

**CITY OF CORVALLIS**

*Investment Council*

*Treasury Report*

May 2010

**CITY OF CORVALLIS, OREGON**  
**INVESTMENT COUNCIL**  
*Treasury Report - Table of Contents*

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**MEMORANDUM**  
**June 18, 2010**

To: Investment Council  
From: Staci Voight, Treasury Accountant

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The Treasury Report provides an overview of general economic conditions that may affect interest rates and summarizes the activity of the City's portfolio for May 2010. Local economic data is provided for comparison. Staff reviews market conditions and trends to assist in making investment decisions. The City's primary investment objective is preservation of capital, then liquidity, then yield. Investments are purchased under the requirements of ORS and the City's investment policy. Cash flow is projected to forecast that the City's portfolio has sufficient liquidity to meet the City's obligations.

In a statement released on May 9, the Federal Open Market Committee (FOMC) declared the authorization of temporary reciprocal currency arrangements (swap lines) with the Bank of Canada, the Bank of England, the European Central Bank (ECB), and the Swiss National Bank. On May 10, they authorized a similar arrangement with the Bank of Japan. The arrangements provide these central banks with the capacity to conduct tenders of U.S. dollars in their local markets at fixed rates for full allotment. This will be in effect through January 2011. Central banks will continue to work together closely as needed to address pressures in funding markets.

The most current consumer price index (CPI-U) press release noted that CPI-U decreased 0.2% in May. The index has increased 2.0% over the last 12 months on an unadjusted basis. The core CPI-U (excluding food and energy costs) increased in May by 0.1%, only the second monthly increase all year. The

index has increased 0.9% annually on an unadjusted basis. Locally, the Oregon Employment Department of Workforce and Economic Research is still estimating the CPI-U for the Portland-Salem area to be 0.5% for the second half of 2009.

In May, housing starts decreased to 593,000 from April's revised number of 659,000. May 2010 housing starts are 7.8% above the May 2009 rate of 550,000. May 2010 single family building permits totaled 438,000; this is 9.9% below the revised April figure of 486,000. Permits for privately owned housing units decreased 5.9% from April's revised estimate of 610,000. This is 4.4% above May 2009 levels. Looking at Corvallis housing data, single-family building permits issued in 2010 increased 10% over May 2009 numbers. The total number of permits issued was 15 as of May 2010, compared to 14 in the prior year.

The May unemployment rate decreased slightly to 9.7%. Non-farm payroll employment increased by 431,000, mostly due to the hiring of 411,000 temporary employees for the 2010 Census. Oregon's seasonally adjusted unemployment rate for May remained unchanged from April at 10.6%. For the Corvallis Metropolitan Statistical Area (MSA), this rate remained constant at 7.5%. Corvallis continues to be the only Oregon MSA with a seasonally adjusted unemployment rate less than 10%.

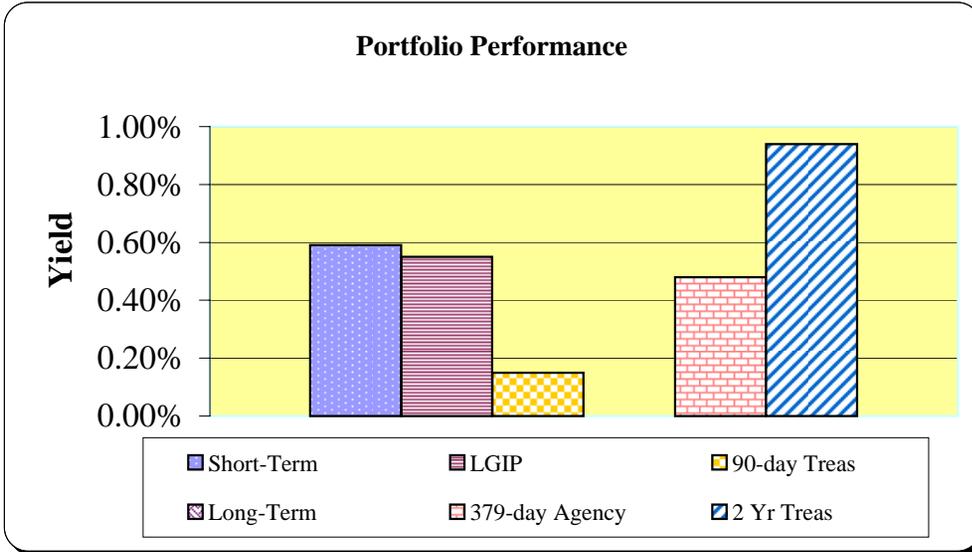
The City's May 31<sup>st</sup> total portfolio balance was \$34,128,458, a decrease of \$3,851,859 from the April 30<sup>th</sup> total of \$37,980,317.

The short-term portfolio performance for May was 0.59% as compared to April's 0.59% return. The City currently has no long term investments. As of May 31, 75.86% of the City's portfolio is invested in the Local Government Investment Pool (LGIP). The LGIP rate has been .55% since February. 12.44% of the City's portfolio is invested in federal agency securities maturing in less than 18 months. 11.70% of the City's portfolio is held at an Umpqua Bank money market account that guarantees a return equal to that of the LGIP plus 10 basis points. As of May 31 , the remainder of the City's portfolio was held in the City's checking account to manage pending expenditures.

May receipts were lower than projected (by \$372 thousand). The majority of the difference can be attributed to Federal Grant monies that have yet to be received. Disbursements were lower than expected (by \$797 thousand) which can be attributed to General Services being significantly less than originally budgeted.

Staff will continue to evaluate interest rates, analyze cash flow needs, and select investments as appropriate.

