

# SECOND QUARTERLY OPERATING REPORT FISCAL YEAR 2010-2011

## EXECUTIVE SUMMARY

February 10, 2011

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 second quarter, market analysts have stated that economic recovery is continuing, though still at a pace that is insufficient for significant improvements in the labor market. Optimism for U.S. growth in 2011 stems from positive data trends in the areas of personal consumption expenditures, exports and nonresidential fixed investment. Unemployment rates in Oregon and nationally held at around 10% as of the end of December. However, Corvallis has continued to fare better at 7.6% unemployment on a seasonally adjusted basis, and is the only Metropolitan Statistical Area in Oregon with a rate of less than 10%. The December employment report showed an increase of 103,000 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 second quarter of the fiscal year generally has been as expected. Revenue and expenditure patterns are close to historical patterns (i.e., the majority of Property Tax revenue is received in the second quarter, while most expenditures remain at or slightly below budget pro-rated for year-to-date). 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 in line with last year's spending patterns for the first half 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	\$19,009,104	89.63%	\$20,961,130	\$18,180,088	86.73%
Other Tax	1,036,190	520,614	50.24%	1,194,350	488,061	40.86%
Licenses/Permits	6,844,580	2,953,450	43.15%	6,886,740	2,876,580	41.77%
Charges for Service	38,306,510	20,607,371	53.80%	38,215,330	19,934,542	52.16%
Intergovernmental	18,355,056	4,892,126	26.65%	16,821,175	5,696,051	33.86%
Fines/Forfeitures	1,365,570	583,140	42.70%	1,413,310	433,276	30.66%
Miscellaneous	2,648,600	975,511	36.83%	2,997,033	1,714,260	57.20%
Other Financing Sources/Transfers in	15,646,822	6,274,963	40.10%	14,304,855	5,217,992	36.48%
<b>TOTAL CURRENT REVENUE</b>	<b>\$105,411,568</b>	<b>\$55,816,279</b>	<b>52.95%</b>	<b>\$102,793,923</b>	<b>\$54,540,850</b>	<b>53.06%</b>
<b>EXPENDITURE BY DEPARTMENT</b>						
City Manager's Office	\$3,084,270	\$1,725,381	55.94%	\$3,111,770	\$1,725,336	55.45%
Community Development	8,276,960	2,422,222	29.26%	7,553,710	2,314,580	30.64%
Finance	4,995,400	2,318,047	46.40%	4,913,490	2,418,942	49.23%
Fire	10,626,930	5,137,696	48.35%	11,524,260	5,583,662	48.45%
Library	6,434,610	2,961,087	46.02%	6,473,870	2,977,828	46.00%
Park & Recreation	5,795,480	2,874,163	49.59%	6,023,513	3,019,241	50.12%
Police	12,570,057	6,143,082	48.87%	12,494,671	6,174,725	49.42%
Public Works	29,268,899	11,558,391	39.49%	31,247,784	13,115,712	41.97%
Non-Departmental	1,519,260	738,920	48.64%	1,824,820	822,668	45.08%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$82,571,866</b>	<b>\$35,878,989</b>	<b>43.45%</b>	<b>\$85,167,888</b>	<b>\$38,152,694</b>	<b>44.80%</b>
Debt Service	\$8,162,110	\$4,734,713	58.01%	\$7,214,200	\$4,688,421	64.99%
Capital Projects	14,157,847	2,174,669	15.36%	11,866,610	2,018,937	17.01%
Transfers Out / Other Financing Uses	13,089,352	4,151,070	31.71%	13,582,235	5,206,644	38.33%
Contingencies/Reserves	1,302,520	0	0.00%	1,585,740	0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$119,283,695</b>	<b>\$46,939,441</b>	<b>39.35%</b>	<b>\$119,416,673</b>	<b>\$50,066,696</b>	<b>41.93%</b>
<b>CURRENT REVENUES LESS TOTAL EXPENDITURES</b>						
	(\$13,872,127)	\$8,876,838		(\$16,622,750)	\$4,474,154	

In general, the status of the City's finances was in line with expectations at the end of the second quarter. Year-to-date revenues of \$55,816,279 are at 52.95% of the Amended Total Revenue Budget of \$105,411,568. 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 half of FY 10-11, the following amendments to the budget were approved:

Date	Amendment Type	Resource	Fund	Department	Net Expenditure	Impact
7/19/2010	Res - Grant	LSTA Grant	Library	Library	\$	50,000
7/19/2010	Res - Grant	EPA Storm Grant	Storm	Public Works	\$	14,737
9/7/2010	Res - Grant	DOJ Byrne Grant	General	Police	\$	13,478
10/4/2010	Res - Grant	Benton County ARRA	Street	Public Works	\$	130,000
10/18/2010	Res - Grant	DOJ Byrne Grant	General	Police	\$	85,411
10/18/2010	Res - Grant	US DOJ Grant	General	Police	\$	5,228
12/6/2010	Res - Grant	US EPA Grant	General	Public Works	\$	491,762
				Total Increase	\$	790,616

Significant revenue highlights include:

- **Property taxes** totaled \$19,009,104 through the second quarter which equals 89.63% of the budgeted property tax revenue. The majority of property taxes for the fiscal year are typically collected in the second quarter. FY 10-11 year-to-date property tax revenues are comparable with last fiscal year's results, as collections have followed the historical pattern.
- **Other Taxes** are collected from hotels in the form of room taxes and totaled \$520,614 or 50.24% of budget for the first half of the fiscal year. Summer seasonality and early football season hotel stays have led to better results thus far in FY10-11 compared to last year at the same time.
- **Licenses, Fees and Permits** totaled \$2,953,450 which represents 43.15% of the amended budget. While franchise fees are underperforming year-to-date, a rate increase for Pacific Power that went into effect in November is expected to begin offsetting projected shortfalls brought on by utility conservation efforts by the third quarter. 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 \$20,607,371 which represents 53.80% of the amended budget. These revenues are largely on target with budget and last year.
- **Intergovernmental** revenues are below target year-to-date and low compared to last year's actuals at \$4,892,126 or 26.65%. The receipt of grant monies tends to be volatile and highly dependent on timing of related expenditures.
- **Interest earnings** were higher than expected with some improvement in rates, totaling \$151,194 at the end of the second quarter, which represents 64.56% of the budgeted interest.

Operating expenditures for all funds totaled \$35,878,989 or 43.45% of the Amended Operating Expenditure Budget which is lower than last year both in total dollars expended and percentage of budget. These results are partly reflective of department efforts to contain costs, particularly in the property tax funds where resources are becoming much more limited. Non-operating expenditures, which include capital projects, transfers, debt service, and contingency, totaled \$11,060,452 or 30.13% of the \$36,711,829 Amended Non-Operating Budget. In total, expenditures through the second quarter were \$46,939,441 or 39.35% of the \$119,283,695 budgeted, compared to 41.93% 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>		\$45,355,916	\$35,206,790	\$2,009,160	\$82,571,866	
City Manager's Office	\$3,084,270	\$602,345	\$1,123,037	\$0	\$1,725,381	55.94%
Community Development	8,276,960	1,635,022	787,199	0	2,422,222	29.26%
Finance	4,995,400	1,661,539	651,474	5,034	2,318,047	46.40%
Fire	10,626,930	4,220,797	896,107	20,791	5,137,696	48.35%
Library	6,434,610	1,865,985	1,038,803	56,299	2,961,087	46.02%
Parks & Recreation	5,795,480	1,905,384	949,508	19,271	2,874,163	49.59%
Police	12,570,057	4,673,320	1,463,722	6,040	6,143,082	48.87%
Public Works	29,268,899	5,401,055	6,082,646	74,690	11,558,391	39.49%
Non Department	1,519,260	0	738,920	0	738,920	48.64%
<b>TOTAL</b>	<b>\$82,571,866</b>	<b>\$21,965,449</b>	<b>\$13,731,416</b>	<b>\$182,124</b>	<b>\$35,878,989</b>	<b>43.45%</b>
Percent of Budget		48.43%	39.00%	9.06%	43.45%	

Significant expenditure highlights include:

- **Personal services** totaled \$21,965,449 or 48.43% of the amended budget of \$45,355,916 and was in line with the percent of budget spent in FY 09-10, though \$408,000 higher due to cost of living and associated benefit increases.
- **Supplies and Services** totaled \$13,731,416 or 39.00% of the amended budget of \$35,206,790. The dollars spent in FY 10-11 are 10% 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.
- **Capital Outlay** totaled \$182,124 or 9.06% of the amended budget of \$2,009,160. Capital purchases do not tend to follow a regular pattern other than to typically weight toward the end of the fiscal year to ensure that sufficient budget remains for the acquisition.

### NON OPERATING EXPENDITURES

- **Capital projects** totaled \$2,174,669 or 15.36% 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 do not come to fruition. For FY 10-11, several projects have yet to begin.
- **Debt service** payments totaled \$4,734,713 or 58.01% of the amended budget of \$8,162,110, which is similar to last year's levels.
- **Transfers and Other Financial Uses** totaled \$4,151,070 or 31.71% of the amended budget of \$13,089,352. 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 are 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.

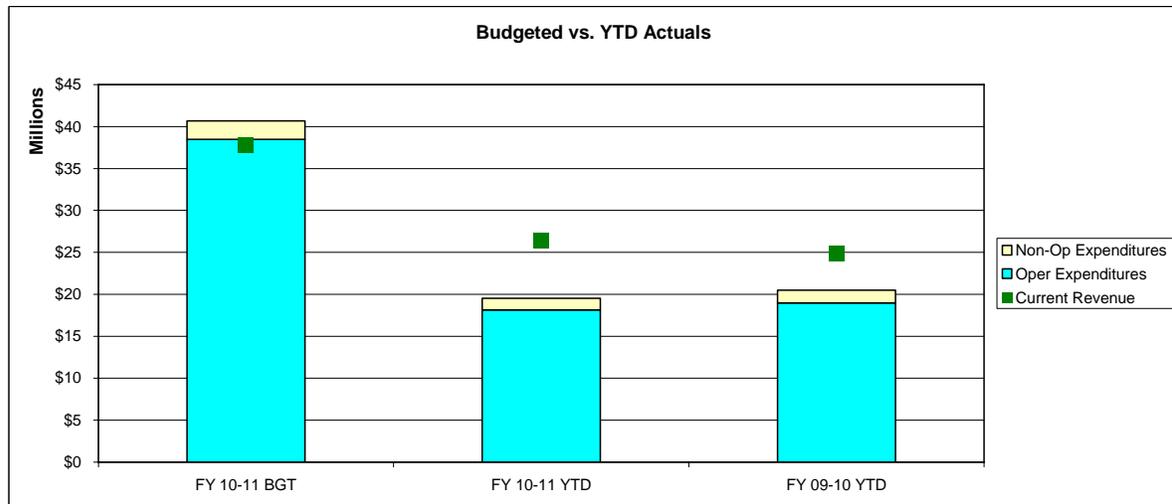
# PROPERTY TAX FUNDS COMBINED\*

REVENUE	AMENDED BUDGET	2nd Quarter FY 10-11	UNAUDITED FY 10-11	FY 10-11 % REC/EXPEND	2nd Quarter FY 09-10	Y-T-D FY 09-10	FY 09-10 % REC/EXPEND
Budgeted Fund Balance	\$2,716,096						
Property Taxes	\$19,233,240	\$17,176,445	\$17,314,343	90.02%	\$16,003,207	\$16,152,334	86.95%
Other Tax	1,036,190	312,898	520,614	50.24%	291,869	488,061	40.86%
Licenses/Permits	5,449,690	1,167,574	1,988,853	36.49%	1,171,080	1,995,811	35.72%
Charges for Service	5,307,470	1,981,162	3,250,636	61.25%	1,876,305	3,025,414	56.89%
Intergovernmental	5,050,299	2,407,032	2,642,534	52.32%	2,245,000	2,464,823	58.15%
Fines/Forfeitures	957,640	193,842	375,489	39.21%	123,556	266,825	26.42%
Miscellaneous	341,750	76,743	292,292	85.53%	145,078	481,615	104.13%
Other Financing Sources	430,450	0	19,002	4.41%	0	1,272	0.00%
<b>TOTAL CURRENT REVENUE</b>	<b>\$37,806,729</b>	<b>\$23,315,695</b>	<b>\$26,403,763</b>	<b>69.84%</b>	<b>\$21,856,094</b>	<b>\$24,876,154</b>	<b>68.36%</b>

## EXPENDITURE BY DEPARTMENT

Community Development	\$1,618,220	\$356,789	\$723,504	44.71%	\$381,311	\$741,228	43.04%
Finance	618,920	140,973	285,008	46.05%	168,661	312,722	45.71%
Fire	10,626,930	2,568,616	5,137,696	48.35%	2,695,825	5,583,662	48.45%
Library	6,434,110	1,397,190	2,960,961	46.02%	1,460,336	2,976,580	46.25%
Parks and Recreation	5,795,480	1,242,911	2,874,163	49.59%	1,321,350	3,019,241	50.12%
Police	10,045,107	2,414,248	4,971,493	49.49%	2,495,436	5,138,480	50.74%
Public Works	1,816,852	241,995	460,260	25.33%	205,333	374,163	29.19%
Non-Departmental	1,517,910	336,262	738,070	48.62%	402,226	821,817	53.88%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$38,473,529</b>	<b>\$8,698,984</b>	<b>\$18,151,154</b>	<b>47.18%</b>	<b>\$9,130,478</b>	<b>\$18,967,893</b>	<b>48.23%</b>
Debt Service	\$49,920	\$0	\$0	0.00%	\$0	\$0	0.00%
Transfers	1,818,300	858,350	1,368,130	75.24%	937,840	1,520,270	47.50%
Contingencies/Reserves	335,250	0	0	0.00%	0	0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$40,676,999</b>	<b>\$9,557,334</b>	<b>\$19,519,284</b>	<b>47.99%</b>	<b>\$10,068,318</b>	<b>\$20,488,163</b>	<b>47.50%</b>
<b>CURRENT REVENUE LESS</b>							
<b>TOTAL EXPENDITURES</b>	<b>(\$2,870,270)</b>	<b>\$13,758,361</b>	<b>\$6,884,480</b>		<b>\$11,787,776</b>	<b>\$4,387,991</b>	

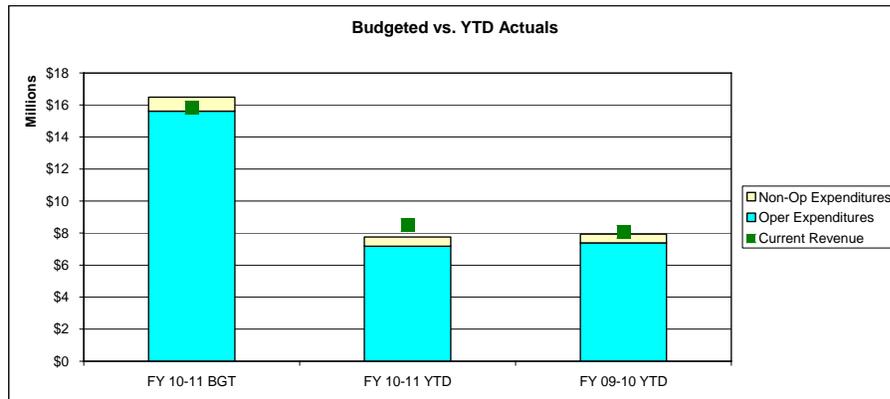
\* Includes General, Parks & Recreation, Fire & Rescue, and Library Funds



# GENERAL FUND

REVENUE	AMENDED BUDGET	2nd Quarter FY 10-11	UNAUDITED FY 10-11	FY 10-11 % REC/EXPEND	2nd Quarter FY 09-10	Y-T-D FY 09-10	FY 09-10 % REC/EXPEND
Budgeted Fund Balance	\$633,098						
Property Taxes (1)	\$4,857,150	\$4,530,284	\$4,668,182	96.11%	\$4,392,315	\$4,541,442	92.99%
Other Tax (2)	1,036,190	312,898	520,614	50.24%	291,869	488,061	40.86%
Licenses/Permits (3)	5,383,940	1,158,042	1,963,343	36.47%	1,159,456	1,965,047	35.57%
Charges for Service	713,370	162,161	364,171	51.05%	133,658	306,431	48.34%
Intergovernmental (4)	2,476,979	344,636	563,159	22.74%	259,203	478,832	26.26%
Fines/Forfeitures (5)	866,700	164,099	319,330	36.84%	100,310	223,446	24.50%
Miscellaneous (6)	113,290	33,502	85,192	75.20%	26,242	67,534	44.50%
<b>TOTAL CURRENT REVENUE</b>	<b>\$15,818,069</b>	<b>\$6,705,623</b>	<b>\$8,487,992</b>	<b>53.66%</b>	<b>\$6,363,053</b>	<b>\$8,070,792</b>	<b>53.37%</b>
<b>EXPENDITURE BY DEPARTMENT</b>							
Community Development	\$1,618,220	\$356,789	\$723,504	44.71%	\$381,311	\$741,228	43.04%
Finance	618,920	140,973	285,008	46.05%	168,661	312,722	45.71%
Police	10,045,107	2,414,248	4,971,493	49.49%	2,495,436	5,138,480	50.74%
Public Works (7)	1,816,852	241,995	460,260	25.33%	205,333	374,163	29.19%
Non-Departmental	1,517,910	336,262	738,070	48.62%	402,226	821,817	53.88%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$15,617,009</b>	<b>\$3,490,267</b>	<b>\$7,178,334</b>	<b>45.96%</b>	<b>\$3,652,967</b>	<b>\$7,388,410</b>	<b>48.16%</b>
Transfers (8)	\$700,760	\$327,920	\$581,330	82.96%	\$302,000	\$551,790	55.73%
Contingencies/Reserves	123,640	0	0	0.00%	0	0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$16,491,329</b>	<b>\$3,818,187</b>	<b>\$7,759,664</b>	<b>47.05%</b>	<b>\$3,954,967</b>	<b>\$7,940,200</b>	<b>47.88%</b>
<b>CURRENT REVENUE LESS</b>							
<b>TOTAL EXPENDITURES</b>	<b>(\$673,260)</b>	<b>\$2,887,436</b>	<b>\$728,327</b>		<b>\$2,408,086</b>	<b>\$130,592</b>	

- (1) The majority of current year property taxes are collected in the second quarter. This year's collection pattern is consistent with prior years.
- (2) Transient room taxes are higher and more on target this year than in FY 09-10, due primarily to 9.3% higher lodging occupancy rates in Benton County brought on by some improvement in the local economy.
- (3) Many revenue streams which are susceptible to economic fluctuations have been impacted by the depressed economy in both FY 09-10 and FY 10-11 – e.g., plan review fees and related charges for service (lower development) and interest earnings (declining market rates).
- (4) Grant receipts are typically received in the latter part of the year based on expenditure reimbursement.
- (5) Municipal court traffic fine revenue is higher in FY 10-11 versus the same time period in FY 09-10 due primarily to the City's contract with a new collections agency, resulting in an improved collection rate. Total fine revenues remain below target however, based on lower ticketing volume with continued police vacancies.
- (6) Year-to-date miscellaneous revenue is higher than usual due to an unexpected local improvement district lien payoff of \$21,500 in the first quarter.
- (7) Public Works spending is considerably lower than target because of over \$700,000 in EECBG and EPA grant project appropriations that will not be used until later this fiscal year or are being carried over to FY 11-12.
- (8) Transfers include this fund's portion of the semi-annual debt service payment for the Pension Obligation Bonds, Development Services Fund support and those related to capital projects. See the Capital Improvement Program section for status information on capital projects.

