



CITY OF MILWAUKIE

BUDGET COMMITTEE

February 12, 2024, at 5:30 p.m.

Budget Committee will hold this meeting in-person and through video conference. The public may attend the meeting by coming to City Hall or by joining the Zoom webinar. The public can view the meeting on the [city's YouTube channel](#), Comcast Cable channel 30 in city limits, or via Zoom webinar.

Public Comments: written comments may be submitted by email to finance@milwaukieoregon.gov. Budget Committee will take limited verbal comments. To speak during the meeting or to watch via Zoom visit the meeting webpage (<https://www.milwaukieoregon.gov/bc-bc/budget-committee-28>) and follow the Zoom webinar login instructions.

1. Call to Order (Leslie Schockner)
2. Introductions (All)
3. Approval of minutes (Leslie Schockner)
4. Public Comments (Leslie Schockner)
5. City Manager update (Ann Ober)
6. Budget Development Update (Emma Sagor & Michael Osborne)
7. Capital Improvement Plan (Peter Passarelli & Jennifer Garbely)
8. Quarterly report presentation (Michael Osborne)
9. Other business (All)
10. Adjourn (Leslie Schockner)

Meeting Packet:

- a. Draft meeting minutes
- b. Budget Calendar
- c. Quarterly Report

BUDGET COMMITTEE

In-person and Video Meeting
www.milwaukieoregon.gov

MINUTES

February 12, 2024

Present: Lisa Batey, David Chitsazan, Adam Khosroabadi, William Johnson, Robert Massey, Mary Rowe, Leslie Schockner, Sofie Sherman-Burton, Rebecca Stavenjord

Absent: None

Guest(s): None

Staff: Community Development Director Joseph Briglio
City Engineer Jennifer Garbely
City Manager Ann Ober
Assistant Finance Director Michael Osborne

Public Works Director Peter Passarelli
Assistant City Manager Emma Sagor
Accountant Judy Serio
Assistant City Engineer Jeff Tolentino

1. CALL TO ORDER

Chair Schockner called the committee meeting to order at 5:31 pm.

2. INTRODUCTIONS

Committee members and staff introduced themselves.

3. APPROVAL OF MINUTES

It was moved by **Member Rowe** and seconded by **Mayor Batey** to approve the August 14, 2023, minutes as written.

Motion passed with the following vote: **Mayor Batey, Member Chitsazan, Councilor Khosroabadi, Member Johnson, Councilor Massey, Member Rowe, Chair Schockner, and Member Sherman-Burton** voting "aye." (8:0)

It was moved by **Member Chitsazan** and seconded **Mayor Batey** to approve the November 13, 2023, minutes with the redline edits.

Motion passed with the following vote: **Mayor Batey, Member Chitsazan, Councilor Khosroabadi, Member Johnson, Councilor Massey, Member Rowe, Chair Schockner, and Member Sherman-Burton** voting "aye." (8:0)

4. PUBLIC COMMENTS

None

5. CITY MANAGER UPDATE

Ober acknowledged that Sagor and Osborne are acting as finance director due to a vacancy of the position. Audit documents have been submitted to the audit firm for partner review. The budget document is in process. Bonnie Dennis is under contract to assist

with the budget preparation. Merina & Co is under contract to review the budget document for compliance once completed. Historic city hall has been sold and work has begun in the building; with approximate opening date of April 2025. A joint North Clackamas School District and City Council meeting last week the non-profit low-income housing tax exemption was discussed. Capital improvement plan (CIP) will be presented at this meeting. Community outreach to begin discussion on criteria for the next CIP. Lastly, during budget preparations in the past the city has provided forecasts that illustrate in the coming five years things will be bad, this biennium it is now three years due to inflation and rising costs.

Councilor Stavenjord arrived at the meeting at 5:45 pm.

6. BUDGET DEVELOPMENT UPDATE

Osborne stated finance has been working on the budget for the last six weeks. The budget calendar timeframe was provided to committee members. Bonnie Dennis and Merina & Co. have both been contracted as consultants to provide support services to advise on the budget process and quality control of the entire document. The document's design and layout will remain the same as the prior budget. The document's professional graphic design will be postponed until after the committee's deliberations.

Mayor Batey will not be at the April 27th meeting.

Sagor continued with a forecast update. The methodology will be consistent with the current biennium budget. The forecast will be clearer as proposed budgets are entered and FY23 and FY24 actuals are trued up. The general fund will be facing a deficit starting FY28, along with the SAFE and Water funds. Personnel impacts are unknown as contract negotiations are ongoing. Staff have been told to budget using a hold the line methodology in terms of FTE and materials and services.

7. UTILITY RATE DISCUSSION

Passarelli presented the utility rate recommendations by the Citizen Utility Advisory Board (CUAB). Proposed increases are a 3% increase in water for each year of the biennium, no increase for wastewater and stormwater and SAFE and SSMP have automatic increases of 5.64% for each fee. The water fund will be at a deficit by FY28 given the CIP projects and needs of the utility with the water treatment facility and future reservoir needs.

Councilor Massey clarified there will not be an increase in wastewater and stormwater.

Passarelli responded that is correct, the wastewater treatment costs have remained flat and energy consumption is considerably less than water. There will be a cost-of-service rate study in the upcoming biennium. Stormwater master plan may require a rate increase in the future. SSMP & SAFE rates are calculated using the Seattle CCI five-year average. SAFE bond proceeds will have been expended during this upcoming biennium.

Mayor Batey did not realize ARPA money was being used to fund the Stanley Reservoir project.

Passarelli responded that the entire project cost of \$2.7 million is being funded by ARPA money. Ardenwald North project will also be using ARPA money.

Ober clarified the ARPA funds that were city direct allocation had more restrictions attached.

Councilor Khosroabadi asked how the percentage increases for the utilities are determined.

Passarelli responded it depends on inflation and how the city expends the funds for projects.

Councilor Khosroabadi stated the city has time to figure out how to take steps to minimize the increases in wastewater and stormwater.

Passarelli clarified that the 3% increase is what is needed for revenue; some customers may see less than a 3% increase. The next CUAB meeting will discuss the rate increase structure.

Ober clarified that there will be a separate fee discussion.

Passarelli added that wastewater may have a revenue neutral adjustment due to a previous study. Some of the assumptions used to propose the rates include considering minor growth mainly in multi-family, there have been no large new water customers, no change in customer water usage, expenses have increased for electricity and materials costs.

Member Chitsazan clarified the next CUAB meeting is April 1st at 5:30 pm.

Passarelli briefly presented the policy reserve requirements for each fund. Water will be below reserves in FY28, wastewater will be above reserve through FY30, stormwater will be above reserve through FY30, SAFE will be below reserve by FY28 and SSMP will be above reserve through FY30.

8. CAPITAL IMPROVEMENT PLAN

Garbely presented details on capital projects in the upcoming CIP.

- Washington Street area improvements will cross over budget years; the projected cost is \$7.9 million. Funds will roll over through a supplemental budget.
- The east Monroe Street greenway project will receive money from Metro to assist in funding the project; the projected cost is \$5.7 million.
- The central Monroe Street greenway project will receive money from ODOT and urban renewal funds; the projected cost is \$3.1 million.

Mayor Batey asked about timelines on Monroe Street.

Garbely is estimating 2026 completion. Highway 224 will be completed in 2026.

Garbely continued with

- Harvey Street improvements scope added wastewater project and paving of surrounding dead-end streets; the projected cost is \$5 million.

Councilor Massey asked if dead end streets will be fully paved.

Garbely responded that they will be a grind and inlay process.

- Ardenwald north improvements added paving of additional streets; this is the next project to go out for construction. American Rescue Plan Act (ARPA) funds will be used for this project; the projected cost is \$4 million.

Committee members discussed the logistics of the project including curbs, streets, and parking.

Garbely continued with

- King Road improvements include additional water and stormwater improvements, for failing drywells and addressing double lines that will need to be fixed prior to paving the street. The street will remain open during construction since this is a bus route but will have a reduced speed posted; the projected cost is \$8.2 million.

Councilor Massey asked the cause of drywell failures.

Passarelli responded that it is sediment buildup.

Councilor Massey asked if drywell standards have changed with new climate protections.

Passarelli responded staff is discussing future system needs.

Garbely continued with

- Stanley improvements is a new project and an inter-governmental agreement with the county is being drafted. A grant will be funding part of this project; the projected cost is \$6 million.
- Waverly Heights sewer reconfiguration has been in the CIP for a long time. Water Environment Services (WES) is paying for 33% of this project that is in the middle of residential properties, in which the city has obtained easements. There has been quite a bit of root intrusion in the lines; lining the pipes would be a cost savings but this ultimately depends on the project design. The projected cost is \$3.4 million.

Garbely continued with

- Water projects
 - Well 8 bring back online; projected cost is \$300 thousand.

Staff and members discussed the background on Well 8 along with the process of cleaning a well.

Garbely continued with

- Water treatment plant improvements include conditioning assessment, update electrical; projected cost \$775 thousand.

Mayor Batey clarified the locations of the two treatment plants.

Garbely responded yes, and continued with

- Concrete tank improvements will add a new liner and have seismic upgrades; projected cost \$850 thousand.
- The new reservoir includes finding a location, evaluating pressure zones, and design; projected cost \$200 thousand.

Councilor Massey asked if the water treatment plant improvements include the controls systems.

Passarelli responded that is correct and added the numbers presented reflect design costs.

Garbely ended with the Logus Road at 40th and 42nd Ave improvements; after going through the numbers, this can be designed but not built with this tranche of the bond funds.

Staff and members discussed the effects of not doing the Logus Road project and the area of King Road and 42nd Avenue.

9. QUARTERLY REPORT PRESENTATION

Osborne presented the highlights from the quarterly report.

Chair Schockner commented on the property tax chart that was revised.

Mayor Batey commented on the engineering memo provided within the report.

Councilor Khosroabadi asked about the policy reserves compared to fund balances.

Ober responded that Passarelli did that for the utility funds.

Chitsazan asked about the miscellaneous revenue increase and DEQ citation.

Ober explained it was an air quality violation that funded EV chargers.

Councilor Stavenjord left the meeting at 7:20 pm.

10. OTHER BUSINESS

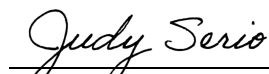
None.

11. ADJOURN

It was moved by Councilor Khosroabadi and seconded by Mayor Batey to adjourn the meeting. Motion passed with the following vote: Mayor Batey, Member Chitsazan, Member Johnson, Councilor Massey, Councilor Nicodemus, Member Rowe, Chair Schockner, Member Sherman-Burton voting "aye." (8:0)

Chair Schockner adjourned the meeting at 7:04 pm.

Respectfully submitted,



Judy Serio, Secretary / Accountant



CITY OF MILWAUKIE

QUARTERLY FINANCIAL REPORT

Second Quarter of Fiscal Year 2024

December 31, 2023



City of Milwaukie
Quarterly Financial Report
Second Quarter for Fiscal Year Ending 2024

Quarterly Highlights

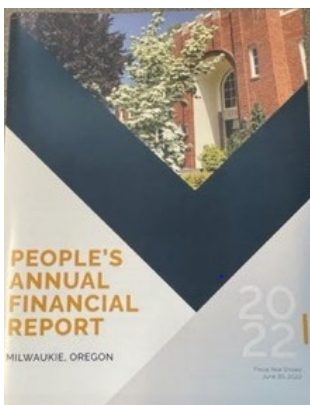
- Over the last quarter, city-wide fund balances increased from \$75.6 million at the end of Q1 for FY 2024 to \$83.2 million at the end of Q2 for FY 2024.
- Over the last year, the city-wide fund balance for Q2 of FY 2024 increased \$22.7 million compared to Q2 of FY 2023. Much of the increase reflects the Transportation and Milwaukie Redevelopment Commission Urban Renewal bond proceeds received in February 2023.
- The average interest paid by the Local Government Investment Pool (LGIP) increased to 5.0% as of December 31st. The budget projected lower rates than are occurring, which has resulted in all "Investment Earnings" line items showing a large increase in all funds.

Audited Financial Statements

The city's finance department completed the fiscal year-end audit for June 30, 2022. The audit was completed by Aldrich CPAs and concluded with an unmodified "clean" opinion for the city. The FY 2023 audit will consist of two parts: interim and final fieldwork. The interim audit, which includes internal control work, took place in July with the final audit done in mid-November and on track to issue Spring 2024. This report includes unaudited financials for the fiscal year 2023.

In addition to the audit, the city prepares the People's Annual Financial Report (PAFR). The PAFR is specifically designed to be readily accessible and easily understandable to the public and other interested parties without a background in public finance.

If you would like to see our most recent audited financial statements from FY 2022, they can be found on the City of Milwaukie Finance webpage: www.milwaukieoregon.gov/finance



City of Milwaukie
Quarterly Financial Report
Second Quarter for Fiscal Year Ending 2024

Triple Crown Award Winner in Financial Documents

In December 2023, Milwaukie received the Triple Crown Award which is a testament to the commitment we have in producing annual reports that embodies the spirit of full disclosure and transparency. This special Triple Crown Award recognizes that the city received all three Government Finance Officers Association (GFOA) awards for 2022:

👑 Award in Annual Comprehensive Financial Report (ACFR)

To receive this award, a government unit must publish an easily readable and efficiently organized report whose contents conform to program standards and satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

👑 Award in People's Annual Financial Reporting Award (PAFR)

To receive this award, a government unit must publish a report whose contents conform to program standards of creativity, presentation, understandability, and reader appeal.

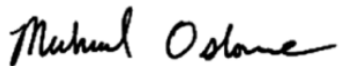
👑 Distinguished Budget Presentation Award

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.

The FY 2022 ACFR, PAFR and FY 2023-2024 adopted budget received the above awards and we are very proud of this accomplishment. These are prestigious national awards that recognize conformance with the highest standards for preparation of state and local government financial reports.

During your review of this quarterly report, we welcome your questions, comments, and any suggestions you may have by sending an email to osbornem@milwaukieoregon.gov.

Respectfully,



Michael Osborne
Assistant Finance Director

City of Milwaukie
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Property Taxes

Property taxes, the largest source of revenue in the General Fund, are used to pay for services such as police, code enforcement, community development, library, and other services. The State constitution limits the increase in property taxes on existing properties to no more than 3% growth annually. As new construction is placed on the tax rolls, property tax revenue to Milwaukie increases due to those properties being taxed for the first time. Additionally, the assessed value of the commercial and industrial sectors may grow at more than 3% depending upon the value of personal property and equipment.

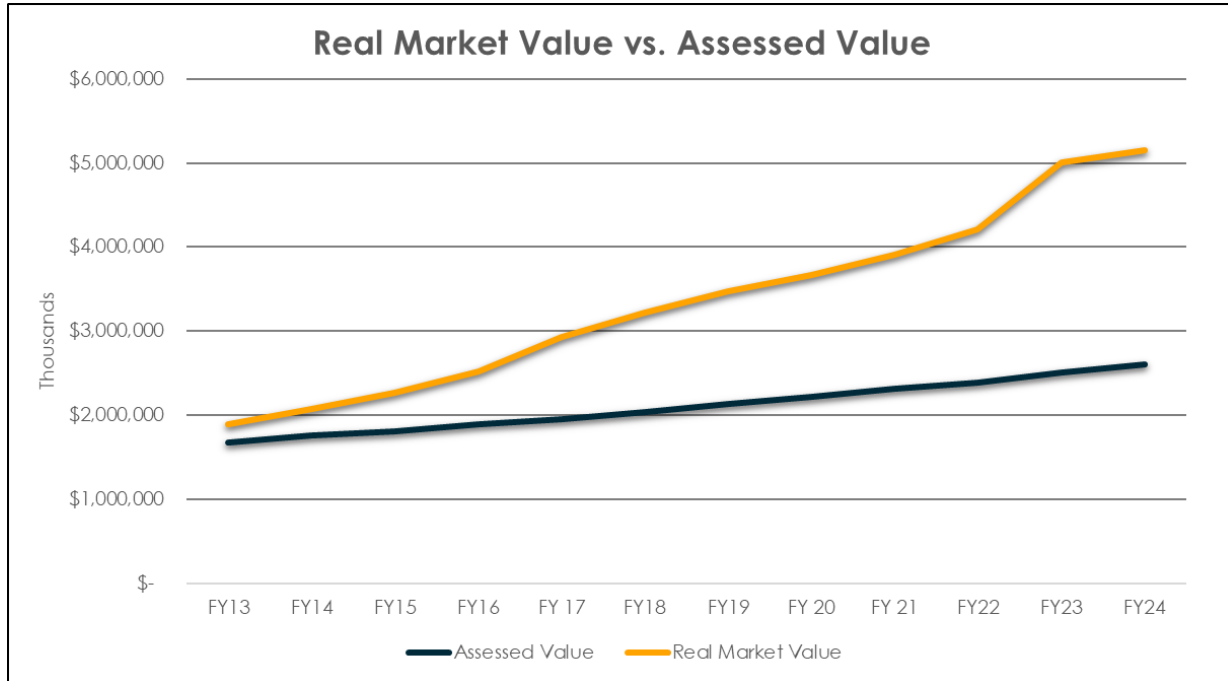
Both Clackamas and Multnomah counties collect and distribute property taxes to Milwaukie, primarily in the second quarter of the fiscal year. Fiscal year 2024 assessed property values increased from \$2,505,241,315 to \$2,603,866,955 which is approximately \$98 million or a 3% increase over fiscal year 2023. Real market values increased from \$5,004,286,231 to \$5,156,042,682, which is approximately \$151 million or a 3% increase over fiscal year 2023. The real market value of property in Milwaukie is therefore currently 45% higher than the assessed value. The reasons for the disparity are detailed below. The counties collected \$11,278,659 in property taxes per the City's tax rate of 4.1367 per \$1,000 of assessed value. This is consistent with the budget projections in the General Fund.

Property tax revenue is influenced by cycles in the housing market, but the variances on the downside are moderated by the fact that real market values must decline substantially before they are lower than the assessed values. Because of Measures 5 and 50 of the State constitutions, there is not an equal or direct relationship of taxes collected to real market value due to the 3% assessed value cap; therefore, tax revenues are constrained to this level, even when real market values are increasing. Although property values have increased substantially over the past several years, the city's actual property tax revenues are unable to benefit from the 5% to 16% real market increases as shown by comparing the top orange line of the graph to the lower blue line. Any increases in revenue received above 3% are primarily related to new construction or due to increases in the commercial and industrial sectors.

Within the chart on the next page, the blue lower line of the graph is the assessed value of the total properties as calculated by the Counties. As illustrated, the year-over-year increases in assessed value have remained relatively flat over the past six years due to the 3% cap.

City of Milwaukie
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Property Taxes, *continued*

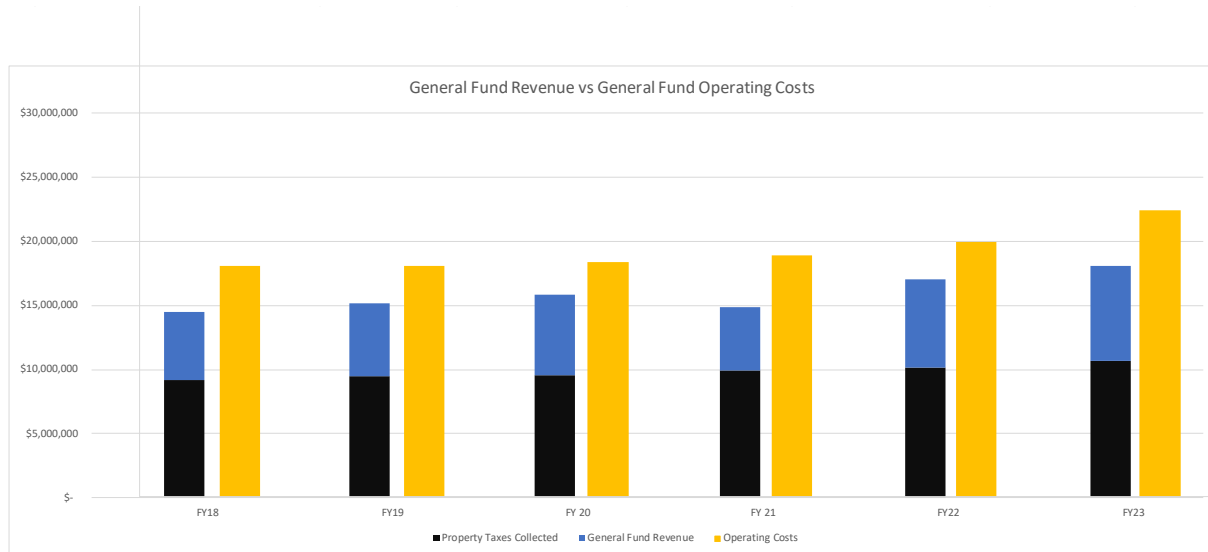


How do Measures 5 and 50 impact Milwaukie residents? The relationship between collected property tax revenue and the general operating costs of the city are increasingly imbalanced. As the General Fund expenditures are driven by routine inflationary pressures as well as the community's demand for services, there is a growing disconnect between property tax revenue and the city's increasing costs just to cover existing services. This occurs over time due to baseline cost pressures which include inflationary increases to supplies, fuel, utilities, etc., as well as the personnel costs associated with the people who perform the city's services. These personnel costs include adjustments related to cost-of-living, healthcare, and the Public Employees Retirement System (PERS), even before consideration of adding staff associated with increased demand for services over time. Measures 5 and 50's impact does not allow the City's property tax revenue to increase in relation to the built-in baseline general operating costs.

To further highlight this disparity, the following graph compares the difference in year-over-year increases in property taxes and all other General Fund revenue collected compared to operating costs. The upper blue bar demonstrates how much property tax revenue has been received, the lower black bar represents all other revenue received while the taller orange bars show the increases in operating costs in the General Fund. It is clear from this chart that the operating costs' continue to increase compared to revenue received. Because of this disconnect, relying on property tax revenues as the primary source of income for city services is becoming more problematic.

City of Milwaukie
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Property Taxes, *continued*



The first issue of concern is that the current property tax revenue is covering a smaller proportion of Milwaukie's general operating costs year by year. The second is that if the housing market were to decline substantially, as occurred during the Great Recession, property tax revenue could decline. Therefore, it is prudent for the General Fund to maintain a healthy fund balance contingency for unforeseen circumstances that could arise in property tax declines. The more intractable, and growing, problem of systemically-limited revenues to cover baseline costs – for Milwaukie and all public entities – will continue under Oregon's current property tax provisions.

