
Monthly Financial Report



Includes the Hermiston Urban Renewal Agency

**Finance Department
March 2017
(Unaudited)**

2016-2017 Monthly Financial Report

Hermiston Urban Renewal Agency (HURA)

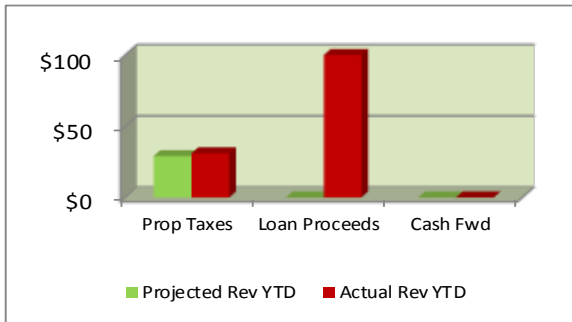
For the Month Ending March 31, 2017

Resources

Through March 31, 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	-	100	100	0%
Cash Fwd	74	-	-	-	0%
Total	\$ 203	\$ 29	\$ 131	\$ 102	0%

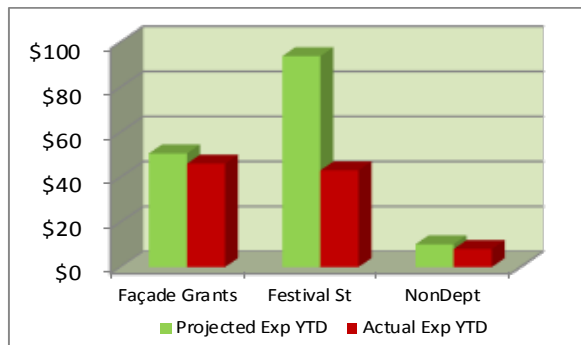
Note: variance is calculated as a percent of the projected revenue YTD.

Expenditures

Through March 31, 2017

by Character

(in \$1,000)



	Annual Proj Exp	Projected Exp YTD	Actual Exp YTD	Var Fav/ (Unfav)	% Var
Façade Grants	\$ 50	\$ 51	\$ 46	\$ 5	8.9%
Festival St	125	94	43	51	52%
NonDept	14	10	8	2	15%
Res for Fut Exp	14	-	-	-	0%
Total	\$ 203	\$ 153	\$ 97	\$ 56	37%

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

In March HURA made a \$7,700 payment towards their original loan of \$50,000 from the City. HURA also requested and received \$100,000 from their second loan from the City. The first loan funded the façade grants issued during the first two years of operations and the second loan is for design of the festival street, which is being finalized by the contractor.

\$12,800 was expended for design services in March. Fixtures and plantings will be selected and presented to the City Council in April.

2016-2017 Monthly Financial Report

City of Hermiston, Oregon

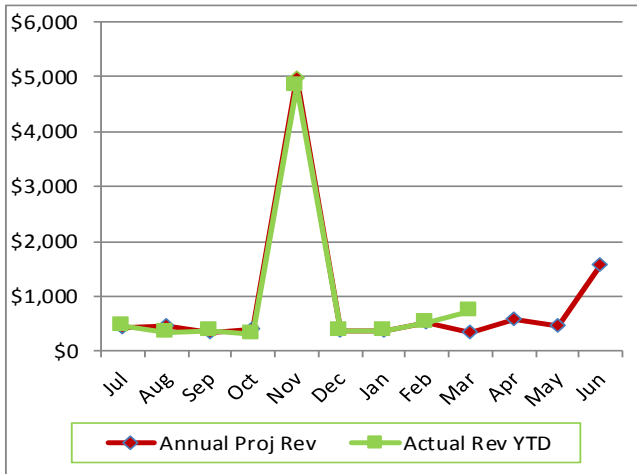
General Fund Resources

For the Month Ending March 31, 2017

Through March 31, 2017

All Resources

(in \$1,000)



	Annual Proj Rev	Proj Rev YTD	Actual Rev YTD	Var Fav/ (Unfav)	% Var
Jul	\$ 422	\$ 422	\$ 458	\$ 36	9%
Aug	446	\$ 446	\$ 326	(121)	(27%)
Sep	329	\$ 329	\$ 362	33	10%
Oct	386	\$ 386	\$ 314	(72)	(19%)
Nov	4,974	\$ 4,974	\$ 4,829	(145)	(3%)
Dec	381	\$ 381	\$ 354	(27)	(7%)
Jan	368	\$ 368	\$ 372	4	1%
Feb	527	\$ 527	\$ 515	(12)	(2%)
Mar	343	\$ 343	\$ 735	392	114%
Apr	576				
May	456				
Jun	1,556				
Total	10,763	8,175	8,263	88	1%
Cash Fwd	4,800	-	-	-	0%
Total	\$ 15,563	\$ 8,175	\$ 8,263	88	1%

