



**CITY COUNCIL MEETING AGENDA**  
**Council Chambers, 1000 Laurel Street**

**March 17, 2014**  
**Monday**

**Next Ordinance: 1838-14**  
**Next Resolution: 14-1845**

**Regular Meeting**  
**7:00 p.m.**

- 1. Call to Order and Flag Salute**
- 2. Roll Call of Councilmembers**
- 3. Additions/Deletions**
- 4. Citizen Participation**

Citizens may comment on any topic that is not on the Regular Agenda. To comment, please raise your hand to request recognition by the Chair. Once so recognized, please step to the podium and state your name and address for the record before making your comments. Also, please limit your comments to no more than three (3) minutes.

The public may comment on individual agenda items on the Regular Agenda prior to Council's action.

The public may also submit written communications, via letters or emails to [dperry@cityofmilton.net](mailto:dperry@cityofmilton.net). Any item received by noon on the day of the meeting will be distributed to Council.

**5. Consent Agenda**

- A. Minutes – Approval of the minutes of:
  - i. March 10, 2014 Regular Meeting

B. Claims Approval:

Approval of the checks/vouchers numbers 54925-54975 in the amount of \$ 68,714.18.

Approval of the payroll disbursements for 3/5/2014 in the amount of \$197,609.03.

**6. Proclamation**

Council may add and take action on other items not listed on this agenda.

If you need ADA accommodations, please contact City Hall at (253) 517-2705 prior to the meeting.

Thank you.

- A. Pierce County Reads – Linda Case
- 7. Regular Agenda**
  - A. 2013 Financial Results Information
  - B. 2014 Budget Amending Ordinance #1
  - C. Flood Control District Agreement with Pierce County
- 8. City Administrator Report**
- 9. Council Reports**
- 10. Mayor's Report**
- 11. Adjournment**

Council may add and take action on other items not listed on this agenda.

If you need ADA accommodations, please contact City Hall at (253) 517-2705 prior to the meeting.

Thank you.

**PENDING COUNCIL AGENDA CALENDAR (Dates are Subject to Change) FOR PLANNING PURPOSES ONLY**

<b>March 2014</b>			
Mon 3/17	7:00 pm	Regular Meeting	A. Pierce County Reads Presentation & Proclamation – Linda Case B. 2013 Financial Results - Info C. 2014 Budget Amending Ordinance #1 – 2014 - Action D. Flood Control District Agreement with Pierce County - Action
<b>April 2014</b>			
Mon 4/07	7:00 pm	Study Session	A. Biennial Budget discussion B. Amending Frontage Improvement Code C. Police Fleet Vehicle Purchase
Mon 4/14	7:00 pm	Regular Meeting	A. 1 <sup>st</sup> Qtr Financial Report B. Granting of Easement to DOE C. Amendments to Building & Fire Codes D. Award of Activity Center Roof Replacement Contract
Mon 4/21	7:00 pm	Regular Meeting	A. Ordinance Amending Frontage Improvement Code B. Council review/accepts 2012, 2013 annual reports (SAO) ( <i>Consent Agenda</i> ) C. 5 <sup>th</sup> Avenue Stormwater Project – Design Contract
<b>May 2014</b>			
Mon 5/05	7:00 pm	Study Session	A. Meet w/ Electrical Staff B. Amending Access Tract Code
Mon 5/12	7:00 pm	Regular Meeting	A. Curtailment Agreement with Tacoma Power
Mon 5/19	7:00 pm	Regular Meeting	A. Ordinance Amending Access Tract Code
<b>June 2014</b>			
Mon 6/02	7:00 pm	Study Session	A. 6 Year Transportation Improvement Program B. Transportation Benefit District
Mon 6/09	7:00 pm	Regular Meeting	
Mon 6/16	7:00 pm	Regular Meeting	
<b>July 2014</b>			
Mon 7/07	7:00 pm	Study Session	
Mon 7/14	7:00 pm	Regular Meeting	A. 2nd Qtr Financial Report
Mon 7/21	7:00 pm	Regular Meeting	
<b>August 2014</b>			
Mon 8/4	7:00 pm	Study Session	A. Meet w/ staff: Stormwater Discussion
Mon 8/11	7:00 pm	Regular Meeting	
Tue 8/18	7:00 pm	Regular Meeting	
<b>September 2014</b>			
Tue 9/2	7:00 pm	Study Session	
Mon 9/8	7:00 pm	Regular Meeting	
Mon 9/15	7:00 pm	Regular Meeting	
<b>October 2014</b>			
Mon 10/06	7:00 pm	Study Session	
Tue 10/14	7:00 pm	Regular Meeting	A. 3rd Qtr Financial Report
Mon 10/20	7:00 pm	Regular Meeting	
<b>November 2014</b>			
Mon 11/03	7:00 pm	Study Session	A. Meet with Staff
Mon 11/10	7:00 pm	Regular Meeting	



**Regular Meeting**  
**Monday – March 10, 2014**  
**7:00 p.m.**

**CALL TO ORDER**

Mayor Perry called the regularly-scheduled meeting to order at 7:02 p.m. and led the Pledge of Allegiance.

**ROLL CALL**

Present: Mayor Perry, Mayor Pro Tem Taylor, Councilmembers Whalen, Manley, Ott, Morton, Zaroudny, and Jones

**STAFF PRESENT**

City Administrator Langford, City Attorney Park, Public Works Director Neal, and Finance Director Tylor

**ADDITIONS / DELETIONS**

None.

**CITIZEN PARTICIPATION**

<b>Speaker</b>	<b>Address</b>	<b>Comments</b>
Susan Johnson	2307 8 <sup>th</sup> Ave	Administrator for NextDoor.com – geared toward neighborhoods rather than personal like Facebook.
Kathy Horton	Fife-Milton-Edgewood Chamber of Commerce	Announcing 3 <sup>rd</sup> annual Relay for Life on June 21-22 at Fife High School. Invites Milton to have a team or sponsor the event in some way. Leadership meetings for Relay for Life are held the 3 <sup>rd</sup> Wednesday of every month at Dacca Barn from 6:30 -7:30 pm  She also thanked the City for the use of the Milton Activity Center for some meetings.

Leonard Sanderson	1201 24 <sup>th</sup> Ave Ct	The Seniors are hosting a fundraiser Wednesday night with St Patrick's day food prepared by the Mill Ridge chef – \$7 seniors/\$10 others Also, in addition to the dances held every Tuesday at noon, they are holding one this Saturday from 2-4p.m. – \$2
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**CONSENT AGENDA**

Approval of:

- A. Minutes
  - a. February 18 Regular Meeting
  - b. March 3 Special Meeting/Study Session (add Bio Park as present)
- B. Vouchers
- C. Porter Way Improvement Project – Close out and Acceptance

Councilmember Ott requested information on three items:

- Page 18 – Springbrook software \$1,228 monthly web payment fees – Director Tylor explained it is the cost for the interface between software and online utility payments.
- Page 22 – \$169.56 uniform jacket – Director Tylor explained this is weatherproof and reflective outerwear for the utility crew – she will report more details at the next meeting.
- Page 22 – \$84.70 – lodging at Little Creek Casino – Director Tylor and City Administrator Langford confirmed this was for a police officer training event scheduled at that location.

**COUNCILMEMBER MORTON MOVED**, seconded by Mayor Pro Tem Taylor, to approve the consent agenda as presented; **passed 7/0**.

**PUBLIC HEARING**

- A. Marijuana Moratorium

Mayor Perry opened the public hearing at 7:16 p.m.

City Administrator Langford provided some background and current status of this item.

Mayor Perry opened the floor to public comment, allowing each speaker the opportunity to speak twice if desired.

<b>Speaker</b>	<b>Address</b>	<b>Comments</b>
Dawn Land	2307 Fir Ct	Read prepared statement and turned in written copy for the record – is in opposition of allowing marijuana businesses in Milton – tax revenues far outweighed by other costs to the community
Jacki Stradder	1809 13 <sup>th</sup> Ave	Supports the moratorium – referred to the prior council report from Director Neal explaining that Milton is on the verge of moving to Tier 2 of electricity costs. Her rental property was home to a medical grow operation, and the power bill went from 359 to 3,871 kwh per month just to grow 15 plants. She is concerned how much of these costs will trickle down to residents. She doesn't see how the City will benefit with no sales tax and no B&O tax. She does not want to face brown-outs.
Bill Rowling	320 Birch St	Owner of Truck City CB on Pacific Highway. Business down 90% since the economic downturn. Believes Initiative 502 could be a good opportunity for him and for Milton. He offered a list of reasons his location is good for this purpose, including correct zoning, discreet industrial location, complies with state rules, children have no reason to be in the vicinity, Truck City is already a good citizen who hires local employees, vows to continue to improve the property, would like to bring sewer and natural gas to the area, wants to generate a good revenue stream for Milton, and will partner with community causes.
Jacquelyn Whalen	1605 13 <sup>th</sup> Ave	Supports the moratorium to allow for a thorough investigation of all the impacts – hopes to see more testimony at the Planning Commission level. Concerns include electric usages, tribal participation, economic benefit limited to sale tax (electric sold and retail), and the criminal impact.
Bill Rowling	320 Birch St	Responding to the concerns of power costs, he spoke with the Milton power company – there's a 7,000 volt wire right by them – a greenhouse of the size he is considering draws only 13 amps.
Linda Rutter	392 25 <sup>th</sup> Ave	Common sense says a small town like Milton would be better to not have these kinds of businesses due to the impact on the Police Department and traffic impacts.
Leonard Sanderson	1201 24 <sup>th</sup> Ave Ct	Supports medicinal use. Urges discussion to separate the different uses. Supports a moratorium until the federal and state laws get settled.

Susan Johnson	2307 8 <sup>th</sup> Ave	Believes in medicinal use – says location should be at the top of the discussions.
Leonard Sanderson	1201 24 <sup>th</sup> Ave Ct	Provided a printout from MRSC for the record.
Mike Rutter	392 25 <sup>th</sup> Ave	Explained the dramatic rise in crime in his neighborhood has been found by police to be due to drug abuse. Opposed to anything that will create an environment of crime, and supports a ban on marijuana businesses.
Dawn Land	2307 Fir Ct	Supports individual use for medicinal purposes, but still strongly opposes retail business in Milton – suggests inviting the police to speak on the issue.
Kathy Horton	FME Chamber	Point of information – on Military Road just past Five Mile Lake there's a medical dispensary.

Mayor Perry closed the public hearing at 7:49 p.m.

### **CITY ADMINISTRATOR REPORT**

- Received notice from AWC that the current marijuana legislation that has been passed by Senate and is now in the House does not allow for local jurisdictions to receive funds.
- Three marijuana business applications have been received in Milton, and one of those has been withdrawn.
- Regarding the Interurban Trail landslide, a contractor is on site today for repairs, and work is underway for permanent repair.
- The T-Ball field was inspected last week, and benches have been ordered and should be here next week, and the backstops will be relocated as soon as the weather allows.
- The compliance officer checked in with several locations thought to be operating commercial parking businesses; all were happy to cooperate and have already complied.
- Doing a safety presentation with other officers at Heather Hills on Tuesday night.
- Regarding city staffing, two finalists will be interviewed next week for the financial supervisor position, and interviews are underway now for the administrative assistant position in Public Works.

City Attorney Park made a point of information – the marijuana permit applications that were received by Milton were not vested prior to the moratorium.

### **COUNCIL REPORTS**

- Councilmember Zaroudny
  - Jack Chandler reported to her that the 9/11 Memorial is on hold waiting for New York contacts to say whether or not Milton will receive a piece.

- Stands in support of a moratorium on marijuana businesses until things at the state and federal levels are made clear.

City Attorney Park made a point of information – the federal government has issued some banking regulations, so it is now up to the banks to decide whether to take the related risks.

- Councilmember Manley
  - Supports a moratorium on marijuana businesses – doesn't want Milton to be poster child on this issue – wants more legal advice
- Councilmember Morton
  - Thanks to audience for speaking tonight – in favor of a moratorium due to so many unanswered questions
- Councilmember Ott
  - Attended the PCRC general assembly and provided printed information from it for those interested. Consensus of the assembly to urge legislators to restore funding to the Public Works assistance program and to finish SR167 from Puyallup to SR509. The guest speaker was a renowned architect – based on his presentation, Milton's visioning work is going in the right direction
  - Regarding marijuana land uses, it is a legal substance, and we have to regulate according to state laws – favors the moratorium until the state settles regulations
- Councilmember Whalen
  - Thanks to audience for speaking – encourages future participation
  - Requested statistics from East Pierce Fire – it's been several months since last updated
  - Appreciates the follow up on the commercial parking issue
- Councilmember Jones
  - Appreciates the follow up on the commercial parking issue – coincidentally witnessed one business' appreciation for the way that Officer Hobbs handled the issue
  - Passed on information regarding cooperation with neighboring police department
  - Favors the marijuana moratorium
- Mayor Pro Tem Taylor
  - Update on light bulb exchange – 12 residents have signed up
  - Representative Freeman has sent the City an email reporting that the City's request for capital funding has passed the House and is now waiting on approval from the Senate.

## **MAYOR'S REPORT**

- She and City Administrator Langford met with Edgewood's City Manager and Mayor to discuss possible ways for the two cities to work together.
- Participating in the staffing interviews – all great candidates, making the hardest part picking the best person.
- Enjoyed this past weekend, as it is the first one in 2014 with no city obligations.

## **ADJOURNMENT**

**MOTION TO ADJOURN** (Mayor Pro Tem Taylor/Councilmember Ott) – Adjourned at 8:12 p.m.

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Debra Perry, Mayor

ATTEST:

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Lisa Tylor, City Clerk

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# Accounts Payable



Check #	Name	Date	Account #	Invoice #	Description	Amount
54926	AMSAN	3/4/2014	001-18-518-300-31	305164154	Facility Mats	132.91
<b>AMSAN Total</b>						<b>132.91</b>
54927	Associated Petroleum Products	3/4/2014	403-34-534-500-32	0533103-IN	Fuel	444.33
54927	Associated Petroleum Products	3/4/2014	101-00-542-900-32	0533103-IN	Fuel	111.09
54927	Associated Petroleum Products	3/4/2014	406-38-553-350-32	0533103-IN	Fuel	333.26
54927	Associated Petroleum Products	3/4/2014	401-32-533-500-32	0533103-IN	Fuel	222.17
<b>Associated Petroleum Products Total</b>						<b>1110.85</b>
54928	BIG JOHN'S TROPIES INC	3/4/2014	001-13-513-100-31	123754	Name Plate - Planning Comm Wendy N	9.69
54928	BIG JOHN'S TROPIES INC	3/4/2014	001-13-513-100-31	123808	3 Name Plates	29.07
<b>BIG JOHN'S TROPIES INC Total</b>						<b>38.76</b>
54929	Blackstone's Collision Inc.	3/4/2014	001-21-521-200-48	30414	2003 Ford Expedition - Rear Damage	3614.94
<b>Blackstone's Collision Inc. Total</b>						<b>3614.94</b>
54930	CASCADIA	3/4/2014	501-00-548-300-31	741926T	Spare Keys - Vactor	15.14
54930	CASCADIA	3/4/2014	501-00-548-300-31	741926T	Spare Keys - Vactor	1.68
<b>CASCADIA Total</b>						<b>16.82</b>
54931	CenturyLink	3/4/2014	001-19-528-800-42	21414	Phones	105.15
54931	CenturyLink	3/4/2014	001-21-521-200-42	21414	Phones	105.14
<b>CenturyLink Total</b>						<b>210.29</b>
54932	Chuckals	3/4/2014	406-37-553-310-31	771527-0	Heater	109.39
54932	Chuckals	3/4/2014	406-37-553-310-31	771217-0	Office Supplies	28.21
54932	Chuckals	3/4/2014	001-32-532-100-31	771217-0	Office Supplies	28.2
54932	Chuckals	3/4/2014	401-31-533-100-31	771217-0	Office Supplies	28.2
54932	Chuckals	3/4/2014	403-33-534-100-31	771217-0	Office Supplies	28.2
54932	Chuckals	3/4/2014	401-32-533-500-31	771217-0	Office Supplies	23.23
54932	Chuckals	3/4/2014	001-18-518-300-31	771217-0	Office Supplies	21.88
54932	Chuckals	3/4/2014	001-76-576-600-31	771217-0	Office Supplies	21.88
54932	Chuckals	3/4/2014	406-38-553-350-31	771217-0	Office Supplies	23.24
54932	Chuckals	3/4/2014	101-00-542-900-31	771217-0	Office Supplies	23.24
54932	Chuckals	3/4/2014	403-34-534-500-31	771217-0	Office Supplies	23.24
<b>Chuckals Total</b>						<b>358.91</b>
54933	Craig C. Mike	3/4/2014	001-17-517-380-29	22514	Leoff Payments	101.85
<b>Craig C. Mike Total</b>						<b>101.85</b>
54934	Data Bar Incorporated	3/4/2014	401-30-533-110-49	206816	Monthly Statements	1549.06
54934	Data Bar Incorporated	3/4/2014	403-30-534-110-49	206816	Monthly Statements	1284.59
54934	Data Bar Incorporated	3/4/2014	406-30-553-110-49	206816	Monthly Statements	944.55
54934	Data Bar Incorporated	3/4/2014	401-30-533-110-49	206758	Past Due Statements	272.14
54934	Data Bar Incorporated	3/4/2014	403-30-534-110-49	206758	Past Due Statements	225.67
54934	Data Bar Incorporated	3/4/2014	406-30-553-110-49	206758	Past Due Statements	165.94
<b>Data Bar Incorporated Total</b>						<b>4441.95</b>
54935	Dept of Revenue WA State	3/4/2014	001-14-514-230-49	2709-2013-Qtr4	BLS CC Fees 4th Qtr	115.2
<b>Dept of Revenue WA State Total</b>						<b>115.2</b>
54936	Fife City of	3/4/2014	001-58-558-600-41	143320	Planning Svcs - Jan 2014	4442.13
<b>Fife City of Total</b>						<b>4442.13</b>
54937	Fire King of Seattle Inc.	3/4/2014	406-38-553-350-31	POS 1337	Supplies - Ear Plugs	37.2
<b>Fire King of Seattle Inc. Total</b>						<b>37.2</b>



Check #	Name	Date	Account #	Invoice #	Description	Amount
54938	Grainger Inc	3/4/2014	101-00-542-900-35	9361851679	Tools - Ladder	278.42
	<b>Grainger Inc Total</b>					<b>278.42</b>
54939	Gray & Osborne Inc	3/4/2014	310-99-595-200-63	13594.00-3	Milton Way Ped Imps	3691.73
54939	Gray & Osborne Inc	3/4/2014	407-99-595-200-63	13574.00-4	Proj Mgmt - Alder Street Storm Improv	4882.33
54939	Gray & Osborne Inc	3/4/2014	403-99-594-200-63	13602.00-2	Proj Mgmt - 24th St E Water Main	3121.26
	<b>Gray &amp; Osborne Inc Total</b>					<b>11695.32</b>
54940	Hancock Nicole	3/4/2014	650-00-218-010-00	22414	Deposit Refund Rcpt # 380092 Rental fi	50
54940	Hancock Nicole	3/4/2014	650-00-218-010-00	22414	Deposit Refund Rcpt # 380092 Rental fi	300
	<b>Hancock Nicole Total</b>					<b>350</b>
54941	HD Supply Power Solutions	3/4/2014	401-32-533-500-31	2473561-00	Electrical Tape	974.11
	<b>HD Supply Power Solutions Total</b>					<b>974.11</b>
54942	HD Supply Waterworks Ltd.	3/4/2014	403-34-534-550-31	C046798	Inventory Supplies - Credit	-51.24
54942	HD Supply Waterworks Ltd.	3/4/2014	403-34-534-500-31	C022487	Inventory Supplies	85.54
	<b>HD Supply Waterworks Ltd. Total</b>					<b>34.3</b>
54943	KIMBALL MIDWEST	3/4/2014	501-00-548-300-31	3406090	Shop Supplies	219.15
54943	KIMBALL MIDWEST	3/4/2014	501-00-548-300-35	3406090	Tools	128.26
	<b>KIMBALL MIDWEST Total</b>					<b>347.41</b>
54944	King County Finance	3/4/2014	001-19-539-600-53	2014 RE Tax	Nox Weeds Charge 2014	37.2
54944	King County Finance	3/4/2014	001-19-539-500-53	2014 RE Tax	Storm Management Fee 2014	2273.59
	<b>King County Finance Total</b>					<b>2310.79</b>
54945	KPG	3/4/2014	401-31-533-100-41	110614	Prof Svcs - Jan 2014	3649.92
54945	KPG	3/4/2014	310-99-595-100-63	110714	Overlay TIB Preservation	1917.66
54945	KPG	3/4/2014	001-58-558-600-41	14914	Visioning Work	9243.23
	<b>KPG Total</b>					<b>14810.81</b>
54946	Les Schwab Edgewood	3/4/2014	001-21-521-200-48	42700028971	Battery 2006 Crown Vic	202.34
	<b>Les Schwab Edgewood Total</b>					<b>202.34</b>
54947	Multicare Centers of Occumpational M	3/4/2014	101-00-542-900-41	85293	DOT Physical & Exams	60.3
54947	Multicare Centers of Occumpational M	3/4/2014	403-34-534-500-41	85293	DOT Physical & Exams	117
54947	Multicare Centers of Occumpational M	3/4/2014	406-38-553-350-41	85293	DOT Physical & Exams	56.7
	<b>Multicare Centers of Occumpational Medicine Total</b>					<b>234</b>
54948	Northstar Chemical	3/4/2014	403-34-534-550-31	49236	Chemicals	431.54
54948	Northstar Chemical	3/4/2014	403-34-534-550-31	49009	Chemicals	3381.77
	<b>Northstar Chemical Total</b>					<b>3813.31</b>
54949	NW Wire Rope and Sling	3/4/2014	403-34-534-500-35	50060619	Tools	37.72
54949	NW Wire Rope and Sling	3/4/2014	101-00-542-900-35	50060619	Tools	36.6
54949	NW Wire Rope and Sling	3/4/2014	406-38-553-350-35	50060619	Tools	36.6
	<b>NW Wire Rope and Sling Total</b>					<b>110.92</b>
54950	Partlow Nancy	3/4/2014	650-00-219-010-00	22514	Key Deposit Refund - #0195002 Recurri	50
	<b>Partlow Nancy Total</b>					<b>50</b>
54951	Pierce County Budget & Finance	3/4/2014	001-19-539-500-53	PC Tax 2014	Storm Water Charge 2014	40
54951	Pierce County Budget & Finance	3/4/2014	001-19-539-600-53	PC Tax 2014	Noxious Weed Control 2014	103.83
54951	Pierce County Budget & Finance	3/4/2014	001-19-539-900-53	PC Tax 2014	Pierce Conservation District 2014	240.31
54951	Pierce County Budget & Finance	3/4/2014	406-37-553-310-53	PC Tax 2014	Property Tax 2014	22.24
	<b>Pierce County Budget &amp; Finance Total</b>					<b>406.38</b>
54952	Pollardwater.com-East	3/4/2014	403-34-534-500-31	I373209-IN	Supplies	389.08
54952	Pollardwater.com-East	3/4/2014	403-34-534-550-35	I373194-IN	GHT Pressure Logger	675.69
54952	Pollardwater.com-East	3/4/2014	406-38-553-350-35	I373194-IN	Manhole Cover Hooks	127.86
	<b>Pollardwater.com-East Total</b>					<b>1192.63</b>



