

CITY OF HERMISTON

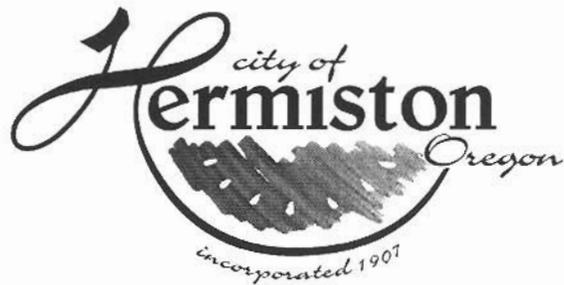
Fiscal Year 2007-08

ANNUAL BUDGET

BUDGET COMMITTEE MEMBERS

Walter E. Achuff, Councilor
Fred J. Allen, Jr. Citizen Member
Michael E. Calame, Councilor
Mary Corp, Citizen Member
Betty Crampton, Citizen Member
Manuel P. Gutierrez, Councilor
Rod S. Hardin, Councilor
Joe Harn, Councilor
Frank J. Harkenrider, Citizen Member
Jackie C. Myers, Councilor
Robert E. Severson, Mayor
Harmon Springer, Councilor
Pat Wheelhouse, Citizen Member
DuWayne White, Citizen Member
Robbie Wolfe, Councilor
Vacancy, Citizen Member
Vacancy, Citizen Member
Vacancy, Citizen Member

Edward Brookshier, Budget Officer
Robert D. Irby, Finance Director



WE, THE EMPLOYEES AND OFFICIALS OF THE CITY OF HERMISTON, VALUING THE TRUST OF THE CITIZENS WE SERVE, TAKE RESPONSIBILITY FOR BUILDING A HIGH PERFORMING ORGANIZATION RECOGNIZED FOR THE FOLLOWING:

- ◆ Clean, well-maintained streets and properties, with vibrant, inviting public spaces that stimulate the intellectual and emotional needs of the entire community.
- ◆ A city organization and community offering physical safety and well being. We are respectful and supportive of our diverse societal and cultural needs, creating an environment where all individuals feel empowered to pursue their life's ambitions.
- ◆ A city organization that values mutual respect, cooperation and support, open and honest communications, a desire to continuously improve, and optimism for the future of our community.
- ◆ Building a work environment which considers exciting and innovative solutions where all employees feel a sense of pride in delivering a high quality product to our community.
- ◆ Providing effective communications between customers, employees and officials, focusing on superior customer service.
- ◆ Providing high value services through strong financial performance.

CITY OF HERMISTON
ANNUAL BUDGET
INDEX

City Profile	1	Transient Room Tax Fund	75 - 76
Organizational Chart	2	Resources	77
Budget Message	3 - 4	Expenditures	76
Budget Process	5	Utility Fund	78 - 84
The Budget Framework	6 - 7	Resources	79
Fund Accounting	7	Consolidated Utility Expenditures	80
Basis of Accounting	7	Wastewater Treatment Expenditures	81 - 82
Inter-Fund Appropriations & Fund System	8	Water Production/Maintenance	
Goals & Policies	8	Expenditures	83 - 84
Projected Cash Balances by Fund	9	911 Communications	85 - 87
Consolidated Revenues & Expenditures		Resources	86
by Fund	10	Expenditures	87
Consolidated Revenues & Expenditures		Regional Water Fund	88 - 93
by Character	11	Resources	89
Charts & Graphs	12 - 15	Expenditures	90 - 93
Personal Services Summary	16 - 19	Revolving Loan Fund	94 - 96
Bonded Debt Management	20 - 25	Resources	95
Bond Debt		Expenditures	96
Resources & Expenditures	24 - 25	Hermiston Energy Services	97 - 99
General Fund	26 - 70	Resources	98
General Fund Resources	27 - 28	Expenditures	99
Consolidated General Fund		Reserve Fund	100 - 103
Expenditure Summary	29	The Reserve Fund Structure	100
Consolidated General Fund		Resources & Expenditures	101
Expenditures by Character	29	Expenditures by Character	102
Consolidated Administration & Finance	30	Reserve Fund Summaries	102 - 103
City Council	31 - 32	Glossary of Terms	104 - 106
City Manager/Planning	33 - 34	Minutes of Meetings	107
Finance	35 - 36		
Consolidated Department of Law	37		
Legal Counsel	38 - 39		
Court	40 - 41		
Consolidated Public Services	42		
Transportation	43 - 44		
Airport	45 - 46		
Building Inspections	47 - 48		
Parks	49 - 50		
Municipal Pool	51 - 52		
Municipal Buildings	53 - 54		
Library	55 - 56		
Recreation	57 - 58		
Conference Center	59 - 60		
Consolidated Public Safety	61		
Public Safety Center	62 - 63		
Police-Operations	64 - 65		
Consolidated Non-Departmental	66		
Audit & Others	67 - 68		
Unappropriated Balance	69 - 70		
State Tax Street Fund	71 - 74		
Resources	72		
Expenditures	73 - 74		

CITY PROFILE

Location:

Hermiston the "Future of Eastern Oregon". Hermiston is a progressive, growth-oriented urban/retail center for an area based economically on agriculture, food processing, transportation, utilities and other light industry. We are located in the northwest corner of Umatilla county in northeast Oregon and are centrally located between the major cities of the Pacific Northwest. Located just 185 miles east of Portland; 183 miles southwest of Spokane, Washington; 260 miles southeast of Seattle, Washington and 257 miles northwest of Boise, Idaho, Hermiston is a transportation hub accessed by Interstate Highways I-84, east to west, and I-82, north and south, and numerous feeder highways. Hermiston lies one truck day from 7 western states and two Canadian provinces. In addition we are in close proximity to the Union Pacific-Hinkle Rail yard and the Columbia River and its container cargo shipping facilities. The City operates a local municipal airport for light commercial and private use and there are Regional Airports offering full commercial services 30 minutes away at Pendleton, Oregon and Pasco, Washington.

Business:

Hermiston is the commercial center for a highly varied and productive agriculture industry. Irrigated farm and ranch lands produce potatoes, alfalfa, corn, wheat, onions, carrots, asparagus, mint, peppers, fruit, beef and dairy cattle, plus many other specialty crops. Ongoing efforts to diversify the area's agriculture are supported by the Oregon State University Columbia Basin Agricultural Research Center located just south of Hermiston. The Hermiston area is home to a variety of light industries whose products include frozen foods, manufactured housing, plastic pipe, wood chips for paper production, motor control panels, horse trailers and metal specialties. In addition, the northwest distribution center for Wal-Mart is located in Hermiston. Economic development efforts are centered on warehousing, distribution and manufacturing to further diversify our economy.

Municipal Facilities:

The City of Hermiston offers a public safety center which houses the police department and the municipal court. The Hermiston Fire & Emergency Services District facilities are also located in the safety center. Hermiston provides a convention center, public works building, wastewater treatment plant, water treatment plant, public library, city parks, a combined lap and leisure outdoor community swimming pool complex and water/sewer utilities. In addition, beginning in October 2001, Hermiston Energy Services, the city's municipal electric utility, began providing power to its nearly 5,000 residential and commercial customers. HES was the first municipal electric utility created in Oregon in over 50 years.

Education:

Hermiston's School District is made up of one senior high school, two middle schools, five elementary schools, one alternative school and one ESD office. The school district serves students in kindergarten through grade 12 and offers a broad range from basic skills to vocational and advanced placement classes. A wide variety of classes and workforce training programs are also offered on the Hermiston campus of Blue Mountain Community College.

Health Care:

Good Shepherd Community Hospital is a modern facility with the latest diagnostic and surgical facilities with a trauma emergency center. The hospital has expanded their physician offices to enable more physicians in specific fields to locate in Hermiston. Hermiston continues to attract medical professionals, general practitioners and specialist as well as a full range of dental practices, chiropractic services and physical therapy facilities. An additional seven hospitals are located within a sixty mile radius of the city. Ambulance service is provided by the Hermiston Fire & Emergency Services District. The city offers a skilled nursing facility for the elderly and handicapped. There are also multiple assisted living complexes for the elderly.

Recreation:

The area offers a broad spectrum of outdoor pastimes. With the relatively dry climate and long growing season outdoor activities are abundant. Water sports are very popular and include; skiing, boating, swimming and fishing. Hermiston is within a day's drive to mountain regions which offer snow skiing, camping, hiking and hunting. Hermiston offers multiple City parks, an athletic club, jogging trails, tennis courts, soccer fields, horseshoe pits and several ball parks. There is an 18 hole golf course under construction at this time in Hermiston as well as at least eleven golf courses within 45 minutes of Hermiston.

CITY OF
HERMISTON

VOTERS ELECT



MAYOR & CITY COUNCILORS
WHO APPOINT



AIRPORT ADVISORY COMMITTEE
BUDGET COMMITTEE
LIBRARY BOARD
PARKS & RECREATION COMMITTEE
PLANNING COMMISSION

CITY MANAGER
WHO DIRECTS



BUILDING INSPECTIONS	PLANNING
CITY ATTORNEY	POLICE
ENERGY SERVICES	REGIONAL WATER SYSTEM
ENGINEERING	STREETS & MAINTENANCE
FINANCE	WASTE WATER SYSTEM
LIBRARY	WATER SYSTEM
PARKS & RECREATION	



Administrative Offices
180 N.E. 2nd Street
Hermiston, OR 97838-1860
Phone (541) 567-5521 • Fax (541) 567-5530
E-mail: city@hermiston.or.us

March 16, 2007

Dear Citizens and Members of the Budget Committee:

The proposed Combined Funds Budget for the 2007-08 Fiscal Year is \$27,743,700. This represents a 9% increase from the adopted 2006-07 Budget of \$25,501,975.

The over-all increase is concentrated in three of the City's ten budget funds, specifically the General Fund (up by approximately \$200,000), the Utility Fund (up by approximately \$800,000) and the Reserve Fund (up by approximately \$1,700,000).

Six of the ten budget funds are proposed at levels below those approved in the 2006-07 Budget.

The increase in the Utility Fund is due to appropriating most of the Fund's present Unencumbered Cash to two Reserve accounts. \$375,000 is proposed for the "Sewer Plant & Repairs" account to clean/empty the sludge lagoon (a very expensive capital maintenance activity that must be undertaken about every seven to ten years). Approximately \$500,000 is proposed for the Wastewater Treatment Plant Improvement reserve account. This is the account through which we continue to expense our multi-year, \$10 million Capital Improvements Plan for the WWTP. The next major component of the Improvements Plan to be undertaken in the 2007-08 year is facility landscaping/screening and the construction and installation of odor control improvements at a total cost of approximately \$300,000.

The increase in the Reserve Fund is primarily attributable to four accounts. The Airport Improvements account is increased by approximately \$750,000 to account for a major (primarily grant-funded) capital maintenance paving project. The "Centennial Bell" reserve account is used to account for the Centennial Bell Tower and Plaza and McKenzie Park Renovation projects which are being undertaken in conjunction with the City's Centennial Celebration this year. This account is increased by approximately \$200,000 (about one-half of which is a State grant and the other half a General Fund appropriation, both carried forward from the 06-07 Supplemental Budget) in the 2007-08 budget to complete these projects. The third reserve account of note is the Sewer Plant & Repairs account activity described in the preceding paragraph. And the final reserve account of note is an increase of approximately \$400,000 in the HES Improvements reserve where we continue to build capital reserve capacity in our municipal electric utility.

The 2007-08 General Fund budget is proposed at \$6,954,240, an increase of 3% over the adopted 2006-07 appropriation of \$6,766,930.

General Fund revenue levels proposed for the 07-08 budget are in most instances up from 06-07 budget amounts. We are certainly benefitting from increasing the operating property tax rate to its authorized level.

However, in the 2006-07 General Fund budget we took some "one-time only" revenue supplement actions, specifically transfers from the Revolving Loan and Reserve Funds, which are not there this year. As a consequence we continue to see General Fund (and the other two funds which require cash transfers from the GF, namely 9-1-1 Communications and, to a much lesser extent, State Tax Street) expenditures exceed revenues, albeit at a less egregious level than what we have experienced in the current fiscal year.

The only capital items proposed for the General Fund are \$22,000 for books at the Library and \$56,400 for capital expenditures in the Police Department, \$54,900 of which is for vehicle replacements.

From the 2006-07 year to the 2007-08 year I expect the City Unencumbered Cash Forward to decline from approximately \$2 million to approximately \$1.3 million, although \$200,000 of that decline is owing to two non-recurring capital expenditures in the 2006-07 Supplemental budget.

