



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 second quarter of the fiscal year ended June 30, 2014, the first year of the 2014-2015 biennium.

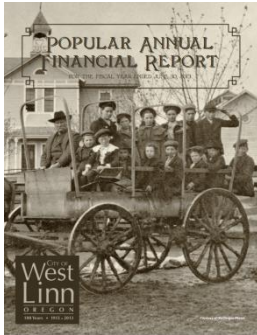
QUARTERLY HIGHLIGHTS

This second quarter financial report summarizes the financial results through the second quarter of the fiscal year ended June 30, 2014 and highlights certain topics of interest.

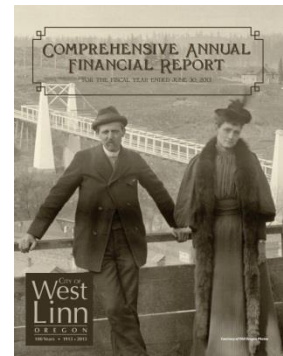
Financial Audit is Complete

The City's audit for the fiscal year ended June 30, 2013 is now complete and an unmodified or "clean" audit opinion was received. The audit was properly filed with the Secretary of State-Audits Division by the December 31, 2013 deadline.

For the City of West Linn, the audit document is prepared in the format of a *Comprehensive Annual Financial Report (CAFR)* and is available online for review. We also provide a summarized version of the CAFR called the *Popular Annual Financial Report (PAFR)*. During the presentation section of the December 16, 2013 Council meeting, the auditors made their formal presentation of the audit documents to the full Council.



The auditors also submitted their required report upon certain matters required by their professional standards including communications to the Audit Committee who have oversight responsibility for the City's financial reporting process. This report includes their required communications, a summary of accounting estimates used, a list of recently issued accounting standards, arrangement letter, and representation letter.



Welcome New Citizen member of the Audit Committee

The City Council believes that it is critical to ensure that audits of the City's financial statements are completed annually in accordance with Oregon state law and formed an Audit Committee to ensure transparency in the management of City finances. At the December 16, 2013 Council meeting, Nathan Reagan, CPA was appointed to fill the vacant position previously held by Nikki Kobliha, CPA.

Second Quarter of the 2014-2015 Biennium Budget

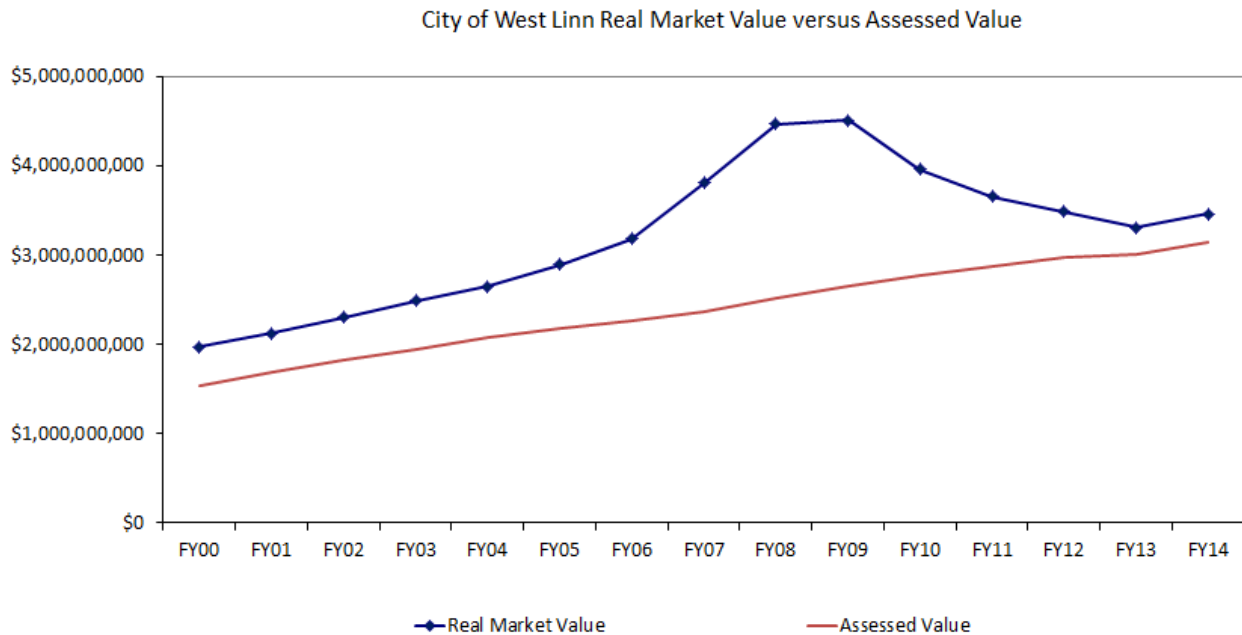
In June 2013, the City Council adopted the 2014-2015 biennial budget. Pertinent highlights of this budget included:

- It is a biennial budget balanced at \$90 million
- Personal services represent 32 percent of the total expenditures at \$29 million

- Materials and services represent 16 percent of total expenditures at \$14 million
- Capital outlay makes up 21 percent at \$19 million
- Debt service, transfers, contingency, and ending fund balances comprise the remainder

Property Taxes Arrived this Quarter

Although market values have dropped over the last couple of years, this five-year downward trend has turned around. Understanding that every individual property is different, at least in total, the City’s real market and assessed values increased in FY 2014:



Budget-to-Actual Quarterly Highlights

Throughout this report, we have included footnote explanations calling certain items out.

In a review of the City’s revenues, particularly the summaries on pages 6 and 7, I note that November property tax receipts have come in over budget and slightly higher than prior years at this point in the fiscal year. State gas tax revenues continue to come in over budget ever since the State raised the gas tax to thirty cents per gallon, and water revenues continue their recent turn around.

In the General Fund (page 11), the ending fund balance has increased to \$1.8 million. City Council budget is running high due to special election costs.

In the Public Safety Fund (page 13), Capital Outlay continues to reflect the spending of bond money for the police station project.

In the Parks and Recreation Fund (page 14), the unfavorable variances in materials & services is due to these two quarters bearing the most of the burden of seasonal recreation programs.

In the Library Fund (page 15), note that the County will allocate the dedicated Library District Levy next quarter which will shore up this Fund's negative unrestricted fund balance at that time.

In the Building and Planning Funds (pages 16 and 17), revenues are down slightly in each of the areas. In the Utility areas, SDC revenues are over budget as well as revenues from the street maintenance fee due to the 75% fee increase for residential, effective September 2013.

PERS Reform Bills to be Reviewed by Oregon Supreme Court

Before any of the current round of PERS reforms were passed, public employers around the state were facing a \$900 million increase in pension contributions during the 2014-2015 biennium. After the changes enacted in the regular legislative session, costs will be going up by about \$110 million.

Now, the Oregon Supreme Court is reviewing these bills. Their decision on the changes might arrive by the spring of 2015, just before contribution rates are slated to change again. If the changes stand, PERS officials and the system actuary say the long-term savings will amount to \$4.5 billion to \$5 billion.

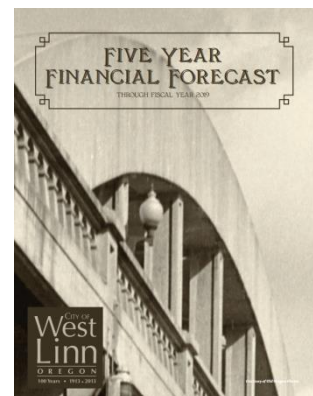
There are lots of moving parts in the PERS cost equation. Those include ongoing returns on the pension fund's investments, the PERS Board's decision to lower the system's assumed earnings rate, and a change the board recently made to the system's rate setting methodology to slow rate increases.

