



CITY COUNCIL MEETING AGENDA
Council Chambers, 1000 Laurel Street

February 19, 2013
Tuesday

Next Ordinance: 1819 -13
Next Resolution: 13-1832

Regular Meeting
7:00 p.m.

- 1. Call to Order and Flag Salute**
- 2. Roll Call of Councilmembers**
- 3. Additions/Deletions**
- 4. Citizen Participation – Citizen’s comments on agenda and non-agenda items** – Chair may limit the length of comments in the interest of time. To comment, please raise your hand to request recognition by the chair. Once recognized by the chair, please step to the podium and state your name and address for the record before making your comments.
- 5. Consent Agenda**
 - A. Minutes – Approval of the minutes of February 11 Regular Meeting
 - B. Ordinance No. 1816-13, Amending Petty Cash
- 6. Public Hearing**
 - A. Ordinance No. 1818-13, Adoption of Marijuana Regulations
- 7. Regular Agenda**
 - A. 2012 4th Quarter Report
 - B. Ordinance No. 1817-13, Amend 2013 Budget / Beginning Fund Balances
 - C. Veteran’s Memorial Lighting
 - D. BPA Incentives for LED Traffic Signals
- 8. City Administrator Report**
- 9. Council Reports**
- 10. Mayor’s Report**
- 11. Adjournment**

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

February 2013			
Tue 02/19	7:00 pm	Regular Meeting	<ul style="list-style-type: none"> A. Amending Petty Cash Ordinances – <i>Consent Agenda</i> B. Public Hearing on Ordinance Adopting Marijuana Regulations C. 2012 4th Qtr. Financial Report D. Ordinance to Amend 2013 Budget / Beginning Fund Balances E. Veterans Memorial Lighting F. BPA Incentives for LED Traffic Signals
March 2013			
Sat 03/ 02	9:30 a.m. – 1:30 p.m.	Activities Center, Red Room	COUNCIL RETREAT
Mon 03/4	7:00 pm	Study Session	<ul style="list-style-type: none"> A. Pedestrian Crossing Improvement Policy B. Discussion of Olufsson Property for possible park
Mon 03/11	7:00 pm	Regular Meeting	<ul style="list-style-type: none"> A. Purchase of Stormwater Vactor Truck – <i>Consent Agenda</i> B. Appointment to Civil Service Commission C. Contract with Robinson & Noble for Well Drilling Project D. Public Hearing on Sale of Property at 20th Ave Reservoir Site
Mon 03/18	7:00 pm	Regular Meeting	A.
April 2013			
Mon 04/01	7:00 pm	Study Session	A.
	7:00 pm	Regular Meeting	A. Ordinance on Renewing EMS Levy
Mon 04/15	7:00 pm	Regular Meeting	A. First Quarter Financial Report
May 2013			
Mon 05/06	7:00 pm	Study Session	<ul style="list-style-type: none"> A. Regional Organizations B. Adoption of 2012 Stormwater Manual C. Streets Presentation – 15 minutes
Mon 05/13	7:00 pm	Regular Meeting	
Mon 05/20	7:00 pm	Regular Meeting	
June 2013			
Mon 06/03	7:00 pm	Study Session	
Mon 06/10	7:00 pm	Regular Meeting	
Mon 06/17	7:00 pm	Regular Meeting	



Regular Meeting
Monday – February 11, 2013
7:00 p.m.

CALL TO ORDER

Mayor Perry called the regular meeting to order at 7:00 p.m. and led the Pledge of Allegiance.

ROLL CALL

Council Members present were Jones, Manley, Morton, Ott, Taylor, Whalen, and Zaroudny.

STAFF PRESENT

City Administrator Mukerjee, Public Works Director Neal, Finance Director Tylor, Associate Planner Larson, and Senior Administrative Assistant Bolam were present.

ADDITIONS / DELETIONS

Councilmember Zaroudny asked to separate the three items proposed together under Item 7C regarding Parks Regulations.

CITIZEN PARTICIPATION

None.

CONSENT AGENDA

Approval of:

- Minutes from the January 22, 2013 Special Meeting
- Minutes from the February 4, 2013 Study Session
- The 1/20/13 and 2/5/13 payroll direct deposits, checks, and benefits, in the amount of \$210,687.51
- Checks/vouchers numbers 53479-53619 in the amount of \$899,664.10.

COUNCILMEMBER WHALEN MOVED, seconded by Councilmember Morton, to approve the Consent Agenda as presented. **The motion was voted on and carried 7/0.**

PUBLIC HEARING

Item 6a – Ordinance No. 1813-13 – Marijuana Moratorium Extension

The Mayor opened the Public Hearing at 7:05 p.m.

City Administrator Mukerjee explained this is a stop-gap measure to continue the existing moratorium until action can be taken, scheduled with a public hearing for February 19.

Speaker	Address	Comments
Leonard Sanderson	1201 24 th Ave Ct	Listening to legislature hearings, where more and more challenges keep coming up – he strongly urges Council to wait for other jurisdictions to take the first steps.

The Mayor closed the Public Hearing at 7:08 p.m.

MAYOR PRO TEM TAYLOR MOVED, seconded by Councilmember Whalen, to approve the proposed ordinance extending the moratorium enacted by Ordinance 1787-12 on the location, establishment, licensing, and permitting of medical marijuana or cannabis collective gardens for an additional six months; adopting findings in support of the extension; providing for severability; and establishing an effective date.

Mayor Pro Tem Taylor echoed his agreement that there are more questions than answers and this is the best approach to take.

Councilmember Whalen called this a moving target and does not want to be the one to take the first step.

The motion was voted on and carried 7/0.

REGULAR AGENDA

Item 7A – Resolution 13-1831 – Appointing For/Against Committees for Fire District Annexation

City Administrator Mukerjee said this is for the appointment of committee members to write the for-and-against verbiage in the voter’s pamphlet for the election of April 23.

Planner Larson said this is the last piece of information needed to submit to the counties, and that advertising for these committees was done through the newspaper and the website. He stated that, since there was no response for the committee against, the county auditor has the authority to assign someone to write it.

MAYOR PRO TEM TAYLOR MOVED, seconded by Councilmember Whalen, to approve resolution 13-1831, to request a voter’s pamphlet be produced and to appoint members to serve on the For and Against Committees.

Council expressed support and appreciation for both candidates.

The motion was voted on and carried 7/0.

Item 7B – Ordinance 1811-13 – Creating a Community Events Fund

City Administrator Mukerjee said that the 2012 budget already has approved funds for three major community events, and a budget amendment will come at a later date to transfer those funds. No additional funds are represented here. The four additional events showing would be for additional consideration by Council at a future time.

MAYOR PRO TEM TAYLOR MOVED, seconded by Councilmember Manley, to adopt Ordinance No. 1811-13 adding a new section to the Milton Municipal Code, titled “Community Events Fund”, for the purpose of accounting for all financial resources and expenses that are related to community events.

Mayor Pro Tem Taylor said this will streamline and help the events committee with a cleaner approach.

The Council and Mayor expressed commendation to Rachon Hanson, thanking her for the many times she made herself available to answer questions.

Speaker	Address	Comments
Rachon Hanson	509 10 th Ave	Vice Chair/Financial Coordinator for Events Committee – thanked Council for consideration and support – this will help funds that are received be credited properly.

Council stated this will bring clarity, accountability and transparency, helping all parties involved with funding events.

The motion was voted on and carried 7/0.

Item 7C – Ordinance No. 1812-13 – Amending Parks Regulations

Speaking to the request by Councilmember Zaroudny earlier in the meeting to take action on the three sections of this proposed Ordinance separately, City Administrator Mukerjee suggested voting on them individually, and then staff will bring back an amended ordinance in final form to consent. Councilmember Zaroudny expressed preference for three separate ordinances.

Mayor Perry asked administration for ordinance numbers for the three items, and they were assigned as follows:

- 1812-13 assigned to Section 1, Animals prohibited in parks during community events
- 1814-13 assigned to Section 2, Smoking and use of tobacco products prohibited
- 1815-13 assigned to Section 3, Hours

Section 3. Hours – Ordinance 1815-13 – Amending Section 12.16.165

COUNCILMEMBER WHALEN MOVED, seconded by Councilmember Jones, to approve the amendment to the lighting language as proposed.

Councilmember Whalen emphasized the importance of the illumination along the sidewalk. Councilmember Jones likes the security for the tree and that the City installs it so it doesn't affect neighbors.

Councilmember Zaroudny finds the wording confusing and sometimes loose and subjective; is looking for a specific standard. City Administrator Mukerjee answered that it is purposely subjective, allowing the experience of the parks personnel to influence judgment calls. Director Neal explained that City crews can do the work without an ordinance directive, and any such directive would exclude the volunteers.

Assistant Bolam read aloud the proposed ordinance language:

12.16.165 Hours.

A. Park areas and facilities that are not fully lighted shall be open to the public from dawn until dusk. Park areas and facilities that are fully lighted shall be open to the public from dawn until the time the lights are turned off in the evening or 10:00 p.m., whichever time is earlier; except for sidewalks within parks which may be directly illuminated to allow pedestrian usage at all times. Such usage is explicitly limited to the sidewalk structures. During all other times, areas and facilities in parks shall be closed to the public. The Veterans Memorial and its components located in Triangle Park may be lighted, as long as the city determines that the lights have minimal impacts to the adjacent properties.

B. Any person or persons found to be in any park during the period when the park is closed to the public shall be subject to penalty as set forth in MMC [12.16.190](#).

Assistant Bolam read aloud the current code language:

A. The parks shall have signs posted at the entrances of the parks stating "This Park is Closed from Dusk to Dawn." Exempt from the dusk to dawn closures shall be any park or facility within a park that is fully lighted, in which case such park or facility within a park may be used until the lights are turned off, but no later than 10:00 p.m. Sidewalks within the park may be directly illuminated to allow pedestrian usage between dusk and dawn. Usage is explicitly limited to the sidewalk structure.

B. Any person or persons found to be in any park during the period of dusk to dawn shall be subject to the penalty as set forth in MMC [12.16.190](#), except if that person or persons is playing tennis on a lighted tennis court, participating in an activity at a lighted venue within the park or traversing a lighted sidewalk through the park.

Councilmembers said the current code language is clearer and accurately represents the Parks Board's intent.

City Administrator Mukerjee stated that either an amendment to the motion can be made, or the motion can be withdrawn and staff directed to bring back a new proposed version.

Councilmember Morton suggested to add the sentence, "The Veterans Memorial and its components located in Triangle Park may be lighted, as long as the city determines that the lights have minimal impacts to the adjacent properties," to the current code language. Director Neal confirmed that would accomplish the Council's intent, and she explained that the purpose behind the rest of the proposed language was clarity.

Councilmember Whalen withdrew his motion. Council directed staff to bring back a proposed amendment to include the suggested sentence regarding the Veteran's Memorial.

Section 1. Animals prohibited in parks during community events – Ordinance 1812-13

COUNCILMEMBER MORTON MOVED, seconded by Councilmember Jones, to approve the proposed language to prohibit animals in parks during community events.

Councilmember Morton called this a safety issue to people and an agitation issue for animals. Councilmember Jones agrees with Councilmember Morton's statement.

Councilmember Manley said this ordinance goes too far, that he is in favor of a leash law.

Councilmember Whalen said his previous support for this had been based on the understanding that the incident leading into this had involved a leashed animal; however, he has since learned the animal was not leashed. He is not in favor of a law against good animal owners.

Mayor Perry confirmed that the dog was not leashed.

Mayor Pro Tem Taylor said he can't support this in light of the facts.

Councilmember Zaroudny said she doesn't support this, that community events should have the same rules as regular park laws.

Councilmember Jones asked if there was more than one incident, saying the one he observed did involve a leashed dog. Mayor Perry said there's only one incident, and the police report confirms the animal was not leashed.

The motion was voted on and failed 2/5 (Morton and Jones).

Section 2. Smoking and tobacco use prohibited in parks – Ordinance 1814-13

Councilmember Zaroudny moved to approve the proposed ordinance. The motion received no second.

Item 7D – Porter Way – Trail Crossing Options

Director Neal explained the options:

- Flashing beacons = \$24,100 + tax, with little maintenance
- Patterned concrete = \$10,430 + tax, with additional maintenance every 5-10 years

She reported that neither item would be covered by grant or bond funds if done at this time; there are no additional funds available in the Street Fund; Council could consider the General Fund to cover any approved costs. If Council pursued this as a city-wide policy, there are grant opportunities the City could pursue. (Other cities have recovered up to 100% in grants for similar projects.)

Councilmember Whalen said he is promoting this as he doesn't want to wait until a safety issue occurs to install a feature. He would like to see a policy for signalized trail crossings, and he requested financial analysis for funding this from the General Fund at the February 19 meeting.

Councilmember Morton is in favor of a policy and grant research, hopefully without stretching it out very long. He prefers the flashing beacon option, and Director Neal confirmed that the larger cost is due to equipment costs.

Councilmember Zaroudny commended Public Works on the good job of marking crosswalks. She would like to see a lower speed limit on Kent St, and she prefers pursuing a policy.

Director Neal will bring back a proposed policy for a city-wide approach for flashing beacons, and a financial analysis for funding them if grant funds aren't available.

CITY ADMINISTRATOR REPORT

- Staff followed up on the reported garbage dumping at three businesses – one is cleaned up, and the other two are in process.
- Reminder the next meeting is on Tuesday (the 19th) due to the President's Day holiday.

COUNCIL REPORTS

Councilmember Zaroudny:

- None

Councilmember Manley:

- Appreciates this Council, with no negative retribution for opposing viewpoints
- He called the Police Chief on one abandoned property

Councilmember Morton:

- Requested to be excused from the 19th meeting – will be working out of area late that evening

Councilmember Ott:

- Attended the annual PCRC general assembly and especially enjoyed one of the speakers, Col. Hodges, Jr., Executive Officer at JBLM
- Commended police officers on their extraordinary efforts on the new police station space – volunteering much of their time above and beyond the call of duty

- He enjoys telling people from other jurisdictions how quick to respond Milton police officers are, and also what excellent utility service Milton has.

Councilmember Whalen:

- None

Councilmember Jones:

- He also commends the police officers on their station, and was glad to see police recognition in the paper.
- Requested to be excused from the 19th meeting due to a medical leave

MAYOR PRO TEM TAYLOR MOVED, seconded by Councilmember Whalen, to excuse Councilmembers Morton and Jones from the February 19 meeting. **The motion was voted on and carried 7/0.**

Mayor Pro Tem Taylor:

- Attended PCRC General Assembly and also enjoyed the JBLM speech
- Received police report and commended department on apprehension of burglars
- Going to AWC this week
- Passed out and referred to an information sheet titled “Annexation Educational Plan”

MAYOR’S REPORT

- Attended Relay for Life Kick Off – last year, Fife-Milton-Edgewood was awarded for the most money earned by a 1st year event (\$93,000) – she encouraged participation in this year’s event
- Last week there was an all-employees meeting with employee awards – Finance awarded the whole department, appropriate due to considerable staff shortages this year; and Public Works named Janice, who is retiring soon – employees then took a tour of the new Police Department space.
- Kudos to the police for catching the burglars, and good investigative work, linking them to other recent crimes
- Attended and enjoyed the annual PCRC General Assembly
- Going to AWC this week

ADJOURNMENT

COUNCILMEMBER MORTON MOVED, seconded by Mayor Pro Tem Taylor, to adjourn the meeting at 8:41 p.m. **The motion was voted on and passed 7/0.**

Debra Perry, Mayor

ATTEST:

Lisa Tylor, City Clerk

Return to Agenda



[Return to Agenda](#)

To: Mayor Perry and City Council Members
From: Subir Mukerjee, City Administrator
 Lisa Tylor, Finance Director
Date: February 19, 2013
Re: City Petty Cash Funds

ATTACHMENTS: Ordinance No. 1816-13

TYPE OF ACTION:

Information Only Discussion Action Public Hearing

Recommendation/Action: “I move to approve Ordinance No. 1816-13 of the City of Milton, Washington, Amending Petty Cash Section 3.24.040 of the Milton Municipal Code.”

Issue:

The City of Milton currently has petty cash funds totaling \$600.00. \$450.00 of this amount is used for three separate cash drawers in the Finance/Utility Department, and the remaining \$150.00 is used for small cash expenditures and/or reimbursements of the city. In addition to this \$600.00, the Police Department has reestablished their “confidential drug buy fund” in the amount of \$400.00. Over the past few years, changes have been made to the amounts and locations of these funds, without amending the amounts through ordinance. The attached ordinance will update the city’s petty cash balances as of January 1, 2013.

Discussion: It is common practice, as well as a necessary element for internal control, to provide cashiers their own cash drawer of which they are accountable for on a daily basis. The State Auditor’s office requires that internal controls be in place to assist in the prevention of theft and for the provision of accountability. As part of any internal control plan, established and authorized amounts of these cash funds should be documented and amended as any changes occur. By amending the current code to reflect accurate balances, the city will improve upon internal controls already in place.

The current petty cash fund (total of \$1,000) is comprised of the following:

- A. \$450.00 for Finance/Utility cashier drawers
- B. \$150.00 for Administration/Finance petty cash
- C. \$400.00 for Confidential Drug Buy fund

Fiscal Impact:

None, other than the re-establishment of the drug buy fund. This petty cash fund is accounted for within Fund #105, the Drug Seizure Fund.

**CITY OF MILTON
ORDINANCE 1816-13**

**AN ORDINANCE OF THE CITY OF MILTON,
WASHINGTON, AMENDING PETTY CASH FUND
SECTION 3.24.040 OF THE MILTON MUNICIPAL CODE.**

WHEREAS, internal controls are important to safeguarding our citizens money along with our employees; and

WHEREAS, we continually review and improve the City's internal controls,

WHEREAS, we have established cash drawers for individual cashiers and petty cash funds for other purposes;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MILTON, WASHINGTON, DO HEREBY ORDAIN AS FOLLOWS:

Section 1. That Section 3.24.040 Petty cash fund is hereby amended to read as follows:

3.24.040 Petty cash fund and cash drawers.

The city council establishes and creates a petty cash fund, not to exceed ~~\$1,300.00~~ **\$1,000.00** and further authorizes the deposit of ~~\$1,300.00~~ **\$1,000.00** to the petty cash funds **and cash drawers identified below**, and further authorizes the clerk to replenish the petty cash funds from the city funds to maintain a ~~\$1,300.00~~ **\$1,000.00** balance in all petty cash funds. The disbursement of the moneys shall be as follows:

- A. ~~\$400.00~~ **\$450.00** for the **Administration/Finance** cashier drawers;
- B. **\$150.00** for the **Administration/Finance** petty cash;
- C. ~~\$200.00~~ **\$0.00** for the Court cash **drawers**;
- D. **\$400.00** for the **Police/Drug Seizure Confidential** imprest fund (Ord No. 1199-07);
- E. ~~\$50.00~~ **\$0.00** for **Activity Center petty cash.**

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 take effect five days after passage and publication of an approved summary thereof consisting of the title.

PASSED AND APPROVED at the regular meeting of the City Council of the City of Milton, this 19th day of February, 2013.