**City of Corvallis  
Investment Portfolio Summary  
May 31, 2010**



Total Cash (1)	29,878,466.20
Total Investments (2)	4,245,450.00
Total Cash & Investments	34,123,916.20
Prepaid Interest (3)	4,541.67
<b>Total Book Value of Cash &amp; Investments</b>	<b>34,128,457.87</b>

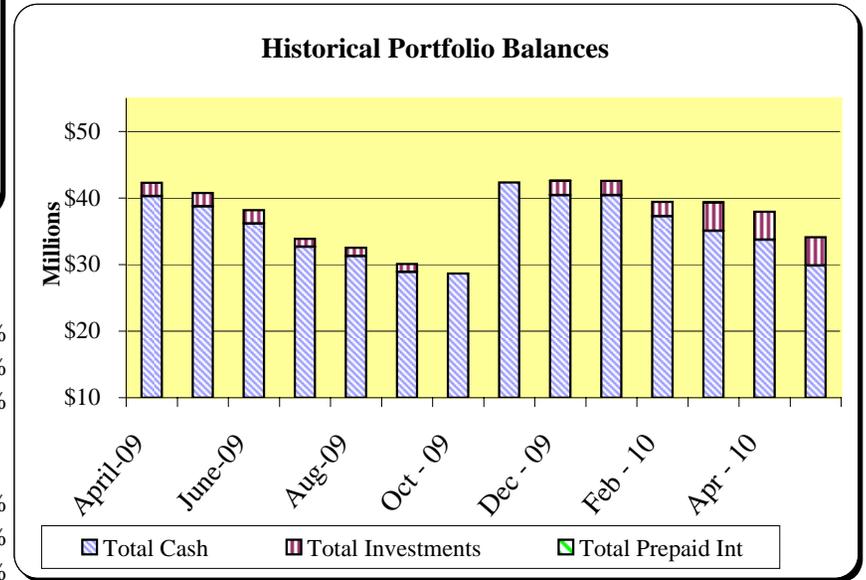
**Portfolio Performance**

Short-term Investment Portfolio (less than 540 days to maturity)  
 Local Government Investment Pool  
 90-day Treasury Note - Historical 12 week average

0.59%  
 0.55%  
 0.15%

Long-term Investment Portfolio (greater than 548 days to maturity)  
 379-day Agency Discount Note  
 2 Year Treasury Note - Historical 12 week average

0.00%  
 0.48%  
 0.94%



- (1) All balances are unaudited and represent month-end bank balances. Reconciliations are done for each bank statement to tie to the City's general ledger balance.
- (2) Securities are valued at the original cost of investment.
- (3) The portion of interest prepaid at security purchase for the income accumulation since the last coupon.



**MONTHLY TREASURY REPORT**  
**Portfolio Management**  
**Portfolio Summary**  
**May 31, 2010**

City of Corvallis  
 500 SW Madison  
 P.O. Box 1083  
 Corvallis, OR 97339-1083  
 (541)766-6738

<b>Investments</b>	<b>Par Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>% of Portfolio</b>	<b>Term</b>	<b>Days to Maturity</b>	<b>YTM 360 Equiv.</b>	<b>YTM 365 Equiv.</b>
General Checking Account	738,974.76	738,974.76	738,974.76	2.17	1	1	0.148	0.150
Local Government Investment Pool	25,885,081.14	25,885,081.14	25,885,081.14	75.88	1	1	0.542	0.550
Money Market Account	3,244,478.30	3,244,478.30	3,244,478.30	9.51	1	1	0.641	0.650
Federal Agency Coupon Securities	4,090,000.00	4,216,522.50	4,245,450.00	12.44	556	436	0.782	0.793
<b>Investments</b>	<b>33,958,534.20</b>	<b>34,085,056.70</b>	<b>34,113,984.20</b>	<b>100.00%</b>	<b>70</b>	<b>55</b>	<b>0.573</b>	<b>0.581</b>
<b>Cash</b>								
Passbook/Checking (not included in yield calculations)	9,932.00	9,932.00	9,932.00		1	1	0.000	0.000
<b>Total Cash and Investments</b>	<b>33,968,466.20</b>	<b>34,094,988.70</b>	<b>34,123,916.20</b>		<b>70</b>	<b>55</b>	<b>0.573</b>	<b>0.581</b>

<b>Total Earnings</b>	<b>May 31 Month Ending</b>	<b>Fiscal Year To Date</b>	<b>Fiscal Year Ending</b>
Current Year	26,718.58	255,904.27	
Current Budget	68,550.00	741,150.00	876,120.00
Last Year Actual	77,567.00	983,212.00	1,257,298.00
<b>Average Daily Balance</b>	<b>37,851,521.63</b>	<b>37,105,691.24</b>	
<b>Effective Rate of Return</b>	<b>0.83%</b>	<b>0.75%</b>	

Staci Voight, Treasury Accountant



**MONTHLY TREASURY REPORT**  
**Aging Report**  
**By Maturity Date**  
**As of May 31, 2010**

City of Corvallis  
 500 SW Madison  
 P.O. Box 1083  
 Corvallis, OR 97339-1083  
 (541)766-6738

				Maturity Par Value	Percent of Portfolio	Current Book Value	Current Market Value
Aging Interval:	0 days	( 05/31/2010 - 05/31/2010 )	4 Maturities 0 Payments	33,730,325.14	89.19%	33,730,325.14	33,730,325.14
Aging Interval:	1 - 30 days	( 06/01/2010 - 06/30/2010 )	0 Maturities 0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	31 - 60 days	( 07/01/2010 - 07/30/2010 )	0 Maturities 0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	61 - 90 days	( 07/31/2010 - 08/29/2010 )	0 Maturities 0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	91 - 180 days	( 08/30/2010 - 11/27/2010 )	0 Maturities 0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	181 - 270 days	( 11/28/2010 - 02/25/2011 )	0 Maturities 0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	271 - 364 days	( 02/26/2011 - 05/30/2011 )	1 Maturities 0 Payments	1,090,000.00	2.88%	1,154,310.00	1,138,712.10
Aging Interval:	365 - 545 days	( 05/31/2011 - 11/27/2011 )	2 Maturities 0 Payments	3,000,000.00	7.93%	3,091,140.00	3,083,750.00
Aging Interval:	546 days and after	( 11/28/2011 - )	0 Maturities 0 Payments	0.00	0.00%	0.00	0.00
<b>Total for</b>			<b>7 Investments 0 Payments</b>		<b>100.00</b>	<b>37,975,775.14</b>	<b>37,952,787.24</b>

