

Monthly Financial Report



Includes the Hermiston Urban Renewal Agency

Finance Department
August 2015

2015-2016 Monthly Financial Report

Hermiston Urban Renewal Agency (HURA)

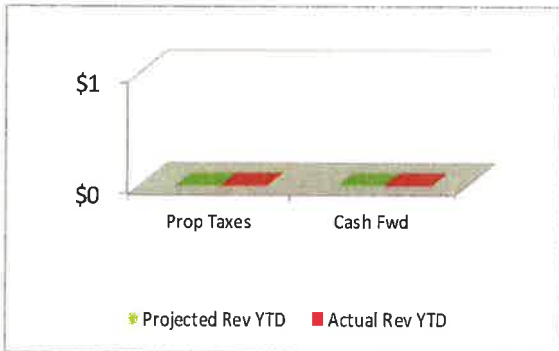
For the Month Ending Aug 31, 2015

Resources

by Category

Through Aug 31, 2015

(in \$1,000)



	Annual Proj Rev	Projected Rev YTD	Actual Rev YTD	Var Fav/ (Unfav)	% Var
Prop Taxes	\$ 15	\$ -	\$ -	\$ -	0%
Cash Fwd	60	-	-	-	0%
Total	\$ 75	\$ -	\$ -	\$ -	0%

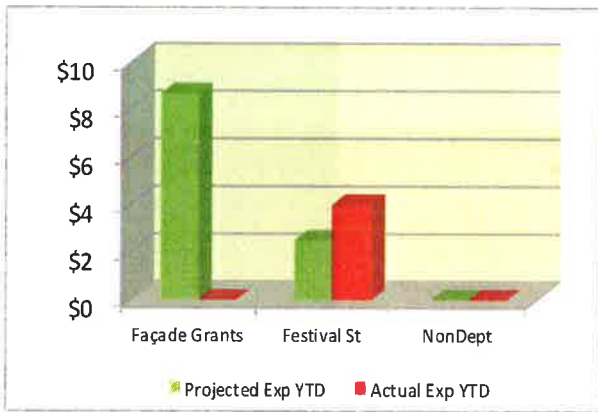
Note: variance is calculated as a percent of the projected revenue YTD.

Expenditures

by Character

Through Aug 31, 2015

(in \$1,000)



	Annual Proj Exp	Projected Exp YTD	Actual Exp YTD	Var Fav/ (Unfav)	% Var
Façade Grants	\$ 52	\$ 9	\$ -	\$ 9	100%
Festival St	15	3	4	(2)	(60%)
NonDept	3	-	-	-	0%
Res for Fut Exp	5	-	-	-	0%
Total	\$ 75	\$ 11	\$ 4	\$ 7	0%

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

The 2015-16 budget for the Urban Renewal Agency is \$75,000 as opposed to \$50,000 last fiscal year. A negligible amount of activity has occurred so far this fiscal year.

2015-2016 Monthly Financial Report

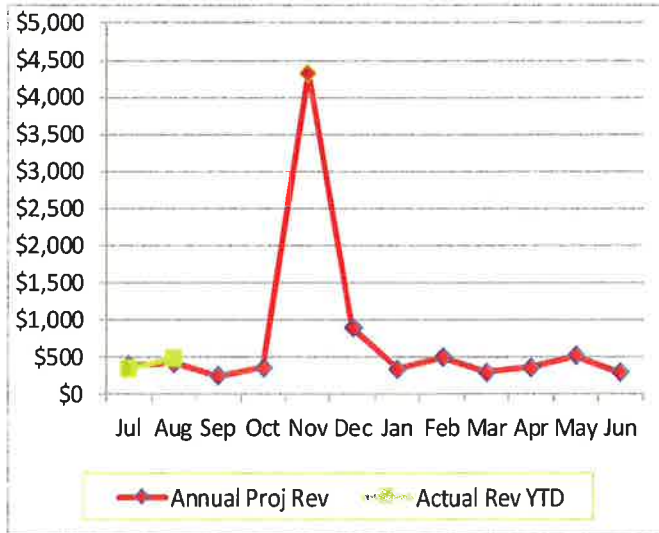
City of Hermiston, Oregon
General Fund Resources