The proposed budget includes a 2% pay increase for eligible employees. The current three-year agreement with the Police bargaining unit expires June 30 of this year.

Finally and always, thanks to a great staff who work very hard to get the very most from the public funds with which we are entrusted.

Sincerely,



Edward Brookshier
City Manager

BUDGET PROCESS

Most local governments in Oregon must prepare and adopt an annual budget. Budget provisions are determined by Oregon's Local Budget Law. The law requires citizen involvement in the preparation of the budget, and public disclosure of the budget before its final adoption and it establishes standard procedures for preparing, presenting, and administering the budget.

The budget committee in Oregon is made up of the mayor and city councilors of the local government and an equal number of appointed citizens. The Hermiston Budget Committee consists of eighteen individuals, each uniquely suited to provide guidance and analysis for the city budget.

The law sets out the following specific procedures: 1) Appoint budget officer; 2) Prepare a proposed budget; 3) Publish notices of budget committee meeting; 4) Hold budget committee meetings; 5) Committee approves proposed budget and specifies the amount or rate of ad valorem taxes for each fund receiving tax revenues; 6) Publish budget summary and notice of budget hearing; 7) Hold a budget hearing; 8) Enact resolutions or ordinances to adopt budget, make appropriations, levy taxes by fund and categorize taxes; and 9) File budget and certify tax levy to county assessor and county clerk.

Following is the City of Hermiston's budget calendar for fiscal year 2007-08:

01/01/2007	Prepare proposed budget
04/16/2007	Hold first budget committee meeting
05/14/2007	Hold budget hearing
06/26/2007	Council action of resolutions or ordinances to adopt budget, make appropriations, levy taxes and categorize taxes
07/15/2007	File budget with county assessor and county clerk

During the fiscal year, circumstances may require expenses to be paid that were not budgeted or the city may receive revenue it did not plan for in its budget. A supplemental budget is required to pay additional expenses and spend the extra revenue. The supplemental budget must be adopted and appropriated before any additional money can be spent.

Adopting a supplemental budget will not involve the budget committee. After publishing a notice of the regular meeting at which the supplemental budget will be adopted, the governing body may adopt the supplemental budget by resolution if the expenditures are less than 10 percent of the annual budget fund being adjusted. If the expenditures are more, the governing body must publish the supplemental budget notice and hold a special hearing.

THE BUDGET FRAMEWORK

The Hermiston budget is divided into separate funds, each with independent revenue sources and appropriations. The fund structure is determined by the specific reporting needs of our governing body, and the need to report accurate and timely information to the community. The fund structure presented in this budget is:

1. Bonded Debt Fund: This fund provides for the levying of necessary property taxes to pay the outstanding general obligation bonds of the city. This fund was also required by Oregon financial policy to account for the proceeds of the general obligation bonds issued for street and water and sewer improvements.

2. General Fund: As the name implies, the general fund provides for the accounting of all revenues and expenditures not specifically categorized into a separate fund structure. The general fund is the most diverse and the largest of the city's funds. In accord with the continuing policies of the community, the general fund is the source for the inter-fund transfers necessary to augment the operations of our other functions. The general fund is the source for inter-fund transfers to the reserve fund system, the street fund, 911 communications fund, and is the direct source for our smaller capital outlay projects related to the departments and functions accounted in the fund. The general fund departments are categorized as:

City Council	Building Inspections	Public Safety
City Manager/Planning	Parks	Police
Finance	Municipal Pool	Audit & Others
Legal Counsel	Municipal Buildings	Unappropriated Balance
Court	Library	
Transportation	Recreation	
Airport	Conference Center	

3. State Street Tax Fund: This is the location where all gasoline tax revenues are required by Oregon Statute to be placed to provide a guarantee that all such revenues will be utilized for street and roadway repair, maintenance and improvement. This fund is exclusively supported from the gasoline tax and a general fund subsidy. The expenditures accounted in the fund are the manpower, equipment, materials and contracted services necessary to maintain and improve the roadway surfaces and storm drainage system of the city.

4. Transient Room Tax Fund: This fund is used to receipt revenues collected from the city's transient room tax for appropriations to be made for economic, community and other development activities. The balance of the transient room tax revenues are appropriated directly to conference center management and operational costs, pool operation, TRT/Recreation programs reserve and Parks & Recreation Development reserve.

5. Utility Fund: This is an enterprise fund financed from user fees for water and wastewater use and connection charges to the system. Expenditure responsibilities of this fund include all necessary personnel, equipment, materials, and contracted services necessary to maintain and improve the water and wastewater systems of the city. The enterprise funds are also responsible for the necessary transfers to the debt fund to carry the bonded debt and notes of the systems.

6. 911 Communications: This fund is the accounting entity to provide a means to guarantee that all 911 communications taxes and will be utilized for 911 dispatch services. This fund is exclusively funded from 911 communication taxes and a general fund subsidy. The expenditures accounted in the fund are the manpower, equipment, materials and contracted services necessary for the operation of this activity.

7. Regional Water Fund: On November 1993, voters in the City of Hermiston approved a ballot measure to issue general obligation bonded indebtedness in an amount not to exceed 5,000,000 to finance the city's portion of a regional water system. The balance of the construction costs were funded through revenue bonds issued by the Port of Umatilla and retired by revenues from non-city users of the system. Construction was completed in 1996 and this has become an operating enterprise fund with expenditures including all necessary personnel, equipment, materials and contracted services necessary to operate the system.

8. Revolving Loan Fund: This fund was established to enable the city to help individuals finance various local improvement projects such as curb, gutter, sidewalk and paving.

9. Hermiston Energy Services Fund: On October 1, 2001, the City of Hermiston acquired and became responsible for the municipally owned electric utility. This enterprise fund is financed from user fees for electrical use and other charges to the system. Expenditures in this fund include all necessary personnel, equipment, materials, and contracted services necessary to maintain and improve the electrical system of the city. This enterprise fund is also responsible for the necessary transfers to the debt fund to carry the bonded debt and notes of the system.

10. Reserve Fund: This fund is the accounting entity which accounts for the long-term appropriations necessary to finance this local government. Financed directly by appropriations from our operating funds and with limited revenues directly from small reimbursement projects, the reserve fund has been the major single fiscal tool which has provided the City of Hermiston with the stability and multiple year project vision necessary to manage a small community in difficult financial times. The reserve fund allows the accumulation of resources to accomplish specifically authorized goals contained in the resolution which must be adopted to establish each account. The reserve fund and the specific accumulations and purposes are enumerated in the "schedule of reserve fund appropriations" contained in this budget.

FUND ACCOUNTING

The accounts of the city are organized on the basis of funds and account groups. Each is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the propose for which they are to be spent and the means by which spending activities are controlled.

BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

Governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become available as net current assets.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include principal and interest on general long-term debt which is recognized when due.

Enterprise funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred.

INTER-FUND APPROPRIATIONS AND THE FUND SYSTEM

The governmental accounting system gives rise to a great deal of confusion for the individual not directly associated with the required accounting systems. A multiple fund structure provides an accuracy of reporting and control of expenditures unsurpassed for the type of activities which this government must undertake. This positive side more than compensates for the overstatement of total outlays and the multiple accounting in cumulative recaps of total budget which the system forces.

The best example of the overstatement of the budget is in the interaction between funds included in the relationship between the general fund, the street fund and the reserve fund in the expenditure of roadway construction or overlay funds. Since state reporting requirements demand we include all street related costs in the street fund, it is necessary for us to include the appropriations we make each year to the reserve for roadway construction to be included in the street fund. The gasoline tax is not sufficient to cover the costs of our total efforts in street maintenance and improvement, so we must appropriate a transfer from the general fund to balance the street fund. The actual expenditure of roadway improvements occurs in the reserve fund.

This complicated interaction requires the city to anticipate revenues in the general fund, appropriate the necessary funds to the street fund, anticipate the revenue in the street fund and appropriate the transfer to the reserve fund, anticipate the revenue and appropriate for the expenditures in the reserve fund. Because the expenses for roadway improvements are beyond the ability of our local government to complete in any one year, the reserve appropriation will reflect the current transfer and the accumulated balances designed to accomplish the projects identified in the roadway capital improvement plan.

Due to this interaction of funds, the same funds are identified as an expense three times and a revenue three times. This inflation of the total budget is an unfortunate side impact which occurs in this system.

GOALS AND POLICIES

At the beginning of the 1996 year, the Mayor and City Council reviewed and updated municipal policy goals. That process resulted in the development of the following goals for the City:

- * Provide a safe living environment for all residents through superior PUBLIC SAFETY services and the involvement of the community.
- * Advance the development of City, County and State TRANSPORTATION facilities adequate to meet the present and future needs of the Hermiston area.
- * Advance the development of WATER and sanitary SEWER facilities adequate to meet continuing City needs.
- * Promote and support ECONOMIC AND COMMUNITY DEVELOPMENT efforts which improve the QUALITY OF LIFE of our residents and the livability of our community.
- * Recognize the importance of BASIC human VALUES to the maintenance of a CIVIL SOCIETY.

CASH BALANCES BY FUND

The cash balances as of June 30 for each non-capital outlay fund are as follows:

	2001-02 (Audited)	2002-03 (Audited)	2003-04 (Audited)	2004-05 (Audited)	2005-06 (Audited)
<u>GENERAL FUND</u>					
Revenues	5,076,264	6,262,838	5,252,500	5,665,655	6,015,856
Expenditures & Trans.	4,840,787	4,635,002	5,504,646	6,454,073	6,453,992
Balance	2,560,110	4,187,946	3,935,800	3,147,382	2,709,246
<u>UTILITY FUND</u>					
Revenues	3,000,072	3,049,658	3,290,223	3,345,337	3,351,778
Expenditures & Trans.	2,662,572	2,774,269	3,868,919	3,159,765	2,990,275
Balance	1,491,924	1,767,313	1,188,617	1,374,189	1,735,692
<u>REGIONAL WATER</u>					
Revenues	500,730	569,382	624,555	585,831	470,722
Expenditures	790,228	657,164	652,257	415,230	426,631
Balance	370,789	283,007	255,305	425,906	469,997
<u>ENERGY SERVICES</u>					
Revenues	15,243,853	19,586,474	6,905,648	6,965,947	7,113,950
Expenditures	14,708,121	19,304,094	7,063,081	6,563,312	7,319,084
Balance	535,732	818,112	660,679	1,063,314	858,180
<u>BANCROFT BOND REDEMPTION FUND</u>					
Revenues	1,166	908			
Bond Expense		28,097			
Balance	27,189	0			
<u>DEBT SERVICE FUND</u>					
Revenues:					
Non-Tax	1,027,674	12,241,328	1,190,613	1,464,404	1,502,770
Tax	342,681	355,192	358,091	364,805	375,592
Expenditures	1,430,699	12,577,722	1,543,421	1,703,452	1,824,597
Balance	108,706	127,504	132,787	258,544	312,309

CONSOLIDATED REVENUES AND EXPENDITURES

COMPARISON OF REVENUES (by fund)

SCHEDULE I

	2004-05 Received	2005-06 Received	2006-07 Estimate	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Bonded Debt	1,829,210	2,136,902	2,014,110	1,828,655	1,828,655	1,828,655
General	7,321,450	7,615,905	6,766,930	6,954,240	6,954,240	6,954,240
State Tax Street	717,887	721,384	773,510	770,550	770,550	770,550
Transient Room	116,066	130,153	67,280	42,280	42,280	42,280
Utility	3,485,297	3,421,484	3,438,345	4,220,810	4,220,810	4,220,810
911 Communication	504,770	621,674	634,415	663,495	663,495	663,495
Regional Water	681,781	519,742	597,575	511,035	511,035	511,035
Revolving Loan	302,319	179,551	172,500	20,000	20,000	20,000
Energy Services	7,026,710	7,035,838	7,127,300	7,111,500	7,111,500	7,111,500
Reserve	4,120,869	4,183,055	3,910,010	5,647,740	5,647,740	5,647,740
Total	26,106,359	26,565,688	25,501,975	27,770,305	27,770,305	27,770,305

COMPARISON OF EXPENDITURES (by fund)

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Bonded Debt	1,703,454	1,824,597	2,014,110	1,828,655	1,828,655	1,828,655
General	6,461,277	6,491,525	6,766,930	6,954,240	6,954,240	6,954,240
State Tax Street	717,887	673,299	773,510	770,550	770,550	770,550
Transient Room	37,931	77,280	67,280	42,280	42,280	42,280
Utility	3,158,918	2,997,155	3,438,345	4,220,810	4,220,810	4,220,810
911 Communication	504,770	621,675	634,415	663,495	663,495	663,495
Regional Water	415,231	426,632	597,575	511,035	511,035	511,035
Revolving Loan	129,603		172,500	20,000	20,000	20,000
Energy Services	6,541,533	7,306,149	7,127,300	7,111,500	7,111,500	7,111,500
Reserve	2,287,785	958,987	4,850,050	5,647,740	5,647,740	5,647,740
Total	21,958,389	21,377,299	25,501,975	27,770,305	27,770,305	27,770,305