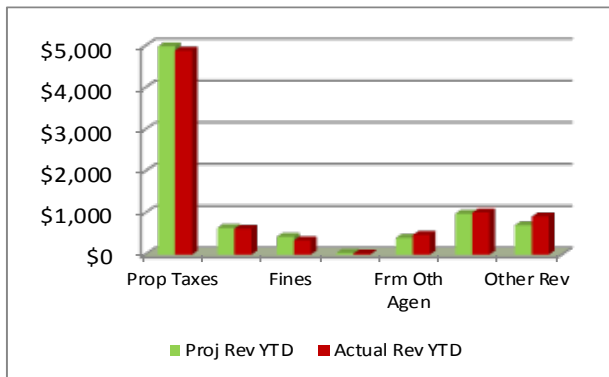
Actual revenues in the General Fund are \$8.3 million year-to-date, \$88,000 over projections. Property Taxes, Licenses, Fines, and Interest Earnings are under projections collectively by \$223,000 while Receipts from Other Agencies, Service Charges and Other Revenue are over projections by \$311,000.

General Fund Revenue

Through March 31, 2017

by Category

(in \$1,000)



	Annual Proj Rev	Proj Rev YTD	Actual Rev YTD	Var Fav/ (Unfav)	% Var
Prop Taxes	\$ 5,202	\$ 4,986	\$ 4,884	\$ (102)	(2%)
Lic	851	638	619	(19)	(3%)
Fines	570	427	342	(85)	(20%)
Interest Rev	50	41	23	(17)	(43%)
Frms Oth Agen	536	402	473	70	18%
Svc Chgs	1,424	978	1,009	31	3%
Other Rev	2,130	703	913	210	30%
Cash Fwd	4,800	-	-	-	0%
Total	\$ 15,563	\$ 8,175	\$ 8,263	\$ 88	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

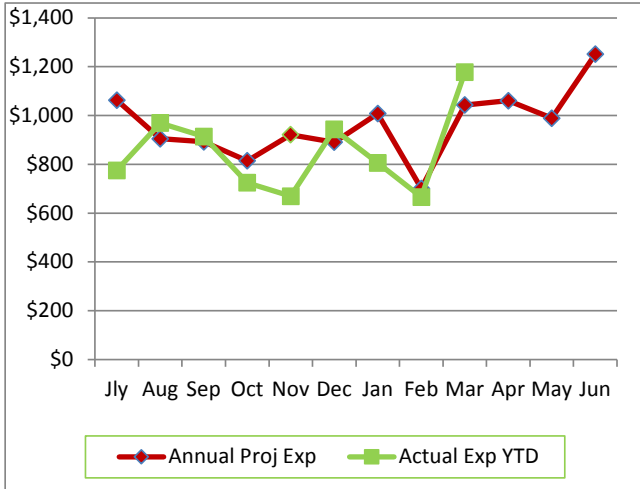
For the Month Ending March 31, 2017

General Fund Expenditure Summary

Through March 31, 2017

All Requirements

(in \$1,000)



	Annual Proj Exp	Projected Exp YTD	Actual Exp YTD	Var Fav/ (Unfav)	% Var
Jly	\$ 1,063	\$ 1,063	\$ 775	\$ 288	27%
Aug	\$ 905	\$ 905	\$ 969	\$ (64)	(7%)
Sep	\$ 892	\$ 892	\$ 914	\$ (22)	(2%)
Oct	\$ 815	\$ 815	\$ 724	\$ 90	11%
Nov	\$ 921	\$ 921	\$ 670	\$ 251	27%
Dec	\$ 891	\$ 891	\$ 943	\$ (52)	(6%)
Jan	\$ 1,008	\$ 1,008	\$ 806	\$ 202	20%
Feb	\$ 701	\$ 701	\$ 666	\$ 36	5%
Mar	\$ 1,043	\$ 1,043	\$ 1,177	\$ (134)	(13%)
Apr	\$ 1,061				
May	\$ 989				
Jun	\$ 1,251				
Total	11,541	8,239	7,643	596	7%
Unapp	4,023	-	-	-	0%
Total	\$ 15,563	\$ 8,239	\$ 7,643	\$ 596	7%

