

CITY OF CORVALLIS

Investment Council

Treasury Report

May 2011

CITY OF CORVALLIS, OREGON
INVESTMENT COUNCIL
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MEMORANDUM

June 20, 2011

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

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 2011. Staff reviews market conditions and trends, in comparison to local economic data, to assist in making investment decisions along with the City's Investment Advisor, Davidson Fixed Income Management, Inc. (DFIM). 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, economists expect inflation to moderate through 2012. The recent pace of inflation has been on an upswing due to rising food and energy prices. Oil prices will likely remain elevated, but the rise in inflation is expected to prove temporary as economic growth is anticipated to be more solid by late next calendar year, provided that the predicted slow and consistent decline in the unemployment rate prevails.

The most current consumer price index (CPI-U) press release noted that CPI-U increased 0.2% in May. The index has increased 3.6% over the last 12 months, before seasonal adjustment. The core CPI-U (excluding food and energy costs) rose 0.3% in May, the largest increase since July 2008, and 1.5% over the last 12 months, with increases mostly in the areas of apparel, shelter, new vehicles and recreation. Locally, the Oregon Employment Department of Workforce and Economic Research will reveal current CPI-U data in August 2011.

Though current trends look promising, the housing market is still depressed when compared to prior years. In May, housing starts were 560,000, or 3.5% above April's revised estimate of 541,000 and 3.4% below May 2010. May 2011 single-family building permits totaled 405,000; 2.5% above the revised April figure of 395,000. Permits for privately-owned housing rose 8.7% compared to April levels and 5.2% above May 2010. City of Corvallis reports that nine single-family

residence permits were issued in 2011 year-to-date; down 40% from last year, while multi-family units are up to ten from last year's one permit.

The May U.S. seasonally adjusted unemployment rate increased slightly to 9.1%. Non-farm payroll employment rose by only 54,000, mostly in professional and business services, health care, and mining. The private sector added 83,000 jobs, while both state and local government are still trending down. Oregon's seasonally adjusted unemployment rate for May dropped slightly to 9.3%. The Corvallis Metropolitan Statistical Area (MSA) continues to have the lowest Oregon MSA seasonally adjusted unemployment rate at 6.1%.

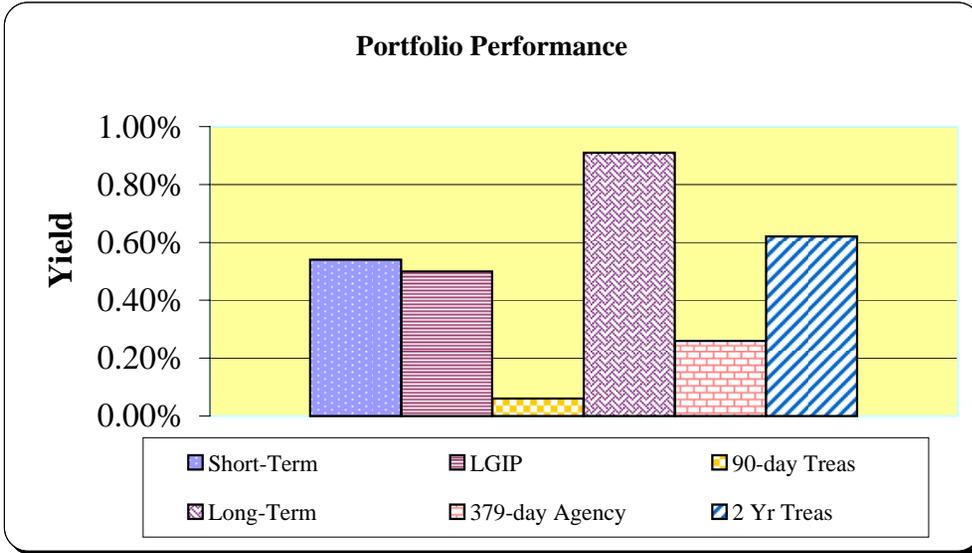
The City's May 31st total portfolio balance was \$36,503,790, decreasing by \$3,967,557 from the April 30th total of \$40,471,347. This level of spending is typical heading into summer construction and increased recreation service levels.

The short-term portfolio performance for May remained at a 0.54% return. The City currently has two long term investments; on May 13th staff purchased a \$1 million government agency security maturing 6/21/13 and yielding .72%. On May 23rd a \$1.5 million agency security was purchased, maturing 11/25/13, yielding 1.05%. As of May 31, 73.44% of the City's portfolio is invested in the Local Government Investment Pool (LGIP). 15.39% of the portfolio is invested in federal agency securities and 8.95% 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.

