



3rd Quarter Financial Summary FY 2015-16

This report provides summary information on the City's financial status as of the end of March, 2016; more detailed comparative income statement format data is available on-line at this [link](#).

YTD PERFORMANCE AT A GLANCE		COMMENTS
GENERAL FUND		
General Fund Expenditure vs. Revenue	WATCH	Revenue totals year-to-date (YTD) exceed target since most property taxes are received in Q2. Department spending is generally at YTD targets. Long-term fiscal health in the General Fund remains a concern based on HP's \$41 million valuation decrease in 2015, as a result of its successful Supreme Court ruling, as well as ongoing growth limitations from Measures 5 and 50, even after a rebound in the economy and in housing development. Benton County certified the City's 2015 tax roll at AV growth of 2.5% versus the 3% budgeted.
Property Tax Revenue	WATCH	The majority of property tax revenues were received during Q2. As per the above, AV growth came in under budget for FY 15-16, so permanent rate and levy revenues are expected to be \$375,000 below adopted levels.
Transient Room Tax	POSITIVE	Q3 receipts are up 10% over prior year actuals, and are projected to exceed budget this year by nearly \$250K; due in large part to the on-line travel companies paying back collections as required by State law.
Franchise Fees	POSITIVE	Franchise fees through Q3 are nearly aligned with last year, but are expected to exceed budget by roughly \$100K given the Council-approved increase in City wastewater and storm water rates as of February 2016.
State Shared Revenue	WATCH	FY 15-16 YTD revenues are running 7% higher than last year due to prior year receipt lags. The League of Oregon Cities continues to predict lower cigarette/alcohol demand, impacting revenues. Marijuana tax collection started in January, but little is expected due to the first year's upfront State tax administration costs.
Fines & Forfeitures	WATCH	YTD traffic fine receipts remain low relative to adopted budget due to officer vacancies, new officers not yet fully trained, plus new technology challenges, but are expected to meet revised estimates. Court dates/scheduling can also impede revenue collection pace, even with increased ticketing.
General Fund Expenditures vs. Budget	WATCH	General Fund expenditures are generally on target and aligned with prior year spending; however, CMO and CD have only expended about 60% of their budgets when 75% would be expected at Q3. CMO is below target due to an October hiring of the contractor for Vision/Action Council Goals work, while CD is due to vacant Code Compliance and Planner positions, along with lagged spending for the Buildable Lands Inventory project. Departments are evaluating carry-overs to FY 16-17 for projects that will be not completed during FY 15-16.
SPECIAL REVENUE FUNDS		
9-1-1 Emergency Services	WATCH	Although FY 15-16 revenues are currently slightly above budget and expenditures are on track at 75%, with a forecasted declining fund balance, this fund remains a focus for the Sustainable Budget Task Force (SBTF).
Community Development Revolving	WATCH	FY 14-15 ended with a positive fund balance primarily due to the Council approved \$400,000 one-time General Fund transfer, but negative cash balances occurred at the end of Q3 FY 15-16 due to a lag with a federal reimbursement. SBTF and Housing Task Force continue to deliberate on funding alternatives that might provide ongoing support for this Fund's programs.
Development Services	POSITIVE	Permit revenues and charges for service are significantly below last fiscal year and budget due to less commercial construction permit activity YTD, but are still improved over recession year levels. Given the fund's very healthy cash reserves, there remains capacity to absorb expenditures based on what at this juncture is expected to simply be timing issues for cash receipts/revenues from development projects in the pipeline.
Parking	WATCH	Fines and parking permit revenues are lower than prior year due to continual Police Department vacancies for over a year and a half, but should improve once Parking Enforcement Officers are hired and fully trained.
Street	WATCH	Operating revenues and expenditures are on track, but fund balance declines as revenues are not adequate to maintain future service demands. This fund is also a focus for the SBTF on possible revenue alternatives.
Transit	WATCH	Fund balance and revenues continue to be stable through Q3; however, higher cost contracted bus services may require use of contingencies in FY 15-16, and the Transit Operating Fee (TOF) rate was lowered as of February 1, 2016 due to declining gas prices which could also impact service levels going forward.
ENTERPRISE FUNDS		
Airport	POSITIVE	Revenues, expenditures and fund balance are stable and sufficient to maintain current operations.
Storm Water	WATCH	Project spending in this fund may require significant rate increases in coming years.
Wastewater	WATCH	Increased metered revenues may not be sufficient to offset future costs to maintain current levels of service.
Water	POSITIVE	Metered usage, the new rate structure, and stable expenditures maintain current service levels.
INTERNAL SERVICE FUNDS		
Risk Management	WATCH	Risk coverage premiums continue to increase; and until deductibles are met from previous fiscal years, claims can still be made potentially impacting current fiscal year appropriations.

What the ratings mean: Positive – Current revenues and City Council-adopted use of reserves are sufficient to support the current level of service. Fund balances appear stable over a three-year forecast. No significant negative issues are identified.

Watch – Various stressors may cause current revenues to be flat or decline and impact the fund's capacity to support the current level of service. Factors exist that may contribute to higher than anticipated expenditure levels in more than one category over the next 6-12 months.

Negative – Current expenditures exceed or revenues are significantly behind forecast assumptions. Fund balance is unstable. Immediate action to balance fund is likely required.

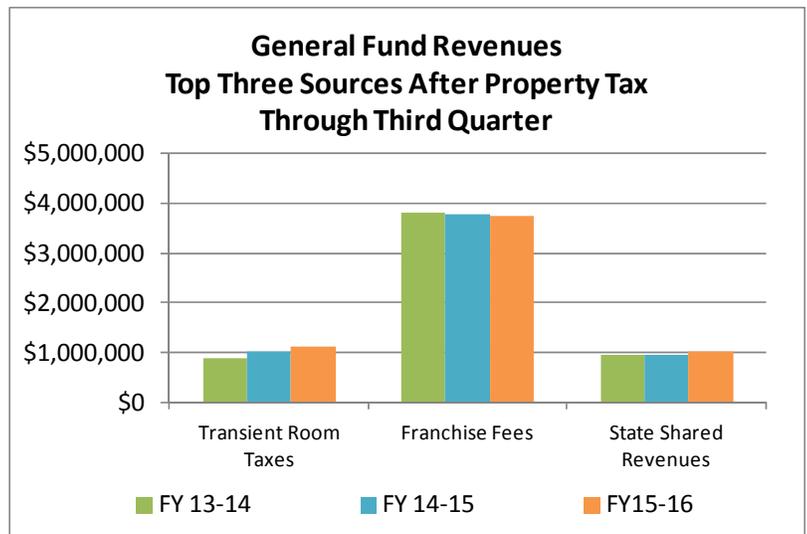
GENERAL FUND COMBINED*

REVENUE	AMENDED BUDGET	3rd Quarter FY 14-15	Y-T-D FY 14-15	FY 14-15 % REC/EXPEND	AMENDED BUDGET	3rd Quarter FY 15-16	YTD FY 15-16	FY 15-16 % REC/EXPEND
Budgeted Beg. Fund Balance (incl reserves)	\$6,451,158				\$8,559,430			
Property Taxes	\$24,447,050	\$934,595	\$24,023,110	98.27%	\$26,004,540	\$960,555	\$24,811,318	95.41%
Other Tax	1,427,600	282,198	1,018,651	71.35%	1,511,830	298,191	1,126,026	74.48%
Licenses/Permits	5,741,280	1,678,966	4,035,905	70.30%	5,868,130	1,639,178	3,982,060	67.86%
Charges for Service	5,892,810	1,305,609	5,025,538	85.28%	6,053,430	1,300,309	5,098,839	84.23%
Intergovernmental	3,907,120	322,688	3,324,365	85.08%	4,223,730	444,477	3,625,543	85.84%
Fines/Forfeitures	759,660	190,856	547,485	72.07%	769,160	177,940	547,094	71.13%
Miscellaneous	652,660	166,127	477,417	73.15%	1,262,910	476,016	850,705	67.36%
Other Financing Sources	1,236,100	92,759	907,285	73.40%	1,241,800	143,017	406,778	32.76%
TOTAL CURRENT REVENUE	\$44,064,280	\$4,973,798	\$39,359,755	89.32%	\$46,935,530	\$5,439,683	\$40,448,363	86.18%
EXPENDITURE BY DEPARTMENT								
City Manager's Office	\$293,300	\$75,384	\$222,820	75.97%	\$501,700	\$117,015	\$306,829	61.16%
Community Development	1,498,870	345,338	946,430	63.14%	1,686,300	323,899	970,621	57.56%
Finance	647,260	143,998	436,604	67.45%	678,050	144,215	426,301	62.87%
Fire	11,397,090	2,384,673	8,247,896	72.37%	11,714,420	2,618,163	8,072,652	68.91%
Library	6,151,640	1,464,502	4,354,068	70.78%	6,349,950	1,604,510	4,527,673	71.30%
Parks & Recreation	6,367,630	1,340,584	4,482,250	70.39%	7,181,630	1,520,361	4,899,495	68.22%
Police	11,293,220	2,760,556	8,094,331	71.67%	11,884,850	2,888,261	8,215,074	69.12%
Public Works	991,940	173,698	597,576	60.24%	1,121,630	276,425	550,510	49.08%
Non-Departmental	994,420	196,506	629,783	63.33%	994,920	257,547	663,722	66.71%
TOTAL OPERATING EXPENDITURES	39,342,070	8,885,238	28,011,758	71.20%	\$42,113,450	\$9,750,396	\$28,632,877	67.99%
Debt Service	\$837,160	\$56,409	\$279,053	33.33%	\$693,240	\$70,050	\$693,234	100.00%
Transfers / Other Financing Uses	3,665,640	331,604	2,483,079	67.74%	4,211,240	253,256	2,786,600	66.17%
Contingencies/Reserves	330,000	0	0	0.00%	530,000	0	0	0.00%
TOTAL ALL EXPENDITURES	\$44,174,870	\$9,273,251	\$30,773,890	69.66%	\$47,547,930	\$10,073,702	\$32,112,711	67.54%
CURRENT REVENUE LESS								
TOTAL EXPENDITURES		(\$4,299,453)	\$8,585,865		(\$612,400)	(\$4,634,020)	\$8,335,652	