CONSOLIDATED REVENUES AND EXPENDITURES

COMPARISON OF REVENUES (by character)
SCHEDULE II

	2004-05 Received	2005-06 Received	2006-07 Estimate	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Property Taxes	3,099,329	3,310,505	3,450,765	3,762,140	3,762,140	3,762,140
Local Assessments	62,786	44,430	29,000	28,500	28,500	28,500
License & Franchise	708,375	738,181	644,000	660,600	660,600	660,600
Fines & Penalties	232,336	285,630	185,000	225,000	225,000	225,000
Use of City Money	206,267	446,232	220,000	365,000	365,000	365,000
Fm Other Agencies	1,218,615	1,187,430	1,024,500	1,857,500	1,857,500	1,857,500
Service Charges	1,124,894	1,068,235	950,420	991,620	991,620	991,620
Non-Revenue Receipt	104,144	111,973	40,000	56,000	56,000	56,000
Misc Revenues	920,382	517,987	631,600	300,000	300,000	300,000
Sewer Service	1,417,396	1,418,419	1,300,000	1,330,000	1,330,000	1,330,000
Water Service	2,433,740	2,309,258	2,340,575	2,233,000	2,233,000	2,233,000
Energy Service	6,942,865	6,969,644	7,107,300	7,061,500	7,061,500	7,061,500
Trans Fm Other Fund	2,691,747	2,322,941	2,728,770	3,228,205	3,228,205	3,228,205
Cash Forward	4,943,483	5,834,823	4,850,045	5,671,240	5,671,240	5,671,240
Total	26,106,359	26,565,688	25,501,975	27,770,305	27,770,305	27,770,305

COMPARISON OF EXPENDITURES (by character)

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Personal Services	5,967,615	6,765,094	7,241,530	7,676,360	7,676,360	7,676,360
Materials & Services	8,896,027	8,972,580	9,309,135	9,109,465	9,109,465	9,109,465
Capital Outlay	2,699,547	1,449,111	3,851,830	5,902,620	5,902,620	5,902,620
Transfers:						
General Fund			331,600			
Reserve	968,165	403,771	416,000	1,127,645	1,127,645	1,127,645
Street	9,943		98,510	70,550	70,550	70,550
911 Communication	371,004	501,689	564,415	563,495	563,495	563,495
Bonded Debt	1,342,634	1,460,457	1,649,845	1,466,515	1,466,515	1,466,515
Unappropriated Bal			27,000	27,000	27,000	27,000
Debt Service	1,703,454	1,824,597	2,012,110	1,826,655	1,826,655	1,826,655
Total	21,958,389	21,377,299	25,501,975	27,770,305	27,770,305	27,770,305

CITY OF HERMISTON

ASSESSED VALUE AND TOTAL OVERLAPPING TAX LEVIES

Fiscal Year	Assessed Value On Tax Rolls	Dollars Per City	Thousand School	Other Taxing Districts	Total
1968-69	24,474,846.00	5.35	22.22	3.34	30.91
1969-70	25,038,976.00	5.32	20.14	4.22	29.68
1970-71	25,352,046.00	5.80	21.68	3.67	31.15
1971-72	26,425,627.00	7.02	21.64	4.81	33.47
1972-73	30,206,015.00	7.44	23.85	4.11	35.40
1973-74	32,015,656.00	8.91	20.77	4.74	34.42
1974-75	36,017,622.00	10.91	19.86	4.18	34.95
1975-76	44,223,755.00	10.24	20.42	3.61	34.27
1976-77	57,574,826.00	9.50	18.18	3.36	31.04
1077-78	79,778,954.00	7.80	15.95	2.89	26.64
1978-79	105,895,254.00	7.05	11.82	2.54	21.41
1979-80	135,837,580.00	5.93	12.98	2.24	21.15
1980-81	148,895,895.00	6.44	14.55	2.56	23.55
1981-82	160,366,605.00	6.91	14.72	2.86	24.49
1982-83	167,611,643.00	6.58	15.27	2.65	24.50
1983-84	176,013,980.00	6.26	15.74	2.70	24.70
1984-85	186,014,498.00	6.01	16.17	2.37	24.55
1985-86	193,675,458.00	6.39	15.35	2.40	24.14
1986-87	189,483,386.00	6.88	16.66	2.71	26.25
1987-88	186,423,844.00	7.40	17.48	2.99	27.87
1988-89	182,888,662.00	7.84	20.15	3.36	31.35
1989-90	170,661,558.00	8.90	21.92	3.58	34.40
1990-91	167,704,024.00	9.24	24.53	3.72	37.49
1991-92	179,651,151.00	7.48	17.27	3.09	27.84
1992-93	195,320,767.00	7.01	14.44	3.08	24.53
1993-94	224,544,660.00	6.89	11.47	3.20	21.56
1994-95	271,810,295.00	8.31	21.55	3.38	33.24
1995-96	327,396,781.00	5.89	16.44	2.88	25.21
1996-97	370,266,917.00	6.52	15.68	3.08	25.28

CITY OF HERMISTON

TAX HISTORY

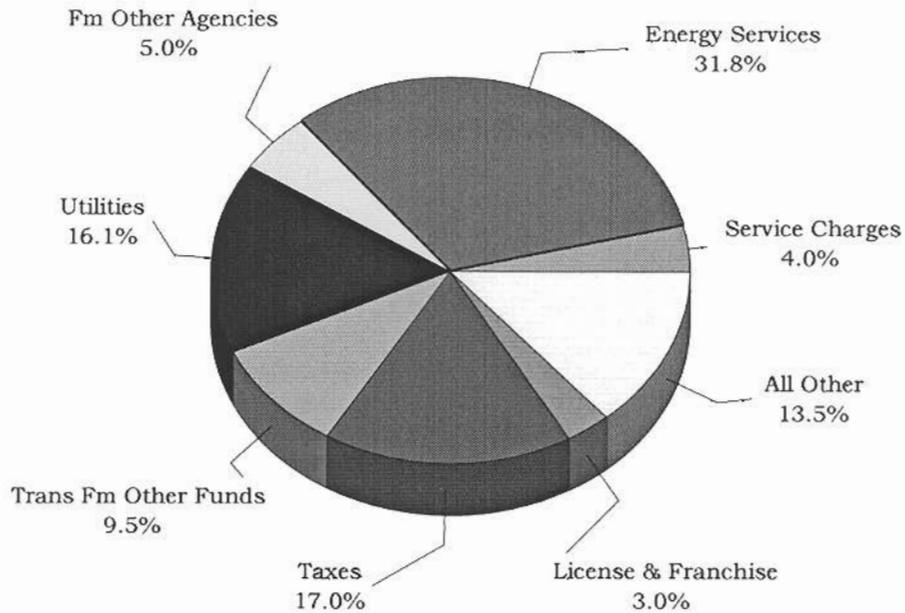
Fiscal Year	Tax Levy Submitted	Inside 6%	Outside 6%	G.O. Bond Issues	Bancroft Bond Issues	Population
1920-21	6,250.00	6,250.00				655
1930-31	6,250.00	6,250.00				608
1940-41	6,385.00	6,385.00				803
1950-51	15,878.00	15,878.00				3,804
1960-61	76,225.00	19,300.00	56,924.41			4,402
1970-71	148,877.00	148,877.00				4,893
1980-81	954,165.00	290,279.64	632,836.36	31,049.00		9,408
1981-82	1,108,206.15	308,456.12	765,272.03	34,478.00		9,700
1982-83	1,099,425.00	327,333.00	738,423.00	33,669.00		9,630
1983-84	1,099,379.00	347,133.00	719,760.00	32,486.00		9,835
1984-85	1,113,565.00	1,200,000.00		31,304.00		9,890
1985-86	1,230,121.00	1,200,000.00		30,121.00		9,914
1986-87	1,302,872.00	1,272,000.00		30,872.00		9,890
1987-88	1,379,397.00	1,113,845.00		30,517.00	235,035.00	9,870
1988-89	1,434,572.00	1,232,192.00		32,220.00	170,160.00	9,860
1989-90	1,518,092.00	1,349,416.00		26,055.00	142,599.00	9,860
1990-91	1,552,821.00	1,430,380.00		16,192.00	106,249.00	10,075
1991-92	1,615,733.00	1,517,691.00		9,497.00	88,545.00	10,075
1992-93	1,621,089.00	1,609,186.00		11,903.00		10,045
1993-94	1,717,630.00	1,706,249.00		11,381.00		10,215
1994-95	2,258,724.00	1,809,960.00		448,764.00		10,332
1995-96	1,991,044.00	1,929,161.00		61,883.00		10,605
1996-97	2,417,024.00	2,045,797.00		371,227.00		11,061
1997-98	2,574,503.00	2,169,858.00		404,645.00		11,340

TAX HISTORY

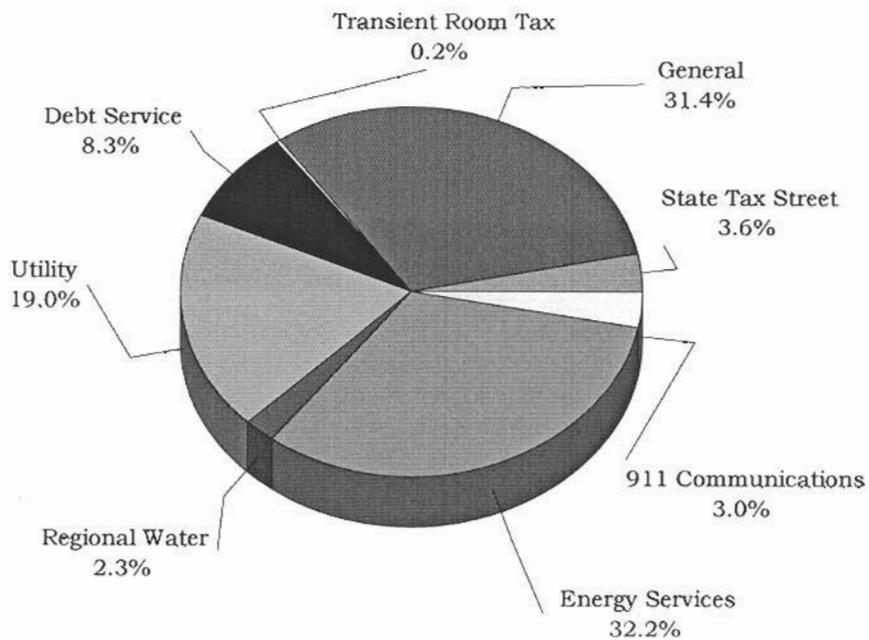
(Permanent Operating Tax Rate \$6.0860/\$1,000)

Fiscal Year	Taxable Value	Operating Rate	Operating Tax	Bond Rate	Bond Tax	Total Tax Imposed	Population
1998-99	343,341,230	4.8894	1,678,716	1.1717	402,293	2,081,009	11,595
1999-00	368,557,070	4.8894	1,802,010	1.0950	403,570	2,205,580	12,165
2000-01	405,856,680	4.8894	1,984,230	0.9565	389,150	2,373,380	12,425
2001-02	467,733,020	4.8894	2,286,839	0.7475	349,631	2,321,802	13,560
2002-03	494,029,220	4.8894	2,415,342	0.7265	358,911	2,774,253	14,120
2003-04	526,243,480	5.0841	2,676,555	0.6948	365,826	3,042,381	14,540
2004-05	561,341,500	5.0841	2,854,052	0.6749	378,912	3,232,964	14,700
2005-06	589,997,120	5.0841	2,998,901	0.6480	382,318	3,381,219	15,025
2006-07	644,683,321	6.0860	3,869,614	0.1706	109,982	3,979,596	15,410

City of Hermiston

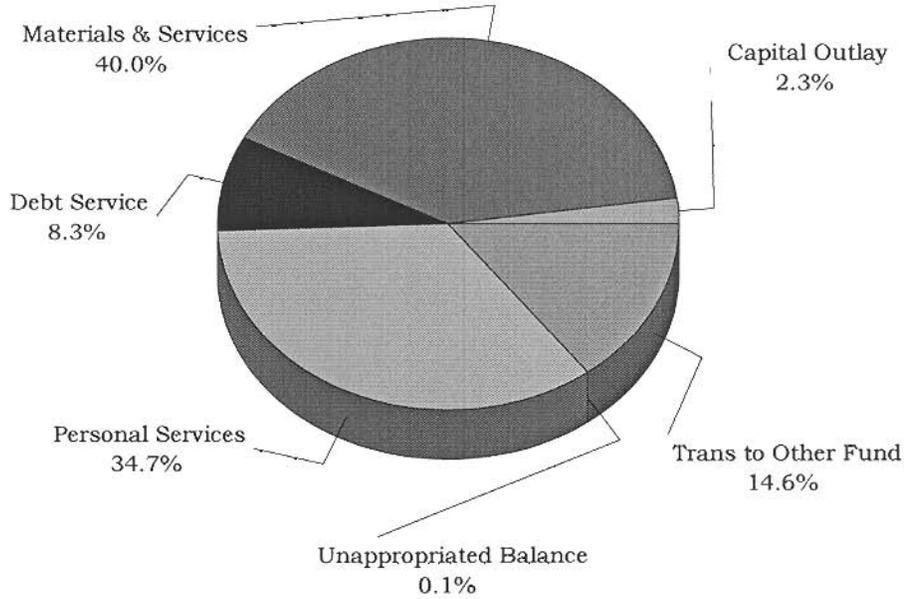


This graph reflects various resources (excluding reserves and construction projects) in the 2007-08 budget.

