

CITY OF CORVALLIS

Investment Council

Treasury Report

November 2010

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

Investment Council Draft Minutes 11/4/10	1
Cover Memo	5
Investment Portfolio Summary	6
SymPro Reports	
Portfolio Summary	7
Aging Report	8
Portfolio Details – Investments	9
Portfolio Details – Cash	10
Activity By Type	11
Activity Summary	12
Distribution of Investments By Type	13
Inventory by Maturity	14
Activity Report	15
Cash Flow Summary	17
Compliance Reports	
Investment Type Compliance Test	18
Financial Institution Compliance Test	19
Investment Maturity Compliance Test	20
Monthly Revenue Allocations	21
Glossary	22
Graphs	
Short-Term Yield	23
Long-Term Yield	24
Cash & Investments	25

DRAFT
CITY OF CORVALLIS
INVESTMENT COUNCIL MEETING
November 4, 2010 MINUTES

The City of Corvallis Investment Council meeting was called to order at 7:30 a.m. on November 4, 2010 in the Madison Avenue Meeting Room, 500 SW Madison Avenue, Corvallis, Oregon.

ROLL CALL

Present: Jon Nelson, Nancy Brewer, Scott Fewel, Bill Mercer, Staci Voight, Stephanie Kassavetis (recorder)

Excused: David Hamby

SUMMARY OF DISCUSSION

Agenda Item	Information Only	Held Over for Further Review	Recommendations
I. Approval of Minutes from July 29, 2010			Approved
II. Fiscal Year 2010-2011 First Quarter Review - - Quarterly Portfolio Summary			Approved
III. Open Discussion	X		
V. Adjournment			The meeting was adjourned at 7:40a.m.

I. APPROVAL OF MINUTES

City Manager Jon Nelson asked for any corrections to the minutes from the July 29, 2010 meeting. None being received, the minutes were approved as submitted.

II. FISCAL YEAR 2010-2011 FIRST QUARTER REVIEW

Treasury Accountant Staci Voight presented the First Quarter Portfolio Summary to the Investment Council (Attachment A), noting the ending cash balance for September 2010 was down about \$4.3 million.

- Returns - there wasn't much change in short term portfolio but it was up by one basis point; the long term portfolio earnings are at zero, as there is nothing Long Term at this point.
- LGIP showed a drop of five basis points that occurred on October 28, 2010. Ms. Voight noted the LGIP cash balance is down \$4.8 million due to the normal draw down of cash balances prior to property tax turnovers.
- Treasury's 2 Year - 12 Week Average is down 25 basis points and 379 Day Agency - 12 Week Average is down by 15 basis points.
- Ms. Voight noted since the last meeting the pace of recovery continues to be slow but gradual. (Attachment B).

Mr. Fewel and Mr. Mercer moved and seconded respectively to approve the FY 10-11 First Quarterly Report as submitted. The motion passed unanimously.

IV. OPEN DISCUSSION

Ms Brewer talked about alternatives staff is considering for using an Investment Advisor. This is a service provided by a few organizations that seek alternatives for placing investments for local governments, then make recommendations about opportunities that meet cash flow needs, level of risk, etc. Early analysis indicates investment performance may be better than the City is currently doing. More information will be presented in the future.

The next Investment Council meeting is February 3, 2011 at 7:30 a.m. in the Madison Avenue Meeting Room.

V. ADJOURNMENT

With no other questions or comments brought forward, City Manager Nelson adjourned the meeting at 7:40 a.m.

ATTACHMENTS:

- A. FY 10-11 First Quarter Portfolio Summary
- B. Economic Outlook

Investment Council - November 4, 2010

Quarterly Portfolio Summary

Balances:	June 2010 (page 4 of Treasury Report)	September 2010 (page 3 of Treasury Report)	Difference
Cash	\$29,807,065	\$25,499,655	-\$4,307,410
Investments	\$4,245,450	\$4,245,450	\$0
Total	\$34,052,515	\$29,745,105	-\$4,307,410

Returns:	June 2010 (page 4 of Treasury Report)	September 2010 (page 3 of Treasury Report)	Difference
Short Term Portfolio	0.59	0.60	0.01
Long Term Portfolio *	0	0	-
Total to Call Date	0	0	-
LGIP **	0.55	0.55	0.00

* No Long Term at this time

** LGIP dropped to 0.50 on October 28, 2010

LGIP:	June 2010 (page 4 of Treasury Report)	September 2010 (page 4 of Treasury Report)	Difference
Cap: \$42,523,082	25,455,410	20,563,123	-4,892,287

	June 2010 (page 4 of Treasury Report)	September 2010 (page 3 of Treasury Report)	Difference
Treasury's 2 Year - Historical 12 Week Average:	0.77	0.52	-0.25

	June 2010 (page 4 of Treasury Report)	September 2010 (page 3 of Treasury Report)	Difference
379 Day Agency - Historical 12 week average	0.48	0.33	-0.15

No purchases were made in the 1st Quarter of 2010/2011

Economic Outlook

Since we last met, not much has changed for the Economic Outlook. The pace of recovery continues to be slow but gradual. Household spending is still increasing, but the same restraints are in tact: high unemployment, lower housing wealth and tight credit.

The estimate for real gross domestic product increased at an annual rate of 2% in the 3rd quarter of 2010, from 2nd quarter 2010.

The Federal Open Market Committee decided yesterday to expand its holdings of securities, with the intent to promote a stronger pace of economic recovery. They will regularly review the pace of its securities and the overall size of the asset-purchase program and will adjust the program as needed to best foster maximum employment and price stability.