May receipts were greater than projected by \$174,808, mostly in Charges for Service. Disbursements were \$945,182 lower than projected; mainly attributed to savings and deferrals in non-contractual services, with departments' continued efforts 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
May 31, 2011



Total Cash (1)	30,880,963.99
Total Investments (2)	5,615,430.00
Total Cash & Investments	36,496,393.99
Prepaid Interest (3)	7,395.83
Total Book Value of Cash & Investments	36,503,789.82

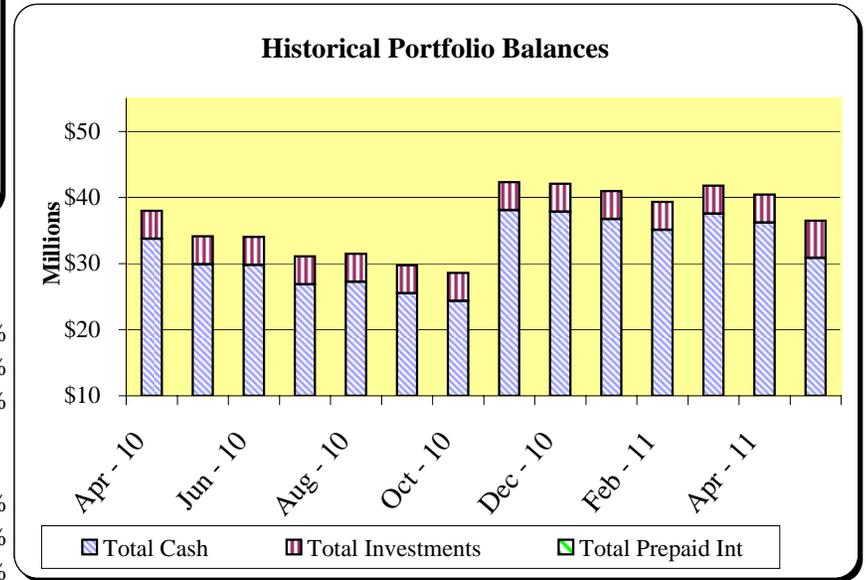
Portfolio Performance

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%
 0.06%

 0.91%
 0.26%
 0.62%



- (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, 2011

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	802,729.39	802,729.39	802,729.39	2.20	1	1	0.148	0.150
Local Government Investment Pool	26,803,463.55	26,803,463.55	26,803,463.55	73.46	1	1	0.493	0.500
Money Market Account	3,264,839.05	3,264,839.05	3,264,839.05	8.95	1	1	0.592	0.600
Federal Agency Coupon Securities	5,500,000.00	5,557,485.00	5,615,430.00	15.39	700	437	0.836	0.848
	36,371,031.99	36,428,516.99	36,486,461.99	100.00%	109	68	0.547	0.555
Investments								
Cash and Accrued Interest								
Passbook/Checking (not included in yield calculations)	9,932.00	9,932.00	9,932.00		1	1	0.000	0.000
Accrued Interest at Purchase		7,395.83	7,395.83					
Subtotal		17,327.83	17,327.83					
Total Cash and Investments	36,380,963.99	36,445,844.82	36,503,789.82		109	68	0.547	0.555

Total Earnings	May 31 Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	-38,590.56	220,661.80	
Current Budget	68,550.00	741,150.00	876,120.00
Last Year Actual	77,567.00	983,212.00	1,257,298.00
Average Daily Balance	40,557,949.36	36,548,142.64	
Effective Rate of Return	-1.12%	0.66%	

Staci Voight, Treasury Accountant



MONTHLY TREASURY REPORT
Aging Report
By Maturity Date
As of May 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
Aging Interval:	0 days	(05/31/2011 - 05/31/2011)	4 Maturities 0 Payments	36,225,896.54	86.82%	36,225,896.54	36,225,896.54
Aging Interval:	1 - 30 days	(06/01/2011 - 06/30/2011)	0 Maturities 0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	31 - 60 days	(07/01/2011 - 07/30/2011)	0 Maturities 0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	61 - 90 days	(07/31/2011 - 08/29/2011)	1 Maturities 0 Payments	1,000,000.00	2.40%	1,010,740.00	1,003,290.00
Aging Interval:	91 - 180 days	(08/30/2011 - 11/27/2011)	1 Maturities 0 Payments	2,000,000.00	4.79%	2,080,400.00	2,028,260.00
Aging Interval:	181 - 270 days	(11/28/2011 - 02/25/2012)	0 Maturities 0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	271 - 364 days	(02/26/2012 - 05/29/2012)	0 Maturities 0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	365 - 545 days	(05/30/2012 - 11/26/2012)	0 Maturities 0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	546 - 730 days	(11/27/2012 - 05/30/2013)	0 Maturities 0 Payments	0.00	0.00%	0.00	0.00
Aging Interval:	731 - 1095 days	(05/31/2013 - 05/30/2014)	2 Maturities 0 Payments	2,500,000.00	5.99%	2,524,290.00	2,524,290.00
Aging Interval:	1096 days and after	(05/31/2014 -)	0 Maturities 0 Payments	0.00	0.00%	0.00	0.00
Total for			8 Investments 0 Payments		100.00	41,841,326.54	41,781,736.54