For the City of West Linn, we are projecting a fifteen percent increase in our annual PERS costs and this is assuming these PERS Reforms hold up (the actual rate of payroll is projected to increase 3.33% for a total PERS rate of 22.28% of payroll).

Five Year Financial Forecast is Updated

Now that the audit is complete for fiscal year ended June 30, 2013, we have also updated the Five Year Financial Forecast for each Fund and for the City in total.

Long-term financial planning uses financial forecasts and analysis to identify future financial challenges and opportunities, and then identifies strategies to secure financial sustainability in light of these same challenges and opportunities. It must satisfy two requirements that can sometimes be difficult to reconcile. First, the forecast must provide strategies to achieve and maintain financial balance. Second, the forecast must identify how, from a financial perspective, the City will provide a consistent level of public services and also address special issues of utmost concern to the community.



The updated Five Year Financial Forecast is available online at:

<http://westlinnoregon.gov/finance/financial-forecasting>.

International Budget Award Received

The City received the Distinguished Budget Presentation Award for its 2014-2015 biennial budget from the Government Finance Officers Association, making this the fourth consecutive



City budget document to receive this 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. This international award program was first established in 1984 to encourage exemplary budgetary practices and to provide peer recognition for government finance officers who prepare budget documents. Budget proficiency is rated in four major categories: as a policy document, an operations guide, a financial plan, and a communications device.

Fees on City Services Bills Increase

Effective January 1, 2014 (i.e. starting with the February 2014 City Services bills), three of the five services are increasing the average residential bill by \$1.93 per month to \$79.86. Below is a snapshot of the before and after average monthly City Services Bill for the average West Linn home using 7 ccfs or less.

Note: typically Parks, Street, and the Tri-City portion of Sewer increase in July. Water, the city-portion of Sewer, and Surface Water rates increase in January. The Tri-City pass through fee is for the sewer treatment portion of our sewer operations – the City does not control this fee or any changes to it:

	Effective Sept 1 2013		Effective Jan 1 2014	
	increased	new rate	increased	new rate
Water Service Fee				
Avg - Base with first 7ccf		\$ 17.67	5% \$ 0.88	\$ 18.55
Sewer Service Fee				
Base fee		15.49	5% 0.78	16.27
[1] Tri-City portion of sewer fee		17.35		17.35
Avg sewer per house		32.84		33.62
Surface Water Management Fee		5.31	5% 0.27	5.58
Street Maintenance Fee	75%	4.42		10.31
Parks Maintenance Fee		11.80		11.80
Average bill to homeowner		\$ 4.42 \$ 77.93	\$ 1.93	\$ 79.86
6-month overall % change		6.01%		2.48%
Plus a water usage rate, if more water is used:				
Rate for every ccf over 7ccf		2.03	5% 0.10	2.13

Go Green with your Monthly City Services Bill

Finance is now offering the convenience of free eBilling of our monthly City Services 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>. 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 service bill that you receive each month!

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

15 January 2014

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 2nd Quarter of FY 2014			[for informational purposes]			[6 months]
	FY 2011	FY 2012	FY 2013	Flexible Budget	[6 months] Actual	[6 months] Variance	FY 2014 Budget	FY 2015 Budget	Total Budget	Flexible Budget Factor
Revenues (by category)										
Property taxes	\$ 6,834,048	\$ 6,957,799	\$ 7,497,058	\$ 6,800,000	\$ 7,070,954	\$ 270,954	\$ 7,727,000	\$ 7,875,000	\$ 15,602,000	0.8800
Intergovernmental revenue	4,069,676	4,786,090	3,912,898	1,302,000	1,113,809	(188,191)	5,661,000	4,087,000	9,748,000	0.5000
Fees and charges - utility bills	7,216,994	7,912,595	8,383,234	4,743,000	4,816,870	73,870	8,606,000	8,983,000	17,589,000	0.5000
Fees and charges - other	4,814,504	5,762,194	5,098,446	2,530,000	2,291,269	(238,731)	5,053,000	5,184,000	10,464,000	0.5000
Other revenue:										
Interest	20,564	18,944	9,833	6,000	3,299	(2,701)	10,000	10,000	20,000	0.5000
Miscellaneous	1,292,334	617,134	551,049	192,000	338,348	146,348	378,000	386,000	537,000	0.5000
Transfers from other funds	5,427,681	5,647,000	5,995,629	3,257,000	3,167,806	(89,194)	6,510,000	6,932,000	13,442,000	0.5000
Debt proceeds	5,934,861	8,602,688	-	-	-	-	-	-	-	1.0000
	<u>12,675,440</u>	<u>14,885,766</u>	<u>6,556,511</u>	<u>3,455,000</u>	<u>3,509,453</u>	<u>54,453</u>	<u>6,898,000</u>	<u>7,328,000</u>	<u>13,999,000</u>	
Total revenue	<u>35,610,662</u>	<u>40,304,444</u>	<u>31,448,147</u>	<u>18,830,000</u>	<u>18,802,355</u>	<u>(27,645)</u>	<u>33,945,000</u>	<u>33,457,000</u>	<u>67,402,000</u>	

**Summary
of revenues
City-wide**

City of West Linn

Totals rolled up from all City funds

[for informational purposes]

	Actual			through the 2nd Quarter of FY 2014			2014-2015 Biennium			[6 months]
	FY 2011	FY 2012	FY 2013	Flexible Budget	[6 months] Actual	[6 months] Variance	FY 2014 Budget	FY 2015 Budget	Total Budget	Flexible Budget Factor
Revenues (by line detail)										
Property taxes										
Levied for general purposes	\$ 5,945,767	\$ 6,123,795	\$ 6,188,541	\$ 5,586,000	\$ 5,848,892	\$ 262,892	\$ 6,347,000	\$ 6,474,000	\$ 12,821,000	0.8800
Levied for bonded debt	888,281	834,004	1,308,517	1,214,000	1,222,062	8,062	1,380,000	1,401,000	2,781,000	0.8800
	6,834,048	6,957,799	7,497,058	6,800,000	7,070,954	270,954	7,727,000	7,875,000	15,602,000	
Intergovernmental revenue										
Library funding from County	1,263,801	1,305,223	1,313,873	-	-	-	1,326,000	1,353,000	2,679,000	0.0000
One-time capital funding	-	1,000,000	-	-	-	-	-	-	-	
State highway taxes (gas)	1,204,325	1,372,076	1,384,642	707,000	749,413	42,413	1,414,000	1,428,000	2,842,000	0.5000
State Shared Revenue (liq cig)	314,222	323,101	375,649	204,000	158,307	(45,693)	408,000	416,000	824,000	0.5000
State Revenue Sharing (general)	213,669	263,349	241,649	190,000	117,835	(72,165)	380,000	273,000	653,000	0.5000
State dispatch funds (911)	125,328	119,633	124,000	-	-	-	124,000	124,000	248,000	0.0000
Other grants and misc	948,331	402,708	473,085	201,000	88,254	(112,746)	2,009,000	493,000	2,502,000	0.0000
	4,069,676	4,786,090	3,912,898	1,302,000	1,113,809	(188,191)	5,661,000	4,087,000	9,748,000	
Fees and charges:										
Utility Charges - water	2,902,041	3,152,123	3,484,998	2,124,000	2,154,036	30,036	3,371,000	3,486,000	6,857,000	0.5000
Utility Charges - sewer	1,714,474	1,934,533	1,969,845	1,067,000	1,011,970	(55,030)	2,134,000	2,241,000	4,375,000	0.5000
Utility Charges - surface wtr	627,169	666,751	695,736	368,000	363,670	(4,330)	735,000	772,000	1,507,000	0.5000
Utility Charges - street maint	792,586	870,438	903,952	474,000	590,436	116,436	947,000	994,000	1,941,000	0.5000
Utility Charges - park maint	1,180,724	1,288,750	1,328,703	710,000	696,758	(13,242)	1,419,000	1,490,000	2,909,000	0.5000
	7,216,994	7,912,595	8,383,234	4,743,000	4,816,870	73,870	8,606,000	8,983,000	17,589,000	
SDC fees from developers	1,027,067	1,765,887	1,367,798	433,000	682,020	249,020	865,000	892,000	1,984,000	0.5000
Franchise fees	1,682,509	1,748,619	1,661,718	913,000	567,375	(345,625)	1,823,000	1,912,000	3,735,000	0.5000
Licenses and permits	1,065,191	1,294,838	1,121,623	661,000	547,830	(113,170)	1,321,000	1,293,000	2,614,000	0.5000
Park recreation program fees	519,650	549,685	514,367	287,000	264,124	(22,876)	573,000	602,000	1,175,000	0.5000
Fines and forfeitures	520,087	403,165	432,940	236,000	229,920	(6,080)	471,000	485,000	956,000	0.5000
	12,031,498	13,674,789	13,481,680	7,273,000	7,108,139	(164,861)	13,659,000	14,167,000	28,053,000	
Other revenue:										
Interest	20,564	18,944	9,833	6,000	3,299	(2,701)	10,000	10,000	20,000	0.5000
Miscellaneous	1,292,334	617,134	551,049	192,000	338,348	146,348	378,000	386,000	537,000	0.5000
Transfers from other funds	5,427,681	5,647,000	5,995,629	3,257,000	3,167,806	(89,194)	6,510,000	6,932,000	13,442,000	0.5000
Debt proceeds	5,934,861	8,602,688	-	-	-	-	-	-	-	1.0000
	12,675,440	14,885,766	6,556,511	3,455,000	3,509,453	54,453	6,898,000	7,328,000	13,999,000	
Total revenue	35,610,662	40,304,444	31,448,147	18,830,000	18,802,355	(27,645)	33,945,000	33,457,000	67,402,000	