**MONTHLY TREASURY REPORT**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**May 31, 2010**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
<b>General Checking Account</b>												
SYS1004	1004	Bank of America			738,974.76	738,974.76	738,974.76	0.150		0.150	1	
<b>Subtotal and Average</b>			<b>2,270,121.58</b>		<b>738,974.76</b>	<b>738,974.76</b>	<b>738,974.76</b>			<b>0.150</b>	<b>1</b>	
<b>Local Government Investment Pool</b>												
SYS4031	4031	State of Oregon LGIP			25,885,081.14	25,885,081.14	25,885,081.14	0.550		0.550	1	
<b>Subtotal and Average</b>			<b>28,083,104.57</b>		<b>25,885,081.14</b>	<b>25,885,081.14</b>	<b>25,885,081.14</b>			<b>0.550</b>	<b>1</b>	
<b>Money Market Account</b>												
SYS1003	1003	Umpqua Bank			3,244,478.30	3,244,478.30	3,244,478.30	0.650		0.650	1	
<b>Subtotal and Average</b>			<b>3,242,913.47</b>		<b>3,244,478.30</b>	<b>3,244,478.30</b>	<b>3,244,478.30</b>			<b>0.650</b>	<b>1</b>	
<b>Federal Agency Coupon Securities</b>												
SYS31331Y3P	1508	Federal Farm Credit Bureau		03/26/2010	2,000,000.00	2,073,120.00	2,080,400.00	3.500		0.832	489	10/03/2011
3133XUJX2	1505	Federal Home Loan Bank		12/09/2009	1,000,000.00	1,008,440.00	1,010,740.00	1.375	Aaa	0.721	430	08/05/2011
3133X7C69	1507	Federal Home Loan Bank		12/15/2009	1,090,000.00	1,134,962.50	1,154,310.00	5.000	Aaa	0.787	346	05/13/2011
<b>Subtotal and Average</b>			<b>4,245,450.00</b>		<b>4,090,000.00</b>	<b>4,216,522.50</b>	<b>4,245,450.00</b>			<b>0.793</b>	<b>436</b>	
<b>Total and Average</b>			<b>37,851,521.63</b>		<b>33,958,534.20</b>	<b>34,085,056.70</b>	<b>34,113,984.20</b>			<b>0.581</b>	<b>55</b>	

**MONTHLY TREASURY REPORT**  
**Portfolio Management**  
**Portfolio Details - Cash**  
**May 31, 2010**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity
<b>Petty Cash &amp; Change Funds</b>											
SYS1001	1001	City of Corvallis - Petty Cash			9,932.00	9,932.00	9,932.00			0.000	1
		<b>Average Balance</b>	<b>0.00</b>								<b>1</b>
<b>Total Cash and Investments</b>			<b>37,851,521.63</b>		<b>33,968,466.20</b>	<b>34,094,988.70</b>	<b>34,123,916.20</b>			<b>0.581</b>	<b>55</b>

**MONTHLY TREASURY REPORT**  
**Portfolio Management**  
**Activity By Type**  
**May 1, 2010 through May 31, 2010**

CUSIP	Investment #	Issuer	Beginning Balance	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Ending Balance
<b>General Checking Account (Monthly Summary)</b>								
SYS1004	1004	Bank of America		0.150		6,648,752.93	8,230,937.98	
		<b>Subtotal</b>	<b>2,321,159.81</b>			<b>6,648,752.93</b>	<b>8,230,937.98</b>	<b>738,974.76</b>
<b>Petty Cash &amp; Change Funds (Monthly Summary)</b>								
		<b>Subtotal</b>	<b>9,932.00</b>					<b>9,932.00</b>
<b>Local Government Investment Pool (Monthly Summary)</b>								
SYS4031	4031	State of Oregon LGIP		0.550		1,228,720.14	3,500,011.02	
		<b>Subtotal</b>	<b>28,156,372.02</b>			<b>1,228,720.14</b>	<b>3,500,011.02</b>	<b>25,885,081.14</b>
<b>Money Market Account (Monthly Summary)</b>								
SYS1003	1003	Umpqua Bank		0.650		1,616.99	0.00	
		<b>Subtotal</b>	<b>3,242,861.31</b>			<b>1,616.99</b>	<b>0.00</b>	<b>3,244,478.30</b>
<b>Federal Agency Coupon Securities</b>								
		<b>Subtotal</b>	<b>4,245,450.00</b>					<b>4,245,450.00</b>
		<b>Total</b>	<b>37,975,775.14</b>			<b>7,879,090.06</b>	<b>11,730,949.00</b>	<b>34,123,916.20</b>

**MONTHLY TREASURY REPORT**  
**Portfolio Management**  
**Activity Summary**  
**May 2009 through May 2010**

Month End	Year	Number of Securities	Total Invested	Yield to Maturity		Managed Pool Rate	Number of Investments Purchased	Number of Investments Redeemed	Average Term	Average Days to Maturity
				360 Equivalent	365 Equivalent					
May	2009	6	40,759,372.04	1.019	1.033	1.029	0	0	8	6
June	2009	6	38,203,008.24	0.976	0.990	0.988	0	0	8	5
July	2009	5	33,878,416.38	0.929	0.942	0.930	0	1	7	4
August	2009	5	32,519,513.58	0.833	0.845	0.830	0	0	8	3
September	2009	5	30,094,946.21	0.781	0.792	0.778	0	0	8	2
October	2009	4	28,638,818.42	0.730	0.740	0.750	0	1	1	1
November	2009	4	42,342,522.95	0.688	0.697	0.702	0	0	1	1
December	2009	6	42,615,017.14	0.677	0.687	0.684	2	0	29	28
January	2010	6	42,578,076.64	0.591	0.599	0.618	0	0	29	27
February	2010	6	39,444,426.50	0.551	0.559	0.550	0	0	31	27
March	2010	7	39,340,968.31	0.560	0.568	0.550	1	0	61	55
April	2010	7	37,965,843.14	0.554	0.561	0.550	0	0	63	53
May	2010	7	34,113,984.20	0.573	0.581	0.550	0	0	70	55
Average		6	37,114,993.37	0.728%	0.738%	0.731	0	0	25	21

**MONTHLY TREASURY REPORT**  
**Portfolio Management**  
**Distribution of Investments By Type**  
**May 2009 through May 2010**

