

# FOURTH QUARTERLY OPERATING REPORT

## FISCAL YEAR 2012-2013

### EXECUTIVE SUMMARY

August 23, 2013

The Quarterly Operating Report is usually 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 quarter is late as staff has been working through the full impact of the Hewlett-Packard appeal decision that is further discussed in this summary and in other materials provided to the City Council.

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.

The Federal Open Market Committee (FOMC) statement released in late July suggests that the economy has expanded at a modest pace during the first half of the calendar year. Although the unemployment rate is still elevated, labor market conditions have shown improvement in recent months. At 6.0% unemployment in June, on a seasonally adjusted basis, Corvallis continues to fare better than the State and the Nation. Household spending and the housing sector have strengthened, mortgage rates have risen somewhat, and fiscal policy continues to restrict economic growth. Inflation has been running slightly below the Committee's long-term objective of 2%, apart from temporary variations that create energy price fluctuations, but longer-term inflation expectations have remained stable. The FOMC expects that, with appropriate policy accommodation, economic growth will pick up from its recent pace and the unemployment rate will gradually decline toward levels the Committee deems consistent with its statutory mandate to foster maximum employment and price stability. The Committee will continue to monitor incoming information on economic and financial developments and has decided to keep the target range for the federal funds rate exceptionally low (i.e., in the 0 to

quarter percent range) as long as the national unemployment rate remains above 6.5%, and inflation projections deviate from the Committee's longer-run goal.

The City's financial performance through the fourth quarter of the fiscal year generally has been as expected, with operating expenditures at nearly 92% of budget, approximately 3.24% more than last year. Percentages of budgeted revenues are down a total of 0.29% points from the prior year; however, there was still nearly \$9.7 million more in income than in FY 11-12, which is attributable to a debt refunding of three utility-backed loans in the Water and Wastewater Funds. 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.

Property tax revenue ended FY 12-13 at only 96% of budget and lower than FY 11-12. Some of this reduction was expected as the levy for the City's general obligation bond issue was decreased considerably in FY 11-12 so the total tax levy was lower than prior years. However, as noted in previous quarterly reports, most of the below estimate performance is the result of only half a percent growth in assessed value versus the three percent projected. In late May the City was also notified that Hewlett-Packard, the City's largest single taxpayer, had prevailed in its appeal of the 2008, 2009, and 2010 tax assessments, resulting in an estimated \$2.1 million refund the City will make in FY 13-14. Several other smaller, but still costly appeals were also resolved in the fourth quarter which resulted in even lower tax revenue than previously estimated.

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 \$1.9 million increase over last year and a slightly greater percentage of budget overall than forecast. Miscellaneous revenue received is significantly greater when compared to last year, primarily due to receipt of sizeable Business Energy Tax Credits this fiscal year that pertained to prior year Transit operations. In Property Tax Funds combined, there were increases in Charges for Service and Miscellaneous revenue due to recovery of bad debts and miscellaneous gifts/donations, but these were largely offset by lower than budgeted traffic fines collected, franchise fees, and federal grant dollars.

As of the end of the fourth quarter for the fiscal year, total operating expenditures are less than 92% of budgeted expenditures, but are virtually identical in total to last year's spending levels. The variance against budget is driven primarily by less capital outlay, special project expenditures, and savings due to personnel vacancies, as well as a halt on discretionary spending in the latter half of the fourth quarter to help make up the refund needed for Hewlett-Packard's (HP) successful property tax appeal.

The Fire Department spent less on capital outlay and special projects (i.e., fewer vehicle replacements were made) than in FY 11-12. Community Development housing grant-related expenditures were less than 50% of budgeted levels in both fiscal years. Due to project delays, roughly \$1.6 million in CDBG and HOME project expenditures, and related revenues, will be carried forward to FY 13-14. In addition to the slower than anticipated projects, lower awards of federal funding for the CDBG and HOME programs have negatively impacted the fund's cash position in FY 12-13; as such, an interfund loan of \$80,000 was made to the CD Revolving Fund by the Development Services Fund to remedy ending fund balance at fiscal year end. This loan will be re-paid in FY 13-14.

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	4th 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	\$1,120,755	\$22,980,336	96.13%	\$24,447,883	101.05%
Other Tax	1,270,650	524,058	1,396,192	109.88%	1,239,155	107.64%
Licenses/Permits	8,740,150	2,735,951	8,706,886	99.62%	8,599,094	107.14%
System Development Charges	1,989,780	863,557	2,244,088	112.78%	3,556,321	262.46%
Charges for Service	37,738,370	10,364,559	39,020,016	103.40%	37,148,806	100.38%
Intergovernmental	17,335,633	2,792,317	10,957,243	63.21%	12,351,866	68.97%
Fines/Forfeitures	1,283,410	303,976	1,151,014	89.68%	1,234,516	89.09%
Miscellaneous	2,767,850	1,198,975	3,594,519	129.87%	2,697,026	84.12%
Other Financing Sources/Transfers in	24,023,308	1,542,277	20,585,909	85.69%	9,665,021	68.79%
<b>TOTAL CURRENT REVENUE</b>	<b>\$119,053,831</b>	<b>\$21,446,425</b>	<b>\$110,636,204</b>	<b>92.93%</b>	<b>\$100,939,688</b>	<b>93.22%</b>
<b>EXPENDITURE BY DEPARTMENT</b>						
City Manager's Office	\$3,302,670	\$675,425	\$2,922,667	88.49%	\$2,854,817	93.29%
Community Development	7,506,640	1,405,099	5,628,433	74.98%	5,516,416	63.32%
Finance	4,790,210	1,250,941	4,678,527	97.67%	4,872,487	97.11%
Fire	10,455,220	2,660,359	10,175,170	97.32%	11,015,257	96.75%
Library	6,054,010	1,579,218	5,811,236	95.99%	5,901,472	89.94%
Park & Recreation	6,080,310	1,960,996	6,063,447	99.72%	5,683,815	93.23%
Police	13,031,970	3,179,671	12,613,589	96.79%	12,574,930	95.77%
Public Works	29,744,922	7,136,013	26,188,091	88.04%	26,048,091	85.75%
Non-Departmental	1,512,927	311,307	1,466,677	96.94%	1,260,044	92.16%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$82,478,879</b>	<b>\$20,159,029</b>	<b>\$75,547,837</b>	<b>91.60%</b>	<b>\$75,727,329</b>	<b>88.36%</b>
Debt Service	\$4,734,140	\$2,073,632	\$4,660,413	98.44%	\$8,182,617	100.00%
Capital Projects	9,687,779	1,222,194	3,820,729	39.44%	5,718,392	46.71%
Transfers Out / Other Financing Uses	26,348,831	1,527,638	22,742,369	86.31%	9,616,496	68.45%
Contingencies/Reserves	1,611,260	0	0	0.00%	0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$124,860,889</b>	<b>\$24,982,493</b>	<b>\$106,771,348</b>	<b>85.51%</b>	<b>\$99,244,834</b>	<b>81.65%</b>
<b>CURRENT REVENUES LESS TOTAL EXPENDITURES</b>	<b>(\$5,807,058)</b>	<b>(\$3,536,068)</b>	<b>\$3,864,856</b>		<b>\$1,694,854</b>	

In general, the status of the City's finances was in line with expectations at year-end. Revenues before final accruals total \$110,636,204, and are at 92.93% of the Amended Total Revenue Budget of \$119,053,831. 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 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 Mgmt	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
2/4/2013	Res - Payment	NW Natural Gas	Parks & Recreation	Parks & Rec	\$ 141,180
3/18/2013	Res - Grant	ODOT Grant	General	Police	\$ 142,210
4/1/2013	Res - Grant	Home Fire Sprinkler Coalition Grant	Fire & Rescue	Fire	\$ 1,000
5/20/2013	Res - Grant	Benton Soil & Water Conservation Grant	Parks & Recreation	Parks & Rec	\$ 2,000
				Total Increase	\$ 12,880,816

Significant revenue highlights include:

- **Property taxes** totaled \$22,980,336 through the fourth quarter, which equals 96.13% of the budgeted property tax revenue. Year-to-date property tax revenues are about \$1.4 million less than last fiscal year's results for the same time period, due primarily to a lower debt levy amount based on the front-loaded structure of debt service payments for the 2009 General Obligation refunding

bonds; and a property tax appeal won by the Timberhill development, which meant less property tax turnover in the last quarter of the fiscal year. Prior year delinquent account collections are lagging last fiscal year by about \$200,000 year-to-date, but the decrease is partly offset by the 0.5% increase in current year permanent rate levy revenues based on assessed value growth.

- **Other Taxes** are collected from hotels in the form of room taxes and totaled \$1,396,192 or 109.88% of budget and are higher in total compared to last fiscal year due to good attendance at fall sporting events and some signs of mild economic recovery.
- **Licenses, Fees and Permits** totaled \$8,706,886 which represents 99.62% of the amended budget and is below budget as a percentage received when compared with the same time last year. The largest portion of this category is franchise fees, which underperformed in FY 12-13 primarily due to utility conservation efforts and decreasing land line use. The transportation maintenance and sustainability initiative fees, as well as Development Service permit fees came in on target at year-end.
- **System Development Charges** were \$2,244,088 which represents 112.78% of the amended budget and is substantially higher than anticipated both this year and last due to OSU-related activity. In both FY 12-13 and 11-12, the higher percentage of actuals 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 \$39,020,016, which represents 103.40% of the amended budget. This revenue type is slightly above target as a percentage of budget and is mostly attributable to: aquatics recreation charges; development services plan reviews; and Water Fund metered revenue. While these results served to attain higher than budgeted revenues in total, Parks & Recreation Fund non-aquatics recreation program revenues were \$158,000 lower than projected while Fire and Rescue Fund’s ambulance revenue were \$186,000 lower than projected which negatively impacted these two funds’ bottom lines.
- **Intergovernmental** revenues are below target at \$10,957,243 and 63.21% of budget and are lower than the same time last year. However, actual receipts may end up higher once all year-end accruals of grants are recorded. The receipt of grant monies tends to be volatile and highly dependent on timing of related expenditures.
- **Fines & Forfeiture** receipts related to Municipal Court ended up under budget and lower than last year due primarily to fewer traffic and parking fines issued, partly as a result of patrol staffing vacancies. However, now with fully staffed parking enforcement, as well as a significant fine increase for violations in residential parking districts that went into effect September 2012, revenues are expected to rebound slightly in the next fiscal year. While some improvement continues to be noted from concentrated efforts related to collections in the past several years, after turning over about \$2.1 million in traffic and \$510,000 in parking delinquencies, these accounts have 88% and 62% of their respective balances still outstanding.
- **Interest earnings** totaled \$296,147 at the end of the fourth quarter, which represents 130.58% of budgeted interest and is about 93% 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 \$75,547,838 or 91.60% 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 early in the year on special projects and capital outlay and less discretionary spending later in the fiscal year due to HP's property tax appeal win. Community Development typically under-expends its grant appropriations due to the length of time between grant approval and project completion for housing loan projects; however, grant allocation availability from the federal government in recent years, particularly for administrative cost coverage, is also significantly lower than in previous years which has had an impact on the Department's operations.

Non-operating expenditures, which include capital projects, transfers, debt service, and contingency, totaled \$31,223,511 or 73.67% of the \$42,382,010 Amended Non-Operating Budget. In total, expenditures through the fourth quarter were \$106,771,349 or 85.51% of the \$124,860,889 budgeted, compared to 81.65% for the fourth 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>		\$46,005,670	\$33,926,489	\$2,546,720	\$82,478,879	
City Manager's Office	\$3,302,670	\$1,253,639	\$1,669,028	\$0	\$2,922,667	88.49%
Community Development	7,506,640	3,531,522	2,048,899	48,012	5,628,433	74.98%
Finance	4,790,210	3,154,311	1,524,216	0	4,678,527	97.67%
Fire	10,455,220	8,313,251	1,836,658	25,262	10,175,170	97.32%
Library	6,054,010	3,901,897	1,909,340	0	5,811,236	95.99%
Parks & Recreation	6,080,310	3,601,271	2,421,615	40,561	6,063,447	99.72%
Police	13,031,970	9,600,691	2,777,680	235,218	12,613,589	96.79%
Public Works	29,744,922	11,161,337	13,544,208	1,482,546	26,188,091	88.04%
Non Department	1,512,927	0	1,466,677	0	1,466,677	96.94%
<b>TOTAL</b>	<b>\$82,478,879</b>	<b>\$44,517,920</b>	<b>\$29,198,320</b>	<b>\$1,831,598</b>	<b>\$75,547,838</b>	<b>91.60%</b>
Percent of Budget		96.77%	86.06%	71.92%	91.60%	

Significant expenditure highlights include:

- Personnel Services** totaled \$44,517,920 or 96.77% of the amended budget of \$46,005,670 and, though lower in total dollars spent, was slightly higher as a percent of budget than in FY 11-12. Spending decreased \$606,996 year-over-year primarily due to 12.92 less authorized FTE in 12-13 vs. 11-12 and due to vacancies throughout the City serving to offset higher healthcare costs. Additionally, Exempt, AFSMCE, CRCCA, IAFF, and CPOA bargaining units agreed to no COLA increases in FY 12-13 and flat to declining health benefit premiums in calendar 2013.
- Supplies and Services** totaled \$29,198,320 or 86.06% of the amended budget of \$33,926,489. The dollars spent in FY 12-13 are approximately 4% lower than the amount spent in FY 11-12 due to fewer special projects and less discretionary spending with an eye toward attaining a sustainable budget.

- **Capital Outlay** totaled \$1,831,598 or 71.92% of the amended budget of \$2,546,720. The dollars spent in FY 12-13 are approximately \$306,000 less than in FY 11-12 due in part to the timing of planned purchases for 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 \$3,820,729 or 39.44% 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 been carried forward to FY 13-14.
- **Debt service** payments totaled \$4,660,413 or 98.44% of the total budget of \$4,734,140, which, though a lower dollar amount in total due to less debt outstanding, is aligned with the percentage of budget spent at the same time last fiscal year.
- **Transfers and Other Financial Uses** totaled \$22,742,369 or 86.31% of the amended budget of \$26,348,831. The majority of the transfers are related to capital projects. Other Financial Uses are related to the debt refunding identified previously. 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](mailto:nancy.brewer@corvallisoregon.gov).

Nancy Brewer  
Finance Director

# PROPERTY TAX FUNDS COMBINED\*

REVENUE	AMENDED BUDGET	4th Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	4th 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	\$888,254	\$20,126,321	95.83%	\$1,258,081	\$20,508,584	101.16%
Other Tax	1,270,650	524,058	1,396,192	109.88%	433,597	1,239,155	107.64%
Licenses/Permits	5,708,610	1,823,657	5,564,426	97.47%	1,926,958	5,710,001	101.51%
Charges for Service	5,856,500	1,174,711	5,814,654	99.29%	1,267,487	5,633,617	102.99%
Intergovernmental	4,309,570	636,335	3,908,911	90.70%	914,972	4,230,717	85.39%
Fines/Forfeitures	830,110	173,050	685,823	82.62%	199,463	805,078	82.44%
Miscellaneous	574,030	137,526	596,840	103.97%	79,770	485,154	128.05%
Other Financing Sources	2,845,350	291,224	2,368,142	83.23%	227,967	1,895,078	97.88%
<b>TOTAL CURRENT REVENUE</b>	<b>\$42,397,460</b>	<b>\$5,648,816</b>	<b>\$40,461,308</b>	<b>95.43%</b>	<b>\$6,308,295</b>	<b>\$40,507,383</b>	<b>99.36%</b>

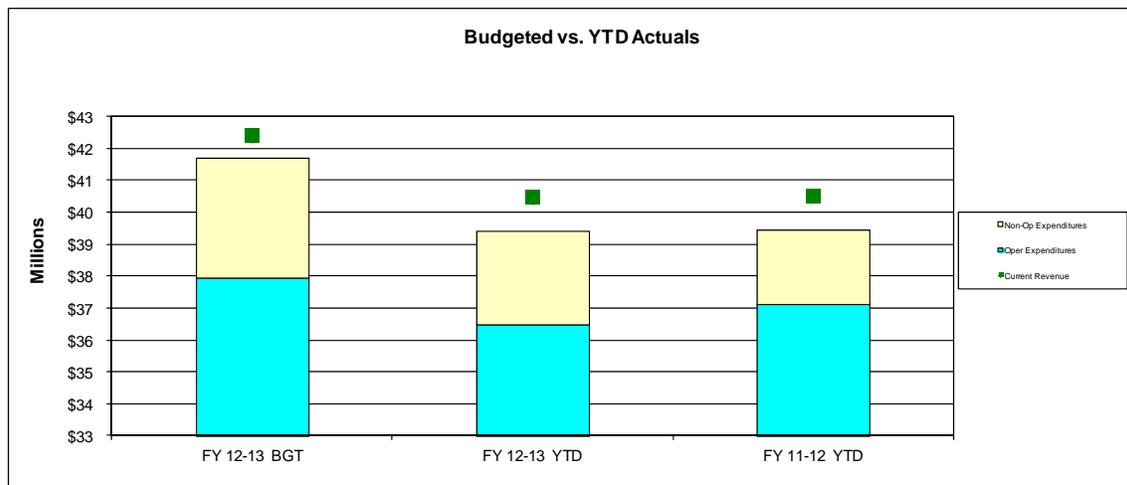
## EXPENDITURE BY DEPARTMENT

City Manager's Office	\$380,000	\$106,236	\$231,272	60.86%	\$0	\$0	0.00%
Community Development	1,311,410	310,098	1,225,394	93.44%	301,540	1,256,557	92.63%
Finance	629,740	146,807	599,019	95.12%	157,553	659,182	97.27%
Fire	10,455,220	2,660,359	10,175,170	97.32%	2,635,931	11,015,257	96.75%
Library	6,023,510	1,578,779	5,780,864	95.97%	1,643,758	5,901,472	90.35%
Parks and Recreation	6,080,310	1,960,996	6,063,447	99.72%	1,453,980	5,683,815	93.23%
Police	10,499,190	2,550,684	10,120,728	96.40%	2,619,357	10,188,973	96.14%
Public Works	1,218,900	262,794	982,569	80.61%	325,762	1,172,385	71.37%
Non-Departmental	1,362,100	311,307	1,323,230	97.15%	338,572	1,258,694	92.15%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$37,960,380</b>	<b>\$9,888,059</b>	<b>\$36,501,692</b>	<b>96.16%</b>	<b>\$9,476,454</b>	<b>\$37,136,334</b>	<b>93.65%</b>
Debt Service	\$243,880	\$0	\$243,872	100.00%	\$0	\$244,422	100.00%
Transfers	3,005,900	627,997	2,675,287	89.00%	348,520	2,068,450	88.49%
Contingencies/Reserves	512,850	0	0	0.00%	0	0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$41,723,010</b>	<b>\$10,516,056</b>	<b>\$39,420,852</b>	<b>94.48%</b>	<b>\$9,824,974</b>	<b>\$39,449,206</b>	<b>92.70%</b>

## CURRENT REVENUE LESS

<b>TOTAL EXPENDITURES</b>	<b>\$674,450</b>	<b>(\$4,867,240)</b>	<b>\$1,040,457</b>		<b>(\$3,516,679)</b>	<b>\$1,058,177</b>	
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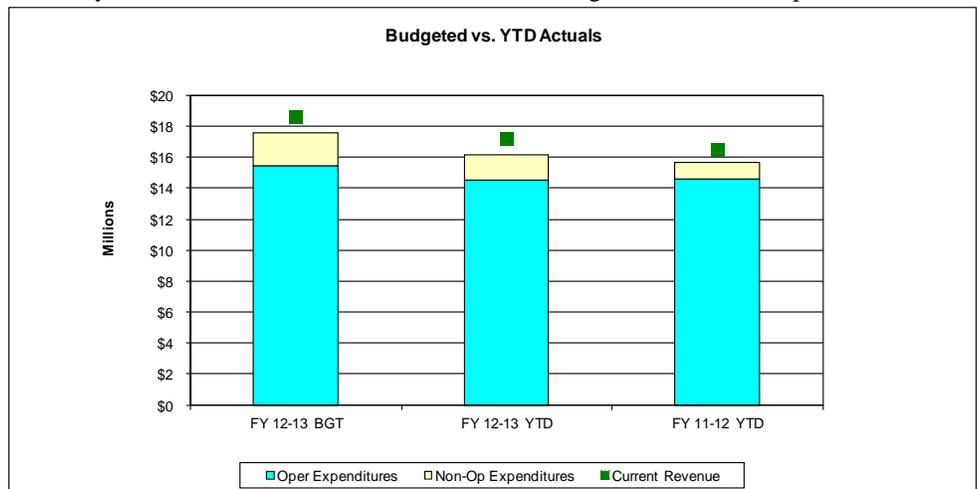
\* Includes General, Parks & Recreation, Fire & Rescue, and Library Funds



# GENERAL FUND

REVENUE	AMENDED BUDGET	4th Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	4th 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	(\$211,028)	\$6,632,314	91.71%	\$50,605	\$6,140,795	102.39%
Other Tax (2)	1,270,650	524,058	1,396,192	109.88%	433,597	1,239,155	107.64%
Licenses/Permits (3)	5,548,670	1,767,802	5,401,943	97.36%	1,872,562	5,547,778	101.43%
Charges for Service (4)	808,710	171,503	934,875	115.60%	214,333	828,770	112.23%
Intergovernmental (5)	1,805,600	400,476	1,451,490	80.39%	548,229	1,633,284	71.24%
Fines/Forfeitures (6)	716,110	142,944	567,579	79.26%	168,731	693,434	79.55%
Miscellaneous (7)	255,470	38,060	168,784	66.07%	40,513	270,153	230.43%
Other Financing Sources (8)	961,840	209,816	637,198	66.25%	7,809	113,870	100.89%
<b>TOTAL CURRENT REVENUE</b>	<b>\$18,598,500</b>	<b>\$3,043,631</b>	<b>\$17,190,375</b>	<b>92.43%</b>	<b>\$3,336,379</b>	<b>\$16,467,239</b>	<b>98.30%</b>
<b>EXPENDITURE BY DEPARTMENT</b>							
City Manager's Office (9)	\$380,000	\$106,236	\$231,272	60.86%	\$0	\$0	0.00%
Community Development	1,311,410	310,098	1,225,394	93.44%	301,540	1,256,557	92.63%
Finance	629,740	146,807	599,019	95.12%	157,553	659,182	97.27%
Police	10,499,190	2,550,684	10,120,728	96.40%	2,619,357	10,188,973	96.14%
Public Works (5)	1,218,900	262,794	982,569	80.61%	325,762	1,172,385	71.37%
Non-Departmental	1,362,100	311,307	1,323,230	97.15%	338,572	1,258,694	92.15%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$15,401,340</b>	<b>\$3,687,926</b>	<b>\$14,482,212</b>	<b>94.03%</b>	<b>\$3,742,784</b>	<b>\$14,535,791</b>	<b>92.94%</b>
Debt Service	\$243,880	\$0	\$243,872	100.00%	\$0	\$244,422	100.00%
Other Financing Uses (10)	1,712,560	406,407	1,391,447	81.25%	147,760	819,440	96.42%
Contingencies/Reserves	224,860	0	0	0.00%	0	0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$17,582,640</b>	<b>\$4,094,333</b>	<b>\$16,117,531</b>	<b>91.67%</b>	<b>\$3,890,544</b>	<b>\$15,599,653</b>	<b>92.67%</b>
<b>CURRENT REVENUE LESS TOTAL EXPENDITURES</b>	<b>\$1,015,860</b>	<b>(\$1,050,702)</b>	<b>\$1,072,844</b>		<b>(\$554,165)</b>	<b>\$867,586</b>	

- (1) This year's collection is below budget in total with assessed value (AV) growth of only 0.5% vs. the projection of 3%. Fourth QOR data includes the General Fund buy out of all tax receivables in other tax funds at year-end; the full impact of the AV reduction is in the General Fund. An additional shortfall occurred in the fourth quarter due a Timberhill Development refund based on a successful valuation appeal. A \$1.44 million Hewlett-Packard refund will be paid in FY 13-14, so is not reflected in the values above.
- (2) Other Taxes are from hotel room rentals, and are higher than both budget and last fiscal year due to good attendance at fall sporting events and some signs of mild economic recovery.
- (3) Licenses/Permits are lower than budget and FY 11-12 primarily from lower franchise fees, as a result of utility conservation efforts and decreased land line usage.
- (4) Charges for Service are higher as a percentage of budget, due primarily to the Economic Development program payment received from Benton County that was recorded in this category but budgeted as a Miscellaneous revenue.
- (5) Intergovernmental revenue and PW expenditures are lower than budget due in part to the uneven timing of spending for Energy Efficiency and Conservation Block Grant and Environmental Protection Agency Climate Showcase Communities grant projects. Grant revenues not yet received will either be accrued back to FY 12-13 (estimated \$58,000), or will carry forward to FY 13-14 along with the associated PW special projects.
- (6) Traffic fine revenue under-performed FY 11-12 levels and did not keep pace with anticipated FY 12-13 budget, which is attributed to a motorcycle traffic enforcement officer vacancy, reduced staffing at Municipal Court, and less success with delinquent account collections than originally anticipated.
- (7) Miscellaneous revenue is lower in FY 12-13 relative to FY 11-12, primarily due to last year's receipt of payments totaling approximately \$116,000 for the sale of Seavey Meadows. Revenues are also lower than budget in FY 12-13 as per footnote #4.
- (8) Other Financing Sources include pass-through agency receipts for court costs and permit surcharges, which the City began budgeting and recording in FY 12-13 based on state law. The remaining receipts in this category are for property tax transfers related to the 2011 Operating Levy, which have been collected at a rate similar to FY 11-12.
- (9) The Economic Development (ED) program, housed in the City Manager's Office, was new in FY 12-13. Expenditures are under budget due to vacancy savings for most of the fiscal year.

