
Monthly Financial Report



Includes the Hermiston Urban Renewal Agency

**Finance Department
February 2017
(Unaudited)**

2016-2017 Monthly Financial Report

Hermiston Urban Renewal Agency (HURA)

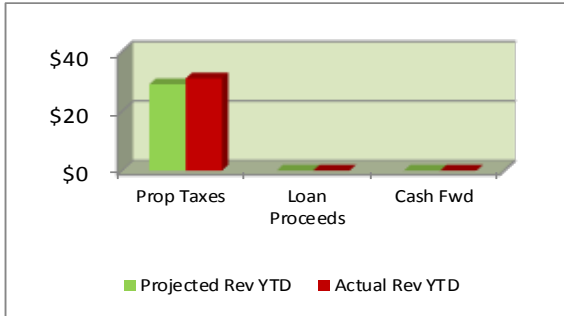
For the Month Ending February 28, 2017

Resources

Through February 28, 2017

by Category

(in \$1,000)



	Annual Proj Rev	Projected Rev YTD	Actual Rev YTD	Var Fav/ (Unfav)	% Var
Prop Taxes	\$ 29	\$ 29	\$ 31	\$ 2	0%
Loan Proceeds	100	-	-	-	0%
Cash Fwd	74	-	-	-	0%
Total	\$ 203	\$ 29	\$ 31	\$ 2	0%

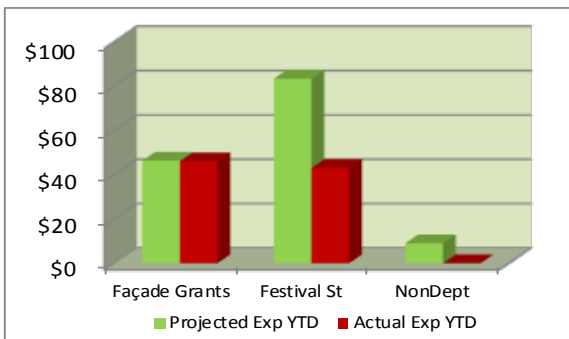
Note: variance is calculated as a percent of the projected revenue YTD.

Expenditures

Through February 28, 2017

by Character

(in \$1,000)



	Annual Proj Exp	Projected Exp YTD	Actual Exp YTD	Var Fav/ (Unfav)	% Var
Façade Grants	\$ 50	\$ 46	\$ 46	\$ 0	0.7%
Festival St	125	83	43	40	46%
NonDept	14	9	-	9	94%
Res for Fut Exp	14	-	-	-	0%
Total	\$ 203	\$ 138	\$ 89	\$ 49	35%

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

In February \$20,700 was expended on the Festival Street design bringing year-to-date expenditures to \$43,000. Public meetings were held in February and early March to refine the design and select the fixtures.

2016-2017 Monthly Financial Report

City of Hermiston, Oregon

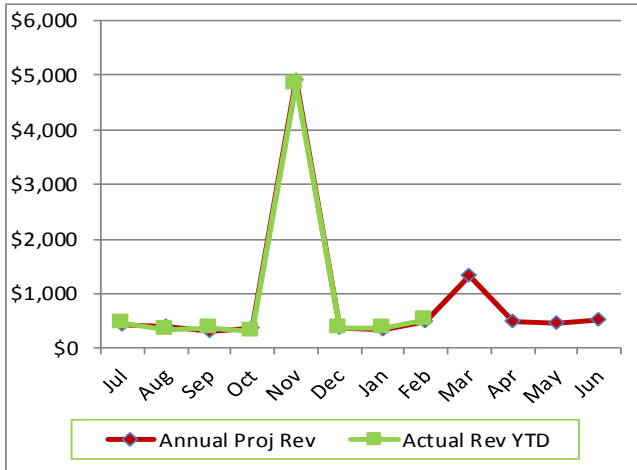
General Fund Resources

For the Month Ending February 28, 2017

Through February 28, 2017

All Resources

(in \$1,000)



	Annual Proj Rev	Proj Rev YTD	Actual Rev YTD	Var Fav/ (Unfav)	% Var
Jul	\$ 414	\$ 414	\$ 458	\$ 43	10%
Aug	409	\$ 409	\$ 326	(84)	(20%)
Sep	308	\$ 308	\$ 362	54	17%
Oct	363	\$ 363	\$ 314	(48)	(13%)
Nov	4,929	\$ 4,929	\$ 4,829	(101)	(2%)
Dec	352	\$ 352	\$ 354	1	0%
Jan	345	\$ 345	\$ 372	27	8%
Feb	494	\$ 494	\$ 515	21	4%
Mar	1,322				
Apr	484				
May	446				
Jun	520				
Total	10,387	7,615	7,528	(86)	(1%)
Cash Fwd	4,800	-	-	-	0%
Total	\$ 15,187	\$ 7,615	\$ 7,528	(86)	(1%)

