



CITY OF
**West
Linn**

Executive Summary

We are pleased to offer this financial report of City operations for your review. This report covers financial operations through the first quarter of the fiscal year ended June 30, 2013, representing the second year of the 2012-2013 biennium.

QUARTERLY HIGHLIGHTS

This first quarter financial report summarizes the financial results through the first quarter of the fiscal year ended June 30, 2013 and highlights certain topics of interest.

Go Green with your Monthly Utility Bill

Finance is now offering the convenience of free eBilling of our monthly utility bills. This new “green” option allows citizens to receive an email when their bill is available, with a link to a secure website where they can view their bill, and pay online in one sitting. To sign up for this service promoting sustainability, go to <http://westlinnoregon.gov/finance/ebill>. You should have your statement in front of you, as you will need to create an account using your utility account number and name as it appears on your bill.

Note: If you would like to continue to receive your bills in the mail, but would like the option to view your bill online as well, you may still create an account. When prompted on how you would like to receive your statements, change the option to "mail".

We encourage you to consider this “green” option reducing the carbon footprint by eliminating the paper copy of your utility bill that you receive each month!

Utility Advisory Board and the Water Fund

At the Utility Advisory Board’s October 9, 2012 meeting, the citizen members reviewed various Water Fund financial materials discussed over the past couple of years ranging from historic Water Fund numbers going back to 1990 and SFWB rate increases of water purchased, to the effect of rate increases on top rate payers and current year financial trends. Different 20-year projections were discussed and the group started framing certain water topics to write about.

To summarize, the financial trends indicate that the Water Fund has historically been able to afford about \$200,000 on average for capital outlay projects, but that, \$700,000 per year is really needed going forward to replace aging pipes.

The Utility Advisory Board (UAB) members are favoring a rate increase which will increase water rates by eighteen percent. This increase would generate an additional \$500,000 per year and be reserved for water capital projects.

Very little was spent on water pipe replacement in the last two fiscal years because the Water Fund had little money to spend. This is for two reasons: In the last two years water usage has decreased so overall revenues have consequently decreased leaving less funds available for capital replacements and second, the City did do maintenance through 2010 but to accomplish

this, Water Fund reserves were drawn down to a dangerously low level. We were within \$33,000 of violating our bond covenants. So, in the last two years we have concentrated on increasing our Water Fund reserves to an acceptable level.

For more information on Water Fund finances and the UAB's work over the years, visit History of Water in West Linn at: <http://westlinnoregon.gov/finance/history-water-west-linn>.

Two Budget Groups are Forming

This coming budget process looks to be challenging once again. Our long-range financial forecasts continue to reflect financial gaps and with the recent PERS announcement that contribution rates are increasing again, long-term financial viability continues to be on the forefront.

As a means to engage in a community conversation about the City's long-term financial challenges, two budget groups will be formed prior to next spring's Citizens' Budget Committee meetings. An internal group comprising of half union and half management will be exploring and identifying options and efficiencies. This group is called the "Budget Evaluation & Efficiencies Taskforce" (otherwise known as BEET).

In addition to BEET, the City Manager is putting together a "greatest hits" version of the Citizens' Budget Committee, comprised of current and former members. This group is called the "Community Values Forum" (or CVF for short).

Both BEET and CVF are designed to provide some guidance and perspective as we begin to prepare proposed budget options for the next biennium – fiscal years 2014 and 2015.

The goal is that these two budget groups will provide their perspectives on City values and their thoughts on the fundamental issues making West Linn special.

Request for Proposals of Banking Services

This quarter, the cities of West Linn and Milwaukie both issued Request for Proposals (RFP) for banking services. Best of financial practices suggests that RFPs should be issued every five years for financial services to include banking. As you may imagine, actually changing banks is an extensive project for any Finance Department, but at the very least, banks will sharpen their pencils on banking fees. When interest rates were in the 3 to 4 percent range, interest credits on deposit balances would offset most all banking fees. However, banking interest rates today are under 1 percent resulting in much higher net banking costs to the City.

Banking services range from online banking software, Positive Pay, P-cards, AP check clearing, Payroll check clearing, and lockbox services. In West Linn, it has been four years since creating the lockbox in Bend with the Bank of Cascades and we now feel it is a good time to change this address to a Portland address. As you may recall, with close to \$9 million in utility payments coming in every year, a lockbox system is utilized so payments go directly into the banking system more efficiently.

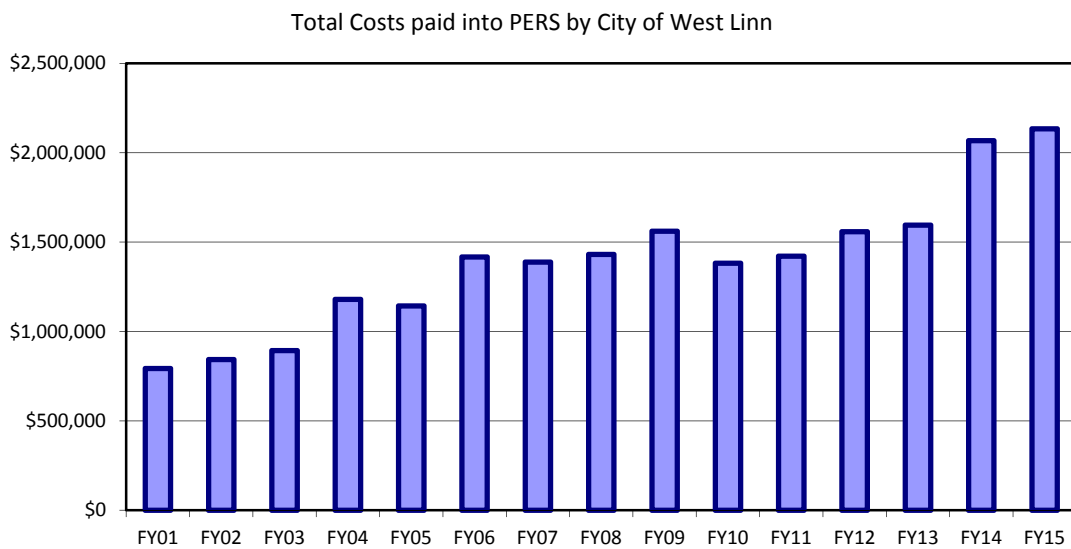
Budget-to-Actual Quarterly Highlights

With this first quarter’s financial report, we continue to highlight the bond proceeds lines for the Police Station project to include what has been spent so far and a reserve line for the unspent portion.

Throughout the report, we have included footnote explanations calling certain items out. Property tax revenues do not start arriving until next quarter and debt service payments are not due until next quarter either.

PERS Announces Rate Increases

In October, PERS announced rate increases which will be effective July 1, 2013. Below is a summary graph of the annual PERS costs for the City of West Linn.

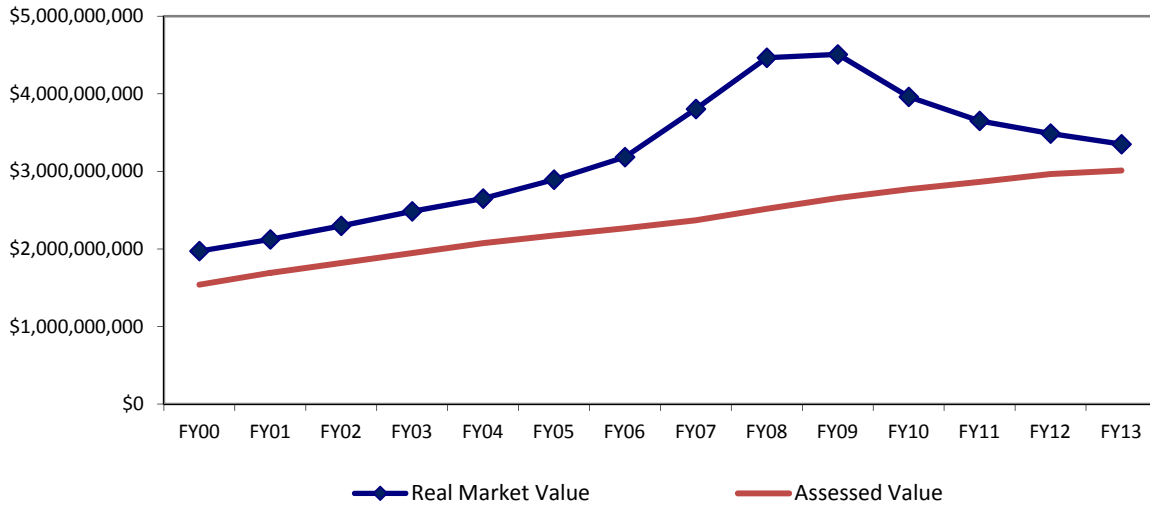


Property Tax Bills Mailed out by County

Clackamas County mailed out property tax bills this last week. This year, property taxes in Clackamas County are at their lowest growth rate of the past 16 years. Oregon’s slow to improve economy and struggling real estate market coupled with Oregon’s two constitutional property tax limitations all contributed to the lower than normal tax growth.

The County is reporting an overall increase of 0.83% in property tax growth county-wide. For the City of West Linn, the County reports a 1.53% increase. Overall Real Market Values are still above Assessed Values, but we are seeing some properties where this gap has closed completely. And starting this year, compression in the Education category has completely eliminated the School District’s local option levy on most all West Linn properties.

City of West Linn Real Market Value versus Assessed Value



A growing number of property owners will see tax decreases where their particular property's real market value has fallen below their assessed value. However, most property owners will still see a slight increase in their taxes due to the typical 3% growth in assessed value.

The County also reports two local cities with new tax measures on the rolls this year. City of West Linn voters approved new general obligation bonds with a rate of 14 cents per thousand for construction of a new police station. City of Canby voters approved a local option at 44 cents per thousand to fund their swim center services and provide for future pool maintenance.

As always, we value your trust and promise to ensure fiscal integrity in all that we do. When you review this quarterly report, I welcome your questions, comments, and any suggestions you may have. The best way to contact me is by email at rseals@westlinnoregon.gov.

