

FIRST QUARTERLY OPERATING REPORT FISCAL YEAR 2010-2011

EXECUTIVE SUMMARY

November 15, 2010

The Quarterly Operating Report is produced and published on the City's web site within 45 days of the close of each fiscal quarter based on Financial Policy 10.04.040, then shared with the City Council's Administrative Services Committee to provide citizens, the Budget Commission and City Council with information about the City's financial performance for the quarter.

This Executive Summary provides highlights of the City's financials, and includes, as an appendix, a reader's guide to some of the terminology used throughout the report. The remainder of the report covers:

- The revenue and expenditure performance for each of the operating funds in an income statement format that includes operating and non-operating revenues, expenditures and total fund activities. The first income statement presented in that section shows results year-to-date for all property tax funds combined.
- Departmental information including updated performance measures for the quarter as well as accomplishments and pending work plan items. This section also includes a report on vacancies;
- Capital Improvement Program (CIP) status report on the various projects underway year-to-date; and
- An update on City Council Values and Goals.

The FY 10-11 budget was prepared and adopted during a time of national economic recession. High unemployment, declining property values, and slowed development, as well as significantly lower than historical results in FY 09-10, were all taken into account when preparing the budget. Despite these factors, demand for many City services has never been higher, which in the face of the relatively flat or declining revenue stream is having a negative impact on fund balances across the organization.

At the end of the first quarter, market analysts have stated that Oregon is showing continued signs of a slowdown or "pause" in economic activity and the current Chairman of the Federal Reserve describes the economic outlook as "unusually uncertain." Unemployment rates in Oregon and nationally were hovering around 10% at the end of September, although Corvallis has continued to fare better at 7.5% on a seasonally adjusted basis. The September employment report showed a reduction of 95,000 jobs. Currently, in FY 10-11 the Federal economic stimulus that was so prominent in FY 09-10 has subsided as American Recovery and Reinvestment Act (ARRA) projects are finished or nearing completion.

Overall, the City's financial performance through the first quarter of the fiscal year generally has been as expected. Revenue and expenditure patterns are close to historical patterns (i.e., Parks & Recreation usually spends more than 25% of its budget in the busy summer months, and that was true this quarter as well). The economy continues to impact the pace of residential building, but large projects from OSU have stabilized development revenues for the time being. In some cases, the percentage of revenues received compared to budget may belie what remains relatively poor revenue performance, due to reduced revenue estimates. This may hold true for some charges for service or fee-related revenues such as Parks and Recreation activities and System Development Charges where numbers may have been revised down due to the economy, but appear to be performing better because they are exceeding estimated amounts.

Expenditures are generally very close to last year's spending levels as of the first quarter of the fiscal year. Departments are actively controlling expenditures in FY 10-11 in an effort to attain an adequate fund balance at the end of the year.

The following table compares year-to-date actuals with budget for all funds in both FY 10-11 and FY 09-10:

REVENUE	AMENDED BUDGET	UNAUDITED FY 10-11	FY 10-11 % REC/EXPEND	AMENDED BUDGET	Y-T-D FY 09-10	FY 09-10 % REC/EXPEND
Budgeted Fund Balance	\$40,494,356					
Property Taxes	\$21,208,240	\$137,897	0.65%	\$20,961,130	\$149,127	0.71%
Other Tax	1,036,190	207,716	20.05%	1,194,350	196,193	16.43%
Licenses/Permits	6,844,580	1,339,977	19.58%	6,886,740	1,278,716	18.57%
Charges for Service	38,306,510	10,166,587	26.54%	38,215,330	10,218,720	26.74%
Intergovernmental	17,642,655	480,391	2.72%	16,821,175	591,943	3.52%
Fines/Forfeitures	1,365,570	264,004	19.33%	1,413,310	215,194	15.23%
Miscellaneous	2,648,600	688,932	26.01%	2,997,033	1,317,854	43.97%
Other Financing Sources/Transfers in	15,646,822	4,453,583	28.46%	14,304,855	3,262,195	22.80%
TOTAL CURRENT REVENUE	\$104,699,167	\$17,739,087	16.94%	\$102,793,923	\$17,229,942	16.76%
EXPENDITURE BY DEPARTMENT						
City Manager's Office	\$3,084,270	\$1,181,368	38.30%	\$3,111,770	\$1,134,416	36.46%
Community Development	8,276,960	1,306,665	15.79%	7,553,710	1,230,109	16.28%
Finance	4,995,400	1,198,118	23.98%	4,913,490	1,193,777	24.30%
Fire	10,626,930	2,569,080	24.18%	11,524,260	2,887,837	25.06%
Library	6,434,610	1,563,798	24.30%	6,473,870	1,516,541	23.43%
Park & Recreation	5,795,480	1,631,251	28.15%	6,023,513	1,697,891	28.19%
Police	12,479,418	3,176,234	25.45%	12,494,671	3,189,327	25.53%
Public Works	28,619,137	5,831,785	20.38%	31,247,784	6,367,739	20.38%
Non-Departmental	1,499,260	402,658	26.86%	1,824,820	420,442	23.04%
TOTAL OPERATING EXPENDITURES	\$81,811,465	\$18,860,957	23.05%	\$85,167,888	\$19,638,079	23.06%
Debt Service	\$8,162,110	\$1,247,475	15.28%	\$7,214,200	\$1,236,685	17.14%
Capital Projects	14,157,847	928,112	6.56%	11,866,610	1,222,246	10.30%
Transfers Out / Other Financing Uses	13,117,352	2,332,190	17.78%	13,582,235	3,250,974	23.94%
Contingencies/Reserves	1,322,520	0	0.00%	1,585,740	0	0.00%
TOTAL ALL EXPENDITURES	\$118,571,294	\$23,368,734	19.71%	\$119,416,673	\$25,347,984	21.23%
CURRENT REVENUES LESS TOTAL EXPENDITURES						
	(\$13,872,127)	(\$5,629,647)		(\$16,622,750)	(\$8,118,042)	

In general, the status of the City's finances was in line with expectations at the end of the first quarter. Year-to-date revenues of \$17,739,087 are at 16.94% of the Amended Total Revenue Budget of \$104,699,167. The Amended Budget reflects the adopted budget, plus any amendments approved by the City Council via resolution during the course of the fiscal year. In the first quarter of FY 10-11, the following amendments to the budget were approved:

Date	Amendment Type	Resource	Fund	Department	Net Expenditure Impact
7/19/10	Res - Grant	LSTA Grant	Library	Library	\$50,000
7/19/10	Res - Grant	EPA Storm Grant	Storm	Public Works	14,737
9/7/10	Res - Grant	DOJ Byrne Grant	General	Police	13,478
Total Increase:					\$78,215

Significant revenue highlights include:

- **Property taxes** totaled \$137,897 through the first quarter which equals 0.65% of the budgeted property tax revenue. The majority of property taxes for the fiscal year are typically collected in the second quarter. The first quarter's payments relate strictly to delinquent collections, which are down slightly from last year probably due to the economy.
- **Other Taxes** are collected from hotels in the form of room taxes and totaled \$207,716 or 20.05% of budget as of first quarter-end. Transient room taxes are typically below budget in the first quarter of the year due to a one-month lag on revenue turnover, with the first month's receipts having been accrued back to the prior year. Nevertheless, summer seasonality and early football season hotel stays have led to slightly better results thus far in FY10-11 compared to last year at the same time.
- **Licenses, Fees and Permits** totaled \$1,339,977 which represents 19.58% of the amended budget and is a higher amount than collected over the same period in FY 09-10. While franchise fees are underperforming year-to-date, a probable rate increase for Pacific Power this fall could offset projected shortfalls brought on by utility conservation efforts. The transportation maintenance fee collections are on target and Development Service permit fees are higher than expected due to ongoing large projects at OSU.

- **Charges for Services** were \$10,166,587 which represents 26.54% of the amended budget. These revenues appear to be on target with budget and last year. However, given the seasonal influence on most of these receipts, the summer months would normally have higher percentage results; a continued slow economy and virtually no residential development are considered the culprits.
- **Intergovernmental** revenues are below target year-to-date but comparable to last year's actuals at \$480,391 or 2.72%. The receipt of grant monies tends to be volatile and highly dependent on timing of related expenditures. It should be noted that there are several intergovernmental payments related to FY 10-11 that have not yet been received, but are typically expected in the second quarter (Benton County Library District payment, Transit Operating Grant, JARC Grant, Home Grant, etc.)
- **Interest earnings** totaled \$53,244 at the end of the first quarter, which represents 22.74% of the budgeted interest and is also only 65% of last year at this same point in time. The reduced receipts level is attributed to the significant and continued decline of interest rates as well as lower cash balances upon which interest is earned.

Operating expenditures for all funds totaled \$18,860,957 or 23.05% of the Amended Operating Expenditure Budget. Non-operating expenditures, which include capital projects, transfers, debt service, and contingency, totaled \$4,507,776 or 12.26% of the \$36,759,829 Amended Non-Operating Budget. In total, expenditures for the first quarter were \$23,368,733 or 19.71% of the \$118,571,294 budgeted compared to 21.23% for last fiscal year. A breakdown of departmental expenditures by category is provided below:

OPERATING EXPENDITURES BY DEPARTMENT

DEPARTMENT	AMENDED BUDGET	PERSONAL SERVICES	SUPPLIES & SERVICES	CAPITAL OUTLAY	TOTAL EXPENDITURES	% OF AMENDED BUDGET
<i>Total Budget by Category</i>		\$45,326,660	\$34,475,645	\$2,009,160	\$81,811,465	
City Manager's Office	\$3,084,270	\$295,236	\$886,132	\$0	\$1,181,368	38.30%
Community Development	8,276,960	809,210	497,455	0	1,306,665	15.79%
Finance	4,995,400	828,712	364,372	5,034	1,198,118	23.98%
Fire	10,626,930	2,142,884	426,300	(104)	2,569,080	24.18%
Library	6,434,610	946,080	617,718	0	1,563,798	24.30%
Parks & Recreation	5,795,480	1,123,377	507,875	0	1,631,251	28.15%
Police	12,479,418	2,385,478	790,756	0	3,176,234	25.45%
Public Works	28,619,137	2,738,892	3,067,045	25,849	5,831,785	20.38%
Non Department	1,499,260	0	402,658	0	402,658	26.86%
TOTAL	\$81,811,465	\$11,269,868	\$7,560,309	\$30,779	\$18,860,957	23.05%
Percent of Budget		24.86%	21.93%	1.53%	23.05%	

Significant expenditure highlights include:

- **Personal services** totaled \$11,269,868 or 24.86% of the amended budget of \$45,326,660 and was in line with the percent of budget spent in FY 09-10, though more than \$380,000 higher due to cost of living and associated benefit increases.
- **Supplies and Services** totaled \$7,560,309 or 21.93% of the amended budget of \$34,475,645. The dollars spent in FY 10-11 are 7% lower than the amount spent in the same period in FY 09-10 due primarily to the slowdown of ARRA grant funded projects in the Public Works department (down 16%), specifically the Street Fund.
- **Capital Outlay** totaled \$30,779 or 1.53% of the amended budget of \$2,009,160. The dollars spent in FY 10-11 are approximately \$600,000 less than in the same period in FY 09-10 due in part to the FY 09-10 replacement purchase by the Fire Department of a ladder truck. Capital purchases do not tend to follow a regular pattern other than to typically weight toward the end of the fiscal year to provide flexibility that sufficient budget remains for the acquisition.

NON OPERATING EXPENDITURES

- **Capital projects** totaled \$928,112 or 6.56% of the amended budget of \$14,157,847. Capital project expenditures tend to fluctuate year-over-year, and there are always projects that are either carried forward into following years or simply don't come to fruition. For FY 10-11, several projects have yet to begin. The City Hall Seismic project is set to begin in the second quarter as will a couple of other utility projects.
- **Debt service** payments totaled \$1,247,475 or 15.28% of the amended budget of \$8,162,110, which is similar to last year's levels.
- **Transfers and Other Financial Uses** totaled \$2,332,190 or 17.78% of the amended budget of \$13,117,352. The majority of the transfers are related to capital projects. See the Capital Improvement Program section for information on the status of capital projects.

As always, if you have questions or concerns about the information in this report, please do not hesitate to contact me at (541) 766-6990 or via e-mail at nancy.brewer@ci.corvallis.or.us.

Nancy Brewer
Finance Director

READER'S GUIDE TO QUARTERLY OPERATING REPORT – TERMINOLOGY APPENDIX

REVENUES

Below are listed the various revenue categories, the major elements in those revenue types, and the funds which have the revenue type as a major revenue source:

Property Tax Revenues - Property taxes provide approximately half of the operating revenue for programs in the property tax supported funds and all of the revenue for general obligation debt. Property taxes are found in the General, Parks and Recreation, Fire and Rescue, Transit, Library and General Obligation Debt Service Funds. The majority of the property tax revenues are received in the second quarter.

Other Taxes - Transient Room Taxes are taxes on hotel and motel occupancy and reflect their usage rate. The City currently levies a room tax of 9% of the room costs on all transient lodging in the City limits. These revenues tend to be somewhat seasonal and subject to volatility depending on economic conditions.

License, Fees & Permits - Franchise Fees provide approximately 35% of the operating revenue in the General Fund. In addition to right-of-way fees charged to local utility companies, franchise fees are also assessed against and paid for by the City's water, wastewater, and storm water utilities. Revenues for park use permits, sound and camping permits are received in the Parks & Recreation Fund, and tend to be seasonal in nature. Building permit revenue is recorded in the Development Services Fund. Parking lot space fees and residential parking permits are received in the Parking Fund while transportation maintenance fees and right of way permits are received in the Street Fund.

Charges for Services - General Fund charges include development review charges and rental charges for City owned buildings. The Parks and Recreation Fund generates revenue from recreation programs and System Development Charges (SDC's). Charges for Police and Fire 911 services are received in the 911 Emergency Fund. Water, sewer and drainage user fees and SDC's are received in the Water, Wastewater, and Storm Water Funds. The Airport Fund receives revenues for hangar rentals, fuel sales, and seed crops. The Internal Service Funds (Technology and Communications, Administrative Services, Fleet, Facility Maintenance, and Risk Management) receive payments for services provided to other city departments.

Intergovernmental - State sharing revenues include cigarette, liquor, 911 and highway taxes and currently make up approximately 27.90% of amended budget intergovernmental revenues. Benton County Intergovernmental funds for Library support make up approximately 13.85% of intergovernmental revenues and are primarily received in the second quarter since they are tied to property tax turnovers. Projected grant revenue makes up nearly 54.63% of the intergovernmental revenue amended budget. The receipt of grant monies tends to be volatile and highly dependent on timing of related expenditures. The remaining 3.62% of budget is for other revenue items such as 911 system cost share from other government agencies.

Fines and Forfeitures - Revenues include fines imposed through Municipal Court for traffic and parking violations, library fines and violations of the Uniform Fire Code. Revenues are also derived from property damage restitution payments, asset seizures and forfeitures through court action. Fines and forfeitures are mainly found in the following funds: General, Parking and Library.

Miscellaneous Revenues - Miscellaneous revenues include donations, housing and assessment loan repayment proceeds, business energy tax credits (BETC), gifts/contributions, insurance proceeds, bad debts recovered and investment interest revenues. Interest revenues represent less than 10% of the total miscellaneous revenue budget, which is a much smaller amount than in prior years.

Other Financing Sources - Other Financing Sources consist mainly of "interfund" and "intrafund" transfers that are primarily for capital construction projects and debt service requirements. The Capital Improvement Program section presents information by project and addresses related transfers.

EXPENDITURES

Expenditures are identified in the income statements by Department, and in the Department Summary section of the QOR each department's operating expenditure budget is broken down by the classification of expenditure. Included in each classification are:

Personal Services - Includes wage and benefit amounts paid to both permanent and temporary City employees, including personnel substituting for those in permanent positions.

Supplies & Services - Includes amounts paid for supplies used in operations and services rendered by organizations or personnel not on the City's payroll, including repair and maintenance-related services, professional contractual services and utilities.

Capital Outlay - Most capital outlay purchases consist of machinery, equipment and vehicles over \$5,000. Expenditures in this category are typically lower in the first part of the year based on cash flow management and the time it takes between order and delivery for large vehicles. Much of the City's fleet and equipment are on replacement schedules and are purchased using management reserves established to smooth out potential spikes from these more sporadic large dollar purchases.

Expenditures in the non-operating budget are identified in the income statements, and are summarized as follows:

Capital Projects - Capital Projects occur in the Capital Construction, Water Construction, Wastewater Construction, Storm Water Construction and Airport Construction Funds. The Capital Improvement Program Section presents an analysis by project and information on year-to-date expenditures.

Debt Service - Budgeted debt service payments of \$2,544,980 are supported by specific property tax levies. Debt service incurred in support of enterprise operations (Water, Wastewater, Storm Water and Airport) totals \$3,285,260 and is paid from revenues derived from charges for services within each fund. Pension obligation bond annual debt service of \$2,281,950 is primarily funded by current revenue proportionate to each City Fund's respective PERS liability.

Transfers/Other Financing Uses - Transfers represent Intra-fund and Inter-fund transfers for capital projects and debt service contributions. These can fluctuate depending on the progress of construction projects or timing of debt issuance.

The income statements which follow in the next section of the report are presented for each operating fund within the City. To assist readers in their analysis, an explanation of the format is included:

COLUMNS

DESCRIPTION

Amended Budget

This represents the Adopted Budget plus any changes in appropriations that have occurred since the budget was adopted. Changes include increased appropriations due to City Council adoption of Resolutions that: 1) accept and appropriate grants or donations which were unanticipated at the time the budget was adopted, 2) transfer appropriations between categories of expenditures (i.e., change of spending priorities), or 3) create a supplemental budget action.

X Qtr FY YY-ZZ

Revenues which have been received and expenditures which have been completed during the identified quarter of the identified fiscal year.

Unaudited Y-T-D
FY YY-ZZ

This is the total revenue or expenditure accumulated year-to-date which includes the current quarter and all prior quarters.

FY YY-ZZ
% Rec/Expend

This represents the percent of the amended budget which has been either received or expended year-to-date. Unless otherwise noted, the revenue/expenditure patterns are what staff anticipated when the budget was developed. Some revenue and expenditure patterns are expected to be relatively regular, with similar amounts received/expended each month during the fiscal year (i.e., utility fund charges for service revenue and salary and benefits expenses). However, other revenue and expenditure patterns are expected to be irregular (i.e., property tax revenue for which the majority is received in mid-November, seasonal Parks expenses, large capital purchases, debt service payments).

Prior Year Columns

The prior year quarter-to-date, year-to-date, and percent received/expended information is included to give a comparison of the revenue/expenditure patterns in the current year. For example, at the end of the first quarter the General Fund may show .10% of the projected property tax revenue received. By comparing the current quarter to the prior year's first quarter which showed .12% received, the reader is able to see that there is nothing unusual about the low figure.

ROWS

Beginning Fund Balance

This figure reflects what the adopted budget anticipated the beginning balance would be within this fund.

Revenues

Revenues are reported by classification which matches how they are reported in both the Budget and the Comprehensive Annual Financial Report.

Expenditures

Expenditures are reported by department which matches the level of appropriation.

Current Revenue less Total Expenses

This calculation subtracts the current year expenditures from the current year revenue. In the Amended Budget column, if this number is negative it represents a planned "draw down" of the fund balance. If the Amended Budget column shows a positive number it represents a planned addition to fund balance. For any given quarter, if the year-to-date revenue less expenses number is more positive than the budgeted number then the fund is in better fiscal position than planned.

PROPERTY TAX FUNDS COMBINED*

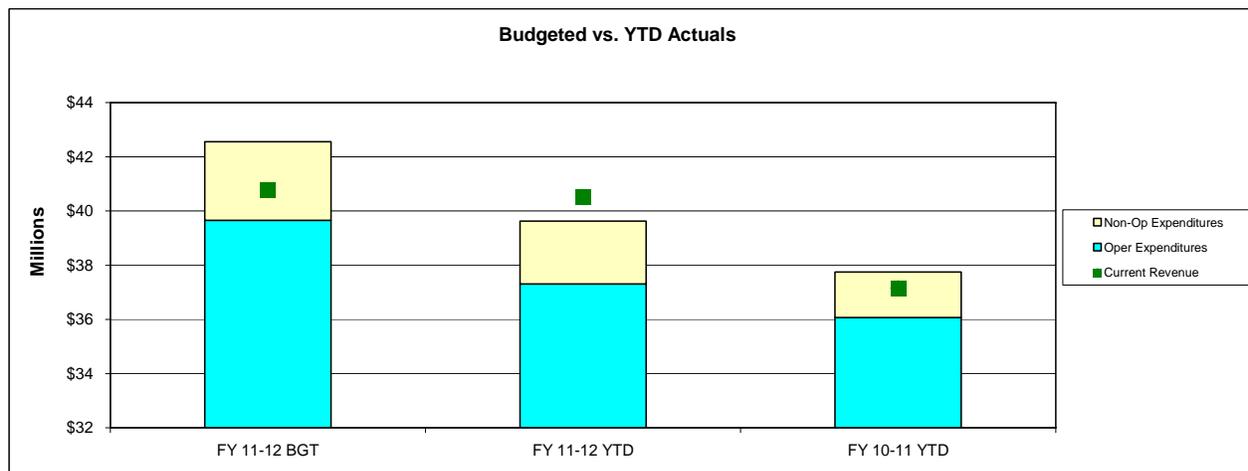
REVENUE	AMENDED BUDGET	4th Quarter FY 11-12	UNAUDITED FY 11-12	FY 11-12 % REC/EXPEND	4th Quarter FY 10-11	Y-T-D FY 10-11	FY 10-11 % REC/EXPEND
Budgeted Fund Balance	\$4,951,425						
Property Taxes	\$20,274,090	\$1,258,081	\$20,508,584	101.16%	\$1,632,272	\$19,730,852	102.59%
Other Tax	1,151,190	433,597	1,239,155	107.64%	450,616	1,190,725	114.91%
Licenses/Permits	5,624,980	1,926,958	5,710,001	101.51%	1,961,301	5,481,731	100.59%
Charges for Service	5,470,200	1,265,261	5,631,391	102.95%	1,158,773	5,349,585	100.79%
Intergovernmental	4,954,615	826,577	4,142,321	83.61%	769,804	3,820,228	75.64%
Fines/Forfeitures	976,510	205,592	811,207	83.07%	216,082	809,652	84.55%
Miscellaneous	378,880	94,231	499,615	131.87%	44,739	378,759	110.83%
Other Financing Sources	1,936,060	250,600	1,917,712	99.05%	361,899	383,405	89.07%
TOTAL CURRENT REVENUE	\$40,766,525	\$6,260,897	\$40,459,985	99.25%	\$6,595,485	\$37,144,938	98.25%

EXPENDITURE BY DEPARTMENT

Community Development	\$1,356,480	\$314,253	\$1,269,270	93.57%	\$363,610	\$1,450,222	89.62%
Finance	677,700	168,558	670,187	98.89%	145,597	576,401	93.13%
Fire	11,384,830	2,670,023	11,049,349	97.05%	2,792,631	10,413,154	97.99%
Library	6,531,530	1,688,313	5,946,027	91.04%	1,490,369	5,907,437	91.81%
Parks and Recreation	6,096,500	1,489,896	5,719,731	93.82%	1,432,719	5,441,267	93.89%
Police	10,597,875	2,650,540	10,220,156	96.44%	2,544,176	9,914,795	98.55%
Public Works	1,642,760	328,646	1,175,269	71.54%	287,397	945,067	52.02%
Non-Departmental	1,365,950	342,498	1,262,620	92.44%	319,962	1,424,041	92.60%
TOTAL OPERATING EXPENDITURES	\$39,653,625	\$9,652,728	\$37,312,608	94.10%	\$9,376,461	\$36,072,385	93.67%
Debt Service	\$244,430	\$0	\$244,422	100.00%	\$0	\$30,389	60.88%
Transfers	2,337,440	348,520	2,068,450	88.49%	278,470	1,646,600	90.56%
Contingencies/Reserves	318,290	0	0	0.00%	0	0	0.00%
TOTAL ALL EXPENDITURES	\$42,553,785	\$10,001,248	\$39,625,480	93.12%	\$9,654,931	\$37,749,375	92.77%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES (1)	(\$1,787,260)	(\$3,740,351)	\$834,505		(\$3,059,446)	(\$604,437)	

* Includes General, Parks & Recreation, Fire & Rescue, and Library Funds

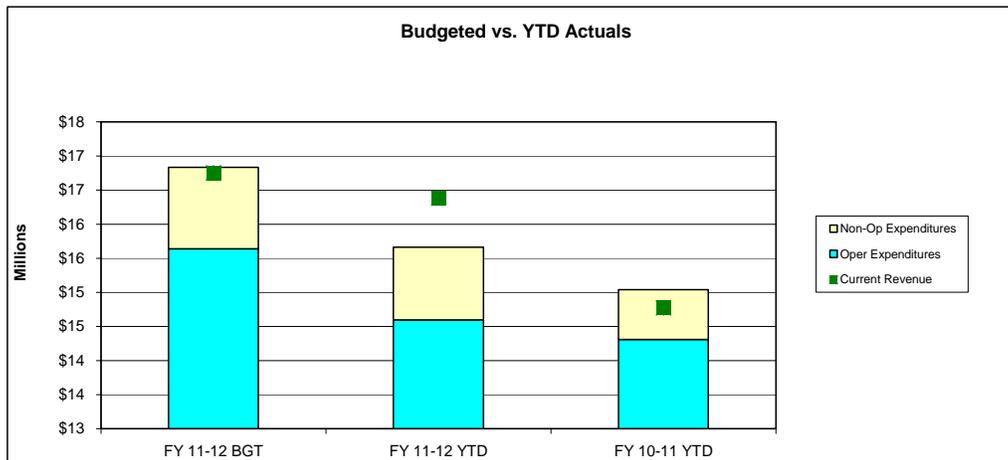
- (1) Net unaudited revenues and expenditures, plus internal service refunds and final grant accruals which together are expected to improve the positive number above by at least another \$225,000, are expected to result in an addition to the property tax fund balance in the range of \$1.1 million versus the net drawdown of nearly \$1.8 million when the budget was adopted. Much of these savings were built into the revised budget estimates for FY 11-12 from vacancy and other savings realized by mid-year, but departments also managed to reduce or save an additional \$1 million by deferring some maintenance and projects and holding vacancies open longer than planned, in order to improve the bottom line.