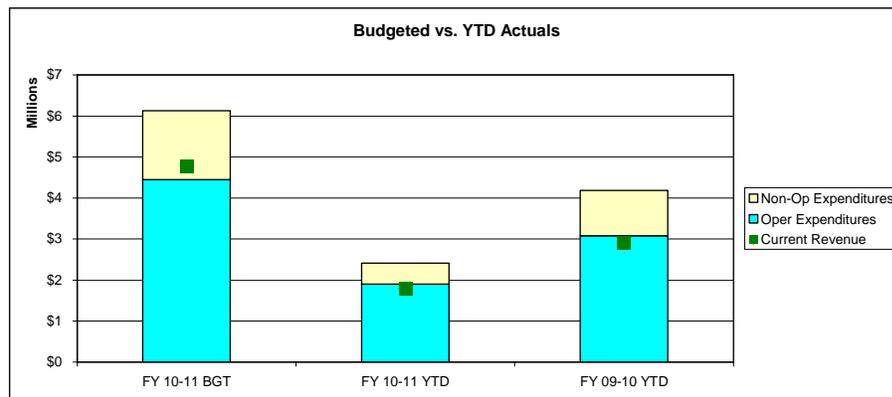


# COMBINED STREET FUND\*

REVENUE	AMENDED BUDGET	2nd Quarter FY 10-11	UNAUDITED FY 10-11	FY 10-11 % REC/EXPEND	2nd Quarter FY 09-10	Y-T-D FY 09-10	FY 09-10 % REC/EXPEND
Budgeted Fund Balance	\$362,488						
Licenses/Permits (1)	\$452,390	\$170,772	\$281,271	62.17%	\$128,753	\$235,376	49.19%
Charges for Service (2)	505,860	195,675	305,372	60.37%	232,568	356,044	57.39%
Intergovernmental (3)	3,797,260	1,188,434	1,193,470	31.43%	1,991,305	2,299,885	44.83%
Fines/Forfeitures (4)	500	925	5,035	1006.98%	205	530	530.22%
Miscellaneous (5)	15,650	4,518	10,473	66.92%	13,072	17,952	18.61%
<b>TOTAL CURRENT REVENUE</b>	<b>\$4,771,660</b>	<b>\$1,560,323</b>	<b>\$1,795,620</b>	<b>37.63%</b>	<b>\$2,365,902</b>	<b>\$2,909,787</b>	<b>46.00%</b>
<b>EXPENDITURE BY DEPARTMENT</b>							
Community Development	\$19,750	\$4,289	\$8,814	44.63%	\$3,881	\$8,423	42.73%
Public Works (6)	4,429,360	938,121	1,894,593	42.77%	1,539,100	3,068,700	47.43%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$4,449,110</b>	<b>\$942,410</b>	<b>\$1,903,407</b>	<b>42.78%</b>	<b>\$1,542,981</b>	<b>\$3,077,123</b>	<b>47.42%</b>
Transfers (7)	\$1,606,520	\$259,620	\$512,910	31.93%	\$144,490	\$1,108,070	58.42%
Contingencies/Reserves	73,920	0	0	0.00%	0	0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$6,129,550</b>	<b>\$1,202,030</b>	<b>\$2,416,317</b>	<b>39.42%</b>	<b>\$1,687,471</b>	<b>\$4,185,193</b>	<b>49.52%</b>
<b>CURRENT REVENUE LESS TOTAL EXPENDITURES</b>	<b>(\$1,357,890)</b>	<b>\$358,294</b>	<b>(\$620,697)</b>		<b>\$678,431</b>	<b>(\$1,275,406)</b>	

\* Includes Street SDC Fund

- (1) Fees in lieu of improvements for a new property, as well as a new Right of Way (ROW) permit holder contribute to the increase in licenses/permits revenue.
- (2) Charges for Service are higher as a percentage of budget, but lower by \$50,000 versus last year primarily because of the continued decline in SDC revenues, with low development levels.
- (3) State shared revenue (gas, tax, registration, etc) is higher this year by about \$146K while significant dollars from ARRA projects are tapering off, with revenue of only \$137K in the current year versus \$1.4 million last year.
- (4) Fines are higher than projected and than in the prior year due to unanticipated reimbursements received for damage done to City property.
- (5) Miscellaneous revenue is higher in FY 10-11 year-to-date due to several reimbursements from Benton County for non-eligible costs associated with ARRA projects outside City limits.
- (6) Public Works expenditures are down significantly from last year due to a large amount of ARRA work done in the prior year.
- (7) Transfers include this fund's portion of the semi-annual debt service payment for the Pension Obligation Bonds, transfers related to capital projects, and support to the Development Services Funds. Transfers for capital projects are made based on anticipated needs. See the Capital Improvement Program section for status information on capital projects.

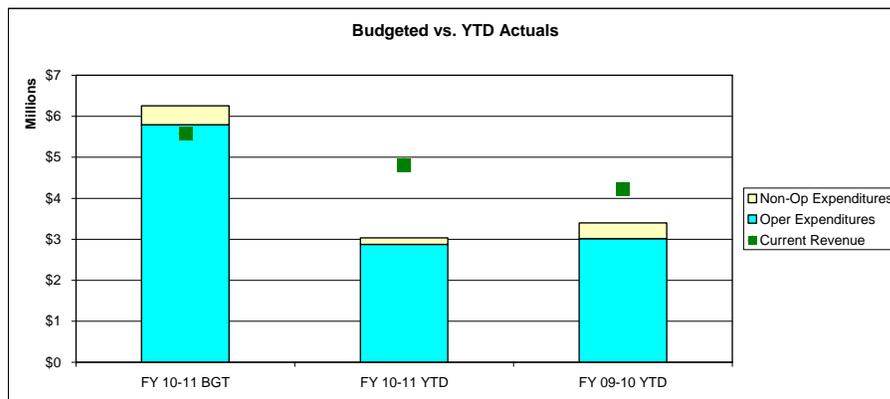


# PARKS AND RECREATION FUND\*

REVENUE	AMENDED BUDGET	2nd Quarter FY 10-11	UNAUDITED FY 10-11	FY 10-11 % REC/EXPEND	2nd Quarter FY 09-10	Y-T-D FY 09-10	FY 09-10 % REC/EXPEND
Budgeted Fund Balance	\$659,627						
Property Taxes (1)	\$3,870,450	\$3,404,736	\$3,404,736	87.97%	\$3,241,455	\$3,241,455	84.79%
Licenses/Permits (2)	47,800	3,052	13,975	29.24%	5,003	20,938	44.83%
Charges for Service (3)	1,552,430	870,453	1,318,295	84.92%	253,393	683,159	43.23%
Intergovernmental (4)	29,900	7,400	7,400	24.75%	7,400	7,400	27.01%
Fines/Forfeitures	100	115	200	200.00%	125	213	0.00%
Miscellaneous (5)	79,790	20,235	73,840	92.54%	26,438	282,100	212.31%
<b>TOTAL CURRENT REVENUE</b>	<b>\$5,580,470</b>	<b>\$4,305,990</b>	<b>\$4,818,446</b>	<b>86.34%</b>	<b>\$3,533,814</b>	<b>\$4,235,265</b>	<b>75.49%</b>
<b>EXPENDITURE BY DEPARTMENT</b>							
Parks and Recreation	\$5,795,480	\$1,242,911	\$2,874,163	49.59%	\$1,321,350	\$3,019,241	50.12%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$5,795,480</b>	<b>\$1,242,911</b>	<b>\$2,874,163</b>	<b>49.59%</b>	<b>\$1,321,350</b>	<b>\$3,019,241</b>	<b>50.12%</b>
Transfers (6)	\$403,452	\$102,620	\$158,840	39.37%	\$242,930	\$380,690	32.50%
Contingencies/Reserves	54,900	0	0	0.00%	0	0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$6,253,832</b>	<b>\$1,345,531</b>	<b>\$3,033,003</b>	<b>48.50%</b>	<b>\$1,564,280</b>	<b>\$3,399,931</b>	<b>46.51%</b>
<b>CURRENT REVENUE LESS</b>							
<b>TOTAL EXPENDITURES</b>	<b>(\$673,362)</b>	<b>\$2,960,459</b>	<b>\$1,785,443</b>		<b>\$1,969,534</b>	<b>\$835,333</b>	

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

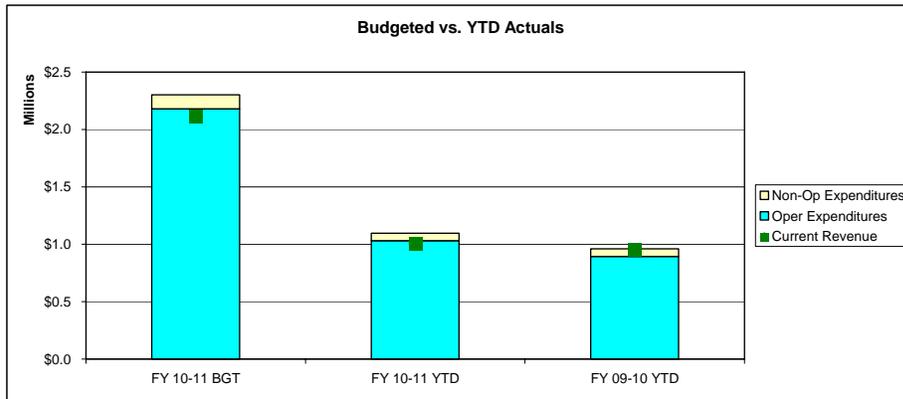
- (1) The majority of current year property taxes are collected in the second quarter. This year's collection pattern is consistent with prior years.
- (2) Licenses/Permits are down compared to budget and the prior year due to fewer park shelter rentals year-to-date in FY 10-11.
- (3) Charges for services are higher than last year due primarily to approximately \$567,000 in Parks SDC receipts that have been billed in respect of OSU projects, as well as unforeseen increases in OSU game day parking.
- (4) 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. Work at Herbert Open Space properties funded by Bonneville Power Administration (BPA) grant has been postponed until completion of the management plan.
- (5) Miscellaneous revenue is comparable to last year, excluding the \$206,000 bequest received in the first quarter of FY 09-10. Both years show donation and non-governmental grant receipts well ahead of budgeted expectations.
- (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 10-11.



# 911 EMERGENCY SERVICES

REVENUE	AMENDED BUDGET	2nd Quarter FY 10-11	UNAUDITED FY 10-11	FY 10-11 % REC/EXPEND	2nd Quarter FY 09-10	Y-T-D FY 09-10	FY 09-10 % REC/EXPEND
Budgeted Fund Balance	\$408,215						
Charges for Service	\$936,420	\$234,151	\$468,278	50.01%	\$246,712	\$493,352	50.00%
Intergovernmental	1,174,150	294,654	533,655	45.45%	258,644	454,485	46.49%
Miscellaneous	2,210	1,543	2,329	105.39%	1,326	2,564	34.10%
<b>TOTAL CURRENT REVENUE</b>	<b>\$2,112,780</b>	<b>\$530,348</b>	<b>\$1,004,262</b>	<b>47.53%</b>	<b>\$506,681</b>	<b>\$950,401</b>	<b>48.20%</b>
<b>EXPENDITURE BY DEPARTMENT</b>							
Police (1)	\$2,180,630	\$485,726	\$1,031,744	47.31%	\$421,535	\$894,692	43.21%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$2,180,630</b>	<b>\$485,726</b>	<b>\$1,031,744</b>	<b>47.31%</b>	<b>\$421,535</b>	<b>\$894,692</b>	<b>43.21%</b>
Transfers	\$77,940	\$44,010	\$64,600	82.88%	\$44,800	\$67,020	83.32%
Contingencies/Reserves	44,120	0	0	0.00%	0	0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$2,302,690</b>	<b>\$529,736</b>	<b>\$1,096,344</b>	<b>47.61%</b>	<b>\$466,335</b>	<b>\$961,712</b>	<b>43.92%</b>
<b>CURRENT REVENUE LESS</b>							
<b>TOTAL EXPENDITURES</b>	<b>(\$189,910)</b>	<b>\$612</b>	<b>(\$92,082)</b>		<b>\$40,346</b>	<b>(\$11,310)</b>	

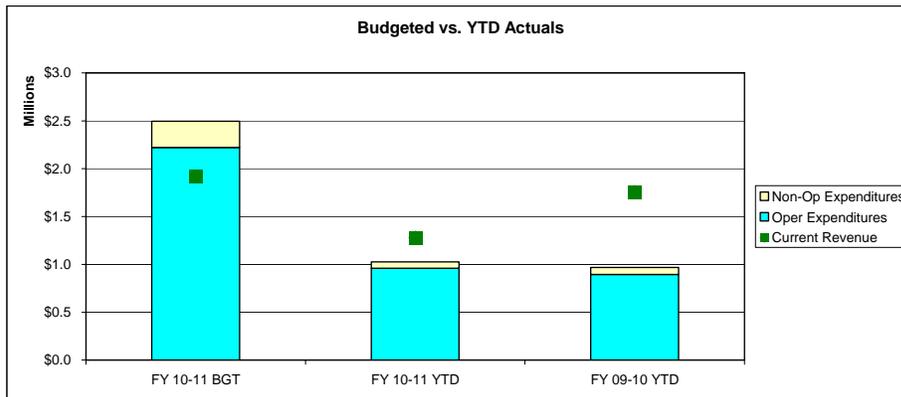
(1) Spending is more on target in FY 10-11 based on wages/benefits for additional dispatch enhancement positions budgeted but not yet hired at this point in FY 09-10.



# DEVELOPMENT SERVICES

REVENUE	AMENDED BUDGET	2nd Quarter FY 10-11	UNAUDITED FY 10-11	FY 10-11 % REC/EXPEND	2nd Quarter FY 09-10	Y-T-D FY 09-10	FY 09-10 % REC/EXPEND
Budgeted Fund Balance	\$630,589						
Licenses/Permits (1)	\$799,500	\$270,604	\$551,638	69.00%	\$293,645	\$515,056	74.98%
Charges for Service (2)	892,260	167,576	502,495	56.32%	286,410	1,021,438	145.27%
Miscellaneous (3)	7,010	4,519	7,143	101.89%	2,125	3,041	11.05%
Other Financing Sources (4)	218,390	0	218,390	100.00%	0	218,390	100.00%
<b>TOTAL CURRENT REVENUE</b>	<b>\$1,917,160</b>	<b>\$442,699</b>	<b>\$1,279,665</b>	<b>66.75%</b>	<b>\$582,180</b>	<b>\$1,757,925</b>	<b>107.46%</b>
<b>EXPENDITURE BY DEPARTMENT</b>							
Community Development (5)	\$2,221,550	\$486,650	\$960,365	43.23%	\$462,314	\$896,134	47.59%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$2,221,550</b>	<b>\$486,650</b>	<b>\$960,365</b>	<b>43.23%</b>	<b>\$462,314</b>	<b>\$896,134</b>	<b>47.59%</b>
Transfers (6)	\$274,330	\$44,800	\$65,760	23.97%	\$48,300	\$72,260	55.99%
Contingencies/Reserves	0	0	0	0.00%	0	0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$2,495,880</b>	<b>\$531,450</b>	<b>\$1,026,125</b>	<b>41.11%</b>	<b>\$510,614</b>	<b>\$968,394</b>	<b>48.13%</b>
<b>CURRENT REVENUE LESS</b>							
<b>TOTAL EXPENDITURES</b>	<b>(\$578,720)</b>	<b>(\$88,751)</b>	<b>\$253,540</b>		<b>\$71,566</b>	<b>\$789,532</b>	

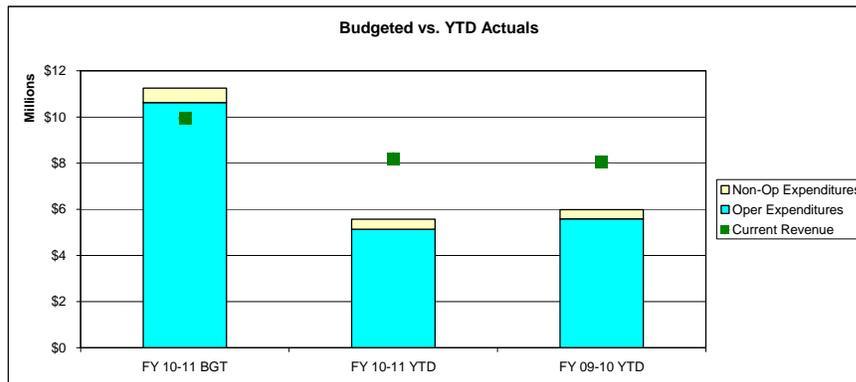
- (1) Second quarter revenue is higher than anticipated, though still lower than last year's second quarter, due to the volume of large commercial projects, including the issuance of permits in respect of a large multi-year project at OSU.
- (2) FY 10-11 revenue is on track with budgeted amounts. In FY 09-10, Development Services collected nearly twice as much revenue as expected, due primarily to projects at OSU and Good Samaritan.
- (3) Interest earnings are still low, but doing better than last year at this time based on a higher than projected fund balance.
- (4) Dollars reflect transfers from: the General Fund to cover land use work done by the senior planner in the Development Services Fund; from Street SDC, Parks SDC, Water SDC, Wastewater SDC, and Storm water SDC Funds in support of SDC permitting administration work by Development Services; and Stormwater Fund support of Erosion & Sediment Control program by Development Services staff. Funding transfers of this nature are typically booked at the beginning of the fiscal year.
- (5) Expenditure actuals are below budget due to vacancy savings and the under-utilization of plan review and inspection services (non-personal) provided year-to-date.
- (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. Please see the Capital Improvement Program section for information on the status of capital projects.



# FIRE AND RESCUE FUND

REVENUE	AMENDED BUDGET	2nd Quarter FY 10-11	UNAUDITED FY 10-11	FY 10-11 % REC/EXPEND	2nd Quarter FY 09-10	Y-T-D FY 09-10	FY 09-10 % REC/EXPEND
Budgeted Fund Balance	\$1,305,626						
Property Taxes (1)	\$6,667,370	\$5,865,702	\$5,865,702	87.98%	\$5,810,308	\$5,810,308	84.80%
Licenses/Permits (2)	17,950	6,480	11,535	64.26%	6,621	9,826	55.45%
Charges for Service (3)	3,146,270	1,547,993	2,207,849	70.17%	1,490,854	2,068,289	64.47%
Intergovernmental (4)	32,800	0	0	0.00%	67,190	67,190	0.00%
Fines/Forfeitures (5)	15,340	7,037	10,330	67.34%	4,330	6,428	39.90%
Miscellaneous (6)	70,180	4,354	85,758	122.20%	88,591	95,335	123.70%
Other Financing Sources (7)	0	0	15,000	0.00%	0	1,272	0.00%
<b>TOTAL CURRENT REVENUE</b>	<b>\$9,949,910</b>	<b>\$7,431,567</b>	<b>\$8,196,174</b>	<b>82.37%</b>	<b>\$7,467,895</b>	<b>\$8,058,648</b>	<b>79.24%</b>
<b>EXPENDITURE BY DEPARTMENT</b>							
Fire	\$10,626,930	\$2,568,616	\$5,137,696	48.35%	\$2,695,825	\$5,583,662	48.45%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$10,626,930</b>	<b>\$2,568,616</b>	<b>\$5,137,696</b>	<b>48.35%</b>	<b>\$2,695,825</b>	<b>\$5,583,662</b>	<b>48.45%</b>
Transfers (8)	\$521,750	\$294,620	\$432,460	82.89%	\$267,850	\$400,700	29.10%
Contingencies/Reserves	101,230	0	0	0.00%	0	0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$11,249,910</b>	<b>\$2,863,236</b>	<b>\$5,570,156</b>	<b>49.51%</b>	<b>\$2,963,675</b>	<b>\$5,984,362</b>	<b>45.61%</b>
<b>CURRENT REVENUE LESS</b>							
<b>TOTAL EXPENDITURES</b>	<b>(\$1,300,000)</b>	<b>\$4,568,331</b>	<b>\$2,626,018</b>		<b>\$4,504,220</b>	<b>\$2,074,286</b>	

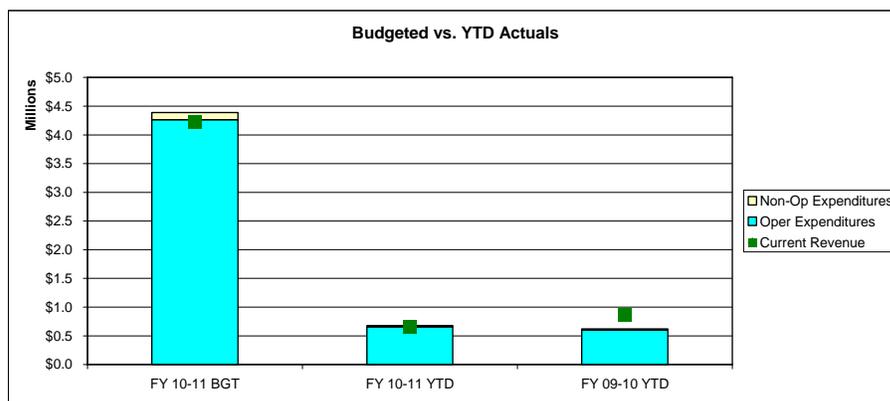
- (1) The majority of current year property taxes are collected in the second quarter. This year's collection pattern is consistent with prior years.
- (2) Licenses, Fees & Permits are above target and above prior year due to increased uniform fire code permits related to an increase in building construction this fiscal year compared to last year.
- (3) Charges for services include parking meter monies; the first Corvallis Rural Fire Protection District (CRFPD) contract payment, HazMat incident reimbursement; plan review fees; FireMed memberships, ambulance service charges, and copies of incident and Pre-hospital care reports. The variance is partly attributable to more conservative revenue estimates made for FY 10-11.
- (4) No revenue has been received in the Intergovernmental category this year-to-date. Last year's second quarter receipts consisted of conflagration reimbursements which are not predictable in occurrence.
- (5) Fines & Forfeitures are above target and prior year due to an increase in the number of civil penalties issued and paid so far in FY 10-11.
- (6) A \$78,750 grant was received in second quarter FY 09-10 from PacifiCorp for solar panels at Station 4, but accrued forward at year end to FY 10-11 since the related work was not completed.
- (7) The unbudgeted receipts in this line item relate to sales of capital assets, such as a used fire engine in FY 10-11.
- (8) Transfers include this fund's portion of the semi-annual debt service payment for the Pension Obligation Bonds (POB) and transfers related to capital projects. Please see the Capital Improvement Program section for information on the status of capital projects.



