
Monthly Financial Report



Includes the Hermiston Urban Renewal Agency

**Finance Department
January 2017
(Unaudited)**

2016-2017 Monthly Financial Report

Hermiston Urban Renewal Agency (HURA)

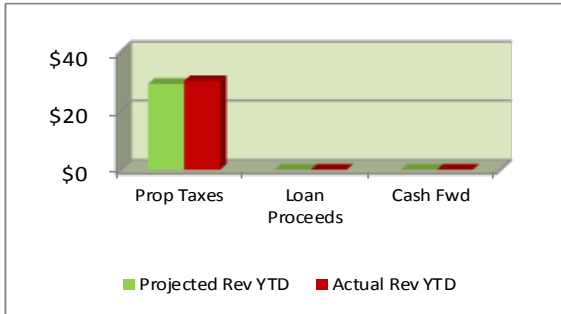
For the Month Ending January 31, 2017

Resources

Through January 31, 2017

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%

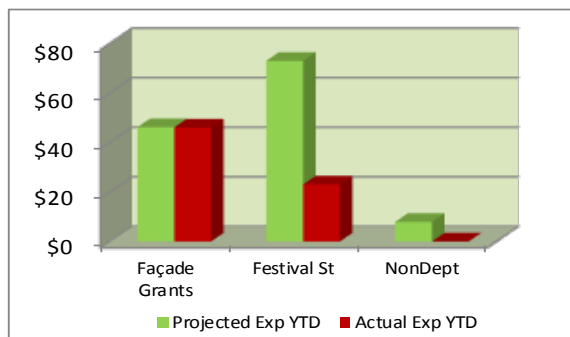
Note: variance is calculated as a percent of the projected revenue YTD.

Expenditures

Through January 31, 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	0.4%
Festival St	125	73	23	50	66%
NonDept	14	8	-	8	94%
Res for Fut Exp	14	-	-	-	0%
Total	\$ 203	\$ 126	\$ 69	\$ 57	45%

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

The agency has received all of its estimated property tax for the fiscal year. In January \$36,400 was expended for the Holiday Inn Express façade grant and \$22,500 was expended for the festival street, which covered the October kick-off work session, the December committee meeting and all of the architecture work to date. The next meeting will be with the downtown merchants and design committee on March 1st where a refined design will be presented and additional decisions on fixtures will be made.

2016-2017 Monthly Financial Report

City of Hermiston, Oregon

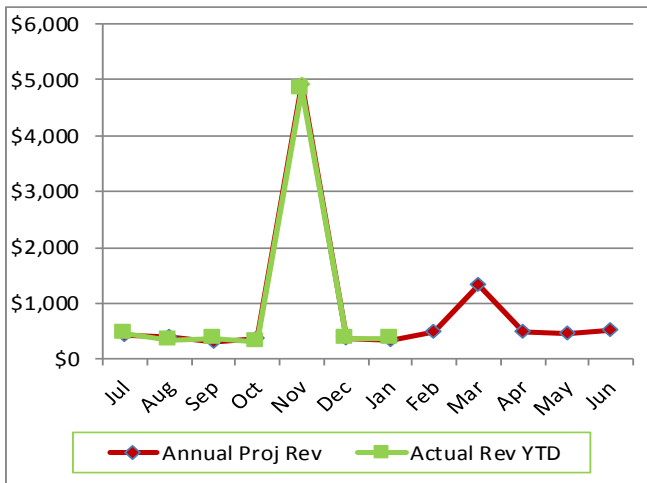
General Fund Resources

For the Month Ending January 31, 2017

Through January 31, 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				
Mar	1,322				
Apr	484				
May	446				
Jun	520				
Total	10,387	7,121	7,014	(107)	(2%)
Cash Fwd	4,800	-	-	-	0%
Total	\$ 15,187	\$ 7,121	\$ 7,014	(107)	(2%)