MEMORANDUM
December 17, 2010

To: Investment Council
From: Staci Voight, Treasury Accountant
Subject: Treasury Report – November

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 November 2010. Staff reviews market conditions and trends, in comparison to local economic data, 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.

According to the December 14th press release from the Federal Open Market Committee (FOMC), economic recovery is continuing, though at a rate that has been insufficient to bring down unemployment. The FOMC announced in November the expansion of its holdings of securities, with the intent to promote a stronger pace of economic recovery. The goal is to purchase \$600 billion of longer-term Treasury securities by the end of the second quarter of 2011. The FOMC will monitor the balance of the securities in this asset-purchase program in order to best foster maximum employment and price stability.

The most current consumer price index (CPI-U) press release noted that CPI-U increased 0.1% in November. The index has increased 1.1% over the last 12 months, before seasonal adjustment. The core CPI-U (excluding food and energy costs) rose slightly in November after being unchanged for three months, while the 12-month change in index rose 0.8%. Locally, the Oregon Employment Department of Workforce and Economic Research has estimated the CPI-U for the Portland-Salem area to be 1.6% for the first half of 2010.

While housing and residential permit trends are positive compared to recent months, they are still discouraging when compared to prior years. In November housing starts were 555,000, or 3.9% above October's revised estimate of 534,000 and 5.8% below November 2009 figures; November 2010 single-family building permits totaled

465,000, 6.9% above the revised October figure of 435,000. Permits for privately-owned housing units fell 4.0% below revised October 2010 levels and 14.7% below November 2009. City of Corvallis reports that 36 single-family residence permits were issued in November year-to-date compared to 34 in 2009.

The October U.S. seasonally adjusted unemployment rate rose slightly to 9.8%. Non-farm payroll employment decreased by 39,000. Oregon's seasonally adjusted unemployment rate for October increased to 10.6%. For the Corvallis Metropolitan Statistical Area (MSA), this rate increased to 7.2% in October. Corvallis continues to be the only Oregon MSA with a seasonally adjusted unemployment rate less than 10%.

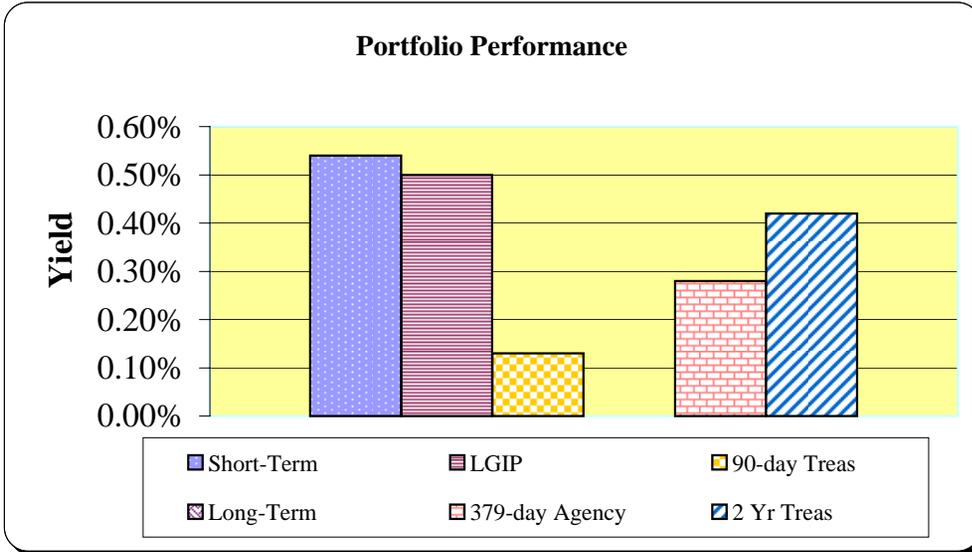
The City's November 30th total portfolio balance was \$42,288,335; an increase of \$13,708,293 from the October 31st total of \$28,580,042. The increase is due to property tax turnovers from Benton County.

The short-term portfolio performance for November dropped to a 0.54% return. The City currently has no long term investments. As of November 30, 78.54% of the City's portfolio is invested in the Local Government Investment Pool (LGIP). 10.04% of the portfolio is invested in federal agency securities maturing in less than 18 months. 7.70% 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. The remainder of the portfolio is held in the City's checking account to manage pending expenditures.

November receipts were less than projected by \$254,593. The majority of the difference is due to Federal Grants not yet received. Disbursements were greater than expected by \$320,422. This is due to timing between budget and actual on payment for Debt Service Interest.