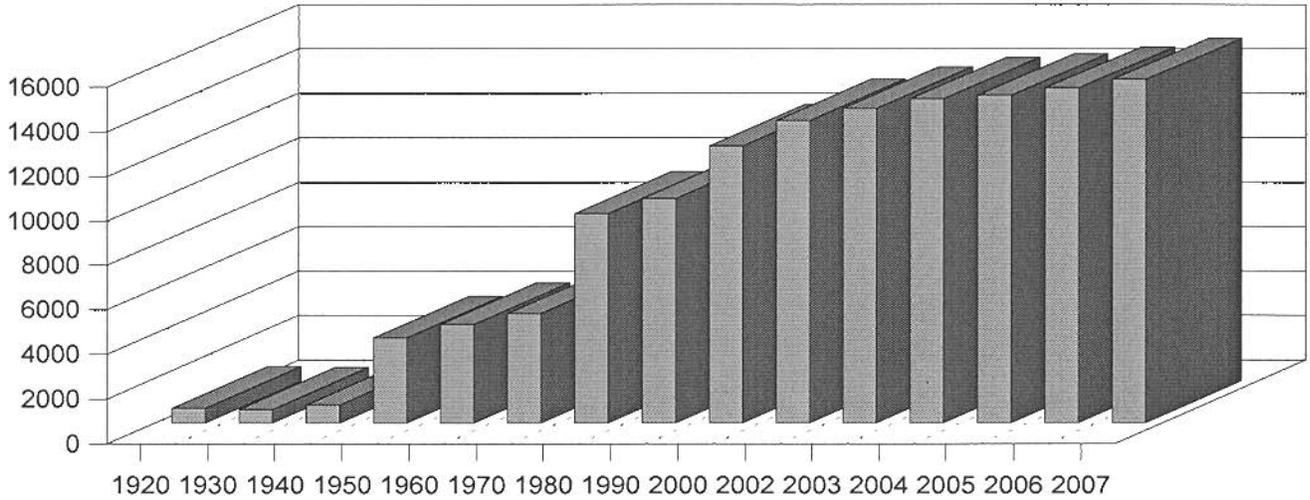


This graph reflects total expenditures (excluding reserves and construction projects) by fund, inclusive of capital outlay, transfers to reserves and operating expenses in the 2007-08 budget.

City of Hermiston



This graph reflects the various expenditures (excluding reserves and construction projects) by character included in the 2007-08 budget.



This graph reflects the population growth from 1920 to present.

PERSONAL SERVICES SUMMARY
 Supplemental Information
 Salaries Paid From More Than One Source

Position Description	No Emp	Total Salary	Pg	Amount	Pg	Amount	Pg	Amount	Pg	Amount
City Manager	1	144,775	82	55,000	84	55,000	99	34,775		
City Engineer	1	129,320	82	42,520	84	42,900	88	43,900		
Finance Director	1/2	67,595	36	7,200	82	27,400	84	27,400	99	5,595
Permit Technician II	1	70,420	48	24,000	74	23,210	84	23,110		
Rec/Aquatics Coordinator	1	90,800	52	30,900	58	59,900				
Senior General Clerical	1	70,230	82	35,115	84	35,115				
Administrative Sergeant	1	105,200	65	52,600	87	52,600				

PERSONNEL DISTRIBUTION

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
<u>City Council</u>						
Mayor	1	1	1	1	1	1
Councilors	8	8	8	8	8	8
<u>City Manager/Planning</u>						
City Manager	1/6	1/6	0	0	0	0
City Engineer	1/3	1/3	0	0	0	0
City Planner	1	11	1	1	1	1
Assistant City Manager	1	1	1	1	1	1
General Clerical	1/2	1/2	1/2	1/2	1/2	1/2
<u>Finance</u>						
Finance Director/Recorder	2/5	2/5	2/5	2/5	2/5	2/5
Senior Secretary	1	1	1	1	1	1
<u>Court</u>						
Municipal Judge (.33 FTE)	1	1	1	1	1	1
Court Administrator	0	0	0	1	1	1
Municipal Court Clerk	1	1	1	0	0	0
General Clerical	1 1/2	1 1/2	1 1/2	1	1	1
General Clerical (.75FTE)	0	0	0	1	1	1
<u>Building Inspections</u>						
Building Official	1	1	1	1	1	1
Building Inspector	1	1	1	1	1	1
Permit Technician II	1 1/3	1 1/3	1 1/3	1 1/3	1 1/3	1 1/3
<u>Parks</u>						
Park Maintenance Foreman	0	0	1	1	1	1
Park/Facility Lead Worker	0	0	1	1	1	1
Maintenance Lead Worker	1	1	0	0	0	0
Municipal Service Worker II	2	2	1	1	1	1
Municipal Service Worker I	1	1	1	1	1	1
<u>Municipal Pool</u>						
Recreation/Aquatics Coordinator	1/3	1/3	1/3	1/3	1/3	1/3
Swim Pool (10 FTE)	10	10	10	10	10	10
<u>Library</u>						
Library Director	1	1	1	1	1	1
Librarian II	1	1	1	2	2	2
Senior Library Assistant	0	0	1	1	1	1
Library Assistant	2	2	1	1	1	1
Librarian (6.5 FTE)	6	6	6	6	6	6
<u>Recreation</u>						
Parks & Recreation Director	1	1	1	1	1	1
Recreation/Aquatics Coordinator	2/3	2/3	2/3	2/3	2/3	2/3
General Clerical	0	1	1	1	1	1
Summer Park Program (.3 FTE)	1	1	1	1	1	1

Personnel Distribution (Continued)

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
<u>Police Operations</u>						
Police Chief	1	1	1	1	1	1
Police Lieutenant	1	1	1	1	1	1
Administrative Sergeant	1	1	1/2	1/2	1/2	1/2
Police Sergeants	3	3	3	3	3	3
Patrol Officers	15	15	15	15	15	15
School Resource Officer	2	2	2	2	2	2
Code Enforcement Officer	1	1	1	1	1	1
General Clerical	1/2	1/2	1	1	1	1
<u>State Tax Street Fund</u>						
Street Superintendent	1	1	1	1	1	1
Street Maintenance Foreman	1	1	1	1	1	1
Permit Technician II	1/3	1/3	1/3	1/3	1/3	1/3
Mechanic/Municipal Service Worker	1	1	1	1	1	1
Municipal Worker II	3	3	2	2	2	2
Municipal Worker I	0	0	1	1	1	1
<u>Disposal Plant Maintenance</u>						
Wastewater Superintendent	1	1	1	1	1	1
City Manager	1/3	1/3	2/5	2/5	2/5	2/5
City Engineer	1/3	1/3	1/3	1/3	1/3	1/3
Finance Director/Recorder	1/5	1/5	1/5	1/5	1/5	1/5
Senior General Clerical	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2
Utility Clerk/Cashier	1	1	1	1	1	1
Wastewater Lab Technician	1	1	1	1	1	1
Wastewater Chief Operator	1	1	1	1	1	1
Wastewater Worker III	1	1	2	2	2	2
Wastewater Worker II	4	4	3	2	2	2
Wastewater Worker I	0	0	1	1	1	1
<u>Water Production & Maintenance</u>						
City Manager	1/3	1/3	2/5	2/5	2/5	2/5
City Engineer	1/3	1/3	1/3	1/3	1/3	1/3
Finance Director/Recorder	1/5	1/5	1/5	1/5	1/5	1/5
Permit Technician II	1/3	1/3	1/3	1/3	1/3	1/3
Senior General Clerical	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2
Water Chief Operator	0	0	0	1	1	1
Water Utility Worker II	3	3	3	3	3	3
Water Utility Worker I	1	1	1	1	1	1
Meter Reader/General Clerical	2	2	2	2	2	2

Personnel Distribution (Continued)

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
<u>911 Communications</u>						
Administrative Sergeant	0	0	1/2	1/2	1/2	1/2
Communications Manager	1	1	0	0	0	0
Dispatcher/Clerk	7	7	8	8	8	8
Data Entry Clerk	1	1	1	1	1	1
<u>Regional Water</u>						
City Engineer	0	0	1/3	1/3	1/3	1/3
Water Chief Operator	1	1	1	0	0	0
Water Utility Worker IV	1	1	1	1	1	1
<u>Hermiston Energy Services</u>						
Electric Utility Superintendent	1	1	1	1	1	1
City Manager	1/6	1/6	1/5	1/5	1/5	1/5
Finance Director/Recorder	1/5	1/5	1/5	1/5	1/5	1/5
Customer Service Representative	1	1	1	1	1	1

BONDED DEBT MANAGEMENT

1. Bonded Debt Fund: This fund provides for the levying of necessary property taxes to pay the outstanding general obligation bonds of the city. This fund is also required by Oregon financial policy to account for the proceeds of the general obligation bonds issued for water and sewer improvements.
2. General Obligation Debt Limit: ORS 223.295 limit on city indebtedness. "(1) A city may incur indebtedness in the form of general obligation bonds and general obligation interim financing notes pursuant to ORS 223.235.

Bond Debt Fund

The bond debt fund provides for the levying of necessary property taxes to pay the outstanding debt on the regional water bond and interest. This fund is also required by Oregon financial policy to account for the proceeds of the general obligation bonds issued for water, sewer and street improvements.

The refunded obligation of \$4,450,000 will be met in fiscal year 2024-25. Following is a payment schedule for the next seven years for the regional water bonds:

Refunded Regional								
Water Bonds	Due Date	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Principal	Aug	145,000	160,000	165,000	170,000	180,000	190,000	200,000
Interest	Aug/Feb	<u>215,140</u>	<u>207,515</u>	<u>199,600</u>	<u>191,555</u>	<u>183,025</u>	<u>173,865</u>	<u>164,015</u>
<u>Total</u>		360,140	367,515	364,600	361,555	363,025	363,865	364,015

In 1978 the city issued a \$3,000,000 sewer improvement bond issue for the construction and equipping of a wastewater treatment plant. This general obligation will be met in fiscal year 2007-08. These bonds are treated as revenue bonds and revenues will be derived from user fees. Following is a payment schedule.

Refunded		
Sewer Bonds	Due Date	2007-08
Principal	Apr	210,000
Interest	Oct/Apr	<u>11,025</u>
<u>Total</u>		221,025

In the spring of 1997 the city issued revenue bonds for utility improvements in the amount of \$4,500,000 for the purpose of financing the cost of construction of a new water reservoir, certain water pressure zone and pump improvements and regional water completion improvements. These bonds were refunded in the spring of 2007 and the obligation will be met in fiscal year 2016-17. Following is a payment schedule for the next seven years:

Refunded 2007 Utility								
Water Bonds	Due Date	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Principal	Apr	207,110	215,460	228,430	236,135	248,510	255,470	266,795
Interest	Oct/Apr	<u>103,830</u>	<u>95,340</u>	<u>86,505</u>	<u>77,140</u>	<u>67,455</u>	<u>57,270</u>	<u>46,795</u>
<u>Total</u>		310,940	310,800	314,935	313,275	315,965	312,740	313,590

On June 30, 1998 the city issued a street improvement revenue note, series 1998 in the amount of \$750,000 for the purpose of financing the cost of local improvements. This obligation will be met in fiscal year 2007-08. Following is the payment schedule :

1997 Street		
Projects	Due Date	2007-08
Principal	Jul	93,000
Interest	Jan/Jul	<u>5,025</u>
<u>Total</u>		98,025

In the spring of 2003 the city issued \$3,635,000 in full faith and credit obligations for the construction of a combined lap and multi-use outdoor community swimming pool and associated facilities. This obligation will be met in fiscal year 2032-33. Following is a payment schedule for the next seven years.