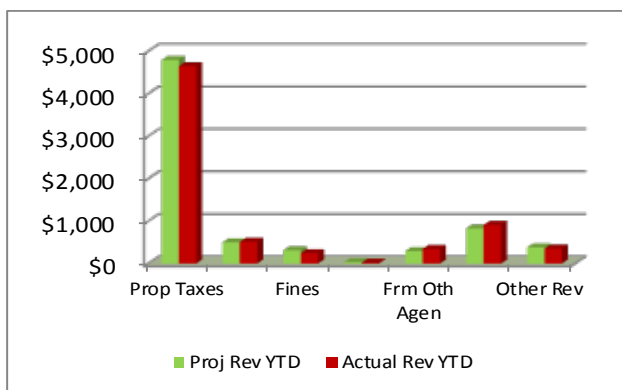
Actual revenues in the General Fund are \$7 million at the end of January, about \$107,000 less than projections. Property taxes, which are under projections by \$147,000, represent the bulk of the variance. Fines, Interest Earnings and Other revenue are also under projections. Licenses are over projections by \$13,000; Receipts from Other Agencies are over projections by \$51,000 and Service Charges are over projections by \$83,000.

General Fund Revenue

Through January 31, 2017

by Category

(in \$1,000)



	Annual Proj Rev	Proj Rev YTD	Actual Rev YTD	Var Fav/ (Unfav)	% Var
Prop Taxes	\$ 5,202	\$ 4,787	\$ 4,639	\$ (147)	(3%)
Lic	851	496	510	13	3%
Fines	570	310	244	(66)	(21%)
Interest Rev	50	31	18	(13)	(43%)
Frm Oth Agen	499	291	342	51	17%
Svc Chgs	1,424	826	909	83	10%
Other Rev	1,791	379	351	(28)	(7%)
Cash Fwd	4,800	-	-	-	0%
Total	\$15,187	\$ 7,121	\$ 7,014	\$ (107)	(2%)

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

2016-2017 Monthly Financial Report

City of Hermiston, Oregon

General Fund Expenditures

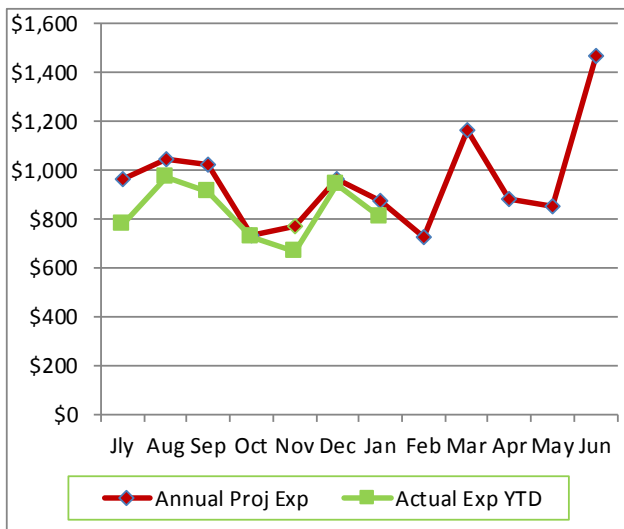
For the Month Ending January 31, 2017

General Fund Expenditure Summary

Through January 31, 2017

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	\$ 968	\$ 968	\$ 943	\$ 25	3%
Jan	\$ 873	\$ 873	\$ 806	\$ 67	8%
Feb	\$ 724				
Mar	\$ 1,164				
Apr	\$ 881				
May	\$ 853				
Jun	\$ 1,468				
Total	11,472	6,383	5,800	583	9%
Unapp	3,715	-	-	-	0%
Total	\$ 15,187	\$ 6,383	\$ 5,800	\$ 583	9%

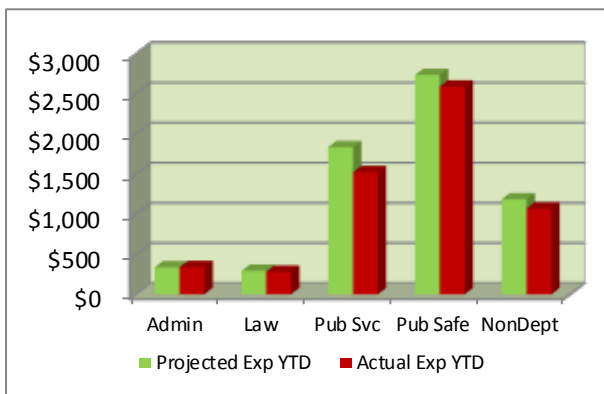
General Fund expenditures continue to come in under projections. As of January they were \$583,000 under anticipated spending. Public Services, Public Safety and Non-Departmental continue to lead this trend with savings of \$312,000, \$146,000 and \$115,000 respectively. Collectively Legal and Court are under by \$11,000.

