

SECOND QUARTERLY OPERATING REPORT FISCAL YEAR 2012-2013

EXECUTIVE SUMMARY

February 21, 2013

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 10.04.050, 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. 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 12-13 budget was prepared and adopted during challenging economic times and in a highly fiscally constrained environment for the City. A recessionary economy including high unemployment and stagnant property values, plus slowed development, as well as lower than historical revenues in both FY 10-11 and FY 11-12, were all taken into account when developing the budget. Despite these factors, demand for many City services continues to be strong, which in the face of the relatively flat or declining revenue stream continues to have a negative impact on fund balances across the organization.

According to The Federal Open Market Committee (FOMC) statement released in December, economic activity and employment continue to expand at a modest pace, despite weather-related disruptions. Although the unemployment rate has seen slight declines in recent months, it remains elevated. At 6.0% unemployment in December, on a seasonally adjusted basis, (a 0.1% decrease from the previous month), Corvallis nevertheless continues to fare better than the State and the Nation. Growth in household spending and the housing sector continue to show signs of improvement, but expansion in business fixed investment has slowed. Inflation continues to be subdued, mainly reflecting lower prices of crude oil and gasoline, and longer-term inflation expectations have generally stabilized. The FOMC remains concerned that, without sufficient policy accommodation, economic recovery may not be robust enough to sustain significant improvement in labor market conditions, while strains in global financial markets continue to pose significant downside risks to the economic outlook. The FOMC expects to continue its highly accommodative stance for monetary policy and to keep the federal funds rate exceptionally low through mid-2015 (i.e., in the 0 to quarter percent range).

Overall, the City's financial performance through the second quarter of the fiscal year generally has been as expected. Revenue and expenditure timing is close to historical patterns (i.e., Parks & Recreation usually spends more than 25% of its budget in the busy summer months; the majority of Property Tax revenue is received in the second quarter as seen in this report). There has been an increase in charges for service revenues which was largely driven by development project application fees, but is higher in nearly all funds contributing to a nearly \$861,340 increase over last year and a greater percentage of budget overall than forecast. Miscellaneous revenue received is significantly greater when compared to last year, primarily attributed to Business Energy Tax Credits received this fiscal year but pertaining to prior year Transit operations. Another difference related to budgeted expectations relates to three utility-backed loans in the Water and Wastewater Funds that were refunded in November. The approximate \$12.3 million in proceeds from the 2012 Full Faith & Credit Refunding Obligations are reflected in other financing sources and produced a net present value savings to the City of roughly \$1,579,690.

As of the end of the second quarter for the fiscal year, total expenditures are less than 50% of budgeted expenditures, and are approximately \$412,960 lower than last year's spending levels, driven primarily by less capital outlay, special project expenditures and savings due to personnel vacancies, as well as other department budget reductions achieved as part of the FY 12-13 adopted sustainable budget. The Community Development and Public Works Departments spent much less on capital outlay and special projects (i.e., several capital improvement projects have yet to commence and fewer vehicle replacements have been made year-to-date) when compared to the first half of FY 11-12. Community Development housing grant-related expenditures were significantly lower through the first half of the year than budgeted. Grant funding was provided for eight non-profit agency activities through the CDBG Human Services Fund, CDBG Microbusiness program funding for Linn-Benton Community College, and Community Housing Development Organization (CHDO) operating funding for Willamette Neighborhood Housing Services (WNHS). Six loans

and ten grants have closed through the second quarter, so related payouts are expected to pick up in the latter part of the year although unlikely to use the full appropriations established through the Adopted Budget.

The following table compares year-to-date actuals with budget for all funds in both FY 12-13 and FY 11-12:

REVENUE	AMENDED BUDGET	2nd Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	Y-T-D FY 11-12	FY 11-12 % REC/EXPEND
Budgeted Fund Balance	\$28,532,414					
Property Taxes	\$23,904,680	\$20,476,224	\$20,618,908	86.25%	\$21,346,172	88.23%
Other Tax	1,270,650	368,782	622,851	49.02%	567,518	49.30%
Licenses/Permits	8,740,150	2,024,387	3,743,452	42.83%	3,538,037	44.08%
System Development Charges	1,989,780	621,716	1,083,887	54.47%	1,666,030	122.95%
Charges for Service	37,738,370	10,237,976	20,033,741	53.09%	19,172,406	51.81%
Intergovernmental	17,190,423	4,838,493	5,722,108	33.29%	6,058,442	33.83%
Fines/Forfeitures	1,283,410	282,102	539,667	42.05%	608,213	43.89%
Miscellaneous	2,626,670	1,679,760	2,014,053	76.68%	1,363,440	42.53%
Other Financing Sources/Transfers in	24,023,308	16,464,199	18,583,831	77.36%	7,253,839	51.63%
TOTAL CURRENT REVENUE	\$118,767,441	\$56,993,639	\$72,962,499	61.43%	\$61,574,097	56.86%
EXPENDITURE BY DEPARTMENT						
City Manager's Office	\$3,302,670	\$518,647	\$1,669,931	50.56%	\$1,661,480	54.29%
Community Development	7,626,640	1,381,795	2,611,099	34.24%	3,174,092	36.43%
Finance	4,790,210	1,119,732	2,292,150	47.85%	2,394,460	47.72%
Fire	10,454,220	2,541,018	5,034,197	48.15%	5,506,403	48.37%
Library	6,054,010	1,473,657	2,856,325	47.18%	2,856,900	43.54%
Park & Recreation	5,937,130	1,250,117	2,859,804	48.17%	2,998,535	49.18%
Police	12,889,760	3,063,720	6,443,161	49.99%	6,298,290	47.97%
Public Works	29,744,922	7,112,145	13,342,286	44.86%	12,830,681	42.24%
Non-Departmental	1,512,927	474,749	826,144	54.61%	627,218	45.87%
TOTAL OPERATING EXPENDITURES	\$82,312,489	\$18,935,580	\$37,935,097	46.09%	\$38,348,059	44.74%
Debt Service	\$4,734,140	\$1,715,408	\$2,561,251	54.10%	\$4,373,966	53.45%
Capital Projects	9,687,779	1,528,833	2,021,849	20.87%	4,175,114	34.10%
Transfers Out / Other Financing Uses	26,228,831	18,757,467	20,739,323	79.07%	7,245,814	51.57%
Contingencies/Reserves	1,611,260	0	0	0.00%	0	0.00%
TOTAL ALL EXPENDITURES	\$124,574,499	\$40,937,288	\$63,257,520	50.78%	\$54,142,953	44.54%
CURRENT REVENUES LESS TOTAL EXPENDITURES	(\$5,807,058)	\$16,056,351	\$9,704,979		\$7,431,144	

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 \$72,962,499, are at 61.43% of the Amended Total Revenue Budget of \$118,767,441. 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 12-13, the following amendments to the budget were approved:

Date	Amendment Type	Resource	Fund	Department	Net Expenditure Impact
7/2/2012	Res - Grant	EPA Grant	Storm Water	Public Works	\$ 45,620
7/16/2012	Res - Grant	ODOT Grant	Transit	Public Works	\$ 8,964
8/6/2012	Res - Grant	State of Oregon EUDL Grant	General	Police	\$ 4,760
9/4/2012	Res - Grant	FEMA Homeland Security	Fire & Rescue	Fire	\$ 4,504
11/4/2012	Res - Grant	FEMA Office of Emerg Mgmnt	CIP	Parks & Rec	\$ 193,911
11/19/2012	Res - 2012 Refunding Obligations	Proceeds of Debt Issuance	Water & Wastewater	Public Works	\$ 12,289,035
11/19/2012	Res - Donation	Anonymous Donor	Parks & Recreation	Parks & Rec	\$ 9,000
12/3/2012	Res - Grant	Oregon Water Resources	Wastewater	Public Works	\$ 38,632
				Total Increase	\$ 12,594,426

Significant revenue highlights include:

- **Property taxes** totaled \$20,618,908 through the second quarter, which equals 86.25% of the budgeted property tax revenue. The majority of property taxes for the fiscal year are typically collected in the second quarter. FY 12-13 year-to-date property tax revenues are more than \$700,000 less than last fiscal year's results for the same time period, despite 0.5% growth in assessed value. This decline is likely due to the continued depressed economy resulting in fewer home owners being able to pay their taxes early as well as about \$100,000 lower in collection of prior year delinquent accounts year-to-date than last year.

- **Other Taxes** are collected from hotels in the form of room taxes and totaled \$622,851 or 49.02% of budget as of second quarter-end. Summer seasonality, attendance of fall sporting events, and a rebounding economy have led to slightly better results thus far in FY 12-13 compared to last year at this time.
- **Licenses, Fees and Permits** totaled \$3,743,452 which represents 42.83% of the amended budget and is below budget as a percentage received when compared with the same time last year. While franchise fees are under-performing year-to-date, Allied Waste implemented a 6% residential rate increase in October, which could offset projected shortfalls brought on by utility conservation efforts. In addition, payments from Allied Waste and Comcast relating to second quarter franchise fees are typically posted in the third quarter negatively impacting the reported percentage collected YTD. The transportation maintenance and sustainability initiative fees are on target, and Development Service permit fees are expected to begin trending higher due to an increase in projects received near the end of the second quarter.
- **System Development Charges** were \$1,083,887 which represents 54.47% of the amended budget and is aligned with projections. In FY 11-12, the higher percentage of actual YTD compared to budget was due to un-forecasted increased development for off-campus student housing. SDC income, being of restricted use, has been isolated here and in the income statements from “other charges for service” so as to ensure the understanding that this significant incremental dedicated funding source is not available for operational spending.
- **Charges for Services** (not including SDC’s) were \$20,033,741, which represents 53.09% of the amended budget. These revenues are higher as a percentage of budget primarily due to early receipt of three of the four quarterly payments year-to-date from Benton County for various police services, an increase over anticipated revenue due to higher OEB payment reimbursement stemming from post-’92 hire retirements and Parks Seasonal eligibility for COBRA, plus a payment received from Benton County for its share of support for the Economic Development program.
- **Intergovernmental** revenues are below target at \$5,722,108. At 33.29% of budget however, receipts are very comparable to the same time last year. The receipt of grant monies tends to be volatile and highly dependent on timing of related expenditures. For example, a large payment for the Transit Operating Grant that was expected to be received in the second quarter, was delayed and will post to the third quarter.
- **Fines & Forfeiture** receipts related to Municipal Court remain under budget and lower than last year due primarily to fewer traffic and parking fines issued, partly as a result of patrol staffing vacancies. Fully staffed parking enforcement, a significant fine increase for violations in residential parking districts that went into effect September 24th, and additional home football games are helping revenues rebound. While some improvement continues to be noted from concentrated efforts related to collections in the past several years, after turning over about \$2 million in traffic and half a million dollars in parking delinquencies, these accounts have 90% and 66% of their respective balances still outstanding.
- **Interest earnings** totaled \$148,256 at the end of the second quarter, which represents 65.37% of the budgeted interest and is about 146% of last year’s earnings at this same point in time. The City’s investment advisory firm has helped bolster what earnings there are in this category, however the market continues to hover at historic lows, and this situation is expected to prevail through at least mid-2015 according to the Federal Open Market Committee.

Operating expenditures for all funds totaled \$37,935,097 or 46.09% of the Amended Operating Expenditure Budget which is lower than last year in total dollars expended but slightly above as a percentage of budget. These results are primarily due to less spending this fiscal year early in the year on special projects and capital outlay. Also, while Community Development typically under-expend its grant appropriations due to the length of time to fruition of housing loan projects, the department is also experiencing lower grant allocation availability in recent years, particularly for administrative cost coverage, so is being even more cost-conscious than usual early in the year. Non-operating expenditures, which include capital projects, transfers, debt service, and contingency, totaled \$25,322,423 or 59.92% of the \$42,262,010 Amended Non-Operating Budget. In total, expenditures through the second quarter were \$63,257,520 or 50.78% of the \$124,574,499 budgeted, compared to 44.54% for the second quarter of last fiscal year. A breakdown of departmental expenditures by category is provided below:

OPERATING EXPENDITURES BY DEPARTMENT

DEPARTMENT	AMENDED BUDGET	PERSONNEL SERVICES	SUPPLIES & SERVICES	CAPITAL OUTLAY	TOTAL EXPENDITURES	% OF AMENDED BUDGET
<i>Total Budget by Category</i>		\$46,224,880	\$33,427,439	\$2,660,170	\$82,312,489	
City Manager's Office	\$3,302,670	\$599,239	\$1,070,693	\$0	\$1,669,931	50.56%
Community Development	7,626,640	1,758,729	852,369	0	2,611,099	34.24%
Finance	4,790,210	1,586,310	705,840	0	2,292,150	47.85%
Fire	10,454,220	4,231,637	802,560	0	5,034,197	48.15%
Library	6,054,010	1,947,261	909,064	0	2,856,325	47.18%
Parks & Recreation	5,937,130	1,900,269	959,536	0	2,859,804	48.17%
Police	12,889,760	4,924,646	1,361,881	156,633	6,443,161	49.99%
Public Works	29,744,922	5,739,611	6,822,647	780,028	13,342,286	44.86%
Non Department	1,512,927	0	826,144	0	826,144	54.61%
TOTAL	\$82,312,489	\$22,687,702	\$14,310,733	\$936,662	\$37,935,097	46.09%
Percent of Budget		49.08%	42.81%	35.21%	46.09%	

Significant expenditure highlights include:

- **Personnel Services** totaled \$22,687,702 or 49.08% of the amended budget of \$46,224,880 and was slightly higher than percent of budget spent in FY 11-12. Spending increased \$381,340 primarily due to contractual step increases and associated payroll tax increases. Payroll expenditures are expected to stay relatively close to the FY 11-12 actuals through FY 12-13 based on Exempt, IAFF, CPOA and AFSCME agreeing to no COLA increases and flat to declining health benefit premiums. The CRCCA agreement was still pending at the end of the quarter.
- **Supplies and Services** totaled \$14,310,733 or 42.81% of the amended budget of \$33,427,439. The dollars spent in FY 12-13 are approximately 4.8% lower than the amount spent in FY 11-12 due to less special projects budget and an eye towards maintaining a sustainable budget.
- **Capital Outlay** totaled \$936,662 or 35.21% of the amended budget of \$2,660,170. The dollars spent in FY 12-13 are approximately \$197,490 more than in FY 11-12 due in part to the timing of the planned purchase of two replacement City transit buses, along with additional vehicles for the Police and Public Works departments. Capital purchases do not tend to follow a regular pattern other than to sometimes weight toward the end of the fiscal year if practical, to ensure that sufficient budget remains for the acquisition.

NON OPERATING EXPENDITURES

- **Capital projects** totaled \$2,021,849 or 20.87% of the amended budget of \$9,687,779. 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 12-13, several projects have yet to begin.
- **Debt service** payments totaled \$2,561,251 or 54.10% of the total budget of \$4,734,140, which is aligned with payments at the same time last fiscal year.
- **Transfers and Other Financial Uses** totaled \$20,739,323 or 79.07% of the amended budget of \$26,228,831. The majority of the transfers are related to capital projects. See the Capital Improvement Program section for information on the status of capital projects.

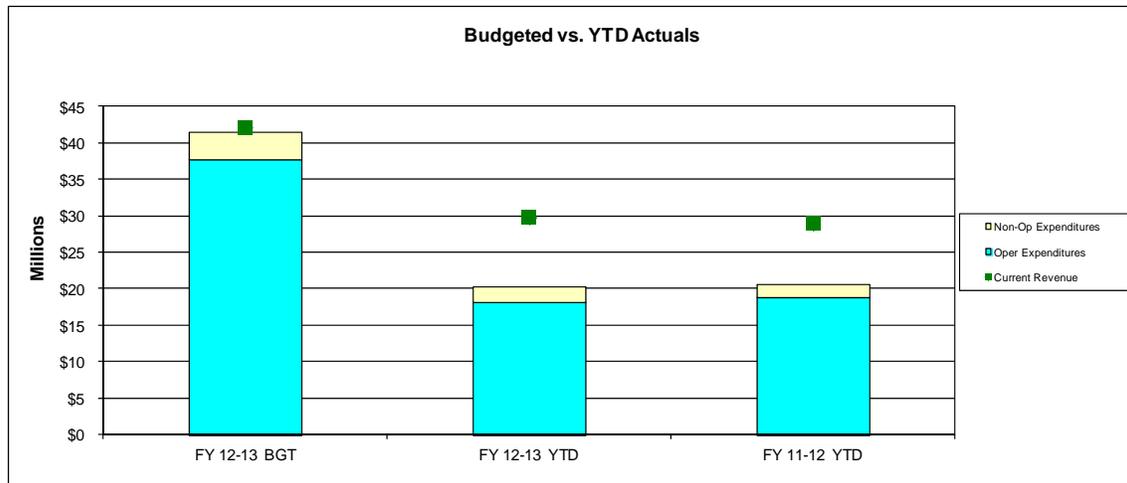
Please note that a [reader's guide](#) to some of the terminology used throughout the report is available through the hyperlink provided. As always, if you have questions or concerns about the information in this report, please do not hesitate to contact me at (541) 766-6990 or via e-mail at nancy.brewer@corvallisoregon.gov.

Nancy Brewer
Finance Director

PROPERTY TAX FUNDS COMBINED*

REVENUE	AMENDED BUDGET	2nd Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	2nd Quarter FY 11-12	Y-T-D FY 11-12	FY 11-12 % REC/EXPEND
Budgeted Fund Balance	\$5,271,580						
Property Taxes	\$21,002,640	\$17,997,900	\$18,140,584	86.37%	\$17,800,779	\$17,966,096	88.62%
Other Tax	1,270,650	368,782	622,851	49.02%	336,911	567,518	49.30%
Licenses/Permits	5,708,610	1,296,470	2,145,882	37.59%	1,296,183	2,158,888	38.38%
Charges for Service	5,856,500	2,241,418	3,520,013	60.10%	1,986,453	3,266,330	59.71%
Intergovernmental	4,164,360	2,538,010	2,733,502	65.64%	2,517,339	2,751,516	55.53%
Fines/Forfeitures	830,110	153,416	324,332	39.07%	203,802	396,695	40.62%
Miscellaneous	432,850	248,182	364,859	84.29%	139,280	239,448	63.20%
Other Financing Sources	2,845,350	1,727,216	1,893,717	66.55%	1,552,389	1,562,389	80.70%
TOTAL CURRENT REVENUE	\$42,111,070	\$26,571,395	\$29,745,741	70.64%	\$25,833,137	\$28,908,880	70.91%
EXPENDITURE BY DEPARTMENT							
City Manager's Office	\$380,000	\$54,749	\$71,032	18.69%	\$0	\$0	0.00%
Community Development	1,311,410	300,276	607,060	46.29%	325,052	652,956	48.14%
Finance	629,740	142,171	296,107	47.02%	167,967	334,301	49.33%
Fire	10,454,220	2,541,018	5,034,197	48.15%	2,656,414	5,506,403	48.37%
Library	6,023,510	1,443,767	2,826,435	46.92%	1,355,674	2,856,900	43.74%
Parks and Recreation	5,937,130	1,250,117	2,859,804	48.17%	1,348,101	2,998,535	49.18%
Police	10,356,980	2,430,173	5,187,142	50.08%	2,512,945	5,115,367	48.27%
Public Works	1,218,900	265,308	532,558	43.69%	331,971	616,082	37.50%
Non-Departmental	1,362,100	331,801	683,196	50.16%	306,792	626,368	45.86%
TOTAL OPERATING EXPENDITURES	\$37,673,990	\$8,759,380	\$18,097,532	48.04%	\$9,004,915	\$18,706,912	47.18%
Debt Service	\$243,880	\$0	\$218,342	89.53%	\$0	\$216,080	88.40%
Transfers	3,005,900	1,408,992	1,939,518	64.52%	1,190,110	1,694,510	72.49%
Contingencies/Reserves	512,850	0	0	0.00%	0	0	0.00%
TOTAL ALL EXPENDITURES	\$41,436,620	\$10,168,372	\$20,255,391	48.88%	\$10,195,025	\$20,617,502	48.45%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	\$674,450	\$16,403,023	\$9,490,349		\$15,638,112	\$8,291,378	

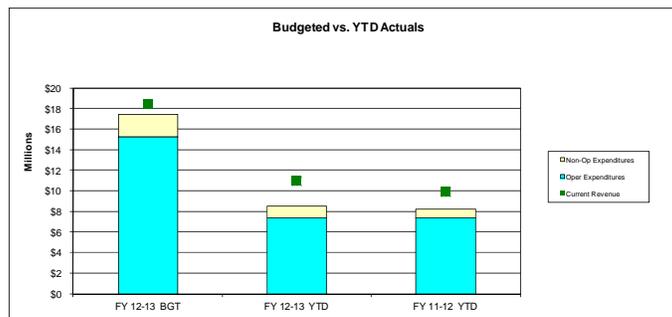
* Includes General, Parks & Recreation, Fire & Rescue, and Library Funds



GENERAL FUND

REVENUE	AMENDED BUDGET	2nd Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	2nd Quarter FY 11-12	Y-T-D FY 11-12	FY 11-12 % REC/EXPEND
Budgeted Fund Balance	\$814,380						
Property Taxes (1)	\$7,231,450	\$6,280,193	\$6,422,876	88.82%	\$5,472,641	\$5,637,958	94.00%
Other Tax	1,270,650	368,782	622,851	49.02%	336,911	567,518	49.30%
Licenses/Permits (2)	5,548,670	1,265,010	2,074,238	37.38%	1,262,414	2,084,679	38.11%
Charges for Service (3)	808,710	337,632	553,292	68.42%	173,366	434,037	58.78%
Intergovernmental (4)	1,663,390	398,444	593,582	35.69%	344,056	572,764	24.98%
Fines/Forfeitures (5)	716,110	124,603	267,960	37.42%	178,336	345,942	39.69%
Miscellaneous (6)	255,470	37,529	86,174	33.73%	101,284	137,902	117.62%
Other Financing Sources (7)	961,840	172,056	329,991	34.31%	90,050	100,050	88.64%
TOTAL CURRENT REVENUE	\$18,456,290	\$8,984,249	\$10,950,964	59.33%	\$7,959,058	\$9,880,850	58.99%
EXPENDITURE BY DEPARTMENT							
City Manager's Office (8)	\$380,000	\$54,749	\$71,032	18.69%	\$0	\$0	0.00%
Community Development	1,311,410	300,276	607,060	46.29%	325,052.00	652,956	48.14%
Finance	629,740	142,171	296,107	47.02%	167,967	334,301	49.33%
Police	10,356,980	2,430,173	5,187,142	50.08%	2,512,945	5,115,367	48.27%
Public Works (4)	1,218,900	265,308	532,558	43.69%	331,971	616,082	37.50%
Non-Departmental	1,362,100	331,801	683,196	50.16%	306,792	626,368	45.86%
TOTAL OPERATING EXPENDITURES	\$15,259,130	\$3,524,478	\$7,377,095	48.35%	\$3,644,727	\$7,345,074	46.96%
Debt Service (9)	\$243,880	\$0	\$218,342	89.53%	\$0	\$216,080	88.40%
Other Financing Uses (10)	1,712,560	640,762	877,268	51.23%	465,810	671,510	79.02%
Contingencies/Reserves	224,860	0	0	0.00%	0	0	0.00%
TOTAL ALL EXPENDITURES	\$17,440,430	\$4,165,240	\$8,472,705	48.58%	\$4,110,537	\$8,232,664	48.91%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	\$1,015,860	\$4,819,008	\$2,478,260		\$3,848,521	\$1,648,186	

- (1) The majority of current year property taxes are collected in the second quarter. This year's collection pattern is consistent with prior years, but is considerably below budget in total which projected 3% growth in assessed value vs. the 0.5% that was achieved.
- (2) The depressed economy continues to impact these revenue streams due to reduced construction permits for residential development, etc. Additionally, conservation efforts by users are reflected in lower franchise fee receipts.
- (3) Charges for Services are higher as a percentage of budget due primarily to an Economic Development program payment received from Benton County that was originally budgeted to miscellaneous revenue. Also contributing to the above target levels in FY 12-13 is the early billing and receipt of 3rd quarter police services charges (i.e. evidence, crime analysis, and records-reception services) for Benton County.
- (4) Intergovernmental revenue receipts are slightly higher than the prior year primarily due to an increase in revenue sharing payments from the state, although still lower year-to-date than forecasted total revenue. As in previous years, early quarter revenues tend to be lower due to grant projects not yet started nor completed that are reimbursable in nature. This also explains below budget spending for Public Works EPA grants year-to-date.
- (5) Traffic fine revenue is under-performing FY 11-12 levels and is not quite keeping pace with anticipated FY 12-13 revenues, which can partially be attributed to the retirement of one of the motorcycle traffic enforcement officers.
- (6) Miscellaneous revenue is lower in FY 12-13 relative to FY 11-12, primarily due to last year's receipt of payment of approximately \$55,000 for the sale of Seavey Meadows. This difference has been partly offset by an increased volume of lien payoff receipts and higher than projected interest earnings year-to-date. Budgeted revenue in FY12-13 is higher overall due to inclusion of the Economic Development program funding from Benton County that was recorded to Charges for Service (see footnote 3) and the dollars budgeted and received from OSU in respect of the Collaboration project.
- (7) Other Financing Sources collected year-to-date include pass-through agency receipts from Benton County court costs and Community Development permit surcharges which the City began budgeting and recording in FY 12-13 based on ORS. The remainder of receipts in this category are for property tax transfers related to the 2011 Operating levy, which are primarily collected in the second quarter at a rate similar to FY 11-12.
- (8) The Economic Development (ED) program, housed in the City Manager's Office, is new to the General Fund in FY 12-13. Year-to-date expenditures are low due primarily to vacancy savings in the first quarter. The ED manager started in the second quarter. Spending activity is expected to increase in the third and fourth quarters, once the recruitment for the ED Specialist position is completed.
- (9) The majority of Debt Service for the 2010 CIP Loan occurs in the first quarter, with the balance scheduled to be paid out in the third quarter.
- (10) Other financing uses include this fund's portion of the semi-annual debt service payments for the Pension Obligation Bonds, pass-throughs to intergovernmental agencies, and transfers for capital projects. The Capital Improvement Program section has status information on capital projects.