GENERAL FUND

REVENUE	AMENDED BUDGET	4th Quarter FY 11-12	UNAUDITED FY 11-12	FY 11-12 % REC/EXPEND	4th Quarter FY 10-11	Y-T-D FY 10-11	FY 10-11 % REC/EXPEND
Budgeted Fund Balance	\$582,853						
Property Taxes	\$5,997,600	\$50,605	\$6,140,795	102.39%	\$68,791	\$4,979,073	102.51%
Other Tax (1)	1,151,190	433,597	1,239,155	107.64%	450,616	1,190,725	114.91%
Licenses/Permits	5,469,650	1,872,562	5,547,778	101.43%	1,908,750	5,375,369	99.84%
Charges for Service (2)	738,460	214,333	828,770	112.23%	161,149	675,033	94.63%
Intergovernmental (3)	2,292,525	459,777	1,544,833	67.39%	489,805	1,367,991	55.23%
Fines/Forfeitures (4)	871,700	174,860	699,563	80.25%	189,752	697,994	80.53%
Miscellaneous (5)	117,240	41,220	270,860	231.03%	34,920	136,874	120.82%
Other Financing Sources	112,870	6,317	112,377	99.56%	345,450	349,452	94.33%
TOTAL CURRENT REVENUE	\$16,751,235	\$3,253,271	\$16,384,131	97.81%	\$3,649,233	\$14,772,511	93.39%
EXPENDITURE BY DEPARTMENT							
Community Development (6)	\$1,356,480	\$314,253	\$1,269,270	93.57%	\$363,610	\$1,450,222	89.62%
Finance	677,700	168,558	670,187	98.89%	145,597	576,401	93.13%
Police	10,597,875	2,650,540	10,220,156	96.44%	2,544,176	9,914,795	98.55%
Public Works (7)	1,642,760	328,646	1,175,269	71.54%	287,397	945,067	52.02%
Non-Departmental (8)	1,365,950	342,498	1,262,620	92.44%	319,962	1,424,041	92.60%
TOTAL OPERATING EXPENDITURES	\$15,640,765	\$3,804,495	\$14,597,502	93.33%	\$3,660,742	\$14,310,526	91.43%
Debt Service (9)	\$244,430	\$0	\$244,422	100.00%	\$0	\$30,389	60.88%
Transfers	849,840	147,760	819,440	96.42%	117,730	699,060	99.76%
Contingencies/Reserves	98,700	0	0	0.00%	0	0	0.00%
TOTAL ALL EXPENDITURES	\$16,833,735	\$3,952,255	\$15,661,364	93.04%	\$3,778,472	\$15,039,975	91.11%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	(\$82,500)	(\$698,984)	\$722,767		(\$129,239)	(\$267,464)	

- (1) Transient room tax receipts are higher than originally anticipated, which is considered attributable to the positive response to Visit Corvallis' social media programs and their exploration of other potential markets for increased hotel stays, such as sports and religious organization conferences.
- (2) Charges for Service revenue is greater than anticipated due to the higher than expected volume of land-use applications.
- (3) FY 10-11 and FY 11-12 state shared revenues generally fell short of forecasting information provided by the League of Oregon Cities. Grant revenue not yet received will either be accrued back to FY 11-12 or will carry over to FY 12-13 if it is in respect of expenditures not yet incurred.
- (4) While consistent with the prior year, traffic fine revenue was lower than anticipated due to less success than expected with collection of delinquencies.
- (5) Both years' miscellaneous revenue is higher than budgeted due to unanticipated lien payoff receipts. FY 11-12 miscellaneous revenue also includes three installment payments totaling approximately \$116,000 for the sale of Seavey Meadows.
- (6) Concerted savings efforts with respect to Planning Division purchases of supplies, services, and training as well as some vacancy savings led to lower total expenditures this fiscal year than last in Community Development.
- (7) Public Works spending is below budget in both fiscal years primarily due to the timing of spending for EECBG and EPA grant projects. Portions of both grant projects have been carried over to FY 12-13.
- (8) Non-departmental expenditures are lower as a percentage of budgeted expenditures than target and the prior year due to a conscious decision to defer economic development (ED) spending for use in a new City program planned to be initiated in FY 12-13 as recommended by the ED Commission.
- (9) Debt service was under-expended in FY 10-11 relative to budget because of a delay in finalizing the CIP Loan agreement and amortization schedule with Bank of America, such that payments were not due as originally budgeted.

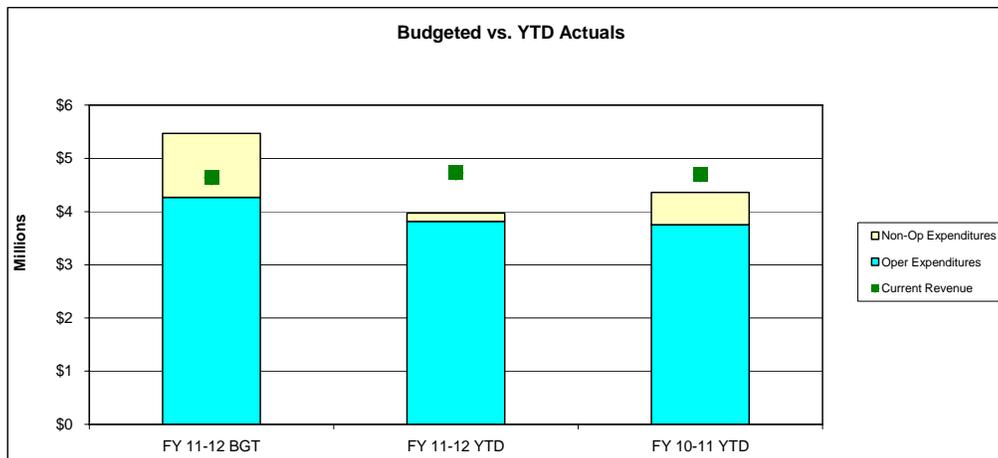


COMBINED STREET FUND*

REVENUE	AMENDED BUDGET	4th Quarter FY 11-12	UNAUDITED FY 11-12	FY 11-12 % REC/EXPEND	4th Quarter FY 10-11	Y-T-D FY 10-11	FY 10-11 % REC/EXPEND
Budgeted Fund Balance	\$1,727,643						
Licenses/Permits	\$602,100	\$155,516	\$632,929	105.12%	\$143,148	\$566,660	125.26%
System Development Charges (1)	325,000	304,072	661,867	203.65%	326,474	632,204	228.08%
Charges for Service (2)	230,190	58,325	268,356	116.58%	36,857	220,524	96.44%
Intergovernmental (3)	3,460,820	1,017,479	3,123,662	90.26%	1,377,147	3,244,275	85.44%
Fines/Forfeitures (4)	1,000	400	2,488	248.80%	927	4,718	943.60%
Miscellaneous (5)	15,340	12,837	27,720	180.70%	1,233	14,718	94.04%
Other Financing Sources	0	10,855	10,855	0.00%	10,368	10,368	0.00%
TOTAL CURRENT REVENUE	\$4,634,450	\$1,559,484	\$4,727,877	102.02%	\$1,896,154	\$4,693,467	98.36%
EXPENDITURE BY DEPARTMENT							
Community Development (6)	\$21,850	\$4,437	\$17,262	79.00%	\$4,321	\$18,106	91.68%
Public Works	4,243,950	821,964	3,798,242	89.50%	1,014,161	3,733,169	84.28%
TOTAL OPERATING EXPENDITURES	\$4,265,800	\$826,401	\$3,815,504	89.44%	\$1,018,482	\$3,751,275	84.32%
Transfers (7)	\$1,119,310	\$15,274	\$154,574	13.81%	\$97,507	\$610,417	38.00%
Contingencies/Reserves	82,140	0	0	0.00%	0	0	0.00%
TOTAL ALL EXPENDITURES	\$5,467,250	\$841,675	\$3,970,077	72.62%	\$1,115,989	\$4,361,692	71.16%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	(\$832,800)	\$717,809	\$757,799		\$780,165	\$331,775	

* Includes Street SDC Fund

- (1) System Development Charges revenue is greater in FY 11-12 than budgeted due to unanticipated levels of construction related to new off-campus student housing. FY 10-11 was also higher than budgeted primarily due to large building projects entered into by OSU and Samaritan Health.
- (2) Charges for Service revenue is higher YTD due primarily to Public Improvement by Private Contract (PIPC) permit fees from the development of the Oakmont Addition, the 7th Street Station, the McFadden Annexation, and construction at OSU.
- (3) FY 11-12 State Highway tax receipts are up approximately \$277,000 over last year, but did not attain budgeted levels for the year, presumably due to higher gas prices dampening fuel demand. FY 10-11 is lower as a percentage of budget due to carry-forward grant revenues that were ultimately accrued back to FY 09-10.
- (4) Both years have higher than anticipated revenues from restitution payments for damaged City property.
- (5) Miscellaneous revenue is 180% of target in FY11-12 due to \$3,000 in unbudgeted receipts from an ODOT sponsorship of Car Free Days, higher than anticipated interest revenue based on SDC fund balances, and approximately \$4,500 more in assessment debt repayments than budgeted.
- (6) Although similar in dollar amount to FY 10/11, Community Development expenditures ended well below budget in FY 11-12 due to a vacancy in a position normally allocated to this fund's work plan.
- (7) Transfers include this fund's portion of the semi-annual debt service payments for the Pension Obligation Bonds, transfers related to capital projects, and annual support to the Development Services Fund for SDC/Site Engineering work. Transfers for capital projects are made based on anticipated needs. See the Capital Improvement Program section for status information on capital projects.

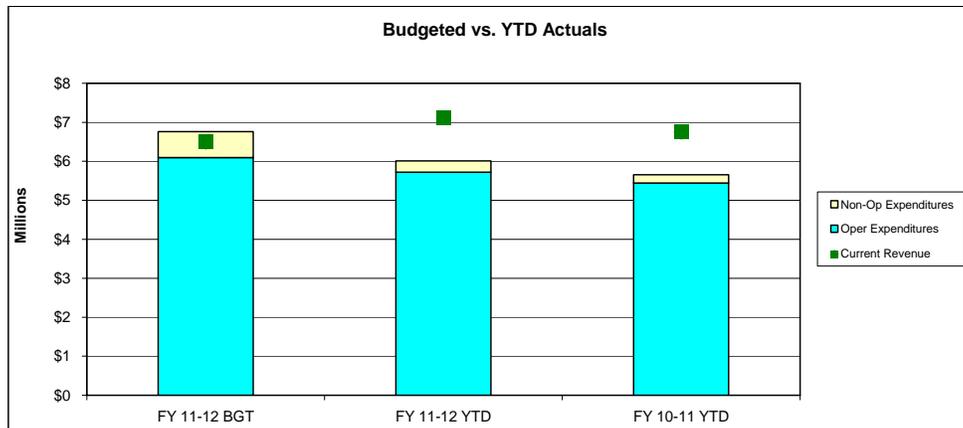


PARKS AND RECREATION FUND*

REVENUE	AMENDED BUDGET	4th Quarter FY 11-12	UNAUDITED FY 11-12	FY 11-12 % REC/EXPEND	4th Quarter FY 10-11	Y-T-D FY 10-11	FY 10-11 % REC/EXPEND
Budgeted Fund Balance	\$2,055,435						
Property Taxes	\$3,808,700	\$322,132	\$3,833,052	100.64%	\$420,937	\$3,971,633	102.61%
Licenses/Permits (1)	137,700	47,832	139,678	101.44%	47,140	85,200	178.24%
System Development Charges (2)	150,000	288,329	792,326	528.22%	248,080	1,209,457	806.30%
Charges for Service	1,412,570	440,052	1,368,694	96.89%	437,894	1,360,072	96.98%
Intergovernmental (3)	27,400	0	11,800	43.07%	0	7,400	24.75%
Fines/Forfeitures	100	447	467	467.00%	(32)	229	229.00%
Miscellaneous (4)	100,250	56,282	161,299	160.90%	18,541	100,200	125.58%
Other Financing Sources (5)	856,460	144,349	810,933	94.68%	16,449	16,449	0.00%
TOTAL CURRENT REVENUE	\$6,493,180	\$1,299,423	\$7,118,249	109.63%	\$1,189,009	\$6,750,640	120.97%
EXPENDITURE BY DEPARTMENT							
Parks and Recreation	\$6,096,500	\$1,489,896	\$5,719,731	93.82%	\$1,432,719	\$5,441,267	93.89%
TOTAL OPERATING EXPENDITURES	\$6,096,500	\$1,489,896	\$5,719,731	93.82%	\$1,432,719	\$5,441,267	93.89%
Transfers (6)	\$606,828	\$120,606	\$291,376	48.02%	\$57,549	\$216,389	53.63%
Contingencies/Reserves	57,770	0	0	0.00%	0	0	0.00%
TOTAL ALL EXPENDITURES	\$6,761,098	\$1,610,502	\$6,011,107	88.91%	\$1,490,268	\$5,657,656	90.47%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	(\$267,918)	(\$311,079)	\$1,107,142		(\$301,259)	\$1,092,984	

* Includes Park & Recreation, Osborn Aquatics, Open Space and Park & Recreation SDC Fund.

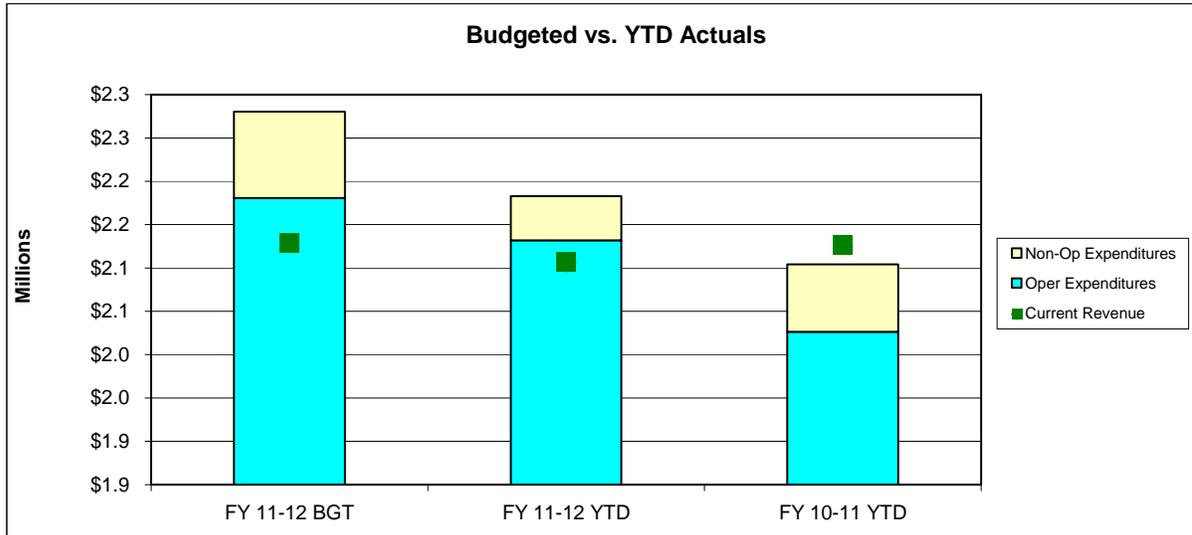
- (1) Licenses/Permits revenue is higher than the prior year due to the addition of the Urban Forest-Sustainability Initiative Fee (SIF) -- a new revenue added late in FY 10-11
- (2) System Development Charges (SDC) are higher than budget due primarily to unanticipated receipts that have been billed in respect of higher than projected multi-family residential development activity.
- (3) Intergovernmental revenues are higher YTD than previous fiscal year due to an Artists in the Park Grant that was received in late FY 10-11, but reclassified as deferred revenue and then booked to revenue in FY11-12, when the related work was completed. Both years' intergovernmental revenues are below budget due to the non-receipt of a budgeted annual \$20,000 Department of Energy grant related to the Herbert Open Space property, which has not been received due to the continued lack of eligible spending opportunities.
- (4) Miscellaneous revenue is higher than budget and last year, due to a \$25,000 bequest received by the Osborn Aquatic Center in Q3 of FY 11-12 and receipt of non-intergovernmental grants that will be deferred to FY 12-13. Both years show donation receipts well ahead of budgeted expectations.
- (5) Other Financing Sources represent primarily the property tax revenue transfers associated with the 2011 Operating Levy, which is new in FY 11-12.
- (6) Transfers include this fund's portion of the semi-annual debt service payment for the Pension Obligation Bonds and transfers related to capital projects. Transfers for capital projects are made based on anticipated needs. See the Capital Improvement Program section for status information on capital projects for FY 11-12.



911 EMERGENCY SERVICES

REVENUE	AMENDED BUDGET	4th Quarter FY 11-12	UNAUDITED FY 11-12	FY 11-12 % REC/EXPEND	4th Quarter FY 10-11	Y-T-D FY 10-11	FY 10-11 % REC/EXPEND
Budgeted Fund Balance	\$595,812						
Charges for Service	\$933,700	\$231,899	\$927,582	99.34%	\$234,084	\$939,405	100.32%
Intergovernmental	1,189,290	356,879	1,174,100	98.72%	358,357	1,183,433	100.79%
Miscellaneous (1)	5,870	1,252	4,944	84.22%	(143)	3,569	161.49%
TOTAL CURRENT REVENUE	\$2,128,860	\$590,030	\$2,106,626	98.96%	\$592,298	\$2,126,407	100.64%
EXPENDITURE BY DEPARTMENT							
Police	\$2,180,710	\$539,261	\$2,131,978	97.77%	\$481,556	\$2,026,176	92.92%
TOTAL OPERATING EXPENDITURES	\$2,180,710	\$539,261	\$2,131,978	97.77%	\$481,556	\$2,026,176	92.92%
Transfers	\$51,070	\$8,920	\$51,070	100.00%	\$13,340	\$77,940	100.00%
Contingencies/Reserves	48,760	0	0	0.00%	0	0	0.00%
TOTAL ALL EXPENDITURES	\$2,280,540	\$548,181	\$2,183,048	95.73%	\$494,896	\$2,104,116	91.38%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	(\$151,680)	\$41,849	(\$76,422)		\$97,402	\$22,291	

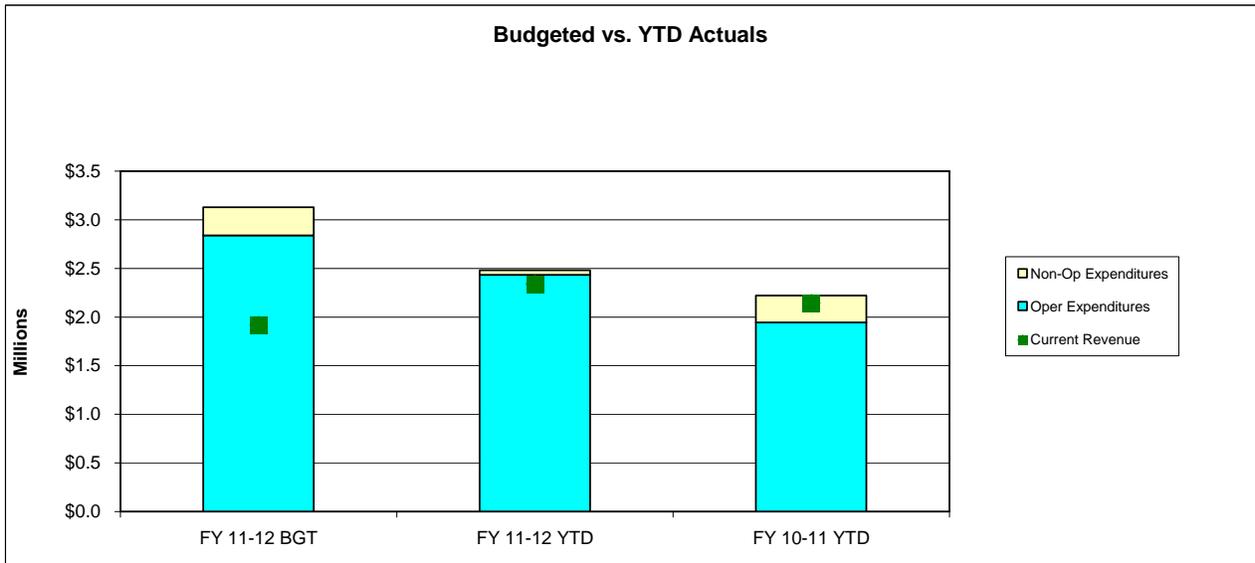
(1) Miscellaneous revenue fluctuates year over year since it is comprised primarily of interest on investments (based on fund balance) and false alarm billing revenue to outside entities. The total miscellaneous revenue budget in FY 10-11 was only \$2,210, whereas interest revenue in FY 11-12 was projected higher than ended up being achievable given market volatility.



DEVELOPMENT SERVICES

REVENUE	AMENDED BUDGET	4th Quarter FY 11-12	UNAUDITED FY 11-12	FY 11-12 % REC/EXPEND	4th Quarter FY 10-11	Y-T-D FY 10-11	FY 10-11 % REC/EXPEND
Budgeted Fund Balance	\$1,289,457						
Licenses/Permits (1)	\$770,270	\$402,145	\$1,068,832	138.76%	\$300,508	\$1,019,673	127.54%
Charges for Service (1)	1,015,880	412,005	1,141,931	112.41%	190,746	897,620	100.60%
Miscellaneous (2)	12,520	2,919	10,349	82.66%	(492)	8,899	126.95%
Other Financing Sources	118,390	0	118,390	100.00%	0	218,390	100.00%
TOTAL CURRENT REVENUE	\$1,917,060	\$817,069	\$2,339,502	122.04%	\$490,762	\$2,144,582	111.86%
EXPENDITURE BY DEPARTMENT							
Community Development (3)	\$2,838,820	\$629,521	\$2,432,990	85.70%	\$492,649	\$1,945,554	87.58%
TOTAL OPERATING EXPENDITURES	\$2,838,820	\$629,521	\$2,432,990	85.70%	\$492,649	\$1,945,554	87.58%
Transfers (4)	\$239,560	\$8,410	\$48,160	20.10%	\$208,570	\$274,330	100.00%
Contingencies/Reserves	50,000	0	0	0.00%	0	0	0.00%
TOTAL ALL EXPENDITURES	\$3,128,380	\$637,931	\$2,481,150	79.31%	\$701,219	\$2,219,884	88.94%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	(\$1,211,320)	\$179,138	(\$141,648)		(\$210,457)	(\$75,302)	

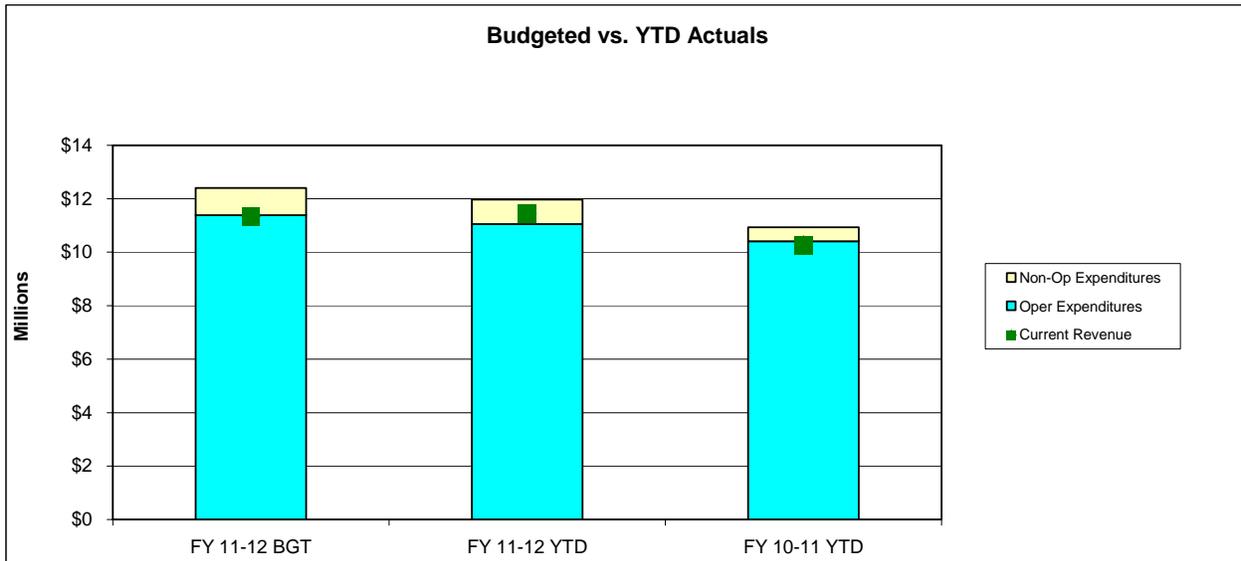
- (1) Fourth quarter revenues are higher than anticipated due mainly to the issuance of permits and plan reviews for multi-family housing projects. Permits for new single family homes continue to be low due to the downturn in the economy.
- (2) Miscellaneous revenue fluctuates year over year since it is comprised primarily of interest on investments (based on fund balance). Current year results are reflective of lower than projected interest rates due to continued market volatility.
- (3) FY 11-12 expenditure actuals are higher than in FY 10-11, though lower as a percentage of budget, due to filled vacancies that were unfilled and unbudgeted last year, in addition to a reorganization of development services staff that moved two positions previously funded from the General Fund to the Development Services Fund. Personnel service expenditures related to employee separations also contributed to the increase.
- (4) Transfers include this fund's portion of the semi-annual debt service payments for the Pension Obligation Bonds and transfers related to capital projects. Transfers for capital projects are made based on anticipated needs. Please see the Capital Improvement Program section for information on the status of capital projects.