MONTHLY TREASURY REPORT
Portfolio Management
Portfolio Details - Investments
May 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
General Checking Account												
SYS1004	1004	Bank of America		07/01/2010	802,729.39	802,729.39	802,729.39	0.150		0.150	1	
Subtotal and Average			1,630,576.91		802,729.39	802,729.39	802,729.39			0.150	1	
Local Government Investment Pool												
SYS4031	4031	State of Oregon LGIP		07/01/2010	26,803,463.55	26,803,463.55	26,803,463.55	0.500		0.500	1	
Subtotal and Average			31,149,792.52		26,803,463.55	26,803,463.55	26,803,463.55			0.500	1	
Money Market Account												
SYS1003	1003	Umpqua Bank		07/01/2010	3,264,839.05	3,264,839.05	3,264,839.05	0.600		0.600	1	
Subtotal and Average			3,263,177.93		3,264,839.05	3,264,839.05	3,264,839.05			0.600	1	
Federal Agency Coupon Securities												
SYS31331Y3P	1508	Federal Farm Credit Bureau		03/26/2010	2,000,000.00	2,022,820.00	2,080,400.00	3.500		0.832	124	10/03/2011
3133XUJX2	1505	Federal Home Loan Bank		12/09/2009	1,000,000.00	1,002,280.00	1,010,740.00	1.375	Aaa	0.721	65	08/05/2011
3133XXYX9	1509	Federal Home Loan Bank		05/13/2011	1,000,000.00	1,027,630.00	1,024,290.00	1.875	Aaa	0.711	751	06/21/2013
313373QW5	1510	Federal Home Loan Bank		05/25/2011	1,500,000.00	1,504,755.00	1,500,000.00	1.050	Aaa	1.050	908	11/25/2013
Subtotal and Average			4,504,470.00		5,500,000.00	5,557,485.00	5,615,430.00			0.848	437	
Total and Average			40,557,949.36		36,371,031.99	36,428,516.99	36,486,461.99			0.555	68	

MONTHLY TREASURY REPORT
Portfolio Management
Portfolio Details - Cash
May 31, 2011

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	Accrued Interest at Purchase		7,395.83	7,395.83				1
				Subtotal		17,327.83	17,327.83				
Total Cash and Investments			40,557,949.36		36,380,963.99	36,445,844.82	36,503,789.82			0.555	68

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

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		9,970,075.63	10,825,518.07	
		Subtotal	1,658,171.83			9,970,075.63	10,825,518.07	802,729.39
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		1,508,814.63	6,000,021.23	
		Subtotal	31,294,670.15			1,508,814.63	6,000,021.23	26,803,463.55
Money Market Account (Monthly Summary)								
SYS1003	1003	Umpqua Bank		0.600		1,716.49	0.00	
		Subtotal	3,263,122.56			1,716.49	0.00	3,264,839.05
Federal Agency Coupon Securities								
3133X7C69	1507	Federal Home Loan Bank		5.000	05/13/2011	0.00	1,154,310.00	
3133XXYX9	1509	Federal Home Loan Bank		1.875	05/13/2011	1,024,290.00	0.00	
313373QW5	1510	Federal Home Loan Bank		1.050	05/25/2011	1,500,000.00	0.00	
		Subtotal	4,245,450.00			2,524,290.00	1,154,310.00	5,615,430.00
		Total	40,471,346.54			14,004,896.75	17,979,849.30	36,496,393.99

MONTHLY TREASURY REPORT
Portfolio Management
Activity Summary
May 2010 through May 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					
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
April	2011	7	40,461,414.54	0.517	0.524	0.500	0	0	59	12
May	2011	8	36,486,461.99	0.547	0.555	0.500	2	1	109	68
Average		7	36,337,826.76	0.548%	0.556%	0.523	0	0	70	37

