

City of Corvallis, Oregon

2020 – 2021

Adopted Budget



The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Presentation to the City of Corvallis for its annual budget for the fiscal year beginning July 1, 2019.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

City of Corvallis

Oregon

For the Fiscal Year Beginning

July 1, 2019

Christopher P. Morill

Executive Director

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communication device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

City of Corvallis, Oregon

2020-2021

ADOPTED BUDGET

Mayor

Biff Traber

Budget Commission

City Council

Barbara Bull
Charlyn Ellis
Ed Junkins
Hyatt Lytle
Charles Maughan
Jan Napack
Paul Shaffer
Andrew Struthers
Nancy Wyse

Citizen Members

Richard Arnold
Rich Carone
Andrew Freborg
Steve Lee
Mark O'Brien
Deb Rose
Gabriel Shepherd
Marjorie Stevens
Brandon Trelstad

City Manager

Mark W. Shepard, P.E.

Staff

Nancy Brewer, Finance Director
Maria McEldowney, Budget Analyst
Hunter Sams, Budget Analyst

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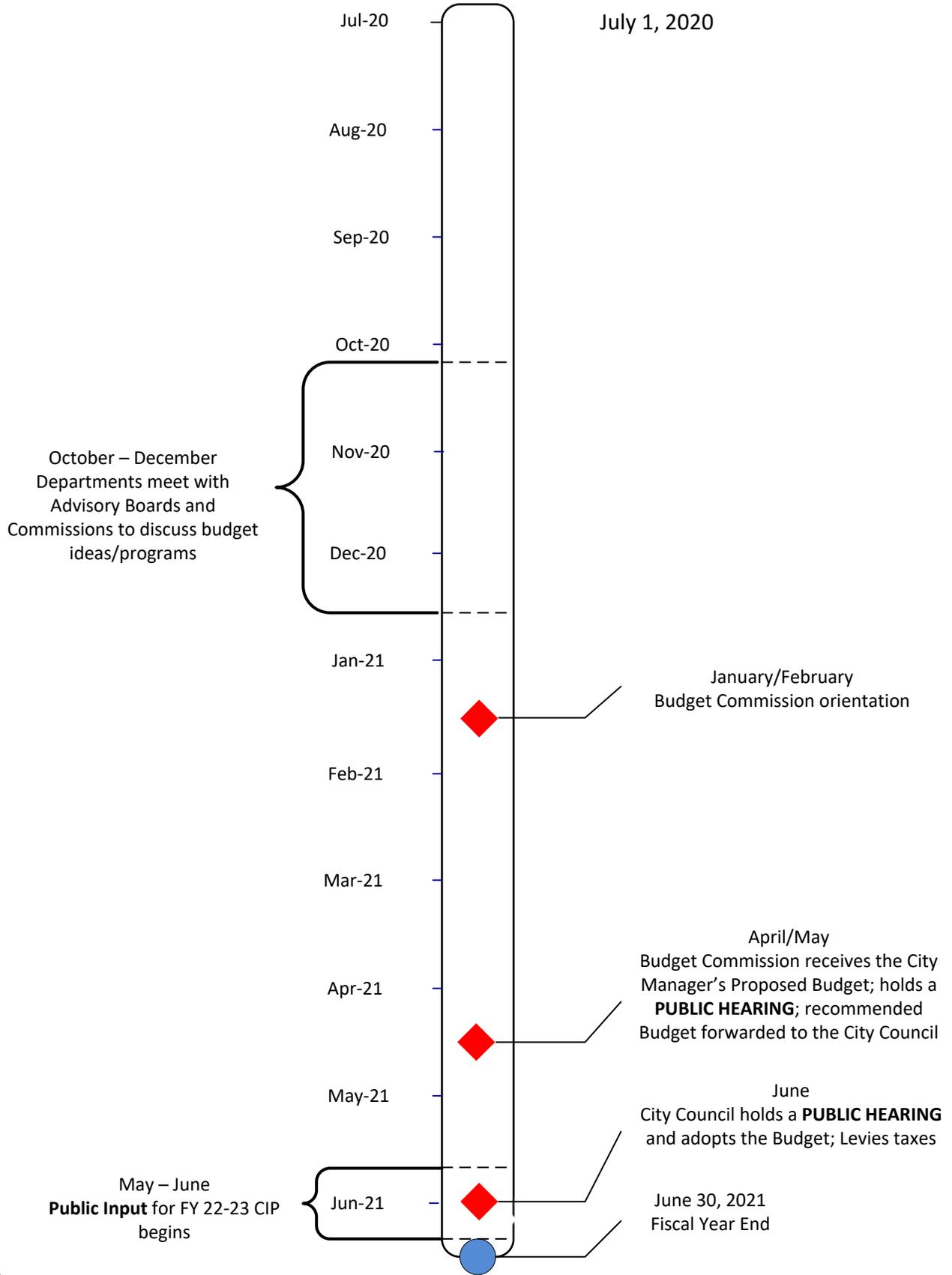
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BUDGET MESSAGE

Corvallis City Hall



**FY 21-22 BUDGET DEVELOPMENT TIMELINE-
CITIZEN INPUT OPPORTUNITIES**





June 2, 2020

Honorable Mayor Traber,
Members of the City Council,
Members of the Budget Commission,
Members of the Corvallis Community,

RE: Adopted Budget for FY 20-21

I am pleased to present the Adopted Budget for FY 20-21. This budget process has been one of the most unique our community has ever experienced. Mid-way through development of the Proposed Budget, the COVID-19 pandemic hit. Many staff members across the organization turned their attention to community response, working in the Emergency Operations Center. Others developed work place protocols and alternate work sites and schedules for the many City staff members deemed essential. These actions upended the usual budget process, but we adapted and met the requirements to complete the budget, even posting the printed document in the windows of the Madison Avenue Building to allow community members without internet access to read the budget.



The 18 members of the Budget Commission successfully held their meetings in a virtual format, including serving as the first public body in Corvallis to take public hearing testimony in this new meeting format. The Budget Commission made several amendments, most notably to allocate some of the Council's Discretionary Budget to the Arts Center and the Men's Cold Weather Shelter.

The City Council also successfully held its public hearings in a virtual format. The Council amended the Budget Commission's recommended budget based on the public testimony, allocating \$150,000 of the General Fund Contingency to develop a Hate/Bias program. City staff

will be working with Benton County and the 509J School District to develop a plan that moves this initiative forward in an ongoing sustainable manner.

City staff look forward to a time where services will return to normal, with City facilities fully open and able to meet community member needs. We also look forward to the FY 21-22 budget development process when we can return to the more complete process and discussions we usually have, along with a fully developed budget document. We appreciate the Budget Commission, Council, and community's support of the critical services the City provides every day.

Sincerely,

A handwritten signature in black ink that reads "Mark W. Shepard". The signature is written in a cursive, flowing style.

Mark W. Shepard, PE
City Manager



May 5, 2020

Honorable Mayor Traber,
Members of the City Council,
Members of the Budget Commission,
Members of the Corvallis Community,

RE: Proposed Budget for FY 20-21

In these unprecedented times, I am proud to be able to present the community with a balanced budget that maintains current services and seeks no new revenue. The City is fortunate to have the three-legged funding stool in place for General Fund supported services – the 2019 local option levy, implementation and subsequent reduction of the public safety fees, and voter approval of the Benton County 911 Service District. Even so, the Coronavirus pandemic casts a shadow of concern over the City’s financial picture.

The City Council dug into the annual update of the Strategic Operational Plan (SOP), which sets the focus of the organization’s budget planning. In this slimmed down Proposed Budget, the emphasis of the department sections is entirely on the SOP and the projects that are in the schedule for FY 20-21. As the SOP has entered its third year of use, Council, staff, and community members all recognize its importance as a policy guide for the work the organization will focus on each year, and as a strategic road map for the future.

For FY 20-21, staff has continued to focus work efforts on implementing the Council’s priorities outlined in the SOP, and planning for the long-term future of the community and the organization. The Council’s strong financial management, and the unexpected increase in assessed value for FY 19-20, has allowed the organization to start to address some long-standing staffing shortfalls in some operational areas. There are additional staffing shortfalls not being addressed in this Proposed Budget.

A BRIEF LOOK BACK

Over the past two years, the City Council has made some hard decisions about funding City operations. Council's leadership to develop the three-legged stool for funding services has built stability into the City's operations. The levy allowed Parks and Recreation and the Library to maintain services to the community. The Police and Fire service fees, combined with the 911 Service District monies, are allowing those departments to address past challenges in supporting the community's public safety. As the Council committed when it moved forward with the fees and the service district concept, this budget reduced the Police and Fire Service Fees by \$1.1 million annually as 911 funding moves solely to the new Service District. Corvallis City Service bill payers will see these fee reductions on monthly bills starting in July.

The Council has also taken up funding for pavement preservation, approving a significant increase in the Transportation Maintenance Fee to be implemented over the next three years. This increase will provide the necessary funding to address these long-standing infrastructure needs. The community will see this increased funding as capital projects identified in the Proposed Capital Improvement Program, included as the last section of this Proposed Budget. Public Works is also adding a Civil Engineer I in FY 20-21 to support the design and delivery of these projects so that these added funds can benefit the community.

During FY 19-20, the Fire Department filled the six new positions authorized with the Fire Service Fee; those Firefighters are now deployed on crews to complete their training. The Police Department geared up its recruitment process and has filled seven of the fifteen new Officer positions while also recruiting to fill nine pre-existing positions that became vacant during the year. They are working to fill the last eight new positions as soon as possible. The Police Department will also be adding four Public Safety Dispatch Supervisors and seven Public Safety Dispatchers over the coming year. The Police Department continues its creative partnership with the Madison Avenue Collective on marketing for new hires to continue improving the diversity of the department.

FY 20-21 BUDGET HIGHLIGHTS

Most of the FY 20-21 Proposed Budget was developed before the COVID-19 pandemic became the world's number one issue. The Department Director's team met weekly through the fall to discuss budget issues and concerns and to prioritize what to include in the FY 20-21 budget.

- City staff worked with Council to update the SOP to set the stage for priorities to be included in the FY 20-21 budget. This work included an initial staff review of the SOP with some staff recommendations for re-wording to more broadly define some of the initiatives that could cross organizational boundaries and participation in Council work sessions to discuss priorities. This led to the budget presented here that focuses on the SOP activities for FY 20-21.
- By Council Financial Policy, the General Fund Balance Reserve is to be set at three months of payroll. With added Police and Fire personnel, three months of payroll costs have grown from \$7.4 million to \$8.35 million. As a result, \$1 million was added to the reserve, using prior year unappropriated fund balance. This Proposed Budget appropriates 10% of the Reserve (\$835,000) as the contingency in the General Fund. This Reserve will remain critical to fund operations if revenues perform worse than anticipated in this

Proposed Budget, if City costs increase over budgeted levels, or if there is another disaster.

- Staff reviewed the list of deferred maintenance projects on the facility list and prioritized the projects for the coming year, committing to maintain the contributions to reserves needed to continue implementing this five-year plan.
- The Director's team also discussed space needs and the groups working in cramped space with too many people jammed into small areas. Municipal Court continues to operate in a leased building, and the lease will expire soon. The Parks Crews often work three or four to an office that used to be a closet. Fire Stations 2, 3, and 4 are all too small for some apparatus and the sleeping quarters are substandard for mixed gender staffing. This discussion evolved into developing a New Facility Reserve, funded with \$192,500 in FY 20-21, to set aside monies for construction of new facilities once the space use plan is completed and a clear picture of all needs can be seen. The Space Use Plan was originally expected to be completed in FY 19-20, but events have overtaken this work and it has been programmed into FY 20-21 instead. On the heels of this discussion came the pandemic and the requirement to have physical distance between employees, making this a more important issue to address in the long-term. The pandemic could require long-term changes in workplace distancing requirements and having a space needs assessment will be helpful to implement such changes.
- The Director's team reviewed the contribution the City made in 2018 to fund a part of the City's unfunded liability with PERS, and the State match of 25% that occurred in 2019, and the desire to continue to make inroads in that liability. As a result, \$300,000 of General Fund money has been set aside in a reserve to make a future contribution, hopefully once the State's match monies become available again.
- I have approved adding nearly 18 positions for FY 20-21. These are outlined in the Budget Overview, but highlights include:
 - The Police Department added a net 9.0 FTE, including increasing the number of Public Safety Dispatchers by 7.0 FTE and adding 4.0 FTE Public Safety Dispatch Supervisors. All of these positions will be funded by the 911 Service District, meeting the commitment made during the District establishment to improve 911 services to all users. The Police Department also eliminated the 2.0 FTE Police Officer Trainees previously included; these positions are no longer needed with the overall increased staffing levels in the Department.
 - Public Works added 5 positions, including a Deputy Director position to assist the Director with the public demands on the Department; these positions are all funded from street and utility funds.
 - Finance added a Senior Payroll Coordinator position mid-year in FY 19-20 to address the increasing work load for the organization.
 - The City Manager's office added a net of 0.80 FTE to support Economic Development, and the Climate Action and Imagine Corvallis advisory boards.
 - Parks and Recreation added a Parks Supervisor position mid-year in FY 19-20 and increased an administrative position by 0.12 FTE.
 - The Fire Department added a second Deputy Fire Chief position mid-year in FY 19-20.

In development of this budget I was forced to make difficult decisions regarding the needs that could and could not be addressed. For example, even with the 18 FTE identified above, more staff

members are needed in order to keep pace with growing demands and requirements. The Library needs increased time allocations for four part-time positions to provide improved service to community members. Parks and Recreation and the Library would like to add a shared staff position to help coordinate the hundreds of volunteers that support these service areas. Human Resources needs another Analyst to work on implementation of labor laws and all the associated reporting requirements. Human Resources and Finance would like to add a shared Business Analyst to facilitate reporting from the new financial/human resources system. These requests and more will be considered for future years.

In addition to staff positions, I had to say no to other spending requests. Parks and Recreation needs more monies set aside annually for deferred maintenance and vehicle replacements. Community Development requested \$500,000 for consultant assistance to complete an update to the Land Development Code, and the Library requested monies to add back inter-library loan services. A complete list of the requests made, but not funded, is included as Attachment A.

The annual budget process is also a time where staff discusses the potential for new revenue. Oregon's property tax system is defective in many ways, but for FY 19-20 assessed value grew by 6.25%, bringing in more than \$780,000 in added revenue and increasing the base value for FY 20-21 revenue projections. This was great news for the year, but does not significantly change long-term projections where the growth in property tax revenues does not match the growth in expenditures. As a result, the organization will continue to look for grant and other revenue opportunities. Parks and Recreation has been very successful at obtaining grants to fund park improvements and provide some match to Parks Systems Development Charge monies. The Fire Department pursued a new opportunity to secure State funding to partially offset Medicare write-offs to bring in an estimated \$210,000 annually.

It is important to note the City is also a recipient of \$7.7 million in Federal Coronavirus Aid, Relief, and Economic Security Act (CARES Act). These grant monies help the bottom line in this budget, but they are one-time resources, with specific uses associated with them. We will continue to look for opportunities to find revenues to fund important services to the community.

FUTURE ISSUES

Staff continues to be pressed to meet the demands and expectations for services as the cost to operate continues to rise.

- Health care costs are projected to increase 12% for FY 20-21, and could be even higher based on insurance coverage of COVID claims. For the long-term, health care costs will continue to rival costs for the Public Employee Retirement System.
- The City will enter into negotiations with the International Association of Fire Fighters (IAFF) to develop a contract to succeed the one expiring June 30, 2021. Negotiations of successor agreements will follow for the Corvallis Regional Communications Center Association (CRCCA) and the Corvallis Police Officers Association (CPOA) by June 2022, and the American Federation of State, County, and Municipal Employees (AFSCME) by June 2023. Contract negotiations are covered by the Oregon Public Employees Collective Bargaining Act (PECBA) which requires binding arbitration for strike-prohibited public

safety entities. The PECBA requirements for negotiations continue to drive labor cost increases faster than property tax revenue growth.

- The Oregon minimum wage will continue to increase on July 1 each year, reaching \$12 per hour in 2020, \$12.75 in 2021, and \$13.50 in 2022. These wage increases help raise the earning power of members of the community, but they also increase costs for the City's entry level positions at Parks and Recreation such as the Youth Park Corps, lifeguards, and summer camp staff. The increases in costs have to be balanced against the ability to increase prices to cover the higher labor cost and yet still be an affordable way for the community to participate in active sports and recreation opportunities.
- As this budget has been developed staff continues to wait for guidance from the State on the storm water and wastewater discharge permits and requirements. Both sets of regulations are subject to litigation that must be resolved before plans can be fully developed to meet the expected new requirements.
- Pressures outside of the City's control continue to impact expenses and the cost to deliver services. These include State mandates regarding sick and family medical leave, OSHA and other safety regulations that impact how work gets accomplished, and the ongoing litigious society that drives up liability and insurance costs.

Given how local government in Oregon is funded, the City will continue to be faced with the tension between available resources and desires for service delivery.

COVID-19

No one could have foreseen the impact that the current pandemic would have on Corvallis, Oregon, the United States, or the world. The shutdown has affected every aspect of life in the community and has required all community members to be resilient and work together to comply with the Governor's Stay Home/Stay Safe orders. Impacts to our community members, agencies, and businesses are real and for some are severe.

Throughout this Proposed Budget you will see staff's estimates for revenue impacts; thus far expenditures to respond to the pandemic have been significant, but have also been absorbed into Department's budgets by changing the focus away from planned work activities to the critical response activities. Staff's crystal ball is no better than other economists. When will we return to normal? Will normal look the same? Will the new normal be better than before? No one has these answers. It will be critical for the community and organization to be flexible and responsive to issues as they arise. Staff routinely monitor the City's financial position and are prepared to make changes as the year progresses to balance revenues and expenditures. One thing we all know about Corvallis is that we are resilient, supportive of each other, and future focused.

The community is fortunate that the City and County have invested in the Economic Development Office (EDO). From the beginning of the emergency response, through the transition into a recovery mode, the EDO is leading the economic recovery work in Benton County. They have focused on helping local businesses find sources of funding to continue operations, getting the word out to the community about who is still open for business, and leading the pivot to economic recovery through their work at the Emergency Operations Center.

The Corvallis community has stepped up to support our first responders. The Corvallis Sewing Brigade has made masks for the community and PPE for first responders. The It's On Us (IOU) group has been busy providing meals to anyone in the community who needs them, often using the services of local restaurants who are still providing curbside carry out services. Community

members and our own library staff have used 3-D printers to make PPE components for first responders.

The City has been well situated to weather the current pandemic and the disruption in business activity. Corvallis' dedicated staff members have been serving the community – maintaining basic services, staffing the Emergency Operations Center to assist Benton County with this public health emergency, and getting creative at providing services to the community even with closed facilities. Library staff members have been busy implementing digital services and virtual events like Stay At Home Story Times for the very youngest in our community. Parks and Recreation has developed daily work-out routines for children staying home so that they remain physically healthy. Corvallis Transit continues to operate to assist essential employees to get to their jobs, and for people who don't have vehicles get to the grocery store. IT staff have stretched to the limits to acquire and deploy 50 laptops, provide remote work access to more than 145 employees, implement on-line public meetings, and keep the City's technical infrastructure up and running.

All of these actions and more are a testament to the can-do attitude that will allow Corvallis to come through the COVID-19 pandemic stronger than ever. I appreciate the dedication City employees have to the community and each other to remain flexible and creative through this disaster response. While the financial impacts the pandemic may have on the City budget will not be fully known for some time, City staff have risen to the occasion and served our community well.

Sincerely,



Mark W. Shepard
City Manager

Attachments:

A: Unfunded Needs

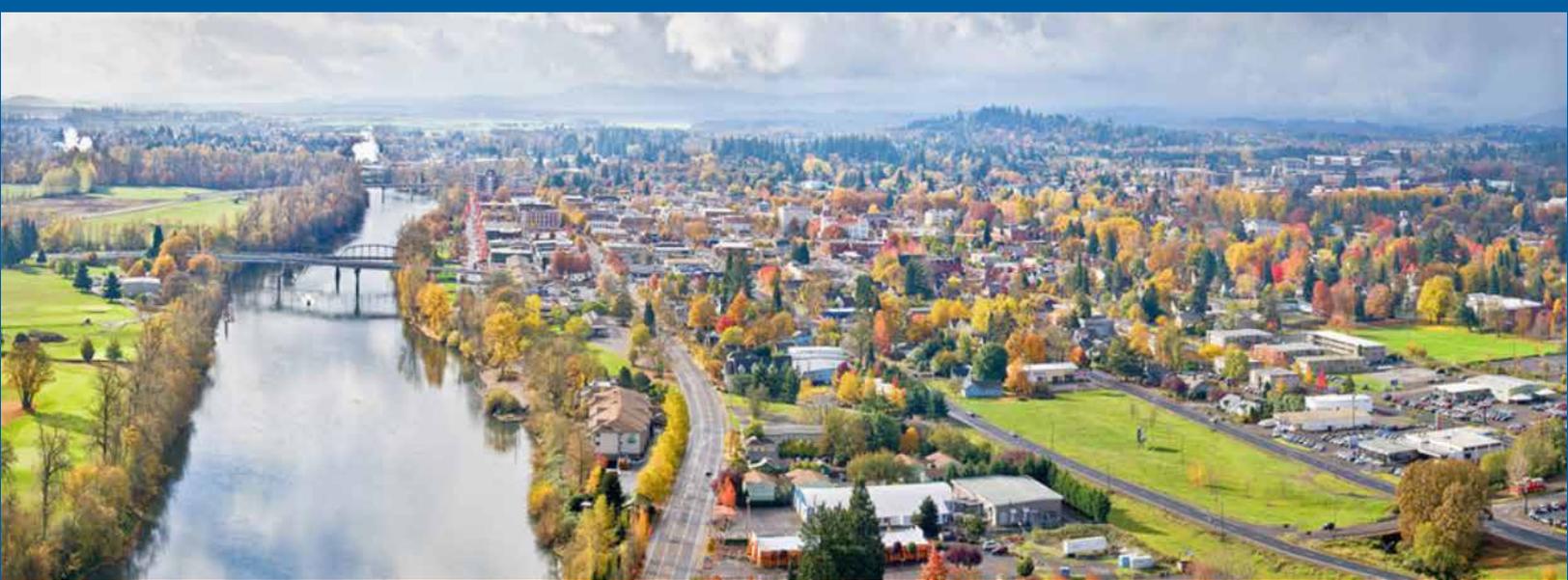
B: Strategic Operational Plan

Requested but not Funded
A.K.A. Page 13

	SOP or Reason	Dept	\$		FTE	Notes:
			General Fund	Other Funds		
Senior Admin Asst	Op. Efficiency	CPD	94,000		1.00	Admin/CALEA Support
School Resource Officers	Safety	CPD	330,000		2.00	
Increase contingency	Op. Efficiency	P&R	40,000		0.00	To provide resources for emergency repairs, equipment, etc. without changing the department other work plans.
Capital Improvement Program Funding		P&R	100,000		0.00	This would provide matching monies for grants to fund projects not eligible for SDCs. The cost is an estimate from 2013; an assessment is planned in the SOP in 2 years and will provide a more accurate figure.
Department-wide deferred maintenance		P&R	320,000		0.00	
Annual ADA Compliance		P&R	50,000		0.00	
Contribution to Vehicle Reserves		P&R	90,000		0.00	
Parks basic service level staff		P&R	140,000		1.89	Returns staff positions eliminated in 2010.
Implementation of Urban Forestry Management plan		P&R	175,000		1.50	
Marketing Position	Op. Efficiency	P&R	63,300		1.00	P&R would see a savings of \$22,425 for current casual hours.
Volunteer Coordinator	Op. Efficiency	P&R/Lib	82,600		1.00	Lib would see a savings of \$20,500 for current casual hours.
Increase front line staff		Lib	42,100		0.63	This will be a partial increase in FTE for 4 current part-time positions.
Restore inter-Library loan service	L-3I	Lib	72,500		0.50	
Upgrade on-line computer system		Lib	20,000		0.00	
Increase materials budget	L-3H	Lib	50,000		0.00	
Consultant to complete a comprehensive update to the LDC		CD/PW	500,000		0.00	Address current state law conflicts, HDTF recommendations, Planning Commission "Unresolved Issues" list, Code Audit and CAP recommendations. This would be a one-time expenditure.
Increase service desk staffing		IT	60,000	60,000	2.00	Industry standard is 1 service desk employee per 70 FTE. This will bring us up to 1 service desk employee per 100 FTE
Add an HR Analyst		HR	39,920	47,780	1.00	This is a longer-term need to address increasing regulations.
Establish safety funding	EE Safety	HR	20,000	20,000	0.00	This would create a sustainable funding level for safety equipment and training for the organization.
Add a Business Analyst		Fin	38,250	46,750	1.00	This position would be responsible for reporting out of the Financial/Human Resources system
Purchasing Coordinator	Op. Efficiency	Fin	29,610	36,190	1.00	This position would work with users to help with the public procurement process.
Total costs for requested but not funded services			2,357,280	210,720	14.52	



City of Corvallis Strategic Operational Plan



2020 - 2024





It Started with a Vision...

The Corvallis community came together in 2016 to develop a new vision for the future. The result was **Imagine Corvallis 2040: Our Community Vision in Action** — a far-reaching document that aimed to represent the community’s goals and priorities over the next two decades. Public engagement around the vision was comprehensive, energetic, and sustained. More than 3,000 comments, ideas, and work items were received as the vision was being developed in 2016 and 2017.

Using this robust outreach framework as a starting point, the City of Corvallis developed the Strategic Operational Plan (SOP) to align the work of the City organization with the community vision. This project had some specific goals, including:

- Identifying how the City is taking specific steps within its operations toward realizing the vision.
- Bringing together a combination of aspirational goals, concrete programs and projects, and operational actions, to give a holistic look at the City’s strategic operations.
- Communicating current priorities, as well as the resources required to support those priorities.
- Guiding the annual budget by providing a tool for the City Council and staff to produce the budget.
- Informing both policy decisions and operational actions as the City translates conceptual ideas and values into actions that impact city operations.
- Telling the City’s story by serving as a window to the future and showing that decisions are not made in a vacuum.

Building the Strategic Plan

The various goals and metrics in the SOP were pulled together from a variety of sources that reflect the community’s intent, including:

- Priorities identified by the community in the Imagine Corvallis 2040 vision
- Current City plans and policies (most of which have their own associated public processes)
- Council direction based on community feedback
- Work efforts from City advisory boards, commissions, committees, and task forces
- The biennial Corvallis Community Survey
- Periodic surveys focusing on land use, historic preservation, and strategic planning
- Legal compliance, legislative changes, and safety needs

How the Plan Is Organized

The Corvallis City Council developed a series of Policy Priorities — value statements that describe where we are trying to go in the future — organized around the six focus areas of the vision, which reflect the Corvallis community’s overall goals sentiment as expressed through the vision outreach process.

Each Policy Priority has its own set of associated goals and metrics. These represent the specific actions that the City can take to advance each Policy Priority.

The City Council invites the community’s feedback on Policy Priorities as part of the annual SOP review. This yearly check-in is intended to ensure that the SOP continues to reflect the community’s goals and aspirations, and that the City is making meaningful progress toward those goals. This connection also invites the public to learn more about how the City’s work fits into the many components of the larger Corvallis community.

What's Coming Next?

To be sure, the Strategic Operational Plan doesn't encompass the entirety of the City’s municipal operations. The projects listed here tend to reflect high-level policy decisions, often with significant public input behind them. Even so, the City can’t do

everything. Every year during budget season, the City Council must carefully balance the City's available resources in the face of increasing requests for service from the Corvallis community.

While it is important to be flexible and adaptive to changing needs, it is equally important that the SOP maintain longevity and consistency to allow long-term efforts time to develop and mature. This way the City can continue to make progress in spite of unforeseen challenges.

The Corvallis community will continue to change in areas such as population, demographics, and economic conditions. Many of these changes will be outside our control — but how the City responds is firmly within our control. The Strategic Operational Plan allows the City to respond to changes while maintaining a focus on long-term expectations.



Tips for Reading and Using The SOP

Each section of the Strategic Operational Plan includes a summary of each Vision focus area, followed by Policy Priority statements, endorsed by the City Council, that support the focus area. Each Policy Priority typically has one or more actions and objectives listed below it that represent initiatives that the City is pursuing. Summary tables are included for each focus area, which show key dates and milestones for each objective.

The SOP is optimistic but also realistic. Readers may notice that the City falls short of various metrics and benchmarks on the summary tables. That is because the SOP represents the City's best efforts with current resources – and those resources may not be sufficient to move the needle on some goals.

By presenting the City's services, programs and initiatives in the same document, City leaders can get the information they need to make well-informed, long-term decisions.

How Can We Use The SOP?

The SOP was developed to help different audiences in different ways. Here's a short, but by no means comprehensive, breakdown of what you can expect.

- **Elected Officials** — The Corvallis City Council uses the SOP to gain a broad understanding of where the City's efforts are focused at any given time. The SOP is particularly helpful for new or prospective City Councilors who may be interested in a particular topic or issue. Lastly, the SOP can help regional elected officials at the local and state level understand the City's current priorities.
- **City Staff** — The City's professional staff use the SOP to set their annual work plans and determine resource needs for upcoming projects and initiatives. Services identified in the SOP drive staffing levels and can lead to adjustments in service levels provided by City departments and divisions.
- **Budget Commission** — The 18-member Budget Commission meets annually to review the next fiscal year's budget. The SOP helps the Budget Commission understand the City Council's priorities, which in turn assists them as they review the financial tool (the budget) to achieve those priorities.
- **Advisory Boards** — The volunteers who serve on the City's many advisory boards, commissions, committees, and task forces build their annual work plans around the projects laid out in the SOP.
- **The Corvallis Community** — If you've ever wondered "What's the City doing about [X]?" then the SOP is for you! The Corvallis community is encouraged to explore the SOP to learn more about the many and varied services provided by the City of Corvallis. Think of it as a single location to see not only what's coming in the next year, but also what's on the horizon for future years for all City departments.

Acronyms in the SOP

- ADU - Accessory Dwelling Unit
- CALEA - Commission on Accreditation for Law Enforcement Agencies
- CAP - Climate Action Plan
- CCP - Corvallis Comprehensive Plan
- FY - Fiscal Year
- GHG - Greenhouse Gas
- HDTF - Housing Development Task Force
- LDC - Land Development Code
- SDC - System Development Charges
- TMF - Transportation Maintenance Fee
- TOF - Transit Operations Fee
- TSP - Transportation System Plan



Corvallis cultivates and engages a diverse and changing population emphasizing interculturally effective, inclusive and equitable programs and services.

A Focus on the Vision

The Strategic Operational Plan is built around the framework of Imagine Corvallis 2040. As such the Strategic Operational Plan addresses six focus areas, which mirror the six focus areas of the vision.

E-1: The City fosters meaningful public involvement through a diverse array of methods.

- B. Connect with the community through expanded use of social media. (City Manager's Office)
- F. Launch a charter review process to identify potential improvements to the City Charter. (Mayor & City Council)
- G. Conduct a review of all City advisory boards, commissions, committees and task forces. (Mayor & City Council)
- H. Review and update the Strategic Operational Plan annually to ensure it reflects the City Council's priorities and the resources available to the City. (City Manager's Office)
- I. Host events to encourage community involvement with and education about the fire service. Examples include Community Fire Academy, Volunteer Firefighter Academy, Fire Ops 101, Explorer Program, and Auxiliary Volunteer Program. (Fire)
- J. Develop centralized resources for housing development and affordability information. (Community Development)
- K. Conduct annual housing affordability/cost burden public outreach event. (Community Development)
- L. Gather feedback on community satisfaction through regular use of comprehensive, statistically valid surveying tools. (City Manager's Office)



- M. Produce Imagine Corvallis 2040 Vision progress reports. (City Manager's Office)
- N. Increase awareness and opportunities for community engagement in the Imagine Corvallis 2040 vision. (City Manager's Office)

E-2: The City manages its finances to effectively provide services to the full spectrum of the community over the long term.

- C. Develop and implement a budget and accounting systems for the South Corvallis Urban Renewal District. (Finance)
- D. Audit City Services customer accounts for accuracy. (Public Works)
- E. Develop and implement an annual rate review process for all fees and charges. (Finance)
- F. Consider alternatives and develop a plan for replacing the local option levy expiring June 30, 2024. (Mayor & City Council)



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E-3: The City supports the community through professional, community-oriented, and transparent public safety services.

A. Implement wearable body cameras in coordination with the District Attorney's Office, to enhance transparency in community policing. (Police)

C. Prioritize Police recruitment to include specific outreach to minorities and women. (Police)



D. Achieve trained solo status officers from those funded by the Police Public Safety Fee. (Police)

E. Achieve trained and solo status non-sworn Community Service Officers. (Police)

F. Implement newly formed 911 District intergovernmental agreement and bylaws. (Police)

G. Conduct informational and cooperative meetings with community groups. Examples include open houses at each fire station, coordination with OSU on technological innovation, and use of department advisory committees (DACs). (Fire)

H. Provide community disaster and safety courses. (Parks & Recreation)

I. Annually conduct targeted outreach (presentations, events, social media campaigns) for high fire hazard groups, including seniors, K-12 and OSU students. (Fire)

E-4: The City supports community nonprofits that provide services to those in Corvallis with fewer resources.

A. Distribute annual social services funding through the City budget process. (Finance)

B. Investigate and develop a low-income assistance program for city services customers. (Finance)

E-5: The City fosters and engages a diverse population through appropriate and accessible services, programs and events.

A. Provide volunteer opportunities through Parks and Recreation outside of Majestic Theatre. (Parks and Recreation)

B. Host classes and programs that enhance cultural awareness. (Parks and Recreation)

C. Provide scholarships to income-eligible families for recreation. (Parks and Recreation)

D. Develop and host Library events and outreach that promote cultural competence. (Library)

E. Develop and implement sensory sensitive programs or services in the Library. (Library)

What's with the weird numbering?

The SOP is a living document. As objectives are achieved, they'll "fall off" the SOP. To maintain continuity, the SOP doesn't re-use objective numbers. It's a sign of progress!



Corvallis cultivates and engages a diverse and changing population emphasizing interculturally effective, inclusive and equitable programs and services.

E-6: The City supports robust, secure software infrastructure for managing technology resources to assist the community.

B. Manage the implementation of human resources systems. (Information Technology)



E-7: The City maintains a mutually respectful, productive, and proactive relationship with Oregon State University.

B. Present OSU's annual monitoring, reporting and data regarding recommendations of impacts on and around OSU campus area. (Community Development)

C. Collaborate with Oregon State University on community programs at least four times each year. (Library)

E-8: The City supports strong, thriving neighborhoods and community groups.

A. Improve communications and outreach to neighborhood associations through annual summit. (Community Development)

B. Administer and fund the Empowerment Grant program to encourage neighborhood improvement and community participation. (Mayor & City Council, Community Development)

C. Provide information briefings on disaster preparedness to community organizations, neighborhood associations, and any members of the community. Provide interpretation for non-English speaking community members at every opportunity. (Fire)

E-9: The City supports organizations that are working towards solutions for homelessness in Corvallis.

B. Define the City Council's goals for homeless support services. (Mayor & City Council)

C. Update the LDC for various types of homeless support services. (Community Development)

E-10: The City fosters a safe, secure, and welcoming community for everyone by promoting respectful relations, collaboration, and civil discourse among community members including city staff.

A. Conduct annual Fair Housing outreach and education activities and workshops. (Community Development)

B. Promote the statewide hate/bias reporting system available from the Oregon Department of Justice to the community and to partner agencies, and evaluate data gathered through this system on a semi-annual basis. (City Manager's Office)



Corvallis cultivates and engages a diverse and changing population emphasizing interculturally effective, inclusive and equitable programs and services.

Objective	Measure	Target	19/20	20/21	21/22	22/23	23/24
E-1B	Expand use of social media platforms	10 messages per week	10	10	10	10	10
E-1F	City Charter review	Ballot measure in November 2020	-	11-2020	-	-	-
E-1G	Advisory Board review	July 2020	-	07-2020	-	-	-
E-1H	Strategic Operational Plan review and update	Annually in February	02-2020	02-2021	02-2022	02-2023	02-2024
E-1I	Host events to encourage community involvement with and education about the fire service.	1 event annually	1 outreach event	1 outreach event	1 outreach event	1 outreach event	1 outreach
E-1J	Develop centralized resources for housing development and affordability information	January 2021	-	01-2021	-	-	-
E-1K	Conduct annual housing affordability/cost burden public outreach event	Annual event	11-2019	11-2020	11-2021	11-2022	11-2023
E-1L	Conduct annual citywide survey	Biennial survey	Survey	-	Survey	-	Survey
E-1M	Produce Imagine Corvallis 2040 Vision progress reports	Annual updates and five-year update	Annual update	5-year update	Annual update	Annual update	Annual update
E-1N	Increase awareness and opportunities for community engagement in the Imagine Corvallis 2040 vision	Solicit ideas from the Corvallis community	-	2,500	500	500	500
E-2C	Develop and implement Urban Renewal budget and accounting systems	June 2021	-	06-2021	-	-	-
E-2D	Audit City Services customer accounts for accuracy	June 2020	06-2020	-	-	-	-
E-2E	Develop and implement an annual rate review process for all fees and charges	December 2021	-	12-2021	-	-	-
E-2F	Develop a plan for replacing the five-year local option levy	Revenue plan by December 2024	-	-	-	Initiate	11-2024
E-3A	Implement body cameras, in coordination with District Attorney's Office	August 2019	Initiate rollout	50% rollout	75% rollout	100% rollout	-
E-3C	Police diversity recruitment	20 opportunities per year	12	12	14	16	16





Corvallis cultivates and engages a diverse and changing population emphasizing interculturally effective, inclusive and equitable programs and services.



Objective	Measure	Target	19/20	20/21	21/22	22/23	23/24
E-3D	Achieve trained solo status officers from those funded by the Police Public Safety Fee	15 new trained/solo status officers	5	10	15	-	-
E-3E	Achieve trained and solo status non-sworn Community Service Officers	December 2020	-	12-2020	-	-	-
E-3F	Implement newly formed 911 District intergovernmental agreement and bylaws	June 2020	06-2020	-	-	-	-
E-3G	Conduct informational and cooperative meetings with community groups	12 events annually	6	12	12	12	12
E-3H	Provide community disaster and safety courses (CAP)	Three courses annually beginning in 2023	-	-	-	-	3 courses
E-3I	Annually conduct targeted outreach (presentations, events, social media campaigns) for high hazard groups, including seniors, K-12, and OSU students (CAP)	8 high hazard groups reached annually	-	8	8	8	8
E-4A	Distribute annual social services funding	\$360,000 in annual funding	\$360,000	\$360,000	\$360,000	\$360,000	\$360,000
E-4B	Investigate and develop a low-income assistance program for City Services customers	December 2020	12-2020	-	-	-	-
E-5A	Provide volunteer opportunities through Parks and Recreation outside of Majestic Theatre	26,000 hours annually	24,500	25,000	25,500	25,500	26,000
E-5B	Hold classes and programs that enhance cultural awareness	75 events	75 events	75 events	75 events	75 events	75 events
E-5C	Provide scholarships to income-eligible families for recreation	\$125,000 annually	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000
E-5D	Host library events and outreach that promote cultural competence	20 events per year	10	20	20	20	20
E-5E	Develop and implement sensory sensitive programs or services in the Library	March 2023	-	-	-	03-2023	-
E-6B	Manage the implementation of human resources systems	January 2020	Initiate	-	-	-	-



Corvallis cultivates and engages a diverse and changing population emphasizing interculturally effective, inclusive and equitable programs and services.

Objective	Measure	Target	19/20	20/21	21/22	22/23	23/24
E-7B	Annual reporting and recommendations of OSU impacts	Annually in April	04-2020	04-2021	04-2022	04-2023	04-2024
E-7C	Collaborate with Oregon State University on community programs at least four times each year.	4 programs per year	4	4	4	4	4
E-8A	Conduct Neighborhood Association Summit (CAP)	Annual spring summit	04-2020	04-2021	04-2022	04-2023	04-2024
E-8B	Administer and fund the Empowerment Grant program (CAP)	\$10,000 per year	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
E-8C	Provide information briefings on disaster preparedness to community organizations, neighborhood associations, and members of the community. Provide interpretation for non-english speaking community members at every opportunity (CAP)	10 times per year with at least 2 supported by ESL interpreter	06-2020	06-2021	06-2022	06-2023	06-2024
E-9B	Define Council support goals for homeless services	August 2020	-	08-2020	-	-	-
E-9C	Update LDC for various types of homeless services (HDTF, CAP)	June 2023	-	-	Initiate	06-2023	-
E-10A	Conduct annual Fair Housing outreach and education activities and workshops	Twice annually	Fall & spring events				
E-10B	Promote the statewide hate/bias reporting system and evaluate data on a semi-annual basis.	Semi-annual evaluation of data	-	Twice annually	Twice annually	Twice annually	Twice annually





Corvallis promotes a safe, sustainable and resilient city through efficiently managing its land use development, natural resources and infrastructure.

S-1: The City maintains safe and accessible natural resources and facilities through long-range planning to ensure proper maintenance and capital investments in critical community resources.



- A. Develop and implement management plans for each natural area and park. (Parks and Recreation)
- B. Secure funding for deferred maintenance in parks and trails system. (Parks and Recreation)
- C. Maintain the urban stream system to increase stormwater flow capacity to accommodate changing rain patterns and to encourage native plant growth. (Public Works)
- D. Update natural hazards and hillside maps. (Community Development)
- F. Develop an asset management plan for park maintenance and capital projects. (Parks and Recreation)

G. Develop a Strategic Land Acquisition plan. (Parks and Recreation)

H. Provide a park or natural area within a half-mile of every household in accordance with the Parks and Recreation Master Plan 2015. (Parks and Recreation)

I. Build out the comprehensive recreational trails network with a goal of 81 miles of trail upon completion. (Parks and Recreation)

J. Develop a strategic Urban Tree Canopy Plan. (Parks and Recreation)



K. Update the Urban Forest Management Plan. (Parks and Recreation)

L. Complete a citywide facility and space needs assessment that identifies solutions to current and long-range facility needs regarding space, function, maintenance, and safety. (City Manager's Office)

M. Develop and implement a funding strategy to address citywide facility needs regarding space, function, maintenance, and safety. (City Manager's Office)

S-3: The City invests in the integrity of infrastructure with a goal of uninterrupted service.

A. Use the data from the Asset Management Plan to proactively replace water pipe lines before the pipe reaches the end of its useful life, with a long-term goal of 13,000 feet replaced per year. (Public Works)



Corvallis promotes a safe, sustainable and resilient city through efficiently managing its land use development, natural resources and infrastructure.

Who's the audience?

The SOP is designed to be a resource for elected officials, city staff, and the general public. Although it's a detailed document, the SOP is intended to be readable and transparent for a broad audience.

- B. Use the data from the Asset Management Plan to proactively replace wastewater pipe lines before the pipe reaches the end of its useful life, with a long-term goal of 11,000 feet replaced per year. (Public Works)
- C. Use the data in the Pavement Management System to prioritize and complete arterial, collector and local street maintenance to maintain an average Pavement Condition Index score of 70 out of 100. (Public Works)
- D. Determine priority use for transportation funding streams other than the Transportation Maintenance Fee. (Public Works)
- E. Create the 'critical path' water distribution system by seismically hardening key pipelines. (Public Works)
- F. In the absence of state funding, make plans to replace the 911 phone system. (Police)
- G. Maximize the efficient utilization of current and future fire stations to remain in functional condition after a significant event (e.g., Cascadia); ensure they are properly located to meet the current and projected growth areas of the City as well as response time goals; ensure they are located outside of flood-prone areas and near main arterial roadways. (Fire)



S-4: The City promotes community resiliency by actively planning for disasters, including the effects of climate change.

- A. Develop, review and maintain current Emergency Plans. This requires collaborative effort amongst all City departments and Benton County staff. Plans include: Integrated Emergency Operations Plan (IEOP), Continuity of Government (COG), and Continuity of Operations (COOP). (Fire)
- B. Participate in one tabletop or full-scale exercise per year with City Departments, Emergency Operations Center Staff and external agencies. (Fire)
- D. Provide ongoing Emergency Operations Center (EOC) staff training each month with a quarterly exercise to reinforce the training received, plus additional training for EOC Directors and Section Chiefs. (Fire)
- E. Develop a system to ensure City of Corvallis maintains National Incident Management System (NIMS) compliance. This requires all employees complete online, advanced, and intermediate training courses. (Fire)
- F. Coordinate with Benton County Emergency Services and Public Health to review and update Natural Hazard Mitigation Plan (NHMP), Pandemic Response Plan (PRP) and Community Wildfire Protection Plan (CWPP) to include the effects of climate change. (Fire)
- G. Achieve zero wastewater effluent discharge during summer months to help minimize the impact of climate change on the Willamette River. (Public Works)



Corvallis promotes a safe, sustainable and resilient city through efficiently managing its land use development, natural resources and infrastructure.

S-5: The City enhances safety for all community members by providing professional and proactive public safety services.

- A. Achieve a response time of 5:20 or less from dispatch to arrival on Code 3 fire calls within the city limits, per National Fire Protection Association (NFPA) standards. (Fire)
- B. Achieve target response time from dispatch to arrival of EMS calls within the city as dictated by the Ambulance Service Area agreement with Benton County. (Fire)
- C. Seek to staff the Fire Department at ratio consistent with comparator cities' averages. Starting in FY19-20, staffing has increased by 6 FTE through Fire Public Safety Fee funding. (Fire)
- D. Maintain fire engine availability at City stations through the deployment of additional staffing funded by the Public Safety Fee. (Fire)
- E. Conduct fire and life safety maintenance inspections in all commercial occupancies, including multi-family residential occupancies triplex and larger. (Fire)
- I. Increase efficiency and effectiveness of fire prevention efforts by implementing new fire inspection software. (Fire)
- J. Improve fire protection efforts by implementing a new tracking program for fire protection system maintenance. (Fire)
- K. Develop a platform to facilitate sharing occupancy data among City departments. (Fire)
- L. Conduct an annual smoke detector installation campaign for mobile home residents, including pre-event outreach and a day-of installation conducted by Fire staff. (Fire)



S-6: The City develops and sustains a safe, secure and welcoming community through crime reduction and focusing on livability offenses throughout the community in coordination with partners.

- A. Reduce livability offenses to less than 1,000 offenses per year. (Police)
- B. Improve community safety through proactive and educational efforts: Tactical Action Plans, liaisons with Oregon State, and with community. (Police)
- D. Maintain average fatal and injury traffic crashes at less than state and national averages: fewer than 5 per 1,000 population. (Police)
- E. Ensure that emergency calls for service are dispatched within 60 seconds. (Police)
- F. Evaluate feasibility of providing law enforcement services to OSU Campus. (Police)



Corvallis promotes a safe, sustainable and resilient city through efficiently managing its land use development, natural resources and infrastructure.

Climate Action in Focus

Sustainability is a core value of the City of Corvallis, and the SOP highlights the many and varied ways that we are incorporating these principles into daily municipal operations.

S-7: The City ensures the integrity, security and availability of key technology and data systems. Emergency dispatch service is supported by robust, fault-tolerant infrastructure.

A. Ensure availability of 911 dispatch services with robust infrastructure and implement ability for 911 services to transfer reliably to Fire Station 1 and an additional site in the event of a catastrophic event. (Information Technology)

S-8: The City moves purposefully toward a net-zero municipal carbon footprint, and actively engages with the community in its efforts to reduce greenhouse gas emissions.

A. Update the municipal operations greenhouse gas inventory every two years. (Public Works)

B. Reduce the organization's carbon footprint by increasing the amount of renewable electrical power used to provide City services, measured as a percent of total electrical power used, with an aspirational goal of 100% renewable power by 2030. (City Manager's Office)

C. Implement Commercial Property Assessed Clean Energy (C-PACE) financing in Corvallis. (City Manager's Office)

D. Convert the transit fleet to electric when replacing city buses, per Transit Development Plan. (Public Works)



E. Reduce greenhouse gas emissions produced by City vehicles by transitioning the passenger vehicle fleet to electric. (Public Works)

F. Evaluate efficiencies of hybrid Police patrol vehicles for future purchase planning. (Police)

G. Adopt Building Code amendments requiring new commercial buildings to be solar panel ready. (Community Development)

H. Adopt Building Code amendments requiring new residential buildings to be solar panel ready. (Community Development)

I. Adopt Building Code amendments exceeding the International Energy Conservation Code for commercial buildings. (Community Development)

J. Adopt Building Code amendments requiring parking structures for new buildings be able to support electric vehicle chargers. (Community Development)

K. Adopt Building Code amendments requiring new residential buildings to be meet the Department of Energy's Zero Energy Ready Standards. (Community Development)



Corvallis promotes a safe, sustainable and resilient city through efficiently managing its land use development, natural resources and infrastructure.

L. Update the community greenhouse gas inventory every two years. (City Manager's Office)

M. Develop an implementation plan for the community sections of the Climate Action Plan. (City Manager's Office)

S-10: The City is a steward of its natural resources with the goal of promoting native and sustainable ecological systems.

A. Update the Corvallis Forestry Stewardship Plan. (Public Works)

Objective	Measure	Target	19/20	20/21	21/22	22/23	23/24
S-1A	Develop and implement management plans for every Parks and Recreation natural area and park (CAP)	Every 2 years	-	Witham Hill Natural Area; Shawala Point	-	Marys River Natural Area	-
S-1B	Address deferred maintenance in parks and trails	Reduce backlog to zero	Current backlog of \$282,000	Current backlog of \$282,000	Current backlog of \$282,000	Current backlog of \$282,000	Current backlog of \$282,000
S-1C	Maintain urban stream corridors (CAP)	10,000 feet/year	10,000	10,000	10,000	10,000	10,000
S-1D	Update natural hazards/hillsides mapping	December 2020	-	12-2020	-	-	-
S-1F	Develop an asset management plan for park maintenance and capital projects	Completed Plan	-	-	Initiate 01-2022	Complete 06-2023	-
S-1G	Strategic Land Acquisition plan for Parks & Recreation	2021	-	6-2021	-	-	-
S-1H	Acquire land and construct a park or natural area in a needed area	1 new park or natural area every 5 years	Land acquisition- bike park	-	Land acquisition NE or south Corvallis	-	-
S-1I	Build out the comprehensive recreational trails network with a goal of 81 miles of trail upon completion	2,640 feet per year	2,640 feet - Chip Ross Natural Area	2,640 feet - Caldwell Natural Area	2,640 feet - location TBD	2,640 feet - Herbert Farms Natural Area	2,640 feet - location TBD
S-1J	Develop a strategic Urban Tree Canopy Plan (CAP)	April 2021	-	04-2021	-	-	-
S-1K	Update Urban Forest Management Plan (CAP)	February 2024	-	-	-	Initiate 07-2023	Complete 02-2024
S-1L	Complete a citywide facility and space needs assessment	August 2021	-	-	08-2021	-	-
S-1M	Funding strategy to address the citywide facility needs	June 2022	-	-	06-2022	-	-
S-3A	Replace water pipe lines	5,000 feet replaced per year	1,500	1,500	1,500	2,000	2,000
S-3B	Replace wastewater pipe lines	7,000 feet replaced per year	3,000	4,000	4,000	5,000	5,000
S-3C	Maintain arterial, collector and local streets in "average" condition	Average Pavement Index Score of 70	70	69	69	69	69
S-3D	Determine the priority use for transportation funding streams other than TMF (CAP)	June 2020	06-2020	-	-	-	-
S-3E	Create the 'critical path' water distribution system by seismically hardening key pipelines	Initiate in spring 2024	-	-	-	-	05-2024
S-3F	Replace 911 phone system	December 2020	-	12-2020	-	-	-
S-3G	Maximize the efficient utilization of current and future fire stations	Begin review of Stations 2, 3, and 4	06-2020	-	-	-	-





Corvallis promotes a safe, sustainable and resilient city through efficiently managing its land use development, natural resources and infrastructure.

Objective	Measure	Target	19/20	20/21	21/22	22/23	23/24
S-4A	Develop, review and maintain current Emergency Plans, including: Integrated Emergency Operations Plan (IEOP), Continuity of Government (COG), and Continuity of Operations (COOP) (CAP)	Develop and Review in accordance with current county, state and federal guidelines.	IEOP	COG, COOP	IEOP	COG, COOP	IEOP
S-4B	Participate in one tabletop or full-scale exercise per year with City Departments, Emergency Operations Center Staff and external agencies.	Annual exercise	06-2020	06-2021	06-2022	06-2023	06-2024
S-4D	Provide on-going Emergency Operations Center (EOC) staff training each month with a quarterly exercise to reinforce the training received. EOC Directors and Section Chiefs are provided 1 additional hour of training.	2 hours/month 3 hour quarterly EOC exercise 1 hour Director/Chief training.	16 hours 12 hours 8 hours				
S-4E	Develop a system to ensure City of Corvallis maintains National Incident Management System (NIMS) compliance	Monthly status checks with each Department Director reporting compliance	Compliance reviewed & confirmed				
S-4F	Coordinate with Benton County Emergency Services and Public Health to review and update Natural Hazard Mitigation Plan (NHMP), Pandemic Response Plan (PRP) and Community Wildfire Protection Plan (CWPP)	Develop and review in accordance with current county, state and federal guidelines	-	NHMP CWPP	PRP	-	CWPP
S-4G	Achieve zero wastewater effluent discharge during summer months (CAP)	Begin evaluating in summer 2024	-	-	-	-	Initiate
S-5A	Achieve a response time of 5:20 or less from dispatch to arrival on Code 3 fire calls within the city limits, per National Fire Protection Association (NFPA) standards	>90% of fire calls	>90%	>90%	>90%	>90%	>90%
S-5B	Achieve target response time from dispatch to arrival of EMS calls within the city as dictated by the Ambulance Service Area agreement with Benton County	8 minutes at 90% 5 minutes at 45%	90% 45%	90% 45%	90% 45%	90% 45%	90% 45%
S-5C	Seek to staff the Fire Department at ratio consistent with comparator cities' averages. Starting in FY19-20, staffing has increased by 6 FTE through Public Safety Fee funding.	1.42 FTE per 1,000 population	1.27	1.42	1.42	1.42	1.42





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Objective	Measure	Target	19/20	20/21	21/22	22/23	23/24
S-5D	Maintain fire engine availability at City stations through the deployment of additional staffing funded by the Public Safety Fee	70% engine availability systemwide	70%	70%	70%	70%	70%
S-5E	Conduct fire and life safety maintenance inspections in all commercial occupancies, including multi-family residential occupancies 3-plex and larger	Initiate 100% of the occupancy inspections to create a foundation for the implementation of the new inspection RMS software	06-2020	-	-	-	-
S-5I	Increase efficiency and effectiveness of fire prevention efforts by implementing new fire inspection software	June 2021	-	06-2021	-	-	-
S-5J	Improve fire protection efforts by implementing a new tracking program for fire protection system maintenance	June 2021	-	06-2021	-	-	-
S-5K	Develop a platform to facilitate sharing occupancy data among City departments	June 2021	-	06-2021	-	-	-
S-5L	Annual smoke detector campaign for mobile home residents	Annually in June	06-2020	06-2021	06-2022	06-2023	06-2024
S-6A	Reduce livability offenses	less than 1000 offenses per year	<1000	<1000	<1000	<1000	<1000
S-6B	Improve community safety through proactive and educational efforts, Tactical Action Plans, liaisons with	Violence < State Avg. Implement TAPs	<32/1000 12/year	<32/1000 12/year	<32/1000 12/year	<32/1000 12/year	<32/1000 12/year
S-6D	Maintain average fatal and injury traffic crashes at less than State and National Averages per 1,000 population (CAP)	< 5 per 1,000 population	< 5 per 1,000	< 5 per 1,000	< 5 per 1,000	< 5 per 1,000	< 5 per 1,000
S-6E	Emergency calls for service dispatched within 60 seconds	100%	100%	100%	100%	100%	100%
S-6F	Evaluate feasibility of providing law enforcement services to OSU Campus	March 2020	03-2020	-	-	-	-
S-7A	Ensure 911 dispatch capability with robust, fault-tolerant infrastructure and transfer reliability	FS-1 in July 2018; one additional site in July 2019	Transfer capability to 1 additional site	-	-	-	-
S-8A	Update municipal operations GHG inventory	Municipal GHG every two years	06-20	-	06-22	-	06-24
S-8B	Increase renewable power used to provide City services (CAP MO-2)	35% of total power	20%	25%	25%	25%	30%





Corvallis promotes a safe, sustainable and resilient city through efficiently managing its land use development, natural resources and infrastructure.

Objective	Measure	Target	19/20	20/21	21/22	22/23	23/24
S-8C	Complete implementation of C-PACE program in Corvallis. (CAP)	June 2021	-	06-2021	-	-	-
S-8D	Convert transit fleet to electric vehicles (CAP MO-2)	Purchase electric when replacing a bus	-	-	-	2 buses	-
S-8E	Reduce GHG emissions from City fleet (CAP MO-2)	Begin purchasing electric passenger vehicles	06-2020	-	-	-	-
S-8F	Evaluate efficiencies of hybrid patrol vehicles for future purchase planning (CAP)	June 2022	-	-	06-2022	-	-
S-8G	Adopt Building Code amendments requiring new commercial buildings to be solar panel ready (CAP)	October 2022	-	-	-	10-2022	-
S-8H	Adopt Building Code amendments requiring new residential buildings to be solar panel ready (CAP)	October 2020	-	10-2020	-	-	-
S-8I	Adopt Building Code amendments exceeding the International Energy Conservation Code for commercial buildings (CAP)	October 2022	-	-	-	10-2022	-
S-8J	Adopt Building Code amendments requiring parking structures for new buildings be able to support electric vehicle chargers (CAP)	October 2022	-	-	-	10-2022	-
S-8K	Adopt Building Code amendments requiring new residential buildings to be meet the Department of Energy's Zero Energy Ready Standards (CAP)	October 2023	-	-	-	-	10-2023
S-8L	Update the community GHG inventory (CAP)	Biennial update starting in 2022	-	-	01-2022	-	01-2024
S-8M	Develop an implementation plan for the community sections of the Climate Action Plan (CAP)	December 2020	-	12-2020	-	-	-
S-8M	Develop an implementation plan for the community sections of the Climate Action Plan (CAP)	December 2020	-	12-2020	-	-	-
S-10A	Update Corvallis Forest Stewardship Plan (CAP)	April 2023	-	-	-	04-2023	-





Corvallis recognizes and strengthens the connections among education, health care, human services, and personal wellness to support a healthy, educated, livable community.

L-2: The City actively seeks out opportunities to build lasting, respectful relationships with diverse populations in Corvallis.



A. Schedule meetings annually with OSU student groups and community organizations. (Police)

B. Hold an annual Citizens Police Academy to allow 20 to 30 participants a closer look at the Police Department's daily operations. (Police)

C. Maintain accreditation through Commission for Accreditation of Law Enforcement (CALEA). (Police)

D. Partner with diverse populations to create a welcoming inclusive environment in parks and programs. (Parks & Recreation)

L-3: The City supports a healthy, educated, and livable community through programs, facilities, and infrastructure.

A. Conduct youth water safety classes. (Parks and Recreation)

B. Provide wellness programs at community centers for youth and adults. (Parks and Recreation)

C. Develop classes and programs that promote an active lifestyle for youth under age 18. (Parks and Recreation)

D. Expand outdoor programs and environmental education opportunities for youth. (Parks and Recreation)



E. Boost participation through the Library's Summer Reading program. (Library)

F. Maintain annual deliveries to local schools through the Library's Book Box program. (Library)

G. Increase Library program attendance serving 62 people per 100 population. (Library)

H. Maintain circulation at 18 items per capita. (Library)

I. Re-introduce inter-library loan services. (Library)

J. Provide community education on topics such as CPR, babysitting, water safety, and car seat safety. (Fire)



Corvallis recognizes and strengthens the connections among education, health care, human services, and personal wellness to support a healthy, educated, livable community.

Objective	Measure	Target	19/20	20/21	21/22	22/23	23/24
L-2A	Meetings with student & community	10 meetings annually	12	12	14	16	16
L-2B	Citizens Police Academy	30 people annually	30	30	30	30	30
L-2C	Maintain CALEA accreditation	Maintain certification	1/4 Inspection	1/4 Inspection	On-Site Inspection	1/4 Inspection	1/4 Inspection
L-2D	Partner with diverse populations to create a welcoming inclusive environment in parks and programs	Ten action items annually starting in	-	-	-	-	10 action items
L-3A	Water safety outreach and education	5,500 youth annually	5,000	5,100	5,200	5,300	5,400
L-3B	Wellness classes at community centers	750 participants	650	700	750	800	850
L-3C	Develop classes and programs that promote an active lifestyle for youth under 18	350 programs	330 programs	335 programs	340 programs	345 programs	350
L-3D	Expand outdoor programs & environmental education opportunities for youth	55	35	40	45	50	55
L-3E	Boost summer reading participation	3500 signups	3,175	3,275	3,375	3,475	3,500
L-3F	Book deliveries to local schools through Book Box program	70 participating classrooms annually	70	70	70	70	70
L-3G	Increase Library program attendance	62.5 attendees per 100 population	59.5	61.0	61.5	62.0	62.5
L-3H	Maintain Library material circulation	18.6 items circulated per capita	18.6	18.6	18.6	18.6	18.6
L-3I	Re-introduce inter-library loan services	01-2022		-	01/22	-	-
L-3J	Provide community education on topics such as CPR, babysitting, water safety, and car seat safety	12 classes annually	6	12	12	12	12





Corvallis has a vibrant, diverse economy with a wide range of companies and businesses that are environmentally responsible and involved in the community while serving customers all over the world.

I-1: The City works closely with Oregon State University to incubate innovative technologies and foster new business opportunities to capture the long-term economic benefits for the local community.



I-3: The City maintains an adequate supply of land available for life cycle housing, economic growth and employment and regulates it in a way that balances community impact while encouraging economic prosperity.

A. Ensure Buildable Lands Inventory addresses land deficits required to grow employment. (Community Development)

B. Annex the Corvallis Municipal Airport and Industrial Park. (City Manager's Office)

I-4: The City provides advisory services to invite and support local businesses.

I-5: The City operates a business retention and expansion program that connects with the "traded sector" businesses in the community, providing assistance for businesses to prosper and thrive.

A. Provide business retention and expansion services, including a minimum of 150 business visits annually to "traded sector" businesses in the area. (City Manager's Office)

I-6: The City partners with local and regional stakeholders on events and programs for local entrepreneurs.

A. Support innovation organizations for programs for local entrepreneurs. (City Manager's Office)

I-7: The City cultivates businesses in target and emerging sectors such as food, beverage, agriculture, agritourism, science, research and technology.

A. Develop a "continuity of care" paradigm for businesses in the area. (City Manager's Office)

I-8: The Corvallis-Benton County Economic Development Office is a leader and key partner in the economic development ecosystem for Corvallis and Benton County.

I-9: The City actively engages with community partners to support a strong and vibrant downtown as the heart of our community.

A. Participate in downtown events at least 12 times per year. (Library)

B. Support renewal of Downtown Corvallis Economic Improvement District. (City Manager's Office)

A Window into City Operations

The SOP offers a window into the operations of the City of Corvallis. Hopefully it will help answer that pesky question: "What's the City doing about this?" The answer is in the SOP!



Corvallis has a vibrant, diverse economy with a wide range of companies and businesses that are environmentally responsible and involved in the community while serving customers all over the world.

Objective	Measure	Target	19/20	20/21	21/22	22/23	23/24
I-3A	Address employment deficits in the Buildable Lands Inventory	June 2021	-	06-2021	-	-	-
I-3B	Annex the airport and industrial park property	June 2022	-	-	06-2022	-	-
I-5A	Provide business retention and expansion services for traded sector	150 business outreach contacts	150	150	150	150	150
I-6A	Support innovation organizations for programs for local entrepreneurs	10 events per year	10	10	10	10	10
I-7	Develop a “continuity of care” paradigm for businesses in the area	Draft plan in June 2021	-	06-2021	-	-	-
I-9A	Participate in downtown events at least 12 times per year	12 events per year	12	12	12	12	12
I-9B	Support renewal of Downtown Corvallis Economic Improvement District	June 20202	-	-	06-2022	-	-





Corvallis has a strong identity centered on arts, culture, recreation and celebration. The arts are an essential element of the community, its economy, and quality of life.



C-1: The City cultivates the arts and artisans in the community.

C-2: The City supports affordable and accessible spaces for people to learn, create, express themselves, and build community.

A. Increase attendance of community arts, theater and performance events. (Parks and Recreation)

B. Increase volunteer participation in theater and arts programs and performances. (Parks and Recreation)

C. Encourage participation in the Library's Maker program, which motivates hands-on learning for all ages in science, technology, engineering & computer sciences, by hosting at least one themed event per month. (Library)

C-3: The City provides opportunities for public recreation to contribute to the community's overall quality of life.

A. Increase recreation program registration for adults and children to 220,000 registrations annually. (Parks and Recreation)

C-4: The City supports tourism and related activities through partnerships with local and regional organizations.

Objective	Measure	Target	19/20	20/21	21/22	22/23	23/24
C-2A	Increase attendance of community arts, theater, and performance events	23,000 attendance	22,000	22,500	23,000	23,500	24,000
C-2B	Increase participation in theater classes and performances and arts programs	2,200 participants	1,500	2,000	2,200	2400	2600
C-2C	Hosting Library Maker programs in the new Maker Space	18 programs per year	18	20	21	23	25
C-3A	Increase recreation program attendance	220,000 attendance	212,000	214,000	216,00	218,000	220,000



Corvallis is a compact, well-planned city with extensive mixed-use development, including housing, retail and jobs in downtown and along major corridors. Vibrant neighborhoods contain a diverse mix of affordable housing, parks and open spaces – all accessible by transit, biking and walking.

Making Efficient Use of Resources

Achieving the community's goals requires resources. The SOP helps bring everything into focus so we can make the best use of those resources and be careful stewards of the community's tax dollars.

P-1: The City supports sustainable stewardship of assets and infrastructure through well-planned, well-maintained, and accessible public facilities.

- B. Evaluate feasibility of solar installation and heat collection system at Osborn Aquatic Center (Parks and Recreation)
- G. Update master plans for water system, stormwater system, and wastewater system. (Public Works)
- H. Review and update System Development Charges methodology and rates. (Public Works)
- I. Audit the citywide parking program. (Public Works)
- K. Update the mechanism used to appropriately charge new connections to existing City infrastructure to ensure new development pays its fair share of the community's previous investment. (Public Works)
- L. Replace core network infrastructure citywide. (Information Technology)
- M. Remote site integration for Majestic Theatre. (Information Technology)
- N. Remote site integration for branch libraries. (Information Technology)
- O. Plan for 10- and 20-year growth needs in fiber network infrastructure. (Information Technology)



P-4: The City works to achieve a high quality and well-utilized public transit system.

- B. Improve service, marketing and outreach to motivate more community members to routinely use CTS, increasing ridership and reducing congestion and greenhouse gas emissions from single occupancy vehicles. (Public Works)
- C. Review Transit Operations Fee. (Mayor & City Council, Public Works)
- E. Support ODOT's corridor safety study along Highway 99W in South Corvallis. (Community Development)
- G. Enhance the transit system frequency, hours of operation and service by implementing the Transit Development Plan. (Public Works)

P-5: The City engages the community in proactively planning for managed growth to achieve compact, resource efficient development that provides for a) a range of housing options; b) a variety of commercial opportunities; c) adequate industrial sites; and d) parks and open spaces.

- B. Prepare annual Land Development Information Report (Community Development)
- D. Create a Specific Area Plan for Planning Area A: South Corvallis. (Community Development)
- E. Create a Specific Area Plan for Planning Area B: Southwest Corvallis. (Community Development)



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Eye on the Ball

Many of the City's programs and work efforts unfold over a period of years. The SOP helps ensure that we don't lose track of the important initiatives even if they're still years away from being completed.

- F. Create a Specific Area Plan for Planning Area C: Downtown and OSU Campus. (Community Development)
- G. Create a Specific Area Plan for Planning Area E: Northeast Corvallis. (Community Development)
- H. New Campus Vision for Oregon State University's campus. (Community Development)
- I. Process island annexations. (Community Development)
- J. Conduct a community land use survey every five years. (Community Development)
- K. Bring zoning map and comprehensive plan map into alignment. (Community Development)
- L. Process LDC Amendment for Block Perimeter Standards. (Community Development)
- M. Process LDC Amendment for ADUs Phase 2. (Community Development)
- N. Process LDC Amendment for Annexation Chapter. (Community Development)
- O. Evaluate street light standard specifications for new construction. (Public Works)



P-8: The City leverages community development resources to prioritize housing affordability, energy efficiency, solutions for homelessness, and fair housing issues.

- A. Complete the federal five-year Consolidated Plan and Fair Housing Plan. (Community Development)
- B. Solicit projects and allocate housing and community development funding annually. (Community Development)
- C. Evaluate System Development Charge exemptions for affordable housing projects. (Community Development)
- D. Create provisions for "tiny homes" and adopt building codes for R-3 and R-5 properties to encourage affordable housing. (Community Development)
- E. Administer the EPA Brownfields grant program. (Community Development)
- G. Evaluate property tax incentives for affordable housing. (Community Development)
- H. Evaluate City-sponsored annexation process to support affordable housing. (Community Development)



Corvallis is a compact, well-planned city with extensive mixed-use development, including housing, retail and jobs in downtown and along major corridors. Vibrant neighborhoods contain a diverse mix of affordable housing, parks and open spaces – all accessible by transit, biking and walking.

I. Evaluate density bonus incentives to encourage more affordable housing. (Community Development)

J. Evaluate reduced parking requirement incentives to facilitate more affordable housing. (Community Development)



K. Evaluate using receivership tools to support affordable housing efforts. (Community Development)

L. Create a parcel assembly/land banking program for affordable housing. (Community Development)

M. Create a community land trust program to support affordable housing. (Community Development)

N. Create policies, programs, and procedures for South Corvallis Urban Renewal District. (Community Development)

P-9: The City supports historic resources, properties, and neighborhoods.

B. Explore incentives for historic preservation. (Community Development)

C. Develop historic preservation guidelines. (Community Development)

P-13: The City updates its Comprehensive Plan and Land Development Code consistent with State and Federal laws and Council priorities.

A. Create a new Parks and Natural Area Zone. (Parks and Recreation, Community Development)

B. Seek Council action on a series of LDC changes for the OSU campus area. (Community Development)

F. Review and amend LDC sections on mixed use districts. (Community Development)

G. Review and approve the master plan for Corvallis School District 509J. (Community Development)

H. Update the LDC to accommodate historic preservation provisions. (Community Development)

M. Review and modify pedestrian-oriented design standards in the LDC. (Community Development)

N. Process LDC Amendment for Middle Housing. (Community Development)

O. Process LDC Amendment for Residential Standards and Housing Types. (Community Development)

P. Process CPA Amendment for Comprehensive Plan Structural Elements. (Community Development)

Q. Process LDC Amendment for Consolidated Application Appeals. (Community Development)

R. Process LDC Amendment for Land Division Standards. (Community Development)

Tools in the Toolbox

The SOP highlights many of the tools in the City's toolbox that can be used to address many of the community's pressing challenges. Expect to see a few things you haven't heard of before!



Corvallis is a compact, well-planned city with extensive mixed-use development, including housing, retail and jobs in downtown and along major corridors. Vibrant neighborhoods contain a diverse mix of affordable housing, parks and open spaces – all accessible by transit, biking and walking.

P-17: The City provides safe and connected bicycle and pedestrian infrastructure.

- A. Construct the Neighborhood Bikeway System identified in the Transportation System Plan. (Public Works)
- B. Improve the safety and walkability of the pedestrian system through implementing the high-priority pedestrian projects identified in the Transportation System Plan. (Public Works)
- C. Enhance the bicycle system with wayfinding signage. (Public Works)
- D. Evaluate guidelines and standards for protected bike lanes on arterial streets. (Public Works)
- E. Develop guidance for active mode improvements with pavement preservation projects on existing streets. (Public Works)
- F. Partner with Oregon Department of Transportation on pedestrian and bicycle system improvements in the Hwy 99W corridor in South Corvallis. (Public Works)

Objective	Measure	Target	19/20	20/21	21/22	22/23	23/24
P-1B	Evaluate feasibility of solar installation at Osborn Aquatic Center (CAP)	January 2022	-	-	01-2022	-	-
P-1G	Update infrastructure system master plans for water system, stormwater system, and wastewater system	June 2021 (water), June 2024 (wastewater)	-	Water System Master Plan	-	-	Wastewater System Master Plan
P-1H	Review/update SDC methodology and charges	After master plans are complete	-	Streets SDC	Water SDC	-	-
P-1I	Audit the citywide parking program (CAP)	June 2020	06-2020	-	-	-	-
P-1K	Update the mechanism to charge development when connecting to existing public infrastructure	June 2021	-	06-2021	-	-	-
P-1L	Replace core network infrastructure citywide	September 2019	09-2019	-	-	-	-
P-1M	Remote site integration for Majestic Theatre	June 2019	-	-	-	-	-
P-1N	Remote site integration for branch libraries	June 2020	06-2020	-	-	-	-
P-1O	Plan 10- and 20-year growth needs for fiber network infrastructure	July 2020	-	07-2020	-	-	-
P-4B	Increase annual transit passenger trips per capita through outreach (CAP)	29 trips	23	24	25	26	26
P-4C	Review Transit Operations Fee	June 2024	-	-	-	-	06-2024
P-4E	Support ODOT's corridor safety study on Highway 99W in South Corvallis	June 2022	-	Initiate	06-2022	-	-
P-4G	Enhance the transit system frequency, hours of operation and service by implementing the Transit Development Plan (CAP MO-10)	Implement Transit Development Plan	Short Term Phase Completed	-	-	-	Initiate Medium Term Phase
P-5B	Prepare annual Land Development Information Report (LDIR)	Annually in April	04-2020	04-2021	04-2022	04-2023	04-2024
P-5D	Planning Area A Specific Area Plan	Every 10 years	Initiate	06-2021	-	-	-
P-5E	Planning Area B Specific Area Plan	Every 10 years	-	-	Initiate	06-2023	-
P-5F	Planning Area C Specific Area Plan	Every 10 years	-	-	-	Initiate	06-2024
P-5G	Planning Area E Specific Area Plan	Every 10 years	-	-	-	-	Initiate
P-5H	New OSU Campus Vision	July 2020	-	07-2020	-	-	-
P-5I	Process island annexations	June 2024	-	-	-	Initiate	06-2024
P-5J	Conduct community land use survey	Every 5 years	-	-	-	12-2022	-



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Objective	Measure	Target	19/20	20/21	21/22	22/23	23/24
P-5K	Bring zoning map and comprehensive plan map into alignment	June 2023	-	-	-	06-2023	-
P-5L	LDC Amendment - Block Perimeter Standards (Code Audit, HDTF, CAP)	December 2020	-	12-2020	-	-	-
P-5M	LDC Amendment - ADUs Phase 2 (HDTF, HB 2001)	June 2020	06-2020	-	-	-	-
P-5N	LDC Amendment - Annexation Chapter (HDTF, Code Audit)	December 2020	-	12-2020	-	-	-
P-5O	Evaluate street light standard specifications for new construction	If appropriate, implement new standards in June 2023	-	-	-	06-2023	-
P-8A	Complete federal 5-year Consolidated Plan and Fair Housing Plan	Every 5 years	-	-	-	06-2023	-
P-8B	Solicit projects and allocate housing and community development funding	Annually in May	05-2020	05-2021	05-2022	05-2023	05-2024
P-8C	Evaluate SDC exemptions for affordable housing (HDTF)	May 2020	05-2020	-	-	-	-
P-8D	Create tiny home provisions/adopt R-3/R-5 building code for affordable housing (HDTF)	June 2021	-	06-2021	-	-	-
P-8E	Administer EPA Brownfields Grant Program	September 2021	-	-	09-2021	-	-
P-8G	Evaluate property tax incentives for affordable housing (HDTF)	December 2021	-	Initiate	12-2021	-	-
P-8H	Evaluate city participation in annexations for affordable housing (HDTF)	December 2022	-	-	Initiate	12-2022	-
P-8I	Evaluate density bonus incentives for affordable housing (HDTF)	December 2023	-	-	-	Initiate	12-2023
P-8J	Evaluate reduced parking requirement incentives for affordable housing (HDTF)	December 2023	-	-	-	Initiate	12-2023
P-8K	Evaluate using receivership tools for affordable housing (HDTF)	June 2022	-	Initiate	6-2022	-	-
P-8L	Create parcel assembly/land banking program for affordable housing (HDTF)	December 2024	-	-	-	Initiate	-
P-8M	Create community land trust program for affordable housing (HDTF)	December 2024	-	-	-	Initiate	-
P-8N	Set up urban renewal policies, programs and procedures (HDTF)	June 2021	Initiate	06-2021	-	-	-





Corvallis is a compact, well-planned city with extensive mixed-use development, including housing, retail and jobs in downtown and along major corridors. Vibrant neighborhoods contain a diverse mix of affordable housing, parks and open spaces – all accessible by transit, biking and walking.

Objective	Measure	Target	19/20	20/21	21/22	22/23	23/24
P-9B	Explore incentives for historic preservation (HPP)	June 2023	-	Initiate	-	06-2023	-
P-9C	Develop historic preservation design guidelines (HPP)	June 2023	-	Initiate	-	06-2023	-
P-13A	Create new Parks and Natural Area Zone	July 2019	07-2019	-	-	-	-
P-13B	LDC changes for the OSU campus area	July 2021	-	-	07-2021	-	-
P-13F	Review/amend Mixed Use Districts in LDC (HDTF, CAP)	June 2020	06-2020	-	-	-	-
P-13G	509J Master Plan approval	June 2020	06-2020	-	-	-	-
P-13H	LDC update for historic preservation provisions (HPP)	Dec 2020	Initiate	12-2020	-	-	-
P-13M	Review/Modify Chapter 4.10 in LDC (Pedestrian oriented design standards) (Code Audit, CAP, HDTF)	June 2023	-	-	Initiate	06-2023	-
P-13N	LDC Amendment - Middle Housing (HB 2001, HDTF)	June 2022	-	-	06-2022	-	-
P-13O	LDC Amendment - Residential Standards and Housing Types (Code Audit, HDTF)	June 2022	-	-	06-2022	-	-
P-13P	CPA Amendment - Comprehensive Plan Structural Elements	December 2021	-	-	12-2021	-	-
P-13Q	LDC Amendment - Consolidated Application Appeals	December 2021	-	-	12-2021	-	-
P-13R	LDC Amendment - Land Division Standards (Code Audit, HDTF)	December 2020	-	12-2020	-	-	-
P-17A	Construct neighborhood bikeway system as identified in TSP (CAP)	1 project per year starting in FY20-21	-	11th - North Phase I	11th - North Phase II	Location TBD	Location TBD
P-17B	Improve the safety and walkability of the pedestrian system as identified by TSP (TSP, CAP)	1 project per year starting in FY21-22	-	-	Location TBD	Location TBD	Location TBD
P-17C	Enhance the bicycle system with wayfinding signage (CAP)	Signs installed	-	06-2021	-	-	-
P-17D	Evaluate guidelines and standards for protected bikelanes on new arterials (TSP, CAP)	June 2021	-	06-2021	-	-	-
P-17E	Develop guidance for active mode improvements with pavement preservation projects on existing streets (CAP)	December 2022	-	-	12-2022	-	-
P-17F	Partner with ODOT on pedestrian/bicycle system improvements in the Hwy 99 corridor in south Corvallis	Implement improvements	-	-	Mid-term project	-	Long-term project

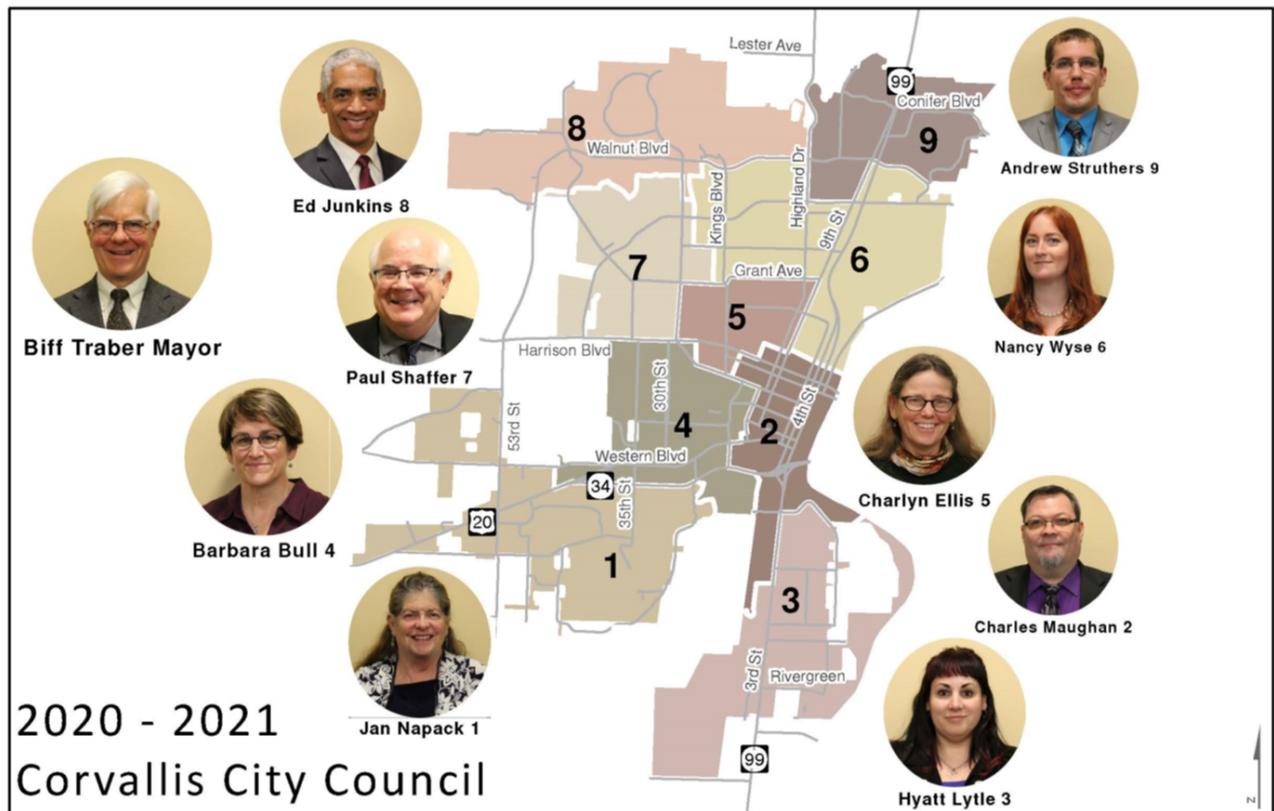


BUDGET OVERVIEW AND FINANCIAL SUMMARIES

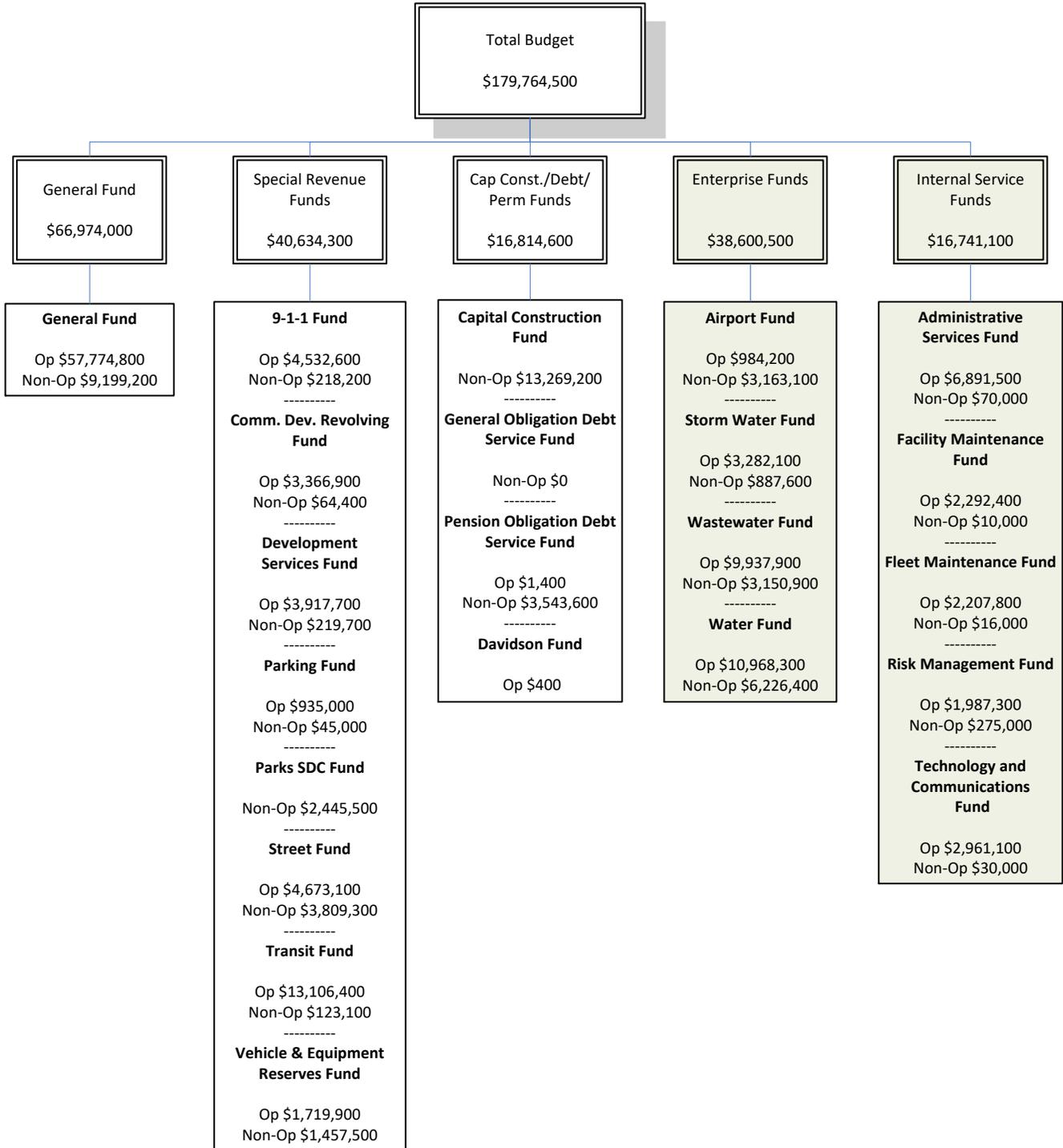
The following section provides a financial overview of the City's operations in FY 20-21 as well as information related to long-term planning.