# COMMUNITY DEVELOPMENT REVOLVING FUND

REVENUE	AMENDED BUDGET	2nd Quarter FY 10-11	UNAUDITED FY 10-11	FY 10-11 % REC/EXPEND	2nd Quarter FY 09-10	Y-T-D FY 09-10	FY 09-10 % REC/EXPEND
Budgeted Fund Balance	\$877,831						
Licenses/Permits (1)	\$118,000	(\$1,460)	\$116,530	98.75%	(\$1,338)	\$116,740	105.48%
Charges for Service (2)	5,000	0	5,000	100.00%	0	5,000	100.00%
Intergovernmental (3)	3,626,190	262,496	436,938	12.05%	407,586	415,065	14.13%
Fines/Forfeitures (4)	2,500	39	(20)	-0.82%	43	(313)	-13.03%
Miscellaneous (5)	477,430	59,554	91,799	19.23%	38,719	336,198	62.14%
<b>TOTAL CURRENT REVENUE</b>	<b>\$4,229,120</b>	<b>\$320,629</b>	<b>\$650,246</b>	<b>15.38%</b>	<b>\$445,010</b>	<b>\$872,690</b>	<b>24.26%</b>
<b>EXPENDITURE BY DEPARTMENT</b>							
Community Development (6)	\$4,262,670	\$231,443	\$656,529	15.40%	\$203,864	\$600,396	15.90%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$4,262,670</b>	<b>\$231,443</b>	<b>\$656,529</b>	<b>15.40%</b>	<b>\$203,864</b>	<b>\$600,396</b>	<b>15.90%</b>
Transfers (7)	\$89,420	\$15,550	\$22,820	25.52%	\$15,030	\$22,490	47.90%
Contingencies/Reserves	35,720	0	0	0.00%	0	0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$4,387,810</b>	<b>\$246,993</b>	<b>\$679,349</b>	<b>15.48%</b>	<b>\$218,894</b>	<b>\$622,886</b>	<b>16.16%</b>
<b>CURRENT REVENUE LESS</b>							
<b>TOTAL EXPENDITURES</b>	<b>(\$158,690)</b>	<b>\$73,636</b>	<b>(\$29,103)</b>		<b>\$226,116</b>	<b>\$249,804</b>	

- (1) Invoices are issued annually for the rental housing program in September, so all of this revenue is recorded at the end of the first quarter when the bills are run. Subsequent quarters typically reflect the write-offs associated with non-collection of some of these bills.
- (2) Revenue recognized in the first quarter from the annual Oakcrest lease payment of \$5,000 has been fully collected.
- (3) CDBG and HOME program grant revenues are based on reimbursements so are received only after expenditures are incurred. Timing of spending and receipts is sporadic and relatively unpredictable, so results above are typical.
- (4) This line includes Rental Housing Program penalties applied to delinquent accounts. Negative activity reflects Rental Housing Program penalties waived on some customers or writing off other accounts sent to collections.
- (5) This line includes eight loan payoffs through the second quarter, plus regular principal and interest payments. Last year, a \$224,000 payment was received from Willamette Neighborhood Housing Services (WNHS) in September following completion of the Leonard-Knolls project.
- (6) Expenditures are primarily grant-related in this fund, and thus variable in timing.
- (7) 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. Please see the Capital Improvement Program section for information on the status of capital projects.



# PARKING FUND

REVENUE	AMENDED BUDGET	2nd Quarter FY 10-11	UNAUDITED FY 10-11	FY 10-11 % REC/EXPEND	2nd Quarter FY 09-10	Y-T-D FY 09-10	FY 09-10 % REC/EXPEND
Budgeted Fund Balance	\$753,747						
Licenses/Permits	\$20,000	\$3,469	\$12,052	60.26%	\$3,260	\$10,503	58.35%
Charges for Service	164,450	45,187	87,876	53.44%	45,547	85,090	48.39%
Fines/Forfeitures (1)	404,930	121,211	199,541	49.28%	93,115	165,077	41.17%
Miscellaneous (2)	3,200	2,124	3,224	100.75%	1,659	3,397	24.42%
<b>TOTAL CURRENT REVENUE</b>	<b>\$592,580</b>	<b>\$171,991</b>	<b>\$302,693</b>	<b>51.08%</b>	<b>\$143,581</b>	<b>\$264,067</b>	<b>43.38%</b>

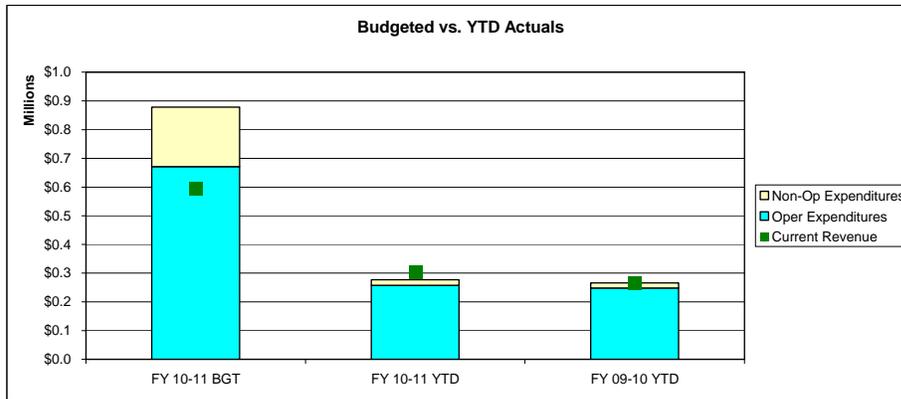
## EXPENDITURE BY DEPARTMENT

Community Development	\$4,010	\$845	\$1,842	45.94%	\$918	\$1,934	49.58%
Finance (3)	132,180	27,478	55,747	42.18%	34,127	62,476	48.24%
Police (3)	344,320	66,875	139,845	40.61%	68,426	141,553	47.76%
Public Works (4)	190,590	22,537	60,349	31.66%	21,061	42,213	24.29%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$671,100</b>	<b>\$117,735</b>	<b>\$257,783</b>	<b>38.41%</b>	<b>\$124,532</b>	<b>\$248,176</b>	<b>41.12%</b>
Transfers (5)	\$195,230	\$13,110	\$19,250	9.86%	\$11,680	\$17,480	7.80%
Contingencies/Reserves	12,030	0	0	0.00%	0	0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$878,360</b>	<b>\$130,845</b>	<b>\$277,033</b>	<b>31.54%</b>	<b>\$136,212</b>	<b>\$265,656</b>	<b>31.62%</b>

## CURRENT REVENUE LESS

<b>TOTAL EXPENDITURES</b>	(\$285,780)	\$41,145	\$25,660		\$7,369	(\$1,588)	
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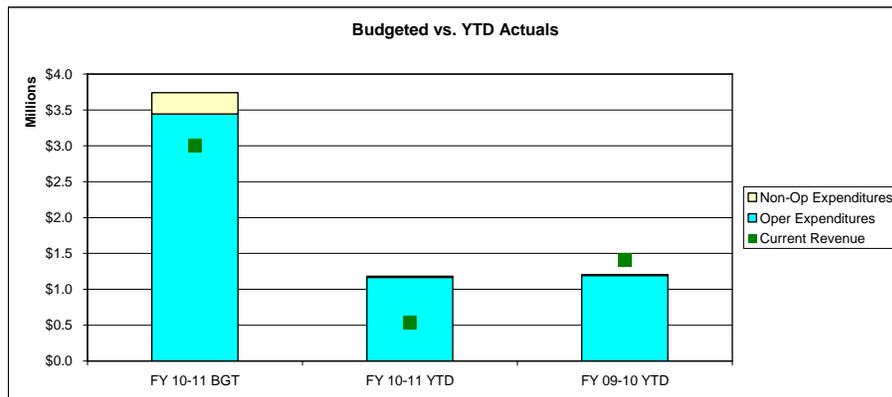
- (1) Revenue from fines and forfeitures represents revenue collected for offenses and infractions. Revenues are meeting expectations even though the parking enforcement team is not fully staffed, in part due to the improvement in collecting delinquent amounts.
- (2) The budget for miscellaneous revenue consists primarily of investment interest earnings, which was significantly reduced for FY 10-11 based primarily on deteriorating interest rates. As a result, actual interest earnings are a higher percentage of budget.
- (3) Both Finance and Police expenditures are below budget and prior year results due primarily to turnover and vacancy savings in FY 10-11.
- (4) Expenditures include approximately \$9,000 of unbudgeted costs associated with a new residential parking district. Spending is considerably lower than target because \$25,090 in special project funding for pay station improvements will carry over to FY 11-12.
- (5) 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. Please see the Capital Improvement Program section for information on the status of capital projects.



# TRANSIT FUND

REVENUE	AMENDED BUDGET	2nd Quarter FY 10-11	UNAUDITED FY 10-11	FY 10-11 % REC/EXPEND	2nd Quarter FY 09-10	Y-T-D FY 09-10	FY 09-10 % REC/EXPEND
Budgeted Fund Balance	\$593,635						
Property Taxes (1)	\$75,000	\$66,559	\$66,559	88.75%	\$382,492	\$382,492	84.79%
Charges for Service (2)	502,410	158,411	215,457	42.88%	165,931	229,452	51.91%
Intergovernmental (3)	1,618,340	185,327	185,023	11.43%	197,560	183,160	7.83%
Miscellaneous (4)	811,680	39,594	77,498	9.55%	59,147	619,701	84.86%
<b>TOTAL CURRENT REVENUE</b>	<b>\$3,007,430</b>	<b>\$449,891</b>	<b>\$544,537</b>	<b>18.11%</b>	<b>\$805,129</b>	<b>\$1,414,804</b>	<b>35.71%</b>
<b>EXPENDITURE BY DEPARTMENT</b>							
Public Works (5)	\$3,442,830	\$615,923	\$1,166,685	33.89%	\$642,038	\$1,194,384	29.94%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$3,442,830</b>	<b>\$615,923</b>	<b>\$1,166,685</b>	<b>33.89%</b>	<b>\$642,038</b>	<b>\$1,194,384</b>	<b>29.94%</b>
Transfers (6)	\$268,920	\$10,430	\$15,310	5.69%	\$8,060	\$12,060	44.65%
Contingencies/Reserves	29,940	0	0	0.00%	0	0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$3,741,690</b>	<b>\$626,353</b>	<b>\$1,181,995</b>	<b>31.59%</b>	<b>\$650,098</b>	<b>\$1,206,444</b>	<b>29.46%</b>
<b>CURRENT REVENUE LESS TOTAL EXPENDITURES</b>	<b>(\$734,260)</b>	<b>(\$176,462)</b>	<b>(\$637,457)</b>		<b>\$155,031</b>	<b>\$208,361</b>	

- (1) The majority of current year property taxes are collected in the second quarter. This year's collection pattern is consistent with prior years; however the allocation of property tax was significantly reduced for the Transit Fund in FY 10-11 in support of the remaining property tax funds combined.
- (2) The budget for charges for services increased 13.6% this year over FY 09-10. Revenues are a lower percentage of budget, as well as being marginally below last year's results.
- (3) Grant receipts are at similar levels to the prior year, and tend to be lower than budget as they are reimbursement-based. Note that both year-to-date amounts are less than revenues recorded in the second quarter due to offsetting prior year accruals.
- (4) The main source of revenue in this category is the Business Energy Tax Credit (BETC), which has not been received to date in FY 10-11. Last year a BETC payment was received in the first quarter of FY 09-10, but was related to a prior year's application. Finding a tax liability partner in this economy is currently a challenge for the timely receipt of this funding.
- (5) Both years are under-expended due primarily to the timing of vehicle purchases. Two buses which were budgeted for the current fiscal year have not yet been purchased (one of which had been carried over from FY 09-10).
- (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.

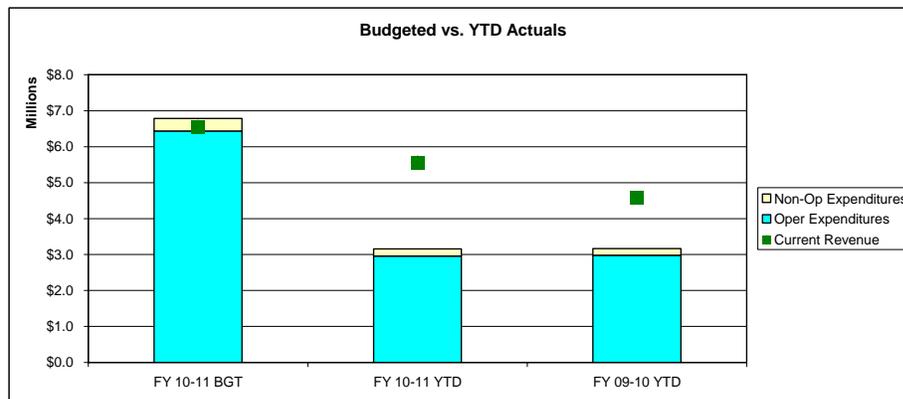


# LIBRARY FUND\*

REVENUE	AMENDED BUDGET	2nd Quarter FY 10-11	UNAUDITED FY 10-11	FY 10-11 % REC/EXPEND	2nd Quarter FY 09-10	Y-T-D FY 09-10	FY 09-10 % REC/EXPEND
Budgeted Fund Balance	\$117,745						
Property Taxes (1)	\$3,838,270	\$3,375,723	\$3,375,723	87.95%	\$2,559,129	\$2,559,129	84.80%
Charges for Service (2)	45,400	7,559	22,503	49.57%	10,717	25,935	56.87%
Intergovernmental (3)	2,510,620	2,054,996	2,071,976	82.53%	1,911,207	1,911,401	80.04%
Fines/Forfeitures (4)	75,500	22,591	45,629	60.44%	18,791	36,738	45.08%
Miscellaneous (5)	86,330	21,204	50,832	58.88%	5,862	40,232	34.27%
Other Financing Sources (6)	60,000	0	0	0.00%	0	0	0.00%
<b>TOTAL CURRENT REVENUE</b>	<b>\$6,556,120</b>	<b>\$5,482,072</b>	<b>\$5,566,664</b>	<b>84.91%</b>	<b>\$4,505,705</b>	<b>\$4,573,435</b>	<b>80.94%</b>
<b>EXPENDITURE BY DEPARTMENT</b>							
Library	\$6,434,110	\$1,397,190	\$2,960,961	46.02%	\$1,461,195	\$2,977,438	46.00%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$6,434,110</b>	<b>\$1,397,190</b>	<b>\$2,960,961</b>	<b>46.02%</b>	<b>\$1,461,195</b>	<b>\$2,977,438</b>	<b>46.00%</b>
Transfers (7)	\$295,850	\$133,190	\$195,500	66.08%	\$125,060	\$187,090	83.32%
Contingencies/Reserves	55,480	0	0	0.00%	0	0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$6,785,440</b>	<b>\$1,530,380</b>	<b>\$3,156,461</b>	<b>46.52%</b>	<b>\$1,586,255</b>	<b>\$3,164,528</b>	<b>47.10%</b>
<b>CURRENT REVENUE LESS</b>							
<b>TOTAL EXPENDITURES</b>	<b>(\$229,320)</b>	<b>\$3,951,692</b>	<b>\$2,410,203</b>		<b>\$2,919,450</b>	<b>\$1,408,906</b>	

\* Includes the Library Operating and Library 2010 Funds.

- (1) The majority of current year property taxes are collected in the second quarter. This year's collection pattern is consistent with prior years.
- (2) Revenue is lower than last year due primarily to the timing of parking meter collections (meters were not collected during December). Meeting room rental income is also slightly lower due to increased use for library programs and increased use by other non-paying groups.
- (3) The Benton County Library District payment makes up the majority of the revenue in this classification, and due to its property tax-based nature, is largely received in the second quarter of the fiscal year.
- (4) Fines & Forfeitures are up from budget and previous year due to doubling of fines on overdue materials.
- (5) E-Rate discounts and a Business Energy Tax Credit reimbursement account for the increase in this revenue area this past quarter.
- (6) Proceeds from the sale of the Bookmobile are budgeted for FY 10-11 but not yet realized.
- (7) 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.



## DAVIDSON FUND

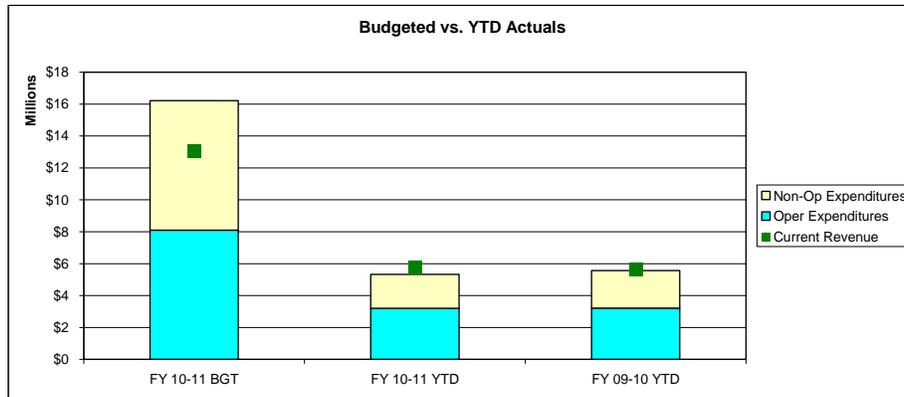
REVENUE	AMENDED BUDGET	2nd Quarter FY 10-11	UNAUDITED FY 10-11	FY 10-11 % REC/EXPEND	2nd Quarter FY 09-10	Y-T-D FY 09-10	FY 09-10 % REC/EXPEND
Budgeted Fund Balance	\$5,963						
Miscellaneous	\$0	\$14	\$22	0.00%	\$12	\$25	17.77%
<b>TOTAL CURRENT REVENUE</b>	<b>\$0</b>	<b>\$14</b>	<b>\$22</b>	<b>0.00%</b>	<b>\$12</b>	<b>\$25</b>	<b>17.77%</b>
<b>EXPENDITURE BY DEPARTMENT</b>							
Library	\$500	\$99	\$126	25.20%	\$91	\$389	77.84%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$500</b>	<b>\$99</b>	<b>\$126</b>	<b>25.20%</b>	<b>\$91</b>	<b>\$389</b>	<b>77.84%</b>
Transfers	\$0	\$0	\$0	0.00%	\$0	\$0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$500</b>	<b>\$99</b>	<b>\$126</b>	<b>25.20%</b>	<b>\$91</b>	<b>\$389</b>	<b>77.84%</b>
<b>CURRENT REVENUE LESS</b>							
<b>TOTAL EXPENDITURES</b>	<b>(\$500)</b>	<b>(\$85)</b>	<b>(\$104)</b>		<b>(\$80)</b>	<b>(\$364)</b>	

# COMBINED WATER FUND\*

REVENUE	AMENDED BUDGET	2nd Quarter FY 10-11	UNAUDITED FY 10-11	FY 10-11 % REC/EXPEND	2nd Quarter FY 09-10	Y-T-D FY 09-10	FY 09-10 % REC/EXPEND
Budgeted Fund Balance	\$1,309,080						
Charges for Service	\$8,805,430	\$1,904,585	\$4,514,739	51.27%	\$1,943,088	\$4,592,662	51.84%
Intergovernmental (1)	108,670	0	(4,015)	-3.69%	4,015	(14,485)	-14.45%
Fines/Forfeitures	0	3,108	3,068	0.00%	1,018	958	0.00%
Miscellaneous (2)	449,740	21,135	364,401	81.02%	53,825	109,346	19.69%
Transfers In/Other Financing Sources (3)	3,674,420	88,500	857,350	23.33%	291,540	940,548	50.88%
<b>TOTAL CURRENT REVENUE</b>	<b>\$13,038,260</b>	<b>\$2,017,329</b>	<b>\$5,735,543</b>	<b>43.99%</b>	<b>\$2,293,486</b>	<b>\$5,629,028</b>	<b>49.53%</b>
<b>EXPENDITURE BY DEPARTMENT</b>							
Community Development	\$50,740	\$12,176	\$24,167	47.63%	\$10,746	\$22,109	44.59%
Public Works	8,054,750	1,485,323	3,178,186	39.46%	1,580,546	3,196,148	43.65%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$8,105,490</b>	<b>\$1,497,500</b>	<b>\$3,202,353</b>	<b>39.51%</b>	<b>\$1,591,293</b>	<b>\$3,218,257</b>	<b>43.65%</b>
Capital Projects (3)	\$2,951,950	\$78,644	\$96,644	3.27%	\$113,318	\$235,101	17.57%
Debt Service	1,009,240	1,009,218	1,009,218	100.00%	1,018,483	1,018,483	100.00%
Transfers Out/Other Financing Uses (3)	3,972,240	190,170	1,016,670	25.59%	392,550	1,100,050	53.08%
Contingencies/Reserves	178,150	0	0	0.00%	0	0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$16,217,070</b>	<b>\$2,775,532</b>	<b>\$5,324,885</b>	<b>32.84%</b>	<b>\$3,115,644</b>	<b>\$5,571,892</b>	<b>46.51%</b>
<b>CURRENT REVENUE LESS</b>							
<b>TOTAL EXPENDITURES</b>	<b>(\$3,178,810)</b>	<b>(\$758,204)</b>	<b>\$410,658</b>		<b>(\$822,159)</b>	<b>\$57,136</b>	

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

- (1) The budget in this line item represents primarily a carryover of an Oregon DHS Water Program grant received in the prior fiscal year. Once the project is completed, expenses are reimbursed. The negative actuals represent prior year accrual entries that will be offset in later quarters by grant receipts.
- (2) FY 10-11 year-to-date includes receipt of a large first quarter payment (\$326,380) toward budgeted timber sales.
- (3) 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 have been made for debt service payments for the POB. See the Capital Improvement Program section for details regarding capital project expenditures.