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

Security Type	May 2010	June 2010	July 2010	August 2010	September 2010	October 2010	November 2010	December 2010	January 2011	February 2011	March 2011	April 2011	May 2011	Average by Period
General Checking Account	2.2	3.2	0.5	1.1	5.6	3.2	3.7	0.5	0.2	3.0	5.0	4.1	2.2	2.6%
Petty Cash & Change Funds														
Local Government Investment Pool	75.9	74.8	75.4	75.1	69.2	70.6	78.6	81.7	81.5	78.0	77.1	77.3	73.5	76.0%
Piper Jaffray Funds Held by Others														
Money Market Account	9.5	9.5	10.5	10.3	10.9	11.4	7.7	7.7	8.0	8.3	7.8	8.1	9.0	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	12.4	12.5	13.7	13.5	14.3	14.9	10.0	10.1	10.4	10.8	10.2	10.5	15.4	12.2%
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, 2011

City of Corvallis
 500 SW Madison
 P.O. Box 1083
 Corvallis, Corvallis, OR 973
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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	
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	65
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	124
3133XXYX9	1509	990	FAC	Federal Home Loan Bank	05/13/2011	1,024,290.00	1.875	06/21/2013	1,000,000.00	770	1,000,000.00	0.701	0.711	751
313373QW5	1510	990	FAC	Federal Home Loan Bank	05/25/2011	1,500,000.00	1.050	11/25/2013	1,500,000.00	915	1,500,000.00	1.036	1.050	908
Subtotal and Average						5,615,430.00			5,500,000.00		5,500,000.00	0.836	0.848	437
Net Maturities and Average						5,615,430.00			5,500,000.00		5,500,000.00	0.836	0.848	437



MONTHLY TREASURY REPORT
Activity Report
Sorted By Issuer
May 1, 2011 - May 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	
Issuer: Bank of America									
General Checking Account									
SYS1004	1004	Bank of America			0.150		9,970,075.63	10,825,518.07	
		Subtotal and Balance		1,658,171.83			9,970,075.63	10,825,518.07	802,729.39
		Issuer Subtotal	2.206%	1,658,171.83			9,970,075.63	10,825,518.07	802,729.39
Issuer: City of Corvallis - Petty Cash									
Petty Cash & Change Funds									
		Subtotal and Balance		9,932.00					9,932.00
		Issuer Subtotal	0.027%	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	5.497%	2,000,000.00			0.00	0.00	2,000,000.00
Issuer: Federal Home Loan Bank									
Federal Agency Coupon Securities									
3133X7C69	1507	Federal Home Loan Bank			5.000	05/13/2011	0.00	1,090,000.00	
3133XXYX9	1509	Federal Home Loan Bank			1.875	05/13/2011	1,000,000.00	0.00	
313373QW5	1510	Federal Home Loan Bank			1.050	05/25/2011	1,500,000.00	0.00	
		Subtotal and Balance		2,090,000.00			2,500,000.00	1,090,000.00	3,500,000.00
		Issuer Subtotal	9.620%	2,090,000.00			2,500,000.00	1,090,000.00	3,500,000.00
Issuer: State of Oregon LGIP									
Local Government Investment Pool									
SYS4031	4031	State of Oregon LGIP			0.500		1,508,814.63	6,000,021.23	

MONTHLY TREASURY REPORT

Activity Report

May 1, 2011 - May 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	
Subtotal and Balance				31,294,670.15			1,508,814.63	6,000,021.23	26,803,463.55
Issuer Subtotal			73.674%	31,294,670.15			1,508,814.63	6,000,021.23	26,803,463.55
Issuer: Umpqua Bank									
Money Market Account									
SYS1003	1003	Umpqua Bank			0.600		1,716.49	0.00	
Subtotal and Balance				3,263,122.56			1,716.49	0.00	3,264,839.05
Issuer Subtotal			8.974%	3,263,122.56			1,716.49	0.00	3,264,839.05
Total			100.000%	40,315,896.54			13,980,606.75	17,915,539.30	36,380,963.99

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

	Receipts (1)	Disbursements (2)	Net
Actual Activity	5,208,114	9,274,247	(4,066,133)
Projected Activity	5,033,306	10,219,429	(5,186,123)
Difference	174,808	(945,182)	1,119,990

(1) Receipts include deposits and interest received.