Security Type	May 2009	June 2009	July 2009	August 2009	September 2009	October 2009	November 2009	December 2009	January 2010	February 2010	March 2010	April 2010	May 2010	Average by Period
General Checking Account	1.8	2.0	1.3	1.7	2.7	1.8	0.9	0.3	5.7	2.7	4.2	6.1	2.2	2.6%
Petty Cash & Change Funds														
Local Government Investment Pool	92.7	92.2	94.4	93.9	92.5	97.4	98.5	94.1	88.7	83.6	76.8	74.2	75.9	88.8%
Piper Jaffray Funds Held by Others														
Money Market Account	0.6	0.6	0.7	0.7	0.8	0.8	0.6	0.6	0.6	8.2	8.2	8.5	9.5	3.1%
Certificates of Deposit - Bank														
Certificates of Deposit - S & L														
Medium Term Notes														
Bankers Acceptances -At Cost	4.9	5.3	3.6	3.7	4.0									1.7%
Commercial Paper - Interest Bearing														
Commercial Paper Disc. -At Cost														
Repurchase Agreements														
Federal Agency Coupon Securities								5.1	5.1	5.5	10.8	11.2	12.4	3.9%
Federal Agency Disc. -At Cost														
Treasury Coupon Securities														
Treasury Discounts -At Cost														
Miscellaneous Coupon Securities														
Municipal Bonds - Disco - At Cost														
Municipal Bonds														
Rolling Repurchase Agreements														



**MONTHLY TREASURY REPORT**  
**Inventory by Maturity Report**  
**May 31, 2010**

City of Corvallis  
 500 SW Madison  
 P.O. Box 1083  
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 (541)766-6738

CUSIP	Investment #	Fund	Sec. Type	Issuer	Purchase Date	Book Value	Current Rate	Maturity Date	Maturity Amount	Total Days	Par Value	YTM		Days to Maturity
												360	365	
3133X7C69	1507	990	FAC	Federal Home Loan Bank	12/15/2009	1,154,310.00	5.000	05/13/2011	1,090,000.00	514	1,090,000.00	0.776	0.787	346
3133XUJX2	1505	990	FAC	Federal Home Loan Bank	12/09/2009	1,010,740.00	1.375	08/05/2011	1,000,000.00	604	1,000,000.00	0.711	0.721	430
SYS31331Y3P	1508	990	FAC	Federal Farm Credit Bureau	03/26/2010	2,080,400.00	3.500	10/03/2011	2,000,000.00	556	2,000,000.00	0.821	0.832	489
<b>Subtotal and Average</b>						<b>4,245,450.00</b>			<b>4,090,000.00</b>		<b>4,090,000.00</b>	<b>0.782</b>	<b>0.793</b>	<b>436</b>
<b>Net Maturities and Average</b>						<b>4,245,450.00</b>			<b>4,090,000.00</b>		<b>4,090,000.00</b>	<b>0.782</b>	<b>0.793</b>	<b>436</b>



**MONTHLY TREASURY REPORT**  
**Activity Report**  
**Sorted By Issuer**  
**May 1, 2010 - May 31, 2010**

City of Corvallis  
 500 SW Madison  
 P.O. Box 1083  
 Corvallis, OR 97339-1083  
 (541)766-6738

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value	Current Rate	Transaction Date	Purchases or	Par Value	Ending Balance
				Beginning Balance			Deposits	Redemptions or Withdrawals	
<b>Issuer: Bank of America</b>									
<b>General Checking Account</b>									
SYS1004	1004	Bank of America			0.150		6,648,752.93	8,230,937.98	
		<b>Subtotal and Balance</b>		<u>2,321,159.81</u>			<u>6,648,752.93</u>	<u>8,230,937.98</u>	<u>738,974.76</u>
		<b>Issuer Subtotal</b>	2.175%	<u>2,321,159.81</u>			<u>6,648,752.93</u>	<u>8,230,937.98</u>	<u>738,974.76</u>
<b>Issuer: City of Corvallis - Petty Cash</b>									
<b>Petty Cash &amp; Change Funds</b>									
		<b>Subtotal and Balance</b>		<u>9,932.00</u>					<u>9,932.00</u>
		<b>Issuer Subtotal</b>	0.029%	<u>9,932.00</u>			<u>0.00</u>	<u>0.00</u>	<u>9,932.00</u>
<b>Issuer: Federal Farm Credit Bureau</b>									
<b>Federal Agency Coupon Securities</b>									
		<b>Subtotal and Balance</b>		<u>2,000,000.00</u>					<u>2,000,000.00</u>
		<b>Issuer Subtotal</b>	5.888%	<u>2,000,000.00</u>			<u>0.00</u>	<u>0.00</u>	<u>2,000,000.00</u>
<b>Issuer: Federal Home Loan Bank</b>									
<b>Federal Agency Coupon Securities</b>									
		<b>Subtotal and Balance</b>		<u>2,090,000.00</u>					<u>2,090,000.00</u>
		<b>Issuer Subtotal</b>	6.153%	<u>2,090,000.00</u>			<u>0.00</u>	<u>0.00</u>	<u>2,090,000.00</u>
<b>Issuer: State of Oregon LGIP</b>									
<b>Local Government Investment Pool</b>									
SYS4031	4031	State of Oregon LGIP			0.550		1,228,720.14	3,500,011.02	
		<b>Subtotal and Balance</b>		<u>28,156,372.02</u>			<u>1,228,720.14</u>	<u>3,500,011.02</u>	<u>25,885,081.14</u>
		<b>Issuer Subtotal</b>	76.203%	<u>28,156,372.02</u>			<u>1,228,720.14</u>	<u>3,500,011.02</u>	<u>25,885,081.14</u>