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

**City of Corvallis
Investment Portfolio Summary
November 30, 2010**



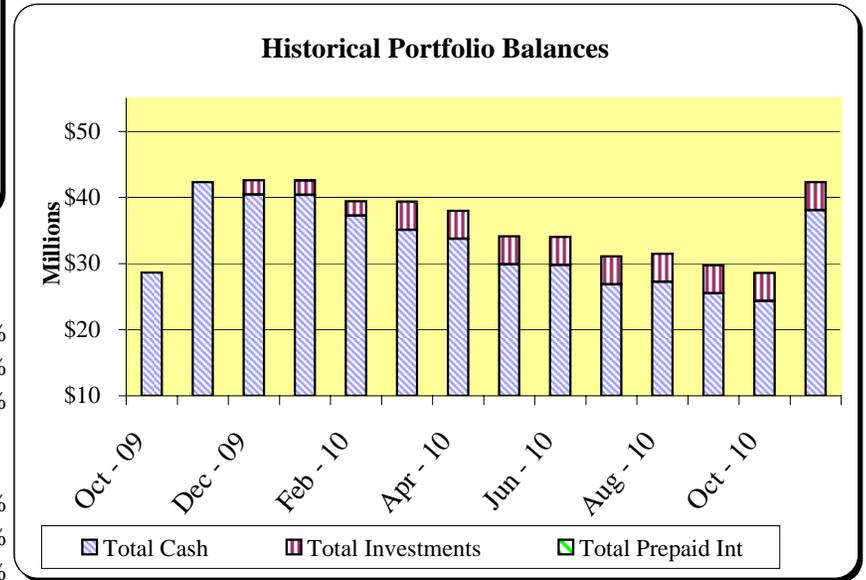
Total Cash (1)	38,042,884.84
Total Investments (2)	4,245,450.00
Total Cash & Investments	42,288,334.84
Prepaid Interest (3)	-
Total Book Value of Cash & Investments	42,288,334.84

Portfolio Performance

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

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

0.54%
 0.50%
 0.13%
 0.00%
 0.28%
 0.42%



- (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
November 30, 2010

City of Corvallis
 500 SW Madison
 P.O. Box 1083
 Corvallis, OR 973
 (541)766-6738

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
General Checking Account	1,565,470.65	1,565,470.65	1,565,470.65	3.70	1	1	0.148	0.150
Local Government Investment Pool	33,212,393.79	33,212,393.79	33,212,393.79	78.56	1	1	0.493	0.500
Money Market Account	3,255,088.40	3,255,088.40	3,255,088.40	7.70	1	1	0.592	0.600
Federal Agency Coupon Securities	4,090,000.00	4,171,640.40	4,245,450.00	10.04	556	253	0.782	0.793
Investments	42,122,952.84	42,204,593.24	42,278,402.84	100.00%	57	26	0.517	0.524
Cash								
Passbook/Checking (not included in yield calculations)	9,932.00	9,932.00	9,932.00		1	1	0.000	0.000
Total Cash and Investments	42,132,884.84	42,214,525.24	42,288,334.84		57	26	0.517	0.524

Total Earnings	November 30 Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	21,689.66	117,515.56	
Current Budget	75,880.00	304,020.00	876,120.00
Last Year Actual	52,916.00	401,219.00	1,257,298.00
Average Daily Balance	28,995,378.78	31,052,277.16	
Effective Rate of Return	0.91%	0.90%	

Staci Voight, Treasury Accountant



MONTHLY TREASURY REPORT
Aging Report
By Maturity Date
As of November 30, 2010

City of Corvallis
 500 SW Madison
 P.O. Box 1083
 Corvallis, Corvallis, OR 973
 (541)766-6738

				Maturity Par Value	Percent of Portfolio	Current Book Value	Current Market Value	
Aging Interval:	0 days	(11/30/2010 - 11/30/2010)	4 Maturities	0 Payments	24,291,550.98	85.59%	24,291,550.98	24,291,550.98
Aging Interval:	1 - 30 days	(12/01/2010 - 12/30/2010)	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	31 - 60 days	(12/31/2010 - 01/29/2011)	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	61 - 90 days	(01/30/2011 - 02/28/2011)	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	91 - 180 days	(03/01/2011 - 05/29/2011)	1 Maturities	0 Payments	1,090,000.00	3.84%	1,154,310.00	1,117,587.90
Aging Interval:	181 - 270 days	(05/30/2011 - 08/27/2011)	1 Maturities	0 Payments	1,000,000.00	3.52%	1,010,740.00	1,008,440.00
Aging Interval:	271 - 364 days	(08/28/2011 - 11/29/2011)	1 Maturities	0 Payments	2,000,000.00	7.05%	2,080,400.00	2,058,760.00
Aging Interval:	365 days and after	(11/30/2011 -)	0 Maturities	0 Payments	0.00	0.00%	0.00	0.00
			Total for	7 Investments	0 Payments		28,537,000.98 (1)	28,476,338.88

(1) Beginning portfolio balance per December report should reflect LGIP additions for property tax influx in November.

MONTHLY TREASURY REPORT
Portfolio Management
Portfolio Details - Investments
November 30, 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
General Checking Account												
SYS1004	1004	Bank of America		07/01/2010	1,565,470.65	1,565,470.65	1,565,470.65	0.150		0.150	1	
Subtotal and Average			923,599.01		1,565,470.65	1,565,470.65	1,565,470.65			0.150	1	
Local Government Investment Pool												
SYS4031	4031	State of Oregon LGIP		07/01/2010	33,212,393.79	33,212,393.79	33,212,393.79	0.500		0.500	1	
Subtotal and Average			20,562,963.68		33,212,393.79	33,212,393.79	33,212,393.79			0.500	1	
Money Market Account												
SYS1003	1003	Umpqua Bank		07/01/2010	3,255,088.40	3,255,088.40	3,255,088.40	0.600		0.600	1	
Subtotal and Average			3,253,434.08		3,255,088.40	3,255,088.40	3,255,088.40			0.600	1	
Federal Agency Coupon Securities												
SYS31331Y3P	1508	Federal Farm Credit Bureau		03/26/2010	2,000,000.00	2,051,260.00	2,080,400.00	3.500		0.832	306	10/03/2011
3133XUJX2	1505	Federal Home Loan Bank		12/09/2009	1,000,000.00	1,006,880.00	1,010,740.00	1.375	Aaa	0.721	247	08/05/2011
3133X7C69	1507	Federal Home Loan Bank		12/15/2009	1,090,000.00	1,113,500.40	1,154,310.00	5.000	Aaa	0.787	163	05/13/2011
Subtotal and Average			4,245,450.00		4,090,000.00	4,171,640.40	4,245,450.00			0.793	253	
Total and Average			28,995,378.78		42,122,952.84	42,204,593.24	42,278,402.84			0.524	26	