City of West Linn

Totals rolled up from all City funds

	Actual			through the 2nd Quarter of FY 2014			[for informational purposes]			[6 months]
	FY 2011	FY 2012	FY 2013	Flexible Budget	[6 months] Actual	[6 months] Variance	FY 2014 Budget	FY 2015 Budget	Total Budget	Flexible Budget Factor
Expenditures										
Personnel services	\$ 12,464,651	\$ 13,073,971	\$ 13,526,504	\$ 7,072,000	\$ 6,419,035	\$ 652,965	\$ 14,138,000	\$ 14,688,000	\$ 28,826,000	0.5000
Materials and services	5,758,059	5,742,015	6,262,135	3,712,000	3,246,171	465,829	7,234,000	7,221,000	14,455,000	0.5000
Debt service	1,637,263	1,641,188	2,046,844	641,000	631,844	9,156	2,080,000	2,114,000	4,194,000	0.3000
Refunded debt	5,933,478	-	-	-	-	-	-	-	-	
Transfers to other funds	5,427,681	5,647,000	5,995,629	3,257,000	3,167,806	89,194	6,510,000	6,932,000	13,442,000	0.5000
Capital outlay - regular	4,805,173	1,912,521	3,309,862	4,471,000	1,736,651	2,734,349	7,654,000	4,737,000	12,391,000	0.5000
Capital outlay - Police Station Bond: Spent bond proceeds	-	1,497,172	768,117	1,259,000	1,072,490	186,510	6,297,000	-	6,297,000	0.2000
Total expenditures	36,026,305	29,513,867	31,909,091	20,412,000	16,273,997	4,138,003	43,913,000	35,692,000	79,605,000	
Revenue over (under) expenditures	(415,643)	10,790,577	(460,944)	(1,582,000)	2,528,358	4,110,358	(9,968,000)	(2,235,000)	(12,203,000)	
Beginning fund balance	13,297,712	12,882,069	23,672,646	22,538,000	23,211,702	673,702	22,538,000	12,570,000	22,538,000	
Ending fund balance	<u>\$ 12,882,069</u>	<u>\$ 23,672,646</u>	<u>\$ 23,211,702</u>	<u>\$ 20,956,000</u>	<u>\$ 25,740,060</u>	<u>\$ 4,784,060</u>	<u>\$ 12,570,000</u>	<u>\$ 10,335,000</u>	<u>\$ 10,335,000</u>	

**Summary
of expenditures
City-wide**

City of West Linn

Totals rolled up from all City funds

[for informational purposes]

	Actual			through the 2nd Quarter of FY 2014			2014-2015 Biennium			[6 months]
	FY 2011	FY 2012	FY 2013	Flexible Budget	[6 months] Actual	[6 months] Variance	FY 2014 Budget	FY 2015 Budget	Total Budget	Flexible Budget Factor
Expenditures										
Personnel services:										
Salaries and wages	\$ 8,384,067	\$ 8,582,886	\$ 9,013,851	\$ 4,786,000	\$ 4,236,227	\$ 549,773	\$ 9,207,000	\$ 9,571,000	\$ 18,778,000	0.5000
Overtime	206,143	212,488	193,078	138,000	136,865	1,135	262,000	275,000	537,000	0.5000
Payroll taxes and benefits	2,522,288	2,803,637	2,795,116	1,354,000	1,350,995	3,005	3,132,000	3,255,000	6,387,000	0.5000
PERS contributions	1,352,153	1,474,960	1,524,459	794,000	694,948	99,052	1,537,000	1,587,000	3,124,000	0.5000
	<u>12,464,651</u>	<u>13,073,971</u>	<u>13,526,504</u>	<u>7,072,000</u>	<u>6,419,035</u>	<u>652,965</u>	<u>14,138,000</u>	<u>14,688,000</u>	<u>28,826,000</u>	
Materials and services	5,758,059	5,742,015	6,262,135	3,712,000	3,246,171	465,829	7,234,000	7,221,000	14,455,000	0.5000
Debt service:										
Principal	1,024,552	1,150,000	1,335,000	325,000	325,000	-	1,150,000	1,335,000	2,485,000	0.3000
Interest	612,711	491,188	711,844	316,000	306,844	9,156	930,000	779,000	1,709,000	0.3000
Refunded debt	5,933,478	-	-	-	-	-	-	-	-	
	<u>7,570,741</u>	<u>1,641,188</u>	<u>2,046,844</u>	<u>641,000</u>	<u>631,844</u>	<u>9,156</u>	<u>2,080,000</u>	<u>2,114,000</u>	<u>4,194,000</u>	
Transfers to other funds	5,427,681	5,647,000	5,995,629	3,257,000	3,167,806	89,194	6,510,000	6,932,000	13,442,000	0.5000
Capital outlay - regular	4,805,173	1,912,521	3,309,862	4,471,000	1,736,651	2,734,349	7,654,000	4,737,000	12,391,000	0.5000
Capital outlay - Police Station Bond:										
Spent bond proceeds	-	1,497,172	768,117	1,259,000	1,072,490	186,510	6,297,000	-	6,297,000	0.2000
	<u>36,026,305</u>	<u>29,513,867</u>	<u>31,909,091</u>	<u>20,412,000</u>	<u>16,273,997</u>	<u>4,138,003</u>	<u>43,913,000</u>	<u>35,692,000</u>	<u>79,605,000</u>	
Revenue over (under) expenditures	(415,643)	10,790,577	(460,944)	(1,582,000)	2,528,358	4,110,358	(9,968,000)	(2,235,000)	(12,203,000)	
Beginning fund balance	<u>13,297,712</u>	<u>12,882,069</u>	<u>23,672,646</u>	<u>22,538,000</u>	<u>23,211,702</u>	<u>673,702</u>	<u>22,538,000</u>	<u>12,570,000</u>	<u>22,538,000</u>	
Ending fund balance	<u>\$ 12,882,069</u>	<u>\$ 23,672,646</u>	<u>\$ 23,211,702</u>	<u>\$ 20,956,000</u>	<u>\$ 25,740,060</u>	<u>\$ 4,784,060</u>	<u>\$ 12,570,000</u>	<u>\$ 10,335,000</u>	<u>\$ 10,335,000</u>	