Approved:

Debra Perry, Mayor

Attest/Authenticated:

Lisa Tylor, City Clerk

Approved As To Form:

By:_____
Bio F.Parks, City Attorney

Return to Agenda Bill

Published: February 22, 2013
Effective Date: February 27, 2013



To: Mayor Perry & City Council Members
From: City Administrator Mukerjee
Date: February 19, 2013, Regular Meeting
Re: **Public Hearing on Ordinance Adopting Marijuana Regulations**

ATTACHMENTS: A. Draft Ordinance

TYPE OF ACTION:

Information Only Discussion Action Expenditure Required:

Recommendation/Action: Hold a Public Hearing and decide whether to adopt the attached ordinance. Then move to adopt the ordinance, by making the following motion:

“I move to adopt the attached ordinance regarding regulations on marijuana related uses.”

Issue: The City Council held a study session on February 4th on the proposed ordinance and requested that the City Attorney provide a legal overview of the ordinance. Council also requested information on how other cities in the area were approaching this issue.

The proposed ordinance is carefully crafted to try and comply with conflicting State laws on medical and recreational marijuana, recognizing that marijuana use still remains illegal under Federal Law. There are legislative efforts underway to change the classification of marijuana under the Federal Control Substances Act so that it could be available by prescription. Also, there are various bills being introduced in the state legislature on this issue. The legislative session ends on April 28th.

The current moratorium on the location, establishment, licensing, and permitting of medical marijuana collective gardens was extended last week for an additional six months. The moratorium ordinances will be repealed and replaced when new regulations are adopted.

Background:

In November 2012, Initiative 502 passed and legalized recreational marijuana use, production, distribution, and sales, subject to state licensing. However, it had no impact on the previous state law (E2SSB 5073) on medical marijuana collective gardens.

Initiative 502 decriminalized the possession of less than one ounce of marijuana by an adult, and set up a system of establishing a state distribution system to be administered by the state Liquor Control Board (LCB) through the issuance of licenses. The licensing requirements will be developed by the LCB by December 1, 2013.

Previously, in 2011 the WA state legislature passed bill E2SSB 5073, sections of which were vetoed by the Governor. The bill authorized “collective gardens” which allowed qualifying patients the ability to produce, grow, transport and deliver marijuana/cannabis for medical use, and further

authorized cities to adopt and enforce zoning requirements regarding production and processing of medical marijuana/cannabis. The Governor vetoed the portions of E2SSB 5073 that would have provided the legal basis for legalizing and licensing medical marijuana or cannabis dispensaries, processing facilities and production facilities.

Currently, Milton has a moratorium in place for medical marijuana related businesses that is valid for six months (August 11th).

Discussion:

The proposed ordinance would:

- a. prohibit medical marijuana collective gardens from all zones in the city, and
- b. pursuant to obtaining a state license, permit production and processing facilities in the manufacturing (M-1) zone, while retailing facilities would be permitted in manufacturing (M-1) and business (B) zones.

Medical Marijuana - Collective Gardens:

Medical marijuana collective gardens are allowed by state law, but not regulated by the state. Local governments can prohibit collective gardens altogether. Several cities have taken this approach, because these gardens are not subject to state licensing requirements. Also, due to the uncertainty of the federal response, this is a more prudent path to take for local governments. The King County Superior Court has upheld a ban on collective gardens by the City of Kent.

Recreational Marijuana – Growers, Distributors and Retailers:

Initiative 502 gives cities the option to zone recreational marijuana establishments based on state licensing provisions. It requires the State Liquor Control Board (LCB) to develop rules and regulations by December, 2013 and determine the number of producers, processors and distributors by County. It also prohibits issuance of licenses for distribution facilities within a thousand feet of schools, parks, libraries, transit centers, and other public facilities.

Planning Commission Recommendation

The Planning Commission held a public hearing on January 23, 2013 and unanimously recommended approval of the attached ordinance.

Approaches Taken To Date by Area Cities:

Edgewood adopted interim regulations (Ord. 13-0392) which prohibit medical marijuana collective gardens from all zoning districts and allowing, subject to a state license, marijuana producers, processors and retailers in Commercial (C) zone. This ordinance was adopted on January 8, 2013 and is effective for six months.

Fife adopted a moratorium on medical collective gardens and will be working on regulations soon.

Sumner adopted regulations that prohibit all marijuana uses city-wide (Ord. 2411).

Puyallup did not adopt a moratorium, but sought injunctive relief on a medical marijuana dispensary through a court order on the basis that dispensaries were not allowed under State law. The city prevailed, but the business then located about 200 yards outside the city limits. With regards to recreational marijuana, they are waiting to see what regulations are adopted by the state liquor control board.

Federal Way has not adopted any regulations at this time, and is in a waiting mode.

ORDINANCE NO. 1818-13

AN ORDINANCE OF THE CITY OF MILTON, WASHINGTON, ADOPTING ZONING REGULATIONS PURSUANT TO RCW 35A.63220 AND RCW 36.70A.390; ADOPTING REGULATIONS ON MARIJUANA RELATED USES, PROHIBITING MEDICAL CANNABIS COLLECTIVE GARDENS IN ALL ZONING DISTRICTS OF THE CITY; PERMITTING THE PRODUCTION, PROCESSING AND/OR RETAILING OF MARIJUANA AS REGULATED PURSUANT TO WASHINGTON STATE INITIATIVE NO. 502 ZONING DISTRICTS, AND ONLY AT FACILITIES THAT HAVE OBTAINED A VALID LICENSE ISSUED BY THE WASHINGTON STATE LIQUOR CONTROL BOARD; REPEALING ORDINANCE NO. 1787-12; ENTERING LEGISLATIVE FINDINGS; PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, recent amendments to Chapter 69.51A RCW, relating to the medical use of cannabis, have expanded the scope of certain activities involving the use of cannabis for medical purposes that are permitted under state law, and

WHEREAS, Section 69.51A.085 RCW allows “qualifying patients” to create and participate in “collective gardens” for the purpose of producing, processing, transporting, and delivering cannabis for medical use, subject to certain conditions, and

WHEREAS, Section 69.51A.140 RCW delegates authority to cities and towns to adopt and enforce zoning requirements, business licensing requirements, health and safety requirements, and business taxes as exercises of the City’s police powers, and

WHEREAS, the City Council understands that approved medical uses of cannabis may provide relief to patients suffering from debilitating or terminal conditions, but potential secondary impacts from the establishment of facilities for the growth, production, and processing of medical cannabis are not appropriate for any zoning designation within the City, and

WHEREAS, the City Council further understands that while the medical benefits of cannabis have been recognized by the state legislature, cannabis remains a Schedule I controlled substance under the federal Controlled Substances Act (CSA), and possession and use of cannabis is still a violation of federal law. The City Council wishes to exercise the authority granted pursuant to state law in order to clarify that the establishment of a collective garden will be deemed to be a violation of city zoning ordinances, but the City Council expressly disclaims any intent to exercise authority over collective gardens in a manner that would directly conflict with the CSA, and

WHEREAS, Initiative 502 directs the State Liquor Control Board to develop rules and regulations to:

1. Determine the number of producers, processors and retailers of marijuana by county;
2. Develop licensing and other regulatory measures;
3. Issue licenses to producers, processors, and retailers at locations which comply with the Initiative’s distancing requirements prohibiting such uses within one thousand feet of schools and other designated public facilities; and

4. Establish a process for the City to comment prior to the issuance of such licenses, and

WHEREAS, while the production, processing, and retailing of marijuana remains in violation of the federal CSA, the City Council wishes to acknowledge the will of the Washington voters and the authority exercised by the state of Washington and the State Liquor Control Board to license such facilities, leaving all issues relating to the legality, licensing, siting and permitting of such facilities to be determined by the federal and state governments in the exercise of their lawful authority, as finally determined by a court of appropriate jurisdiction, and

WHEREAS, the Planning Commission has held a public hearing on January 23, 2013 and has recommended adoption of the regulations set forth below; and

WHEREAS, the City completed SEPA review on the proposed regulations, and issued a DNS on December 20, 2012; and

WHEREAS, the 60-day Dept. of Commerce review has been completed, and

WHEREAS, the City Council held a public hearing on February 18, 2013, and

WHEREAS, nothing in this Ordinance is intended nor shall be construed to authorize or approve of any violation of federal or state law; NOW THEREFORE,

THE CITY COUNCIL OF THE CITY OF MILTON, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Findings. The recitals set forth above are hereby adopted as the Milton City Council's findings in support of the zoning regulations imposed by this ordinance.

Section 2. Ordinance No. 1787-12, extended by Ordinance Nos. 1793-12 and 1813-13 extending the moratorium on the location, establishment, licensing and permitting of medical marijuana or cannabis collective gardens, is hereby repealed.

Section 3. Chapter 17.08 of the Milton Municipal Code is amended to add a new Section 17.08.136 to read as follows:

17.08.136 Cannabis Related Uses: See 17.08.556: Marijuana Related Uses and 17.08.557 State licensed marijuana facilities.

Section 4. Chapter 17.08 of the Milton Municipal Code is amended to add a new Section 17.08.556 to read as follows:

17.08.556 Marijuana Related Uses:

"Collective garden" means the growing, production, processing, transportation, and delivery of cannabis, by qualifying patients for medical use, as set forth in Chapter 69.51A RCW, and subject to the following conditions:

- A. A collective garden may contain no more than fifteen plants per patient up to a total of forty-five plants;

- B. A collective garden may contain no more than twenty-four ounces of usable cannabis per patient up to a total of seventy-two ounces of usable cannabis;
- C. A copy of each qualifying patient's valid documentation, including a copy of the patient's proof of identity, must be available at all times on the premises of the collective garden;
- D. No usable cannabis from the collective garden is delivered to anyone other than one of the qualifying patients participating in the collective garden;
- E. A collective garden may contain separate areas for growing, processing, and delivering to its qualified patients, provided that these separate areas must be physically part of the same premises, and located on the same parcel or lot. A location utilized solely for the purpose of distributing cannabis shall not be considered a collective garden; and
- F. No more than one collective garden may be established on a single tax parcel.

Section 5. Chapter 17.08 of the Milton Municipal Code is amended to add a new Section 17.08.557 to read as follows:

Section 17.08.557 State-licensed marijuana facilities

- A. Unless the context clearly indicates otherwise, all terms used in this section and in MMC 17.44.110 shall have the meanings established pursuant to RCW 69.50.101.
- B. "Marijuana" means all parts of the plant cannabis, whether growing or not, with a THC concentration greater than zero point three percent (0.3%) on a dry weight basis; the seeds thereof; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin. The term does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plants, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seeds of the plant which is incapable of germination.
- C. "Marijuana processor" means a person licensed by the State Liquor Control Board to process marijuana into usable marijuana and marijuana infused products, package and label usable marijuana and marijuana infused products for sale in retail outlets, and sell usable marijuana and marijuana infused products at wholesale to marijuana retailers.

D. “Marijuana producer” means a person licensed by the State Liquor Control Board to produce and sell marijuana at wholesale to marijuana processors and other marijuana producers.

E. “Marijuana infused products” means products that contain marijuana or marijuana extracts and are intended for human use. The term “marijuana infused products” does not include usable marijuana.

F. “Marijuana retailer” means a person licensed by the State Liquor Control Board to sell usable marijuana and marijuana infused products in a retail outlet.

G. “Usable marijuana” means dried marijuana flowers. The term “usable marijuana” does not include marijuana infused products.

Section 6. Chapter 17.14.010 Table of Uses of the Milton Municipal Code is hereby amended to read as follows:

17.14.010 Table of uses.

Description of Use	RS	RM	RMD	MX	B	M-1	CF	OS
Residential Use Category								
Accessory apartment	acc ¹	acc	acc	acc				
Accessory structure larger than principal building	cup							
Adult day care facility	cup	au	au	au				
Adult family home	au	au	au	au				
Adult retirement community		au	au	au				
Apartment		au	cup	au				
Assisted living facility		cup	cup	cup				
Carport	acc	acc	acc	acc				
Dwelling, multifamily		au	cup	au				
Dwelling, single-family	au	au	au	au				
Dwelling, two-family	au ²	au	au	au				
Garage, private	acc	acc	acc	acc	acc	acc		
Group homes	cup	au	cup	au				
Mobile home park	cup	cup	cup					
Parking area, private	acc	acc	acc	acc	acc	acc		
Swimming pool, private	acc	acc	acc	acc				
Commercial Use Category								

Adult entertainment business					cup			
Ambulance service				au	au	au		
Amusement parks				su2	su2	su2	su2	su2
Animal hospital					au	au		
Auction house/barn (no vehicle or livestock)					au	au		
Automobile service station				cup	au	au		
Automobile wash					au	au		
Automobile, repair					au	au		
Automobile, sales					au	au		
Banks, savings and loan association				au	au			
Beauty/barber shop			cup	au	au			
Bed and breakfast	cup	au	cup	au				
Billiard hall and pool hall				au	au	au		
Child day care, commercial	cup	cup	cup	au	au	cup	cup	
Child day care, family	au	au	au	au				
Commercial recreation < 2 ac.		cup		cup	au		au	au
Commercial recreation > 2 ac.					cup		cup	
Confectionery stores (see Retail sales)				au	au			
Convenience store				au	au			
Crematories and mausoleums					su1	su1	su1	su1
Department stores (see Retail sales)					au			
Drug stores (see Personal services)				au	au			
Dry cleaners (see Personal services)				au	au			
Electric vehicle infrastructure ⁵	acc	acc	acc	au	au	au	acc	acc
Espresso stands				au	au	au		
Flea market						cup		
Food markets and grocery stores				au	au			
Golf and athletic facilities				su1	su1	su1	su1	su1
Greenhouses, private and noncommercial	au	au	au	cup	cup			
Hardware stores < 10,000 sf				au	au	au		
Hardware stores > 10,000 sf					au	au		
Health club		acc		au	au	acc		
Home occupation	au ⁴							
Horticultural nursery, wholesale and retail					au	au		
Hotel				cup	au			
Inn		cup		au	au			
Liquor stores				au	au	au		

Locksmiths				au	au	au		
Lumber yards					au	au		
Marijuana Producers or Processors, State licensed ⁶						au		
Marijuana Retailer, State licensed ⁶					au	au		
Medical marijuana or cannabis collective gardens	Prohibited in all zoning districts							
Mortuaries					au			
Motel				cup	au			
Outdoor advertising display				cup	au	au		
Pet shop				au	au			
Photographer's studio			cup	au	au			
Radio and TV repair shops				au	au	au		
Recreational areas, commercial, including tennis clubs and similar activities				su1	su1	su1	su1	su1
Recreational areas privately operated				su1	su1	su1	su1	su1
Recycling collection points		acc		acc	acc	acc	acc	acc
Restaurant				au	au	au		
Restaurants, drive-through					cup	au		
Retail <1,000 square feet				au	au	au		
Retail >1,000 square feet					au	au		
Rodeos					su1	su1	su1	su1
Secondhand store				cup	au	au		
Self-service storage facility		acc		acc	cup	au		
Shoe stores or repair shop				au	au			
Sports arenas					su1	su1	su1	su1
Stadiums					su2	su2	su2	su2
Stationery store				au	au			
Studios (i.e., recording, artist, dancing, etc.)				au	au			
Swimming pool, commercial		cup		cup	au		au	
Taverns				au	au	au		
Theaters, enclosed				cup	au	cup		
Video store (rental, not adult) < 5,000 sf				au	au	au		
Video store (rental, not adult) > 5,000 sf					au	au		
Civic Use Category								
Ballfield				su1	su1	su1	su1	su1
Bicycle paths, walking trails	au	au	au	au	au	au	au	au

Church	cup	au	cup	au	au	cup		
Club or lodge, private				cup	cup			
Fairgrounds					su1	su1	su1	su1
Garage, public						au		
Heliports					su2	su2	su2	su2
Hospitals and sanitariums					cup	cup		
Libraries				au	au		au	
Open-air theaters				su1	su1	su1	su1	su1
Parking area, public		acc		acc	acc	acc	acc	acc
Post office, branch or contract station				au	au			
Post office, distribution center or terminal						cup		
Public parks	cup	cup	cup	cup	cup	cup	au	au
Schools, elementary or secondary	cup	cup	cup	cup	cup		au	
Swimming pool, public	cup	cup	cup	cup	cup			
Transit facilities, bus barns, park-and-ride lots, transit stations				su1	su1	su1	su1	su1
Vocational schools/colleges				cup	cup	cup	cup	
Utilities Use Category								
Electric transmission substation	cup	cup	cup	cup	cup	au	cup	cup
Fuel storage tanks (underground, < 500 gal.)	acc	acc	acc	au	au	au		
Fuel storage tanks (underground, > 500 gal.)		cup	cup	cup	au	au		
Fuel storage tanks, above ground				au	au	au		
Public utility facilities (services)	cup	cup	cup	cup	au	au	au	
Public utility service yard						au	au	
Radio, cellular phone, microwave, and/or television transmission facilities or towers	cup							
Sewage treatment plants							cup	
Transfer station solid waste facility						cup	cup	
Industrial Use Category								
Blueprinting and photostating				au	au	au		
Buy-back recycling center						cup		
Cabinet shops (see Industry, light)					cup	au		
Cargo storage containers					acc	acc	acc	
Carpenter shops (see Industry, light)					cup	au		
Composting facilities					su2	su2	su2	su2
Contractor yards					au	au		
Distributing plants (see Industry, light)						au		

Electric/neon sign assembly, servicing repair						au		
Freight terminal, truck						cup		
Furniture repair (see Industry, light)					cup	au		
Industry, light						au		
Machine shops, punch press up to five tons (see Industry, light)						au		
Motor vehicle impound yard in enclosed building (see Industry, light)						au		
Nonautomotive, motor vehicle and related equipment sales, rental, repair and service					au	au		
Outdoor storage					cup	au		
Paint shop (see Industry, light)						au		
Parcel service delivery (see Industry, light)						au		
Pesticide application service (see Industry, light)						au		
Plumbing shop (see Industry, light)						au		
Plumbing supply yards (see Industry, light)						au		
Printing establishments					au	au		
Recycling processing centers					su2	su2	su2	su2
Storage for transit and transportation equipment						cup		
Tool sales and rental				cup	au	au		
Trailer-mix concrete plant						cup		
Upholstering					au	au		
Warehousing						au		
Welding shops and sheets metal shops						cup		
Office/Business Use Category								
Medical-dental clinic			cup	au	au			
Professional offices			cup	au	au	au		
Resource Use Category								
Agricultural buildings	acc					acc	acc	acc
Agricultural crops; orchards	au	cup	au			acc	acc	au
Livestock	au ³							
Pasture	au							
Stable, private arena	au ³							
Surface mining					su2	su2	su2	su2
acc: Accessory Use au: Authorized or Permitted Use cup: Conditionally Permitted Use su1: Type I Special Use su2: Type II Special Use								

¹Minimum lot size 9,600 square feet.

²Minimum lot size 12,000 square feet.

³Maximum one animal/acre.

⁴Subject to the limitations of MMC [17.44.090](#).

⁵Battery exchange stations and rapid charging stations are only allowed in the MX, B, and M-1 zones.

⁶Subject to limitations of MMC 17.44.120.(Ord. 1775 § 5, 2011; Ord. 1769 § 3, 2011; Ord. 1586 § 1, 2003; Ord. 1579 § 4, 2003; Ord. 1578 § 2, 2003; Ord. 1405 § 2, 1999).