Best regards,

Richard Seals, CPA CMA CFM CFE CGMA
 Chief Financial Officer
 City of West Linn

2 November 2012

City-wide Totals

(Summary of Revenues and Expenditures
rolled up for all City Funds)

City of West Linn

Totals rolled up from all City funds

| | Actual | | | through the 1st Quarter of FY 2013 | | | [for informational purposes] | | | [3 months] |
|----------------------------------|-------------------|-------------------|-------------------|------------------------------------|-------------------|---------------------|------------------------------|-------------------|-------------------|------------------------|
| | FY 2010 | FY 2011 | FY 2012 | Flexible Budget | [3 months] Actual | [3 months] Variance | FY 2012 Budget | FY 2013 Budget | Total Budget | Flexible Budget Factor |
| Revenues (by category) | | | | | | | | | | |
| Property taxes | \$ 6,603,432 | \$ 6,834,048 | \$ 6,957,799 | \$ 99,000 | \$ 98,390 | \$ (610) | \$ 7,014,000 | \$ 7,689,000 | \$ 14,703,000 | 0.0130 |
| Intergovernmental revenue | 3,678,872 | 4,069,676 | 4,786,090 | 473,000 | 607,877 | 134,877 | 5,467,000 | 3,551,000 | 9,018,000 | 0.2500 |
| Fees and charges - utility bills | 7,040,132 | 7,216,994 | 7,912,595 | 2,371,000 | 2,370,633 | (367) | 7,753,000 | 8,142,000 | 15,895,000 | 0.2500 |
| Fees and charges - other | 4,642,147 | 4,794,504 | 5,762,194 | 1,150,000 | 1,350,440 | 200,440 | 6,247,000 | 5,286,000 | 11,673,000 | 0.2500 |
| Other revenue: | | | | | | | | | | |
| Interest | 29,919 | 20,564 | 18,944 | 14,000 | 1,940 | (12,060) | 55,000 | 55,000 | 110,000 | 0.2500 |
| Miscellaneous | 481,716 | 1,312,334 | 617,134 | 97,000 | 110,095 | 13,095 | 419,000 | 375,000 | 654,000 | 0.2500 |
| Transfers from other funds | 5,355,000 | 5,427,681 | 5,647,000 | 1,523,000 | 1,497,000 | (26,000) | 5,772,000 | 6,087,000 | 11,859,000 | 0.2500 |
| Debt proceeds | - | 5,934,861 | 8,602,688 | - | - | - | 8,603,000 | - | 8,603,000 | 1.0000 |
| | <u>5,866,635</u> | <u>12,695,440</u> | <u>14,885,766</u> | <u>1,634,000</u> | <u>1,609,035</u> | <u>(24,965)</u> | <u>14,849,000</u> | <u>6,517,000</u> | <u>21,226,000</u> | |
| Total revenue | <u>27,831,218</u> | <u>35,610,662</u> | <u>40,304,444</u> | <u>5,727,000</u> | <u>6,036,375</u> | <u>309,375</u> | <u>41,330,000</u> | <u>31,185,000</u> | <u>72,515,000</u> | |

**Summary
of revenues
City-wide**

City of West Linn

Totals rolled up from all City funds

[for informational purposes]

| | Actual | | | through the 1st Quarter of FY 2013 | | | 2012-2013 Biennium | | | [3 months] |
|----------------------------------|-------------------|-------------------|-------------------|------------------------------------|-------------------|---------------------|--------------------|-------------------|-------------------|------------------------|
| | FY 2010 | FY 2011 | FY 2012 | Flexible Budget | [3 months] Actual | [3 months] Variance | FY 2012 Budget | FY 2013 Budget | Total Budget | Flexible Budget Factor |
| Revenues (by line detail) | | | | | | | | | | |
| Property taxes | | | | | | | | | | |
| Levied for general purposes | \$ 5,776,306 | \$ 5,945,767 | \$ 6,123,795 | \$ 83,000 | \$ 85,599 | \$ 2,599 | \$ 6,174,000 | \$ 6,422,000 | \$ 12,596,000 | 0.0130 |
| Levied for bonded debt | 827,126 | 888,281 | 834,004 | 16,000 | 12,791 | (3,209) | 840,000 | 1,267,000 | 2,107,000 | 0.0130 |
| | 6,603,432 | 6,834,048 | 6,957,799 | 99,000 | 98,390 | (610) | 7,014,000 | 7,689,000 | 14,703,000 | |
| Intergovernmental revenue | | | | | | | | | | |
| Library funding from County | 1,193,937 | 1,263,801 | 1,305,223 | - | - | - | 1,382,000 | 1,442,000 | 2,824,000 | 0.0000 |
| One-time capital funding | - | - | 1,000,000 | - | - | - | 1,000,000 | - | 1,000,000 | 0.0000 |
| State highway taxes (gas) | 1,012,955 | 1,204,325 | 1,372,076 | 286,000 | 336,158 | 50,158 | 1,134,000 | 1,145,000 | 2,279,000 | 0.2500 |
| State Shared Revenue (liq cig) | 357,471 | 314,222 | 323,101 | 102,000 | 69,163 | (32,837) | 408,000 | 416,000 | 824,000 | 0.2500 |
| State Revenue Sharing (gen'l) | 206,831 | 213,669 | 263,349 | 52,000 | 63,526 | 11,526 | 304,000 | 208,000 | 512,000 | 0.2500 |
| State dispatch funds (911) | 130,305 | 125,328 | 119,633 | 31,000 | 31,000 | - | 124,000 | 124,000 | 248,000 | 0.2500 |
| Other grants and misc | 777,373 | 948,331 | 402,708 | 2,000 | 108,030 | 106,030 | 1,115,000 | 216,000 | 1,331,000 | 0.2500 |
| | 3,678,872 | 4,069,676 | 4,786,090 | 473,000 | 607,877 | 134,877 | 5,467,000 | 3,551,000 | 9,018,000 | |
| Fees and charges: | | | | | | | | | | |
| Utility Charges - water | 2,908,269 | 2,902,041 | 3,152,123 | 1,175,000 | 1,170,158 | (4,842) | 3,197,000 | 3,358,000 | 6,555,000 | 0.2500 |
| Utility Charges - sewer | 1,632,385 | 1,714,474 | 1,934,533 | 473,000 | 485,998 | 12,998 | 1,801,000 | 1,891,000 | 3,692,000 | 0.2500 |
| Utility Charges - surface wtr | 592,883 | 627,169 | 666,751 | 172,000 | 164,620 | (7,380) | 654,000 | 687,000 | 1,341,000 | 0.2500 |
| Utility Charges - street maint | 778,226 | 792,586 | 870,438 | 225,000 | 223,857 | (1,143) | 858,000 | 901,000 | 1,759,000 | 0.2500 |
| Utility Charges - park maint | 1,128,369 | 1,180,724 | 1,288,750 | 326,000 | 326,000 | - | 1,243,000 | 1,305,000 | 2,548,000 | 0.2500 |
| | 7,040,132 | 7,216,994 | 7,912,595 | 2,371,000 | 2,370,633 | (367) | 7,753,000 | 8,142,000 | 15,895,000 | |
| SDC fees from developers | 608,727 | 1,027,067 | 1,765,887 | 156,000 | 408,007 | 252,007 | 1,803,000 | 621,000 | 2,564,000 | 0.2500 |
| Franchise fees | 1,972,259 | 1,662,509 | 1,748,619 | 367,000 | 345,185 | (21,815) | 2,080,000 | 2,160,000 | 4,240,000 | 0.2500 |
| Licenses and permits | 1,093,389 | 1,065,191 | 1,294,838 | 356,000 | 350,139 | (5,861) | 1,311,000 | 1,424,000 | 2,735,000 | 0.2500 |
| Park recreation program fees | 402,621 | 519,650 | 549,685 | 115,000 | 150,722 | 35,722 | 450,000 | 460,000 | 910,000 | 0.2500 |
| Fines and forfeitures | 565,151 | 520,087 | 403,165 | 156,000 | 96,387 | (59,613) | 603,000 | 621,000 | 1,224,000 | 0.2500 |
| | 11,682,279 | 12,011,498 | 13,674,789 | 3,521,000 | 3,721,073 | 200,073 | 14,000,000 | 13,428,000 | 27,568,000 | |
| Other revenue: | | | | | | | | | | |
| Interest | 29,919 | 20,564 | 18,944 | 14,000 | 1,940 | (12,060) | 55,000 | 55,000 | 110,000 | 0.2500 |
| Miscellaneous | 481,716 | 1,312,334 | 617,134 | 97,000 | 110,095 | 13,095 | 419,000 | 375,000 | 654,000 | 0.2500 |
| Transfers from other funds | 5,355,000 | 5,427,681 | 5,647,000 | 1,523,000 | 1,497,000 | (26,000) | 5,772,000 | 6,087,000 | 11,859,000 | 0.2500 |
| Debt proceeds | - | 5,934,861 | 8,602,688 | - | - | - | 8,603,000 | - | 8,603,000 | 1.0000 |
| | 5,866,635 | 12,695,440 | 14,885,766 | 1,634,000 | 1,609,035 | (24,965) | 14,849,000 | 6,517,000 | 21,226,000 | |
| Total revenue | 27,831,218 | 35,610,662 | 40,304,444 | 5,727,000 | 6,036,375 | 309,375 | 41,330,000 | 31,185,000 | 72,515,000 | |

