and judgments, are recorded only when payment is due. In the government-wide financial statements, however, with a full accrual basis of accounting, all expenses affecting the economic resource status of the government are recognized.

Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is necessary to explain the adjustments needed to transform the fund based financial statements into the governmental column of the government-wide presentation. This reconciliation is part of the basic financial statements.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and

delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for the proprietary funds include the cost of sales and services, administrative overhead, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Cash and Investments

Cash is considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Investments consist of funds held in the Oregon State Treasurer's Local Government Investment Pool (LGIP) and a U.S. Treasury Bill. The individual funds' portion of the cash pool is presented as "Cash and investments" in the basic financial statements.

The LGIP is administered by the Oregon State Treasury and is an open-ended, no-load diversified portfolio offered to any agency, political subdivision, or public corporation of the State who by law is made the custodian of, or has control of, any public funds. The LGIP is commingled with the State's short-term funds. In seeking to best serve local governments of Oregon, the Oregon Legislature established the Oregon Short-Term Fund Board. The purpose of the Board is to advise the Oregon State Treasury in the management and investment of the LGIP.

The city's investment policy, adopted by the City Council, essentially mirrors the requirements of the Oregon Revised Statutes.

Receivables and Revenues

Property taxes are levied and become a lien against property on July 1 of the year in which they are due. Collection dates are November 15, February 15, and May 15 following the lien date. Discounts are allowed if the amount due is received by November 15 or February 15. Taxes unpaid and outstanding on May 16 are considered delinquent.

In the fund financial statements, property taxes receivable collected within 60 days of the fiscal year end are considered *measurable* and *available*, and therefore, are recognized as revenue. The property taxes receivable portion beyond 60 days is recorded as deferred inflows of resources. Assessments are recognized as receivables at the time property owners are assessed on property improvements. Court receivables are recognized at the time the citation is adjudicated. These receivables are partially offset by deferred inflows of resources, as assessment and court receivable revenue is recognized upon collection.

In the government-wide financial statements, property taxes, court receivables and assessment receivables are recognized as revenue when earned and are shown net of an allowance for uncollectible amounts.

Enterprise fund receivables include billings for residential and commercial customers utilizing the city's water, sewer, and stormwater services and are reported net of an allowance for uncollectible accounts, determined based upon an estimated percentage of the receivable balance.

Lease Receivables

Lease receivables are recognized at the net present value of the leased assets, reduced by principal payments received. The net present value is calculated using a borrowing rate either explicitly described in the agreement or implicitly determined by the city.

Capital Assets

Purchased or constructed capital assets are recorded at historical cost. Donated capital assets are recorded at acquisition cost at the time of donation. Infrastructure (bridges, roads, and drainage systems) acquired during the year has been recorded at cost or fair value if donated by developers. The city defines capital assets as assets with an initial cost of more than \$10,000 and an estimated useful life of more than one year. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

Capital assets of the city are depreciated using the straight-line method over the following estimated useful lives:

	Useful Lives (in years)
Buildings and structures	30 – 50
Improvements other than buildings	10 – 50
Vehicles and equipment	4 – 30
Infrastructure	20 – 50

Right-to-Use Assets

Right-to-use assets are leases and subscription-based information technology agreements (SBITA) which the city is party to a contract to the use of the asset for a term of more than one year. The asset value of leases and SBITAs are determined by the net present value of the total payments at the city's incremental borrowing rate at the time of the agreement and are amortized over the term of the agreement.

Lease and SBITA Payables

In the government-wide financial statements, lease payables and SBITA payables are reported as liabilities in the *Statement of Net Position* and represent the net present value of the amounts due under the terms of the agreements. In the governmental fund financial statements, the present value of lease payments is reported as other financing sources.

Accrued Compensated Absences

It is the city's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. No liability is reported for unpaid accumulated sick leave since the city does not pay out sick leave banks when employees separate from service. Compensated absences are accrued when incurred in the government-wide and proprietary fund financial statements. As compensated absences are due and payable on demand, they are considered due within one year. A liability for these amounts is reported in governmental funds only if they have matured, for example, because of termination or retirement.

Long-term Obligations

In the government-wide financial statements, and in the proprietary fund financial statements, long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type *Statement of Net Position*. When significant, bond premiums, discounts, and amounts deferred on refunding's, are amortized over the applicable bond term. In the fund financial statements, governmental fund types recognize bond premiums, discounts, and issuance costs in the year of issue. The face amount of debt issued, and related premium are reported as other financing sources. Issuance costs, whether withheld from the actual debt proceeds received, are reported as expenditures.

Pension Liability

The city's net pension liability, deferred inflows and outflows related to pensions, and pension expense have been determined on the basis reported by the Oregon Public Employees Retirement System (OPERS).

Other Postemployment Benefits (OPEB) Liability

For purposes of measuring the net OPEB asset, OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the city's two separate plans – the Implicit Rate Subsidy and OPERS – and additions to/deductions from the Implicit Rate Subsidy and OPERS's fiduciary net position have been determined on the same basis as they are reported by Implicit Rate Subsidy and OPERS. For this purpose, Implicit Rate Subsidy and OPERS recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Fund Balance/Net Position

In the *Government-wide Statement of Net Position*, equity is referred to as *Net Position* and is segregated into the following three components: 1) net investment in capital assets, 2) restricted by outside parties for a specific purpose, and 3) unrestricted net position. Net investment in capital assets represents capital assets less accumulated depreciation less outstanding principal of related debt. Restricted net position represents net position restricted by parties outside of the city (such as creditors, grantors, contributors, laws, and regulations of other governments) and includes funds restricted for payment of debt or to acquire or construct capital assets. All other net position is considered unrestricted.

Fund balance of governmental funds is reported in various categories based on the nature of any limitations on the use of resources for specific purposes. Fund balance is categorized as follows:

- *Non-spendable* – includes items that are not in a spendable form either because the underlying resources are not in spendable form or because they are legally or contractually required to be maintained.

- *Restricted* – includes items that are restricted by external creditors, grantors or contributors, or restricted by legal constitutional provisions.
- *Committed* – includes amounts that can be used only for the specific purposes determined by a formal action of the city's highest decision-making authority. The City Council reserves the authority by ordinance and the city's municipal code to establish and modify commitments of revenues and ending fund balance.
- *Assigned* – includes items assigned by specific uses, authorized by Council or officials or other bodies delegated by Council.
- *Unassigned* – the residual classification used for balances not assigned to another category in the general fund. Deficit fund balances in other governmental funds are also presented as unassigned.

GASB Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions* requires the highest legal authority to approve authorized commitments of fund balance and to approve who can authorize making assignments of fund balance. The city has designated the city manager and/or finance director to make assignments of fund balance. Reserve policy guidelines are measured as a percentage of annual operating expenditures and generally range between 5 and 17 percent depending on the fund.

Fund Balance Flow Assumptions

The city may fund outlays for a particular purpose from both restricted and unrestricted resources. To calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which resources are considered to have been applied. When both restricted and unrestricted resources are available for use, it is the city's policy to use restricted resources first, then unrestricted resources as needed. When components of restricted fund balance can be used for the same purpose, committed fund balance is depleted second, followed by assigned fund balance. Unassigned fund balance is applied last.

Deferred Inflows and Outflows of Resources

A deferred inflow of resources is an acquisition of net assets by the city that is applicable to a future reporting period. Deferred outflow of resources is a consumption of net assets by the city that is applicable to a future reporting period. Both deferred inflows and outflows are reported in the *Statement of Net Position* but are not recognized in the financial statements as revenues and expenses until the period(s) to which they relate.

Use of Estimates

The preparation of the financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, the disclosure of contingent assets and liabilities at the date of the financial statements, the reported amounts of revenues and expenses during the

reporting period, and the reported amounts of revenues and expenses during the reporting period. Actual amounts could differ from those estimates.

Note. 2. Cash and Investments

The city maintains a common cash and investment pool for all city funds. The types of investments in which the city may invest are restricted by Oregon Revised Statutes and a Council adopted investment policy. Authorized investments consist of U.S. Treasury obligations including treasury notes, bonds and strips; Federal instrumentality securities from specific federal agencies; commercial paper rated at least A-1 or an equivalent rating; corporate bonds rated at least Aa or an equivalent rating; bankers acceptances rated at least Aa or an equivalent rating; Oregon State Treasurer's Local Government Investment Pool (LGIP) limited by State statute; certificates of deposit; repurchase agreements and obligations of the states of Oregon, California, Idaho and Washington rated AA or better.

State statutes authorize the city to invest in obligations of the U. S. Treasury, commercial paper and repurchase agreements. Additionally, the Employees Retirement Plan Pension Trust Fund invests in equity securities and mutual funds. Investments are stated at fair value.

As of June 30, 2023, the city's cash and investments were comprised of the following:

Cash on hand	\$	4,602
Deposits with financial institutions		5,148,061
Investments:		
Treasury Bill Investment		39,525,579
Oregon State Treasurer's LGIP		41,295,125
Total cash and investments	\$	<u>85,973,368</u>

	Government Activities	Business-type Activities	Total
Cash and investments	\$ 18,876,043	\$ 24,424,286	\$ 43,300,329
Restricted cash and investments	\$ 40,506,175	\$ 2,166,864	\$ 42,673,039
Total cash and investments	\$ 59,382,218	\$ 26,591,150	\$ 85,973,368

Deposits. Deposits with financial institutions are comprised of bank demand deposits. To provide additional security required and authorized by Oregon Revised Statutes, Chapter 295, deposits above insurance limits are covered by collateral held in a multiple financial institution collateral pool administered by the State of Oregon. At the fiscal year end, bank balances of \$5,665,141 were covered by federal depository insurance (FDIC) or by collateral held by one or more of the state's authorized collateral pool managers. Cash on hand balances representing petty cash accounts are uninsured and uncollateralized.

Interest Rate Risk. In accordance with its investment policy, the city manages its exposure to declines in fair value by limiting the average maturities in the city's pooled investment portfolio to eighteen months or less.

Credit Risk. State law and the city's investment policy limits investments in commercial paper and corporate bonds to the top two ratings issued by nationally recognized statistical rating organizations (NRSROs). It is the city's policy to limit its use of these investment types to the top two ratings issued by NRSROs, where applicable. The State of Oregon Local Government Investment Pool (LGIP) is not rated by NRSROs.

Concentration of Credit Risk. The city's investment policy, as it relates to investing outside of the LGIP, does not allow for an investment in any one issuer that is more than five percent of the city's total investments (ORS 294.035).

Custodial Credit Risk. Custodial risk is the risk that in the event of failure of the counterparty the city will not be able to recover the value of its investments that are in the possession of an outside party. As of June 30, 2023, all city deposits are insured or collateralized and are therefore not subject to custodial credit risk.

The city participates in LGIP, an external investment pool through the State of Oregon. The LGIP is not registered with the U.S. Securities and Exchange Commission as an investment company. The State's investment policies are governed by Oregon Revised Statutes and the Oregon Investment Council (Council). The State Treasurer is the investment officer for the Oregon Investment Council and is responsible for all funds in the State Treasury.

Investments held by the city on June 30, 2023, were as follows:

<u>Investment Type</u>	<u>Rating</u>	<u>Fair Value</u>	<u>Yield</u>	<u>Weighted Average</u>
Treasury Note	Not rated	\$ 39,525,579	3.07%	n/a

Investments in the LGIP are stated at share value, which approximates fair value, and is the value at which the shares can be withdrawn. These investments are further governed by portfolio guidelines issued by the Oregon Short Term Fund Board, which establishes diversification percentages and specifies investment types and maturities. The portion of the external investment pool belonging to local government participants is reported in an Investment Trust Fund in the State's Annual Comprehensive Financial Report. A copy of the State's Annual Comprehensive Financial Report may be obtained at the Oregon State Treasury, 900 Court Street NE, Salem, Oregon 97301.

Fair Value Measurements. The city categorizes its fair value measurements with the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The city's investment in Treasury Notes is measured using level 1 inputs and bonds are measured using level 2 inputs.

Note 3. Receivables

As of June 30, 2023, accounts receivable is reflected in the basic financial statements net of an allowance for uncollectible accounts. The allowance for uncollectible accounts pertains only to utility billing collections in business-type activities, and street maintenance fees in governmental activities.

Accounts, contracts, assessments and grants	\$ 4,418,973
Allowance for uncollectible accounts	<u>(121,832)</u>
Total accounts receivable	<u>\$ 4,297,141</u>
Accounts receivable - governmental activities	\$ 2,334,431
Accounts receivable - business-type activities	<u>1,962,710</u>
Total accounts receivable	<u>\$ 4,297,141</u>

Note 4. Unavailable and Unearned Revenue

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are available to liquidate liabilities in the current period. Governmental funds also report a liability in connection with resources that have been received, but not yet earned. Amounts reported below as unearned are reported as unearned revenue in governmental activities on the *Statement of Net Position*. At the end of the fiscal year, various components of deferred inflows of resources and unearned revenue were reported in the governmental funds as follows:



	<u>Deferred Inflows</u>	<u>Unearned Revenue</u>
Opioid Settlement	\$ 293,086	-
Municipal court collections receivable	398,446	-
Property taxes receivable	279,113	-
Assessment liens receivable	65,367	-
Bail Escrow	-	19,120
Lease rent receivable	5,740	-
Fees In lieu of construction	-	557,873
Seized cash	2,781	-
	\$ 1,044,533	\$ 576,993

Note 5. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2023, was as follows:

	Balance as of June 30, 2022	GASB 96 additions	Additions	Reductions and adjustments	Balance as of June 30, 2023
Governmental activities:					
Capital assets not being depreciated:					
Land and easements	\$ 6,216,125	\$ -	\$ 85,276	\$ 16,093	\$ 6,317,494
Construction in progress	2,759,690	-	5,942,934	(2,647,117)	6,055,507
Total capital assets not being depreciated	8,975,815	-	6,028,210	(2,631,024)	12,373,001
Capital assets being depreciated:					
Buildings and improvements	37,217,910	-	-	-	37,217,910
Vehicles and equipment	4,850,482	-	381,328	1,250	5,233,060
Furniture and fixtures	491,943	-	96,147	-	588,090
Infrastructure	77,930,417	-	-	2,629,774	80,560,191
Right-to-use assets - subscriptions	-	315,775	174,928	-	490,703
Right-to-use assets - leases	38,358	-	141,734	-	180,092
Total capital assets being depreciated	120,529,110	315,775	794,137	2,631,024	124,270,046
Less accumulated depreciation/amortization for:					
Buildings and improvements	(15,337,450)	-	(2,543,962)	-	(17,881,412)
Vehicles and equipment	(3,225,321)	-	(298,659)	-	(3,523,980)
Furniture and fixtures	(127,085)	-	(49,995)	-	(177,080)
Infrastructure	(42,762,794)	-	(4,386,708)	-	(47,149,502)
Right-to-use assets - subscriptions	-	-	(146,972)	-	(146,972)
Right-to-use assets - leases	(7,966)	-	(26,321)	-	(34,287)
Total accumulated depreciation	(61,460,616)	-	(7,452,617)	-	(68,913,233)
Total capital assets being depreciated, net	59,068,494	315,775	(6,658,480)	2,631,024	55,356,813
Total capital assets, net	\$ 68,044,309	\$ 315,775	\$ (630,270)	\$ -	\$ 67,729,814
Business type activities:					
Capital assets not being depreciated:					
Land and easements	\$ 1,204,142	\$ -	\$ -	\$ -	\$ 1,204,142
Construction in progress	3,116,283	-	2,252,549	(2,128,597)	3,240,235
Total capital assets not being depreciated	4,320,425	-	2,252,549	(2,128,597)	4,444,377
Capital assets being depreciated:					
Buildings and improvements	9,427,340	-	-	-	9,427,340
Vehicles and equipment	5,517,475	-	172,990	-	5,690,465
Infrastructure	44,156,531	-	-	2,128,422	46,284,953
Right-to-use assets - subscriptions	-	15,146	-	-	15,146
Total capital assets being depreciated	59,101,346	15,146	172,990	2,128,422	61,417,904
Less accumulated depreciation/amortization for:					
Buildings and improvements	(4,586,042)	-	(425,804)	-	(5,011,846)
Vehicles and equipment	(3,891,123)	-	(306,466)	-	(4,197,589)
Infrastructure	(22,912,395)	-	(1,967,383)	-	(24,879,778)
Right-to-use assets - subscriptions	-	-	(3,909)	-	(3,909)
Total accumulated depreciation	(31,389,560)	-	(2,703,562)	-	(34,093,122)
Total capital assets being depreciated, net	27,711,786	15,146	(2,530,572)	2,128,422	27,324,782
Total capital assets, net	\$ 32,032,211	\$ 15,146	\$ (278,023)	\$ (175)	\$ 31,769,159

Depreciation expense was charged to functions/programs for governmental and business-type activities respectively as follows:

	Governmental Activities	Business-type Activities	Total
General government	\$ 2,527,300	\$ -	\$ 2,527,300
Highways and streets	4,299,063	-	4,299,063
Public safety	227,518	-	227,518
Culture and recreation	398,736	-	398,736
Water	-	985,654	985,654
Wastewater	-	690,993	690,993
Stormwater	-	1,023,672	1,023,672
Depreciation expense	<u>\$ 7,452,617</u>	<u>\$ 2,700,319</u>	<u>\$ 10,152,936</u>

Note 6. Interfund Transfers

Transfers for services between funds are to cover administrative services, provide additional funding for reserve purposes, contribute towards the cost of capital projects, and to provide for other operational resources. For the fiscal year ended June 30, 2023, all city transfers are properly classified under other financing sources for financial reporting purposes. Transfers of capital assets are also made between funds to ensure full utilization of usable assets.

	Transfer from other funds	Transfer to other funds	Net
Governmental Funds:			
General	\$ 7,657,156	\$ 1,528,000	\$ 6,129,156
City Hall	500,000	252,000	248,000
Debt Service	560,000		560,000
Building	-	210,000	(210,000)
Construction Excise Tax	800,000	15,000	785,000
Library		789,156	(789,156)
Transportation	-	2,235,000	(2,235,000)
Milwaukie Redevelopment Commission		35,000	(35,000)
Total Governmental Funds	<u>\$ 9,517,156</u>	<u>\$ 5,064,156</u>	<u>\$ 4,453,000</u>
Proprietary Funds:			
Water	-	1,573,500	(1,573,500)
Wastewater	-	1,455,000	(1,455,000)
Stormwater	-	1,424,500	(1,424,500)
Total Proprietary Funds	<u>\$ -</u>	<u>\$ 4,453,000</u>	<u>\$ (4,453,000)</u>

Note 7. Lease Receivables

The city recognizes a lease receivable for the following contracts in which the city, acting as a lessor, grants a lessee the right to use an asset of the city.

Governmental Activities

The city leased the property at 11022 SE 37th Avenue. The term of the lease was one year, expiring in fiscal year 2023. Inflows of resources from this lease are recorded in the General Fund.

The city leases the fire station facility located at 3200 SE Harrison Street. The term of the lease is ten years, expiring in the fiscal year 2024. Inflows of resources from this lease are recorded in the General Fund.

The city leases the property at 10501 SE Main Street. The term of the lease is 2.5 years, expiring in the fiscal year 2023. Inflows of resources from this lease are recorded in the City Hall Fund.

Lease receivables on June 30, 2023, consisted of the following:

Governmental Activities	Outstanding June 30, 2022	Adjustments ¹	Additions	Reductions	Outstanding June 30, 2023
Facility lease, issued May 12, 2012, interest rate 4%, total annual principal and interest is \$3,000, due 2023	\$ 2,885	\$ (2,885)	\$ -	\$ -	\$ -
Facility lease, issued July 1, 2014, interest rate 4%, total annual principal and interest is \$6,001, due 2024	11,942	(466)	-	(5,652)	5,824
Facility lease, issued July 1, 2020, interest rate 4%, total annual principal and interest is \$504,000, due 2022	207,915	27,930	-	(235,845)	-
	\$ 222,742	\$ 24,579	\$ -	\$ (241,497)	\$ 5,824

Business Type Activities

The city leases space on the water tower on the property at 9790 SE 40th Avenue. The initial term of the lease is five years, expiring in the fiscal year 2028. The inflow of resources from this lease is recorded in the Water Fund.

Lease receivables on June 30, 2023, consisted of the following:

Proprietary Activities	Outstanding June 30, 2022	Adjustments ¹	Additions	Reductions	Outstanding June 30, 2023
Facility lease, issued August 1, 2022, interest rate 4%, total annual principal and interest is \$36,000, due 2027	\$ -	\$ -	\$ 176,285	\$ (27,392)	\$ 148,893
	\$ -	\$ -	\$ 176,285	\$ (27,392)	\$ 148,893

¹ Adjustments were made to offset the FY2022 outstanding balance when leases were switched to a new software reporting system.

Note 8. Long-term Debt – Lease Payables

The city recognizes a lease payable for the following contracts in which the city, acting as a lessee, is granted the right to use the assets of another entity.

Governmental Activities

The city has two leases with Quadient Leasing USA for folder inserter machines. The terms of the leases are five years each, expiring in the fiscal years 2024 and 2027. Outflows of resources for these leases are recorded in the General Fund.

The city has a lease with Quadient Leasing USA for a letter opener. The term of the lease is five years, expiring in the fiscal year 2026. Outflows of resources for this lease are recorded in the General Fund.

The city has two leases with Quadient Leasing USA for postage meter machines. The terms of the leases are five years each, expiring in the fiscal years 2027. Outflows of resources for this lease are recorded in the General Fund.

The city has a lease with Quadient Leasing USA for a postage meter machine. The term of the lease is three years, expiring in the fiscal year 2025. Outflows of resources for this lease are recorded in the General Fund.

The city has a lease with Pacific Office Automation for multi-purpose devices. The term of the lease is five years, expiring in fiscal year 2028. Outflows of resources for this lease are recorded in the General Fund.

	Outstanding June 30, 2022	Adjustments ¹	Additions	Reductions	Outstanding June 30, 2023
Folder inserter, issued June 20, 2019 interest rate 4%, total annual principal and interest is \$1,318, due 2024	\$ 5,947	\$ (3,426)	\$ -	\$ (1,235)	\$ 1,286
Letter opener, issued February 1, 2021, interest rate 4%, total annual principal and interest is \$711, due 2026	3,207	(897)	-	(627)	1,682
Folder inserter, issued August 9, 2021, interest rate 4%, total annual principal and interest is \$1,416, due 2026	6,644	(1,438)	-	(1,225)	3,982
Postage meter, issued October 27, 2021 interest rate 4%, total annual principal and interest is \$891, due 2026	4,020	(369)	-	(756)	2,895
Postage meter, issued November 2, 2021, interest rate 4%, total annual principal and interest \$2,679, due 2026	12,087	(1,109)	-	(2,272)	8,706
Postage meter, issued October 27, 2021, interest rate 4%, total annual principal and interest \$2,324, due 2024	6,539	(1,038)	-	(2,135)	3,366
Multi-purpose devices, issued November 15, 2022, interest rate 4%, total annual principal and interest \$31,776, due 2027	-	-	141,911	(12,866)	129,045
	\$ 38,443	\$ (8,276)	\$ 141,911	\$ (21,116)	\$ 150,962

¹ Adjustments were made to offset the FY2022 outstanding balance when leases were switched to a new software reporting system.

Note 9. Long-term Debt - SBITA Payables

The city recognizes a Subscription Based IT Arrangement payable for the following contracts in which the city, acting as the subscriber, is granted the right to use a vendor's proprietary software.

Governmental Activities

The city has a subscription for body worn camera software. The term of the subscription ends in 2028. Outflow of resources for this subscription is recorded in the General Fund.

The city has a subscription for police records management software. The term of the subscription ends in 2025. Outflow of resources for this subscription is recorded in the General Fund.

The city has a subscription for budget software. The term of the subscription ends in 2025. The subscription ends in 2025. Outflow of resources for this subscription is recorded in the General Fund.

The city has a subscription for permitting and licensing software. The term of the subscription ends in 2027. Outflow of resources for this subscription is recorded in the General and Building Funds.

	Outstanding June 30, 2022	Additions	Reductions	Outstanding June 30, 2023
Body Worn Camera Software, issued January 11, 2023, interest rate 4%, total annual principal and interest \$19,236, due 2028	-	88,933	(19,236)	69,697
Police Records Management Software, issued January 1, 2023, interest rate 4%, average annual principal and interest \$29,969, due 2025	-	85,995	(27,486)	58,509
Budget Software, issued October 1, 2020, interest rate 4%, total annual principal and interest \$35,500, due 2025	100,333	-	(32,448)	67,884
Permitting & Licensing Software, issued March 17, 2022, interest rate 4%, average annual principal and interest \$29,838.41, due 2027	110,590	-	(24,030)	86,560
	\$ 210,923	\$ 174,928	\$ (103,200)	\$ 282,650

Business Type Activities

The city has a subscription for permitting and licensing software. The term of the subscription ends in 2027. Outflow of resources for this subscription is recorded in the Stormwater Fund.

	Outstanding June 30, 2022	Additions	Reductions	Outstanding June 30, 2023
Permitting & Licensing Software, issued March 17, 2022, interest rate 4%, average annual principal and interest \$3,315.38, due 2027	12,288	-	(2,670)	9,618
	\$ 12,288	\$ -	\$ (2,670)	\$ 9,618

Note 10. Long-term Liabilities

The city's long-term liabilities are presented separately with respect to governmental and business-type activities. The following table presents the current year's changes in those obligations and the current portions due for each issue. For the governmental activities, claims and judgments and compensated absences are generally liquidated by the general fund. As compensated absences are due and payable on demand, they are considered due within one year.

	Balance as of June 30, 2022	Additions	Reductions	Balance as of June 30, 2023	Due within one year
Government Activities					
2005 PERS Unfunded Actuarial Liability Bonds, interest rates of 4.0% to 5.5%, original amount of \$4,285,000, due 2028	\$ 2,345,000	\$ -	\$ (340,000)	\$ 2,005,000	\$ 380,000
2018 Refinanced Oregon Special Public Works Fund (SPWF) Loan for North Main Village public area improvements, interest rate of 4-5%, original amount of \$738,000, due 2031	352,535	-	(30,127)	322,408	30,346
2014 Full Faith and Credit Obligations for Milwaukie Bay Park enhancements, interest rate from 3-4%, original amount of \$965,000, due 2029	510,000	-	(65,000)	445,000	65,000
2020 Full Faith and Credit Obligations for Milwaukie City Hall, interest rates from 2-4%, original amount \$6,700,000 due 2040	6,135,000	-	(290,000)	5,845,000	290,000
2014 General Obligation Bonds for refinancing of Light-Rail enhancements, interest rate of 3-4%, original amount of \$3,695,000, due 2034	2,545,000	-	(170,000)	2,375,000	180,000
2016 General Obligation Bonds for Library expansion, interest rate of 2-4%, original amount of \$9,200,000, due 2036	6,910,000	-	(410,000)	6,500,000	420,000
2018 Full Faith and Credit Obligations for Transportation, interest rate of 3.5-5%, original amount of \$20,970,000, due 2048	17,225,000	-	-	17,225,000	-
2023 Full Faith and Credit Obligations for Transportation, interest rate of 3.96%, original amount of \$23,531,600, due 2042		23,531,600	(1,351,500)	22,180,100	804,700
Bond issuance premiums	834,916	-	(115,813)	719,103	115,813
Long-term debt obligations and premiums	36,857,451	23,531,600	(2,772,440)	57,616,611	2,285,859
Compensated absences	1,339,060	1,024,815	(1,021,800)	1,342,075	1,342,075
Governmental activities long-term liabilities	38,196,511	24,556,415	(3,794,240)	58,958,686	3,627,934
Business-Type Activities					
State of Oregon loan: 2010 Oregon DEQ Loan, amortized fees in lieu of interest, interest rate of 0%, original loan draws of \$2,229,318 in 2010 and \$1,622,016 in 2011, one-half converted to grant in 2012, due 2031	868,120	-	(96,458)	771,662	96,458
Compensated absences	124,133	201,638	(189,900)	135,871	135,871
Business-Type activities long-term liabilities	992,253	201,638	(286,358)	907,533	232,329
Total Long-Term Obligations	\$ 39,188,764	\$ 24,758,053	\$ (4,080,598)	\$ 59,866,219	\$ 3,860,263

Future maturities of principal and interest are as follows:

Year	Governmental Activities		Business-type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 2,285,859	\$ 2,053,271	\$ 96,458	\$ 3,250	\$ 2,382,317	\$ 2,056,521
2025	2,320,351	1,974,599	96,458	2,750	2,416,809	1,977,349
2026	2,438,693	1,887,281	96,458	2,250	2,535,151	1,889,531
2027	2,548,348	1,795,882	96,458	1,750	2,644,806	1,797,632
2028	2,334,413	1,704,112	385,830	2,250	2,720,243	1,706,362
2029-2033	11,152,525	6,225,949	-	-	11,152,525	6,225,949
2034-2038	10,371,522	5,958,997	-	-	10,371,522	5,958,997
2039-2043	9,564,900	4,191,946	-	-	9,564,900	4,191,946
2044-2048	14,600,000	2,242,188	-	-	14,600,000	2,242,188
Total	\$ 57,616,611	\$ 28,034,225	\$ 771,662	\$ 12,250	\$ 58,388,273	\$ 28,046,475

Debt Covenants

The city pledges its net operating revenues in the Wastewater Fund at 135 percent of annual debt service on the Oregon Department of Environmental Quality (DEQ) loan. Additionally, the city is required to keep \$12,056 in a loan reserve account. If the loan is defaulted on, by failure to make required principal or interest payments, DEQ could declare all principal and interest and all other amounts due immediately. It could also prevent the city from applying for future state assistance. The city was compliant with these terms as of the end of fiscal year 2023.

Note 11. Employee Retirement Pension Plans

Plan Descriptions

The city is a participating employer in the Oregon Public Employees Retirement System (OPERS), a cost-sharing multiple-employer defined benefit pension plan. All benefits of OPERS are established by the Oregon Legislature pursuant to ORS Chapters 238 and 238A. The Oregon Legislature has delegated authority to the Public Employees Retirement Board to administer and manage the system as the governing body of OPERS.

The Tier One/Tier Two Retirement Benefit Plan, established by ORS Chapter 238, is closed to new members hired on or after August 29, 2003. The OPSRP pension program, established by ORS Chapter 238A, provides benefits to members hired on or after August 29, 2003. Both plans provide retirement and disability benefits, postemployment healthcare benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries.

OPERS issues a publicly available Annual Comprehensive Financial Report and Actuarial Valuation that can be obtained by writing to PERS, PO Box 23700, Tigard, Oregon, 97281-3700, by calling 888.320.7377 or on their website at:

<https://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>.

Detailed information about the pension plan's fiduciary net position is available in the separately issued OPERS financial report.

Defined Benefit Plan Benefits for Tier One/Tier Two Plans

Benefits under the defined benefit pension plan program include a retirement allowance payable monthly for life that may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2 percent for police and fire employees, 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results. Monthly payments must be a minimum of \$200 per month or the member will receive a lump-sum payment of the actuarial equivalent of benefits to which they are entitled.

Under Senate Bill 1049, passed during the 2019 legislative session, the salary included in the determination of Final Average Salary will be limited for all members beginning in 2021. The limit will be equal to \$225,533 as of January 1, 2023 and will be indexed with inflation in later years.

Benefits generally vest after five years of continuous service. Retirement is allowed at age fifty-eight with unreduced benefits, but retirement is generally available after age fifty-five with reduced benefits. Retirement benefits based on salary and length of service are calculated using a formula and are payable in a lump sum or monthly using several payment options. OPERS also provides death and disability benefits. These benefit provisions and other requirements are established by state statute.

Death Benefits. Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following conditions are met: (1) member was employed by a OPERS employer at the time of death; (2) member died within 120 days after termination of OPERS-covered employment; (3) member died as a result of injury sustained while employed in an OPERS-covered job; or (4) member was on an official leave of absence from an OPERS-covered job at the time of death.

Disability Benefits. A member with ten or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including OPERS judge members) for disability benefits regardless of the length of OPERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.

Benefit Changes After Retirement. Members may choose to continue participation in a variable equities investment account after retirement and may experience annual benefit fluctuations due to changes in the fair value of equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes. The COLA is capped at 2.0 percent.

ORS 238A OPSRP Defined Benefit Plan Benefits

This portion of the defined benefit pension plan of OPERS provides benefits to members hired on or after August 29, 2003. Benefits under this portion of OPSRP provide a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:

- For police and fire members, 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.
- For general service members, 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65 or age 58 with 30 years of retirement credit.

Members become vested on the earliest of the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, or if the pension program is terminated, the date on which termination becomes effective.

Under Senate Bill 1049, passed during the 2019 legislative session, the salary included in the determination of Final Average Salary will be limited for all members beginning in 2021. The limit will be equal to \$225,533 as of January 1, 2023 and will be indexed with inflation in later years.

Death Benefits. Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives 50 percent of the pension that would otherwise have been paid to the deceased member, for life.

Disability Benefits. A member who has accrued ten or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.

Benefit Changes After Retirement. Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. The cap on the cost-of-living changes in fiscal year 2016 and beyond vary based on the amount of the annual benefit.

Contributions. OPERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. This funding policy applies to the OPERS Defined Benefit Plan and the Other Postemployment Benefit Plans.

Employer contribution rates during the period were based on the December 31, 2019 actuarial valuation, which became effective July 1, 2021. The State of Oregon and certain schools, community colleges, and political subdivisions have made unfunded actuarial liability payments, and their rates have been reduced. The city's rates for the year ended June 30, 2023 were 23.32 percent for OPERS and 16.70 percent for OPSRP – general employees, and 21.06 percent for OPSRP – police employees, of salary covered under the plan. These rates are

reported inclusive of the retiree healthcare rates disclosed in a separate note disclosure. The contribution requirements for plan members and the city are established by ORS Chapter 238 and may be amended by the Oregon Legislature. Employer required contributions for the year ended June 30, 2023, were approximately \$2,302,163.

In September 2005, the city issued \$4,285,000 in pension obligation bonds to pay the city's unfunded actuarial liability as identified by OPERS based on the December 31, 2003 system valuation. Debt service on these bonds is made by the General Fund and recovered through interfund transfers. Further details are contained in the long-term liabilities footnote to these financial statements.

Pension Assets/Liabilities, Pension Expense, and Deferred Outflows and Inflows of Resources related to Pensions. At June 30, 2023, the city reported a liability of \$17,500,910 for its proportionate share of the plan pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. The city's proportionate share was based on a projection of the city's long-term share of contributions to the pension plan relative to the projected contributions of all participating members of the cost sharing pool as actuarially determined. At June 30, 2023 and 2022, the city's proportion was 0.11429534% and 0.10893946%, respectively. For the year ended June 30, 2023, the city recognized pension expense of \$2,323,928 for the defined benefit portion of the pension plan. At June 30, 2023, the city reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 849,528	\$ 109,139
Changes in assumptions	2,745,987	25,087
Net difference between projected and actual earnings on pension plan investments	-	3,128,824
Changes in proportion and differences between Milwaukie contributions and proportionate share of contributions	1,301,451	-
Differences between employer contributions and proportionate share of contributions		2,492,081
City contributions subsequent to the measurement date	2,302,163	-
Total	\$ 7,199,129	\$ 5,755,131

The deferred outflow of resources of \$2,302,163 for contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2023	\$ (108,102)
2024	(499,352)
2025	(1,435,590)
2026	1,286,065
2027	(101,186)
Total	\$ (858,165)

Actuarial Assumptions. The employer contribution rates effective July 1, 2021 through June 30, 2023 were set using the entry age normal actuarial cost method.

For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), and (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 20 years.

For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (a) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), and (b) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years.

The total pension liability in the actuarial valuation was determined using the following actuarial assumptions:

- Valuation Date December 31, 2020
- Measurement Date June 30, 2022
- Experience Study Report 2020, published July 20, 2021
- Actuarial Cost Method Entry Age Normal
- Actuarial Assumptions
 - Inflation Rate 2.40%
 - Long-term Expected Rate of Return 6.90%
 - Discount Rate 6.90%
 - Projected Salary Increases 3.40%
 - Cost of Living Adjustments (COLA) Blend of 2.00% COLA and graded COLA

- Mortality

(1.25%/0.15%) in accordance with Moro decision; blend based on service.

Health Retirees and Beneficiaries: Pub-2010 healthy retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation.

Active Members: Pub-2010 Employee, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation.

Disabled Retirees: Pub-2010 Employee, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation.

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even-numbered years. The methods and assumptions shown above are based on the 2020 Experience Study that reviewed experience for the four-year period ended on December 31, 2020.

Discount Rate. The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the city's proportionate share of the net pension liability calculated using the discount rate of 6.90%, as well as the city's proportionate share of the net pension liability if calculated using a discount rate that is 1-percentage-point lower (5.90%) or 1-percentage-point higher (7.90%) than the current rate:

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
City's proportionate share of the net pension liability (asset)	\$ 31,036,349	\$ 17,500,910	\$ 6,172,372

Long-term Expected Rate of Return. To develop an analytical basis for the selection of the long-term expected rate of return assumption, in 2020 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class/Strategy	Assumed Asset Allocation			Actual Allocation % ²
	Low Range %	High Range %	Target %	
Debt Securities	20.0	30.0	25.0	20.0
Public Equity	22.5	32.5	27.5	23.3
Real Estate	9.0	16.5	12.5	13.6
Private Equity	17.5	27.5	20.0	26.5
Real Assets	2.5	10.0	7.5	9.1
Diversifying Strategies	2.5	10.0	7.5	5.0
Opportunity Portfolio ¹	0.00	5.0	0	2.5
			100%	100%

¹ Opportunity Portfolio is an investment strategy. Up to 5% of total Funds assets may be invested in it.

² The Target allocation of Debt Securities is increased by 5% and Public Equity is reduced by 2.5% from FY2022, and the allocation to Risk Parity is eliminated.

Asset Class	Target Allocation	Annual Arithmetic Return ²	Compounded Annual (Geometric) Return	Standard Deviation
Global Equity	27.50%	8.57%	7.07%	17.99%
Private Equity	25.50	12.89	8.83	30.00
Core Fixed Income	25.00	4.59	4.50	4.22
Real Estate	12.25	6.90	5.83	15.13
Master Limited Partnerships	0.75	9.41	6.02	27.04
Infrastructure	1.50	7.88	6.51	17.11
Hedge Fund of Funds - Multistrategy	1.25	6.81	6.27	9.04
Hedge Fund Equity - Hedge	0.63	7.39	6.48	12.04
Hedge Fund - Macro	5.62	5.44	4.83	7.49
	<u>100.00%</u>			
Assumed Inflation - Mean			2.35%	1.41%

Payable to OPERS. At June 30, 2023, the city owed \$122,010 to OPERS for defined benefit contributions. This amount represents legally required contributions to the plan for services incurred in the current fiscal year.

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued OPERS financial report.

Depletion Date Projection

GASB 68 generally requires that a blended discount rate be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 68 will often require that the actuary performs complex projections of future benefit payments and pension plan investments. GASB 68 (paragraph 67) does allow for alternative evaluations of projected solvency if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment.

The following circumstances justify an alternative evaluation of sufficiency for PERS:

- PERS has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.

- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100% funded position by the end of the amortization period if future experience follows assumption.
- GASB 68 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan's funded position.

Based on these circumstances, it is our independent actuary's opinion that the detailed depletion date projections outlined in GASB 68 would clearly indicate that the Fiduciary Net Position is always projected to be sufficient to cover benefit payments and administrative expenses.