MONTHLY TREASURY REPORT
Portfolio Management
Portfolio Details - Cash
November 30, 2010

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity
Petty Cash & Change Funds											
SYS1001	1001	City of Corvallis - Petty Cash		07/01/2010	9,932.00	9,932.00	9,932.00			0.000	1
		Average Balance	0.00								1
Total Cash and Investments			28,995,378.78		42,132,884.84	42,214,525.24	42,288,334.84			0.524	26

MONTHLY TREASURY REPORT
Portfolio Management
Activity By Type
November 1, 2010 through November 30, 2010

CUSIP	Investment #	Issuer	Beginning Balance	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Ending Balance
General Checking Account (Monthly Summary)								
SYS1004	1004	Bank of America		0.150		8,673,751.27	8,009,746.13	
		Subtotal	901,465.51			8,673,751.27	8,009,746.13	1,565,470.65
Petty Cash & Change Funds (Monthly Summary)								
		Subtotal	9,932.00					9,932.00
Local Government Investment Pool (Monthly Summary)								
SYS4031	4031	State of Oregon LGIP		0.500		19,085,639.95	6,000,022.60	
		Subtotal	20,126,776.44			19,085,639.95	6,000,022.60	33,212,393.79
Money Market Account (Monthly Summary)								
SYS1003	1003	Umpqua Bank		0.600		1,711.37	0.00	
		Subtotal	3,253,377.03			1,711.37	0.00	3,255,088.40
Federal Agency Coupon Securities								
		Subtotal	4,245,450.00					4,245,450.00
		Total	28,537,000.98			27,761,102.59	14,009,768.73	42,288,334.84

MONTHLY TREASURY REPORT
Portfolio Management
Activity Summary
November 2009 through November 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					
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
June	2010	7	34,042,583.00	0.569	0.577	0.550	0	0	70	52
July	2010	7	31,089,640.03	0.584	0.592	0.550	0	0	77	52
August	2010	7	31,483,228.79	0.581	0.589	0.550	0	0	76	47
September	2010	7	29,735,173.13	0.565	0.573	0.550	0	0	80	46
October	2010	7	28,570,110.17	0.577	0.585	0.550	0	0	83	43
November	2010	7	42,278,402.84	0.517	0.524	0.500	0	0	57	26
Average		7	36,584,613.60	0.584%	0.592%	0.573	0	0	56	39

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

Security Type	November 2009	December 2009	January 2010	February 2010	March 2010	April 2010	May 2010	June 2010	July 2010	August 2010	September 2010	October 2010	November 2010	Average by Period
General Checking Account	0.9	0.3	5.7	2.7	4.2	6.1	2.2	3.2	0.5	1.1	5.6	3.2	3.7	3.0%
Petty Cash & Change Funds														
Local Government Investment Pool	98.5	94.1	88.7	83.6	76.8	74.2	75.9	74.8	75.4	75.1	69.2	70.6	78.6	79.6%
Piper Jaffray Funds Held by Others														
Money Market Account	0.6	0.6	0.6	8.2	8.2	8.5	9.5	9.5	10.5	10.3	10.9	11.4	7.7	7.4%
Certificates of Deposit - Bank														
Certificates of Deposit - S & L														
Medium Term Notes														
Bankers Acceptances -At Cost														
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	12.5	13.7	13.5	14.3	14.9	10.0	9.9%
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
November 30, 2010**

City of Corvallis
500 SW Madison
P.O. Box 1083
Corvallis, Corvallis, OR 973
(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	163
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	247
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	306
Subtotal and Average						4,245,450.00			4,090,000.00		4,090,000.00	0.782	0.793	253
Net Maturities and Average						4,245,450.00			4,090,000.00		4,090,000.00	0.782	0.793	253



MONTHLY TREASURY REPORT
Activity Report
Sorted By Issuer
November 1, 2010 - November 30, 2010

City of Corvallis
 500 SW Madison
 P.O. Box 1083
 Corvallis, OR 973
 (541)766-6738

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Transaction Date	Par Value		Ending Balance
				Beginning Balance	Current Rate		Purchases or Deposits	Redemptions or Withdrawals	
Issuer: Bank of America									
General Checking Account									
SYS1004	1004	Bank of America			0.150		8,673,751.27	8,009,746.13	
		Subtotal and Balance		901,465.51			8,673,751.27	8,009,746.13	1,565,470.65
		Issuer Subtotal	3.716%	901,465.51			8,673,751.27	8,009,746.13	1,565,470.65
Issuer: City of Corvallis - Petty Cash									
Petty Cash & Change Funds									
		Subtotal and Balance		9,932.00					9,932.00
		Issuer Subtotal	0.024%	9,932.00			0.00	0.00	9,932.00
Issuer: Federal Farm Credit Bureau									
Federal Agency Coupon Securities									
		Subtotal and Balance		2,000,000.00					2,000,000.00
		Issuer Subtotal	4.747%	2,000,000.00			0.00	0.00	2,000,000.00
Issuer: Federal Home Loan Bank									
Federal Agency Coupon Securities									
		Subtotal and Balance		2,090,000.00					2,090,000.00
		Issuer Subtotal	4.960%	2,090,000.00			0.00	0.00	2,090,000.00
Issuer: State of Oregon LGIP									
Local Government Investment Pool									
SYS4031	4031	State of Oregon LGIP			0.500		19,085,639.95	6,000,022.60	
		Subtotal and Balance		20,126,776.44			19,085,639.95	6,000,022.60	33,212,393.79
		Issuer Subtotal	78.828%	20,126,776.44			19,085,639.95	6,000,022.60	33,212,393.79