MONTHLY TREASURY REPORT

Activity Report

May 1, 2010 - May 31, 2010

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Transaction Date	Par Value		Ending Balance
				Beginning Balance	Current Rate		Purchases or Deposits	Redemptions or Withdrawals	
<b>Issuer: Umpqua Bank</b>									
<b>Money Market Account</b>									
SYS1003	1003	Umpqua Bank			0.650		1,616.99	0.00	
		<b>Subtotal and Balance</b>		<b>3,242,861.31</b>			<b>1,616.99</b>	<b>0.00</b>	<b>3,244,478.30</b>
		<b>Issuer Subtotal</b>	<b>9.551%</b>	<b>3,242,861.31</b>			<b>1,616.99</b>	<b>0.00</b>	<b>3,244,478.30</b>
		<b>Total</b>	<b>100.000%</b>	<b>37,820,325.14</b>			<b>7,879,090.06</b>	<b>11,730,949.00</b>	<b>33,968,466.20</b>

**City of Corvallis  
Cash Flow Summary  
May 31, 2010**

	Receipts (1)	Disbursements (2)	Net
Actual Activity	4,253,541	7,316,655	(3,063,114)
Projected Activity	4,625,054	8,113,468	(3,488,414)
<b>Difference</b>	<b>(371,513)</b>	<b>(796,813)</b>	<b>425,300</b>

(1) Receipts include deposits and interest received.

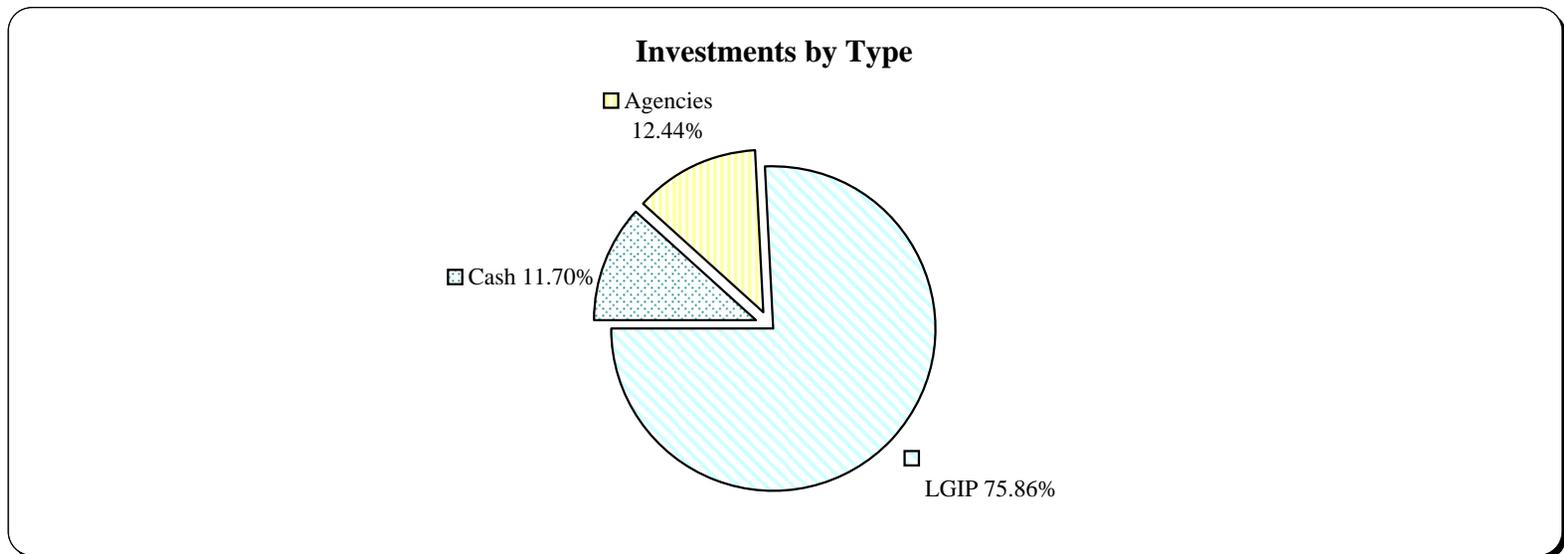
(2) Disbursements include accounts payable checks, payroll checks, other payments made through wire transfers and LGIP fees

Intrafund and interfund transfers, and investment purchases and maturities are movements between cash in different accounting funds or investment securities. The net effect on cash is zero, therefore they are not included.

**City of Corvallis  
Treasury Report  
Investment Type Compliance Test**

		<u>Maximum Allowed</u>	<u>Current Month</u>			<u>Previous Month</u>	
			<u>Percent of Portfolio</u>	<u>Amount of Portfolio</u>	<u>Met Compliance</u>	<u>Percent of Portfolio</u>	<u>Amount of Portfolio</u>
Cash	100%	34,123,916	11.70%	3,993,385	Yes	14.68%	5,573,953
U.S. Treasury Obligations	100%	34,123,916	0.00%	-	Yes	0.00%	-
U.S. Gov't Agencies	75%	25,592,937	12.44%	4,245,450	Yes	11.18%	4,245,450
Local Government Investment Pool	100%	34,123,916	75.86%	25,885,081	Yes	74.14%	28,156,372
Repurchase Agreements	25%	8,530,979	0.00%	-	Yes	0.00%	-
Banker's Acceptances	25%	8,530,979	0.00%	-	Yes	0.00%	-
Certificates of Deposit	25%	8,530,979	0.00%	-	Yes	0.00%	-
Commercial Paper	25%	8,530,979	0.00%	-	Yes	0.00%	-
Municipal Bonds	25%	8,530,979	0.00%	-	Yes	0.00%	-
<b>Total Portfolio</b>		-	<b>100.00%</b>	<b>34,123,916</b>	(a)	<b>100.00%</b>	<b>37,975,775</b>

(a) Excludes prepaid interest.



