

# CITY OF MILWAUKIE, OREGON

POPULAR ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015



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Government Finance Officers Association

## Award for Outstanding Achievement in Popular Annual Financial Reporting

Presented to

**City of Milwaukie  
Oregon**

For its Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2014**

Executive Director/CEO

The information in this report is drawn from the Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2015. Please review the CAFR online, or email Finance Director Casey Camors at [camorsc@milwaukieoregon.gov](mailto:camorsc@milwaukieoregon.gov) to request a copy or with questions about this report.



# OVERVIEW OF AUDITED RESULTS



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*The following summary highlights are taken directly from the Management Discussion and Analysis section of the fiscal year 2015 Comprehensive Annual Financial Report (CAFR):*

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- » The City's assets totaled \$95.5 million at June 30, 2015, consisting of \$68.8 million in capital assets, \$16.8 million in unrestricted cash and investments, \$1.8 million in restricted cash and investments, and \$8.1 million in other assets. Total assets increased by \$6.5 million (7%) from the previous fiscal year.
- » The City's liabilities totaled \$15.2 million at June 30, 2015 consisting of \$10.4 million in long-term liabilities and \$4.8 million in accounts payable and other liabilities. Total liabilities increased by \$1.3 million (9%) from the previous fiscal year.
- » The assets of the City exceeded its liabilities by \$76.6 million at the close of fiscal year 2015. Unrestricted net position totaled \$12.8 million with the remainder of the City's net position invested in capital assets (\$61.9 million) and restricted for capital projects, building operations, library services, transportation, and public safety (\$1.9 million).
- » For its governmental activities, the City generated \$7.3 million in charges for services and received \$6.1 million in operating and capital grants and contributions. Direct expenses, including interest on long-term debt for governmental activities were \$17.8 million for the year, resulting in a net expense of \$4.4 million. The City also received \$9.9 million of general revenues resulting in an increase in net position of \$5.5 million.
- » For its business-type activities, the City generated \$13.2 million in charges for services to fund direct expenses of \$10.4 million. Business-type activities had an increase in net position of \$3.2 million after receiving capital transfers of \$0.4 million.
- » Fund balance in the City's governmental funds was \$10.2 million at June 30, 2015, an increase of \$0.6 million from the previous fiscal year.

# MILWAUKIE LEADERSHIP

Milwaukie operates under a Council-Manager form of government. The Mayor and City Councilors are responsible for establishing policy and providing direction to the City Manager. The Mayor and City Councilors are elected at-large and serve staggered four-year terms. The Mayor presides at official meetings and work sessions.

The City's administration is committed to professionalism and efficiency. This is the City of Milwaukie's fifth Popular Annual Financial Report, which is published as part of the Finance Department's ongoing mission to provide the utmost transparency and understanding of Milwaukie's finances.



**MAYOR**  
Mark Gamba



**COUNCILOR**  
Scott Churchill



**COUNCILOR**  
Lisa Batey



**COUNCILOR**  
Wilda Parks



**COUNCILOR**  
Karin Power

## ELECTED OFFICIALS

Mark Gamba, Mayor  
*term expires 12/31/2018*

Scott Churchill, Councilor  
*term expires 12/31/2016*

Lisa Batey, Councilor  
*term expires 12/31/2018*

Wilda Parks, Councilor  
*term expires 12/31/2016*

Karin Power, Councilor  
*term expires 12/31/2018*

## APPOINTED OFFICIALS

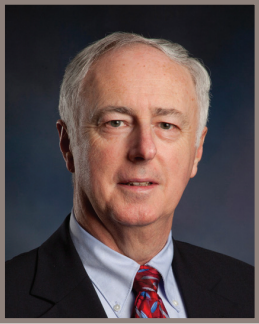
Bill Monahan, City Manager

Jordan Ramis PC, City Attorney  
(Contracted Law Firm)

Kimberly Graves, Municipal Court Judge







## LETTER FROM THE CITY MANAGER

Dear Citizens of Milwaukie,

I am pleased to present the Popular Annual Financial Report (PAFR) for the fiscal year ended June 30, 2015. This report is designed to provide transparency and accountability of City financial information, which is a key organizational goal.

The City of Milwaukie is proud that it has received all three of the Government Finance Officers Association (GFOA) awards for local government finance:

- Distinguished Budget Presentation Award
- Certificate of Achievement for Excellence in Financial Reporting
- Award for Outstanding Achievement in Popular Annual Financial Reporting

It is our belief that participation in GFOA award programs enhances our citizens' understanding of Milwaukie finances. Attaining these awards demonstrates our belief that sharing financial information in formats consistent with the highest standards in governmental financial reporting is the best way to achieve financial transparency.

The PAFR is designed to provide a summary view of the financial activities of the City. It is a high-level report for citizens who wish to learn more about Milwaukie finances. All information in this report can be found in greater detail in the Comprehensive Annual Financial Report (CAFR) for the City.