Budget-to-Actual
Financial Reports by Fund

General Fund
for the City of West Linn

[for informational purposes]

	Actual			through the 2nd Quarter of FY 2014			2014-2015 Biennium			[6 months]
	FY 2011	FY 2012	FY 2013	Flexible Budget	[6 months] Actual	[6 months] Variance	FY 2014 Budget	FY 2015 Budget	Total Budget	Flexible Budget Factor
Revenue										
Transfers from other funds	\$ 5,078,681	\$ 5,436,000	\$ 5,714,000	\$ 3,014,000	\$ 3,014,000	\$ -	\$ 6,025,000	\$ 6,229,000	\$ 12,254,000	0.5000
Muni Court fines and fees	421,535	332,386	349,548 ¹	182,000	189,667	7,667	363,000	374,000	737,000	0.5000
Licenses and permits	194,593	284,218	225,109	144,000	128,027	(15,973)	288,000	297,000	585,000	0.5000
Franchise fees	30,932	93,957	151,141	-	-	-	-	-	-	
Intergovernmental	41,667	112,040	140,621 ²	56,000	54,850	(1,150) ²	278,000	100,000	378,000	0.2000
Interest	5,953	18,445	9,052	3,000	2,908	(92)	5,000	5,000	10,000	0.5000
Miscellaneous	274,124	190,285	77,640	51,000	52,508	1,508	102,000	104,000	206,000	0.5000
Proceeds from refundings	5,934,861	-	-	-	-	-	-	-	-	
Total revenue	11,982,346	6,467,331	6,667,111	3,450,000	3,441,960	(8,040)	7,061,000	7,109,000	14,170,000	
Expenditures										
City Council	52,039	246,611	234,331	78,000	98,165	(20,165)	152,000	155,000	307,000	0.5132
City Administration	992,800	819,412	1,151,274	506,000	461,473	44,527	1,011,000	1,043,000	2,054,000	0.5005
Economic Development	-	-	-	106,000	86,589	19,411	411,000	223,000	634,000	0.2579
Human Resources	342,133	335,771	418,461	216,000	184,599	31,401	426,000	442,000	868,000	0.5070
Finance	976,712	1,018,354	1,049,302	499,000	396,695	102,305	987,000	1,027,000	2,014,000	0.5056
Information Technology	826,205	756,757	977,686	511,000	508,068	2,932	1,012,000	1,027,000	2,039,000	0.5049
Facility Services	482,333	453,578	465,146	272,000	201,545	70,455	490,000	547,000	1,037,000	0.5551
Municipal Court	327,591	284,037	294,808	162,000	149,776	12,224	323,000	343,000	666,000	0.5015
Public Works Support Services	1,205,769	1,155,908	1,036,750	541,000	450,163	90,837	1,080,000	1,112,000	2,192,000	0.5009
Vehicle/Equipment Maint	367,641	355,284	363,744	200,000	143,777	56,223	398,000	406,000	804,000	0.5025
Non-departmental:										
General Services	115,507	217,710	92,847	82,000	35,817	46,183	164,000	164,000	328,000	0.5000
Debt Service	306,812	413,425	411,750	294,000	290,688	3,312	414,000	414,000	828,000	0.7100
Transfers to other funds	32,000	123,000	191,000	100,000	100,000	-	199,000	615,000	814,000	0.5000
Current refundings	5,933,478	-	-	-	-	-	-	-	-	
Total expenditures	11,961,020	6,179,847	6,687,099	3,567,000	3,107,355	459,645	7,067,000	7,518,000	14,585,000	
Revenue over (under) expenditures	21,326	287,484	(19,988)	(117,000)	334,605	451,605	(6,000)	(409,000)	(415,000)	
Beginning fund balance	1,181,536	1,202,862	1,490,346	1,578,000	1,470,358	(107,642)	1,578,000	1,572,000	1,578,000	
Ending fund balance	<u>\$ 1,202,862</u>	<u>\$ 1,490,346</u>	<u>\$ 1,470,358</u>	<u>\$ 1,461,000</u>	<u>\$ 1,804,963</u>	<u>\$ 343,963</u>	<u>\$ 1,572,000</u>	<u>\$ 1,163,000</u>	<u>\$ 1,163,000</u>	

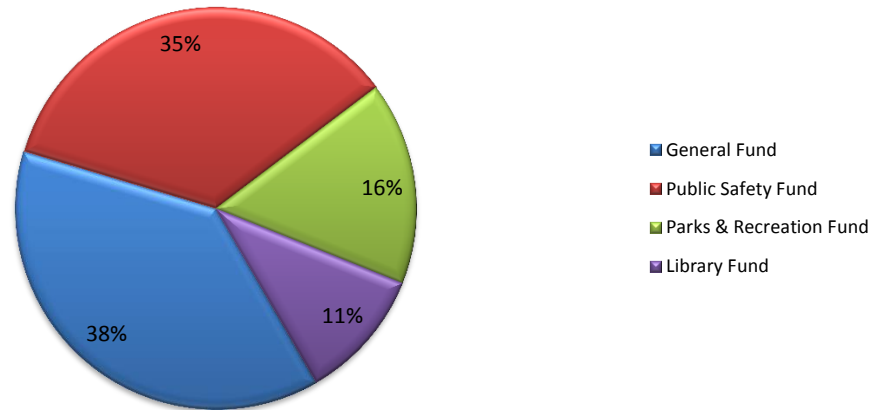
¹ The State revised all Municipal Court fine schedules effective January 1, 2012 resulting in lower fine net revenues for cities.

² Reflects intergovernmental reimbursement from the City of Milwaukie for intergovernmental agreements relating to financial management and IT services.