Check #	Name	Date	Account #	Invoice #	Description	Amount
54953	Professional Claims Intervention Servi	3/4/2014	001-17-517-670-41	4073	Claims Mgmt - March 2014	1000
	<b>Professional Claims Intervention Services Total</b>					<b>1000</b>
54954	Raceway Technology & Mfg. Inc.	3/4/2014	401-32-533-500-31	76878	Supplies On Hand	365.1
	<b>Raceway Technology &amp; Mfg. Inc. Total</b>					<b>365.1</b>
54955	Sumner	3/4/2014	001-19-554-300-51	2443	Non-Shelter Rev True-Up 2013	5955
54955	Sumner	3/4/2014	001-19-554-300-51	2435	Animal Control - Feb 2014	1886.06
54955	Sumner	3/4/2014	001-19-554-300-51	2453	Animal Control - March 2014	1886.06
	<b>Sumner Total</b>					<b>9727.12</b>
54956	Systems For Public Safety	3/4/2014	001-21-521-200-48	23440	2006 Crown Vic - Bulbs	100.78
	<b>Systems For Public Safety Total</b>					<b>100.78</b>
54957	Unifirst Corporation	3/4/2014	401-32-533-500-22	330 0970422	Uniform Svcs - 2/20/14	129.4
54957	Unifirst Corporation	3/4/2014	403-34-534-500-22	330 0970422	Uniform Svcs - 2/20/14	11.76
54957	Unifirst Corporation	3/4/2014	001-18-518-300-22	330 0970331	Uniform Svcs - 2/20/14	12.58
54957	Unifirst Corporation	3/4/2014	001-76-576-600-22	330 0970331	Uniform Svcs - 2/20/14	28.38
54957	Unifirst Corporation	3/4/2014	501-00-548-300-22	330 0970331	Uniform Svcs - 2/20/14	29.26
54957	Unifirst Corporation	3/4/2014	101-00-542-900-22	330 0970331	Uniform Svcs - 2/20/14	45.35
54957	Unifirst Corporation	3/4/2014	401-32-533-500-22	330 0970331	Uniform Svcs - 2/20/14	8.78
54957	Unifirst Corporation	3/4/2014	403-34-534-500-22	330 0970331	Uniform Svcs - 2/20/14	95.11
54957	Unifirst Corporation	3/4/2014	406-38-553-350-22	330 0970331	Uniform Svcs - 2/20/14	14.63
54957	Unifirst Corporation	3/4/2014	001-18-518-300-22	330 0968415	Uniform Svcs - 2/13/14	11.89
54957	Unifirst Corporation	3/4/2014	001-76-576-600-22	330 0968415	Uniform Svcs - 2/13/14	26.81
54957	Unifirst Corporation	3/4/2014	501-00-548-300-22	330 0968415	Uniform Svcs - 2/13/14	27.64
54957	Unifirst Corporation	3/4/2014	101-00-542-900-22	330 0968415	Uniform Svcs - 2/13/14	42.84
54957	Unifirst Corporation	3/4/2014	401-32-533-500-22	330 0968415	Uniform Svcs - 2/13/14	8.29
54957	Unifirst Corporation	3/4/2014	403-34-534-500-22	330 0968415	Uniform Svcs - 2/13/14	89.84
54957	Unifirst Corporation	3/4/2014	406-38-553-350-22	330 0968415	Uniform Svcs - 2/13/14	13.82
54957	Unifirst Corporation	3/4/2014	401-32-533-500-22	330 0968511	Uniform Svcs - 2/13/14	129.4
54957	Unifirst Corporation	3/4/2014	403-34-534-500-22	330 0968511	Uniform Svcs - 2/13/14	11.76
	<b>Unifirst Corporation Total</b>					<b>737.54</b>
54958	Univar USA Inc	3/4/2014	403-34-534-550-31	KT224843	Chemicals	503.16
54958	Univar USA Inc	3/4/2014	403-34-534-550-31	KT224936	Chemicals	2196.79
	<b>Univar USA Inc Total</b>					<b>2699.95</b>
54959	Unum Life Insurance	3/4/2014	001-17-517-381-46	21814	Leoff Life Ins	97.7
	<b>Unum Life Insurance Total</b>					<b>97.7</b>
54960	Utilities Underground Loc Cent	3/4/2014	401-32-533-500-49	4010159	Monthly Locates - Jan 2014	3.19
54960	Utilities Underground Loc Cent	3/4/2014	403-34-534-500-49	4010159	Monthly Locates - Jan 2014	3.19
	<b>Utilities Underground Loc Cent Total</b>					<b>6.38</b>
54961	Vision Municipal Solutions	3/4/2014	001-14-514-232-49	Sep-44	Annual Report Training	120
	<b>Vision Municipal Solutions</b>					<b>120</b>
54962	Water Management Laboratories	3/4/2014	403-34-534-550-41	128451	Water Sampling	131
	<b>Water Management Laboratories Total</b>					<b>131</b>
54963	Zep Mfg. Co.	3/4/2014	501-00-548-300-31	9000714087	Cleaning Supplies	360.67
	<b>Zep Mfg. Co. Total</b>					<b>360.67</b>
54964	Russell Timothy	3/4/2014	101-00-542-900-49	20714	CDL Endorsement - T. Russell	42.5
54964	Russell Timothy	3/4/2014	403-33-534-100-49	20714	CDL Endorsement - T. Russell	34
54964	Russell Timothy	3/4/2014	406-37-553-310-49	20714	CDL Endorsement - T. Russell	8.5
	<b>Russell Timothy Total</b>					<b>85</b>
54965	Thomas Jeffrey	3/4/2014	403-34-534-500-43	21414	Mileage - J. Thomas	18.08
54965	Thomas Jeffrey	3/4/2014	101-00-542-900-43	21414	Mileage - J. Thomas	18.09



Check #	Name	Date	Account #	Invoice #	Description	Amount
54965	Thomas Jeffrey	3/4/2014	406-38-553-350-43	21414	Mileage - J. Thomas	18.09
54965	Thomas Jeffrey	3/4/2014	401-32-533-500-43	21414	Mileage - J. Thomas	18.09
<b>Thomas Jeffrey Total</b>						<b>72.35</b>
<b>3/4/2014 Total</b>						<b>66936.14</b>
54925	Perry Debra	3/5/2014	001-13-513-100-43	22714	Retreat-Meals	93.8
54925	Perry Debra	3/5/2014	001-13-513-100-43	22714	Mileage Reimbursement	71.76
<b>Perry Debra Total</b>						<b>165.56</b>
<b>3/5/2014 Total</b>						<b>165.56</b>
54966	APPLETON/GOLLEHON NATHAN/JERE	3/11/2014	401-00-131-000-00		Utility Bill Refund Check	49.52
54966	APPLETON/GOLLEHON NATHAN/JERE	3/11/2014	403-00-131-000-00		Utility Bill Refund Check	30.52
54966	APPLETON/GOLLEHON NATHAN/JERE	3/11/2014	406-00-131-000-00		Utility Bill Refund Check	7.01
<b>APPLETON/GOLLEHON NATHAN/JEREMY Total</b>						<b>87.05</b>
54967	COX TIM	3/11/2014	401-00-131-000-00		Utility Bill Refund Check	66.95
54967	COX TIM	3/11/2014	403-00-131-000-00		Utility Bill Refund Check	27.42
54967	COX TIM	3/11/2014	406-00-131-000-00		Utility Bill Refund Check	7.67
<b>COX TIM Total</b>						<b>102.04</b>
54968	CUNNINGHAM LANDON	3/11/2014	403-00-131-000-00		Utility Bill Refund Check	36.32
<b>CUNNINGHAM LANDON Total</b>						<b>36.32</b>
54969	DAVE & DANA WARNER BEAU HANSEI	3/11/2014	401-00-131-000-00		Utility Bill Refund Check	83.28
54969	DAVE & DANA WARNER BEAU HANSEI	3/11/2014	403-00-131-000-00		Utility Bill Refund Check	35.98
54969	DAVE & DANA WARNER BEAU HANSEI	3/11/2014	406-00-131-000-00		Utility Bill Refund Check	8.1
<b>DAVE &amp; DANA WARNER BEAU HANSEN Total</b>						<b>127.36</b>
54970	IMAGE ENTERPRISES	3/11/2014	403-00-131-000-00		Utility Bill Refund Check	438.93
54970	IMAGE ENTERPRISES	3/11/2014	406-00-131-000-00		Utility Bill Refund Check	461.07
<b>IMAGE ENTERPRISES Total</b>						<b>900</b>
54971	KELLER WILLIAMS	3/11/2014	403-00-131-000-00		Utility Bill Refund Check	25.6
54971	KELLER WILLIAMS	3/11/2014	406-00-131-000-00		Utility Bill Refund Check	16.35
54971	KELLER WILLIAMS	3/11/2014	401-00-131-000-00		Utility Bill Refund Check	20.15
<b>KELLER WILLIAMS Total</b>						<b>62.1</b>
54972	KELLER WILLIAMS	3/11/2014	401-00-131-000-00		Utility Bill Refund Check	33.46
54972	KELLER WILLIAMS	3/11/2014	403-00-131-000-00		Utility Bill Refund Check	35.25
54972	KELLER WILLIAMS	3/11/2014	406-00-131-000-00		Utility Bill Refund Check	16.91
<b>KELLER WILLIAMS Total</b>						<b>85.62</b>
54973	MILLER STEVEN	3/11/2014	401-00-131-000-00		Utility Bill Refund Check	73.65
54973	MILLER STEVEN	3/11/2014	403-00-131-000-00		Utility Bill Refund Check	5.74
54973	MILLER STEVEN	3/11/2014	406-00-131-000-00		Utility Bill Refund Check	3.68
<b>MILLER STEVEN Total</b>						<b>83.07</b>
54974	PORTFOLIO/LS NMS#269277	3/11/2014	401-00-131-000-00		Utility Bill Refund Check	83.11
<b>PORTFOLIO/LS NMS#269277 Total</b>						<b>83.11</b>
54975	SERTZ WILLIAM & BARBARA	3/11/2014	401-00-131-000-00		Utility Bill Refund Check	29.91
54975	SERTZ WILLIAM & BARBARA	3/11/2014	403-00-131-000-00		Utility Bill Refund Check	10.85
54975	SERTZ WILLIAM & BARBARA	3/11/2014	406-00-131-000-00		Utility Bill Refund Check	5.05
<b>SERTZ WILLIAM &amp; BARBARA Total</b>						<b>45.81</b>
<b>3/11/2014 Total</b>						<b>1612.48</b>
<b>Grand Total</b>						<b>68714.18</b>

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# **PROCLAMATION OF THE CITY OF MILTON**

In recognition of the Pierce County Library System and The News Tribune's Pierce County READS program, sponsored by KeyBank Foundation, The McGavick Conference Center @ Clover Park Technical College, and Pierce County Library Foundation.

**WHEREAS**, Pierce County READS seeks to engage, involve, and connect people throughout Pierce County; and

**WHEREAS**, Pierce County READS is the largest community reading event in the county, when people read an award-winning book, participate in free events, join with groups to discuss the book, and attend a free event to meet the nationally known, best-selling author, this year on April 25th, 2014, at 7 p.m.; and

**WHEREAS**, Pierce County Library is offering this community-wide program in collaboration with numerous community partners;

**Now therefore**, be it proclaimed by the Mayor and City Council of the City of Milton that March 2<sup>nd</sup> through April 25<sup>th</sup>, 2014, is:

## **Pierce County READS**

PROCLAIMED this 17<sup>th</sup> day of March, 2014.

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Debra Perry, Mayor

City of Milton City Council

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Bart Taylor, Mayor Pro-Tem

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Lois Zaroudny, Position No. 1

---

Bryan Ott, Position No. 3

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Aaron Jones, Position No. 4

---

Todd Morton, Position No. 5

---

Jim Manley, Position No. 6

---

Bob Whalen, Position No. 7



To: Mayor Perry and City Council Members  
From: Lisa Tylor, Finance Director  
Date: March 17, 2014  
Re: Financial Report for the Fourth Quarter of 2013

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**ATTACHMENTS: Financial Report for the year ending December 31, 2013**

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**TYPE OF ACTION:**

Information Only  Discussion  Action  Expenditure Required:

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**Issue:**

**Presentation of the City's fourth quarter financial report, reflecting the financial status for all funds as of December 31, 2013**

*It is important to note that at the time of this publication, these are "unaudited" results. With this in mind, although you can be assured that these results are complete and accurate, there is always the possibility that some minor, non-material accounting corrections and/or adjustments may be required. The city's next scheduled audit is expected to occur mid-2014; this audit will examine fiscal years 2012 and 2013.*

**Discussion:**

The purpose of the attached report is to summarize for the City Council the general state of citywide financial affairs and to highlight significant items or trends that the City Council should be aware of. Complete financial results for fiscal year 2013 are provided for review and discussion.

General Fund:

The general fund accounts for all of the City's financial resources, except for those required by statute to be accounted for in another fund. The General Fund is the city's largest fund and is used to account for the majority of City services. While the city currently maintains seventeen separate funds, discussions related to finances of the "General Fund" will typically include combined activity of three of these funds - the General Fund, Fire/EMS Fund and the Street Fund.

At year end, General Fund revenues totaled \$3.78 million compared to the 2013 budget of \$3.74 million, and were sufficient to meet annual expenses of \$3.74 million.

The City's sales taxes totaled \$792,770, nearly 13% greater than the amount collected in 2012. Improvements were seen in both retail and community development activities. Hopefully, this trend will continue into 2014.

At the end of 2013, General Fund expenditures totaled \$3.74 million, or 1.5% below budget.

The combined 2013 ending fund balance is slightly less than projected. The 2014 budgeted beginning fund balances will be reduced by **\$19,352**. Fund balance variances are explained as follows:

	<u>Projected</u>	<u>Actual</u>	<u>Variance</u>
General Fund	\$725,676	\$770,588	\$ 44,912
Fire/EMS Fund	\$ 0	\$ 664	\$ 664
Street Fund	<u>\$ 84,066</u>	<u>\$ 19,138</u>	<u>(\$64,928)</u>
	\$809,742	\$790,390	\$19,352

Utility Funds:

The City's three enterprise funds account for operations supported by revenues provided from user fees, charges or contracts for services.

The three utility operating funds (Electric, Water and Storm Water) continue to maintain stable fund balances, with operating revenues exceeding operating expenditures in all three funds. As a prudent financial measure, each of these funds will be monitored and reviewed later this year to determine if, and when, a comprehensive rate-study is required.

Other Funds:

As the information presented will show, all funds ended the year with the ability to maintain operations and within the 2013 budget.

**Recommendation/Action: *No Action Necessary***

Included for Review - 2013 Financial Analysis/Narrative – Fourth Quarter/Year End Financial Statements (major operating funds)

**TO:** Debra Perry, Mayor  
Milton City Council

**CC:** City Administrator  
Department Directors

**FROM:** Lisa Tylor, Finance Director

**DATE:** March 17, 2014

**SUBJECT:** 2013 - Fourth Quarter/Year-End Financial Status Report (Unaudited 2013 Results)

**INTRODUCTION**

This report is intended to provide a summary and overview of the financial condition of the city through December 31, 2013. Throughout much of the report, a detailed three-year comparative analysis is provided for each of the General Fund revenue sources. In addition, each table compares activity levels through the fourth quarter of 2013, 2012 and 2011; this analysis is intended to show areas where the economy may be improving as compared to the past two years.

The first two tables depict a general summary of financial status for all city funds; the third table shows a slightly more detailed overview of the General Fund. These tables are then followed by analysis and discussion of all General Fund revenue sources. At the end of the report, complete comparative financial statements are provided for all of the city's primary operating funds.

**City of Milton  
Fund Balance Overview  
Year Ending December 31, 2013**

**Table 1**

Fund	Fund Name	Beginning Fund Balance	YTD Actual Revenue	YTD Actual Expenditures	Ending Fund Balance
001	General Fund	\$ 728,666	\$ 3,778,509	\$ 3,736,588	\$ 770,587
002	Fire / EMS Fund	58,053	1,110,555	1,167,944	664
101	Street Fund	22,400	469,923	473,184	19,138
103	Strategic Reserve Fund	812,379	(18,295)	-	794,084
105	Drug Seizure Fund	12,944	719	9,990	3,673
107	Criminal Justice Fund	253,893	120,848	149,517	225,224
116	Community Events Fund	-	31,691	21,382	10,309
118	Reserve Officer's Fund	4,109	3,866	1,470	6,506
130	REET 1 Fund	184,751	76,526	96,046	165,231
131	REET 2 Fund	170,742	75,025	-	245,767
140	Traffic Impact Fee Fund	68,696	17,886	-	86,582
310	Capital Improvement Fund	693,148	486,328	505,431	674,044
401	Electric Utility Fund	4,562,065	4,129,647	3,881,495	4,810,217
403	Water Utility Fund	2,989,813	2,198,736	2,316,713	2,871,836
406	Storm Water Fund	719,640	1,060,496	941,854	838,282
407	Storm Water/Capital Fund	696,515	141,327	173,602	664,240
501	Vehicle Repair & Maint Fund	1,000	139,951	139,951	1,000
<b>Total of All Funds</b>		<b>\$ 11,978,813</b>	<b>\$ 13,823,737</b>	<b>\$ 13,615,167</b>	<b>\$ 12,187,384</b>

A comparison of “current revenues” to “current expenditures”, as shown in the following table, indicates that the General Fund (for discussion purposes includes the General, Fire/EMS and Street Funds) operated in an unbalanced manner throughout 2013 by \$218,001. This means that total expenditures for the year exceed total revenues received, without taking into account the use of fund balance or interfund transfers.

It is important to note, however, that this analysis can be a misleading measurement; for example, we know that operations in some funds (specifically the Street Fund) is significantly dependent upon support from the General Fund. This does depict, however, the level of general fund support that is required to sustain these operations.

**City of Milton  
Fund Summary  
Actual Revenue to Expenditure Comparison - Net of Interfund Transfers  
Year Ending December 31, 2013**

**Table 2**

Fund	Fund Name	YTD Total Revenue	LESS Transfers IN	YTD Total Expenditures	LESS Transfers OUT	YTD Rev over/(under) YTD Exp	Net REV as % of Net EXP*
001	General Fund	\$ 3,778,509	\$ (152,000)	\$ 3,736,588	\$ (370,241)	\$ 260,162	107.7%
002	Fire / EMS Fund	1,110,555	(111,500)	1,167,944	-	(168,889)	85.5%
101	Street Fund	469,923	(321,046)	473,184	(34,907)	(289,400)	34.0%
103	Strategic Reserve Fund	(18,295)	-	-	-	(18,295)	0.0%
105	Drug Seizure Fund	719	-	9,990	-	(9,271)	7.2%
107	Criminal Justice Fund	120,848	-	149,517	-	(28,670)	80.8%
116	Community Events Fund	31,691	-	21,382	-	10,309	0.0%
118	Reserve Officer's Fund	3,866	(8,807)	1,470	-	(6,410)	-336.2%
130	REET 1 Fund	76,526	-	96,046	(96,046)	76,526	0.0%
131	REET 2 Fund	75,025	-	-	-	75,025	0.0%
140	Traffic Impact Fee Fund	17,886	-	-	-	17,886	0.0%
310	Capital Improvement Fund	486,328	(105,054)	505,431	-	(124,157)	75.4%
401	Electric Utility Fund	4,129,647	-	3,881,495	(95,143)	343,295	109.1%
403	Water Utility Fund	2,198,736	-	2,316,713	(98,697)	(19,280)	99.1%
406	Storm Water Fund	1,060,496	-	941,854	(178,437)	297,079	138.9%
407	Storm Water/Capital Fund	141,327	(140,168)	173,602	(105,054)	(67,388)	1.7%
501	Vehicle Repair & Maint Fund	139,951	(139,951)	139,951	-	(139,951)	0.0%
<b>Total of All Funds</b>		<b>\$ 13,823,737</b>	<b>\$ (978,526)</b>	<b>\$ 13,615,167</b>	<b>\$ (978,526)</b>	<b>\$ 208,571</b>	<b>101.7%</b>

\*If this % is less than 100%, net expenditures exceed net revenues.

**Table 3**, on the following page, presents an overview of revenue and expenditure activity of the General Fund for the fiscal year 2013, as compared to the two prior years.

**City of Milton**  
**General Fund Revenue & Expenditure Summaries**  
**Year Ending December 31, 2013**

**Table 3**

<b>REVENUE TYPE</b>	2011	2012	<b>2013 Budget Status</b>		
	Actual	Actual	Amended Budget*	Actual	% of Budget
Taxes (310's)	\$ 2,863,679	\$ 2,880,682	\$ 2,912,402	\$ 2,951,949	101.4%
Licenses & Permits (320's)	88,807	253,676	75,000	92,350	123.1%
Intergovernmental (330's)	314,867	279,825	258,590	276,571	107.0%
Charges for Services (340's)	257,989	331,747	210,930	147,941	70.1%
Fines & Forfeits (350's)	99,906	102,191	99,500	102,930	103.4%
Other Revenue	45,657	51,458	31,295	54,767	175.0%
Interfund Loan Proceeds	-	123,500	-	-	0.0%
Transfers In (397)	375,142	250,500	152,000	152,000	100.0%
<b>Total General Fund Revenues</b>	<b>\$ 4,046,047</b>	<b>\$ 4,273,579</b>	<b>\$ 3,739,717</b>	<b>\$ 3,778,509</b>	<b>101.04%</b>

<b>EXPENDITURE by DEPARTMENT</b>	2011	2012	<b>2013 Budget Status</b>		
	Actual	Actual	Amended Budget*	Actual	% of Budget
Council (11)	\$ 42,157	\$ 55,950	\$ 32,732	\$ 31,447	96.1%
Judicial (12)	247,508	268,291	267,359	246,932	92.4%
Administration (13)	274,663	185,153	166,919	156,802	93.9%
Finance (14)	192,058	187,315	174,874	196,977	112.6%
Legal (15)	155,952	170,453	67,000	65,366	97.6%
Employee Benefit Prgms (17)	-	-	162,316	94,823	58.4%
Facilities (18)	47,587	52,581	92,388	68,499	74.1%
Non-Departmental (19)	1,444,083	857,573	619,183	575,065	92.9%
Police (21)	1,755,360	1,906,822	1,738,414	1,882,126	108.3%
Community Development (24,58)	205,224	202,000	262,828	225,758	85.9%
Engineering (32)	22,562	31,333	41,833	34,137	81.6%
Activity Center (55,73)	68,511	48,249	25,446	20,532	80.7%
Parks (76)	114,828	135,620	141,714	138,123	97.5%
<b>Total General Fund Expenditures</b>	<b>\$ 4,570,493</b>	<b>\$ 4,101,340</b>	<b>\$ 3,793,006</b>	<b>\$ 3,736,588</b>	<b>98.5%</b>

<b>EXPENDITURE by TYPE</b>	2011	2012	<b>2013 Budget Status</b>		
	Actual	Actual	Amended Budget*	Actual	% of Budget
Salaries and Wages	\$ 1,585,514	\$ 1,636,871	\$ 1,394,977	\$ 1,453,389	104.2%
Personnel Benefits	730,011	784,030	717,507	686,658	95.7%
Supplies	187,109	111,034	113,525	101,235	89.2%
Professional Services	720,351	696,626	614,861	540,620	87.9%
Intergovernmental	308,382	305,848	454,952	489,101	107.5%
Capital Outlay	28,763	138,461	39,080	43,428	111.1%
Debt Service	-	19,903	45,004	44,716	99.4%
Interfund Rentals	7,200	7,200	7,200	7,200	100.0%
Transfers Out	1,003,162	401,367	405,900	370,241	91.2%
<b>Total General Fund Expenditures</b>	<b>\$ 4,570,493</b>	<b>\$ 4,101,340</b>	<b>\$ 3,793,006</b>	<b>\$ 3,736,588</b>	<b>98.5%</b>

**GENERAL FUND**

The 2013 Ending Fund Balance at December 31, 2013 is **\$750,713**, compared to the 2012 ending Fund Balance of **\$728,666**, an increase of \$22,047. In addition, the Ending Fund Balance of \$750,713 is \$25,037 *greater* than the 2014 Beginning Fund Balance as projected/estimated for the 2014 Annual Budget. Total annual revenue collections for 2013 were \$3,778,509, compared to \$4,273,579 in 2012. This reduction is primarily due to the loss in property tax collections following the annexation to East Pierce Fire & Rescue. As compared to the 2013 budget, actual revenues collected were 101.4% of budget and expenditures were 98.5%. This report will highlight where the significant changes in revenues and expenditures have occurred. Also included in this report is an historical analysis of all major revenue sources, where in most cases a five year weighted average trend has been developed. This trend analysis will again be used in the 2015 revenue projections, in addition to other economic factors, when developing the 2015 annual budget.

**General Fund Revenue Analysis**

**Taxes**

The combined collection of property tax, sales/use tax, utility tax and gambling tax totaled \$2,951,949, representing 78% of all resources collected to-date in support of governmental activities. The following section provides detail information on current and historical tax collections.

**Property Tax – Table 4**

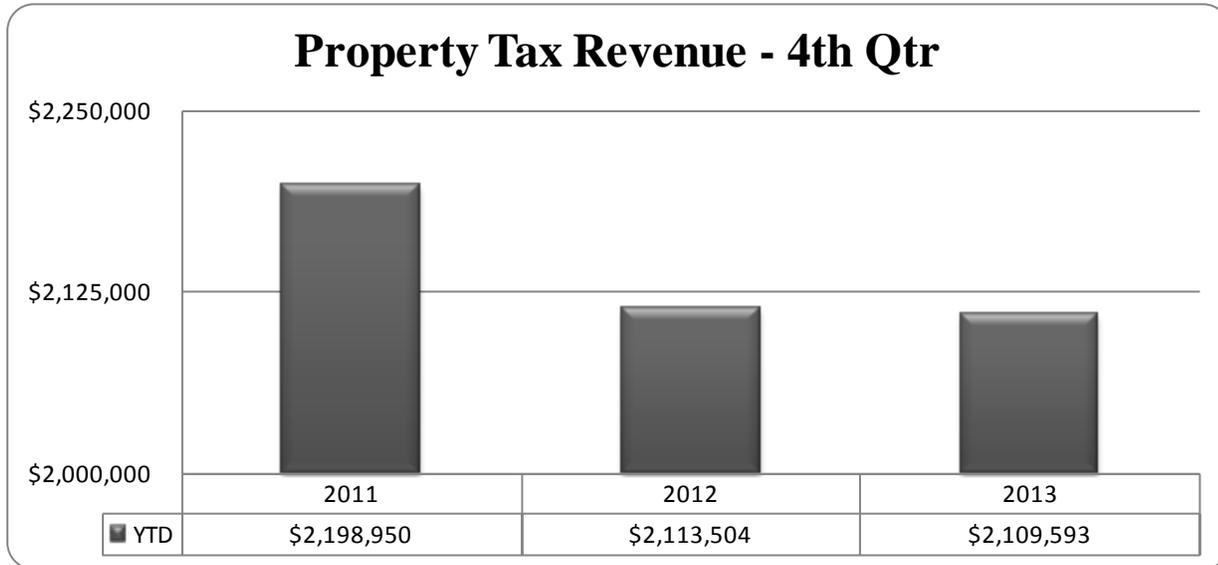
The City’s 2012 total assessed valuation is **\$583,971,779** (an 8% decrease from 2011 values), resulting in anticipated regular property tax collections in 2013 of \$1,810,313 and an additional \$291,986 in EMS Levy collections, for a total of \$2,102,298. Total actual property tax collections in 2013 were \$2,109,593 or \$7,295 more than anticipated. Compared to 2012, tax collections were \$3,912 less in fiscal year 2013.