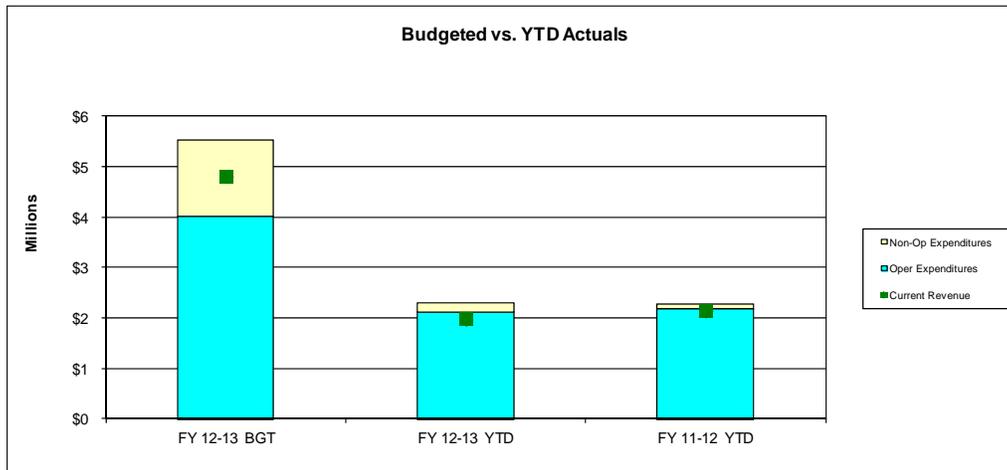


COMBINED STREET FUND*

REVENUE	AMENDED BUDGET	2nd Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	2nd Quarter FY 11-12	Y-T-D FY 11-12	FY 11-12 % REC/EXPEND
Budgeted Fund Balance	\$2,389,990						
Licenses/Permits (1)	\$609,620	\$200,525	\$353,636	58.01%	\$186,457	\$331,976	55.14%
System Development Charges (2)	523,350	74,002	158,062	30.20%	191,213	276,317	85.02%
Charges for Service (3)	251,330	93,451	140,654	55.96%	47,433	131,489	57.12%
Intergovernmental (4)	3,412,070	818,063	1,306,791	38.30%	927,503	1,385,251	40.03%
Fines/Forfeitures (5)	1,000	240	718	71.80%	958	1,578	157.80%
Miscellaneous (6)	8,560	5,938	10,440	121.96%	6,528	10,368	67.59%
TOTAL CURRENT REVENUE	\$4,805,930	\$1,192,219	\$1,970,301	41.00%	\$1,360,092	\$2,136,979	46.11%
EXPENDITURE BY DEPARTMENT							
Community Development (7)	\$21,020	\$4,618	\$9,285	44.17%	\$3,529	\$8,315	38.05%
Public Works	4,003,730	892,824	2,108,885	52.67%	1,063,477	2,187,921	51.55%
TOTAL OPERATING EXPENDITURES	\$4,024,750	\$897,442	\$2,118,170	52.63%	\$1,067,006	\$2,196,236	51.48%
Transfers (8)	\$1,423,600	\$135,330	\$178,130	12.51%	\$40,440	\$79,290	7.08%
Contingencies/Reserves	85,520	0	0	0.00%	0	0	0.00%
TOTAL ALL EXPENDITURES	\$5,533,870	\$1,032,772	\$2,296,300	41.50%	\$1,107,446	\$2,275,526	41.62%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	(\$727,940)	\$159,447	(\$325,999)		\$252,646	(\$138,547)	

* Includes Street SDC Fund

- (1) Revenue in both years was higher than budget due to unanticipated right-of-way charges in the second quarter of the year.
- (2) A decrease in System Development Charges revenue is reflective of several large FY 11-12 receipts related to new housing development, including Willamette Neighborhood Housing (WNHS) and 7th Street Station. In addition, budgeted amounts in FY12-13 are projected to be higher due to an anticipated end of the fiscal year construction increase related to new off-campus student housing and other various new developments.
- (3) Public Improvement by Private Contract (PIPC) permit fees were higher last year due to development of the Oakmont, 7th Street Station, and Walnut Creek additions, the McFadden Annexation, and construction at OSU. In the current year, decreases in this category have been offset by increases in street maintenance, and striping and sign work in support of CIP projects.
- (4) Intergovernmental revenues consist of state and federal grants and taxes. Though consistent with last year's levels, year-to-date FY12-13 appears to be low in comparison to budget mostly due to timing of State Shared Revenue receipts for Highway Tax. The \$255,000 payment received in July of this year was accrued back to FY11-12.
- (5) The Fines and Forfeitures category includes penalty fees and restitution payments and are therefore dependent upon the timing of citation and damage.
- (6) The expectation that interest earnings would be considerably lower in FY 12-13 has not materialized; receipts have remained similar to FY 11-12.
- (7) Community Development expenditures for FY 11-12 were considerably below budget due to a vacancy in a position normally allocated to this fund's workplan.
- (8) Transfers include this fund's portion of the semi-annual debt service payments for the Pension Obligation Bonds, transfers related to capital projects, and annual support to the Development Services Fund for SDC/Site Engineering work. Transfers for capital projects are made based on anticipated needs. See the Capital Improvement Program section for status information on capital projects.



PARKS AND RECREATION FUND*

REVENUE	AMENDED BUDGET	2nd Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	2nd Quarter FY 11-12	Y-T-D FY 11-12	FY 11-12 % REC/EXPEND
Budgeted Fund Balance	\$2,989,390						
Property Taxes (1)	\$3,303,940	\$2,810,962	\$2,810,962	85.08%	\$3,288,912	\$3,288,912	86.35%
Licenses/Permits (2)	141,300	25,586	61,957	43.85%	25,202	61,559	44.71%
System Development Charges (3)	300,000	83,003	187,795	62.60%	336,575	448,382	298.92%
Charges for Service (4)	1,531,140	300,796	727,942	47.54%	235,339	618,626	43.79%
Intergovernmental (5)	7,400	5,771	5,771	77.99%	7,400	11,800	43.07%
Fines/Forfeitures	250	0	152	60.80%	0	20	20.00%
Miscellaneous (6)	92,830	199,191	224,098	241.41%	27,089	56,348	56.21%
Other Financing Sources (7)	844,150	641,532	641,532	76.00%	624,434	624,434	72.91%
TOTAL CURRENT REVENUE	\$6,221,010	\$4,066,841	\$4,660,209	74.91%	\$4,544,951	\$5,110,081	78.70%

EXPENDITURE BY DEPARTMENT

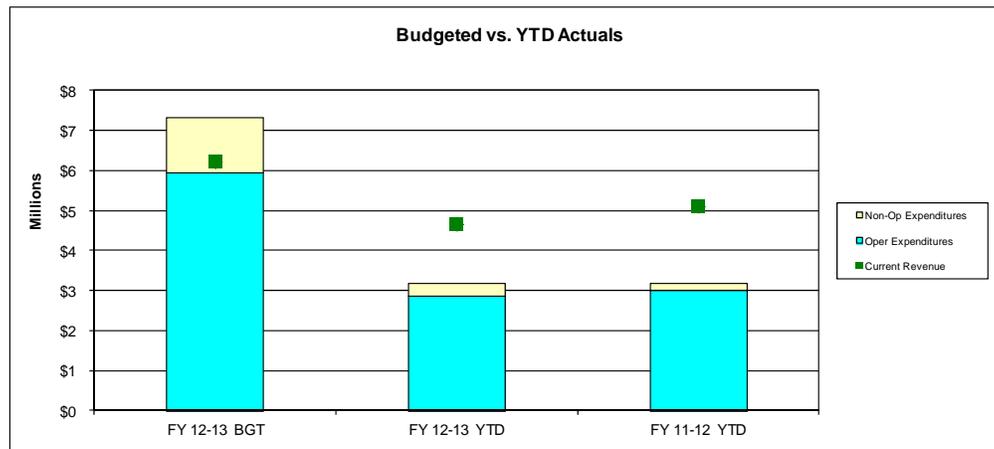
Parks and Recreation	\$5,937,130	\$1,250,117	\$2,859,804	48.17%	\$1,348,101	\$2,998,535	49.18%
TOTAL OPERATING EXPENDITURES	\$5,937,130	\$1,250,117	\$2,859,804	48.17%	\$1,348,101	\$2,998,535	49.18%
Transfers (8)	\$1,309,423	\$275,920	\$310,290	23.70%	\$132,810	\$170,740	28.14%
Contingencies/Reserves	67,390	0	0	0.00%	0	0	0.00%
TOTAL ALL EXPENDITURES	\$7,313,943	\$1,526,037	\$3,170,094	43.34%	\$1,480,911	\$3,169,275	46.88%

CURRENT REVENUE LESS

TOTAL EXPENDITURES	(\$1,092,933)	\$2,540,804	\$1,490,115		\$3,064,040	\$1,940,806	
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* 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 below current year target, but aligned with last fiscal year, due to less park shelter rentals than expected, based on cooler weather.
- (3) System Development Charges (SDC) are higher than budgeted in FY 12-13 due primarily to unanticipated receipts related to higher than projected multi-family residential development activity. Revenues are still lower than in the prior year, which included charges for several large development projects, including WNHS and 7th Street Station.
- (4) Charges for Services revenue increases over prior year are driven by OSU Football Game Day parking related to the 2012 Civil War game and an increase in charges at Osborn Aquatic Center for hosting the National Collegiate Water Polo championships.
- (5) Budgeted FY12-13 intergovernmental revenue is related to a State Marine Board grant that was received during the second quarter. Prior year revenues included an 'Artists in the Park' grant that was not received in FY 12-13.
- (6) Miscellaneous revenue is trending higher than budget and last fiscal year due to receipt of an unanticipated NW Natural Gas payment in association with using City easements for laying pipelines and higher than expected donations/contributions early in the fiscal year. OAC hosted special events Dog Day and Turkey Trot raising donations for the Family Assistance (FA) program. In addition, OAC received a grant from the OSU Thrift Shop this fiscal year.
- (7) Other Financing Sources represent primarily the property tax revenue transfers associated with the 2011 Operating Levy. The majority of current year property taxes (including the levy taxes) are collected in the second quarter.
- (8) 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 FY12-13.



911 EMERGENCY SERVICES

REVENUE	AMENDED BUDGET	2nd Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	2nd Quarter FY 11-12	Y-T-D FY 11-12	FY 11-12 % REC/EXPEND
Budgeted Fund Balance	\$561,617						
Charges for Service	\$982,280	\$244,794	\$489,588	49.84%	\$231,904	\$463,808	49.67%
Intergovernmental (1)	1,172,850	317,963	524,663	44.73%	290,579	530,291	44.59%
Miscellaneous (2)	3,430	1,110	1,969	57.41%	2,105	2,737	46.63%
TOTAL CURRENT REVENUE	\$2,158,560	\$563,867	\$1,016,220	47.08%	\$524,588	\$996,836	46.82%

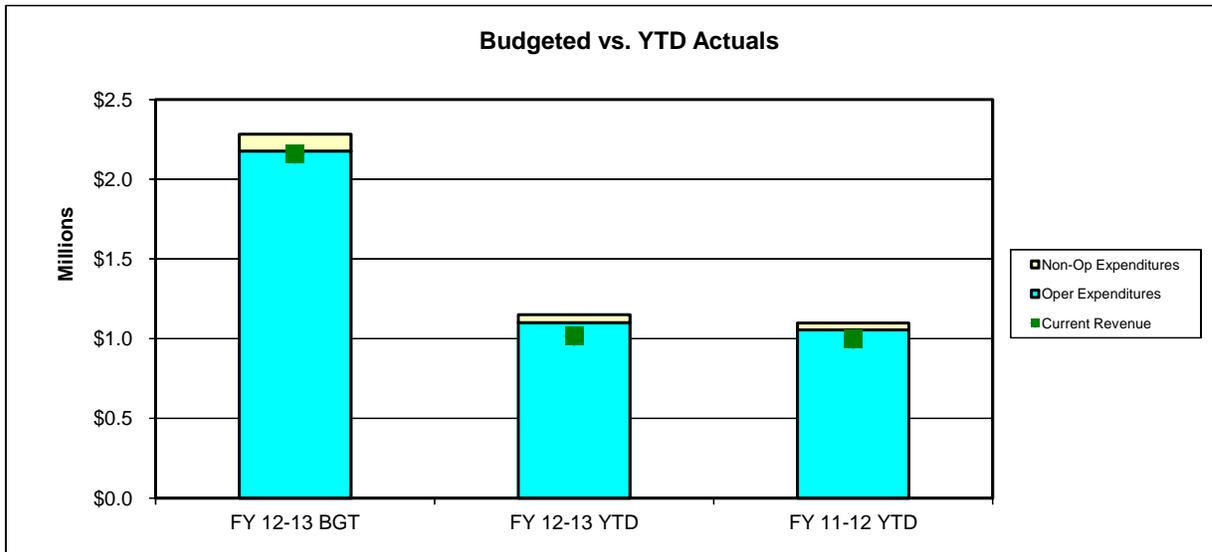
EXPENDITURE BY DEPARTMENT

Police (3)	\$2,177,200	\$559,146	\$1,100,488	50.55%	\$527,665	\$1,055,423	48.40%
TOTAL OPERATING EXPENDITURES	\$2,177,200	\$559,146	\$1,100,488	50.55%	\$527,665	\$1,055,423	48.40%
Transfers (4)	\$62,240	\$35,990	\$51,070	82.05%	\$29,230	\$42,140	82.51%
Contingencies/Reserves	43,450	0	0	0.00%	0	0	0.00%
TOTAL ALL EXPENDITURES	\$2,282,890	\$595,136	\$1,151,558	50.44%	\$556,895	\$1,097,563	48.13%

CURRENT REVENUE LESS

TOTAL EXPENDITURES	(\$124,330)	(\$31,269)	(\$135,338)		(\$32,307)	(\$100,727)	
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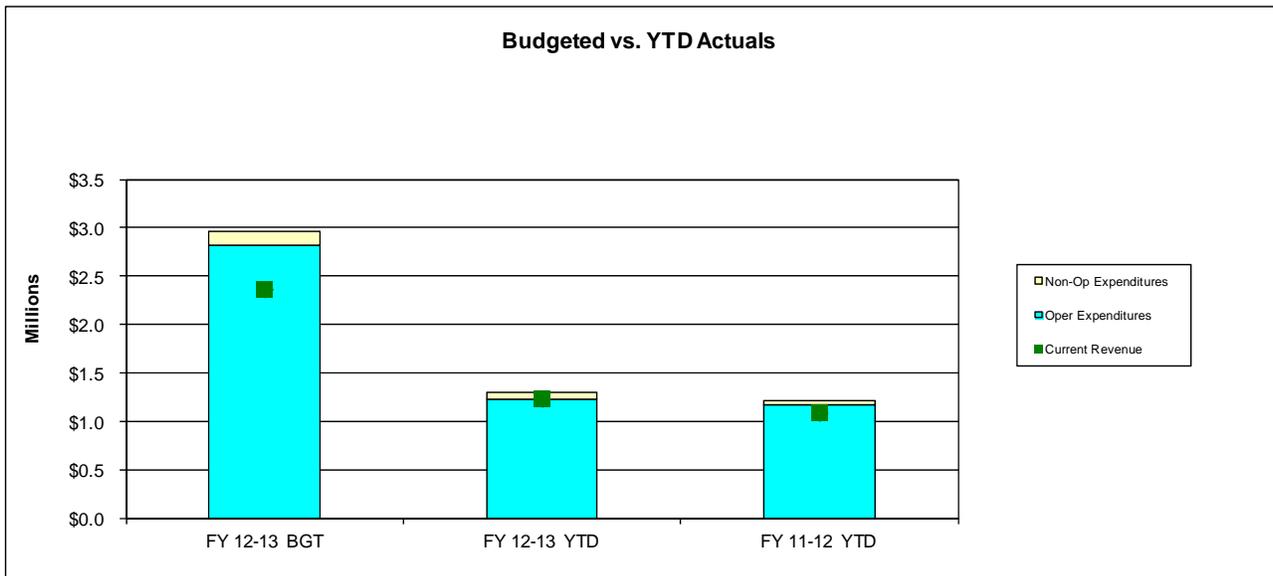
- (1) State sharing of 9-1-1 tax revenue is comparable to last year, but is on track to be under budget again in FY 12-13. This per capita distribution is beyond the control of receiving agencies and has been negatively impacted by State diversion of a portion of the funding, as well as non-taxed emergency call instruments such as prepaid cell phones and voice-over-internet-protocol (VOIP) phones. The League of Oregon Cities predicts that average per capita distributions will continue to fall absent legislative change, for which they are lobbying.
- (2) Miscellaneous revenue fluctuates year over year since it is comprised primarily of interest on investments (based on fund balance) and false alarm billing revenue to outside entities. The budget in FY 12-13 has been decreased by \$2,440 for precision budgeting purposes.
- (3) Department expenditures are trending higher than budget and last year primarily due to personnel service costs. The dispatch unit received contractual COLA's, and the cost of their healthcare premiums increased in calendar 2012, neither of which circumstance was budgeted. Also, a significant cash out of leave accruals was paid for an unanticipated retiree. An authorized vacancy has not been filled in order to help absorb these cost over runs, and the departmental budget is being closely monitored so as not to exceed appropriations.
- (4) Transfers relate to this fund's share of debt service for Pension Obligation bonds, payments for which are weighted to the first half of the year.



DEVELOPMENT SERVICES

REVENUE	AMENDED BUDGET	2nd Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	2nd Quarter FY 11-12	Y-T-D FY 11-12	FY 11-12 % REC/EXPEND
Budgeted Fund Balance	\$766,426						
Licenses/Permits (1)	\$1,086,350	\$216,371	\$489,380	45.05%	\$252,353	\$464,422	60.29%
Charges for Service (2)	1,153,370	412,156	620,981	53.84%	311,414	500,342	49.25%
Miscellaneous (3)	7,670	2,686	4,842	63.13%	3,379	4,857	38.79%
Other Financing Sources (4)	118,390	0	118,390	100.00%	0	118,390	100.00%
TOTAL CURRENT REVENUE	\$2,365,780	\$631,213	\$1,233,593	52.14%	\$567,146	\$1,088,011	56.75%
EXPENDITURE BY DEPARTMENT							
Community Development (5)	\$2,822,700	\$629,566	\$1,220,793	43.25%	\$544,532	\$1,169,827	41.21%
TOTAL OPERATING EXPENDITURES	\$2,822,700	\$629,566	\$1,220,793	43.25%	\$544,532	\$1,169,827	41.21%
Transfers (6)	\$88,800	\$46,970	\$78,750	88.68%	\$27,570	\$39,740	16.59%
Contingencies/Reserves	50,000	0	0	0.00%	0	0	0.00%
TOTAL ALL EXPENDITURES	\$2,961,500	\$676,536	\$1,299,543	43.88%	\$572,102	\$1,209,567	38.66%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	(\$595,720)	(\$45,323)	(\$65,950)		(\$4,956)	(\$121,556)	

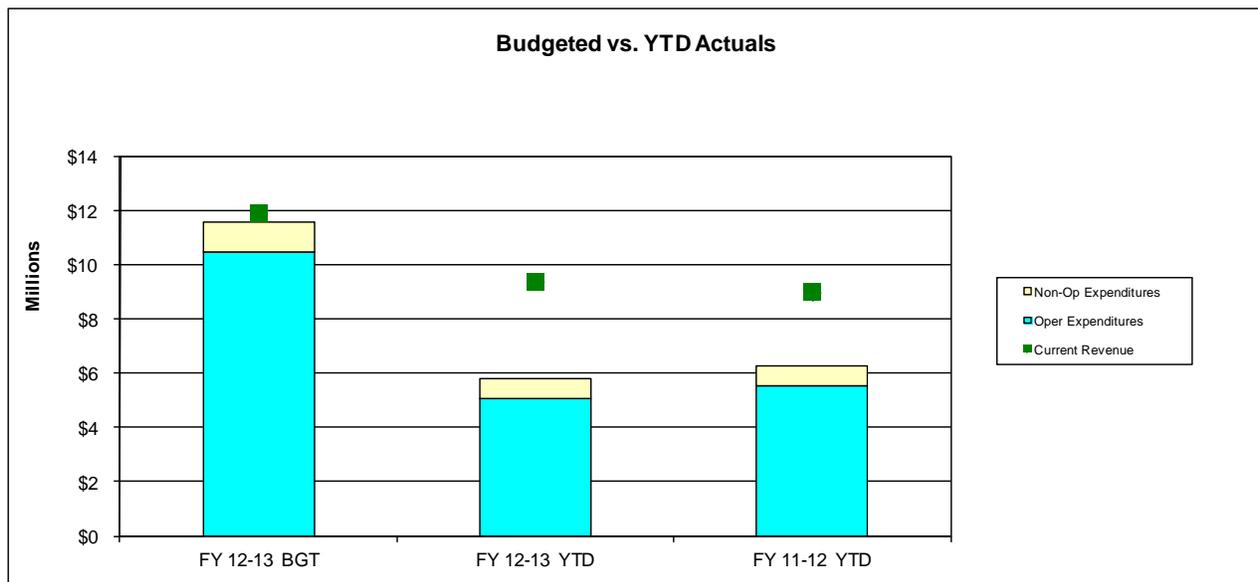
- (1) Licenses, Fees & Permits revenue is collected when permits are issued. Second quarter revenues are slightly below target, but are expected to meet target by year-end due to an influx of projects received in November and December.
- (2) Charges for Service revenue, which includes reviews and inspections, is higher than prior year and is on track with current year budget. OSU and Good Samaritan projects make up the majority of Development Services' current work load, and project timing can be somewhat variable, creating a less predictable revenue stream.
- (3) Miscellaneous revenue fluctuates year over year since it is comprised primarily of interest on investments (based on proportionate fund balance).
- (4) Dollars reflect transfers from: the Street SDC, Parks SDC, Water SDC, Wastewater SDC, and Storm water SDC Funds in support of SDC permitting administration work by Development Services; and the Storm Water Fund support of Erosion and Sediment Control program by Development Services staff. Funding transfers of this nature are typically booked at the beginning of the fiscal year.
- (5) FY12-13 expenditures are lower than budget due in part to unfilled vacancies, under-expended training budget, and under-expended special project budget of \$301,260. The majority of the special projects budget is related to the impending purchase of a major software upgrade.
- (6) Transfers include this fund's portion of the semi-annual debt service payments for the Pension Obligation Bonds and transfers related to capital projects. Transfers for capital projects are made based on anticipated needs. Please see the Capital Improvement Program section for information on the status of capital projects.