Section 7. Chapter 17.44 is hereby amended to add Section 17.44.120 Marijuana Related Uses to read as follows:

Section 17.44.120 Marijuana related uses.

A. The production, processing and retailing of marijuana is and remains illegal under federal law. Nothing herein or as provided elsewhere in the ordinances of the City of Milton is an authorization to circumvent federal law or provide permission to any person or entity to violate federal law. Only state-licensed marijuana producers, marijuana processors, and marijuana retailers may locate in the City of Milton and then only pursuant to a license issued by the State of Washington. The purposes of these provisions is solely to acknowledge the enactment by Washington voters of Initiative 502 and a state licensing procedure and to permit to, but only to, the extent required by state law marijuana producers, marijuana processors, and marijuana retailers to operate in designated zones of the City.

B. Marijuana producing or processing facilities may be located only in the Light Manufacturing (M-1) zone of the City. Such facilities and uses may be located only at designated sites licensed by the state of Washington and fully conforming to state law.

C. Marijuana retailers may locate only in the Light Manufacturing (M-1) and Business (B) zones, at designated sites licensed by the state of Washington and fully conforming to state law.

D. Any violation of this section is declared to be a public nuisance per se, and, in addition to any other remedy provided by law or equity, may be abated by the City Attorney under the applicable provisions of this code or state law.

Section 8. Severability. If any section, sentence, clause or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such

invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance.

Section 9. Publication. This ordinance shall be published by an approved summary consisting of the title.

Section 10. 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 by the Council and approved by the Mayor of the City of Milton, this 19th day of February, 2013.

CITY OF MILTON

Mayor Debra Perry

ATTEST/AUTHENTICATED:

Lisa Tylor, City Clerk

Return to Agenda Bill

APPROVED AS TO FORM:

W. Scott Snyder, City Attorney

Published:
Effective Date:



Return to Agenda

To: Mayor Perry and City Council Members
From: Lisa Tylor, Finance Director
Date: February 19, 2013
Re: Financial Report for the Fourth Quarter of 2012

ATTACHMENTS: Financial Report for the year ending December 31, 2012

TYPE OF ACTION:

Information Only Discussion Action Expenditure Required:

Issue:

Presentation of the City’s fourth quarter financial report, reflecting the financial status for all funds as of December 31, 2012

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. Having just recently completed the audit for fiscal years 2010 and 2011, the city’s next scheduled audit will not occur until 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 2012 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 sixteen 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 \$4.3 million compared to the 2012 budget of \$3.9 million, and were sufficient to meet annual expenses of \$4.1 million.

The City’s sales taxes totaled \$703,110, 1.6% greater than the amount collected in 2011. Improvement over the second half of the year were seen in both retail and community development activities. Hopefully, this trend will continue into 2013.

At the end of 2012, General Fund expenditures totaled \$4.1 million, or 1.9% below budget.

The 2012 ending fund balance is slightly higher than projected, resulting in an additional **\$61,921** that will be added to the 2013 budgeted beginning fund balance. Fund balance variances are explained as follows:

	<u>Projected</u>	<u>Actual</u>	<u>Variance</u>
General Fund	\$606,497	\$728,666	\$122,169
Fire/EMS Fund	\$75,996	\$58,053	(\$17,943)
Street Fund	<u>\$64,705</u>	<u>\$22,400</u>	<u>(\$42,305)</u>
	\$747,198	\$809,119	\$61,921

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 2012 budget. However, 5 of the city's 16 funds' expenditures exceeded revenues (beginning fund balances and interfund transfers not taken into account). When this occurs, it becomes necessary for the fund to tap into its fund balance, or become dependent upon interfund transfers, to sustain normal operations. This can be a short-term solution, but cannot be sustained over time. Fortunately, this condition does not impact as many funds as it did in 2011, and may be another indicator that the economy is improving. As always, we will continue to monitor all budgets closely and make adjustments as necessary.

Recommendation/Action:

Included for Review - 2012 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: February 19, 2013

SUBJECT: 2012 - Fourth Quarter Financial Status Report

INTRODUCTION

This following report is intended to provide a summary of the final *unaudited* financial results of fiscal year 2012. Consistent with the format of previous quarterly reports, comparative data is provided for fiscal years 2010, 2011 and 2012. While this comparative data and analysis focuses primarily on activity within the General Fund, complete financial statements for other major funds are included at the end of this report.

**City of Milton
Fund Balances
Quarter Ending December 31, 2012**

Table 1

Fund	Fund Name	Beginning Fund Balance	YTD Actual Revenue	YTD Actual Expenditures	Ending Fund Balance
001	General Fund	\$ 556,427	\$ 4,273,579	\$ 4,101,340	\$ 728,666
002	Fire / EMS Fund	159,470	1,168,457	1,269,874	58,053
101	Street Fund	79,010	371,904	428,515	22,400
103	Strategic Reserve Fund	818,619	18,760	25,000	812,379
105	Drug Seizure Fund	7,806	7,791	2,653	12,944
107	Criminal Justice Fund	282,633	113,791	142,531	253,893
118	Reserve Officer's Fund	2,392	6,317	4,600	4,109
130	REET 1 Fund	172,951	108,674	96,875	184,751
131	REET 2 Fund	62,472	108,270	-	170,742
140	Traffic Impact Fee Fund	14,357	54,339	-	68,696
310	Capital Improvement Fund	311,189	929,343	547,384	693,148
401	Electric Utility Fund	4,425,524	4,212,737	4,076,196	4,562,065
403	Water Utility Fund	3,481,536	2,218,109	2,709,832	2,989,813
406	Storm Water Fund	626,084	721,052	627,496	719,640
407	Storm Water/Capital Fund	697,733	140,826	142,044	696,515
501	Vehicle Repair & Maint Fund	3,138	149,576	151,714	1,000
Total of All Funds		\$ 11,701,342	\$ 14,603,526	\$ 14,326,055	\$ 11,978,813

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) continues to operate in an unbalanced manner by \$283,990. This means that current expenditures for the year exceed current revenues received, without taking into account the use of fund balance or interfund transfers.

City of Milton
Fund Summary
Actual Revenue to Expenditure Comparison - Net of Interfund Transfers
Quarter Ending December 31, 2012

Table 2

Fund	Fund Name	YTD Total Revenue	LESS Transfers IN	YTD Total Expenditures	LESS Transfers OUT	YTD Net Difference	Net REV as % of Net EXP*
001	General Fund	\$ 4,273,579	\$ (250,500)	\$ 4,101,340	\$ (401,367)	\$ 323,106	108.7%
002	Fire / EMS Fund	1,168,457	(254,400)	1,269,874	-	(355,818)	72.0%
101	Street Fund	371,904	(224,875)	428,515	(30,208)	(251,278)	36.9%
103	Strategic Reserve Fund	18,760	-	25,000	(25,000)	18,760	0.0%
105	Drug Seizure Fund	7,791	-	2,653	-	5,138	293.7%
107	Criminal Justice Fund	113,791	-	142,531	(75,850)	47,110	170.6%
118	Reserve Officer's Fund	6,317	-	4,600	-	1,717	137.3%
130	REET 1 Fund	108,674	-	96,875	(96,875)	108,674	0.0%
131	REET 2 Fund	108,270	-	-	-	108,270	0.0%
140	Traffic Impact Fee Fund	54,339	-	-	-	54,339	0.0%
310	Capital Improvement Fund	929,343	-	547,384	-	381,959	169.8%
401	Electric Utility Fund	4,212,737	-	4,076,196	(119,443)	255,984	106.5%
403	Water Utility Fund	2,218,109	-	2,709,832	(92,861)	(398,862)	84.8%
406	Storm Water Fund	721,052	-	627,496	(176,615)	270,172	159.9%
407	Storm Water/Capital Fund	140,826	(138,868)	142,044	-	(140,086)	1.4%
501	Vehicle Repair & Maint Fund	149,576	(149,576)	151,714	-	(151,714)	0.0%
Total of All Funds		\$ 14,603,526	\$ (1,018,219)	\$ 14,326,055	\$ (1,018,219)	\$ 277,472	102.1%

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

City of Milton
General Fund Revenue & Expenditure Summaries
Quarter Ending December 31, 2012

Table 3

REVENUE TYPE	2010	2011	2012 Budget Status		
	Actual	Actual	Amended Budget*	Actual	% of Budget
Taxes (310's)	\$ 3,143,459	\$ 2,863,679	\$ 2,919,245	\$ 2,880,682	98.7%
Licenses & Permits (320's)	100,896	88,807	74,300	253,676	341.4%
Intergovernmental (330's)	292,155	314,867	256,784	279,825	109.0%
Charges for Services (340's)	208,539	243,261	257,445	317,022	123.1%
Fines & Forfeits (350's)	103,379	99,906	94,300	102,191	108.4%
Other Revenue	73,987	60,385	60,380	66,183	109.6%
Interfund Loan Proceeds	-	-	123,500	123,500	100.0%
Transfers In	685,244	375,142	273,450	250,500	91.6%
Total General Fund Revenues	\$ 4,607,660	\$ 4,046,047	\$ 4,059,404	\$ 4,273,579	105.28%

EXPENDITURE by DEPARTMENT	2010	2011	2012 Budget Status		
	Actual	Actual	Amended Budget*	Actual	% of Budget
Council	\$ 42,961	\$ 42,157	\$ 57,984	\$ 55,950	96.5%
Judicial	226,315	247,508	257,148	268,291	104.3%
Administration	243,014	274,663	209,419	185,153	88.4%
Finance	576,275	192,058	186,347	187,315	100.5%
Legal	95,570	155,952	152,000	170,453	112.1%
Facilities	54,707	47,587	68,656	52,581	76.6%
Non-Departmental	484,930	1,444,083	1,032,657	857,573	83.0%
Police	1,636,306	1,755,360	1,783,053	1,906,822	106.9%
Fire	744,976	-	-	-	0.0%
Community Development	203,476	205,224	217,111	202,000	93.0%
Engineering	25,178	22,562	37,476	31,333	83.6%
Motor Pool	104,387	-	-	-	0.0%
Activity Center	-	68,511	43,727	48,249	110.3%
Parks	103,145	114,828	134,107	135,620	101.1%
Total General Fund Expenditures	\$ 4,541,240	\$ 4,570,493	\$ 4,179,685	\$ 4,101,340	98.1%

EXPENDITURE by TYPE	2010	2011	2012 Budget Status		
	Actual	Actual	Amended Budget*	Actual	% of Budget
Salaries and Wages	\$ 2,225,721	\$ 1,585,514	\$ 1,610,589	\$ 1,636,871	101.6%
Personnel Benefits	886,236	730,011	723,813	784,030	108.3%
Supplies	182,133	187,109	132,195	111,034	84.0%
Professional Services	856,275	720,351	767,221	696,626	90.8%
Intergovernmental	304,734	308,382	300,814	305,848	101.7%
Capital Outlay	53,941	28,763	188,550	138,461	73.4%
Debt Service	-	-	19,903	19,903	0.0%
Interfund Rentals	7,200	7,200	7,200	7,200	100.0%
Transfers Out	25,000	1,003,162	429,400	401,367	93.5%
Total General Fund Expenditures	\$ 4,541,240	\$ 4,570,493	\$ 4,179,685	\$ 4,101,340	98.1%

GENERAL FUND

The General Fund's fund balance at the end of 2012 is \$728,666, compared to last year's ending fund balance of \$555,427. Total 2012 revenue collections are \$4,273,579, compared to \$4,046,047 in 2011. As compared to the 2012 budget, 109% of budgeted revenue was collected, and 98% of budgeted costs were expensed. 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 2014 revenue projections, in addition to other economic factors, when developing the 2014 annual budget.

The Ending Fund Balance as of December 31, 2012 totals \$728,666, of which \$292,923 is reserved per policy (8% of prior year operating revenue), leaving \$435,744 as unreserved fund balance.

General Fund Revenue Analysis

Taxes

The combined collection of property tax, sales/use tax, utility tax and gambling tax totaled \$3,794,730, representing 81% 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

The City's 2011 total assessed valuation was \$634,937,208, resulting in anticipated regular property tax collections in 2012 of \$1,968,305 and an additional \$170,123 in EMS Levy collections, for a total of \$2,138,428.

Total collections during 2012 were \$2,113,504 or 99% of the annual budget. Compared to 2011, the City collected \$122,454 or approximately 6% less for the same period.

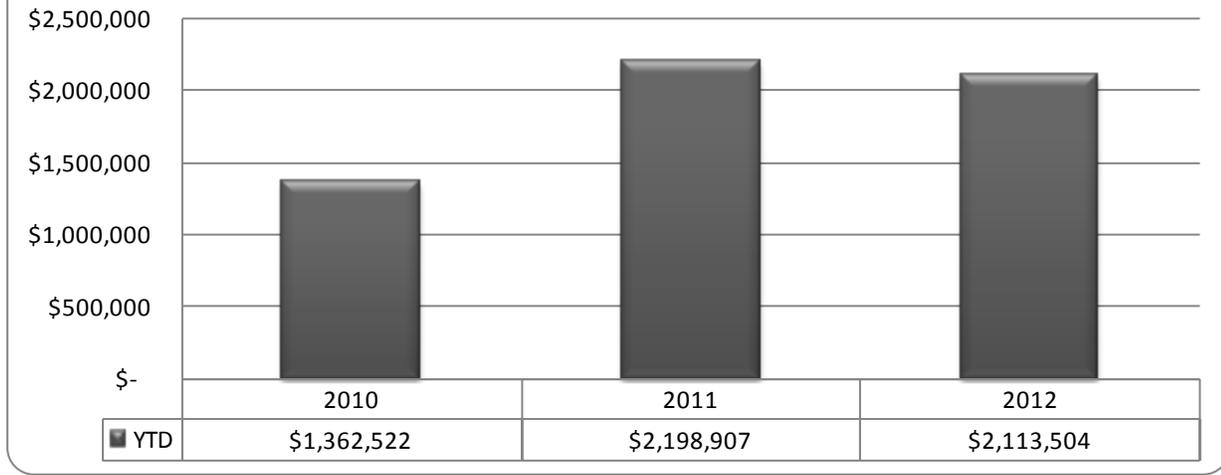
PROPERTY TAX REVENUES								
Table 4 Year-to-Date thru December								
Month	2010 Actual	2011 Actual	2012		2012 vs. 2011 - Actual		2012 vs. Budget	
			Budget*	Actual	\$	%	\$	%
Jan	\$ 6,810	\$ 7,486	\$ 10,108	\$ 9,730	\$ 2,244	30.0%	\$ (379)	-3.7%
Feb	1,960	8,140	8,113	6,561	(1,579)	-19.4%	(1,553)	-19.1%
Mar	18,119	18,202	23,042	38,862	20,660	113.5%	15,820	68.7%
Apr	72,329	182,554	134,900	157,075	(25,479)	-14.0%	22,175	16.4%
May	560,433	690,830	787,930	722,603	31,773	4.6%	(65,327)	-8.3%
Jun	70,493	209,784	161,652	187,439	(22,345)	-10.7%	25,787	16.0%
Jul	6,342	23,244	12,480	8,576	(14,668)	-63.1%	(3,904)	-31.3%
Aug	6,811	29,986	15,209	11,896	(18,090)	-60.3%	(3,313)	-21.8%
Sep	7,801	11,317	11,313	8,894	(2,423)	-21.4%	(2,419)	-21.4%
Oct	41,780	142,432	92,295	145,491	3,058	2.1%	53,196	57.6%
Nov	486,177	715,437	733,204	704,318	(11,119)	-1.6%	(28,886)	-3.9%
Dec	83,466	159,495	149,696	112,060	(47,435)	-29.7%	(37,636)	-25.1%
YTD Total**	\$ 1,362,522	\$ 2,198,907	\$ 2,139,942	\$ 2,113,504	\$ (85,402)	-3.9%	\$ (26,438)	-1.2%
Annual Total	\$ 1,362,522	\$ 2,198,907	\$ 2,139,942	\$ 2,113,504	\$ (85,402)	-3.9%	\$ (26,438)	-1.24%

* 2012 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 Budget & Actual amounts include Taxes accounted for in the Fire/EMS Fund.

Property Tax Revenue - 4th Qtr



Sales Tax

Sales tax is now the third largest revenue source for the General Fund comprising 17% of total revenues. Total sales tax revenue received in 2012 was \$703,110; this is \$10,858 more than the amount received in 2011 and \$15,610 more than the amount budgeted. This favorable variance in this revenue category could be an indication that the local economy is improving. 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**

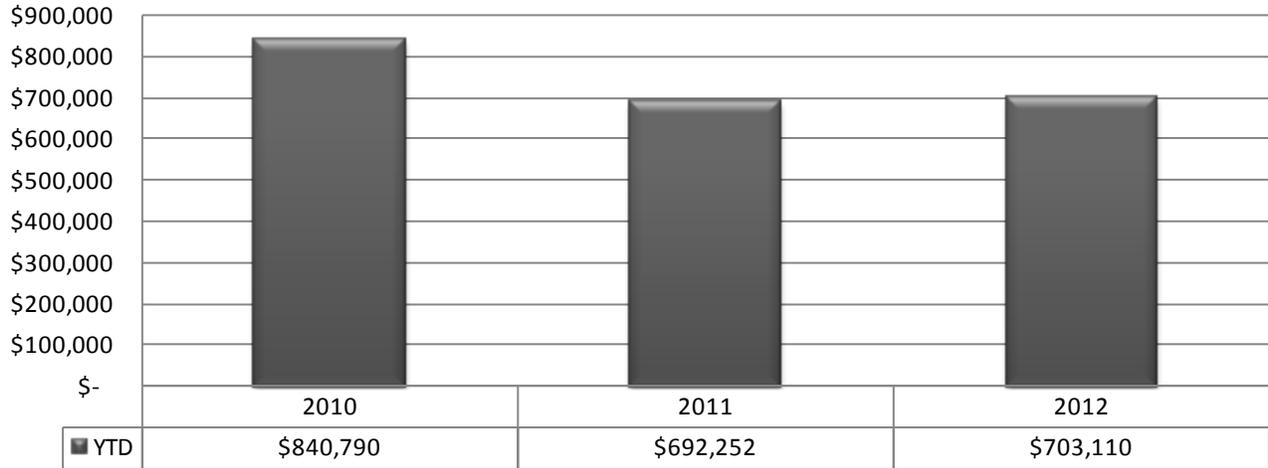
Month	2010 Actual	2011 Actual	2012		2012 vs. 2011 - Actual		2012 vs. Budget	
			Budget*	Actual	\$	%	\$	%
Jan	\$ 67,131	\$ 53,561	\$ 53,797	\$ 48,464	\$ (5,098)	-9.5%	\$ (5,333)	-9.9%
Feb	78,692	68,715	66,026	64,017	(4,699)	-6.8%	(2,010)	-3.0%
Mar	57,004	53,468	50,924	55,559	2,091	3.9%	4,635	9.1%
Apr	83,340	53,484	56,636	58,532	5,047	9.4%	1,896	3.3%
May	76,405	67,267	62,914	61,274	(5,993)	-8.9%	(1,640)	-2.6%
Jun	67,610	61,884	58,326	58,224	(3,660)	-5.9%	(103)	-0.2%
Jul	67,687	10,630	42,845	63,788	53,158	500.1%	20,943	48.9%
Aug	74,109	66,103	65,185	58,418	(7,685)	-11.6%	(6,767)	-10.4%
Sep	71,309	80,084	67,587	60,712	(19,371)	-24.2%	(6,875)	-10.2%
Oct	64,155	59,543	56,457	61,350	1,807	3.0%	4,893	8.7%
Nov	70,015	64,416	54,658	56,207	(8,209)	-12.7%	1,549	2.8%
Dec	63,333	53,097	52,143	56,565	3,468	6.5%	4,421	8.5%
YTD Total**	\$ 840,790	\$ 692,252	\$ 687,500	\$ 703,110	\$ 10,858	1.6%	\$ 15,610	2.3%
Annual Total	\$ 840,790	\$ 692,252	\$ 687,500	\$ 703,110	\$ 10,858	1.6%	\$ 15,610	2.3%

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

* 2012 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.

