

**CITY OF CORVALLIS**

*Investment Council*

*Treasury Report*

March 2011

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

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**INVESTMENT COUNCIL MEETING**

**May 5, 2011**

**Madison Avenue Meeting Room**

**Thursday - 7:30 am**

**\*\*\*AGENDA\*\*\***

- I. Approve Minutes of Previous Meeting  
- February 3, 2011
- II. Fiscal Year 2010-2011 Third Quarter Review  
- Quarterly Portfolio Summary
- III. Introduction of Investment Advisor: Davidson Fixed Income Management, Deanne Woodring  
- Review of Monthly Treasury Report – DFIM and City versions
- III. Open Discussion

**\*\*\*Next Meeting – August 4, 2011 - Thursday 7:30 am\*\*\***

**MEMORANDUM**  
**April 21, 2011**

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

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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 March 2011. Staff reviews market conditions and trends, in comparison to local economic data, to assist in making investment decisions along with Davidson Fixed Income Management, Inc. (DFIM), the newly acquired Investment Advisor. 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 latest Wall Street Journal forecasting survey, the U.S. economic recovery is expected to gain momentum over the rest of this year, despite a setback during the first quarter of 2011. Contributing factors include the weak housing market, severe weather, the earthquake in Japan and rising oil prices due to unrest in the Mideast. However, economists expect these problems to be temporary, with an improving outlook for the labor market to spark growth later in 2011.

The most current consumer price index (CPI-U) press release noted that CPI-U increased 0.5% in March. The index has increased 2.7% over the last 12 months, before seasonal adjustment. The core CPI-U (excluding food and energy costs) rose 0.1% in March, and 2.7% over the last 12 months, the largest increase since December 2009. Locally, the Oregon Employment Department of Workforce and Economic Research will reveal current CPI-U data in August 2011.

The housing market is still showing discouraging trends when compared to prior years. In March housing starts were 549,000, or 7.2% above February's revised estimate of 512,000 and 13.4% below March 2010. March 2011 single-family building permits totaled 405,000; 5.7% above the revised February figure of 383,000. Permits for privately-owned housing rose 11.2% above revised February levels and 13.3% below March 2010. City of Corvallis reports that eight single-family residence

permits were issued in 2011 year-to-date, which is on track with 2010 numbers.

The March U.S. seasonally adjusted unemployment rate decreased slightly to 8.8%. Non-farm payroll employment increased by 216,000, mostly in Professional and Business Services, Health Care, Leisure and Hospitality, and Mining. Oregon's seasonally adjusted unemployment rate for March dropped slightly to 10%. For the Corvallis Metropolitan Statistical Area (MSA), this rate also decreased slightly to 6.3% in March. Corvallis continues to have the lowest Oregon MSA seasonally adjusted unemployment rate.

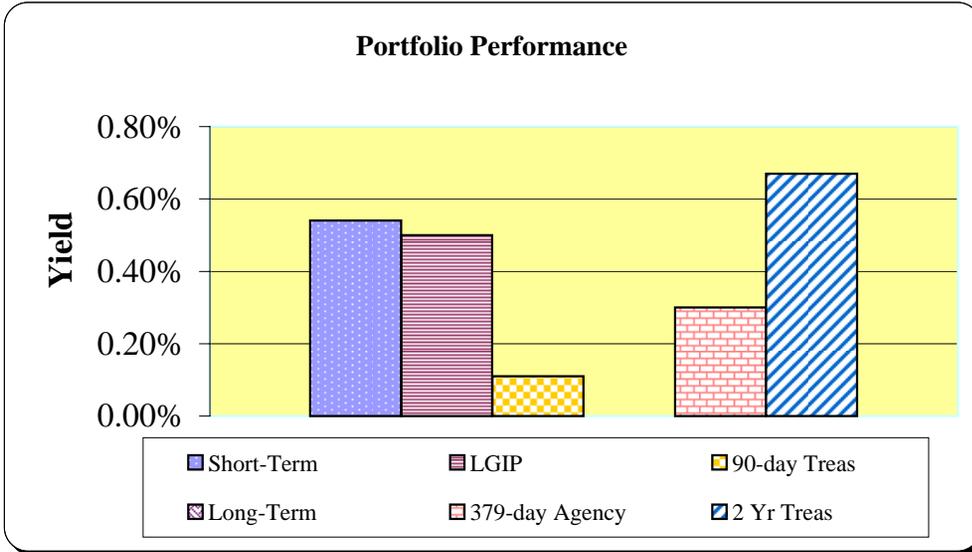
The City's March 31<sup>st</sup> total portfolio balance was \$41,798,917, increasing by \$2,463,547 from the February 28<sup>th</sup> total of \$39,335,370, primarily due to reduced spending.

The short-term portfolio performance for March remained at a 0.54% return. The City currently has no long term investments. As of March 31, 77.05% of the City's portfolio is invested in the Local Government Investment Pool (LGIP). 10.16% of the portfolio is invested in federal agency securities maturing in less than 18 months. 7.80% 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.

March receipts were less than projected by \$128,388, mainly due to Property Tax receipts for the month. Disbursements were also \$1,299,341 lower than projected; the majority of the variance can be found in the areas of Salaries & Wages, City Loans, General Services and Vehicles due to continued efforts by departments to improve the bottom-line.