Throughout the year, the Finance Department works on budgets, audits, financial policies, financial forecasts, and financial management. As always, the City of Milwaukie invites citizens to share their thoughts and opinions with us.

If you have any questions about this document, please email Finance Director Casey Camors at [camorsc@milwaukieoregon.gov](mailto:camorsc@milwaukieoregon.gov).

Sincerely,

Bill Monahan  
City Manager



# ABOUT MILWAUKIE



The City of Milwaukie, located within miles of downtown Portland, offers a small town feel with easy access to Portland and regional activities and services. Within the City, residents regularly engage in City activities as board members, volunteers or simply as participants in a myriad of events organized by local residents and organizations. The City's estimated population is 20,491.

Known as the "Dogwood City of the West," Milwaukie's economy is linked with the entire Portland Metropolitan area. The downtown area of Milwaukie is undergoing a revival in which new apartments and retail space are under construction and a riverfront park is being developed.

Milwaukie provides a clean environment, good transportation, schools, health care centers, and many cultural opportunities. The Sunday Farmers' Market, Art a la Carte on the first Friday of the month, and the on-going poetry series are just a few of the many cultural offerings in the City.

The City's administration is committed to professionalism, efficiency, and customer service. The City operates its own police department, municipal court, water, wastewater, and stormwater utilities, and provides street operations, planning, building inspections, engineering, community development and library services.

RANK	PRINCIPAL EMPLOYERS	EMPLOYEES
1	Blount, Inc.	1,055
2	PCC Structural	887
3	United Grocers	630
4	Oeco LLC	412
5	North Clackamas School District	385
6	Willamette View, Inc.	350
7	Health Services Group (Moda)	330
8	Bob's Red Mill Natural Foods	300
9	Nature Bake	286
10	Safeway (3 locations)	280

Clackamas Fire District #1 provides fire and emergency services and North Clackamas Parks and Recreation District provides parks and recreation services to the community. Milwaukie lies within Clackamas County, which is headed by five commissioners and is based in Oregon City. Milwaukie is also part of METRO, the tri-county urban services district based in Portland.

FY 2015 FACT	FIGURE
City Property Tax Rate:	\$4.0805/\$1,000 TAV
City Bonded Debt Tax Rate:	\$0.1859/\$1,000 TAV
Total Property Tax Rate:	\$18.43/\$1,000 TAV
City Share of Total:	23%
Total Annual Budget:	\$49 million
Population:	20,491
Employees:	137 FTE
Outstanding Debt:	\$10.9 million
Bond Rating*:	AA-/Aa2
City Maintained Roads:	160 lane miles
Building Permits:	185
Sewer Miles:	79
Water Lines Maintained:	100
Number of Traffic Citations:	9,159
Avg. Library Circulation/Capita:	17.84
Unemployment Rate:	5.50%

\* Investment Grade - Rated as high quality and very low credit risk.





# CITY COUNCIL GOALS & PRIORITIES

*City Council adopted six goals for fiscal year 2016, and listed five “projects to be championed by others” at its May 19, 2015 Council meeting.*

The six goals adopted by resolution:

- » Focus community resources on all-inclusive bike, pedestrian, and street safety program
- » Library expansion
- » Urban renewal strategy for downtown and north industrial area
- » Proactive economic development strategy
- » Kellogg for Coho
- » Complete neighborhood parks and develop stronger strategy for maintenance of existing parks

The projects to be championed by others (that the City could put resources into) are:

- » Facilitate development of skate parks
- » Document and celebrate City heritage
- » Fund an emergency preparedness program
- » Complete neighborhood parks and develop stronger strategy for maintenance of existing parks
- » Bag ban

The goals were built on the input provided in a live, interactive goal input session that took place on Feb. 7, 2015 in City Hall. More than 40 people attended the two-hour session to present their ideas while others messaged ideas via email and Facebook during the live broadcast. Additionally, 143 ideas were submitted before the session opened.

*“It was really encouraging to have so many Milwaukie residents participate, both in person and online. We heard from a full cross-section of the community -- residents of all ages, from fifth grade to retirees, all neighborhoods, both long-time residents and people newer to the community. Different people have different priorities, but a common thread throughout was a desire for a more vibrant, livable, walkable Milwaukie.”*

LISA BATEY // COUNCIL PRESIDENT



# BOARDS & COMMISSIONS



The City of Milwaukie has eight appointed boards, commissions, and committees as mandated by the City's Municipal Code. Qualified applicants are appointed by the City Council following an application and interview process. Terms for membership are two years for all but the Budget Committee and the Planning Commission. For more information about the City's boards, committees and commissions, and to apply visit: [www.milwaukieoregon.gov/citymanager/boards-and-commissions](http://www.milwaukieoregon.gov/citymanager/boards-and-commissions).

## ***Arts Committee***

The Milwaukie Arts Committee was created in the spring of 2008. The committee connects artists with resources, and the community with art.

## ***Audit Committee***

The Audit Committee was established to ensure that audits of the financial statements are completed annually, that oversight of the City's independent auditors is a shared responsibility between City management and the City Council, and that the City Council has the opportunity to assist City management in the review and selection of the City's independent auditor to ensure transparency in the management of City audits.