Sales Tax Revenue - 4th Qtr



Utility Tax

In 2010, Utility Tax replaced Sales Tax as the city's second largest revenue source, now comprising approximately 24% of total revenues. 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 2012 was \$960,803; this is \$19,805 more than the amount received in 2011. Tax collections from external utilities are \$537,346 or \$22,824 more than those of 2011, and collections from city-owned utilities are \$423,457 or \$3,019 less than 2011.

UTILITY TAX REVENUES

Table 6

Year-to-Date thru December

Month	2010 Actual	2011 Actual	2012		2012 vs. 2011 - Actual		2012 vs. Budget	
			Budget*	Actual	\$	%	\$	%
Jan	\$ 74,470	\$ 75,340	\$ 86,255	\$ 112,663	\$ 37,323	49.5%	\$ 26,407	30.6%
Feb	101,789	91,367	105,910	77,186	(14,181)	-15.5%	(28,724)	-27.1%
Mar	50,240	69,911	61,830	57,558	(12,353)	-17.7%	(4,273)	-6.9%
Apr	88,590	118,029	124,913	131,203	13,174	11.2%	6,290	5.0%
May	105,495	83,669	96,188	75,360	(8,310)	-9.9%	(20,829)	-21.7%
Jun	48,828	56,243	54,889	53,456	(2,787)	-5.0%	(1,433)	-2.6%
Jul	84,125	98,135	103,607	135,543	37,408	38.1%	31,936	30.8%
Aug	96,002	82,473	94,810	47,133	(35,340)	-42.9%	(47,677)	-50.3%
Sep	51,908	55,047	52,539	47,468	(7,579)	-13.8%	(5,071)	-9.7%
Oct	82,073	61,505	87,421	70,431	8,926	14.5%	(16,989)	-19.4%
Nov	81,316	96,750	90,330	105,673	8,924	9.2%	15,343	17.0%
Dec	46,909	52,529	51,507	47,129	(5,401)	-10.3%	(4,378)	-8.5%
YTD Total**	\$ 911,743	\$ 940,998	\$ 1,010,200	\$ 960,803	\$ 19,804	2.1%	\$ (49,397)	-4.9%
Annual Total	\$ 911,743	\$ 940,998	\$ 1,010,200	\$ 960,803	\$ 19,804	2.1%	\$ (49,397)	-4.9%

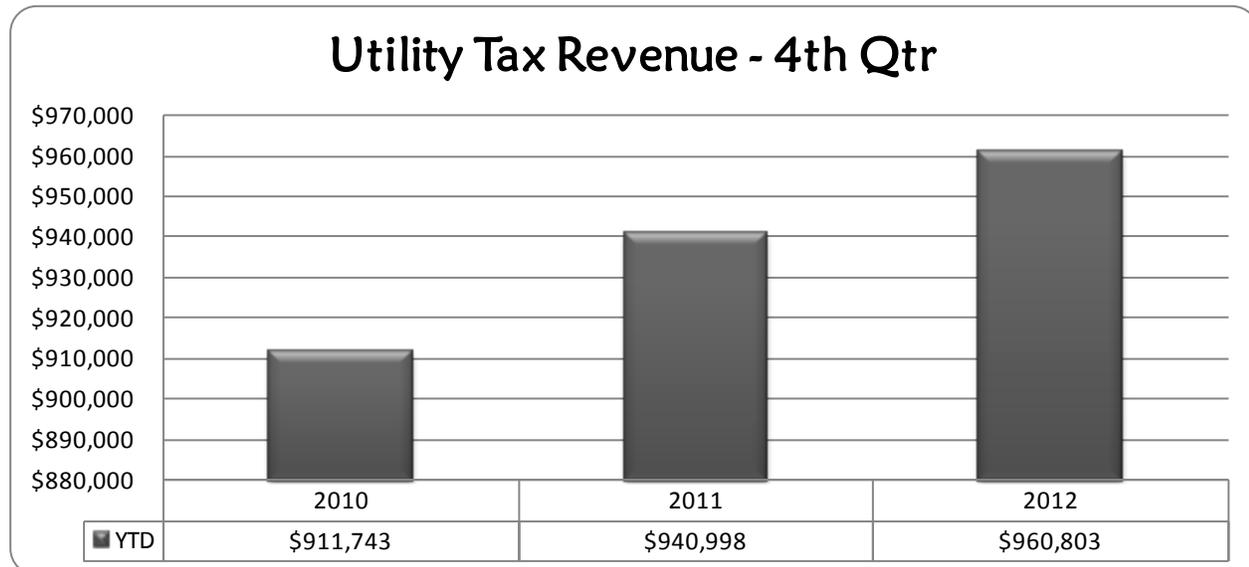
* 2012 Budget/month is estimated based on a 5-Year weighted average historical collection percentage.

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

The following table presents utility tax by type:

UTILITY TAX by TYPE								
Table 7 Year-to-Date thru December								
Type	2010 Actual - Q4	2011 Actual - Q4	2012		2012 vs. 2011		2012 vs. Budget	
			Budget*	Actual	\$	%	\$	%
Electric	\$ 252,823	\$ 258,611	\$ 300,000	\$ 255,210	\$ (3,400)	-1.3%	\$ (44,790)	-14.9%
Water	123,682	125,743	115,200	125,295	(448)	-0.4%	10,095	8.8%
Sewer	68,111	76,622	83,000	91,248	14,626	19.1%	8,248	9.9%
Storm Wtr	43,073	42,123	43,000	42,952	829	2.0%	(48)	-0.1%
Solid Waste	35,220	50,484	44,000	31,036	(19,448)	-38.5%	(12,964)	-29.5%
Gas	78,970	85,141	98,000	83,913	(1,229)	-1.4%	(14,087)	-14.4%
Telephone	264,505	240,794	230,000	228,531	(12,263)	-5.1%	(1,469)	-0.6%
Cable	45,361	61,481	97,000	102,618	41,137	66.9%	5,618	5.8%
YTD Total**	\$ 911,743	\$ 940,998	\$ 1,010,200	\$ 960,803	\$ 19,804	2.1%	\$ (49,397)	-4.9%
Annual Total	\$ 911,743	\$ 940,998	\$ 1,010,200	\$ 960,803	\$ 19,804	2.1%	\$ (49,397)	-4.9%

* Total 2012 Budget, shown at estimated collection rate for this point in the year (100%).



Licenses and Permits

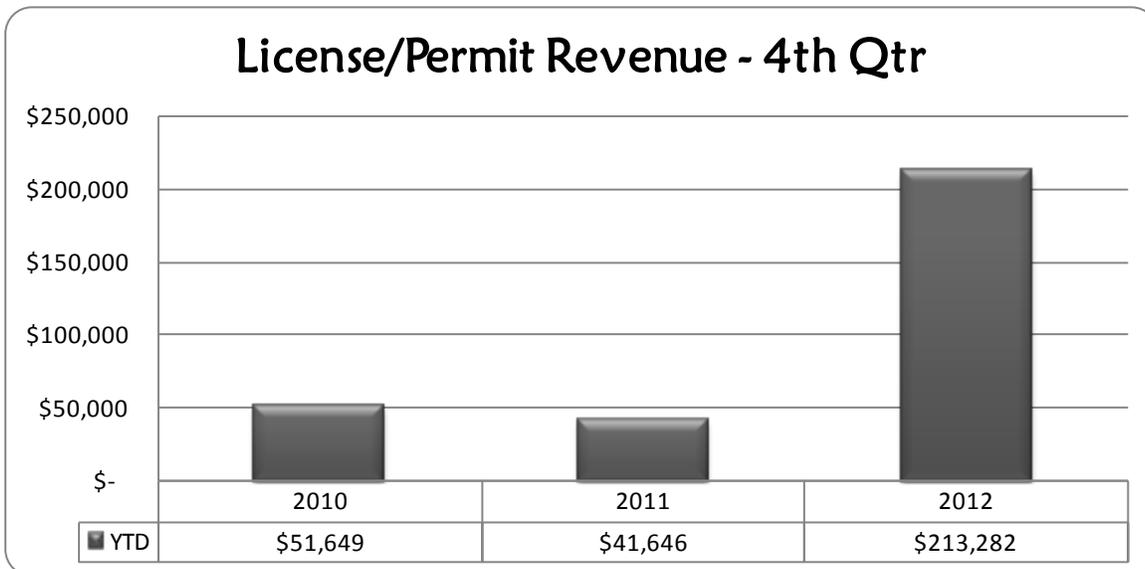
This revenue source is comprised of business licenses, building permits, plumbing, electric and other licenses and permit fees, and the 2012 adopted budget was reduced from that of 2011 by \$16,200. In 2012, the City collected 341% of the \$74,300 annual projected revenue from all licenses and permits. This large variance is due to significant permit revenues received in August for the Milton Senior Community, LLC/Sterling Savings Bank project.

Total License & Permit revenues received in 2012 were \$253,676. This was \$164,781 more than 2011, and \$179,376 more than the amount budgeted for 2012.

LICENSES & PERMIT REVENUE (not incl. Business Lic)								
Table 8 Year-to-Date thru December								
Month	2010 Actual	2011 Actual	2012		2012 vs. 2011 - Actual		2012 vs. Budget	
			Budget*	Actual	\$	%	\$	%
Jan	\$ 12,450	\$ 2,159	\$ 2,668	\$ 1,111	\$ (1,049)	-48.6%	\$ (1,558)	-58.4%
Feb	6,021	1,839	2,251	871	(968)	-52.6%	(1,380)	-61.3%
Mar	2,931	1,698	2,354	2,159	461	27.1%	(195)	-8.3%
Apr	964	7,301	2,636	789	(6,511)	-89.2%	(1,847)	-70.1%
May	7,633	1,727	2,168	1,521	(206)	-11.9%	(647)	-29.8%
Jun	4,228	6,409	2,978	11,154	4,745	74.0%	8,176	274.5%
Jul	2,837	1,986	1,787	5,637	3,651	183.9%	3,849	215.4%
Aug	3,472	1,600	2,528	103,589	101,990	6376.1%	101,061	3997.9%
Sep	3,832	6,618	2,589	1,302	(5,316)	-80.3%	(1,287)	-49.7%
Oct	2,059	6,348	2,093	7,916	1,568	24.7%	5,823	278.3%
Nov	865	2,835	2,630	4,142	1,306	46.1%	1,512	57.5%
Dec	4,356	1,125	1,616	73,090	71,965	6395.2%	71,474	4422.3%
YTD Total**	\$ 51,649	\$ 41,646	\$ 28,300	\$ 213,282	\$ 171,636	412.1%	\$ 184,982	653.6%
Annual Total	\$ 51,649	\$ 41,646	\$ 28,300	\$ 213,282	\$ 171,636	412.1%	\$ 184,982	653.6%

* 2012 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.

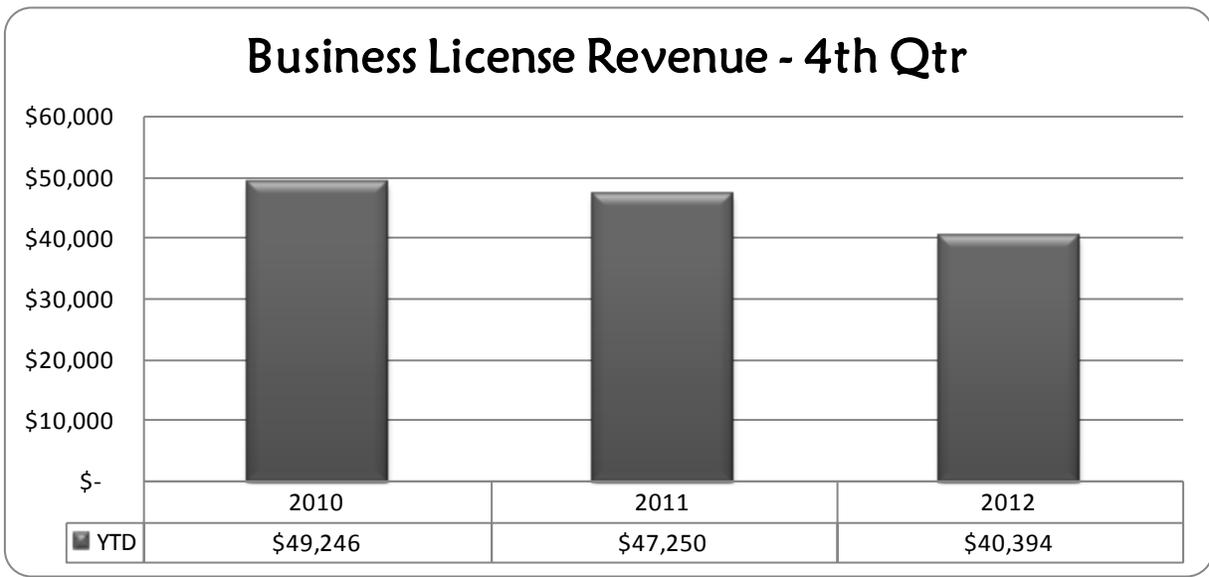


Business License revenues received through the end of the year were \$40,394 or 15% less than the amount received in 2011, and 12% less than the amount budgeted for in 2012. We will take a conservative review of this revenue category when developing the 2014 budget. Previously, business license renewals were due each year on January 31st. In November of 2010, the City switched to Master Licensing with the State Department of Licensing. Renewal dates now occur throughout the year, depending on each individual business and the timing of their Master License renewal.

BUSINESS LICENSES								
Table 9 Year-to-Date thru December								
Month	2010 Actual	2011 Actual	2012		2012 vs. 2011 - Actual		2012 vs. Budget	
			Budget*	Actual	\$	%	\$	%
Jan	\$ 18,906	\$ 6,985	\$ 12,627	\$ 2,750	\$ (4,235)	-60.6%	\$ (9,877)	-78.2%
Feb	4,260	2,819	4,200	4,505	1,686	59.8%	305	7.3%
Mar	1,882	4,393	3,735	3,094	(1,299)	-29.6%	(641)	-17.2%
Apr	6,480	5,524	4,548	3,753	(1,771)	-32.1%	(795)	-17.5%
May	1,323	6,423	3,124	2,906	(3,517)	-54.8%	(217)	-7.0%
Jun	1,980	3,704	2,475	2,765	(940)	-25.4%	290	11.7%
Jul	561	2,321	2,368	4,078	1,757	75.7%	1,710	72.2%
Aug	990	2,742	2,023	3,459	717	26.2%	1,436	71.0%
Sep	1,078	1,760	1,305	1,595	(165)	-9.4%	290	22.2%
Oct	176	3,564	1,912	5,214	1,650	46.3%	3,302	172.7%
Nov	264	2,137	2,391	1,251	(886)	-41.4%	(1,139)	-47.7%
Dec	11,347	4,879	5,294	5,024	146	3.0%	(270)	-5.1%
YTD Total**	\$ 49,246	\$ 47,250	\$ 46,000	\$ 40,394	\$ (6,856)	-14.5%	\$ (5,606)	-12.2%
Annual Total	\$ 49,246	\$ 47,250	\$ 46,000	\$ 40,394	\$ (6,856)	-14.5%	\$ (5,606)	-12.2%

* 2012 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

Revenues in this category include grants (Direct & Indirect Federal, State and Local), and State shared revenues. At the end of June, Intergovernmental revenues are \$279,825 or \$35,042 less than that of 2011. State shared revenues are included in this category, including Liquor Excise Tax and Liquor Profits. With the passage of ESHB 2823, all cities across the state received a reduction in liquor tax revenue during the 2nd half of 2012, which will continue into the 1st half of 2013. Effects of this legislation will continue to be seen in future years. Federal, State and Local grants are also included in this category. The majority of grant revenues are processed on a reimbursement basis, with revenues requested only after expenditures have been incurred. Streamlined Sales Tax (SST) revenue is also received in this category; the City received \$91,945 in SST revenue through the end of the year. *The collection of SST has proven to be very consistent, receiving +/- \$24,000 each quarter.

