

Monthly Financial Report



Includes the Hermiston Urban Renewal Agency

Finance Department
July 2015

2015-2016 Monthly Financial Report

Hermiston Urban Renewal Agency (HURA)

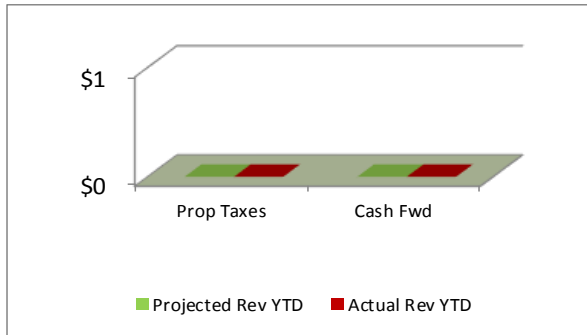
For the Month Ending July 31, 2015

Resources

by Category

Through July 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%

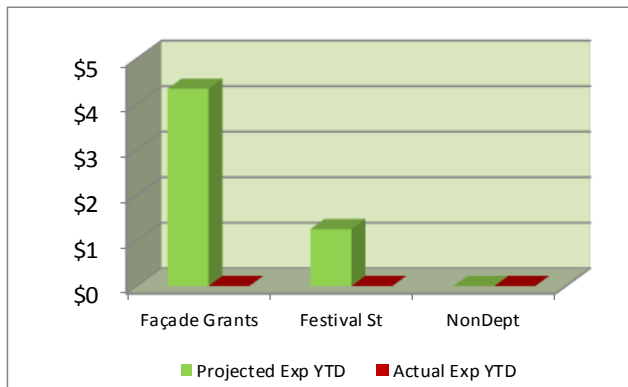
Note: variance is calculated as a percent of the projected revenue YTD.

Expenditures

by Character

Through July 31, 2015

(in \$1,000)



	Annual Proj Exp	Projected Exp YTD	Actual Exp YTD	Var Fav/ (Unfav)	% Var
Façade Grants	\$ 52	\$ 4	\$ -	\$ 4	100%
Festival St	15	1	-	-	0%
NonDept	3	-	-	-	0%
Res for Fut Exp	5	-	-	-	0%
Total	\$ 75	\$ -	\$ -	\$ -	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

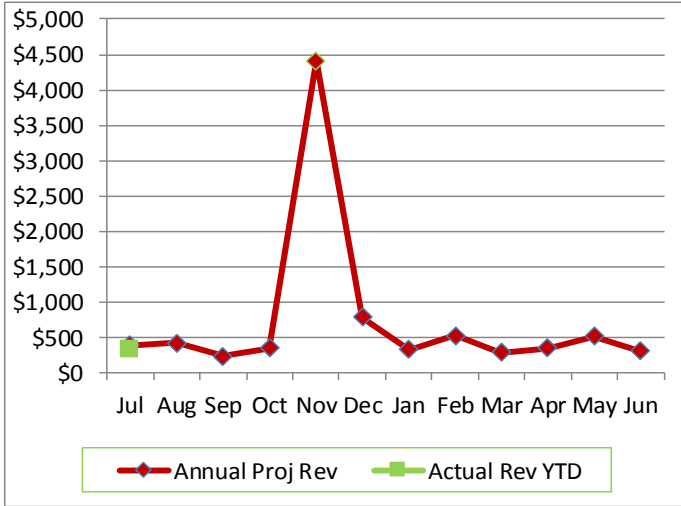
General Fund Resources

For the Month Ending July 31, 2015

Through July 31, 2015

(in \$1,000)

All Resources



	Annual Proj Rev	Proj Rev YTD	Actual Rev YTD	Var Fav/ (Unfav)	% Var
Jul	\$ 392	\$ 392	\$ 332	\$ (60)	-15%
Aug	423				
Sep	228				
Oct	348				
Nov	4,412				
Dec	788				
Jan	331				
Feb	522				
Mar	286				
Apr	350				
May	518				
Jun	305				
Total	8,902	392	332	(60)	(15%)
Cash Fwd	3,813	1,676	1,676	-	0%
Total	\$ 12,715	\$ 2,068	\$ 2,008	\$ (60)	(3%)