The City Council and the Budget Commission use five-year Financial Plans throughout the budget process to monitor the status of the City's current and future year finances. Long-term financial plans are developed for each operating fund of the organization, with revenue and expenditure estimates updated as more information becomes available during the course of the year. Although the plans are presented here in a five-year format, staff uses the financial plans projected over the course of seven years, as well as facility, technology and vehicle plans for periods of ten to twenty years, for things such as utility rate setting, debt issuance recommendations or modeling tax levies in order to see the longer term impact of short term decisions. Capital project budgets are also tested in the financial plans to ensure that adequate monies are projected to exist both for construction of the project and for the operating costs that may be incurred upon the project's completion.

Corvallis Wards



CITY OF CORVALLIS BUDGET BY FUND



Note: Shaded funds are accounted for on the accrual basis of accounting and budgeted for on the modified accrual basis of accounting, whereas the non-shaded funds are both accounted and budgeted for on the modified accrual basis of accounting.

BUDGET AND FINANCIAL OVERVIEW

INTRODUCTION

This section of the budget provides an overview of the organization and its total budget, including assumptions made about growth or declines in revenues and expenditures. Following the organization-wide information are fund financial summaries with fund specific information identified.

THE LOCAL ECONOMY

The Coronavirus Pandemic (COVID-19) has altered the local, state, national, and international economies in ways never before seen or anticipated. The full impact of COVID-19 will not be known for years, and likely not for decades. The Budget was adopted on June 1, just as Benton County was preparing to enter Phase 1 of re-opening after ten weeks of following the Governor's "Stay Home, Stay Healthy" order. The impact on the local economy has been significant, but many of the factors that make Corvallis a great place to live have also led to more fiscal stability than some other communities. Key factors include:

- A strong and diversified local economy with a foundation in higher education and technology which have provided more stability in employment than some other communities.
- A relatively high proportion of the community's population consists of retirees who have maintained their retirement income and not faced unemployment.
- City and County staff have implemented the joint Emergency Operations Center which has allowed for diversified staffing, shared costs, coordinated responses, and a singular focus on assisting community members through this pandemic.
- Oregon's property tax system is providing stability in the primary General Fund revenue that local governments in other states may not have.

Even with these positive factors, the community as a whole is suffering. Business closures are affecting the long-term financial health of many small businesses, their owners, and the individuals who work there. The specter of a fall 2020 rebound of COVID-19 is creating serious and significant challenges for K-12 schools, Linn-Benton Community College and Oregon State University. The City's financial position at the end of FY 19-20 and through FY 20-21 will not be as strong as projected a year ago.

To make a good economic forecast, one needs answers to questions that currently have no answers – how long will the physical distancing and business closures last? Will local businesses be able to rebound to pre-COVID-19 levels? When will community members feel like they are ready to resume normal life? And what will 'normal' look like post-COVID-19?

Recessions are never really defined until well after they begin, though there is general consensus that the United States is currently in recession. In fact, most economists are now stating the entire world is in a recession because the pandemic has stopped almost all economic activity in every country. Most economists are debating whether this recession will be deep but narrow, sustained over a longer term, or if it will seem to get better, then nose-dive again before a more permanent long-term stability sets in.

The budget overview that follows will identify revenue and expenditure impacts associated with COVID-19 as well as other changes included in the FY 20-21 Adopted Budget. COVID-19 related changes are based on the following broad assumptions:

- The physical distancing recommendations/orders will begin to lift in a phased manner, beginning in late-May; actual re-opening began the first week of June.
- The return to “normal” life will be slow and implemented in steps; the final level of “normal” we return to is unlikely to look like pre-COVID-19 normal, and will likely not occur until after June 2021. Some business, non-profit, and public sector entities will be back to normal faster than others.
- Almost all revenue lost during this event will be permanently lost.
- The City and County will file for Federal Emergency Management Agency reimbursement, but this budget does not anticipate any reimbursement; FEMA can take years to approve and make payments.
- Other federal funding programs that offer financial support to local governments, such as the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), are only included in projections in this budget if specific grant notifications have already been provided to the City.

BUDGET OVERVIEW

The City’s total budget for FY 20-21 is balanced in each fund, where revenues, combined with reserves or fund balance, equal or exceed planned expenditures. Revenue in all funds combined is expected to total \$166,330,500, a 4% increase over the Adopted Budget for FY 19-20. Operating revenue – those monies available on an on-going basis to cover on-going operating costs – are projected to total \$149,570,600, a nearly 7% increase from the Adopted FY 19-20 Budget.

All expenditures are projected to total \$179,764,500, a 2% increase from the FY 19-20 Adopted Budget. Operating expenses, the primary focus of the budget process, are projected to total \$131,540,800 which is 13% or nearly \$15.5 million above the FY 19-20 Adopted Operating Budget.

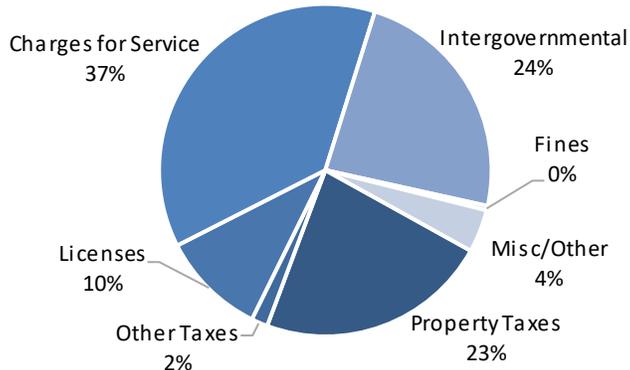
There are significant increases and decreases expected in some major revenue sources and expenditures discussed in the following sections.

A view of the total budget, with all funds combined:

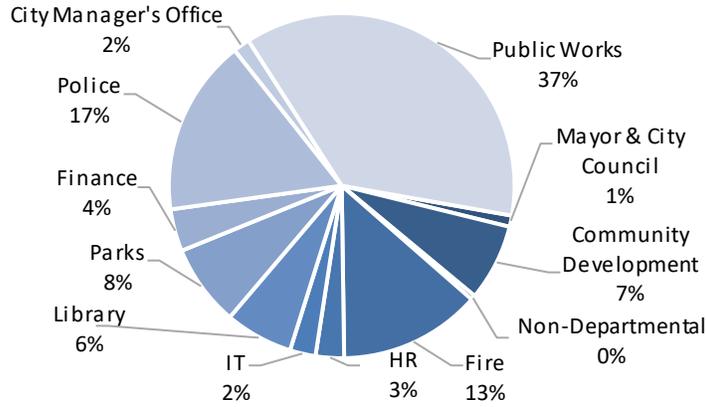
ALL FUNDS COMBINED

	ACTUAL FY 17-18	ACTUAL FY 18-19	ADOPTED FY 19-20	REVISED FY 19-20	ADOPTED FY 20-21	% Chg from ADOPTED FY 19-20
Beginning Fund Balance	\$79,046,174	\$85,586,294	\$84,424,843	\$101,626,010	\$100,009,910	18%
Property Taxes	29,357,221	31,575,790	31,790,400	32,777,300	33,788,800	6%
Other Taxes	2,367,258	3,656,819	2,994,000	2,055,000	2,382,300	-20%
Licenses, Fees, & Permits	9,859,344	10,332,651	14,788,800	15,079,000	15,259,100	3%
Charges for Service	48,312,785	60,700,318	54,653,700	51,939,100	55,704,400	2%
Intergovernmental	13,281,803	17,854,470	27,729,900	25,297,200	35,273,100	27%
Fines & Forfeitures	983,964	896,141	1,005,800	755,800	648,100	-36%
Miscellaneous	3,512,668	5,171,391	7,000,500	7,030,700	6,514,800	-7%
Total Operating Revenue	107,675,043	130,187,580	139,963,100	134,934,100	149,570,600	7%
Transfers In	6,519,876	8,321,591	17,335,800	12,298,600	15,099,400	-13%
Other Financing Sources	498,500	1,418,230	2,137,800	2,137,800	1,660,500	-22%
Current Revenues	\$114,693,419	\$139,927,401	\$159,436,700	\$149,370,500	\$166,330,500	4%
Total Resources	\$193,739,593	\$225,513,696	\$243,861,543	\$250,996,510	\$266,340,410	9%
Operating Budget:						
Mayor and City Council	\$914,950	\$1,428,004	\$1,355,900	\$1,295,500	\$1,539,300	14%
City Manager's Office	1,390,215	1,399,559	1,669,800	1,719,800	1,877,700	12%
City Manager's Office Special Prjts	0	0	200,000	35,000	165,000	-18%
Community Development	5,528,271	5,929,019	8,169,300	8,169,300	9,173,500	12%
Community Development Special Prjts	55,294	395,918	317,800	53,700	288,300	-9%
Finance	4,130,718	4,238,040	4,562,100	4,606,100	5,194,800	14%
Finance Special Prjts	0	232,335	0	0	0	0%
Fire	12,277,513	12,577,564	14,825,300	14,500,300	15,880,600	7%
Fire Special Prjts	10,000	221,313	1,100,500	815,500	1,645,100	49%
Human Resources	2,199,586	2,658,074	2,988,400	2,944,400	3,225,500	8%
Human Resources Special Prjts	0	0	225,000	58,000	262,000	16%
Information Technology	2,295,023	2,538,990	2,761,100	2,761,100	2,921,300	6%
Information Technology Special Prjts	599,285	513,589	735,000	316,800	239,800	-67%
Library	6,532,027	6,889,130	7,302,000	7,302,000	7,622,400	4%
Library Special Prjts	150,895	158,755	514,700	157,700	740,600	44%
Parks and Recreation	7,248,551	7,691,275	8,565,900	8,228,900	9,121,700	6%
Parks and Recreation Special Prjts	408,624	378,837	612,500	532,600	916,200	50%
Police	15,433,840	16,053,973	19,732,200	19,672,200	20,696,200	5%
Police Special Prjts	296,768	306,082	789,300	316,600	1,068,100	35%
Public Works	24,311,108	24,741,780	28,872,000	28,815,000	34,650,600	20%
Public Works Special Prjts	3,956,218	5,087,154	10,152,500	6,891,100	13,757,700	36%
Non-Departmental	830,632	3,359,569	604,400	54,400	554,400	-8%
Total Operating Budget	88,569,517	96,798,958	116,055,700	109,246,000	131,540,800	13%
Non-Operating:						
Capital Projects	5,688,172	10,340,783	33,062,700	21,338,000	24,489,600	-26%
Transfers Out	6,519,876	8,321,591	17,335,800	12,298,600	15,099,400	-13%
Other Financing Uses	488,038	1,398,606	2,137,800	2,137,800	1,660,500	-22%
Debt Service - Principal	4,205,252	4,381,833	3,356,610	3,356,610	2,236,100	-33%
Debt Service - Interest	2,682,443	2,645,914	2,609,590	2,609,590	2,620,200	0%
Contingency	0	0	1,969,000	0	2,117,900	8%
Total Non-Operating:	19,583,782	27,088,728	60,471,500	41,740,600	48,223,700	-20%
Total Requirements	\$108,153,298	\$123,887,686	\$176,527,200	\$150,986,600	\$179,764,500	2%
Ending Fund Balance (incl. res)	\$85,586,294	\$101,626,010	\$67,334,343	\$100,009,910	\$86,575,910	29%

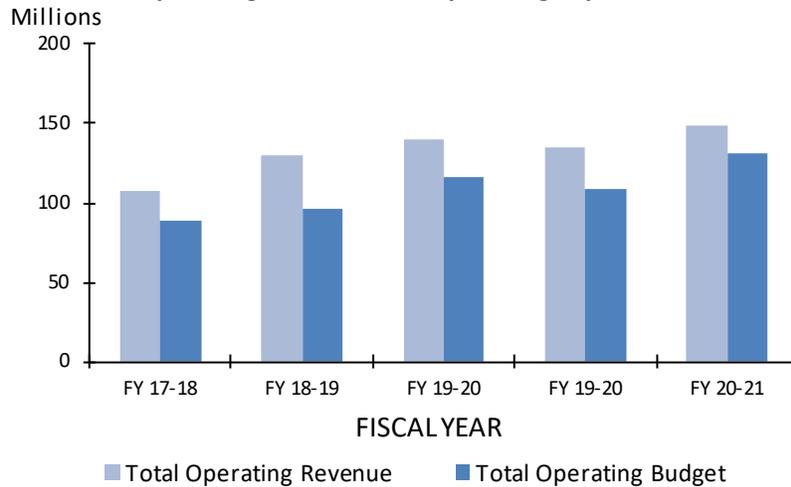
FY 20-21 Operating Revenue



FY 20-21 Operating Expenditures



All Funds Operating Revenue and Operating Expenditures



REVENUE HIGHLIGHTS

Total operating revenue is projected to be 7% higher in FY 20-21 than the FY 19-20 Adopted Budget.

Property Taxes

Total property tax revenue is projected to be 6% higher than the FY 19-20 Adopted Budget. Assessed Value (AV) for FY 19-20 grew 6.25% based largely on the regular 3% allowance for increases plus new development value from several new apartment complexes. This growth increased revenue for FY 19-20 by \$780,000 over original projections and also increased the AV base for FY 20-21 by \$167 million.

Values for FY 20-21 taxes were set on January 1, 2020, pre-COVID-19. Staff is projecting a 4% increase in AV from \$5.4 billion to \$5.7 billion in FY 20-21. This projection assumes the basic 3% growth on existing property and an additional 1% growth in value from construction in progress on two large student housing complexes.

Staff has increased the estimated rate of tax payment delinquencies from the usual 2.3% to 3.3% assuming there will be some increase in non-payment of mortgages during the COVID-19 pandemic, along the lines of what was seen in the 2008 recession. This has an estimated \$330,000 negative impact on revenue. These delinquencies are secured by a County lien for collections in a future year, but would not be a revenue in FY 20-21.

The net impact of the growth in AV for FY 19-20, offset by estimated COVID-19 losses still results in a net increase of \$522,000 in property tax revenue estimated for FY 20-21.

The City Council levied the full permanent rate of \$5.1067 per \$1,000 of AV, and the local option levy of \$1.07. The discount amount in the table below represents the estimated revenue loss from the State's 3% allowance for making the full tax payment in the fall. The current year delinquencies represents monies owed to the City but not paid in the year the tax is levied; these monies are expected to be collected in a future year.

	Levy Amount	Discounts	Gross Revenue
Operating Permanent Tax	\$29,087,044	(\$677,944)	\$28,409,100
2019 Local Option Levy	\$6,094,569	(\$152,369)	\$5,942,200
Gross totals:	\$35,181,613	(\$830,313)	\$34,351,300
Less: Current Year Est Delinquencies:			(937,500)
Plus: Prior year delinquent collections:			375,000
Total Estimated Prop Tax Revenues:			\$33,788,800

COVID-19's impact on long term property tax projections is not known at this time. The size of the impact will depend on the rate of the return to normal and the ability for local businesses to return to pre-COVID-19 levels. This will be re-assessed as planning for FY 21-22 begins in the fall.

Other Taxes

Other Taxes are estimated to decrease 20% from the FY 19-20 Adopted Budget.

- Lodging taxes are projected to be 27% lower than budgeted for FY 19-20 and 32% lower than normal for FY 20-21. Combined, this is about 60% of one calendar year's lodging tax revenue usually estimated at \$2.3 million. COVID-19 has led to an end to almost all travel, which has had a severe impact on the lodging industry. Visit Corvallis reports that room cancellations began in early March, and planned conferences through August have been canceled; some conferences planned for September are being watched carefully and may also be canceled. The lack of OSU sporting events, and postponed commencement ceremonies also reduced demand for overnight lodging. The current revenue projections assume that lifting the Governor's Stay Home, Stay Healthy orders will result in a slow return to normal for travel, but without more information on the Governor's plan, these projections could still be overly optimistic.
- The Construction Excise Tax (CET) is projected to be \$350,000 below the original estimate for FY 19-20. No decrease was included for FY 20-21 with the hope that construction will begin in late June or July.
- Local marijuana taxes are expected to increase by \$11,000 over budget for FY 19-20 based on the State's reporting that sales were up 20% in March. Tax revenues are expected to return to normal levels for FY 20-21, estimated at \$304,500.

Licenses, Fees and Permits

Revenue from licenses, fees and permits is projected to increase 3%. Franchise Fees (General Fund) are expected to remain stable. However, other fee revenue changes include:

- Police and Fire Service Fees are projected to decrease a total of \$1.1 million based on the pre-defined fee reduction when the new 911 Service District tax goes into effect July 1.
- Transportation Maintenance Fees are projected to increase \$1.9 million based on the Council direction for rate increases for FY 19-20 and 20-21.
- Building permit fees are projected to decrease \$300,000 in FY 19-20 due to COVID-19 and a period when no new building permits are being issued. For FY 20-21 we expect new housing construction to resume at normal levels, and large projects at OSU will continue.

Charges for Service

This is the revenue classification with the largest total impact on the City's finances. Charges for Service revenue is estimated at \$55.7 million, a 2% increase from FY 19-20. Revenue for the water, wastewater and storm water systems total nearly \$29 million or 52% of the total charges for service revenues. All three utilities have an annual fee review each fall, with rate increases applied effective February 1 each year. Revenue projections for FY 20-21 include estimated rate increases effective in February 2021.

- Charges for Water and Wastewater could respectively see up to \$140,000 and \$274,000 in FY 19-20 and another \$165,000 and \$335,000 in FY 20-21 in lost revenue due to major customer closures (Hewlett-Packard, OSU, and 509J). Better projections will not be known until early May when the next billings occur for April consumption. Losses in FY 20-21 could be different than projected based on how soon and how completely these major customers return to normal operations.
- Parks and Recreation revenue loss from closed facilities and programs, estimated through the end of May, total \$350,000 in FY 19-20. This loss has an offsetting reduction in costs because casual staff and contractors are not being paid for managing these

programs. Additional revenue losses may occur depending on the Governor’s re-opening plan and the ability to host regular summer activities such as day-camps, open the pool, and operate the Majestic Theatre.

- Other revenues in this classification include System Development Charges. All of the SDC revenues are expected to be lower than projected for FY 19-20:
 - Parks -700,000
 - Street -550,000
 - Water -250,000
 - Wastewater -310,000
 - Storm Water -20,000

As with other development-based revenue, projections for FY 20-21 are expected to return to normal as construction begins again.

Intergovernmental

Revenue from other governments is expected to increase 27% for FY 20-21. Highlights include:

- The new 911 Service District is expected to produce \$3.6 million in new revenue for the 911 center operations.
- Increased grant monies are committed or expected for both street and parks capital projects.
- State highway tax for Street operations is expected to be lower than FY 19-20 based on Oregon Department of Transportation estimates of a 40% reduction in vehicle travel during the COVID-19 pandemic. Based on the timing of payments to local governments, this is expected to lead to \$150,000 less in FY 19-20 and \$280,000 less in FY 20-21, even if road miles driven returns to pre-COVID-19 levels in late June.
- The Federal Coronavirus Aid, Relief, and Economic Security Act (CARES Act) will produce several one-time grants for City operations. The City was notified before June 1 it is a recipient of the following grants. Rules for specific limits and reporting requirements are still being drafted, so staff has developed spending plans that are flexible:
 - \$326,000 in CDBG funding for low-income assistance;
 - \$7.3 million for Transit operations and capital investment;
 - \$38,100 from Health and Human Services for Fire Department, received in FY 19-20; and
 - \$69,000 for Airport operations.

Fines and Forfeitures

Fine and Forfeiture revenue is projected to be 36% lower in FY 20-21. During the COVID-19 pandemic, Police Officers have been busy working on more serious cases, and few citations have been written. Parking enforcement operations have been suspended except for egregious violations. These actions have led to a significant decrease in both FY 19-20 and projected FY 20-21 activity. Finally, the Library has ended its late return fines to improve social equity and not penalize patrons a few cents for being a couple of days late. Lost materials will still incur fines.

Miscellaneous

Miscellaneous revenue accounts for all revenue that doesn’t better fit elsewhere. Revenues are projected to be about 11% lower in FY 20-21. Market fluctuations have decreased interest earning projections in all funds.

Non-Operating

Non-Operating revenue comes from pass-through payments the City collects on behalf of others, and transfers of resources from one fund to another fund. Pass-through revenue nets against pass-through expenditures; transfers-in net against transfers-out. Both are projected to be lower in FY 20-21.

EXPENSES

Total operating expenses are expected to be 2% or \$2.9 million higher in FY 20-21 than in FY 19-20.

The City operates 11 departments in a total of 22 funds; 19 of the funds have operating costs. Some departments operate in a single fund; most have operations in multiple funds.

FY 20-21 ADOPTED OPERATING BUDGET BY FUND AND DEPARTMENT

Fund	Council	CMO	CD	Finance	Fire	HR	IT	Library	Parks	Police	Public Works	Non-Dept	Total
General	\$1,539,300	\$861,100	\$2,170,300	\$756,100	\$16,660,700	\$0	\$0	\$8,197,600	\$9,897,900	\$16,575,500	\$563,300	\$553,000	\$57,774,800
Street											4,673,100		4,673,100
911 Emerg.										4,532,600			4,532,600
Devel. Svcs			3,917,700										3,917,700
CD Revolving			3,366,900										3,366,900
Parking			6,900	229,000						306,300	392,800		935,000
Transit											13,106,400		13,106,400
Vehicle/Equip					865,000		200,000	\$165,000	140,000	349,900			1,719,900
Pension Ob.												1,400	1,400
Davidson								400					400
Water											10,968,300		10,968,300
Wastewater											9,937,900		9,937,900
Storm Water											3,282,100		3,282,100
Airport											984,200		984,200
Fleet Maint.											2,207,800		2,207,800
Facility Maint											2,292,400		2,292,400
Tech & Com.							2,961,100						2,961,100
Admin Svcs.		1,181,600		3,008,900		2,701,000							6,891,500
Risk Mgmt				1,200,800		786,500							1,987,300
Total	\$1,539,300	\$2,042,700	\$9,461,800	\$5,194,800	\$17,525,700	\$3,487,500	\$3,161,100	\$8,363,000	\$10,037,900	\$21,764,300	\$48,408,300	\$554,400	\$131,540,800

It is also informative to see how each department's planned expenditures are divided between personnel services (wages and benefits), materials and services, and capital outlay (acquisition of assets). The table below shows some of the differences in operation, where Public Works has significant expenditures (67% of their budget) for materials and services to operate treatment plants and maintain or upgrade infrastructure and Police and Fire show a larger proportion of their budgets in personnel services (75%-80% of their budgets).

OPERATING EXPENDITURES BY DEPARTMENT AND CLASSIFICATION

	Personnel Services	% of Dept Budget	Materials & Services	% of Dept Budget	Capital Outlay	% of Dept Budget	Total
City Council	\$1,300	0.08%	\$1,538,000	99.92%	\$0	0.00%	\$1,539,300
City Manager's Office	1,073,400	52.55%	969,300	47.45%	0	0.00%	2,042,700
Community Development	4,846,500	51.22%	4,615,300	48.78%	0	0.00%	9,461,800
Finance	2,799,300	53.89%	2,395,500	46.11%	0	0.00%	5,194,800
Fire	13,271,500	75.73%	2,959,100	16.88%	1,295,100	7.39%	17,525,700
HR	1,492,800	42.80%	1,994,700	57.20%	0	0.00%	3,487,500
IT	1,929,600	61.04%	1,173,500	37.12%	58,000	1.83%	3,161,100
Library	5,094,000	60.91%	3,104,000	37.12%	165,000	1.97%	8,363,000
Parks	5,600,000	55.79%	4,280,300	42.64%	157,600	1.57%	10,037,900
Police	17,179,900	78.94%	3,778,100	17.36%	806,300	3.70%	21,764,300
Public Works	14,419,200	29.79%	32,272,400	66.67%	1,716,700	3.55%	48,408,300
Non-Departmental	0	0.00%	554,400	100.00%	0	0.00%	554,400
Total	\$67,707,500	51.47%	\$59,634,600	45.34%	\$4,198,700	3.19%	\$131,540,800

Compensation

Cities are service organizations, making compensation one of the largest expenditure categories each year. In FY 20-21, there are several factors increasing compensation costs.

COST-OF-LIVING ADJUSTMENTS (COLAS)

The City has four bargaining units, plus the group of exempt employees. The bargaining units have collective bargaining agreements (CBA) negotiated within the State legal requirements of the Public Employee Collective Bargaining Act (PECBA). Each CBA specifies the COLA to be budgeted each year, as follows:

- American Federation of State, County and Municipal Employees (AFSCME) – this is the unit for the majority of the City’s general service employees. The current CBA expires June 30, 2023 and calls for a 2% COLA effective at the beginning of the fiscal year. AFSCME members will receive another increase in December 2020.
- International Association of Fire Fighters (IAFF) – this is the unit for the Fire Department’s work force. The current CBA expires June 30, 2021 and calls for a 3% COLA effective at the beginning of the fiscal year, with a 1% COLA effective mid-year.
- Corvallis Regional Communications Center Association (CRCCA) – this is the unit for the 9-1-1 dispatchers. The current CBA expires June 30, 2022 and calls for a 2.5% COLA.
- Corvallis Police Officers Association (CPOA) – this is the unit for sworn Police Officers. The current CBA expires June 30, 2022 and calls for a 3% COLA.
- Exempt employees – this group does not have a CBA. The City Manager recommends an amount each year for exempt employee COLAs for Council’s concurrence. The Budget reflects a 3% COLA.

PUBLIC EMPLOYEE RETIREMENT SYSTEM (PERS) RATE INCREASES

The City participates in the State of Oregon PERS system for all employees. The system has three tiers of retirement benefits, dependent on the date of hire for the employee.

The system has an actuarial valuation completed every two years, resulting in employer rate changes at the beginning of the following State biennium. The City’s rate will increase July 1, 2021, with another rate increase expected in 2023. Rates are always impacted by market gains and losses. 2018 was a loss year and 2019 was a gain year. This information will inform the rate increases to be effective July 1, 2021. Long-term projections currently assume a 20% increase.

PERS rates are set as a percentage of payroll. PERS rate history, with projections for future biennia, is:

Effective Date	General Service		Public Safety	
	PERS	OPSRP	PERS	OPSRP
7/1/2009	2.34%	3.28%	10.62%	5.99%
7/1/2011	12.50%	10.89%	19.80%	13.62%
7/1/2013	8.10%	6.49%	15.40%	9.22%
7/1/2015	11.43%	5.54%	15.26%	9.65%
7/1/2017	16.91%	7.93%	20.48%	12.70%
7/1/2019	17.09%	10.72%	23.72%	15.35%
7/1/2021	22.50%	17.22%	29.13%	20.76%
7/1/2023	23.39%	18.11%	30.02%	21.65%

PERS rates were reduced in 2013 as the result of legislative action to remove COLAs from pension payments; this action was later overturned by the Oregon Supreme Court which caused the rate to increase in 2015.

MEDICAL AND DENTAL BENEFITS/RETIREE COSTS

Like the rest of the nation, the City of Corvallis, as an employer, faces significant costs for employee medical and dental insurance coverage. The City has been in the lead among similar-sized communities in moving to high-deductible health plans. The City’s insurance premium rates increased 12.5% for 2020 and are projected to increase another 11% for medical, 4% for dental and 3% for vision in 2021.

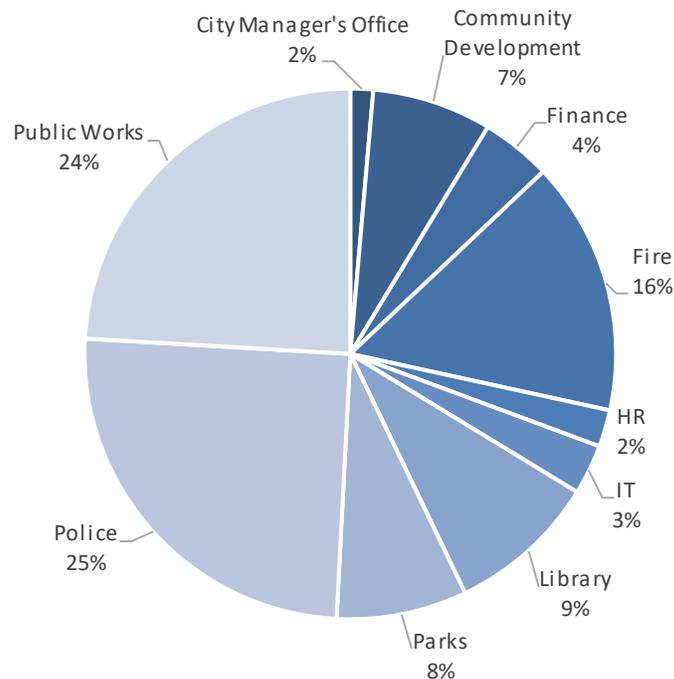
Combined with the City’s costs for current employees, the City pays single coverage medical insurance premiums for retired staff who were hired before 1992 until those retirees become 65 years old. Once the retiree turns 65, the City pays for the retiree’s costs for PERS supplemental insurance coverage. These costs are based on previous collective bargaining agreements and State law requirements.

STAFFING LEVELS

Staffing levels will change in FY 20-21 based on a need to improve safety, address and manage work demands, and effectively provide services to the community. One FTE equals 2,080 hours of work per year for general service employees, 2,912 for Firefighters and 2,184 for Police Officers.

	ACTUAL 2016-17	ACTUAL 2017-18	ACTUAL 2018-19	ADOPTED 2019-20	ADOPTED 2020-2021	% CHG FROM 19-20 ADOPTED	
City Manager's Office	5.00	5.00	6.00	6.00	6.80	13.33%	0.80
Community Development	36.75	34.75	35.75	35.75	35.75	0.00%	0.00
Finance	20.00	20.00	20.00	20.00	21.00	5.00%	1.00
Fire	68.00	68.00	68.00	75.00	76.00	1.33%	1.00
HR	9.05	9.05	11.05	11.05	11.05	0.00%	0.00
IT	12.00	15.00	15.00	15.00	15.00	0.00%	0.00
Library	44.00	44.00	45.00	45.00	45.00	0.00%	0.00
Parks	33.79	33.79	34.54	37.87	38.99	2.96%	1.12
Police	95.25	95.25	95.25	114.25	123.25	7.88%	9.00
Public Works	114.25	110.25	111.25	113.25	118.25	4.42%	5.00
Total	438.09	435.09	441.84	473.17	491.09	3.79%	17.92
Population	51,810	58,240	58,735	58,885	60,063	2.00%	
FTE per 1,000 Population	8.456	7.471	7.523	8.035	8.176	1.75%	

FTE % BY DEPARTMENT



Position changes in FY 20-21 include:

- City Manager's Office – added a net of .80 FTE. This change includes an increase of a half-time casual position to full time (+1.0 FTE), with a decrease of one position from full time to 0.80 FTE (-0.20 FTE). These actions are being taken to continue to support the activities of the Imagine Corvallis Action Network (ICAN) board and the Climate Action Advisory Board (CAAB) along with the regular work of the Economic Development Office.

- Finance Department – added 1.0 FTE Senior Payroll Coordinator mid-year in FY 19-20 to manage added work load.
- Fire Department – added 1.0 FTE Deputy Fire Chief and changed the previous Assistant Fire Chief to a Deputy position mid-year in FY 19-20.
- Parks Department – added 1.12 FTE. 1.0 is a new Parks Operations Supervisor position added mid-year in FY 19-20. The .12 increase is associated with increasing a part-time administrative position.
- Police Department – added 4.0 FTE Public Safety Dispatch supervisors and 7.0 FTE Public Safety Dispatchers funded through the new 911 Service District (+11 FTE for 911). The two positions formerly classified as Pre-Hire Trainee positions have been removed as staffing level increases made last year have proven them to be unnecessary (-2.0 FTE).
- Public Works – added 1.0 FTE Assistant Director and 1.0 FTE Business Analyst in FY 19-20. For FY 20-21, FTE will increase by 3.0-1.0 FTE Civil Engineer Inspector, 1.0 FTE Civil Engineer, and 1.0 Green Infrastructure Specialist.

Materials and Services

Materials and services costs are for the consumable goods and contractor/consultant services the City purchases each year. Most of these acquisitions in each department's operating budget are relatively similar from year-to-year, though cost increases and specific projects may change the balances. The variation is larger in the materials and services categories in the department's special projects as these budget items will change significantly from year-to-year.

Capital Outlay

Capital Outlay purchases are for goods that have a longer useful life, and cost more than \$10,000. This class of expenditure is where vehicle replacements are budgeted each year, according to planned replacement schedules that take into account condition and useful life of the City's rolling stock.

NON-OPERATING BUDGET

The non-operating budget decreases 20% from the FY 19-20 Adopted Non-Operating Budget. FY 20-21 will have a decreased level of spending on capital projects in alignment with the five-year Capital Improvement Program. Major projects include:

- ❖ Airport Perimeter/Wildlife Exclusion Fencing and initiation of the Runway 17/35 Rehabilitation Projects;
- ❖ Continuing the first phase of the Dr. Martin Luther King, Jr. Park improvements according to the Parks' master plan;
- ❖ Construction of the Circle Boulevard resurfacing project and designing the summer 2021 projects for resurfacing Harrison, Walnut, 9th, and 36th Streets; and
- ❖ The South Corvallis Wastewater Capacity Improvement project will be initiated with construction expected over the following two fiscal years.

See page 193 for more detail.

Debt Service payments will decrease in FY 20-21. No new debt is anticipated to be issued in the fiscal year, and the 2006A Series of Wastewater Refunding bonds were retired in FY 19-20.

See page 201 for more detail.

Interfund transfers move monies between funds for a variety of purposes. All funds contribute to the Pension Obligation Debt Service fund to pay each year's POB debt; the transfer is proportional to each fund's prior year costs for PERS contributions. Other transfers occur each year to move current revenues to fund capital projects.

See page 208 for more detail.

Other non-operating uses reflects the pass-throughs the City is required to collect on behalf of other government organizations. The expense is offset dollar-for-dollar by non-operating revenues. The amounts vary each year, often most affected by the level of development in the community.

Contingencies are budgeted in each fund. In the General Fund, the contingency budget is set at 10% of the Fund Balance Reserve. Based on increasing personnel services budget, the Fund Balance Reserve increased to \$8.3 million, also increasing the Contingency in the Adopted Budget. During the City Council's public hearing on the budget, the Council decided to use \$150,000 of the planned Contingency to fund a Hate/Bias program. In all other funds, the contingency is set at 2% of revenue unless there is a mitigating concern that would cause the contingency to be higher. Contingencies are appropriated for emergencies and are rarely used. Council action is required to move the appropriation from the contingency classification to another department appropriation level, if needed.

FINANCIAL SUMMARIES

Financial Summaries are a numeric outline of milestone stages in the budget process. The initiation of the FY 20-21 budget begins with discussions of long-term funding objectives and concerns between the City Manager and Department Directors. This provides a direction in developing a basis for the five different fund categories, which are further defined by their purpose and need. The City Manager uses the strategic operational plan, previous years' history, current budget, and revised projections of the current budget to propose an initial version of the FY 20-21 budget to Budget Commission. Budget Commission then makes their recommendation to City Council based on input from City staff and the public. Finally, City Council makes their final amendments, if necessary, within a public hearing as required by State Law and adopts a budget via resolution. This section numerically depicts this process by showing all stages of each fund's budget within each of the five different fund categories.

Organization of the Financial Summaries

The organization of the financial summaries on the following pages follows general accounting presentation order, beginning with the General Fund, then the Special Revenue Funds, the Capital Construction and Debt Funds, the Enterprise Funds, and the Internal Service Funds. Within each fund type, the financial summaries are in alphabetical order.

GENERAL FUND

The General Fund, by definition, includes all revenues and expenses that do not more accurately belong in another fund. Among other things, this means the General Fund has the widest array of revenue sources as well as the widest span of services funded.

Revenues

The property tax is the largest single revenue in the General Fund. Property taxes are governed by the Oregon Constitution and limits placed into the Constitution by voters in 1990 and 1997. These limits have improved the predictability of tax bills for individual property owners, but they have also led to a number of inequities in the tax system, and created a significant challenge for local governments to fund the services their community requests. Over the last 23 years, the City's assessed value (AV) and resulting revenue growth has averaged close to 3%, but some years has been as low as 0.5% and some close to 5%; FY 19-20 saw 6.25% growth, the highest in the 23 years the tax limits have been in place.

The City Council levied the full permanent rate of \$5.1067 and the 2019 Local Option Levy rate of \$1.07 per \$1,000 of AV. Tax collection rates are expected to decrease around 1% in 2020 as the result of the COVID-19 pandemic. These monies would be expected in future years when economic conditions improve.

Additional significant revenues are from Franchise Fees, projected to grow 1.8% per year. Lodging taxes are projected with significant reductions in FY 19-20 and in FY 20-21 due to the Pandemic. Local and State marijuana taxes are projected to grow at 1.5% annually.

Expenses

Primary expenses are for operations in Library, Police, Fire, Parks, and Land-use Planning. Smaller costs are for Economic Development, Mayor and City Council, Municipal Court, and Public Works. Costs are largely driven by wage and benefit increases for the staff intensive work of these service operations as discussed earlier in this section of the budget.

The increase in the Public Works budget for FY 20-21 reflects the completion of re-payment on the loan to implement LED streetlights on all major arterials and collectors in town. The General Fund and Street Fund split the costs for the street light system; past years payments by the General Fund have been via interfund transfers so the Street Fund could pay back the loan. FY 20-21 marks a return to normal, though the annual costs are projected to be \$80,000 less (in total) than before the switch to LED.

Opportunities/Challenges

Property tax limits have kept annual growth in tax revenue at a lower rate than the increase in costs to maintain current services. As a result, the City has controlled costs by reducing or eliminating programs and/or staff in most years since 2002, even as year-over-year spending has increased. Long-term relief from these property tax limits would require a State Constitutional amendment. As a result, the City has explored alternative revenue sources that could produce significant revenue.

The losses in lodging tax are likely to have longer-term repercussions than are showing in a one-year snapshot. 30% of calendar year collections are allocated to Visit Corvallis in the following

fiscal year, so the projected loss of 60% of calendar 2020 revenue will have a significant impact on Visit Corvallis funding in FY 21-22.

GENERAL FUND FINANCIAL SUMMARY

	ACTUAL FY 17-18	ACTUAL FY 18-19	ADOPTED FY 19-20	REVISED FY 19-20	PROPOSED FY 20-21	COMMISSION RECOMMENDED FY 20-21	COUNCIL APPROVED FY 20-21
Resources:							
Beginning Fund Balance	\$14,450,647	\$16,178,430	\$15,008,510	\$17,349,934	\$20,376,334	\$20,376,334	\$20,376,334
Property Taxes	\$28,187,325	\$30,389,164	\$31,790,400	\$32,777,300	\$33,788,800	\$33,788,800	\$33,788,800
Other Taxes	2,223,698	2,385,998	2,529,000	1,940,000	1,812,300	1,812,300	1,812,300
Licenses, Fees, & Permits	5,991,633	6,012,090	10,820,100	10,820,100	9,403,800	9,403,800	9,403,800
Charges for Service	7,304,256	7,617,865	7,345,500	7,139,800	7,998,500	7,998,500	7,998,500
Intergovernmental	4,713,839	5,213,922	5,511,600	5,613,600	5,485,800	5,485,800	5,485,800
Fines & Forfeitures	510,362	463,111	550,800	400,800	286,600	286,600	286,600
Miscellaneous	1,513,080	2,068,958	1,676,000	1,656,700	1,785,900	1,785,900	1,785,900
Transfers In	138,466	36,191	89,100	14,100	24,000	24,000	24,000
Other Financing Sources	494,362	1,418,230	2,137,800	2,137,800	1,660,500	1,660,500	1,660,500
Current Revenues	\$51,077,020	\$55,605,530	\$62,450,300	\$62,500,200	\$62,246,200	\$62,246,200	\$62,246,200
Total Resources	\$65,527,666	\$71,783,960	\$77,458,810	\$79,850,134	\$82,622,534	\$82,622,534	\$82,622,534
Requirements:							
Operating Budget:							
Mayor and City Council	\$914,950	\$1,428,004	\$1,355,900	\$1,295,500	\$1,389,300	\$1,389,300	\$1,539,300
City Manager's Office	357,253	415,620	524,700	574,700	696,100	696,100	696,100
City Manager's Office Special Prjts	0	0	200,000	35,000	165,000	165,000	165,000
Community Development	1,447,071	1,560,867	1,686,300	1,686,300	1,899,500	1,899,500	1,899,500
Community Development Special Prjts	18,285	27,429	271,300	7,200	270,800	270,800	270,800
Finance	539,684	572,027	703,400	703,400	756,100	756,100	756,100
Fire	12,277,513	12,577,564	14,825,300	14,500,300	15,880,600	15,880,600	15,880,600
Fire Special Prjts	10,000	21,737	185,000	50,000	780,100	780,100	780,100
Library	6,532,027	6,889,130	7,302,000	7,302,000	7,622,400	7,622,400	7,622,400
Library Special Prjts	150,895	130,755	514,000	157,000	575,200	575,200	575,200
Parks and Recreation	7,248,551	7,691,275	8,565,900	8,228,900	9,121,700	9,121,700	9,121,700
Parks and Recreation Special Prjts	333,624	283,937	552,500	472,600	776,200	776,200	776,200
Police	12,761,020	13,284,552	16,688,900	16,688,900	16,213,300	16,213,300	16,213,300
Police Special Prjts	110,944	113,307	474,000	168,000	362,200	362,200	362,200
Public Works	491,507	275,706	353,200	353,200	563,300	563,300	563,300
Non-Departmental	829,282	3,358,219	603,000	53,000	553,000	553,000	553,000
Total Operating Budget	\$44,022,606	\$48,630,128	\$54,805,400	\$52,276,000	\$57,624,800	\$57,624,800	\$57,774,800
Non-Operating:							
Transfers Out	\$4,143,863	\$3,713,100	\$4,850,400	\$4,365,800	\$6,158,100	\$6,158,100	\$6,158,100
Other Financing Uses	488,038	1,398,606	2,137,800	2,137,800	1,660,500	1,660,500	1,660,500
Debt Service - Principal	580,000	595,000	615,000	615,000	635,000	635,000	635,000
Debt Service - Interest	114,728	97,192	79,200	79,200	60,600	60,600	60,600
Contingency	0	0	640,000	0	835,000	835,000	685,000
Total Non-Operating:	\$5,326,630	\$5,803,898	\$8,322,400	\$7,197,800	\$9,349,200	\$9,349,200	\$9,199,200
Total Requirements	\$49,349,236	\$54,434,026	\$63,127,800	\$59,473,800	\$66,974,000	\$66,974,000	\$66,974,000
Ending Fund Balance (incl. res)	\$16,178,430	\$17,349,934	\$14,331,010	\$20,376,334	\$15,648,534	\$15,648,534	\$15,648,534

SPECIAL REVENUE FUNDS

911 FUND

The 911 Fund accounts for the revenues and expenses associated with the City's operation of the countywide emergency communications center. Agencies supported include the City's Police, Fire and ambulance service, Benton County Sheriff, Philomath Police Department, and rural fire departments in Adair Village, Monroe, Philomath, Hoskins-Kings Valley, Alsea and Blodgett-Summit.

Revenues

Major revenue sources for 911 operations include the statewide tax for 911 on all telecommunications devices. The State Legislature has increased the 911 tax rate, but no additional revenues have been contributed to Corvallis through the first quarter of 2020.

A 911 Service District – a special taxing district approved by voters in Benton County and governed by the Benton County Board of Commissioners – will be implemented for FY 20-21. The monies collected from this taxing district will be paid to Corvallis to operate the county-wide system. This funding source should provide significant stability for 911 services and allow increased staffing to handle the growing call volume.

The State provides occasional grants for either equipment or system upgrades, such as funding the upgrades necessary to add "Text to 911" capabilities.

Expenses

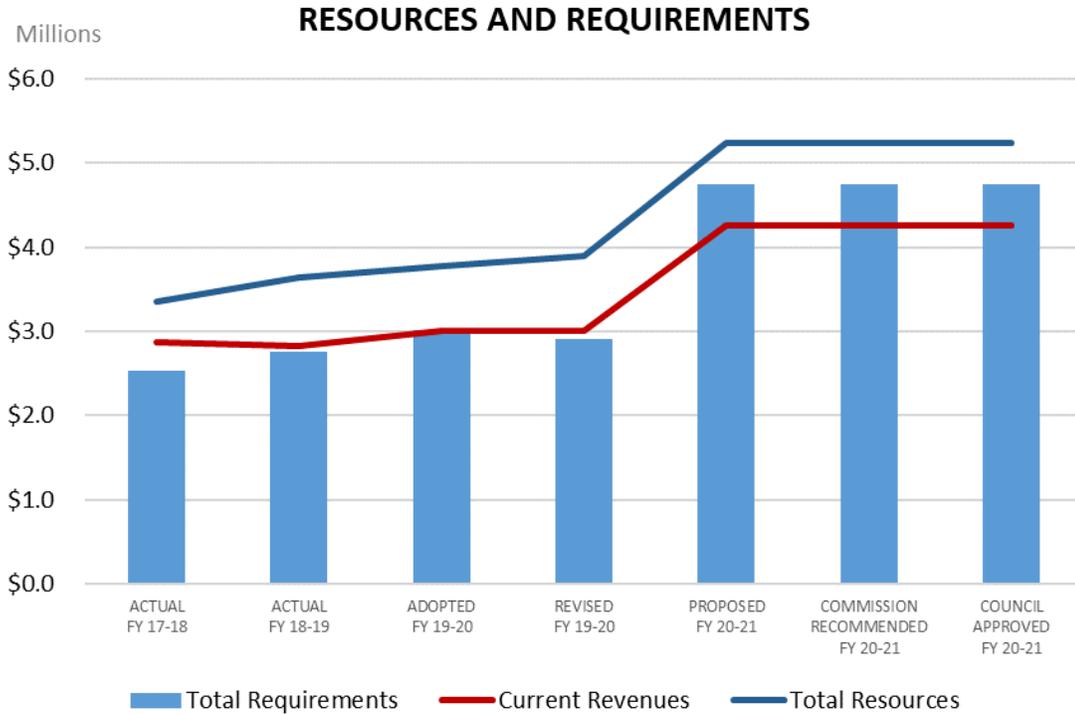
Primary expenses in the 911 Fund are for the tele-communicators who staff the 911 center 24 hours a day/7 days a week. The additional revenue from the 911 Service District will allow significant increases in staffing capacity. In addition to staff costs, the 911 center occasionally incurs significant capital costs for equipment upgrades to transmission towers, data systems, the regional interoperability communications network and equipment in the 911 center. The City seeks grants for these projects when available, and sets aside a small amount each year in reserves to develop a local funding source.

Opportunities/Challenges

The new 911 Service District has established a new governance structure for 911 operations and a funding level that will allow for more proactive planning and the ability to implement technology improvements to better service the Benton County users.

911 FUND FINANCIAL SUMMARY

	ACTUAL FY 17-18	ACTUAL FY 18-19	ADOPTED FY 19-20	REVISED FY 19-20	PROPOSED FY 20-21	COMMISSION RECOMMENDED FY 20-21	COUNCIL APPROVED FY 20-21
Resources:							
Beginning Fund Balance	\$483,299	\$816,623	\$774,523	\$885,713	\$975,113	\$975,113	\$975,113
Charges for Service	\$1,263,869	\$1,243,368	\$1,375,500	\$1,375,500	\$100	\$100	\$100
Intergovernmental	1,583,094	1,553,587	1,611,800	1,611,800	4,243,000	4,243,000	4,243,000
Miscellaneous	10,735	24,050	18,100	18,100	14,800	14,800	14,800
Transfers In	15,000	0	0	0	0	0	0
Current Revenues	\$2,872,698	\$2,821,006	\$3,005,400	\$3,005,400	\$4,257,900	\$4,257,900	\$4,257,900
Total Resources	\$3,355,998	\$3,637,629	\$3,779,923	\$3,891,113	\$5,233,013	\$5,233,013	\$5,233,013
Requirements:							
Operating Budget:							
Police	\$2,372,916	\$2,497,440	\$2,734,300	\$2,734,300	\$4,176,600	\$4,176,600	\$4,176,600
Police Special Prjts	33,668	110,676	91,700	48,700	356,000	356,000	356,000
Total Operating Budget	\$2,406,585	\$2,608,116	\$2,826,000	\$2,783,000	\$4,532,600	\$4,532,600	\$4,532,600
Non-Operating:							
Transfers Out	\$132,790	\$143,800	\$133,000	\$133,000	\$133,000	\$133,000	\$133,000
Contingency	0	0	61,000	0	85,200	85,200	85,200
Total Non-Operating:	\$132,790	\$143,800	\$194,000	\$133,000	\$218,200	\$218,200	\$218,200
Total Requirements	\$2,539,375	\$2,751,916	\$3,020,000	\$2,916,000	\$4,750,800	\$4,750,800	\$4,750,800
Ending Fund Balance (incl. res)	\$816,623	\$885,713	\$759,923	\$975,113	\$482,213	\$482,213	\$482,213



COMMUNITY DEVELOPMENT REVOLVING FUND

The Community Development Revolving Fund accounts for the City's Affordable Housing and Rental Housing programs. All services are provided in the Community Development Department, Housing and Neighborhood Services division.

Revenues

Affordable housing programs are funded by Community Development Block Grants (CDBG) from the federal government, and local revenue from the repayment of prior period loans. The City has added a Construction Excise Tax (CET) to the revenue sources available to fund an expanded affordable housing program. Some of these monies are available for program administration, but most will be used to provide affordable housing project and program funding. The Rental Housing program is funded by an annual fee charged to property owners of all rental-housing units in town.

Expenses

Primary expenses are for direct loans or grants to affordable housing owners and developers in Corvallis, primarily to non-profit entities. Funds are also loaned to low income home owners for rehabilitation projects or as down payment assistance for first-time home buyers. Non-profit providers of social services for low income residents also receive funding each year. Additional expenses are for staff who run the affordable housing, social services and rental housing programs. This work includes program planning, delivery and reporting, providing information and referral services to landlords and tenants, and monitoring housing projects funded in prior years to ensure they remain affordable for the owners/tenants.

The Housing and Community Development Advisory Board (HCDAB) oversees the division's programmatic efforts, and has been working on implementation plans for recommendations from the Council's Housing Development Task Force. An Affordable Housing Planner started late in fiscal 2019 to begin implementing an expanded affordable housing program.

Opportunities/Challenges

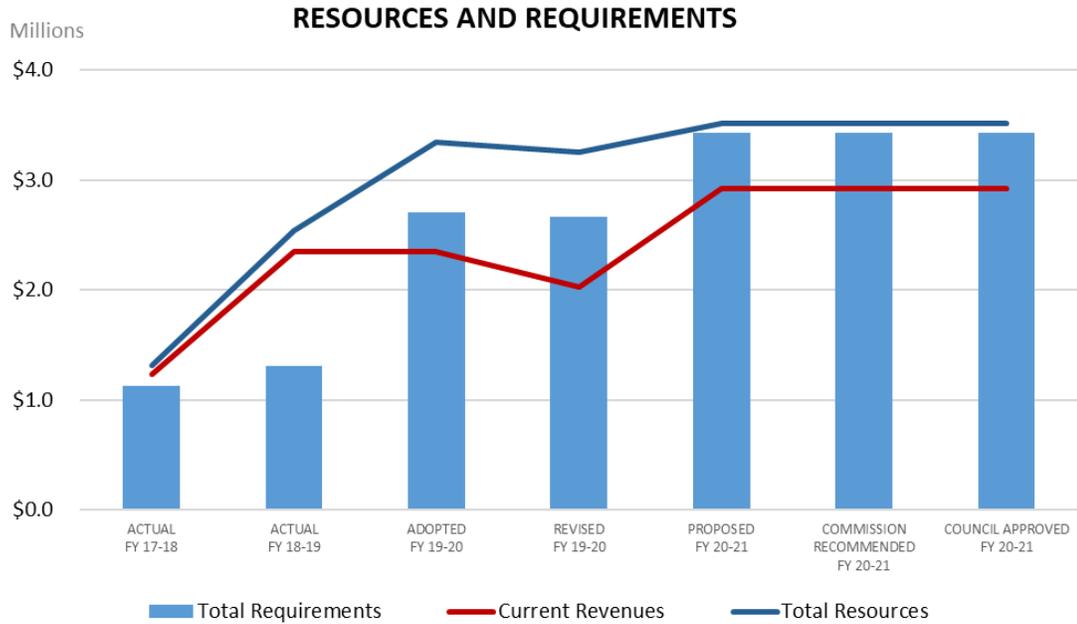
Financial planning is a challenge for the Community Development Revolving Fund due to the requirement to track federal grant revenue and the restrictions on allowable expenses for each funding source. In addition, annual funding is always dependent on the level of appropriations approved by Congress each year.

The new CET presents an opportunity to expand the City's affordable housing program into areas federal monies could not be used, and to supplement those monies to attain greater affordability.

The President's budget outline continues to show that CDBG funding would be ended and no additional funding would be available in 2020; however, Congressional budgets have included on-going levels of funding and the City received an additional \$326,000 in CARES Act CDBG funding that is included in the FY 20-21 projected revenue.

COMMUNITY DEVELOPMENT REVOLVING FUND FINANCIAL SUMMARY

	ACTUAL FY 17-18	ACTUAL FY 18-19	ADOPTED FY 19-20	REVISED FY 19-20	PROPOSED FY 20-21	COMMISSION RECOMMENDED FY 20-21	COUNCIL APPROVED FY 20-21
Resources:							
Beginning Fund Balance	\$78,250	\$188,359	\$997,179	\$1,228,656	\$588,256	\$588,256	\$588,256
Other Taxes	\$136,978	\$1,213,922	\$450,000	\$100,000	\$550,000	\$550,000	\$550,000
Licenses, Fees, & Permits	199,396	202,138	220,900	220,900	234,000	234,000	234,000
Charges for Service	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Intergovernmental	662,629	725,898	1,560,000	1,560,000	1,981,200	1,981,200	1,981,200
Fines & Forfeitures	12,676	13,328	15,000	15,000	18,500	18,500	18,500
Miscellaneous	219,130	189,253	94,300	128,300	135,300	135,300	135,300
Current Revenues	\$1,235,808	\$2,349,539	\$2,345,200	\$2,029,200	\$2,924,000	\$2,924,000	\$2,924,000
Total Resources	\$1,314,058	\$2,537,898	\$3,342,379	\$3,257,856	\$3,512,256	\$3,512,256	\$3,512,256
Requirements:							
Operating Budget:							
Community Development	\$1,097,979	\$1,277,142	\$2,639,200	\$2,639,200	\$3,366,900	\$3,366,900	\$3,366,900
Community Development Special Prjts	0	10,900	0	0	0	0	0
Total Operating Budget	\$1,097,979	\$1,288,042	\$2,639,200	\$2,639,200	\$3,366,900	\$3,366,900	\$3,366,900
Non-Operating:							
Transfers Out	\$27,720	\$21,200	\$30,400	\$30,400	\$32,200	\$32,200	\$32,200
Contingency	0	0	32,200	0	32,200	32,200	32,200
Total Non-Operating:	\$27,720	\$21,200	\$62,600	\$30,400	\$64,400	\$64,400	\$64,400
Total Requirements	\$1,125,699	\$1,309,242	\$2,701,800	\$2,669,600	\$3,431,300	\$3,431,300	\$3,431,300
Ending Fund Balance (incl. res)	\$188,359	\$1,228,656	\$640,579	\$588,256	\$80,956	\$80,956	\$80,956



DEVELOPMENT SERVICES FUND

The Development Services Fund accounts for all revenues and expenses associated with plan reviews and building permits for new development or remodels.

Revenues

The primary revenue source for this fund is from fees paid by developers or property owners for staff to review plans to ensure development is consistent with the City's Land Development Code, and to acquire permits for construction and inspections to ensure that the work done meets Building Code requirements. Revenues are difficult to predict since the rate of development is outside of the City's control. Revenues can also fluctuate depending on the size and complexity of projects being considered/constructed. Large housing projects, construction of a new building at Oregon State, or a new industrial plant may cause a significant increase in revenue, but will also cause a significant demand for staff time to complete reviews and inspections, often times extending across several years.

The Construction Excise Tax produces minimal revenue for the Development Services Fund for their administrative work associated with calculating and collecting the tax.

COVID-19 impacts are associated with a general stop on new building permit applications. This has led to a reduced level of revenue in FY 19-20. The budget for FY 20-21 assumes a return to normal levels of new construction activity.

Expenses

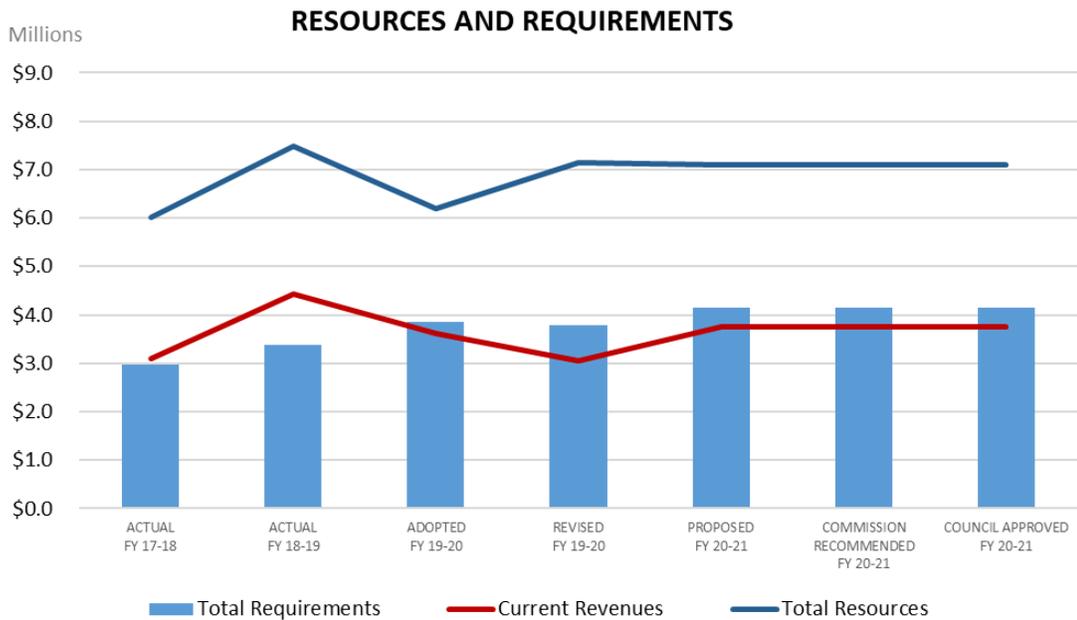
Expenses in this fund are primarily for the staff who complete plan reviews and inspections. The second main cost is for technology as this group has moved to electronic inspection reports, on-line plan reviews and a public website that provides permit and construction information to the community.

Opportunities/Challenges

For FY 20-21 staff completed a review of work the Development Services group completes annually for Public Works operations; for example, administrative work to assess systems development charges on new development. This work is now being paid for as an interfund transfer from the Street, Water, Wastewater, and Storm Water Funds instead of having portions of Development Services staff charge to those funds as direct costs. Staff will need to continue to monitor the work requirements to keep these allocations balanced.

DEVELOPMENT SERVICES FUND FINANCIAL SUMMARY

	ACTUAL FY 17-18	ACTUAL FY 18-19	ADOPTED FY 19-20	REVISED FY 19-20	PROPOSED FY 20-21	COMMISSION RECOMMENDED FY 20-21	COUNCIL APPROVED FY 20-21
Resources:							
Beginning Fund Balance	\$2,926,674	\$3,045,098	\$2,573,668	\$4,085,249	\$3,347,849	\$3,347,849	\$3,347,849
Other Taxes	\$6,583	\$56,899	\$15,000	\$15,000	\$20,000	\$20,000	\$20,000
Licenses, Fees, & Permits	1,282,406	1,634,315	1,312,000	1,013,000	1,313,500	1,313,500	1,313,500
Charges for Service	1,647,063	2,503,278	2,088,500	1,821,800	2,026,200	2,026,200	2,026,200
Fines & Forfeitures	10,000	0	2,500	2,500	2,500	2,500	2,500
Miscellaneous	32,139	111,011	74,100	74,100	66,200	66,200	66,200
Transfers In	118,390	125,100	124,300	124,300	329,300	329,300	329,300
Other Financing Sources	0	0	0	0	0	0	0
Current Revenues	\$3,096,580	\$4,430,604	\$3,616,400	\$3,050,700	\$3,757,700	\$3,757,700	\$3,757,700
Total Resources	\$6,023,255	\$7,475,701	\$6,190,068	\$7,135,949	\$7,105,549	\$7,105,549	\$7,105,549
Requirements:							
Operating Budget:							
Community Development	\$2,822,048	\$2,920,664	\$3,623,800	\$3,623,800	\$3,900,200	\$3,900,200	\$3,900,200
Community Development Special Prjts	37,009	357,589	46,500	46,500	17,500	17,500	17,500
Total Operating Budget	\$2,859,057	\$3,278,253	\$3,670,300	\$3,670,300	\$3,917,700	\$3,917,700	\$3,917,700
Non-Operating:							
Transfers Out	\$119,100	\$112,200	\$117,800	\$117,800	\$140,700	\$140,700	\$140,700
Contingency	0	0	72,300	0	79,000	79,000	79,000
Total Non-Operating:	\$119,100	\$112,200	\$190,100	\$117,800	\$219,700	\$219,700	\$219,700
Total Requirements	\$2,978,157	\$3,390,453	\$3,860,400	\$3,788,100	\$4,137,400	\$4,137,400	\$4,137,400
Ending Fund Balance (incl. res)	\$3,045,098	\$4,085,249	\$2,329,668	\$3,347,849	\$2,968,149	\$2,968,149	\$2,968,149



PARKING FUND

The Parking Fund accounts for all revenue generated from parking in the community for funding parking operations, maintenance and enforcement.

Revenues

Revenue in this fund is from parking permits, parking meter payments and fines for parking citations. These are all historically relatively stable revenue streams and most rates have not been changed in several years. Fine revenue fluctuates the most and is dependent on the number of Parking Enforcement Officer positions filled. Monies remaining after costs are to be used for acquiring more parking spaces or enhancing the parking system.

The COVID-19 impacts have included a reduction in the number of vehicles using metered parking spaces and a temporary halt to parking enforcement efforts. This has resulted in fewer revenues being collected, as reflected in the Revised FY 19-20 column in the table on the next page. The budget for FY 20-21 assumes that parking enforcement will continue on hold through the summer, but will return in the fall to historic levels. If this does not occur the spending plan will need to be revised to keep the fund balanced.

Expenses

Four departments operate in this fund. Public Works is responsible for parking lot and meter maintenance, parking signage, permit sales and collection of meter revenue. In FY 19-20 the Public Works Department initiated a parking study to audit several components of the City's parking program, including rates for fees and fines, and residential parking district size and scope. The Police Department is responsible for parking enforcement, largely through monitoring parking and issuing citations. Finance Department activities are for Municipal Court and include adjudication of fines and collection of monies owed. Community Development activities are associated with downtown parking development.

Opportunities/Challenges

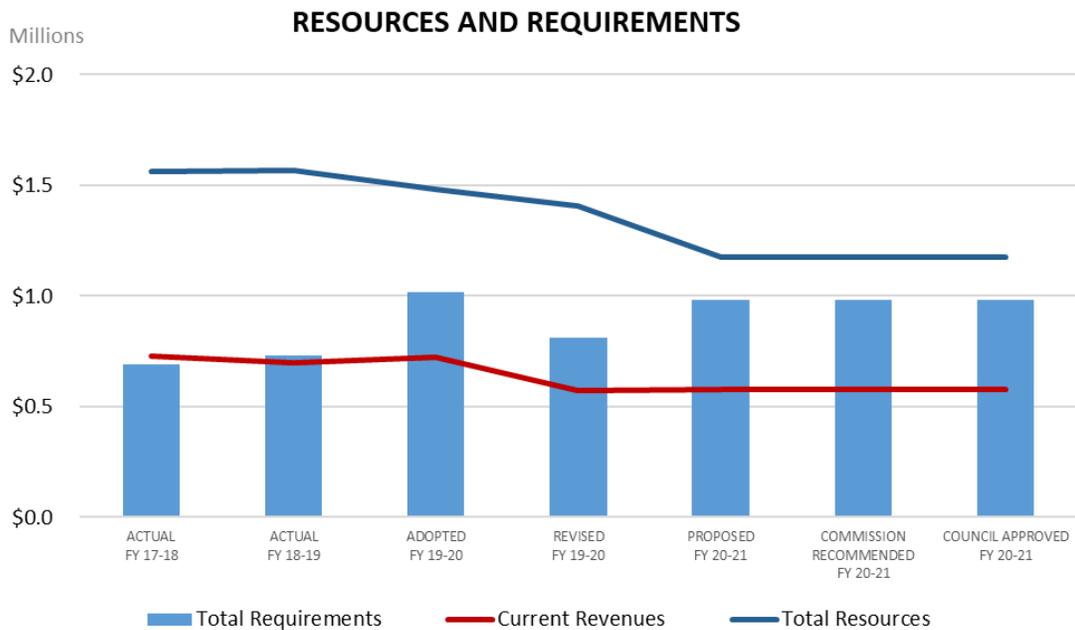
Expansion of residential parking districts has increased the workload for Enforcement Officers to the level where the parking restrictions contained throughout the city are not all being monitored each day. As additional neighborhoods propose creating or expanding the districts, enforcement staff levels will need to be increased.

Revenues are currently barely adequate to cover basic operations and maintenance costs, but expenses are projected to increase at a greater rate than revenue can support. The parking audit Public Works is currently working on is expected to lead to recommendations that would provide long-term fund stability.

At current operations levels, there is not capacity in the revenue stream to fund acquisition of land for surface parking or to fund a parking garage.

PARKING FUND FINANCIAL SUMMARY

	ACTUAL FY 17-18	ACTUAL FY 18-19	ADOPTED FY 19-20	REVISED FY 19-20	PROPOSED FY 20-21	COMMISSION RECOMMENDED FY 20-21	COUNCIL APPROVED FY 20-21
Resources:							
Beginning Fund Balance	\$834,101	\$869,078	\$758,378	\$836,234	\$596,234	\$596,234	\$596,234
Licenses, Fees, & Permits	\$33,279	\$32,090	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000
Charges for Service	236,381	221,618	226,900	177,900	186,900	186,900	186,900
Fines & Forfeitures	446,882	416,689	437,000	337,000	340,000	340,000	340,000
Miscellaneous	9,942	27,305	22,500	22,500	15,200	15,200	15,200
Current Revenues	\$726,484	\$697,702	\$721,400	\$572,400	\$577,100	\$577,100	\$577,100
Total Resources	\$1,560,586	\$1,566,780	\$1,479,778	\$1,408,634	\$1,173,334	\$1,173,334	\$1,173,334
Requirements:							
Operating Budget:							
Community Development	\$3,901	\$5,526	\$6,700	\$6,700	\$6,900	\$6,900	\$6,900
Finance	190,462	204,240	214,900	214,900	229,000	229,000	229,000
Police	299,904	271,981	309,000	249,000	306,300	306,300	306,300
Public Works	172,881	160,932	240,000	233,000	242,800	242,800	242,800
Public Works Special Prjts	0	63,469	150,000	79,700	150,000	150,000	150,000
Total Operating Budget	\$667,147	\$706,147	\$920,600	\$783,300	\$935,000	\$935,000	\$935,000
Non-Operating:							
Transfers Out	\$24,360	\$24,400	\$81,100	\$29,100	\$30,600	\$30,600	\$30,600
Contingency	0	0	14,500	0	14,400	14,400	14,400
Total Non-Operating:	\$24,360	\$24,400	\$95,600	\$29,100	\$45,000	\$45,000	\$45,000
Total Requirements	\$691,507	\$730,547	\$1,016,200	\$812,400	\$980,000	\$980,000	\$980,000
Ending Fund Balance (incl. res)	\$869,078	\$836,234	\$463,578	\$596,234	\$193,334	\$193,334	\$193,334



PARKS SDC FUND

The Parks SDC Fund accounts for all revenues and expenses associated with the collection and use of Systems Development Charge (SDC) revenue for Parks improvements.

Revenues

Revenues in the Parks SDC Fund are from SDC charged to new development. SDC rates are set following Oregon State requirements and are designed to capture the impact new development will have on an infrastructure system. The Parks SDC rate study is underway, and expected to be complete with new rates updated during FY 19-20. The revenues projected in the attached summary are at current rates.

COVID-19 impacts assume no additional new construction permits will be issued in FY 19-20, but regular rates of development will return early in FY 20-21. If development does not begin, some projects may be delayed.

Expenses

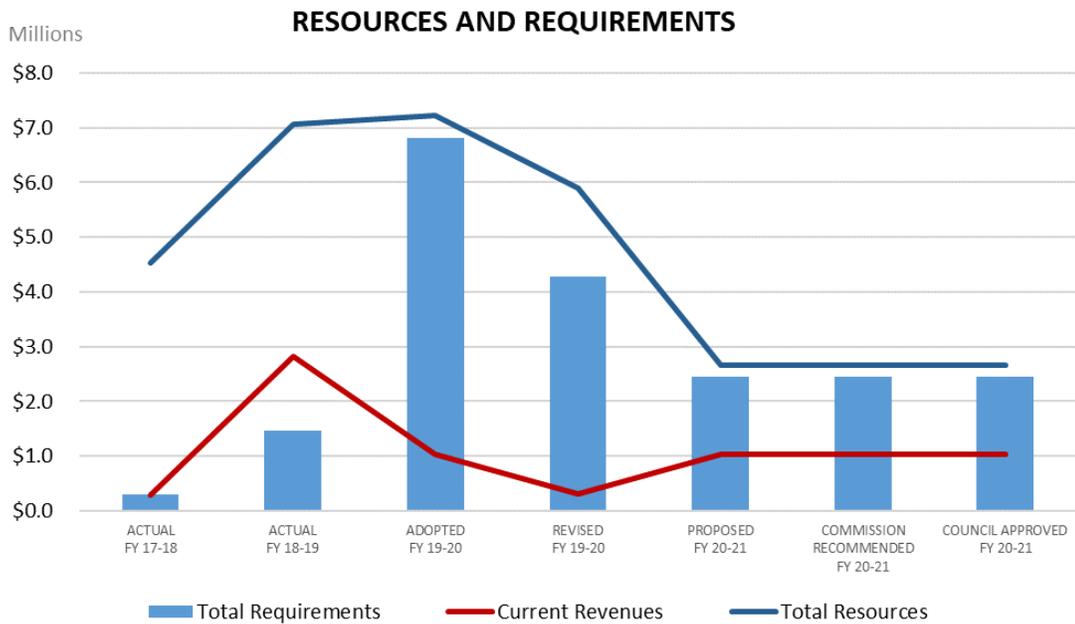
Expenses in the Parks SDC Fund are for projects that expand the capacity of the Park system. These can include land acquisition, new park development, park expansion, and development of master plans for new or expanded parks. Expenditures are generally budgeted as interfund transfers to either the Capital Construction Fund to implement a project, or to the General Fund to develop a master plan.

Opportunities/Challenges

Parks SDCs are one of the only revenue sources available for new park development. This source can provide significant funding when new development occurs, but does not then address ongoing maintenance needs of new or expanded parks. Operations and maintenance remain funded out of the General Fund where resource constraints can make increasing park maintenance budgets challenging.

PARKS SDC FUND SUMMARY

	ACTUAL FY 17-18	ACTUAL FY 18-19	ADOPTED FY 19-20	REVISED FY 19-20	PROPOSED FY 20-21	COMMISSION RECOMMENDED FY 20-21	COUNCIL APPROVED FY 20-21
Resources:							
Beginning Fund Balance	\$4,250,916	\$4,230,291	\$6,186,741	\$5,581,656	\$1,625,456	\$1,625,456	\$1,625,456
Charges for Service	240,146	2,661,118	928,000	200,000	949,000	949,000	949,000
Miscellaneous	47,694	165,039	114,000	114,000	92,600	92,600	92,600
Current Revenues	\$287,840	\$2,826,157	\$1,042,000	\$314,000	\$1,041,600	\$1,041,600	\$1,041,600
Total Resources	\$4,538,757	\$7,056,447	\$7,228,741	\$5,895,656	\$2,667,056	\$2,667,056	\$2,667,056
Non-Operating:							
Transfers Out	\$308,466	\$1,474,791	\$6,809,200	\$4,270,200	\$2,445,500	\$2,445,500	\$2,445,500
Total Non-Operating:	\$308,466	\$1,474,791	\$6,809,200	\$4,270,200	\$2,445,500	\$2,445,500	\$2,445,500
Total Requirements	\$308,466	\$1,474,791	\$6,809,200	\$4,270,200	\$2,445,500	\$2,445,500	\$2,445,500
Ending Fund Balance (incl. res)	\$4,230,291	\$5,581,656	\$419,541	\$1,625,456	\$221,556	\$221,556	\$221,556



STREET FUND

The Street Fund accounts for all revenues and expenses associated with operations and maintenance of the City's transportation network for all modes, including streets, bikeways, sidewalks, streetlights, street sweeping, and traffic signs and signals.

Revenues

Revenues in the Street Fund are primarily from State gas taxes and vehicle registration fees. This has been a stable, and relatively flat revenue source for the last several years. In 2017, the State Legislature passed a transportation bill that increased taxes and fees to provide more funding for roads, alternate modes, and transit. The reduction in travel caused by COVID-19 restrictions are estimated to decrease FY 19-20 revenue by \$150,000 and FY 20-21 revenue by \$280,000 based on Oregon Department of Transportation statements that March travel was 40% lower than usual. If travel does not resume in late June/July the revenue loss could be higher.

The City has a Transportation Maintenance Fee that is dedicated to street pavement preservation and maintenance. The fee is collected from City Services accounts each month and is based on the estimated "trips" generated by the type of property use. The City Council has adopted fee increases for the next three years that will significantly increase funding for pavement preservation work.

The City also has a sidewalk maintenance fee on the City Services bill that produces around \$150,000 per year. This money is used to repair and replace sidewalk panels selected from a survey conducted in one district in the city each year. In any one year, staff also responds to broken or heaved sidewalks anywhere in the community as the revenue capacity allows.

Expenses

Expenses in the Street Fund are for the operations and maintenance of the City's surface transportation network. Maintenance programs are designed to ensure the smooth efficient and safe movement of people and goods around the community.

Capital projects are a significant annual expenditure. The primary capital work effort is the preservation of the street pavement, either through resurfacing or a deeper reconstruction of sections of streets down to the base. Resources are from the Transportation Maintenance Fee and transportation program grants from the State or federal government. The operating revenue contribution to the Capital Improvement Program is captured in the Transfers Out section of the budget, which shows the amount predicted to be transferred from the Street Fund to the Capital Construction Fund each year.

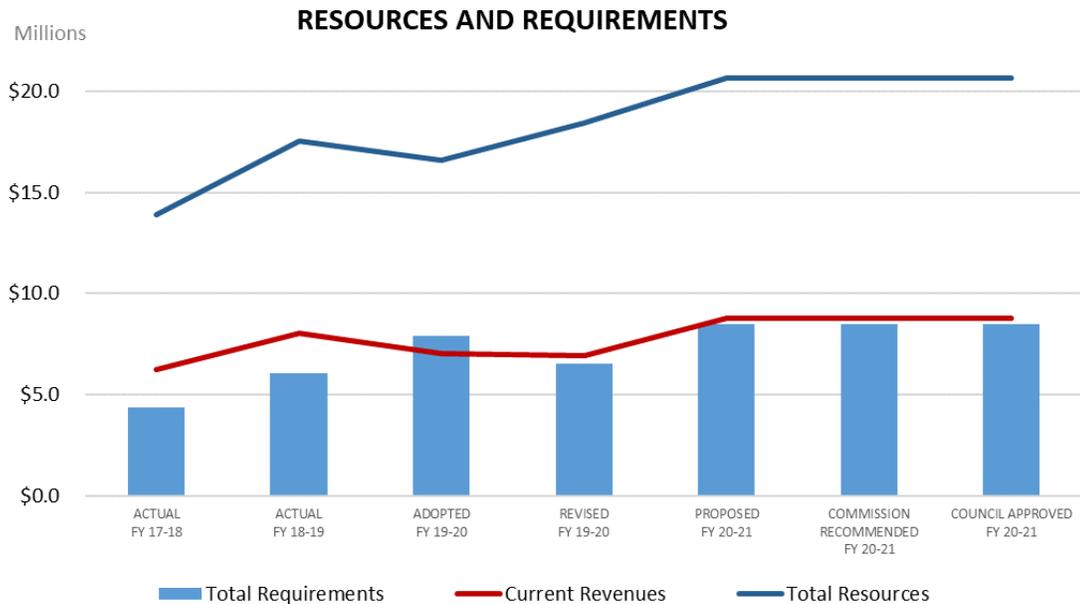
Opportunities/Challenges

The City Council adopted an updated Transportation System Plan (TSP) late in 2018. The TSP is serving as a guide for implementing infrastructure projects.

State and federal funding for basic street system operations and maintenance, as well as large projects to reconstruct major arterials, is not growing at the same rate as costs. If these funding sources are not increased, it will become more critical for the City to bolster its own funding source or create new funding mechanisms for street system maintenance.

STREET FUND FINANCIAL SUMMARY

	ACTUAL FY 17-18	ACTUAL FY 18-19	ADOPTED FY 19-20	REVISED FY 19-20	PROPOSED FY 20-21	COMMISSION RECOMMENDED FY 20-21	COUNCIL APPROVED FY 20-21
Resources:							
Beginning Fund Balance	\$7,622,211	\$9,496,152	\$9,539,352	\$11,485,342	\$11,871,942	\$11,871,942	\$11,871,942
Licenses, Fees, & Permits	\$1,388,984	\$1,440,971	\$1,328,200	\$1,969,700	\$3,234,600	\$3,234,600	\$3,234,600
Charges for Service	662,508	1,627,075	906,400	321,100	861,100	861,100	861,100
Intergovernmental	3,817,114	4,383,026	4,324,800	4,174,800	4,490,300	4,490,300	4,490,300
Fines & Forfeitures	311	494	500	500	500	500	500
Miscellaneous	130,683	335,919	212,800	213,500	194,400	194,400	194,400
Transfers In	255,500	255,500	255,500	255,500	0	0	0
Other Financing Sources	4,139	0	0	0	0	0	0
Current Revenues	\$6,259,238	\$8,042,985	\$7,028,200	\$6,935,100	\$8,780,900	\$8,780,900	\$8,780,900
Total Resources	\$13,881,450	\$17,539,138	\$16,567,552	\$18,420,442	\$20,652,842	\$20,652,842	\$20,652,842
Requirements:							
Operating Budget:							
Community Development	\$12,391	\$13,060	\$27,000	\$27,000	\$0	\$0	\$0
Public Works	3,082,566	2,993,802	3,720,000	3,720,000	4,117,300	4,117,300	4,117,300
Public Works Special Prjts	694,982	921,033	831,800	599,800	555,800	555,800	555,800
Total Operating Budget	\$3,789,939	\$3,927,896	\$4,578,800	\$4,346,800	\$4,673,100	\$4,673,100	\$4,673,100
Non-Operating:							
Transfers Out	\$595,359	\$2,125,900	\$3,221,300	\$2,201,700	\$3,644,300	\$3,644,300	\$3,644,300
Contingency	0	0	117,600	0	165,000	165,000	165,000
Total Non-Operating:	\$595,359	\$2,125,900	\$3,338,900	\$2,201,700	\$3,809,300	\$3,809,300	\$3,809,300
Total Requirements	\$4,385,297	\$6,053,796	\$7,917,700	\$6,548,500	\$8,482,400	\$8,482,400	\$8,482,400
Ending Fund Balance (incl. res)	\$9,496,152	\$11,485,342	\$8,649,852	\$11,871,942	\$12,170,442	\$12,170,442	\$12,170,442



TRANSIT FUND

The Transit Fund accounts for the activities required to provide the City's public transit system.

Revenues

Primary revenue for the Corvallis Transit System is from federal operating grants, extended through the Federal Transportation Administration (FTA). The FTA also provides capital grants for the replacement of assets, such as a bus that has reached the end of its useful life.

The City received \$7.3 million in federal CARES Act funding for operation of transit services. While the grant is included in the FY 20-21 budget, specific programming for these funds is pending guidance to be provided by the FTA.

The City has a local revenue source, called the Transit Operations Fee (TOF), assessed to City Services customers to provide the local match for all federal funding. The TOF has allowed Corvallis to offer fareless transit services to the community, furthering the sustainability and climate action objectives of the Council.

Oregon State University (OSU) contributes financially to the transit system recognizing the benefit of the system to its students, faculty, and staff. In partnership with the Associated Students of OSU (ASOSU), the City offers a Night Owl bus service when OSU is in session to provide students an option for getting home from work or social gatherings safely.

Expenses

The City owns the buses and contracts with a third party to provide drivers and dispatch services. Costs for the contract and for fuel are the largest share of this fund's expenses.

Special projects capture the bus replacements, fluctuating through the planning period to reflect the timing of these replacements. For FY 20-21 Special Projects includes some of the CARES Act monies.

Opportunities/Challenges

The City adopted a Transit Development Plan (TDP) in 2018 in conjunction with the Transportation System Plan. The TDP provides direction for maximizing services within available revenues, and for expanding services as additional revenues become available.

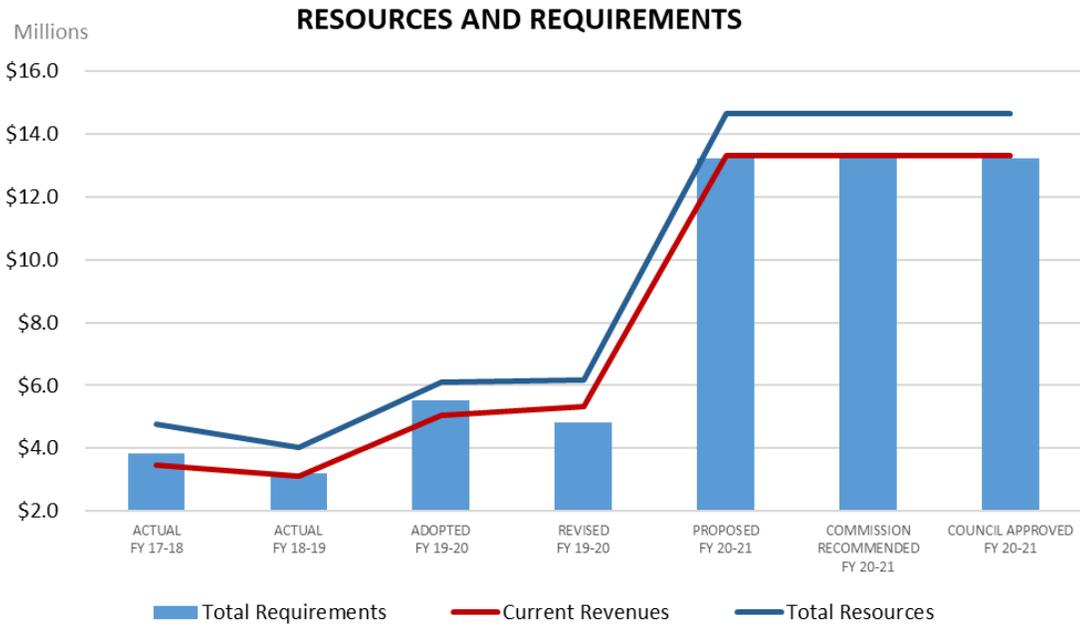
The City receives the maximum amount of federal funding available for transit operations. As a result, to fund the service expansion expected to come with the TDP recommendations will require more local resources.

Staff developed a transit facility on the Public Works compound where the buses can be stored overnight, fueled, and serviced. The operations of the service (drivers, dispatch) are provided through a third-party contractor, but the on-site facility allows the maintenance to be performed by City staff.

Transit was an essential service for the community's COVID-19 response efforts and service was maintained throughout the pandemic emergency, though at reduced levels.