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

**City of Corvallis  
Investment Portfolio Summary  
March 31, 2011**



Total Cash (1)	37,553,466.05
Total Investments (2)	4,245,450.00
Total Cash & Investments	41,798,916.05
Prepaid Interest (3)	-

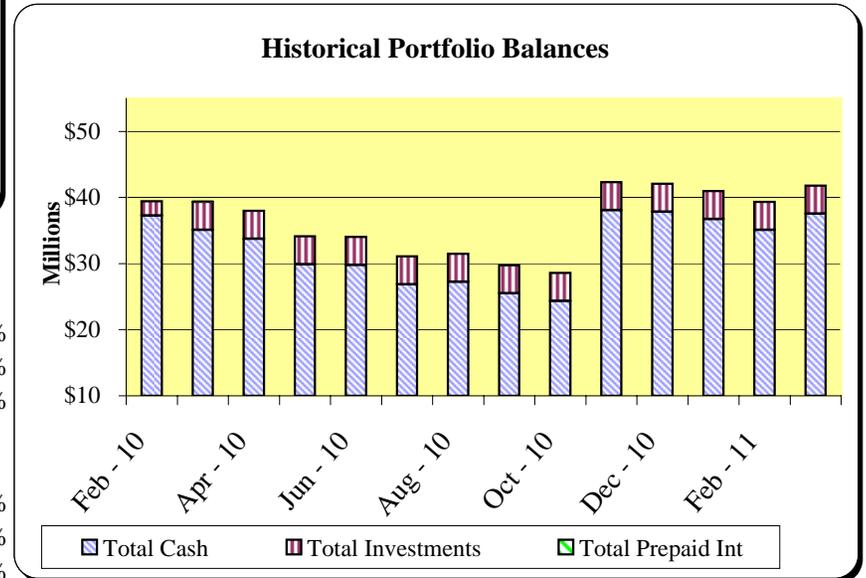
**Total Book Value of Cash & Investments** 41,798,916.05

**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%  
0.11%  
  
0.00%  
0.30%  
0.67%



- (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**  
**March 31, 2011**

City of Corvallis  
 500 SW Madison  
 P.O. Box 1083  
 Corvallis, OR 973  
 (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	2,075,782.45	2,075,782.45	2,075,782.45	4.97	1	1	0.148	0.150
Local Government Investment Pool	32,206,183.87	32,206,183.87	32,206,183.87	77.07	1	1	0.493	0.500
Money Market Account	3,261,567.73	3,261,567.73	3,261,567.73	7.80	1	1	0.592	0.600
Federal Agency Coupon Securities	4,090,000.00	4,133,790.30	4,245,450.00	10.16	556	132	0.782	0.793
<b>Investments</b>	<b>41,633,534.05</b>	<b>41,677,324.35</b>	<b>41,788,984.05</b>	<b>100.00%</b>	<b>57</b>	<b>14</b>	<b>0.513</b>	<b>0.520</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>41,643,466.05</b>	<b>41,687,256.35</b>	<b>41,798,916.05</b>		<b>57</b>	<b>14</b>	<b>0.513</b>	<b>0.520</b>

<b>Total Earnings</b>	<b>March 31 Month Ending</b>	<b>Fiscal Year To Date</b>	<b>Fiscal Year Ending</b>
Current Year	26,372.64	232,164.76	
Current Budget	71,670.00	602,830.00	876,120.00
Last Year Actual	50,574.00	655,826.00	1,257,298.00
<b>Average Daily Balance</b>	<b>39,414,839.64</b>	<b>35,524,421.32</b>	
<b>Effective Rate of Return</b>	<b>0.79%</b>	<b>0.87%</b>	

Staci Voight, Treasury Accountant



**MONTHLY TREASURY REPORT**  
**Aging Report**  
**By Maturity Date**  
**As of March 31, 2011**

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	
<b>Aging Interval:</b>	<b>0 days</b>	<b>( 03/31/2011 - 03/31/2011 )</b>	<b>4 Maturities</b>	<b>0 Payments</b>	35,089,920.43	89.56%	35,089,920.43	35,089,920.43
<b>Aging Interval:</b>	<b>1 - 30 days</b>	<b>( 04/01/2011 - 04/30/2011 )</b>	<b>0 Maturities</b>	<b>0 Payments</b>	0.00	0.00%	0.00	0.00
<b>Aging Interval:</b>	<b>31 - 60 days</b>	<b>( 05/01/2011 - 05/30/2011 )</b>	<b>1 Maturities</b>	<b>0 Payments</b>	1,090,000.00	2.78%	1,154,310.00	1,100,409.50
<b>Aging Interval:</b>	<b>61 - 90 days</b>	<b>( 05/31/2011 - 06/29/2011 )</b>	<b>0 Maturities</b>	<b>0 Payments</b>	0.00	0.00%	0.00	0.00
<b>Aging Interval:</b>	<b>91 - 180 days</b>	<b>( 06/30/2011 - 09/27/2011 )</b>	<b>1 Maturities</b>	<b>0 Payments</b>	1,000,000.00	2.55%	1,010,740.00	1,005,070.00
<b>Aging Interval:</b>	<b>181 - 270 days</b>	<b>( 09/28/2011 - 12/26/2011 )</b>	<b>1 Maturities</b>	<b>0 Payments</b>	2,000,000.00	5.10%	2,080,400.00	2,037,240.00
<b>Aging Interval:</b>	<b>271 days and after</b>	<b>( 12/27/2011 - )</b>	<b>0 Maturities</b>	<b>0 Payments</b>	0.00	0.00%	0.00	0.00
<b>Total for</b>			<b>7 Investments</b>	<b>0 Payments</b>		<b>100.00</b>	<b>39,335,370.43</b>	<b>39,232,639.93</b>