For the Month Ending Aug 31, 2015

Through Aug 31, 2015

All Resources

(in \$1,000)



	Annual Proj Rev	Proj Rev YTD	Actual Rev YTD	Var Fav/ (Unfav)	% Var
Jul	\$ 393	\$ 393	\$ 332	\$ (61)	-15%
Aug	418	418	\$ 478	\$ 60	14%
Sep	242				
Oct	355				
Nov	4,330				
Dec	885				
Jan	333				
Feb	490				
Mar	293				
Apr	360				
May	517				
Jun	285				
Total	8,902	811	810	(1)	(0%)
Cash Fwd	3,813	1,676	1,676	-	0%
Total	\$ 12,715	\$ 2,487	\$ 2,486	\$ (1)	(0%)

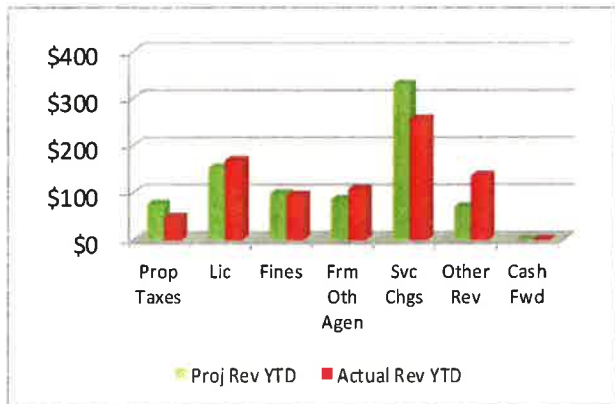
The estimated General Fund revenues for the 15-16 fiscal year are \$8.9 million. Projected revenues for Aug were \$417,830 and came in \$60,000 higher, or 7% more than projected.

General Fund Revenue

by Category

Through Aug 31, 2015

(in \$1,000)



	Annual Proj Rev	Proj Rev YTD	Actual Rev YTD	Var Fav/ (Unfav)	% Var
Prop Taxes	\$ 5,265	\$ 76	\$ 48	\$ (28)	(37%)
Lic	774	152	\$ 168	16	11%
Fines	583	97	\$ 95	(3)	(3%)
Frm Oth Agen	445	85	107	22	25%
Svc Chgs	1,323	330	256	(74)	(23%)
Other Rev	513	70	136	66	95%
Cash Fwd	3,813	-	-	-	0%
Total	\$ 12,715	\$ 811	\$ 810	\$ (1)	(0%)

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

2015-2016 Monthly Financial Report

City of Hermiston, Oregon
General Fund Expenditures

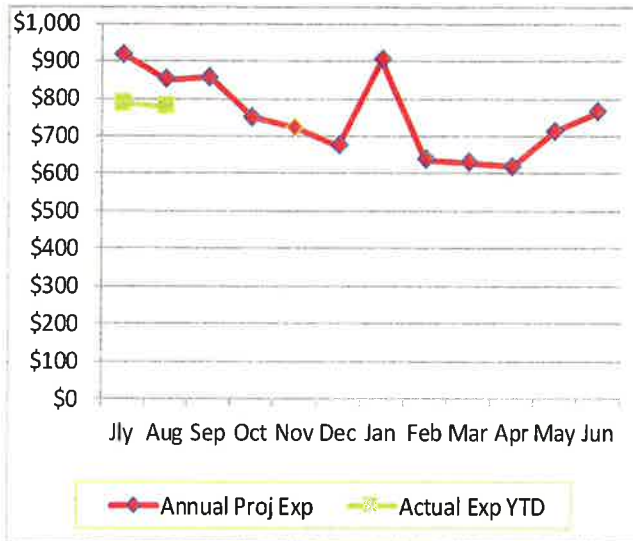
For the Month Ending Aug 31, 2015

General Fund Expenditure Summary

Through Aug 31, 2015

All Requirements

(in \$1,000)