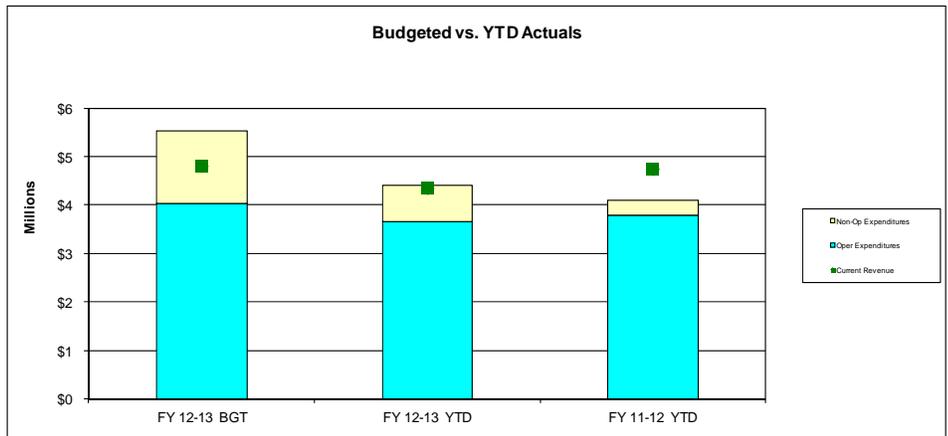


# COMBINED STREET FUND\*

REVENUE	AMENDED BUDGET	4th Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	4th 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	\$173,975	\$681,003	111.71%	\$155,516	\$632,929	105.12%
System Development Charges (2)	523,350	175,210	390,609	74.64%	304,072	661,867	203.65%
Charges for Service (3)	251,330	36,003	203,073	80.80%	58,325	268,356	116.58%
Intergovernmental (4)	3,412,070	954,877	3,044,454	89.23%	1,032,614	3,138,797	90.70%
Fines/Forfeitures (5)	1,000	231	880	88.00%	400	2,488	248.80%
Miscellaneous (6)	8,560	7,672	25,507	297.98%	12,837	27,720	180.70%
<b>TOTAL CURRENT REVENUE</b>	<b>\$4,805,930</b>	<b>\$1,352,618</b>	<b>\$4,350,176</b>	<b>90.52%</b>	<b>\$1,574,619</b>	<b>\$4,743,012</b>	<b>102.34%</b>
<b>EXPENDITURE BY DEPARTMENT</b>							
Community Development (7)	\$21,020	\$4,649	\$19,300	91.82%	\$4,370	\$17,195	78.70%
Public Works (7)	4,003,730	870,901	3,643,305	91.00%	791,247	3,767,525	88.77%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$4,024,750</b>	<b>\$875,550</b>	<b>\$3,662,606</b>	<b>91.00%</b>	<b>\$795,617</b>	<b>\$3,784,720</b>	<b>88.72%</b>
Transfers (8)	\$1,423,600	\$464,449	\$737,579	51.81%	\$181,407	\$320,707	28.65%
Contingencies/Reserves	85,520	0	0	0.00%	0	0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$5,533,870</b>	<b>\$1,339,999</b>	<b>\$4,400,185</b>	<b>79.51%</b>	<b>\$977,024</b>	<b>\$4,105,427</b>	<b>75.09%</b>
<b>CURRENT REVENUE LESS</b>							
<b>TOTAL EXPENDITURES</b>	<b>(\$727,940)</b>	<b>\$12,619</b>	<b>(\$50,009)</b>		<b>\$597,594</b>	<b>\$637,584</b>	

\* Includes Street SDC Fund

- (1) Revenue in both years was greater than budget due primarily to higher than anticipated right-of-way charges collected in each fiscal year.
- (2) System Development Charges revenue was less than anticipated and lower than the prior year due to several large FY 11-12 receipts related to new multi-housing project development.
- (3) Public Improvement by Private Contract (PIPC) receipts was higher last year due to unexpected development of the Oakmont, 7<sup>th</sup> Street Station, and Walnut Creek additions, the McFadden Annexation, and construction at OSU. In FY 12-13, reduced construction activity has contributed to lower than budgeted revenues.
- (4) Intergovernmental revenue consists of state and federal grants, as well as State highway taxes. FY 12-13 came in below budget likely due to higher gas prices leading to lower use of fuel. Also, a budgeted transportation grant for \$112,160, related to an Americans with Disabilities Act (ADA) compliant ramp special project, was carried forward to FY 13-14.
- (5) The Fines/Forfeitures category includes penalty fees and restitution payments, and is therefore dependent upon the timing of citations and damage.
- (6) The expectation that interest earnings might be considerably lower in FY 12-13, due to diminished fund balance levels, did not materialize.
- (7) Expenditures were slightly below expectations due to savings in personnel services in Community Development and savings in special projects in Public Works, which deferred certain street maintenance until July of FY 13-14. Public Works has also carried over the purchase of two vehicles into future fiscal years.
- (8) Transfers for capital projects are made based on anticipated needs. See the Capital Improvement Program section for status information on capital projects.

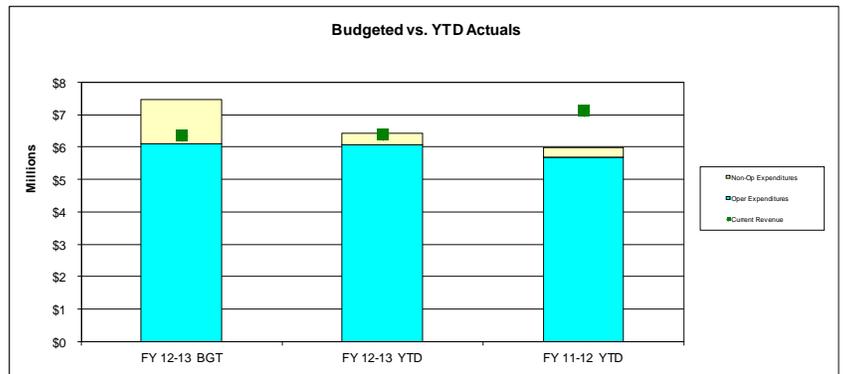


# PARKS AND RECREATION FUND\*

REVENUE	AMENDED BUDGET	4th Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	4th 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	\$263,707	\$3,237,079	97.98%	\$322,132	\$3,833,052	100.64%
Licenses/Permits (2)	141,300	52,175	145,623	103.06%	47,832	139,678	101.44%
System Development Charges (3)	300,000	152,060	393,970	131.32%	288,329	792,326	528.22%
Charges for Service (4)	1,531,140	542,685	1,570,976	102.60%	442,278	1,370,920	97.05%
Intergovernmental (5)	9,400	7,225	12,996	138.26%	0	11,800	43.07%
Fines/Forfeitures	250	6	324	129.60%	447	467	467.00%
Miscellaneous (6)	234,010	60,994	313,459	133.95%	42,528	147,545	147.18%
Other Financing Sources (7)	844,150	35,628	713,801	84.56%	153,871	820,456	95.80%
<b>TOTAL CURRENT REVENUE</b>	<b>\$6,364,190</b>	<b>\$1,114,480</b>	<b>\$6,388,228</b>	<b>100.38%</b>	<b>\$1,297,417</b>	<b>\$7,116,244</b>	<b>109.60%</b>
<b>EXPENDITURE BY DEPARTMENT</b>							
Parks and Recreation (8)	\$6,080,310	\$1,960,996	\$6,063,447	99.72%	\$1,453,980	\$5,683,815	93.23%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$6,080,310</b>	<b>\$1,960,996</b>	<b>\$6,063,447</b>	<b>99.72%</b>	<b>\$1,453,980</b>	<b>\$5,683,815</b>	<b>93.23%</b>
Transfers (9)	\$1,309,423	\$29,370	\$344,660	26.32%	\$120,606	\$291,376	48.02%
Contingencies/Reserves	67,390	0	0	0.00%	0	0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$7,457,123</b>	<b>\$1,990,366</b>	<b>\$6,408,107</b>	<b>85.93%</b>	<b>\$1,574,586</b>	<b>\$5,975,191</b>	<b>88.38%</b>
<b>CURRENT REVENUE LESS</b>							
<b>TOTAL EXPENDITURES</b>	<b>(\$1,092,933)</b>	<b>(\$875,886)</b>	<b>(\$19,879)</b>		<b>(\$277,169)</b>	<b>\$1,141,053</b>	

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

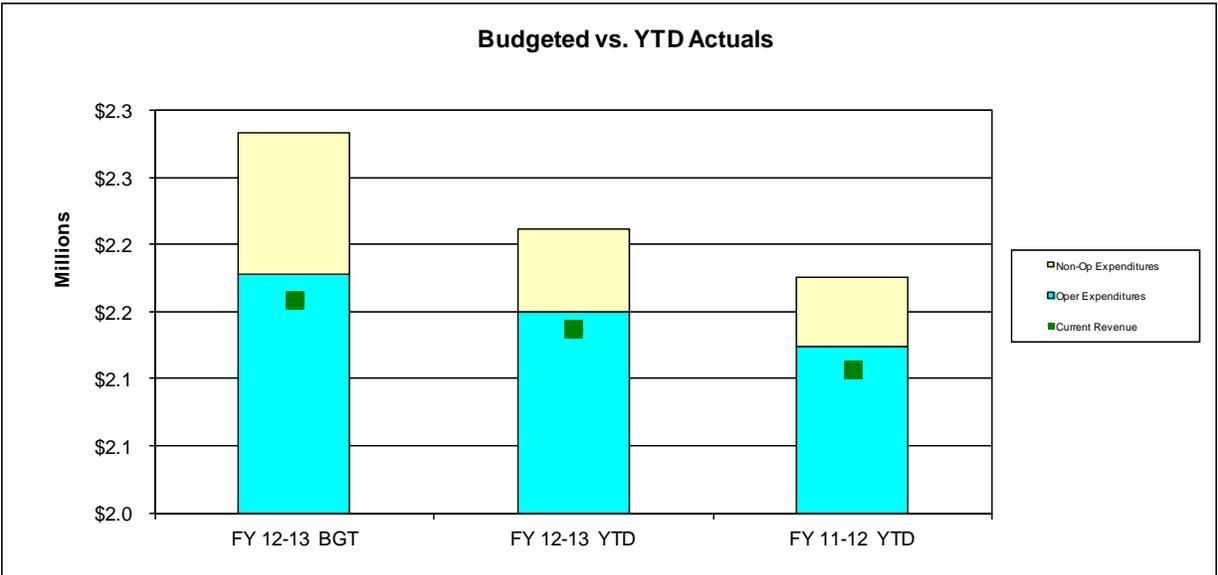
- (1) Lower than anticipated revenues can be attributed to the Timberhill Development refund that occurred in the fourth quarter.
- (2) As a result of recent cost recovery program efforts, Licenses/Permits exceeded budget expectations and FY 11-12 levels despite cooler weather earlier in the year, which impacted shelter rentals.
- (3) System Development Charges (SDC) came in lower than in the prior year, which had included charges for several large residential development projects.
- (4) Charges for Service increases over prior year and budget 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. While these results served to attain higher than budgeted revenues in total, it should be noted that the Parks & Recreation Fund's non-aquatics recreation program revenues were approximately \$158,000 lower than projected, due to fewer programs offered as a result of further cost recovery implementation.
- (5) Budgeted FY 12-13 Intergovernmental revenue is related to a State Marine Board grant that exceeded expectations. Prior year revenues included an 'Artists in the Park' grant that was not received in FY 12-13.
- (6) Miscellaneous revenues were higher than budget and last fiscal year due to receipt of an unanticipated NW Natural Gas payment associated with the use of City easements for laying pipelines, and higher than expected donations/contributions received early in the fiscal year.
- (7) Other Financing Sources represent primarily the property tax revenue transfers associated with the 2011 Operating Levy. The Local Option Levy revenue was lower than budget and last fiscal year due to the low growth in assessed value.
- (8) Parks and Recreation expenditures ended the year at a higher proportion of budget expended than historical data as staff focused on implementing projects required for safety compliance and maintenance that could no longer be deferred at various facilities.
- (9) Transfers for capital projects are made based on anticipated needs. See the Capital Improvement Program section for status information on capital projects for FY 12-13.



# 911 EMERGENCY SERVICES

REVENUE	AMENDED BUDGET	4th Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	4th 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	\$979,152	99.68%	\$231,899	\$927,582	99.34%
Intergovernmental	1,172,850	344,108	1,153,611	98.36%	356,879	1,174,100	98.72%
Miscellaneous (1)	3,430	907	4,041	117.81%	1,252	4,944	84.22%
<b>TOTAL CURRENT REVENUE</b>	<b>\$2,158,560</b>	<b>\$589,809</b>	<b>\$2,136,804</b>	<b>98.99%</b>	<b>\$590,030</b>	<b>\$2,106,626</b>	<b>98.96%</b>
<b>EXPENDITURE BY DEPARTMENT</b>							
Police	\$2,177,200	\$510,654	\$2,148,934	98.70%	\$530,907	\$2,123,624	97.38%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$2,177,200</b>	<b>\$510,654</b>	<b>\$2,148,934</b>	<b>98.70%</b>	<b>\$530,907</b>	<b>\$2,123,624</b>	<b>97.38%</b>
Transfers	\$62,240	\$11,170	\$62,240	100.00%	\$8,920	\$51,070	100.00%
Contingencies/Reserves	43,450	0	0	0.00%	0	0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$2,282,890</b>	<b>\$521,824</b>	<b>\$2,211,174</b>	<b>96.86%</b>	<b>\$539,827</b>	<b>\$2,174,694</b>	<b>95.36%</b>
<b>CURRENT REVENUE LESS</b>							
<b>TOTAL EXPENDITURES</b>	<b>(\$124,330)</b>	<b>\$67,985</b>	<b>(\$74,370)</b>		<b>\$50,203</b>	<b>(\$68,068)</b>	

(1) Miscellaneous revenue fluctuates year over year since it is comprised primarily of interest on investments (based on fund balance) and false alarm billing revenue to outside entities.



# DEVELOPMENT SERVICES

REVENUE	AMENDED BUDGET	4th Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	4th 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	\$433,877	\$1,083,207	99.71%	\$402,145	\$1,068,832	138.76%
Charges for Service (2)	1,153,370	1,171,415	1,901,416	164.86%	412,005	1,141,931	112.41%
Miscellaneous (3)	7,670	2,099	8,551	111.49%	2,919	10,349	82.66%
Other Financing Sources	118,390	1,424	119,814	101.20%	0	118,390	100.00%
<b>TOTAL CURRENT REVENUE</b>	<b>\$2,365,780</b>	<b>\$1,608,815</b>	<b>\$3,112,988</b>	<b>131.58%</b>	<b>\$817,069</b>	<b>\$2,339,502</b>	<b>122.04%</b>

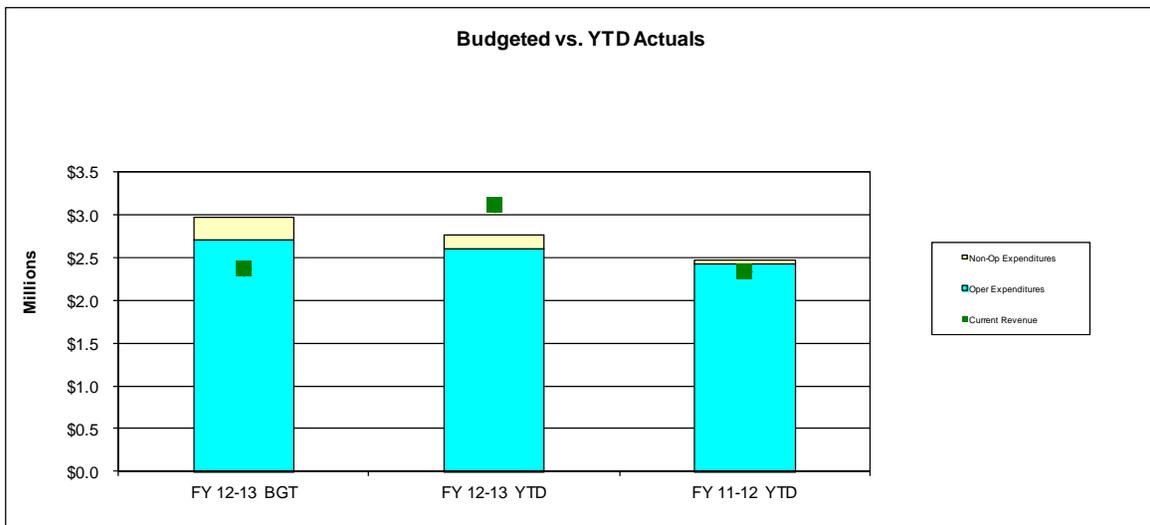
## EXPENDITURE BY DEPARTMENT

Community Development (4)	\$2,702,700	\$694,620	\$2,592,714	95.93%	\$612,728	\$2,416,197	85.11%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$2,702,700</b>	<b>\$694,620</b>	<b>\$2,592,714</b>	<b>95.93%</b>	<b>\$612,728</b>	<b>\$2,416,197</b>	<b>85.11%</b>
Transfers Out/Other Financing Uses (5)	\$208,800	\$90,050	\$168,800	80.84%	\$8,410	\$48,160	20.10%
Contingencies/Reserves	50,000	0	0	0.00%	0	0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$2,961,500</b>	<b>\$784,670</b>	<b>\$2,761,514</b>	<b>93.25%</b>	<b>\$621,138</b>	<b>\$2,464,357</b>	<b>78.77%</b>

## CURRENT REVENUE LESS

<b>TOTAL EXPENDITURES</b>	(\$595,720)	\$824,145	\$351,474		\$195,931	(\$124,855)	
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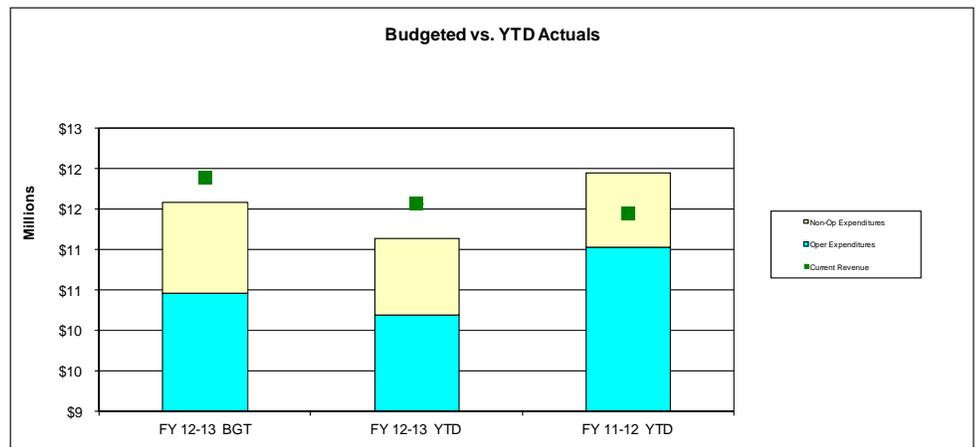
- (1) Licenses/Permits revenue is collected when permits are issued. Year-end revenues are meeting target and are above the prior fiscal year due to an increase in permits issued during the fourth quarter for several very large projects. Permits for new single family homes (58) increased from the previous five years (average 40 per year). This activity is still not at the level of pre-recession averages of 200 new home permits per year.
- (2) Charges for Service revenue, which includes reviews and inspections, are above target and last fiscal year due to some large OSU projects. 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) FY 12-13 expenditures were lower than budget due in part to unfilled vacancies, expenditure conservation efforts, and the carry forward of some special project budgets to FY 13-14. FY 11-12 was considerably lower than budget due to a combination of vacancies and under spending on planned special projects.
- (5) Other Financing Uses includes an interfund loan provided to the Community Development Revolving Fund at year-end, to be paid back within one year. The interfund loan was budgeted at up to \$120,000, but recorded at only \$80,000 based on year-end balance results. Transfers for capital projects are made based on anticipated needs. Please see the Capital Improvement Program section for information on the status of capital projects.