Individual Account Program (IAP)

Plan Description. During the 2003 legislature, the IAP was established to provide an individual account-based retirement benefit for new employees hired on or after August 29, 2003. Active participants in OPERS defined benefit pension plans also participate in the IAP defined contribution plan.

Death Benefits. Upon the death of a non-retired member, the beneficiary receives in a lump sum, the member's account balance, rollover account balance and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary is entitled to receive the remaining installment payments or a lump-sum payment.

Contributions. Beginning January 1, 2004, all employee contributions were placed in the OPSRP IAP, a defined contribution pension plan established by the Oregon Legislature. Prior to that date, all member contributions were credited to the Defined Benefit Pension Plan. Member contributions are set by statute at 6.0 or 7.0 percent of salary and are remitted by participating employers. The contributions are either deducted from member salaries or paid by the employers on the members' behalf. The IAP member accounts represent member contributions made on or after January 1, 2004, plus earnings allocations less disbursements for refunds, death benefits, and retirements. As permitted, the City has opted to pick up the contributions on behalf of employees. Effective January 1, 2020, Senate Bill 1049 redirects 2.5% of IAP contributions for Tier One/Tier Two members and 0.75% of IAP contributions for OPSRP members into an Employee Pension Stability Account (EPSA). Members have the option to voluntarily contribute after tax to their IAP accounts to make up this difference. Member contributions were \$704,017 for the year ended June 30, 2023.

Deferred Compensation Plan

The city has a Deferred Compensation Plan (Plan) created in accordance with the Internal Revenue Code Section 457(g). The Plan is managed by independent plan administrators. The Plan is available to all employees of the city. The city contributes 2 – 2.5 % of covered wages to the Plan depending on the employees bargaining unit status and employees may defer a portion of their salary until future years. City Council may establish or amend plan provisions including contribution requirements. Deferred compensation is not available to employees until

termination, retirement, death, or financial hardship. The Plan's assets are held in a custodial account for the exclusive benefit of participants and beneficiaries and are not subject to the claims of the city's creditors, nor can they be used by the city for any purpose other than the payment of benefits to the Plan participants. Accordingly, Plan assets and related liabilities are not recorded in the city's basic financial statements.

Note 12. Other Postemployment Benefits (OPEB)

The Other Postemployment Benefits (OPEB) for the city combines two separate plans. The city provides an implicit rate subsidy for retiree health insurance premiums, and a contribution to the State of Oregon's PERS cost-sharing multiple-employer defined health insurance benefit plan.

Financial Statement Presentation

The city's two OPEB plans are presented in the aggregate on the *Statement of Net Position*. The amounts on the financial statements relate to the plans as follows:

	Implicit Rate Subsidy	PERS RHIA Plan	Total OPEB on Financials
Net OPEB Asset	\$ -	\$ 219,794	\$ 219,794
Deferred Outflows of Resources			
Change in Assumptions	14,613	1,721	16,334
Difference in Expected and Actual Experience	139,654	-	139,654
Contributions After MD	59,755	1,301	61,056
Net OPEB Liability	<u>(730,887)</u>	<u>-</u>	<u>(730,887)</u>
Deferred Inflows of Resources			
Difference in Expected and Actual Experience	(149,129)	(5,956)	(155,085)
Difference in Earnings	-	(16,762)	(16,762)
Change in Assumptions	(193,389)	(7,326)	(200,715)
Change in Proportionate Share	-	(5,020)	(5,020)
OPEB Expense/(Income)*	<u>\$ 52,467</u>	<u>\$ (17,751)</u>	<u>\$ 34,716</u>

*Included in program expenses on Statement of Activities

Implicit Rate Subsidy

Plan Description. The city does not have a formal, stand-alone postemployment benefit plan for its employees; however, the city is required by ORS 243.303 to provide retirees with group health and dental insurance from the date of retirement to age 65 at the same rate provided to current employees. The city maintains a single employer defined benefit plan allowing eligible retirees to purchase health insurance benefits at premium rates set equal to the rates paid by active employees.

Funding Policy. The city collects insurance premiums from all retirees each month then pays health insurance premiums for all retirees at tiered rates to the insurance company. The required contributions to the plan include the city's pay-as-you-go amount and amount paid by retirees. For the fiscal year ended June 30, 2023, the city's retirees paid 100% of their insurance premium costs.

The program values the implicit retiree health insurance subsidy as the difference between the health insurance premiums and the expected age-adjusted claim costs for early retirees. The contribution amounts shown are the estimated implicit employer contributions.

Benefits Provided. The program is a defined benefit plan that provides post-employment health insurance to eligible city retirees. The program allows eligible retirees and their dependents to purchase the city's health insurance benefits at premium rates set equal to the rates paid by active employees. As of the valuation date of July 1, 2022, there were 140 active employees, six retired employees, and one spouse of an ineligible retiree in the city.

Net OPEB liability, OPEB expense, and deferred outflows of resources and deferred inflows of resources related to OPEB. The city's net OPEB liability of \$730,887 was measured as of June 30, 2022 and was determined by an actuarial valuation as of July 1, 2022.

The city recognized OPEB expense from this plan of \$52,467 for the year ended June 30, 2023. Additionally, the city reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 139,654	\$ 149,129
Changes of assumptions	14,613	193,389
Total (prior to post-MD contributions)	154,267	342,518
Contributions subsequent to the MD	59,755	-
Total	<u>\$ 214,022</u>	<u>\$ 342,518</u>

The city's contributions subsequent to the measurement date of \$59,755 are reported as deferred outflows of resources related to pensions and will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in OPEB expense as follows:

<u>Year ended June 30:</u>	
2024	\$ (32,430)
2025	(32,430)
2026	(32,430)
2027	(20,967)
2028	(4,568)
Thereafter	(65,426)
Total	<u>\$ (188,251)</u>

	1% Decrease (2.54%)	Discount Rate (3.54%)	1% Increase (4.54%)
Net OPEB Liability	\$ 787,744	\$ 730,887	\$ 677,973

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the city's net OPEB liability, as well as what the liability would be if it were calculated using a healthcare cost trend rate that is 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rate:

	1% Decrease	Current Trend Rate	1% Increase
Net OPEB Liability	\$ 655,419	\$ 730,887	\$ 820,047

PERS Retirement Health Insurance Account (RHIA)

Plan Description. As a member of the Oregon Public Employees Retirement System (OPERS), the city contributes to the Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by OPERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible retirees. Oregon Revised Statute 238.420 established this trust fund. Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The plan is closed to new entrants after January 1, 2004. OPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, Oregon 97281-3700, or online at <https://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>.

Benefits Provided. Because RHIA was created by enabling legislation, contribution requirements of the plan members and the participating employers were established and may be amended only by the Oregon Legislature. Oregon Revised Statute requires that an amount equal to \$60 or the total monthly cost of Medicare companion health insurance premiums coverage, whichever is less, shall be paid from the RHIA established by the employer, and any monthly cost in excess of \$60 shall be paid by the eligible retired member in the manner provided in ORS 238.410. To be eligible to receive this monthly payment toward the premium cost the member must (1) have eight years or more of qualifying service in OPERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in OPERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in an OPERS-sponsored health plan. An eligible surviving spouse or dependent of a deceased OPERS retiree may receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from OPERS, or (2) was insured at the time the member died and the member retired before May 1, 1991.

Contributions. PERS funding policy provides for employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. Employer contribution rates for the period were based on the December 31, 2020 actuarial valuation. The rates based on a percentage of payroll, first became effective July 1, 2021. The city's contribution rates for the period were 0.06% for Tier One/Tier Two members, and 0.00% for OPSRP members. The city's total contributions were \$1,301 for the fiscal year ended June 30, 2023.

OPEB Assets, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2023, the city reported an asset of \$219,794 for its proportionate share of the OPERS net OPEB asset. The net OPEB asset was measured as of June 30, 2022, and the net OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2019 rolled forward to June 30, 2022. The city's proportion of the net OPEB asset was based on the city's contributions to the RHIA program during the measurement period relative to contributions from all participating employers. At June 30, 2022, the city's proportionate share was 0.06185538%, which is an increase from its proportion of 0.00025158% from prior fiscal year.

For the year ended June 30, 2023, the city recognized OPEB expense from this plan of \$17,751. At June 30, 2023, the city reported deferred outflows of resources and deferred inflows of resources related to this OPEB plan from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ -	\$ 5,956
Changes of assumptions	1,721	7,326
Net difference between projected and actual earnings on investments	-	16,762
Changes in proportionate share	-	5,020
Differences between employer contributions and proportionate share of contributions	-	-
Total (prior to post-MD contributions)	1,721	35,064
Contributions subsequent to the MD	1,301	-
Total	\$ 3,022	\$ 35,064

Deferred outflows of resources to OPEB of \$1,301 resulting from the city's contributions subsequent to the measurement date will be recognized as either a reduction of the net OPEB liability or an increase in the net OPEB asset in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:		
2024	\$	(17,802)
2025	\$	(10,331)
2026	\$	(10,578)
2027	\$	5,368
2028	\$	-
Total	\$	(33,343)

Actuarial Methods and Assumptions

The net OPEB liability in the December 31, 2019 actuarial valuation was determined using actuarial methods and assumptions consistent with those disclosed for the OPERS Pension Plan. See Note 11 for additional information on Actuarial Assumptions and Methods, the Long-Term Expected Rate of Return, and the Discount Rate.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Discount Rate

The following presents the city's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 6.9%, as well as what the city's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower (5.90%) or 1-percentage point higher (7.90%) than the current rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Net OPEB Asset	\$ (198,096)	\$ (219,794)	\$ (238,394)

OPEB Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued OPERS financial report.

Changes in Plan Provisions During the Measurement Period

There were no changes during the June 30, 2022 measurement period that require disclosure.

Changes in Plan Provisions Subsequent to Measurement Date

There were no changes subsequent to the June 30, 2022 measurement period that require disclosure.

Note 13. Fund Balance Classification

Governmental fund balances were classified as follows as of June 30, 2023:

	General Fund	Transportation Fund	Milwaukie Redevelopment Commission	Other Governmental Funds	Total Governmental Funds
Nonspendable					
Prepaid expenditures	\$ 285,127	\$ -	\$ -	\$ 10,395	\$ 295,522
Restricted					
Public safety supplies	105,749	-	-	-	105,749
Infrastructure	-	-	-	5,511,549	5,511,549
Building services	-	-	-	4,550,351	4,550,351
Urban revitalization	-	-	6,665,046	-	6,665,046
Library services	783,887	-	-	-	783,887
Transportation	-	26,866,632	-	-	26,866,632
Debt service	-	-	-	242,786	242,786
	<u>889,636</u>	<u>26,866,632</u>	<u>6,665,046</u>	<u>10,304,686</u>	<u>44,726,000</u>
Assigned					
City Hall remodel	-	-	-	585,614	585,614
Unassigned	12,483,100	-	-	-	12,483,100
Total fund balance	<u>\$ 13,657,863</u>	<u>\$ 26,866,632</u>	<u>\$ 6,665,046</u>	<u>\$ 10,900,695</u>	<u>\$ 58,090,236</u>

Note 14. Commitments and Contingencies

The city is a defendant in various litigation proceedings. Management believes any losses arising from these actions will not materially affect the city's financial position. The city does have various commitments and contingencies as follows:

Clackamas County Service District No.1 – The city has an intergovernmental agreement with Clackamas County Service District No.1 (District) to treat sewage wastewater. Pertinent terms of this agreement are as follows:

- The original agreement for wastewater treatment services dated November 25, 1970 was extended and modified several times. In May 2012 the city and District signed a memorandum of understanding for services effective July 1, 2012 through June 30, 2037.
- Following an independent review of the number of sewer connections during fiscal year 2012, the baseline number of Equivalent Dwelling Units (EDUs) was determined to be 10,939.
- The city agreed to pay up to \$30.25 per EDU per month in year one and the District's wholesale rate thereafter. The wholesale rate for this fiscal year was \$37.95 per EDU. This amounts to approximately \$5.36 million each fiscal year.
- EDU counts are updated semi-annually on March 1 and September 1.

Clackamas Fire District No.1 – The city has various agreements with Clackamas County Fire District No.1 (Fire District) as follows:

- The city passed Ordinance No. 1958 in February 2006 following Ballot Measure 3-166 where voters authorized the annexation of fire services into the Fire District. This Ordinance reduces the city's permanent tax rate of \$6.5379 per \$1,000 of assessed value by the permanent rate of the Fire District equating to \$2.4012 offset by their annual bonded debt rate until then-existing bonds were paid off in fiscal year 2015.
- The city has an intergovernmental agreement with the Fire District for its use of Station 2 at the city's Public Safety Building. This agreement, signed in December 2014, provides that the Fire District will pay the city one dollar (\$1) annually for rent, \$500 per month for general maintenance and janitorial services, and its share of utilities.
- This same intergovernmental agreement with the Fire District provides the city exclusive use of the Fire District's facility at 6596 SE Lake Road. The agreement stipulates that the city will pay for utilities, cleaning and all other operating costs with the Fire District paying for any interior and exterior maintenance.

Clackamas River Water – the city has an intergovernmental agreement with Clackamas River Water (CRW) for joint utility billing services. Pertinent terms of this agreement are as follows:

- The city and CRW signed an agreement in January 2015 authorizing the city to perform meter reading, custom billing and customer service activities to customers served by CRW through January 31, 2025.
- Provide a combined utility bill for property owners; however, services for water are still maintained by CRW and services for wastewater, stormwater and street maintenance are maintained by the city.
- The city receives a 5% administration fee monthly from CRW charges collected in the previous month.

City of Lake Oswego – The city has an intergovernmental cooperative agreement with the City of Lake Oswego (Lake Oswego) to provide public safety 911/communication dispatching services for Milwaukie's Police Department. Pertinent terms of this agreement are as follows:

- Dispatching services include, but are not limited to, 24-hour-per-day answering of emergency telephone lines (including 911 calls) for fire, police, and emergency medical service requests, radio communications with police personnel regarding emergency and routine police matters, and other dispatching services for law enforcement purposes.
- As part of this agreement, the State redirects the city's state-allocated 911 monies directly to Lake Oswego to help offset the annual contract costs summarized below. These annual monies from the State average approximately \$192,000 per fiscal year.
- The Agreement effective July 1, 2022, through June 30, 2026 estimates the annual contract cost for fiscal year 2024 to be \$716,000.

Oregon Department of Transportation – The city entered into an intergovernmental agreement effective July 1, 2007 to have with Oregon Department of Transportation (ODOT) commence collecting \$0.02 cents per gallon motor vehicle fuel license tax (i.e., local gas tax) on fuel dealers

that sell, use or distribute fuel in the city. This local gas tax is in addition to the state gas tax (which currently is at \$0.30 cents per gallon). Pertinent terms of this agreement are as follows:

- The agreement expires on September 30, 2031 unless extended.
- Ordinance No. 1970 limits the use of this local gas tax fund to the purposes associated with the administration, construction, reconstruction, improvement, repair, maintenance, operation and use of public highways, roads and streets within the city.

Milwaukie Redevelopment Commission (MRC) - As of June 30, 2023, the city owes the MRC \$378,412 to complete the February 14, 2023 Bond issuance. These funds will be transferred in the fiscal year 2024.

Other Commitments – The city has entered various contracts in the ordinary course of business. The most significant contracts include the following:

Project	Significant Contracts Outstanding	Costs as of June 30, 2023	Remaining Costs	Contract Expiration
Home & Wood Avenue improvements	\$ 3,187,182	\$ 2,943,897	\$ 243,285	June 2024
Well #2 relocation and construction	586,565	557,237	29,328	July 2023
Washington Street area improvements	799,948	744,581	55,367	December 2023
Wastewater system improvements	782,272	690,831	91,441	January 2024
New city hall tenant improvements	1,663,656	1,036,547	627,109	February 2024
King Road improvements	943,210	97,649	845,561	December 2025

Note 15. Risk Management

The city is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. Except for unemployment compensation, the city purchases commercial insurance to minimize its exposure to these risks. There has been no reduction in commercial insurance coverage from the previous fiscal year. Workers' compensation claims are insured through incurred loss retrospective policies and the city is self-insured for unemployment compensation claims. Settled claims have not exceeded coverage for any of the past three fiscal years. Liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated.

Note 16. Property Tax Limitation

The citizens of the State of Oregon approved the first property tax limitation in 1990 – Measure 5. This limitation divides property taxes into an education category and a non-education category. The tax rate in the education category was limited to \$5 per thousand of real market value for fiscal year 1995-96 and thereafter. The non-education category was limited to \$10 per thousand real market value. Although non-education taxes to the City do not currently

generally exceed the \$10 per \$1,000 of property real market value limitation, this limitation may affect the availability of future tax revenues for the city.

A second property tax limitation was approved in November 1996 and later modified in May 1997 – Measures 47 and 50, respectively. This limitation set a maximum permanent tax rate for the city exclusive of bonded debt at \$6.5379 per \$1,000 assessed value. Assessed values can only grow by a maximum of three percent per year, exclusive of new construction and annexations.

Note 17. Tax Abatements

The city enters into property tax abatement agreements with local businesses under the state Vertical Housing Program, authorized by ORS 307.841 through ORS 307.867, administered by Oregon Housing and Community Services, authorized by ORS 456.555 and Oregon Administrative Rule (OAR) 813-013. The purpose of the program is to encourage investment in and rehabilitation of properties in targeted areas of a city or community, to augment the availability of appropriate housing, and to revitalize communities. The program encourages mixed-use developments that contain both non-residential and residential uses in areas (zones) designated by local jurisdictions. Eligible projects receive a partial property tax exemption which varies with the number of "Equalized Floors" in a project, with a maximum property tax exemption of 80% over a 10-year term. The city has one project under this program. The exemption is 60% of the residential property taxes for 10 years. For the current year, the abatements is approximately \$56,974 for the city and \$2,594 for Urban Renewal.

The city enters into property tax abatement agreements with local businesses under the state Low Income Housing Program, authorized by ORS 307.540, administered by Oregon Housing and Community Services, authorized by ORS 456.555 and OAR 813-013. The purpose of the program is to encourage investment in low-income housing in targeted areas of a city or community, to augment the availability of appropriate housing, and to revitalize communities. The program encourages mixed-use developments that contain both non-residential and residential uses in areas (or zones) designated by local jurisdictions. For the current year, the abatement is approximately \$4,180 for the city and \$235 for Urban Renewal.

Additionally, the State of Oregon under the Oregon Business Development Department offers an Enterprise Zone (EZ) Tax Abatement Program, authorized by ORS 285C. Under this program, local governments are responsible for creating, managing and renewing enterprise zones. In exchange for locating or expanding into an enterprise zone, eligible (generally non-retail) businesses receive total exemption from the property taxes normally assessed on new plant and equipment for three to five years after the property is in service. Minimum eligibility requirements include an increase in full-time, permanent employment by 10%, maintaining minimum employment levels during the exemption period, and employee wages to exceed at least 150% of the State minimum wage. The city has one agreement under this program. For the current year, the abatement is approximately \$2,442 the city and \$137 for Urban Renewal.

Note 18. New Pronouncements

During the fiscal year ended June 30, 2023, the city implemented the following GASB pronouncements:

GASB Statement No. 91, Conduit Debt Obligations. This statement establishes that a conduit debt obligation is not a liability of the issuer; establishes standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations and improves required note disclosures.

GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements. This statement improves financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). Arrangements with contracts to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or capital asset for a period.

GASB Statement No. 96, Subscription-based Information Technology Arrangements. This statement defines a SBITA; establishes that a SBITA results in a right-to-use subscription asset – an intangible asset – and a corresponding subscription liability; provides the capitalization criteria for outlays other than subscription payments, including implementation costs; and requires note disclosures regarding a SBITA.

Note 19. Prior Period Adjustment

An adjustment of \$106,249 is to account for a common two-month lag with receiving funds from ODOT for State Gas Tax. The delay would technically not have any impact on when the revenue is recognized by the city, as the period in which the revenue is attributed is reflected from the period from which ODOT collects funds, not the period from when ODOT distributes funds. This impacts the Transportation Fund and Governmental Activities.



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REQUIRED SUPPLEMENTARY INFORMATION

Schedules of Revenues, Expenditures and Changes in
Fund Balances – Budget and Actual

Schedule of Net OPEB Liability

Schedule of Changes in Net OPEB Liability

Schedule of the City's Proportionate Share of the
Net OPEB (Asset)/Liability

Schedule of the City's Proportionate Share of the
Net Pension (Asset)/Liability

Schedule of the City's Contributions

Notes to Required Supplementary Information

SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

BUDGET AND ACTUAL

(required supplementary information)

GENERAL FUND

SPECIAL REVENUE MAJOR FUNDS

Transportation Fund

Milwaukie Redevelopment Commission

CITY OF MILWAUKIE, OREGON

GENERAL FUND

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – BUDGET AND ACTUAL**

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Budget for the 2023-2024 Biennium		Actual		Variance with Final Budget
	Original	Final	1st Year FY 2022-23	Total	
REVENUES:					
Property taxes	\$ 19,507,000	\$ 19,507,000	\$ 9,708,081	\$ 9,708,081	\$ (9,798,919)
Franchise taxes	4,885,000	4,885,000	2,446,520	2,446,520	(2,438,480)
Intergovernmental	9,529,000	9,533,000	3,313,197	3,313,197	(6,219,803)
Fines and forfeitures	816,000	816,000	459,721	459,721	(356,279)
Licenses and permits	1,231,000	1,231,000	594,306	594,306	(636,694)
Investment earnings	214,000	214,000	356,389	356,389	142,389
Miscellaneous	351,000	351,000	230,635	230,635	(120,365)
TOTAL REVENUES	36,533,000	36,537,000	17,108,849	17,108,849	(19,428,151)
EXPENDITURES:					
City Council	291,000	291,000	125,315	125,315	165,685
City Manager	3,504,000	3,504,000	1,555,526	1,555,526	1,948,474
City Attorney	744,000	744,000	331,497	331,497	412,503
Community Development	2,298,000	2,001,000	733,357	733,357	1,267,643
Public Works Administration	6,485,000	6,460,000	1,494,979	1,494,979	4,965,021
Engineering Services	4,098,000	4,098,000	1,716,379	1,716,379	2,381,621
Facilities Management	4,901,000	4,901,000	2,038,297	2,038,297	2,862,703
Finance	3,111,000	3,020,000	1,387,263	1,387,263	1,632,737
Fleet Services	1,454,000	1,454,000	646,898	646,898	807,102
Human Resources	900,000	900,000	449,505	449,505	450,495
Information Technology	3,147,000	3,099,000	1,309,581	1,309,581	1,789,419
Library	4,474,000	4,478,000	2,102,929	2,102,929	2,375,071
Municipal Court	279,000	279,000	123,225	123,225	155,775
Planning	1,905,000	1,905,000	839,397	839,397	1,065,603
Code Enforcement	713,000	713,000	338,924	338,924	374,076
Public, Education and Government	206,000	206,000	137,507	137,507	68,493
City Recorder	1,085,000	1,085,000	493,998	493,998	591,002
Police	15,712,000	16,148,000	7,850,358	7,850,358	8,297,642
Nondepartmental					
General Services	2,233,000	2,303,000	1,048,663	1,048,663	1,254,337
Contingency	2,050,000	2,050,000	-	-	2,050,000
TOTAL EXPENDITURES	59,590,000	59,639,000	24,723,598	24,723,598	34,915,402
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(23,057,000)	(23,102,000)	(7,614,749)	(7,614,749)	(15,487,251)
OTHER FINANCING SOURCES (USES):					
Proceeds from Lease financing	-	-	141,911	141,911	141,911
Proceed from SBITA financing	-	-	174,928	174,928	174,928
Proceed from sale of capital asset	-	-	6,300	6,300	6,300
Transfers from other funds	13,740,000	13,785,000	7,657,156	7,657,156	(6,127,844)
Transfers to other funds	(1,756,000)	(1,756,000)	(1,528,000)	(1,528,000)	228,000
TOTAL OTHER FINANCING SOURCES (USES)	11,984,000	12,029,000	6,452,295	6,452,295	(5,576,705)
NET CHANGE IN FUND BALANCES	(11,073,000)	(11,073,000)	(1,162,454)	(1,162,454)	9,910,546
FUND BALANCES - beginning	16,151,000	16,151,000	14,820,317	14,820,317	(1,330,683)
FUND BALANCES - ending	\$ 5,078,000	\$ 5,078,000	\$ 13,657,863	\$ 13,657,863	\$ 8,579,863

CITY OF MILWAUKIE, OREGON

TRANSPORTATION FUND

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – BUDGET AND ACTUAL**

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Budget for the 2023-2024 Biennium		Actual		Variance with Final Budget
	Original	Final	1st Year FY 2022-23	Total	
REVENUES:					
Intergovernmental	\$ 6,118,000	\$ 6,118,000	\$ 2,233,677	\$ 2,233,677	\$ (3,884,323)
Charges for services	4,837,000	4,837,000	2,287,808	2,287,808	(2,549,192)
Franchise fees	2,927,000	2,927,000	1,462,638	1,462,638	(1,464,362)
Investment earnings	260,000	260,000	777,775	777,775	517,775
Miscellaneous	65,000	65,000	23,598	23,598	(41,402)
TOTAL REVENUES	14,207,000	14,207,000	6,785,496	6,785,496	(7,421,504)
EXPENDITURES:					
Personnel services	1,364,000	1,364,000	665,780	665,780	698,220
Materials and services	1,550,000	1,550,000	606,566	606,566	943,434
Debt service	3,394,000	3,394,000	1,948,133	1,948,133	1,445,867
Capital outlay	19,638,000	19,638,000	3,154,761	3,154,761	16,483,239
Contingency	1,210,000	1,210,000	-	-	1,210,000
TOTAL EXPENDITURES	27,156,000	27,156,000	6,375,240	6,375,240	20,780,760
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(12,949,000)	(12,949,000)	410,256	410,256	(28,202,264)
OTHER FINANCING SOURCES (USES):					
Proceeds from Debt	21,000,000	21,000,000	18,479,500	18,479,500	(2,520,500)
Transfers to other funds	(4,490,000)	(4,490,000)	(2,235,000)	(2,235,000)	(2,255,000)
TOTAL OTHER FINANCING SOURCES (USES)	16,510,000	16,510,000	16,244,500	16,244,500	265,500
NET CHANGE IN FUND BALANCES	3,561,000	3,561,000	16,654,756	16,654,756	13,093,756
FUND BALANCES - beginning	10,191,000	10,191,000	10,318,125	10,318,125	127,125
Prior Period Adjustment	-	-	(106,249)	(106,249)	(106,249)
FUND BALANCES - beginning	10,191,000	10,191,000	10,211,876	10,211,876	20,876
FUND BALANCES - ending	\$ 13,752,000	\$ 13,752,000	\$ 26,866,632	\$ 26,866,632	\$ 13,114,632

CITY OF MILWAUKIE, OREGON

MILWAUKIE REDEVELOPMENT COMMISSION FUND

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – BUDGET AND ACTUAL**

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Budget for the 2023-2024 Biennium		Actual		Variance with Final Budget
	Original	Final	1st Year FY 2022-23	Total	
REVENUES:					
Property taxes	\$ 1,753,000	\$ 1,753,000	\$ 590,430	\$ 590,430	\$ (1,162,570)
Investment earnings	10,000	10,000	153,859	153,859	143,859
Miscellaneous	-	-	1,068	1,068	1,068
TOTAL REVENUES	1,763,000	1,763,000	745,357	745,357	(1,017,643)
EXPENDITURES:					
Materials and services	100,000	100,000	24,867	24,867	75,133
Debt service	1,044,000	1,044,000	357,403	357,403	686,597
Capital outlay	5,332,000	5,332,000	206,478	206,478	5,125,522
Contingency	42,000	42,000	-	-	42,000
TOTAL EXPENDITURES	6,518,000	6,518,000	588,748	588,748	5,929,252
EXCESS OF REVENUES OVER EXPENDITURES	(4,755,000)	(4,755,000)	156,609	156,609	4,911,609
OTHER FINANCING SOURCES (USES):					
Proceeds from debt	6,500,000	6,500,000	5,052,100	5,052,100	(1,447,900)
Transfers to other funds	(70,000)	(70,000)	(35,000)	(35,000)	35,000
TOTAL OTHER FINANCING SOURCES (USES)	6,430,000	6,430,000	5,017,100	5,017,100	(1,412,900)
NET CHANGE IN FUND BALANCES	1,675,000	1,675,000	5,173,709	5,173,709	3,498,709
FUND BALANCES - beginning	1,620,000	1,620,000	1,491,337	1,491,337	(128,663)
FUND BALANCES - ending	\$ 3,295,000	\$ 3,295,000	\$ 6,665,046	\$ 6,665,046	\$ 3,370,046

CITY OF MILWAUKIE, OREGON

SCHEDULE OF THE CITY'S OPEB LIABILITY AND CHANGES IN OPEB LIABILITY

FOR THE LAST TEN YEARS

SCHEDULE OF OPEB LIABILITY (TOL)

Measurement Date	City's Total OPEB liability	City's employee covered payroll	TOL as a percentage of covered payroll
Ending June 30,			
2022	\$ 730,887	\$ 11,735,888	6.2%
2021	944,921	11,647,433	8.1%
2020	913,974	11,377,967	8.0%
2019	698,535	10,798,700	6.5%
2018	668,101	9,921,800	6.7%
2017	825,960	9,351,333	8.8%
2016 ¹	-	-	-
2015 ¹	-	-	-
2014 ¹	-	-	-
2013 ¹	-	-	-

SCHEDULE OF CHANGES IN OPEB LIABILITY (TOL)

Measurement Date	TOL beginning balance	Service Costs	Interest on the TOL	Benefit payments	Economic or Demographic gains/losses	Changes of assumptions	TOL ending balance
Ending June 30,							
2022	\$ 944,921	\$ 63,736	\$ 21,161	\$ (58,316)	\$ (139,301)	\$ (101,314)	\$ 730,887
2021	913,974	61,873	20,956	(55,519)	-	3,637	944,921 ¹
2020	698,535	48,752	25,613	(31,228)	209,482	(37,180)	913,974
2019	668,101	43,361	26,362	(61,101)	-	21,812	698,535
2018	825,960	55,573	30,755	(45,297)	(58,326)	(140,564)	668,101
2017	843,871	59,530	25,046	(49,572)	-	(52,915)	825,960
2016 ¹	-	-	-	-	-	-	-
2015 ¹	-	-	-	-	-	-	-
2014 ¹	-	-	-	-	-	-	-
2013 ¹	-	-	-	-	-	-	-

¹ Actuarial information not available.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

CITY OF MILWAUKIE, OREGON

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE

JUNE 30, 2023

CITY'S PROPORTIONATE SHARE OF THE NET RHIA OPEB LIABILITY (ASSET)

Measurement Date June 30,	(a) City's proportion of the net OPEB liability (asset)	(b) City's proportionate share of the net OPEB liability (asset)	(c) Covered payroll	City's proportionate share of the net OPEB liability (asset) as a percentage	Plan fiduciary net position as a percentage of the total OPEB liability
2022	-0.06185538%	\$ (219,794)	\$ 11,051,980	-1.99%	194.6%
2021	-0.06160380%	(211,548)	11,647,433	-1.82%	183.9%
2020	-0.05242193%	(106,815)	11,377,967	-0.94%	150.1%
2019	-0.09821427%	(189,175)	10,798,700	-1.75%	144.4%
2018	-0.09505729%	(106,110)	9,921,800	-1.07%	124.0%
2017	-0.00967439%	(39,733)	9,351,333	-0.42%	108.9%
2016 ¹	0.00000000%	-	-	0.00%	0.0%
2015 ¹	0.00000000%	-	-	0.00%	0.0%
2014 ¹	0.00000000%	-	-	0.00%	0.0%
2013 ¹	0.00000000%	-	-	0.00%	0.0%

**CITY'S PROPORTIONATE SHARE OF THE OREGON PUBLIC EMPLOYEE RETIREMENT
PENSION PLAN (OPERS) NET PENSION LIABILITY (ASSET)**

Measurement ¹ Date June 30,	City's ² proportion of the net pension liability (asset)	City's ² proportionate share of the net pension liability (asset)	City's covered payroll	City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability / (asset)
2022	0.11429534%	\$ 17,500,910	\$ 11,051,980	158.4%	84.5%
2021	0.10893946%	13,036,219	11,647,433	111.9%	87.6%
2020	0.10387483%	22,669,062	11,377,967	199.2%	75.8%
2019	0.10370708%	17,938,841	10,798,700	166.1%	84.6%
2018	0.10363730%	15,699,686	9,921,800	158.2%	82.1%
2017	0.10160770%	13,696,756	9,351,333	146.5%	83.1%
2016	0.10097892%	15,159,281	8,793,003	172.4%	80.5%
2015	0.09405887%	5,400,354	8,468,557	63.8%	91.9%
2014	0.10109889%	(2,291,623)	8,611,274	(26.6%)	103.6%

¹ Actuarial information not available.

² Actuarial information provided by OPERS actuary.

CITY OF MILWAUKIE, OREGON

SCHEDULE OF THE CITY'S CONTRIBUTIONS

JUNE 30, 2023

SCHEDULE OF CITY'S OPEB RHIA PLAN CONTRIBUTIONS²

Fiscal year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	City's covered payroll	Contributions as a percentage of covered payroll
2023	\$ 1,301	\$ 1,301	-	11,735,888	0.01%
2022	1,545	1,545	-	11,051,980	0.01%
2021	1,648	1,648	-	11,647,433	0.01%
2020	3,744	3,744	-	11,377,967	0.03%
2019	48,677	48,677	-	10,798,700	0.45%
2018	46,027	46,027	-	9,921,800	0.46%
2017	47,590	47,590	-	9,351,333	0.51%
2016 ²	45,543	45,543	-	8,793,003	0.00%
2015 ²	47,003	47,003	-	8,468,557	0.00%
2014 ¹	-	-	-	-	0.00%

SCHEDULE OF CITY'S OREGON PUBLIC EMPLOYEE RETIREMENT PENSION PLAN (OPERS) CONTRIBUTIONS²

Fiscal year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	City's covered payroll	Contributions as a percentage of covered payroll
2023	\$ 2,302,163	\$ 2,302,163	\$ -	\$ 11,735,888	19.6%
2022	2,181,727	2,181,727	-	11,051,980	19.7%
2021	1,995,646	1,995,646	-	11,647,433	17.1%
2020	1,954,083	1,954,083	-	11,377,967	17.2%
2019	1,404,433	1,404,433	-	10,798,700	13.0%
2018	1,336,107	1,336,107	-	9,921,800	13.5%
2017	928,786	928,786	-	9,351,333	9.9%
2016	906,240	906,240	-	8,793,003	10.3%
2015	825,536	881,500	(55,964)	8,468,557	10.4%
2014	774,851	860,200	(85,349)	8,611,274	10.0%

¹ Information not available.

² Actuarial information provided by OPERS actuary.

CITY OF MILWAUKIE, OREGON

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

FOR FISCAL YEAR ENDED JUNE 30, 2023

Required Supplementary Information includes budgetary comparisons for the general, city hall, and transportation funds. The budgetary comparison information for all other funds can be found in Other Supplementary Information, which follows this section. Budgets are prepared over a biennium term using the modified accrual basis of accounting.

1. Budgetary Information

Municipal budgets are adopted on a basis consistent with ORS 294 – Local Budget Law. The city manager is responsible for submitting a proposed budget to the Budget Committee, comprised of the City Council and an equal number of citizens of the city. The city is required to prepare a budget for each fund.

The Budget Committee conducts public hearings for the purpose of obtaining citizens' comments, and then approves a budget and submits it to the City Council for final adoption. The approved expenditures for each fund may not be increased by more than 10% by Council without returning to the Budget Committee. After the Council adopts the budget and certifies the total ad valorem taxes to be levied, no additional tax levy may be made for that budget period.

The City Council legally adopts the budget by resolution before July 1. The resolution establishes appropriations for each fund and sets the level at which expenditures cannot legally exceed appropriations. In the General Fund, the levels of budgetary control established by resolution are set at the department level. For all other funds, the level of budgetary control is at the program level. Appropriations lapse at the end of the biennium.

The City Council may modify the budget by transferring appropriations between levels of control and by adopting supplemental budgets. Unexpected additional resources may be added to the budget with a supplemental budget. Some supplemental budgets require hearings before the public, publications in newspapers and review by the Budget Committee before City Council adoption. Original and supplemental budgets may be modified using appropriation transfers between the levels of control. Such transfers require approval by the City Council. For the fiscal year ended June 30, 2023, one supplemental budget resolution and one budget transfer were approved through the first year of the 2023-2024 biennium.

2. Oregon Public Employee Retirement Pension Plan (PERS)

Changes in Assumptions – a summary of key changes implemented with the December 31, 2015 actuarial valuation which was used in the pension calculations and amounts reported for fiscal year ended June 30, 2021, along with additional detail and a comprehensive list of changes in methods and assumptions from the December 31, 2014 actuarial valuation can be found at: <http://www.oregon.gov/pers>.

Changes in Plan Provisions Subsequent to Measurement Date – on July 28, 2017 the PERS Board lowered the assumed investment rate of return from 7.5% to 7.2% effective on January 1, 2019. This rate will be used for the determination of contribution rates beginning July 1, 2019. The Board revises the assumed rate based on the long-term projection of investment returns that can be expected from the asset allocations of the Oregon Investment Council and related capital market expectations. An estimate of the result of this change is not readily available at this time.

3. Other Postemployment Benefits (OPEB)

Changes of Benefit Terms – OPEB (Implicit Rate Subsidy Plan) – there were no changes of benefit terms used to measure the June 30, 2021 net OPEB liability.

Changes of Assumptions – OPEB (Implicit Rate Subsidy Plan) – below is a summary of key assumption changes implemented with the July 1, 2021 valuation utilized in the OPEB amounts reported for fiscal year ended June 30, 2023.

- *Changes in Actuarial methods and Allocation Procedures* – the Actuarial Cost Method was changed from the Projected Unit Credit (PUC) Cost Method to the Entry Age Normal (EAN) Cost Method.
- *Health Care Cost Trend* – medical and vision costs increased to 6.0% per year.
- *General Inflation* – general inflation decreased to 2.5%.

OTHER SUPPLEMENTARY INFORMATION

Nonmajor Governmental *Combining & Individual Fund Financial Statements*

Capital Projects Fund

Systems Development Charges Fund – accounts for systems development charges which are restricted for capacity increasing capital projects.

City Hall Fund – accounts for activities related to the sale-leaseback of the new city hall building.

Special Revenue Funds

Building Fund – accounts for building activities which are restricted by statute.

Construction Excise Tax Fund – accounts for the collection of construction excise taxes to fund incentives for the development and construction of affordable housing.

Debt Service Fund

Debt Service Fund – accounts for the payment of general obligation bonds and full faith and credit obligation principal and interest.