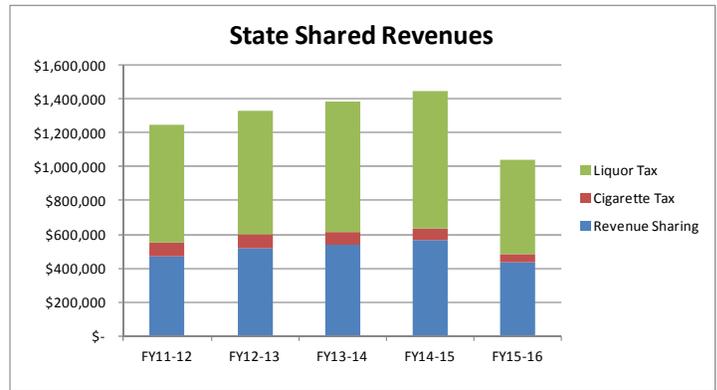
* General Fund Combined includes component reserve funds effective FY 14/15

The General Fund Income Statement format above shows that FY 15-16 revenues (excluding other financing sources which are associated with pass-throughs and have an offsetting expense) are higher than FY 14-15 by approximately 4.1% while operating expenditures are up 2.2% from last year at this time. City Manager's Office expenditures are up \$84,000 from last year due to YTD spending on Council Goals, which is being accounted for as a new division in FY 15-16. Fire expenditures are down about \$175,000 from last year mostly due to the purchase of an aerial equipped engine, but slightly offset by higher personnel services in FY15-16 from fewer vacancies throughout the year. Police expenditures are below budget due to several vacancies which are in various stages of recruitment. Parks & Recreation (P&R) has greater spending this fiscal YTD due to Majestic Theatre operations, which were not part of first half figures in FY 14-15 due to the City taking over operations in January 2015. Non-Operating expenses are greater this fiscal year due to Debt Service and Interfund Transfers. Debt Service includes payback of the Fire Drill Tower financing, with principal payments starting in FY 15-16. The latter have already been paid, so only interest payments remain to be made this fiscal year. Interfund Transfers are also greater this fiscal year due to \$255,500 being moved to the Street Fund for street light utility cost support (versus being included in Public Works' operating budget, which explains the decrease in that department's YTD spending), as well as Council approved transfers of \$100,000 to the CD Revolving Fund to assist fund balance and \$340,000 to the 9-1-1 Emergency Communications Fund for new consoles and dispatch software.

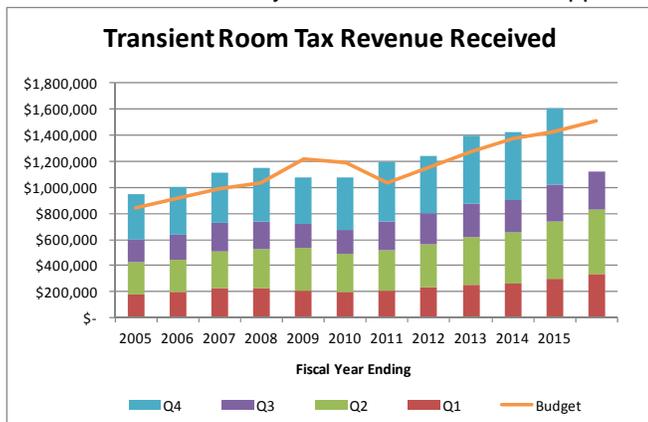
The adjacent graph illustrates improvements being noted in Transient Room Taxes and State Shared Revenues YTD, while Franchise Fees are aligned with previous year receipts in the General Fund. State Shared Revenue should be higher than currently reported due to a lag in turnovers from the State. Although YTD operating expenditures offset these improvements somewhat, as they are approximately \$620K higher than last fiscal year as of the end of March, the budget did anticipate a net increase in costs, and operational spending YTD is under 68% of budget, which is below the 75% that would normally be expected by the end of Q3.



State Shared Revenues – Using State projections, the League of Oregon Cities (LOC) produces per capita estimates of State Shared Revenues annually. These estimates are available to assist cities in the development of their budgets. Per capita distribution for appropriate revenue sources are calculated based on certified statistics from Portland State University’s Center for Population Research. The City uses the population reports to determine growth patterns, combined with historical patterns to estimate current and future year receipts. Even as distributions to the City of Corvallis have remained relatively stable, staff recognizes the volatile nature of these resources when developing budget projections for this revenue source. Cigarette taxes continue their decline of recent years, but will likely achieve budget for FY 15-16. While liquor revenue has seen a 5% average increase over the past five years, in March the State’s Office of Economic Analysis released the “Oregon Economic and Revenue Forecast”, which significantly reduced its 2015 liquor revenue disbursement estimates by approximately 10%. Through Q3 the City has received approximately 72% of budgeted state revenue sharing. Given the recent news from the State, the City may end FY 15-16 slightly under projected estimates for liquor, while cigarette and other state shared revenues are expected to achieve budget.

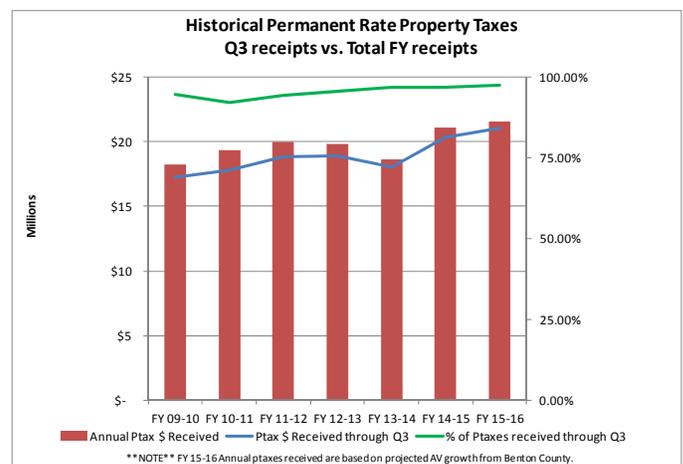
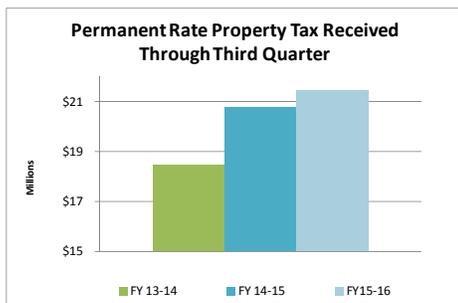


Transient Room Tax – Transient Room Taxes are considered a minor revenue in the General Fund, at only about 3% of total revenue. These receipts are still one of the larger non-dedicated revenue sources behind property taxes, bringing in over \$1 million annually. This revenue stream appears to be on a steady rise again after experiencing a significant slump back in FY 08-09 and FY 09-10 due to the poor economy at the time (i.e., higher fuel costs and tight credit markets were impacting leisure travel plans). This source of revenue is extremely dependent upon economic factors, making it difficult to forecast, as seen in FY 08-09 and 09-10 in the adjacent graph, where the trend was heavily impacted by the economy.