FIRE AND RESCUE FUND

REVENUE	AMENDED BUDGET	2nd Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	2nd Quarter FY 11-12	Y-T-D FY 11-12	FY 11-12 % REC/EXPEND
Budgeted Fund Balance	\$352,476						
Property Taxes (1)	\$8,332,270	\$7,089,991	\$7,089,991	85.09%	\$6,753,890	\$6,753,890	86.35%
Licenses/Permits (2)	18,640	5,875	9,687	51.97%	8,568	12,650	71.75%
Charges for Service (3)	3,473,230	1,593,764	2,214,197	63.75%	1,570,414	2,191,718	66.98%
Intergovernmental (4)	42,200	13,795	14,093	33.40%	12,454	9,426	6.84%
Fines/Forfeitures (5)	8,950	4,419	6,537	73.04%	2,165	5,576	43.87%
Miscellaneous (6)	13,130	12,276	22,023	167.73%	779	2,873	3.72%
Other Financing Sources (7)	0	6,354	14,922	0.00%	0	0	0.00%
TOTAL CURRENT REVENUE	\$11,888,420	\$8,726,474	\$9,371,450	78.83%	\$8,348,270	\$8,976,133	79.16%
EXPENDITURE BY DEPARTMENT							
Fire	\$10,454,220	\$2,541,018	\$5,034,197	48.15%	\$2,656,414	\$5,506,403	48.37%
TOTAL OPERATING EXPENDITURES	\$10,454,220	\$2,541,018	\$5,034,197	48.15%	\$2,656,414	\$5,506,403	48.37%
Transfers (8)	\$955,440	\$552,560	\$784,060	82.06%	\$526,900	\$759,590	82.51%
Contingencies/Reserves	157,240	0	0	0.00%	0	0	0.00%
TOTAL ALL EXPENDITURES	\$11,566,900	\$3,093,578	\$5,818,257	50.30%	\$3,183,314	\$6,265,993	50.49%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	\$321,520	\$5,632,896	\$3,553,193		\$5,164,956	\$2,710,140	

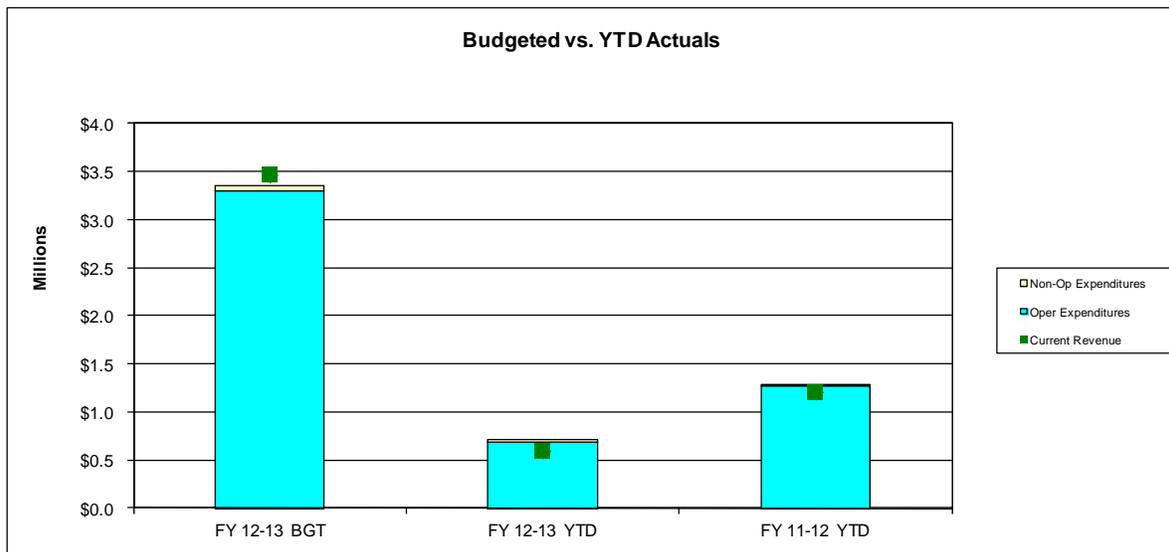
- (1) The majority of current year property taxes are collected in the second quarter. This year's collection pattern is consistent with prior years.
- (2) License, Fees & Permits are on target for FY12-13 predictions, but below prior year comparisons due to a slight decrease in the number of project (including fire and life safety plans) reviews.
- (3) Charges for Service include two main components: ambulance revenue and payments from Corvallis Rural Fire Protection District (CRFPD). Second quarter revenues in each year reflect the receipt of approximately 88% of CRFPD's annual contracted amount, which is in line with the property tax collection timing which underpin this source.
- (4) Intergovernmental revenues budgeted in FY12-13 are associated with an EMPG grant reimbursement for emergency operations. This grant is reimbursable in nature and tends to lag expenditures.
- (5) Fines & Forfeitures are above target and prior year due to an increase in civil penalties and nuisance alarms compared to the same time last year.
- (6) Miscellaneous revenue is higher than budget and last fiscal year due to a large recovery of bad debts collected from ambulance calls.
- (7) The unbudgeted receipts in this category relate to sales of capital assets. Revenues received in FY12-13 are from the sale of two vehicles (one ambulance and one staff vehicle).
- (8) Transfers relate to this fund's share of debt service for Pension Obligation bonds, payments for which are weighted to the first half of the year.



COMMUNITY DEVELOPMENT REVOLVING FUND

REVENUE	AMENDED BUDGET	2nd Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	2nd Quarter FY 11-12	Y-T-D FY 11-12	FY 11-12 % REC/EXPEND
Budgeted Fund Balance (1)	(\$27,343)						
Licenses/Permits (2)	\$131,670	(\$1,617)	\$136,807	103.90%	(\$495)	\$129,635	102.32%
Charges for Service	5,000	0	5,000	100.00%	0	5,000	100.00%
Intergovernmental (3)	2,967,410	186,113	253,868	8.56%	710,769	902,283	26.26%
Fines/Forfeitures	2,300	60	136	5.91%	41	109	4.74%
Miscellaneous (4)	359,420	104,788	203,237	56.55%	108,002	174,084	40.19%
TOTAL CURRENT REVENUE	\$3,465,800	\$289,344	\$599,048	17.28%	\$818,317	\$1,211,111	30.25%
EXPENDITURE BY DEPARTMENT							
Community Development (5)	\$3,305,250	\$407,145	\$692,593	20.95%	\$231,418	\$1,270,414	29.30%
TOTAL OPERATING EXPENDITURES	\$3,305,250	\$407,145	\$692,593	20.95%	\$231,418	\$1,270,414	29.30%
Transfers (6)	\$21,040	\$10,960	\$18,880	89.73%	\$7,780	\$11,220	15.09%
Contingencies/Reserves	31,950	0	0	0.00%	0	0	0.00%
TOTAL ALL EXPENDITURES	\$3,358,240	\$418,105	\$711,473	21.19%	\$239,198	\$1,281,634	28.85%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	\$107,560	(\$128,761)	(\$112,425)		\$579,119	(\$70,523)	

- (1) A negative beginning fund balance was projected when the FY 12-13 Budget was adopted for this fund and would have resulted in staff pursuing approval from Council for an interfund loan had it occurred. By year-end however, the situation resolved itself, and revenues ended up exceeding expenditures by about \$63,000.
- (2) Invoices are issued annually for the rental housing program in September, meaning all of the revenue is recorded at the end of the first quarter when billed. Negative activity in subsequent quarters typically reflects the write-offs associated with non-collection of some of these funds.
- (3) CDBG and HOME program grant revenues are based on reimbursements and received only after expenditures are incurred. Timing of spending and receipts is sporadic and relatively unpredictable, so results above are typical.
- (4) This line includes fourteen loan payoffs through the second quarter, plus regular principal and interest payments.
- (5) Expenditures are primarily grant-related in this fund, and thus variable in timing. Six loans and ten grants have closed through the second quarter. Grants include funding for eight non-profit agency activities through the CDBG Human Services Fund; CDBG Microbusiness program funding for Linn-Benton Community College; and Community Housing Development Organization (CHDO) operating funding for Willamette Neighborhood Housing Services (WNHS). Like other projects in the HOME and CDBG programs, these projects will be reimbursed through multiple grant payments in FY12-13.
- (6) Transfers include this fund's portion of the semi-annual debt service payments for the Pension Obligation Bonds and transfers related to capital projects. Transfers for capital projects are made based on anticipated needs. Please see the Capital Improvement Program section for information on the status of capital projects.



PARKING FUND

REVENUE	AMENDED BUDGET	2nd Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	2nd Quarter FY 11-12	Y-T-D FY 11-12	FY 11-12 % REC/EXPEND
Budgeted Fund Balance	\$995,918						
Licenses/Permits (1)	\$25,000	\$3,845	\$12,483	49.93%	\$3,845	\$12,894	64.47%
Charges for Service (2)	187,170	44,570	86,732	46.34%	45,134	93,889	57.20%
Fines/Forfeitures (3)	450,000	128,251	214,214	47.60%	116,675	209,481	51.61%
Miscellaneous (4)	3,910	1,925	3,404	87.06%	2,211	3,162	41.06%
TOTAL CURRENT REVENUE	\$666,080	\$178,591	\$316,833	47.57%	\$167,865	\$319,426	53.44%

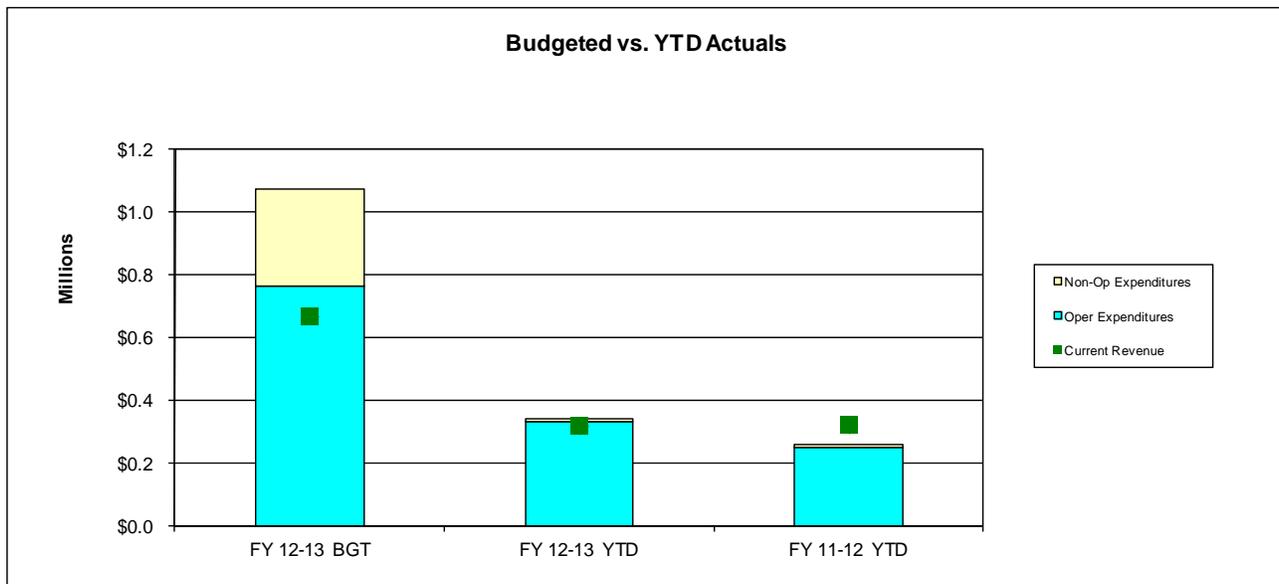
EXPENDITURE BY DEPARTMENT

Community Development	\$4,050	\$964	\$1,965	48.52%	\$910	\$1,963	48.23%
Finance (5)	215,420	51,941	94,370	43.81%	33,404	65,178	45.48%
Police (6)	355,580	74,401	155,531	43.74%	64,973	127,499	36.30%
Public Works (6)	184,280	50,211	77,677	42.15%	24,430	51,426	29.90%
TOTAL OPERATING EXPENDITURES	\$759,330	\$177,517	\$329,543	43.40%	\$123,717	\$246,066	36.70%
Transfers (7)	\$299,060	\$7,220	\$10,250	3.43%	\$7,850	\$11,320	4.46%
Contingencies/Reserves	13,320	0	0	0.00%	0	0	0.00%
TOTAL ALL EXPENDITURES	\$1,071,710	\$184,737	\$339,793	31.71%	\$131,567	\$257,386	27.49%

CURRENT REVENUE LESS

TOTAL EXPENDITURES	(\$405,630)	(\$6,146)	(\$22,960)		\$36,298	\$62,040	
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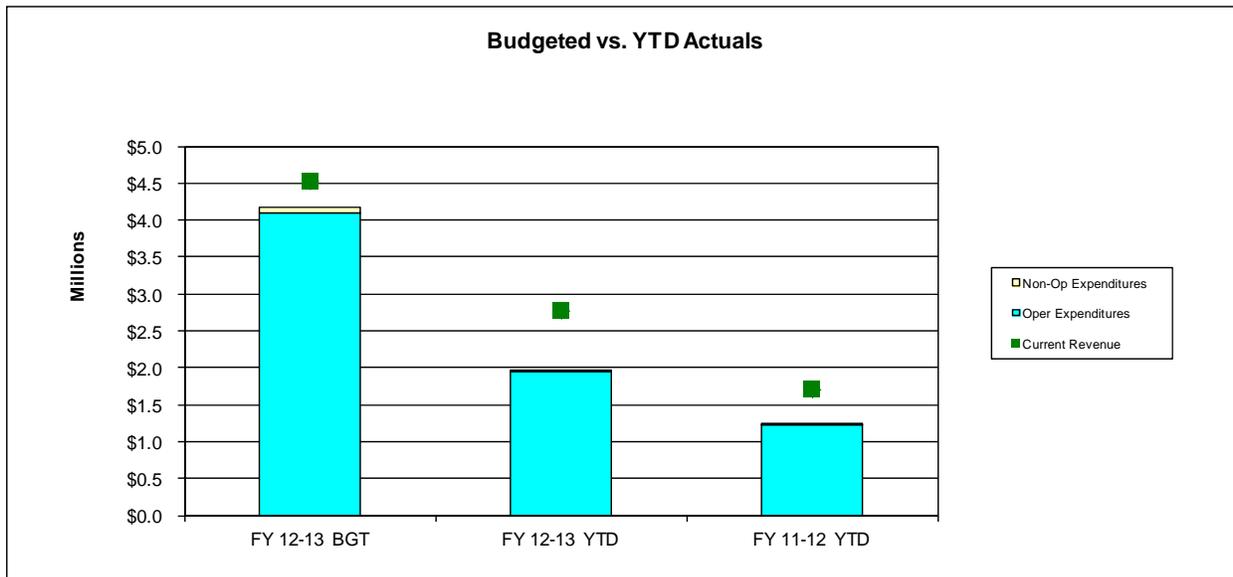
- While collection of residential parking permit fees has been consistent over the past two fiscal years, the truing up of anticipated revenue for the FY 12-13 budget means receipts appear more on target this fiscal year.
- Parking meter revenue is lower than last fiscal year due primarily to timing of collections and a recent increase in vandalism that is being actively addressed by Public Works together with the Police Department.
- Revenue from fines and forfeitures represents revenue collected for offenses and infractions. Revenues in FY12-13 are lower than budget and FY11-12 due to fewer tickets issued as new parking enforcement staff was not yet fully trained. However, with additional home football games and a significant increase in residential district parking fines effective September 24, 2012, revenues rebounded in the second quarter.
- Miscellaneous revenue fluctuates year over year since it is comprised primarily of interest on investments (based on proportionate average daily cash balance for the fund).
- Expenditures are low as a percentage of budget due to an employee on long-term disability, but are higher than last fiscal year due to re-allocating municipal court staff time to adequately represent the resources used to support the Parking fund.
- Police and Public Works expenditures are below budget due primarily to special projects having not been spent at targeted levels year-to-date. In addition, a 0.5 FTE vacancy of Transportation Program Specialist vacancy in the Public Works department has led to further savings.
- Transfers include this fund's portion of the semi-annual debt service payments for the Pension Obligation Bonds and transfers related to capital projects. Transfers for capital projects are made based on anticipated needs. Please see the Capital Improvement Program section for information on the status of capital projects.



TRANSIT FUND

REVENUE	AMENDED BUDGET	2nd Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	2nd Quarter FY 11-12	Y-T-D FY 11-12	FY 11-12 % REC/EXPEND
Budgeted Fund Balance	\$532,323						
Licenses, Fees, & Permits (1)	1,173,900	306,242	601,970	51.28%	215,379	436,950	49.69%
Charges for Service (2)	223,610	76,268	114,359	51.14%	71,018	74,547	34.73%
Intergovernmental (3)	2,361,920	730,413	879,732	37.25%	414,778	486,883	28.02%
Fines & Forfeitures	0	25	78	0.00%	0	0	0.00%
Miscellaneous (4)	772,500	1,144,678	1,180,483	152.81%	671,253	710,809	51.92%
Other Financing Sources	0	0	0	0.00%	0	0	0.00%
TOTAL CURRENT REVENUE	\$4,531,930	\$2,257,626	\$2,776,622	61.27%	\$1,372,428	\$1,709,189	40.69%
EXPENDITURE BY DEPARTMENT							
Public Works (5)	\$4,089,460	\$1,399,387	\$1,955,991	47.83%	\$667,031	\$1,228,271	35.28%
TOTAL OPERATING EXPENDITURES	\$4,089,460	\$1,399,387	\$1,955,991	47.83%	\$667,031	\$1,228,271	35.28%
Transfers	\$12,140	\$7,020	\$9,960	82.04%	\$6,650	\$9,590	82.53%
Contingencies/Reserves	77,130	0	0	0.00%	0	0	0.00%
TOTAL ALL EXPENDITURES	\$4,178,730	\$1,406,407	\$1,965,951	47.05%	\$673,681	\$1,237,861	35.08%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	\$353,200	\$851,219	\$810,671		\$698,747	\$471,328	

- (1) License, Fees & Permits revenue is based on the Sustainability Initiative Fee. Revenue collection for FY 12-13 has increased due to an increase in per household fees driven by the related City ordinance. Total collection has also benefitted from an increase in OSU group housing fees and the addition of OSU general building fee contributions.
- (2) Charges for Service revenue is collected from the City of Adair, the City of Philomath, and Benton County for special transportation funding (STF), and ASOSU for the Beaver Bus, respectively. Prior year revenues were lower than anticipated at the time, due to delays in the billing process.
- (3) Intergovernmental revenue includes both operating and capital grants and is reimbursable in nature, so tends to lag expenditures.
- (4) The main source of revenue in this category is nearly \$1.2 million Business Energy Tax Credits (BETC) budgeted in FY 11-12, but received in FY 12-13 pertaining to prior year operations. Payments for Business Energy Tax Credits are almost double what they were last year and much higher than anticipated. Other revenue in this category is from OSU and used for general transit operations and grant matching purposes.
- (5) Actuals are lower than budgeted in both years due primarily to under spending of special projects budget. However, in the second quarter of FY 12-13, the City made payment on and put into service two new replacement City buses.

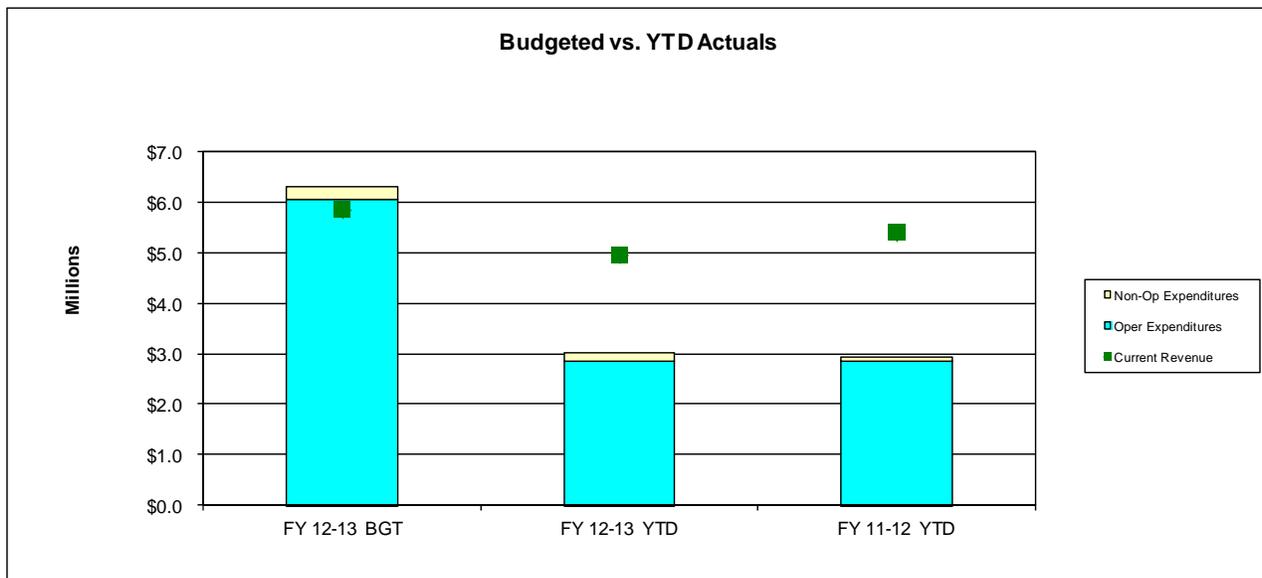


LIBRARY FUND*

REVENUE	AMENDED BUDGET	2nd Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	2nd Quarter FY 11-12	Y-T-D FY 11-12	FY 11-12 % REC/EXPEND
Budgeted Fund Balance	\$1,115,334						
Property Taxes (1)	\$2,134,980	\$1,816,754	\$1,816,754	85.09%	\$2,285,336	\$2,285,336	86.35%
Charges for Service (2)	43,420	9,226	24,582	56.61%	7,334	21,949	46.70%
Intergovernmental (3)	2,451,370	2,120,000	2,120,056	86.48%	2,153,429	2,157,525	86.41%
Fines/Forfeitures	104,800	24,393	49,683	47.41%	23,300	45,157	49.08%
Miscellaneous	78,570	4,263	41,246	52.50%	14,743	48,660	53.18%
Other Financing Sources (4)	1,039,360	907,274	907,274	87.29%	837,905	837,905	86.67%
TOTAL CURRENT REVENUE	\$5,852,500	\$4,881,910	\$4,959,595	84.74%	\$5,322,048	\$5,396,532	100.42%
EXPENDITURE BY DEPARTMENT							
Library	\$6,053,510	\$1,473,657	\$2,856,325	47.18%	\$1,355,674	\$2,856,900	43.54%
TOTAL OPERATING EXPENDITURES	\$6,053,510	\$1,473,657	\$2,856,325	47.18%	\$1,355,674	\$2,856,900	43.54%
Transfers (5)	\$192,690	\$143,200	\$171,350	88.93%	\$64,590	\$92,670	43.49%
Contingencies/Reserves	63,360	0	0	0.00%	0	0	0.00%
TOTAL ALL EXPENDITURES	\$6,309,560	\$1,616,857	\$3,027,675	47.99%	\$1,420,264	\$2,949,570	43.18%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	(\$457,060)	\$3,265,053	\$1,931,920		\$3,901,784	\$2,446,962	

* 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) Charges for Services includes Library room rental, including MIS payments for the training center, and revenue collected from parking meters surrounding the building.
- (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) Other Financing Sources represent the revenue associated with the 2011 Operating Levy. The majority of current year property taxes (including the levy taxes) were collected in the second quarter.
- (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. Please see the Capital Improvement Program section for information on the status of capital projects.