In FY 2023, the Library moved from its own fund to the General Fund. In FY 2022, the Library spent \$2.9 million and was supported by the \$1.9 million from the county's library district levy which Milwaukie books as an intergovernmental revenue and over \$900,000 in Milwaukie Property Tax. When the Library moved to the General Fund in FY 2023, it increased the fund's expenses, accounting for about half of the growth in the graph above. In addition, the \$900,000 in Milwaukie Property Tax is also now a General Fund property tax revenue. Lastly, the city's share of the county library levy is an intergovernmental revenue in the General Fund.

**City of Milwaukee
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Franchise Fees

Franchise fees are charged to all utilities operating within the city and are reimbursements to the General Fund or Transportation Fund for the utility's use of city streets and rights-of-way.

This table reflects the franchise fees received by the city.

	Franchise Fee 5-Year Comparison				
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Portland General Electric ¹	738,866	772,463	784,003	824,380	860,760
% change		4.55%	1.49%	5.15%	4.41%
Northwest Natural Gas ²	236,064	244,749	255,022	286,042	383,687
% change		3.68%	4.20%	12.16%	34.14%
Comcast ³	243,220	231,646	232,832	228,295	213,758
% change		-4.76%	0.51%	-1.95%	-6.37%
Solid Waste ⁴	270,074	278,323	254,090	270,773	290,134
% change		3.05%	-8.71%	6.57%	7.15%
Telecoms ⁵	617,350	716,199	759,293	420,423	297,554
% change		16.01%	6.02%	-44.63%	-29.23%
Electric Service Supplier ⁶	191,937	106,852	132,409	192,342	367,681
% change		-44.33%	23.92%	45.26%	91.16%

Notes:

1 - Effective January 1, 2024 the agreement terms will be subject to the MMC 21.04.080, Right-of-Way licenses. The agreement grants a non-exclusive franchise to construct, maintain, repair an electric light and power system. General Fund reflects a 5% payment. Transportation Fund reflects 1.5 % privilege tax assessed on citizens' PGE bill for the SSMP program.

2 - Effective February 5, 2024 the agreement terms will be subject to the MMC 21.04.080, Right-of-Way licenses. The agreement grants a non-exclusive gas utility franchise. General Fund reflects a 5% payment received from the use of the gas utility system.

3 - The agreement grants a non-exclusive franchise to construct, operate and maintain a cable system.

4 - The agreement grants a non-exclusive franchises for solid waste management services.

5 - The agreement grants a non-exclusive franchise to operate as a telecommunications provider.
Comcast revenue decreased significantly between FY21 & FY22 due to a lawsuit settlement where Oregon cities may not charge franchise fees on data transmission.

6 - Businesses can purchase their power from the open market. The city receives fees related to the transmission of this power.

City of Milwaukee
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Staffing Levels

The following table illustrates movements in the levels of staffing throughout the city in comparison to the budget. Notable items in this quarter include:

- Due to the change in goals from housing to parks, Community Development continues to hold the vacancy for the Housing & Economic Development Program Manager. Additionally, the limited-term Parking Management Coordinator will not be hired, and this FTE placeholder was transferred to Building.
- Engineering's Assistant City Engineer position was filled in December and there is a Civil Engineer vacancy.
- Human Resources' assistant position is vacant.
- Building's new position currently being hired is a Commercial Building Inspector/Plans Examiner.
- Water has an Utility Technician II vacancy.
- The city, along with all governments, are having a difficult time hiring seasonal and temporary workers.

Department	FY 2023 Adopted Budgeted FTE	Adopted Budget Transfers	Current Budgeted FTE	Actual FTE	Quarter Variance with Actual FTE +/-
City Manager	8.0	0.0	8.0	8.1	0.1
City Attorney	1.0	0.0	1.0	1.0	0.0
Community Development	5.5	-1.0	4.5	3.1	-1.4
Public Works Administration	8.0	0.0	8.0	8.5	0.4
Engineering	10.5	0.0	10.5	9.5	-1.0
Facilities	3.0	0.0	3.0	2.7	-0.3
Finance	7.0	0.0	7.0	7.0	0.0
Fleet	3.0	0.0	3.0	3.0	0.0
Human Resources	2.0	0.0	2.0	1.8	-0.2
Information Technology	3.0	0.0	3.0	3.0	0.0
Municipal Court	0.5	0.0	0.5	0.5	0.0
Planning	5.0	0.0	5.0	5.1	0.1
Code Enforcement	3.0	0.0	3.0	3.0	0.0
City Recorder	3.5	0.0	3.5	3.5	0.0
Library	18.3	0.0	18.3	18.5	0.2
Police Department	38.5	0.0	38.5	38.2	-0.3
Building	3.0	1.0	4.0	3.0	-1.0
Streets	6.0	0.0	6.0	5.5	-0.5
Water	8.0	0.0	8.0	6.9	-1.1
Wastewater	4.5	0.0	4.5	4.5	0.0
Stormwater	8.0	0.0	8.0	7.5	-0.5
Grand Total	149.3	0.0	149.3	143.9	-5.4
Total Full-Time Positions	145.1	0.0	145.1	142.2	-3.0
Total Part-Time FTE	4.1	0.0	4.1	1.7	-2.4
Total Full-Time Equivalents (FTEs)	149.3	0.0	149.3	143.9	-5.4

**City of Milwaukee
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Annual Revenue Forecast Assumptions

The table below illustrates the timing of revenue by source and fund. The city uses this table to forecast cash flow and to gauge the expected revenue with actual revenues received. For example, the city expects the largest distribution of property taxes to be received in November, although subsequent distributions arrive in December, March, and June, while the Transportation Fund receives Local Gas Tax distributions from the State every month. This table and what the city receives on average in a quarter is reflected in the flexible budget column that is in the summary tables.

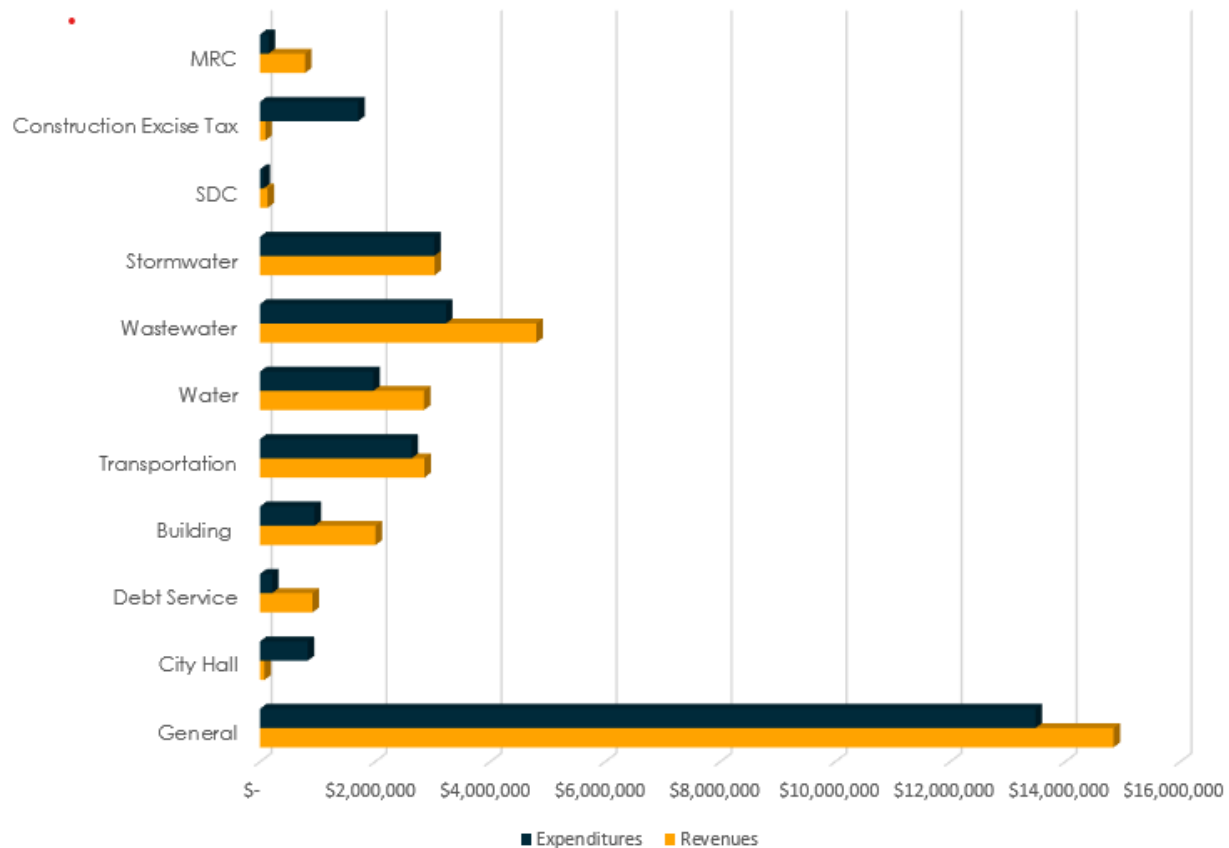
Revenue Forecasting Assumptions

Revenue	Fund	Month Received
Business Registrations Renewals	General Fund	December, January
Cigarette Tax	General Fund	Monthly
Franchise Fee - Comcast	General Fund	July, October, January, April
Franchise Fee - Electric Service Providers	General Fund	July, October, January, April
Franchise Fee - Northwest Natural	General Fund	August, February
Franchise Fee - PEG	General Fund	August, November, February, May
Franchise Fee - Portland General Electric	General Fund	March
Franchise Fee - Solid Waste	General Fund	July, October, January, April
Franchise Fee - Telecoms	General Fund	July, October, January, April
Liquor Tax	General Fund	Monthly
Property Taxes	General Fund	1st Distribution in November then December, March, June
State Revenue Sharing	General Fund	August, December, March, May
Library District Distribution	General Fund	January, June
Ready to Read Grant	General Fund	December
Street Maintenance Fee (SSMP)	Transportation Fund	Monthly with Utility Bills
Privilege Franchise Fee - Portland General Electric	Transportation Fund	March
SAFE fee	Transportation Fund	Monthly with Utility Bills
Local Gas Tax	Transportation Fund	Monthly
State Gas Tax	Transportation Fund	Monthly
Vehicle Registration Fee	Transportation Fund	Monthly
Water User Fees	Water Fund	Monthly with Utility Bills
Wastewater User Fees	Wastewater Fund	Monthly with Utility Bills
Stormwater User Fees	Stormwater Fund	Monthly with Utility Bills

City of Milwaukee
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	Unaudited Beginning Fund Balance as of July 1, 2023	Second Quarter of Fiscal Year 2024		Ending Fund Balance as of December 31, 2023	Change in Fund Balance
		Revenues	Expenditures		
General Fund	\$ 13,286,206	\$ 14,843,717	\$ 13,485,415	\$ 14,644,507	\$ 1,358,301
City Hall Fund	523,490	78,002	831,299	(229,806)	(753,296)
Debt Service Fund	237,039	911,781	209,009	939,811	702,772
Building Fund	4,529,455	683,395	462,488	4,750,363	220,908
Transportation Fund	26,453,924	2,859,955	2,636,301	26,677,578	223,654
Water Fund	8,800,584	2,851,028	1,970,892	9,680,720	880,136
Wastewater Fund	5,424,544	4,805,023	3,234,627	6,994,940	1,570,396
Stormwater Fund	8,738,855	3,035,985	3,029,835	8,745,005	6,150
System Development Fund	2,516,994	131,601	58,590	2,590,005	73,011
Construction Excise Tax Fund	3,014,828	93,946	1,707,500	1,401,274	(1,613,554)
MRC - Urban Renewal Fund	6,396,088	783,295	148,928	7,030,455	634,367
Total ALL Funds	\$ 79,922,007	\$ 31,077,728	\$ 27,774,883	\$ 83,224,852	\$ 3,302,845

Revenue & Expenditures - 2nd Quarter



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GENERAL FUND

Through the 2nd Quarter Ended December 31, 2023							
	Adopted BN Budget	Anticipated Actuals	Unaudited FY 2023 Actual	FY 2024 Actual	Total Biennium To-Date Actual	Over (Under) Anticipated Actuals	% of Anticipated Actuals
REVENUE							
Property taxes	\$ 19,507,000	14,791,888	\$ 9,708,081	\$ 9,415,839	\$ 19,123,921	\$ 4,332,033	129% ¹
Franchise fees	4,885,000	2,447,039	2,446,520	296,096	2,742,616	295,577	112% ²
Intergovernmental	14,577,000	10,932,750	3,313,195	712,698	4,025,893	(6,906,857)	37% ³
Fines and forfeitures	816,000	612,000	416,711	231,531	648,242	36,242	106%
Licenses and permits	1,231,000	923,250	594,304	281,327	875,632	(47,618)	95%
Investment earnings	214,000	160,500	798,138	371,212	1,169,350	1,008,850	729% ⁴
Miscellaneous	351,000	263,250	242,865	101,013	343,877	80,627	131% ⁵
Total Operating Revenues	41,581,000	30,130,677	17,519,815	11,409,717	28,929,531	(1,201,145)	96%
Other Financing Sources							
Transfers in	58,820,000	44,115,000	6,868,000	3,434,000	10,302,000	(33,813,000)	23%
Total Transfers	58,820,000	44,115,000	6,868,000	3,434,000	10,302,000	(33,813,000)	23%
TOTAL REVENUES	100,401,000	74,245,677	24,387,815	14,843,717	39,231,531	(35,014,145)	53%
EXPENDITURES							
City Council	291,000	218,250	125,214	56,266	181,480	(36,770)	83%
City Manager	3,503,000	2,627,250	1,555,174	788,314	2,343,488	(283,762)	89%
City Attorney	744,000	558,000	331,319	137,418	468,737	(89,263)	84%
Community Development	1,800,000	1,350,000	734,565	300,711	1,035,276	(314,724)	77%
Public Works Administration	6,460,000	4,845,000	1,496,674	773,808	2,270,483	(2,574,518)	47% ⁶
Engineering Services	4,097,000	3,072,750	1,711,547	761,059	2,472,607	(600,144)	80%
Facilities Management	5,556,000	4,167,000	2,038,123	1,102,346	3,140,468	(1,026,532)	75%
Finance	3,019,000	2,264,250	1,385,987	753,639	2,139,626	(124,624)	94%
Fleet Services	1,454,000	1,090,500	646,444	415,749	1,062,193	(28,307)	97%
Human Resources	900,000	675,000	449,041	230,764	679,805	4,805	101% ⁷
Information Technology	3,099,000	2,324,250	1,165,104	1,141,892	2,306,995	(17,255)	99%
Municipal Court	279,000	209,250	123,185	65,525	188,710	(20,540)	90%
Planning Services	1,905,000	1,428,750	838,519	418,215	1,256,734	(172,016)	88%
Code Enforcement	713,000	534,750	337,148	182,935	520,084	(14,666)	97%
City Recorder	1,089,000	816,750	490,661	252,554	743,215	(73,535)	91%
Library	4,478,000	3,358,500	2,101,064	1,074,623	3,175,687	(182,813)	95%
Police Department	16,148,000	12,111,000	7,677,986	4,147,180	11,825,165	(285,835)	98% ⁸
PEG (Public, Education, Gov't)	206,000	154,500	137,507	58,605	196,112	41,612	127% ⁹
Non-Departmental	4,059,000	3,044,250	2,576,664	823,811	3,400,475	356,225	112% ¹⁰
TOTAL EXPENDITURES	59,800,000	44,850,000	25,921,925	13,485,415	39,407,341	(5,442,659)	88%
Contingency	2,050,000						
Revenue over (under) expenditures	40,601,000	29,395,677	(1,534,111)	1,358,301	(175,810)	(29,571,486)	
FUND BALANCE - Beginning	16,151,000	16,151,000	14,820,317	13,286,206	14,820,317	(1,330,683)	
FUND BALANCE - Ending	\$ 54,702,000	\$ 45,546,677	\$ 13,286,206	\$ 14,644,507	\$ 14,644,508	\$ (30,902,169)	

Through the 2nd Quarter Ended December 31, 2023						
	Adopted BN Budget	Anticipated Actuals	Unaudited FY 2023 Actual	FY 2024 Actual	Total Biennium To-Date Actual	Over (Under) Anticipated Actuals
EXPENDITURES BY TYPE:						
Personnel services	36,646,000	27,484,500	16,653,574	8,746,591	25,400,165	(2,084,335)
Materials and services	11,620,000	8,715,000	5,677,225	3,665,519	9,342,744	627,744
Capital outlay	8,748,000	6,561,000	1,558,429	863,036	2,421,465	(4,139,535)
Debt service	1,030,000	772,500	504,696	96,269	600,965	(171,535)
Transfers out	1,756,000	1,317,000	1,528,000	114,000	1,642,000	325,000
TOTAL EXPENDITURES	\$ 59,800,000	\$ 44,850,000	\$ 25,921,925	\$ 13,485,415	\$ 39,407,340	\$ (5,442,660)

Notes are located on the next page.

**City of Milwaukie
Quarterly Financial Report
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GENERAL FUND, *continued*

GENERAL FUND NOTES:

Revenue

1. Property taxes in FY23 had a significant increase over the previous year due to moving library operations and its \$933,000 in property tax revenue into the General Fund. For Q2 reflects a majority of the property tax revenue received by the city.
2. Franchise fee payments are routinely received on a delayed basis. Comcast revenue for telecoms has decreased following legal decisions since Oregon cities may not charge franchise fees on data transmission.
3. Intergovernmental revenue includes the second distribution for the library district and other grant funds not received yet.
4. Investment earnings include interest from other sources including a money market and Piper Sandler investments.
5. Miscellaneous revenue includes an energy trust rebate, sale of a police vehicle and a business' payment in lieu of a DEQ fine.

Expenditures

6. Public Works Admin capital outlay is below budget due to parks projects that have not started construction.
7. Human Resources had higher than anticipated legal expenses due to several confidential personnel matters and an increase in advertising and publicity expenses.
8. Police overtime costs, which were addressed in the June supplemental budget, are continuing to be monitored.
9. Public Education Government (PEG) expenses were for the new City Hall building; expenses will even out by the end of the fiscal year.
10. Non-departmental has annual expenses that are paid at the beginning of the fiscal year, such as insurance and subscriptions.

City of Milwaukee
Quarterly Financial Report
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GENERAL FUND, continued

	2nd Quarter Actuals Unaudited				Prior Year Change		
	FY 2021	FY 2022	FY 2023	FY 2024	FY21/FY22	FY22/FY23	FY23/FY24
REVENUE							
Property taxes	\$ 8,256,382	\$ 8,457,979	\$ 8,866,406	\$ 9,415,839	2%	5%	6%
Franchise fees	367,698	373,497	298,164	296,096	2%	-20%	-1%
Intergovernmental	399,477	2,725,798	394,671	712,698	582%	-86%	81%
Fines and forfeitures	252,188	232,716	161,104	231,531	-8%	-31%	44%
Licenses and permits	170,638	306,469	237,265	281,327	80%	-23%	19%
Investment earnings	137,730	59,899	390,877	371,212	-57%	553%	-5%
Miscellaneous	255,694	106,397	71,462	101,013	-58%	-33%	41%
Total Operating Revenues	9,839,807	12,262,755	10,419,949	11,409,717	25%	-15%	9%
Other Financing Sources							
Transfers	3,500,000	3,635,000	3,434,000	3,434,000	4%	-6%	0%
TOTAL REVENUES	13,339,807	15,897,755	13,853,949	14,843,717	19%	-13%	7%
EXPENDITURES							
City Council	37,145	11,617	59,018	56,266	-69%	408%	-5%
City Manager	538,518	599,164	830,703	788,314	11%	39%	-5%
City Attorney	97,539	107,243	123,651	137,418	10%	15%	11%
Community Development	357,331	244,030	358,807	300,711	-32%	47%	-16%
Public Works Administration	480,860	507,966	806,621	773,808	6%	59%	-4%
Engineering Services	661,080	682,233	1,036,875	761,059	3%	52%	-27%
Facilities Management	595,543	668,027	665,250	1,102,346	12%	0%	66%
Finance	696,044	665,071	632,589	753,639	-4%	-5%	19%
Fleet Services	237,011	304,947	287,222	415,749	29%	-6%	45%
Human Resources	171,860	185,650	244,642	230,764	8%	32%	-6%
Information Technology	775,757	815,947	673,760	1,141,892	5%	-17%	69%
Municipal Court	109,778	54,747	61,006	65,525	-50%	11%	7%
Planning Services	351,999	347,604	407,667	418,215	-1%	17%	3%
Code Enforcement	103,058	113,005	165,320	182,935	10%	46%	11%
City Recorder	177,199	171,973	237,896	252,554	-3%	38%	6%
Library	904,076	1,015,776	1,006,609	1,074,623	12%	-1%	7%
Police Department	3,648,294	3,572,298	4,053,567	4,147,180	-2%	13%	2%
Public, Educational, Government (PEG)	730	4,680	944	58,605	541%	-80%	6108%
Non-Departmental	571,753	570,668	1,254,020	823,811	0%	120%	-34%
TOTAL EXPENDITURES	10,515,575	10,642,646	12,906,167	13,485,415	1%	21%	4%
Revenue over (under) expenditures	\$ 2,824,232	\$ 5,255,109	\$ 947,782	\$ 1,358,301	86%	-82%	43%

EXPENDITURES BY TYPE:	Unaudited						
	FY 2021	FY 2022	FY 2023	FY 2024	FY21/FY22	FY22/FY23	FY23/FY24
Personnel services	\$ 7,688,492	\$ 7,751,588	\$ 8,290,217	\$ 8,746,591	1%	7%	6%
Materials and services	2,431,698	2,635,317	3,227,545	3,665,519	8%	22%	14%
Capital outlay	277,974	146,084	668,381	863,036	-47%	358%	29%
Debt service	117,411	109,657	106,024	96,269	-7%	-3%	-9%
Transfers out	-	-	614,000	114,000	0%	0%	-81%
	\$ 10,515,575	\$ 10,642,646	\$ 12,906,167	\$ 13,485,415	1%	21%	4%

City of Milwaukee
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CITY HALL FUND

	Through the 2nd Quarter Ended December 31, 2023						% of Anticipated Actuals	NOTES
	Adopted BN Budget	Anticipated Actuals	Unaudited FY 2023 Actual	FY 2024 Actual	Total Biennium To-Date Actual	Over (Under) Anticipated Actuals		
REVENUE								
Proceeds from lease	\$ 252,000	\$ 157,500	\$ 210,000	\$ -	\$ 210,000	\$ 52,500	133%	
Investment earnings	5,000	3,125	35,782	2,510	38,292	35,167	1225%	
Miscellaneous	250,000	156,250	-	5,492	-	-	0%	
Transfers in	570,000	570,000	500,000	70,000	570,000	-	100%	
Total Operating Revenues	1,077,000	886,875	745,782	78,002	818,292	87,667	84%	
TOTAL REVENUES	1,077,000	886,875	745,782	78,002	818,292	87,667	84%	
EXPENDITURES								
Materials & services	200,000	125,000	169,954	4,254	169,954	44,954	136%	
Capital outlay	2,304,000	1,440,000	1,479,043	827,045	2,306,088	866,088	103%	
Transfers out	252,000	157,500	252,000	-	252,000	94,500	160%	
TOTAL EXPENDITURES	2,756,000	1,722,500	1,900,997	831,299	2,728,042	1,005,542	0%	
Revenue over (under) expenditures	(1,679,000)	(835,625)	(1,155,215)	(753,296)	(1,909,750)	(917,875)		
FUND BALANCE - Beginning	1,708,000	1,708,000	1,678,705	523,490	1,678,705	(29,295)		
FUND BALANCE - Ending	\$ 29,000	\$ 872,375	\$ 523,490	\$ (229,807)	\$ (231,045)	\$ (947,170)		

NOTES:

The new building opened to the public on September 15th. At the end of FY24, this fund will be closed and fund balance transferred to the General Fund.