## ***Budget Committee***

The Budget Committee was established to review the biennial City budget document as prepared by the City Budget Officer and to approve the proposed budget, recommending it to the City Council for adoption.

## ***Center/Community Advisory Board***

The Center/Community Advisory Board was established to advise the City Council, North Clackamas Parks and Recreation District, and Center staff regarding center client/participant needs.

## ***Citizens Utility Advisory Board***

The Citizens Utility Advisory Board was established to advise City Council on the methods and manner in which City utility rates and capital improvements are scheduled and carried out.

## ***Design and Landmarks Committee***

The Design and Landmarks Committee (DLC) is a five-member group established to advise the Planning Commission and City Council on urban design, architectural, and historic preservation activities.



***Kellogg Good Neighbor Committee***

The Kellogg Good Neighbor Committee was formed on February 5, 2013 for the purpose of advising City Council on the expending of Good Neighbor Fund dollars. The Good Neighbor Fund was established through an Intergovernmental Agreement between the City of Milwaukie and Clackamas County Service District #1 for the mitigation of Kellogg Treatment plant impacts on surrounding neighborhoods.

***Library Board***

The Public Library Board, consisting of seven members, advises the City Council and the Ledding Library staff regarding library patron needs.

***Park and Recreation Board***

The Park and Recreation Board was created to focus greater energy and resources toward meeting community park and recreation needs through cooperative partnerships with the City and North Clackamas Parks and Recreation District.

***Planning Commission***

The Planning Commission, consisting of seven members, was established for the purpose of reviewing and advising on matters of planning and zoning according to the provisions of the Comprehensive Plan, Zoning Ordinance, and other planning implementation documents.

***Public Safety Advisory Committee***

The Public Safety Advisory Committee is an eleven-member committee that seeks a representative from each of the City's seven Neighborhoods plus four at-large members. The Public Safety Advisory Committee was established for the purpose of advising and making recommendations to the Chief of Police and City Council regarding public safety needs in the City and its urban growth boundary.

***Riverfront Task Force***

The Riverfront Board, consisting of seven at-large members, was established for the purpose of advising and making recommendations to the City Council, and providing long-term continuity and short-term problem solving in the successful completion of Riverfront Park. In December 2011, City Council changed the compilation of the Board to a five-member task force.



# BALANCE SHEET

The Statement of Net Position reflects a healthy financial condition as of June 30, 2015. The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources by \$77 million at the close of fiscal year 2015. This balance sheet is presented as a high-level summary overview of net position.

For more detail, please see the *Comprehensive Annual Financial Report*, available at [www.milwaukieoregon.gov/finance](http://www.milwaukieoregon.gov/finance).

City of Milwaukie // Statement of Net Position

	<b>As of June 30, 2015</b>	<b>As of June 30, 2014</b>	<b>As of June 30, 2013</b>
<b>Assets</b>			
Current asset and other assets	26,629,543	20,816,299	\$ 20,433,698
Capital assets	68,885,043	65,388,546	65,199,314
<b>Total assets</b>	<b>95,514,586</b>	<b>86,204,845</b>	<b>85,633,012</b>
<b>Deferred Outflows of Resources</b>			
Pension	825,539	774,851	-
<b>Liabilities</b>			
Current liabilities	4,770,398	3,936,871	4,020,575
Long-term liabilities	10,391,876	15,110,570	10,180,514
<b>Total liabilities</b>	<b>15,162,274</b>	<b>19,047,441</b>	<b>14,201,089</b>
<b>Deferred Inflows of Resources</b>			
Pension	4,552,108	-	-
<b>Net Position</b>	<b>\$ 76,625,743</b>	<b>\$ 67,932,255</b>	<b>\$ 71,431,923</b>



# INCOME STATEMENT



The Statement of Activities reports all financial activity for the fiscal year ended June 30, 2015.

This statement presents high-level summary information about how the City's net position changed during fiscal year 2015 as a result of all financial activity (i.e. revenues and expenses). Total revenues increased \$3.1 million primarily due to increases in utility fees and charges and operating grants and contributions. For greater detail, see the City's complete *Comprehensive Annual Financial Report*, available online at [www.milwaukieoregon.gov/finance](http://www.milwaukieoregon.gov/finance).