2011 OPERATING LEVY FUND

REVENUE	AMENDED BUDGET	2nd Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	2nd Quarter FY 11-12	Y-T-D FY 11-12	FY 11-12 % REC/EXPEND
Budgeted Fund Balance	\$27,430						
Property Taxes (1)	\$1,861,240	\$1,575,619	\$1,575,619	84.65%	\$1,551,389	\$1,551,389	86.67%
TOTAL CURRENT REVENUE	\$1,861,240	\$1,575,619	\$1,575,619	84.65%	\$1,551,389	\$1,551,389	86.67%
EXPENDITURE BY DEPARTMENT							
Non-Departmental	0	0	0	0.00%	0	0	0.00%
TOTAL OPERATING EXPENDITURES	\$0	\$0	\$0	0.00%	\$0	\$0	0.00%
Transfers (1)	\$1,865,350	\$1,640,158	\$1,640,158	87.93%	\$1,551,389	\$1,551,389	86.67%
TOTAL ALL EXPENDITURES	\$1,865,350	\$1,640,158	\$1,640,158	87.93%	\$1,551,389	\$1,551,389	86.67%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	(\$4,110)	(\$64,539)	(\$64,539)		\$0	\$0	

(1) This fund was established with the passage on May 17, 2011 of a 3-year operating levy in support of certain specified property tax services for the Library and Parks & Recreation departments as well as social services in the General Fund. The increase in transfers out over revenue collected is equal to the balance carried forward from collections in FY 11-12.

DAVIDSON FUND

REVENUE	AMENDED BUDGET	2nd Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	2nd Quarter FY 11-12	Y-T-D FY 11-12	FY 11-12 % REC/EXPEND
Budgeted Fund Balance	\$5,927						
Miscellaneous (1)	\$0	\$11	\$19	0.00%	\$13	\$18	30.57%
TOTAL CURRENT REVENUE	\$0	\$11	\$19	0.00%	\$13	\$18	30.57%
EXPENDITURE BY DEPARTMENT							
Library (1)	\$500	\$0	\$0	0.00%	\$0	\$0	0.00%
TOTAL OPERATING EXPENDITURES	\$500	\$0	\$0	0.00%	\$0	\$0	0.00%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	(\$500)	\$11	\$19		\$13	\$18	

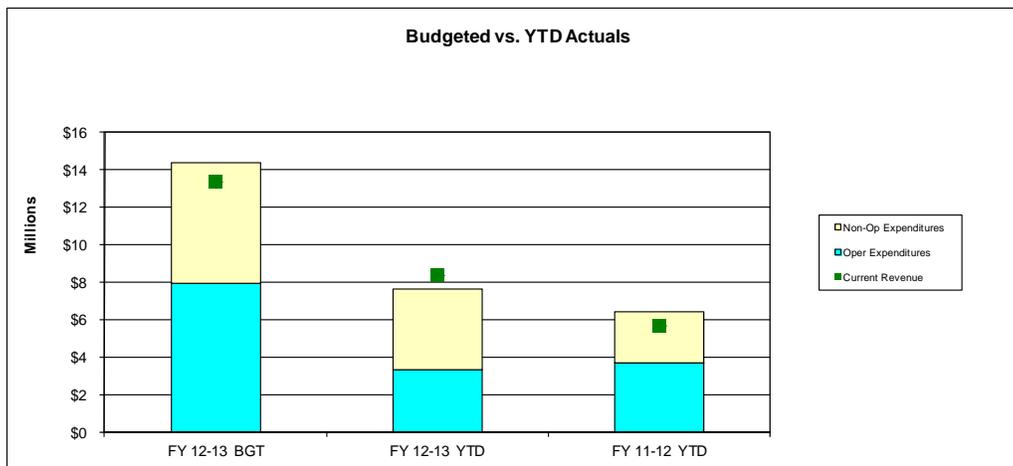
(1) The Davidson Fund is designated as a Permanent Fund under governmental accounting guidelines due to the \$5,000 endowment established through a 1981 donation in honor of the former librarian Alice Passano Davidson. Only interest earnings are expendable, and so in recent years of minimal revenues,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

COMBINED WATER FUND*

REVENUE	AMENDED BUDGET	2nd Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	2nd Quarter FY 11-12	Y-T-D FY 11-12	FY 11-12 % REC/EXPEND
Budgeted Fund Balance	\$4,725,209						
System Development Charges (1)	\$351,240	\$113,704	\$196,315	55.89%	\$172,430	\$233,721	86.56%
Charges for Service (2)	8,620,130	2,219,479	4,973,702	57.70%	1,998,368	4,498,309	52.38%
Intergovernmental (3)	0	291	291	0.00%	1,613	(7,327)	-18.32%
Fines/Forfeitures	0	0	50	0.00%	190	320	0.00%
Miscellaneous (4)	416,800	104,715	120,779	28.98%	23,036	73,958	16.79%
Transfers In/Other Financing Sources (5)	3,950,107	2,480,786	3,064,066	77.57%	0	868,860	22.99%
TOTAL CURRENT REVENUE	\$13,338,277	\$4,918,976	\$8,355,205	62.64%	\$2,195,637	\$5,667,840	43.21%
EXPENDITURE BY DEPARTMENT							
Community Development	\$55,770	\$13,441	\$27,187	48.75%	\$11,152	\$23,457	45.68%
Public Works (6)	7,840,490	1,684,364	3,252,696	41.49%	1,606,918	3,624,160	40.55%
Non-Departmental (5)	29,174	27,343	27,343	93.72%	0	0	0.00%
TOTAL OPERATING EXPENDITURES	\$7,925,434	\$1,725,148	\$3,307,226	41.73%	\$1,618,070	\$3,647,617	40.58%
Capital Projects (7)	\$1,118,180	\$76,299	\$197,806	17.69%	\$709,185	\$744,505	31.46%
Debt Service (5)	76,160	0	0	0.00%	1,018,798	1,018,798	100.00%
Transfers Out/Other Financing Uses (5)	4,994,583	3,463,082	4,090,082	81.89%	55,310	958,690	24.02%
Contingencies/Reserves	194,060	0	0	0.00%	0	0	0.00%
TOTAL ALL EXPENDITURES	\$14,308,417	\$5,264,528	\$7,595,114	53.08%	\$3,401,363	\$6,369,610	38.47%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	(\$970,140)	(\$345,553)	\$760,091		(\$1,205,727)	(\$701,770)	

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

- (1) While on track for the current year, a decrease in System Development Charges revenue from the prior year is reflective of unanticipated FY 11-12 revenues related to new housing development.
- (2) Charges for Services are derived from metered water usage. Receipts are higher this year due to increased rates and the extended dry weather going into the Fall, which caused increased consumption for irrigation purposes.
- (3) The negative actual in the prior year represented FY10-11 accrual entries for grant receipts that were offset in later quarters in FY11-12.
- (4) Miscellaneous revenue includes leases for telecommunication facilities on the Corvallis Watershed, interest on investments, scrap metal sales, and revenue from timber thinning in the Corvallis Forest.
- (5) Other Financing Sources/Uses and Transfers are related to capital projects and debt service activity. A 2nd quarter debt refunding of two Oregon Business Development Department (OBDD) loans represents most of the activity in each of these lines in FY 12-13. Non-Departmental expenditures are not typically recorded in this fund. However, in FY 12-13, the non-departmental category reflects issuance costs for the debt refunding. Debt Service payments are considerably lower in FY 12-13 due to the refunding. Payoffs for the two OBDD loans were made out of Other Financing Uses.
- (6) With several special projects underway, Public Works expenditures are on track with previous FY spending totals. As in previous years, the majority of special projects are completed in the latter half of the fiscal year.
- (7) Capital Improvement expenditures are project based, and therefore variable in nature. See the Capital Improvement Program section for details regarding capital project expenditures.

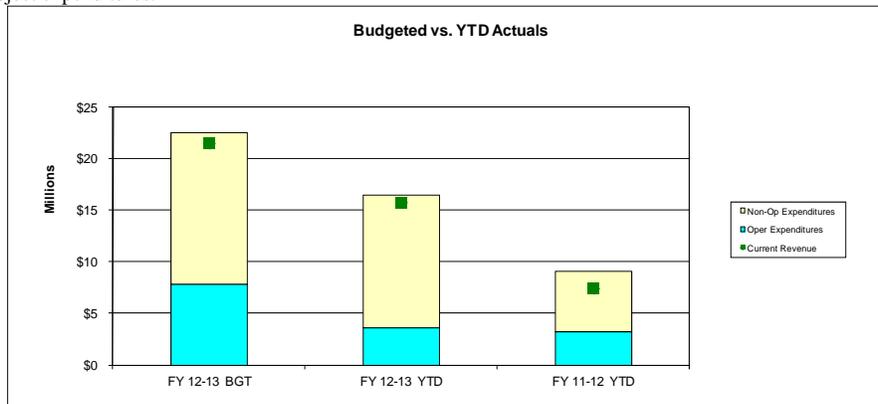


COMBINED WASTEWATER FUND*

REVENUE	AMENDED BUDGET	2nd Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	2nd Quarter FY 11-12	Y-T-D FY 11-12	FY 11-12 % REC/EXPEND
Budgeted Fund Balance	\$10,056,400						
System Development Charges (1)	\$778,910	\$346,902	\$532,517	68.37%	\$529,894	\$681,015	119.48%
Charges for Service	9,351,980	2,358,771	4,358,914	46.61%	2,254,332	4,195,291	46.40%
Intergovernmental (2)	38,632	866	866	2.24%	0	0	0.00%
Fines & Forfeitures	0	90	119	0.00%	10	10	0.00%
Miscellaneous (3)	61,500	31,734	49,586	80.63%	42,934	60,616	51.91%
Other Financing Sources (4)	11,248,958	10,205,888	10,790,048	95.92%	1,737,025	2,487,025	82.56%
TOTAL CURRENT REVENUE	\$21,479,980	\$12,944,251	\$15,732,049	73.24%	\$4,564,196	\$7,423,956	58.27%
EXPENDITURE BY DEPARTMENT							
Community Development	\$52,770	\$12,892	\$26,089	49.44%	\$11,110	\$23,262	46.17%
Public Works	7,647,542	1,829,587	3,479,824	45.50%	1,598,232	3,182,503	43.81%
Nondepartmental (4)	120,303	114,754	114,754	95.39%	0	0	0.00%
TOTAL OPERATING EXPENDITURES	\$7,820,615	\$1,957,233	\$3,620,667	46.30%	\$1,609,342	\$3,205,766	43.83%
Capital Projects (5)	\$905,360	\$175,239	\$439,659	48.56%	\$1,597,888	\$2,317,611	76.94%
Debt Service (4)	851,550	115,901	140,202	16.46%	957,606	981,907	42.80%
Transfers/Other Financing Uses (4)	12,685,355	11,588,205	12,207,995	96.24%	1,786,630	2,568,440	81.14%
Contingencies/Reserves	187,580	0	0	0.00%	0	0	0.00%
TOTAL ALL EXPENDITURES	\$22,450,460	\$13,836,578	\$16,408,524	73.09%	\$5,951,466	\$9,073,724	56.83%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	(\$970,480)	(\$892,327)	(\$676,475)		(\$1,387,270)	(\$1,649,768)	

* Includes Wastewater, Wastewater SDC and Wastewater Construction Funds.

- (1) While higher as a percentage of budget in the current year, a decrease in System Development Charges revenue from the prior year is reflective of unanticipated FY 11-12 revenues related to new housing development.
- (2) Intergovernmental revenues for this department are grant-related in nature. The budgeted FY12-13 intergovernmental revenue is related to a State of Oregon grant that is anticipated to be received later in the FY. Current revenue stems from unanticipated FEMA grant monies received.
- (3) Miscellaneous revenue fluctuates year over year since it is comprised primarily of interest on investments (based on proportionate average daily cash balance for the fund).
- (4) Other Financing Sources/Uses and Transfers are related to capital projects and debt service activity. A 2nd quarter debt refunding of the 1997 SRO-DEQ loan for the Combined Sewer Overflow represents most of the activity in each of these lines in FY 12-13. Non-Departmental expenditures are not typically recorded in this fund. However, in FY 12-13 the non-departmental category reflects issuance costs for the debt refunding. Debt Service payments are considerably lower in FY 12-13 due to the refunding. Payoffs for the two OBDD loans were made out of Other Financing Uses.
- (5) Capital Improvement expenditures are project based, and therefore variable in nature. See the Capital Improvement Program section for details regarding capital project expenditures.

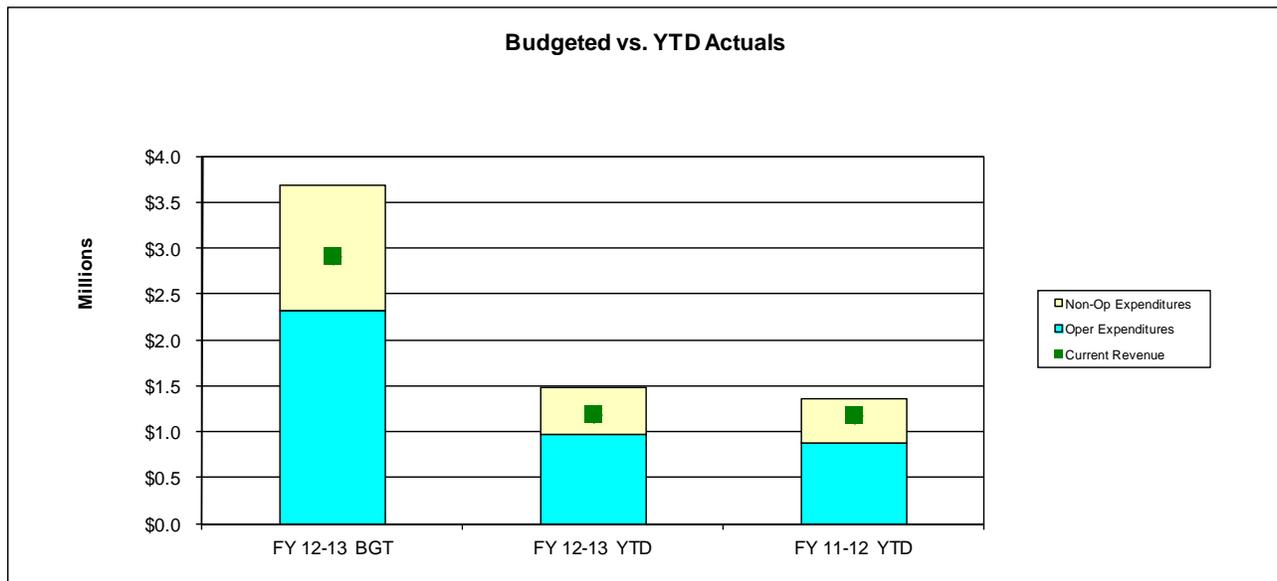


COMBINED STORM WATER FUND*

REVENUE	AMENDED BUDGET	2nd Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	2nd Quarter FY 11-12	Y-T-D FY 11-12	FY 11-12 % REC/EXPEND
Budgeted Fund Balance	\$1,177,701						
System Development Charges (1)	\$36,280	\$4,105	\$9,197	25.35%	\$13,800	\$26,595	66.49%
Charges for Service	2,098,090	509,479	963,753	45.93%	510,835	971,524	49.43%
Intergovernmental (2)	275,980	193,892	1,666	0.60%	0	0	0.00%
Fines & Forfeitures	0	20	20	0.00%	20	20	0.00%
Miscellaneous (3)	8,770	3,833	6,430	73.32%	5,146	6,896	41.19%
Other Financing Sources (4)	491,150	185,000	205,000	41.74%	50,000	171,575	28.53%
TOTAL CURRENT REVENUE	\$2,910,270	\$896,329	\$1,186,066	40.75%	\$579,801	\$1,176,610	41.04%
EXPENDITURE BY DEPARTMENT							
Community Development	\$53,670	\$12,893	\$26,127	48.68%	\$11,352	\$23,897	45.74%
Public Works (5)	2,262,060	474,593	941,494	41.62%	442,575	853,090	43.47%
TOTAL OPERATING EXPENDITURES	\$2,315,730	\$487,486	\$967,621	41.78%	\$453,927	\$876,986	43.53%
Capital Projects (4)	\$721,510	\$185,308	\$212,689	29.48%	\$70,980	\$215,673	25.92%
Transfers (4)	599,600	207,520	307,430	51.27%	68,590	266,255	35.55%
Contingencies/Reserves	42,140	0	0	0.00%	0	0	0.00%
TOTAL ALL EXPENDITURES	\$3,678,980	\$880,314	\$1,487,740	40.44%	\$593,497	\$1,358,914	37.38%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	(\$768,710)	\$16,015	(\$301,674)		(\$13,696)	(\$182,304)	

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

- (1) System Development Charges are dependent upon new development. Unlike higher than budgeted SDC levels year-to-date in other funds, Storm Water SDC's are lagging projections in FY 12-13 due to most permits issued year-to-date having been for replacement structures with little change to impervious surfaces that would result in charges for this utility area.
- (2) Intergovernmental revenues are related to the EPA's Green Streets Initiatives grant. Year-to-date FY 12-13 revenue levels are a reflection of a first quarter accrual of grant monies received that were related to prior year expenditures.
- (3) Miscellaneous revenue fluctuates year over year since it is comprised primarily of interest on investments (based on proportionate average daily cash balance for the fund).
- (4) Other Financing Sources relate primarily to Capital Projects (i.e., 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.
- (5) Actual Public Works expenditures are under budget in both fiscal years due primarily to lower than anticipated special project spending.

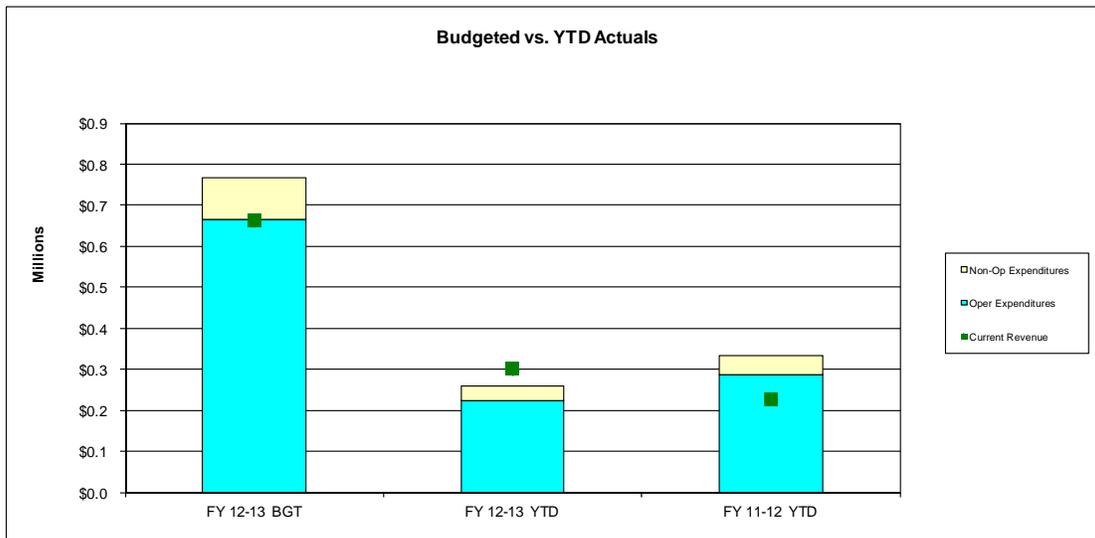


COMBINED AIRPORT FUND*

REVENUE	AMENDED BUDGET	2nd Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	2nd Quarter FY 11-12	Y-T-D FY 11-12	FY 11-12 % REC/EXPEND
Budgeted Fund Balance	\$610,421						
Licenses/Permits (1)	\$5,000	\$2,549	\$3,294	65.88%	\$2,554	\$3,272	130.90%
Charges for Service (2)	398,500	153,035	238,004	59.73%	128,412	219,322	55.88%
Intergovernmental (3)	247,500	52,882	52,882	21.37%	3,151	(150)	-0.05%
Miscellaneous (4)	9,570	1,286	6,732	70.34%	3,664	5,002	36.84%
Other Financing Sources (5)	2,500	0	0	0.00%	0	0	0.00%
TOTAL CURRENT REVENUE	\$663,070	\$209,752	\$300,912	45.38%	\$137,781	\$227,446	32.25%
EXPENDITURE BY DEPARTMENT							
Public Works (6)	\$664,940	\$99,099	\$224,343	33.74%	\$200,661	\$287,642	35.04%
TOTAL OPERATING EXPENDITURE	\$664,940	\$99,099	\$224,343	33.74%	\$200,661	\$287,642	35.04%
Capital Projects (5)	\$50,000	\$0	\$0	0.00%	\$0	\$0	0.00%
Debt Service	31,490	31,483	31,483	99.98%	32,582	32,582	99.98%
Transfers (7)	6,950	2,570	3,650	52.52%	2,240	13,230	95.11%
Contingencies/Reserves	12,260	0	0	0.00%	0	0	0.00%
TOTAL ALL EXPENDITURES	\$765,640	\$133,152	\$259,476	33.89%	\$235,483	\$333,454	37.82%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	(\$102,570)	\$76,600	\$41,435		(\$97,702)	(\$106,008)	

* Includes Airport and Airport Construction Funds.