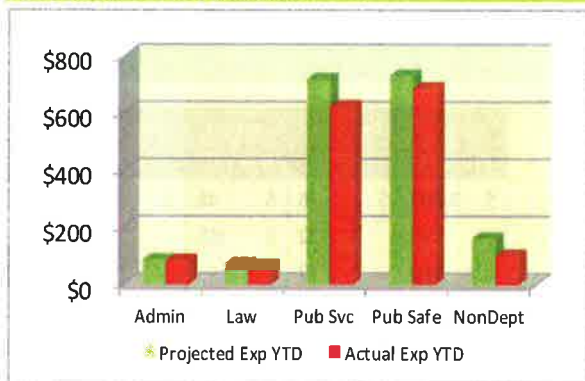
	Annual Proj Exp	Projected Exp YTD	Actual Exp YTD	Var Fav/ (Unfav)	% Var
Jly	\$ 918	\$ 918	\$ 786	\$ 132	14%
Aug	850	\$ 850	\$ 777	\$ 73	9%
Sep	855				
Oct	750				
Nov	724				
Dec	675				
Jan	903				
Feb	637				
Mar	629				
Apr	620				
May	713				
Jun	765				
Total	9,039	1,768	1,563	206	12%
Unapp	3,676	-	-	-	0%
Total	\$ 12,715	\$ 1,768	\$ 1,563	\$ 206	12%

General Fund Expenditures

by Consolidated Department

Through Aug 31, 2015

(in \$1,000)



	Annual Proj Exp	Projected Exp YTD	Actual Exp YTD	Var Fav/ (Unfav)	% Var
Admin	\$ 490	87	85	\$ 2	2%
Law	440	73	66	7	10%
Pub Svc	2,879	717	623	94	13%
Pub Safe	4,330	730	686	44	6%
NonDept	901	161	102	59	37%
Unapp	3,676	0	0	-	0%
Total	\$ 12,715	\$ 1,768	\$ 1,563	\$ 206	12%

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

Projected General Fund department expenditures for Aug were \$850,000. Actual expenditures were \$73,000 lower than that at \$777,000.

2015-2016 Monthly Financial Report

General Fund Expenditure Detail
For the Month Ending Aug 31, 2015

General Fund Expenditures by Department

	Annual Projected Exp	Projected Exp YTD	Actual Exp YTD	Var Fav/ (Unfav)	% Var Fav/ (Unfav)
City Council	32,150	6,789	7,013	(224)	(3%)
City Manager/Planning	402,398	69,660	69,583	77	0%
Finance	54,964	10,192	8,509	1,683	17%
Total Admin & Finance	489,512	86,641	85,105	1,535	2%
Legal	187,700	30,851	27,435	3,416	11%
Court	251,904	42,591	38,620	3,971	9%
Total Dept of Law	439,604	73,442	66,055	7,387	10%
Transportation	188,375	32,806	29,347	3,459	11%
Airport	241,640	77,854	27,987	49,867	64%
Bldg Inspection	343,262	56,964	55,377	1,587	3%
Parks	477,440	93,120	77,158	15,962	17%
Pool	389,229	223,517	206,392	17,125	8%
Municipal Buildings	12,900	2,955	1,420	1,535	52%
Library	689,266	115,538	111,129	4,409	4%
Recreation	537,300	114,712	114,394	318	0
Total Public Services	2,879,412	717,464	623,204	94,260	13%
Public Safety Center	92,000	13,584	24,955	(11,371)	(84%)
Police Operations	4,237,982	716,033	661,137	54,896	8%
Total Public Safety	4,329,982	729,617	686,092	43,525	6%
Non-Departmental	900,565	161,327	102,428	58,899	37%
Unappropriated	3,676,280	0	0	0	0%
Total Non-Dept	4,576,845	161,327	102,428	58,899	37%
Total	12,715,355	1,768,492	1,562,884	205,607	12%

Within the Public Services category, the Airport has the greatest amount of savings percentage-wise at 64%, mostly due to purchases of fuel. The Pool came in at 8% lower than projected, with a savings of \$17,125. The Public Safety Center came in higher than projected due to their project of re-siding the annex building.