TRANSIT FUND FINANCIAL SUMMARY

	ACTUAL FY 17-18	ACTUAL FY 18-19	ADOPTED FY 19-20	REVISED FY 19-20	PROPOSED FY 20-21	COMMISSION RECOMMENDED FY 20-21	COUNCIL APPROVED FY 20-21
Resources:							
Beginning Fund Balance	\$1,291,949	\$940,245	\$1,066,445	\$828,959	\$1,348,959	\$1,348,959	\$1,348,959
Licenses, Fees, & Permits	\$927,200	\$977,716	\$1,029,200	\$976,900	\$993,700	\$993,700	\$993,700
Charges for Service	251,774	271,716	245,000	245,000	246,000	246,000	246,000
Intergovernmental	2,024,253	1,578,943	3,518,800	3,864,600	11,810,500	11,810,500	11,810,500
Fines & Forfeitures	37	297	0	0	0	0	0
Miscellaneous	263,252	268,261	257,700	258,400	257,600	257,600	257,600
Current Revenues	\$3,466,515	\$3,096,934	\$5,050,700	\$5,344,900	\$13,307,800	\$13,307,800	\$13,307,800
Total Resources	\$4,758,464	\$4,037,178	\$6,117,145	\$6,173,859	\$14,656,759	\$14,656,759	\$14,656,759
Requirements:							
Operating Budget:							
Public Works	\$3,253,306	\$3,108,610	\$4,370,700	\$4,330,700	\$8,020,600	\$8,020,600	\$8,020,600
Public Works Special Prjts	549,624	81,710	1,012,800	472,000	5,085,800	5,085,800	5,085,800
Total Operating Budget	\$3,802,929	\$3,190,319	\$5,383,500	\$4,802,700	\$13,106,400	\$13,106,400	\$13,106,400
Non-Operating:							
Transfers Out	\$15,290	\$17,900	\$22,200	\$22,200	\$22,200	\$22,200	\$22,200
Contingency	0	0	100,900	0	100,900	100,900	100,900
Total Non-Operating:	\$15,290	\$17,900	\$123,100	\$22,200	\$123,100	\$123,100	\$123,100
Total Requirements	\$3,818,219	\$3,208,219	\$5,506,600	\$4,824,900	\$13,229,500	\$13,229,500	\$13,229,500
Ending Fund Balance (incl. res)	\$940,245	\$828,959	\$610,545	\$1,348,959	\$1,427,259	\$1,427,259	\$1,427,259



VEHICLE/EQUIPMENT RESERVE FUND

The Vehicle/Equipment Reserve Fund is used to hold monies set-aside year-to-year for future year equipment replacement.

Revenues

Revenues are generally from interfund transfers from the General Fund. A small amount of revenue is projected each year for interest earnings based on the balances held in the fund.

Expenses

Expenses are all considered to be special projects – one-time in nature. The most common use of these funds is to replace vehicles as they age. Depending on the type of vehicle, costs can be substantial (e.g., Fire Department ladder truck), and though many of the most expensive vehicles have a relatively long expected-useful-life, the costs for replacement would be higher than could be absorbed within the Department’s regular budget.

Another significant type of project budgeted in this fund is the acquisition of new and/or replacement technology systems. For FY 20-21, work will continue on ancillary modules of the new Finance/Human Resources and Fire Management programs.

Finally, this fund holds reserves to begin to address the backlog of deferred maintenance projects at City facilities. In FY 20-21, nearly \$1 million will be transferred to the Facility Maintenance Fund for the second year of work to address a \$5 million backlog of deferred maintenance.

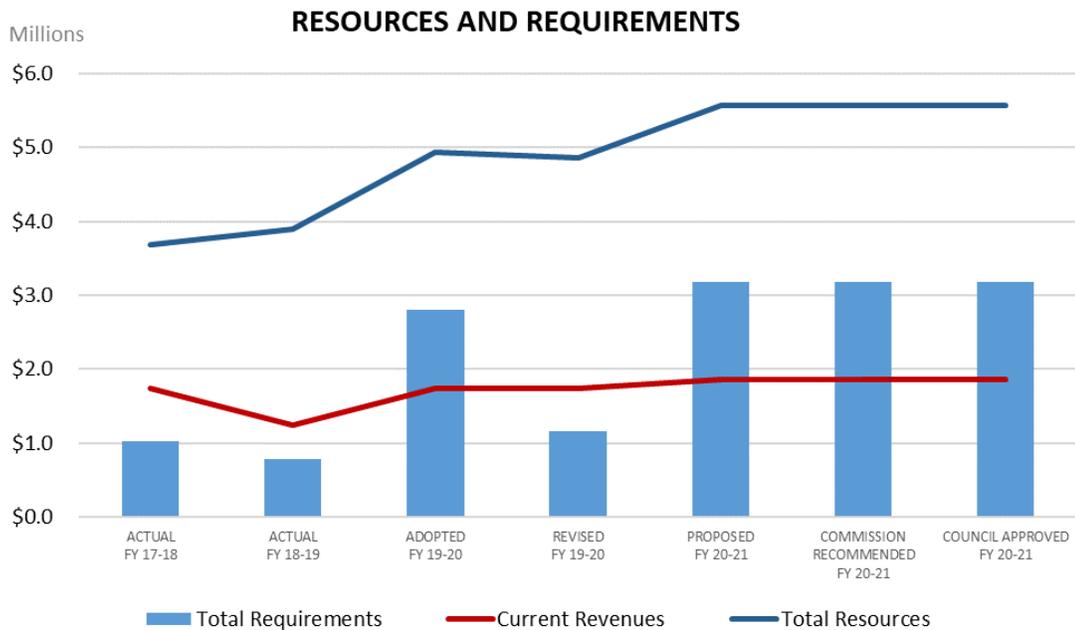
Opportunities/Challenges

With the initiation of the facility reserves, the City moved toward centralized management of the facilities used for operations and public functions. This should allow for better long-term planning for maintenance projects. During FY 19-20 the Fire Department and Parks Buildings deferred maintenance was included in long-term planning; Parks facilities still need to have an assessment completed.

Staff recognizes that setting monies aside for facilities reduces monies available for programs, but addressing deferred maintenance is critical to ensure the health and safety of staff and community members.

VEHICLE/EQUIPMENT RESERVE FUND FINANCIAL SUMMARY

	ACTUAL FY 17-18	ACTUAL FY 18-19	ADOPTED FY 19-20	REVISED FY 19-20	PROPOSED FY 20-21	COMMISSION RECOMMENDED FY 20-21	COUNCIL APPROVED FY 20-21
Resources:							
Beginning Fund Balance	\$1,945,480	\$2,655,681	\$3,185,811	\$3,116,126	\$3,700,526	\$3,700,526	\$3,700,526
Miscellaneous	\$20,519	\$85,410	\$54,500	\$54,500	\$42,800	\$42,800	\$42,800
Transfers In	1,718,550	1,156,900	1,692,200	1,692,200	1,821,700	1,821,700	1,821,700
Current Revenues	\$1,739,069	\$1,242,310	\$1,746,700	\$1,746,700	\$1,864,500	\$1,864,500	\$1,864,500
Total Resources	\$3,684,549	\$3,897,991	\$4,932,511	\$4,862,826	\$5,565,026	\$5,565,026	\$5,565,026
Requirements:							
Operating Budget:							
Fire Special Prjts	\$0	\$199,576	\$915,500	\$765,500	\$865,000	\$865,000	\$865,000
Information Technology Special Prjts	522,485	334,789	595,900	177,700	200,000	200,000	200,000
Library Special Prjts	0	28,000	0	0	165,000	165,000	165,000
Parks and Recreation Special Prjts	75,000	94,900	60,000	60,000	140,000	140,000	140,000
Police Special Prjts	152,155	82,100	223,600	99,900	349,900	349,900	349,900
Total Operating Budget	\$749,640	\$739,365	\$1,795,000	\$1,103,100	\$1,719,900	\$1,719,900	\$1,719,900
Non-Operating:							
Transfers Out	\$279,228	\$42,500	\$1,001,200	\$59,200	\$1,457,500	\$1,457,500	\$1,457,500
Total Non-Operating:	\$279,228	\$42,500	\$1,001,200	\$59,200	\$1,457,500	\$1,457,500	\$1,457,500
Total Requirements	\$1,028,869	\$781,865	\$2,796,200	\$1,162,300	\$3,177,400	\$3,177,400	\$3,177,400
Ending Fund Balance (incl. res)	\$2,655,681	\$3,116,126	\$2,136,311	\$3,700,526	\$2,387,626	\$2,387,626	\$2,387,626



CAPITAL CONSTRUCTION, DAVIDSON, AND DEBT SERVICES FUNDS

These funds serve special purposes in government accounting.

Capital Construction Fund

The Capital Construction Fund accounts for revenues and expenses associated with capital projects funded primarily by general obligation bonds, General or Special Revenue Funds. Revenues are primarily from grants, donations or transfers from other funds. Expenditures are all for capital projects as outlined in the annual Capital Improvement Program and included in the annual budget document in the Non-Operating Budget section.

Davidson Fund

The Davidson Fund is a permanent fund, with a non-expendable trust balance of \$5,000 given to the Library in honor of Nellie Passano Davidson. Revenue is only from interest earnings, though additions to the corpus would be accepted. Expenditures are for high quality biographies. The Library budgets every few years to make purchases from this fund.

General Obligation Bond Fund

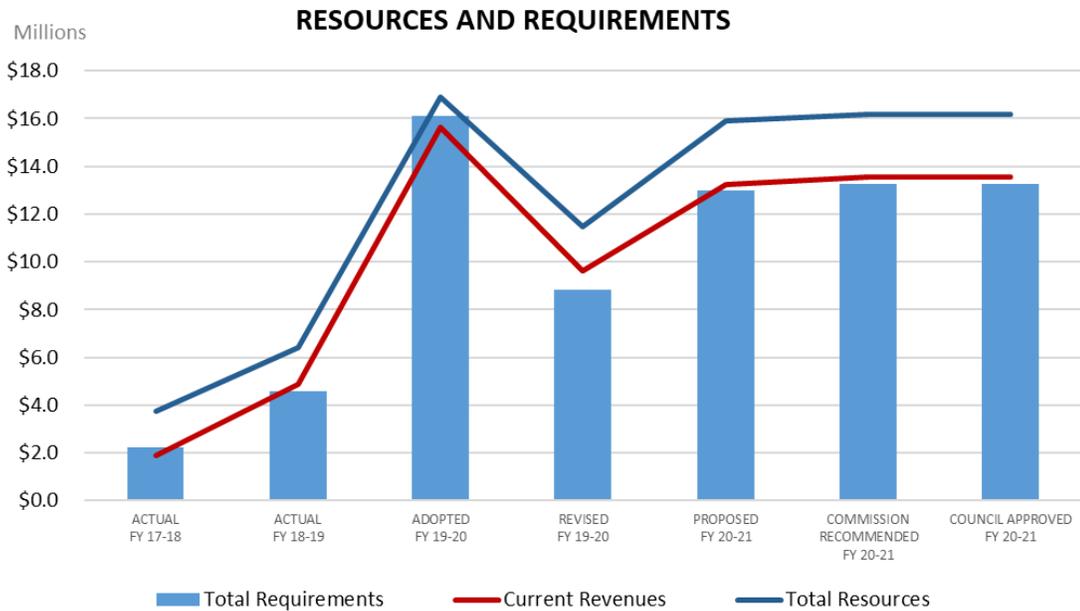
The GO Bond Fund accounts for revenues from property taxes levied to make voter approved debt payments. Expenditures are for the principal and interest payments for voter approved GO debt. The City currently holds no GO debt. This fund holds a small balance and will not be closed in anticipation of a future debt issuance.

Pension Obligation Bond Debt Service

The POB Fund accounts for principal and interest payments on the City's two outstanding POB issues. Revenues are all from interfund transfers for each fund's share of the annual debt payment. The annual operating expenses are for the paying agent fees.

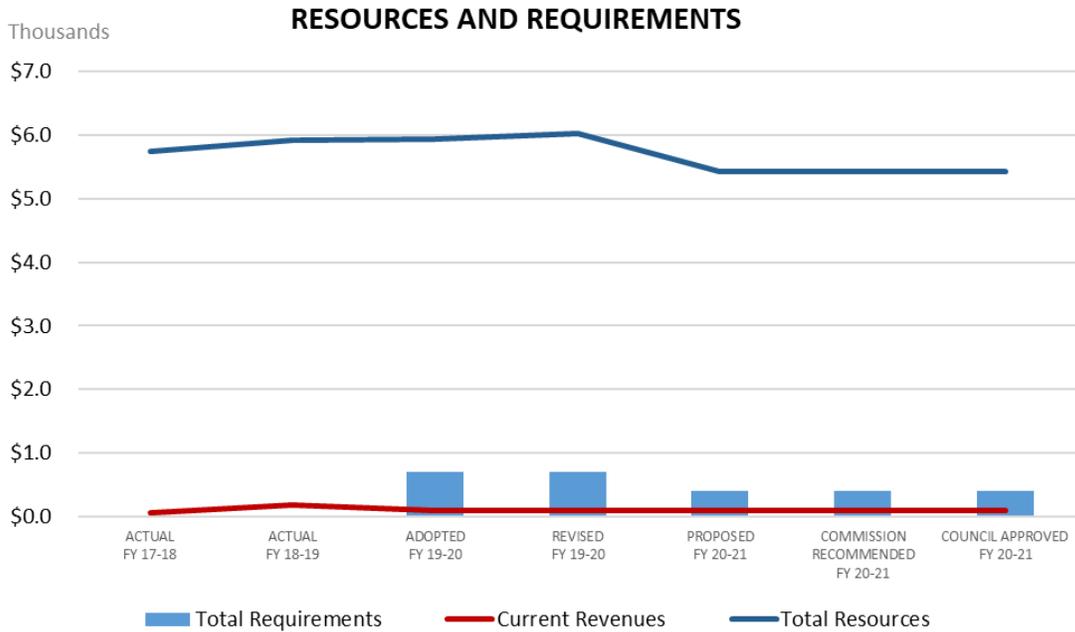
CAPITAL CONSTRUCTION FUND FINANCIAL SUMMARY

	ACTUAL FY 17-18	ACTUAL FY 18-19	ADOPTED FY 19-20	REVISED FY 19-20	PROPOSED FY 20-21	COMMISSION RECOMMENDED FY 20-21	COUNCIL APPROVED FY 20-21
Resources:							
Beginning Fund Balance	\$1,859,974	\$1,510,035	\$1,274,685	\$1,832,285	\$2,644,785	\$2,644,785	\$2,644,785
Intergovernmental	\$464,990	\$1,253,972	\$3,371,500	\$1,701,700	\$4,148,100	\$4,148,100	\$4,148,100
Miscellaneous	444,001	166,249	1,307,100	1,300,500	1,392,700	1,692,700	1,692,700
Transfers In	961,520	3,460,500	10,948,200	6,622,000	7,706,300	7,706,300	7,706,300
Current Revenues	\$1,870,510	\$4,880,721	\$15,626,800	\$9,624,200	\$13,247,100	\$13,547,100	\$13,547,100
Total Resources	\$3,730,484	\$6,390,756	\$16,901,485	\$11,456,485	\$15,891,885	\$16,191,885	\$16,191,885
Non-Operating:							
Capital Projects	\$2,220,449	\$4,558,471	\$16,103,900	\$8,811,700	\$12,969,200	\$13,269,200	\$13,269,200
Total Non-Operating:	\$2,220,449	\$4,558,471	\$16,103,900	\$8,811,700	\$12,969,200	\$13,269,200	\$13,269,200
Total Requirements	\$2,220,449	\$4,558,471	\$16,103,900	\$8,811,700	\$12,969,200	\$13,269,200	\$13,269,200
Ending Fund Balance (incl. res)	\$1,510,035	\$1,832,285	\$797,585	\$2,644,785	\$2,922,685	\$2,922,685	\$2,922,685



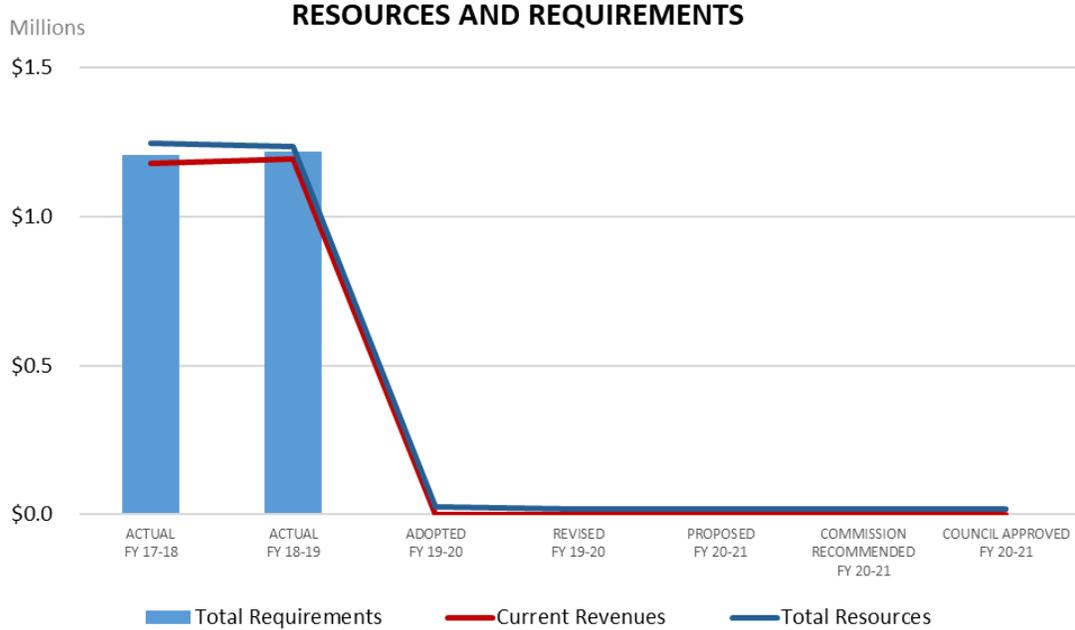
DAVIDSON FUND FINANCIAL SUMMARY

	ACTUAL FY 17-18	ACTUAL FY 18-19	ADOPTED FY 19-20	REVISED FY 19-20	PROPOSED FY 20-21	COMMISSION RECOMMENDED FY 20-21	COUNCIL APPROVED FY 20-21
Resources:							
Beginning Fund Balance	\$5,677	\$5,740	\$5,840	\$5,927	\$5,327	\$5,327	\$5,327
Miscellaneous	\$63	\$187	\$100	\$100	\$100	\$100	\$100
Current Revenues	\$63	\$187	\$100	\$100	\$100	\$100	\$100
Total Resources	\$5,740	\$5,927	\$5,940	\$6,027	\$5,427	\$5,427	\$5,427
Requirements:							
Operating Budget:							
Library Special Prjts	\$0	\$0	\$700	\$700	\$400	\$400	\$400
Total Operating Budget	\$0	\$0	\$700	\$700	\$400	\$400	\$400
Total Requirements	\$0	\$0	\$700	\$700	\$400	\$400	\$400
Ending Fund Balance (incl. res)	\$5,740	\$5,927	\$5,240	\$5,327	\$5,027	\$5,027	\$5,027



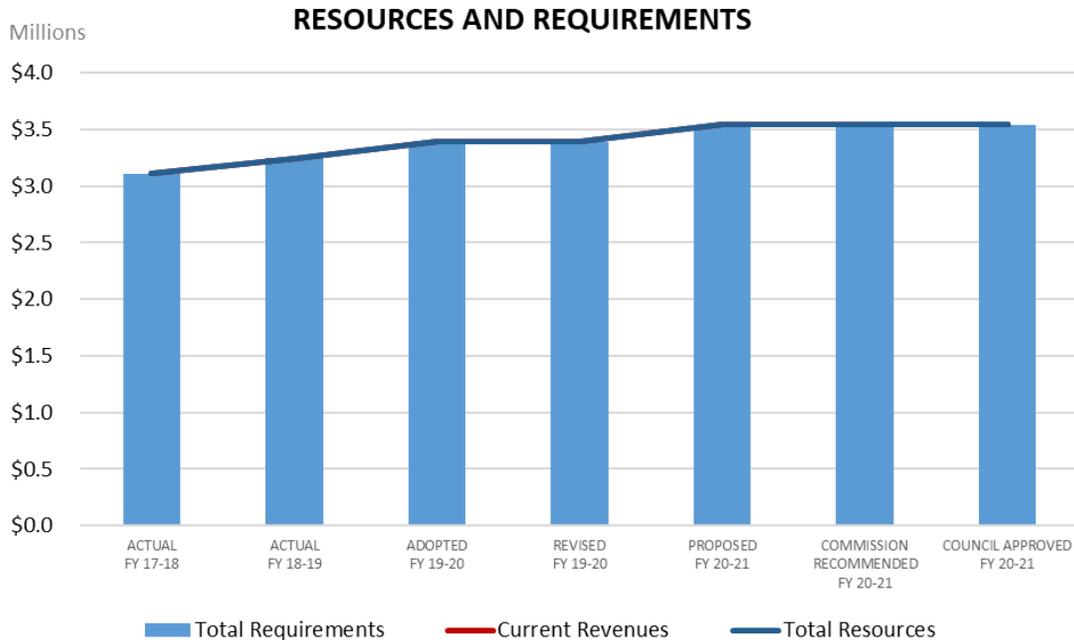
GENERAL OBLIGATION DEBT SERVICE FUND FINANCIAL SUMMARY

	ACTUAL FY 17-18	ACTUAL FY 18-19	ADOPTED FY 19-20	REVISED FY 19-20	PROPOSED FY 20-21	COMMISSION RECOMMENDED FY 20-21	COUNCIL APPROVED FY 20-21
Resources:							
Beginning Fund Balance	\$68,294	\$41,090	\$24,990	\$17,678	\$17,678	\$17,678	\$17,678
Property Taxes	\$1,169,896	\$1,186,626	\$0	\$0	\$0	\$0	\$0
Miscellaneous	9,300	6,762	0	0	0	0	0
Current Revenues	\$1,179,196	\$1,193,388	\$0	\$0	\$0	\$0	\$0
Total Resources	\$1,247,490	\$1,234,478	\$24,990	\$17,678	\$17,678	\$17,678	\$17,678
Non-Operating:							
Debt Service - Principal	\$1,115,000	\$1,170,000	\$0	\$0	\$0	\$0	\$0
Debt Service - Interest	91,400	46,800	0	0	0	0	0
Total Non-Operating:	\$1,206,400	\$1,216,800	\$0	\$0	\$0	\$0	\$0
Total Requirements	\$1,206,400	\$1,216,800	\$0	\$0	\$0	\$0	\$0
Ending Fund Balance (incl. res)	\$41,090	\$17,678	\$24,990	\$17,678	\$17,678	\$17,678	\$17,678



PENSION OBLIGATION DEBT SERVICE FUND FINANCIAL SUMMARY

	ACTUAL FY 17-18	ACTUAL FY 18-19	ADOPTED FY 19-20	REVISED FY 19-20	PROPOSED FY 20-21	COMMISSION RECOMMENDED FY 20-21	COUNCIL APPROVED FY 20-21
Resources:							
Beginning Fund Balance	\$551	\$1,127	\$1,208	\$2,456	\$2,456	\$2,456	\$2,456
Miscellaneous	\$568	\$1,234	\$0	\$0	\$0	\$0	\$0
Transfers In	3,110,950	3,244,900	3,391,300	3,391,300	3,543,600	3,543,600	3,543,600
Other Financing Sources	0	0	0	0	0	0	0
Current Revenues	\$3,111,518	\$3,246,134	\$3,391,300	\$3,391,300	\$3,543,600	\$3,543,600	\$3,543,600
Total Resources	\$3,112,069	\$3,247,261	\$3,392,508	\$3,393,756	\$3,546,056	\$3,546,056	\$3,546,056
Requirements:							
Operating Budget:							
Non-Departmental	\$1,350	\$1,350	\$1,400	\$1,400	\$1,400	\$1,400	\$1,400
Total Operating Budget	\$1,350	\$1,350	\$1,400	\$1,400	\$1,400	\$1,400	\$1,400
Non-Operating:							
Debt Service - Principal	\$805,252	\$861,833	\$926,610	\$926,610	\$996,100	\$996,100	\$996,100
Debt Service - Interest	2,304,340	2,381,622	2,463,290	2,463,290	2,547,500	2,547,500	2,547,500
Total Non-Operating:	\$3,109,592	\$3,243,455	\$3,389,900	\$3,389,900	\$3,543,600	\$3,543,600	\$3,543,600
Total Requirements	\$3,110,942	\$3,244,805	\$3,391,300	\$3,391,300	\$3,545,000	\$3,545,000	\$3,545,000
Ending Fund Balance (incl. res)	\$1,127	\$2,456	\$1,208	\$2,456	\$1,056	\$1,056	\$1,056





ENTERPRISE FUNDS

AIRPORT FUND

The Airport Fund accounts for all revenues and expenses associated with the Corvallis Municipal Airport and the Airport Industrial Park.

Revenues

The primary sources of revenue are from the rental of airplane hangars and the lease of land in the Airport Industrial Park (AIP).

Federal Aviation Administration (FAA) grants are available for major infrastructure enhancement projects, such as renovating or extending a runway. FAA grants generally pay for 92% of a project, requiring an 8% local match. The City pursues this revenue opportunity when possible. Within the planning period, there are two projects supported by FAA grants: perimeter fencing and runway rehabilitation.

The federal CARES Act provided \$69,000 in one-time funding for FY 20-21.

Expenses

Expenses at the Airport are for operations and maintenance of the facility, and the oversight and promotion of the AIP property for economic development. The City has installed a 100 kW solar installation at the airport; this installation provides 75% of the energy consumed at the Airport each year.

Capital projects are programmed based on the needs identified in the Airport Master Plan and the 15-year building maintenance plans.

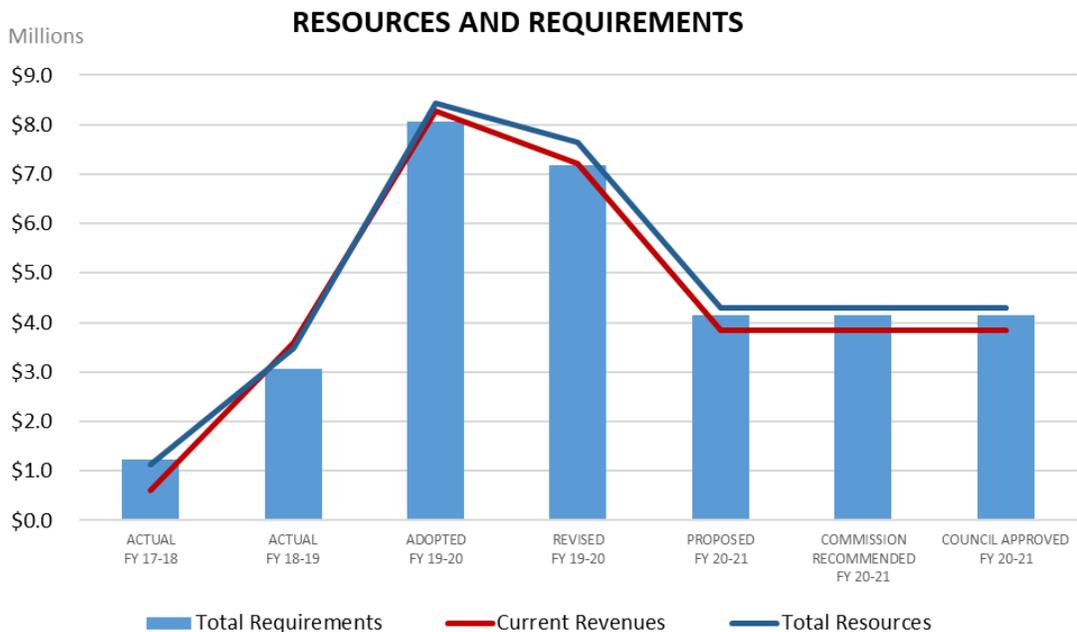
Opportunities/Challenges

The AIP presents an opportunity to foster economic development, as the site is currently underutilized. The City's Economic Development Manager and Public Works Department staff work together to market the AIP for start-up to mid-sized production and manufacturing businesses. Additional development would benefit the whole community through increased commercial services and new jobs.

Unlike some other federal grant programs, staff expects that FAA grant opportunities for facility enhancements will continue at the same levels.

AIRPORT FUND FINANCIAL SUMMARY

	ACTUAL FY 17-18	ACTUAL FY 18-19	ADOPTED FY 19-20	REVISED FY 19-20	PROPOSED FY 20-21	COMMISSION RECOMMENDED FY 20-21	COUNCIL APPROVED FY 20-21
Resources:							
Beginning Fund Balance	\$525,037	(\$108,032)	\$170,128	\$436,048	\$463,848	\$463,848	\$463,848
Licenses, Fees, & Permits	\$4,278	\$4,452	\$3,000	\$3,000	\$4,500	\$4,500	\$4,500
Charges for Service	507,991	446,552	454,500	454,500	509,500	509,500	509,500
Intergovernmental	15,000	3,141,812	7,798,100	6,737,400	3,114,200	3,114,200	3,114,200
Fines & Forfeitures	(210)	0	0	0	0	0	0
Miscellaneous	74,053	3,608	12,400	12,400	8,500	8,500	8,500
Transfers In	0	0	0	0	195,000	195,000	195,000
Current Revenues	\$601,112	\$3,596,424	\$8,268,000	\$7,207,300	\$3,831,700	\$3,831,700	\$3,831,700
Total Resources	\$1,126,149	\$3,488,392	\$8,438,128	\$7,643,348	\$4,295,548	\$4,295,548	\$4,295,548
Requirements:							
Operating Budget:							
Public Works	\$267,751	\$297,379	\$368,500	\$358,500	\$483,500	\$483,500	\$483,500
Public Works Special Prjts	58,861	67,362	381,000	21,000	500,700	500,700	500,700
Total Operating Budget	\$326,612	\$364,741	\$749,500	\$379,500	\$984,200	\$984,200	\$984,200
Non-Operating:							
Capital Projects	\$896,799	\$2,681,703	\$7,293,000	\$6,793,000	\$2,980,000	\$2,980,000	\$2,980,000
Transfers Out	10,770	5,900	7,000	7,000	163,400	163,400	163,400
Contingency	0	0	9,300	0	19,700	19,700	19,700
Total Non-Operating:	\$907,569	\$2,687,603	\$7,309,300	\$6,800,000	\$3,163,100	\$3,163,100	\$3,163,100
Total Requirements	\$1,234,181	\$3,052,344	\$8,058,800	\$7,179,500	\$4,147,300	\$4,147,300	\$4,147,300
Ending Fund Balance (incl. res)	(\$108,032)	\$436,048	\$379,328	\$463,848	\$148,248	\$148,248	\$148,248



STORM WATER FUND

The Storm Water Fund accounts for the revenues and expenditures associated with managing the City's natural urban stream and manufactured piping system to effectively and efficiently remove storm waters from the community after rain events.

Revenues

The main source of revenue is monthly storm water fees charged to City Services customers in Corvallis. Rate increases are projected for five years; actual fees are reviewed by the City Council and set by resolution annually.

Expenses

The major expense in this fund is for staff time and materials to operate and maintain the 183 miles of storm pipe, 20 miles of urban streams, 5,300 catch basins, and 35 storm water detention facilities in the City's infrastructure system. The natural assets in the system (urban streams and detention ponds/swales) require significant manual labor to assess and maintain plant material, remove invasive species of plants and encourage growth of natural species.

Capital projects to make large-scale improvements or enhancements to the natural drainage systems or to replace portions of the piping system are constructed each year. With little opportunity for outside funding, operating revenues provide 90% of the project costs. The remaining 10% comes from System Development Charges that have been set aside for projects that increase the capacity of the drainage system.

Opportunities/Challenges

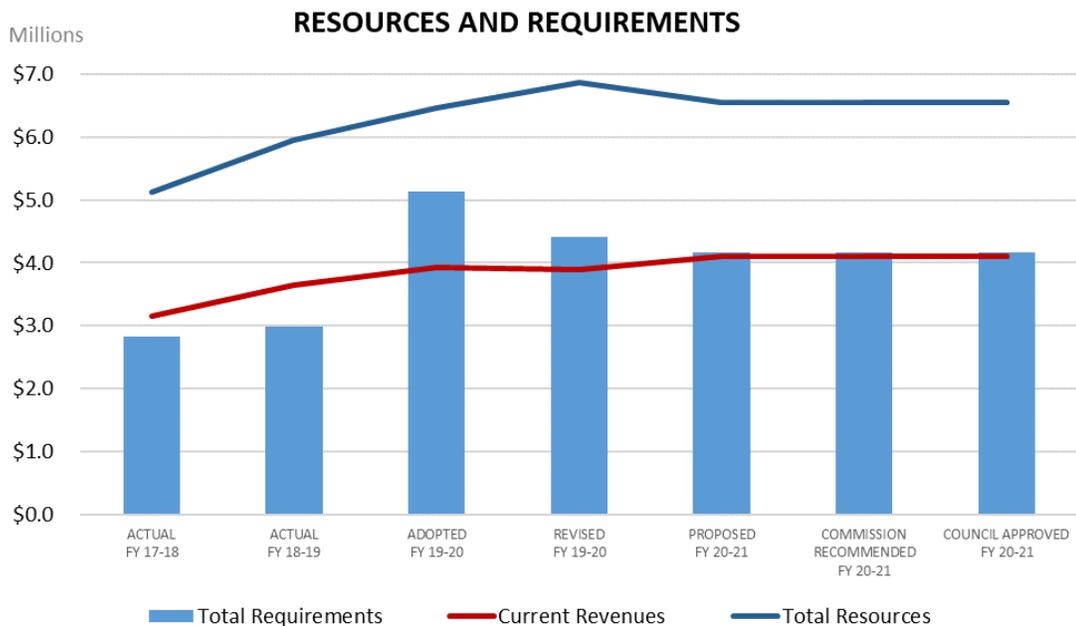
The City has a Department of Environmental Quality (DEQ) storm water discharge permit that regulates the management practices for rainwater and urban runoff. DEQ released a new permit that significantly increases the requirements for water quality and retention, which would result in over \$1M in additional expenditures and staff effort across multiple City departments. Corvallis joined several other communities to contest the new permit conditions and the outcome of that litigation is as yet unknown.

Data in the Asset Management Plan (AMP) provides guidance into where operations and maintenance efforts should be focused in the near term to minimize utility service interruptions and to provide the most effective use of limited resources, and to prioritize the storm water pipe replacement projects for inclusion in the Capital Improvement Program.

The projected revenue stream is insufficient to support the services and capital improvements needed to responsibly manage the storm water utility. Pressure from several areas will exacerbate this situation into the future: community growth will add new assets to be maintained, emerging regulations will impact how and what services need to be performed, rainfall will increase in intensity periodically exceeding the capacity of the system, and current assets will continue to age. Attention to this situation is needed in the near term. An update to the Storm Water Master Plan is scheduled to begin in FY 23-24.

STORM WATER FUND FINANCIAL SUMMARY

	ACTUAL FY 17-18	ACTUAL FY 18-19	ADOPTED FY 19-20	REVISED FY 19-20	PROPOSED FY 20-21	COMMISSION RECOMMENDED FY 20-21	COUNCIL APPROVED FY 20-21
Resources:							
Beginning Fund Balance	\$1,973,719	\$2,303,770	\$2,533,051	\$2,960,912	\$2,447,412	\$2,447,412	\$2,447,412
Charges for Service	\$3,131,379	\$3,559,299	\$3,879,400	\$3,844,400	\$4,049,900	\$4,049,900	\$4,049,900
Miscellaneous	24,332	86,850	53,200	53,900	50,700	50,700	50,700
Current Revenues	\$3,155,711	\$3,646,149	\$3,932,600	\$3,898,300	\$4,100,600	\$4,100,600	\$4,100,600
Total Resources	\$5,129,430	\$5,949,920	\$6,465,651	\$6,859,212	\$6,548,012	\$6,548,012	\$6,548,012
Requirements:							
Operating Budget:							
Community Development	\$48,431	\$50,580	\$61,900	\$61,900	\$0	\$0	\$0
Public Works	1,975,728	2,120,486	2,301,800	2,301,800	2,659,100	2,659,100	2,659,100
Public Works Special Prjts	325,064	547,631	1,598,000	1,213,300	623,000	623,000	623,000
Total Operating Budget	\$2,349,223	\$2,718,697	\$3,961,700	\$3,577,000	\$3,282,100	\$3,282,100	\$3,282,100
Non-Operating:							
Capital Projects	\$42,387	\$82,210	\$795,000	\$541,000	\$604,500	\$604,500	\$604,500
Transfers Out	434,050	188,100	293,800	293,800	205,700	205,700	205,700
Contingency	0	0	77,400	0	77,400	77,400	77,400
Total Non-Operating:	\$476,437	\$270,310	\$1,166,200	\$834,800	\$887,600	\$887,600	\$887,600
Total Requirements	\$2,825,660	\$2,989,007	\$5,127,900	\$4,411,800	\$4,169,700	\$4,169,700	\$4,169,700
Ending Fund Balance (incl. res)	\$2,303,770	\$2,960,912	\$1,337,751	\$2,447,412	\$2,378,312	\$2,378,312	\$2,378,312



WASTEWATER FUND

The Wastewater Fund accounts for the revenues and expenses associated with the operations and maintenance of the City's sanitary sewer system, which is vital for the protection of human and environmental health.

Revenues

The primary revenue is the fee charged for wastewater service to City Services customers. Projections for annual fee increases are made for the next five years; actual fees are reviewed annually by the City Council and set by resolution. The second largest revenue is from the fees charged to the Coffin Butte landfill for the disposal and treatment of leachate, a by-product of the waste decomposition process. While this has been a stable source in the past, it could be reduced or eliminated with short notice if the landfill finds a lower-cost solution for leachate disposal.

Revenues in excess of operating costs become available for capital projects or for contributions to reserves to fund a significant capital investment in a future year.

Expenses

Primary expenses are for operation and maintenance of the two treatment plants, 299 miles of pipe, 4,300 utility access points and 7 lift stations in the wastewater system. The largest cost is the electricity and chemicals used in the treatment process. The City has undertaken a number of measures to reduce its energy usage, including the construction of a 208kW solar array at the Public Works compound. Special Projects expenses in this fund are significant due to the large number of assets that require maintenance or replacement.

Capital projects are large-scale efforts, such as pump rehabilitation and pipe replacements. With little opportunity for outside funding, operating revenues provide for 100% of the costs for most projects. When a project will result in added capacity to the treatment process or collection system, it is eligible for funding from System Development Charges.

Opportunities/Challenges

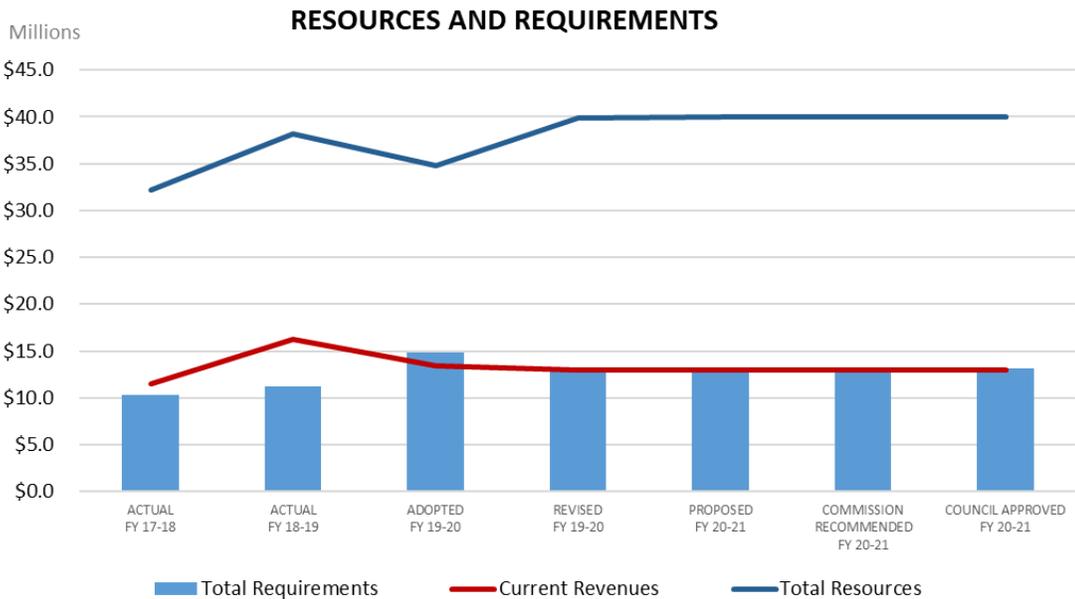
Federal and State regulations get more stringent over time, increasing costs for wastewater collection and treatment. The City is awaiting clarification on the requirements necessary to comply with DEQ Temperature Total Maximum Daily Load (TMDL) limits for wastewater effluent discharged to the Willamette River. The regulations need to be finalized before the City can develop an implementation plan, and currently resolution of the issue is tied up by litigation.

Data in the Asset Management Plan (AMP) provided guidance into where operations and maintenance efforts should be focused in the near term to minimize utility service interruptions, provide the most effective use of limited resources, and to prioritize the wastewater pipe replacement projects for inclusion in the Capital Improvement Program.

An update to the Wastewater System Master Plan is scheduled to begin in FY 21-22, which will provide direction for the development of the wastewater systems to meet the community needs into the future.

WASTEWATER FUND FINANCIAL SUMMARY

	ACTUAL FY 17-18	ACTUAL FY 18-19	ADOPTED FY 19-20	REVISED FY 19-20	PROPOSED FY 20-21	COMMISSION RECOMMENDED FY 20-21	COUNCIL APPROVED FY 20-21
Resources:							
Beginning Fund Balance	\$20,746,309	\$21,866,320	\$21,391,520	\$26,928,071	\$27,088,871	\$27,088,871	\$27,088,871
Charges for Service	\$11,220,317	\$15,518,075	\$12,305,300	\$11,827,800	\$12,503,700	\$12,503,700	\$12,503,700
Miscellaneous	262,579	750,623	1,120,200	1,140,200	429,200	429,200	429,200
Current Revenues	\$11,482,896	\$16,268,697	\$13,425,500	\$12,968,000	\$12,932,900	\$12,932,900	\$12,932,900
Total Resources	\$32,229,205	\$38,135,017	\$34,817,020	\$39,896,071	\$40,021,771	\$40,021,771	\$40,021,771
Requirements:							
Operating Budget:							
Community Development	\$47,809	\$50,245	\$62,000	\$62,000	\$0	\$0	\$0
Public Works	6,331,929	6,555,183	7,219,000	7,219,000	7,628,800	7,628,800	7,628,800
Public Works Special Prjts	654,306	1,157,048	2,008,800	1,414,800	2,309,100	2,309,100	2,309,100
Total Operating Budget	\$7,034,044	\$7,762,475	\$9,289,800	\$8,695,800	\$9,937,900	\$9,937,900	\$9,937,900
Non-Operating:							
Capital Projects	\$1,248,276	\$1,355,371	\$3,169,000	\$2,008,200	\$1,983,200	\$1,983,200	\$1,983,200
Transfers Out	203,590	213,800	221,100	221,100	296,800	296,800	296,800
Debt Service - Principal	1,705,000	1,755,000	1,815,000	1,815,000	605,000	605,000	605,000
Debt Service - Interest	171,975	120,300	67,100	67,100	12,100	12,100	12,100
Contingency	0	0	223,900	0	253,800	253,800	253,800
Total Non-Operating:	\$3,328,841	\$3,444,471	\$5,496,100	\$4,111,400	\$3,150,900	\$3,150,900	\$3,150,900
Total Requirements	\$10,362,885	\$11,206,946	\$14,785,900	\$12,807,200	\$13,088,800	\$13,088,800	\$13,088,800
Ending Fund Balance (incl. res)	\$21,866,320	\$26,928,071	\$20,031,120	\$27,088,871	\$26,932,971	\$26,932,971	\$26,932,971



WATER FUND

The Water Fund accounts for revenues and expenses associated with the operation and maintenance of the City's drinking water system that supports public health.

Revenue

The primary revenue source is from fees charged for water service via the City Services bill. Future year rate increase projections are included in five-year projections; actual rate changes are reviewed by the City Council each year and adopted by resolution.

The replacement of the 15-mile water distribution pipeline that carries treated water from the Rock Creek plant to the Bald Hill reservoir is likely to require financing to complete. This project is in the early stages of development; a more accurate budget will be determined in the next two years as easement needs are identified, design details are determined and better cost estimates can be prepared.

Revenues in excess of operating costs become available for capital projects or for contributions to reserves to fund a significant capital investment in a future year.

Expenses

The primary expense is for the operation and maintenance of the 2 treatment plants, 255 miles of pipe, 16,800 water meters, 2,034 fire hydrants, 7,000 valves, 10 pump stations and 8 water storage reservoirs in the City's potable water system. The largest cost is for electricity and chemicals used in the treatment processes.

Special Projects expenses in this fund are significant due to the large number of assets that require maintenance or replacement.

Capital projects are large-scale efforts, such as pump rehabilitation, plant instrumentation improvements, and pipe replacements. With little opportunity for outside funding, operating revenues provide for 100% of the costs for most projects. When a project will result in added capacity to the treatment process or distribution system, it is eligible for funding from System Development Charges.

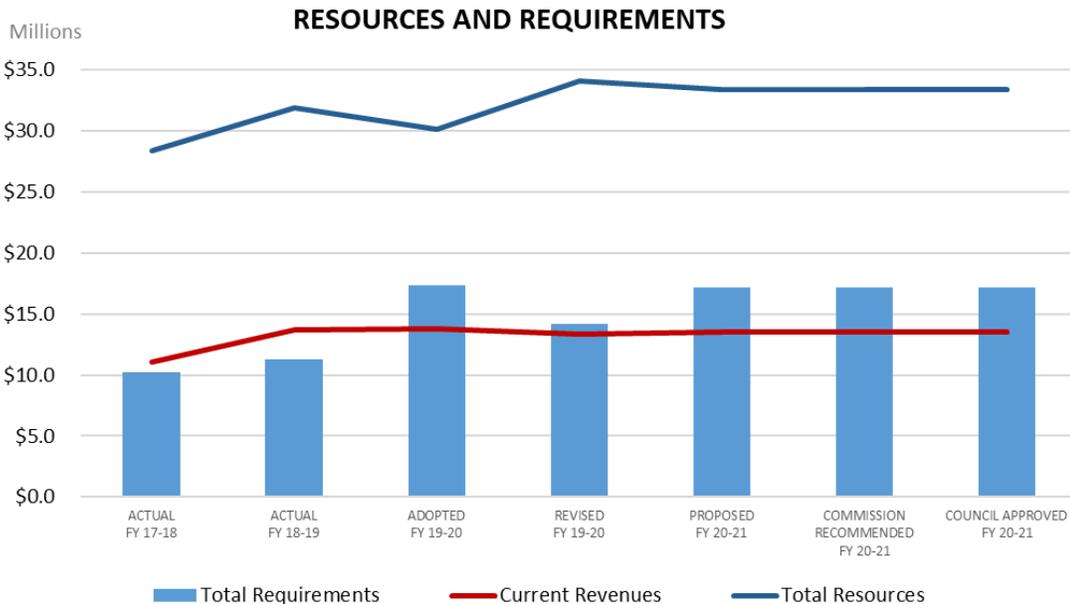
Opportunities/Challenges

Data in the Asset Management Plan (AMP) provided guidance into where operations and maintenance efforts should be focused in the near term to minimize utility service interruptions, provide the most effective use of limited resources, and to prioritize the water pipe replacement projects for inclusion in the Capital Improvement Program.

A current project to update the Water System Master Plan is scheduled to be completed during FY 20-21.

WATER FUND FINANCIAL SUMMARY

	ACTUAL FY 17-18	ACTUAL FY 18-19	ADOPTED FY 19-20	REVISED FY 19-20	PROPOSED FY 20-21	COMMISSION RECOMMENDED FY 20-21	COUNCIL APPROVED FY 20-21
Resources:							
Beginning Fund Balance	\$17,315,022	\$18,192,511	\$16,418,691	\$20,683,117	\$19,868,017	\$19,868,017	\$19,868,017
Charges for Service	\$10,739,510	\$13,052,733	\$11,843,600	\$11,476,100	\$12,422,700	\$12,422,700	\$12,422,700
Intergovernmental	885	3,311	33,300	33,300	0	0	0
Fines & Forfeitures	3,907	2,223	0	0	0	0	0
Miscellaneous	314,997	667,670	1,866,100	1,866,100	1,068,600	1,068,600	1,068,600
Current Revenues	\$11,059,299	\$13,725,937	\$13,743,000	\$13,375,500	\$13,491,300	\$13,491,300	\$13,491,300
Total Resources	\$28,374,321	\$31,918,447	\$30,161,691	\$34,058,617	\$33,359,317	\$33,359,317	\$33,359,317
Requirements:							
Operating Budget:							
Community Development	\$48,639	\$50,935	\$62,400	\$62,400	\$0	\$0	\$0
Public Works	7,073,092	7,312,405	7,795,500	7,795,500	8,370,500	8,370,500	8,370,500
Public Works Special Prjts	1,554,527	1,970,964	3,259,900	2,846,300	2,597,800	2,597,800	2,597,800
Total Operating Budget	\$8,676,259	\$9,334,304	\$11,117,800	\$10,704,200	\$10,968,300	\$10,968,300	\$10,968,300
Non-Operating:							
Capital Projects	\$1,280,262	\$1,663,027	\$5,701,800	\$3,184,100	\$5,652,700	\$5,652,700	\$5,652,700
Transfers Out	225,290	238,000	302,300	302,300	329,400	329,400	329,400
Contingency	0	0	258,900	0	244,300	244,300	244,300
Total Non-Operating:	\$1,505,552	\$1,901,027	\$6,263,000	\$3,486,400	\$6,226,400	\$6,226,400	\$6,226,400
Total Requirements	\$10,181,810	\$11,235,331	\$17,380,800	\$14,190,600	\$17,194,700	\$17,194,700	\$17,194,700
Ending Fund Balance (incl. res)	\$18,192,511	\$20,683,117	\$12,780,891	\$19,868,017	\$16,164,617	\$16,164,617	\$16,164,617



INTERNAL SERVICE FUNDS

ADMINISTRATIVE SERVICES FUND

The Administrative Services Fund accounts for revenues and expenditures associated with general administrative overhead for the operations that support the organization.

Revenues

Revenues for these operations are predominantly from charges to using departments determined by a cost allocation system. This cost allocation system uses the average of the prior three fiscal years of countable items as the bases for allocations for the budget year. For example, using the three-year average of revenues for each department to allocate the costs for the Treasury functions in Finance, or using the three-year average of payroll costs to allocate costs for Human Resources.

Additional revenue comes from charges for lien searches, and payment from retirees for their medical insurance coverage. The latter revenue has an equal expense as an offset.

Expenses

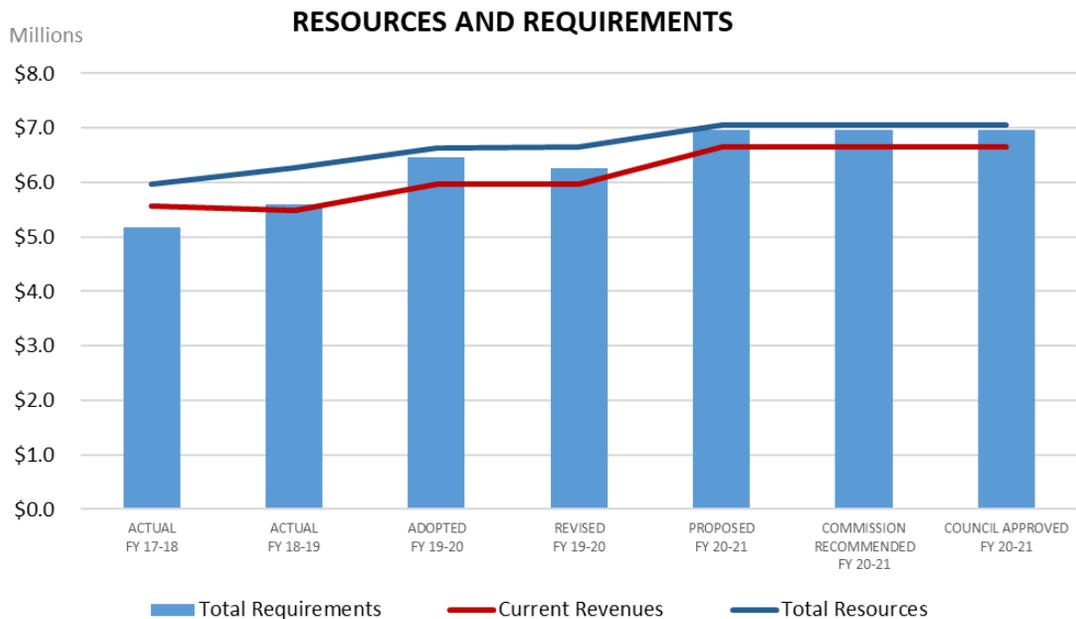
Expenses are primarily for the staff intensive work of general administrative functions in the City Manager's Office, Finance and Human Resources.

Opportunities/Challenges

Keeping overhead costs low is a primary focus within the organization. The costs in the Administrative Services Fund represent 5.2% of the total operating costs for the organization in FY 20-21.

ADMINISTRATIVE SERVICES FUND FINANCIAL SUMMARY

	ACTUAL FY 17-18	ACTUAL FY 18-19	ADOPTED FY 19-20	REVISED FY 19-20	PROPOSED FY 20-21	COMMISSION RECOMMENDED FY 20-21	COUNCIL APPROVED FY 20-21
Resources:							
Beginning Fund Balance	\$388,774	\$783,527	\$653,176	\$680,797	\$402,897	\$402,897	\$402,897
Licenses, Fees, & Permits	\$32,167	\$28,878	\$40,400	\$40,400	\$40,000	\$40,000	\$40,000
Charges for Service	5,447,044	5,452,833	5,931,500	5,931,500	6,607,800	6,607,800	6,607,800
Miscellaneous	9,391	5,886	4,700	4,700	5,000	5,000	5,000
Transfers In	81,500	0	0	0	0	0	0
Current Revenues	\$5,570,102	\$5,487,596	\$5,976,600	\$5,976,600	\$6,652,800	\$6,652,800	\$6,652,800
Total Resources	\$5,958,877	\$6,271,124	\$6,629,776	\$6,657,397	\$7,055,697	\$7,055,697	\$7,055,697
Requirements:							
Operating Budget:							
City Manager's Office	\$1,032,962	\$983,939	\$1,145,100	\$1,145,100	\$1,181,600	\$1,181,600	\$1,181,600
Finance	2,399,091	2,468,998	2,556,100	2,600,100	3,008,900	3,008,900	3,008,900
Finance Special Prjts	0	200,335	0	0	0	0	0
Human Resources	1,743,296	1,937,055	2,250,300	2,206,300	2,439,000	2,439,000	2,439,000
Human Resources Special Prjts	0	0	225,000	58,000	262,000	262,000	262,000
Total Operating Budget	\$5,175,349	\$5,590,327	\$6,176,500	\$6,009,500	\$6,891,500	\$6,891,500	\$6,891,500
Non-Operating:							
Transfers Out	\$0	\$0	\$245,000	\$245,000	\$40,000	\$40,000	\$40,000
Contingency	0	0	30,000	0	30,000	30,000	30,000
Total Non-Operating:	\$0	\$0	\$275,000	\$245,000	\$70,000	\$70,000	\$70,000
Total Requirements	\$5,175,349	\$5,590,327	\$6,451,500	\$6,254,500	\$6,961,500	\$6,961,500	\$6,961,500
Ending Fund Balance (incl. res)	\$783,527	\$680,797	\$178,276	\$402,897	\$94,197	\$94,197	\$94,197



FACILITY MAINTENANCE FUND

The Facility Maintenance Fund accounts for the revenues and expenses associated with operations and maintenance of City buildings to provide a safe and effective environment for staff to work and for the public to access municipal services.

Revenues

The primary revenue source is charges to departments for proactive and corrective building maintenance services. The charge is based on the square footage of space in each building that a department occupies and/or uses to provide service to the community. The second largest source of funds are transfers for repair or replacement of building systems.

Expenses

The primary expenses are for operating and maintaining the City's main facilities. If a single department occupies a facility, the department will include direct costs for custodial services and utilities in their budget. However, if multiple departments occupy a facility, such as City Hall, these direct costs for the building are budgeted in the Facility Maintenance Fund and allocated to the using departments based on square footage used.

The Facility Maintenance work group repairs and replaces major building components through the operating budget special projects or the Capital Improvement Program. These projects are identified through annual assessments of the buildings and pulled from the 15-year building maintenance plans.

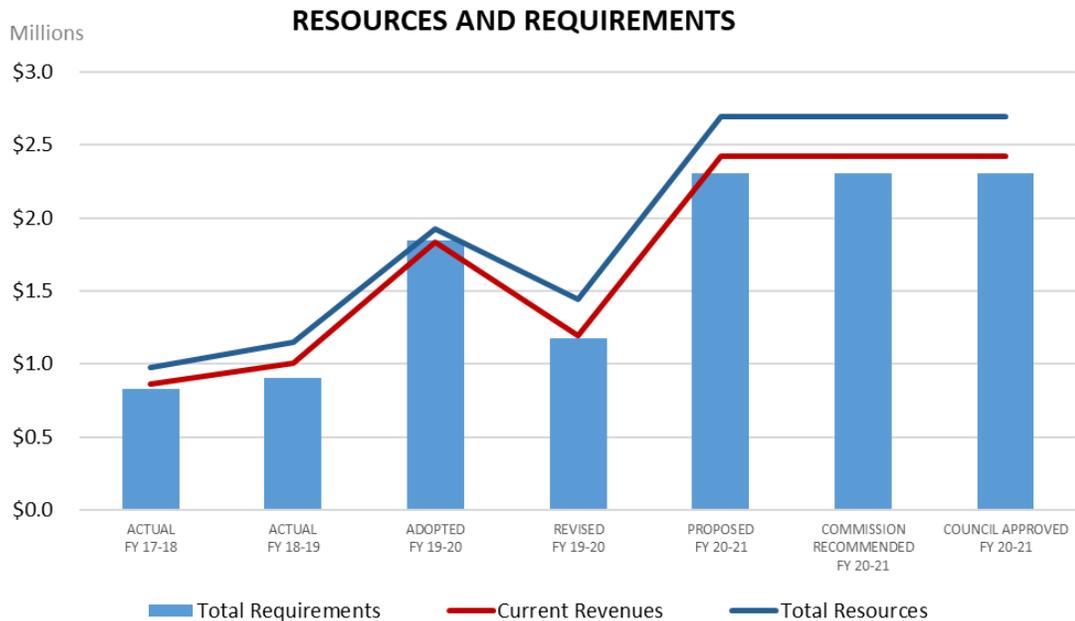
Opportunities/Challenges

A consultant has completed a condition assessment for City facilities to determine the extent of deferred maintenance and the required investment to bring the structures up to standard. The results of this assessment started being used in FY 19-20 to prioritize nearly \$1 million in deferred maintenance projects; FY 20-21 will be the second year of significant investment to address the outstanding need.

In addition to keeping pace with the needs of aging facilities, some of the City's buildings have not been seismically upgraded. It is expected that once the scope of the required seismic enhancement is identified for all buildings, the costs to make the improvements will exceed the reserves set aside, and projects will need to be prioritized, or additional resources identified.

FACILITY MAINTENANCE FUND FINANCIAL SUMMARY

	ACTUAL FY 17-18	ACTUAL FY 18-19	ADOPTED FY 19-20	REVISED FY 19-20	PROPOSED FY 20-21	COMMISSION RECOMMENDED FY 20-21	COUNCIL APPROVED FY 20-21
Resources:							
Beginning Fund Balance	\$113,473	\$147,771	\$93,971	\$245,684	\$269,384	\$269,384	\$269,384
Charges for Service	\$843,890	\$956,300	\$993,700	\$993,800	\$1,015,400	\$1,015,400	\$1,015,400
Miscellaneous	18,201	5,317	3,000	3,000	1,400	1,400	1,400
Transfers In	0	42,500	835,200	199,200	1,407,000	1,407,000	1,407,000
Current Revenues	\$862,091	\$1,004,117	\$1,831,900	\$1,196,000	\$2,423,800	\$2,423,800	\$2,423,800
Total Resources	\$975,564	\$1,151,888	\$1,925,871	\$1,441,684	\$2,693,184	\$2,693,184	\$2,693,184
Requirements:							
Operating Budget:							
Public Works	\$745,208	\$782,829	\$948,100	\$948,100	\$1,011,900	\$1,011,900	\$1,011,900
Public Works Special Prjts	82,585	123,375	890,200	224,200	1,280,500	1,280,500	1,280,500
Total Operating Budget	\$827,793	\$906,204	\$1,838,300	\$1,172,300	\$2,292,400	\$2,292,400	\$2,292,400
Non-Operating:							
Contingency	\$0	\$0	\$10,000	\$0	\$10,000	\$10,000	\$10,000
Total Non-Operating:	\$0	\$0	\$10,000	\$0	\$10,000	\$10,000	\$10,000
Total Requirements	\$827,793	\$906,204	\$1,848,300	\$1,172,300	\$2,302,400	\$2,302,400	\$2,302,400
Ending Fund Balance (incl. res)	\$147,771	\$245,684	\$77,571	\$269,384	\$390,784	\$390,784	\$390,784



FLEET MAINTENANCE FUND

The Fleet Maintenance Fund accounts for the operations and maintenance of most of the City's fleet of vehicles and rolling stock, which provide the front-line services to the community.

Revenues

The primary source of revenue is from charges to departments who use the Public Works garage to service and repair their vehicles. In addition to City departments, the Fleet Maintenance staff services vehicles from other non-profit or governmental agencies.

The Fleet Maintenance Fund also receives revenue from the sale of fuel to City departments. Revenue is projected based on the estimated volume of sales and the price of fuel.

Expenses

The primary expenses in this fund are for staff, parts and contracted services used in vehicle and equipment maintenance. The City has a proactive maintenance program, and vehicles are routinely checked for potential maintenance issues.

Another significant expense is for the purchase of fuel. The City uses almost 200,000 gallons of gas and diesel each year to provide services. The FY 20-21 budget for fuel is based on prices at the time of budgeting, with an additional amount set aside for the potential fluctuation in oil prices during the year.

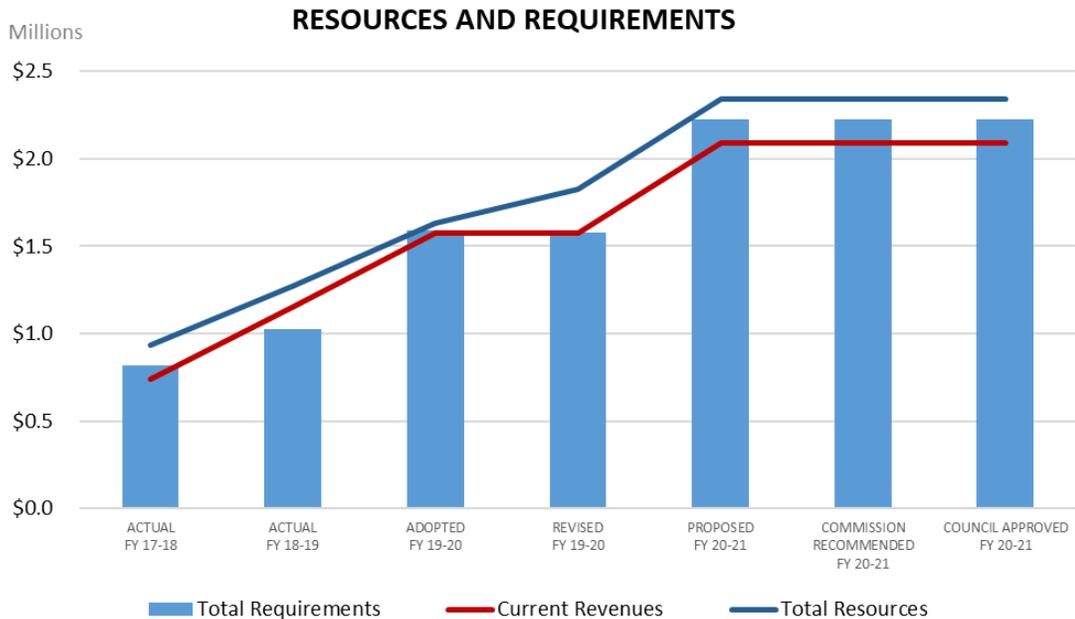
Maintenance of the City's transit fleet is completed in-house. Transit routes expanded in FY 19-20, resulting in increased mileage on the buses and necessary maintenance for the bus fleet.

Opportunities/Challenges

In FY 20-21, the City will begin to move its fleet of passenger vehicles to all electric to decrease the City's carbon emissions, and align with Corvallis Climate Action Plan objectives.

FLEET MAINTENANCE FUND FINANCIAL SUMMARY

	ACTUAL FY 17-18	ACTUAL FY 18-19	ADOPTED FY 19-20	REVISED FY 19-20	PROPOSED FY 20-21	COMMISSION RECOMMENDED FY 20-21	COUNCIL APPROVED FY 20-21
Resources:							
Beginning Fund Balance	\$197,924	\$120,017	\$57,554	\$253,170	\$251,370	\$251,370	\$251,370
Charges for Service	\$735,431	\$1,141,046	\$1,570,900	\$1,570,900	\$1,533,000	\$1,533,000	\$1,533,000
Miscellaneous	3,459	15,396	2,500	2,500	554,700	554,700	554,700
Current Revenues	\$738,890	\$1,156,442	\$1,573,400	\$1,573,400	\$2,087,700	\$2,087,700	\$2,087,700
Total Resources	\$936,813	\$1,276,459	\$1,630,954	\$1,826,570	\$2,339,070	\$2,339,070	\$2,339,070
Requirements:							
Operating Budget:							
Public Works	\$789,434	\$987,698	\$1,555,200	\$1,555,200	\$1,552,800	\$1,552,800	\$1,552,800
Public Works Special Prjts	27,362	35,592	20,000	20,000	655,000	655,000	655,000
Total Operating Budget	\$816,796	\$1,023,290	\$1,575,200	\$1,575,200	\$2,207,800	\$2,207,800	\$2,207,800
Non-Operating:							
Contingency	\$0	\$0	\$16,000	\$0	\$16,000	\$16,000	\$16,000
Total Non-Operating:	\$0	\$0	\$16,000	\$0	\$16,000	\$16,000	\$16,000
Total Requirements	\$816,796	\$1,023,290	\$1,591,200	\$1,575,200	\$2,223,800	\$2,223,800	\$2,223,800
Ending Fund Balance (incl. res)	\$120,017	\$253,170	\$39,754	\$251,370	\$115,270	\$115,270	\$115,270



RISK MANAGEMENT FUND

The Risk Management Fund accounts for the revenues and expenses associated with paying the costs for insurance premiums and claims.

Revenues

Revenues are almost all from charges to departments based on a formula that takes into account the exposure to potential losses and the past three years of experience with actual claims. Additional revenue comes from reimbursements for the City's claims against others for damage to City property.

Expenses

Expenses are primarily to pay for insurance coverage for Workers Compensation and property and liability coverage. Insurance rates have been increasing nationally, and the City has taken steps to increase the City's deductible in order to lower premium costs.

Workers Compensation costs have been increasing based on experience. This is not wholly unexpected based on an aging work force and the type of work that many staff do which can lead to injuries. The Risk Management Fund includes a small budget, using annual interest earnings, to cover the costs of a small safety program.

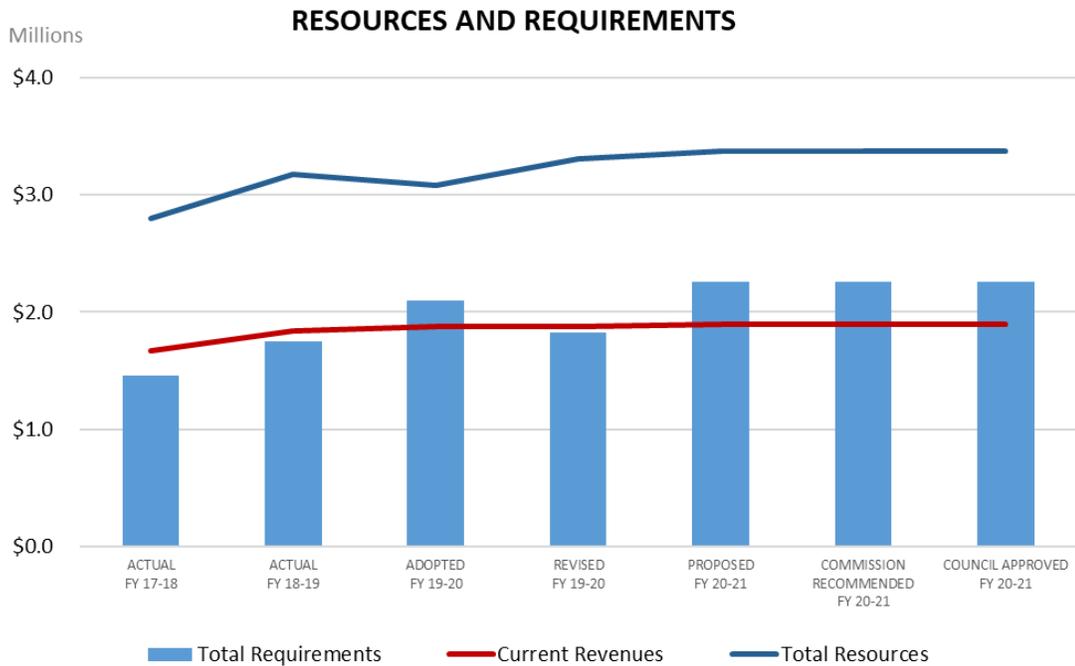
Opportunities/Challenges

Council Financial Policies call for a catastrophic reserve in the Risk Management Fund to total \$1 million. That reserve level has been achieved.

Using annual interest earnings is an inadequate resource to fully fund the type of safety program the City should have in place. Human Resources began a safety audit during FY 18-19 to provide better information about equipment and training needs; the audit is expected to be completed in FY 19-20 and includes associated recommendations.

RISK MANAGEMENT FUND FINANCIAL SUMMARY

	ACTUAL FY 17-18	ACTUAL FY 18-19	ADOPTED FY 19-20	REVISED FY 19-20	PROPOSED FY 20-21	COMMISSION RECOMMENDED FY 20-21	COUNCIL APPROVED FY 20-21
Resources:							
Beginning Fund Balance	\$1,127,734	\$1,338,884	\$1,201,284	\$1,428,651	\$1,482,351	\$1,482,351	\$1,482,351
Charges for Service	\$1,566,890	\$1,651,000	\$1,774,100	\$1,774,100	\$1,796,300	\$1,796,300	\$1,796,300
Miscellaneous	102,032	184,561	105,400	105,400	96,700	96,700	96,700
Current Revenues	\$1,668,922	\$1,835,561	\$1,879,500	\$1,879,500	\$1,893,000	\$1,893,000	\$1,893,000
Total Resources	\$2,796,655	\$3,174,445	\$3,080,784	\$3,308,151	\$3,375,351	\$3,375,351	\$3,375,351
Requirements:							
Operating Budget:							
Finance	\$1,001,481	\$992,775	\$1,087,700	\$1,087,700	\$1,200,800	\$1,200,800	\$1,200,800
Finance Special Prjts	0	32,000	0	0	0	0	0
Human Resources	456,290	721,018	738,100	738,100	786,500	786,500	786,500
Total Operating Budget	\$1,457,771	\$1,745,794	\$1,825,800	\$1,825,800	\$1,987,300	\$1,987,300	\$1,987,300
Non-Operating:							
Contingency	\$0	\$0	\$275,000	\$0	\$275,000	\$275,000	\$275,000
Total Non-Operating:	\$0	\$0	\$275,000	\$0	\$275,000	\$275,000	\$275,000
Total Requirements	\$1,457,771	\$1,745,794	\$2,100,800	\$1,825,800	\$2,262,300	\$2,262,300	\$2,262,300
Ending Fund Balance (incl. res)	\$1,338,884	\$1,428,651	\$979,984	\$1,482,351	\$1,113,051	\$1,113,051	\$1,113,051



TECHNOLOGY AND COMMUNICATIONS FUND

The Technology and Communications Fund accounts for revenues and expenses associated with the organization's use of technology and communications systems.

Revenues

The primary revenues come from charges for the services provided to end users. Charges for Information Technology (IT) services are based on the number of electronic devices in a department, along with the number of Exchange accounts and phones.

Expenses

Expenses for IT include costs to operate and maintain the City's backbone for IT services (fiber optics, switches, hubs, etc.), the productivity software and associated hardware (Exchange, Office, etc.) and the services to deploy and maintain these systems. IT Department expenses also include GIS services, management of centralized printing services and management of the City's cell and desktop phones.

Individual departments pay to select and acquire new, department-specific vertical applications, with IT support to implement and maintain each system. Vertical applications that are used by the entire organization (GIS mapping, financial/HR information systems) are included as costs in the basic allocation.

Opportunities/Challenges

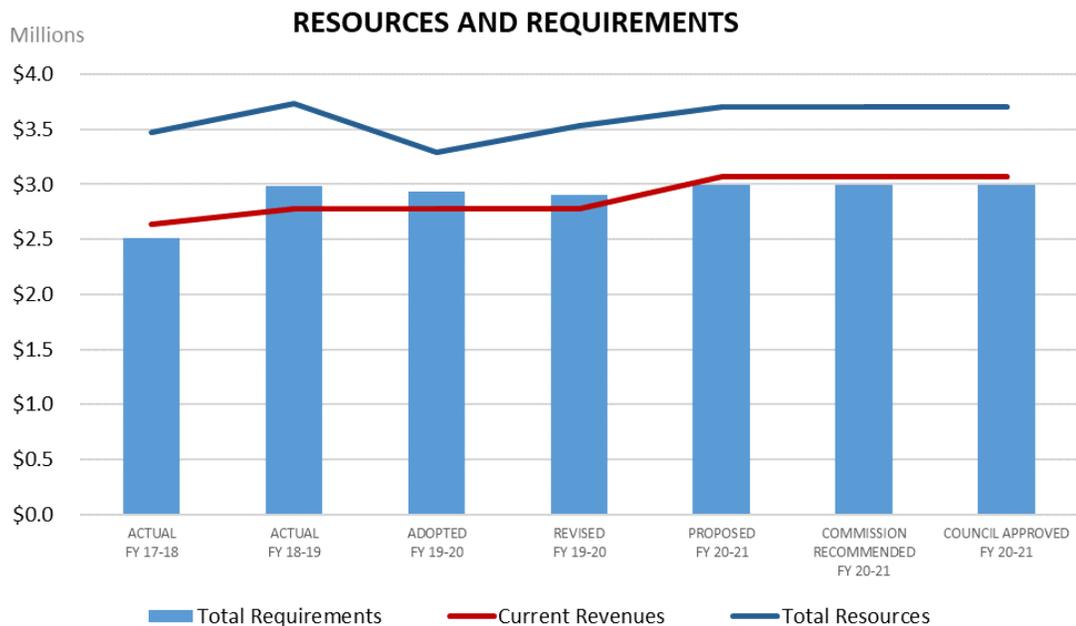
The department's reliance on electronic systems to provide services to the community continues to grow and expand. The need to adequately maintain these systems to ensure uninterrupted service is crucial. The challenge is to balance the limited resources available to each department between front-line service delivery and allocations to reserves for future IT equipment replacement.

The City's fiber network is aging and beginning to fail. Replacement is estimated to cost just under \$2 million. A funding source will need to be identified.

COVID-19 demands for remote work, electronic meetings, and the associated record storage have been challenging to implement in a rapid manner. Additional planning will be necessary for similar future demands.

TECHNOLOGY AND COMMUNICATIONS FUND FINANCIAL SUMMARY

	ACTUAL FY 17-18	ACTUAL FY 18-19	ADOPTED FY 19-20	REVISED FY 19-20	PROPOSED FY 20-21	COMMISSION RECOMMENDED FY 20-21	COUNCIL APPROVED FY 20-21
Resources:							
Beginning Fund Balance	\$840,157	\$963,577	\$508,138	\$753,348	\$634,848	\$634,848	\$634,848
Charges for Service	\$2,509,336	\$2,771,442	\$2,779,900	\$2,779,900	\$2,993,300	\$2,993,300	\$2,993,300
Miscellaneous	2,520	1,840	1,800	1,800	2,400	2,400	2,400
Transfers In	120,000	0	0	0	72,500	72,500	72,500
Current Revenues	\$2,631,857	\$2,773,282	\$2,781,700	\$2,781,700	\$3,068,200	\$3,068,200	\$3,068,200
Total Resources	\$3,472,014	\$3,736,859	\$3,289,838	\$3,535,048	\$3,703,048	\$3,703,048	\$3,703,048
Requirements:							
Operating Budget:							
Information Technology	\$2,295,023	\$2,538,990	\$2,761,100	\$2,761,100	\$2,921,300	\$2,921,300	\$2,921,300
Information Technology Special Prjts	76,800	178,800	139,100	139,100	39,800	39,800	39,800
Public Works	127,707	146,750	0	0	0	0	0
Public Works Special Prjts	8,907	118,971	0	0	0	0	0
Total Operating Budget	\$2,508,436	\$2,983,511	\$2,900,200	\$2,900,200	\$2,961,100	\$2,961,100	\$2,961,100
Non-Operating:							
Contingency	\$0	\$0	\$30,000	\$0	\$30,000	\$30,000	\$30,000
Total Non-Operating:	\$0	\$0	\$30,000	\$0	\$30,000	\$30,000	\$30,000
Total Requirements	\$2,508,436	\$2,983,511	\$2,930,200	\$2,900,200	\$2,991,100	\$2,991,100	\$2,991,100
Ending Fund Balance (incl. res)	\$963,577	\$753,348	\$359,638	\$634,848	\$711,948	\$711,948	\$711,948





MAYOR AND CITY COUNCIL

Mayor Traber Addressing Climate Rally



MAYOR AND CITY COUNCIL

Joint City/County Active Threat Exercise



2020-21 City Councilors

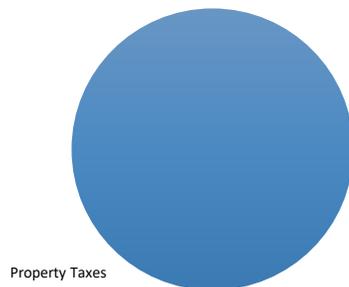


MAYOR AND CITY COUNCIL

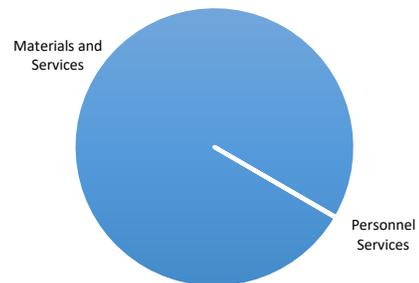
BUDGET OVERVIEW

	ACTUAL 2017-18	ACTUAL 2018-19	BUDGET 2019-20	REVISED 2019-20	ADOPTED 2020-21	% CHANGE FROM 19-20 BUDGET
REVENUE						
Dedicated Revenue						
Property Taxes	\$ -	\$ -	\$ 360,000	\$ 360,000	\$ 360,000	0.00%
All Other Dedicated Revenue	111,659	46,728	-	-	-	N/A
Total Dedicated Revenue	111,659	46,728	360,000	360,000	360,000	0.00%
Non-Dedicated Revenue	803,292	1,381,276	995,900	935,500	1,179,300	18.42%
TOTAL REVENUE	\$ 914,950	\$ 1,428,004	\$ 1,355,900	\$ 1,295,500	\$ 1,539,300	13.53%
EXPENDITURES						
Personnel Services	\$ 1,292	\$ 8,667	\$ 1,300	\$ 1,300	\$ 1,300	0.00%
Materials and Services	913,658	1,419,336	1,354,600	1,294,200	1,538,000	13.54%
Capital Outlay	-	-	-	-	-	N/A
TOTAL EXPENDITURES	\$ 914,950	\$ 1,428,004	\$ 1,355,900	\$ 1,295,500	\$ 1,539,300	13.53%
Staffing Levels	0.000	0.000	0.000	0.000	0.000	

**ADOPTED 2020-21 BUDGET
REVENUES BY TYPE**



**ADOPTED 2020-21 BUDGET
EXPENDITURES BY CATEGORY**



BUDGET BY FUND:	ACTUAL	ACTUAL	BUDGET	REVISED	ADOPTED	% CHANGE
	2017-18	2018-19	2019-20	2019-20	2020-21	FROM 19-20 BUDGET
General Fund	\$ 914,950	\$ 1,428,004	\$ 1,355,900	\$ 1,295,500	\$ 1,539,300	13.53%
TOTAL	\$ 914,950	\$ 1,428,004	\$ 1,355,900	\$ 1,295,500	\$ 1,539,300	13.53%

STRATEGIC OPERATIONAL PLAN

The Strategic Operational Plan (SOP), approved by the City Council on March 2, 2020, preceded the COVID-19 pandemic. The organization's work focus in mid-March prioritized being responsive to the community through the emergency. As a result, some of the activities planned for FY 20-21 will change.



ENGAGE AND SUPPORT

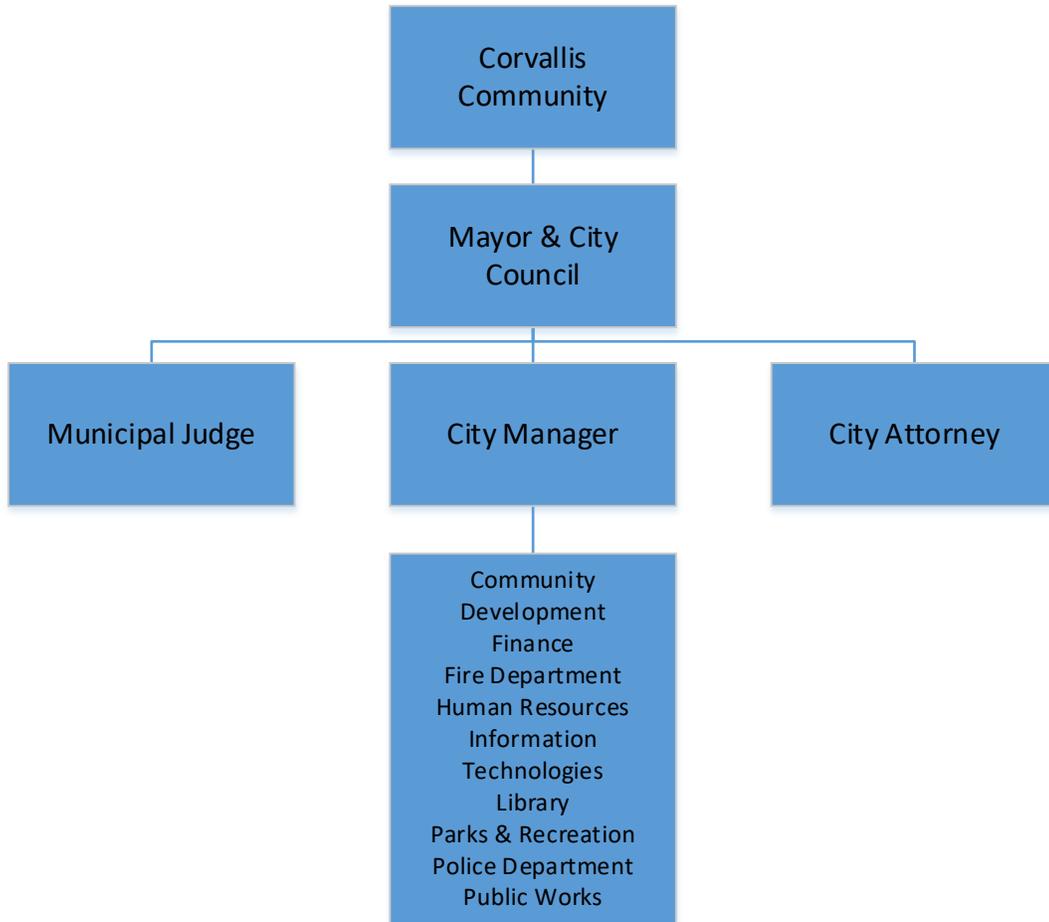
- E-1F** Launch a charter review process to identify potential improvements to the City of Corvallis, Oregon Charter.
- E-1G** Conduct a review of all City advisory boards, commissions, committees and task forces.
- E-8B** Administer and fund the Empowerment Grant program to encourage neighborhood improvement and community participation.
- E-9B** Define the City Council's goals for homeless support services



PLAN AND CHANGE

- P-4C** Review Transit Operations Fee

COMMUNITY ORGANIZATION



BUDGET SUMMARY

Mayor & Council Operations	\$	59,300
Advisory Board & Commission Operations		60,700
Collaboration Initiatives		249,800
Allocations to Others		1,093,500
One-Time Expenses		76,000
TOTAL	\$	1,539,300

Mayor and Council Operations includes the Mayor's stipend, computers, training, meeting facility costs, City Attorney off-retainer costs, etc.

Advisory Board and Commission Operations includes costs for contracted minutes takers, contracted support for the Climate Action Advisory Board, \$10,000 for allocations made by the King Legacy Advisory Board (KLAB) and \$10,000 for grants to community groups recommended by the Community Involvement and Diversity Advisory Board. KLAB has an additional \$5,200 in carry over from FY 19-20. This budget also includes \$5,000 for registered neighborhood groups to rent meeting space.

Collaboration Initiatives includes organizational memberships in the Cascades West Council of Governments, the League of Oregon Cities, the Oregon Mayors Association, Sister Cities, Town and Gown, and development of a Hate/Bias program in conjunction with Benton County and 509J.

Allocations to Others includes budget for the Homeless Opportunities Action Council, the Men's Cold Weather Shelter, the Arts Center and Visit Corvallis.

One-Time Expenses includes \$76,000 in Council Discretionary monies.