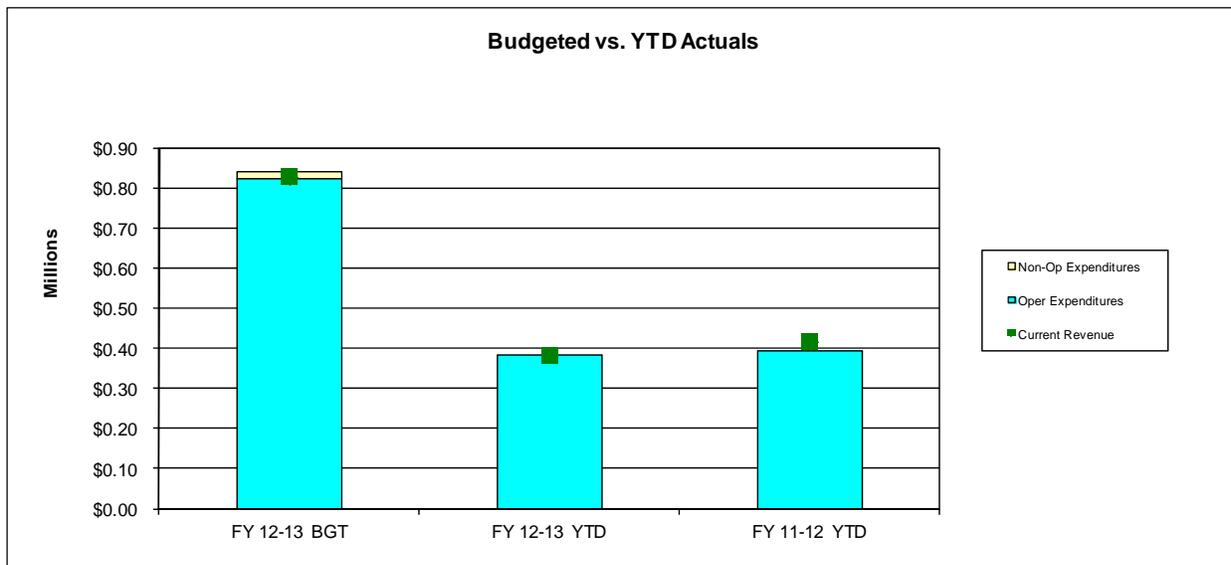
- (1) License, Fees & Permits records operator licenses and landing fees, both of which are entirely dependent on the level of traffic at the airport.
- (2) Charges for Service revenue collection is currently trending above budget this FY due primarily to higher profits on seed crop sales on airport property.
- (3) Intergovernmental revenue is grant related and is reimbursable in nature, so tends to lag expenditures. The negative actual for FY11-12 represented a prior year accrual that was offset in a later quarter.
- (4) Miscellaneous revenue in this fund is generated from investment interest earnings and variable outside usage of the airport property for training purposes; both sources are coming in higher than forecast for FY 12-13.
- (5) Other Financing Sources in FY 12-13 relate to the construction fund transfer in of the current revenue grant match portion of an airport facility improvements project. Information on the full capital project related expenditures can be found in the Capital Improvement Program section.
- (6) Public Works actual spending is under budget in both fiscal years due primarily to lower than anticipated special project spending.
- (7) Transfers include this fund's portion of the semi-annual debt service payments for the Pension Obligation Bonds. FY 11-12 includes a provision for funding of the Airport Industrial Park Development work being done by Community Development in the General Fund (whereas in FY 12-13, this economic development funding is provided for in Airport operations instead of transfers).



FLEET MAINTENANCE FUND

REVENUE	AMENDED BUDGET	2nd Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	2nd Quarter FY 11-12	Y-T-D FY 11-12	FY 11-12 % REC/EXPEND
Budgeted Fund Balance	\$43,802						
Charges for Service (1)	\$825,910	\$185,692	\$382,519	46.31%	\$203,432	\$415,342	50.19%
Miscellaneous (2)	1,340	119	423	31.57%	349	920	60.12%
TOTAL CURRENT REVENUE	\$827,250	\$185,810	\$382,942	46.29%	\$203,780	\$416,262	50.21%
EXPENDITURE BY DEPARTMENT							
Public Works	\$823,610	\$217,487	\$383,905	46.61%	\$198,303	\$392,508	47.98%
TOTAL OPERATING EXPENDITURES	\$823,610	\$217,487	\$383,905	46.61%	\$198,303	\$392,508	47.98%
Contingencies/Reserves	\$16,000	\$0	\$0	0.00%	\$0	\$0	0.00%
TOTAL ALL EXPENDITURES	\$839,610	\$217,487	\$383,905	45.72%	\$198,303	\$392,508	47.06%
CURRENT REVENUE LESS TOTAL EXPENDITURES	(\$12,360)	(\$31,677)	(\$963)		\$5,478	\$23,754	

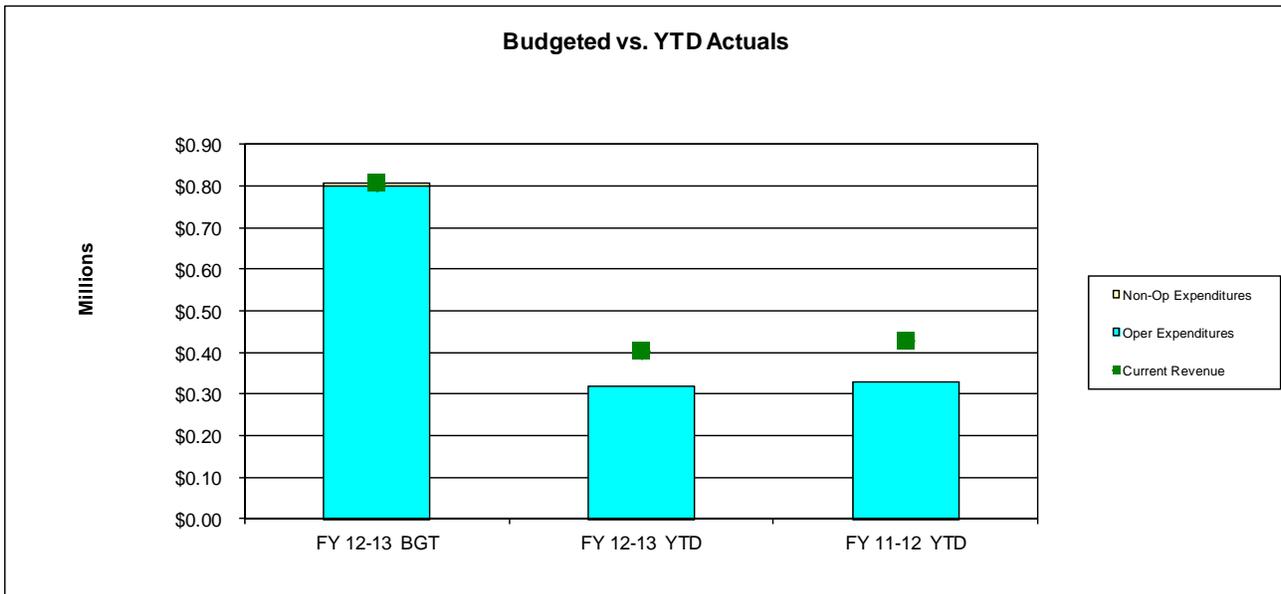
- (1) Charges for Services is trending lower in FY 12-13 primarily due to a \$22,090 decrease in revenue related to gasoline sales.
 (2) The sources of Miscellaneous Revenue are unpredictable, usually insignificant in dollar value and tend to fluctuate year to year.



FACILITY MAINTENANCE FUND

REVENUE	AMENDED BUDGET	2nd Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	2nd Quarter FY 11-12	Y-T-D FY 11-12	FY 11-12 % REC/EXPEND
Budgeted Fund Balance	\$82,333						
Charges for Service	\$804,490	\$201,123	\$402,246	50.00%	\$220,429	\$427,903	51.56%
Miscellaneous (1)	2,710	388	1,445	53.31%	392	873	26.54%
TOTAL CURRENT REVENUE	\$807,200	\$201,511	\$403,691	50.01%	\$220,821	\$428,776	51.46%
EXPENDITURE BY DEPARTMENT							
Public Works (2)	\$799,160	\$167,520	\$320,000	40.04%	\$159,902	\$330,875	40.16%
TOTAL OPERATING EXPENDITURES	\$799,160	\$167,520	\$320,000	40.04%	\$159,902	\$330,875	40.16%
Contingencies/Reserves	\$10,000	\$0	\$0	0.00%	\$0	\$0	0.00%
TOTAL ALL EXPENDITURES	\$809,160	\$167,520	\$320,000	39.55%	\$159,902	\$330,875	39.68%
CURRENT REVENUE LESS TOTAL EXPENDITURES	(\$1,960)	\$33,991	\$83,690		\$60,918	\$97,901	

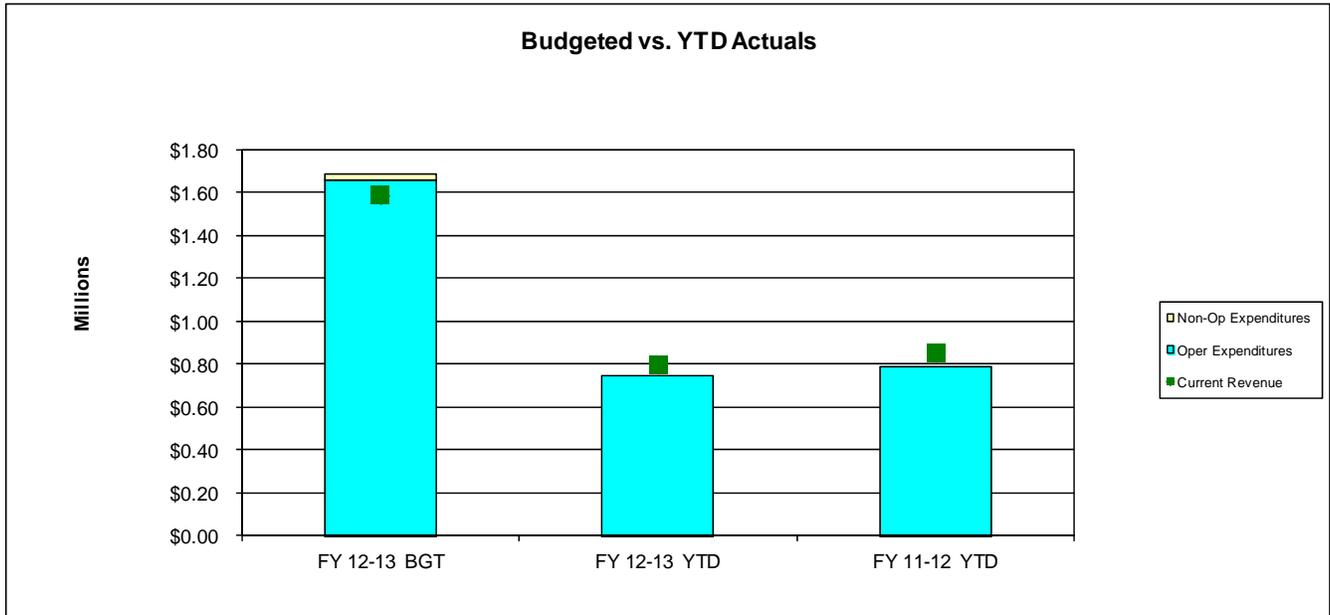
- (1) Scrap metal sales and unanticipated interest income from higher proportional fund balances contributed to revenues that were higher in FY 12-13 than both budgeted and prior year.
- (2) Actuals are under budget in both fiscal years due to vacancy savings, under spending of both services and materials & supplies budget, and lower than anticipated special project spending.



TECHNOLOGY AND COMMUNICATIONS FUND

REVENUE	AMENDED BUDGET	2nd Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	2nd Quarter FY 11-12	Y-T-D FY 11-12	FY 11-12 % REC/EXPEND
Budgeted Fund Balance	\$463,438						
Charges for Service	\$1,583,240	\$395,859	\$791,575	50.00%	\$423,873	\$847,746	49.97%
Miscellaneous (1)	3,420	1,076	3,819	111.67%	1,458	2,171	35.24%
TOTAL CURRENT REVENUE	\$1,586,660	\$396,934	\$795,395	50.13%	\$425,331	\$849,917	49.92%
EXPENDITURE BY DEPARTMENT							
Finance	\$1,443,300	\$310,650	\$677,144	46.92%	\$328,908	\$710,991	44.22%
Public Works (2)	210,750	31,766	64,911	30.80%	36,830	76,202	36.02%
TOTAL OPERATING EXPENDITURES	\$1,654,050	\$342,416	\$742,054	44.86%	\$365,738	\$787,193	43.27%
Contingencies/Reserves	\$30,000	\$0	\$0	0.00%	\$0	\$0	0.00%
TOTAL ALL EXPENDITURES	\$1,684,050	\$342,416	\$742,054	44.06%	\$365,738	\$787,193	42.57%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	(\$97,390)	\$54,519	\$53,340		\$59,593	\$62,724	

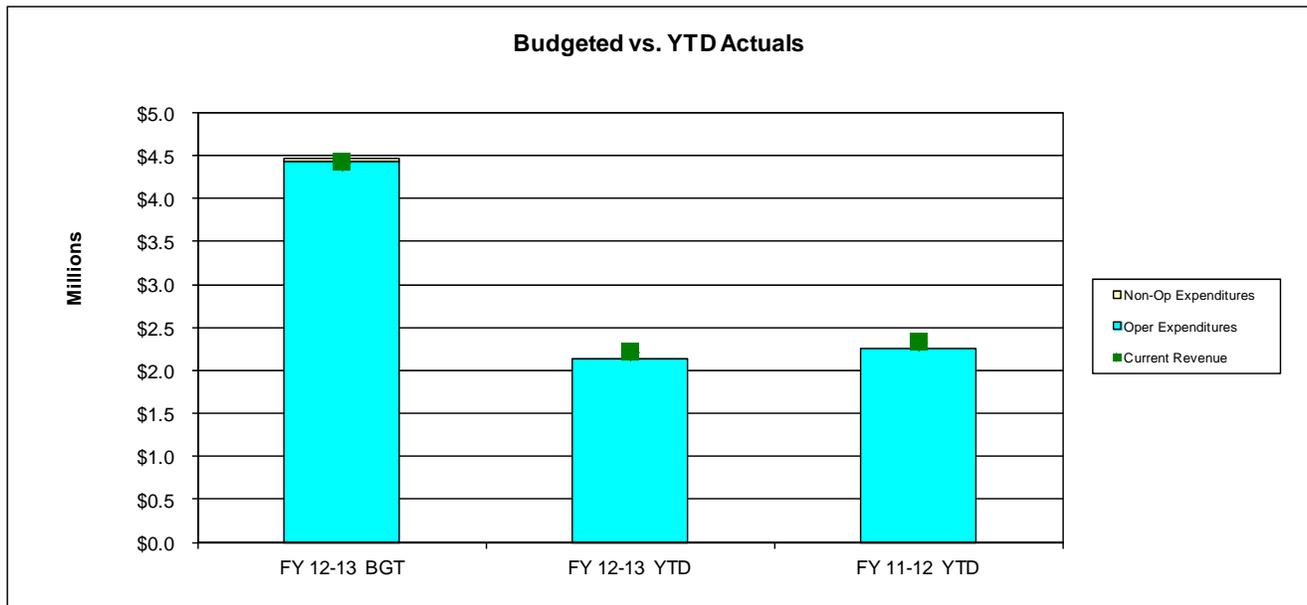
- (1) FY 12-13 year-to-date miscellaneous revenue is above budget and last fiscal year due to an unanticipated credit from a vendor for purchases made in the previous fiscal year. Absent this credit, revenue would be aligned with budget and last fiscal year.
- (2) Spending is low as a percentage of budget in both years, driven by City-requested work orders varying year to year. Total spending in FY12-13 is lower than target due to lagging special project expenditures. In addition, a 1.0 FTE position has been held open pending further analysis and possible reorganization, following the retirement of an employee, contributing to savings in this fund.



ADMINISTRATIVE SERVICES FUND

REVENUE	AMENDED BUDGET	2nd Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	2nd Quarter FY 11-12	Y-T-D FY 11-12	FY 11-12 % REC/EXPEND
Budgeted Fund Balance	\$58,234						
Charges for Service	\$4,407,520	\$1,101,882	\$2,203,764	50.00%	\$1,163,181	\$2,326,362	50.00%
Miscellaneous (1)	17,570	4,709	9,964	56.71%	1,822	3,593	36.59%
TOTAL CURRENT REVENUE	\$4,425,090	\$1,106,591	\$2,213,728	50.03%	\$1,165,003	\$2,329,955	49.97%
EXPENDITURE BY DEPARTMENT							
Finance	\$2,501,750	\$614,970	\$1,224,529	48.95%	\$656,472	\$1,283,990	49.60%
City Manager's Office	1,920,720	379,131	906,014	47.17%	472,951	965,160	45.95%
TOTAL OPERATING EXPENDITURES	\$4,422,470	\$994,101	\$2,130,543	48.18%	\$1,129,424	\$2,249,150	47.97%
Contingencies/Reserves	30,000	0	0	0.00%	0	0	0.00%
TOTAL ALL EXPENDITURES	\$4,452,470	\$994,101	\$2,130,543	47.85%	\$1,129,424	\$2,249,150	47.66%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	(\$27,380)	\$112,490	\$83,185		\$35,579	\$80,805	

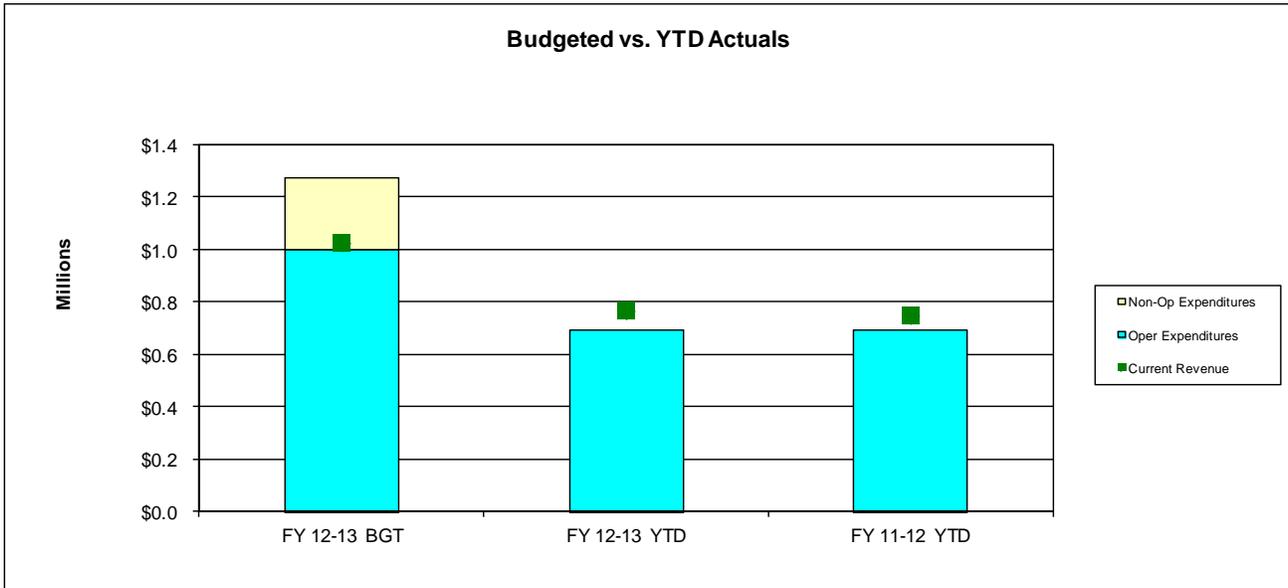
(1) Miscellaneous revenue is above both budget and prior fiscal year due to a credit received for an overpayment of permit mailings in the previous fiscal year, which is a process no longer being used. Absent this credit, miscellaneous revenue would be below budget and last fiscal year due to lower interest rates and fewer Utility Billing customer donations than anticipated.



RISK MANAGEMENT FUND

REVENUE	AMENDED BUDGET	2nd Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	2nd Quarter FY 11-12	Y-T-D FY 11-12	FY 11-12 % REC/EXPEND
Budgeted Fund Balance	\$791,008						
Charges for Service (1)	\$989,250	\$0	\$741,937	75.00%	\$0	\$735,202	75.00%
Miscellaneous (2)	36,750	7,699	24,325	66.19%	8,115	12,992	33.02%
TOTAL CURRENT REVENUE	\$1,026,000	\$7,699	\$766,262	74.68%	\$8,115	\$748,194	73.38%
EXPENDITURE BY DEPARTMENT							
City Manager's Office (3)	\$1,001,950	\$84,767	\$692,886	69.15%	\$71,224	\$696,320	72.54%
TOTAL OPERATING EXPENDITURES	\$1,001,950	\$84,767	\$692,886	69.15%	\$71,224	\$696,320	72.54%
Contingencies/Reserves	275,000	0	0	0.00%	0	0	0.00%
TOTAL ALL EXPENDITURES	\$1,276,950	\$84,767	\$692,886	54.26%	\$71,224	\$696,320	56.38%
CURRENT REVENUE LESS							
TOTAL EXPENDITURES	(\$250,950)	(\$77,067)	\$73,376		(\$63,109)	\$51,875	

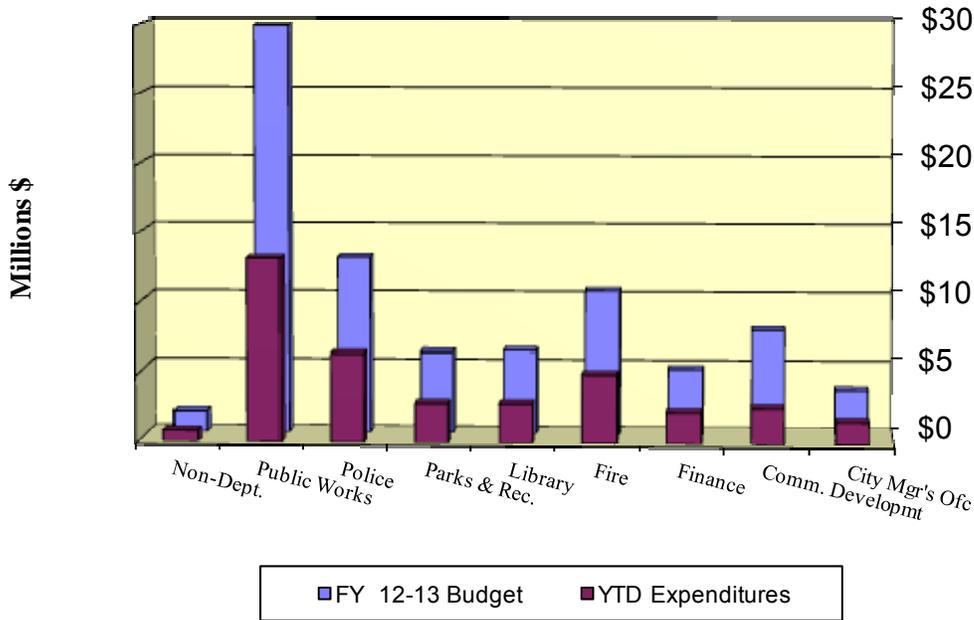
- (1) Timing of internal service charges to departments is weighted to coincide with insurance premium payments, 75% of which occur in July and 25% in January.
- (2) Miscellaneous revenue in this fund is driven by both interest earnings and by claim recoveries from insurance. Receipts for FY12-13 include approximately \$15,000 in loss reimbursements related to two City claims, compared to one case totaling approximately \$3,800 in the same period last year.
- (3) The majority of annual insurance premiums have been paid with the exception of workers compensation, which is paid quarterly, and flood insurance premiums that are expected in the third quarter.



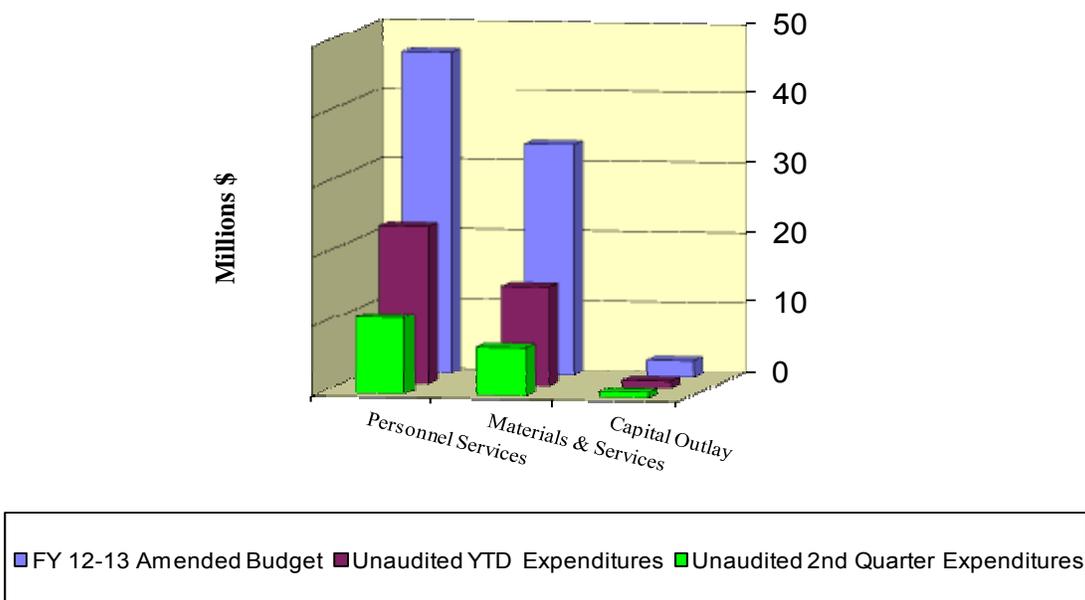
BUDGET PERFORMANCE BY DEPARTMENT

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	2012-13 Amended Budget	Unaudited 2nd Qtr Expenditures	Unaudited YTD Expenditures	Percent Expended
Personnel Services	\$1,457,620	\$280,559	\$599,239	41.11%
Supplies and Services	1,845,050	238,088	1,070,693	58.03%
Capital Outlay	0	0	0	0.00%
Total Operating Expenditures	\$3,302,670	\$518,647	\$1,669,931	50.56%

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

Noteworthy Accomplishments during this Quarter:

- Completed the 2013-2014 City Council election and orientation.
- Conducted the 2012 Citizen Attitude Survey.

