
Monthly Financial Report



Includes the Hermiston Urban Renewal Agency

**Finance Department
November 2016
(Unaudited)**

2016-2017 Monthly Financial Report

Hermiston Urban Renewal Agency (HURA)

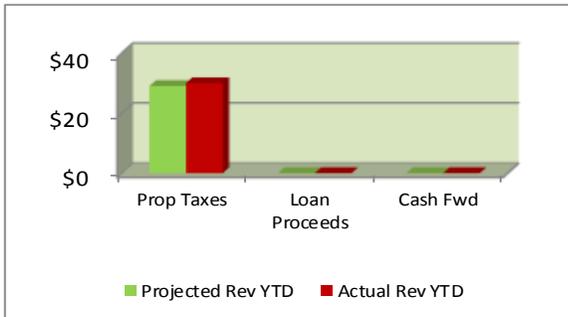
For the Month Ending November 30, 2016

Resources

Through November 30, 2016

by Category

(in \$1,000)



	Annual Proj Rev	Projected Rev YTD	Actual Rev YTD	Var Fav/ (Unfav)	% Var
Prop Taxes	\$ 29	\$ 29	\$ 30	\$ 1	0%
Loan Proceeds	100	-	-	-	0%
Cash Fwd	74	-	-	-	0%
Total	\$ 203	\$ 29	\$ 30	\$ 1	0%

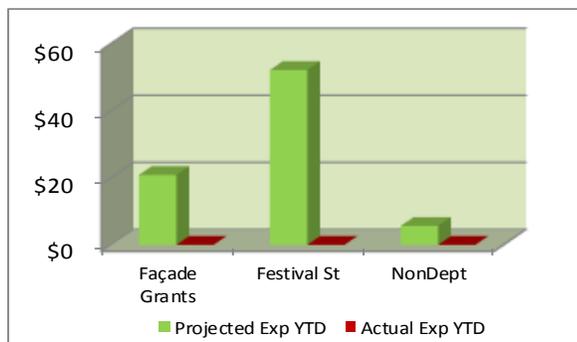
Note: variance is calculated as a percent of the projected revenue YTD.

Expenditures

Through November 30, 2016

by Character

(in \$1,000)



	Annual Proj Exp	Projected Exp YTD	Actual Exp YTD	Var Fav/ (Unfav)	% Var
Façade Grants	\$ 50	\$ 21	\$ -	\$ 21	100.0%
Festival St	125	52	-	52	98%
NonDept	14	6	-	6	94%
Res for Fut Exp	14	-	-	-	0%
Total	\$ 203	\$ 78	\$ -	\$ 78	100%

Note: variance is calculated as a percent of the projected expenditures YTD.

The Urban Renewal Agency received over \$29,000 in property taxes in November bringing the year-to-date total to \$30,000. This is \$1,000 over the total estimate for the fiscal year. No measurable expenditures have been recorded so far this year; however, the City is expecting the invoice from Anderson Perry for costs related to the festival street open house conducted in October. Anderson Perry is also working on base mapping the sewer system for the 2016-17 fiscal year.

2016-2017 Monthly Financial Report

City of Hermiston, Oregon

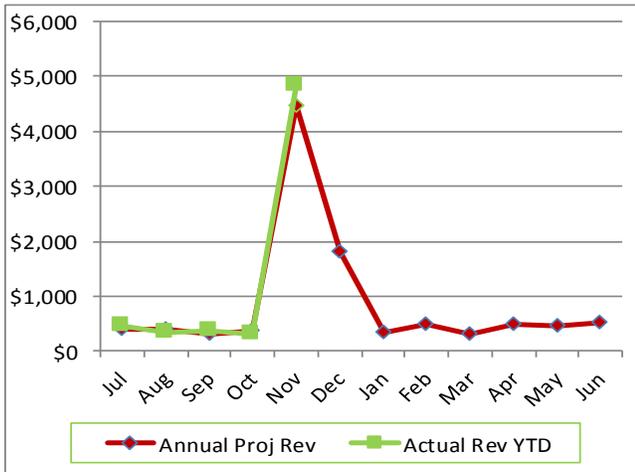
General Fund Resources

For the Month Ending November 30, 2016

Through November 30, 2016

All Resources

(in \$1,000)