As such, budgeting has typically erred on the conservative side. Local businesses impact the number of special events/conferences held in Corvallis, enrollment at Oregon State University may influence the number of family members coming to visit students, hotels have control over raising or lowering room rates, and gas prices may dictate travel plans; all of these elements impact the amount of transient room tax paid to the City. Since the economy has shown some improvement, revenues have begun steadily increasing, and are currently about 10% higher than this time last year, and on track to exceed the adopted budget.

Property Tax – The majority of property taxes are received during the second quarter as a result of property tax statements distribution to tax payers in October. Most taxpayers pay in full by the first deadline on November 15th as the result of the 3% discount early payment incentive. The graph on the right shows total annual property taxes received in the fiscal year (red bars), with the blue line depicting the amount of property taxes received through the third quarter of the fiscal year, and the green line showing property tax receipts through the third quarter as a percentage of total annual property tax receipts received. The chart to the left shows the permanent rate property taxes received over the past three years through the third quarter of each fiscal year and illustrates how an increase in assessed value has positively impacted receipts in FY 15-16, and also how the Hewlett-Packard refund in FY 13-14 resulted in a significant reduction to revenues in that year.



GENERAL FUND					
BUDGETARY BASIS	AUDITED FY 14-15	AMENDED FY 15-16	REVISED FY 15-16	Year-To-Date FY 15-16	% of Revised Budget Year-to-Date
RECURRING					
NON DEDICATED REVENUE					
Property Taxes - Permanent Rate	\$21,048,894	\$21,952,620	\$21,592,990	\$21,067,844	97.57%
Local Op Levy 2013 - HP Replacmt/SocServ Funding	745,536	794,440	791,580	744,843	94.10%
Prior Year Delinquent Tax Revenue	508,655	452,290	550,000	368,564	67.01%
Transient Room Tax	1,604,370	1,511,830	1,761,760	1,126,026	63.91%
Franchise Fees	5,635,615	5,495,100	5,604,500	3,741,714	66.76%
State Revenue Sharing	563,487	565,140	565,140	437,279	77.38%
Alcohol/Cigarette Tax	883,334	883,460	883,460	600,659	67.99%
Pass-Throughs	1,144,768	1,239,430	1,239,430	388,893	31.38%
Miscellaneous Other Revenues	692,292	723,320	669,650	607,038	90.65%
TOTAL NON-DEDICATED RECURRING REVENUE	\$32,826,951	\$33,617,630	\$33,658,510	\$29,082,859	86.41%
DEDICATED REVENUE					
Property Tax - Local Option Levy	\$2,632,517	\$2,805,190	\$2,795,120	\$2,630,068	94.10%
City Manager's Office	122,690	126,190	126,190	123,540	97.90%
Community Development	232,542	119,590	144,590	168,427	116.49%
Finance	314	200	200	201	100.49%
Fire	3,975,627	3,626,590	3,706,590	3,267,216	88.15%
Library	2,791,379	2,943,570	2,943,570	2,838,143	96.42%
Parks & Recreation	1,758,205	1,769,270	1,769,270	1,159,765	65.55%
Police	386,493	391,740	391,740	339,882	86.76%
Public Works	5,938	1,000	1,000	460	46.00%
TOTAL DEDICATED RECURRING REVENUE	\$11,905,704	\$11,783,340	\$11,878,270	\$10,527,703	88.63%
TOTAL RECURRING REVENUE	44,732,654	\$45,400,970	\$45,536,780	\$39,610,562	86.99%
EXPENDITURES					
City Manager's Office ⁽¹⁾	\$292,930	\$303,020	\$303,020	\$217,483	71.77%
Community Development ^(2,5)	1,403,358	1,571,510	1,458,510	925,464	63.45%
Finance ⁽³⁾	647,251	678,050	618,050	426,301	68.98%
Fire ^(3,5)	10,667,091	11,232,180	11,047,110	7,958,375	72.04%
Library ⁽⁴⁾	6,051,134	6,334,450	6,324,450	4,575,307	72.34%
Parks & Recreation	5,828,585	6,047,270	6,047,270	4,348,856	71.91%
Police ^(3,5)	11,123,206	11,665,580	11,077,330	8,032,835	72.52%
Public Works ⁽⁶⁾	703,933	703,920	703,920	561,906	79.83%
Non-Departmental	772,855	825,810	825,380	617,932	74.87%
Debt Service	279,053	693,240	693,240	693,234	100.00%
Pension Obligation Bond Debt - Transfers	1,931,790	2,036,810	2,036,810	1,643,850	80.71%
Pass-Throughs	1,135,754	1,239,430	1,239,430	295,050	23.81%
Contribution to Fund Balance Reserve/Contingencies	1,969,720	1,753,000	1,763,000	1,763,000	100.00%
Contributions/Adjustments to Other Reserves	380,815	0	(3,900)	(3,900)	0.00%
TOTAL RECURRING EXPENDITURES	\$43,187,475	\$45,084,270	\$44,133,620	\$32,055,692	72.63%
RECURRING REVENUE EXCESS (SHORTFALL) OVER EXPENDITURES	\$1,545,180	\$316,700	\$1,403,160	\$7,554,870	
POTENTIAL BEGINNING BUDGETARY FUND BALANCE	269,750	1,021,740	1,359,150	1,359,150	
<i>Net Recurring Revenue/Expenditure</i>	1,545,180	316,700	1,403,160	7,554,870	
<i>Net Non-Recurring Revenue/Expenditure</i>	(455,780)	(1,154,290)	(965,420)	(965,420)	
ENDING BUDGETARY FUND BALANCE	\$1,359,150	\$184,150	\$1,796,890	7,948,600	
Ending Reserve Balance by Type					
RESTRICTED	\$1,010,637	\$571,965	\$980,437	\$980,437	
COMMITTED	\$1,063,289	\$1,029,707	\$999,739	\$999,739	
ASSIGNED	\$2,048,238	\$217,998	\$1,751,138	\$1,751,138	
FUND BALANCE	\$4,820,209	\$5,943,209	\$6,583,209	\$6,583,209	
	\$8,942,372	\$7,762,880	\$10,314,522	\$10,314,522	

(1) CMO's recurring budget amount above does not include the one-time Council Goal monies that are part of the total budget amount shown on the pg. 2 General Fund Income Statement (and thus the percentage of budget spent by CMO in that table is lower than above) and also excludes other non-recurring projects.

(2) CD has \$10,000 in revised savings to offset the fund balance reduction originally budgeted for FY 15-16 to fund the EDO contract with Linn Benton for small business support.

(3) Finance (\$60,000), Fire (\$155,070), and Police's (\$125,000) FY 15-16 Contribution to Reserves have been revised out of FY 15-16 and carried over to FY 16-17 to enable an interfund transfer to the new Vehicle/Equipment Reserve Fund.

(4) Library reduced its recurring operating expenditures on a revised basis to redeploy funds for a needed vehicle purchase early in the fiscal year.

(5) CD is carrying over \$103,000, Fire is carrying over \$30,000, & Police is carrying-over \$463,250 in project dollars to FY 16-17 for projects that cannot be completed in FY 15-16.

(6) Public Works is ahead of target because both budget and actual above include a \$255,500 transfer to the Street Fund made in one installment at the beginning of the year to support the LED streetlight conversion project, in lieu of total annual electricity costs previously paid by the General fund.