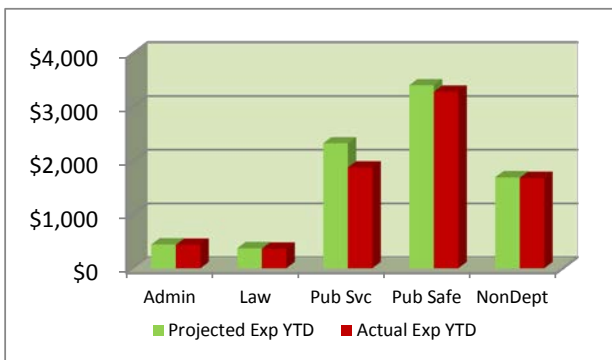
General Fund expenditures continue to trend below projections. Year-to-date savings are \$596,000, an overall favorable variance of 7%. The majority of the savings are in Public Services and Public Safety.

General Fund Expenditures

Through March 31, 2017

by Consolidated Department

(in \$1,000)



	Annual Proj Exp	Projected Exp YTD	Actual Exp YTD	Var Fav/ (Unfav)	% Var
Admin	\$ 580	442	436	5	1%
Law	497	373	364	9	2%
Pub Svc	3,156	2,327	1,877	450	19%
Pub Safe	4,517	3,406	3,286	120	4%
NonDept	6,813	1,692	1,681	11	1%
Unapp	-	-	-	-	0%
Total	\$ 15,563	\$ 8,239	\$ 7,643	\$ 596	7%

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 March 31, 2017

General Fund Expenditures by Department

	Annual Projected Exp	Projected Exp YTD	Actual Exp YTD	Var Fav/ (Unfav)	% Var Fav/ (Unfav)
City Council	61,819	51,367	50,318	1,049	2%
City Manager/Planning	438,624	331,595	331,371	224	0%
Finance	79,295	58,843	54,787	4,056	7%
Total Admin & Finance	579,738	441,805	436,476	5,329	1%
Legal	83,700	61,751	54,494	7,257	0%
Court	413,186	310,922	309,304	1,618	1%
Total Dept of Law	496,886	372,672	363,797	8,875	2%
Transportation	248,300	187,568	85,804	101,764	54%
Airport	266,450	201,974	125,300	76,674	38%
Bldg Inspection	358,617	268,836	267,349	1,487	1%
Parks	490,819	344,948	298,579	46,368	13%
Parks/Utility Landscaping	39,475	29,606	10,725	18,881	64%
Pool	433,333	307,694	228,372	79,321	26%
Municipal Buildings	18,500	15,440	10,797	4,643	30%
Library	734,775	548,240	480,406	67,833	12%
Recreation	565,808	422,305	369,339	52,966	13%
Total Public Services	3,156,077	2,326,610	1,876,672	449,938	19%
Public Safety Center	82,000	62,836	49,522	13,314	21%
Police Operations	4,434,616	3,343,158	3,236,194	106,964	3%
Total Public Safety	4,516,616	3,405,994	3,285,716	120,279	4%
Non-Departmental	2,791,190	1,691,782	1,680,599	11,183	1%
Unappropriated	4,022,605	0	0	0	0%
Total Non-Dept	6,813,795	1,691,782	1,680,599	11,183	1%
Total	15,563,112	8,238,864	7,643,259	595,605	7%

All departments in the General Fund are under projected spending. The largest savings dollar-wise are in Police Operations at \$107,000 and Transportation at \$102,000. Police has savings in overtime, nuisance abatement and motor vehicle fuel and oil. The Transportation Department has savings in the taxi program and received its invoice for the first three months of the bus program in April.