	Annual Proj Rev	Proj Rev YTD	Actual Rev YTD	Var Fav/ (Unfav)	% Var
Jul	\$ 408	\$ 408	\$ 458	\$ 50	12%
Aug	405	\$ 405	\$ 326	(79)	(20%)
Sep	308	\$ 308	\$ 362	54	17%
Oct	363	\$ 363	\$ 314	(49)	(13%)
Nov	4,475	\$ 4,475	\$ 4,829	354	8%
Dec	1,815				
Jan	340				
Feb	499				
Mar	317				
Apr	484				
May	453				
Jun	522				
Total	10,387	5,958	6,288	330	6%
Cash Fwd	4,800	-	-	-	0%
Total	\$ 15,187	\$ 5,958	\$ 6,288	330	6%

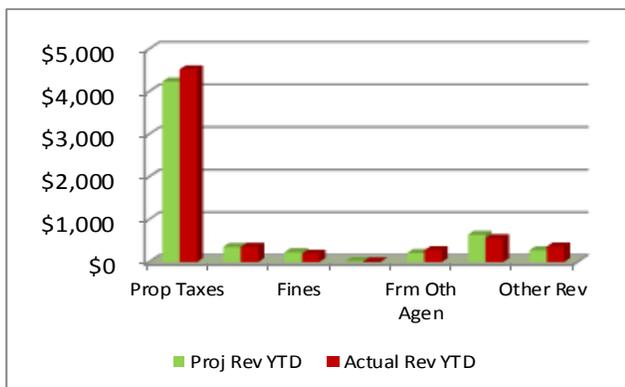
Estimated General Fund revenues for the 2016-17 fiscal year are \$10.4 million. Projected revenues through November are \$6 million compared to actual revenues of \$6.3 million, a 6% favorable variance. Property taxes, which are over projections by \$287,000, represent the bulk of the variance. This is offset by a collective unfavorable variance of \$119,000 in Fines, Interest Earnings and Service Charges. Receipts From Other Agencies and Other Revenues contributed \$158,000 to the positive variance.

General Fund Revenue

Through November 30, 2016

by Category

(in \$1,000)



	Annual Proj Rev	Proj Rev YTD	Actual Rev YTD	Var Fav/ (Unfav)	% Var
Prop Taxes	\$ 5,202	\$ 4,233	\$ 4,521	\$ 287	7%
Lic	851	355	358	3	1%
Fines	570	228	194	(34)	(15%)
Interest Rev	50	19	14	(5)	(25%)
Frm Oth Agen	499	208	276	68	33%
Svc Chgs	1,424	641	561	(80)	(12%)
Other Rev	1,791	273	363	90	33%
Cash Fwd	4,800	-	-	-	0%
Total	\$15,187	\$ 5,958	\$ 6,288	\$ 330	6%

Note: variance is calculated as a percent of the projected revenue YTD.

2016-2017 Monthly Financial Report

City of Hermiston, Oregon

General Fund Expenditures

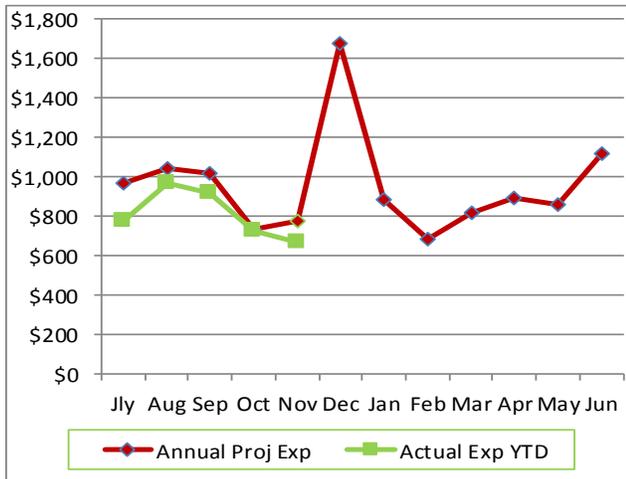
For the Month Ending November 30, 2016

General Fund Expenditure Summary

Through November 30, 2016

All Requirements

(in \$1,000)