City of West Linn

Totals rolled up from all City funds

[for informational purposes]

| | Actual | | | through the 1st Quarter of FY 2013 | | | 2012-2013 Biennium | | | [3 months] |
|---------------------------------------|-------------------|-------------------|-------------------|------------------------------------|-------------------|---------------------|--------------------|-------------------|-------------------|------------------------|
| | FY 2010 | FY 2011 | FY 2012 | Flexible Budget | [3 months] Actual | [3 months] Variance | FY 2012 Budget | FY 2013 Budget | Total Budget | Flexible Budget Factor |
| Expenditures | | | | | | | | | | |
| Personnel services | \$ 12,046,793 | \$ 12,464,651 | \$ 13,073,971 | \$ 3,835,000 | \$ 3,777,079 | \$ 57,921 | \$ 13,601,000 | \$ 14,247,000 | \$ 27,848,000 | 0.2692 |
| Materials and services | 5,612,185 | 5,758,059 | 5,742,015 | 1,987,000 | 1,916,728 | 70,272 | 6,508,000 | 6,524,000 | 13,032,000 | 0.2500 |
| Debt service | 1,838,962 | 1,637,263 | 1,641,188 | - | - | - | 1,649,000 | 2,056,000 | 3,705,000 | 0.0000 |
| Refunded debt | - | 5,933,478 | - | - | - | - | - | - | - | 0.0000 |
| Transfers to other funds | 5,355,000 | 5,427,681 | 5,647,000 | 1,523,000 | 1,497,000 | 26,000 | 5,772,000 | 6,087,000 | 11,859,000 | 0.2500 |
| Capital outlay - regular | 2,642,346 | 4,805,173 | 1,912,521 | 912,000 | 542,273 | 369,727 | 6,872,000 | 2,690,000 | 9,562,000 | 0.2500 |
| Capital outlay - Police Station Bond: | | | | | | | | | | |
| Spent bond proceeds | - | - | 1,497,172 | - | 72,833 | (72,833) | 1,497,000 | - | 1,497,000 | 1.0000 |
| Reserve for unspent bond proceeds | - | - | 7,002,828 | - | - | - | 7,003,000 | - | 7,003,000 | 1.0000 |
| | - | - | 8,500,000 | - | 72,833 | (72,833) | 8,500,000 | - | 8,500,000 | |
| Total expenditures | 27,495,286 | 36,026,305 | 29,513,867 | 8,257,000 | 7,805,913 | 451,087 | 42,902,000 | 31,604,000 | 74,506,000 | |
| Revenue over (under) expenditures | 335,932 | (415,643) | 10,790,577 | (2,530,000) | (1,769,538) | 760,462 | (1,572,000) | (419,000) | (1,991,000) | |
| Beginning fund balance | 12,961,780 | 13,297,712 | 12,882,069 | 10,119,000 | 23,672,646 | 13,553,646 | 11,678,000 | 10,106,000 | 11,678,000 | |
| Ending fund balance | \$ 13,297,712 | \$ 12,882,069 | \$ 23,672,646 | \$ 7,589,000 | \$ 21,903,108 | \$ 14,314,108 | \$ 10,106,000 | \$ 9,687,000 | \$ 9,687,000 | |

**Summary
of expenditures
City-wide**

City of West Linn

Totals rolled up from all City funds

[for informational purposes]

| | Actual | | | through the 1st Quarter of FY 2013 | | | 2012-2013 Biennium | | | [3 months] |
|---------------------------------------|----------------------|----------------------|----------------------|------------------------------------|----------------------|----------------------|----------------------|---------------------|---------------------|------------------------|
| | FY 2010 | FY 2011 | FY 2012 | Flexible Budget | [3 months] Actual | [3 months] Variance | FY 2012 Budget | FY 2013 Budget | Total Budget | Flexible Budget Factor |
| Expenditures | | | | | | | | | | |
| Personnel services: | | | | | | | | | | |
| Salaries and wages | \$ 8,202,592 | \$ 8,384,067 | \$ 8,582,886 | \$ 2,422,000 | \$ 2,526,101 | \$ (104,101) | \$ 8,658,000 | \$ 8,996,000 | \$ 17,654,000 | 0.2692 |
| Overtime | 157,168 | 206,143 | 212,488 | 76,000 | 64,723 | 11,277 | 273,000 | 284,000 | 557,000 | 0.2692 |
| Payroll taxes and benefits | 2,381,770 | 2,522,288 | 2,803,637 | 888,000 | 777,202 | 110,798 | 3,063,000 | 3,299,000 | 6,362,000 | 0.2692 |
| PERS contributions | 1,305,263 | 1,352,153 | 1,474,960 | 449,000 | 409,053 | 39,947 | 1,607,000 | 1,668,000 | 3,275,000 | 0.2692 |
| | <u>12,046,793</u> | <u>12,464,651</u> | <u>13,073,971</u> | <u>3,835,000</u> | <u>3,777,079</u> | <u>57,921</u> | <u>13,601,000</u> | <u>14,247,000</u> | <u>27,848,000</u> | |
| Materials and services | 5,612,185 | 5,758,059 | 5,742,015 | 1,987,000 | 1,916,728 | 70,272 | 6,508,000 | 6,524,000 | 13,032,000 | 0.2500 |
| Debt service: | | | | | | | | | | |
| Principal | 835,448 | 1,024,552 | 1,150,000 | - | - | - | 1,150,000 | 1,200,000 | 2,350,000 | 0.0000 |
| Interest | 1,003,514 | 612,711 | 491,188 | - | - | - | 499,000 | 856,000 | 1,355,000 | 0.0000 |
| Refunded debt | - | 5,933,478 | - | - | - | - | - | - | - | |
| | <u>1,838,962</u> | <u>7,570,741</u> | <u>1,641,188</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,649,000</u> | <u>2,056,000</u> | <u>3,705,000</u> | |
| Transfers to other funds | 5,355,000 | 5,427,681 | 5,647,000 | 1,523,000 | 1,497,000 | 26,000 | 5,772,000 | 6,087,000 | 11,859,000 | 0.2500 |
| Capital outlay - regular | 2,642,346 | 4,805,173 | 1,912,521 | 912,000 | 542,273 | 369,727 | 6,872,000 | 2,690,000 | 9,562,000 | 0.2500 |
| Capital outlay - Police Station Bond: | | | | | | | | | | |
| Spent bond proceeds | - | - | 1,497,172 | - | 72,833 | (72,833) | 1,497,000 | - | 1,497,000 | 1.0000 |
| Reserve for unspent bond proceeds | - | - | 7,002,828 | - | - | - | 7,003,000 | - | 7,003,000 | 1.0000 |
| | <u>-</u> | <u>-</u> | <u>8,500,000</u> | <u>-</u> | <u>72,833</u> | <u>(72,833)</u> | <u>8,500,000</u> | <u>-</u> | <u>8,500,000</u> | |
| Total expenditures | <u>27,495,286</u> | <u>36,026,305</u> | <u>29,513,867</u> | <u>8,257,000</u> | <u>7,805,913</u> | <u>451,087</u> | <u>42,902,000</u> | <u>31,604,000</u> | <u>74,506,000</u> | |
| Revenue over (under) expenditures | 335,932 | (415,643) | 10,790,577 | (2,530,000) | (1,769,538) | 760,462 | (1,572,000) | (419,000) | (1,991,000) | |
| Beginning fund balance | <u>12,961,780</u> | <u>13,297,712</u> | <u>12,882,069</u> | <u>10,119,000</u> | <u>23,672,646</u> | <u>13,553,646</u> | <u>11,678,000</u> | <u>10,106,000</u> | <u>11,678,000</u> | |
| Ending fund balance | <u>\$ 13,297,712</u> | <u>\$ 12,882,069</u> | <u>\$ 23,672,646</u> | <u>\$ 7,589,000</u> | <u>\$ 21,903,108</u> | <u>\$ 14,314,108</u> | <u>\$ 10,106,000</u> | <u>\$ 9,687,000</u> | <u>\$ 9,687,000</u> | |