	2nd Quarter Actuals				Prior Year Change		
	FY 2021	FY 2022	Unaudited FY 2023	FY 2024	FY21/FY22	FY22/FY23	FY23/FY24
REVENUE							
Lease proceeds	\$ 294,000	\$ 252,000	\$ 210,000	\$ -	-14%	-17%	-100%
Miscellaneous	17,000	-	-	5,492	-100%	0%	0%
Investment earnings	3,910	1,697	14,602	2,510	-57%	760%	-83%
Proceeds from debt	-	-	-	-	0%	0%	0%
Total Operating Revenues	314,910	253,697	224,602	8,002	-19%	-11%	-96%
Other Financing Sources							
Transfers in	-	-	500,000	70,000	0%	0%	-86%
Proceeds from Issuance of Debt	-	-	-	-	0%	0%	0%
TOTAL REVENUES	314,910	253,697	724,602	78,002	0%	186%	-89%
EXPENDITURES							
Materials & services	-	-	54,174	4,254			-92%
Capital outlay	-	39,291	5,897	827,045			13925%
Transfers	252,000	252,000	126,000	-	0%	-50%	-100%
	252,000	291,291	186,071	831,299	16%	-36%	347%
TOTAL EXPENDITURES	252,000	291,291	186,071	831,299	16%	-36%	347%
Revenue over (under) expenditures	\$ 62,910	\$ (37,594)	\$ 538,531	\$ (753,296)	-160%	-1532%	-240%

City of Milwaukee
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DEBT SERVICE FUND

	Through the 2nd Quarter Ended December 31, 2023						% of Anticipated Actuals	NOTES
	Adopted BN Budget	Anticipated Actuals	Unaudited FY 2023 Actual	FY 2024 Actual	Total Biennium To-Date Actual	Over (Under) Anticipated Actuals		
REVENUE								
Property taxes	\$ 1,720,000	860,000	\$ 860,000	\$ 749,381	\$ 1,609,381	\$ 749,381	187%	
Intergovernmental	168,000	168,000	168,200	-	168,200	200	100% ¹	
Investment earnings	-	-	17,998	8,400	227,007	227,007	0%	
Transfers In	868,000	651,000	560,000	154,000	714,000	63,000	110%	
Total Operating Revenues	2,756,000	1,679,000	1,606,198	911,781	2,718,588	1,039,588	150%	
TOTAL REVENUES	2,756,000	1,679,000	1,606,198	911,781	2,718,588	1,039,588	150%	
EXPENDITURES								
Debt Service	2,754,000	1,377,000	1,377,967	209,009	1,586,976	209,976	115%	
TOTAL EXPENDITURES	2,754,000	1,377,000	1,377,967	209,009	1,586,976	209,976	115%	
Revenue over (under) expenditures	2,000	302,000	228,231	702,772	1,131,612	829,612		
FUND BALANCE - Beginning	9,000	9,000	8,808	237,039	8,808	(192)		
FUND BALANCE - Ending	\$ 11,000	\$ 311,000	\$ 237,039	\$ 939,811	\$ 1,140,420	\$ 829,420		

NOTES:

- The city received funds from Clackamas County for the Kellogg Good Neighbor Fund; money was allocated to Debt Service and Wastewater Funds. The county is no longer responsible for reimbursing the city for debt service payments; the city continues to receive \$1 per EDU to cover debt service payments. The current budget reflects this agreement.

	2nd Quarter Actuals				Prior Year Change		
	FY 2021	FY 2022	Unaudited FY 2023	FY 2024	FY 21/FY 22	FY 22/FY 23	FY 23/FY 24
REVENUE							
Property taxes	\$ 756,409	\$ 743,822	\$ 860,000	\$ 749,381	-2%	16%	-13%
Intergovernmental	12,600	11,400	10,200	-	-10%	-11%	-100%
Investment earnings	1,562	997	5,771	8,400	-36%	479%	46%
Transfers in	252,000	252,000	280,000	154,000	0%	11%	-45%
Total Operating Revenues	1,022,571	1,008,219	1,155,971	911,781	-1%	15%	-21%
TOTAL REVENUES	1,022,571	1,008,219	1,155,971	911,781	-1%	15%	-21%
EXPENDITURES							
Debt Service	241,870	233,220	221,483	209,009	-4%	-5%	-6%
TOTAL EXPENDITURES	241,870	233,220	221,483	209,009	-4%	-5%	-6%
Revenue over (under) expenditures	\$ 780,701	\$ 774,999	\$ 934,488	\$ 702,772	-1%	21%	-25%

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CONSTRUCTION EXCISE TAX FUND

	Through the 2nd Quarter Ended December 31, 2023						% of Anticipated Actuals	NOI
	Adopted BN Budget	Anticipated Actuals	Unaudited FY 2023 Actual	FY 2024 Actual	Total Biennium To-Date Actual	Over (Under) Anticipated Actuals		
REVENUE								
Excise Tax								
50% Comm Affordable Housing Dev Incentives Tax	\$ 724,000	\$ 543,000	\$ 447,076	\$ 16,918	\$ 463,994	\$ (79,006)	85%	1
50% Residential Affordable Housing Development Tax	712,000	448,560	447,076	16,918	463,994	15,434	103%	1
50% Residential Affordable Housing Development Tax	-	-	18,196	16,359	34,555	34,555	0%	
35% Residential Affordable Housing Activities Tax	8,000	5,040	12,737	10,900	23,637	18,597	0%	1
Investment earnings	11,000	8,250	48,526	30,105	78,631	70,381	953%	2
Miscellaneous	28,000	21,000	38,772	2,746	41,518	20,518	198%	3
TOTAL OPERATING REVENUES	1,483,000	1,025,850	1,012,383	93,946	1,106,329	80,479	108%	
Other Financing Sources								
Transfers In	800,000	600,000	800,000	-	800,000	200,000	133%	
TOTAL REVENUES	2,283,000	1,625,850	1,812,383	93,946	1,906,329	280,479	117%	
EXPENDITURES								
Personnel services	-	-	-	-	-	-	-	
Materials and services	2,123,000	1,326,875	50,000	1,700,000	1,750,000	423,125	132%	4
Capital outlay	-	-	-	-	-	-	-	
Transfers	30,000	18,750	15,000	7,500	22,500	3,750	120%	
Contingency	22,000	-	-	-	-	-	-	
TOTAL EXPENDITURES	2,175,000	1,345,625	65,000	1,707,500	1,772,500	426,875	5%	
Revenue over (under) expenditures	108,000	280,225	1,747,383	(1,613,554)	133,829	(346,396)		
FUND BALANCE - Beginning	950,000	950,000	1,267,445	3,014,828	1,267,445	317,445		
FUND BALANCE - Ending	\$ 1,058,000	\$ 1,230,225	\$ 3,014,828	\$ 1,401,274	\$ 1,401,274	\$ (28,951)		

NOTES:

- Excise taxes are related to new developments.
- Investment earnings are higher than anticipated due to fees being collected on new construction.
- Miscellaneous revenue includes an administration fee retained by the city for collection and distribution of the tax.
- Reflects several grant disbursements and the supplemental budget adopted in June 2023.

	2nd Quarter Actuals				Prior Year Change		
	FY 2021	FY 2022	Unaudited FY 2023	FY 2024	FY21/FY22	FY22/FY23	FY23/FY24
REVENUE							
Excise Tax	\$ 57,119	\$ 403,810	\$ 417,538	\$ 61,095	607%	3%	-85%
Intergovernmental	122,433	-	-	-			
Interest income	3,820	15,969	14,298	30,105	318%	-10%	111%
Miscellaneous	-	-	-	2,746	0%	0%	0%
Total Operating Revenues	183,372	419,779	431,836	93,946	129%	3%	-78%
Other Financing Sources							
Transfers in	-	-	800,000	-	0%	0%	-100%
TOTAL REVENUES	183,372	419,779	1,231,836	93,946	129%	193%	-92%
EXPENDITURES							
Materials and services	122,433	-	-	1,700,000	-100%	0%	0%
Transfers	-	-	7,500	7,500	0%	0%	0%
TOTAL EXPENDITURES	122,433	-	7,500	1,707,500	-100%	0%	22667%
Revenue over (under) expenditures	\$ 60,939	\$ 419,779	\$ 1,224,336	\$ (1,613,554)	589%	192%	-232%

City of Milwaukee
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BUILDING FUND

	Through the 2nd Quarter Ended December 31, 2023						% of Anticipated Actuals	NOTES
	Adopted BN Budget	Anticipated Actuals	Unaudited FY 2023 Actual	FY 2024 Actual	Total Biennium To-Date Actual	Over (Under) Anticipated Actuals		
REVENUE								
Fees and Charges	\$ 3,167,000	\$ 2,375,250	\$ 1,914,015	\$ 596,465	\$ 2,510,481	\$ 135,231	106%	1
Intergovernmental	-	-	4,335	611	4,946	4,946	0%	2
Investment earnings	30,000	22,500	88,993	82,377	171,370	148,870	762%	
Miscellaneous	-	-	2,738	3,943	6,681	6,681	0%	
TOTAL REVENUES	3,197,000	2,397,750	2,010,082	683,395	2,693,477	295,727	112%	
EXPENDITURES								
Personnel services	1,048,000	786,000	417,750	227,326	645,076	(140,924)	82%	
Materials and services	534,000	400,500	321,991	130,161	452,153	51,653	113%	3
Transfers	420,000	315,000	210,000	105,000	315,000	-	100%	
Contingency	400,000	-	-	-	-	-	0%	
TOTAL EXPENDITURES	2,402,000	1,501,500	949,741	462,488	1,412,229	(89,271)	94%	
Revenue over (under) expenditures	795,000	896,250	1,060,341	220,908	1,281,248	384,998		
FUND BALANCE - Beginning	3,586,000	3,586,000	3,469,114	4,529,455	3,469,114	(116,886)		
FUND BALANCE - Ending	\$ 4,381,000	\$ 4,482,250	\$ 4,529,455	\$ 4,750,362	\$ 4,750,362	\$ 268,112		

NOTES:

1. Increased fees and charges are related to new residential and commercial developments.
2. Intergovernmental is related to the administration of collected construction fees for other jurisdictions.
3. Purchase of new permitting software, payments for plan reviews, plumbing and electrical inspections.

	2nd Quarter Actuals				Prior Year Change		
	FY 2021	FY 2022	Unaudited FY 2023	FY 2024	FY21/FY22	FY22/FY23	FY23/FY24
REVENUE							
Fees and Charges	\$ 487,615	\$ 1,327,036	\$ 819,623	\$ 596,465	172%	-38%	-27%
Intergovernmental	1,525	6,220	1,834	611	308%	-71%	-67%
Investment earnings	7,365	4,120	31,799	82,377	-44%	672%	159%
Miscellaneous	926	1,494	688	3,943	61%	-54%	473%
TOTAL REVENUES	497,431	1,338,870	853,944	683,395	169%	-36%	-20%
EXPENDITURES							
Personnel services	199,387	217,505	204,683	227,326	9%	-6%	11%
Materials and services	1,005	3,017	69,099	130,161	200%	2190%	88%
Transfers	135,000	145,000	105,000	105,000	7%	-28%	0%
TOTAL EXPENDITURES	335,392	365,522	378,782	462,488	9%	4%	22%
Revenue over (under) expenditures	\$ 162,039	\$ 973,348	\$ 475,162	\$ 220,908	501%	-51%	-54%

City of Milwaukee
Quarterly Financial Report
Second Quarter for Fiscal Year Ending 2024

TRANSPORTATION FUND

	Through the 2nd Quarter Ended December 31, 2023						% of Anticipated Actuals	NOI
	Adopted BN Budget	Anticipated Actuals	Unaudited FY 2023 Actual	FY 2024 Actual	Total Biennium To-Date Actual	Over (Under) Anticipated Actuals		
REVENUE								
Dedicated to SSMP Program:								
Street maintenance fee	\$ 2,269,000	\$ 1,701,750	\$ 1,021,806	\$ 535,941	\$ 1,557,747	\$ (144,003)	92%	
Franchise fee - Portland General Electric	730,000	730,000	368,638	-	368,638	(361,362)	50% ¹	
Intergovernmental (local gas tax)	240,000	180,000	127,837	43,460	171,297	(8,703)	95% ²	
Investment earnings	100,000	75,000	121,935	123,638	245,573	170,573	327%	
Proceeds from debt	6,000,000	4,500,000	6,181,900	-	6,181,900	1,681,900	137% ³	
Total SSMP Program	9,339,000	7,186,750	7,822,116	703,039	8,525,154	1,338,404	119%	
Dedicated SAFE program:								
SAFE access fee	2,568,000	1,926,000	1,237,977	650,076	1,888,053	(37,947)	98%	
Intergovernmental	150,000	112,500	11,857	-	11,857	(100,643)	11% ⁴	
Investment earnings	80,000	60,000	101,725	122,277	224,003	164,003	373%	
Proceeds from debt	10,000,000	7,500,000	9,088,920	-	9,088,920	1,588,920	121% ³	
Total SAFE Program	12,798,000	9,598,500	10,440,480	772,353	11,212,833	1,614,333	117%	
Dedicated State Gas Tax program:								
Intergovernmental								
State gas tax	3,128,000	2,346,000	1,409,188	589,887	1,999,075	(346,925)	85% ²	
County vehicle registration fee	800,000	400,000	352,132	106,266	458,398	58,398	115%	
Other	1,800,000	1,350,000	-	-	-	(1,350,000)	0%	
Impact fees (from utility funds)	2,197,000	1,647,750	1,094,000	551,000	1,645,000	(2,750)	100%	
Investment earnings	80,000	60,000	17,553	130,227	147,779	87,779	246%	
FILOC revenue	41,000	-	-	-	-	-	0%	
Proceeds from debt	5,000,000	3,750,000	3,536,450	-	3,536,450	(213,550)	94% ³	
Miscellaneous	24,000	18,000	23,598	7,184	30,781	12,781	171%	
Total State Gas Tax Program	13,070,000	9,571,750	6,432,921	1,384,563	7,817,484	(1,754,266)	82%	
Total Operating Revenues	35,207,000	26,357,000	24,695,516	2,859,955	27,555,471	1,198,471	105%	
TOTAL REVENUES	35,207,000	26,357,000	24,695,516	2,859,955	27,555,471	1,198,471	78%	
EXPENDITURES								
Personnel services	1,364,000	1,023,000	665,900	357,140	1,023,040	40	100%	
Materials and services	1,550,000	1,162,500	531,461	163,050	694,511	(467,989)	60% ⁵	
Debt service	3,394,000	2,545,500	1,972,596	671,748	2,644,344	98,844	104%	
Capital outlay	19,638,000	14,728,500	3,154,761	326,863	3,481,624	(11,246,876)	24%	
Transfers	4,510,000	3,382,500	2,235,000	1,117,500	3,352,500	(30,000)	99%	
Contingency	1,210,000	-	-	-	-	-	0%	
TOTAL EXPENDITURES	31,666,000	22,842,000	8,559,718	2,636,301	11,196,019	(11,645,981)	49%	
Revenue over (under) expenditures	3,541,000	3,515,000	16,135,799	223,654	16,359,452	12,844,452		
FUND BALANCE - Beginning	10,191,000	10,191,000	10,318,125	26,453,924	10,318,125	127,125		
FUND BALANCE - Ending	\$ 13,732,000	\$ 13,706,000	\$ 26,453,924	\$ 26,677,577	\$ 26,677,577	\$ 12,971,577		

Notes are located on the next page.

City of Milwaukie
Quarterly Financial Report
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TRANSPORTATION FUND, continued

OBLIGATED FUNDS	Remaining Contract Amount
SSMP - 2023 SSMP improvements (construction)	\$ 423,362
SSMP - King Road improvements (design)	211,288
SSMP - Harvey Street improvements (design)	172,119
SSMP - Washington Street area improvements (design)	2,357
SSMP - On-call public info & engagement	814
SAFE - King Road improvements (design)	401,678
SAFE - Harvey Street improvements (design)	242,338
SAFE - On-call public info & engagement	6,318
SAFE - Washington Street area improvements (design)	5,146
SAFE - Monroe Street traffic study	1,315
SAFE - Harvey Street improvements (traffic study)	4
State Gas Tax - Washington Street area improvements	21,909
State Gas Tax - Harvey Street improvements (design)	11,087
State Gas Tax - On-call public info & engagement	1,815
State Gas Tax - Sidewalk design Washington Street	1,113
Total Obligated Funds	<u>\$ 1,502,663</u>
 % of Obligated & Expenditures to Budget	
Anticipated Actual Expenditure	22,842,000
Total Obligated plus Total Expenditures	<u>12,698,682</u>
	<u>56%</u>

NOTES:

1. Portland General Electric privilege tax is received annually in March.
2. Local and state gas taxes are less than anticipated due to higher gas prices, reduced consumer consumption, and EV's. Current gas tax is \$0.02/gal in Milwaukie and \$0.38/gal statewide, of which the city receives about 20%. If the state meets reporting requirements of HB 2017, the state gas tax will increase to \$0.40/gal on January 1, 2024.
3. Debt was issued in February 2023.
4. Clackamas County community development block grant for curb ramp repairs not received yet.
5. Materials and services are less than anticipated as the bond issuance costs were rolled into the bond as part of the bond principal.

City of Milwaukee
Quarterly Financial Report
Second Quarter for Fiscal Year Ending 2024

TRANSPORTATION FUND, continued

	2nd Quarter Actuals Unaudited				Prior Year Change		
	FY 2021	FY 2022	FY 2023	FY 2024	FY21/FY22	FY22/FY23	FY23/FY24
REVENUE							
Dedicated to SSMP Program:							
Street maintenance fee	\$ 479,135	\$ 487,353	\$ 508,348	\$ 535,941	2%	4%	5%
Intergovernmental	39,890	33,127	43,895	43,460	-17%	33%	-1%
Investment earnings	22,187	33,261	38,919	123,638	50%	17%	218%
Proceeds from debt	-	-	-	-	0%	0%	0%
Miscellaneous	-	-	-	-	0%	0%	0%
Total SSMP Program	541,212	553,741	591,162	703,039	2%	7%	19%
Dedicated SAFE program:							
Safe Access fee	569,211	581,324	617,383	650,076	2%	6%	5%
Intergovernmental	72,380	-	11,857	-	-100%	0%	-100%
Investment earnings	22,196	28,123	32,495	122,277	27%	16%	276%
Proceeds from debt	-	-	-	-	0%	0%	0%
Total SAFE Program	663,787	609,447	661,735	772,353	-8%	9%	17%
Dedicated State Gas Tax program:							
Intergovernmental - State Gas Tax	509,071	557,433	595,940	589,887	10%	7%	-1%
County vehicle registration fee	159,468	154,678	168,012	106,266	-3%	9%	-37%
Intergovernmental - other	36,557	-	-	-	-100%	0%	0%
Impact fees (from utility funds)	446,000	466,000	547,000	551,000	4%	17%	1%
Investment earnings	13,939	23,423	23,706	130,227	68%	1%	449%
FILOC revenue	-	-	-	-	0%	0%	0%
Proceeds from debt	-	-	-	-	0%	0%	0%
Miscellaneous	6,202	13,559	5,284	7,184	119%	-61%	36%
Total State Gas Tax Program	1,171,237	1,215,093	1,339,942	1,384,563	4%	10%	3%
Total Operating Revenues	2,376,236	2,378,281	2,592,839	2,859,955	0%	9%	10%
Other Financing Sources							
Transfers in	-	-	-	-	0%	0%	0%
TOTAL REVENUES	2,376,236	2,378,281	2,592,839	2,859,955	0%	9%	10%
EXPENDITURES							
Personnel services	257,224	334,483	341,172	357,140	30%	2%	5%
Materials and services	129,000	155,707	207,631	163,050	21%	33%	-21%
Debt service	352,665	320,416	320,416	671,748	-9%	0%	110%
Capital outlay	838,622	3,069,624	2,091,466	326,863	266%	-32%	-84%
Transfers	1,015,000	1,045,000	1,117,500	1,117,500	3%	7%	0%
TOTAL EXPENDITURES	2,592,511	4,925,230	4,078,185	2,636,301	90%	-17%	-35%
Revenue over (under) expenditures	\$ (216,275)	\$ (2,546,949)	\$ (1,485,346)	\$ 223,654	1078%	-42%	-115%

City of Milwaukee
Quarterly Financial Report
Second Quarter for Fiscal Year Ending 2024

WATER FUND

	Through the 2nd Quarter Ended December 31, 2023						% of Anticipated Actuals	NOTE
	Adopted BN Budget	Anticipated Actuals	Unaudited FY 2023 Actual	FY 2024 Actual	Total Biennium To-Date Actual	Over (Under) Anticipated Actuals		
REVENUE								
Fees and charges	\$ 10,409,000	\$ 7,806,750	\$ 4,628,412	\$ 2,647,305	\$ 7,275,717	\$ (531,033)	93%	
Intergovernmental	2,256,000	2,256,000	2,256,000	-	2,256,000	-	100%	
Investment earnings	40,000	30,000	122,545	165,034	287,579	257,579	959%	
Miscellaneous	74,000	55,500	65,521	38,689	104,210	48,710	188%	1
Total Operating Revenues	12,779,000	10,148,250	7,072,478	2,851,028	9,923,506	(224,744)	98%	
TOTAL REVENUES	12,779,000	10,148,250	7,072,478	2,851,028	9,923,506	(224,744)	98%	
EXPENDITURES								
Personnel services	1,972,000	1,479,000	940,386	467,701	1,408,087	(70,913)	95%	
Materials and services	2,433,000	1,824,750	996,852	519,236	1,516,088	(308,662)	83%	
Capital outlay	7,371,000	5,528,250	156,150	197,204	353,355	(5,174,895)	6%	2
Transfers	3,203,000	2,402,250	1,573,500	786,750	2,360,250	-	98%	
Contingency	650,000	-	-	-	-	-	0%	
TOTAL EXPENDITURES	15,629,000	11,234,250	3,666,888	1,970,892	5,637,780	(5,554,470)	50%	
Revenue over (under) expenditures	(2,850,000)	(1,086,000)	3,405,590	880,136	4,285,726	5,329,726		
FUND BALANCE - Beginning	7,359,000	7,359,000	5,394,994	8,800,584	5,394,994	1,964,006		
FUND BALANCE - Ending	\$ 4,509,000	\$ 6,273,000	\$ 8,800,584	\$ 9,680,720	\$ 9,680,720	\$ 7,293,732		
CASH FROM OPERATIONS								
Revenue*	\$ 12,779,000	\$ 10,148,250	\$ 7,072,478	\$ 2,851,028	\$ 9,923,506	\$ (224,744)		
Operating costs**	(7,608,000)	(5,706,000)	(3,510,738)	(1,773,687)	(5,284,425)	379,575		
Total cash from operations	\$ 5,171,000	\$ 4,442,250	\$ 3,561,740	\$ 1,077,341	\$ 4,639,081	\$ 154,831		

* Includes interest and misc.