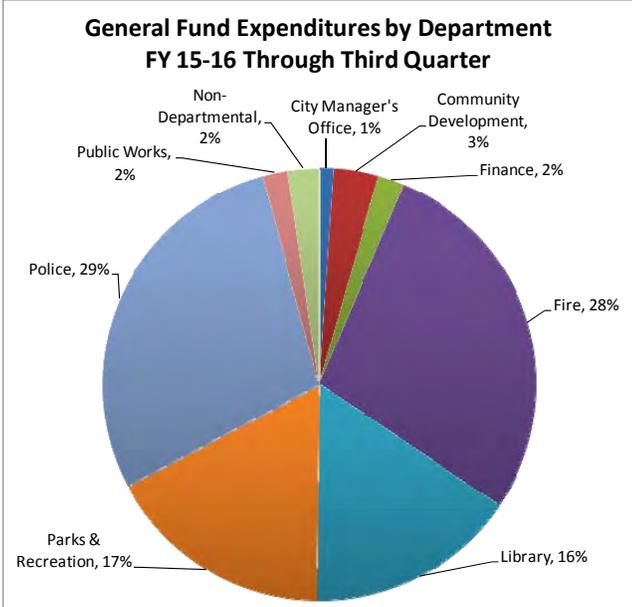
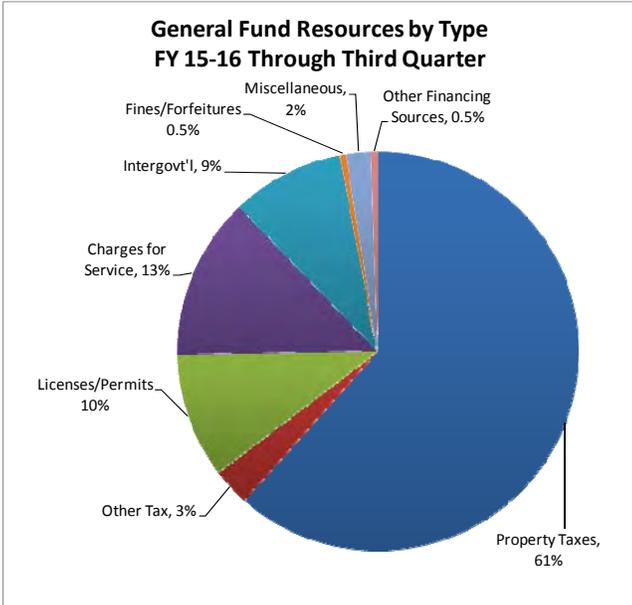
The General Fund Financial Plan update on the previous page shows the unaudited, estimated status of the “green and yellow lines” at the end of Q3. The majority of FY 15-16 property taxes were received in the second quarter, thus the sustainable green line and the ending budgetary fund balance YTD are shown with a large positive balance. However, these amounts will decrease as planned department expenditures occur during Q4. Certified assessed property values for the City grew by 2.49% versus the 3% increase built into projections due to the State loss of the Hewlett-Packard appeal, which also led to a permanent \$41 million reduction in HP’s assessed value. As such, year-end property tax revenue will come in lower than adopted levels for both permanent rate and local option levy. Franchise fees, transient room taxes, and prior year delinquent tax revenue are expected to exceed adopted levels, thus offsetting most of the reduction anticipated in property tax revenue. The General Fund should still end FY 15-16 with a positive ending fund balance provided contingency use is minimized, and other revenues and expenditures continue according to expectations.

The **resources** pie chart, to the right, graphically illustrates the YTD proportions of all resources supporting General Fund services. Approximately 95% of budgeted Property Taxes have been received through Q3 which accounts for approximately 61% of the total resources received YTD.

The **expenditures** pie chart shows the distribution of General Fund expenditures by department through the third quarter. The public safety departments (Fire and Police) account for about 57% of fund operating expenditures; while other operations such as library, parks & recreation, economic development, municipal court, planning and code enforcement are the remaining 43% of expenditures.

Comparing year-to-year expenditures in this Fund (table on page 2) demonstrates that FY15-16 operational spending is higher than in FY14-15, but lower as a percentage of budget in FY15-16. Some notable highlights by department include:

- The City Manager’s Office (CMO) in total is only 61% expended for the year, due to the new Council Goals division, which is only 36% expended YTD due to a delayed start for the contracted employee; Economic Development, however, is just over the target at approximately 76%.
- Community Development expenses are at only 58% of budget, which is primarily driven by the lag in spending on the Buildable Lands Inventory special project YTD and vacancies in Code Compliance and Planning.
- Finance’s personnel services are trending lower due to a vacant .5 FTE Court Clerk position. The department has decided not to fill this position as a cost-saving measure.
- Fire’s expenses are 69% of budget, but approximately \$175,000 less than in FY 14-15 due to a combination of an aerial equipped engine purchased early last year and higher personnel services this year from fuller staffing levels.
- Public Works expenses in the General Fund are only at 49% of budget due to little spending of a recent Benton County donation for upgrades to Channels 21 and 29, of which the majority will be carried over to FY 16-17.
- Contributions to reserves will be recorded at the end of the fiscal year as part of year-end audit processes.



Fund Name	Resources YTD through 3rd Quarter FY14-15	Resources YTD through 3rd Quarter FY15-16	Variance 14-15 to 15-16	FY 15-16 Total Budgeted Revenue	YTD% of FY 15-16 Total Budgeted Revenue
911 Emergency Services	1,727,149	2,235,806	508,657	2,786,740	80.23%
Administrative Services	3,723,773	3,854,425	130,652	5,108,670	75.45%
Airport	369,710	410,301	40,591	1,196,780	34.28%
Capital Improvement Project	6,377,362	1,609,354	(4,768,008)	9,115,340	17.66%
Community Development Revolving	968,180	704,171	(264,009)	2,176,280	32.36%
Davidson	24	31	7	0	0.00%
Development Services	2,561,321	1,648,187	(913,134)	3,168,970	52.01%
Facility Maintenance	608,123	615,436	7,313	810,770	75.91%
Fleet Maintenance	542,729	473,372	(69,357)	859,480	55.08%
General Obligation Debt Service	1,055,456	1,080,661	25,205	1,147,090	94.21%
Parking	489,877	454,150	(35,727)	653,760	69.47%
Parks System Development Charge	1,414,279	205,441	(1,208,838)	198,730	103.38%
Pension Obligation Debt Service	2,208,890	2,296,840	87,950	2,845,930	80.71%
Risk Management	1,208,978	1,555,427	346,449	1,480,110	105.09%
Street	2,830,808	3,743,609	912,801	5,038,100	74.31%
Street & Utilities Systems Development Charge	5,429,634	2,109,885	(3,319,749)	4,238,820	49.78%
Stormwater	1,925,406	2,114,945	189,539	3,060,080	69.11%
Technology & Communication	1,187,556	1,375,526	187,970	1,832,420	75.07%
Transit	1,956,067	2,024,307	68,240	3,162,280	64.01%
Wastewater	8,374,508	9,316,586	942,078	16,696,330	55.80%
Water	9,265,400	8,162,970	(1,102,430)	11,430,120	71.42%
TOTAL RESOURCES	\$ 54,225,230	\$ 45,991,430	\$ (8,233,800)	\$ 77,006,800	59.72%

RESOURCES – Info on <=>5% difference in Operating Funds from prior year or budget target (75%)

Airport – Operating revenues are aligned with prior year but only 68% of budget YTD, as is usual since final seed crop sales typically do not come in until June. The increase shown in current year total revenue is due to an intra-fund transfer associated with improvement work being done on the cargo access road.

CD Revolving – Resources are less than prior year and budget. This reduced revenue stream is partially due to a timing issue with regard to Community Development Block Grant (CDBG) and HOME program grant revenues being reimbursed and received only after expenditures are incurred. The problem also stems from both ineligible expenses incurred to administer the program and from reduced availability of federal funding in total. Council and staff are working on the Sustainable Budget and Housing Goals to help address the housing program issues.

Development Services / Parks System Development Charge (SDC) / Street & Utilities SDC – Charges for Service revenue in these funds, with the exception of Parks SDC, related to permits/reviews/inspections and SDC's respectively, lag budget and remain below Q3 last year due to less development activity so far this fiscal year. Last year saw a lot of multi-family project development including the Oak Creek Retreat, which led to higher revenues early in the year. Timing of large projects is variable, spanning multiple months/years, so revenues typically are less predictable.

Fleet Maintenance – Current year receipts are below target and last year due to lower than expected fuel prices which affect fuel sales. This also favorably impacts the cost side, so there is no negative impact to the bottom line.

Parking – Revenues are below budget and approximately \$35,000 less than the same time in FY 14-15 due partly to last year's \$20,000 received for fees in-lieu of parking program improvements. Fine and forfeitures continue to decline as a result of ongoing Parking Enforcement vacancies. This operation has been understaffed for over a year, resulting in fewer citations being issued. Revenues are expected to increase and stabilize once fully trained staffing is achieved.