**City of Corvallis**  
**Investment Purchase**  
**Financial Institution Compliance Test**  
**May 31, 2010**

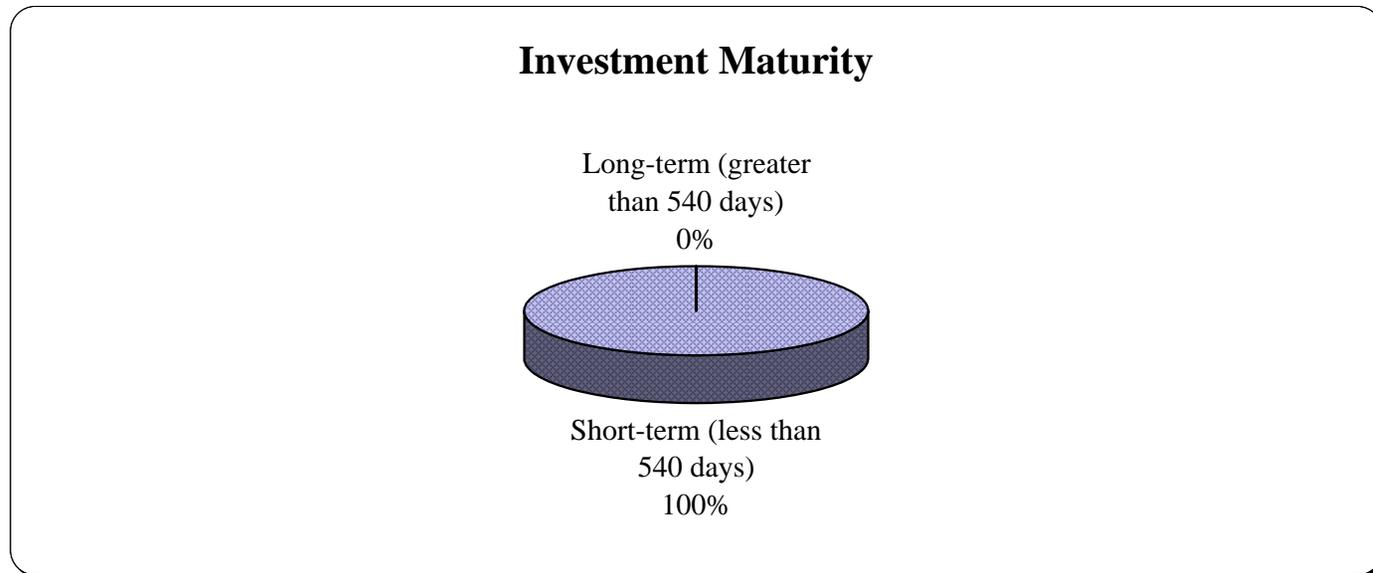
Institutions	Maximum Allowed	Current Month			Previous Month		
		Percent of Portfolio	Amount of Portfolio	Met Compliance	Percent of Portfolio	Amount of Portfolio	Met Compliance
<b>US Bank</b>							
Banker's Acceptance	25%	8,530,979	0.00%	-	0.00%	-	
			<b>0.00%</b>	-	<b>0.00%</b>	-	<b>Yes</b>
<b>General Electric</b>							
Commercial Paper	5%	1,706,196	0.00%	-	0.00%	-	
			<b>0.00%</b>	-	<b>0.00%</b>	-	<b>Yes</b>
<b>Federal Farm Credit Bureau</b>							
Government Agency	40%	13,649,566	6.10%	2,080,400	5.48%	2,080,400	
			<b>6.10%</b>	<b>2,080,400</b>	<b>5.48%</b>	<b>2,080,400</b>	<b>Yes</b>
<b>Federal Home Loan Bank</b>							
Government Agency	40%	13,649,566	6.34%	2,165,050	5.70%	2,165,050	
			<b>6.34%</b>	<b>2,165,050</b>	<b>5.70%</b>	<b>2,165,050</b>	<b>Yes</b>
<b>Umpqua Bank</b>							
Money Market Account	15%	5,118,587	9.51%	3,244,478	8.54%	3,242,861	
			<b>9.51%</b>	<b>3,244,478</b>	<b>8.54%</b>	<b>3,242,861</b>	<b>Yes</b>
<b>Citizen's Bank</b>							
Certificate of Deposit	25%	8,530,979	0.00%	-	0.00%	-	
			<b>0.00%</b>	-	<b>0.00%</b>	-	<b>Yes</b>
<b>Local Government Investment Pool</b>							
LGIP 4031	100%	34,123,916	75.86%	25,885,081	74.14%	28,156,372	
			<b>75.86%</b>	<b>25,885,081</b>	<b>74.14%</b>	<b>28,156,372</b>	<b>Yes</b>
<b>Checking Account</b>							
	n/a	n/a	<b>2.17%</b>	<b>738,975</b>	<b>6.11%</b>	<b>2,321,160</b>	<b>Yes</b>
<b>Petty Cash</b>							
	n/a	n/a	<b>0.03%</b>	<b>9,932</b>	<b>0.03%</b>	<b>9,932</b>	<b>Yes</b>
		<b>Portfolio Total</b>	<b>100.00%</b>	<b>34,123,916</b>	(a)	<b>100.00%</b>	<b>37,975,775</b>
							(a)

(a) Excludes prepaid interest.

**City of Corvallis  
Treasury Report  
Investment Maturity Compliance Test**

		Minimum/ Maximum Allowed	Current Month			Previous Month	
			Percent of Portfolio	Amount of Portfolio	Met Compliance	Percent of Portfolio	Amount of Portfolio
Short-term (less than 548 days)	75% min	22,408,850	100.00%	34,123,916	Yes	100.00%	37,975,775
Long-term (greater than 548 days)	25% max	7,469,617	0.00%		Yes	0.00%	
<b>Portfolio Total</b>		<b>29,878,466</b>	<b>100.00%</b>	<b>34,123,916</b> (a)		<b>100.00%</b>	<b>37,975,775</b>
Local Government Investment Pool	Minimum Target Options						
-15% of the overall portfolio	15% min	4,481,770		34,123,916	Yes		
-10% of the overall portfolio plus an	10%	2,987,847					
-additional 5% maturing within 60 days	5%	1,493,923					
	min	4,481,770		34,123,916	Yes		

(a) Excludes prepaid interest.