CITY MANAGER'S OFFICE

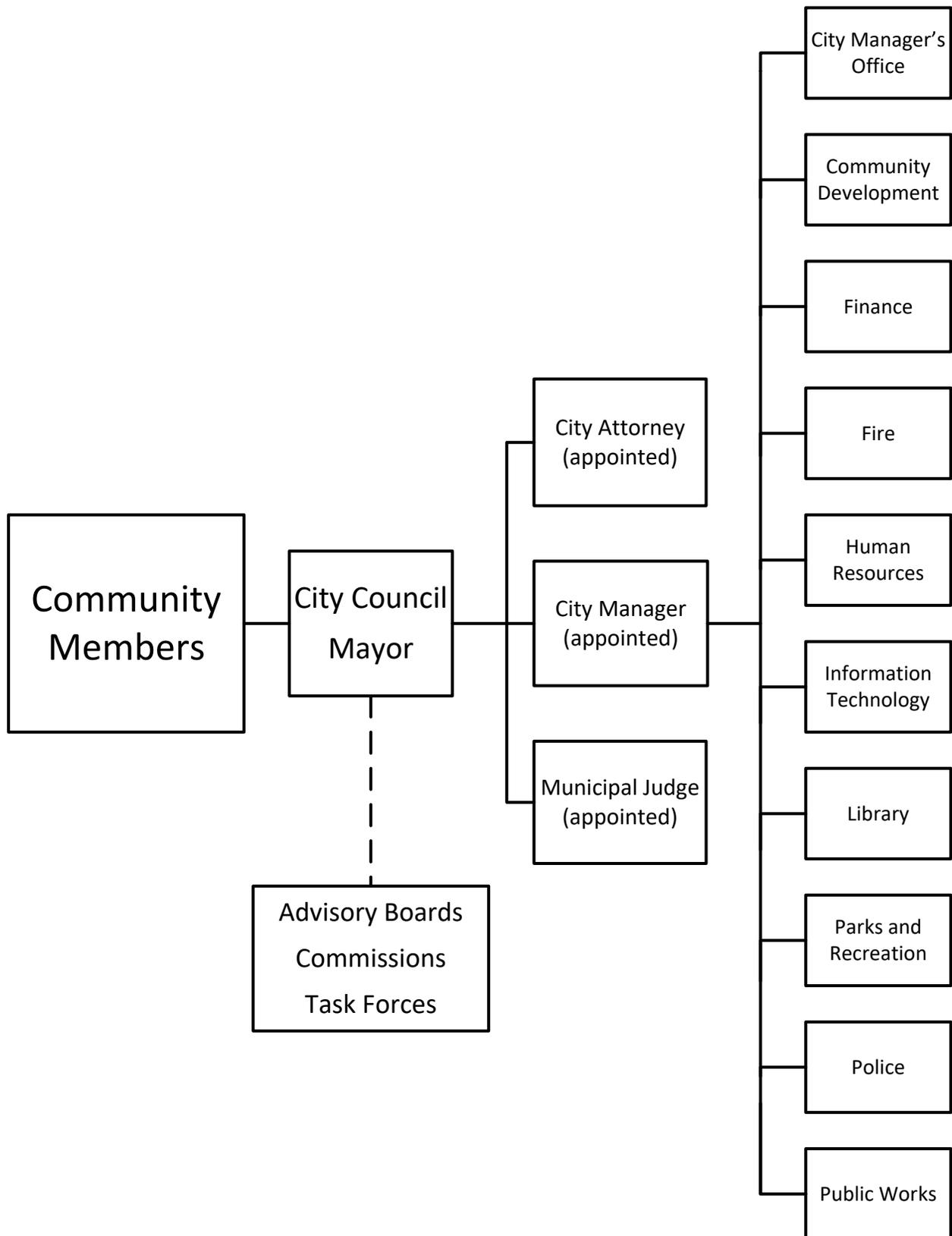
**Economic Development Officer Discussing
Pandemic Recovery in Corvallis**



Directors Serving at City Employee Appreciation Picnic 2019



CITY OF CORVALLIS ORGANIZATION CHART



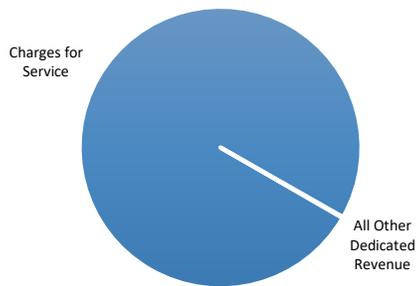
NOTE: Each of the departments above is linked to that department's orgchart in the online version of this document.

CITY MANAGER'S OFFICE

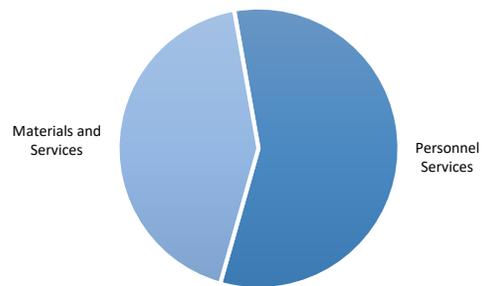
BUDGET OVERVIEW

	ACTUAL 2017-18	ACTUAL 2018-19	BUDGET 2019-20	REVISED 2019-20	ADOPTED 2020-21	% CHANGE FROM 19-20 BUDGET
REVENUE						
Dedicated Revenue						
Charges for Service	\$ 1,181,690	\$ 1,122,700	\$ 1,319,600	\$ 1,319,600	\$ 1,319,300	-0.02%
All Other Dedicated Revenue	1,652	1,597	1,300	1,300	1,300	0.00%
Total Dedicated Revenue	1,183,342	1,124,297	1,320,900	1,320,900	1,320,600	-0.02%
Non-Dedicated Revenue	206,873	275,262	348,900	398,900	557,100	59.67%
TOTAL REVENUE	\$ 1,390,215	\$ 1,399,559	\$ 1,669,800	\$ 1,719,800	\$ 1,877,700	12.45%
EXPENDITURES						
Personnel Services	\$ 725,492	\$ 858,466	\$ 959,500	\$ 959,500	\$ 1,073,400	11.87%
Materials and Services	664,723	541,093	710,300	760,300	804,300	13.23%
Capital Outlay	-	-	-	-	-	N/A
TOTAL EXPENDITURES	\$ 1,390,215	\$ 1,399,559	\$ 1,669,800	\$ 1,719,800	\$ 1,877,700	12.45%
Staffing Levels	5.000	6.000	6.000	6.000	6.800	

**ADOPTED 2020-21 BUDGET
REVENUES BY TYPE**



**ADOPTED 2020-21 BUDGET
EXPENDITURES BY CATEGORY**



BUDGET BY FUND:	ACTUAL	ACTUAL	BUDGET	REVISED	ADOPTED	% CHANGE
	2017-18	2018-19	2019-20	2019-20	2020-21	FROM 19-20 BUDGET
General Fund	\$ 357,253	\$ 415,620	\$ 524,700	\$ 574,700	\$ 696,100	32.67%
Administrative Services Fund	1,032,962	983,939	1,145,100	1,145,100	1,181,600	3.19%
TOTAL	\$ 1,390,215	\$ 1,399,559	\$ 1,669,800	\$ 1,719,800	\$ 1,877,700	12.45%

STRATEGIC OPERATIONAL PLAN

The Strategic Operational Plan (SOP), approved by the City Council on March 2, 2020, preceded the COVID pandemic. The organization’s work focus in mid-March prioritized being responsive to the community through the emergency. As a result, some of the activities planned for FY 20-21 will change.



ENGAGE AND SUPPORT

- E-1B** Connect with the community through expanded use of social media.
- E-1H** Review and update the Strategic Operational Plan annually to ensure it reflects the City Council's priorities and the resources available to the City.
- E-1M** Produce Imagine Corvallis 2040 Vision progress reports.
- E-1N** Increase awareness and opportunities for community engagement in the Imagine Corvallis 2040 vision.



LEARN AND THRIVE

- L-4A** Facilitate Corvallis and Oregon State University leadership meetings.



STEWARD AND SUSTAIN

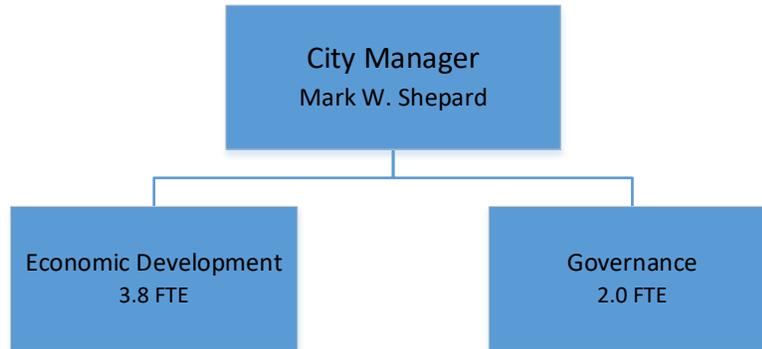
- E-1N** Increase awareness and opportunities for community engagement in the Imagine Corvallis 2040 vision.
- S-8B** Reduce the organization's carbon footprint by increasing the amount of renewable electrical power used to provide City services, measured as a percent of total electrical power used, with an aspirational goal of 100% renewable power by 2030.
- S-8C** Implement Commercial Property Assessed Clean Energy (C-PACE) financing in Corvallis.
- S-8M** Develop an implementation plan for the community sections of the Climate Action Plan.



INNOVATE AND PROSPER

- I-4** The City provides business advisory services to invite and support local businesses.
- I-5A** Provide business retention and expansion services, including a minimum of 150 business visits annually to "traded sector" businesses in the area.
- I-6A** Support innovation organizations for programs for local entrepreneurs.
- I-7A** Develop a "continuity of care" paradigm for businesses in the area.
- I-8** The Corvallis-Benton County Economic Development Office is a leader and key partner in the economic development ecosystem for Corvallis and Benton County.

DEPARTMENT STAFF



Positions	Group	Monthly Salary Range (1.0 FTE)	Head Count	Adopted	Historical	
				FY 20-21 FTE	FY 19-20 FTE	FY 18-19 FTE
City Manager	Exempt	\$15,662	1	1.000	1.000	1.000
Economic Development Manager	Exempt	7,848 - 10,016	1	1.000	1.000	1.000
Public Information Officer	Exempt	5,856 - 7,474	1	1.000	1.000	1.000
City Recorder	Exempt	5,577 - 7,118	1	1.000	1.000	1.000
Economic Development Officer ¹	AFSCME	5,025 - 6,414	-	0.000	1.000	1.000
Economic Development Administrator ²	AFSCME	3,998 - 5,103	-	0.000	1.000	1.000
Economic Development Supervisor ¹	Exempt	6,149 - 7,848	1	0.800	0.000	0.000
Economic Development Specialist ²	AFSCME	3,716 - 4,742	2	2.000	0.000	0.000
TOTAL			7	6.800	6.000	6.000

NOTE: Salary ranges reflect FY 19-20 Class and Compensation schedules.

¹ Economic Development Officer converted to Economic Development Supervisor.

² Economic Development Administrator converted to Economic Development Specialist.

CITY MANAGER'S OFFICE ONE-TIME PROJECTS

Appropriations for one-time projects are separated from the operating and maintenance budget required to maintain existing services. This format also allows for easier identification of specific work tasks that are short-term.

ONE-TIME PROJECTS	ACTUAL 2017-18	ACTUAL 2018-19	BUDGET 2019-20	REVISED 2019-20	ADOPTED 2020-21	% CHANGE FROM 19-20 BUDGET
RESOURCES FOR ONE-TIME PROJECTS						
Dedicated Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Use of Operating Funds	-	-	200,000	35,000	165,000	-17.50%
Use of Reserves	-	-	-	-	-	N/A
TOTAL RESOURCES FOR ONE-TIME PROJ	\$ -	\$ -	\$ 200,000	\$ 35,000	\$ 165,000	-17.50%
EXPENDITURES						
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Materials and Services	-	-	200,000	35,000	165,000	-17.50%
Capital Outlay	-	-	-	-	-	N/A
TOTAL	\$ -	\$ -	\$ 200,000	\$ 35,000	\$ 165,000	-17.50%
EXPENDITURES BY FUND:						
General Fund	\$ -	\$ -	\$ 200,000	\$ 35,000	\$ 165,000	-17.50%
TOTAL	\$ -	\$ -	\$ 200,000	\$ 35,000	\$ 165,000	-17.50%

Highlights for FY 20-21:

Space Planning Project—The space planning effort will evaluate all City space needs for accommodating staff and equipment. This effort is undertaken so the City will have an understanding of space needs for on-going conversations with Benton County about a criminal justice plan. It will also educate the City on our needs so that we are poised to take advantage of any opportunities that might arise for acquiring building space/property to accommodate City needs.

Climate Change Initiative—At the request of Council, \$100,000 was allocated for climate change initiatives in the 2019-2020 budget. This has been managed through the Economic Development Office at the direction of CAAB and with approval of Council. The \$65,000 remaining funds will be carried forward into the 2020-2021 budget. Of these funds, \$58,000 will be used to fund a low-interest revolving loan program that supports projects to advance the community section of the Climate Action Plan.



COMMUNITY DEVELOPMENT DEPARTMENT

Permit Technicians



Land Use Open House



COMMUNITY DEVELOPMENT DEPARTMENT

Elementary Students Visit Development Services

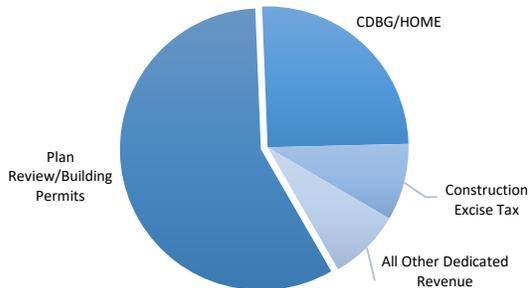


COMMUNITY DEVELOPMENT DEPARTMENT

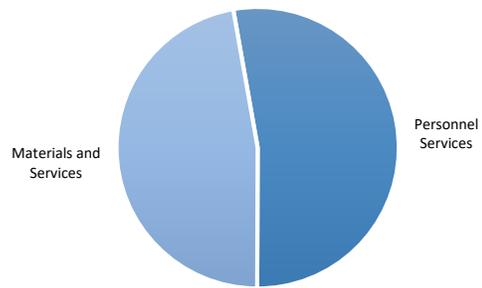
BUDGET OVERVIEW

	ACTUAL 2017-18	ACTUAL 2018-19	BUDGET 2019-20	REVISED 2019-20	ADOPTED 2020-21	% CHANGE FROM 19-20 BUDGET
REVENUE						
Dedicated Revenue						
Property Taxes (2013 Levy)	\$ 165,745	\$ 174,282	\$ -	\$ -	\$ -	N/A
Plan Review/Building Permits	3,252,392	4,535,072	3,771,600	3,205,900	3,727,000	-1.18%
CDBG/HOME	662,629	682,075	1,060,000	1,060,000	1,630,100	53.78%
Construction Excise Tax	143,561	1,270,821	465,000	115,000	570,000	22.58%
All Other Dedicated Revenue	257,321	261,222	642,900	665,200	531,800	-17.28%
Total Dedicated Revenue	4,481,648	6,923,471	5,939,500	5,046,100	6,458,900	8.74%
Non-Dedicated Revenue	1,046,623	(994,451)	2,229,800	3,123,200	2,714,600	21.74%
TOTAL REVENUE	\$ 5,528,271	\$ 5,929,019	\$ 8,169,300	\$ 8,169,300	\$ 9,173,500	12.29%
EXPENDITURES						
Personnel Services	\$ 3,618,406	\$ 3,728,756	\$ 4,616,400	\$ 4,616,400	\$ 4,846,500	4.98%
Materials and Services	1,909,864	2,200,264	3,552,900	3,552,900	4,327,000	21.79%
Capital Outlay	-	-	-	-	-	N/A
TOTAL EXPENDITURES	\$ 5,528,271	\$ 5,929,019	\$ 8,169,300	\$ 8,169,300	\$ 9,173,500	12.29%
Staffing Levels	34.750	35.750	35.750	35.750	35.750	

**ADOPTED 2020-21 BUDGET
REVENUES BY TYPE**



**ADOPTED 2020-21 BUDGET
EXPENDITURES BY CATEGORY**



BUDGET BY FUND:	ACTUAL	ACTUAL	BUDGET	REVISED	ADOPTED	% CHANGE
	2017-18	2018-19	2019-20	2019-20	2020-21	FROM 19-20 BUDGET
General Fund	\$ 1,447,071	\$ 1,560,867	\$ 1,686,300	\$ 1,686,300	\$ 1,899,500	12.64%
Development Services Fund	2,822,048	2,920,664	3,623,800	3,623,800	3,900,200	7.63%
Comm Dev Revolving Fund	1,097,979	1,277,142	2,639,200	2,639,200	3,366,900	27.57%
Parking Fund	3,901	5,526	6,700	6,700	6,900	2.99%
TOTAL	\$ 5,528,271	\$ 5,929,019	\$ 8,169,300	\$ 8,169,300	\$ 9,173,500	12.29%

STRATEGIC OPERATIONAL PLAN

The Strategic Operational Plan (SOP), approved by the City Council on March 2, 2020, preceded the COVID pandemic. The organization’s work focus in mid-March prioritized being responsive to the community through the emergency. As a result, some of the activities planned for FY 20-21 will change.



ENGAGE AND SUPPORT

- E-8A** Conduct Neighborhood Association Summit. Each year the officers of the City’s neighborhood associations gather with City staff members to share ideas and learn about what others are doing to keep their associations strong.
- E-8B** Administer and fund the Empowerment Grant program. The City provides \$10,000 each year to fund small, neighborhood- and community-based projects.
- E-7B** Annual reporting and recommendations of OSU impacts. This activity includes a detailed report, prepared and presented by Oregon State University staff to the City Council.



STEWARD AND SUSTAIN

- S-1D** Update Natural Hazards and Hillsides Map. Planning staff are currently evaluating available data to administratively update these regulatory maps.
- S-8H** Adopt Building Code amendments requiring new residential buildings to be solar panel ready. This action supports the Governor’s Executive Order and the City’s Climate Action Plan.



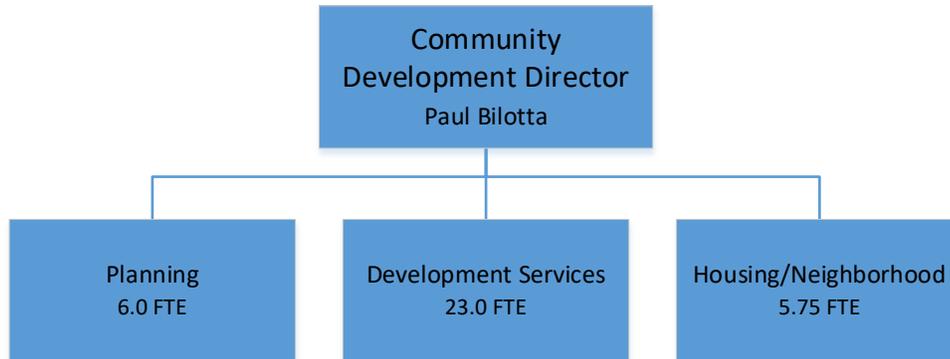
PLAN AND CHANGE

- P-4E** Conduct a corridor safety study on Highway 99W as part of the proposed Urban Renewal District. This project has been rolled into the corridor study managed by Oregon Department of Transportation staff.
- P-5B** Prepare annual Land Development Information Report (LDIR). This activity includes a report, prepared and presented by Planning Division staff to the Planning Commission and City Council that tracks the City’s land use needs and development activity.
- P-5D** Planning Area A Specific Area Plan: South Corvallis. This activity includes community engagement and long range planning activities associated with planning for future land use, transportation and other services in the south Corvallis area.
- P-5H** New OSU Campus Vision. This project is managed by Oregon State University staff. Community Development’s role in this project is to evaluate the land use elements of the Campus Vision, and work with OSU and City policymakers to prepare amendments to the Comprehensive Plan and Land Development Code.
- P-5L** Process Land Development Code (LDC) Amendments for Block Perimeter Standards. Staff are preparing amendments to the LDC related to block perimeter standards and findings from the LDC Code Audit.
- P-5L** Process Land Development Code (LDC) Amendments for Accessory Dwelling Units – Phase 2. These amendments were adopted in the spring of 2020 and are now effective.
- P-5N** Process Land Development Code (LDC) Amendments for Annexation Chapter. Staff are preparing amendments to the LDC and Comprehensive Plan policies related to

annexation provisions and have conducted several work sessions with the Planning Commission.

- P-8B** Solicit projects and allocate housing and community development funding. The City accepts proposals for funding from the City's Community Development Block Grant and Affordable Housing Construction Excise Tax (AHCET) programs for housing and community development activities once each year. The City will also consider projects seeking AHCET funding outside of the annual funding cycle.
- P-8D** Create tiny home provisions/adopt R-3/R-5 building code for affordable housing. This project includes amendments to the Land Development Code, allowing development of the R-3 tiny homes. Those amendments have been adopted by the City and are now in effect. The State has since eliminated the Reach Code, making the rest of this SOP item unnecessary.
- P-8F** Review/Modify Cluster Housing provisions in LDC for affordable housing. Begin work to modify the LDC to align with the requirements of House Bill 2001 as they relate to cottage/cluster housing.
- P-8N** Set up urban renewal policies, programs and procedures. Work to develop the policy and administrative structures that will guide tax increment financing investments for the South Corvallis Urban Renewal District.
- P-13F** Review and amend LDC sections on mixed used districts. This project includes amendments to the Land Development Code provisions related to mixed use zones. Staff are preparing amendments based on Departmental Advisory Committee and community input.
- P-13G** Review and approve 509J Master Plan. This project includes amendments to the Comprehensive Plan to adopt the Corvallis School District's new facilities plan as an element of the Comprehensive Plan.
- P-13H** Update LDC to accommodate historic preservation provisions. This project includes amendments to the LDC related to historic preservation.
- P-13R** Update LDC to amend land division standards. This project includes amendments to the LDC related to land division standards. Staff have held several work sessions with the Planning Commission.

DEPARTMENT STAFF



Positions	Group	Monthly Salary Range (1.0 FTE)	Head Count	Adopted	Historical	
				FY 20-21 FTE	FY 19-20 FTE	FY 18-19 FTE
Community Development Director	Exempt	\$9,539 - \$12,174	1	1.000	1.000	1.000
Development Services Manager	Exempt	7,474 - 9,539	1	1.000	1.000	1.000
Housing/Neighborhood Services Manager	Exempt	7,474 - 9,539	1	1.000	1.000	1.000
Planning Division Manager	Exempt	7,474 - 9,539	1	1.000	1.000	1.000
Building Official	Exempt	7,474 - 9,539	1	1.000	1.000	1.000
Project Manager/Land Use Supervisor	Exempt	6,779 - 8,652	-	0.000	0.000	1.000
Land Use Supervisor	Exempt	6,149 - 7,848	1	1.000	1.000	0.000
Civil Engineer Lead	AFSCME	5,859 - 7,478	1	1.000	1.000	1.000
Senior Planner	AFSCME	5,859 - 7,478	3	3.000	3.000	3.000
Code Compliance Supervisor	Exempt	5,577 - 7,118	1	1.000	1.000	1.000
Civil Engineer I	AFSCME	5,425 - 6,924	1	1.000	1.000	1.000
Building Inspector/Plans Examiner (I - IV)	AFSCME	4,652 - 7,478	9	9.000	9.000	9.000
Business Analyst	AFSCME	5,025 - 6,414	1	1.000	1.000	1.000
Building Safety Inspector (I - II)	AFSCME	4,310 - 5,937	1	1.000	1.000	1.000
Development Services Engineering Tech	AFSCME	4,652 - 5,937	1	1.000	1.000	1.000
Land Use Inspector	AFSCME	4,652 - 5,937	1	1.000	1.000	0.000
Housing Program Specialist	AFSCME	4,652 - 5,937	1	1.000	1.000	1.000
Housing/Neighborhood Services Coordinator	AFSCME	5,025 - 6,414	1	1.000	1.000	1.000
Associate/Assistant Planner	AFSCME	4,310 - 6,924	4	4.000	4.000	5.000
Affordable Housing Associate Planner	AFSCME	5,425 - 6,924	1	1.000	1.000	1.000
Code Compliance Specialist	AFSCME	4,310 - 5,501	1	0.500	0.500	0.500
Grant Program Specialist	AFSCME	4,310 - 5,501	1	0.250	0.250	0.250
Permit Technician (I - II)	AFSCME	3,716 - 5,103	3	3.000	3.000	3.000
TOTAL			37	35.750	35.750	35.750

NOTE: Salary ranges reflect FY 19-20 Class and Compensation schedules.

COMMUNITY DEVELOPMENT DEPARTMENT ONE-TIME PROJECTS

Appropriations for one-time projects are separated from the operating and maintenance budget required to maintain existing services. This format also allows for easier identification of specific work tasks that are short-term.

ONE-TIME PROJECTS	ACTUAL 2017-18	ACTUAL 2018-19	BUDGET 2019-20	REVISED 2019-20	ADOPTED 2020-21	% CHANGE FROM 19-20 BUDGET
RESOURCES FOR ONE-TIME PROJECTS						
Charges for Service	\$ -	\$ 27,660	\$ -	\$ -	\$ -	N/A
Miscellaneous	-	-	26,000	6,700	-	-100.00%
Dedicated Revenue	\$ -	\$ 27,660	\$ 26,000	\$ 6,700	\$ -	-100.00%
Use of Operating Funds	24,371	(7,311)	(13,500)	(585,850)	188,300	-1494.81%
Use of Reserves	30,923	375,569	305,300	632,850	100,000	-67.25%
TOTAL RESOURCES FOR ONE-TIME PROJ	\$ 55,294	\$ 395,918	\$ 317,800	\$ 53,700	\$ 288,300	-9.28%
EXPENDITURES						
Personnel Services	\$ 11,992	\$ 8,560	\$ -	\$ -	\$ -	N/A
Materials and Services	24,558	363,186	288,800	24,700	288,300	-0.17%
Capital Outlay	18,743	24,171	29,000	29,000	-	-100.00%
TOTAL	\$ 55,294	\$ 395,918	\$ 317,800	\$ 53,700	\$ 288,300	-9.28%
EXPENDITURES BY FUND:						
General Fund	\$ 18,285	\$ 27,429	\$ 271,300	\$ 7,200	\$ 270,800	-0.18%
Development Services Fund	37,009	357,589	46,500	46,500	17,500	-62.37%
CD Revolving Fund	-	10,900	-	-	-	N/A
TOTAL	\$ 55,294	\$ 395,918	\$ 317,800	\$ 53,700	\$ 288,300	-9.28%

Highlights for FY 20-21:

Long Range Planning Project—This funding will be for long range planning tasks associated with implementation of Imagine Corvallis 2040 (Plan and Change Objectives in Strategic Operational Plan). Funding for the Long Range Planning project is comprised of monies carried over to FY 20-21 from the Comprehensive Plan project from FY 19-20 and monies previously budgeted in Planning Division operations for Comprehensive Plan printing, publishing and contracted services.

It is anticipated that in FY 20-21, the South Corvallis Specific Area Plan and Mixed-Use Zones projects will be completed.

Funding covers payments for supplies, facility rental, online services, advertising, and contractual services associated with long range planning research, Specific Area Plan development, and updates to the Comprehensive Plan and Land Development Code.

Dashboard Tools—Development Services will enter into a contract to develop dashboard tools for the Division’s website. These tools will provide customers with real time data pertaining to a variety of metrics associated with the Division’s permitting and inspection services. This tool will provide more transparency for customers to monitor and track development activity.

Install Security Door—Development Services will be modifying the customer service lobby to reposition a door for security purposes.

Dangerous Building Reserve — Community Development has created a master project to allow for the expenditure of funds from the abatement reserve. These revolving funds are being used when the city needs to remedy a code violation, does not have a cooperative property owner, and has exhausted other means of gaining compliance. Examples include situations like the repair of a dangerous electrical situation that poses an immediate fire hazard, or resolution of a structural failure that creates an imminent danger of the structure’s collapse. All funds expended are billed to the subject property’s owner and if not paid, the City’s costs are applied to the violating property as a lien for recovery in the future at the time of property sale or foreclosure.



FINANCE DEPARTMENT

Corvallis Budget, Financial Services, and Utility Billing



Municipal Court

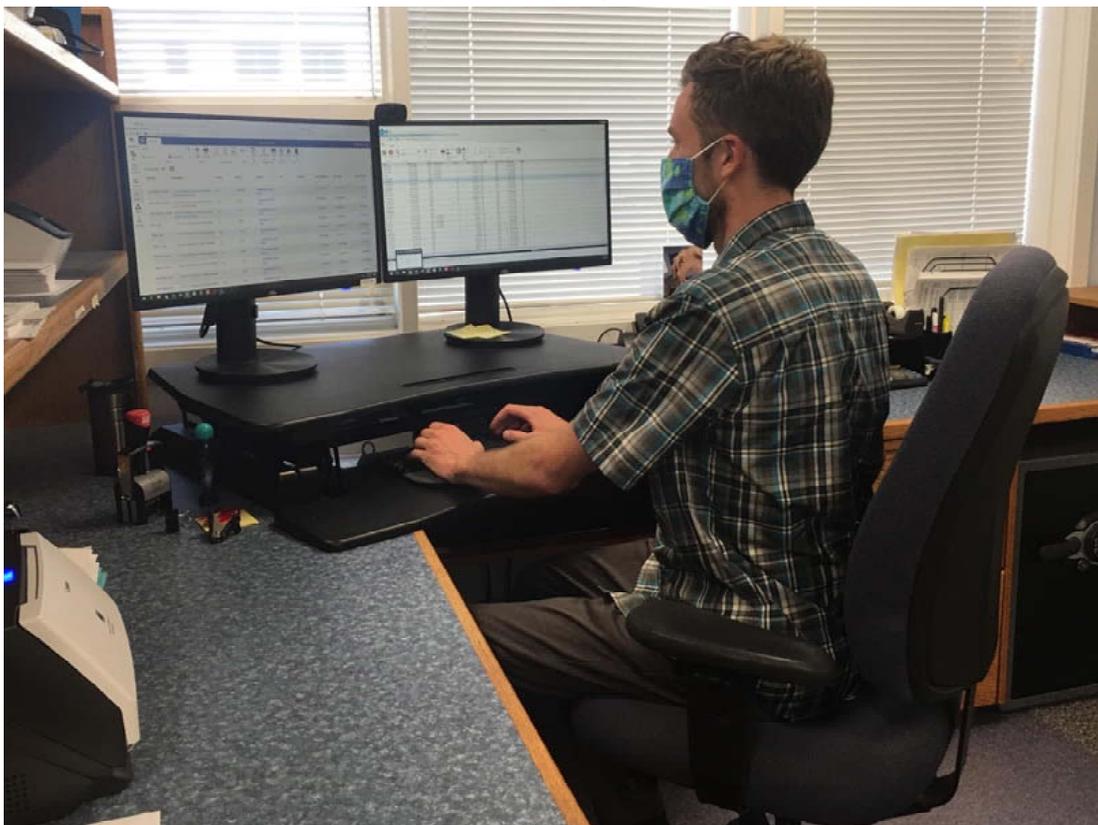


FINANCE DEPARTMENT

City Services Billing



Accounts Payable

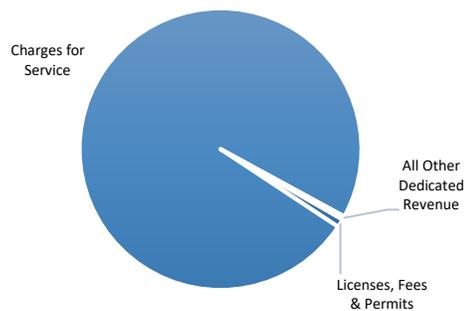


FINANCE DEPARTMENT

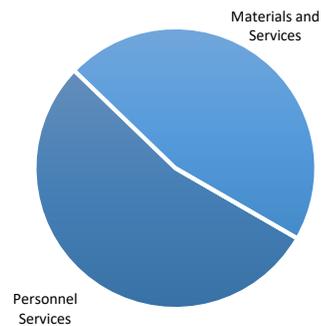
BUDGET OVERVIEW

	ACTUAL 2017-18	ACTUAL 2018-19	BUDGET 2019-20	REVISED 2019-20	ADOPTED 2020-21	% CHANGE FROM 19-20 BUDGET
REVENUE						
Dedicated Revenue						
Licenses, Fees & Permits	\$ 32,167	\$ 28,878	\$ 40,400	\$ 40,400	\$ 40,000	-0.99%
Charges for Service	2,405,679	3,481,670	3,610,000	3,610,000	4,050,900	12.21%
All Other Dedicated Revenue	41,485	59,852	14,400	14,400	16,000	11.11%
Total Dedicated Revenue	2,479,331	3,570,400	3,664,800	3,664,800	4,106,900	12.06%
Non-Dedicated Revenue	1,651,386	667,641	897,300	941,300	1,087,900	21.24%
TOTAL REVENUE	\$ 4,130,718	\$ 4,238,040	\$ 4,562,100	\$ 4,606,100	\$ 5,194,800	13.87%
EXPENDITURES						
Personnel Services	\$ 2,169,771	\$ 2,265,030	\$ 2,323,800	\$ 2,367,800	\$ 2,799,300	20.46%
Materials and Services	1,960,947	1,962,543	2,238,300	2,238,300	2,395,500	7.02%
Capital Outlay	-	10,467	-	-	-	N/A
TOTAL EXPENDITURES	\$ 4,130,718	\$ 4,238,040	\$ 4,562,100	\$ 4,606,100	\$ 5,194,800	13.87%
Staffing Levels	20.000	20.000	20.000	20.000	21.000	

**ADOPTED 2020-21 BUDGET
REVENUES BY TYPE**



**ADOPTED 2020-21 BUDGET
EXPENDITURES BY CATEGORY**



	ACTUAL	ACTUAL	BUDGET	REVISED	ADOPTED	% CHANGE
BUDGET BY FUND:	2017-18	2018-19	2019-20	2019-20	2020-21	FROM 19-20 BUDGET
General Fund	\$ 539,684	\$ 572,027	\$ 703,400	\$ 703,400	\$ 756,100	7.49%
Parking Fund	190,462	204,240	214,900	214,900	229,000	6.56%
Administrative Services Fund	2,399,091	2,468,998	2,556,100	2,600,100	3,008,900	17.71%
Risk Management Fund	1,001,481	992,775	1,087,700	1,087,700	1,200,800	10.40%
TOTAL	\$ 4,130,718	\$ 4,238,040	\$ 4,562,100	\$ 4,606,100	\$ 5,194,800	13.87%

STRATEGIC OPERATIONAL PLAN

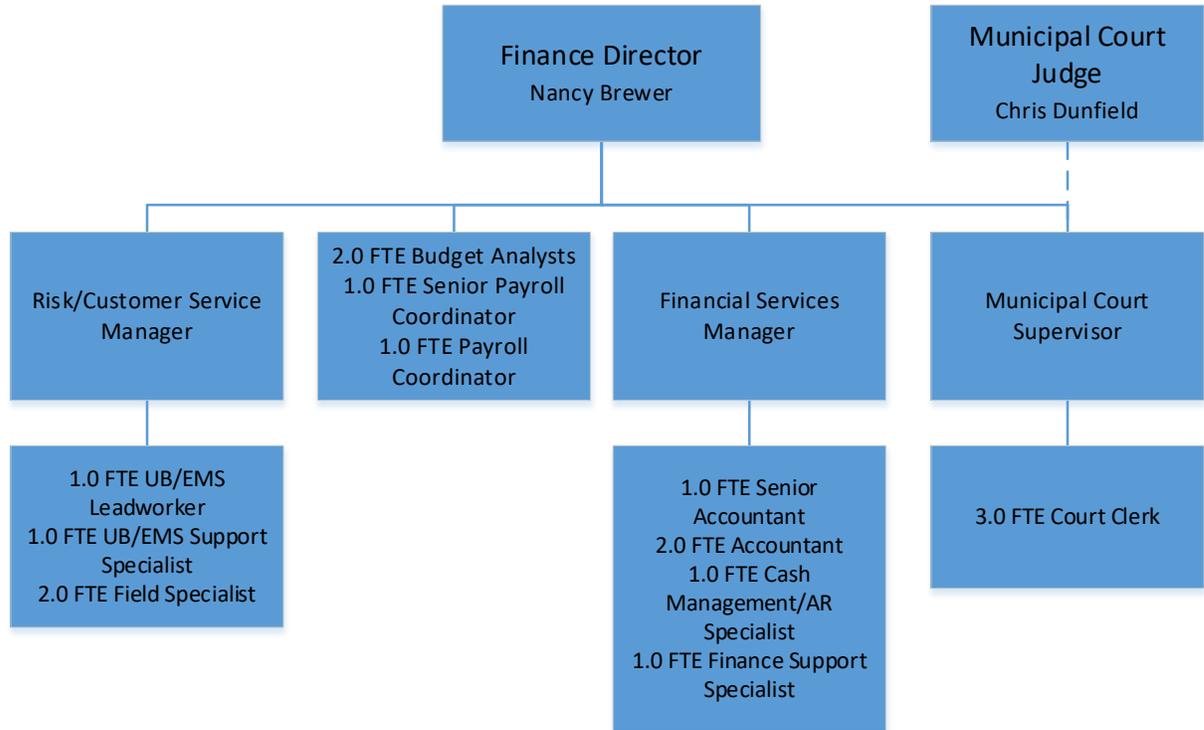
The Strategic Operational Plan (SOP), approved by the City Council on March 2, 2020, preceded the COVID pandemic. The organization's work focus in mid-March prioritized being responsive to the community through the emergency. As a result, some of the activities planned for FY 20-21 will change.



ENGAGE AND SUPPORT

- E-2C** Develop and implement Urban Renewal budget and accounting systems.
- E-4B** Investigate and develop a low-income assistance program for City Services customers.

DEPARTMENT STAFF



Positions	Group	Monthly Salary Range (1.0 FTE)	Head Count	Adopted	Historical	
				FY 20-21 FTE	FY 19-20 FTE	FY 18-19 FTE
Finance Director	Exempt	\$9,539 - \$12,174	1	1.000	1.000	1.000
Financial Services Manager	Exempt	7,474 - 9,539	1	1.000	1.000	1.000
Risk/Customer Service Manager	Exempt	6,149 - 7,848	1	1.000	1.000	1.000
Budget Analyst	Exempt	5,312 - 6,779	2	2.000	2.000	2.000
Court Supervisor	Exempt	5,312 - 6,779	1	1.000	1.000	1.000
Senior Accountant	AFSCME	5,025 - 6,414	1	1.000	1.000	1.000
Accountant	AFSCME	4,310 - 5,501	2	2.000	2.000	2.000
Utility Billing/EMS Support Lead worker	AFSCME	4,310 - 5,501	1	1.000	1.000	1.000
Senior Payroll Coordinator	Exempt	4,818 - 6,149	1	1.000	0.000	0.000
Payroll Coordinator	Exempt	4,370 - 5,577	1	1.000	1.000	1.000
Financial Analyst	AFSCME	3,998 - 5,103	-	0.000	1.000	1.000
Utility Billing Field Spec	AFSCME	3,998 - 5,103	2	2.000	2.000	2.000
Cash Management/AR Specialist	AFSCME	3,467 - 4,425	1	1.000	1.000	1.000
Utility Billing/EMS Support Specialist	AFSCME	3,467 - 4,425	1	1.000	1.000	1.000
Court Clerk	AFSCME	3,315 - 4,231	3	3.000	3.000	3.000
Accounts Payable Specialist	AFSCME	3,315 - 4,231	1	1.000	1.000	1.000
Finance Support Specialist	AFSCME	3,315 - 4,231	1	1.000	0.000	0.000
TOTAL			21	21.000	20.000	20.000

NOTE: Salary ranges reflect FY 19-20 Class and Compensation schedules.

FINANCE DEPARTMENT ONE-TIME PROJECTS

Appropriations for one-time projects are separated from the operating and maintenance budget required to maintain existing services. This format also allows for easier identification of specific work tasks that are short-term.

ONE-TIME PROJECTS	ACTUAL 2017-18	ACTUAL 2018-19	BUDGET 2019-20	REVISED 2019-20	ADOPTED 2020-21	% CHANGE FROM 19-20 BUDGET
RESOURCES FOR ONE-TIME PROJECTS						
Dedicated Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Use of Operating Funds	-	170,835	-	-	-	N/A
Use of Reserves	-	61,500	-	-	-	N/A
TOTAL RESOURCES FOR ONE-TIME PROJ	\$ -	\$ 232,335	\$ -	\$ -	\$ -	N/A
EXPENDITURES						
Personnel Services	\$ -	\$ 38,435	\$ -	\$ -	\$ -	N/A
Materials and Services	-	193,900	-	-	-	N/A
Capital Outlay	-	-	-	-	-	N/A
TOTAL	\$ -	\$ 232,335	\$ -	\$ -	\$ -	N/A
EXPENDITURES BY FUND:						
Administrative Services Fund	\$ -	\$ 200,335	\$ -	\$ -	\$ -	N/A
Risk Management Fund	-	32,000	-	-	-	N/A
TOTAL	\$ -	\$ 232,335	\$ -	\$ -	\$ -	N/A

Highlights for FY 20-21: Finance has no special projects planned for FY 20-21.

FIRE DEPARTMENT

Bring Your Kids to Work Day



Battalion Chief Janes on Scene



FIRE DEPARTMENT

Battalion Chief Fulsher Directing Helicopters



Water Rescue Training

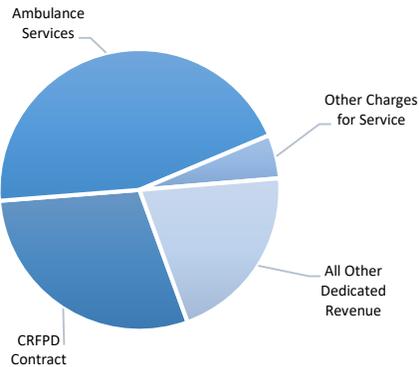


FIRE DEPARTMENT

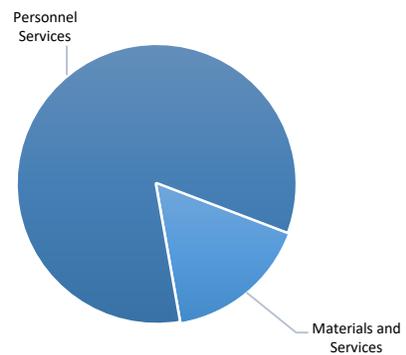
BUDGET OVERVIEW

	ACTUAL 2017-18	ACTUAL 2018-19	BUDGET 2019-20	REVISED 2019-20	ADOPTED 2020-21	% CHANGE FROM 19-20 BUDGET
REVENUE						
Dedicated Revenue						
Property Taxes (2013 Levy)	\$ 168,865	\$ 177,562	\$ -	\$ -	\$ -	N/A
CRFPD Contract	1,656,954	1,781,857	1,781,900	1,781,900	1,915,900	7.52%
Ambulance Services	2,080,589	2,524,073	2,423,200	2,540,400	2,933,700	21.07%
Other Charges for Service	880,331	652,684	385,800	385,800	328,700	-14.80%
All Other Dedicated Revenue	110,014	78,465	1,561,600	1,599,700	1,357,200	-13.09%
Total Dedicated Revenue	4,896,753	5,214,641	6,152,500	6,307,800	6,535,500	6.23%
Non-Dedicated Revenue	7,380,760	7,362,922	8,672,800	8,192,500	9,345,100	7.75%
TOTAL REVENUE	\$ 12,277,513	\$ 12,577,564	\$ 14,825,300	\$ 14,500,300	\$ 15,880,600	7.12%
EXPENDITURES						
Personnel Services	\$ 9,576,873	\$ 9,887,095	\$ 12,140,800	\$ 11,815,800	\$ 13,271,500	9.31%
Materials and Services	2,698,258	2,589,091	2,684,500	2,684,500	2,609,100	-2.81%
Capital Outlay	2,381	101,378	-	-	-	N/A
TOTAL EXPENDITURES	\$ 12,277,513	\$ 12,577,564	\$ 14,825,300	\$ 14,500,300	\$ 15,880,600	7.12%
Staffing Levels	68.000	68.000	75.000	75.000	76.000	

**ADOPTED 2020-21 BUDGET
REVENUES BY TYPE**



**ADOPTED 2020-21 BUDGET
EXPENDITURES BY CATEGORY**



	ACTUAL 2017-18	ACTUAL 2018-19	BUDGET 2019-20	REVISED 2019-20	ADOPTED 2020-21	% CHANGE FROM 19-20 BUDGET
BUDGET BY FUND:						
General Fund	\$ 12,277,513	\$ 12,577,564	\$ 14,825,300	\$ 14,500,300	\$ 15,880,600	7.12%
TOTAL	\$ 12,277,513	\$ 12,577,564	\$ 14,825,300	\$ 14,500,300	\$ 15,880,600	7.12%

STRATEGIC OPERATIONAL PLAN

The Strategic Operational Plan (SOP), approved by the City Council on March 2, 2020, preceded the COVID pandemic. The organization’s work focus in mid-March prioritized being responsive to the community through the emergency. As a result, some of the activities planned for FY 20-21 will change.



ENGAGE AND SUPPORT

E-11 Host events to encourage community involvement with and education about the fire service. Examples include Community Fire Academy, Volunteer Firefighter Academy, Fire Ops 101, Explorer Program, and Auxiliary Volunteer Program. The department plans to have a strong focus in community outreach and involvement during FY 20-21. A complete review of its volunteer program will take place, with a desire to increase the ways in which community members can provide volunteer service to the Fire Department. While the department has had a longstanding reputation of offering a robust volunteer firefighter program, it would like to explore options for providing other ways in which community members could contribute to the department. The potential revival of the Explorer Program will be looked at, as it is a great mechanism to engage youth in the community. In addition, the department was going to host its first ever Fire Ops 101, an educational and hands-on look at the fire service for community leaders and stakeholders to partake in, but physical distancing measures enacted in Spring 2020 has postponed these efforts to Fall 2020.



LEARN AND THRIVE

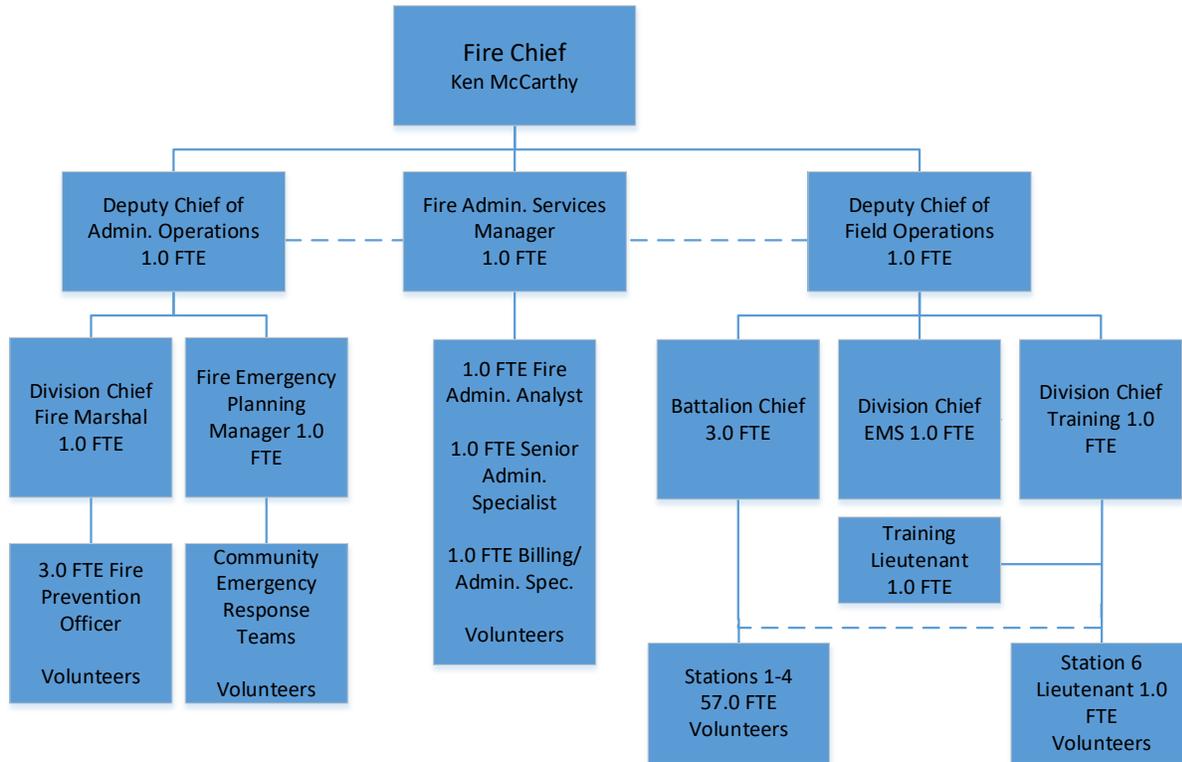
- L-3J** Provide community education on topics such as CPR, babysitting, water safety, and car seat safety. The department continues to hold monthly car seat safety clinics, where community members can arrive at Fire Station 1 and get their car seat(s) inspected by certified volunteers. In addition, other avenues such as hosting periodic CPR classes to the public will be explored.



STEWARD AND SUSTAIN

- S-3G** Maximize the efficient utilization of current and future fire stations to remain in functional condition after a significant event (e.g., Cascadia); ensure they are properly located to meet the current and projected growth areas of the City as well as response time goals; ensure they are located outside of flood-prone areas and near main arterial roadways. Further detail is included in the One-Time Projects section that follows, but the Fire Department will be hiring a consultant in FY 20-21 to assess Stations 2, 3 and 4, developing future remodel plans for these three fire stations.
- S-4D** Provide ongoing Emergency Operations Center (EOC) staff training each month with a quarterly exercise to reinforce the training received, plus additional training for EOC Directors and Section Chiefs. The Fire Emergency Planning Manager keeps a rigorous training schedule, administering training, along with Benton County's Emergency Planning Manager, to all City and County EOC personnel on a monthly and quarterly basis, sometimes including various exercises, allowing EOC personnel to apply their training with practical application to a real life scenario (S-4B).
- S-5I** Increase efficiency and effectiveness of fire prevention efforts by implementing new fire inspection software. The department will be implementing a new fire inspection software as its final phase of its CAD and records management system (RMS) replacement project that began in FY 18-19. Part of this work effort will include fire and life safety inspections of all commercial occupancies within the City (S-5E) to ensure clean data is migrated to the new system. With a new efficient system implemented to manage the data, the department hopes to explore new ways to improve on its fire protection efforts for the community it serves (S-5J).

DEPARTMENT STAFF



Positions	Group	Monthly Salary Range (1.0 FTE)	Head Count	Adopted	Historical	
				FY 20-21 FTE	FY 19-20 FTE	FY 18-19 FTE
Fire Chief	Exempt	\$9,539 - \$12,174	1	1.000	1.000	1.000
Deputy Fire Chief ¹	Exempt	8,652 - 11,042	2	2.000	1.000	0.000
Division Chief (Battalion/EMS/Fire Marshal/Training)	Exempt	7,848 - 10,016	6	6.000	6.000	6.000
Fire Lieutenant	IAFF	6,392 - 8,354	14	14.000	14.000	13.000
Fire Prevention Officer	IAFF	6,189 - 8,089	3	3.000	3.000	3.000
Fire Emergency Planning Manager	Exempt	6,149 - 7,848	1	1.000	1.000	1.000
Fire Administrative Services Manager	Exempt	6,149 - 7,848	1	1.000	1.000	1.000
Fire Engineer	IAFF	5,804 - 7,585	12	12.000	12.000	12.000
Firefighter - Emergency Medical Technician (EMT) ³	IAFF	5,291 - 6,915	33	33.000	33.000	27.000
Firefighter - Emergency Medical Technician (EMT) Trainee ²	IAFF	5,291 - 6,915	-	0.000	0.000	1.000
Fire Administrative Analyst	Exempt	4,162 - 5,312	1	1.000	1.000	1.000
Senior Administrative Specialist	AFSCME	3,716 - 4,742	1	1.000	1.000	1.000
EMS Billing/Admin Support Specialist	AFSCME	3,315 - 4,231	1	1.000	1.000	1.000
TOTAL			76	76.000	75.000	68.000

NOTE: Salary ranges reflect FY 19-20 Class and Compensation schedules.

¹ The Deputy Fire Chief is a new position with 1.0 FTE authorized in FY18-19 and another 1.0 FTE authorized during FY19-20. These positions will aid in department succession planning and provides a more efficient organization of duties among personnel.

² The last vacant Firefighter/EMT Trainee position was reclassified into a Fire Lieutenant that is assigned to the Training Division to focus more on the development and management of the training and volunteer programs.

³ In 2019, City Council approved the Fire Services Fee, adding revenue for 6.0 additional FTE for the Fire Department, staffed at Stations 2 and 3.

FIRE DEPARTMENT ONE-TIME PROJECTS

Appropriations for one-time projects are separated from the operating and maintenance budget required to maintain existing services. This format also allows for easier identification of specific work tasks that are short-term.

ONE-TIME PROJECTS	ACTUAL 2017-18	ACTUAL 2018-19	BUDGET 2019-20	REVISED 2019-20	ADOPTED 2020-21	% CHANGE FROM 19-20 BUDGET
RESOURCES FOR ONE-TIME PROJECTS						
Dedicated Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Use of Operating Funds	10,000	21,737	185,000	50,000	780,100	321.68%
Use of Reserves	-	199,576	915,500	765,500	865,000	-5.52%
TOTAL RESOURCES FOR ONE-TIME PROJ	\$ 10,000	\$ 221,313	\$ 1,100,500	\$ 815,500	\$ 1,645,100	49.49%
EXPENDITURES						
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Materials and Services	10,000	21,737	125,000	125,000	350,000	180.00%
Capital Outlay	-	199,576	975,500	690,500	1,295,100	32.76%
TOTAL	\$ 10,000	\$ 221,313	\$ 1,100,500	\$ 815,500	\$ 1,645,100	49.49%
EXPENDITURES BY FUND:						
General Fund	\$ 10,000	\$ 21,737	\$ 185,000	\$ 50,000	\$ 780,100	321.68%
Vehicle/Equip Reserve Fund	-	199,576	915,500	765,500	865,000	-5.52%
TOTAL	\$ 10,000	\$ 221,313	\$ 1,100,500	\$ 815,500	\$ 1,645,100	49.49%

Highlights for FY 20-21:

General Fund: Fire Facility Maintenance Projects—\$210,000 has been carried over from FY 19-20 in the Fire Facility Maintenance Project. Funding was initially earmarked for remodeling Station 4, to address its sleeping quarters to accommodate a changing and diverse workforce, however; a local property owner has come forth with an offer to donate property in South Corvallis for the purpose of building a new Station 4. This new location would also allow a larger building footprint, which would address other needs such as proper storage of fire apparatus and equipment. Stations 2 and 3 are now running more personnel out of them due to funding from the Fire Safety Fee. Additionally, both stations are in dire need of overall living quarters remodeling since only minor repairs have been done since they were built in the 1970s. This project funding will allow the department to hire a consultant to assess all three facilities and come up with full remodel plans for Stations 2 and 3, and some interim upgrade plans for Station 4. This allows the department to be better informed of future Capital Improvement Project needs with these three fire stations.

General Fund: Turnout Replacement for Fire Suppression Personnel—\$132,000 was approved by the City Manager, using one-time excess General Fund monies. This would help catch the department up so that all fire suppression personnel are outfitted with two sets of turnouts;

addressing cancer initiatives, expediting decontamination efforts, and outfitting everyone with built-in harness systems that are needed to properly wear bail out kits. This same level of funding will be needed in the following two years' budgets in order to achieve a second set for all over a three-year period. Turnouts will be maintained through the annual operating budget by implementing a five-year replacement cycle of 20 sets per year.

General Fund: Facility Upgrade/Station Remodel at Station 2 or 3—\$400,000 was approved by the City Manager, using one-time excess General Fund monies. Fire Stations 2, 3 and 4 are all in need of significant upgrades/remodels to address livability and fire apparatus storage needs. As mentioned above, Station 4 is being worked into the City's Capital Improvement Plan for a rebuild on donated land. Except for minor repairs and station livability has not been addressed at Stations 2 and 3 since they were built in the 1970s. Most pressing are the locker rooms and sleeping quarters to address a changing and diverse workforce. Apparatus bays cannot house all vehicles, leaving them outside and vulnerable to damage, theft and weather impacts. This amount should be sufficient to make substantial upgrades to the livability and storage needs at one of these two stations.

General Fund: CARES Act Stimulus Funding—\$38,100 was received in the latter part of FY 19-20 from the United States Department of Health and Human Services as a result of the CARES Act Provider Relief Fund. These funds are to be used to prevent, prepare for, and respond to coronavirus. The department plans to purchase a bio-decontamination system that will be used for rapid and secure bio-decontamination of ambulances and other equipment.

Vehicle/Equipment Reserve Fund: Radio Infrastructure—\$250,000 from FY 19-20 operational savings are being carried over as a contribution to the Vehicle/Equipment Reserve Fund for the purpose of addressing radio infrastructure needs as a result of a communications study that the new 911 District will be conducting. The outcome of that study could mean significant replacement costs for the Fire Department's radio fleet and infrastructure, so this funding is being set aside for those improvements.

Vehicle/Equipment Reserve Fund: Vehicle and Fire Apparatus Replacements—\$615,000 in replacements of vehicles and fire apparatus are planned for FY 20-21. This includes the final outfitting of a replacement brush rig used for wildland fire suppression (\$150,000 carried over from FY 19-20); a replacement deputy chief vehicle (\$65,000); and the purchase of a new sixth medic unit (\$400,000).

HUMAN RESOURCES DEPARTMENT

City Employee Appreciation Picnic 2019



HUMAN RESOURCES DEPARTMENT

Take Your Kid to Work Day 2019

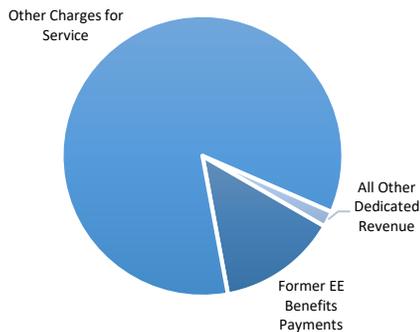


HUMAN RESOURCES DEPARTMENT

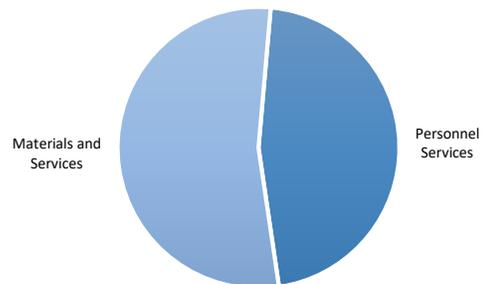
BUDGET OVERVIEW

	ACTUAL 2017-18	ACTUAL 2018-19	BUDGET 2019-20	REVISED 2019-20	ADOPTED 2020-21	% CHANGE FROM 19-20 BUDGET
REVENUE						
Dedicated Revenue						
Former EE Benefits Payments	\$ 382,674	\$ 357,633	\$ 400,000	\$ 400,000	\$ 450,000	12.50%
Other Charges for Service	3,170,670	2,269,100	2,552,000	2,552,000	2,760,500	8.17%
All Other Dedicated Revenue	54,998	86,769	59,200	59,200	58,700	-0.84%
Total Dedicated Revenue	3,608,343	2,713,502	3,011,200	3,011,200	3,269,200	8.57%
Non-Dedicated Revenue	(1,408,756)	(55,428)	(22,800)	(66,800)	(43,700)	91.67%
TOTAL REVENUE	\$ 2,199,586	\$ 2,658,074	\$ 2,988,400	\$ 2,944,400	\$ 3,225,500	7.93%
EXPENDITURES						
Personnel Services	\$ 1,036,517	\$ 1,171,678	\$ 1,399,900	\$ 1,355,900	\$ 1,492,800	6.64%
Materials and Services	1,163,069	1,486,395	1,588,500	1,588,500	1,732,700	9.08%
Capital Outlay	-	-	-	-	-	N/A
TOTAL EXPENDITURES	\$ 2,199,586	\$ 2,658,074	\$ 2,988,400	\$ 2,944,400	\$ 3,225,500	7.93%
Staffing Levels	9.050	11.050	11.050	11.050	11.050	

**ADOPTED 2020-21 BUDGET
REVENUES BY TYPE**



**ADOPTED 2020-21 BUDGET
EXPENDITURES BY CATEGORY**



	ACTUAL	ACTUAL	BUDGET	REVISED	ADOPTED	% CHANGE
BUDGET BY FUND:	2017-18	2018-19	2019-20	2019-20	2020-21	FROM 19-20 BUDGET
Administrative Services Fund	\$ 1,743,296	\$ 1,937,055	\$ 2,250,300	\$ 2,206,300	\$ 2,439,000	8.39%
Risk Management Fund	456,290	721,018	738,100	738,100	786,500	6.56%
TOTAL	\$ 2,199,586	\$ 2,658,074	\$ 2,988,400	\$ 2,944,400	\$ 3,225,500	7.93%

STRATEGIC OPERATIONAL PLAN

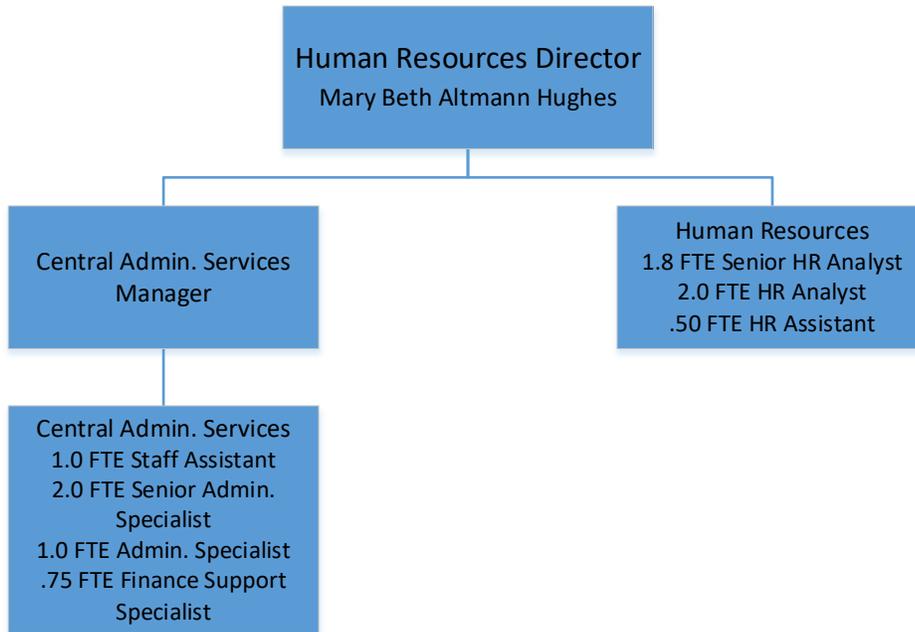
The Strategic Operational Plan (SOP), approved by the City Council on March 2, 2020, preceded the COVID pandemic. The organization's work focus in mid-March prioritized being responsive to the community through the emergency. As a result, some of the activities planned for FY 20-21 will change.

The Human Resources department is not assigned any SOP priorities. However, staff in the department support work activities of all other departments and provide direct support to them in implementing many of the SOP tasks.

Human Resources is dedicated to collaborating with City departments to recruit, develop, and retain a highly skilled workforce that is committed to excellence in public service. The Human Resources team strives to deliver quality customer service and be a professional resource for managers and employees. Providing quality human resource support increases employee efficiency and effectiveness and reduces risks and costs associated with personnel management.

The Central Administrative Services Division supports the administrative functions for departments in City Hall and surrounding locations.

DEPARTMENT STAFF



Positions	Group	Monthly Salary Range (1.0 FTE)	Head Count	Adopted	Historical	
				FY 20-21 FTE	FY 19-20 FTE	FY 18-19 FTE
Human Resources Director	Exempt	\$9,085 - \$11,595	1	1.000	1.000	1.000
Central Admin Services Manager	Exempt	6,149 - 7,848	1	1.000	1.000	1.000
Senior Human Resources Analyst	Exempt	5,577 - 7,118	2	1.800	1.800	1.800
Human Resources Analyst	Exempt	5,312 - 6,779	2	2.000	2.000	2.000
Staff Assistant	Exempt	4,162 - 5,312	1	1.000	1.000	1.000
Senior Administrative Specialist	AFSCME	3,716 - 4,742	2	2.000	2.000	2.000
Human Resources Assistant	Exempt	3,595 - 4,588	1	0.500	0.500	0.500
Finance Support Specialist	AFSCME	3,315 - 4,231	1	0.750	0.750	0.750
Administrative Specialist	AFSCME	3,029 - 3,865	1	1.000	1.000	1.000
TOTAL			12	11.050	11.050	11.050

NOTE: Salary ranges reflect FY 19-20 Class and Compensation schedules.

HUMAN RESOURCES DEPARTMENT

ONE-TIME PROJECTS

Appropriations for one-time projects are separated from the operating and maintenance budget required to maintain existing services. This format also allows for easier identification of specific work tasks that are short-term.

ONE-TIME PROJECTS	ACTUAL 2017-18	ACTUAL 2018-19	BUDGET 2019-20	REVISED 2019-20	ADOPTED 2020-21	% CHANGE FROM 19-20 BUDGET
RESOURCES FOR ONE-TIME PROJECTS						
Dedicated Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Use of Operating Funds	-	-	-	(167,000)	37,000	N/A
Use of Reserves	-	-	225,000	225,000	225,000	0.00%
TOTAL RESOURCES FOR ONE-TIME PROJ	\$ -	\$ -	\$ 225,000	\$ 58,000	\$ 262,000	16.44%
EXPENDITURES						
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Materials and Services	-	-	225,000	58,000	262,000	16.44%
Capital Outlay	-	-	-	-	-	N/A
TOTAL	\$ -	\$ -	\$ 225,000	\$ 58,000	\$ 262,000	16.44%
EXPENDITURES BY FUND:						
Administrative Services Fund	-	-	225,000	58,000	262,000	16.44%
TOTAL	\$ -	\$ -	\$ 225,000	\$ 58,000	\$ 262,000	16.44%

Highlights for FY 20-21:

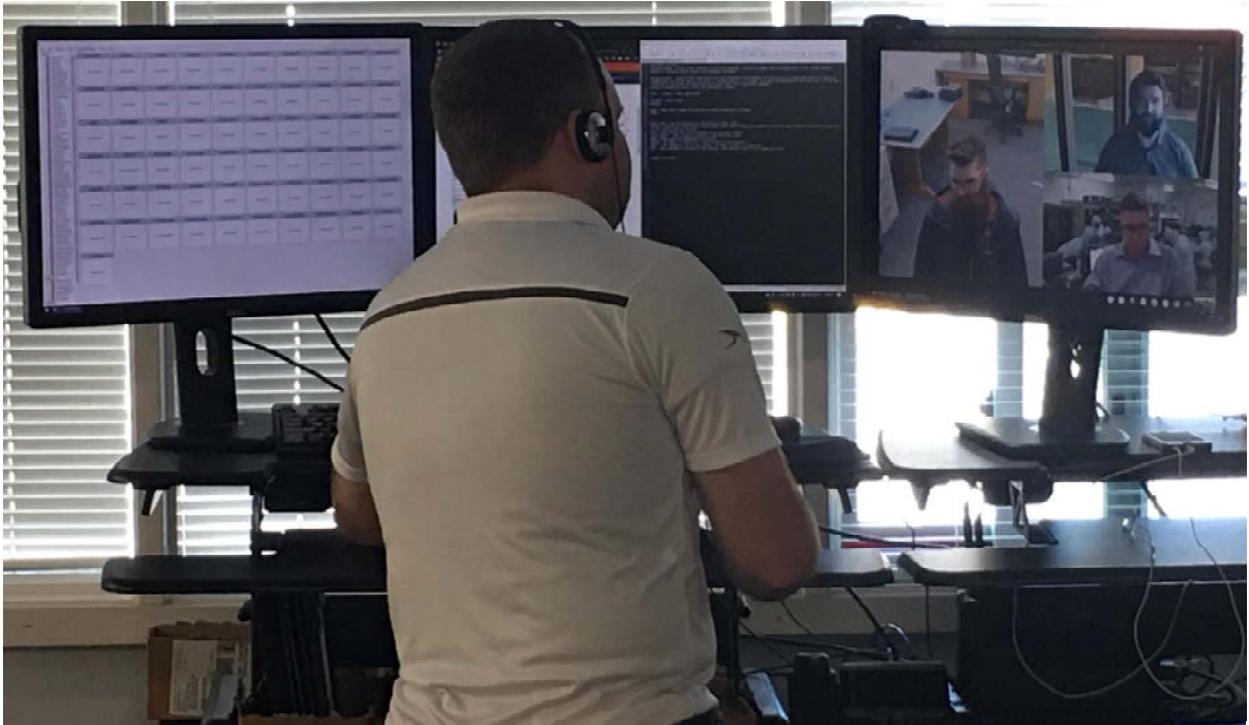
Electronic Vehicles and Charging Station for City Hall—The CAS vehicle pool was established several years ago in order to optimize the usage of City vehicles used by City Hall block departments. The pool has three vehicles, two of which need to be replaced as soon as possible. These vehicles will be replaced with electronic vehicles and a charging station will be installed in the City Hall parking lot. The charging station is an investment that will allow the City vehicle fleet to begin transitioning to electronic vehicles more widely.

OSHA Safety Program—The City conducted a Citywide Safety audit during FY 18-19 year with the assistance of our workers' compensation and liability carrier (City-County Insurance) and our insurance broker (Brown & Brown). The funds from this project will be used to purchase equipment and to fulfill any unmet requirements that were found to be necessary as a result of this audit.

Senior Leadership Training—Due to interruptions from the COVID outbreak, a couple of management trainings will be rescheduled for FY 2020-2021. Therefore, the training funds from FY 19-20 will be carried to FY 20-21 to cover them.

INFORMATION TECHNOLOGY DEPARTMENT

IT Virtual Meeting During COVID-19

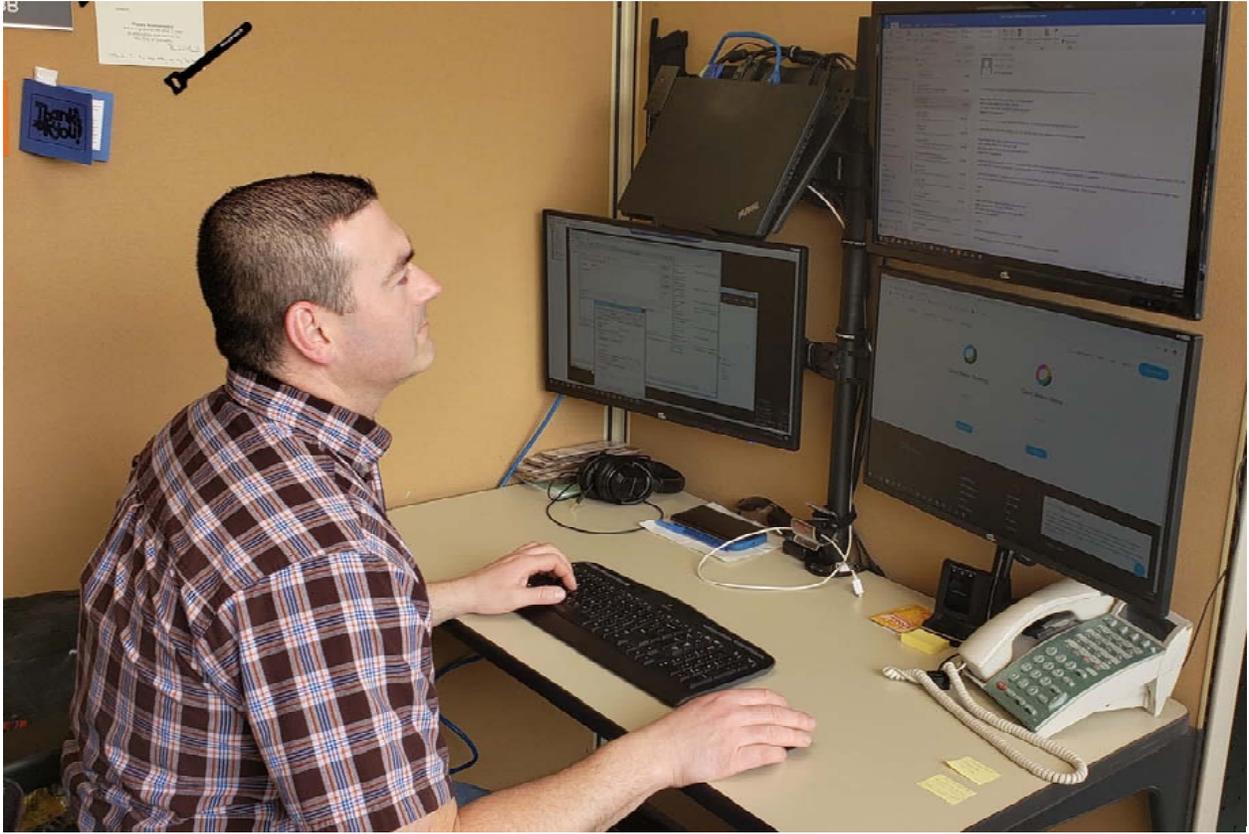


Geographic Information Systems



INFORMATION TECHNOLOGY DEPARTMENT

Information Technology Support



Emergency Response Technology

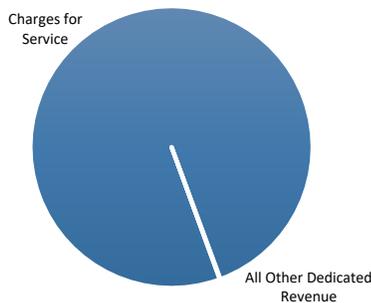


INFORMATION TECHNOLOGY DEPARTMENT

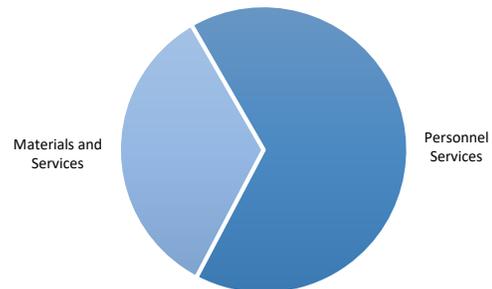
BUDGET OVERVIEW

	ACTUAL 2017-18	ACTUAL 2018-19	BUDGET 2019-20	REVISED 2019-20	ADOPTED 2020-21	% CHANGE FROM 19-20 BUDGET
REVENUE						
Dedicated Revenue						
Charges for Service	\$ 2,354,210	\$ 2,596,800	\$ 2,779,900	\$ 2,779,900	\$ 2,993,300	7.68%
All Other Dedicated Revenue	2,440	1,750	1,800	1,800	2,400	33.33%
Total Dedicated Revenue	2,356,650	2,598,550	2,781,700	2,781,700	2,995,700	7.69%
Non-Dedicated Revenue	(61,627)	(59,560)	(20,600)	(20,600)	(74,400)	261.17%
TOTAL REVENUE	\$ 2,295,023	\$ 2,538,990	\$ 2,761,100	\$ 2,761,100	\$ 2,921,300	5.80%
EXPENDITURES						
Personnel Services	\$ 1,552,191	\$ 1,637,350	\$ 1,885,200	\$ 1,885,200	\$ 1,929,600	2.36%
Materials and Services	562,114	894,066	875,900	875,900	991,700	13.22%
Capital Outlay	180,718	7,573	-	-	-	N/A
TOTAL EXPENDITURES	\$ 2,295,023	\$ 2,538,990	\$ 2,761,100	\$ 2,761,100	\$ 2,921,300	5.80%
Staffing Levels	15.000	15.000	15.000	15.000	15.000	

**ADOPTED 2020-21 BUDGET
REVENUES BY TYPE**



**ADOPTED 2020-21 BUDGET
EXPENDITURES BY CATEGORY**



	ACTUAL 2017-18	ACTUAL 2018-19	BUDGET 2019-20	REVISED 2019-20	ADOPTED 2020-21	% CHANGE FROM 19-20 BUDGET
BUDGET BY FUND:						
Tech & Communications Fund	2,295,023	2,538,990	2,761,100	2,761,100	2,921,300	5.80%
TOTAL	\$ 2,295,023	\$ 2,538,990	\$ 2,761,100	\$ 2,761,100	\$ 2,921,300	5.80%

STRATEGIC OPERATIONAL PLAN

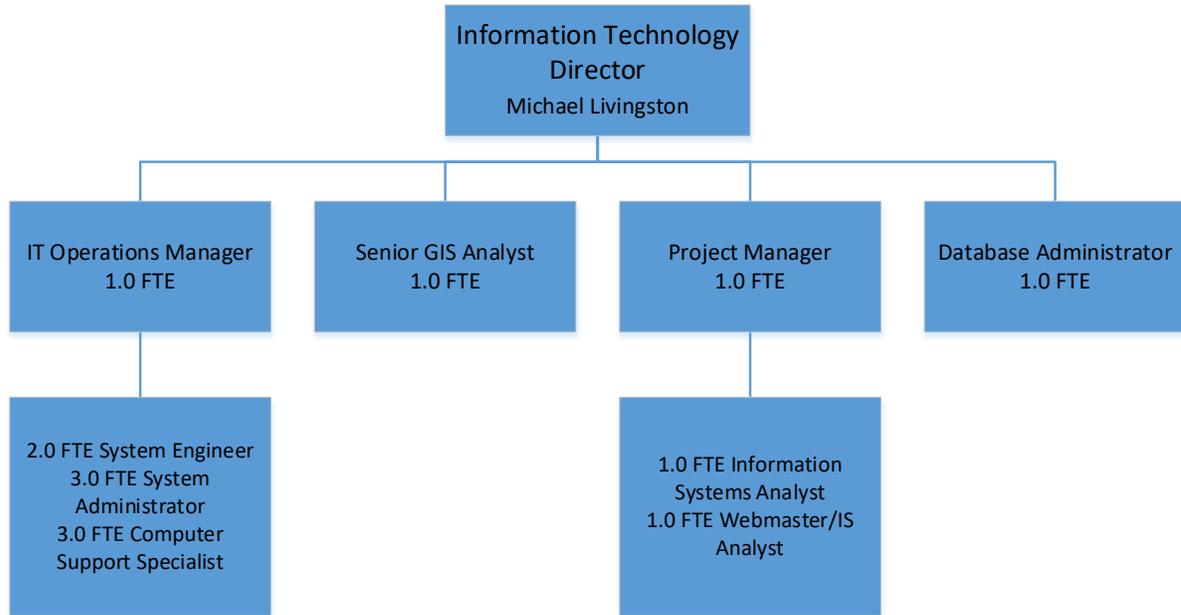
The Strategic Operational Plan (SOP), approved by the City Council on March 2, 2020, preceded the COVID-19 pandemic. The organization’s work focus in mid-March prioritized being responsive to the community through the emergency. As a result, some of the activities planned for FY 20-21 will change.



PLAN AND CHANGE

P-16D Plan 10- and 20-year growth needs for fiber network infrastructure. The fiber infrastructure that the City of Corvallis depends on to maintain communication between each facility has reached the end of its useful life and will soon require replacement. The IT department is developing a roadmap of the City’s future data communication needs to ensure that as this infrastructure is replaced it is designed to meet those needs.

DEPARTMENT STAFF



Positions	Group	Monthly Salary Range (1.0 FTE)	Head Count	Adopted		
				FY 20-21 FTE	FY 19-20 FTE	FY 18-19 FTE
IT Director	Exempt	\$9,085 - \$11,595	1	1.000	1.000	1.000
IT Operations Manager	Exempt	6,779 - 8,652	1	1.000	1.000	1.000
IT Project Manager	Exempt	6,779 - 8,652	1	1.000	1.000	1.000
Database Administrator	Exempt	5,856 - 7,474	1	1.000	1.000	1.000
IT System Engineer	AFSCME	5,859 - 7,478	2	2.000	1.000	1.000
Information Systems Analyst	AFSCME	5,425 - 6,924	1	1.000	2.000	2.000
Network Administrator	AFSCME	5,425 - 6,924	-	0.000	1.000	1.000
Webmaster Information Systems Analyst	AFSCME	5,425 - 6,924	1	1.000	1.000	1.000
Sr. GIS Analyst	AFSCME	5,425 - 6,924	1	1.000	1.000	1.000
System Administrator	AFSCME	5,025 - 6,414	3	3.000	3.000	3.000
Computer Support Specialist	AFSCME	3,998 - 5,103	3	3.000	2.000	2.000
TOTAL			15	15.000	15.000	15.000

NOTE: Salary ranges reflect FY 19-20 Class and Compensation schedules.

INFORMATION TECHNOLOGY DEPARTMENT ONE-TIME PROJECTS

Appropriations for one-time projects are separated from the operating and maintenance budget required to maintain existing services. This format also allows for easier identification of specific work tasks that are short-term.

ONE-TIME PROJECTS	ACTUAL 2017-18	ACTUAL 2018-19	BUDGET 2019-20	REVISED 2019-20	ADOPTED 2020-21	% CHANGE FROM 19-20 BUDGET
RESOURCES FOR ONE-TIME PROJECTS						
Miscellaneous	\$ 814	\$ -	\$ -	\$ -	\$ -	N/A
Dedicated Revenue	814	-	-	-	-	N/A
Use of Operating Funds	75,986	59,829	54,100	54,100	-	-100.00%
Use of Reserves	522,485	453,760	680,900	262,700	239,800	-64.78%
TOTAL RESOURCES FOR ONE-TIME PROJ	\$ 599,285	\$ 513,589	\$ 735,000	\$ 316,800	\$ 239,800	-67.37%
EXPENDITURES						
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Materials and Services	96,200	181,751	614,700	196,500	181,800	-70.42%
Capital Outlay	503,085	331,839	120,300	120,300	58,000	-51.79%
TOTAL	\$ 599,285	\$ 513,589	\$ 735,000	\$ 316,800	\$ 239,800	-67.37%
EXPENDITURES BY FUND:						
Vehicle/Equip Reserve Fund	\$ 522,485	\$ 334,789	\$ 595,900	\$ 177,700	\$ 200,000	-66.44%
Tech & Communications Fund	76,800	178,800	139,100	139,100	39,800	-71.39%
TOTAL	\$ 599,285	\$ 513,589	\$ 735,000	\$ 316,800	\$ 239,800	-67.37%

Highlights for FY 20-21:

APC UPS Battery Replacements Symettra—IT maintains a fault tolerant infrastructure that ensures business continuity in the event of power failure. This system consists of a battery backup system as well as a generator that activates for a prolonged outage. The batteries need to be replaced periodically to ensure they maintain the necessary capacity to accomplish this goal. They have reached the end of their useful life and need to be replaced in FY 20-21.

LIBRARY DEPARTMENT

Corvallis/Benton County Public Library



Tween Nerf in the Library



LIBRARY DEPARTMENT

Sip and Spell Winner 2019



EMS Storytime

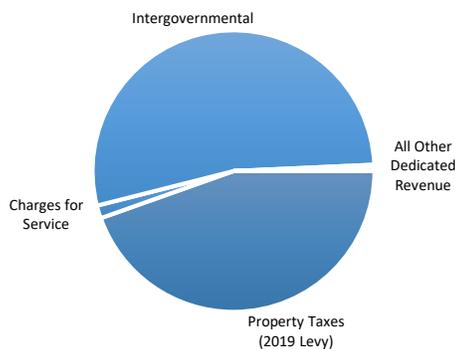


LIBRARY DEPARTMENT

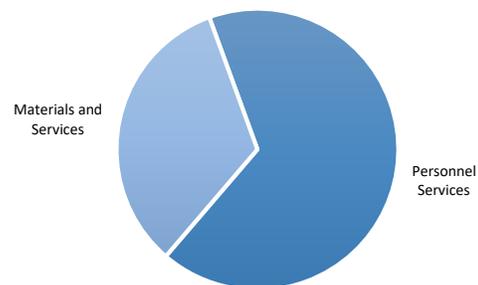
BUDGET OVERVIEW

	ACTUAL 2017-18	ACTUAL 2018-19	BUDGET 2019-20	REVISED 2019-20	ADOPTED 2020-21	% CHANGE FROM 19-20 BUDGET
REVENUE						
Dedicated Revenue						
Property Taxes (2013 Levy)	\$ 1,295,544	\$ 1,362,267	\$ -	\$ -	\$ -	N/A
Property Taxes (2019 Levy)	-	-	2,687,700	2,778,600	2,897,200	7.79%
Charges for Service	50,892	94,129	94,700	94,700	96,400	1.80%
Intergovernmental	2,980,076	3,275,609	3,515,500	3,515,500	3,460,000	-1.58%
Fines & Forfeitures	74,925	71,395	75,200	75,200	14,100	-81.25%
All Other Dedicated Revenue	28,310	26,492	25,400	25,400	33,100	30.31%
Total Dedicated Revenue	4,429,747	4,829,892	6,398,500	6,489,400	6,500,800	1.60%
Non-Dedicated Revenue	2,102,279	2,059,238	903,500	812,600	1,121,600	24.14%
TOTAL REVENUE	\$ 6,532,027	\$ 6,889,130	\$ 7,302,000	\$ 7,302,000	\$ 7,622,400	4.39%
EXPENDITURES						
Personnel Services	\$ 4,296,484	\$ 4,561,782	\$ 4,871,000	\$ 4,871,000	\$ 5,094,000	4.58%
Materials and Services	2,235,543	2,311,274	2,431,000	2,431,000	2,528,400	4.01%
Capital Outlay	-	16,075	-	-	-	N/A
TOTAL EXPENDITURES	\$ 6,532,027	\$ 6,889,130	\$ 7,302,000	\$ 7,302,000	\$ 7,622,400	4.39%
Staffing Levels	44.000	45.000	45.000	45.000	45.000	

**ADOPTED 2020-21 BUDGET
REVENUES BY TYPE**



**ADOPTED 2020-21 BUDGET
EXPENDITURES BY CATEGORY**



	ACTUAL 2017-18	ACTUAL 2018-19	BUDGET 2019-20	REVISED 2019-20	ADOPTED 2020-21	% CHANGE FROM 19-20 BUDGET
BUDGET BY FUND:						
General Fund	\$ 6,532,027	\$ 6,889,130	\$ 7,302,000	\$ 7,302,000	\$ 7,622,400	4.39%
TOTAL	\$ 6,532,027	\$ 6,889,130	\$ 7,302,000	\$ 7,302,000	\$ 7,622,400	4.39%

STRATEGIC OPERATIONAL PLAN

The Strategic Operational Plan (SOP), approved by the City Council on March 2, 2020, preceded the COVID pandemic. The organization’s work focus in mid-March prioritized being responsive to the community through the emergency. As a result, some of the activities planned for FY 20-21 will change.