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CITY OF MILWAUKIE, OREGON
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

JUNE 30, 2023

	Capital Projects		Special Revenue			Debt Service	Total Non-Major Funds
	Systems Development Charges	City Hall	Building	Library	Construction Excise Tax	Debt Service	
ASSETS:							
Cash and investments	\$ -	\$ 952,197	\$ -	\$ -	\$ -	\$ -	\$ 952,197
Restricted cash and investments	2,509,181	-	4,665,599	-	3,080,782	242,786	10,498,348
Property taxes receivable	-	-	-	-	-	-	-
Prepaid expenditures	-	-	10,395	-	-	-	10,395
TOTAL ASSETS	\$ 2,509,181	\$ 952,197	\$ 4,675,994	\$ -	\$ 3,080,782	\$ 242,786	\$ 11,460,940
LIABILITIES:							
Accounts payable	\$ 24,004	\$ 366,583	\$ 105,792	\$ -	\$ 54,410	\$ -	\$ 550,789
Accrued salaries and payroll taxes	-	-	9,456	-	-	-	9,456
TOTAL LIABILITIES	24,004	366,583	115,248	-	54,410	-	560,245
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	24,004	366,583	115,248	-	54,410	-	560,245
FUND BALANCES:							
Nonspendable	-	-	10,395	-	-	-	10,395
Restricted	2,485,177	-	4,550,351	-	3,026,372	242,786	10,304,686
Assigned	-	585,614	-	-	-	-	585,614
TOTAL FUND BALANCES	2,485,177	585,614	4,560,746	-	3,026,372	242,786	10,900,695
TOTAL LIABILITIES, DEFERRRED INFLOW OF RESOURCES AND FUND BALANCES	\$ 2,509,181	\$ 952,197	\$ 4,675,994	\$ -	\$ 3,080,782	\$ 242,786	\$ 11,460,940

CITY OF MILWAUKIE, OREGON

NONMAJOR GOVERNMENTAL FUNDS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES**

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Capital Projects		Special Revenue			Debt Service	Total Non-Major Funds
	Systems Development Charges	City Hall	Building	Library	Construction Excise Tax	Debt Service	
REVENUES:							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 860,000	\$ 860,000
Intergovernmental	-	-	-	-	-	168,200	168,200
Licenses and permits	-	-	1,918,350	-	-	-	1,918,350
Lease revenue	-	203,831	-	-	-	-	203,831
Systems development charges	261,838	-	-	-	925,085	-	1,186,923
Investment earnings	68,466	90,860	120,310	-	60,070	23,745	363,451
Miscellaneous	2,986	-	2,738	-	38,772	-	44,496
TOTAL REVENUES	333,290	294,691	2,041,398	-	1,023,927	1,051,945	4,745,251
EXPENDITURES:							
Personnel services	-	163,512	417,777	-	-	-	581,289
Materials and services	10,611	-	321,990	-	50,000	-	382,601
Debt service:							
Principal	-	-	-	-	-	935,000	935,000
Interest	-	-	-	-	-	442,967	442,967
Capital outlay	113,746	1,472,270	-	-	-	-	1,586,016
TOTAL EXPENDITURES	124,357	1,635,782	739,767	-	50,000	1,377,967	3,927,873
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	208,933	(1,341,091)	1,301,631	-	973,927	(326,022)	817,378
OTHER FINANCING SOURCES (USES):							
Proceeds from debt	-	-	-	-	-	-	-
Transfers to other funds	-	(252,000)	(210,000)	(789,156)	(15,000)	-	(1,266,156)
Transfers from other funds	-	500,000	-	-	800,000	560,000	1,860,000
TOTAL OTHER FINANCING SOURCES (USES)	-	248,000	(210,000)	(789,156)	785,000	560,000	593,844
NET CHANGE IN FUND BALANCES	208,933	(1,093,091)	1,091,631	(789,156)	1,758,927	233,978	1,411,222
FUND BALANCES - beginning	2,276,244	1,678,705	3,469,115	789,156	1,267,445	8,808	9,489,473
FUND BALANCES - ending	\$ 2,485,177	\$ 585,614	4,560,746	\$ -	\$ 3,026,372	\$ 242,786	\$ 10,900,695

CITY OF MILWAUKIE, OREGON

SYSTEMS DEVELOPMENT CHARGES FUND

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – BUDGET AND ACTUAL**

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Budget for the 2023-2024 Biennium		Actual		Variance with Final Budget
	Original	Final	1st Year FY 2022-23	Total	
REVENUES:					
Systems development charges	\$ 1,396,000	\$ 1,396,000	\$ 261,838	\$ 261,838	\$ (1,134,162)
Intergovernmental	250,000	250,000	-	-	(250,000)
Investment earnings	10,000	10,000	68,466	68,466	58,466
Miscellaneous	-	-	2,986	2,986	2,986
TOTAL REVENUES	<u>1,656,000</u>	<u>1,656,000</u>	<u>333,290</u>	<u>333,290</u>	<u>(1,322,710)</u>
EXPENDITURES:					
Materials and services	550,000	550,000	10,611	10,611	539,389
Capital outlay	1,560,000	1,560,000	113,746	113,746	1,446,254
Contingency	130,000	130,000	-	-	130,000
TOTAL EXPENDITURES	<u>2,240,000</u>	<u>2,240,000</u>	<u>124,357</u>	<u>124,357</u>	<u>2,115,643</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(584,000)</u>	<u>(584,000)</u>	<u>208,933</u>	<u>208,933</u>	<u>792,933</u>
NET CHANGE IN FUND BALANCES	<u>(584,000)</u>	<u>(584,000)</u>	<u>208,933</u>	<u>208,933</u>	<u>792,933</u>
FUND BALANCES - beginning	<u>2,152,000</u>	<u>2,152,000</u>	<u>2,276,244</u>	<u>2,276,244</u>	<u>124,244</u>
FUND BALANCES - ending	<u>\$ 1,568,000</u>	<u>\$ 1,568,000</u>	<u>\$ 2,485,177</u>	<u>\$ 2,485,177</u>	<u>\$ 917,177</u>

CITY OF MILWAUKIE, OREGON

CITY HALL FUND

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – BUDGET AND ACTUAL**

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Budget for the 2023-2024 Biennium		Actual		Variance with Final Budget
	Original	Final	1st Year FY 2022-23	Total	
REVENUES:					
Leases and rents	\$ 757,000	\$ 827,000	\$ 203,831	\$ 203,831	\$ (623,169)
Investment earnings	-	-	90,860	90,860	90,860
Miscellaneous revenue	-	250,000	-	-	(250,000)
TOTAL REVENUES	<u>757,000</u>	<u>1,077,000</u>	<u>294,691</u>	<u>294,691</u>	<u>(782,309)</u>
EXPENDITURES:					
Materials and services	200,000	200,000	163,512	163,512	36,488
Construction in process	2,013,000	2,304,000	1,472,270	1,472,270	831,730
TOTAL EXPENDITURES	<u>2,213,000</u>	<u>2,504,000</u>	<u>1,635,782</u>	<u>1,635,782</u>	<u>868,218</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(1,456,000)</u>	<u>(1,427,000)</u>	<u>(1,341,091)</u>	<u>(1,341,091)</u>	<u>85,909</u>
OTHER FINANCING SOURCES (USES):					
Transfers from other funds	-	-	500,000	500,000	500,000
Transfers to other funds	(252,000)	(252,000)	(252,000)	(252,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(252,000)</u>	<u>(252,000)</u>	<u>248,000</u>	<u>248,000</u>	<u>500,000</u>
NET CHANGE IN FUND BALANCES	<u>(1,708,000)</u>	<u>(1,679,000)</u>	<u>(1,093,091)</u>	<u>(1,093,091)</u>	<u>585,909</u>
FUND BALANCES - beginning	<u>1,708,000</u>	<u>1,708,000</u>	<u>1,678,705</u>	<u>1,678,705</u>	<u>(29,295)</u>
FUND BALANCES - ending	<u>\$ -</u>	<u>\$ 29,000</u>	<u>\$ 585,614</u>	<u>\$ 585,614</u>	<u>\$ 556,614</u>

CITY OF MILWAUKIE, OREGON

BUILDING FUND

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – BUDGET AND ACTUAL**

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Budget for the 2023-2024 Biennium		Actual		Variance with Final Budget
	Original	Final	1st Year FY 2022-23	Total	
REVENUES:					
Fees, licenses and permits	\$ 1,667,000	\$ 1,667,000	\$ 1,918,350	\$ 1,918,350	\$ 251,350
Investment earnings	30,000	30,000	120,310	120,310	90,310
Miscellaneous	-	-	2,738	2,738	2,738
TOTAL REVENUES	<u>1,697,000</u>	<u>1,697,000</u>	<u>2,041,398</u>	<u>2,041,398</u>	<u>344,398</u>
EXPENDITURES:					
Personnel services	948,000	948,000	417,777	417,777	530,223
Materials and services	344,000	344,000	321,990	321,990	22,010
Contingency	400,000	400,000	-	-	400,000
TOTAL EXPENDITURES	<u>1,692,000</u>	<u>1,692,000</u>	<u>739,767</u>	<u>739,767</u>	<u>952,233</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>5,000</u>	<u>5,000</u>	<u>1,301,631</u>	<u>1,301,631</u>	<u>1,296,631</u>
OTHER FINANCING SOURCES (USES):					
Transfers to other funds	(420,000)	(420,000)	(210,000)	(210,000)	210,000
TOTAL OTHER FINANCING SOURCES (USES)	<u>(420,000)</u>	<u>(420,000)</u>	<u>(210,000)</u>	<u>(210,000)</u>	<u>210,000</u>
NET CHANGE IN FUND BALANCES	<u>(415,000)</u>	<u>(415,000)</u>	<u>1,091,631</u>	<u>1,091,631</u>	<u>1,506,631</u>
FUND BALANCES - beginning	<u>3,586,000</u>	<u>3,586,000</u>	<u>3,469,115</u>	<u>3,469,115</u>	<u>(116,885)</u>
FUND BALANCES - ending	<u>\$ 3,171,000</u>	<u>\$ 3,171,000</u>	<u>\$ 4,560,746</u>	<u>\$ 4,560,746</u>	<u>\$ 1,389,746</u>

CITY OF MILWAUKIE, OREGON

CONSTRUCTION EXCISE TAX FUND

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – BUDGET AND ACTUAL**

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Budget for the 2023-2024 Biennium		Actual		Variance with Final Budget
	Original	Final	1st Year FY 2022-23	Total	
REVENUES:					
Excise tax	\$ 644,000	\$ 1,444,000	\$ 925,085	\$ 925,085	\$ (518,915)
Investment earnings	11,000	11,000	60,070	60,070	49,070
Miscellaneous	28,000	28,000	38,772	38,772	10,772
TOTAL REVENUES	683,000	1,483,000	1,023,927	1,023,927	(459,073)
EXPENDITURES:					
Materials and services	1,224,000	2,124,000	50,000	50,000	2,074,000
Contingency	122,000	22,000	-	-	22,000
TOTAL EXPENDITURES	1,346,000	2,146,000	50,000	50,000	2,096,000
EXCESS OF REVENUES OVER EXPENDITURES	(663,000)	(663,000)	973,927	973,927	1,636,927
OTHER FINANCING SOURCES (USES):					
Transfers from other funds	800,000	800,000	800,000	800,000	-
Transfers to other funds	(30,000)	(30,000)	(15,000)	(15,000)	15,000
TOTAL OTHER FINANCING SOURCES (USES)	770,000	770,000	785,000	785,000	15,000
NET CHANGE IN FUND BALANCES	107,000	107,000	1,758,927	1,758,927	1,651,927
FUND BALANCES - beginning	950,000	950,000	1,267,445	1,267,445	317,445
FUND BALANCES - ending	\$ 1,057,000	\$ 1,057,000	\$ 3,026,372	\$ 3,026,372	\$ 1,969,372

CITY OF MILWAUKIE, OREGON

DEBT SERVICE FUND

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – BUDGET AND ACTUAL**

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Budget for the 2023-2024 Biennium		Actual		Variance with Final Budget
	Original	Final	1st Year FY 2022-23	Total	
REVENUES:					
Property taxes	\$ 1,720,000	\$ 1,720,000	\$ 860,000	\$ 860,000	\$ (860,000)
Intergovernmental	168,000	168,000	168,200	168,200	200
Investment earnings	-	-	23,745	23,745	23,745
TOTAL REVENUES	<u>1,888,000</u>	<u>1,888,000</u>	<u>1,051,945</u>	<u>1,051,945</u>	<u>(836,055)</u>
EXPENDITURES:					
Debt service:					
Principal	1,890,000	1,890,000	935,000	935,000	(955,000)
Interest	864,000	864,000	442,967	442,967	(421,033)
TOTAL EXPENDITURES	<u>2,754,000</u>	<u>2,754,000</u>	<u>1,377,967</u>	<u>1,377,967</u>	<u>(1,376,033)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(866,000)</u>	<u>(866,000)</u>	<u>(326,022)</u>	<u>(326,022)</u>	<u>539,978</u>
OTHER FINANCING SOURCES (USES):					
Transfers from other funds	868,000	868,000	560,000	560,000	(308,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>868,000</u>	<u>868,000</u>	<u>560,000</u>	<u>560,000</u>	<u>(308,000)</u>
NET CHANGE IN FUND BALANCES	<u>2,000</u>	<u>2,000</u>	<u>233,978</u>	<u>233,978</u>	<u>231,978</u>
FUND BALANCES - beginning	<u>9,000</u>	<u>9,000</u>	<u>8,808</u>	<u>8,808</u>	<u>(192)</u>
FUND BALANCES - ending	<u>\$ 11,000</u>	<u>\$ 11,000</u>	<u>\$ 242,786</u>	<u>\$ 242,786</u>	<u>\$ 231,786</u>



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PROPRIETARY FUNDS

Individual Fund Financial Statements

Proprietary Funds

These funds account for the operations of the city's enterprise activities. All proprietary funds are major funds of the city.

Water Fund – accounts for the city's water utility operations including maintenance and operations. All water related revenues and expenditures, including capital replacement, are included in this fund.

Wastewater Fund – accounts for the operations and maintenance of the wastewater, collections, and treatment systems. All wastewater related revenues and expenditures, including capital replacement, are included in this fund.

Stormwater Fund – accounts for the operations and maintenance of the stormwater management and collection systems. All stormwater related revenues and expenditures, including capital replacement are included in this fund.

CITY OF MILWAUKIE, OREGON

WATER FUND

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL**

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Budget for the 2023-2024 Biennium		Actual		Variance with Final Budget
	Original	Final	1st Year FY 2022-23	Total	
REVENUES:					
Water charges	\$ 10,209,000	\$ 10,209,000	\$ 4,690,291	\$ 4,690,291	\$ (5,518,709)
Reimbursement fees	200,000	200,000	10,925	10,925	(189,075)
Intergovernmental	2,256,000	2,279,000	-	-	(2,279,000)
Investment earnings	40,000	40,000	278,578	278,578	238,578
Miscellaneous	74,000	74,000	14,780	14,780	(59,220)
TOTAL REVENUES	12,779,000	12,802,000	4,994,574	4,994,574	(7,807,426)
EXPENDITURES:					
Personnel services	1,972,000	1,972,000	945,716	945,716	1,026,284
Materials and services	2,433,000	2,433,000	996,852	996,852	1,436,148
Capital outlay	7,371,000	7,371,000	156,150	156,150	7,214,850
Contingency	650,000	650,000	-	-	650,000
TOTAL EXPENDITURES	12,426,000	12,426,000	2,098,718	2,098,718	10,327,282
EXCESS OF REVENUES OVER EXPENDITURES	353,000	376,000	2,895,856	2,895,856	2,519,856
OTHER FINANCING SOURCES (USES):					
Transfers to other funds	(3,160,000)	(3,183,000)	(1,573,500)	(1,573,500)	1,609,500
TOTAL OTHER FINANCING SOURCES (USES)	(3,160,000)	(3,183,000)	(1,573,500)	(1,573,500)	1,609,500
NET CHANGE IN FUND BALANCES	(2,807,000)	(2,807,000)	1,322,356	1,322,356	4,129,356
FUND BALANCES - beginning	7,359,000	7,359,000	5,394,998	5,394,998	(1,964,002)
FUND BALANCES - ending	\$ 4,552,000	\$ 4,552,000	6,717,354	\$ 6,717,354	\$ 2,165,354

RECONCILIATION OF NET CHANGE IN FUND BALANCE (BUDGETARY BASIS) TO NET CHANGE IN NET POSITION (GAAP BASIS)

Adjustments:	
Capital assets not being depreciated	1,178,527
Capital assets, net of accumulated depreciation	10,174,289
Net OPEB asset accrual	9,957
Total OPEB liability accrual	(33,109)
Net pension liability accrual	(785,160)
Deferred outflows of resources (pension & OPEB)	332,813
Deferred inflows of resources (pension & OPEB)	(275,302)
NET POSITION - GAAP BASIS, ending	\$ 17,319,369

CITY OF MILWAUKIE, OREGON

WASTEWATER FUND

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL**

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Budget for the 2023-2024 Biennium		Actual		Variance with Final Budget
	Original	Final	1st Year FY 2022-23	Total	
REVENUES:					
Wastewater charges	\$ 17,859,000	\$ 17,859,000	\$ 8,751,015	\$ 8,751,015	\$ (9,107,985)
Reimbursement fees	86,000	86,000	189,600	189,600	103,600
Intergovernmental	1,733,000	1,755,000	132,357	132,357	(1,622,643)
Investment Earnings	50,000	50,000	238,746	238,746	188,746
Miscellaneous	26,000	26,000	3,609	3,609	(22,391)
TOTAL REVENUES	19,754,000	19,776,000	9,315,327	9,315,327	(10,460,673)
EXPENDITURES:					
Personnel services	1,092,000	1,092,000	536,182	536,182	555,818
Materials and services	12,370,000	12,370,000	5,608,762	5,608,762	6,761,238
Debt service	202,000	202,000	100,557	100,557	101,443
Capital outlay	5,314,000	5,314,000	1,545,539	1,545,539	3,768,461
Contingency	1,030,000	1,030,000	-	-	1,030,000
TOTAL EXPENDITURES	20,008,000	20,008,000	7,791,040	7,791,040	12,216,960
EXCESS OF REVENUES OVER EXPENDITURES	(254,000)	(232,000)	1,524,287	1,524,287	1,756,287
OTHER FINANCING SOURCES (USES):					
Transfers from other funds	-	49,000	-	-	(49,000)
Transfers to other funds	(2,920,000)	(2,942,000)	(1,455,000)	(1,455,000)	1,487,000
TOTAL OTHER FINANCING SOURCES (USES)	(2,920,000)	(2,893,000)	(1,455,000)	(1,455,000)	1,438,000
NET CHANGE IN FUND BALANCES	(3,174,000)	(3,125,000)	69,287	69,287	3,194,287
FUND BALANCES - beginning	6,194,000	6,194,000	5,663,683	5,663,683	(530,317)
FUND BALANCES - ending	\$ 3,020,000	\$ 3,069,000	5,732,970	\$ 5,732,970	\$ 2,663,970

RECONCILIATION OF NET CHANGE IN FUND BALANCE (BUDGETARY BASIS) TO NET CHANGE IN NET POSITION (GAAP BASIS)

Adjustments:	
Capital assets not being depreciated	2,029,956
Capital assets, net of accumulated depreciation	9,073,504
Net OPEB asset accrual	5,583
Total OPEB liability accrual	(18,565)
Net pension liability accrual	(477,932)
Deferred inflows of resources (pension & OPEB)	(166,758)
Deferred outflows of resources (pension & OPEB)	202,114
Loan payable - due within one year	(96,458)
Loan payable - long-term less portion due within one year	(675,204)
NET POSITION - GAAP BASIS, ending	\$ 15,609,210

CITY OF MILWAUKIE, OREGON

STORMWATER FUND

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL**

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Budget for the 2023-2024 Biennium		Actual		Variance with Final Budget
	Original	Final	1st Year FY 2022-23	Total	
REVENUES:					
Stormwater charges	\$ 10,611,000	\$ 10,611,000	\$ 5,151,113	\$ 5,151,113	\$ (5,459,887)
Intergovernmental	585,000	585,000	-	-	(585,000)
Investment earnings	30,000	30,000	262,236	262,236	232,236
Miscellaneous	60,000	60,000	82,972	82,972	22,972
TOTAL REVENUES	11,286,000	11,286,000	5,496,321	5,496,321	(5,789,679)
EXPENDITURES:					
Personnel services	1,703,000	1,703,000	740,892	740,892	962,108
Materials and services	1,573,000	1,573,000	723,948	723,948	849,052
Capital outlay	9,981,000	9,981,000	723,674	723,674	9,257,326
Contingency	910,000	910,000	-	-	910,000
TOTAL EXPENDITURES	14,167,000	14,167,000	2,188,514	2,188,514	11,978,486
EXCESS OF REVENUES OVER EXPENDITURES	(2,881,000)	(2,881,000)	3,307,807	3,307,807	6,188,807
OTHER FINANCING SOURCES (USES):					
Transfers to other funds	(2,810,000)	(2,810,000)	(1,424,500)	(1,424,500)	(1,385,500)
TOTAL OTHER FINANCING SOURCES (USES)	(2,810,000)	(2,810,000)	(1,424,500)	(1,424,500)	(1,385,500)
NET CHANGE IN FUND BALANCES	(5,691,000)	(5,691,000)	1,883,307	1,883,307	4,803,307
FUND BALANCES - beginning	7,278,000	7,278,000	7,055,940	7,055,940	(222,060)
FUND BALANCES - ending	\$ 1,587,000	\$ 1,587,000	8,939,247	\$ 8,939,247	\$ 4,581,247

RECONCILIATION OF NET CHANGE IN FUND BALANCE (BUDGETARY BASIS) TO NET CHANGE IN NET POSITION (GAAP BASIS)

Adjustments:	
Capital assets not being depreciated	1,235,894
Capital assets, net of accumulated depreciation	8,065,752
Net OPEB asset accrual	7,495
Total OPEB liability accrual	(24,923)
Net pension liability accrual	(616,371)
Deferred inflows of resources (pension & OPEB)	260,950
Deferred outflows of resources (pension & OPEB)	(215,568)
NET POSITION - GAAP BASIS, ending	\$ 17,652,476

OTHER FINANCIAL SCHEDULES

Schedule of Future Debt Service Requirements

Schedule of Accountability of Independently
Elected Officials

CITY OF MILWAUKIE, OREGON

SCHEDULE OF FUTURE DEBT SERVICE REQUIREMENTS

JUNE 30, 2023

Future Debt Service Principal

Fiscal year	2014	2018	2020	2023	GO Bonds	GO Bonds	SPWF	PERS	Oregon	Total
	Full Faith & Credit Bond	Full Faith & Credit Bond	Full Faith & Credit Bond	Full Faith & Credit Bond	Series 2014	Series 2016	Loan	UAL Bonds	DEQ Loan	
2024	\$ 71,459	\$ 13,118	\$ 290,000	\$ 804,700	\$ 192,801	\$ 440,797	\$ 30,343	\$ 380,000	\$ 96,458	\$ 2,319,676
2025	76,459	13,118	295,000	836,600	197,801	450,797	30,575	420,000	96,458	2,416,808
2026	81,459	13,118	300,000	869,700	207,801	470,797	30,819	465,000	96,458	2,535,152
2027	81,459	13,118	305,000	904,100	212,801	485,797	36,074	510,000	96,458	2,644,807
2028	86,459	13,118	310,000	939,900	217,801	500,797	36,339	230,000	96,458	2,430,872
2029	87,535	13,118	315,000	977,200	222,801	510,797	36,617	-	96,458	2,259,526
2030	-	13,118	325,000	1,015,800	232,801	520,797	36,906	-	96,458	2,240,880
2031	-	13,118	330,000	1,056,100	242,801	530,797	42,208	-	96,456	2,311,480
2032	-	13,118	335,000	1,097,900	252,801	545,797	42,525	-	-	2,287,141
2033	-	13,118	345,000	1,141,400	262,801	555,797	-	-	-	2,318,116
2034	-	13,118	355,000	1,186,600	273,867	570,797	-	-	-	2,399,382
2035	-	13,118	365,000	1,233,600	-	585,797	-	-	-	2,197,515
2036	-	13,118	370,000	1,282,400	-	602,530	-	-	-	2,268,048
2037	-	13,118	385,000	1,333,200	-	-	-	-	-	1,731,318
2038	-	13,118	395,000	1,386,000	-	-	-	-	-	1,794,118
2039	-	13,118	405,000	1,440,900	-	-	-	-	-	1,859,018
2040	-	13,118	420,000	1,497,900	-	-	-	-	-	1,931,018
2041	-	13,118	-	1,557,200	-	-	-	-	-	1,570,318
2042	-	13,118	-	1,618,900	-	-	-	-	-	1,632,018
2043	-	2,638,118	-	-	-	-	-	-	-	2,638,118
2044	-	2,728,118	-	-	-	-	-	-	-	2,728,118
2045	-	2,823,118	-	-	-	-	-	-	-	2,823,118
2046	-	2,928,118	-	-	-	-	-	-	-	2,928,118
2047	-	3,033,118	-	-	-	-	-	-	-	3,033,118
2048	-	3,153,111	-	-	-	-	-	-	-	3,153,111
Totals	<u>\$ 484,830</u>	<u>\$ 17,552,943</u>	<u>\$ 5,845,000</u>	<u>\$22,180,100</u>	<u>\$ 2,516,877</u>	<u>\$ 6,772,094</u>	<u>\$ 322,406</u>	<u>\$ 2,005,000</u>	<u>\$ 771,662</u>	<u>\$ 58,450,912</u>

Future Debt Service Interest

Fiscal year	2014	2018	2020	2023	GO Bonds	GO Bonds	SPWF	PERS	Oregon	Total
	Full Faith & Credit Bond	Full Faith & Credit Bond	Full Faith & Credit Bond	Full Faith & Credit Bond	Series 2014	Series 2016	Loan	UAL Bonds	DEQ Loan	
2024	\$ 17,800	\$ 640,832	\$ 140,814	\$ 878,332	\$ 83,375	\$ 176,030	\$ 15,758	\$ 100,330	\$ 3,250	\$ 2,056,521
2025	15,200	640,832	136,902	846,466	76,175	163,430	14,278	81,316	2,750	1,977,349
2026	12,400	640,832	132,626	813,336	68,775	146,230	12,784	60,298	2,250	1,889,531
2027	9,400	640,832	127,290	778,896	62,925	128,230	11,279	37,030	1,750	1,797,632
2028	6,400	640,832	121,558	743,094	56,925	114,280	9,513	11,510	1,250	1,705,362
2029	3,200	640,832	115,424	705,874	50,775	104,680	7,736	-	750	1,629,271
2030	-	640,832	108,876	667,176	42,375	94,880	5,947	-	250	1,560,336
2031	-	640,832	101,956	626,952	33,575	84,255	4,145	-	-	1,491,715
2032	-	640,832	94,468	585,130	24,375	72,143	2,079	-	-	1,419,027
2033	-	640,832	86,532	541,652	16,575	59,018	-	-	-	1,344,609
2034	-	640,832	78,084	496,454	8,450	45,643	-	-	-	1,269,463
2035	-	640,832	68,824	449,464	-	31,205	-	-	-	1,190,325
2036	-	640,832	59,190	400,614	-	15,950	-	-	-	1,116,586
2037	-	640,832	48,102	349,830	-	-	-	-	-	1,038,764
2038	-	640,832	36,564	297,036	-	-	-	-	-	974,432
2039	-	640,832	24,726	242,150	-	-	-	-	-	907,708
2040	-	640,832	12,588	185,090	-	-	-	-	-	838,510
2041	-	640,832	-	125,774	-	-	-	-	-	766,606
2042	-	640,832	-	64,108	-	-	-	-	-	704,940
2043	-	640,832	-	-	-	-	-	-	-	640,832
2044	-	548,956	-	-	-	-	-	-	-	548,956
2045	-	453,932	-	-	-	-	-	-	-	453,932
2046	-	352,068	-	-	-	-	-	-	-	352,068
2047	-	246,400	-	-	-	-	-	-	-	246,400
2048	-	125,600	-	-	-	-	-	-	-	125,600
Totals	<u>\$ 64,400</u>	<u>\$ 14,543,596</u>	<u>\$ 1,494,524</u>	<u>\$ 9,797,428</u>	<u>\$ 524,300</u>	<u>\$ 1,235,974</u>	<u>\$ 83,519</u>	<u>\$ 290,484</u>	<u>\$ 12,250</u>	<u>\$ 28,046,475</u>

CITY OF MILWAUKIE, OREGON

SCHEDULE OF ACCOUNTABILITY OF INDEPENDENTLY ELECTED OFFICIALS

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Oregon Revised Statutes (ORS) Chapter 297 requires a statement of accountability for each independently elected official collecting or receiving money in the municipal corporation. In compliance with ORS 297, there are no independently elected officials that collect or receive money on behalf of the City of Milwaukie.

SECTION III

STATISTICAL SECTION

STATISTICAL SECTION

This section provides further details as a context for a better understanding of the financial statements.

Contents	Page
Financial Trends These schedules contain trend information to help the reader understand how financial performance has changed over time.	114
Revenue Capacity These schedules contain information to help the reader assess the city's most significant local revenue source, property taxes.	119
Debt Capacity These schedules present information to help the reader assess the affordability of the city's current level of outstanding debt and the city's ability to issue additional debt in the future.	124
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place.	129
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the city's financial report relates to the services the city provides and the activities it performs.	132

Sources: The information in these schedules is derived from the annual financial reports or annual financial statements for the relevant year, unless otherwise noted. The city implemented GASB Statement 54 in fiscal year 2011, GASB Statement 63 in fiscal year 2013, GASB Statement 65 in fiscal year 2014, GASB 68 in fiscal year 2015, and GASB 75 in fiscal year 2018.

CITY OF MILWAUKIE, OREGON

NET POSITION BY COMPONENT

for the last ten fiscal years

*(accrual basis of accounting)
(in thousands)*

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	(restated)					(restated)				
Governmental activities										
Net investment in capital assets	\$ 41,361	\$ 42,965	\$ 43,558	\$ 40,950	\$ 43,107	\$ 48,328	\$ 48,178	\$ 47,783	\$ 33,501	\$ 31,778
Restricted	1,789	1,921	2,200	11,587	12,250	7,851	7,221	6,313	19,999	44,946
Unrestricted	1,427	5,166	866	(7,168)	(6,469)	(4,702)	(3,080)	(4,339)	(38)	(24,391)
Total governmental activities net position	<u>44,577</u>	<u>50,052</u>	<u>46,624</u>	<u>45,369</u>	<u>48,888</u>	<u>51,477</u>	<u>52,319</u>	<u>49,757</u>	<u>53,462</u>	<u>52,333</u>
Business-type activities										
Net investment in capital assets	18,041	18,903	20,506	22,410	23,102	25,228	28,106	30,312	31,164	30,988
Restricted	12	12	12	12	12	12	12	23	38	35
Unrestricted	5,302	7,659	9,102	9,744	11,975	13,265	13,742	14,148	16,324	19,558
Total business-type activities net position	<u>23,355</u>	<u>26,574</u>	<u>29,620</u>	<u>32,166</u>	<u>35,090</u>	<u>38,505</u>	<u>41,860</u>	<u>44,483</u>	<u>47,526</u>	<u>50,581</u>
Primary government										
Net investment in capital assets	59,402	61,868	64,064	63,360	66,209	73,556	76,284	78,095	64,665	62,766
Restricted	1,801	1,933	2,212	11,599	12,262	7,863	7,233	6,336	20,037	44,981
Unrestricted	6,729	12,825	9,968	2,576	5,506	8,563	10,662	9,809	16,286	(4,833)
Total primary government net position	<u>\$ 67,932</u>	<u>\$ 76,626</u>	<u>\$ 76,244</u>	<u>\$ 77,535</u>	<u>\$ 83,978</u>	<u>\$ 89,983</u>	<u>\$ 94,179</u>	<u>\$ 94,240</u>	<u>\$ 100,988</u>	<u>\$ 102,914</u>

CITY OF MILWAUKIE, OREGON

CHANGES IN NET POSITION

for the last ten fiscal years

(accrual basis of accounting)

(in thousands)

	Fiscal Year Ended									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental activities:										
General government	\$ 9,322	\$ 7,811	\$ 10,757	\$ 10,568	\$ 11,437	\$ 12,078	\$ 13,319	\$ 16,617	\$ 14,992	\$ 15,786
Highways and streets	1,028	1,851	4,026	5,548	4,324	5,686	6,116	6,253	4,686	5,557
Public safety	6,458	5,412	7,685	7,201	7,630	7,711	8,093	8,078	6,950	7,914
Culture and recreation	2,665	2,309	3,102	3,240	3,185	3,537	4,330	2,564	2,450	2,477
Interest on long-term debt	407	408	367	568	560	1,310	1,392	1,319	1,209	1,569
Total governmental activities expenses	19,880	17,791	25,937	27,125	27,136	30,322	33,250	34,831	30,287	33,303
Business-type activities:										
Water	2,610	2,573	2,840	3,183	3,169	3,450	3,432	4,090	2,929	2,918
Wastewater	6,062	6,052	6,545	6,832	7,044	7,373	7,800	7,910	6,781	6,872
Stormwater	1,578	1,776	2,132	2,387	2,701	2,981	3,187	3,660	2,457	2,509
Total business-type activities expenses	10,249	10,401	11,517	12,402	12,914	13,803	14,419	15,660	12,167	12,299
Total primary government expenses	\$30,130	\$28,192	\$37,454	\$39,527	\$40,050	\$44,125	\$47,669	\$50,491	\$42,454	\$45,602
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 5,323	\$ 5,695	\$ 6,773	\$ 7,391	\$ 9,981	\$ 11,408	\$ 9,906	\$ 9,554	\$ 7,997	\$ 3,236
Highways and streets	633	635	748	1,088	1,679	2,283	2,030	2,107	2,189	2,288
Public safety	1,609	948	307	307	447	-	772	-	-	-
Culture and recreation	60	60	60	-	-	1,782	1,794	1,874	-	-
Operating grants and contributions	4,454	4,324	2,935	4,742	4,030	3,143	3,525	3,937	5,554	5,639
Capital grants and contributions	145	1,731	1,478	312	2,139	-	219	466	181	17
Total governmental activities program revenues	12,224	13,393	12,301	13,840	18,277	18,616	18,246	17,938	15,921	11,180
Business-type activities:										
Charges for services:										
Water	3,158	3,698	3,965	3,798	4,075	4,522	4,340	4,581	4,520	4,716
Wastewater	6,627	6,894	7,290	7,668	7,935	7,964	8,042	8,146	8,546	9,077
Stormwater	2,212	2,581	2,946	3,382	3,835	4,348	4,993	5,207	5,246	5,234
Operating grants and contributions	-	-	-	-	-	-	-	-	75	-
Capital grants and contributions	-	-	-	-	-	-	83	308	-	-
Total business-type activities program revenues	11,997	13,173	14,201	14,848	15,845	16,835	17,458	18,242	18,387	19,027
Total primary government program revenues	\$ 24,220	\$ 26,566	\$ 26,502	\$ 28,689	\$ 34,122	\$ 35,451	\$ 35,704	\$ 36,180	\$ 34,308	\$ 30,207

Continued on next page

	Fiscal Year Ended									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net (Expense) Revenue										
Governmental activities	\$ (7,656)	\$ (4,399)	\$ (13,636)	\$ (13,285)	\$ (8,859)	\$ (11,706)	\$ (15,004)	\$ (16,893)	\$ (14,366)	\$ (22,123)
Business-type activities	1,747	2,772	2,684	2,446	2,932	3,032	-	2,582	6,220	6,728
Total primary government net expenses	\$ (5,909)	\$ (1,627)	\$ (10,952)	\$ (10,838)	\$ (5,928)	\$ (8,674)	\$ (15,004)	\$ (14,311)	\$ (8,146)	\$ (15,395)
General Revenues										
Governmental activities:										
Property taxes, levied for general purposes	\$ 7,014	\$ 7,590	\$ 7,925	\$ 8,927	\$ 9,292	\$ 9,430	\$ 9,839	\$ 10,391	\$ 10,704	\$ 11,087
Property taxes, levied for debt service	-	-	-	-	-	-	-	-	-	-
Franchise taxes	2,439	2,568	2,570	2,857	3,256	3,624	3,749	3,682	3,542	3,909
Intergovernmental	-	-	-	-	-	-	-	-	-	-
Lease Financing	-	-	-	-	-	-	-	-	-	-
Interest and investment earnings	66	87	75	246	488	1,196	1,287	218	334	1,651
Gain on disposition of capital assets	-	75	-	-	39	44	471	39	52	-
Transfers	(93)	(448)	(362)	-	-	-	-	-	3,439	4,453
Total governmental activities	9,426	9,872	10,208	12,030	13,076	14,294	15,346	14,330	18,071	21,100
Business-type activities:										
Interest and investment earnings	-	-	-	99	55	377	317	41	60	780
Gain on disposition of capital assets	-	-	-	-	15	7	-	-	-	-
Transfers	93	448	362	-	-	-	-	-	(3,439)	(4,453)
Total business-type activities	93	448	362	99	70	384	317	41	(3,379)	(3,673)
Total primary government	\$ 9,519	\$ 10,320	\$ 10,570	\$ 12,129	\$ 13,145	\$ 14,678	\$ 15,663	\$ 14,372	\$ 14,692	\$ 17,427
Change in Net Position										
Governmental activities	\$ 1,770	\$ 5,474	\$ (3,428)	\$ (1,255)	\$ 4,216	\$ 2,589	\$ 342	\$ (2,563)	\$ 3,705	\$ (1,023)
Business-type activities	1,840	3,220	3,046	2,545	3,001	3,416	317	2,623	2,841	3,055
Total primary government	\$ 3,610	\$ 8,694	\$ (382)	\$ 1,291	\$ 7,217	\$ 6,004	\$ 659	\$ 61	\$ 6,546	\$ 2,032

Continued from previous page

CITY OF MILWAUKIE, OREGON

FUND BALANCES OF GOVERNMENTAL FUNDS

for the last ten fiscal years

*(modified accrual basis of accounting)
(in thousands)*

	Fiscal Year Ended									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General fund										
Nonspendable	\$ 35	\$ 65	\$ 146	\$ 130	\$ 125	\$ 110	\$ 95	\$ 312	\$ 264	\$ 285
Restricted	30	39	30	33	19	16	2,182	205	217	890
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	5,974	5,676	5,939	7,175	7,408	9,038	8,845	11,545	14,339	12,483
Total general fund	<u>\$ 6,039</u>	<u>\$ 5,780</u>	<u>\$ 6,115</u>	<u>\$ 7,338</u>	<u>\$ 7,552</u>	<u>\$ 9,164</u>	<u>\$11,122</u>	<u>\$12,062</u>	<u>\$ 14,820</u>	<u>\$ 13,658</u>
All other governmental funds										
Nonspendable	\$ 105	\$ 154	\$ 815	\$ 816	\$ 818	\$ 38	\$ 26	\$ 32	\$ 46	\$ 10
Restricted	1,618	1,725	1,799	11,199	11,878	7,993	5,317	6,349	19,574	43,836
Committed	1,459	1,954	1,627	2,858	3,858	21,705	20,168	15,216	-	-
Assigned	390	594	691	812	1,086	1,862	634	2,046	1,679	586
Unassigned	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 3,572</u>	<u>\$ 4,426</u>	<u>\$ 4,932</u>	<u>\$15,685</u>	<u>\$17,640</u>	<u>\$31,598</u>	<u>\$26,145</u>	<u>\$23,643</u>	<u>\$ 21,299</u>	<u>\$ 44,432</u>

CITY OF MILWAUKIE, OREGON

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

for the last ten fiscal years

(modified accrual basis of accounting)

(in thousands)