# COMBINED WASTEWATER FUND\*

REVENUE	AMENDED BUDGET	2nd Quarter FY 10-11	UNAUDITED FY 10-11	FY 10-11 % REC/EXPEND	2nd Quarter FY 09-10	Y-T-D FY 09-10	FY 09-10 % REC/EXPEND
Budgeted Fund Balance	\$3,180,660						
Charges for Service	\$9,551,530	\$2,513,051	\$4,612,658	48.29%	\$2,361,349	\$4,350,213	44.56%
Miscellaneous (1)	55,740	43,545	60,559	108.65%	33,150	59,645	28.16%
Other Financing Sources (2)	3,515,260	188,000	590,391	16.80%	215,000	855,924	20.16%
<b>TOTAL CURRENT REVENUE</b>	<b>\$13,122,530</b>	<b>\$2,744,596</b>	<b>\$5,263,609</b>	<b>40.11%</b>	<b>\$2,609,499</b>	<b>\$5,265,783</b>	<b>37.03%</b>

## EXPENDITURE BY DEPARTMENT

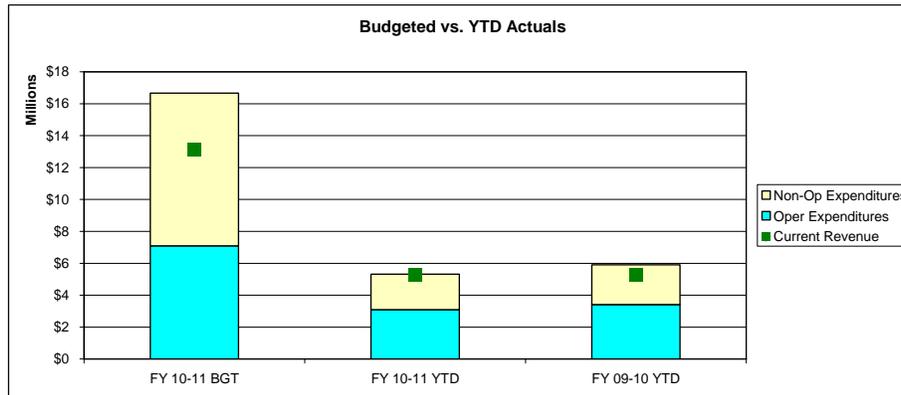
Community Development	\$49,540	\$11,597	\$23,360	47.15%	\$10,656	\$21,929	45.29%
Public Works (3)	7,034,410	1,538,324	3,066,939	43.60%	1,752,280	3,392,900	48.22%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$7,083,950</b>	<b>\$1,549,921</b>	<b>\$3,090,298</b>	<b>43.62%</b>	<b>\$1,762,936</b>	<b>\$3,414,829</b>	<b>48.20%</b>
Capital Projects (2)	\$3,417,040	\$135,149	\$479,958	14.05%	\$235,211	\$461,814	11.98%
Debt Service	2,233,850	973,396	997,697	44.66%	988,621	1,012,922	43.93%
Transfers (2)	3,753,250	291,290	746,420	19.89%	317,360	1,015,864	22.82%
Contingencies/Reserves	181,140	0	0	0.00%	0	0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$16,669,230</b>	<b>\$2,949,756</b>	<b>\$5,314,373</b>	<b>31.88%</b>	<b>\$3,304,128</b>	<b>\$5,905,429</b>	<b>33.01%</b>

## CURRENT REVENUE LESS

<b>TOTAL EXPENDITURES</b>	(\$3,546,700)	(\$205,160)	(\$50,764)		(\$694,629)	(\$639,646)	
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\* Includes Wastewater, Wastewater SDC and Wastewater Construction Funds.

- (1) The budget for miscellaneous revenue was virtually cut to 25% of FY 09-10 levels in FY 10-11, based primarily on the continued decline of interest earnings due to ongoing low interest rates, so actual interest earnings are a higher percentage of budget. Though lower than prior year actuals, this decrease has mostly been offset by recovery on bad debts.
- (2) 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.
- (3) Public Works is below budget and prior year spending at the end of the second quarter due primarily to having spent only about 12% of the \$823,540 budgeted for eleven special projects and one vehicle replacement in FY 10-11.



# COMBINED STORM WATER FUND\*

REVENUE	AMENDED BUDGET	2nd Quarter FY 10-11	UNAUDITED FY 10-11	FY 10-11 % REC/EXPEND	2nd Quarter FY 09-10	Y-T-D FY 09-10	FY 09-10 % REC/EXPEND
Budgeted Fund Balance	\$1,297,155						
Charges for Service	\$2,113,970	\$506,345	\$978,418	46.28%	\$460,346	\$874,683	45.69%
Miscellaneous (1)	9,280	6,072	8,523	91.84%	4,391	8,128	18.15%
Other Financing Sources (3)	602,200	10,000	152,200	25.27%	0	150,000	20.13%
<b>TOTAL CURRENT REVENUE</b>	<b>\$2,740,187</b>	<b>\$522,417</b>	<b>\$1,139,141</b>	<b>41.57%</b>	<b>\$464,737</b>	<b>\$1,032,811</b>	<b>52.71%</b>

## EXPENDITURE BY DEPARTMENT

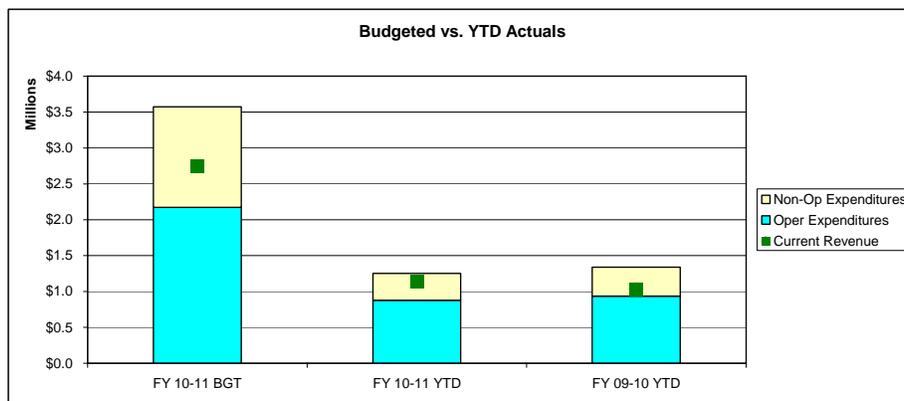
Community Development	\$50,480	\$11,769	\$23,641	46.83%	\$10,783	\$22,428	45.02%
Public Works (2)	2,123,757	446,268	852,683	40.15%	514,429	912,423	40.58%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$2,174,237</b>	<b>\$458,036</b>	<b>\$876,324</b>	<b>40.30%</b>	<b>\$525,212</b>	<b>\$934,851</b>	<b>40.68%</b>
Capital Projects (3)	\$602,200	\$1,609	\$111,970	18.59%	\$8,746	\$138,330	18.57%
Transfers (3)	756,660	42,930	263,420	34.81%	31,590	265,140	32.12%
Contingencies/Reserves	41,860	0	0	0.00%	0	0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$3,574,957</b>	<b>\$502,576</b>	<b>\$1,251,714</b>	<b>35.01%</b>	<b>\$565,548</b>	<b>\$1,338,321</b>	<b>34.26%</b>

## CURRENT REVENUE LESS

<b>TOTAL EXPENDITURES</b>	(\$834,770)	\$19,841	(\$112,573)		(\$100,811)	(\$305,510)	
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\* Includes Storm Water, Storm Water SDC and Storm Water Construction Funds.

- (1) The budget for miscellaneous revenue was virtually cut to 25% of FY 09-10 levels in FY 10-11, based primarily on the continued decline of interest earnings due to ongoing low interest rates, so actual interest earnings are a higher percentage of budget. Though lower than prior year actuals, this decrease has been offset by recovery on bad debts.
- (2) Actuals are under budget in both fiscal years due to lower than anticipated special project spending year-to-date.
- (3) 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.



# COMBINED AIRPORT FUND\*

REVENUE	AMENDED BUDGET	2nd Quarter FY 10-11	UNAUDITED FY 10-11	FY 10-11 % REC/EXPEND	2nd Quarter FY 09-10	Y-T-D FY 09-10	FY 09-10 % REC/EXPEND
Budgeted Fund Balance	\$836,862						
Licenses/Permits	\$5,000	\$2,513	\$3,107	62.14%	\$2,465	\$3,095	68.77%
Charges for Service	365,000	106,302	200,253	54.86%	106,550	195,735	51.80%
Intergovernmental (1)	817,150	0	(18,961)	-2.32%	0	(8,500)	-3.31%
Miscellaneous	9,630	2,399	4,536	47.10%	1,779	3,946	21.88%
Other Financing Sources (2)	238,050	46,500	144,700	60.79%	0	0	0.00%
<b>TOTAL CURRENT REVENUE</b>	<b>\$1,434,830</b>	<b>\$157,714</b>	<b>\$333,635</b>	<b>23.25%</b>	<b>\$110,794</b>	<b>\$194,275</b>	<b>17.78%</b>

## EXPENDITURE BY DEPARTMENT

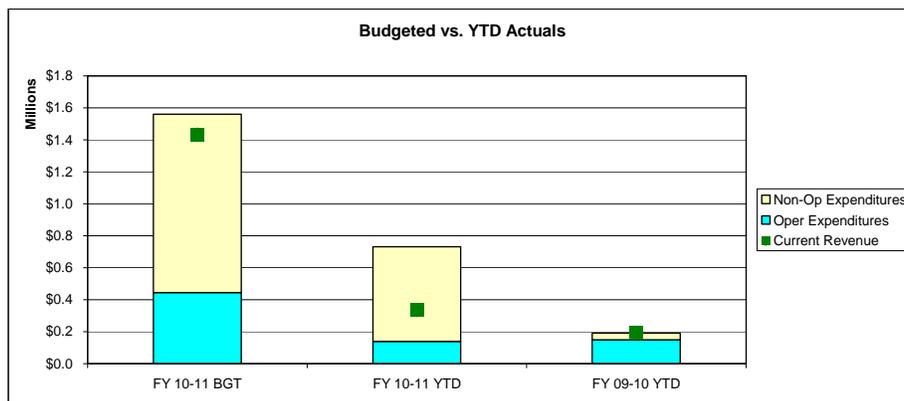
Public Works (3)	\$445,350	\$70,759	\$139,423	31.31%	\$74,365	\$149,189	15.97%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$445,350</b>	<b>\$70,759</b>	<b>\$139,423</b>	<b>31.31%</b>	<b>\$74,365</b>	<b>\$149,189</b>	<b>15.97%</b>
Capital Projects (2)	\$965,200	\$485,293	\$501,806	51.99%	\$5,656	\$5,656	4.62%
Debt Service (4)	42,170	33,663	33,663	79.83%	29,474	29,474	99.98%
Transfers (2)	98,030	48,620	55,780	56.90%	3,970	5,940	9.17%
Contingencies/Reserves	9,390	0	0	0.00%	0	0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$1,560,140</b>	<b>\$638,336</b>	<b>\$730,671</b>	<b>46.83%</b>	<b>\$113,466</b>	<b>\$190,259</b>	<b>16.42%</b>

## CURRENT REVENUE LESS

<b>TOTAL EXPENDITURES</b>	(\$125,310)	(\$480,622)	(\$397,037)		(\$2,672)	\$4,016	
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\* Includes Airport and Airport Construction Funds.

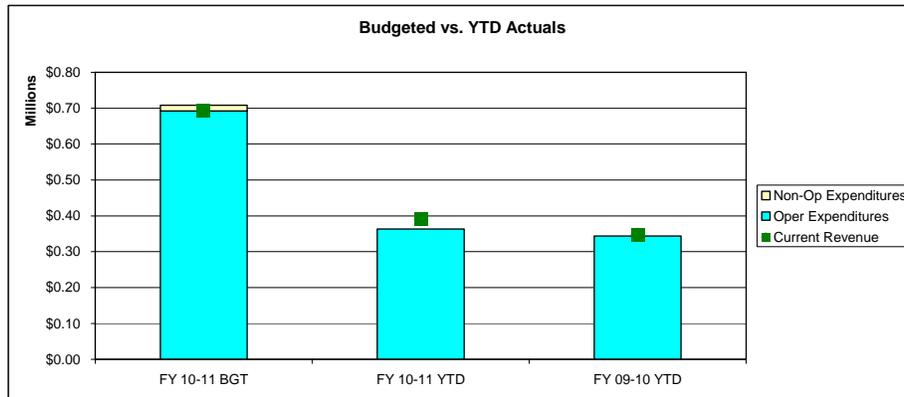
- (1) The Intergovernmental FY 10-11 budget anticipates receipt of two Federal grants: one is a carryover from FY 09-10 for the Airport Industrial Park and the other funds Airport facility improvements. The negative amounts in both years represent grants where receipts are anticipated in the current fiscal year for work that was done in the previous year and so the revenue is recognized in the fourth quarter of the previous year via an accrual that leaves the current year temporarily negative.
- (2) Other Financing Sources relate primarily to Capital Projects related to an airport industrial park improvements project and airport facility improvements project. Transfers include this fund's portion of the semi-annual debt service payment for the Pension Obligation Bonds and for capital projects. Transfers for capital projects are made as needed. See the Capital Improvement Program section for detail regarding other capital project expenditures.
- (3) FY 10-11 includes three special projects that have been budgeted (\$132,500), but not yet expended. In FY 09-10, Public Works had spent only \$30,000 of a special project budget totaling nearly \$630,000 so total spending was a smaller proportion of budget, but operational spending is roughly on track this fiscal year-to-date.
- (4) A new loan with OBDD is budgeted to commence repayment in FY 10-11, but has not yet been drawn on.



# FLEET MAINTENANCE FUND

REVENUE	AMENDED BUDGET	2nd Quarter FY 10-11	UNAUDITED FY 10-11	FY 10-11 % REC/EXPEND	2nd Quarter FY 09-10	Y-T-D FY 09-10	FY 09-10 % REC/EXPEND
Budgeted Fund Balance	\$31,674						
Charges for Service (1)	\$691,630	\$194,410	\$389,490	56.31%	\$167,155	\$346,228	46.81%
Miscellaneous	1,200	367	1,005	83.75%	741	1,479	174.01%
<b>TOTAL CURRENT REVENUE</b>	<b>\$692,830</b>	<b>\$194,777</b>	<b>\$390,495</b>	<b>56.36%</b>	<b>\$167,896</b>	<b>\$347,707</b>	<b>46.96%</b>
<b>EXPENDITURE BY DEPARTMENT</b>							
Public Works (2)	\$692,270	\$181,903	\$363,663	52.53%	\$180,047	\$344,027	46.40%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$692,270</b>	<b>\$181,903</b>	<b>\$363,663</b>	<b>52.53%</b>	<b>\$180,047</b>	<b>\$344,027</b>	<b>46.40%</b>
Contingencies/Reserves	\$16,000	\$0	\$0	0.00%	\$0	\$0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$708,270</b>	<b>\$181,903</b>	<b>\$363,663</b>	<b>51.35%</b>	<b>\$180,047</b>	<b>\$344,027</b>	<b>45.42%</b>
<b>CURRENT REVENUE LESS</b>							
<b>TOTAL EXPENDITURES</b>	<b>(\$15,440)</b>	<b>\$12,873</b>	<b>\$26,832</b>		<b>(\$12,151)</b>	<b>\$3,679</b>	

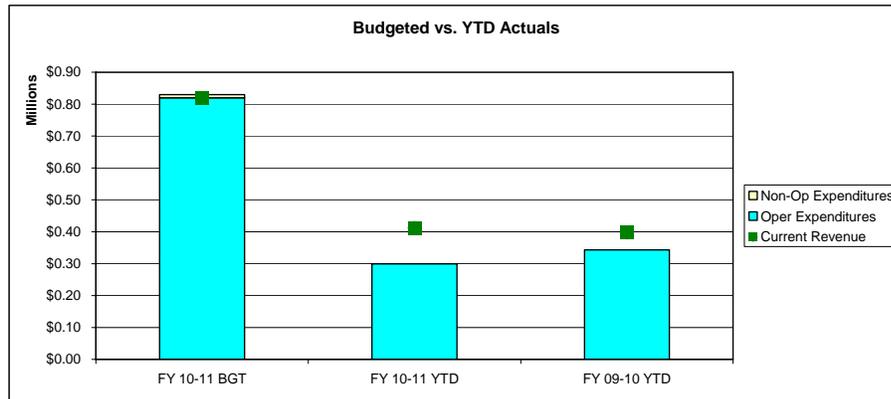
- (1) Actual charges for service revenue is above budget in FY 10-11 due to higher than anticipated receipts for maintenance and repair of City vehicles, as well as internal and external fuel sales.
- (2) Maintenance expenditures are running high resulting in the higher revenues noted above, but use of additional appropriations has been somewhat offset by personal service savings from vacancies.



# FACILITY MAINTENANCE FUND

REVENUE	AMENDED BUDGET	2nd Quarter FY 10-11	UNAUDITED FY 10-11	FY 10-11 % REC/EXPEND	2nd Quarter FY 09-10	Y-T-D FY 09-10	FY 09-10 % REC/EXPEND
Budgeted Fund Balance	\$27,303						
Charges for Service	\$816,200	\$205,761	\$411,412	50.41%	\$196,704	\$394,776	49.83%
Miscellaneous (1)	3,070	637	1,077	35.07%	1,351	2,614	67.38%
<b>TOTAL CURRENT REVENUE</b>	<b>\$819,270</b>	<b>\$206,398</b>	<b>\$412,488</b>	<b>50.35%</b>	<b>\$198,055</b>	<b>\$397,390</b>	<b>49.91%</b>
<b>EXPENDITURE BY DEPARTMENT</b>							
Public Works (2)	\$819,660	\$146,894	\$299,675	36.56%	\$182,277	\$343,156	42.96%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$819,660</b>	<b>\$146,894</b>	<b>\$299,675</b>	<b>36.56%</b>	<b>\$182,277</b>	<b>\$343,156</b>	<b>42.96%</b>
Contingencies/Reserves	\$10,000	\$0	\$0	0.00%	\$0	\$0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$829,660</b>	<b>\$146,894</b>	<b>\$299,675</b>	<b>36.12%</b>	<b>\$182,277</b>	<b>\$343,156</b>	<b>42.43%</b>
<b>CURRENT REVENUE LESS</b>							
<b>TOTAL EXPENDITURES</b>	<b>(\$10,390)</b>	<b>\$59,504</b>	<b>\$112,813</b>		<b>\$15,778</b>	<b>\$54,235</b>	

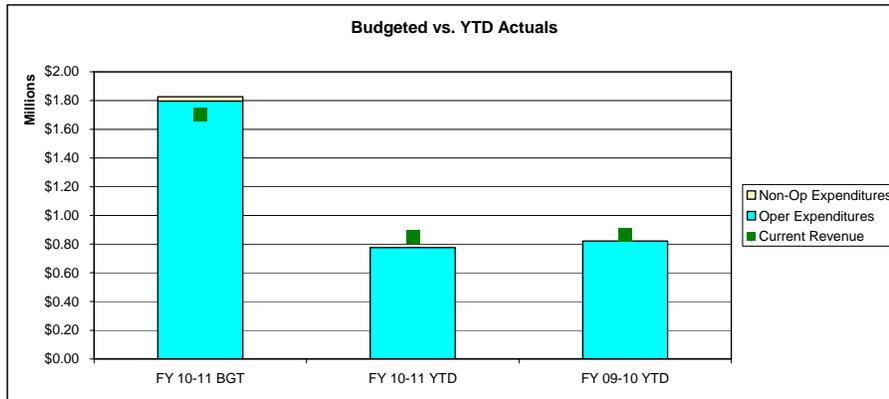
- (1) Interest revenues year-to-date in FY 10-11 are below budget and prior year due to interest rate decline in the continuing poor economy in combination with being earned on a lower fund balance. Miscellaneous revenue was higher year-to-date in FY 09-10 versus budget due to credits from unexpected returns of facility repair-related materials purchases, scrap metal sales, an Energy Trust incentive, and BETC monies.
- (2) Expenditures are low year-to-date due to a vacancy of a Buildings & Grounds Technician position. This position was filled in late December.



