

Monthly Financial Report



Includes the Hermiston Urban Renewal Agency

Finance Department
November 2015

2015-2016 Monthly Financial Report

Hermiston Urban Renewal Agency (HURA)

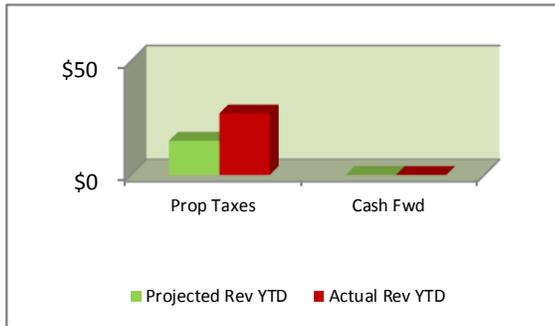
For the Month Ending Nov 30, 2015

Resources

Through Nov 30, 2015

by Category

(in \$1,000)



	Annual Proj Rev	Projected Rev YTD	Actual Rev YTD	Var Fav/ (Unfav)	% Var
Prop Taxes	\$ 15	\$ 15	\$ 27	\$ 12	0%
Cash Fwd	60	-	-	-	0%
Total	\$ 75	\$ 15	\$ 27	\$ 12	0%

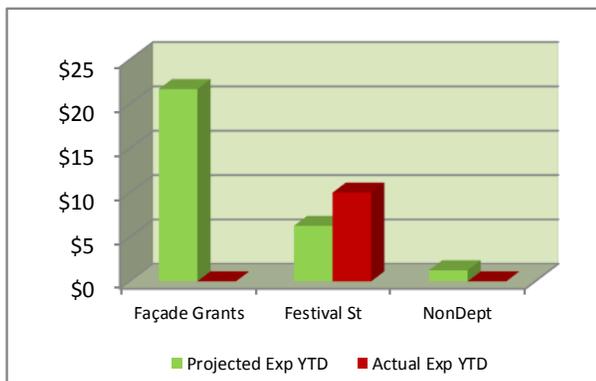
Note: variance is calculated as a percent of the projected revenue YTD.

Expenditures

Through Nov 30, 2015

by Character

(in \$1,000)



	Annual Proj Exp	Projected Exp YTD	Actual Exp YTD	Var Fav/ (Unfav)	% Var
Façade Grants	\$ 52	\$ 22	\$ -	\$ 22	100%
Festival St	15	6	10	(4)	(60%)
NonDept	3	1	-	1	0%
Res for Fut Exp	5	-	-	-	0%
Total	\$ 75	\$ 29	\$ 10	\$ 19	0%

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

Property taxes, which are due in November, are the primary revenue source for HURA. Last year 79% of the taxes were collected during November. This year \$27,000 was received in November, 180% of the entire fiscal year's estimated property tax revenue. No expenditures have been made since September leaving year-to-date expenditures at approximately \$10,500.