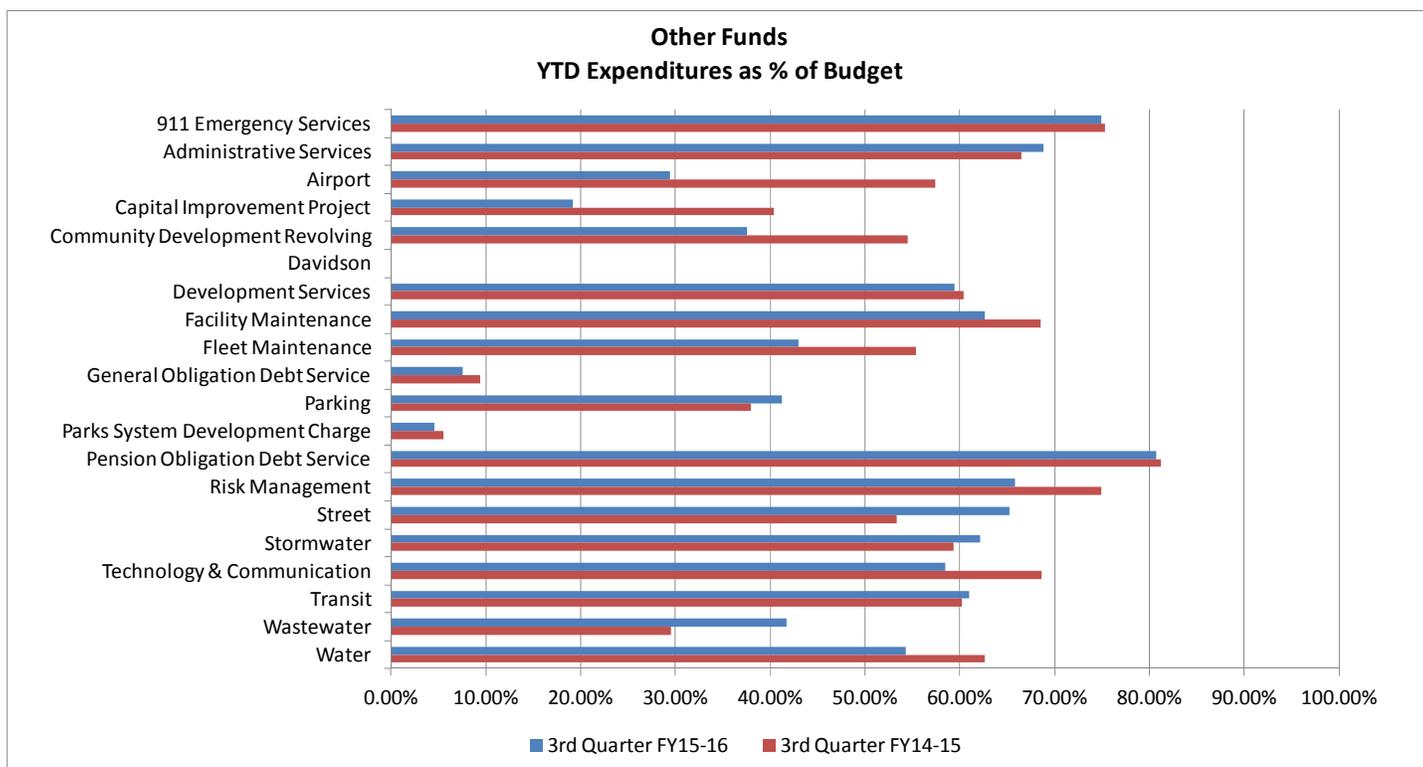
Risk Management – Timing of this internal service charge to departments coincides with insurance premium payments, 75% of which occur in July and 25% in January, so revenue levels by Q3 are always at least 100%; higher current receipts are due to final loss recovery proceeds associated with a tree replacement due to last year's Timberhill Fire.

Street – Revenues are on track as a percentage of budget, but significantly higher than prior year due to transfer activity inflating revenues by \$610,500 which includes: a \$355,000 intrafund loan from the Street SDC Fund for completion of the streetlight retrofit project, to be paid back within five years through energy savings; and \$255,500 for annual support by the General Fund for its portion of streetlight utility costs, which will continue as a flat annual amount until the Street SDC intrafund loan is paid in full, at which time the future funding allocation of streetlight utility costs will be revisited.

Stormwater – Revenues are slightly lagging against current year budget from construction fund activity delays, but are nearly \$190K greater than last year in total due to increased utility rates taking effect February 1, 2106, as well as proceeds from the sale of a street sweeper.

Transit – FY 15-16 revenues reflect a slight increase compared to Q3 of FY 14-15 due primarily to timing of receipts with the federal operating grant; however, the Transit Operating Fees are starting to reflect the impact of the new rate, which is adjusted annually in February due to gas price fluctuations, as it is 23% lower for 2016. These revenues are expected to come in under budget and the prior year by fiscal year end.

Wastewater/Water – Water Fund revenue in total has decreased in FY 15-16, though it is on target with budget, due to the reduced intrafund transfer from Water SDC's to cover the diminishing Water Treatment Plant Expansion Charge (WTPEC) debt service costs related to the Taylor Plant renovation and lagging construction-related intrafund transfers based on slower progress on CIP. The Wastewater Fund intrafund transfers for capital construction work being done on annual sewer rehab projects was recorded earlier in FY 15-16 than the previous year, which partly explains the large increase in revenues shown above, but they continue to lag total budget YTD due to timing of construction projects overall.



EXPENDITURES – Info on <5% difference in Operating Funds from prior year or budget target (75%)

The above bar graph compares FY15-16 and FY14-15 expenditures through March 31st as percentages of their respective total budgets for all City funds except the General Fund (discussed in previous pages).

Administrative Services – The financial software system replacement, partly appropriated for in FY 15-16, will be delayed until FY 16-17; this situation, along with the Public Information Officer (PIO) recruitment taking more time than expected, have both contributed to savings through Q3.

Airport – Total spending is lagging against current year budget and prior year actuals, mostly due to large improvement projects on the airport buildings/grounds, including the cargo access road construction which has been delayed until later in the year and is unlikely to be complete until FY 16-17.

CD Revolving – Expenditures are low as a percentage of budget because they are primarily grant-related, thus variable in timing and FY 15-16 projects are slow to progress. Additionally, the Housing and Neighborhood Services Manager

served as the interim CD Director so those personnel service costs are distributed primarily to the funds supported by the Director and only allocated to the CD Revolving Fund for hours directly worked on CDBG and HOME grant projects.

Davidson – This \$5,000 endowment from a 1981 donation is designated as a Permanent Fund under governmental accounting guidelines. To grow the balance, Library staff did not appropriate expendable interest earnings for FY 15-16.

Development Services – Spending is low as a percentage of budget in both fiscal years due to vacancy savings; recruitments for vacancies have been delayed until a new CD Director is hired. FY 15-16 is also low due to only 5% of special project budget having been spent YTD, to ensure sufficient revenues will be available to cover these costs.

Facility Maintenance – FY 15-16 spending is lower than prior year and budget targets mainly due to a vehicle replacement not taking place yet, and planned facility maintenance projects scheduled for completion in the spring.

Fleet Maintenance – FY 15-16 spending is significantly lower than FY 14-15 due to the average price per gallon of fuel being 37% lower than last year, along with carrying a vacancy for most of the fiscal year.

Parking – Spending is low as a percentage of budget in both years due to a vacant .50 FTE Parking Program Specialist and no spending of special project dollars yet associated with new pay stations.

Parks System Development Charge (SDC) – Fund expenditures are for capital projects. Spending is aligned with FY 14-15, but lags against current year budget due to project delays.

Risk Management – Timing of internal service charges to departments is weighted to coincide with insurance premium payments, 75% of which occur in Q1 and the remaining 25% occur in Q3. Self insurance claims are largely unpredictable, and can vary significantly year-to-year due to the significant deductible exposure the City has with outstanding tort/liability claims. Year-to-date self insurance claims are only 30% of budget, while workers' compensation (WC) premium costs appear on target at nearly 72% of its budget used through Q3; however, the third and fourth quarter invoices of claim costs will still occur in Q4, so this is being monitored closely for a possible use of contingencies or a transfer of appropriations from Finance to CMO.

Street – The bar chart above indicates spending in FY 15-16 is on track with current year budget, yet significantly greater than last year's actuals mainly due to earlier project completion including the 766 streetlight lamps that have been replaced with LED lamps. Starting in FY 15-16, the street resurfacing projects covered by TMF funding now run through CIP and annual transfers out to the CIP Fund have already taken place for the majority of the annual budget.

Technology and Communication – Below budget spending is from FY 15-16 vacancies anticipated to be filled by the end of the fiscal year, \$45K in network upgrades and nearly \$90K for planned replacement of the City's phone system that is being carried over to FY 16-17.

Transit – Though low in both years, the percentage of budget spent is comparable, and can mostly be attributed to lower fuel costs, which are again lower than anticipated this year, and subsequently driving the cost of Materials & Supplies down. A vacant position in FY 15-16 is also creating some Personnel Services savings.

Wastewater – Operating expenditures are lower than budget target as a percentage, but aligned with last fiscal year in total; although, total fund expenditures are significantly greater this year due to a \$1 million capital project transfer out for construction work on the wastewater reclamation plant secondary clarifier.