Pool								
Construction	Due Date	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Principal	Dec	35,000	40,000	45,000	45,000	55,000	60,000	65,000
Interest	Dec/Jun	149,335	148,440	147,310	145,985	144,365	142,395	140,160
<u>Total</u>		184,335	188,440	192,310	190,985	199,365	202,395	205,160

In March of 1990, in conjunction with the Hermiston Foods, Inc. project, the City of Hermiston was awarded a state loan from the Special Public Works Fund for water system improvements in the amount of \$500,000 at an interest rate of 5%. Following is a payment schedule for this loan:

<u>Payment Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Due</u>	<u>Balance</u>
				500,000.00
July 15, 1991	7,536.89	33,835.62	41,372.51	492,463.11
July 15, 1992	16,749.35	24,623.16	41,372.51	475,713.76
July 15, 1993	17,586.82	23,785.69	41,372.51	458,126.94
July 15, 1994	18,466.16	22,906.35	41,372.51	439,660.78
July 15, 1995	19,389.47	21,983.04	41,372.51	420,271.31
July 15, 1996	20,358.94	21,013.57	41,372.51	399,912.37
July 15, 1997	21,376.89	19,995.62	41,372.51	378,535.48
July 15, 1998	22,445.74	18,926.77	41,372.51	356,089.74
July 15, 1999	23,568.02	17,804.49	41,372.51	332,521.72
July 15, 2000	24,746.42	16,626.09	41,372.51	307,775.30
July 15, 2001	25,983.74	15,388.77	41,372.51	281,791.56
July 15, 2002	27,282.93	14,089.58	41,372.51	254,508.63
July 15, 2003	28,647.08	12,725.43	41,372.51	225,861.55
July 15, 2004	30,079.43	11,293.08	41,372.51	195,782.12
July 15, 2005	31,583.40	9,789.11	41,372.51	164,198.72
July 15, 2006	33,162.57	8,209.94	41,372.51	131,036.15
July 15, 2007	34,820.70	6,551.81	41,372.51	96,215.45
July 15, 2008	36,561.74	4,810.77	41,372.51	59,653.71
July 15, 2009	38,389.82	2,982.69	41,372.51	21,263.89
July 15, 2010	21,263.89	1,063.19	22,327.08	.00

Hermiston Energy Services

Bank of America short-term loan with a principal amount of \$385,000 issued October 28, 2002 at a rate of 3.5% interest and to be paid in quarterly payments for the next five years for the purpose of acquiring the assets of the electric distribution system.

<u>Payment Date</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total Due</u>	<u>Principal Balance</u>
				385,000.00
Jan 1, 2003		2,395.56	2,395.56	385,000.00
Apr 1, 2003		3,368.75	3,368.75	385,000.00
Jul 1, 2003		3,368.75	3,368.75	385,000.00
Oct 1, 2003		3,368.75	3,368.75	385,000.00
Jan 1, 2004		3,368.75	3,368.75	385,000.00
Apr 1, 2004		3,368.75	3,368.75	385,000.00
Jul 1, 2004		3,368.75	3,368.75	385,000.00
Oct 1, 2004		3,368.75	3,368.75	385,000.00
Jan 1, 2005	32,083.33	3,368.75	35,452.08	352,916.67
Apr 1, 2005	32,083.33	3,088.02	35,171.35	320,833.34
Jul 1, 2005	32,083.33	2,807.29	34,890.62	288,750.01
Oct 1, 2005	32,083.33	2,526.56	34,609.89	256,666.68
Jan 1, 2006	32,083.33	2,245.83	34,329.16	224,583.35
Apr 1, 2006	32,083.33	1,965.10	34,048.43	192,500.02
Jul 1, 2006	32,083.33	1,684.38	33,767.71	160,416.69
Oct 1, 2006	32,083.33	1,403.65	33,486.98	128,333.36
Jan 1, 2007	32,083.33	1,122.92	33,206.25	96,250.03
Apr 1, 2007	32,083.33	842.19	32,925.52	64,166.70
Jul 1, 2007	32,083.33	561.46	32,644.79	32,083.37
Oct 1, 2007	32,083.37	280.73	32,364.10	0.00

Hermiston Energy Services

The City of Hermiston entered into a \$13 million line of credit with Bank of America in September of 2001 to enable the city to acquire the assets of the electric distribution system from PacificCorp. The line of credit was the first of a two-part financing which enabled the city immediate access to low-cost, flexible funding until the city was successful in receiving "Volume Cap" allocation from the State of Oregon Private Activity Board. The cost of the line of credit was variable rate at Prime Rate less 1.50%.

Receiving "Volume Cap" allowed the city to finance the acquisition costs through a permanent bond issue on essentially a tax-exempt basis versus taxable rates, a rate savings of approximately 200 basis points. In February of 2002, the city was successful in receiving the balance of its request for "Volume Cap" and proceeded with permanent bond financing as is timely. The city worked with Banc of America Securities LLC on its permanent financing which was completed in October, 2005. This obligation will be met in fiscal year 2032-33. Following is a payment schedule for the next seven years:

<u>2005 HES Obligations</u>	<u>Due Date</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>
Principal	Oct	0	140,000	160,000	180,000	200,000	225,000	250,000
Interest	Oct/Apr	578,450	576,105	571,000	565,090	558,240	550,265	541,115
<u>Total</u>		578,450	716,105	731,000	745,090	758,240	775,265	791,115

City of Hermiston
Resources

BONDED DEBT

	2004-05 Received	2005-06 Received	2006-07 Estimate	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Property Taxes						
Bond Taxes	348,081	357,126	103,765	310,140	310,140	310,140
Delinquent Taxes	16,724	18,466	2,000	2,000	2,000	2,000
Property Taxes	364,805	375,592	105,765	312,140	312,140	312,140
Transfers From:						
General	273,324	273,716	277,760	282,360	282,360	282,360
Utility-Loans	41,373	41,373	41,375	41,375	41,375	41,375
Utility-B & I	623,683	613,178	616,875	531,965	531,965	531,965
Energy Services	404,254	532,191	713,835	610,815	610,815	610,815
	1,342,634	1,460,458	1,649,845	1,466,515	1,466,515	1,466,515
Miscellaneous Revenues						
Sale of City Real Estate		42,312				
Administrative Income	121,771					
Miscellaneous Revenues	121,771	42,312				
Cash Forward		258,540	258,500	50,000	50,000	50,000
		258,540	258,500	50,000	50,000	50,000
Bonded Debt	1,829,210	2,136,902	2,014,110	1,828,655	1,828,655	1,828,655

BONDED DEBT REQUIREMENTS
by character

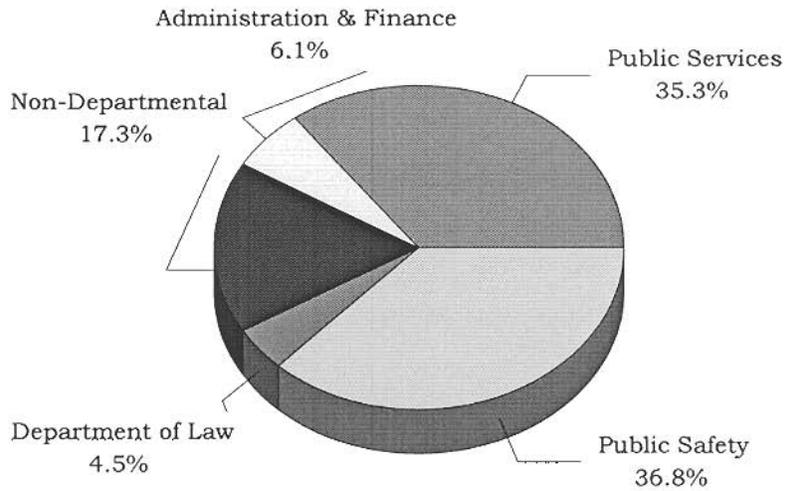
	Due Date	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Approved
Principal:							
1993 Sewer	Apr	190,000	195,000	205,000	210,000	210,000	210,000
2007 Utility	Apr	220,000	225,000	240,000	207,110	207,110	207,110
Total Utility		410,000	420,000	445,000	417,110	417,110	417,110
Regional Water	Aug	125,000	135,000	140,000	145,000	145,000	145,000
Total GO		125,000	135,000	140,000	145,000	145,000	145,000
2005 Energy							
Pool Construction	Dec	25,000	25,000	30,000	35,000	35,000	35,000
1997 Street	Jul	79,000	84,000	88,000	93,000	93,000	93,000
Total Revenue		104,000	109,000	118,000	128,000	128,000	128,000
Total Principal		639,000	664,000	703,000	690,110	690,110	690,110
Interest:							
1993 Sewer	Oct/Apr	41,233	31,735	21,790	11,025	11,025	11,025
2007 Utility	Oct/Apr	172,445	161,443	150,085	103,830	103,830	103,830
Total Utility		213,678	193,178	171,875	114,855	114,855	114,855
Regional Water	Aug/Feb	235,824	229,140	222,265	215,140	215,140	215,140
Total GO		235,824	229,140	222,265	215,140	215,140	215,140
2005 Energy				578,450	578,450	578,450	578,450
Pool Construction	Dec/Jan	151,076	150,576	150,030	149,335	149,335	149,335
1997 Street	Jan/Jul	18,248	14,140	9,730	5,025	5,025	5,025
Total Revenue		169,324	164,716	738,210	732,810	732,810	732,810
HES Bonds							
Total HES							
Total Interest		618,826	587,034	1,132,350	1,062,805	1,062,805	1,062,805
Energy Services		404,255	532,190	135,385	32,365	32,365	32,365
State Loan - HFI	Jun	41,373	41,373	41,375	41,375	41,375	41,375
Unapp Balance				2,000	2,000	2,000	2,000
Bonded Debt		1,703,454	1,824,597	2,014,110	1,828,655	1,828,655	1,828,655

GENERAL FUND

As the name implies, the general fund provides for the accounting of all revenues and expenditures not specifically categorized into a separate fund structure. The general fund is the most diverse and the largest of the city's funds. In accord with the continuing policies of the community, the general fund is the source for the inter-fund transfers necessary to augment the operations of our other functions. The general fund is the source for inter-fund transfers to the reserve fund system, the street fund, 911 communications and is the direct source for our smaller capital outlay projects related to the departments and functions accounted in the fund. The general fund departments are categorized as follows:

- | | | |
|-----------------------|----------------------|------------------------|
| City Council | Building Inspections | Police |
| City Manager/Planning | Parks | Audit & Others |
| Finance | Municipal Buildings | Unappropriated Balance |
| Legal Counsel | Library | |
| Court | Recreation | |
| Transportation | Conference Center | |
| Airport | Public Safety | |

2007-08 General Fund Appropriations



Expenditures:	<u>Proposed</u>
Administration & Finance	426,270
Department of Law	311,635
Public Services	2,455,755
Public Safety	2,559,275
Non-Departmental	1,201,305
<u>Total</u>	<u>\$6,954,240</u>