2015-2016 Monthly Financial Report

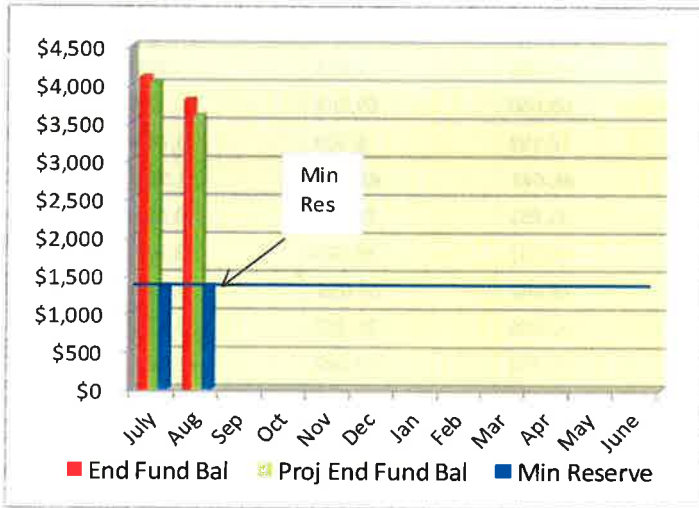
Fund Balance - General Fund
For the Month Ending Aug 31, 2015

General Fund

Through Aug 31, 2015

Ending Fund Balance

(in \$1,000)



Minimum Reserve = \$1,355,861

	Begin Fund Bal	Rev	Exp	End Fund Bal	Proj End Fund Bal
July	\$ 4,547	\$ 332	\$ (786)	\$ 4,093	\$ 4,022
Aug	4,093	478	(777)	\$ 3,794	\$ 3,590
Sep					
Oct					
Nov					
Dec					
Jan					
Feb					
Mar					
Apr					
May					
June					
Total	\$ 4,547	\$ 810	\$ (1,563)	\$ 3,794	\$ 3,590

The City Council has established a minimum reserve for the General Fund of 15% of budgeted annual operating expenditures. The minimum reserve for 2015-16 is \$1,355,861. The fund balance at the end of Aug is approximately \$3.8 million, which comes in at \$ 753,000 lower than July.

2015-2016 Monthly Financial Report

Special Revenue Funds Report For the Month Ending Aug 31, 2015

Special Revenue Funds Resources & Requirements

	2015-16 Annual		Remaining
	Estimate	Actual YTD	Estimate
Bonded Debt Fund			
Resources	3,767,354	570,930	3,196,424
Expenditures	3,527,354	847,532	2,679,822
Unappropriated Balance	240,000	N/A	N/A
Transient Room Tax (TRT)			
Resources	573,335	143,616	429,719
Expenditures	520,000	142,951	377,049
Unappropriated Balance	53,335	N/A	N/A
Recreation Special Revenue			
Resources	239,000	-	239,000
Expenditures	57,086	-	57,086
Unappropriated Balance	181,914	N/A	N/A
Reserve Fund			
Resources	7,090,060	72,578	7,017,482
Expenditures	4,882,912	698,632	4,184,280
Unappropriated Balance	2,207,148	N/A	N/A
Municipal Court Special Revenue			
Resources	281,900	46,703	235,197
Expenditures	246,900	44,210	202,690
Unappropriated Balance	35,000	N/A	N/A
Miscellaneous Special Revenue			
Resources	30,000	2,626	27,374
Expenditures	30,000	2,571	27,429
Unappropriated Balance	-	N/A	N/A
Conference Center			
Resources	249,975	32,257	217,718
Expenditures	192,475	28,239	164,236
Unappropriated Balance	57,500	N/A	N/A
EOTEC Grant Fund			
Resources	5,400,000	-	5,400,000
Expenditures	5,400,000	379,122	5,020,878
Unappropriated Balance	-	N/A	N/A
Law Enforcement Special Revenue			
Resources	71,500	8,164	63,336
Expenditures	43,500	524	42,976
Unappropriated Balance	28,000	N/A	N/A