City of Milwaukie // Statement of Activities

	<b>FY 2015</b>	<b>FY 2014</b>	<b>FY 2013</b>
Revenues	\$ 36,887,028	\$ 33,742,105	\$ 32,578,629
Expenses	(28,193,540)	(30,130,584)	(29,811,604)
Increase in net position	8,693,488	3,611,521	2,767,025
Net position, beginning of year	67,932,255	71,431,923	68,664,898
Restatement	-	(7,111,189)	-
Net position, end of year	\$ 76,625,743	\$ 67,932,255	\$ 71,431,923

# BUDGET

The Budget Committee unanimously approved the 2013-2014 Biennial Budget which was then adopted by the City Council on June 5, 2012. On February 19, 2013, a supplemental budget resolution was approved through the first year of the 2013-2014 biennium, and on April 1, 2014 a second supplemental budget resolution was adopted through the second year of the 2013-2014 biennium. The Budget Committee unanimously approved the 2015-2016 Biennial Budget which was then adopted by the City Council on June 17, 2014. On December 16, 2014, a supplemental budget resolution was approved through the first year of the 2015-2016 biennium. To best illustrate trends, below are the fiscal year budget amounts for the most recently adopted budget, including supplemental budgets, along with comparative fiscal years.

City of Milwaukie // City Budget Information

	<u>FY 2016</u>	<u>FY 2015</u>	<u>FY 2014</u>	<u>FY 2013</u>
<b>City Budget:</b>				
Personal Services	\$ 15,567,000	\$ 14,664,000	\$ 14,242,450	\$ 13,384,050
Materials & Services	11,205,000	11,031,000	10,687,000	10,745,500
Debt Service	973,000	4,959,000	509,000	1,056,000
Transfers	4,470,000	4,420,000	4,490,000	4,530,000
Annual Operating Budget	<u>32,215,000</u>	<u>35,074,000</u>	<u>29,928,450</u>	<u>29,715,550</u>
Capital Outlay	7,438,000	11,875,000	8,795,000	13,438,000
Reserves	9,374,000	10,785,000	9,956,000	11,384,000
<b>Total City Budget</b>	<u><u>\$ 49,027,000</u></u>	<u><u>\$ 57,734,000</u></u>	<u><u>\$ 48,679,450</u></u>	<u><u>\$ 54,537,550</u></u>

*Note: The budgeted data presented is projected data which may differ significantly from the Generally Accepted Accounting Principles derived data in the Comprehensive Annual Financial Report (CAFR).*





The City of Milwaukie is committed to responsible fiscal management through financial integrity, prudent stewardship of public assets, planning, accountability and full disclosure. The broad purpose of Fiscal Policies is to enable the City to achieve and maintain a long-term stable and positive financial condition. These policies are adopted by the City Council as the basic framework for overall financial management of the City, to guide day-to-day and long-range fiscal planning and decision making, and to achieve the following general financial goals:

1. Provide an adequate financial base to sustain the desired level of municipal services to maintain the social wellbeing and physical conditions of the City.
2. Deliver cost effective and efficient services to citizens.
3. Provide and maintain essential public facilities, utilities, and capital equipment.
4. Protect and enhance the City's credit rating to obtain the lowest cost of borrowing and assure taxpayers and the financial community that the City is well managed and financially sound.
5. Provide the financial stability needed to navigate through economic downturns, adjust to changes in the requirements of the community, and respond to changes as they affect the City's residents and businesses.
6. Adhere to the highest standards of financial management and reporting practices as set by GFOA, the Governmental Accounting Standards Board, and other professional standards.
7. Fully comply with finance related legal mandates, laws and regulations.
8. To achieve these goals, fiscal policies generally cover areas of revenue management, operating and capital budgeting, financial planning and forecasting, investment and asset management, debt management, accounting and financial reporting, reserves, and internal controls. These policies are reviewed annually by management, the Budget Committee, and City Council and amended as necessary as part of the budget process.

To review all financial policies for the City of Milwaukie, please see page 20 of the *Milwaukie Adopted Budget for the 2015-2016 Biennium*, available online at [www.milwaukieoregon.gov/finance](http://www.milwaukieoregon.gov/finance).

# BUDGETED REVENUE OVERVIEW



The City of Milwaukie budgets at the “fund” level. The City maintains nine distinct funds to account for governmental services. A fund is a fiscal and accounting entity with self-balancing accounts to record cash and other financial resources, related liabilities, and balances and changes, which are segregated for specific activities and objectives.

## MAJOR REVENUE TYPES INCLUDE:

### *Fees & Charges (30%)*

Charges for water, wastewater, stormwater, and street maintenance are charged to all users in the City of Milwaukie. The fees for water, sewer, wastewater, stormwater, and street maintenance are established through the City fees and charges resolution; this resolution is updated each year. The City Council approves utility rates based on costs to provide services.

### *Intergovernmental (20%)*

State revenues are distributed to cities based on state statute, which defines formulas incorporating population and per capita income. The League of Oregon Cities provides the source data for State Revenue Sharing projections. Pursuant to ORS 221.770, the City of Milwaukie must elect to receive its proportionate share of the revenues to be apportioned to the cities by the State of Oregon for the fiscal year. Further,

ORS 221.760 provides that cities located in a county having more than 100,000 inhabitants, according to the most recent federal decennial census, can disburse state shared revenue funds only if the city provides four or more of the following services: police protection; fire protection; street construction, maintenance, and lighting; sanitary sewer; storm sewers; planning, zoning, and subdivision control; one or more utility services.