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

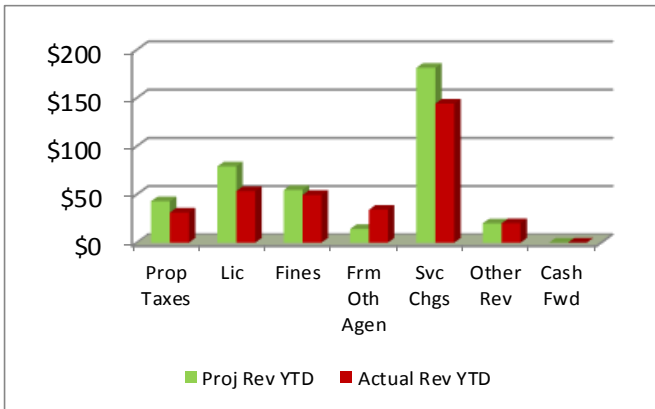
The estimated General Fund revenues for the 15-16 fiscal year are \$8.9 million. Projected revenues for July were \$392,000 and came in \$60,000 lower, a 15% variance.

General Fund Revenue

by Category

Through July 31, 2015

(in \$1,000)



	Annual Proj Rev	Proj Rev YTD	Actual Rev YTD	Var Fav/ (Unfav)	% Var
Prop Taxes	\$ 5,265	\$ 43	\$ 31	\$ (12)	(27%)
Lic	774	79	53	(26)	(34%)
Fines	583	55	49	(5)	(10%)
Frm Oth Agen	445	14	34	20	142%
Svc Chgs	1,323	181	144	(37)	(20%)
Other Rev	513	20	20	0	0%
Cash Fwd	3,813	-	-	-	0%
Total	\$ 12,715	\$ 392	\$ 332	\$ (60)	(15%)

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

2015-2016 Monthly Financial Report

City of Hermiston, Oregon

General Fund Expenditures

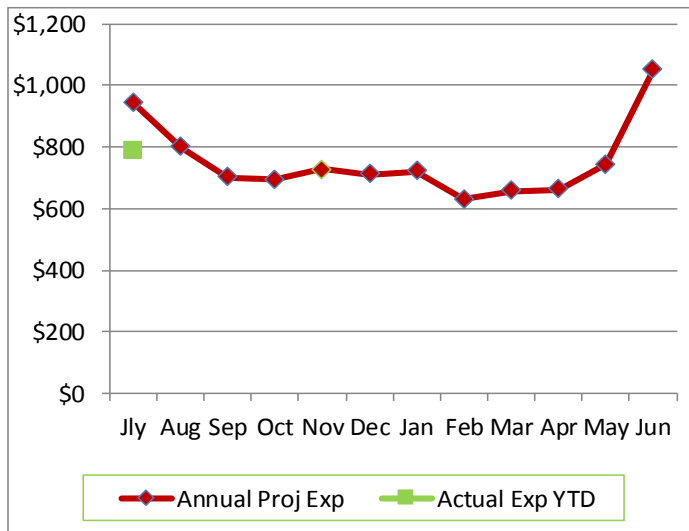
For the Month Ending July 31, 2015

General Fund Expenditure Summary

Through July 31, 2015

All Requirements

(in \$1,000)



	Annual Proj Exp	Projected Exp YTD	Actual Exp YTD	Var Fav/ (Unfav)	% Var
Jly	\$ 944	\$ 944	\$ 786	\$ 158	17%
Aug	799				
Sep	702				
Oct	694				
Nov	727				
Dec	711				
Jan	720				
Feb	631				
Mar	657				
Apr	663				
May	743				
Jun	1,049				
Total	9,039	944	786	158	17%
Unapp	3,676	-	-	-	0%
Total	\$ 12,715	\$ 944	\$ 786	\$ 158	17%