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

	Actual			Flexible Period	2014-2015 Biennium		
	FY 2011	FY 2012	FY 2013		FY 2014	FY 2015	Total
General Fund	\$ 1,202,862	\$ 1,490,346	\$ 1,470,358	\$ 1,804,963	\$ 1,572,000	\$ 1,163,000	\$ 1,163,000
Public Safety Fund	895,304	1,283,785	1,039,797	2,240,043	1,245,000	1,076,000	1,076,000
Parks & Recreation Fund	489,035	447,092	358,534	819,466	488,000	502,000	502,000
Library Fund	61,062	90,631	4,167	(215,173)	157,000	168,000	325,000
	<u>\$ 2,648,263</u>	<u>\$ 3,311,854</u>	<u>\$ 2,872,856</u>	<u>\$ 4,649,299</u>	<u>\$ 3,462,000</u>	<u>\$ 2,909,000</u>	<u>\$ 3,066,000</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 2nd Quarter of FY 2014			2014-2015 Biennium			[6 months]
	FY 2011	FY 2012	FY 2013	Flexible Budget	[6 months] Actual	[6 months] Variance	FY 2014 Budget	FY 2015 Budget	Total Budget	Flexible Budget Factor
Revenue										
Property taxes	\$ 4,213,922	\$ 4,128,714	\$ 4,113,984	\$ 3,668,000	\$ 3,929,444	\$ 261,444	\$ 4,168,000	\$ 3,973,000	\$ 8,141,000	0.8800
Franchise fees	1,372,104	1,485,623	1,313,529	752,000	434,380	(317,620)	1,503,000	1,586,000	3,089,000	0.5000
Intergovernmental revenue	639,454	720,502	648,713	349,000	191,711	(157,289)	697,000	708,000	1,405,000	0.5000
Licenses and permits	14,158	20,465	18,665	18,000	10,709	(7,291)	36,000	37,000	73,000	0.5000
Fines and forfeitures	35,815	4,350	15,660	21,000	6,600	(14,400)	42,000	43,000	85,000	0.5000
Interest	3,619	-	-	-	-	-	-	-	-	0.5000
Miscellaneous	3,566	7,875	59,281	29,000	42,276	13,276	57,000	58,000	115,000	0.5000
Transfers from General Fund	-	-	-	-	-	-	-	365,000	365,000	0.5000
Debt proceeds	-	8,602,688	-	-	-	-	-	-	-	
Total revenue	6,282,638	14,970,217	6,169,832	4,837,000	4,615,120	(221,880)	6,503,000	6,770,000	13,273,000	
Expenditures										
Personnel services	3,739,493	4,114,092	4,442,056	2,181,000	2,067,883	113,117	4,361,000	4,557,000	8,918,000	0.5000
Materials and services	694,522	777,693	725,454	564,000	565,052	(1,052)	805,000	810,000	1,615,000	0.7000
Debt service	112,000	-	-	-	-	-	-	-	-	
Transfers	1,355,000	1,116,000	1,175,000	705,000	705,000	-	1,410,000	1,452,000	2,862,000	0.5000
Capital outlay - regular	1,571,400	73,951	71,310	60,000	76,939	(16,939)	120,000	120,000	240,000	0.5000
Capital outlay - Police Station Bond:										
Land acquisition costs	-	1,453,084	- ¹	-	-	-	-	-	-	
Design/construction costs	-	44,088	768,117	1,259,000	1,072,490	186,510	6,297,000	-	6,297,000	0.2000
Total expenditures	7,472,415	7,578,908	7,181,937	4,769,000	4,487,364	281,636	12,993,000	6,939,000	19,932,000	
Revenue over (under) expenditures	(1,189,777)	7,391,309	(1,012,105)	68,000	127,756	59,756	(6,490,000)	(169,000)	(6,659,000)	
Beginning fund balance	2,085,081	895,304	8,286,613	7,735,000	7,274,508	(460,492)	7,735,000	1,245,000	7,735,000	
Ending fund balance - total	895,304	8,286,613	7,274,508	7,803,000	7,402,264	(400,736)	1,245,000	1,076,000	1,076,000	
Restricted unspent bond proceeds	-	(7,002,828)	(6,234,711)	(4,975,711)	(5,162,221)	(186,510)	-	-	-	
Unrestricted ending fund balance	\$ 895,304	\$ 1,283,785	\$ 1,039,797	\$ 2,827,289	\$ 2,240,043	\$ (587,246)	\$ 1,245,000	\$ 1,076,000	\$ 1,076,000	

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

[for informational purposes]

	Actual			through the 2nd Quarter of FY 2014			2014-2015 Biennium			[6 months]
	FY 2011	FY 2012	FY 2013	Flexible Budget	[6 months] Actual	[6 months] Variance	FY 2014 Budget	FY 2015 Budget	Total Budget	Flexible Budget Factor
Revenue										
Property taxes	\$ 1,326,790	\$ 1,198,978	\$ 1,311,238	\$ 1,095,000	\$ 1,095,643	\$ 643	\$ 1,244,000	\$ 1,245,000	\$ 2,489,000	0.8800
Park maintenance fee	1,180,724	1,288,750	1,328,703	710,000	696,758	(13,242)	1,419,000	1,490,000	2,909,000	0.5000
Recreation program charges	519,650	549,685	514,367	287,000	264,124	(22,876) ¹	573,000	602,000	1,175,000	0.5000
Intergovernmental	559,998	12,900	183,400	-	-	-	1,566,000	225,000	1,791,000	0.0000
Miscellaneous	5,643	8,728	8,047	14,000	7,087	(6,913)	28,000	29,000	57,000	0.5000
Other financing sources	483,000	-	50,176	-	-	-	-	-	-	0.5000
Total revenue	4,075,805	3,059,041	3,395,931	2,106,000	2,063,612	(42,388)	4,830,000	3,591,000	8,421,000	
Expenditures										
Personnel services	1,416,006	1,476,027	1,591,650	828,000	730,219	97,781	1,655,000	1,702,000	3,357,000	0.5000
Material & services	786,220	723,822	744,790	387,000	402,485	(15,485) ¹	773,000	796,000	1,569,000	0.5000
Debt service	38,723	36,223	36,573	10,000	8,886	1,114	38,000	38,000	76,000	0.2500
Transfers	803,000	830,000	865,000	451,000	451,000	-	901,000	941,000	1,842,000	0.5000
Capital outlay	945,271	34,912	246,476	725,000	10,090	714,910	1,450,000	100,000	1,550,000	0.5000
Total expenditures	3,989,220	3,100,984	3,484,489	2,401,000	1,602,680	798,320	4,817,000	3,577,000	8,394,000	
Revenue over (under) expenditures	86,585	(41,943)	(88,558)	(295,000)	460,932	755,932	13,000	14,000	27,000	
Beginning fund balance	402,450	489,035	447,092	475,000	358,534	(116,466)	475,000	488,000	475,000	
Ending fund balance	\$ 489,035	\$ 447,092	\$ 358,534	\$ 180,000	\$ 819,466	\$ 639,466	\$ 488,000	\$ 502,000	\$ 502,000	

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

Library Fund
for the City of West Linn

[for informational purposes]

	Actual			through the 2nd Quarter of FY 2014			2014-2015 Biennium			[6 months]
	FY 2011	FY 2012	FY 2013	Flexible Budget	[6 months] Actual	[6 months] Variance	FY 2014 Budget	FY 2015 Budget	Total Budget	Flexible Budget Factor
Revenue										
Property taxes	\$ 405,055	\$ 796,103	\$ 763,319	\$ 823,000	\$ 823,805	\$ 805 ¹	\$ 935,000	\$ 1,256,000	\$ 2,191,000	0.8800
Library funding from County	1,263,801	1,305,223	1,313,873	-	-	- ¹	1,326,000	1,353,000	2,679,000	0.0000
One-time capital funding	-	1,000,000	-	-	-	-	-	-	-	
Fines and forfeitures	62,737	66,429	67,732	33,000	33,653	653	66,000	68,000	134,000	0.5000
Interest	594	-	-	-	-	-	-	-	-	0.5000
Miscellaneous	7,916	14,150	7,617	7,000	17,053	10,053	14,000	14,000	28,000	0.5000
Total revenue	1,740,103	3,181,905	2,152,541	863,000	874,511	11,511	2,341,000	2,691,000	5,032,000	
Expenditures										
Personnel services	1,186,953	1,184,157	1,271,523	670,000	616,083	53,917	1,340,000	1,392,000	2,732,000	0.5000
Materials and services	202,079	230,179	198,482	109,000	91,768	17,232	217,000	224,000	441,000	0.5000
Transfers	379,000	738,000	769,000	387,000	387,000	-	774,000	804,000	1,578,000	0.5000
Capital outlay	-	203,895	184,362 ²	347,000	310,724	36,276 ²	347,000	260,000	607,000	1.0000
Total expenditures	1,768,032	2,356,231	2,423,367	1,513,000	1,405,575	107,425	2,678,000	2,680,000	5,358,000	
Revenue over (under) expenditures	(27,929)	825,674	(270,826)	(650,000)	(531,064)	118,936	(337,000)	11,000	(326,000)	
Beginning fund balance	246,991	219,062	1,044,736	651,000	773,910	122,910	651,000	314,000	651,000	
Ending fund balance - total	219,062	1,044,736	773,910	1,000	242,846	241,846	314,000	325,000	325,000	
Restricted - County Grant	-	796,105	611,743	264,743	301,019	36,276	-	-	-	
Restricted - Caufield Trust	158,000	158,000	158,000	157,000	157,000	-	157,000	157,000	157,000	
Unrestricted	\$ 61,062	\$ 90,631	\$ 4,167	\$ (420,743)	\$ (215,173)	\$ 205,570	\$ 157,000	\$ 168,000	\$ 168,000	

¹ Property taxes arrived this quarter, but the dedicated Library District Levy arrives in the third quarter.