City of Hermiston
Resources

GENERAL

	2004-05 Received	2005-06 Received	2006-07 Estimate	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Property Taxes						
General Taxes	2,621,824	2,801,301	3,245,000	3,350,000	3,350,000	3,350,000
Delinquent Taxes	112,700	133,612	100,000	100,000	100,000	100,000
Property Taxes	2,734,524	2,934,913	3,345,000	3,450,000	3,450,000	3,450,000
Other Local Assessments						
Assessments Receivable	7,761	7,343	4,000	2,000	2,000	2,000
Local Assessments	7,761	7,343	4,000	2,000	2,000	2,000
Licenses & Franchises						
HES In Lieu of Taxes	340,660	348,515	325,000	325,000	325,000	325,000
UECA Franchise	163,329	167,362	160,000	165,000	165,000	165,000
Natural Gas Franchise	88,483	112,220	60,000	75,000	75,000	75,000
EO Telecom Franchise	19,195	10,169	15,000	15,000	15,000	15,000
Qwest Telephone Franchise	41,667	44,969	32,000	35,000	35,000	35,000
TV Franchise	52,466	51,639	45,000	45,000	45,000	45,000
Miscellaneous Franchises		87	5,000	100	100	100
Dog License & Board	1,970	2,710	1,500			
Liquor Permit License	605	510	500	500	500	500
Licenses & Franchises	708,375	738,181	644,000	660,600	660,600	660,600
Fines & Penalties						
Fines	232,336	285,630	185,000	225,000	225,000	225,000
Fines & Penalties	232,336	285,630	185,000	225,000	225,000	225,000
Use of City Money						
Interest on Investments	92,631	278,639	100,000	200,000	200,000	200,000
Airport Lease Income	57,626	67,138	50,000	55,000	55,000	55,000
Use of City Money	150,257	345,777	150,000	255,000	255,000	255,000
From Other Agencies						
Liquor Apportionment	140,860	151,970	140,000	145,000	145,000	145,000
Cigarette Tax	26,018	24,634	20,000	23,000	23,000	23,000
Library Grants	43,100	29,000				
County Taxi Grant	31,500	32,000	31,500	31,500	31,500	31,500
Law Enforcement Grant	39,429	6,995	8,000	6,000	6,000	6,000
Park Grants	6,285					
State Revenue Sharing	89,714	101,462	80,000	90,000	90,000	90,000
From Other Agencies	376,906	346,061	279,500	295,500	295,500	295,500

	2004-05 Received	2005-06 Received	2006-07 Estimate	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Service Charges						
Transient Room Tax	77,520	84,490	76,000	76,000	76,000	76,000
TRT - Pool	103,359	112,681	100,700	100,700	100,700	100,700
Plumbing Permits	39,711	10,881	5,000	7,000	7,000	7,000
Plan Review/Spl Insp Fee	97,914	51,622	30,000	30,000	30,000	30,000
Construction Permit Fees	187,265	128,543	75,000	85,000	85,000	85,000
Library Fees & Charges	7,792					
District Library Contract	85,889	87,773	80,000	85,000	85,000	85,000
School District Contract	104,802	100,131	122,000	128,000	128,000	128,000
Airport Gas & Oil Sales	141,109	152,499	115,000	132,000	132,000	132,000
Airport Misc Income	2,313	1,212	300	1,000	1,000	1,000
Pool Income	180,349	232,878	210,000	210,000	210,000	210,000
Park & Recreation Fee	2,125	2,260	1,000	1,500	1,500	1,500
Service Charges	1,030,148	964,970	815,000	856,200	856,200	856,200
Non-Revenue Receipts						
Sale of City Real Estate	5,827	24,545				
Reimburse Direct Expense	98,317	44,638	40,000	50,000	50,000	50,000
Reimburse Direct/BENT				6,000	6,000	6,000
Non-Revenue Receipts	104,144	69,183	40,000	56,000	56,000	56,000
Miscellaneous Revenues						
Administrative Income	288,288	280,499	275,000	270,000	270,000	270,000
Sales & Service	32,916	44,738	25,000	30,000	30,000	30,000
Trans Fm Revolving Loan			167,500			
Trans Fm Reserves			164,100			
Miscellaneous Revenues	321,204	325,237	631,600	300,000	300,000	300,000
Cash Forward	1,655,795	1,598,610	672,830	853,940	853,940	853,940
	1,655,795	1,598,610	672,830	853,940	853,940	853,940
General	7,321,450	7,615,905	6,766,930	6,954,240	6,954,240	6,954,240

SUMMARY - CONSOLIDATED GENERAL FUND EXPENDITURES

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
3-4110 City Council	44,922	38,228	40,645	40,645	40,645	40,645
4210 Mgr/Planning	297,254	327,249	279,830	288,030	288,030	288,030
4300 Finance	74,683	77,073	91,810	97,595	97,595	97,595
5100 Legal Counsel	77,432	73,082	96,050	95,850	95,850	95,850
5200 Court	191,005	190,120	210,815	215,785	215,785	215,785
6230 Transportation	108,767	117,192	108,750	117,300	117,300	117,300
6400 Airport	179,025	194,324	167,000	203,450	203,450	203,450
6500 Building Inspections	278,272	273,456	296,955	320,445	320,445	320,445
6710 Parks	593,539	512,468	450,025	502,995	502,995	502,995
6720 Municipal Pool	372,161	419,060	358,190	399,015	399,015	399,015
6730 Municipal Buildings	8,966	15,684	9,600	9,900	9,900	9,900
6740 Library	409,932	448,140	506,995	528,875	528,875	528,875
6750 Recreation	210,509	276,784	269,285	279,225	279,225	279,225
6760 Conference Center	90,473	97,721	92,950	94,550	94,550	94,550
7030 Public Safety Center	276,544	50,480	50,050	50,050	50,050	50,050
7130 Police Operations	1,936,045	2,265,345	2,431,645	2,509,225	2,509,225	2,509,225
8810 Audit & Others	1,311,748	1,115,119	1,281,335	1,176,305	1,176,305	1,176,305
8890 Unapp Balance			25,000	25,000	25,000	25,000
Total	6,461,277	6,491,525	6,766,930	6,954,240	6,954,240	6,954,240

CONSOLIDATED GENERAL FUND EXPENDITURES

by character

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Personal Services	3,384,890	3,905,690	4,127,615	4,402,030	4,402,030	4,402,030
Materials & Services	1,695,827	1,563,675	1,571,880	1,513,905	1,513,905	1,513,905
Capital Outlay	366,039	192,278	99,750	78,900	78,900	78,900
Transfers:						
Reserve Fund	360,250	54,477	2,000	18,000	18,000	18,000
Street Fund	9,943		98,510	70,550	70,550	70,550
911 Communications	371,004	501,689	564,415	563,495	563,495	563,495
Bonded Debt	273,324	273,716	277,760	282,360	282,360	282,360
Unapp Balance			25,000	25,000	25,000	25,000
Total	6,461,277	6,491,525	6,766,930	6,954,240	6,954,240	6,954,240

CONSOLIDATED ADMINISTRATION & FINANCE EXPENDITURES

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
3-4110 City Council	44,922	38,228	40,645	40,645	40,645	40,645
3-4210 Mgr/Planning	297,254	327,249	279,830	288,030	288,030	288,030
3-4300 Finance	74,683	77,073	91,810	97,595	97,595	97,595
Total	416,859	442,550	412,285	426,270	426,270	426,270

ADMINISTRATION & FINANCE
by character

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Personal Services	341,224	383,746	340,785	356,845	356,845	356,845
Materials & Services	75,635	58,804	71,500	69,425	69,425	69,425
Capital Outlay						
Total	416,859	442,550	412,285	426,270	426,270	426,270

MISSION STATEMENT: To lead the community by formulating policy and giving guidance and support to enhance Hermiston.

This fits well into the mission statement of the City of Hermiston, adopted at prior goals setting sessions which provides; "The City of Hermiston is a growth oriented Community seeking to expand and capitalize on the assets of the area, with a service oriented government commitment to providing cost effective, quality and timely services in a safe and courteous manner to the residents of this community."

The city council budget provides for the payment of our elected officials. The rates of pay are \$100 per month for councilors and \$250 per month for the mayor. The mayor and council are the policy leaders of all of the City of Hermiston, and each of the operating and capital outlay arenas identified in this budget.

The objectives and specific goals of the city council are identified in the opening budget statement and reiterated in each department.

PERSONNEL DISTRIBUTION

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Mayor	1	1	1	1	1	1
Councilors	8	8	8	8	8	8

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
4110 CITY COUNCIL

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Personal Services	12,300	12,600	13,800	13,800	13,800	13,800
Accident Insurance		28	35	35	35	35
Retirement	185	247	250	250	250	250
Social Security	960	964	1,060	1,060	1,060	1,060
Personal Services	13,445	13,839	15,145	15,145	15,145	15,145
Travel & Training	24,855	20,513	20,000	19,000	19,000	19,000
Contractual Services	24,855	20,513	20,000	19,000	19,000	19,000
Food & Miscellaneous	6,622	3,876	5,500	6,500	6,500	6,500
Commodities	6,622	3,876	5,500	6,500	6,500	6,500
City Council	44,922	38,228	40,645	40,645	40,645	40,645

MISSION STATEMENT: With the help of fellow employees, to accomplish policy objectives and activity priorities established by the mayor and city council, to provide mayor and city council with the information and communications needed to facilitate the decision making process and to provide the leadership and guidance among fellow employees of the city such that we may always take pride in the worth of the public services we perform, rendering those services to the very best of our individual and collective abilities.

All operating departments are coordinated by the city manager, who also functions as the treasurer, budget officer and personnel officer. Operations of the city and the accomplishment of all identified goals and objectives are the direct responsibility of the city manager. All planning functions are appropriated in this fund, as is economic development functions.

PERSONNEL DISTRIBUTION

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
City Manager	1/6	1/6	0	0	0	0
City Engineer	1/3	1/3	0	0	0	0
City Planner	1	1	1	1	1	1
Assistant City Manager	1	1	1	1	1	1
General Clerical	1/2	1/2	1/2	1/2	1/2	1/2

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
4210 MANAGER/PLANNING

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Personal Services	201,137	217,258	180,400	186,800	186,800	186,800
Unemployment Insurance						
Accident Insurance		718	450	455	455	455
Retirement	24,766	44,468	37,110	38,450	38,450	38,450
Social Security	15,153	16,285	13,800	14,290	14,290	14,290
Medical, Dental & Life Ins	28,063	30,252	24,370	26,410	26,410	26,410
Personal Services	269,119	308,981	256,130	266,405	266,405	266,405
Other Professional Service	1,947	2,747	5,000	2,500	2,500	2,500
Postage	616	703	750	700	700	700
Travel & Training	12,051	5,481	6,500	7,500	7,500	7,500
Legal Publications	2,753	1,992	1,800	1,800	1,800	1,800
Telephone	2,400	2,323	2,500	2,400	2,400	2,400
Repairs-Motor Vehicles	62		300	100	100	100
Dues & Membership	1,265	1,374	1,500	1,700	1,700	1,700
Miscellaneous Contractual	4,148	1,176	2,250	2,000	2,000	2,000
Contractual Services	25,242	15,796	20,600	18,700	18,700	18,700
Office Supplies	2,458	2,113	2,500	2,400	2,400	2,400
Minor/Safety Equipment	101	53	200	100	100	100
Motor Vehicle Fuel & Oil	262	219	250	350	350	350
Motor Vehicle Parts	72	87	150	75	75	75
Commodities	2,893	2,472	3,100	2,925	2,925	2,925
Manager/Planning	297,254	327,249	279,830	288,030	288,030	288,030

03 GENERAL FUND
 4300 FINANCE

MISSION STATEMENT: To maintain the financial stability of the community, promote a service oriented government and provide courteous and friendly services to the residents of the community.

In addition to various administrative duties, the finance office is responsible for budget preparation and control, investment management and the billing and receipting of utility accounts, local improvements and miscellaneous billings. This office also maintains all payroll and personnel information. The department encompasses the detailed expenses to handle city management, accounting and debt management, the administration of the taxi program, the solid waste utility franchise, administration and contract management for all roadway programs and similar capital expenditures.

The finance director/recorder position has been appropriated at half-time.

PERSONNEL DISTRIBUTION

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Finance Director/Recorder	2/5	2/5	2/5	2/5	2/5	2/5
Senior Secretary	1	1	1	1	1	1

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
4300 FINANCE

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Personal Services	41,947	42,775	46,200	50,300	50,300	50,300
Overtime			200	200	200	200
Unemployment Insurance						
Accident Insurance		89	120	125	125	125
Retirement	3,131	4,111	8,650	9,150	9,150	9,150
Social Security	3,197	3,119	3,560	3,870	3,870	3,870
Medical, Dental & Life Ins	10,385	10,832	10,780	11,650	11,650	11,650
Personal Services	58,660	60,926	69,510	75,295	75,295	75,295
Postage	2,902	3,931	4,000	4,000	4,000	4,000
Travel & Training	2,727	1,697	4,000	4,000	4,000	4,000
Telephone	1,594	1,557	2,000	2,000	2,000	2,000
Repairs-Office Equipment	5,886	5,557	8,000	8,000	8,000	8,000
Dues & Membership	285	205	300	300	300	300
Contractual Services	13,394	12,947	18,300	18,300	18,300	18,300
Office Supplies	2,400	2,950	3,750	3,500	3,500	3,500
Food & Miscellaneous	229	250	250	500	500	500
Commodities	2,629	3,200	4,000	4,000	4,000	4,000
Finance	74,683	77,073	91,810	97,595	97,595	97,595

CONSOLIDATED DEPARTMENT OF LAW EXPENDITURES

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
3-5100 Legal Counsel	77,432	73,082	96,050	95,850	95,850	95,850
3-5200 Court	191,005	190,120	210,815	215,785	215,785	215,785
Total	268,437	263,202	306,865	311,635	311,635	311,635

DEPARTMENT OF LAW
by character

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Personal Services	157,287	159,995	170,500	179,520	179,520	179,520
Materials & Services	111,150	103,207	131,865	131,615	131,615	131,615
Capital Outlay			4,500	500	500	500
Total	268,437	263,202	306,865	311,635	311,635	311,635

03 GENERAL FUND
5100 LEGAL COUNSEL

MISSION STATEMENT: To provide prompt legal services to the City of Hermiston city council, manager and operating departments as required.