REVENUE TYPE	\$	%
Fees & Charges	\$ 13,718	30%
Intergovernmental	8,815	20%
Property Taxes	7,757	18%
Debt Proceeds	5,000	11%
Transfers from Other Funds	4,420	10%
Franchise Fees	2,558	6%
Fines & Forfeitures	1,581	4%
SDC's & Miscellaneous	358	1%
Total	\$ 44,207	100%





**Property Taxes (18%)**

Milwaukie’s permanent tax rate is applied to the projected taxable assessed value of property to generate revenues to support core City operations. The City assumes a 94 percent collection rate for property tax revenue, so the budgeted total amount of property taxes is approximately 94 percent of the total calculated property tax revenue. Taxable assessed values of existing property are limited to an increase of three percent per year; value added to a community via new construction increases the assessed value over the three percent growth rate limited by Measure 50.

The City passed Ordinance No. 1958 in February 2008 following the annexation Ballot Measure 3-166 where the voters authorized the annexation of fire services into Clackamas Fire District No. 1 (CFD). This Ordinance reduces the City’s permanent tax rate of \$6.5379 per \$1,000 of assessed value by the permanent rate of the Fire District, equating to \$2.4012 offset by its annual bonded debt rate until then existing bonds were paid off in fiscal year 2014-15. Accordingly, the actual property tax rate levied by the City is its permanent tax rate of \$6.5379 less CFD’s permanent rate of \$2.4012 and less CFD’s bonded debt rate.

**Debt Proceeds (11%)**

In some instances, the City issues debt to support the construction of new City assets. During fiscal year 2014-15,

the City completed construction of the Riverfront Park project phase II, and contributed to the construction of the Portland Milwaukie Light Rail project. Inflows related to the issuance of debt are categorized as debt proceeds.

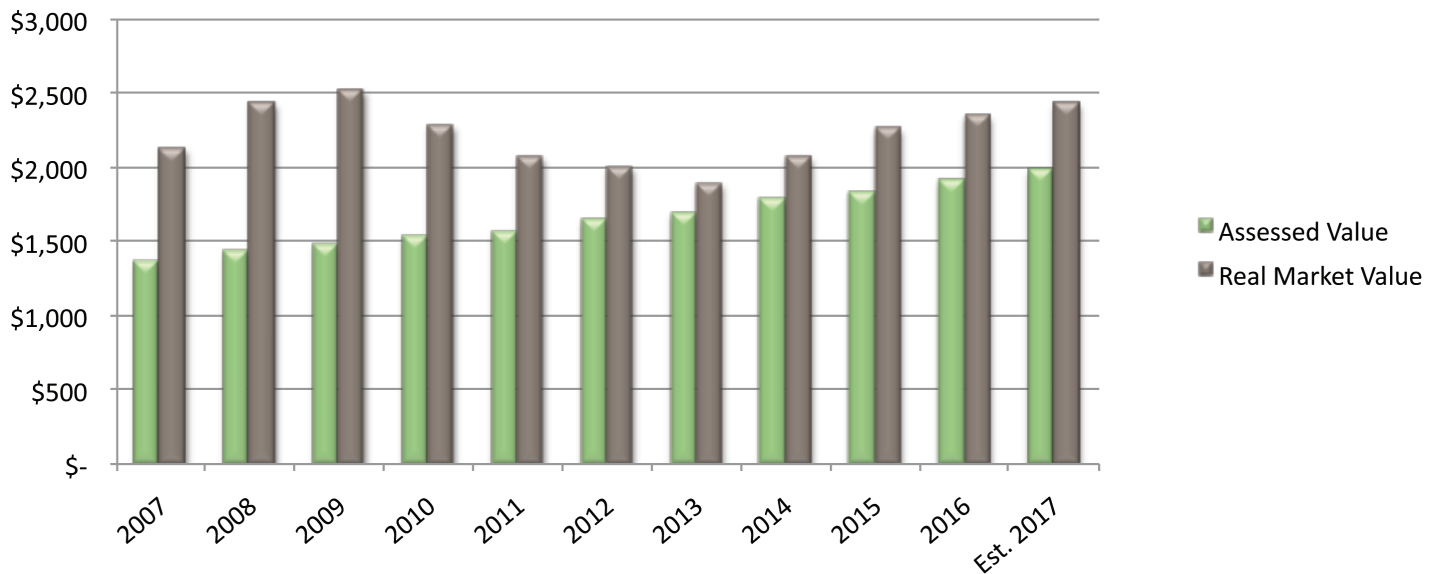
**Transfers from Other Funds (10%)**

Transfers from other funds occur when revenues are transferred between funds; revenue is received by a fund providing an internal service from a fund receiving the service, where the cost of the service is shown as an expense. All City services that receive reimbursement charge revenue are consolidated into the General Fund. The amount that other funds are charged for reimbursement costs is based on individual metrics identified for each City service. The City calculates inter-fund reimbursement charges when services are provided to another fund. The cost of these services is based on a cost allocation methodology, which assumes that the services provided have value, and that value is shown as a reimbursement amount.