General Fund Expenditures

Through January 31, 2017

by Consolidated Department

(in \$1,000)



	Annual Proj Exp	Projected Exp YTD	Actual Exp YTD	Var Fav/ (Unfav)	% Var
Admin	\$ 564	337	337	(1)	(0%)
Law	497	292	281	11	4%
Pub Svc	3,139	1,835	1,523	312	17%
Pub Safe	4,517	2,735	2,589	146	5%
NonDept	6,470	1,185	1,070	115	10%
Unapp	-	-	-	-	0%
Total	\$ 15,187	\$ 6,383	\$ 5,800	\$ 583	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 January 31, 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	34,559	40,842	(6,283)	(18%)
City Manager/Planning	438,624	257,090	252,706	4,384	2%
Finance	79,295	44,890	43,887	1,003	2%
Total Admin & Finance	563,638	336,540	337,435	(895)	(0%)
Legal	83,700	47,719	39,913	7,806	0%
Court	413,186	243,840	241,080	2,760	1%
Total Dept of Law	496,886	291,560	280,993	10,567	4%
Transportation	248,300	92,666	67,543	25,123	27%
Airport	252,450	160,513	98,094	62,419	39%
Bldg Inspection	355,617	210,557	208,171	2,386	1%
Parks	490,819	277,894	246,934	30,960	11%
Parks/Utility Landscaping	39,475	23,027	10,725	12,302	53%
Pool	433,333	297,831	215,935	81,896	27%
Municipal Buildings	18,500	11,941	9,378	2,563	21%
Library	734,775	428,889	371,072	57,817	13%
Recreation	565,808	331,599	295,099	36,500	11%
Total Public Services	3,139,077	1,834,917	1,522,951	311,966	17%
Public Safety Center	82,000	52,638	40,271	12,367	23%
Police Operations	4,434,616	2,682,862	2,548,871	133,991	5%
Total Public Safety	4,516,616	2,735,500	2,589,142	146,358	5%
Non-Departmental	2,756,190	1,184,589	1,069,890	114,699	10%
Unappropriated	3,714,718	0	0	0	0%
Total Non-Dept	6,470,908	1,184,589	1,069,890	114,699	10%
Total	15,187,125	6,383,105	5,800,411	582,694	9%

Other than the City Council all departments have positive budget variances. As reported previously we will correct this during the budget supplement by adding additional resources for travel and training.

Continuing the trend we've seen for the last several months the Pool, Airport and Library have the greatest amount of savings dollar-wise in Public Services. Collectively they make up 64% of the \$312,000 positive variance in Public Services. The Pool's budget variance is partly due to an error in the labor forecast that was made during budget development. The estimated retirement amount for temporary employees was input as if they were full-time permanent employees so the budget for personnel services is about \$25,000 too high. The department also has savings in various repair and maintenance accounts. The Airport has savings in fuel, and the Library has savings in personnel costs and building repairs.

The Police Department has savings of \$134,000 in travel and training, nuisance abatement and motor vehicle fuel.