# FIRE AND RESCUE FUND

REVENUE	AMENDED BUDGET	4th Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	4th 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	\$665,139	\$8,164,770	97.99%	\$661,508	\$7,871,299	100.64%
Licenses/Permits (2)	18,640	3,680	16,859	90.45%	6,565	22,544	127.87%
Charges for Service (3)	3,473,230	450,795	3,264,886	94.00%	600,824	3,392,735	103.68%
Intergovernmental (4)	43,200	20,633	45,184	104.59%	24,499	85,863	62.29%
Fines/Forfeitures (5)	8,950	1,400	11,656	130.23%	3,377	12,310	96.85%
Miscellaneous (6)	13,130	11,761	50,403	383.88%	5,734	24,296	31.46%
Other Financing Sources (7)	0	0	14,922	0.00%	40,500	40,500	0.00%
<b>TOTAL CURRENT REVENUE</b>	<b>\$11,889,420</b>	<b>\$1,153,408</b>	<b>\$11,568,680</b>	<b>97.30%</b>	<b>\$1,343,007</b>	<b>\$11,449,547</b>	<b>100.98%</b>
<b>EXPENDITURE BY DEPARTMENT</b>							
Fire (8)	\$10,455,220	\$2,660,359	\$10,175,170	97.32%	\$2,635,931	\$11,015,257	96.75%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$10,455,220</b>	<b>\$2,660,359</b>	<b>\$10,175,170</b>	<b>97.32%</b>	<b>\$2,635,931</b>	<b>\$11,015,257</b>	<b>96.75%</b>
Transfers	\$955,440	\$171,380	\$955,440	100.00%	\$160,810	\$920,600	100.00%
Contingencies/Reserves	157,240	0	0	0.00%	0	0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$11,567,900</b>	<b>\$2,831,739</b>	<b>\$11,130,610</b>	<b>96.22%</b>	<b>\$2,796,741</b>	<b>\$11,935,857</b>	<b>96.18%</b>
<b>CURRENT REVENUE LESS</b>							
<b>TOTAL EXPENDITURES</b>	<b>\$321,520</b>	<b>(\$1,678,331)</b>	<b>\$438,070</b>		<b>(\$1,453,734)</b>	<b>(\$486,310)</b>	

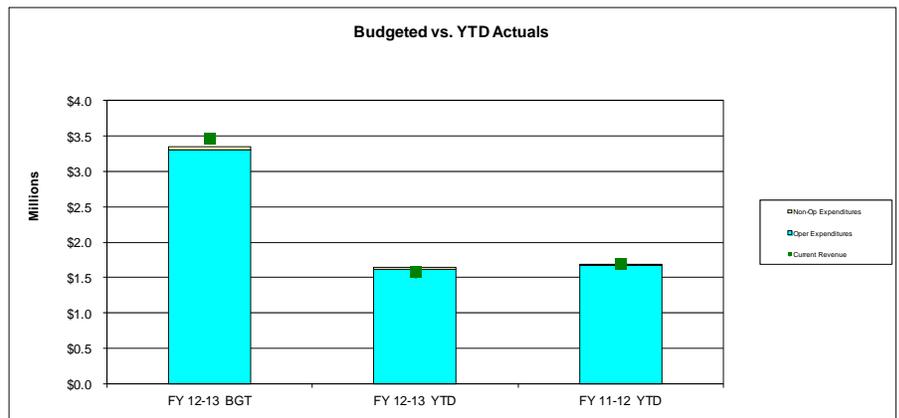
- (1) Lower than anticipated revenues can be attributed to the Timberhill Development refund that occurred in the fourth quarter.
- (2) Licenses/Permits did not meet FY 12-13 predictions due to a decrease in the number of project (including fire and life safety plans) reviews.
- (3) Charges for Service include two main components: ambulance revenue and payments from the Corvallis Rural Fire Protection District (CRFPD). Due to staff absences, ambulance billing revenue was lower than expected. The City has received approximately 98% of CRFPD's annual contracted amount; however, due to the Timberhill Development refund and lower assessed values, the revenues from CRFPD came in approximately \$14,650 lower than budgeted.
- (4) Intergovernmental revenue budgeted in FY 12-13 is primarily for a FEMA grant as reimbursement for a portion of the Administrative Division Chief's emergency management work.
- (5) Fines/Forfeitures are above target due to an increase in civil penalties and nuisance alarms, however slightly lower in total dollars compared to this same time last year. The majority of the charges incurred during last fiscal year were repeat offenses within one year for the occupant, which results in higher charges.
- (6) Miscellaneous revenue is higher than budget and last fiscal year due to a large recovery of bad debts collected from ambulance calls and an unbudgeted rebate associated with purchasing cards.
- (7) The unbudgeted receipts in this category relate to sales of capital assets. Revenues received in FY 12-13 are from the sale of one ambulance and one staff vehicle.
- (8) Fire Department expenditures are approximately \$800,000 lower than last fiscal year due to the purchase of two ambulances in FY 11-12 and the freeze placed on discretionary spending in the latter half of fourth quarter to help offset the impact of the Hewlett-Packard property tax refund.



# COMMUNITY DEVELOPMENT REVOLVING FUND

REVENUE	AMENDED BUDGET	4th Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	4th 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	(\$6,106)	\$136,325	103.54%	(\$88)	\$129,248	102.01%
Charges for Service	5,000	0	5,000	100.00%	0	5,000	100.00%
Intergovernmental (3)	2,967,410	669,103	1,019,559	34.36%	170,283	1,306,737	38.03%
Fines/Forfeitures (4)	2,300	749	982	42.70%	(535)	536	23.30%
Miscellaneous (5)	359,420	73,276	331,686	92.28%	40,925	256,590	59.23%
Transfers In/Other Financing Sources (1)	0	80,000	80,000	0.00%	0	0	0.00%
<b>TOTAL CURRENT REVENUE</b>	<b>\$3,465,800</b>	<b>\$817,022</b>	<b>\$1,573,552</b>	<b>45.40%</b>	<b>\$210,585</b>	<b>\$1,698,111</b>	<b>42.42%</b>
<b>EXPENDITURE BY DEPARTMENT</b>							
Community Development (6)	\$3,305,250	\$353,668	\$1,625,850	49.19%	\$210,312	\$1,675,207	38.63%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$3,305,250</b>	<b>\$353,668</b>	<b>\$1,625,850</b>	<b>49.19%</b>	<b>\$210,312</b>	<b>\$1,675,207</b>	<b>38.63%</b>
Transfers Out (7)	\$21,040	\$2,160	\$21,040	100.00%	\$2,380	\$13,600	18.29%
Contingencies/Reserves	31,950	0	0	0.00%	0	0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$3,358,240</b>	<b>\$355,828</b>	<b>\$1,646,890</b>	<b>49.04%</b>	<b>\$212,692</b>	<b>\$1,688,807</b>	<b>38.01%</b>
<b>CURRENT REVENUE LESS</b>							
<b>TOTAL EXPENDITURES</b>	<b>\$107,560</b>	<b>\$461,194</b>	<b>(\$73,338)</b>		<b>(\$2,107)</b>	<b>\$9,304</b>	

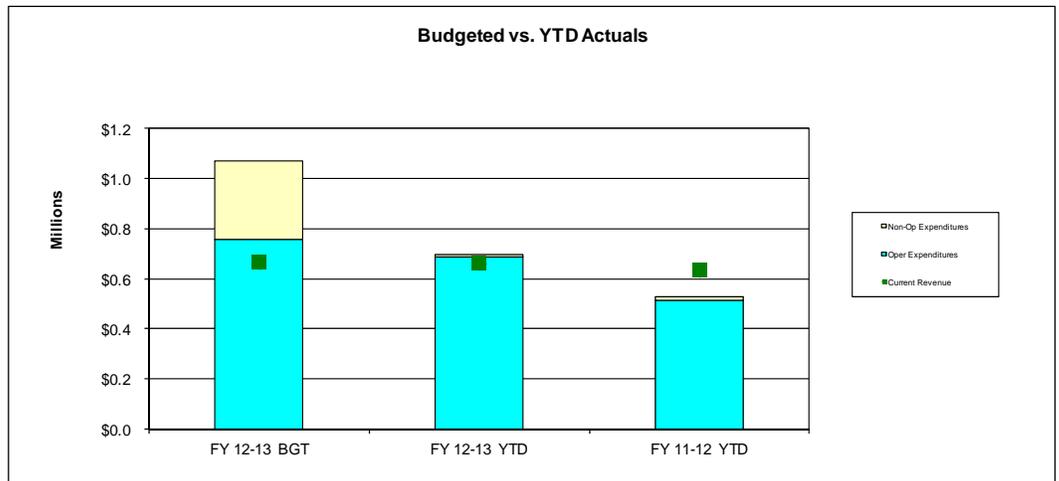
- (1) A negative beginning fund balance was projected when the FY 12-13 Budget was adopted for this fund and would have resulted in staff pursuing approval from Council for an interfund loan had it occurred. For year-end FY 11-12, the situation resolved itself, with revenues exceeding expenditures by about \$63,000. However, in FY 12-13, Other Financing Sources includes a Council approved interfund loan from the Development Services Fund to remedy the negative fund balance at fiscal year end, and to be repaid within one year of issuance. The interfund loan was authorized for up to \$120,000, but recorded at only \$80,000 based on year-end balance results. Reduced availability of federal funding from CDBG and HOME programs, and slower project progress by external partners has negatively impacted the fund's cash and fund balance position in recent years. The department will work to resolve this imbalance in the FY 14-15 budget process.
- (2) Invoices are issued in September for the Rental Housing Program so that most of the revenue is recorded at the end of the first quarter when billed. Subsequent quarters often reflect net negative activity that represents the write-offs associated with any non-collection 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. Three drawdown reimbursement requests were received during the fourth quarter totaling \$237,802 (CDBG) and \$431,301 (HOME); however, due to project delays, roughly \$1.6 million in expenditures and related revenues have been carried over.
- (4) This category includes Rental Housing Program penalties applied to delinquent accounts, which are volatile in nature and can fluctuate quarter to quarter.
- (5) Miscellaneous revenues include thirty loan payoffs through the fourth quarter, plus regular principal and interest payments on outstanding housing loans.
- (6) Expenditures are primarily grant-related in this fund, and thus variable in timing. Twelve loans and fourteen grants closed in the fourth quarter of FY 12-13. Loans included \$100,000 to Home Life for their Four-plex capital project; no funds were released in FY 12-13, but will be released in FY 13-14 as the project progresses. Grants included funding for nine non-profit agencies. Like in the HOME and CDBG programs (see footnote 3), these projects are reimbursed through multiple grant payments, with a significant portion carrying forward into FY13-14.



# PARKING FUND

REVENUE	AMENDED BUDGET	4th Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	4th 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	\$2,605	\$18,428	73.71%	\$2,493	\$18,173	90.87%
Charges for Service (2)	187,170	43,861	174,699	93.34%	44,845	186,850	113.83%
Fines/Forfeitures	450,000	129,796	462,792	102.84%	103,409	423,112	104.23%
Miscellaneous (3)	3,910	1,663	6,651	170.10%	2,028	6,697	86.97%
<b>TOTAL CURRENT REVENUE</b>	<b>\$666,080</b>	<b>\$177,925</b>	<b>\$662,570</b>	<b>99.47%</b>	<b>\$152,775</b>	<b>\$634,832</b>	<b>106.20%</b>
<b>EXPENDITURE BY DEPARTMENT</b>							
Community Development	\$4,050	\$1,009	\$4,042	99.80%	\$993	\$3,925	96.44%
Finance (4)	215,420	48,807	191,136	88.73%	29,378	128,179	89.44%
Police (5)	355,580	118,334	343,927	96.72%	71,882	262,333	74.70%
Public Works (6)	184,280	43,545	147,669	80.13%	39,003	121,579	70.69%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$759,330</b>	<b>\$211,695</b>	<b>\$686,774</b>	<b>90.44%</b>	<b>\$141,256</b>	<b>\$516,016</b>	<b>76.95%</b>
Transfers (7)	\$299,060	\$2,240	\$12,490	4.18%	\$2,400	\$13,720	5.41%
Contingencies/Reserves	13,320	0	0	0.00%	0	0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$1,071,710</b>	<b>\$213,935</b>	<b>\$699,264</b>	<b>65.25%</b>	<b>\$143,656</b>	<b>\$529,736</b>	<b>56.59%</b>
<b>CURRENT REVENUE LESS</b>							
<b>TOTAL EXPENDITURES</b>	(\$405,630)	(\$36,010)	(\$36,694)		\$9,119	\$105,096	

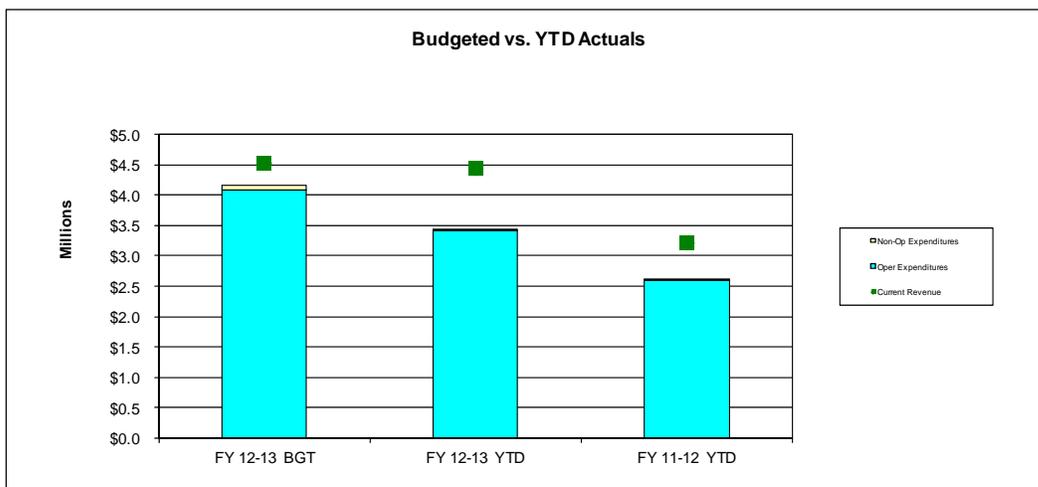
- (1) Collection of residential parking permit fees has been consistent over the past two fiscal years; however it is solely dependent upon the level of public interest. The FY 12-13 increased revenue expectations, as reflected in the higher budget amount, did not fully materialize this fiscal year.
- (2) Parking meter revenue is lower than last fiscal year and budget due primarily to timing of collections and some vandalism that took place in the third quarter, resulting in approximately \$13,000 in lost revenue. The latter situation is being actively addressed by Public Works in conjunction with the Police Department.
- (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) Finance expenditures are low as a percentage of budget due to an employee on long-term disability, but are higher in dollars than last fiscal year-to-date due to the reallocation of municipal court staff time to more adequately represent the resources used to support Parking operations.
- (5) Police expenditures are more closely aligned with budget this fiscal year due to a carryover from FY 11-12 for the purchase of two new parking enforcement scooters, which finally took place in FY 12-13; both scooters are currently in operation.
- (6) Public Works expenditures are below budget due primarily to special projects having not been spent at targeted levels. In addition, a 0.5 FTE vacancy for the Transportation Program Specialist has led to further savings.
- (7) Transfers for capital projects are made based on anticipated needs. Please see the Capital Improvement Program section for information on the status of capital projects.



# TRANSIT FUND

REVENUE	AMENDED BUDGET	4th Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	4th 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	\$307,160	\$1,218,771	103.82%	\$295,762	\$1,035,285	117.74%
Charges for Service (2)	223,610	56,272	232,470	103.96%	59,123	196,337	91.46%
Intergovernmental (3)	2,361,920	125,400	1,687,443	71.44%	441,527	1,180,516	67.95%
Fines & Forfeitures	0	0	78	0.00%	67	67	0.00%
Miscellaneous (4)	772,500	41,560	1,302,544	168.61%	49,234	806,099	58.88%
Other Financing Sources	0	3,541	3,541	0.00%	0	0	0.00%
<b>TOTAL CURRENT REVENUE</b>	<b>\$4,531,930</b>	<b>\$533,933</b>	<b>\$4,444,847</b>	<b>98.08%</b>	<b>\$845,713</b>	<b>\$3,218,304</b>	<b>76.62%</b>
<b>EXPENDITURE BY DEPARTMENT</b>							
Public Works (5)	\$4,089,460	\$827,321	\$3,434,441	83.98%	\$720,842	\$2,607,741	74.89%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$4,089,460</b>	<b>\$827,321</b>	<b>\$3,434,441</b>	<b>83.98%</b>	<b>\$720,842</b>	<b>\$2,607,741</b>	<b>74.89%</b>
Transfers	\$12,140	\$2,180	\$12,140	100.00%	\$2,030	\$11,620	100.00%
Contingencies/Reserves	77,130	0	0	0.00%	0	0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$4,178,730</b>	<b>\$829,501</b>	<b>\$3,446,581</b>	<b>82.48%</b>	<b>\$722,872</b>	<b>\$2,619,361</b>	<b>74.22%</b>
<b>CURRENT REVENUE LESS</b>							
<b>TOTAL EXPENDITURES</b>	<b>\$353,200</b>	<b>(\$295,568)</b>	<b>\$998,266</b>		<b>\$122,841</b>	<b>\$598,943</b>	

- (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, which went into effect in February 2013. Total fee collection has also benefitted from an increase in OSU group housing and the addition of OSU general building fee contributions.
- (2) Charges for Service revenue are 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. The second quarter acquisition of two buses and the related capital grant receipts, has resulted in the total dollars reimbursed being higher than last fiscal year.
- (4) The main source of revenue in this category is nearly \$1.2 million in Business Energy Tax Credits (BETC) budgeted in FY 11-12, but received in FY 12-13, pertaining to prior year operations. Other revenue in this category is from OSU and is 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, and most notably the \$500,000 carried over to FY 13-14 for the replacement of the Vehicle Information System (VIS). However, the higher dollar spending in FY 12-13 is due to the City having made payment on and putting into service two new replacement City buses this fiscal year.

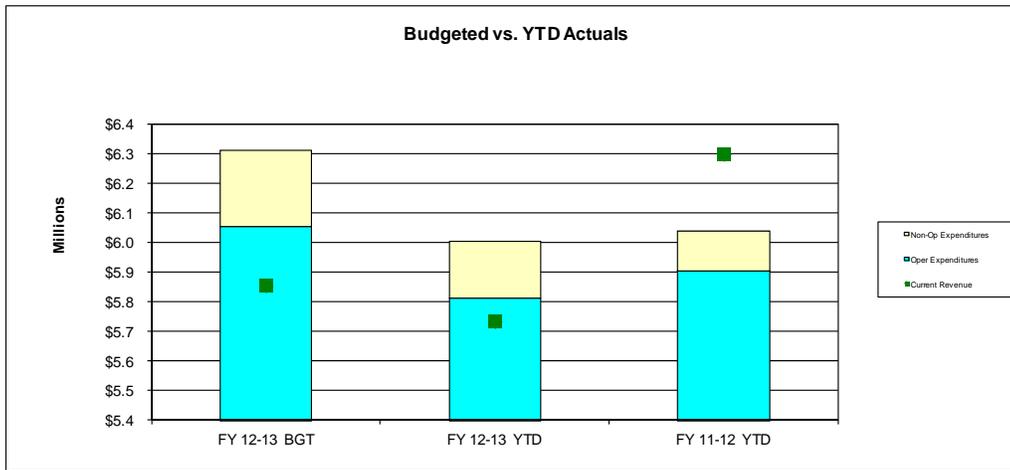


# LIBRARY FUND\*

REVENUE	AMENDED BUDGET	4th Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	4th 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	\$170,437	\$2,092,158	97.99%	\$223,837	\$2,663,438	100.64%
Charges for Service (2)	43,420	9,728	43,917	101.14%	10,051	41,192	87.64%
Intergovernmental (3)	2,451,370	208,000	2,399,240	97.87%	342,244	2,499,769	100.12%
Fines/Forfeitures	104,800	28,700	106,264	101.40%	26,909	98,868	107.46%
Miscellaneous	78,570	32,527	88,249	112.32%	10,900	73,395	80.21%
Other Financing Sources (4)	1,039,360	45,780	1,002,222	96.43%	25,787	920,252	95.19%
<b>TOTAL CURRENT REVENUE</b>	<b>\$5,852,500</b>	<b>\$495,172</b>	<b>\$5,732,050</b>	<b>97.94%</b>	<b>\$639,727</b>	<b>\$6,296,913</b>	<b>117.18%</b>
<b>EXPENDITURE BY DEPARTMENT</b>							
Library (5)	\$6,053,510	\$1,578,779	\$5,810,754	95.99%	\$1,643,758	\$5,901,472	89.94%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$6,053,510</b>	<b>\$1,578,779</b>	<b>\$5,810,754</b>	<b>95.99%</b>	<b>\$1,643,758</b>	<b>\$5,901,472</b>	<b>89.94%</b>
Transfers (6)	\$192,690	\$20,840	\$192,190	99.74%	\$19,400	\$137,090	64.33%
Contingencies/Reserves	63,360	0	0	0.00%	0	0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$6,309,560</b>	<b>\$1,599,619</b>	<b>\$6,002,944</b>	<b>95.14%</b>	<b>\$1,663,158</b>	<b>\$6,038,562</b>	<b>88.39%</b>
<b>CURRENT REVENUE LESS</b>							
<b>TOTAL EXPENDITURES</b>	<b>(\$457,060)</b>	<b>(\$1,104,447)</b>	<b>(\$270,894)</b>		<b>(\$1,023,431)</b>	<b>\$258,352</b>	

\* Includes the Library Operating and Library 2010 Funds.

- (1) Lower than anticipated revenues can be attributed to the Timberhill Development refund that occurred in the fourth quarter.
- (2) Charges for Service include Library room rental and revenue collected from parking meters surrounding the building; meter revenue was higher than expected, considered to be the result of increased attendance at programs during the year.
- (3) The Benton County Library District payment makes up the majority of the revenue in this classification. Due to its property tax-based nature, and the fact that assessed value growth was only 0.5% vs. a projected 3%, as well as the fourth quarter reduction for the Timberhill Development refund noted above, current year revenues are lower than budget and last fiscal year.
- (4) Other Financing Sources represent the revenue associated with the 2011 Operating Levy. The Local Option Levy revenue was lower than budget due to only a 0.5% growth in assessed value vs. a projected 3% growth.
- (5) As a percentage of budget, Library expenditures were higher in FY 12-13, but are still below the prior year due to new employees starting at lower steps and choosing more affordable medical plans than what was budgeted; fewer periodic maintenance projects; and decreased discretionary spending in the latter part of the fourth quarter to help offset the anticipated FY 13-14 refund payment to Hewlett-Packard.



## 2011 OPERATING LEVY FUND

REVENUE	AMENDED BUDGET	4th Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	4th 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	\$147,815	\$1,814,469	97.49%	\$151,950	\$1,808,062	101.01%
<b>TOTAL CURRENT REVENUE</b>	<b>\$1,861,240</b>	<b>\$147,815</b>	<b>\$1,814,469</b>	<b>97.49%</b>	<b>\$151,950</b>	<b>\$1,808,062</b>	<b>101.01%</b>
<b>EXPENDITURE BY DEPARTMENT</b>							
Non-Departmental	0	0	0	0.00%	0	0	0.00%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>
Transfers (1)	\$1,865,350	\$84,762	\$1,815,956	97.35%	\$87,411	\$1,743,522	97.40%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$1,865,350</b>	<b>\$84,762</b>	<b>\$1,815,956</b>	<b>97.35%</b>	<b>\$87,411</b>	<b>\$1,743,522</b>	<b>97.40%</b>
<b>CURRENT REVENUE LESS</b>							
<b>TOTAL EXPENDITURES</b>	<b>(\$4,110)</b>	<b>\$63,053</b>	<b>(\$1,487)</b>		<b>\$64,539</b>	<b>\$64,540</b>	

(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 higher transfers out versus annual revenue collected was due to the balance carried forward from collections in FY 11-12. Lower than anticipated revenues this fiscal year can be attributed to a projected 3% growth in assessed value vs. the 0.5% that was achieved.