**MONTHLY TREASURY REPORT**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**March 31, 2011**

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		07/01/2010	2,075,782.45	2,075,782.45	2,075,782.45	0.150		0.150	1	
<b>Subtotal and Average</b>			<b>1,196,907.58</b>		<b>2,075,782.45</b>	<b>2,075,782.45</b>	<b>2,075,782.45</b>			<b>0.150</b>	<b>1</b>	
<b>Local Government Investment Pool</b>												
SYS4031	4031	State of Oregon LGIP		07/01/2010	32,206,183.87	32,206,183.87	32,206,183.87	0.500		0.500	1	
<b>Subtotal and Average</b>			<b>30,702,589.96</b>		<b>32,206,183.87</b>	<b>32,206,183.87</b>	<b>32,206,183.87</b>			<b>0.500</b>	<b>1</b>	
<b>Money Market Account</b>												
SYS1003	1003	Umpqua Bank		07/01/2010	3,261,567.73	3,261,567.73	3,261,567.73	0.600		0.600	1	
<b>Subtotal and Average</b>			<b>3,259,960.11</b>		<b>3,261,567.73</b>	<b>3,261,567.73</b>	<b>3,261,567.73</b>			<b>0.600</b>	<b>1</b>	
<b>Federal Agency Coupon Securities</b>												
SYS31331Y3P	1508	Federal Farm Credit Bureau		03/26/2010	2,000,000.00	2,033,220.00	2,080,400.00	3.500		0.832	185	10/03/2011
3133XUJX2	1505	Federal Home Loan Bank		12/09/2009	1,000,000.00	1,004,390.00	1,010,740.00	1.375	Aaa	0.721	126	08/05/2011
3133X7C69	1507	Federal Home Loan Bank		12/15/2009	1,090,000.00	1,096,180.30	1,154,310.00	5.000	Aaa	0.787	42	05/13/2011
<b>Subtotal and Average</b>			<b>4,245,450.00</b>		<b>4,090,000.00</b>	<b>4,133,790.30</b>	<b>4,245,450.00</b>			<b>0.793</b>	<b>132</b>	
<b>Total and Average</b>			<b>39,414,839.64</b>		<b>41,633,534.05</b>	<b>41,677,324.35</b>	<b>41,788,984.05</b>			<b>0.520</b>	<b>14</b>	

**MONTHLY TREASURY REPORT**  
**Portfolio Management**  
**Portfolio Details - Cash**  
**March 31, 2011**

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		07/01/2010	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>39,414,839.64</b>		<b>41,643,466.05</b>	<b>41,687,256.35</b>	<b>41,798,916.05</b>			<b>0.520</b>	<b>14</b>

**MONTHLY TREASURY REPORT**  
**Portfolio Management**  
**Activity By Type**  
**March 1, 2011 through March 31, 2011**

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		8,560,382.12	7,652,211.42	
		<b>Subtotal</b>	<b>1,167,611.75</b>			<b>8,560,382.12</b>	<b>7,652,211.42</b>	<b>2,075,782.45</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		0.500		4,053,725.22	2,500,011.51	
		<b>Subtotal</b>	<b>30,652,470.16</b>			<b>4,053,725.22</b>	<b>2,500,011.51</b>	<b>32,206,183.87</b>
<b>Money Market Account (Monthly Summary)</b>								
SYS1003	1003	Umpqua Bank		0.600		1,661.21	0.00	
		<b>Subtotal</b>	<b>3,259,906.52</b>			<b>1,661.21</b>	<b>0.00</b>	<b>3,261,567.73</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>39,335,370.43</b>			<b>12,615,768.55</b>	<b>10,152,222.93</b>	<b>41,798,916.05</b>

**MONTHLY TREASURY REPORT**  
**Portfolio Management**  
**Activity Summary**  
**March 2010 through March 2011**

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					
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
December	2010	7	42,060,629.74	0.528	0.536	0.500	0	0	57	23
January	2011	7	40,955,696.91	0.530	0.538	0.500	0	0	59	21
February	2011	7	39,325,438.43	0.522	0.530	0.500	0	0	61	18
March	2011	7	41,788,984.05	0.513	0.520	0.500	0	0	57	14
Average		7	36,365,437.13	0.552%	0.559%	0.531	0	0	67	39

**MONTHLY TREASURY REPORT**  
**Portfolio Management**  
**Distribution of Investments By Type**  
**March 2010 through March 2011**

Security Type	March 2010	April 2010	May 2010	June 2010	July 2010	August 2010	September 2010	October 2010	November 2010	December 2010	January 2011	February 2011	March 2011	Average by Period
General Checking Account	4.2	6.1	2.2	3.2	0.5	1.1	5.6	3.2	3.7	0.5	0.2	3.0	5.0	3.0%
Petty Cash & Change Funds														
Local Government Investment Pool	76.8	74.2	75.9	74.8	75.4	75.1	69.2	70.6	78.6	81.7	81.5	78.0	77.1	76.1%
Piper Jaffray Funds Held by Others														
Money Market Account	8.2	8.5	9.5	9.5	10.5	10.3	10.9	11.4	7.7	7.7	8.0	8.3	7.8	9.1%
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	10.8	11.2	12.4	12.5	13.7	13.5	14.3	14.9	10.0	10.1	10.4	10.8	10.2	11.9%
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**  
**March 31, 2011**

City of Corvallis  
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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	42
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	126
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	185
<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>132</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>132</b>