# TECHNOLOGY AND COMMUNICATIONS FUND

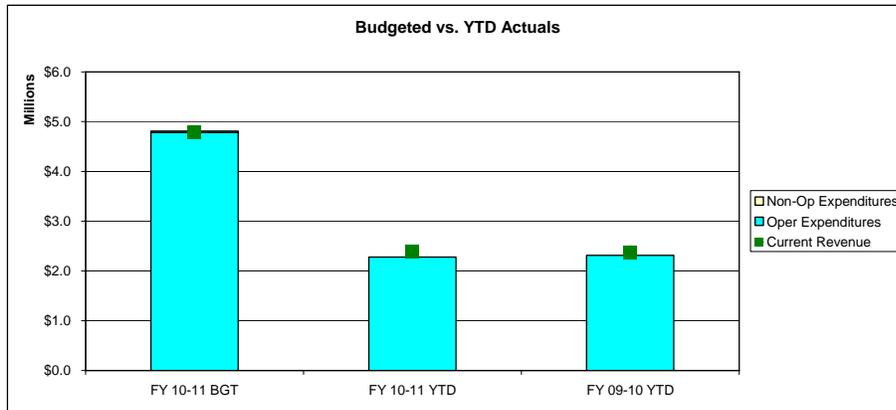
REVENUE	AMENDED BUDGET	2nd Quarter FY 10-11	UNAUDITED FY 10-11	FY 10-11 % REC/EXPEND	2nd Quarter FY 09-10	Y-T-D FY 09-10	FY 09-10 % REC/EXPEND
Budgeted Fund Balance	\$91,108						
Charges for Service	\$1,699,180	\$424,794	\$849,701	50.01%	\$431,228	\$862,402	49.84%
Miscellaneous (1)	3,040	1,793	2,680	88.15%	1,285	2,590	18.72%
<b>TOTAL CURRENT REVENUE</b>	<b>\$1,702,220</b>	<b>\$426,587</b>	<b>\$852,381</b>	<b>50.07%</b>	<b>\$432,513</b>	<b>\$864,992</b>	<b>49.59%</b>
<b>EXPENDITURE BY DEPARTMENT</b>							
Finance (2)	\$1,577,000	\$317,204	\$700,216	44.40%	\$348,951	\$723,294	48.71%
Public Works (3)	219,070	38,558	75,937	34.66%	56,496	98,409	39.14%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$1,796,070</b>	<b>\$355,763</b>	<b>\$776,153</b>	<b>43.21%</b>	<b>\$405,447</b>	<b>\$821,703</b>	<b>47.33%</b>
Contingencies/Reserves	\$30,000	\$0	\$0	0.00%	\$0	\$0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$1,826,070</b>	<b>\$355,763</b>	<b>\$776,153</b>	<b>42.50%</b>	<b>\$405,447</b>	<b>\$821,703</b>	<b>46.52%</b>
<b>CURRENT REVENUE LESS</b>							
<b>TOTAL EXPENDITURES</b>	<b>(\$123,850)</b>	<b>\$70,824</b>	<b>\$76,228</b>		<b>\$27,066</b>	<b>\$43,289</b>	

- (1) The budget for miscellaneous revenue was cut to less than 25% of FY 09-10 levels in FY 10-11, based primarily on the continued decline of interest earnings due to ongoing low interest rates. Actual interesting earnings are a higher percentage of budget, although consistent with the prior year's actuals.
- (2) Expenditures are under target year-to-date primarily due to MIS budget of \$92,500 in special projects that has not yet been expended.
- (3) Year-to-date spending is low as a percentage of budget in both years, driven by City-requested work orders that vary year to year. Total spending year-to-date in FY 10-11 is also lower due to the Public Works budget for this fund having been reduced by about \$64,000 from the elimination of the radio system support program.



# ADMINISTRATIVE SERVICES FUND

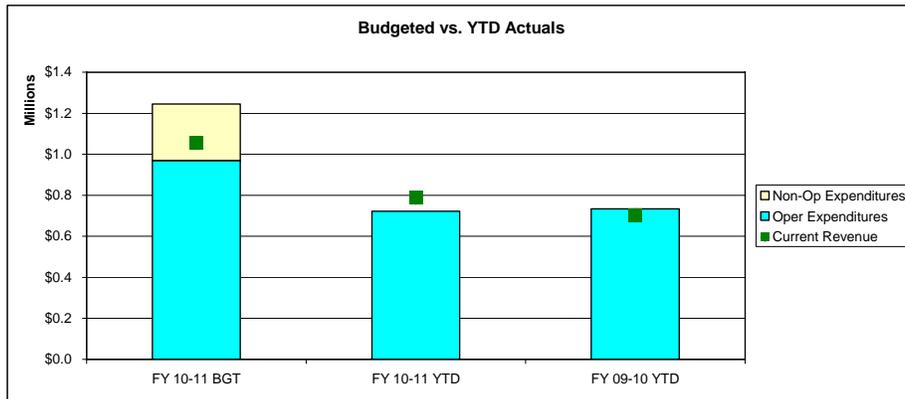
REVENUE	AMENDED BUDGET	2nd Quarter FY 10-11	UNAUDITED FY 10-11	FY 10-11 % REC/EXPEND	2nd Quarter FY 09-10	Y-T-D FY 09-10	FY 09-10 % REC/EXPEND
Budgeted Fund Balance	\$35,246						
Charges for Service	\$4,785,490	\$1,196,373	\$2,392,746	50.00%	\$1,183,614	\$2,367,228	50.00%
Miscellaneous	8,000	1,988	3,442	43.02%	2,262	4,209	27.89%
<b>TOTAL CURRENT REVENUE</b>	<b>\$4,793,490</b>	<b>\$1,198,361</b>	<b>\$2,396,188</b>	<b>49.99%</b>	<b>\$1,186,004</b>	<b>\$2,379,815</b>	<b>50.11%</b>
<b>EXPENDITURE BY DEPARTMENT</b>							
Finance	\$2,667,300	\$634,273	\$1,277,076	47.88%	\$673,426	\$1,320,450	50.49%
City Manager's Office	2,114,260	471,687	1,003,016	47.44%	517,157	991,226	46.59%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$4,781,560</b>	<b>\$1,105,960</b>	<b>\$2,280,093</b>	<b>47.69%</b>	<b>\$1,190,583</b>	<b>\$2,311,676</b>	<b>48.74%</b>
Contingencies/Reserves	30,000	0	0	0.00%	0	0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$4,811,560</b>	<b>\$1,105,960</b>	<b>\$2,280,093</b>	<b>47.39%</b>	<b>\$1,190,583</b>	<b>\$2,311,676</b>	<b>48.44%</b>
<b>CURRENT REVENUE LESS</b>							
<b>TOTAL EXPENDITURES</b>	<b>(\$18,070)</b>	<b>\$92,401</b>	<b>\$116,095</b>		<b>(\$4,579)</b>	<b>\$68,140</b>	



# RISK MANAGEMENT FUND

REVENUE	AMENDED BUDGET	2nd Quarter FY 10-11	UNAUDITED FY 10-11	FY 10-11 % REC/EXPEND	2nd Quarter FY 09-10	Y-T-D FY 09-10	FY 09-10 % REC/EXPEND
Budgeted Fund Balance	\$329,819						
Charges for Service (1)	\$1,014,210	\$0	\$760,658	75.00%	\$0	\$676,425	75.00%
Miscellaneous	40,620	12,260	26,893	66.21%	16,704	27,065	47.04%
<b>TOTAL CURRENT REVENUE</b>	<b>\$1,054,830</b>	<b>\$12,260</b>	<b>\$787,551</b>	<b>74.66%</b>	<b>\$16,704</b>	<b>\$703,490</b>	<b>73.32%</b>
<b>EXPENDITURE BY DEPARTMENT</b>							
City Manager's Office (1)	\$970,010	\$72,326	\$722,365	74.47%	\$73,763	\$734,111	74.57%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$970,010</b>	<b>\$72,326</b>	<b>\$722,365</b>	<b>74.47%</b>	<b>\$73,763</b>	<b>\$734,111</b>	<b>74.57%</b>
Contingencies/Reserves	275,000	0	0	0.00%	0	0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$1,245,010</b>	<b>\$72,326</b>	<b>\$722,365</b>	<b>58.02%</b>	<b>\$73,763</b>	<b>\$734,111</b>	<b>59.47%</b>
<b>CURRENT REVENUE LESS</b>							
<b>TOTAL EXPENDITURES</b>	<b>(\$190,180)</b>	<b>(\$60,067)</b>	<b>\$65,185</b>		<b>(\$57,059)</b>	<b>(\$30,621)</b>	

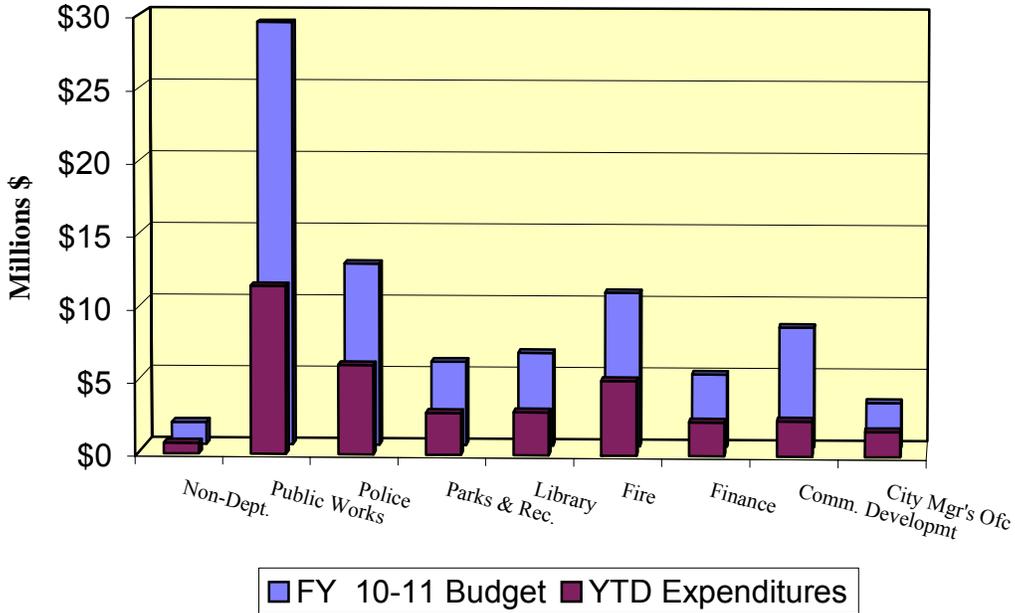
(1) Timing of internal service charges to departments is weighted to coincide with insurance premium payments, 75% of which occur in July and 25% in January.



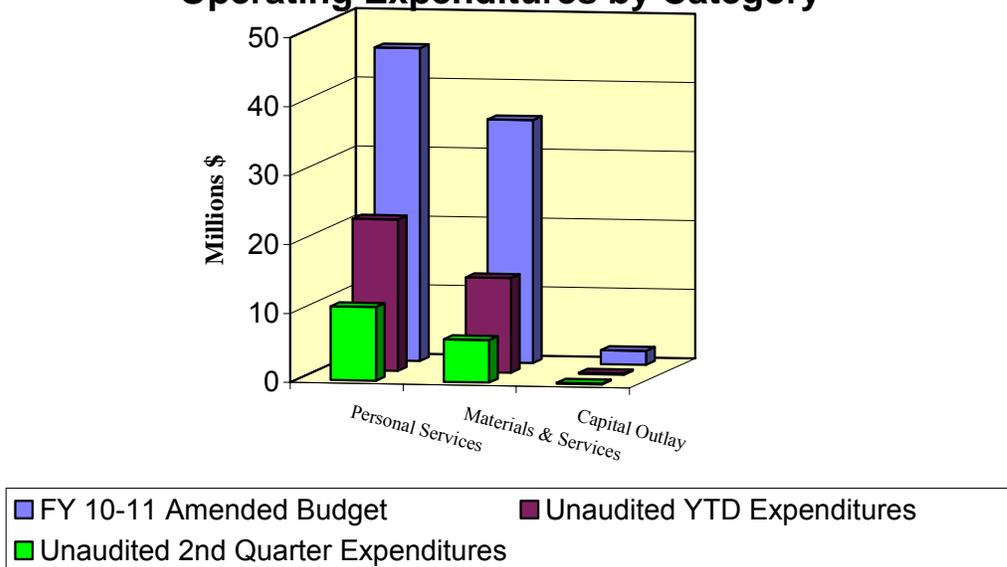
# BUDGET PERFORMANCE BY DEPARTMENT

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	2010-11 Amended Budget	Unaudited 2nd Qtr Expenditures	Unaudited YTD Expenditures	Percent Expended
Personal Services	\$1,325,320	\$307,109	\$602,345	45.45%
Supplies and Services	1,758,950	236,905	1,123,037	63.85%
Capital Outlay	0	0	0	0.00%
<b>Total Operating Expenditures</b>	<b>\$3,084,270</b>	<b>\$544,014</b>	<b>\$1,725,381</b>	<b>55.94%</b>

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

### Noteworthy Accomplishments during this Quarter:

- Completed poll of registered voters to determine the level of support for City services and revenue alternatives.
- Successfully transitioned to NEOGOV online recruitment for all regular City job openings.

### Upcoming/Pending Items:

- Conduct onsite appraisal of City assets in the third quarter to ensure current valuations.
- Develop job descriptions for all seasonal positions and begin using NEOGOV to recruit for casual vacancies.

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY09-10 ACTUAL	FY10-11 TARGET	2 <sup>nd</sup> QTR ACTUAL	FY10-11 YTD
Cost Efficiency	Compare City FTE to assess efficient and effective customer service	City FTE per 1,000 population.	7.85	8.00	7.78	7.78
	Reduce average workers compensation claims per employee through promotion of a safe workplace.	# of workers compensation claims per 100 FTE	8.10	<9.00	1.62	6.07
	Maximize workplace productivity	Number of sick leave hours used per 1,000 hours worked. <sup>(1)</sup>	29.96	<24.50	28.70	28.40
Diversity	Provide a welcoming organization that promotes and respects diversity	% of total job applicants for regular positions who identify themselves as a minority. <sup>(2)</sup>	9%	13%	13%	11%
	Increase the percentage of employees who believe they have a welcoming workplace	% of employees surveyed who indicate their workplace is very or somewhat welcoming. <sup>(3)</sup>	New measure	≥ 95%	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. <sup>(4)</sup>	244	<210	92 reams	137 reams
	Measure the benefits to compensation ratio for competitiveness, retention, attraction and comparator purposes.	Benefits as a % of total compensation. <sup>(5)</sup>	32%	28%	32%	32%

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY09-10 ACTUAL	FY10-11 TARGET	2 <sup>nd</sup> QTR ACTUAL	FY10-11 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.	90%	>90%	82%	82%
	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.	77%	>77%	82%	82%
		% of Citizen Attitude Survey respondents who rated the job the City does at welcoming citizen involvement as excellent or good.	65%	>65%	67%	67%
		% of Citizen Attitude Survey respondents who rated the job the City does at listening to citizens as excellent or good. <sup>(6)</sup>	55%	>55%	N/A	N/A

- (1) In the second quarter, 25% of sick hours used were classified as Family Medical Leave Act.
- (2) Of the 846 applicants in the second quarter, 124 identified themselves as a minority. Fiscal year-to-date, 1,659 people have applied for City job openings, with 190 identifying themselves as a minority.
- (3) The employee survey will be conducted in January 2011, with results available after that time.
- (4) Paper use was higher in the second quarter, in part due to preparation of hard copy materials for the incoming City Council.
- (5) The actual is higher than target due to the inclusion of PERS bond debt service costs and educational reimbursements. These items have not historically been included as benefits in the calculation, but have been added at the request of the Assistant City Manager since these do represent bonafide components of total compensation. The target will be adjusted in the future.
- (6) Space constraints in the 2010 survey did not permit inclusion of this question.

## COMMUNITY DEVELOPMENT

Type of Expenditure	2010-11 Amended Budget	Unaudited 2nd Qtr Expenditures	Unaudited YTD Expenditures	Percent Expended
Personal Services	\$3,665,120	\$825,813	\$1,635,022	44.61%
Supplies and Services	4,611,840	289,744	787,199	17.07%
Capital Outlay	0	0	0	0.00%
<b>Total Operating Expenditures</b>	<b>\$8,276,960</b>	<b>\$1,115,557</b>	<b>\$2,422,222</b>	<b>29.26%</b>

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

### Noteworthy Accomplishments This Quarter:

- Housing staff coordinated City Council approval of the sale of 3.4 acres of City-owned land at Seavey Meadows to Willamette Neighborhood Housing Services. The land will become the site of a 43-unit affordable/mixed tenancy housing development with phase one construction scheduled to get underway in May/June 2011.
- During the second quarter, the Rental Housing Program received 167 contacts regarding a total of 324 issues, with 85 issues related to habitability and 239 issues of a non-habitability nature. Of the habitability issues reported, 44 are or may be subject to the Rental Housing Code, and citizens making contact in these cases have been advised of the process to follow to pursue resolution.
- Three housing assistance loans were approved and closed during the quarter: two First Time Home Buyer down payment assistance loans in the amounts of \$5,801, and \$7,480; and one Essential Repair owner-occupied housing rehab loan in the amount of \$51,965. A total of \$65,246, all from the City's Community Development Block Grant Program, was loaned during the quarter.

- A \$100,000 CDBG grant-funded project to re-roof the 84-unit Samaritan Village low income/elderly/affordable apartment complex was completed.
- Planning Division staff issued decisions for 17 land use applications, including nine Historic Preservation Permits.
- Planning Division staff facilitated City Council decisions on a Land Development Code Text Amendment to change the definition of “Agricultural Sales.” They also facilitated appeals of the Creekside Center I and II (PLD09- 00004, et. al.) approval decision by the Planning Commission.
- The City Council adopted changes to Land Development Code Chapter 2.9, and to other chapters related to the City’s Historic Preservation regulations. These changes are anticipated to streamline the review process, address regularly recurring issues, and result in more efficient use of City personnel and financial resources.
- Sixteen land use applications were received by the Planning Division in the second quarter of FY 10-11, including six historic preservation permit applications.
- Commercial activity rose to 491 plan reviews for calendar year 2010 - the highest number since 2003. Residential activity remained very flat with 260 plan reviews. Of those, 37 were for new homes.
- The Building Code Board of Appeals met regarding an appeal of a Declaration of a Dangerous Building at 540 NW 9th where extensive remodeling had occurred without the benefit of permits resulting in serious dangerous living conditions for tenants. The appeal was dropped by the appellant just prior to the hearing.
- Development Services staff hosted 40 Building Code Officials from jurisdictions around Oregon at a meeting for the Oregon Building Officials Association.
- Of the 505 mechanical and electrical permits issued in the second quarter, 183 (or 36%) were issued online.
- 59 residential and 116 non-residential plan reviews were processed for proposed construction projects.
- 3,501 construction inspections were conducted in the second quarter.
- Seventy-nine new Code Enforcement Program cases were created in the second quarter from citizen complaints received.
- Review of the City’s Economic Development policy was facilitated in the fall, resulting in a final product in November.

**Upcoming/Pending Items:**

- Staff will provide support to the new Economic Development Commission.
- A CDBG/HOME Program Action Plan will be developed to identify activities to receive these federal funds during the City’s FY 11-12.

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY09-10 ACTUAL	FY10-11 TARGET	2 <sup>nd</sup> QTR ACTUAL	FY10-11 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.	87%	90%	97%	97%
	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. <sup>(1)</sup>	101%	25%	0%	2,636%
	Meet or exceed State requirements for land use application review time.	Average review time (in days) to process a public hearing land use application. <sup>(2)</sup>	44	< 115	32	37
	Meet or exceed State requirements for land use application review time.	Average review time (in days) to process administrative land use application. <sup>(3)</sup>	25	< 45	22	19
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.	5.2	10.0	17.2	13.2

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY09-10 ACTUAL	FY10-11 TARGET	2 <sup>nd</sup> QTR ACTUAL	FY10-11 YTD
Community Involvement	Achieve at least the targeted % citizen rating of excellent or good.	Citizen satisfaction with land use process, from customer survey.	57%	60%	56%	56%
	Achieve at least the targeted % participant rating of excellent or good.	Economic Development applicants' rating of the process in annual survey. <sup>(4)</sup>	70%	100%	NA	NA
Sustainability	Conserve resources by reducing fuel and paper use.	Percentage of Mechanical and Electrical permits issued online. <sup>(5)</sup>	39%	20%	35%	33%
	Maintain the quality of low income housing in a cost effective manner.	Units of housing rehabilitated per \$100,000 in City funds invested.	2.4	5.0	1.7	5.0

- (1) Fiscal year 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.
- (2) Nine hearing-level applications subject to the 120-Day Rule were considered during the second quarter.
- (3) The Planning Division issued decisions on five administrative land use applications in the second quarter.
- (4) Economic Development Process survey results will be completed at the end of the fiscal year and reported at that time.
- (5) Contractors are embracing the online service. Online services will expand to include plumbing permits in 2011. The target is likely to be revised upward in future years.