**City of Corvallis**  
**Monthly Revenue Allocations**  
**Distributed in May 2010**

<b>Fund</b>	<b>Fund Name</b>	<b>Month's Avg Cash Balance</b>	<b>Interest Distributed</b>	<b>Fund</b>	<b>Fund Name</b>	<b>Month's Avg Cash Balance</b>	<b>Interest Distributed</b>
101	General	1,472,728.50	1,775.93	460	Davidson Library	6,048.00	5.87
201	Street	620,231.40	578.51	501	Water	1,271,015.91	1,180.88
208	Street SDC	1,061,053.75	938.97	502	Water Timber	(7,348.47)	(12.47)
210	Parks & Recreation	1,658,152.80	1,917.52	508	Water SDC	4,525,314.38	4,340.93
211	Parks & Recreation - Aquatics	(61,796.46)	(25.82)	509	Water Construction	16,068.55	31.48
212	Open Space	93,216.02	90.50	520	Wastewater	4,513,234.24	4,329.91
218	Parks SDC	77,868.47	52.73	528	Wastewater SDC	7,506,710.26	7,196.67
220	911	643,792.98	610.44	529	Wastewater Construction	40,199.90	60.44
230	Development Services	1,318,898.29	1,130.25	540	Storm Water	1,659,389.83	1,574.86
240	Fire & Rescue	2,533,451.43	3,304.27	548	Storm Water SDC	(20,312.18)	(22.57)
250	Comm Dev Revolving	988,701.25	994.79	549	Storm Water Construction	67,136.60	58.55
260	Parking	897,658.37	854.69	560	Airport	764,205.34	730.07
270	Transit	(160,813.55)	449.62	569	Airport Construction	(23,935.64)	(12.93)
290	Library	889,608.60	1,439.27	610	Fleet Maintenance	64,463.20	61.69
291	Library 2010	429,212.40	425.47	615	Facility Maintenance	204,974.15	180.14
301	Capital Improvement	344,640.95	469.05	620	Technology & Communications	771,209.75	712.33
401	General Obligation Debt Service	977,191.72	1,140.08	625	Administrative Services	521,347.83	459.13
				630	Risk Management	653,728.36	675.52
<b>Total</b>						<b>36,317,246.92</b>	<b>37,696.77</b>

The interest distributed is the net of the previous fiscal year interest accrual, interest received and the previous fiscal year's GASB 31 Fair Value Adjustment reversal.

The distribution is based on the average cash balance for the period in which interest is earned.

The interest distributed to sub-funds 509, 529, 549, & 569 is distributed to the operations fund.

## City of Corvallis

### Glossary of SymPro Report Acronyms and Terms

#### Investment Types

BCD	Bank Certificate of Deposit
BAC	Bankers Acceptance
COM	Commercial Paper
FAC	Federal Agency - Coupon Security
FAD	Federal Agency - Discount Note
PA1	General Checking Account
LA1	Local Government Investment Pool
MUN	Municipal Bond
MD1	Municipal Bond - Discount Note
PA2	Petty Cash
TRC	Treasury Note

#### Issuers

FHLB	Federal Home Loan Bank
FNMA	Federal National Mortgage Association
FFCR	Federal Farm Credit Bank
FHLMC	Federal Home Loan Mortgage Corporation
SLMA	Student Loan Marketing Association
TVA	Tennessee Valley Authority
US TRE	Treasury Note
OR SBD	Oregon School Boards
LGIP	Local Government Investment Pool

#### Dealers\*

BOA	Bank of America
DAD	DA Davidson & Co.
DR	RBC Dain Rauscher
PPJ	Piper Jaffray
PW	UBS Paine Webber
SNW	Seattle Northwest
UMP	Umpqua Bank
US	US Bank
WELLS	Wells Fargo

\* All investments are safekept with the purchasing dealer.

**Accrued Interest at Purchase** - number of days interest between last coupon date and purchase date that is paid for at time of investment purchase.

**Book Value** - the cost of the principal at the time of the security purchase.

**Days to Maturity** - (weighted average) number of days from the report date to the maturity date of a security (or group of securities).

**Market Value** - Par value time the price at which the security could theoretically have been sold at month end per Interactive Data Corp. (IDC) and independent third-party security pricing firm.

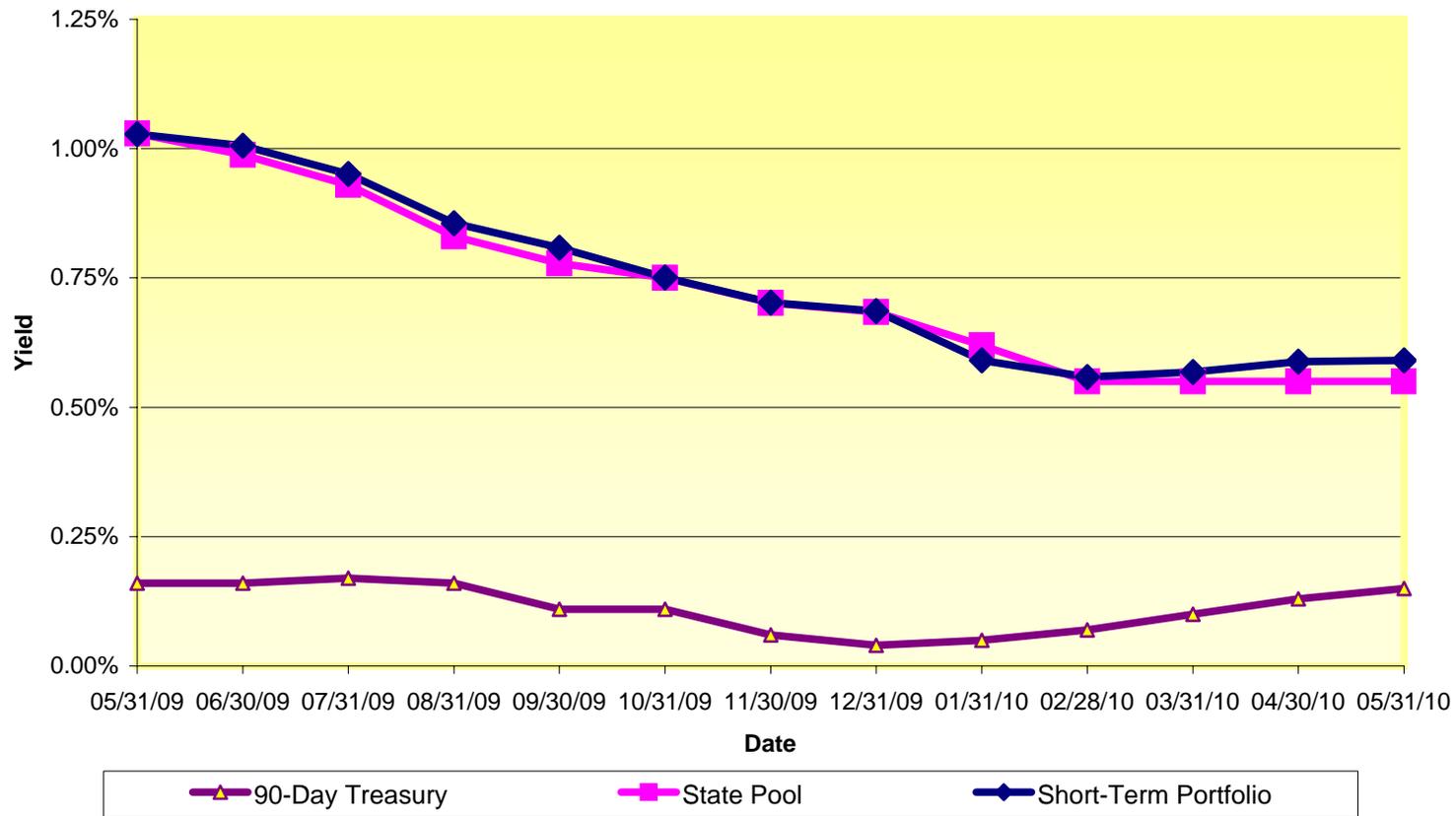
**Par Value** - the face value of a security. This is the value to which the coupon rate is applied for interest payments.