	Fiscal Year Ended									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues:										
Property taxes	\$ 7,019	\$ 7,587	\$ 7,892	\$ 8,898	\$ 9,287	\$ 9,660	\$ 9,825	\$ 10,380	\$ 10,625	\$ 11,158
Franchise taxes	2,439	2,568	2,570	2,857	3,256	3,624	3,749	3,682	3,542	3,909
Intergovernmental	4,270	5,747	5,765	4,424	7,895	5,411	5,850	5,967	7,852	5,715
Licenses and permits	626	667	985	1,058	1,766	2,864	1,702	1,613	2,563	2,513
Rent and leases	-	-	-	-	-	-	-	-	489	204
Charges for services	5,155	5,042	5,158	6,447	7,099	8,646	8,772	9,106	2,189	2,288
Systems development charges	-	-	-	-	-	-	-	-	-	1,187
Fines and forfeitures	1,690	1,252	1,267	1,065	879	844	806	417	362	460
Miscellaneous	224	327	303	636	914	2,046	2,308	1,150	1,801	1,951
Total revenues	21,423	23,189	23,940	25,386	31,097	33,094	33,012	32,315	29,423	29,385
Expenditures:										
Current:										
General government	8,165	7,867	8,687	9,168	10,552	11,073	11,587	13,050	12,871	13,529
Highway and streets	1,753	1,712	1,708	2,117	2,072	3,264	1,010	2,979	1,265	1,272
Public safety	5,590	5,955	6,149	6,435	6,655	6,839	6,779	6,686	6,876	7,700
Culture and recreation	2,339	2,350	2,468	2,689	2,636	2,793	1,998	1,897	2,113	2,103
Debt service:										
Principal	196	3,983	379	778	792	2,039	2,089	2,475	1,235	2,657
Interest	415	557	380	564	581	1,320	1,297	1,356	1,258	1,531
Capital outlay	2,441	5,181	2,967	1,274	6,119	11,217	16,584	5,473	7,590	6,823
Total expenditures	20,899	27,607	22,738	23,025	29,407	38,547	41,344	33,916	33,208	35,615
Excess (deficiency) of revenues over (under) expenditures	524	(4,417)	1,202	2,361	1,689	(5,453)	(8,332)	(1,601)	(3,785)	(6,230)
Other financing sources (uses):										
Transfers from other funds	-	-	57	-	-	311	4,121	364	4,090	9,517
Transfers to other funds	-	-	(419)	-	-	(311)	(6,955)	(364)	-	(5,064)
Proceeds from sale of capital assets	-	-	-	-	95	44	471	39	79	6
Proceeds from bond premium	-	-	-	-	-	394	-	-	-	-
Lease financing	-	-	-	-	-	-	-	-	29	142
SBITA financing	-	-	-	-	-	-	-	-	-	175
Issuance of debt	63	4,660	-	9,200	-	-	6,700	-	-	23,531
Proceeds from borrowing	-	-	-	-	385	20,585	-	-	-	-
Bond premium on issuance of debt	-	353	-	416	-	-	-	-	-	-
Total other financing sources (uses)	63	5,013	(362)	9,616	480	21,023	4,337	39	4,198	28,307
Net change in fund balances	\$ 586	\$ 595	\$ 840	\$ 11,977	\$ 2,169	\$ 15,570	\$ (3,995)	\$ (1,562)	\$ 413	\$ 22,077

CITY OF MILWAUKIE, OREGON

GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE

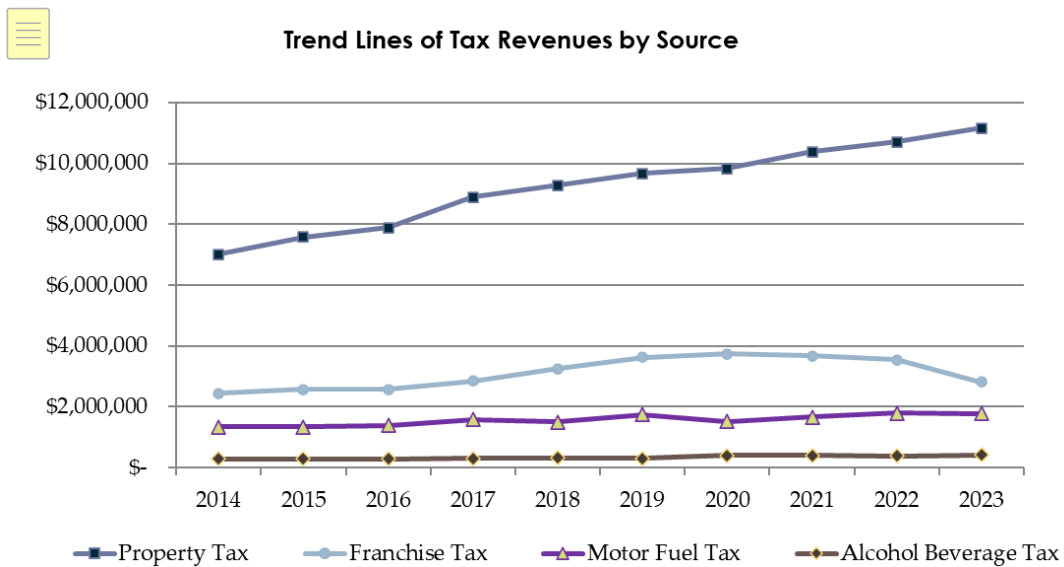
for the last ten fiscal years

(modified accrual basis of accounting)

Fiscal Year	Property Tax	Franchise Tax	Motor Fuel Tax¹	Alcoholic Beverage Tax¹	Total
2014	7,018,918	2,438,915	1,337,709	287,203	11,082,745
2015	7,586,610	2,567,903	1,351,269	295,213	11,800,995
2016	7,891,754	2,570,403	1,393,489	297,093	12,152,739
2017	8,898,323	2,857,017	1,578,903	314,256	13,648,499
2018	9,287,485	3,255,650	1,497,631	327,481	14,368,247
2019	9,663,776	3,624,295	1,756,320	310,238	15,354,629
2020	9,825,418	3,748,904	1,523,745	396,248	15,494,315
2021	10,379,647	3,681,645	1,675,491	401,410	16,138,193
2022	10,704,347	3,541,583	1,795,195	393,334	16,434,459
2023	11,087,336	3,909,158	1,788,273	417,899	17,202,666

Notes:

¹ Motor fuel and alcoholic beverage taxes are assessed by the State of Oregon, including the City of Milwaukie's Local Gas Tax, with the city's portion allocated back to the city.



CITY OF MILWAUKIE, OREGON

ASSESSED VALUE AND ESTIMATED REAL MARKET VALUE OF TAXABLE PROPERTY

for the last ten fiscal years

(in thousands)

Fiscal year	Assessed Value					Total assessed value (AV)	Total direct tax rate	RMV	Assessed value as a percentage of RMV
	Real property	Personal property	Manufactured structure	Public utility	Estimated real market value (RMV)				
2014	1,655,121	65,752	1,229	62,537	1,784,639	4.0777	2,094,734	85	
2015	1,705,226	65,570	1,245	67,219	1,839,260	4.2660	2,286,961	80	
2016	1,764,097	60,350	1,201	71,879	1,897,527	4.1866	2,368,057	80	
2017	1,838,296	73,811	1,281	69,117	1,982,505	4.5718	2,804,852	71	
2018	1,913,170	80,904	1,370	80,373	2,075,816	4.5276	3,235,850	64	
2019	1,988,267	82,662	1,477	65,811	2,138,216	4.3972	3,499,027	61	
2020	2,063,500	84,629	1,581	65,428	2,215,138	4.3972	3,498,809	63	
2021	2,162,802	94,799	1,634	62,188	2,321,424	4.3972	3,940,188	59	
2022	2,245,383	99,092	1,668	62,321	2,408,464	4.4154	4,258,337	57	
2023	4,904,951	9,780	2,426	71,423	4,988,580	4.3972	5,068,324	98	

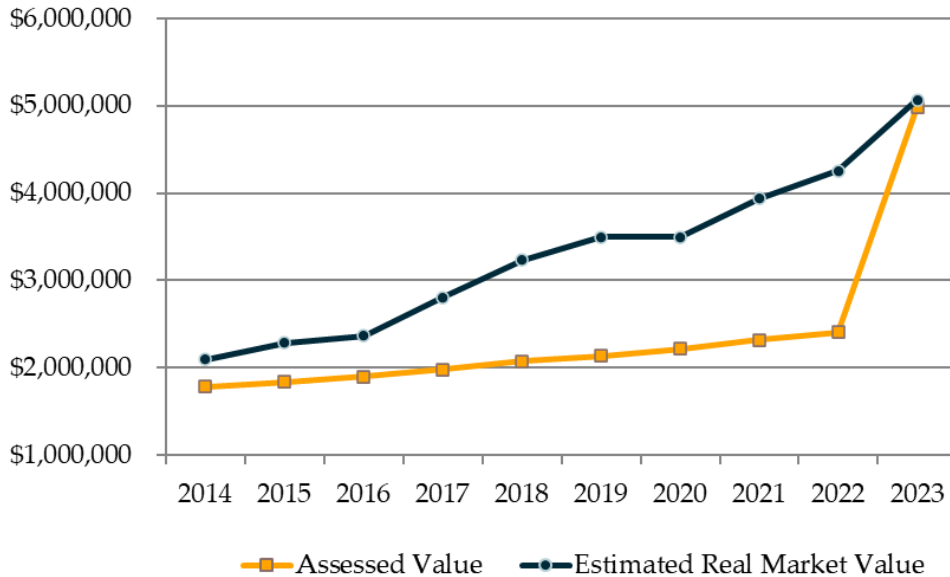
Notes:

Property is generally assessed as of July 1 of each fiscal year.

Source: Clackamas and Multnomah County Departments of Assessment and Taxation.



Assessed Value and Estimated Real Market Value



CITY OF MILWAUKIE, OREGON

PROPERTY TAX RATES – DIRECT AND OVERLAPPING GOVERNMENTS

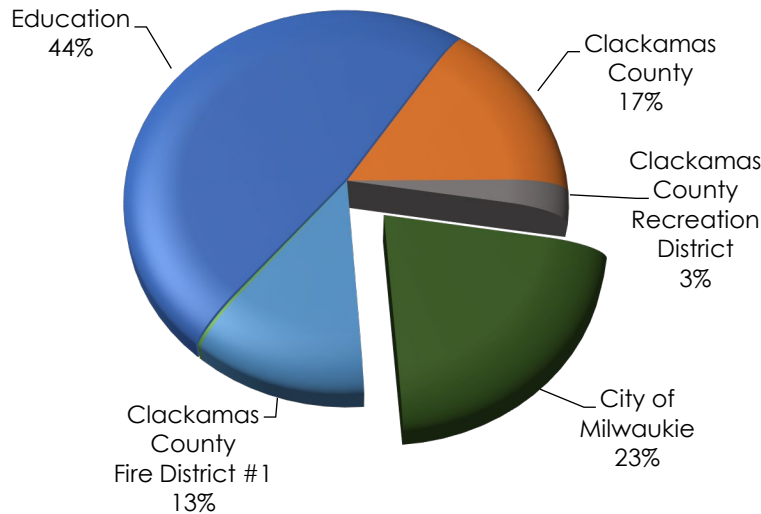
for the last ten fiscal years

(rate per \$1,000 of assessed value)

Fiscal year	City direct rates					Overlapping rates								Total direct and overlapping
	Permanent tax rate	Bonded debt tax rate	Less CCFD#1 permanent tax rate	Less CCFD#1 bonded debt rate	Total direct	North Clackamas School District	Clackamas County	Clackamas County Fire Dist #1	Clackamas County Recreation District	Clackamas County Community College	Education Service District	Other		
2014	\$ 6.5379	\$ -	\$ (2.4012)	\$ (0.0590)	\$ 4.0777	\$ 7.0852	\$ 3.2200	\$ 2.4602	\$ 0.5382	\$ 0.7082	\$ 0.3687	\$ 0.4900	\$ 18.9482	
2015	6.5379	0.1859	(2.4012)	(0.0562)	4.2664	6.82	3.22	2.46	0.54	0.71	0.37	0.05	18.43	
2016	6.5379	0.1438	(2.4012)	(0.0939)	4.1866	7.24	3.22	2.50	0.54	0.75	0.37	0.05	18.84	
2017	6.5379	0.5277	(2.4012)	(0.0926)	4.5718	7.23	3.22	2.49	0.54	0.74	0.37	0.05	19.21	
2018	6.5379	0.4972	(2.4012)	(0.1063)	4.5276	7.22	3.22	2.51	0.54	0.75	0.37	0.05	19.19	
2019	6.5379	0.4270	(2.4012)	(0.0913)	4.4724	7.24	3.22	2.49	0.54	0.74	0.37	0.05	19.13	
2020	6.5379	0.3729	(2.4012)	(0.0888)	4.4208	8.69	3.22	2.49	0.54	0.74	0.37	0.05	20.52	
2021	6.5379	0.3729	(2.4012)	(0.0888)	4.4208	8.69	3.22	2.49	0.54	0.74	0.37	0.05	20.52	
2022	6.5379	0.3577	(2.4012)	(0.0790)	4.4154	8.79	3.22	2.48	0.54	0.72	0.37	0.05	20.59	
2023	6.5379	0.3432	(2.4012)	(0.0827)	4.3972	8.74	3.22	2.48	0.54	0.80	0.37	0.05	20.61	

Source: Clackamas County Assessor's Office.

Property Tax Percentage Split by Government Type



CITY OF MILWAUKIE, OREGON

PRINCIPAL PROPERTY TAXPAYERS

current year and nine years ago

Name	2023			2014		
	Assessed value	Rank	% of total value	Assessed value	Rank	% of total value
PCC Structurals Inc.	\$ 119,176,758	1	5.1%	\$ 37,637,654	3	2.1%
Oregon Tool	64,224,994	2	2.8	51,783,248	1	2.9
Waverly Greens Apts	29,729,506	3	1.3	16,932,625	4	0.9
Lincoln Advisory Group LTD	21,568,717	4	0.9			
Comcast Corporation	21,044,000	5	0.9	39,654,400	2	2.2
Greg Carlston	18,867,517	6	0.8			
Portland General Electric Co.	15,622,000	7	0.7			
Kimco Realty Group	15,397,629	8	0.7			
Gramark Company LLC	13,965,098	9	0.6	9,310,425	9	0.5
Alliance Communities Inc.	13,700,491	10	0.6			
WH Portland Industrial LLC				16,095,524	5	0.9
Holland Partners				10,500,288	6	0.6
ODS Plaza				9,384,094	8	0.5
Downs Alice M. Trustee				9,447,605	7	0.5
SE International Way SPE LLC				9,167,498	10	0.5
Sub-total, top ten	333,296,710		14.4	209,913,361		11.8
All other City taxpayers	1,988,127,176		85.6	1,574,725,237		88.2
Total City taxpayers	\$ 2,321,423,886		100.0%	\$ 1,784,638,598		100.0%

Source: Clackamas County Assessor's Office.

CITY OF MILWAUKIE, OREGON

PROPERTY TAX LEVIES AND COLLECTIONS

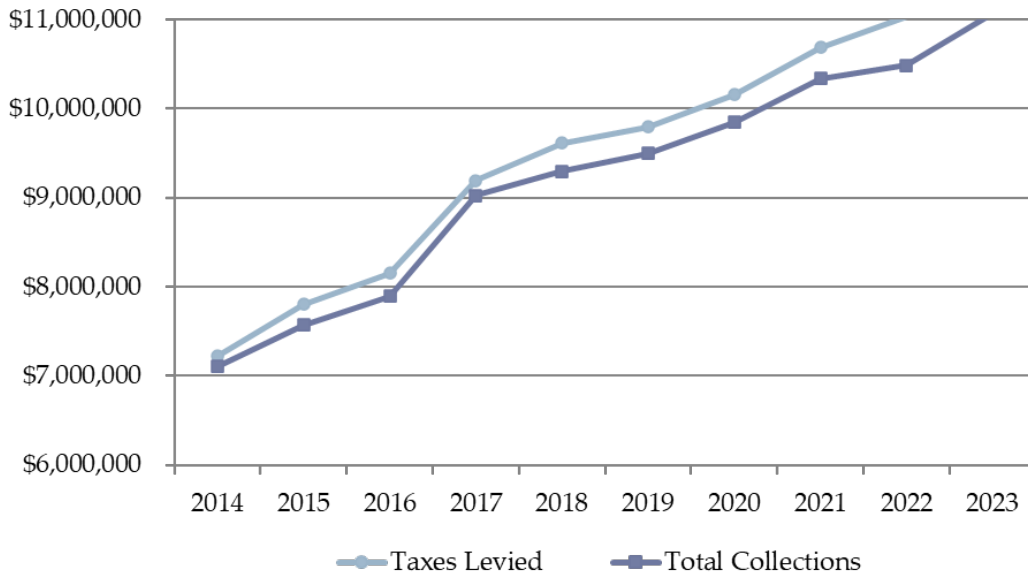
for the last ten fiscal years

Fiscal year	Taxes levied for the fiscal year	Collected within the fiscal year of the levy		Collections in subsequent years	Total collections to date	
		Amount	Percentage of levy		Amount	Percentage of levy
2014	\$ 7,220,047	\$ 6,821,366	94%	\$ 282,670	\$ 7,104,036	98%
2015	7,802,935	7,389,248	95	183,226	7,572,474	97
2016	8,150,481	7,752,374	95	143,618	7,895,992	97
2017	9,194,072	8,899,767	97	126,840	9,026,607	98
2018	9,616,768	9,136,795	95	160,038	9,296,833	97
2019	9,795,064	9,366,814	96	127,963	9,494,777	97
2020	10,154,688	9,703,887	96	144,004	9,847,891	97
2021	10,686,569	10,226,486	96	112,175	10,338,661	97
2022	11,028,313	10,489,826	95	132,613	10,489,826	95
2023	11,565,430	11,071,589	96	-	11,071,589	96

Source: City of Milwaukie Finance Department.



City Property Taxes Levied and Collections



CITY OF MILWAUKIE, OREGON

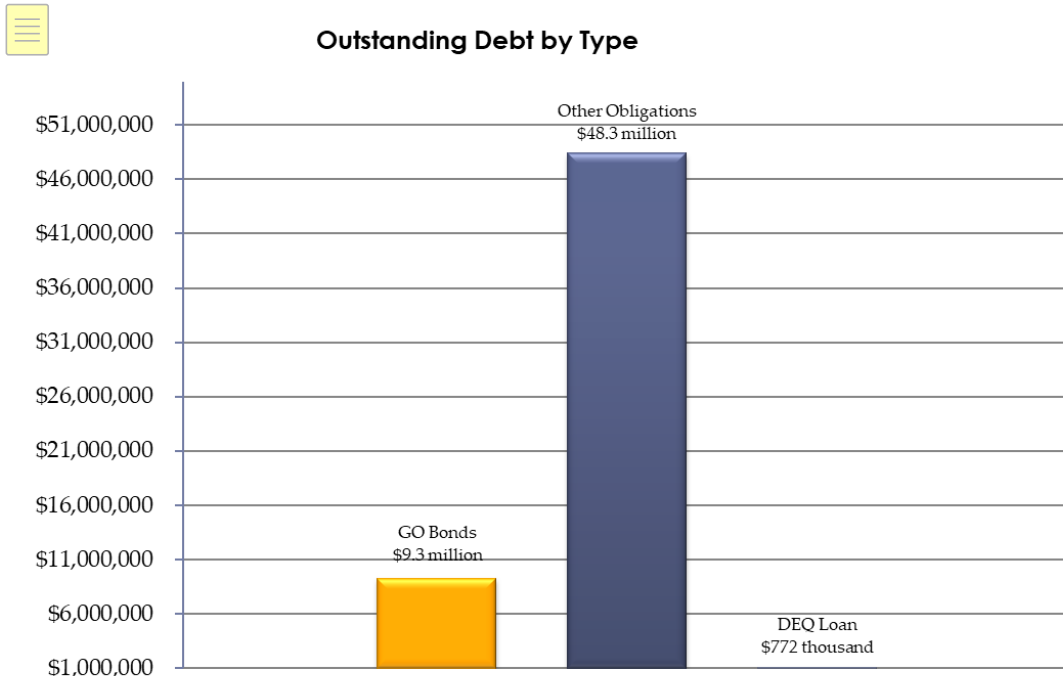
RATIOS OF OUTSTANDING DEBT BY TYPE
for the last ten fiscal years

Fiscal year	Governmental Activities			Business-type Activities	Total primary government	Percentage of Personal income	Per capita ¹
	General obligation bonds	Other Obligations	Total	Wastewater/ DEQ loan			
2014	\$ -	\$ 8,311,646	\$8,311,646	\$ 1,639,700	\$ 9,951,346	1.06	487
2015	3,829,279	5,494,629	9,323,908	1,543,200	10,867,108	1.10	530
2016	3,683,083	5,245,813	8,928,896	1,446,700	10,375,596	1.00	506
2017	12,819,141	4,904,904	17,724,045	1,350,200	19,074,245	1.71	930
2018	12,654,084	4,576,066	17,230,150	1,253,952	18,484,102	1.58	899
2019	11,643,363	24,472,780	36,116,143	1,157,494	37,273,637	3.03	1,816
2020	11,079,766	29,593,671	40,673,437	1,061,036	41,734,473	3.24	2,030
2021	10,015,000	28,130,544	38,145,544	964,578	39,110,122	2.78	1,899
2022	9,455,000	27,402,452	36,857,452	868,120	37,725,572	*	1,777
2023	9,288,971	48,390,275	57,679,246	771,662	58,450,908	*	2,753

* Information unavailable currently.

** Population data is found on the Demographic and Economic Statistics table in the Statistics, Section III.

Source: Annual Comprehensive Financial Report of the City of Milwaukie.



CITY OF MILWAUKIE, OREGON

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

for the last ten fiscal years

Fiscal year	General obligation bonds	Less: amounts available in debt service fund	Net	Percentage of net over assessed value of property¹	Per capita²
2014	\$ -	\$ -	\$ -	-	-
2015	3,829,279	(100,460)	3,728,819	0.20	182
2016	3,683,083	(110,750)	3,572,333	0.18	174
2017	12,819,141	(245,984)	12,573,157	0.63	613
2018	12,654,084	(368,719)	12,285,365	0.59	598
2019	11,643,363	(358,944)	11,284,419	0.53	550
2020	11,079,766	(359,550)	10,720,216	0.48	522
2021	10,015,000	(442,433)	9,572,567	0.43	465
2022	9,288,971	(8,808)	9,280,163	0.19	437
2023	9,288,971	(242,786)	9,046,185	0.39	426

Notes:

¹ Assessed value property data is found on Assessed Value and Estimated Real Market Value of Taxable Property table in Statistics, Section III.

² Population data is found on the Demographic and Economic Statistics table in Statistics, Section III.

CITY OF MILWAUKIE, OREGON

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
as of June 30, 2023

Governmental unit	Real Market Values of Overlapping Districts	Tax-Supported Debt Outstanding	Percentage Overlapping¹	Overlapping Debt Applicable to the City of Milwaukie
Debt repaid with property taxes:				
Clackamas Community College	\$ 69,373,064,621	\$ 143,080,045	5.39%	\$ 7,715,538
Clackamas County	94,237,569,274	105,100,000	4.47	4,697,339
Clackamas County ESD	90,610,780,251	19,855,267	4.65	922,932
Clackamas City RFPD 1	43,068,276,562	33,028,636	7.01	2,313,842
Clackamas City SD 12 (North Clackamas)	26,644,520,437	641,252,749	15.78	101,157,846
Clackamas Soil & Water Conservation	94,237,569,274	5,416,000	4.47	242,063
Metro	376,631,485,554	833,428,920	1.11	9,267,872
Multnomah County	194,030,464,733	583,000,736	0.02	92,114
Multnomah City SD 1J (Portland)	147,150,493,089	2,008,774,288	0.02	419,834
Multnomah ESD	196,523,473,889	79,158,416	0.01	9,396
Oak Lodge Water Services District	4,963,497,040	4,303,181	0.05	1,946
Port of Portland	411,207,325,192	39,375,000	0.00	-
Portland Community College	300,473,852,948	714,955,000	0.01	68,286
Subtotal, overlapping debt	<u>2,049,152,372,864</u>	<u>5,210,728,238</u>		<u>126,909,008</u>
Direct debt outstanding:				
City of Milwaukie	<u>5,068,323,873</u>	<u>57,679,246</u>	100.00%	<u>57,679,246</u>
Total direct and overlapping debt outstanding	<u>\$ 2,054,220,696,737</u>	<u>\$ 5,268,407,484</u>		<u>\$ 184,588,254</u>

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the city. This process recognizes that, when considering the city's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be considered. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

Notes:

¹ The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the city's taxable assessed value that is within the government's boundaries and dividing it by the city's total taxable assessed value.

Source: Oregon State Treasury Department, Debt Management Division.

CITY OF MILWAUKIE, OREGON

LEGAL DEBT MARGIN INFORMATION

for the last ten fiscal years

(in thousands)

	Fiscal Year Ended				
	2014	2015	2016	2017	2018
Debt maximum limitation	\$ 62,842	\$ 68,609	\$ 71,042	\$ 84,146	\$ 97,075
Debt applicable to maximum limit	-	3,585	3,450	12,125	12,654
Legal debt margin available	<u>\$ 62,842</u>	<u>\$ 65,024</u>	<u>\$ 67,592</u>	<u>\$ 72,021</u>	<u>\$ 84,421</u>
Debt applicable to the maximum limit as a percentage of debt limitation	0.00%	5.23%	4.86%	14.41%	13.04%

	2019	2020	2021	2022	2023
	Debt maximum limitation	\$ 104,971	\$ 104,964	\$ 118,206	\$ 127,750
Debt applicable to maximum limit	11,095	29,594	27,402	36,857	772
Legal debt margin available	<u>\$ 93,876</u>	<u>\$ 75,370</u>	<u>\$ 90,804</u>	<u>\$ 90,893</u>	<u>\$ 151,278</u>
Debt applicable to the maximum limit as a percentage of debt limitation	10.57%	28.19%	23.80%	28.85%	0.51%

Legal debt margin calculation for fiscal year ended June 30, 2023:

Total property real market value	\$ 5,068,323,873
	3%
Debt maximum limitation (3% of total property real market value) ¹	<u>152,049,716</u>
Amount of debt applicable to debt limit:	
Total debt	58,450,908
Less debt excluded from debt limit:	
SPWF loan	(322,408)
PERS UAL bonds	(2,005,000)
Full Faith and Credit Obligation bonds	(46,062,867)
Oregon DEQ loan	(771,662)
Less funds applicable to the payment of principal in the debt service fund per ORS 287.004	<u>-</u>
Net amount of debt applicable to limit	9,288,971
Legal debt margin - amount available for future indebtedness	<u>\$ 142,760,745</u>
Percentage of City's indebtedness to total allowed	6.11%

Notes:

¹ Pursuant to Oregon Revised Statutes 287.004, outstanding general obligation debt is limited to three percent of real market value.

Source: Clackamas County Department of Assessment and Taxation.

CITY OF MILWAUKIE, OREGON

PLEDGED-REVENUE COVERAGE

for the last ten fiscal years

Wastewater Department of Environmental Quality Loan

Fiscal year	Utility service charges	Less: operating expenses	Net available revenue	Debt service requirements		Coverage
				Principal	Interest	
2014	\$6,531,522	\$5,815,520	\$ 716,002	\$ 96,458	\$ 4,220	7.11
2015	6,893,855	5,772,119	1,121,736	96,458	7,958	10.74
2016	7,289,147	6,186,770	1,102,377	96,500	7,250	10.63
2017	7,649,464	6,409,137	1,240,327	96,500	6,993	11.98
2018	7,928,079	6,563,122	1,364,957	96,458	6,511	13.26
2019	7,967,674	6,868,920	1,098,754	96,458	6,029	10.72
2020	8,036,514	6,872,488	1,164,026	96,458	6,029	11.36
2021	8,092,696	7,278,799	813,897	96,458	5,064	8.02
2022	8,351,763	6,044,312	2,307,451	96,458	4,582	22.84
2023	8,751,015	6,144,943	2,606,072	96,458	4,099	25.92

Source: Annual Comprehensive Financial Report of the City of Milwaukie.

CITY OF MILWAUKIE, OREGON

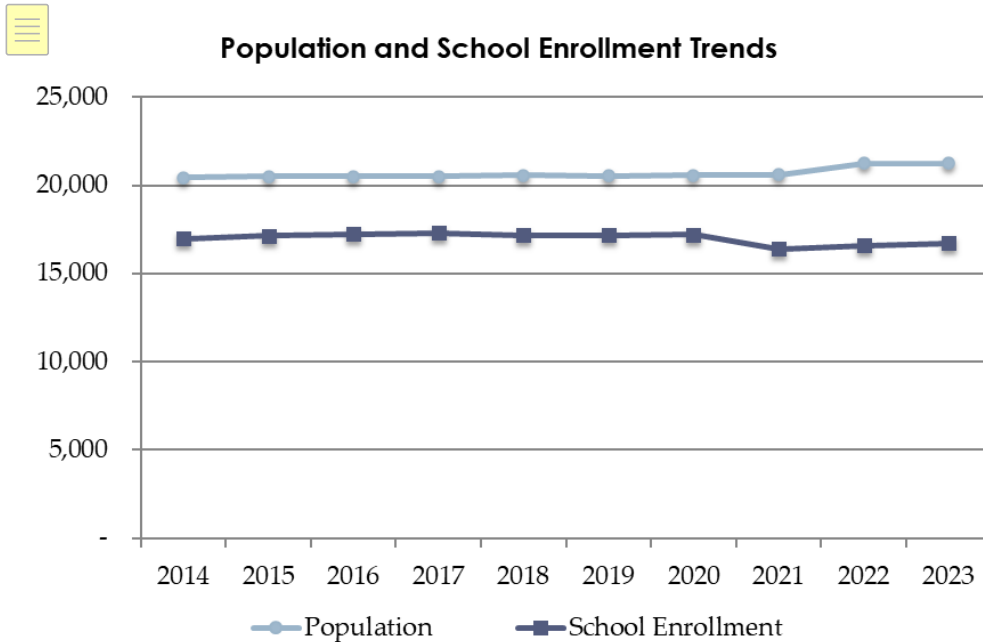
DEMOGRAPHIC AND ECONOMIC STATISTICS

for the last ten fiscal years

Fiscal year	Population	Personal income (in thousands)	Per capita personal income	School enrollment	Unemployment rate
2014	20,435	\$ 935,800	\$ 45,794	16,993	4.6
2015	20,491	992,215	48,422	17,130	5.5
2016	20,491	1,034,570	50,489	17,241	5.2
2017	20,510	1,114,288	54,329	17,309	3.7
2018	20,556	1,171,507	56,991	17,177	4.1
2019	20,528	1,230,058	59,921	17,177	4.3
2020	20,556	1,286,806	62,600	17,200	4.6
2021	20,600	1,408,504	68,374	16,384	5.9
2022	21,235	*	*	16,589	3.2
2023	21,235	*	*	16,718	3.7

* Information unavailable at this time.

Sources: Center for Population Research and Census, Portland State University
 Bureau of Economic Analysis
 State of Oregon Employment Department
 Oregon Department of Education



CITY OF MILWAUKIE, OREGON

PRINCIPAL EMPLOYERS

current year and nine years ago

Employer	2023			2014		
	Employees	Rank	Percentage of total City employment	Employees	Rank	Percentage of total City employment
Providence Milwaukie Hospital	679	2	4.56%			
Oregon Tool	644	1	4.32	990	1	7.17
North Clackamas School District ¹	550	3	3.69	385	5	2.79
PCC Structural	317	4	2.13	700	2	5.07
OECO LLC	210	5	1.41	400	4	2.90
ODS Plaza	200	6	1.34	252	9	1.83
Consonus Pharmacy Services	184	7	1.23	135	16	0.98
Alpine Food Distributing	165	10	1.11			
Wendell & Wild	164	8	1.10			
City of Milwaukie	149	11	1.00	138	15	1.00
Dave's Killer Bread	144	9	0.97	270	8	1.96
Safeway				280	7	2.03
United Grocers				630	3	4.57
R M International						0.00
Bob's Red Mill Natural Foods				300	6	2.17
Warn Industries				250	10	1.81
Things From Another World				151	11	1.09
Active Telesource				150	12	1.09
Advanced Entry System				150	13	1.09
Stoner Electric Group				150	14	1.09
To Your Home from Willamette				125	17	0.91
Dark Horse Comics				125	18	0.91
Columbia Packaging				120	19	0.87
Core-Mark International Inc.				120	20	0.87
Plumbing & Mechanical Contractors				120	21	0.87
Rose Village				120	22	0.87
Marquis Home Health				50	23	0.36
Total	2,727		18.30%	6,111		44.28%

Notes:

¹ North Clackamas School District has approximately 2,100 employees. There are 550 employees in the schools located in Milwaukie, including Milwaukie High School, Ardenwald, Lewelling, Linwood, Milwaukie Elementary, and Rowe Middle School.

Source: City of Milwaukie Finance Department.

CITY OF MILWAUKIE, OREGON

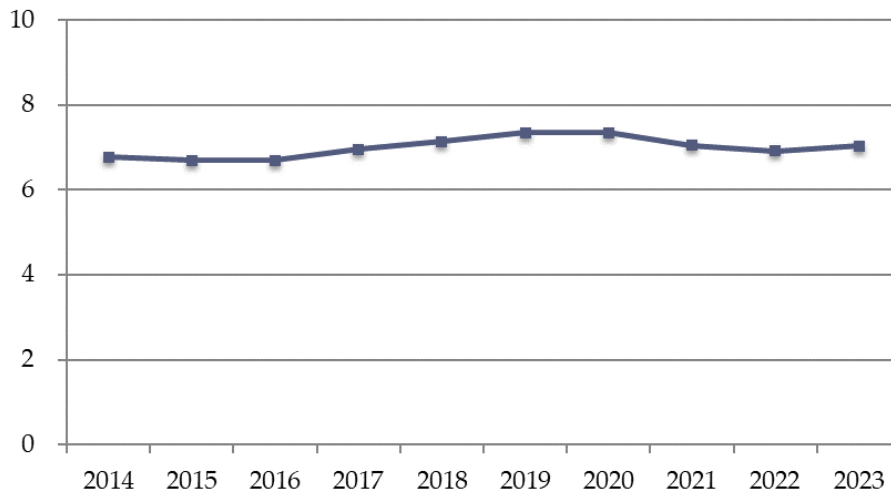
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
for the last ten fiscal years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General government	20.50	18.90	17.70	25.00	24.00	24.50	24.50	26.00	22.00	25.00
Public safety	42.25	41.85	41.85	42.75	42.75	41.75	41.75	40.50	41.50	41.50
Community services	23.76	25.26	26.46	26.26	27.26	28.01	28.01	27.25	31.25	29.25
Community development	23.50	20.60	20.60	17.00	20.00	23.00	23.00	20.00	20.00	21.00
Facilities	2.00	2.00	2.00	2.00	3.00	3.00	3.00	3.00	3.00	3.00
Transportation	6.00	5.50	5.50	5.00	5.00	6.00	6.00	5.50	5.50	6.00
Water	7.00	7.20	7.20	8.20	8.20	8.20	8.20	7.50	8.00	8.00
Wastewater	5.00	5.00	5.00	5.00	5.00	5.00	5.00	4.50	4.50	4.50
Stormwater	5.25	7.80	7.80	8.30	8.50	8.50	8.50	8.00	8.00	8.00
Fleet services	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Total FTEs	138.26	137.11	137.11	142.51	146.71	150.96	150.96	145.25	146.75	149.25
City Population	20,435	20,491	20,491	20,510	20,556	20,528	20,556	20,600	21,235	21,235
FTEs per 1,000 of population	6.77	6.69	6.69	6.95	7.14	7.35	7.34	7.05	6.91	7.03

Source: City of Milwaukie Finance Department.



10-Year Trend of FTEs per 1,000 of City Population



CITY OF MILWAUKIE, OREGON

OPERATING INDICATORS BY FUNCTION
for the last ten fiscal years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities:										
Public safety										
Citations:										
Traffic	12,522	9,159	9,813	7,633	4,340	4,288	4,418	558	1,138	1,811
Parking	463	243	1,629	1,261	1,459	2,238	2,324	1,838	1,485	1,500
City ordinance	92	141	93	85	96	91	54	38	52	74
Non-traffic violation	126	147	148	72	9	9	2	4	8	7
Total citations processed	13,203	9,690	11,683	9,051	5,904	6,626	6,798	2,438	2,683	3,392
Number of seat belt classes	54	27	42	58	31	29	17	0	5	15
Number of officers per 1,000 capita	1.60	1.60	1.60	1.60	1.60	1.57	1.60	1.12	1.12	1.57
Culture and recreation										
Library items in collections ¹	117,693	118,024	115,040	114,360	95,152	92,394	90,399	96,144	94,079	93,071
Circulation	725,861	711,150	685,157	660,438	635,428	512,487	397,577	324,896	570,967	619,636
Average circulation per capita	18.25	17.84	17.08	16.34	15.80	12.39	9.54	7.78	13.67	14.84
Number of library programs	611	663	627	615	623	471	380	264	257	393
Attendance at library programs	17,230	19,565	20,079	20,513	19,834	13,992	12,747	11,889	15,112	15,913
Number of library volunteers	1,473	1,607	1,547	1,470	1,386	937	756	299	896	780
Library volunteer hours	9,004	9,798	9,948	8,646	7,758	6,135	3,621	1,866	6,738	5,882
Community development										
Building:										
Building permits issued	144	185	240	218	298	261	228	246	299	288
Inspections performed	1,577	1,693	1,872	2,128	3,107	4,443	4,452	4,065	4,695	3,097
Investigations	40	48	15	26	36	42	38	34	24	23
Violations resolved	29	33	9	18	24	35	30	25	21	17
Planning:										
Land use applications processed ²	58	87	100	156	139	131	112	105	61	61
Business-type activities:										
Water										
Service connections	6,777	6,813	6,870	6,870	6,845	6,911	6,926	6,929	6,929	6,942
Number of fire hydrants maintained	788	789	404	105	6	90	146	94	330	140
Sanitary sewer (in feet)										
Sewer mainline cleaning	109,594	134,263	99,998	74,360	41,312	113,523	61,418	62,053	89,069	105,192
Mainline inspections completed	124,525	134,663	165,396	70,326	49,755	121,281	69,905	73,934	94,478	111,795

Notes:

¹ Reduction in collection due to the construction of a new library and a temporary library location in 2018 and 2019. Also, there was a reduction in 2020 and 2021 due to the COVID-19 pandemic.

² Previous years (FY 2014 - FY 2015) have been corrected.

Source: City of Milwaukie Departments.

CITY OF MILWAUKIE, OREGON

CAPITAL ASSET STATISTICS BY FUNCTION
for the last ten fiscal years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities:										
General government										
City-owned building facilities	5	5	5	5	5	5	6	6	6	6
Public safety										
Police stations	1	1	1	1	1	1	1	1	1	1
Patrol units	24	24	24	24	21	21	21	21	20	20
Culture and recreation										
Library facility	1	1	1	1	1	1	1	1	1	1
Community development										
Residential Construction	\$ 2,029	\$ 2,370	\$ 2,135	\$ 6,994	\$30,685	\$ 7,849	\$19,602	\$15,737	\$12,977	\$ 6,645
Commercial Construction	1,656	610	303	5,266	41,264	69,440	12,864	14,992	62,075	64,273
Total value of new building construction (in thousands) ¹	<u>\$ 3,685</u>	<u>\$ 2,980</u>	<u>\$ 2,438</u>	<u>\$12,260</u>	<u>\$71,949</u>	<u>\$77,289</u>	<u>\$32,466</u>	<u>\$30,729</u>	<u>\$75,052</u>	<u>\$70,918</u>
Highways and streets										
Miles of streets (street lane miles)	158	160	160	160	157	159	159	160	160	160
Surface water catch basins	1,622	1,631	1,631	1,679	1,685	1,701	1,752	1,778	1,798	1,796
Business-type activities:										
Water										
Water mains (miles)	100	100	100	100	101	100	100	100	101	99
Number of pump stations	5	5	5	5	5	5	5	5	5	5
Number of water storage reservoirs	3	3	3	3	3	3	3	3	3	3
Sanitary sewer										
Sanitary sewer (miles)	79	79	79	79	79	79	79	79	79	79
Number of sewer manholes	1,697	1,692	1,692	1,692	1,700	1,706	1,721	1,724	1,725	1,728

Source: City of Milwaukie Departments.