The city attorney has a contractual relationship with the city. This budget allows for the direct payment to the attorney for providing general legal advice to the city operations, attendance at city council meetings, planning commission as required, and for other requested legal services such as land transactions and litigation, preparation of leases and public contracts and similar services. Labor negotiations are conducted by an independent firm on a retainer basis at \$1,000 per month. Prosecution costs are also included in this department.

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
5100 LEGAL COUNSEL

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Other Professional Service	26,459	45,000	45,000	45,000	45,000	45,000
Prosecution	36,600	36,600	36,600	36,600	36,600	36,600
Labor Negotiations	12,000	12,000	12,000	12,000	12,000	12,000
Travel & Training	1,268	1,300	1,300	1,300	1,300	1,300
Contractual Services	76,327	94,900	94,900	94,900	94,900	94,900
Magazine, Map, Pamphlet	1,105	950	950	950	950	950
Commodities	1,105	950	950	950	950	950
Legal Counsel	77,432	95,850	95,850	95,850	95,850	95,850

03 GENERAL FUND
 5200 COURT

MISSION STATEMENT: To provide in criminal cases, justice to both society and the offender. The municipal court is not a civil court and any civil functions of the court are secondary in nature to the primary function of the court, which is the processing of criminal cases. In all cases the prompt, orderly, efficient, and fair resolution of court matters is the priority. The court desires to bring the associated functions of the city in harmony, to reduce overall costs to the city and provide equal justice under the law.

The court is the exclusive jurisdiction over municipal ordinance violations, the jurisdiction over vehicle code offenses of all sorts, and jurisdiction on selected statutorily defined violations and misdemeanors. The jurisdiction of the court shall be as defined by the council in the ordinance establishing the jurisdiction of the court.

The court staff consists of a part-time judge, full-time court administrator and one and three quarter general clerical personnel.

PERSONNEL DISTRIBUTION

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Municipal Judge (.33 FTE)	1	1	1	1	1	1
Court Administrator	0	0	0	1	1	1
Municipal Court Clerk	1	1	1	0	0	0
General Clerical	1 1/2	1 1/2	1 1/2	1	1	1
General Clerical (.75 FTE)	0	0	0	1	1	1

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
5200 COURT

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Personal Services	112,928	109,110	117,100	122,625	122,625	122,625
Overtime	205	161	300	300	300	300
Unemployment Insurance						
Accident Insurance		260	330	345	345	345
Retirement	10,779	16,909	19,400	20,400	20,400	20,400
Social Security	8,443	8,144	9,000	9,400	9,400	9,400
Medical, Dental & Life Ins	24,932	25,411	24,370	26,450	26,450	26,450
Personal Services	157,287	159,995	170,500	179,520	179,520	179,520
Other Professional Service	120	125	1,000	250	250	250
Public Defense	19,049	15,600	17,340	17,340	17,340	17,340
Postage	2,072	1,568	2,500	2,800	2,800	2,800
Travel & Training	1,304	1,741	2,000	3,000	3,000	3,000
Telephone	5,056	4,998	5,500	5,250	5,250	5,250
Repairs-Office Equipment	1,258	1,339	1,000	1,200	1,200	1,200
Dues & Membership	100		225	225	225	225
Miscellaneous Contractual	1,533	1,217	2,000	1,800	1,800	1,800
Subpoenas & Jury Fees	5	93	400	200	200	200
Contractual Services	30,497	26,681	31,965	32,065	32,065	32,065
Office Supplies	2,981	2,909	3,300	3,150	3,150	3,150
Magazine, Map, Pamphlet	240	535	550	550	550	550
Commodities	3,221	3,444	3,850	3,700	3,700	3,700
Office Equipment			4,500	500	500	500
Capital Outlay			4,500	500	500	500
Court	191,005	190,120	210,815	215,785	215,785	215,785

CONSOLIDATED PUBLIC SERVICES EXPENDITURES

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
3-6230 Transportation	108,767	117,192	108,750	117,300	117,300	117,300
3-6400 Airport	179,025	194,324	167,000	203,450	203,450	203,450
3-6500 Building Inspection	278,272	273,456	296,955	320,445	320,445	320,445
3-6710 Parks	593,539	512,468	450,025	502,995	502,995	502,995
3*6720 Municipal Pool	372,161	419,060	358,190	399,015	399,015	399,015
3-6730 Municipal Bldgs	8,966	15,684	9,600	9,900	9,900	9,900
3-6740 Library	409,932	448,140	506,995	528,875	528,875	528,875
3-6750 Recreation	210,509	276,784	269,285	279,225	279,225	279,225
3-6760 Conference Center	90,473	97,721	92,950	94,550	94,550	94,550
Total	2,251,644	2,354,829	2,259,750	2,455,755	2,455,755	2,455,755

PUBLIC SERVICES
by character

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Personal Services	1,193,359	1,343,265	1,429,985	1,599,740	1,599,740	1,599,740
Materials & Services	806,808	907,914	801,765	816,015	816,015	816,015
Capital Outlay	76,477	58,673	26,000	22,000	22,000	22,000
Transfer to Reserve	175,000	44,977	2,000	18,000	18,000	18,000
Total	2,251,644	2,354,829	2,259,750	2,455,755	2,455,755	2,455,755

03 GENERAL FUND
6230 TRANSPORTATION

MISSION STATEMENT: To provide quality taxi services to senior citizens and handicapped individuals in the community to the maximum extent possible within the fiscal constraints of the city.

Originally developed as a Federal Revenue Sharing program in the early 70's, the taxi program has evolved from a less than \$20,000 per year program to its current level.

Along with the direct costs contained in the taxi subsidy, the city provides personnel support to sell tickets, account and report utilization, purchase tickets, assist riders in obtaining tickets and securing rides. The cost to the general fund is over \$3,000 per year in manpower investments and purchase of supplies.

The costs projected for the program are based on ridership and eligible participants. The grant revenues from county sources this year are projected at \$31,500.

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
6230 TRANSPORTATION

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Printing	11	782	750	800	800	800
Taxi Program	108,756	116,410	108,000	116,500	116,500	116,500
Contractual Services	108,767	117,192	108,750	117,300	117,300	117,300
Transportation	108,767	117,192	108,750	117,300	117,300	117,300

03 GENERAL FUND
6400 AIRPORT

MISSION STATEMENT: To greet the aviation public in a friendly, positive and courteous manner, providing a clean and attractive environment along with quality service. As the airport often provides visitors to Hermiston with their first impression, the airport personnel recognize the importance of a friendly and helpful attitude.

Hermiston Municipal Airport is operated on a contract basis by Hermiston Aviation, Inc. The employees of Hermiston Aviation, Inc. are not city employees. Compensation for the service is provided by allowing a flat monthly contract fee and the occupancy of the city-owned airport managers home.

The airport provides two grades of aviation fuel and oil products for the government, military, corporate and general aviation pilots who use the facility. Along with fuel sales, the airport provides 40+ tie down spaces, two city-owned enclosed hangars and one open hangar. The terminal building is used regularly by several aviation related organizations as a meeting site and also houses occasional meetings relating to city business.

The day to day maintenance and operation is the responsibility of the airport manager, who occasionally hires speciality contractors to perform specific maintenance tasks. Other city departments also provide manpower, equipment and expertise on a limited, as needed basis to assist in the overall maintenance of the airport. The city engineer is staff representative to the Airport Advisory Committee and provides administration for capital improvement projects.

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
6400 AIRPORT

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Other Professional Service	38,761	37,578	37,100	37,100	37,100	37,100
Property & Liability Ins	9,175	9,089	9,250	9,250	9,250	9,250
Electricity	10,727	11,651	11,500	11,750	11,750	11,750
Telephone	1,140	1,983	1,700	1,900	1,900	1,900
Cleaning & Painting	52	44	250	100	100	100
Miscellaneous Contractual	10,111	3,232	2,500	3,000	3,000	3,000
Licenses & Permits	110	174	100	150	150	150
Contractual Services	70,076	63,751	62,400	63,250	63,250	63,250
Office Supplies	56	99	100	100	100	100
Clean/Sanitation Supplies	225	214	400	300	300	300
Food & Miscellaneous	149	182	100	100	100	100
Minor/Safety Equipment	1,098	392	1,500	1,000	1,000	1,000
Motor Vehicle Fuel & Oil	107,412	127,130	100,000	120,000	120,000	120,000
Parts For Operating Equip	9	556	500	700	700	700
Commodities	108,949	128,573	102,600	122,200	122,200	122,200
Res-Airport Improvements		2,000	2,000	18,000	18,000	18,000
Capital Outlay		2,000	2,000	18,000	18,000	18,000
Airport	179,025	194,324	167,000	203,450	203,450	203,450

MISSION STATEMENT: To provide structural, mechanical and electrical plan reviews, along with fire, life and safety plan reviews. Community Development issues building, mechanical and electrical permits for commercial and residential structures in addition to residential plumbing permits.

The building official assists in negotiation with developers and builders to the extent and character of individual developments as well as in land use compatibility. The building official shall render interpretations pertaining to code and will adopt and enforce rules and supplemental regulations to clarify the application of its provisions. Such interpretations, rules and regulations shall be in conformance with the intent and purpose of the code.

In the past year the building division has accomplished the following additional activities:

- ◆ Provided interdepartmental liaison activity on private and public developments.
- ◆ Investigated citizen complaints on land use and zoning violations.
- ◆ Investigate and maintain files for dust complaints.
- ◆ Investigate and enforce all applicable city ordinances.
- ◆ Provided a complete building program including plumbing, electric, plan review, structural and mechanical services.

PERSONNEL DISTRIBUTION

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Building Official	1	1	1	1	1	1
Building Inspector	1	1	1	1	1	1
Permit Technician II	1 1/3	1 1/3	1 1/3	1 1/3	1 1/3	1 1/3

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
6500 BUILDING INSPECTIONS

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Personal Services	179,048	180,070	188,700	197,200	197,200	197,200
Overtime			350	350	350	350
Unemployment Insurance						
Accident Insurance		1,461	1,930	2,040	2,040	2,040
Retirement	22,426	28,848	29,300	40,650	40,650	40,650
Social Security	13,662	13,573	14,500	15,115	15,115	15,115
Medical, Dental & Life Ins	38,033	25,014	25,110	37,025	37,025	37,025
Personal Services	253,169	248,966	259,890	292,380	292,380	292,380
Postage	242	117	350	325	325	325
Travel & Training	4,722	2,728	4,000	4,000	4,000	4,000
Electricity	2,211	2,147	2,300	2,400	2,400	2,400
Telephone	4,049	3,804	4,100	4,000	4,000	4,000
Repairs-Motor Vehicles			100	50	50	50
Other Repairs			300	150	150	150
Cleaning & Painting	1,740	1,740	1,740	1,740	1,740	1,740
Dues & Membership	765	450	625	625	625	625
Miscellaneous Contractual	4,360	5,799	14,500	5,800	5,800	5,800
Contractual Services	18,089	16,785	28,015	19,090	19,090	19,090
Office Supplies	2,823	2,908	4,200	3,900	3,900	3,900
Magazine, Map, Pamphlet	598	170	750	750	750	750
Food & Miscellaneous	170	329	300	300	300	300
Fuel-Other Than Vehicle	1,649	1,951	1,600	1,900	1,900	1,900
Minor/Safety Equipment	159	296	450	400	400	400
Motor Vehicle Fuel & Oil	1,263	1,374	1,300	1,300	1,300	1,300
Motor Vehicle Parts	352	677	450	425	425	425
Commodities	7,014	7,705	9,050	8,975	8,975	8,975
Building Inspections	278,272	273,456	296,955	320,445	320,445	320,445

03 GENERAL FUND
 6710 PARKS

MISSION STATEMENT: The City of Hermiston Parks Department protects and improves Hermiston’s environmental resources for the enjoyment of the citizens. The goals of the department are to provide:

- ◆ Space to learn and play.
- ◆ Space to be safe and secure.
- ◆ Space to create and imagine.