FIRE AND RESCUE FUND

REVENUE	AMENDED BUDGET	4th Quarter FY 11-12	UNAUDITED FY 11-12	FY 11-12 % REC/EXPEND	4th Quarter FY 10-11	Y-T-D FY 10-11	FY 10-11 % REC/EXPEND
Budgeted Fund Balance	\$1,284,659						
Property Taxes	\$7,821,280	\$661,508	\$7,871,299	100.64%	\$725,194	\$6,842,357	102.62%
Licenses/Permits	17,630	6,565	22,544	127.87%	5,411	21,162	117.89%
Charges for Service	3,272,170	600,824	3,392,735	103.68%	548,887	3,271,140	103.97%
Intergovernmental (1)	137,850	24,499	85,863	62.29%	28,848	37,562	114.52%
Fines/Forfeitures	12,710	3,377	12,310	96.85%	1,820	17,223	112.28%
Miscellaneous (2)	77,240	5,734	24,296	31.46%	(21,222)	70,256	100.11%
Other Financing Sources (3)	0	40,500	40,500	0.00%	0	17,505	0.00%
TOTAL CURRENT REVENUE	\$11,338,880	\$1,343,007	\$11,449,547	100.98%	\$1,288,938	\$10,277,205	103.29%
EXPENDITURE BY DEPARTMENT							
Fire (4)	\$11,384,830	\$2,670,023	\$11,049,349	97.05%	\$2,792,631	\$10,413,154	97.99%
TOTAL OPERATING EXPENDITURES	\$11,384,830	\$2,670,023	\$11,049,349	97.05%	\$2,792,631	\$10,413,154	97.99%
Transfers	\$920,610	\$160,810	\$920,600	100.00%	\$89,290	\$521,750	100.00%
Contingencies/Reserves	104,860	0	0	0.00%	0	0	0.00%
TOTAL ALL EXPENDITURES	\$12,410,300	\$2,830,833	\$11,969,949	96.45%	\$2,881,921	\$10,934,904	97.20%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	(\$1,071,420)	(\$1,487,826)	(\$520,402)		(\$1,592,983)	(\$657,699)	

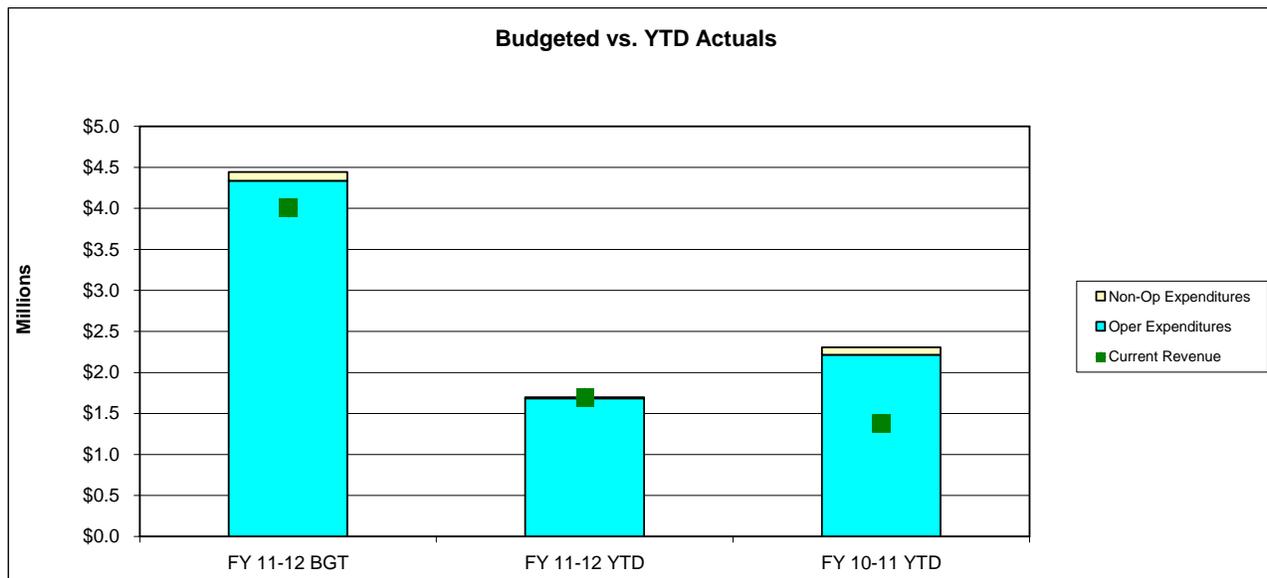
- (1) Intergovernmental revenues for Fire are all grant related and are low this year as a percentage of budget due to grant projects that are reimbursable in nature for which expenditures have not yet been made or which have not yet been accrued back. Receipts in FY 11-12 included reimbursements from Benton County for the Emergency Management Performance Grant (EMPG) associated with emergency operations; and from the Federal Emergency Management Agency (FEMA) for ambulance gurney replacements. A USAR grant from Homeland Security for search and rescue response training was budgeted, but not fully reimbursed due to less participation than anticipated.
- (2) A \$78,750 non-governmental grant was received in FY 10-11 explaining the much higher result than in FY 11-12, even with the fourth quarter refund of the unused portion of the grant, signified by the negative amount above. FY 11-12 miscellaneous revenue is also less than budget due to lower than anticipated interest earnings as well as \$35,000 in budgeted energy tax credits that were not received.
- (3) The unbudgeted receipts in this category relate to sales of capital assets. In FY 11-12 one engine and two brush-rigs were sold, while in FY 10-11 one fire engine was sold.
- (4) Fire Department expenditures are approximately \$630,000 higher than last fiscal year due to the purchase of 2 ambulances and higher personnel service costs (PERS and health benefits).



COMMUNITY DEVELOPMENT REVOLVING FUND

REVENUE	AMENDED BUDGET	4th Quarter FY 11-12	UNAUDITED FY 11-12	FY 11-12 % REC/EXPEND	4th Quarter FY 10-11	Y-T-D FY 10-11	FY 10-11 % REC/EXPEND
Budgeted Fund Balance	\$780,811						
Licenses/Permits (1)	\$126,700	(\$88)	\$129,248	102.01%	(\$220)	\$116,220	98.49%
Charges for Service	5,000	0	5,000	100.00%	0	5,000	100.00%
Intergovernmental (2)	3,436,310	170,282	1,306,736	38.03%	51,532	1,015,560	28.01%
Fines/Forfeitures (3)	2,300	(535)	536	23.30%	(2,543)	476	19.04%
Miscellaneous (4)	433,180	40,898	256,563	59.23%	121,295	244,159	51.14%
TOTAL CURRENT REVENUE	\$4,003,490	\$210,557	\$1,698,083	42.42%	\$170,064	\$1,381,415	32.66%
EXPENDITURE BY DEPARTMENT							
Community Development (5)	\$4,336,610	\$217,758	\$1,682,653	38.80%	\$963,152	\$2,216,117	51.99%
TOTAL OPERATING EXPENDITURES	\$4,336,610	\$217,758	\$1,682,653	38.80%	\$963,152	\$2,216,117	51.99%
Transfers (6)	\$74,350	\$2,380	\$13,600	18.29%	\$66,600	\$89,420	100.00%
Contingencies/Reserves	31,950	0	0	0.00%	0	0	0.00%
TOTAL ALL EXPENDITURES	\$4,442,910	\$220,138	\$1,696,253	38.18%	\$1,029,752	\$2,305,537	52.54%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	(\$439,420)	(\$9,581)	\$1,830		(\$859,688)	(\$924,122)	

- (1) Invoices are issued annually for the rental housing program in September, meaning all of this revenue is recorded at the end of the first quarter when billed. Negative activity in subsequent quarters typically reflects the write-offs associated with non-collection of some of these funds.
- (2) CDBG and HOME program grant revenues are based on reimbursements and received only after expenditures are incurred. Timing of spending and receipts is sporadic and relatively unpredictable, so results above are typical.
- (3) This line includes Rental Housing Program penalties applied to delinquent accounts. Receipts can be partly or fully offset by penalties waived and/or accounts written off and sent to collections.
- (4) This line includes eighteen loan payoffs through the fourth quarter, plus regular principal and interest payments. Results are below budget year-to-date in both years due to approximately \$250,000 in estimated but un-received repayments related to Seavey Meadows homeownership funding loans. These repayments are not due, but are likely to begin being prepaid when development begins.
- (5) Expenditures are primarily grant-related in this fund, and thus variable in timing. Seven loans and 17 grants have closed through the fourth quarter. Grants include funding for eleven non-profit agency activities, including CARDV, Corvallis Homeless Shelter Coalition/Partners Place, the ARC of Benton County, and Willamette Neighborhood Housing Services (WNHS). Like other projects in the HOME and CDBG programs, these projects will be reimbursed through multiple grant payments.
- (6) Transfers include this fund's portion of the semi-annual debt service payments for the Pension Obligation Bonds and transfers related to capital projects. Transfers for capital projects are made based on anticipated needs. Please see the Capital Improvement Program section for information on the status of capital projects.



PARKING FUND

REVENUE	AMENDED BUDGET	4th Quarter FY 11-12	UNAUDITED FY 11-12	FY 11-12 % REC/EXPEND	4th Quarter FY 10-11	Y-T-D FY 10-11	FY 10-11 % REC/EXPEND
Budgeted Fund Balance	\$923,959						
Licenses/Permits	\$20,000	\$2,493	\$18,173	90.87%	\$2,574	\$17,758	88.79%
Charges for Service (1)	164,150	44,845	186,850	113.83%	39,807	167,438	101.82%
Fines/Forfeitures	405,930	103,324	423,027	104.21%	116,687	411,983	101.74%
Miscellaneous (2)	7,700	2,028	6,697	86.97%	(221)	4,192	131.00%
TOTAL CURRENT REVENUE	\$597,780	\$152,690	\$634,747	106.18%	\$158,847	\$601,371	101.48%

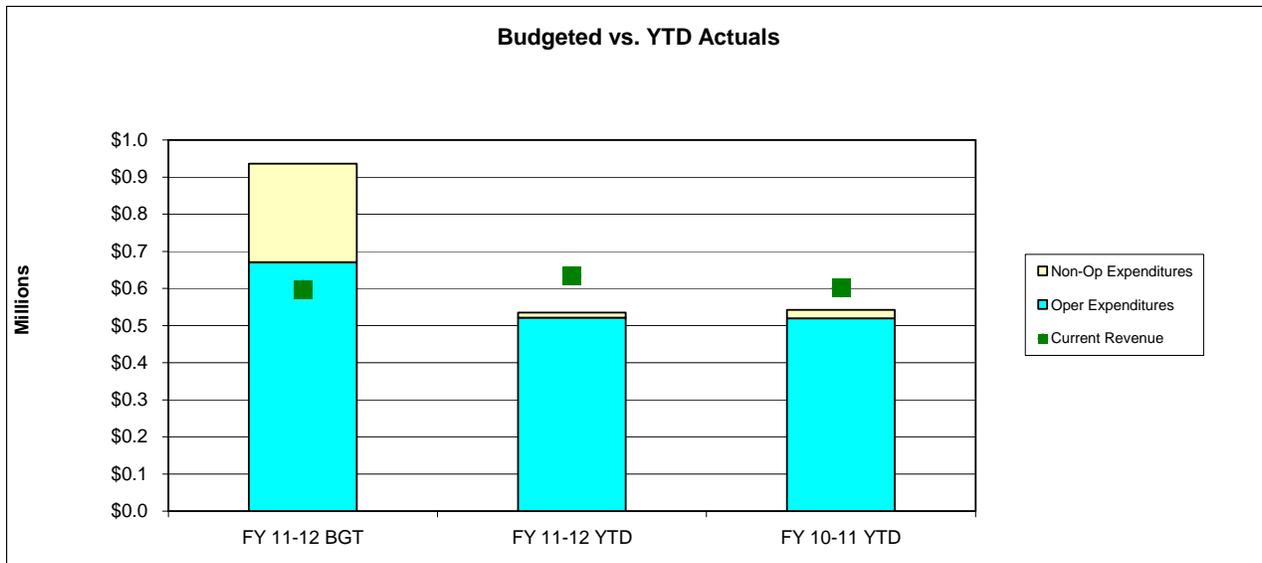
EXPENDITURE BY DEPARTMENT

Community Development	\$4,070	\$1,007	\$3,939	96.78%	\$880	\$3,527	87.96%
Finance (3)	143,310	32,336	131,137	91.51%	27,132	112,029	84.75%
Police (4)	351,190	72,913	263,364	74.99%	62,905	269,505	78.27%
Public Works (4)	171,980	40,050	122,626	71.30%	32,986	134,100	70.36%
TOTAL OPERATING EXPENDITURES	\$670,550	\$146,306	\$521,066	77.71%	\$123,903	\$519,161	77.36%
Transfers (5)	\$253,720	\$2,400	\$13,720	5.41%	\$3,980	\$23,230	11.90%
Contingencies/Reserves	11,890	0	0	0.00%	0	0	0.00%
TOTAL ALL EXPENDITURES	\$936,160	\$148,706	\$534,786	57.13%	\$127,883	\$542,391	61.75%

CURRENT REVENUE LESS

TOTAL EXPENDITURES	(\$338,380)	\$3,984	\$99,961		\$30,964	\$58,980	
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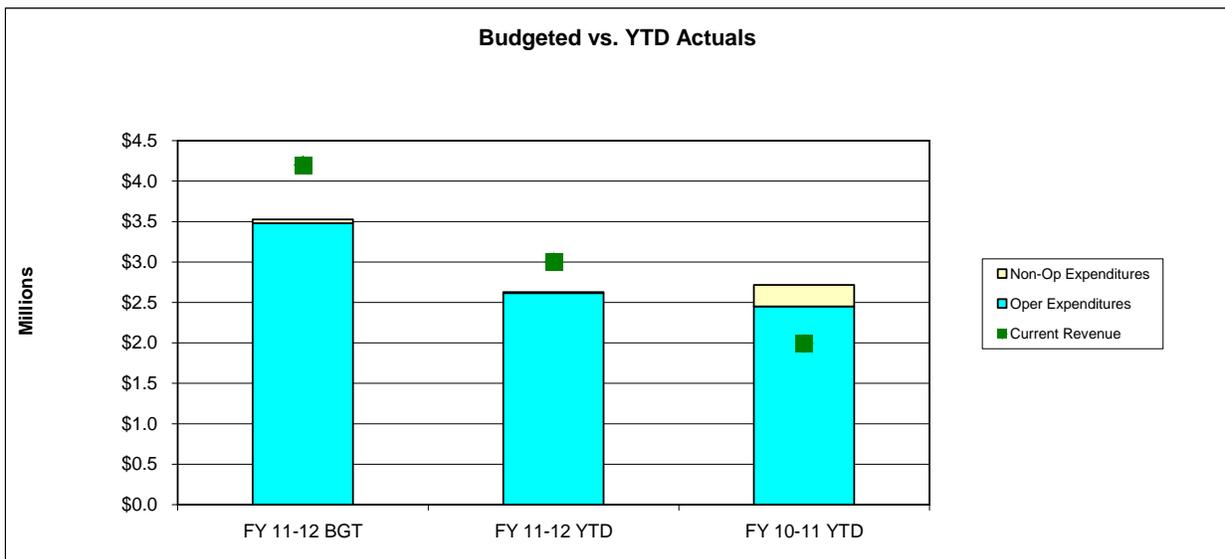
- (1) Parking meter revenue is higher than budget and last fiscal year. Public Works attributes this increase to the newly imposed 3-hour limit on free customer parking downtown, which may have led to more people using metered parking in order to avoid moving their cars.
- (2) Miscellaneous revenue consists primarily of investment interest earnings. FY 11-12 earnings are higher than the prior year, but below budget due to lower than expected interest earnings brought on by the continuing stagnant economy.
- (3) Increased internal service charges were what primarily led to expenditures that were higher than in the prior year.
- (4) Police and Public Works expenditures are below budget due primarily to turnover and vacancy savings in FY 11-12. Public Works and Police have also carried over special projects budget of \$22,690 and \$51,130, respectively, into FY 12-13.
- (5) Transfers include this fund's portion of the semi-annual debt service payments for the Pension Obligation Bonds and transfers related to capital projects. Transfers for capital projects are made based on anticipated needs. Please see the Capital Improvement Program section for information on the status of capital projects.



TRANSIT FUND

REVENUE	AMENDED BUDGET	4th Quarter FY 11-12	UNAUDITED FY 11-12	FY 11-12 % REC/EXPEND	4th Quarter FY 10-11	Y-T-D FY 10-11	FY 10-11 % REC/EXPEND
Budgeted Fund Balance	\$4,318						
Property Taxes (1)	\$0	\$0	\$0	0.00%	\$8,229	\$77,641	103.52%
Licenses, Fees, & Permits (1)	879,300	295,762	1,035,285	117.74%	217,519	388,430	0.00%
Charges for Service (1)	214,660	59,123	196,337	91.46%	64,388	335,536	66.79%
Intergovernmental (2)	1,737,450	224,951	963,940	55.48%	385,116	980,984	60.62%
Fines & Forefeitures	0	67	67	0.00%	0	286	0.00%
Miscellaneous (3)	1,368,990	49,234	806,099	58.88%	49,684	186,591	22.99%
Other Financing Sources	0	0	0	0.00%	6,464	21,764	0.00%
TOTAL CURRENT REVENUE	\$4,200,400	\$629,137	\$3,001,728	71.46%	\$731,400	\$1,991,232	66.21%
EXPENDITURE BY DEPARTMENT							
Public Works (4)	\$3,481,890	\$728,997	\$2,615,896	75.13%	\$675,145	\$2,449,074	71.14%
TOTAL OPERATING EXPENDITURES	\$3,481,890	\$728,997	\$2,615,896	75.13%	\$675,145	\$2,449,074	71.14%
Transfers	\$11,620	\$2,030	\$11,620	100.00%	\$253,610	\$268,920	100.00%
Contingencies/Reserves	35,590	0	0	0.00%	0	0	0.00%
TOTAL ALL EXPENDITURES	\$3,529,100	\$731,027	\$2,627,516	74.45%	\$928,755	\$2,717,994	72.64%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	\$671,300	(\$101,890)	\$374,212		(\$197,355)	(\$726,762)	

- (1) With the advent of SIF for fareless transit (recorded in the licenses, fees & permits category), charges for service revenue generated from ridership and group pass programs were reduced and property tax allocations were discontinued to the Transit Fund in FY 11-12. Charges for Service revenue will continue to be collected from the City of Adair, the City of Philomath, Benton County for special transportation funding (STF), and ASOSU for the Beaver Bus, respectively.
- (2) Intergovernmental revenue includes both operating and capital grants and is reimbursable in nature, so tends to lag expenditures.
- (3) The main source of revenue budgeted in this category is nearly \$1.2 million budgeted for Business Energy Tax Credits (BETC) pertaining to both FY 08-09 and FY 09-10 operations, which were expected to be received in FY 10-11, but ended up being carried over to FY 11-12. The BETC payment for FY 08-09 operations was received in FY 11-12, but the City is unlikely to receive the FY 09-10 credit until next fiscal year. Finding a tax liability partner in this economy has been a challenge for the balance of these receipts; however, Public Works continues to seek out such potential partners. Other revenue in this category is from OSU and used for general transit operations and grant matching purposes.
- (4) Both years are under-expended due primarily to the timing of vehicle purchases. Two buses which were carried over from each of the last two fiscal years will be carried over into FY 12-13.

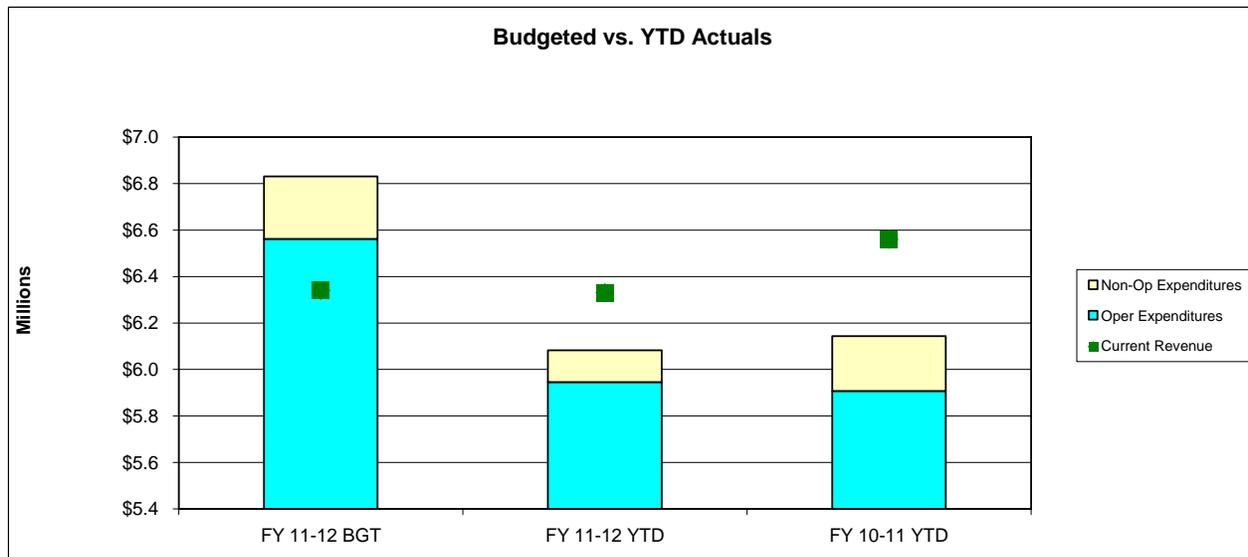


LIBRARY FUND*

REVENUE	AMENDED BUDGET	4th Quarter FY 11-12	UNAUDITED FY 11-12	FY 11-12 % REC/EXPEND	4th Quarter FY 10-11	Y-T-D FY 10-11	FY 10-11 % REC/EXPEND
Budgeted Fund Balance	\$1,028,478						
Property Taxes	\$2,646,510	\$223,837	\$2,663,438	100.64%	\$417,350	\$3,937,789	102.59%
Charges for Service (1)	47,000	10,051	41,192	87.64%	10,844	43,340	95.46%
Intergovernmental	2,496,840	342,300	2,499,825	100.12%	251,151	2,407,275	95.88%
Fines/Forfeitures (2)	92,000	26,909	98,868	107.46%	24,542	94,207	124.78%
Miscellaneous (3)	91,500	10,900	73,395	80.21%	14,287	77,732	90.04%
Other Financing Sources (4)	966,730	59,435	953,901	98.67%	0	0	0.00%
TOTAL CURRENT REVENUE	\$6,340,580	\$673,432	\$6,330,618	99.84%	\$718,174	\$6,560,343	100.06%
EXPENDITURE BY DEPARTMENT							
Library (5)	\$6,561,530	\$1,688,313	\$5,946,027	90.62%	\$1,490,369	\$5,907,437	91.81%
TOTAL OPERATING EXPENDITURES	\$6,561,530	\$1,688,313	\$5,946,027	90.62%	\$1,490,369	\$5,907,437	91.81%
Transfers (6)	\$213,090	\$19,400	\$137,090	64.33%	\$40,350	\$235,850	79.72%
Contingencies/Reserves	56,960	0	0	0.00%	0	0	0.00%
TOTAL ALL EXPENDITURES	\$6,831,580	\$1,707,713	\$6,083,117	89.04%	\$1,530,719	\$6,143,287	90.54%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	(\$491,000)	(\$1,034,282)	\$247,502		(\$812,545)	\$417,056	

* Includes the Library Operating and Library 2010 Funds.

- (1) Revenue is lower than budget and last fiscal year due to lower parking meter collections as a result of fewer open hours. Unlike the Parking Fund, Library did not experience increased meter revenue based on use of the Library lot from the new 3-hour street parking limit, likely due to being further away from downtown.
- (2) Fine/Forfeiture revenues slightly exceed budget and previous year due to a recent 50% increase in fine rates to 15¢/day.
- (3) Miscellaneous revenues in FY 11-12 are lower than target, and amount received same time last year, due primarily to lower donation levels and partially to lower than expected interest earnings from the stagnant economy.
- (4) Other Financing Sources represent the revenue associated with the 2011 Operating Levy.
- (5) Expenditures are less than budget driven primarily by vacancies, deferral of some planned maintenance activities, and deferral of an annual payment to OCLC cataloging due to capacity in cataloging activities.
- (6) Transfers include this fund's portion of the semi-annual debt service payment for the Pension Obligation Bonds and transfers related to capital projects. Please see the Capital Improvement Program section for information on the status of capital projects.



2011 OPERATING LEVY FUND

REVENUE	AMENDED BUDGET	4th Quarter FY 11-12	UNAUDITED FY 11-12	FY 11-12 % REC/EXPEND	4th Quarter FY 10-11	Y-T-D FY 10-11	FY 10-11 % REC/EXPEND
Budgeted Fund Balance	\$0						
Property Taxes (1)	\$1,790,000	\$151,950	\$1,808,062	101.01%	\$0	\$0	0.00%
TOTAL CURRENT REVENUE	\$1,790,000	\$151,950	\$1,808,062	101.01%	\$0	\$0	0.00%
EXPENDITURE BY DEPARTMENT							
Non-Departmental	0	0	0	0.00%	0	0	0.00%
TOTAL OPERATING EXPENDITURES	\$0	\$0	\$0	0.00%	\$0	\$0	0.00%
Transfers (1)	\$1,790,000	\$110,045	\$1,766,156	98.67%	\$0	\$0	0.00%
TOTAL ALL EXPENDITURES	\$1,790,000	\$110,045	\$1,766,156	98.67%	\$0	\$0	0.00%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	\$0	\$41,905	\$41,906		\$0	\$0	

(1) This fund was established with the passage on May 17, 2011 of a 3-year operating levy in support of certain specified property tax services for the Library and Parks & Recreation departments as well as social services in the General Fund. A higher assessed value than projected resulted in less funds appropriated than received, so the balance is reserved for spending in a future year(s).

DAVIDSON FUND

REVENUE	AMENDED BUDGET	4th Quarter FY 11-12	UNAUDITED FY 11-12	FY 11-12 % REC/EXPEND	4th Quarter FY 10-11	Y-T-D FY 10-11	FY 10-11 % REC/EXPEND
Budgeted Fund Balance	\$5,571						
Miscellaneous (1)	\$60	\$11	\$38	63.67%	(\$2)	\$27	0.00%
TOTAL CURRENT REVENUE	\$60	\$11	\$38	63.67%	(\$2)	\$27	0.00%
EXPENDITURE BY DEPARTMENT							
Library (1)	\$0	\$0	\$0	0.00%	\$0	\$147	29.33%
TOTAL OPERATING EXPENDITURES	\$0	\$0	\$0	0.00%	\$0	\$147	29.33%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	\$60	\$11	\$38		(\$2)	(\$119)	

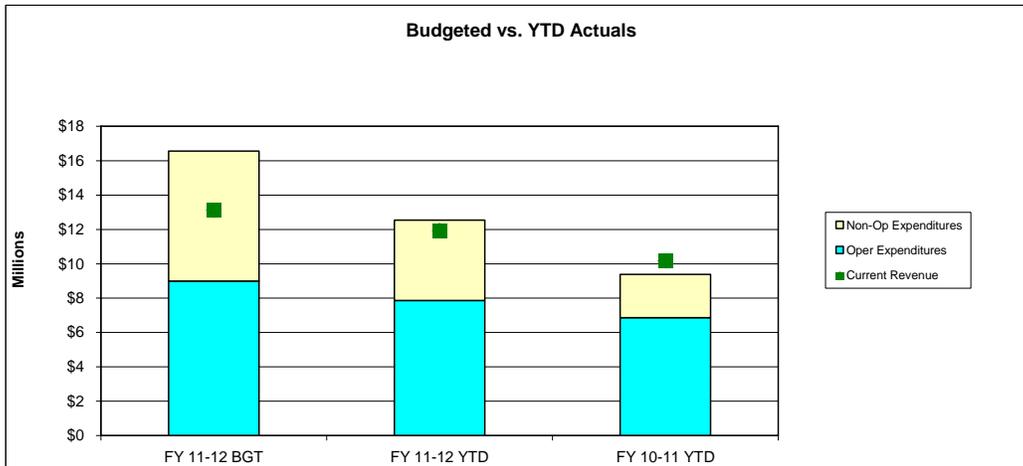
(1) The Davidson Fund is designated as a Permanent Fund under governmental accounting guidelines due to the \$5,000 endowment established through a 1981 donation in honor of the former librarian Alice Passano Davidson. Only interest earnings are expendable, and so in recent years of minimal revenues, the Library has chosen not to appropriate or spend much, if any, of the available funding hoping to grow the balance needed for specified materials.