SECTION IV

COMPLIANCE SECTION

INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE
REGULATIONS

CITY OF MILWAUKIE, OREGON

COMPLIANCE SECTION

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Oregon Administrative Rules 162-10-050 through 162-10-320, incorporated in the Minimum Standards for Audits of Oregon Municipal Corporations prescribed by the Secretary of State in cooperation with the Oregon State Board of Accountancy, enumerate the financial statements, schedules, comments, and disclosures required in audit reports. The required statements and schedules are set forth in the preceding sections of this report.

The following report from Aldrich CPAs + Advisors LLP is contained in this section:

- Independent Auditor's Report Required by Oregon State Regulations

[page 1 of the auditor's disclosure letter will be inserted here]

[page 2 of the auditor's disclosure letter will be inserted here]



**RS 4. A. 3/19/24
Presentation**

CITY OF MILWAUKIE

Annual
Comprehensive
Financial Reporting
June 30, 2023

ACFR & PAFR

- Annual Comprehensive Financial Report (ACFR)
 - High level, technical document outlining city's financial position at year end
 - Audience is for government regulators, auditors, and banker
 - 100+ pages of detailed information
- People's Annual Financial Report (PAFR)
 - Brief summary level document highlighting the city's finances.
 - Audience is for residents & citizens of the city to create discussion and dialogue
 - 10 page of summary information
- The city has received the GFOA award for ACFR Reporting in FY22!



TIMELINE

- June 30, 2023 – End of Fiscal Year 2023
- July 2023 – Interim Field Work
- August 2023 – Audit Committee meeting
- November 2023 – Auditors on site
- January 2024 – Complete Financial Document w/ review of Merina.
- February 2024 – Aldrich Partner review, presented to Audit Committee
- March 2024 – Submitted to Oregon S.O.S office (3/13/2024)



AUDIT RESULTS

- The city received a “clean and unmodified opinion” for the annual audit for fiscal year ending 6/30/2023.
- Aldrich Advisors identified the following issues:
 - Material Weakness in Internal controls in place to identify and correct end of year reporting
 - Multiple violations of City's procurement policies during the fiscal year.
 - Uncontracted city project relating to slurry seal – Summer of 2023
 - Failure to follow advertising requirements
 - Failure to obtain appreciate approvals prior to entering contracts.



AUDIT RESULTS, CTD

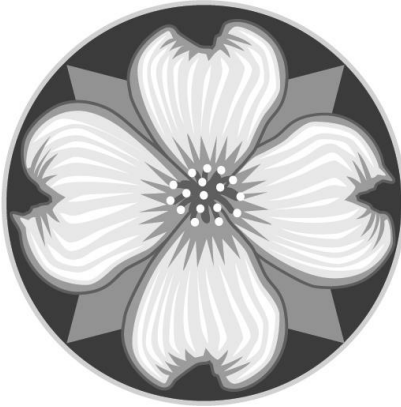
- In past 2 years city has updated reporting to bring reporting to current GFOA standards
 - Implemented GASB standards 86 & 87 to account for Leases and Subscriptions.
 - Purchased subscription software Leasequery to help in reporting
 - Addition of Milwaukie Redevelopment Commission financial statements
 - Update accounting standards regarding bond proceeds and Interest income.
 - This led to 15 Journal entries made at year end:
 - 8 – Auditor preference changes from past practice
 - 3 – Due to GASB updates
 - 2 – Standard end of year entries
 - 2 – Error corrections



FUTURE GOALS

- Address findings from 2023 audit
- City needs to submit the annual ACFR to Oregon Secretary Of State and GFOA by December 31, 2024
- Process improvements to meet these goals:
 - Increase procurement training
 - Conduct internal audits of procurements
 - Move up auditors in-office field work from November to late September/early October
 - Work on continuing education and guidance in preparation of new standards
 - Have auditors complete the financial reporting piece of ACFR – Saves staff time, but additional cost
 - Staffing and capacity:





RS Agenda Item

5

Community Comments

From: [Vera Kalias](#)
To: [Scott Stauffer](#)
Cc: [Laura Weigel](#)
Subject: FW: Monroe Land Use proposal
Date: Monday, March 11, 2024 10:46:13 AM

Hello Scott,

This comment was sent regarding the Type II land use application for TFR-2024-002.

I informed Zac that the Planning Manager makes the decision for Type II land use applications (as he addressed his comments to Council). He asked that Council see his comments as well. Could you please send them as an FYI?

Thank you,
Vera

VERA KOLIAS, AICP

Senior Planner
she • her
503.786.7653
City of Milwaukie
10501 SE Main St • Milwaukie, OR 97222

Please note that my work schedule is Monday – Thursday from 6 a.m. – 4:30 p.m.

From: Zac Perry <linwoodzp@gmail.com>
Sent: Friday, March 8, 2024 2:52 PM
To: Vera Kalias <KaliasV@milwaukieoregon.gov>
Subject: Monroe Land Use proposal

This Message originated outside your organization.

Hello Council,

I recently received the Notice of Type 2: Land Use Proposal, related to the development of the Monroe farm (tax lot ID: 12E31AB13300)

Thank you for taking my concerns into consideration when reviewing the cottage cluster project proposed at Monroe near Stanley Ave. I understand the right to build, by the proposee and am not objecting to their plan to add middle housing to our city. My concerns surround the impact that this proposed project makes to the livability and function of your most eastern community members in Linwood. I understand the State laws in place that dictate when and if developers need to provide parking within their build plans, and I'm happy to see that there is included in this design 1 parking spot per housing unit. I have read and understand the traffic survey that was required in this design application, and hope that Council will look at those numbers with relevance to the time they were collected and that usage of our neighborhood roads will continue to increase with higher density and even seasonally with the warmer weather.

As the City continues to support the long-standing Monroe Greenway project, and move

towards implementation in the near future, I question how this sort of increased density is in alignment with the initial goals you have all worked so hard to portray to your community members.

Obviously, there will be limited roadside parking along the Greenway once that project begins. Where does the City expect the extra vehicles visiting or living in this new development to park? How will increased parking along Stanley avenue affect the already disgraceful walkability of our Linwood community? Linwood neighborhood is already considered the least walkable neighborhood in your City, if the City allows this development to proceed as is, and the City makes no effort to make improvements on adjacent streets for parking by means of introducing 'short-term' parking zones or improved and defined parking shoulders, you are asking for any mode of transportation on these side streets to utilize the center of the lane for active and motorized transportation which creates more road conflict and increases potential accidents.

I am not asking for the City to in any way obstruct the opportunities in our community to increase affordable housing, but I do ask our Council to consider the impacts to the livability of the surrounding community and adjacent properties and prioritize upcoming resources to mitigate this project so not to further degrade the function, walkability, and safety of your neighborhood streets.

Thank you for your time,

Please feel free to reach out to me with any questions,

Zac Perry

Linwood resident

To: Milwaukie City Council
From: David Chitsazan, Milwaukie Resident (in his personal capacity)
Re: Palestine Proclamation
Date: March 19, 2024

Dear City Council,

Apologies for not being at city council to present this (today marks the start of Persian New Year 😊), but I would like to provide some further information to help explain the dire situation in Palestine, and express support towards a proposed proclamation (attached 'Proposed Palestine Proclamation v3').

Currently the IDF (Israeli Defense Forces) are attacking Rafah and are planning a full-scale invasion into the city that will undoubtedly cause thousands (if not tens of thousands) of deaths and injuries. To give perspective on the situation in Rafah, before 2023 Rafah had a population around 170,000¹, a similar population to Eugene, OR². Rafah's size is approximately 25 square miles³, a similar size to Gresham, OR⁴ (Eugene is almost double the square miles of Gresham). Since the IDF's invasion/attacks on Gaza from 2023 to present, over 1 million Palestinians have been forced to flee into Rafah, leading to over 1.4 million people currently in Rafah⁵. 1 million Palestinians in Oregon terms would be the equivalent of Portland, Salem, and Eugene (Oregon's three largest cities)⁶ all being crammed into an already crowded Gresham.

[continued on page 2]

¹ 2017 Census, <https://www.pcbs.gov.ps/Downloads/book2364-1.pdf>

² 2022 Census. <https://www.census.gov/quickfacts/fact/table/eugencityoregon/PST045222>

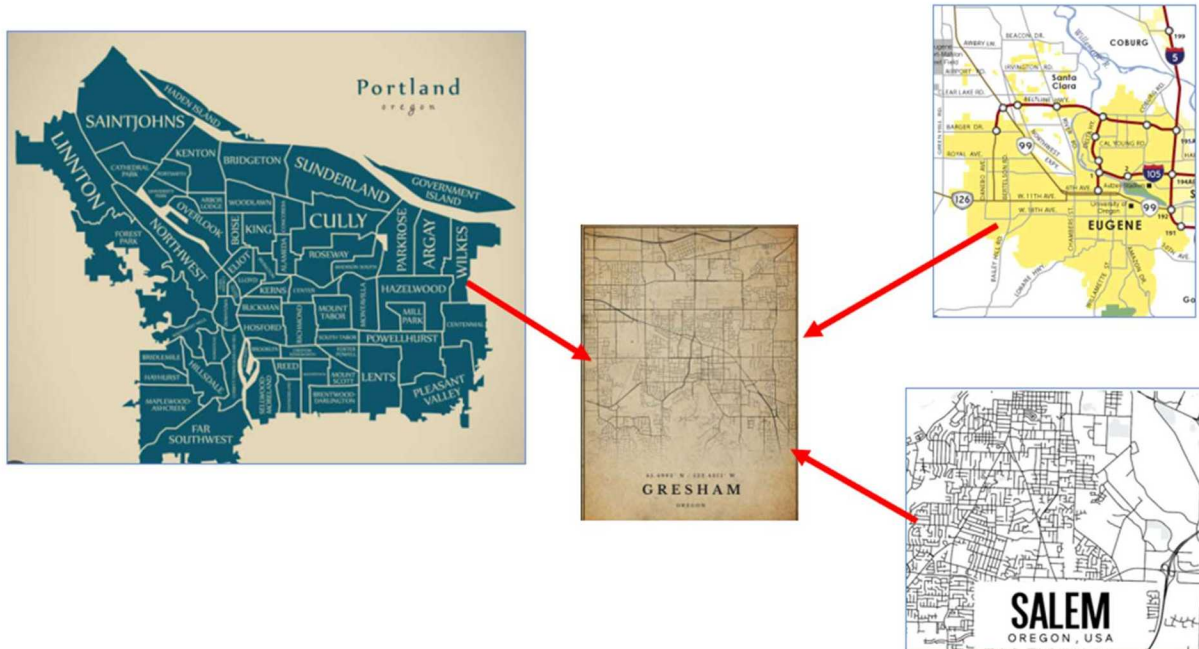
³ NPR, <https://www.npr.org/2024/03/15/1233158434/rafah-gaza-population-crowding-israel-hamas>

⁴ <http://www.usa.com/rank/oregon-state--land-area--city-rank.htm>

⁵ Norwegian Refugee Council, <https://www.nrc.no/news/2024/february/gaza-israels-military-operation-in-rafah-would-be-fatal-for-displaced-civilians-and-humanitarian-aid/>

⁶ Oregon Secretary of State, https://sos.oregon.gov/blue-book/Pages/local/city-population.aspx#InplviewHashc076b417-114c-41b6-bb51-0466878aec21=SortField%3D_x0032_022-SortDir%3DDesc

I encourage you to take a quick second to imagine everyone in the three largest cities in Oregon cramming into Gresham:



Even in perfect conditions, that's not sustainable and a ground invasion will be tragic. And the conditions are already dire, where the entire 2.3 million population is facing a crisis levels of hunger, including one in four households (577k people) facing catastrophic levels of hunger "suffering from an extreme lack of food, starvation and exhaustion of coping capacities"⁷.

While Milwaukie doesn't have any direct say over the IDF's horrific attacks on the Palestinian people, the United States remains one of the largest suppliers of weapons to Israel and is the only veto when Israel is called to a ceasefire by the UN⁸. Change occurs through people, especially leaders, stepping up and calling out abhorrent actions when they occur. The Civil Rights and Gay Rights movements didn't get to where they are today with a snap of the finger, it took many brave individuals coming together to stand against oppression. Y'all have a similar call to action here, and I hope that the city will adopt the proposed resolution. Let me know if you have any questions, and thank you very much for listening.

Sincerely,

David

P.S. I'll continue to say it... don't be someone Harriet Tubman would have shot 😊.

⁷ Reuters, <https://www.reuters.com/world/middle-east/entire-gaza-population-facing-hunger-crisis-famine-risk-un-backed-report-2023-12-21/>

⁸ Reuters, [https://www.reuters.com/world/us-casts-third-veto-un-action-since-start-israel-hamas-war-2024-02-20/#:~:text=UNITED%20NATIONS%2C%20Feb%20%20\(Reuters,to%20the%20release%20of%20hostages](https://www.reuters.com/world/us-casts-third-veto-un-action-since-start-israel-hamas-war-2024-02-20/#:~:text=UNITED%20NATIONS%2C%20Feb%20%20(Reuters,to%20the%20release%20of%20hostages)

***Proposed* PROCLAMATION**

A Proclamation in Opposition to the Israeli Defense Forces (“IDF”) and in Support of the Palestinian People.

WHEREAS invading a neighboring country, killing its civilian population, and destroying the infrastructure and cultural richness of that country is never to be countenanced; and

WHEREAS the IDF initiated unwarranted acts of aggression against Palestine in 2014, by killing over 2,000 Palestinians¹; and

WHEREAS the IDF forces have targeted civilians, committing crimes against humanity, to include attacking every hospital in Gaza, killing at least ~~20,000~~ **25,000** women and children², and blocking of routes for fleeing refugees, demonstrating an utter lack of regard for human life and dignity; and

WHEREAS on this, the 137th day of the war ravaging their cities and towns, the Palestinian people remain steadfast in their defense of their homeland, having earned the admiration of people around the world; and

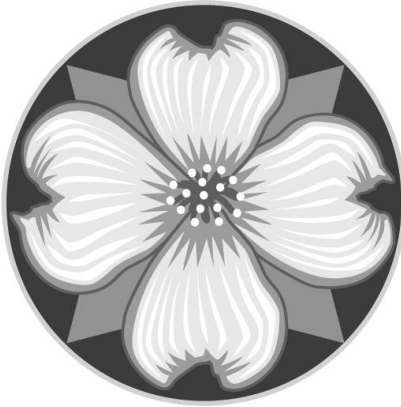
WHEREAS Milwaukie is home to many Palestinian families and congregations who have family in Palestine or as refugees around the world for whose lives and freedom they are deeply concerned.

NOW, THEREFORE, I, Lisa Batey, Mayor of the City of Milwaukie, a municipal corporation in the County of Clackamas, in the State of Oregon, do declare that the City of Milwaukie joins communities across the globe, in the U.S., and locally, to condemn the attack on the sovereignty of Palestine, and stands with the people of Palestine and their right to self-determination, freedom, and democracy.

IN WITNESS, WHEREOF, and with the consent of the City Council of the City of Milwaukie I have set my hand on this 20th day of February, 2024.

¹ Source: Israeli Ministry of Foreign Affairs, mfa.gov.il/ProtectiveEdge/Documents/PalestinianFatalities.pdf.

² Source: US Defense Secretary Lloyd Austin, <https://www.aljazeera.com/news/2024/3/1/more-than-25000-women-and-children-killed-in-gaza-us-defence-secretary>



RS Agenda Item

6

Consent Agenda

COUNCIL STUDY SESSION

City Hall Council Chambers, 10501 SE Main Street
& Zoom Video Conference (www.milwaukieoregon.gov)

MINUTES**FEBRUARY 13, 2024**

Council Present: Councilors Adam Khosroabadi, Rebecca Stavenjord, and Council President Robert Massey, and Mayor Lisa Batey

Staff Present: Nicole Madigan, Deputy City Recorder
Ann Ober, City Manager

Scott Stauffer, City Recorder

Mayor Batey called the meeting to order at 5:17 p.m.

1. Clackamas Community College (CCC) Bond Update – Report

Tim Cook, CCC President, explained that CCC was making the rounds to cities to present the college's need to place a bond on the November 2024 ballot. **Cook** provided some background on CCC and student attendance statistics. **Kathy Hyzy**, CCC Board Member provided an overview of what a bond was and how CCC's proposed bond would be used. **Hyzy** explained that the bond would be a renewal of the last bond passed in 2014, and as such it would not raise tax rates, and **Hyzy** presented what had been accomplished with the 2014 bond.

Cook explained how CCC determined the need for a renewal of the bond and what the college wanted to accomplish if the bond was approved by voters. **Hyzy** explained that if the bond was approved, there were opportunities for CCC to collect matching funds from multiple sources for certain projects. **Hyzy** noted that CCC was looking for feedback and that the projects CCC was proposing to fund with the bond.

Mayor Batey asked for more detail about which CCC campuses would be included in the proposed projects. **Cook** noted that the proposed construction would be at the Oregon City campus, that the college was looking at adding workforce training to the Wilsonville campus, and **Cook**, **Batey**, and **Hyzy** discussed current and future programming at the Harmony campus.

Councilor Massey asked if CCC was seeing an increase in demand due to a current questioning around four-year degrees. **Cook** explained how workforce demands were requiring a two-year degree or less, but there was still a cultural phenomenon and parental push for four-year degrees. **Massey** asked who was CCC's biggest competition. **Cook** explained that CCC worked well with the surrounding community colleges, and that the biggest competition was from for profit and online universities but **Cook** noted that CCC was the first college to offer an early education degree entirely in Spanish.

Councilor Khosroabadi asked CCC to explain what the college would lose if the bond was not passed. **Hyzy** and **Cook** noted the importance of taking care of and updating the current infrastructure and finding ways to modernize and match current student needs.

Councilor Stavenjord asked how much CCC thought they would be able to collect via state bond matching if the bond passed. **Cook** explained how CCC was able to apply for state bond matching and that CCC was hoping to take advantage of other bond matching programs.

Councilor Stavenjord asked if CCC had policies in place for obtaining contracts with women and minority owned businesses. **Cook** shared that CCC had exceeded their 2014 goal of awarding 10% of contracts to women, minority, and locally owned businesses, and noted that the board had not yet had contract award conversations for the proposed 2024 bond but noted that such policies were important to CCC. **Stavenjord** noted the importance of having work force development programs for behavioral health.

Councilor Stavenjord asked what CCC saw as the path forward for childcare. **Cook** shared that CCC had partnered with Head Start programs and the Young Men's Christian Association (YMCA) to offer both training facilities and childcare on their campuses, noted the online Spanish early education degree, and that CCC was looking to expand drop-in services. **Hyzy** stated that there was work to do to get the word out to local businesses that CCC was producing childcare workers.

Mayor Batey asked for clarification on the length of the bond. **Cook** explained that the 2014 bond was a continuation of the 2000 bond and that if the 2024 bond was approved that would renew a 25-year bond. **Batey** asked about CCC's partnerships with Clackamas Workforce Partnership (CWP) and small business development centers. **Cook** stated that CCC had a close and constant relationship with CWP and that CCC has their own small business development center and is one of the best in the state.

2. Council Reports

Councilor Khosroabadi noted that Clackamas County Water Environment Services (WES) was having a naming competition to name the new boring machine.

Mayor Batey was looking for Council to sign a letter of support for Clackamas County Children's Commission to acquire funding to purchase the shuttered YMCA childcare center in Milwaukie. There was Council consensus to sign and send the letter.

Councilor Khosroabadi provided an update from the February 7 county's Community Action Board (CAB) meeting.

3. Adjourn

Mayor Batey adjourned the meeting at 6:07 p.m.

Respectfully submitted,

Nicole Madigan, Deputy City Recorder

COUNCIL SPECIAL SESSION

City Hall Council Chambers, 10501 SE Main Street
& Zoom Video Conference (www.milwaukieoregon.gov)

MINUTES

FEBRUARY 13, 2024

Council Present: Councilors Adam Khosroabadi, Rebecca Stavenjord, and Shane Abma, and
Council President Robert Massey, and Mayor Lisa Batey

Staff Present: Municipal Court Judge Kimberly Graves
Nicole Madigan, Deputy City Recorder

Ann Ober, City Manager
Scott Stauffer, City Recorder

Mayor Batey called the meeting to order at 6:14 p.m.

1. Call to Order

A. Pledge of Allegiance

B. Native Lands Acknowledgement

2. Interim Council Member – Interviews

Council interviewed interim Council member applicants Shane Abma, Will Anderson, David Chitsazan, Corey Hester, Mary Rowe, and Sheryl Wampler. It was noted that Council was running ahead of schedule and that the final interim Council member applicant had not yet arrived.

Mayor Batey recessed the meeting at 7:45 p.m. and reconvened at 7:59 p.m.

Council interviewed interim Council member applicant Timothy Welp.

3. Council Deliberation

Council discussed who to appoint on an interim basis to the vacant Council position 3.

Mayor Batey recessed the meeting at 8:34 p.m. and reconvened at 8:45 p.m.

Council continued to discuss who to appoint to the vacant Council position.

It was moved by Council President Massey and seconded by Councilor Khosroabadi to appoint Shane Abma to the vacant Council position 3 on an interim basis until the May 21, 2024, special election results are certified. Motion passed with the following vote: Councilors Khosroabadi, Stavenjord, and Council President Massey, and Mayor Batey voting “aye,” [4:0]

Resolution 7-2024:

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE,
OREGON, APPOINTING SHANE ABMA TO FILL THE VACANT CITY
COUNCIL POSITION 3.**

4. Interim Council Member Swearing-In – Ceremony

The Oath of Office for Council Position 3 was administered to Abma by **Graves**.

5. Adjourn

It was moved by Councilor Khosroabadi and seconded by Council President Massey to adjourn the Special Session. Motion passed with the following vote: Councilors Khosroabadi, Stavenjord, and Council President Massey, and Mayor Batey voting “aye,” and Councilor Abma not voting. [4:0]

Mayor Batey adjourned the meeting at 9:15 p.m.

Respectfully submitted,

Nicole Madigan, Deputy City Recorder

COUNCIL WORK SESSION

City Hall Council Chambers, 10501 SE Main Street
& Zoom Video Conference (www.milwaukieoregon.gov)

MINUTES

FEBRUARY 20, 2024

Council Present: Councilors Shane Abma, Adam Khosroabadi, Rebecca Stavenjord, and Council President Robert Massey, and Mayor Lisa Batey

Staff Present: Justin Gericke, City Attorney
Vera Kolias, Senior Planner
Nicole Madigan, Deputy City Recorder
Ann Ober, City Manager
Scott Stauffer, City Recorder
Laura Weigel, Planning Manager

Mayor Batey called the meeting to order at 4:15 p.m. and noted that the delayed start had been due to technical issues with the audio equipment in Council Chambers.

1. Title 17 Land Division Code Update – Discussion

Kolias introduced proposed changes to Milwaukie Municipal Code (MMC) Title 17, explaining staff's goals for updating the code and reviewing the code change process including the commentary section. The proposed changes included formatting and updating redundant language and streamlining review processes and application requirements. **Councilor Abma** and **Kolias** remarked on how the changes had been informed by county review timelines.

Kolias continued to review proposed code changes, noting language changes related to land partition requirements. **Council President Massey**, **Kolias**, and **Councilor Khosroabadi** remarked on how improved language would have helped in a recent example of a property owner wanting to partition their property.

Councilor Stavenjord, **Kolias**, and **Mayor Batey** remarked on inconsistencies between city and county code for middle housing types. **Kolias** reviewed proposed middle housing code changes relating to tax lot requirements. The group commented on the lot line, setback, and structure size rules for the “parent” and “child” sub-divided lots.

Councilor Stavenjord asked if the proposed code changes would impact the timeline for a developer doing middle housing. **Kolias** explained when middle housing land use applications are submitted and how building permits are tied to the land use applications.

Councilor Khosroabadi and **Kolias** remarked on how middle housing lot sizes are calculated and noted that state rules require a quicker turnaround time for such projects.

Councilor Abma and **Kolias** noted the city code could allow land use variances to the middle housing land division requirements. **Kolias** noted staff encouraged developers to think about as many possible land uses when applying.

Mayor Batey and **Kolias** remarked on how townhouse developments are different from middle housing projects.

Councilor Stavenjord asked if there was guidance the city could provide developers to script the process and reduce the city's liability with middle housing projects. **Kolias** agreed the city could create a document to provide information to developers. **Councilor Stavenjord** noted that other governments had developed artificial intelligence (AI) tools to help developers navigate these situations.

Mayor Batey, Koliás, and **Councilor Khosroabadi** commented on whether state middle housing rules incentivized the development of such housing types, and they noted the city had received applications for middle housing projects with various funding structures. The group noted how certain property use restrictions are captured in the property deed and through entities like homeowner associations.

Councilor Abma and **Koliás** noted that most of the recently adopted state housing laws were already in place in the MMC and Comprehensive Plan, and the proposed changes were just to help clarify state rules in the code. They noted that staff did not believe the code changes would cause policy changes and **Koliás** confirmed that the county had reviewed the changes.

Mayor Batey asked why some code section numbers were left blank and **Koliás** explained there were empty sections to allow for future code changes. The group talked about the \$200 fine amount noted in Title 17 and **Koliás** reported that the proposed changes wouldn't change the fine that was already in the code and noted that staff would review the placement of the fine in Title 17.

Mayor Batey noted a possible additional change to clarify a definition related to right-of-way (ROW) permits.

Koliás noted Council would discuss the Title 17 code changes again in April.

Volunteer of the Year Award Selection Process – Discussion

Council President Massey encouraged Council to be more intentional about the process to select a volunteer of the year, noting the awkwardness of last year's balloting process.

Mayor Batey agreed about the awkward deliberations and the group agreed to continue the conversation at the end of the February 20 regular session.

2. Adjourn

Mayor Batey adjourned the meeting at 5:15 p.m.

Respectfully submitted,

Scott Stauffer, City Recorder

COUNCIL REGULAR SESSION

City Hall Council Chambers, 10501 SE Main Street
& Zoom Video Conference (www.milwaukieoregon.gov)

MINUTES

FEBRUARY 20, 2024

Council Present: Councilors Shane Abma, Adam Khosroabadi, Rebecca Stavenjord, and Council President Robert Massey, and Mayor Lisa Batey

Staff Present: Joseph Briglio, Community Development Director
Jennifer Garbely, City Engineer
Justin Gericke, City Attorney
Ann Ober, City Manager
Emma Sagor, Assistant City Manager

Gabriela Santoyo Gutierrez, Equity & Inclusion Coordinator
Scott Stauffer, City Recorder
Laura Weigel, Planning Manager

Mayor Batey called the meeting to order at 6:03 p.m.

1. CALL TO ORDER

A. Pledge of Allegiance.

B. Native Lands Acknowledgment.

2. ANNOUNCEMENTS

Mayor Batey announced upcoming activities, including a conversation about housing, a city manager open door session, an author event at the Ledding Library, a state transportation projects open house, and a kick-off event for park construction projects.

3. PROCLAMATIONS AND AWARDS

A. Celebrating Black Excellence Month – Proclamation

Santoyo Gutierrez introduced Equity Steering Committee (ESC) member Seyona Belai and commented on the importance of recognizing Black excellence. **Mayor Batey** proclaimed February to be Black Excellence Month in Milwaukie.

4. SPECIAL REPORTS

A. Pod Village – Report

Daniel Hovanas, Do Good Multnomah (DGM) executive director, provided an overview of DGM's work including a new pod village in unincorporated Clackamas County south of Milwaukie. **Chris Gardner**, DGM director of communications and marketing, commented on the community support DGM received for villages in other parts of the metro area.

Mayor Batey and **Hovanas** noted that the new Clackamas County village would not be only for houseless veterans.

Councilor Stavenjord thanked DGM for their work and asked how cities could support that work. **Hovanas** suggested cities and local leaders should be curious and look for ways to connect services with the village.

Councilor Khosroabadi and **Hovanas** commented on the need to connect the village with health service agencies and to foster dialogue with neighbors. They noted that it takes about 90 days on average for a houseless individual to find permanent housing through the services provided at the village.

Council President Massey noted the Clackamas County village could only happen because of a private land donation and thanked the property owner for the donation.

Councilor Abma and **Hovanas** commented on the need for villages with different accessibility and residency requirements to address different issues. They noted that DGM funding largely came from county governments and that the Clackamas County village would support up to 90 individuals at a time.

Councilor Khosroabadi and **Hovanas** noted DGM would begin community engagement activities once the village was approved by the county hopefully in February 2024.

Paul Edgar, Oregon City resident, expressed support for the work of DGM and the services to be provided by the village in unincorporated Clackamas County.

5. COMMUNITY COMMENTS

Mayor Batey reviewed the public comment procedures. **Ober** reported that follow-up from the February 6 comments would be addressed during the March 5 regular session.

David Chitsazan, Milwaukie resident, commented on the impacts of the Israeli-Palestinian conflict and asked Council to read a proclamation addressing the death of civilians in Gaza. **Mayor Batey** noted staff would follow-up on the proclamation request.

6. CONSENT AGENDA

Mayor Batey had an issue with a sentence that referenced a grant in the January 9, 2024, Council retreat minutes. **Ober** and **Batey** discussed the grant reference in the minutes, and it was Council consensus to revise the sentence in the minutes to include “regional multi-agency grant.”

It was moved by Councilor Stavenjord and seconded by Councilor Khosroabadi to approve the Consent Agenda as modified.

A. City Council Meeting Minutes:

- 1. January 9, 2024, Council retreat,**
- 2. January 16, 2024, work session, and**
- 3. January 16, 2024, regular session.**

Motion passed with the following vote: Councilors Abma, Khosroabadi, Massey, and Stavenjord and Mayor Batey voting “aye.” [5:0]

7. BUSINESS ITEMS

A. Transportation System Plan (TSP) Update – Discussion

Weigel provided an overview of the TSP, the TSP update project, the methodology and framework of the TSP review process including the community profile part of the project.

Mayor Batey and **Weigel** clarified that links to the community profile reference documents had been included in the staff report.

Weigel discussed the TSP project’s community engagement outreach events and the financial forecast for transportation infrastructure included in the TSP.

Councilor Stavenjord noted the availability of county level demographic data and **Weigel** agreed that using such data would be helpful for updating the TSP.

Councilor Khosroabadi, Garbely, and Mayor Batey remarked on the status of Safe Access for Everyone (SAFE) program funding.

Council President Massey asked if the Pamplin Media building had been included in the TSP and **Ober** noted that since the Pamplin building was outside city limits any comments about its transportation needs would be sent to the county.

Council President Massey asked how the TSP interacted with the neighborhood hubs program and **Weigel** explained how staff had linked issues between the TSP and hubs. **Massey** and **Ober** observed that encouraging hubs would require public and private investment in hub areas.

Council Abma and **Weigel** noted when the TSP had last been updated and how the TSP Advisory Committee (TSPAC) had been formed. **Ober** noted that a couple new appointments to the TSPAC would be submitted for Council consideration soon.

Councilor Abma, Weigel, and Garbely noted that Milwaukie was one of the first cities to implement new state engagement and Climate-Friendly and Equitable Communities (CFEC) laws. They also remarked on how much county level data informed the city's planning and engineering work and the TSP.

Mayor Batey, Weigel, and Ober commented on the TSP project's engagement work, noting groups staff should reach out to, the timing of the TSP update, and staff's efforts to identify a representative of freight business groups.

Councilor Stavenjord observed there were similar transportation conversations happening at Clackamas County Coordinating Committee (C4) meetings and **Garbely** reported that staff intended to reach out to the county to coordinate such conversations.

Ober summarized that Council was comfortable with new TSPAC appointments being placed on regular session consent agendas.

8. PUBLIC HEARING

A. None Scheduled.

9. COUNCIL REPORTS

A. Legislative and Regional Issues – Discussion

Stauffer provided an overview of the 2024 legislative session and the group discussed legislation the city had been tracking, including bills addressing housing, Measure 110 drug enforcement reform, recreational immunity for local governments, and public meetings and records laws. **Stauffer** and **Mayor Batey** noted the letter in support of the Clackamas County Childcare Coalition (C5) that had been previously approved by Council had been sent.

Council Reports

Council President Massey provided an update on recent meetings and work of the Regional Water Providers Consortium and **Ober** remarked on possible interactions of the city with the Consortium's infrastructure funding programs. **Mayor Batey** noted a proposed bill to fund 40 local government water infrastructure projects.

Councilor Stavenjord and **Mayor Batey** discussed recent C4 and Metro Joint Policy Advisory Committee on Transportation (JPACT) meetings and work regarding regional transportation project funding prioritization.

Clackamas Cities Association (CCA) Dinner

Mayor Batey and **Ober** noted staff would check with other Clackamas cities hosting dinners this year to see what topics they are covering and would report back to Council.

Volunteer of the Year Award Selection Process – Discussion (continued)

The group continued a conversation about the process to select the volunteer of the year that had started at the end of the February 20 work session. They commented on the awkward nature of past selection processes, the value of recognizing all nominees, and the feasibility of using a ranked choice voting process.

It was Council consensus that each Council member would talk about two or three nominees and that Council would use a ranked choice voting process to select the 2023 volunteer of the year, deferring to staff on logistical details.

10. ADJOURNMENT

Mayor Batey announced that Council would meet in executive session pursuant to Oregon Revised Statute (ORS) 192.660 (2)(h) to consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed.

It was moved by Council President Massey and seconded by Councilor Abma to adjourn the Regular Session. Motion passed with the following vote: Councilors Abma, Khosroabadi, Massey, and Stavenjord and Mayor Batey voting “aye.” [5:0]

Mayor Batey adjourned the meeting at 7:59 p.m.

Respectfully submitted,

Scott Stauffer, City Recorder



MILWAUKIE POLICE DEPARTMENT

Memorandum

To: Mayor Batey and Milwaukie City Council

From: Luke Strait, Police Chief *LS*

Through: Ann Ober, City Manager

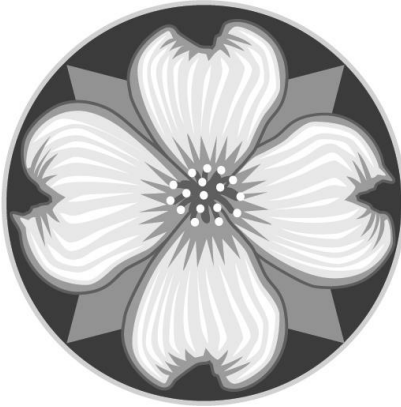
Date: March 11, 2024

Re: OLCC Application – Gramma’s Corner Kitchen – 10880 SE McLoughlin Blvd

Action requested:

It is respectfully requested the council approve the OLCC application for Gramma’s Corner Kitchen located at 10880 SE McLoughlin Blvd, Milwaukie 97222.

We have conducted a background check and find no reason to deny the request for the liquor license.



RS Agenda Item

8

Public Hearings

COUNCIL STAFF REPORT

To: Mayor and City Council
Ann Ober, City Manager

Date Written: Mar. 10, 2024

Reviewed: Laura Weigel, Planning Manager, and
Jennifer Garbely, City Engineer

From: Vera Kolas, Senior Planner

Subject: Hillside Park Public Right-of-Way (ROW) Vacation

ACTION REQUESTED

Council is asked to hold a public hearing and consider an ordinance to vacate a portion of the public right-of-way (ROW) within Hillside Park designated as B Street, C Street, D Street, D Place, and E Street (see



Figure 1 and Attachment 1). This is for Phase 1 of the Hillside Park development, which will include a new ROW alignment and associated dedications.

Figure 1. Area of ROW vacation

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

November 16, 2021: Council adopted Ordinance 2210, which adopted the final development plan and program for Hillside Park (File #PD-2021-001).

ANALYSIS

Land Use History

Hillside Manor and Hillside Park is a multifamily development owned and operated by the Housing Authority of Clackamas County (HACC).

The 99 detached dwellings with one duplex were built in the 1940s prior to any zoning requirements on the site.

- **1969 (file #VR-69-7):** The existing Hillside Manor tower was originally approved on the site through a 1969 Variance that allowed the building to vary from the normal height and parking requirements of the zoning at the time. In the current R-3 zone multifamily housing is permitted through a conditional use. Therefore, the tower development also has “de facto” conditional use status on the site.
- **Community Service Use review:** There is an existing wireless communication facility on the tower building. That facility has been permitted, and subsequently adjusted, via a number of Type II Community Service Use applications per Milwaukie Municipal Code (MMC) 19.905.11 – Wireless Communication Facilities (file #CSU-10-08; CSU-11-03; CSU-12-01; CSU-12-05).
- **2019 (file #MLP-2019-003; VR-2019-011; CU-2019-003):** This partition created two parcels to separate the Manor tower from the remainder of the site for financing purposes. No new or additional development on either of the two parcels was proposed as part of this partition request. A variance was approved to allow a side yard setback of 4.1 ft rather than 5 ft resulting from the partition. An easement was placed over the open space area to assure that the residents of the Tower would still be able to access this area even though it was on a separate lot from the Tower.
- **2021 (File #PD-2021-001; TFR-2020-003):** The Planning Commission approved the preliminary Planned Development on [March 23, 2021](#). On [October 12, 2021](#), the Planning Commission voted unanimously to recommend approval of the final planned development.

Project Description - Summary

This planned development proposal is for the redevelopment of Hillside Park, which is owned and operated by the HACC. The 16-acre property consists of 100 single-family dwelling units and the 100-unit Hillside Manor tower. The tower, which was partitioned onto a separate lot in early 2020, will remain on site and has been extensively refurbished. The remainder of the site is proposed to be redeveloped with apartments and mixed-use buildings for a total of 600 units on the property (400 new units, 100 replacement units, and 100 units in the Hillside Manor tower) at the end of all phases of development.

In addition to the residential development, the proposal includes open space, recreational areas, playgrounds, and the development of small-scale commercial uses in the mixed-use buildings facing onto 32nd Avenue and Meek Street. To achieve the new density proposed, the site was rezoned to R1 (High Density Residential) on the north and GMU (General Mixed Use) on the south. The Comprehensive Plan designations were changed from Medium Density Residential to High Density Residential on the north and Town Center on the south.

The proposed redevelopment on the site will involve the phased demolition of the existing improvements, including removal of the structures, demolition of the existing roads, and removal or abandonment of the underground infrastructure. A new street grid and infrastructure plan is proposed, with the streets to be realigned and dedicated. The first phase includes HACC developing at least 100 replacement units (Building C) that will be deeply affordable and that will be leased to low-income residents. (See Figure 2).