Upcoming/Pending Items:

- Present results of the 2012 Citizen Survey to Council in January 2013.
- Complete the recruitment process to fill second position in the Economic Development program.
- Finalize the 2013-2014 Council Goal setting process.

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY11-12 ACTUAL	FY12-13 TARGET	2nd QTR ACTUAL	FY12-13 YTD
Cost Efficiency	Compare City FTE to number of citizens to assess efficient and effective customer service	City FTE per 1,000 population.	7.27	<7.45	7.22	7.22
	Reduce average workers' compensation claims per employee through promotion of a safe workplace.	# of workers compensation claims per 100 FTE. ⁽¹⁾	12.3	<8.75	1.26	4.06
	Maximize workplace productivity	Number of sick leave hours used per 1,000 hours worked. ⁽²⁾	25.9	<28.0	32.7	28.2
Diversity	Provide a welcoming organization that promotes and respects diversity	% of total job applicants for regular positions who identify themselves as a minority. ⁽³⁾	15%	15%	15%	15%
	Increase the percentage of employees who believe they have a welcoming workplace	% of employees surveyed who indicate their workplace is very or somewhat welcoming. ⁽⁴⁾	N/A	≥ 99%	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.	232 reams	<200	43 reams	101 reams
	Measure the benefits to compensation ratio for competitiveness, retention, attraction and comparator purposes.	Benefits as a % of total compensation.	36%	<35%	35%	35%

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY11-12 ACTUAL	FY12-13 TARGET	2nd QTR ACTUAL	FY12-13 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. ⁽⁵⁾	85%	>86%	86%	86%
	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. ⁽⁶⁾	78%	>80%	N/A	N/A
		% of Citizen Attitude Survey respondents who rated the job the City does at welcoming citizen involvement as excellent or good. ⁽⁶⁾	67%	>70%	N/A	N/A
		% of Citizen Attitude Survey respondents who rated the job the City does at listening to citizens as excellent or good. ⁽⁶⁾	60%	>65%	N/A	N/A

- (1) There were 5 workers compensation claims filed in the second quarter of FY12-13.
- (2) In the second quarter, 32% of sick hours used were classified as Family Medical Leave Act or sick child leave.
- (3) Of the 547 applicants in the second quarter, 80 identified themselves as a minority.
- (4) No date has been set for conducting the next employee survey.
- (5) The 2012 Citizen Attitude Survey was completed in November and the results are on the City's website.
- (6) The 2012 Citizen Attitude Survey did not include this question. This measure will be revisited and revised as necessary for FY 13-14.

COMMUNITY DEVELOPMENT

Type of Expenditure	2012-13 Amended Budget	Unaudited 2nd Qtr Expenditures	Unaudited YTD Expenditures	Percent Expended
Personnel Services	\$3,746,400	\$875,590	\$1,758,729	46.94%
Supplies and Services	3,822,280	506,205	852,369	22.30%
Capital Outlay	57,960	0	0	0.00%
Total Operating Expenditures	\$7,626,640	\$1,381,795	\$2,611,099	34.24%

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

Noteworthy Accomplishments This Quarter:

- Received 154 Rental Housing Program-related contacts in the second quarter outlining 271 separate issues, with 78 issues related to habitability and 192 of a non-habitability nature. Forty-one of the habitability issues reported are or may be subject to the Rental Housing Code, so Housing staff are working with complainants to achieve resolution or move to enforcement.
- Approved and closed two rehabilitation loans totaling \$69,293. These loans will help two very low income families carry out critical repairs to preserve the livability of their homes.
- Approved two First Time Home Buyer down payment assistance loans totaling \$18,000.
- Completed and submitted to the U.S. Department of Housing and Urban Development (HUD) an update of the City's Analysis of Impediments to Fair Housing and Fair Housing Plan. As a recipient of funding through HUD's Community Development Block Grant and HOME Investment Partnerships programs, the City must periodically update the Analysis and Plan document in order to fulfill its certifications to HUD that will affirmatively further fair housing in Corvallis.

Noteworthy Accomplishments This Quarter (Continued):

- The Planning Division issued 15 land use decisions in the second quarter, including one for the new OSU Student Experience Center and the Asian and Pacific Cultural Center. An appeal for the Asian and Pacific Cultural Center has been received and set for a public hearing before the City Council.
- Received 25 land use applications, including 9 Historic Preservation permit applications, an application for a Major Adjustment to the OSU Campus Master Plan to allow construction of a new dormitory in Sector D.
- The City Council concluded review of the 2012 Land Development Code Amendment Package (LDT12-00001), with formal findings for the adoption of five ordinances for five categories of code amendments at their December 3rd meetings. The five categories of code amendments are: Infill Task Force items, Housekeeping items, Substantive Issues items, Local Food items, and Parking items.
- Development Services staff completed training, testing, and implementation of Accela Automation, a new web-based permit tracking system, which provides a number of enhancements that will ultimately save customers time and money. Future modules include Accela Mobile Office for Field Inspectors and ePlans for conducting electronic plan review, which are in concert with the 3-year Development Services Service Enhancement Package to improve inspection and plan review services.
- Held quarterly Development Services Stakeholder Advisory Group meeting.
- A number of City/OSU Collaboration Project Work Groups held meetings: Neighborhood Livability received information on property maintenance, rental licensing programs, and examples of neighborhood design standards and guidelines; Neighborhood Planning continued discussions and review of proposals regarding regulating occupancy for unrelated individuals, standards for apartment designs, and property maintenance; and Parking and Traffic reviewed preliminary transit strategies and marketing recommendations from the City’s Draft Transit Master, parking district management issues, and identified additional strategies.
- The Urban Services Committee reviewed the Airport Industrial Park Development Plan following Benton County’s approval in October of the new County Airport Industrial Park Plan.

Upcoming/Pending Items:

- The 24-unit Seavey Meadows site will be completed in late July/early August. The City provided \$1.45 million in HOME funding and \$210,000 in CDBG funding to support the project.
- The Work Groups and Steering Committee will continue to address the project scope of work which extends over the next 18-24 months.
- The Planning Commission will review the Planning Division Work Program beginning in February.
- The Historic Resources Commission will look for opportunities to streamline processes related to LDC Chapter 2.09.
- The City Council will hold a public hearing to review Community Development Block Grant and HOME Investment Partnerships (HOME) program guidelines and Citizen Participation Plan.
- Continue working on policy amendments and funding priorities related to the Social Service Policy with the Human Services Committee.

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY11-12 ACTUAL	FY12-13 TARGET	2nd QTR ACTUAL	FY12-13 YTD
Cost Efficiency	Maintain stated objective of completing inspections within same day of request.	Percentage of building inspections completed on time. ⁽¹⁾	100%	95%	N/A	N/A
	Achieve plan review turn-around time consistent with other Oregon cities.	Percentage of initial residential plan review completed within 14 calendar days. ⁽¹⁾	98%	90%	N/A	N/A
	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. ⁽²⁾	99%	25%	0%	282%
	Meet or exceed State requirements for land use application review time.	Average review time (in days) to process a public hearing land use application.	34	< 100 days	31	32

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY11-12 ACTUAL	FY12-13 TARGET	2nd QTR ACTUAL	FY12-13 YTD
	Meet or exceed State requirements for land use application review time.	Average review time (in days) to process administrative land use application.	18	< 45 days	12	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. ⁽³⁾	8.5	10.0	2.9	3.0
Community Involvement	Achieve at least the targeted % citizen rating of excellent or good.	Citizen satisfaction with land use process, from customer survey. ⁽⁴⁾	54%	60%	N/A	N/A
Sustainability	Conserve resources by reducing fuel and paper use.	Percentage of permits issued online. ⁽⁵⁾	26%	30%	N/A	N/A
	Maintain the quality of low income housing in a cost effective manner.	Units of housing rehabilitated per \$100,000 in City funds invested. ⁽⁶⁾	2.7	3.0	3.7	3.5

- (1) Reporting with the new Accela software will be available in the third quarter.
- (2) Typically, most of each fiscal year's HOME match is credited once in September of each year, so it is not uncommon to have early YTD reporting a match figure significantly higher than the target, with subsequent quarters reporting a 0% match amount while still meeting/exceeding the annual match goal on a year-to-date basis. In the first quarter of FY12-13, \$408,959 in match credit was earned, offset by \$145,000 in second quarter HOME project expenditures.
- (3) In the second quarter, two First Time Home Buyer down payment assistance loan was granted. In addition, the city HOME- and CDBG- funded, 48-unit Alexander/Seavey affordable rental housing development was completed during the quarter. The City invested a total of \$1,660,000 in this Willamette Neighborhood Housing Services project.
- (4) The 2012 Citizen Attitude Survey did not include this question. This measure will be revisited and revised as necessary for FY 13-14.
- (5) Online services expanded in August 2011 to include solar permits. Performance will be reported using statistical reports using the new Accela software in the third quarter.
- (6) Three Essential Repair Loan Program owner occupied housing rehabilitation projects reached completion during the quarter. The projects consisted of relatively extensive interior and exterior rehab improvements.

FINANCE

Type of Expenditure	2012-13 Amended Budget	Unaudited 2nd Qtr Expenditures	Unaudited YTD Expenditures	Percent Expended
Personnel Services	\$3,225,780	\$787,738	\$1,586,310	49.18%
Supplies and Services	1,459,430	331,993	705,840	48.36%
Capital Outlay	105,000	0	0	0.00%
Total Operating Expenditures	\$4,790,210	\$1,119,732	\$2,292,150	47.85%

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

Noteworthy Accomplishments during this Quarter:

- Completed testing phase and made additional progress on installation of MR Click2Gov software module to allow customers to pay many of their City bills online.
- The Administrative Services Committee (ASC) approved revisions to City Services billing procedures.
- Submitted the department technology replacement plan and a proposed FY13-14 and revised FY12-13 budget.
- Completed the FY11-12 audit and received a clean opinion.
- Continued incorporation of Purchasing Cards (Pcards) into City-wide purchasing practices.
- Began implementation of a significant upgrade to the City's financial system (ONESolution software).
- After participating in a Moody's credit rating call, the department conducted a competitive bid process for refunding of the OBDD and DEQ loans, achieving a debt issuance that resulted in net present value savings to utility funds of nearly \$1.6 million.

- Implemented Email archiving solution to be in compliance with State of Oregon Administrative Rules (OAR) retention period for its record series.
- Implemented Online and Journal Archiving solution to facilitate e-discovery requests.
- Completed the Windows 7 operating system upgrade to all City staff, including upgrading to the MS Office 2007 suite.

Upcoming/Pending Items:

- Finalize online payment set-up for miscellaneous accounts receivable, including liquor, tobacco, used merchandise licenses, alarm permits and traffic tickets.
- Conduct annual liquor and tobacco license renewal process.
- Review mobile utility bill payment application.
- Develop customer service initiative paper for Council addressing credit card surcharges, convenience fees, mobile payment applications and a new online payment portal financial software solution called ONESolution Gov.Now.
- Start preparation for FY12-13 financial audit.
- Issue W2 forms to all City employees, including implementation of new Healthcare Reform Act information provision of employer-paid medical insurance amounts.
- Work with departments on submission and analysis of proposals for the FY13-14 budget cycle.
- Upgrade various separate City websites related to online payments, Corvallis maps and Laserfiche Archives to interface with the new main city website.
- Continue work on the implementation of the SunGard ONESolution financial system, including the payroll module.

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY11-12 ACTUAL	FY12-13 TARGET	2nd QTR ACTUAL	FY12-13 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 \$1,550 per capita. ⁽¹⁾	\$1,643	≥ \$1,550	\$736	\$987
	Ensure City resources are primarily spent on operations that provide services directly to citizens.	Maintain general overhead costs (City Manager’s Office and Finance) at less than 7% of total operating budget.	5.9%	<7.0%	5.2%	5.5%
	Provide necessary information technology resources for departments to operate efficiently.	Achieve 100% server uptime relative to scheduled server uptime. ⁽²⁾	99.96%	100%	99.99%	99.99%
	Manage MIS resources effectively and provide cost-efficient, high-quality, pro-active service to the organization to support system changes to adapt to ongoing departmental needs.	Resolve service calls to repair calls at a ratio of three to one and document repair calls more accurately while recording multiple repair calls into a single repair call if a single incident is involved. ⁽³⁾	1.37/1	3.00/1	1.29/1	1.25/1
	Increase organizational efficiency in providing service output.	Maintain operating expenditures less than or equal to \$1,490 per capita. ⁽⁴⁾	\$1,395	≤ \$1,490	\$343	\$688
Sustainability	Reduce department wide paper consumption through increased use of electronic file sharing and software upgrades.	Reduce paper purchases by 10% in FY 11/12 over actual FY 10/11 consumption with an additional 3% reduction in FY 12/13 (as measured in reams on a quarterly basis). ⁽⁵⁾	630	548	100	260

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY11-12 ACTUAL	FY12-13 TARGET	2nd QTR ACTUAL	FY12-13 YTD
	Reduce paper and postage costs by increasing proportion of Utility Billing customers participating in E-Bill program.	Increase number of E-Bill participants to 10% of Utility Billing customers. ⁽⁶⁾	1,761	1,500	1,604	1,604

- (1) The first quarter operating revenue per capita was restated using most up-to-date PSU Population Research Group figure of 55,055 (December 2012).
- (2) MIS did not experience any significant outages during the second quarter. Overall performance for the fiscal year is near perfect which indicates adequate server backup and scheduling of maintenance.
- (3) MIS Help Desk is documenting repair calls more accurately and recording multiple repair calls into a single repair call if a single incident is involved. The normal result is fewer incidents that require tracking and more resolved service calls. In the second quarter, MIS had 460 service calls to 356 repair calls.
- (4) This measure has been updated in FY 12-13 to reflect a more current level. However, actual expenditures are higher than anticipated and further reductions will be likely.
- (5) Paper consumption decreased in the second quarter. Although reducing to below FY11-12 levels is still possible, paper consumption is likely to increase due to printing major financial documents in-house instead of contracting with an outside vendor. The target for FY12-13 was originally mistakenly reported as 565 on the first quarter operating report, and has been adjusted above.
- (6) While lower than year-end FY 11-12 e-bill customer levels, the number of E-Bill customers already exceeds the FY 12-13 target in the second quarter. Variable results are primarily due to OSU student turnover. Staff is continuing to publicize the benefits of an E-Bill on the monthly City Services bill and anticipates continued increased participation by all utility customers over the next several quarters. If results continue to exceed the 10% target again this whole year, staff will likely increase target for FY 13-14 budget process.

FIRE

Type of Expenditure	2012-13 Amended Budget	Unaudited 2nd Qtr Expenditures	Unaudited YTD Expenditures	Percent Expended
Personnel Services	\$8,577,900	\$2,126,135	\$4,231,637	49.33%
Supplies and Services	1,861,320	414,882	802,560	43.12%
Capital Outlay	15,000	0	0	0.00%
Total Operating Expenditures	\$10,454,220	\$2,541,018	\$5,034,197	48.15%

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

Noteworthy Accomplishments during this Quarter:

- Hosted the Fire Department's annual open house.
- Successfully implemented the training tracking module of the High Plains records management software.
- Designed and implemented two additional electronic reports on the Cityshare intranet, eliminating paper forms.

Upcoming/Pending Items:

- Continue progress on work with the contracted architect for design and relocation of the planned new drill tower and complete cost estimates for the balance of work to be done.
- Finalize and implement additional upgrades for MobileTrak software.

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY11-12 ACTUAL	FY12-13 TARGET	2nd QTR ACTUAL	FY12-13 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.	5,848	7,000	1,773	3,813
Cost Efficiency	Achieve a response time of 5 minutes or less from dispatch to arrival on Code 3 fire calls within the city limits, greater than our comparator's average of 65%	Percentage of total fire calls with a response time of 5 minutes or less from dispatch to arrival within city limits. ⁽¹⁾	63.0%	>70.0%	64.0%	63.5%
	Achieve a response time of 5 minutes or less from dispatch to arrival of ALS equipment of Code 3 EMS calls within the city limits, greater than the 45% ASA contract target.	Percentage of EMS calls requiring ALS with response time of 5 minutes or less from dispatch to arrival within city limits. ⁽¹⁾	57.0%	60.0%	54.0%	56.0%
	Maintain operating costs per capita at or below that of comparator cities (\$166.40)	Total fire operating expenditures per capita. ⁽²⁾	\$162.55	<\$166.40	\$37.66	\$74.60 ⁽²⁾
	Maintain false alarm rate at or below the 38% level experienced by ICMA comparators.	False Alarm malfunctions as a % of total non-EMS incidents. ⁽³⁾	11.7%	<38.0%	31.4%	32.5%
Sustainability	Maintain average fire loss per 1,000 population within city limits less than regional average of \$32.5.	Maintain average fire loss per 1,000 population within city limits less than national average. ⁽⁴⁾	\$8.39	<\$32.50	\$3.13	\$3.49 ⁽²⁾
	Maintain number of reported residential structure fires per 1,000 population within the city limits at less than the national average of 0.89.	Residential structure fires per 1,000 population served within city limits. ⁽⁴⁾	.30	<0.89	0.18	0.62 ⁽²⁾

- (1) Staffing level reductions are resulting in some below target response times, but department is still managing to stay within range of comparators.
- (2) FY12-13 year-to-date figures utilize the most recent actual PSU Population Research Group figure of 55,055 plus rural population of 12,425 for a total population of 67,480 (December 2012). Statistic is on track to meet FY12-13 target.
- (3) The measurement shown is the percentage of false alarms to structure fires and is intended to address the number of alarm malfunctions; not all types of false alarms. Corvallis has few fires but a number of false calls, due largely to malfunction of commercial alarm systems. Over time, the nuisance alarm ordinance and associated fines are expected to help reduce the number of repeat false alarms.
- (4) These measures can change dramatically with one significant, costly incident, hence the high target relative to actual experience year-to-date.

LIBRARY

Type of Expenditure	2012-13 Amended Budget	Unaudited 2nd Qtr Expenditures	Unaudited YTD Expenditures	Percent Expended
Personnel Services	\$4,038,890	\$964,288	\$1,947,261	48.21%
Supplies and Services	1,998,120	509,369	909,064	45.50%
Capital Outlay	17,000	0	0	0.00%
Total Operating Expenditures	\$6,054,010	\$1,473,657	\$2,856,325	47.18%

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

Noteworthy Accomplishments during this Quarter:

- The annual all staff in-service day included training about the new mandatory child abuse reporting law, library customer service principles, and updates on technology.
- Three participants in the summer reading programs received \$1,000 Oregon College Savings Plan accounts in the *Think Big, Save for College* contest offered by the Oregon State Library and Oregon Library Association. The Friends of the Library also received \$1,500 for sponsoring the program.
- Engaged City employees at the Library booth during the Wellness Fair. Displayed health-themed books and databases.
- Implemented the BookCheck feature on the Library's mobile app. Patrons can scan the barcode on any Library item and check it out using their mobile device.
- Opened new DVD alcove and service desk area, which features popular DVDs and DVD holds. Old DVD dispenser units will be repurposed or replaced.
- Installed new furniture in support of additional self-check machines in the lobby.
- Implemented an online resources training program for staff. The accompanying blog, "Exploring E-Resources", was featured in a national online newsletter.
- Monroe Library staff are making monthly visits to the grade school. In addition, they are providing materials to seniors attending the Monroe Senior Nutrition lunch program.
- Philomath Community Library hosted a Winter Break reading challenge for readers up to 18-years-old. Participants were encouraged to read at least three books. Prizes were donated by local businesses.
- Popular programs offered during the quarter included: author/illustrator Jan Brett, Corvallis-OSU Piano International concert with pianist Jacques Desprès, Exploring the Ice Age Floods through Art and Science, Mother Goose Asks Why? (a science program for preschoolers), and a concert by pianist Andrew Rangell.
- The Library Foundation held a Complete the Block Party with music and dancers. Also, many donations were received over the quarter, which brought the fundraising campaign nearer its goal.
- Changed the system for key pad locks on doors in the Corvallis Library building. Individual codes for each employee and volunteer provide increased security and brings the Library in line with other City buildings.
- Patched leaks in the membrane roofed sections of the Corvallis Library (1964 and 1992 Additions) that appeared during the heavy rains of November and December. Buckets and plastic tarps limited damage to materials in the second floor Adult fiction and non-fiction areas.
- Completed the fire alarm system project. However, areas needing additional strobes and smoke detectors were identified. These will be added in the next few months.

Upcoming/Pending Items:

- Continue work on the department's FY13-14 budget proposal.
- Finalize the shelving and furniture plans for the new Monroe Community Library. Move into the building.
- Install additional fire alarm system features and replace carpet in three areas as per building maintenance and special project schedules.

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY11-12 ACTUAL	FY12-13 TARGET	2nd QTR ACTUAL	FY12-13 YTD
Cost Efficiency	Be at ICMA national average or below for operating and maintenance expenditures per item circulated of \$3.38.	Operating and maintenance expenditures per item circulated.	\$2.92	\$3.00	\$2.92	\$2.79
	Circulate at least 30% more per FTE than other ICMA comparable libraries – ICMA average of 24,891.	Circulation per FTE. ⁽¹⁾	37,953	37,000	9,378	18,940
Community Involvement	Achieve at least a 90% rating of excellent or good and be in the top five of national ICMA cities rated.	Citizen rating of overall library services. ⁽²⁾	93%	90%	96%	96%
	Be in the top 20% of circulation rates per capita of comparable ICMA libraries ≥ 15.6 .	Circulation rates per capita. ^(1,3)	19.33	19.00	4.80	9.72
	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. ⁽⁴⁾	.095	.090	.079	.085
Diversity	Offer programs reflecting the diverse populations within Benton County.	Attendance at programs for children, teens, seniors, Latinos and other non-English speakers. ⁽⁵⁾	32,078	31,000	7,967	17,978
Sustainability	Each public computer is used at least 2,500 times per year.	Average number of user sessions per Corvallis Library public computer. ⁽⁶⁾	2,393	2,500	785	1,609
	Provide the materials people want to use and keep them moving through the community.	Circulation per registered borrower. ⁽¹⁾	33.58	32.00	8.40	17.00

- (1) The ICMA definition of FTE includes hours worked by regular & casual staff (which the City uses very infrequently). Circulation is up from same period last year and that, combined with fewer FTE, results in high efficiency measures. Each of these measures is on track to exceed annual targets.
- (2) The 2012 Citizen Attitude Survey was completed in November and the results are posted on the City's website.
- (3) This ICMA Core measure uses Benton County population of 86,785, per PSU population report December 2012. Circulation increased from last year and estimated population is less. This measure is on track to exceed annual target.
- (4) The Library continues to utilize volunteers to keep up with demand for services. This measure is on track to meet annual target.
- (5) Though there are fewer programs for these groups during the second quarter, attendance at these programs continues to be strong. This measure will exceed target if trend continues of 12% above last year's results.
- (6) The use of public computers is down over the last couple of years as more patrons bring their own laptops to utilize the wireless system; however, the Library is now counting the 15 minute 'express computers', which are used steadily. This measure is on-track to meet target.