COMBINED WATER FUND*

REVENUE	AMENDED BUDGET	4th Quarter FY 11-12	UNAUDITED FY 11-12	FY 11-12 % REC/EXPEND	4th Quarter FY 10-11	Y-T-D FY 10-11	FY 10-11 % REC/EXPEND
Budgeted Fund Balance	\$6,257,099						
System Development Charges (1)	\$270,000	\$182,218	\$535,217	198.23%	\$209,233	\$584,346	265.06%
Charges for Service (2)	8,587,330	2,272,003	8,558,868	99.67%	2,042,831	8,062,632	93.92%
Intergovernmental (3)	40,000	14,160	13,136	32.84%	50,559	46,544	42.83%
Fines/Forfeitures (4)	0	(37)	2,954	0.00%	80	3,148	0.00%
Miscellaneous (5)	440,480	46,400	657,274	149.22%	77,389	451,514	100.39%
Transfers In/Other Financing Sources (6)	3,778,560	42,393	2,160,073	57.17%	162,689	1,020,039	27.76%
TOTAL CURRENT REVENUE	\$13,116,370	\$2,557,137	\$11,927,522	90.94%	\$2,542,782	\$10,168,224	77.99%
EXPENDITURE BY DEPARTMENT							
Community Development	\$51,350	\$14,009	\$49,328	96.06%	\$12,285	\$48,327	95.24%
Public Works (7)	8,936,910	2,218,273	7,812,007	87.41%	2,045,076	6,806,636	84.50%
TOTAL OPERATING EXPENDITURES	\$8,988,260	\$2,232,282	\$7,861,335	87.46%	\$2,057,362	\$6,854,963	84.57%
Capital Projects (6)	\$2,366,140	\$136,276	\$1,385,885	58.57%	\$61,814	\$202,470	6.86%
Debt Service	1,018,820	0	1,018,798	100.00%	0	1,009,218	100.00%
Transfers Out/Other Financing Uses (6)	3,991,010	59,283	2,266,813	56.80%	299,089	1,315,759	33.12%
Contingencies/Reserves	194,670	0	0	0.00%	0	0	0.00%
TOTAL ALL EXPENDITURES	\$16,558,900	\$2,427,841	\$12,532,832	75.69%	\$2,418,265	\$9,382,410	57.86%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	(\$3,442,530)	\$129,296	(\$605,310)		\$124,517	\$785,814	

*Includes Water, Water Timber, Water SDC and Water Construction Funds.

- (1) System Development Charges came in higher than projected due to unanticipated levels of new construction related to off-campus student housing.
- (2) While charges for service were closer to budget in FY 11-12, this was largely attributable to over budget receipts for PIPC's, reimbursement fees and cell tower rentals, whereas metered water services (including write-offs) were more than \$130,000 lower than budgeted. This latter result is an improvement on last year when the shortfall from budget was over half a million dollars.
- (3) Proceeds from two Water Timber fund grants are still pending. Work has been completed and is now awaiting reimbursement.
- (4) Negative activity represents a restitution payment reimbursement paid to the Benton County District Attorney's Office.
- (5) Miscellaneous revenue contains the unbudgeted receipt of \$151,083 in released reserve monies related to a refunding by the State of the Oregon Business Development Department (OBDD) Loan to the City for the Taylor Water Treatment Plant, insurance proceeds for the Taylor Plant electrical systems failure, and unanticipated SDC lien principal and interest revenue.
- (6) Other Financing Sources, Capital Projects and Transfers activity are mostly related to capital projects activity. Transfers for capital projects are made based on anticipated needs. Transfers out have been made for debt service payments for the POB. See the Capital Improvement Program section for details regarding capital project expenditures.
- (7) Savings are attributed primarily to project carryovers to FY 12-13 and/or budgeted material/service purchases that came in lower than projected. Spending in FY 11-12 is more than \$1 million higher than the previous year due to special project spending such as for the Flexnet Sensus meter software and for vehicle replacements.

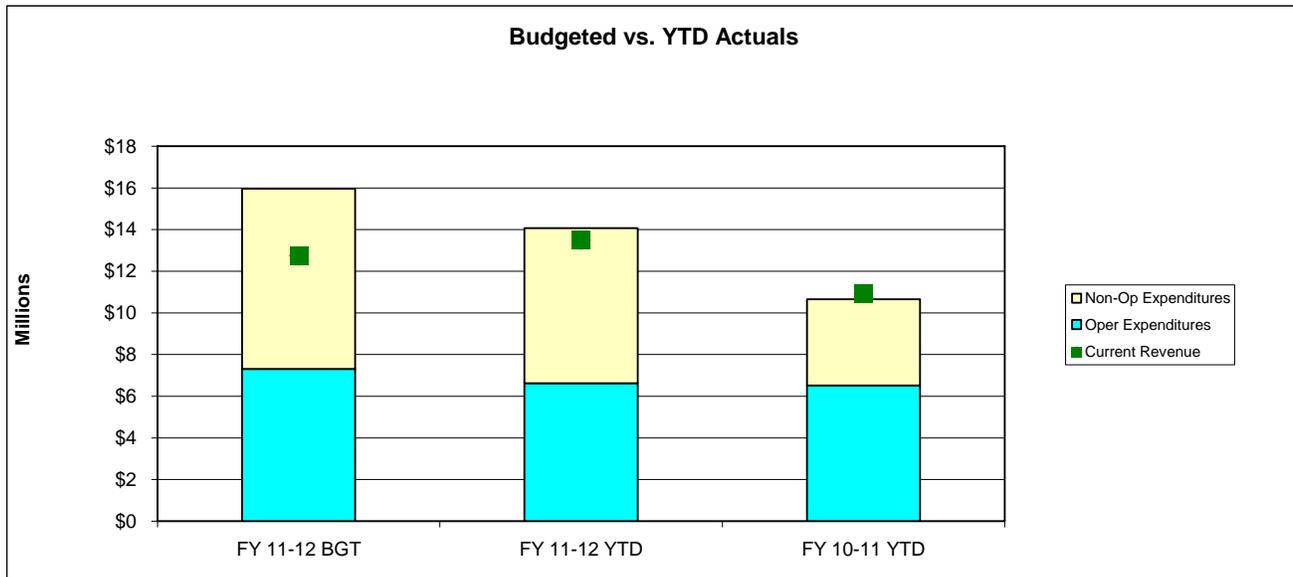


COMBINED WASTEWATER FUND*

REVENUE	AMENDED BUDGET	4th Quarter FY 11-12	UNAUDITED FY 11-12	FY 11-12 % REC/EXPEND	4th Quarter FY 10-11	Y-T-D FY 10-11	FY 10-11 % REC/EXPEND
Budgeted Fund Balance	\$11,869,045						
System Development Charges (1)	\$570,000	\$506,254	\$1,519,725	266.62%	\$354,664	\$1,112,737	212.99%
Charges for Service	9,042,110	2,581,452	9,108,679	100.74%	2,530,914	8,951,263	99.14%
Intergovernmental	0	0	0	0.00%	10,171	8,525	0.00%
Fines & Forfeitures	0	202	262	0.00%	0	0	0.00%
Miscellaneous (2)	116,780	31,716	233,987	200.37%	158	78,453	140.75%
Other Financing Sources (3)	3,012,270	30,996	2,638,021	87.58%	184,351	774,742	22.04%
TOTAL CURRENT REVENUE	\$12,741,160	\$3,150,621	\$13,500,674	105.96%	\$3,080,257	\$10,925,721	83.26%
EXPENDITURE BY DEPARTMENT							
Community Development	\$50,380	\$12,785	\$48,358	95.99%	\$11,888	\$47,237	95.35%
Public Works (4)	7,264,080	1,831,170	6,584,080	90.64%	1,848,555	6,467,622	92.82%
TOTAL OPERATING EXPENDITURES	\$7,314,460	\$1,843,955	\$6,632,438	90.68%	\$1,860,443	\$6,514,860	92.84%
Capital Projects (3)	\$3,012,270	\$32,881	\$2,407,913	79.94%	\$238,284	\$828,415	24.24%
Debt Service	2,294,040	1,312,110	2,294,017	100.00%	1,302,610	2,300,307	100.00%
Transfers (3)	3,165,390	48,276	2,736,736	86.46%	263,921	1,010,341	26.92%
Contingencies/Reserves	181,510	0	0	0.00%	0	0	0.00%
TOTAL ALL EXPENDITURES	\$15,967,670	\$3,237,222	\$14,071,105	88.12%	\$3,665,257	\$10,653,922	63.91%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	(\$3,226,510)	(\$86,601)	(\$570,430)		(\$585,000)	\$271,798	

* Includes Wastewater, Wastewater SDC and Wastewater Construction Funds.

- (1) System Development Charges came in higher than projected due to unanticipated levels of new construction related to off-campus student housing.
- (2) Miscellaneous revenue includes approximately \$139,000 in unanticipated SDC lien principal and interest revenue repayments.
- (3) Other Financing Sources, Capital Projects and Transfers are mostly related to capital projects activity. Transfers related to capital projects are made based on anticipated needs. See the Capital Improvement Program section for detail regarding capital project expenditures.
- (4) Public Works finished below budget due primarily to vacancy savings from open positions, as well as having spent only about 66% of the \$861,390 budgeted for fourteen special projects and one vehicle replacement in FY 11-12. Two projects were cancelled, others projects were delayed, and a vehicle purchase was carried over to FY 12-13.

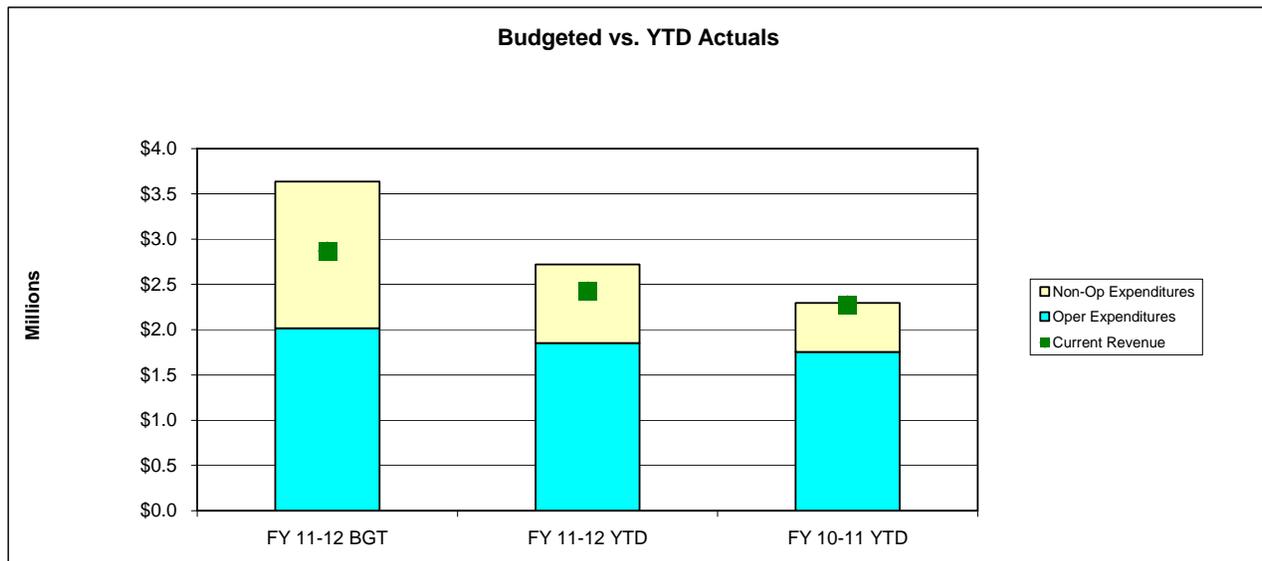


COMBINED STORM WATER FUND*

REVENUE	AMENDED BUDGET	4th Quarter FY 11-12	UNAUDITED FY 11-12	FY 11-12 % REC/EXPEND	4th Quarter FY 10-11	Y-T-D FY 10-11	FY 10-11 % REC/EXPEND
Budgeted Fund Balance	\$1,291,834						
System Development Charges (1)	\$40,000	\$14,090	\$47,187	117.97%	\$11,123	\$49,693	165.20%
Charges for Service (2)	1,965,440	598,254	2,080,794	105.87%	557,269	2,002,405	96.09%
Intergovernmental (3)	243,412	0	0	0.00%	3,127	3,127	2.24%
Fines & Forfeitures	0	0	20	0.00%	0	0	0.00%
Miscellaneous (4)	16,740	3,786	14,446	86.29%	(96)	11,017	118.71%
Other Financing Sources (5)	601,310	28,710	284,468	47.31%	55,625	207,825	34.51%
TOTAL CURRENT REVENUE	\$2,866,902	\$644,840	\$2,426,914	84.65%	\$627,048	\$2,274,066	79.38%
EXPENDITURE BY DEPARTMENT							
Community Development	\$52,240	\$14,286	\$50,194	96.08%	\$12,268	\$47,825	94.74%
Public Works (6)	1,962,260	521,352	1,802,275	91.85%	443,765	1,706,316	80.34%
TOTAL OPERATING EXPENDITURES	\$2,014,500	\$535,637	\$1,852,469	91.96%	\$456,033	\$1,754,141	80.68%
Capital Projects (5)	\$831,982	\$214,754	\$482,803	58.03%	\$28,052	\$161,994	22.29%
Transfers (5)	749,060	34,390	384,838	51.38%	113,865	377,285	49.86%
Contingencies/Reserves	39,770	0	0	0.00%	0	0	0.00%
TOTAL ALL EXPENDITURES	\$3,635,312	\$784,782	\$2,720,110	74.82%	\$597,950	\$2,293,420	61.99%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	(\$768,410)	(\$139,941)	(\$293,195)		\$29,098	(\$19,354)	

* Includes Storm Water, Storm Water SDC and Storm Water Construction Funds.

- (1) System Development Charges revenue is greater than budgeted due to unanticipated levels of construction related to new off-campus student housing.
- (2) Charges for Service revenue finished above budget due primarily to higher than projected Public Improvement by Private Contract occurrences.
- (3) Intergovernmental revenue shows no activity pending reimbursement from a State grant in the construction fund. Once received it will be credited to FY 11-12.
- (4) Miscellaneous revenue consists primarily of investment interest earnings. FY 11-12 earnings are higher than the prior year, but below budget due to lower than expected interest earnings brought on by the continuing stagnant economy.
- (5) Other Financing Sources relate primarily to Capital Projects related to storm drain replacement. Transfers related to capital projects are made based on anticipated needs. See the Capital Improvement Program section for details regarding capital project expenditures. Transfers also include this fund's portion of the semi-annual debt service payment for the Pension Obligation Bonds and the CD-managed erosion sediment control program.
- (6) Actuals are under budget in both fiscal years due to vacancy savings, under spending of services budget, and lower than anticipated special project spending.

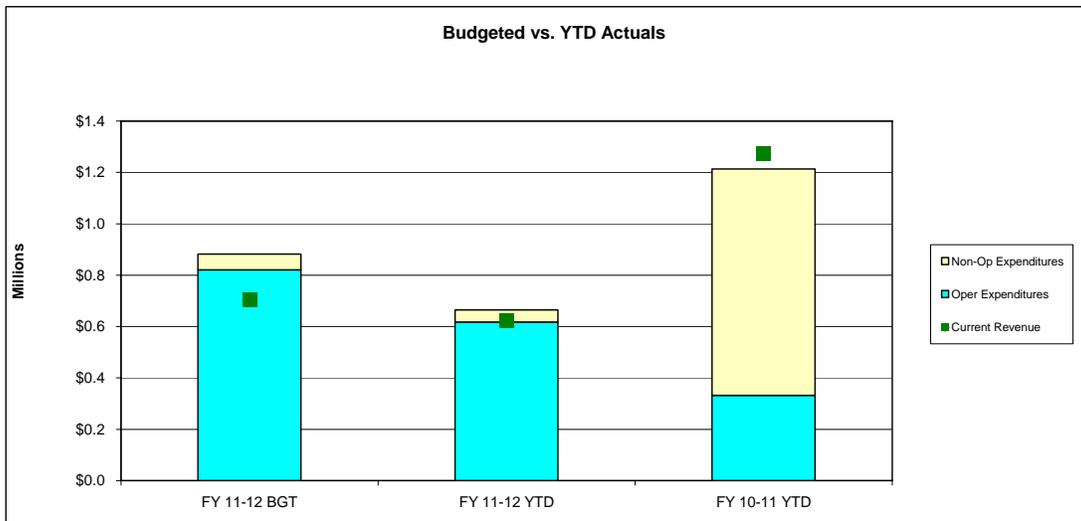


COMBINED AIRPORT FUND*

REVENUE	AMENDED BUDGET	4th Quarter FY 11-12	UNAUDITED FY 11-12	FY 11-12 % REC/EXPEND	4th Quarter FY 10-11	Y-T-D FY 10-11	FY 10-11 % REC/EXPEND
Budgeted Fund Balance	\$557,792						
Licenses/Permits	\$2,500	\$715	\$4,626	185.03%	\$715	\$4,450	89.00%
Charges for Service (1)	392,500	154,164	458,852	116.90%	111,362	394,785	108.16%
Intergovernmental (2)	296,761	88,131	152,436	51.37%	88,619	670,551	76.51%
Miscellaneous	13,580	1,150	7,097	52.26%	1,570	11,265	116.98%
Other Financing Sources (3)	0	0	0	0.00%	45,960	190,660	67.13%
TOTAL CURRENT REVENUE	\$705,341	\$244,162	\$623,010	88.33%	\$248,227	\$1,271,710	82.58%
EXPENDITURE BY DEPARTMENT							
Public Works (4)	\$820,910	\$223,293	\$617,854	75.26%	\$87,074	\$332,065	65.81%
TOTAL OPERATING EXPENDITURE	\$820,910	\$223,293	\$617,854	75.26%	\$87,074	\$332,065	65.81%
Capital Projects (3)	\$0	(\$0)	\$0	0.00%	\$69,527	\$770,605	79.84%
Debt Service	32,590	0	32,582	99.98%	0	33,663	79.83%
Transfers (3)	13,910	680	13,910	100.00%	21,400	77,180	78.73%
Contingencies/Reserves	14,270	0	0	0.00%	0	0	0.00%
TOTAL ALL EXPENDITURES	\$881,680	\$223,973	\$664,346	75.35%	\$178,001	\$1,213,513	74.94%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	(\$176,339)	\$20,189	(\$41,336)		\$70,226	\$58,197	

* Includes Airport and Airport Construction Funds.

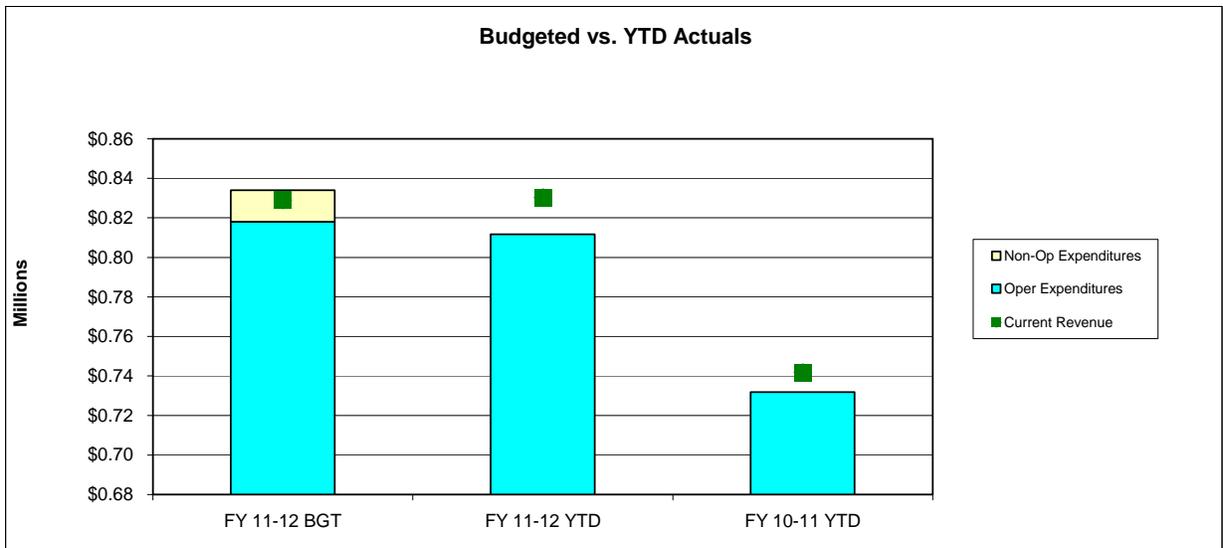
- (1) Hanger rental income and seed crop sales contributed to higher than anticipated revenues.
- (2) FY 10-11 Intergovernmental revenue included receipt of two federal grants into the construction fund for the airport industrial park and for airport facility improvements. FY 11-12 is under budget largely due to the reimbursement nature of a budgeted Federal Aviation Administration (FAA) grant.
- (3) Other Financing Sources in FY 10-11 relate primarily to capital projects for an airport industrial park improvements project and an airport facility improvements project. Transfers include this fund's portion of the semi-annual debt service payments for the Pension Obligation Bonds. Both years include the provision of funding for Airport Industrial Park Development work being done by Community Development in the General Fund.
- (4) Special project budget spent YTD in FY 11-12 is only about 68% of the \$484,000 appropriated. If special projects are not included the department has spent approximately 86% of the operating budget. This savings is due primarily to under spending in services.



FLEET MAINTENANCE FUND

REVENUE	AMENDED BUDGET	4th Quarter FY 11-12	UNAUDITED FY 11-12	FY 11-12 % REC/EXPEND	4th Quarter FY 10-11	Y-T-D FY 10-11	FY 10-11 % REC/EXPEND
Budgeted Fund Balance	\$38,883						
Charges for Service	\$827,500	\$205,885	\$828,395	100.11%	\$148,539	\$740,061	97.30%
Miscellaneous (1)	1,530	117	1,974	129.00%	36	1,686	140.47%
TOTAL CURRENT REVENUE	\$829,030	\$206,002	\$830,368	100.16%	\$148,575	\$741,747	97.36%
EXPENDITURE BY DEPARTMENT							
Public Works	\$818,030	\$224,764	\$811,708	99.23%	\$185,417	\$731,800	96.13%
TOTAL OPERATING EXPENDITURES	\$818,030	\$224,764	\$811,708	99.23%	\$185,417	\$731,800	96.13%
Contingencies/Reserves	\$16,000	\$0	\$0	0.00%	\$0	\$0	0.00%
TOTAL ALL EXPENDITURES	\$834,030	\$224,764	\$811,708	97.32%	\$185,417	\$731,800	94.15%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	(\$5,000)	(\$18,761)	\$18,660		(\$36,842)	\$9,947	

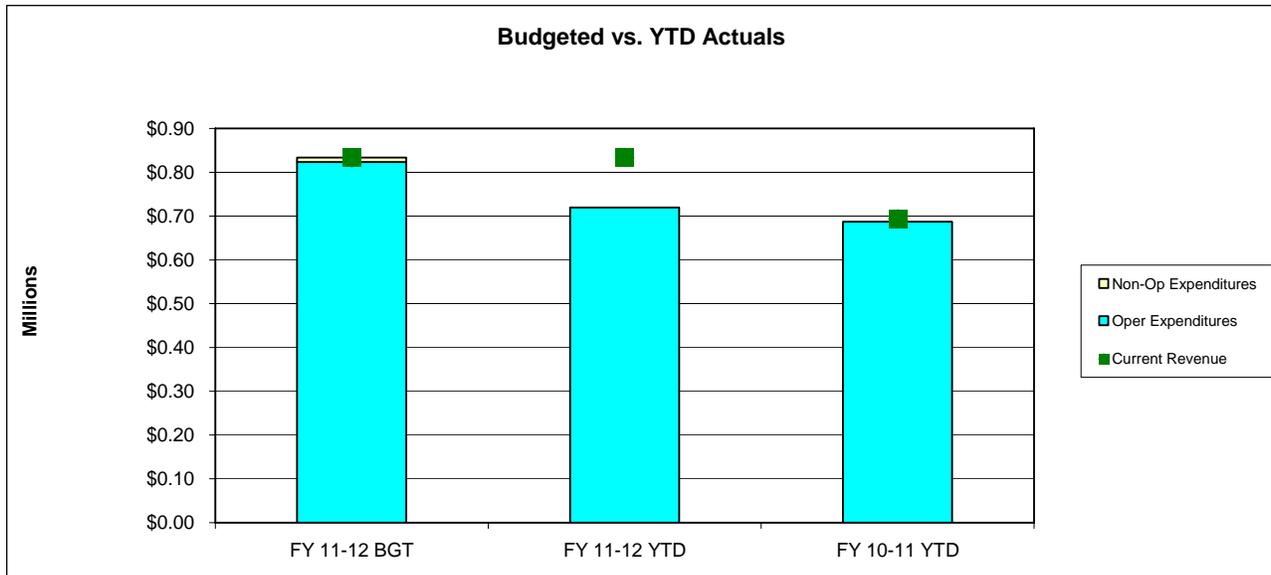
(1) Scrap metal sales contributed to higher than anticipated revenues.