<b>PROPERTY TAX REVENUES</b>								
<b>Table 4 Year-to-Date thru December</b>								
Month	2011 Actual	2012 Actual	2013		2013 vs. 2012 - Actual		2013 vs. Budget	
			Budget*	Actual	\$	%	\$	%
Jan	\$ 7,486	\$ 9,730	\$ 9,693	\$ 10,677	\$ 947	109.7%	\$ 983	110.1%
Feb	8,140	6,561	7,159	10,384	3,823	158.3%	3,225	145.0%
Mar	18,202	38,862	27,977	29,588	(9,274)	76.1%	1,611	105.8%
Apr	182,554	157,075	142,421	256,132	99,057	163.1%	113,711	179.8%
May	690,830	722,603	754,596	618,667	(103,936)	85.6%	(135,929)	82.0%
Jun	209,784	187,439	165,147	193,055	5,616	103.0%	27,907	116.9%
Jul	23,244	8,576	11,742	39,813	31,237	464.2%	28,071	339.1%
Aug	29,986	11,896	14,945	5,400	(6,496)	45.4%	(9,545)	36.1%
Sep	11,317	8,894	10,424	9,302	407	104.6%	(1,123)	89.2%
Oct	142,432	145,491	110,381	199,245	53,755	136.9%	88,864	180.5%
Nov	715,437	704,318	712,503	590,140	(114,178)	83.8%	(122,363)	82.8%
Dec	159,539	112,060	135,309	147,191	35,131	131.3%	11,882	108.8%
YTD Total**	\$ 2,198,950	\$ 2,113,504	\$ 2,102,298	\$ 2,109,593	\$ (3,912)	99.8%	\$ 7,295	100.3%
Annual Total	\$ 2,198,950	\$ 2,113,504	\$ 2,102,298	\$ 2,109,593	\$ (3,912)	99.8%	\$ 7,295	100.3%

\* 2013 Budget/month is estimated based on a 5-Year weighted average historical collection percentage.

\*\*YTD Totals represent prior year quarterly totals to that of the current quarter.

\*\*\*For comparative purposes, 2011, 2012 & 2013 Budget & Actual amounts include Taxes accounted for in the Fire/EMS Fund.



**Sales Tax – Table 5**

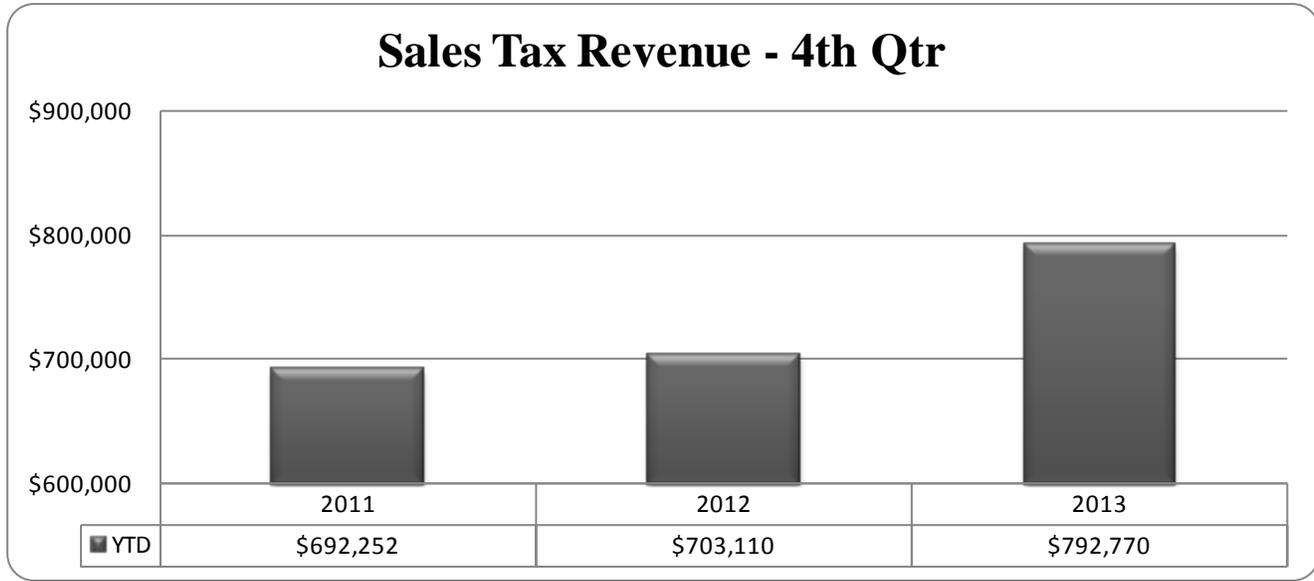
Sales tax is the third largest revenue source for the General Fund comprising 20% of total budgeted revenues (Property Tax is 29%, Utility Tax is 27%). Total sales tax revenue received in 2013 was **\$792,770**; this is \$89,660 more than the amount received in 2012 and \$100,770 more than the amount conservatively budgeted for 2013. Streamlined Sales Tax (SST) receipts are presented under the category of Intergovernmental Revenues later in the report.

RETAIL SALES & USE TAX REVENUES									
Table 5 Year-to-Date thru December									
Month	2011 Actual	2012 Actual	2013		2013 vs. 2012 - Actual		2013 vs. Budget		
			Budget*	Actual	\$	%	\$	%	
Jan	\$ 53,561	\$ 48,464	\$ 52,478	\$ 52,490	\$ 4,026	108.3%	\$ 12	100.0%	
Feb	68,715	64,017	65,687	55,443	(8,574)	86.6%	(10,244)	84.4%	
Mar	53,468	55,559	52,812	56,387	828	101.5%	3,575	106.8%	
Apr	53,484	58,532	57,785	61,145	2,613	104.5%	3,360	105.8%	
May	67,267	61,274	62,501	67,045	5,771	109.4%	4,544	107.3%	
Jun	61,884	58,224	58,140	63,557	5,333	109.2%	5,417	109.3%	
Jul	10,630	63,788	47,349	78,084	14,296	122.4%	30,735	164.9%	
Aug	66,103	58,418	62,371	69,094	10,676	118.3%	6,723	110.8%	
Sep	80,084	60,712	65,681	79,854	19,142	131.5%	14,173	121.6%	
Oct	59,543	61,350	58,083	68,639	7,289	111.9%	10,556	118.2%	
Nov	64,416	56,207	55,218	74,294	18,087	132.2%	19,076	134.5%	
Dec	53,097	56,565	53,895	66,738	10,173	118.0%	12,843	123.8%	
YTD Total**	\$ 692,252	\$ 703,110	\$ 692,000	\$ 792,770	\$ 89,660	112.8%	\$ 100,770	114.6%	
Annual Total	\$ 692,252	\$ 703,110	\$ 692,000	\$ 792,770	\$ 89,660	112.8%	\$ 100,770	114.6%	

Sales Tax Mitigation revenue is reflected in the data presented under "Intergovernmental Revenue"

\* 2013 Budget/month is estimated based on a 5-Year weighted average historical collection percentage.

\*\*YTD Totals represent prior year quarterly totals to that of the current quarter.



#### Utility Tax – Table 6 & 7

In 2010, Utility Tax replaced Sales Tax as the city’s second largest revenue source, now comprising approximately 27% of total revenues received. This revenue source consists of City inter-fund utility taxes (Electric, Water, Storm) and external utility taxes (Natural Gas, Cable TV, Telephone, Sewer, Solid Waste). Total utility tax revenue received in 2013 was **\$1,030,205**; this is \$69,402 more than the amount received in 2012. Tax collections from external utilities were \$533,518 (\$3,828 less than collected in 2012), and collections from city-owned utilities were \$496,687 (\$73,230 more than collected in 2012).

UTILITY TAX REVENUES								
Table 6 Year-to-Date thru December								
Month	2011 Actual	2012 Actual	2013		2013 vs. 2012 - Actual		2013 vs. Budget	
			Budget*	Actual	\$	%	\$	%
Jan	\$ 75,340	\$ 112,663	\$ 104,199	\$ 89,697	\$ (22,966)	79.6%	\$ (14,502)	86.1%
Feb	91,367	77,186	105,537	102,372	25,186	132.6%	(3,165)	97.0%
Mar	69,911	57,558	67,379	60,233	2,675	104.6%	(7,146)	89.4%
Apr	118,029	131,203	139,085	109,859	(21,344)	83.7%	(29,226)	79.0%
May	83,669	75,360	98,472	114,789	39,429	152.3%	16,317	116.6%
Jun	56,243	53,456	60,981	56,795	3,339	106.2%	(4,186)	93.1%
Jul	98,135	135,543	125,593	98,806	(36,737)	72.9%	(26,787)	78.7%
Aug	82,473	47,133	87,341	92,084	44,951	195.4%	4,742	105.4%
Sep	55,047	47,468	57,273	62,845	15,377	132.4%	5,572	109.7%
Oct	61,505	70,431	87,392	98,804	28,373	140.3%	11,412	113.1%
Nov	96,750	105,673	106,920	89,179	(16,494)	84.4%	(17,741)	83.4%
Dec	52,529	47,129	57,235	54,742	7,613	116.2%	(2,493)	95.6%
YTD Total**	\$ 940,998	\$ 960,803	\$ 1,097,408	\$ 1,030,205	\$ 69,402	107.2%	\$ (67,203)	93.9%
Annual Total	\$ 940,998	\$ 960,803	\$ 1,097,408	\$ 1,030,205	\$ 69,402	107.2%	\$ (67,203)	93.9%

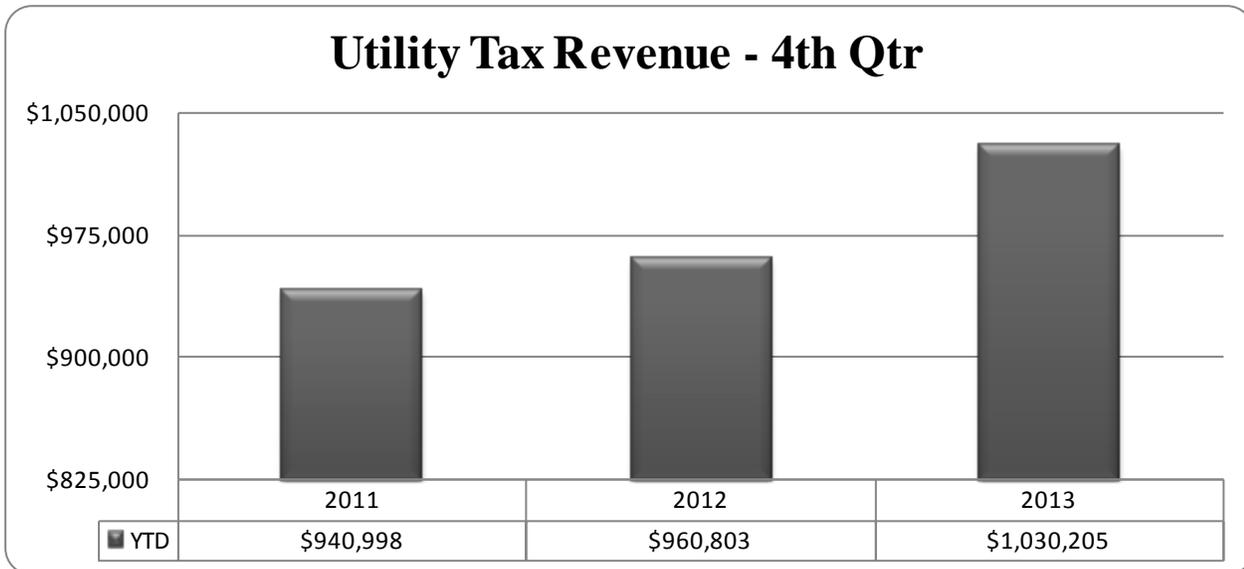
\* 2013 Budget/month is estimated based on a 5-Year weighted average historical collection percentage.

\*\*YTD Totals represent prior year quarterly totals to that of the current quarter.

The following table presents utility tax by type:

<b>UTILITY TAX by TYPE</b>								
<b>Table 7</b>								
Year-to-Date thru <b>December</b>								
Type	2011 Actual - Q4	2012 Actual - Q4	2013		2013 vs. 2012		2013 vs. Budget	
			Budget*	Actual	\$	%	\$	%
Electric	\$ 258,611	\$ 255,210	\$ 265,962	\$ 247,204	\$ (8,006)	96.9%	\$ (18,758)	92.9%
Water	125,743	125,295	179,266	186,187	60,893	148.6%	6,921	103.9%
Sewer	76,622	91,248	99,000	94,448	3,200	103.5%	(4,552)	95.4%
Storm Wtr	42,123	42,952	66,180	63,295	20,343	147.4%	(2,885)	95.6%
Solid Waste	50,484	31,036	44,000	48,221	17,184	155.4%	4,221	109.6%
Gas	85,141	83,913	100,000	76,251	(7,661)	90.9%	(23,749)	76.3%
Telephone	240,794	228,531	250,000	207,940	(20,591)	91.0%	(42,060)	83.2%
Cable	61,481	102,618	93,000	106,658	4,040	103.9%	13,658	114.7%
YTD Total**	\$ 940,998	\$ 960,803	\$ 1,097,408	\$ 1,030,205	\$ 69,402	107.2%	\$ (67,203)	93.9%
Annual Total	\$ 940,998	\$ 960,803	\$ 1,097,408	\$ 1,030,205	\$ 69,402	107.2%	\$ (67,203)	93.9%

\* Total 2013 Budget, shown at estimated collection rate for this point in the year (100%).

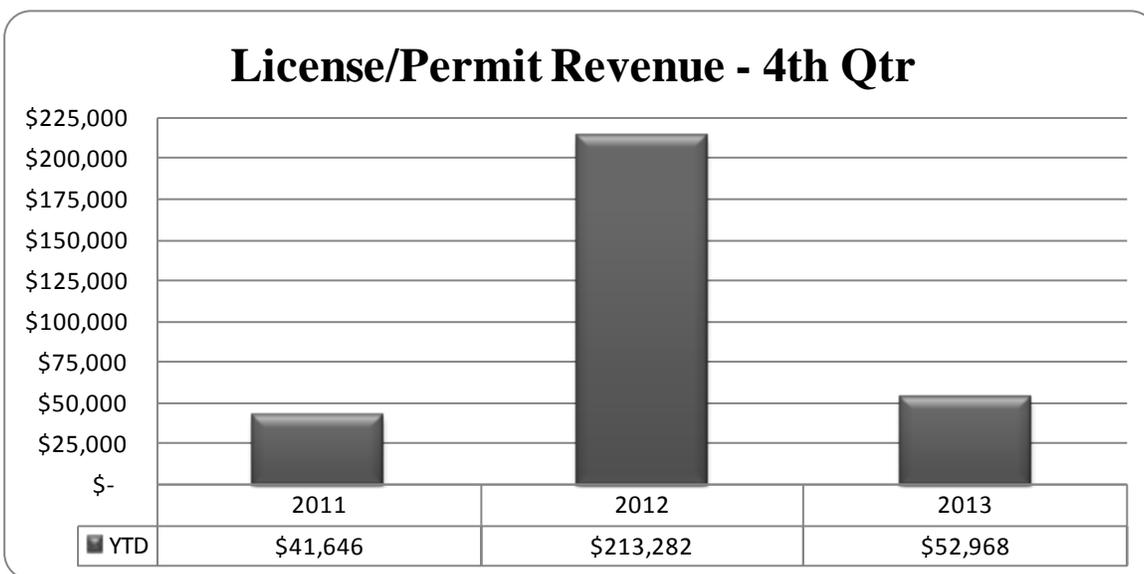


**Licenses and Permits – Table 8 & 9**

This revenue source is comprised of business licenses, building permits, plumbing, electric and other licenses and permit fees. Due to increased activity seen over the second half of 2012, the 2013 adopted budget was increased from that of 2012 by \$8,900. Total License & Permit revenues received in 2013 was \$52,968. This is \$160,314 less than the amount received in 2012. It is important to note that the majority of this variance is due to the significant amount of permit revenue received related to the Alder Ridge project (see revenues of August 2012).

<b>LICENSES &amp; PERMIT REVENUE (not incl. Business Lic)</b>								
<b>Table 8</b>								
Year-to-Date thru <b>December</b>								
Month	2011 Actual	2012 Actual	2013		2013 vs. 2012 - Actual		2013 vs. Budget	
			Budget*	Actual	\$	%	\$	%
Jan	\$ 2,159	\$ 1,111	\$ 2,579	\$ 10,218	\$ 9,107	920.0%	\$ 7,639	396.2%
Feb	1,839	871	1,994	676	(195)	77.6%	(1,318)	33.9%
Mar	1,698	2,159	1,985	5,523	3,364	255.8%	3,538	278.2%
Apr	7,301	789	2,453	3,863	3,073	489.3%	1,410	157.5%
May	1,727	1,521	1,946	1,430	(91)	94.0%	(516)	73.5%
Jun	6,409	11,154	3,361	6,920	(4,235)	62.0%	3,559	205.9%
Jul	1,986	5,637	1,937	1,587	(4,049)	28.2%	(350)	82.0%
Aug	1,600	103,589	7,860	4,803	(98,786)	4.6%	(3,057)	61.1%
Sep	6,618	1,302	2,491	2,266	964	174.0%	(224)	91.0%
Oct	6,348	7,916	2,486	1,816	(6,100)	22.9%	(670)	73.1%
Nov	2,835	4,142	1,982	9,549	5,407	230.6%	7,567	481.9%
Dec	1,125	73,090	5,326	4,317	(68,773)	5.9%	(1,010)	81.0%
YTD Total**	\$ 41,646	\$ 213,282	\$ 36,400	\$ 52,968	\$ (160,314)	24.8%	\$ 16,568	145.5%
Annual Total	\$ 41,646	\$ 213,282	\$ 36,400	\$ 52,968	\$ (160,314)	24.8%	\$ 16,568	145.5%

\* 2013 Budget/month is estimated based on a 5-Year weighted average historical collection percentage.  
 \*\*YTD Totals represent prior year quarterly totals to that of the current quarter.

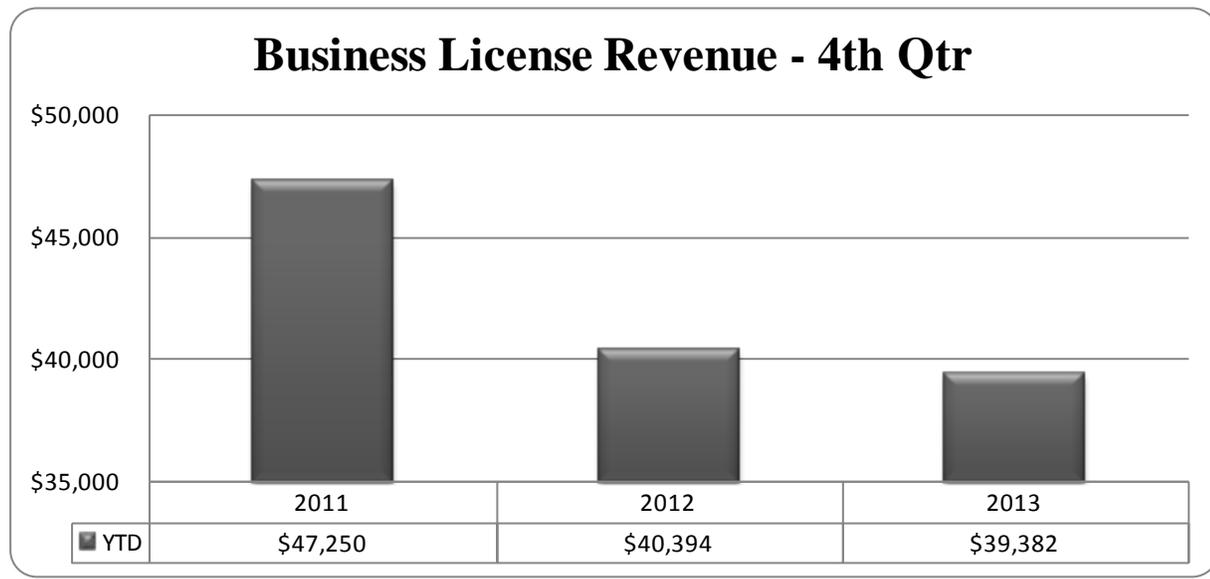


Business License revenues received in 2013 were \$39,382. This amount is 2.5% less than the amount received in 2012, although 2% greater than the amount projected/budgeted.

<b>BUSINESS LICENSES</b>								
<b>Table 9 Year-to-Date thru December</b>								
Month	2011 Actual	2012 Actual	2013		2013 vs. 2012 - Actual		2013 vs. Budget	
			Budget*	Actual	\$	%	\$	%
Jan	\$ 6,985	\$ 2,750	\$ 7,086	\$ 4,339	\$ 1,589	157.8%	\$ (2,747)	61.2%
Feb	2,819	4,505	3,638	3,044	(1,460)	67.6%	(594)	83.7%
Mar	4,393	3,094	3,151	3,726	633	120.4%	575	118.3%
Apr	5,524	3,753	3,947	2,217	(1,536)	59.1%	(1,730)	56.2%
May	6,423	2,906	2,869	3,570	663	122.8%	700	124.4%
Jun	3,704	2,765	2,382	4,125	1,361	149.2%	1,743	173.2%
Jul	2,321	4,078	2,654	3,094	(985)	75.9%	440	116.6%
Aug	2,742	3,459	2,241	2,948	(511)	85.2%	707	131.5%
Sep	1,760	1,595	1,294	1,867	272	117.1%	573	144.3%
Oct	3,564	5,214	2,803	3,801	(1,414)	72.9%	997	135.6%
Nov	2,137	1,251	1,798	2,280	1,029	182.2%	482	126.8%
Dec	4,879	5,024	4,737	4,373	(652)	87.0%	(365)	92.3%
YTD Total**	\$ 47,250	\$ 40,394	\$ 38,600	\$ 39,382	\$ (1,012)	97.5%	\$ 782	102.0%
Annual Total	\$ 47,250	\$ 40,394	\$ 38,600	\$ 39,382	\$ (1,012)	97.5%	\$ 782	102.0%

\* 2013 Budget/month is estimated based on a 5-Year weighted average historical collection percentage.

\*\*YTD Totals represent prior year quarterly totals to that of the current quarter.



**Intergovernmental Revenue – Table 10, 11 & 12**

Revenues in this category include grants (Direct & Indirect Federal, State and Local), and State shared revenues. The total of this category of revenue received in 2013 was **\$276,571** or \$3,255 less than that of 2012. We continue to see the loss in Liquor Excise & Liquor Profit revenues over previous years; with the passage of ESHB 2823, all cities across the state received a reduction in liquor tax revenue during the 2<sup>nd</sup> half of 2012, continuing through the 2<sup>nd</sup> quarter of 2013. Effects of this legislation will continue to be seen in future years. Revenues in this category can also be difficult to compare and predict, as it includes Federal, State & Local grant proceeds which can and do vary greatly from year to year. Last year, the city was still collecting reimbursements from the Department of Ecology for the Shoreline Master Plan project. State shared revenues are included in this category, including Liquor Excise Tax, Liquor Profits, and Streamlined Sales Tax (SST). The City received \$94,636 in SST revenue in 2013. The collection of SST has proven to be very consistent, receiving +/- \$24,000 each quarter; however, this revenue source may also be impacted by Legislative reductions in the future.

INTERGOVERNMENTAL REVENUE								
Table 10 Year-to-Date thru December								
Grant Type	2011 Actual-Q4	2012 Actual-Q4	2013		2013 vs. 2012 - Actual		2013 vs. Budget	
			Budget*	Actual	\$	%	\$	%
Direct Federal	\$ 69,696	\$ 75,217	\$ 90,590	\$ 109,621	\$ 34,404	0.0%	\$ 19,031	121.0%
Indirect Federal	22,222	6,659	-	1,000	(5,659)	0.0%	1,000	0.0%
State	19,901	8,580	-	296	(8,284)	3.4%	296	0.0%
Interlocal	24,183	1,135	-	-	(1,135)	0.0%	-	0.0%
Intergov't Service	-	-	-	1,831	1,831	0.0%	1,831	0.0%
State Shared Rev	178,865	188,233	168,000	163,822	(24,411)	87.0%	(4,178)	97.5%
YTD Total**	\$ 314,867	\$ 279,825	\$ 258,590	\$ 276,571	\$ (3,255)	-1.0%	\$ 17,981	107.0%
Annual Total	\$ 314,867	\$ 279,825	\$ 258,590	\$ 276,571	\$ (3,255)	-1.0%	\$ 17,981	107.0%

\* Total 2013 Budget, shown at estimated collection rate for this point in the year (100%).

\*\*YTD Totals represent prior year quarterly totals to that of the current quarter.

State-collected revenues that are shared with all cities are derived from liquor receipts and motor vehicle fuel taxes. They are allocated on a per-capita basis. There are also certain Criminal Justice related revenues distributed to cities by the State.

STATE SHARED TAX REVENUES								
Table 11 Year-to-Date thru December								
Month	2011 Actual	2012 Actual	2013		2013 vs. 2012 - Actual		2013 vs. Budget	
			Budget*	Actual	\$	%	\$	%
Jan	\$ 20,956	\$ 24,158	\$ 21,266	\$ 13,823	\$ (10,335)	57.2%	\$ (7,443)	65.0%
Feb	11,222	12,345	11,153	11,561	(784)	93.6%	408	103.7%
Mar	24,248	19,737	21,925	27,648	7,911	140.1%	5,723	126.1%
Apr	22,059	25,883	22,042	13,006	(12,877)	50.2%	(9,035)	59.0%
May	12,811	11,885	10,834	12,382	497	104.2%	1,548	114.3%
Jun	26,396	39,911	29,129	28,086	(11,824)	70.4%	(1,043)	96.4%
Jul	26,371	23,639	22,915	15,686	(7,953)	66.4%	(7,229)	68.5%
Aug	12,840	12,746	12,101	12,289	(457)	96.4%	188	101.6%
Sep	21,832	29,232	24,773	29,862	629	102.2%	5,089	120.5%
Oct	27,836	15,911	21,334	22,710	6,799	142.7%	1,376	106.5%
Nov	12,335	12,147	11,856	10,556	(1,591)	86.9%	(1,300)	89.0%
Dec	23,827	29,074	23,573	29,094	20	100.1%	5,521	123.4%
YTD Total**	\$ 242,733	\$ 256,668	\$ 232,900	\$ 226,702	\$ (29,966)	88.3%	\$ (6,198)	97.3%
Annual Total	\$ 242,733	\$ 256,668	\$ 232,900	\$ 226,702	\$ (29,966)	88.3%	\$ (6,198)	97.3%

\* 2013 Budget/month is estimated based on a 5-Year weighted average historical collection percentage.