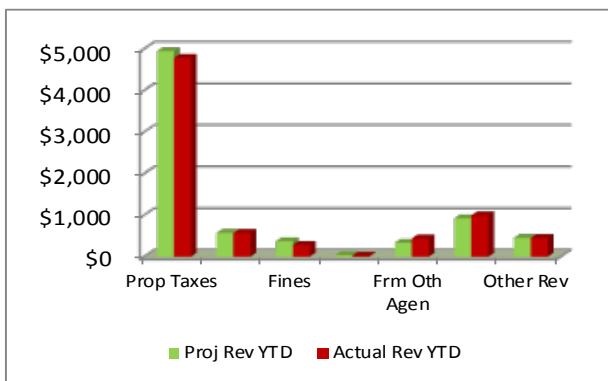
Actual revenues in the General Fund are \$7.5 million year-to-date, about \$86,000 less than projections. Property taxes, which are under projections by \$161,000, represent the bulk of the variance. Fines, Interest Earnings and Other revenue are also under projections. Licenses are slightly over projections by \$5,000; receipts from other agencies are over projections by \$105,000 and Service Charges are over projections by \$72,000.

General Fund Revenue

Through February 28, 2017

by Category

(in \$1,000)



	Annual Proj Rev	Proj Rev YTD	Actual Rev YTD	Var Fav/ (Unfav)	% Var
Prop Taxes	\$ 5,202	\$ 4,938	\$ 4,777	\$ (161)	(3%)
Lic	851	567	572	5	1%
Fines	570	369	281	(89)	(24%)
Interest Rev	50	37	20	(17)	(45%)
Frm Oth Agen	499	333	437	105	31%
Svc Chgs	1,424	921	994	72	8%
Other Rev	1,791	449	448	(2)	(0%)
Cash Fwd	4,800	-	-	-	0%
Total	\$15,187	\$ 7,615	\$ 7,528	\$ (86)	(1%)

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

2016-2017 Monthly Financial Report

City of Hermiston, Oregon

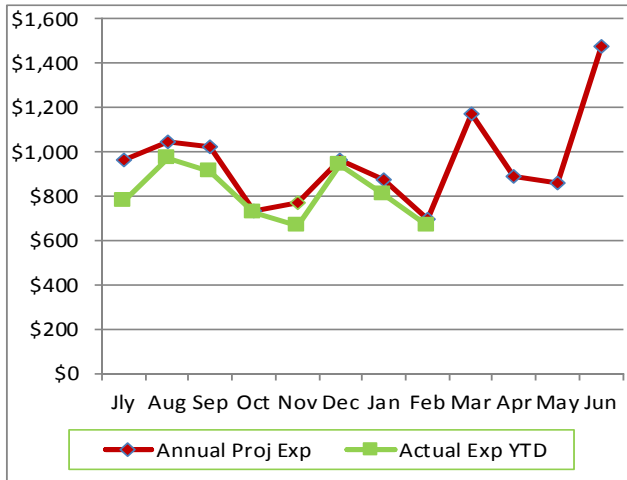
General Fund Expenditures

For the Month Ending February 28, 2017

General Fund Expenditure Summary

All Requirements

Through February 28, 2017
(in \$1,000)