FACILITY MAINTENANCE FUND

REVENUE	AMENDED BUDGET	4th Quarter FY 11-12	UNAUDITED FY 11-12	FY 11-12 % REC/EXPEND	4th Quarter FY 10-11	Y-T-D FY 10-11	FY 10-11 % REC/EXPEND
Budgeted Fund Balance	\$74,212						
Charges for Service	\$829,890	\$207,468	\$829,890	100.00%	\$75,247	\$691,910	84.77%
Miscellaneous (1)	3,290	2,154	4,038	122.72%	346	1,869	60.89%
TOTAL CURRENT REVENUE	\$833,180	\$209,622	\$833,928	100.09%	\$75,593	\$693,779	84.68%
EXPENDITURE BY DEPARTMENT							
Public Works (2)	\$823,880	\$223,662	\$719,877	87.38%	\$210,950	\$687,262	83.85%
TOTAL OPERATING EXPENDITURES	\$823,880	\$223,662	\$719,877	87.38%	\$210,950	\$687,262	83.85%
Contingencies/Reserves	\$10,000	\$0	\$0	0.00%	\$0	\$0	0.00%
TOTAL ALL EXPENDITURES	\$833,880	\$223,662	\$719,877	86.33%	\$210,950	\$687,262	82.84%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	(\$700)	(\$14,039)	\$114,050		(\$135,357)	\$6,517	

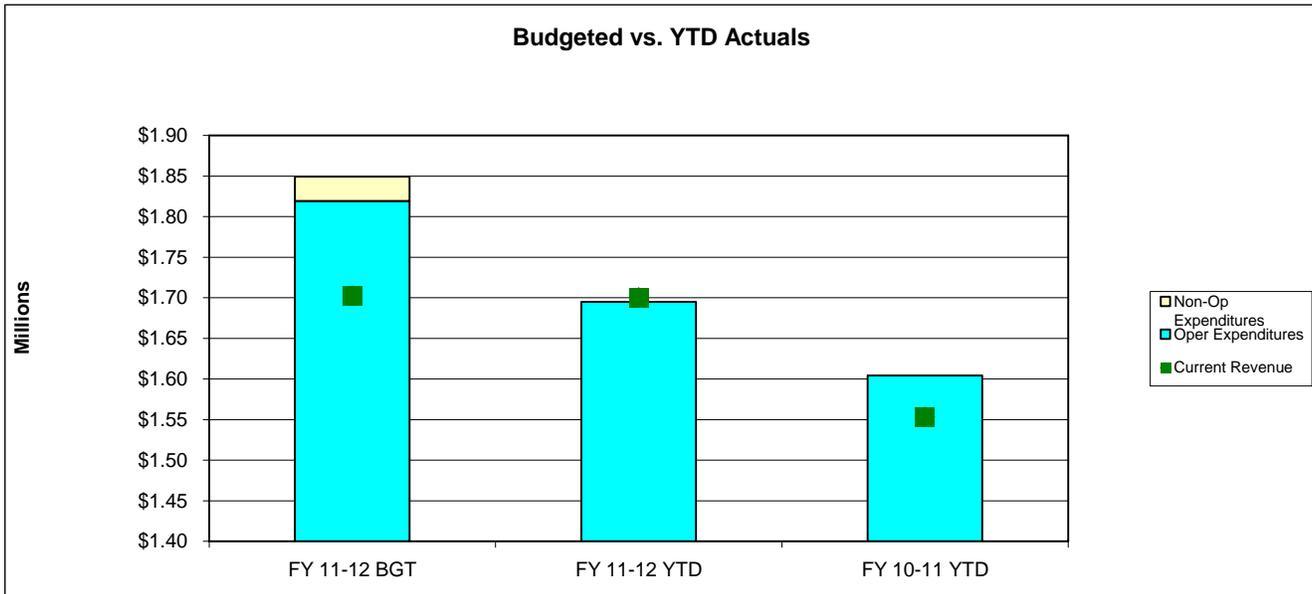
- (1) Scrap metal sales contributed to higher than anticipated revenues.
- (2) Staff vacancy, staff medical leave, and fewer resources for repair and maintenance projects, led to under budget spending again in FY 11-12.



TECHNOLOGY AND COMMUNICATIONS FUND

REVENUE	AMENDED BUDGET	4th Quarter FY 11-12	UNAUDITED FY 11-12	FY 11-12 % REC/EXPEND	4th Quarter FY 10-11	Y-T-D FY 10-11	FY 10-11 % REC/EXPEND
Budgeted Fund Balance	\$459,844						
Charges for Service	\$1,696,480	\$424,037	\$1,695,656	99.95%	\$274,798	\$1,549,293	91.18%
Miscellaneous (1)	6,160	1,889	5,065	82.22%	(110)	4,008	131.84%
TOTAL CURRENT REVENUE	\$1,702,640	\$425,926	\$1,700,721	99.89%	\$274,688	\$1,553,301	91.25%
EXPENDITURE BY DEPARTMENT							
Finance (2)	\$1,607,720	\$481,650	\$1,534,240	95.43%	\$396,614	\$1,426,463	90.45%
Public Works (3)	211,580	43,567	160,787	75.99%	60,756	177,629	81.08%
TOTAL OPERATING EXPENDITURES	\$1,819,300	\$525,217	\$1,695,027	93.17%	\$457,369	\$1,604,092	89.31%
Contingencies/Reserves	\$30,000	\$0	\$0	0.00%	\$0	\$0	0.00%
TOTAL ALL EXPENDITURES	\$1,849,300	\$525,217	\$1,695,027	91.66%	\$457,369	\$1,604,092	87.84%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	(\$146,660)	(\$99,292)	\$5,694		(\$182,681)	(\$50,791)	

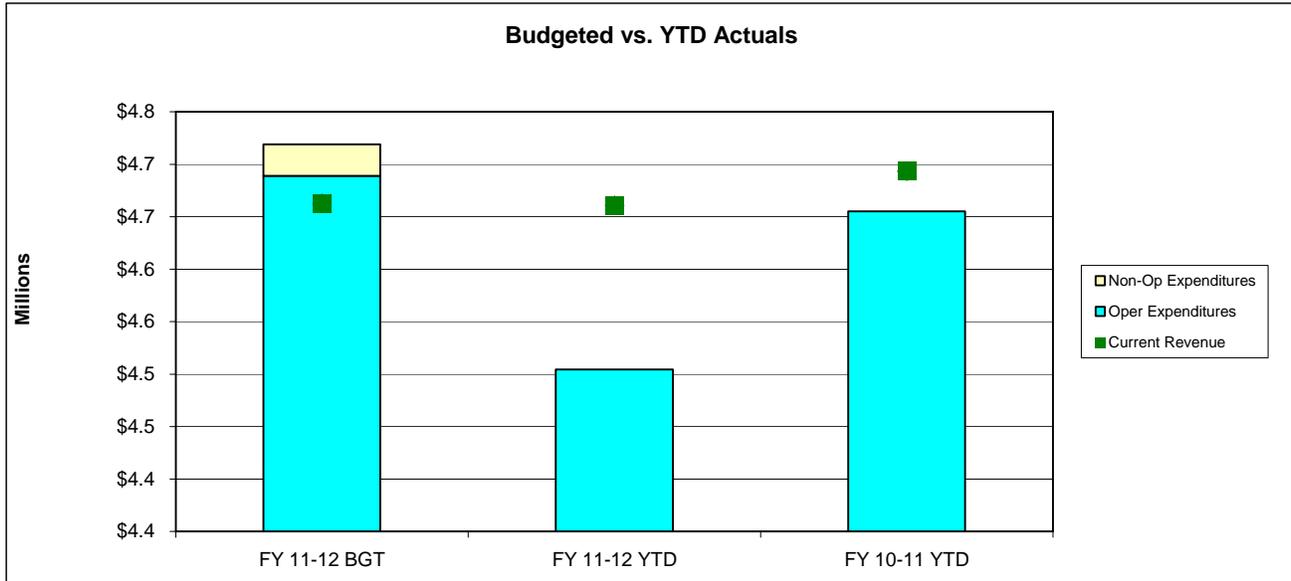
- (1) Market volatility has led to lower than anticipated interest rates, resulting in below target revenues.
- (2) Expenditures are under target FY 11-12 primarily due to \$60,000 of MIS' special projects budget being carried over to FY 12-13.
- (3) Spending is low as a percentage of budget in both years, driven by City-requested work orders that vary year to year, as well as the carryover of vehicle replacement budget to FY 12-13.



ADMINISTRATIVE SERVICES FUND

REVENUE	AMENDED BUDGET	4th Quarter FY 11-12	UNAUDITED FY 11-12	FY 11-12 % REC/EXPEND	4th Quarter FY 10-11	Y-T-D FY 10-11	FY 10-11 % REC/EXPEND
Budgeted Fund Balance	\$66,494						
Charges for Service	\$4,652,730	\$1,163,187	\$4,652,730	100.00%	\$1,096,371	\$4,685,490	97.91%
Miscellaneous (1)	9,820	3,131	8,112	82.60%	2,852	7,965	99.56%
TOTAL CURRENT REVENUE	\$4,662,550	\$1,166,318	\$4,660,842	99.96%	\$1,099,223	\$4,693,455	97.91%
EXPENDITURE BY DEPARTMENT							
Finance	\$2,588,650	\$654,663	\$2,566,753	99.15%	\$603,086	\$2,533,092	94.97%
City Manager's Office (2)	2,100,260	524,041	1,937,645	92.26%	621,988	2,122,104	98.97%
TOTAL OPERATING EXPENDITURES	\$4,688,910	\$1,178,705	\$4,504,399	96.06%	\$1,225,074	\$4,655,197	96.75%
Contingencies/Reserves	30,000	0	0	0.00%	0	0	0.00%
TOTAL ALL EXPENDITURES	\$4,718,910	\$1,178,705	\$4,504,399	95.45%	\$1,225,074	\$4,655,197	96.75%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	(\$56,360)	(\$12,387)	\$156,443		(\$125,851)	\$38,258	

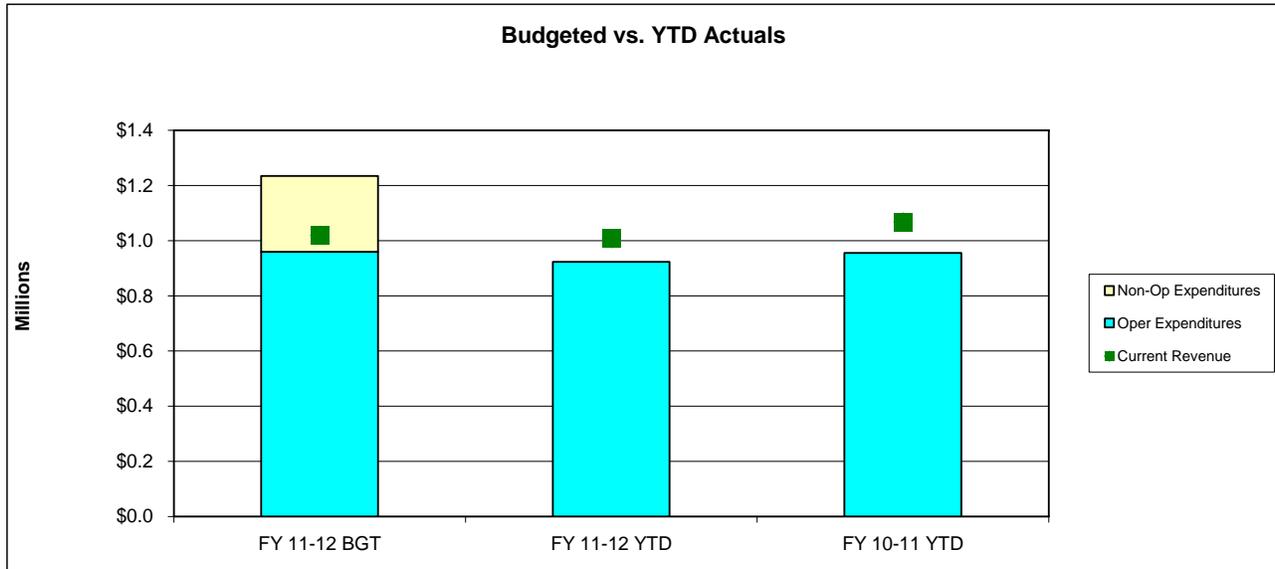
- (1) Interest earnings have been lower than expected and other miscellaneous revenue in FY 11-12 is also under budget due to fewer Utility Billing customer donations than anticipated.
- (2) Expenditures are less than budget and last fiscal year primarily due to vacancy savings associated with not filling the Human Resources Manager position.



RISK MANAGEMENT FUND

REVENUE	AMENDED BUDGET	4th Quarter FY 11-12	UNAUDITED FY 11-12	FY 11-12 % REC/EXPEND	4th Quarter FY 10-11	Y-T-D FY 10-11	FY 10-11 % REC/EXPEND
Budgeted Fund Balance	\$696,767						
Charges for Service (1)	\$980,270	\$0	\$980,270	100.00%	\$0	\$1,014,210	100.00%
Miscellaneous (2)	39,350	11,871	27,198	69.12%	8,685	52,872	130.16%
TOTAL CURRENT REVENUE	\$1,019,620	\$11,871	\$1,007,468	98.81%	\$8,685	\$1,067,082	101.16%
EXPENDITURE BY DEPARTMENT							
City Manager's Office (1,3)	\$959,950	\$165,682	\$923,092	96.16%	\$188,828	\$955,591	95.08%
TOTAL OPERATING EXPENDITURES	\$959,950	\$165,682	\$923,092	96.16%	\$188,828	\$955,591	95.08%
Contingencies/Reserves	275,000	0	0	0.00%	0	0	0.00%
TOTAL ALL EXPENDITURES	\$1,234,950	\$165,682	\$923,092	74.75%	\$188,828	\$955,591	76.75%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	(\$215,330)	(\$153,811)	\$84,377		(\$180,143)	\$111,491	

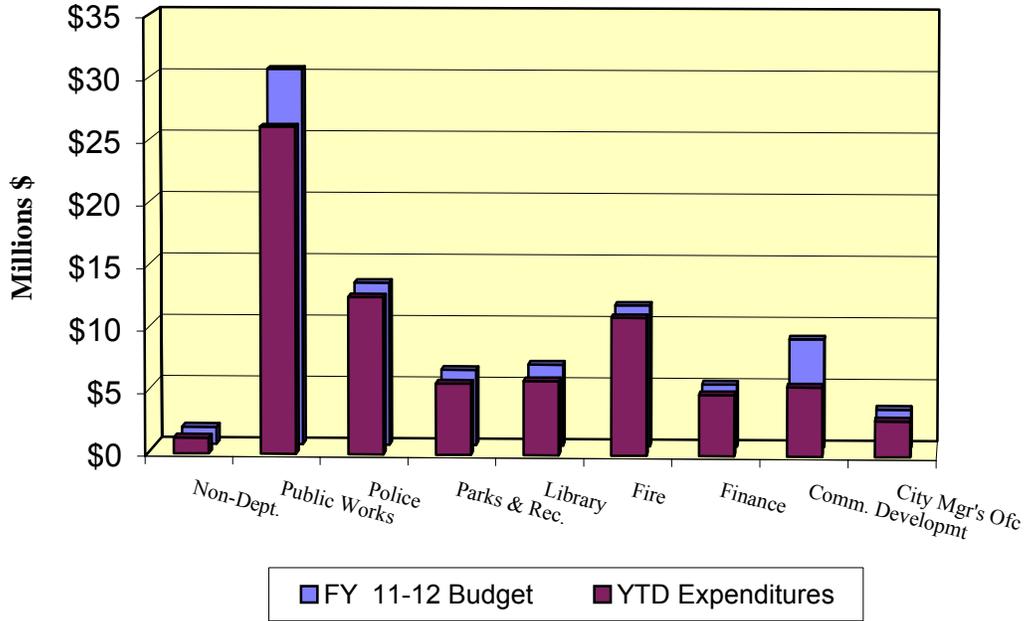
- (1) Timing of internal service charges to departments is weighted to coincide with insurance premium payments, 75% of which occur in July and 25% in January.
- (2) Miscellaneous revenue in this fund is driven by both interest earnings and by claim recoveries from insurance. Receipts for FY 11-12 include approximately \$17,850 in loss reimbursements related to nine City claims, compared to \$48,950 in the same period last year for twelve cases.
- (3) Expenditures were less than budget and last fiscal year due to \$30,000 in special projects for the City's onsite appraisal being carried forward to FY 12-13



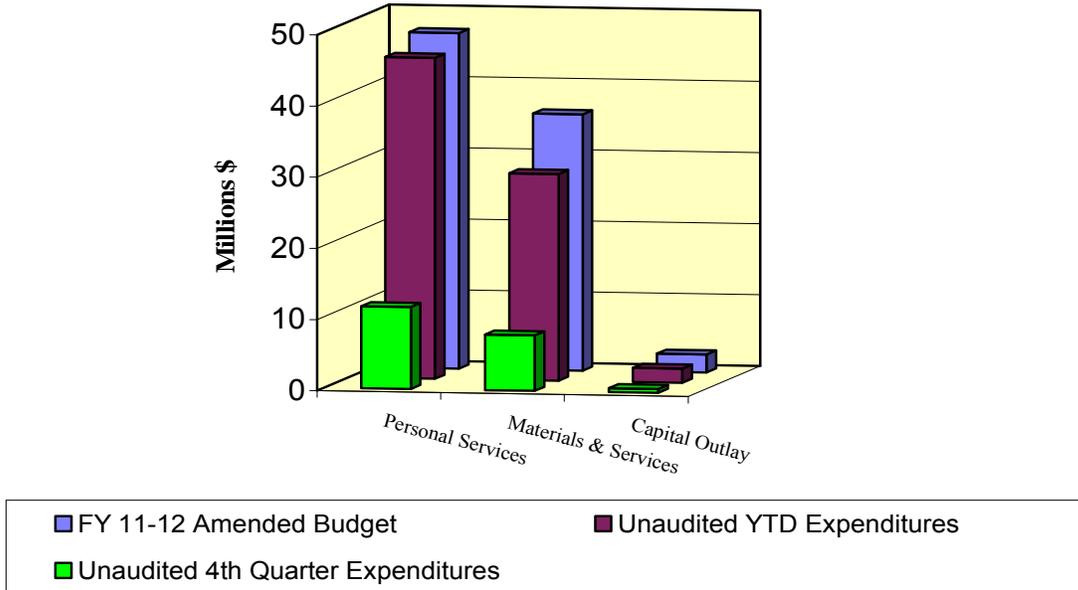
BUDGET PERFORMANCE BY DEPARTMENT

This section provides general information regarding departmental budgetary performance. Included in this section is an Expenditure Summary by classification for each department, which does not include Non-Operating or Capital Project Expenditures. The graphs below illustrate each department's operating performance as well as a "by category" view for all departments for the quarter and year-to-date (YTD).

Operating Expenditures by Dept



Operating Expenditures by Category



CITY MANAGER'S OFFICE

Type of Expenditure	2011-12 Amended Budget	Unaudited 4th Qtr Expenditures	Unaudited YTD Expenditures	Percent Expended
Personnel Services	\$1,389,310	\$346,571	\$1,226,341	88.27%
Supplies and Services	1,670,900	343,153	1,634,396	97.82%
Capital Outlay	0	0	0	0.00%
Total Operating Expenditures	\$3,060,210	\$689,724	\$2,860,737	93.48%

Fund Sources Combined: Administrative Services Fund and Risk Management Fund.

Noteworthy Accomplishments during this Quarter:

- Launched the Ambassador program as a means to improve customer service in the City Hall lobby.
- Updated required election forms and started preparing the City Council nomination packets.

Upcoming/Pending Items:

- Complete the 2012 Citizen Attitude survey and report results to the City Council and Budget Commission.
- Conduct the 2012 Employee Survey.
- Finalize labor negotiations with the Corvallis Police Officers' Association (CPOA) and the Corvallis Regional Communications Center Association (CRCCA).

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY10-11 ACTUAL	FY11-12 TARGET	4th QTR ACTUAL	FY11-12 YTD
Cost Efficiency	Compare City FTE to assess efficient and effective customer service	City FTE per 1,000 population.	7.49	7.20	7.27	7.27
	Reduce average workers compensation claims per employee through promotion of a safe workplace.	# of workers compensation claims per 100 FTE ⁽¹⁾	10.74	<8.75	3.3	12.3
	Maximize workplace productivity	Number of sick leave hours used per 1,000 hours worked. ⁽²⁾	30.80	<28.00	27.8	25.9
Diversity	Provide a welcoming organization that promotes and respects diversity	% of total job applicants for regular positions who identify themselves as a minority.	14%	12%	16%	15%
	Increase the percentage of employees who believe they have a welcoming workplace	% of employees surveyed who indicate their workplace is very or somewhat welcoming. ⁽⁴⁾	97%	≥ 98%	N/A	N/A
Sustainability	Reduce paper use	Reduce paper usage by 10% over the FY 2005-06 baseline of 524 reams as measured on a quarterly basis. ⁽⁵⁾	283 reams	<210	64.5	232
	Measure the benefits to compensation ratio for competitiveness, retention, attraction and comparator purposes.	Benefits as a % of total compensation. ⁽⁶⁾	33%	32%	36%	36%

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY10-11 ACTUAL	FY11-12 TARGET	4th QTR ACTUAL	FY11-12 YTD
Community Involvement	Maximize citizen satisfaction with the quality of City services.	% of Citizen Attitude Survey respondents giving good or excellent rating to the quality of overall City services. ⁽³⁾	82%	>83%	N/A	85%
	Maximize citizen satisfaction with City communications and outreach.	% of Citizen Attitude Survey respondents who rated the quality of public information services as excellent or good. ⁽³⁾	82%	>83%	N/A	78%
		% of Citizen Attitude Survey respondents who rated the job the City does at welcoming citizen involvement as excellent or good. ⁽³⁾	67%	>68%	N/A	67%
		% of Citizen Attitude Survey respondents who rated the job the City does at listening to citizens as excellent or good. ⁽³⁾	N/A	>55%	N/A	60%

- (1) There were 13 workers compensation claims filed in the fourth quarter, with 49 claims total in FY 11-12.
- (2) In the fourth quarter, 22% of sick hours used were classified as Family Medical Leave Act or sick child leave.
- (3) The 2011 Citizen Attitude Survey was completed in November and the results are posted on the City's website. No additional data is collected in the fourth quarter.
- (4) The internal employee survey and results have been deferred until FY 12/13.
- (5) Paper use was down in the fourth quarter, but the fiscal year target was exceeded in part due to the McFadden Industrial Annexation in the previous quarter.
- (6) The higher than target result in the fourth quarter is due to a combination of factors: wages are down because some top step employees who retired have not yet been replaced; AFSCME employees are taking furlough days which reduces wages overall; and benefit costs are higher due to increased health insurance premiums for 2012.

COMMUNITY DEVELOPMENT

Type of Expenditure	2011-12 Amended Budget	Unaudited 4th Qtr Expenditures	Unaudited YTD Expenditures	Percent Expended
Personnel Services	\$3,692,100	\$869,646	\$3,495,092	94.66%
Supplies and Services	4,965,700	337,468	2,016,115	40.60%
Capital Outlay	54,000	941	42,786	79.23%
Total Operating Expenditures	\$8,711,800	\$1,208,055	\$5,553,993	63.75%

Fund Sources Combined: General, Development Services, Community Development Revolving, Parking, Street, Water, Wastewater and Storm Water.

Noteworthy Accomplishments This Quarter:

- Completed the Alexander Court site of the two-site Alexander Seavey affordable rental housing development project. Occupancy at the 24-unit site in South Corvallis reached 79% by fiscal year-end.
- Received approval from the Housing and Urban Development Department (HUD) for the City's CDBG/HOME Action Plan for FY 12-13.
- Completed the new Center Against Rape & Domestic Violence (CARDV) advocacy center and began offering services.
- The Rental Housing Program received 169 related contacts in the fourth quarter outlining 292 separate issues, with 78 issues related to habitability and 214 of a non-habitability nature. Forty-six of the habitability issues reported are or may be subject to the Rental Housing Code, so Housing staff are working with complainants to achieve resolution or move to enforcement.
-

Noteworthy Accomplishments This Quarter (continued):

- One rehabilitation loan was approved and closed in the fourth quarter totaling \$34,859. The project consisted of relatively extensive interior and exterior rehabilitation improvements.
- Community Development Staff held work sessions with the Planning Commission and the City Council to review and receive preliminary feedback on the package of Land Development Code Amendments for adoption by the end of 2012. The package of LDC Amendments will correct errors and omissions in the LDC, incorporate most of the recommendations of the Infill Development Task Force, streamline certain LDC provisions, include measures to facilitate access and availability of local food, and potentially include a few “quick action items” from the OSU Collaboration Project.
- The Planning Division issued 24 land-use decisions in the 4th quarter, including the City Council’s decision to approve the Johnson Carriage House Historic Preservation Permit, Planning Commission approvals of a Corvallis Riverfront Hotel and Phase II of the Fifth and “B” Habitat for Humanity development.
- Received nineteen land-use applications in 4th quarter, including seven Historic Preservation permit applications.
- Development Services Plan Review staff conducted 3,912 construction inspections, processed 105 residential and 153 non-residential plan reviews for proposed construction projects in the fourth quarter.
- Staff issued 663 mechanical, solar and electrical permits in the fourth quarter. Of these, 177 or 27% were issued online. Offering online permits increases customer satisfaction, and results have surpassed the sustainability goal for the year.
- As a result of citizen complaints received, 138 new Code Enforcement cases were created in this quarter.
- Collaboration work groups met twice monthly with active participation from City Staff. For example, Public Works met with the Parking/Traffic group to discuss parking issues and potential treatments; and Community Development staff engaged with the Neighborhood Livability and Neighborhood Planning work groups.
- The Economic Development Commission met to review and discuss the Blue Ribbon Panel/DR2 Committee’s top priority action items related to the local development process.

Upcoming/Pending Items:

- The Collaboration Project Steering Committee will meet to consider the initial recommendations for the various work groups.
- The 2012 LDC Amendment package will move through the review process in anticipation of adoption in December 2012.
-
- City/OSU Collaboration Project will include two Neighborhood Outreach Meetings in April as well as the development of a regular schedule of Workgroup meetings from May through August.