	Annual Proj Exp	Projected Exp YTD	Actual Exp YTD	Var Fav/ (Unfav)	% Var
Jly	\$ 964	\$ 964	\$ 775	\$ 189	20%
Aug	\$ 1,045	\$ 1,045	\$ 969	\$ 76	7%
Sep	\$ 1,022	\$ 1,022	\$ 914	\$ 108	11%
Oct	\$ 736	\$ 736	\$ 724	\$ 12	2%
Nov	\$ 775	\$ 775	\$ 670	\$ 105	14%
Dec	\$ 1,680				
Jan	\$ 882				
Feb	\$ 684				
Mar	\$ 815				
Apr	\$ 889				
May	\$ 861				
Jun	\$ 1,119				
Total	11,472	4,542	4,052	490	11%
Unapp	3,715	-	-	-	0%
Total	\$ 15,187	\$ 4,542	\$ 4,052	\$ 490	11%

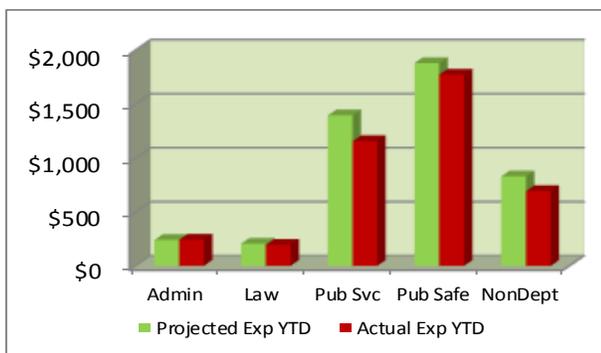
Projected General Fund expenditures through November were \$4.5 million and actual expenditures were \$4 million, a favorable variance of \$490,000. Public Services, Non-Departmental and Public Safety have the highest savings at \$239,000, \$136,000 and \$107,000 respectively.

General Fund Expenditures

Through November 30, 2016

by Consolidated Department

(in \$1,000)



	Annual Proj Exp	Projected Exp YTD	Actual Exp YTD	Var Fav/ (Unfav)	% Var
Admin	\$ 564	240	242	(2)	(1%)
Law	497	205	194	11	5%
Pub Svc	3,139	1,392	1,154	239	17%
Pub Safe	4,517	1,877	1,770	107	6%
NonDept	6,470	828	692	136	16%
Unapp	-	-	-	-	0%
Total	\$15,187	\$ 4,542	\$ 4,052	\$ 490	11%

Note: variance is calculated as a percent of the projected expenditures YTD.