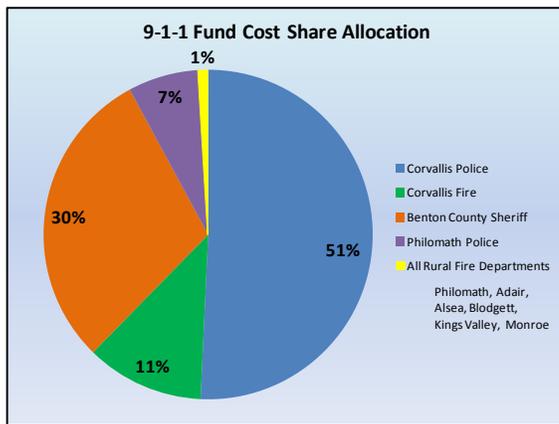
Water – FY 15-16 expenditures are low as a percentage of budget and less than prior year actuals, mostly due to less in intrafund transfer support for capital construction work done on water systems rehab projects, and debt service payments tapering off on the 2012 Full Faith and Credit Refunding Obligations, with final payment scheduled for FY 16-17.

FUTURE OUTLOOK

Police Department – 9-1-1 Communications Fund

Corvallis Regional Communications Center (CRCC) is the primary Public Safety Answering Point (PSAP) for all Benton County, and operates under the guidance of the 911 User Board established in 1983 through an Intergovernmental Agreement. Members of the 911 User Board include all ten law enforcement, fire and emergency medical organizations county-wide (Corvallis Police, Benton County Sheriff, Philomath Police, Corvallis Fire, Philomath Fire, Adair Fire, Alsea Fire, Blodgett-Summit Fire, Kings Valley Fire and Monroe Fire).

Services include providing emergency police, fire and medical dispatch, and non-emergency support to the community and public safety agencies. The CRCC staff answers approximately 420 telephone calls per day and dispatches over 46,000 calls for service each year.



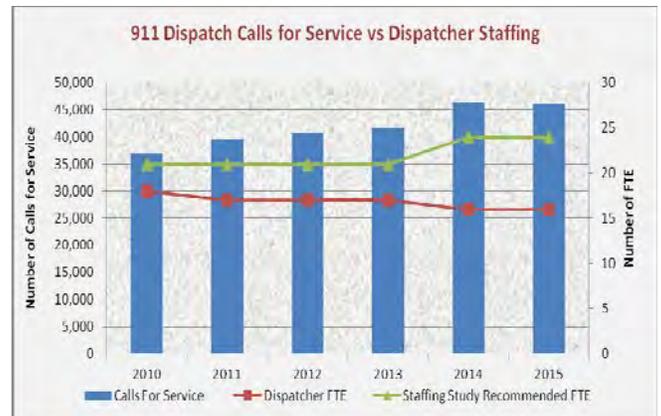
The City of Corvallis for Police and Fire Departments combined, have historically paid for over 60% of the total fund, and the population of Corvallis is almost 64% of the total Benton County population. The 911 Fund, in addition to cost share allocation, also receives revenue through the State phone tax which equates to about \$500,000 annually and a small contract with the US Forest Service of less than \$2,000 annually.

Demands for Service:

Service demands on the 911 Center continue to increase. In the last six years, total annual calls for service by all agencies has increased 25% from 36,926 to 46,093, while dispatcher staffing has decreased 11%. The Association of Public-Safety Communications Officials, Inc. (APCO) completed an operations, policy and staffing study in FY 07/8 and recommended CRCC staffing of 24 dispatchers, 5 call takers and 4

additional supervisors. Emergency Services Consulting, International (ESCI) completed a District financial feasibility Study in 2012, and recommended 21 dispatchers who perform dual call taker/radio dispatch work plus 4 additional supervisors. In 2010, dispatch staffing was increased to 18, however 911 Fund, and user agency budget constraints have necessitated reducing to 16 funded positions.

In 2013, staff explored consolidation and/or contracting for services with Central Lane Communications Center (CLCC) in Eugene however savings would not be realized, rather increases to personnel would have occurred. As such, the efforts with CLCC were discontinued.



911 Console Replacement/Priority Dispatching System/Back-up 911 Center:

In FY 15/16 City Council approved one-time expenditures from the General Fund of \$340,000, combined with 911 equipment reserves of \$240,000 to fund replacement of the 911 Consoles and implementation of ProQA Priority Fire Dispatching software. Both projects have been fully implemented in FY 15/16. During implementation of the new 911 consoles, the dispatch operations were moved to the 911 Back Up Center at Fire Station 1. This center was equipped in FY 06/07 with trickle down equipment which is not on a replacement schedule. It minimally allows for emergency communications and computer aided dispatch, however the functional needs today have outpaced the center's capabilities. The estimated cost to upgrade the technology needs to meet operational demands is approximately \$100,000. \$20,000 has been identified in the FY 16/17 budget to begin this work, however future funding will need to be identified.

Service District:

At the 2015 Sustainable Budget Task Force presentation on the 911 Fund, alternatives for long-term sustainable funding were proposed involving the creation of a Service District as recommended by the ESCI. This solution would support the 911 Center and provide for tax equity across the county.

City Manager's Office – Benton Corvallis Enterprise Zone

Oregon's enterprise zones offer a unique resource to Oregon communities, and an excellent opportunity for businesses to grow or locate in Oregon. Primarily, enterprise zones exempt businesses from local property taxes on new investments for a specified amount of time, which varies among the different zone programs. Sponsored by city, port, county or tribal governments, an enterprise zone typically serves as a focal point for local development efforts. There are currently 69 enterprise zones creating better opportunities for business investment across Oregon: 54 rural and 15 urban. The Corvallis Benton County Enterprise Zone (BCEZ) is one of the urban zones. It was formed and approved in 2008 and is scheduled to sunset in 2018. However, the State may re-designate the zone for another 10 years, if the zone sponsors (i.e., City of Corvallis and Benton County) apply.

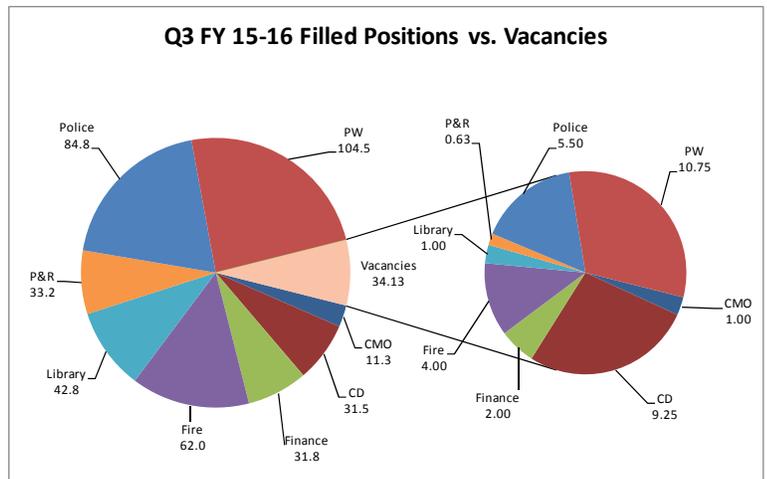
The BCEZ covers three geographic areas: 1) Hewlett-Packard Campus (including the McFarland annexation); 2) Sunset Research Park; and 3) the industrial property on the west side of State Highway 99 West in South Corvallis, including the Airport Industrial Park. The BCEZ program allows for up to five years of property tax abatement on new, qualified investment for successful applicants in the zone. Job creation, investment, and certain sustainability requirements must be met to become a successful applicant. Additionally, Benton County requires that the applicant show progress toward meeting sustainability goals in the fourth and fifth years. Since the creation of the BCEZ, there have been six applicants. The results for these applicants are listed in the table below:

Business Firm	New/Additional Employees (Actual)	\$ Investment (to date)	Expected 1 st Initial Yr. Employees	Years of Exemption
T. Gerding*	5	\$2,143,126	1	5
Natural Point*	43	\$3,165,164	2	3
NuScale	283	\$4,932,956	90	3
Perpetua	2	\$164,437	1	3
2 Towns	7	\$2,766,874	3	3
Block 15**	3	\$1,865,403	2	3
Total	343	\$15,037,960	99	

*In 2015, T. Gerding and Natural Point completed their exemption.
 **Block 15 is in their first year of exemption, so figures are projections for 2016.