\*\*YTD Totals represent prior year quarterly totals to that of the current quarter.

\*\*\*Data above includes ALL State Shared Revenues; General Fund/Street Fund/CJ Fund

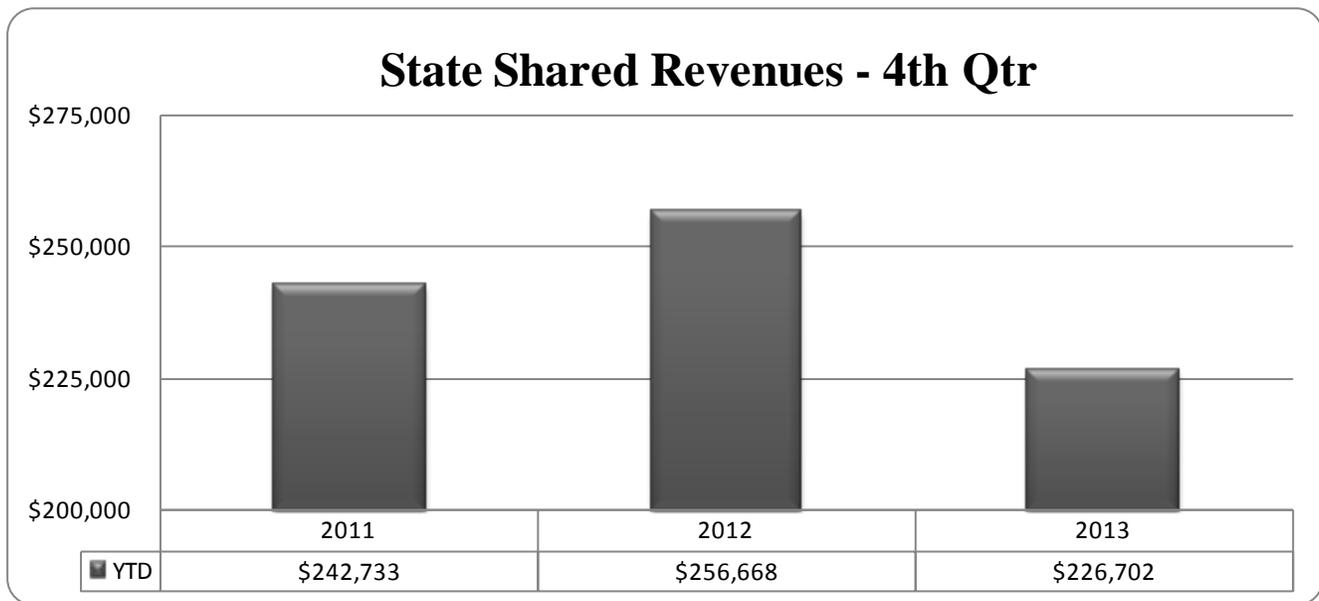
Since these revenues are distributed to cities on a per-capita basis, their year-to-year receipts tend to be fairly consistent.

<b>STATE SHARED TAX REVENUES by TYPE</b>								
<b>Table 12</b>								
Year-to-Date thru <b>December</b>								
Month	2011 Actual-Q4	2012 Actual-Q4	2013		2013 vs. 2012 - Actual		2013 vs. Budget	
			Budget*	Actual	\$	%	\$	%
Liquor Excise Tax	\$ 33,664	\$ 25,906	\$ 18,000	\$ 4,799	\$ (21,107)	-81.5%	\$ (13,201)	26.7%
Liquor Board Profits	48,568	70,382	60,000	64,388	(5,994)	91.5%	4,388	107.3%
Criminal Justice-Population <sup>(2)</sup>	1,523	1,592	1,500	1,723	130	108.2%	223	114.8%
Criminal Justice-High Crime <sup>(2)</sup>	7,061	7,043	8,000	-	(7,043)	-100.0%	(8,000)	0.0%
Criminal Justice-Spec Prgms <sup>(2)</sup>	5,748	5,987	6,000	6,412	425	107.1%	412	106.9%
Criminal Justice-DUI/Cities <sup>(2)</sup>	1,451	1,320	1,400	1,301	(19)	98.6%	(99)	93.0%
Motor Vehicle Fuel Tax <sup>(1)</sup>	144,719	144,437	138,000	148,080	3,642	102.5%	10,080	107.3%
YTD Total**	\$ 242,733	\$ 256,668	\$ 232,900	\$ 226,702	\$ (29,966)	88.3%	\$ (6,198)	97.3%
Annual Total	\$ 242,733	\$ 256,668	\$ 232,900	\$ 226,702	\$ (29,966)	88.3%	\$ (6,198)	97.3%

(1) Motor Vehicle Fuel Tax is posted as revenue to the Street Fund

(2) Criminal Justice revenues are accounted for in Fund 107

\* Total 2013 Budget, shown at estimated collection rate for this point in the year (100%).



**Charges for Services – Table 13 & 14**

This revenue source consists of general governmental services, public safety, development service fees and activity center fees. Development services make up approximately 16% of the \$210,930 annual budget for this category and are presented following the “Charges for Service” table below. Through the end of 2013, \$147,941 had been received for all charges for services. This is just 70% of the amount budgeted for the year. In 2013, we have seen a significant reduction in some of the revenue categories processed through the Municipal Court. An analysis of this variance was performed mid-2013. It was determined that the fluctuation in revenue collections is primarily due to the timing of when cases go to court vs. when the related fine/revenue may be collected. It is not uncommon for this period to cover two or three years. With this in mind, actual revenue collections in the current year could be related to cases of prior years. Similarly, current year cases may not be collected on for two or three years in the future. It was determined, however, that the amount of current year revenue collections is correct.

General government services include administrative fees, court duplicating costs and other copy fees. Public safety consists of law enforcement services, probation and prisoner lodging fees. Overall, this revenue source (public safety) makes up approximately 69% of the \$210,930 annual budget for this category. Through the end of 2013, total public safety revenues received were \$69,993 or 46% of the total amount received in this revenue category.

<b>CHARGES for SERVICES - By TYPE</b>								
<b>Table 13</b>								
Year-to-Date thru December								
Type	2011 Actual-Q4	2012 Actual-Q4	2013		2013 vs. 2012 - Actual		2013 vs. Budget	
			Budget*	Actual	\$	%	\$	%
General Government	\$ 18,869	\$ 14,915	\$ 12,650	\$ 11,269	\$ (3,645)	75.6%	\$ (1,381)	89.1%
Public Safety	154,117	152,584	144,750	67,993	(84,591)	44.6%	(76,757)	47.0%
Development Services	56,557	135,096	33,600	48,809	(86,287)	36.1%	15,209	145.3%
Culture & Recreation	14,323	14,427	5,200	5,145	(9,282)	35.7%	(55)	98.9%
Interfund Sales & Service	14,728	14,725	14,730	14,725	-	100.0%	(5)	100.0%
YTD Total**	\$ 258,594	\$ 331,747	\$ 210,930	\$ 147,941	\$ (183,806)	44.6%	\$ (62,989)	70.1%
Annual Total	\$ 258,594	\$ 331,747	\$ 210,930	\$ 147,941	\$ (183,806)	44.6%	\$ (62,989)	70.1%

\* Total 2013 Budget, shown at estimated collection rate for this point in the year (100%).

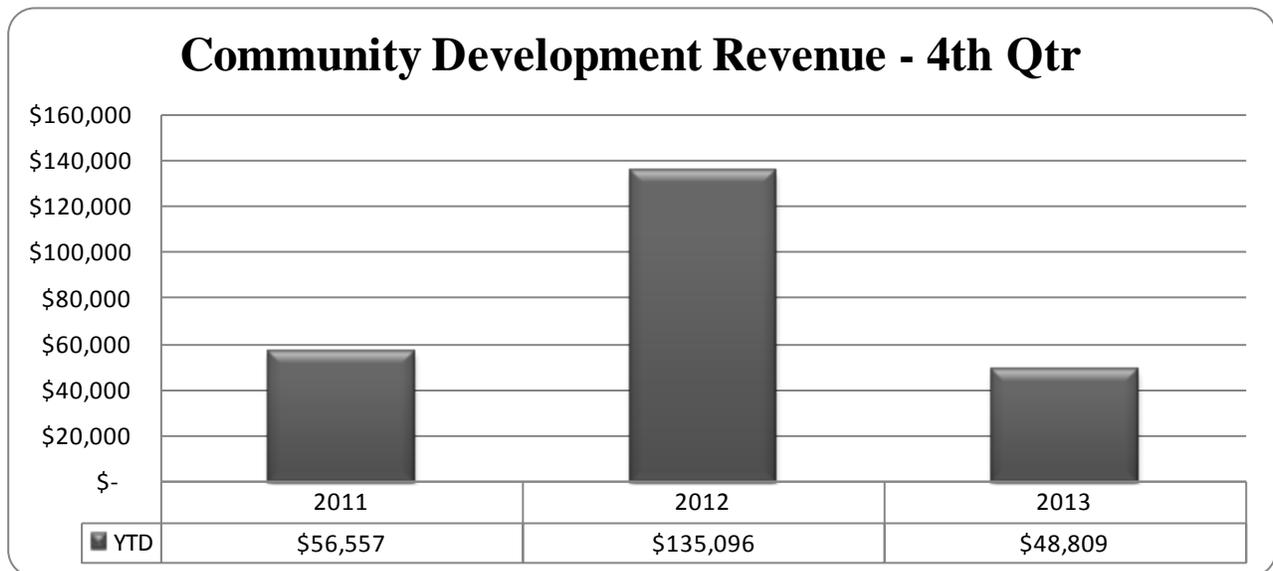
\*\*YTD Totals represent prior year quarterly totals to that of the current quarter.

Development Services include zoning and subdivision fees, engineering fees and plan check fees; the adopted budget of \$33,600 was reduced from the 2012 amended budget by \$13,650 due to the lack of activity seen in 2012. As development activity began increasing early in 2013, we anticipated exceeding the amount budgeted in this category. This expectation held true, as we collected a total of \$48,809 for development revenue in 2013, or \$15,209 more than the amount budgeted. Although we collected more than the amount budgeted in this category, total collections through 2013 were \$86,287 less than the amounts collected in 2012. Similar to the year-to-year variance seen in permit revenue, this is due to the development activity related to the Milton Senior Community, LLC/Sterling Savings Bank project (August '12) and the Alder Ridge project (December '12).

<b>COMMUNITY DEVELOPMENT REVENUE</b>								
<b>Table 14</b>								
Year-to-Date thru December								
Month	2011 Actual	2012 Actual	2013		2013 vs. 2012 - Actual		2013 vs. Budget	
			Budget*	Actual	\$	%	\$	%
Jan	\$ 4,075	\$ 3,796	\$ 1,709	\$ 7,381	\$ 3,585	194.5%	\$ 5,672	431.9%
Feb	10,629	639	5,150	5,192	4,554	813.0%	42	100.8%
Mar	8,289	1,212	8,131	4,718	3,506	389.3%	(3,412)	58.0%
Apr	6,742	-	2,512	605	605	0.0%	(1,907)	24.1%
May	4,150	3,505	1,754	1,103	(2,402)	31.5%	(651)	62.9%
Jun	1,867	11,544	2,306	7,400	(4,144)	64.1%	5,095	321.0%
Jul	2,257	1,022	1,254	3,408	2,386	333.3%	2,154	271.9%
Aug	2,918	66,451	4,033	5,723	(60,728)	8.6%	1,690	141.9%
Sep	2,395	5,353	2,172	4,097	(1,256)	76.5%	1,925	188.6%
Oct	3,655	4,884	1,122	4,278	(606)	87.6%	3,155	381.1%
Nov	9,579	366	2,863	1,488	1,122	406.5%	(1,375)	52.0%
Dec	-	36,324	595	3,415	(32,908)	9.4%	2,821	574.5%
YTD Total**	\$ 56,557	\$ 135,096	\$ 33,600	\$ 48,809	\$ (86,287)	36.1%	\$ 15,209	145.3%
Annual Total	\$ 56,557	\$ 135,096	\$ 33,600	\$ 48,809	\$ (86,287)	36.1%	\$ 15,209	145.3%

\* 2013 Budget/month is estimated based on a 5-Year weighted average historical collection percentage.

\*\*YTD Totals represent prior year quarterly totals to that of the current quarter.



**Fines & Penalties – Table 15 & 16**

Total revenue received for fines & penalties through the end of 2013 were \$102,930. This revenue category includes traffic and parking infraction penalties, criminal penalties (traffic, non traffic and other costs), and false alarm fines. In this category, the city received slightly more than the amount received in 2012, and \$3,430 or 3.4% more than the amount budgeted. This category does not reflect all Municipal Court revenue, as some of those revenues are categorized under “Charges for Service”. **Table 16** summarizes total **Municipal Court** revenue.

FINES & PENALTY REVENUE								
Table 15 Year-to-Date thru December								
Month	2011 Actual	2012 Actual	2013		2013 vs. 2012 - Actual		2013 vs. Budget	
			Budget*	Actual	\$	%	\$	%
Jan	\$ 7,081	\$ 7,289	\$ 6,913	\$ -	\$ (7,289)	0.0%	\$ (6,913)	0.0%
Feb	8,260	6,796	7,325	7,969	1,173	117.3%	644	108.8%
Mar	6,758	9,844	8,897	7,216	(2,628)	73.3%	(1,681)	81.1%
Apr	8,001	10,904	9,806	9,879	(1,025)	90.6%	74	100.8%
May	8,059	9,906	9,731	8,619	(1,287)	87.0%	(1,112)	88.6%
Jun	9,817	9,088	8,772	9,383	295	103.2%	612	107.0%
Jul	8,030	7,156	7,924	10,538	3,382	147.3%	2,614	133.0%
Aug	9,089	6,598	7,493	10,089	3,491	152.9%	2,596	134.6%
Sep	9,585	7,160	8,224	8,688	1,527	121.3%	463	105.6%
Oct	7,952	6,816	7,776	10,678	3,862	156.7%	2,902	137.3%
Nov	8,954	7,295	7,543	10,439	3,144	143.1%	2,896	138.4%
Dec	8,320	13,339	9,098	9,434	(3,905)	70.7%	336	103.7%
YTD Total**	\$ 99,906	\$ 102,191	\$ 99,500	\$ 102,930	\$ 739	100.7%	\$ 3,430	103.4%
Annual Total	\$ 99,906	\$ 102,191	\$ 99,500	\$ 102,930	\$ 739	100.7%	\$ 3,430	103.4%

\* 2013 Budget/month is estimated based on a 5-Year weighted average historical collection percentage.

\*\*YTD Totals represent prior year quarterly totals to that of the current quarter.

*Note: Monthly revenues are generally posted the following month; Due to the closure of the Milton Court in December of 2012, December revenue was actually posted to December/2012. This is the reason for the apparent "0" revenue shown for January of 2013.*

<b>MUNICIPAL COURT REVENUE by TYPE</b>									
<b>Table 16</b>									
Year-to-Date thru <b>December</b>									
Category	2011 Actual-Q4	2012 Actual-Q4	2013		2013 vs. 2012 - Actual		2013 Budget Variance		
			Budget*	Actual	\$	%	\$	%	
Proof of Insurance	\$ 1,726	\$ 1,864	\$ 2,200	\$ 2,437	\$ 573	130.8%	\$ 237	110.8%	
Traffic Infractions	63,346	64,305	66,500	71,942	7,637	111.9%	5,442	108.2%	
Non-Traffic Infractions	1,449	23	-	700	676	0.0%	700	0.0%	
Parking Infractions	419	431	-	822	391	0.0%	822	#DIV/0!	
DUI	3,961	4,591	4,250	4,583	(8)	99.8%	333	107.8%	
Criminal Traffic Misdemeanor	7,959	9,338	12,150	13,288	3,950	142.3%	1,138	109.4%	
Criminal Non-Traffic Fines	7,002	7,937	7,600	6,294	(1,642)	79.3%	(1,306)	82.8%	
Court Cost Recoupments	6,964	6,413	6,800	2,864	(3,549)	44.7%	(3,936)	42.1%	
YTD Total**	\$ 92,825	\$ 94,902	\$ 99,500	\$ 102,930	\$ 8,028	108.5%	\$ 3,430	103.4%	
Annual Total	\$ 92,825	\$ 94,902	\$ 99,500	\$ 102,930	\$ 8,028	108.5%	\$ 3,430	103.4%	

\* Total 2013 Budget, shown at estimated collection rate for this point in the year (100%).

\*\*YTD Totals represent prior year quarterly totals to that of the current quarter.

*Note* : For comparative purposes, the above data has been adjusted by removing January revenues for each year. See footnote on Table 15.

In addition to the above Municipal Court revenue of \$102,930, it is important to note that the City also receives additional Court revenue under the category of “Charges for Services” which were reported previously in this report. These “Public Safety” revenues include charges for detention and correction services such as *probation services, housing & monitoring of prisoners, booking fees, etc.* The total of these revenues through the end of 2013 were **\$67,606**, bringing the total “Municipal Court” revenue to **\$170,536**.

### **Miscellaneous – Table 17**

A total of **\$54,757** in miscellaneous revenue was received through the end of 2013. This revenue source is comprised of interest and other investment earnings, rents, contributions and donations, judgments & settlements and other miscellaneous income. Included in this category may be amounts referred to as “non-revenues” such as refunds, rebates or amounts received on behalf of another agency.

<b>MISCELLANEOUS REVENUES By TYPE</b>									
<b>Table 17</b>									
Year-to-Date thru <b>December</b>									
Type	2011 Actual-Q4	2012 Actual-Q4	2013		2013 vs. 2012 - Actual		2013 vs. Budget		
			Budget*	Actual	\$	%	\$	%	
Interest Earnings	\$ 10,727	\$ 18,753	\$ 13,400	\$ 12,261	\$ (6,492)	65.4%	\$ (1,139)	91.5%	
Rents & Leases	11,185	10,985	12,000	30,275	19,290	275.6%	18,275	252.3%	
Contributions & Donations	1,560	6	-	1,274	1,268	0.0%	1,274	0.0%	
Judgments & Settlements	2,256	2,927	3,000	135	(2,792)	4.6%	(2,865)	4.5%	
Sale of Surplus Equip	2,500	1,250	-	834	(416)	66.7%	834	0.0%	
Interfund Loan Proceeds	-	123,500	-	-	(123,500)	0.0%	-	0.0%	
Insurance Recovery	4,900	1,769	-	-	(1,769)	0.0%	-	0.0%	
Other Misc. Revenue	4,016	5,259	2,895	9,978	4,719	189.7%	7,083	344.7%	
YTD Total**	\$ 37,143	\$ 164,449	\$ 31,295	\$ 54,757	\$ (109,692)	33.3%	\$ 23,462	175.0%	
Annual Total	\$ 37,143	\$ 164,449	\$ 31,295	\$ 54,757	\$ (109,692)	33.3%	\$ 23,462	175.0%	

\* Total 2013 Budget, shown at estimated collection rate for this point in the year (100%).

\*\*YTD Totals represent prior year quarterly totals to that of the current quarter.

**Real Estate Excise Tax – Table 18**

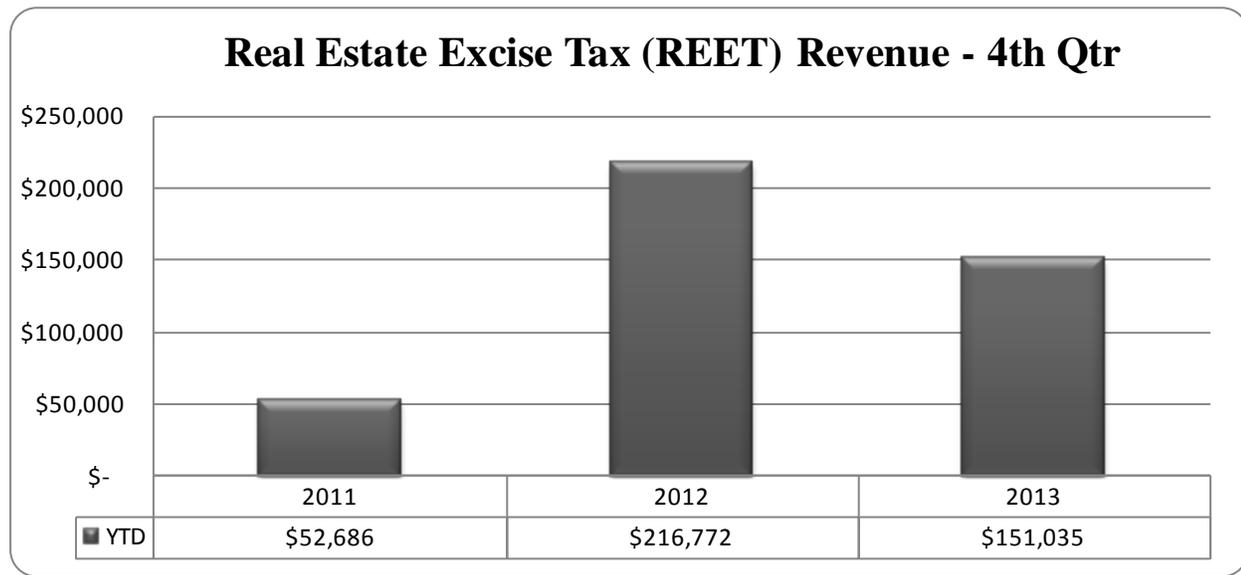
Real Estate Excise Tax is levied on all sales of real estate at the rate of 1.28% (State). In addition, cities may levy an additional quarter percent tax, referred to as REET 1. Certain cities also have the authority to levy a second quarter percent tax, referred to as REET 2. REET 1 funds may be used for any capital purpose that is identified in the city’s capital improvement plan. REET 2 funds can be used for other public works projects of the local government, not specifically identified in the capital improvement plan.

As the table below shows, the collection of Real Estate Excise Tax over recent years has been significantly less than those of five to ten years ago. However, an increase in activity in this category was seen over the 4<sup>th</sup> quarter of 2012, having received 87% of the year’s total revenue in the months of October, November and December of that year. This trend continued throughout 2013, a sign that the economy is definitely on an upward trend.

<b>REAL ESTATE EXCISE TAX REVENUES</b>								
<b>Table 18</b>								
Year-to-Date thru <b>December</b>								
Month	2011 Actual	2012 Actual	2013		2013 vs. 2012 - Actual		2013 vs. Budget	
			Budget*	Actual	\$	%	\$	%
Jan	\$ 7,776	\$ 938	\$ 2,001	\$ 13,358	\$ 12,420	1424.0%	\$ 11,357	667.7%
Feb	4,408	1,629	2,379	29,680	28,051	1822.4%	27,301	1247.6%
Mar	520	1,567	1,092	1,640	73	104.7%	548	150.1%
Apr	1,586	4,017	786	2,710	(1,308)	67.5%	1,923	344.5%
May	4,424	3,120	1,231	9,733	6,614	312.0%	8,502	791.0%
Jun	1,792	6,392	925	14,026	7,634	219.4%	13,101	1517.1%
Jul	5,492	4,403	1,476	13,311	8,908	302.3%	11,835	901.9%
Aug	9,131	2,785	2,171	11,299	8,514	405.7%	9,128	520.4%
Sep	6,209	2,366	2,774	11,096	8,730	469.0%	8,321	399.9%
Oct	2,928	11,949	1,637	13,474	1,524	112.8%	11,837	823.1%
Nov	3,773	6,531	1,357	8,377	1,846	128.3%	7,021	617.5%
Dec	4,648	171,075	8,171	22,331	(148,744)	13.1%	14,160	273.3%
YTD Total**	\$ 52,686	\$ 216,772	\$ 26,000	\$ 151,035	\$ (65,737)	69.7%	\$ 125,035	580.9%
Annual Total	\$ 52,686	\$ 216,772	\$ 26,000	\$ 151,035	\$ (65,737)	69.7%	\$ 125,035	580.9%

\* 2013 Budget/month is estimated based on a 5-Year weighted average historical collection percentage.

\*\*YTD Totals represent prior year quarterly totals to that of the current quarter.



**SPECIAL REVENUE FUNDS**

**Street Fund**

Total 2013 operating revenues received in the Street Fund were \$148,877 or 108% of the adopted budget. The Street Fund is supported primarily by two sources; 1) a share of the State’s motor vehicle fuel tax, and 2) operating transfers from the General or Strategic Reserve Funds as necessary. During 2013, the Street Fund received interfund operating transfers of \$225,000 (General Fund) and \$96,046 (REET, for Debt Service).

The ending fund balance is \$19,137 compared to \$22,399 in 2012. The fact that this fund is able to maintain any level of fund balance is due to support provided from the General Fund. Consistent with recent years, this is a reminder that additional funding sources must be found to support street maintenance projects.

**UTILITY FUNDS**

The City of Milton maintains four Enterprise Funds: Electric Utility, Water Utility, Storm Water Operations and Storm Water Capital. These funds operate in a manner similar to private business with sufficient revenues generated to support operations and cover capital expenditures.

**Electric Utility**

The Electric Utility total operating revenues for 2013 were \$4,104,834 or 91% of budget. The operating expenditures were \$3,786,352 or 86% of budget. Operating revenues exceeded operating expenditures by \$318,483. Operating transfers of \$38,143 were made to the Vehicle Repair & Maintenance Fund for vehicle/equipment repair. Total expenditures for the Electric Utility were \$3,881,495 and the current fund balance is \$4,810,217 which includes \$1,101,299 designated as *Reserved Fund Balance* per City Ordinance (25% of current year budgeted operating expenditures).