MONTHLY TREASURY REPORT
Activity Report
November 1, 2010 - November 30, 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	
Issuer: Umpqua Bank									
Money Market Account									
SYS1003	1003	Umpqua Bank			0.600		1,711.37	0.00	
		Subtotal and Balance		3,253,377.03			1,711.37	0.00	3,255,088.40
		Issuer Subtotal	7.726%	3,253,377.03			1,711.37	0.00	3,255,088.40
		Total	100.000%	28,381,550.98			27,761,102.59	14,009,768.73	42,132,884.84

**City of Corvallis
Cash Flow Summary
November 30, 2010**

	Receipts (1)	Disbursements (2)	Net
Actual Activity	22,566,759	8,727,218	13,839,541
Projected Activity	22,821,352	8,406,796	14,414,556
Difference	(254,593)	320,422	(575,015)

(1) Receipts include deposits and interest received.

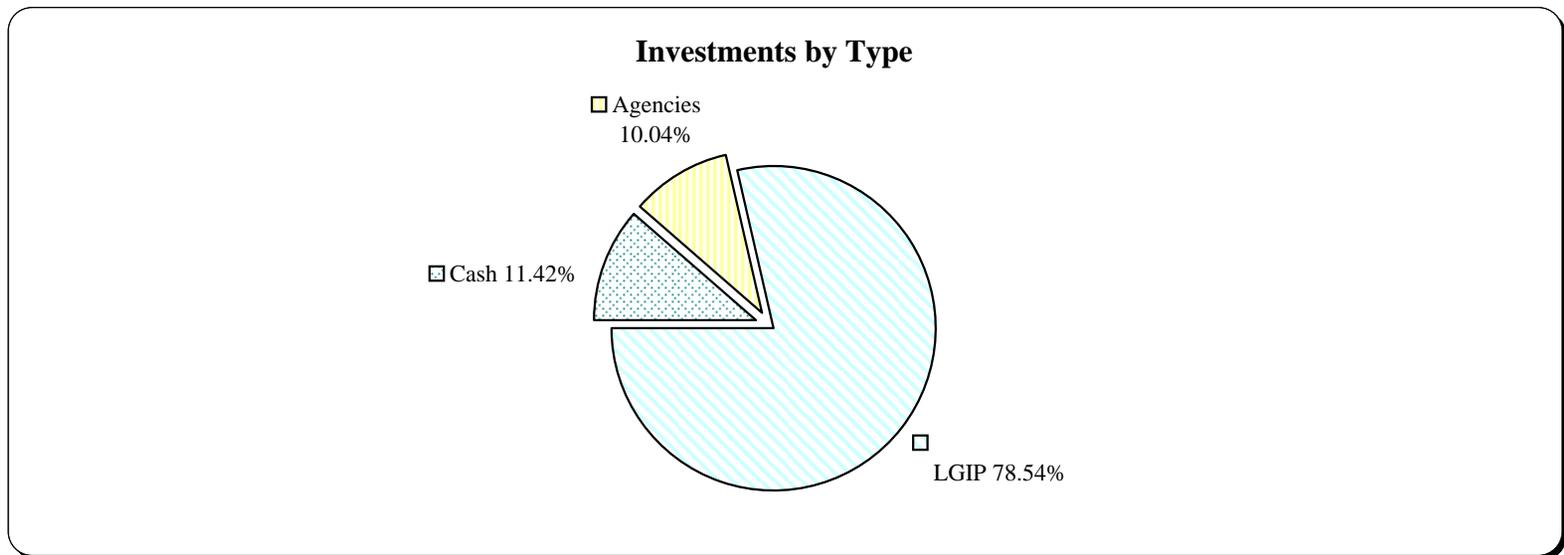
(2) Disbursements include accounts payable checks, payroll checks, other payments made through wire transfers and LGIP fees

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%	42,288,335	11.42%	4,830,491	Yes	14.57%	4,164,775
U.S. Treasury Obligations	100%	42,288,335	0.00%	-	Yes	0.00%	-
U.S. Gov't Agencies	75%	31,716,251	10.04%	4,245,450	Yes	14.85%	4,245,450
Local Government Investment Pool	100%	42,288,335	78.54%	33,212,394	Yes	70.57%	20,169,818
Repurchase Agreements	25%	10,572,084	0.00%	-	Yes	0.00%	-
Banker's Acceptances	25%	10,572,084	0.00%	-	Yes	0.00%	-
Certificates of Deposit	25%	10,572,084	0.00%	-	Yes	0.00%	-
Commercial Paper	25%	10,572,084	0.00%	-	Yes	0.00%	-
Municipal Bonds	25%	10,572,084	0.00%	-	Yes	0.00%	-
Total Portfolio		-	100.00%	42,288,335	(a)	100.00%	28,580,042

(a) Excludes prepaid interest.