Budget-to-Actual
Financial Reports by Fund

General Fund
for the City of West Linn

| | Actual | | | through the 1st Quarter of FY 2013 | | | [for informational purposes] | | | [3 months] |
|-----------------------------------|---------------------|---------------------|----------------------|------------------------------------|---------------------|-----------------------|------------------------------|---------------------|---------------------|------------|
| | FY 2010 | FY 2011 | FY 2012 | Flexible | [3 months] | [3 months] | 2012-2013 Biennium | | | Flexible |
| | | | | Budget | Actual | Variance | FY 2012 | FY 2013 | Total | Budget |
| | Budget | Budget | Budget | Budget | Actual | Variance | Budget | Budget | Budget | |
| Revenue | | | | | | | | | | |
| Transfers from other funds | \$ 5,079,000 | \$ 5,078,681 | \$ 5,436,000 | \$ 1,429,000 | \$ 1,429,000 | \$ - | \$ 5,472,000 | \$ 5,714,000 | \$ 11,186,000 | 0.2500 |
| Fines and forfeitures | 428,171 | 421,535 | 332,386 ¹ | 120,000 | 79,778 | (40,222) ¹ | 464,000 | 478,000 | 942,000 | 0.2500 |
| Licenses and permits | 177,743 | 194,593 | 284,218 | 78,000 | 88,104 | 10,104 | 306,000 | 312,000 | 618,000 | 0.2500 |
| Franchise fees | - | 30,932 | 93,957 | - | - | - | 160,000 | 165,000 | 325,000 | 0.0000 |
| Intergovernmental | 8,441 | 41,667 | 112,040 ² | - | 31,490 | 31,490 ² | - | - | - | 0.2500 |
| Interest | 3,118 | 5,953 | 18,445 | 1,000 | 1,822 | 822 | 5,000 | 5,000 | 10,000 | 0.2500 |
| Miscellaneous | 207,676 | 274,124 | 190,285 | 26,000 | 7,958 | (18,042) | 150,000 | 102,000 | 252,000 | 0.2500 |
| Proceeds from refundings | - | 5,934,861 | - | - | - | - | - | - | - | |
| Total revenue | 5,904,149 | 11,982,346 | 6,467,331 | 1,654,000 | 1,638,152 | (15,848) | 6,557,000 | 6,776,000 | 13,333,000 | |
| Expenditures | | | | | | | | | | |
| City Council | 55,448 | 52,039 | 246,611 | 67,000 | 70,556 | (3,556) | 263,000 | 266,000 | 529,000 | 0.2548 |
| City Administration | 916,256 | 992,800 | 819,412 | 234,000 | 292,414 | (58,414) | 851,000 | 886,000 | 1,737,000 | 0.2750 |
| Communications | - | - | 73,812 | 16,000 | - | 16,000 | 65,000 | 65,000 | 130,000 | 0.2462 |
| Human Resources | 333,165 | 342,133 | 335,771 | 112,000 | 91,888 | 20,112 | 401,000 | 422,000 | 823,000 | 0.2793 |
| Finance | 944,439 | 976,712 | 1,018,354 | 280,000 | 253,078 | 26,922 | 1,021,000 | 1,062,000 | 2,083,000 | 0.2742 |
| Information Technology | 740,381 | 826,205 | 756,757 | 245,000 | 283,132 | (38,132) | 909,000 | 950,000 | 1,859,000 | 0.2695 |
| Facility Services | 441,427 | 482,333 | 453,578 | 125,000 | 109,356 | 15,644 | 484,000 | 492,000 | 976,000 | 0.2583 |
| Municipal Court | 221,073 | 327,591 | 284,037 | 93,000 | 69,243 | 23,757 | 332,000 | 345,000 | 677,000 | 0.2801 |
| Public Works Support Services | 1,238,473 | 1,205,769 | 1,155,908 | 336,000 | 283,708 | 52,292 | 1,204,000 | 1,251,000 | 2,455,000 | 0.2791 |
| Vehicle/Equipment Maint | 340,878 | 367,641 | 355,284 | 102,000 | 99,572 | 2,428 | 379,000 | 392,000 | 771,000 | 0.2691 |
| Non-departmental: | | | | | | | | | | |
| General Services | 104,383 | 115,507 | 143,898 | 75,000 | 68,197 | 6,803 | 217,000 | 167,000 | 384,000 | 0.4500 |
| Debt Service | 341,095 | 306,812 | 413,425 | - | - | - | 414,000 | 414,000 | 828,000 | 0.0000 |
| Transfers to other funds | 31,000 | 32,000 | 123,000 | 48,000 | 48,000 | - | 123,000 | 191,000 | 314,000 | 0.2500 |
| Current refundings | - | 5,933,478 | - ¹ | - | - | - | - | - | - | |
| Total expenditures | 5,708,018 | 11,961,020 | 6,179,847 | 1,733,000 | 1,669,144 | 63,856 | 6,663,000 | 6,903,000 | 13,566,000 | |
| Revenue over (under) expenditures | 196,131 | 21,326 | 287,484 | (79,000) | (30,992) | 48,008 | (106,000) | (127,000) | (233,000) | |
| Beginning fund balance | 985,405 | 1,181,536 | 1,202,862 | 1,169,000 | 1,490,346 | 321,346 | 1,275,000 | 1,169,000 | 1,275,000 | |
| Ending fund balance | <u>\$ 1,181,536</u> | <u>\$ 1,202,862</u> | <u>\$ 1,490,346</u> | <u>\$ 1,090,000</u> | <u>\$ 1,459,354</u> | <u>\$ 369,354</u> | <u>\$ 1,169,000</u> | <u>\$ 1,042,000</u> | <u>\$ 1,042,000</u> | |

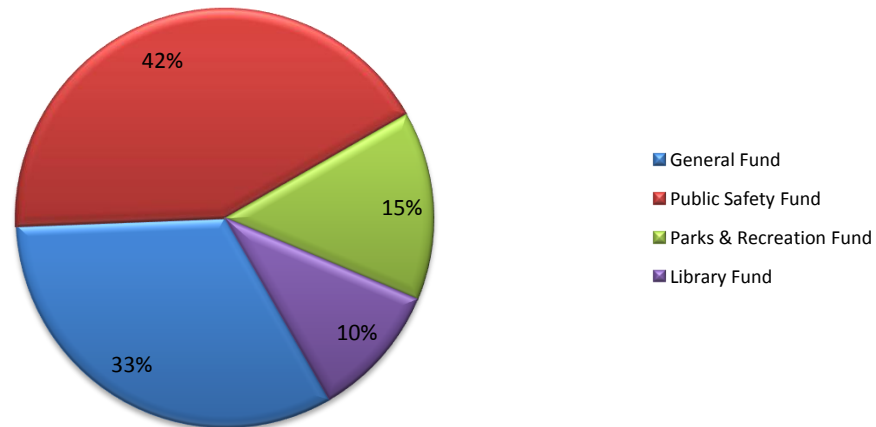
¹ The State revised all Municipal Court fine schedules effective January 1, 2012 resulting in lower fines assessed state-wide.

² Reflects \$100,000 reimbursement from the City of Milwaukie for the intergovernmental agreement for financial management services.

Summary of Ending Balances (unrestricted) from Funds with Property Tax Revenue Allocations:

| | Actual | | | Flexible Period | 2012-2013 Biennium | | |
|-------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | FY 2010 | FY 2011 | FY 2012 | | FY 2012 | FY 2013 | Total |
| General Fund | \$ 1,181,536 | \$ 1,202,862 | \$ 1,490,346 | \$ 1,459,354 | \$ 1,169,000 | \$ 1,042,000 | \$ 1,042,000 |
| Public Safety Fund | 2,085,081 | 895,304 | 1,283,785 | 211,530 | 1,008,000 | 1,349,000 | 1,349,000 |
| Parks & Recreation Fund | 402,450 | 489,035 | 447,092 | (176,872) | 576,000 | 465,000 | 465,000 |
| Library Fund | 246,991 | 219,062 | 248,631 | (353,406) | 308,000 | 329,000 | 329,000 |
| | <u>\$ 3,916,058</u> | <u>\$ 2,806,263</u> | <u>\$ 3,469,854</u> | <u>\$ 1,140,606</u> | <u>\$ 3,061,000</u> | <u>\$ 3,185,000</u> | <u>\$ 3,185,000</u> |

**Ending Fund Reserve Balances Budgeted
at the End of the Biennium**



**Public Safety Fund
for the City of West Linn**

[for informational purposes]

| | Actual | | | through the 1st Quarter of FY 2013 | | | 2012-2013 Biennium | | | [3 months] |
|---------------------------------------|------------------|------------------|------------------------|------------------------------------|-------------------|---------------------|--------------------|------------------|-------------------|------------------------|
| | FY 2010 | FY 2011 | FY 2012 | Flexible Budget | [3 months] Actual | [3 months] Variance | FY 2012 Budget | FY 2013 Budget | Total Budget | Flexible Budget Factor |
| Revenue | | | | | | | | | | |
| Property taxes | \$ 3,850,870 | \$ 4,213,922 | \$ 4,128,714 | \$ 57,000 | \$ 57,066 | \$ 66 | \$ 4,219,000 | \$ 4,380,000 | \$ 8,599,000 | 0.0130 |
| Franchise fees | 1,568,040 | 1,372,104 | 1,485,623 | 335,000 | 317,021 | (17,979) | 1,612,000 | 1,676,000 | 3,288,000 | 0.2000 |
| Intergovernmental revenue | 428,445 | 639,454 | 720,502 | 135,000 | 176,703 | 41,703 | 532,000 | 540,000 | 1,072,000 | 0.2500 |
| Licenses and permits | 27,078 | 14,158 | 20,465 | 9,000 | 4,058 | (4,942) | 35,000 | 36,000 | 71,000 | 0.2500 |
| Fines and forfeitures | 78,248 | 35,815 | 4,350 | 20,000 | 1,450 | (18,550) | 77,000 | 79,000 | 156,000 | 0.2500 |
| Interest | 4,487 | 3,619 | - | 2,000 | - | (2,000) | 8,000 | 8,000 | 16,000 | 0.2500 |
| Miscellaneous | 49,725 | 3,566 | 7,875 | 14,000 | 948 | (13,052) | 56,000 | 57,000 | 113,000 | 0.2500 |
| Debt proceeds | - | - | 8,602,688 | - | - | - | 8,603,000 | - | 8,603,000 | 0.0000 |
| Total revenue | 6,006,893 | 6,282,638 | 14,970,217 | 572,000 | 557,246 | (14,754) | 15,142,000 | 6,776,000 | 21,918,000 | |
| Expenditures | | | | | | | | | | |
| Personnel services | 3,923,723 | 3,739,493 | 4,114,092 | 1,206,000 | 1,161,145 | 44,855 | 4,281,000 | 4,478,000 | 8,759,000 | 0.2692 |
| Materials and services | 510,095 | 694,522 | 777,693 | 181,000 | 163,773 | 17,227 | 808,000 | 722,000 | 1,530,000 | 0.2500 |
| Debt service | 113,000 | 112,000 | - | - | - | - | - | - | - | 0.0000 |
| Transfers | 1,459,000 | 1,355,000 | 1,116,000 | 294,000 | 294,000 | - | 1,116,000 | 1,175,000 | 2,291,000 | 0.2500 |
| Capital outlay - regular | 75,531 | 1,571,400 | 73,951 | 60,000 | 10,583 | 49,417 | 460,000 | 60,000 | 520,000 | 1.0000 |
| Capital outlay - Police Station Bond: | | | | | | | | | | |
| Land acquisition costs | - | - | 1,453,084 ¹ | - | - | - | 1,453,000 | - | 1,453,000 | 1.0000 |
| Design/construction costs | - | - | 44,088 | - | 72,833 | (72,833) | 44,000 | - | 44,000 | 1.0000 |
| Reserve for unspent bond proceeds | - | - | 7,002,828 | - | - | - | 7,003,000 | - | 7,003,000 | 1.0000 |
| | - | - | 8,500,000 | - | 72,833 | (72,833) | 8,500,000 | - | 8,500,000 | |
| Total expenditures | 6,081,349 | 7,472,415 | 7,578,908 | 1,741,000 | 1,702,334 | 38,666 | 15,165,000 | 6,435,000 | 21,600,000 | |
| Revenue over (under) expenditures | (74,456) | (1,189,777) | 7,391,309 | (1,169,000) | (1,145,088) | 23,912 | (23,000) | 341,000 | 318,000 | |
| Beginning fund balance | 2,159,537 | 2,085,081 | 895,304 | 1,008,000 | 8,286,613 | 7,278,613 | 1,031,000 | 1,008,000 | 1,031,000 | |
| Ending fund balance - total | 2,085,081 | 895,304 | 8,286,613 | (161,000) | 7,141,525 | 7,302,525 | 1,008,000 | 1,349,000 | 1,349,000 | |
| Restricted unspent bond proceeds | - | - | (7,002,828) | - | (6,929,995) | - | - | - | - | |
| Ending fund balance - unrestricted | \$ 2,085,081 | \$ 895,304 | \$ 1,283,785 | \$ (161,000) | \$ 211,530 | \$ 7,302,525 | \$ 1,008,000 | \$ 1,349,000 | \$ 1,349,000 | |

¹ Capital outlay reflects the land acquisition costs (escrow closed in January 2012) relating to the Police Station project.