** Operating costs includes personnel services, materials and services, and transfers.

Notes are located on the next page.

City of Milwaukee
Quarterly Financial Report
Second Quarter for Fiscal Year Ending 2024

WATER FUND, continued

OBLIGATED FUNDS	Remaining Contract Amount
SCADA (construction)	\$ 837,469
Harvey Street improvements (design)	157,194
SCADA (construction management)	153,918
Linwood Avenue improvements	56,940
224-Monroe waterline replacement (design)	34,081
On-call public info & engagement	31,825
Well #2 construction	29,328
King Road improvements (design)	25,561
Stanley reservoir (design)	17,245
Stanley reservoir seismic evaluation	14,853
Well #2 rehab/relocation (construction assistance)	7,108
SCADA (design)	4,644
Washington St area improvements (design)	2,684
Total Obligated Funds	\$ 1,372,850

% of Obligated & Expenditures to Budget

Anticipated Actual Expenditure	11,234,250
Total Obligated plus Total Expenditures	7,010,629
	62%

NOTES:

1. Miscellaneous revenue includes rental revenue, engineering fees and reimbursement fees.
2. Projects slated for FY 2024 are in the beginning stages of the construction process.

	2nd Quarter Actuals				Prior Year Change		
	FY 2021	FY 2022	Unaudited FY 2023	FY 2024	FY21/FY22	FY22/FY23	FY23/FY24
REVENUE							
Fees and charges	\$ 2,486,761	\$ 2,580,823	\$ 2,558,062	\$ 2,647,305	4%	-1%	3%
Intergovernmental	-	-	2,256,000	-	0%	0%	-100%
Investment earnings	14,053	6,637	56,803	165,034	-53%	756%	191%
Miscellaneous	29,282	95,286	22,385	38,689	225%	-77%	73%
Total Operating Revenues	2,530,096	2,682,746	4,893,250	2,851,028	6%	82%	-42%
Other Financing Sources							
Transfers in	-	-	-	-	0%	0%	0%
TOTAL REVENUES	2,530,096	2,682,746	4,893,250	2,851,028	6%	82%	-42%
EXPENDITURES							
Personnel services	436,294	460,199	477,813	467,701	5%	4%	-2%
Materials and services	375,977	374,694	479,041	519,236	0%	28%	8%
Capital outlay	370,711	166,386	54,053	197,204	-55%	-68%	265%
Transfers	640,000	670,000	786,750	786,750	5%	17%	0%
TOTAL EXPENDITURES	1,822,982	1,671,279	1,797,657	1,970,892	-8%	8%	10%
Revenue over (under) expenditures	\$ 707,114	\$ 1,011,467	\$ 3,095,593	\$ 880,136	43%	206%	-72%

City of Milwaukee
Quarterly Financial Report
Second Quarter for Fiscal Year Ending 2024

WASTEWATER FUND

	Through the 2nd Quarter Ended December 31, 2023						% of Anticipated Actuals	NOTE
	Adopted BN Budget	Anticipated Actuals	Unaudited FY 2023 Actual	FY 2024 Actual	Total Biennium To-Date Actual	Over (Under) Anticipated Actuals		
REVENUE								
Fees and charges	\$ 17,859,000	\$ 13,394,250	\$ 8,684,124	\$ 4,551,892	\$ 13,236,016	\$ (158,234)	99%	
Intergovernmental	1,733,000	1,316,250	132,357	104,090	236,447	(1,079,803)	18% ¹	
Proceeds from reimbursement district	86,000	64,500	64,069	21,823	85,892	21,392	133%	
Investment earnings	50,000	37,500	117,255	118,634	235,889	198,389	629%	
Miscellaneous	26,000	19,500	3,608	8,585	12,193	(7,307)	63%	
Total Operating Revenues	19,754,000	14,832,000	9,001,413	4,805,023	13,806,436	(1,025,564)	93%	
TOTAL REVENUES	19,754,000	14,832,000	-	9,001,413	4,805,023	13,806,436	(1,025,564)	93%
EXPENDITURES								
Personnel services	1,092,000	819,000	530,692	279,121	809,814	(9,186)	99%	
Materials and services	12,370,000	9,277,500	5,608,762	1,940,529	7,549,290	(1,728,210)	81%	
Capital outlay	5,314,000	2,657,000	1,545,539	239,248	1,784,787	(872,213)	67% ²	
Debt service	202,000	101,000	100,557	48,229	148,786	47,786	147%	
Transfers	2,962,000	1,486,000	1,455,000	727,500	2,182,500	-	147%	
Contingency	1,030,000	-	-	-	-	-	0%	
TOTAL EXPENDITURES	22,970,000	14,340,500	-	9,240,550	3,234,627	12,475,177	(2,561,823)	87%
Revenue over (under) expenditures	(3,216,000)	491,500	-	(239,137)	1,570,396	1,331,259	1,536,259	
FUND BALANCE - Beginning	6,194,000	6,194,000	5,663,681	5,424,544	5,663,681	(530,319)		
FUND BALANCE - Ending	\$ 2,978,000	\$ 6,685,500	# \$ 5,424,544	\$ 6,994,940	\$ 6,994,940	\$ 1,005,940		
CASH FROM OPERATIONS								
Revenue*	\$ 19,754,000	\$ 14,832,000	\$ 9,001,413	\$ 4,805,023	\$ 13,806,436	\$ (1,025,564)		
Operating costs**	(16,424,000)	(11,582,500)	-	(7,594,454)	(2,947,150)	1,737,396		
Total cash from operations	\$ 3,330,000	\$ 3,249,500	# \$ 1,406,959	\$ 1,857,873	\$ 3,264,832	\$ 711,832		

* Includes interest and misc.

** Operating costs includes personnel services, materials and services, and transfers.

Notes are located on the next page.

**City of Milwaukee
Quarterly Financial Report
Second Quarter for Fiscal Year Ending 2024**

WASTEWATER FUND, continued

OBLIGATED FUNDS	Remaining Contract Amount
SCADA (construction)	\$ 837,469
SCADA (construction management)	153,918
On-call public info & engagement	28,922
Washington Street area improvements (design)	9,273
Harvey Street improvements (design)	5,089
Total Obligated Funds	\$ 1,034,671
 % of Obligated & Expenditures to Budget	
Anticipated Actual Expenditure	14,340,500
Total Obligated plus Total Expenditures	13,509,848
	94%

NOTES:

- Revenue collected from NE Sewer Extension area for new sewer hook-ups of recently annexed properties. The city received funds from Clackamas County for the Kellogg Good Neighbor Fund; money was allocated to the Wastewater and Debt Service Funds.
- Projects slated for FY 2024 are in the beginning stages of the construction process.

	2nd Quarter Actuals				Prior Year Change		
	FY 2021	FY 2022	Unaudited FY 2023	FY 2024	FY21/FY22	FY22/FY23	FY23/FY24
REVENUE							
Fees and charges	\$ 4,084,601	\$ 4,288,000	\$ 4,348,744	\$ 4,551,892	5%	1%	5%
Intergovernmental	-	-	-	104,090	0%	0%	0%
Proceeds from reimbursement district	21,751	160,568	22,230	21,823	638%	-86%	-2%
Investment earnings	16,368	8,440	60,433	118,634	-48%	616%	96%
Miscellaneous	2,340	3,142	1,640	8,585	34%	-48%	423%
Total Operating Revenues	4,125,060	4,460,150	4,433,047	4,805,023	8%	-1%	8%
Other Financing Sources							
Transfers in	-	-	-	-	0%	0%	0%
TOTAL REVENUES	4,125,060	4,460,150	4,433,047	4,805,023	8%	-1%	8%
EXPENDITURES							
Personnel services	241,135	244,644	264,823	279,121	1%	8%	5%
Materials and services	2,294,311	2,264,385	2,347,315	1,940,529	-1%	4%	-17%
Capital outlay	103,807	67,061	687,104	239,248	-35%	925%	-65%
Debt service	48,229	48,229	48,229	48,229	0%	0%	0%
Transfers	640,000	665,000	727,500	727,500	4%	9%	0%
TOTAL EXPENDITURES	3,327,482	3,289,319	4,074,971	3,234,627	-1%	24%	-21%
Revenue over (under) expenditures	\$ 797,578	\$ 1,170,831	\$ 358,076	\$ 1,570,396	47%	-69%	339%

City of Milwaukee
Quarterly Financial Report
Second Quarter for Fiscal Year Ending 2024

STORMWATER FUND

	Through the 2nd Quarter Ended December 31, 2023						NOTE
	Adopted BN Budget	Anticipated Actuals	Unaudited FY 2023 Actual	FY 2024 Actual	Total Biennium To-Date Actual	Over (Under) Anticipated Actuals	
REVENUE							
Fees and charges	\$ 10,611,000	\$ 7,958,250	\$ 5,083,166	\$ 2,559,722	\$ 7,642,889	\$ (315,361)	96%
Tree permits and fees	-	-	44,010	28,704	72,714	72,714	0%
Intergovernmental	585,000	438,750	-	288,453	288,453	(150,297)	66%
Investment earnings	30,000	22,500	128,000	153,637	281,637	259,137	1252%
Miscellaneous	60,000	45,000	38,962	5,469	44,432	(568)	99%
Total Operating Revenues	11,286,000	8,464,500	5,294,139	3,035,985	8,330,124	(134,376)	98%
TOTAL REVENUES	11,286,000	8,464,500	5,294,139	3,035,985	8,330,124	(134,376)	98%
EXPENDITURES							
Personnel services	1,703,000	1,277,250	737,480	406,616	1,144,096	(133,154)	90%
Materials and services	1,573,000	1,179,750	725,567	332,525	1,058,091	(121,659)	90%
Capital outlay	9,981,000	7,485,750	723,674	1,578,444	2,302,118	(5,183,632)	31%
Debt service	-	-	-	-	-	-	0%
Transfers	2,830,000	2,122,500	1,424,500	712,250	2,136,750	-	101%
Contingency	910,000	-	-	-	-	-	0%
TOTAL EXPENDITURES	16,997,000	12,065,250	3,611,221	3,029,835	6,641,056	(5,438,444)	55%
Revenue over (under) expenditures	(5,711,000)	(3,600,750)	1,682,918	6,150	1,689,068	5,304,068	
FUND BALANCE - Beginning	7,278,000	7,278,000	7,055,937	8,738,855	7,055,937	(222,063)	
FUND BALANCE - Ending	\$ 1,567,000	\$ 3,677,250	\$ 8,738,855	\$ 8,745,005	\$ 8,745,005	\$ 5,082,005	
CASH FROM OPERATIONS							
Revenue*	\$ 11,286,000	\$ 8,464,500	\$ 5,294,139	\$ 3,035,985	\$ 8,330,124	\$ (134,376)	
Operating costs**	(6,106,000)	(4,579,500)	(2,887,547)	(1,451,391)	(4,338,938)	254,812	
Total cash from operations	\$ 5,180,000	\$ 3,885,000	\$ 2,406,592	\$ 1,584,594	\$ 3,991,186	\$ 120,436	

Notes are located on the next page.

City of Milwaukee
Quarterly Financial Report
Second Quarter for Fiscal Year Ending 2024

STORMWATER FUND, continued

OBLIGATED FUNDS	Remaining Contract Amount
Meek Street pipe installation (construction)	\$ 3,827,562
Kellogg Creek restoration	258,268
Washington Street pipe replacement (design)	205,230
Harvey Street improvements (design)	72,427
Meek Street pipe installation (design)	29,659
On-call public info & engagement	28,897
King Road improvements (design)	20,514
On-call construction services - drainage improvements	3,393
Washington Street area improvements (design)	3,002
Total Obligated Funds	\$ 4,448,952

% of Obligated & Expenditures to Budget

Anticipated Actual Expenditure	\$ 12,065,250
Total Obligated plus Total Expenditures	11,090,008
	92%

NOTES:

- Projects slated for FY 2024 are in the beginning stages of the construction process.

	2nd Quarter Actuals				Prior Year Change		
	FY 2021	FY 2022	Unaudited FY 2023	FY 2024	FY 21/FY 22	FY 22/FY 23	FY 23/FY 24
REVENUE							
Fees and charges	\$ 2,560,795	\$ 2,590,496	\$ 2,538,741	\$ 2,559,722	1%	-2%	1%
Tree permits and fees	-	-	26,942	28,704	0%	0%	7%
Intergovernmental	18,295	-	-	288,453	-100%	0%	0%
Investment earnings	15,773	8,646	59,369	153,637	-45%	587%	159%
Miscellaneous	17,582	12,457	10,989	5,469	-29%	-12%	-50%
Total Operating Revenues	2,612,445	2,611,599	2,636,041	3,035,985	0%	1%	15%
Other Financing Sources							
Transfers in	-	-	-	-	0%	0%	0%
TOTAL REVENUES	2,612,445	2,611,599	2,636,041	3,035,985	0%	1%	15%
EXPENDITURES							
Personnel services	353,884	373,930	353,727	406,616	6%	-5%	15%
Materials and services	267,389	335,165	377,992	332,525	25%	13%	-12%
Capital outlay	565,115	256,291	327,977	1,578,444	-55%	28%	381%
Transfers	680,000	710,000	712,250	712,250	4%	0%	0%
TOTAL EXPENDITURES	1,866,388	1,675,386	1,771,946	3,029,835	-10%	6%	71%
Revenue over (under) expenditures	\$ 746,057	\$ 936,213	\$ 864,095	\$ 6,150	25%	13%	-99%

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SYSTEM DEVELOPMENT CHARGES FUND

	Through the 2nd Quarter Ended December 31, 2023						% of Anticipated Actuals	NOTE
	Adopted BN Budget	Anticipated Actuals	Unaudited FY 2023 Actual	FY 2024 Actual	Total Biennium To-Date Actual	Over (Under) Anticipated Actuals		
REVENUE								
System development charges	\$ 1,396,000	\$ 1,047,000	\$ 297,112	\$ 86,057	\$ 383,168	\$ (663,832)	37%	
Intergovernmental	250,000	555,750	-	-	-	(555,750)	-	
Investment earnings	10,000	7,500	49,567	44,841	94,408	86,908	1259%	
Miscellaneous	-	-	4,092	703	4,795	4,795	0%	
Total Operating Revenues	1,656,000	1,610,250	350,770	131,601	482,371	(1,127,879)	30%	
TOTAL REVENUES	1,656,000	1,610,250	350,770	131,601	482,371	(1,127,879)	30%	
EXPENDITURES								
Materials and services	550,000	462,500	9,548	-	9,548	(452,952)	2%	
Capital outlay	1,560,000	1,782,500	100,472	58,590	159,062	(1,623,438)	9% 1	
Contingency	130,000	-	-	-	-	-	0%	
TOTAL EXPENDITURES	2,240,000	1,782,500	110,020	58,590	159,062	(1,623,438)	9%	
Revenue over (under) expenditures	(584,000)	(172,250)	240,750	73,011	323,309	495,559		
FUND BALANCE - Beginning	2,152,000	2,152,000	2,276,244	2,516,994	2,276,244	1,898,975		
FUND BALANCE - Ending	\$ 1,568,000	\$ 1,979,750	\$ 2,516,994	\$ 2,590,005	\$ 2,599,553	\$ 2,394,534		

OBLIGATED FUNDS	Remaining Contract Amount
42nd Ave alternatives intersection analysis	\$ 27,098
Total Obligated Funds	\$ 27,098

% of Obligated & Expenditures to Budget	
Anticipated Actual Expenditure	1,782,500
Total Obligated plus Total Expenditures	186,160
	10%

NOTES:

- Projects slated for FY 2024 are in the beginning stages of the construction process.

City of Milwaukee
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SYSTEM DEVELOPMENT CHARGES FUND, continued

SDC – TRANSPORTATION

	Through the 2nd Quarter Ended December 31, 2023						
	Adopted BN Budget	Anticipated Actuals	Unaudited FY 2023 Actual	FY 2024 Actual	Total Biennium To-Date Actual	Over (Under) Anticipated Actuals	% of Anticipated Actuals
REVENUE							
System development charges	\$ 905,000	\$ 678,750	\$ 213,693	\$ 77,567	\$ 291,260	\$ (387,490)	43%
Intergovernmental	250,000	187,500	-	-	-	(187,500)	0%
Investment earnings	2,000	1,500	12,392	11,210	23,602	22,102	1573%
Miscellaneous	-	14,000	1,023	176	1,199	(13,641)	9%
TOTAL REVENUES	1,157,000	881,750	227,108	88,953	316,061	(566,529)	36%
EXPENDITURES							
Material & Services	150,000	150,000	-	-	-	(150,000)	0%
Capital outlay	1,040,000	780,000	113,274	55,029	168,303	(611,697)	0%
TOTAL EXPENDITURES	1,190,000	930,000	113,274	55,029	168,303	(761,697)	18%
Revenue over (under) expenditures	(33,000)	(48,250)	113,834	33,924	147,758	195,168	
FUND BALANCE - Beginning	577,000	577,000	1,316,795	1,430,629	1,430,629	1,119,649	
FUND BALANCE - Ending	\$ 544,000	\$ 528,750	\$ 1,430,629	\$ 1,464,553	\$ 1,578,386	\$ 1,314,817	

SDC – WATER

	Through the 2nd Quarter Ended December 31, 2023						
	Adopted BN Budget	Anticipated Actuals	Unaudited FY 2023 Actual	FY 2024 Actual	Total Biennium To-Date Actual	Over (Under) Anticipated Actuals	% of Anticipated Actuals
REVENUE							
System development charges	\$ 166,000	\$ 124,500	\$ 9,074	\$ 4,056	\$ 13,130	\$ (111,370)	11%
Investment earnings	2,000	1,500	12,392	11,210	23,602	22,102	1573%
Miscellaneous	-	-	1,023	176	1,199	1,199	0%
Total Operating Revenues	168,000	126,000	22,489	15,442	37,931	(88,069)	30%
TOTAL REVENUES	168,000	126,000	22,489	15,442	37,931	(88,069)	30%
EXPENDITURES							
Materials and services	50,000	50,000	9,548	-	9,548	(40,452)	0%
Capital outlay	-	-	-	3,561	3,561	3,561	0%
TOTAL EXPENDITURES	50,000	50,000	9,548	-	9,548	(40,452)	
Revenue over (under) expenditures	118,000	76,000	12,941	15,442	28,383	(47,617)	
FUND BALANCE - Beginning	197,000	197,000	79,779	92,720	79,779	(117,221)	
FUND BALANCE - Ending	\$ 315,000	\$ 273,000	\$ 92,720	\$ 108,162	\$ 108,162	\$ (164,838)	

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SYSTEM DEVELOPMENT CHARGES FUND, continued

SDC – WASTEWATER

	Through the 2nd Quarter Ended December 31, 2023						% of Anticipated Actuals
	Adopted BN Budget	Anticipated Actuals	Unaudited FY 2023 Actual	FY 2024 Actual	Total Biennium To-Date Actual	Over (Under) Anticipated Actuals	
REVENUE							
System development charges	\$ 62,000	\$ 46,500	\$ 8,484	\$ 2,292	\$ 10,776	\$ (35,724)	23%
Investment earnings	4,000	3,000	12,392	11,210	23,602	20,602	787%
Miscellaneous	-	-	1,023	176	1,199	1,199	0%
Total Operating Revenues	66,000	49,500	21,899	13,678	35,577	(13,923)	44%
TOTAL REVENUES	66,000	49,500	21,899	13,678	35,577	(13,923)	72%
EXPENDITURES							
Capital outlay	170,000	540,000	-	-	-	(540,000)	0%
TOTAL EXPENDITURES	170,000	540,000	-	-	-	(540,000)	0%
Revenue over (under) expenditures	(104,000)	(490,500)	21,899	13,678	35,577	526,077	
FUND BALANCE - Beginning	889,000	889,000	687,814	709,713	775,256	(201,186)	
FUND BALANCE - Ending	\$ 785,000	\$ 398,500	\$ 709,713	\$ 723,391	\$ 810,833	\$ 324,891	