City of Corvallis
Investment Purchase
Financial Institution Compliance Test
November 30, 2010

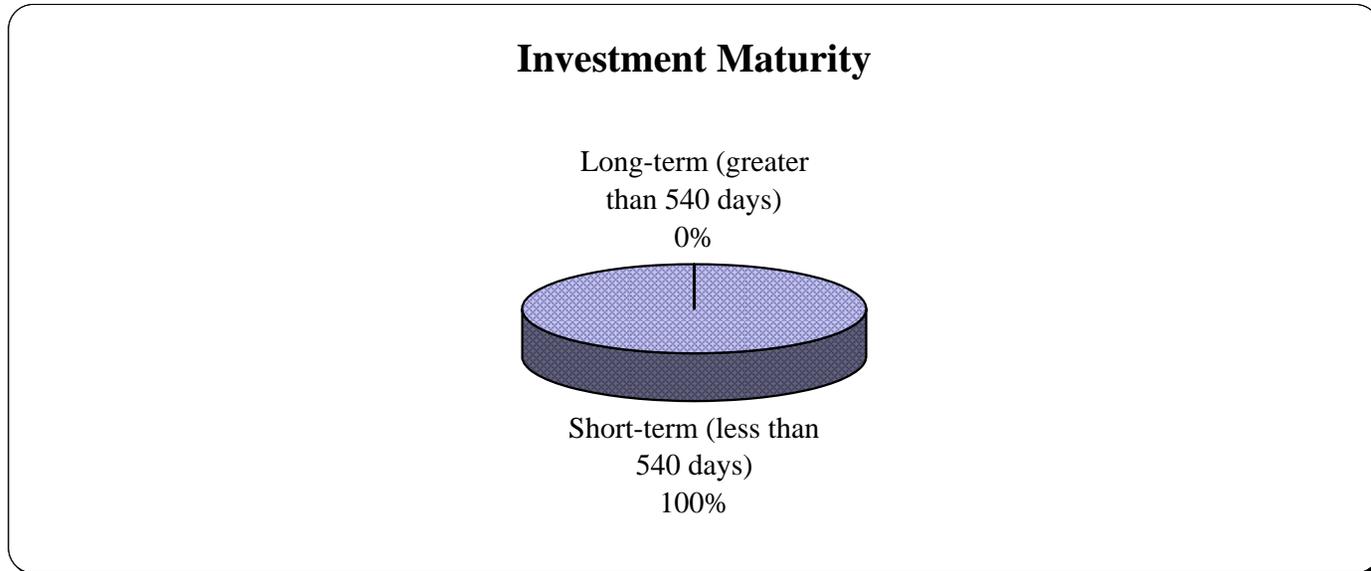
Institutions	Maximum Allowed	Current Month			Previous Month		
		Percent of Portfolio	Amount of Portfolio	Met Compliance	Percent of Portfolio	Amount of Portfolio	Met Compliance
US Bank							
Banker's Acceptance	25%	10,572,084	0.00%	-	0.00%	-	
			0.00%	-	0.00%	-	Yes
General Electric							
Commercial Paper	5%	2,114,417	0.00%	-	0.00%	-	
			0.00%	-	0.00%	-	Yes
Federal Farm Credit Bureau							
Government Agency	40%	16,915,334	4.92%	2,080,400	7.28%	2,080,400	
			4.92%	2,080,400	7.28%	2,080,400	Yes
Federal Home Loan Bank							
Government Agency	40%	16,915,334	5.12%	2,165,050	7.58%	2,165,050	
			5.12%	2,165,050	7.58%	2,165,050	Yes
Umpqua Bank							
Money Market Account	15%	6,343,250	7.70%	3,255,088	11.38%	3,253,377	
			7.70%	3,255,088	11.38%	3,253,377	Yes
Citizen's Bank							
Certificate of Deposit	25%	10,572,084	0.00%	-	0.00%	-	
			0.00%	-	0.00%	-	Yes
Local Government Investment Pool							
LGIP 4031	100%	42,288,335	78.54%	33,212,394	70.57%	20,169,818	
			78.54%	33,212,394	70.57%	20,169,818	Yes
Checking Account							
	n/a	n/a	3.70%	1,565,471	3.15%	901,466	Yes
Petty Cash							
	n/a	n/a	0.02%	9,932	0.03%	9,932	Yes
		Portfolio Total	100.00%	42,288,335	100.00%	28,580,042	(a)

(a) Excludes prepaid interest.

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

		Minimum/ Maximum Allowed	Current Month		Met Compliance	Previous Month	
			Percent of Portfolio	Amount of Portfolio		Percent of Portfolio	Amount of Portfolio
Short-term (less than 548 days)	75% min	31,716,251	100.00%	42,288,335	Yes	100.00%	28,580,042
Long-term (greater than 548 days)	25% max	10,572,084	0.00%		Yes	0.00%	
Portfolio Total		42,288,335	100.00%	42,288,335	(a)	100.00%	28,580,042
Local Government Investment Pool	Minimum Target Options						
-15% of the overall portfolio	15% min	6,343,250		42,288,335	Yes		
-10% of the overall portfolio plus an	10%	4,228,833					
-additional 5% maturing within 60 days	5%	2,114,417					
	min	6,343,250		42,288,335	Yes		

(a) Excludes prepaid interest.