INTERGOVERNMENTAL REVENUE								
Table 10 Year-to-Date thru December								
Grant Type	2010 Actual-Q4	2011 Actual-Q4	2012		2012 vs. 2011 - Actual		2012 vs. Budget	
			Budget*	Actual	\$	%	\$	%
Direct Federal	\$ 28,246	\$ 69,696	\$ 99,350	\$ 75,217	\$ 5,521	7.9%	\$ (24,133)	0.0%
Indirect Federal	42,225	22,222	-	6,659	(15,562)	-70.0%	6,659	0.0%
State	21,870	19,901	2,500	8,580	(11,321)	-56.9%	6,080	243.2%
Interlocal	8,230	24,183	-	1,135	(23,048)	0.0%	1,135	0.0%
State Shared Rev	191,584	178,865	154,934	188,233	9,368	5.2%	33,299	21.5%
YTD Total**	\$ 292,155	\$ 314,867	\$ 256,784	\$ 279,825	\$ (35,041)	-11.1%	\$ 23,041	9.0%
Annual Total	\$ 292,155	\$ 314,867	\$ 256,784	\$ 279,825	\$ (35,041)	-11.1%	\$ 23,041	9.0%

* Total 2012 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 SHARED TAX REVENUES								
Table 11 Year-to-Date thru December								
Month	2010 Actual	2011 Actual	2012		2012 vs. 2011 - Actual		2012 vs. Budget	
			Budget*	Actual	\$	%	\$	%
Jan	\$ 21,154	\$ 20,956	\$ 19,298	\$ 24,158	\$ 3,201	15.3%	\$ 4,859	25.2%
Feb	11,785	11,222	10,241	12,345	1,123	10.0%	2,104	0.0%
Mar	25,827	24,248	21,551	19,737	(4,511)	-18.6%	(1,814)	-8.4%
Apr	20,832	22,059	19,573	25,883	3,825	17.3%	6,310	32.2%
May	11,816	12,811	9,537	11,885	(926)	-7.2%	2,348	24.6%
Jun	23,553	26,396	23,812	39,911	13,515	51.2%	16,098	67.6%
Jul	22,026	26,371	21,325	23,639	(2,732)	-10.4%	2,314	10.9%
Aug	11,999	12,840	11,298	12,746	(95)	-0.7%	1,448	12.8%
Sep	25,518	21,832	21,829	29,232	7,401	33.9%	7,403	33.9%
Oct	23,028	27,836	22,345	15,911	(11,925)	-42.8%	(6,434)	-28.8%
Nov	12,017	12,335	11,244	12,147	(188)	-1.5%	903	8.0%
Dec	24,825	23,827	19,780	29,074	5,247	22.0%	9,294	47.0%
YTD Total**	\$ 234,381	\$ 242,733	\$ 211,834	\$ 256,668	\$ 13,935	5.7%	\$ 44,834	21.2%
Annual Total	\$ 234,381	\$ 242,733	\$ 211,834	\$ 256,668	\$ 13,935	5.7%	\$ 44,834	21.2%

* 2012 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

STATE SHARED TAX REVENUES by TYPE

Table 12

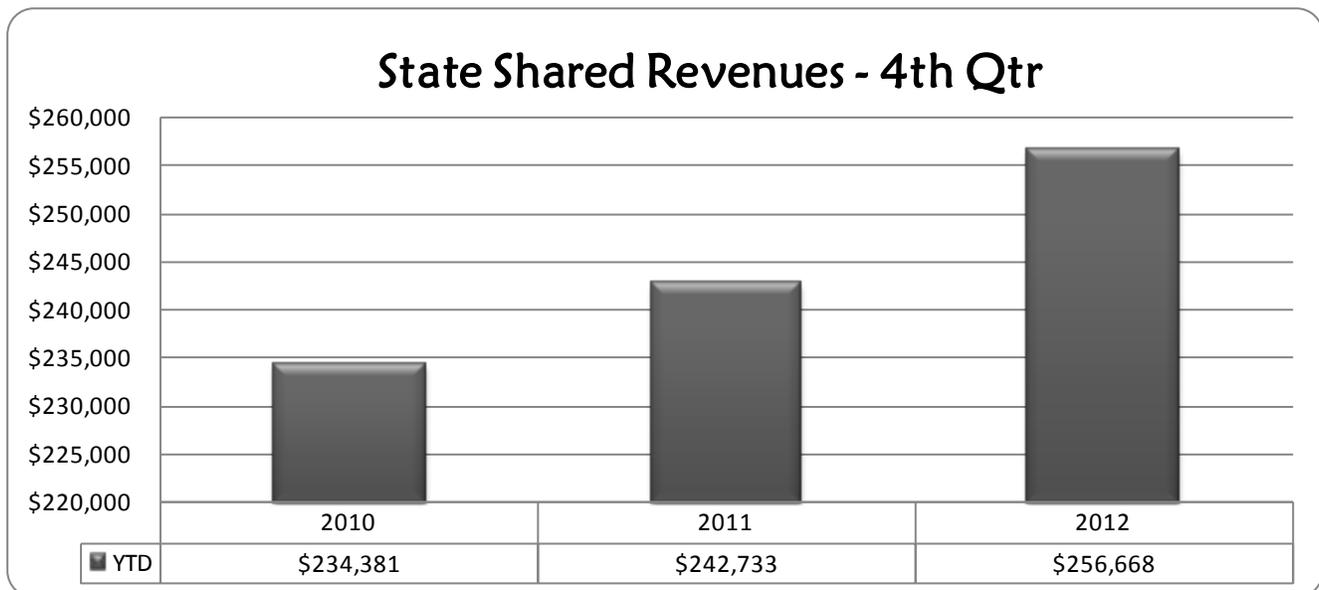
Year-to-Date thru December

Month	2010 Actual-Q4	2011 Actual-Q4	2012		2012 vs. 2011 - Actual		2012 vs. Budget	
			Budget*	Actual	\$	%	\$	%
Liquor Excise Tax	\$ 32,382	\$ 33,664	\$ 18,825	\$ 25,906	\$ (7,758)	-23.0%	\$ 7,081	37.6%
Liquor Board Profits	52,274	48,568	41,109	70,382	21,814	44.9%	29,273	71.2%
Criminal Justice-Population ⁽²⁾	1,459	1,523	1,200	1,592	70	4.6%	392	32.7%
Criminal Justice-High Crime ⁽²⁾	-	7,061	5,000	7,043	(18)	0.0%	2,043	0.0%
Criminal Justice-Spec Prgms ⁽²⁾	5,508	5,748	4,500	5,987	238	4.1%	1,487	33.0%
DUI - Cities	1,211	1,451	1,200	1,320	(131)	-9.0%	120	10.0%
Motor Vehicle Fuel Tax ⁽¹⁾	141,547	144,719	140,000	144,437	(281)	-0.2%	4,437	0.0%
YTD Total**	\$ 234,381	\$ 242,733	\$ 211,834	\$ 256,668	\$ 13,935	5.7%	\$ 44,834	21.2%
Annual Total	\$ 234,381	\$ 242,733	\$ 211,834	\$ 256,668	\$ 13,935	5.7%	\$ 44,834	21.2%

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

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

* Total 2012 Budget, shown at estimated collection rate for this point in the year (100%).



Charges for Services

This revenue source consists of general governmental services, public safety, development service fees and activity center fees. Development services make up approximately 18% of the \$257,445 annual budget for this category and are presented following the Charges for Service table below. Through the end of 2012, \$317,022 or 123% of the annual budget had been received for all charges for services.

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 66% of the total annual budget for this revenue category. Through the end of the year, total public safety revenues received were \$152,584 or 89% of the budget.

CHARGES for SERVICES - By TYPE

Table 13 Year-to-Date thru December

Type	2010 Actual-Q4	2011 Actual-Q4	2012		2012 vs. 2011 - Actual		2012 vs. Budget	
			Budget*	Actual	\$	%	\$	%
General Government	\$ 17,267	\$ 18,869	\$ 20,000	\$ 14,915	\$ (3,954)	-21.0%	\$ (5,085)	-25.4%
Public Safety	157,453	154,117	171,195	152,584	(1,533)	-1.0%	(18,611)	-10.9%
Development Services	33,779	56,557	47,250	135,096	78,538	138.9%	87,846	185.9%
Culture & Recreation ⁽¹⁾	40	14,323	19,000	14,427	104	0.7%	(4,573)	0.0%
YTD Total**	\$ 208,539	\$ 243,866	\$ 257,445	\$ 317,022	\$ 73,156	30.0%	\$ 59,577	23.1%
Annual Total	\$ 208,539	\$ 243,866	\$ 257,445	\$ 317,022	\$ 73,156	30.0%	\$ 59,577	23.1%

* Total 2012 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.

(1) In 2009 & 2010, the Activity Center activities were tracked in a separate fund rather than as a department within the General Fund.

At the end of 2010, this separate fund was closed and will once again be tracked within the General Fund.

Development Services include zoning and subdivision fees, engineering fees and plan check fees; the adopted budget of \$79,500 was amended down to \$47,250 due to the lack of activity earlier in the year. 2012 revenues totaled \$135,096 and is \$78,538 or 39% *more* than revenues collected in 2011. The months of August and December saw significant revenues in this category; plan reviews were submitted for the Milton Senior Community, LLC/Sterling Savings Bank project (August) and the Alder Ridge project (December).

COMMUNITY DEVELOPMENT REVENUE

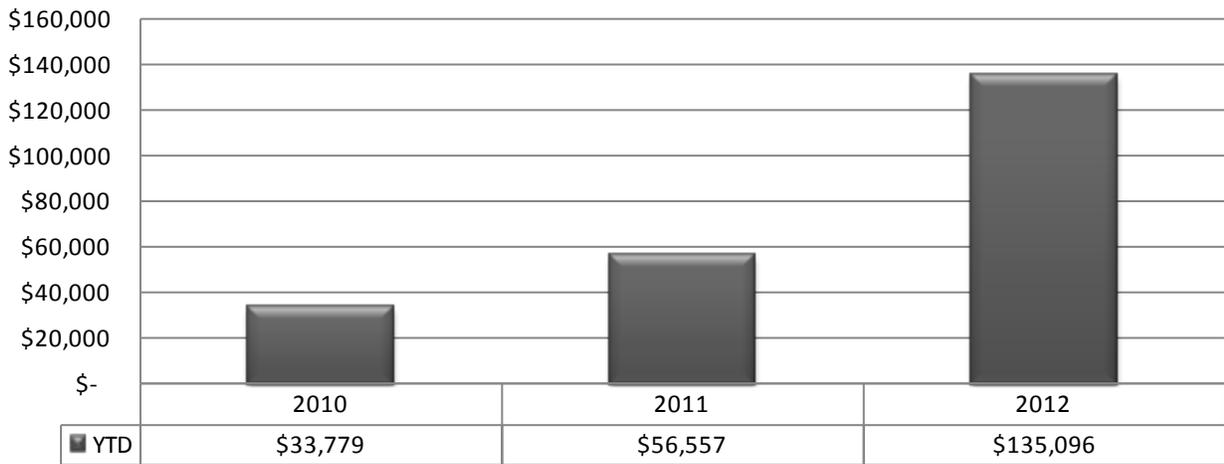
Table 14 Year-to-Date thru December

Month	2010 Actual	2011 Actual	2012		2012 vs. 2011 - Actual		2012 vs. Budget	
			Budget*	Actual	\$	%	\$	%
Jan	\$ 2,862	\$ 4,075	\$ 2,403	\$ 3,796	\$ (279)	-6.9%	\$ 1,393	57.9%
Feb	8,917	10,629	7,243	639	(9,991)	-94.0%	(6,604)	-91.2%
Mar	5,464	8,289	11,434	1,212	(7,077)	-85.4%	(10,222)	-89.4%
Apr	831	6,742	3,533	-	(6,742)	-100.0%	(3,533)	-100.0%
May	1,068	4,150	2,467	3,505	(645)	-15.5%	1,038	42.1%
Jun	2,371	1,867	3,242	11,544	9,677	518.4%	8,302	256.1%
Jul	(553)	2,257	1,763	1,022	(1,235)	-54.7%	(740)	-42.0%
Aug	4,530	2,918	5,672	66,451	63,533	2177.1%	60,780	1071.6%
Sep	4,088	2,395	3,054	5,353	2,959	123.6%	2,299	75.3%
Oct	290	3,655	1,578	4,884	1,228	33.6%	3,305	209.4%
Nov	1,019	9,579	4,026	366	(9,213)	-96.2%	(3,660)	-90.9%
Dec	2,893	-	836	36,324	36,324	0.0%	35,488	4244.7%
YTD Total**	\$ 33,779	\$ 56,557	\$ 47,250	\$ 135,096	\$ 78,538	138.9%	\$ 87,846	185.9%
Annual Total	\$ 33,779	\$ 56,557	\$ 47,250	\$ 135,096	\$ 78,538	138.9%	\$ 87,846	185.9%

* 2012 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.

Community Development Revenue - 4th Qtr



Fines & Penalties

Total revenue received for fines & penalties through the end of the year were \$102,191. This revenue category includes traffic and parking infraction penalties, criminal penalties (traffic, non traffic and costs), and false alarm fines. In this category, the city received \$2,285 or 2% more than the amount received in 2011, and \$7,891 or 8% ahead of the projected budget.

FINES & PENALTY REVENUE								
Year-to-Date thru December								
Month	2010 Actual	2011 Actual	2012		2012 vs. 2011 - Actual		2012 vs. Budget	
			Budget*	Actual	\$	%	\$	%
Jan	\$ 6,794	\$ 7,081	\$ 6,563	\$ 7,289	\$ 208	2.9%	\$ 727	11.1%
Feb	7,350	8,260	7,121	6,796	(1,465)	-17.7%	(325)	-4.6%
Mar	10,302	6,758	8,323	9,844	3,086	45.7%	1,521	18.3%
Apr	10,021	8,001	9,058	10,904	2,903	36.3%	1,846	20.4%
May	12,382	8,059	9,204	9,906	1,847	22.9%	702	7.6%
Jun	9,018	9,817	8,101	9,088	(729)	-7.4%	988	12.2%
Jul	8,291	8,030	8,063	7,156	(875)	-10.9%	(908)	-11.3%
Aug	6,195	9,089	7,636	6,598	(2,491)	-27.4%	(1,038)	-13.6%
Sep	9,156	9,585	8,763	7,160	(2,425)	-25.3%	(1,603)	-18.3%
Oct	9,746	7,952	7,394	6,816	(1,136)	-14.3%	(578)	-7.8%
Nov	6,838	8,954	7,342	7,295	(1,658)	-18.5%	(47)	-0.6%
Dec	7,285	8,320	6,733	13,339	5,020	60.3%	6,606	98.1%
YTD Total**	\$ 103,379	\$ 99,906	\$ 94,300	\$ 102,191	\$ 2,285	2.3%	\$ 7,891	8.4%
Annual Total	\$ 103,379	\$ 99,906	\$ 94,300	\$ 102,191	\$ 2,285	2.3%	\$ 7,891	8.4%

* 2012 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.

MUNICIPAL COURT REVENUE by TYPE								
Table 16 Year-to-Date thru December								
Category	2010 Actual-Q4	2011 Actual-Q4	2012		2012 vs. 2011 - Actual		2012 Budget Variance	
			Budget*	Actual	\$	%	\$	%
Proof of Insurance	\$ 2,758	\$ 1,829	\$ 1,500	\$ 2,227	\$ 398	21.8%	\$ 727	48.4%
Traffic Infractions	70,474	68,275	62,300	69,267	992	1.5%	6,967	11.2%
Non-Traffic Infractions	79	1,449	1,000	23	(1,426)	0.0%	(977)	-97.7%
Parking Infractions	480	419	500	431	12	2.8%	(69)	0.0%
DUI	5,105	4,431	5,500	4,867	436	9.8%	(633)	-11.5%
Criminal Traffic Misdemeanor	8,464	8,643	8,000	9,932	1,290	14.9%	1,932	24.2%
Criminal Non-Traffic Fines	8,720	7,617	8,000	8,644	1,027	13.5%	644	8.1%
Court Cost Recoupments	7,300	7,243	7,500	6,799	(444)	-6.1%	(701)	-9.3%
YTD Total**	\$ 103,379	\$ 99,906	\$ 94,300	\$ 102,191	\$ 2,285	2.3%	\$ 7,891	8.4%
Annual Total	\$ 103,379	\$ 99,906	\$ 94,300	\$ 102,191	\$ 2,285	2.3%	\$ 7,891	8.4%

* Total 2012 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.

In addition to the above Municipal Court revenue of \$53,827, 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 the year were **\$163,117**.

Miscellaneous

A total of \$189,683 in miscellaneous revenue was received through the end of 2012. 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. Included in this category for 2012 is interfund loan proceeds of \$123,500; this is a loan from the Electric Utility used for the acquisition of the former Library facility, to be renovated and used as the city’s Criminal Justice facility.

MISCELLANEOUS REVENUES By TYPE								
Table 17 Year-to-Date thru December								
Type	2010 Actual-Q4	2011 Actual-Q4	2012		2012 vs. 2011 - Actual		2012 vs. Budget	
			Budget*	Actual	\$	%	\$	%
Interest Earnings	\$ 13,104	\$ 10,727	\$ 17,450	\$ 18,753	\$ 8,027	74.8%	\$ 1,303	7.5%
Rents & Leases	17,217	25,913	26,830	25,710	(203)	-0.8%	(1,120)	-4.2%
Contributions & Donations	430	12,662	10,000	10,516	(2,147)	0.0%	516	0.0%
Judgments & Settlements	32,033	2,256	1,500	2,927	671	0.0%	1,427	0.0%
Interfund Loan Proceeds	-	-	123,500	123,500	123,500	0.0%	-	0.0%
Other Misc. Revenue	11,203	11,416	4,600	8,278	(3,138)	-27.5%	3,678	79.9%
YTD Total**	\$ 73,987	\$ 62,973	\$ 183,880	\$ 189,683	\$ 126,710	201.2%	\$ 5,803	3.2%
Annual Total	\$ 73,987	\$ 62,973	\$ 183,880	\$ 189,683	\$ 126,710	201.2%	\$ 5,803	3.2%

* Total 2012 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

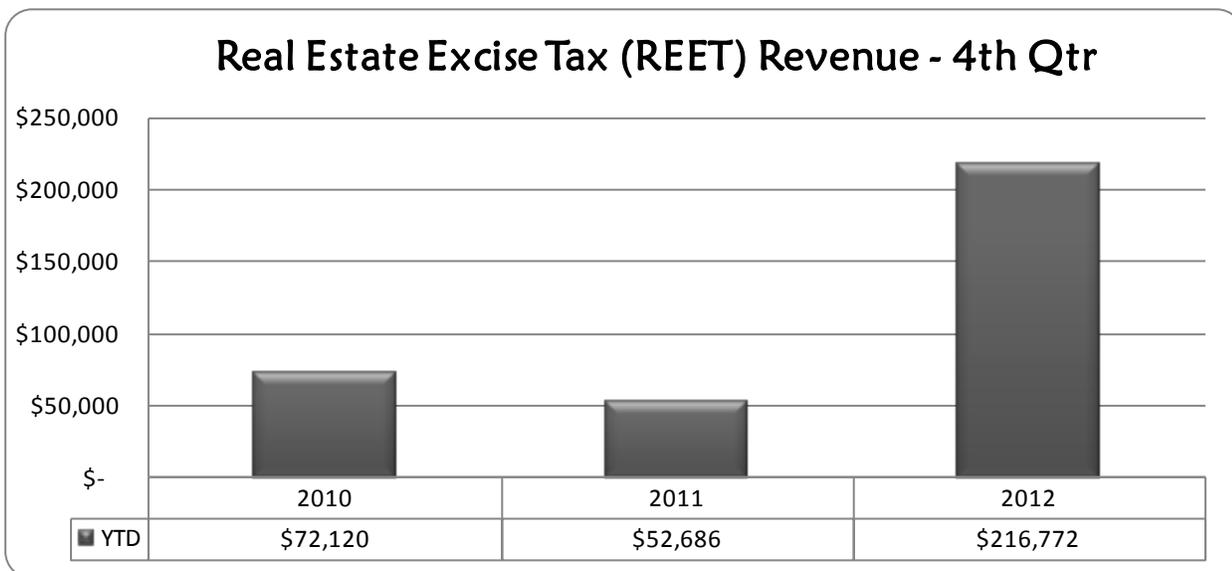
Real Estate Excise Tax is levied on all sales of real estate at the rate of 1.28% (State). In addition, cities may levy an additional quarter percent tax, referred to as REET 1. Certain cities also have the authority to levy a second quarter percent tax, referred to as REET 2. REET 1 funds may be used 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 reduced collection of Real Estate Excise Tax over recent years is just another indicator of the continued slump in commercial and residential markets. However, a good sign is that an increase in activity in this category was seen over the 4th quarter of 2012, having received 87% of the year’s total revenue in the months of October, November and December.