2016-2017 Monthly Financial Report

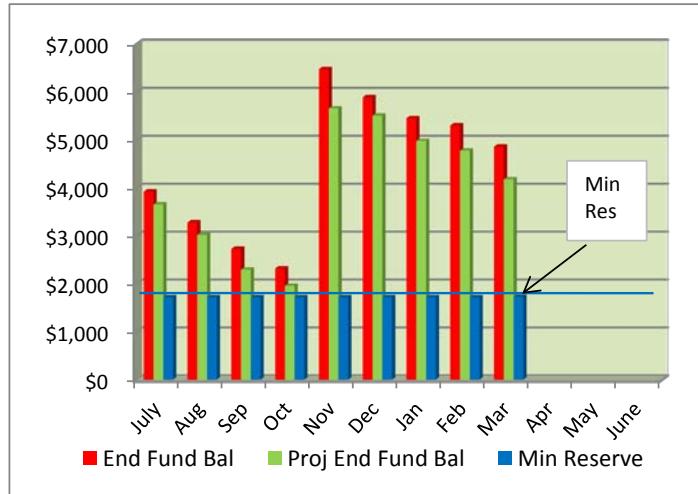
Fund Balance - General Fund
For the Month Ending March 31, 2017

General Fund

Through March 31, 2017

Ending Fund Balance

(in \$1,000)



Minimum Reserve = \$1,731,076

	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	\$ 4,780
Mar	5,306	\$ 735	\$ (1,177)	\$ 4,864	\$ 4,180
Apr					
May					
June					
Total	\$ 4,244	\$ 8,263	\$ (7,643)	\$ 4,864	\$ 4,180

The fund balance in the General Fund at the end of March is \$4.9 million, an increase of \$620,000 since the beginning of the fiscal year.

2016-2017 Monthly Financial Report

Special Revenue Funds Report

For the Month Ending March 31, 2017

Special Revenue Funds

Resources & Requirements

	2016-17		Remaining Budget
	Annual Budget	Actual YTD	
Bonded Debt Fund			
Resources	699,925	430,716	269,209
Expenditures	510,275	465,537	44,738
Unappropriated Balance	189,650	N/A	N/A
Transient Room Tax (TRT)			
Resources	830,460	493,623	336,837
Expenditures	767,860	468,783	299,077
Unappropriated Balance	62,600	N/A	N/A
Reserve Fund			
Resources	6,410,276	1,306,360	5,103,916
Expenditures	5,375,567	1,284,902	4,090,665
Unappropriated Balance	1,034,709	N/A	N/A
Municipal Court Special Revenue			
Resources	281,900	137,405	144,495
Expenditures	260,100	139,191	120,909
Unappropriated Balance	21,800	N/A	N/A
Miscellaneous Special Revenue			
Resources	92,742	13,871	78,871
Expenditures	92,742	75,182	17,560
Unappropriated Balance	-	N/A	N/A
Conference Center			
Resources	254,782	139,788	114,994
Expenditures	204,782	142,089	62,693
Unappropriated Balance	50,000	N/A	N/A
Christmas Express Special Revenue			
Resources	36,204	37,707	(1,503)
Expenditures	34,690	12,872	21,818
Unappropriated Balance	1,514	N/A	N/A
Law Enforcement Special Revenue			
Resources	107,606	23,927	83,679
Expenditures	94,606	51,087	43,519
Unappropriated Balance	13,000	N/A	N/A
Library Special Revenue			
Resources	57,200	17,868	39,332
Expenditures	44,000	2,994	41,006
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 March 31, 2017

Utility and Street Funds Report

Resources & Expenditures

	2016-17 Annual			Variance	
	Budget	Projected YTD	Actual YTD	Fav/(Unfav)	% Variance
Street Fund					
Resources	1,730,474	934,380	990,105	55,725	6%
Expenditures	1,184,879	904,785	887,706	17,079	2%
Contingency/Unapp Balance	545,595	N/A	N/A	N/A	N/A

Utility Fund					
Resources	8,731,020	4,278,689	4,217,917	(60,772)	(1%)
Expenditures	7,956,020	6,286,173	6,124,479	161,694	3%
Contingency/Unapp Balance	775,000	N/A	N/A	N/A	N/A

HES Fund					
Resources	11,380,501	6,565,721	6,608,478	42,757	1%
Expenditures	8,561,346	5,624,998	5,605,740	19,258	0%
Contingency/Unapp Balance	2,819,155	N/A	N/A	N/A	N/A

Regional Water Fund					
Resources	1,317,060	568,300	586,438	18,138	3%
Expenditures	723,530	542,648	621,912	(79,265)	(15%)
Contingency/Unapp Balance	593,530	N/A	N/A	N/A	N/A

The Street fund continues to have positive variances in both revenue and expenditures. The revenue variance in the Utility Fund continues to improve as year-to-date billings smooth out the effects of the impact on revenues caused by the unusual weather pattern we had during the winter. The fund has a positive expenditure variance mostly due to savings in water operations.