2015-2016 Monthly Financial Report

City of Hermiston, Oregon

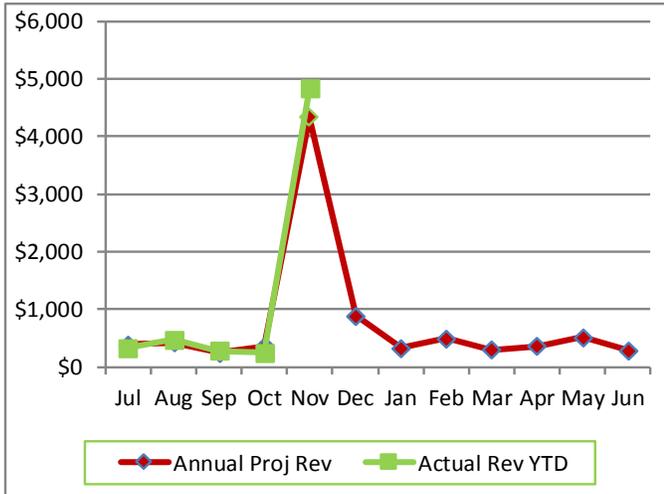
General Fund Resources

For the Month Ending Nov 30, 2015

Through Nov 30, 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	242	280	38	16%
Oct	355	355	251	(105)	(29%)
Nov	4,330	4,330	4,829	499	12%
Dec	885	-	-	-	-
Jan	333	-	-	-	-
Feb	490	-	-	-	-
Mar	293	-	-	-	-
Apr	360	-	-	-	-
May	517	-	-	-	-
Jun	285	-	-	-	-
Total	8,902	5,738	6,170	432	8%
Cash Fwd	3,813	-	-	-	0%
Total	\$ 12,715	\$ 5,738	\$ 6,170	\$ 432	8%

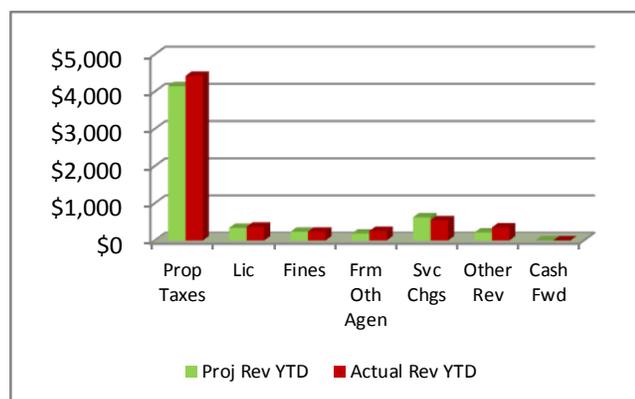
Through the end of November the City has received \$6.2 million in General Fund revenues. This is 69% of the total revenues estimated for 2015-16 and \$432,000 higher than projections for this point in the fiscal year. The largest variances are in Property Taxes, a favorable \$276,000, followed by Other Revenue with a positive \$135,000 variance and Service Charges with an unfavorable \$81,000 variance. Other Revenue includes Interest Earnings, repayment of Interfund Loans, Miscellaneous Sales, and Nuisance Abatement assessments. Interest Earnings to date are a little over \$40,000. A partial repayment of \$55,000 has been received on the Interfund Loan for Victory Square Park and \$51,000 in revenue from Miscellaneous Sales has been received.

General Fund Revenue

Through Nov 30, 2015

by Category

(in \$1,000)



	Annual Proj Rev	Proj Rev YTD	Actual Rev YTD	Var Fav/ (Unfav)	% Var
Prop Taxes	\$ 5,265	\$ 4,146	\$ 4,421	\$ 276	7%
Lic	774	337	369	31	9%
Fines	583	236	236	1	0%
Frm Oth Agen	445	185	254	70	38%
Svc Chgs	1,323	623	542	(81)	(13%)
Other Rev	513	212	347	135	64%
Cash Fwd	3,813	-	-	-	0%
Total	\$ 12,715	\$ 5,738	\$ 6,170	\$ 432	8%