City Staff – Personnel Services Quarterly Update

Vacancies – The pie-within-a-pie chart to the right depicts how different departments have been impacted by vacancies in the third quarter of this fiscal year. Public Works (PW) filled four vacant positions since last quarter; the department now has 12 vacant positions as of quarter end, representing 9% of its total authorized FTE. The 34 FTE in City-wide vacancies is nearly 8% of total FY 15-16 authorized FTE. This decrease since 46 FTE vacancies in Q2 is primarily due to Park Seasonals being hired for the upcoming season. Police had six vacant positions which included three officers, one Public Safety Dispatcher, a Police Accreditation Manager, and a Records Specialist – most of which are in the recruitment process except for the Public Safety Dispatcher, which is held unbudgeted for FY 15-16 and the Records Specialist which will begin recruitment soon. Fire's total net vacancies increased to 4.0 FTE in the third quarter; the Department expects to run another academy in October 2016 for new recruits. Community Development (CD) had nine vacancies, including the CD Director position. After two rounds of recruitment, this position has been filled and the individual will start work in mid-April. Recruitment is in process for two Code Compliance positions (supervisor and specialist), but the other openings are on hold until the arrival of the CD Director to give that individual a chance to assess needs. City Council had authorized the addition of 1.0 FTE Project Manager for the City Manager's Office (CMO) in FY 15-16 to work on Council Goals; however, a temporary contracted employee was hired instead. For any position not funded by the 2013 Operating Levy, departments must perform a position review and/or consider reorganizations whenever a position becomes vacant, in order to optimize potential budget savings and/or other possible efficiencies within that department.



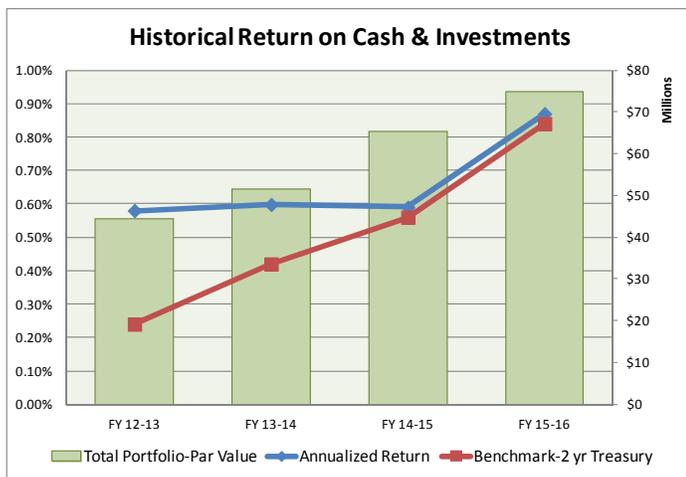
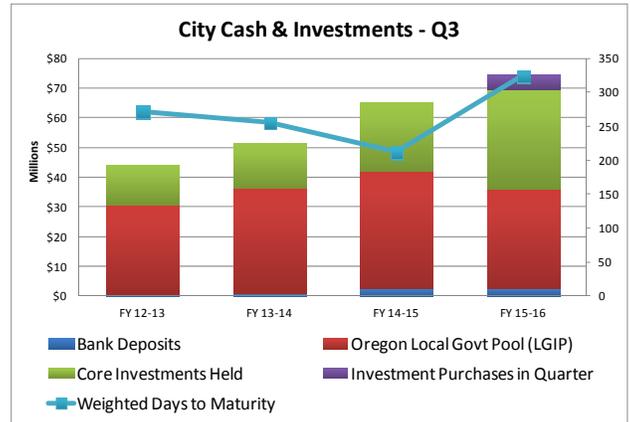
CAPITAL IMPROVEMENT PROJECTS QUARTERLY UPDATE ON SIGNIFICANT ACTIVITY

<i>Airport Improvement Cargo Access Road</i>	<u>CIP Doc Pg:</u> 3	<u>Adopted Budget:</u> \$562,150	<u>Amended:</u> \$562,150	<u>YTD Expended</u> \$41,946
<p>This project constructs a new access road from Airport Place to the Cargo Apron with 90% grant funding from the Federal Aviation Administration. A pre-bid walk through and bid opening were completed in April. Construction is scheduled to begin in May, 2016 with project completion anticipated in August, 2016.</p>				
<i>Municipal Buildings Rehabilitation</i>	<u>CIP Doc Pg:</u> 10	<u>Adopted Budget:</u> \$721,900	<u>Amended:</u> \$713,900	<u>YTD Expended:</u> \$213,446
<p>This project extends the life of municipal buildings through a planned program of rehabilitation projects. This fiscal year's budget includes: upgrading interior lighting at the Corvallis-Benton County Library; roof replacements at the Library and Municipal Court buildings; and Fire Station 2 & 3 seismic upgrades.</p> <p>The Library lighting upgrade is approximately 90% complete with remaining work scheduled to be done by June 30, 2016. The Library roof replacement is 95% complete and the remaining work will take place in May. The Municipal Court roof replacement is scheduled to begin at the end of May and be completed by June 30, 2016.</p> <p>Construction contract documents are complete for the fire station seismic upgrades and DEVCO Engineering is performing a peer review of additional AIA specifications requested by City staff. Due to a potential conflict with sidewalk work at 35th Street and Washington Way, Fire Station 2 work will be delayed until after work is completed at Station 3. Construction at station 3 is scheduled to begin in May with completion in July 2016.</p>				
<i>Park Improvements - Existing</i>	<u>CIP Doc Pg:</u> 21	<u>Adopted Budget:</u> \$1,503,000	<u>Amended:</u> \$1,503,000	<u>YTD Expended:</u> \$159,582
<p>This project provides for improvements for several existing City parks.</p> <p>Arnold Park playground upgrade improvements were completed during the third quarter.</p> <p>Staff prepared a request for proposal for design and engineering services for the MLK/Walnut Barn improvements; however, no proposals were received. Staff will revise the scope of work and solicit for an engineering firm during the fourth quarter.</p>				
<i>Osborn Aquatic Center (OAC)</i>	<u>CIP Doc Pg:</u> 21	<u>Adopted Budget:</u> \$109,000	<u>Amended:</u> \$92,000	<u>YTD Expended:</u> \$45,959
<p>This project enhances the social sustainability of the OAC by providing a healthier environment for the community. The in-water climbing wall was completed and a grand opening celebration occurred during the third quarter. The lighting replacement project was substantially completed during the third quarter.</p>				
<i>Morris Avenue Bridge</i>	<u>CIP Doc Pg:</u> 49	<u>Adopted Budget:</u> \$1,050,500	<u>Amended:</u> \$1,050,500	<u>YTD Expended:</u> \$704,884
<p>This project replaced the existing Morris Avenue Bridge over Oak Creek near 26th Street. The old wooden bridge has been removed and replaced with a concrete slab bridge deck. The bridge is open to traffic while the final punch list items are being completed. Final landscape restoration and permanent erosion control measures are in progress.</p>				
<i>Water System Rehabilitation</i>	<u>CIP Doc Pg:</u> 92	<u>Adopted Budget:</u> \$100,000	<u>Amended:</u> \$100,000	<u>YTD Expended:</u> \$62,286
<p>This project is an annual program to provide ongoing replacement or rehabilitation of the City's water distribution system infrastructure. Design has been completed for projects that will be constructed in the fall of 2016.</p>				
<i>WWRP Secondary Clarifier</i>	<u>CIP Doc Pg:</u> 81	<u>Adopted Budget:</u> \$4,908,000	<u>Amended:</u> \$4,908,000	<u>YTD Expended:</u> \$246,347
<p>This project designs and constructs a new secondary clarifier at the Wastewater Reclamation Plant (WWRP). The new clarifier will accommodate increased flows due to community growth. Final design is in progress and anticipated for completion in the spring of 2016. The Utilities Division has decided to postpone construction until demands require additional capacity. Timing of implementation of these improvements is not known at this time.</p>				

CASHFLOW AND INVESTMENT PORTFOLIO QUARTERLY UPDATE

A [Treasury Report](#) is prepared monthly per City policy and is now sent directly to Council to help fulfill its fiduciary responsibilities. The quarterly operating report provides high level updates beyond what is provided on a monthly basis.

The graphs in this section depict four years of data showing total holdings at the end of each second quarter. These graphs illustrate that total holdings have grown over the past three fiscal years, due to: the addition of the local operating levy revenues; the Council Policy to build to a \$6.3 million fund balance reserve in the General Fund; increased receipts from system development charges (SDC) from local development work; and bond proceeds from a debt issuance to finance several capital construction projects, including the Fire Department training facility.