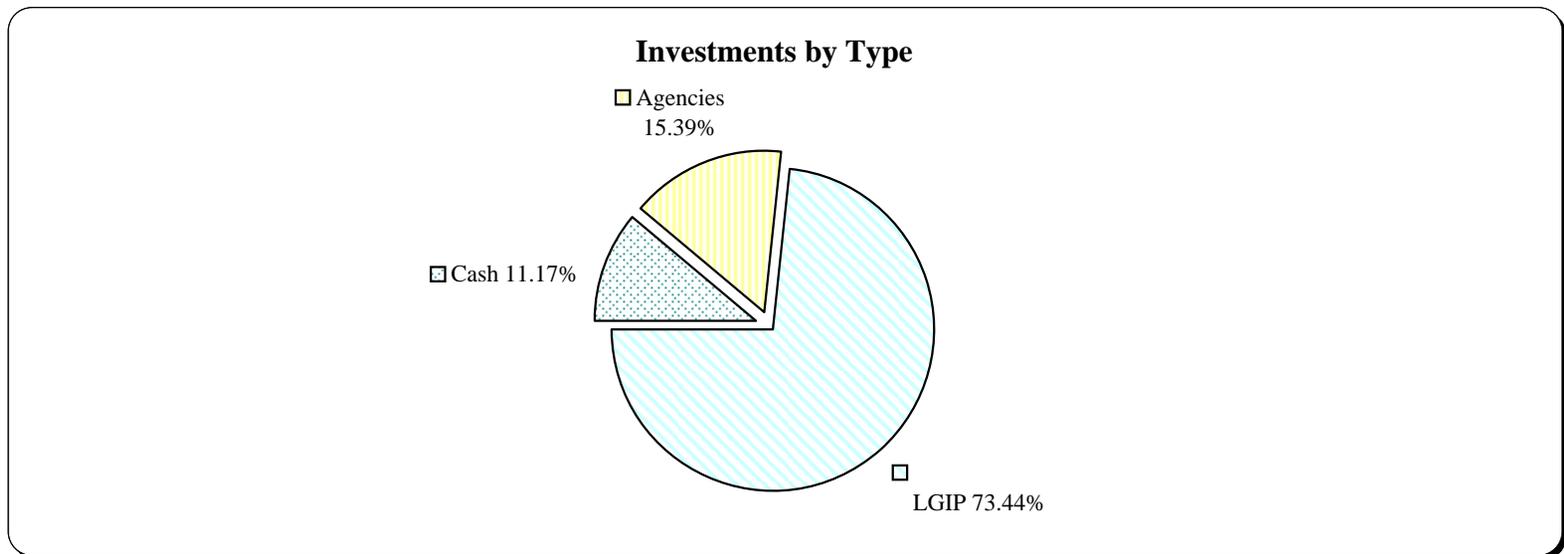
(2) Disbursements include accounts payable checks, payroll checks, other payments made through wire transfers and LGIP fees

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**

		Maximum Allowed	Current Month			Previous Month	
			Percent of Portfolio	Amount of Portfolio	Met Compliance	Percent of Portfolio	Amount of Portfolio
Cash	100%	36,496,394	11.17%	4,077,500	Yes	12.18%	4,931,226
U.S. Treasury Obligations	100%	36,496,394	0.00%	-	Yes	0.00%	-
U.S. Gov't Agencies	75%	27,372,295	15.39%	5,615,430	Yes	10.49%	4,245,450
Local Government Investment Pool	100%	36,496,394	73.44%	26,803,464	Yes	77.33%	31,294,670
Repurchase Agreements	25%	9,124,098	0.00%	-	Yes	0.00%	-
Banker's Acceptances	25%	9,124,098	0.00%	-	Yes	0.00%	-
Certificates of Deposit	25%	9,124,098	0.00%	-	Yes	0.00%	-
Commercial Paper	25%	9,124,098	0.00%	-	Yes	0.00%	-
Municipal Bonds	25%	9,124,098	0.00%	-	Yes	0.00%	-
Total Portfolio		-	100.00%	36,496,394	(a)	100.00%	40,471,347

(a) Excludes prepaid interest.