**MONTHLY TREASURY REPORT**  
**Activity Report**  
**Sorted By Issuer**  
**March 1, 2011 - March 31, 2011**

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	
<b>Issuer: Bank of America</b>									
<b>General Checking Account</b>									
SYS1004	1004	Bank of America			0.150		8,560,382.12	7,652,211.42	
		<b>Subtotal and Balance</b>		<b>1,167,611.75</b>			<b>8,560,382.12</b>	<b>7,652,211.42</b>	<b>2,075,782.45</b>
		<b>Issuer Subtotal</b>	<b>4.985%</b>	<b>1,167,611.75</b>			<b>8,560,382.12</b>	<b>7,652,211.42</b>	<b>2,075,782.45</b>
<b>Issuer: City of Corvallis - Petty Cash</b>									
<b>Petty Cash &amp; Change Funds</b>									
		<b>Subtotal and Balance</b>		<b>9,932.00</b>					<b>9,932.00</b>
		<b>Issuer Subtotal</b>	<b>0.024%</b>	<b>9,932.00</b>			<b>0.00</b>	<b>0.00</b>	<b>9,932.00</b>
<b>Issuer: Federal Farm Credit Bureau</b>									
<b>Federal Agency Coupon Securities</b>									
		<b>Subtotal and Balance</b>		<b>2,000,000.00</b>					<b>2,000,000.00</b>
		<b>Issuer Subtotal</b>	<b>4.803%</b>	<b>2,000,000.00</b>			<b>0.00</b>	<b>0.00</b>	<b>2,000,000.00</b>
<b>Issuer: Federal Home Loan Bank</b>									
<b>Federal Agency Coupon Securities</b>									
		<b>Subtotal and Balance</b>		<b>2,090,000.00</b>					<b>2,090,000.00</b>
		<b>Issuer Subtotal</b>	<b>5.019%</b>	<b>2,090,000.00</b>			<b>0.00</b>	<b>0.00</b>	<b>2,090,000.00</b>
<b>Issuer: State of Oregon LGIP</b>									
<b>Local Government Investment Pool</b>									
SYS4031	4031	State of Oregon LGIP			0.500		4,053,725.22	2,500,011.51	
		<b>Subtotal and Balance</b>		<b>30,652,470.16</b>			<b>4,053,725.22</b>	<b>2,500,011.51</b>	<b>32,206,183.87</b>
		<b>Issuer Subtotal</b>	<b>77.338%</b>	<b>30,652,470.16</b>			<b>4,053,725.22</b>	<b>2,500,011.51</b>	<b>32,206,183.87</b>

MONTHLY TREASURY REPORT

Activity Report

March 1, 2011 - March 31, 2011

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			0.600		1,661.21	0.00	
		<b>Subtotal and Balance</b>		<b>3,259,906.52</b>			<b>1,661.21</b>	<b>0.00</b>	<b>3,261,567.73</b>
		<b>Issuer Subtotal</b>	<b>7.832%</b>	<b>3,259,906.52</b>			<b>1,661.21</b>	<b>0.00</b>	<b>3,261,567.73</b>
		<b>Total</b>	<b>100.000%</b>	<b>39,179,920.43</b>			<b>12,615,768.55</b>	<b>10,152,222.93</b>	<b>41,643,466.05</b>

**City of Corvallis  
Cash Flow Summary  
March 31, 2011**

	Receipts (1)	Disbursements (2)	Net
Actual Activity	6,977,809	5,897,350	1,080,459
Projected Activity	7,106,197	7,196,691	(90,494)
<b>Difference</b>	<b>(128,388)</b>	<b>(1,299,341)</b>	<b>1,170,953</b>

(1) Receipts include deposits and interest received.

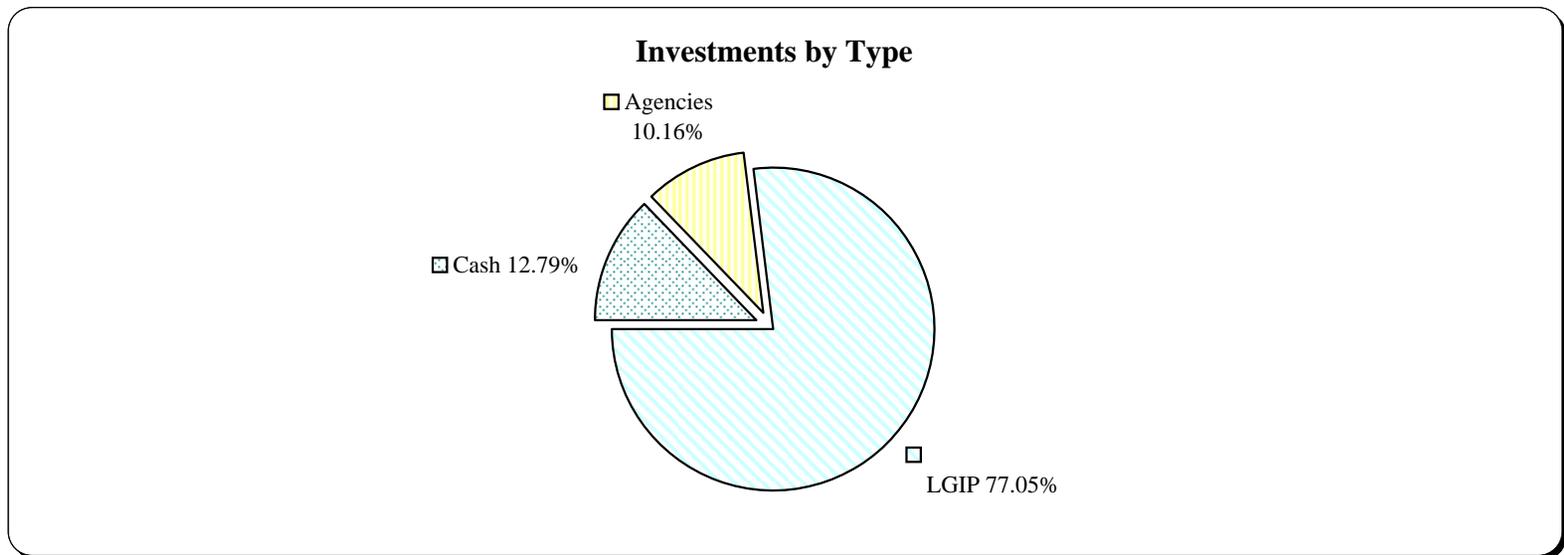
(2) Disbursements include accounts payable checks, payroll checks, other payments made through wire transfers and LGIP fees