² Capital outlay is being funded with the \$1 million from the County (received FY 2012) to include the parking lot and roof replacement projects.

Building Inspection Fund
for the City of West Linn

[for informational purposes]

	Actual			through the 2nd Quarter of FY 2014			2014-2015 Biennium			[6 months]
	FY 2011	FY 2012	FY 2013	Flexible Budget	[6 months] Actual	[6 months] Variance	FY 2014 Budget	FY 2015 Budget	Total Budget	Flexible Budget Factor
Revenue										
Licenses and permits	\$ 642,616	\$ 715,745	\$ 577,532	\$ 367,000	\$ 296,522	\$ (70,478)	\$ 734,000	\$ 684,000	\$ 1,418,000	0.5000
Miscellaneous	678	-	-	1,000	-	(1,000)	1,000	1,000	2,000	0.5000
Total revenue	643,294	715,745	577,532	368,000	296,522	(71,478)	735,000	685,000	1,420,000	
Expenditures										
Personnel services	383,253	415,503	393,692	208,000	190,323	17,677	415,000	428,000	843,000	0.5000
Materials and services	16,273	10,622	10,182	23,000	6,401	16,599	46,000	47,000	93,000	0.5000
Transfers	73,000	278,000	295,000	152,000	152,000	-	304,000	315,000	619,000	0.5000
Total expenditures	472,526	704,125	698,874	383,000	348,724	34,276	765,000	790,000	1,555,000	
Revenue over (under) expenditures	170,768	11,620	(121,342)	(15,000)	(52,202)	(37,202)	(30,000)	(105,000)	(135,000)	
Beginning fund balance	72,657	243,425	255,045	233,000	133,703	(99,297)	233,000	203,000	233,000	
Ending fund balance	\$ 243,425	\$ 255,045	\$ 133,703	\$ 218,000	\$ 81,501	\$ (136,499)	\$ 203,000	\$ 98,000	\$ 98,000	

**Planning Fund
for the City of West Linn**

[for informational purposes]

	Actual			through the 2nd Quarter of FY 2014			2014-2015 Biennium			[6 months]
	FY 2011	FY 2012	FY 2013	Flexible Budget	[6 months] Actual	[6 months] Variance	FY 2014 Budget	FY 2015 Budget	Total Budget	Flexible Budget Factor
Revenue										
Intergovernmental	\$ 213,669	\$ 263,349	\$ 241,649 ¹	\$ 190,000	\$ 117,835	\$ (72,165) ¹	\$ 380,000	\$ 273,000	\$ 653,000	0.5000
Franchise fees	64,400	56,144	84,206	100,000	76,320	(23,680) ²	199,000	199,000	398,000	0.5000
Licenses and permits	160,818	198,055	228,461	105,000	74,819	(30,181)	210,000	221,000	431,000	0.5000
Charges for services	168,000	150,000	198,000	143,000	53,806	(89,194)	286,000	88,000	374,000	0.5000
Interest	482	-	-	-	-	-	-	-	-	0.5000
Miscellaneous	5,388	5,754	2,843	1,000	4,144	3,144	1,000	1,000	2,000	0.5000
Transfers from General Fund	181,000	61,000	83,629	100,000	100,000	-	199,000	250,000	449,000	0.5000
Total revenue	793,757	734,302	838,788	639,000	426,924	(212,076)	1,275,000	1,032,000	2,307,000	
Expenditures										
Personnel services	611,293	591,131	593,547	285,000	304,750	(19,750)	570,000	587,000	1,157,000	0.5000
Materials and services	38,149	44,120	37,994	151,000	10,247	140,753	302,000	80,000	382,000	0.5000
Transfers	207,000	295,000	338,000	133,000	133,000	-	265,000	274,000	539,000	0.5000
Total expenditures	856,442	930,251	969,541	569,000	447,997	121,003	1,137,000	941,000	2,078,000	
Revenue over (under) expenditures	(62,685)	(195,949)	(130,753)	70,000	(21,073)	(91,073)	138,000	91,000	229,000	
Beginning fund balance	325,542	262,857	66,908	(127,000)	(63,845)	63,155	(127,000)	11,000	(127,000)	
Ending fund balance	\$ 262,857	\$ 66,908	\$ (63,845)	\$ (57,000)	\$ (84,918)	\$ (27,918)	\$ 11,000	\$ 102,000	\$ 102,000	

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

² Going forward, Comcast franchise fees are being allocated here, in addition to Qwest franchise fees.

Park Bond Fund
for the City of West Linn

	Actual			through the 2nd Quarter of FY 2014			[for informational purposes]			[6 months] Flexible Budget Factor
	FY 2011	FY 2012	FY 2013	Flexible Budget	[6 months] Actual	[6 months] Variance	FY 2014 Budget	FY 2015 Budget	Total Budget	
Revenue										
Interest	\$ 1,869	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Expenditures										
Materials & Services	2,243	-	-	-	-	-	-	-	-	
Capital outlay	739,217	-	9,311	66,000	-	66,000	131,000	-	131,000	0.5000
Total expenditures	741,460	-	9,311	66,000	-	66,000	131,000	-	131,000	
Revenue over (under) expenditures	(739,591)	-	(9,311)	(66,000)	-	66,000	(131,000)	-	(131,000)	
Beginning fund balance	874,833	135,242	135,242	131,000	125,931	(5,069)	131,000	-	131,000	
Ending fund balance	\$ 135,242	\$ 135,242	\$ 125,931	\$ 65,000	\$ 125,931	\$ 60,931 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**

[for informational purposes]

	Actual			through the 2nd Quarter of FY 2014			2014-2015 Biennium			[6 months]
	FY 2011	FY 2012	FY 2013	Flexible Budget	[6 months] Actual	[6 months] Variance	FY 2014 Budget	FY 2015 Budget	Total Budget	Flexible Budget Factor
Revenue										
Property taxes	\$ 888,281	\$ 834,004	\$ 1,308,517	\$ 1,214,000	\$ 1,222,062	\$ 8,062	\$ 1,380,000	\$ 1,401,000	\$ 2,781,000	0.8800
Interest	180	-	-	-	-	-	-	-	-	0.5000
Total revenue	888,461	834,004	1,308,517	1,214,000	1,222,062	8,062	1,380,000	1,401,000	2,781,000	
Expenditures										
Debt service										
Principal:										
2012 GO Police Station	-	-	135,000 ²	-	-	- ¹	220,000	245,000	465,000	0.0000
2010 GO Refunding	210,000	200,000	220,000	-	-	- ¹	240,000	250,000	490,000	0.0000
2009 GO Refunding	470,000	490,000	505,000	-	-	- ¹	515,000	535,000	1,050,000	0.0000
Interest:										
2012 GO Police Station	-	-	256,483	95,000	94,319	681 ¹	189,000	185,000	374,000	0.5000
2010 GO Refunding	54,833	69,537	63,538	30,000	29,569	431 ¹	60,000	55,000	115,000	0.5000
2009 GO Refunding	145,287	131,181	116,487	51,000	50,669	331 ¹	102,000	86,000	188,000	0.5000
Total expenditures	880,120	890,718	1,296,508	176,000	174,557	1,443	1,326,000	1,356,000	2,682,000	
Revenue over (under) expenditures	8,341	(56,714)	12,009	1,038,000	1,047,505	9,505	54,000	45,000	99,000	
Beginning fund balance	117,054	125,395	68,681	37,000	80,690	43,690	37,000	91,000	37,000	
Ending fund balance	\$ 125,395	\$ 68,681	\$ 80,690	\$ 1,075,000	\$ 1,128,195	\$ 53,195	\$ 91,000	\$ 136,000	\$ 136,000	

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 General obligation debt service payments for the police station project began in FY 2013.