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

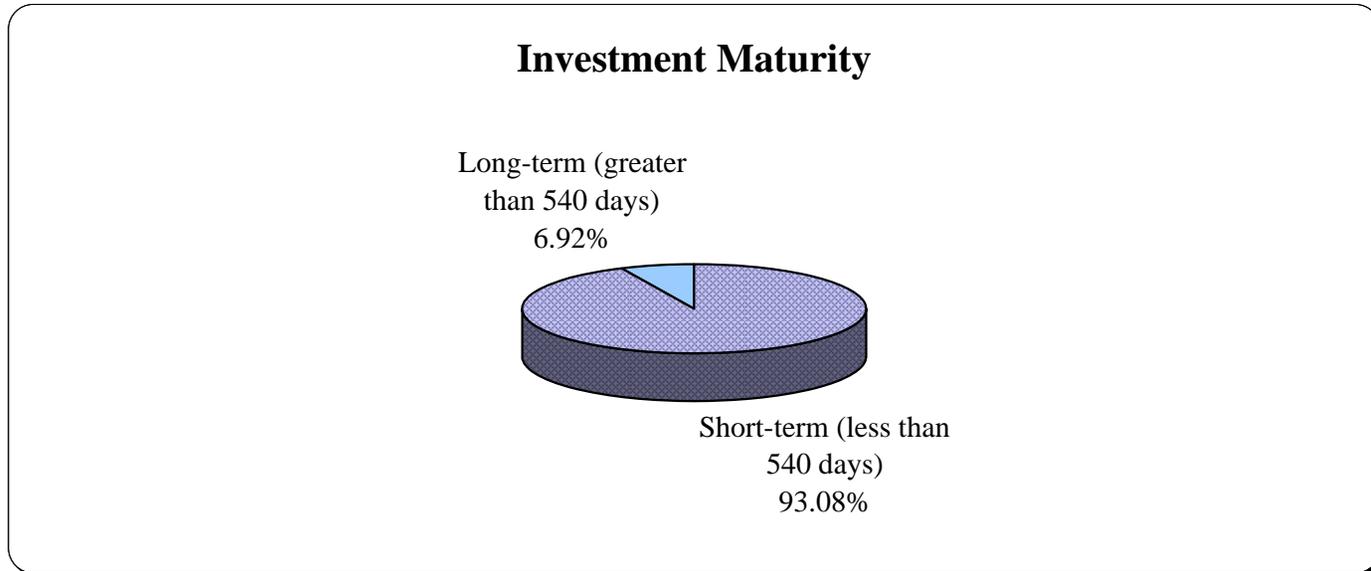
Institutions	Maximum Allowed	Current Month			Previous Month		
		Percent of Portfolio	Amount of Portfolio	Met Compliance	Percent of Portfolio	Amount of Portfolio	Met Compliance
US Bank							
Banker's Acceptance	25%	9,124,098	0.00%	-	0.00%	-	
			0.00%	-	0.00%	-	Yes
General Electric							
Commercial Paper	5%	1,824,820	0.00%	-	0.00%	-	
			0.00%	-	0.00%	-	Yes
Federal Farm Credit Bureau							
Government Agency	40%	14,598,558	5.70%	2,080,400	5.14%	2,080,400	
			5.70%	2,080,400	5.14%	2,080,400	Yes
Federal Home Loan Bank							
Government Agency	40%	14,598,558	9.69%	3,535,030	5.35%	2,165,050	
			9.69%	3,535,030	5.35%	2,165,050	Yes
Umpqua Bank							
Money Market Account	15%	5,474,459	8.95%	3,264,839	8.06%	3,263,123	
			8.95%	3,264,839	8.06%	3,263,123	Yes
Citizen's Bank							
Certificate of Deposit	25%	9,124,098	0.00%	-	0.00%	-	
			0.00%	-	0.00%	-	Yes
Local Government Investment Pool							
LGIP 4031	100%	36,496,394	73.44%	26,803,464	77.33%	31,294,670	
			73.44%	26,803,464	77.33%	31,294,670	Yes
Checking Account							
	n/a	n/a	2.20%	802,729	4.10%	1,658,172	Yes
Petty Cash							
	n/a	n/a	0.03%	9,932	0.02%	9,932	Yes
		Portfolio Total	100.00%	36,496,394	(a)	100.00%	40,471,347
							(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	27,372,295	93.08%	33,972,104	Yes	100.00%	40,471,347
Long-term (greater than 548 days)	25% max	9,124,098	6.92%	2,524,290	Yes	0.00%	-
Portfolio Total		36,496,394	100.00%	36,496,394	(a)	100.00%	40,471,347
Local Government Investment Pool	Minimum Target Options						
-15% of the overall portfolio	15% min	5,474,459		33,972,104	Yes		
-10% of the overall portfolio plus an	10%	3,649,639					
-additional 5% maturing within 60 days	5%	1,824,820					
	min	5,474,459		33,972,104	Yes		

(a) Excludes prepaid interest.