## FINANCE

Type of Expenditure	2010-11 Amended Budget	Unaudited 2nd Qtr Expenditures	Unaudited YTD Expenditures	Percent Expended
Personal Services	\$3,508,920	\$832,827	\$1,661,539	47.35%
Supplies and Services	1,416,480	287,102	651,474	45.99%
Capital Outlay	70,000	0	5,034	7.19%
<b>Total Operating Expenditures</b>	<b>\$4,995,400</b>	<b>\$1,119,929</b>	<b>\$2,318,047</b>	<b>46.40%</b>

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

### Noteworthy Accomplishments during this Quarter:

- Completed review of the liquor and tobacco license renewal process and remitted information to the Police Department.
- Continued work with Public Works to acquire FlexNet automated meter reading materials and software.
- Assumed responsibility of issuing transit passes and parking permits to the public.
- Completed work on year-end and annual audit, including publication of the Comprehensive Annual Financial Report.
- Open enrollment information was updated in the payroll financial system to enable the changes for all employees in calendar year 2011 health insurance payments.
- Payroll and MIS divisions began working on testing and implementation in the financial system related to Social Security Payroll tax change for employees from 6.2% to 4.2%. Programming changes were made complex by balancing checks in the system due to the employer and employee rates having previously been equal. This is a one year legislative change, so it may revert back in 2012.
- The Payroll Division met with Volunteer Fire Fighter Association (VFFA) representatives to address the need for payroll tax withholdings on volunteer payments commencing in calendar year 2011.
- Entered into a contract with PSG Consultant to assist in the development and issuance of a Request for Proposal (RFP) for Investment Advisory Services, which was published in late December 2010.
- Assisted Human Resources with compilation and analysis of information for a Workers' Compensation Audit.
- Completed fiber installation project from the Law Enforcement Building (LEB) to the Benton County Courthouse to facilitate video arraignment for Municipal Court.
- Expanded anti-virus software protection and implemented content filtering tools to prevent spyware and Trojan virus from entering the City's computing services disrupting productivity.

## FINANCE

### Noteworthy Accomplishments during this Quarter (continued):

- In partnership with the City of Albany, MIS completed grant application to IBM Smart City Challenge. IBM plans to award \$50 million of its services and/or technology over the next three years to 100 municipalities nationwide (\$500K each). The Smarter Cities program, funded via IBM's philanthropic division, aims to help municipalities around the world solve local problems.
- Increased storage capacity and installed virtualization and data recovery to mitigate the effect of hardware failure on services for the Public Works department records management system.

### Upcoming/Pending Items:

- Implement changes to Utility Billing software to add and itemize new sustainability initiative fees on City Services bill.
- Complete contract requirements to move administration of the Low-Income Payment Assistance Fund from the United Way to Community Services Consortium.
- Finalize work on video arraignment connection and equipment to enable service at Municipal Court.
- Assist Public Works with developing process for transit refunds, with a view to refund completion by the end of March.
- Complete an ambulance billing account collection policy and continue work on evaluating ambulance accounts that will need to be turned over to the City's collections vendor.
- Work with the Fire Department to integrate Fire's High Plains records management system with the TriTech Ambulance billing software.
- Review Investment Advisory RFP responses in January, and select a vendor, with a view to service commencement in April.
- Incorporate the new Fund Balance GASB 54 guidance in the City's Financial Plans and Financial Policies.
- Continue work on past due Municipal Court accounts and ensure timely turnover of same to the collections vendor.
- Modify and complete conversion to Click2Gov software to enable online payment of Municipal Court fines.
- Install a new storage area network to expand capacity, reliability and robust access to data and information.
- Continue moving physical servers to the virtual server environment to cut energy costs and physical server count thereby reducing cost of server replacement.
- Publish an RFP in collaboration with the City Manager's Office for an improved City Internet web site.
- Develop an implementation plan for Windows 7 upgrade and Exchange 2010 (Outlook).

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY 09-10 ACTUAL	FY10-11 TARGET	2 <sup>nd</sup> QTR ACTUAL	FY 10-11 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. <sup>(1)</sup>	\$1,473	≥ \$1,350	\$660	\$904
	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 6.8% of total operating budget.	5.97%	6.80%	6.49%	6.23%
	Provide necessary information technology resources for departments to operate efficiently.	Achieve 100% server uptime relative to scheduled server uptime.	99.22%	100%	100%	100%
	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. <sup>(2)</sup>	1.08/1.00	3.00/1.00	1.04/1.00	1.04/1.00

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY 09-10 ACTUAL	FY10-11 TARGET	2 <sup>nd</sup> QTR ACTUAL	FY 10-11 YTD
	Increase organizational efficiency in providing service output.	Maintain operating expenditures less than or equal to \$1,350 per capita.	\$1,379	≤ \$1,350	\$310	\$653
Sustainability	Reduce department wide paper consumption through increased use of electronic file sharing and software upgrades.	Reduce paper purchases by 10% in FY 10/11 over projected FY 09/10 consumption as measured in reams on a quarterly basis.	568	534	152	318
	Reduce paper and postage costs by increasing proportion of Utility Billing customers participating in E-Bill program.	Increase number of E-Bill/E-Pay participants to 20% of Utility Billing customers. <sup>(3)</sup>	977	1,500	1008	1008

- (1) Second quarter per capita revenue is typically much higher than any other quarter due to property tax collections from Benton County.
- (2) 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 result is fewer incidents that require tracking and a lower service call to repair call ratio. In the second quarter, MIS had 355 service calls to 424 repair calls.
- (3) Number of e-bill/e-pay participants stayed at same level in second quarter as first quarter FY 10-11.

## FIRE

Type of Expenditure	2010-11 Amended Budget	Unaudited 2nd Qtr Expenditures	Unaudited YTD Expenditures	Percent Expended
Personal Services	\$8,297,920	\$2,077,914	\$4,220,797	50.87%
Supplies and Services	2,007,410	469,807	896,107	44.64%
Capital Outlay	321,600	20,895	20,791	6.46%
<b>Total Operating Expenditures</b>	<b>\$10,626,930</b>	<b>\$2,568,616</b>	<b>\$5,137,696</b>	<b>48.35%</b>

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

### Noteworthy Accomplishments during this Quarter:

- Implemented incident reporting modules of department-wide records management software.
- The Department's 2009-2010 Annual Report was issued in the November edition of *The City Newsletter*.
- The annual Open House was held on October 9, 2010.

### Upcoming/Pending Items:

- Conduct Request for Bids process for a water tender truck for the Rural Fire District.
- Begin preparations to implement additional Fire records management system modules.

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY 09-10 Actual	FY10-11 TARGET	2 <sup>nd</sup> QTR ACTUAL	FY 10-11 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.	7,338	6,600	1,978	4,132

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY 09-10 Actual	FY10-11 TARGET	2 <sup>nd</sup> QTR ACTUAL	FY 10-11 YTD
Cost Efficiency	Achieve a response time of 5 minutes or under from dispatch to arrival on 80% of Code 3 fire calls within the city limits.	Percentage of fire calls with a response time of 5 minutes or less from dispatch to arrival within city limits. <sup>(1)</sup>	70.0%	70.0%	84.0%	78.0%
	Achieve a response time of 5 minutes or under from dispatch to arrival of ALS equipment on 45% of Code 3 EMS calls within the city limits (ASA contract target).	Percentage of EMS calls requiring ALS with response time of 5 minutes or less from dispatch to arrival within city limits. <sup>(1)</sup>	60.7%	60.0%	86.5%	75.25%
	Maintain operating costs per capita at or below that of comparator cities.	Total fire operating expenditures/1,000 population within city limits.	\$145.42	\$142.00	\$38.01	\$76.03
	Maintain false alarm rate at or below the level experienced by ICMA comparators.	False Alarms as a % of non-EMS responses in the city. <sup>(2)</sup>	11%	12%	25%	22.5%
Sustainability	Maintain average loss per 1,000 population within city limits less than national average.	Maintain average loss per 1,000 population within city limits less than national average. <sup>(3)</sup>	\$28,078	<\$38,800	\$1,127	\$5,092
	Maintain number of reported structure fires per 1,000 population within the city limits at less than the national average.	Residential structure fires per 1,000 population served within city limits. <sup>(3)</sup>	.62	<1.30	0.25	0.35

(1) Significantly improved response times are due to more accurate data. Prior to the implementation of the records management software, the only way to obtain base response times for only the first-arriving unit was to go through records manually, eliminating the data for subsequent-arriving apparatus. Resources were insufficient to efficiently conduct this manual task. Therefore, previous reports were based on all units' data, having the effect of lengthening the response times.

(2) The measurement shown is the percentage of structure fires to 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.

(3) These measures can change dramatically with one significant, costly incident, hence the high target relative to actual experience in recent years.

## LIBRARY

Type of Expenditure	2010-11 Amended Budget	Unaudited 2nd Qtr Expenditures	Unaudited YTD Expenditures	Percent Expended
Personal Services	\$3,971,070	\$919,905	\$1,865,985	46.99%
Supplies and Services	2,368,540	421,086	1,038,803	43.86%
Capital Outlay	95,000	56,299	56,299	59.26%
<b>Total Operating Expenditures</b>	<b>\$6,434,610</b>	<b>\$1,397,289</b>	<b>\$2,961,087</b>	<b>46.02%</b>

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

### Noteworthy Accomplishments during this Quarter:

- A new Sprinter van was delivered and contracts were issued to vendors who will customize it to Library specifications. This new, more energy efficient vehicle to provide Bookmobile services should be on the road in early spring.
- During this quarter the Library was open 14 fewer days, but usage continued to be high. Compared with the second quarter last year, visits to the library increased by 15%, circulation per open day was up by 11.6%, and staff interactions with the public increased by 19.2%. Program attendance, however, was down about 12%.
- Despite the new \$3 per item fee, interlibrary loan service (ILL) continues to be popular. Staff helped patrons borrow an average of 53 items per month from libraries across the country.
- A new blog was launched by Access Services Division staff. "Out of Circulation" recent entries explained how to place and pick up items on hold, and noted the huge workload that occurs the day after a holiday weekend when thousands of items are returned.
- The Monroe Community Library partnered with Strengthening Rural Families to put on a Super Readers program after Monroe's regular Tuesday morning story time. Each child who attends gets a free book and the parents learn ways to develop pre-reading skills.
- The Library received a Business Energy Tax Credit (BETC) of \$13,112 to help offset the cost of last year's \$101,413 boiler replacement project.
- A new contract was signed to keep the Library's current photocopiers at a reduced cost of about 57%.
- The annual information to local schools about key library services and resources was sent out via a custom web page instead of the traditional letter to all teachers and staff. Links are included to help students and teachers.
- The Energy Trust of Oregon provided Kill A Watt monitors to circulate to patrons, who can use them to measure electricity used by small to medium sized electrical devices and appliances.
- Ownership of the Alsea Community Library was officially turned over to Alsea Community Effort (ACE) from Benton County. The County owned the building for the first five years, as a condition of receipt of a construction block grant.
- Additional shelving, which had been in storage, was installed at the Philomath Community Library. The new arrangement is more spacious for some collections and provides better separation between the teen and adult areas.
- The board book collection (heavy cardboard books for babies) was bar-coded for regular check out. The books had been available for patrons to borrow on the honor system, but many were not returned. Since this change, more books are returned and available for other young patrons.
- The Friends of the Library Holiday Book Sale raised \$3,400, nearly tripling the previous year's sales.

### Upcoming/Pending Items:

- Continue working with the Monroe community on plans for a new library building.
- Continue preparing for the launch of the new Sprinter Van Bookmobile, and sell the current Bookmobile.
- Building maintenance and special projects: masonry repair and sealing; repair/replace the fire alarm system; and garage lighting replacement.

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY 09-10 ACTUAL	FY 10-11 TARGET	2 <sup>nd</sup> QTR ACTUAL	FY 10-11 YTD
Cost Efficiency	Be at ICMA national average or below for operating and maintenance expenditures per item circulated of \$3.92.	Operating and maintenance expenditures per item circulated.	\$2.98	\$3.00	\$2.92	\$2.98
	Circulate at least 30% more per FTE than other ICMA comparable libraries – ICMA average of 25,131.	Circulation per FTE. <sup>(1)</sup>	32,193	32,300	8,300	17,246
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.	90%	90%	92%	92%
	Be in the top 20% of circulation rates per capita of comparable ICMA libraries $\geq 14.3$ .	Circulation rates per capita. <sup>(2)</sup>	19.3	19	4.35	9.13
	Increase number of interactions with the public per FTE by 2% over previous year.	Interactions with the public per FTE.	6,200	5,800	1,800	3,427
	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. <sup>(3)</sup>	.082	.080	.080	.086
Diversity	Offer programs reflecting the diverse populations within Benton County.	Attendance at programs for children, teens, seniors, Latinos and other non-English speakers.	28,661	29,500	4,859	13,658
Sustainability	Each public computer is used at least 3,000 times per year.	Average number of user sessions per Corvallis Library public computer. <sup>(4)</sup>	3,442	3,400	718	1,501
	Provide the materials people want to use and keep them moving through the community.	Circulation per registered borrower. <sup>(5)</sup>	33.5	32	7.45	15.65

- (1) Uses the ICMA definition of FTE which includes hours worked by casual staff. However, casual staff is now used very infrequently.
- (2) ICMA Core measure using Benton County population equal to 86,725, per PSU population report 03/2010. Circulation is down about 2.4% from the same period last year, mainly due to reduced open hours.
- (3) The Library continues to utilize volunteers to keep up with demand for services. Volunteer hours are up 7.8% from same period last year.
- (4) Public computers continue to be heavily utilized, even with increased use of personal laptops accessing the wireless network.
- (5) ICMA core measure. This measure is down about 7% from same period last year, reflecting the decrease in circulation since library open hours were decreased in July 2010.

## PARKS & RECREATION

Type of Expenditure	2010-11 Amended Budget	Unaudited 2nd Qtr Expenditures	Unaudited YTD Expenditures	Percent Expended
Personal Services	\$3,652,020	\$782,008	\$1,905,384	52.17%
Supplies and Services	2,093,700	441,633	949,508	45.35%
Capital Outlay	49,760	19,271	19,271	38.73%
<b>Total Operating Expenditures</b>	<b>\$5,795,480</b>	<b>\$1,242,911</b>	<b>\$2,874,163</b>	<b>49.59%</b>

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

### Noteworthy Accomplishments during this Quarter:

- Presented the Department's Capital Improvement Program to the CIP Commission.
- The Gaylord House painting project was completed. The local Miller Paint store donated half the primer and paint.
- The Herbert Farm and Natural Area final draft management plan was distributed to the Parks, Natural Areas and Recreation Board (PNARB) members.
- Utilized "No-till Seed drill" for planting native seeds at Mary's River Natural Area, in support of the upland prairie restoration project.
- The All City Halloween event was held on Friday, October 29, 2010, with 700 attending.
- The Youth Advisory Board received the Governor's Outstanding Volunteer Program Award. The 13 youth board members received their award at a luncheon at the Capitol.
- Hosted various events at the Aquatics Center, including: 6th Annual Dog Day Fundraiser with over 600 dogs and nearly 1,000 human companions participating; Annual "Family Swim in the Dark" Halloween theme party with a record breaking 213 participants; OSU Men's Water Polo Club divisional championship tournament with approximately 120 participants and 1,000 spectators; Oregon Special Olympics Regional Competition with approximately 500 athletes and spectators in attendance; Festival of Lights All City event; Oregon High School Water Polo State Championships with over 1,500 athletes and spectators; Oregon Senior Open with over 1,500 athletes and spectators; and the School District Adaptive PE class with over 40 special needs students.
- The Swimming and Water Safety program had 508 registered participants.
- The Sustainability Initiative Fee ordinance for the Urban Forest Program was completed.
- The Health and Wellness programs included a Flu Shot clinic, a Memory Screening and the Aging Well Series.
- The Annual Volunteer Recognition Luncheon was held for the Senior Center's volunteers. Well wishes and thanks were expressed on behalf of the City by Mayor Tomlinson and Parks & Recreation Director Emery.
- 409 citizens (a 62% increase) participated in the Annual Turkey Trot Fundraiser bringing in nearly \$10,000.
- An Oregon State University student filled a Winter internship position to assist with park maintenance and began work on a set of GIS park maps.
- A grant package was completed and submitted to Oregon Department of Agriculture for noxious weed control funding.
- Sunset Park and Natural Area annual wetland monitoring report was completed and submitted to Oregon Division of State Lands.
- A Memo of Agreement between the Department and Greenbelt Land Trust (GLT) establishing annual GLT payment from "Run for the Hills" proceeds was completed.
- Developed the Community Garden Master Plan outline and presented it to PNARB.

### Upcoming/Pending Items:

- Herbert Open Space Plan finalization and adoption.
- Development of a Friends Group and/or Foundation for the Department.
- Conduct feasibility report regarding a Special District for Parks and Recreation.
- Conduct annual fee review.
- Develop Master Plan for Tunison Park, utilizing community process.

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY 09-10 ACTUAL	FY10-11 TARGET	2 <sup>nd</sup> QTR ACTUAL	FY 10-11 YTD
Community Involvement	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. <sup>(1)</sup>	27,070 (13 FTE)	30,000 (14 FTE)	3,520	10,861

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY 09-10 ACTUAL	FY10-11 TARGET	2 <sup>nd</sup> QTR ACTUAL	FY 10-11 YTD
Cost Efficiency	Highlight the value of subsidized recreation at Osborn Aquatic Center.	Target cost per visit for subsidy at OAC. <sup>(2)</sup>	\$2.51	\$3.23	\$4.23	\$2.65
	Highlight the value of subsidized recreation at Senior Center.	Target cost per visit for subsidy at the Senior Center.	\$4.01	\$5.00	\$5.51	\$4.09
	Keep operations & maintenance (O&M) costs per 1,000 population below the median for nationwide reporting cities populations between 35,000 and 70,000	Net annual P&R O&M expenditures (not incl. utilities) per 1000.	\$61,740	\$90,000	\$20,588	\$45,233
Sustainability	Increase the utilization percentage of granted scholarships.	Percent of total scholarship value expended. <sup>(3)</sup>	19%	20%	12%	15%
	Maintain or improve the ratio of acres per population of comparator cities.	Total park acres per 1,000 population.	33.0	33.0	33.0	33.0
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.	1,020/ 23,504	1,025/ 29,000	190/ 5,752	503/ 11,136

(1) Volunteers are most prevalent in the first and fourth quarters. The target is still attainable by year end, but the lack of staff time and materials make it difficult to utilize all the volunteers who would like to work.

(2) Attendance is slightly lower in the second quarter compared to last year due to reduced operating hours.

(3) Year to date figure is not truly representative of actual as the mechanism for tracking has changed due to implementation of the new operations management system on 9/1/10. Second quarter actual is based upon new tracking mechanism.

## POLICE

Type of Expenditure	2010-11 Amended Budget	Unaudited 2nd Qtr Expenditures	Unaudited YTD Expenditures	Percent Expended
Personal Services	\$9,469,836	\$2,287,843	\$4,673,320	49.35%
Supplies and Services	3,049,091	672,966	1,463,722	48.01%
Capital Outlay	51,130	6,040	6,040	11.81%
<b>Total Operating Expenditures</b>	<b>\$12,570,057</b>	<b>\$2,966,848</b>	<b>\$6,143,082</b>	<b>48.87%</b>

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:

- CPD Officers participated in the annual Shop with a Cop event.
- Corvallis Police Auxiliary represented CPD at Home Depot's Safety Awareness event with a display of child and family safety information and a patrol car for citizens to sit in.
- On October 6, 2010, officers were assigned to the schools during the morning and afternoon arrival/departure times to support National Walk and Bike to School Day.

**Upcoming/Pending Items:**

- Recruitment continues to fill the two final dispatcher vacancies. Interviews are completed and candidates are in the background/psychological and medical testing phase of the process.
- Recruitment for the open police officer positions continues. One candidate is in the final phase of the process and another group of applicants will begin the process with testing in February.
- File preparation continues for the 2010 calendar year for Commission on Accreditation of Law Enforcement Agencies (CALEA).
- Negotiations with the Corvallis Police Officer’s Association (CPOA) for a new labor contract will commence in early 2011.
- Work continues on the Evidence Compound at Public Works, which should be completed this fiscal year.

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY 09-10 ACTUAL	FY10-11 TARGET	2 <sup>nd</sup> QTR ACTUAL	FY 10-11 YTD
Cost Efficiency	Increase community safety by reducing response time to top priority calls.	Response time in seconds to top priority calls.	308	300	351	297
	Increase community safety by clearing part 1 criminal investigations.	Percentage of Part 1 Crimes Cleared. <sup>(1)</sup>	Violent 59%	70%	56%	57%
			Property 18%	20%	12%	13%
	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.	68	<100	88	88
Community Involvement	Increase community safety by maintaining overall number of traffic accidents resulting in injuries/ fatalities at less than the State average of 5.5/per thousand population.	Fatal and injury traffic accidents per 1,000 population. <sup>(2)</sup>	1.64	<2.50	0.49	0.98
	Increase diversity of applicant pool through targeted outreach efforts.	Number of new, targeted outreach efforts.	3	6	0	0
	Achieve at least an 85% rating of excellent or good in citizen attitude surveys.	Citizen satisfaction ratings of overall police services.	78%	85%	83%	97%

(1) Both violent and property clearances continue below target due to low staffing levels; currently there are six vacancies. Improvement is expected with the transition to twelve hours shifts.  
(2) There have been only 54 accidents, or 0.98 per thousand, year to date. Comparison to national averages cannot be completed until cumulative data is compiled for the entire year.