**Water Utility**

The Water Utility total operating revenues for 2013 were \$2,222,869 or 107.6% of budget. The operating expenditures were \$1,392,559 or 96% of budget. Operating revenues exceeded operating expenditures by \$830,310. Capital expenditures during the year totaled \$561,272.

Year-to-date operating transfers of \$35,697 were made to the Vehicle Repair & Maintenance Fund for vehicle/equipment repair. Total expenditures for the Water Utility were \$2,340,847 and the current fund balance is \$2,871,836, which includes \$362,782 designated as *Reserved Fund Balance* per City Ordinance (25% of current year budgeted operating expenditures).

**Storm Water Operations**

The Storm Water operating revenues through the end of 2013 totaled \$725,293 or 98% of budget. The operating expenditures were \$559,911 or 77% of budget. Operating revenues exceeded operating expenditures by \$165,383. The purchase of a Vactor Truck was completed during the second quarter, requiring an expenditure of \$138,634 and the remainder being financed over three years. Operating transfers of \$140,168 were made to the Storm/Capital Fund (per policy) and additional transfers of \$6,269 were made to the Vehicle Repair & Maintenance Fund for vehicle/equipment repair. Total expenditures for the Storm Water Fund were \$941,854 and the current fund balance is \$838,283, which includes \$181,825 designated as *Reserved Fund Balance* per City Ordinance (25% of current year budgeted operating expenditures).

**Storm Water Capital**

The Storm Water Capital operating revenues through the second quarter were \$1,159 or 58% of budget. Total 2013 Interfund transfers from Stormwater Operations total \$140,168. Expenditures for capital projects include the completion of the Kent St. Detention Pond, the Stormwater Treatment Facility and Alder St. stormwater drainage improvements. An interfund transfer to the Capital Improvement Fund is shown in the amount of \$105,054 for the Storm Utility’s contribution to the Porter Way Overlay project. The current fund balance is \$664,240.

**Vehicle Repair & Maintenance Fund**

The Vehicle R&M Fund, currently the city's only internal service fund, was established in 2011 to account for repair and maintenance of the City's fleet of vehicles (excluding the Police Department). Expenditures are tracked by vehicle and/or department. On a monthly basis, funds are transferred from the General, Street or Utility Funds based upon the actual value of work performed on the vehicles of those funds or departments. Total 2013 expenditures in this fund totaled \$138,533 or 98% of the amount budgeted for the year.

**City of Milton  
GENERAL FUND - 001  
Fourth Quarter 2013 Financial Report**

SOURCES & USES OF FUNDS	2012 Actual	2013 Adopted Budget	2013 Amended Budget	4th Qtr 2013 Actual	Percent of Budget	4th Qtr 2012 Actual
<b>REVENUES and OTHER SOURCES:</b>						
<b>BEGINNING FUND BALANCES</b>	\$ 556,427	\$ 670,298	\$ 728,667	\$ 728,667		\$ 556,427
<b>OPERATING REVENUES</b>						
Taxes	\$ 2,880,682	\$ 2,912,403	\$ 2,912,402	\$ 2,951,949	101.36%	\$ 2,880,682
Licenses & Permits	253,676	75,000	75,000	92,350	123.13%	253,676
Intergovernmental Revenues	279,825	258,590	258,590	276,571	106.95%	279,825
Charges for Goods & Services	317,022	209,150	210,930	147,941	70.14%	317,022
Fines & Penalties	102,191	96,550	99,500	102,930	103.45%	102,191
Miscellaneous Revenues	66,183	55,025	31,295	54,767	175.00%	66,183
<b>Total Operating Revenue*</b>	<b>\$ 3,899,579</b>	<b>\$ 3,606,718</b>	<b>\$ 3,587,717</b>	<b>\$ 3,626,508</b>	<b>101.08%</b>	<b>\$ 3,899,579</b>
<b>OTHER FINANCING SOURCES</b>						
Interfund Transfers	\$ 250,500	\$ 177,000	\$ 152,000	\$ 152,000	100.00%	\$ 250,500
Other Sources	123,500	-	-	-	-	123,500
Non Revenues	-	-	-	-	-	-
<b>Other Financing Sources</b>	<b>\$ 374,000</b>	<b>\$ 177,000</b>	<b>\$ 152,000</b>	<b>\$ 152,000</b>	<b>100.00%</b>	<b>\$ 374,000</b>
<b>TOTAL REVENUES &amp; OTHER SOURCES</b>	<b>\$ 4,273,579</b>	<b>\$ 3,783,718</b>	<b>\$ 3,739,717</b>	<b>\$ 3,778,508</b>	<b>101.04%</b>	<b>\$ 4,273,579</b>
<b>EXPENDITURES and OTHER USES:</b>						
<b>OPERATING EXPENDITURES</b>						
City Council	\$ 55,950	\$ 30,732	\$ 32,732	\$ 31,447	96.07%	\$ 55,950
Municipal Court	268,291	267,359	267,359	246,932	92.36%	268,291
Executive	185,153	166,919	165,419	155,181	93.81%	185,153
Finance	187,315	175,374	174,874	196,977	112.64%	187,315
Legal	170,453	67,000	67,000	65,366	97.56%	170,453
Employee Benefit Programs	-	-	162,316	94,823	58.42%	-
Facilities	52,581	70,975	84,888	68,342	80.51%	52,581
Non-Departmental Services	351,673	405,046	274,083	204,946	74.77%	351,673
Police	1,906,822	1,738,414	1,738,414	1,882,126	108.27%	1,906,822
Community Development	202,000	208,989	262,428	223,394	85.13%	202,000
Engineering	31,333	41,833	41,833	34,137	81.60%	31,333
Activity/Senior Center	48,249	38,546	25,446	20,532	80.69%	48,249
Parks	135,620	135,226	126,214	117,330	92.96%	135,620
<b>Total Operating Expenditures*</b>	<b>\$ 3,595,440</b>	<b>\$ 3,346,413</b>	<b>\$ 3,423,006</b>	<b>\$ 3,341,533</b>	<b>97.62%</b>	<b>\$ 3,595,440</b>
<b>* Operating Revenues over (under)</b>						
<b>Operating Expenditures</b>	<b>\$ 554,639</b>	<b>\$ 437,305</b>	<b>\$ 316,711</b>	<b>\$ 436,975</b>		<b>\$ 554,639</b>
<b>OTHER FINANCING USES</b>						
Machinery, Equip & Capital Improvements	123,500	-	-	-	-	123,500
Capital Lease - PD	-	-	-	-	-	-
Debt Service - Interfund Loan	-	25,100	25,100	24,812	98.85%	-
Transfer Out - Vehicle Repair & Maintenance	-	-	24,900	24,934	100.14%	-
Transfer Out - Fire/EMS Fund	254,400	100,000	100,000	111,500	111.50%	254,400
Transfer Out-Streets	128,000	220,000	220,000	225,000	102.27%	128,000
Transfer Out - Other Funds	-	-	-	8,807	-	-
<b>Total Other Financing Uses</b>	<b>\$ 505,900</b>	<b>\$ 345,100</b>	<b>\$ 370,000</b>	<b>\$ 395,054</b>	<b>106.77%</b>	<b>\$ 505,900</b>
<b>TOTAL EXPENDITURES &amp; OTHER USES</b>	<b>\$ 4,101,340</b>	<b>\$ 3,691,513</b>	<b>\$ 3,793,006</b>	<b>\$ 3,736,587</b>	<b>98.51%</b>	<b>\$ 4,101,340</b>
<b>ENDING FUND BALANCE</b>						
Reserved	292,923	311,966	311,966	311,966		292,923
Unreserved/Undesignated	435,744	450,537	363,411	458,621		435,744
<b>ENDING FUND BALANCE</b>	<b>728,667</b>	<b>\$ 762,503</b>	<b>\$ 675,378</b>	<b>\$ 770,588</b>		<b>\$ 728,667</b>
<b>TOTAL EXPENDITURES, OTHER USES &amp; FUND BALANCE</b>						
	<b>\$ 4,830,007</b>	<b>\$ 4,454,016</b>	<b>\$ 4,468,384</b>	<b>\$ 4,507,175</b>		<b>\$ 4,830,007</b>

**City of Milton  
FIRE / EMS Fund - 002  
Fourth Quarter 2013 Financial Report**

SOURCES & USES OF FUNDS	2012 Actual	2013 Adopted Budget	2013 Amended Budget	4th Qtr 2013 Actual	Percent of Budget	4th Qtr 2012 Actual
<b>REVENUES and OTHER SOURCES:</b>						
<b>BEGINNING FUND BALANCES</b>	\$ 159,470	\$ 75,996	\$ 58,053	\$ 58,053		\$ 159,470
<b>OPERATING REVENUES</b>						
Pierce County Levy Lid Lift	\$ 665,023	\$ 613,662	\$ 614,845	\$ 617,390	100.41%	\$ 665,023
Pierce County EMS Levy	146,066	253,579	254,068	250,644	98.65%	146,066
King County Levy Lid Lift	101,989	93,641	91,761	72,847	79.39%	101,989
King County EMS Levy	970	38,694	37,918	58,174	153.42%	970
King County EMS	-	-	-	-	-	-
Donations	-	-	-	-	-	-
Investment Interest	9	-	-	-	-	9
<b>Total Operating Revenue*</b>	<b>\$ 914,057</b>	<b>\$ 999,576</b>	<b>\$ 998,592</b>	<b>\$ 999,055</b>	<b>100.05%</b>	<b>\$ 914,057</b>
<b>OTHER FINANCING SOURCES</b>						
Transfer In - General Fund	\$ 254,400	\$ 100,000	\$ 100,000	\$ 111,500	111.50%	\$ 254,400
Other Sources	-	-	-	-	-	-
Other Financing Sources	254,400	100,000	100,000	111,500	111.50%	254,400
<b>TOTAL REVENUES &amp; OTHER SOURCES</b>	<b>\$ 1,168,457</b>	<b>\$ 1,099,576</b>	<b>\$ 1,098,592</b>	<b>\$ 1,110,555</b>	<b>101.09%</b>	<b>\$ 1,168,457</b>
<b>EXPENDITURES &amp; OTHER USES:</b>						
<b>OPERATING EXPENDITURES</b>						
East Pierce - Contracted Services	\$ 1,269,874	\$ 1,169,095	\$ 1,167,944	\$ 1,167,944	100.00%	\$ 1,269,874
	-	-	-	-	-	-
	-	-	-	-	-	-
<b>Total Operating Expenditures*</b>	<b>\$ 1,269,874</b>	<b>\$ 1,169,095</b>	<b>\$ 1,167,944</b>	<b>\$ 1,167,944</b>	<b>100.00%</b>	<b>\$ 1,269,874</b>
<b>* Operating Revenues over (under) Operating Expenditures</b>						
	<b>\$ (355,817)</b>	<b>\$ (169,519)</b>	<b>\$ (169,352)</b>	<b>\$ (168,889)</b>		<b>\$ (355,817)</b>
<b>OTHER FINANCING USES</b>						
Interfund Transfers	-	-	-	-	-	-
Total Other Financing Uses	-	-	-	-	-	-
<b>TOTAL EXPENDITURES &amp; OTHER USES</b>	<b>\$ 1,269,874</b>	<b>\$ 1,169,095</b>	<b>\$ 1,167,944</b>	<b>\$ 1,167,944</b>	<b>100.00%</b>	<b>\$ 1,269,874</b>
<b>ENDING FUND BALANCES</b>						
Reserved	\$ -	\$ -	\$ -	\$ -		\$ -
Unreserved / Undesignated	58,053	6,477	(11,299)	664		58,053
<b>ENDING FUND BALANCES</b>	<b>\$ 58,053</b>	<b>\$ 6,477</b>	<b>\$ (11,299)</b>	<b>\$ 664</b>		<b>\$ 58,053</b>
<b>TOTAL EXPENDITURES, OTHER USES &amp; FUND BALANCES</b>						
	<b>\$ 1,327,927</b>	<b>\$ 1,175,572</b>	<b>\$ 1,156,644</b>	<b>\$ 1,168,608</b>		<b>\$ 1,327,927</b>

**City of Milton  
STREET FUND - 101  
Fourth Quarter 2013 Financial Report**

SOURCES & USES OF FUNDS	2012 Actual	2013 Adopted Budget	2013 Amended Budget	4th Qtr 2013 Actual	Percent of Budget	4th Qtr 2012 Actual
<b>REVENUES and OTHER SOURCES:</b>						
<b>BEGINNING FUND BALANCES</b>	\$ 79,010	\$ 64,705	\$ 22,399	\$ 22,399		\$ 79,010
<b>OPERATING REVENUES</b>						
Fuel Tax - City Streets	\$ 144,437	\$ 138,000	\$ 138,000	\$ 148,080	107.30%	\$ 144,437
Fuel Tax - Street Improvements	-	-	-	-	-	-
Other / Misc Revenue	2,592	300	300	797	265.67%	2,592
Investment Interest	-	-	-	-	-	-
<b>Total Operating Revenue*</b>	<b>\$ 147,029</b>	<b>\$ 138,300</b>	<b>\$ 138,300</b>	<b>\$ 148,877</b>	<b>107.65%</b>	<b>\$ 147,029</b>
<b>OTHER FINANCING SOURCES</b>						
Transfer from Other Funds	\$ 224,875	\$ 316,046	\$ 358,546	\$ 321,046	89.54%	\$ 224,875
Other Financing Sources	224,875	316,046	358,546	321,046	89.54%	224,875
<b>TOTAL REVENUES &amp; OTHER SOURCES</b>	<b>\$ 371,904</b>	<b>\$ 454,346</b>	<b>\$ 496,846</b>	<b>\$ 469,923</b>	<b>94.58%</b>	<b>\$ 371,904</b>
<b>EXPENDITURES &amp; OTHER USES:</b>						
<b>OPERATING EXPENDITURES</b>						
Road & Street Maintenance	\$ 289,233	\$ 353,794	\$ 375,055	\$ 342,000	91.19%	\$ 289,233
Municipal Vehicles & Public Works Equipment	-	-	-	-	-	-
Other / Misc Expense	-	-	-	-	-	-
<b>Total Operating Expenditures*</b>	<b>\$ 289,233</b>	<b>\$ 353,794</b>	<b>\$ 375,055</b>	<b>\$ 342,000</b>	<b>91.19%</b>	<b>\$ 289,233</b>
<b>* Operating Revenues over (under) Operating Expenditures</b>						
	<b>\$ (142,204)</b>	<b>\$ (215,494)</b>	<b>\$ (236,755)</b>	<b>\$ (193,123)</b>		<b>\$ (142,204)</b>
<b>OTHER FINANCING USES</b>						
Debt Service Principal	\$ 88,121	\$ 84,292	\$ 84,292	\$ 88,121	104.54%	\$ 88,121
Debt Service Interest	8,754	11,754	11,754	8,156	69.39%	8,754
Capital Lease	8,334	-	-	-	-	8,334
Capital Projects	3,865	5,525	5,525	-	0.00%	3,865
Transfer Out - Vehicle Repair & Maintenance	30,208	38,000	38,000	34,907	91.86%	30,208
Total Other Financing Uses	139,282	139,571	139,571	131,184	93.99%	139,282
<b>TOTAL EXPENDITURES &amp; OTHER USES</b>	<b>\$ 428,515</b>	<b>\$ 493,365</b>	<b>\$ 514,626</b>	<b>\$ 473,184</b>	<b>91.95%</b>	<b>\$ 428,515</b>
<b>ENDING FUND BALANCES</b>						
Reserved	\$ -	\$ -	\$ -	\$ -		\$ -
Unreserved / Undesignated	22,399	25,686	4,619	19,137		22,399
<b>ENDING FUND BALANCES</b>	<b>\$ 22,399</b>	<b>\$ 25,686</b>	<b>\$ 4,619</b>	<b>\$ 19,137</b>		<b>\$ 22,399</b>
<b>TOTAL EXPENDITURES, OTHER USES &amp; FUND BALANCES</b>						
	<b>\$ 450,914</b>	<b>\$ 519,051</b>	<b>\$ 519,245</b>	<b>\$ 492,321</b>		<b>\$ 450,914</b>

**City of Milton  
STRATEGIC RESERVE FUND - 103  
Fourth Quarter 2013 Financial Report**

SOURCES & USES OF FUNDS	2012 Actual	2013 Adopted Budget	2013 Amended Budget	4th Qtr 2013 Actual	Percent of Budget	4th Qtr 2012 Actual
<b>REVENUES and OTHER SOURCES:</b>						
<b>BEGINNING FUND BALANCES</b>	\$ 818,619	\$ 802,819	\$ 812,379	\$ 812,379		\$ 818,619
<b>OPERATING REVENUES</b>						
Investment Interest	\$ 18,760	\$ 5,000	\$ 5,000	\$ 17,905	358.11%	\$ 18,760
Other / Misc Revenue	-	-	-	-	-	-
<b>Total Operating Revenue*</b>	<b>\$ 18,760</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>	<b>\$ 17,905</b>	<b>358.11%</b>	<b>\$ 18,760</b>
<b>OTHER FINANCING SOURCES</b>						
Transfer from Other Funds	\$ -	\$ -	\$ -	\$ -	-	\$ -
Other Financing Sources	-	-	-	-	-	-
<b>TOTAL REVENUES &amp; OTHER SOURCES</b>	<b>\$ 18,760</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>	<b>\$ 17,905</b>	<b>358.11%</b>	<b>\$ 18,760</b>
<b>EXPENDITURES &amp; OTHER USES:</b>						
<b>OPERATING EXPENDITURES</b>						
Other / Misc Expense	\$ -	\$ -	\$ -	\$ -	-	\$ -
<b>Total Operating Expenditures*</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>
<b>* Operating Revenues over (under)</b>						
<b>Operating Expenditures</b>	<b>\$ 18,760</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>	<b>\$ 17,905</b>		<b>\$ 18,760</b>
<b>OTHER FINANCING USES</b>						
Transfer to Other Funds - General	\$ 25,000	\$ -	\$ -	\$ -	-	\$ 25,000
Transfer to Other Funds - Streets	-	-	-	-	-	-
Transfer to Other Funds -	-	-	-	-	-	-
Discount on Long Term Debt	-	-	-	36,201	-	-
Total Other Financing Uses	25,000	-	-	36,201	-	25,000
<b>TOTAL EXPENDITURES &amp; OTHER USES</b>	<b>\$ 25,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 36,201</b>	<b>-</b>	<b>\$ 25,000</b>
<b>ENDING FUND BALANCES</b>						
Reserved	\$ 812,379	\$ 807,819	\$ 817,379	\$ 794,083		\$ 812,379
Unreserved / Undesignated	-	-	-	-		-
<b>ENDING FUND BALANCES</b>	<b>\$ 812,379</b>	<b>\$ 807,819</b>	<b>\$ 817,379</b>	<b>\$ 794,083</b>		<b>\$ 812,379</b>
<b>TOTAL EXPENDITURES, OTHER USES &amp; FUND BALANCES</b>						
	<b>\$ 837,379</b>	<b>\$ 807,819</b>	<b>\$ 817,379</b>	<b>\$ 830,284</b>		<b>\$ 837,379</b>

**City of Milton  
COMMUNITY EVENTS FUND - 116  
Fourth Quarter 2013 Financial Report**

SOURCES & USES OF FUNDS	2012 Actual	2013 Adopted Budget	2013 Amended Budget	4th Qtr 2013 Actual	Percent of Budget	4th Qtr 2012 Actual
<b>REVENUES and OTHER SOURCES:</b>						
<b>BEGINNING FUND BALANCES</b>	\$ 985	\$ -	\$ -	\$ -		\$ 985
<b>OPERATING REVENUES</b>						
Milton Days - Vendor Fees	\$ 5,381	\$ -	\$ 6,500	\$ 5,640	86.77%	\$ 5,381
Fall Bazaar - Vendor Fees	2,680	-	-	2,040	-	2,680
Other Community Events Fees	855	-	2,500	15	0.60%	855
Milton Days - Donations	8,223	-	15,000	14,787	98.58%	8,223
Fall Bazaar - Donations	382	-	-	287	-	382
Tree Lighting - Donations	-	-	-	116	-	-
Milton Days - Raffle	1,904	-	-	-	-	1,904
Other / Misc Revenue	-	-	-	-	-	-
<b>Total Operating Revenue*</b>	<b>\$ 19,425</b>	<b>\$ -</b>	<b>\$ 24,000</b>	<b>\$ 22,884</b>	<b>95.35%</b>	<b>\$ 19,425</b>
<b>OTHER FINANCING SOURCES</b>						
Transfer from Other Funds	\$ -	\$ -	\$ 7,000	\$ 8,807	125.81%	\$ -
Other Financing Sources	-	-	7,000	8,807	125.81%	-
<b>TOTAL REVENUES &amp; OTHER SOURCES</b>	<b>\$ 19,425</b>	<b>\$ -</b>	<b>\$ 31,000</b>	<b>\$ 31,691</b>	<b>102.23%</b>	<b>\$ 19,425</b>
<b>EXPENDITURES &amp; OTHER USES:</b>						
<b>OPERATING EXPENDITURES</b>						
Milton Days						
Salaries & Benefits	\$ -	\$ -	\$ 3,200	\$ 1,007	31.46%	\$ -
Supplies	3,828	-	15,800	3,228	20.43%	3,828
Professional Services	15,231	-	3,000	15,425	514.15%	15,231
Other Expense	312	-	-	206	-	312
<b>Subtotal</b>	<b>\$ 19,371</b>	<b>\$ -</b>	<b>\$ 22,000</b>	<b>\$ 19,865</b>		<b>\$ 19,371</b>
Fall Bazaar						
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	-	\$ -
Supplies	539	-	1,000	173	17.33%	539
Professional Services	200	-	-	675	-	200
Other Expense	-	-	-	-	-	-
<b>Subtotal</b>	<b>\$ 739</b>	<b>\$ -</b>	<b>\$ 1,000</b>	<b>\$ 848</b>		<b>\$ 739</b>
Tree Lighting						
Salaries & Benefits	\$ -	\$ -	\$ -	\$ 144	-	\$ -
Supplies	88	-	2,100	526	25.05%	88
Professional Services	-	-	-	-	-	-
Other Expense	-	-	-	-	-	-
<b>Subtotal</b>	<b>\$ 88</b>	<b>\$ -</b>	<b>\$ 2,100</b>	<b>\$ 670</b>		<b>\$ 88</b>
Other / Misc Expense	-	-	-	-	-	-
<b>Total Operating Expenditures*</b>	<b>\$ 20,198</b>	<b>\$ -</b>	<b>\$ 25,100</b>	<b>\$ 21,382</b>		<b>\$ 20,198</b>
<b>* Operating Revenues over (under)</b>						
<b>Operating Expenditures</b>	<b>\$ (773)</b>	<b>\$ -</b>	<b>\$ (1,100)</b>	<b>\$ 1,502</b>		<b>\$ (773)</b>
<b>OTHER FINANCING USES</b>						
Other Uses	\$ -	\$ -	\$ -	\$ -	-	\$ -
Total Other Financing Uses	-	-	-	-	-	-
<b>TOTAL EXPENDITURES &amp; OTHER USES</b>	<b>\$ 20,198</b>	<b>\$ -</b>	<b>\$ 25,100</b>	<b>\$ 21,382</b>	<b>85.19%</b>	<b>\$ 20,198</b>
<b>ENDING FUND BALANCES</b>						
Reserved	\$ -	\$ -	\$ -	\$ -		\$ -
Unreserved / Undesignated	212	-	5,900	10,309		212
<b>ENDING FUND BALANCES</b>	<b>\$ 212</b>	<b>\$ -</b>	<b>\$ 5,900</b>	<b>\$ 10,309</b>		<b>\$ 212</b>
<b>TOTAL EXPENDITURES, OTHER USES &amp; FUND BALANCES</b>	<b>\$ 20,410</b>	<b>\$ -</b>	<b>\$ 31,000</b>	<b>\$ 31,691</b>		<b>\$ 20,410</b>