2016-2017 Monthly Financial Report

General Fund Expenditure Detail

For the Month Ending November 30, 2016

General Fund Expenditures by Department

	Annual Projected			Var Fav/ (Unfav)	% Var Fav/ (Unfav)
	Exp	Projected Exp YTD	Actual Exp YTD		
City Council	45,719	29,616	34,662	(5,046)	(17%)
City Manager/Planning	438,624	179,264	176,417	2,847	2%
Finance	79,295	31,146	30,701	445	1%
Total Admin & Finance	563,638	240,026	241,780	(1,754)	(1%)
Legal	83,700	34,789	26,642	8,147	0%
Court	413,186	170,150	167,377	2,773	2%
Total Dept of Law	496,886	204,939	194,019	10,920	5%
Transportation	248,300	52,357	52,380	(23)	(0%)
Airport	252,450	120,885	63,185	57,700	48%
Bldg Inspection	355,617	145,552	143,690	1,862	1%
Parks	490,819	213,604	198,421	15,183	7%
Parks/Utility Landscaping	39,475	16,448	10,574	5,874	36%
Pool	433,333	282,924	202,115	80,809	29%
Municipal Buildings	18,500	8,676	8,069	607	7%
Library	734,775	305,158	252,783	52,375	17%
Recreation	565,808	246,796	222,500	24,296	10%
Total Public Services	3,139,077	1,392,400	1,153,717	238,683	17%
Public Safety Center	82,000	36,793	30,813	5,980	16%
Police Operations	4,434,616	1,840,173	1,739,297	100,876	5%
Total Public Safety	4,516,616	1,876,966	1,770,110	106,856	6%
Non-Departmental	2,756,190	827,777	692,022	135,755	16%
Unappropriated	3,714,718	0	0	0	0%
Total Non-Dept	6,470,908	827,777	692,022	135,755	16%
Total	15,187,125	4,542,108	4,051,648	490,460	11%

The City Council's budget is over-expended due to higher than expected Travel and Training. As new Council members have come on-board more Councilors are attending training and conferences. This was not anticipated in the budget so we will address it during the budget supplement this spring. We will also adjust next year's budget to account for this.

Within the Public Services category, the Pool had the greatest amount of savings dollar-wise at \$81,000 followed by the Airport at \$57,700 and the Library at \$52,000. Savings in the Pool are due to a combination of lower than projected retirement costs and slower spending on materials and services than in previous years. The Airport's savings are largely the result of fewer purchases of airplane fuel than normally seen at this point in the fiscal year. The larger fuel tank that was recently installed allows the airport to store more fuel resulting in less frequent purchases. Lower than expected personnel costs are driving the savings at the Library as is unspent budget for building repairs and maintenance.

Police Operations had savings of \$101,000 largely due to slower than expected spending in nuisance abatement, minor/safety equipment and motor vehicle fuel and oil.

2016-2017 Monthly Financial Report

Fund Balance - General Fund

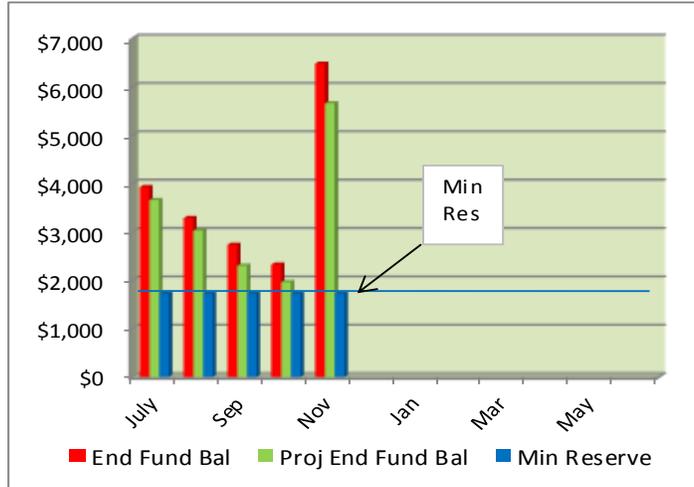
For the Month Ending November 30, 2016

General Fund

Through November 30, 2016

Ending Fund Balance

(in \$1,000)



Minimum Reserve = \$1,720,861

	Begin Fund Bal	Rev	Exp	End Fund Bal	Proj End Fund Bal
July	\$ 4,244	\$ 458	\$ (775)	\$ 3,927	\$ 3,658
Aug	3,927	\$ 326	\$ (969)	\$ 3,283	\$ 3,024
Sep	3,283	\$ 362	\$ (914)	\$ 2,731	\$ 2,298
Oct	2,731	\$ 314	\$ (724)	\$ 2,321	\$ 1,960
Nov	2,321	\$4,829	\$ (670)	\$ 6,480	\$ 5,660
Dec					
Jan					
Feb					
Mar					
Apr					
May					
June					
Total	\$ 4,244	\$6,288	\$ (4,052)	\$ 6,480	\$ 5,660

At the end of November the fund balance in the General Fund was \$6.5 million. This is \$820,000 higher than the projected fund balance of \$5.7 million. Since the beginning of the fiscal year the fund balance has increased \$2.2 million.