## DAVIDSON FUND

REVENUE	AMENDED BUDGET	4th Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	4th Quarter FY 11-12	Y-T-D FY 11-12	FY 11-12 % REC/EXPEND
Budgeted Fund Balance	\$5,927						
Miscellaneous (1)	\$0	\$9	\$37	0.00%	\$11	\$38	63.67%
<b>TOTAL CURRENT REVENUE</b>	<b>\$0</b>	<b>\$9</b>	<b>\$37</b>	<b>0.00%</b>	<b>\$11</b>	<b>\$38</b>	<b>63.67%</b>
<b>EXPENDITURE BY DEPARTMENT</b>							
Library (1)	\$500	\$440	\$482	96.49%	\$0	\$0	0.00%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$500</b>	<b>\$440</b>	<b>\$482</b>	<b>96.49%</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>
<b>CURRENT REVENUE LESS</b>							
<b>TOTAL EXPENDITURES</b>	<b>(\$500)</b>	<b>(\$430)</b>	<b>(\$446)</b>		<b>\$11</b>	<b>\$38</b>	

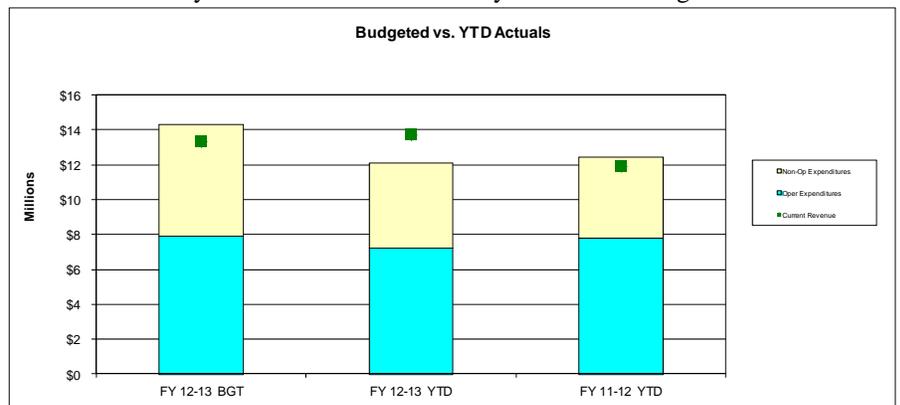
(1) The Davidson Fund is designated as a Permanent Fund under governmental accounting guidelines due to the \$5,000 endowment established through a 1981 donation in honor of the former librarian Alice Passano Davidson. Only interest earnings are expendable, and so in recent years of minimal revenues,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

# COMBINED WATER FUND\*

REVENUE	AMENDED BUDGET	4th Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	4th 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	\$163,272	\$429,658	122.33%	\$182,218	\$535,217	198.23%
Charges for Service (2)	8,620,130	2,555,204	9,352,958	108.50%	2,272,003	8,558,868	99.67%
Intergovernmental (3)	0	0	291	0.00%	18,881	17,858	44.64%
Fines/Forfeitures	0	0	50	0.00%	(37)	2,954	0.00%
Miscellaneous (4)	416,800	475,940	644,542	154.64%	46,400	657,274	149.22%
Transfers In/Other Financing Sources (5)	3,950,107	202,650	3,298,716	83.51%	42,239	2,159,919	57.16%
<b>TOTAL CURRENT REVENUE</b>	<b>\$13,338,277</b>	<b>\$3,397,066</b>	<b>\$13,726,216</b>	<b>102.91%</b>	<b>\$2,561,704</b>	<b>\$11,932,089</b>	<b>90.97%</b>
<b>EXPENDITURE BY DEPARTMENT</b>							
Community Development	\$55,770	\$14,241	\$55,414	99.36%	\$13,837	\$49,156	95.73%
Public Works (6)	7,840,490	2,320,235	7,172,714	91.48%	2,164,966	7,758,700	86.82%
Non-Departmental (5)	29,174	0	27,343	93.72%	0	0	0.00%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$7,925,434</b>	<b>\$2,334,476</b>	<b>\$7,255,472</b>	<b>91.55%</b>	<b>\$2,178,803</b>	<b>\$7,807,856</b>	<b>86.87%</b>
Capital Projects (7)	\$1,118,180	\$287,426	\$554,097	49.55%	\$136,276	\$1,385,885	58.57%
Debt Service (5)	76,160	24,936	24,936	32.74%	0	1,018,798	100.00%
Transfers Out/Other Financing Uses (5)	4,994,583	169,960	4,292,042	85.93%	59,129	2,266,659	56.79%
Contingencies/Reserves	194,060	0	0	0.00%	0	0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$14,308,417</b>	<b>\$2,816,798</b>	<b>\$12,126,546</b>	<b>84.75%</b>	<b>\$2,374,207</b>	<b>\$12,479,198</b>	<b>75.36%</b>
<b>CURRENT REVENUE LESS TOTAL EXPENDITURES</b>	<b>(\$970,140)</b>	<b>\$580,268</b>	<b>\$1,599,670</b>		<b>\$187,497</b>	<b>(\$547,109)</b>	

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

- (1) Revenues exceeded budget in both years, but a decrease in total System Development Charges revenue compared to the prior year is reflective of unanticipated FY 11-12 revenues related to new housing development.
- (2) Charges for Service are derived from metered water usage. Receipts are higher this year due to increased rates and increased consumption for irrigation purposes during the dry summer of 2012 and spring of 2013.
- (3) Intergovernmental revenues were not anticipated in FY 12-13; however, a small, final grant reimbursement for the Roadside & Meadow Enhancement project was received in the Water Timber component fund.
- (4) Miscellaneous revenue includes leases for telecommunication facilities on the Corvallis Watershed, interest on investments, scrap metal sales, and revenue from timber thinning. The latter source represented nearly 155% of budget at about \$536,330 in FY 12-13 compared to more typical annual amounts of \$335,000.
- (5) Other Financing Sources/Uses and Transfers In/Out are related to capital projects and debt service activity. A second quarter debt refunding of two Oregon Business Development Department (OBDD) loans represent most of the activity in the Other Financing Sources/Uses lines in FY 12-13. Proceeds from the refunding are seen in the Other Financing Sources category, and the payoffs for the two OBDD loans were made out of Other Financing Uses. Non-Departmental expenditures are for issuance costs related to the debt refunding. Debt Service payments are also considerably lower in FY 12-13 courtesy of this refunding.
- (6) Public Works expenditures were lower in total dollars but higher than previous fiscal year spending as a percentage of budget in FY 12-13. Spending was under budget in both years due to lower than expected special project spending and material and service purchases.
- (7) Capital Improvement expenditures are project based, and therefore variable in nature. See the Capital Improvement Program section for details regarding capital project expenditures.

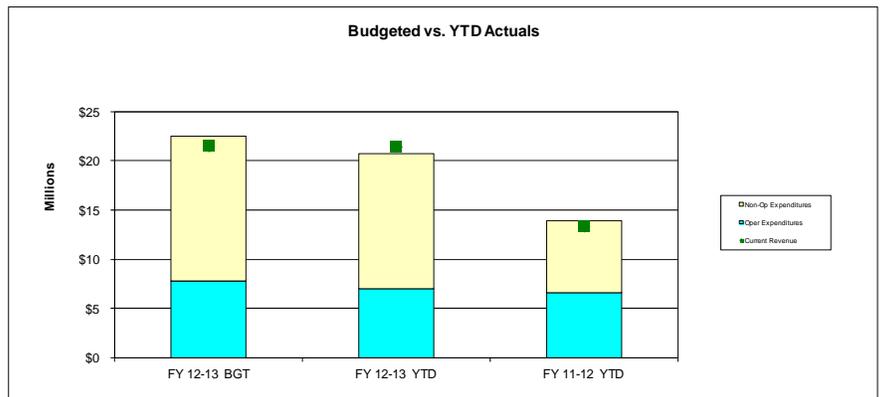


# COMBINED WASTEWATER FUND\*

REVENUE	AMENDED BUDGET	4th Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	4th 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	\$354,980	\$1,000,232	128.41%	\$506,254	\$1,519,725	266.62%
Charges for Service	9,351,980	2,589,529	9,400,836	100.52%	2,581,452	9,108,679	100.74%
Intergovernmental (2)	38,632	38,632	39,498	102.24%	0	0	0.00%
Fines & Forfeitures	0	120	349	0.00%	202	262	0.00%
Miscellaneous (3)	61,500	25,390	101,174	164.51%	31,716	233,987	200.37%
Other Financing Sources (4)	11,248,958	44,900	10,903,948	96.93%	(96,148)	2,510,877	83.35%
<b>TOTAL CURRENT REVENUE</b>	<b>\$21,479,980</b>	<b>\$3,053,551</b>	<b>\$21,446,036</b>	<b>99.84%</b>	<b>\$3,023,476</b>	<b>\$13,373,530</b>	<b>104.96%</b>
<b>EXPENDITURE BY DEPARTMENT</b>							
Community Development	\$52,770	\$13,021	\$52,418	99.33%	\$12,623	\$48,196	95.66%
Public Works (5)	7,647,542	1,704,671	6,782,591	88.69%	1,778,711	6,531,621	89.92%
Nondepartmental (4)	120,303	0	114,754	95.39%	0	0	0.00%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$7,820,615</b>	<b>\$1,717,692</b>	<b>\$6,949,764</b>	<b>88.86%</b>	<b>\$1,791,334</b>	<b>\$6,579,817</b>	<b>89.96%</b>
Capital Projects (6)	\$905,360	\$53,388	\$546,320	60.34%	\$32,881	\$2,407,913	79.94%
Debt Service (4)	851,550	688,873	829,075	97.36%	1,312,110	2,294,017	100.00%
Transfers/Other Financing Uses (4)	12,685,355	63,350	12,340,345	97.28%	(78,868)	2,609,592	82.44%
Contingencies/Reserves	187,580	0	0	0.00%	0	0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$22,450,460</b>	<b>\$2,523,302</b>	<b>\$20,665,503</b>	<b>92.05%</b>	<b>\$3,057,457</b>	<b>\$13,891,340</b>	<b>87.00%</b>
<b>CURRENT REVENUE LESS</b>							
<b>TOTAL EXPENDITURES</b>	<b>(\$970,480)</b>	<b>\$530,249</b>	<b>\$780,532</b>		<b>(\$33,980)</b>	<b>(\$517,809)</b>	

\* Includes Wastewater, Wastewater SDC and Wastewater Construction Funds.

- (1) System Development Charges in FY 12-13 were lower than in FY 11-12 due to new student housing development in FY 11-12.
- (2) The Intergovernmental revenue budgeted and received in FY 12-13 is related to a State of Oregon grant for pre-design and implementation of the upcoming Total Maximum Daily Load (TMDL) requirement.
- (3) Miscellaneous revenue is higher than budgeted in both fiscal years. In FY12-13, the higher revenues relate primarily to unbudgeted Purchasing Card rebates, sales of scrap metal and various court judgment payouts. In FY 11-12, the biggest variance was several unanticipated SDC loan payoff amounts totaling \$133,000.
- (4) Other Financing Sources/Uses and Transfers are related to capital projects and debt service activity. A second 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. Refunding proceeds are seen in the Other Financing Sources category, and payoff of the DEQ loan was recorded as Other Financing Uses. Non-Departmental expenditures reflect issuance costs for the debt refunding. Debt Service payments are also considerably lower in FY 12-13 due to this refunding.
- (5) Public Works expenditures, which are aligned with previous fiscal year spending as a percentage of budget, are under FY 12-13 targets due to carryover dollars to FY 13-14 for continued TMDL pre-design and implementation.
- (6) Capital Improvement expenditures are project based, and therefore variable in nature. See the Capital Improvement Program section for details regarding capital project expenditures.

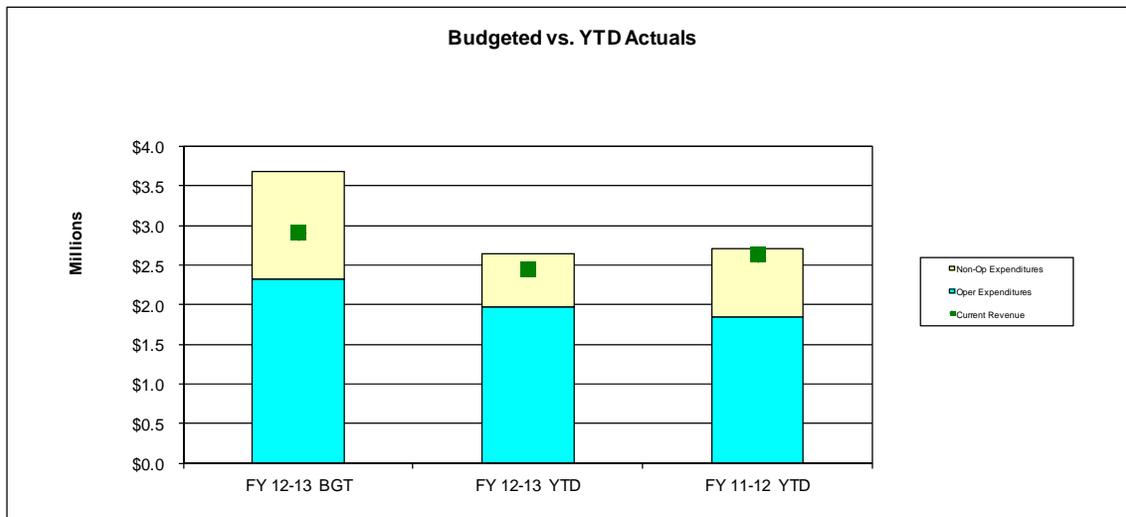


# COMBINED STORM WATER FUND\*

REVENUE	AMENDED BUDGET	4th Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	4th 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	\$18,035	\$29,620	81.64%	\$14,090	\$47,187	117.97%
Charges for Service	2,098,090	599,476	2,095,578	99.88%	598,254	2,080,794	105.87%
Intergovernmental (2)	275,980	23,862	32,297	11.70%	205,029	205,029	84.23%
Fines & Forfeitures	0	30	60	0.00%	0	20	0.00%
Miscellaneous (3)	8,770	2,907	12,084	137.79%	3,786	14,446	86.29%
Other Financing Sources (4)	491,150	0	280,600	57.13%	28,710	284,468	47.31%
<b>TOTAL CURRENT REVENUE</b>	<b>\$2,910,270</b>	<b>\$644,310</b>	<b>\$2,450,240</b>	<b>84.19%</b>	<b>\$849,869</b>	<b>\$2,631,943</b>	<b>91.80%</b>
<b>EXPENDITURE BY DEPARTMENT</b>							
Community Development	\$53,670	\$13,794	\$53,300	99.31%	\$14,076	\$49,984	95.68%
Public Works (5)	2,262,060	490,694	1,912,616	84.55%	504,983	1,785,906	91.01%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$2,315,730</b>	<b>\$504,488</b>	<b>\$1,965,916</b>	<b>84.89%</b>	<b>\$519,058</b>	<b>\$1,835,890</b>	<b>91.13%</b>
Capital Projects (4)	\$721,510	\$26,740	\$280,772	38.91%	\$214,754	\$482,803	58.03%
Transfers (4)	599,600	6,020	389,050	64.88%	34,390	384,838	51.38%
Contingencies/Reserves	42,140	0	0	0.00%	0	0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$3,678,980</b>	<b>\$537,248</b>	<b>\$2,635,738</b>	<b>71.64%</b>	<b>\$768,203</b>	<b>\$2,703,531</b>	<b>74.37%</b>
<b>CURRENT REVENUE LESS</b>							
<b>TOTAL EXPENDITURES</b>	<b>(\$768,710)</b>	<b>\$107,062</b>	<b>(\$185,499)</b>		<b>\$81,666</b>	<b>(\$71,588)</b>	

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

- (1) System Development Charges (SDC) is dependent upon new development. Unlike higher than budgeted SDC levels year-to-date in several other funds, Storm Water SDC's had a short-fall against projections in FY 12-13 due to most permits issued having been for replacement structures with little change to impervious surfaces that would result in Storm Water SDCs.
- (2) Intergovernmental revenues received in FY 12-13 are related to the EPA's Green Streets Initiatives grant; work is continuing on this project.
- (3) Miscellaneous revenue fluctuates year to year since it is primarily comprised of interest on investments. FY 12-13 is higher than budget due to unanticipated purchasing card rebates as well as SDC Loan payoffs.
- (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.
- (5) Public Works expenditures are under budget in both fiscal years due primarily to lower than anticipated special project spending, including one heavy equipment purchase budgeted for FY 12-13 which was carried over to FY 13-14.

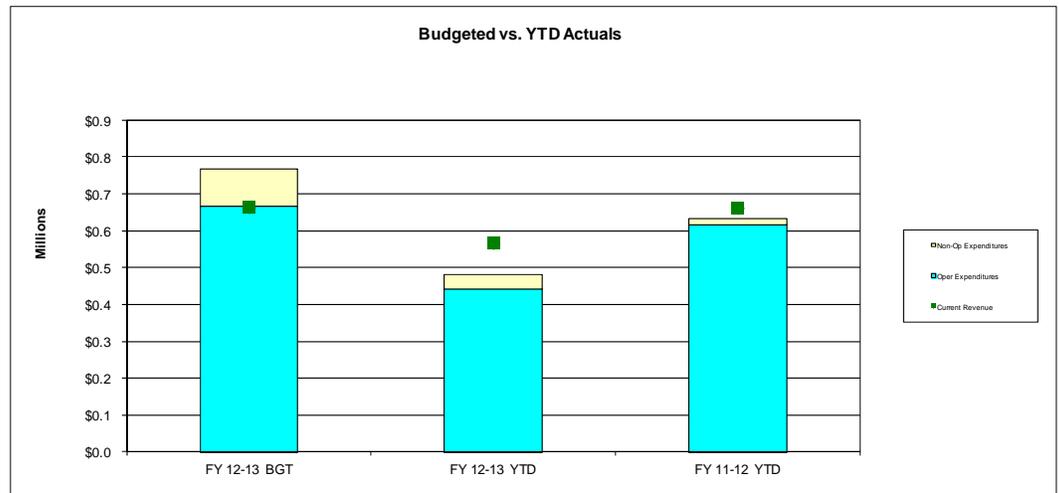


# COMBINED AIRPORT FUND\*

REVENUE	AMENDED BUDGET	4th Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	4th 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	\$782	\$4,727	94.54%	\$715	\$4,626	185.03%
Charges for Service (2)	398,500	169,982	489,680	122.88%	154,164	458,852	116.90%
Intergovernmental (3)	247,500	0	52,882	21.37%	156,374	220,679	74.36%
Miscellaneous (4)	9,570	7,318	16,510	172.52%	1,150	7,097	52.26%
Other Financing Sources (5)	2,500	2,500	2,500	100.00%	(29,409)	(29,409)	0.00%
<b>TOTAL CURRENT REVENUE</b>	<b>\$663,070</b>	<b>\$180,581</b>	<b>\$566,299</b>	<b>85.41%</b>	<b>\$282,996</b>	<b>\$661,844</b>	<b>93.83%</b>
<b>EXPENDITURE BY DEPARTMENT</b>							
Public Works (6)	\$664,940	\$103,095	\$441,856	66.45%	\$221,677	\$616,238	75.07%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$664,940</b>	<b>\$103,095</b>	<b>\$441,856</b>	<b>66.45%</b>	<b>\$221,677</b>	<b>\$616,238</b>	<b>75.07%</b>
Capital Projects (5)	\$50,000	\$0	\$506	1.01%	(\$0)	\$0	0.00%
Debt Service	31,490	0	31,483	99.98%	0	32,582	99.98%
Transfers (7)	6,950	3,300	6,950	100.00%	(28,729)	(15,499)	-111.42%
Contingencies/Reserves	12,260	0	0	0.00%	0	0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$765,640</b>	<b>\$106,395</b>	<b>\$480,794</b>	<b>62.80%</b>	<b>\$192,948</b>	<b>\$633,321</b>	<b>71.83%</b>
<b>CURRENT REVENUE LESS</b>							
<b>TOTAL EXPENDITURES</b>	<b>(\$102,570)</b>	<b>\$74,187</b>	<b>\$85,505</b>		<b>\$90,048</b>	<b>\$28,523</b>	

\* Includes Airport and Airport Construction Funds.

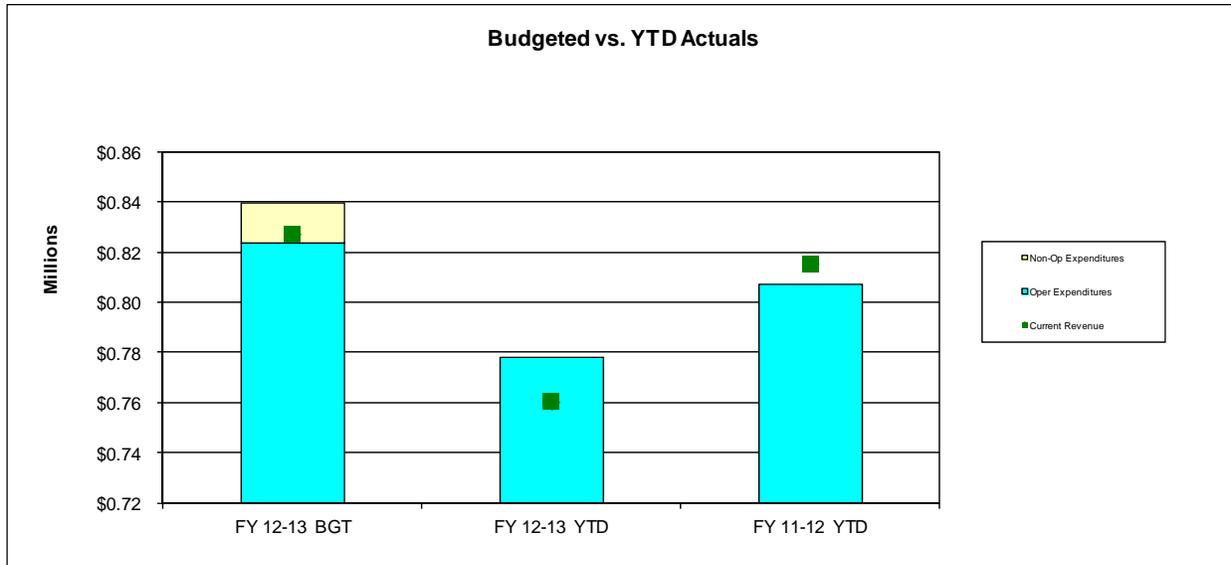
- (1) Licenses/Permits records operator licenses and landing fees, both of which are entirely dependent upon the level of traffic at the airport.
- (2) Charges for Service revenue collection exceeded budget and last fiscal year due primarily to a 52% increase in seed crop sales received on airport property year-to-date.
- (3) Intergovernmental revenue is grant related and is reimbursable in nature, so tends to lag expenditures. Grants received both years include Federal Aviation grants for the Airport Master Plan, while Rail Spur Track Renovation project grants were also received in FY 11-12.
- (4) Miscellaneous revenue in this fund is generated from investment interest earnings and outside usage of the airport property for training purposes.
- (5) Other Financing Sources in FY 12-13 relate to the construction fund transfer for 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. The FY 11-12 negative fiscal year result was due to a project close out from the previous year with no offsetting revenue source to record against.
- (6) Public Works actual spending is under budget in both fiscal years due primarily to lower than anticipated special project spending. Seven special projects were budgeted for FY 12-13, including two grant funded projects. Only three of these special projects made progress.
- (7) 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). The net negative result in this category for FY 11-12 is due to the close out noted in footnote #5.