**City of Milton  
ELECTRIC UTILITY FUND - 401  
Fourth Quarter 2013 Financial Report**

SOURCES & USES OF FUNDS	2012 Actual	2013 Adopted Budget	2013 Amended Budget	4th Qtr 2013 Actual	Percent of Budget	4th Qtr 2012 Actual
<b>REVENUES and OTHER SOURCES:</b>						
<b>BEGINNING FUND BALANCES</b>	\$ 4,425,524	\$ 5,428,685	\$ 4,562,065	\$ 4,562,065		\$ 4,425,524
<b>OPERATING REVENUES</b>						
Electric Sales	\$ 4,049,875	\$ 4,362,697	\$ 4,362,697	\$ 3,934,595	90.19%	\$ 4,049,875
Penalties	66,809	70,000	70,000	78,113	111.59%	66,809
Connection Charges	1,275	1,500	1,500	5,050	336.67%	1,275
Pole Agreements	24,658	13,000	13,000	35,195	270.73%	24,658
Rental Income	-	-	-	-	-	-
Reimb. - Materials & Other	609	-	-	-	-	609
Interfund Rental	25,038	25,040	25,040	25,038	99.99%	25,038
Other / Misc Revenue	22,268	2,000	2,000	14,309	715.43%	22,268
Investment Interest	22,206	20,000	20,000	12,535	62.68%	22,206
<b>Total Operating Revenue*</b>	<b>\$ 4,212,737</b>	<b>\$ 4,494,237</b>	<b>\$ 4,494,237</b>	<b>\$ 4,104,834</b>	<b>91.34%</b>	<b>\$ 4,212,737</b>
<b>OTHER FINANCING SOURCES</b>						
Transfer from Other Funds	\$ -	\$ -	\$ -	\$ -	-	\$ -
Interfund Loan Repayment	-	25,100	25,100	24,812	98.85%	-
Other Financing Sources	\$ -	\$ 25,100	\$ 25,100	\$ 24,812	<b>98.85%</b>	\$ -
<b>TOTAL REVENUES &amp; OTHER SOURCES</b>	<b>\$ 4,212,737</b>	<b>\$ 4,519,337</b>	<b>\$ 4,519,337</b>	<b>\$ 4,129,647</b>	<b>91.38%</b>	<b>\$ 4,212,737</b>
<b>EXPENDITURES &amp; OTHER USES:</b>						
<b>OPERATING EXPENDITURES</b>						
Administration	\$ 236,930	\$ 126,075	\$ 126,075	\$ 120,222	95.36%	\$ 236,930
Customer Service - <i>Shared Costs</i> *	148,215	146,239	150,139	169,584	112.95%	148,215
Operations	909,435	1,012,776	1,005,776	996,605	99.09%	909,435
Energy purchased for resale	2,250,102	2,687,000	2,687,000	2,090,769	77.81%	2,250,102
Utility Tax	249,553	265,962	265,962	239,039	89.88%	249,553
Electric Excise Tax	148,281	170,245	170,245	170,133	99.93%	148,281
Other / Misc Expense	-	-	-	-	-	-
<b>Total Operating Expenditures*</b>	<b>\$ 3,942,515</b>	<b>\$ 4,408,297</b>	<b>\$ 4,405,197</b>	<b>\$ 3,786,352</b>	<b>85.95%</b>	<b>\$ 3,942,515</b>
<b>* Operating Revenues over (under)</b>						
<b>Operating Expenditures</b>	<b>\$ 270,222</b>	<b>\$ 85,940</b>	<b>\$ 89,040</b>	<b>\$ 318,483</b>		<b>\$ 270,222</b>
<b>CAPITAL EXPENDITURES</b>						
AMR Metering Project	\$ 7,199	\$ -	\$ -	\$ -	-	\$ 7,199
Capacitor Banks	-	-	-	-	-	-
Other Improvements	-	-	-	-	-	-
Machinery / Equipment	-	-	-	-	-	-
Construction / Capital Assets	-	-	-	-	-	-
<b>Total Capital Expenditures</b>	<b>\$ 7,199</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>\$ 7,199</b>
<b>OTHER FINANCING USES</b>						
Debt Service Principal	\$ -	\$ -	\$ -	\$ -	-	\$ -
Debt Service Interest	-	-	-	-	-	-
Capital Lease	7,040	-	7,000	-	0.00%	7,040
Transfer Out - General Fund/ <i>Shared Costs</i> *	56,100	57,000	57,000	57,000	100.00%	56,100
Transfer Out - Vehicle Repair & Maintenance	63,343	30,500	30,500	38,143	125.06%	63,343
Transfer to Electric/Capital Fund	-	-	-	-	-	-
Total Other Financing Uses	126,482	87,500	94,500	95,143	<b>100.68%</b>	126,482
<b>TOTAL EXPENDITURES &amp; OTHER USES</b>	<b>\$ 4,076,196</b>	<b>\$ 4,495,797</b>	<b>\$ 4,499,697</b>	<b>\$ 3,881,495</b>	<b>86.26%</b>	<b>\$ 4,076,196</b>
<b>ENDING FUND BALANCES</b>						
Reserved (25% of Current Annual Exp)	985,629	1,102,074	1,101,299	1,101,299		985,629
Reserve for Vehicle Replacement	-	150,000	150,000	150,000		-
Unreserved / Undesignated	3,576,436	4,200,151	3,330,406	3,558,918		3,576,436
<b>ENDING FUND BALANCES</b>	<b>\$ 4,562,065</b>	<b>\$ 5,452,225</b>	<b>\$ 4,581,705</b>	<b>\$ 4,810,217</b>		<b>\$ 4,562,065</b>
<b>TOTAL EXPENDITURES, OTHER USES &amp; FUND BALANCES</b>	<b>\$ 8,638,261</b>	<b>\$ 9,948,022</b>	<b>\$ 9,081,402</b>	<b>\$ 8,691,712</b>		<b>\$ 8,638,261</b>

**City of Milton  
WATER UTILITY FUND - 403  
Fourth Quarter 2013 Financial Report**

SOURCES & USES OF FUNDS	2012 Actual	2013 Adopted Budget	2013 Amended Budget	4th Qtr 2013 Actual	Percent of Budget	4th Qtr 2012 Actual
<b>REVENUES and OTHER SOURCES:</b>						
<b>BEGINNING FUND BALANCES</b>	\$ 3,481,536	\$ 2,634,528	\$ 2,989,814	\$ 2,989,814		\$ 3,481,536
<b>OPERATING REVENUES</b>						
Water Sales	\$ 2,061,441	\$ 1,968,848	\$ 1,968,848	\$ 2,075,687	105.43%	\$ 2,061,441
Cert. of Availability	-	-	-	-		-
Penalties	23,007	23,000	23,000	31,709	137.87%	23,007
Connection Charges	13,422	3,000	3,000	16,936	564.53%	13,422
Reserve Fees - Well Construction	8,823	5,000	5,000	5,882	117.64%	8,823
Reserve Fees - Tank Storage	14,446	10,000	10,000	6,747	67.47%	14,446
Rent - Clearwire Antenna	64,670	38,000	38,000	51,075	134.41%	64,670
Sale of Scrap	46	-	-	-		46
Reimb. - Materials & Other	-	-	-	-		-
Other / Misc Revenue	13,086	4,500	4,500	13,164	292.54%	13,086
Investment Interest	19,169	13,000	13,000	21,669	166.68%	19,169
<b>Total Operating Revenue*</b>	<b>\$ 2,218,109</b>	<b>\$ 2,065,348</b>	<b>\$ 2,065,348</b>	<b>\$ 2,222,869</b>	<b>107.63%</b>	<b>\$ 2,218,109</b>
<b>OTHER FINANCING SOURCES</b>						
Transfer from Other Funds	-	-	-	-		-
Revenue Bond Proceeds	-	-	-	-		-
PWTF Loan Proceeds	-	-	-	-		-
Other Financing Sources	-	-	-	-		-
<b>TOTAL REVENUES &amp; OTHER SOURCES</b>	<b>\$ 2,218,109</b>	<b>\$ 2,065,348</b>	<b>\$ 2,065,348</b>	<b>\$ 2,222,869</b>	<b>107.63%</b>	<b>\$ 2,218,109</b>
<b>EXPENDITURES &amp; OTHER USES:</b>						
<b>OPERATING EXPENDITURES</b>						
Administration	\$ 86,692	\$ 102,852	\$ 102,852	\$ 93,105	90.52%	\$ 86,692
Customer Service - Shared Costs*	167,130	156,955	160,355	162,427	101.29%	167,130
Operations	761,387	905,468	909,229	762,468	83.86%	761,387
Utility Tax	125,295	179,266	179,266	186,187	103.86%	125,295
Water Excise Tax	56,580	99,427	99,427	188,371	189.46%	56,580
Other / Misc Expense	-	-	-	-		-
<b>Total Operating Expenditures*</b>	<b>\$ 1,197,084</b>	<b>\$ 1,443,966</b>	<b>\$ 1,451,128</b>	<b>\$ 1,392,559</b>	<b>95.96%</b>	<b>\$ 1,197,084</b>
<b>* Operating Revenues over (under) Operating Expenditures</b>						
	<b>\$ 1,021,025</b>	<b>\$ 621,382</b>	<b>\$ 614,220</b>	<b>\$ 830,310</b>		<b>\$ 1,021,025</b>
<b>CAPITAL EXPENDITURES</b>						
SR161 Water Main	\$ -	\$ 75,000	\$ 75,000	\$ -	0.00%	\$ -
AMR Metering Project	6,433	-	-	-		6,433
Corridor Well Treatment	55,520	-	-	-		55,520
15th Ave Booster Station	358,836	-	-	15,499		358,836
15th Ave Tank Painting	133,139	-	-	-		133,139
434 Pressure Zone	520,171	10,000	10,000	-	0.00%	520,171
Birch Street Crossing	36,007	-	-	25,656		36,007
Jovita Water Line	5,052	36,000	36,000	1,368	3.80%	5,052
Porter Way Watermain	32,983	200,000	200,000	347,366	173.68%	32,983
New Well Site	-	140,000	390,000	171,384	43.94%	-
Machinery / Equipment	-	-	-	-		-
Construction / Capital Assets	-	-	-	-		-
<b>Total Capital Expenditures</b>	<b>\$ 1,148,142</b>	<b>\$ 461,000</b>	<b>\$ 711,000</b>	<b>\$ 561,272</b>	<b>78.94%</b>	<b>\$ 1,148,142</b>
<b>OTHER FINANCING USES</b>						
Debt Service Principal	\$ 162,354	\$ 169,054	\$ 169,054	\$ 162,354	96.04%	\$ 162,354
Debt Service Interest	104,901	102,131	102,131	101,831	99.71%	104,901
Discount on Long Term Debt	-	-	-	24,134		-
Capital Lease	4,490	-	-	-		4,490
Transfer Out - General Fund/Shared Costs*	62,350	63,000	63,000	63,000	100.00%	62,350
Transfer Out - Vehicle Repair & Maintenance	30,511	40,000	40,000	35,697	89.24%	30,511
Transfer to Other Funds	-	-	-	-		-
<b>Total Other Financing Uses</b>	<b>364,606</b>	<b>374,185</b>	<b>374,185</b>	<b>387,015</b>	<b>103.43%</b>	<b>364,606</b>
<b>TOTAL EXPENDITURES &amp; OTHER USES</b>	<b>\$ 2,709,832</b>	<b>\$ 2,279,151</b>	<b>\$ 2,536,313</b>	<b>\$ 2,340,847</b>	<b>92.29%</b>	<b>\$ 2,709,832</b>
<b>ENDING FUND BALANCES</b>						
Reserved (25% of Current Annual Exp)	299,271	360,992	362,782	362,782		299,271
Reserved for Revenue Bond Projects	638,111	638,111	638,111	103,862		1,120,675
Unreserved / Undesignated	2,052,432	1,421,623	1,517,956	2,405,192		1,569,868
<b>ENDING FUND BALANCES</b>	<b>\$ 2,989,814</b>	<b>\$ 2,420,725</b>	<b>\$ 2,518,849</b>	<b>\$ 2,871,836</b>		<b>\$ 2,989,814</b>
<b>TOTAL EXPENDITURES, OTHER USES &amp; FUND BALANCES</b>						
	<b>\$ 5,699,645</b>	<b>\$ 4,699,876</b>	<b>\$ 5,055,162</b>	<b>\$ 5,212,683</b>		<b>\$ 5,699,645</b>

**City of Milton  
STORM WATER FUND - 406  
Fourth Quarter 2013 Financial Report**

SOURCES & USES OF FUNDS	2012 Actual	2013 Adopted Budget	2013 Amended Budget	4th Qtr 2013 Actual	Percent of Budget	4th Qtr 2012 Actual
<b>REVENUES and OTHER SOURCES:</b>						
<b>BEGINNING FUND BALANCES</b>	\$ 626,084	\$ 798,296	\$ 719,641	\$ 719,641		\$ 626,084
<b>OPERATING REVENUES</b>						
Storm Drainage Sales	\$ 716,331	\$ 735,333	\$ 735,333	\$ 723,514	98.39%	\$ 716,331
Storm Inspection Fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other / Misc Revenue	1,555	-	-	-	-	1,555
Investment Interest	3,166	2,800	2,800	1,779	63.54%	3,166
<b>Total Operating Revenue*</b>	<b>\$ 721,052</b>	<b>\$ 738,133</b>	<b>\$ 738,133</b>	<b>\$ 725,293</b>	<b>98.26%</b>	<b>\$ 721,052</b>
<b>OTHER FINANCING SOURCES</b>						
Transfer from Other Funds	\$ -	\$ -	\$ -	\$ -	-	\$ -
Grant Proceeds	-	383,700	383,700	335,202	87.36%	-
PWTF Loan Proceeds	-	-	-	-	-	-
Other Financing Sources	-	383,700	383,700	335,202	87.36%	-
<b>TOTAL REVENUES &amp; OTHER SOURCES</b>	<b>\$ 721,052</b>	<b>\$ 1,121,833</b>	<b>\$ 1,121,833</b>	<b>\$ 1,060,496</b>	<b>94.53%</b>	<b>\$ 721,052</b>
<b>EXPENDITURES &amp; OTHER USES:</b>						
<b>OPERATING EXPENDITURES</b>						
Administration	\$ 180,305	\$ 399,771	\$ 399,772	\$ 255,676	63.96%	\$ 180,305
Customer Service - Shared Costs*	66,260	71,427	71,947	80,912	112.46%	66,260
Operations	141,742	172,403	176,164	146,611	83.22%	141,742
Utility Tax	42,952	66,180	66,180	63,295	95.64%	42,952
Storm Excise Tax	13,861	13,236	13,236	13,416	101.36%	13,861
Other / Misc Expense	-	-	-	-	-	-
<b>Total Operating Expenditures*</b>	<b>\$ 445,121</b>	<b>\$ 723,017</b>	<b>\$ 727,299</b>	<b>\$ 559,911</b>	<b>76.98%</b>	<b>\$ 445,121</b>
<b>* Operating Revenues over (under) Operating Expenditures</b>						
	<b>\$ 275,931</b>	<b>\$ 15,116</b>	<b>\$ 10,834</b>	<b>\$ 165,383</b>		<b>\$ 275,931</b>
<b>CAPITAL EXPENDITURES</b>						
Land / Improvements	\$ -	\$ -	\$ -	\$ -	-	\$ -
Buildings / Structures	-	-	-	-	-	-
Other Improvements	-	-	-	-	-	-
Machinery / Equipment	-	250,000	407,850	138,634	33.99%	-
Construction / Capital Assets	-	-	-	-	-	-
<b>Total Capital Expenditures</b>	<b>\$ -</b>	<b>\$ 250,000</b>	<b>\$ 407,850</b>	<b>\$ 138,634</b>	<b>33.99%</b>	<b>\$ -</b>
<b>OTHER FINANCING USES</b>						
Debt Service Principal	\$ -	\$ 5,000	\$ 5,000	\$ -	0.00%	\$ -
Debt Service Interest	-	250	250	-	0.00%	-
Capital Lease	5,759	-	-	64,872	-	5,759
Transfer Out - General Fund/Shared Costs*	31,200	31,200	32,000	32,000	100.00%	31,200
Transfer Out - Vehicle Repair & Maintenance	6,547	8,000	8,000	6,269	78.37%	6,547
Transfer to Storm/Capital Fund	138,868	142,655	142,655	140,168	98.26%	138,868
Transfer to Other Funds	-	-	-	-	-	-
<b>Total Other Financing Uses</b>	<b>182,374</b>	<b>187,105</b>	<b>187,905</b>	<b>243,309</b>	<b>129.49%</b>	<b>182,374</b>
<b>TOTAL EXPENDITURES &amp; OTHER USES</b>	<b>\$ 627,495</b>	<b>\$ 1,160,122</b>	<b>\$ 1,323,054</b>	<b>\$ 941,854</b>	<b>71.19%</b>	<b>\$ 627,495</b>
<b>ENDING FUND BALANCES</b>						
Reserved (25% of Current Annual Exp)	111,280	180,754	181,825	181,825		111,280
Unreserved / Undesignated	608,361	579,253	336,595	656,458		608,361
<b>ENDING FUND BALANCES</b>	<b>\$ 719,641</b>	<b>\$ 760,007</b>	<b>\$ 518,420</b>	<b>\$ 838,283</b>		<b>\$ 719,641</b>
<b>TOTAL EXPENDITURES, OTHER USES &amp; FUND BALANCES</b>						
	<b>\$ 1,347,136</b>	<b>\$ 1,920,129</b>	<b>\$ 1,841,474</b>	<b>\$ 1,780,137</b>		<b>\$ 1,347,136</b>

**City of Milton**  
**STORM WATER / CAPITAL FUND - 407**  
**Fourth Quarter 2013 Financial Report**

SOURCES & USES OF FUNDS	2012 Actual	2013 Adopted Budget	2013 Amended Budget	4th Qtr 2013 Actual	Percent of Budget	4th Qtr 2012 Actual
<b>REVENUES and OTHER SOURCES:</b>						
<b>BEGINNING FUND BALANCES</b>	\$ 697,733	\$ 661,568	\$ 696,515	\$ 696,515		\$ 697,733
<b>OPERATING REVENUES</b>						
Investment Interest	\$ 1,958	\$ 2,000	\$ 2,000	\$ 1,159	57.97%	\$ 1,958
Capital Contributions	-	-	-	-	-	-
Other / Misc Revenue	-	-	-	-	-	-
<b>Total Operating Revenue</b>	<b>\$ 1,958</b>	<b>\$ 2,000</b>	<b>\$ 2,000</b>	<b>\$ 1,159</b>	<b>57.97%</b>	<b>\$ 1,958</b>
<b>OTHER FINANCING SOURCES</b>						
Transfer from Storm Water Operating Fund	\$ 138,868	\$ 142,655	\$ 142,655	\$ 140,168	98.26%	\$ 138,868
Grant Proceeds	-	62,000	62,000	-	0.00%	-
PWTF Loan Proceeds	-	-	-	-	-	-
Other Financing Sources	138,868	204,655	204,655	140,168	68.49%	138,868
<b>TOTAL REVENUES &amp; OTHER SOURCES</b>	<b>\$ 140,826</b>	<b>\$ 206,655</b>	<b>\$ 206,655</b>	<b>\$ 141,327</b>	<b>68.39%</b>	<b>\$ 140,826</b>
<b>EXPENDITURES &amp; OTHER USES:</b>						
<b>OPERATING EXPENDITURES</b>						
Administration	\$ -	\$ -	\$ -	\$ -	-	\$ -
Customer Service	-	-	-	-	-	-
Operations	-	-	-	-	-	-
Other / Misc Expense	-	-	-	-	-	-
<b>Total Operating Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>
<b>* Operating Revenues over (under) Operating Expenditures</b>						
	<b>\$ 1,958</b>	<b>\$ 2,000</b>	<b>\$ 2,000</b>	<b>\$ 1,159</b>		<b>\$ 1,958</b>
<b>CAPITAL EXPENDITURES</b>						
Kent St Detention Pond	\$ 141,591	\$ -	\$ -	\$ 6,393	-	\$ 141,591
11th Ave Pipe Installation	-	45,000	45,000	-	0.00%	-
City Ctr Stormwater Reroute	-	-	-	-	-	-
Emerald St Culvert Replacement	-	166,000	166,000	-	0.00%	-
Stormwater Treatment Facility	453	38,000	38,000	56,460	148.58%	453
Alder St Storm Improvements	-	-	-	5,695	-	-
7th Ave Stabilization	-	-	-	-	-	-
<b>Total Capital Expenditures</b>	<b>\$ 142,044</b>	<b>\$ 249,000</b>	<b>\$ 249,000</b>	<b>\$ 68,548</b>	<b>27.53%</b>	<b>\$ 142,044</b>
<b>OTHER FINANCING USES</b>						
Debt Service Principal	\$ -	\$ -	\$ -	\$ -	-	\$ -
Debt Service Interest	-	-	-	-	-	-
Transfer to Capital Improvement Fund	-	-	-	105,054	-	-
Transfer to Other Funds	-	-	-	-	-	-
Total Other Financing Uses	-	-	-	105,054	-	-
<b>TOTAL EXPENDITURES &amp; OTHER USES</b>	<b>\$ 142,044</b>	<b>\$ 249,000</b>	<b>\$ 249,000</b>	<b>\$ 173,602</b>	<b>69.72%</b>	<b>\$ 142,044</b>
<b>ENDING FUND BALANCES</b>						
Reserved for Capital Expenditures	696,515	619,223	654,170	664,240		696,515
Unreserved / Undesignated	-	-	-	-		-
<b>ENDING FUND BALANCES</b>	<b>\$ 696,515</b>	<b>\$ 619,223</b>	<b>\$ 654,170</b>	<b>\$ 664,240</b>		<b>\$ 696,515</b>
<b>TOTAL EXPENDITURES, OTHER USES &amp; FUND BALANCES</b>						
	<b>\$ 838,559</b>	<b>\$ 868,223</b>	<b>\$ 903,170</b>	<b>\$ 837,842</b>		<b>\$ 838,559</b>

**City of Milton**  
**VEHICLE REPAIR & MAINTENANCE FUND - 501**  
**Fourth Quarter 2013 Financial Report**

SOURCES & USES OF FUNDS	2012 Actual	2013 Adopted Budget	2013 Amended Budget	4th Qtr 2013 Actual	Percent of Budget	4th Qtr 2012 Actual
<b>REVENUES and OTHER SOURCES:</b>						
<b>BEGINNING FUND BALANCES</b>	\$ 3,138	\$ -	\$ 1,000	\$ 1,000		\$ 3,138
<b>OPERATING REVENUES</b>						
Investment Interest	\$ -	\$ -	\$ -	\$ -		\$ -
Capital Contributions	-	-	-	-		-
Other / Misc Revenue	-	-	-	-		-
<b>Total Operating Revenue</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ -</b>
<b>OTHER FINANCING SOURCES</b>						
Transfer In - General Fund	\$ 18,967	\$ 25,000	\$ 25,000	\$ 24,934	99.74%	\$ 18,967
Transfer In - Streets	30,208	38,000	38,000	34,907	91.86%	30,208
Transfer In - Electric Utility	63,343	30,500	30,500	38,143	125.06%	63,343
Transfer In - Water Utility	30,511	40,000	40,000	35,697	89.24%	30,511
Transfer In - Storm Water	6,547	8,000	8,000	6,269	78.37%	6,547
Other Financing Sources	149,576	141,500	141,500	139,951	98.91%	149,576
<b>TOTAL REVENUES &amp; OTHER SOURCES</b>	<b>\$ 149,576</b>	<b>\$ 141,500</b>	<b>\$ 141,500</b>	<b>\$ 139,951</b>	<b>98.91%</b>	<b>\$ 149,576</b>
<b>EXPENDITURES &amp; OTHER USES:</b>						
<b>OPERATING EXPENDITURES</b>						
Salaries & Wages	\$ 60,227	\$ 58,543	\$ 58,543	\$ 59,879	102.28%	\$ 60,227
Benefits	32,641	34,401	34,401	34,015	98.88%	32,641
Supplies	32,396	32,000	32,000	37,350	116.72%	32,396
Professional Services	26,449	15,785	15,785	7,289	46.18%	26,449
Other / Misc Expense	-	-	-	-		-
<b>Total Operating Expenditures</b>	<b>\$ 151,714</b>	<b>\$ 140,729</b>	<b>\$ 140,729</b>	<b>\$ 138,533</b>	<b>98.44%</b>	<b>\$ 151,714</b>
<b>* Operating Revenues over (under)</b>						
Operating Expenditures	\$ (151,714)	\$ (140,729)	\$ (140,729)	\$ (138,533)		\$ (151,714)
<b>CAPITAL EXPENDITURES</b>						
	\$ -	\$ -	\$ -	\$ 1,418		\$ -
<b>Total Capital Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,418</b>		<b>\$ -</b>
<b>OTHER FINANCING USES</b>						
Transfer to Other Funds	\$ -	\$ -	\$ -	\$ -		\$ -
<b>Total Other Financing Uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
<b>TOTAL EXPENDITURES &amp; OTHER USES</b>	<b>\$ 151,714</b>	<b>\$ 140,729</b>	<b>\$ 140,729</b>	<b>\$ 139,951</b>	<b>99.45%</b>	<b>\$ 151,714</b>
<b>ENDING FUND BALANCES</b>						
Reserved for Capital Expenditures	-	-	-	-		-
Unreserved / Undesignated	1,000	771	1,771	1,000		1,000
<b>ENDING FUND BALANCES</b>	<b>\$ 1,000</b>	<b>\$ 771</b>	<b>\$ 1,771</b>	<b>\$ 1,000</b>		<b>\$ 1,000</b>
<b>TOTAL EXPENDITURES, OTHER USES &amp; FUND BALANCES</b>	<b>\$ 152,714</b>	<b>\$ 141,500</b>	<b>\$ 142,500</b>	<b>\$ 140,951</b>		<b>\$ 152,714</b>

The following chart presents cash and investment balances, for all funds, as of December 31, 2013.

**City of Milton**  
**Cash & Investment Balances - All Funds**  
**Fiscal Year Ending December 31, 2013**

Fund	Fund Name	Cash on Hand	Invested Balances		Total Cash & Investments
			LGIP Local Government Investment Pool	US Government Agency Securities	
001	General Fund	\$ 106,292	\$ 701,251	\$ 3,363	\$ 810,905
002	Fire / EMS Fund	664	-	-	664
101	Street Fund	19,624	-	-	19,624
103	Strategic Reserve Fund	171,648	245,157	377,279	794,084
105	Drug Seizure Fund	3,273	-	-	3,273
107	Criminal Justice Fund	45,174	180,049	-	225,224
116	Community Events Fund	10,350	-	-	10,350
118	Reserve Officer's Fund	6,506	-	-	6,506
130	REET 1 Fund	28,966	136,266	-	165,231
131	REET 2 Fund	32,459	213,309	-	245,767
140	Traffic Impact Fee Fund	8,490	78,092	-	86,582
310	Capital Improvement Fund	84,166	589,878	-	674,044
401	Electric Utility Fund	78,172	1,312,405	3,420,425	4,811,002
403	Water Utility Fund	71,464	1,180,419	1,599,854	2,851,737
406	Storm Water Fund	51,797	595,963	190,697	838,457
407	Storm Water/Capital Fund	40,055	567,942	56,243	664,240
501	Vehicle Repair & Maint Fund	1,000	-	-	1,000
631	Trust Fund	57,762	306,583	-	364,345
650	Treasurer Suspense Fund	8,638	52,553	-	61,191
<b>Total of All Funds</b>		<b>\$ 826,499</b>	<b>\$ 6,159,867</b>	<b>\$ 5,647,861</b>	<b>\$ 12,634,226</b>



**To:** Mayor Perry and City Council Members  
**From:** Lisa Tylor, Finance Director  
**Date:** March 17, 2014  
**Re:** **2014 Budget Amendment #1**

**ATTACHMENTS:** Ordinance No. 1838-14

**TYPE OF ACTION:**

Information Only  Discussion  Action  Public Hearing

**Recommendation/Action:** "I move to adopt the attached budget ordinance amending the 2014 Budget."

**Fiscal Impact/Source of Funds:** Outlined in budget ordinance.

**Issue:**

The attached ordinance would amend the 2014 budget to reflect actual Beginning Fund Balances.