Parks & Recreation Fund
for the City of West Linn

| | Actual | | | through the 1st Quarter of FY 2013 | | | [for informational purposes] | | | [3 months] |
|-----------------------------------|------------------|------------------|------------------|------------------------------------|------------------|-----------------------|------------------------------|------------------|------------------|------------|
| | FY 2010 | FY 2011 | FY 2012 | Flexible | [3 months] | [3 months] | 2012-2013 Biennium | | | Flexible |
| | | | | Budget | Actual | Variance | FY 2012 | FY 2013 | Total | Budget |
| | Budget | Budget | Budget | Budget | Actual | Variance | Budget | Budget | Budget | |
| Revenue | | | | | | | | | | |
| Property taxes | \$ 1,527,886 | \$ 1,326,790 | \$ 1,198,978 | \$ 15,000 | \$ 19,678 | \$ 4,678 | \$ 1,125,000 | \$ 1,167,000 | \$ 2,292,000 | 0.0130 |
| Park maintenance fee | 1,128,369 | 1,180,724 | 1,288,750 | 326,000 | 326,000 | - | 1,243,000 | 1,305,000 | 2,548,000 | 0.2500 |
| Recreation program charges | 402,621 | 519,650 | 549,685 | 115,000 | 150,722 | 35,722 ¹ | 450,000 | 460,000 | 910,000 | 0.2500 |
| Intergovernmental | 47,900 | 559,998 | 12,900 | - | - | - | 1,115,000 | 216,000 | 1,331,000 | 0.0000 |
| Interest | 530 | - | - | - | - | - | 1,000 | 1,000 | 2,000 | 0.2500 |
| Miscellaneous | 25,150 | 5,643 | 8,728 | 7,000 | 1,650 | (5,350) | 26,000 | 27,000 | 53,000 | 0.2500 |
| Proceeds from sale of park land | - | 483,000 | - | - | - | - | - | - | - | 0.2500 |
| Total revenue | 3,132,456 | 4,075,805 | 3,059,041 | 463,000 | 498,050 | 35,050 | 3,960,000 | 3,176,000 | 7,136,000 | |
| Expenditures | | | | | | | | | | |
| Personnel services | 1,386,427 | 1,416,006 | 1,476,027 | 432,000 | 489,752 | (57,752) ¹ | 1,532,000 | 1,605,000 | 3,137,000 | 0.2692 |
| Material & services | 669,485 | 786,220 | 723,822 | 288,000 | 315,048 | (27,048) ¹ | 700,000 | 720,000 | 1,420,000 | 0.4000 |
| Debt service | 37,186 | 38,723 | 36,223 | - | - | - | 37,000 | 37,000 | 74,000 | 0.0000 |
| Transfers | 780,000 | 803,000 | 830,000 | 216,000 | 216,000 | - | 830,000 | 865,000 | 1,695,000 | 0.2500 |
| Capital outlay | 350,742 | 945,271 | 34,912 | 15,000 | 101,214 | (86,214) | 875,000 | 60,000 | 935,000 | 0.2500 |
| Total expenditures | 3,223,840 | 3,989,220 | 3,100,984 | 951,000 | 1,122,014 | (171,014) | 3,974,000 | 3,287,000 | 7,261,000 | |
| Revenue over (under) expenditures | (91,384) | 86,585 | (41,943) | (488,000) | (623,964) | (135,964) | (14,000) | (111,000) | (125,000) | |
| Beginning fund balance | 493,834 | 402,450 | 489,035 | 576,000 | 447,092 | (128,908) | 590,000 | 576,000 | 590,000 | |
| Ending fund balance | \$ 402,450 | \$ 489,035 | \$ 447,092 | \$ 88,000 | \$ (176,872) | \$ (264,872) | \$ 576,000 | \$ 465,000 | \$ 465,000 | |

¹ These variances reflect increased expenditures incurred during Parks' busier summer months.

Library Fund
for the City of West Linn

| | Actual | | | through the 1st Quarter of FY 2013 | | | [[for informational purposes]] | | | [3 months] |
|-----------------------------------|------------------|------------------|----------------------|------------------------------------|-------------------|-------------------------|--------------------------------|------------------|------------------|------------------------|
| | FY 2010 | FY 2011 | FY 2012 | Flexible Budget | [3 months] Actual | [3 months] Variance | FY 2012 Budget | FY 2013 Budget | Total Budget | Flexible Budget Factor |
| Revenue | | | | | | | | | | |
| Property taxes | \$ 397,550 | \$ 405,055 | \$ 796,103 | \$ 11,000 | \$ 8,855 | \$ (2,145) ¹ | \$ 830,000 | \$ 875,000 | \$ 1,705,000 | 0.0130 |
| Library funding from County | 1,193,937 | 1,263,801 | 1,305,223 | - | - | - ¹ | 1,382,000 | 1,442,000 | 2,824,000 | 0.0000 |
| One-time capital funding | - | - | 1,000,000 | - | - | - | 1,000,000 | - | 1,000,000 | 0.0000 |
| Fines and forfeitures | 58,732 | 62,737 | 66,429 | 16,000 | 15,159 | (841) | 62,000 | 64,000 | 126,000 | 0.2500 |
| Interest | 817 | 594 | - | 1,000 | - | (1,000) | 3,000 | 3,000 | 6,000 | 0.2500 |
| Miscellaneous | 6,132 | 7,916 | 14,150 | 3,000 | 356 | (2,644) | 10,000 | 10,000 | 20,000 | 0.2500 |
| Total revenue | 1,657,168 | 1,740,103 | 3,181,905 | 31,000 | 24,370 | (6,630) | 3,287,000 | 2,394,000 | 5,681,000 | |
| Expenditures | | | | | | | | | | |
| Personnel services | 1,083,161 | 1,186,953 | 1,184,157 | 369,000 | 350,171 | 18,829 | 1,304,000 | 1,372,000 | 2,676,000 | 0.2692 |
| Materials and services | 189,221 | 202,079 | 230,179 | 81,000 | 84,236 | (3,236) | 228,000 | 232,000 | 460,000 | 0.3500 |
| Transfers | 369,000 | 379,000 | 738,000 | 192,000 | 192,000 | - | 738,000 | 769,000 | 1,507,000 | 0.2500 |
| Capital outlay | - | - | 203,895 ² | - | 148,803 | (148,803) ³ | 1,000,000 | - | 1,000,000 | 0.0000 |
| Total expenditures | 1,641,382 | 1,768,032 | 2,356,231 | 642,000 | 775,210 | (133,210) | 3,270,000 | 2,373,000 | 5,643,000 | |
| Revenue over (under) expenditures | 15,786 | (27,929) | 825,674 | (611,000) | (750,840) | (139,840) | 17,000 | 21,000 | 38,000 | |
| Beginning fund balance | 231,205 | 246,991 | 219,062 | 291,000 | 1,044,736 | 753,736 | 291,000 | 308,000 | 291,000 | |
| Ending fund balance - total | 246,991 | 219,062 | 1,044,736 | (320,000) | 293,896 | 613,896 | 308,000 | 329,000 | 329,000 | |
| Restricted - County Grant | - | - | 796,105 | - | 647,302 | 647,302 | - | - | - | |
| Restricted - Caufield Trust | 158,000 | 158,000 | 158,000 | 158,000 | 158,000 | - | 158,000 | 158,000 | 158,000 | |
| Unrestricted | \$ 88,991 | \$ 61,062 | \$ 90,631 | \$ (478,000) | \$ (511,406) | \$ (33,406) | \$ 150,000 | \$ 171,000 | \$ 171,000 | |

¹ Property taxes arrive starting in the 2nd Quarter and the dedicated Library District Levy arrives in the 3rd Quarter.

² Funded with the \$1 million from the County, this capital outlay item is for the parking lot acquisition adjacent to the Library.

³ Funded with the \$1 million from the County, this capital outlay item is for the Library roof repair/replacement project.