City of Corvallis
Monthly Revenue Allocations
Distributed in November 2010

Fund	Fund Name	Month's Avg Cash Balance	Interest Distributed	Fund	Fund Name	Month's Avg Cash Balance	Interest Distributed
101	General	244,403.05	(356.15)	460	Davidson Library	5,929.11	6.06
201	Street	337,911.69	229.79	501	Water	2,212,337.74	1,812.07
208	Street SDC	1,162,156.67	1,210.21	502	Water Timber	227,808.97	222.47
210	Parks & Recreation	950,225.57	741.93	508	Water SDC	4,649,409.71	4,680.56
211	Parks & Recreation - Aquatics	8,331.32	(73.34)	509	Water Construction	26,588.99	52.43
212	Open Space	93,527.99	94.92	520	Wastewater	4,263,678.76	4,234.37
218	Parks SDC	156,748.93	131.75	528	Wastewater SDC	7,695,352.65	7,757.14
220	911	714,625.43	680.89	529	Wastewater Construction	100,552.87	114.94
230	Development Services	1,811,772.34	1,850.30	540	Storm Water	1,592,530.68	1,645.19
240	Fire & Rescue	1,562,886.50	1,017.11	548	Storm Water SDC	(260.70)	(6.09)
250	Comm Dev Revolving	834,068.70	841.03	549	Storm Water Construction	44,273.48	40.02
260	Parking	908,221.76	908.11	560	Airport	632,715.58	638.92
270	Transit	60,478.29	275.97	569	Airport Construction	(130,545.62)	(82.22)
290	Library	(237,778.54)	(466.66)	610	Fleet Maintenance	65,096.51	61.71
291	Library 2010	430,655.54	437.11	615	Facility Maintenance	202,411.86	174.10
301	Capital Improvement	2,243,678.47	2,071.56	620	Technology & Communications	721,694.83	709.51
401	General Obligation Debt Service	771,719.16	450.36	625	Administrative Services	441,650.81	421.13
				630	Risk Management	649,536.32	763.87
Total						35,454,395.41	33,291.07

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

<u>Investment Types</u>		<u>Issuers</u>	
BCD	Bank Certificate of Deposit	FHLB	Federal Home Loan Bank
BAC	Bankers Acceptance	FNMA	Federal National Mortgage Association
COM	Commercial Paper	FFCR	Federal Farm Credit Bank
FAC	Federal Agency - Coupon Security	FHLMC	Federal Home Loan Mortgage Corporation
FAD	Federal Agency - Discount Note	SLMA	Student Loan Marketing Association
PA1	General Checking Account	TVA	Tennessee Valley Authority
LA1	Local Government Investment Pool	US TRE	Treasury Note
MUN	Municipal Bond	OR SBD	Oregon School Boards
MD1	Municipal Bond - Discount Note	LGIP	Local Government Investment Pool
PA2	Petty Cash		
TRC	Treasury Note		
<u>Dealers*</u>			
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.

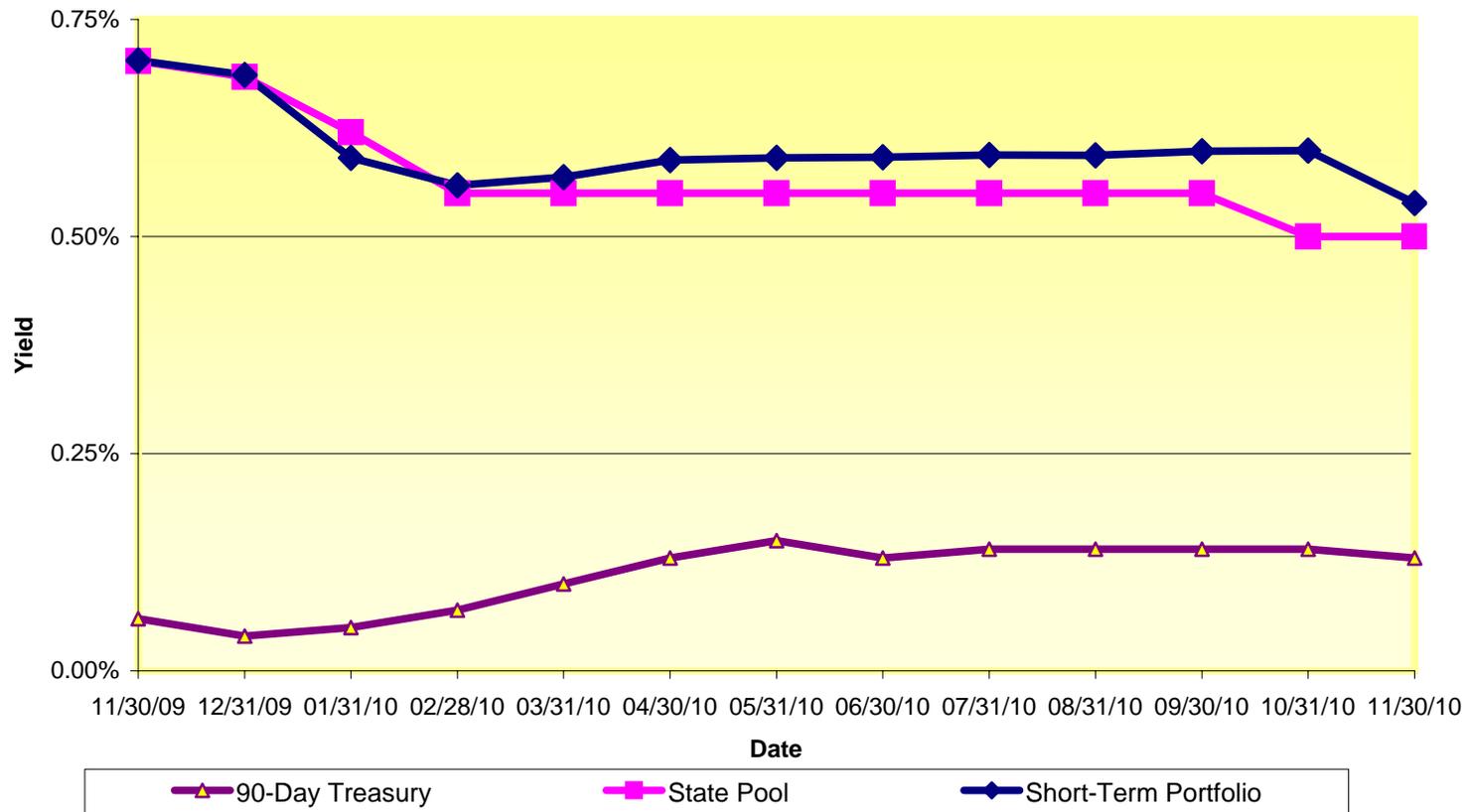
Par Value - the face value of a security. This is the value to which the coupon rate is applied for interest payments.