ENGAGE AND SUPPORT

- E-5D** Develop and host Library events and outreach that promote cultural competence. Our goal is to host 20 events this year.
- E-7C** Collaborate with Oregon State University on community programs at least four times each year.



LEARN AND THRIVE

- L-3E** Boost participation through the Library's Summer Reading program. Our goal is 3,275 signups. Signups will have a virtual component this year to allow for more participation.
- L-3F** Maintain annual deliveries to local schools through the Library's Book Box program. Our goal is to have 70 participating classrooms annually.
- L-3G** Increase Library program attendance serving 62 people per 100 population. This goal may be difficult to achieve due to restrictions on gatherings that may last into the new fiscal year.
- L-3H** Maintain circulation at 18 items per capita.



INNOVATE AND PROSPER

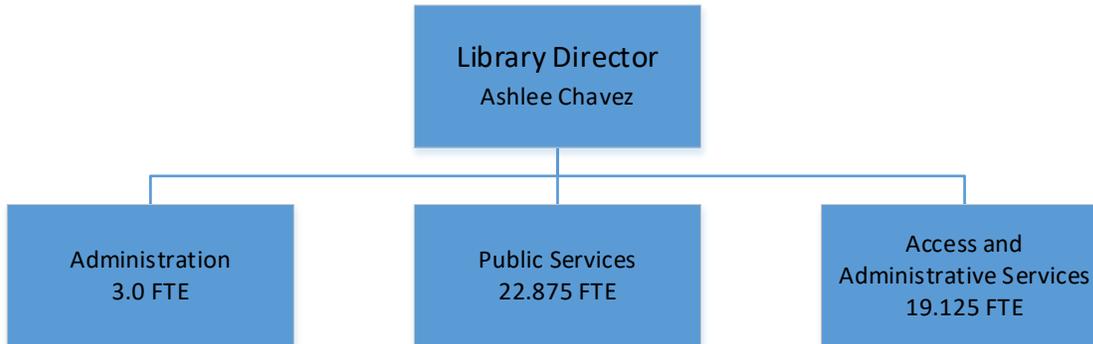
I-9A Participate in downtown events at least 12 times per year.



CREATE AND CELEBRATE

C-2C Encourage participation in the Library's Maker program, which motivates hands-on learning for all ages in science, technology, engineering & computer sciences, by hosting at least one themed event per month. Our goal is 20 programs this fiscal year.

DEPARTMENT STAFF



Positions	Group	Monthly Salary Range (1.0 FTE)	Head Count	Adopted	Historical	
				FY 20-21 FTE	FY 19-20 FTE	FY 18-19 FTE
Library Director	Exempt	\$9,085 - \$11,595	1	1.000	1.000	1.000
Library Deputy Director	Exempt	7,474 - 9,539	2	2.000	2.000	2.000
Supervising Librarian	Exempt	5,577 - 7,118	1	1.000	1.000	1.000
Circulation Supervisor	Exempt	5,577 - 7,118	2	2.000	2.000	2.000
Extensions Supervisor	Exempt	5,577 - 7,118	1	1.000	1.000	1.000
Digital Services Coordinator	AFSCME	5,025 - 6,414	1	1.000	1.000	1.000
Reference Librarian	AFSCME	5,025 - 6,414	13	11.125	11.125	11.125
Early Literacy Coordinator	AFSCME	5,025 - 6,414	1	0.500	0.500	0.500
Community Library Specialist	AFSCME	3,998 - 5,103	8	5.500	5.500	5.500
Senior Administrative Specialist	AFSCME	3,716 - 4,742	2	2.000	2.000	2.000
Library Specialist III	AFSCME	3,716 - 4,742	6	5.875	5.875	5.875
Library Specialist II	AFSCME	3,315 - 4,231	8	4.750	4.750	4.750
Security Attendant	AFSCME	2,834 - 3,616	1	1.000	1.000	1.000
Library Courier	AFSCME	2,659 - 3,393	1	0.750	0.750	0.750
Library Shelver	AFSCME	2,228 - 2,844	10	5.500	5.500	5.500
TOTAL			58	45.000	45.000	45.000

NOTE: Salary ranges reflect FY 19-20 Class and Compensation schedules.

LIBRARY DEPARTMENT ONE-TIME PROJECTS

Appropriations for one-time projects are separated from the operating and maintenance budget required to maintain existing services. This format also allows for easier identification of specific work tasks that are short-term.

ONE-TIME PROJECTS	ACTUAL 2017-18	ACTUAL 2018-19	BUDGET 2019-20	REVISED 2019-20	ADOPTED 2020-21	% CHANGE FROM 19-20 BUDGET
RESOURCES FOR ONE-TIME PROJECTS						
Charges for Service	\$ 44,330	\$ 584	\$ -	\$ -	\$ -	N/A
All Other Dedicated Revenue	98,982	97,924	100,000	100,000	113,700	13.70%
Dedicated Revenue	143,311	98,508	100,000	100,000	113,700	13.70%
Use of Operating Funds	-	(62,847)	400,000	(28,100)	626,900	56.73%
Use of Reserves	7,584	123,094	14,700	85,800	-	-100.00%
TOTAL RESOURCES	\$ 150,895	\$ 158,755	\$ 514,700	\$ 157,700	\$ 740,600	43.89%
EXPENDITURES						
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Materials and Services	150,895	130,755	514,700	157,700	575,600	11.83%
Capital Outlay	-	28,000	-	-	165,000	N/A
TOTAL	\$ 150,895	\$ 158,755	\$ 514,700	\$ 157,700	\$ 740,600	43.89%
EXPENDITURES BY FUND:						
General Fund	\$ 150,895	\$ 130,755	\$ 514,000	\$ 157,000	\$ 575,200	11.91%
Vehicle/Equip Reserve Fund	-	28,000	-	-	165,000	N/A
Davidson Fund	-	-	700	700	400	-42.86%
TOTAL	\$ 150,895	\$ 158,755	\$ 514,700	\$ 157,700	\$ 740,600	43.89%

Highlights for FY 20-21:

Gifts to the Library from the Friends of the Library and Library Foundation are consistent with years past. We have asked for some additional funds from the Foundation this year to spend down memorial accounts that have built up over the past two years. These funds cover events, supplies, materials, and new additions to the collection. In some cases, these funds cover small project aesthetic improvements in the building.

The 2013 Local Option Levy numbers have been finalized and we have a remaining \$104,600 to spend. We plan to spend the entirety of this balance in FY20-21. Our intent is to spend all funds on library collections.

The 19-20 Adopted Budget included \$400,000 of one-time revenue from the Benton County Library Service District. The Library introduced Kanopy streaming services and refreshed our nonfiction collection. The Library will continue to spend these one-time funds on resources that benefit the entire county. We will carryover \$357,000 into FY20-21. It may take two to three years to expend all remaining funds.

A large draw on the Library Vehicle and Equipment Reserves Fund is planned to replace the Bookmobile. We are budgeting a higher replacement cost so vehicle improvements for accessibility and functionality can be procured. This service is extremely worthy of a large investment. The Bookmobile circulates more items and serves more patrons than some of our physical branches. It also ensures critical access to library services to our residents in rural Benton County.

PARKS AND RECREATION DEPARTMENT

Readers Theatre - Majestic



Youth Volunteer Corp – Trail Crew



PARKS AND RECREATION DEPARTMENT

Osborn Aquatic Center



Corvallis Community Center – Wild Hogs in the Woods

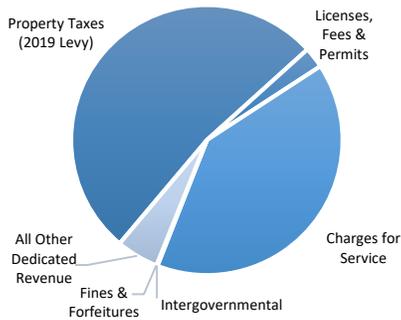


PARKS AND RECREATION DEPARTMENT

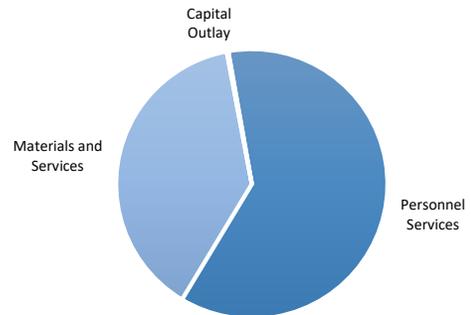
BUDGET OVERVIEW

	ACTUAL 2017-18	ACTUAL 2018-19	BUDGET 2019-20	REVISED 2019-20	ADOPTED 2020-21	% CHANGE FROM 19-20 BUDGET
REVENUE						
Dedicated Revenue						
Property Taxes (2013 Levy)	\$ 908,675	\$ 955,473	\$ -	\$ -	\$ -	N/A
Property Taxes (2019 Levy)	-	-	2,491,800	2,575,100	2,685,000	7.75%
Licenses, Fees & Permits	164,983	178,588	180,900	180,900	128,600	-28.91%
Charges for Service	1,809,793	1,815,614	1,913,800	1,552,800	2,065,900	7.95%
Intergovernmental	7,263	7,263	7,300	7,300	7,300	0.00%
Fines & Forfeitures	13	65	300	300	200	-33.33%
All Other Dedicated Revenue	314,391	245,903	223,700	223,700	259,100	15.82%
Total Dedicated Revenue	3,205,117	3,202,905	4,817,800	4,540,100	5,146,100	6.81%
Non-Dedicated Revenue	4,043,434	4,488,370	3,748,100	3,688,800	3,975,600	6.07%
TOTAL REVENUE	\$ 7,248,551	\$ 7,691,275	\$ 8,565,900	\$ 8,228,900	\$ 9,121,700	6.49%
EXPENDITURES						
Personnel Services	\$ 4,369,368	\$ 4,594,822	\$ 5,441,700	\$ 5,252,200	\$ 5,600,000	2.91%
Materials and Services	2,853,863	3,060,912	3,124,200	2,976,700	3,504,100	12.16%
Capital Outlay	25,320	35,541	-	-	17,600	N/A
TOTAL EXPENDITURES	\$ 7,248,551	\$ 7,691,275	\$ 8,565,900	\$ 8,228,900	\$ 9,121,700	6.49%
Staffing Levels	33.790	34.540	37.865	37.865	38.990	

**ADOPTED 2020-21 BUDGET
REVENUES BY TYPE**



**ADOPTED 2020-21 BUDGET
EXPENDITURES BY CATEGORY**



	ACTUAL	ACTUAL	BUDGET	REVISED	ADOPTED	% CHANGE
BUDGET BY FUND:	2017-18	2018-19	2019-20	2019-20	2020-21	FROM 19-20 BUDGET
General Fund	\$ 7,248,551	\$ 7,691,275	\$ 8,565,900	\$ 8,228,900	\$ 9,121,700	6.49%
TOTAL	\$ 7,248,551	\$ 7,691,275	\$ 8,565,900	\$ 8,228,900	\$ 9,121,700	6.49%

STRATEGIC OPERATIONAL PLAN

The Strategic Operational Plan (SOP), approved by the City Council on March 2, 2020, preceded the COVID pandemic. The organization’s work focus in mid-March prioritized being responsive to the community through the emergency. As a result, some of the activities planned for FY 20-21 will change.



ENGAGE AND SUPPORT

- E-5A** Provide volunteer support opportunities through Parks and Recreation outside of the Majestic Theatre (Imagine Corvallis 2040 & P & R Master Plan). Target FY 20-21: 25,000 hours.
- E-5B** Hold classes and programs that enhance cultural awareness (Imagine Corvallis 2040). Target FY 20-21: 75 events
- E-5C** Provide scholarships to income eligible people for recreation (Cost Recovery Methodology 2012). Target FY 20-21 \$125,000 utilization.



LEARN AND THRIVE

- L-3A** Provide water safety outreach and education (Imagine 2040). Target FY 20-21: 5,100 youth.
- L-3B** Provide wellness classes at community centers (Imagine 2040). Target FY 20-21: 700 participants.

- L-3C** Develop classes and programs that promote an active lifestyle for youth under 18. (Imagine 2040). Target FY 20-21: 335 programs.
- L-3D** Expand outdoor programs and environmental education opportunities for youth (P&R Master Plan). Target FY 20-21: 40 programs.



STEWARD AND SUSTAIN

- S-1A** Develop and implement management plans for every Parks and Recreation natural area and park (Climate Action Plan (CAP) & Parks and Recreation Master Plan). Target FY 20-21: complete a plan for Witham Hill Natural Area and Shawala Point. The Shawala Point plan is deferred to 21-22 due to low System Development Charge fund balance.
- S-1B** Address deferred maintenance in parks and trails. Target FY 20-21: reduce to zero from \$282,000. The three levy funded parks staff will improve deferred maintenance that do not require significant budget support. Expanding the volunteer trail maintenance program is scheduled for FY 20-21.
- S-1G** Develop a strategic land acquisition plan for the Parks system. Target FY 20-21: June 2021.
- S-1I** Build out the comprehensive recreational trails network with a goal of 81 miles of trail upon completion (P & R Master Plan). Target FY 20-21: 2,640 feet at Caldwell Natural Area and Dr. Martin Luther King, Jr. Park and Natural Area.
- S-1J** Develop an Urban Tree Canopy Plan (CAP). Target FY 20-21: April 2021.



CREATE AND CELEBRATE

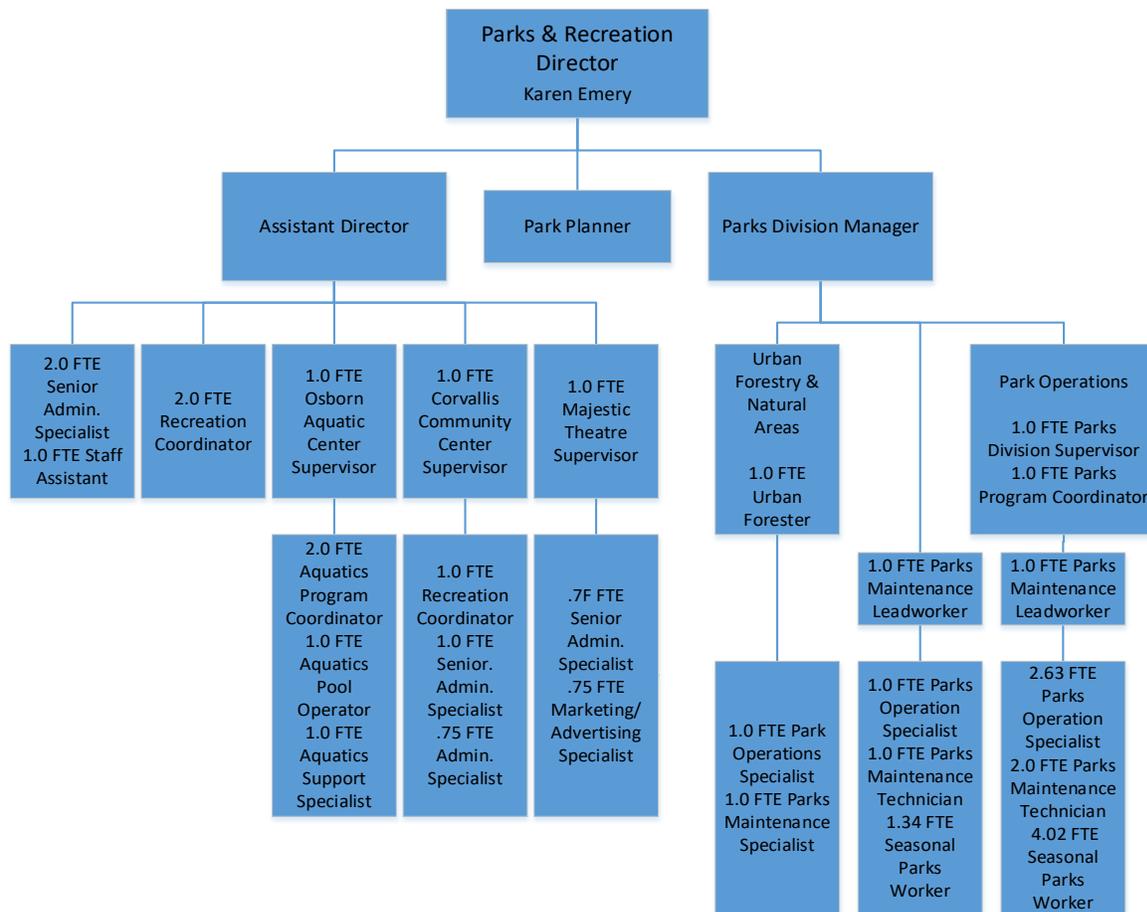
- C-2A** Increases attendance of community arts, theater, and performance events. Target FY 20-21: 22,500 attendees.
- C-2B** Increase participation in theater classes and performances and arts programs. Target FY 20-21: 2,000 participants.
- C-3A** Increase recreation program attendance. Target FY 20-21: 214,000 participants.



PLAN AND CHANGE

P-13A Create new Parks and Natural Area Zone (P & R Master Plan). Target was July 2019 and is currently in development phase. Revised target is June 2021.

DEPARTMENT STAFF



Positions	Group	Monthly Salary Range (1.0 FTE)	Head Count	Adopted	Historical	
				FY 20-21 FTE	FY 19-20 FTE	FY 18-19 FTE
Parks & Recreation Director	Exempt	\$9,085 - \$11,595	1	1.000	1.000	1.000
Parks & Recreation Assistant Director	Exempt	6,779 - 8,652	1	1.000	1.000	1.000
Parks Division Manager	Exempt	6,149 - 7,848	1	1.000	1.000	1.000
Parks Division Supervisor	Exempt	5,312 - 6,779	1	1.000	0.000	0.000
Aquatics Center Supervisor	Exempt	5,577 - 7,118	1	1.000	1.000	1.000
Urban Forester	AFSCME	5,425 - 6,924	1	1.000	1.000	1.000
Park Planner	AFSCME	5,425 - 6,924	1	0.750	0.750	0.750
Parks Maintenance Lead worker	AFSCME	5,025 - 6,414	2	2.000	2.000	2.000
Theatre Supervisor	Exempt	5,059 - 6,456	1	1.000	1.000	1.000
Senior Center Supervisor	Exempt	5,059 - 6,456	1	1.000	1.000	1.000
Park Operations Program Coordinator	AFSCME	4,652 - 5,937	1	1.000	1.000	0.000
Aquatics Program Coordinator	AFSCME	4,652 - 5,937	2	2.000	2.000	2.000
Park Operations Specialist	AFSCME	4,652 - 5,937	4	4.630	4.630	4.630
Recreation Coordinator	AFSCME	4,652 - 5,937	3	3.000	3.000	2.675
Staff Assistant	Exempt	4,162 - 5,312	1	1.000	1.000	1.000
Aquatics Pool Operator	AFSCME	4,310 - 4,310	1	1.000	1.000	1.000
Aquatics Support Specialist	AFSCME	4,310 - 4,310	1	1.000	1.000	1.000
Parks Maintenance Technician (I - II)	AFSCME	3,998 - 4,310	4	4.000	4.000	2.000
Senior Administrative Specialist	AFSCME	3,716 - 4,742	4	3.750	3.750	3.750
Marketing/Advertising Specialist	AFSCME	3,467 - 4,425	1	0.750	0.750	0.750
Administrative Specialist	AFSCME	3,029 - 3,865	1	0.750	0.625	0.625
Seasonal Parks Worker IV	AFSCME	3,029 - 3,865	2	1.340	1.340	1.340
Seasonal Parks Worker III	AFSCME	2,659 - 3,393	3	2.010	2.010	2.010
Seasonal Parks Worker II	AFSCME	2,504 - 3,196	3	2.010	2.010	2.010
TOTAL			42	38.990	37.865	34.540

NOTE: Salary ranges reflect FY 19-20 Class and Compensation schedules.

PARKS AND RECREATION DEPARTMENT ONE-TIME PROJECTS

Appropriations for one-time projects are separated from the operating and maintenance budget required to maintain existing services. This format also allows for easier identification of specific work tasks that are short-term.

ONE-TIME PROJECTS	ACTUAL 2017-18	ACTUAL 2018-19	BUDGET 2019-20	REVISED 2019-20	ADOPTED 2020-21	% CHANGE FROM 19-20 BUDGET
RESOURCES FOR ONE-TIME PROJECTS						
Licenses, Fees & Permits	\$ 5,156	\$ 5,633	\$ 5,100	\$ 5,100	\$ 400	-92.16%
Charges for Service	152,811	101,566	112,400	112,400	29,200	-74.02%
Intergovernmental	-	-	3,000	3,000	-	-100.00%
All Other Dedicated Revenue	115,270	313,213	226,200	226,200	346,500	53.18%
Dedicated Revenue	273,237	420,412	346,700	346,700	376,100	8.48%
Use of Operating Funds	-	-	-	-	400,100	N/A
Use of Reserves	312,621	436,417	265,800	428,500	140,000	-47.33%
TOTAL RESOURCES FOR ONE-TIME PROJ	\$ 585,858	\$ 856,829	\$ 612,500	\$ 775,200	\$ 916,200	49.58%
EXPENDITURES						
Personnel Services	\$ 14,215	\$ 9,664	\$ -	\$ -	\$ -	N/A
Materials and Services	319,409	274,272	492,500	412,600	776,200	57.60%
Capital Outlay	75,000	94,900	120,000	120,000	140,000	16.67%
TOTAL	\$ 408,624	\$ 378,837	\$ 612,500	\$ 532,600	\$ 916,200	49.58%
EXPENDITURES BY FUND:						
General Fund	\$ 333,624	\$ 283,937	\$ 552,500	\$ 472,600	\$ 776,200	40.49%
Vehicle/Equip Reserve Fund	75,000	94,900	60,000	60,000	140,000	133.33%
TOTAL	\$ 408,624	\$ 378,837	\$ 612,500	\$ 532,600	\$ 916,200	49.58%

Highlights for FY 20-21:

The budget includes an Opportunity Fund of \$50,000 in an effort to respond to unanticipated one-time opportunities through-out the year. This will allow the department the flexibility to move forward with new projects, if new revenue is identified and received.

The Department is piloting light food service at the Corvallis Community Center entitled the Coffee Leaf Café. The café will enhance the customer experience at the facility by providing light food and beverage options for guests that will generate revenue, build customer loyalty and create community. The café will be implemented based on user interest and community survey feedback. Café operations will be self-sustaining.

The Department is working with the Corvallis Sustainability Coalition on an important project at the City-owned Bald Hill Natural Area to replace a culvert and restoration work. This is being funded through a donation of \$100,000.

POLICE DEPARTMENT

Law Enforcement Appreciation Day



911 Dispatch



POLICE DEPARTMENT

Records



Swearing in Ceremony

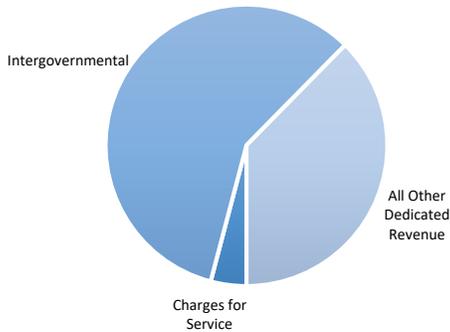


POLICE DEPARTMENT

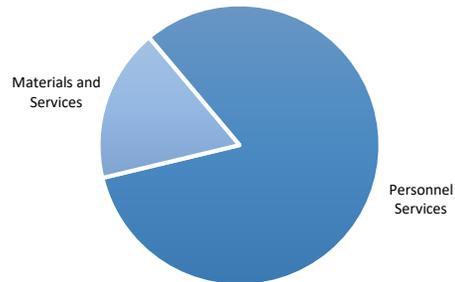
BUDGET OVERVIEW

	ACTUAL 2017-18	ACTUAL 2018-19	BUDGET 2019-20	REVISED 2019-20	ADOPTED 2020-21	% CHANGE FROM 19-20 BUDGET
REVENUE						
Dedicated Revenue						
Property Taxes (2013 Levy)	\$ 500,356	\$ 526,125	\$ -	\$ -	\$ -	N/A
Charges for Service	1,642,120	1,540,256	1,683,000	1,683,000	298,900	-82.24%
Intergovernmental	1,771,627	1,574,230	1,611,800	1,611,800	4,254,500	163.96%
All Other Dedicated Revenue	489,654	499,793	3,554,800	3,554,800	2,748,000	-22.70%
Total Dedicated Revenue	4,403,757	4,140,405	6,849,600	6,849,600	7,301,400	6.60%
Non-Dedicated Revenue	11,030,082	11,913,568	12,882,600	12,822,600	13,394,800	3.98%
TOTAL REVENUE	\$ 15,433,840	\$ 16,053,973	\$ 19,732,200	\$ 19,672,200	\$ 20,696,200	4.89%
EXPENDITURES						
Personnel Services	\$ 11,776,957	\$ 12,297,306	\$ 15,351,400	\$ 15,291,400	\$ 17,046,000	11.04%
Materials and Services	3,654,982	3,734,694	4,380,800	4,380,800	3,650,200	-16.68%
Capital Outlay	1,901	21,973	-	-	-	N/A
TOTAL EXPENDITURES	\$ 15,433,840	\$ 16,053,973	\$ 19,732,200	\$ 19,672,200	\$ 20,696,200	4.89%
Staffing Levels	95.250	95.250	114.250	114.250	123.250	

**ADOPTED 2020-21 BUDGET
REVENUES BY TYPE**



**ADOPTED 2020-21 BUDGET
EXPENDITURES BY CATEGORY**



BUDGET BY FUND:	ACTUAL	ACTUAL	BUDGET	REVISED	ADOPTED	% CHANGE
	2017-18	2018-19	2019-20	2019-20	2020-21	FROM 19-20 BUDGET
General Fund	\$ 12,761,020	\$ 13,284,552	\$ 16,688,900	\$ 16,688,900	\$ 16,213,300	-2.85%
9-1-1 Fund	2,372,916	2,497,440	2,734,300	2,734,300	4,176,600	52.75%
Parking Fund	299,904	271,981	309,000	249,000	306,300	-0.87%
TOTAL	\$ 15,433,840	\$ 16,053,973	\$ 19,732,200	\$ 19,672,200	\$ 20,696,200	4.89%

STRATEGIC OPERATIONAL PLAN

The Strategic Operational Plan (SOP), approved by the City Council on March 2, 2020, preceded the COVID pandemic. The organization’s work focus in mid-March prioritized being responsive to the community through the emergency. As a result, some of the activities planned for FY 20-21 will change.



ENGAGE AND SUPPORT

- E-3A** Implement wearable body cameras in coordination with the District Attorney's Office, to enhance transparency in community policing.
- E-3C** Prioritize Police recruitment to include specific outreach to minorities and women.
- E-3D** Achieve trained solo status officers from those funded by the Police Public Safety Fee. Due to COVID and the closing of the State’s Police Academy, achieving solo status officers will be delayed.
- E-3E** Achieve trained and solo status non-sworn Community Service Officers. Three of four positions are hired and training is in progress.
- E-3F** Implement newly formed 911 District intergovernmental agreement and bylaws. The Intergovernmental agreement is complete and bylaws are in progress.



LEARN AND THRIVE

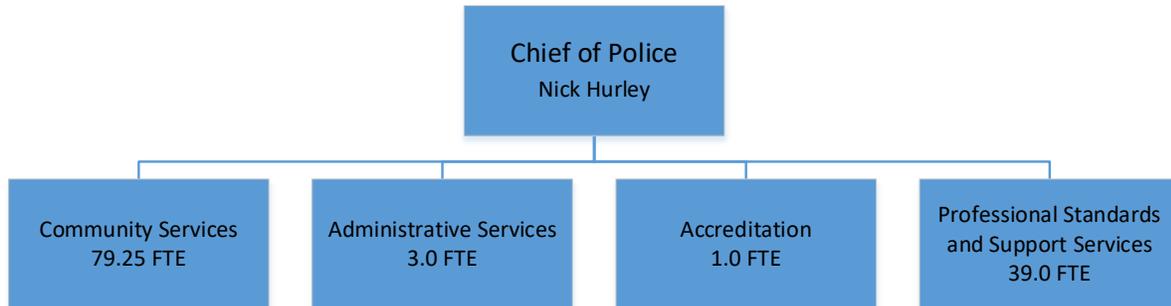
- L-2A** Schedule meetings annually with OSU student groups and community organizations.
- L-2B** Hold an annual Citizens Police Academy to allow 20 to 30 participants a closer look at the Police Department's daily operations.
- L-2C** Maintain accreditation through Commission for Accreditation of Law Enforcement (CALEA). We continue to maintain standards through CALEA and our second quarter audit is occurring remotely.



STEWARD AND SUSTAIN

- S-3F** In the absence of state funding, make plans to replace the 911 phone system. We are working with Linn County to jointly purchase equipment further enhancing interoperability between the two 911 emergency centers.
- S-6A** Reduce Livability offenses to less than 1,000 per year.
- S-6B** Improve community safety through proactive and educational efforts: Tactical Action Plans, liaisons with Oregon State, and with community.
- S-6D** Maintain average fatal and injury traffic crashes at less than state and national averages: fewer than five per 1,000 population.
- S-6E** Ensure that emergency calls for service are dispatched within 60 seconds.
- S-6F** Evaluate feasibility of providing law enforcement services to OSU Campus. OSU has elected to develop their own on-campus sworn police department.
- S-8F** Evaluate efficiencies of hybrid Police patrol vehicles for future purchase planning. Seven hybrid vehicles ordered in FY 19-20 are delayed due to COVID.

DEPARTMENT STAFF



Positions	Group	Monthly Salary Range (1.0 FTE)	Head Count	Adopted	Historical	
				FY 20-21 FTE	FY 19-20 FTE	FY 18-19 FTE
Police Chief	Exempt	\$9,539 - \$12,174	1	1.000	1.000	1.000
Police Captain	Exempt	8,652 - 11,042	2	2.000	2.000	2.000
Police Lieutenant	Exempt	7,848 - 10,016	4	4.000	4.000	4.000
Police Sergeant ¹	CPOA	6,619 - 8,448	9	9.000	9.000	7.000
Police Admin Services Manager	Exempt	6,149 - 7,848	1	1.000	1.000	1.000
911 Manager	Exempt	6,149 - 7,848	1	1.000	1.000	1.000
Police Accreditation Manager	Exempt	5,577 - 7,118	1	1.000	1.000	1.000
Police Officer (includes Recruits) ¹	CPOA	5,089 - 6,957	59	59.000	61.000	46.000
Pre-Hire Trainee Officer ²	CPOA	5,089 - 5,089	0	0.000	0.000	2.000
Animal Control Officer ³	AFSCME	5,025 - 6,414	0	0.000	0.000	0.500
Records Specialist Supervisor	Exempt	5,059 - 6,456	1	1.000	1.000	1.000
Public Safety Dispatch Supervisor	Exempt	TBD - TBD	4	4.000	0.000	0.000
Crime Analyst	AFSCME	4,652 - 5,937	1	1.000	1.000	1.000
Public Safety Dispatch Ldwkr	CRCCA	4,595 - 5,864	2	2.000	2.000	2.000
Police Community Service Officer ¹	CPOA	4,114 - 5,250	4	4.000	4.000	0.000
Public Safety Dispatcher	CRCCA	4,179 - 5,334	22	22.000	15.000	15.000
Senior Administrative Specialist (Exempt)	Exempt	3,964 - 5,059	1	1.000	1.000	1.000
Senior Administrative Specialist (AFSCME)	AFSCME	3,716 - 4,742	1	1.000	1.000	1.000
Property Control Specialist	AFSCME	3,467 - 4,425	2	1.500	1.500	1.500
Parking Enforcement Officer	AFSCME	3,467 - 4,425	3	2.750	2.750	2.750
Records Specialist ³	AFSCME	3,315 - 4,231	5	5.000	5.000	4.500
TOTAL			124	123.250	114.250	95.250

NOTE: Salary ranges reflect FY 19-20 Class and Compensation schedules.

¹ In 2019, City Council approved the Police Services Fee (PSF), adding revenue for 19.0 additional FTE for the Police Department.

² These unfunded temporary positions are no longer needed in FY 19-20 with the implementation of the PSF.

³ Animal control duties will be absorbed by the 4.0 FTE CSO positions added in FY 19-20. 4 The .5 FTE for animal control in FY 18-19 was combined with .5 FTE in the Records Specialist Position to create a 1.0 FTE position in the Records Specialist position, saving an estimated \$24,000 overall.

POLICE DEPARTMENT ONE-TIME PROJECTS

Appropriations for one-time projects are separated from the operating and maintenance budget required to maintain existing services. This format also allows for easier identification of specific work tasks that are short-term.

ONE-TIME PROJECTS	ACTUAL 2017-18	ACTUAL 2018-19	BUDGET 2019-20	REVISED 2019-20	ADOPTED 2020-21	% CHANGE FROM 19-20 BUDGET
RESOURCES FOR ONE-TIME PROJECTS						
Intergovernmental	\$ 1,132	\$ 718	\$ 6,800	\$ 6,800	\$ -	-100.00%
Dedicated Revenue	1,132	718	6,800	6,800	-	-100.00%
Use of Operating Funds	190,933	191,844	522,400	173,400	681,700	30.49%
Use of Reserves	104,703	113,520	260,100	136,400	386,400	48.56%
TOTAL RESOURCES FOR ONE-TIME PROJ	\$ 296,768	\$ 306,082	\$ 789,300	\$ 316,600	\$ 1,068,100	35.32%
EXPENDITURES						
Personnel Services	\$ -	\$ 76,841	\$ 202,200	\$ 68,300	\$ 133,900	-33.78%
Materials and Services	27,344	77,176	27,000	6,800	127,900	373.70%
Capital Outlay	269,424	152,065	560,100	241,500	806,300	43.96%
TOTAL	\$ 296,768	\$ 306,082	\$ 789,300	\$ 316,600	\$ 1,068,100	35.32%
EXPENDITURES BY FUND:						
General Fund	\$ 110,944	\$ 113,307	\$ 474,000	\$ 168,000	\$ 362,200	-23.59%
9-1-1 Fund	33,668	110,676	91,700	48,700	356,000	288.22%
Parking Fund	-	-	-	-	-	N/A
Vehicle/Equip Reserve Fund	152,155	82,100	223,600	99,900	349,900	56.48%
TOTAL	\$ 296,768	\$ 306,082	\$ 789,300	\$ 316,600	\$ 1,068,100	35.32%

Highlights for FY 20-21:

The Department received a 2019 Bulletproof Vest Grant of \$11,500, which will be expended in the FY 20-21 budget. .

Federal Equitable Sharing released monies from criminal asset forfeiture cases from 2015 and 2018 in the amount of \$10,700, these funds will be used in FY 20-21 to assist in the cost of rental vehicles for our Street Crimes Unit.

Four Patrol vehicles are scheduled for replacement in FY 20-21. The vehicles will be replaced with the 2021 Ford Hybrid Interceptor.

The Law Enforcement Building, managed through an intergovernmental agreement with Benton County Facilities, is scheduled for roof replacement, including adding solar panels as a renewable energy source to the building.

The 911 communications system includes base stations and repeaters at Prairie Peak, Logsdon Ridge, Wren, Monroe, Law Enforcement Building and Public Works. These base stations/repeaters are on the Reserve Equipment Replacement Schedule over the next five years. Wren was replaced in FY 19-20 and Monroe is scheduled in FY 20-21 at a cost of \$36,500.

Facility upgrades at the Corvallis Regional Communications Center are planned for FY 20-21. These include the addition of a 6th Console, for increased staffing, and a remodel of the existing office space estimated at \$225,000 and \$51,500 respectively.

Due to COVID related delays, the Police Department will be carrying forward multiple projects from FY 19-20 into FY 20-21. These include receiving our new Hybrid Patrol Vehicles, Benton County Facilities project money, the 2018 Bullet Proof Vest grant, overtime training project money from Superior, and two special projects from the 911 Fund for hard drives, and the 5th console.

PUBLIC WORKS DEPARTMENT

Sidewalk Repair



Bus Maintenance



PUBLIC WORKS DEPARTMENT

9th Street Curb Lighting



Road Improvements

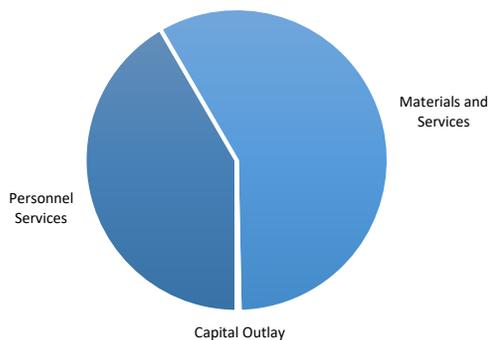


PUBLIC WORKS DEPARTMENT

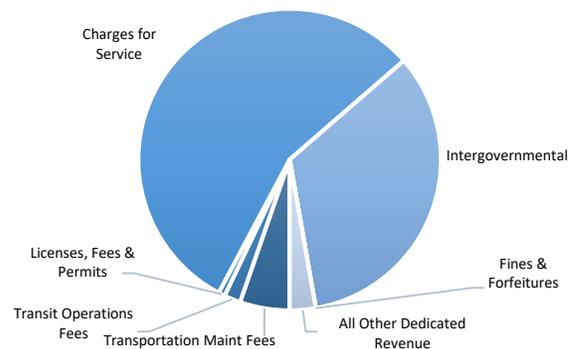
BUDGET OVERVIEW

	ACTUAL 2017-18	ACTUAL 2018-19	BUDGET 2019-20	REVISED 2019-20	ADOPTED 2020-21	% CHANGE FROM 19-20 BUDGET
REVENUE						
Dedicated Revenue						
Transportation Maint Fees	\$ 1,161,213	\$ 1,209,475	\$ 1,100,000	\$ 1,741,500	\$ 2,999,600	172.69%
Transit Operations Fees	928,932	980,292	1,029,200	976,900	993,700	-3.45%
Licenses, Fees & Permits	270,678	384,711	236,200	236,200	394,500	67.02%
Charges for Service	27,375,841	29,251,455	30,595,700	30,211,500	31,498,200	2.95%
Intergovernmental	5,846,332	9,103,781	14,758,900	14,339,800	18,969,200	28.53%
Fines & Forfeitures	4,092	3,014	500	500	500	0.00%
All Other Dedicated Revenue	534,995	373,522	2,248,400	2,270,000	1,560,800	-30.58%
TOTAL REVENUE	36,122,084	41,306,250	49,968,900	49,776,400	56,416,500	12.90%
EXPENDITURES						
Personnel Services	\$ 11,243,188	\$ 11,452,454	\$ 13,201,100	\$ 13,144,100	\$ 14,419,200	9.23%
Materials and Services	12,807,365	13,191,072	15,593,900	15,593,900	20,122,300	29.04%
Capital Outlay	260,555	98,254	77,000	77,000	109,100	41.69%
TOTAL EXPENDITURES	\$ 24,311,108	\$ 24,741,780	\$ 28,872,000	\$ 28,815,000	\$ 34,650,600	20.01%
Staffing Levels	110.250	111.250	113.250	113.250	118.250	

**ADOPTED 2020-21 BUDGET
EXPENDITURES BY CATEGORY**



**ADOPTED 2020-21 BUDGET
REVENUES BY TYPE**



BUDGET BY FUND:	ACTUAL	ACTUAL	BUDGET	REVISED	ADOPTED	% CHANGE
	2017-18	2018-19	2019-20	2019-20	2020-21	FROM 19-20 BUDGET
General Fund	\$ 491,507	\$ 275,706	\$ 353,200	\$ 353,200	\$ 563,300	59.48%
Street Fund	3,082,566	2,993,802	3,720,000	3,720,000	4,117,300	10.68%
Parking Fund	172,881	160,932	240,000	233,000	242,800	1.17%
Transit Fund	3,253,306	3,108,610	4,370,700	4,330,700	8,020,600	83.51%
Water Fund	7,073,092	7,312,405	7,795,500	7,795,500	8,370,500	7.38%
Wastewater Fund	6,331,929	6,555,183	7,219,000	7,219,000	7,628,800	5.68%
Storm Water Fund	1,975,728	2,120,486	2,301,800	2,301,800	2,659,100	15.52%
Airport Fund	267,751	297,379	368,500	358,500	483,500	31.21%
Fleet Maintenance Fund	789,434	987,698	1,555,200	1,555,200	1,552,800	-0.15%
Facility Maintenance Fund	745,208	782,829	948,100	948,100	1,011,900	6.73%
Tech & Communications Fund	127,707	146,750	-	-	-	N/A
TOTAL	\$ 24,311,108	\$ 24,741,780	\$ 28,872,000	\$ 28,815,000	\$ 34,650,600	20.01%

STRATEGIC OPERATIONAL PLAN

The Strategic Operational Plan (SOP), approved by the City Council on March 2, 2020, preceded the COVID-19 pandemic. The organization's work focus in mid-March prioritized being responsive to the community through the emergency. As a result, some of the activities planned for FY 20-21 will change.



STEWARD AND SUSTAIN

- S-1C** Maintain urban stream system to increase storm water flow capacity to accommodate changing rain patterns and to encourage native plant growth. The target for FY 20-21 is 10,000 feet.
- S-3A** Use the data from the Asset Management Plan to proactively replace water pipe lines before the pipe reaches the end of its useful life, with a long-term goal of 13,000 feet replaced per year. The target for FY 20-21 is 1,500 feet.
- S-3B** Use the data from the Asset Management Plan to proactively replace wastewater pipe lines before the pipe reaches the end of its useful life, with a long-term goal of 11,000 feet replaced per year. The target for FY 20-21 is 4,000 feet.

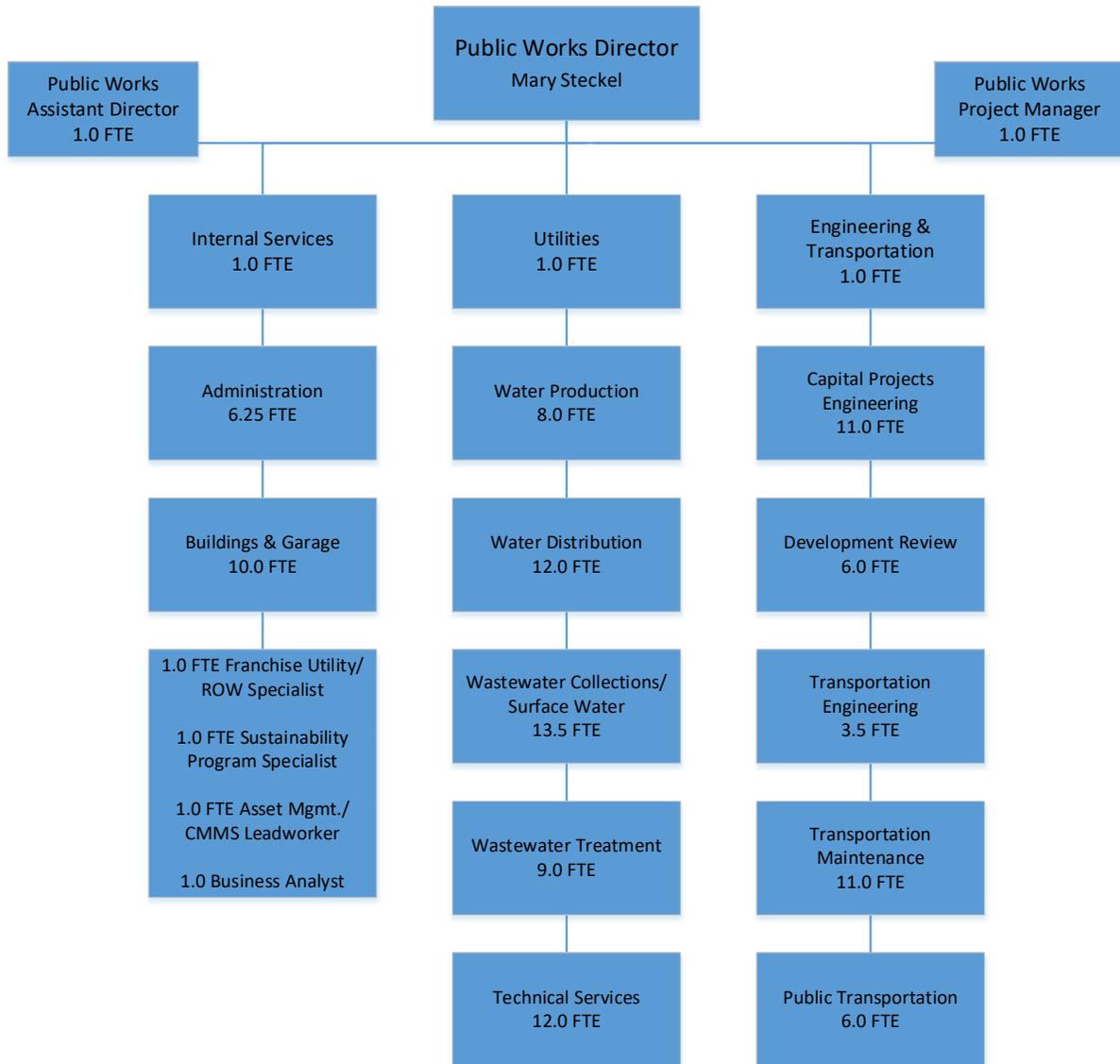
- S-3C** Use the data in the Pavement Management System to prioritize and complete arterial, collector and local street maintenance to maintain an average Pavement Condition Index score of 70 out of 100. Circle Boulevard will be resurfaced in FY 20-21.



PLAN AND CHANGE

- P-1G** Update master plans for water system, storm water system, and wastewater system. The Water System Master Plan will be completed in FY 20-21.
- P-1H** Review and update Systems Development Charge (SDC) methodology and rates. The Transportation SDC will be revised to incorporate the projects in the 2018 Transportation System Plan. Costs for this project are included in the One-Time Projects budget.
- P-1K** Update the mechanism used to appropriately charge new connections to existing City infrastructure to ensure new development pays its fair share of the community's previous investment.
- P-4B** Improve service, marketing and outreach to motivate more community members to routinely use the Corvallis Transit System (CTS), increasing ridership and reducing congestion and greenhouse gas emissions from single occupancy vehicles. The target for FY 20-21 is to achieve an annual ridership of 24 passenger trips per capita, equal to over 1.3 million rides.
- P-4E** Support the Oregon Department of Transportation's corridor safety study on Highway 99W in South Corvallis.
- P-17A** Construct the Neighborhood Bikeway System as identified in Transportation System Plan. The first segment of the low stress network will be completed on NW 11th Street.
- P-17C** Enhance the bicycle system with wayfinding signage.
- P-17D** Evaluate guidelines and standards for protected bike lanes on new arterial streets.

DEPARTMENT STAFF



Positions	Group	Monthly Salary Range (1.0 FTE)	Head Count	Adopted	Historical	
				FY 20-21 FTE	FY 19-20 FTE	FY 18-19 FTE
Public Works Director	Exempt	\$9,539 - \$12,174	1	1.000	1.000	1.000
Public Works Assistant Director ¹	Exempt	7,848 - 10,016	1	1.000	0.000	0.000
City Engineer	Exempt	7,848 - 10,016	1	1.000	1.000	1.000
Utilities Division Manager	Exempt	7,848 - 10,016	1	1.000	1.000	1.000
Internal Services Division Manager	Exempt	7,118 - 9,085	1	1.000	1.000	1.000
Supervisors - Engineering	Exempt	6,779 - 8,652	3	3.000	3.000	3.000
Civil Engineer II	AFSCME	6,328 - 8,076	5	5.000	5.000	5.000
Civil Engineering Inspector ²	AFSCME	6,328 - 8,076	1	1.000	0.000	0.000
Supervisors - Water & Wastewater Operations	Exempt	6,149 - 7,848	2	2.000	2.000	2.000
Lead Electrician - Instrumentation and Electrical	AFSCME	5,859 - 7,478	1	1.000	1.000	1.000
Public Works Project Manager	Exempt	5,856 - 7,474	1	1.000	1.000	1.000
Supvrs. - Bldgs/Garage, WW Coll., W. Dist., & Tech. Svcs.	Exempt	5,856 - 7,474	4	4.000	4.000	4.000
Supvrs. - Public Transport Svcs. & Transportation Maint.	Exempt	5,577 - 7,118	2	2.000	2.000	2.000
Asset Management/CMMS Leadworker	AFSCME	5,425 - 6,924	1	1.000	1.000	1.000
Civil Engineer I ³	AFSCME	5,425 - 6,924	6	6.000	5.000	4.000
Facility Automation Information Systems Analyst	AFSCME	5,425 - 6,924	2	2.000	2.000	2.000
Surveyor	AFSCME	5,425 - 6,924	1	1.000	1.000	2.000
Environmental Analyst	AFSCME	5,025 - 6,414	1	1.000	1.000	1.000
Business Analyst ⁴	AFSCME	5,025 - 6,414	1	1.000	0.000	0.000
Facility Automation Information Systems Technician	AFSCME	5,025 - 6,414	1	1.000	1.000	1.000
Franchise Utility Specialist	AFSCME	5,025 - 6,414	1	1.000	1.000	1.000
Leadworkers	AFSCME	5,025 - 6,414	6	6.000	6.000	6.000
Management Assistant	Exempt	5,059 - 6,456	1	1.000	1.000	1.000
Airport Coordinator/Parking Program Specialist	AFSCME	4,652 - 5,937	1	1.000	1.000	0.000
Electronics Technician II	AFSCME	4,652 - 5,937	2	2.000	2.000	2.000
Equipment Maintenance Technician	AFSCME	4,652 - 5,937	5	5.000	5.000	6.000
Program Specialist	AFSCME	4,652 - 5,937	5	4.500	5.000	6.000
Special Transportation Coordinator	AFSCME	4,652 - 5,937	1	1.000	1.000	1.000
Technicians - Fleet II & Instrument I ⁵	AFSCME	4,652 - 5,937	3	3.000	4.000	3.000
Engineering Inspector ⁶	AFSCME	4,652 - 5,937	2	2.000	0.000	0.000
Water Quality Analyst	AFSCME	4,652 - 5,937	2	2.000	2.000	2.000
Buildings & Grounds Project Coordinator	AFSCME	4,652 - 5,937	1	1.000	1.000	1.000
Technician - Fleet I	AFSCME	4,310 - 5,501	2	2.000	1.000	1.000
Traffic Technician ⁵	AFSCME	4,310 - 5,501	1	0.500	0.000	0.000
Engineering Tech III ⁶	AFSCME	4,310 - 5,501	0	0.000	2.000	2.000
Maintenance Specialist - Bldgs. & Grounds & Street	AFSCME	4,310 - 5,501	11	11.000	11.000	10.000
Systems Spec. - Water Dist. & WW Collection	AFSCME	4,310 - 5,501	18	18.000	18.000	18.000
Green Infrastructure Specialist ⁷	AFSCME	4,310 - 5,501	1	1.000	0.000	0.000
Plant Operator/Trainee - Water/WW Treatment	AFSCME	3,998 - 5,937	12	12.000	12.000	12.000
Staff Assistant	AFSCME	3,998 - 5,103	2	2.000	2.000	2.000
Department Accounting Analyst	AFSCME	3,716 - 4,742	1	1.000	1.000	1.000
Buildings & Grounds Maintenance Technician	AFSCME	3,716 - 4,742	1	1.000	1.000	1.000
Senior Administrative Specialist	AFSCME	3,716 - 4,742	1	1.000	2.000	1.000
Transit Program Assistant ⁸	AFSCME	3,716 - 4,742	1	1.000	0.000	0.000
Administrative Specialist	AFSCME	3,029 - 3,865	2	1.250	1.250	1.250
TOTAL			120	118.250	113.250	111.250

NOTE: Salary ranges reflect FY 19-20 Class and Compensation schedules.

¹ One Public Works Assistant Director was added to support the Public Works Director in day-to-day operations.

² One Civil Engineering Inspector was added in the Development Review workgroup due to the increase in workload relating to PIPC and plan review.

³ One Civil Engineer I was added in the Capital Engineering workgroup to better serve the needs of the workgroup and the Capital Improvement Program due to increases in TMF in turn increasing the workload for capital project management in future years.

⁴ One Business Analyst was added due to the ongoing need for support for research and innovation with Public Works software.

⁵ One 0.5 FTE Traffic Technician was added but is not a new position. This is a correction from FY 19-20 when several changes took place with multiple technician titles and this one was missed.

⁶ Two Engineering Technician III's were reclassified to Engineering Inspectors.

⁷ One Green Infrastructure Specialist was added in the Wastewater Collections workgroup to aid in the increased workload for Illicit Discharge Detection and Elimination.

⁸ One Senior Administrative Specialist was added in the Public Transit workgroup FY 19-20 to support the additional workload from increased service hours related to STIF grant funding and was renamed to Transit Program Assistant.

PUBLIC WORKS DEPARTMENT ONE-TIME PROJECTS

Appropriations for one-time projects are separated from the operating and maintenance budget required to maintain existing services. This format also allows for easier identification of specific work tasks that are short-term.

ONE-TIME PROJECTS	ACTUAL 2017-18	ACTUAL 2018-19	BUDGET 2019-20	REVISED 2019-20	ADOPTED 2020-21	% CHANGE FROM 19-20 BUDGET
RESOURCES FOR ONE-TIME PROJECTS						
Dedicated Revenue	121,804	2,804	1,066,100	620,300	445,800	-58.18%
Use of Operating Funds	2,679,200	2,132,543	5,815,200	3,678,000	11,491,900	97.62%
Use of Reserves	1,155,214	2,951,807	3,271,200	2,592,800	1,820,000	-44.36%
TOTAL RESOURCES FOR ONE-TIME PROJ	\$ 3,956,218	\$ 5,087,154	\$ 10,152,500	\$ 6,891,100	\$ 13,757,700	35.51%
EXPENDITURES						
Personnel Services	\$ 14,001	\$ -	\$ -	\$ -	\$ -	N/A
Materials and Services	2,997,065	3,614,503	8,558,700	5,812,300	12,150,100	41.96%
Capital Outlay	945,152	1,472,651	1,593,800	1,078,800	1,607,600	0.87%
TOTAL	\$ 3,956,218	\$ 5,087,154	\$ 10,152,500	\$ 6,891,100	\$ 13,757,700	35.51%
EXPENDITURES BY FUND:						
Street Fund	\$ 694,982	\$ 921,033	\$ 831,800	\$ 599,800	\$ 555,800	-33.18%
Parking Fund	-	63,469	150,000	79,700	150,000	0.00%
Transit Fund	549,624	81,710	1,012,800	472,000	5,085,800	402.15%
Water Fund	1,554,527	1,970,964	3,259,900	2,846,300	2,597,800	-20.31%
Wastewater Fund	654,306	1,157,048	2,008,800	1,414,800	2,309,100	14.95%
Storm Water Fund	325,064	547,631	1,598,000	1,213,300	623,000	-61.01%
Airport Fund	58,861	67,362	381,000	21,000	500,700	31.42%
Fleet Maintenance Fund	27,362	35,592	20,000	20,000	655,000	3175.00%
Facility Maintenance Fund	82,585	123,375	890,200	224,200	1,280,500	43.84%
Tech & Communications Fund	8,907	118,971	-	-	-	N/A
TOTAL	\$ 3,956,218	\$ 5,087,154	\$ 10,152,500	\$ 6,891,100	\$ 13,757,700	35.51%

Highlights for FY 20-21:

Public Works has 71 one-time projects over all of the department's activity areas, with a total FY 20-21 budget of \$13,757,700.

Street Fund: Bicycle/Pedestrian Safety—A project will be selected from the Transportation System Plan and be funded using 1% of the annual Transportation Maintenance Fee revenue.

Street Fund: Neighborhood Bikeway—The first phase of this SOP project will improve bike facilities on the north end of 11th Street.

Street Fund: Wayfinding Signage—The scope of this year’s SOP project will be installing signage on the multi-use path along the south side of Highway 20/34.

Transit Fund: Electric Buses—Research and development of a plan to transition the fleet to electric buses is scheduled for FY 20-21.

Water & Wastewater Funds: Facility Master Plans—The SOP item to update utility infrastructure master plans will see progress with the completion of the water plan and initiation of the wastewater plan during FY 20-21.

Facility Fund: Building Reserve Maintenance Projects—Efforts will continue in protecting the community’s investment in public facilities by addressing electrical and HVAC upgrades and several large rehabilitation projects, such as replacing the outdoor pool liners at Osborn Aquatic Center.



NON - OPERATING BUDGET

Street Reconstruction



Rock Creek Reservoir



NON – OPERATING BUDGET

The Non-Operating budget is generally defined as monies that the City will expend, but not in direct support of the day-to-day operations of the City's programs and services. The Non-Operating Budget includes:

- a) **Capital Budget** – The City completes a five-year Capital Improvement Program (CIP) each year. The CIP is developed by staff using master plans that address both the rehabilitation and expansion needs of each infrastructure area (Airport, Buildings, Parks, Transportation, Storm Water, Wastewater, and Water systems). CIP projects are also proposed by community members through the public outreach process conducted each year in May/June, as well as proposals to advisory boards and commissions and staff. The first year of the CIP is reviewed by the Budget Commission for the ability to pay, and once recommended is appropriated as the Capital Budget.
- b) **Debt Service** – The City borrows monies for capital projects or other large capital needs from time-to-time. The repayment schedules for each of the debt issues is included in the budget, with the FY 17-18 debt payment (principal and interest) appropriated for expenditure. Resources for debt repayment are designated at the time the monies are borrowed. State law and Council policy, as well as lender requirements, dictate various covenants for existing debt including coverage ratios and reserves with which the City maintains compliance.
- c) **Transfers** – Transfers are budgeted to move monies from one fund to another fund. Transfers are generally designated as operating or capital. Operating transfers are monies that are used by the receiving fund to pay for basic operating costs, and are paid by the expending fund because the operations benefit the expending fund. In most cases, the transfer is for a specific program. Capital transfers are transactions where the City moves monies between funds in order to better track and account for capital construction projects.
- d) **Reserves** – Most of the City's funds hold reserves of one kind or another. Contingencies are reserves that are appropriated and could be used by the City Council during the course of the fiscal year to pay unanticipated costs. The City rarely uses contingencies. GASB 54 defines how reserve balance funds must be categorized for audit purposes. The budget document estimates these balances going forward, but treats remaining unappropriated balances as "unassigned" within each fund. Assigned reserves are developed by staff and used to facilitate long-term financial planning – saving monies today for a larger than normal or uneven expenditures in the future. Committed reserves are items defined by the City Council, either through ordinance or policy, where monies are set aside for a purpose. Restricted reserves are mandated by a third party, most often by the federal or state government, where the City collects monies for a future, specific use and must be sure that the monies are not expended for any other use.

NON-OPERATING BUDGET

OVERVIEW OF CAPITAL IMPROVEMENT PROGRAM

DEFINITION OF A CAPITAL PROJECT

A capital project results in a permanent addition to the City's assets. This is accomplished through either: 1) acquisition of property; 2) new construction; or 3) rehabilitation, reconstruction or renovation of an existing facility to a "like new" condition which extends its useful life or increases its usefulness or capacity.

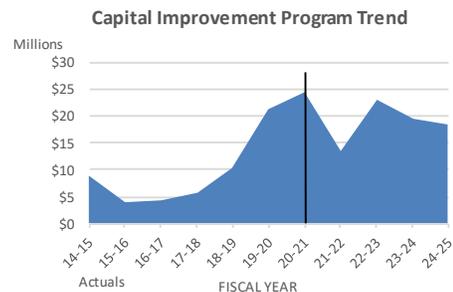
Capital projects are large scale endeavors in cost, size and benefit to the community. They involve non-recurring expenditures or capital outlays from a variety of specifically identified funding sources and do not duplicate maintenance activities in the operating budget. These expenditures are to be in compliance with City Financial Policies.

The purchase of vehicles is not considered a capital project. Capital projects cost greater than \$25,000 and typically have a service life in excess of fifteen years.

CAPITAL IMPROVEMENT PROGRAM

The City annually develops the five-year Capital Improvement Program (CIP) which:

- ❖ Plans development or rehabilitation of public property to protect it from deterioration, extend its useful life and preserve the community's prior investments;
- ❖ Anticipates land acquisition for open space, parks, streets, drainage ways and other community facilities; and
- ❖ Plans for public buildings, utilities, streets, park facilities and other physical property of the City.



The CIP review and update is conducted annually with community involvement. Requests for projects to be included in the CIP come from:

- ❖ Advisory boards and commissions and include the board or commission's priority for the project, and recommended funding sources;
- ❖ Community members;
- ❖ Projects recommended in a facility master plan; and
- ❖ Staff, based on preventive or deferred maintenance plans.

A staff team reviews each requested project for its urgency, its “fit” with other projects already planned, its contribution to improving sustainable operations and its ability to be funded. The staff team’s recommendation on which projects to include in the CIP is forwarded to the City Manager.

The Proposed Five-Year CIP is forwarded to the Budget Commission and then City Council for consideration. The first year of the five-year CIP is included as the capital budget for the following fiscal year. The CIP plan is available online at <http://corvallisoregon.gov/>, or at the Corvallis-Benton County Public Library or by calling Public Works at 541-766-6916.

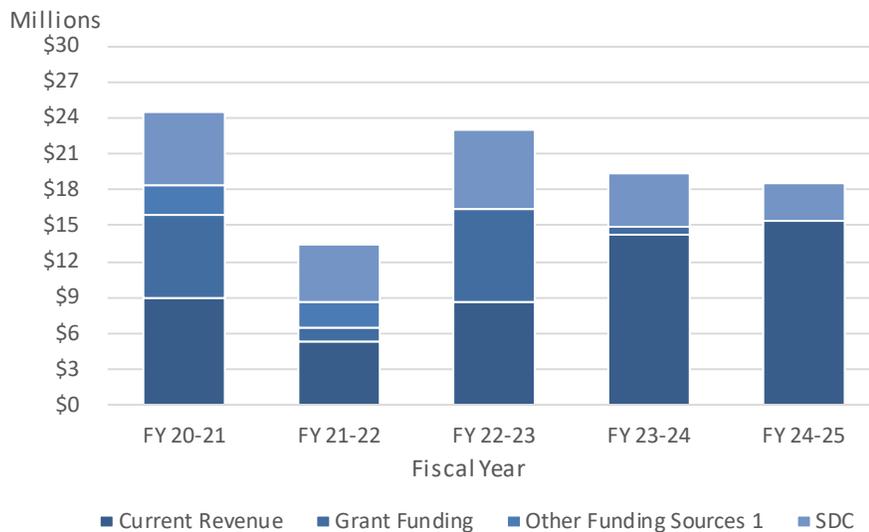
CAPITAL IMPROVEMENT PROGRAM FUNDING SOURCES

Capital projects are funded from several different sources. The largest portion of funding comes from current revenue and system development charges, which reflect the City’s pay-as-you-go philosophy.

Below is a table and graph of the funding sources for FY 20-21 and the ensuing four-year planning period.

Funding Source	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	Five Year Total
Current Revenue	8,936,700	5,290,500	8,572,600	14,215,000	15,369,700	52,384,500
Grant Funding	6,925,600	1,154,200	7,873,800	626,000	0	16,579,600
Other Funding Sources ¹	2,565,800	2,277,100	12,500	0	0	4,855,400
SDC	6,061,500	4,631,600	6,600,200	4,594,400	3,213,400	25,101,100
Total	\$24,489,600	\$13,353,400	\$23,059,100	\$19,435,400	\$18,583,100	\$98,920,600

1. Other funding sources includes donations and assessments.

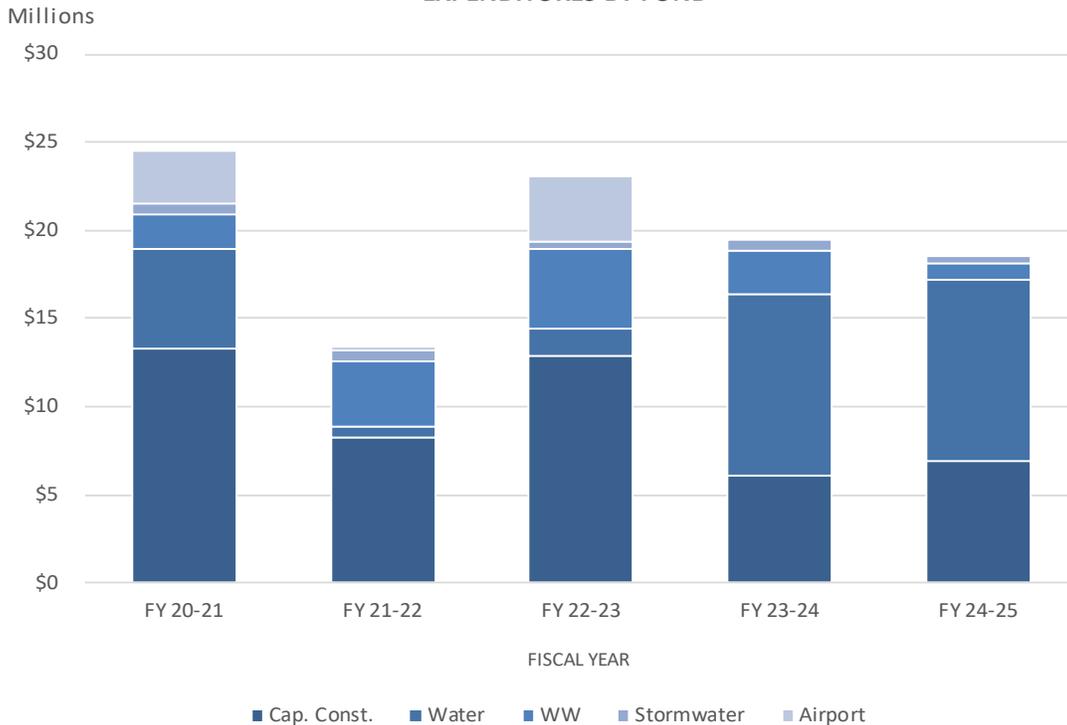


CAPITAL IMPROVEMENT PROGRAM EXPENDITURE SUMMARY BY FUND

The following set of table and graph shows the CIP expenditures grouped by Fund and department.

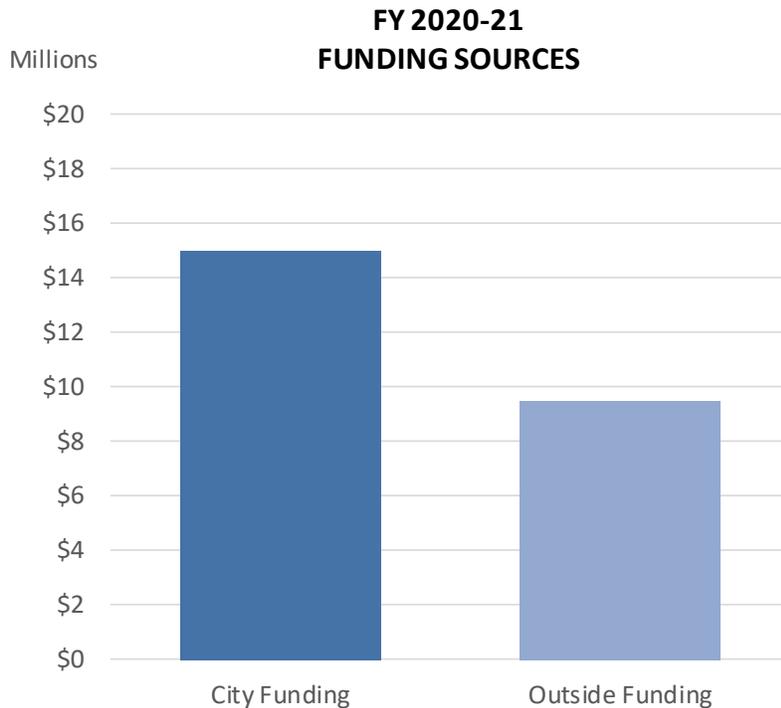
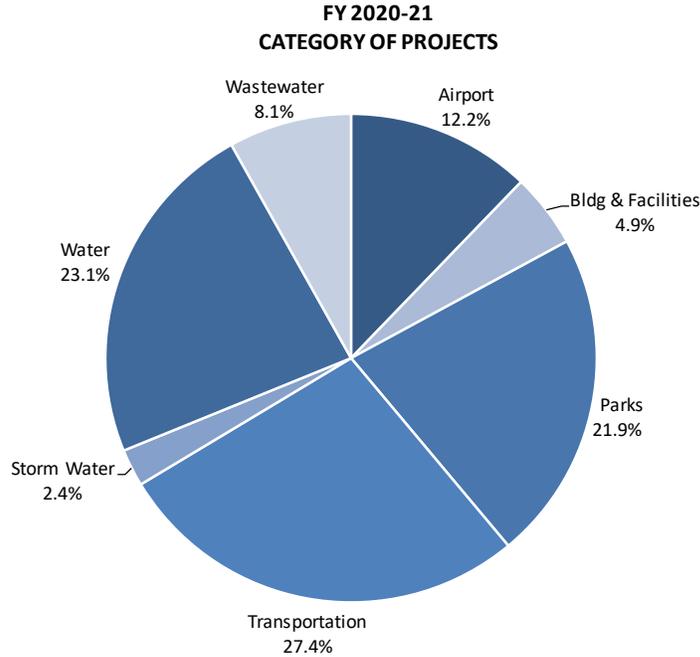
	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FIVE YEAR TOTAL
Capital Construction Fund						
Public Works	\$7,911,200	\$4,309,600	\$9,699,600	\$6,056,000	\$6,700,000	\$34,676,400
Parks	5,358,000	3,942,400	3,174,500	0	250,000	12,724,900
Sub Total Cap. Construction Fund	\$13,269,200	\$8,252,000	\$12,874,100	\$6,056,000	\$6,950,000	\$47,401,300
Water Construction Fund						
Public Works	\$5,652,700	\$585,000	\$1,571,800	\$10,277,200	\$10,267,500	\$28,354,200
Wastewater Construction Fund						
Public Works	\$1,983,200	\$3,789,800	\$4,489,800	\$2,515,100	\$929,100	\$13,707,000
Storm Water Construction Fund						
Public Works	\$604,500	\$525,700	\$403,400	\$587,100	\$436,500	\$2,557,200
Airport Construction Fund						
Public Works	\$2,980,000	\$200,900	\$3,720,000	\$0	\$0	\$6,900,900
Total Capital Improvement Plan	\$24,489,600	\$13,353,400	\$23,059,100	\$19,435,400	\$18,583,100	\$98,920,600

**CAPITAL IMPROVEMENT PROGRAM
EXPENDITURES BY FUND**



FY 20-21 CAPITAL IMPROVEMENT PROGRAM EXPENDITURE SUMMARY

The FY 20-21 Capital Improvement Program totals \$24,489,600. The following pages list the FY 20-21 capital projects by category of project: airport, buildings, parks, storm water, transportation, wastewater and water. The two graphs below outline the relationship between type of project and the funding sources.



CAPITAL IMPROVEMENT PROJECTS	FUNDING SOURCE	TOTAL PROJECT BUDGET	FY 20-21 BUDGET
AIRPORT			
Airport Runway 9/27 Overlay	CR Airport	\$212,000	\$0
	FAA Grant	7,580,000	500,000
	Connect Oregon Grant	642,200	0
	Total	\$8,434,200	\$500,000
Airfield Perimeter/Wildlife Exclusion Fence	CR General Fund	\$195,000	\$195,000
	FAA Grant	1,955,000	1,955,000
	Total	\$2,150,000	\$2,150,000
Airport Runway 17/35 Rehabilitation	CR Airport	\$157,500	\$7,500
	FAA Grant	3,600,000	300,000
	Connect Oregon Grant	172,500	22,500
	Total	\$3,930,000	\$330,000
Total Airport Projects			\$2,980,000
BUILDINGS			
Library 2nd Floor Patio Enclosure	CR General Fund	\$244,000	\$183,400
	Library Enhancement Reserve	250,000	250,000
	Donation	655,800	655,800
	Total	\$1,149,800	\$1,089,200
Fire Station 1 Exterior Staircase	CR General Fund	\$60,000	\$60,000
	Total	\$60,000	\$60,000
Police Evidence Building	CR General Fund	\$350,000	\$50,000
	Total	\$350,000	\$50,000
Total Buildings Projects			\$1,199,200
PARKS			
ADA Projects- Circulation Pathways	Parks SDC	\$197,500	\$172,500
	Total	\$197,500	\$172,500
ADA Projects- Playground Surfacing	Parks SDC	\$458,000	\$252,000
	Total	\$458,000	\$252,000
Avery Park Arboretum	General Fund - Committed	\$15,000	\$15,000
	Donation	10,000	10,000
	Parks SDC	25,000	25,000
	Total	\$50,000	\$50,000
Bruce Starker Arts Park	Donations	\$300,000	\$35,000
	Parks SDC	325,000	0
	Total	\$625,000	\$35,000
Central Park Playground Improvements	Grants	\$285,200	\$150,000
	Parks SDC	300,000	0
	Total	\$585,200	\$150,000
Chip Ross Circular Trail	Parks SDC	\$54,600	\$41,000
	Total	\$54,600	\$41,000

CAPITAL IMPROVEMENT PROJECTS	FUNDING SOURCE	TOTAL PROJECT BUDGET	FY 20-21 BUDGET
Cloverland Park Tennis Courts	CR General Fund	\$220,000	\$220,000
	Total	\$220,000	\$220,000
Dr. MLK, Jr Park Phase Improvements	Parks SDC	\$600,000	\$600,000
	Grants and/or Donation	3,400,000	1,000,000
	Total	\$4,000,000	\$1,600,000
Lily Park Picnic Shelter	Parks SDC	\$150,000	\$120,000
	Total	\$150,000	\$120,000
Lincoln School Riverbend Tennis Courts	509J School District	\$550,000	\$550,000
	Total	\$550,000	\$550,000
Majestic Theatre Seat Replacement	Grants and/or Donation	\$180,000	\$180,000
	Total	\$180,000	\$180,000
Marys River-Caldwell Trail	Grants and/or Donations	\$242,500	\$242,500
	Parks SDC	407,500	407,500
	Total	\$650,000	\$650,000
Senior & Community Center Expansion	Facilities Reserve	\$406,000	\$406,000
	Grants and/or Donation	730,000	0
	Parks SDC	4,561,490	803,500
	Total	\$5,697,490	\$1,209,500
Skate Park Expansion	Grants and/or Donation	\$128,000	\$128,000
	Total	\$128,000	\$128,000
Total Parks Projects			\$5,358,000
STORM WATER			
Storm Drain Pipe Replacement Projects	CR Storm Water Fund	\$165,200	\$39,500
	Total	\$165,200	\$39,500
Storm Water Master Plan Projects	CR Storm Water Fund	\$1,158,000	\$492,000
	Storm Water SDC	172,000	73,000
	Total	\$1,330,000	\$565,000
Total Storm Water Projects			\$604,500
TRANSPORTATION			
Irish Bend Covered Bridge	Grant	\$435,000	\$345,000
	Total	\$435,000	\$345,000
Marys River - Crystal Lake Drive Shared-Use Path	CR Street Fund	\$364,350	\$200,000
	Grant	706,350	655,300
	Total	\$1,070,700	\$855,300
Pedestrian Bridge - Hwy 99	CR General Fund	\$150,000	\$150,000
	Grant	1,350,000	1,350,000
	Total	\$1,500,000	\$1,500,000
Pedestrian Crossing - 11th St & Buchanon	CR Street Fund	\$28,000	\$25,000
	Grant	120,000	93,000
	Total	\$148,000	\$118,000

CAPITAL IMPROVEMENT PROJECTS	FUNDING SOURCE	TOTAL PROJECT BUDGET	FY 20-21 BUDGET
Street Resurfacing	CR Street	\$1,260,000	\$461,000
	CR Street Fund (TMF)	\$2,946,000	\$2,095,000
	Grant	319,000	319,000
	Total	\$4,525,000	\$2,875,000
Traffic Signal Safety Enhancements	CR Street Fund	\$34,800	\$26,100
	Grant	339,100	329,300
	Total	\$373,900	\$355,400
Ponderosa Ridge SDC Reimbursement	Street SDC	\$150,000	\$150,000
	Total	\$150,000	\$150,000
Ridgecrest, Phase 1 SDC Reimbursement	Street SDC	\$25,000	\$25,000
	Total	\$25,000	\$25,000
Witham Oaks SDC Reimbursement	Street SDC	\$488,300	\$488,300
	Total	\$488,300	\$488,300
Total Transportation Projects			\$6,712,000
WASTEWATER			
Wastewater Pipe Replacements	CR Wastewater Fund	\$3,085,400	\$1,130,200
	Wastewater SDC	2,416,000	228,000
	Total	\$5,501,400	\$1,358,200
WWRP Secondary Process Improvements-Phase I	Wastewater SDC	\$1,819,300	\$125,000
	Total	\$1,819,300	\$125,000
Wastewater Infrastructure Contingency	CR Wastewater Fund	\$500,000	\$500,000
	Total	\$500,000	\$500,000
Total Wastewater Projects			\$1,983,200
WATER			
Marys River Water Main Crossings	CR Water Fund	\$4,130,100	\$1,376,400
	Water SDC	310,900	103,600
	Total	\$4,441,000	\$1,480,000
Ridgecrest Pump Station	Water SDC	\$3,047,500	\$1,826,500
	Total	\$3,047,500	\$1,826,500
Water Pipe Replacements	CR Water Fund	\$2,246,500	\$1,725,600
	Water SDC	301,000	297,900
	Total	\$2,547,500	\$2,023,500
Pondersa Ridge SDC Reimbursement	Water SDC	\$110,000	\$110,000
	Total	\$110,000	\$110,000
Ridgecrest, Phase II SDC Reimbursement	Water SDC	\$100,000	\$100,000
	Total	\$100,000	\$100,000
Witham Oaks SDC Reimbursement	Water SDC	\$112,700	\$112,700
	Total	\$112,700	\$112,700
Total Water Projects			\$5,652,700
GRAND TOTAL			\$24,489,600

MAJOR CAPITAL PROJECTS

The following section lists major capital projects planned in FY 20-21.

❖ **AIRFIELD PERIMETER / WILDLIFE EXCLUSION FENCE**

Description: This project provides for a new fence around the airfield for site security, to protect against unauthorized access by individuals and wildlife. The project is 90% funded by grants from the Federal Aviation Administration (FAA).

<u>Airport Construction Fund</u>	Prior years	FY 20-21	Projected	Total
Estimated Total Cost of Project	\$0	\$2,150,000	\$0	\$2,150,000

❖ **AIRPORT RUNWAY 17/35 Rehabilitation**

Description: This project provides for the rehabilitation of the runway 17/35 pavement. The project is 90% funded by grants from the Federal Aviation Administration (FAA).

<u>Airport Construction Fund</u>	Prior years	FY 20-21	Projected	Total
Estimated Total Cost of Project	\$0	\$330,000	\$3,600,000	\$3,930,000

❖ **SENIOR AND COMMUNITY CENTER EXPANSION PHASE I**

Description: This project is to expand the Senior and Community Center to better meet the needs of the community. It also constructs and expands a parking lot for the building and park to serve the community and meet code requirements. Phase I includes a building expansion, remodel and construction of a parking lot. Future phases to complete the project will be determined when funding has been secured.

<u>Capital Construction Fund</u>	Prior years	FY 20-21	Projected	Total
Estimated Total Cost of Project	\$4,488,000	\$1,209,500	\$0	\$5,697,500

❖ **DR. MARTIN LUTHER KING, JR PARK PHASED IMPROVEMENTS**

Description: This project constructs phased improvements to the Dr. MLK, Jr Park based on the Dr. MLK, Jr. Master Plan. Improvements include trail and circulation improvements, a fenced dog park, a community gathering area, natural play area, restroom, community plaza, and other improvements to celebrate the life of Dr. Martin Luther King, Jr.

<u>Capital Construction Fund</u>	Prior years	FY 20-21	Projected	Total
Estimated Total Cost of Project	\$0	\$1,600,000	\$2,400,000	\$4,000,000

❖ **MARYS RIVER WATER MAIN CROSSINGS**

Description: This project replaces existing water pipe that cross the Marys River attached to bridges. The new pipes will no longer be connected to the bridge decks, but will be laid under the Marys River. This will significantly increase the resiliency of these two main transmission lines during an earthquake.

<u>Water Construction Fund</u>	Prior years	FY 20-21	Projected	Total
Estimated Total Cost of Project	\$3,236,260	\$1,480,000	\$0	\$4,716,260

❖ **BUILDING AND INFRASTRUCTURE REHABILITATION/UPGRADES**

Description: These annual programs replace or rehabilitate the City's buildings and infrastructure.

	<u>FY 20-21</u>
Municipal Building Rehabilitation	\$1,199,200
Wastewater Pipe Replacements	1,358,200
Storm Pipe Replacements	39,500
Storm Water Master Plan Projects	565,000
Street Reconstruction/Resurfacing	2,875,000
Water Pipe Replacements	2,023,500
Estimated Total Cost of Project	\$8,060,400

DEBT SERVICE

SUMMARY OF INDEBTEDNESS

The City utilizes long-term debt to finance capital projects, but may also consider short-term debt as appropriate. The City currently has no short-term debt (defined as maturing within one-year from date of issuance).

Outstanding long-term debt consists of tax-exempt bonds issued to fund capital improvement projects and advance refunded debt for previously issued higher cost capital project debt. Outstanding long-term debt also includes federally taxable bonds issued to pay a portion of the City's unfunded actuarial pension liability of the Oregon Public Employee Retirement System (PERS). Annual debt service schedules are on the pages following.

Debt Outstanding	Scheduled Balance as of June 30, 2020	Scheduled Principal Payments 2020/2021	Scheduled Balance as of June 30, 2021
Bonded Debt	\$28,862,030	(\$1,996,024)	\$26,866,006
Notes Payable	\$240,000	(\$240,000)	\$0
Total Debt	\$29,102,030	(\$2,236,024)	\$26,866,006

The City did not have any General Obligation (GO) Debt as of June 30, 2020.

The Council has adopted limitations regarding debt issuance in Financial Policy #10.06. Annual debt payments in respect of General Fund backed obligations are not to exceed 5% of the combined operating and capital budgets in government funds. During FY 20-21, \$3,199,400 in limited tax general obligation bonds and full-faith and credit obligations to which this limit applies will be paid. These payments equate to 3.11% of the combined operating and capital budgets in the governmental funds. The annual debt service payments above combined may not exceed 10% of the estimated FY 20-21 operating revenue of \$149,570,600. The net direct long-term general obligation debt of \$3,199,400 equals 2.14% of total operating revenue.

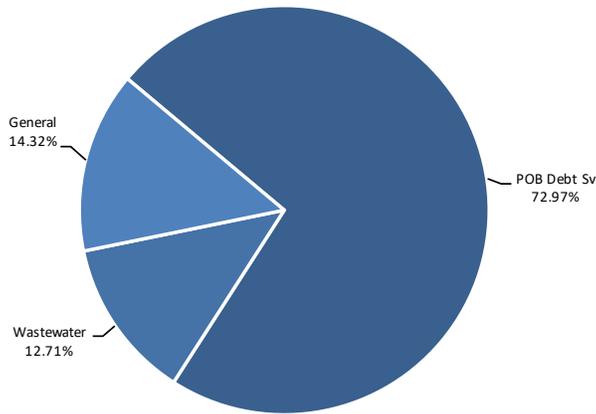
Outstanding General Fund backed debt estimated at \$28,497,030 represents 0.34% of the true cash value of taxable property in the City. This level is within the 1% limit established by the Policy. Prior to issuance, Council specifically exempted the balloon payment structures of the two Pension Obligation Bond series from the policy of structuring debt issues to amortize at least 33% of the principal in the first half of the repayment term. This exemption was deemed appropriate due to matching repayment structure with the underlying pension cost growth.

The City will continue to use debt in the future to replace or improve infrastructure consistent with the City's financial policies, long-term financial plans, and State and Local Government laws and regulations. At this time, no new debt issuances or refunding are contemplated for FY 20-21.