Building Inspection Fund
for the City of West Linn

| | Actual | | | through the 1st Quarter of FY 2013 | | | [for informational purposes] | | | [3 months] |
|-----------------------------------|----------------|----------------|-------------------------|------------------------------------|-------------------|---------------------|------------------------------|----------------|------------------|------------------------|
| | FY 2010 | FY 2011 | FY 2012 | Flexible Budget | [3 months] Actual | [3 months] Variance | FY 2012 Budget | FY 2013 Budget | Total Budget | Flexible Budget Factor |
| Revenue | | | | | | | | | | |
| Licenses and permits | \$ 557,682 | \$ 642,616 | \$ 715,745 ¹ | \$ 182,000 | \$ 170,499 | \$ (11,501) | \$ 664,000 | \$ 728,000 | \$ 1,392,000 | 0.2500 |
| Interest | 248 | - | - | - | - | - | - | - | - | 0.2500 |
| Miscellaneous | 6,614 | 678 | - | 1,000 | - | (1,000) | 5,000 | 5,000 | 10,000 | 0.2500 |
| Total revenue | 564,544 | 643,294 | 715,745 | 183,000 | 170,499 | (12,501) | 669,000 | 733,000 | 1,402,000 | |
| Expenditures | | | | | | | | | | |
| Personnel services | 289,805 | 383,253 | 415,503 | 118,000 | 104,902 | 13,098 | 420,000 | 440,000 | 860,000 | 0.2692 |
| Materials and services | 8,980 | 16,273 | 10,622 | 5,000 | 1,942 | 3,058 | 20,000 | 21,000 | 41,000 | 0.2500 |
| Debt service | | | | | | | | | | |
| Principal | 119,552 | - | - | - | - | - | - | - | - | 0.2500 |
| Interest | 491 | - | - | - | - | - | - | - | - | 0.2500 |
| Transfers | 71,000 | 73,000 | 278,000 | 74,000 | 74,000 | - | 284,000 | 295,000 | 579,000 | 0.2500 |
| Total expenditures | 489,828 | 472,526 | 704,125 | 197,000 | 180,844 | 16,156 | 724,000 | 756,000 | 1,480,000 | |
| Revenue over (under) expenditures | 74,716 | 170,768 | 11,620 | (14,000) | (10,345) | 3,655 | (55,000) | (23,000) | (78,000) | |
| Beginning fund balance | (2,059) | 72,657 | 243,425 | 145,000 | 255,045 | 110,045 | 200,000 | 145,000 | 200,000 | |
| Ending fund balance | \$ 72,657 | \$ 243,425 | \$ 255,045 | \$ 131,000 | \$ 244,700 | \$ 113,700 | \$ 145,000 | \$ 122,000 | \$ 122,000 | |

¹ Building revenues turned around slightly reflecting an increase in local building activity.

Planning Fund
for the City of West Linn

| | Actual | | | through the 1st Quarter of FY 2013 | | | [for informational purposes] | | | [3 months] |
|-----------------------------------|----------------|----------------|-------------------------|------------------------------------|----------------|------------------------|------------------------------|------------------|------------------|------------|
| | FY 2010 | FY 2011 | FY 2012 | Flexible | [3 months] | [3 months] | 2012-2013 Biennium | | | Flexible |
| | | | | Budget | Actual | Variance | FY 2012 | FY 2013 | Total | Budget |
| | Budget | Budget | Budget | Budget | Actual | Variance | Budget | Budget | Budget | |
| Revenue | | | | | | | | | | |
| Intergovernmental | \$ 206,831 | \$ 213,669 | \$ 263,349 ¹ | \$ 52,000 | \$ 63,526 | \$ 11,526 ¹ | \$ 304,000 | \$ 208,000 | \$ 512,000 | 0.2500 |
| Franchise fees | 168,636 | 64,400 | 56,144 ² | - | - | - | 184,000 | 191,000 | 375,000 | 0.0000 |
| Licenses and permits | 274,505 | 160,818 | 198,055 | 74,000 | 67,314 | (6,686) | 255,000 | 296,000 | 551,000 | 0.2500 |
| Charges for services | 157,000 | 168,000 | 150,000 | 50,000 | 50,000 | - | 150,000 | 198,000 | 348,000 | 0.2500 |
| Interest | 755 | 482 | - | - | - | - | 1,000 | 1,000 | 2,000 | 0.2500 |
| Miscellaneous | 357 | 5,388 | 5,754 | 1,000 | 1,286 | 286 | 1,000 | 1,000 | 2,000 | 1.0000 |
| Transfers from other funds | 119,000 | 181,000 | 61,000 | 44,000 | 18,000 | (26,000) | 150,000 | 175,000 | 325,000 | 0.2500 |
| Total revenue | 927,084 | 793,757 | 734,302 | 221,000 | 200,126 | (20,874) | 1,045,000 | 1,070,000 | 2,115,000 | |
| Expenditures | | | | | | | | | | |
| Personnel services | 573,688 | 611,293 | 591,131 | 207,000 | 166,600 | 40,400 ³ | 730,000 | 767,000 | 1,497,000 | 0.2692 |
| Materials and services | 36,647 | 38,149 | 44,120 | 23,000 | 17,644 | 5,356 | 101,000 | 92,000 | 193,000 | 0.2500 |
| Transfers | 202,000 | 207,000 | 295,000 | 85,000 | 85,000 | - | 325,000 | 338,000 | 663,000 | 0.2500 |
| Total expenditures | 812,335 | 856,442 | 930,251 | 315,000 | 269,244 | 45,756 | 1,156,000 | 1,197,000 | 2,353,000 | |
| Revenue over (under) expenditures | 114,749 | (62,685) | (195,949) | (94,000) | (69,118) | 24,882 | (111,000) | (127,000) | (238,000) | |
| Beginning fund balance | 210,793 | 325,542 | 262,857 | 270,000 | 66,908 | (203,092) | 381,000 | 270,000 | 381,000 | |
| Ending fund balance | \$ 325,542 | \$ 262,857 | \$ 66,908 | \$ 176,000 | \$ (2,210) | \$ (178,210) | \$ 270,000 | \$ 143,000 | \$ 143,000 | |

¹ Intergovernmental revenue reflects Oregon's State Revenue Sharing funds received into the Planning Fund.

² Franchise fees revenue are from CenturyLink's telephone franchise, which continue to decline over the years as more land-based lines move to cellular.

³ This variance in Personnel services reflects the Senior Planner being promoted to Economic Development Director and charged to City Administration in the General Fund.

Park Bond Fund
for the City of West Linn

| | Actual | | | through the 1st Quarter of FY 2013 | | | [for informational purposes] | | | [3 months] Flexible Budget Factor |
|-----------------------------------|------------|------------|------------|------------------------------------|----------------------|-------------------------|------------------------------|-------------------|-----------------|--|
| | FY 2010 | FY 2011 | FY 2012 | Flexible Budget | [3 months] Actual | [3 months] Variance | FY 2012 Budget | FY 2013 Budget | Total Budget | |
| Revenue | | | | | | | | | | |
| Interest | \$ 1,950 | \$ 1,869 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | 0.2500 |
| Total revenue | 1,950 | 1,869 | - | - | - | - | - | - | - | |
| Expenditures | | | | | | | | | | |
| Materials & Services | 260 | 2,243 | - | - | - | - | - | - | - | 0.2500 |
| Capital outlay | 94,985 | 739,217 | - | - | 3,560 | (3,560) | 177,000 | - | 177,000 | 0.2500 |
| Total expenditures | 95,245 | 741,460 | - | - | 3,560 | (3,560) | 177,000 | - | 177,000 | |
| Revenue over (under) expenditures | (93,295) | (739,591) | - | - | (3,560) | (3,560) | (177,000) | - | (177,000) | |
| Beginning fund balance | 968,128 | 874,833 | 135,242 | - | 135,242 | 135,242 | 177,000 | - | 177,000 | |
| Ending fund balance | \$ 874,833 | \$ 135,242 | \$ 135,242 | \$ - | \$ 131,682 | \$ 131,682 ¹ | \$ - | \$ - | \$ - | |

¹ Ending fund balance in this Fund represents the remaining unspent bond proceeds dedicated for future park projects.

**Debt Service Fund
for the City of West Linn**

| | Actual | | | through the 1st Quarter of FY 2013 | | | [for informational purposes] | | | [3 months] |
|-----------------------------------|----------------|----------------|----------------|------------------------------------|-------------------|---------------------|------------------------------|------------------|----------------------|------------------------|
| | FY 2010 | FY 2011 | FY 2012 | Flexible Budget | [3 months] Actual | [3 months] Variance | FY 2012 Budget | FY 2013 Budget | Total Budget | Flexible Budget Factor |
| Revenue | | | | | | | | | | |
| Property taxes | \$ 827,126 | \$ 888,281 | \$ 834,004 | \$ 16,000 | \$ 12,791 | \$ (3,209) | \$ 840,000 | \$ 1,267,000 | \$ 2,107,000 | 0.0130 |
| Interest | 314 | 180 | - | - | - | - | 1,000 | 1,000 | 2,000 | 0.2500 |
| Total revenue | 827,440 | 888,461 | 834,004 | 16,000 | 12,791 | (3,209) | 841,000 | 1,268,000 | 2,109,000 | |
| Expenditures | | | | | | | | | | |
| Debt service | | | | | | | | | | |
| Principal: | | | | | | | | | | |
| 2012 GO Police Station | - | - | - | - | - | - ² | - | 135,000 | 135,000 ² | 0.0000 |
| 2010 GO Refunding | - | 210,000 | 200,000 | - | - | - ¹ | 200,000 | 220,000 | 420,000 | 0.0000 |
| 2009 GO Refunding | 405,000 | 470,000 | 490,000 | - | - | - ¹ | 490,000 | 505,000 | 995,000 | 0.0000 |
| Prior refunded principal | 140,000 | - | - | - | - | - | - | - | - | |
| Interest: | | | | | | | | | | |
| 2012 GO Police Station | - | - | - | - | - | - ² | - | 257,000 | 257,000 ² | 0.0000 |
| 2010 GO Refunding | - | 54,833 | 69,537 | - | - | - ¹ | 71,000 | 65,000 | 136,000 | 0.0000 |
| 2009 GO Refunding | 214,290 | 145,287 | 131,181 | - | - | - ¹ | 134,000 | 120,000 | 254,000 | 0.0000 |
| Prior refunded interest | 165,482 | - | - | - | - | - | - | - | - | |
| Total expenditures | 924,772 | 880,120 | 890,718 | - | - | - | 895,000 | 1,302,000 | 2,197,000 | |
| Revenue over (under) expenditures | (97,332) | 8,341 | (56,714) | 16,000 | 12,791 | (3,209) | (54,000) | (34,000) | (88,000) | |
| Beginning fund balance | 214,386 | 117,054 | 125,395 | 83,000 | 68,681 | (14,319) | 137,000 | 83,000 | 137,000 | |
| Ending fund balance | \$ 117,054 | \$ 125,395 | \$ 68,681 | \$ 99,000 | \$ 81,472 | \$ (17,528) | \$ 83,000 | \$ 49,000 | \$ 49,000 | |

¹ Debt service payments on general obligation bonds are scheduled to be paid semi-annually. For the City of West Linn, the above debt service payments follow this semi-annual schedule with payments due December 1 (interest) and June 1st (principal and interest).