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

2015-2016 Monthly Financial Report

City of Hermiston, Oregon

General Fund Expenditures

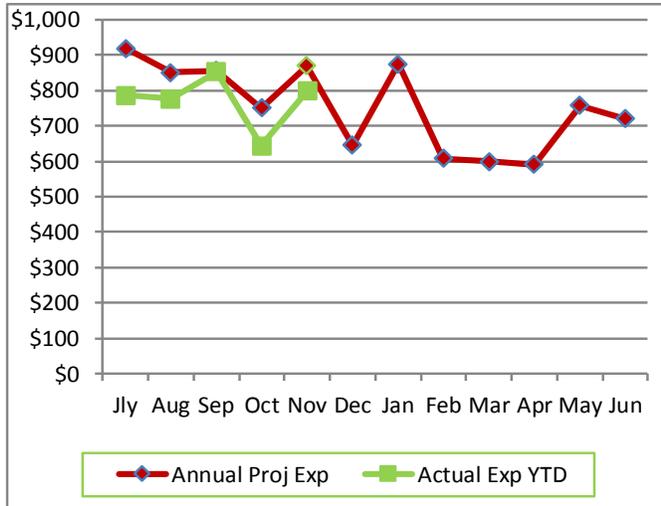
For the Month Ending Nov 30, 2015

General Fund Expenditure Summary

Through Nov 30, 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	855	853	3	0%
Oct	750	750	643	107	14%
Nov	870	870	798	72	8%
Dec	645	-	-	-	-
Jan	874	-	-	-	-
Feb	608	-	-	-	-
Mar	600	-	-	-	-
Apr	590	-	-	-	-
May	758	-	-	-	-
Jun	720	-	-	-	-
Total	9,039	4,244	3,857	386	9%
Unapp	3,676	-	-	-	0%
Total	\$ 12,715	\$ 4,244	\$ 3,857	\$ 386	9%

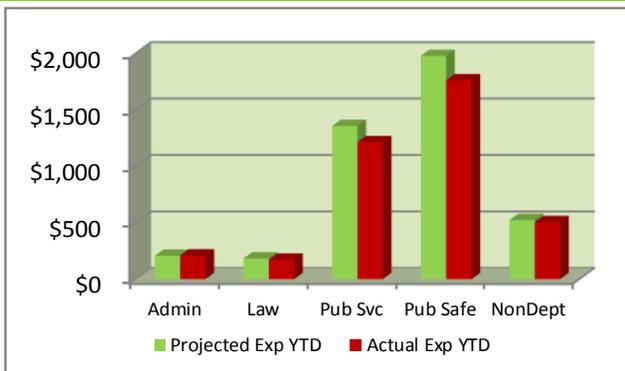
General Fund expenditures are under projections by \$386,000, a 9% favorable variance. Continuing the pattern we have seen in prior months, the largest savings are in Public Safety and Public Services.

General Fund Expenditures

Through Nov 30, 2015

by Consolidated Department

(in \$1,000)



	Annual Proj Exp	Projected Exp YTD	Actual Exp YTD	Var Fav/ (Unfav)	% Var
Admin	\$ 490	207	209	\$ (2)	(1%)
Law	440	182	171	11	6%
Pub Svc	2,879	1,356	1,212	144	11%
Pub Safe	4,330	1,976	1,761	215	11%
NonDept	901	523	504	19	4%
Unapp	3,676	-	-	-	0%
Total	\$ 12,715	\$ 4,244	\$ 3,857	\$ 386	9%

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 Nov 30, 2015

General Fund Expenditures by Department

	Annual Projected			Var Fav/ (Unfav)	% Var Fav/ (Unfav)
	Exp	Projected Exp YTD	Actual Exp YTD		
City Council	32,150	13,794	20,828	(7,034)	(51%)
City Manager/Planning	402,398	170,738	167,830	2,908	2%
Finance	54,964	22,143	20,291	1,852	8%
Total Admin & Finance	489,512	206,675	208,949	(2,275)	(1%)
Legal	187,700	77,216	73,421	3,795	5%
Court	251,904	105,065	97,963	7,102	7%
Total Dept of Law	439,604	182,282	171,384	10,898	6%
Transportation	188,375	80,152	67,742	12,410	15%
Airport	241,640	141,599	79,961	61,638	44%
Bldg Inspection	343,262	141,308	138,619	2,689	2%
Parks	477,440	211,649	196,468	15,181	7%
Pool	389,229	258,173	231,611	26,562	10%
Municipal Buildings	12,900	5,079	4,603	476	9%
Library	689,266	286,170	271,338	14,832	5%
Recreation	537,300	231,868	221,757	10,111	0
Total Public Services	2,879,412	1,355,998	1,212,099	143,899	11%
Public Safety Center	92,000	38,037	37,203	834	2%
Police Operations	4,237,982	1,938,089	1,723,741	214,348	11%
Total Public Safety	4,329,982	1,976,126	1,760,944	215,182	11%
Non-Departmental	900,565	522,602	503,869	18,733	4%
Unappropriated	3,676,280	0	0	0	0%
Total Non-Dept	4,576,845	522,602	503,869	18,733	4%
Total	12,715,355	4,243,682	3,857,245	386,436	9%