SDC – STORMWATER

	Through the 2nd Quarter Ended December 31, 2023						% of Anticipated Actuals
	Adopted BN Budget	Anticipated Actuals	Unaudited FY 2023 Actual	FY 2024 Actual	Total Biennium To-Date Actual	Over (Under) Anticipated Actuals	
REVENUE							
System development charges	\$ 263,000	\$ 197,250	\$ 65,861	\$ 2,142	\$ 68,003	\$ (129,247)	34%
Investment earnings	2,000	1,500	12,392	11,210	23,602	22,102	826%
Miscellaneous	-	-	1,023	176	1,199	1,199	0%
Total Operating Revenues	265,000	198,750	79,276	13,528	92,804	(105,946)	40%
TOTAL REVENUES	265,000	198,750	79,276	13,528	92,804	(105,946)	40%
EXPENDITURES							
Materials and services	350,000	262,500	-	-	-	(262,500)	0%
Capital outlay	350,000	262,500	472	-	472	(262,028)	0%
TOTAL EXPENDITURES	700,000	262,500	472	-	472	(262,028)	0%
Revenue over (under) expenditures	(435,000)	(63,750)	78,804	13,528	92,332	156,082	
FUND BALANCE - Beginning	489,000	489,000	191,856	270,660	199,572	(297,144)	
FUND BALANCE - Ending	\$ 54,000	\$ 425,250	\$ 270,660	\$ 284,188	\$ 291,904	\$ (141,062)	

City of Milwaukee
Quarterly Financial Report
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SYSTEM DEVELOPMENT CHARGES FUND, *continued*

	2nd Quarter Actuals				Prior Year Change		
	FY 2021	FY 2022	Unaudited FY 2023	FY 2024	FY21/FY22	FY22/FY23	FY23/FY24
REVENUE							
System development charges	\$ 65,386	\$ 524,136	\$ 21,736	\$ 86,057	702%	-96%	296%
Investment earnings	5,230	2,903	18,040	44,841	-44%	521%	149%
Miscellaneous	478	559	432	703	17%	-23%	63%
Total Operating Revenues	71,094	527,598	40,208	131,601	642%	-92%	227%
Other Financing Sources							
Transfers in	-	-	-	-	0%	0%	0%
TOTAL REVENUES	71,094	527,598	40,208	131,601	642%	-92%	227%
EXPENDITURES							
Materials and services	-	-	-	-	0%	0%	0%
Capital outlay	102,042	40,730	848	58,590	-60%	-98%	6809%
TOTAL EXPENDITURES	102,042	40,730	848	58,590	-60%	-98%	6809%
Revenue over (under) expenditures	\$ (30,948)	\$ 486,868	\$ 39,360	\$ 73,011	-1673%	-92%	85%

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MILWAUKIE REDEVELOPMENT COMMISSION (URA) FUND

	Through the 2nd Quarter Ended December 31, 2023					Over (Under) Anticipated Actuals	% of Anticipated Actuals	NOTE
	Adopted BN Budget	Anticipated Actuals	Unaudited FY 2023 Actual	FY 2024 Actual	Total Biennium To-Date Actual			
REVENUE								
Property taxes	\$ 1,753,000	\$ 1,687,619	\$ 590,430	\$ 710,767	\$ 1,301,197	\$ (386,422)	77%	
Investment earnings	10,000	7,500	50,393	50,723	101,116	93,616	1348%	
Miscellaneous	-	-	1,068	1,914	2,982	2,982	0%	
Proceeds from issuance of debt	6,500,000	4,875,000	4,630,800	19,891	4,650,691	(224,309)	95%	1
TOTAL REVENUES	8,263,000	6,570,119	5,272,691	783,295	6,055,986	(514,133)	92%	
EXPENDITURES								
Materials and services	100,000	75,000	-	5,000	5,000	(75,000)	7%	
Capital outlay	5,332,000	875,000	-	38,595	38,595	(875,000)	4%	
Transfers out	70,000	52,500	35,000	17,500	52,500	(17,500)	100%	
Debt service	1,044,000	783,000	332,941	87,833	420,774	(450,059)	0%	
Contingency	42,000	-	-	-	-	-	0%	
TOTAL EXPENDITURES	6,588,000	1,785,500	367,941	148,928	516,869	(1,417,559)	21%	
Revenue over (under) expenditures	1,675,000	4,784,619	4,904,750	634,367	5,539,117	903,426		
FUND BALANCE - Beginning	1,620,000	1,620,000	1,491,338	6,396,088	1,491,338	128,662		
FUND BALANCE - Ending	\$ 3,295,000	\$ 6,404,619	\$ 6,396,088	\$ 7,030,455	\$ 7,030,455	\$ 1,032,088		

NOTES:

- Debt was issued in February 2023.

	2nd Quarter Actuals				Prior Year Change		
	FY 2021	FY 2022	Unaudited FY 2023	FY 2024	FY21/FY22	FY22/FY23	FY23/FY24
REVENUE							
Property taxes	\$ 426,564	\$ 456,107	\$ 543,704	\$ 710,767	7%	19%	31%
Investment earnings	1,895	1,720	13,510	50,723	-9%	685%	275%
Miscellaneous	18	272	329	1,914	1411%	21%	482%
Total Operating Revenues	428,477	458,099	557,543	763,404	7%	22%	37%
Other Financing Sources							
Proceeds from Issuance of Debt	-	-	-	19,891	0%	0%	0%
TOTAL REVENUES	428,477	458,099	557,543	783,295	7%	22%	40%
EXPENDITURES							
Materials and services	-	1,400	-	5,000	0%	-100%	0%
Construction in process	-	-	-	38,595			
Debt service	-	-	-	87,833			
Transfers	-	-	17,500	17,500	0%	0%	0%
TOTAL EXPENDITURES	-	1,400	17,500	148,928	0%	1150%	751%
Revenue over (under) expenditures	\$ 428,477	\$ 456,699	\$ 540,043	\$ 634,367	7%	18%	17%

**ENGINEERING DEPARTMENT STATUS MEMO
TO CITY COUNCIL**

&

**CAPITAL IMPROVEMENT PROJECTS
STATUS REPORT**



CITY OF MILWAUKIE

Memorandum

To: City Council
From: Joseph Briglio, Community Development Director
CC: Ann Ober, City Manager
Date: January 16, 2024
Re: Community Development Department Monthly Update

Community Development, Economic Development, & Housing	Planning	Building	Engineering
- City Hall - Economic Development - Affordable Housing	- Comprehensive Plan Implementation - Planning Commission - Design and Landmarks Committee - Land Use/ Development Review	December Review	- CIP - Traffic/Parking Projects - Right-of-Way Permits - PIP - Document Administration

COMMUNITY DEVELOPMENT/ECONOMIC DEVELOPMENT/HOUSING

City Hall Projects

Historic City Hall

- City staff and representatives from Henry Point Development have executed the disposition and development agreement (DDA). The DDA serves as the roadmap for preparing city hall for its next intended use and ensuring that conditions such as maintaining the historic façade, among others, are compulsory with the property transfer.
- Staff and Henry Point Development have agreed on an MOU that will help ensure that the city and the new ownership continue to partner in events, improvements, and other complementary operations.
- Henry Point Development received land use approval from the Planning Commission on June 27 for minor modifications to the site.
- In November, Henry Point provided official notice to the city that they had completed their due diligence items and would like to proceed with the sale and transfer of the building. Staff and Henry Point will continue to work through final details with an anticipated closing date of no later than February 16th, 2024. The developer has already submitted plans to the building division, so that they can begin improvements soon after closing.

New City Hall

- Staff are currently working with the contractor on the addition of a mini-split system for the server room on the second floor. This was not part of the original scope and was recently added by the public works department to take advantage of the contractor before their contract expires.

Economic Development

- *Downtown:* Staff worked closely with the owner of Spoke and Word, an independent bookstore, to find a location on Main Street. They are officially open. Mama's and Hapa's Zero Waste Shop in the Axletree building is also newer to downtown and open. The planning division received a pre-application for a food cart pod at the old Peakes Funeral home next to new city hall. The applicant has stated that this is exploratory at the moment and that nothing is finalized.
- *Milwaukie Marketplace:* Tenant improvements continue to occur inside the New Seasons space. They are targeting March 2024 for a community based soft opening and April 2024 for its grand opening. The building division issued permits for Ace Hardware, which will be occupying the old Tuesday Morning space. Planet Fitness and Luna's Ice Cream are currently open.
- *Milwaukie Station:* In order to address new state wastewater requirements for food cart pods, staff worked on improving the site with sewer and grease interceptor traps. Without these upgrades, the food carts would no longer be allowed to operate at Milwaukie Station. The project is complete and operates well. Eleven of the twelve cart spaces are occupied, and the manager is working on heating options for customers during the winter months.
- *Enterprise Zone:* Staff have met with two businesses relocating to Milwaukie's north innovation area and taking advantage of the North Clackamas Enterprise Zone tax incentives. The two businesses are Swagelock and Overland Van Project. The Overland Van Project was recently approved for the incentive. Additionally, City and County staff recently met with Alpine Foods who are interested in applying in order to help offset their current expansion costs. These are still ongoing.
- *Urban Renewal Area Economic Development Programs:* Staff recently contracted with regional economic development consultant and expert, John Southgate, to help create the criteria associated with the 5-Year Action Plan's Predevelopment Assistance, Tenant Improvement, and Small Business Assistance programs. The MRCCAC convened in November to discuss the draft criteria and provide feedback on the emerging programs. Staff and Mr. Southgate are working with the initial MRCCAC feedback and planning to meet with them again in January.

Affordable Housing

- *Sparrow Site:* The city purchased the parcel ("main property") at the northeast corner of SE Sparrow Street and the Trolley Trail from TriMet for the purpose of land banking to support affordable housing several years ago. More recently, staff received a Metro Brownfields grant to support due diligence for the acquisition of 12302 SE 26th Avenue ("auxiliary property") from TriMet in order to help rectify access constraints to the main property. The city closed on the 12302 SE 26th Ave ("auxiliary") property and is considering next steps.

- *Coho Point*: The Developer presented an update to the city council during its February 21 work session and requested a 12-month extension of the Disposition and Development Agreement (DDA) due diligence period because of extenuating circumstances involving supply chain and subcontractor timing issues related to the COVID-19 pandemic. The due diligence period was officially extended to March 31, 2024. City Staff recently signed off on the Developer's conditional letter of map revision (CLOMR) submittal to FEMA so that they can begin the approval process for building within the flood plain. Staff were notified on May 10, 2023, that Black Rock had submitted the CLOMR to FEMA. The review process typically takes several months, and FEMA (September) requested additional information from the applicant. The applicant has 90-days to address FEMA's comments and resubmit.
- *Construction Excise Tax (CET) Program*: The CET Program was established by the city council in 2017 and codified within chapter 3.60 (Affordable Housing Construction Excise Tax) of the municipal code. The CET levy's a one percent tax on any development over \$100,000 in construction value. In example, a property owner who is building an addition that has an assessed construction value of \$100,000 would have to pay \$1,000 in CET to the city. As development continues throughout the city, the CET fund increases in proportionality.

The city released its inaugural competitive bid process for CET funds through a formal Request for Proposals (RFP). This resulted in Hillside Park Phase I being awarded \$1.7M (requested \$2M) and the Milwaukie Courtyard Housing Project (Now called Milwaukie Shortstack) with \$300K (requested \$600K).

On March 7, 2023, the city council authorized the city manager to execute the necessary grant agreements in the amounts listed above. The grants agreements for both projects have been signed and executed, and initial funding disbursements have occurred. Staff will now work with the applicants to ensure that their projects meet the conditions for funding.

PLANNING

Comprehensive Plan Implementation

- Following a series of public workshops and an online survey, planning and community development staff are moving forward with proposed code amendments and an economic development toolkit for the Neighborhood Hubs project.

Staff held a work session with the City Council on December 19 to discuss the project status and next steps. Staff is meeting with the Planning Commission in a work session on January 23 to provide an update and discuss a draft set of proposed code amendments in advance of public hearings later in the spring.

Transportation Systems Plan (TSP)

- The TSP kicked off with the first Technical and Advisory Committee meetings in October. The next meetings are scheduled for January and February. The first community wide meeting is scheduled for March 21.

Planning Commission

- ZA-2022-005: A Type V code amendment application related to Climate Friendly Equitable Communities rulemaking. The Planning Commission held a public hearing on February 14th and voted 6-0 to recommend approval of the code amendments. The City Council discussed the amendments during the regular session on March 7th. These code amendments were put on hold until the rulemaking process was complete in the fall of 2023. Staff will be taking an updated code package to the Planning Commission in February and then to City Council.
- ZA-2023-004: A Type V code amendment application to update the bicycle parking quantity and development standards for new and redevelopment projects. The Planning Commission held a work session on the proposed amendments on July 25th. These code amendments were put on hold until the rulemaking process was complete in the fall of 2023. Staff will be bringing these amendments to the Planning Commission and City Council at the same time as the Climate Friendly Equitable Communities code package above.
- NCU-2023-001: A Type III application to alter a nonconforming use for the Johnson Creek Mini-Storage facility at 5803 SE Johnson Creek Blvd. The proposal is to convert two of the 45 existing storage units into an office and three smaller storage units, bringing the manager's office onto site from its current location on the adjacent site to the east. The Planning Commission held a public hearing on January 9, 2024 and approved the application.

Land Use/Development Review

- R-2023-004: A Type II application for replat, to adjust the boundary between the underlying lots that comprise the property (which also includes 30 ft of vacated public right-of-way from the 44th Avenue alignment). The application includes a Type II variance for the minimum lot width of Parcel 1. The application was approved on December 18 and became final when the appeal period ended uneventfully on January 2, 2024.

- P-2024-001: A Type II application for a parking modification for a 41-unit cottage cluster development at 9815-9833 SE 17th Ave. The request is to allow a parking ratio of 1.5 parking spaces per unit (rather than the maximum of 1 space per unit). The application is in completeness review.

¹ Only land use applications requiring public notice are listed.

BUILDING

Permit data for	December	FY to Date:
New single-family houses:	0	10
New ADU's	0	2
New Solar	4	42
Res. additions/alterations	2	28
Commercial new	0	2
Commercial Alterations	2	43
Demo's	0	2

Total Number of Permits issued: 716

(includes fire, electrical, mechanical, plumbing, and other structural)

Total Number of Inspections: 1187

Total Number of active permits: 950

ENGINEERING

Capital Improvement Projects (CIP):

CIP 2018-A13 Washington Street Area Improvements

Summary: This project combines elements of the SAFE, SSMP, Water, Stormwater, and Wastewater programs. SAFE improvements include upgrading and adding ADA compliant facilities along 27th Ave, Washington St, and Edison St. Street Surface Maintenance Program improvements are planned for Washington Street, 27th Avenue, and Edison Street. The Spring Creek culvert under Washington Street at 27th Avenue will be removed, and a new structure added. The water system along Washington Street will be upsized from a 6" mainline to an 8" mainline. The stormwater system along Washington Street will be upsized from 18" to 24" storm lines. The project is being designed by AKS Engineering and Forestry.

Update: Notice to Proceed to Landis and Landis should be issued soon.

CIP 2016-Y11 Meek Street Storm Improvements

Summary: Project was identified in the 2014 Stormwater Master Plan to reduce flooding within this water basin. The project was split into a South Phase and a North Phase due to complications in working with UPRR.

Update: A project authorization for the construction contract with Tapani Inc. was approved by the Council on July 18 and the contract was executed on Sept. 14, 2023. Construction commenced in early November of 2023 and is progressing as expected.

CIP 2020-A12 SAFE & SSMP FY 2021 Improvements (Home Ave & Wood Ave)

Summary: Project includes the Home Avenue SAFE and SSMP improvements and the Wood Avenue SSMP improvements.

Project is mostly completed; a few items remain that needed to be done during warm weather.

Update: Staff are working on closing out the Project. Final payment has been submitted to finance. The contractor has been largely unresponsive for the past 3+ months.

CIP 2022-W56 Harvey Street Improvements

Summary: The project includes water improvements and stormwater improvements on Harvey Street from 32nd Avenue to the east end, on 42nd Avenue from Harvey Street to Johnson Creek Boulevard, 33rd Avenue north of Harvey Street, 36th Avenue north of Harvey Street, Sherry Street west of 36th Avenue, 41st Street north of Wake Court, and Wake Court. Sanitary sewer work will be done on 40th Avenue between Harvey Street to Drake Street. The project also includes the installation of an ADA compliant sidewalk on Harvey Street from 32nd Avenue to 42nd Avenue and 42nd Avenue from Harvey Street to Howe Street. Roadway paving will be done throughout the project area.

Update: Century West Engineering was contracted for the design in July 2023. The project is currently at 30% design. An Open-House is scheduled for January 24th with invitations going out soon.

CIP 2021-W61 Ardenwald North Improvements

Summary: Project includes street repair on Van Water Street and Roswell Street with a shared street design for bicycles, pedestrians, and vehicles. Stormwater catch basins in the project boundary will be upgraded, the water system will be upsized on 29th Avenue, 30th Avenue, and 31st Avenue, and there will be wastewater improvements on 28th Avenue, 29th Avenue, and 31st Avenue to address multiple bellies and root intrusion to reduce debris buildup.

Update: Work is progressing on 100% design. Staff anticipates bidding the project this winter.

CIP 2022-A15 King Road Improvements

Summary: King Road (43rd Avenue to city limits near Linwood Avenue) SAFE/SSMP Improvements will replace existing sidewalk and bike lane with a multi-use path, improve stormwater system, replace water pipe, and reconstruct roadway surface.

Update: Additional storm improvement scope was added to the project. Existing condition investigations are currently being conducted.

Milwaukie Bay Park

Update: The County Commission has pulled funding for the project, which has consequently placed it on hold.

Waverly Heights Sewer Reconfiguration

Summary: Waverly Heights Wastewater project was identified in the 2010 Wastewater System Master Plan. The project may replace approximately 2,500 feet of existing clay and concrete pipe.

Update: Authorization for the design contract with Stantec was approved by the Council on August 1, 2023. An engineering services agreement was executed with Stantec on Sept. 19, and the design effort was kicked off in early October of 2023. A flow monitoring program was initiated in October, and will continue through the wet season, concurrent with design. A public engagement plan was prepared in Fall of 2023, and a first set of informational material was mailed out to neighbors in the area in November, along with permit of entry forms. Stantec commenced with early site investigations in December of 2023 and will continue with 30 percent design through winter of 2024.

Monroe Street Greenway

Summary: The Monroe Street Greenway will create a nearly four-mile, continuous, low-stress bikeway from downtown Milwaukie to the I-205 multi-use path. Once complete, it will serve as the spine of Milwaukie's active transportation network connecting users to the Max Orange Line, Max Green Line, Trolley Trail, 17th Avenue Bike Path, I-205 path, neighborhoods, schools, and parks. Funding grants through ODOT and Metro will allow the city to complete our 2.2-mile section of the Monroe Greenway from the Trolley Trail to Linwood Ave.

Update:

East Monroe Greenway (37th to Linwood): Staff have come to an agreement with ODOT and contracted CONSOR for the design. A Kick-off meeting is scheduled for January 5th.

Monroe Street & 37th Avenue (34th to 37th): This segment is complete. It was constructed as part of the private development of the Seven Acres Apartments.

Central Monroe Greenway (29th to 34th): The city is working with ODOT to prepare an IGA that will transfer \$1.55 M in STIP funding to the city to manage this segment of the Monroe Street Greenway. City staff plan to prepare a direct appointment contract with 3J Consulting to have the railroad crossings designed and approved by the railroad.

Monroe Street & Highway-224 Intersection: This project has now been combined with a larger project which will mill and overlay Highway-224 from Rusk Road to 17th Avenue. The city will design and replace the underlying water main by Fiscal Year 2025 and ODOT will proceed to construction in the Fiscal Year 2026. An Open-House is being planned for February 29th for all of the Monroe Greenway, ODOT's Highway-224 project, and the City's TSP.

West Monroe Greenway (Milwaukie Bay Park to 29th Avenue): This segment is currently unfunded and will not proceed until funding is assigned.

Kellogg Creek Restoration and Community Enhancement Project

Summary: Project to remove the Kellogg Creek dam, replace the McLoughlin Blvd. bridge, improve fish passage, and restore the wetland and riparian area. City of Milwaukie staff are part of the project Leadership Team, Core Technical Team, and the Technical Advisory Committee. The Leadership Team and Core Technical Team both meet monthly. In addition to city staff, these groups include staff from North Clackamas Watershed Council (NCWC), Oregon Department of Transportation (ODOT), and American Rivers. The Technical Advisory Committee (TAC) for the Kellogg Creek Restoration & Community Enhancement Project involves all collaborative partners that include the Confederated Tribes of the Warm Springs Indian Reservation of Oregon, the Confederated Tribes of Grand Ronde, Clackamas Water Environment Services, Metro, North Clackamas Parks and Recreation District, Oregon Department of Environmental Quality, Oregon Department of Fish and Wildlife, Oregon Division of State Lands, the Native Fish Society, and the Natural Resources Office of Governor.

Update: Project scoping by ODOT is continuing and on schedule to post the design Request for Proposal (RFP) in January.

Traffic / Parking Projects, Issues

None.

Right-Of-Way (ROW) Permits (includes tree, use, construction, encroachment)

Downtown Trees and Sidewalks

Update: Staff has a contract with AKS; working on what type of design works best now and in the future with both the trees and sidewalks & curbs.

Private Development – Public Improvement Projects (PIPS)

Seven Acres Apartments (formerly Monroe Apartments) – 234 units

Update: We anticipate completion of all ROW improvements in summer 2023; Contractor is working on installing the main driveway on 37th Ave. (opposite from Washington Street) and ADA ramps on both sides of 37th Ave. at Washington Street. The developer has received a TCO for four buildings.

Henley Place (Kellogg Bowl redevelopment)- 175 units

Update: A Right-of-Way permit has been issued; construction of improvements is underway.

Walnut Addition Subdivision – 9 lot subdivision at Roswell St. & 33rd Ave.

Update: Most of the street work has been completed; construction is in the project correction phase.

Elk Rock Estates – 5 lot subdivision at 19th Ave & Sparrow St.

Update: Most of the street work has been completed; construction is in the project correction phase.

Shah & Tripp Estates – 8-lot subdivision at Harrison Street and Home Ave.

Update: Design plans are under review.

Jackson / 52nd – 5-unit development.

Update: Design plans are under review. Staff and developer have agreed on a development agreement to have the developer pave Jackson Street from Home to 52nd Ave. and be reimbursed for areas outside of their responsibility. Pre-construction meeting has concluded. Construction is anticipated to start this summer.