² 2012 GO Police Station debt service payments begin this fiscal year, FY 2013.

Systems Development Charges Fund
for the City of West Linn

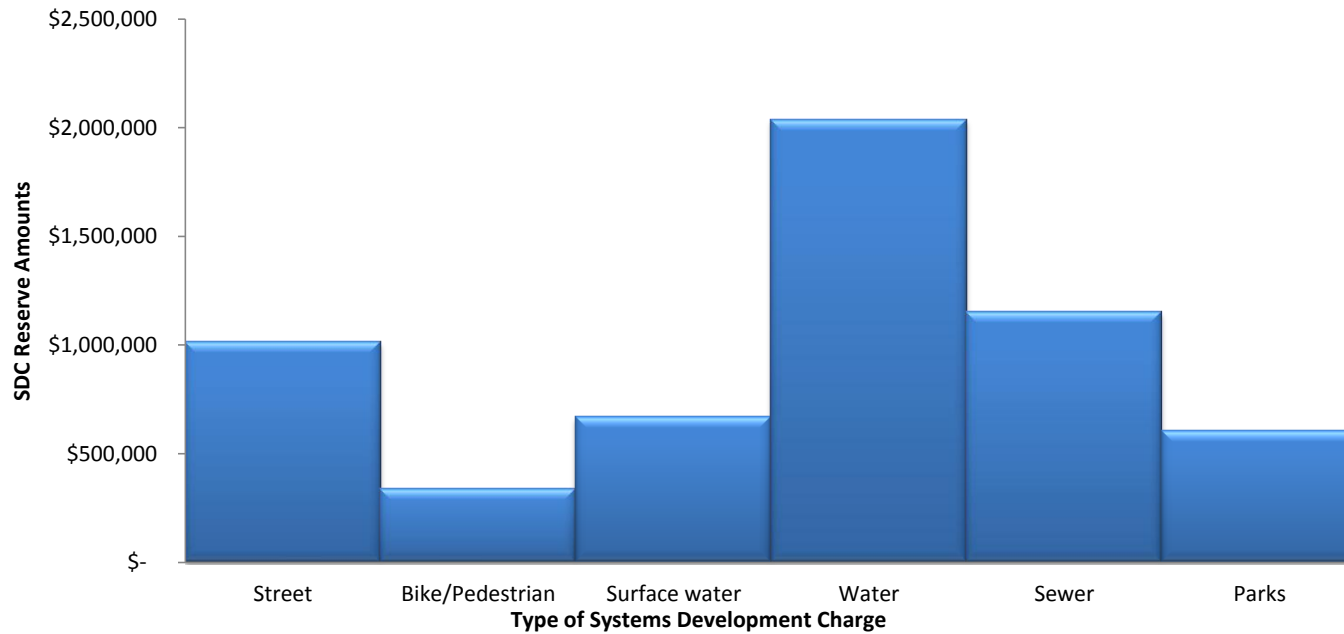
[for informational purposes]

| | Actual | | | through the 1st Quarter of FY 2013 | | | 2012-2013 Biennium | | | [3 months] |
|-----------------------------------|---------------------|---------------------|---------------------|------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|------------------------|
| | FY 2010 | FY 2011 | FY 2012 | Flexible Budget | [3 months] Actual | [3 months] Variance | FY 2012 Budget | FY 2013 Budget | Total Budget | Flexible Budget Factor |
| Revenue | | | | | | | | | | |
| Interest | \$ 8,402 | \$ 4,299 | \$ 499 | \$ 5,000 | \$ 118 | \$ (4,882) | \$ 19,000 | \$ 19,000 | \$ 38,000 | 0.2500 |
| Intergovernmental grants | 633,600 | - | - | - | - | - | - | - | - | 0.2500 |
| Systems Development Charges | | | | | | | | | | |
| Street | 181,558 | 219,107 | 263,854 | 40,000 | 70,348 | 30,348 | 155,000 | 160,000 | 315,000 | 0.2500 |
| Bike/Pedestrian | 6,807 | 212,759 | 97,276 | 3,000 | 21,949 | 18,949 | 10,000 | 10,000 | 20,000 | 0.2500 |
| Surface water | 13,266 | 10,484 | 11,296 | 4,000 | 3,243 | (757) | 15,000 | 15,000 | 30,000 | 0.2500 |
| Water | 191,264 | 302,362 | 500,617 | 52,000 | 107,596 | 55,596 | 1,401,000 | 207,000 | 1,608,000 | 0.2500 |
| Sewer | 91,954 | 115,017 | 198,594 | 24,000 | 43,884 | 19,884 | 93,000 | 96,000 | 189,000 | 0.2500 |
| Parks | 123,878 | 167,338 | 694,250 | 33,000 | 160,987 | 127,987 | 129,000 | 133,000 | 262,000 | 0.2500 |
| Total revenue | 1,250,729 | 1,031,366 | 1,766,386 | 161,000 | 408,125 | 247,125 | 1,822,000 | 640,000 | 2,462,000 | |
| Expenditures | | | | | | | | | | |
| Materials and services | - | 1,014 | 12,378 | 13,000 | - | 13,000 | 50,000 | 50,000 | 100,000 | 0.2500 |
| Transfers | 35,000 | 36,000 | 11,000 | 26,000 | - | 26,000 | 100,000 | 103,000 | 203,000 | 0.2500 |
| Capital outlay | | | | | | | | | | |
| Street | 6,311 | - | 116,782 | 50,000 | - | 50,000 | 200,000 | 200,000 | 400,000 | 0.2500 |
| Bike/Pedestrian | - | - | - | - | - | - | - | - | - | 0.2500 |
| Surface water | - | - | 39,518 | 25,000 | - | 25,000 | 100,000 | 100,000 | 200,000 | 0.2500 |
| Water | 130,868 | - | 130,419 | 5,000 | 11,727 | (6,727) | 2,110,000 | 20,000 | 2,130,000 | 0.2500 |
| Sewer | - | 385,569 | 39,518 | 125,000 | - | 125,000 | 100,000 | 500,000 | 600,000 | 0.2500 |
| Parks | 1,076,509 | 67,025 | 225,838 | 25,000 | 37,504 | (12,504) | 100,000 | 100,000 | 200,000 | 0.2500 |
| Total expenditures | 1,248,688 | 489,608 | 575,453 | 269,000 | 49,231 | 219,769 | 2,760,000 | 1,073,000 | 3,833,000 | |
| Revenue over (under) expenditures | 2,041 | 541,758 | 1,190,933 | (108,000) | 358,894 | 466,894 | (938,000) | (433,000) | (1,371,000) | |
| Beginning fund balance | 3,725,575 | 3,727,616 | 4,269,374 | 2,617,000 | 5,460,307 | 2,843,307 | 3,555,000 | 2,617,000 | 3,555,000 | |
| Ending fund balance | <u>\$ 3,727,616</u> | <u>\$ 4,269,374</u> | <u>\$ 5,460,307</u> | <u>\$ 2,509,000</u> | <u>\$ 5,819,201</u> | <u>\$ 3,310,201</u> | <u>\$ 2,617,000</u> | <u>\$ 2,184,000</u> | <u>\$ 2,184,000</u> | |

Summary of Ending Balances by Type of Systems Development Charge:

| | Actual | | | Flexible Period | | 2012-2013 Biennium | | |
|-----------------|---------------------|---------------------|---------------------|---------------------|-----------------|---------------------|---------------------|---------------------|
| | FY 2010 | FY 2011 | FY 2012 | | | FY 2012 | FY 2013 | Total |
| Street | \$ 591,639 | \$ 810,913 | \$ 945,277 | \$ 1,015,743 | Street | \$ 482,000 | \$ 332,000 | \$ 332,000 |
| Bike/Pedestrian | 6,821 | 219,339 | 315,921 | 337,870 | Bike/Pedestrian | 27,000 | 37,000 | 37,000 |
| Surface water | 684,031 | 695,283 | 665,515 | 668,758 | Surface water | 510,000 | 418,000 | 418,000 |
| Water | 1,288,285 | 1,575,590 | 1,941,423 | 2,037,292 | Water | 452,000 | 636,000 | 636,000 |
| Sewer | 1,220,286 | 951,487 | 1,108,102 | 1,151,986 | Sewer | 1,093,000 | 684,000 | 684,000 |
| Parks | (63,446) | 16,762 | 484,069 | 607,552 | Parks | 53,000 | 77,000 | 77,000 |
| | <u>\$ 3,727,616</u> | <u>\$ 4,269,374</u> | <u>\$ 5,460,307</u> | <u>\$ 5,819,201</u> | | <u>\$ 2,617,000</u> | <u>\$ 2,184,000</u> | <u>\$ 2,184,000</u> |