REAL ESTATE EXCISE TAX REVENUES								
Table 18 Year-to-Date thru December								
Month	2010 Actual	2011 Actual	2012		2012 vs. 2011 - Actual		2012 vs. Budget	
			Budget*	Actual	\$	%	\$	%
Jan	\$ 7,636	\$ 7,776	\$ 4,217	\$ 938	\$ (6,838)	-87.9%	\$ (3,279)	-77.8%
Feb	7,810	4,408	5,331	1,629	(2,779)	-63.1%	(3,703)	-69.5%
Mar	4,649	520	2,776	1,567	1,047	201.4%	(1,209)	-43.6%
Apr	5,149	1,586	1,513	4,017	2,431	153.2%	2,504	165.5%
May	3,002	4,424	2,851	3,120	(1,304)	-29.5%	268	9.4%
Jun	2,660	1,792	1,809	6,392	4,600	256.7%	4,583	253.4%
Jul	1,543	5,492	3,058	4,403	(1,089)	-19.8%	1,345	44.0%
Aug	8,585	9,131	4,307	2,785	(6,346)	-69.5%	(1,523)	-35.3%
Sep	11,277	6,209	6,024	2,366	(3,842)	-61.9%	(3,658)	-60.7%
Oct	5,620	2,928	2,674	11,949	9,021	308.1%	9,276	346.9%
Nov	6,962	3,773	2,433	6,531	2,758	73.1%	4,098	168.4%
Dec	7,227	4,648	3,007	171,075	166,427	3580.6%	168,069	5590.1%
YTD Total**	\$ 72,120	\$ 52,686	\$ 40,000	\$ 216,772	\$ 164,086	311.4%	\$ 176,772	441.9%
Annual Total	\$ 72,120	\$ 52,686	\$ 40,000	\$ 216,772	\$ 164,086	311.4%	\$ 176,772	441.9%

* 2012 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

The 2012 Street Fund operating revenues are at \$371,904 or 92% 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 2012, the Street Fund received interfund operating transfers (per budget) of \$128,000 (General Fund) and \$96,875 (REET, for Debt Service).

The ending fund balance for fiscal year 2012 is \$22,399 compared to \$79,010 in 2011. Consistent with recent years, this low level of fund balance is a reminder that funding sources must be found to support street maintenance projects.

Capital Improvement Fund

The Capital Improvement Fund has seen minimal activity throughout 2012, with the majority of capital improvement activity occurring within the Water Utility Fund utilizing bond proceeds. The current fund balance in this fund is \$690,733 as compared to \$308,775 in 2011. This increase is primarily due to the receipt of grant funded reimbursements for prior year 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 operating revenues through the end of 2012 were \$4,212,737 or 90% of budget. The operating expenditures are at \$3,942,515 or 90% of budget. Operating revenues exceeded operating expenditures by \$270,223. Annual operating transfers of \$63,343 were made to the Vehicle Repair & Maintenance Fund for vehicle/equipment repair. Total expenditures for the Electric Utility were \$4,076,176 and the current fund balance is \$4,562,065 which includes \$985,629 designated as *Reserved Fund Balance* per City Ordinance (25% of current year operating expenditures).

Water Utility

The Water Utility operating revenues through the end of 2012 were \$2,218,109 or 100.5% of budget. The operating expenditures were \$1,197,084 or 86% of budget. Operating revenues exceeded operating expenditures by \$1,021,025. Capital expenditures related to the bond proceeds continued, and all bond projects were nearly completed by the end of the year. The remaining amount of bond funds will be carried over and used in 2013. The estimated amount of unspent bond proceeds at the end of 2012 is \$638,111.

Year-to-date operating transfers of \$30,511 were made to the Vehicle Repair & Maintenance Fund for vehicle/equipment repair. Total expenditures for the Water Utility were \$2,709,832 and the current fund balance is \$2,989,877, which includes \$299,271 designated as *Reserved Fund Balance* per City Ordinance (25% of current year operating expenditures).

Storm Water Operations

The Storm Water operating revenues through the end of 2012 were \$721,052 or 101% of budget. The operating expenditures were \$445,121 or 84% of budget. Operating revenues exceeded operating expenditures by \$275,931. Total operating transfers of \$138,868 were made to the Storm/Capital Fund and additional transfers of \$6,547 were made to the Vehicle Repair & Maintenance Fund for vehicle/equipment repair. Total expenditures for the Storm Water Fund were \$627,496 and the current fund balance is \$719,669, which includes \$111,280 designated as *Reserved Fund Balance* per City Ordinance (25% of current year operating expenditures).

Storm Water Capital

The Storm Water Capital operating revenues through the end of the year were \$1,958 or 196% of budget. Interfund transfers from Stormwater Operations were received totaling \$138,868. Capital expenditures on the Kent Street Detention Pond totaled \$141,591 through the end of 2012. The current fund balance is \$696,515.

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. Expenditures in this fund through the end of the year totaled \$151,714, or 111% of the amount budgeted for the year.

City of Milton
GENERAL FUND - 001
Fourth Quarter 2012 Financial Report

SOURCES & USES OF FUNDS	2011 Actual	2012 Adopted Budget	2012 Amended Budget	4th Qtr 2012 Actual	Percent of Budget	4th Qtr 2011 Actual
REVENUES and OTHER SOURCES:						
BEGINNING FUND BALANCES	\$ 1,080,873	\$ 852,427	\$ 556,427	\$ 556,427		\$ 1,080,873
OPERATING REVENUES						
Taxes	\$ 2,863,679	\$ 2,908,712	\$ 2,919,245	\$ 2,880,682	98.68%	\$ 2,863,679
Licenses & Permits	88,807	90,500	74,300	253,676	341.42%	88,807
Intergovernmental Revenues	314,867	295,001	256,784	279,825	108.97%	314,867
Charges for Goods & Services	243,261	291,440	257,445	317,022	123.14%	243,261
Fines & Penalties	99,906	94,921	94,300	102,191	108.37%	99,906
Miscellaneous Revenues	51,015	55,380	60,380	66,183	109.61%	51,015
Total Operating Revenue*	\$ 3,661,535	\$ 3,735,954	\$ 3,662,454	\$ 3,899,579	106.47%	\$ 3,661,535
OTHER FINANCING SOURCES						
Interfund Transfers	\$ 375,142	\$ 248,450	\$ 273,450	\$ 250,500	91.61%	\$ 375,142
Other Sources	7,400	-	123,500	123,500	100.00%	7,400
Non Revenues	1,970	-	-	-	-	1,970
Other Financing Sources	\$ 384,512	\$ 248,450	\$ 396,950	\$ 374,000	94.22%	\$ 384,512
TOTAL REVENUES & OTHER SOURCES	\$ 4,046,047	\$ 3,984,404	\$ 4,059,404	\$ 4,273,579	105.28%	\$ 4,046,047
EXPENDITURES and OTHER USES:						
OPERATING EXPENDITURES						
City Council	\$ 42,157	\$ 32,984	\$ 57,984	\$ 55,950	96.49%	\$ 42,157
Municipal Court	247,508	257,148	257,148	268,291	104.33%	247,508
Executive	274,663	209,419	209,419	185,153	88.41%	274,663
Finance	192,058	186,347	186,347	187,315	100.52%	192,058
Legal	155,952	172,000	152,000	170,453	112.14%	155,952
Facilities	47,587	68,656	68,656	52,581	76.59%	47,587
Non-Departmental Services	440,921	448,288	489,757	351,673	71.81%	440,921
Police	1,735,241	1,804,109	1,783,053	1,906,822	106.94%	1,735,241
Community Development	205,224	217,111	217,111	202,000	93.04%	205,224
Engineering	22,562	37,476	37,476	31,333	83.61%	22,562
Activity Center	68,511	43,726	43,726	48,249	110.34%	68,511
Parks	114,828	134,107	134,107	135,620	101.13%	114,828
Total Operating Expenditures*	\$ 3,547,212	\$ 3,611,371	\$ 3,636,784	\$ 3,595,440	98.86%	\$ 3,547,212
* Operating Revenues over (under)						
Operating Expenditures	\$ 489,465	\$ 373,033	\$ 299,120	\$ 554,639		\$ 489,465
OTHER FINANCING USES						
Machinery, Equip & Capital Improvements	-	-	123,500	123,500	100.00%	-
Capital Lease - PD	20,119	-	-	-	-	20,119
Transfer Out - Vehicle Repair & Maintenance	31,716	-	-	-	-	31,716
Transfer Out - Fire/EMS Fund	522,000	254,400	254,400	254,400	100.00%	522,000
Transfer Out - Streets	173,900	165,000	165,000	128,000	77.58%	173,900
Transfer Out - Other Funds	275,546	-	-	-	-	275,546
Total Other Financing Uses	\$ 1,023,281	\$ 419,400	\$ 542,900	\$ 505,900	93.18%	\$ 1,023,281
TOTAL EXPENDITURES & OTHER USES	\$ 4,570,493	\$ 4,030,771	\$ 4,179,684	\$ 4,101,340	98.13%	\$ 4,570,493
ENDING FUND BALANCE						
Reserved	311,107	292,923	292,923	292,923		311,107
Unreserved/Undesignated	245,320	513,137	143,225	435,744		245,320
ENDING FUND BALANCE	556,427	\$ 806,060	\$ 436,147	\$ 728,667		\$ 556,427
TOTAL EXPENDITURES, OTHER USES & FUND BALANCE						
	\$ 5,126,920	\$ 4,836,831	\$ 4,615,831	\$ 4,830,007		\$ 5,126,920

City of Milton
FIRE / EMS Fund - 002
Fourth Quarter 2012 Financial Report

SOURCES & USES OF FUNDS	2011 Actual	2012 Adopted Budget	2012 Amended Budget	4th Qtr 2012 Actual	Percent of Budget	4th Qtr 2011 Actual
REVENUES and OTHER SOURCES:						
BEGINNING FUND BALANCES	\$ -	\$ 89,871	\$ 159,470	\$ 159,470		\$ -
OPERATING REVENUES						
Pierce County Levy Lid Lift	\$ 722,563	\$ 664,462	\$ 668,656	\$ 665,023	99.46%	\$ 722,563
Pierce County EMS Levy	119,564	144,260	148,064	146,066	98.65%	119,564
King County Levy Lid Lift	105,558	102,922	99,618	101,989	102.38%	105,558
King County EMS Levy	29,527	22,345	22,059	970	4.40%	29,527
King County EMS	49,546	-	-	-	-	49,546
Donations	-	-	-	-	-	-
Investment Interest	-	-	-	9	-	-
Total Operating Revenue*	\$ 1,026,757	\$ 933,989	\$ 938,397	\$ 914,057	97.41%	\$ 1,026,757
OTHER FINANCING SOURCES						
Transfer In - General Fund	\$ 522,000	\$ 254,400	\$ 254,400	\$ 254,400	100.00%	\$ 522,000
Other Sources	-	-	-	-	-	-
Other Financing Sources	522,000	254,400	254,400	254,400	100.00%	522,000
TOTAL REVENUES & OTHER SOURCES	\$ 1,548,757	\$ 1,188,389	\$ 1,192,797	\$ 1,168,457	97.96%	\$ 1,548,757
EXPENDITURES & OTHER USES:						
OPERATING EXPENDITURES						
East Pierce - Contracted Services	\$ 1,389,287	\$ 1,268,404	\$ 1,268,404	\$ 1,269,874	100.12%	\$ 1,389,287
	-	-	-	-	-	-
	-	-	-	-	-	-
Total Operating Expenditures*	\$ 1,389,287	\$ 1,268,404	\$ 1,268,404	\$ 1,269,874	100.12%	\$ 1,389,287
* Operating Revenues over (under) Operating Expenditures						
	\$ (362,530)	\$ (334,415)	\$ (330,007)	\$ (355,818)		\$ (362,530)
OTHER FINANCING USES						
Interfund Transfers	-	-	-	-	-	-
Total Other Financing Uses	-	-	-	-	-	-
TOTAL EXPENDITURES & OTHER USES	\$ 1,389,287	\$ 1,268,404	\$ 1,268,404	\$ 1,269,874	100.12%	\$ 1,389,287
ENDING FUND BALANCES						
Reserved	\$ -	\$ -	\$ -	\$ -		\$ -
Unreserved / Undesignated	159,470	9,856	83,863	58,052		159,470
ENDING FUND BALANCES	\$ 159,470	\$ 9,856	\$ 83,863	\$ 58,052		\$ 159,470
TOTAL EXPENDITURES, OTHER USES & FUND BALANCES						
	\$ 1,548,757	\$ 1,278,260	\$ 1,352,267	\$ 1,327,927		\$ 1,548,757

City of Milton
STREET FUND - 101
Fourth Quarter 2012 Financial Report

SOURCES & USES OF FUNDS	2011 Actual	2012 Adopted Budget	2012 Amended Budget	4th Qtr 2012 Actual	Percent of Budget	4th Qtr 2011 Actual
REVENUES and OTHER SOURCES:						
BEGINNING FUND BALANCES	\$ 104,989	\$ 103,231	\$ 79,010	\$ 79,010		\$ 104,989
OPERATING REVENUES						
Fuel Tax - City Streets	\$ 144,719	\$ 140,000	\$ 140,000	\$ 144,437	103.17%	\$ 144,719
Fuel Tax - Street Improvements	-	-	-	-	-	-
Other / Misc Revenue	2,562	-	-	2,592	-	2,562
Investment Interest	25	100	100	-	0.00%	25
Total Operating Revenue*	\$ 147,305	\$ 140,100	\$ 140,100	\$ 147,029	104.95%	\$ 147,305
OTHER FINANCING SOURCES						
Transfer from Other Funds	\$ 270,169	\$ 262,094	\$ 262,094	\$ 224,875	85.80%	\$ 270,169
Other Financing Sources	270,169	262,094	262,094	224,875	85.80%	270,169
TOTAL REVENUES & OTHER SOURCES	\$ 417,474	\$ 402,194	\$ 402,194	\$ 371,904	92.47%	\$ 417,474
EXPENDITURES & OTHER USES:						
OPERATING EXPENDITURES						
Road & Street Maintenance	\$ 224,478	\$ 365,359	\$ 365,359	\$ 289,233	79.16%	\$ 224,478
Municipal Vehicles & Public Works Equipment	-	-	-	-	-	-
Other / Misc Expense	-	-	-	-	-	-
Total Operating Expenditures*	\$ 224,478	\$ 365,359	\$ 365,359	\$ 289,233	79.16%	\$ 224,478
* Operating Revenues over (under)						
Operating Expenditures	\$ (77,173)	\$ (225,259)	\$ (225,259)	\$ (142,204)		\$ (77,173)
OTHER FINANCING USES						
Debt Service Principal	\$ 84,292	\$ 84,292	\$ 84,292	\$ 88,121	104.54%	\$ 84,292
Debt Service Interest	11,977	12,802	12,802	8,754	68.38%	11,977
Capital Lease	8,334	7,321	7,321	8,334	113.83%	8,334
Capital Projects	89,441	-	3,900	3,865	99.11%	89,441
Transfer Out - Vehicle Repair & Maintenance	24,932	30,000	30,000	30,208	100.69%	24,932
Total Other Financing Uses	218,976	134,415	138,315	139,282	100.70%	218,976
TOTAL EXPENDITURES & OTHER USES	\$ 443,454	\$ 499,774	\$ 503,674	\$ 428,515	85.08%	\$ 443,454
ENDING FUND BALANCES						
Reserved	\$ 11,373	\$ 11,784	\$ 11,784	\$ 11,784		\$ 11,373
Unreserved / Undesignated	67,637	(6,133)	(34,255)	10,614		67,637
ENDING FUND BALANCES	\$ 79,010	\$ 5,651	\$ (22,470)	\$ 22,399		\$ 79,010
TOTAL EXPENDITURES, OTHER USES						
& FUND BALANCES	\$ 522,464	\$ 505,425	\$ 481,204	\$ 450,914		\$ 522,464

City of Milton
STRATEGIC RESERVE FUND - 103
Fourth Quarter 2012 Financial Report

SOURCES & USES OF FUNDS	2011 Actual	2012 Adopted Budget	2012 Amended Budget	4th Qtr 2012 Actual	Percent of Budget	4th Qtr 2011 Actual
REVENUES and OTHER SOURCES:						
BEGINNING FUND BALANCES	\$ 809,308	\$ 812,708	\$ 818,619	\$ 818,619		\$ 809,308
OPERATING REVENUES						
Investment Interest	\$ 9,311	\$ 4,000	\$ 4,000	\$ 18,760	469.01%	\$ 9,311
Other / Misc Revenue	-	-	-	-	-	-
Total Operating Revenue*	\$ 9,311	\$ 4,000	\$ 4,000	\$ 18,760	469.01%	\$ 9,311
OTHER FINANCING SOURCES						
Transfer from Other Funds	\$ -	\$ -	\$ -	\$ -	-	\$ -
Other Financing Sources	-	-	-	-	-	-
TOTAL REVENUES & OTHER SOURCES	\$ 9,311	\$ 4,000	\$ 4,000	\$ 18,760	469.01%	\$ 9,311
EXPENDITURES & OTHER USES:						
OPERATING EXPENDITURES						
Other / Misc Expense	\$ -	\$ -	\$ -	\$ -	-	\$ -
Total Operating Expenditures*	\$ -	\$ -	\$ -	\$ -	-	\$ -
* Operating Revenues over (under)						
Operating Expenditures	\$ 9,311	\$ 4,000	\$ 4,000	\$ 18,760		\$ 9,311
OTHER FINANCING USES						
Transfer to Other Funds - General	\$ -	\$ -	\$ 25,000	\$ 25,000	100.00%	\$ -
Transfer to Other Funds - Streets	-	-	-	-	-	-
Transfer to Other Funds -	-	-	-	-	-	-
Total Other Financing Uses	-	-	25,000	25,000	100.00%	-
TOTAL EXPENDITURES & OTHER USES	\$ -	\$ -	\$ 25,000	\$ 25,000	100.00%	\$ -
ENDING FUND BALANCES						
Reserved	\$ 818,619	\$ 816,708	\$ 797,619	\$ 812,379		\$ 818,619
Unreserved / Undesignated	-	-	-	-		-
ENDING FUND BALANCES	\$ 818,619	\$ 816,708	\$ 797,619	\$ 812,379		\$ 818,619
TOTAL EXPENDITURES, OTHER USES & FUND BALANCES						
	\$ 818,619	\$ 816,708	\$ 822,619	\$ 837,379		\$ 818,619

City of Milton
CAPITAL IMPROVEMENT FUND - 310
Fourth Quarter 2012 Financial Report