City of Corvallis
Monthly Revenue Allocations
Distributed in May 2011

Fund	Fund Name	Month's Avg Cash Balance	Interest Distributed	Fund	Fund Name	Month's Avg Cash Balance	Interest Distributed
101	General	1,021,790.07	(917.81)	460	Davidson Library	5,926.64	(3.02)
201	Street	534,992.92	(41.19)	501	Water	1,498,900.67	(665.08)
208	Street SDC	1,421,904.39	(492.10)	502	Water Timber	219,618.44	(107.04)
210	Parks & Recreation	1,332,879.49	(1,049.84)	508	Water SDC	4,995,519.25	(2,291.18)
211	Parks & Recreation - Aquatics	119,981.24	(157.93)	509	Water Construction	34,671.01	(44.98)
212	Open Space	93,981.48	(47.62)	520	Wastewater	4,263,326.81	(1,912.62)
218	Parks SDC	1,223,018.88	(0.36)	528	Wastewater SDC	8,358,702.70	(3,785.26)
220	911	761,860.90	(306.78)	529	Wastewater Construction	48,358.39	(108.70)
230	Development Services	1,662,384.83	(845.24)	540	Storm Water	1,703,481.73	(785.55)
240	Fire & Rescue	2,071,996.49	(2,398.50)	548	Storm Water SDC	22,020.91	2.17
250	Comm Dev Revolving	577,313.74	(503.74)	549	Storm Water Construction	26,230.96	(27.00)
260	Parking	944,450.67	(455.00)	560	Airport	581,829.59	(289.70)
270	Transit	(17,863.23)	(53.07)	569	Airport Construction	(39,402.30)	312.54
290	Library	1,203,676.50	(1,384.62)	610	Fleet Maintenance	120,718.73	(24.02)
291	Library 2010	432,744.03	(219.28)	615	Facility Maintenance	284,801.80	(105.79)
301	Capital Improvement	1,287,970.29	(1,241.34)	620	Technology & Communications	827,530.48	(378.30)
401	General Obligation Debt Service	1,247,377.63	(880.63)	625	Administrative Services	557,801.84	(228.99)
				630	Risk Management	849,063.18	(410.10)
Total						40,279,561.16	(21,847.67)

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.

May 2011 interest distributed is negative due to the loss on premium paid upfront on an investment that matured. Investment accounting in FY11-12 will be modified in order to reflect best practices in the industry, and prevent this type of effect from happening in the future.

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.

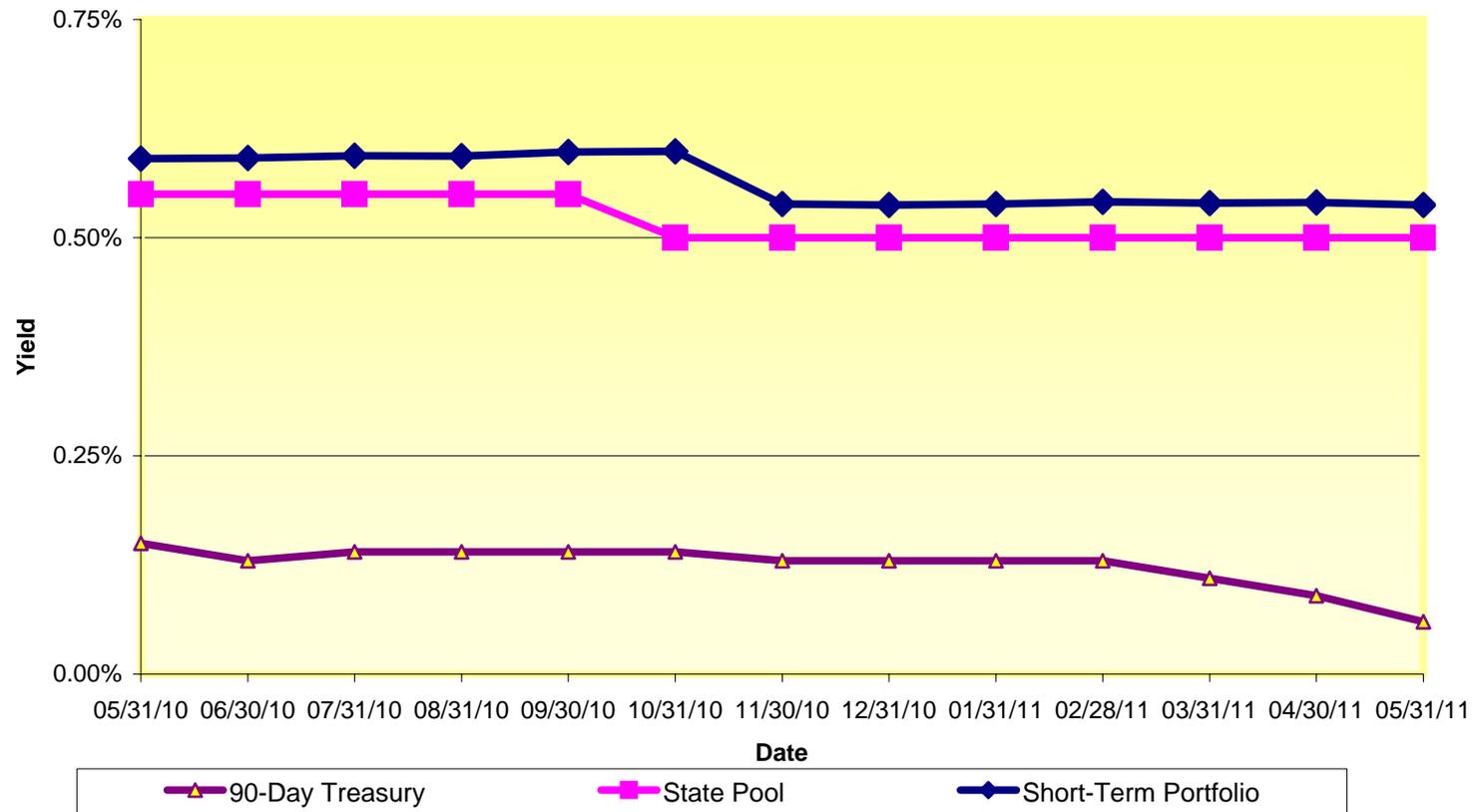
Par Value - the face value of a security. This is the value to which the coupon rate is applied for interest payments.