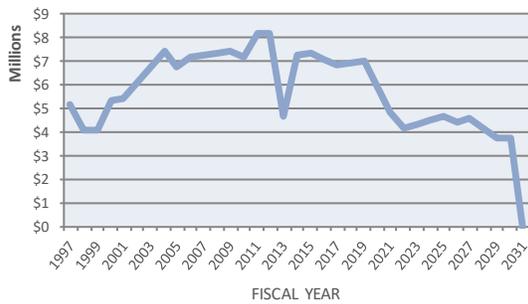
SUMMARY OF FY 20-21 TOTAL DEBT SERVICE BY TYPE

Fund	Source of Dollars	Fiscal Year 2020-21 Total
Pension Obligation Debt Service Fund	Operating fund transfers	3,543,500
Wastewater Fund	Wastewater revenue	617,100
Other Debt	Non-dedicated General Fund	695,500
TOTAL FISCAL YEAR 2020-21 DEBT SERVICE		\$4,856,100

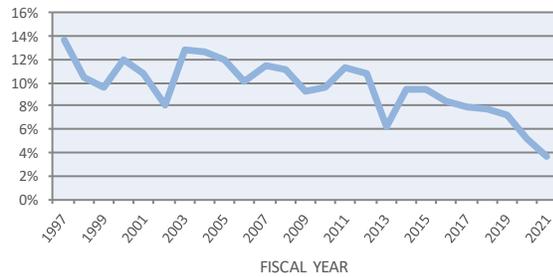
TOTAL FY 20-21 DEBT BY FUND



Historical vs. Future Annual Debt Service (35 Years)

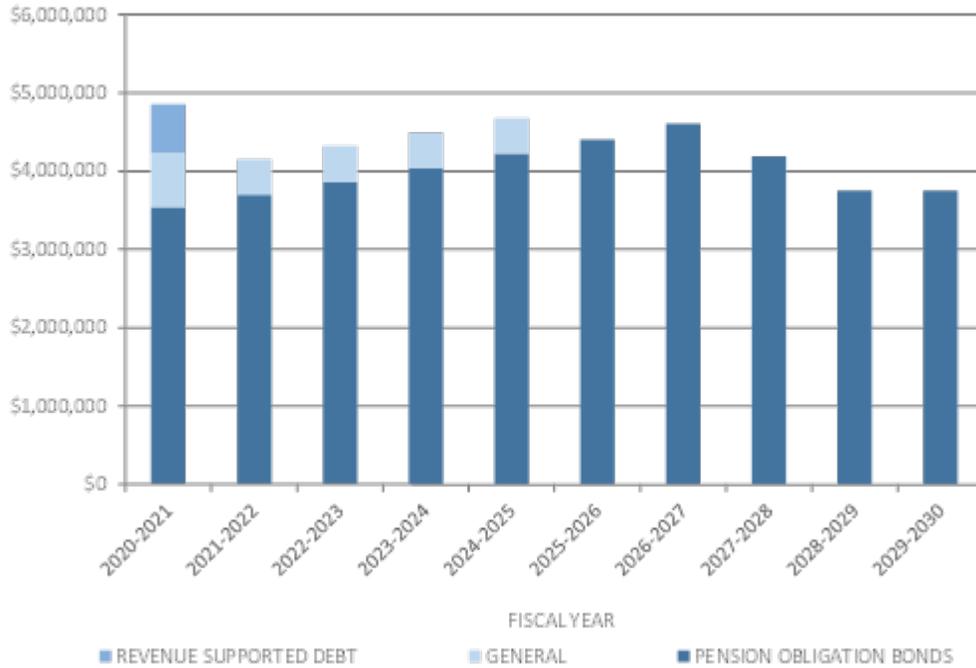


Historical Annual Debt Expenditures as % of Operating Budget



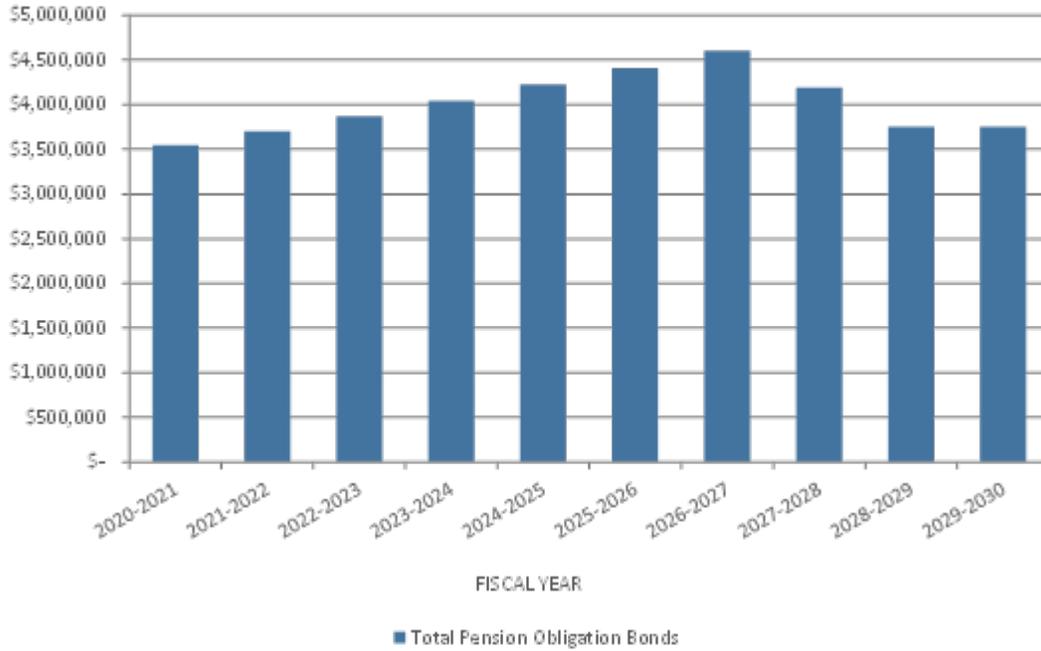
NOTE: The dip shown in the chart above in 2013 is due to a refunding of three utility-backed loans, which produced a net present value savings of approximately \$1.5M and served to provide future capacity in these utility funds for potential future financing.

SCHEDULE OF DEBT SERVICE REQUIREMENTS
ALL DEBT
AS OF JUNE 30, 2020



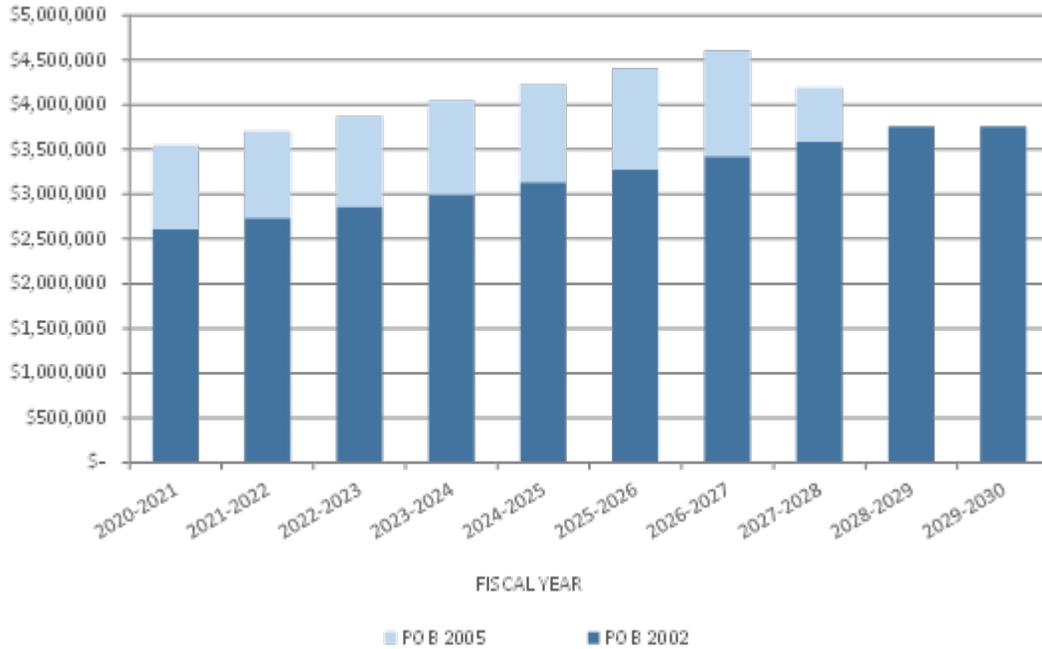
Year of Maturity	Principal	Interest	Total
2020-2021	2,236,024	2,619,961	4,855,984
2021-2022	1,470,211	2,682,597	4,152,808
2022-2023	1,560,795	2,760,861	4,321,656
2023-2024	3,045,000	1,446,376	4,491,376
2024-2025	3,400,000	1,275,618	4,675,618
2025-2026	3,315,000	1,090,482	4,405,482
2026-2027	3,715,000	889,892	4,604,892
2027-2028	3,525,000	664,798	4,189,798
2028-2029	3,310,000	444,275	3,754,275
2029-2030	3,525,000	229,125	3,754,125
	<u>\$29,102,030</u>	<u>\$14,103,984</u>	<u>\$43,206,014</u>

SCHEDULE OF DEBT SERVICE REQUIREMENTS
PENSION OBLIGATION BONDS



Year of Maturity	Principal	Interest	Total
2020-2021	996,024	2,547,384	3,543,407
2021-2022	1,065,211	2,637,672	3,702,883
2022-2023	1,140,795	2,728,311	3,869,106
2023-2024	2,615,000	1,426,576	4,041,576
2024-2025	2,955,000	1,268,943	4,223,943
2025-2026	3,315,000	1,090,482	4,405,482
2026-2027	3,715,000	889,892	4,604,892
2027-2028	3,525,000	664,798	4,189,798
2028-2029	3,310,000	444,275	3,754,275
2029-2030	3,525,000	229,125	3,754,125
	<u>\$26,162,030</u>	<u>\$13,927,457</u>	<u>\$40,089,487</u>

**SCHEDULE OF DEBT SERVICE REQUIREMENTS
PENSION OBLIGATION BONDS**



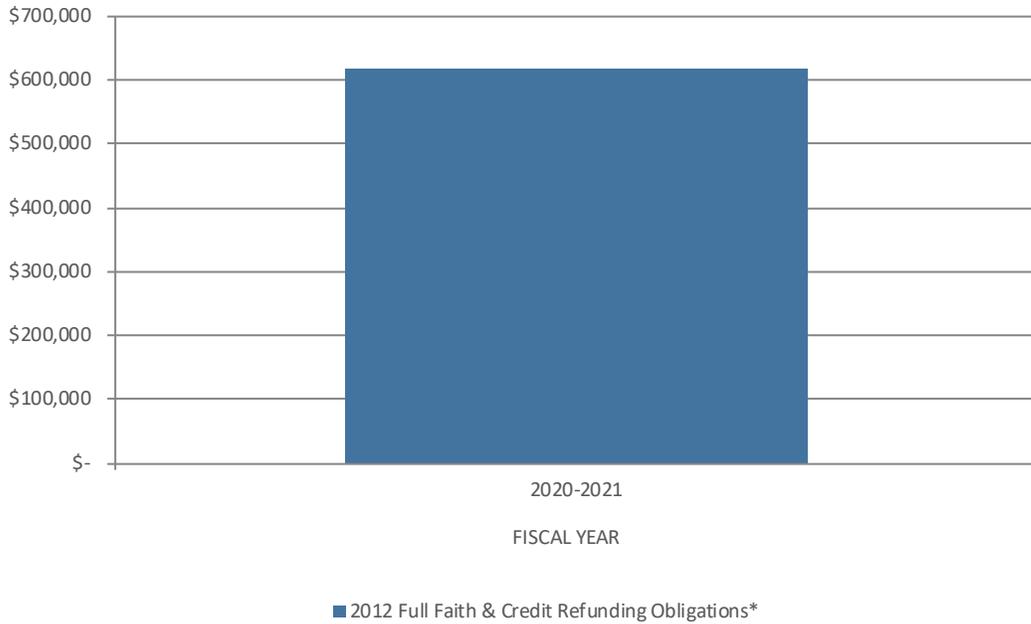
Issue Description:

2002 A Pension Obligation Bonds		
Amount Issued:	\$23,913,017	
Issue Date:	March 1, 2002	
Original Issue TIC:	6.6362891% (TIC)	
Rating:	Aa3 (AMBAC Insured)	
Mandatory Redemption & Non-callable		

2005A Pension Obligation Bonds		
Amount Issued:	\$9,980,000	
Issue Date:	September 23, 2005	
Original Issue TIC:	5.048345% (TIC)	
Rating:	Aa3 (AMBAC Insured)	
Mandatory Redemption & Non-callable		

Year of Maturity	2002 A			2005A		
	Principal	Interest	Total	Principal	Interest	Total
2020-2021	386,024	2,225,376	2,611,400	610,000	322,007	932,007
2021-2022	390,211	2,346,189	2,736,400	675,000	291,483	966,483
2022-2023	390,795	2,470,605	2,861,400	750,000	257,706	1,007,706
2023-2024	1,790,000	1,206,400	2,996,400	825,000	220,176	1,045,176
2024-2025	2,045,000	1,090,050	3,135,050	910,000	178,893	1,088,893
2025-2026	2,320,000	957,125	3,277,125	995,000	133,357	1,128,357
2026-2027	2,620,000	806,325	3,426,325	1,095,000	83,567	1,178,567
2027-2028	2,950,000	636,025	3,586,025	575,000	28,773	603,773
2028-2029	3,310,000	444,275	3,754,275	0	0	0
2029-2030	3,525,000	229,125	3,754,125	0	0	0
	\$19,727,030	\$12,411,495	\$32,138,525	\$6,435,000	\$1,515,962	\$7,950,962

**SCHEDULE OF DEBT SERVICE REQUIREMENTS
REVENUE SUPPORTED DEBT – WASTEWATER FUND**



Issue Description:

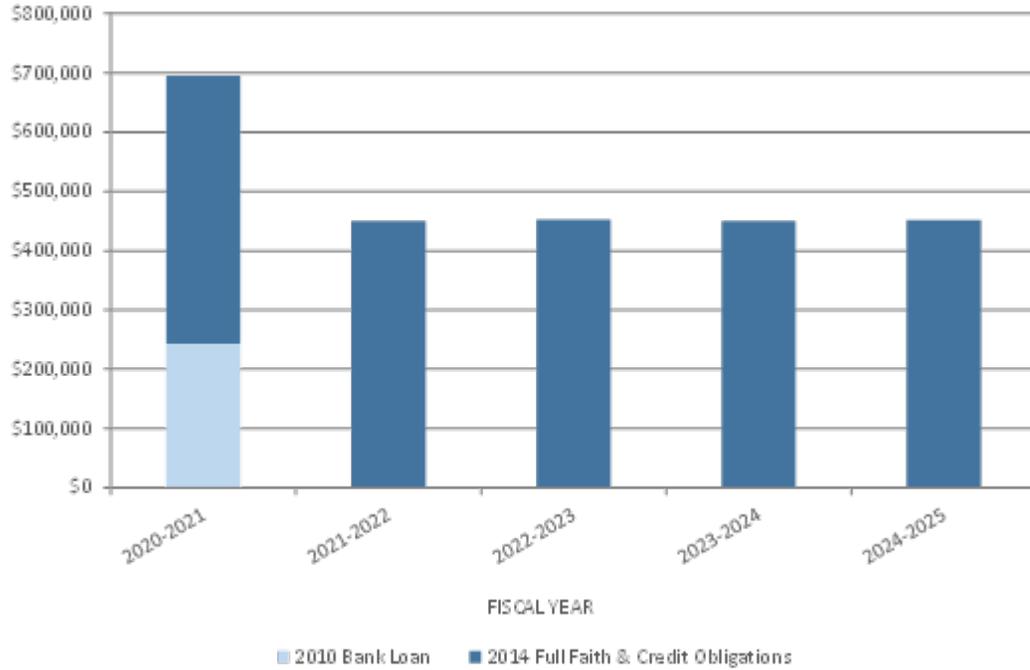
2012 Full Faith & Credit Refunding Obligations*		
Amount Issued:	\$9,275,000	
Issue Date:	November 15, 2012	
Original Issue TIC:	1.031% (TIC)	
Rating:	Aa3	

Amount Issued:
Issue Date:
Original Issue TIC:
Rating:

Year of Maturity	Principal	Interest	Total
2020-2021	605,000	12,100	617,100
	\$605,000	\$12,100	\$617,100

*The City intends to use the net revenues of the wastewater system to make the debt service payments, though the refunding obligations are secured by the City's full faith and credit.

**SCHEDULE OF DEBT SERVICE REQUIREMENTS
OTHER DEBT – GENERAL FUND**



Issue Description:	2010 Bank Loan Capital Improvement Project Loan (City Hall/Majestic Theatre Seismic & Fire Drill Tower)	2014 Full Faith & Credit Obligations Capital Improvement Project Bonds (Fire Drill Tower Completion, Roof Replacements, Various)
Amount Issued:	\$2,100,000	\$3,900,000
Issue Date:	August 5, 2010	September 23, 2014
Original Issue TIC:	2.96% (TIC)	1.71% (TIC)

Year of Maturity	2010 Bank Loan			2014 Full Faith & Credit Obligations		
	Principal	Interest	Total	Principal	Interest	Total
2020-2021	240,000	3,552	243,552	395,000	56,925	451,925
2021-2022	0	0	0	405,000	44,925	449,925
2022-2023	0	0	0	420,000	32,550	452,550
2023-2024	0	0	0	430,000	19,800	449,800
2024-2025	0	0	0	445,000	6,675	451,675
	\$240,000	\$3,552	\$243,552	\$2,095,000	\$160,875	\$2,255,875

TRANSFERS

TRANSFER FROM:	TRANSFER TO:	PURPOSE	ADOPTED FY 20-21
GENERAL FUND			
Interfund:	Capital Construction Fund	Cap. Proj: Pedestrian Bridge-Hwy 99	\$150,000
Interfund:	Capital Construction Fund	Cap. Proj: Library 2nd Floor Patio Enclosure	183,400
Interfund:	Capital Construction Fund	Cap. Proj: Police Evidence Building	350,000
Interfund:	Capital Construction Fund	Cap. Proj: Fire Station 1 Exterior Stairs	60,000
Interfund:	Capital Construction Fund	Cap. Proj: Cloverland Tennis Courts	220,000
Interfund:	Airport Construction Fund	Cap. Proj: Airfield Perimeter / Wildlife Exclusion Fence	195,000
Interfund:	Development Services Fund	Support for Development Services Fund - SDC Program Activity	14,100
Interfund:	Facility Maintenance Fund	Library - Bicycle Parking for Staff	15,000
Interfund:	Facility Maintenance Fund	Facility Maintenance Project - OAC Pool Liners	200,000
Interfund:	Vehicle/Equipment Reserve Fund	Reserves: Fire Department Contributions	841,700
Interfund:	Vehicle/Equipment Reserve Fund	Reserves: Parks Dept Contributions	40,500
Interfund:	Vehicle/Equipment Reserve Fund	Reserves: Police Department Contributions	206,000
Interfund:	Vehicle/Equipment Reserve Fund	Reserves: IT Department Contributions	172,500
Interfund:	Vehicle/Equipment Reserve Fund	Munis Implementation of Executime for Time Entry	50,000
Interfund:	Vehicle/Equipment Reserve Fund	Reserves: Library Department Contributions	11,000
Interfund:	Vehicle/Equipment Reserve Fund	City Building Maintenance/Repair	500,000
Interfund:	Pension Obligation Debt Svc Fund	Debt Service Payment - Pension Obligation Bond	2,503,900
FUND TOTALS			\$5,713,100
GENERAL COMMITTED RESERVES FUND COMPONENT			
Interfund:	Capital Construction Fund	Cap. Proj: Avery Park Arboretum	\$15,000
Interfund:	Capital Construction Fund	Cap. Proj: Library 2nd Floor Patio Enclosure	250,000
Interfund:	Capital Construction Fund	Cap. Proj: Majestic Theatre Seat Replacment	180,000
FUND TOTALS			\$445,000
STREET OPERATING FUND			
Interfund:	Capital Construction Fund	Cap. Proj: Marys River - Crystal Lake Dr. Share-Use Path	\$200,000
Interfund:	Capital Construction Fund	Cap. Proj: Pedestrian Crossing - 11th Street	25,000
Interfund:	Capital Construction Fund	Cap. Proj: Street Resurfacing/ 2019-21 - Circle (CR)	413,000
Interfund:	Capital Construction Fund	Cap. Proj: Street Resurfacing/ 2019-21 - Circle (TMF)	1,785,000
Interfund:	Capital Construction Fund	Cap. Proj: Street Resurfacing/ 2020-22 - Harrison/Walnut, 9th/36th (CR)	48,000
Interfund:	Capital Construction Fund	Cap. Proj: Street Resurfacing/ 2018-20 - Kings & 9th (TMF)	310,000
Interfund:	Capital Construction Fund	Cap. Proj: Traffic Signal Safety Enhancements	26,100
Interfund:	Pension Obligation Debt Svc Fund	Debt Service Payment - Pension Obligation Bond	118,500
Interfund:	Development Services Fund	Support for Development Services Fund - SDC Program Activity	55,400
FUND TOTALS			\$2,981,000
STREET SDC FUND COMPONENT			
Interfund:	Capital Construction Fund	Cap. Proj: Street SDC Reimbursement - Witham Oaks	\$488,300
Interfund:	Capital Construction Fund	Cap. Proj: Street SDC Reimbursement - Ponderosa Ridge	150,000
Interfund:	Capital Construction Fund	Cap. Proj: Street SDC Reimbursement - Ridgecrest Phase 1	25,000
FUND TOTALS			\$663,300
PARKS SDC FUND			
Interfund:	General Fund	Operating: SDC Administrative Fee to General Fund-Parks	\$14,100
Interfund:	General Fund	Operating: SDC Evaluation Report Update	9,900
Interfund:	Capital Construction Fund	Cap. Proj: ADA Projects-Circulation Pathways/Cloverland & Village Green	47,500
Interfund:	Capital Construction Fund	Cap. Proj: ADA Projects-Circulation Pathways / Avery	125,000
Interfund:	Capital Construction Fund	Cap. Proj: Avery Park Arboretum	25,000
Interfund:	Capital Construction Fund	Cap. Proj: ADA Projects-Playground Surfacing	252,000
Interfund:	Capital Construction Fund	Cap. Proj: Dr. MLK, Jr. Park Phased Improvements	600,000
Interfund:	Capital Construction Fund	Cap. Proj: Marys River-Caldwell Trail	407,500
Interfund:	Capital Construction Fund	Cap. Proj: Lily Park Picnic Shelter	120,000
Interfund:	Capital Construction Fund	Cap. Proj: Chip Ross Circular Trail	41,000
Interfund:	Capital Construction Fund	Cap. Proj: Senior/Community Ctr & Chintimini Park Expansion	803,500
FUND TOTALS			\$2,445,500
911 FUND			
Interfund:	Pension Obligation Debt Svc Fund	Debt Service Payment - Pension Obligation Bond	\$133,000
FUND TOTALS			\$133,000

TRANSFERS (CONTINUED)

TRANSFER FROM:	TRANSFER TO:	PURPOSE	ADOPTED FY 20-21
DEVELOPMENT SERVICES FUND			
Interfund:	Facility Reserve Fund	Community Development-Door and Flooring Relacement	\$17,000
Interfund:	Pension Obligation Debt Svc Fund	Debt Service Payment - Pension Obligation Bond	123,700
FUND TOTALS			\$140,700
COMMUNITY DEVELOPMENT REVOLVING FUND			
Interfund:	Pension Obligation Debt Svc Fund	Debt Service Payment - Pension Obligation Bond	\$32,200
FUND TOTALS			\$32,200
PARKING FUND			
Interfund:	Pension Obligation Debt Svc Fund	Debt Service Payment - Pension Obligation Bond	\$30,600
FUND TOTALS			\$30,600
TRANSIT FUND			
Interfund:	Pension Obligation Debt Svc Fund	Debt Service Payment - Pension Obligation Bond	\$22,200
FUND TOTALS			\$22,200
VEHICLE AND EQUIPMENT FUND			
Interfund:	Capital Construction Fund	Cap. Proj: Senior/Community Ctr & Chintimini Park Expansion	\$406,000
Interfund:	Facility Reserve Fund	Facility Reserve - Facility Assessment Proj	979,000
Interfund:	Technology & Communication Fund	Contribution to IT Reserve	72,500
FUND TOTALS			\$1,457,500
WATER OPERATING FUND			
Interfund:	Pension Obligation Debt Svc Fund	Debt Service Payment - Pension Obligation Bond	\$253,300
Interfund:	Development Services Fund	Support for Development Services Fund - SDC Program Activity	75,100
FUND TOTALS			\$328,400
WATER TIMBER FUND COMPONENT			
Interfund:	Pension Obligation Debt Svc Fund	Debt Service Payment - Pension Obligation Bond	\$1,000
FUND TOTALS			\$1,000
TOTAL - WATER FUNDS			\$329,400
WASTEWATER OPERATING FUND			
Interfund:	Development Services Fund	Support for Development Services Fund - SDC Program Activity	\$71,800
Interfund:	Pension Obligation Debt Svc Fund	Debt Service Payment - Pension Obligation Bond	225,000
FUND TOTALS			\$296,800
STORM WATER OPERATING FUND			
Interfund:	Development Services Fund	Support for Development Svcs Fund SDC & Erosion Sediment Prog.	\$112,900
Interfund:	Pension Obligation Debt Svc Fund	Debt Service Payment - Pension Obligation Bond	92,800
FUND TOTALS			\$205,700
AIRPORT OPERATING FUND			
Interfund:	Pension Obligation Debt Svc Fund	Debt Service Payment - Pension Obligation Bond	\$7,400
Interfund:	Facility Maintenance Fund	Airport Maintenance Projects	156,000
FUND TOTALS			\$163,400
ADMINISTRATIVE SERVICES FUND			
Interfund:	Facility Maintenance Fund	Vehicle Charging Station	\$40,000
FUND TOTALS			\$40,000
GRAND TOTAL 2020-21 TRANSFERS			\$15,099,400



CORVALLIS

ENHANCING COMMUNITY LIVABILITY



APPENDICES

Downtown Corvallis



APPENDICES

The Appendices include information that is pertinent to the budget process, but not part of the budget or work plan as identified in the budget. Included in this section are:

- Reader's Guide – The City's Annual Budget Document serves a wide variety of audiences and is typically categorized using four main areas to facilitate an understanding of what the City plans to do with its resources for the next fiscal year and in the future: policy related information, a communication device, a financial plan and an operational guide.
- About the City – The Corvallis community is described in terms of population, local economy, and the Corvallis City Council's goals in alignment with values and core responsibilities.
- Statistical Trends – Economic and city-wide data are provided, including number of volunteers, unemployment rates, square miles, assessed and market value, and tax rates plus department-specific statistics, such as fire engine response time, library circulation numbers and park acres.
- Budget Process – The City follows a lengthy process to develop a budget; this section provides a summary of the process the City follows and identifies the basic budget calendar used to develop the budget, the Capital Improvement Program, and the Comprehensive Annual Financial Report.
- Governmental Structure – This section of the appendices summarizes the City Council's authority.
- Budget Commission Members & Department Directors – The Budget Commission consists of 18 Budget Commissioners made up of 9 council members and 9 community members, as specified in Oregon Revised Statutes. The Budget Commission, in conjunction with Department Directors and City Staff, work to develop the Proposed budget that goes forward to Council for Adoption each fiscal year.
- FTE Changes Table – The changes in full-time equivalent employee positions from FY 16-17 to FY 17-18 are outlined by Department and Fund.
- Historical FTE & Personnel Services Budget by Fund
- Appropriation Resolution – This section contains Council Resolution 2017-17, which represents the official enactment by the legislative body establishing the legal authority for officials to obligate and expend resources under Local Budget Law.
- Fund Summaries – Each fund is shown with a summary of revenues and other financing sources, expenditures and other financing uses, as well as beginning and ending fund balances for the prior two years' audited actual results, the current year's adopted budget and mid-year revised estimates, plus the three stages of the next year's budget process through proposal, recommendation and adoption. A summary of the accounting and budget bases and measurement focus for each fund and type, as well as the GASB #34 major/non-major status is also included.
- Financial Policies and Definitions – The City Council has established policies to direct activities associated with the City's financial operations. The definitions to the financial policies includes terms as well as many acronyms. The budget process tends to use specific language that may include terms that are not in the average person's vocabulary, or in the budget context the term may be used in a unique manner.

APPENDICES

READER'S GUIDE

A budget document can look formidable. Since budget readers come with a wide variety of backgrounds, and include City staff, City Councilors, Budget Commissioners, community members, and financial market experts, the information in the annual budget is designed to provide a lot of different information about the City to many different users. The information in the budget is typically categorized using four main areas to facilitate an understanding of what the City plans to do with its resources for the next fiscal year, in particular, but also in the future: policy related information, a communications device, a financial plan and an operational guide.

A. ***A Policy Document*** – The City's annual budget addresses two primary kinds of policies: policies that are under development (usually stated as goals to be accomplished) that may change how the City operates in the future, and policies that are already in place. The City Manager's Budget Message sets the stage for the specific work plan that will be accomplished during the coming year, and identifies the policy issues that are important in the community as identified by the City Council. New policy issues that have a fiscal impact are highlighted. All of these policy issues have the potential to impact fees, taxes, and/or the allocation of existing staff or financial resources. Throughout the budget there will be notes about the financial impact of policies.

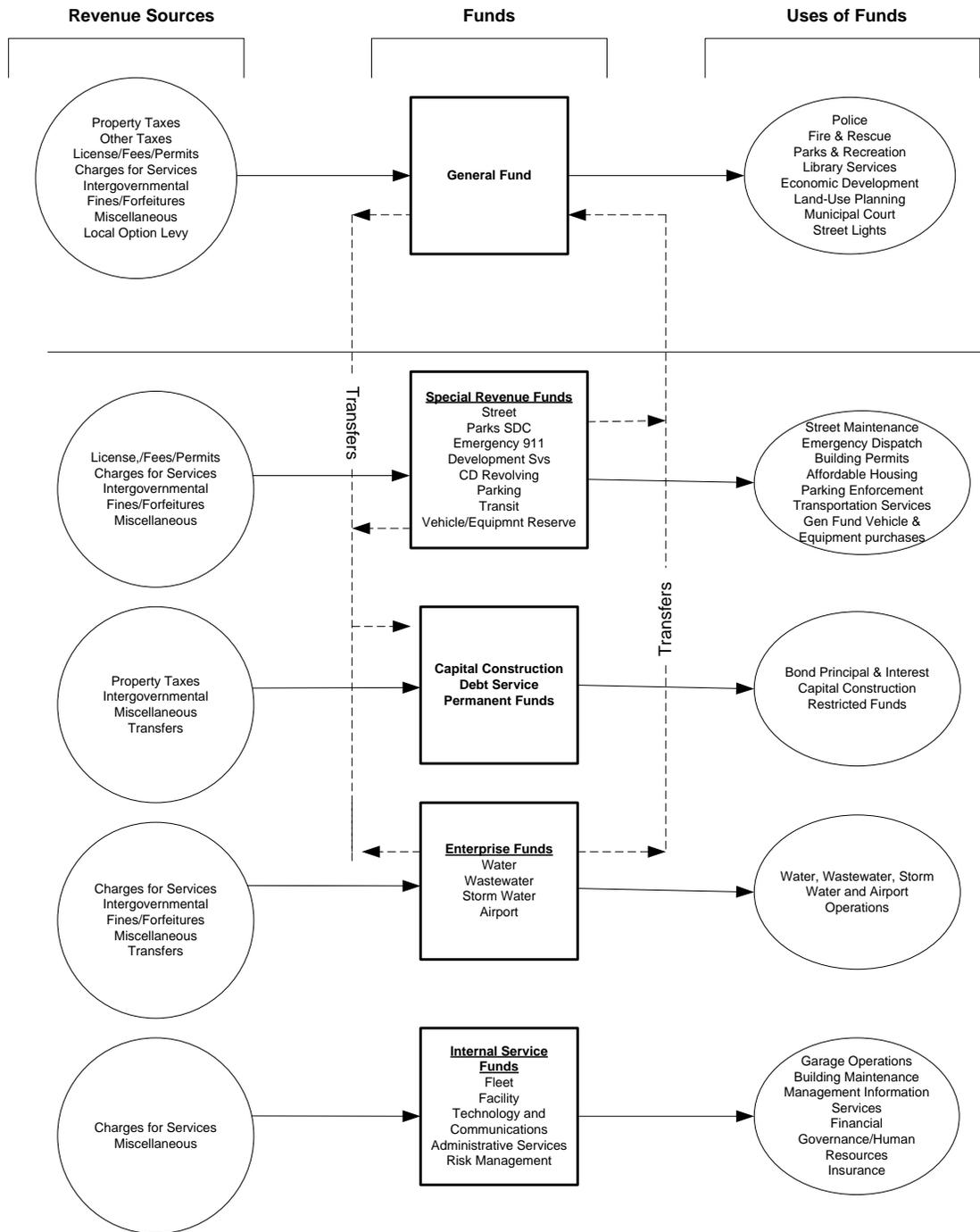
The [Imagine Corvallis 2040](#) vision and action plan is a far-reaching vision that has been translated into a series of budget priorities and actions as the City developed and implements the strategic operational plan. Information and progress can be found on the [City's website](#).

The City also has a number of policies that impact or direct existing operations; the appendix section of the budget includes the Financial Policies adopted by the City Council and reviewed annually, which, along with the updated versions of the long-term financial plans and various master plans, are available to the Budget Commission for use in providing staff with direction on budget development. These policies govern the financial operations of the City and the development of the annual capital and operating budgets.

B. ***A Communications Device*** – The City's annual budget document is primarily focused on the priorities to be accomplished during the next fiscal year and the day-to-day activities the City performs. The Budget Message provides a discussion of the major priorities of the City, key challenges, and issues meriting attention of the reader who may have insufficient time to digest the full document. The department sections of the document provide more detailed information about the day-to-day activities, and the resources required to meet service demands. Performance measures are found in the Department sections, and provide information on how efficient and effective the City is with resources in pursuit of meeting Council goals and management objectives.

C. ***A Financial Plan*** – The Budget Document is foremost a financial plan, providing a numerical road map that matches resources available with the spending priorities defined by the Budget Commission and City Council. Each operational area of the budget has a specific set of resources and uses, as summarized below:

CITY OF CORVALLIS FLOW OF FUNDS



The Budget and Financial Planning Overview provides information primarily about forecasting and assumptions related to the more detailed financial data found elsewhere in the budget document. Budget data for the City’s annual operating budget – the pieces that are required for the City to provide services every day and the largest portion of the City’s annual budget – is presented in three different organizational structures:

1. The Budget by Fund – The City uses a fund structure as the primary method of accounting for financial operations. A fund can be thought of as a “business,” with all revenues in the fund specifically associated with the kinds of expenditures in the fund. In most cases, there is a legal restriction on the use of the revenue in a fund. This means that Water Fund revenues cannot be used to pay for Library books or Police cars since the Water Fund revenue is restricted in its use to services necessary to provide water to all properties in Corvallis. Funds are usually named for their primary activity. The General Fund is specifically defined as the fund to use when there is no reason to use another fund. The General Fund’s primary revenue source is the property tax, and the primary services funded are Police, Fire, Library, Parks, and Land Use planning.

For financial reporting purposes, different types of funds are accounted for in different ways, with governmental funds (General, Special Revenue, Capital Construction, Debt Service, and Permanent Funds) using a modified accrual method of accounting and proprietary funds (Enterprise and Internal Services Funds) using a full accrual method of accounting. For budget and long-term financial planning purposes, all funds are presented using a modified accrual basis. Among other things, this means that in the proprietary funds the City does not budget for or show depreciation expenses although depreciation expenses will be recorded during the fiscal year. Since the level of financial control and accountability is at the department level within each fund, the Appendix in the Adopted budget document will include tables showing the budget by fund in more of an income statement format versus what is included in financial plans.

2. The Budget by Department – The department designation is used to group a set of like activities to enhance the opportunities for operational efficiencies, or to take advantage of professional qualifications of staff to work on multiple types of projects. A department can operate in just one or two funds, like the Fire Department operating in the General Fund and the Vehicle/Equipment Reserve Fund. In this case, the department has a fairly singular focus in its work, with specialized training that does not cross into other work areas. A department can also operate in multiple funds, like the Public Works Department that operates in ten funds, including Street, Water, and Wastewater Funds. In this case the department has a more complex set of work tasks, but the same set of staff skills can be used in a number of areas.

Each department also has divisions and within each division there can be multiple programs. The program level is used to either manage specific work, allow the ability to cost specific services for which customers are charged a fee for service, or report to the City Council, community members, or outside agencies. For more information on departments, divisions, and the services/programs provided, see the various Department Summary sections.

3. The Budget by Class – The City’s budget also includes different classifications of revenues and expenditures which overlay the budget by fund and department. Comparing the budget by classification can help a reader understand how major sources of revenue or major costs are treated. Operating revenues have classifications which are: Property Taxes, Other Taxes, Licenses, Fees and Permits, Charges for Service, Intergovernmental, Fines and Forfeitures, and Miscellaneous revenues. Non-Operating Revenue classifications include Transfers and Other Financial Sources (usually associated with debt issuance, pass-throughs collected by the City for other governments, or sale of capital assets).

Operating expenditure classifications include: Personnel Services (includes salaries and wages, plus all associated benefits), Materials and Services, and Capital Outlay. Non-operating expenditure classifications include Transfers, Debt Service, Capital Projects, Other Financial Uses,

and Contingencies which are appropriated but not used unless authorized by the City Council via resolution.

D. ***Operations Guide*** – The City’s operations are defined through the budget document in both fund and department discussions. In the Department section, a reader can see how a wide variety of functions may be organized into a single department. The budget document is used by staff operationally as both a guide for the work plan to be accomplished and as a reference tool, serving as a comprehensive source of historical information and projections based on current assumptions.

The Budget Process summary in the Appendix provides an abbreviated overview of the budget cycle. The City Manager directs the development of a balanced budget which is presented to the Budget Commission as the City Manager’s Proposed Budget. The Budget Commission conducts a public hearing to give community members the opportunity to comment on the proposed budget and recommends a budget for the City Council to approve. The City Council also holds a public hearing to give community members an opportunity to discuss the Budget Commission’s recommended budget before finally adopting the budget by resolution, setting the legal level of appropriations for the fiscal year.

During the course of the year, each department manages and monitors its budget, reporting quarterly to the City Manager and Finance Director on any unusual occurrences, and monthly in the final quarter of each fiscal year. The Finance Department has the overall responsibility to develop and monitor the budget. The Budget staff prepares the Quarterly Operating Reports which are designed as interim snapshots of the City’s financial position, for review by the Budget Commission, City Council and members of the public, and are published on the [City’s website](#). The Finance Department also prepares the audited [Comprehensive Annual Financial Report](#) (CAFR) at the end of the year. More information on the City’s Budget Process, including the time line and process followed, can be found in the Appendices on page 219.

STATISTICAL TRENDS

Calendar Year	1990	2000	2005	2010	2015	2016	2017	2018	2019
COMMUNITY DEVELOPMENT									
Single Family Residence Building Permits	125	141	210	38	62	73	61	42	52
Single Family Residence Value (x \$1,000) ¹	\$12,108	\$29,328	\$45,919	\$9,211	\$25,000	\$23,213	\$15,774	\$12,304	\$13,737
CITY MANAGER'S OFFICE									
City Employees ²	352	417	424	431	390	394	399	410	410
FINANCE									
City Assessed Value (000's)	\$1,144,822	\$2,879,105	\$3,433,646	\$3,999,075	\$4,490,592	\$4,744,871	\$4,910,822	\$5,155,069	\$5,476,788
City Real Market Value (000's)	\$1,144,822	\$3,513,758	\$4,522,703	\$5,664,529	\$6,214,074	\$6,551,676	\$7,103,413	\$7,722,893	\$8,418,475
City Tax Rate:									
Operating (per \$1,000 of AV)	\$7.64	\$5.11	\$5.11	\$5.11	\$5.11	\$5.11	\$5.11	\$5.11	\$5.11
Local Opt Levy (per \$1,000 of AV)					0.8181	0.8181	0.8181	0.8181	1.07
Debt (per \$1,000 of AV) ³			0.5418	0.4872	0.2645	0.2507	0.2454	0.2367	--
Consolidated Tax Rate ⁴	\$33.78	\$14.77	\$15.81	\$17.52	\$18.41	\$18.26	\$17.80	\$18.68	\$18.60
City Budget:									
Operating (Millions)	\$30.25	\$56.78	\$68.62	\$81.73	\$88.77	\$97.63	\$96.79	\$105.36	\$116.06
Capital (Millions)	\$10.30	\$31.38	\$14.45	\$14.16	\$18.53	\$13.10	\$14.22	\$30.70	\$33.06
Municipal Court:									
Citations (Traffic & Criminal)	7,229	12,016	8,771	6,164	5,148	4,550	3,379	3,363	2,016
Parking Citations	27,335	23,126	11,672	17,912	14,522	17,317	19,625	19,879	15,663
FIRE									
Non-Ambulance Responses ⁵	1,164	1,977	2,590	4,359	4,479	4,009	3,879	3,859	4,218
City Incidents (non-ambulance)	983	1,615	2,151	3,781	3,693	3,325	3,284	3,128	3,628
Non-City Incidents (non-ambulance)	181	362	439	578	786	684	595	731	590
Ambulance Responses	1,960	--	--	--	--	--	--	--	--
Patient Contacts	--	2,732	3,154	4,154	4,954	4,834	4,809	5,066	5,273
PARKS⁶									
Number of Programs	--	--	1,132	1,004	3,283	2,959	2,666	2,577	2,842
Number of Registrations	--	--	21,559	24,906	159,866	162,087	166,780	181,971	191,710
Number of Facility Reservations	--	--	1,396	1,268	1,701	2,048	1,872	2,083	2,641
Number of Total Park Acres	1,113	1,200	1,685	1,810	1,734	1,734	1,734	1,734	1,734
POLICE DEPARTMENT									
Major Crimes Reported	2,436	2,346	2,308	1,757	1,864	1,934	1,791	2,211	2,160
9-1-1 Center Incidents Reported ⁷	23,433	35,753	32,487	36,926	46,093	45,560	43,549	49,990	48,244

1 New 1 and 2 family dwellings.

2 Number of employees listed is based on filled FTE as of December of each year. Values presented are lower than authorized FTE.

3 Information obtained from Benton County Tax Table 4a 'Bonds' column.

4 Information obtained from Benton County Tax Table 6a County Code 901.

5 Engine responses tracked starting 2005. Prior to this, only the number of engine calls was being recorded. Number as of 2005 includes engine responses to medical calls. As of 2016, data does not include units that were canceled enroute.

6 Osborn Aquatic Center (OAC) data was included for the first time in 2012; Majestic theatre data was included for the first time in 2015.

7 2018 was previously misstated as 46,990. It was a typo and has been corrected to 49,990. We will no longer be tracking Major Crimes in the FBI UCR model starting 1/1/2021. Instead, we'll be tracking crimes based on the FBI NIBRS model since UCR goes away at the end of 2020 (e.g. instead of Part-I crimes, it'll be Group A crimes). When the 2021 number gets reported it won't be aligned with the old FBI UCR as the categories have changed quite a bit. The Group A total will be quite a bit more than the old Part-I crimes

STATISTICAL TRENDS (CONTINUED)

Calendar Year	1990	2000	2005	2010	2015	2016	2017	2018	2019
PUBLIC WORKS									
Transportation:									
Traffic Signals ⁸	58	61	82	87	57	57	57	42	42
Street Lights	2,312	3,036	3,431	3,583	3,662	3,706	3,708	3,746	3,747
Bus Ridership	323,113	488,238	539,597	748,556	1,156,755	1,125,145	1,131,336	1,086,235	1,120,396
Water:									
Connections	12,111	13,802	14,427	16,065	16,709	16,809	16,894	15,831	15,976
Production (xM Gal)	2,645	2,912	2,575	2,485	2,816	2,756	2,856	2,694	2,480
Miles of Line	177	205	247	252	251	253	253	255	255
Wastewater:									
Connections	11,252	13,421	14,335	15,455	15,965	16,037	16,127	16,159	16,612
Treatment (xM Gal)	3,113	3,475	3,249	3,856	2,816	4,287	4,273	3,705	4,088
Miles of Line	168	201	215	216	219	220	220	222	223
Storm Drains:									
Miles	94	143	160	168	182	183	180	182	182
Streets:									
Miles	134	169	184	365	369	369	369	373	374
Miles Resurfaced	5	2.21	1.67	5.09	2.5	1.6	2.39	2.86	1.75
Bike Paths (Miles)	--	12	14	21	22	22	22	22	22
Bike Lanes (Miles)	56	57	61	105	109	108	108	108	109
OTHER									
Area Sq. Miles (Land)	12.85	13.53	14	14.02	14.23	14.39	14.39	14.44	14.44
City Population	44,757	52,215	53,165	54,460	57,390	58,240	58,735	59,280	58,885
County Population	70,811	78,153	81,866	85,735	86,591	88,740	92,575	93,590	94,360
County Employment ⁹	34,768	39,626	40,081	36,980	41,230	47,515	47,780	43,830	45,460
County Unemployment ⁹	1,787	1,598	2,073	3,112	1,807	1,413	1,388	1,582	1,248
County Unemployment Rate ⁹	4.90%	3.90%	4.90%	7.60%	3.70%	3.00%	3.20%	3.30%	2.50%
OSU Enrollment	16,024	16,777	19,236	23,761	29,576	30,592	31,904	32,011	32,774
Volunteer Hours:									
City Manager's Office ¹⁰	--	--	--	1,193	3,356	1,398	1,398	1,959	1,679
Community Development	--	0	178	1,127	744	692	1,190	815	947
Finance	--	250	222	125	587	542	201	143	178
Fire	--	29,659	48,243	47,602	43,339	36,456	36,991	44,695	48,721
Human Resources	--	--	--	--	--	1,652	1,655	1,132	90
Library	--	7,368	11,227	15,364	15,611	14,497	15,449	14,620	12,909
Parks	--	24,335	23,452	21,742	54,590	105,098	103,953	101,295	103,161
Police	--	6,397	5,405	5,060	4,450	5,452	3,925	2,902	1,912
Public Works	--	843	632	653	179	644	779	566	775
Fiscal Year	FY89-90	FY99-00	FY 06-07	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19
LIBRARY									
Circulation	762,910	1,452,949	1,481,633	1,674,356	1,689,898	1,666,961	1,655,925	1,658,924	1,658,565
Patron Visits	514,543	724,291	1,402,633	1,885,582	1,352,692	1,342,153	1,335,708	1,355,884	1,437,608
Population Served	69,400	77,192	84,125	86,725	88,740	90,005	91,320	84,855	85,645

8 Traffic Signals decreased from 82 to 57 due to the City no longer maintaining traffic signals owned by ODOT.

9 Benton County, Oregon Corvallis Metropolitan Statistical Area (MSA) (un)employment <http://www.qualityinfo.org>

10 City Manager's Office volunteer hours include those from the Mayor and City Councilors, in addition to others. Many factors impact total hours, including the number of regular and special meetings held in a given year, the number of Councilors in attendance, and the length of each meeting. It is noted the Mayor and Councilors volunteer their time for other community meetings and activities that are not tracked.

BUDGET PROCESS

The City of Corvallis budget for FY 2020-21 was developed by the City Manager and Department Directors through a series of weekly meetings to review revenue and expenditure projections, discuss long-term funding issues and concerns, and share information about services not currently funded. Though all funds are included in this budget, most of the discussion with the team focused on the General and Internal Service Funds since the operations in those funds impact all departments, and changes in any one area of these operations can have a significant impact in the other operating costs.

LATE SUMMER

Finance Department staff developed initial projections for all revenues in the General and Internal Services Funds using five-year actual spending patterns.

FALL

The City Manager and Department Directors met weekly to review revenues and internal service charge mechanisms and discussed the impact of these cost centers on the department's operating budgets. In November, with the annual audit for FY 2018-19 nearing completion, prior year data was updated to provide information about one-time revenue available for potential allocation to one-time expenditures in FY 2020-21.

The Finance Department provided information on mandatory payments from the General Fund for debt service, interfund transfers, and miscellaneous Materials and Services expenditures. The group also discussed the anticipated increase in costs for the Oregon Public Employees Retirement System.

JANUARY/FEBRUARY

Each Department continued developing their FY 2020-21 budget proposals.

MARCH

The City Manager and Department Directors discussed the list of projects for which funding had not been provided. The City Manager allocated one-time monies that were available due to higher than expected ending fund balances from prior years for one-time projects.

MAY

The City Manager presented the Proposed Budget to the Budget Commission. Department Directors presented their individual department's proposed budgets, discussed the funding priorities, what was not funded in the current budget, and significant changes to operations. Budget Commissioners had an opportunity to ask questions to clarify the budget presentations.

The Budget Commission held a public hearing, as required by Oregon State Law, deliberated, and recommended a tax levy and budget for the City Council to consider.

JUNE

The City Council heard the Budget Commission's recommended budget in June, held a public hearing as required by Oregon State Law, deliberated, and adopted a budget via resolution.

Finance Department staff completed the Adopted Budget Document and filed the budget with the County Assessor and County Clerk as required by law.

JULY 1, 2020

FY 2020-21 begins.

KEY PARTICIPANTS IN THE BUDGET PROCESS

- ❖ The City Council which sets the policy direction and budget priorities for the organization. The Council also, by Oregon Law is required to receive the Budget Commission's recommended budget, hold a public hearing, levy property taxes, and adopt appropriations, and also sets the funding priorities for the organization.
- ❖ The Budget Commission, which by law is the nine members of the City Council along with an equal number of residents. The Budget Commission is required to:
 - Receive the Proposed Budget;
 - Hold a public hearing on the Proposed Budget; and
 - Deliberate and recommend a tax levy and a budget for the City Council to adopt.
- ❖ Community members, who provide feedback to City officials throughout the year, and particularly via testimony to Budget Commission and City Council at public hearings related to Budget Adoption, about preferences for more or less service.
- ❖ The City Manager, who by Charter is the City's Budget Officer and is charged with presenting a Proposed Budget to the Budget Commission.
- ❖ Department Directors and staff develop proposed budgets that meet funding priorities, continue operations, and meet customer service standards.
- ❖ Finance Department staff, which develops revenue projections and financial plans, ensures the budget is balanced and meets all State requirements for adoption, monitors the City's financial status during the course of the year, and completes the financial reporting and audit work at the end of each fiscal year.

AFTER THE BUDGET IS ADOPTED

Staff begins work on implementing the budget the day after it is adopted. Projects that are underway continue; staff begins working on planning for implementation of new projects, studies, etc. Purchases with long procurement times are initiated. When new positions are created, hiring begins right away so that positions can be filled and work can progress. The Budget Office staff work with Department Directors on monitoring budget status throughout the course of the year and produce quarterly operating reports to update the public, Budget Commission, and City Council on the City's financial position.

The Adopted Budget may be amended according to Oregon Revised Statutes. The City appropriates by department within a fund, so a division or program area can under expend its budget and the appropriations can be used in another area within that department/fund budget. However, to increase appropriations for a department, in total, requires City Council action. City Council may increase appropriations via adoption of an amending resolution for the following actions:

- ❖ To accept and appropriate a grant, gift, bequest, or devise that was unknown at the time the budget was adopted.
- ❖ To appropriate a revenue source (other than those identified above) that was either unexpected, or higher than expected.
- ❖ To transfer budget authority from one appropriations category to another, including for use of contingencies.
- ❖ To appropriate the ending fund balance or grants to be used to respond to a community-wide emergency (e.g., flood, earthquake).

At the close of each fiscal year the City undergoes an audit, completed by an outside audit firm that meets state requirements for municipal auditing. Among many tests performed at the end of each fiscal year, the auditors test that the budget was adopted according to State law requirements.

GOVERNMENTAL STRUCTURE

The City of Corvallis is governed by a representative government organized pursuant to a Home Rule Charter adopted by the voters in 1949 and most recently amended in 2017. The Charter establishes the Council/Manager form of government to carry out local governance for the community.

The nine-member City Council is elected by ward to serve a two-year term as the governing body for Corvallis. The Mayor presides at Council meetings and is elected at-large for a four-year term. Council members and the Mayor perform this community service as volunteers, without compensation. The Mayor and Council provide community leadership, develop policies to guide the City in delivering services and achieving community goals, and encourage community awareness and involvement.

The City Council appoints the City Manager to oversee the administrative operations of the City. The City Manager is responsible for implementing Council policies using the resources appropriated by the Council. City services are delivered by eleven operating departments: Mayor and City Council, City Manager's Office, Community Development, Finance, Fire, Human Resources, Information Technology, Library, Parks & Recreation, Police, and Public Works. All departments are headed by directors with the education, expertise and commitment to deliver quality services to Corvallis residents.

The City Council appoints a City Attorney to advise the Council and City staff on legal affairs, to ensure that all laws are effectively enforced, to prosecute violations of City ordinances and State laws, and, when necessary, to defend the City in litigation.

The City Council appoints a Municipal Judge to preside over the Corvallis Municipal Court and ensure that cases involving municipal offenses are fairly decided on a timely basis in a manner consistent with community values.

The City Council is served by a number of advisory boards and commissions as outlined in their budget pages.

BUDGET COMMISSION MEMBERS AND DEPARTMENT DIRECTORS

as of June 30, 2020

BUDGET COMMISSION

Ward	Member	Years of Service	Term Expires
Mayor	Biff Traber	Ten	December 31, 2022
1	Jan Napack	Two	December 31, 2020
2	Charles Maughan	Two	December 31, 2020
3	Hyatt Lytle - Council President	Four	December 31, 2020
4	Barbara Bull	Six	December 31, 2020
5	Charlyn Ellis	Four	December 31, 2020
6	Nancy Wyse - Council Vice President	Four	December 31, 2020
7	Paul Shaffer	One	December 31, 2020
8	Ed Junkins	Two	December 31, 2020
9	Andrew Struthers – Budget Commission Vice Chair	Two	December 31, 2020
Citizen	Andrew Freborg	Two	June 30, 2020
Citizen	Steve Lee - Chair of Budget Commission	Two	June 30, 2020
Citizen	Brandon Trelstad	Three	June 30, 2020
Citizen	Marjorie Stevens	Two	June 30, 2021
Citizen	Mark O'Brien	Eight	June 30, 2021
Citizen	Deb Rose	Five	June 30, 2021
Citizen	Richard Arnold	One	June 30, 2022
Citizen	Gabe Shepherd	One	June 30, 2022
Citizen	Rich Carone	Five	June 30, 2022

DEPARTMENT DIRECTORS

Department	Name	Years in this Position	Years of Service with the City of Corvallis
City Manager	Mark W. Shepard, P.E.	5	5
Community Development Director	Paul Bilotta	4	4
Finance Director	Nancy Brewer	27	30
Fire Chief	Ken McCarthy	1	1
Human Resources Director	Mary Beth Altmann Hughes	6	7
IT Director	Michael Livingston	4	4
Library Director	Ashlee Chavez	3	3
Parks and Recreation Director	Karen Emery	12	31
Police Chief	Jon Sassaman	8	32
Public Works Director	Mary Steckel	8	30

ADOPTED FTE CHANGES FROM FY 19-20 TO FY 20-21

	FTE	REASON	FUND(S) IMPACTED	AUTHORIZED BUT UNFUNDED FTE IN FY 20-21
City Manager's Office				
<hr/> <hr/>				
FY 19-20 Adopted Authorizations	6.000			
Economic Development Supervisor	-0.200	Reduction	General	
Economic Development Specialist	1.000	Enhancement	General	
<hr/>				
FY 20-21 Adopted Authorizations	6.800			0.000
Community Development				
<hr/> <hr/>				
FY 19-20 Adopted Authorizations	35.750			
<hr/>				
FY 20-21 Adopted Authorizations	35.750			0.250
Finance				
<hr/> <hr/>				
FY 19-20 Adopted Authorizations	20.000			
Senior Payroll Coordinator	1.000	Enhancement	Admin. Services	
Financial Analyst	-1.000	Reorganization	Admin. Services	
Finance Support Specialist	1.000	Reorganization	Admin. Services	
<hr/>				
FY 20-21 Adopted Authorizations	21.000			0.000
Fire				
<hr/> <hr/>				
FY 19-20 Adopted Authorizations	75.000			
Deputy Fire Chief	1.000	Enhancement	General	
<hr/>				
FY 20-21 Adopted Authorizations	76.000			0.000
Human Resources				
<hr/> <hr/>				
FY 19-20 Adopted Authorizations	11.050			
<hr/>				
FY 20-21 Adopted Authorizations	11.050			0.000
Information Technology				
<hr/> <hr/>				
FY 19-20 Adopted Authorizations	15.000			
Network Administrator	-1.000	Reorganization	Tech. & Comm.	
IT System Engineer	1.000	Reorganization	Tech. & Comm.	
<hr/>				
FY 20-21 Adopted Authorizations	15.000			0.000
Library				
<hr/> <hr/>				
FY 19-20 Adopted Authorizations	45.000			
<hr/>				
FY 20-21 Adopted Authorizations	45.000			0.000

**ADOPTED FTE CHANGES
FROM FY 19-20 TO FY 20-21 (CONTINUED)**

	FTE	REASON	FUND(S) IMPACTED	AUTHORIZED BUT UNFUNDED FTE IN FY 20-21
Parks & Recreation				
FY 19-20 Adopted Authorizations	37.865			
Parks Division Supervisor	1.000	Enhancement	General	
Administrative Specialist	0.125	Enhancement	General	
FY 20-21 Adopted Authorizations	38.990			0.630
Police				
FY 19-20 Adopted Authorizations	114.250			
Police Officer	-2.000	Reduction	General	
Public Safety Dispatch Supervisor	4.000	Enhancement	9-1-1	
Public Safety Dispatch	7.000	Enhancement	9-1-1	
FY 20-21 Adopted Authorizations	123.250			0.000
Public Works				
FY 19-20 Adopted Authorizations	113.250			
Public Works Assistant Director	1.000	Enhancement	Water/Storm Water	
Civil Engineering Inspector	1.000	Enhancement	Street/Water/Waste/Storm	
Civil Engineer I	1.000	Enhancement	Street	
Business Analyst	1.000	Enhancement	Street/Water/Waste/Storm	
Green Infrastructure Specialist	1.000	Enhancement	Storm Water	
Technicians - Fleet II & Instrument I	-1.000	Reorganization	Fleet	
Technician - Fleet I	1.000	Reorganization	Fleet	
Engineering Inspector	2.000	Reorganization	Street/Water/Waste/Storm	
Engineering Tech III	-2.000	Reorganization	Street/Water/Waste/Storm	
Senior Administrative Specialist	-1.000	Reorganization	Transit	
Transit Program Assistant	1.000	Reorganization	Transit	
FY 20-21 Adopted Authorizations	118.250			0.000
FY 19-20 Adopted Authorizations	473.165			
Reorganization	0.000			
Enhancement	20.125			
Reduction	-2.200			
Net FTE Changes	17.925			
FY 20-21 Adopted Authorizations	491.090			0.880

HISTORICAL FTE & PERSONNEL SERVICES BUDGET BY FUND

FUND	ACTUAL 2017-18	ACTUAL 2018-19	BUDGET 2019-20	REVISED 2019-20	ADOPTED 2020-21	% CHANGE FROM 19-20 BUDGET
GENERAL FUND						
Personnel Services	\$29,550,086	\$31,016,597	\$37,560,200	\$37,491,410	\$39,567,100	5.34%
FTE	233.330	234.210	264.635	264.635	267.00	0.89%
STREET FUND						
Personnel Services	\$1,689,038	\$1,634,361	\$2,188,300	\$2,188,300	\$2,414,000	10.31%
FTE	17.598	15.982	17.262	17.262	18.15	5.16%
9-1-1- EMERGENCY FUND						
Personnel Services	\$1,887,053	\$2,011,444	\$2,197,300	\$2,197,300	\$3,588,300	63.30%
FTE	18.850	18.850	18.850	18.850	29.85	58.36%
DEVELOPMENT SERVICES FUND						
Personnel Services	\$2,133,499	\$2,196,106	\$2,799,900	\$2,799,900	\$3,072,100	9.72%
FTE	21.300	22.300	22.300	22.300	23.24	4.22%
COMMUNITY DEVELOPMENT REVOLVING FUND						
Personnel Services	\$372,985	\$353,429	\$487,900	\$487,900	\$511,000	4.73%
FTE	3.290	4.390	4.140	4.140	3.82	-7.73%
PARKING FUND						
Personnel Services	\$498,954	\$479,546	\$563,000	\$563,000	\$584,600	3.84%
FTE	5.370	5.370	5.620	5.620	5.63	0.18%
TRANSIT FUND						
Personnel Services	\$350,873	\$355,574	\$420,600	\$420,600	\$432,200	2.76%
FTE	3.230	3.230	4.020	4.020	4.02	0.00%
CAPITAL CONSTRUCTION FUND¹						
Personnel Services	\$257,137	\$348,078	\$0	\$0	\$0	0.00%
FTE	5.000	5.000	5.000	5.000	5.60	12.00%
WATER FUND						
Personnel Services	\$3,772,030	\$3,715,814	\$4,001,100	\$4,001,100	\$4,310,300	7.73%
FTE	32.312	33.072	33.472	33.472	33.35	-0.36%
WASTEWATER FUND						
Personnel Services	\$3,423,588	\$3,536,265	\$3,765,900	\$3,765,900	\$4,072,300	8.14%
FTE	30.798	30.342	30.282	30.282	30.73	1.49%
STORM WATER FUND						
Personnel Services	\$1,341,056	\$1,414,885	\$1,468,100	\$1,468,100	\$1,598,100	8.85%
FTE	11.470	12.254	11.784	11.784	12.29	4.32%
AIRPORT FUND						
Personnel Services	\$145,176	\$154,367	\$172,900	\$172,900	\$183,300	6.02%
FTE	1.500	1.500	1.500	1.500	1.60	6.67%

HISTORICAL FTE & PERSONNEL SERVICES BUDGET BY FUND (CONTINUED)

FUND	ACTUAL 2017-18	ACTUAL 2018-19	BUDGET 2019-20	REVISED 2019-20	ADOPTED 2020-21	% CHANGE FROM 19-20 BUDGET
FLEET FUND						
Personnel Services	\$301,856	\$359,028	\$404,600	\$404,600	\$423,800	4.75%
FTE	2.570	3.570	3.570	3.570	3.57	0.00%
FACILITIES FUND						
Personnel Services	\$429,770	\$456,013	\$649,800	\$649,800	\$672,900	3.55%
FTE	4.230	5.230	5.680	5.680	6.18	8.80%
TECHNOLOGY & COMMUNICATIONS FUND						
Personnel Services	\$1,608,598	\$1,716,393	\$1,885,200	\$1,885,200	\$1,929,600	2.36%
FTE	15.490	15.490	15.000	15.000	15.00	0.00%
ADMINISTRATIVE SERVICES FUND						
Personnel Services	\$3,290,159	\$3,572,503	\$3,829,500	\$3,829,500	\$4,347,900	13.54%
FTE	27.800	30.050	30.050	30.050	31.05	3.33%
ALL FUNDS COMBINED						
Personnel Services	\$51,051,858	\$53,320,402	\$62,394,300	\$62,325,510	\$67,707,500	8.52%
FTE	434.138	440.840	473.165	473.165	491.090	3.79%
Year-Over-Year FTE Changes		6.702	32.325	0.000	17.925	
FY 19-20 Adopted Authorizations	473.165					
Reorganizations	0.000					
Enhancements	20.125					
Reductions	<u>-2.200</u>					
Net FTE Changes	<u>17.925</u>					
FY 20-21 Adopted Authorizations	491.090					

(1) Personnel Services are budgeted within Capital Construction Fund General Services total. Actual Personnel Services expenditures will be recorded to wage and benefit accounts through payroll processing.

APPROPRIATION RESOLUTION

RESOLUTION 2020-15

A RESOLUTION LEVYING TAXES AND APPROPRIATING THE FY 2020-21 BUDGET.

Minutes of the June 1, 2020 Corvallis City Council meeting, continued.

A Resolution submitted by Councilor Junkins.

WHEREAS, the Corvallis Budget Commission convened on May 5, 2020 to receive the City Manager's Proposed Budget for FY 20-21; and

WHEREAS, the Corvallis Budget Commission held a public hearing and deliberated on May 12, 2020, and recommended that the City Council adopt a budget totaling \$179,764,500; and

WHEREAS, the Corvallis Budget Commission considered capital improvement projects in the proposed budget from a public policy perspective, weighed options and resources and chose to approve the projects in the proposed capital improvement plan; and

WHEREAS, the Corvallis Budget Commission adopted a motion to recommend the City Council levy the maximum permanent tax rate for operations of \$5.1067 per thousand dollars of assessed value, and a local option levy tax rate of \$1.07 per thousand dollars of assessed value as approved by voters on May 21, 2019; and

WHEREAS, the City Council held a public hearing on the Budget Commission's recommended budget and deliberated on June 1, 2020; and

WHEREAS, the City Council held a public hearing on the Budget Commission's recommended budget, considered public projects and the recommended budget from a public policy perspective, weighed options and resources, and deliberated and chose to approve the budget and the projects in the recommended capital improvement plan on June 1, 2020.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CORVALLIS RESOLVES to adopt the 2020-21 budget of \$179,764,500.

BE IT FURTHER RESOLVED that the City Council hereby imposes the ad valorem property tax for tax year 2020-21 upon the assessed value of all taxable property within the district at the maximum tax rate of \$5.1067 per thousand dollars of assessed value. The permanent rate to be levied is hereby categorized for the purposes of Article XI section 11 b as subject to the General Government Limitation. This tax rate shall be levied and assessed pro rata upon all taxable property within the City of Corvallis as of 1:00 A.M., January 1, 2020.

BE IT FURTHER RESOLVED that the City Council hereby imposes the ad valorem property tax for tax year 2020-21 upon the assessed value of all taxable property within the district at the voter approved local option levy rate of \$1.07 per thousand dollars of assessed value. The local option tax rate to be levied is hereby categorized for the purposes of Article XI section 11 b as subject to the General Government limitation. This tax rate shall be levied and assessed pro rata upon all taxable property within the City of Corvallis as of 1:00 A.M., January 1, 2020.

BE IT FURTHER RESOLVED that the amounts of the appropriations for the fiscal year beginning July 1, 2020 shall be as follows:

GENERAL FUND

Operating Budget:

Mayor and City Council	\$1,539,300
City Manager's Office	696,100
City Manager's Office Special Prjts	165,000
Community Development	1,899,500
Community Development Special Prjts	270,800
Finance	756,100
Fire	15,880,600
Fire Special Prjts	780,100
Library	7,622,400
Library Special Prjts	575,200
Parks and Recreation	9,121,700
Parks and Recreation Special Prjts	776,200
Police	16,213,300
Police Special Prjts	362,200
Public Works	563,300
Materials and Services	553,000

Non-Operating:

Transfers Out	6,158,100
Other Financing Uses	1,660,500
Debt Service - Principal	635,000
Debt Service - Interest	60,600
Contingency	685,000

TOTAL GENERAL FUND

\$66,974,000

STREET FUND

Operating Budget:

Public Works	\$4,117,300
Public Works Special Prjts	555,800

Non-Operating:

Transfers Out	3,644,300
Contingency	165,000

TOTAL STREET FUND

\$8,482,400

PARKS SYSTEM DEVELOPMENT CHARGE FUND

Non-Operating:

Transfers Out	\$2,445,500
---------------	-------------

TOTAL PARKS SYSTEM DEVELOPMENT CHARGE FUND

\$2,445,500

9-1-1 EMERGENCY COMMUNICATIONS FUND

Operating Budget:	
Police	\$4,176,600
Police Special Prjts	356,000
Non-Operating:	
Transfers Out	133,000
Contingency	85,200
TOTAL 9-1-1 EMERGENCY COMMUNICATIONS FUND	\$4,750,800

DEVELOPMENT SERVICES FUND

Operating Budget:	
Community Development	\$3,900,200
Community Development Special Prjts	17,500
Non-Operating:	
Transfers Out	140,700
Contingency	79,000
TOTAL DEVELOPMENT SERVICES FUND	\$4,137,400

COMMUNITY DEVELOPMENT REVOLVING FUND

Operating Budget:	
Community Development	\$3,366,900
Non-Operating:	
Transfers Out	32,200
Contingency	32,200
TOTAL COMMUNITY DEVELOPMENT REVOLVING FUND	\$3,431,300

PARKING FUND

Operating Budget:	
Community Development	\$6,900
Finance	229,000
Police	306,300
Public Works	242,800
Public Works Special Prjts	150,000
Non-Operating:	
Transfers Out	30,600
Contingency	14,400
TOTAL PARKING FUND	\$980,000

TRANSIT FUND

Operating Budget:		
Public Works	\$8,020,600	
Public Works Special Prjts	5,085,800	
Non-Operating:		
Transfers Out	22,200	
Contingency	100,900	
TOTAL TRANSIT FUND	<u> </u>	\$13,229,500

VEHICLE/EQUIPMENT RESERVE FUND

Operating Budget:		
Fire Special Prjts	\$865,000	
Information Technology Special Prjts	200,000	
Library Special Prjts	165,000	
Parks and Recreation Special Prjts	140,000	
Police Special Prjts	349,900	
Non-Operating:		
Transfers Out	1,457,500	
TOTAL VEHICLE/EQUIPMENT RESERVE FUND	<u> </u>	\$3,177,400

CAPITAL IMPROVEMENT FUND

Non-Operating:		
Capital Projects	\$13,269,200	
TOTAL CAPITAL IMPROVEMENT FUND	<u> </u>	\$13,269,200

PENSION OBLIGATION DEBT SERVICE FUND

Operating Budget:		
Materials and Services	\$1,400	
Non-Operating:		
Debt Service - Principal	996,100	
Debt Service - Interest	2,547,500	
TOTAL PENSION OBLIGATION DEBT SERVICE FUND	<u> </u>	\$3,545,000

DAVIDSON FUND

Operating Budget:		
Library Special Prjts	\$400	
TOTAL DAVIDSON FUND	<u> </u>	\$400

WATER FUND

Operating Budget:		
Public Works	\$8,370,500	
Public Works Special Prjts	2,597,800	
Non-Operating:		
Capital Projects	5,652,700	
Transfers Out	329,400	
Contingency	244,300	
TOTAL WATER FUND		\$17,194,700

WASTEWATER FUND

Operating Budget:		
Public Works	\$7,628,800	
Public Works Special Prjts	2,309,100	
Non-Operating:		
Capital Projects	1,983,200	
Transfers Out	296,800	
Debt Service - Principal	605,000	
Debt Service - Interest	12,100	
Contingency	253,800	
TOTAL WASTEWATER FUND		\$13,088,800

STORM WATER FUND

Operating Budget:		
Public Works	\$2,659,100	
Public Works Special Prjts	623,000	
Non-Operating:		
Capital Projects	604,500	
Transfers Out	205,700	
Contingency	77,400	
TOTAL STORM WATER FUND		\$4,169,700

AIRPORT FUND

Operating Budget:		
Public Works	\$483,500	
Public Works Special Prjts	500,700	
Non-Operating:		
Capital Projects	2,980,000	
Transfers Out	163,400	
Contingency	19,700	
TOTAL AIRPORT FUND		\$4,147,300

FLEET MAINTENANCE FUND

Operating Budget:		
Public Works	\$1,552,800	
Public Works Special Prjts	655,000	
Non-Operating:		
Contingency	16,000	
TOTAL FLEET MAINTENANCE FUND		\$2,223,800

FACILITY MAINTENANCE FUND

Operating Budget:		
Public Works	\$1,011,900	
Public Works Special Prjts	1,280,500	
Non-Operating:		
Contingency	10,000	
TOTAL FACILITY MAINTENANCE FUND		\$2,302,400

TECHNOLOGY AND COMMUNICATIONS FUND

Operating Budget:		
Information Technology	\$2,921,300	
Information Technology Special Prjts	39,800	
Non-Operating:		
Contingency	30,000	
TOTAL TECHNOLOGY AND COMMUNICATIONS FUND		\$2,991,100

ADMINISTRATIVE SERVICES FUND

Operating Budget:		
City Manager's Office	\$1,181,600	
Finance	3,008,900	
Human Resources	2,439,000	
Human Resources Special Prjts	262,000	
Non-Operating:		
Transfers Out	40,000	
Contingency	30,000	
TOTAL ADMINISTRATIVE SERVICES FUND		\$6,961,500

RISK MANAGEMENT FUND

Operating Budget:		
Finance	\$1,200,800	
Human Resources	786,500	
Non-Operating:		
Contingency	<u>275,000</u>	
TOTAL RISK MANAGEMENT FUND		\$2,262,300

TOTAL FY 20-21 APPROPRIATIONS \$179,764,500

BE IT FURTHER RESOLVED that the City Manager is hereby directed to certify to the Director of Records and Elections of Benton County, Oregon; the County Assessor of Benton County, Oregon; and the Department of Revenue of the State of Oregon, the tax rate of \$5.1067 per thousand dollars of assessed value made by this resolution.

BE IT FURTHER RESOLVED that the City Manager is hereby directed to certify to the Director of Records and Elections of Benton County, Oregon; the County Assessor of Benton County, Oregon; and the Department of Revenue of the State of Oregon, the voter approved local option levy of \$1.07 per thousand dollars of assessed value made by this resolution.



Councilor

Upon motion duly made and seconded, the foregoing resolution was adopted and the Mayor thereupon declared said resolution to be adopted.

FINANCIAL PLANS

The City of Corvallis uses long-range financial plans as important tools to manage the City's finances. Short-term decisions may have long-term implications, and the financial plans allow those costs to be reflected and reviewed for the impact on ongoing services.

General Guidance

Each fund's financial plan is developed separately, though often using similar assumptions about revenue and expenditure growth. For example, assumptions about the level of new development that is likely to occur each year impacts revenue projections for the Development Services Fund (for building permits and potential staffing implications) but also impacts revenue projections for property taxes, franchise fees, systems development charges (SDCs) and utilities.

Personnel Services, the largest cost for the City, are projected with the same assumptions across the organization for cost-of-living adjustments, rate of growth in Oregon PERS and medical benefits costs, etc. Non-personnel services costs are assumed to increase by 1% annually for the projected years of the financial planning period. Each department identifies plans for special, non-recurring projects, often based on implementing Strategic Operational Plan items or master plans for a specific work area.

Flow of Resources

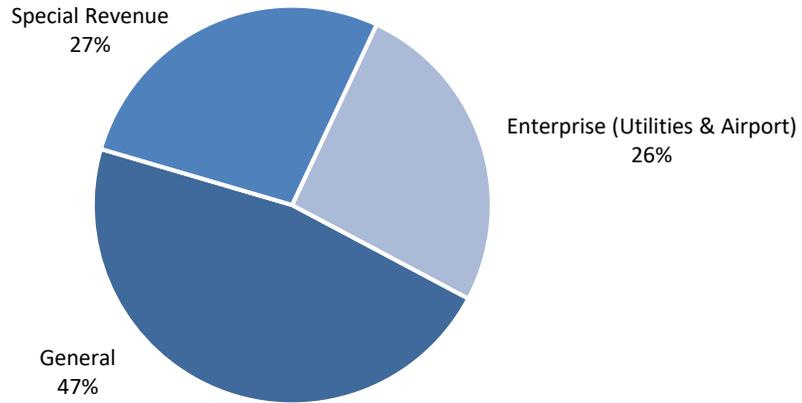
The basic purpose of the financial plans is to achieve a sustainable budget, where recurring revenue matches or exceeds recurring expenditures. In this case, recurring revenue means that the organization expects to receive the amount stated each year to spend on recurring programs and services; recurring expenditures are those the organization expects to spend each year to provide services to the community. This planning mechanism allows decision makers to track the status of basic revenues and expenditures without the occasional large grant or project expenditure skewing any given year.

In some funds, additional information is included to track non-recurring revenues and expenses separate from the recurring activity.

Following the flow of resources also means that non-accounting activity is shown on the face of the financial plan, in particular to show contributions to/use of reserves since the contributions are likely from recurring revenue and reserves are most often used to fund non-recurring expenses.

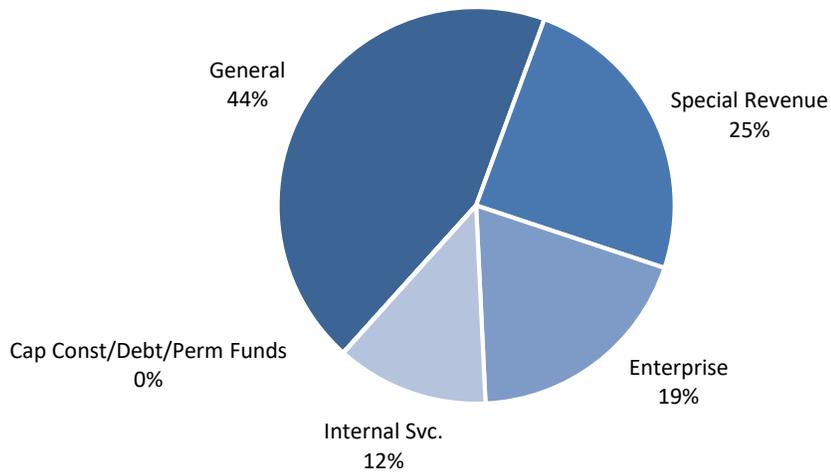
The following graphs are a summary of FY 20-21 Adopted Budget by the five categories:

Current Revenue-by Fund Type*



*Internal Service, Capital Const., and Debt Service Funds are excluded as they are funded by the other City funds' current revenue sources.

Operating Expenditure Budget by Fund Type



FY 20-21 ADOPTED BUDGET - ALL FUNDS

	Governmental Activities			Business Type Activities		FY 20-21 Total	% of Total Rev/Exp
	General Fund	Special Revenue Funds	Cap Const/ Debt/Perm Funds	Enterprise Funds	Internal Svc Funds		
Beginning Fund Balance	\$20,376,334	\$24,054,334	\$2,670,246	\$49,868,148	\$3,040,849	\$100,009,910	
Operating Revenue							
Property Taxes	33,788,800	0	0	0	0	33,788,800	20.31%
Other Taxes	1,812,300	570,000	0	0	0	2,382,300	1.43%
License, Fees, Permits	9,403,800	5,810,800	0	4,500	40,000	15,259,100	9.17%
Charges for Service	7,998,500	4,274,300	0	29,485,800	13,945,800	55,704,400	33.49%
Intergovernmental	5,485,800	22,525,000	4,148,100	3,114,200	0	35,273,100	21.21%
Fines and Forfeitures	286,600	361,500	0	0	0	648,100	0.39%
Miscellaneous	1,785,900	818,900	1,692,800	1,557,000	660,200	6,514,800	3.92%
Total Operating Rev.	60,561,700	34,360,500	5,840,900	34,161,500	14,646,000	149,570,600	89.92%
Non-Operating Rev.	1,684,500	2,151,000	11,249,900	195,000	1,479,500	16,759,900	10.08%
Total Revenue	62,246,200	36,511,500	17,090,800	34,356,500	16,125,500	166,330,500	100.00%
Total Resources	\$82,622,534	\$60,565,834	\$19,761,046	\$84,224,648	\$19,166,349	\$266,340,410	
Operating Expenditures							
Mayor & City Council	1,539,300	0	0	0	0	1,539,300	0.86%
City Manager's Office	861,100	0	0	0	1,181,600	2,042,700	1.14%
Community Development	2,170,300	7,291,500	0	0	0	9,461,800	5.26%
Finance	756,100	229,000	0	0	4,209,700	5,194,800	2.89%
Fire Department	16,660,700	865,000	0	0	0	17,525,700	9.75%
Human Resources	0	0	0	0	3,487,500	3,487,500	1.94%
Information Technology	0	200,000	0	0	2,961,100	3,161,100	1.76%
Library	8,197,600	165,000	400	0	0	8,363,000	4.65%
Parks & Recreation	9,897,900	140,000	0	0	0	10,037,900	5.58%
Police	16,575,500	5,188,800	0	0	0	21,764,300	12.11%
Public Works	563,300	18,172,300	0	25,172,500	4,500,200	48,408,300	26.93%
Non-Departmental	553,000	0	1,400	0	0	554,400	0.31%
Total Operating Expenditures	57,774,800	32,251,600	1,800	25,172,500	16,340,100	131,540,800	73.17%
Non-Operating Expenditures							
Capital Projects	0	0	13,269,200	11,220,400	0	24,489,600	13.62%
Debt Service	695,600	0	3,543,600	617,100	0	4,856,300	2.70%
Transfers	6,158,100	7,906,000	0	995,300	40,000	15,099,400	8.40%
Other Non-Op Uses	1,660,500	0	0	0	0	1,660,500	0.92%
Contingencies	685,000	476,700	0	595,200	361,000	2,117,900	1.18%
Total Non-Op. Expenditures	9,199,200	8,382,700	16,812,800	13,428,000	401,000	48,223,700	26.83%
Total Appropriated Budget	\$66,974,000	\$40,634,300	\$16,814,600	\$38,600,500	\$16,741,100	\$179,764,500	100.00%
Ending Fund Balance	\$15,648,534	\$19,931,534	\$2,946,446	\$45,624,148	\$2,425,249	\$86,575,910	

GENERAL FUND

This is a fund through which many governmental functions are financed. The governmental fund measurement focus is on determination of financial position and changes in financial position (sources, uses, and balances of financial resources). Governmental funds are accounted and budgeted for on the modified accrual basis in which revenues are recognized when they become both "measurable" and "available to finance expenditures of the current period." Expenditures are generally recognized when the related fund liability is incurred.

For GASB Statement #34 reporting purposes, the General Fund was considered a Major Fund in the City's CAFR in FY 19-20 and will again be considered a Major Fund in the City's FY 20-21 CAFR.

The General Fund accounts for all of the financial resources of the City which are not accounted for in any other fund. Principal sources of revenue are property taxes, the May 2019 voter-approved local option tax levy (for Library, Parks & Recreation, and Social Services), taxes collected by Benton County for a service district for the Library, fees for recreational programs, franchise fees, rural fire district charges, ambulance fees, charges for inspection services, licenses, permits and state shared revenues. Primary expenditures in the General Fund are made for fire, police, library, parks and recreation, community development and planning, economic development, and municipal court.

Beginning in FY 17-18, one-time projects are appropriated separately for each department to facilitate achieving a sustainable budget where recurring revenues equal or exceed recurring expenditures.

GENERAL FUND FINANCIAL PLAN

BUDGETARY BASIS	ADOPTED	REVISED	ADOPTED	PROJECTED			
	FY 19-20	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
Recurring Activity							
Non-Dedicated Revenue							
Property Taxes	26,250,900	27,063,600	27,846,600	28,927,400	30,077,000	30,974,200	31,898,200
Other Taxes	2,529,000	1,940,000	1,812,300	2,582,700	2,632,800	2,683,900	2,736,000
License/Fees/Permits	5,943,100	5,943,100	5,660,800	5,762,700	5,866,400	5,972,000	6,079,500
State Shared Revenues	1,966,500	2,068,500	1,995,500	2,014,400	2,033,400	2,052,800	2,072,400
Fines and Forfeitures	452,300	302,300	252,300	452,300	452,300	452,300	452,300
Other Miscellaneous Revenue	538,700	538,700	429,600	429,600	429,600	429,600	429,600
Other Non-Operating Revenue	89,100	14,100	24,000	89,100	14,100	14,100	14,100
Total Non-Dedicated Revenue	37,769,600	37,870,300	38,021,100	40,258,200	41,505,600	42,578,900	43,682,100
Dedicated Revenue							
Mayor and City Council	360,000	360,000	360,000	360,000	360,000	360,000	0
City Manager's Office	175,800	175,800	176,400	178,200	180,000	181,800	183,600
Community Development	175,000	175,000	178,100	181,700	185,300	189,000	192,800
Finance	200	200	200	200	200	200	200
Fire	6,152,500	6,307,800	6,535,500	6,639,200	6,744,900	6,852,800	6,962,800
FS Fee (Cont To)/Use of Reserves	(506,200)	(506,200)	(36,600)	112,400	195,500	234,900	0
Library	6,398,500	6,489,400	6,500,800	6,730,100	6,983,400	7,213,000	4,115,200
LOL (Cont to)/Use of Reserve	(300,000)	(300,000)	(400,000)	(100,000)	300,000	500,000	0
Parks & Recreation	4,797,800	4,520,100	5,146,100	5,290,100	5,453,100	5,591,000	2,641,800
2019 LOL (Cont to)/Use of Reserve	(300,000)	(300,000)	(400,000)	(210,000)	450,000	460,000	0
Police	3,861,600	3,861,600	3,057,600	3,064,200	3,070,900	3,077,700	3,084,600
PS Fee (Cont To)/Use of Reserves	(1,400,000)	(1,400,000)	0	340,000	460,000	600,000	0
Public Works	2,000	2,000	120,100	122,000	122,000	122,000	122,000
Total Dedicated Revenue	19,417,200	19,385,700	21,238,200	22,708,100	24,505,300	25,382,400	17,303,000
TOTAL RECURRING REVENUE	57,186,800	57,256,000	59,259,300	62,966,300	66,010,900	67,961,300	60,985,100
Expenditures (Operating)							
Mayor and City Council	1,355,900	1,295,500	1,539,300	1,546,000	1,558,000	1,570,100	1,582,400
City Manager's Office	524,700	574,700	696,100	735,200	772,500	817,400	859,900
Community Development	1,686,300	1,686,300	1,899,500	2,014,200	2,122,700	2,254,200	2,377,300
Finance	703,400	703,400	756,100	790,900	825,200	864,600	902,800
Fire	14,825,300	14,500,300	15,880,600	16,997,100	17,943,100	19,290,400	20,376,700
Library	7,302,000	7,302,000	7,622,400	8,055,900	8,467,100	8,965,100	9,432,600
Parks & Recreation	8,565,900	8,228,900	9,121,700	9,582,700	10,027,600	10,553,300	11,055,300
Police	16,688,900	16,688,900	16,213,300	17,336,900	18,354,500	19,682,100	20,864,900
Public Works	243,200	243,200	563,300	568,700	586,300	606,400	625,900
Non-Departmental	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Total Operating Expenditures	51,898,600	51,226,200	54,295,300	57,630,600	60,660,000	64,606,600	68,080,800
Expenditures (Non-Operating)							
Interfund Transfers	3,212,000	2,843,600	2,518,000	2,630,700	2,748,400	2,871,400	3,000,000
Contributions to Veh/Fac Maint. Reserves	1,171,300	1,171,300	1,521,700	1,497,600	1,541,900	1,589,300	1,640,000
Contributions to New Facility Reserves	0	0	192,500	200,000	210,000	220,000	230,000
Debt Service	694,200	694,200	695,600	451,930	449,930	452,550	449,800
Total Non-Operating	5,077,500	4,709,100	4,927,800	4,780,230	4,950,230	5,133,250	5,319,800
TOTAL RECURRING EXPENDITURES	56,976,100	55,935,300	59,223,100	62,410,830	65,610,230	69,739,850	73,400,600
Total Recurring Revenue less Recurring Expenditures	210,700	1,320,700	36,200	555,470	400,670	(1,778,550)	(12,415,500)
Non-Recurring Activity							
Resources:							
Revenue	619,500	600,200	489,800	100,000	100,000	100,000	100,000
Total Non-Recurring Resources	619,500	600,200	489,800	100,000	100,000	100,000	100,000
Uses:							
Operating Special Projects	3,373,900	1,400,700	5,597,900	440,600	262,500	225,000	1,150,000
Budgeted Contingencies	640,000	0	685,000	0	0	0	0
Total Non-Recurring Uses	4,013,900	1,400,700	6,282,900	440,600	262,500	225,000	1,150,000
Net Non-Recurring Activities	(3,394,400)	(800,500)	(5,793,100)	(340,600)	(162,500)	(125,000)	(1,050,000)
Fund Balance							
Beginning Fund Balance, including Reserves	14,772,689	17,335,554	20,425,322	15,697,522	15,969,992	15,012,662	11,534,212
Add Net Recurring Activity	210,700	1,320,700	36,200	555,470	400,670	(1,778,550)	(12,415,500)
Add Net Non-Recurring Activity	(3,394,400)	(800,500)	(5,793,100)	(340,600)	(162,500)	(125,000)	(1,050,000)
Add Net Intrafund Activity	2,506,200	2,569,568	1,029,100	57,600	(1,195,500)	(1,574,900)	230,000
Ending Fund Balance, including reserves	14,095,189	20,425,322	15,697,522	15,969,992	15,012,662	11,534,212	(1,701,288)
Less Fund Balance Reserve	6,760,000	8,351,000	7,666,000	7,894,300	8,122,600	8,350,900	8,350,900
Less PERS Reserve	0	0	300,000	300,000	300,000	300,000	300,000
Less Ending Assigned Reserves	1,239,863	3,042,334	5,081,637	5,203,237	4,073,737	2,565,837	2,863,837
Less Ending Committed Reserves	805,395	1,056,271	626,271	626,271	626,271	626,271	626,271
Less Ending Restricted Reserves	1,024,660	729,407	414,292	311,192	311,192	311,192	311,192
Fund Balance Available for Appropriations	4,265,271	7,246,310	1,609,322	1,634,992	1,578,862	(619,988)	(14,153,488)

OTHER SPECIAL REVENUE FUNDS

These are funds through which many special governmental functions are financed. The governmental fund measurement focus is on determination of financial position and changes in financial position (sources, uses, and balances of financial resources). Governmental funds are accounted and budgeted for on the modified accrual basis in which revenues are recognized when they become both "measurable" and "available to finance expenditures of the current period." Expenditures are generally recognized when the related fund liability is incurred.