**Franchise Fees (6%)**

The City of Milwaukie receives franchise fees for the use of public rights of way within the City for utility, solid waste and recycling collection, and similar services. Fees are paid for the right to this access.

**Values by Fiscal Year**  
(in millions)



*Note: The budgeted data presented is projected data which may differ significantly from the GAAP derived data in the Comprehensive Annual Financial Report (CAFR).*

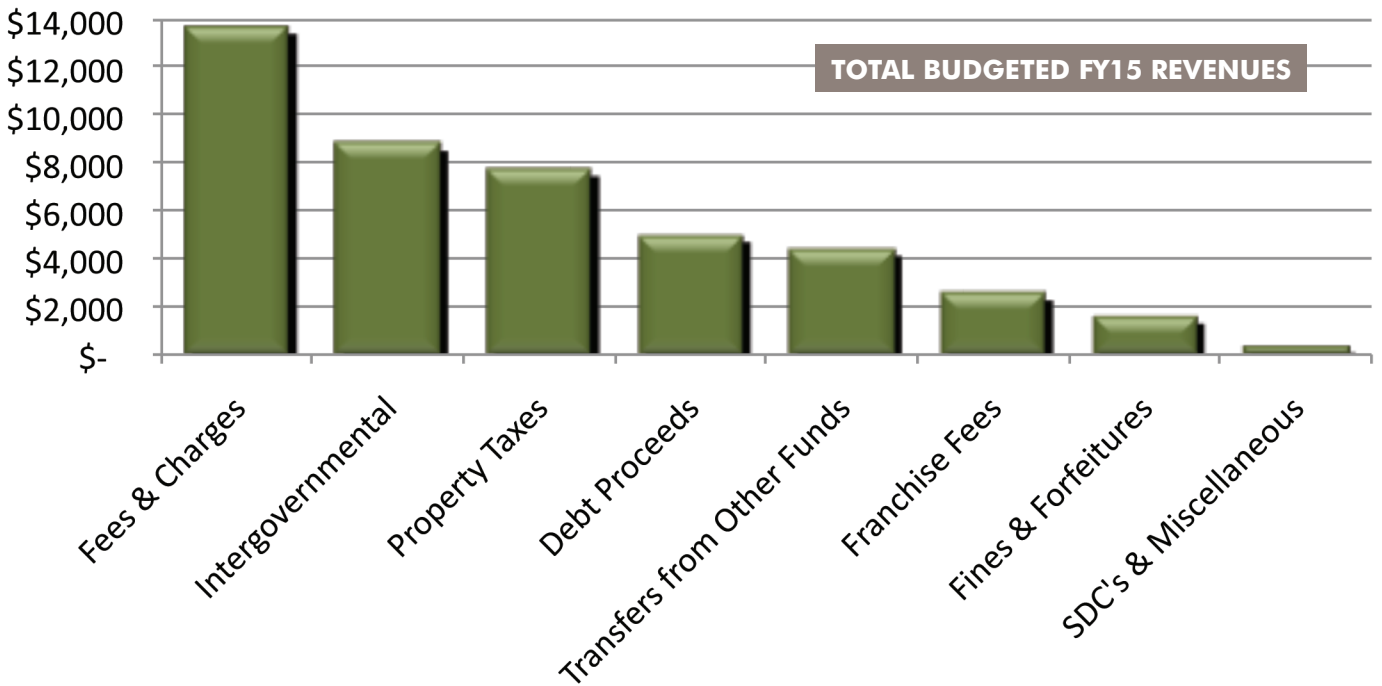
# MORE INFORMATION ABOUT BUDGETED REVENUES

## Milwaukie Property Tax Dollars:

Clackamas County assesses property taxes on behalf of the county, schools, special districts, and the City of Milwaukie on a consolidated property tax bill. Of this tax bill, 23 percent of the total is allocated to the City of Milwaukie. Of every dollar paid, \$0.23 goes to the City:



<b>17%</b> Clackamas County	<b>3%</b> Rec. District	<b>23%</b> City of Milwaukie	<b>13%</b> Fire District	<b>1%</b> Other	<b>43%</b> Education
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# BUDGETED EXPENSE REVIEW



The City of Milwaukie plans for expenditures using several short and long-range planning tools. Five-year financial forecasts, prior to the development of the budget, guide short-term spending. The five-year forecasting model anticipates projected increases and decreases in revenues and expenditures. Fifty-four percent of total expenditures are represented by Personnel Services and Materials & Services. These requirements relate to the people who provide City services and the materials they need to complete their job requirements. Citywide, budgeted requirements are expected to increase for inflation going forward.

## ***Personnel Services (31%)***

Citywide, personnel services budgeted requirements increased from fiscal year 2014 to the 2015-2016 biennium primarily due to increasing benefits costs.