2016-2017 Monthly Financial Report

Fund Balance - General Fund

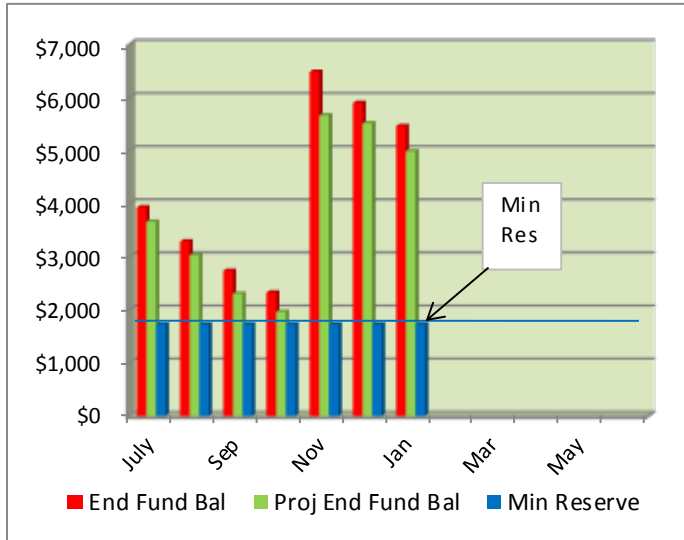
For the Month Ending January 31, 2017

General Fund

Through January 31, 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					
Mar					
Apr					
May					
June					
Total	\$ 4,244	\$7,014	\$ (5,800)	\$ 5,457	\$ 4,982

The fund balance in the General Fund was \$5.5 million at the end of January compared to a projected balance of \$5 million. Since the beginning of the fiscal year the fund balance has increased \$1.2 million.

2016-2017 Monthly Financial Report

Special Revenue Funds Report

For the Month Ending January 31, 2017

Special Revenue Funds

Resources & Requirements

	2016-17		Remaining Budget
	Annual Budget	Actual YTD	
Bonded Debt Fund			
Resources	699,925	422,101	277,824
Expenditures	510,275	465,537	44,738
Unappropriated Balance	189,650	N/A	N/A
Transient Room Tax (TRT)			
Resources	830,460	453,112	377,348
Expenditures	767,860	327,937	439,923
Unappropriated Balance	62,600	N/A	N/A
Reserve Fund			
Resources	6,341,140	937,092	5,404,048
Expenditures	5,348,367	1,035,742	4,312,625
Unappropriated Balance	992,773	N/A	N/A
Municipal Court Special Revenue			
Resources	281,900	107,978	173,922
Expenditures	260,100	109,567	150,533
Unappropriated Balance	21,800	N/A	N/A
Miscellaneous Special Revenue			
Resources	35,000	11,076	23,924
Expenditures	35,000	13,634	21,366
Unappropriated Balance	-	N/A	N/A
Conference Center			
Resources	237,525	105,310	132,215
Expenditures	187,525	91,980	95,545
Unappropriated Balance	50,000	N/A	N/A
Christmas Express Special Revenue			
Resources	34,690	28,192	6,498
Expenditures	34,690	12,708	21,982
Unappropriated Balance	-	N/A	N/A
Law Enforcement Special Revenue			
Resources	78,880	21,168	57,712
Expenditures	65,880	31,436	34,444
Unappropriated Balance	13,000	N/A	N/A
Library Special Revenue			
Resources	57,200	15,085	42,115
Expenditures	44,000	2,526	41,474
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 January 31, 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	772,578	811,104	38,526	5%
Expenditures	1,184,879	692,739	678,041	14,698	2%
Contingency/Unapp Balance	545,595	N/A	N/A	N/A	N/A

Utility Fund					
Resources	8,731,020	3,668,499	3,521,602	(146,897)	(4%)
Expenditures	7,956,020	4,457,250	4,340,236	117,014	3%
Contingency/Unapp Balance	775,000	N/A	N/A	N/A	N/A

HES Fund					
Resources	11,970,249	5,023,819	4,870,124	(153,695)	(3%)
Expenditures	9,151,094	4,799,203	4,666,136	133,067	3%
Contingency/Unapp Balance	2,819,155	N/A	N/A	N/A	N/A

Regional Water Fund					
Resources	1,317,060	452,133	477,929	25,796	6%
Expenditures	723,530	422,059	395,154	26,905	6%
Contingency/Unapp Balance	593,530	N/A	N/A	N/A	N/A

Gas tax revenues in the Street fund are 5% above projections while expenditures are 2% below projections. The fund has an overall positive variance of approximately \$53,000.

The negative revenue variance in the Utility Fund is about \$147,000 due to Water revenues coming in less than projected. However, the positive expenditure variance of \$117,000 offsets much of this for an overall negative budget variance of about \$30,000. Last month the overall variance was \$58,000.

After making adjustments to the budget model to reflect the overestimate of HES revenues, the negative variance decreased to about \$154,000. The positive expenditure variance offsets all but about \$20,000 resulting in an overall negative of about \$21,000.