2016-2017 Monthly Financial Report

Special Revenue Funds Report

For the Month Ending November 30, 2016

Special Revenue Funds

Resources & Requirements

	2016-17 Annual Budget	Actual YTD	Remaining Budget
Bonded Debt Fund			
Resources	699,925	416,092	283,833
Expenditures	510,275	427,162	83,113
Unappropriated Balance	189,650	N/A	N/A
Transient Room Tax (TRT)			
Resources	830,460	328,203	502,257
Expenditures	767,860	384,096	383,764
Unappropriated Balance	62,600	N/A	N/A
Reserve Fund			
Resources	6,341,140	713,364	5,627,776
Expenditures	5,348,367	547,765	4,800,602
Unappropriated Balance	992,773	N/A	N/A
Municipal Court Special Revenue			
Resources	281,900	87,578	194,322
Expenditures	260,100	89,644	170,456
Unappropriated Balance	21,800	N/A	N/A
Miscellaneous Special Revenue			
Resources	35,000	8,437	26,563
Expenditures	35,000	10,988	24,012
Unappropriated Balance	-	N/A	N/A
Conference Center			
Resources	237,525	70,763	166,762
Expenditures	187,525	62,476	125,049
Unappropriated Balance	50,000	N/A	N/A
Christmas Express Special Revenue			
Resources	34,690	19,691	14,999
Expenditures	34,690	-	34,690
Unappropriated Balance	-	N/A	N/A
Law Enforcement Special Revenue			
Resources	78,880	11,189	67,691
Expenditures	65,880	27,646	38,234
Unappropriated Balance	13,000	N/A	N/A
Library Special Revenue			
Resources	57,200	8,169	49,031
Expenditures	44,000	1,459	42,541
Unappropriated Balance	13,200	N/A	N/A

Beginning with the 2016-17 fiscal year the City began distinguishing within the funds some part of ending fund balance as contingency and some as reserved for future expenditure. The contingency is included in appropriations while the reserve for future expenditures is unappropriated.

The City uses multiple Special Revenue funds to account for revenues that are restricted to expenditure for particular purposes. They include funds for debt service, economic development, parks and recreation, capital projects, and grants. Since these funds are not operational in nature and are used for specific purposes from year-to-year, their expenditures do not typically follow a predictable pattern so budget variances are not calculated for them.

2016-2017 Monthly Financial Report

Utility and Street Funds Report

For the Month Ending November 30, 2016

Utility and Street Funds Report

Resources & Expenditures

	2016-17		Actual YTD	Variance	
	Annual Budget	Projected YTD		Fav/(Unfav)	% Variance
Street Fund					
Resources	1,730,474	422,753	455,896	33,143	8%
Expenditures	1,184,879	462,687	436,870	25,817	6%
Contingency/Unapp Balance	545,595	N/A	N/A	N/A	N/A

Utility Fund					
Resources	8,731,020	2,716,211	2,583,928	(132,283)	(5%)
Expenditures	7,956,020	3,758,851	3,650,673	108,178	3%
Contingency/Unapp Balance	775,000	N/A	N/A	N/A	N/A

HES Fund					
Resources	11,970,249	3,841,145	3,463,471	(377,674)	(10%)
Expenditures	9,151,094	3,398,840	3,148,748	250,092	7%
Contingency/Unapp Balance	2,819,155	N/A	N/A	N/A	N/A

Regional Water Fund					
Resources	1,317,060	331,532	357,314	25,782	8%
Expenditures	723,530	301,471	259,148	42,323	14%
Contingency/Unapp Balance	593,530	N/A	N/A	N/A	N/A

Revenues in the Street fund are \$33,000 above projections through November, an 8% favorable variance. Expenditures are \$26,000 lower than expected mainly due to slower than expected spending in Miscellaneous Contractual and Motor Vehicle Fuel & Oil.