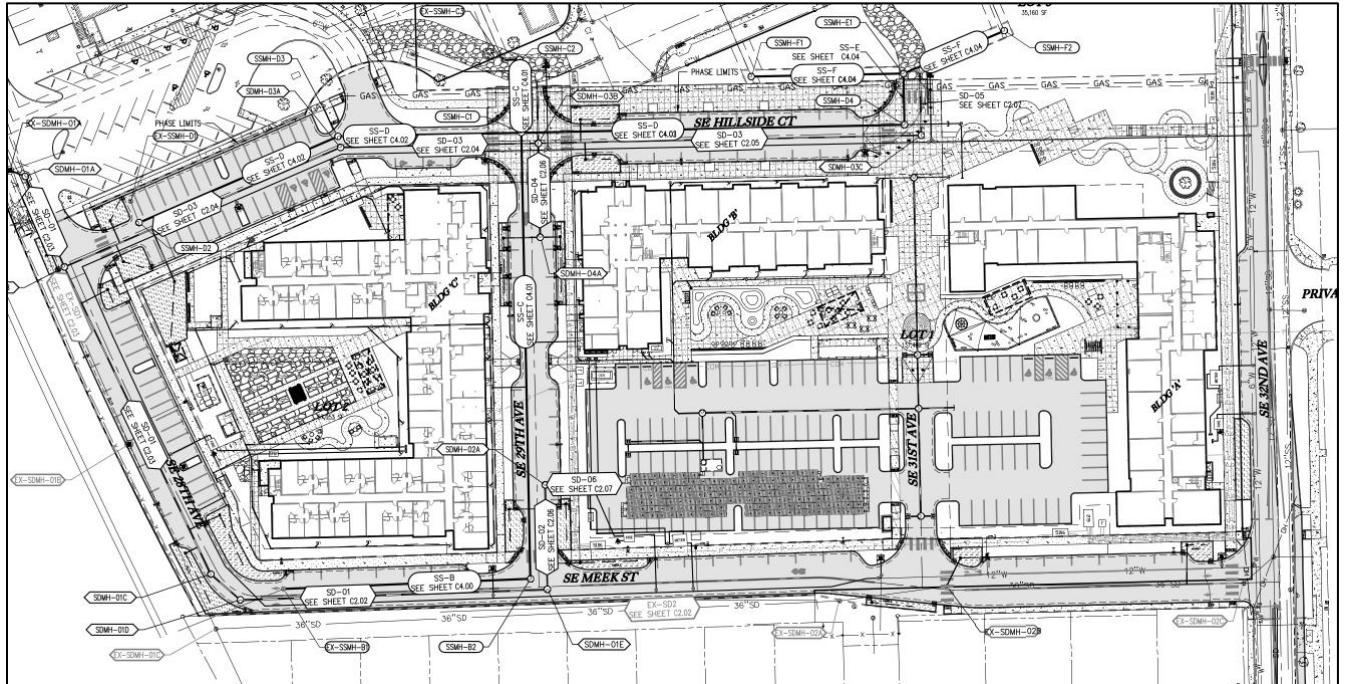


Figure 2. Phase 1: utilities plan with new ROW locations

Standard of Review

Per Oregon Revised Statutes (ORS) 271.120, the standard of review for a petition for street vacation is as follows:

- has the consent of the owners of the requisite area been obtained;
- has notice been duly given; and
- whether the public interest will be prejudiced by the street vacation

As shown in Attachment 5, HACC is the petitioner and the sole property owner of the area affected by the proposed street vacation. Therefore, consent has been obtained.

Notice, as required, has been duly given as follows:

As required by Oregon Revised Statutes (ORS) 271.110, the petitioner-initiated vacation process involves publishing a notice in the city official newspaper once each week for two consecutive weeks prior to the hearing. Notice of the proposed vacation was published in The Oregonian on March 5, 2024, and March 12, 2024. Notice signs were posted on the property on March 1, 2024 giving the public an opportunity to object to the proposed vacation in writing.

To date, staff have not received any questions or comments about the proposed vacation, and no written objections have been received.

Finally, the public interest will not be prejudiced by the proposed street vacation. As described above, the proposed vacation was anticipated and allows for an approved, and much-needed, residential development to move forward that will provide an additional 500 units of affordable housing in the city. The vacated ROW will be replaced by a new public ROW alignment as shown in Figure 2.

BUDGET IMPACTS

The proposed ROW vacation presents no significant costs to complete.

WORKLOAD IMPACTS

The proposed ROW vacation allows the Hillside Park development to proceed, which has been anticipated in staff workloads.

CLIMATE IMPACT

The proposed ROW vacation would not have any direct impact on climate, as the action is a formality related to development of Hillside Park.

COORDINATION, CONCURRENCE, OR DISSENT

Planning staff has coordinated with engineering staff and the city attorney on this issue.

STAFF RECOMMENDATION

Staff recommends that Council grant the petition and adopt the ordinance vacating the ROW as proposed if it finds that the required consent has been obtained, notice has been duly given, and the public interest will not be prejudiced by the vacation.

ALTERNATIVES

Council could deny the petition and decline to adopt the ordinance or grant the petition in part and deny it in part as appears to be for the public interest. Such an action would result in the development not moving forward as approved.

ATTACHMENTS

1. Ordinance vacating the ROW as proposed
 - Exhibit A. Legal description
 - Exhibit B. Sketch of area to be vacated
2. Utilities Plans
3. Tax Map showing area of proposed ROW vacation
4. Title Report
5. Applications
6. Affidavit of Publication

COUNCIL ORDINANCE No.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, VACATING THE PUBLIC STREET RIGHTS-OF-WAY WITHIN THE HILLSIDE PARK DEVELOPMENT DESIGNATED AS PORTIONS OF SE HILLSIDE CT, SE A STREET, SE B STREET, SE C STREET, SE D STREET, AND SE D PLACE.

WHEREAS part of the land that constitutes the current site of the Hillside Park development includes public right-of-way designated as portions of SE Hillside Ct, SE A Street, SE B Street, SE C Street, SE D Street and SE D Place, located just south of SE Hillside Ct; and

WHEREAS the City of Milwaukie is working with the sole owner of the site, the Housing Authority of Clackamas County (HACC), to complete phase 1 of the Hillside Park redevelopment project to provide new affordable housing as approved in the Hillside Planned Development land use decision for land use file #PD-2021-001; and

WHEREAS HACC filed a petition to vacate a portion of the public right-of-way within the current Hillside Park development designated as Hillside Ct, B Street, C Street, D Street, D Place, and E Street in order to proceed with redevelopment of the site; and

WHEREAS all streets proposed to be vacated were dedicated to the City of Milwaukie per document recorded January 23, 1996, as Record No. 96-005192; and

WHEREAS the city followed the provisions of Oregon Revised Statutes (ORS) Chapter 271 upon HACC filing its petition; and

WHEREAS proper notice was given and a public hearing was held on March 19, 2024.

Now, Therefore, the City of Milwaukie does ordain as follows:

1. The portions of SE Hillside Ct, SE A Street, SE B Street, SE C Street, SE D Street and SE D Place right-of-way, located just south of SE Hillside Ct, as described and depicted in Exhibit A, are vacated.
2. The city engineer is authorized to take any administrative action necessary to complete the vacation.

Read the first time on _____ and moved to second reading by _____ vote of the City Council.

Read the second time and adopted by the City Council on _____.

Signed by the Mayor on _____.

ATTEST:

Lisa M. Batey, Mayor

APPROVED AS TO FORM:

Scott S. Stauffer, City Recorder

Justin D. Gericke, City Attorney



EXHIBIT A

December 21, 2023

W.B. WELLS & ASSOCIATES
JOB NO. 5103-007

RIGHT-OF-WAY VACATION DESCRIPTION – HILLSIDE PARK PHASE I

THOSE PORTIONS OF S.E. HILLSIDE COURT, S.E. A STREET, S.E. B STREET, S.E. C STREET, S.E. D STREET AND S.E. D PLACE AS DEDICATED PER DOCUMENT RECORDED JANUARY 23, 1996, AS RECORDING NO. 96-005192, CLACKAMAS COUNTY DEED RECORDS, SITUATED IN THE SOUTHWEST QUARTER OF SECTION 25, TOWNSHIP 1 SOUTH, RANGE 1 EAST, WILLAMETTE MERIDIAN, CITY OF MILWAUKIE, COUNTY OF CLACKAMAS AND STATE OF OREGON, LYING SOUTHERLY OF THE FOLLOWING DESCRIBED LINE:

COMMENCING AT THE INTERSECTION OF THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID S.E. HILLSIDE COURT WITH THE WEST RIGHT-OF-WAY LINE OF S.E. 32ND AVENUE AS ESTABLISHED BY DEED RECORDED SEPTEMBER 20, 1939, IN BOOK 261, PAGE 624, CLACKAMAS COUNTY DEED RECORDS, ALSO BEING A POINT ON THE EAST LINE OF PARCEL 2 OF PARTITION PLAT NO. 2020-026, CLACKAMAS COUNTY PLAT RECORDS; THENCE SOUTH 88°30'13" WEST, ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE OF S.E. HILLSIDE COURT, A DISTANCE OF 38.76 FEET TO AN ANGLE POINT THEREIN; THENCE CONTINUING ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE THROUGH THE FOLLOWING COURSES: SOUTH 66°48'56" WEST, A DISTANCE OF 23.20 FEET TO A POINT HEREINAFTER REFFERED TO AS POINT "A", SOUTH 66°48'56" WEST, A DISTANCE OF 180.90 FEET TO A POINT HEREINAFTER REFFERED TO AS POINT "B", SOUTH 66°48'56" WEST, A DISTANCE OF 181.01 FEET TO A POINT HEREINAFTER REFFERED TO AS POINT "C", SOUTH 66°48'56" WEST, A DISTANCE OF 37.41 FEET TO A POINT HEREINAFTER REFFERED TO AS POINT "D"; THENCE LEAVING SAID LINE, SOUTH 88°48'57" WEST, A DISTANCE OF 160.99 FEET; THENCE NORTH 01°11'03" WEST, A DISTANCE OF 16.13 FEET TO A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF SAID S.E. HILLSIDE COURT, ALSO BEING A POINT ON THE SOUTH LINE OF PARCEL 1 OF SAID PARTITION PLAT 2020-026, AND A POINT OF NON-TANGENT CURVE, A RADIAL LINE THROUGH WHICH POINT BEARS NORTH 24°15'11" EAST; THENCE ALONG SAID NORTHERLY RIGHT-OF-WAY LINE AND SAID SOUTH LINE OF PARCEL 2, ALONG THE ARC OF A 60.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 93°33'17" (CHORD BEARS SOUTH 67°28'32" WEST, 87.44 FEET), AN ARC LENGTH OF 97.97 FEET TO THE POINT OF TERMINUS; SAID PORTIONS OF S.E. HILLSIDE COURT, S.E. A STREET, S.E. B STREET, S.E. C STREET, S.E. D STREET AND S.E. D PLACE ARE MORE PARTICULARLY DESCRIBED AS FOLLOWS:

S.E. A STREET

BEGINNING AT THE HEREINBEFORE DESCRIBED POINT "A", BEING THE INTERSECTION OF SAID SOUTHERLY RIGHT-OF-WAY LINE OF S.E. HILLSIDE COURT WITH THE EASTERLY RIGHT-OF-WAY LINE OF SAID S.E. A STREET, BEING THE **TRUE POINT OF BEGINNING** OF THIS DESCRIPTION AND A POINT OF TANGENT CURVE; THENCE ALONG SAID EASTERLY RIGHT-OF-WAY LINE, ALONG THE ARC OF A 20.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 89°58'12" (CHORD BEARS SOUTH 21°49'50" WEST, 28.28 FEET), AN ARC LENGTH OF 31.41 FEET; THENCE SOUTH 23°09'16" EAST, CONTINUING ALONG SAID EASTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 64.68 FEET TO THE SOUTHEASTERLY CORNER THEREOF; THENCE 66°50'44" WEST, ALONG THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID S.E. A STREET, A DISTANCE OF 40.00 FEET TO THE SOUTHWESTERLY CORNER THEREOF; THENCE NORTH 23°09'16" WEST, ALONG THE WESTERLY RIGHT-OF-WAY LINE OF SAID S.E. A STREET, A DISTANCE OF 64.64 FEET TO A POINT OF TANGENT CURVE THEREIN; THENCE ALONG THE ARC OF A 20.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 90°01'48" (CHORD BEARS NORTH 68°10'10" WEST, 28.29 FEET), AN ARC LENGTH OF 31.43 FEET TO A POINT ON SAID SOUTHERLY RIGHT-OF-WAY LINE OF S.E. HILLSIDE COURT; THENCE NORTH 66°48'56" EAST, ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE, A DISTANCE OF 80.00 FEET TO THE **TRUE POINT OF BEGINNING**.

CONTAINING 3,558 SQUARE FEET MORE OR LESS

RIGHT-OF-WAY VACATION DESCRIPTION – HILLSIDE PARK PHASE I (continued)

S.E. B STREET

BEGINNING AT THE HEREINBEFORE DESCRIBED POINT “B”, BEING THE INTERSECTION OF SAID SOUTHERLY RIGHT-OF-WAY LINE OF S.E. HILLSIDE COURT WITH THE EASTERLY RIGHT-OF-WAY LINE OF SAID S.E. B STREET, BEING THE **TRUE POINT OF BEGINNING** OF THIS DESCRIPTION AND A POINT OF TANGENT CURVE; THENCE ALONG SAID EASTERLY RIGHT-OF-WAY LINE, ALONG THE ARC OF A 20.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 89°59’54” (CHORD BEARS SOUTH 21°48’59” WEST, 28.28 FEET), AN ARC LENGTH OF 31.42 FEET; THENCE SOUTH 23°10’58” EAST, CONTINUING ALONG SAID EASTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 365.28 FEET TO THE SOUTHEASTERLY CORNER THEREOF; THENCE 66°49’02” WEST, ALONG THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID S.E. B STREET, A DISTANCE OF 40.00 FEET TO THE SOUTHWESTERLY CORNER THEREOF; THENCE NORTH 23°10’58” WEST, ALONG THE WESTERLY RIGHT-OF-WAY LINE OF SAID S.E. B STREET, A DISTANCE OF 365.28 FEET TO A POINT OF TANGENT CURVE THEREIN; THENCE ALONG THE ARC OF A 20.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 90°00’06” (CHORD BEARS NORTH 68°11’01” WEST, 28.28 FEET), AN ARC LENGTH OF 31.42 FEET TO A POINT ON SAID SOUTHERLY RIGHT-OF-WAY LINE OF S.E. HILLSIDE COURT; THENCE NORTH 66°48’56” EAST, ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE, A DISTANCE OF 80.00 FEET TO THE **TRUE POINT OF BEGINNING**.

CONTAINING 15,583 SQUARE FEET MORE OR LESS

S.E. C STREET

BEGINNING AT THE HEREINBEFORE DESCRIBED POINT “C”, BEING THE INTERSECTION OF SAID SOUTHERLY RIGHT-OF-WAY LINE OF S.E. HILLSIDE COURT WITH THE EASTERLY RIGHT-OF-WAY LINE OF SAID S.E. C STREET, BEING THE **TRUE POINT OF BEGINNING** OF THIS DESCRIPTION AND A POINT OF TANGENT CURVE; THENCE ALONG SAID EASTERLY RIGHT-OF-WAY LINE, ALONG THE ARC OF A 20.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 89°59’30” (CHORD BEARS SOUTH 21°49’11” WEST, 28.28 FEET), AN ARC LENGTH OF 31.41 FEET; THENCE SOUTH 23°10’34” EAST, CONTINUING ALONG SAID EASTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 332.89 FEET TO A POINT OF TANGENT CURVE THEREIN; THENCE ALONG THE ARCH OF A 43.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 68°09’47” (CHORD BEARS SOUTH 57°15’28” EAST, 48.19 FEET), AN ARC LENGTH OF 51.16 FEET TO THE SOUTHEASTERLY CORNER THEREOF; THENCE SOUTH 88°39’39” WEST, ALONG THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID S.E. C STREET, A DISTANCE OF 72.19 FEET TO THE SOUTHWESTERLY CORNER THEREOF; THENCE NORTH 23°10’34” WEST, ALONG THE WESTERLY RIGHT-OF-WAY LINE OF SAID S.E. C STREET, A DISTANCE OF 345.94 FEET TO A POINT OF TANGENT CURVE THEREIN; THENCE ALONG THE ARC OF A 20.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 90°00’30” (CHORD BEARS NORTH 68°10’49” WEST, 28.29 FEET), AN ARC LENGTH OF 31.42 FEET TO A POINT ON SAID SOUTHERLY RIGHT-OF-WAY LINE OF S.E. HILLSIDE COURT; THENCE NORTH 66°48’56” EAST, ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE, A DISTANCE OF 80.00 FEET TO THE **TRUE POINT OF BEGINNING**.

CONTAINING 15,281 SQUARE FEET MORE OR LESS

S.E. HILLSIDE COURT

BEGINNING AT THE HEREINBEFORE DESCRIBED POINT “D”, BEING A POINT ON SAID SOUTHERLY RIGHT-OF-WAY LINE OF S.E. HILLSIDE COURT AND THE **TRUE POINT OF BEGINNING** OF THIS DESCRIPTION; THENCE SOUTH 66°48’56” WEST, ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE, A DISTANCE OF 138.46 FEET, TO A POINT OF NON-TANGENT CURVE THEREIN, A RADIAL LINE THROUGH WHICH POINT BEARS SOUTH 77°52’23” EAST; THENCE ALONG THE ARC OF A 60.00 FOOT RADIUS CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 30°46’28” (CHORD BEARS SOUTH 27°30’51” WEST, 31.84 FEET), AN ARC LENGTH OF 32.23 FEET TO A POINT HEREINAFTER REFERRED TO AS POINT “E”; THENCE CONTINUING ALONG THE SAME 60.00 FOOT RADIUS CURVE IN SAID SOUTH RIGHT-OF-WAY LINE, THROUGH A CENTRAL ANGLE OF 157°47’48” (CHORD BEARS NORTH 58°12’00” WEST, 117.75 FEET), AN ARC LENGTH OF 165.24 FEET TO THE INTERSECTION WITH SAID SOUTH LINE OF PARCEL 2; THENCE CONTINUING ALONG THE SAME 60.00 FOOT RADIUS CURVE IN SAID SOUTH RIGHT-OF-WAY LINE AND SAID SOUTH LINE OF PARCEL 2, THROUGH A CENTRAL ANGLE OF 93°33’17” (CHORD BEARS NORTH 67°28’32” EAST, 87.44 FEET), AN ARC LENGTH OF 97.97 FEET; THENCE, LEAVING SAID LINE, SOUTH 01°11’03”E, A DISTANCE OF 16.13 FEET; THENCE NORTH 88°48’57” EAST, A DISTANCE OF 160.99 FEET TO THE **TRUE POINT OF BEGINNING**.

CONTAINING 14,535 SQUARE FEET MORE OR LESS

RIGHT-OF-WAY VACATION DESCRIPTION – HILLSIDE PARK PHASE I (continued)

S.E. D STREET AND S.E. D PLACE

BEGINNING AT THE HEREINBEFORE DESCRIBED POINT “E”, BEING THE INTERSECTION OF SAID SOUTHERLY RIGHT-OF-WAY LINE OF S.E. HILLSIDE COURT WITH THE EASTERLY RIGHT-OF-WAY LINE OF SAID S.E. D STREET, AND BEING THE **TRUE POINT OF BEGINNING** OF THIS DESCRIPTION; THENCE SOUTH 23°06’10” EAST, ALONG SAID EASTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 273.26 FEET TO THE SOUTHEASTERLY CORNER THEREOF; THENCE SOUTH 66°53’50” WEST, ALONG THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID S.E. D STREET, A DISTANCE OF 40.00 FEET TO THE SOUTHWESTERLY CORNER THEREOF; THENCE NORTH 23°06’10” WEST, ALONG THE WESTERLY RIGHT-OF-WAY LINE OF SAID S.E. D STREET, A DISTANCE OF 97.18 FEET TO A POINT OF TANGENT CURVE THEREIN; THENCE ALONG THE ARC OF A 20.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 90°07’12” (CHORD BEARS NORTH 68°09’46” WEST, 28.31 FEET), AN ARC LENGTH OF 31.46 FEET TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID S.E. D PLACE; THENCE SOUTH 66°46’38” WEST, ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE, A DISTANCE OF 134.38 FEET TO THE SOUTHWESTERLY CORNER THEREOF; THENCE NORTH 23°13’22” WEST, ALONG THE WESTERLY LINE OF SAID D PLACE, A DISTANCE OF 40.00 FEET TO THE NORTHWESTERLY CORNER THEREOF; THENCE NORTH 66°46’38” EAST, ALONG THE NORTHERLY RIGHT-OF-WAY LINE OF SAID D PLACE, A DISTANCE OF 134.55 FEET TO A POINT OF TANGENT CURVE THEREIN; THENCE ALONG THE ARC OF A 20.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 89°52’48” (CHORD BEARS NORTH 21°50’14” EAST, 28.25 FEET), AN ARC LENGTH OF 31.37 FEET TO A POINT ON SAID WESTERLY RIGHT-OF-WAY LINE OF S.E. D STREET; THENCE NORTH 23°06’10” WEST, ALONG SAID WESTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 92.96 FEET TO THE INTERSECTION WITH SAID SOUTH RIGHT-OF-WAY LINE OF S.E. HILLSIDE COURT, AND A POINT OF NON-TANGENT CURVE; THENCE ALONG THE ARC OF A 60.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 39°03’56” (CHORD BEARS NORTH 62°26’04” EAST, 40.12 FEET), AN ARC LENGTH OF 40.91 FEET TO THE **TRUE POINT OF BEGINNING**.

CONTAINING 17,125 SQUARE FEET MORE OR LESS

THE EAST LINE OF SAID PARCEL 2, HAVING A BEARING OF NORTH 01°11’03” WEST PER SAID PARTITION PLAT NO. 2020-026, WAS USED AS THE BASIS OF BEARINGS FOR THIS DESCRIPTION.

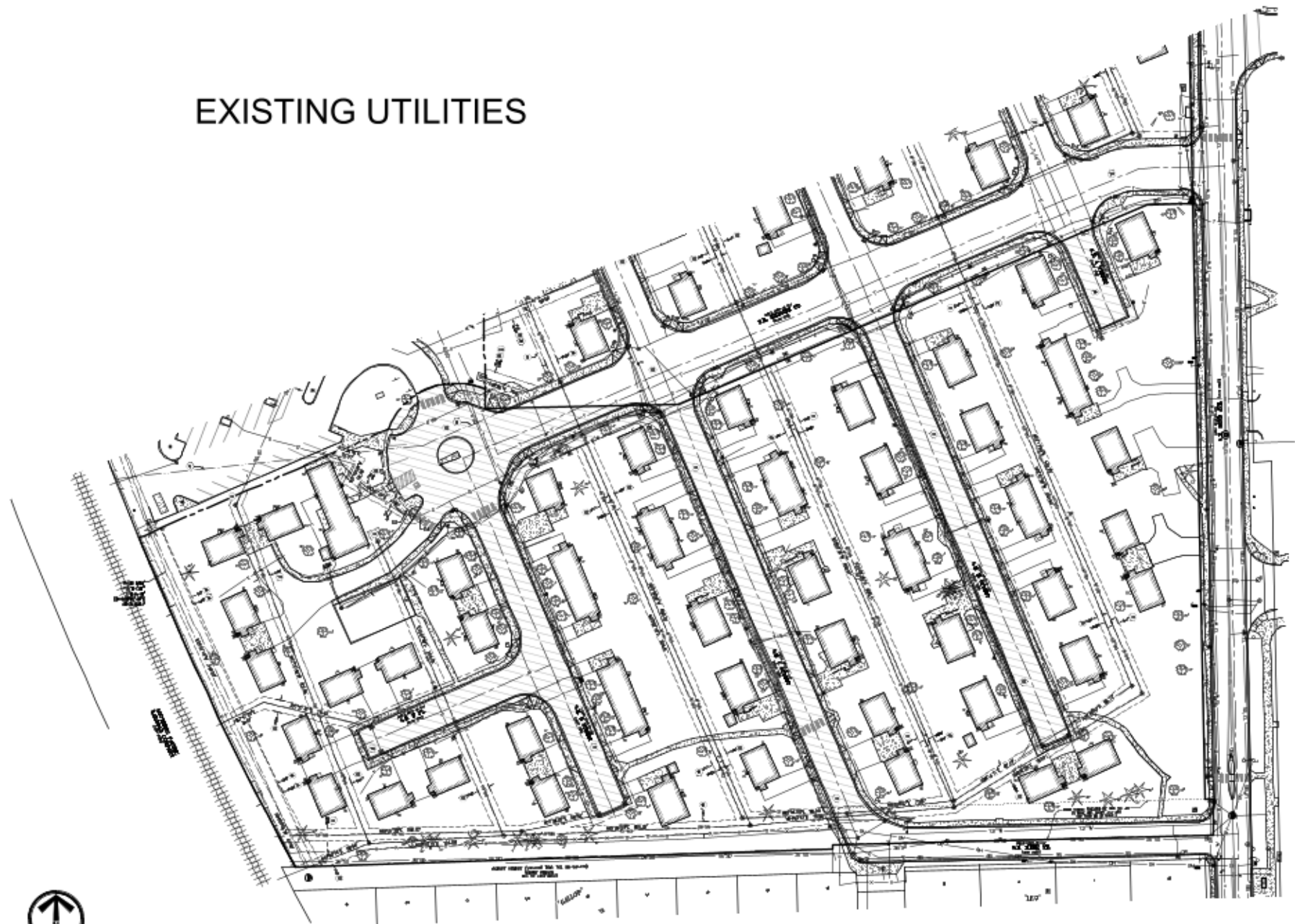
REGISTERED
PROFESSIONAL
LAND SURVEYOR

Scott M. Grubbs

OREGON
JULY 13, 2004
SCOTT M. GRUBBS
54728

EXPIRES: 6-30-25

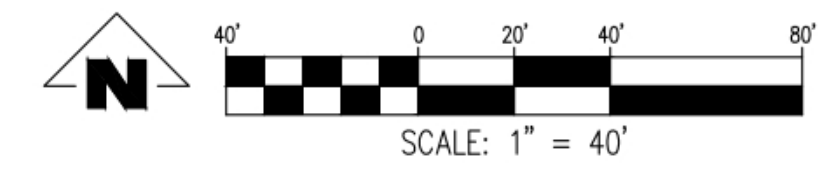
EXISTING UTILITIES



DATE	DESCRIPTION

EXISTING CONDITIONS SURVEY
 FOR
RELATED NORTHWEST
 K. HALLING COURT & K. 201 ADAMS BLVD., ST. LOUIS, MO 63103
 PARTIAL S. OF PARTIAL PLAT NO. 202-203, & JAYWING QUARTY PLAT EXCERPT
 LOCATED IN THE SW 1/4 SECTION 14, T14, R16, S11, CITY OF WARREN, CLATSOP COUNTY, OREGON

W.B. WELLS
 SURVEYORS & ENGINEERS
 1400 1/2 AVENUE N. SUITE 100
 ST. LOUIS, MISSOURI 63103
 PHONE: (314) 241-2200
 FAX: (314) 241-2201
 WWW: www.wb-wells.com



38 NORTHWEST DAVIS, SUITE 300
 PORTLAND, OR 97209
 T 503.245.7100
 1505 5TH AVE, SUITE 300
 SEATTLE, WA 98101
 T 206.576.1600
 1014 HOWARD STREET
 SAN FRANCISCO, CA 94103
 T 415.252.7063
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HILLSIDE PARK R.O.W. PH. 1
 MILWAUKIE, OREGON
 RELATED / HOUSING AUTHORITY OF
 CLACKAMAS COUNTY

REVISION	DATE	REASON FOR ISSUE

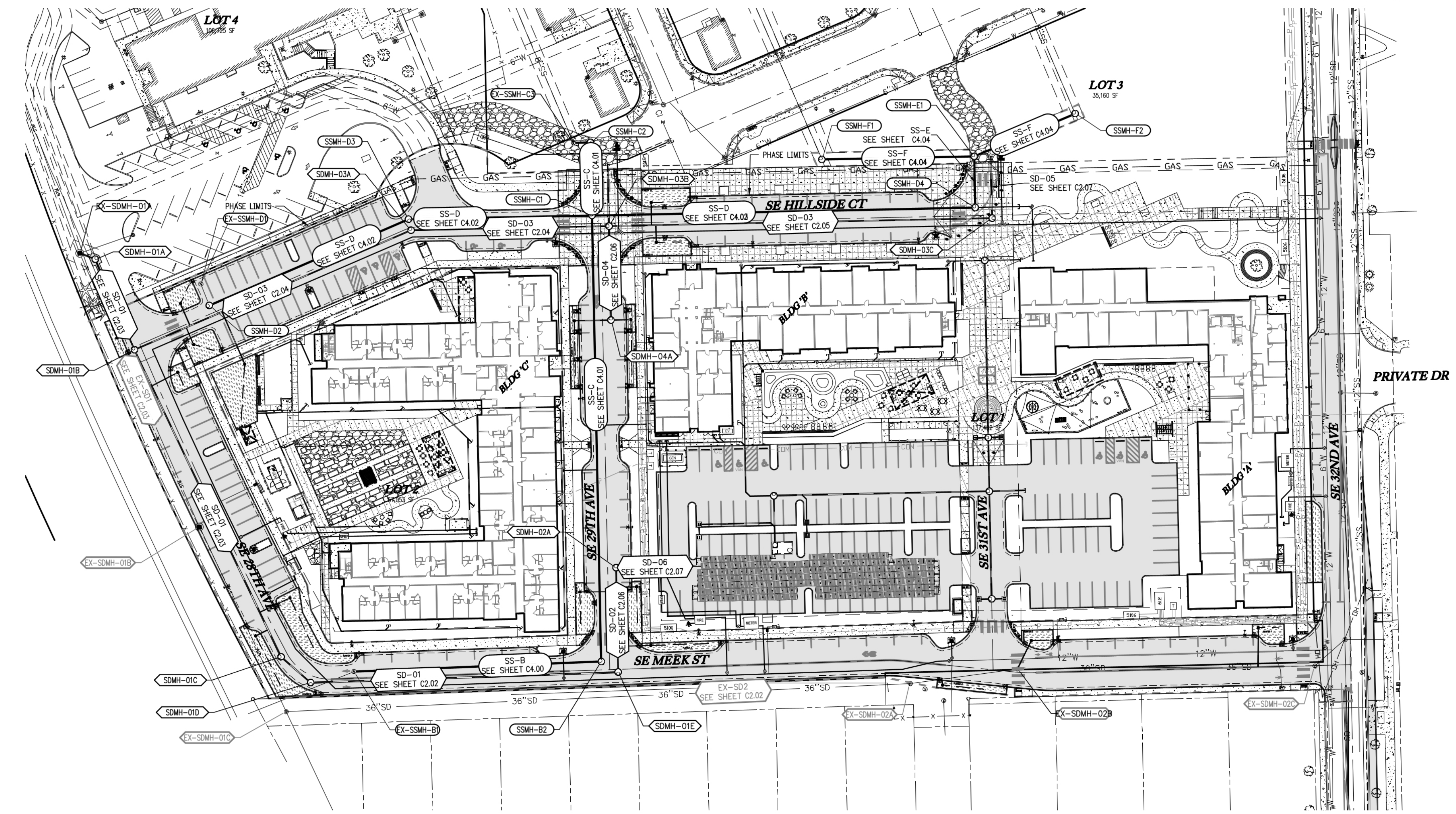


COMPOSITE
 UTILITY PLAN

PERMIT SET

DATE: 12/06/23 PROJECT NUMBER: 220560

SHEET NUMBER: C3.00



**PROPOSED UTILITIES
 AND NEW RIGHT-OF-WAY
 LOCATIONS**

- GENERAL NOTES:**
- THE CONTRACTOR SHALL FIELD VERIFY THE SIZE, LOCATION & DEPTH OF EXISTING UTILITIES PRIOR TO CONSTRUCTION.
 - BACKFILL NOTE: UNLESS NOTED OTHERWISE, PIPES UNDER PAVED SURFACE REQUIRE GRANULAR BACKFILL. FOR PIPES OUTSIDE PAVEMENT, NATIVE BACKFILL IS PERMITTED.
 - SEE SHEET C5.00 FOR TYPICAL STREET SECTIONS.
 - SEE CURB RETURN DETAIL SHEETS FOR CURB RETURN DATA.

UTILITY LEGEND

	EXISTING STORM SEWER & MANHOLE		PROPOSED SANITARY LATERAL
	EXISTING STORM SEWER & INLET		PROPOSED WATER LINE
	EXISTING SANITARY SEWER & MANHOLE		PROPOSED FIRE HYDRANT AND LATERAL
	EXISTING WATERLINE & SERVICE		PROPOSED FIRE SERVICE BACKFLOW VAULT
	EXISTING WATER VALVE & BOX		PROPOSED FIRE DEPARTMENT CONNECTION
	EXISTING GAS LINE		PROPOSED POST INDICATOR VALVE
	PROPOSED STORM DRAIN MANHOLE		PROPOSED DOMESTIC METER BACKFLOW VAULT
	PROPOSED STORM DRAIN CATCH BASIN		PROPOSED DOMESTIC WATER BACKFLOW VAULT
	PROPOSED STORM BEEHIVE AND LATERAL		PROPOSED BLOW OFF VALVE
	PROPOSED STORM FACILITY		PROPOSED CLEAN OUT
	PROPOSED SANITARY SEWER & MANHOLE		PROPOSED STREET LIGHT

FILE P: \\0132-015_Hillside Park\dwg\civ\ROW - PH 1\0132-015_C300cup_Layout: C3.00_COMPOSITE UTILITY PLAN; Plot Date: 1/15/2024 4:08 PM; by: Tyler Korb

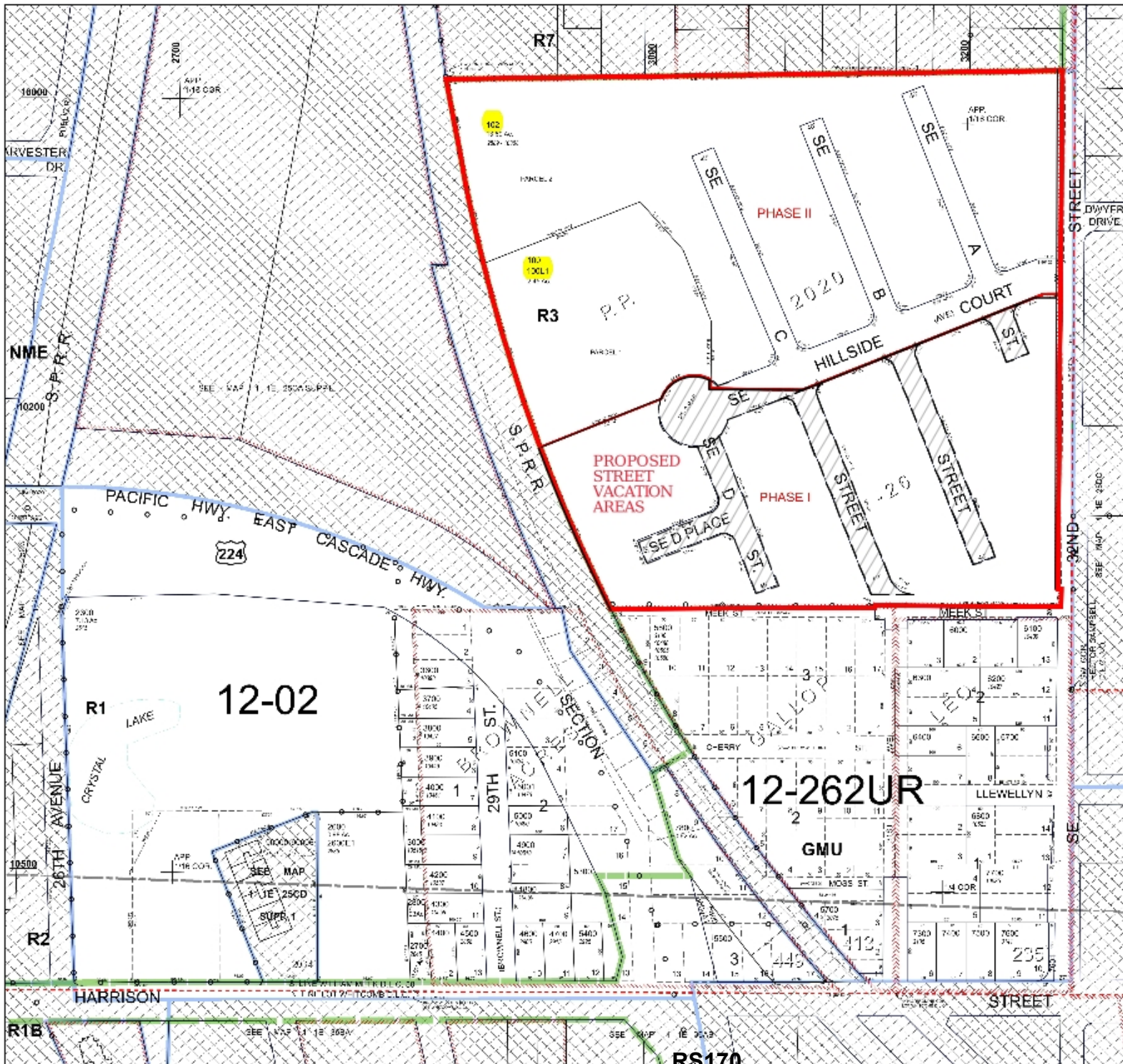
11 E 25CD
MILWAUKIE

S.E. 1/4 S.W. 1/4 SEC. 25 T.1S. R.1E. W.M.
CLACKAMAS COUNTY
1" = 100'

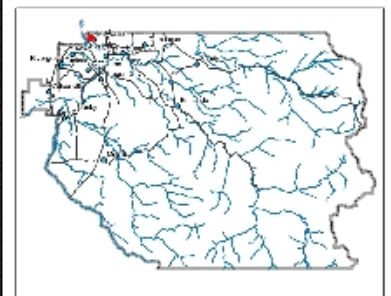
D.L.C.
WILLIAM MEEK NO. 50

Cancelled lot(s)

31'
30'
29'
28'
27'
26'
25'
24'
23'
22'
21'
20'
19'
18'
17'
16'
15'
14'
13'
12'
11'
10'
9'
8'
7'
6'
5'
4'
3'
2'
1'



- Parcel Boundary
- Private Road ROW
- Historical Boundary
- Redevelopment Boundary
- Proposed Corridor
- Proposed Corridor
- Map Index
- Water Lines
- Land Use Zoning
- Pave
- Water
- Corner
- Section Corner
- 16th Line
- Cont. Lot Line
- DLC Line
- Master Line
- 1/2" Section Line
- Historic Cor. for 40'
- Historic Cor. for 20'



THIS MAP IS FOR ASSESSMENT
PURPOSES ONLY



11 E 25CD
MILWAUKIE

RS170

Preliminary Report

Fidelity National Title - Oregon

File No.: 45142300415

Introducing LiveLOOK

LiveLOOK title document delivery system is designed to provide 24/7 real-time access to all information related to a title insurance transaction.

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Fidelity National Title
Company of Oregon

PRELIMINARY REPORT

In response to the application for a policy of title insurance referenced herein Fidelity National Title Company of Oregon hereby reports that it is prepared to issue, or cause to be issued, as of the specified date, a policy or policies of title insurance describing the land and the estate or interest hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an exception herein or not excluded from coverage pursuant to the printed Schedules or Conditions of said policy forms.