The Special Revenue Funds in this section do not receive any property tax monies.

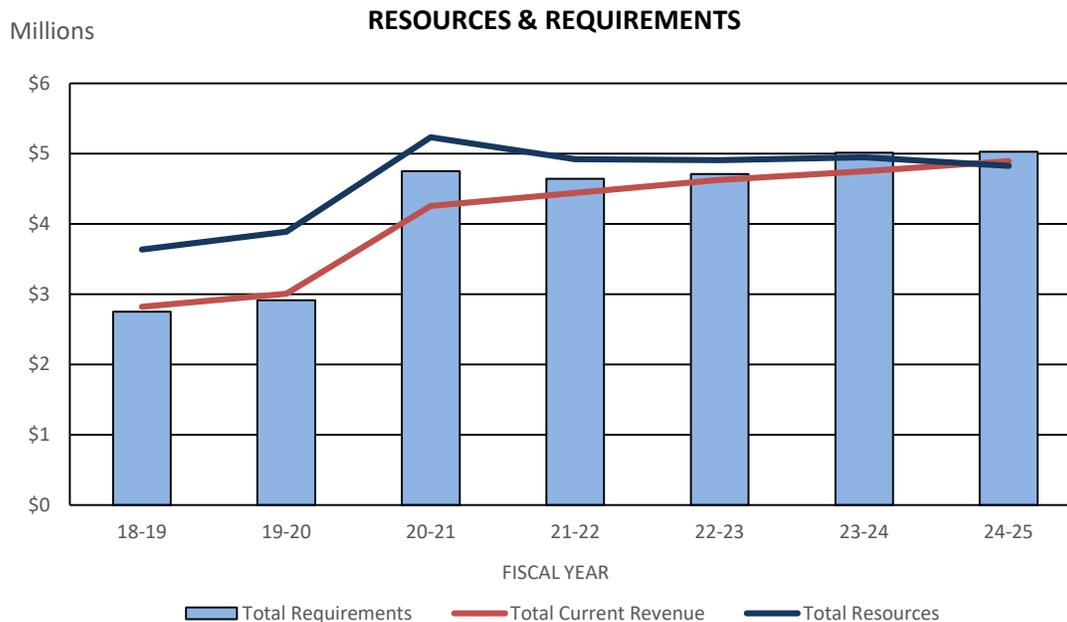
- a. **9-1-1 Fund** – to account for revenues and expenditures associated with operations of the regional emergency communications system (9-1-1) which is owned and operated by the City of Corvallis. Major revenue sources include charges for service from the City of Corvallis Police & Fire departments as well as intergovernmental revenue from the State, Benton County, and other regional agencies. Expenditures are associated with the operation and maintenance of the 9-1-1 communications center.
- b. **Community Development Revolving Fund** – to account for revenues and expenditures associated with housing programs for low and very low income residents, improving the appearance and quality of life of neighborhoods and the community, and non-profit housing organizations which assist very low income residents. Major revenue sources include Federal grants from the U.S. Department of Housing and Urban Development, Construction Excise Taxes (CET), and loan repayments. Expenditures provide grants for housing and community development activities, as well as loans for housing construction and rehabilitation, and down payment assistance. In all cases these programs focus on assisting low income Corvallis residents. For GASB Statement #34 reporting purposes, this fund was considered a Major Fund in the City's CAFR in FY 19-20 and will again be considered a Major Fund in the City's FY 20-21 CAFR.
- c. **Development Services Fund** – to account for revenues and expenditures associated with plan review and inspection services provided by the Development Services Division of the Community Development Department. The primary revenue source is permit fees paid for plan review and inspection of construction projects. Expenditures are for costs associated with the operation of the Development Services Division.
- d. **Parking Fund** – to account for revenues and expenditures associated with the public parking system. Major revenue sources include income from parking meters, fines from parking violations, and sales of parking permits. Expenditures are associated with the operation, enforcement, maintenance, and capital improvements of the parking system.
- e. **Parks Systems Development Charge Fund** –to account for the resources and uses associated with the Parks Systems Development Charge (SDC) fees. Major revenue source is the Parks SDC. Expenditures are associated with capital construction projects for park development, improvements, and trail/bike paths that are SDC eligible. For GASB Statement #34 reporting purposes, this fund was considered a Major Fund in the City's CAFR in FY 19-20 and will again be considered a Major Fund in the City's FY 20-21 CAFR.
- f. **Street Fund** – to account for revenues and expenditures associated with the ongoing maintenance of the City's road system. Revenue sources include state gas tax revenue sharing, a local Transportation Maintenance Fee, and Street SDCs. Operating expenditures are for street maintenance including street sweeping, de-icing, minor street repairs, reconstruction programs,

striping/painting, and preventive maintenance programs. SDC revenue is used for capital projects that increase service levels. For GASB Statement #34 reporting purposes, this fund was considered a Major Fund in the City's CAFR in FY 19-20 and will again be considered a Major Fund in the City's FY 20-21 CAFR.

- g. **Transit Fund** – to account for revenues and expenditures associated with the operation of the City's transit system. Major revenue sources include transit operating fees and federal grant monies. Expenditures are for operations and maintenance of the transit system.
- h. **Vehicle/Equipment Reserve Fund** – to account for reserve balances in the General Fund and Administrative Services Fund available for spending on vehicles and other equipment including information technology systems necessary to provide City services.

9-1-1 EMERGENCY FUND FINANCIAL PLAN

BUDGETARY BASIS	ADOPTED FY 19-20	REVISED FY 19-20	ADOPTED FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
BEGINNING BUDGETARY FUND BALANCE	\$691,286	\$734,556	\$840,456	\$34,056	(\$391,913)	(\$760,198)	(\$1,230,522)
REVENUES							
Charges for Service	\$1,375,500	\$1,375,500	\$100	\$100	\$100	\$100	\$100
Intergovernmental							
911 State Tax Allocations	581,000	581,000	620,000	632,400	645,040	657,940	671,100
Other Government Agency Payments	1,029,300	1,029,300	0	0	0	0	0
911 Service District	0	0	3,621,600	3,792,100	3,966,100	4,075,900	4,204,600
Other Intergovernmental revenue	1,500	1,500	1,400	1,400	1,400	1,400	1,400
Miscellaneous	18,100	18,100	14,800	14,800	14,800	14,800	14,800
Non-Operating Transfers	0	0	0	0	0	0	0
TOTAL REVENUES	\$3,005,400	\$3,005,400	\$4,257,900	\$4,440,800	\$4,627,440	\$4,750,140	\$4,892,000
EXPENDITURES							
Police	\$2,734,300	\$2,734,300	\$4,176,600	\$4,365,119	\$4,499,095	\$4,716,504	\$4,865,995
Police Special Projects	91,700	48,700	356,000	140,000	63,000	142,500	0
Transfers Out	133,000	133,000	133,000	139,650	146,630	153,960	161,660
Contingencies	61,000	0	85,200	0	0	0	0
TOTAL EXPENDITURES	\$3,020,000	\$2,916,000	\$4,750,800	\$4,644,769	\$4,708,725	\$5,012,964	\$5,027,655
REVENUE EXCESS (SHORTFALL) OVER EXPENDITURES	(\$14,600)	\$89,400	(\$492,900)	(\$203,969)	(\$81,285)	(\$262,824)	(\$135,655)
RESERVED BALANCES, Beginning of Year	\$83,238	\$151,158	\$134,658	\$448,158	\$670,158	\$957,158	\$1,164,658
FUND BALANCE (Including Reserved), End of Year	\$759,924	\$975,114	\$482,214	\$278,245	\$196,959	(\$65,865)	(\$201,520)
LESS: RESERVED BALANCES ASSIGNED	\$66,738	\$134,658	\$448,158	\$670,158	\$957,158	\$1,164,658	\$1,514,658
ENDING BUDGETARY FUND BALANCE	\$693,186	\$840,456	\$34,056	(\$391,913)	(\$760,198)	(\$1,230,522)	(\$1,716,178)



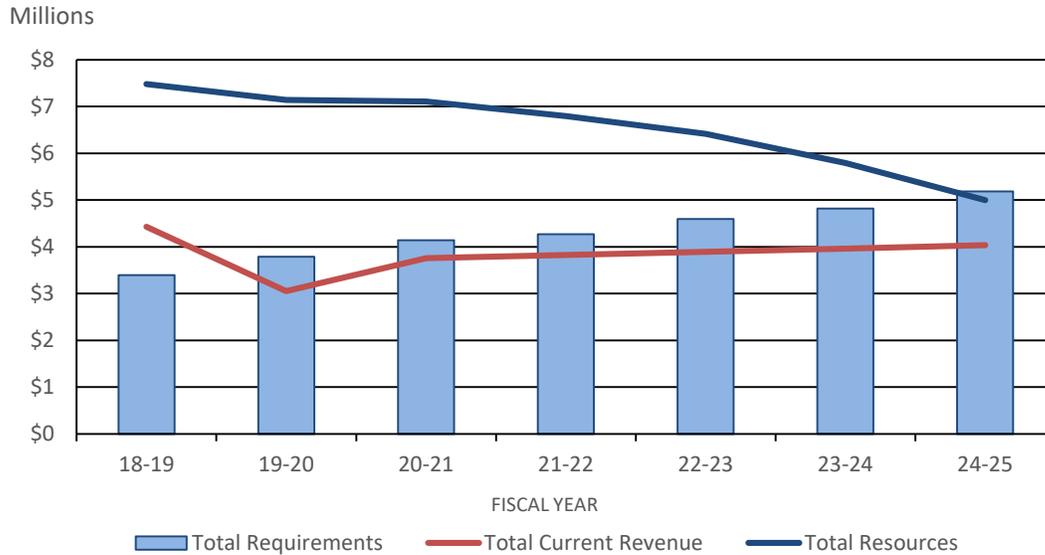
COMMUNITY DEVELOPMENT REVOLVING FUND FINANCIAL PLAN

BUDGETARY BASIS	ADOPTED FY 19-20	REVISED FY 19-20	ADOPTED FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
BEGINNING BUDGETARY FUND BALANCE	\$416,455	(\$201,432)	(\$686,792)	(\$1,111,792)	(\$1,566,462)	(\$2,052,782)	(\$2,539,732)
ADMINISTRATION / NON-FEDERAL ASSISTANCE							
Charges for Service	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Miscellaneous	9,300	22,800	25,300	9,100	9,100	9,100	9,100
Other Financing Sources	500,000	500,000	351,100	0	0	0	0
Total Revenue	\$514,300	\$527,800	\$381,400	\$14,100	\$14,100	\$14,100	\$14,100
Personnel Services	\$19,000	\$19,000	\$26,500	\$29,600	\$32,300	\$34,100	\$37,300
Non-Personnel Services (excluding ISC's)	506,300	506,300	358,600	18,600	18,600	18,600	18,600
Internal Service Charges (ISC's)	87,400	87,400	190,400	198,900	207,800	217,100	226,800
Capital Outlay	0	0	0	0	0	0	0
Debt Service	0	0	0	0	0	0	0
Transfers Out	30,400	30,400	32,200	33,800	35,500	37,300	39,200
Contingencies	32,200	0	32,200	0	0	0	0
Total Expenditures	\$675,300	\$643,100	\$639,900	\$280,900	\$294,200	\$307,100	\$321,900
NET ACTIVITY - ADMIN / NON-FED ASSISTANCE	(\$161,000)	(\$115,300)	(\$258,500)	(\$266,800)	(\$280,100)	(\$293,000)	(\$307,800)
RENTAL HOUSING							
Licenses, Fees and Permits	\$220,900	\$220,900	\$234,000	\$243,500	\$248,000	\$269,300	\$269,300
Fines & Forfeitures	15,000	15,000	18,500	18,500	18,500	18,500	18,500
Miscellaneous	0	0	0	0	0	0	0
Total Revenue	\$235,900	\$235,900	\$252,500	\$262,000	\$266,500	\$287,800	\$287,800
Personnel Services	\$265,700	\$265,700	\$262,400	\$283,600	\$309,900	\$328,800	\$359,000
Non-Personnel Services (excluding ISC's)	50,200	50,200	51,100	51,500	51,900	52,300	52,700
Total Expenditures	\$315,900	\$315,900	\$313,500	\$335,100	\$361,800	\$381,100	\$411,700
NET ACTIVITY - RENTAL HOUSING	(\$80,000)	(\$80,000)	(\$61,000)	(\$73,100)	(\$95,300)	(\$93,300)	(\$123,900)
AFFORDABLE HOUSING							
Taxes	\$450,000	\$100,000	\$550,000	\$561,000	\$572,200	\$583,600	\$595,300
Total Revenue	\$450,000	\$100,000	\$550,000	\$561,000	\$572,200	\$583,600	\$595,300
Personnel Services	\$101,000	\$101,000	\$104,900	\$116,100	\$127,000	\$134,500	\$146,900
Non-Personnel Services (excluding ISC's)	504,300	504,300	806,300	814,300	822,400	830,600	838,800
Total Expenditures	\$605,300	\$605,300	\$911,200	\$930,400	\$949,400	\$965,100	\$985,700
NET ACTIVITY - AFFORDABLE HOUSING	(\$155,300)	(\$505,300)	(\$361,200)	(\$369,400)	(\$377,200)	(\$381,500)	(\$390,400)
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)							
Intergovernmental	\$980,000	\$980,000	\$1,630,100	\$1,009,400	\$1,039,700	\$1,070,900	\$1,103,000
Fines & Forfeitures	0	0	0	0	0	0	0
Miscellaneous	70,000	90,500	100,000	65,800	66,600	67,400	68,200
Total Revenue	\$1,050,000	\$1,070,500	\$1,730,100	\$1,075,200	\$1,106,300	\$1,138,300	\$1,171,200
Personnel Services	\$102,200	\$102,200	\$117,200	\$128,500	\$140,100	\$149,200	\$162,900
Non-Personnel Services (excluding ISC's)	908,100	908,100	1,449,500	813,500	837,800	862,700	888,400
Total Expenditures	\$1,010,300	\$1,010,300	\$1,566,700	\$942,000	\$977,900	\$1,011,900	\$1,051,300
NET ACTIVITY - CDBG	\$39,700	\$60,200	\$163,400	\$133,200	\$128,400	\$126,400	\$119,900
HOME INVESTMENT PARTNERSHIP (HOME)							
Intergovernmental	\$80,000	\$80,000	\$0	\$82,400	\$84,900	\$87,400	\$90,000
Fines & Forfeitures	0	0	0	0	0	0	0
Miscellaneous	15,000	15,000	10,000	10,000	10,000	10,000	10,000
Total Revenue	\$95,000	\$95,000	\$10,000	\$92,400	\$94,900	\$97,400	\$100,000
Personnel Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Personnel Services (excluding ISC's)	95,000	95,000	0	74,200	76,400	78,700	81,000
Total Expenditures	\$95,000	\$95,000	\$0	\$74,200	\$76,400	\$78,700	\$81,000
NET ACTIVITY - HOME	\$0	\$0	\$10,000	\$18,200	\$18,500	\$18,700	\$19,000
TOTAL REVENUE	\$2,345,200	\$2,029,200	\$2,924,000	\$2,004,700	\$2,054,000	\$2,121,200	\$2,168,400
TOTAL EXPENDITURES	\$2,701,800	\$2,669,600	\$3,431,300	\$2,562,600	\$2,659,700	\$2,743,900	\$2,851,600
REVENUE EXCESS (SHORTFALL) OVER EXPENDITURES	(\$356,600)	(\$640,400)	(\$507,300)	(\$557,900)	(\$605,700)	(\$622,700)	(\$683,200)
RESERVED BALANCES, Beginning of Year	\$1,430,089	\$1,430,089	\$1,275,049	\$1,192,749	\$1,089,519	\$970,139	\$834,389
FUND BALANCE (Including Reserved), End of Year	\$1,489,944	\$588,257	\$80,957	(\$476,943)	(\$1,082,643)	(\$1,705,343)	(\$2,388,543)
LESS: RESERVED BALANCES							
RESTRICTED	\$1,275,049	\$1,275,049	\$1,192,749	\$1,089,519	\$970,139	\$834,389	\$686,959
ENDING BUDGETARY FUND BALANCE	\$214,895	(\$686,792)	(\$1,111,792)	(\$1,566,462)	(\$2,052,782)	(\$2,539,732)	(\$3,075,502)

DEVELOPMENT SERVICES FUND FINANCIAL PLAN

BUDGETARY BASIS	ADOPTED	REVISED	ADOPTED				
	FY 19-20	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
BEGINNING BUDGETARY FUND BALANCE	\$2,568,667	\$4,085,248	\$3,347,848	\$2,968,148	\$2,522,748	\$1,824,248	\$966,248
REVENUES							
CET Admin Fee	\$15,000	\$15,000	\$20,000	\$20,200	\$20,400	\$20,600	\$20,800
Licenses, Fees & Permits	1,312,000	1,013,000	1,313,500	1,339,900	1,366,800	1,394,100	1,422,000
Charges for Services	2,088,500	1,821,800	2,026,200	2,066,600	2,107,900	2,150,000	2,193,100
Miscellaneous	74,100	74,100	66,200	66,200	66,200	66,200	66,200
Transfers In	124,300	124,300	329,300	329,300	329,300	329,300	329,300
TOTAL REVENUES	\$3,616,400	\$3,050,700	\$3,757,700	\$3,824,700	\$3,893,100	\$3,962,700	\$4,033,900
EXPENDITURES							
Community Development	\$3,623,800	\$3,623,800	\$3,900,200	\$4,140,200	\$4,455,200	\$4,677,500	\$5,030,300
Community Development Special Projects	46,500	46,500	17,500	0	0	0	0
Transfers Out	117,800	117,800	140,700	129,900	136,400	143,200	150,400
Contingencies	72,300	0	79,000	0	0	0	0
TOTAL EXPENDITURES	\$3,860,400	\$3,788,100	\$4,137,400	\$4,270,100	\$4,591,600	\$4,820,700	\$5,180,700
REVENUE EXCESS (SHORTFALL) OVER EXPENDITURES	(\$244,000)	(\$737,400)	(\$379,700)	(\$445,400)	(\$698,500)	(\$858,000)	(\$1,146,800)
FUND BALANCE (Including Reserved), End of Year	\$2,324,667	\$3,347,848	\$2,968,148	\$2,522,748	\$1,824,248	\$966,248	(\$180,552)
ENDING BUDGETARY FUND BALANCE	\$2,324,667	\$3,347,848	\$2,968,148	\$2,522,748	\$1,824,248	\$966,248	(\$180,552)

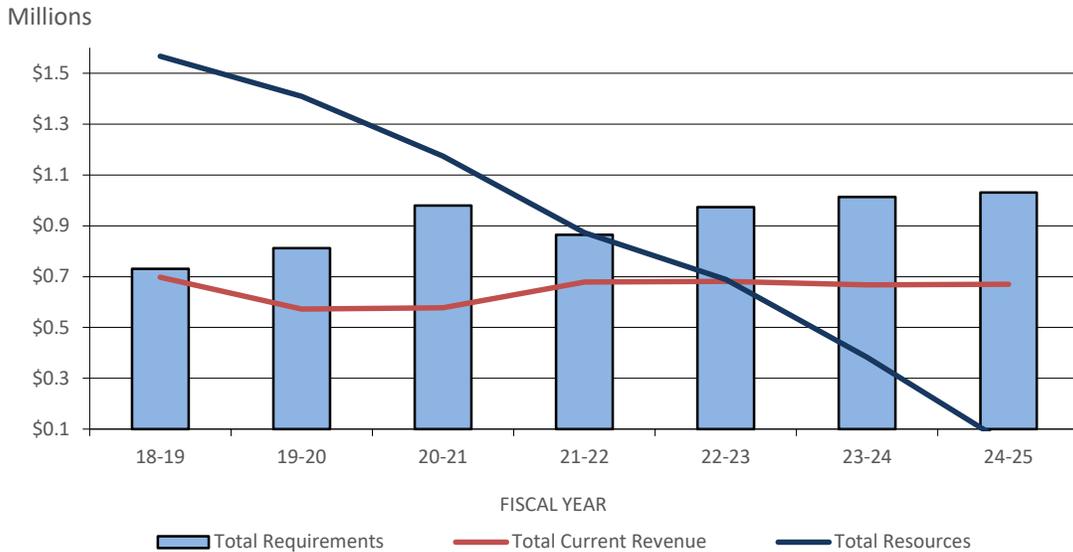
Resources and Requirements



PARKING FUND FINANCIAL PLAN

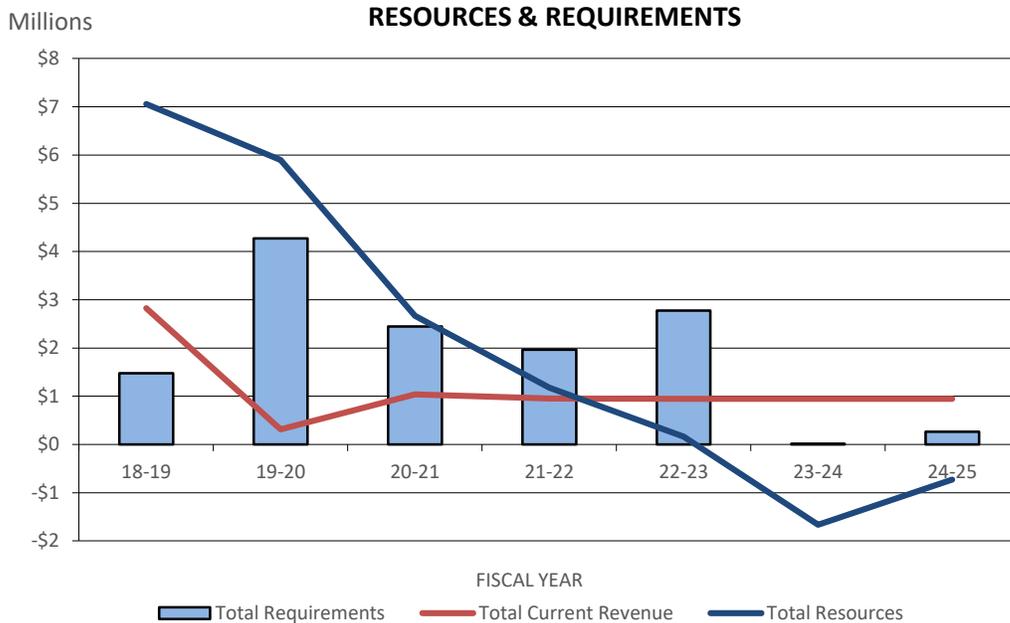
BUDGETARY BASIS	ADOPTED FY 19-20	REVISED FY 19-20	ADOPTED FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
BEGINNING BUDGETARY FUND BALANCE	\$691,627	\$712,182	\$461,482	\$47,882	(\$148,718)	(\$401,318)	(\$709,418)
REVENUES							
Licenses, Fees & Permits	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000
Charges for Services	226,900	177,900	186,900	188,800	190,700	192,600	194,600
Fines & Forfeitures	437,000	337,000	340,000	440,000	440,000	440,000	440,000
Miscellaneous	22,500	22,500	15,200	15,200	15,200	200	200
TOTAL REVENUES	\$721,400	\$572,400	\$577,100	\$679,000	\$680,900	\$667,800	\$669,800
EXPENDITURES							
Community Development	\$6,700	\$6,700	\$6,900	\$7,700	\$8,300	\$8,800	\$9,500
Finance	214,900	214,900	229,000	242,100	256,700	267,300	283,800
Police	309,000	249,000	306,300	331,000	356,000	374,000	402,000
Public Works	240,000	233,000	242,800	252,000	268,100	279,700	297,600
Public Works Special Projects	150,000	79,700	150,000	0	0	0	0
Transfers Out	81,100	29,100	30,600	32,100	33,700	35,400	37,200
Contingencies	14,500	0	14,400	0	0	0	0
TOTAL EXPENDITURES	\$1,016,200	\$812,400	\$980,000	\$864,900	\$973,800	\$1,013,200	\$1,030,100
REVENUE EXCESS (SHORTFALL) OVER EXPENDITURES	(\$294,800)	(\$240,000)	(\$402,900)	(\$185,900)	(\$292,900)	(\$345,400)	(\$360,300)
RESERVED BALANCES, Beginning of Year	\$124,051	\$124,051	\$134,751	\$145,451	\$156,151	\$115,851	\$78,551
FUND BALANCE (Including Reserved), End of Year	\$520,878	\$596,233	\$193,333	\$7,433	(\$285,467)	(\$630,867)	(\$991,167)
LESS: RESERVED BALANCES							
COMMITTED	\$56,997	\$56,997	\$56,997	\$56,997	\$56,997	\$56,997	\$56,997
ASSIGNED	77,754	77,754	88,454	99,154	58,854	21,554	32,254
ENDING BUDGETARY FUND BALANCE	\$386,127	\$461,482	\$47,882	(\$148,718)	(\$401,318)	(\$709,418)	(\$1,080,418)

RESOURCES & REQUIREMENTS



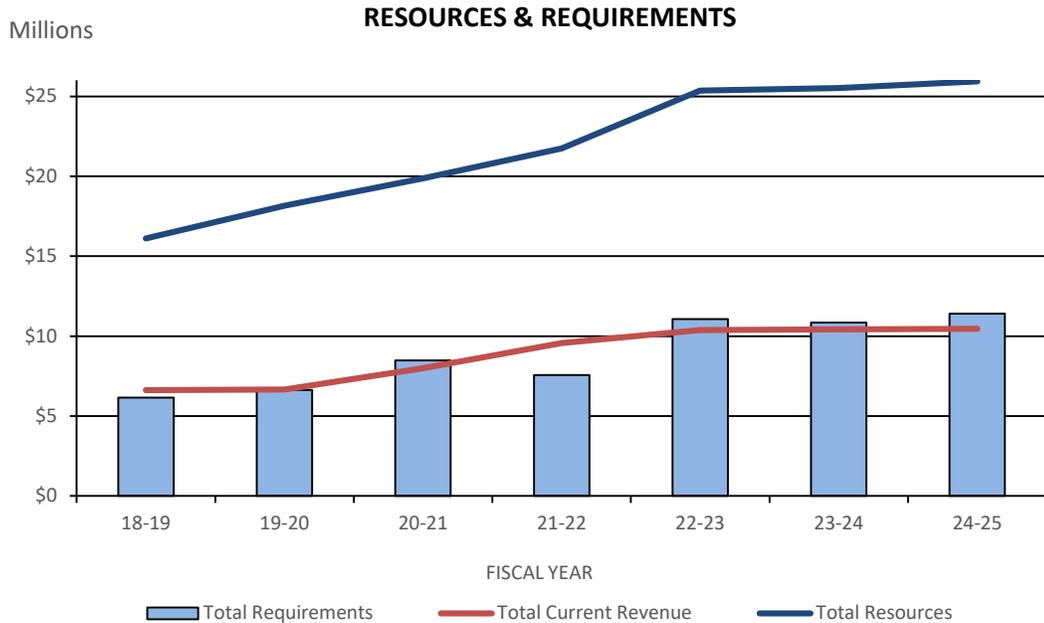
PARKS SYSTEM DEVELOPMENT CHARGES FUND FINANCIAL PLAN

BUDGETARY BASIS	ADOPTED FY 19-20	REVISED FY 19-20	ADOPTED FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
REVENUES							
Charges for Services	\$928,000	\$200,000	\$949,000	\$949,000	\$949,000	\$949,000	\$949,000
Miscellaneous	114,000	114,000	92,600	6,200	700	700	700
TOTAL REVENUES	\$1,042,000	\$314,000	\$1,041,600	\$955,200	\$949,700	\$949,700	\$949,700
EXPENDITURES							
Transfers Out	\$6,809,200	\$4,270,200	\$2,445,500	\$1,965,400	\$2,775,000	\$12,900	\$262,900
TOTAL EXPENDITURES	\$6,809,200	\$4,270,200	\$2,445,500	\$1,965,400	\$2,775,000	\$12,900	\$262,900
REVENUE EXCESS (SHORTFALL) OVER EXPENDITURES	(\$5,767,200)	(\$3,956,200)	(\$1,403,900)	(\$1,010,200)	(\$1,825,300)	\$936,800	\$686,800
RESERVED BALANCES, Beginning of Year	\$6,186,717	\$5,581,656	\$1,625,456	\$221,556	(\$788,644)	(\$2,613,944)	(\$1,677,144)
FUND BALANCE (Including Reserved), End of Year	\$419,517	\$1,625,456	\$221,556	(\$788,644)	(\$2,613,944)	(\$1,677,144)	(\$990,344)
LESS: RESERVED BALANCES							
RESTRICTED	\$419,517	\$1,625,456	\$221,556	(\$788,644)	(\$2,613,944)	(\$1,677,144)	(\$990,344)
ENDING BUDGETARY FUND BALANCE	\$0						



STREET FUND FINANCIAL PLAN

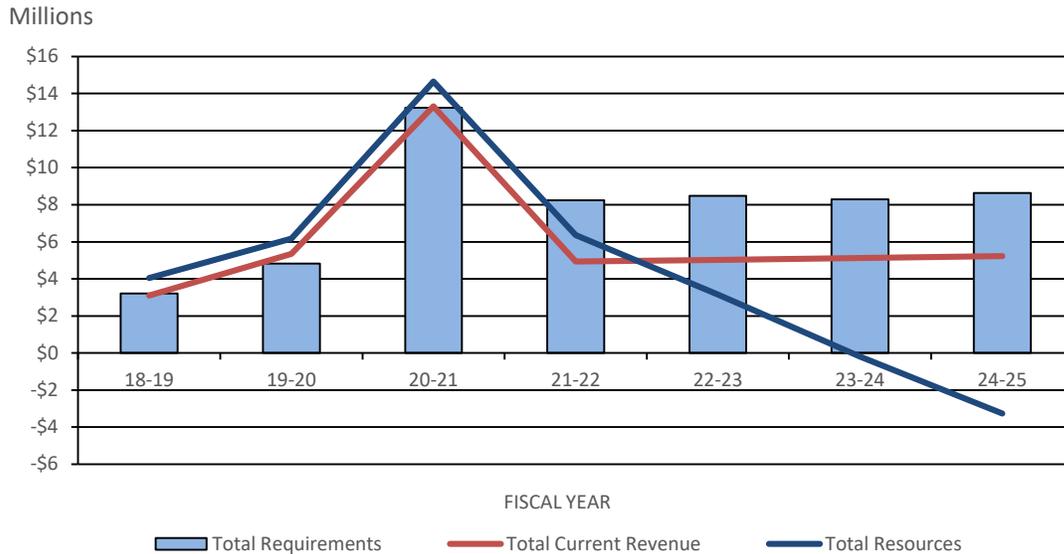
BUDGETARY BASIS	ADOPTED FY 19-20	REVISED FY 19-20	ADOPTED FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
BEGINNING BUDGETARY FUND BALANCE	\$1,834,576	\$2,734,858	\$2,370,958	\$1,261,728	\$2,092,400	\$978,608	(\$851,608)
REVENUES							
Licenses, Fees & Permits	\$1,328,200	\$1,969,700	\$3,234,600	\$4,477,000	\$5,236,800	\$5,237,700	\$5,238,600
Charges for Service	206,400	171,100	161,100	163,100	165,100	167,100	169,200
Intergovernmental	4,324,800	4,174,800	4,490,300	4,826,300	4,865,600	4,904,800	4,949,000
Fines & Forfeitures	500	500	500	500	500	500	500
Miscellaneous	74,600	75,300	81,400	81,500	81,600	81,700	81,800
Transfers In	280,500	280,500	25,400	26,200	27,000	27,800	28,600
TOTAL REVENUES	\$6,215,000	\$6,671,900	\$7,993,300	\$9,574,600	\$10,376,600	\$10,419,600	\$10,467,700
EXPENDITURES							
Community Development	\$27,000	\$27,000	\$0	\$0	\$0	\$0	\$0
Public Works	3,720,000	3,720,000	4,117,300	4,310,600	4,557,200	4,686,310	4,983,100
Public Works Special Projects	831,800	599,800	555,800	319,500	627,600	321,400	316,900
Transfers Out	2,826,800	2,295,500	3,644,300	2,739,600	5,676,200	5,627,700	5,906,400
Contingencies	117,600	0	165,000	190,968	206,992	207,836	208,782
TOTAL EXPENDITURES	\$7,523,200	\$6,642,300	\$8,482,400	\$7,560,668	\$11,067,992	\$10,843,246	\$11,415,182
REVENUE EXCESS (SHORTFALL) OVER EXPENDITURES	(\$1,308,200)	\$29,600	(\$489,100)	\$2,013,932	(\$691,392)	(\$423,646)	(\$947,482)
RESERVED BALANCES, Beginning of Year	\$7,698,128	\$8,750,484	\$9,500,984	\$10,908,714	\$12,887,174	\$14,112,474	\$16,329,744
FUND BALANCE (Including Reserved), End of Year	\$8,643,204	\$11,871,942	\$11,518,242	\$14,790,474	\$14,485,582	\$15,478,136	\$15,349,254
LESS: RESERVED BALANCES							
RESTRICTED	\$6,913,447	\$7,498,268	\$7,633,668	\$8,239,768	\$8,437,168	\$9,247,868	\$10,066,468
COMMITTED	806,249	1,853,584	3,115,914	4,413,774	5,747,874	7,118,944	8,527,724
ASSIGNED	57,932	149,132	159,132	233,632	(72,568)	(37,068)	(53,768)
ENDING BUDGETARY FUND BALANCE	\$865,576	\$2,370,958	\$609,528	\$1,903,300	\$373,108	(\$851,608)	(\$3,191,170)



TRANSIT FUND FINANCIAL PLAN

BUDGETARY BASIS	ADOPTED FY 19-20	REVISED FY 19-20	ADOPTED FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
BEGINNING BUDGETARY FUND BALANCE	\$811,595	\$574,109	\$1,044,109	\$1,111,609	(\$2,109,891)	(\$5,330,291)	(\$8,535,691)
REVENUES							
Licenses, Fees & Permits	\$1,029,200	\$976,900	\$993,700	\$1,013,600	\$1,033,900	\$1,054,600	\$1,075,700
Charges for Services	245,000	245,000	246,000	247,900	249,800	251,700	253,600
Intergovernmental	3,518,800	3,864,600	11,810,500	3,411,400	3,483,100	3,557,000	3,633,100
Miscellaneous	257,700	258,400	257,600	259,500	261,500	263,500	265,500
TOTAL REVENUES	\$5,050,700	\$5,344,900	\$13,307,800	\$4,932,400	\$5,028,300	\$5,126,800	\$5,227,900
EXPENDITURES							
Public Works	\$4,370,700	\$4,330,700	\$8,020,600	\$8,030,600	\$8,154,200	\$8,266,500	\$8,397,900
Public Works Special Projects	1,012,800	472,000	5,085,800	185,800	295,500	0	209,200
Transfers Out	22,200	22,200	22,200	23,300	24,500	25,700	27,000
Contingencies	100,900	0	100,900	0	0	0	0
TOTAL EXPENDITURES	\$5,506,600	\$4,824,900	\$13,229,500	\$8,239,700	\$8,474,200	\$8,292,200	\$8,634,100
REVENUE EXCESS (SHORTFALL) OVER EXPENDITURES	(\$455,900)	\$520,000	\$78,300	(\$3,307,300)	(\$3,445,900)	(\$3,165,400)	(\$3,406,200)
RESERVED BALANCES, Beginning of Year	\$254,851	\$254,851	\$304,851	\$315,651	\$229,851	\$4,351	\$44,351
FUND BALANCE (Including Reserved), End of Year	\$610,546	\$1,348,960	\$1,427,260	(\$1,880,040)	(\$5,325,940)	(\$8,491,340)	(\$11,897,540)
LESS: RESERVED BALANCES ASSIGNED	\$215,651	\$304,851	\$315,651	\$229,851	\$4,351	\$44,351	(\$124,849)
ENDING BUDGETARY FUND BALANCE	\$394,895	\$1,044,109	\$1,111,609	(\$2,109,891)	(\$5,330,291)	(\$8,535,691)	(\$11,772,691)

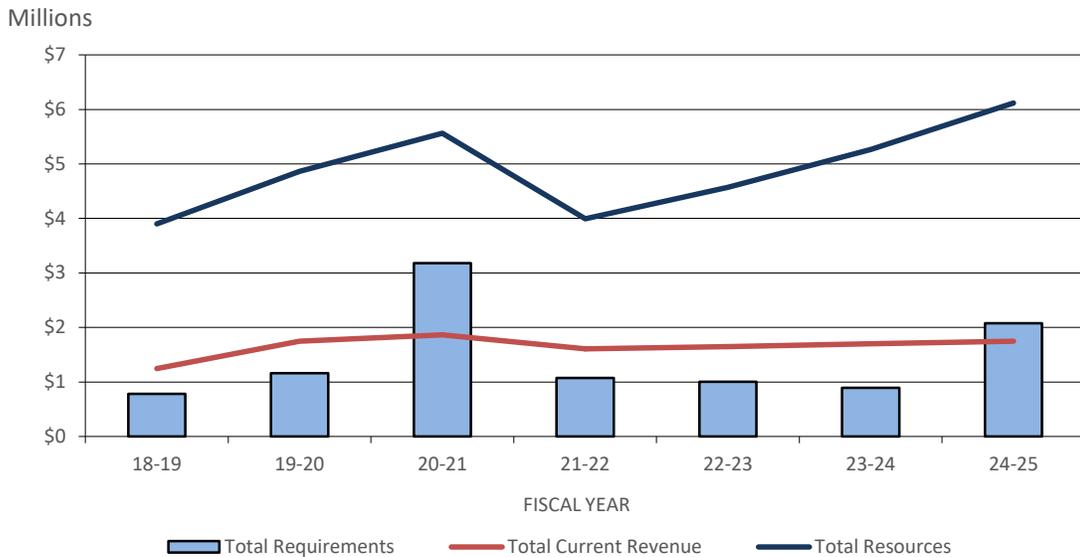
RESOURCES & REQUIREMENTS



VEHICLE/EQUIPMENT RESERVE FUND FINANCIAL PLAN

BUDGETARY BASIS	ADOPTED	REVISED	ADOPTED				
	FY 19-20	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
BEGINNING BUDGETARY FUND BALANCE	\$3,063,680	\$3,116,125	\$3,700,525	\$2,387,625	\$2,918,516	\$3,567,046	\$4,370,056
REVENUES							
Miscellaneous	\$54,500	\$54,500	\$42,800	\$42,800	\$42,800	\$42,800	\$42,800
Transfers In	1,692,200	1,692,200	1,821,700	1,563,100	1,607,400	1,654,800	1,705,500
TOTAL REVENUES	\$1,746,700	\$1,746,700	\$1,864,500	\$1,605,900	\$1,650,200	\$1,697,600	\$1,748,300
EXPENDITURES							
Fire Special Projects	\$915,500	\$765,500	\$865,000	\$318,300	\$306,000	\$33,800	\$1,191,200
IT Special Projects	595,900	177,700	200,000	0	0	0	0
Library Special Projects	0	0	165,000	0	0	0	28,000
Parks & Recreation Special Projects	60,000	60,000	140,000	68,909	62,000	99,000	83,970
Police Special Projects	223,600	99,900	349,900	187,800	133,670	261,790	276,000
Transfers Out	1,001,200	59,200	1,457,500	500,000	500,000	500,000	500,000
TOTAL EXPENDITURES	\$2,796,200	\$1,162,300	\$3,177,400	\$1,075,009	\$1,001,670	\$894,590	\$2,079,170
REVENUE EXCESS (SHORTFALL) OVER EXPENDITURES	(\$1,049,500)	\$584,400	(\$1,312,900)	\$530,891	\$648,530	\$803,010	(\$330,870)
ENDING BUDGETARY FUND BALANCE	\$2,014,180	\$3,700,525	\$2,387,625	\$2,918,516	\$3,567,046	\$4,370,056	\$4,039,186

RESOURCES & REQUIREMENTS



ENTERPRISE FUNDS

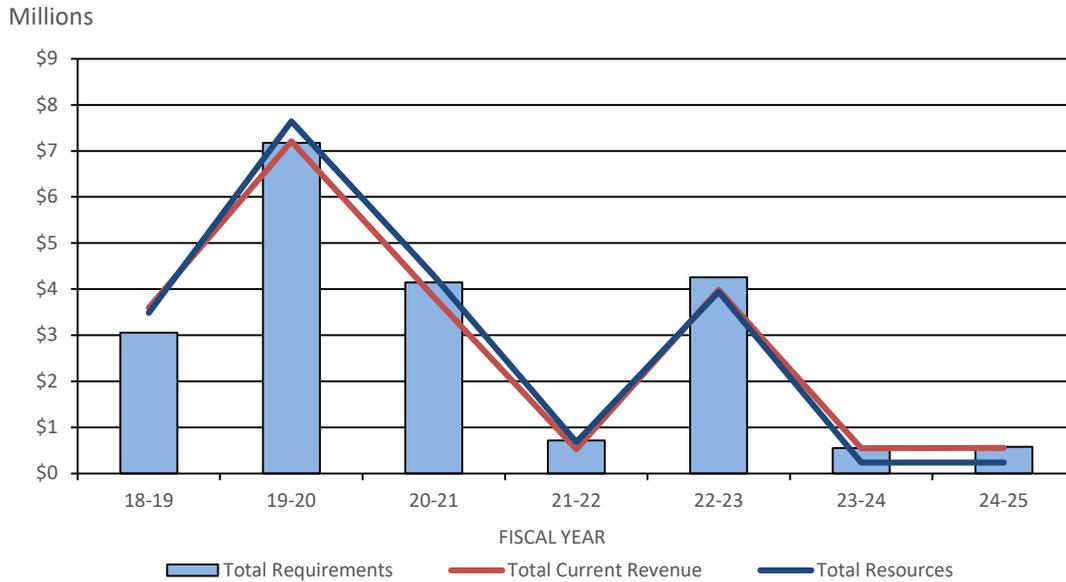
Operations in the enterprise funds are financed and operated in a manner similar to private business enterprises -- where the intent of the City Council is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis are to be financed or recovered primarily through user charges. The measurement focus is on determination of net income, financial position, and changes in financial position. Enterprise funds are accounted for on the accrual basis (transactions are recognized when they occur, regardless of the timing of related cash flows), and are budgeted for on the modified accrual basis (revenues are recognized when they become both "measurable" and "available to finance expenditures of the current period". Expenditures are generally recognized when the related fund liability is incurred). For GASB Statement #34 reporting purposes, all these funds are considered Major Funds in the City's CAFR in FY 19-20 and will again be considered major funds in the City's FY 20-21 CAFR.

- a. **Airport Fund** – to account for revenues and expenses associated with operating the City of Corvallis' airport. Major revenue sources include charges for hangar rental space and fuel, industrial land rental, and sales of grass seed grown on the airport land through a farm lease contract. Expenses include operating costs, debt service for airport revenue-backed loans, and capital construction for airport facility projects. The Federal Aviation Authority provides significant grant funding for Airport capital projects. The airport fund includes restricted fund reserves for capital projects and bond proceeds (if any).
- b. **Storm Water Fund** – to account for revenues and expenses associated with operating the City of Corvallis' storm drain system. Major revenue sources include charges for service and storm water SDC. Expenses include operating costs, debt service for storm water bonds and loans, and capital construction for drainage facility projects. The storm water fund includes restricted fund reserves for capital projects, bond proceeds (if any), and SDC funds.
- c. **Wastewater Fund** – to account for revenues and expenses associated with operating the City of Corvallis' sanitary sewer collection and treatment facilities. Major revenue sources include charges for service and wastewater SDCs. Expenses include operating costs, debt service for wastewater bonds and loans, and capital construction for wastewater facility projects. The wastewater fund includes restricted fund reserves for capital projects, bond proceeds (if any), and SDC funds.
- d. **Water Fund** – to account for revenues and expenses associated with operating the City of Corvallis' water acquisition, treatment, and distribution facilities. Major revenue sources include charges for service from metered water sales, water SDC, and watershed timber sales. Expenses include operating costs, debt service for water revenue bonds and loans, and capital construction for water facility projects. The water fund includes restricted fund reserves for capital projects, bond proceeds (if any), and SDC funds.

AIRPORT FUND FINANCIAL PLAN

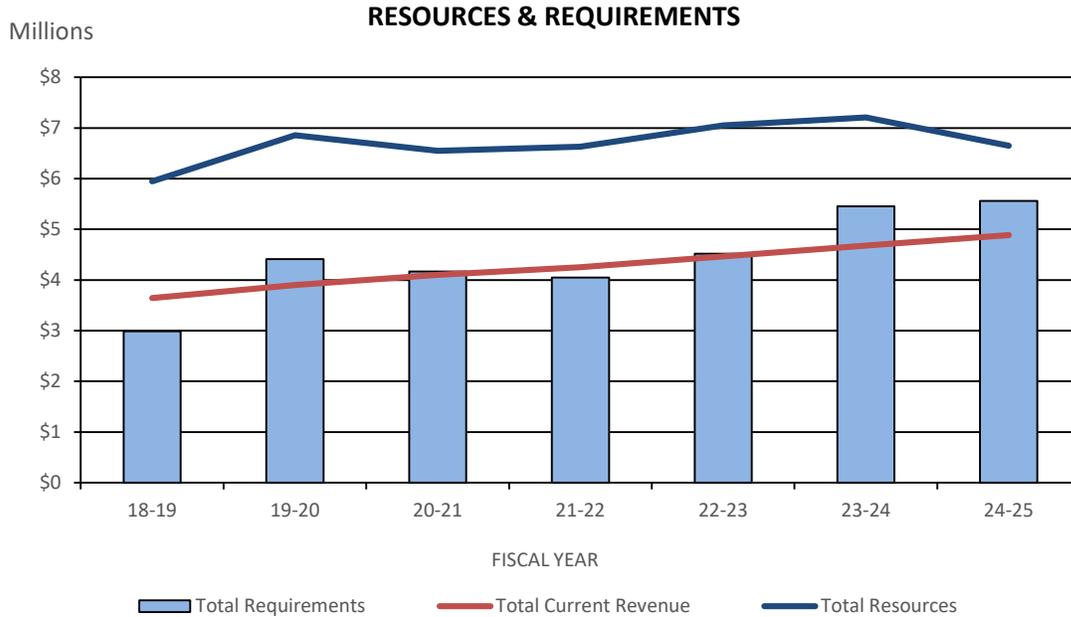
BUDGETARY BASIS	ADOPTED FY 19-20	REVISED FY 19-20	ADOPTED FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
BEGINNING BUDGETARY FUND BALANCE	\$294,802	\$380,413	\$463,813	\$148,213	(\$42,207)	(\$311,907)	(\$320,007)
REVENUES							
Licenses, Fees & Permits	\$3,000	\$3,000	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500
Charges for Services	454,500	454,500	509,500	519,000	528,700	538,600	548,600
Intergovernmental	7,798,100	6,737,400	3,114,200	0	3,450,000	0	0
Miscellaneous	12,400	12,400	8,500	1,780	300	300	300
Other Financing Sources	0	0	195,000	0	0	0	0
TOTAL REVENUES	\$8,268,000	\$7,207,300	\$3,831,700	\$525,280	\$3,983,500	\$543,400	\$553,400
EXPENDITURES							
Public Works	\$368,500	\$358,500	\$483,500	\$502,000	\$525,000	\$542,900	\$568,600
Public Works Special Projects	381,000	21,000	500,700	5,000	0	0	0
Transfers Out	7,000	7,000	163,400	7,800	8,200	8,600	9,000
Capital Projects	7,293,000	6,793,000	2,980,000	200,900	3,720,000	0	0
Contingencies	9,300	0	19,700	0	0	0	0
TOTAL EXPENDITURES	\$8,058,800	\$7,179,500	\$4,147,300	\$715,700	\$4,253,200	\$551,500	\$577,600
REVENUE EXCESS (SHORTFALL) OVER EXPENDITURES	\$209,200	\$27,800	(\$315,600)	(\$190,420)	(\$269,700)	(\$8,100)	(\$24,200)
RESERVED BALANCES, Beginning of Year	(\$124,675)	\$55,634	\$34	\$34	\$34	\$34	\$34
FUND BALANCE (Including Reserved), End of Year	\$379,327	\$463,847	\$148,247	(\$42,173)	(\$311,873)	(\$319,973)	(\$344,173)
LESS: RESERVED BALANCES							
RESTRICTED	\$112,725	\$34	\$34	\$34	\$34	\$34	\$34
ENDING BUDGETARY FUND BALANCE	\$266,602	\$463,813	\$148,213	(\$42,207)	(\$311,907)	(\$320,007)	(\$344,207)

RESOURCES & REQUIREMENTS



STORM WATER FUND FINANCIAL PLAN

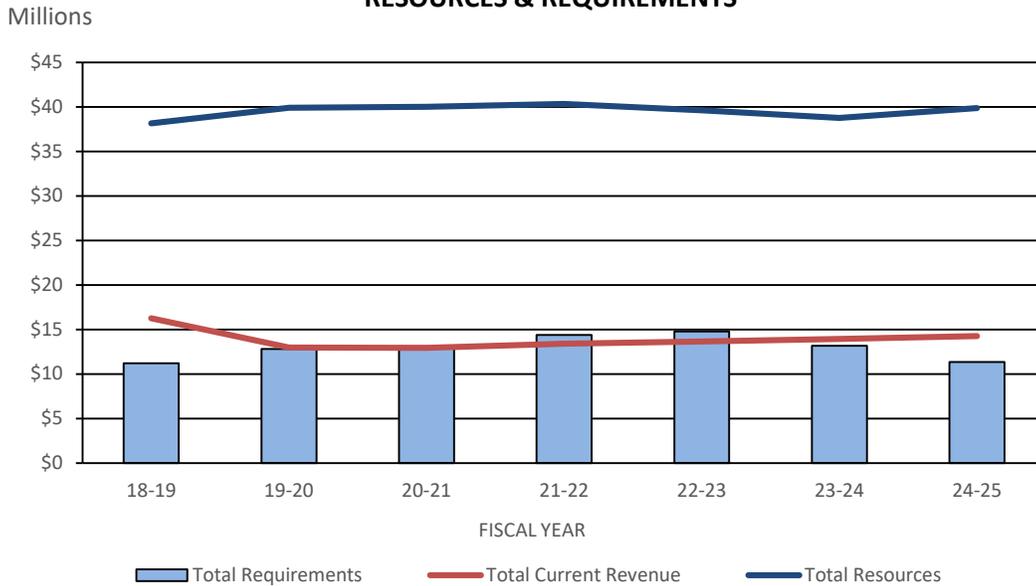
BUDGETARY BASIS	ADOPTED FY 19-20	REVISED FY 19-20	ADOPTED FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
RATE INCREASE	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
BEGINNING BUDGETARY FUND BALANCE	\$1,670,061	\$1,733,659	\$2,038,859	\$1,909,359	\$2,035,459	\$2,229,659	\$1,381,059
REVENUES							
Charges for Service	\$3,849,400	\$3,834,400	\$4,019,900	\$4,172,100	\$4,376,600	\$4,591,300	\$4,816,600
System Development Charges	30,000	10,000	30,000	30,400	30,800	31,200	31,600
Miscellaneous	53,200	53,900	50,700	51,700	56,300	55,600	40,200
TOTAL REVENUES	\$3,932,600	\$3,898,300	\$4,100,600	\$4,254,200	\$4,463,700	\$4,678,100	\$4,888,400
EXPENDITURES							
Community Development	\$61,900	\$61,900	\$0	\$0	\$0	\$0	\$0
Public Works	2,301,800	2,301,800	2,659,100	2,766,600	2,947,500	3,086,100	3,290,700
Public Works Special Projects	1,598,000	1,213,300	623,000	524,200	919,200	1,547,700	1,591,200
Transfers Out	293,800	293,800	205,700	230,000	247,600	230,800	239,900
Capital Projects	795,000	541,000	604,500	525,700	403,400	587,100	436,500
Contingencies	77,400	0	77,400	0	0	0	0
TOTAL EXPENDITURES	\$5,127,900	\$4,411,800	\$4,169,700	\$4,046,500	\$4,517,700	\$5,451,700	\$5,558,300
REVENUE EXCESS (SHORTFALL) OVER EXPENDITURES	(\$1,195,300)	(\$513,500)	(\$69,100)	\$207,700	(\$54,000)	(\$773,600)	(\$669,900)
RESERVED BALANCES, Beginning of Year	\$862,990	\$1,227,254	\$408,554	\$468,954	\$550,554	\$302,354	\$377,354
FUND BALANCE (Including Reserved), End of Year	\$1,337,751	\$2,447,413	\$2,378,313	\$2,586,013	\$2,532,013	\$1,758,413	\$1,088,513
LESS: RESERVED BALANCES							
RESTRICTED	\$300,357	\$282,121	\$237,521	\$214,121	\$195,921	\$190,921	\$220,121
ASSIGNED	126,433	126,433	231,433	336,433	106,433	186,433	266,433
ENDING BUDGETARY FUND BALANCE	\$910,961	\$2,038,859	\$1,909,359	\$2,035,459	\$2,229,659	\$1,381,059	\$601,959



WASTEWATER FUND FINANCIAL PLAN

BUDGETARY BASIS	ADOPTED FY 19-20	REVISED FY 19-20	ADOPTED FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
RATE INCREASE	3.00%	3.00%	4.00%	3.00%	3.00%	3.00%	3.00%
BEGINNING BUDGETARY FUND BALANCE	\$3,765,095	\$3,592,606	\$2,267,106	\$1,987,806	\$1,836,306	\$1,999,706	\$3,125,806
REVENUES							
Charges for Service	\$11,605,300	\$11,437,800	\$11,803,700	\$12,238,800	\$12,443,300	\$12,695,100	\$12,957,500
Systems Development Charges	700,000	390,000	700,000	735,000	771,800	810,400	850,900
Miscellaneous	1,120,200	1,140,200	429,200	429,200	429,200	429,200	429,200
TOTAL REVENUES	\$13,425,500	\$12,968,000	\$12,932,900	\$13,403,000	\$13,644,300	\$13,934,700	\$14,237,600
EXPENDITURES							
Community Development	\$62,000	\$62,000	\$0	\$0	\$0	\$0	\$0
Public Works	7,219,000	7,219,000	7,628,800	7,940,600	8,406,200	8,761,000	9,280,900
Public Works Special Projects	2,008,800	1,414,800	2,309,100	2,327,300	1,524,000	1,534,000	792,000
Debt Service	1,882,100	1,882,100	617,100	0	0	0	0
Transfers Out	221,100	221,100	296,800	326,600	349,800	339,000	354,400
Capital Projects	3,169,000	2,008,200	1,983,200	3,789,800	4,489,800	2,515,100	929,100
Contingencies	223,900	0	253,800	0	0	0	0
TOTAL EXPENDITURES	\$14,785,900	\$12,807,200	\$13,088,800	\$14,384,300	\$14,769,800	\$13,149,100	\$11,356,400
REVENUE EXCESS (SHORTFALL) OVER EXPENDITURES	(\$1,360,400)	\$160,800	(\$155,900)	(\$981,300)	(\$1,125,500)	\$785,600	\$2,881,200
RESERVED BALANCES, Beginning of Year	\$18,983,150	\$23,335,465	\$24,821,765	\$24,945,165	\$24,115,365	\$22,826,465	\$22,485,965
FUND BALANCE (Including Reserved), End of Year	\$21,387,845	\$27,088,871	\$26,932,971	\$25,951,671	\$24,826,171	\$25,611,771	\$28,492,971
LESS: RESERVED BALANCES							
RESTRICTED	\$18,517,070	\$23,220,685	\$23,876,385	\$22,405,585	\$20,520,685	\$20,042,185	\$20,950,985
ASSIGNED	1,101,080	1,601,080	1,068,780	1,709,780	2,305,780	2,443,780	2,059,980
ENDING BUDGETARY FUND BALANCE	\$1,769,695	\$2,267,106	\$1,987,806	\$1,836,306	\$1,999,706	\$3,125,806	\$5,482,006

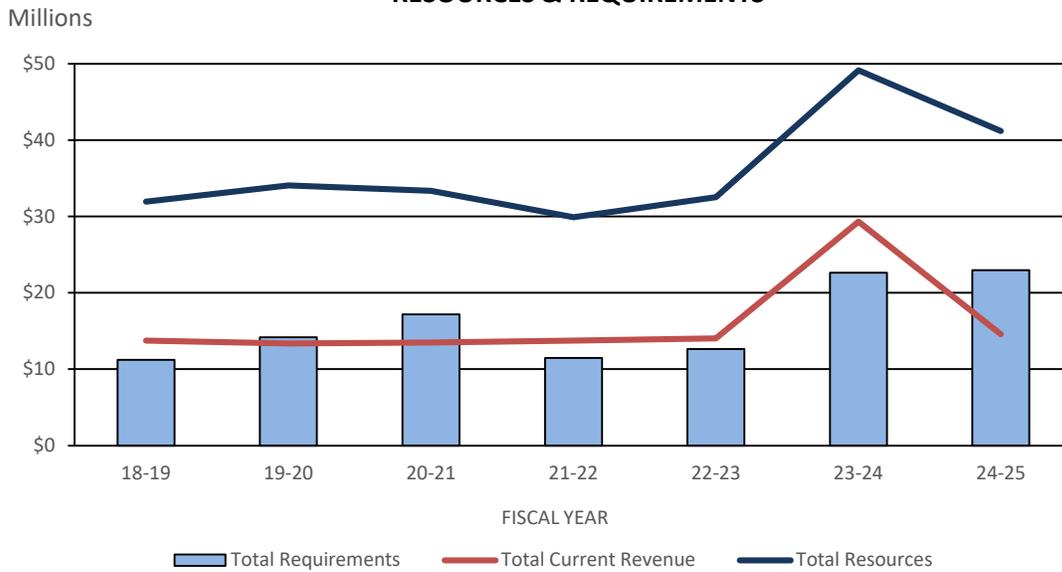
RESOURCES & REQUIREMENTS



WATER FUND FINANCIAL PLAN

BUDGETARY BASIS	ADOPTED FY 19-20	REVISED FY 19-20	ADOPTED FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
RATE INCREASE	1.00%	3.00%	3.00%	2.00%	2.00%	2.00%	2.00%
BEGINNING BUDGETARY FUND BALANCE	\$4,964,610	\$4,778,577	\$3,445,177	\$1,626,877	\$3,073,077	\$3,660,377	\$12,229,537
REVENUES							
Charges for Service	\$11,443,600	\$11,326,100	\$12,022,700	\$12,495,200	\$12,741,000	\$12,991,600	\$13,247,100
Systems Development Charges	400,000	150,000	400,000	420,000	441,000	463,100	486,300
Intergovernmental	33,300	33,300	0	0	0	0	0
Fines & Forfeitures	0	0	0	0	0	0	0
Miscellaneous	1,866,100	1,866,100	1,068,600	844,600	845,600	846,600	847,600
Other Financing Sources	0	0	0	0	0	15,000,000	0
TOTAL REVENUES	\$13,743,000	\$13,375,500	\$13,491,300	\$13,759,800	\$14,027,600	\$29,301,300	\$14,581,000
EXPENDITURES							
Community Development	\$62,400	\$62,400	\$0	\$0	\$0	\$0	\$0
Public Works	7,795,500	7,795,500	8,370,500	8,665,500	9,155,700	9,529,000	10,079,900
Public Works Special Projects	3,259,900	2,846,300	2,597,800	1,871,500	1,514,400	1,424,900	1,199,600
Debt Service	0	0	0	0	0	1,008,240	1,008,240
Transfers Out	302,300	302,300	329,400	360,800	385,700	376,700	394,000
Capital Projects	5,701,800	3,184,100	5,652,700	585,000	1,571,800	10,277,200	10,267,500
Contingencies	258,900	0	244,300	0	0	0	0
TOTAL EXPENDITURES	\$17,380,800	\$14,190,600	\$17,194,700	\$11,482,800	\$12,627,600	\$22,616,040	\$22,949,240
REVENUE EXCESS (SHORTFALL) OVER EXPENDITURES	(\$3,637,800)	(\$815,100)	(\$3,703,400)	\$2,277,000	\$1,400,000	\$6,685,260	(\$8,368,240)
RESERVED BALANCES, Beginning of Year	\$13,031,394	\$15,904,541	\$16,422,841	\$14,496,241	\$15,400,041	\$16,171,441	\$14,360,741
FUND BALANCE (Including Reserved), End of Year	\$14,358,204	\$19,868,018	\$16,164,618	\$18,400,118	\$19,873,118	\$26,517,078	\$18,222,038
LESS: RESERVED BALANCES							
RESTRICTED	\$11,390,865	\$14,185,808	\$12,194,208	\$12,773,008	\$13,151,808	\$10,809,708	\$8,490,608
ASSIGNED	1,375,730	2,237,032	2,343,532	2,554,032	3,060,932	3,477,832	4,054,332
ENDING BUDGETARY FUND BALANCE	\$1,591,610	\$3,445,177	\$1,626,877	\$3,073,077	\$3,660,377	\$12,229,537	\$5,677,097

RESOURCES & REQUIREMENTS



INTERNAL SERVICE FUNDS

These funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost reimbursement basis. The measurement focus is on determination of net income, financial position, and changes in financial position. Internal service funds are accounted for on the accrual basis (transactions are recognized when they occur, regardless of the timing of related cash flows), and are budgeted for on the modified accrual basis (revenues are recognized when they become both "measurable" and "available to finance expenditures of the current period". Expenditures are generally recognized when the related fund liability is incurred). For GASB Statement #34 reporting purposes, all these funds are considered Non-Major Funds in the City's CAFR in FY 19-20 and will again be considered major funds in the City's FY 20-21 CAFR.

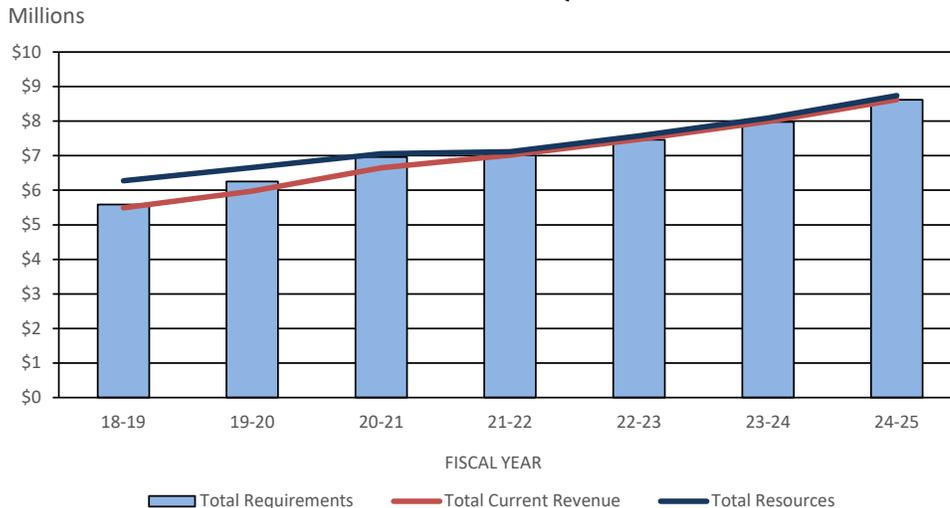
- a. **Administrative Services** – to account for revenue and expenses associated with providing administrative services to all City departments. The major source of revenue is charges for service paid by operating funds based on a cost allocation formula. Expenses are for the operations of governance in the City Manager's Office, Human Resources, and the Finance Department. As an internal service fund, revenues (charges for service) should equal expenses, with any accrued balance each year returned proportionately to the contributing funds or held as a reserve for future capital.
- b. **Facility Maintenance** – to account for revenues and expenses associated with the ongoing maintenance of City buildings. The major source of revenue is charges for service paid by operating departments based on prior year use of the Facility Maintenance work group's services. Expenses are associated with maintenance of all City buildings. As an internal service fund, revenues (charges for service) should equal expenses, with any accrued balance each year returned proportionately to the contributing funds or held as a reserve for future capital.
- c. **Fleet Maintenance** – to account for revenues and expenses associated with operating and maintaining the City of Corvallis' rolling stock. The major source of revenue is charges for service paid by operating departments based on the actual use of the garage and fuel purchases. The expenses are directly associated with the costs to operate and maintain City vehicles including purchase of fuel. As an internal service fund, revenues (charges for service) should equal expenses, with any accrued balance each year returned proportionately to the contributing funds or held as a reserve for future capital.
- d. **Risk Management Fund** – to account for revenue and expenses associated with providing risk management services to the organization. The major revenue source is charges paid by departments for insurance premiums and based on a cost allocation formula that uses exposure and prior year claims experience. Expenses are for general and auto liability and worker's compensation insurance, and for the City's safety program. As an internal service fund, revenues (charges for service) should equal expenses. However, the Risk Management Fund also holds a catastrophic reserve. Should there be a surplus operating balance at year-end, contributing funds/departments receive a dividend based on claims experience, unless all or a portion of the residual balance is needed to rebuild the catastrophic reserve following use of contingencies.
- e. **Technology and Communications** – to account for revenue and expenses associated with operating the City of Corvallis' central computer, GIS, and telephone systems. The major source of revenue is charges for service paid by operating departments based on a cost allocation plan.

Expenses are for maintenance of the data center facility and equipment, information systems, telephone support, and reserves for future replacement of major computer and phone equipment. As an internal service fund, revenues (charges for service) should equal expenses, with any accrued balance each year returned proportionately to the contributing funds or held as a reserve for future capital.

ADMINISTRATIVE SERVICES FUND FINANCIAL PLAN

BUDGETARY BASIS	ADOPTED	REVISED	ADOPTED				
	FY 19-20	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
BEGINNING BUDGETARY FUND BALANCE	\$286,125	\$276,495	\$217,895	\$10,795	\$43,195	\$40,595	\$37,995
REVENUE							
Licenses, Fees & Permits	\$40,400	\$40,400	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
Administrative Services Internal Charges for Service	5,531,500	5,531,500	6,157,800	6,522,700	6,974,900	7,490,000	8,129,000
Charges for Service	400,000	400,000	450,000	450,000	450,000	450,000	450,000
Miscellaneous	4,700	4,700	5,000	5,000	5,000	5,000	5,000
TOTAL REVENUE	\$5,976,600	\$5,976,600	\$6,652,800	\$7,017,700	\$7,469,900	\$7,985,000	\$8,624,000
EXPENDITURES							
City Manager's Office	\$1,145,100	\$1,145,100	\$1,181,600	\$1,241,300	\$1,312,400	\$1,393,800	\$1,496,100
Finance	2,556,100	2,556,100	3,008,900	3,203,300	3,434,100	3,697,900	4,026,500
Human Resources	2,250,300	2,250,300	2,439,000	2,567,200	2,717,400	2,887,200	3,095,200
Human Resources Special Projects	225,000	58,000	262,000	0	0	0	0
Interfund Transfers	245,000	245,000	40,000	0	0	0	0
Contingencies	30,000	0	30,000	0	0	0	0
TOTAL EXPENDITURES	\$6,451,500	\$6,254,500	\$6,961,500	\$7,011,800	\$7,463,900	\$7,978,900	\$8,617,800
REVENUE EXCESS (SHORTFALL) OVER EXPENDITURES	(\$474,900)	(\$277,900)	(\$308,700)	\$5,900	\$6,000	\$6,100	\$6,200
RESERVED BALANCES, Beginning of Year	\$367,051	\$404,301	\$185,001	\$83,401	\$56,901	\$65,501	\$74,201
FUND BALANCE(Including Reserved), End of Year	178,276	402,896	94,196	100,096	106,096	112,196	118,396
Ending Reserve Balance by Type							
ASSIGNED	15,001	185,001	83,401	56,901	65,501	74,201	83,001
ENDING BUDGETARY FUND BALANCE AVAILABLE TO SPEND	\$163,275	\$217,895	\$10,795	\$43,195	\$40,595	\$37,995	\$35,395

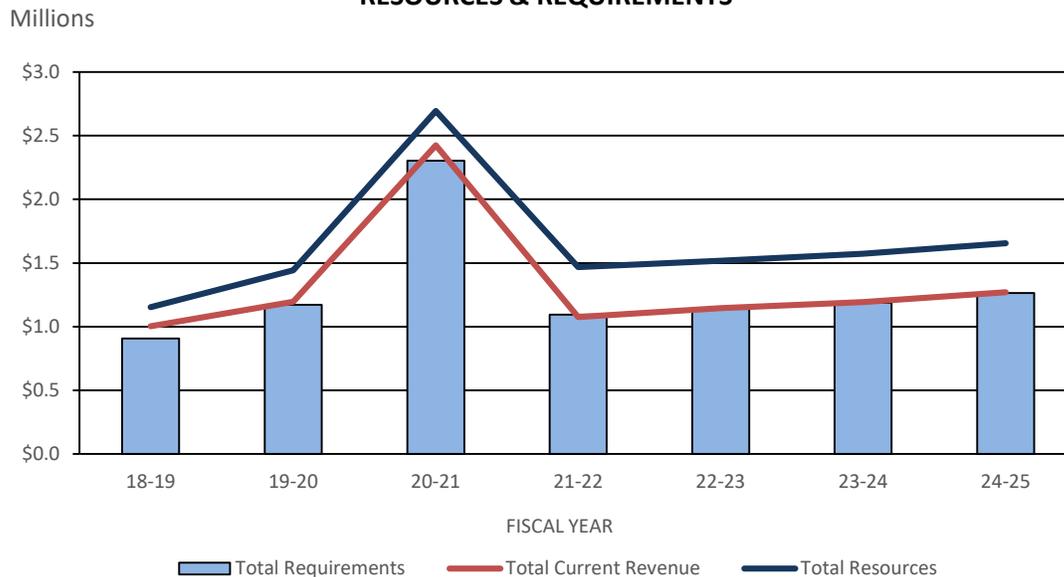
RESOURCES & REQUIREMENTS



FACILITY MAINTENANCE FUND FINANCIAL PLAN

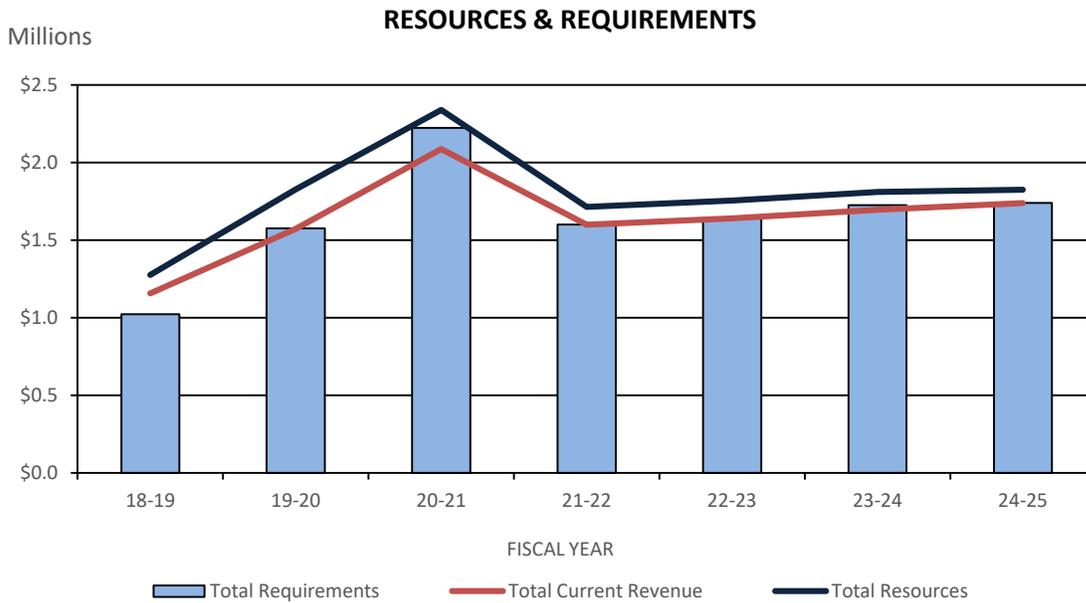
BUDGETARY BASIS	ADOPTED FY 19-20	REVISED FY 19-20	ADOPTED FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
BEGINNING BUDGETARY FUND BALANCE	43,115	191,488	233,488	372,688	367,388	367,388	367,388
REVENUE							
Facility Internal Charges for Service	\$986,200	\$986,200	\$1,004,900	\$1,067,300	\$1,135,900	\$1,184,700	\$1,261,700
Other Charges for Service	7,500	7,500	10,500	7,500	7,500	7,500	7,500
Miscellaneous	3,000	3,100	1,400	1,400	1,400	1,400	1,400
Other Financing Sources	835,200	199,200	1,407,000	0	0	0	0
TOTAL REVENUE	\$1,831,900	\$1,196,000	\$2,423,800	\$1,076,200	\$1,144,800	\$1,193,600	\$1,270,600
EXPENDITURES							
Public Works	\$948,100	\$948,100	\$1,011,900	\$1,069,800	\$1,138,400	\$1,187,200	\$1,264,200
Public Works Special Projects	890,200	224,200	1,280,500	24,500	0	0	0
Contingencies	10,000	0	10,000	0	0	0	0
TOTAL EXPENDITURES	\$1,848,300	\$1,172,300	\$2,302,400	\$1,094,300	\$1,138,400	\$1,187,200	\$1,264,200
REVENUE EXCESS (SHORTFALL) OVER EXPENDITURES	(\$16,400)	\$23,700	\$121,400	(\$18,100)	\$6,400	\$6,400	\$6,400
RESERVED BALANCES, Beginning of Year	\$50,856	\$54,195	\$35,895	\$18,095	\$5,295	\$11,695	\$18,095
FUND BALANCE (Including Reserved), End of Year	77,571	269,384	390,784	372,684	379,084	385,484	391,884
LESS: RESERVED BALANCES ASSIGNED	32,556	35,895	18,095	5,295	11,695	18,095	24,495
ENDING BUDGETARY FUND BALANCE	\$45,015	\$233,488	\$372,688	\$367,388	\$367,388	\$367,388	\$367,388

RESOURCES & REQUIREMENTS



FLEET MAINTENANCE FUND FINANCIAL PLAN

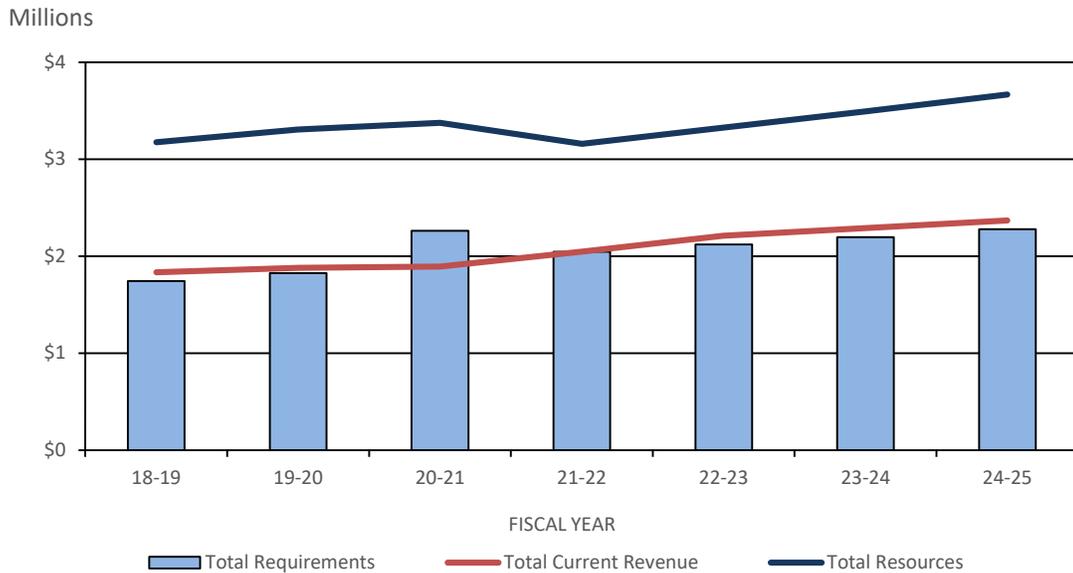
BUDGETARY BASIS	ADOPTED FY 19-20	REVISED FY 19-20	ADOPTED FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
BEGINNING BUDGETARY FUND BALANCE	(9,944)	40,222	36,122	22	22	22	22
REVENUE							
Fleet Internal Charges for Service	\$518,400	\$518,400	\$619,000	\$765,800	\$880,400	\$1,004,700	\$1,110,400
Other Charges for Service	1,052,500	1,052,500	914,000	831,700	756,800	688,700	626,700
Miscellaneous	2,500	2,500	554,700	2,500	2,500	2,500	2,500
TOTAL REVENUE	\$1,573,400	\$1,573,400	\$2,087,700	\$1,600,000	\$1,639,700	\$1,695,900	\$1,739,600
EXPENDITURES							
Public Works	\$1,555,200	\$1,555,200	\$1,552,800	\$1,600,000	\$1,639,700	\$1,695,900	\$1,739,600
Public Works Special Projects	20,000	20,000	655,000	0	0	29,500	0
Contingencies	16,000	0	16,000	0	0	0	0
TOTAL EXPENDITURES	\$1,591,200	\$1,575,200	\$2,223,800	\$1,600,000	\$1,639,700	\$1,725,400	\$1,739,600
REVENUE EXCESS (SHORTFALL) OVER EXPENDITURES	(\$17,800)	(\$1,800)	(\$136,100)	\$0	\$0	(\$29,500)	\$0
RESERVED BALANCES, Beginning of Year	\$67,498	\$212,948	\$215,248	\$115,248	\$115,248	\$115,248	\$85,748
FUND BALANCE (Including Reserved), End of Year	39,754	251,370	115,270	115,270	115,270	85,770	85,770
LESS: RESERVED BALANCES ASSIGNED	\$69,798	\$215,248	\$115,248	\$115,248	\$115,248	\$85,748	\$85,748
ENDING BUDGETARY FUND BALANCE	(\$30,044)	\$36,122	\$22	\$22	\$22	\$22	\$22



RISK MANAGEMENT FUND FINANCIAL PLAN

BUDGETARY BASIS	ADOPTED FY 19-20	REVISED FY 19-20	ADOPTED FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
BEGINNING BUDGETARY FUND BALANCE	\$451,277	\$368,643	\$422,343	\$328,043	\$236,443	\$236,543	\$236,643
REVENUES							
Charges for Service	\$1,774,100	\$1,774,100	\$1,796,300	\$1,948,700	\$2,114,200	\$2,191,100	\$2,271,000
Miscellaneous	105,400	105,400	96,700	97,400	98,100	98,800	99,500
TOTAL REVENUES	\$1,879,500	\$1,879,500	\$1,893,000	\$2,046,100	\$2,212,300	\$2,289,900	\$2,370,500
EXPENDITURES							
Finance	1,087,700	1,087,700	1,200,800	1,242,200	1,285,200	1,330,000	1,376,500
Finance Special Projects	0	0	0	0	0	0	0
Human Resources	738,100	738,100	786,500	803,800	835,300	868,100	902,200
Contingencies	275,000	0	275,000	0	0	0	0
TOTAL EXPENDITURES	\$2,100,800	\$1,825,800	\$2,262,300	\$2,046,000	\$2,120,500	\$2,198,100	\$2,278,700
REVENUE EXCESS (SHORTFALL) OVER EXPENDITURES	(\$221,300)	\$53,700	(\$369,300)	\$100	\$91,800	\$91,800	\$91,800
RESERVED BALANCES, Beginning of Year	\$750,007	\$1,060,007	\$1,060,007	\$785,007	\$876,707	\$968,407	\$1,060,107
FUND BALANCE (Including Reserved), End of Year	\$979,984	\$1,482,350	\$1,113,050	\$1,113,150	\$1,204,950	\$1,296,750	\$1,388,550
LESS: RESERVED BALANCES ASSIGNED	\$833,307	\$1,060,007	\$785,007	\$876,707	\$968,407	\$1,060,107	\$1,060,107
ENDING BUDGETARY FUND BALANCE	\$146,677	\$422,343	\$328,043	\$236,443	\$236,543	\$236,643	\$328,443

RESOURCES & REQUIREMENTS

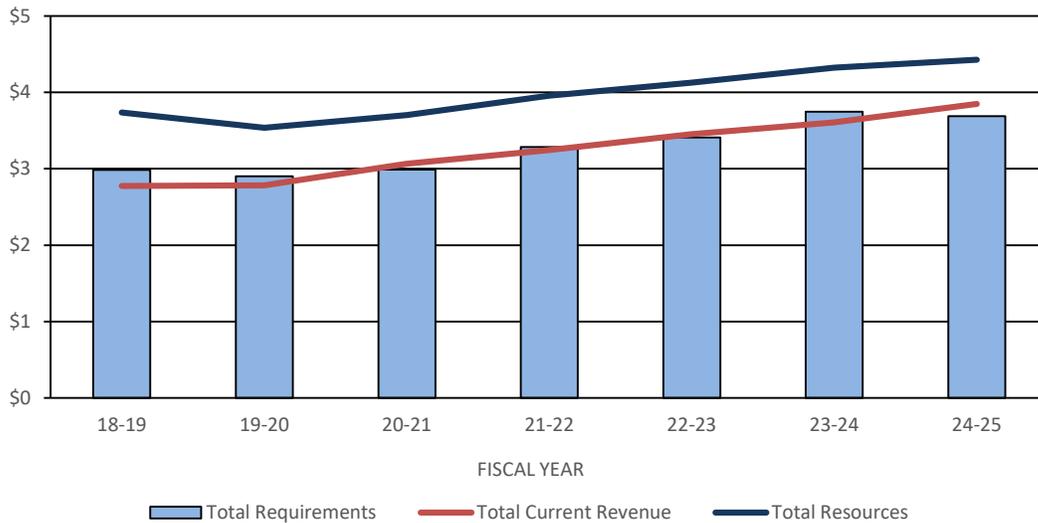


TECHNOLOGY AND COMMUNICATIONS FUND FINANCIAL PLAN

BUDGETARY BASIS	ADOPTED FY 19-20	REVISED FY 19-20	ADOPTED FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
BEGINNING BUDGETARY FUND BALANCE	185,910	103,991	50,491	7,391	7,391	7,391	7,391
REVENUE							
IT Internal Charges for Service	\$2,707,900	\$2,707,900	\$2,921,400	\$3,168,781	\$3,379,555	\$3,531,821	\$3,771,781
Telephone Internal Charges for Service	72,000	72,000	71,900	72,619	73,345	74,079	74,819
Miscellaneous	1,800	1,800	2,400	2,400	2,400	2,400	2,400
Other Financing Sources	0	0	72,500	0	0	0	0
TOTAL REVENUE	\$2,781,700	\$2,781,700	\$3,068,200	\$3,243,800	\$3,455,300	\$3,608,300	\$3,849,000
EXPENDITURES							
IT	\$2,761,100	\$2,761,100	\$2,921,300	\$3,083,800	\$3,295,300	\$3,448,300	\$3,689,000
IT Special Projects	139,100	139,100	39,800	200,000	115,000	300,000	0
Contingencies	30,000	0	30,000	0	0	0	0
TOTAL EXPENDITURES	\$2,930,200	\$2,900,200	\$2,991,100	\$3,283,800	\$3,410,300	\$3,748,300	\$3,689,000
REVENUE EXCESS (SHORTFALL) OVER EXPENDITURES	(\$148,500)	(\$118,500)	\$77,100	(\$40,000)	\$45,000	(\$140,000)	\$160,000
RESERVED BALANCES, Beginning of Year	\$322,228	\$649,357	\$584,357	\$704,557	\$664,557	\$709,557	\$569,557
FUND BALANCE (Including Reserved), End of Year	359,638	634,849	711,949	671,949	716,949	576,949	736,949
LESS: RESERVED BALANCES ASSIGNED	\$257,228	\$584,357	\$704,557	\$664,557	\$709,557	\$569,557	\$729,557
ENDING BUDGETARY FUND BALANCE	\$102,410	\$50,491	\$7,391	\$7,391	\$7,391	\$7,391	\$7,391

RESOURCES & REQUIREMENTS

Millions



	<p align="center">City of Corvallis</p> <p>Financial Policies - Council Policy</p> <p>Policy # 10</p> <p>Financial Policies</p>	
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Policy: The City Council’s Financial Policies serve to:

- ❖ protect the policy making ability of the City Council by ensuring that important policy decisions are not controlled by financial problems or emergencies.
- ❖ enhance the policy making ability of the City Council by providing accurate information on program costs.
- ❖ assist sound management of the City by providing accurate and timely information to the City Council and public on the City’s financial condition.
- ❖ provide sound principles, reports and analyses to guide the important decisions of the City Council and of management which have significant fiscal impact.
- ❖ set forth operational principles which minimize the cost of government and financial risk, and safeguard the City’s assets.
- ❖ employ revenue policies which prevent undue or unbalanced reliance on certain revenues, which distribute the costs of municipal services fairly, and which provide adequate funds to operate desired programs.
- ❖ provide adequate resources to operate and maintain essential public facilities and the City’s infrastructure.
- ❖ protect and enhance the City’s credit rating and prevent default on any debt issue of the City.
- ❖ ensure the legal use of all City funds through a sound system of administrative policies and internal controls.
- ❖ strike a balance between the community’s desire for service and asking for money from community members.