## PUBLIC WORKS

Type of Expenditure	2010-11 Amended Budget	Unaudited 2nd Qtr Expenditures	Unaudited YTD Expenditures	Percent Expended
Personal Services	\$11,465,710	\$2,662,163	\$5,401,055	47.11%
Supplies and Services	16,381,519	3,015,601	6,082,646	37.13%
Capital Outlay	1,421,670	48,841	74,690	5.25%
<b>Total Operating Expenditures</b>	<b>\$29,268,899</b>	<b>\$5,726,605</b>	<b>\$11,558,391</b>	<b>39.49%</b>

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:

- Successfully applied for a \$491,000 grant from the Environmental Protection Agency (EPA) Climate Showcase Communities program to fund activities targeted at reducing energy consumption in the community.
- Received Council approval for new ordinances to establish Transit Operations and Sidewalk Maintenance Sustainability Initiative Fees (SIF).
- Worked with representatives from Benton County, OSU, and Allied Waste to develop a strategy to improve the recycling rate for the Benton County watershed, which at 43% fell short of the 50% goal set by DEQ for 2009.
- Obtained the wetlands conservation easement for the mitigation site for the Airport Industrial Park (AIP) “shovel-ready” site; construction has begun, and the first monitoring report was submitted to the U.S. Army Corps of Engineers.
- Continued the remodel of the Downtown Transit Center’s concessionaire building into a public restroom; completion anticipated in January 2011.
- Coordinated the temporary move of City Hall offices to the former CH2M Hill building for the six months of seismic work through the capital improvement program.
- Commenced the 99 Express bus service to Adair Village and the City of Monroe.
- Installed 3-hour parking signs in the downtown area to implement the new Municipal Code.
- Conducted two public outreach meetings to discuss compliance options for the City to meet Oregon Department of Environmental Quality (DEQ) Total Maximum Daily Load (TMDL) regulations regarding temperature impacts to the Willamette River from the discharge of treated wastewater.
- Conducted the first round of treated wastewater sampling and analysis for 118 persistent bioaccumulative toxics (PBTs) mandated per requirements of Oregon Senate Bill 737 (SB737). Preliminary results indicate the City's discharge concentrations for all but two of the constituents comply with DEQ requirements.
- Opened bids and awarded the contract for the grind/inlay project on 29th Street from Circle to Walnut.
- Completed the Safe Routes to School project for the 509J School District.
- Completed the Hout Street Improvement project at the AIP.

### Upcoming / Pending Items:

- Negotiate agreements with community partners for programs funded with the EPA Climate Showcase Communities grant.
- Seek approval for Municipal Code and City Council policy modifications on sidewalk maintenance and City Services billing to establish consistency with recently adopted SIF programs.
- Begin the process to renegotiate the cable television franchise agreement.
- Implement fareless transit service as part of the SIF program; modify existing group-pass contracts, and reimburse pass and coupon holders.
- Convert the traffic signal at Kings & Buchanan to a “protective-permissive” left turn control using a flashing yellow arrow indicator.
- Conduct a second round of SB 737 sampling and enter into discussions with DEQ to determine if the City will have to develop pollution prevention plans for any of the 118 PBTs that may be in concentrations higher than allowed.
- Work with Allied Waste to develop plans to construct a facility at the wastewater plant to pretreat landfill leachate to allow for its continued disposal and treatment at the plant.
- Begin construction of the City Hall Seismic Upgrade project.
- Complete design and open bids for the Fillmore/Lincoln sidewalk project.
- Open bids and award the contract for the HVAC upgrades at City Hall.

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY 09-10 ACTUAL	FY 10-11 TARGET	2 <sup>nd</sup> QTR ACTUAL	FY 10-11 YTD
Cost Efficiency	Maintain transit costs below national average of \$2.70.	Costs per transit ride.	\$2.36	<\$2.70	\$1.99	\$2.17
	Have utility rates that contribute to Corvallis being an attractive place to live.	Control operation and maintenance costs to minimize annual utility rate increases.	9%	≤ 3%	2.4%	2.4%
Community Involvement	Contribute to the environmental health of the community. (ICMA fourth quarter)	Citizen rating of the quality of street cleaning services as 'excellent' or 'good'.	80%	85%	82%	82%
	Provide street and utility services that meet the needs of community residents.	Citizens rating Public Works services 'excellent' or 'good'.	78%	90%	77%	77%
	Encourage citizen input on Public Works projects and activities.	Number of public meetings held. <sup>(1)</sup>	NA	20	8	10
Sustainability	Be in the upper third of comparator cities for alternative fuels usage.	Percentage of vehicles and heavy equipment using alternative fuels. <sup>(2)</sup>	35%	35%	NA	NA
	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. <sup>(3)</sup>	\$63.84	< \$70.00	NA	NA
	Remain below national average of 10% annually for water loss in the distribution system.	Percent of water loss in the distribution system.	4.85%	<10.00%	5.00%	3.88%
Diversity	Achieve an annual increase in targeted categories of transit ridership over the previous year.	Percent increase in number of rides categorized as seniors, youth or with a disability in the annual transit survey. <sup>(3)</sup>	27.58%	10.00%	NA	NA

(1) There were two TMDL meetings and six CIP meetings held in the second quarter.

(2) This is an ICMA annual measure calculated in the fourth quarter. Data will be available August 2011.

(3) This is an annual measure reported in the fourth quarter.

## NON-DEPARTMENTAL

Type of Expenditure	2010-11 Amended Budget	Unaudited 2nd Qtr Expenditures	Unaudited YTD Expenditures	Percent Expended
Personal Services	\$0	\$0	\$0	0.00%
Supplies and Services	1,519,260	336,262	738,920	48.64%
Capital Outlay	0	0	0	0.00%
<b>Total Operating Expenditures</b>	<b>\$1,519,260</b>	<b>\$336,262</b>	<b>\$738,920</b>	<b>48.64%</b>

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

## VACANCY SUMMARY

DEPARTMENT	AUTHORIZED FTE	FILLED FTE 12/15/2010	VACANT POSITIONS	STATUS
CMO	10.00	9.80	Risk Coordinator (.20)	Underfilled
COMMUNITY DEVELOPMENT	40.30	33.30	Grant Program Specialist (1) Building Inspector (3) Associate Planner (.5) Code Enforcement (.5) Permit Coordinator (.5) Project Coordinator (1) Engineering Technician III - (.5)	Recruitment in process Held open Held open No recruitment at this time Held open Held open Transferred to PW
FINANCE	38.00	37.00	Senior Accountant	Held Open
FIRE	69.00	64.00	Firefighter EMT (3) Firefighter EMT (2)	Recruitment in process Held open
LIBRARY	45.39	42.89	Shelver (.5) Shelver (.25) Community Library Specialist (.75) Reference Librarian (1)	Held open Underfilled Held open Held open
PARKS AND RECREATION	37.07	27.03	Management Assistant (1) Aquatics Support Specialist (1) Seasonal Parks Workers (8.04)	Held open Held open No recruitment at this time
POLICE	92.25	83.75	Police Officer (5) Police Officer Assigned (1) Public Safety Dispatcher (2) Parking Enforcement Officer (.5)	Recruitment in process Recruitment in process Held open Recruitment in process
PUBLIC WORKS	119.25	112.12	Engineering Technician III - (1.5) Program Specialist (1) Fleet Services Specialist (.5) Bldg & Ground Maint Specialist (1) Environmental Analyst (1) Administrative Specialist (1) Administrative Specialist (.63)	No recruitment at this time Recruitment in process No recruitment at this time Recruitment in process Recruitment in process Recruitment in process Held open
<b>TOTALS</b>	451.26	409.89		

# 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 second quarter, Capital Project year-to-date expenditures totaled \$2,157,281 or 15.24% of the \$14,157,847 Amended Budget. The lists below include a breakout of major projects by those that are expected to be completed and projects delayed 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 Expected to be Completed

**Page#**

Airport Industrial Park Improvements	<a href="#"><u>3</u></a>
City Hall Block – Moose Building Demolition, Parking Lot Construction and Transit Mall restroom construction	<a href="#"><u>3</u></a>
Municipal Buildings Rehabilitation – Majestic Theatre Seismic, Phase III	<a href="#"><u>4</u></a>
Law Enforcement Fenced / Paved Compound	<a href="#"><u>4</u></a>
Circle Boulevard Pedestrian Activated Crossing	<a href="#"><u>5</u></a>
Country Club Drive Bike Lanes	<a href="#"><u>6</u></a>
Fillmore and Lincoln Sidewalks	<a href="#"><u>6</u></a>
Sidewalk Safety	<a href="#"><u>6</u></a>
WWMP Influent Pump Station	<a href="#"><u>7</u></a>
Baldy Reservoir Cover Replacement	<a href="#"><u>8</u></a>

## Projects Delayed or Cancelled

Goodnight Right-of-Way Acquisition	<a href="#"><u>6</u></a>
Reservoir Road Improvements	<a href="#"><u>6</u></a>
Traffic Signal – 26 <sup>th</sup> / Western	<a href="#"><u>6</u></a>
WWRP Methane Utilization	<a href="#"><u>8</u></a>

## SUMMARY OF CIP PROJECTS

AIRPORT	ADOPTED	AMENDED	Y-T-D
Airport Facility Improvements	\$117,000	\$117,000	\$3
Airport Industrial Park Improvements	848,200	814,400	501,803
South Corvallis Drainage Improvements	20,000	20,000	2,692
Carryover Adjustment - Unused Budget	0	33,800	0
TOTAL Airport Projects	<u>\$985,200</u>	<u>\$985,200</u>	<u>\$504,497</u>
<b>BUILDINGS AND FACILITIES</b>			
	ADOPTED	AMENDED	Y-T-D
City Hall Block	\$2,082,210	\$2,029,780	\$438,714
Fire Dept. Prop. Acquisition & Fac. Relocation	48,000	48,000	773
Law Enforcement Fenced/Paved Compound	91,800	91,800	22,623
Municipal Buildings Rehabilitation	551,000	551,000	210,330
Carryover Adjustment - Unused Budget	0	52,430	0
TOTAL Buildings and Facilities	<u>\$2,773,010</u>	<u>\$2,773,010</u>	<u>\$672,440</u>
<b>PARKS</b>			
	ADOPTED	AMENDED	Y-T-D
Acquisition of Natural Areas	\$128,227	\$128,227	\$0
Osborn Aquatic Center	46,000	46,000	0
Park Facility Renovation	100,000	100,000	0
Park Improvements - Existing	180,000	180,000	0
Riverfront Commemorative Park Signage	30,850	30,850	0
Special Use Facilities	20,000	20,000	0
Trails/Bike Paths	10,000	10,000	6
TOTAL Parks	<u>\$515,077</u>	<u>\$515,077</u>	<u>\$6</u>
<b>STORM WATER</b>			
	ADOPTED	AMENDED	Y-T-D
Storm Drain Replacement	\$137,200	\$137,200	\$107,547
Storm Water Master Plan Projects	445,000	445,000	1,731
TOTAL Storm Water Projects	<u>\$582,200</u>	<u>\$582,200</u>	<u>\$109,278</u>
<b>TRANSPORTATION</b>			
	ADOPTED	AMENDED	Y-T-D
Advanced Transportation Management System	\$575,940	\$574,640	\$2
Circle Boulevard Pedestrian Activated Crossings	199,000	189,810	12,332
Country Club Drive Bike Lanes	238,000	238,000	165,139
Downtown Public Parking	200,000	200,000	0
Fillmore and Lincoln Sidewalks	95,300	95,300	3,844
Goodnight ROW Acquisition	370,000	370,000	0
Reservoir Road Improvements	300,000	300,000	0
Sidewalk Safety	228,090	228,090	47,903
South 3rd Street/Crystal Lake Drive Improvements	50,000	50,000	0
Street Reconstruction	55,000	55,000	0
Traffic Signal-26th/Western	282,040	282,040	0
Transit Operations Center	140,000	88,510	65,239
Utility and Street Improvements	200,000	200,000	0
Carryover Adjustment - Unused Budget	0	61,980	0
TOTAL Transportation	<u>\$2,933,370</u>	<u>\$2,933,370</u>	<u>\$294,458</u>
<b>WASTEWATER</b>			
	ADOPTED	AMENDED	Y-T-D
Biosolids Storage Tank	\$20,000	\$20,000	\$0
Marys River Interceptor Improvements	874,500	874,500	2,524
Sanitary Sewer Line Rehabilitation	614,910	614,910	266,894
WWMP Influent Pump Station	189,000	189,000	132,743
WWRP Electrical Equipment Replacement	1,606,950	1,542,770	77,797
WWRP Methane Utilization	78,680	78,680	0
Utility and Street Improvements	33,000	33,000	0
Carryover Adjustment - Unused Budget	0	64,180	0
TOTAL Wastewater Projects	<u>\$3,417,040</u>	<u>\$3,417,040</u>	<u>\$479,958</u>
<b>WATER</b>			
	ADOPTED	AMENDED	Y-T-D
Baldy Reservoir Cover Replacement	\$0	\$1,540	\$1,540
36th and Grant Water Pump Station Improvements	\$102,490	\$102,490	\$0
North Hills 1st Level Reservoir Improvements	2,063,660	2,062,450	33,365
Water Distrib System Rehabilitation	100,000	100,000	61,739
West Corvallis Second Level Water	600,800	600,800	0
Utility and Street Improvements	85,000	83,460	0
Carryover Adjustment - Unused Budget	0	1,210	0
TOTAL Water Projects	<u>\$2,951,950</u>	<u>\$2,951,950</u>	<u>\$96,644</u>
TOTAL All Areas	<u>\$14,157,847</u>	<u>\$14,157,847</u>	<u>\$2,157,281</u>

## AIRPORT AND INDUSTRIAL PARK PROJECTS

<i>Airport Facility Improvements</i>	<u>CIP Doc Pg:</u> <u>1</u>	<u>Adopted Budget:</u> \$117,000	<u>Amended:</u> \$117,000	<u>YTD Expended:</u> \$3
<p>This project will address space constraints and safety concerns by providing additional ramp, T-hangar space and an extension of the existing security / wildlife fence.</p> <p>This project is partially funded with an \$80,000 FAA grant to extend fencing. A Connect Oregon III grant has been awarded to the City to be used for the required FAA funding match. The grant was approved by the City Council, the agreement signed by the City and forwarded to the State for full execution during the 2<sup>nd</sup> quarter. Contract documents and construction plans are underway. Advertisement for bids is scheduled in January.</p>				
<i>Airport Industrial Park Improvements</i>	<u>CIP Doc Pg:</u> <u>3</u>	<u>Adopted Budget:</u> \$848,200	<u>Amended:</u> \$814,400	<u>YTD Expended:</u> \$501,803
<p>This project makes improvements to Hout Street. It will support economic development of the Airport Industrial Park by constructing infrastructure necessary for new development by providing access and utilities to “shovel ready” property.</p> <p>Construction is substantially complete.</p>				
<i>South Corvallis Drainage Improvements</i>	<u>CIP Doc Pg:</u> <u>7</u>	<u>Adopted Budget:</u> \$20,000	<u>Amended:</u> \$20,000	<u>YTD Expended:</u> \$2,692
<p>This project includes land acquisition and implementation of public improvements in the airport storm drainage system to limit impact of storm water discharge from the airport basin. Design work continues.</p>				

## BUILDING AND FACILITIES PROJECTS

<i>City Hall Block</i>	<u>CIP Doc Pg:</u> <u>11</u>	<u>Adopted Budget:</u> \$2,082,210	<u>Amended:</u> \$2,029,780	<u>YTD Expended:</u> \$438,714
<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 budget for FY 10-11 includes City Hall window replacement, demolition of the Moose Building, City Hall HVAC (heat pump and boiler replacement) and City Hall Seismic retrofits. Staff has obtained a bank loan to fund the replacement of exterior windows at City Hall and the property tax portion of the Moose Building and the City Hall Seismic, along with other property tax funded capital projects. Additionally, a FEMA Pre-Disaster Mitigation grant of up to \$812,500 has been obtained that will fund 75% of eligible seismic construction costs with a 25% match requirement. The contract for the City Hall window replacement construction has been awarded and work is anticipated to begin in April, 2011. The Moose Building demolition project also includes the construction of additional parking spaces and restroom facilities. The Moose Building demolition and parking lot construction are complete with only punchlist items remaining. The Transit Mall restroom construction is in progress. The City Hall HVAC and Seismic retrofit projects have been advertised for bids with construction anticipated to begin in January, 2011.</p>				
<i>Fire Dept. Prop. Acquisition &amp; Fac. Relocation</i>	<u>CIP Doc Pg:</u> <u>13</u>	<u>Adopted Budget:</u> \$48,000	<u>Amended:</u> \$48,000	<u>YTD Expended:</u> \$773
<p>This project relocates and replaces the current training facility, which is 40 years old and in poor condition.</p> <p>Staff has 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. Fire Department and Public Works staff are working together to determine a timeline for the construction of the training facility on the PW compound.</p>				

<b>Law Enforcement Fenced/Paved Compound</b>	<u>CIP Doc Pg:</u> <a href="#">15</a>	<u>Adopted Budget:</u> <b>\$91,800</b>	<u>Amended:</u> <b>\$91,800</b>	<u>YTD Expended:</u> <b>\$22,623</b>
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This project will provide additional storage for the Police Department for large items such as vehicles and bicycles seized as evidence or for forfeiture. This project will design and construct a secure compound which will include a paved area with lighting, security fencing, alarm system, and video cameras with remote monitoring.

Construction began in the 2<sup>nd</sup> quarter and based rock phases are complete, fence poles are installed, and lamp and security posts are under construction. The rest of the construction is weather dependant at this time.

<b>Municipal Buildings Rehabilitation</b>	<u>CIP Doc Pg:</u> <a href="#">17</a>	<u>Adopted Budget:</u> <b>\$551,000</b>	<u>Amended:</u> <b>\$551,000</b>	<u>YTD Expended:</u> <b>\$210,330</b>
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This project extends the life of municipal buildings through a planned program of rehabilitation projects. This fiscal year's budget includes Library masonry repair and seal; Law Enforcement Building (LEB) HVAC control system; Majestic Theater seismic phase III construction; and the Senior Center Geothermal Heat Pump (GHP).

No work has been initiated yet on the Library masonry or the LEB HVAC control system. Majestic Theater seismic construction phase III work is complete and a final punchlist has been issued. The Senior Center GHP project is currently being designed, with construction expected to begin June, 2011.

## PARKS AND RECREATION

<b>Acquisition of Natural Areas</b>	<u>CIP Doc Pg:</u> <a href="#">21</a>	<u>Adopted Budget:</u> <b>\$128,227</b>	<u>Amended:</u> <b>\$128,227</b>	<u>YTD Expended:</u> <b>\$0</b>
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This project looks at the acquisition of land for the purposes of open space and passive recreation. No properties have been identified for purchase. Staff continues to monitor the Chip Ross Fund for suitable acquisitions.

<b>Osborn Aquatic Center</b>	<u>CIP Doc Pg:</u> <a href="#">23</a>	<u>Adopted Budget:</u> <b>\$46,000</b>	<u>Amended:</u> <b>\$46,000</b>	<u>YTD Expended:</u> <b>\$0</b>
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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 installing ultraviolet (UV) lights in the small indoor pool to dissipate the negative effects of chlorine; and to complete design for solar panels at OAC.

The projects planned for this fiscal year will be dependant upon donations as well as grants to fund them. OAC received some donations during the second quarter to help fund the small pool UV lights.

<b>Park Facility Renovation</b>	<u>CIP Doc Pg:</u> <a href="#">27</a>	<u>Adopted Budget:</u> <b>\$100,000</b>	<u>Amended:</u> <b>\$100,000</b>	<u>YTD Expended:</u> <b>\$0</b>
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This project allows for significant renovation of existing parks with facilities that have depreciated beyond the routine repair stage. The FY 10-11 budget includes Art Center Plaza reconstruction to include removal of existing pavers and installation of a new surface as well as electrical and landscaping upgrades. This project has not yet been initiated pending the State Parks "notice to proceed" related to the grant awarded for construction of this project. Staff has met with stakeholders to determine locations and species of trees and benches in the plaza, as well as working with Habitat for Humanity to re-use the old pavers once they are removed.

<b>Park Improvements - Existing</b>	<u>CIP Doc Pg:</u> <a href="#">29</a>	<u>Adopted Budget:</u> <b>\$180,000</b>	<u>Amended:</u> <b>\$180,000</b>	<u>YTD Expended:</u> <b>\$0</b>
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This project provides for improvements to existing City Parks. Staff has reviewed the plans for a community garden at Willamette Park and will now combine efforts with Healthy Kids Healthy Communities (HKHC) on future work in the south Corvallis area and specifically this park which had already been designated as a possible future site. No other projects have been initiated at this time.