The printed Exceptions and Exclusions from the coverage of said policy or policies are set forth in Exhibit One. Copies of the policy forms should be read. They are available from the office which issued this report.

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby.

The policy(s) of title insurance to be issued hereunder will be policy(s) of Fidelity National Title Insurance Company, a/an Florida corporation.

Please read the exceptions shown or referred to herein and the Exceptions and Exclusions set forth in Exhibit One of this report carefully. The Exceptions and Exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered.

It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects and encumbrances affecting title to the land.

This preliminary report is for the exclusive use of the parties to the contemplated transaction, and the Company does not have any liability to any third parties nor any liability until the full premium is paid and a policy is issued. Until all necessary documents are placed of record, the Company reserves the right to amend or supplement this preliminary report.

Countersigned

Tara Waterman



Fidelity National Title

Company of Oregon

900 SW 5th Avenue, Portland, OR 97204
(503)222-2424 FAX (503)227-2274

PRELIMINARY REPORT

ESCROW OFFICER: Lori Medak
Lori.Medak@fnf.com
503-222-2424

ORDER NO.: 45142300415
Supplement 1: Update

TITLE OFFICER: Robert Fleming

TO: Fidelity National Title Company of Oregon
900 SW 5th Avenue
Portland, OR 97204

ESCROW LICENSE NO.: 901000243

OWNER/SELLER: Housing Authority of the County of Clackamas, Oregon

BUYER/BORROWER: To Follow

PROPERTY ADDRESS: Parcel 2, PARTITION PLAT 2020-026, Milwaukie, OR 97222

EFFECTIVE DATE: January 26, 2024, 08:00 AM

1. THE POLICY AND ENDORSEMENTS TO BE ISSUED AND THE RELATED CHARGES ARE:

	<u>AMOUNT</u>	<u>PREMIUM</u>
ALTA Owner's Policy 2021 Owner's Standard	\$ TBD	\$ TBD
OTIRO Endorsement No. 110		\$ 0.00
ALTA Loan Policy 2021 Extended Lender's	\$ TBD	\$ TBD
Government Lien Search		\$ 35.00

2. THE ESTATE OR INTEREST IN THE LAND HEREINAFTER DESCRIBED OR REFERRED TO COVERED BY THIS REPORT IS:

A Fee

3. TITLE TO SAID ESTATE OR INTEREST AT THE DATE HEREOF IS VESTED IN:

Housing Authority of Clackamas County, an Oregon public body corporate and politic, which acquired title as Housing Authority of the County of Clackamas, Oregon

4. THE LAND REFERRED TO IN THIS REPORT IS SITUATED IN THE CITY OF MILWAUKIE, COUNTY OF CLACKAMAS, STATE OF OREGON, AND IS DESCRIBED AS FOLLOWS:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

EXHIBIT "A"
[Legal Description](#)

Parcel 2, PARTITION PLAT 2020-026, in the City of Milwaukie, County of Clackamas and State of Oregon;
recorded April 16, 2020 as Document No. 2020-027265.

AS OF THE DATE OF THIS REPORT, ITEMS TO BE CONSIDERED AND EXCEPTIONS TO COVERAGE IN ADDITION TO THE PRINTED EXCEPTIONS AND EXCLUSIONS IN THE POLICY FORM WOULD BE AS FOLLOWS:

GENERAL EXCEPTIONS:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests or claims, which are not shown by the Public Records but which could be ascertained by an inspection of the Land or which may be asserted by persons in possession thereof.
3. Easements, or claims thereof, which are not shown by the Public Records; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water.
4. Any encroachment, encumbrance, violation, variation or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
5. Any lien, or right to a lien, for services, labor, material or equipment rental, or for contributions due to the State of Oregon for unemployment compensation or worker's compensation, heretofore or hereafter furnished, imposed by law and not shown by the Public Records.

SPECIFIC ITEMS AND EXCEPTIONS:

6. The subject property is under public, charitable, fraternal, or religious organization ownership and is exempt from ad valorem taxation. Any change in ownership prior to delivery of the assessment roll may result in tax liability.

Tax Account No.: 05036128
Map No.: 11E25CD-00102

7. City Liens, if any, in favor of the City of Milwaukie. NONE as of January 24, 2023.
8. The rights of the public in and to that portion of the premises herein described lying within the limits of roads and highways.
9. Declaration of Trust, including the terms and provisions thereof, given to secure an indebtedness for bonds and notes with interest thereon and such future advances as may be provided therein.

Dated: August 6, 1964
Recording Date: August 7, 1964
Recording No.: 13941; [Book 599, Page 178](#), Mortgage Records
Amount: Not set forth
First Party: The Housing Authority of the County of Clackamas, Oregon
Second Party: The Public Housing Administration
Loan No.: Project No. ORE-1-1
(Affects other property also)

Amendment to Declaration of Trust;
Recording Date: July 5, 1989
[Recording No.:](#) [89-28799](#)

Partial Release of Declaration of Trust;
Recording Date: May 14, 2020
[Recording No.:](#) [2020-035145](#)
(Releases Parcel 1, [Partition Plat No. 2020-26](#))

10. Street and Utility Dedication, including terms and provisions thereof;

Dated: February 22, 1995
Recording Date: January 23, 1996
[Recording No.:](#) [96-005192](#)
In Favor Of: The City of Milwaukie
For: Sanitary sewer and storm sewer
Affects: Various locations - also shown on the recorded [plat of Partition Plat No. 2020-26](#)

11. An easement created by instrument, including terms and provisions thereof;

Dated: February 4, 1997
Recording Date: March 19, 1997
[Recording No.:](#) [97-019763](#)
In Favor Of: U.S. West Communications, Inc.
For: Telecommunications facilities
Affects: A 10 foot x 10 foot area along the East boundary line - also shown on the recorded [plat of Partition Plat No. 2020-26](#)

12. Agreement For Grant of Easement, including terms and provisions thereof;

Dated: January 4, 2000
Recording Date: September 22, 2000
[Recording No.:](#) [2000-062080](#)
In Favor Of: TCI Cablevision of Georgia, Inc. and AT&T Corp.
For: Voice, data and video/cable television
Affects: Exact location not disclosed

13. An unrecorded lease and easement, including the terms and provisions thereof.

Dated: April 16, 2006
A memorandum of which was:
Recording Date: May 10, 2006
[Recording No.:](#) [2006-042571](#)
Landlord: Housing Authority of the County of Clackamas, Oregon
Tenant: New Cingular Wireless PCS, LLC, a Delaware limited liability company

14. An easement created by instrument, including terms and provisions thereof;
- Dated: May 19, 2005
Recording Date: August 23, 2006
[Recording No.:](#) [2006-077397](#)
In Favor Of: The City of Milwaukie
For: Stormwater facilities and access to the stormwater facilities
Affects: Northwesterly portion - also shown on the recorded [plat of Partition Plat No. 2020-26](#)
15. The effect, if any of an easement for the purpose(s) shown below and rights incidental thereto, as awarded in Easement Deed By Court In Settlement of Landowner Action, United States District Court For The District of Oregon Eugene Division, Case No. 6:00-cv-06201-AA
- Granted to: QWest Communications Company, LLC, et al
Purpose: Telecommunications cable system
Recording Date: September 24, 2013
[Recording No.:](#) [2013-067267](#)
Affects the Westerly portion adjacent to Southern Pacific Railroad - exact location and width not disclosed
16. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
- Granted to: Comcast of Oregon II, Inc.
Purpose: Broadband utilities
Recording Date: September 14, 2017
[Recording No.:](#) [2017-063025](#)
Affects: Exact location not disclosed
17. Restrictions, but omitting restrictions, if any, based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said restriction is permitted by applicable law, as shown on that certain plat
- [Name of Plat:](#) [Partition Plat No. 2020-26](#)
Recording Date: April 16, 2020
Recording No.: 2020-027265
18. Easement(s) for the purpose(s) shown below and rights incidental thereto as delineated or as offered for dedication, on the map of said [tract/plat](#);
- Purpose: Public water line for the benefit of Parcel 1
Affects: A 15.00 foot strip as delineated on the recorded plat
- Purpose: Gas line for the benefit of Parcel 1
Affects: A 10.00 foot strip as delineated on the recorded plat
19. Declaration of Open Space Easement, including the terms and provisions thereof
- Executed by: Housing Authority of Clackamas County, an Oregon public body corporate and politic
Recording Date: April 16, 2020
[Recording No.:](#) [2020-027266](#)
Affects the Northwesterly portion - also shown on the recorded [plat of Partition Plat No. 2020-26](#)

20. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: The City of Milwaukie, an Oregon municipal corporation
Purpose: Public water pipeline
Recording Date: April 16, 2020
[Recording No.:](#) [2020-027268](#)
Affects: The Westerly portion - also delineated on the recorded [plat of Partition Plat No. 2020-26](#)

21. Conditions, restrictions and easements as established by the City of Milwaukie in Notice of Zoning and Final Development Plan and Program, including the terms and provisions thereof

[Recording Date:](#) June 28, 2022
[Recording No.:](#) [2022-037221](#)

22. Existing leases and tenancies, if any, and any interests that may appear upon examination of such leases.

23. NOTE: The following are required when a principal to the proposed transaction is an instrumentality of the state, such as a municipality, a county or other governmental body:

- Certification, with supporting documentation, that the board or other governing authority of the governmental body has approved the transaction in accordance with applicable practices, procedures, rules, ordinances and statutes.
- Certification that a named person or persons, identified by name and position, are authorized to act on behalf of the governmental body in the proposed transaction.
- Verification of the current legal name and good standing of the governmental body when it is a local governmental body other than a city or county.

24. The application for title insurance was placed by reference to only a street address or tax identification number. The proposed Insured must confirm that the legal description in this report covers the parcel(s) of Land requested to be insured. If the legal description is incorrect, the proposed Insured must notify the Company and/or the settlement company in order to prevent errors and to be certain that the legal description for the intended parcel(s) of Land will appear on any documents to be recorded in connection with this transaction and on the policy of title insurance.

25. Facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the Land or by making inquiry of persons in possession thereof.

To remove this item, the Company will require an affidavit and indemnity on a form supplied by the Company.

26. Any lien or right to a lien for services, labor, material, equipment rental or workers compensation heretofore or hereafter furnished, imposed by law and not shown by the public records.

To remove this item, the Company will require an affidavit and indemnity on a form supplied by the Company.

27. Any encroachment (of existing improvements located on the subject Land onto adjoining land or of existing improvements located on adjoining land onto the subject Land), encumbrance, violation, variation or adverse circumstance affecting the title that would be disclosed by an accurate and complete land survey of the subject Land.

The Company will require a survey of the Land by a professional surveyor, and this exception may be eliminated or limited as a result thereof.

ADDITIONAL REQUIREMENTS/NOTES:

- A. Note: The name(s) of the proposed insured(s) furnished with this application for title insurance is/are:

No names were furnished with the application. Please provide the name(s) of the buyers as soon as possible.
- B. In addition to the standard policy exceptions, the exceptions enumerated above shall appear on the final ALTA Policy unless removed prior to issuance.
- C. Note: No utility search has been made or will be made for water, sewer or storm drainage charges unless the City/Service District claims them as liens (i.e. foreclosable) and reflects them on its lien docket as of the date of closing. Buyers should check with the appropriate city bureau or water service district and obtain a billing cutoff. Such charges must be adjusted outside of escrow.
- D. Note: Effective January 1, 2008, Oregon law (ORS 314.258) mandates withholding of Oregon income taxes from sellers who do not continue to be Oregon residents or qualify for an exemption. Please contact your Escrow Closer for further information.
- E. Notice: Please be aware that due to the conflict between federal and state laws concerning the cultivation, distribution, processing, manufacture, sale, dispensing or use of marijuana and psilocybin, the Company is not able to close or insure any transaction involving Land associated with these activities.
- F. THE FOLLOWING NOTICE IS REQUIRED BY STATE LAW: YOU WILL BE REVIEWING, APPROVING AND SIGNING IMPORTANT DOCUMENTS AT CLOSING. LEGAL CONSEQUENCES FOLLOW FROM THE SELECTION AND USE OF THESE DOCUMENTS. YOU MAY CONSULT AN ATTORNEY ABOUT THESE DOCUMENTS. YOU SHOULD CONSULT AN ATTORNEY IF YOU HAVE QUESTIONS OR CONCERNS ABOUT THE TRANSACTION OR ABOUT THE DOCUMENTS. IF YOU WISH TO REVIEW TRANSACTION DOCUMENTS THAT YOU HAVE NOT SEEN, PLEASE CONTACT THE ESCROW AGENT.
- G. Note: This [map/plat](#) is being furnished as an aid in locating the herein described Land in relation to adjoining streets, natural boundaries and other land. Except to the extent a policy of title insurance is expressly modified by endorsement, if any, the Company does not insure dimensions, distances or acreage shown thereon.

H. NOTE: IMPORTANT INFORMATION REGARDING PROPERTY TAX PAYMENTS

Fiscal Year:	July 1 st through June 30 th
Taxes become a lien on real property, but are not yet payable:	July 1 st
Taxes become certified and payable (approximately on this date):	October 15 th
First one third payment of taxes is due:	November 15 th
Second one third payment of taxes is due:	February 15 th
Final payment of taxes is due:	May 15 th

Discounts: If two thirds are paid by November 15th, a 2% discount will apply.
 If the full amount of the taxes are paid by November 15th, a 3% discount will apply.

Interest: Interest accrues as of the 15th of each month based on any amount that is unpaid by the due date. No interest is charged if the minimum amount is paid according to the above mentioned payment schedule.

I. Note: If an Owner's Title Insurance Policy is requested, the State of Oregon requires every ALTA Owner's Policy (07-01-2021) to include the OTIRO 110 Endorsement as a supplement to the definition of Insured in said Owner's Policy's Conditions to confirm coverage is the same for an Oregon Registered Domestic Partner as it is for a Spouse.

J. Recording Charge (Per Document) is the following:

County	First Page	Each Additional Page
Multnomah	\$86.00	\$5.00
Washington	\$81.00	\$5.00
Clackamas	\$93.00	\$5.00

Note: When possible the company will record electronically. An additional charge of \$5.00 applies to each document which is recorded electronically.

Note: Please send any documents for recording to the following address:
 Portland Title Group
 Attn: Recorder
 1433 SW 6th Ave.
 Portland, OR. 97201

EXHIBIT ONE

2021 AMERICAN LAND TITLE ASSOCIATION LOAN POLICY (07-01-2021) EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. a. any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) that restricts, regulates, prohibits, or relates to:
 - i. the occupancy, use, or enjoyment of the Land;
 - ii. the character, dimensions, or location of any improvement on the Land;
 - iii. the subdivision of land; or
 - iv. environmental remediation or protection.
- b. any governmental forfeiture, police, regulatory, or national security power.
- c. the effect of a violation or enforcement of any matter excluded under Exclusion 1.a. or 1.b.
2. Any power of eminent domain. Exclusion 2 does not modify or limit the coverage provided under Covered Risk 7.
3. Any defect, lien, encumbrance, adverse claim, or other matter:
 - a. created, suffered, assumed, or agreed to by the Insured Claimant;
 - b. not Known to the Company, not recorded in the Public Records at the Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - c. resulting in no loss or damage to the Insured Claimant;
 - d. attaching or created subsequent to the Date of Policy (Exclusion 3.d. does not modify or limit the coverage provided under Covered Risk 11, 13, or 14); or
- e. resulting in loss or damage that would not have been sustained if consideration sufficient to qualify the Insured named in Schedule A as a bona fide purchaser or encumbrancer had been given for the Insured Mortgage at the Date of Policy.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business law.
5. Invalidity or unenforceability of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or Consumer Protection Law.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights law, that the transaction creating the lien of the Insured Mortgage is a:
 - a. fraudulent conveyance or fraudulent transfer;
 - b. voidable transfer under the Uniform Voidable Transactions Act; or
 - c. preferential transfer:
 - i. to the extent the Insured Mortgage is not a transfer made as a contemporaneous exchange for new value; or
 - ii. for any reason not stated in the Covered Risk 13.b
7. Any claim of a PACA-PSA Trust. Exclusion 7 does not modify or limit the coverage provided under Covered Risk 8.
8. Any lien on the Title for real estate taxes or assessments imposed by a governmental authority and created or attaching between the Date of Policy and the date of recording of the Insured Mortgage in the Public Records. Exclusion 8 does not modify or limit the coverage provided under Covered Risk 2.b. or 11.b.
9. Any discrepancy in the quantity of the area, square footage, or acreage of the Land or of any improvement to the Land.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage.

SCHEDULE B - GENERAL EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Facts, rights, interests or claims which are not shown by the Public Records but which could be ascertained by an inspection of the Land or by making inquiry of persons in possession thereof.
3. Easements, or claims of easement, not shown by the Public Records; reservations or exceptions in patents or in Acts authorizing the issuance thereof, water rights, claims or title to water.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
5. Any lien for services, labor or material heretofore or hereafter furnished, or for contributions due to the State of Oregon for unemployment compensation or worker's compensation, imposed by law and not shown by the Public Records.

2021 AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY (07-01-2021) EXCLUSIONS FROM COVERAGE

The following matters are excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses that arise by reason of:

1. a. any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) that restricts, regulates, prohibits, or relates to:
 - i. the occupancy, use, or enjoyment of the Land;
 - ii. the character, dimensions or location of any improvement on the Land;
 - iii. the subdivision of land; or
 - iv. environmental remediation or protection;
- b. any governmental forfeiture, police, regulatory, or national security power
- c. the effect of a violation or enforcement of any matter excluded under Exclusion 1.a. or 1.b.
- Exclusion 1 does not modify or limit the coverage provided under Covered Risk 5 or 6.
2. Any power of eminent domain. Exclusion 2 does not modify or limit the coverage provided under Covered Risk 7.
3. Any defect, lien, encumbrance, adverse claim, or other matter:
 - a. created, suffered, assumed or agreed to by the Insured Claimant;
 - b. not known to the Company, not recorded in the Public Records at the Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - c. resulting in no loss or damage to the Insured Claimant;
- d. attaching or created subsequent to the Date of Policy (Exclusion 3.d. does not modify or limit the coverage provided under Covered Risk 9 or 10); or
- e. resulting in loss or damage that would not have been sustained if consideration sufficient to qualify the Insured named in Schedule A as a bona fide purchaser had been given for the Title at the Date of Policy.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights law, that the transaction vesting the Title as shown in Schedule A is a:
 - a. fraudulent conveyance or fraudulent transfer, or
 - b. voidable transfer under the Uniform Voidable Transactions Act; or
 - c. preferential transfer:
 - i. to the extent the instrument of transfer vesting the Title as shown in Schedule A is not a transfer made as a contemporaneous exchange for new value; or
 - ii. for any other reason not stated in Covered Risk 9.b.
5. Any claim of a PACA-PSA Trust. Exclusion 5 does not modify or limit the coverage provided under Covered Risk 8.
6. Any lien on the Title for real estate taxes or assessments imposed or collected by a governmental authority that becomes due and payable after the Date of Policy. Exclusion 6 does not modify or limit the coverage provided under Covered Risk 2.b.
7. Any discrepancy in the quantity of the area, square footage, or acreage of the Land or of any improvement to the Land.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage.

SCHEDULE B - GENERAL EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Facts, rights, interests or claims which are not shown by the Public Records but which could be ascertained by an inspection of the Land or by making inquiry of persons in possession thereof.
3. Easements, or claims of easement, not shown by the Public Records; reservations or exceptions in patents or in Acts authorizing the issuance thereof, water rights, claims or title to water.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
5. Any lien for services, labor or material heretofore or hereafter furnished, or for contributions due to the State of Oregon for unemployment compensation or worker's compensation, imposed by law and not shown by the Public Records.

EXHIBIT ONE

2006 AMERICAN LAND TITLE ASSOCIATION LOAN POLICY (06-17-06) EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses that arise by reason of:

- (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning) restricting, regulating, prohibiting or relating to
 - the occupancy, use, or enjoyment of the Land;
 - the character, dimensions or location of any improvement erected on the land;
 - the subdivision of land; or
 - environmental protection;or the effect of any violation of these laws, ordinances or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
- Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
- Defects, liens, encumbrances, adverse claims, or other matters
 - created, suffered, assumed or agreed to by the Insured Claimant;
 - not known to the Company, not recorded in the Public Records at Date of Policy, but known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;

- resulting in no loss or damage to the Insured Claimant;
 - attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13, or 14); or
 - resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
- Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with the applicable doing-business laws of the state where the Land is situated.
 - Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
 - Any claim, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - a fraudulent conveyance or fraudulent transfer, or
 - a preferential transfer for any reason not stated in the Covered Risk 13(b) of this policy.
 - Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage.

SCHEDULE B - GENERAL EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

- Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
- Facts, rights, interests or claims which are not shown by the Public Records but which could be ascertained by an inspection of the Land or by making inquiry of persons in possession thereof.
- Easements, or claims of easement, not shown by the Public Records; reservations or exceptions in patents or in Acts authorizing the issuance thereof, water rights, claims or title to water.
- Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
- Any lien for services, labor or material heretofore or hereafter furnished, or for contributions due to the State of Oregon for unemployment compensation or worker's compensation, imposed by law and not shown by the Public Records.

2006 AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY (06-17-06) EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses that arise by reason of:

- (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning) restricting, regulating, prohibiting or relating to
 - the occupancy, use, or enjoyment of the Land;
 - the character, dimensions or location of any improvement erected on the land;
 - the subdivision of land; or
 - environmental protection;or the effect of any violation of these laws, ordinances or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
- Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
- Defects, liens, encumbrances, adverse claims, or other matters
 - created, suffered, assumed or agreed to by the Insured Claimant;
 - not known to the Company, not recorded in the Public Records at Date of Policy, but known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;

- resulting in no loss or damage to the Insured Claimant;
 - attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
 - resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
- Any claim, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - a fraudulent conveyance or fraudulent transfer, or
 - a preferential transfer for any reason not stated in the Covered Risk 9 of this policy.
 - Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage.

SCHEDULE B - GENERAL EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

- Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
- Facts, rights, interests or claims which are not shown by the Public Records but which could be ascertained by an inspection of the Land or by making inquiry of persons in possession thereof.
- Easements, or claims of easement, not shown by the Public Records; reservations or exceptions in patents or in Acts authorizing the issuance thereof, water rights, claims or title to water.
- Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
- Any lien for services, labor or material heretofore or hereafter furnished, or for contributions due to the State of Oregon for unemployment compensation or worker's compensation, imposed by law and not shown by the Public Records.

WIRE FRAUD ALERT

This Notice is not intended to provide legal or professional advice.
If you have any questions, please consult with a lawyer.

All parties to a real estate transaction are targets for wire fraud and many have lost hundreds of thousands of dollars because they simply relied on the wire instructions received via email, without further verification. **If funds are to be wired in conjunction with this real estate transaction, we strongly recommend verbal verification of wire instructions through a known, trusted phone number prior to sending funds.**

In addition, the following non-exclusive self-protection strategies are recommended to minimize exposure to possible wire fraud.

- **NEVER RELY** on emails purporting to change wire instructions. Parties to a transaction rarely change wire instructions in the course of a transaction.
- **ALWAYS VERIFY** wire instructions, specifically the ABA routing number and account number, by calling the party who sent the instructions to you. **DO NOT** use the phone number provided in the email containing the instructions, use phone numbers you have called before or can otherwise verify. **Obtain the number of relevant parties to the transaction as soon as an escrow account is opened.** **DO NOT** send an email to verify as the email address may be incorrect or the email may be intercepted by the fraudster.
- **USE COMPLEX EMAIL PASSWORDS** that employ a combination of mixed case, numbers, and symbols. Make your passwords greater than eight (8) characters. Also, change your password often and **DO NOT** reuse the same password for other online accounts.
- **USE MULTI-FACTOR AUTHENTICATION** for email accounts. Your email provider or IT staff may have specific instructions on how to implement this feature.

For more information on wire-fraud scams or to report an incident, please refer to the following links:

Federal Bureau of Investigation:

<http://www.fbi.gov>

Internet Crime Complaint Center:

<http://www.ic3.gov>

FIDELITY NATIONAL FINANCIAL PRIVACY NOTICE

Effective December 1, 2023

Fidelity National Financial, Inc. and its majority-owned subsidiary companies (collectively, "FNF," "our," or "we") respect and are committed to protecting your privacy. This Privacy Notice explains how we collect, use, and protect personal information, when and to whom we disclose such information, and the choices you have about the use and disclosure of that information.

A limited number of FNF subsidiaries have their own privacy notices. If a subsidiary has its own privacy notice, the privacy notice will be available on the subsidiary's website and this Privacy Notice does not apply.

Collection of Personal Information

FNF may collect the following categories of Personal Information:

- contact information (e.g., name, address, phone number, email address);
- demographic information (e.g., date of birth, gender, marital status);
- identity information (e.g. Social Security Number, driver's license, passport, or other government ID number);
- financial account information (e.g. loan or bank account information); and
- other personal information necessary to provide products or services to you.

We may collect Personal Information about you from:

- information we receive from you or your agent;
- information about your transactions with FNF, our affiliates, or others; and
- information we receive from consumer reporting agencies and/or governmental entities, either directly from these entities or through others.

Collection of Browsing Information

FNF automatically collects the following types of Browsing Information when you access an FNF website, online service, or application (each an "FNF Website") from your Internet browser, computer, and/or device:

- Internet Protocol (IP) address and operating system;
- browser version, language, and type;
- domain name system requests; and
- browsing history on the FNF Website, such as date and time of your visit to the FNF Website and visits to the pages within the FNF Website.

Like most websites, our servers automatically log each visitor to the FNF Website and may collect the Browsing Information described above. We use Browsing Information for system administration, troubleshooting, fraud investigation, and to improve our websites. Browsing Information generally does not reveal anything personal about you, though if you have created a user account for an FNF Website and are logged into that account, the FNF Website may be able to link certain browsing activity to your user account.

Other Online Specifics

Cookies. When you visit an FNF Website, a "cookie" may be sent to your computer. A cookie is a small piece of data that is sent to your Internet browser from a web server and stored on your computer's hard drive. Information gathered using cookies helps us improve your user experience. For example, a cookie can help the website load properly or can customize the display page based on your browser type and user preferences. You can choose whether or not to accept cookies by changing your Internet browser settings. Be aware that doing so may impair or limit some functionality of the FNF Website.

Web Beacons. We use web beacons to determine when and how many times a page has been viewed. This information is used to improve our websites.

Do Not Track. Currently our FNF Websites do not respond to "Do Not Track" features enabled through your browser.

Links to Other Sites. FNF Websites may contain links to unaffiliated third-party websites. FNF is not responsible for the privacy practices or content of those websites. We recommend that you read the privacy policy of every website you visit.

Use of Personal Information

FNF uses Personal Information for these main purposes:

- To provide products and services to you or in connection with a transaction involving you.
- To improve our products and services.
- To communicate with you about our, our affiliates', and others' products and services, jointly or independently.
- To provide reviews and testimonials about our services, with your consent.

When Information Is Disclosed

We may disclose your Personal Information and Browsing Information in the following circumstances:

- to enable us to detect or prevent criminal activity, fraud, material misrepresentation, or nondisclosure;
- to affiliated or nonaffiliated service providers who provide or perform services or functions on our behalf and who agree to use the information only to provide such services or functions;
- to affiliated or nonaffiliated third parties with whom we perform joint marketing, pursuant to an agreement with them to jointly market financial products or services to you;
- to law enforcement or authorities in connection with an investigation, or in response to a subpoena or court order; or
- in the good-faith belief that such disclosure is necessary to comply with legal process or applicable laws, or to protect the rights, property, or safety of FNF, its customers, or the public.

The law does not require your prior authorization and does not allow you to restrict the disclosures described above. Additionally, we may disclose your information to third parties for whom you have given us authorization or consent to make such disclosure. We do not otherwise share your Personal Information or Browsing Information with nonaffiliated third parties, except as required or permitted by law.

We reserve the right to transfer your Personal Information, Browsing Information, and any other information, in connection with the sale or other disposition of all or part of the FNF business and/or assets, or in the event of bankruptcy, reorganization, insolvency, receivership, or an assignment for the benefit of creditors. By submitting Personal Information and/or Browsing Information to FNF, you expressly agree and consent to the use and/or transfer of the foregoing information in connection with any of the above described proceedings.

Security of Your Information

We maintain physical, electronic, and procedural safeguards to protect your Personal Information.

Choices With Your Information

Whether you submit Personal Information or Browsing Information to FNF is entirely up to you. If you decide not to submit Personal Information or Browsing Information, FNF may not be able to provide certain services or products to you.

For California Residents: We will not share your Personal Information or Browsing Information with nonaffiliated third parties, except as permitted by California law. For additional information about your California privacy rights, please visit the "California Privacy" link on our website (<https://fnf.com/pages/californiaprivacy.aspx>) or call (888) 413-1748.

For Connecticut Residents: For additional information about your Connecticut consumer privacy rights, or to make a consumer privacy request, or to appeal a previous privacy request, please email privacy@fnf.com or call (888) 714-2710.

For Colorado Residents: For additional information about your Colorado consumer privacy rights, or to make a consumer privacy request, or to appeal a previous privacy request, please email privacy@fnf.com or call (888) 714-2710.

For Nevada Residents: We are providing this notice pursuant to state law. You may be placed on our internal Do Not Call List by calling FNF Privacy at (888) 714-2710 or by contacting us via the information set forth at the end of this Privacy Notice. For further information concerning Nevada's telephone solicitation law, you may contact: Bureau of Consumer Protection, Office of the Nevada Attorney General, 555 E. Washington St., Suite 3900, Las Vegas, NV 89101; Phone number: (702) 486-3132; email: aginquiries@ag.state.nv.us.

For Oregon Residents: We will not share your Personal Information or Browsing Information with nonaffiliated third parties for marketing purposes, except after you have been informed by us of such sharing and had an opportunity to indicate that you do not want a disclosure made for marketing purposes.

For Utah Residents: For additional information about your Utah consumer privacy rights, or to make a consumer privacy request, please call (888) 714-2710.

For Vermont Residents: We will not disclose information about your creditworthiness to our affiliates and will not disclose your personal information, financial information, credit report, or health information to nonaffiliated third parties to market to you, other than as permitted by Vermont law, unless you authorize us to make those disclosures.

For Virginia Residents: For additional information about your Virginia consumer privacy rights, or to make a consumer privacy request, or appeal a previous privacy request, please email privacy@fnf.com or call (888) 714-2710.

Information From Children

The FNF Websites are not intended or designed to attract persons under the age of eighteen (18). We do not collect Personal Information from any person that we know to be under the age of thirteen (13) without permission from a parent or guardian.

International Users

FNF's headquarters is located within the United States. If you reside outside the United States and choose to provide Personal Information or Browsing Information to us, please note that we may transfer that information outside of your country of residence. By providing FNF with your Personal Information and/or Browsing Information, you consent to our collection, transfer, and use of such information in accordance with this Privacy Notice.

FNF Website Services for Mortgage Loans

Certain FNF companies provide services to mortgage loan servicers, including hosting websites that collect customer information on behalf of mortgage loan servicers (the "Service Websites"). The Service Websites may contain links to both this Privacy Notice and the mortgage loan servicer or lender's privacy notice. The sections of this Privacy Notice titled When Information is Disclosed, Choices with Your Information, and Accessing and Correcting Information do not apply to the Service Websites. The mortgage loan servicer or lender's privacy notice governs use, disclosure, and access to your Personal Information. FNF does not share Personal Information collected through the Service Websites, except as required or authorized by contract with the mortgage loan servicer or lender, or as required by law or in the good-faith belief that such disclosure is necessary: to comply with a legal process or applicable law, to enforce this Privacy Notice, or to protect the rights, property, or safety of FNF or the public.

Your Consent To This Privacy Notice; Notice Changes

By submitting Personal Information and/or Browsing Information to FNF, you consent to the collection and use of the information in accordance with this Privacy Notice. We may change this Privacy Notice at any time. The Privacy Notice's effective date will show the last date changes were made. If you provide information to us following any change of the Privacy Notice, that signifies your assent to and acceptance of the changes to the Privacy Notice.

Accessing and Correcting Information; Contact Us

If you have questions or would like to correct your Personal Information, visit FNF's [Privacy Inquiry Website](#) or contact us by phone at (888) 714-2710, by email at privacy@fnf.com, or by mail to:

Fidelity National Financial, Inc.
601 Riverside Avenue,
Jacksonville, Florida 32204
Attn: Chief Privacy Officer

EXHIBIT ONE

2021 AMERICAN LAND TITLE ASSOCIATION LOAN POLICY (07-01-2021) EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. a. any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) that restricts, regulates, prohibits, or relates to:
 - i. the occupancy, use, or enjoyment of the Land;
 - ii. the character, dimensions, or location of any improvement on the Land;
 - iii. the subdivision of land; or
 - iv. environmental remediation or protection.
 - b. any governmental forfeiture, police, regulatory, or national security power.
 - c. the effect of a violation or enforcement of any matter excluded under Exclusion 1.a. or 1.b.
2. Any power of eminent domain. Exclusion 2 does not modify or limit the coverage provided under Covered Risk 7.
 3. Any defect, lien, encumbrance, adverse claim, or other matter:
 - a. created, suffered, assumed, or agreed to by the Insured Claimant;
 - b. not known to the Company, not recorded in the Public Records at the Date of Policy, but known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - c. resulting in no loss or damage to the Insured Claimant;
 - d. attaching or created subsequent to the Date of Policy (Exclusion 3.d. does not modify or limit the coverage provided under Covered Risk 11, 13, or 14); or
 - e. resulting in loss or damage that would not have been sustained if consideration sufficient to qualify the Insured named in Schedule A as a bona fide purchaser or encumbrancer had been given for the Insured Mortgage at the Date of Policy.

4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business law.
5. Invalidity or unenforceability of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or Consumer Protection Law.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights law, that the transaction creating the lien of the Insured Mortgage is a:
 - a. fraudulent conveyance or fraudulent transfer;
 - b. voidable transfer under the Uniform Voidable Transactions Act; or
 - c. preferential transfer:
 - i. to the extent the Insured Mortgage is not a transfer made as a contemporaneous exchange for new value; or
 - ii. for any reason not stated in the Covered Risk 13.b.
7. Any claim of a PACA-PSA Trust. Exclusion 7 does not modify or limit the coverage provided under Covered Risk 8.
8. Any lien on the Title for real estate taxes or assessments imposed by a governmental authority and created or attaching between the Date of Policy and the date of recording of the Insured Mortgage in the Public Records. Exclusion 8 does not modify or limit the coverage provided under Covered Risk 2.b. or 11.b.
9. Any discrepancy in the quantity of the area, square footage, or acreage of the Land or of any improvement to the Land.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage.

SCHEDULE B - GENERAL EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Facts, rights, interests or claims which are not shown by the Public Records but which could be ascertained by an inspection of the Land or by making inquiry of persons in possession thereof.
3. Easements, or claims of easement, not shown by the Public Records; reservations or exceptions in patents or in Acts authorizing the issuance thereof, water rights, claims or title to water.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
5. Any lien for services, labor or material heretofore or hereafter furnished, or for contributions due to the State of Oregon for unemployment compensation or worker's compensation, imposed by law and not shown by the Public Records.

2021 AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY (07-01-2021) EXCLUSIONS FROM COVERAGE

The following matters are excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses that arise by reason of:

1. a. any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) that restricts, regulates, prohibits, or relates to:
 - i. the occupancy, use, or enjoyment of the Land;
 - ii. the character, dimensions or location of any improvement on the Land;
 - iii. the subdivision of land; or
 - iv. environmental remediation or protection;
- b. any governmental forfeiture, police, regulatory, or national security power
- c. the effect of a violation or enforcement of any matter excluded under Exclusion 1.a. or 1.b.

Exclusion 1 does not modify or limit the coverage provided under Covered Risk 5 or 6.

2. Any power of eminent domain. Exclusion 2 does not modify or limit the coverage provided under Covered Risk 7.
3. Any defect, lien, encumbrance, adverse claim, or other matter:
 - a. created, suffered, assumed or agreed to by the Insured Claimant;
 - b. not known to the Company, not recorded in the Public Records at the Date of Policy, but known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - c. resulting in no loss or damage to the Insured Claimant;

- d. attaching or created subsequent to the Date of Policy (Exclusion 3.d. does not modify or limit the coverage provided under Covered Risk 9 or 10); or
- e. resulting in loss or damage that would not have been sustained if consideration sufficient to qualify the Insured named in Schedule A as a bona fide purchaser had been given for the Title at the Date of Policy.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights law, that the transaction vesting the Title as shown in Schedule A is a:
 - a. fraudulent conveyance or fraudulent transfer, or
 - b. voidable transfer under the Uniform Voidable Transactions Act; or
 - c. preferential transfer:
 - i. to the extent the instrument of transfer vesting the Title as shown in Schedule A is not a transfer made as a contemporaneous exchange for new value; or
 - ii. for any other reason not stated in Covered Risk 9.b.
5. Any claim of a PACA-PSA Trust. Exclusion 5 does not modify or limit the coverage provided under Covered Risk 8.
6. Any lien on the Title for real estate taxes or assessments imposed or collected by a governmental authority that becomes due and payable after the Date of Policy. Exclusion 6 does not modify or limit the coverage provided under Covered Risk 2.b.
7. Any discrepancy in the quantity of the area, square footage, or acreage of the Land or of any improvement to the Land.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage.

SCHEDULE B - GENERAL EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Facts, rights, interests or claims which are not shown by the Public Records but which could be ascertained by an inspection of the Land or by making inquiry of persons in possession thereof.
3. Easements, or claims of easement, not shown by the Public Records; reservations or exceptions in patents or in Acts authorizing the issuance thereof, water rights, claims or title to water.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
5. Any lien for services, labor or material heretofore or hereafter furnished, or for contributions due to the State of Oregon for unemployment compensation or worker's compensation, imposed by law and not shown by the Public Records.

EXHIBIT ONE

2006 AMERICAN LAND TITLE ASSOCIATION LOAN POLICY (06-17-06) EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses that arise by reason of:

- (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning) restricting, regulating, prohibiting or relating to
 - the occupancy, use, or enjoyment of the Land;
 - the character, dimensions or location of any improvement erected on the land;
 - the subdivision of land; or
 - environmental protection;or the effect of any violation of these laws, ordinances or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
- Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
- Defects, liens, encumbrances, adverse claims, or other matters
 - created, suffered, assumed or agreed to by the Insured Claimant;
 - not known to the Company, not recorded in the Public Records at Date of Policy, but known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;

- resulting in no loss or damage to the Insured Claimant;
 - attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13, or 14); or
 - resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
- Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with the applicable doing-business laws of the state where the Land is situated.
 - Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
 - Any claim, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - a fraudulent conveyance or fraudulent transfer, or
 - a preferential transfer for any reason not stated in the Covered Risk 13(b) of this policy.
 - Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage.

SCHEDULE B - GENERAL EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

- Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
- Facts, rights, interests or claims which are not shown by the Public Records but which could be ascertained by an inspection of the Land or by making inquiry of persons in possession thereof.
- Easements, or claims of easement, not shown by the Public Records; reservations or exceptions in patents or in Acts authorizing the issuance thereof, water rights, claims or title to water.
- Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
- Any lien for services, labor or material heretofore or hereafter furnished, or for contributions due to the State of Oregon for unemployment compensation or worker's compensation, imposed by law and not shown by the Public Records.