PARKS & RECREATION

Type of Expenditure	2012-13 Amended Budget	Unaudited 2nd Qtr Expenditures	Unaudited YTD Expenditures	Percent Expended
Personnel Services	\$3,656,870	\$786,565	\$1,900,269	51.96%
Supplies and Services	2,256,200	463,552	959,536	42.53%
Capital Outlay	24,060	0	0	0.00%
Total Operating Expenditures	\$5,937,130	\$1,250,117	\$2,859,804	48.17%

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

Noteworthy Accomplishments during this Quarter:

- Completed restoration of Shooting Star Trail.
- Concluded primary park maintenance season with departure of 11 Seasonal and Casual park operations staff.
- Held multiple special recreational events including:
 - Children’s Halloween Party with 700-800 in attendance;
 - Turkey Trot to fundraise for the Family Assistance program;
 - Dog Days at Osborn Aquatic Center (OAC) with over 500 dogs;
 - Fishing Derby at OAC, where participants learned to catch, clean and cook fish;
 - National Collegiate Club Water Polo Championships which included 16 teams, approximately 1,600 athletes and spectators; and
 - Gluten Free and Harvest cooking, amongst other popular cooking classes, at the Senior Center.
- Increased Adult Fall soccer registration to 12 teams, the most since 1999.
- Continued to offer a free sing-a-long every Tuesday morning that is open to all and led by volunteers. This program is sponsored by the Senior Citizens Foundation of Benton County.
- Removed the collapsed boardwalk at Mary’s River Natural Area. Staff began preparation of a grant application to obtain funds to match FEMA funding awarded in respect of reconstruction of the boardwalk.
- Formed a Stakeholder Committee to develop a Heritage Tree Program with first meetings scheduled in January.
- Worked with Hayes Avenue neighbors as part of the Urban Forester’s plan to remove dying cherry trees and replace them with mixed canopy.
- Received and installed street lamps for the Arts Center Plaza.
- Expanded the Senior Center’s cell phone recycling program to include game consoles, iPods, digital cameras, and other small digital devices, in an effort to increase sustainability. This program offers working cell phones and chargers for seniors that want an emergency phone to call 9-1-1. Remaining unused devices are sent in for revenue.
- Developed the Friends of Parks and Recreation non-profit organization.
- Completed restoration plan for phase 1 of Herbert Farm Natural Area.
- Adopted Community Garden Master Plan.
- Completed timber cruise of Chip Ross Park in preparation for applying for an oak release project grant next quarter.
- Applied for grants with Benton County to fund Active Living programs and the Corvallis School District to fund an Outdoor Education Program.

Upcoming/Pending Items:

- Consolidate City/School District agreements.
- Continue update of the Parks and Recreation Master Plan and the Trails Master Plan.
- Participate in the Parks, Natural Areas and Recreation Board goal setting sessions.
- Continue work on the Tunison Park Rehabilitation Project, Easements for the NW Natural Gas Loop, and Herbert Farm & Natural Area restoration plan (phase 1).
- Complete staffing review for the administration staff.

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY11-12 ACTUAL	FY12-13 TARGET	2nd QTR ACTUAL	FY12-13 YTD
Cost Efficiency	Provide multiple opportunities for community involvement while lowering program costs.	Total number of hours worked by volunteer staff in support of parks and recreation activities. ⁽¹⁾	24,322 (11.7 FTE)	27,500 (13 FTE)	4,805 (2.31 FTE)	11,218 (5.40 FTE)
	Provide individual and community programs to promote high community livability and resident well-being in a cost efficient manner.	Tier 3 of the Cost Recovery Model will meet or exceed 90% cost recovery.	NEW	90%	155%	119%
	Provide intermediate and advanced level programs that promote high community livability and resident well-being while recovering all direct expenses.	Tier 4 of the Cost Recovery Model will meet or exceed 100% of cost recovery.	NEW	100%	142%	137%
	Provide opportunities and venues that generate revenue and promote economic vitality.	Tier 5 of the Cost Recovery Model will meet or exceed 200% of cost recovery.	NEW	200%	484%	393%
Community Involvement	Provide multiple opportunities for public involvement.	Total number of hours of Board, Commissions and Stakeholder, and Public Meetings.	127	100 hours	17	38
Sustainability	Increase the utilization percentage of granted scholarships.	Percent of total scholarship value expended. ⁽²⁾	32%	38%	28%	43%
	Maintain or improve the ratio of acres per population of comparator cities.	Total park acres per 1,000 population. ⁽³⁾	31.9	31.8	31.5	31.5
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. ⁽⁴⁾	2,859/ 96,917	1,820/ 43,000	374/ 11,529	954/ 40,341

- (1) Volunteers are most prevalent in the first and fourth quarters. Parks operations continue to be a leader in the utilization of volunteer labor – capitalizing on college and community need for service project opportunities.
- (2) This program is designed for families at or below federal poverty guidelines. Due to new program criteria and implementation, including additional outreach and changes in eligibility per cost recovery policy, utilization rates are exceeding expectations. YTD awards total \$106,402.25 with recipients using \$45,569.75 toward programs and services offered by the department.
- (3) FY12-13 YTD is based on acres vs. deeds and thus results in current acres of 1,733.6 compared to a population of 55,055, per PSU population report December 2012.
- (4) Favorable weather and higher utilization of programs and services have resulted in higher numbers than expected in the first half of the FY.

POLICE

Type of Expenditure	2012-13 Amended Budget	Unaudited 2nd Qtr Expenditures	Unaudited YTD Expenditures	Percent Expended
Personnel Services	\$9,803,850	\$2,408,341	\$4,924,646	50.23%
Supplies and Services	2,840,340	629,028	1,361,881	47.95%
Capital Outlay	245,570	26,350	156,633	63.78%
Total Operating Expenditures	\$12,889,760	\$3,063,720	\$6,443,161	49.99%

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

Noteworthy Accomplishments during this Quarter:

- The Community Policing Forum developed a work plan for the coming year, including enhancing community connections.
- A quarterly meeting of the Community Police Review Board was held.
- A contract with the Corvallis Homeless Shelter Coalition for winter weather sheltering was executed.
- Staff participated in the annual *Shop with a Cop* event.
- Two officers completed training program and achieved solo status.
- Officers responded to 6,617 calls for service and 13,261 police units were dispatched.

Upcoming/Pending Items:

- Develop plan to initiate recruitment for the two funded vacant police officer positions.
- Continue negotiations with the Corvallis Regional Communications Center Association (CRCCA) toward achieving renewal of the 9-1-1 center dispatchers' labor contract.
- Work on the 9-1-1 Service District and the radio interoperability project.

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY11-12 ACTUAL	FY12-13 TARGET	2nd QTR ACTUAL	FY12-13 YTD
Cost Efficiency	Increase community safety by reducing response time to top priority calls.	Response time in seconds to top priority calls.	283	300	304	293
	Increase community safety by clearing part 1 criminal investigations.	Percentage of Part 1 Crimes Cleared. ⁽¹⁾	Violent 59%	70%	49%	49%
			Property 20%	20%	21%	21%
	Efficiently move candidates through the complex recruitment process to reach and maintain fully authorized staffing levels.	Number of days to complete recruitment of police officers from testing to conditional job offer. ⁽²⁾	159	<90	0	0
Increase community safety by maintaining overall number of traffic accidents resulting in injuries/fatalities at less than the State average of 5.1/per thousand population.	Fatal and injury traffic accidents per 1,000 population. ⁽³⁾	2.0	<2.50	0.8	1.4	
Diversity	Increase diversity of applicant pool through targeted outreach efforts.	Number of new, targeted outreach efforts. ⁽⁴⁾	0	6	0	0

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY11-12 ACTUAL	FY12-13 TARGET	2nd QTR ACTUAL	FY12-13 YTD
Community Involvement	Achieve at least an 85% rating of excellent or good in citizen attitude surveys.	Citizen satisfaction ratings of overall police services. ⁽⁵⁾	83%	85%	81%	81%

- (1) Due to staffing constraints and frozen/cut positions there have been only four police officers assigned and trained as Detectives. This is a 20% reduction in staff from the five full time Detective positions which should be assigned, and partly accounts for the below target violent crime clearance rate.
- (2) Due to funding constraints no officer recruitments were completed in the second quarter.
- (3) There have been only 77 accidents, or 1.4 per thousand, year-to-date. Comparison to national averages cannot be completed until cumulative data is compiled for the entire year. FY12-13 year-to-date figures utilize the most recent actual PSU Population Research Group figure of 55,055 (December 2012).
- (4) Recruiting has been on hold due to budgetary impacts.
- (5) The 2012 Citizen Attitude Survey was completed in November and the results are posted on the City's website.

PUBLIC WORKS

Type of Expenditure	2012-13 Amended Budget	Unaudited 2nd Qtr Expenditures	Unaudited YTD Expenditures	Percent Expended
Personnel Services	\$11,717,570	\$2,833,063	\$5,739,611	48.98%
Supplies and Services	15,831,772	3,499,054	6,822,647	43.09%
Capital Outlay	2,195,580	780,028	780,028	35.53%
Total Operating Expenditures	\$29,744,922	\$7,112,145	\$13,342,286	44.86%

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:

- Prepared the utility fund viability report and presented recommendation to the City Council.
- Successfully negotiated and received City Council approval for a new 10-year NW Natural Gas franchise agreement.
- Administered the use of Blue Sky grant funds by preparing and advertising the Request for Proposal (RFP) for Fire Station #1 solar panel array.
- Applied for ODOT System Transportation Improvement Program (STIP) funding for three transit buses; two to be purchased in 2016 and the third in 2017.
- Applied for funding for five pedestrian crossings with raised medians on 9th Street and Walnut Blvd.
- Completed installation of narrowband-compliant radios in all CTS and Philomath Connection buses.
- Completed an investigation of enhanced use of the Trysting Tree Golf Course to accept more water than originally proposed as a solution to the Total Maximum Daily Load (TMDL) requirements.
- Completed the mandated update to the Corvallis Water Management and Conservation Plan, required by the Oregon Water Resources Department to maintain the City's water rights for the Willamette River.
- Completed the first draft of the asset management plan for water, wastewater, and storm water facilities.
- Developed a draft City Council right-of-way encroachment policy and initiated the public outreach process.
- Initiated designs for the 10th Street reconstruction, 4th Street storm system replacement, and next summer's water line replacement projects.

Upcoming / Pending Items:

- Present Utility Service Rate Study findings to the Administrative Services Committee for review.
- Determine the feasibility of Accela Automation Asset Management as a replacement for GISMO and MP2 systems.
- Review the implementation of the Single-Use Plastic Bag ordinance.
- Complete the Public Works Safety Manual.
- Secure City Council approval of the Airport Master Plan and initiate the Comprehensive Update with Planning staff.
- Publish an RFP for a transit Vehicle Information System to provide passenger counting, real-time bus location information, and automated announcements on the buses.
- Create a webpage for the Transportation Demand Management program with information on the City's single occupancy vehicle trip reduction programs, as well as information on the other modes of transportation.
- Evaluate additional wastewater plan discharge permit for TMDL solution options.
- Prepare City's annual drinking water report.
- Issue an RFP for the Wastewater Treatment Plant (WWTP) secondary clarifier and sludge tank project.
- Execute state grant agreements for the Morris Street bridge replacement and HWY 99 widening projects.

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY11-12 ACTUAL	FY12-13 TARGET	2nd QTR ACTUAL	FY12-13 YTD
Cost Efficiency	Maintain transit costs below national average of \$2.70 per ride.	Costs per transit ride. ⁽¹⁾	\$1.56	<\$2.70	\$1.58	\$1.70
	Have utility rates that contribute to Corvallis being an attractive place to live.	Control operation and maintenance costs to minimize annual utility rate increases. ⁽²⁾	3.3%	≤ 3.0%	3.0%	3.0%
		Percent of average annual water bill to median household income (\$74,200). ⁽²⁾	0.35%	<0.45%	0.36%	0.36%
		Percent of average annual wastewater bill to median household income (\$74,200). ⁽²⁾	0.56%	<0.65%	0.48%	0.48%
Community Involvement	Contribute to the environmental health of the community. (ICMA)	Citizen rating of the quality of street cleaning services as 'excellent' or 'good' (from the Citizen Attitude Survey). ⁽³⁾	78%	>85%	N/A	N/A
	Provide street and utility services that meet the needs of community residents.	Citizens rating Public Works services 'excellent' or 'good', averaged for street, water, wastewater and storm water (from the Citizen Attitude Survey). ⁽³⁾	74%	>90%	N/A	N/A
	Encourage citizen input on Public Works projects and activities.	Number of public meetings held on department projects. ⁽⁴⁾	12	≥20	6	7
Sustainability	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. ⁽⁵⁾	\$85.46	< \$80.00	N/A	N/A
	Remain below national average of 10% annually for water loss in the distribution system.	Percent of water loss in the distribution system. ⁽⁶⁾	4.57%	<10.00%	5.40%	4.18%

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

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

(3) The 2012 Citizen Attitude Survey did not include this question.

(4) This measure is seasonally impacted, with the frequency of meetings increasing toward the end of the fiscal year.

(5) This is an annual measure calculated in the fourth quarter; no additional data is collected in the first three quarters.

(6) The low percentage is reflective of no water main breaks or storage tank/reservoir projects. First quarter was restated to 2.97% following the collection of end of quarter data.

NON-DEPARTMENTAL

Type of Expenditure	2012-13 Amended Budget	Unaudited 2nd Qtr Expenditures	Unaudited YTD Expenditures	Percent Expended
Personnel Services	\$0	\$0	\$0	0.00%
Supplies and Services	1,512,927	474,749	826,144	54.61%
Capital Outlay	0	0	0	0.00%
Total Operating Expenditures	\$1,512,927	\$474,749	\$826,144	54.61%

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

VACANCY SUMMARY

Quarterly Vacancy Report Quarter ending, December 15, 2012

DEPARTMENT	Adopted 12-13 Budget		VACANT POSITIONS (# of FTE)	STATUS
	AUTHORIZED FTE	FILLED FTE		
CMO	10.800	9.800	Economic Development Officer (1)	Recruitment in Progress
COMMUNITY DEVELOPMENT	37.250	32.000	Building Inspector (2) Project Coordinator (.75) Project Leadworker (1) Project Coordinator II (1) Engineering Technician III (.5)	Held open Held open Recruitment complete Recruitment complete Recruitment On-Hold
FINANCE	31.750	30.500	Admin Specialist (.25) Accountant (1)	Underfilled Recruitment on-hold
FIRE	66.000	65.000	Division/Battalion Chief (1)	Held Open
LIBRARY	42.750	42.750	No vacancies	
PARKS AND RECREATION	34.100	25.530	Management Assistant (1) Admin Specialist (.50) Seasonal Parks Worker (7.07)	Held open Held open Held open
POLICE	88.250	81.250	Police Officer (5) Public Safety Dispatcher (1) Records Specialist (1)	3 Held Open; 2 Recruitment in process Held open Recruitment complete
PUBLIC WORKS	117.500	110.500	Engineering Supervisor (1) Utilities Services Supervisor (1) Electronic Technician II (1) Equipment Maint Technician (1) Parking Specialist (.5) Stormwater Specialist (.5) Street Maint Specialist (1) Utilities System Specialist (1)	Recruitment on-hold Recruitment initiated Recruitment on-hold Recruitment near completion Recruitment on-hold Recruitment on-hold Recruitment on-hold Recruitment on-hold
TOTALS	428.400	397.330		

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 \$2,021,849 or 20.87% of the \$9,687,779 Amended Budget. The lists below include a breakout of major projects by those that are expected to be completed and projects deferred or cancelled. The projects for which only the design phase is to be completed 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#
City Hall Block – City Hall Parking Lot and Way-Finding Signage	3
Municipal Buildings Rehab – Library Roof Replacement, Phase I	3
Acquisition of Land – Coronado Neighborhood Park	3
Osborn Aquatic Center – 50-meter pool UV lights	3
Park Development – Coronado	4
Park Facility Renovation – Central Park Plaza	4
Park Improvement – Tunison	4
Trails / Bike Paths – Shooting Star	4
North Hills 1 st Level Reservoir Improvements	8

Projects Deferred or Cancelled

Airport Facility Improvements	3
Park Facility Renovation – Pioneer Park parking lot	4
SWMP – Dunawi Creek Fish Barrier	5
Advanced Transportation Management System	5
Marys River – Crystal Lake Drive Shared-Use Path	6

SUMMARY OF CIP PROJECTS

AIRPORT	ADOPTED	AMENDED	Y-T-D
Airport Facility Improvements	\$50,000	\$50,000	\$0
TOTAL Airport Projects	<u>\$50,000</u>	<u>\$50,000</u>	<u>\$0</u>
BUILDINGS AND FACILITIES			
	ADOPTED	AMENDED	Y-T-D
City Hall Block	\$180,000	\$180,000	\$7,554
Fire Department Facilities Relocation	774,290	840,670	435,252
Municipal Buildings Rehabilitation	76,500	76,500	76,219
TOTAL Buildings and Facilities	<u>\$1,030,790</u>	<u>\$1,097,170</u>	<u>\$519,025</u>
PARKS			
	ADOPTED	AMENDED	Y-T-D
Acquisition of Land	\$379,478	\$379,478	\$0
Osborn Aquatic Center	50,000	50,000	0
Park Development - New	550,000	550,000	150,479
Park Facility Renovation	54,000	52,000	18,915
Park Improvements - Existing	422,170	417,070	401
Riverfront Commemorative Park Signage	31,150	31,150	0
Trails/Bike Paths	103,900	293,331	106,866
TOTAL Parks	<u>\$1,590,698</u>	<u>\$1,773,029</u>	<u>\$276,661</u>
STORM WATER			
	ADOPTED	AMENDED	Y-T-D
Storm Drain Replacement	\$461,510	\$481,510	\$188,363
Storm Water Master Plan Projects	245,000	225,000	24,326
Utility and Street Improvements	15,000	15,000	0
TOTAL Storm Water Projects	<u>\$721,510</u>	<u>\$721,510</u>	<u>\$212,689</u>
TRANSPORTATION			
	ADOPTED	AMENDED	Y-T-D
Advanced Transportation Management System	\$649,140	\$645,950	\$1
City Hall Parking	10,000	10,000	0
Covallis to Albany Trail	670,000	670,000	271
Downtown Public Parking	200,000	200,000	0
Downtown Wayfinding	335,670	335,670	0
Electric Vehicle Charging Stations	30,000	30,000	0
Goodnight ROW Acquisition	370,000	370,000	0
Marys River - Crystal Dr Path	80,000	80,000	0
Morris Avenue Bridge	179,000	179,000	0
Pedestrian Crossings	79,000	68,300	56,576
Reservoir Road Improvements	300,000	300,000	0
Safe Routes to Schools	343,950	343,950	0
Sidewalk Infill	107,100	101,490	97,740
Street Reconstruction	266,430	266,430	202,518
Traffic Signals	257,040	256,000	18,901
Utility and Street Improvements	200,000	56,000	0
Carryover Adjustment - Unused Budget	0	109,740	0
TOTAL Transportation	<u>\$4,077,330</u>	<u>\$4,022,530</u>	<u>\$376,008</u>
WASTEWATER			
	ADOPTED	AMENDED	Y-T-D
Biosolids Storage Tank	\$20,000	\$20,000	\$583
Sanitary Sewer Line Rehabilitation	552,360	552,360	435,883
WWRP Secondary Clarifiers	300,000	300,000	3,194
Utility and Street Improvements	33,000	33,000	0
TOTAL Wastewater Projects	<u>\$905,360</u>	<u>\$905,360</u>	<u>\$439,659</u>
WATER			
	ADOPTED	AMENDED	Y-T-D
36th and Grant Water Pump Station Improvements	\$502,250	\$502,250	\$37,337
North Hills 1st Level Reservoir Improvements	200,000	200,000	102,803
Taylor Plant Facility Plan Projects	294,250	291,570	43,996
Water Distribution System Rehabilitation	50,000	50,000	13,670
West Corvallis Second Level Water	38,680	38,680	0
Utility and Street Improvements	33,000	33,000	0
Carryover Adjustment - Unused Budget	0	2,680	0
TOTAL Water Projects	<u>\$1,118,180</u>	<u>\$1,118,180</u>	<u>\$197,806</u>
TOTAL All Areas	<u>\$9,493,868</u>	<u>\$9,687,779</u>	<u>\$2,021,849</u>

AIRPORT AND INDUSTRIAL PARK

	<u>CIP Doc Pg:</u>	<u>Adopted Budget:</u>	<u>Amended:</u>	<u>YTD Expended:</u>
<i>Airport Facility Improvements</i>	<u>1</u>	\$50,000	\$50,000	\$0
<p>This project allows for improvements as identified in the Airport Master Plan (AMP). The latter is currently in the process of being updated with completion this fiscal year. Once the AMP has been completed, specific projects will then be identified, but none are expected to be done this fiscal year. Design for AMP projects has been included in the proposed FY 13-14 budget.</p>				

BUILDING AND FACILITIES

	<u>CIP Doc Pg:</u>	<u>Adopted Budget:</u>	<u>Amended:</u>	<u>YTD Expended:</u>
<i>City Hall Block</i>	<u>9</u>	\$180,000	\$180,000	\$7,554
<p>This project continues to address the long-term facility needs for the City Hall block. FY 12-13 budget includes reconstructing the parking lot between City Hall and the Annex and providing way-finding signage for municipal offices in the City Hall area.</p> <p>A contract has been awarded for mitigation of an underground storage tank in the parking lot. A notice-to-proceed has been issued for the tank work. Staff is in the process of contacting sign vendors for bids for the way-finding signage. Kiosk signs are still under review by the Madison Avenue Talk Force. Rehabilitation of the parking lot will depend on available funding once the tank and wayfinding signage work is complete.</p>				
<i>Fire Department Facilities Relocation</i>	<u>11</u>	\$774,290	\$840,670	\$435,252
<p>This project relocates and replaces the current training facility, which is 40 years old and in poor condition. Staff identified property on the north end of the Public Works (PW) compound that may be suitable for the drill tower and compatible with the PW Facilities Plan.</p> <p>A construction contract for Phase I utility and site work preparation is complete. Subsequent phases are awaiting a proposal to City Council of a new funding strategy.</p>				
<i>Municipal Buildings Rehabilitation</i>	<u>13</u>	\$76,500	\$76,500	\$76,219
<p>This project extends the life of municipal buildings through a planned program of rehabilitation projects. This fiscal year's adopted budget includes the Library shake roof replacement.</p> <p>The Library shake roof replacement has been completed.</p>				

PARKS AND RECREATION

	<u>CIP Doc Pg:</u>	<u>Adopted Budget:</u>	<u>Amended:</u>	<u>YTD Expended:</u>
<i>Acquisition of Land</i>	<u>17</u>	\$379,478	\$379,478	\$0
<p>This project looks at the acquisition of land for the purposes of open space and passive recreation. Staff continued conversations with the Greenbelt Land Trust to evaluate a potential acquisition or option that may meet the criteria for the Chip Ross Fund. Staff has also engaged in some preliminary conversations with representatives of some land in the Timberhill Area, which would meet the criteria for the Chip Ross Funds.</p> <p>Staff has worked with City Council for the purchase of land in the Coronado sub-division for the purposes of a neighborhood park. The purchase of the land will be included under one project, referenced under Park Development-New.</p>				
<i>Osborn Aquatic Center</i>	<u>19</u>	\$50,000	\$50,000	\$0
<p>This project will enhance the social sustainability of the Osborn Aquatic Center (OAC) by providing a healthier environment for the community. This fiscal year's budget includes the installing ultraviolet lights in the indoor 50-meter pool to dissipate the negative effects of chlorine. This project is dependent upon fundraising efforts, which continued through the second quarter and into the third quarter. Total fundraising collection to-date is approximately \$35,500. Construction is scheduled for March 2013.</p>				