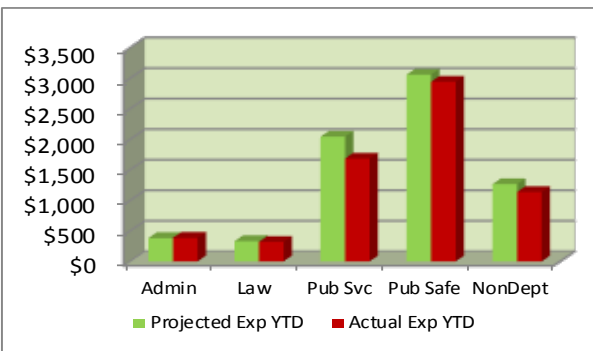


	Annual Proj Exp	Projected Exp YTD	Actual Exp YTD	Var Fav/ (Unfav)	% Var
Jly	\$ 964	\$ 964	\$ 775	\$ 189	20%
Aug	\$ 1,045	\$ 1,045	\$ 969	\$ 76	7%
Sep	\$ 1,022	\$ 1,022	\$ 914	\$ 108	11%
Oct	\$ 736	\$ 736	\$ 724	\$ 12	2%
Nov	\$ 775	\$ 775	\$ 670	\$ 105	14%
Dec	\$ 968	\$ 968	\$ 943	\$ 25	3%
Jan	\$ 873	\$ 873	\$ 806	\$ 67	8%
Feb	\$ 696	\$ 696	\$ 666	\$ 30	4%
Mar	\$ 1,171				
Apr	\$ 888				
May	\$ 860				
Jun	\$ 1,475				
Total	11,472	7,079	6,466	613	9%
Unapp	3,715	-	-	-	0%
Total	\$ 15,187	\$ 7,079	\$ 6,466	\$ 613	9%

General Fund expenditures continue to trend below projections. Year-to-date savings are \$613,000, an overall variance of 9%. Public Services are under by \$358,000, Public Safety is under by \$116,000 and Non-Departmental by \$129,000.

General Fund Expenditures by Consolidated Department

Through February 28, 2017
(in \$1,000)



	Annual Proj Exp	Projected Exp YTD	Actual Exp YTD	Var Fav/ (Unfav)	% Var
Admin	\$ 564	383	386	(4)	(1%)
Law	497	332	319	13	4%
Pub Svc	3,139	2,043	1,684	358	18%
Pub Safe	4,517	3,057	2,941	116	4%
NonDept	6,470	1,264	1,135	129	10%
Unapp	-	-	-	-	0%
Total	\$ 15,187	\$ 7,079	\$ 6,466	\$ 613	9%

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 February 28, 2017

General Fund Expenditures by Department

	Annual Projected Exp	Projected Exp YTD	Actual Exp YTD	Var Fav/ (Unfav)	% Var Fav/ (Unfav)
City Council	45,719	37,033	44,204	(7,171)	(19%)
City Manager/Planning	438,624	293,611	293,405	206	0%
Finance	79,295	51,921	48,648	3,273	6%
Total Admin & Finance	563,638	382,565	386,257	(3,692)	(1%)
Legal	83,700	54,871	44,133	10,738	0%
Court	413,186	277,207	275,128	2,079	1%
Total Dept of Law	496,886	332,078	319,261	12,817	4%
Transportation	248,300	122,094	75,463	46,631	38%
Airport	252,450	167,742	115,638	52,104	31%
Bldg Inspection	355,617	238,973	237,551	1,422	1%
Parks	490,819	308,652	267,440	41,212	13%
Parks/Utility Landscaping	39,475	26,317	10,725	15,592	59%
Pool	433,333	304,135	218,228	85,907	28%
Municipal Buildings	18,500	13,590	10,227	3,363	25%
Library	734,775	485,795	422,268	63,527	13%
Recreation	565,808	375,458	326,767	48,691	13%
Total Public Services	3,139,077	2,042,754	1,684,307	358,447	18%
Public Safety Center	82,000	57,878	45,198	12,680	22%
Police Operations	4,434,616	2,999,328	2,895,554	103,774	3%
Total Public Safety	4,516,616	3,057,206	2,940,752	116,454	4%
Non-Departmental	2,756,190	1,264,480	1,135,478	129,002	10%
Unappropriated	3,714,718	0	0	0	0%
Total Non-Dept	6,470,908	1,264,480	1,135,478	129,002	10%
Total	15,187,125	7,079,083	6,466,055	613,028	9%

Positive variances in the departments range from 1% in the Court to 59% in Parks Landscaping. While Police Operations has the largest savings dollar-wise, it only represents 3% of their anticipated spending. The Airport has continued savings in fuel, and the Library has savings in personnel, building repairs and contractual services.