<i>Riverfront Commemorative Park Signage</i>	<u>CIP Doc Pg:</u> <a href="#">31</a>	<u>Adopted Budget:</u> <b>\$30,850</b>	<u>Amended:</u> <b>\$30,850</b>	<u>YTD Expended:</u> <b>\$0</b>
<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 additional work done on this project.</p>				
<i>Special Use Facilities</i>	<u>CIP Doc Pg:</u> <a href="#">35</a>	<u>Adopted Budget:</u> <b>\$20,000</b>	<u>Amended:</u> <b>\$20,000</b>	<u>YTD Expended:</u> <b>\$0</b>
<p>This project allows for improvement of facilities which are site specific. The FY 10-11 budget includes resurfacing tennis courts at Cloverland Park and School District partnership tennis courts at Lincoln, Linus Pauling, and former Westland Schools.</p> <p>Staff has researched and met with consultants to discuss various methods to improve the tennis courts.</p>				
<i>Trails/Bike Paths</i>	<u>CIP Doc Pg:</u> <a href="#">37</a>	<u>Adopted Budget:</u> <b>\$10,000</b>	<u>Amended:</u> <b>\$10,000</b>	<u>YTD Expended:</u> <b>\$6</b>
<p>This project improves and adds trails and bike paths for citizen enjoyment. The FY 10-11 budget is for the design of Shooting Star trail improvements in the Timberhill area. Staff has completed a site visit to begin planning for the project.</p>				

## STORM WATER UTILITY

<i>Storm Drain Replacement</i>	<u>CIP Doc Pg:</u> <a href="#">43</a>	<u>Adopted Budget:</u> <b>\$137,200</b>	<u>Amended:</u> <b>\$137,200</b>	<u>YTD Expended:</u> <b>\$107,547</b>
<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.</p> <p>Construction of projects designed in FY 09-10 is complete. Design of projects planned for FY 11-12 has been initiated.</p>				
<i>Storm Water Master Plan Projects</i>	<u>CIP Doc Pg:</u> <a href="#">45</a>	<u>Adopted Budget:</u> <b>\$445,000</b>	<u>Amended:</u> <b>\$445,000</b>	<u>YTD Expended:</u> <b>\$1,731</b>
<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. Design of projects to be constructed in FY 11-12 has been initiated.</p>				

## TRANSPORTATION

<i>Advanced Transportation Management System</i>	<u>CIP Doc Pg:</u> <a href="#">55</a>	<u>Adopted Budget:</u> <b>\$575,940</b>	<u>Amended:</u> <b>\$574,640</b>	<u>YTD Expended:</u> <b>\$2</b>
<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 2<sup>nd</sup> and 5<sup>th</sup> Streets.</p> <p>Design is in progress and construction will occur next summer. Staff continues to review an interagency agreement with ODOT.</p>				
<i>Circle Boulevard Pedestrian Activated Crossings</i>	<u>CIP Doc Pg:</u> <a href="#">61</a>	<u>Adopted Budget:</u> <b>\$199,000</b>	<u>Amended:</u> <b>\$189,810</b>	<u>YTD Expended:</u> <b>\$12,332</b>
<p>This project will provide pedestrian crossings with activated signals along Circle Boulevard at the former Richey's Market location, Janssen and 17<sup>th</sup> Streets. Design was completed, bids opened and a construction contract awarded during the 2<sup>nd</sup> quarter. Construction work is expected to begin in March or April, 2011.</p>				

<i>Country Club Drive Bike Lanes</i>	<u>CIP Doc Pg:</u> <a href="#">65</a>	<u>Adopted Budget:</u> \$238,000	<u>Amended:</u> \$238,000	<u>YTD Expended:</u> \$165,139
This project makes improvements to Country Club Drive to facilitate the safe movement of bicyclists traveling southbound. Immediately west of 35 <sup>th</sup> Street, Country Club Drive has a bike lane on the north side of the road, but not the south. Construction began at the end of September and was completed during the 2 <sup>nd</sup> quarter.				
<i>Downtown Public Parking</i>	<u>CIP Doc Pg:</u> <a href="#">67</a>	<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 2 <sup>nd</sup> quarter.				
<i>Fillmore and Lincoln Sidewalks</i>	<u>CIP Doc Pg:</u> <a href="#">71</a>	<u>Adopted Budget:</u> \$95,300	<u>Amended:</u> \$95,300	<u>YTD Expended:</u> \$3,844
This project makes improvements to sidewalks and ADA ramps on Fillmore and Lincoln Avenues between 29 <sup>th</sup> and 30 <sup>th</sup> Streets to facilitate safe movement of pedestrians. Design is currently 50% complete. Construction is planned for summer 2011.				
<i>Goodnight ROW Acquisition</i>	<u>CIP Doc Pg:</u> <a href="#">73</a>	<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 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.				
<i>Reservoir Road Improvements</i>	<u>CIP Doc Pg:</u> <a href="#">83</a>	<u>Adopted Budget:</u> \$300,000	<u>Amended:</u> \$300,000	<u>YTD Expended:</u> \$0
This project will fund the SDC eligible elements of Reservoir Road improvements to be constructed by Benton County. These improvements include additional street structure to accommodate the heavier traffic volumes experienced by collector and arterial facilities, as well as street width in support of bike lanes and turn lanes. The identified budget is for a SDC reimbursement only. Funding for the project balance will be provided by Benton County.				
<i>Sidewalk Safety</i>	<u>CIP Doc Pg:</u> <a href="#">85</a>	<u>Adopted Budget:</u> \$228,090	<u>Amended:</u> \$228,090	<u>YTD Expended:</u> \$47,903
This program continues the systematic repair and replacement of hazardous public sidewalks and installation of ADA ramps. This project utilized New Freedom grant funds for installation of new ADA ramps in locations where none currently exist. City staff performed all work associated with this grant for two fiscal years, which began in FY 08-09. A total of 38 ramps have been completed. Construction has been completed up to the maximum allowed under the grant and a reimbursement request submitted to the granting agency.				
<i>South 3rd Street/Crystal Lake Drive Improvements</i>	<u>CIP Doc Pg:</u> <a href="#">87</a>	<u>Adopted Budget:</u> \$50,000	<u>Amended:</u> \$50,000	<u>YTD Expended:</u> \$0
This project will 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 not yet been initiated.				
<i>Street Reconstruction</i>	<u>CIP Doc Pg:</u> <a href="#">89</a>	<u>Adopted Budget:</u> \$55,000	<u>Amended:</u> \$55,000	<u>YTD Expended:</u> \$0
This project is the annual re-construction and overlay of selected streets based upon priorities set by a survey of pavement conditions. This project has not yet been initiated.				
<i>Traffic Signal-26th/Western</i>	<u>CIP Doc Pg:</u> <a href="#">93</a>	<u>Adopted Budget:</u> \$282,040	<u>Amended:</u> \$282,040	<u>YTD Expended:</u> \$0
This project provides for design and construction of a signal at 26 <sup>th</sup> Street and Western Boulevard intersection with funding provided by OSU. 95% design plans have been sent to OSU for review. The project is currently on hold pending further authorization from OSU.				

<b><i>Transit Operations Center</i></b>	<u>CIP Doc Pg:</u> <a href="#">95</a>	<u>Adopted Budget:</u> <b>\$140,000</b>	<u>Amended:</u> <b>\$88,510</b>	<u>YTD Expended:</u> <b>\$65,239</b>
<p>This project is to design and build an operations center, and a maintenance and storage facility for the City's transit system. The first phase is to design the center and to acquire the real property. The second phase will construct the facility. Phase I is partially funded with a grant from the Federal Transit Administration (FTA) for 80% of eligible costs.</p> <p>The project was on hold pending clarification of issues raised by the Federal Transit Administration (FTA). After meeting with FTA to discuss the issues, staff received clarification on how to proceed and processed a contract amendment to continue with environmental and design work with the original consultant. A design workshop was held in March, 2010 with various Public Works staff to generate design options for a combined transit operations and maintenance Public Works facility. A single design alternative was selected in June by a PW team and the consultant is nearing finalization of the environmental report, preliminary design, and cost estimate. These elements will be combined in a draft for submittal to the FTA in early 2011.</p>				
<b><i>Utility and Street Improvements</i></b>	<u>CIP Doc Pg:</u> <a href="#">97</a>	<u>Adopted Budget:</u> <b>\$200,000</b>	<u>Amended:</u> <b>\$200,000</b>	<u>YTD Expended:</u> <b>\$0</b>
<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 2<sup>nd</sup> quarter.</p>				

## WASTEWATER UTILITY

<b><i>Biosolids Storage Tank</i></b>	<u>CIP Doc Pg:</u> <a href="#">105</a>	<u>Adopted Budget:</u> <b>\$20,000</b>	<u>Amended:</u> <b>\$20,000</b>	<u>YTD Expended:</u> <b>\$0</b>
<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.</p>				
<b><i>Marys River Interceptor Improvements</i></b>	<u>CIP Doc Pg:</u> <a href="#">107</a>	<u>Adopted Budget:</u> <b>\$874,500</b>	<u>Amended:</u> <b>\$874,500</b>	<u>YTD Expended:</u> <b>\$2,524</b>
<p>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. Design has been initiated and construction is scheduled for the summer of 2011.</p>				
<b><i>Sanitary Sewer Line Rehabilitation</i></b>	<u>CIP Doc Pg:</u> <a href="#">109</a>	<u>Adopted Budget:</u> <b>\$614,910</b>	<u>Amended:</u> <b>\$614,910</b>	<u>YTD Expended:</u> <b>\$266,894</b>
<p>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.</p> <p>The project scope was established as a project to rehabilitate manholes. The contractor has completed all work for projects designed in FY 09-10. Due to favorable bids for this work, the project came in substantially under budget.</p> <p>An emergency pipe replacement project was submitted by the Utilities Division for inclusion this fiscal year. The pipe replacement will involve bursting of an existing clay pipe and installation of a new high density polyethylene pipe. Plans and specifications have been prepared and the project was advertised with bid opening in January 2011.</p>				
<b><i>WWMP Influent Pump Station</i></b>	<u>CIP Doc Pg:</u> <a href="#">113</a>	<u>Adopted Budget:</u> <b>\$189,000</b>	<u>Amended:</u> <b>\$189,000</b>	<u>YTD Expended:</u> <b>\$132,743</b>
<p>This project provides improvements to the influent pump station to address the hydraulic turbulence issues during high influent flow rates. Construction began in FY 09-10 and was completed during the 1<sup>st</sup> quarter of FY 10-11.</p>				
<b><i>WWRP Electrical Equipment Replacement</i></b>	<u>CIP Doc Pg:</u> <a href="#">117</a>	<u>Adopted Budget:</u> <b>\$1,606,950</b>	<u>Amended:</u> <b>\$1,542,770</b>	<u>YTD Expended:</u> <b>\$77,797</b>
<p>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).</p> <p>The consultant has completed and City staff reviewed the 90% design. Another workshop to discuss design comments was held in December. Bidding scheduled in February. Once a construction contract is awarded, the contractor will order long lead time equipment. Actual switchgear installation is scheduled to begin in July, 2011.</p>				

<b><i>WWRP Methane Utilization</i></b>	<u>CIP Doc Pg:</u> <a href="#">119</a>	<u>Adopted Budget:</u> <b>\$78,680</b>	<u>Amended:</u> <b>\$78,680</b>	<u>YTD Expended:</u> <b>\$0</b>
This project provides equipment to utilize digester methane gas to offset electrical natural gas costs. This project has not yet been initiated.				
<b><i>Utility and Street Improvements</i></b>	<u>CIP Doc Pg:</u> <a href="#">97</a>	<u>Adopted Budget:</u> <b>\$33,000</b>	<u>Amended:</u> <b>\$33,000</b>	<u>YTD Expended:</u> <b>\$0</b>
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 2 <sup>nd</sup> quarter.				

## WATER UTILITY

<b><i>Baldy Reservoir Cover Replacement</i></b>	<u>CIP Doc Pg:</u> <a href="#">n/a</a>	<u>Adopted Budget:</u> <b>\$0</b>	<u>Amended:</u> <b>\$1,540</b>	<u>YTD Expended:</u> <b>\$1,540</b>
This project provides for design and replacement of the floating cover on the Baldy 1 <sup>st</sup> Level Water Reservoir. Included in the cover replacement will be the installation of a new rainwater removal system, installation of a water quality monitoring system and minimal site improvements. The cover replacement was completed in FY 08-09. The associated site improvements were delayed until FY 10-11. The work was completed in July.				
<b><i>36th and Grant Water Pump Station Improvements</i></b>	<u>CIP Doc Pg:</u> <a href="#">129</a>	<u>Adopted Budget:</u> <b>\$102,490</b>	<u>Amended:</u> <b>\$102,490</b>	<u>YTD Expended:</u> <b>\$0</b>
This project replaces the building and electrical equipment at the 36 <sup>th</sup> Street and Grant Avenue water pump station. This project has not yet been initiated.				
<b><i>North Hills 1st Level Reservoir Improvements</i></b>	<u>CIP Doc Pg:</u> <a href="#">135</a>	<u>Adopted Budget:</u> <b>\$2,063,660</b>	<u>Amended:</u> <b>\$2,062,450</b>	<u>YTD Expended:</u> <b>\$33,365</b>
This project provides for design and construction of reservoir improvements to the North Hills 1 <sup>st</sup> Level East Reservoir. A consultant contract for design has been awarded and construction is scheduled for this spring.				
<b><i>Water Distrib System Rehabilitation</i></b>	<u>CIP Doc Pg:</u> <a href="#">141</a>	<u>Adopted Budget:</u> <b>\$100,000</b>	<u>Amended:</u> <b>\$100,000</b>	<u>YTD Expended:</u> <b>\$61,739</b>
This program provides for ongoing replacement or rehabilitation of the City's water distribution system infrastructure. Construction has been completed for projects designed in FY 09-10. Design work for projects to be constructed in FY 11-12 has not yet been initiated.				
<b><i>West Corvallis Second Level Water</i></b>	<u>CIP Doc Pg:</u> <a href="#">145</a>	<u>Adopted Budget:</u> <b>\$600,800</b>	<u>Amended:</u> <b>\$600,800</b>	<u>YTD Expended:</u> <b>\$0</b>
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.				
<b><i>Utility and Street Improvements</i></b>	<u>CIP Doc Pg:</u> <a href="#">95</a>	<u>Adopted Budget:</u> <b>\$85,000</b>	<u>Amended:</u> <b>\$83,460</b>	<u>YTD Expended:</u> <b>\$0</b>
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 2 <sup>nd</sup> quarter.				

# STATUS OF CITY COUNCIL GOALS FOR 2010-2011

PREFACE:

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><b>Develop community sustainability policies and implement selected actions.</b></p> <p><u>Accomplished through December 31, 2010:</u></p> <ul style="list-style-type: none"> <li>• Worked with OSU students to remove invasive plants along Dixon Creek on wastewater plant property and replant the stream banks with native tree species.</li> <li>• Corvallis received the 2010 Green Power Leadership Award from the US Environmental Protection Agency, recognizing its commitment to advancing the development of voluntary green power markets.</li> <li>• Started 99 Express bus services to Adair Village and the City of Monroe.</li> </ul> <p><u>Next Steps:</u></p> <ul style="list-style-type: none"> <li>• Work with partners to implement the Community Energy Information Center.</li> </ul>	<p>Central City Economic Vitality Education and Human Services Governing and Civic Involvement Protecting the Environment Where we Live</p>
<p><b>Work with public, private, and nonprofit entities to improve community resources available for combating homelessness, with the aim of providing paths to stability and self-sufficiency.</b></p> <p><u>Accomplished through December 31, 2010:</u></p> <ul style="list-style-type: none"> <li>• The Corvallis Transit System provided free rides to both men’s and women’s cold weather shelters.</li> <li>• Housing Division staff continued to coordinate the development of City funding agreements for two capital projects that will create permanent supportive housing units: Alexander Court/Seavey Meadows (10 units for domestic violence survivors) and Partners Place (8 units for chronically homeless). Both projects received notices of funding awards from the State of Oregon during the first quarter of FY 10-11, and in both cases the funding needed to move forward with carrying out housing development/acquisition is now committed.</li> <li>• Housing Division staff continued to represent the City on the implementation committee for the <i>Benton County Ten Year Plan to Address Homelessness</i>.</li> </ul> <p><u>Next Steps:</u></p> <ul style="list-style-type: none"> <li>• The Partners Place project is currently under construction with a projected April/May completion date and acquisition to follow in June. Groundbreaking for the Alexander Court/Seavey Meadows project is scheduled for April/May.</li> </ul>	<p>Central City Education and Human Services Governing and Civic Involvement Where we Live</p>

Goals	Corvallis 2020 Vision Statement Categories
<p><b>Develop an integrated 10-year development plan for the Airport Industrial Park utilizing such tools as the Enterprise Zone.</b></p> <p><u>Accomplished through December 31, 2010:</u></p> <ul style="list-style-type: none"> <li>The Airport Industrial Park (AIP) Sub-Committee is continuing its work on the integrated development plan.</li> </ul> <p><u>Next Steps:</u></p> <ul style="list-style-type: none"> <li>Continued review by staff and the AIP committee with completion scheduled by next summer.</li> </ul>	Economic Vitality Governing and Civic Involvement
<p><b>Establish a commission for arts and culture.</b></p> <p><u>Accomplished through December 31, 2010:</u></p> <ul style="list-style-type: none"> <li>Adopted a City ordinance establishing an Arts and Culture Commission.</li> <li>The Mayor appointed, and the City Council confirmed, nine members to the new Arts and Culture Commission.</li> <li>Staff established a regular meeting schedule of the 4<sup>th</sup> Thursday of each month at 5:30pm to begin in July 2010.</li> </ul> <p><u>Next Steps:</u></p> <ul style="list-style-type: none"> <li>Completed goal.</li> </ul>	Culture and Recreation Education and Human Services Governing and Civic Involvement Where we Live
<p><b>Continue to implement Prosperity That Fits/Economic Vitality Partnership/Economic Development and refine as necessary.</b></p> <p><u>Accomplished through December 31, 2010:</u></p> <ul style="list-style-type: none"> <li>Staff continues to support the Downtown Commission and Council and staff actively participates in the Prosperity that Fits (PTF) Blue Ribbon Committee.</li> <li>Provided staff support to the Administrative Services Committee in the revisions to the Economic Development Policy and creation of the Economic Development Commission.</li> <li>Developed and received City Council approval of a Development Services Enhancement Package that implements several PTF recommendations.</li> </ul> <p><u>Next Steps:</u></p> <ul style="list-style-type: none"> <li>Assist the newly appointed Economic Development Commission in creating a work plan to develop strategies and programs regarding economic development.</li> <li>Implement Development Services Enhancement Package over a 3 year incremental plan.</li> </ul>	Central City Economic Vitality
<p><b>Work with Cascades Pacific Resource Conservation and Development and others to seek funding for acquisition or restoration of, and improvement to, publicly owned or protected wetlands, riparian, and natural areas.</b></p> <p><u>Next Steps:</u></p> <ul style="list-style-type: none"> <li>Will discuss Herbert Farm Natural Areas management plan when adopted in Spring</li> </ul>	Culture and Recreation Protecting the Environment

Goals	Corvallis 2020 Vision Statement Categories
<p><b>Accomplishments Toward the Overarching Goals and Values (Diversity, Citizen Involvement, Sustainability and Cost Efficiency):</b></p> <ul style="list-style-type: none"> <li>• Citizen Involvement: <ul style="list-style-type: none"> <li>○ The 2010 Citizen Attitude Survey was completed and results were presented to the Budget Commission. A copy of the full report is available on the City’s Web site.</li> <li>○ The Library now has over 900 fans on its Facebook page.</li> <li>○ The City partnered with local natural resource agencies to host the 8th annual Kids Day for Conservation event, drawing an estimated 1800 attendees.</li> <li>○ Public Works staff conducted a community meeting to get input on Department of Environmental Quality (DEQ) Total Maximum Daily Load (TMDL) requirements on the City’s wastewater discharge. Evaluation criteria used to develop alternative scenarios for compliance with the regulations were discussed by participants.</li> <li>○ Presented Herbert Farm &amp; Natural Area Management plan to the Parks, Natural Areas and Recreation Board for input.</li> <li>○ The Parks and Recreation Youth Advisory Board received the Governor’s Outstanding Volunteer Program Award. The 13 youth board members received their award at a luncheon at the Capitol.</li> </ul> </li>   <li>• Sustainability: <ul style="list-style-type: none"> <li>○ Transit ridership continues to set new records.</li> <li>○ For the calendar quarter September through December 2010, Public Works staff distributed 50 incentive rebates for water efficient washing machines and 21 incentive rebates for WaterSense certified high-efficiency toilets.</li> <li>○ Received seven Streamside Plant Grant applications from property owners interested in being stewards of their local stream reach.</li> <li>○ Utilized “No-till Seed drill” or planting native seeds at Mary’s River Natural Area, in support of the upland prairie restoration project through Parks and Recreation.</li> </ul> </li>   <li>▪ Diversity: <ul style="list-style-type: none"> <li>○ Sidewalk ramps were installed at intersections, providing access to disabled residents.</li> <li>○ Hosted the Oregon Special Olympics Regional Competition approximately 500 athletes and spectators in attendance.</li> </ul> </li>   <li>• Cost Efficiency: <ul style="list-style-type: none"> <li>○ Exempt employees agreed to freeze the cafeteria benefit dollar amount for the premiums beginning in December 2010. Savings in 2010/2011 are estimated at nearly \$70,000.</li> <li>○ Library’s boiler replacement project resulted in 40% reduction in natural gas consumption. The Library received over \$21,000 from the Energy Trust and a local Business Energy Tax Credit (BETC) partner to help offset the cost of the project.</li> <li>○ The Library’s new Sprinter van to replace the bookmobile was received and is in the process of being retrofitted for library use. The new van is much cheaper than a conventional bookmobile and should be at least 4 times more efficient to operate than the current vehicle.</li> </ul> </li> </ul>	