<i>Park Development - New</i>	<u>CIP Doc Pg:</u> 21	<u>Adopted Budget:</u> \$550,000	<u>Amended:</u> \$550,000	<u>YTD Expended:</u> \$150,479
<p>This project allows for the creation of new parks as Corvallis expands its City limits to include land within the Urban Growth Boundary. This fiscal year's budget includes the constructing a park for Coronado subdivision. During the second quarter, staff worked with Commercial Associates and property owners to complete the site plan and design details for the project. Commercial Associates is seeking bids for the project with the hope of being under construction during the third quarter. The park features will be installed prior to staff completing the land acquisition.</p>				
<i>Park Facility Renovation</i>	<u>CIP Doc Pg:</u> 23	<u>Adopted Budget:</u> \$54,000	<u>Amended:</u> \$52,000	<u>YTD Expended:</u> \$18,915
<p>This project allows for significant renovation of existing parks with facilities that have deteriorated beyond the routine repair stage. This fiscal year's budget includes completion of the Central Park Plaza reconstruction and paving the parking lot at Pioneer Park.</p> <p>Installation of the Central Park Plaza pavers was completed in FY 11-12. Staff received approval from the Oregon State Parks to allow the installation of lights and bollards using project savings. The lights and bollards were installed during the second quarter and staff is working on the final grant report for the project.</p> <p>The Pioneer Park parking lot paving has been delayed, due to the need for additional pre-design work.</p>				
<i>Park Improvements - Existing</i>	<u>CIP Doc Pg:</u> 25	<u>Adopted Budget:</u> \$422,170	<u>Amended:</u> \$417,070	<u>YTD Expended:</u> \$401
<p>This project provides for improvements to existing City Parks. Staff has continued working with Rotary club representatives on fund raising efforts for the project. Staff has been working with key volunteers on construction details and a schedule for the project. If volunteer efforts continue at the current rate, the project may be under construction by late in the third quarter.</p> <p>Staff revised playground design options for Tunison Park to better meet the budget and design goals of the project. Staff is finalizing the bid documents and anticipates construction beginning in the third quarter.</p>				
<i>Riverfront Commemorative Park Signage</i>	<u>CIP Doc Pg:</u> 27	<u>Adopted Budget:</u> \$31,150	<u>Amended:</u> \$31,150	<u>YTD Expended:</u> \$0
<p>This project included the design and implementation of public improvements along First Street and the Riverfront consistent with City Council goals. This project also widened the downtown multi-use path to 12 feet and provided 350 feet of new path to connect to the Van Buren Bridge and B Street. All construction was completed in FY 03-04, with the exception of interpretive signs. There are six signs remaining and will be completed by volunteers. No activity has occurred during the 2nd quarter.</p>				
<i>Trails/Bike Paths</i>	<u>CIP Doc Pg:</u> 33	<u>Adopted Budget:</u> \$103,900	<u>Amended:</u> \$293,331	<u>YTD Expended:</u> \$106,866
<p>This project improves and adds trails and bike paths for citizen enjoyment. This fiscal year's budget is construction of Shooting Star trail improvements in the Timberhill area. Construction is substantially complete with a few minor weather dependant items to complete during the third quarter.</p> <p>Staff has been awarded FEMA funds for the removal and replacement of the boardwalk trail at Marys River Natural Area that was damaged during the January 2012 storm event. During the second quarter, the collapsed boardwalk was removed from the site and all salvageable material was stored for future use. Staff worked on a grant application to the Oregon State Parks to provide required match funds for the FEMA grant.</p>				

STORM WATER UTILITY

<i>Storm Drain Replacement</i>	<u>CIP Doc Pg:</u> 39	<u>Adopted Budget:</u> \$461,510	<u>Amended:</u> \$481,510	<u>YTD Expended:</u> \$188,363
<p>This annual program replaces or rehabilitates storm water pipelines that are inadequately sized or have exceeded their useful service life. The facilities to be replaced are selected based on their condition as determined through inspection. Construction of projects designed in FY 11-12 is complete. Design is in progress for projects to be constructed in FY 13-14.</p>				

<i>Storm Water Master Plan Projects</i>	<u>CIP Doc Pg:</u> 41	<u>Adopted Budget:</u> \$245,000	<u>Amended:</u> \$225,000	<u>YTD Expended:</u> \$24,326
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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.

Staff worked with the Oregon Department of Fish and Wildlife to complete design for the removal of a fish barrier in Dunawi Creek at the box culvert on 35th Street; however the project and contract procurement has been cancelled due to irreconcilable conflicts with the Land Development Code and National Flood Insurance Program.

Design has been completed to provide bank stabilization on the east bank of Dixon Creek where the bank has experienced a slope failure. The project is currently advertising for bids and construction is anticipated for the summer, 2013.

Design is in progress to replace an existing undersized 8-inch pipe running east to west on Greeley Avenue.

<i>Utility and Street Improvements</i>	<u>CIP Doc Pg:</u> 95	<u>Adopted Budget:</u> \$15,000	<u>Amended:</u> \$15,000	<u>YTD Expended:</u> \$0
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These storm water assessments provide utility improvements to existing properties or to new developments that are not currently being served. Assessment projects require that the costs of the projects be paid by the owners and may be initiated by the City or by the owners of the property who benefit. This project is also used to reimburse developer-financed projects where System Development Charge (SDC) participation is appropriate. There were no storm water utility reimbursements in the 2nd quarter.

TRANSPORTATION

<i>Advanced Transportation Management System</i>	<u>CIP Doc Pg:</u> 51	<u>Adopted Budget:</u> \$649,140	<u>Amended:</u> \$645,950	<u>YTD Expended:</u> \$1
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This project would have installed an Advanced Transportation Management System to include remote video monitoring of intersection conditions and control of signal operations at eight intersections on Van Buren Avenue and Harrison Boulevard, between 2nd and 5th Streets. The project has been cancelled due to insufficient grant funding needed to complete the scope of the project.

<i>City Hall Parking</i>	<u>CIP Doc Pg:</u> 55	<u>Adopted Budget:</u> \$10,000	<u>Amended:</u> \$10,000	<u>YTD Expended:</u> \$0
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This project will investigate remote parking opportunities for downtown employees, including those at City Hall. This project has not yet been initiated as some of the outcomes of the City / OSU Collaboration efforts could impact this project. Therefore staff believes it is best to let that process take its course before looking at options for remote parking.

<i>Covallis to Albany Trail</i>	<u>CIP Doc Pg:</u> 57	<u>Adopted Budget:</u> \$670,000	<u>Amended:</u> \$670,000	<u>YTD Expended:</u> \$271
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The City of Corvallis, City of Albany, and Benton County are participating in a joint effort to develop a multi-use path from Corvallis to Albany. This project will be developed in phases and supports the City's sustainability policies by providing an improved bicycle and pedestrian route between Corvallis and Albany. Project design will be completed by Benton County, with the City constructing all segments within the City Limits.

City staff has been meeting with the Oregon Department of Transportation (ODOT) Rail Division to discuss trail crossing options. Final design is pending a decision by ODOT and construction is delayed until the spring of 2013.

<i>Downtown Public Parking</i>	<u>CIP Doc Pg:</u> 59	<u>Adopted Budget:</u> \$200,000	<u>Amended:</u> \$200,000	<u>YTD Expended:</u> \$0
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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 2nd quarter.

<i>Downtown Wayfinding</i>	<u>CIP Doc Pg:</u> 61	<u>Adopted Budget:</u> \$335,670	<u>Amended:</u> \$335,670	<u>YTD Expended:</u> \$0
This project provides downtown wayfinding signage as identified in the Downtown Corvallis Strategic Plan. This project has not yet been initiated due to awaiting grant funding opportunities.				
<i>Electric Vehicle Charging Stations</i>	<u>CIP Doc Pg:</u> 63	<u>Adopted Budget:</u> \$30,000	<u>Amended:</u> \$30,000	<u>YTD Expended:</u> \$0
This project provides electric vehicle charging stations at strategic locations in Corvallis. This project has not been initiated.				
<i>Goodnight ROW Acquisition</i>	<u>CIP Doc Pg:</u> 65	<u>Adopted Budget:</u> \$370,000	<u>Amended:</u> \$370,000	<u>YTD Expended:</u> \$0
This project will acquire right-of-way to allow for alignment of eastern and western legs of Goodnight Avenue at its intersection with Highway 99. The project budget will be used to negotiate an agreement with the current property owner allowing the City a first right-of-refusal in the event the property is offered for sale.				
<i>Marys River - Crystal Drive Path</i>	<u>CIP Doc Pg:</u> 71	<u>Adopted Budget:</u> \$80,000	<u>Amended:</u> \$80,000	<u>YTD Expended:</u> \$0
This project will construct a shared-use path to address exiting safety issues for bicyclists traveling to and from southeast Corvallis between the Marys River bicycle bridge and Crystal Lake Drive. This project has not been initiated.				
<i>Morris Avenue Bridge</i>	<u>CIP Doc Pg:</u> 75	<u>Adopted Budget:</u> \$179,000	<u>Amended:</u> \$179,000	<u>YTD Expended:</u> \$0
This project will replace the existing Morris Avenue Bridge over Oak Creek near 26 th Street. Staff is awaiting ODOT's proposed interagency agreement for project design and construction.				
<i>Pedestrian Crossings</i>	<u>CIP Doc Pg:</u> 77	<u>Adopted Budget:</u> \$79,000	<u>Amended:</u> \$68,300	<u>YTD Expended:</u> \$56,576
This project will improve pedestrian crossing opportunities at selected locations along 9 th Street. A New Freedom grant provides funding for this project. Design was completed in FY 11-12. Construction began in July and has been completed. Final contractor payments have been processed and staff is working on the final grant reimbursement.				
<i>Reservoir Road Improvements</i>	<u>CIP Doc Pg:</u> 79	<u>Adopted Budget:</u> \$300,000	<u>Amended:</u> \$300,000	<u>YTD Expended:</u> \$0
This project provides Street SDC funds for improvements to Reservoir Road, a facility identified in the Corvallis Transportation Master Plan and included on the City's Street SDC project list, but currently under Benton County jurisdiction. An application from the County for SDC reimbursement has been received; however, staff has requested additional information before processing the request.				
<i>Safe Route To Schools</i>	<u>CIP Doc Pg:</u> 81	<u>Adopted Budget:</u> \$343,950	<u>Amended:</u> \$343,950	<u>YTD Expended:</u> \$0
This project will construct various infrastructure elements to improve safety and access for children walking and bicycling to schools in the community. This project will be funded 100% with a Safe Routes to Schools grant. This project has not been initiated.				
<i>Sidewalk Infill</i>	<u>CIP Doc Pg:</u> 83	<u>Adopted Budget:</u> \$107,100	<u>Amended:</u> \$101,490	<u>YTD Expended:</u> \$97,740
This project constructs missing segments of sidewalks that are necessary to safely connect neighborhoods and provide access to schools, transit, multi-use paths and commercial and industrial areas. A New Freedom grant provides funding for this project. Construction is complete.				

Street Reconstruction	<u>CIP Doc Pg:</u> 85	<u>Adopted Budget:</u> \$266,430	<u>Amended:</u> \$266,430	<u>YTD Expended:</u> \$202,518
<p>This project is the annual re-construction and overlay of selected streets based upon priorities set by a survey of pavement conditions. The reconstruction of 11th Street north of Maple Street is complete.</p> <p>Design has been initiated for the reconstruction of 10th Street between Buchanan and Grant Avenues.</p>				
Traffic Signals	<u>CIP Doc Pg:</u> 89	<u>Adopted Budget:</u> \$257,040	<u>Amended:</u> \$256,000	<u>YTD Expended:</u> \$18,901
<p>This project provides for design and construction of a signal at 26th Street and Western Boulevard intersection with funding provided by OSU. Signal poles and mast arms were received during FY 11-12 with full reimbursement received from OSU. Construction of the traffic signal has commenced.</p>				
Utility and Street Improvements	<u>CIP Doc Pg:</u> 95	<u>Adopted Budget:</u> \$200,000	<u>Amended:</u> \$56,000	<u>YTD Expended:</u> \$0
<p>These street assessments provide street improvements to existing properties or to new developments that are not currently being served. Assessment projects require that the costs of the projects be paid by the owners and may be initiated by the City or by the owners of the property who benefit. This project is also used to reimburse developer-financed projects where System Development Charge (SDC) participation is appropriate. There was no street related activity during the 2nd quarter.</p>				

WASTEWATER UTILITY

Biosolids Storage Tank	<u>CIP Doc Pg:</u> 103	<u>Adopted Budget:</u> \$20,000	<u>Amended:</u> \$20,000	<u>YTD Expended:</u> \$583
<p>This project provides for the replacement/rehabilitation of the existing biosolids storage tank and pumping system which are showing signs of age. Design of this project has been initiated.</p>				
Sanitary Sewer Line Rehabilitation	<u>CIP Doc Pg:</u> 105	<u>Adopted Budget:</u> \$552,360	<u>Amended:</u> \$552,360	<u>YTD Expended:</u> \$435,883
<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>Construction of projects designed in FY 11-12 is complete. Design work for projects to be constructed in FY 13-14 is in progress with bidding planned in May, 2013.</p>				
WWRP Secondary Clarifiers	<u>CIP Doc Pg:</u> 119	<u>Adopted Budget:</u> \$300,000	<u>Amended:</u> \$300,000	<u>YTD Expended:</u> \$3,194
<p>This project will construct two new secondary clarifiers at the WWRP. The new clarifiers will accommodate increased flows due to community growth. Design of this project has been initiated.</p>				
Utility and Street Improvements	<u>CIP Doc Pg:</u> 95	<u>Adopted Budget:</u> \$33,000	<u>Amended:</u> \$33,000	<u>YTD Expended:</u> \$0
<p>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 2nd quarter.</p>				

WATER UTILITY

<i>36th and Grant Water Pump Station Improvements</i>	<u>CIP Doc Pg:</u> 125	<u>Adopted Budget:</u> \$502,250	<u>Amended:</u> \$502,250	<u>YTD Expended:</u> \$37,337
This project replaces the building and electrical equipment at the 36 th Street and Grant Avenue water pump station. Design is in progress and construction is scheduled to begin this summer, 2013.				
<i>North Hills 1st Level Reservoir Improvements</i>	<u>CIP Doc Pg:</u> 131	<u>Adopted Budget:</u> \$200,000	<u>Amended:</u> \$200,000	<u>YTD Expended:</u> \$102,803
This project provides for design and construction of reservoir improvements to the North Hills 1 st Level East Reservoir. Design was completed in FY 10-11. Construction of seismic upgrades was completed in FY 11-12 and the reservoir exterior coating carried over for completion in FY 12-13. All construction has been completed.				
<i>Taylor Plant Facility Plan Projects</i>	<u>CIP Doc Pg:</u> 137	<u>Adopted Budget:</u> \$294,250	<u>Amended:</u> \$291,570	<u>YTD Expended:</u> \$43,996
This project will provide design for installation of new mixing equipment and pipe to allow for proper mixing of treatment chemicals and dispersion of the untreated water as it enters the treatment process. Construction is currently in progress with completion estimated for May 2013.				
<i>Water Distribution System Rehabilitation</i>	<u>CIP Doc Pg:</u> 139	<u>Adopted Budget:</u> \$50,000	<u>Amended:</u> \$50,000	<u>YTD Expended:</u> \$13,670
This program provides for ongoing replacement or rehabilitation of the City's water distribution system infrastructure. Design work for projects to be constructed in FY 13-14 has been initiated with completion anticipated by March and a May bid opening.				
<i>West Corvallis Second Level Water</i>	<u>CIP Doc Pg:</u> 141	<u>Adopted Budget:</u> \$38,680	<u>Amended:</u> \$38,680	<u>YTD Expended:</u> \$0
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.				
<i>Utility and Street Improvements</i>	<u>CIP Doc Pg:</u> 95	<u>Adopted Budget:</u> \$33,000	<u>Amended:</u> \$33,000	<u>YTD Expended:</u> \$0
These 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 nd quarter.				

CORVALLIS CITY COUNCIL GOALS 2011-2012

PREFACE:

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

- ◆Diversity ◆Citizen Involvement ◆Sustainability ◆Cost Efficiency

Goals	Corvallis 2020 Vision Statement Categories
<p>By December 2011, the Council will provide direction on recommendations to strengthen access to and availability of locally produced food and community gardens via policy, ordinance and Land Development Code changes. * By December 2012, the Council will enact code and policy changes corresponding with that direction.</p> <p><u>Accomplished through December 31, 2012:</u></p> <ul style="list-style-type: none"> • City Council adopted the Parks and Recreation Community Garden Plan. • Parks and Recreation staff included development of a community garden at Willamette Park in the Proposed Capital Improvement Program. • In December 2012, the City Council approved a Land Development Code update package that included many items designed to provide greater availability of locally produced food. <p><u>Next Steps:</u></p> <ul style="list-style-type: none"> • Parks & Recreation staff will complete the Community Garden promotion brochure to be made available to those wanting to establish a community garden. • Parks & Recreation staff will complete a grant application to fund construction of the Willamette Park garden. 	<p>Economic Vitality Governing and Civic Involvement Where we Live</p>
<p>By December 2011, the Council will consider action on recommendations by the Economic Development Commission concerning strategic priorities and funding sources for Economic Development initiatives.</p> <p><u>Accomplished through December 31, 2012:</u></p> <ul style="list-style-type: none"> • The Adopted Budget for FY 2012-13 includes staffing for 2.0 FTE to initiate the City's Economic Development work. The Economic Development Manager has been hired and began work on September 17. • Significant work occurred on the Airport Master Plan which is now in final draft form to guide economic development opportunities on the airport property. • The Airport Industrial Park Development Plan was completed, resolving issues with zoning conflicts between the City and the County and streamlining the process to occur at the Industrial Park. <p><u>Next Steps:</u></p> <ul style="list-style-type: none"> • Fill the Economic Development Officer position by February 2013. Work with the Council of Governments to develop a list of businesses, key vacant commercial sites, and vacant industrially zoned land in Benton County. 	<p>Central City Economic Vitality Governing and Civic Involvement Where we Live</p>

Goals	Corvallis 2020 Vision Statement Categories
<p>Working with OSU President and his staff, by December 2011, the Council will create a plan to seize opportunities on parking, code enforcement, infill design, rental code, traffic design and other important issues.</p> <p><u>Accomplished through December 31, 2012:</u></p> <ul style="list-style-type: none"> • Service on Corvallis Transit System routes with high ridership was expanded to provide more frequent runs. OSU supported the expansion by funding three of the seven new runs. • Police staff worked with the City/OSU Neighborhood Livability Workgroup on Special Response Notice issuance and enhanced/coordinated communications with OSP and OSU Office of Student Conduct. • The City/OSU Collaboration Steering Committee met in November and approved 29 of 30 recommendations forwarded by the Work Groups. • The Collaboration project recommendation related to increase in parking requirements for 4 and 5 bedroom multifamily housing units was adopted by the City Council. • The City/OSU Collaboration Project Work Groups met throughout the 2nd quarter. Neighborhood Livability received a presentation on property maintenance and rental licensing programs and examples of neighborhood design standards and guidelines; Neighborhood Planning continued discussions and review of proposals regarding regulating occupancy for unrelated individuals, standards for apartment designs and property maintenance; Parking and Traffic reviewed preliminary transit strategies and marketing recommendations from the City’s Draft Transit Master plan, parking district management issues and identified additional strategies. <p><u>Next Steps:</u></p> <ul style="list-style-type: none"> • The Work Groups and Steering Committee will continue to address the project scope of work which will extend over the next 18-24 months. The Steering Committee is scheduled to consider the next set of Work Group recommendations in early March. 	<p>Central City Education and Human Services Governing and Civic Involvement Protecting the Environment Where we Live</p>

Goals	Corvallis 2020 Vision Statement Categories
<p>The Council will create a financially sustainable City budget.</p> <ul style="list-style-type: none"> * Amend compensation policies to align total employee compensation with available City revenue. * Develop new sources of revenue that align with the cost of desired City services. <p><u>Accomplished through December 31, 2012:</u></p> <ul style="list-style-type: none"> • The City Council has previously approved a new financial plan model for the property tax funds, completed work on revised Financial Policies and policies on Compensation and Separation. • The City Council adopted the FY 12-13 budget that meets the definition of a Sustainable Budget. • The City Council held a work session to discuss unfunded liabilities as a part of the City’s overall financial strategy. Council consensus was to address unfunded liabilities once reserve goals are met. • The City Council ratified an agreement with CPOA that included revisions to health insurance plans that reduce costs to the City. • The City Council directed staff to move forward with development plans for a Public Safety Tax that would be assessed on the City Services Bill. • The City Council directed staff to determine the feasibility of a Parks and Recreation District. The initial study has been completed and reviewed by City Council. <p><u>Next Steps:</u></p> <ul style="list-style-type: none"> • Continue work on the FY 13-14 budget, including updating the financial plans. • Initiate negotiations with AFSCME; complete negotiations with CRCCA. • Develop Public Safety Tax information for further Council consideration. • Staff will complete additional information regarding a Parks and Recreation District to present to City Council. 	<p>Culture and Recreation Central City Economic Vitality Education and Human Services Governing and Civic Involvement Protecting the Environment Where we Live</p>
<p>Accomplishments Toward the Overarching Goals and Values (Diversity, Citizen Involvement, Sustainability and Cost Efficiency):</p> <ul style="list-style-type: none"> • Citizen Involvement: <ul style="list-style-type: none"> ○ Public Works worked with community partners to promote a Reusable Bag and Logo Contest as a means of supporting the successful implementation of the new ordinance on single-use plastic bags. ○ Public Works is working on the Green Streets grant-funded project, a collaboration between the Utilities and Transportation Divisions, that will help to increase the City’s understanding of the potential ecological value of streets. Staff is working to make the transportation system more sustainable through evaluating the policies and practices to minimize environmental impacts on streams while creating streets that are safer for all. • Sustainability: <ul style="list-style-type: none"> ○ Public Works received approval from the State Water Resource Department on the updated city water management and conservation plan. The plan provides water conservation response through 2022. With the additional City water rights certified with the approval of this management plan, it is estimated that Corvallis will have water available to accommodate an estimated water need through an 80,000 population equivalent. 	

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<ul style="list-style-type: none"> ○ Public Works acquired new lighting fixtures and began installation for a streetlight retrofit project on Research Way and Technology Loop using Energy Efficiency and Conservation Block Grant (EECBG) funds. ○ Public Works installed thirty new energy-saving and neighborhood-friendly induction exterior lights at the Wastewater Reclamation Plant. The new lights use approximately 50% less energy and were paid for by Energy Efficiency and Conservation Block Grant (EECBG) funds. ○ Public Works negotiated an updated agreement between the City of Corvallis and the Corvallis Sustainability Coalition outlining communication and collaboration objectives. ○ Public Works and Police Department staff teamed up to distribute and install 130 bike lights to riders who rode by the corner of Kings Boulevard and Monroe Avenue without one. They took the opportunity to educate riders about the regulations for bike safety at night and the fines that could result when those regulations aren't followed. ○ Public Works implemented a new City-wide Green Cleaning policy. ● Diversity: <ul style="list-style-type: none"> ○ The Commission for Martin Luther King, Jr. planned the January 2013 community celebration of Dr. King's life. ● Cost Efficiency: <ul style="list-style-type: none"> ○ Public Works published and direct-mailed the annual Flood Insert to Corvallis residents as a mechanism to keep the Community Rating System (CRS) and corresponding flood insurance premiums low for residents by meeting National Flood Insurance Program requirements. ○ The Library Foundation's Annual Campaign, along with ongoing fundraising efforts, has resulted in significant progress towards funding the Complete the Block project. 	