Revenues in the Utility Fund are \$132,000 under projections mainly due to Water Revenues coming in less than projected. Expenditures are \$108,000 under projections for a net unfavorable variance of \$24,000.

HES revenues continue to come in lower than estimates. Through November they are down \$378,000 likely due to temperature fluctuations between last year and this year. The unfavorable revenue variance is offset by a favorable expenditure variance of \$161,000 for a net unfavorable variance of \$127,000.

Regional Water revenues are nearly \$26,000 higher than expected and expenditures are \$42,000 lower than projected for a combined favorable variance of \$68,000.

2016-2017 Monthly Financial Report

Utility and HES Funds Report

For the Month Ending November 30, 2016

Utility and HES Funds Report

Reserve Balances

	Beginning Reserve	Ending Reserve	% Ending Reserve	Minimum Reserve Requirement	Difference
Utility Fund	1,684,832	1,047,061	13.2%	980,879	66,182
HES Fund	3,027,074	3,634,455	39.7%	1,128,217	2,506,238
Total	4,711,906	4,681,516	-	2,109,096	2,572,420

The reserve in the Utility Fund is \$1,047,061 at the end of November. This is \$66,182 above the minimum reserve so we don't want to see it drop much lower than this. The HES Fund reserve is \$3.6 million, which is \$2.5 million over the minimum reserve. The combined total reserve is \$4.7 million.

2016-17 Monthly Financial Report

City of Hermiston, Oregon

Capital Projects Report

For the Month Ending November 30, 2016

Capital Projects

	2016-2017 Budget	YTD Expenditures	LTD Budget	LTD Expenditures	% Complete
Airport GIS (AGIS) Mapping Project	\$ 300,000	\$ 3,000	\$ -	\$ -	1%
Senior Center	2,706,300	79,856	2,823,360	188,160	3%
11th & Elm	813,710	15,000	813,710	15,000	2%
West Highland Trail	130,000	-	130,000	-	0%
Total	\$ 3,950,010	\$ 97,856	\$ 3,767,070	\$ 203,160	

Airport Improvements

The AGIS mapping project will provide highly accurate mapping of all facilities at the Airport, which will be loaded into the FAA's system. This work was added as part of the City's existing grant to relocate the parallel taxiway and is a requirement of airports when their Master Plans are updated. The City is scheduled to update the Master Plan in 2017 for an estimated \$300,000. If this work had not been added to the City's existing grant, the Master Plan Update would have been delayed by a year in order to build up another year's worth of \$150,000 NPE funding. The total project cost for the AGIS project alone is \$154,600.

November Update: *Through November \$3,000 has been expended on survey costs.*

Senior Center

In January 2015 the City was awarded a \$2 million Oregon Community Development Block Grant through the Oregon Infrastructure Finance Authority for construction of a new Senior Center. The City must provide a cash contribution of \$73,242 and complete the project by January 29, 2018. In June 2016, City Council added \$750,000 to the project for a 3,800 sf basement and elevator.

November Update: *Life-to-date the City has incurred \$188,160 on design, survey and appraisal costs. The plan review by the Building Department is currently underway and the bid packets should be available mid-January 2017.*

Traffic Control – 11th & Elm

This project is a \$1.6M ODOT-led project to install a full traffic signal at the intersection of Elm Avenue and NW 11th as well as a left-turn lane for southbound traffic into Good Shepherd Medical Center's entrance on NW 11th. It will also complete a bike/pedestrian crossing with flashing beacon at GSMC's NW 11th entrance where the Oxbow Trail currently terminates. ODOT is leading the design and construction. Construction is expected to begin in spring 2017. \$15,000 has been expended to date on right of way costs.