EXPENDITURE TYPE	\$	%
Personal Services	\$ 14,664	31%
Capital Outlay	11,875	25%
Materials & Services	11,031	23%
Debt Service	4,959	11%
Transfers to Other Funds	4,420	9%
Total	\$ 46,949	100%

## ***Capital Outlay (25%)***

The fiscal year 2015 capital outlay budget increased dramatically from fiscal year 2014 due to planned and necessary infrastructure projects over the 2015-2016 biennium as well as anticipated costs relating to the Riverfront Park project phase II.

## ***Materials & Services (23%)***

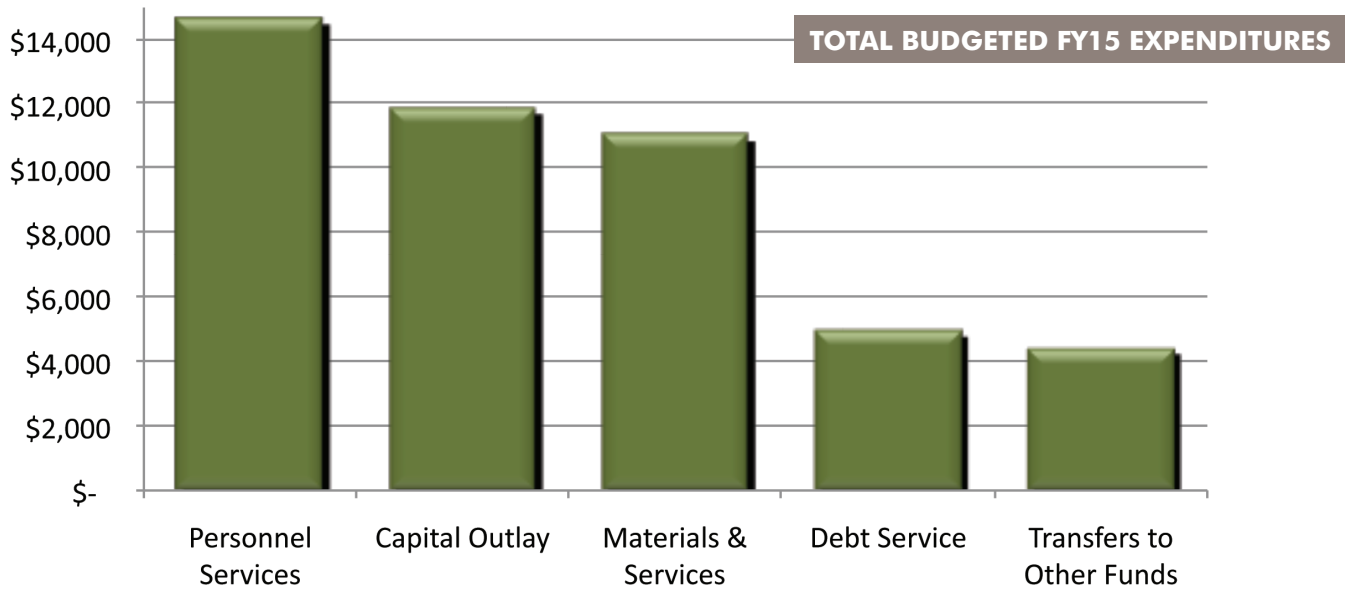
Citywide, materials & services budgeted requirements increased over the prior fiscal year based on known expenditure increases in many situations. Where such increases are unknown, 2015-2016 biennium amounts are identified using an inflationary cost increase from fiscal year 2014.

## ***Debt Service (11%)***

The fiscal year 2015 debt service budget increased significantly to provide for the refinancing of the Portland Milwaukie Light Rail project obligation previously held with TriMet. In fiscal year 2014, the City's taxpayers approved the issuance of General Obligation bonds to refinance the obligation, lowering the applicable interest rate and providing the City with sufficient funding to maintain existing services.

## ***Transfers to Other Funds (9%)***

Budgeted transfers represent transfers to account for the support services costs of General Fund departments.



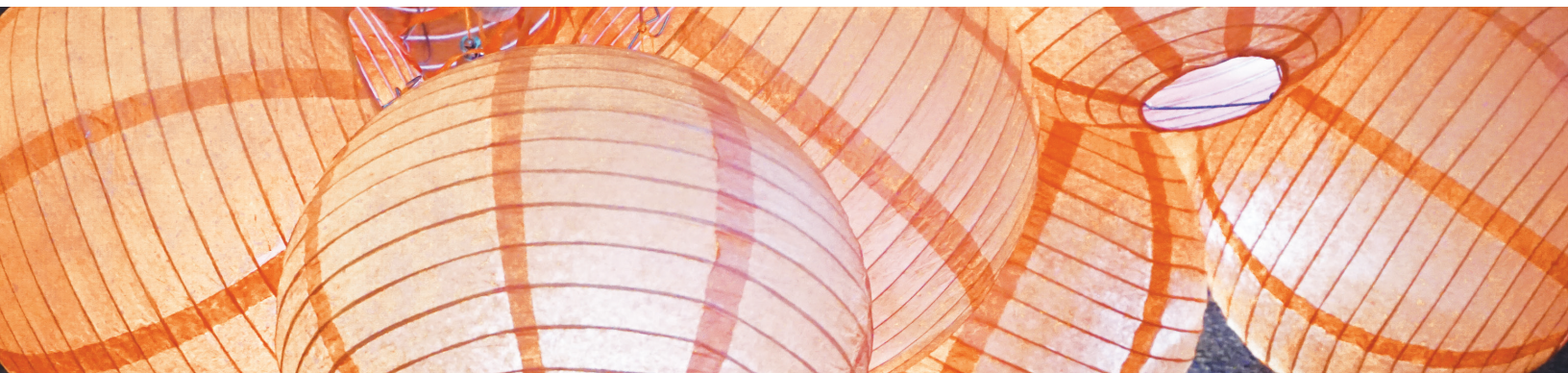
*Note: The budgeted data presented is projected data which may differ significantly from the GAAP derived data in the Comprehensive Annual Financial Report (CAFR).*