2016-2017 Monthly Financial Report

Fund Balance - General Fund

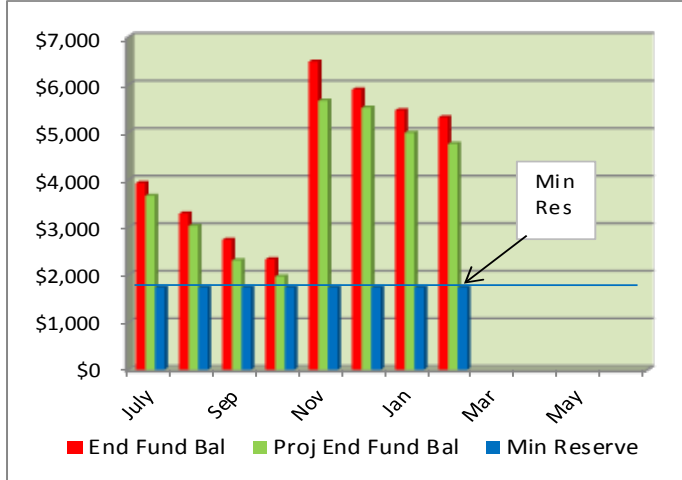
For the Month Ending February 28, 2017

General Fund

Through February 28, 2017

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	6,480	\$ 354	\$ (943)	\$ 5,891	\$ 5,510
Jan	5,891	\$ 372	\$ (806)	\$ 5,457	\$ 4,982
Feb	5,457	\$ 515	\$ (666)	\$ 5,306	\$ 4,752
Mar					
Apr					
May					
June					
Total	\$ 4,244	\$7,528	\$ (6,466)	\$ 5,306	\$ 4,752

The fund balance in the General Fund at the end of February is \$5.3 million, an increase of \$1.1 million since the beginning of the fiscal year.

2016-2017 Monthly Financial Report

Special Revenue Funds Report

For the Month Ending February 28, 2017

Special Revenue Funds

Resources & Requirements

	2016-17		Remaining Budget
	Annual Budget	Actual YTD	
Bonded Debt Fund			
Resources	699,925	428,996	270,929
Expenditures	510,275	465,537	44,738
Unappropriated Balance	189,650	N/A	N/A
Transient Room Tax (TRT)			
Resources	830,460	493,605	336,855
Expenditures	767,860	434,616	333,244
Unappropriated Balance	62,600	N/A	N/A
Reserve Fund			
Resources	6,341,140	1,026,354	5,314,786
Expenditures	5,348,367	1,088,786	4,259,581
Unappropriated Balance	992,773	N/A	N/A
Municipal Court Special Revenue			
Resources	281,900	119,051	162,849
Expenditures	260,100	120,193	139,907
Unappropriated Balance	21,800	N/A	N/A
Miscellaneous Special Revenue			
Resources	35,000	11,915	23,085
Expenditures	35,000	14,480	20,520
Unappropriated Balance	-	N/A	N/A
Conference Center			
Resources	237,525	121,276	116,249
Expenditures	187,525	109,992	77,533
Unappropriated Balance	50,000	N/A	N/A
Christmas Express Special Revenue			
Resources	34,690	28,193	6,497
Expenditures	34,690	12,872	21,818
Unappropriated Balance	-	N/A	N/A
Law Enforcement Special Revenue			
Resources	78,880	22,426	56,454
Expenditures	65,880	31,436	34,444
Unappropriated Balance	13,000	N/A	N/A
Library Special Revenue			
Resources	57,200	17,082	40,118
Expenditures	44,000	2,757	41,243
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 February 28, 2017

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	865,841	911,718	45,877	5%
Expenditures	1,184,879	751,412	730,850	20,562	3%
Contingency/Unapp Balance	545,595	N/A	N/A	N/A	N/A

Utility Fund					
Resources	8,731,020	3,918,158	3,840,404	(77,754)	(2%)
Expenditures	7,956,020	4,771,831	4,641,183	130,648	3%
Contingency/Unapp Balance	775,000	N/A	N/A	N/A	N/A

HES Fund					
Resources	11,970,249	5,769,989	5,674,894	(95,095)	(2%)
Expenditures	9,151,094	5,486,181	5,392,449	93,732	2%
Contingency/Unapp Balance	2,819,155	N/A	N/A	N/A	N/A

Regional Water Fund					
Resources	1,317,060	516,668	536,643	19,975	4%
Expenditures	723,530	482,353	448,390	33,963	7%
Contingency/Unapp Balance	593,530	N/A	N/A	N/A	N/A

The Street fund continues to have favorable variances in both revenues and expenditures for a combined positive variance of \$66,439.

The negative revenue variance in the Utility Fund decreased roughly by half from \$147,000 last month to about \$78,000 this month. The positive expenditure variance increased to \$130,650 resulting in a net positive variance of \$53,000.

Factoring in the adjustment to the HES revenues, the negative variance is now \$95,000. The positive expenditure variance almost completely offsets this.

The Regional Water fund has a positive variance in both revenues and expenditures resulting in an overall variance of \$54,000.