Document Administration

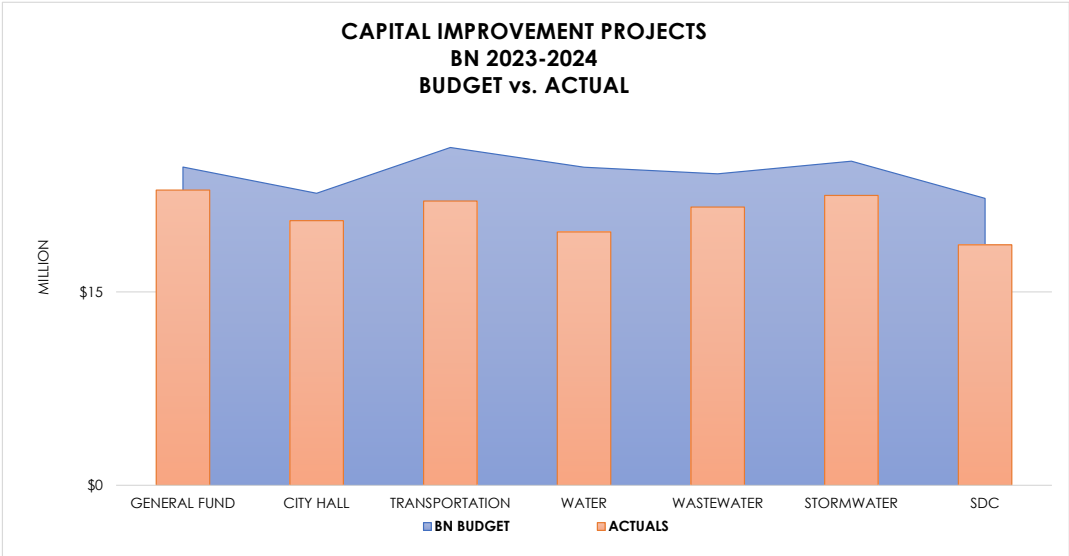
Master Plans

Summary: WSC is preparing the Stormwater System Plan.

City of Milwaukie
Capital Improvement Projects Update - TOTAL BY FUND
Second Quarter for Fiscal Year Ending 2024

(Amounts in Thousands \$100 = \$100,000)

FUND	BUDGET FY 2023	BUDGET FY 2024	UPDATED BN BUDGET	FY 2023 ACTUAL EXPENDITURE	FY 2024 ACTUAL EXPENDITURE	BN ACTUAL EXPENDITURES	BUDGET REMAINING	% OF BUDGET REMAINING
GENERAL FUND	\$ 4,190,000	\$ 3,230,000	\$ 7,420,000	\$ 1,689,927	\$ 676,674	\$ 2,366,601	\$ 5,053,399	68%
CITY HALL	1,975,000	38,000	2,013,000	668,333	827,045	517,622	517,622	26%
TRANSPORTATION	10,843,000	8,795,000	19,638,000	1,063,895	308,538	1,372,433	18,265,567	93%
WATER	4,580,000	2,791,000	7,371,000	590,390	8,170	295,195	5,386,985	73%
WASTEWATER	3,176,000	2,138,000	5,314,000	777,882	239,247	1,017,129	4,296,871	81%
STORMWATER	4,028,000	5,953,000	9,981,000	238,843	1,574,374	1,813,217	8,167,783	82%
SDC	950,000	610,000	1,560,000	100,472	55,029	155,501	1,404,499	90%
MRC	150,000	5,182,000	6,984,000	-	-	-	6,984,000	100%
TOTAL CITY-WIDE	\$29,892,000	\$28,737,000	\$60,281,000	\$ 5,129,742	\$ 3,689,077	\$ 7,537,698	\$50,076,726	83%



City of Milwaukee
Capital Improvement Projects Update - GENERAL FUND
Second Quarter for Fiscal Year Ending 2024
(Amounts in Thousands \$100 = \$100,000)

GENERAL FUND PROJECT NAME	DEPARTMENT	Project #	BUDGET FY 2023	BUDGET FY 2024	FY 2023 ACTUAL EXPENDITURE	Tickmark	UPDATED BN BUDGET	FY 2023 ACTUAL EXPENDITURE	FY 2024 ACTUAL EXPENDITURE	BN ACTUAL EXPENDITURES	BUDGET REMAINING	% OF BUDGET REMAINING	PROJECT SPECIFIC NOTE
Landbanking	Public Works Administration		\$ 50,000	\$ 50,000	\$ -		\$ 100,000	\$ 85,276	\$ -	\$ 85,276	\$ 14,724	15%	Complete; purchased Sparrow auxiliary parcel.
Dogwood Park	Public Works Administration		-	80,000			80,000	40,238	4,797	45,035	34,965	44%	Awaiting CoHo development
Milwaukee Bay Park	Public Works Administration	G06	250,000	750,000	-		1,000,000	40,238	4,797	45,035	954,965	95%	On hold
Scott Park	Public Works Administration	G06	927,000	-	-		927,000	40,238	4,797	45,035	881,965	95%	design/construction expected in spring
Balfour Park	Public Works Administration	G06	1,000,000	-	-		1,000,000	40,238	4,797	45,035	954,965	95%	design/construction expected in spring
Bowman-Brae Park	Public Works Administration	G06	700,000	-	-		700,000	40,238	4,796	45,034	654,966	94%	design/construction expected in spring
Technology Equipment	PEG	CH1	171,000	-			171,000	131,631	52,192	183,823	(12,823)	-7%	
Vehicles	City Manager	M20	80,000	-			80,000	40,000	-	40,000	40,000	50%	
Monroe Street Greenway	Engineering	T38	425,000	275,000			700,000	425,000	-	425,000	275,000	39%	
Window Replacements	Facilities	-	20,000	-			20,000	-	-	-	20,000	100%	
Fence & Gate	Facilities	CH1	-	60,000			60,000	-	59,063	59,063	937	2%	Fence on hold until July 2024; gate installed
Vehicle Chargers	Facilities	F50	-	50,000	-		50,000	96,401	-	96,401	(46,401)	-93%	
Johnson Creek Campus Fuel/Diesel Tank	Facilities	F42, F49	140,000	-	-		140,000	325,303	-	325,303	(185,303)	-132%	
Public Safety Building Vehicle Charger	Facilities	-	40,000	-	-		40,000	-	-	-	40,000	100%	Complete
Public Safety Building Exterior Paint	Facilities	-	35,000	-	-		35,000	-	-	-	35,000	100%	On hold
Ledding Library Vehicle Charger	Facilities	-	30,000	-	-		30,000	-	-	-	30,000	100%	Complete
Public Safety Building Seismic Retrofit	Facilities		-	1,500,000	-		1,500,000	156,702	124,089	280,791	1,219,209	81%	Will be completed December 2024
Johnson Creek Campus Remodel	Facilities		-	160,000	-		160,000	-	97,769	97,769	62,231	39%	In process
Public Safety Building Parking Lot Repair	Facilities	-	-	30,000	-		30,000	-	-	-	30,000	100%	On hold until July 2024
Bertman House Exterior Repair	Facilities	-	-	30,000	-		30,000	-	-	-	30,000	100%	On hold
Public Safety Building Carpet	Facilities	F52	-	20,000	-		20,000	34,760	-	34,760	(14,760)	-74%	Will be completed December 2024
Vehicles	Fleet	M20		60,000	-		60,000	40,000	-	40,000	20,000	33%	
Switch Refresh	Information Technology	I16	157,000	-	-		157,000	3,375	242,522	245,897	(88,897)	-57%	Ordered and being configured
Fleet / Vehicles	Police Department	Z09	165,000	165,000	-		330,000	150,289	77,055	227,344	102,656	31%	
GENERAL FUND TOTAL			\$ 4,190,000	\$ 3,230,000	\$ -		\$ 7,420,000	\$ 1,689,927	\$ 676,674	\$ 2,366,601	\$ 5,053,399	68%	

City of Milwaukie
 Capital Improvement Projects Update - **CITY HALL FUND**
 Second Quarter for Fiscal Year Ending 2024
(Amounts in Thousands \$100 = \$100,000)

MRC PROJECT NAME	DEPARTMENT	Project #	BUDGET FY 2023	BUDGET FY 2024	FY 2023 ACTUAL EXPENDITURE	Tickmark	UPDATED BN BUDGET	FY 2024 ACTUAL EXPENDITURE	BUDGET REMAINING	% OF BUDGET REMAINING	PROJECT SPECIFIC NOTE
Renovations	City Hall	CH1	\$1,800,000	\$ -	\$ -		\$ 1,800,000	\$ 668,333	\$ 304,622	17%	Amended scope; Council authorized additional funding. Some art created and installed. Larger art is being designed and fabricated. Installation to occur in 2024
Dedicated Art in Public Places	City Hall		125,000				125,000	-	125,000	100%	
Furniture & Equipment	City Hall	-	50,000	38,000	-		88,000	-	88,000	100%	
CITY HALL FUND TOTAL			\$ 1,975,000	\$ 38,000	\$ -		\$ 2,013,000	\$ 668,333	\$ 517,622	26%	

City of Milwaukie
Capital Improvement Projects Update - MRC FUND
Second Quarter for Fiscal Year Ending 2024
(Amounts in Thousands \$100 = \$100,000)

CITY HALL PROJECT NAME	DEPARTMENT	Project #	BUDGET FY 2023	BUDGET FY 2024	FY 2023 ACTUAL EXPENDITURE	Tickmark	UPDATED BN BUDGET	FY 2024 ACTUAL EXPENDITURE	BUDGET REMAINING	% OF BUDGET REMAINING	PROJECT SPECIFIC NOTE
Pre-development Assistance	MRC	-	\$ 150,000	\$ 150,000	\$ -		\$ 300,000	\$ -	\$ 300,000	100%	Contractor selected and program development is underway. Next advisory committee meeting January 2024
Developer Assistance Fund - Grants	MRC		\$ -	\$ 750,000	\$ -		\$ 750,000	\$ -	\$ 750,000	100%	
Tenant Improvements Fund - Grants	MRC		\$ -	\$ 500,000	\$ -		\$ 500,000	\$ -	\$ 497,043	99%	
Downtown Main Street Enhancements	MRC		\$ -	\$ 500,000	\$ -		\$ 500,000	\$ -	\$ 464,362	93%	
Downtown Streetscape Improvements	MRC		\$ -	\$ 500,000	\$ -		\$ 500,000	\$ -	\$ 500,000	100%	
Dogwood Park	MRC		\$ -	\$ 400,000	\$ -		\$ 400,000	\$ 40,238	\$ 354,965	89%	
Parking Solutions	MRC		\$ -	\$ 500,000	\$ -		\$ 500,000	\$ -	\$ 500,000	100%	
McLoughlin Intersection	MRC		\$ -	\$ 250,000	\$ -		\$ 250,000	\$ -	\$ 250,000	100%	
Transit Stop Improvements	MRC		\$ -	\$ 150,000	\$ -		\$ 150,000	\$ -	\$ 150,000	100%	
Small Business Development Fund - Grants	MRC		\$ -	\$ 150,000	\$ -		\$ 150,000	\$ -	\$ 150,000	100%	
Monroe Street Greenway	MRC		\$ -	\$ 1,332,000	\$ -		\$ 1,332,000	\$ -	\$ 1,332,000	100%	In process; working with Engineering
MRC FUND TOTAL			\$ 150,000	\$ 5,182,000	\$ -		\$ 5,332,000	\$ 40,238	\$ 5,248,370	98%	

City of Milwaukee
Capital Improvement Projects Update - **INFRASTRUCTURE**
Second Quarter for Fiscal Year Ending 2024
(Amounts in Thousands \$100 = \$100,000)

INFRASTRUCTURE PROJECT NAME	DEPARTMENT	Project #	BUDGET FY 2023	BUDGET FY 2024	FY 2023 ACTUAL EXPENDITURE	Technik	UPDATED BN BUDGET	FY 2021 ACTUAL EXPENDITURE	FY 2022 ACTUAL EXPENDITURE	BN ACTUAL EXPENDITURES	BUDGET REMAINING	% OF BUDGET REMAINING	PROJECT SPECIFIC NOTE
Harvey Street Improvements	SAFE	W56	\$ 1,129,000	\$ -	\$ -		\$ 1,129,000	\$ 356	\$ 30,506	\$ 30,862	\$ 1,098,138	97%	Project in design
	SSMP	W56	958,000	-	-		958,000	406	28,355	28,761	929,239	1	
	STORMWATER	W56	400,000	-	-		400,000	-	13,186	13,186	386,814	97%	
	WASTEWATER	W56	9,000	-	-		9,000	-	2,139	2,139	6,861	76%	
	WATER	W56	770,000	-	-		770,000	11,581	22,806	34,387	735,613	96%	
Harvey Street Improvements			\$ 3,266,000	\$ -	\$ -		\$ 3,266,000	\$ 12,343	\$ 96,992	\$ 109,335	\$ 3,156,665	97%	
Ardenwald North Improvements	SAFE	W61	\$ 765,000	\$ -	\$ -		\$ 765,000	\$ 75,579	\$ 90	\$ 75,669	\$ 689,331	90%	Preparing project to bid
	SSMP	W61	342,000	-	-		342,000	343	40	383	341,617	100%	
	STORMWATER	W61	300,000	-	-		300,000	120	21	141	299,859		
	WASTEWATER	W61	745,000	-	-		745,000	357	61	418	744,582	100%	
	WATER	W61	1,070,000	-	-		1,070,000	679	116	795	1,069,205	100%	
Ardenwald North Improvements			\$ 3,222,000	\$ -	\$ -		\$ 3,222,000	\$ 77,078	\$ 328	\$ 77,406	\$ 3,144,594	98%	
King Road Improvements	SAFE	A15	\$ 626,000	\$ 1,000,000	\$ -		\$ 1,626,000	\$ 15,886	\$ 121,885	\$ 137,771	\$ 1,488,229	92%	Project in design
	SSMP	A15	291,000	-	-		291,000	8,281	63,539	71,820	219,180	75%	
	STORMWATER	A15	27,000	180,000	-		207,000	712	5,462	6,174	200,826	97%	
King Road Improvements			\$ 944,000	\$ 1,180,000	\$ -		\$ 2,124,000	\$ 24,879	\$ 190,886	\$ 215,765	\$ 1,908,235	90%	
Home Avenue & Wood Avenue Improvements	STATE GAS TAX		\$ 470,000	-	\$ -		470,000	-	-	-	470,000	100%	Completed
	SAFE		\$ 556,000	-	-		556,000	-	-	-	556,000	100%	
	SSMP		\$ 705,000	-	-		705,000	-	-	-	705,000	100%	
	WATER		\$ 15,000	-	-		15,000	326	-	326	14,674	98%	
	WASTEWATER		\$ 180,000	-	-		180,000	25	-	25	179,975	100%	
	STORMWATER	-	\$ 231,000	-	-		231,000	-	-	-	231,000	100%	
Home Avenue & Wood Avenue Improvements			\$ 2,157,000	\$ -	\$ -		\$ 2,157,000	\$ 351	\$ -	\$ 351	\$ 2,156,649	100%	

INFRASTRUCTURE PROJECT NAME	DEPARTMENT	Project #	BUDGET FY 2023	BUDGET FY 2024	FY 2023 ACTUAL EXPENDITURE	Tickmark	UPDATED BN BUDGET	FY 2021 ACTUAL EXPENDITURE	FY 2022 ACTUAL EXPENDITURE	BN ACTUAL EXPENDITURES	BUDGET REMAINING	% OF BUDGET REMAINING	PROJECT SPECIFIC NOTE
Washington Street Area Improvements	SAFE	A13	\$ 282,000	\$ 1,600,000	\$ -		\$ 1,882,000	\$ 142,452	\$ 11,861	\$ 154,313	\$ 1,727,687	92%	Project under construction
	SSMP	A13	238,000	1,350,000	-		1,588,000	53,492	1,779	55,271	1,532,729	97%	
	STATE GAS TAX - FILOC	-	68,000	309,000	-		377,000	-	-	-	377,000	100%	
	WASTEWATER	A13	75,000	483,000	-		558,000	38,199	1,270	39,469	518,531	93%	
	STORMWATER	A13	370,000	2,100,000	-		2,470,000	157,594	5,458	163,052	2,306,948	93%	
	WATER	A13	85,000	405,000	-		490,000	24,222	806	25,028	464,972	95%	
Washington Street Area Improvements			\$ 1,118,000	\$ 6,247,000	\$ -		\$ 7,365,000	\$ 415,959	\$ 21,174	\$ 437,133	\$ 6,927,867	94%	
42nd Avenue & 43rd Avenue Improvements	SAFE	A05, A10,	\$ 255,000	\$ -	\$ -		\$ 255,000	\$ 143,157	\$ 504	\$ 143,661	\$ 111,339	44%	Completed
	SSMP	S16, A10	71,000	-	-		71,000	2,901	92	2,993	68,007	96%	
	STATE GAS TAX	A10, T50,	492,000	-	-		492,000	60,961	397	61,358	430,642	88%	
42nd Avenue & 43rd Avenue Improvements			\$ 818,000	\$ -	\$ -		\$ 818,000	\$ 207,019	\$ 993	\$ 208,012	\$ 609,988	75%	
Waverly South	SAFE	-	\$ 78,000	\$ -	\$ -		\$ 78,000	\$ -	\$ -	\$ -	\$ 78,000	100%	Project being scoped
	SSMP	-	359,000	-	-		359,000	-	-	-	359,000	100%	
	WASTEWATER	-	202,000	-	-		202,000	-	-	-	202,000	100%	
	WATER	-	115,000	-	-		115,000	-	-	-	115,000	100%	
Waverly South			\$ 754,000	\$ -	\$ -		\$ 754,000	\$ -	\$ -	\$ -	\$ 754,000	100%	
Crosswalk Art	SAFE	-	\$ 50,000	\$ -	\$ -		\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000	100%	
	Crosswalk Art		\$ 50,000	\$ -	\$ -		\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000	100%	

INFRASTRUCTURE PROJECT NAME	DEPARTMENT	Project #	BUDGET FY 2023	BUDGET FY 2024	FY 2023 ACTUAL EXPENDITURE	Tickmark	UPDATED BN BUDGET	FY 2021 ACTUAL EXPENDITURE	FY 2022 ACTUAL EXPENDITURE	BN ACTUAL EXPENDITURES	BUDGET REMAINING	% OF BUDGET REMAINING	PROJECT SPECIFIC NOTE
26th Avenue Improvements	SAFE	S27	\$ 10,000	\$ 57,000	\$ -		\$ 67,000	\$ 7,318	\$ -	\$ 7,318	\$ 59,682	89%	Started design
	SSMP	S27	12,000	68,000	-		80,000	6,129	-	6,129	73,871	92%	
	26th Avenue Improvements		\$ 22,000	\$ 125,000	\$ -		\$ 147,000	\$ 13,447	\$ -	\$ 13,447	\$ 133,553	91%	
SAFE Spot Improvements	SAFE	A16	\$ 180,000	\$ -	\$ -		\$ 180,000	\$ -	\$ 1,046	\$ 1,046	\$ 178,954	99%	Preparing grant with County to go out to bid
SAFE Spot Improvements			\$ 180,000	\$ -	\$ -		\$ 180,000	\$ -	\$ 1,046	\$ 1,046	\$ 178,954	99%	
International Way Improvements	SAFE	-	\$ -	\$ 132,000	\$ -		\$ 132,000	\$ -	\$ -	\$ -	\$ 132,000	100%	
	SSMP		-	68,000	-		68,000	-	-	-	68,000	100%	
	WATER		-	44,000	-		44,000	-	-	-	44,000	100%	
	WASTEWATER	-	-	18,000	-		18,000	-	-	-	18,000	100%	
	STORMWATER	-	-	18,000	-		18,000	-	-	-	18,000	100%	
	International Way Improvements		\$ -	\$ 280,000	\$ -		\$ 280,000	\$ -	\$ -	\$ -	\$ 280,000	100%	
Logus Road, 40th & 42nd Avenue	SAFE		-	131,000	\$ -		\$ 131,000	\$ -	\$ -	\$ -	\$ 131,000	100%	Intersection study in process, project being scoped
	SSMP		-	248,000	-		248,000	-	-	-	248,000	100%	
	WATER		-	65,000	-		65,000	-	-	-	65,000	100%	
	WASTEWATER		-	70,000	-		70,000	-	260	260	69,740	100%	
	STORMWATER		-	214,000	-		214,000	1,484	275	1,759	212,241	99%	
	TRANSPORTATION - SDC		100,000	-	-		100,000	-	55,029	55,029	44,971	45%	
Logus Road, 40th & 42nd Avenue		\$ 100,000	\$ 728,000	\$ -		\$ 828,000	\$ 1,484	\$ 55,564	\$ 57,048	\$ 770,952	93%		
Transportation Capital Maintenance Program (Crack Seal/Slurry	SSMP	S28	\$ 500,000	\$ 500,000	\$ -		\$ 1,000,000	\$ -	\$ 4,405	\$ 4,405	\$ 995,595	100%	This year crack and slurry seal completed, starting to prepare for next year
	STATE GAS TAX	S28	500,000	500,000	-		1,000,000	-	4,405	4,405	995,595	100%	
Transportation Capital Maintenance Program (Crack Seal/Slurry Seal)			\$ 1,000,000	\$ 1,000,000	\$ -		\$ 2,000,000	\$ -	\$ 8,810	\$ 8,810	\$ 1,991,190	100%	