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY10-11 ACTUAL	FY11-12 TARGET	4th QTR ACTUAL	FY11-12 YTD
Cost Efficiency	Maintain stated objective of completing inspections within same day of request.	Percentage of building inspections completed on time.	100%	95%	100%	100%
	Achieve plan review turn-around time consistent with other Oregon cities.	Percentage of initial residential plan review completed within 14 calendar days.	97%	90%	95%	97.3%
	Meet or exceed federal HOME match requirement (25%) for all investment of HOME housing dollars.	HOME housing dollars leveraged with outside investment in funded activities. ⁽¹⁾	30%	25%	0%	99%
	Meet or exceed State requirements for land use application review time.	Average review time (in days) to process a public hearing land use application.	37	< 115	33	34
	Meet or exceed State requirements for land use application review time.	Average review time (in days) to process administrative land use application.	17	< 45	25	18

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY10-11 ACTUAL	FY11-12 TARGET	4th QTR ACTUAL	FY11-12 YTD
Diversity	Assure that low income residents' housing needs are met in a cost effective manner.	Housing units occupied by low income households assisted per \$100,000 in City funds invested. ⁽²⁾	13.2	10.0	N/A	8.5
Community Involvement	Achieve at least the targeted % citizen rating of excellent or good.	Citizen satisfaction with land use process, from customer survey. ⁽³⁾	56%	60%	N/A	54%
Sustainability	Conserve resources by reducing fuel and paper use.	Percentage of Mechanical and Electrical permits issued online. ⁽⁴⁾	28%	20%	27%	26%
	Maintain the quality of low income housing in a cost effective manner.	Units of housing rehabilitated per \$100,000 in City funds invested. ⁽⁵⁾	25.8	5.0	2.4	2.7

- (1) Most of each fiscal year's HOME match is credited once during the year, in September, so it is not uncommon to have the first quarter reporting a match figure significantly higher than the target, and subsequent individual quarters reporting a 0% match amount while still achieving/exceeding the annual match goal on a year-to-date-basis. In the second quarter additional significant match credit was earned as a result of the City's below-market sale of land at Seavey Meadows for a HOME-funded affordable housing project. There was a zero match amount for the third and fourth quarters.
- (2) There were no applications received for First Time Home Buyer down payment assistance; thus no loans approved during the quarter.
- (3) The 2011 Citizen Attitude Survey was completed in November and the results are posted on the City's website. No additional data is collected in the fourth quarter.
- (4) Online services expanded in January 2011 to include plumbing permits, then expanded again in August 2011 to include solar permits. Performance is above target for the fourth quarter year-to-date as a result of outreach being conducted to promote additional use.
- (5) One Essential Repair Loan Program owner occupied housing rehabilitation projects reached completion during the quarter. The project consisted of relatively extensive interior and exterior rehab improvements.

FINANCE

Type of Expenditure	2011-12 Amended Budget	Unaudited 4th Qtr Expenditures	Unaudited YTD Expenditures	Percent Expended
Personnel Services	\$3,394,720	\$843,451	\$3,380,350	99.58%
Supplies and Services	1,492,000	432,360	1,425,428	95.54%
Capital Outlay	130,660	61,397	96,539	73.89%
Total Operating Expenditures	\$5,017,380	\$1,337,208	\$4,902,318	97.71%

Fund Sources Combined: General, Parking, Technology and Communications and Administrative Services.

Noteworthy Accomplishments during this Quarter:

- Implemented Integrated Voice Response (IVR) system to enable City Services customers to pay over the telephone through an automated system.
- Completed liquor, tobacco, and social gaming license renewals and provided recommendation to City Council.
- Conducted a request for proposal (RFP) related to Utility Billing printing services and selected a new vendor that will provide similar services for 24% less cost.
- Applied for annual renewal of property liability insurance.
- Facilitated the interim audit and finalized the annual calendar for fiscal year-end processes.
- Transitioned the City's banking services to Wells Fargo.
- Worked with departments to increase the Purchasing card program in an effort to take advantage of rebates and implement efficiencies in payment processing.
- Held two Public Hearings for the Proposed FY 12-13 Budget, followed by adoption of the budget by Council in June.
- Evaluated department workload and financial risks and controls to reorganize for the budgeted Finance staff reductions.
- Upgraded the Community Development Department's Record Management suite from Tidemark to Accela Automation.
- Continued the City Internet website upgrade project, including rolling out the new domain suffix corvallisoregon.gov
- Deployed Windows 7 and Office 2007 to most City computers.

Upcoming/Pending Items:

- Complete formal FlexNet Fixed-base software training.
- Review utility billing shut-off procedures and associated fees.
- Begin review of Council Policy 08-1.11 (Identity Theft Prevention and Red Flag Alerts policy).
- Perform fiscal year-end processes and prepare for final site visit from City auditors, including commencing work on the City’s Comprehensive Annual Financial Report.
- Prepare for ONESolution financial system conversion and implementation, including some data reorganizing and purging of non-archival history.
- Implement online customer payments through Click-2-Gov software for the City’s Accounts Receivable and loans financial system modules.
- Continue increased collection efforts with regard to delinquent ambulance billing accounts.
- Finalize Other Post Employment Benefits (OPEB) – GASB 45 contract with Milliman and CIS, and submit data for biennial OPEB valuation.
- File revenue sharing notification with the State and property tax levy forms with the County.
- Submit FY 12-13 Adopted Budget Document and criteria/application for annual GFOA Award.
- Update payroll system and impacted employees for year-end contract changes.
- Conduct competitive bid process for refunding of DEQ loan in the Wastewater Fund.
- Complete website software testing for municipal court to allow access for customers to pay online.
- Implement Online and Journal Archiving solution to facilitate electronic-discovery requests and to be in compliance with State of Oregon administrative rules retention period for electronic communications.
- Extend Windows 7 operating system and MS Office 2007 suite upgrade to remaining City staff.
- Roll out and go live with the new City internet website.

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY10-11 ACTUAL	FY11-12 TARGET	4th QTR ACTUAL	FY11-12 YTD
Cost Efficiency	Receive sufficient per capita revenue levels to enable the City to maintain existing service levels.	Maintain operating revenue greater than or equal to \$1,350 per capita. ⁽¹⁾	\$1,531	≥ \$1,350	\$339	\$1,643
	Ensure City resources are primarily spent on operations that provide services directly to citizens.	Maintain general overhead costs (City Manager’s Office and Finance) at less than 7% of total operating budget.	6.33%	<7.0%	5.89%	5.91%
	Provide necessary information technology resources for departments to operate efficiently.	Achieve 100% server uptime relative to scheduled server uptime. ⁽²⁾	99.99%	100%	99.99%	99.96%
	Manage MIS resources effectively and provide cost-efficient, high-quality, pro-active service to the organization to support system changes to adapt to ongoing departmental needs.	Resolve service calls to repair calls at a ratio of three to one and document repair calls more accurately while recording multiple repair calls into a single repair call if a single incident is involved. ⁽³⁾	.94/1	3.00/1	.47/1	1.37/1
	Increase organizational efficiency in providing service output.	Maintain operating expenditures less than or equal to \$1,350 per capita. ⁽⁴⁾	\$1,337	≤ \$1,350	\$363	\$1,395

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY10-11 ACTUAL	FY11-12 TARGET	4th QTR ACTUAL	FY11-12 YTD
Sustainability	Reduce department wide paper consumption through increased use of electronic file sharing and software upgrades.	Reduce paper purchases by 10% in FY 11/12 over actual FY 10/11 (as measured in reams on a quarterly basis). ⁽⁵⁾	628	565	160	630
	Reduce paper and postage costs by increasing proportion of Utility Billing customers participating in E-Bill program.	Increase number of E-Bill participants to 10% of Utility Billing customers. ⁽⁶⁾	1,094	1,500	1,761	1,761

- (1) Q1-Q3 FY 11-12 per capita revenue was calculated based on all revenues instead of just operating revenues. Q4 is based on just operating revenues and year-to-date FY 11-12 has been restated to reflect just operating revenues. Note footnote (4) as well regarding FY12-13 adjustment of target.
- (2) MIS did not experience any significant outage during the fourth quarter. Overall performance for the fiscal year is near perfect which indicates adequate server backup and scheduling of maintenance.
- (3) MIS Help Desk is documenting repair calls more accurately and recording multiple repair calls into a single repair call if a single incident is involved. The normal result is fewer incidents that require tracking and more resolved service calls. In the fourth quarter, MIS had 185 service calls to 390 repair calls; while year-to-date MIS has had 1,624 service calls to 1,185 repair calls.
- (4) While targeted operating expenditures have been exceeded both this fiscal year and last, targeted revenues have also been exceeded. Both of these measures have been updated in FY12-13 to more current levels, as they would both normally be expected to trend upward over time.
- (5) Paper consumption increased significantly in the fourth quarter related to in-house printing of budget documents to save printing costs.
- (6) The number of E-Bill customers increased by over 7% in the fourth quarter. Staff is continuing to publicize the benefits of an E-Bill on the monthly City Services bill in hopes of continued increased participation.

FIRE

Type of Expenditure	2011-12 Amended Budget	Unaudited 4th Qtr Expenditures	Unaudited YTD Expenditures	Percent Expended
Personnel Services	\$8,760,020	\$2,206,408	\$8,660,125	98.86%
Supplies and Services	1,946,660	459,320	1,836,448	94.34%
Capital Outlay	678,150	4,295	552,776	81.51%
Total Operating Expenditures	\$11,384,830	\$2,670,023	\$11,049,349	97.05%

Capital outlay consists of station equipment, major building renovation/repairs and scheduled fire vehicle replacements.

Noteworthy Accomplishments during this Quarter:

- Finalized a three-year labor agreement with the firefighters' union, IAFF (International Association of Firefighters).
- Closed the Zimbrick Memorial Fire Station 5 effective June 16th. Redeployed resources from that station.
- Continued work with the City's MIS department to implement Adobe Connect as part of the e-learning project.
- Two staff members participated in Eugene, Oregon's "Vigilant Guard" exercise.
- Completed Hoover School's Learn-Not-To-Burn program. Received Emergency Services Consulting International's (ESCI) final report regarding consolidation opportunities with the City of Albany Fire department. Results were presented to Council on March 19, 2012.

Upcoming/Pending Items:

- Prepare to implement "Risk Watch" at Lincoln Elementary during the 2012-2013 school year.
- Continue to update fire code with finalization expected by Q2 FY 12/13.
- Progress on work with the contracted architect for design and relocation of the planned new drill tower and complete cost estimates for the balance of work to be done.
- Finalize e-learning training for presenters and implement additional upgrades.

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY10-11 ACTUAL	FY11-12 TARGET	4th QTR ACTUAL	FY11-12 YTD
Community Involvement	Interact with at least 10% of residents (city and rural district) in public education events annually.	Number of attendees at public education events.	6,118	7,000	1,121	5,848
Cost Efficiency	Achieve a response time of 5 minutes or less from dispatch to arrival on Code 3 fire calls within the city limits, greater than our comparator's average of 62.5%	Percentage of total fire calls with a response time of 5 minutes or less from dispatch to arrival within city limits. ⁽¹⁾	82.0%	70.0%	60%	63%
	Achieve a response time of 5 minutes or less from dispatch to arrival of ALS equipment of Code 3 EMS calls within the city limits, greater than the 45% ASA contract target.	Percentage of EMS calls requiring ALS with response time of 5 minutes or less from dispatch to arrival within city limits.	82.0%	60.0%	53%	57%
	Maintain operating costs per capita at or below that of comparator cities (\$146.60)	Total fire operating expenditures per capita. ⁽²⁾	\$151.37	<\$146.60	\$39.28	\$162.55
	Maintain false alarm rate at or below the 23% level experienced by ICMA comparators.	False Alarm malfunctions as a % of total non-EMS incidents. ⁽³⁾	21%	12%	15%	11.68%
Sustainability	Maintain average loss per 1,000 population within city limits less than regional average of \$30,900	Maintain average loss per 1,000 population within city limits less than national average. ⁽⁴⁾	\$25,522	<\$30,900	\$349	\$8,390
	Maintain number of reported residential structure fires per 1,000 population within the city limits at less than the national average of 0.94.	Residential structure fires per 1,000 population served within city limits. ⁽⁴⁾	.83	<0.94	0.04	0.30

- (1) Fire call response times year-to-date are under target due to a recently discovered formula in the RMS software, which calculates response time based on the first unit dispatched to a call, which is typically a police unit. This formula was adjusted during April and will allow response times to be calculated based on the time a Fire unit is dispatched; moderate improvement in response time is expected.
- (2) FY 11-12 year-to-date figures have been restated to utilize the PSU population figure of 55,550 plus rural population of 12,425 for a total population of 67,975. The cost per capita is higher in Corvallis than comparator cities due to less population being served as well as the majority of the Corvallis Fire Department workforce being with the department for more than 20 years, which drives higher personnel service costs.
- (3) The measurement shown is the percentage of false alarms to structure fires and is intended to address the number of alarm malfunctions; not all types of false alarms. Corvallis has few fires but a number of false calls, due largely to malfunction of commercial alarm systems. Over time, the nuisance alarm ordinance and associated fines are expected to help reduce the number of repeat false alarms.
- (4) These measures can change dramatically with one significant, costly incident, hence the high target relative to actual experience year-to-date.

LIBRARY

Type of Expenditure	2011-12 Amended Budget	Unaudited 4th Qtr Expenditures	Unaudited YTD Expenditures	Percent Expended
Personnel Services	\$4,240,920	\$1,019,943	\$3,853,066	90.85%
Supplies and Services	2,301,610	644,513	2,059,418	89.48%
Capital Outlay	19,000	23,857	33,542	176.54%
Total Operating Expenditures	\$6,561,530	\$1,688,313	\$5,946,027	90.62%

Fund Sources Combined: Library and Library 2010 Fund. Capital outlay includes scheduled library equipment purchases and replacements.

Noteworthy Accomplishments during this Quarter:

- Held the annual volunteer breakfast to honor and thank the Library's 300 volunteers who contributed approximately 17,000 hours of their time.
- Worked to streamline invoice processing by increasing the use of purchasing cards.
- Participated in National Library week with Star Wars theme programs including costumes, trivia contests, scavenger hunts, and photo opportunities.
- Organized and held festivities associated with the World Book Night.
- Received approximately 2,200 book donations from the local chapter of First Book and saved the library approximately \$15,000 in purchases.
- Completed the eleventh annual Dia de los libros/Dia de los niños bilingual literacy event with over 300 participants.
- Implemented the CBCPL Mobile App whereby patrons can access their account, browse the catalog for books, CDs and DVDs, and download eBooks onto mobile devices.
- Sent out request for bids for the Monroe Library project and received three responses from vendors around the region. Meanwhile, staff worked on the shelving arrangement for the new building; construction began at the site; and there was a ground-breaking celebration attended by community members and county/city dignitaries.
- Began summer reading programs at all Library locations, including a new Adult Reading Program.
- Participated in the USDA free lunch program, growing from 25 lunches on the first day to 60 lunches per day at the Corvallis Library and approximately 35 lunches at the Philomath Community Library.
- Received nomination for best library blog by the Salem Press for blog entitled "The Second Floor Librarians"; the blog was recognized as one of fifty outstanding blogs from around the nation, eight of which were from public libraries.
- Attracted additional public interest in The Bookmobile, through its attendance at the Farmers Market each Saturday.
- Provided many programs during the quarter including several book readings, a concert, cooking demonstration, and a writing workshop.
- Completed the chiller replacement project, which was fully funded by a federal Energy Efficiency and Conservation Block Grant (EECBG) of \$150,000 such that no property tax revenues were needed for the project.
- Converted all paper towel dispensers from batteries to 24-volt power, which will decrease waste to landfills, labor costs, and after-hours calls.

Upcoming/Pending Items:

- Continue summer reading programs and activities.
- Progress further on construction of the new Monroe Library building with plans to open in early 2013.
- Conduct the annual volunteer appreciation event.
- Sell the former Bookmobile in FY 12-13. Although it is listed for sale with the Specialty Vehicles Service Company, there has only been sporadic interest, and no offers. Other options for selling the unit are continuing to be investigated.
- Continue building maintenance and special projects including:
 - The installation of a new fire alarm system, which was deferred from FY 11-12.
 - The replacement of the cedar shake roof on the Belluschi Wing, which has been approved to use more budget-and-maintenance friendly asphalt shingles.

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY10-11 ACTUAL	FY11-12 TARGET	4th QTR ACTUAL	FY11-12 YTD
Cost Efficiency	Be at ICMA national average or below for operating and maintenance expenditures per item circulated of \$3.36.	Operating and maintenance expenditures per item circulated.	\$2.88	\$3.28	\$3.35	\$2.92
	Circulate at least 30% more per FTE than other ICMA comparable libraries – ICMA average of 28,674.	Circulation per FTE. ⁽¹⁾	36,236	35,800	9,286	37,953
Community Involvement	Achieve at least a 90% rating of excellent or good and be in the top five of national ICMA cities rated.	Citizen rating of overall library services. ⁽²⁾	92%	90%	N/A	93%
	Be in the top 20% of circulation rates per capita of comparable ICMA libraries ≥ 15.7 .	Circulation rates per capita. ^(1,3)	18.98	19	4.89	19.33
	Increase number of interactions with the public per FTE by 2% over previous year.	Interactions with the public per FTE. ⁽⁴⁾	6,402	6,700	1,399	5,639
	Be in the top five of comparable ICMA libraries in volunteer FTE's per 1,000 population $\geq .02$.	Number of volunteer FTE's per 1,000 population. ⁽⁵⁾	.089	.087	.093	.095
Diversity	Offer programs reflecting the diverse populations within Benton County.	Attendance at programs for children, teens, seniors, Latinos and other non-English speakers. ⁽⁶⁾	29,263	27,500	10,315	32,078
Sustainability	Each public computer is used at least 3,000 times per year.	Average number of user sessions per Corvallis Library public computer. ⁽⁷⁾	2,804	2,900	567	2,393
	Provide the materials people want to use and keep them moving through the community.	Circulation per registered borrower. ⁽¹⁾	32.5	32.2	8.5	33.6

- (1) The ICMA definition of FTE which includes hours worked by regular & casual staff (which the City uses very infrequently).. Note that in the 2nd quarter an error was found in how Circulation statistics were being counted, which resulted in under-stating Circulation for the past several years. FY 11-12 YTD reflects the corrected amounts for any measures using circulation numbers. The target has been exceeded again this fiscal year thanks to the abundant community support for the Library, combined with increased self-serve technology.
- (2) The 2011 Citizen Attitude Survey was completed in November. Results are on the City's website. No additional data is collected in the 4th quarter.
- (3) This ICMA Core measure uses Benton County population of 87,000, per PSU population report 03/2011.
- (4) This statistic is down 12% from last year and came in under target for FY 11-12 since interactions have decreased with more use of self-checkout and decreased open hours.
- (5) The Library continues to utilize volunteers to keep up with demand for services. FY 11-12 measure slightly exceed management's annual goal.
- (6) There are many programs for these groups during the first quarter (Summer Reading), but fewer programs at other times of the year. However, attendance at these programs continues to be strong; up about 10% from last year.
- (7) This measure did not meet the annual target with use of public computers decreasing as more patrons bring their own laptops and utilize the wireless system. Decreased open hours also influence this measure. The goal of at least 3,000 user sessions per year has been reduced to 2,900 in FY 11-12 due to decreased open hours. This measure is down nearly 15% from last year. In FY 12-13 the goal and target will be evaluated so both align.

PARKS & RECREATION

Type of Expenditure	2011-12 Amended Budget	Unaudited 4th Qtr Expenditures	Unaudited YTD Expenditures	Percent Expended
Personnel Services	\$3,795,050	\$873,278	\$3,621,636	95.43%
Supplies and Services	2,283,820	605,267	2,086,743	91.37%
Capital Outlay	17,630	11,351	11,351	64.39%
Total Operating Expenditures	\$6,096,500	\$1,489,896	\$5,719,731	93.82%

Fund Sources Combined: Parks & Recreation, Aquatics and Open Space Funds. Capital outlay includes scheduled vehicle and machinery replacements.

Noteworthy Accomplishments during this Quarter:

- Employees at the main office front desk have become bi-lingual thereby improving customer service for Spanish speaking residents.
- Completed a landscape clean up project in Avery Park as part of a 4-H summit.
- The MLK Jr. Commission funded a kiosk at MLK Jr. Park, which has been constructed and will eventually include public art.
- Recreation staff worked with the Benton County Health Department to plan the Campeones de Salud! Soccer tournament to take place in August.
- Began summer day camps and registered 178 children in nine camps.
- Registered twenty-one teams for Adult soccer and eleven teams in Adult sand volleyball.
- Completed the Owens Farm barn stabilization project.
- The Osborn Aquatic Center registered 325 participants in the Heart of the Valley Triathlon.
- Sponsored a sold-out spring dinner at the Senior Center.
- Completed an application to FEMA for funding the Mary's River Natural Area Boardwalk after it suffered damage during the February 2012 flood.
- Department staff presented at the Access Benton County meeting to discuss Parks & Recreation programs and the department's Master Plan update.

Upcoming/Pending Items:

- Continue development of a Friends Group in FY 12-13 that may enable additional funding and support for Department services.
- The feasibility study for a Parks and Recreation Special District will be finalized in FY 12-13.
- Finalize the Community Garden Master Plan.
- Make additional progress on consolidation of City/School District agreements; Tunison Park Rehabilitation Project; Shooting Star Trail Rehabilitation; Goal Setting for the Parks, Natural Areas and Recreation Board; Easements for the NW Natural Gas Loop; and the Herbert Farm & Natural area restoration plan for 60 acres.

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY10-11 ACTUAL	FY11-12 TARGET	4th QTR ACTUAL	FY11-12 YTD
Cost Efficiency	Provide multiple opportunities for community involvement while lowering program costs.	Total number of hours worked by volunteer staff in support of parks and recreation activities. ⁽¹⁾	22,365 (10.75 FTE)	30,000 (14 FTE)	7,579 (3.688 FTE)	24,322 (11.7 FTE)
	Highlight the value of subsidized recreation at Osborn Aquatic Center.	Target cost per visit for subsidy at OAC. ⁽²⁾	\$3.09	\$3.00	\$2.68	\$2.91
	Highlight the value of subsidized recreation at Senior Center.	Target cost per visit for subsidy at the Senior Center. ⁽³⁾	\$5.07	\$5.00	\$5.55	\$6.58
	Keep operations & maintenance (O&M) costs per 1,000 pop below median for nationwide reporting cities with pop between 35,000 & 70,000.	Net annual P&R O&M expenditures (not incl. utilities) per 1000 population. ⁽⁴⁾	\$89,170	\$80,000	\$21,752	\$83,787

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY10-11 ACTUAL	FY11-12 TARGET	4th QTR ACTUAL	FY11-12 YTD
Community Involvement	Provide multiple opportunities for public involvement.	Total number of hours of Board, Commissions and Stakeholder, and Public Meetings. ⁽⁵⁾	New	90 hours	25	127
Sustainability	Increase the utilization percentage of granted scholarships.	Percent of total scholarship value expended. ⁽⁶⁾	15%	20%	59%	32%
	Maintain or improve the ratio of acres per population of comparator cities.	Total park acres per 1,000 population. ⁽⁷⁾	33.2	30.1	31.9	31.9
Diversity	Continue to design recreation programs to be inclusive, creating an opportunity for our diverse community to come together.	Number of programs offered annually and the number of participants. ⁽⁸⁾	910/ 19,980	1,820/ 23,635	545/ 15,407	2,859/ 96,917

- (1) Volunteers are most prevalent in the first and fourth quarters. Parks operations continue to be the leader in the utilization of volunteer labor – capitalizing on college and community need for service project opportunities. FY 11-12 exceeded last year by approximately 1,958 hours or .95 FTE which was primarily in the Parks division helping to meet maintenance standards. While results are under target, the level of achievement is still significant considering the large number of vacancies in regular staff, who are needed to train and supervise volunteers.
- (2) OAC's quarterly report numbers are estimated based on data coming from contracted instructors, rentals and other sources. A significant increase in usage of the facility in the 4th quarter has improved the final YTD number relative to previous quarters and resulted in achieving target performance.
- (3) Visitations decreased in the first half of the year due to a vacant recreation coordinator position at the Senior Center. This position was filled in third quarter, resulting in an increase in the number of visits, but not enough to exit FY 11-12 at targeted levels. Staff is working toward a re-organization of program coordination that is expected to increase participation at the Senior Center in FY 12-13.
- (4) This figure is derived from the total expenditures for P&R minus the utilities and overhead divided by population represented in thousands. Staff exercised measurable reductions to bring the FY 11-12 total close to target and approximately \$5,400 less than last fiscal year.
- (5) Due to public involvement in Park's Cost Recovery Model process and other plans being written at this time, the department exceeded projections this fiscal year in this new category.
- (6) Total numbers have exceeded target. Increase in use of scholarships is due to additional outreach and change in eligibility per cost recovery policy whereby the department raised program fees. Staff anticipates continued popularity in FY 12-13 with the new program parameters.
- (7) FY 10-11 was formerly listed as 30.1, however the wrong formula was used in the calculation, so the actual has been restated based on 1,810 acres and population 54,460. FY 11-12 target was also under-stated due to the previous formula, and should have been 33.2. FY 11-12 YTD is based on a restatement of acres vs. deeds and has been trued up resulting in current acres of 1,733.6 and population of 54,460.
- (8) This is the first year Osborn Aquatic Center numbers are included, which is why FY 11-12 values are significantly higher than FY 10-11 and target.

POLICE

Type of Expenditure	2011-12 Amended Budget	Unaudited 4th Qtr Expenditures	Unaudited YTD Expenditures	Percent Expended
Personnel Services	\$10,013,319	\$2,507,523	\$9,637,799	96.25%
Supplies and Services	3,001,876	749,692	2,916,799	97.17%
Capital Outlay	114,580	5,500	60,901	53.15%
Total Operating Expenditures	\$13,129,775	\$3,262,715	\$12,615,498	96.08%

Fund Sources Combined: General, 9-1-1 Emergency Communications and Parking Fund. Capital outlay includes scheduled vehicle, equipment and computer system replacements.

Noteworthy Accomplishments during this Quarter:

- The 911 Service District feasibility study final report was received from the consultant and was presented to the 911 User Board in the fourth quarter.
- The City's Police Department canine and handler took top honors at the Springfield, Oregon Police Canine competition with their overall victory attaining the prestigious title "Top Dog 2012."
- Cops and Robbers Citizen Police Academy completed its 33rd session with 20 graduates.
- The department's Greek Liaison Officers met with the leadership of OSU Greek Life and attended the annual OSU Greek Awards Banquet.
- CPD officers participated in a drug take back event.

Upcoming/Pending Items:

- Continue progress on the radio interoperability and 700 MHz projects.
- A Pedestrian Safety Enforcement Operation which began in April will conclude on September 17, 2012.
- Finalize labor contract negotiations with the Corvallis Police Officers Association (CPOA).
- Purchase and take delivery on two GO-4 parking scooters ordered in FY 11-12.