**Discussion:** The primary purpose of this initial budget amendment is to adjust beginning fund balances, as adopted in the 2014 budget, to reflect actual financial results of 2013. The total beginning fund balance adjustment, for all funds, results in a decrease of \$22,533. A complete listing of *Budgeted* fund balance vs. *Actual* fund balance is included in the Ordinance. However, a summary is shown in the table below:

Fund	Fund Name	Projected Beginning Fund Balance 2014 Budget	Actual Ending Fund Balance 2013	Budget Adjustment Needed
001	General Fund	\$ 725,676	\$ 770,588	\$ 44,912
002	Fire / EMS Fund	-	664	664
101	Street Fund	84,066	19,138	(64,928)
103	Strategic Reserve Fund	815,379	794,084	(21,295)
105	Drug Seizure Fund	6,439	3,673	(2,766)
107	Criminal Justice Fund	214,163	225,224	11,061
116	Community Events Fund	12,897	10,309	(2,588)
118	Reserve Officer's Fund	5,470	6,506	1,036
130	REET 1 Fund	160,790	165,231	4,441
131	REET 2 Fund	242,863	245,767	2,904
140	Traffic Impact Fee Fund	74,276	86,582	12,306
310	Capital Improvement Fund	688,603	674,044	(14,559)
401	Electric Utility Fund	5,154,573	4,810,217	(344,356)
403	Water Utility Fund	2,549,193	2,871,836	322,643
406	Storm Water Fund	812,622	838,282	25,660
407	Storm Water/Capital Fund	661,908	664,240	2,332
501	Vehicle Repair & Maint Fund	1,000	1,000	-
<b>Total of All Funds</b>		<b>\$ 12,209,918</b>	<b>\$ 12,187,385</b>	<b>\$ (22,533)</b>

In addition to the necessary adjustments to reflect “actual” vs. “projected” beginning fund balances, included in this first budget amendment is an increase to the Interfund Transfer from the General Fund to the Street Fund. The original amount, per the 2014 adopted budget, was \$200,000. Due to the 2013 ending fund balance in the Street Fund coming in at less than projected (as seen in the chart above), we will increase the amount of the interfund transfer to \$265,000.

For informational purposes, I am also including impacts to the 2014 which have been approved by Council but not requiring a budget amendment at this time. It is recommended to keep these early budget impacts in mind as you continue to make decisions throughout the year.

		001	101	401	403	406	407	
		General	Street	Electric	Water	Storm	Storm	
		Fund	Fund	Utility	Utility	Drainage	Capital	TOTAL
		Fund	Fund	Fund	Fund	Fund	Fund	
<b>2014 ADOPTED BUDGET:</b>								
Beginning Fund Balance		725,676	84,066	5,154,573	2,549,193	812,622	661,908	12,209,918
Revenues		3,733,957	458,829	4,377,625	2,122,434	747,000	317,530	18,357,461
Transfers IN		-	-	-	-	-	-	-
Expenditures		(3,767,316)	(541,382)	(5,414,984)	(2,521,878)	(846,802)	(213,000)	(20,536,994)
Transfers OUT		-	-	-	-	-	-	-
<b>Budgeted Ending Fund Balance</b>		<b>692,317</b>	<b>1,513</b>	<b>4,117,214</b>	<b>2,149,749</b>	<b>712,820</b>	<b>766,438</b>	<b>10,030,385</b>
<i>Adjustment for Budgeted vs. Actual Ending FB</i>		45,575	(64,927)	(344,356)	322,642	25,660	2,332	(22,322)
<b>ADJUSTED Budgeted Ending Fund Balance</b>		<b>737,892</b>	<b>(63,414)</b>	<b>3,772,858</b>	<b>2,472,391</b>	<b>738,480</b>	<b>768,770</b>	<b>10,008,063</b>
<b>Non-Budgeted impacts to Fund Balance:</b>								
<b>Revenue -</b>								
Incr Transfer from 001 to 101	H	-	65,000	-	-	-	-	65,000
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
<b>Subtotal - Unanticipated Revenues</b>		<b>\$ -</b>	<b>\$ 65,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 65,000</b>
<b>Expenditure -</b>								
Reallocate Neal/Baker (Parks/Facilities)	A	(1,667)	(1,661)	-	4,987	(1,660)	-	(1)
ADD Position: City Clerk	B	(52,540)	-	(10,508)	(12,009)	-	-	(75,057)
Increase to Legal Costs / Bio Park	C	(21,600)	-	-	-	-	-	(21,600)
Staff Savings; Sr Accountant (est 3 Mos.)	D	11,344	-	4,363	4,145	1,963	-	21,815
Staff Savings; Acctg Supv (est 3 Mos.)	E	-	-	-	-	-	-	-
Emergency Stormwater Revisions	F	-	-	-	-	-	(150,000)	(150,000)
Installation of T-Ball benches/Triangle Park	G	(5,000)	-	-	-	-	-	(5,000)
Incr Transfer from 001 to 101	H	(65,000)	-	-	-	-	-	(65,000)
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
<b>Subtotal - Unbudgeted Expenditures</b>		<b>\$ (134,463)</b>	<b>\$ (1,661)</b>	<b>\$ (6,145)</b>	<b>\$ (2,877)</b>	<b>\$ 303</b>	<b>\$ (150,000)</b>	<b>\$ (294,843)</b>
<b>PROJECTED ENDING FUND BALANCE</b>		<b>\$ 603,429</b>	<b>\$ (75)</b>	<b>\$ 3,766,713</b>	<b>\$ 2,469,514</b>	<b>\$ 738,783</b>	<b>\$ 618,770</b>	<b>\$ 9,778,220</b>
<b>Tentative Items:</b>								
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
<b>Subtotal - Tentative Expenditures</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>PROJECTED EFB w/Tentative Items</b>		<b>\$ 603,429</b>	<b>\$ (75)</b>	<b>\$ 3,766,713</b>	<b>\$ 2,469,514</b>	<b>\$ 738,783</b>	<b>\$ 618,770</b>	<b>\$ 9,778,220</b>
<b>** Required Reserved Fund Balance</b>		<b>\$ 293,336</b>		<b>\$ 1,070,198</b>	<b>\$ 346,521</b>	<b>\$ 128,919</b>		
<b>Unreserved Fund Balance</b>		<b>\$ 310,093</b>		<b>\$ 2,696,515</b>	<b>\$ 2,122,993</b>	<b>\$ 609,864</b>		
<b>NET Adjustments to Budgeted Fund Balance</b>		<b>\$ (88,888)</b>	<b>\$ (1,588)</b>	<b>\$ (350,501)</b>	<b>\$ 319,765</b>	<b>\$ 25,963</b>	<b>\$ (147,668)</b>	<b>\$ (252,165)</b>
<b>PROJECTED Ending Fund Balance</b>		<b>\$ 603,429</b>	<b>\$ (75)</b>	<b>\$ 3,766,713</b>	<b>\$ 2,469,514</b>	<b>\$ 738,783</b>	<b>\$ 618,770</b>	<b>\$ 9,778,220</b>

As the current year progresses and “budget” vs. “actual” activity levels are analyzed, we may find it necessary to bring forward additional amendments to the 2014 budget. This would most likely occur mid-year, and possibly in conjunction with development of the 2015 annual budget.

**CITY OF MILTON  
ORDINANCE 1838-14**

**AN ORDINANCE OF THE CITY OF MILTON, WASHINGTON;  
AMENDING ORDINANCE NO. 1833-13 ADOPTING THE ANNUAL  
BUDGET OF THE CITY OF MILTON FOR THE FISCAL YEAR  
ENDING DECEMBER 31, 2014; PROVIDING FOR SEVERABILITY;  
AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, the Milton City Council adopted the 2014 budget pursuant to Ordinance No.1833-13; and

**WHEREAS**, this adjustment will reflect the actual beginning fund balances versus the budgeted beginning fund balances for 2014, and

**WHEREAS**, the shortfall in the actual beginning fund balance in the Street Fund requires an increase to the budgeted interfund transfer from the General Fund in order to support normal operations and maintain a positive fund balance, and

**WHEREAS**, the budget ordinance is being amended to reflect the above changes in order to stay in compliance with the State Auditor; **NOW THEREFORE**,

**THE CITY COUNCIL OF THE CITY OF MILTON, WASHINGTON  
DOES HEREBY ORDAIN AS FOLLOWS:**

**Section 1.** The 2014 budget, as adopted in Ordinance 1833-13 is hereby amended as set forth below.

**2014 Budget Amendments, By Fund**

FUND:	2014 Adopted Beginning Fund Balance	2014 Adopted Ending Fund Balance	2014 Beginning Fund Balance Adjustments	2014 Amend #1 Revenue Adjustments	2014 Amend #1 Expenditure Adjustments	2014 Amended Ending Fund Balance
<b>General Government Funds -</b>						
001 General Fund	\$ 725,676	\$ 692,318	\$ 44,912	\$ -	\$ (65,000)	\$ 672,230
002 Fire / EMS Fund	-	-	664	-	-	664
<b>Special Revenue Funds -</b>						
101 Street Fund	84,066	1,513	(64,928)	65,000	-	1,585
103 Strategic Reserve Fund	815,379	800,000	(21,295)	-	-	778,705
105 Drug Seizure Fund	6,439	6,439	(2,766)	-	-	3,673
107 Criminal Justice Fund	214,163	181,279	11,061	-	-	192,340
116 Community Events Fund	12,897	11,583	(2,588)	-	-	8,995
118 Reserve Officer's Fund	5,470	5,470	1,036	-	-	6,506
130 REET 1 Fund	160,790	135,461	4,441	-	-	139,902
131 REET 2 Fund	242,863	288,563	2,904	-	-	291,467
140 Traffic Impact Fee Fund	74,276	80,376	12,306	-	-	92,682
<b>Capital Improvement Funds -</b>						
310 Capital Improvement Fund	688,603	79,106	(14,559)	-	-	64,547
<b>Enterprise Funds -</b>						
401 Electric Utility Fund	5,154,573	4,117,214	(344,356)	-	-	3,772,858
403 Water Utility Fund	2,549,193	2,149,749	322,643	-	-	2,472,392
406 Storm Water Fund	812,622	712,820	25,660	-	-	738,480
407 Storm Water/Capital Fund	661,908	766,438	2,332	-	-	768,770
<b>Internal Service Funds -</b>						
501 Vehicle Repair & Maint Fund	1,000	2,057	-	-	-	2,057
<b>Total of All Funds</b>	<b>\$ 12,209,918</b>	<b>\$ 10,030,386</b>	<b>\$ (22,533)</b>	<b>\$ 65,000</b>	<b>\$ (65,000)</b>	<b>\$ 10,007,853</b>

**Section 2.** **Severability.** Should any section, paragraph, sentence, clause or phrase of this ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this ordinance be pre-empted by State or Federal law or regulations, such decision or pre-emption shall not affect the validity of the remaining portions of this ordinance or its application to other persons or circumstances.

**Section 3.** **Effective Date.** This ordinance shall become effective and be in full force five (5) days after passage, approval, and publication as provided by law.

**PASSED AND APPROVED** at the regular meeting of the Council of the City of Milton, Washington, this 17th day of March, 2014.

---

Debra Perry, Mayor

Attest/Authenticated:

---

Lisa Tylor, Finance Director/City Clerk

[Back to Agenda Bill](#)

Approved as to form:

---

Bio F. Park, City Attorney

Date of Publication: March 20, 2014

Effective Date: March 27, 2014



To: Mayor Perry and City Council Members  
From: Public Works Director, Neal  
Date: March 17, 2014  
Re: **Pierce County Flood Control Zone District Interlocal Agreement**

---

**ATTACHMENTS:** A. P.C. Ordinance 2011-95s forming the flood control district  
B. District Resolution 2013-2 creating an Opportunity Fund (not in packet – will be provided at the meeting)  
C. Opportunity Fund Administrative Guidelines  
D. Appendix A, Opportunity Fund Administrative Guidelines  
E. Draft Interlocal Agreement

---

**TYPE OF ACTION:**

Information Only  Discussion  Action  Expenditure Required:

**Recommendation/Action:**

**“I move to approve the Pierce County Flood Control Zone District Interlocal Agreement.”**

**Fiscal Impact/Source of Funds:** The Opportunity Fund created by the Flood Control District would provide additional revenue, albeit minimal, to utilize in completing stormwater capital improvements. Any revenue received would supplement the Stormwater Utility Capital Fund.

---

**Previous Council Review:** N.A.

**Issue:** The Pierce County Flood Control Zone District (Pierce County PCZD) has created an Opportunity Fund for 10% of the property tax revenues collected, for the use of cities and towns on stormwater projects. The proposed interlocal agreement would allow the City of Milton to collect its portion of these funds.

**Background:** Pierce County created a flood control zone district by ordinance in 2011 (see attachment A). A flood control zone district (FCZD) is a mechanism to fund flood control projects and is authorized under RCW 86.15. The FCZD is a standalone, quasi-municipal corporation, and may authorize an annual ad valorem tax levy of up to \$0.50 per \$1,000 assessed valuation for flood control projects. The Pierce County Council, which acts as the Board of Supervisors of the FCZD, authorized a tax levy of \$0.10 per

\$1,000 assessed valuation and allocated 10% of the property tax revenues collected to go by to local governments for local stormwater projects (see Attachment B).

**Discussion:** The City of Milton 2013 allocation percentage of property revenues received by the Pierce County FCZD is 0.74%, or \$5,104 (see Attachment D). Assuming the 2014 numbers to be similar, Milton has just over \$10,000 available to apply toward stormwater and flood control related expenses or projects.

The following is a summary of the criteria under which this funding is available to the City of Milton, as further described in the Opportunity Fund Administrative Guidelines attached as Attachment C:

1. These funds work like many grant funds the City receives, in that they are reimbursement based, not cash up front except by special request.
2. Funds can be saved up over several years before requesting them from the FCZD. There are currently no time or amount limitations to this “banking” but that could change in the future.
3. Funds can be used for a variety of stormwater or flood control projects, but a jurisdiction has to “apply” for the funds. This means submitting certain documentation to the FCZD Administrator for review, and then if a project is deemed eligible it will be presented to the FCZD Board of Supervisors for approval at a public meeting.
4. Funds are available each year, which a process starting in April of notifying the FCZD of intent to utilize funds and ending in November when eligible projects are presented and adopted by the Board of Supervisors.

Attachment E is a draft interlocal agreement, similar to what has been approved in several other Pierce County jurisdictions.

1 Sponsored by: Councilmember Joyce McDonald  
2 Requested by: Pierce County Council

**FINAL**  
**COPY**

3  
4  
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6 **ORDINANCE NO. 2011-95s**  
7

8  
9  
10 **An Ordinance of the Pierce County Council Relating to Protecting Lives**  
11 **and Property by Controlling Flooding in Pierce County;**  
12 **Adopting Findings of Fact; Ordering the Formation of a**  
13 **Countywide Flood Control Zone District; Describing the**  
14 **Boundary of Pierce County and the Countywide Flood**  
15 **Control Zone District; Adopting a New Chapter 11.06 of the**  
16 **Pierce County Code, "Pierce County Flood Control Zone**  
17 **District"; Repealing Resolution Nos. 10831, 17086, and**  
18 **17471; and Setting an Effective Date.**  
19

20 **Whereas**, the current level of funding for acquisition, construction, maintenance  
21 and operation of flood control improvements in Pierce County is not adequate to meet  
22 current and future needs to protect private and public property from damage caused by  
23 flooding; and  
24

25 **Whereas**, Pierce County's economic vitality and the safety of its citizens depends  
26 on a well maintained and well functioning flood control system; and  
27

28 **Whereas**, it is in the best interest of Pierce County citizens to enjoy the benefits  
29 of a flood control zone district; **Now Therefore**,

30  
31 **BE IT ORDAINED by the Council of Pierce County:**  
32

33 Section 1. The Pierce County Council hereby adopts the following Findings of  
34 Fact:  
35

- 36 A. One of the important functions of government is to protect citizens and public  
37 and private property from the ravages of natural disasters such as flooding.
- 38
- 39 B. Flood control needs exist throughout the County, and an integrated and  
40 coordinated approach is needed to effectively and efficiently address those  
41 needs to ensure that public safety and property are protected and our region's  
42 prosperity is sustained.
- 43
- 44 C. Every year, Pierce County faces significant threats from flooding, the impacts of  
45 which are far-reaching and pose threats to public health and safety and  
46 economic activities throughout the County.  
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- D. Between 2006 and 2009, Pierce County experienced 3 of the 15 largest flood events of recorded history, dating back to the early 1900s. These events, combined with the flood of record in February 1996, revealed numerous deficiencies in the County's aging flood protection system. In November 2006, record rainfall on Mt. Rainier (up to 18 inches in 36 hours) caused river flooding throughout Pierce County, resulting in millions of dollars in property damage, including additional damage to Pierce County's flood protection facilities and the closure of Mt. Rainier National Park due to damage caused by the Nisqually River. Additional flood events in December 2008 and January 2009 caused more flooding to the region, causing millions more in property damage. Following the 2009 flooding, Pierce County was declared a federal flood disaster area for the eighth time since 1990.
  
- E. Throughout Pierce County there is approximately 92 miles of aging flood protection facilities that cannot be adequately repaired or maintained because of revenue limitations. Investigations following the 2008 and 2009 flood disasters determined that there were 49 locations along the flood protection facilities on the Puyallup, Carbon, White, and Nisqually Rivers that sustained damage. In addition, there are additional needs for new or enhanced flood protection facilities, setback levees and other measures throughout the County.
  
- F. The 100-year floodplain in Pierce County covers more than 40,000 acres or over 60 square miles, based on the flood insurance rate maps produced by FEMA. The estimated value for the property exposed to flooding within unincorporated Pierce County represents approximately 11.6 percent of the total assessed property values for the unincorporated county.
  
- G. Many industrial and commercial facilities and residential and agricultural areas in the Lower Puyallup, Lower White, Middle Puyallup, and Carbon River areas are protected by aging levees, some of which were damaged by flooding in the last three years. Further damage to these facilities and areas from flooding or the failure to repair the damage that has already occurred could have far-reaching economic impacts throughout the region.
  
- H. The impacts of flooding can be severe and extend far beyond the floodplain itself. Buildings can be reduced to rubble along with household furnishings and business inventories. In addition to the direct threats and damage from floodwater, people face the threat of electrocution, explosions and fires caused by leaking gas lines and damaged electrical lines. Severe flooding can also destroy utility infrastructure, causing extensive disruptions in service. The loss of power and communication is common with severe floods. Damage to drinking water and wastewater facilities can spread disease. In addition, impacts to roads and highways can impair the mobility of people, goods and services, including emergency vehicles and personnel.

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- I. Countywide economic and environmental consequences would occur if three wastewater treatment plants located in the flood plain are damaged or compromised by flooding. These plants serve the cities of Tacoma, Puyallup, Sumner and Bonney Lake. If flooding overwhelms these plants, it is likely that raw sewage would mix with flood waters causing fecal material to degrade water quality and pose risks to the water quality of Puget Sound as well as nearby property owners.
  
- J. According to the US Environmental Protection Agency, contact with raw sewage exposes people to a variety of pathogenic micro-organisms, viruses, and intestinal worms that can cause serious illnesses such as cholera, dysentery, infectious hepatitis, and gastroenteritis. Sensitive populations – children, the elderly, and those with weakened immune systems – are at a higher risk of illness. Sewage can cause the explosion of algal growth, depleting oxygen in the water and killing fish. Raw sewage discharges cause property damage and public health problems when overflows flood homes and businesses that subsequently require cleanup, large-scale disinfection, and replacement of rugs, furniture, wallboard panels, and flooring.
  
- K. Portions of Interstate 5 (I-5) are protected by aging levies and in 2009 the floodwaters behind the levies protecting I-5 came within inches of causing closure of the interstate. County residents rely on I- 5 for access to their jobs and for transport of freight that supplies goods to business, stores, and households. The economic consequences of I-5 flooding closures are significant. The state-wide freight-related economic impact from the 2007 flooding closure of I-5 near Chehalis resulted in lost economic output of \$47.07 million; employment loss of 290 jobs; state tax revenue loss of \$2.39 million, and reduction in personal income of \$14.55 million. (Washington State Department of Transportation Final Research Report related to storm closures of I-5 from December 3-7, 2007.)
  
- L. The Pierce County Council considered the Rivers Flood Hazard Plan Economic Analysis Final Report, Pierce County Public Works and Utilities Surface Water Management Division as prepared by Entrix, Inc. (October, 2010). The analysis found that potential flood related losses in Pierce County are in excess of \$725 million. This report found that the potential direct and indirect flood-related impacts and associated economic losses are as summarized below:  
  
Health and Safety – Potential direct impacts to:
  - 1. 21,193 individuals living in the floodplain;
  - 2. 9,340 homes located in the floodplain;
  - 3. three wastewater treatment plants located within the floodplain which if flooded could:
    - a. Spill raw or partially treated sewage into floodwater;
    - b. Require two weeks to six months to return to full secondary treatment and disinfection;

- c. Disrupt businesses and homes served in the cities of Puyallup (37,000 people served), Tacoma (154,000 people served), Sumner and Bonney Lake (25,000 people served); and
- d. Result in repair costs of between \$3 and \$120 million, depending on the plant and severity of flooding.

Pierce County Economy:

1. 11,868 jobs at businesses located within the 100-year floodplain;
2. Estimated range lost economic output – \$12.6 to \$46.2 million;
3. Estimated range of personal property losses – \$199.1 to \$520.8 million;
  - a. Compromises the ability of the Port of Tacoma to compete for discretionary cargo if the Port's clientele is concerned about delays in the transportation chain due to flooding.

Transportation Impacts of a 100-year Event:

1. Road and rail closures including portions of: Interstate 5, SR509, SR410, Pacific Hwy. Amtrak, BNSF and UP railways;
2. Traffic Disruptions, e.g., Interstate-5 traffic flow: 1.5 million vehicles daily in a four-county region;
3. Estimated range of economic impacts from traffic delays (commuter, freight on trucks and rail) – \$12.6 to \$19.3 million;
4. Disruptions in freight traffic, specifically Port operations, impact to both the local economy and as far away as Alaska and the Pacific Rim;
5. Port of Tacoma's trade volume – \$98.6 million daily average.

Recreation, Mt Rainier and Crystal Mountain:

1. Mt Rainer National Park closure due to channel migration for 2 to 6 months;
2. Economic impact of closing Mt. Rainer – \$0.5 to \$9.6million total output;
3. Jobs impacted by closing Mt Rainer – 70 to 550 jobs;
4. Crystal Mountain daily closures – \$0.1million average daily output.

M. Major job generating businesses such as the Port of Tacoma whose activities generate more than 43,000 jobs in Pierce County are located in areas that are protected by aging levies, many of which were damaged by recent flooding. Further damage to those facilities from flooding or the failure to repair damage that has already occurred could have far-reaching economic impacts throughout the region. (Economic Impact of the Port of Tacoma, Martin Associates, May 24, 2005)

N. Through Ordinance No. 2011-8 Pierce County repealed Ordinance No. 2010-16s that created a prior flood control zone district. Following a ruling from the Boundary Review Board that was favorable to the County, some cities in Pierce County appealed the Board ruling. The County repealed this Ordinance to demonstrate a commitment to a more inclusive and deliberative formation process.

- 1 O. Ordinance No. 2011-8 requested the County Executive to complete a State  
2 Environmental Policy Act (SEPA) review of a flood control zone district  
3 encompassing the entire county. The County issued a determination of non-  
4 significance on October 19, 2011, following preparation and circulation of an  
5 environmental checklist, agency review, and a public comment period.  
6
- 7 P. Pierce County undertook extensive public involvement to engage  
8 representatives of Pierce County cities in the formation process for a flood  
9 control zone district. This process included briefings for mayors and invitations  
10 to meet with city councils.  
11
- 12 Q. Pierce County is committed to implementing a cost efficient model to implement  
13 and administer a flood control zone district. It is anticipated that the County and  
14 the Flood Control Zone District will enter into an interlocal agreement that  
15 identifies roles and responsibilities of both in order to maximize use of existing  
16 County staff and agencies so that maximum funding is applied to project  
17 maintenance and construction.  
18
- 19 R. Chapter 86.15 of Revised Code of Washington (RCW) authorizes the Pierce  
20 County Council to initiate the formation of a countywide flood control zone  
21 district within Pierce County for the purpose of undertaking, operating, or  
22 maintaining flood control projects or storm water control projects, among other  
23 powers. A countywide district is authorized to address flood and storm water  
24 control needs throughout the County, including within Pierce County cities.  
25
- 26 S. RCW 86.15.070 authorizes the Pierce County Council to appoint a countywide  
27 advisory committee of 15 members or less. A countywide advisory committee  
28 can provide the board of supervisors with important input on flood and  
29 stormwater control needs and priorities throughout Pierce County to ensure that  
30 flood and stormwater projects and programs are implemented efficiently and  
31 effectively.  
32
- 33 T. RCW 86.15.140 requires the flood control zone district supervisors to annually  
34 adopt a budget for the district, but only after a public hearing, notice of which  
35 shall be given as provided by RCW 36.32.120(7).  
36
- 37 U. The Council considered the testimony of Harold Smelt, Pierce County Surface  
38 Water Management Utility Manager, before the Pierce County Boundary Review  
39 Board in Case No. 1-10-1 relating to the formation of the proposed countywide  
40 Flood Control Zone District.  
41
- 42 V. The Council considered the exhibits provided to the Pierce County Boundary  
43 Review Board and exhibits to Pierce County's Brief filed in Pierce County  
44 Boundary Review Board Case No. 1-10-1 relating to the formation of the  
45 proposed countywide Flood Control Zone District.  
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W. The Council considered the final decision of the Pierce County Boundary Review Board in Case No. 1-10-1 relating to the formation of the proposed countywide Flood Control Zone District.