SOURCES & USES OF FUNDS	2011 Actual	2012 Adopted Budget	2012 Amended Budget	4th Qtr 2012 Actual	Percent of Budget	4th Qtr 2011 Actual
REVENUES and OTHER SOURCES:						
BEGINNING FUND BALANCES	\$ 859,605	\$ 682,473	\$ 308,775	\$ 308,775		\$ 859,605
OPERATING REVENUES						
Transportation Impact Fees	\$ 20,099	\$ -	\$ -	\$ -	-	\$ 20,099
Grant Proceeds	3,267	2,115,621	2,115,621	879,219	41.56%	3,267
PWTF Loan Proceeds	-	-	-	49,770	-	-
Investment Earnings	2,582	-	-	355	-	2,582
Other / Misc Revenue	-	-	-	-	-	-
Total Operating Revenue*	\$ 25,948	\$ 2,115,621	\$ 2,115,621	\$ 929,343	43.93%	\$ 25,948
OTHER FINANCING SOURCES						
Transfer from Other Funds	\$ -	\$ -	\$ -	\$ -	-	\$ -
Transfer In - REET	-	126,000	126,000	-	0.00%	-
Other Sources	-	-	-	-	-	-
Other Financing Sources	-	126,000	126,000	-	0.00%	-
TOTAL REVENUES & OTHER SOURCES	\$ 25,948	\$ 2,241,621	\$ 2,241,621	\$ 929,343	41.46%	\$ 25,948
EXPENDITURES & OTHER USES:						
OPERATING EXPENDITURES						
Administration	-	-	-	-	-	-
Customer Service	-	-	-	-	-	-
Operations	-	-	-	-	-	-
Other / Misc Expense	-	-	-	-	-	-
Total Operating Expenditures*	\$ -	\$ -	\$ -	\$ -	-	\$ -
* Operating Revenues over (under)						
Operating Expenditures	\$ 25,948	\$ 2,115,621	\$ 2,115,621	\$ 929,343		\$ 25,948
CAPITAL EXPENDITURES						
(#23) Milton Way 23rd -28th	\$ 177,610	\$ -	\$ -	\$ 131,395	-	\$ 177,610
Milton Way Sidewalks	-	762,250	762,250	-	0.00%	-
(#02, #90) Milton Way 11th -15th	385,380	-	17,960	17,957	99.98%	385,380
(#35) Milton Way Overlay	-	-	-	-	-	-
(#67) ADA Improvements-I	-	62,000	62,000	547	0.88%	-
(#68) ADA Improvements-II	-	62,000	62,000	-	0.00%	-
(#03) 20th Ave Ct / Hylebos Ct.	-	64,455	64,455	-	0.00%	-
(#04) Jovita Blvd	907	500,000	500,000	345,458	69.09%	907
(#62) 7th Avenue	-	-	-	-	-	-
Taylor Street Sidewalks	-	300,000	300,000	-	0.00%	-
Taylor Street Overlay	-	403,913	403,913	-	0.00%	-
Porter Way Projects	-	402,300	402,300	34,488	8.57%	-
Triangle Park/Field Improv	-	12,000	12,000	9,148	76.23%	-
Activity Ctr/Mansard Rrepair	-	25,000	25,000	-	0.00%	-
Other Capital Projects	-	-	-	-	-	-
Total Capital Expenditures	\$ 563,898	\$ 2,593,918	\$ 2,611,878	\$ 538,994	20.64%	\$ 563,898
OTHER FINANCING USES						
Debt Service Principal (HVAC)	\$ 23,275	\$ 8,175	\$ 8,175	\$ 8,175	100.00%	\$ 23,275
Debt Service Interest (HVAC)	1,656	135	135	216	159.76%	1,656
Prior Period Correction	(12,050)	-	-	-	-	(12,050)
Other Interfund Transfers	-	-	-	-	-	-
Total Other Financing Uses	12,881	8,310	8,310	8,391	100.97%	12,881
TOTAL EXPENDITURES & OTHER USES	\$ 576,778	\$ 2,602,228	\$ 2,620,188	\$ 547,384	20.89%	\$ 576,778
ENDING FUND BALANCES						
Reserved for Capital Expenditures	308,775	321,866	(69,792)	690,733		308,775
Unreserved / Undesignated	-	-	-	-		-
ENDING FUND BALANCES	\$ 308,775	\$ 321,866	\$ (69,792)	\$ 690,733		\$ 308,775
TOTAL EXPENDITURES, OTHER USES & FUND BALANCES						
	\$ 885,553	\$ 2,924,094	\$ 2,550,396	\$ 1,238,118		\$ 885,553

City of Milton
ELECTRIC UTILITY FUND - 401
Fourth Quarter 2012 Financial Report

SOURCES & USES OF FUNDS	2011 Actual	2012 Adopted Budget	2012 Amended Budget	4th Qtr 2012 Actual	Percent of Budget	4th Qtr 2011 Actual
REVENUES and OTHER SOURCES:						
BEGINNING FUND BALANCES	\$ 4,178,257	\$ 4,587,325	\$ 4,425,524	\$ 4,425,524		\$ 4,178,257
OPERATING REVENUES						
Electric Sales	\$ 4,113,641	\$ 4,500,000	\$ 4,500,000	\$ 4,049,875	90.00%	\$ 4,113,641
Penalties	68,738	72,000	72,000	66,809	92.79%	68,738
Connection Charges	2,075	2,000	2,000	1,275	63.75%	2,075
Pole Agreements	13,779	-	-	24,658	-	13,779
Rental Income	-	-	-	-	-	-
Reimb. - Materials & Other	13,461	-	-	609	-	13,461
Interfund Rental	25,040	25,040	25,040	25,038	99.99%	25,040
Other / Misc Revenue	120,571	5,000	5,000	22,268	445.36%	120,571
Investment Interest	16,594	55,000	55,000	22,206	40.38%	16,594
Total Operating Revenue*	\$ 4,373,899	\$ 4,659,040	\$ 4,659,040	\$ 4,212,737	90.42%	\$ 4,373,899
OTHER FINANCING SOURCES						
Transfer from Other Funds	\$ -	\$ -	\$ -	\$ -	-	\$ -
Other Financing Sources	-	-	-	-	-	-
TOTAL REVENUES & OTHER SOURCES	\$ 4,373,899	\$ 4,659,040	\$ 4,659,040	\$ 4,212,737	90.42%	\$ 4,373,899
EXPENDITURES & OTHER USES:						
OPERATING EXPENDITURES						
Administration	\$ 111,842	\$ 112,541	\$ 113,541	\$ 236,930	208.67%	\$ 111,842
Customer Service - <i>Shared Costs</i> *	168,001	119,024	119,024	148,215	124.53%	168,001
Operations	905,313	912,226	964,226	909,435	94.32%	905,313
Energy purchased for resale	2,123,696	2,687,000	2,687,000	2,250,102	83.74%	2,123,696
Utility Tax	253,582	270,000	300,000	249,553	83.18%	253,582
Electric Excise Tax	156,419	180,000	180,000	148,281	82.38%	156,419
Other / Misc Expense	-	-	-	-	-	-
Total Operating Expenditures*	\$ 3,718,853	\$ 4,280,791	\$ 4,363,791	\$ 3,942,515	90.35%	\$ 3,718,853
* Operating Revenues over (under) Operating Expenditures						
	\$ 655,046	\$ 378,250	\$ 295,250	\$ 270,223		\$ 655,046
CAPITAL EXPENDITURES						
AMR Metering Project	\$ 175,460	\$ -	\$ -	\$ 7,199	-	\$ 175,460
Capacitor Banks	-	-	-	-	-	-
Other Improvements	-	-	-	-	-	-
Machinery / Equipment	-	-	-	-	-	-
Construction / Capital Assets	-	-	-	-	-	-
Total Capital Expenditures	\$ 175,460	\$ -	\$ -	\$ 7,199	-	\$ 175,460
OTHER FINANCING USES						
Debt Service Principal	\$ -	\$ -	\$ -	\$ -	-	\$ -
Debt Service Interest	-	-	-	-	-	-
Capital Lease	7,040	-	6,711	7,040	104.90%	7,040
Transfer Out - General Fund/ <i>Shared Costs</i> *	183,560	56,100	56,100	56,100	100.00%	183,560
Transfer Out - Vehicle Repair & Maintenance	41,719	40,000	40,000	63,343	158.36%	41,719
Transfer to Electric/Capital Fund	-	-	-	-	-	-
Total Other Financing Uses	232,319	96,100	102,811	126,483	123.02%	232,319
TOTAL EXPENDITURES & OTHER USES	\$ 4,126,632	\$ 4,376,891	\$ 4,466,602	\$ 4,076,196	91.26%	\$ 4,126,632
ENDING FUND BALANCES						
Reserved	929,713	1,070,198	1,090,948	985,629		929,713
Unreserved / Undesignated	3,495,811	3,799,277	3,527,015	3,576,437		3,495,811
ENDING FUND BALANCES	\$ 4,425,524	\$ 4,869,475	\$ 4,617,963	\$ 4,562,065		\$ 4,425,524
TOTAL EXPENDITURES, OTHER USES & FUND BALANCES						
	\$ 8,552,156	\$ 9,246,365	\$ 9,084,564	\$ 8,638,261		\$ 8,552,156

City of Milton
WATER UTILITY FUND - 403
Fourth Quarter 2012 Financial Report

SOURCES & USES OF FUNDS	2011 Actual	2012 Adopted Budget	2012 Amended Budget	4th Qtr 2012 Actual	Percent of Budget	4th Qtr 2011 Actual
REVENUES and OTHER SOURCES:						
BEGINNING FUND BALANCES	\$ 3,979,823	\$ 3,226,325	\$ 3,481,600	\$ 3,481,600		\$ 3,979,823
OPERATING REVENUES						
Water Sales	\$ 2,057,537	\$ 2,090,000	\$ 2,090,000	\$ 2,061,441	98.63%	\$ 2,057,537
Cert. of Availability	-	-	-	-	-	-
Penalties	21,935	22,000	22,000	23,007	104.58%	21,935
Connection Charges	5,839	4,000	4,000	13,422	335.54%	5,839
Reserve Fees - Well Construction	21,753	15,000	15,000	8,823	58.82%	21,753
Reserve Fees - Tank Storage	8,434	7,000	7,000	14,446	206.36%	8,434
Rent - Clearwire Antenna	36,743	48,000	48,000	64,670	134.73%	36,743
Sale of Scrap	2,116	3,000	3,000	46	1.54%	2,116
Reimb. - Materials & Other	402	-	-	-	-	402
Other / Misc Revenue	13,623	5,000	5,000	13,086	261.72%	13,623
Investment Interest	33,355	13,000	13,000	19,169	147.45%	33,355
Total Operating Revenue*	\$ 2,201,737	\$ 2,207,000	\$ 2,207,000	\$ 2,218,109	100.50%	\$ 2,201,737
OTHER FINANCING SOURCES						
Transfer from Other Funds	\$ -	\$ -	\$ -	\$ -	-	\$ -
Revenue Bond Proceeds	-	-	-	-	-	-
PWTF Loan Proceeds	-	-	-	-	-	-
Other Financing Sources	-	-	-	-	-	-
TOTAL REVENUES & OTHER SOURCES	\$ 2,201,737	\$ 2,207,000	\$ 2,207,000	\$ 2,218,109	100.50%	\$ 2,201,737
EXPENDITURES & OTHER USES:						
OPERATING EXPENDITURES						
Administration	\$ 109,303	\$ 97,251	\$ 97,251	\$ 86,692	89.14%	\$ 109,303
Customer Service - <i>Shared Costs*</i>	145,706	135,704	135,704	167,130	123.16%	145,706
Operations	731,561	937,530	937,530	761,387	81.21%	731,561
Utility Tax	125,743	117,600	117,600	125,295	106.54%	125,743
Water Excise Tax	80,391	98,000	98,000	56,580	57.73%	80,391
Other / Misc Expense	-	-	-	-	-	-
Total Operating Expenditures*	\$ 1,192,703	\$ 1,386,085	\$ 1,386,085	\$ 1,197,084	86.36%	\$ 1,192,703
* Operating Revenues over (under) Operating Expenditures						
	\$ 1,009,034	\$ 820,915	\$ 820,915	\$ 1,021,025		\$ 1,009,034
CAPITAL EXPENDITURES						
SR161 Water Main	\$ 1,360	\$ 75,000	\$ 75,000	\$ -	0.00%	\$ 1,360
AMR Metering Project	361,944	-	-	6,433	-	361,944
Corridor Well Treatment	641,251	-	-	55,520	-	641,251
15th Ave Booster Station	87,243	500,000	500,000	358,836	71.77%	87,243
15th Ave Tank Painting	9,283	-	-	133,139	-	9,283
434 Pressure Zone	10,422	520,000	520,000	520,171	100.03%	10,422
Birch Street Crossing	43,872	80,000	80,000	36,007	45.01%	43,872
Jovita Water Line	-	-	70,000	5,052	7.22%	-
Porter Way Water Project	-	-	-	32,983	-	-
Machinery / Equipment	-	-	-	-	-	-
Construction / Capital Assets	-	-	-	-	-	-
Total Capital Expenditures	\$ 1,155,376	\$ 1,175,000	\$ 1,245,000	\$ 1,148,142	92.22%	\$ 1,155,376
OTHER FINANCING USES						
Debt Service Principal	\$ 172,354	\$ 162,354	\$ 162,354	\$ 162,354	100.00%	\$ 172,354
Debt Service Interest	82,667	104,901	104,901	104,901	100.00%	82,667
Capital Lease	4,478	-	4,271	4,490	105.13%	4,478
Transfer Out - General Fund/ <i>Shared Costs*</i>	59,762	62,350	62,350	62,350	100.00%	59,762
Transfer Out - Vehicle Repair & Maintenance	32,620	48,000	48,000	30,511	63.57%	32,620
Transfer to Other Funds	-	-	-	-	-	-
Total Other Financing Uses	351,881	377,605	381,876	364,607	95.48%	351,881
TOTAL EXPENDITURES & OTHER USES	\$ 2,699,960	\$ 2,938,690	\$ 3,012,961	\$ 2,709,832	89.94%	\$ 2,699,960
ENDING FUND BALANCES						
Reserved	298,176	346,521	346,521	299,271		298,176
Reserved for Revenue Bond Projects	1,384,624	1,280,000	1,427,181	638,111		1,384,624
Unreserved / Undesignated	1,798,801	868,114	901,937	2,052,495		1,798,801
ENDING FUND BALANCES	\$ 3,481,600	\$ 2,494,635	\$ 2,675,639	\$ 2,989,877		\$ 3,481,600
TOTAL EXPENDITURES, OTHER USES & FUND BALANCES	\$ 6,181,560	\$ 5,433,325	\$ 5,688,600	\$ 5,699,709		\$ 6,181,560

City of Milton
STORM WATER FUND - 406
Fourth Quarter 2012 Financial Report

SOURCES & USES OF FUNDS	2011 Actual	2012 Adopted Budget	2012 Amended Budget	4th Qtr 2012 Actual	Percent of Budget	4th Qtr 2011 Actual
REVENUES and OTHER SOURCES:						
BEGINNING FUND BALANCES	\$ 890,988	\$ 716,526	\$ 626,113	\$ 626,113		\$ 890,988
OPERATING REVENUES						
Storm Drainage Sales	\$ 696,665	\$ 710,000	\$ 710,000	\$ 716,331	100.89%	\$ 696,665
Storm Inspection Fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other / Misc Revenue	-	-	-	1,555	-	-
Investment Interest	848	1,000	1,000	3,166	316.64%	848
Total Operating Revenue*	\$ 697,512	\$ 711,000	\$ 711,000	\$ 721,052	101.41%	\$ 697,512
OTHER FINANCING SOURCES						
Transfer from Other Funds	\$ -	\$ -	\$ -	\$ -	-	\$ -
Grant Proceeds	47,479	80,000	80,000	-	0.00%	47,479
PWTF Loan Proceeds	-	-	-	-	-	-
Other Financing Sources	47,479	80,000	80,000	-	0.00%	47,479
TOTAL REVENUES & OTHER SOURCES	\$ 744,991	\$ 791,000	\$ 791,000	\$ 721,052	91.16%	\$ 744,991
EXPENDITURES & OTHER USES:						
OPERATING EXPENDITURES						
Administration	\$ 157,732	\$ 227,860	\$ 247,860	\$ 180,305	72.74%	\$ 157,732
Customer Service - <i>Shared Costs</i> *	95,559	54,745	54,745	66,260	121.03%	95,559
Operations	214,306	176,269	176,269	141,742	80.41%	214,306
Utility Tax	42,123	42,600	37,600	42,952	114.23%	42,123
Storm Excise Tax	13,505	14,200	14,200	13,861	97.62%	13,505
Other / Misc Expense	-	-	-	-	-	-
Total Operating Expenditures*	\$ 523,225	\$ 515,674	\$ 530,674	\$ 445,121	83.88%	\$ 523,225
* Operating Revenues over (under) Operating Expenditures						
	\$ 174,287	\$ 195,326	\$ 180,326	\$ 275,931		\$ 174,287
CAPITAL EXPENDITURES						
Land / Improvements	\$ -	\$ -	\$ -	\$ -	-	\$ -
Buildings / Structures	-	-	-	-	-	-
Other Improvements	-	-	-	-	-	-
Machinery / Equipment	-	-	-	-	-	-
Construction / Capital Assets	-	-	-	-	-	-
Total Capital Expenditures	\$ -	\$ -	\$ -	\$ -	-	\$ -
OTHER FINANCING USES						
Debt Service Principal	\$ -	\$ -	\$ -	\$ -	-	\$ -
Debt Service Interest	-	-	-	-	-	-
Capital Lease	5,771	-	5,491	5,759	104.88%	5,771
Transfer Out - General Fund/ <i>Shared Costs</i> *	38,420	31,200	31,200	31,200	100.00%	38,420
Transfer Out - Vehicle Repair & Maintenance	6,253	8,500	8,500	6,547	77.03%	6,253
Transfer to Storm/Capital Fund	436,197	137,740	137,740	138,868	100.82%	436,197
Transfer to Other Funds	-	-	-	-	-	-
Total Other Financing Uses	486,641	177,440	182,931	182,374	99.70%	486,641
TOTAL EXPENDITURES & OTHER USES	\$ 1,009,866	\$ 693,114	\$ 713,605	\$ 627,496	87.93%	\$ 1,009,866
ENDING FUND BALANCES						
Reserved	130,806	128,919	132,669	111,280		130,806
Unreserved / Undesignated	495,307	685,494	570,840	608,389		495,307
ENDING FUND BALANCES	\$ 626,113	\$ 814,412	\$ 703,508	\$ 719,669		\$ 626,113
TOTAL EXPENDITURES, OTHER USES & FUND BALANCES						
	\$ 1,635,979	\$ 1,507,526	\$ 1,417,113	\$ 1,347,165		\$ 1,635,979

City of Milton
STORM WATER / CAPITAL FUND - 407
Fourth Quarter 2012 Financial Report