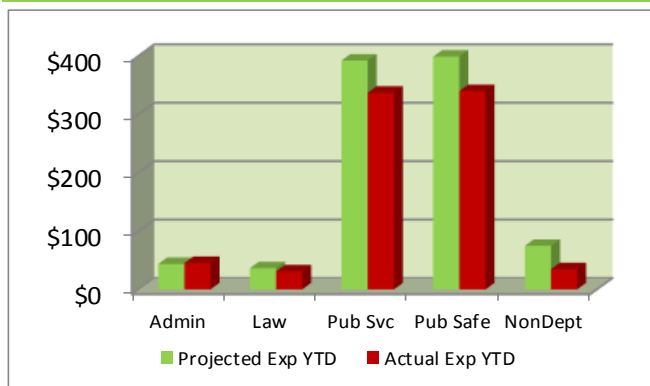
Projected General Fund department expenditures for July were \$944,000. Actual expenditures were \$158,000 lower than that at \$786,000. Public Services, Public Safety and Non-Departmental had the highest savings at \$55,000, \$59,000 and \$40,000 respectively.

General Fund Expenditures

Through July 31, 2015

by Consolidated Department

(in \$1,000)



	Annual Proj Exp	Projected Exp YTD	Actual Exp YTD	Var Fav/ (Unfav)	% Var
Admin	\$ 489	43	45	\$ (2)	(4%)
Law	440	36	31	5	15%
Pub Svc	2,878	392	337	55	14%
Pub Safe	4,330	399	339	59	15%
NonDept	902	74	34	40	54%
Unapp	3,676	-	-	-	0%
Total	\$ 12,715	\$ 944	\$ 786	\$ 158	17%

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

2015-2016 Monthly Financial Report

General Fund Expenditure Detail For the Month Ending July 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	\$ 2,782	\$ 4,101	\$ (1,319)	(47%)
City Manager/Planning	402,398	35,681	37,241	(1,560)	-4%
Finance	54,964	4,885	3,651	1,234	25%
Total Admin & Finance	489,512	43,348	44,993	(1,646)	-4%
Legal	187,700	14,206	11,614	2,592	18%
Court	251,904	21,873	19,073	2,800	13%
Total Dept of Law	439,604	36,079	30,687	5,392	15%
Transportation	188,375	16,343	14,821	1,522	9%
Airport	241,640	51,107	14,745	36,362	71%
Bldg Inspection	343,262	28,458	28,522	(64)	(0%)
Parks	477,440	47,592	38,306	9,286	20%
Pool	389,229	126,744	117,977	8,767	7%
Municipal Buildings	12,900	683	893	(210)	(31%)
Library	689,266	59,996	54,138	5,858	10%
Recreation	537,300	60,912	67,156	(6,244)	(10%)
Total Public Services	2,879,412	391,836	336,558	55,278	14%
Public Safety Center	92,000	7,016	16,561	(9,545)	(136%)
Police Operations	4,237,982	391,579	322,881	68,698	18%
Total Public Safety	4,329,982	398,595	339,442	59,153	15%
Non-Departmental	900,565	74,382	34,421	39,961	54%
Unappropriated	3,676,280	-	-	-	-
Total Non-Dept	4,576,845	74,382	34,421	39,961	54%
Total	\$ 12,715,355	\$ 944,240	\$ 786,101	\$ 158,138	17%

Within the Public Services category, the Airport has the greatest amount of savings percentage-wise at 71%, mostly due to purchases of fuel. The purchases are made during different months depending on when the need arises. Non-departmental expenditures are lower than projected because no transfers took place in July. These are expected to be caught up in August. Police has not made any capital purchases yet causing it to come in under projections.