# FLEET MAINTENANCE FUND

REVENUE	AMENDED BUDGET	4th Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	4th 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	\$197,479	\$758,785	91.87%	\$190,885	\$813,395	98.30%
Miscellaneous (2)	1,340	244	1,559	116.34%	117	1,974	129.00%
<b>TOTAL CURRENT REVENUE</b>	<b>\$827,250</b>	<b>\$197,723</b>	<b>\$760,344</b>	<b>91.91%</b>	<b>\$191,002</b>	<b>\$815,368</b>	<b>98.35%</b>
<b>EXPENDITURE BY DEPARTMENT</b>							
Public Works (3)	\$823,610	\$218,428	\$778,130	94.48%	\$219,935	\$806,879	98.64%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$823,610</b>	<b>\$218,428</b>	<b>\$778,130</b>	<b>94.48%</b>	<b>\$219,935</b>	<b>\$806,879</b>	<b>98.64%</b>
Contingencies/Reserves	\$16,000	\$0	\$0	0.00%	\$0	\$0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$839,610</b>	<b>\$218,428</b>	<b>\$778,130</b>	<b>92.68%</b>	<b>\$219,935</b>	<b>\$806,879</b>	<b>96.74%</b>
<b>CURRENT REVENUE LESS</b>							
<b>TOTAL EXPENDITURES</b>	<b>(\$12,360)</b>	<b>(\$20,705)</b>	<b>(\$17,786)</b>		<b>(\$28,932)</b>	<b>\$8,489</b>	

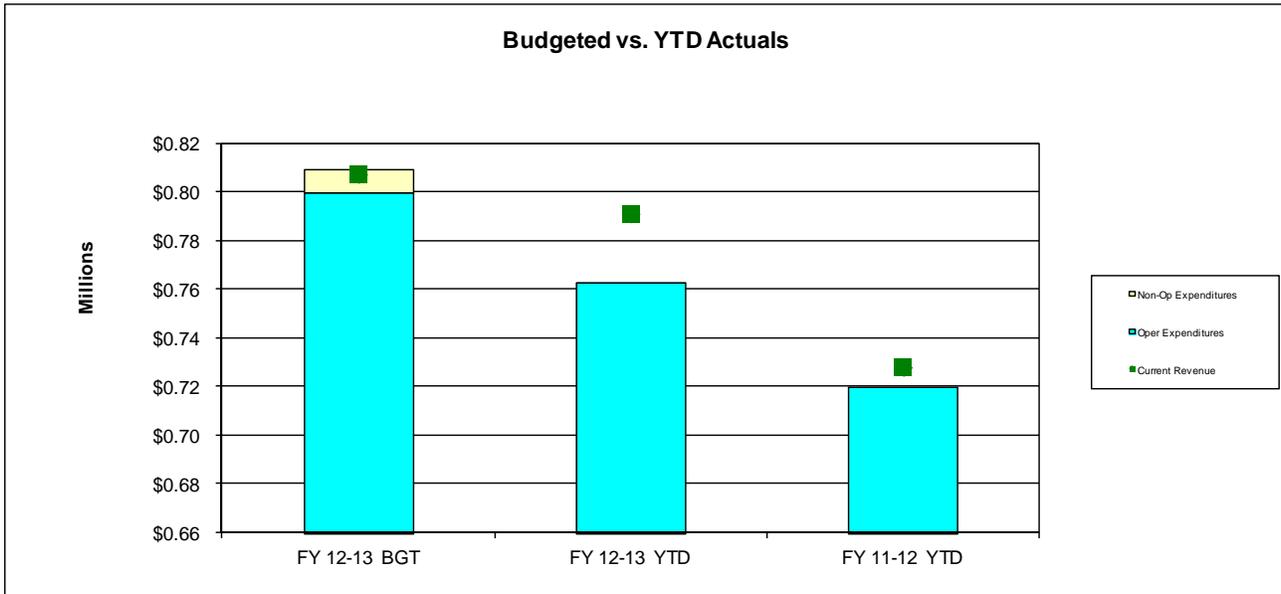
- (1) Charges for Service trended lower in FY 12-13 primarily due to a 48% decrease in revenue related to gasoline sales. This is due in part to the relocation of the Dial-A-Bus headquarters, which resulted in the use of Benton County instead of the City for refueling.
- (2) Scrap metal sales contributed to higher than anticipated revenues in both fiscal years. The source of Miscellaneous revenue is unpredictable, usually insignificant in dollar value, and tend to fluctuate year to year.
- (3) Expenditures include Services and Materials & Supplies, which are purchased as needed and can fluctuate quarter to quarter. Additionally, while the volume of fuel purchased is identical to last year, prices per gallon continue to be volatile and are difficult to predict long-term.



# FACILITY MAINTENANCE FUND

REVENUE	AMENDED BUDGET	4th Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	4th 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	\$184,797	\$788,166	97.97%	\$101,468	\$723,890	87.23%
Miscellaneous (1)	2,710	534	2,799	103.29%	2,154	4,038	122.72%
<b>TOTAL CURRENT REVENUE</b>	<b>\$807,200</b>	<b>\$185,331</b>	<b>\$790,965</b>	<b>97.99%</b>	<b>\$103,622</b>	<b>\$727,928</b>	<b>87.37%</b>
<b>EXPENDITURE BY DEPARTMENT</b>							
Public Works (2)	\$799,160	\$262,775	\$762,380	95.40%	\$223,173	\$719,388	87.32%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$799,160</b>	<b>\$262,775</b>	<b>\$762,380</b>	<b>95.40%</b>	<b>\$223,173</b>	<b>\$719,388</b>	<b>87.32%</b>
Contingencies/Reserves	\$10,000	\$0	\$0	0.00%	\$0	\$0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$809,160</b>	<b>\$262,775</b>	<b>\$762,380</b>	<b>94.22%</b>	<b>\$223,173</b>	<b>\$719,388</b>	<b>86.27%</b>
<b>CURRENT REVENUE LESS</b>							
<b>TOTAL EXPENDITURES</b>	(\$1,960)	(\$77,444)	\$28,585		(\$119,550)	\$8,539	

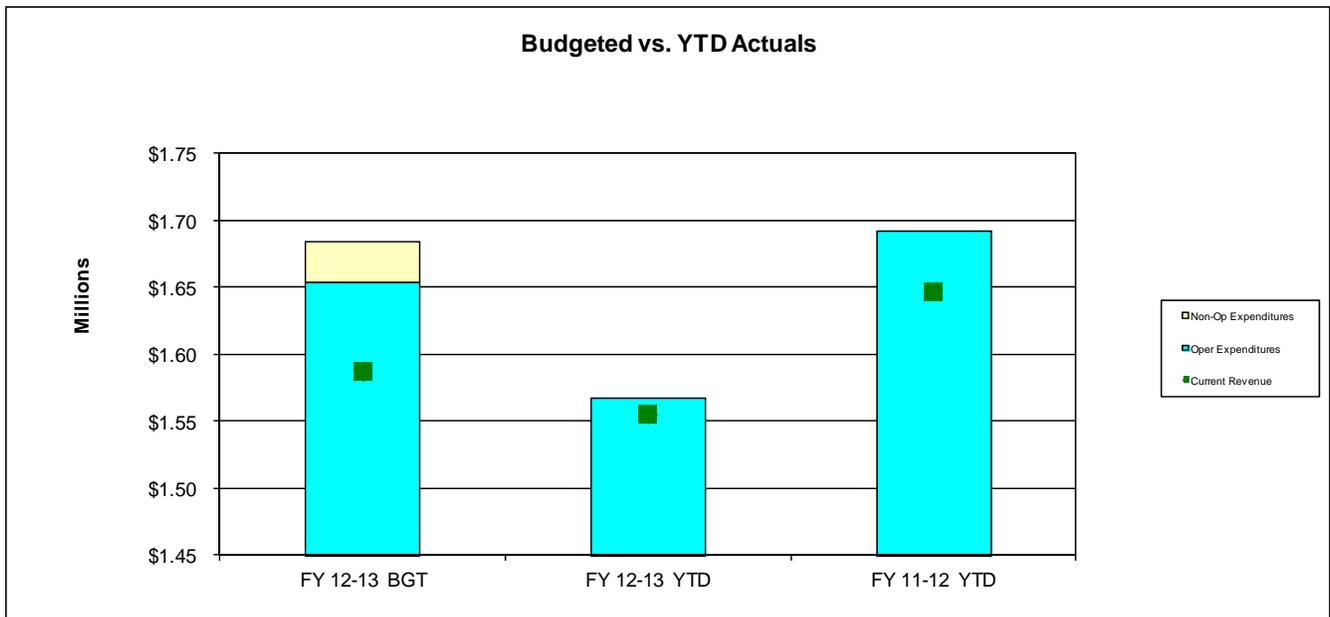
- (1) Scrap metal sales and unanticipated interest income from higher proportional fund balances contributed to revenues that were higher than projected in both FY 12-13 and FY 11-12.
- (2) Actuals are under budget in both fiscal years due to vacancy savings, under spending of both Services and Materials & Supplies budgets, and lower than anticipated special project spending due to fewer staff and budget resources for repair and maintenance projects.



# TECHNOLOGY AND COMMUNICATIONS FUND

REVENUE	AMENDED BUDGET	4th Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	4th 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	\$361,443	\$1,549,058	97.84%	\$370,037	\$1,641,656	96.77%
Miscellaneous (1)	3,420	1,044	5,759	168.39%	1,889	5,065	82.22%
<b>TOTAL CURRENT REVENUE</b>	<b>\$1,586,660</b>	<b>\$362,487</b>	<b>\$1,554,817</b>	<b>97.99%</b>	<b>\$371,926</b>	<b>\$1,646,721</b>	<b>96.72%</b>
<b>EXPENDITURE BY DEPARTMENT</b>							
Finance	\$1,443,300	\$436,092	\$1,437,500	99.60%	\$478,865	\$1,531,455	95.26%
Public Works (2)	210,750	31,554	129,819	61.60%	42,908	160,128	75.68%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$1,654,050</b>	<b>\$467,645</b>	<b>\$1,567,319</b>	<b>94.76%</b>	<b>\$521,773</b>	<b>\$1,691,583</b>	<b>92.98%</b>
Contingencies/Reserves	\$30,000	\$0	\$0	0.00%	\$0	\$0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$1,684,050</b>	<b>\$467,645</b>	<b>\$1,567,319</b>	<b>93.07%</b>	<b>\$521,773</b>	<b>\$1,691,583</b>	<b>91.47%</b>
<b>CURRENT REVENUE LESS TOTAL EXPENDITURES</b>	<b>(\$97,390)</b>	<b>(\$105,158)</b>	<b>(\$12,503)</b>		<b>(\$149,848)</b>	<b>(\$44,862)</b>	

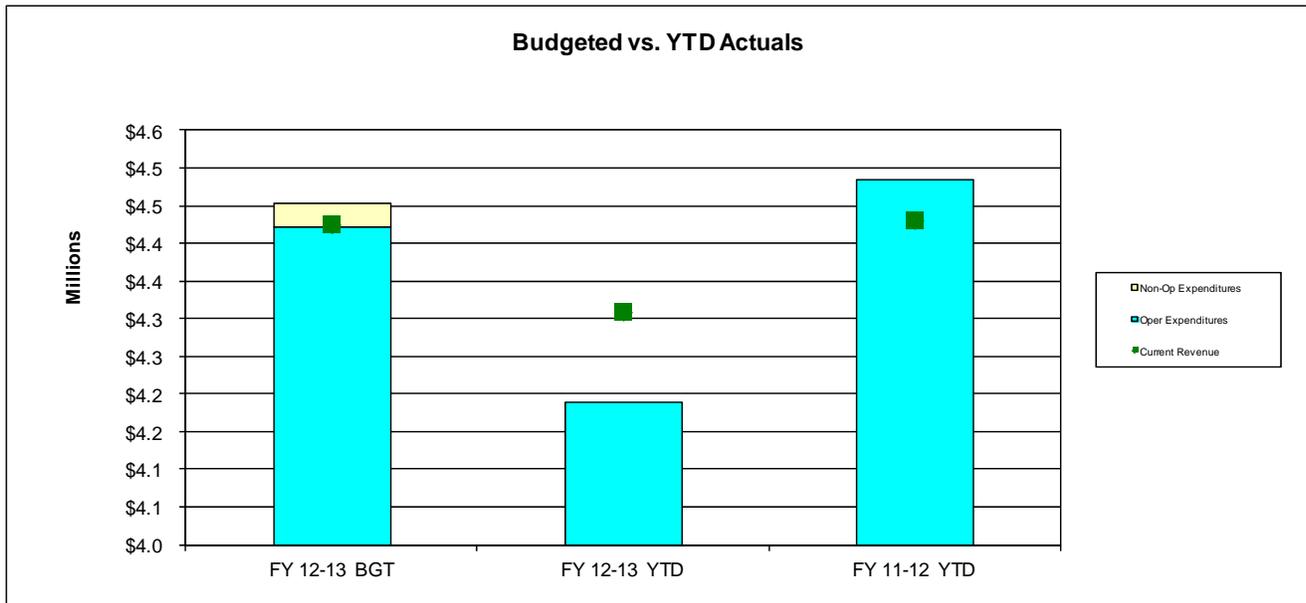
- (1) FY 12-13 miscellaneous revenue is above budget and last fiscal year due to an unanticipated credit from a vendor for purchases made in the previous fiscal year. Absent this credit, revenue would be only marginally over budget in FY 12-13 and lower than last fiscal year, when the fund had higher interest earnings.
- (2) Public Works spending is low as a percentage of budget in both years, driven by City-requested work orders varying year to year, as well as the carryover of vehicle replacement budget to FY 13-14. In addition, a 1.0 FTE position was held open pending further analysis and possible reorganization, which contributed to savings in this fund.



# ADMINISTRATIVE SERVICES FUND

REVENUE	AMENDED BUDGET	4th Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	4th 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	\$979,594	\$4,285,240	97.23%	\$933,187	\$4,422,730	95.06%
Miscellaneous (1)	17,570	2,749	23,870	135.86%	3,131	8,112	82.60%
<b>TOTAL CURRENT REVENUE</b>	<b>\$4,425,090</b>	<b>\$982,343</b>	<b>\$4,309,110</b>	<b>97.38%</b>	<b>\$936,318</b>	<b>\$4,430,842</b>	<b>95.03%</b>
<b>EXPENDITURE BY DEPARTMENT</b>							
Finance	\$2,501,750	\$619,235	\$2,450,873	97.97%	\$641,581	\$2,553,671	98.65%
City Manager's Office (2)	1,920,720	396,544	1,737,911	90.48%	518,121	1,931,725	91.98%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$4,422,470</b>	<b>\$1,015,779</b>	<b>\$4,188,783</b>	<b>94.72%</b>	<b>\$1,159,703</b>	<b>\$4,485,397</b>	<b>95.66%</b>
Contingencies/Reserves	30,000	0	0	0.00%	0	0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$4,452,470</b>	<b>\$1,015,779</b>	<b>\$4,188,783</b>	<b>94.08%</b>	<b>\$1,159,703</b>	<b>\$4,485,397</b>	<b>95.05%</b>
<b>CURRENT REVENUE LESS TOTAL EXPENDITURES</b>	<b>(\$27,380)</b>	<b>(\$33,436)</b>	<b>\$120,327</b>		<b>(\$223,385)</b>	<b>(\$54,555)</b>	

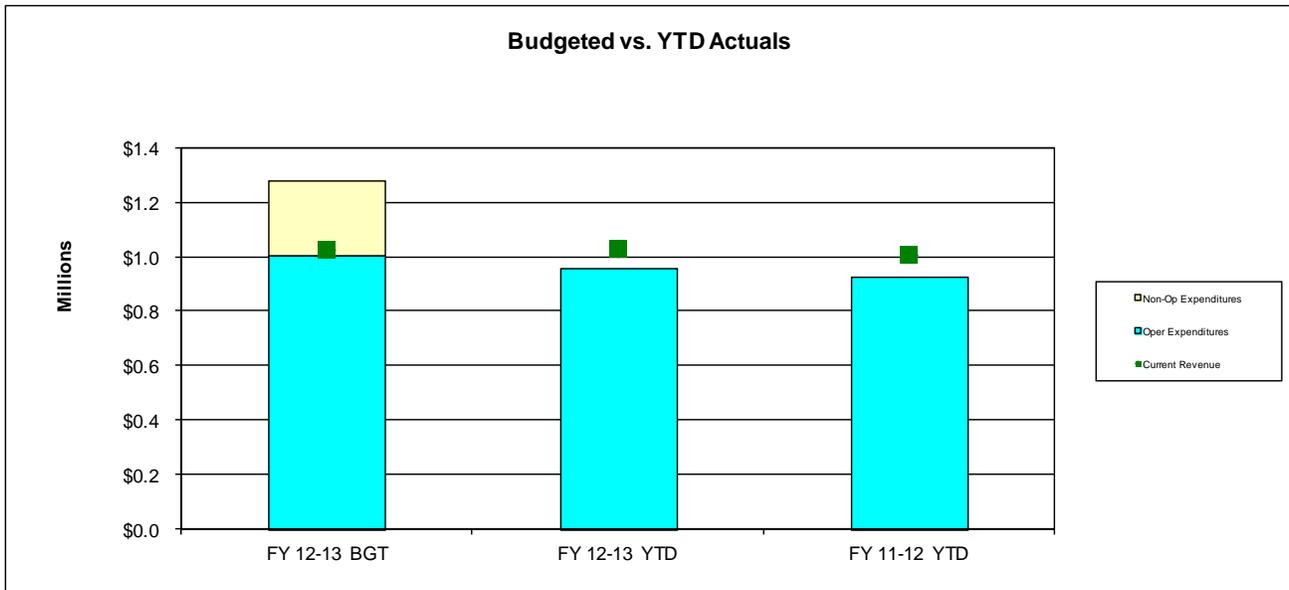
- (1) Miscellaneous revenue is above both budget and prior fiscal year due to a credit received for an overpayment of permit mailings in the previous fiscal year. Absent this credit, the unbudgeted purchasing card rebate, and a court judgment award amount for abatement work, miscellaneous revenue would be below budget and last fiscal year due to lower interest rates and fewer Utility Billing customer donations than anticipated.
- (2) City Manager's Office expenditures are less than budget and last fiscal year primarily due to hiring a Human Resources Manager in lieu of filling the budgeted Assistant City Manager position. A carryover of Special Projects budget to FY 13-14 for the 2013 Oregon Mayor's Conference, as well as significant savings for unemployment costs, the wellness program through the new healthcare broker and the City newsletter.



# RISK MANAGEMENT FUND

REVENUE	AMENDED BUDGET	4th Quarter FY 12-13	UNAUDITED FY 12-13	FY 12-13 % REC/EXPEND	4th Quarter FY 11-12	Y-T-D FY 11-12	FY 11-12 % REC/EXPEND
Budgeted Fund Balance	\$791,008						
Charges for Service	\$989,250	\$0	\$989,250	100.00%	\$0	\$980,270	100.00%
Miscellaneous (1)	36,750	1,826	40,307	109.68%	11,871	27,198	69.12%
<b>TOTAL CURRENT REVENUE</b>	<b>\$1,026,000</b>	<b>\$1,826</b>	<b>\$1,029,557</b>	<b>100.35%</b>	<b>\$11,871</b>	<b>\$1,007,468</b>	<b>98.81%</b>
<b>EXPENDITURE BY DEPARTMENT</b>							
City Manager's Office (2)	\$1,001,950	\$172,645	\$953,484	95.16%	\$165,682	\$923,092	96.16%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$1,001,950</b>	<b>\$172,645</b>	<b>\$953,484</b>	<b>95.16%</b>	<b>\$165,682</b>	<b>\$923,092</b>	<b>96.16%</b>
Contingencies/Reserves	275,000	0	0	0.00%	0	0	0.00%
<b>TOTAL ALL EXPENDITURES</b>	<b>\$1,276,950</b>	<b>\$172,645</b>	<b>\$953,484</b>	<b>74.67%</b>	<b>\$165,682</b>	<b>\$923,092</b>	<b>74.75%</b>
<b>CURRENT REVENUE LESS</b>							
<b>TOTAL EXPENDITURES</b>	<b>(\$250,950)</b>	<b>(\$170,819)</b>	<b>\$76,073</b>		<b>(\$153,811)</b>	<b>\$84,377</b>	

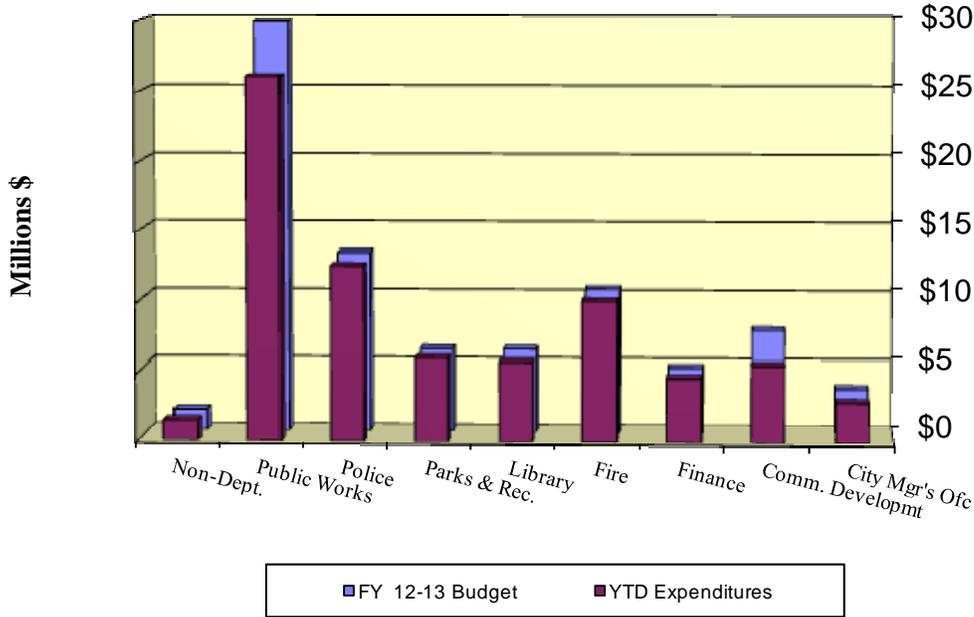
- (1) Miscellaneous revenue in this fund is driven by both interest earnings and by claim recoveries from insurance. Receipts for FY 12-13 include approximately \$34,000 in loss reimbursements and return to work credits related to thirteen City claims, compared to nine cases totaling approximately \$17,850 in the same period last year.
- (2) Savings is due to lower than anticipated insurance premiums and workers compensation claim payments during the year. Additionally, Special Project budget reflects a \$30,000 onsite appraisal that was not conducted this fiscal year and which has been carried forward to FY 13-14.



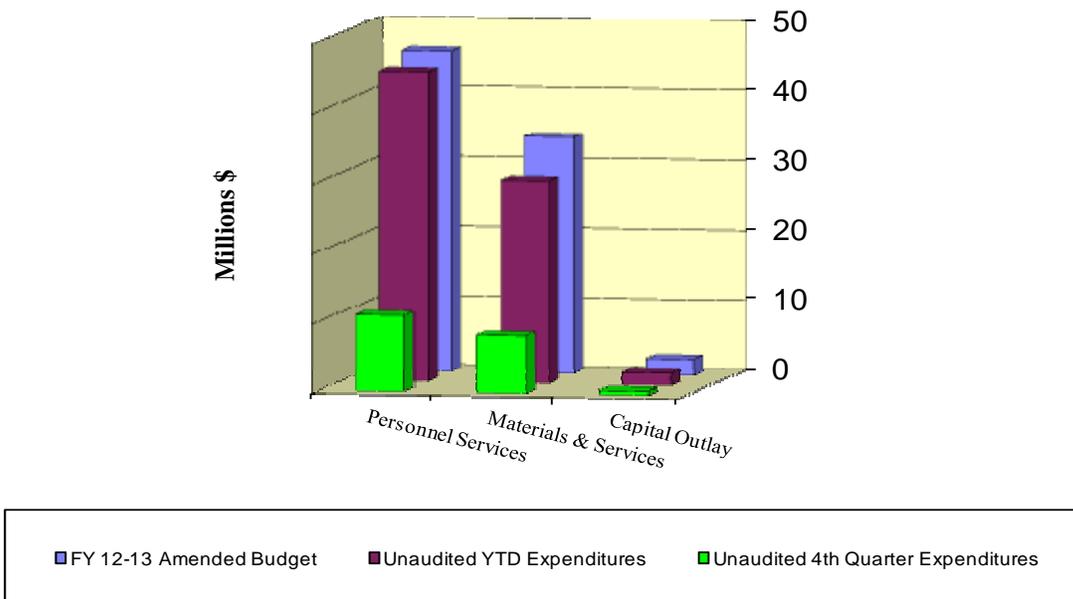
# BUDGET PERFORMANCE BY DEPARTMENT

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 4th Qtr Expenditures	Unaudited YTD Expenditures	Percent Expended
Personnel Services	\$1,457,620	\$333,774	\$1,253,639	86.01%
Supplies and Services	1,845,050	341,651	1,669,028	90.46%
Capital Outlay	0	0	0	0.00%
<b>Total Operating Expenditures</b>	<b>\$3,302,670</b>	<b>\$675,425</b>	<b>\$2,922,667</b>	<b>88.49%</b>

Fund Sources Combined: General, Administrative Services, and Risk Management Funds.

### Noteworthy Accomplishments during this Quarter:

- Staff worked with City Council and Oregon State University to create and conduct a rapid response survey about the November local option tax levy.
- The City Hall Ambassador Program received the International Institute of Municipal Clerks Program Excellence in Governance Award.
- Staff worked with Mayor Manning on plans to host the 2013 Oregon Mayors' Conference in late July 2013.
- Recruitment for the vacant Economic Development Officer position was completed; the selected candidate begins work on July 1<sup>st</sup>.
- A City-sponsored Ward 8 meeting was held on May 14<sup>th</sup> with Councilor Traber and City staff.