Beginning with the 2015-16 fiscal year the City began estimating all of its resources in each fund and only appropriating what it projects it will need for that year. The remainder is carried in the fund as Unappropriated Balance.

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 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.

2015-2016 Monthly Financial Report

Special Revenue Funds Report
For the Month Ending Aug 31, 2015

Special Revenue Funds Resources & Requirements

	2015-16 Annual		Remaining
	Estimate	Actual YTD	Estimate
Library Special Revenue			
Resources	58,000	3,254	54,746
Expenditures	46,000	1,878	44,122
Unappropriated Balance	12,000	N/A	N/A
2014 Water & Sewer Rev Bonds			
Resources	1,300,000	455	1,299,545
Expenditures	1,300,000	439,483	860,517
Unappropriated Balance	-	N/A	N/A
Senior Center Const			
Resources	2,073,360	-	2,073,360
Expenditures	2,073,360	-	2,073,360
Unappropriated Balance	-	N/A	N/A

2015-2016 Monthly Financial Report

Utility and Street Funds Report
For the Month Ending Aug 31, 2015

Utility and Street Funds Report

Resources & Expenditures

	2015-16 Annual Budget	Projected YTD	Actual YTD	Variance Fav/(Unfav)	% Variance
<u>Street Fund</u>					
Resources	2,017,500	158,333	168,436	10,103	6%
Expenditures	1,348,785	120,770	107,267	13,503	11%
Unappropriated Balance	668,715	N/A	N/A	N/A	N/A
<u>Utility Fund</u>					
Resources	8,480,520	998,574	1,101,359	102,785	10%
Expenditures	5,821,305	575,923	599,892	(23,969)	(4%)
Unappropriated Balance	2,659,215	N/A	N/A	N/A	N/A
<u>HES Fund</u>					
Resources	11,435,765	2,032,950	2,128,064	95,114	5%
Expenditures	8,697,002	1,844,703	1,433,931	410,772	22%
Unappropriated Balance	2,738,763	N/A	N/A	N/A	N/A
<u>Regional Water Fund</u>					
Resources	1,437,800	73,111	147,850	74,739	102%
Expenditures	660,198	110,033	149,591	(39,558)	(36%)
Unappropriated Balance	777,602	N/A	N/A	N/A	N/A

As was noted in the previous section the Utility and Street Funds include a new line item for Unappropriated Balance.

2015-2016 Monthly Financial Report

Utility and HES Funds Report For the Month Ending Aug 31, 2015

Utility and HES Funds Report Reserve Balances

	Beginning Reserve	Ending Reserve	% Ending Reserve	Minimum Reserve Requirement	Difference
Utility Fund	3,056,640	3,606,751	42.5%	1,045,544	2,561,207
HES Fund	3,157,652	3,845,919	33.6%	1,409,889	2,436,030
Total	6,214,292	7,452,670	-	2,455,432	4,997,238

The City Council has established a minimum working capital (current assets less current liabilities) of forty-five (45) days of annual operating expenses for both the Utility Fund and HES Fund. This equates to \$1 million forty-five thousand for the Utility Fund and \$1.4 million for the HES Fund. Both funds have balances well above their minimum reserve levels for a total reserve of \$7.4 million.