Systems Development Charges Fund
for the City of West Linn

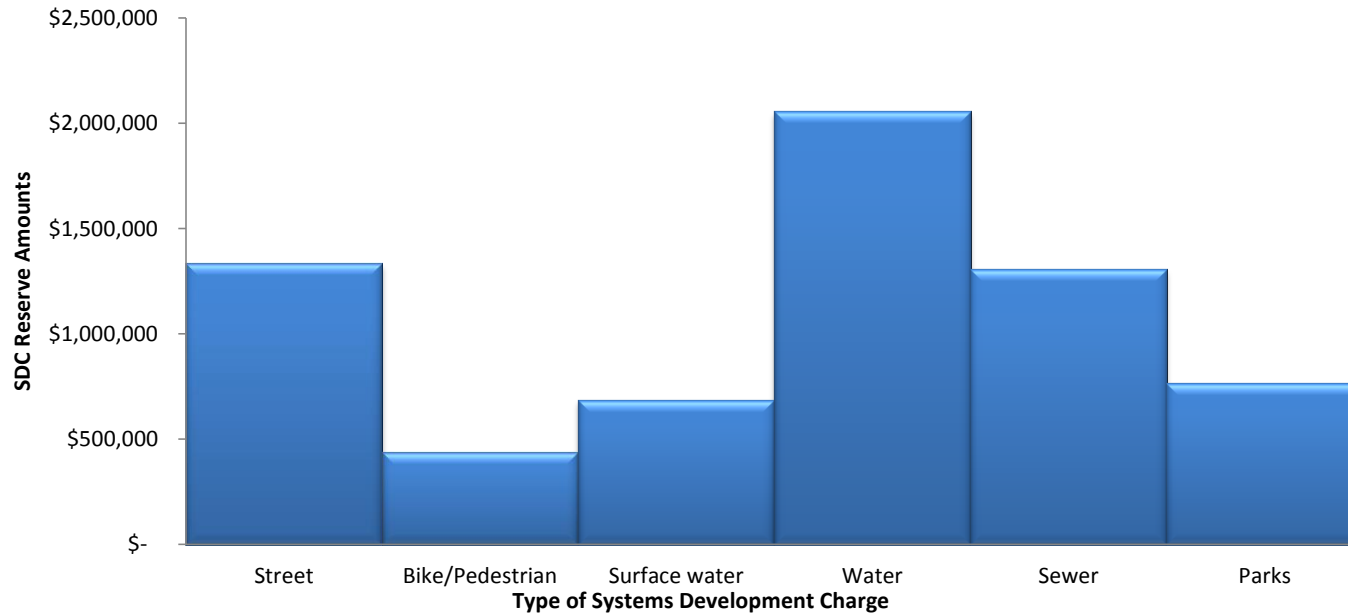
[for informational purposes]

	Actual			through the 2nd Quarter of FY 2014			2014-2015 Biennium			[6 months]
	FY 2011	FY 2012	FY 2013	Flexible Budget	[6 months] Actual	[6 months] Variance	FY 2014 Budget	FY 2015 Budget	Total Budget	Flexible Budget Factor
Revenue										
Interest	\$ 4,299	\$ 499	\$ 781	\$ 3,000	\$ 391	\$ (2,609)	\$ 5,000	\$ 5,000	\$ 10,000	0.5000
Systems Development Charges										
Street	219,107	263,854	279,321	100,000	131,270	31,270	200,000	206,000	406,000	0.5000
Bike/Pedestrian	212,759	97,276	81,151	13,000	40,248	27,248	25,000	26,000	51,000	0.5000
Surface water	10,484	11,296	11,695	5,000	5,920	920	10,000	11,000	21,000	0.5000
Water	302,362	500,617	356,432	115,000	201,386	86,386	230,000	237,000	467,000	0.5000
Sewer	115,017	198,594	136,288	50,000	64,588	14,588	100,000	103,000	203,000	0.5000
Parks	167,338	694,250	502,911	150,000	238,608	88,608	300,000	309,000	609,000	0.5000
Total revenue	1,031,366	1,766,386	1,368,579	436,000	682,411	246,411	870,000	897,000	1,767,000	
Expenditures										
Materials and services	1,014	12,378	4,222	25,000	-	25,000	50,000	250,000	300,000	0.5000
Transfers	36,000	11,000	11,629	100,000	10,806	89,194	200,000	-	200,000	0.5000
Capital outlay										
Street	-	116,782	-	225,000	138	224,862	450,000	50,000	500,000	0.5000
Bike/Pedestrian	-	-	-	50,000	-	50,000	100,000	100,000	200,000	0.5000
Surface water	-	39,518	-	12,000	-	12,000	23,000	20,000	43,000	0.5000
Water	-	130,419	412,580	526,000	30,502	495,498	1,051,000	325,000	1,376,000	0.5000
Sewer	385,569	39,518	-	225,000	-	225,000	450,000	255,000	705,000	0.5000
Parks	67,025	225,838	431,137	163,000	30,344	132,656	325,000	200,000	525,000	0.5000
Total expenditures	489,608	575,453	859,568	1,326,000	71,790	1,254,210	2,649,000	1,200,000	3,849,000	
Revenue over (under) expenditures	541,758	1,190,933	509,011	(890,000)	610,621	1,500,621	(1,779,000)	(303,000)	(2,082,000)	
Beginning fund balance	3,727,616	4,269,374	5,460,307	5,413,000	5,969,318	556,318	5,413,000	3,634,000	5,413,000	
Ending fund balance	<u>\$ 4,269,374</u>	<u>\$ 5,460,307</u>	<u>\$ 5,969,318</u>	<u>\$ 4,523,000</u>	<u>\$ 6,579,939</u>	<u>\$ 2,056,939</u>	<u>\$ 3,634,000</u>	<u>\$ 3,331,000</u>	<u>\$ 3,331,000</u>	

Summary of Ending Balances by Type of Systems Development Charge:

	Actual			Flexible Period		2014-2015 Biennium		
	FY 2011	FY 2012	FY 2013			FY 2014	FY 2015	Total
Street	\$ 810,913	\$ 945,277	\$ 1,212,788	\$ 1,333,450	Street	\$ 666,000	\$ 815,000	\$ 815,000
Bike/Pedestrian	219,339	315,921	396,793	437,041	Bike/Pedestrian	291,000	217,000	217,000
Surface water	695,283	665,515	676,734	682,654	Surface water	655,000	538,000	538,000
Water	1,575,590	1,941,423	1,883,939	2,054,823	Water	760,000	662,000	662,000
Sewer	951,487	1,108,102	1,243,625	1,308,268	Sewer	848,000	586,000	586,000
Parks	16,762	484,069	555,439	763,703	Parks	414,000	513,000	513,000
	<u>\$ 4,269,374</u>	<u>\$ 5,460,307</u>	<u>\$ 5,969,318</u>	<u>\$ 6,579,939</u>		<u>\$ 3,634,000</u>	<u>\$ 3,331,000</u>	<u>\$ 3,331,000</u>

SDC Reserves as of End of Flexible Period



Street Fund
for the City of West Linn

[for informational purposes]