The City Council is over its projected expenditures year to date by approximately \$7,000. This overage is due to the timing of most council training opportunities. They come early in the fiscal year and this year this was exacerbated because more councilors were able to participate in the National League of Cities conference. The overall training budget has not been exceeded and we anticipate the overall budget will still be sufficient through the end of the fiscal year.

The Airport continues to show a significant favorable variance in November. Fuel sales are down due to the construction work on the taxiway and with fuel sales down, the corresponding expenditures to purchase fuel are also down.

The Police Department also continues to be under projections with a \$214,000 favorable variance due to savings in overtime, nuisance abatement and motor vehicle repairs.

2015-2016 Monthly Financial Report

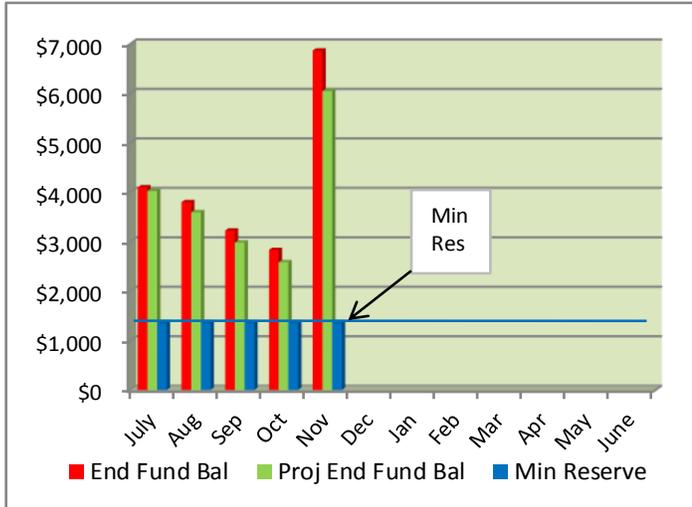
Fund Balance - General Fund For the Month Ending Nov 30, 2015

General Fund

Through Nov 30, 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	3,794	280	(853)	3,221	2,977
Oct	3,221	251	(643)	2,829	2,581
Nov	2,829	4,829	(798)	6,860	6,041
Dec					
Jan					
Feb					
Mar					
Apr					
May					
June					
Total	\$ 4,547	\$ 6,170	\$ (3,857)	\$ 6,860	\$ 6,041

The bulk of the property taxes was received in November causing the fund balance in the General Fund to increase a little over \$4 million to \$6.9 million. This puts the fund \$5.5 million above the required reserve of \$1.4 million.

2015-2016 Monthly Financial Report

Special Revenue Funds Report For the Month Ending Nov 30, 2015

Special Revenue Funds Resources & Requirements

	2015-16 Annual		Remaining
	Budget	Actual YTD	Budget
Bonded Debt Fund			
Resources	3,767,354	1,331,384	2,435,970
Expenditures	3,527,354	1,386,330	2,141,024
Unappropriated Balance	240,000	N/A	N/A
Transient Room Tax (TRT)			
Resources	573,335	303,070	270,265
Expenditures	520,000	280,537	239,463
Unappropriated Balance	53,335	N/A	N/A
Recreation Special Revenue			
Resources	239,000	15,000	224,000
Expenditures	57,086	57,086	-
Unappropriated Balance	181,914	N/A	N/A
Reserve Fund			
Resources	7,090,060	875,674	6,214,386
Expenditures	4,882,912	1,311,833	3,571,079
Unappropriated Balance	2,207,148	N/A	N/A
Municipal Court Special Revenue			
Resources	281,900	106,673	175,227
Expenditures	246,900	103,842	143,058
Unappropriated Balance	35,000	N/A	N/A
Miscellaneous Special Revenue			
Resources	30,000	6,707	23,293
Expenditures	30,000	6,661	23,339
Unappropriated Balance	-	N/A	N/A
Conference Center			
Resources	249,975	92,634	157,341
Expenditures	192,475	94,338	98,137
Unappropriated Balance	57,500	N/A	N/A
EOTEC Grant Fund			
Resources	5,400,000	-	5,400,000
Expenditures	5,400,000	1,095,216	4,304,784
Unappropriated Balance	-	N/A	N/A
Law Enforcement Special Revenue			
Resources	71,500	23,214	48,286
Expenditures	43,500	6,601	36,899
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 Nov 30, 2015