X. The maintenance and operation of flood control improvements located within the District is determined to benefit the whole of the District and the County.

Y. There are no flood control zone districts in Pierce County. The history of Council action creating, dissolving or contemplating flood control zone districts is as follows:

1. Resolution No. 10831, approved by the Board of Pierce County Commissioners on September 27, 1965, sought federal assistance in planning, financing and construction of necessary flood control and drainage works under the provisions of the Watershed Protection and Flood Prevention Act. Recitals to the resolution indicate it was adopted as a response to interest from the cities of Algona and Pacific seeking creation of a flood control zone district.

2. Resolution No. 17033, approved by the Board of Pierce County Commissioners on March 19, 1974, initiated the creation of the Hylebos Flood Control Zone District.

3. Resolution No. 17086, approved by the Board of Pierce County Commissioners on April 15, 1974, created the Hylebos Flood Control Zone District.

4. Ordinance No. 2006-113, approved by the Pierce County Council on November 14, 2006, dissolved the Hylebos Flood Control Zone District.

Z. On January 17, 2012, the Council adopted an Ordinance initiating the formation of a countywide flood control zone district and setting a public hearing on the formation of the district and the dissolution of existing districts in accordance with state law. State law provides that the Council shall issue an order regarding district formation following the final hearing. This Ordinance constitutes the order regarding district formation required under RCW 86.15.030.

Section 2. A new Chapter 11.06 of the Pierce County Code, "Pierce County Flood Control Zone District," is hereby adopted as shown in Exhibit A, which is attached hereto and incorporated herein by reference.

1        Section 3. The boundary for the Pierce County Flood Control Zone District shall  
2 be the entirety of Pierce County, Washington, which is described at RCW 36.04.270 as  
3 follows:

4  
5        Commencing at the mouth, midchannel, of the Nisqually River; thence following  
6 the main channel of said river to its head; thence due east to the summit of the  
7 Cascade mountains; thence northerly along the summit to the head of the Green  
8 Water; thence westerly down said river to its confluence with White River; thence  
9 down the main channel of White river to the intersection of the fifth standard  
10 parallel; thence west along said line to the southeast corner of section thirty-one,  
11 township twenty-one north, range four east of Willamette Meridian; thence north  
12 along the east line of said section thirty-one to its intersection with the northerly  
13 line of the Puyallup Indian Reservation; thence northwesterly on said line of the  
14 Puyallup Indian reservation, projected northwesterly in a straight line, to its  
15 intersection with the center line of Puget Sound; thence southwestwardly and  
16 westerly following the channel of Dalco Passage to the south entrance of Colvo's  
17 Passage; thence down the channel of said passage to the northeast corner of  
18 section sixteen, in township twenty-two north, range two east; thence west to the  
19 northeast corner of section sixteen, in township twenty-two north, range one  
20 west; thence southerly along the channels of Case's Inlet and Puget Sound, to  
21 the middle of the mouth of the Nisqually River and place of beginning.  
22

23        Section 4. It is the intent of the Council to establish an advisory committee by  
24 separate ordinance to assist in the selection of capital projects to be funded by the  
25 Pierce County Flood Control Zone District. Committee representation shall be designed  
26 to include representatives of unique geographic areas such as Water Resource  
27 Inventory Area 15 (Kitsap). At least one seat on the Committee shall be represented by  
28 a resident of unincorporated Pierce County.  
29

30        Section 5. The Council requests that the Pierce County Flood Control Zone  
31 District establish an opportunity fund composed of 10% of the total Pierce County  
32 assessed valuation for the purpose of funding projects that are consistent with the  
33 statutory authorization of Chapter 86.15 RCW, the state statute under which the district  
34 is authorized and functions. Each jurisdiction within Pierce County should receive, at a  
35 minimum, funding for projects in an amount equal to that jurisdiction's proportional  
36 share of 10% of the total Pierce County assessed valuation as collected within the  
37 applicable jurisdiction.  
38

39        Section 6. The Council requests that the Pierce County Flood Control Zone  
40 District limit the ad valorem property tax levy authorized by RCW 86.15.160 (3) to ten  
41 cents per thousand dollars of assessed value.  
42

43        Section 7. That entity, or contemplated entity, referenced in Resolution No.  
44 10831 and characterized as a "flood control zone district", while failing to constitute a  
45 formal flood control zone district under RCW 86.15, is nevertheless hereby abolished  
46 and dissolved.  
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Section 8. Resolution Nos. 10831, 17086 and 17471 are each hereby repealed.

Section 9. This Ordinance shall become effective upon the Pierce County Boundary Review Board issuing a final decision of approval for the boundary described at Section 3. of this Ordinance.

**PASSED** this \_\_\_\_\_ day of \_\_\_\_\_, 2012.

ATTEST:

**PIERCE COUNTY COUNCIL**  
Pierce County, Washington

\_\_\_\_\_  
**Denise D. Johnson**  
Clerk of the Council

\_\_\_\_\_  
Joyce McDonald  
Council Chair

\_\_\_\_\_  
**Pat McCarthy**  
Pierce County Executive  
Approved \_\_\_\_\_ Vetoed \_\_\_\_\_, this  
\_\_\_\_\_ day of \_\_\_\_\_,  
2012.

Date of Publication of  
Notice of Public Hearing: \_\_\_\_\_

Effective Date of Ordinance: \_\_\_\_\_

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"New Chapter"

*Chapter 11.06*

***PIERCE COUNTY FLOOD CONTROL ZONE DISTRICT***

**Sections:**

**11.06.010 Pierce County Flood Control Zone District Created.**

**11.06.020 Board of Supervisors.**

**11.06.010 Pierce County Flood Control Zone District Created.**

A countywide flood control zone district covering the entire area of Pierce County with boundaries as set forth in RCW 36.04.270 is hereby created as of the effective date of this Ordinance. The new district shall be known as the "Pierce County Flood Control Zone District." The Pierce County Flood Control Zone District will address flood and stormwater control needs throughout Pierce County.

**11.06.020 Board of Supervisors.**

As provided for in RCW 86.15.050(1), members of the Pierce County Council shall be members of the board of supervisors of the Pierce County Flood Control Zone District.

Back to Agenda Bill



## OPPORTUNITY FUND ADMINISTRATIVE GUIDELINES



The Pierce County Flood Control District (District) has designated 10 percent of the Flood District's levy proceeds for an Opportunity Fund. This fund is made available to jurisdictions throughout the District on a proportional basis, based on assessed valuation. Eligible projects are described in Section III.

### INTERLOCAL AGREEMENT

RCW 39.34 permits a local government to enter into interlocal agreements (ILAs) with other public agencies in the interest of cooperatively sharing resources for their mutual benefit. For jurisdictions to receive their allocation of the Opportunity Fund, they must sign an ILA with the District before the District Board of Supervisors approves the very first project. The ILA outlines the responsibilities of the jurisdiction and the District. These include how jurisdictions request, report, and use their Opportunity Fund and how the District will review and disperse a jurisdiction's allocation. The ILA describes that the District will grant funds for projects in consideration of each jurisdiction's agreement to construct the project and take over operation, ownership, and maintenance and repair obligations for the projects.

Once an ILA is established between a jurisdiction and the District, jurisdictions will annually submit a Notice of Intent to Request Funds that describes the project(s) they will fund with their Opportunity Fund allocation. Approval of the described project(s) will be considered an amendment to the ILA each jurisdiction has with the District.

### OPPORTUNITY FUND ALLOCATION

The Opportunity Fund for 2013 is estimated to be \$689,670. However, the final amount of funding will be determined by the District's Board of Supervisors when 2013 receipts are finalized. **Appendix A** shows the allocation of these funds among the 24 jurisdictions in Pierce County, based on assessed values and annexations as of **January 1, 2013**.

Annually, jurisdictions need to submit a Notice of Intent to Request Funds to indicate how they intend to use their Opportunity Fund allocation. Jurisdictions can choose to:

- Bank their allocation for use in future years. There are no time or amount limitations on banking imposed by the District on jurisdictions. However, the District holds the right to review this policy in the future and modify if necessary.
- Request reimbursement in the amount of up to its allocation, including any unused balance from prior years, for one or more projects.
- Request reimbursement of up to its allocation, including any unused balance from prior years, for multi-jurisdictional projects.

## PROJECT ELIGIBILITY

The Opportunity Fund can be used for the following purposes and uses:

- Flood control or storm water control improvements (whether extended, enlarged, acquired or constructed).
- Maintenance and operation of flood control and storm water control improvements that were constructed or acquired by the jurisdiction.
- Studies and plans for flood control or stormwater control improvements that will be constructed or acquired by the jurisdiction.
- Watershed management projects, studies, plans and activities that are for water supply, water quality and water resource and habitat protection and management.
- Major equipment used for stormwater control or water quality protection.

These purposes and uses are called “projects” in these Guidelines.

For improvements, the jurisdiction must prepare and submit to the District Administrator (also the Director of Pierce County Public Works and Utilities Department) preliminary engineering studies and their State Environmental Policy Act determinations and plans. For any project, the jurisdiction must submit to the District Administrator cost estimates and underlying data and a description of the benefit to be provided by the project. Jurisdictions may pool their Opportunity Fund allocations for use on multi-jurisdictional projects.

Potential eligible projects might include:

- Developing green infrastructure such as rain gardens and stream flow controls
- Building compensatory storage for flood relief
- Maintenance and operations projects
- Acquisition of Vector equipment

## PROJECT NOTICE OF INTENT TO REQUEST FUNDS & SCHEDULE

The District will announce the availability of the Opportunity Fund each April (starting in 2014) for the subsequent fiscal year. Jurisdictions will submit a Notice of Intent to Request Funds that indicates if they will expend or bank their allocation. If a jurisdiction chooses to expend their allocation, they will submit details of the specific project(s) that will be funded by attaching Project Scope of Work form(s).

*NOTICE OF INTENT TO REQUEST FUNDS and PROJECT SCOPE OF WORK forms can be found at:*  
[www.piercefloodcontrol.org/](http://www.piercefloodcontrol.org/)

## PIERCE COUNTY FLOOD CONTROL ZONE DISTRICT

Upon timely submittal of a Notice of Intent to Request Funds, it will be reviewed for completeness and for meeting the eligibility criteria by the District Administrator. Eligible projects will be presented to the Board of Supervisors for approval at a public meeting.

### ***Opportunity Fund Annual Schedule (Beginning in 2014)***

APRIL	The District provides notice to jurisdictions on their allocation and availability of the Opportunity Fund
JULY	Jurisdictions submit a Notice of Intent to Request Funds form indicating how they plan to use their annual allocation
OCTOBER	The District reviews Notice of Intent to Request Funds for completeness and compliance with project eligibility criteria
NOVEMBER	Eligible projects are presented and adopted by the Board of Supervisors

### **NOTICE OF INTENT PROCEDURES & INSTRUCTIONS**

Each applying jurisdiction must complete a Notice of Intent to Request Funds form and return it along with a fully executed Interlocal agreement (ILA).

Save the Notice of Intent to Request Funds form to your computer and fill out the form electronically, returning the electronic version of the completed application via e-mail to the address listed below. As text is entered into the response fields the form will expand beyond one page, but the fields do contain word limits.

You are encouraged to contact the District to discuss project ideas prior to submitting your application. If you have interest in discussing possible projects or if you have other questions or concerns, please contact Brian Ziegler, District Administrator, at 253-798-3154 or [staff@piercefloodcontrol.org](mailto:staff@piercefloodcontrol.org).

### **ADVANCED FUNDING REQUESTS**

The majority of a jurisdiction's Opportunity Fund allocation shall be issued on a reimbursement basis following a jurisdiction's submittal of an invoice. The District can grant funds as a percentage of the jurisdictions total current allocation in advance within pre-defined constraints set by the District Administrator (see table below). If a jurisdiction would like advanced funding, they are required to submit a Request for Advanced Funds form that explicitly states the amount of funds being requested.

*REQUEST FOR ADVANCED  
FUNDING forms can be found at:  
[www.piercefloodcontrol.org/](http://www.piercefloodcontrol.org/)*

Total Current Allocation	Maximum Amount of Advance
Under \$50,000	Up to 80%
Between \$50,000 and \$100,000	Up to 50%
Over \$100,000	Up to 30%

### REIMBURSEMENT & PROGRESS REPORTS

Jurisdictions are required to provide the District with regular progress reports updating the status of projects, as well as a final report, due within 90 days of project completion. Annual progress reports are due by December 31 each year.

*PROGRESS REPORT forms can be found at:*  
[www.piercefloodcontrol.org/](http://www.piercefloodcontrol.org/)

### LEVERAGING OPPORTUNITIES

A jurisdiction has the option to use their Opportunity Fund allocation as a match for either multi-jurisdictional projects or grant opportunities.

#### *Multi-Jurisdictional Projects*

As many flooding and drainage problems cross jurisdictional boundaries, jurisdictions are encouraged to consider partnering with each other to address shared stormwater and drainage problems. Doing so offers the opportunity to accomplish a larger scale project than may be possible if operating independently.

#### *Grant Matching Opportunities*

The Opportunity Fund can also serve as a match for other grants compatible with the criteria for eligible projects. Below are some statewide and local funding sources. Note that some programs may not be available in a given year. The links will access current information concerning these grant opportunities.

- The Estuary and Salmon Restoration Program  
<http://www.rco.wa.gov/grants/esrp.shtml>
- Salmon Recovery Funding Board  
<http://www.rco.wa.gov/grants/salmon.shtml>
- The Washington Wildlife and Recreation Program  
[www.rco.wa.gov/grants/wwrp.shtml](http://www.rco.wa.gov/grants/wwrp.shtml)
- Aquatic Lands Enhancement Account  
[www.rco.wa.gov/grants/alea.shtml](http://www.rco.wa.gov/grants/alea.shtml)

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- Ecology Water Quality Grants  
[www.ecy.wa.gov/programs/wq/funding/funding.html](http://www.ecy.wa.gov/programs/wq/funding/funding.html)

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PIERCE COUNTY FLOOD CONTROL ZONE DISTRICT

**APPENDIX A**

Preliminary 2013 Allocations for the Pierce County Flood Control Zone District Opportunity Fund

Municipality	2013 Allocation Percentage	2013 Opportunity Fund Allocation
Auburn	1.03%	\$7,104
Bonney Lake	2.44%	\$16,828
Buckley	0.46%	\$3,172
Carbonado	0.04%	\$276
Dupont	1.70%	\$11,724
Eatonville	0.23%	\$1,586
Edgewood	1.37%	\$9,448
Fife	2.57%	\$17,725
Fircrest	0.80%	\$5,517
Gig Harbor	2.39%	\$16,483
Lakewood	6.40%	\$44,139
Milton	0.74%	\$5,104
Orting	0.55%	\$3,793
Pacific	0.23%	\$1,586
Puyallup	5.82%	\$40,139
Roy	0.06%	\$414
Ruston	0.15%	\$1,035
Steilacoom	0.86%	\$5,931
South Prairie	0.04%	\$276
Sumner	2.39%	\$16,483
Tacoma	23.17%	\$159,797
University Place	3.84%	\$26,483

PIERCE COUNTY FLOOD CONTROL ZONE DISTRICT

Municipality	2013 Allocation Percentage	2013 Opportunity Fund Allocation
Wilkeson	0.04%	\$276
Unincorporated Pierce County	42.69%	\$294,420
<b>Total</b>	<b>100.00%</b>	<b>\$689,670</b>

**Note 1:** *2013 Allocation Percentage* is the ratio of each jurisdiction's total assessed valuation divided by Pierce County total assessed valuation, expressed as a percentage. The percentage shown is rounded to a two decimal places.

**Note 2:** *2013 Opportunity Fund Allocation* is calculated by multiplying the *2013 Allocation Percentage* by the total of Flood Control Zone District property tax revenues for 2013.

**Note 3:** These numbers are illustrative of each jurisdiction's Opportunity Fund allocation. The actual allocation will vary based on the District's annual assessment which could change in future years.

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**INTERLOCAL AGREEMENT BETWEEN  
THE PIERCE COUNTY FLOOD CONTROL ZONE DISTRICT AND  
CITY OF MILTON FOR OPPORTUNITY FUND PROJECTS**

THIS AGREEMENT is made and entered into by and between CITY OF MILTON, a municipal corporation of the State of Washington (“Municipality”) and the PIERCE COUNTY FLOOD CONTROL ZONE DISTRICT, a quasi-municipal corporation of the State of Washington (“District”) (“Parties” or when singular “Party”), and shall be effective upon execution by the Municipality and the District.

**RECITALS**

A. In Ordinance 2011-95s, passed on April 3, 2012, the Pierce County Council formed the District, as authorized by Chapter 86.15 RCW.

B. In Resolution No. 2013-2 (“Resolution”), the District Board of Supervisors:

1. Allocated and set aside ten percent (10%) of the District’s annual regular property tax revenues as an “Opportunity Fund” for use by Pierce County (on behalf of unincorporated Pierce County), cities and towns on Opportunity Fund projects;

2. Established methods for allocation of Opportunity Fund revenues and declared the purposes and uses of the Opportunity Fund;

3. Provided for accrual and roll over of a Municipality’s Opportunity Fund allocation;

4. Authorized the District Administrator to develop rules and procedures for administering and carrying out the Opportunity Fund, which includes review of proposed Opportunity Fund projects by the District Administrator or designee, and review and approval of such projects by the Board; and

5. Approved this form of Agreement between the Parties.

C. Pursuant to Chapter 39.34 RCW and RCW 86.15.080(11), the Parties desire to enter into this Agreement to provide for Opportunity Fund projects as authorized by the Board.

## **AGREEMENT**

In furtherance of the foregoing and in consideration of the following terms and conditions, the Parties agree as follows:

1. Definitions. In this Agreement, the following terms shall have the following meanings.

1.1 “Board” means the Board of Supervisors of the District.

1.2 “District Administrator” means the Director of the Pierce County Public Works and Utilities Department, or designee.

1.3 “Municipality” means cities and towns in Pierce County and Pierce County.

1.4 “Opportunity Fund” means the portion of the District’s annual regular property tax revenues that has been allocated and set aside by the District for use by the Municipalities on Projects, as authorized by Resolution No. 2013-2, including amendments thereto.

1.5 “Project” means a specific improvement, study, plan or activity that meets the purposes and uses of Resolution No. 2013-2, including amendments thereto, and that has been approved by the Board.

1.6 “Project Rules” means the rules and regulations established by the District Administrator for the Opportunity Fund program, including amendments thereto.

2. Term of Agreement—Termination of Agreement—Survival of Agreement. This Agreement shall be effective upon execution by both Parties, and shall remain in effect until terminated by one or both of the Parties. Either Party may terminate this Agreement by providing written notice of termination to the other Party no less than sixty (60) days prior to the effective date of termination. This Agreement also may be terminated upon mutual agreement of the Parties expressed in writing. Sections 12 and 13 of this Agreement shall survive any termination of this Agreement.

3. Rules and Regulations; District Administrator. The Municipality acknowledges receipt of and agrees to satisfy and follow the Project Rules.

4. Project Eligibility. The Municipality may apply for and seek approval of proposed Projects. The proposed Projects may be a future Project or a pending Project, as defined by the Project Rules.

5. Project Applications. The Municipality must submit an application for each proposed Project to the District Administrator, on a form approved by the District Administrator. The application must be accompanied by plans, drawings,

descriptions, studies, reports, schedules, costs, budgets and/or other data and information required by the Project Rules or requested by the District Administrator.

6. Multi-Year Projects. A Project may be implemented over multiple years and may be financed by the Municipality's allocation of the Opportunity Fund in the year of Project approval and by the Municipality's anticipated allocation of the Opportunity Fund in future years. However, District approval of a Project shall not be construed as nor constitute a District obligation or commitment to authorize a property tax levy or set aside a portion of a property tax levy for the Opportunity Fund in calendar years beyond the year in which a Project is approved.

7. Use and Vesting of Opportunity Fund Allocation. The Municipality shall use Opportunity Fund allocations only for expenses related to the Projects. The unexpended portion of the Municipality's allocation of Opportunity Fund revenues in a calendar year shall be rolled over and reserved for use by the Municipality on Projects in subsequent calendar years. The District shall have no obligation to set aside or allocate Opportunity Funds in calendar years after the calendar year in which the Project is approved. The Municipality understands and acknowledges that the Board has the right and discretion to modify or terminate the Opportunity Fund and its program, and will consider this possibility in providing for and implementing any Project.

8. Project Approval—Implementation of Projects. After approval of a Project, the District Administrator shall prepare a written description of the Project, which shall be deemed to be an amendment to this Agreement. The District Administrator shall provide a copy of the Project description to the Municipality. The Municipality shall implement the Project only as authorized by the Board and described in the amendment. In implementing the Project, the Municipality shall comply with all applicable laws, rules and regulations, and shall be responsible for obtaining all approvals and permits for the Project.

9. Distribution of Opportunity Fund Allocations. After an actual expenditure is incurred for a Project, the Municipality shall request distribution of Opportunity Fund allocations in a manner and pursuant to a process required by the Project Rules. However, after Board approval of a Project, the Municipality may request advance distribution of all or a part of the Opportunity Fund allocation for the Project, prior to expenditure of funds on the Project, in accordance with terms and conditions in the Project Rules.

10. Reports—Audits—Records Retention--Inspections. The Municipality shall prepare and file written reports describing the progress on and the status of the Project, as required by the Project Rules. The Municipality shall prepare and file such other written reports, including but not limited to a final report after Project completion, as required by the Project Rules. The Municipality shall retain all records and documents relating to a Project for a minimum of seven (7) years

after substantial completion of the Project, unless required by law to be retained for a longer period, in which case the longer period shall apply. Upon reasonable notice, the Municipality shall make available to the District Administrator for inspection, review and audit all records and documents relating to the Project and the expenditure of the Opportunity Fund allocations, as required by Project Rules.

11. Project Ownership and Maintenance. If the Project involves the acquisition, extension, enlargement, or construction of an improvement, the Municipality shall take ownership of, and shall be obligated to operate, maintain, repair and replace such improvement. The District shall have no obligation or responsibility for the operation, maintenance, repair and replacement of such improvement.

12. Audit Exception Repayments. The Municipality agrees that it is financially responsible for and will repay to the District all indicated amounts following an audit exception, which occurs due to the negligent or intentional acts by the Municipality, its officers, officials, employees, agents, contractors or volunteers.

13. Hold Harmless and Indemnification.

13.1 To the maximum extent permitted by law, each Party shall defend, indemnify and hold harmless the other Party, and all of its officers, officials, employees, agents, contractors and volunteers, from any and all claims, injuries, damages, losses or suits, including attorney fees, arising out of or resulting from any negligent acts, errors, omissions of the indemnifying Party and its officers, officials, employees, agents, contractors and volunteers in performing obligations under this Agreement or in implementing a Project. However, if any such injuries and damages to persons or property are caused by or result from the concurrent negligence of the District or its officers, officials, employees, agents, contractors and volunteers, and the Municipality or its officers, officials, employees, agents, contractors and volunteers, each Party's obligation hereunder applies only to the extent of the negligence of such Party or its officers, officials, employees, agents, contractors or volunteers.

13.2 The foregoing indemnity is specifically and expressly intended to constitute a waiver of each Party's immunity under industrial insurance, Title 51 RCW, as respects the other Party only, and only to the extent necessary to provide the indemnified Party with a full and complete indemnity of claims made by the indemnitor's employees. This waiver has been mutually negotiated by the Parties.

14. Amendment. This Agreement may be modified by written instrument approved by the Municipality's governing body and the District Board of Supervisors and signed by the authorized representatives of the Parties.

15. Waiver. No waiver by either Party of any term or condition of this Agreement shall be deemed or construed to be a waiver of any other term or condition, nor shall a waiver of any breach be deemed to constitute a waiver of any subsequent breach whether of the same or different provision of this Agreement. No waiver shall be effective unless made in writing.

16. No Third Party Rights. Nothing in this Agreement shall be construed to create any rights in or duties to any third party, nor any liability to or standard of care with reference to any third party.

17. Entirety. This Agreement is the complete expression of the terms hereto and any oral representations or understandings not incorporated are excluded. This Agreement merges and supersedes all prior negotiations, representations and agreements between the Parties relating to the projects and constitutes the entire agreement between the Parties.

18. Counterparts. This Agreement may be signed in counterparts and, if so signed, shall be deemed one integrated document.

IN WITNESS WHEREOF, authorized representatives of the parties hereto have signed their names in the spaces below:

CITY OF MILTON

PIERCE COUNTY FLOOD  
CONTROL ZONE DISTRICT

\_\_\_\_\_  
Debra Perry  
Mayor

\_\_\_\_\_  
Brian Ziegler  
District Administrator

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Attested to:

Attested to:

\_\_\_\_\_  
Lisa Tylor  
City Clerk

\_\_\_\_\_  
Cathy Sala  
Clerk of Board of Supervisors

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