## FINANCIAL PLANNING

The City of Milwaukie prepared a five-year financial forecast prior to the development of the budget. The five-year model takes into account projected increases and decreases in revenues and expenditures. This information is shared during budget deliberations. Financial forecasts are key to strategizing, studying different financial outcomes, modeling demographic trends, anticipating changes in revenue streams, and forecasting utility rates.



**BUSINESS-TYPE ACTIVITIES**

*Activities financed in whole or in part by fees charged to external parties for goods or services.*

**CAPITAL ASSETS**

*Land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure and all other tangible or intangible assets that are used in operations, that have initial useful lives extending beyond one year with an initial cost of more than \$10,000.*

**CAPITAL GRANT**

*Grant received to support acquisition of capital assets.*

**CHARGES FOR SERVICES**

*Includes a wide variety of fees charged for services provided to the public and other agencies.*

**FUND BALANCE**

*The net ending balance of a Fund's financial resources that are spendable or available for appropriation.*

**GOVERNMENTAL ACTIVITIES**

*Activities generally financed through taxes, intergovernmental revenues, and other nonexchange revenues.*

**GOVERNMENTAL FUNDS**

*Funds generally used to account for tax-supported activities. There are five different types of governmental funds: the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds.*

**NET INVESTMENT IN CAPITAL ASSETS**

*Component of net position consisting of capital assets, net of accumulated depreciation, reduced by the outstanding balances of borrowings attributable to the acquisition, construction or improvement of those assets.*

**OPERATING GRANT**

*Grant received to support operations.*

**RESTRICTED NET POSITION**

*Component of net position calculated by reducing the carrying value of restricted assets by amounts repayable from those assets, excluding capital-related debt.*

**UNRESTRICTED NET POSITION**

*The portion of net position that is neither restricted nor invested in capital assets.*

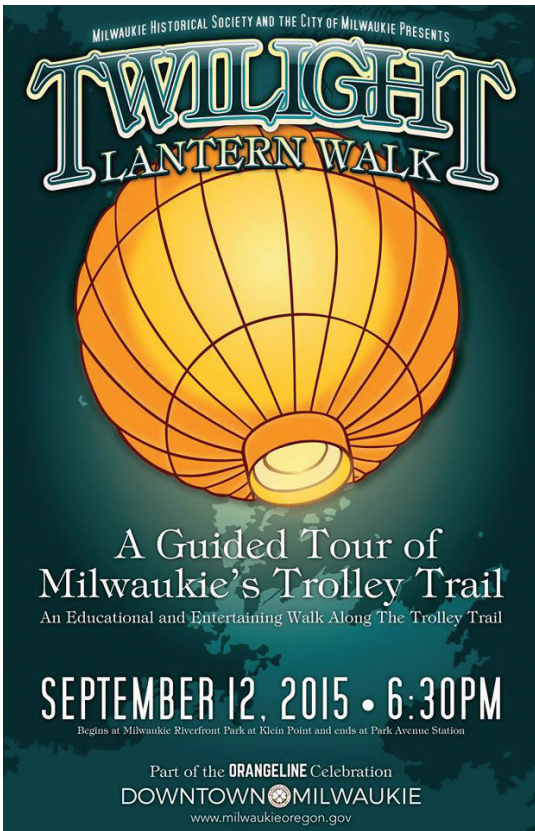
# MILWAUKIE



## PORTLAND-MILWAUKIE LIGHT RAIL TRANSIT

Opened on September 12, 2015, the Portland Milwaukie Light Rail transit line travels 7.3 miles between Portland State University (PSU), inner Southeast Portland, Milwaukie and Oak Grove in north Clackamas County.





## TWILIGHT LANTERN WALK

The Twilight Lantern Walk, as an extension of the Portland Milwaukie Light Rail grand opening, was a historical walk along the Milwaukie Trolley Trail guided by the President of the Milwaukie Historical Society. Working in conjunction with the historical society this guided walk attracted over 120 participants.



# A GREAT PLACE TO LIVE & PLAY



## MILWAUKIE FINANCE DEPARTMENT

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