INFRASTRUCTURE PROJECT NAME	DEPARTMENT	Project #	BUDGET FY 2023	BUDGET FY 2024	FY 2023 ACTUAL EXPENDITURE	Tickmark	UPDATED BN BUDGET	FY 2021 ACTUAL EXPENDITURE	FY 2022 ACTUAL EXPENDITURE	BN ACTUAL EXPENDITURES	BUDGET REMAINING	% OF BUDGET REMAINING	PROJECT SPECIFIC NOTE
Street Surface Slurry Seal	SSMP	-	\$ 250,000	\$ 250,000	\$ -		\$ 500,000	\$ -	\$ -	\$ -	\$ 500,000	100%	Completed, preparing for next year
	Street Surface Slurry Seal		\$ 250,000	\$ 250,000	\$ -		\$ 500,000	\$ -	\$ -	\$ -	\$ 500,000	100%	
Monroe Street Greenway	STATE GAS TAX	T38	\$ 772,000	\$ 389,000	\$ -		\$ 1,161,000	\$ 517,819	\$ -	\$ 517,819	\$ 643,181	55%	
	STATE GAS TAX - FILOC		89,000	1,461,000	-		1,550,000	-	-	-	1,550,000	100%	Selected consultant for design
	TRANSPORTATION - SDC		-	290,000	-		290,000	-	-	-	290,000	100%	
	ENGINEERING		700,000	275,000	-		975,000	425,000	-	425,000	550,000	56%	
	Monroe Street Greenway		\$ 1,561,000	\$ 2,415,000	\$ -		\$ 3,976,000	\$ 942,819	\$ -	\$ 942,819	\$ 3,033,181	76%	
Residential Street Surface Repair	STATE GAS TAX	-	\$ 500,000	\$ 500,000	\$ -		\$ 1,000,000	\$ -	\$ -	\$ -	\$ 1,000,000	100%	Completed and preparing for another bid for Jan 2024
	Residential Street Surface Repair		\$ 500,000	\$ 500,000	\$ -		\$ 1,000,000	\$ -	\$ -	\$ -	\$ 1,000,000	100%	
Signal Upgrades	STATE GAS TAX	T57	\$ 100,000	\$ 100,000	\$ -		\$ 200,000	\$ -	\$ 32,118	\$ 32,118	\$ 167,882	84%	Study in process
	Signal Upgrades		\$ 100,000	\$ 100,000	\$ -		\$ 200,000	\$ -	\$ 32,118	\$ 32,118	\$ 167,882	84%	
Downtown Curbs & Storm	STATE GAS TAX	T58	50,000	-	-		50,000	7,962	7,516	15,478	34,522	69%	
	STORMWATER	-	250,000	-	-		250,000	-	-	-	250,000	100%	Preparing to go out to bid
	Downtown Curbs & Storm		\$ 300,000	\$ -	\$ -		\$ 300,000	\$ 7,962	\$ 7,516	\$ 15,478	\$ 284,522	95%	
Downtown Public Area Requirements	TRANSPORTATION - SDC	-	\$ 250,000	\$ -	\$ -		\$ 250,000	\$ -	\$ -	\$ -	\$ 250,000	100%	CoHo Point Apts delayed to 2024; project is tied to that development
	Downtown Public Area Requirements		\$ 250,000	\$ -	\$ -		\$ 250,000	\$ -	\$ -	\$ -	\$ 250,000	100%	
Transportation System Plan	TRANSPORTATION - SDC	P01	\$ 350,000	\$ -	\$ -		\$ 350,000	\$ 100,000	\$ -	\$ 100,000	\$ 250,000	71%	In progress
	Transportation System Plan		\$ 350,000	\$ -	\$ -		\$ 350,000	\$ 100,000	\$ -	\$ 100,000	\$ 250,000	71%	
Transportation Rate Study	TRANSPORTATION - SDC	-	\$ 50,000	\$ -	\$ -		\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000	100%	TBD after TSP is completed
	Transportation Rate Study		\$ 50,000	\$ -	\$ -		\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000	100%	
SCADA Design and Construction	WATER	W44	\$ 800,000	\$ -	\$ -		\$ 800,000	\$ 13,747	\$ 136,446	\$ 150,193	\$ 649,807	81%	Awarded contract to TSI; construction expected to begin late July
	WASTEWATER	X21	635,000	-	-		635,000	13,747	136,446	150,193	484,807	76%	
	SCADA Design and Construction		\$ 1,435,000	\$ -	\$ -		\$ 1,435,000	\$ 27,494	\$ 272,892	\$ 300,386	\$ 1,134,614	79%	
Water Capital Maintenance Program	WATER	W03	\$ 100,000	\$ 100,000	\$ -		\$ 200,000	\$ -	\$ 11,600	\$ 11,600	\$ 188,400	94%	
	Water Capital Maintenance Program		\$ 100,000	\$ 100,000	\$ -		\$ 200,000	\$ -	\$ 11,600	\$ 11,600	\$ 188,400	94%	

INFRASTRUCTURE PROJECT NAME	DEPARTMENT	Project #	BUDGET FY 2023	BUDGET FY 2024	FY 2023 ACTUAL EXPENDITURE	Percent Funded	UPDATED BN BUDGET	FY 2021 ACTUAL EXPENDITURE	FY 2022 ACTUAL EXPENDITURE	BN ACTUAL EXPENDITURES	BUDGET REMAINING	% OF BUDGET REMAINING	PROJECT SPECIFIC NOTE
Well #6 & #7 Reconditioning Project	WATER	-	\$ 60,000	\$ -	\$ -		\$ 60,000	\$ -	\$ -	\$ -	\$ 60,000	100%	
Well #6 & #7 Reconditioning Project			\$ 60,000	\$ -	\$ -		\$ 60,000	\$ -	\$ -	\$ -	\$ 60,000	100%	
Water Automation & Control Upgrades	WATER	-	\$ 60,000	\$ 60,000	\$ -		\$ 120,000	\$ -	\$ -	\$ -	\$ 120,000	100%	
Water Automation & Control Upgrades			\$ 60,000	\$ 60,000	\$ -		\$ 120,000	\$ -	\$ -	\$ -	\$ 120,000	100%	
Well #1 & #5 Improvements	WATER	-	\$ 50,000	\$ 50,000	\$ -		\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000	100%	
Well #1 & #5 Improvements			\$ 50,000	\$ 50,000	\$ -		\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000	100%	
Well #8	WATER	-	\$ -	\$ 250,000	\$ -		\$ 250,000	\$ -	\$ -	\$ -	\$ 250,000	100%	Have developed bid specs for chemical and mechanical cleaning.
Well #8			\$ -	\$ 250,000	\$ -		\$ 250,000	\$ -	\$ -	\$ -	\$ 250,000	100%	
40th & Harvey Concrete Reservoir	WATER	-	\$ -	\$ 150,000	\$ -		\$ 150,000	\$ -	\$ -	\$ -	\$ 150,000	100%	
40th & Harvey Concrete Reservoir			\$ -	\$ 150,000	\$ -		\$ 150,000	\$ -	\$ -	\$ -	\$ 150,000	100%	
Water System Intertie Evaluation	WATER	-	\$ -	\$ 125,000	\$ -		\$ 125,000	\$ -	\$ -	\$ -	\$ 125,000	100%	Considering and evaluating options with Oak Lodge
Water System Intertie Evaluation			\$ -	\$ 125,000	\$ -		\$ 125,000	\$ -	\$ -	\$ -	\$ 125,000	100%	
Well #4 Reconditioning	WATER	-	\$ -	\$ 60,000	\$ -		\$ 60,000	\$ -	\$ -	\$ -	\$ 60,000	100%	
Well #4 Reconditioning			\$ -	\$ 60,000	\$ -		\$ 60,000	\$ -	\$ -	\$ -	\$ 60,000	100%	
Well House HVAC Upgrades	WATER	-	\$ -	\$ 50,000	\$ -		\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000	100%	
Well House HVAC Upgrades			\$ -	\$ 50,000	\$ -		\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000	100%	
Stanley Reservoir Improvements	WATER	W23, ARP	\$ 1,385,000	\$ 1,315,000	\$ -		\$ 2,700,000	\$ 44,765	\$ 7,248	\$ 52,013	\$ 2,647,987	98%	Finalizing construction documents for bidding. Solicit Bids summer 2023.
Stanley Reservoir Improvements			\$ 1,385,000	\$ 1,315,000	\$ -		\$ 2,700,000	\$ 44,765	\$ 7,248	\$ 52,013	\$ 2,647,987	98%	
Wastewater System Improvements	WASTEWATER	X39	\$ 625,000	\$ -	\$ -		\$ 625,000	\$ 704,701	\$ 98,918	\$ 803,619	\$ (178,619)	-29%	Completed, added additional scope to project
Wastewater System Improvements			\$ 625,000	\$ -	\$ -		\$ 625,000	\$ 704,701	\$ 98,918	\$ 803,619	\$ (178,619)	-29%	
Pump Station Lift & Scada Controls Replacement	WASTEWATER	-	\$ 50,000	\$ 50,000	\$ -		\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000	100%	
Pump Station Lift & Scada Controls Replacement			\$ 50,000	\$ 50,000	\$ -		\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000	100%	
Wastewater Capital Maintenance Program	WASTEWATER	-	\$ 50,000	\$ 50,000	\$ -		\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000	100%	
Wastewater Capital Maintenance Program			\$ 50,000	\$ 50,000	\$ -		\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000	100%	
Pump Station Condition Assessments	WASTEWATER	-	\$ 30,000	\$ -	\$ -		\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	100%	
Pump Station Condition Assessments			\$ 30,000	\$ -	\$ -		\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	100%	
Waverly Heights Sewer System Reconfiguration	WASTEWATER	X41	\$ 400,000	\$ 2,600,000	\$ -		\$ 3,000,000	\$ -	\$ 153	\$ 153	\$ 2,999,847	100%	Project in design
Waverly Heights Sewer System Reconfiguration	WASTEWATER - SDC		-	170,000.00	-		170,000	-	-	-	170,000	100%	
Waverly Heights Sewer System Reconfiguration			\$ 400,000	\$ 2,770,000	\$ -		\$ 3,170,000	\$ -	\$ 153	\$ 153	\$ 3,169,847	100%	

INFRASTRUCTURE PROJECT NAME	DEPARTMENT	Project #	BUDGET FY 2023	BUDGET FY 2024	FY 2023 ACTUAL EXPENDITURE	Tickmark	UPDATED BN BUDGET	FY 2021 ACTUAL EXPENDITURE	FY 2022 ACTUAL EXPENDITURE	BN ACTUAL EXPENDITURES	BUDGET REMAINING	% OF BUDGET REMAINING	PROJECT SPECIFIC NOTE
Manhole Surveying	WASTEWATER	-	\$ -	\$ 25,000	\$ -		\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	100%	
	Manhole Surveying		\$ -	\$ 25,000	\$ -		\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	100%	
Meek Street Improvements, North Phase	STORMWATER	Y11	\$ 1,500,000	\$ 3,090,000	\$ -		\$ 4,590,000	\$ 2,755	\$ 1,327,918	\$ 1,330,673	\$ 3,259,327	71%	Project under construction
	Meek Street Improvements, North Phase		\$ 1,500,000	\$ 3,090,000	\$ -		\$ 4,590,000	\$ 2,755	\$ 1,327,918	\$ 1,330,673	\$ 3,259,327	71%	

INFRASTRUCTURE PROJECT NAME	DEPARTMENT	Project #	BUDGET FY 2023	BUDGET FY 2024	FY 2023 ACTUAL EXPENDITURE	Tickmark	UPDATED BN BUDGET	FY 2021 ACTUAL EXPENDITURE	FY 2022 ACTUAL EXPENDITURE	BN ACTUAL EXPENDITURES	BUDGET REMAINING	% OF BUDGET REMAINING	PROJECT SPECIFIC NOTE
Stormwater Capital Maintenance Program	STORMWATER	-	\$ 150,000	\$ 150,000	\$ -		\$ 300,000	\$ -	\$ -	\$ -	\$ 300,000	100%	
Stormwater Capital Maintenance Program			\$ 150,000	\$ 150,000	\$ -		\$ 300,000	\$ -	\$ -	\$ -	\$ 300,000	100%	
Flood Mitigation Grant Match (FEMA)	STORMWATER	-	\$ 50,000	\$ 50,000	\$ -		\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000	100%	
Flood Mitigation Grant Match (FEMA)			\$ 50,000	\$ 50,000	\$ -		\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000	100%	
Stormwater Quality Facilities	STORMWATER	-	\$ -	\$ 79,000	\$ -		\$ 79,000	\$ -	\$ -	\$ -	\$ 79,000	100%	
Stormwater Quality Facilities			\$ -	\$ 79,000	\$ -		\$ 79,000	\$ -	\$ -	\$ -	\$ 79,000	100%	
Kellogg Dam	STORMWATER	Y38	\$ 585,000	\$ -	\$ -		\$ 585,000	\$ 55,325	\$ 222,054	\$ 277,379	\$ 307,621	53%	In progress
Kellogg Dam			\$ 585,000	\$ -	\$ -		\$ 585,000	\$ 55,325	\$ 222,054	\$ 277,379	\$ 307,621	53%	
Stormwater Master Plan	STORMWATER	Y37	\$ 200,000	\$ 150,000	\$ -		\$ 350,000	\$ 472	\$ -	\$ 472	\$ 349,528	100%	Consultant selected
Stormwater Master Plan			\$ 200,000	\$ 150,000	\$ -		\$ 350,000	\$ 472	\$ -	\$ 472	\$ 349,528	100%	
TOTAL CITY-WIDE INFRASTRUCTURE PROJECTS			\$ 23,722,000	\$ 21,399,000	\$ -		\$ 45,121,000	\$ 2,638,853	\$ 2,356,210	\$ 4,995,063	\$ 40,125,937		



CITY OF MILWAUKIE, OREGON
CITY HALL – FINANCE DEPARTMENT
10501 SE MAIN STREET
MILWAUKIE, OR 97222



BUDGET COMMITTEE

In-person and Video Meeting
www.milwaukieoregon.gov

MINUTES

November 13, 2023

Present: Lisa Batey, David Chitsazan, William Johnson, Robert Massey,
Desi Nicodemus, Mary Rowe, Leslie Schockner, Sofie Sherman-Burton, Rebecca Stavenjord

Absent: Adam Khosroabadi (excused)

Guest(s): None

Staff: Finance Director Toby LaFrance
City Manager Ann Ober
Assistant Finance Director Michael Osborne

Public Works Director Peter Passarelli
Assistant City Manager Emma Sagor
Accountant Judy Serio

1. CALL TO ORDER

Chair Schockner called the committee meeting to order at 5:32 pm.

2. INTRODUCTIONS

Committee members and staff introduced themselves.

3. APPROVAL OF MINUTES

Schockner requested the August 14, 2023, minutes be pulled from the agenda due to lack of detail on some of the agenda items discussed.

Schocker commented on the proposed Citizen's Utility Advisory Board (CUAB) meeting dates and suggested a meeting be scheduled to discuss CUAB roles and responsibilities.

LaFrance pointed out there was an agenda item to discuss the CUAB ~~but and~~ the Committee could discuss the matter now. The first tentative CUAB meeting on December 4 is scheduled to be an orientation to discuss roles and responsibilities. The CUAB will have additional meetings with respect to the upcoming budget as it pertains to utility rates and the Capital Improvement Plan (CIP). Staff wants to make sure the Budget Committee and CUAB balance their responsibilities and meet City Council expectations. There will be quarterly meetings of the CUAB ahead of scheduled Budget Committee meetings.

Chitsazan commented it would be beneficial to have separate meetings of each committee to allow the public to attend to speak on utility rates specifically.

Schockner requested historical documents of prior CUAB meetings and asked who the staff liaison for the CUAB is. **LaFrance** would be the primary staff liaison and **Passarelli** or a public works staff person would attend meetings. Staff confirmed that historical CUAB documents would be provided to the committee.

Batey encouraged City Councilors to attend the CUAB's January 8, 2024, meeting to receive an in-depth review of the CIP for the upcoming budget.

4. PUBLIC COMMENTS

Elvis Clark, Milwaukie resident, commented on the property tax graph on page 6 of the quarterly report.

Committee members discussed the graph, possible additional data or graphs that could be provided, and city revenues generally. Members were directed to the biennium budget document for additional information on revenue. **Mayor Batey** commented that the property tax section of the report is important as it pertains to state measures 5 and 50 that have made it difficult for cities to balance budgets. **Ober** noted this is the public comment part of the meeting and discussion should be continued later in the meeting.

William Anderson, Milwaukie resident, commented on state measures 5 and 50 and what cities need to focus on for additional revenue streams.

5. STRATEGIC PLAN AND VISION/MISSION/VALUES PROCESS

Sagor updated members on the internal process of developing an operational strategic plan. The plan will bring the community vision to staff and daily operations. There are no plans to make staff reductions, nor will there be new departments created; the goal is to be strategic and focused. Statements of the vision, mission, and values and next steps were shared with members.

6. CITY MANAGER UPDATE

Ober welcomed the committee to the new city hall. Ober then presented her report, starting with cCurrently, there are several large construction projects underway, including King Road improvements, the Henley Place Apartments, the county's Hillside redevelopment, and a new Bonaventure senior care facility. Materials and services spending has increased considerably compared to the prior six years due in part to state testing issues for police-to-police-state testing issues, the cooling system at the library, inflation, and several issues that will be discussed later in the meeting.

Batey asked for additional details about the library's cooling system and why it would not be covered under warranty. **Ober** explained that the system parts are under warranty but determining the issue is the out-of-pocket cost for the city. **Passarelli** stated staff had been working with the installer and the cooling system's builder to identify the issue.

Committee members discussed the cooling issues, cost, and logistics of the system.

7. QUARTERLY REPORT

LaFrance began with the quarter's highlights of the fund balances, the high interest rate of the Local Government Investment Pool (LGIP), and the outstanding utility receivables table that is no longer included in the report due to the status of past due utility payments having returned to pre-covid levels. The property tax graph on page 6 reflects the library's portion of property taxes now in the General Fund. Page 7, franchise agreements with Portland General Electric (PGE) and NW Natural Gas are converting to right-of-way (ROW) code. Page 8, staffing level table illustrates 3% of positions were vacant during the quarter.

Schockner requested the table on page 9 be updated for all city revenues. **Lafrance** responded that the city receives revenues that do not have a specific timeframe of receipt and therefore are not included in the table. The threshold for adding notes is based on 20% over/under revenues and expenses.

Lafrance continued to page 10, fund balances reflect property tax revenues not received yet and the Construction Excise Tax (CET) Fund distributed a large grant for development. Going into the financial statements, the notes are based on a threshold and

that is what drives each fund's comments in the report. The General Fund summary reflects property taxes, intergovernmental revenue and beginning of the fiscal year (FY) expenses in some departments. The Transportation Fund reflects a two-month lag in gas tax revenue. Obligated fund tables reflect capital projects and expenditures which are significantly higher in the utility funds.

Chitsazan stated that most of the expenses in non-departmental funds are insurance and dues and subscription expense and asked to have each in separate categories. **Lafrance** responded the date would be displayed differently in the upcoming budget. A big portion of the expenses in non-departments are debt service, insurance, and transfers.

Committee discussion ensued on the property tax graph and other items to include in future reports.

8. REVIEW PROPOSED SUPPLEMENTAL BUDGET

LaFrance stated the supplemental budget is being presented to the committee for informational purposes only and will be going to City Council on November 14. The supplemental budget includes a reassignment of a community development position to the Building Fund and will add materials and services budget in the Building Fund. An addition to the facilities budget for increased and unexpected costs, one expense being the library's cooling system. Parks and solar grants work being funded, and centralizing office supplies budget are included in the supplemental budget.

Batey asked if the addition of a building department position coming from community development, is the potential parks position. **Ober** responded that community development still has a vacancy that will be available to support Council goals.

9. CITIZEN'S UTILITY ADVISORY BOARD

Schockner stated that the members should be provided access to the presentation slide decks. ~~would be helpful.~~

Committee members did not have any further discussion on this agenda item as it was discussed earlier in the meeting.

10. REVIEW INITIAL DRAFT OF FINANCIAL FORECAST

LaFrance began the discussion by providing history on previous years' financial forecasts which were budget-based forecasts. The forecast handout to the committee attempts to forecast actual expenditures. This will result in lower expenses against forecasted revenues that will provide a longer horizon of sustainability. Revenues will be based on historical trends. Expenditures will be based on historical growth and expenditure rate. Expenditures exceed revenues by approximately \$1 million per year. **Ober** was not concerned with the shortfall and suggested staff should be able to balance the budget.

LaFrance clarified that some of the funding gap is related to the use of federal American Recovery Plan Act (ARPA) funds the city received. The budget process will kick off with staff in November with department pursuing a hold the line budget.

11. OTHER BUSINESS

None.

12. ADJOURN

It was moved by Member Johnson and seconded by Member Rowe to adjourn the meeting. Motion passed with the following vote: Mayor Batey, Member Chitsazan, Member Johnson, Councilor Massey, Councilor Nicodemus, Member Rowe, Chair Schockner, Member Sherman-Burton, Councilor Stavenjord voting “aye.” (9:0)

Chair Schockner adjourned the meeting at 7:04 pm.