November Update: *Nothing new to report since October.*

West Highland Trail

This project is to create a bike lane and/or separated trail on the south side of West Highland Avenue between SW 11th Street and Riverfront Park. A bike lane will be striped where there are existing sidewalks on the south side of West Highland and a separated path will be built where there are no existing curbs or sidewalks. A portion of the project will include creating a left turn pocket at Gotta Stop/SW 14th Place. The project is funded by a grant from ODOT.

November Update: *Progress on the Trail project continues albeit slowly. The City and ODOT agreed to a new IGA in November and Anderson Perry has completed a scope of work for design of the trail. Design work is expected take six to twelve months. The project budget represents the City's match but this will be spread over a two year period as design will occur in the 2016-17 fiscal year and construction will occur in 2017-18.*

2016-2017 Monthly Financial Report
City of Hermiston, Oregon
Investments
For the Month Ending November 30, 2016

Investment Report
by Type

Cusip No.	Par Value	Principal Cost	Market Value	Issuer	Rating Moody's/S&P	Days to Maturity	Callable Y/N	Yield to Worst Call	Yield to Maturity (YTM)
3135GOG31	\$ 2,000,000	\$ 1,993,600	\$ 1,995,518	FNMA	Aaa/AA+	790	Y	1.28	1.28
76116FAA5	\$ 2,062,000	\$ 1,999,998	\$ 1,975,742	REFCORP	Aaa/AA+	1,049	N	0.95	0.95
3133EGLA1	\$ 1,000,000	\$ 1,001,020	\$ 982,385	FFCB	Aaa/AA+	1,139	Y	1.07	1.14
3137EADN6	\$ 1,000,000	\$ 978,757	\$ 997,258	FHLMC	Aaa/AA+	408	N	1.29	1.29
3135GOGY3	\$ 1,000,000	\$ 1,013,901	\$ 1,001,334	FNMA	Aaa/AA+	61	N	0.78	0.78
US Agencies	\$ 7,062,000	\$ 6,987,276	\$ 6,952,237	---	---	---	---	---	---
LGIP	\$ 6,525,465	\$ 6,525,465	\$ 6,525,465	Varies	---/AA	1	N	1.03	1.03
LGIP	\$ 6,525,465	\$ 6,525,465	\$ 6,525,465	---	---	---	---	---	---
TOTAL	\$ 13,587,465	\$ 13,512,741	\$ 13,477,702	---	---	---	---	---	---

The City of Hermiston has established certain policies for its investments. In order to limit credit and interest rate risk, investments are diversified by security type, maturity, issuer, and call provisions. At least 25% of funds available for investing will be invested in the Local Government Investment Pool (LGIP), with a qualified depository institution, or investments maturing in less than 90 days. 50% or more of the portfolio will be invested in securities maturing in less than three years. The maximum average maturity for the portfolio shall be 3 years and the maximum maturity of individual securities in the portfolio shall be 5 years. No more than 75% of the portfolio may be callable. The minimum weighted average credit rating of the portfolio's investments shall be Aa/AA by Moody's and Standard & Poor's respectively. The breakdown of the City's portfolio is shown below.

Maturity	Par Value	% of Total Portfolio	Type of Inv	Par Value	% of Total Portfolio	Various Investment Parameters	With LGIP	Without LGIP
< 90 Days	\$ 6,525,465	48.0%	US Agency	\$ 7,062,000	52.0%	WTD Avg Days to Mat	394	394
90 Days - 3 Yr	\$ 6,062,000	44.6%	Other	\$ -	0.0%	Wtd Avg Yield to Mat	1.06%	1.09%
3 - 5 Yrs	\$ 1,000,000	7.4%	LGIP	\$ 6,525,465	48.0%	Percent Callable	22.1%	42.5%
	\$ 13,587,465	100.0%		\$ 13,587,465	100.0%	Wtd Avg Credit Rtnng	Aaa/AA+	Aaa/AA+