Purpose: To underscore the responsibility of the City of Corvallis to its residents for the long-term care of public funds, wise management of municipal finances, providing adequate funding for the services desired to achieve a sense of well-being and safety by the public, and maintaining the community’s public facilities and infrastructure to enhance the long-term livability and economic vitality of Corvallis.

Scope: Municipal financial operations have a wide variety of oversight or standard setting agencies, including multiple departments within both State and Federal governments, the Securities and Exchange Commission, and the Governmental Accounting Standards Board. The City of Corvallis manages public funds within all of these oversight agency requirements. These financial management policies, designed to ensure the fiscal stability of the City of Corvallis municipal corporation, provide guidance in financial management when oversight agencies are otherwise silent or to reiterate best practices that may be codified by another entity. The City Council’s Financial Policies have been reviewed and updated each year since they were first adopted to ensure the policy direction is current.



City of Corvallis

Financial Policies - Council Policy

Policy # 10

Financial Policies



Goals:

To achieve and maintain the goals outlined in these policies, the Finance Department will conduct an annual analysis of projected financial condition and key financial indicators. This budget capacity analysis shall be used to inform the next budget development process.

It is the focus of this analysis to:

- A. identify the areas where the city is already reasonably strong in terms of protecting its financial condition;
- B. identify existing or emerging problems in revenue sources, management practices, infrastructure conditions, and future funding needs;
- C. forecast expenditures and revenues for the next three to seven years, with consideration given to such external factors as state and federal actions, the municipal bond market, management options being explored and used by other local governments; and
- D. review internal management actions taken during the last budget cycle.

Financial Policies 10.1 through 10.9 are attached and together define the complete Financial Policies of the City Council.

Review/Update: The Finance Director will prepare this Council Policy review every year for City Council approval.

Rev #	Name	Change Date	Character of Change
0		November 1989	Adopted
23	N. Brewer	February 2012	Review
24	N. Brewer	March 2013	Review
25	N. Brewer	April 2014	Review
26	J. Chenard	March 2015	Review
27	J. Chenard	June 2015	Review
28	N. Brewer	October 2016	Replace "citizen" with "resident".
29	N. Brewer	December 2017	Review
30	N. Brewer	April 2019	Review

	<p align="center">City of Corvallis</p> <p>Financial Policies - Council Policy</p> <p>Policy # 10.01</p> <p align="center">Financial Policies – Fund Balance</p>	
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Policy: This policy is designed to provide guidance for maintaining an ending fund balance that is adequate to manage risk while maximizing the services provided to community members.

The budgetary ending fund balance describes the net financial assets of governmental funds; in lay terms it represents the net revenues in excess of expenditures since the fund’s inception. Actual fund balances for each fund shall be reported in the Comprehensive Annual Financial Report, issued as of June 30 of each fiscal year. Budgetary fund balances shall be reported in the annual budget, and shall be projected for each operating fund as part of the financial planning process to prepare the budget each year.

Purpose: Fund balance is used to provide stable resources for times when service levels might otherwise be impacted by taxes or fees that temporarily underperform, or to cover one-time unexpected expenditures. Maintaining a positive ending fund balance is a best financial management practice, and is important to maintain the City’s credit rating, and to meet state law requirements for no deficit spending.

Scope: Budgetary fund balance is a critical component of the City’s financial management policies. Large ending fund balance targets may be viewed as reducing resources that could be used to provide direct services to community members; small ending balances may be viewed as leaving the City open to too much risk from emergencies or temporary economic downturns and may result in downgrades to the City’s credit rating that would increase the cost of borrowing. Residents’ sense of well-being is enhanced when the City is able to provide a consistent level of service from year-to-year.

Guidelines: General Fund – Budgetary Fund Balance for Financial Planning Purposes

1. The City endeavors to operate on a Financial Sustainability model, where current on-going revenue equals or exceeds current on-going expenditures. In this model, fund balance is not used for current operating expenditures or to add services which will need funding in future years.
2. The City Council has established the fund balance reserve target for the General Fund to total three months of payroll expenses.
3. The City Council shall appropriate 10% of the target fund balance amount each fiscal year as a contingency to be used for unanticipated expenditures such as costs associated with a response to a disaster, or to meet unanticipated increases in service delivery costs. Use of the contingency is expected to be infrequent. The City Council must authorize expenditure of any contingencies via a resolution.
4. The City Manager will review the City’s financial status each year and develop a budget process that is designed to meet Oregon Local Budget Law



City of Corvallis

Financial Policies - Council Policy

Policy # 10.01

Financial Policies – Fund Balance



requirements, taking into account the City's projected financial status for the budget year, including:

- a. the current budgetary fund balance;
 - b. cash flow requirements within the fund to support expenditures, including up to three months of payroll costs;
 - c. future capital needs;
 - d. significant revenue and expenditure trends;
 - e. susceptibility of the fund's operations to emergency or unanticipated expenditures;
 - f. credit worthiness and capacity to support debt service requirements and covenants;
 - g. legal or regulatory requirements affecting revenues, expenditures, and fund balances;
 - h. reliability of outside revenues; and
 - i. any other factors pertinent to the fund's operations.
5. Should the projected ending fund balance reserve for the budget year be lower than the City Council's target, the following strategy will be implemented:
- a. For times when the fund balance reserve is lower than the target as the result of structural/systemic changes, the fund balance shall be re-built over a period of no more than:
 - i. five years if the fund balance reserve is less than 50 percent of the target. The balance shall be re-built to achieve an ending fund balance of no less than 10 percent of the target in the first year; 25 percent in the second year; 45 percent in the third year; 70 percent in the fourth year; and 100 percent in the fifth year. This strategy is specifically designed to allow for consideration/development of a new revenue source prior to significant service reductions taking effect should the City Council wish to consider revenue alternatives.
 - ii. three years if the fund balance reserve is between 50 percent and 100 percent of the target. The balance shall be rebuilt to achieve an ending fund balance of no less than 60 percent at the end of the first year; 75 percent at the end of the second year, and 100 percent at the end of the third year.
 - b. For times when the fund balance reserve is lower than the target as the result of short-term poor experience (i.e., costs to respond to a natural disaster; use of contingencies for unanticipated expenditures), the City Manager shall recommend a strategy for re-building the fund balance reserve taking into account the following criteria:
 - i. the cause of the poor experience;
 - ii. the City's ability to control/change the causing factor(s);
 - iii. the impact to services to achieve an immediate re-build of fund balance;

	<p align="center">City of Corvallis</p> <p>Financial Policies - Council Policy</p> <p>Policy # 10.01</p> <p align="center">Financial Policies – Fund Balance</p>	
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- iv. the likelihood the causing factor(s) will end and revenues/expenditures will return to normal levels within one year; and
 - v. the likely amount of time required to re-build the fund balance if no additional changes in services/revenues occurred and/or one-year is not a viable time frame for proposed solutions.
6. Should the projected ending fund balance be above the target, the City Manager will make a recommendation to the City Council whether to reserve those monies above the target for:
- a. one time capital expenditures or reserves for future capital expenditures which do not significantly increase ongoing City costs;
 - b. assigned or committed reserves balances for future one-time costs;
 - c. other current one-time costs; and/or
 - d. ongoing or new City programs, provided such action is considered in the context of Council approved multi-year projections of revenue and expenditures.

Non-General Fund Appropriate Budgetary Fund Balance

- 1. Each operating fund shall have a positive budgetary ending fund balance for the budget year under discussion.
- 2. The Finance Director shall recommend the appropriate ending budgetary fund balance for each fund as part of the budget development process. The Finance Director shall take into account the same criteria considered for the General Fund, and add consideration of rate stability in the enterprise funds.
- 3. The minimum fund balance targets for special revenue funds shall be no less than five percent of current revenue, and for enterprise funds a minimum of 45 days of working capital.

Non-General Fund Ending Budgetary Fund Balance Below Recommended

If the annual budget is recommended by the Budget Commission and accepted by the City Council to be adopted with a budgetary fund balance below either the minimum or the recommended ending budgetary fund balance in any fund, the budgetary ending fund balance for the then current fiscal year will be re-calculated as soon as the audit work for the prior fiscal year is complete. If at that point, the audited ending fund balance contributes to a budgetary fund balance which is lower than this policy would dictate, staff shall develop a plan for City Council consideration that addresses the shortfall.

Non-General Fund Ending Budgetary Fund Balance Above Recommended

In the event the ending budgetary fund balance is higher than either the minimum or recommended level, the difference may be used to fund the following activities:



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1. one time capital expenditures or reserves for future capital expenditures which do not significantly increase ongoing City costs;
2. assigned or committed reserves for future one-time costs;
3. other current one-time costs; and/or
4. ongoing or new City programs, provided such action is considered in the context of Council approved multi-year projections of revenue and expenditures.

Review/Update: The Finance Director will prepare this Council Policy review every year for City Council approval.

Rev #	Name	Change Date	Character of Change
0		November 1989	Adopted
23	N. Brewer	February 2012	Create Fund Balance Reserve equal to 3 months payroll and build over five years.
24	N. Brewer	March 2013	Review
25	N. Brewer	April 2014	Review
26	J. Chenard	March 2015	Review
27	J. Chenard	June 2015	Review
28	N. Brewer	October 2016	Update to remove references to Administrative Services Committee, replace “citizen” with “community member” and remove redundant language.
29	N. Brewer	December 2017	Review
30	N. Brewer	April 2019	Added language regarding sustainable budget; clarified use of one-time monies are for targeted reserves.

	<p>City of Corvallis</p> <p>Financial Policies - Council Policy</p> <p>Policy # 10.02</p> <p>Financial Policies – Revenue</p>	
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Purpose: This policy provides direction in the management and oversight of existing revenue sources and for the development of new revenue sources.

Scope: A significant portion of the City’s revenue comes from taxes, charges for service and fees. Some of these revenue sources are governed by the Oregon Constitution/Statutes, federal law, or regulations promulgated by a state, federal, or other agency; others are assessed solely through the City’s home rule authority. Revenues are critical to the City’s financial operations as they provide the resources necessary to provide services at the level the community desires.

The City Council also recognizes that the majority of the revenue received by the City comes from its own residents and the ability to pay increasing amounts may make Corvallis less livable, especially for low income residents. Revenue decisions are complex and must take into account a variety of factors. The Revenue Policies are designed to provide guidance to staff and the City Council as new revenue sources or rate increases for existing revenues are considered.

Guidelines: Revenue Diversity and Stability – The City will strive to maintain a diversified and stable revenue system to shelter the government from short term fluctuations in any one revenue source and ensure its ability to provide ongoing service. In particular, the City will seek alternatives to the property tax for general government services.

Restricted Revenues -- Restricted revenue shall only be used for the purposes legally permissible and in a fiscally responsible manner. Programs and services funded by restricted revenue will be clearly designated and accounted for as such.

Capital Improvement Funding -- Revenue for capital improvements shall be used to finance only those capital improvements identified in the funding plan (i.e., bond or grant funded projects) that are consistent with the capital improvement program and local government priorities, and where the operating and maintenance costs have been included in operating budget forecasts. Revenue restricted for specific purposes will be expended consistent with those restrictions.

One-time Revenue -- One-time revenue includes fund balances and grants or other sources which have a specific time limit and/or reason for expenditure. One-time revenue will be used for one-time expenses whenever possible; in some cases, one-time revenue may be used for



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costs the City would have incurred for a program or service, regardless of the receipt of the one-time revenue. If one-time revenue is considered for ongoing expenditures (such as adding staff) the Budget Commission or City Council will balance the need for the additional ongoing expenditures with the on-going ability to pay prior to approving the program.

Unpredictable Revenue -- Unpredictable revenue, which includes development related revenue such as Systems Development Charges (SDC), Public Improvement by Private Contractor fees, Development Review, Plan Review and Inspection Permit revenue, will be closely monitored through the year. Capital projects to be constructed with SDC monies will not be initiated until SDC revenue is available or another financing alternative is developed.

Revenue Monitoring -- Revenues will be monitored monthly for performance compared to both the annual budget and the anticipated timing of revenue receipts. Operations funded partially or wholly from unpredictable revenue will be monitored monthly and mitigating action will be taken if revenues are not received as expected.

Collections -- The City shall manage its revenue collections through a policy that actively pursues collection of all revenues owed to the City.

Charges for Services -- Fees and charges for service are assessed to specific users where the user pays all or a portion of the costs to provide the service. When assessed as a fee, the charge generally grants the payer permission or a license to do a specific activity (i.e., franchise fees authorize use of the public right-of-way; a liquor license fee authorizes the license holder to sell liquor). When assessed as a charge for service, the charge is for a specific service, directly used by the payer (i.e., admission at the swimming pool is only assessed to the person going swimming).

1. Fees and charges other than those identified elsewhere in City Council policy or via Corvallis Municipal Code will use the following criteria to determine the ratio of cost recovery:
 - a. Whether the person paying the fee can avoid it;
 - b. Whether the program supported by the fee is designed to benefit the entire community or only a small segment of the population;
 - c. Whether the fee is set high or low to incentivize something (i.e., change behavior);
 - d. Whether the fee should be earmarked for a specific use or should be treated as a general revenue available for operations;
 - e. Whether there are extenuating circumstances where the Council believes the fee should not cover all of the costs associated with the service; and



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- f. Whether the fee costs less to collect/administer than the revenue it brings in.
2. Fees and charges are reviewed annually, and are updated via Council action when necessary. A revenue manual listing all such fees and charges of the City shall be maintained by the Finance Department and updated concurrent with the review.
3. A fee shall be charged for any service that benefits limited interests within the community, except for basic, unavoidable human needs type services provided to persons with limited ability to pay.
4. Historically, the City Council has provided very limited tax and fee exemptions; rather, the City Council has elected to use General Fund monies to pay the fees/charges for non-profit entities that request exemptions when the cause matches the City's goals.

Systems Development Charges (SDC) – SDC rates are set via resolution and are designed to cover the costs of infrastructure necessary to provide services for future growth. The list of projects eligible for SDC funding shall be updated when facility plans are updated or amended, or when a project not listed in a facility plan is identified and will provide additional capacity to serve growth. The overall SDC program methodology and population service scenario shall be reviewed approximately every ten years.

PROPERTY TAXES

The City levies property taxes for operations and for general obligation debt service in compliance with the Oregon Constitution and Oregon Revised Statutes. The City has a permanent tax rate of \$5.1067 per \$1,000 of assessed value; the City may have a local option property tax levy for a limited period of time. Revenue for a local option levy will be accounted for according to the ballot language for the levy. Revenue from property taxes levied for general obligation debt service shall be for specific series of debt, levied and accounted for in accordance with state legal requirements. Revenue from the City's permanent tax rate shall be accounted for in the General Fund.

UTILITY FEES (WATER, WASTEWATER, STORM WATER)

- A. Utility Fee Basis -- Utility user charges for each of the three City utilities will be based on the total cost of providing the service (i.e., set to fully support the total direct, indirect, and capital costs) and are established so that the operating revenues of each utility are at least equal to its operating expenditures, reserves, debt coverage and annual debt service obligations, and planned replacement of the utility's facilities.



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- B. Annual Rate Review -- Staff shall conduct an annual comprehensive rate review each fall for the Water, Wastewater and Storm Water funds for Council review and adoption. Rate increases will be targeted for implementation in February. Council will balance the need for sound management of the City's infrastructure with the burden utility fees can place on the community.
- C. Rate Adoption -- Utility rates will be adopted by resolution.
- D. Franchise Fees -- The City's Water, Wastewater, and Storm Water utilities will pay a franchise fee to the City's General Fund to compensate for the use of the public right-of-way. The franchise fee will be equal to 5% of the utility's gross monthly billed revenue.

PARKS AND RECREATION DEPARTMENT CHARGES

- A. Cost Recovery -- Charges shall be assessed in an equitable manner in accordance with the following schedule. Services that provide opportunities for populations with the fewest alternatives (youth, limited income, senior adults, and families) may be more heavily supported by grants, donations, or property taxes than charges for service. Tier percentages shall be considered as guidelines; however, special circumstances, the nature and cost of each program, and persons to be served will be taken into consideration.
- B. Charge Schedule -- the following lists represent all categories of services currently provided or those which may be provided in the future by the Parks & Recreation Department. The model is based upon the degree of benefit to the community or individual of the service provided, the values of the Corvallis community, and the vision and mission of the Parks & Recreation Department. This model and policy form the basis for setting fees and charges.
 - 1. Tier 5 -- Revenue positive cost recovery (services targeted to recover a minimum of 200 percent of direct costs):
 - a. concession/vending
 - b. merchandise for resale
 - c. private/semi-private lesson
 - d. rentals – private/commercial
 - e. long-term leases
 - f. equipment rentals
 - g. trips
 - h. organized parties
 - i. drop-in childcare/babysitting
 - j. leased services – private/commercial
 - k. permitted services
 - 2. Tier 4 -- Totally fee supported with no tax investment (targeted to recover a minimum of 100 percent of direct costs; some of these services may be appropriate for use of alternative funding sources such as grants, donations, and use of volunteers):



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- a. classes and programs – intermediate/advanced
 - b. leased services – non-profit/governmental agency
 - c. preschool
 - d. social clubs
3. Tier 3 -- Primarily fee supported with little or no tax investment (targeted to recover a minimum of 90 percent of direct costs; some of these services may be appropriate for use of alternative funding sources such as grants, donations, and use of volunteers):
- a. health services, wellness clinics, and therapeutic recreation
 - b. classes and programs – beginning/multi-ability
 - c. tournaments and leagues
 - d. rentals – non-profit/governmental agency
 - e. specialized events/activities
 - f. camps/after school care
 - g. leased services – affiliates
 - h. work study/internship/community service program
4. Tier 2 -- Partial tax investment with minimal to partial fee support (targeted to recover a minimum of 45 percent of direct costs; many of these services may be appropriate for use of alternative funding sources such as grants, donations and use of volunteers):
- a. life/safety classes
 - b. rentals – affiliates
 - c. supervised park/facility
 - d. community-wide events
 - e. volunteer program
5. Tier 1 -- Full tax investment with little or no fee support (targeted to recover zero percent of direct costs; some of these services may be appropriate for use of alternative funding sources such as grants, donations, and volunteers):
- a. non-supervised park/facility
 - b. inclusionary services
 - c. support services
- C. Setting Fees -- The Parks & Recreation Department Director shall set fees for programs and services in compliance with the targets listed above. Fees shall be adjusted during the course of each year as needed to ensure the cost recovery targets are achieved. The following pricing strategies will be used by the Parks & Recreation Director in setting fees:
1. Market pricing: a fee based on demand for a service or facility or what the target market is willing to pay for a service. One consideration for establishing a market fee is determined by identifying all providers of identical service (i.e., private sector providers, other municipalities), and setting the highest fee. Another consideration is setting the fee at the highest level the market will bear.



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- 2. Competitive pricing: a fee based on what similar service providers or close proximity competitors are charging for service. One consideration for establishing a competitive fee is determined by identifying all providers of an identical service (i.e., private sector providers, other municipalities), and setting a mid-point or lower fee.
- 3. Cost recovery pricing: a fee based on cost recovery goals within market pricing ranges.
- D. Fee Review -- The Park and Recreation Department shall conduct an annual comprehensive review of cost recovery targets in compliance with these policy targets; this review will be forwarded to the Parks, Natural Areas and Recreation Advisory Board which will forward their comments to City Council.
- E. Use of Volunteers -- Through an aggressive volunteer recruitment and retention program, the Parks and Recreation Department shall seek to minimize the amount required for full tax investment by offsetting costs through volunteer support.
- F. Alternate Funding Sources -- Solicitation of funds through donations, fund raising events, non-traditional sources, and various other modes shall be encouraged by the Parks, Natural Areas and Recreation Advisory Board and other advisory committees. Funds collected for any special purpose shall be earmarked for that purpose.

AMBULANCE FEES

It is the intent of the City to provide responsive, efficient and self funded emergency medical services as the Benton County designated service provider to the Benton County Ambulance Service Area, including all residents of the City.

Rate Changes -- Staff shall review ambulance rates annually no later than February 28 to ensure the rates reflect changes in the direct costs of service. In reviewing rates, staff will consider the historic and projected costs of service, service demands, changes in fixed and variable costs, market rates, and changes in service requirements or mandates. The City shall notify Benton County of proposed fee increases or decreases in conjunction with the fee review.

- 1. Proposed rate changes will be submitted to the City Council no later than April 1 of each year. If no rate change is recommended, staff will note the fact in a Council Report.
- 2. The Council shall adopt rate adjustments by resolution. Following Council adoption, the new rates will go into effect July 1 of the next fiscal year.

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3. Notification will be issued to the public 30 days prior to the July 1 deadline. Customers will be notified of rate changes via advertisements in the local newspaper.

Special Rate Reviews -- If, at any time during the fiscal year, estimated costs of service exceed available revenue, the City Manager may conduct a special rate review. In conducting such reviews, the City Manager would follow the above procedures. In this instance, rate adjustments could take place at any time within the fiscal year, with 30 days' public notice.

GRANTS

Grant Opportunities -- The City shall aggressively pursue grant opportunities; however, before applying for or accepting grants, the City will consider the current and future implications of accepting the monies.

Federal Funds -- Federal funds shall be actively sought by the City. The City will use these funds to further the applicable national program goal. Because federal funds are not a guaranteed revenue source and are intended for a specific purpose, they will not be relied upon as a source of capital improvement funds unless the federal grant is specifically for capital projects. Use of federal funds shall support City goals and services.

Grant Review -- In reviewing grants the department director and Finance Director shall evaluate each grant offer and make their recommendation to the City Manager after considering:

1. the amount of the matching funds required;
2. in kind services that are to be provided;
3. length of grant and consequential disposition of service (i.e., is the City obliged to continue the service after the grant has ended?); and,
4. the related expenditures including administration, record keeping, and auditing expenditures.

Single Audit -- The annual audit by the City's independent auditors will include all required audit procedures for grant compliance as specified in the federal government's Office of Management and Budget OMB Circular A-133.

GIFTS, DONATIONS AND BEQUESTS

Use of Gifts, Donations & Bequests -- Gifts, donations and/or bequests given to, and accepted by, the City for the use of any of its departments or divisions shall be used solely for the purpose intended by the donor. Unrestricted gifts will be expended on the recommendation of the related advisory board.



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Evaluation -- Gifts, donations, and bequests will be evaluated to determine what, if any, obligations are to be placed upon the City. Gifts, donations, and bequests will be considered as "over and above" basic City appropriations unless the gift, donation or bequest is for an already planned and budgeted service or program.

Review/Update: The Finance Director will prepare this Council Policy review every year for City Council approval.

Rev #	Name	Change Date	Character of Change
0		November 1989	Adopted
23	N. Brewer	February 2012	Review
24	N. Brewer	March 2013	Consolidate property tax funds into one General Fund.
25	N. Brewer	April 2014	Review
26	J. Chenard	March 2015	Review
27	J. Chenard	June 2015	Review
28	N. Brewer	October 2016	Update to remove references to Administrative Services Committee, change "citizen" to "community member" and remove rate increase limits for utility rates.
29	N. Brewer	December 2017	Review
30	N. Brewer	April 2019	Review

	City of Corvallis Financial Policies - Council Policy Policy # 10.03 Financial Policies – Expenditures	
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Purpose: To provide direction for developing the annual budget, monitoring the City’s financial status throughout the year, and ensuring that the City’s monies are expended to provide services to community members.

Scope: The City expends a significant amount of money each year to provide services that are important to resident’s sense of well being and safety and to improve the livability of the community. The largest portion of expenditures is for the operating costs of the organization. These costs include all of the salaries/wages and related benefits for City staff, along with materials, services and capital outlays necessary to perform the basic functions of the City. Additional costs associated with capital projects (infrastructure investments) and debt service are part of the annual budget, based on specific plans for both.

Guidelines: SUSTAINABLE BUDGET
 The City develops a sustainable budget each year, where revenues equal or exceed expenditures. To achieve the sustainable budget, the City operates under the following guidelines:

- A. Pay-As-You-Go -- The City shall attempt to conduct its operations from existing or foreseeable revenue sources. Achieving pay-as-you-go requires the following practices:
 - 1. current direct and indirect costs for operations and maintenance will be controlled and will be funded with current revenues,
 - 2. revenue and expenditure forecasts will be prepared annually for all operating funds prior to budget discussions, and
 - 3. significant one-time maintenance costs will be projected via long-term financial projections and monies will be set aside, where possible, to cash fund the costs.
- B. Cost Allocation Plan -- The Finance Director shall prepare a full cost allocation plan triennially to provide accurate, complete estimates of indirect service costs. The plan will be updated annually during budget development.
- C. Mandated Costs -- Costs attributable to mandates of other government agencies shall be included in the annual budget.

BUDGET BALANCE

The City Manager will prepare a budget for each fund each year where resources on a modified accrual basis either equal or exceed all expenditures in compliance with ORS 294.388.

- A. Resources available include all revenue anticipated in the budget year, including taxes, fees, charges for service, fines,



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Financial Policies – Expenditures



intergovernmental payments, miscellaneous revenue, transfers, other financing sources, expendable reserves, and beginning fund balances.

- B. Expenditures include all planned expenditures for operations, inter-fund transfers, capital budget, debt service, and contingencies.

BUDGET PERFORMANCE REPORTING

- A. Quarterly Reports -- The Finance Director shall submit a Quarterly Operating Report (QOR) to the Budget Commission within 45 days of the close of the fiscal quarter. The QOR will be published on the City's web site for public review. The QOR will be reviewed and accepted by the City Council. At a minimum, the QOR will include income statements developed on the modified accrual (budgetary) basis for all operating funds of the City, and may include other pertinent information.
- B. Performance Indicators -- Where practical, the City shall develop and employ performance indicators that are tied to the Strategic Operational Plan to be included in the budget. Status of the measures will be reported in each QOR.

MAINTENANCE, REPAIR & REPLACEMENT

- A. Master Plans -- The City shall maintain master plans for all major infrastructure systems. Master plans provide direction about system needs (such as pipe size and reservoir locations) for predicted population build out of the community. Infrastructure master plans are required for Parks, Transportation, Water Plant, Water Distribution system, Wastewater Plant, Wastewater Collection system, Storm Water system, and the Airport.
- B. Master Plan Projects -- Projects identified via an infrastructure master plan will be scheduled based on the priority of the project as identified in the master plan and will be budgeted in the Capital Improvement Program (CIP) when resources are available to implement the project and the project will result in the acquisition of a new or an addition to an existing capital asset; master plan projects that do not result in capital assets shall be included in the operating budget.
- C. Annual Inventory -- The City will conduct an inventory of all capital assets in conjunction with the annual audit. During the inventory, any excess wear and tear will be noted by staff and used to update replacement plans during the following budget preparation cycle.
- D. Equipment Replacement Plans -- Assets which are not part of a major infrastructure system or buildings and land, including vehicles, computers, and specialized equipment required for normal work (i.e., defibrillators, bullet proof vests), will be tracked by each department with replacement plans made for at least the financial planning



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Financial Policies – Expenditures



period. These schedules will be updated annually in conjunction with the budget process.

- E. Stable Spending plans -- Every effort will be made to develop an equipment replacement schedule that results in a stable annual spending level. If spending levels cannot be stable and would result in a significant dollar amount variance year-over-year, staff will set aside in reserves an amount each year adequate to fully fund the project in the future. If monies are not set aside in reserves due to financial shortfalls:
 - 1. reserves will be re-built within three fiscal years to the level required to meet future replacement plans; or
 - 2. staff will develop a plan to borrow monies for critical equipment replacement.
- F. Equipment Replacement Budgeting -- Equipment to be replaced will be budgeted considering:
 - 1. Age of the asset and its manufacturer's recommended useful life;
 - 2. Wear and tear on the asset;
 - 3. Environmental conditions which may shorten or lengthen the useful life of the asset;
 - 4. The cost/benefit to complete routine maintenance and delay replacement;
 - 5. Availability of service and/or parts; and
 - 6. The cost/benefit of early replacement with more efficient and/or less expensive technology.
- G. Facility Maintenance -- The facility maintenance schedule for major maintenance or replacement projects for all City-owned buildings will be updated annually. The primary goal of the plan is to complete maintenance projects prior to system failures that would cause a decrease in service levels to community members. Criteria for including projects are the same as those identified above in F.
- H. Maintenance Costs from the CIP -- Projects included in the proposed Capital Improvement Program (CIP) will identify the anticipated operating costs or savings associated with the project. Estimated operating costs from CIP projects will be included in all years of the financial plan for the appropriate fund prior to approval by the Budget Commission and City Council.

COMPENSATION

- A. Compensation -- The City's Charter requires the Council to set compensation for all employees. Additional guidance for compensation is included in ORS 243.650 to 243.782, known as the Public Employee Collective Bargaining Act (PECBA).
 - 1. Total compensation, which includes the City's costs for wages and benefits as defined by PECBA, shall be used in making compensation comparisons in labor negotiations.



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Policy # 10.03

Financial Policies – Expenditures



2. When negotiating compensation, the City Council shall direct staff to:
 - a. work within the fiscal constraints of the City's economic ability to pay;
 - b. set reasonable limits on the cost to provide City services; and
 - c. work within the budgetary restrictions established by the City Council.
 3. Setting total compensation comparators shall be in compliance with PECBA.
 4. The City will target total compensation at +/- 5% of the mean of comparator cities to achieve external equity.
- B. Compensation Budget -- total projected compensation shall be budgeted in compliance with approved bargaining unit agreements. Compensation for exempt employees shall be budgeted in compliance with the City Manager's recommendation for these positions. City Council approval of the budget each year shall constitute Council confirmation of the compensation levels.
- C. Changes in Full Time Equivalent (FTE) -- Changes in the FTE shall be identified in the summary financial data in the Budget each year. This summary will include data by department, and a list of positions added, deleted, or approved but unbudgeted for the year.
- D. Vacant Positions -- The City shall not carry vacant budgeted positions for more than one fiscal year without the Department Director identifying a strategy for the position.

TRANSFERS

- A. General Fund Transfers -- To the maximum extent feasible and appropriate, General Fund transfers to other funds shall be defined as payments intended for the support of specific programs or services. Amounts not needed to support such specific program or service expenditures shall be returned to the General Fund, unless Council directs the transfer to be used for other purposes.
- B. Transfer Reconciliation & Cash Flow -- Transfers for specific programs or projects, or to support special operations, should occur on the basis of cash flow needs of the program or service being supported. A reconciliation of actual transfers against budgeted transfers will be included in the year-end audit process.
- C. Advances -- Where it is necessary to make a one-time advance of General Fund monies to another fund, this action shall occur under the following conditions:
1. The advance is reviewed, prior to the transfer of funds, by the City Council.
 2. All excess cash balances in the fund receiving the advance shall be invested for the benefit of the General Fund, if allowed by federal



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Financial Policies – Expenditures



and state law and regulations, as long as the advance is outstanding.

3. Should the borrowing fund accumulate an unexpected unrestricted balance, this excess shall be used first to repay the advance.
4. If the receiving fund is subsequently closed, assets net of liabilities of the fund equaling the unpaid portion of the advance revert to the General Fund, if allowed by federal, state or local law.
5. For short term cash deficits in funds other than the General Fund during the course of the year, short term loans are preferred to advances, except in cases where the receiving fund is legally precluded from paying interest on loans, or where loan transactions would be too numerous and costly to be cost effective.

CONTINGENCIES

- A. Contingency Amount -- To meet emergency conditions, the budget shall provide for an appropriated contingency in each fund other than the General Fund of at least 2% of estimated annual operating revenues. All governmental and enterprise funds shall maintain a contingency. The contingency shall be exclusive of all reserves.
- B. General Fund contingencies – Ten percent of the General Fund Fund Balance Reserve shall be appropriated each year as contingency. If used, the Fund Balance Reserve will be replenished as identified in Council Policy on Fund Balance (CP 10.01).
- C. Contingency Use -- Use of the contingency should be infrequent and for unanticipated expenditures such as costs associated with a response to a disaster, or to meet unanticipated increases in service delivery costs. The City Council must authorize expenditure of any contingencies via a resolution.
- D. Contingency in Excess of 2% -- The Finance Director may recommend a contingency in excess of 2% of current revenue in specific funds to address specific needs. When this occurs, the Finance Director will provide the Budget Commission and City Council with information regarding the reasons for the recommendation.
- E. Contingency Below 2% -- Where correction of a fund balance deficit causes the contingency to be budgeted below 2% of operating revenue, a gradual correction of the problem over several years is preferable to a one time jump in rates, or substantial decreases in other expenditure plans.

Review/Update:

The Finance Director will prepare this Council Policy review every year for City Council approval.



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Policy # 10.03

Financial Policies – Expenditures



Rev #	Name	Change Date	Character of Change
0		November 1989	Adopted
23	N. Brewer	February 2012	Review
24	N. Brewer	March 2013	Review
25	N. Brewer	April 2014	Review
26	J. Chenard	March 2015	Review
27	J. Chenard	June 2015	Review
28	N. Brewer	October 2016	Update to remove references to Administrative Services Committee and add language about compensation.
29	N. Brewer	December 2017	Review
30	N. Brewer	April 2019	Minor edits.



City of Corvallis

Financial Policies - Council Policy

Policy # 10.04

Financial Policies – Accounting and Financial Reporting



Purpose:

To provide Council leadership for the organization by stating the importance of a system of internal controls to be implemented and maintained to meet the goals of providing accurate and timely financial reports to the community and financial markets, and mitigate the risk of fraud

Scope:

Best practices state that the City Council must lead the organization's commitment to excellence in financial management through the adoption of policies stating clear expectations. The City of Corvallis maintains a financial management system that ensures transactions are appropriately recorded, assets are managed for the benefit of the community, and risk of fraud or financial loss is identified and minimized through a set of internal controls designed to manage the risk. The financial markets and other interested parties rely on the City's annual financial statements to ensure Corvallis bondholders the City's financial condition will allow the City to continue to make all required debt payments and meet all covenants.

Guidelines:

INTERNAL CONTROLS

- A. Internal Control System -- The City shall establish and maintain a process that is designed to provide reasonable assurance that the City is achieving the following objectives:
 1. effective and efficient operations,
 2. reliable and accurate financial information,
 3. compliance with applicable laws and regulations, and
 4. safeguard assets against unauthorized acquisition, use, or disposition.
- B. Annual Audit -- The City shall hire an independent external auditor to perform an annual audit of the financial statements, including tests of the internal controls. It is the City's objective that the financial statements receive an unmodified opinion, an opinion in which the auditor can state, without reservation, that the financial statements are fairly presented in conformity with Generally Accepted Accounting Principles (GAAP).

FINANCIAL SYSTEM

- A. Purpose of the Financial System -- The financial system shall be used as the means of recording and reporting financial transactions in a way that will assist users in assessing the service efforts, costs and accomplishments of the City.
- B. Financial System Characteristics -- The City's accounting and reporting system shall demonstrate the following characteristics:



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Policy # 10.04

Financial Policies – Accounting and Financial Reporting



1. reliability,
 2. accuracy,
 3. consistency,
 4. timeliness,
 5. efficiency,
 6. responsiveness,
 7. compliance with legal requirements, and
 8. conformance with GAAP.
- C. Funds -- The City shall establish and maintain only those funds that are necessary by law and for sound financial administration. The funds shall be structured in a manner consistent with GAAP, to maximize the City's ability to audit, measure and evaluate financial performance. The fund structure will be reviewed annually and the Finance Director will recommend changes to improve compliance with Council policies, financial planning, resource allocation and service delivery will be made to the City Manager at the beginning of the annual budget process. Adding, closing, or making significant changes to a fund shall be done by the City Council by adopting a resolution.

EXTERNAL FINANCIAL REPORTING

- A. Comprehensive Annual Financial Report (CAFR) -- The City shall annually prepare and publish, by December 31st of each year, a CAFR in conformity with generally accepted accounting principles. The CAFR shall include but not be limited to:
1. an explanation of the nature of the reporting entity,
 2. the extent of activities conducted by the City,
 3. comparison of actual activity to adopted budget,
 4. an explanation of the City's fiscal capacity,
 5. disclosure of short and long term liabilities of the City,
 6. capital assets reporting,
 7. cash policies and compliance reporting,
 8. accounting policies, controls and management responsibilities, and
 9. all other disclosures required by GAAP.

Review/Update: The Finance Director will prepare this Council Policy review every year for City Council approval.

Rev #	Name	Change Date	Character of Change
0		November 1989	Adopted
23	N. Brewer	February 2012	Review
24	N. Brewer	March 2013	Review

	<p align="center">City of Corvallis</p> <p>Financial Policies - Council Policy</p> <p>Policy # 10.04</p> <p align="center">Financial Policies – Accounting and Financial Reporting</p>	
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Rev #	Name	Change Date	Character of Change
25	N. Brewer	April 2014	Review
26	J. Chenard	March 2015	Review
27	J. Chenard	June 2015	Review
28	N. Brewer	October 2016	Update to current audit terminology
29	N. Brewer	December 2017	Review
30	N. Brewer	April 2019	Review



City of Corvallis

Financial Policies - Council Policy

Policy # 10.05

Financial Policies – Capital Improvement Program (CIP)



Purpose: To maintain the City’s investment in infrastructure, this policy provides direction for the development and implementation of the annual CIP.

Scope: The City has a significant investment in the infrastructure necessary for the general public’s use. The infrastructure systems – streets, bikeways and sidewalks, water treatment plants and distribution system, wastewater treatment plants and collection system, storm water conveyance system, airport, parks, recreation facilities, open spaces, and municipal facilities – are important to the general well-being of the community. The City maintains and enhances the infrastructure systems by developing long-term plans to meet the service needs of the community and by securing the funding necessary to implement the plans. The CIP is developed to advise the community of the projects proposed over a five-year period to protect the public investment.

Guidelines: CAPITAL IMPROVEMENT PROGRAM

- A. Definition of a Capital Project -- A capital project must:
 1. cost more than \$25,000, and
 2. be a permanent addition to the capital assets of the City, and
 3. purchase land, or
 4. construct a new building, or
 5. remodel or add to an existing building, or
 6. construct/install public infrastructure, or
 7. replace existing infrastructure.
- B. Full Costs Included -- For any project which meets the definition of a capital project, all costs for the project, including design, land or right-of-way acquisition, appraisals, construction, construction management, furnishings, and legal or administrative costs will be included in the project budget.
- C. Five-year CIP -- A five-year Capital Improvement Program (CIP) shall be developed annually by staff. The plan will be presented to and reviewed by the Planning Commission for compliance with the Comprehensive Plan, reviewed by the Budget Commission for compliance with long-term financial plans, and approved by the City Council. This plan shall contain the planned capital improvements from all funds and departments of the City.
- D. Existing Assets -- A high priority shall be placed on repair or replacement of capital assets when such assets have deteriorated to the point of becoming hazardous, incur high maintenance costs, are negatively affecting property values, and/or are no longer functionally serving their intended purposes.
- E. Construction Standards -- Capital improvements constructed in the city shall be designed and built based on published construction



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Policy # 10.05

Financial Policies – Capital Improvement Program (CIP)



standards which shall be periodically updated by the City Engineer. The construction standards will assure projects are built with an acceptable useful life and minimum maintenance costs.

CAPITAL IMPROVEMENT MAINTENANCE

Operating Budget Impacts -- Future operating budget impacts for maintenance of new capital facilities will be analyzed and estimates included in all years of the financial plans as part of considering a proposed capital project.

CAPITAL IMPROVEMENT FINANCING

- A. Appropriate Funding -- Within the limitation of existing law, various funding sources may be used for capital improvements. When capital projects are proposed, funding sources will be identified.
- B. Unspent Funds -- Upon completion of capital projects, the Finance Director shall certify any unspent funds from the project. The most restrictive project revenues shall be used first so that unused funds will have the fewest restrictions on future use. Unspent capital project funds, except bond funds, shall be returned to their original source. If there are unspent funds from a bond issue, those monies will be allocated according to stipulations in the bond indenture. In no case shall projects incur a funding deficit without the express approval of the City Council.
- C. Interest Earnings in the Capital Construction Fund (governmental fund) -- Interest earnings shall be allocated to each project based on the project's proportion of the cash balance in the fund. Projects which have a negative cash balance due to timing of reimbursements of grants or loans will not accrue interest revenue or an interest expense.
 1. Interest earnings which are restricted due to the funding source (i.e., grant, bond issue) shall be spent in compliance with those restrictions.
 2. Interest earnings not otherwise limited will be considered the most restricted City funds in the project and will be spent first in compliance with section B on Unspent Funds.
- D. Interest Earnings in the Proprietary Fund Construction Components -
- Interest earnings which are restricted due to the funding source (i.e., grant, bond issue) shall be spent in compliance with those restrictions. All non-restricted interest earnings will be accrued to the operating fund and will be available to spend on either operations or future capital projects.

Review/Update:

The Finance Director will prepare this Council Policy review every year for City Council approval.



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Policy # 10.05

Financial Policies – Capital Improvement Program (CIP)



Rev #	Name	Change Date	Character of Change
0		November 1989	Adopted
23	N. Brewer	February 2012	Review
24	N. Brewer	March 2013	Review
25	N. Brewer	April 2014	Review
26	J. Chenard	March 2015	Review
27	J. Chenard	June 2015	Review
28	N. Brewer	October 2016	Update to clarify language
29	N. Brewer	December 2017	Review
30	N. Brewer	April 2019	Review



City of Corvallis

Financial Policies - Council Policy

Policy # 10.06

Financial Policies – Debt



Purpose: To proactively manage the City’s existing and future debt issues in compliance with state and federal laws in order to maintain the City’s capacity for future debt issues that may be required for infrastructure investment.

Scope: From time-to-time the City plans for a capital improvement project or a significant long-term operating expenditure (such as pension obligations) which is too expensive to finance with cash reserves or which needs to be completed before reserves can be developed. When this occurs, the City borrows monies. The City is conservative in its borrowing practices, and strives to maintain low debt-per-capita ratios when compared to similar sized cities.

Guidelines: USE OF DEBT FINANCING

- A. Long-term Debt -- The City of Corvallis shall only use long-term debt for capital projects that cannot be financed out of current revenues within the Revenue Policy guidelines for rate increases. Debt financing shall generally be limited to one-time capital improvement projects or to leverage a future significant cost the City must bear (such as pension obligations) and only under the following circumstances:
 - 1. when the project's useful life is greater than or equal to the term of the financing;
 - 2. when resources will be sufficient to service the debt; and,
 - 3. when analysis demonstrates that the debt will smooth or reduce costs over multiple years or the project is expected to benefit the residents of Corvallis.
- B. Use of Debt Financing -- Debt financing shall not be considered appropriate for:
 - 1. Current operating and maintenance expenses (except for issuing short term instruments such as revenue anticipation notes or tax anticipation notes or interfund loans as per State law limitations); and
 - 2. Any recurring purpose (except as indicated above).
- C. Tax/Revenue/Bond Anticipation Notes -- Tax and revenue anticipation debt will be retired within the fiscal year issued, and bond anticipation notes will be retired no later than six months after securing permanent funding.
- D. Short-term Debt -- Debt issued with a final maturity of one year or less from the time of issuance, which is outstanding at the end of the year, will not exceed 5% of net operating revenues (including tax anticipation notes but excluding bond anticipation notes.)



City of Corvallis

Financial Policies - Council Policy

Policy # 10.06

Financial Policies – Debt



LIMITS ON DEBT ISSUANCE

- A. Vote to Issue General Obligation Debt -- General obligation bonds require an affirmative vote prior to issuance. Constitutional limitations require a simple majority of votes for elections in May or November; for all other elections, a simple majority of registered voters must vote in the election, and of those voting a simple majority must vote affirmatively.
- B. Statutory General Obligation Bond Debt Limits -- Oregon Revised Statutes chapters 287A limit the outstanding general obligation principal indebtedness of the City other than bonds issued for water, sanitary or storm sewers to 3% of the true cash value of the taxable property within the City.
- C. Council Imposed Debt Limits -- The annual general obligation debt service for long-term issues (greater than five years), where the debt service is paid from property tax sources, shall not exceed 15% of the combined operating and capital budgets in the Governmental funds.
- D. General Fund Backed Obligations/Bonds -- The outstanding principal debt for Limited Tax General Obligation Bonds (LTGO), Full-Faith and Credit Obligations/Bonds (FFC), non-self-supporting leases, and full faith and credit lease purchases, where the intended re-payment is not from utility rates, is limited to 1% of the true cash value of the taxable property in the City. Furthermore, annual debt payments for General Fund supported LTGO and FFC debt shall not exceed 5% of the combined operating and capital budgets in the Governmental Funds.
- E. Revenue Bonds -- Revenue secured debt obligations will be undertaken only after assessing the impact of the projected operating, maintenance, debt service and coverage requirements on user rates. The assessment will be shared with the City Council prior to issuing the debt.

DEBT ISSUANCE

- A. Timing of Debt Issuance -- The timing for each debt issue in association with the construction schedule will be carefully considered, using the following criteria:
 - 1. Projected cash flow requirements for the capital project;
 - 2. Cash reserves on hand to temporarily fund preliminary project expenses;
 - 3. Spend down schedules identified by the Internal Revenue Service (IRS) to meet arbitrage limitations; and
 - 4. Market conditions.
- B. Competitive Sale -- All bonds will be sold at competitive sale unless it is in the City's best interest to sell at a negotiated sale. The City reserves the right to reject any and all bids at a competitive sale and



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sell the bonds at a negotiated sale if it is in the best interest of the City of Corvallis to do so.

- C. Refunding Bonds -- Refunding or advanced refunding bonds may be authorized by the City Council providing the issuance complies with the rules adopted by the State Treasurer and outlined in Oregon Revised Statutes.
- D. Annual Debt Payment Limits -- To maintain the City's credit rating and expenditure flexibility, the annual debt service payments the City must make on net direct long term general obligation debt shall not exceed 10% of operating revenue. To achieve this goal, on a per issue basis, the City will structure its debt to pay no less than 33% of the principal on bonds sold during the first half of the repayment term.
- E. Overlapping Debt -- City staff shall endeavor to notify the City Council of the debt issuance plans of the City's overlapping taxing jurisdictions and the possible impact such debt plans may have on the City's debt capacity.
- F. Investment of Bond Proceeds -- Receipt of bond proceeds will be timed to occur in conjunction with construction. However, in most cases bond proceeds will not be fully expended as soon as they are received. The City shall invest the proceeds from debt issuance in the legally authorized investment instruments for local governments in Oregon to maximize interest earnings available for the capital project. Prior to choosing an investment instrument, staff will take into consideration projected cash flow of the project and the likelihood that IRS spend down targets will be met or exceeded. The investment instrument(s) shall be chosen to maximize interest earnings and minimize any arbitrage penalties which may accrue within the established IRS regulations.

LEASING

Lease purchase financing shall be considered only when the useful life of the item is equal to or greater than the length of the lease, and a lease purchase is the most economical method of purchasing available. If the item may become technologically obsolete or is likely to require major repair during the lease purchase period, then the item should be either purchased with cash or placed on an operating lease.

CREDIT RATINGS AND COMPLIANCE

- A. Reporting -- The City shall maintain good communication with bond rating agencies concerning its financial condition. The City will follow a policy of full disclosure on every financial report and bond prospectus.
- B. Compliance with Securities and Exchange Commission (SEC) and Municipal Securities Rulemaking Board (MSRB) Rules -- The City will



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Financial Policies – Debt



comply with all aspects of the SEC rule 15c2-12 pertaining to secondary market disclosure, and with MSRB regulations regarding maintaining disclosures and professional advisor relationships.

- C. Post Issuance Compliance – City staff will adhere to the SEC or MSRB rules for post-issuance compliance.

DEBT MANAGEMENT

- A. Debt Management Analysis – City Council will review staff’s assessment of debt prior to any issuance. The assessment shall encompass a review of all debt of the City which draws on the same financial resources, including, but not limited to:
 1. detail of the sources of funding for all debt;
 2. current and future debt capacity analysis;
 3. issues to be addressed for sound debt management;
 4. a contingency debt plan should any of the funding sources become unavailable in the foreseeable future; and
 5. reporting as to the City’s compliance with its debt policies.
- B. Advisors/Counsel – For bonded debt, City staff will work with a contracted fee for service Municipal Advisor (MA) and Bond Counsel (BC) to ensure current market knowledge is applied consistently for documentation facilitation, optimizing rates and issuance costs, and other related matters. Staff, the MA and BC must comply with this Debt Policy and post-Issuance compliance requirements. The MA may only act on a non-discretionary basis. Therefore, the MA must present debt recommendations and receive approval to execute such recommendations from the Finance Director, or designee, prior to transacting with other entities as related to City debt issuance.

Review/Update: The Finance Director will prepare this Council Policy review every year for City Council approval.

Rev #	Name	Change Date	Character of Change
0		November 1989	Adopted
23	N. Brewer	February 2012	Review
24	N. Brewer	March 2013	Review
25	N. Brewer	April 2014	Review
26	J. Chenard	March 2015	Update
27	J. Chenard	June 2015	Review
28	N. Brewer	October 2016	Update to remove references to Administrative Services Committee, and strengthen language associated with secondary market disclosure

	<p>City of Corvallis</p> <p>Financial Policies - Council Policy</p> <p>Policy # 10.06</p> <p>Financial Policies - Debt</p>	
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29	N. Brewer	December 2017	Review
30	N. Brewer	April 2019	Review



City of Corvallis

Financial Policies - Council Policy

Policy # 10.07

Financial Policies – Risk Management



Purpose:

These policies set forth the over-arching guidance for the City's risk management program which is designed to identify risk of incidents where damage could occur to community members, employees, or the City's infrastructure or assets. Anticipating, managing and mitigating these risks is critical to protecting the community's assets and the organization's financial position.

Scope:

The City of Corvallis' basic operations have certain risks associated with them, which could have a significant financial impact if the risks were not managed. Risk Management policies are designed to identify and assess the risks, influence variables that can be controlled to reduce risks, ensure that risk is transferred to others when appropriate, and provide insurance coverage to mitigate against losses. The Risk Management program is comprehensive and addresses risks to City employees through appropriate training, and risks to staff and the general public through proactive maintenance and insurance coverage as well as holding adequate reserves for uninsured losses and programs designed to reduce factors associated with claims.

Guidelines:

RISK MANAGEMENT REPORT

- A. Annual Report -- Risk management staff shall prepare annually a Comprehensive Risk Management Report for City Council, including but not limited to:
 1. a summary of the past year's risk management claims,
 2. a summary of the insurance policies purchased by the City including coverage, deductibles and costs,
 3. identification and discussion of current and potential liability risks or activities that could impact City finances or operations,
 4. specific strategies to address the risks identified, and
 5. a summary of the past year's safety and violence in the workplace activities/trainings.

- B. Quarterly Report – Risk management staff shall prepare quarterly a Risk Management Assessment report for the Executive Risk Management Team, including but not limited to:
 1. a summary of the prior quarter's risk management claims including workers' compensation, tort liability and property claims,
 2. identification of current and potential liability risks or activities impacting the City's finances or operations, and
 3. discuss specific strategies to address the risks identified.

RISK MANAGEMENT PROGRAM



City of Corvallis

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Policy # 10.07

Financial Policies – Risk Management



- A. Program -- The City shall implement and maintain a Risk Management program designed to decrease exposure to risk. At a minimum, the program shall include:
 1. a safety program that emphasizes reducing risks through training and safe work habits,
 2. an annual examination of the City’s insurance program to evaluate how much risk including deductible, the City should assume, and
 3. other risk management activities, including review of all City contracts with respect to indemnification and insurance provisions.

RISK MANAGEMENT FUND

- A. Purpose -- The Risk Management Fund shall be used to provide for insurance coverage, uninsured losses in excess of deductible amounts, safety program expenses, and prudent reserves, contingencies and fund balances.
- B. Catastrophic Reserves -- The targeted balance for unappropriated catastrophic reserves shall be \$1,000,000 each year. Appropriated catastrophic reserves which are drawn down will be rebuilt within two years, or sooner if practical. Unappropriated catastrophic reserves which are drawn down below the recommended target will be re-built at the rate of a minimum of 33% of the deficit balance per year over three years, or sooner if practical.
- C. Unreserved Fund Balance Target -- The unreserved fund balance target for the Risk Management Fund shall be \$60,000. Should the ending fund balance drop below \$60,000 in any fiscal year, it will be re-built the following year. Ending unreserved balances in excess of \$60,000 will be used as a dividend to departments if the catastrophic reserves are fully funded or can be used as funding for additional expenditures in the safety program as directed by the City Manager and appropriated within the following budget year. If the excess is used as a dividend to departments, the funds will be returned to departments based on the prior year’s experience.

Review/Update: The Finance Director will prepare this Council Policy review every year for City Council approval.

Rev #	Name	Change Date	Character of Change
0		November 1989	Adopted
23	N. Brewer	February 2012	Review
24	N. Brewer	March 2013	Review
25	N. Brewer	April 2014	Review



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Policy # 10.07

Financial Policies – Risk Management



26	J. Chenard	March 2015	Update
27	J. Chenard	June 2015	Review
28	N. Brewer	October 2016	Update to add executive risk management team and increase contingency reserve.
29	N. Brewer	December 2017	Review
30	N. Brewer	April 2019	Review

	<p>City of Corvallis</p> <p>Financial Policies - Council Policy</p> <p>Policy # 10.08</p> <p>Financial Policies – Investments</p>	
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Purpose: To minimize risk associated with investing the City’s monies and ensure cash is available to meet expenditures, while maximizing earnings opportunities and minimizing idle funds. These policies provide direction for managing the City’s investments.

Scope: The City holds cash balances as part of its operations. The City invests balances in excess of daily needs in a variety of investment instruments as authorized by Oregon Revised Statutes on local government investments. Investing monies has inherent risks; these risks are managed through the application of appropriate risk assessments and diversification, and following prudent rules for investing governmental funds. These policies establish and provide guidelines for the safe and efficient management of City funds, and the purchase and sale of investment instruments.

These investment policies apply to all cash-related assets within the scope of the City's audited financial statements and held directly by the City. Funds held and invested by trustees or fiscal agents are excluded from these policies; however, such funds are subject to regulations established by the State of Oregon for public funds.

Guidelines: OBJECTIVES

The City's investment objectives are listed below, and can be summarized as primarily concerned with safety, legality and liquidity, with a secondary objective of return:

- A. Safety: Preserve capital and protect investment principal by implementing diversification and risk management practices;
- B. Legality: Conform with federal, state and other legal requirements;
- C. Liquidity: Maintain sufficient liquidity to meet operating needs by managing cash flow requirements; and
- D. Return: Attain a market rate of return throughout budgetary and economic cycles by implementing an investment strategy.

RESPONSIBILITY

- A. Governing Body – The City Council has a fiduciary responsibility for invested City funds. The City Council shall review this policy at least annually and shall receive monthly reports with sufficient detail to comply with ORS Chapter 294 requirements.
- B. Delegation of Authority - The authority for investing City funds is vested with the City Manager, who, in turn, may designate the Finance Director as Treasurer to manage the day to day operations of the City's investment portfolio, place purchase and sell orders with dealers and financial



City of Corvallis

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Policy # 10.08

Financial Policies – Investments



institutions, and prepare reports as required. The Finance Director may choose to use the services of a professional investment advisor if they believe that is most beneficial to the organization.

- C. Investment Advisor -- The City may enter into contracts with third-party, fee only, investment advisory firms when such services are deemed to be beneficial to the City. The advisor must comply with this Investment Policy and the City Manager's Investment Administrative Procedures. The advisor may only act on a non-discretionary basis. Therefore, the advisor must present investment recommendations and receive approval to execute the recommendation from the Finance Director, or designee, prior to making buys or sells on behalf of the City. The following items are required minimum criteria for the approved Investment Advisor:
1. The Investment Advisor firm must be registered with the Securities and Exchange Commission (SEC) or licensed by the state of Oregon;
 2. All Investment Advisor firm representatives conducting investment transactions on behalf of the City must be registered representatives with Financial Industry Regulatory Authority (FINRA) and licensed to do business/trades in the state of Oregon;
 3. An engaged Investment Advisor must provide notification within 30 days of any formal investigation or disciplinary action initiated by Federal or State regulators.
 4. Investment Advisor services will be sought through the City's normal competitive procurement process.
- D. Governing Authority -- Funds of the City will be deposited and invested in accordance with statutes, ordinances, and policies governing the City of Corvallis and will be in compliance with the provisions of Oregon Revised Statutes (ORS) 294, and other applicable statutes. Investments will be in accordance with these policies and written administrative procedures. Investment of any tax-exempt borrowing proceeds and of any debt service funds will comply with the relevant provisions of the Internal Revenue Code in place at the time of investment.

STANDARDS OF CARE

Investments shall be made with judgment and care – under circumstances then prevailing – which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital, as well as the probable income to be derived. Investment decisions shall be made within the objectives outlined in this investment policy.

The standard of prudence to be used by investment officials shall be the "prudent person," as described above, and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and exercising due diligence shall be relieved of personal responsibility for an individual security's performance, provided that

deviations from expectations are reported in a timely fashion, and appropriate action is taken to control adverse developments.

ADMINISTRATION AND OPERATIONS

A. Safekeeping and Collateralization

Safekeeping Custodial Bank: Investment securities purchased by the City will be delivered by book entry and held in a segregated account for the City's benefit by one financial institution designated as custodian. The purchase and sale of all securities will be on a delivery-versus-payment basis.

Collateralization of Re-Purchase Agreements: Re-purchase agreement collateral is limited in maturity to three years by ORS and should be priced according to the adopted policy of the Oregon Investment Council:

United States Treasury Securities	102%
United States Agency Discount and Coupon Securities	102%

The City further limits the allowable collateral to only US Treasury securities and US Agency securities. Mortgage Backed and other securities are not allowed. All re-purchase agreements require a master re-purchase contract with the approved broker dealers.

Collateralization of Certificates of Deposits and Bank Deposits: At a minimum, time deposit open accounts, Certificates of Deposit and savings accounts shall be collateralized through the state collateral pool for any excess over the amount insured by an agency of the United States government in accordance with ORS 295. All depositories must be on the State of Oregon's qualified list. Additional collateral may be required if staff deems increased collateral is beneficial to the protection of the monies under the City's management. The City will report annually to the Oregon State Treasury the financial institutions that are transacting business with the City as required by ORS.

B. Internal Controls

The Finance Director shall maintain a system of written internal controls, which shall be reviewed by the independent auditor, who shall provide an annual review to assure compliance with ORS and the City's policies and procedures. The controls shall be designed to prevent loss of public funds due to fraud, error, misrepresentation, or imprudent actions. The internal controls will be updated at a minimum biennially or as necessitated by system changes.



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QUALIFIED INSTITUTIONS

The City’s Investment Advisor shall maintain a listing of authorized broker/dealers and financial institutions which are approved for investment purposes. Approval of Qualified Institutions can occur in one of the following two circumstances:

- A. Investment Advisor Approved List -- The Investment Advisor shall provide a list of brokers/dealers which the Advisor has vetted for meeting ORS and City standards for local government investments.
- B. Financial Institution -- The State of Oregon Treasurer’s Office maintains a list of financial institutions for deposits and certificates of deposits which are approved for local government investment purposes. Any financial institution on the Treasurer’s list shall be acceptable for City investment purposes.

AUTHORIZED AND SUITABLE INVESTMENTS

- A. Legal Investments
 - 1. All investments of the City shall be made in accordance with Oregon Revised Statutes Chapter 294. Any revisions or extensions of this chapter of the ORS shall be assumed to be part of this Investment Policy immediately upon being enacted, and will be formally incorporated at the next annual update of this policy.
 - 2. This policy recognizes Standard and Poor’s (S&P) and Moody’s as the major Nationally Recognized Statistical Ratings Organizations (NRSRO).

In the case of split ratings, where the major NRSROs issue different ratings, the highest rating shall apply. Minimum credit ratings and percentage limitations apply to the time of purchase.

B. Suitable Investments (Specific Types)

US Treasury Obligations: Direct obligations of the United States Treasury whose payment is guaranteed by the United States. [ORS Section 294.035(3)(a)]

US Agency Primary Securities: Senior debenture obligations of US federal agencies and instrumentalities or U.S. government sponsored enterprises (GSE) that have actively traded markets and provide a higher level of liquidity. These include: Federal National Mortgage Association (FNMA), the Federal Home Loan Mortgage Corporation (FHLMC), Federal Home Loan Banks (FHLB), and the Federal Farm Credit Bureau (FFCB).



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US Agency Secondary Securities: Other US government sponsored enterprises that are less marketable are considered secondary GSEs. They include, but are not limited to: Private Export Funding Corporation (PEFCO), Tennessee Valley Authority (TVA), Financing Corporation (FICO) and Federal Agricultural Mortgage Corporation, (Farmer Mac)

Municipal Bonds: Lawfully issued debt obligations of the States of Oregon, California, Idaho and Washington and political subdivisions of those states if the obligations have a long-term rating on the settlement date of AA- or better by S&P or Aa3 or better by Moody's.

Corporate Bonds: Corporate domestic bonds issued by a commercial, industrial, or financial institution registered with the Securities and Exchange Commission and not listed on the FFICU report¹. Corporate indebtedness must be rated on the settlement date AA- or better by S&P or Aa3 or better by Moody's. All corporates must be dollar denominated and have US subsidiary operations.

Commercial Paper: Commercial Paper that is rated A1+/P1 at the time of purchase. Issuer constraints for commercial paper combined with corporate notes will be limited by statute to 5% of market value per issuer.

Bank Time Deposit/Savings Accounts: Time deposit open accounts or savings accounts in insured institutions as defined in ORS Section 706.008, in credit unions as defined in ORS Section 723.006 or in federal credit unions, if the institution or credit union maintains a head office or a branch in this state [ORS Section 294.035(3)(d)].

Certificates of Deposit: Certificates of deposit in insured institutions as defined in ORS 706.008, in credit unions as defined in ORS Section 723.006 or in federal credit unions, if the institution or credit union maintains a head office or a branch in this state [ORS Section 294.035(3)(d)].

Bankers' Acceptances: A short-term credit investment created by a non-financial firm and guaranteed by a qualified financial institution whose long-term letter of credit rating is at least AA- by S&P or Aa3 by Moody's. For the purposes of this paragraph, "qualified financial institution" means: (i) A financial institution that is located and licensed to do banking business in the State of Oregon; or (ii) A financial institution that is wholly owned by a financial holding company or a bank holding company that owns a financial institution

¹ Fossil Free Index Carbon Underground 200 annual listing.



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that is located and licensed to do banking business in the State of Oregon. [ORS 294.035(3)(h)]

Oregon Short Term Fund (Local Government Investment Pool): State Treasurer’s local short-term investment fund up to the statutory limit per ORS Section 294.810.

C. Collateralization

Time deposit open accounts, Certificates of Deposit and savings accounts shall be collateralized through the state collateral pool for any excess over the amount insured by an agency of the United States government in accordance with ORS 295.018. All depositories must be on the State of Oregon’s qualified list. Additional collateral requirements may be required if the Finance Director deems increased collateral is beneficial to the protection of the monies under the City’s management.

D. Investment Parameters

1. Investment Diversification

- a. The City will diversify the portfolio to avoid incurring unreasonable risks inherent in over-investing in specific instruments, individual financial institutions, or maturities. Diversification to avoid undue risk is achieved by varying the type of investment to ensure liquidity, investing in securities from several different financial institutions to reduce the chance of loss, and varying maturity length to ensure availability of funds to meet cash needs.

Issue Type	Maximum % of Holdings	Maximum % per Issuer	Ratings S&P	Ratings Moody's
US Treasury Obligations	100%	None	N/A	N/A
US Agency Primary Securities FHLB, FNMA, FHLMC, FFCB	100%	40%	N/A	N/A
US Agency Secondary Securities FICO, Farmer Mac, Etc.	10%	5%	Security must be rated	Security must be rated
Oregon Short Term Fund	Maximum allowed per ORS 294.810	None	N/A	N/A
Bank Time Deposits/Savings Accounts	25%	15%	Oregon Public Depository	Oregon Public Depository
Corporate Bonds	20%	5%*	AA-	Aa3
Commercial Paper	10%		A1+	P1
Municipal Bonds (OR, CA, ID, WA)	10%	10%	AA-	Aa3
Certificates of Deposit	10%	5%	Oregon Public Depository	Oregon Public Depository
Banker's Acceptance	25%	5%	Aa+ AA- Underlying	P1 Aa3 Underlying

- Issuer constraints apply to the combined issues in corporate and commercial paper holdings.

2. Investment Maturity

- a. The City will not directly invest in securities maturing more than five (5) years from the date of purchase.
- b. The maximum weighted maturity of the total portfolio shall not exceed 18 months. This maximum is established to limit the portfolio to excessive price change exposure.
- c. Liquidity funds will be held in the LGIP or in money market instruments maturing one year and shorter.
- d. Core investment funds will be defined as the funds in excess of liquidity requirements. The investments in this portion of the portfolio will have maturities between one day and five years and will be only invested in higher-quality and liquid securities that meet suitable investment criteria outlined above.
- e. Total Portfolio Maturity Constraints:



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Maturity Constraints	Minimum % of Total Portfolio
Under 30 days	10%
Under 1 year	25%
Under 5 years	100%
Weighted Average Maturity	1.50
Security Structure Constraint	Maximum % of Total Portfolio
Callable Agency Securities	25%

3. Competitive Selection and Pricing -- The City shall seek competitive pricing when buying or selling investments, and will buy or sell the offer that provides the optimal price for the risk of the term/instrument.
4. Securities shall generally be held until maturity with the following exceptions:
 - a. A security with declining credit may be sold early to minimize loss of principal.
 - b. A security exchange that would improve the quality, yield, or target duration in the portfolio.
 - c. Liquidity needs of the portfolio require that the security be sold.
 - d. As needed for Guideline Compliance (below).

PROHIBITED INVESTMENTS:

Oregon Revised Statutes allow several other investment types for municipalities that are not appropriate for the City's portfolio and are not included within the scope of these administrative procedures, including: general obligation securities of the states of Idaho and California, share accounts and saving accounts in credit unions for a deferred compensation plan, life insurance and annuity contracts with insurance companies for funding deferred compensation, and trusts for deferred compensation. The City prohibits:

- A. mortgage-backed securities;
- B. Securities lending; and
- C. Private Placement or "144A" Securities.

INVESTMENT OF PROCEEDS FROM DEBT ISSUANCE:

- A. Investments of bond proceeds are restricted under bond covenants that may be more restrictive than the investment parameters included in this Policy. Bond proceeds shall be invested in accordance with the parameters of this Policy and the applicable bond covenants and tax laws.



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- B. Funds from bond proceeds and amounts held in a bond payment reserve or proceeds fund may be invested pursuant to ORS 294.052. Investments of bond proceeds are typically not invested for re-sale and are maturity matched with outflows. Consequently, surplus funds within the scope of ORS 294.052 are not subject to this Policy's liquidity risk constraints.

MONITORING; GUIDELINE MEASUREMENT AND ADHERENCE

- A. Monitoring -- The Finance Director shall routinely monitor the contents of the portfolio, the available markets, and the relative value of competing instruments and will adjust the portfolio accordingly.
- B. Guideline Measurement -- Guideline measurements will be market value of the investments.
- C. Guideline Compliance
 1. If the portfolio falls outside of compliance with adopted investment policy guidelines or is being managed inconsistently with this Policy, the Investment Officer shall bring the portfolio back into compliance in a prudent manner and as soon as prudently feasible.
 2. Violations of portfolio guidelines as a result of transactions, actions to bring the portfolio back into compliance, and reasoning for actions taken to bring the portfolio back into compliance shall be documented and reported to the City Council.
 3. Due to fluctuations in the aggregate surplus funds balance, maximum percentages for a particular issuer or investment type may be exceeded at a point in time. Securities need not be liquidated to realign the portfolio; however, consideration should be given to this matter when future purchases are made to ensure that appropriate diversification is maintained.
- D. If a corporate bond is downgraded below corporate rating criteria established at purchase, the Finance Director will immediately notify the City Council of the downgrade and provide an analysis and the course of action taken at the next City Council meeting.

REPORTING REQUIREMENTS

- A. Annual Reports -- The Finance Director shall submit an annual statement certifying compliance with this Investment Policy to the City Council, noting compliance throughout the most recently completed fiscal year. This statement shall be filed as soon as practical, but no later than August 31 of each year.
- B. Quarterly Reports -- The quarterly operating report (QOR) will include a summary on the investment portfolio reflecting investment activity for each of the immediately preceding three months, using the objectives outlined above.



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- C. Monthly Reports -- The Finance Director shall provide a Monthly Investment Report reviewing the compliance with this Investment Policy and providing data on investment instruments being held, as well as any narrative necessary for clarification. The Monthly Investment Report shall include summary information about all investments held in the City's portfolio as of the end of the month, and shall be issued and posted on the City's web site within 21 days after the end of the monthly reporting period.

Review/Update: The Finance Director will prepare this Council Policy review every year for City Council approval.

Rev #	Name	Change Date	Character of Change
0		November 1989	Adopted
23	N. Brewer	February 2012	Review
24	N. Brewer	March 2013	Review
25	N. Brewer	April 2014	Update Investment Policy section for sunset of Investment Council
26	J. Chenard	March 2015	Review
27	J. Chenard	June 2015	Update Investment Policy section for fossil fuel companies' exclusion
28	N. Brewer	October 2016	Update to remove references to Administrative Services Committee and align investment types with State law.
29	N. Brewer	December 2017	Minor edits to be sure terminology is the same.
30	N. Brewer	April 2019	Edits for terminology and to clarify constraints on corporate and commercial holdings.

	<p align="center">City of Corvallis</p> <p>Financial Policies - Council Policy</p> <p>Policy # 10.09</p> <p align="center">Financial Policies – Definitions</p>	
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Definitions:

Accountability - The condition, quality, fact or instance of being obliged to reckon or report for actions or outcomes.

Accrual Basis of Accounting - The basis of accounting under which transactions are recognized when they occur, regardless of the timing of related cash flows.

Ad Valorem Tax - A tax based on the assessed value of taxable property.

AFSCME - American Federation of State, County, and Municipal Employees.

Annexation - The incorporation of land into an existing city with a resulting change in the boundaries of that city.

Appropriation - Legal authorization granted by City Council to make expenditures and incur obligations.

Appropriation Resolution - The official enactment by the legislative body establishing the legal authority for officials to obligate and expend resources.

Assessed Value - The value set by the County assessor on real and personal taxable property as a basis for levying taxes.

Assessments - An amount levied against a property for improvements specifically benefiting that property.

Balanced Budget - A budget in which the resources are equal to or greater than the requirements in each/every fund.

Benefits - Employee benefits mandated by state and federal law, union contracts, and/or Council policy. The most common forms of benefits are pension plans, health and life insurance, vacation, sick and holiday leave, deferred compensation, disability insurance, and educational and incentive pay.

Bonds - A written promise to pay a sum of money (principal or face value) at a future date (maturity date) along with periodic interest paid at a specified percentage of the principal (interest rate). Bonds are typically used to finance long-term capital improvements.

Budget - A plan of financial operation, embodying an estimate of proposed expenditures for a given period (typically a fiscal year) and the proposed means of financing them (revenue estimates). Upon approval by the City Council, the appropriation resolution is the legal basis for expenditures in the budget year.

Budget Calendar - The schedule of key dates or milestones which a government follows in the preparation and adoption of the budget.

Budgetary Control - The monitoring or oversight of expenditures against budget at the level of appropriation, which is by department within funds.



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CAFR (Comprehensive Annual Financial Report) - Prepared at the close of each fiscal year (June 30) and published no later than December 31 of each year to show the actual audited condition of the City's funds and serve as the official public record of the City's financial status and activities.

Capital Budget - A plan of proposed capital expenditures and the means of financing them. The capital budget is usually enacted as part of the complete annual budget which includes both operating and capital outlays. The capital budget is based on the capital improvement program.

Capital Improvement Program (CIP) - A plan for capital expenditures to be incurred each year over a fixed period of several future years, setting forth each capital project, identifying the expected beginning and ending date for each project, the amount to be expended in each year, and the method of financing those expenditures.

Capital Outlay - Expenditures for operating equipment drawn from the operating budget. Capital outlay items normally include equipment that will last longer than one year and have an initial cost above \$5,000. Capital outlay does not include capital budget expenditures for construction of infrastructure such as streets, buildings, or bridges.

Cash Basis of Accounting - A basis of accounting under which transactions are recognized only when cash changes hands.

CDBG - Community Development Block Grant.

Contingencies - An appropriation category to cover unforeseen events which occur during the budget year. City Council must authorize the use of any contingency appropriations.

Contractual Services - A professional service provided by an outside individual or agency in accordance with contractual specifications.

Cost Allocation - A costing of local government services to identify the full cost of municipal services.

Council Goals - Broad goals established by the City Council at the outset of each two-year term to guide the organization in its activities and focus.

CPOA - Corvallis Police Officers Association.

CR (Current Revenue) - Those revenues received within the present fiscal year.

CRCCA - Corvallis Regional Communications Center Association

Debt Service - The amount of principal and interest that a local government must pay each year on long-term debt plus the interest it must pay on direct short-term debt.

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Deficit - (1) The excess of an entity's liabilities over its assets. (2) The excess of expenditures or expenses over revenues during a single accounting period.

DEQ - Department of Environmental Quality.

Depreciation - the systematic and rational distribution of the cost of a tangible capital asset (less salvage value) over its estimated useful life.

Direct Cost - A cost directly related to producing and/or providing related services. Direct costs consist chiefly of the identifiable expenses such as materials and supplies used to provide a service, the wages and salaries of personnel working to provide a service, and facility costs. These expenses would not exist without the program or service.

EMS - Emergency Medical Services.

Enterprise Fund Accounting - Accounting used for self-sufficient government operations financed and operated in a manner similar to business enterprises, and for which preparation of an income statement is desirable.

EPA - Environmental Protection Agency

Equipment Replacement Schedule - A schedule of annual purchases to replace major equipment and vehicles that have met or exceeded their useful life to the City.

Expenditure - Total amount incurred if accounts are kept on an accrual basis; total amount paid if accounts are kept on a cash basis.

Financial Audit - A systematic examination of resource utilization concluding in a written report. It is a test of management's internal accounting controls and is intended to:

- ascertain whether financial statements fairly present financial position and results of operations,
- test whether transactions have been legally performed,
- identify areas for possible improvements in accounting practices and procedures,
- ascertain whether transactions have been recorded accurately and consistently, and
- ascertain the stewardship of officials responsible for governmental resources.

Financial Condition - The City's ability to pay all costs of doing business and to provide services at the level and quality that are required for the health, safety, and welfare of the community, and that its residents desire.

Financial Plans - A schedule that provides information about the expected future fiscal stability of City operations. The projections are for the operating funds of the City.



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Financial Policies - Council policies established to govern the City's financial operations, and the associated Administrative policies and procedures used to implement Council direction.

Fixed or Mandated Costs - These include expenditures to which the government is legally committed (such as debt service and pension benefits), as well as expenditures imposed by higher levels of government (such as for wastewater treatment facilities).

Fund - An independent fiscal and accounting entity with a self-balancing set of accounts, recording cash and/or resources together with all related liabilities, obligations, reserves, and equities, which are segregated for the purpose of carrying on specific activities or attaining certain objectives.

Fund Balance - The difference between fund assets and fund liabilities of governmental and similar trust funds. The equivalent terminology within proprietary funds is Retained Earnings. When the term "Fund Balance" is used in reference to Proprietary Funds, it is normally referring to the estimated budgetary-basis amount available for appropriations for budgeting purposes. The City of Corvallis uses the GASB definitions of Fund Balance for the CAFR and for all other financial reporting. For all financial planning purposes, the term Budgetary Fund Balance will be used and will include any portion of the fund balance that is available for appropriation. The portion of the fund balance that is not available for appropriation will be identified as a Reserved Balance. The GASB has defined fund balance segments as follows:

- A. Non-spendable: Amounts inherently non-spendable or that must remain intact according to legal or contractual restrictions.
- B. Restricted: Amounts constrained to specific purposes by externally enforceable legal restrictions, such as those provided by creditors, grantors, higher levels of government, through constitutional provisions, or by enabling legislation.
- C. Committed: Amounts constrained by the City Council via a resolution or ordinance.
- D. Assigned: Amounts the City intends to use for a specific purpose. The authority to assign resources lies with the City's Finance Director.
- E. Unassigned: Amounts that are not categorized into one of the aforementioned classifications; these resources may be used for anything.

GAAP - Generally Accepted Accounting Principles.

GASB - Governmental Accounting Standards Board

General Obligation Bonds - When a government pledges its full faith and credit to the repayment of the bonds it issues, then those bonds are general

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obligation (GO) bonds. Sometimes the term is also used to refer to bonds which are to be repaid from taxes and other general revenues.

Governmental Funds - These funds subscribe to the modified accrual basis of accounting and include the following types:

- A. *General Fund* - The major source of revenue for this fund is taxes. There are no restrictions as to the purposes in which the revenues in this fund can be used
- B. *Special Revenue Funds* - The resources received by these funds are limited to a defined use, such as the Street Fund.
- C. *Debt Service Funds* - Funds used for paying principal and interest of debt on non-enterprise funds.
- D. *Capital Project Funds* - Resources from these funds are used for purchase or construction of long-term capital assets.
- E. *Permanent Funds* - The resources received by these funds are limited to a defined use and only earnings may be spent.

Grant - A contribution of assets by one entity to another. Grants are generally designated for a specific expenditure.

IAFF - International Association of Firefighters.

ICMA - International City/County Management Association.

Indirect Cost - A cost incurred in the production and/or provision of related services that usually cannot be directly associated with any one particular good or service. Indirect costs encompass overhead including administrative costs such as wages of supervisory and administrative personnel, occupancy and maintenance of buildings, and utility costs. These costs would exist without the specific program or service.

Intergovernmental Revenue - Revenues received from another governmental entity.

Internal Service Charges (ISC) - Various, specific charges set to recover the cost of providing goods and/or services to particular funds or departments within the organization. Examples include administrative service charge, IT charge, and telephone charges.

Investment - Cash balances, securities and real estate purchased and held for the production of income in the form of interest, dividends, rentals, or base payments.

Liabilities - The sum of all amounts that are owed at the end of the fiscal year, including all accounts payable, accrued liabilities, and debt.

Long-Term Debt - Present obligations that are not payable within a year. Bonds payable, long-term notes payable, and lease obligations are examples of long-term debt.



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Master Plan - A comprehensive plan, normally covering a five to ten-year period, developed to guide delivery of specific services, identify future needs and challenges, and identify future infrastructure needs.

Modified Accrual Basis of Accounting - The accrual basis of accounting adapted to the governmental fund type under which revenues are recognized when they become both "measurable" and "available to finance expenditures of the current period." Expenditures are generally recognized when the related fund liability is incurred.

One-Time Revenue - Revenue that cannot reasonably be expected to continue, such as a single-purpose federal grant, an interfund transfer, or use of a reserve. Also referred to as a non-recurring revenue.

OPERS - The Oregon Public Employee Retirement System, the State office that oversees the PERS and OPSRP retirement plans for public employees.

OPSRP - Oregon Public Service Retirement Program, the pension plan for employees hired after August 28, 2003.

Operating Budget - The appropriated budget supporting current operations. Most operations are found in the General, Special Revenue, Enterprise, and Internal Service Funds.

Operating Deficit - When current expenditures exceed current revenues.

Overlapping Debt - The net direct bonded debt of another jurisdiction that is issued against a tax base within part or all of the boundaries of the community.

Pay-As-You-Go Basis - A term used to describe the financial policy of a government which finances all of its capital outlays and/or improvements from current revenues rather than by borrowing.

Permanent Funds - Permanent Funds are used to account for resources that are legally restricted to the extent that only earnings, and not principal may be used for purposes that support the City's programs for the benefit of the City or its community members.

PERS - Public Employee Retirement System, the pension plan for employees hired before August 28, 2003.

Personnel Services - A category encompassing all salaries, benefits, and miscellaneous costs associated with employee expenditures.

Property Tax Levy - The tax levy combining the general operating levy and the debt service levy imposed by the City.

Proposed Budget - The financial and operating document submitted by the City Manager to the Budget Commission and the governing body for consideration.



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Proprietary Funds - These funds subscribe to an accrual basis of accounting and include the following types of funds:

- A. *Enterprise Funds* - Account for distinct, self-sustaining activities that derive the major portion of their revenue from user fees.
- B. *Internal Service Funds* - Account for goods and/or services provided to other funds or departments within the organization.

Reserved Balance - For budgetary purposes, this is the amount of fund balance that is not available for appropriation except for the uses defined for the specific reserve.

Resolutions - A legal document adopted by the City Council that directs a course of action. In relationship to the budget, resolution refers to the document that levies taxes and sets legal appropriation levels.

Restricted Revenue - Legally earmarked for a specific use, as may be required by state law, bond covenants, or grant requirements.

Revenue - Monies received or anticipated by a local government from either tax or non-tax sources.

Revenue Estimates - A formal estimate of how much revenue will be earned from a specific revenue source for some future period; typically, a future fiscal year.

Revenue Shortfalls - Differences between revenue estimates and revenues actually received during the fiscal year.

Supplies and Services - A category of operating expenditures which include items such as contractual services, conference and training, charges for service, office supplies, and operating supplies.

System Development Charge (SDC) - A charge levied on new construction to help pay for additional expenses created by growth or to compensate for already existing capacity in key facilities and systems already in place which support the new development.

Transfer - Amounts distributed from one fund to finance activities in another fund. Shown as an expenditure in the originating fund and a revenue in the receiving fund.

UAL/OAS - Unfunded actuarial liability or overfunded actuarial surplus; pertains to an OPERS employer rate increment to amortize the difference between benefits and contributions plus earnings.

Unfunded Liability - A liability that has been incurred during the current or a prior year, that does not have to be paid until a future year, and for which reserves have not been set aside. It is similar to long-term debt in that it represents a legal commitment to pay at some time in the future.



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Review/Update: The Finance Director will prepare this Council Policy review every year for City Council approval.

Rev #	Name	Change Date	Character of Change
0		November 1989	Adopted
23	N. Brewer	February 2012	Review
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26	J. Chenard	March 2015	Review
27	J. Chenard	June 2015	Review
28	N. Brewer	October 2016	Update to add terms.
29	N. Brewer	December 2017	Review
30	N. Brewer	April 2019	Review

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OTHER BUDGETARY RESOURCES/REFERENCES*

The City Newsletter. <https://www.corvallisoregon.gov/community/page/city-email-newsletter>
City of Corvallis website <https://www.corvallisoregon.gov/>
Community's Goals..... <https://www.corvallisoregon.gov/community/page/about-corvallis>
Other Planning Documents <https://www.corvallisoregon.gov/finance/page/financial-documents-resources>
Sustainability Annual Report <https://www.corvallisoregon.gov/publicworks/page/sustainability>
Imagine Corvallis 2040 <https://www.corvallisoregon.gov/community/page/imagine-corvallis-2040>

* Links are for online version. Hardcopy references for documents/information listed above can be found through the City's website by using the search function.