Special Revenue Funds Resources & Requirements

	2015-16 Annual Budget	Actual YTD	Remaining Budget
Library Special Revenue			
Resources	58,000	7,461	50,539
Expenditures	46,000	6,028	39,972
Unappropriated Balance	12,000	N/A	N/A
2014 Water & Sewer Rev Bonds			
Resources	1,300,000	633	1,299,367
Expenditures	1,300,000	484,404	815,596
Unappropriated Balance	-	N/A	N/A
Senior Center Const			
Resources	2,073,360	5,490	2,067,870
Expenditures	2,073,360	7,925	2,065,435
Unappropriated Balance	-	N/A	N/A

2015-2016 Monthly Financial Report

Utility and Street Funds Report

For the Month Ending Nov 30, 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	611,705	658,518	46,813	8%
Expenditures	1,348,785	793,122	757,977	35,145	4%
Unappropriated Balance	668,715	N/A	N/A	N/A	N/A
<u>Utility Fund</u>					
Resources	8,480,520	2,411,438	2,590,768	179,330	7%
Expenditures	5,821,305	1,852,389	1,878,590	(26,201)	(1%)
Unappropriated Balance	2,659,215	N/A	N/A	N/A	N/A
<u>HES Fund</u>					
Resources	11,435,765	4,093,308	4,204,024	110,716	3%
Expenditures	8,697,002	3,788,016	3,250,748	537,268	14%
Unappropriated Balance	2,738,763	N/A	N/A	N/A	N/A
<u>Regional Water Fund</u>					
Resources	1,437,800	354,466	440,460	85,994	24%
Expenditures	660,198	560,619	500,160	60,459	11%
Unappropriated Balance	777,602	N/A	N/A	N/A	N/A

The Street Fund has favorable variances both in revenues and expenditures. Gasoline taxes are coming in higher than projections and personnel costs are lower than expected.

Revenues are also coming in higher than anticipated in the Utility Fund. Water revenues are \$141,000 higher than projections and Recycled Water revenues are \$34,000 higher. Expenditures are slightly over projections with a minimal 1% variance.

HES revenues are 3% over projections at \$111,716 while expenditures are 14% under at \$537,268. The expenditure variance is due to the timing of power purchases. \$4.8 million is budgeted and only \$1.5 million has been spent to date.

Revenues are over projections in the Regional Water Fund as well. Actual revenues are \$85,994 over projected revenues, a positive 24% variance. Actual expenditures are \$60,459 under projections, a positive 11% variance.

2015-2016 Monthly Financial Report

Utility and HES Funds Report For the Month Ending Nov 30, 2015

Utility and HES Funds Report

Reserve Balances

	Beginning Reserve	Ending Reserve	% Ending Reserve	Minimum Reserve Requirement	Difference
Utility Fund	3,056,640	3,546,094	60.9%	717,695	2,828,399
HES Fund	3,157,652	3,531,501	40.6%	1,072,233	2,459,268
Total	6,214,292	7,077,595	-	1,789,928	5,287,667

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 \$717,695 for the Utility Fund and \$1,072,233 for the HES Fund. Both funds have balances well above their minimum 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 Nov 30, 2015