SDC Reserves as of End of Flexible Period



Street Fund
for the City of West Linn

| | Actual | | | through the 1st Quarter of FY 2013 | | | [[for informational purposes]] | | | [3 months] |
|-----------------------------------|------------------|------------------|---------------------------|------------------------------------|-------------------|------------------------|--------------------------------|------------------|------------------|------------------------|
| | FY 2010 | FY 2011 | FY 2012 | Flexible Budget | [3 months] Actual | [3 months] Variance | FY 2012 Budget | FY 2013 Budget | Total Budget | Flexible Budget Factor |
| Revenue | | | | | | | | | | |
| Intergovernmental - gas taxes | \$ 1,012,955 | \$ 1,204,325 | \$ 1,372,076 ¹ | \$ 286,000 | \$ 336,158 | \$ 50,158 ¹ | \$ 1,134,000 | \$ 1,145,000 | \$ 2,279,000 | 0.2500 |
| Intergovernmental - grants | 146,763 | 146,762 | - | - | - | - | - | - | - | 0.2500 |
| Street maintenance fee | 778,226 | 792,586 | 870,438 | 225,000 | 223,857 | (1,143) | 858,000 | 901,000 | 1,759,000 | 0.2500 |
| Franchise fees | 100,875 | 103,189 | 112,895 | 32,000 | 28,164 | (3,836) | 124,000 | 128,000 | 252,000 | 0.2500 |
| Interest | 2,141 | 722 | - | 1,000 | - | (1,000) | 4,000 | 4,000 | 8,000 | 0.2500 |
| Miscellaneous | 64,816 | 327,898 | 170,483 | 14,000 | 50,294 | 36,294 | 53,000 | 54,000 | 107,000 | 0.2500 |
| Total revenue | 2,105,776 | 2,575,482 | 2,525,892 | 558,000 | 638,473 | 80,473 | 2,173,000 | 2,232,000 | 4,405,000 | |
| Expenditures | | | | | | | | | | |
| Personnel services | 410,546 | 453,082 | 490,123 | 141,000 | 138,039 | 2,961 | 500,000 | 525,000 | 1,025,000 | 0.2692 |
| Material & services | 487,504 | 433,496 | 433,428 | 186,000 | 171,903 | 14,097 | 490,000 | 530,000 | 1,020,000 | 0.3500 |
| Debt service | 150,000 | 151,000 | 152,000 | - | - | - | 152,000 | 152,000 | 304,000 | 0.0000 |
| Transfers | 671,000 | 659,000 | 529,000 | 138,000 | 138,000 | - | 529,000 | 550,000 | 1,079,000 | 0.2500 |
| Capital outlay | 279,925 | 516,782 | 415,419 | 300,000 | 105,748 | 194,252 | 500,000 | 500,000 | 1,000,000 | 0.6000 |
| Total expenditures | 1,998,975 | 2,213,360 | 2,019,970 | 765,000 | 553,690 | 211,310 | 2,171,000 | 2,257,000 | 4,428,000 | |
| Revenue over (under) expenditures | 106,801 | 362,122 | 505,922 | (207,000) | 84,783 | 291,783 | 2,000 | (25,000) | (23,000) | |
| Beginning fund balance | 822,172 | 928,973 | 1,291,095 | 875,000 | 1,797,017 | 922,017 | 873,000 | 875,000 | 873,000 | |
| Ending fund balance | \$ 928,973 | \$ 1,291,095 | \$ 1,797,017 | \$ 668,000 | \$ 1,881,800 | \$ 1,213,800 | \$ 875,000 | \$ 850,000 | \$ 850,000 | |

¹ State gas tax revenues increased effective January 1, 2011 with new legislation raising the gas tax rate from \$0.24 to \$0.30 cents per gallon.

² This variance reflects increased expenditures incurred during Street's busier summer months.

Water Fund
for the City of West Linn

| | Actual | | | through the 1st Quarter of FY 2013 | | | [for informational purposes] | | | [3 months] |
|-----------------------------------|------------------|------------------|---------------------------|------------------------------------|------------------|-----------------------|------------------------------|------------------|------------------|------------|
| | FY 2010 | FY 2011 | FY 2012 | Flexible | [3 months] | [3 months] | 2012-2013 Biennium | | | Flexible |
| | | | | Budget | Actual | Variance | FY 2012 | FY 2013 | Total | Budget |
| | Budget | Budget | Budget | Budget | Actual | Variance | Budget | Budget | Budget | |
| Revenue | | | | | | | | | | |
| Water services charges | \$ 2,908,269 | \$ 2,902,041 | \$ 3,152,123 ¹ | \$ 1,175,000 | \$ 1,170,158 | \$ (4,842) | \$ 3,197,000 | \$ 3,358,000 | \$ 6,555,000 | 0.3500 |
| Interest | 776 | 7 | - | 1,000 | - | (1,000) | 3,000 | 3,000 | 6,000 | 0.2500 |
| Miscellaneous | 47,670 | 63,105 | 60,431 | 11,000 | 11,336 | 336 | 41,000 | 42,000 | 83,000 | 0.2500 |
| Systems development charges | 13,367 | 35,699 | 53,360 | - | 13,427 | 13,427 | - | - | - | 0.2500 |
| Total revenue | 2,970,082 | 3,000,852 | 3,265,914 | 1,187,000 | 1,194,921 | 7,921 | 3,241,000 | 3,403,000 | 6,644,000 | |
| Expenditures | | | | | | | | | | |
| Personnel services | 580,497 | 522,158 | 522,988 | 148,000 | 146,446 | 1,554 | 530,000 | 550,000 | 1,080,000 | 0.2692 |
| Materials and services | 1,312,707 | 1,298,377 | 1,347,850 ² | 540,000 | 563,194 | (23,194) ² | 1,470,000 | 1,544,000 | 3,014,000 | 0.3500 |
| Debt service | | | | | | | | | | |
| Principal | 80,000 | 80,000 | 85,000 | - | - | - | 85,000 | 90,000 | 175,000 | 0.0000 |
| Interest | 72,866 | 68,608 | 63,822 | - | - | - | 66,000 | 61,000 | 127,000 | 0.0000 |
| Transfers | 686,000 | 743,000 | 657,000 | 171,000 | 171,000 | - | 657,000 | 684,000 | 1,341,000 | 0.2500 |
| Capital outlay | 390,385 | 62,205 | 27,871 | 94,000 | 74,647 | 19,353 | 375,000 | 375,000 | 750,000 | 0.2500 |
| Total expenditures | 3,122,455 | 2,774,348 | 2,704,531 | 953,000 | 955,287 | (2,287) | 3,183,000 | 3,304,000 | 6,487,000 | |
| Revenue over (under) expenditures | (152,373) | 226,504 | 561,383 | 234,000 | 239,634 | 5,634 | 58,000 | 99,000 | 157,000 | |
| Beginning fund balance | 620,669 | 468,296 | 694,800 | 677,000 | 1,256,183 | 579,183 | 619,000 | 677,000 | 619,000 | |
| Ending fund balance | \$ 468,296 | \$ 694,800 | \$ 1,256,183 | \$ 911,000 | \$ 1,495,817 | \$ 584,817 | \$ 677,000 | \$ 776,000 | \$ 776,000 | |

¹ Water services charges, in total, have declined slightly in FY 2009, FY 2010, and FY 2011 despite five percent rate increases in each of those years. For FY 2012, total water revenues increased 8.6 percent over FY 2011 - 5 percent of which is attributed a rate increase.

² The majority of Materials and Services includes the cost of purchasing water from South Fork Water Board.

Environmental Services Fund
for the City of West Linn

| | Actual | | | through the 1st Quarter of FY 2013 | | | [for informational purposes] | | | [3 months] |
|-----------------------------------|---------------------|---------------------|---------------------|------------------------------------|---------------------|------------------------|------------------------------|---------------------|---------------------|------------------------|
| | FY 2010 | FY 2011 | FY 2012 | Flexible Budget | [3 months] Actual | [3 months] Variance | FY 2012 Budget | FY 2013 Budget | Total Budget | Flexible Budget Factor |
| Revenue | | | | | | | | | | |
| Sewer services charges | \$ 1,632,385 | \$ 1,714,474 | \$ 1,934,533 | \$ 473,000 | \$ 485,998 | \$ 12,998 ¹ | \$ 1,801,000 | \$ 1,891,000 | \$ 3,692,000 | 0.2500 |
| Surface water services charges | 592,883 | 627,169 | 666,751 | 172,000 | 164,620 | (7,380) ² | 654,000 | 687,000 | 1,341,000 | 0.2500 |
| Licenses and permits | 56,381 | 53,006 | 76,355 | 13,000 | 20,164 | 7,164 | 51,000 | 52,000 | 103,000 | 0.2500 |
| Interest | 6,153 | 2,839 | - | 3,000 | - | (3,000) | 10,000 | 10,000 | 20,000 | 0.2500 |
| Miscellaneous | 5,000 | 56 | - | 2,000 | - | (2,000) | 7,000 | 7,000 | 14,000 | 0.2500 |
| Systems development charges | 75,209 | 105,261 | 106,068 | 18,000 | 22,840 | 4,840 | 70,000 | 70,000 | 140,000 | 0.2500 |
| Total revenue | 2,368,011 | 2,502,805 | 2,783,707 | 681,000 | 693,622 | 12,622 | 2,593,000 | 2,717,000 | 5,310,000 | |
| Expenditures | | | | | | | | | | |
| Personnel services | 462,996 | 475,767 | 524,754 | 145,000 | 129,566 | 15,434 | 515,000 | 540,000 | 1,055,000 | 0.2692 |
| Materials and services | 247,249 | 229,645 | 289,294 | 79,000 | 68,302 | 10,698 | 299,000 | 314,000 | 613,000 | 0.2500 |
| Transfers | 1,051,000 | 1,119,000 | 1,070,000 | 279,000 | 279,000 | - | 1,070,000 | 1,117,000 | 2,187,000 | 0.2500 |
| Capital outlay | 217,298 | 389,856 | 588,801 | 188,000 | 48,487 | 139,513 | 850,000 | 750,000 | 1,600,000 | 0.2500 |
| Total expenditures | 1,978,543 | 2,214,268 | 2,472,849 | 691,000 | 525,355 | 165,645 | 2,734,000 | 2,721,000 | 5,455,000 | |
| Revenue over (under) expenditures | 389,468 | 288,537 | 310,858 | (10,000) | 168,267 | 178,267 | (141,000) | (4,000) | (145,000) | |
| Beginning fund balance | 2,375,613 | 2,765,081 | 3,053,618 | 2,408,000 | 3,364,476 | 956,476 | 2,549,000 | 2,408,000 | 2,549,000 | |
| Ending fund balance | <u>\$ 2,765,081</u> | <u>\$ 3,053,618</u> | <u>\$ 3,364,476</u> | <u>\$ 2,398,000</u> | <u>\$ 3,532,743</u> | <u>\$ 1,134,743</u> | <u>\$ 2,408,000</u> | <u>\$ 2,404,000</u> | <u>\$ 2,404,000</u> | |

¹ Revenue from Sanitary Sewer utility rates - variance is small reflecting the non-seasonality of this revenue stream.

² Revenue from Surface Water management fee - variance is small reflecting the non-seasonality of this revenue stream.