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY10-11 ACTUAL	FY11-12 TARGET	4th QTR ACTUAL	FY11-12 YTD
Cost Efficiency	Increase community safety by reducing response time to top priority calls.	Response time in seconds to top priority calls.	300	300	281	283
	Increase community safety by clearing part 1 criminal investigations.	Percentage of Part 1 Crimes Cleared. ⁽¹⁾	Violent 49%	70%	85%	59%
			Property 14%	20%	18%	20%
	Efficiently move candidates through the complex recruitment process to reach and maintain fully authorized staffing levels.	Number of days to complete recruitment of police officers from testing to conditional job offer. ⁽²⁾	161	<90	N/A	159
Increase community safety by maintaining overall number of traffic accidents resulting in injuries/fatalities at less than the State average of 5.1/per thousand population.	Fatal and injury traffic accidents per 1,000 population. ⁽³⁾	1.93	<2.50	.72	2.04	
Diversity	Increase diversity of applicant pool through targeted outreach efforts.	Number of new, targeted outreach efforts. ⁽⁴⁾	3	6	0	0
Community Involvement	Achieve at least an 85% rating of excellent or good in citizen attitude surveys.	Citizen satisfaction ratings of overall police services. ⁽⁵⁾	83%	85%	N/A	81%

(1) This past year, due to staffing constraints and frozen/cut positions there have been only four police officers assigned and trained as Detectives. This is a 20% reduction in staff from the five full time detective positions which should be assigned, and partly accounts for the below target violent crime clearance rate.

(2) Recruitment days were above target due to the uncertainty that the vacant positions would be funded in FY 12-13. Once determined, recruitments were fulfilled or placed on hold. As a result of the budget process all remaining police officer vacancies were placed on hold for the remainder of FY 11-12.

(3) There have been only 111 accidents, or 2.04 per thousand, year-to-date. Target against national average has been met for the fiscal year.

(4) Recruiting has been on hold due to budgetary impacts.

(5) The 2011 Citizen Attitude Survey was completed in November and the results are posted on the City’s website. No additional data is collected in the fourth quarter. While CPD’s citizen satisfaction rating is below target, it is similar to other police agencies reporting in the ICMA National Survey, and 85% satisfaction remains a good value for which to strive.

PUBLIC WORKS

Type of Expenditure	2011-12 Amended Budget	Unaudited 4th Qtr Expenditures	Unaudited YTD Expenditures	Percent Expended
Personnel Services	\$11,864,510	\$2,852,707	\$11,232,288	94.67%
Supplies and Services	16,987,640	3,896,924	13,803,502	81.26%
Capital Outlay	1,526,080	456,106	1,184,833	77.64%
Total Operating Expenditures	\$30,378,230	\$7,205,737	\$26,220,622	86.31%

Fund Sources Combined: General, Street, Parking, Transit, Water, Water Timber, Wastewater, Storm Water, Airport, Fleet Maintenance, Facility Maintenance and Technology and Communications Fund. Capital outlay includes scheduled vehicle and equipment replacements.

Noteworthy Accomplishments during this Quarter:

- Conducted a public meeting to gather input on the Comcast franchise agreement renewal.
- Received Council approval on an ordinance to reduce the use of single-use plastic bags in Corvallis.
- Published an RFP for a Utility Rate Review to determine whether or not Corvallis should consider a different rate structure for water, wastewater, and storm water services.
- Completed data gathering and submittal to the Federal Transit Authority for the transit triennial review.
- Finalized a remodel at the Corvallis Airport to make the restrooms in the City's main hanger available after hours.
- Worked with a sub-committee of the Citizens Advisory Commission on Transit (CACOT) to design transit system enhancements to be presented to the public.
- Conducted the annual public tour of the Corvallis Forest with sixty-one people in attendance.
- Transferred operational responsibility for the United Chrome Superfund site to the Airport Manager and fiscal responsibility from the Wastewater Fund to the Airport Fund.
- Advertised the following projects for bid: Corvallis/Albany Trail; Dunawi Creek fish barrier removal; FY 12-13 Storm Drain Replacement; FY 12-13 Local Street Reconstruction Project; and Sidewalk Infill.
- Completed the bid process for the 9th & Spruce Pedestrian Crossing and Sanitary Sewer Rehabilitation projects.
- Met with residents near 36th & Grant to discuss replacement of the water system pump station in that intersection.
- Initiated design work on the 36th & Grant Pump Station and Taylor Water Treatment Plant Improvement projects.
- Completed initial public outreach for the FY 12-13 CIP update process.
- Received notification of an improved rating for Corvallis in the National Flood Insurance Program resulting in increased savings for citizens with properties in flood hazard areas.

Upcoming / Pending Items:

- Implement the purchasing card program throughout Public Works in order to streamline the acquisition process and improve cost efficiencies.
- Complete negotiations with NW Natural Gas and begin negotiations with Comcast on their franchise agreement renewals.
- Present the Airport Master Plan update to the public for comment.
- Publish an RFP for a new passenger tracking system for the transit system.
- Complete pavement preservation projects to improve the riding surface of selected streets.
- Implement transit system service enhancements to provide more service on heavily used routes.
- Provide wastewater plant discharge temperature TMDL project update/status report to the Urban Services Committee and seek direction on the path forward.
- Conduct underwater inspection of the wastewater reclamation plant discharge pipe in the Willamette River to determine if any damage was done from this winter's heavy rainfall/river flow event for a possible FEMA claim.
- Start year six of timber thinning projects on the Corvallis Forest (Watershed) to improve forest health in accordance with the Corvallis Forest Stewardship Plan.
- Review bids for the following projects: Sidewalk Infill, Local Street Reconstruction, Taylor Plant improvements, and Storm System Rehabilitation.
- Complete painting of the North Hills 2nd Level Reservoir as well as State and Federal permitting for the Dunawi Creek fish barrier removal project.
- Compile a draft CIP document and initiate staff review in anticipation of October/November meetings with the CIP Commission.
- Initiate meetings with the Urban Services Committee to develop a policy on private building encroachments into the public Right-of-Way (ROW).

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY10-11 ACTUAL	FY11-12 TARGET	4th QTR ACTUAL	FY11-12 YTD
Cost Efficiency	Maintain transit costs below national average of \$2.70 per ride.	Costs per transit ride. ⁽¹⁾	\$1.88	<\$2.70	\$1.48	\$1.56
	Have utility rates that contribute to Corvallis being an attractive place to live.	Control operation and maintenance costs to minimize annual utility rate increases. ⁽²⁾	2.4%	≤ 3.0%	N/A	3.3%
		Percent of average annual water bill to median household income (\$74,200) ⁽²⁾	0.42%	<0.45%	N/A	.35%
		Percent of average annual wastewater bill to median household income (\$74,200) ⁽²⁾	0.60%	<0.65%	N/A	.56%
Community Involvement	Contribute to the environmental health of the community. (ICMA)	Citizen rating of the quality of street cleaning services as 'excellent' or 'good' (from the Citizen Attitude Survey). ⁽³⁾	82%	85%	N/A	78%
	Provide street and utility services that meet the needs of community residents.	Citizens rating Public Works services 'excellent' or 'good', averaged for street, water, wastewater and storm water (from the Citizen Attitude Survey). ⁽³⁾	77%	90%	N/A	73.75%
	Encourage citizen input on Public Works projects and activities.	Number of public meetings held on department projects. ⁽⁴⁾	15	20	6	12
Sustainability	Be among the top third of comparator cities for use of alternative fuels.	Percentage of vehicles and heavy equipment using alternative fuels. ⁽⁵⁾	35%	35%	N/A	N/A
	Maintain energy costs for wastewater treatment below the national average as determined by NACWA (\$166 per million gallons treated)	Energy cost per million gallons treated. ⁽⁶⁾	\$75.84	< \$80.00	\$85.46	\$85.46
	Remain below national average of 10% annually for water loss in the distribution system.	Percent of water loss in the distribution system. ⁽⁷⁾	4.84%	<10.00%	5.1%	4.57%

(1) Fareless transit has led to significantly higher ridership resulting in a lower cost per rider than historically obtained despite higher program costs.

(2) This is an annual measure calculated in the second quarter, no additional data is collected in the third or fourth quarter.

(3) The 2011 Citizen Attitude Survey was completed in November and the results are posted on the City's website. No additional data is collected in the third or fourth quarter.

(4) This measure is seasonally impacted, with the frequency of meetings increasing toward the end of the fiscal year. Meetings in the fourth quarter included Plastic Bag Outreach, the Transit Service Enhancement, and Engineering and TMDL projects. Staff vacancies and workload resulted in fewer meetings than originally projected.

(5) These are annual measures calculated and reported on in the fourth quarter, however due to budget constraints Public Works was not able to participate in gathering data for this measure in FY 11-12.

(6) Increased energy consumption along with several energy rate increases drove this measure higher than expected in FY 11-12.

(7) Low percentage is reflective of no water main breaks or storage tank/reservoir projects during the first half of the year.

NON-DEPARTMENTAL

Type of Expenditure	2011-12 Amended Budget	Unaudited 4th Qtr Expenditures	Unaudited YTD Expenditures	Percent Expended
Personnel Services	\$0	\$0	\$0	0.00%
Supplies and Services ⁽¹⁾	1,367,300	342,498	1,263,970	92.44%
Capital Outlay	0	0	0	0.00%
Total Operating Expenditures	\$1,367,300	\$342,498	\$1,263,970	92.44%

Budget includes city allocations, paying agent fees for debt service and pass through cost of retired employees' medical benefits.

(1) Spending is under budget at year-end primarily due to carrying over economic development allocation funding to FY12-13 to support new City Manager's Office program in this regard.

VACANCY SUMMARY

DEPARTMENT	Adopted 11-12 Budget		VACANT POSITIONS	STATUS
	AUTHORIZED FTE	FILLED FTE		
CMO	9.750	8.750	Human Resources Manager (1)	FY 12-13 Reduction
COMMUNITY DEVELOPMENT	38.250	31.000	Building Inspector (2) Senior Planner (1) Project Coordinator (.75) Project Coordinator II (2) Engineering Technician III (1.5)	Held open Held open Held open Held open Recruitment to be initiated
FINANCE	34.750	34.250	Admin Specialist (.25) Accounting Specialist (.25)	Underfilled Held Open
FIRE	69.000	66.000	Fire Engineer (1) Firefighter EMT (2)	Recruitment not initiated Recruitment not initiated
LIBRARY	45.375	40.000	Shelver (1.0) Library Specialist II (2.25) Library Specialist III (1.0) Community Library Specialist (0.625) Reference Librarian (0.50)	Recruitment to be initiated Recruitment to be initiated Recruitment not initiated Recruitment not initiated Recruitment not initiated
PARKS AND RECREATION	35.820	29.800	Park Operations Supervisor (1.0) Recreation Coordinator (.25) Admin Specialist (.50) Park Operations Specialist (.50) Seasonal Parks Worker (3.77)	Recruitment not initiated Held open Held open Held open Underfilled
POLICE	90.250	84.250	Police Lieutenant (1) Public Safety Dispatcher (1) Police Officer (3) Sr. Administrative Specialist (1)	FY 12-13 Reduction Background in process Held open FY12-13 Reduction
PUBLIC WORKS	118.125	108.125	Administrative Specialist (1) Administrative Division Manager (1) Buildings & Grounds Maint Specialist (1) Engineering Supervisor (1) Engineering Technician III (1) Equipment Maint Technician (1) Program Specialist (.5) Program Specialist (.5) Street Maintenance Specialist (1) Utilities Services Supervisor (1) Utilities Treatment Plant Operator (1)	Recruitment initiated Recruitment in process Recruitment initiated Recruitment not initiated No recruitment at this time Recruitment not initiated Recruitment not initiated Recruitment not initiated Recruitment not initiated Recruitment not initiated Recruitment not initiated
TOTALS	441.320	402.175		

CAPITAL IMPROVEMENT PROGRAM

The Capital Improvement Program section is included in the Quarterly Operating Report to update readers on the status of projects currently in progress. Projects have been placed in one of seven broad-based infrastructure functional areas: Airport; Buildings and Facilities; Parks and Recreation; Storm Water; Transportation; Wastewater; and Water. At the end of the fourth quarter, Capital Project year-to-date expenditures totaled \$5,718,392 or 46.71% of the \$12,242,808 Amended Budget. The lists below include a breakout of major projects by those that are substantially completed, those which have been carried over to next year for anticipated completion and projects deferred or cancelled. The projects for which only the design phase is to be complete have been marked as such. Please refer to the detail section starting on page three for more information on the status of all projects, including those below.

Projects Completed	Page#
City Hall Block	<u>3</u>
Park Facility Renovation – Central Park Plaza Reconstruction and ADA Restroom Doors	<u>4</u>
Special Use Facilities – Tennis Courts (Cloverland Park)	<u>4</u>
Trails – Shooting Star Improvements	<u>4</u>
Storm Water Retrofit – 4 th Street	<u>5</u>
Advanced Transportation Management System	<u>5</u>
Circle Boulevard Pedestrian Activated Crossings	<u>5</u>
South 3 rd Street / Crystal Lake Drive Improvements	<u>6</u>
Marys River Interceptor Improvements	<u>7</u>
WWRP Electrical Equipment Replacement	<u>7</u>

Projects Delayed or Cancelled	
Osborn Aquatic Center – Solar Panels	<u>4</u>
Special Use Facilities – Tennis Courts (Linus Pauling, former Westland Schools)	<u>4</u>
Electric Vehicle Charging Stations	<u>6</u>
Goodnight Right-of-Way Acquisition	<u>6</u>
Traffic Signal – 26 th / Western	<u>7</u>
Biosolids Storage Tank	<u>7</u>
North Hills 1 st Level Reservoir Improvements	<u>8</u>
West Corvallis 2 nd Level Water	<u>8</u>

Projects Partially or Wholly Carried Over to FY 12-13	
Fire Department Facilities Relocation	<u>3</u>
Municipal Buildings – Library Roof Replacement	<u>3</u>
Park Improvement – Willamette Shelter	<u>4</u>
Park Improvement – Tunison and Community Center Improvements	<u>4</u>
Riverfront Commemorative Parks – Interpretive Signs	<u>4</u>
Trails / Bike Paths – Shooting Star Trail Improvements	<u>4</u>
Advanced Transportation Management System	<u>5</u>
City Hall Parking	<u>6</u>
Downtown Public Parking	<u>6</u>
Pedestrian Crossings – 9 th Street	<u>5</u>
Sidewalk In-Fill	<u>6</u>
36 th and Grant Water Pump Station Improvements	<u>8</u>
North Hills 1 st Level Reservoir Improvements	<u>8</u>
Taylor Chemical Mixing and Piping Improvements	<u>8</u>

SUMMARY OF CIP PROJECTS

BUILDINGS AND FACILITIES	ADOPTED	AMENDED	Y-T-D
City Hall Block	\$500,000	\$329,710	\$18,395
Fire Department Facilities Relocation	886,000	877,290	180,619
Municipal Buildings Rehabilitation	253,000	318,000	176,904
Carryover Adjustment - Unused Budget	0	148,000	0
TOTAL Buildings and Facilities	<u>\$1,639,000</u>	<u>\$1,673,000</u>	<u>\$375,919</u>
PARKS			
PARKS	ADOPTED	AMENDED	Y-T-D
Acquisition of Land	\$179,193	\$179,193	\$0
Osborn Aquatic Center	46,000	46,000	0
Park Facility Renovation	118,000	118,000	79,496
Park Improvements - Existing	245,000	250,000	5,100
Riverfront Commemorative Park Signage	31,150	31,150	0
Special Use Facilities	20,000	20,000	7,980
Trails/Bike Paths	103,900	103,900	4,471
TOTAL Parks	<u>\$743,243</u>	<u>\$748,243</u>	<u>\$97,047</u>
STORM WATER			
STORM WATER	ADOPTED	AMENDED	Y-T-D
Storm Drain Replacement	\$141,310	\$162,885	\$152,147
Storm Water Retrofit	124,600	230,672	213,585
Storm Water Master Plan Projects	445,000	423,425	117,072
Utility and Street Improvements	15,000	15,000	0
TOTAL Storm Water Projects	<u>\$725,910</u>	<u>\$831,982</u>	<u>\$482,803</u>
TRANSPORTATION			
TRANSPORTATION	ADOPTED	AMENDED	Y-T-D
9th Street Pedestrian Crossing	\$0	\$100,800	\$10,697
Advanced Transportation Management System	574,640	649,130	3,173
Circle Boulevard Pedestrian Activated Crossings	20,000	10,330	8,576
City Hall Parking	10,000	10,000	0
Covallis to Albany Trail	820,000	820,000	52,496
Downtown Public Parking	200,000	200,000	0
Electric Vehicle Charging Stations	30,000	30,000	0
Fillmore and Lincoln Sidewalks	0	2,070	2,065
Goodnight ROW Acquisition	370,000	370,000	0
Sidewalk Infill	0	105,603	16,107
Sidewalk Safety	155,200	255,200	186,923
South 3rd Street/Crystal Lake Drive Improvements	25,000	25,000	0
Street Reconstruction	646,190	705,190	660,605
Traffic Signals	282,040	280,170	28,184
Utility and Street Improvements	200,000	38,200	0
Carryover Adjustment - Unused Budget	0	9,480	0
TOTAL Transportation	<u>\$3,333,070</u>	<u>\$3,611,173</u>	<u>\$968,825</u>
WASTEWATER			
WASTEWATER	ADOPTED	AMENDED	Y-T-D
Biosolids Storage Tank	\$20,000	\$20,000	\$0
Marys River Interceptor Improvements	948,130	948,130	681,029
Sanitary Sewer Line Rehabilitation	633,360	633,360	459,455
WWRP Electrical Equipment Replacement	1,377,780	1,290,770	1,267,429
Utility and Street Improvements	33,000	33,000	0
Carryover Adjustment - Unused Budget	0	87,010	0
TOTAL Wastewater Projects	<u>\$3,012,270</u>	<u>\$3,012,270</u>	<u>\$2,407,913</u>
WATER			
WATER	ADOPTED	AMENDED	Y-T-D
36th and Grant Water Pump Station Improvements	\$102,490	\$168,490	\$63,913
North Hills 1st Level Reservoir Improvements	1,838,850	1,788,850	999,927
Taylor Plant Facility Plan Projects	53,300	76,300	33,165
Water Distribution System Rehabilitation	300,000	292,000	288,880
West Corvallis Second Level Water	38,500	38,500	0
Utility and Street Improvements	33,000	2,000	0
TOTAL Water Projects	<u>\$2,366,140</u>	<u>\$2,366,140</u>	<u>\$1,385,885</u>
TOTAL All Areas	<u>\$11,819,633</u>	<u>\$12,242,808</u>	<u>\$5,718,392</u>

BUILDING AND FACILITIES PROJECTS

<i>City Hall Block</i>	<u>CIP Doc Pg:</u> 9	<u>Adopted Budget:</u> \$500,000	<u>Amended:</u> \$329,710	<u>YTD Expended:</u> \$18,395
<p>This project addresses the long-term facility needs for the City Hall block. The conversion of the Madison Avenue Building for expanded use as City office space was completed in FY 05-06. City Hall interior remodeling was completed in FY 07-08 to better utilize the space and take advantage of energy savings from lighting and HVAC upgrades.</p> <p>The City Hall window replacement, demolition of the Moose Building, parking lot construction and Transit Mall public restrooms, City Hall HVAC (heat pump and boiler replacement) and City Hall Seismic retrofits were all completed during the fourth quarter of FY 10-11. The FY 11-12 budget was primarily carried over from FY 10-11 in case the work could not be completed, and as such, most of the dollars were not used this fiscal year. Activity year-to-date is for relocation costs from the CH2M Hill building that housed City Hall staff while the seismic retrofit work was being completed.</p>				
<i>Fire Department Facilities Relocation</i>	<u>CIP Doc Pg:</u> 11	<u>Adopted Budget:</u> \$886,000	<u>Amended:</u> \$877,290	<u>YTD Expended:</u> \$180,619
<p>This project relocates and replaces the current training facility, which is 40 years old and in poor condition. Staff identified property on the north end of the Public Works (PW) compound that may be suitable for the drill tower and compatible with the PW Facilities Plan. In early 2009, a lease agreement was approved by City Council.</p> <p>A fill permit has been submitted to the Department of State Lands (DSL). Wetland credits have been purchased from Oak Creek Mitigation Bank to mitigate the 0.17 acres of wetland on the Publics Works project site. The mitigation bank has sent a certification of bank credits to the DSL and the Corp who will then issue the permit to the City.</p> <p>The project budget has been carried over to FY 12-13. Bidding of a project to establish a building pad for the proposed project is planned for late summer. Subsequent phases are awaiting a proposal to City Council of a new funding strategy.</p>				
<i>Municipal Buildings Rehabilitation</i>	<u>CIP Doc Pg:</u> 13	<u>Adopted Budget:</u> \$253,000	<u>Amended:</u> \$318,000	<u>YTD Expended:</u> \$176,904
<p>This project extends the life of municipal buildings through a planned program of rehabilitation projects. This fiscal year's adopted budget included Library masonry repair and seal; Law Enforcement Building (LEB) first and second floor walkway improvements; Senior Center geothermal heat pump; and phase I of the Library shake roof replacement.</p> <p>The Senior Center GHP project was been canceled and the Energy Efficient Community Block Grant (EECBG) funding transferred to the Library Chiller Replacement project, which was completed this fiscal year. The Library masonry repair and seal work has been completed and tested for moisture seal certification. First floor LEB walkway has been delayed until FY 14-15. The Library roof replacement has been carried over to FY 12-13 and was advertised in July, 2012.</p>				

PARKS AND RECREATION

<i>Acquisition of Land</i>	<u>CIP Doc Pg:</u> 17	<u>Adopted Budget:</u> \$179,193	<u>Amended:</u> \$179,193	<u>YTD Expended:</u> \$0
<p>This project looks at the acquisition of land for the purposes of open space and passive recreation. Staff continued conversations with the Greenbelt Land Trust to evaluate a potential acquisition or option that may meet the criteria for the Chip Ross Fund. Staff has also engaged in some preliminary conversations with representatives of some land in the Timberhill Area, which would meet the criteria for the Chip Ross Funds. In addition to these ongoing conversations, staff met with representatives for the late Jack Brandis property in the Timberhill area regarding the use of the Chip Ross funds. The project was rebudgeted in FY 12-13.</p>				
<i>Osborn Aquatic Center</i>	<u>CIP Doc Pg:</u> 19	<u>Adopted Budget:</u> \$46,000	<u>Amended:</u> \$46,000	<u>YTD Expended:</u> \$0
<p>This project will enhance the social sustainability of the Osborn Aquatic Center (OAC) by providing a healthier environment for the community. This fiscal year's budget includes the design for solar panels at OAC.</p> <p>The projects planned for this fiscal year will depend on receipt of donations and/or grants to fund the m. Design of the solar panels has been re-budgeted to FY 14-15. Fundraising efforts for the large pool ultraviolet lights project continued during the fourth quarter. The project is budgeted for FY 12-13 and construction is scheduled for March 2013.</p>				

Park Facility Renovation	<u>CIP Doc Pg:</u> 23	<u>Adopted Budget:</u> \$118,000	<u>Amended:</u> \$118,000	<u>YTD Expended:</u> \$79,496
<p>This project allows for significant renovation of existing parks with facilities that have depreciated beyond the routine repair stage. The FY 11-12 budget includes Central Park Plaza reconstruction to include removal of existing pavers and installation of a new surface as well as electrical and landscaping upgrades and the replacement of Park restroom doors for improved ADA access.</p> <p>The pavers removed from the Central Park Plaza reconstruction were donated to Habitat for Humanity for re-use as part of our sustainability effort. Installation of the new pavers has been completed and a drainage system was installed to ensure the plaza remained dry and the base remained intact. During the fourth quarter, benches, landscaping, and art work were installed.</p> <p>The restroom door replacements were completed during the 1st quarter. Eleven doors needed to be replaced to be more ADA compatible. Of the eleven doors replaced, four doors were recycled and re-purposed for re-use thereby meeting the City Council's sustainability goal.</p>				
Park Improvements - Existing	<u>CIP Doc Pg:</u> 25	<u>Adopted Budget:</u> \$245,000	<u>Amended:</u> \$250,000	<u>YTD Expended:</u> \$5,100
<p>This project provides for improvements to existing City Parks. Staff has been working with Rotary for a potential donation towards the construction of the Willamette Park shelter. During the fourth quarter, staff continued to have regular conversations with the Rotary regarding fundraising and design details for the construction of the shelter.</p> <p>Staff completed the Willamette Park Community Garden Master Plan during the fourth quarter, which will be reviewed for adoption in FY 12-13. Due to budget constraints, the construction of the community garden has been delayed to FY 13-14.</p> <p>The Parks and Recreation Department has been awarded a grant from the Oregon State Parks to fund improvements to Tunison Park and received the notice to proceed. Design work continued in the fourth quarter. Staff will present the designs to the community at an event in August. This project has been carried over to FY 12-13.</p>				
Riverfront Commemorative Park Signage	<u>CIP Doc Pg:</u> 27	<u>Adopted Budget:</u> \$31,150	<u>Amended:</u> \$31,150	<u>YTD Expended:</u> \$0
<p>This project included the design and implementation of public improvements along First Street and the Riverfront consistent with City Council goals. This project also widened the downtown multi-use path to 12 feet and provided 350 feet of new path to connect to the Van Buren Bridge and B Street. All construction was completed in FY 03-04, with the exception of interpretive signs. There are six signs remaining which have not been completed. There has been no activity this fiscal year and the project has been carried over to FY 12-13.</p>				
Special Use Facilities	<u>CIP Doc Pg:</u> 31	<u>Adopted Budget:</u> \$20,000	<u>Amended:</u> \$20,000	<u>YTD Expended:</u> \$7,980
<p>This project allows for improvement of facilities which are site specific. The FY 11-12 budget includes resurfacing tennis courts at Cloverland Park and School District partnership tennis courts at Lincoln, Linus Pauling, and former Westland Schools. The Lincoln School tennis courts were completed during the first quarter. Improvements included power washing, a full surface paint and stain, new lines and nets. Improvements to tennis courts at Linus Pauling and former Westland Schools have been rebudgeted to FY 14-15.</p>				
Trails/Bike Paths	<u>CIP Doc Pg:</u> 33	<u>Adopted Budget:</u> \$103,900	<u>Amended:</u> \$103,900	<u>YTD Expended:</u> \$4,471
<p>This project improves and adds trails and bike paths for citizen enjoyment. The FY 11-12 budget is for the design and construction of Shooting Star trail improvements in the Timberhill area. The grant for the Shooting Star trail improvements has been fully executed and staff received a notice to proceed from the Oregon State Parks. Public Works is managing this project on behalf of the Parks & Recreation department. The final design has been completed and bids were opened in July. Construction is scheduled to occur between August and September to take advantage of the dry weather window to minimize disturbances of the surrounding wetland soils.</p>				