2015-2016 Monthly Financial Report

City of Hermiston, Oregon

Capital Projects Report

For the Month Ending Aug 31, 2015

Capital Projects

	2015-16 Budget	YTD Expenditures	LTD Budget	LTD Expenditures	% Complete
Airport Improvements	\$ 615,000	\$ -	\$ 650,000	\$ 229,773	
Eastern OR Trade & Event Ctr (EOTEC) Pipeline	350,000	63,307	1,800,000	728,482	95%
EOTEC Construction	5,400,000	379,122	6,400,000	1,930,947	0%
RWTP Outfall	-	10,140	2,500,000	1,107,583	90%
Water Line Extension	1,026,200	406,867	1,250,000	630,660	70%
Total	\$ 7,391,200	\$ 859,436	\$ 12,600,000	\$ 4,627,445	---

Airport Improvements

We are just completing the paperwork required by the FAA. We waited months to receive official award of the FAA grant funds. The contract will soon be signed and construction can begin.

EOTEC Pipeline

This project is now 95% complete. There are only a few more punch list items remaining before this project will be closed out.

EOTEC Construction

This project is a direct project of the EOTEC board. It is moving along well. The site work has been completed. There is steel up for the event center building. They have started installation of the roof and other portions of the building.

RWTP Outfall

The contractor completed the revegetation of the land near the Umatilla River and that was the last portion of this project. Project closeout should be completed in the next 60 days.

Water Line Extension

This project is approximately 70% completed. The final easement was completed this week and so the final portion of construction will be done by the end of October.

**2015-2016 Monthly Financial Report
City of Hermiston, Oregon
Investments
For the Month Ending Aug 31, 2015**

**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)
3136G1BT5	\$ 2,000,000	\$ 1,960,500	\$ 1,997,682	FNMA	Aaa/AA+	707	Y	1.37	1.37
3134G35P1	\$ 1,000,000	\$ 979,970	\$ 998,887	FHLMC	Aaa/AA+	925	Y	1.71	1.71
3135G0QK2	\$ 2,000,000	\$ 1,985,750	\$ 1,999,210	FFCB	Aaa/AA+	1,495	Y	1.71	1.71
313381UZ6	\$ 1,000,000	\$ 985,720	\$ 995,119	FHLB	---	878	Y	1.31	1.31
3137EADN6	\$ 1,000,000	\$ 978,757	\$ 995,950	FHLMC	Aaa/AA+	865	N	1.29	1.29
3135G0GY3	\$ 1,000,000	\$ 1,013,901	\$ 1,008,678	FNMA	Aaa/AA+	518	N	0.78	0.78
US Agencies	\$ 8,000,000	\$ 7,904,598	\$ 7,995,526	---	---	---	---	---	---
LGIP ⁽¹⁾⁽²⁾	\$ 6,393,054	\$ 6,393,054	\$ 6,393,054	Varies	---/AA	1	N	0.54	0.54
LGIP	\$ 6,393,054	\$ 6,393,054	\$ 6,393,054	---	---	---	---	---	---
TOTAL	\$ 14,393,054	\$ 14,297,652	\$ 14,388,580	---	---	---	---	---	---

⁽¹⁾ \$3,055,563 of the balance in the LGIP is held by the City for the Eastern Oregon Trade and Event Center (EOTEC).

⁽²⁾ \$518,597 of the balance in the LGIP is invested for the 2014 Sewer & Water Revenue Bonds.

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	\$ 6,393,054	44.4%	US Agency	\$ 8,000,000	55.6%	WTD Avg Mat	528	528
90 Days - 3 Yrs	\$ 6,000,000	41.7%	Corporate	\$ -	0.0%	Wtd Avg Yield to Mat	1.02%	1.41%
3 - 5 Yrs	\$ 2,000,000	13.9%	LGIP	\$ 6,393,054	44.4%	Percent Callable	41.7%	52.9%
	\$ 14,393,054	100.0%		\$ 14,393,054	100.0%	Wtd Avg Credit Rating	Aaa/AA+	Aaa/AA+