Respectfully submitted,

Judy Serio, Secretary / Accountant

DRAFT FY 2025 & FY2026 Biennial

Updated: 12/22/2023

Budget Calendar

ACTIVITY	Lead	START	END	NOTES
Budget System Training	All Departments	12/04/2023	12/15/2023	Training by Department. Staff receive budget system access after training.
Budget system open to department staff	Finance	12/04/2023	01/31/2024	
Review of Cost Allocation Criteria	All Departments	12/15/2023	01/15/2024	Review criteria with funds that pay for central services and those that provide the services
Assistant City Manager/Department meetings on Strategic Plan and Budget Development	Emma	01/08/2024	01/24/2024	Suzanne C to schedule
CIP inputs needed to Jen and Peter	Michael	01/22/2024		Needed by 1/22: -- Personnel expense forecast for utility funds for both years (Michael) -- Miscellaneous revenue projections (Michael/Peter) -- Assumptions on transfer from utility funds (Michael/Peter) -- SDC reimbursement projections (Jeff) -- List of projects that will extend past June 30 (Jen) - still working on it Needed by 1/25: -- Chapter 2: Facilities, Vehicles, and IT lists (Peter, Mike, Joe G, Michael) -- Chapter 3: URA
First Draft of Budget and Narrative Due to Finance	All Departments	01/26/2024		
City Manager / Department Head Meetings	City Managers Offi	01/29/2024	02/14/2024	Suzanne C to schedule
CIP Budgets due to Finance	All Departments	01/29/2024		Changes in the budget form made by Finance staff after this date. Team will meet on 1/31 to review
Leadership Team Budget discussions	Leadership Team	02/01/2024	03/18/2024	Discuss base budget, budget proposals, changes to fees beyond inflation. Updates to forecast.
CUAB Meeting	Finance/PW	02/05/2024		Discuss potential changes to fees and charges. Judy/Emma/Michael lead on posting
Budget Committee Meeting	Finance	02/12/2024		Includes CUAB. Present draft of CIP. Jen to prepare main part of the presentation: --Brief discussion of how we've prioritized to date (and brief mention of how we plan to evolve this for next CIP) - "2 north stars" -- Walk through major projects Judy/Emma/Michael lead on posting
Department Narrative Draft comments and suggested changes from Finance to Departments	Finance	02/16/2024		
All Budget Items from Departments due	All Departments	03/01/2024		Includes budget dollars in OpenGov plus budget text and narratives
Changes to Consolidated Fees and Charges	All Departments	03/01/2024		Submit all proposed changes to the fees and charges with justification for changes beyond index.
Proposed Budget Decisions Finalized	Finance/CM	03/14/2024		Pencils Down! All policy decisions finalized. Dollar changes may be needed to fulfill policy decisions. Departments will be contacted as needed. CIP included
Prepare Budgets, MRC, CIP, & Forecast sections of Draft Proposed Budget Document	Finance	03/15/2024	04/01/2024	Laid out versions of CIP project pages
External review of Budgets, MRC, CIP & Forecast sections of Draft Proposed Budget Document	Contracted Reviewer	04/02/2024	04/12/2024	
Prepare Remaining sections of Proposed Budget Document	Finance/CM	04/02/2024	04/12/2024	
Finalize Proposed Budget Document	Finance/CM	04/15/2024	04/19/2024	
Proposed Budget sent to printer and posted online	Finance	04/19/2024		IN-HOUSE layout by this time; not professional.
Budget Committee Meeting	Finance/CM	04/27/2024		Provide printed copies of the proposed budget. Present Budget Message, Forecast
Budget Committee Meeting	Finance/CM	05/04/2024		Department Presentations and Committee Deliberations. Approve Budget and property tax levy.
Budget Committee Meeting (if needed)	Finance/CM	05/11/2024		(if needed) Continued deliberations and Approve Budget and property tax levy
Professional layout		05/11/2024	05/28/2024	
Council adoption of Budget including CIP	Finance	06/04/2024		Budget resolution, Fee Schedule, State Shared Rev and Rev Sharing, MRC resolution



Budget Committee Meeting

February 12, 2024

AGENDA

1. Introductions
2. Approval of minutes
3. Public comment
4. City Manager update
5. Budget development update
6. Utility rate update
7. Capital improvement plan update
8. Quarterly report questions
9. Other business
10. Adjourn



City Manager Update

Ann Ober, City Manager

MAJOR UPDATES

- Finance leadership transition
- Sale of Historic City Hall
- Nonprofit low-income housing tax exemption
- Capital Improvement Plan (CIP)
 - Preparations well underway for current biennium
 - Outreach set to begin this summer to inform criteria for next CIP



Budget Development Update

Emma Sagor, Assistant City Manager
Michael Osborne, Assistant Finance Director

February 12, 2024

BUDGET CALENDAR



- **January – February:**

- CUAB input on rates
- Truing up FY 24 actuals and sharpening forecast
- Department budget proposal development
- CM/Finance/Department Head meetings

- **March – April:**

- March 1: Final department budgets due
- March 14: Pencils down, internal decisions finalized
- April 2: Fee schedule presented to Council
- Prepare full draft budget book

- **Budget Committee next steps:**

- April 27: Receive budget book, receive budget message and final forecast update
- May 4: Department presentations and committee deliberation
- May 11 (If needed): Continued deliberation
- June 4: Budget adoption

QUALITY ASSURANCE

- Contracting with support services to advise on budget process and QA/QC full document
- Plan to postpone professional graphic design until after Budget Committee deliberations

FORECAST UPDATE

- Methodology: Consistent with BN 23-24
- Picture comes into clearer focus as proposed budgets are entered and FY 23 and FY 24 actuals are trued up
- Overarching picture appears the same:
 - Facing a General Fund deficit starting FY 28
 - Facing deficits in Transportation and Water funds starting FY 28
 - Personnel impacts unknown as contract negotiations are ongoing
 - “Hold the Line” budget for this biennium in terms of FTE and M&S



Utility Rate Update

Peter Passarelli, Public Works Director

February 12, 2024

Staff Rate and CUAB Recommendations



- Water – 3%, 3%
 - Long-term projection
 - Develop higher confidence Project Estimates
 - Cost of Service Study and Financing Plan
- WW – 0%, 0%
 - 2.5% projected increase in FY 2027 through FY 2028
 - Cost of Service Study
- Storm – 0%, 0%
 - 2.5% increase in FY 2027 and FY 2028
 - Storm System Plan will update future Capital
- Transportation
 - SAFE – 5.64 % - Seattle CCI 5 yr Average
 - SSMP – 5.64%
 - Proceeds from 2023 Bond should be expended by 2026/2027

Assumptions



- Minor Growth – less than 0.5%
 - Mainly Multi Family
 - avg 3.8 units of water for each new multi family unit
- No new large water customers
- No change in customer water usage
- Expenses
 - Increases for electricity and material costs
 - Budget assumes CIP -100% expenditures
 - Target 75%
 - Historically 50-55%

Policy Reserve Requirements



- Water - Below Target in FY 2028 due to Capital Program
- Wastewater – Current projections indicate fund above target through 2030
 - Includes 2.5% increase beginning in 2027
- Storm – Current Projections indicate fund above target through 2030
 - Includes 2.5% increase beginning in 2027
- SAFE – Current Projections Indicate fund below target in 2028
 - May require additional increase to cover regular expenditures.
(Transfer and Debt Service)
- SSMP - Current Projections indicate fund above target through 2030.

Capital Improvement Plan update



Washington Area Improvements



Project Cost - \$7,929,729

Project to cross over FY 2024 to be completed in FY 2025

Funds will roll over through a supplemental

**Central Monroe Greenway: transitions from intersection;
\$1.55 M thru IGA with ODOT, plus City UR and city
transportation funds - 2025/26**

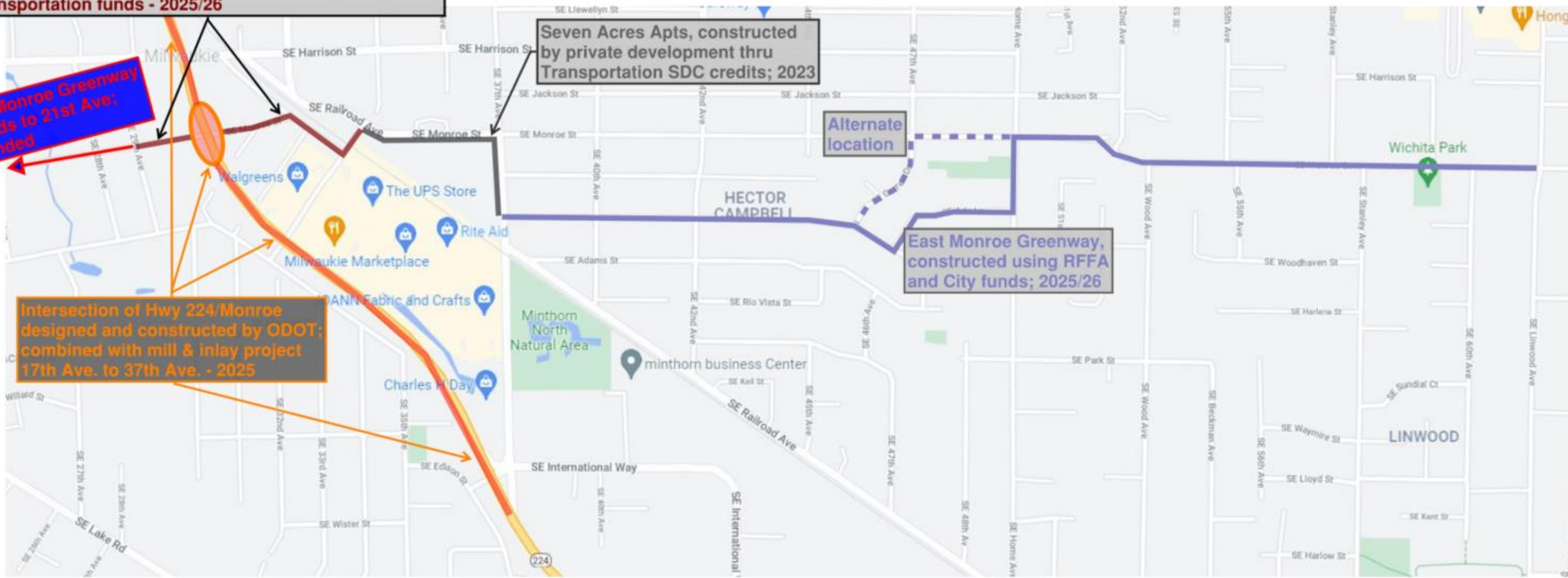
**Seven Acres Apts, constructed
by private development thru
Transportation SDC credits; 2023**

**Alternate
location**

**East Monroe Greenway,
constructed using RFFA
and City funds; 2025/26**

**West Monroe Greenway
extends to 21st Ave;
unfunded**

**Intersection of Hwy 224/Monroe
designed and constructed by ODOT;
combined with mill & inlay project
17th Ave. to 37th Ave. - 2025**



Monroe Greenway

East Monroe Greenway –

Cost \$5,757,788

Construct late FY 2026 to FY 2027

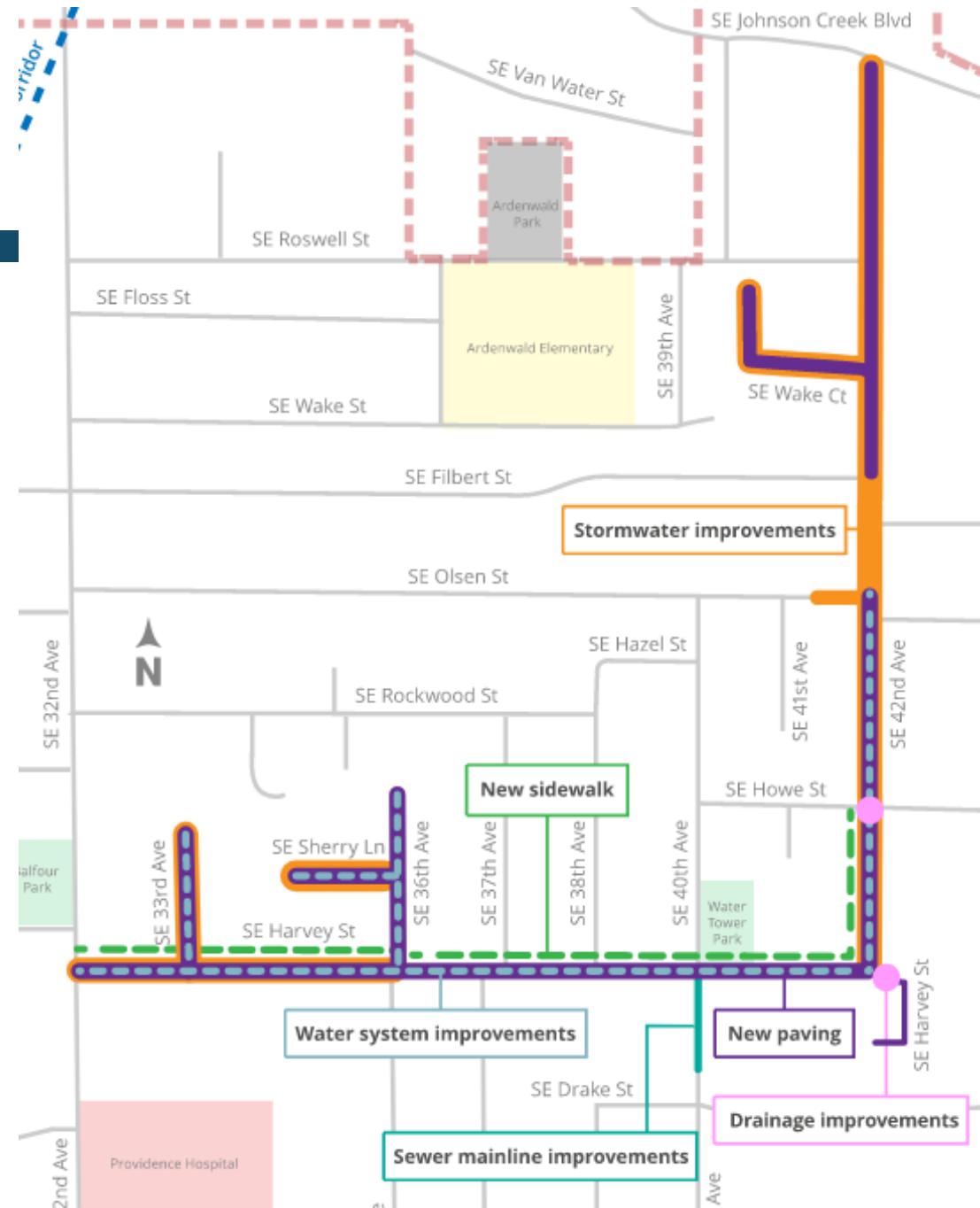
Central Monroe Greenway –

Cost \$ 3,132,000

Construct FY 2026

Harvey Street Improvements

- Cost \$5,018,000
- Construction to start in FY 2025 and finish in FY 2026
- Additional Wastewater and dead-end streets to pave

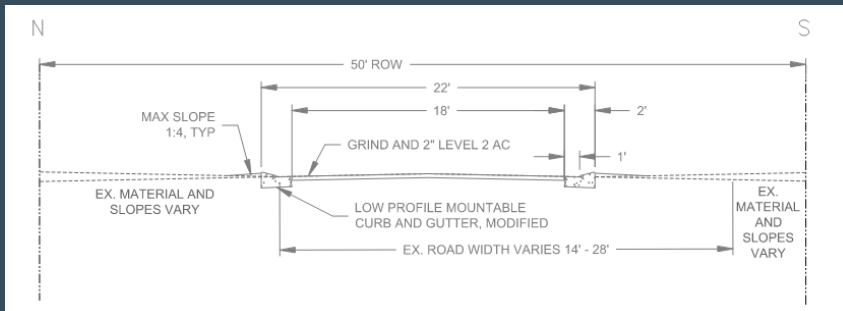
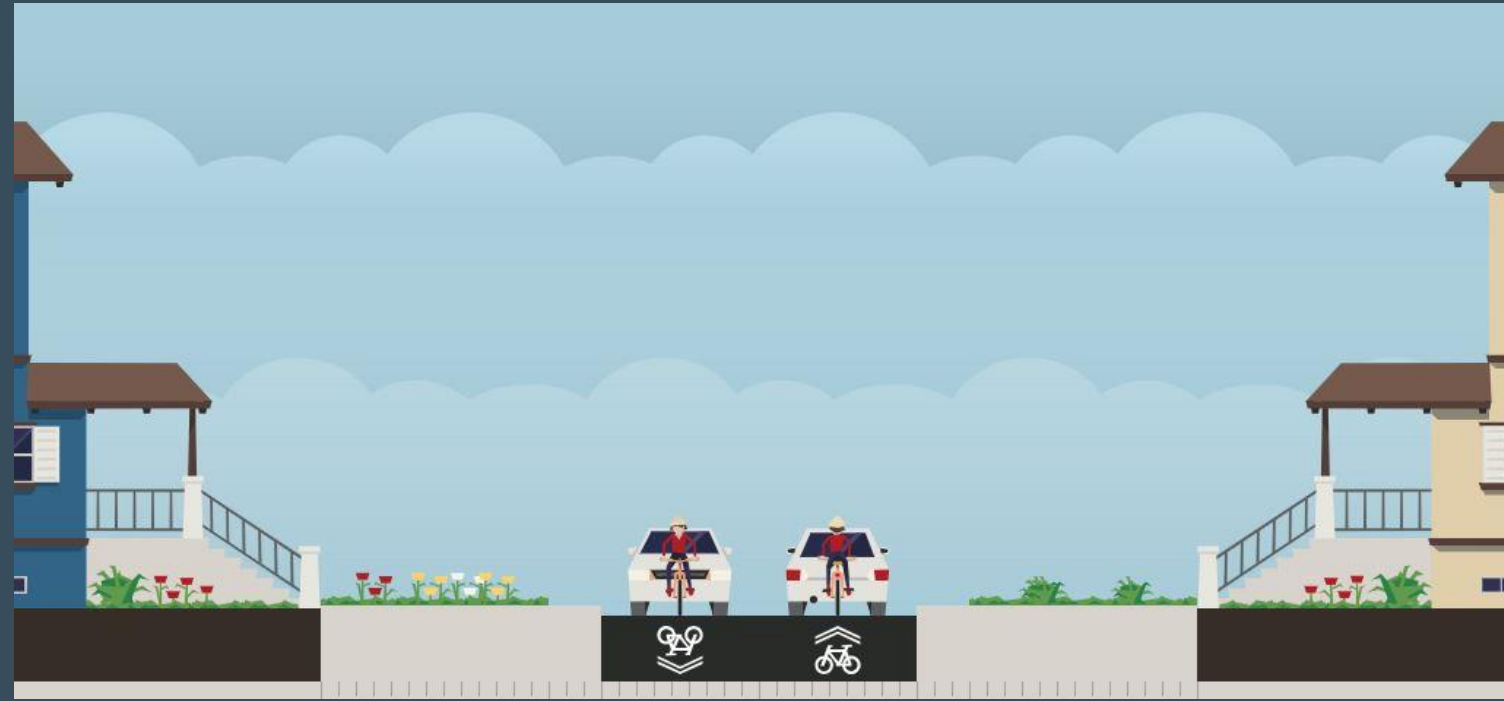


Ardenwald North Improvements

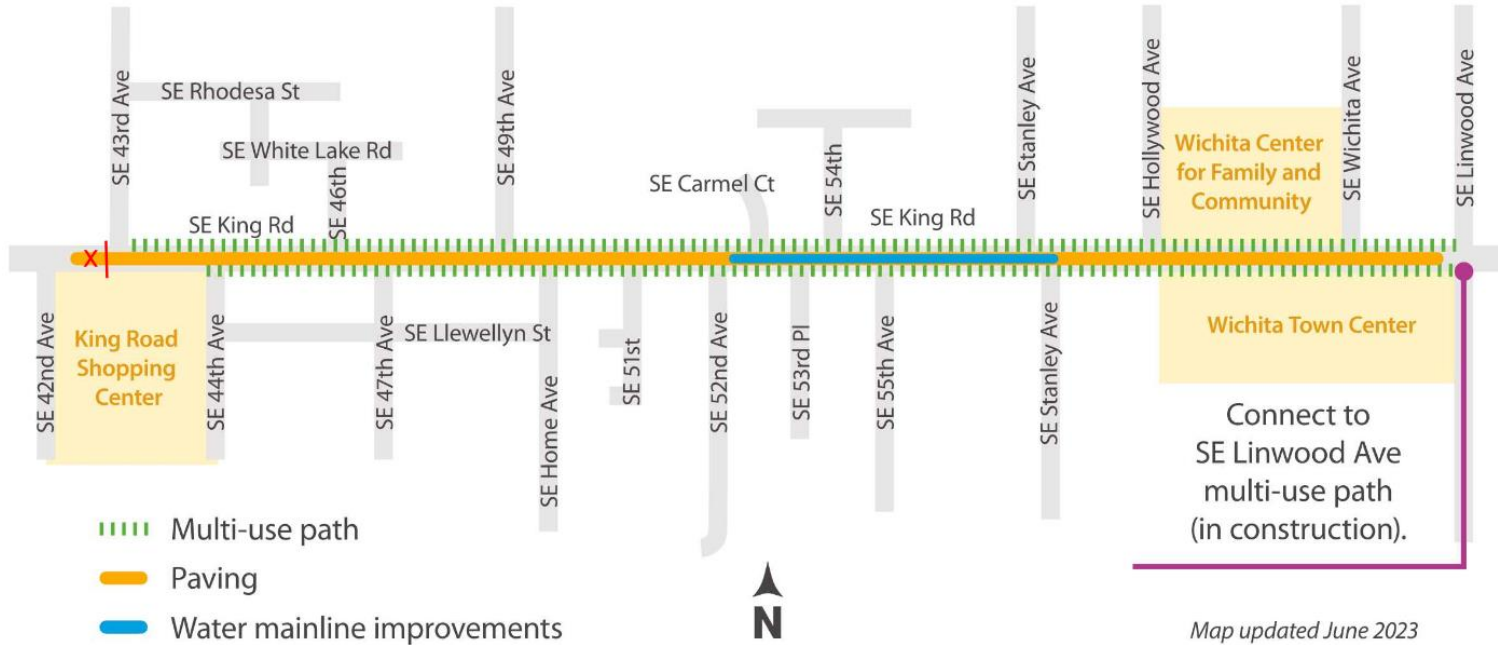
Cost \$4,020,000

Construct FY 2025

Additional streets to pave



King Road Improvements



Status

- Cost \$8,199,000
- Construct FY 2025 to early FY 2026
- Additional Water and stormwater



Stanley Improvements

Funding

- URA County \$3,500,000
- Safe Routes to School Grant \$2,000,000
- Transportation \$500,000

Timeline

- Design FY 2025
- Construct FY 2026 -2027



Waverly Heights Sewer Reconfiguration Project

Cost:

WES funds \$1,152,600

City funds \$2,210,000

Anticipated Schedule:

Design: Oct 2023 – Oct 2024

Construction: NOV 2024 – Jun 2025

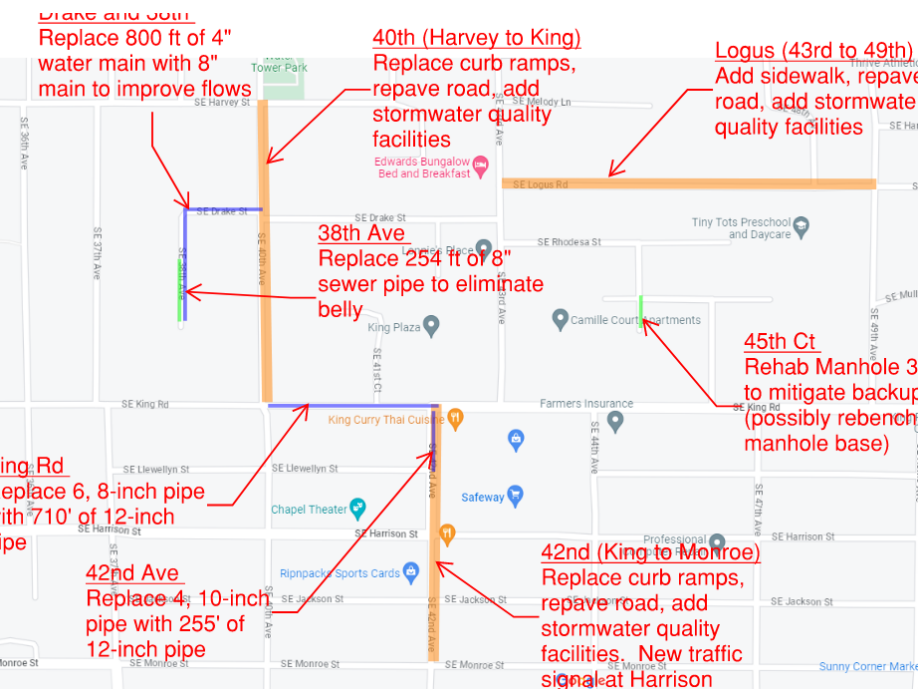


Water Engineering Services





Logus Road, 40th & 42nd Avenue Improvements



Status:

Planning to work on Design FY 2026 to provide good cost estimate

Then run out of funds to construct

**QUESTIONS OR
COMMENTS?**