### Upcoming/Pending Items:

- The City will host the 2013 Oregon Mayors' Conference.
- Staff will plan and prepare for co-hosting the Willamette Innovators Network conference during the fall of 2013.
- The local option tax levy survey will be completed and results will be shared with City Council at their July 15<sup>th</sup> meeting.

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY11-12 ACTUAL	FY12-13 TARGET	4th 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	7.17	7.17
	Reduce average workers' compensation claims per employee through promotion of a safe workplace.	# of workers compensation claims per 100 FTE. <sup>(1)</sup>	12.3	<8.75	3.29	8.85
	Maximize workplace productivity	Number of sick leave hours used per 1,000 hours worked. <sup>(2)</sup>	25.9	<28.0	29.0	30.5
Diversity	Provide a welcoming organization that promotes and respects diversity	% of total job applicants for regular positions who identify themselves as a minority. <sup>(3)</sup>	15%	15%	17%	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. <sup>(4)</sup>	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	45 reams	199 reams

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY11-12 ACTUAL	FY12-13 TARGET	4th QTR ACTUAL	FY12-13 YTD
	Measure the benefits to compensation ratio for competitiveness, retention, attraction and comparator purposes.	Benefits as a % of total compensation.	36%	<35%	35.7%	35.7%
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. <sup>(5)</sup>	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. <sup>(6)</sup>	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. <sup>(6)</sup>	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. <sup>(6)</sup>	60%	>65%	N/A	N/A

- (1) There were 13 workers compensation claims filed in the fourth quarter of FY12-13, for a total of 35 claims for the year, ending slightly over the target.
- (2) In the fourth quarter, 27% of sick hours used were classified as Family Medical Leave Act or sick child leave.
- (3) Of the 927 applicants in the fourth quarter, 156 identified themselves as a minority. Over the course of FY12-13, 423 identified themselves as a minority out of 2,757 total applicants.
- (4) The employee survey will not be conducted this year. This measure will be dropped in FY13-14.
- (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 FY13-14.

## COMMUNITY DEVELOPMENT

Type of Expenditure	2012-13 Amended Budget	Unaudited 4th Qtr Expenditures	Unaudited YTD Expenditures	Percent Expended
Personnel Services	\$3,626,400	\$889,155	\$3,531,522	97.38%
Supplies and Services	3,829,600	515,976	2,048,899	53.50%
Capital Outlay	50,640	(32)	48,012	94.81%
<b>Total Operating Expenditures</b>	<b>\$7,506,640</b>	<b>\$1,405,099</b>	<b>\$5,628,433</b>	<b>74.98%</b>

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

### Noteworthy Accomplishments during this Quarter:

- Housing Division received 117 Rental Housing Program-related contacts in the fourth quarter outlining 205 separate issues, with 52 issues related to habitability and 153 of a non-habitability nature. Of the habitability issues reported, 29 are or may be subject to the Rental Housing Code. Housing staff are working with complainants to achieve resolution or move to enforcement.

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

- Three rehabilitation loans were approved and closed in the fourth quarter totaling \$456,574. These loans included the rehabilitation of the Center Against Rape and Domestic Violence’s transitional housing and services facility; rehabilitation of the Willamette Neighborhood Housing Services-owned Lancaster Bridge affordable rental housing complex, being funded with a \$383,000 HOME Investment Partnerships program grant; and a loan to a very low income home owner to pay for critical repairs to preserve the livability of the home.
- Construction utilizing City HOME funding started on the six-unit Seavey Meadows Community Land Trust affordable home ownership project in northeast Corvallis, initiated by Willamette Neighborhood Housing Services, and the Home Life’s Fillmore Four-plex, which will provide supportive housing opportunities for up to eight adults with severe developmental disabilities.
- During their May meeting, the Corvallis Housing and Community Development Commission approved a draft FY 13-14 through FY 17-18 CDBG/HOME Consolidated Plan and FY 13-14 Action Plan. The plans have been made available for public review and comment, and will be considered for approval by the City Council during a public hearing scheduled for July 1.
- The Planning Division issued 16 land use decisions in the fourth quarter, of which eight were Historic Preservation Permits. Land Use Decisions issued included the OSU Sector D Land Development Code Text Amendment, the 49<sup>th</sup> Street Annexation, a Historic Preservation Permit for a new classroom building at OSU, and the Planning Commission’s denial of the Coronado Tract B Planned Development application.
- During the fourth quarter, Development Services staff processed 99 residential and 162 non-residential plan reviews for proposed construction projects; 3,177 construction inspections were conducted; and of the 590 mechanical and electrical permits issued, 234 or 40% were issued online.
- The Code Enforcement Program received 113 new cases during the fourth quarter, many due as a result of citizen complaints received, as well as sidewalk cafes operating without a proper permit.
- Development Services continued implementation of the new web-based permit tracking system called Accela Automation. Accela replaces an antiquated 22-year old permitting system and promises to provide a number of future enhancements that will ultimately save customers time and money. In the next year staff will be rolling out anticipated modules such as Accela Mobile Office for Field Inspectors and ePlans for conducting electronic plan review. This is in concert with the 3-year Development Services Service Enhancement Review Fee (SERF) package to improve inspection and plan review services; as part of the SERF, iPads were deployed for building inspectors using the new Accela Inspector Application.
- The City/OSU Collaboration Projection Work Groups met numerous times in the fourth quarter. The Neighborhood Livability group considered the merits of creating an ongoing City and OSU supported group that would monitor achievement of livability goals and make recommendations to the City and OSU. The April 23<sup>rd</sup> meeting concluded this group’s Scope of Work objectives. The Parking & Traffic group continued their review of transportation and parking options in preparation for a fourth round of recommendations to the Steering Committee. The Neighborhood Planning group discussed a possible approach for addressing residential infill development issues.
- The Collaboration Steering Committee met on June 4<sup>th</sup>. The committee reviewed the fourth round of work group recommendations and the newly formed Housing Work Group scope of work update.

**Upcoming/Pending Items:**

- Collaboration Work Groups will continue to address the project scope of work; a Steering Committee meeting is scheduled for early September.
- The 49<sup>th</sup> Street Annexation application is proceeding to the November election.
- Development Services will begin implementing a software application for electronic plan review. This software, shared with Planning, Public Works Development Review, Fire, and Parks and Recreation allows simultaneous plan review.
- The City Council will conduct a public hearing on a Five Year Consolidated Plan and One Year Action Plan developed by the Housing Division. The plans will provide guidance for the City’s use of federal HOME and CDBG funds. Once approved by Council the plans will be submitted for review and approval by the U.S. Department of Housing and Urban Development.

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY11-12 ACTUAL	FY12-13 TARGET	4th 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. <sup>(1)</sup>	100%	95%	100%	100%

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY11-12 ACTUAL	FY12-13 TARGET	4th QTR ACTUAL	FY12-13 YTD
	Achieve plan review turn-around time consistent with other Oregon cities.	Percentage of initial residential plan review completed within 14 calendar days. <sup>(1)</sup>	98%	90%	92%	84%
	Meet or exceed federal HOME match requirement (25%) for all investment of HOME housing dollars.	HOME housing dollars leveraged with outside investment in funded activities. <sup>(2)</sup>	99%	25%	0%	73%
	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	32	33
	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	22	22
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. <sup>(3)</sup>	8.5	10.0	6.7	3.2
Community Involvement	Achieve at least the targeted % citizen rating of excellent or good.	Citizen satisfaction with land use process, from customer survey. <sup>(4)</sup>	54%	60%	81%	81%
Sustainability	Conserve resources by reducing fuel and paper use.	Percentage of permits issued online. <sup>(5)</sup>	26%	30%	40%	49%
	Maintain the quality of low income housing in a cost effective manner.	Units of housing rehabilitated per \$100,000 in City funds invested. <sup>(6)</sup>	2.7	3.0	N/A	3.5

- (1) During the fourth quarter, 91 of 99 residential plan reviews were completed within 14 calendar days. Staff appear to be back on track after several previous setbacks with implementation of the new permit tracking system.
- (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 year-to-date 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. No credit was earned during the remainder of the fiscal year. A total of \$557,368 in HOME funds subject to match were expended in FY12-13.
- (3) In the fourth quarter, two First Time Home Buyer down payment assistance loans were granted totaling \$30,000.
- (4) In 2012, the Citizen Attitude Survey citizen rating matrix was changed to include the wording "very valuable" and "somewhat valuable".
- (5) Performance is exceeding target and outreach is being conducted to promote additional use. The fourth quarter showed significant use of online permits which is reflected in the year-to-date percentage.
- (6) No Essential Repair Loan Program owner occupied housing rehabilitation projects reached completion during the fourth quarter. Three projects are underway and scheduled for completion during the first quarter of FY13-14.

## FINANCE

Type of Expenditure	2012-13 Amended Budget	Unaudited 4th Qtr Expenditures	Unaudited YTD Expenditures	Percent Expended
Personnel Services	\$3,202,780	\$790,193	\$3,154,311	98.49%
Supplies and Services	1,492,430	460,748	1,524,216	102.13%
Capital Outlay	95,000	0	0	0.00%
<b>Total Operating Expenditures</b>	<b>\$4,790,210</b>	<b>\$1,250,941</b>	<b>\$4,678,527</b>	<b>97.67%</b>

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

**Noteworthy Accomplishments during this Quarter:**

- The Customer Services Division completed the liquor and tobacco license renewal process and participated in demonstrations of automated remittance payment hardware and software.
- Financial Services completed the FY 12-13 interim audit, worked on year-end processes, and continued work on the OneSolution implementation in conjunction with the MIS Division.
- Budget and Financial Planning (BFP) prepared for parallel processing with the OneSolution payroll module, including conversion set-up and attending “train the trainer” trainings, with the plan of running three parallel payroll processes over the next six months prior to the February 2014 go-live date.
- BFP published the FY 13-14 Proposed Budget, as recommended by Budget Commission, and held public hearings for Revenue Sharing and recommendation to Council of the FY 13-14 Proposed Budget including staff amendments.
- BFP staff supported AFSCME and Management data requests related to labor negotiations.
- Treasury staff met with OSU Federal Credit Union and added it, as approved by Investment Council, to the list of approved financial institutions for City investments. The relationship was solidified through purchase of a \$1 million 3-year Certificate of Deposit at a competitive market yield of 1%.
- BFP staff supported Council efforts to gather data and provide analysis for a possible new and/or renewed Local Option Levy for Council Work Session(s).
- The City Council completed the recruitment process for the vacant Municipal Court Judge position and hired Chris Dunfield. Judge Dunfield is scheduled to start July 1, 2013.
- The MIS Division complied with State retention regulations and prepared for e-discovery, as well as reduced the cost of legal discovery, investigation, and audit by implementing the Exchange Archive solution including quota. Quota deadline is postponed until August 1, 2013.
- MIS improved the efficiency and availability of IT resources and applications by continual expansion of the VMWare v5.x offerings.
- MIS implemented the foundation for flexible, scalable eforms and workflow processes to help speed process automation and thus efficiencies around the organization, including digital signature, by upgrading from SharePoint 2003 to 2010.

**Upcoming/Pending Items:**

- Develop customer service initiative paper for Council addressing credit card surcharges, convenience fees, mobile payment applications and OneSolution Gov.Now platform.
- Acquire and implement automated remittance payment hardware and software.
- Continue work on ambulance billing processes and procedures to ensure timely monthly billing and collections.
- Complete work on FY 12-13 year-end processes and preparation for the final audit visit.
- Prepare filings for the County and State related to PropertyTax levies, Revenue Sharing, and FY 13-14 Budget Adoption.
- Publish the Adopted FY 13-14 Budget Document and submit for annual GFOA award process.
- Update Payroll employee files for any new fiscal year labor contract changes such as COLAs or other benefits.
- Municipal Court will complete work with online payment options for traffic tickets.
- MIS will begin phase I of electronic traffic and parking citations system implementation.
- Upgrade several centralized computing resources and services (911, RMS, Active Directory, etc.) and network services.
- Further implementation of the Sungard OneSolution Financial System and conduct parallel payroll module processing.
- Build business continuity through improved disaster recovery solutions and deliver high availability throughout the City infrastructure, including upgrading the City Disaster Recovery Plan.

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY11-12 ACTUAL	FY12-13 TARGET	4th 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. <sup>(1)</sup>	\$1,643	≥ \$1,550	\$336	\$1,609
	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%	5.3%	5.6%
	Provide necessary information technology resources for departments to operate efficiently.	Achieve 100% server uptime relative to scheduled server uptime. <sup>(2)</sup>	99.96%	100%	99.80%	99.74%
	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. <sup>(3)</sup>	1.37/1	3.00/1	1.15/1	1.22/1
	Increase organizational efficiency in providing service output.	Maintain operating expenditures less than or equal to \$1,490 per capita.	\$1,395	≤ \$1,490	\$337	\$1,342
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). <sup>(4)</sup>	630	548	150	560
	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. <sup>(5)</sup>	1,761	1,500	1,739	1,739

- (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) During the fourth quarter, MIS experienced a minor exchange outage. Overall performance for the fiscal year is still 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. This results in fewer incidents that require tracking and more resolved service calls. In the fourth quarter, MIS had 363 service calls to 316 repair calls.
- (4) Paper consumption increased in the third and fourth quarters. Efforts to reduce paper consumption did not quite meet the target of 548 reams. Cost savings measures such as printing major financial documents in-house instead of contracting with an outside vendor have contributed to an increase in paper use, thus efforts to lower paper consumption may have reached its limit.
- (5) While lower than year-end FY 11-12 E-Bill customer levels, the number of E-Bill customers increased substantially in the fourth quarter and ended the year by exceeding the FY 12-13 target. Staff is continuing to publicize the benefits of an E-Bill with a special message on the monthly City Services bill and anticipates continued increased participation by all utility customers.

## FIRE

Type of Expenditure	2012-13 Amended Budget	Unaudited 4th Qtr Expenditures	Unaudited YTD Expenditures	Percent Expended
Personnel Services	\$8,577,900	\$2,038,368	\$8,313,251	96.91%
Supplies and Services	1,862,320	596,728	1,836,658	98.62%
Capital Outlay	15,000	25,262	25,262	168.41%
<b>Total Operating Expenditures</b>	<b>\$10,455,220</b>	<b>\$2,660,359</b>	<b>\$10,175,170</b>	<b>97.32%</b>

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

### Noteworthy Accomplishments during this Quarter:

- An internal candidate was offered the position of Battalion Chief, filling the vacancy created by a recent retirement.
- Personnel and apparatus are in readiness for a conflagration response.
- A conditional offer has been made to a Fire Prevention Officer candidate, pending successful completion of the NFPA physical.

### Upcoming/Pending Items:

- Continue progress on work related to the relocation of the planned new drill tower.
- Participate in full-scale exercise involving a simulated biologic agent event, planned for September, involving personnel from Regional HazMat Teams 2 and 5, Oregon National Guard's 102<sup>nd</sup> Civil Support Team, and OSU Facilities.
- Complete the change to the new Material Safety Data Sheet format, ensuring that the labeling of all hazmat containers (cleaning supplies, etc.) is in compliance.

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY11-12 ACTUAL	FY12-13 TARGET	4th 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	1,245	5,656
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. <sup>(1)</sup>	63.0%	>70.0%	73.0%	66.0%
	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. <sup>(1)</sup>	57.0%	60.0%	60.0%	57.0%
	Maintain operating costs per capita at or below that of comparator cities (\$166.40)	Total fire operating expenditures per capita. <sup>(2)</sup>	\$162.55	<\$166.40	\$39.97	\$151.33

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY11-12 ACTUAL	FY12-13 TARGET	4th QTR ACTUAL	FY12-13 YTD
	Maintain false alarm rate at or below the 38% level experienced by ICMA comparators.	False Alarm malfunctions as a % of total non-EMS incidents. <sup>(3)</sup>	11.7%	<38.0%	30.0%	31.0%
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. <sup>(4)</sup>	\$8.39	<\$32.50	\$0.51	\$8.01
	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. <sup>(5)</sup>	0.30	<0.89	0.11	1.00

- (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 has met the 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.
- (5) Due to a data collection error, first and second quarter figures have been restated to 0.29 and 0.13 respectively.

## LIBRARY

Type of Expenditure	2012-13 Amended Budget	Unaudited 4th Qtr Expenditures	Unaudited YTD Expenditures	Percent Expended
Personnel Services	\$4,018,890	\$985,422	\$3,901,897	97.09%
Supplies and Services	2,018,120	593,797	1,909,340	94.61%
Capital Outlay	17,000	0	0	0.00%
<b>Total Operating Expenditures</b>	<b>\$6,054,010</b>	<b>\$1,579,218</b>	<b>\$5,811,236</b>	<b>95.99%</b>

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

### Noteworthy Accomplishments during this Quarter:

- The Food for Fines program in April brought in 2,130 pounds of food from patrons in all Library locations; the food was donated to Linn-Benton Food Share.
- In April, fundraising for the Library Foundation's "Complete the Block" Campaign reached its goal of \$525,000 to fund the purchase of the property adjacent to the Library.
- The new Monroe Community Library opened in May. The successful Grand Opening Celebration on June 8<sup>th</sup> was the culmination of a community and county-wide effort that began in 2007.
- Philomath Community Library received new art pieces for the lobby from artist Dana Furgerson; funding for the pieces was a gift from the Friends of the Library.
- The Library received a \$20,000 grant from the Margaret E. Hull Advised Fund of the Oregon Community Foundation. The grant is to be used to benefit the new Monroe Community Library. Planned purchases include meeting room furniture, AV equipment, kitchen appliances, decorative wooden benches, and children's area supplies and furnishings.
- A hearing loop system was installed in the Library's Main Meeting Room. The system connects to the existing sound system so that attendees with specially equipped hearing aids can tune in. There are also sets of individual receivers with headphones that will be checked out for people without their own hearing aids.
- A new Graphic Novel Book Club for adults was launched. The group, which is lead by one of the Adult Services librarians, meets monthly at Matt's Cavalcade of Comics store.
- A request for proposal (RFP) for periodical subscription services was issued in June. The successful bidder(s) will supply magazines and periodicals to the Library system. The Library currently subscribes to about 550 magazine and newspaper titles through approximately 700 subscriptions. Proposals will be opened August 7<sup>th</sup>.

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

- Interlibrary Loan (ILL) services ended as of June 15 as the result of budget reductions. In addition, a .625 FTE Librarian position was eliminated when the incumbent resigned at the end of FY 12-13. The reduction in service will be shared by both Adult Services and Youth Services divisions.
- Summer's "Dig into Reading" program started with over 1,300 kids signing up and attending concerts, the Teddy Bear Picnic, and other programs in all library locations. Summer Reading also extended to adults with "Groundbreaking Reads!" which set the goal of participants reading 500 books this summer. Participants who sent in a review of their book were eligible for prizes.
- Sections of the sidewalk in front of the Library and one of the 7<sup>th</sup> Street driveways were replaced with new concrete, eliminating potential tripping hazards.
- Year-end periodic building maintenance included window washing, interior painting, and carpet and tile cleaning.

**Upcoming/Pending Items:**

- Finalize fiscal year-end accounting and budgeting tasks and begin the new FY 13-14.
- Replace temporary shelving with permanent shelving in parts of the Monroe Community Library.
- Building maintenance and special projects: begin major landscaping project, HVAC ductwork cleaning, repair basement roof leaks resulting from the leaking patio planter.

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY11-12 ACTUAL	FY12-13 TARGET	4th 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	\$3.17	\$2.84
	Circulate at least 30% more per FTE than other ICMA comparable libraries – ICMA average of 24,891.	Circulation per FTE. <sup>(1)</sup>	37,953	37,000	9,007	37,540
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. <sup>(2)</sup>	93%	90%	96%	96%
	Be in the top 20% of circulation rates per capita of comparable ICMA libraries $\geq 15.6$ .	Circulation rates per capita. <sup>(1,3)</sup>	19.33	19.00	4.91	19.67
	Be in the top five of comparable ICMA libraries in volunteer FTE's per 1,000 population $\geq .02$ .	Number of volunteer FTE's per 1,000 population. <sup>(4)</sup>	.095	.090	.073	.081
Diversity	Offer programs reflecting the diverse populations within Benton County.	Attendance at programs for children, teens, seniors, Latinos and other non-English speakers. <sup>(5)</sup>	32,078	31,000	11,200	38,650
Sustainability	Each public computer is used at least 2,500 times per year.	Average number of user sessions per Corvallis Library public computer. <sup>(6)</sup>	2,393	2,500	759	3,179
	Provide the materials people want to use and keep them moving through the community.	Circulation per registered borrower.	33.58	32.00	8.75	34.66

- (1) The ICMA definition of FTE includes hours worked by regular and casual staff (which the City uses very infrequently). Circulation continues to be high for a library of Corvallis' size, combined with fewer FTE, results in high efficiency measures.
- (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.
- (4) The Library continues to utilize volunteers to keep up with demand for services and provide community involvement opportunities. While the actual number of volunteers has decreased somewhat, Corvallis still far exceeds comparable ICMA libraries.
- (5) Attendance at the Complete the Block Campaign, new Monroe Library, senior book club, and bi-lingual programs all contributed to the increase for these diverse groups.
- (6) As more patrons bring their own laptops to utilize the wireless system, the Library is now counting the 15 minute 'express computers', which are used steadily.

## PARKS & RECREATION

Type of Expenditure	2012-13 Amended Budget	Unaudited 4th Qtr Expenditures	Unaudited YTD Expenditures	Percent Expended
Personnel Services	\$3,600,660	\$917,706	\$3,601,271	100.02%
Supplies and Services	2,455,590	1,002,730	2,421,615	98.62%
Capital Outlay	24,060	40,561	40,561	168.58%
<b>Total Operating Expenditures</b>	<b>\$6,080,310</b>	<b>\$1,960,996</b>	<b>\$6,063,447</b>	<b>99.72%</b>

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

### Noteworthy Accomplishments during this Quarter:

- Awarded contracts for the Rotary Picnic Shelter at Willamette Park and began construction.
- Refurbished the exercise stations at Pioneer Park.
- Hosted the Procession of Species event with sponsorships from the Corvallis Environmental Center, Ashbrook Independent School, and the Oddfellows.
- The AARP Tax Aide Program wrapped up on April 15<sup>th</sup> which provided tax preparation services at the Senior Center by 17 different volunteers during the tax season (Feb 1 – Apr 15), preparing a total of 371 tax returns using over 1,035 volunteer hours.
- Adult and senior fitness and therapy classes had over 1,725 participants at Osborn Aquatic Center (OAC) in April.
- A solution for the repair of the Dinosaur Bones structure in Avery Park was determined, with work completed by the end of June.
- Replaced the playground fall material at Chintimini and Peanut Parks, making them compliant with safety standards.
- Repaired the trip hazards on the asphalt path in Riverbend and Central Parks.
- Celebrated National Older Americans month with an event commemorating National Health and Fitness Day on May 29. This event focused on marketing the Senior Center, inviting new people to come visit while promoting fitness programs.
- Friday Family Movie night was one of the largest ever, with 80 children and parents participating at OAC.
- The City received a Local Government Grant from Oregon State Parks and Recreation for playground equipment at Arnold Park.
- Parks use is at its peak with multiple reservations and high drop-in usage across the system.
- Youth Volunteer Corps is very popular this year with 190 participants, an increase of 10% over last summer.
- In the first year of the Chintimini Senior Center Gold Pass Membership being required to participate at the center, 561 passes were sold.
- 2,950 participants were involved in over 55 facility rentals at OAC, including all of the year-end elementary school swim parties.