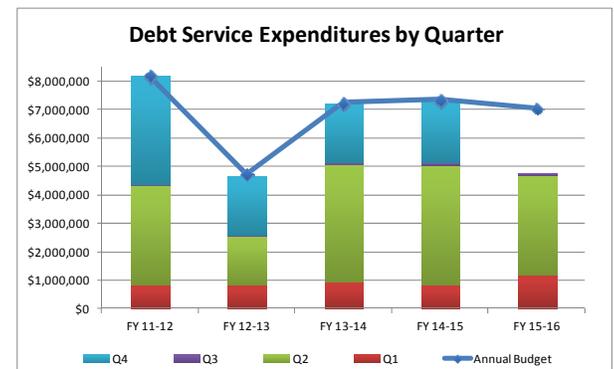
The City strategically ladders its portfolio to gain some market return without undue risk. The graph to the left shows that the City portfolio has typically outperformed the benchmark 2-year Treasury note (T-note) yield. In mid-December, the Federal Reserve made a much anticipated increase of 25 basis points (b.p.) in the Fed Funds rate, which in turn led to an increase in T-note yields. The beginning of 2016 started out much more bearish than the end of 2015. Japan and Europe adopting a negative interest-rate policy, slowing output in China, falling oil prices, and weak U.S. industrial and manufacturing data contributed to a decline in both equities and bond yields. Bond yields are still higher than the same time a year ago, which is a sign that the economy is improving with strengthening labor market statistics, but the Fed officials have backtracked on their December projections of future rate increases. The March

meeting consensus is for two more increases in 2016, not four. Currently, the City's total portfolio is only 3 b.p. above the 2-year benchmark. Should additional Fed rate hikes occur in future months as still being predicted, any new lag of the City's portfolio return to benchmarks is planned to be mitigated through laddering of long-term investment purchases that balance performance/risk in that current rate environment.

During Q3, \$454 thousand in government agencies were called, and purchases were made of a \$2 million FHLMC at a yield of 1.3%, a \$1.5 million IBM Bond at 1.8121% and \$2 million FHLB at 1.0456%. As noted last quarter, given sufficient liquidity and increasing reserve holdings, the target core portfolio was raised to a maximum of \$40 million. The core portfolio totaled approximately \$38.5 million at quarter end, assuming acceptable market trends and investment advisor recommendations, the portfolio may approach the \$40 million portfolio maximum and may need to be reevaluated in Q4.

NON-OPERATING EXPENDITURES – DEBT SERVICE QUARTERLY UPDATE

Debt service payments for GO Bonds are typically targeted for the second quarter, in order to match the influx of property taxes. Since most debt issuances require semi-annual payments, the fourth quarter then picks up the remainder by default. Though funding sources have shifted somewhat over the years, the City's total debt service has been in much the same range for the past few years (other than in FY 12-13 when a refunding of several utility-backed loans occurred). The decrease in expenditures in Q2 of FY 15-16 is due to a significant portion of the refunded Water Fund loans under the 2012 Full Faith and Credit Refunding Obligations having been fully satisfied in FY 14-15.



Performance Measurement is important for providing management, staff, the City Council and community members with information on how well City staff are providing expected service levels, as well as linking this performance with [Council Goals](#) and values. Continuing pressure to improve accountability and provide greater value-for-money performance has prompted government at all levels to recognize the need for outcome-oriented and strategic performance indicators. Highlighted below are just a few of the many measures which departments use to help guide operational decision-making.

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY14-15 ACTUAL	FY15-16 TARGET	3 rd QTR ACTUAL	FY15-16 YTD
Cost Efficiency	Ensure City financial resources are primarily spent on operations that provide services directly to citizens.	Maintain general overhead costs (City Manager’s Office and Finance) at less than 7% of total operating expenses.	5.85%	<7.00%	6.45%	6.14%
	Resolve high priority technology related incidents within a four-hour working time-frame.	Achieve 80% or greater resolution within the four-hour working time-frame. ⁽¹⁾	N/A	80%	75%	75%
	Provide multiple opportunities for community involvement while lowering program costs.	Total number of hours worked by volunteer staff in support of parks and recreation activities. ⁽²⁾	29,482 (14.17 FTE)	25,750 (12.38 FTE)	23,734 (11.41 FTE)	57,778 (27.78 FTE)
	Increase community safety by maintaining overall number of traffic accidents resulting in injuries/fatalities at less than the State average of 5/per thousand population.	Fatal and injury traffic accidents per 1,000 population. ⁽³⁾	153 or 2.7/thou	<2.5/thou	44 or .8/thou	87 or 1.5/thou
	Have utility rates that contribute to Corvallis being an attractive place to live.	Control operation and maintenance costs to minimize annual utility rate increases. ⁽⁴⁾	0%	≤3.0%	2.8%	2.8%
		Percent of average annual water bill to median household income (\$78,600). ⁽⁴⁾	0.43%	<0.45%	.38%	.38%
		Percent of average annual wastewater bill to median household income (\$78,600). ⁽⁴⁾	0.58%	<0.65%	.51%	.51%
Diversity	Provide a welcoming organization that promotes and respects diversity.	% of job applicants for regular positions who identify themselves as a minority. ⁽⁵⁾	15%	16%	18%	18%
	Offer programs of interest and benefit to all users of the Library and that will attract new users.	Percent of people who visit the Library and attend a program; program attendance divided by physical visits (door count).	7.7%	8.0%	7.9%	8.5%

COUNCIL VALUES	Management Goals & Objectives	Performance Measures	FY14-15 ACTUAL	FY15-16 TARGET	3 rd QTR ACTUAL	FY15-16 YTD
	Assure that low income residents' housing needs are met in a cost effective manner.	Housing units occupied by low income households assisted per \$100,000 in City funds invested. ⁽⁶⁾	6.7	10.0	0.0	6.5
Sustainability	Seek out the most promising Stage 2 companies in Benton County as determined by local employment growth and capital investment and develop a major account manager program that will proactively address their needs and growth opportunities.	Number of Economic Development division staff visits to Benton County's promising Stage 2 companies.	154	150	71	168
	Conserve resources by reducing fuel and paper use.	Percentage of permits issued online (mechanical, electrical, and plumbing). ⁽⁷⁾	55%	35%	55%	57%
	Maintain average fire loss per capita within city & district limits less than regional average of \$34.40.	Maintain average loss per capita within city & district limits less than national average.	\$12.94	<\$31.90	\$0.80	\$1.24
	Increase the utilization percentage of Parks & Recreation granted scholarships.	Percent of total scholarship value expended. ⁽⁹⁾	58%	47%	49%	16%
	Increase community usage of on-line police reporting system by 10%.	Number of police reports made through the on-line system.	733	806	156	499
	Remain below national average of 10% annual water loss in the distribution system.	Percent of water loss in the distribution system. ⁽⁸⁾	4.58%	<10.00%	5.95%	4.63%
Community Involvement	Interact with at least 10% of residents (city and rural district) in public Fire education events annually.	Percentage of community members attending public education events.	5.9%	≥10.0%	.81%	5.88%

1. This is a new performance measure for FY 15-16, therefore FY 14-15 actual statistics were not available. Current year data is an estimate and is expected to be accurate starting Q4 via help desk software statistics.
2. Volunteer hours YTD are double that of the target set for the year, mostly due to the Majestic Theatre volunteer hours being well above what was projected, demonstrating the level in which the community is involved in productions and activities.
3. FY15-16 figures utilize the most recent actual PSU Population Research Group figure of 57,390 (December 2015).
4. These are annual measures calculated in the second quarter; there were no utility rate increases approved for FY14-15.
5. Of the 852 applicants in the third quarter, 157 indicated that they are a minority; and 405 of 2,276 applicants YTD.
6. In Q3, there were zero First Time Home Buyer down payment assistance loans approved and closed; FY to-date there are 4 total.
7. Target is exceeded due to increasing awareness as a result of outreach efforts; 404 permits were issued online in Q3 and a total of 1,338 for FY to-date. This measure will be reviewed for a "stretch" target for next fiscal year, given that it is now regularly exceeded.
8. This measure reports on three months' of data, with the third month's data usually being collected after quarterly reports are submitted which results in future quarter updates. For the Q2 report, quarter data includes a two month average; YTD includes a Q1 update of 2.93%.
9. Each quarter's utilization rate of the family assistance program (FAP) is a percentage of the awards made in that quarter, so may be greater or less than the YTD utilization rate since that is the proportion of total awards granted thus far in the fiscal year (until the \$125K expenditure cap is met). In Q3, \$21,375 was utilized, versus \$43,500 awarded in the quarter. YTD awards total \$402,358, of which \$68,848 has been utilized.