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**

		<b>Maximum Allowed</b>	<b>Current Month</b>			<b>Previous Month</b>	
			<b>Percent of Portfolio</b>	<b>Amount of Portfolio</b>	<b>Met Compliance</b>	<b>Percent of Portfolio</b>	<b>Amount of Portfolio</b>
Cash	100%	41,798,916	12.79%	5,347,282	Yes	11.28%	4,437,450
U.S. Treasury Obligations	100%	41,798,916	0.00%	-	Yes	0.00%	-
U.S. Gov't Agencies	75%	31,349,187	10.16%	4,245,450	Yes	10.79%	4,245,450
Local Government Investment Pool	100%	41,798,916	77.05%	32,206,184	Yes	77.93%	30,652,470
Repurchase Agreements	25%	10,449,729	0.00%	-	Yes	0.00%	-
Banker's Acceptances	25%	10,449,729	0.00%	-	Yes	0.00%	-
Certificates of Deposit	25%	10,449,729	0.00%	-	Yes	0.00%	-
Commercial Paper	25%	10,449,729	0.00%	-	Yes	0.00%	-
Municipal Bonds	25%	10,449,729	0.00%	-	Yes	0.00%	-
<b>Total Portfolio</b>		-	<b>100.00%</b>	<b>41,798,916</b>	(a)	<b>100.00%</b>	<b>39,335,370</b>

(a) Excludes prepaid interest.



**City of Corvallis**  
**Investment Purchase**  
**Financial Institution Compliance Test**  
**March 31, 2011**

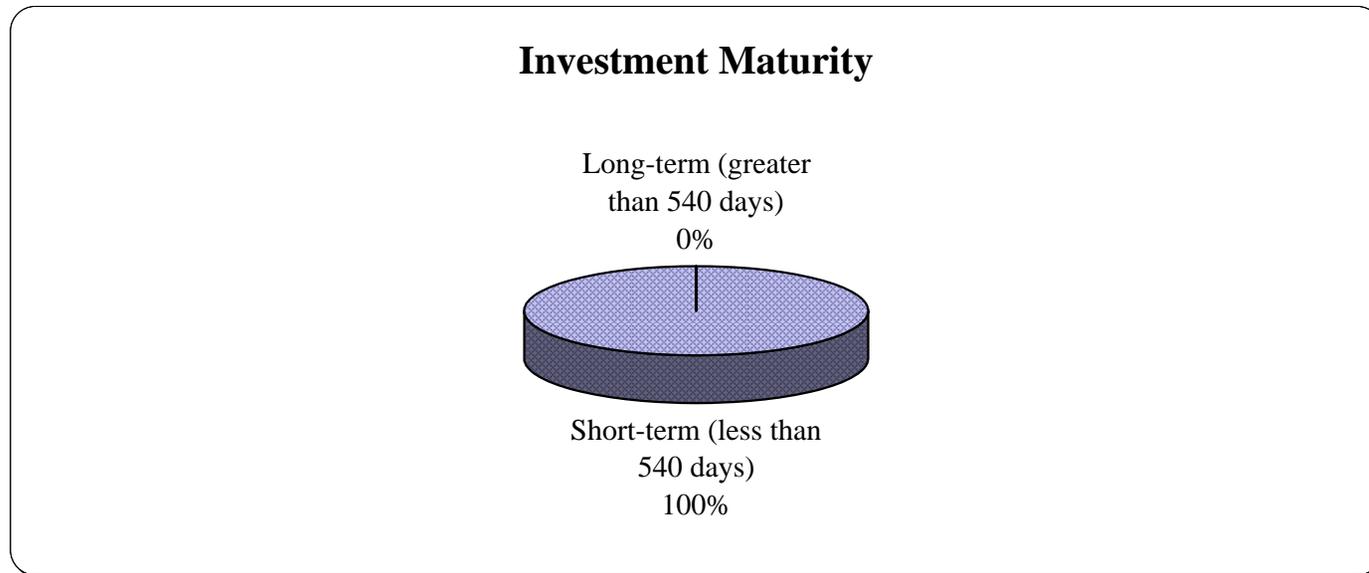
Institutions	Maximum Allowed	Current Month			Previous Month			
		Percent of Portfolio	Amount of Portfolio	Met Compliance	Percent of Portfolio	Amount of Portfolio	Met Compliance	
<b>US Bank</b>								
Banker's Acceptance	25%	10,449,729	0.00%	-	0.00%	-		
			<b>0.00%</b>	-	<b>0.00%</b>	-	<b>Yes</b>	
<b>General Electric</b>								
Commercial Paper	5%	2,089,946	0.00%	-	0.00%	-		
			<b>0.00%</b>	-	<b>0.00%</b>	-	<b>Yes</b>	
<b>Federal Farm Credit Bureau</b>								
Government Agency	40%	16,719,566	4.98%	2,080,400	5.29%	2,080,400		
			<b>4.98%</b>	<b>2,080,400</b>	<b>5.29%</b>	<b>2,080,400</b>	<b>Yes</b>	
<b>Federal Home Loan Bank</b>								
Government Agency	40%	16,719,566	5.18%	2,165,050	5.50%	2,165,050		
			<b>5.18%</b>	<b>2,165,050</b>	<b>5.50%</b>	<b>2,165,050</b>	<b>Yes</b>	
<b>Umpqua Bank</b>								
Money Market Account	15%	6,269,837	7.80%	3,261,568	8.29%	3,259,907		
			<b>7.80%</b>	<b>3,261,568</b>	<b>8.29%</b>	<b>3,259,907</b>	<b>Yes</b>	
<b>Citizen's Bank</b>								
Certificate of Deposit	25%	10,449,729	0.00%	-	0.00%	-		
			<b>0.00%</b>	-	<b>0.00%</b>	-	<b>Yes</b>	
<b>Local Government Investment Pool</b>								
LGIP 4031	100%	41,798,916	77.05%	32,206,184	77.93%	30,652,470		
			<b>77.05%</b>	<b>32,206,184</b>	<b>77.93%</b>	<b>30,652,470</b>	<b>Yes</b>	
<b>Checking Account</b>								
	n/a	n/a	<b>4.97%</b>	<b>2,075,782</b>	<b>2.97%</b>	<b>1,167,612</b>	<b>Yes</b>	
<b>Petty Cash</b>								
	n/a	n/a	<b>0.02%</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>41,798,916</b>	(a)	<b>100.00%</b>	<b>39,335,370</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	31,349,187	100.00%	41,798,916	Yes	100.00%	39,335,370
Long-term (greater than 548 days)	25% max	10,449,729	0.00%		Yes	0.00%	
<b>Portfolio Total</b>		<b>41,798,916</b>	<b>100.00%</b>	<b>41,798,916</b> (a)		<b>100.00%</b>	<b>39,335,370</b>
Local Government Investment Pool	Minimum Target Options						
-15% of the overall portfolio	15% min	6,269,837		41,798,916	Yes		
-10% of the overall portfolio plus an	10%	4,179,892					
-additional 5% maturing within 60 days	5%	2,089,946					
	min	<u>6,269,837</u>		41,798,916	Yes		