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.

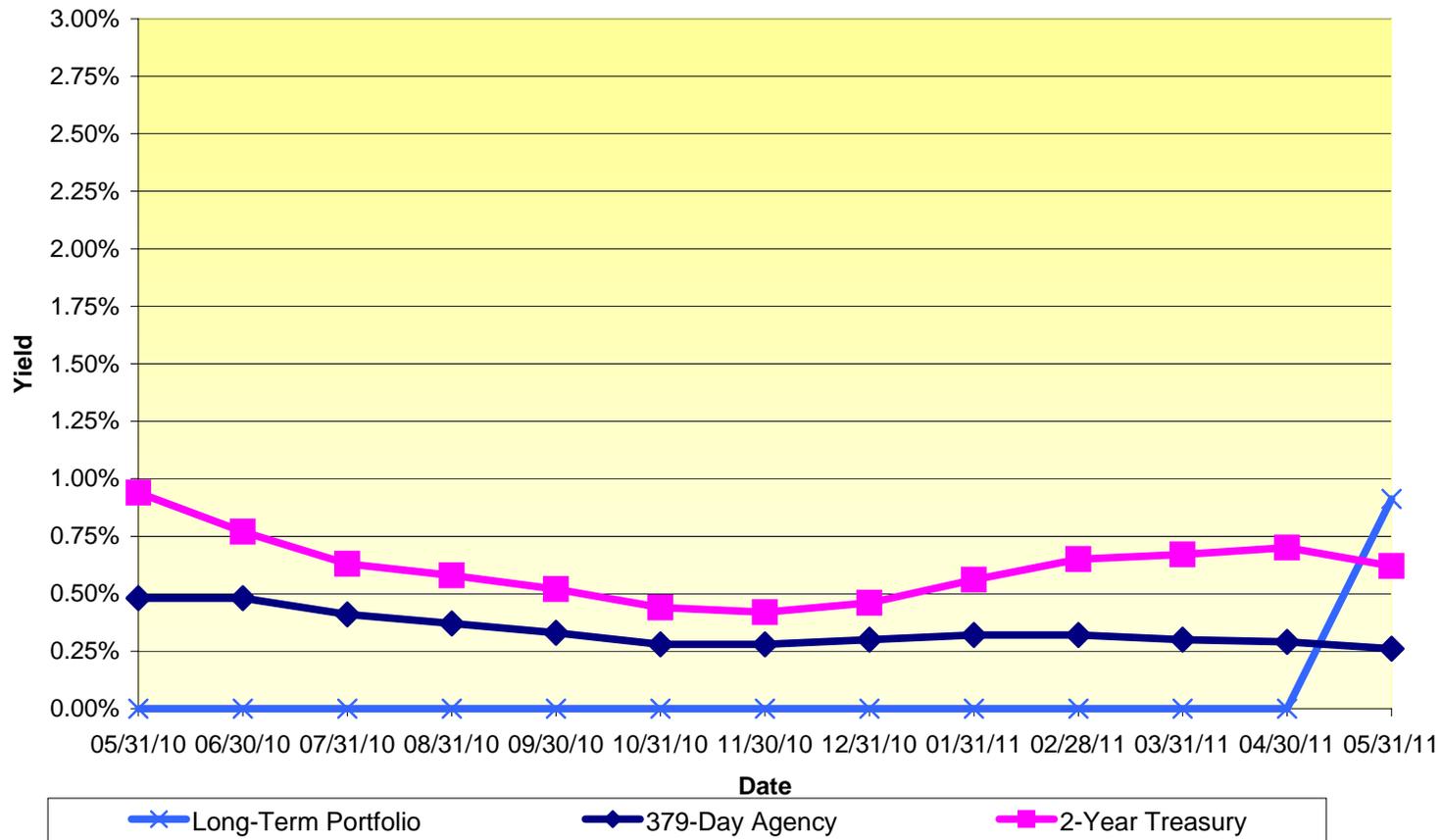


City of Corvallis Short-Term Yields May 2010 - May 2011





City of Corvallis Long-Term Yields May 2010 - May 2011





City of Corvallis Cash & Investments