### Upcoming/Pending Items:

- Consolidate City/School District agreements.
- Update the Parks and Recreation Master Plan.
- Continue work on the Tunison Park Rehabilitation Project, easements for the NW Natural Gas Loop, and restoration of the Chip Ross Natural Area.
- Draft a food vending policy.
- Investigate benefits/consequences of contracting parks maintenance services to an outside vendor.
- Host Grand Openings for Coronado Park and the Rotary Picnic Shelter at Willamette Park.

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY11-12 ACTUAL	FY12-13 TARGET	4th 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. <sup>(1)</sup>	24,322 (11.7 FTE)	27,500 (13 FTE)	7,543 (3.63 FTE)	25,069 (12.05 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%	251%	159%

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY11-12 ACTUAL	FY12-13 TARGET	4th QTR ACTUAL	FY12-13 YTD
	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%	126%	123%
	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%	369%	379%
Community Involvement	Provide multiple opportunities for public involvement.	Total number of hours of Board, Commissions and Stakeholder, and Public Meetings.	127	100	21	80
Sustainability	Increase the utilization percentage of granted scholarships.	Percent of total scholarship value expended. <sup>(2)</sup>	32%	38%	139%	64%
	Maintain or improve the ratio of acres per population of comparator cities.	Total park acres per 1,000 population. <sup>(3)</sup>	31.9	31.8	31.75	31.75
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. <sup>(4)</sup>	2,859/ 96,917	1,820/ 43,000	727/ 35,608	2,040/ 85,149

- (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 have exceeded expectations.
- (3) FY12-13 YTD is based on acres vs. deeds and thus results in current acres of 1,734 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 throughout the fiscal year.

## POLICE

Type of Expenditure	2012-13 Amended Budget	Unaudited 4th Qtr Expenditures	Unaudited YTD Expenditures	Percent Expended
Personnel Services	\$9,803,850	\$2,393,188	\$9,600,691	97.93%
Supplies and Services	2,990,060	738,635	2,777,680	92.90%
Capital Outlay	238,060	47,848	235,218	98.81%
<b>Total Operating Expenditures</b>	<b>\$13,031,970</b>	<b>\$3,179,671</b>	<b>\$12,613,589</b>	<b>96.79%</b>

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

### Noteworthy Accomplishments during this Quarter:

- Corvallis Police Auxiliary completed Class #34 of the Cops and Robbers Citizen Academy. Twenty-eight participants graduated the class.
- Two officers received a Corvallis Police Department “Life Saving Award”; one for performing CPR on a community member until advanced medical treatment was obtained, and the other for assisting a community member in receiving medical attention.

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

- A Corvallis Police Department motorcycle officer was awarded “Rookie of the Year” at the 2013 North American Motorcycle Officers Association annual conference.
- Staff and Cadets assisted Oregon Liquor Control Commission with a minor compliance check.
- Corvallis Regional Communications Center successfully completed the upgrade and implementation of the 9-1-1 telephone system to the “Next-Gen” capable, voice over IP system. The upgrade was funded by Oregon Emergency Management 9-1-1 excise tax dollars.
- The Community Policing Forum completed two facilitated goal setting sessions.
- Officers responded to 7,089 calls for service and 13,351 police units were dispatched.

**Upcoming/Pending Items:**

- The recruitment for three funded vacant police officer positions opened on March 15, 2013. A total of almost 400 applications were received. Testing, interviewing, and selection will continue into the new fiscal year.
- Finalization of the Corvallis Regional Communications Center Association (CRCCA) labor contract is anticipated for July 2013.
- Work is continuing on the grant funded E-Citation project and the radio interoperability project.

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY11-12 ACTUAL	FY12-13 TARGET	4th QTR ACTUAL	FY12-13 YTD
Public Safety/Livability	Increase community safety by reducing response time to top priority calls.	Response time in seconds to top priority calls.	283	300	299	296
	Increase community safety by clearing part 1 criminal investigations.	Percentage of Part 1 Crimes Cleared. <sup>(1)</sup>	Violent 59%	70%	66%	53%
			Property 20%	20%	30%	23%
	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. <sup>(2)</sup>	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. <sup>(3)</sup>	2.04	<2.50	0.65	2.5
Diversity	Increase diversity of applicant pool through targeted outreach efforts.	Number of new, targeted outreach efforts. <sup>(4)</sup>	0	6	0	8
Community Involvement	Achieve at least an 85% rating of excellent or good in citizen attitude surveys.	Citizen satisfaction ratings of overall police services. <sup>(5)</sup>	83%	85%	N/A	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 fourth quarter, but recruitments were opened March 15, 2013.  
(3) There have been 138 accidents, or 2.5 per thousand, year-to-date. This is well below the State average and meets target for the fiscal year. FY12-13 year-to-date figures utilize the most recent actual PSU Population Research Group figure of 55,055 (December 2012).  
(4) Recruitments just opened during the fourth quarter. Outreach efforts include advertising, on-site career fairs, and personal contacts at colleges and military bases.  
(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 4th Qtr Expenditures	Unaudited YTD Expenditures	Percent Expended
Personnel Services	\$11,717,570	\$2,711,718	\$11,161,337	95.25%
Supplies and Services	15,920,392	3,892,400	13,544,208	85.07%
Capital Outlay	2,106,960	531,896	1,482,546	70.36%
<b>Total Operating Expenditures</b>	<b>\$29,744,922</b>	<b>\$7,136,013</b>	<b>\$26,188,091</b>	<b>88.04%</b>

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

### Noteworthy Accomplishments during this Quarter:

- Negotiated an agreement with Accela and completed initial administrator training for a new work order and asset management program for the maintenance workgroups within Public Works.
- Implemented modifications to the Single-Use Plastic Carryout Bags ordinance.
- Began a new process that allows residents to access residential parking permit forms and instructions via the City's website.
- Completed the Public Works Safety manual, to be distributed in August 2013.
- Corvallis Transit System (CTS) upgraded its web pages to be more user friendly for mobile devices. The route pages offer easier site navigation, improved route map enlargement, and the ability to narrow stop choices in the time chart. The new pages are also easier to navigate for individuals that rely on screen readers to read internet sites.
- Completed a number of projects at City facilities, including Library landscaping and painting, electrical upgrades at the Osborn Aquatic Center needed for installation of the UV lighting system, exterior painting, and parking lot reconstruction at City Hall.
- Installed new locks on approximately half of the City's parking meters. A total of 550 meter locks will be installed by the end of August 2013 due to multiple meters that were vandalized in March 2013. Restitution is being pursued for revenue loss, repairs, and replacement costs totaling approximately \$39,000.
- Completed the development of plans and specifications in cooperation with the US Forest Service for the replacement of the main entry road bridge into the Corvallis Forest. The City's portion of the cost will be at least \$100,000.
- Conducted the annual public tour of the Corvallis Forest, with approximately 90 people in attendance.
- Obtained City Council approval of the updated Corvallis Forest Stewardship Plan.
- Received bids for the 36<sup>th</sup> & Grant Pump Station, Storm Drain Pipe Replacement, Corvallis to Albany Trail, 10<sup>th</sup> Street Reconstruction, Sanitary Sewer Rehabilitation, and Water Distribution System Rehabilitation capital improvement projects.
- Completed the process to adopt a Council policy for building encroachments in the public right-of-way.

### Upcoming/Pending Items:

- Work with Accela to complete workgroup gap analysis meetings to identify the baseline structure of the new work order and asset management program.
- Present Utility Service Rate Study cost of service findings to the Administrative Services Committee for review.
- Complete the organizational green house gas inventory project funded by the EPA Climate Showcase Communities grant.
- Secure City Council approval of the FAA-approved Airport Master Plan and initiate the Comprehensive Plan Amendment with Planning staff.
- Complete replacement of the CTS Vehicle Information System. This includes automated passenger counting, stop announcements, and vehicle location indicators, and have a real-time "Where's my bus?" feature for users. The system will also collect important data used for system design and management, as well as required by Federal Transit Administration (FTA) reporting. An FTA grant will fund 80% of the project.
- Complete the GIS Redesign and Server Upgrade project.
- Begin construction of the new Corvallis Forest main entry road bridge.
- Conduct public outreach on the Healthy Streets/Streams initiative funded through an EPA Water Program grant.
- Initiate construction of the following capital improvement projects: Storm Pipe Replacement, Dixon Creek Bank Stabilization, Water Distribution System Rehabilitation, Sanitary Sewer Rehabilitation, Corvallis-Albany Trail, and Street Reconstruction.
- Advertise and select a consultant for the Storm Water Design Manual.
- Complete negotiations on the Secondary Clarifier design contract and the Wetland Services master agreement.

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY11-12 ACTUAL	FY12-13 TARGET	4th QTR ACTUAL	FY12-13 YTD
Cost Efficiency	Maintain transit costs below national average of \$2.70 per ride.	Costs per transit ride. <sup>(1)</sup>	\$1.56	<\$2.70	\$1.63	\$1.64
	Have utility rates that contribute to Corvallis being an attractive place to live.	Control operation and maintenance costs to minimize annual utility rate increases. <sup>(2)</sup>	3.3%	≤ 3.0%	N/A	3.0%
		Percent of average annual water bill to median household income (\$74,200). <sup>(2)</sup>	0.35%	<0.45%	N/A	0.36%
		Percent of average annual wastewater bill to median household income (\$74,200). <sup>(2)</sup>	0.56%	<0.65%	N/A	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). <sup>(3)</sup>	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). <sup>(3)</sup>	74%	≥90%	N/A	N/A
	Encourage citizen input on Public Works projects and activities.	Number of public meetings held on department projects. <sup>(4)</sup>	12	≥20	9	27
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. <sup>(5)</sup>	\$85.46	< \$80.00	\$94.55	\$94.55
	Remain below national average of 10% annually for water loss in the distribution system.	Percent of water loss in the distribution system. <sup>(6)</sup>	4.57%	<10.00%	5.60%	4.86%

(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. Exceptionally low gallons treated for the fiscal year skewed the \$/mg treated higher due to the fixed energy consumption component vs. total energy use.

(6) The low percentage is a result of no water main breaks or storage tank/reservoir projects; data collected after this report may update in future quarters.

## NON-DEPARTMENTAL

Type of Expenditure	2012-13 Amended Budget	Unaudited 4th Qtr Expenditures	Unaudited YTD Expenditures	Percent Expended
Personnel Services	\$0	\$0	\$0	0.00%
Supplies and Services	1,512,927	311,307	1,466,677	96.94%
Capital Outlay	0	0	0	0.00%
<b>Total Operating Expenditures</b>	<b>\$1,512,927</b>	<b>\$311,307</b>	<b>\$1,466,677</b>	<b>96.94%</b>

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, June 15, 2013

DEPARTMENT	Adopted 12-13 Budget		VACANT POSITIONS (# of FTE)	STATUS
	AUTHORIZED FTE	FILLED FTE		
CMO	10.800	9.800	Economic Development Officer (1)	Recruitment complete
COMMUNITY DEVELOPMENT	37.250	32.000	Building Inspector (3) Project Coordinator (.75) Grant Program Specialist (.5) Associate Planner	Held open Held open Held open Recruitment in Process
FINANCE	31.750	31.000	Admin Specialist (.25) Court Clerk (.50)	Underfilled Held open
FIRE	66.000	63.000	Division/Battalion Chief (1) Fire Prevention Officer (1) Firefighter EMT (1)	Recruitment in progress Recruitment on-hold Recruitment on-hold
LIBRARY	42.750	42.125	Reference Librarian (.625)	Recruitment in progress
PARKS AND RECREATION	34.095	31.055	Management Assistant (1) Admin Specialist (.50) Recreation Coordinator (.50) Seasonal Parks Worker (1.04)	Held open Held open Recruitment On-Hold Held open
POLICE	88.250	81.250	Police Officer (6) Public Safety Dispatcher (1)	3 Held Open; 3 Recruitments in process Held open
PUBLIC WORKS	117.500	106.500	Engineering Supervisor (1) Utilities Systems Supervisor (1) Utilities Treatment Plant Operator (1) Electronics & GIS Supervisor (1) Electronic Technician II (1) Parking Specialist (.5) Stormwater Specialist (.5) Street Maint Specialist (1) Utilities System Specialist (2) GIS Analyst (1) Instrument Technician I (1)	Recruitment on-hold Recruitment on-hold
<b>TOTALS</b>	<b>428.395</b>	<b>396.730</b>		

# CAPITAL IMPROVEMENT PROGRAM

The Capital Improvement Program section is included in the Quarterly Operating Report to update readers on the status of projects currently in progress. Projects have been placed in one of seven broad-based infrastructure functional areas: Airport; Buildings and Facilities; Parks and Recreation; Storm Water; Transportation; Wastewater; and Water. At the end of the fourth quarter, Capital Project year-to-date expenditures totaled \$3,823,174 or 39.46% of the \$9,687,779 Amended Budget. The lists below include a breakout of major projects by those that were completed, projects deferred or cancelled, and those which have been carried over to FY 13-14 for anticipated completion. 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 Completed

## Page#

Municipal Buildings Rehab – Library Roof Replacement, Phase I	<a href="#">3</a>
Osborn Aquatic Center – 50-meter pool UV lights	<a href="#">3</a>
Park Facility Renovation – Central Park Plaza	<a href="#">4</a>
Trails / Bike Paths – Shooting Star	<a href="#">4</a>
Pedestrian Crossing – 9 <sup>th</sup> Street	<a href="#">7</a>
Reservoir Road Improvements	<a href="#">7</a>
Street Reconstruction – 10 <sup>th</sup> (Design)	<a href="#">7</a>
Traffic Signal – 26 <sup>th</sup> & Western Blvd	<a href="#">7</a>
Sanitary Sewer Rehabilitation – 12/13	<a href="#">8</a>
North Hills 1 <sup>st</sup> Level Reservoir Improvements	<a href="#">8</a>
Taylor Plant – Mixing Equipment	<a href="#">8</a>

## Projects Deferred or Cancelled

Airport Facility Improvements	<a href="#">3</a>
Park Facility Renovation – Pioneer Park parking lot	<a href="#">4</a>
SWMP – Dunawi Creek Fish Barrier	<a href="#">5</a>
Advanced Transportation Management System	<a href="#">5</a>
Marys River – Crystal Lake Drive Shared-Use Path	<a href="#">6</a>

## Projects Partially or Wholly Carried Over to FY 13-14

City Hall Block – City Hall Parking Lot and Way-Finding Signage	<a href="#">3</a>
Fire Department Facilities Relocation	<a href="#">3</a>
Acquisition of Land/Park Development – Coronado Neighborhood Park	<a href="#">3, 4</a>
Park Improvement – Willamette Shelter	<a href="#">4</a>
Park Improvement – Avery Rose Garden, Phase III	<a href="#">4</a>
Park Improvement – Tunison / Community Center	<a href="#">4</a>
Riverfront Commorative Park Interpretive Signage	<a href="#">4</a>
Storm Drain Replacement – Hwy 99/ Phase I	<a href="#">5</a>
City Hall Parking	<a href="#">5</a>
Corvallis to Albany Trail	<a href="#">5</a>
Downtown Wayfinding	<a href="#">6</a>
Goodnight Right-of-Way Acquisition	<a href="#">6</a>
Morris Avenue Bridge	<a href="#">6</a>
Safe Routes to School	<a href="#">6</a>
Biosolids Storage Tank	<a href="#">7</a>
WWRP Secondary Clarifiers	<a href="#">8</a>
36 <sup>th</sup> & Grant Water Pump Station Improvements	<a href="#">8</a>
Water System Rehabilitation – 13/14	<a href="#">8</a>
West Corvallis 2 <sup>nd</sup> Level Water	<a href="#">8</a>

## SUMMARY OF CIP PROJECTS

AIRPORT	ADOPTED	AMENDED	Y-T-D
Airport Facility Improvements	\$50,000	\$50,000	\$506
TOTAL Airport Projects	<u>\$50,000</u>	<u>\$50,000</u>	<u>\$506</u>
BUILDINGS AND FACILITIES	ADOPTED	AMENDED	Y-T-D
City Hall Block	\$180,000	\$180,000	\$69,423
Fire Department Facilities Relocation	774,290	841,670	734,841
Municipal Buildings Rehabilitation	76,500	76,500	76,219
Carryover Adjustment - Unused Budget	0	0	0
TOTAL Buildings and Facilities	<u>\$1,030,790</u>	<u>\$1,098,170</u>	<u>\$880,483</u>
PARKS	ADOPTED	AMENDED	Y-T-D
Acquisition of Land	\$379,478	\$379,478	\$0
Osborn Aquatic Center	50,000	59,100	59,006
Park Development - New	550,000	550,000	150,479
Park Facility Renovation	54,000	52,000	40,385
Park Improvements - Existing	422,170	407,970	139,428
Riverfront Commemorative Park Signage	31,150	31,150	0
Trails/Bike Paths	103,900	293,331	124,253
TOTAL Parks	<u>\$1,590,698</u>	<u>\$1,773,029</u>	<u>\$513,551</u>
STORM WATER	ADOPTED	AMENDED	Y-T-D
Storm Drain Replacement	\$461,510	\$481,510	\$234,791
Storm Water Master Plan Projects	245,000	225,000	45,981
Utility and Street Improvements	15,000	15,000	0
TOTAL Storm Water Projects	<u>\$721,510</u>	<u>\$721,510</u>	<u>\$280,772</u>
TRANSPORTATION	ADOPTED	AMENDED	Y-T-D
Advanced Transportation Management System	\$649,140	\$615,750	\$1
City Hall Parking	10,000	10,000	0
Covallis to Albany Trail	670,000	670,000	86,196
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
Madison Ave/OSU Improvements	0	6,000	5,624
Marys River - Crystal Dr Path	80,000	80,000	0
Morris Avenue Bridge	179,000	179,000	36,893
Pedestrian Crossings	79,000	68,300	56,824
Reservoir Road Improvements	300,000	359,200	359,185
Safe Routes to Schools	343,950	343,950	0
Sidewalk Infill	107,100	101,490	97,740
Street Reconstruction	266,430	286,430	274,542
Traffic Signals	257,040	256,000	130,443
Utility and Street Improvements	200,000	0	0
Carryover Adjustment - Unused Budget	0	109,740	0
TOTAL Transportation	<u>\$4,077,330</u>	<u>\$4,021,530</u>	<u>\$1,047,446</u>
WASTEWATER	ADOPTED	AMENDED	Y-T-D
Biosolids Storage Tank	\$20,000	\$20,000	\$5,583
Sanitary Sewer Line Rehabilitation	552,360	552,360	491,101
WWRP Secondary Clarifiers	300,000	300,000	49,637
Utility and Street Improvements	33,000	33,000	0
TOTAL Wastewater Projects	<u>\$905,360</u>	<u>\$905,360</u>	<u>\$546,320</u>
WATER	ADOPTED	AMENDED	Y-T-D
36th and Grant Water Pump Station Improvements	\$502,250	\$502,250	\$128,014
North Hills 1st Level Reservoir Improvements	200,000	200,000	102,803
Taylor Plant Facility Plan Projects	294,250	291,570	270,992
Water Distribution System Rehabilitation	50,000	50,000	52,288
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>\$554,097</u>
TOTAL All Areas	<u>\$9,493,868</u>	<u>\$9,687,779</u>	<u>\$3,823,174</u>

## AIRPORT AND INDUSTRIAL PARK

<i>Airport Facility Improvements</i>	<u>CIP Doc Pg:</u> <a href="#">1</a>	<u>Adopted Budget:</u> <b>\$50,000</b>	<u>Amended:</u> <b>\$50,000</b>	<u>YTD Expended:</u> <b>\$506</b>
<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. The AMP is pending FAA approval. Following this approval, specific projects identified in the Plan can be requested for FAA funding. Design for AMP projects has been included in the proposed FY 13-14 budget.</p>				

## BUILDING AND FACILITIES

<i>City Hall Block</i>	<u>CIP Doc Pg:</u> <a href="#">9</a>	<u>Adopted Budget:</u> <b>\$180,000</b>	<u>Amended:</u> <b>\$180,000</b>	<u>YTD Expended:</u> <b>\$69,423</b>
<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 for the way-finding signage has been awarded, with production of the signs to begin mid-August. Installation of the signs is expected to begin in September with completion in November. Decommissioning of an underground storage tank related to the City Hall Parking Lot reconstruction was successfully completed. No detection of contaminated soil or leaks were found. Parking lot reconstruction is substantially complete and included additional work which repaired the HVAC lines located between City Hall and the cooling tower in the parking lot.</p>				
<i>Fire Department Facilities Relocation</i>	<u>CIP Doc Pg:</u> <a href="#">11</a>	<u>Adopted Budget:</u> <b>\$774,290</b>	<u>Amended:</u> <b>\$841,670</b>	<u>YTD Expended:</u> <b>\$734,841</b>
<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 was completed during the 2<sup>nd</sup> quarter with final payments made in the 3<sup>rd</sup> quarter. Phase II design has been carried over to FY 13-14 for completion.</p>				
<i>Municipal Buildings Rehabilitation</i>	<u>CIP Doc Pg:</u> <a href="#">13</a>	<u>Adopted Budget:</u> <b>\$76,500</b>	<u>Amended:</u> <b>\$76,500</b>	<u>YTD Expended:</u> <b>\$76,219</b>
<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

<i>Acquisition of Land</i>	<u>CIP Doc Pg:</u> <a href="#">17</a>	<u>Adopted Budget:</u> <b>\$379,478</b>	<u>Amended:</u> <b>\$379,478</b>	<u>YTD Expended:</u> <b>\$0</b>
<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 is included under one project, referenced under Park Development-New.</p>				

<b><i>Osborn Aquatic Center</i></b>	<u>CIP Doc Pg:</u> <a href="#">19</a>	<u>Adopted Budget:</u> <b>\$50,000</b>	<u>Amended:</u> <b>\$59,100</b>	<u>YTD Expended:</u> <b>\$59,006</b>
<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 installing ultraviolet lights in the indoor 50-meter pool to dissipate the negative effects of chlorine. This project was dependent upon fundraising efforts, which continued into the fourth quarter. Total fundraising efforts from individual community members and businesses successfully brought in nearly \$60,000 in donations. The project was completed fully with these fundraising dollars and the system is currently in operation.</p>				
<b><i>Park Development - New</i></b>	<u>CIP Doc Pg:</u> <a href="#">21</a>	<u>Adopted Budget:</u> <b>\$550,000</b>	<u>Amended:</u> <b>\$550,000</b>	<u>YTD Expended:</u> <b>\$150,479</b>
<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 constructing a park for Coronado subdivision. Design was completed during the third quarter. Construction activities were in full swing during the fourth quarter. The park will be completed and open during the first quarter of FY 13-14.</p>				
<b><i>Park Facility Renovation</i></b>	<u>CIP Doc Pg:</u> <a href="#">23</a>	<u>Adopted Budget:</u> <b>\$54,000</b>	<u>Amended:</u> <b>\$52,000</b>	<u>YTD Expended:</u> <b>\$40,385</b>
<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 project has been completed and the final grant reimbursement request has been submitted to the State.</p> <p>The Pioneer Park parking lot paving has been delayed, due to the need for additional pre-design work.</p>				
<b><i>Park Improvements - Existing</i></b>	<u>CIP Doc Pg:</u> <a href="#">25</a>	<u>Adopted Budget:</u> <b>\$422,170</b>	<u>Amended:</u> <b>\$407,970</b>	<u>YTD Expended:</u> <b>\$139,428</b>
<p>This project provides for improvements to existing City Parks. Staff has continued working with Rotary club representatives on fund raising efforts for the Willamette Park shelter replacement. Staff has been working with key volunteers on construction details and a schedule for the project. A significant portion of the shelter construction occurred during the fourth quarter. The shelter is nearly complete. Concrete work and finishing touches will occur during the first quarter of FY 13-14. A grand opening will be scheduled during the first quarter of FY 13-14.</p> <p>During the third quarter, staff purchased and received the playground equipment for Tunison Park. Final design details have been completed and bid documents prepared. Construction has been awarded and will begin during the first quarter of FY 13-14.</p>				
<b><i>Riverfront Commemorative Park Signage</i></b>	<u>CIP Doc Pg:</u> <a href="#">27</a>	<u>Adopted Budget:</u> <b>\$31,150</b>	<u>Amended:</u> <b>\$31,150</b>	<u>YTD Expended:</u> <b>\$0</b>
<p>This project included the design and implementation of public improvements along First Street and the Riverfront consistent with City Council goals. This project also widened the downtown multi-use path to 12 feet and provided 350 feet of new path to connect to the Van Buren Bridge and B Street. All construction was completed in FY 03-04, with the exception of interpretive signs. There are six signs remaining and will be completed by volunteers. No activity has occurred during the 4<sup>th</sup> quarter.</p>				
<b><i>Trails/Bike Paths</i></b>	<u>CIP Doc Pg:</u> <a href="#">33</a>	<u>Adopted Budget:</u> <b>\$103,900</b>	<u>Amended:</u> <b>\$293,331</b>	<u>YTD Expended:</u> <b>\$124,253</b>
<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 complete and the final grant reimbursement has been submitted to the State.</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. The collapsed boardwalk was removed from the site and all salvageable material was stored for future use. Staff was not successful in obtaining grant funds to use as match funds for the FEMA grant and is looking at other options to raise funds to do the project.</p>				