2016-2017 Monthly Financial Report

Utility and HES Funds Report

For the Month Ending February 28, 2017

Utility and HES Funds Report

Reserve Balances

	Beginning Reserve	Ending Reserve	% Ending Reserve	Minimum Reserve Requirement	Difference
Utility Fund	1,684,832	1,454,567	18.3%	980,879	473,688
HES Fund	3,027,074	4,063,047	44.4%	1,128,217	2,934,830
Total	4,711,906	5,517,614	-	2,109,096	3,408,518

The reserve in the Utility Fund also improved during February. It is now approximately \$1.5 million, almost \$475,000 above the minimum level. The HES Fund reserve remained about the same at \$4.1 million, well above the minimum. The combined total reserve is \$5.5 million.

2016-17 Monthly Financial Report

City of Hermiston, Oregon

Capital Projects Report

For the Month Ending February 28, 2017

Capital Projects

	2016-2017 Budget	YTD Expenditures	LTD Budget	LTD Expenditures	% Complete
Airport GIS (AGIS) Mapping Project	\$ 300,000	\$ 31,244	\$ -	\$ -	10%
Senior Center	2,706,300	125,115	2,823,360	233,419	8%
11th & Elm	813,710	40,000	813,710	40,000	5%
West Highland Trail	130,000	4,985	130,000	4,985	4%
Total	\$ 3,950,010	\$ 201,344	\$ 3,767,070	\$ 278,404	

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.

February Update: Precision Approach Engineering continues to work on the AGIS mapping project. No expenditures were made in February.

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.

February Update: An additional \$5,700 was expended in February on design and development. Life-to-date project costs are \$233,419. The construction contract was awarded March 20th to G2 Construction.

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.

February Update: an additional \$25,000 was expended in February on right-of-way costs bringing to project expenditures to \$40,000.

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.

February Update: Approximately \$5,000 has been expended so far on the project for preliminary design and project preparation. A project kick-off meeting was held March 9 with ODOT and the engineering firm.

2016-2017 Monthly Financial Report
City of Hermiston, Oregon
Investments
For the Month Ending February 28, 2017

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)
3135G0G31	\$ 2,000,000	\$ 1,993,600	\$ 1,995,244	FNMA	Aaa/AA+	700	Y	1.28	1.28
76116FAA5	\$ 2,062,000	\$ 1,999,998	\$ 1,979,524	REFCORP	Aaa/AA+	959	N	0.95	0.95
3133EGLA1	\$ 1,000,000	\$ 1,001,020	\$ 987,799	FFCB	Aaa/AA+	1,049	Y	1.07	1.14
3137EADN6	\$ 1,000,000	\$ 978,757	\$ 998,717	FHLMC	Aaa/AA+	318	N	1.29	1.29
3130A9SY8	\$ 1,010,000	\$ 996,574	\$ 995,718	FHLB	Aaa/AA+	1,336	N	1.72	1.72
US Agencies	\$ 7,072,000	\$ 6,969,949	\$ 6,957,002	---	---	---	---	---	---
LGIP	\$ 8,195,798	\$ 8,195,798	\$ 8,195,798	Varies	---/AA	1	N	1.15	1.15
LGIP	\$ 8,195,798	\$ 8,195,798	\$ 8,195,798	---	---	---	---	---	---
TOTAL	\$ 15,267,798	\$ 15,165,747	\$ 15,152,800	---	---	---	---	---	---

The City's overall investment portfolio increased by a net \$660,000 during February resulting from a \$350,000 withdrawal to cover HES capital project costs and a \$1,010,000 bond purchase. The weighted average yield to maturity also increased from 1.08% to 1.19%. The portfolio has earned \$91,000 fiscal year-to-date.

Various Investment Parameters	With LGIP	Without LGIP	Maturity	Par Value	% of Total Portfolio	Type of Inv	Par Value	% of Total Portfolio
WTD Avg Days to Mat	400	400	< 90 Days	\$ 8,195,798	53.7%	US Agency	\$ 7,072,000	46.3%
Wtd Avg Yield to Mat	1.19%	1.23%	90 Days - 3 Yr	\$ 6,062,000	39.7%	Other	\$ -	0.0%
Percent Callable	26.3%	56.7%	3 - 5 Yrs	\$ 1,010,000	6.6%	LGIP	\$ 8,195,798	53.7%
Wtd Avg Credit Rtnng	Aaa/AA+	Aaa/AA+		\$ 15,267,798	100.0%		\$ 15,267,798	100.0%

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.