(a) Excludes prepaid interest.



**City of Corvallis**  
**Monthly Revenue Allocations**  
**Distributed in March 2011**

<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	1,211,456.21	466.20	460	Davidson Library	5,916.82	2.25
201	Street	258,551.30	98.57	501	Water	1,327,109.03	507.78
208	Street SDC	1,234,616.66	472.05	502	Water Timber	209,130.50	80.13
210	Parks & Recreation	1,592,165.91	610.69	508	Water SDC	4,782,517.27	1,831.23
211	Parks & Recreation - Aquatics	195,036.56	74.96	509	Water Construction	65,403.08	25.07
212	Open Space	93,825.65	35.92	520	Wastewater	4,185,339.01	1,601.94
218	Parks SDC	881,593.04	334.13	528	Wastewater SDC	8,007,324.23	3,065.49
220	911	582,260.77	223.63	529	Wastewater Construction	144,082.62	55.32
230	Development Services	1,676,543.33	641.50	540	Storm Water	1,631,841.09	624.91
240	Fire & Rescue	3,280,426.04	1,259.08	548	Storm Water SDC	12,776.79	4.83
250	Comm Dev Revolving	620,548.24	238.69	549	Storm Water Construction	36,130.40	13.87
260	Parking	914,603.30	350.31	560	Airport	565,194.76	216.28
270	Transit	91,508.68	34.98	569	Airport Construction	(564,403.03)	(216.32)
290	Library	1,994,686.23	766.06	610	Fleet Maintenance	83,276.95	31.88
291	Library 2010	432,026.31	165.49	615	Facility Maintenance	257,585.25	98.56
301	Capital Improvement	1,874,237.24	718.82	620	Technology & Communications	813,778.10	311.56
401	General Obligation Debt Service	1,618,723.33	619.87	625	Administrative Services	511,662.22	195.85
				630	Risk Management	879,327.79	336.83
<b>Total</b>						<b>41,506,801.70</b>	<b>15,898.41</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.