SOURCES & USES OF FUNDS	2011 Actual	2012 Adopted Budget	2012 Amended Budget	4th Qtr 2012 Actual	Percent of Budget	4th Qtr 2011 Actual
REVENUES and OTHER SOURCES:						
BEGINNING FUND BALANCES	\$ 319,995	\$ 871,768	\$ 697,733	\$ 697,733		\$ 319,995
OPERATING REVENUES						
Investment Interest	\$ 575	\$ 1,000	\$ 1,000	\$ 1,958	195.76%	\$ 575
Capital Contributions	-	-	-	-	-	-
Other / Misc Revenue	-	-	-	-	-	-
Total Operating Revenue	\$ 575	\$ 1,000	\$ 1,000	\$ 1,958	195.76%	\$ 575
OTHER FINANCING SOURCES						
Transfer from Storm Water Operating Fund	\$ 436,197	\$ 137,740	\$ 137,740	\$ 138,868	100.82%	\$ 436,197
Grant Proceeds	-	-	112,000	-	0.00%	-
PWTF Loan Proceeds	-	-	-	-	-	-
Other Financing Sources	436,197	137,740	249,740	138,868	55.61%	436,197
TOTAL REVENUES & OTHER SOURCES	\$ 436,772	\$ 138,740	\$ 250,740	\$ 140,826	56.16%	\$ 436,772
EXPENDITURES & OTHER USES:						
OPERATING EXPENDITURES						
Administration	\$ -	\$ -	\$ -	\$ -	-	\$ -
Customer Service	-	-	-	-	-	-
Operations	-	-	-	-	-	-
Other / Misc Expense	-	-	-	-	-	-
Total Operating Expenditures	\$ -	\$ -	\$ -	\$ -	-	\$ -
* Operating Revenues over (under) Operating Expenditures						
	\$ 575	\$ 1,000	\$ 1,000	\$ 1,958		\$ 575
CAPITAL EXPENDITURES						
Kent St Detention Pond	\$ 20,329	\$ 180,000	\$ 180,000	\$ 141,591	78.66%	\$ 20,329
11th Ave Pipe Installation	-	45,000	45,000	-	0.00%	-
City Ctr Stormwater Reroute	38,705	-	-	-	-	38,705
Emerald St Culvert Replacement	-	35,000	35,000	-	0.00%	-
Stormwater Treatment Facility	-	-	150,000	453	0.30%	-
7th Ave Stabilization	-	-	-	-	-	-
Total Capital Expenditures	\$ 59,034	\$ 260,000	\$ 410,000	\$ 142,044	34.64%	\$ 59,034
OTHER FINANCING USES						
Debt Service Principal	\$ -	\$ -	\$ -	\$ -	-	\$ -
Debt Service Interest	-	-	-	-	-	-
Transfer to Capital Improvement Fund	-	-	-	-	-	-
Transfer to Other Funds	-	-	-	-	-	-
Total Other Financing Uses	-	-	-	-	-	-
TOTAL EXPENDITURES & OTHER USES	\$ 59,034	\$ 260,000	\$ 410,000	\$ 142,044	34.64%	\$ 59,034
ENDING FUND BALANCES						
Reserved for Capital Expenditures	697,733	750,508	538,473	696,515		697,733
Unreserved / Undesignated	-	-	-	-		-
ENDING FUND BALANCES	\$ 697,733	\$ 750,508	\$ 538,473	\$ 696,515		\$ 697,733
TOTAL EXPENDITURES, OTHER USES & FUND BALANCES						
	\$ 756,767	\$ 1,010,508	\$ 948,473	\$ 838,559		\$ 756,767

City of Milton
VEHICLE REPAIR & MAINTENANCE FUND - 501
Fourth Quarter 2012 Financial Report

SOURCES & USES OF FUNDS	2011 Actual	2012 Adopted Budget	2012 Amended Budget	4th Qtr 2012 Actual	Percent of Budget	4th Qtr 2011 Actual
REVENUES and OTHER SOURCES:						
BEGINNING FUND BALANCES	\$ -	\$ -	\$ 3,138	\$ 3,138		\$ -
OPERATING REVENUES						
Investment Interest	\$ -	\$ -	\$ -	\$ -		\$ -
Capital Contributions	-	-	-	-		-
Other / Misc Revenue	-	-	-	-		-
Total Operating Revenue	\$ -	\$ -	\$ -	\$ -		\$ -
OTHER FINANCING SOURCES						
Transfer In - General Fund	\$ 34,854	\$ 10,000	\$ 10,000	\$ 18,967	189.67%	\$ 34,854
Transfer In - Streets	24,932	30,000	30,000	30,208	100.69%	24,932
Transfer In - Electric Utility	41,719	40,000	40,000	63,343	158.36%	41,719
Transfer In - Water Utility	32,620	48,000	48,000	30,511	63.57%	32,620
Transfer In - Storm Water	6,253	8,500	8,500	6,547	77.03%	6,253
Other Financing Sources	140,378	136,500	136,500	149,576	109.58%	140,378
TOTAL REVENUES & OTHER SOURCES	\$ 140,378	\$ 136,500	\$ 136,500	\$ 149,576	109.58%	\$ 140,378
EXPENDITURES & OTHER USES:						
OPERATING EXPENDITURES						
Salaries & Wages	\$ 58,403	\$ 58,543	\$ 58,543	\$ 60,227	102.88%	\$ 58,403
Benefits	30,320	32,564	32,564	32,641	100.24%	30,320
Supplies	29,839	27,500	27,500	32,396	117.80%	29,839
Professional Services	18,678	17,893	17,893	26,449	147.82%	18,678
Other / Misc Expense	-	-	-	-		-
Total Operating Expenditures	\$ 137,240	\$ 136,500	\$ 136,500	\$ 151,714	111.15%	\$ 137,240
* Operating Revenues over (under) Operating Expenditures	\$ (137,240)	\$ (136,500)	\$ (136,500)	\$ (151,714)		\$ (137,240)
CAPITAL EXPENDITURES						
	\$ -	\$ -	\$ -	\$ -		\$ -
Total Capital Expenditures	\$ -	\$ -	\$ -	\$ -		\$ -
OTHER FINANCING USES						
Transfer to Other Funds	\$ -	\$ -	\$ -	\$ -		\$ -
Total Other Financing Uses	-	-	-	-		-
TOTAL EXPENDITURES & OTHER USES	\$ 137,240	\$ 136,500	\$ 136,500	\$ 151,714	111.15%	\$ 137,240
ENDING FUND BALANCES						
Reserved for Capital Expenditures	-	-	-	-		-
Unreserved / Undesignated	3,138	-	3,138	1,000		3,138
ENDING FUND BALANCES	\$ 3,138	\$ -	\$ 3,138	\$ 1,000		\$ 3,138
TOTAL EXPENDITURES, OTHER USES & FUND BALANCES	\$ 140,378	\$ 136,500	\$ 139,638	\$ 152,714		\$ 140,378

Return to Agenda Bill



[Return to Agenda](#)

To: Mayor Perry and City Council Members
From: Subir Mukerjee, City Administrator
 Lisa Tylor, Finance Director
Date: February 19, 2013
Re: **2013 Budget Amendment #1**

ATTACHMENTS: Ordinance No. 1817-13

TYPE OF ACTION:

Information Only Discussion Action Public Hearing

Recommendation/Action: “I move to adopt the attached budget ordinance amending the 2013 Budget.”

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

Issue:

The attached ordinance would amend the 2013 budget to reflect actual Beginning Fund Balances. In addition, budgeted amounts will be transferred from the General Fund to the Community Events Fund following the formation of this new fund through Ordinance 1811-13, approved by Council on February 11, 2013.

Discussion: The primary purpose of this initial budget amendment is to adjust beginning fund balances, as adopted in the 2013 budget, to reflect actual financial results of 2012. The total beginning fund balance adjustment, for all funds, results in a decrease of \$295,206. A complete listing of *Budgeted* fund balance vs. *Actual* fund balance is included in the Ordinance. However, an explanation of the most significant adjustments are noted below:

General Fund

Adjustment of \$121,957 (increase)
 2012 total revenues were \$337,356 greater than projected
 2012 total expenditures were \$278,989 greater than projected
 2013 Beginning Fund Balance budgeted lower than necessary by approx. \$63,800

Fire/EMS Fund

Adjustment of \$17,943 (decrease)
 2012 total revenue was \$17,943 less than projected

Street Fund

Adjustment of \$42,305 (decrease)
 2012 total revenues were \$29,939 less than projected
 2012 total expenditures were \$12,367 greater than projected

⇒ Net adjustment to “General Fund” (General, Fire/EMS and Streets) = **\$61,709 (increase)**

Other funds to note:

REET1 and REET2

Combined adjustment of \$190,606 (increase)

2012 Real Estate Excise Tax was \$190,493 greater than projected

Received \$171,075 in REET revenue in the month of December!

Electric Utility

Adjustment of \$866,620 (decrease)

2012 total revenues were \$1,017,958 less than projected

Early projections (June/July) of annual Electric Fee revenue were optimistically high

2012 total expenditures were \$142,654 less than projected

Water Utility

Adjustment of \$355,285 (increase)

2012 total revenues were \$168,458 more than projected

2012 total expenditures were \$187,000 less than projected

2012 capital expenditures were \$128,518 less than projected

Storm Water Operating Fund

Adjustment of \$196,668 (decrease)

2012 total revenues were \$16,406 less than projected

2012 total expenditures were \$62,161 more than projected

An error has been identified in the 2013 Budget document (Pg.159); the amount shown as "2011 Beginning Fund Balance" should be \$890,988, not the \$1,007,713 as shown. It is evident that the 2010 and 2011 columns on this page, for Beginning Balance, were not updated correctly. The error has been corrected. A corrected version of this page will be provided to Council.

As the current year progresses and "budget" vs. "actual" activity levels are analyzed, we may find it necessary to bring forward a second amendment to the 2013 budget. This would most likely occur mid-year, and possibly in conjunction with development of the 2014 annual budget.

**CITY OF MILTON
ORDINANCE 1817-13**

**AN ORDINANCE OF THE CITY OF MILTON, WASHINGTON;
AMENDING ORDINANCE NO. 1805-12 ADOPTING THE ANNUAL
BUDGET OF THE CITY OF MILTON FOR THE FISCAL YEAR
ENDING DECEMBER 31, 2013; PROVIDING FOR SEVERABILITY;
AND ESTABLISHING AN EFFECTIVE DATE.**

WHEREAS, the Milton City Council adopted the 2013 budget pursuant to Ordinance No.1805-12; and

WHEREAS, this adjustment will reflect the actual beginning fund balances versus the budgeted beginning fund balances for 2013, and

WHEREAS, on February 11, 2013 the City Council approved the formation of a “Community Events Fund” requiring the transfer of budgeted amounts from the General Fund to the Community Events Fund; and

WHEREAS, there are some adjustments necessary to reflect unanticipated revenues and expenditures for 2013; 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 2013 budget, as adopted in Ordinance 1805-12 is hereby amended as set forth below.

2013 Amended Budget, By Fund

FUND:	2013 Adopted Beginning Fund Balance	2013 Adopted Ending Fund Balance	2013 Beginning Fund Balance Adjustments	2013 Amend #1 Revenue Adjustments	2013 Amend #1 Expend Adjustments	2013 Amended Ending Fund Balance
<u>General Government Funds -</u>						
General	\$ 606,497	\$ 723,802	\$ 121,957	(19,000)	1,600	\$ 828,359
Fire/EMS	75,996	6,477	(17,943)	11,500	-	34
<u>Special Revenue Funds -</u>						
Streets	64,705	25,686	(42,305)	-	-	(16,619)
Strategic Reserve	802,819	807,819	9,560	-	-	817,379
Drug Seizure	2,894	2,894	10,050	-	-	12,944
Criminal Justice	196,614	169,824	57,279	-	-	227,103
Community Events Fund	-	-	212	19,000	(13,100)	6,112
Reserve Officers	3,303	3,303	806	-	-	4,109
Muni. Cap. Improvement (REET1)	89,416	5,420	95,335	-	-	100,755
Muni. Cap. Improvement (REET2)	75,471	87,471	95,271	-	-	182,742
Traffic Impact Fees	17,357	20,357	(584)	-	-	19,773
<u>Capital Improvement Funds:</u>						
Capital Improvement	697,857	420,560	47,213	-	-	467,773
<u>Enterprise Funds -</u>						
Electric Utility	5,428,685	5,452,225	(866,620)	-	-	4,585,605
Water Utility	2,634,528	2,420,725	355,285	-	-	2,776,010
Storm Water Operations	916,308	878,020	(196,668)	-	-	681,352
Storm Water Capital	661,568	619,223	34,947	-	-	654,170
<u>Internal Service Funds -</u>						
Vehicle Repair & Maintenance	-	771	1,000	-	-	1,771
	\$ 12,274,018	\$ 11,644,577	\$ (295,206)	\$ 11,500	\$ (11,500)	\$ 11,349,371

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 19th day of February, 2013.

Debra Perry, Mayor

Attest/Authenticated:

Lisa Tylor, Finance Director/City Clerk

Return to Agenda Bill

Approved as to form:

Bio F. Park, City Attorney

Date of Publication: February 22, 2013

Effective Date: February 27, 2013



[Return to Agenda](#)

To: Mayor Perry and City Council Members
From: City Administrator, Mukerjee
Public Works Director, Neal
Date: February 19, 2013
Re: **Veterans Memorial Lighting**

ATTACHMENTS: N/A

TYPE OF ACTION:

Information Only Discussion Action Expenditure Required:

Recommendation/Action: Move to approve lighting of the Veterans Memorial and its components.

Previous Council Review: January 7, & February 11, 2013.

Issue: At the February 11th meeting, Council directed staff to bring back a less confusing and simpler ordinance language on allowing lighting of the Veterans Memorial.

Discussion:

At last week's council meeting, Council felt that the proposed ordinance amendment language was confusing and requested staff bring back a simpler language.

While reviewing the code on how to accomplish that, it became apparent that the reason that the language was confusing was because MMC 12.16.165 addresses the hours when the parks are open, and not lighting of parks.

So after consulting with the city attorney, it has become clear that the decision on whether to light a portion of a park does not require an ordinance amendment. It can be authorized by the Council or by the Mayor if there is no budgetary constraint.

Passage of the recommended motion would allow lighting of the veterans memorial.



Agenda Item #: 7D

[Return to Agenda](#)

To: Mayor Perry and City Council Members
From: Public Works Director Neal
Date: February 19, 2013
Re: **Traffic Signal LED conversion – funding opportunity**

ATTACHMENTS: A. BPA traffic signal LED reimbursement

TYPE OF ACTION:

Information Only Discussion Action Expenditure Required: \$17409 est.

Recommendation/Action: “I move to authorize the traffic signal LED conversion effort at an estimated total cost of \$17,409 and approve a budget adjustment to cover the expense from the General Fund ending fund balance.”

Fiscal Impact/Source of Funds: The cost of this conversion should come out of the Street Fund / General Fund. As this is not a budgeted project for 2013, a budget adjustment to utilize the ending fund balance is recommended.

Previous Council Review: N/A

Issue: The traffic signal industry is converting to LED bulbs and phasing out the traditional incandescent bulbs. BPA is offering a substantial financial incentive to convert traffic signal bulbs over to LED technology.

Background: The Energy Independence and Security Act of 2007 required, among other things, light bulb manufacturers to improve the efficiency of incandescent bulbs by 25 percent. The details of the law also dictated a phase-out of the manufacturing of certain bulbs in their current incarnation, starting with 100-watt bulbs in January 2012. The law did not ban the use or manufacture of all incandescent bulbs, nor does it mandate the use of compact fluorescent ones. It simply requires that companies make some of their incandescent bulbs work a bit better, meeting a series of rolling deadlines between 2012 and 2014.

Meanwhile, with the traffic signal industry changing over to new LED technologies, the passage of this law and its requirements means that it is no longer going to be profitable for traffic signal lamp manufacturers to produce the standard incandescent lamps in limited quantities. The price for a 69-watt incandescent lamp used in a standard traffic signal quadrupled in price in 2012 alone. Most of the manufacturers of traffic signal bulbs are no longer producing the incandescent lamps or will be discontinuing production in the near future.

Half of the traffic signals in Milton are already using LED technology: Milton Way / 23rd Avenue, Milton Way / 27th Avenue, Milton Way / 28th Avenue, and the school zone flashing lights. Converting the remainder of Milton's traffic signals to LED technology will be necessary before all manufacturing of incandescent traffic signal bulbs is discontinued.

Discussion: There is a substantial initial investment in converting to the LED bulbs in traffic signals, but this cost will be offset by energy savings and reduced maintenance costs:

- Part of our contract for traffic signal maintenance with Pierce County includes annual re-lamping which is changing out all of the bulbs in the traffic signals for new ones. Annual re-lamping costs the City approximately \$4000 each year. LED bulbs have a significantly longer lifespan than incandescents and do not need to be changed out every year, which would reduce our annual traffic signal maintenance costs.
- Despite the annual re-lamping program, traffic signal bulbs periodically go dark and have to be replaced. Our Pierce County signal maintenance contract includes call-outs for bulb replacement. Each time Pierce County's signal crew is called out for a burnt out traffic signal bulb costs approximately \$300.
- LED technology uses significantly less energy than traditional incandescent bulbs. Converting the City's remaining incandescent traffic signals to LED technology will save the City an estimated 58,980 kwh/year which at our current electric rates equals \$4,028 annually. Those annual savings will be seen in the Street Fund / General Fund.

BPA has established an Energy Efficiency Incentive (EEI) funding program which provides reimbursements for certain energy conservation efforts that an electric provider makes. There are numerous energy efficiency opportunities offered by BPA that are eligible for EEI reimbursement – converting traffic signals from incandescent bulbs to LED technology is one of them.

Until the end of March 2013, BPA is offering a financial incentive of approximately 60% of the cost of materials. After March 31st, the incentive drops dramatically to only

approximately 25% of the cost of materials. Refer to Attachment for a summary of material costs and BPA reimbursements both before and after March 31st.

The City of Milton is scheduled for annual re-lamping in March. If we wish to take advantage of the current BPA incentive, Pierce County has committed to working with us to not only meet the March 31st deadline but also to limit the cost of labor to complete this work which is estimated at \$8,000.

Summary of costs and savings:

Total estimated cost (materials plus labor by Pierce County)	\$26,114
Reimbursement by BPA (if completed by 3/31/2013)	<u>(\$ 8,705)</u>
Final cost to City	\$17,409

Assuming two (2) callouts for Pierce County to replace a burnt out incandescent traffic signal bulb each year, and projected energy savings of \$4,028 annually with LED technology, this conversion will pay for itself in 4 years and then continue to save the City money every year thereafter.



					Annual Savings @ Generator Busbar (kwh/yr)	Reimbursement b/f 3/31	Reimbursement after 3/31	Quoted Cost Per	Net Cost b/f 3/31	Net Cost after 3/31
LED Traffic Signals	Don't Walk	Large			928.00	\$ 90.00	\$ 30.00	\$262.00	\$172.00	\$232.00
LED Traffic Signals	Left Turn Bay	12 inch	Green		245.00	\$ 60.00	\$ 30.00	\$70.00	\$10.00	\$40.00
LED Traffic Signals	Left Turn Bay	12 inch	Red		881.00	\$ 60.00	\$ 30.00	\$51.00	-\$9.00	\$21.00
LED Traffic Signals	Left Turn Bay	12 inch	Yellow		34.00	\$ 30.00	\$ 30.00	\$31.00	\$1.00	\$1.00
LED Traffic Signals	Thru Lane	12 inch	Green		539.00	\$ 115.00	\$ 30.00	\$115.00	\$0.00	\$65.00
LED Traffic Signals	Thru Lane	12 inch	Red		637.00	\$ 60.00	\$ 30.00	\$47.00	-\$13.00	\$17.00
LED Traffic Signals	Thru Lane	12 inch	Yellow		40.00	\$ 30.00	\$ 30.00	\$95.00	\$65.00	\$65.00

By Intersection:	RED	YELLOW	GREEN	GREEN ARROW	PED	Quoted Cost Per	Net Cost b/f 3/31	Net Cost after 3/31
------------------	-----	--------	-------	-------------	-----	-----------------	-------------------	---------------------

Milton Way & 19th Ave This includes full upgrade of all 8 heads to 12" from 8" w/ housing \$8,185.00 \$ 5,825.00 \$ 7,305.00

Milton Way & Porter Way 8 8 8 2 8 \$4,292.00 \$1,812.00 \$3,272.00

Milton Way & Yuma St Arrow 13 13 13 4 6 \$5,637.00 \$1,772.00 \$3,927.00

* Materials Only Total City Project: \$18,114.00 \$9,409.00 \$14,504.00