Capital Projects

	2015-16 Budget	YTD Expenditures	LTD Budget	LTD Expenditures	% Complete
Airport Improvements	\$ 615,000	\$ 35,250	\$ 650,000	\$ 300,624	---
Eastern OR Trade & Event Ctr (EOTEC) Pipeline	350,000	49,289	1,800,000	741,386	99%
EOTEC Construction	5,400,000	1,095,216	6,400,000	3,994,022	See below
RWTP Outfall	-	151,738	2,500,000	1,315,693	99%
Water Line Extension	1,026,200	307,461	1,250,000	803,516	70%
Total	\$ 7,391,200	\$ 1,638,954	\$ 12,600,000	\$ 7,155,241	---

Airport Improvements

The first half of the taxiway relocation project has been completed, and the project has been winterized. There were relatively few expenditures on the project in November due to a slow approval process at the FAA for the contractor's October invoice, but that has since been approved and paid in December. Depending on the processing speed by the FAA of the contractor's November invoice that may also be paid in December.

EOTEC Pipeline

This project is now complete. The engineer has performed the final walk-through and there are no punch list items remaining.

EOTEC Construction

Construction of the Event Center continues on schedule with occupation expected to occur in March 2016. All other construction is on hold per board direction pending the outcome of the community fundraising effort, which has already begun and is anticipated to be complete also by March 2016.

RWTP Outfall

The Outfall project is now finished.

Water Line Extension

There has been no change to this project since last month's report. The contractor has finished all of the pipe installation. They are waiting for the delivery of a pump that will be installed in the Non-Potable #2 pump station. That is expected in December.

**2015-2016 Monthly Financial Report
City of Hermiston, Oregon
Investments
For the Month Ending Nov 30, 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)
3135G0G31	\$ 2,000,000	\$ 1,993,600	\$ 1,987,820	FNMA	Aaa/AA+	1,156	Y	1.28	1.28
3134G33E8	\$ 1,000,000	\$ 997,073	\$ 1,000,647	FHLMC	Aaa/AA+	1,502	Y	1.57	1.57
3135G0QK2	\$ 2,000,000	\$ 1,985,750	\$ 1,977,394	FFCB	Aaa/AA+	1,404	Y	1.71	1.71
3137EADN6	\$ 1,000,000	\$ 978,757	\$ 993,500	FHLMC	Aaa/AA+	774	N	1.29	1.29
3135G0GY3	\$ 1,000,000	\$ 1,013,901	\$ 1,005,882	FNMA	Aaa/AA+	427	N	0.78	0.78
US Agencies	\$ 7,000,000	\$ 6,969,081	\$ 6,965,243	---	---	---	---	---	---
LGIP ^{(1) (2)}	\$ 2,684,467	\$ 2,684,467	\$ 2,684,467	Varies	---/AA	1	N	0.54	0.54
LGIP	\$ 2,684,467	\$ 2,684,467	\$ 2,684,467	---	---	---	---	---	---
TOTAL	\$ 9,684,467	\$ 9,653,548	\$ 9,649,710	---	---	---	---	---	---

⁽¹⁾ \$1,755 of the balance in the LGIP is held by the City for the Eastern Oregon Trade and Event Center (EOTEC).

⁽²⁾ \$275 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
< 90 Days	\$ 2,684,467	27.7%
90 Days - 3 Yrs	\$ 2,000,000	20.7%
3 - 5 Yrs	\$ 5,000,000	51.6%
	\$ 9,684,467	100.0%

Type of Inv	Par Value	% of Total Portfolio
US Agency	\$ 7,000,000	72.3%
Corporate	\$ -	0.0%
LGIP	\$ 2,684,467	27.7%
	\$ 9,684,467	100.0%

Various Investment Parameters	With LGIP	Without LGIP
WTD Avg Mat	808	808
Wtd Avg Yield to Mat	1.14%	1.37%
Percent Callable	51.6%	71.4%
Wtd Avg Credit Rating	Aaa/AA+	Aaa/AA+