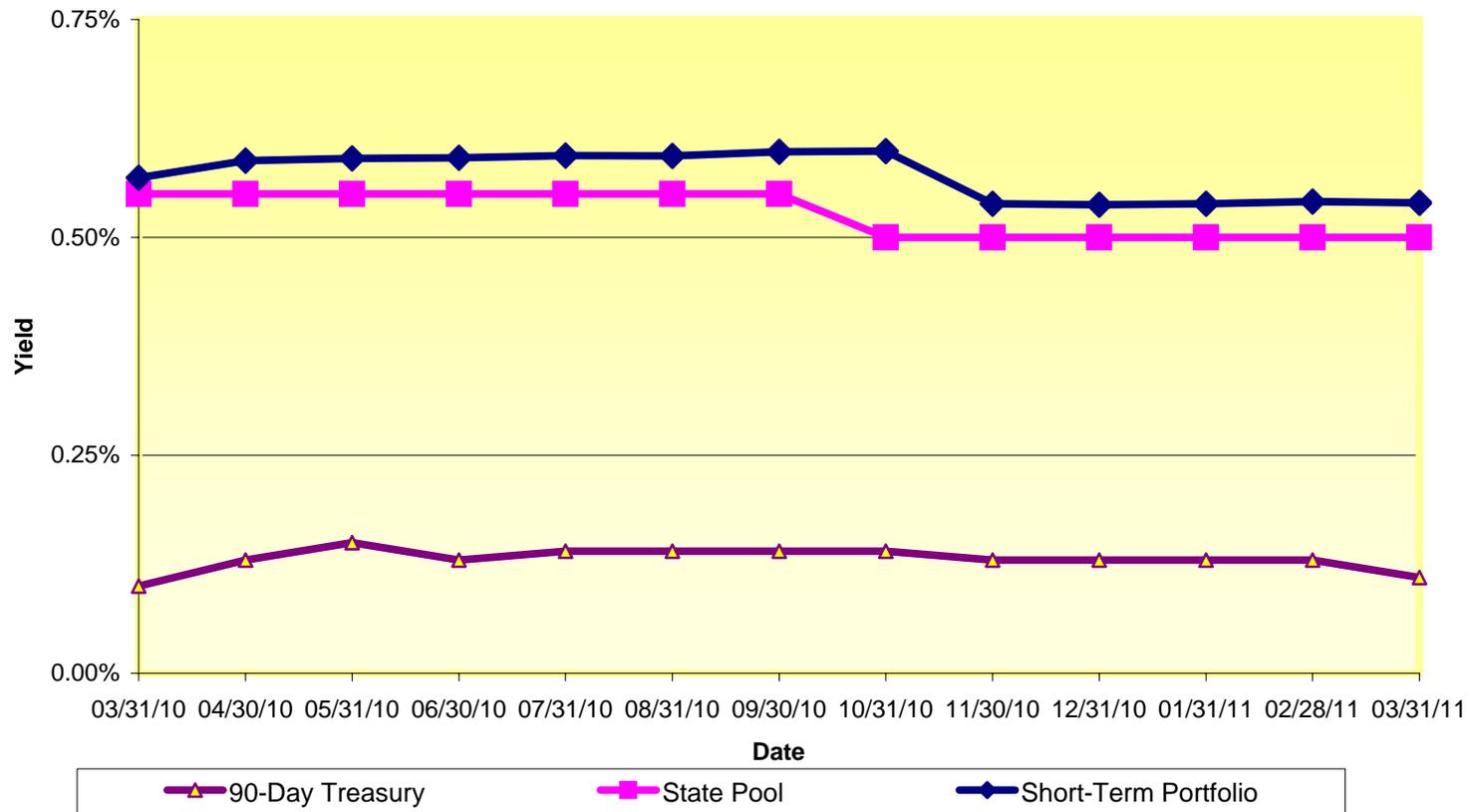
**Par Value** - the face value of a security. This is the value to which the coupon rate is applied for interest payments.