The Regional Water fund has a positive variance in both revenues and expenditures. Revenues are \$26,000 higher than expected and expenditures are \$27,000 lower than expected for an overall variance of \$52,700.

2016-2017 Monthly Financial Report

Utility and HES Funds Report

For the Month Ending January 31, 2017

Utility and HES Funds Report

Reserve Balances

	Beginning Reserve	Ending Reserve	% Ending Reserve	Minimum Reserve Requirement	Difference
Utility Fund	1,684,832	1,295,172	16.3%	980,879	314,293
HES Fund	3,027,074	4,181,488	45.7%	1,128,217	3,053,271
Total	4,711,906	5,476,660	-	2,109,096	3,367,564

The reserve in the Utility Fund is almost \$1.3 million at the end of January. This is \$315,000 above the minimum level, an improvement of \$216,000 since December. The HES Fund reserve is \$4.2 million, a growth of about \$340,000 since last month. The combined total reserve is \$5.5 million.

2016-17 Monthly Financial Report

City of Hermiston, Oregon

Capital Projects Report

For the Month Ending January 31, 2017

Capital Projects

	2016-2017 Budget	YTD Expenditures	LTD Budget	LTD Expenditures	% Complete
Airport GIS (AGIS) Mapping Project	\$ 300,000	\$ 30,209	\$ -	\$ -	10%
Senior Center	2,706,300	119,444	2,823,360	227,748	8%
11th & Elm	813,710	15,000	813,710	15,000	2%
West Highland Trail	130,000	3,850	130,000	3,850	3%
Total	\$ 3,950,010	\$ 168,503	\$ 3,767,070	\$ 246,598	

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.

January Update: Precision Approach Engineering continues to work on the AGIS mapping project, which was added on to the Taxiway grant. The project is approximately 10% complete. Through January a little over \$30,000 has been expended.

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.

January Update: The City has incurred \$227,750 on design and development costs to date. The Building Department plan review is complete and the City announced the bids on January 20. The City conducted a mandatory pre-bid meeting on February 9. The bid opening is scheduled for 3pm, March 7th.

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.

January Update: Nothing new to report since December.

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.

January Update: In January \$3,850 was expended for preliminary surveying and project preparation. Heavy snow delayed surveying until late January. The project is now moving forward.

2016-2017 Monthly Financial Report
City of Hermiston, Oregon
Investments
For the Month Ending January 31, 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)
3135GOG31	\$ 2,000,000	\$ 1,993,600	\$ 1,994,178	FNMA	Aaa/AA+	728	Y	1.28	1.28
76116FAA5	\$ 2,062,000	\$ 1,999,998	\$ 1,975,798	REFCORP	Aaa/AA+	987	N	0.95	0.95
3133EGLA1	\$ 1,000,000	\$ 1,001,020	\$ 981,648	FFCB	Aaa/AA+	1,077	Y	1.07	1.14
3137EADN6	\$ 1,000,000	\$ 978,757	\$ 998,786	FHLMC	Aaa/AA+	346	N	1.29	1.29
US Agencies	\$ 6,062,000	\$ 5,973,375	\$ 5,950,410	---	---	---	---	---	---
LGIP	\$ 8,538,382	\$ 8,538,382	\$ 8,538,382	Varies	---/AA	1	N	1.15	1.15
LGIP	\$ 8,538,382	\$ 8,538,382	\$ 8,538,382	---	---	---	---	---	---
TOTAL	\$ 14,600,382	\$ 14,511,757	\$ 14,488,792	---	---	---	---	---	---

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.

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	337	337	< 90 Days	\$ 8,538,382	58.5%	US Agency	\$ 6,062,000	41.5%
Wtd Avg Yield to Mat	1.08%	1.15%	90 Days - 3 Yr	\$ 5,062,000	34.7%	Other	\$ -	0.0%
Percent Callable	20.5%	49.5%	3 - 5 Yrs	\$ 1,000,000	6.8%	LGIP	\$ 8,538,382	58.5%
Wtd Avg Credit Rtng	Aaa/AA+	Aaa/AA+		\$ 14,600,382	100.0%		\$ 14,600,382	100.0%