2006 AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY (06-17-06) EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses that arise by reason of:

- (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning) restricting, regulating, prohibiting or relating to
 - the occupancy, use, or enjoyment of the Land;
 - the character, dimensions or location of any improvement erected on the land;
 - the subdivision of land; or
 - environmental protection;or the effect of any violation of these laws, ordinances or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
- Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
- Defects, liens, encumbrances, adverse claims, or other matters
 - created, suffered, assumed or agreed to by the Insured Claimant;
 - not known to the Company, not recorded in the Public Records at Date of Policy, but known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;

- resulting in no loss or damage to the Insured Claimant;
 - attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
 - resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
- Any claim, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - a fraudulent conveyance or fraudulent transfer, or
 - a preferential transfer for any reason not stated in the Covered Risk 9 of this policy.
 - Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage.

SCHEDULE B - GENERAL EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

- Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
- Facts, rights, interests or claims which are not shown by the Public Records but which could be ascertained by an inspection of the Land or by making inquiry of persons in possession thereof.
- Easements, or claims of easement, not shown by the Public Records; reservations or exceptions in patents or in Acts authorizing the issuance thereof, water rights, claims or title to water.
- Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
- Any lien for services, labor or material heretofore or hereafter furnished, or for contributions due to the State of Oregon for unemployment compensation or worker's compensation, imposed by law and not shown by the Public Records.

FIDELITY NATIONAL FINANCIAL PRIVACY NOTICE

Effective December 1, 2023

Fidelity National Financial, Inc. and its majority-owned subsidiary companies (collectively, "FNF," "our," or "we") respect and are committed to protecting your privacy. This Privacy Notice explains how we collect, use, and protect personal information, when and to whom we disclose such information, and the choices you have about the use and disclosure of that information.

A limited number of FNF subsidiaries have their own privacy notices. If a subsidiary has its own privacy notice, the privacy notice will be available on the subsidiary's website and this Privacy Notice does not apply.

Collection of Personal Information

FNF may collect the following categories of Personal Information:

- contact information (e.g., name, address, phone number, email address);
- demographic information (e.g., date of birth, gender, marital status);
- identity information (e.g. Social Security Number, driver's license, passport, or other government ID number);
- financial account information (e.g. loan or bank account information); and
- other personal information necessary to provide products or services to you.

We may collect Personal Information about you from:

- information we receive from you or your agent;
- information about your transactions with FNF, our affiliates, or others; and
- information we receive from consumer reporting agencies and/or governmental entities, either directly from these entities or through others.

Collection of Browsing Information

FNF automatically collects the following types of Browsing Information when you access an FNF website, online service, or application (each an "FNF Website") from your Internet browser, computer, and/or device:

- Internet Protocol (IP) address and operating system;
- browser version, language, and type;
- domain name system requests; and
- browsing history on the FNF Website, such as date and time of your visit to the FNF Website and visits to the pages within the FNF Website.

Like most websites, our servers automatically log each visitor to the FNF Website and may collect the Browsing Information described above. We use Browsing Information for system administration, troubleshooting, fraud investigation, and to improve our websites. Browsing Information generally does not reveal anything personal about you, though if you have created a user account for an FNF Website and are logged into that account, the FNF Website may be able to link certain browsing activity to your user account.

Other Online Specifics

Cookies. When you visit an FNF Website, a "cookie" may be sent to your computer. A cookie is a small piece of data that is sent to your Internet browser from a web server and stored on your computer's hard drive. Information gathered using cookies helps us improve your user experience. For example, a cookie can help the website load properly or can customize the display page based on your browser type and user preferences. You can choose whether or not to accept cookies by changing your Internet browser settings. Be aware that doing so may impair or limit some functionality of the FNF Website.

Web Beacons. We use web beacons to determine when and how many times a page has been viewed. This information is used to improve our websites.

Do Not Track. Currently our FNF Websites do not respond to "Do Not Track" features enabled through your browser.

Links to Other Sites. FNF Websites may contain links to unaffiliated third-party websites. FNF is not responsible for the privacy practices or content of those websites. We recommend that you read the privacy policy of every website you visit.

Use of Personal Information

FNF uses Personal Information for these main purposes:

- To provide products and services to you or in connection with a transaction involving you.
- To improve our products and services.
- To communicate with you about our, our affiliates', and others' products and services, jointly or independently.
- To provide reviews and testimonials about our services, with your consent.

When Information Is Disclosed

We may disclose your Personal Information and Browsing Information in the following circumstances:

- to enable us to detect or prevent criminal activity, fraud, material misrepresentation, or nondisclosure;
- to affiliated or nonaffiliated service providers who provide or perform services or functions on our behalf and who agree to use the information only to provide such services or functions;
- to affiliated or nonaffiliated third parties with whom we perform joint marketing, pursuant to an agreement with them to jointly market financial products or services to you;
- to law enforcement or authorities in connection with an investigation, or in response to a subpoena or court order; or
- in the good-faith belief that such disclosure is necessary to comply with legal process or applicable laws, or to protect the rights, property, or safety of FNF, its customers, or the public.

The law does not require your prior authorization and does not allow you to restrict the disclosures described above. Additionally, we may disclose your information to third parties for whom you have given us authorization or consent to make such disclosure. We do not otherwise share your Personal Information or Browsing Information with nonaffiliated third parties, except as required or permitted by law.

We reserve the right to transfer your Personal Information, Browsing Information, and any other information, in connection with the sale or other disposition of all or part of the FNF business and/or assets, or in the event of bankruptcy, reorganization, insolvency, receivership, or an assignment for the benefit of creditors. By submitting Personal Information and/or Browsing Information to FNF, you expressly agree and consent to the use and/or transfer of the foregoing information in connection with any of the above described proceedings.

Security of Your Information

We maintain physical, electronic, and procedural safeguards to protect your Personal Information.

Choices With Your Information

Whether you submit Personal Information or Browsing Information to FNF is entirely up to you. If you decide not to submit Personal Information or Browsing Information, FNF may not be able to provide certain services or products to you.

For California Residents: We will not share your Personal Information or Browsing Information with nonaffiliated third parties, except as permitted by California law. For additional information about your California privacy rights, please visit the "California Privacy" link on our website (<https://fnf.com/pages/californiaprivacy.aspx>) or call (888) 413-1748.

For Connecticut Residents: For additional information about your Connecticut consumer privacy rights, or to make a consumer privacy request, or to appeal a previous privacy request, please email privacy@fnf.com or call (888) 714-2710.

For Colorado Residents: For additional information about your Colorado consumer privacy rights, or to make a consumer privacy request, or appeal a previous privacy request, please email privacy@fnf.com or call (888) 714-2710.

For Nevada Residents: We are providing this notice pursuant to state law. You may be placed on our internal Do Not Call List by calling FNF Privacy at (888) 714-2710 or by contacting us via the information set forth at the end of this Privacy Notice. For further information concerning Nevada's telephone solicitation law, you may contact: Bureau of Consumer Protection, Office of the Nevada Attorney General, 555 E. Washington St., Suite 3900, Las Vegas, NV 89101; Phone number: (702) 486-3132; email: aginquies@ag.state.nv.us.

For Oregon Residents: We will not share your Personal Information or Browsing Information with nonaffiliated third parties for marketing purposes, except after you have been informed by us of such sharing and had an opportunity to indicate that you do not want a disclosure made for marketing purposes.

For Utah Residents: For additional information about your Utah consumer privacy rights, or to make a consumer privacy request, please call (888) 714-2710.

For Vermont Residents: We will not disclose information about your creditworthiness to our affiliates and will not disclose your personal information, financial information, credit report, or health information to nonaffiliated third parties to market to you, other than as permitted by Vermont law, unless you authorize us to make those disclosures.

For Virginia Residents: For additional information about your Virginia consumer privacy rights, or to make a consumer privacy request, or appeal a previous privacy request, please email privacy@fnf.com or call (888) 714-2710.

Information From Children

The FNF Websites are not intended or designed to attract persons under the age of eighteen (18). We do not collect Personal Information from any person that we know to be under the age of thirteen (13) without permission from a parent or guardian.

International Users

FNF's headquarters is located within the United States. If you reside outside the United States and choose to provide Personal Information or Browsing Information to us, please note that we may transfer that information outside of your country of residence. By providing FNF with your Personal Information and/or Browsing Information, you consent to our collection, transfer, and use of such information in accordance with this Privacy Notice.

FNF Website Services for Mortgage Loans

Certain FNF companies provide services to mortgage loan servicers, including hosting websites that collect customer information on behalf of mortgage loan servicers (the "Service Websites"). The Service Websites may contain links to both this Privacy Notice and the mortgage loan servicer or lender's privacy notice. The sections of this Privacy Notice titled When Information is Disclosed, Choices with Your Information, and Accessing and Correcting Information do not apply to the Service Websites. The mortgage loan servicer or lender's privacy notice governs use, disclosure, and access to your Personal Information. FNF does not share Personal Information collected through the Service Websites, except as required or authorized by contract with the mortgage loan servicer or lender, or as required by law or in the good-faith belief that such disclosure is necessary: to comply with a legal process or applicable law, to enforce this Privacy Notice, or to protect the rights, property, or safety of FNF or the public.

Your Consent To This Privacy Notice: Notice Changes

By submitting Personal Information and/or Browsing Information to FNF, you consent to the collection and use of the information in accordance with this Privacy Notice. We may change this Privacy Notice at any time. The Privacy Notice's effective date will show the last date changes were made. If you provide information to us following any change of the Privacy Notice, that signifies your assent to and acceptance of the changes to the Privacy Notice.

Accessing and Correcting Information; Contact Us

If you have questions or would like to correct your Personal Information, visit FNF's [Privacy Inquiry Website](#) or contact us by phone at (888) 714-2710, by email at privacy@fnf.com, or by mail to:

Fidelity National Financial, Inc.
601 Riverside Avenue,
Jacksonville, Florida 32204
Attn: Chief Privacy Officer



ENGINEERING DEPARTMENT
10501 SE Main St
Milwaukie OR 97222

PHONE: 503-786-7600
FAX: 503-774-8236
E-MAIL: engineering@milwaukieoregon.gov

Attachment 8. A. 5.

APPLICATION for Street Vacation

Applicant(s): Housing Authority of the County of Clackamas, Oregon Phone: _____

Address: 2889 SE Hillside Ct, Milwaukie, OR Zip: 97222

Proposal (describe briefly): Vacate portions of A St., B St., C St., D St. and D Pl. lying south of S.E. Hillside Court and vacate the westerly portion of S.E. Hillside Court to allow for the realignment of public streets and redevelopment of the surrounding property.

Map and abutting parcels' Tax Lot Number(s) (format: "T1S, R1E, Sec. 25") Tax Lots: 00100, 00102

Origin of street: All streets proposed to be vacated were dedicated to the City of Milwaukie per document recorded January 23, 1996 as Recording No. 96-005192.

Fee title holder if any (provide title report or copy of County Assessor's records): _____

City or public utility assets within the public right-of-way (attach map showing existing assets and proposed relocation):
City and public utility assets are proposed to be relocated during redevelopment of the surrounding property.

An easement is intended to be reserved over the vacated streets until such time as redevelopment is complete, allowing for construction within the vacated street areas after City of Milwaukie City Engineer approval.

Relationship of the area to be vacated to any current or planned road or bike path system (attach vicinity map showing existing street and bike path system):

Area to be vacated does not connect to any current or known planned bike path system.

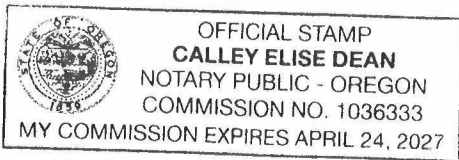
Continued on reverse

Proximity of the proposed vacation area to a Natural Resource area, Greenway, Kellogg Lake, or the Willamette River:
Proposed vacation area does not lie in close proximity to any known Natural Resource area

ATTEST:

To the best of my knowledge, the information provided within this application package is complete and accurate. The site plan, notice labels, and other relevant information as required for this application are attached.

Submitted by: Coni Karter Date: 1/31/24



Calley Dean
01/31/2024

Office Use

File # _____ Fee \$ _____ Date: _____

Accepted by: _____



ENGINEERING DEPARTMENT
10501 SE Main St
Milwaukie OR 97222

PHONE: 503-786-7600
FAX: 503-774-8236
E-MAIL: engineering@milwaukieoregon.gov

CONSENT to Street Vacation

The undersigned property owner abutting or affected by the vacation of A, B, C, D St, D Pl, Hillside Ct (street) from S.E. 32nd Ave. to Southern Pacific R/R consents to the vacation. (See attached map.) A copy of the **Petition for Street Vacation** is printed on the reverse side of this consent form. The undersigned property owner understands that all property annexed to his or her property by approval of this vacation may be subjected to property taxes.

Property owner: Housing Authority of the County of Clackamas, Oregon

Address: 2889 SE Hillside Ct, Milwaukie, OR 97222

Legal description: Parcels 1 and 2, PARTITION PLAT 2020-026, Clackamas County Plat Records

Toni Karter
13930 Gain St
Oregon City, OR 97045

Toni Karter 1/31/24

Signature

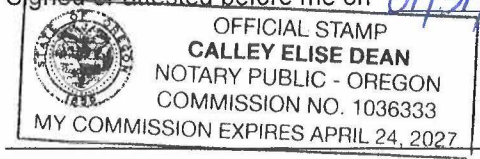
Date

Signature

Date

State of OREGON
County of Clackamas

Signed or attested before me on 01/31/2024 by Calley Dean



Calley Dean

Notary Public – State of Oregon



ENGINEERING DEPARTMENT
10501 SE Main St
Milwaukie OR 97222

PHONE: 503-786-7600
FAX: 503-774-8236
E-MAIL: engineering@milwaukieoregon.gov

PETITION for Street Vacation

Petitioner: Housing Authority of the County of Clackamas, Oregon Phone: _____

Address: 2889 SE Hillside Ct, Milwaukie, OR Zip: 97222

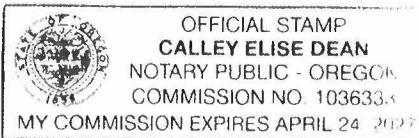
Description of area to be vacated (attach map; use parcels and distance from property line to describe):
Vacate portions of A St., B St., C St., D St. and D Pl. lying south of S.E. Hillside Court and vacate the westerly portion of S.E. Hillside Court.

Reason for vacation: To allow for the realignment of public streets and redevelopment of the surrounding property.

Proposed use of vacated area: Residential buildings, parking, public streets, and plaza

The undersigned petitions the City for vacation of the above-described area. Attached are the signed consents of all property owners abutting this area and owners of two-thirds of the area affected by the vacation as required by ORS 271.080. All **Consent to Street Vacation** forms will have a completed copy of this petition printed on the reverse side.

Noni Kartes 1/31/24
Signature Date



Calley Dean
01/31/2024



ENGINEERING DEPARTMENT
10501 SE Main St
Milwaukie OR 97222

PHONE: 503-786-7600
FAX: 503-774-8236
E-MAIL: engineering@milwaukieoregon.gov

PETITION for Street Vacation

Petitioner: Housing Authority of the County of Clackamas, Oregon Phone: _____

Address: 2889 SE Hillside Ct, Milwaukie, OR Zip: 97222

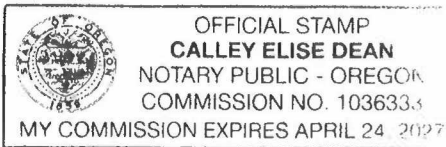
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Noni Kartes 1/31/24
Signature Date



Calley Dean
01/31/2024

Attachment 8. A. 6.

Oregonian Media Group
1500 SW 1st Ave Suite 500
Portland, OR 97201



Oregonian

AD#: 0010829006

CITY OF MILWAUKIE
8101 SE JOHNSON CRK BLVD
MILWAUKIE, OR 97206

ocr@milwaukieoregon.gov
KoliasV@milwaukieoregon.gov

Sales Rep: Kimberlee O'Neill
Account Number:1000837887
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Remit Payment to:
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Page 1 of 2

Date	Position	Description	P.O. Number	Ad Size	Costs
03/12/2024	PublicNotices OR	Legal Notice City of Milwaukie On February 2, 2024, the Housing Authority	V Kolias Hillsdale St Vaca	1 x 23 L	
				Basic Ad Charge - 03/05/2024	\$121.33
				Basic Ad Charge - 03/12/2024	\$106.33
				Total	\$227.66

FOR QUESTIONS CONCERNING THIS AFFIDAVIT, PLEASE CALL 877-229-2380



AD#: 0010829006

State of Oregon,) ss

County of Multnomah)

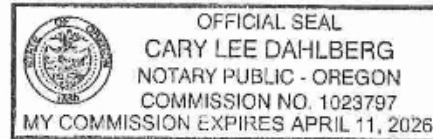
Bradley Dion being duly sworn, deposes that he/she is principal clerk of Oregonian Media Group; that Oregonian is a public newspaper published in the city of Portland, with general circulation in Oregon, and this notice is an accurate and true copy of this notice as printed in said newspaper, was printed and published in the regular edition and issue of said newspaper on the following date(s):

Oregonian 03/05, 03/12/2024

Bradley Dion
Principal Clerk of the Publisher

Sworn to and subscribed before me this 13th day of March 2024

Cary Lee Dahlberg
Notary Public



Legal Notice - City of Milwaukie
On February 2, 2024, the Housing Authority of Clackamas County initiated the vacation of public right-of-way within Hillside Park. The area to be dedicated is portions of A Street, B Street, C Street, D Street, and D Place lying south of Hillside Court and vacate the westerly portion of Hillside Court to allow for the realignment of public streets and redevelopment of the surrounding property. The Milwaukie City Council will hold a public hearing to consider the proposed vacation on March 19, 2024. Any objection must be made in writing and filed with the City Recorder prior to the time of the hearing. For more information, contact Milwaukie Planning at 503-786-7653.

OREGON STATE FOOTBALL

Robinson eager to lead teammates, improve stock

Continues from B1

Among his ambitions in 2024: Get "bigger, faster, stronger," snatch a few interceptions and showcase his exceptional speed. It was feedback about his speed, in fact, that annoyed Robinson the most.

Robinson said he ran the 40-yard dash in 4.39 seconds last season at Oregon State, a time that would have ranked second among cornerbacks and tied for 15th across all positions at this year's recent NFL Combine in Indianapolis.

"They said they didn't know what my speed was like," he said. "I felt kind of disrespected, but it's OK. I'll showcase that."

Critiques about his lack of interceptions are fair — he has played in 34 college games and failed to snag even one — but after a career marred by early injuries, Robinson developed into a reliable presence at a position of strength at OSU. He missed all but two games in 2019 and the entire 2021 season because of injuries, but saw action in 24 games the last two seasons. He became a full-time starter for the first time in 2024, leading the team in pass breakups (eight), recording 33 tackles and forcing one fumble in 12 games.

Now, heading into his seventh season in Corvallis, Robinson is ready to guide the next generation. He has been one of the Beavers' steadiest and most vocal leaders this spring, especially on an overhauled defense that returns just two starters. If he's not talking about technique or scheme to a young OSU cornerback during practice, chances are he's knocking on their front doors at home, aiming to study film.

"He's just trying to take that next step in leading the younger guys and just trying to show them the way," linebacker Melvin Jordan IV said. "We're pretty young, so he's one of our most important returning

older guys for sure."

Robinson said he's modeling much of his leadership from Jaydon Grant, a beloved former OSU cornerback who, like Robinson, spent seven seasons in the program after battling injuries and other setbacks.

"Just watching him every day," Robinson said. "He was hurt. He had the same injuries. But just his mindset about it. He never gave up, he went through the fold, he knew how to grind, he knew how to push and lead others. That was the biggest thing. And I'm still taking from that and learning how to apply it to these new guys in the room and on the team."

As for the new crop of players in the secondary, when asked to name a couple players who have caught his attention, Robinson said there were multiple, including sophomore Jaheim Patterson, freshman Exodus Ayers and junior Amarian York. What's more, Robinson said, returners like junior Skyler Thomas, senior Ian Massey, sophomore Noble Thomas Jr. and junior Jack Kane were "pushing the room" in meaningful ways.

And when they don't push hard enough, well, they can expect to read a text message in that group chat.

"I want to solidify myself as one of the best guys in the nation coming into this year," Robinson said. "I got feedback on where I'd I go (in the NFL draft), what I need to work on, my weaknesses, my strengths. And I think a lot of it is self-manageable, for sure. I was surprised with some of the feedback that I got, but I'm like, 'That's OK. I just have another year to prove them wrong.' I know everything I need to do and I have the time to do it."

jfreeman@oregonian.com; 503-294-5183; @BlazerFreeman

SLED DOG RACE

Two dogs die during Iditarod, prompting calls to end race

Mark Thiessen Associated Press

ANCHORAGE, ALASKA — Two dogs died over the weekend during Alaska's annual Iditarod sled dog race, marking the first deaths during the race in five years and renewing calls to end the 1,000-mile competition that sees mushers and their canine teams traverse mountain ranges, a frozen river and sea ice — often during treacherous weather.

Bog, a 2-year-old male on musher Issac Teaford's team, collapsed Sunday morning about 200 feet short of the checkpoint in the village of Nulato, a former Russian trading post located 582 miles into the race across the Alaska wilderness. He died despite a veterinarian performing CPR for about 20 minutes.

A second dog, George, a 4-year-old male on musher Hunter Keefe's team, also collapsed and died despite attempts to revive him, a race statement said.

George died on the trail about 35 miles outside of the village of Kaltag, which is 629 miles into the race.

A necropsy did not determine a cause of death for Bog, and the Iditarod said further testing will be conducted. A necropsy on George will also be conducted.

Keefe, of Knik, and Teaford, of Salt Lake City, voluntarily quit the Iditarod Trail Sled Dog Race on Sunday. Under the race rules, they risked being withdrawn by the race marshal otherwise.

The last dog to die during the annual race was Oshi, a 5-year-old female on musher Richie Beattie's team, in 2019. At a post-race checkup, veterinarians found signs of pneumonia in the dog. She was flown to Anchorage for care but later died.

Keefe and Teaford are fairly inexperienced in running the Iditarod, one of the world's longest sled dog races. Teaford is a rookie and Keefe was in his second race after finishing 11th last year.

The dogs' deaths on Sunday prompted People for the Ethical Treatment of Animals, long the Iditarod's biggest critic, to call for race's end. PETA has claimed more than 150 dogs have died in the Iditarod, but race officials have never provided an official count of dogs that have died since the first race was held in 1973.

The organization conducted a protest outside the convention center where the mushers' banquet was held before the ceremonial start of the race March 2 in Anchorage.

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PUBLIC NOTICES

PUBLIC NOTICES GENERAL

Legal Notice - City of Milwaukie

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NOTICE IS HEREBY GIVEN that the undersigned intends to sell the personal property described below to enforce a lien imposed on said property pursuant to sections 87.685 - 87.693 of the ORS known as the Oregon Self-Service Storage Facility Act.

The undersigned will sell at **StorageTreasures.com** sale by competitive bidding on Tuesday the 19th day of March 2024 at 10:30 A.M., on the premises were said property including: household goods, tools, electronics, and personal effects, have been stored and which are located at Trojan Storage of Portland, 8017 NE Alberta Portland, OR 97218 County of Multnomah the following:
Robyn I. Lear #1113
Samuel Divine #2611
Chelsea Dietz #3310
James C. Gardner #2316
Daniel McNaughton #2320
Kristin Buchanan #3305
Jacklynn Broadroads #2421
Percilla Benson #2503
Amanda Moody #2515
Purchases must be paid for at the time of purchase in cash only. All purchased items sold as is, where is and must be removed at the time of sale. Sale subject to cancellation in the event of settlement between owner and obligated party. Dated March 5, and March 12, 2024. Andasol Management, Inc. Bond #: 791831C; 310.647.9926

NOTICE IS HEREBY GIVEN that the undersigned intends to sell the personal property described below to enforce a lien imposed on said property pursuant to sections 87.685 - 87.693 of the ORS known as the Oregon Self-Service Storage Facility Act.

The undersigned will sell online at **StorageTreasures.com** and sale by competitive bidding on Tuesday the 19th of March at 10:30 A.M.: household goods, tools, electronics, and personal effects, have been stored and which are located at Trojan Storage of Salem, 1241 Hawthorne Ave, Salem, Oregon 97301 County of Marion the following:
Josh Walker Unit 106
Jaimie Raines Unit 113
Yadryah Haro Gonzalez Unit 162
Jeffrey Samson Unit 168
Scott Dantell Unit 323
Tinh Ngo Unit 345
Camille Lewis Unit 374
Rosina Ilkwa Unit 487
Amanda Ruhneke Unit 585
Leslie Urban Unit 603
Andre Dreams Unit 617A
Purchases must be paid for at the time of purchase in cash only. All purchased items sold as is, where is and must be removed at the time of sale. Sale subject to cancellation in the event of settlement between owner and obligated party. Dated this 5th day of March 2024 and 12th day of March 2024. Andasol Management, Inc. Bond #: 791831C (888)564-7782

Self-Storage Auction
Sherlock Self Storage
30535 SW Boones Ferry Road
Wilsonville, OR 97070
March 20, 2024 At or After 10AM
Auction held on:
www.storage-treasures.com
246 Heather L Binuya
175 Joshua D Lasure
072 Christopher P Southard-Denoma
233 John P Ugenti
Minimum \$100.00 Cash Deposit per unit. Cash Only.

STORAGE AUCTION
Bronson Mini Storage
16120 NW Bronson, Beaverton 97006
Bidding online now
Storage-treasures.com
Tuesday, March 19, 2024
Closing at the following times:
615 Bradshaw, D. 10:00 AM
617 Khandoker, M. 10:30 AM
222 Bergstrom, S. 10:45 AM

Buy it. Sell it. Find it.
Visit OREGONLIVE.COM/placead
or Call 503-221-8000

PUBLIC NOTICES GENERAL

WALKER STORAGE
ONLINE PUBLIC AUCTION
18365 NW Walker Road
Beaverton, OR 97006
www.bidderschoiceauction.com
Final bids will be placed by
11:30 a.m. March 19, 2024
Cash-Credit-Debit Cards welcome
Unit numbers & names:
Katrina Voshall #3110; Jasmine Causey JR #2086; Jason Joshua #3130

RENTALS

ROOMS
Furnished room with utilities, good location, no pets. Men Only. \$700 month. Please call 971-295-8030

Today's New York Times Crossword Puzzle Solved



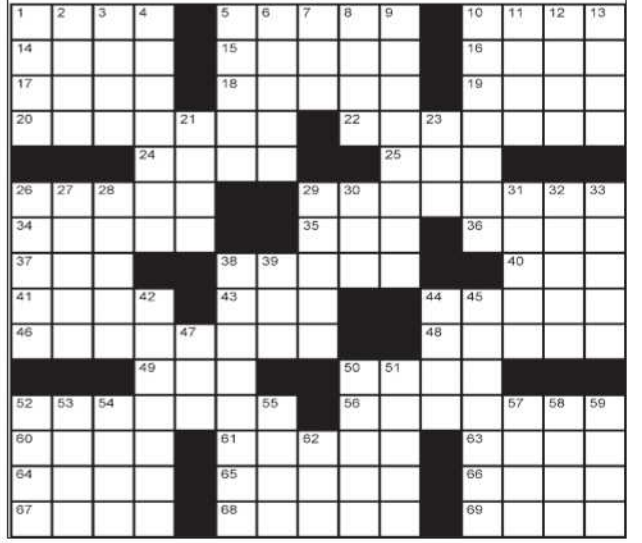
ACROSS

- Shark movie
- Nautical term
- Run
- Of the ear
- Rome's river
- Go ballistic
- Parlor piece
- a customer
- Regular
- Thin and weak
- Soiled
- Lackluster
- soda
- Lucifer
- Diner offerings
- Role models
- "On — Majesty's Secret Service"
- Highlander
- Not high
- Sends out
- Work in verse
- Military base — 51
- Roman god
- Combine
- Dregs
- sanctum
- Zodiac animal
- Treaty
- Made with care
- Boise native
- Corporate emblem
- Observed
- Encourage
- Small case
- Cease-fire
- Jazz singing
- Touch
- Cavalry weapon
- "I'm all —!"

DOWN

- Chinese idol
- Above
- Hotspot offering (hyph.)
- Outrageous incident
- Pacific island
- LPs and 45s
- Honest —
- Jells
- Pants
- Garden frame
- Sitar player — Shankar
- S molding
- Manage
- Demands payment
- Varnish ingredient
- "— Marner"
- Love
- Hauled
- Jersey
- Animal friend
- Oak-to-be
- Hunter's cabin
- Direct
- Chess piece
- Jet wing
- Flaky mineral
- Show excitement
- Doily
- de resistance
- Snake
- Stave symbol
- Memory alone
- Chills and fever
- the Explorer
- Aquatic mammal
- Algae extract
- Earns
- Storage unit

3-12-24 © 2024 UFS, Dist. by Andrews McMeel for UFS



RS200



**RS 8. A. 3/19/24
Presentation**

Hillside Park ROW Vacation

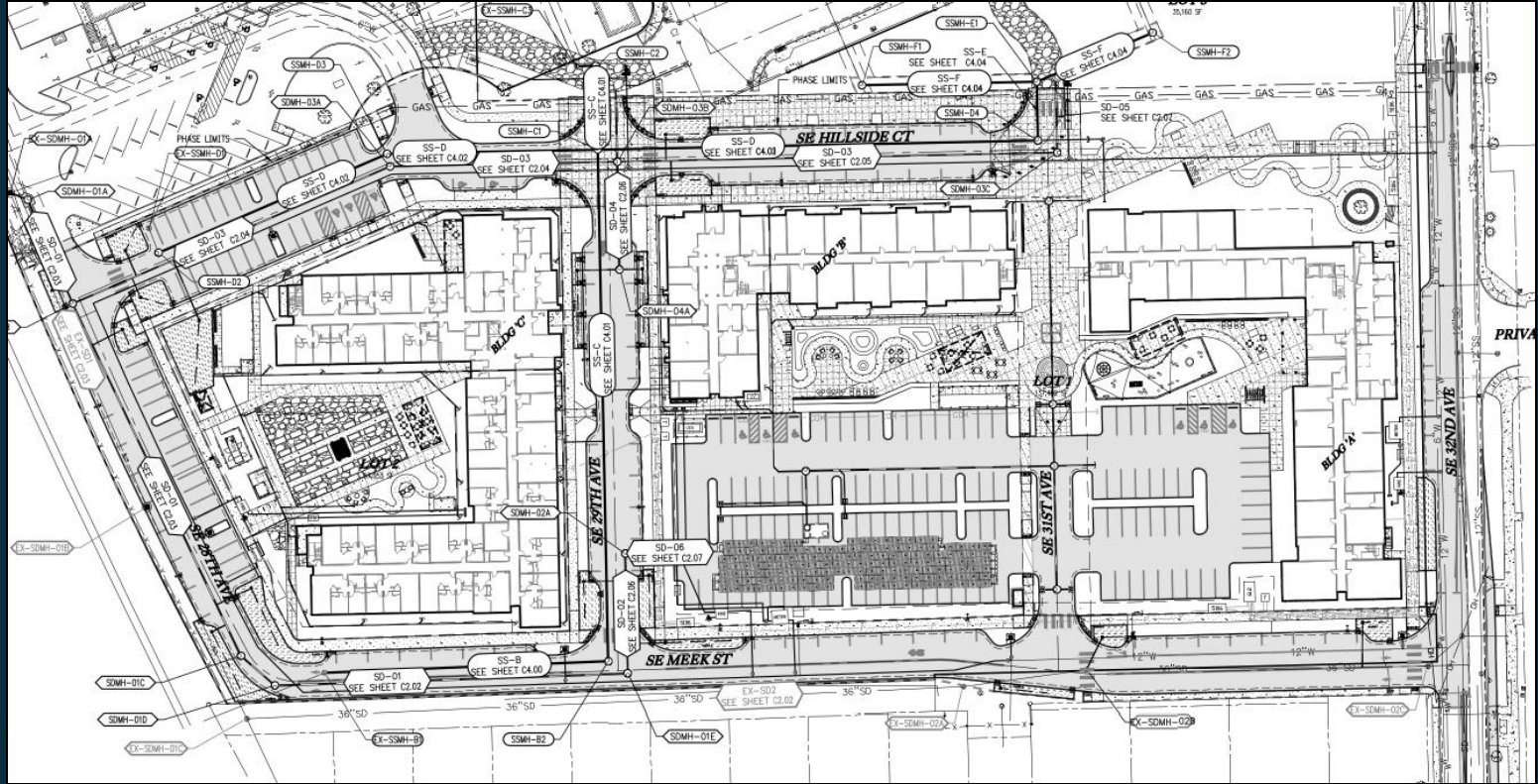
**City Council Regular Session
March 19, 2024
Vera Koliass, Senior Planner**

Project Location & Vicinity



Proposed
vacation area

Proposed Development



Hillside Park – Phase 1

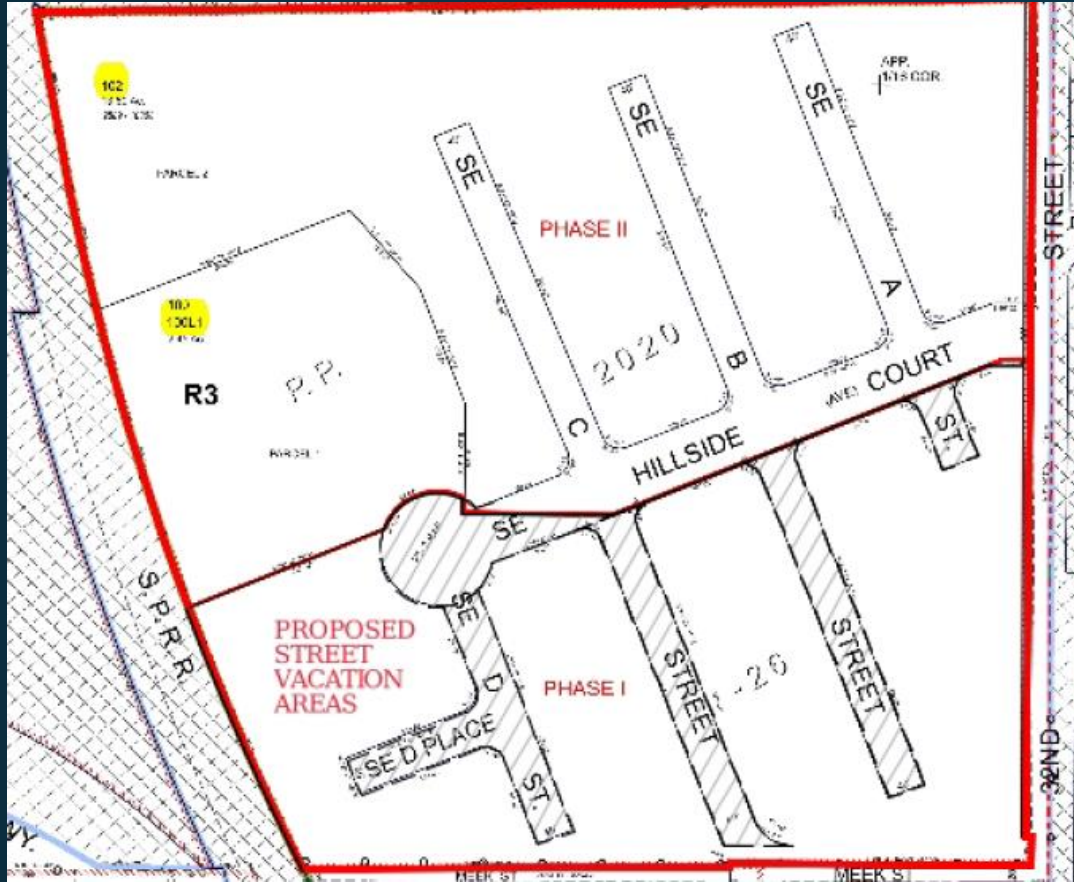
ROW Vacation Process

1. HACCC submits a petition for the vacation
2. Staff prepares legal notice to be published (Oregonian – March 5 and March 12)
3. Petitioner posts signs on site
4. Council holds a public hearing (tonight).

Legal Notice – City of Milwaukie

On February 2, 2024, the Housing Authority of Clackamas County initiated the vacation of public right-of-way within Hillside Park. The area to be dedicated is portions of A Street, B Street, C Street, D Street, and D Place lying south of Hillside Court and vacate the westerly portion of Hillside Court to allow for the realignment of public streets and redevelopment of the surrounding property. The Milwaukie City Council will hold a public hearing to consider the proposed vacation on March 19, 2024. Any objection must be made in writing and filed with the City Recorder prior to the time of the hearing. For more information, contact Milwaukie Planning at 503-786-7653.

ROW Vacation Area



ROW Vacation Standard of Review

- ORS 271.120
 - Consent of owners
 - Notice duly given
 - Public interest prejudiced



Staff Recommendation

- Council grant the petition and adopt the ordinance vacating the ROW as proposed.

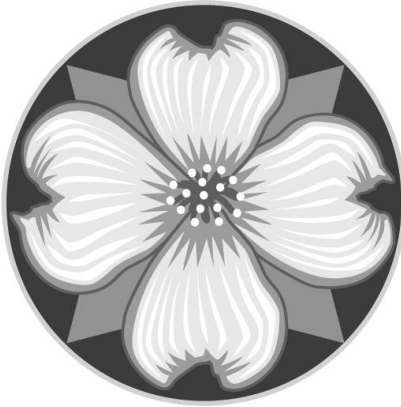
Contact Us

Vera Kolas

Senior Planner

koliasv@milwaukieoregon.gov





RS Agenda Item

9

Council Reports

City Council Reports

March 19, 2024

Mayor Batey



NCPRD Issues – Concord Property

Concord Property project - Funding Sources Matrix	
March, 2024	
	Funding Sources
Hood View Proceeds	4,211,880
NCPRD Fund Balance (GF & Capital Projects)	9,337,747
SDCs (Zone 2)	2,000,000
Local Government Grant Program (LGGP)	500,373
Metro Local Share	1,200,000
Construction Total	17,250,000
Estimated Interior work (NCPRD GF)	\$1,200,000
Total	18,450,000



NCPRD Issues – MBP Funding

Funding

NCPRD-City Development of Funding Strategy in 2019/20

Estimated Cost (including soft costs and contingency)	\$ 9,600,000
Funding Source	Potential Amount
NCPRD SDC Zone 1 funds	2,100,000
City funds	250,000
Metro NCPRD Local Share (subject to agency determination)	3,000,000
Metro City Local Share (subject to agency determination)	750,000
State Parks Grants (LWCF & LGGP - subject to awards)	1,750,000
Metro CIP Grant (subject to award)	750,000
Other (grants, agency funds, other to be identified)	1,000,000
Estimated Total Funds	\$ 9,600,000



NCPRD Issues – SDC Zones

SDC Fund 281 (Zone 1)	
Beginning Fund Balance	
City of Milwaukie	2,342,555
UGMA	4,160,582
Current Revenues	
City of Milwaukie	74,177
UGMA	146,018
Current Expenditures	
City of Milwaukie	(6,606)
UGMA	(7,289)
Ending Fund Balance (as of 12/31/23)	
City of Milwaukie	2,410,126
UGMA	4,299,311

SDC Fund 282 (Zone 2)	
Beginning Fund Balance	2,568,204
Current Revenues	151,407
Current Expenditures	(7,268)
Ending Fund Balance (as of 12/31/23)	2,712,343

SDC Fund 283 (Zone 3)	
Beginning Fund Balance	2,645,340
Current Revenues	60,518
Current Expenditures	(2,182)
Ending Fund Balance (as of 12/31/23)	2,703,676