The HES fund has favorable variances in both revenue and expenditures for a combined positive variance of \$62,000.

The Regional Water fund has a positive variance in revenues, but a negative variance in expenditures due to the annual payment to the Port of Umatilla for maintaining the port's water rights, which was \$25,000 more than last year.

2016-2017 Monthly Financial Report

Utility and HES Funds Report For the Month Ending March 31, 2017

Utility and HES Funds Report

Reserve Balances

	Beginning Reserve	Ending Reserve	% Ending Reserve	Minimum Reserve Requirement	Difference
Utility Fund	1,684,832	1,078,682	13.6%	980,879	97,803
HES Fund	3,027,074	4,486,327	52.4%	1,055,508	3,430,819
Total	4,711,906	5,565,009	-	2,036,388	3,528,621

The reserve in the Utility Fund is now almost \$1.1 million, about \$98,000 above the minimum level. The HES Fund reserve increased during March to \$4.5 million, well above the minimum of \$1,055,000. The combined total reserve is \$5.6 million.

2016-17 Monthly Financial Report

City of Hermiston, Oregon

Capital Projects Report

For the Month Ending March 31, 2017

Capital Projects

	2016-2017 Budget	YTD Expenditures	LTD Budget	LTD Expenditures	% Complete
Airport GIS (AGIS) Mapping Project	\$ 300,000	\$ 39,563	\$ -	\$ -	10%
Senior Center	2,713,100	125,115	2,830,160	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	\$ 3,956,810	\$ 209,663	\$ 3,773,870	\$ 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.

March Update: Precision Approach Engineering continues to work on the AGIS mapping project. March expenditures were \$8,300.

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 has a required cash match of \$73,242 and must 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.

March Update: The \$750,000 for the basement and elevator has been transferred to the Senior Center Fund from the General fund. The groundbreaking ceremony will be in April, and construction will begin shortly thereafter. 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.

March Update: No expenditures were made in March.

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.

March Update: A project kick-off meeting was held March 9 with ODOT and the engineering firm. No expenditures were made in March.

2016-2017 Monthly Financial Report
City of Hermiston, Oregon
Investments
For the Month Ending March 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)
3135G0G31	\$ 2,000,000	\$ 1,993,600	\$ 1,992,478	FNMA	Aaa/AA+	669	Y	1.28	1.28
76116FAA5	\$ 2,062,000	\$ 1,999,998	\$ 1,984,566	REFCORP	Aaa/AA+	928	N	0.95	0.95
3133EGLA1	\$ 1,000,000	\$ 1,001,020	\$ 986,722	FFCB	Aaa/AA+	1,018	Y	1.07	1.14
3137EADN6	\$ 1,000,000	\$ 978,757	\$ 997,512	FHLMC	Aaa/AA+	287	N	1.29	1.29
3130A9SY8	\$ 1,010,000	\$ 996,574	\$ 994,180	FHLB	Aaa/AA+	1,305	N	1.72	1.72
US Agencies	\$ 7,072,000	\$ 6,969,949	\$ 6,955,458	---	---	---	---	---	---
LGIP	\$ 6,554,039	\$ 6,554,039	\$ 6,554,039	Varies	---/AA	1	N	1.22	1.22
LGIP	\$ 6,554,039	\$ 6,554,039	\$ 6,554,039	---	---	---	---	---	---
TOTAL	\$ 13,626,039	\$ 13,523,988	\$ 13,509,497	---	---	---	---	---	1.23

The City's overall investment portfolio decreased by approximately \$1.6M during March due to withdrawals from the LGIP to cover HES capital project costs and cash needs in the general fund and utility fund. The overall weighted average yield to maturity increased from 1.19% to 1.23%. The portfolio has earned almost \$100,000 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	432	432	< 90 Days	\$ 6,554,039	48.1%	US Agency	\$ 7,072,000	51.9%
Wtd Avg Yield to Mat	1.22%	1.23%	90 Days - 3 Yrs	\$ 6,062,000	44.5%	Other	\$ -	0.0%
Percent Callable	29.4%	56.7%	3 - 5 Yrs	\$ 1,010,000	7.4%	LGIP	\$ 6,554,039	48.1%
Wtd Avg Credit Rtng	Aaa/AA+	Aaa/AA+		\$ 13,626,039	100.0%		\$ 13,626,039	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.