2015-2016 Monthly Financial Report

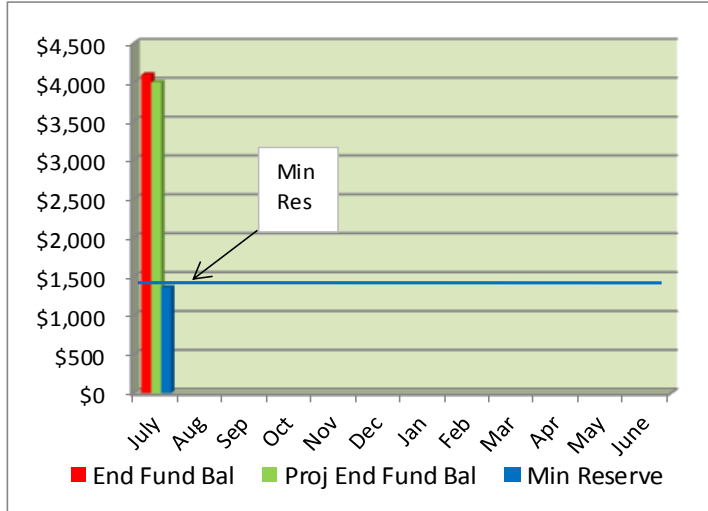
Fund Balance - General Fund For the Month Ending July 31, 2015

General Fund

Through July 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	\$ 3,995
Aug					
Sep					
Oct					
Nov					
Dec					
Jan					
Feb					
Mar					
Apr					
May					
June					
Total	\$ 4,547	\$ 332	\$ (786)	\$ 4,093	\$ 3,995

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 July is approximately \$4.1 million, a decrease of approximately \$450,000 the first month of the fiscal year.

2015-2016 Monthly Financial Report

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

Special Revenue Funds Resources & Requirements

	2015-16 Annual Estimate	Actual YTD	Remaining Estimate
Bonded Debt Fund			
Resources	3,767,354	2,181	3,765,173
Expenditures	3,527,354	279,913	3,247,441
Unappropriated Balance	240,000	N/A	N/A
Transient Room Tax (TRT)			
Resources	573,335	-	573,335
Expenditures	520,000	16,851	503,149
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	8,042	7,082,018
Expenditures	4,882,912	(14,239)	4,897,151
Unappropriated Balance	2,207,148	N/A	N/A
Municipal Court Special Revenue			
Resources	281,900	23,858	258,042
Expenditures	246,900	22,391	224,509
Unappropriated Balance	35,000	N/A	N/A
Miscellaneous Special Revenue			
Resources	30,000	1,582	28,418
Expenditures	30,000	1,557	28,443
Unappropriated Balance	-	N/A	N/A
Conference Center			
Resources	249,975	10,610	239,365
Expenditures	192,475	10,737	181,738
Unappropriated Balance	57,500	N/A	N/A
EOTEC Grant Fund			
Resources	5,400,000	-	5,400,000
Expenditures	5,400,000		5,400,000
Unappropriated Balance	-	N/A	N/A
Law Enforcement Special Revenue			
Resources	71,500	6,651	64,849
Expenditures	43,500	-	43,500
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 July 31, 2015

Special Revenue Funds Resources & Requirements

	2015-16 Annual		Remaining
	Estimate	Actual YTD	Estimate
Library Special Revenue			
Resources	58,000	1,286	56,714
Expenditures	46,000	958	45,042
Unappropriated Balance	12,000	N/A	N/A
2014 Water & Sewer Rev Bonds			
Resources	1,300,000	228	1,299,772
Expenditures	1,300,000	-	1,300,000
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 July 31, 2015

Utility and Street Funds Report

Resources & Expenditures

	2015-16 Annual			Variance	
	Budget	Projected YTD	Actual YTD	Fav/(Unfav)	% Variance
<u>Street Fund</u>					
Resources	2,017,500	79,167	93,214	14,047	18%
Expenditures	1,348,785	112,399	55,078	57,321	51%
Unappropriated Balance	668,715	N/A	N/A	N/A	N/A
<u>Utility Fund</u>					
Resources	8,480,520	522,781	525,498	2,717	1%
Expenditures	5,821,305	287,962	295,540	(7,578)	-3%
Unappropriated Balance	2,659,215	N/A	N/A	N/A	N/A
<u>HES Fund</u>					
Resources	11,435,765	738,424	722,780	(15,644)	-2%
Expenditures	8,697,002	613,796	197,919	415,877	68%
Unappropriated Balance	2,738,763	N/A	N/A	N/A	N/A
<u>Regional Water Fund</u>					
Resources	1,437,800	21,755	77,477	55,722	256%
Expenditures	660,198	55,016.50	42,842	12,175	22%
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 July 31, 2015