**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.

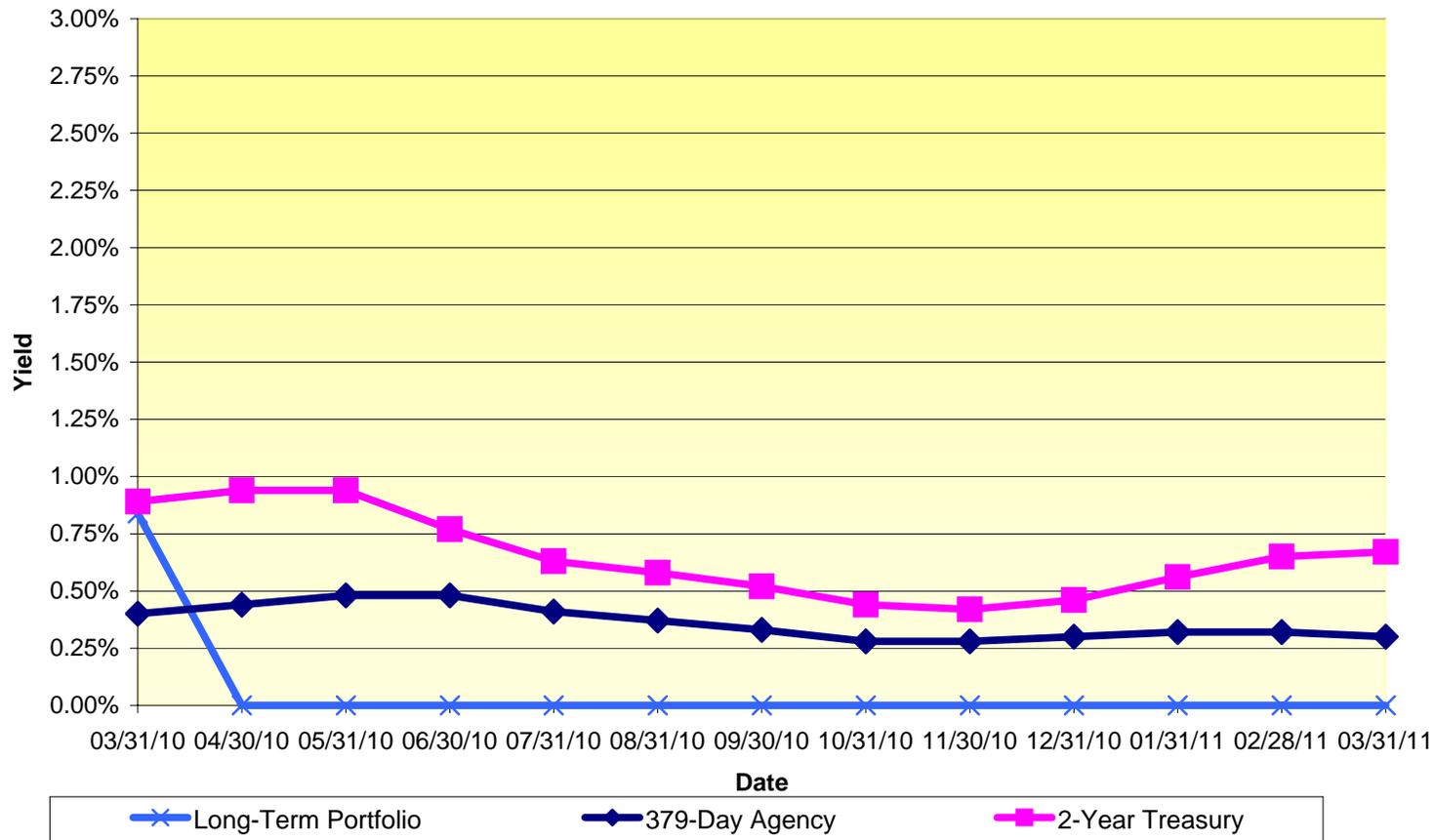


## City of Corvallis Short-Term Yields March 2010 - March 2011



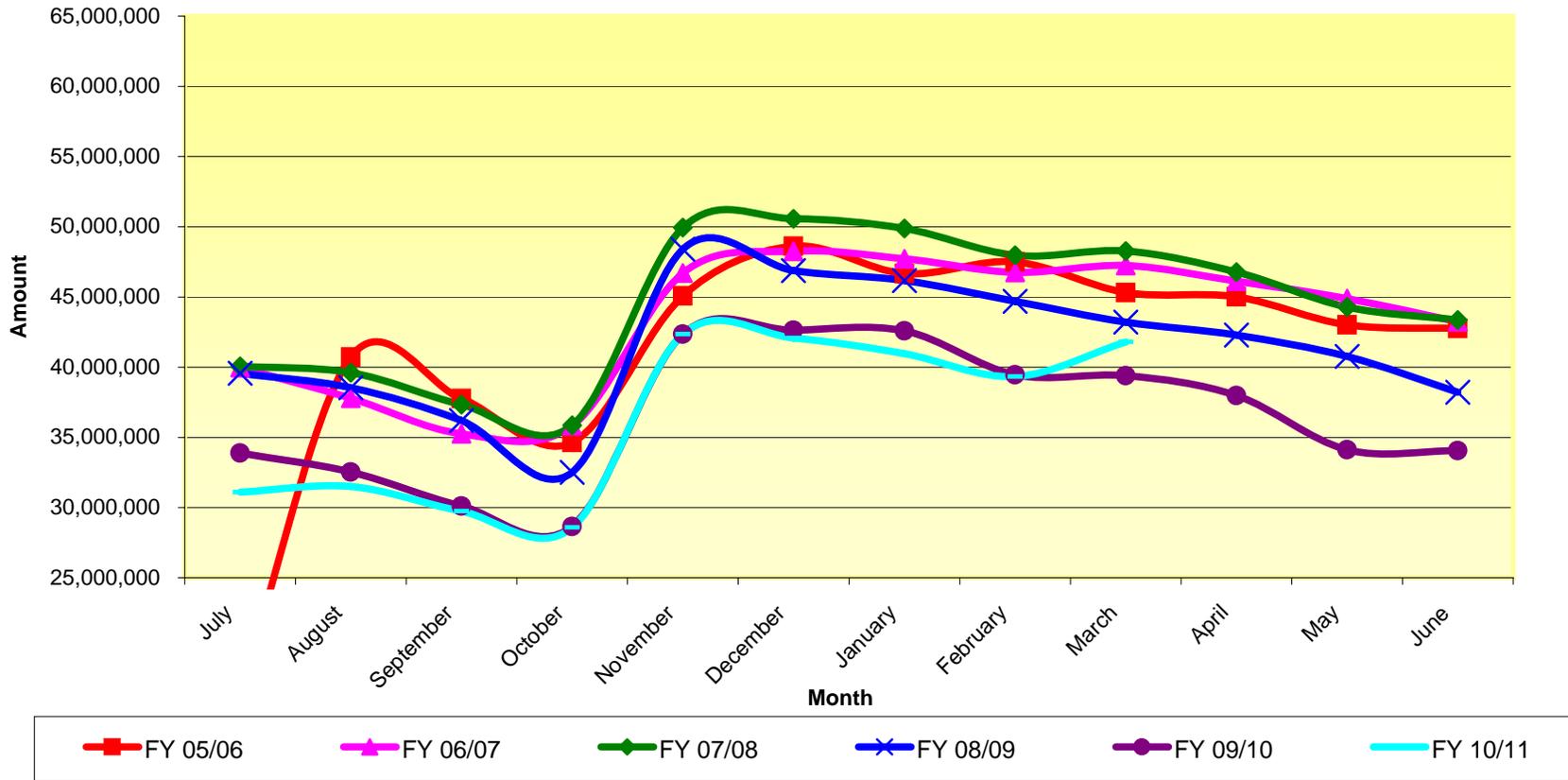


## City of Corvallis Long-Term Yields March 2010 - March 2011





# City of Corvallis Cash & Investments





## City of Corvallis Cash and Investments By Quarter