## STORM WATER UTILITY

<i>Storm Drain Replacement</i>	<u>CIP Doc Pg:</u> <a href="#">39</a>	<u>Adopted Budget:</u> \$461,510	<u>Amended:</u> \$481,510	<u>YTD Expended:</u> \$234,791
<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 complete for projects to be constructed in FY 13-14.</p>				
<i>Storm Water Master Plan Projects</i>	<u>CIP Doc Pg:</u> <a href="#">41</a>	<u>Adopted Budget:</u> \$245,000	<u>Amended:</u> \$225,000	<u>YTD Expended:</u> \$45,981
<p>This project implements recommendations from the adopted Storm Water Master Plan. Projects were prioritized and developed based on highest system need while addressing flood mitigation, system capacity, operations and maintenance needs, and preservation and enhancement of natural resources.</p> <p>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 35<sup>th</sup> Street; however the project and contract procurement has been cancelled due to irreconcilable conflicts with the Land Development Code and National Flood Insurance Program.</p> <p>Design has been completed to provide bank stabilization on the east bank of Dixon Creek where the bank has experienced a slope failure. A construction contract has been awarded and work will begin in August. All in-water work must be complete by October 15, 2013.</p> <p>A construction contract has been awarded for the replacement of an existing undersized 8-inch pipe running east to west on Greeley Avenue. Construction work will begin in July, 2013 and is scheduled for completion by mid-September.</p>				
<i>Utility and Street Improvements</i>	<u>CIP Doc Pg:</u> <a href="#">95</a>	<u>Adopted Budget:</u> \$15,000	<u>Amended:</u> \$15,000	<u>YTD Expended:</u> \$0
<p>These storm water assessments provide utility improvements to existing properties or to new developments that are not currently being served. Assessment projects require that the costs of the projects be paid by the owners and may be initiated by the City or by the owners of the property who benefit. This project is also used to reimburse developer-financed projects where System Development Charge (SDC) participation is appropriate. There were no storm water utility reimbursements in the 4<sup>th</sup> quarter.</p>				

## TRANSPORTATION

<i>Advanced Transportation Management System</i>	<u>CIP Doc Pg:</u> <a href="#">51</a>	<u>Adopted Budget:</u> \$649,140	<u>Amended:</u> \$615,750	<u>YTD Expended:</u> \$1
<p>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 2<sup>nd</sup> and 5<sup>th</sup> Streets. The project has been cancelled due to insufficient grant funding needed to complete the scope of the project.</p>				
<i>City Hall Parking</i>	<u>CIP Doc Pg:</u> <a href="#">55</a>	<u>Adopted Budget:</u> \$10,000	<u>Amended:</u> \$10,000	<u>YTD Expended:</u> \$0
<p>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.</p>				

<b><i>Covallis to Albany Trail</i></b>	<u>CIP Doc Pg:</u> <a href="#">57</a>	<u>Adopted Budget:</u> <b>\$670,000</b>	<u>Amended:</u> <b>\$670,000</b>	<u>YTD Expended:</u> <b>\$86,196</b>
<p>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.</p> <p>City staff has been meeting with the Oregon Department of Transportation (ODOT) Rail Division to discuss trail crossing options. This process is likely to end up in an administrative hearing which will not impact the construction dates. A construction contract has been awarded with completion scheduled by end of September, 2013.</p>				
<b><i>Downtown Public Parking</i></b>	<u>CIP Doc Pg:</u> <a href="#">59</a>	<u>Adopted Budget:</u> <b>\$200,000</b>	<u>Amended:</u> <b>\$200,000</b>	<u>YTD Expended:</u> <b>\$0</b>
<p>This project funds upgrading, altering and constructing public parking within the central business district. This project is a placeholder for opportunities to secure additional sites or to make improvements to existing parking facilities. No upgrades have been identified during the 4<sup>th</sup> quarter.</p>				
<b><i>Downtown Wayfinding</i></b>	<u>CIP Doc Pg:</u> <a href="#">61</a>	<u>Adopted Budget:</u> <b>\$335,670</b>	<u>Amended:</u> <b>\$335,670</b>	<u>YTD Expended:</u> <b>\$0</b>
<p>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.</p>				
<b><i>Electric Vehicle Charging Stations</i></b>	<u>CIP Doc Pg:</u> <a href="#">63</a>	<u>Adopted Budget:</u> <b>\$30,000</b>	<u>Amended:</u> <b>\$30,000</b>	<u>YTD Expended:</u> <b>\$0</b>
<p>This project provides electric vehicle charging stations at strategic locations in Corvallis. This project has not been initiated.</p>				
<b><i>Goodnight ROW Acquisition</i></b>	<u>CIP Doc Pg:</u> <a href="#">65</a>	<u>Adopted Budget:</u> <b>\$370,000</b>	<u>Amended:</u> <b>\$370,000</b>	<u>YTD Expended:</u> <b>\$0</b>
<p>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.</p>				
<b><i>Madison Ave/OSU Improvements</i></b>	<u>CIP Doc Pg:</u> <a href="#">70</a>	<u>Adopted Budget:</u> <b>\$0</b>	<u>Amended:</u> <b>\$6,000</b>	<u>YTD Expended:</u> <b>\$5,624</b>
<p>This project provides landscape improvements and a sidewalk with street furniture in the Madison Avenue median between 9<sup>th</sup> and 11<sup>th</sup> Streets. Early initiation of design is began in FY 12-13, as the Madison Avenue Task Force (MATF) has entered into a service contract with the City to complete design with MATF to reimburse the City for all related costs. Design work has been completed.</p>				
<b><i>Marys River - Crystal Drive Path</i></b>	<u>CIP Doc Pg:</u> <a href="#">71</a>	<u>Adopted Budget:</u> <b>\$80,000</b>	<u>Amended:</u> <b>\$80,000</b>	<u>YTD Expended:</u> <b>\$0</b>
<p>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.</p>				
<b><i>Morris Avenue Bridge</i></b>	<u>CIP Doc Pg:</u> <a href="#">75</a>	<u>Adopted Budget:</u> <b>\$179,000</b>	<u>Amended:</u> <b>\$179,000</b>	<u>YTD Expended:</u> <b>\$36,893</b>
<p>This project will replace the existing Morris Avenue Bridge over Oak Creek near 26<sup>th</sup> Street. An interagency agreement between the City and ODOT for project design and construction has been fully executed. Staff is negotiating a consultant contract and expects design to be completed in FY 13-14 and construction to occur in FYs 14-15 and 15-16.</p>				

<b><i>Pedestrian Crossings</i></b>	<u>CIP Doc Pg:</u> <a href="#">77</a>	<u>Adopted Budget:</u> <b>\$79,000</b>	<u>Amended:</u> <b>\$68,300</b>	<u>YTD Expended:</u> <b>\$56,824</b>
This project will improve pedestrian crossing opportunities at selected locations along 9 <sup>th</sup> 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 grant reimbursement was submitted in the 4 <sup>th</sup> quarter.				
<b><i>Reservoir Road Improvements</i></b>	<u>CIP Doc Pg:</u> <a href="#">79</a>	<u>Adopted Budget:</u> <b>\$300,000</b>	<u>Amended:</u> <b>\$359,200</b>	<u>YTD Expended:</u> <b>\$359,185</b>
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 and approved by staff. The City processed the reimbursement to the County in May, 2013.				
<b><i>Safe Route To Schools</i></b>	<u>CIP Doc Pg:</u> <a href="#">81</a>	<u>Adopted Budget:</u> <b>\$343,950</b>	<u>Amended:</u> <b>\$343,950</b>	<u>YTD Expended:</u> <b>\$0</b>
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 and has been carried over to FY 13-14.				

<b><i>Sidewalk Infill</i></b>	<u>CIP Doc Pg:</u> <a href="#">83</a>	<u>Adopted Budget:</u> <b>\$107,100</b>	<u>Amended:</u> <b>\$101,490</b>	<u>YTD Expended:</u> <b>\$97,740</b>
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 and final grant reimbursement has been submitted to the State.				
<b><i>Street Reconstruction</i></b>	<u>CIP Doc Pg:</u> <a href="#">85</a>	<u>Adopted Budget:</u> <b>\$266,430</b>	<u>Amended:</u> <b>\$286,430</b>	<u>YTD Expended:</u> <b>\$274,542</b>
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 11 <sup>th</sup> Street north of Maple Street is complete.  Design is complete for the reconstruction of 10 <sup>th</sup> Street between Buchanan and Grant Avenues. A construction contract has been awarded and work will begin in August.				
<b><i>Traffic Signals</i></b>	<u>CIP Doc Pg:</u> <a href="#">89</a>	<u>Adopted Budget:</u> <b>\$257,040</b>	<u>Amended:</u> <b>\$256,000</b>	<u>YTD Expended:</u> <b>\$130,443</b>
This project provides for design and construction of a signal at 26 <sup>th</sup> Street and Western Boulevard intersection with funding provided by OSU. Signal poles and mast arms were received during FY 11-12. Construction of the traffic signal is complete and final reimbursement received from OSU.				
<b><i>Utility and Street Improvements</i></b>	<u>CIP Doc Pg:</u> <a href="#">95</a>	<u>Adopted Budget:</u> <b>\$200,000</b>	<u>Amended:</u> <b>\$0</b>	<u>YTD Expended:</u> <b>\$0</b>
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 4 <sup>th</sup> quarter.				

## WASTEWATER UTILITY

<b><i>Biosolids Storage Tank</i></b>	<u>CIP Doc Pg:</u> <a href="#">103</a>	<u>Adopted Budget:</u> <b>\$20,000</b>	<u>Amended:</u> <b>\$20,000</b>	<u>YTD Expended:</u> <b>\$5,583</b>
This project provides for the replacement/rehabilitation of the existing biosolids storage tank and pumping system which are showing signs of age. Staff is negotiating with a consultant for design services. Design will be completed in conjunction with the WWRP Secondary Clarifier project.				

<b><i>Sanitary Sewer Line Rehabilitation</i></b>	<u>CIP Doc Pg:</u> <a href="#">105</a>	<u>Adopted Budget:</u> \$552,360	<u>Amended:</u> \$552,360	<u>YTD Expended:</u> \$491,101
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. Construction of projects designed in FY 11-12 is complete. Design work for projects to be constructed in FY 13-14 is complete and a construction contract has been awarded. Five sanitary sewer lines will be replaced on 21 <sup>st</sup> Street between Harrison Boulevard and Polk Avenue, as well as a line in Johnson Avenue between 28 <sup>th</sup> to 30 <sup>th</sup> Streets and at Walnut Boulevard and Glenridge Drive.				
<b><i>WWRP Secondary Clarifiers</i></b>	<u>CIP Doc Pg:</u> <a href="#">119</a>	<u>Adopted Budget:</u> \$300,000	<u>Amended:</u> \$300,000	<u>YTD Expended:</u> \$49,637
This project will construct two new secondary clarifiers at the WWRP. The new clarifiers will accommodate increased flows due to community growth. Staff is negotiating with a consultant for design services. Design of this project will be completed in conjunction with the Biosolids Storage Tank project.				
<b><i>Utility and Street Improvements</i></b>	<u>CIP Doc Pg:</u> <a href="#">95</a>	<u>Adopted Budget:</u> \$33,000	<u>Amended:</u> \$33,000	<u>YTD Expended:</u> \$0
These sewer assessments provide utility improvements to existing properties or to new developments that are not currently being served. Assessment projects require that the costs of the projects be paid by the owners and may be initiated by the City or by the owners of the property who benefit. This project is also used to reimburse developer-financed projects where System Development Charge (SDC) participation is appropriate. There were no wastewater utility reimbursements in the 4 <sup>th</sup> quarter.				

## WATER UTILITY

<b><i>36th and Grant Water Pump Station Improvements</i></b>	<u>CIP Doc Pg:</u> <a href="#">125</a>	<u>Adopted Budget:</u> \$502,250	<u>Amended:</u> \$502,250	<u>YTD Expended:</u> \$128,014
This project replaces the building and electrical equipment at the 36 <sup>th</sup> Street and Grant Avenue water pump station. Design is complete and a construction contract awarded with completion scheduled for April, 2014.				
<b><i>North Hills 1st Level Reservoir Improvements</i></b>	<u>CIP Doc Pg:</u> <a href="#">131</a>	<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 <sup>st</sup> 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.				
<b><i>Taylor Plant Facility Plan Projects</i></b>	<u>CIP Doc Pg:</u> <a href="#">137</a>	<u>Adopted Budget:</u> \$294,250	<u>Amended:</u> \$291,570	<u>YTD Expended:</u> \$270,992
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 complete.				
<b><i>Water Distribution System Rehabilitation</i></b>	<u>CIP Doc Pg:</u> <a href="#">139</a>	<u>Adopted Budget:</u> \$50,000	<u>Amended:</u> \$50,000	<u>YTD Expended:</u> \$52,288
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 is complete and a construction contract awarded with work beginning in August.				
<b><i>West Corvallis Second Level Water</i></b>	<u>CIP Doc Pg:</u> <a href="#">141</a>	<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.				
<b><i>Utility and Street Improvements</i></b>	<u>CIP Doc Pg:</u> <a href="#">95</a>	<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 4 <sup>th</sup> quarter.				

# CORVALLIS CITY COUNCIL GOALS 2013-2014

**PREFACE:**

This is an update on work accomplished on Council Goals during the third quarter, with a summary of expected work to be accomplished in the future. The City Council goals continue to reflect an ongoing commitment to the overarching goals of:

- ♦Diversity                      ♦Citizen Involvement                      ♦Sustainability                      ♦Cost Efficiency

Council goals are also connected to both the Vision 2020 Statement Categories and the City Manager’s Core Responsibilities:

Goals	Corvallis 2020 Vision Statement Categories	City Manager’s Core Responsibilities
<p><b><u>CITY/ OSU COLLABORATION</u></b>  <b>The Collaboration Corvallis project will be completed by the end of 2014 with Council approved recommendations implemented or planned, including a collaboration framework for the future.</b></p> <p><u>Accomplished through June 30, 2013:</u></p> <ul style="list-style-type: none"> <li>• Public Works staff analyzed and reviewed recommendations from the Parking and Traffic workgroup for impacts on staff resources, budgets and work load priorities.</li> <li>• Public Works staff added new runs funded by OSU on transit routes resulting in about an 11% increase in ridership on Route 5 and a 7% increase on Route 6.</li> <li>• Public Works staff selected a consultant to implement the new transit Vehicle Information System (VIS), which will include the ability to locate a bus along its route from a computer or smart phone.</li> <li>• Interagency collaboration within Linn and Benton Counties resulted in an agreement to stabilize support for the Linn-Benton Loop, which will contribute to a reduction in automobile trips in Corvallis and around the OSU campus.</li> <li>• Community Development Staff continue to provide staff support to the Neighborhood Planning Work Group as the group considers recommendations related to design standards, design guidelines, historic preservation, zoning, and other matters.</li> <li>• The Neighborhood Livability work group completed its scope of work in April.</li> <li>• The Collaboration Steering Committee met in June and took action on a series of work group recommendations.</li> <li>• The Parking and Traffic work group continues to address its scope of work with a focus on traffic issues.</li> </ul> <p><u>Next Steps:</u></p> <ul style="list-style-type: none"> <li>• Collaboration Steering Committee recommendations will be considered for implementation by the City and OSU.</li> <li>• Public Works will implement the VIS software for a template "live" date for bus location features by the end of September 2013.</li> <li>• Public Works will work with USC to determine the direction to take with regard to the collaboration recommendation to expand parking districts.</li> <li>• The Corvallis Metropolitan Planning Organization staff will begin work to evaluate the feasibility of an on-campus transit hub.</li> </ul>	Central City Economic Vitality Education/Human Services Governing and Civic Involvement Where we Live	Resident Well Being Public Safety Livability Infrastructure Economic Vitality

Goals	Corvallis 2020 Vision Statement Categories	City Manager's Core Responsibilities
<p><b><u>SUSTAINABLE BUDGET</u></b>  <b>Council will achieve a sustainable budget where recurring revenues equal or exceed recurring expenditures in all City funds by continuing to seek expenditure efficiencies and by exploring and implementing a broad range of revenue sources.</b></p> <p><u>Accomplished through June 30, 2013:</u></p> <ul style="list-style-type: none"> <li>The FY 13-14 balanced budget was ultimately adopted by the City Council following a last-minute notification that the long-standing Hewlett-Packard appeal of value had been decided by the tax court in HPs favor. The total refund with accrued interest is estimated at \$9.5 million, with the City's share estimated at \$2.5 million in prior year property tax payments plus accrued interest. The City council adopted a strategy to use one-time savings, a portion of the fund balance reserve, and an interfund loan to cover the refund; future year's revenues will also be lower based on decreased value.</li> <li>The City Council held a work session to discuss the renewal of the 2011 levy and possible services to include on a renewal/expansion of the existing levy. Council adopted a calendar set to allow a decision to place a levy vote on the November 2013 ballot.</li> </ul> <p><u>Next Steps:</u></p> <ul style="list-style-type: none"> <li>City Council will hear public comments at a special Council meeting on July 8, and will decide what to put on the levy at the regular meeting on July 15.</li> <li>Staff will use the strategy adopted by Council to manage the HP refund and will update the General Fund financial plan to determine long-term impacts.  Long-term strategic planning for financial management will follow Council's decision on the November levy election.</li> </ul>	<p>Culture/Recreation  Central City  Economic Vitality  Education/Human Services  Governing and Civic Involvement  Protecting the Environment  Where we Live</p>	<p>Resident Well Being  Public Safety  Livability  Infrastructure  Economic Vitality</p>

Goals	Corvallis 2020 Vision Statement Categories	City Manager's Core Responsibilities
<p><b><u>ECONOMIC DEVELOPMENT</u></b></p> <ul style="list-style-type: none"> <li>▪ <b>Economic Development Commission will review and possibly supplement the current economic development strategy incorporating aspects of agriculture-related businesses, local investment, arts and culture, as well as the City's overarching goals.</b></li> <li>▪ <b>The Economic Development Commission will provide recommendations to the Council by the end of 2013.</b></li> <li>▪ <b>Council takes action by mid-2014.</b></li> </ul> <p><u>Accomplished through June 30, 2013:</u></p> <ul style="list-style-type: none"> <li>• The Economic Development Commission has taken the Council's goal under advisement, and has invited representatives of the various constituencies to present at upcoming EDC meetings.</li> <li>• The new Economic Development Officer has been hired and will start July 1, 2013</li> <li>• The Economic Development Office has responded to requests from 38 business start-ups, 37 business expansions, 6 business retentions, and 20 business recruitments in the last fiscal year (September 17, 2012 through June 30, 2013)</li> <li>• The Economic Development Office commissioned Cleland Consulting to develop a branding and marketing strategy, web portal, and social media campaign to be finalized in July 2014.</li> </ul> <p><u>Next Steps:</u></p> <ul style="list-style-type: none"> <li>• The Economic Development Officer will implement the business retention and expansion program in FY 2014.</li> <li>• The Economic Development Office will partner with the OSU Venture Accelerator to further innovation commercialization efforts in FY 2014.</li> <li>• The Economic Development Office will partner with the Small Business Development Center and the Business Enterprise Center to establish a robust business assistance program in FY 2014.</li> <li>• The Economic Development Office will partner with industrial land owners and developers to certify, and subsequently market their sites in FY 2014.</li> </ul>	<p>Culture/Recreation Central City Economic Vitality</p>	<p>Resident Well Being Public Safety Livability Infrastructure Economic Vitality</p>
<p><b><u>HOUSING</u></b></p> <p><b>By the end of 2013, the Council will have access to comprehensive and objective information about the demands for housing in the Corvallis Urban Growth Boundary and the causes of the current housing mix. By the end of 2014, the Council will create policies, regulations, and strategies to help meet the housing needs of those who live here or wish to live here.</b></p> <p><u>Accomplished through June 30, 2013:</u></p> <ul style="list-style-type: none"> <li>• The FY 13-14 Budget was approved and includes funding to support a housing study.</li> </ul> <p><u>Next Steps:</u></p> <ul style="list-style-type: none"> <li>• Council direction on the scope of the housing study.</li> </ul>	<p>Central City Economic Vitality Protecting the Environment Where we Live</p>	<p>Resident Well Being Livability Infrastructure Economic Vitality</p>

Goals	Corvallis 2020 Vision Statement Categories	City Manager's Core Responsibilities
<p><b><u>HOMELESS COLD WEATHER SHELTER</u></b>  <b>Participate in the development of a plan to find a permanent solution by December 2014 for a cold weather shelter and daytime drop-in center.</b></p> <p><u>Accomplished through June 30, 2013:</u></p> <ul style="list-style-type: none"> <li>Housing staff continued to provide technical assistance to the Corvallis Homeless Shelter Coalition (CHSC) regarding regulatory issues and implications of planning for the use of Community Development Block Grant funding for a future shelter/drop-in center/soup kitchen facility.</li> <li>As an element of the <i>Benton County Ten Year Plan to Address Homelessness</i>, the goal to facilitate completion of this project has been integrated into the City's FY 13-14 through FY 17-18 Community Development Block Grant/HOME Investment Partnerships Program Consolidated Plan.</li> </ul> <p><u>Next Steps:</u></p> <ul style="list-style-type: none"> <li>Feasibility assessments of sites and conceptual designs will continue, with Community Development staff providing feedback regarding land use, building requirements and federal funding considerations.</li> </ul>	Central City Education/Human Services Governing/Civic Involvement Where we Live	Resident Well Being Public Safety Livability Infrastructure
<p><b><u>PUBLIC PROCESS AND PARTICIPATION</u></b>  <b>By December 2014, the Council will revise its processes and structures into a more effective and efficient citizen engagement program to develop diverse future leaders, enhance communication between citizens and the Council, help connect citizens to each other to strengthen community and neighborhoods, and utilize the expertise of citizen-volunteers in solving community problems.</b></p> <p><u>Accomplished through June 30, 2013:</u></p> <ul style="list-style-type: none"> <li>Public Works completed a public outreach process on the design for the 2013-2014 Street Reconstruction Project including whether to remove the traffic circle and modifications to the storm water system addressing resident drainage concerns.</li> <li>Public Works completed a public process on the policy on Building Encroachments in the Public Right-of-way for Council review.</li> <li>Public Works worked with local businesses to collect feedback on the Single-Use Plastic Carryout Bag Ordinance and held stakeholder meetings to educate retail managers on the particulars for compliance.</li> </ul> <p><u>Next Steps:</u></p> <ul style="list-style-type: none"> <li>The City Council will discuss this goal at its July work session.</li> </ul>	Culture/Recreation Central City Economic Vitality Education/Human Services Governing and Civic Involvement Protecting the Environment Where we Live	Resident Well Being