Utility and HES Funds Report

Reserve Balances

	Beginning Reserve	Ending Reserve	% Ending Reserve	Minimum Reserve Requirement	Difference
Utility Fund	3,056,640	3,412,323	40.2%	1,045,544	2,366,779
HES Fund	3,157,652	3,702,226	32.4%	1,409,889	2,292,337
Total	3,157,652	7,114,549	-	2,455,432	4,659,117

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 \$7.1 million.

2015-2016 Monthly Financial Report

City of Hermiston, Oregon

Capital Projects Report

For the Month Ending July 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	1,140,000	-	1,800,000	-	80%
EOTEC Construction	5,400,000	-	6,400,000	1,551,825	0%
RWTP Outfall	2,500,000	7,859	2,500,000	1,105,302	90%
Water Line Extension	1,250,000	2,281	1,250,000	208,456	0%
Total	\$ 10,905,000	\$ 10,140	\$ 12,600,000	\$ 3,095,356	---

Major capital projects for the 2015-16 fiscal year include the continuation of the taxiway realignment at the Airport, extending the water distribution system and sanitary sewer collection system to the new EOTEC facility, continued development and construction of the EOTEC facility, and a major water line extension from the Regional Water Plant to South 1st Street.

**2015-2016 Monthly Financial Report
City of Hermiston, Oregon
Investments
For the Month Ending July 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	Yield to
								Worst Call	Maturity (YTM)
3136G1BT5	\$ 2,000,000	\$ 1,960,500	\$ 1,996,808	FNMA	Aaa/AA+	738	Y	1.37	1.37
3134G35P1	\$ 1,000,000	\$ 979,970	\$ 998,439	FHLMC	Aaa/AA+	956	Y	1.71	1.71
3135G0QK2	\$ 2,000,000	\$ 1,985,750	\$ 1,990,842	FFCB	Aaa/AA+	1,526	Y	1.71	1.71
313381UZ6	\$ 1,000,000	\$ 985,720	\$ 994,151	FHLB	---	909	Y	1.31	1.31
3137EADN6	\$ 1,000,000	\$ 978,757	\$ 994,281	FHLMC	Aaa/AA+	896	N	1.29	1.29
3135G0GY3	\$ 1,000,000	\$ 1,013,901	\$ 1,008,941	FNMA	Aaa/AA+	549	N	0.78	0.78
US Agencies	\$ 8,000,000	\$ 7,904,598	\$ 7,983,462	---	---	---	---	---	---
LGIP ^{(1) (2)}	\$ 6,390,183	\$ 6,390,183	\$ 6,390,183	Varies	---/AA	1	N	0.54	0.54
LGIP	\$ 6,390,183	\$ 6,390,183	\$ 6,390,183	---	---	---	---	---	---
TOTAL	\$ 14,390,183	\$ 14,294,781	\$ 14,373,645	---	---	---	---	---	---

⁽¹⁾ \$3,054,172 of the balance in the LGIP is held by the City for the Eastern Oregon Trade and Event Center (EOTEC).

⁽²⁾ \$518,370 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	\$ 6,390,183	44.4%	US Agency	\$ 8,000,000	55.6%	WTD Avg Mat	545	545
90 Days - 3 Yrs	\$ 6,000,000	41.7%	Corporate	\$ -	0.0%	Wtd Avg Yield to Mat	1.00%	1.41%
3 - 5 Yrs	\$ 2,000,000	13.9%	LGIP	\$ 6,390,183	44.4%	Percent Callable	41.7%	64.3%
	\$ 14,390,183	100.0%		\$ 14,390,183	100.0%	Wtd Avg Credit Rating	Aaa/AA+	Aaa/AA+