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.

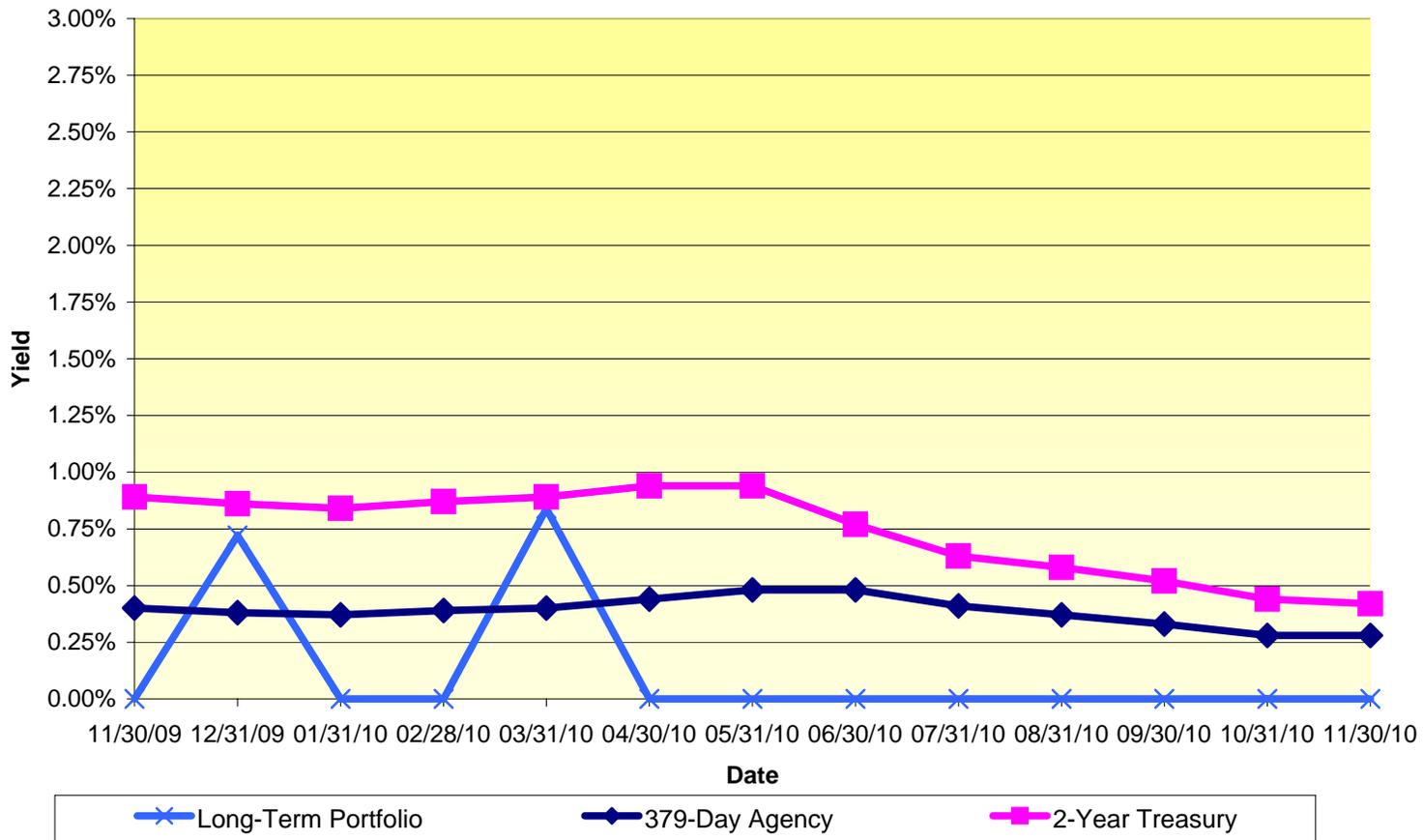


City of Corvallis Short-Term Yields November 2009 - November 2010





City of Corvallis Long-Term Yields November 2009 - November 2010





City of Corvallis Cash & Investments