STORM WATER UTILITY

<i>Storm Drain Replacement</i>	<u>CIP Doc Pg:</u> 39	<u>Adopted Budget:</u> \$141,310	<u>Amended:</u> \$162,885	<u>YTD Expended:</u> \$152,147
<p>This annual program replaces or rehabilitates storm water pipelines that are inadequately sized or have exceeded their useful service life. The facilities to be replaced are selected based on their condition as determined through inspection. Construction of projects designed in FY 10-11 is complete. Design of projects to be constructed in FY 12-13 is complete and has been forwarded to franchise utilities for their relocation. Advertisement for bids are scheduled for the first quarter of FY 12-13.</p>				
<i>Storm Water Retrofit</i>	<u>CIP Doc Pg:</u> 41	<u>Adopted Budget:</u> \$124,600	<u>Amended:</u> \$230,672	<u>YTD Expended:</u> \$213,585
<p>This project replaces the collection system in 4th Street between C Street and the Highway 20/34 overpass including the construction of storm water treatment facilities.</p> <p>Construction is complete and staff is finalizing ODOT paperwork and as-built drawings. This project is primarily grant funded. ODOT increased the amount of available grant funding for additional improvements for a total project cost of \$230,670.</p>				
<i>Storm Water Master Plan Projects</i>	<u>CIP Doc Pg:</u> 43	<u>Adopted Budget:</u> \$445,000	<u>Amended:</u> \$423,425	<u>YTD Expended:</u> \$117,072
<p>This project implements recommendations from the adopted Storm Water Master Plan. Projects were prioritized and developed based on highest system need while addressing flood mitigation, system capacity, operations and maintenance needs, and preservation and enhancement of natural resources. All construction and initial landscaping for water quality improvements on Beca Avenue is complete and staff is monitoring the project for plant health and effectiveness. Due to design issues for the installation of a bioswale at the Jefferson Way Storm Water Outfall at Oak Creek, the location has been deemed unfit for the current project scope. Stakeholders have been included in the decision making and are currently considering scope and / or location modification. Staff is coordinating work with OSU and the United States Department of Agriculture (USDA) for work on OSU land which is under the control of the USDA. Staff worked with the Oregon Department of Fish and Wildlife to complete design for the removal of a fish barrier in Dunawi Creek at the box culvert on 35th Street. A consultant has been contracted to conduct a botanical survey to satisfy a request for additional information from The Army Corps of Engineers. A final report from the consultant is expected shortly and permitting evaluation will continue when the report is submitted to the Corps.</p>				
<i>Utility and Street Improvements</i>	<u>CIP Doc Pg:</u> 95	<u>Adopted Budget:</u> \$15,000	<u>Amended:</u> \$15,000	<u>YTD Expended:</u> \$0
<p>These storm water assessments provide utility improvements to existing properties or to new developments that are not currently being served. Assessment projects require that the costs of the projects be paid by the owners and may be initiated by the City or by the owners of the property who benefit. This project is also used to reimburse developer-financed projects where System Development Charge (SDC) participation is appropriate. There were no storm water utility reimbursements in the 4th quarter.</p>				

TRANSPORTATION

<i>9th Street Pedestrian Crossing</i>	<u>CIP Doc Pg:</u> n/a	<u>Adopted Budget:</u> \$0	<u>Amended:</u> \$100,800	<u>YTD Expended:</u> \$10,697
<p>This project will improve pedestrian crossing opportunities at selected locations along 9th Street. A New Freedom grant was accepted by the City Council during the 1st quarter to provide funding for this project. Design has been completed and a construction contract is being processed with work scheduled to begin in July.</p>				
<i>Advanced Transportation Management System</i>	<u>CIP Doc Pg:</u> 53	<u>Adopted Budget:</u> \$574,640	<u>Amended:</u> \$649,130	<u>YTD Expended:</u> \$3,173
<p>This project will install an Advanced Transportation Management System to include remote video monitoring of intersection conditions and control of signal operations at eight intersections on Van Buren Avenue and Harrison Boulevard, between 2nd and 5th Streets. The interagency agreement with ODOT has been fully executed and staff is awaiting final design, specifications and estimates from ODOT.</p>				

Circle Boulevard Pedestrian Activated Crossings	<u>CIP Doc Pg:</u> 57	<u>Adopted Budget:</u> \$20,000	<u>Amended:</u> \$10,330	<u>YTD Expended:</u> \$8,576
This project provides pedestrian crossings with activated signals along Circle Boulevard at the former Richey's Market location, Janssen and 17 th Streets. Construction work was substantially completed during the 4 th quarter of FY 10-11. Final ramp work has been completed in FY 11-12.				
City Hall Parking	<u>CIP Doc Pg:</u> 59	<u>Adopted Budget:</u> \$10,000	<u>Amended:</u> \$10,000	<u>YTD Expended:</u> \$0
This project will investigate remote parking opportunities for downtown employees, including those at City Hall. This project has been carried over to FY 12-13, as some of the outcomes of the City / OSU Collaboration efforts could impact this project. Therefore staff believes it is best to let that process take its course before we look at options for remote parking.				
Covallis to Albany Trail	<u>CIP Doc Pg:</u> 61	<u>Adopted Budget:</u> \$820,000	<u>Amended:</u> \$820,000	<u>YTD Expended:</u> \$52,496
The City of Corvallis, City of Albany, and Benton County are participating in a joint effort to develop a multi-use path from Corvallis to Albany. This project will be developed in phases and supports the City's sustainability policies by providing an improved bicycle and pedestrian route between Corvallis and Albany. Project design will be completed by Benton County, with the City constructing all segments within the City Limits. City staff has been meeting with the Oregon Department of Transportation (ODOT) Rail Division to discuss trail crossing options. Final design is pending a decision by ODOT and construction is delayed until the spring of 2013.				
Downtown Public Parking	<u>CIP Doc Pg:</u> 63	<u>Adopted Budget:</u> \$200,000	<u>Amended:</u> \$200,000	<u>YTD Expended:</u> \$0
This project funds upgrading, altering and constructing public parking within the central business district. This project is a placeholder for opportunities to secure additional sites or to make improvements to existing parking facilities. No upgrades have been identified during the 4 th quarter.				
Electric Vehicle Charging Stations	<u>CIP Doc Pg:</u> 67	<u>Adopted Budget:</u> \$30,000	<u>Amended:</u> \$30,000	<u>YTD Expended:</u> \$0
This project provides electric vehicle charging stations at strategic locations in Corvallis. This project has been carried over to FY 12-13.				
Fillmore and Lincoln Sidewalks	<u>CIP Doc Pg:</u> n/a	<u>Adopted Budget:</u> \$0	<u>Amended:</u> \$2,070	<u>YTD Expended:</u> \$2,065
This project makes improvements to sidewalks and ADA ramps on Fillmore and Lincoln Avenues between 29 th and 30 th Streets to facilitate safe movement of pedestrians. Construction was completed during the 4 th quarter of FY 10-11. FY 11-12 activity completed additional landscaping that was requested by the property owner who is adjacent to where the work occurred.				
Goodnight ROW Acquisition	<u>CIP Doc Pg:</u> 69	<u>Adopted Budget:</u> \$370,000	<u>Amended:</u> \$370,000	<u>YTD Expended:</u> \$0
This project will acquire right-of-way to allow for alignment of eastern and western legs of Goodnight Avenue at its intersection with Highway 99. The project budget will be used to negotiate an agreement with the current property owner allowing the City a first right-of-refusal in the event the property is offered for sale. This project has not yet been initiated and has been re-budgeted in FY 12-13.				
Sidewalk Infill	<u>CIP Doc Pg:</u> n/a	<u>Adopted Budget:</u> \$0	<u>Amended:</u> \$105,603	<u>YTD Expended:</u> \$16,107
This project constructs missing segments of sidewalks that are necessary to safely connect neighborhoods and provide access to schools, transit, multi-use paths and commercial and industrial areas. A New Freedom grant was accepted by the City Council during the 1 st quarter to provide funding for this project. Design has been completed and is being advertised for bids. Construction is expected to occur in August. The amended budget was thus carried over to FY 12-13.				

Sidewalk Safety	<u>CIP Doc Pg:</u> 83	<u>Adopted Budget:</u> \$155,200	<u>Amended:</u> \$255,200	<u>YTD Expended:</u> \$186,923
<p>This program continues the systematic repair and replacement of hazardous public sidewalks and installation of ADA ramps. The City Council adopted Municipal Code Chapter 3.07, Sidewalk Improvements, to create the Sidewalk Maintenance Fee which went into effect on February 1, 2011. This fee is collected monthly from Corvallis utility customers and will be used to repair public sidewalk hazards. Prior to this Code change, property owners directly paid the costs to repair sidewalk hazards adjacent to their property.</p> <p>Sidewalk deficiencies were repaired in the central business district in July and August using funds collected from the new fee. In addition, the City accepted a \$120,000, 2-year New Freedom grant for installation of ADA ramps. A contract has been awarded for work scheduled for July and August.</p>				
South 3rd Street/Crystal Lake Drive Improvements	<u>CIP Doc Pg:</u> 85	<u>Adopted Budget:</u> \$25,000	<u>Amended:</u> \$25,000	<u>YTD Expended:</u> \$0
<p>This project was to relocate the traffic signal cabinet out of the sidewalk / multi-use path area to improve vision clearance; reconstruct the sidewalk / path and ADA ramp to meet ADA standards. This project has been canceled as a result of the City being unable to obtain required ODOT permits in a cost effective manner. Given the fact that this intersection is under ODOT jurisdiction, ODOT is seeking funding to carry out this project.</p>				
Street Reconstruction	<u>CIP Doc Pg:</u> 87	<u>Adopted Budget:</u> \$646,190	<u>Amended:</u> \$705,190	<u>YTD Expended:</u> \$660,605
<p>This project is the annual re-construction and overlay of selected streets based upon priorities set by a survey of pavement conditions. The reconstruction of 9th Street between Jefferson and Monroe Avenues is complete. Design of the reconstruction of 11th Street north of Maple Street is planned for this fiscal year with construction in FY 12-13. The design of 11th Street reconstruction is substantially complete and has been forwarded to franchise utilities for relocation of their utilities. Advertisement for bids is scheduled for the first quarter of FY 12-13.</p>				
Traffic Signals	<u>CIP Doc Pg:</u> 91	<u>Adopted Budget:</u> \$282,040	<u>Amended:</u> \$280,170	<u>YTD Expended:</u> \$28,184
<p>This project provides for design and construction of a signal at 26th Street and Western Boulevard intersection with funding provided by OSU. Signal poles and mast arms were received during the 2nd quarter and we have received reimbursement from OSU for these costs.</p>				
Utility and Street Improvements	<u>CIP Doc Pg:</u> 95	<u>Adopted Budget:</u> \$200,000	<u>Amended:</u> \$38,200	<u>YTD Expended:</u> \$0
<p>These street assessments provide street improvements to existing properties or to new developments that are not currently being served. Assessment projects require that the costs of the projects be paid by the owners and may be initiated by the City or by the owners of the property who benefit. This project is also used to reimburse developer-financed projects where System Development Charge (SDC) participation is appropriate. There was no street related activity during the 4th quarter.</p>				

WASTEWATER UTILITY

Biosolids Storage Tank	<u>CIP Doc Pg:</u> 101	<u>Adopted Budget:</u> \$20,000	<u>Amended:</u> \$20,000	<u>YTD Expended:</u> \$0
<p>This project provides for the replacement/rehabilitation of the existing biosolids storage tank and pumping system which are showing signs of age. City staff will partner with Valley Landfill, Inc. on this project. Valley Landfill, Inc has not taken any action on this project yet; therefore, this project has not yet been initiated. This project has been carried over to FY 12-13.</p>				

<i>Marys River Interceptor Improvements</i>	<u>CIP Doc Pg:</u> 103	<u>Adopted Budget:</u> \$948,130	<u>Amended:</u> \$948,130	<u>YTD Expended:</u> \$681,029
This project provides for design and construction of a new parallel 42-inch interceptor from Western Boulevard to the outlet manhole for the Marys River Lift Station. Construction is complete.				
<i>Sanitary Sewer Line Rehabilitation</i>	<u>CIP Doc Pg:</u> 105	<u>Adopted Budget:</u> \$633,360	<u>Amended:</u> \$633,360	<u>YTD Expended:</u> \$459,455
This program annually replaces or rehabilitates sanitary sewers, which have exceeded their service lives and/or allow excessive amounts of extraneous rainwater or groundwater (inflow and infiltration) into the sewer system.				
The scope of this year's project removes and replaces six sewer lines in backyard easements by means of pipe bursting. Construction of these projects, which were designed in FY 10-11, has been completed.				
Design work for projects to be constructed in FY 12-13 was completed and a construction contract awarded. Construction is scheduled to begin and be completed in the first quarter of FY 12-13. A resident/property owner postcard has been mailed to all properties that will be directly impacted by the project in addition to a press release sent to the Corvallis Gazette-Times newspaper.				
<i>WWRP Electrical Equipment Replacement</i>	<u>CIP Doc Pg:</u> 113	<u>Adopted Budget:</u> \$1,377,780	<u>Amended:</u> \$1,290,770	<u>YTD Expended:</u> \$1,267,429
This project provides for the design and construction of a new electrical equipment building, replacement of the critical main electrical system components and emergency generator at the Wastewater Reclamation Plant (WWRP).				
Construction is complete.				
<i>Utility and Street Improvements</i>	<u>CIP Doc Pg:</u> 95	<u>Adopted Budget:</u> \$33,000	<u>Amended:</u> \$33,000	<u>YTD Expended:</u> \$0
These sewer assessments provide utility improvements to existing properties or to new developments that are not currently being served. Assessment projects require that the costs of the projects be paid by the owners and may be initiated by the City or by the owners of the property who benefit. This project is also used to reimburse developer-financed projects where System Development Charge (SDC) participation is appropriate. There were no wastewater utility reimbursements in the 4 th quarter.				

WATER UTILITY

<i>36th and Grant Water Pump Station Improvements</i>	<u>CIP Doc Pg:</u> 125	<u>Adopted Budget:</u> \$102,490	<u>Amended:</u> \$168,490	<u>YTD Expended:</u> \$63,913
This project replaces the building and electrical equipment at the 36 th Street and Grant Avenue water pump station. A contract for engineering/architectural services was awarded to West Yost Associates. Design is in progress and construction funding will be evaluated during the next CIP budgeting process.				
<i>North Hills 1st Level Reservoir Improvements</i>	<u>CIP Doc Pg:</u> 131	<u>Adopted Budget:</u> \$1,838,850	<u>Amended:</u> \$1,788,850	<u>YTD Expended:</u> \$999,927
This project provides for design and construction of reservoir improvements to the North Hills 1 st Level East Reservoir. Design was completed in FY 10-11. Construction of seismic upgrades is complete. Reservoir exterior coating has been delayed until this summer.				
<i>Taylor Plant Facility Plan Projects</i>	<u>CIP Doc Pg:</u> 135	<u>Adopted Budget:</u> \$53,300	<u>Amended:</u> \$76,300	<u>YTD Expended:</u> \$33,165
This project will provide design for installation of new mixing equipment and pipe to allow for proper mixing of treatment chemicals and dispersion of the untreated water as it enters the treatment process. A contract for engineering / architectural services was awarded to West Yost Associates. Design is in progress and construction is planned for FY 12-13.				

<i>Water Distribution System Rehabilitation</i>	<u>CIP Doc Pg:</u> 137	<u>Adopted Budget:</u> \$300,000	<u>Amended:</u> \$292,000	<u>YTD Expended:</u> \$288,880
<p>This program provides for ongoing replacement or rehabilitation of the City's water distribution system infrastructure. Construction of projects designed in FY 10-11 is complete. Design work for projects to be constructed in FY 12-13 has not yet been initiated.</p>				
<i>West Corvallis Second Level Water</i>	<u>CIP Doc Pg:</u> 141	<u>Adopted Budget:</u> \$38,500	<u>Amended:</u> \$38,500	<u>YTD Expended:</u> \$0
<p>This project provides water distribution facilities in the West Corvallis second level service areas. Design work is on hold pending acquisition of easements required across private property south of West Hills Road.</p>				
<i>Utility and Street Improvements</i>	<u>CIP Doc Pg:</u> 95	<u>Adopted Budget:</u> \$33,000	<u>Amended:</u> \$2,000	<u>YTD Expended:</u> \$0
<p>These water assessments provide utility improvements to existing properties or to new developments that are not currently being served. Assessment projects require that the costs of the projects be paid by the owners and may be initiated by the City or by the owners of the property who benefit. This project is also used to reimburse developer-financed projects where System Development Charge (SDC) participation is appropriate. There were no water utility reimbursements in the 4th quarter.</p>				

CORVALLIS CITY COUNCIL GOALS 2011-2012

PREFACE:

This is an update on work accomplished on Council Goals during the fourth quarter, with expected work to be accomplished in the future also summarized. Overarching Council goals and values throughout the Corvallis 2020 Vision Statement and within the goals listed below include:

- ◆Diversity ◆Citizen Involvement ◆Sustainability ◆Cost Efficiency

Goals	Corvallis 2020 Vision Statement Categories
<p>By December 2011, the Council will provide direction on recommendations to strengthen access to and availability of locally produced food and community gardens via policy, ordinance and Land Development Code changes. * By December 2012, the Council will enact code and policy changes corresponding with that direction.</p> <p><u>Accomplished through June 30, 2012:</u></p> <ul style="list-style-type: none"> • Parks, Natural Areas and Recreation Advisory Board recommended that City Council adopt the Parks and Recreation Department’s Community Garden Master Plan at their June 21st meeting. • Parks and Recreation worked with the Peanut Park neighborhood and determined where to re-build the community garden. • Community Development Staff held work sessions with the Planning Commission on June 6th and June 13th, and with the City Council on June 18th, to review and receive preliminary feedback on a package of Land Development Code Amendments, including measures to facilitate access and availability of local food, for development and adoption by December 2012. <p><u>Next Steps:</u></p> <ul style="list-style-type: none"> • The Human Services Committee will review the Parks and Recreation Department’s Community Garden Master Plan at an August meeting. • Community Development Staff will begin drafting Land Development Code Amendments related to local food for Planning Commission consideration in September, with City Council consideration to follow beginning in November. 	<p>Economic Vitality Governing and Civic Involvement Where we Live</p>
<p>By December 2011, the Council will consider action on recommendations by the Economic Development Commission concerning strategic priorities and funding sources for Economic Development initiatives.</p> <p><u>Accomplished through June 30, 2012:</u></p> <ul style="list-style-type: none"> • The City Manager’s FY 2012-13 Proposed Budget included staffing for 2.0 FTE to initiate the City’s Economic Development work. The proposal was approved by the Budget Commission and adopted by the City Council. • A recruitment to hire the Economic Development manager was initiated. Applications are due July 6 and a start date is targeted for mid-September. • The contract with the Business Enterprise Center (BEC) was extended for three months to provide continuing Economic Development services on an interim basis. <p><u>Next Steps:</u></p> <ul style="list-style-type: none"> • A recruitment to fill the second Economic Development position will be initiated after the manager is hired. 	<p>Central City Economic Vitality Governing and Civic Involvement Where we Live</p>

Goals	Corvallis 2020 Vision Statement Categories
<p>Working with OSU President and his staff, by December 2011, the Council will create a plan to seize opportunities on parking, code enforcement, infill design, rental code, traffic design and other important issues.</p> <p><u>Accomplished through June 30, 2012:</u></p> <ul style="list-style-type: none"> • Work groups are meeting on a twice a month basis. City staff are actively participating. For example, Public Works met with the Parking/Traffic group to discuss parking issues and potential treatments, and Community Development staff have been engaged with the Neighborhood Livability and Neighborhood Planning work groups. • Community Development Staff have reserved space for a few “quick action items” recommended by the work groups for inclusion in the 2012 LDC Amendment package. In order to be included, such items must be relatively simple and broadly supported, and a recommendation from the appropriate work group will be necessary by Mid-July. <p><u>Next Steps:</u></p> <ul style="list-style-type: none"> • The Collaboration Project Steering Committee will meet in August to consider the initial recommendations for the various work groups. 	<p>Central City Education and Human Services Governing and Civic Involvement Protecting the Environment Where we Live</p>
<p>The Council will create a financially sustainable City budget.</p> <ul style="list-style-type: none"> * Amend compensation policies to align total employee compensation with available City revenue. * Develop new sources of revenue that align with the cost of desired City services. <p><u>Accomplished through June 30, 2012:</u></p> <ul style="list-style-type: none"> • The City Council has previously approved a new financial plan model for the property tax funds, completed work on revised Financial Policies and policies on Compensation and Separation. • The City Manager’s Proposed Budget met the Council’s definition of a Sustainable Budget, setting aside 31% of the targeted fund balance; the City Council adopted the budget, keeping the reserves intact. • Parks and Recreation completed the feasibility study of becoming a Parks and Recreation District. <p><u>Next Steps:</u></p> <ul style="list-style-type: none"> • A September City Council work session will focus on long-term financial planning, including revenue alternatives, the end of the 2011 levy, and unfunded liabilities. • The Parks, Natural Areas and Recreation Advisory Board will review the Parks and Recreation District Feasibility study at its July 19th meeting. 	<p>Culture and Recreation Central City Economic Vitality Education and Human Services Governing and Civic Involvement Protecting the Environment Where we Live</p>
<p>Accomplishments Toward the Overarching Goals and Values (Diversity, Citizen Involvement, Sustainability and Cost Efficiency):</p> <ul style="list-style-type: none"> • Citizen Involvement: <ul style="list-style-type: none"> ○ The City Hall Ambassador program began in April. Thus far, 13 Ambassadors have signed up to provide customer service at the front desk in the City Hall lobby. Many positive comments have been received from citizens, Ambassadors, and staff. ○ An open house was held to introduce the newly promoted Public Works Director, Police Chief, and Police Captain to the community. ○ Public Works staff hosted a public meeting to get feedback on the matrix of options for the Council goal to reduce the use of single-use plastic bags in the community. 	

Goals	Corvallis 2020 Vision Statement Categories
<ul style="list-style-type: none"> ○ Public Works staff also held a public meeting to offer citizens an opportunity to provide input on the upcoming Comcast franchise renewal. ○ Met with residents who live along Dixon Creek between Grant and Garfield Avenues to discuss changes to floodplain boundaries in their neighborhood that resulted from recent FEMA flood map modifications. ○ Invited residents in the vicinity of 36th and Grant to inform them of the upcoming water system pump station replacement project which is currently being designed. ○ Conducted the annual public tour of the City’s watershed property (Corvallis Forest) to provide citizens the opportunity to see how the forest is being managed. ○ Parks and Recreation staff held a public meeting with Parks, Natural Areas and Recreation Advisory Board, Benton County Natural Areas and Parks Advisory Board and Greenbelt Land Trust Advisory Board. ○ Parks and Recreation staff met with the Bicycle, Pedestrian Advisory Commission, Safe Routes for Schools, and OSU Recreation staff and held a public meeting in Spanish to discuss the Master Plan update. ○ Parks and Recreation staff met with a stakeholder group to discuss the CIP update. ○ The Library honored its over 300 volunteers who gave more than 17,000 hours of service to the library system last year. ● Sustainability: <ul style="list-style-type: none"> ○ Received Department of Energy approval to use Energy Efficiency and Conservation Block Grant funds to commission Fire Station #1 and complete a re-lighting project at the Wastewater Reclamation Plant tanks. ○ The Sustainability Supervisor attended a three-day workshop funded by the US Environmental Protection Agency as part of the Climate Showcase Community grant. The workshop covered strategic planning, training on tools and resources, managing cooperative agreements and reporting requirements. ○ Presented a draft ordinance to City Council for a new Municipal Code Chapter limiting Single-Use Plastic Carryout Bags. ○ Public Works staff partnered with the Corvallis Police Department in an event called “Light it up” to install lights on the bicycles of 130 unlit riders encountered at the intersection of Kings and Monroe. ○ The Parks and Recreation Youth Volunteer Corps learned to dead head roses in the Avery Park Rose Garden, learned to dry the petals and will sell their product for weddings. ○ The Central Park Neighborhood Association adopted the landscaping around the Arts Center. ○ The Civic Beautification and Urban Forestry Commission distributed beautification awards to approximately 30 residents and/or businesses who had exceptional landscaping viewable from the street. ○ The Library chiller replacement project was completed, funded by an EECBG grant. The more efficient system now in place should reduce operating costs. ● Diversity: <ul style="list-style-type: none"> ○ The Employer Partnership for Diversity held its final training of the year with several Corvallis employees participating. The topic was Institutional Racism. ○ Working with the MLK Commission, Parks and Recreation constructed a kiosk at MLK Park that will serve as a place to promote the work and vision of Martin Luther King, Jr. ○ Parks and Recreation front desk staff now speak Spanish to increase customer service. ● Cost Efficiency: <ul style="list-style-type: none"> ○ Conducted Dunawi Creek stream clean-up with the help of citizen volunteers. In addition to debris and invasive species removal, over seventy trees and shrubs were planted in the riparian area. ○ Received 45 Light Emitting Diode (LED) traffic signal lights in new condition from Portland Bureau of Transportation because that style is no longer used in Portland. Value is estimated to be \$3,500; the City paid \$38. ○ Received \$21,470 from FEMA as reimbursement for flooding response activities performed by Police and Public Works staff during the January 2012 rain event. 	

Goals	Corvallis 2020 Vision Statement Categories
<ul style="list-style-type: none"> ○ Parks and Recreation implemented elements of its cost recovery strategy, including eliminating some programs, increasing fees, and pursuing alternative revenue methods. ○ Parks and Recreation received authorization of \$193,531,50 from FEMA to reconstruct the Mary's River Natural Area boardwalk damaged in the winter flood. ○ Parks and Recreation staff negotiated the purchase of Coronado Park. ○ Parks and Recreation completed the feasibility study of becoming a Parks and Recreation District. ○ The Library Foundation took the lead in fundraising to purchase the adjacent property to "Complete the Block" when the time comes that the property is available. Over \$100,000 has been raised already. 	