**Term** - (weighted average) number of days from the purchase date to the maturity date of a security (or group of securities).

**YTM** - yield to maturity. YTM is normally calculated on a 365-day basis (except for long-term TRC's which are done on a 360-day basis). FAC, TRC and MUN securities are reflected in SymPro at their "Bond Equivalent-Yield". Shorter-term securities, such as BCD, FAD, COM and BAC, are quoted in SymPro on a simple interest basis.

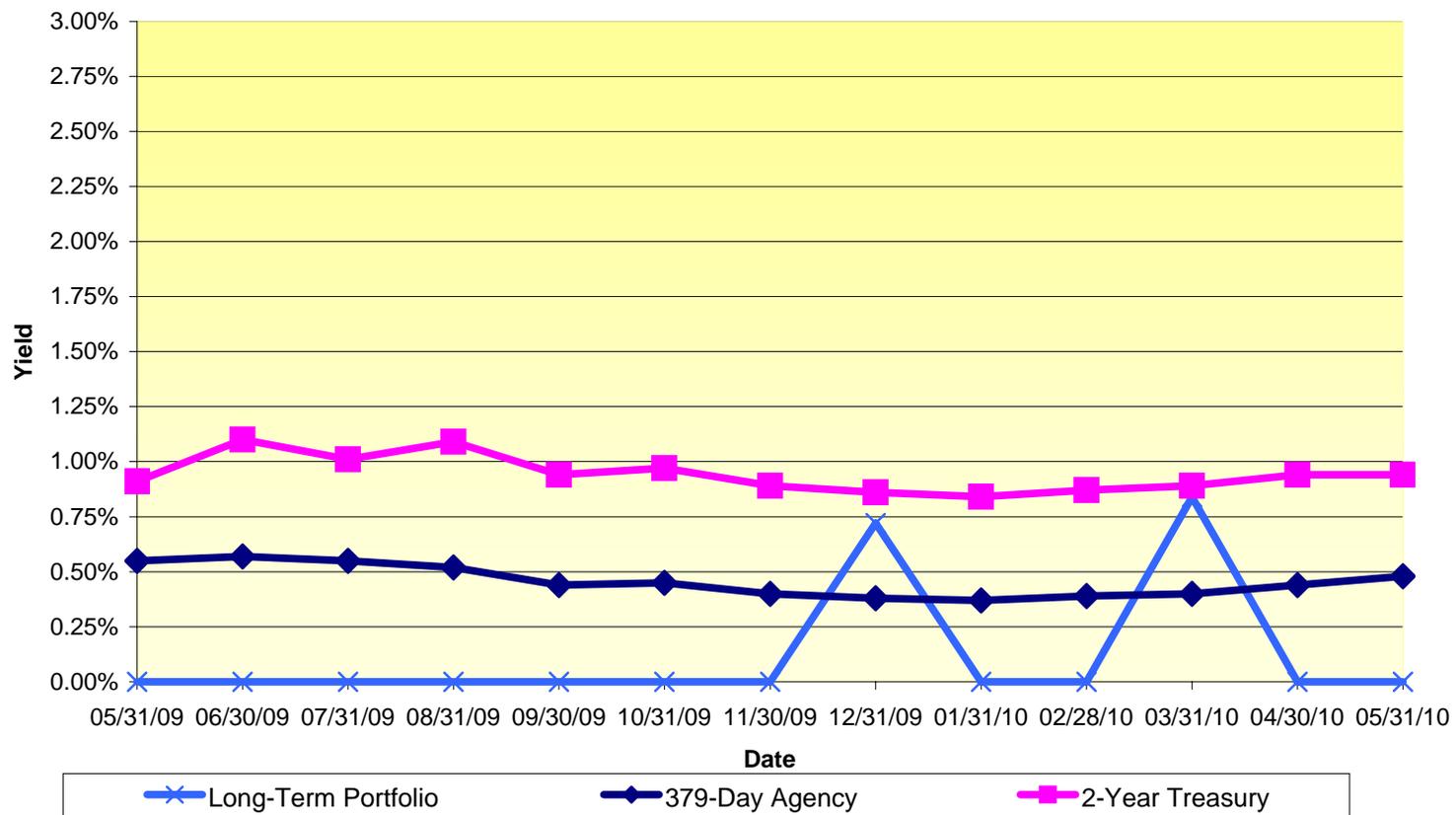


## City of Corvallis Short-Term Yields May 2009 - May 2010





## City of Corvallis Long-Term Yields May 2009 - May 2010





# City of Corvallis Cash & Investments