	Actual			through the 2nd Quarter of FY 2014			2014-2015 Biennium			[6 months]
	FY 2011	FY 2012	FY 2013	Flexible Budget	[6 months] Actual	[6 months] Variance	FY 2014 Budget	FY 2015 Budget	Total Budget	Flexible Budget Factor
Revenue										
Intergovernmental - gas taxes	\$ 1,204,325	\$ 1,372,076	\$ 1,384,642 ¹	\$ 707,000	\$ 749,413	\$ 42,413	\$ 1,414,000	\$ 1,428,000	\$ 2,842,000	0.5000
Intergovernmental - grants	146,762	-	-	-	-	-	-	-	-	0.5000
Street maintenance fee	792,586	870,438	903,952	474,000	590,436	116,436 ²	947,000	994,000	1,941,000	0.5000
Franchise fees	103,189	112,895	112,842	61,000	56,675	(4,325)	121,000	127,000	248,000	0.5000
Interest	722	-	-	-	-	-	-	-	-	0.5000
Miscellaneous	327,898	170,483	163,589	26,000	106,697	80,697	52,000	53,000	105,000	0.5000
Total revenue	2,575,482	2,525,892	2,565,025	1,268,000	1,503,221	235,221	2,534,000	2,602,000	5,136,000	
Expenditures										
Personnel services	453,082	490,123	514,202	291,000	274,423	16,577	582,000	605,000	1,187,000	0.5000
Material & services	433,496	433,428	526,857	249,000	209,123	39,877	498,000	526,000	1,024,000	0.5000
Debt service	151,000	152,000	152,000	38,000	34,000	4,000	152,000	152,000	304,000	0.2500
Transfers	659,000	529,000	550,000	330,000	330,000	-	660,000	683,000	1,343,000	0.5000
Capital outlay	516,782	415,419	403,959	1,026,000	933,964	92,036	1,140,000	1,190,000	2,330,000	0.9000
Total expenditures	2,213,360	2,019,970	2,147,018	1,934,000	1,781,510	152,490	3,032,000	3,156,000	6,188,000	
Revenue over (under) expenditures	362,122	505,922	418,007	(666,000)	(278,289)	387,711	(498,000)	(554,000)	(1,052,000)	
Beginning fund balance	928,973	1,291,095	1,797,017	2,067,000	2,215,024	148,024	2,067,000	1,569,000	2,067,000	
Ending fund balance	\$ 1,291,095	\$ 1,797,017	\$ 2,215,024	\$ 1,401,000	\$ 1,936,735	\$ 535,735	\$ 1,569,000	\$ 1,015,000	\$ 1,015,000	

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 Street maintenance fees increased 75% effective September 2013 for residential and no increase for commercial.

Water Fund
for the City of West Linn

[for informational purposes]

	Actual			through the 2nd Quarter of FY 2014			2014-2015 Biennium			[6 months]
	FY 2011	FY 2012	FY 2013	Flexible Budget	[6 months] Actual	[6 months] Variance	FY 2014 Budget	FY 2015 Budget	Total Budget	Flexible Budget Factor
Revenue										
Water services charges	\$ 2,902,041	\$ 3,152,123	\$ 3,484,998 ¹	\$ 2,124,000	\$ 2,154,036	\$ 30,036 ¹	\$ 3,371,000	\$ 3,486,000	\$ 6,857,000	0.6300
Interest	7	-	-	-	-	-	-	-	-	0.5000
Miscellaneous	63,105	60,431	63,546	6,000	26,743	20,743	11,000	11,000	22,000	0.5000
Systems development charges	35,699	53,360	42,274	16,000	23,867	7,867	31,000	32,000	63,000	0.5000
Total revenue	3,000,852	3,265,914	3,590,818	2,146,000	2,204,646	58,646	3,413,000	3,529,000	6,942,000	
Expenditures										
Personnel services	522,158	522,988	457,132	309,000	264,106	44,894	618,000	637,000	1,255,000	0.5000
Materials and services	1,298,377	1,347,850	1,524,505 ²	796,000	744,038	51,962 ²	1,592,000	1,653,000	3,245,000	0.5000
Debt service										
Principal	80,000	85,000	90,000	95,000	95,000	-	95,000	105,000	200,000	1.0000
Interest	68,608	63,822	60,013	28,000	28,713	(713)	55,000	49,000	104,000	0.5000
Transfers	743,000	657,000	684,000	352,000	352,000	-	703,000	730,000	1,433,000	0.5000
Capital outlay	62,205	27,871	599,493	233,000	1,441	231,559	466,000	510,000	976,000	0.5000
Total expenditures	2,774,348	2,704,531	3,415,143	1,813,000	1,485,298	327,702	3,529,000	3,684,000	7,213,000	
Revenue over (under) expenditures	226,504	561,383	175,675	333,000	719,348	386,348	(116,000)	(155,000)	(271,000)	
Beginning fund balance	468,296	694,800	1,256,183	996,000	1,431,858	435,858	996,000	880,000	996,000	
Ending fund balance	\$ 694,800	\$ 1,256,183	\$ 1,431,858	\$ 1,329,000	\$ 2,151,206	\$ 822,206	\$ 880,000	\$ 725,000	\$ 725,000	

¹ Overall water revenues declined slightly in FY 2009, FY 2010, and FY 2011 despite five percent rate increases in each of those years. Recently however, overall water revenues have increased: 8.6 percent in FY 2012 and 10.6 percent in FY 2013 inclusive of five percent water rate increases.

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

[for informational purposes]

	Actual			through the 2nd Quarter of FY 2014			2014-2015 Biennium			[6 months]
	FY 2011	FY 2012	FY 2013	Flexible Budget	[6 months] Actual	[6 months] Variance	FY 2014 Budget	FY 2015 Budget	Total Budget	Flexible Budget Factor
Revenue										
Sewer services charges	\$ 1,714,474	\$ 1,934,533	\$ 1,969,845	\$ 1,067,000	\$ 1,011,970	\$ (55,030) ¹	\$ 2,134,000	\$ 2,241,000	\$ 4,375,000	0.5000
Surface water services charges	627,169	666,751	695,736	368,000	363,670	(4,330) ²	735,000	772,000	1,507,000	0.5000
Licenses and permits	53,006	76,355	71,856	27,000	37,753	10,753	53,000	54,000	107,000	0.5000
Interest	2,839	-	-	-	-	-	-	-	-	0.5000
Miscellaneous	56	-	-	-	21,035	21,035	-	-	-	0.5000
Systems development charges	105,261	106,068	76,036	41,000	36,938	(4,062)	81,000	83,000	164,000	0.5000
Total revenue	2,502,805	2,783,707	2,813,473	1,503,000	1,471,366	(31,634)	3,003,000	3,150,000	6,153,000	
Expenditures										
Personnel services	475,767	524,754	427,504	372,000	311,817	60,183	744,000	774,000	1,518,000	0.5000
Materials and services	229,645	289,294	291,708	188,000	159,821	28,179	375,000	377,000	752,000	0.5000
Transfers	1,119,000	1,070,000	1,117,000	547,000	547,000	-	1,094,000	1,118,000	2,212,000	0.5000
Capital outlay	389,856	588,801	900,024	788,000	342,509	445,491	1,576,000	1,582,000	3,158,000	0.5000
Total expenditures	2,214,268	2,472,849	2,736,236	1,895,000	1,361,147	533,853	3,789,000	3,851,000	7,640,000	
Revenue over (under) expenditures	288,537	310,858	77,237	(392,000)	110,219	502,219	(786,000)	(701,000)	(1,487,000)	
Beginning fund balance	2,765,081	3,053,618	3,364,476	3,349,000	3,441,713	92,713	3,349,000	2,563,000	3,349,000	
Ending fund balance	\$ 3,053,618	\$ 3,364,476	\$ 3,441,713	\$ 2,957,000	\$ 3,551,932	\$ 594,932	\$ 2,563,000	\$ 1,862,000	\$ 1,862,000	

¹ Revenue from Sanitary Sewer utility rates - variance is minor reflecting consistency with budget estimates.

² Revenue from Surface Water management fee - variance is minor reflecting consistency with budget estimates.