Park department objectives for fiscal year 2007-08:

- ◆ Rehabilitate McKenzie Park and construct a clock/bell tower plaza to commemorate Hermiston’s centennial.
- ◆ Maintain the mowing, watering and fertilizing schedules at all times.
- ◆ Provide seven day a week park restroom and garbage maintenance March through October.

PERSONNEL DISTRIBUTION

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Park Maintenance Foreman	0	1	1	1	1	1
Park/Facility Lead Worker	0	0	1	1	1	1
Maintenance Lead Worker	1	0	0	0	0	0
Municipal Worker II	2	2	1	1	1	1
Municipal Worker I	1	1	1	1	1	1

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
6710 PARKS

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Personal Services	171,924	178,685	186,000	256,955	256,955	256,955
Overtime	1,962	516	1,760	1,765	1,765	1,765
Unemployment Insurance						
Accident Insurance		5,284	7,230	9,975	9,975	9,975
Retirement	18,718	33,273	38,615	53,220	53,220	53,220
Social Security	12,520	13,386	14,360	19,800	19,800	19,800
Medical, Dental & Life Ins	35,374	38,238	38,260	46,830	46,830	46,830
Personal Services	240,498	269,382	286,225	388,545	388,545	388,545
Travel & Training	1,566	2,317	1,000	2,500	2,500	2,500
Electricity	8,580	11,137	9,000	14,000	14,000	14,000
Telephone	3,330	3,346	3,000	3,350	3,350	3,350
Miscellaneous Contractual	104,105	125,770	94,500	35,000	35,000	35,000
Contractual Services	117,581	142,570	107,500	54,850	54,850	54,850
Ag & Hort Supplies	8,072	10,452	10,000	10,000	10,000	10,000
Chemicals	2,063	3,947	4,500	4,000	4,000	4,000
Clean/Sanitation Supplies	1,259	380	1,200	1,000	1,000	1,000
Minor/Safety Equipment	8,368	11,435	10,000	10,000	10,000	10,000
Motor Vehicle Fuel & Oil	9,155	14,658	19,100	23,600	23,600	23,600
Motor Vehicle Parts	3,550	983	1,500	1,500	1,500	1,500
Paint & Paint Supplies	1,396	2,673	2,000	2,000	2,000	2,000
Plmb/Sewage Supplies	8,948	9,513	4,500	4,500	4,500	4,500
Parts For Operating Equip	1,649	3,498	3,500	3,000	3,000	3,000
Commodities	44,460	57,539	56,300	59,600	59,600	59,600
Motor Vehicle	16,000					
Res-Park Improvements	175,000	42,977				
Capital Outlay	191,000	42,977				
Parks	593,539	512,468	450,025	502,995	502,995	502,995

63 GENERAL FUND
 6720 MUNICIPAL POOL

MISSION STATEMENT: To develop, implement, direct and evaluate diverse aquatic opportunities for benefit of the community. These opportunities will be provided in a cost effective manner to insure community-wide participation.

Municipal Pool objectives for fiscal year 2007-08:

- ◆ Improve cost recovery by 5% over 2006-07 at the Hermiston Family Aquatic Center.
- ◆ Maximize participation in aquatic programs through aggressive marketing.

PERSONNEL DISTRIBUTION

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Recreation/Aquatics						
Coordinator	1/3	1/3	1/3	1/3	1/3	1/3
Summer Pool (10 FTE)	10	10	10	10	10	10

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
6720 MUNICIPAL POOL

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Personal Services	188,088	183,623	175,650	182,000	182,000	182,000
Overtime	460	1,358	500	500	500	500
Unemployment Insurance						
Accident Insurance		2,927	6,780	7,030	7,030	7,030
Retirement	2,305	3,445	4,685	6,050	6,050	6,050
Social Security	11,381	14,111	13,475	13,975	13,975	13,975
Medical, Dental & Life Ins	4,296	4,794	4,800	5,210	5,210	5,210
Personal Services	206,530	210,258	205,890	214,765	214,765	214,765
Postage	219	405	500	500	500	500
Travel & Training	2,095	1,104	1,500	1,500	1,500	1,500
Advertising	3,463	2,051	1,000	2,000	2,000	2,000
Property & Liability Ins	5,319	5,372	5,800	5,800	5,800	5,800
Electricity	15,793	19,572	22,500	22,500	22,500	22,500
Telephone	4,024	1,947	1,500	1,700	1,700	1,700
Dues & Membership	588		750	750	750	750
Miscellaneous Contractual	2,344	18,230	22,500	23,000	23,000	23,000
Licenses & Permits	755	755	750	750	750	750
Contractual Services	34,600	49,436	56,800	58,500	58,500	58,500
Office Supplies	7,313	7,825	2,500	2,500	2,500	2,500
Chemicals	33,175	21,535	20,000	22,500	22,500	22,500
Clean/Sanitation Supplies	5,126	4,309	3,500	3,500	3,500	3,500
Food & Miscellaneous	30,449	33,537	20,000	20,000	20,000	20,000
Fuel-Other Than Vehicle	39,833	52,902	38,000	68,000	68,000	68,000
Paint & Paint Supplies			2,500	750	750	750
Plmb/Sewage Supplies	2,187	8,708	1,000	1,000	1,000	1,000
Recreational Supplies	5,551	3,109	5,000	5,000	5,000	5,000
Uniforms	7,397	2,212	3,000	2,500	2,500	2,500
Commodities	131,031	134,137	95,500	125,750	125,750	125,750
Buildings & Fixed Equip		25,000				
Other Improvements		229				
Capital Outlay		25,229				
Municipal Pool	372,161	419,060	358,190	399,015	399,015	399,015

03 GENERAL FUND
6730 MUNICIPAL BUILDINGS

MISSION STATEMENT: The direct costs of the operations of the city hall is specifically budgeted in this account. This budget is a central accounting location to consolidate costs and avoid allocating costs to the individual uses of the buildings.

City hall is the location where utility billings and other related activities are housed, it was determined that the costs related to this facility are justified to be split between the general fund, water and wastewater. Therefore, this fund has been appropriated to these three funds.

No personnel are assigned. No cost allocation is made to operating departments, although the street department does try to have a man available to do general maintenance on of all municipal buildings.

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
6730 MUNICIPAL BUILDINGS

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Electricity	2,719	2,671	3,000	3,000	3,000	3,000
Repairs-Buildings	1,199	7,506	1,000	1,000	1,000	1,000
Repairs-Machinery/Equip	604	664	750	700	700	700
Cleaning & Painting	2,809	2,720	2,750	2,750	2,750	2,750
Miscellaneous Contractual	861	1,555	1,000	1,700	1,700	1,700
Contractual Services	8,192	15,116	8,500	9,150	9,150	9,150
Clean/Sanitation Supplies	349	26	400	100	100	100
Fuel-Other Than Vehicle	330	451	550	550	550	550
Minor/Safety Equipment	95	91	150	100	100	100
Commodities	774	568	1,100	750	750	750
Municipal Buildings	8,966	15,684	9,600	9,900	9,900	9,900

MISSION STATEMENT: To provide to the public, in a friendly and courteous manner, timely access to information and exposure to cultural events for the purpose of learning, self-development or life enhancement.

STATISTICS (Calendar Year)	2005	2006
Items Checked Out (total count)	81,720	95,069
Active Library Cards	10,190	10,587
Overdues	5,398	5,475
Renewals	8,019	7,343
Programs Presented	157	300
Program Attendance	5,535	9,742
Reference Questions Answered	2,901	1,476
Number of Volunteer Hours	638	907
Total Inter-Library Loans	1,155	1,699
Use of Internet Stations	11,136	14,796

2006-07 Major Events:

- ◆ Created the Hermiston Library Endowment.
- ◆ Received Collins Foundation Grant (\$19,480) to transition Elderlibraries Coordinator to a Volunteer position.
- ◆ Replaced the old upstairs heating and cooling system.
- ◆ Summer Reading Program enrollment exceeded 600, held first Teen Summer Reading program.

2006-07 Goals:

- ◆ Continue 10% collection weeding (Audio/Video and large print materials). **In process**
- ◆ Establish Historical collection with Meyer Grant. **Completed**
- ◆ Evaluate and reduce periodical collection. Provide dedicated computer for database. **In process**
- ◆ Implement first Self-checkout system in Eastern Oregon. **In process**

2007-08 Goals:

- ◆ Continue 10% collection weeding. (Audio/Video and large Print materials).
- ◆ Develop active library volunteer program that doubles 2006 hours.
- ◆ Establish outreach program for early childhood literacy among public housing residents.
- ◆ Implement first Self-checkout system in Eastern Oregon.

PERSONNEL DISTRIBUTION

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Library Director	1	1	1	1	1	1
Librarian II	1	1	1	2	2	2
Senior Library Assistant	0	0	1	1	1	1
Library Assistant	2	2	1	1	1	1
Librarian (6.5 FTE)	6	6	6	6	6	6

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
6740 LIBRARY

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Personal Services	247,348	276,123	321,355	330,650	330,650	330,650
Overtime			100	100	100	100
Unemployment Insurance						
Accident Insurance		576	780	795	795	795
Retirement	29,090	52,326	66,125	68,050	68,050	68,050
Social Security	18,725	20,953	24,595	25,310	25,310	25,310
Medical, Dental & Life Ins	19,840	20,350	15,290	16,520	16,520	16,520
Personal Services	315,003	370,328	428,245	441,425	441,425	441,425
Postage	476	343	400	400	400	400
Travel & Training	2,010	697	2,500	2,000	2,000	2,000
Electricity	8,496	8,958	8,750	9,000	9,000	9,000
Telephone	2,515	2,339	3,500	2,500	2,500	2,500
Repairs-Buildings	2,887	3,538	2,000	12,000	12,000	12,000
Cleaning & Painting	14,335	14,994	13,900	13,900	13,900	13,900
Dues & Membership	70	88	300	150	150	150
Miscellaneous Contractual	10,969	13,879	10,000	14,200	14,200	14,200
Contractual Services	41,758	44,836	41,350	54,150	54,150	54,150
Office Supplies	5,310	5,406	8,000	8,000	8,000	8,000
Magazine, Map, Pamphlet	1,677	1,132	1,500	1,500	1,500	1,500
Clean/Sanitation Supplies	1,670	7	400	400	400	400
Food & Miscellaneous	450	239	250	250	250	250
Minor/Safety Equipment	1,587	214	500	400	400	400
Motor Vehicle Fuel & Oil		742	750	750	750	750
Commodities	10,694	7,740	11,400	11,300	11,300	11,300
Library Books & Equip	18,000	20,444	22,000	22,000	22,000	22,000
Motor Vehicles	20,237					
Office Equipment	4,240	4,792	4,000			
Capital Outlay	42,477	25,236	26,000	22,000	22,000	22,000
Library	409,932	448,140	506,995	528,875	528,875	528,875

MISSION STATEMENT: The City of Hermiston Recreation Department promotes and provides recreational and leisure activities for the enjoyment of the citizens. The goals of the department are to provide:

- ◆ Place to learn and play.
- ◆ Place to be safe and secure.
- ◆ Place to create and imagine.

Recreation Department objectives for fiscal year 2007-08:

- ◆ Maintain the current level of opportunities and refine them to ensure efficient and cost effective program delivery.
- ◆ Provide a Family 4th of July Celebration and Hohe Wüste Oktoberfest celebration.
- ◆ Expand recreation programs to meet the needs and desires of the citizens.
- ◆ Plan and implement the Hermiston Centennial Celebration.

PERSONNEL DISTRIBUTION

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Parks/Recreation Director	1	1	1	1	1	1
Recreation/Aquatics Coordinator	2/3	2/3	2/3	2/3	2/3	2/3
General Clerical	0	0	1	1	1	1
Summer Parks Program (.3 FTE)	1	1	1	1	1	1

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
6750 RECREATION

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Personal Services	136,394	175,096	161,100	168,500	168,500	168,500
Overtime	55	461	500	500	500	500
Unemployment Insurance						
Accident Insurance		3,581	5,010	5,230	5,230	5,230
Retirement	9,680	20,261	33,230	34,765	34,765	34,765
Social Security	13,789	13,167	12,375	12,930	12,930	12,930
Medical, Dental & Life Ins	18,241	31,765	37,520	40,700	40,700	40,700
Personal Services	178,159	244,331	249,735	262,625	262,625	262,625
Postage		1,459	200	200	200	200
Travel & Training	3,757	4,184	2,500	2,500	2,500	2,500
Advertising	3,233	6,575	3,000	3,000	3,000	3,000
Telephone	356	296	500	500	500	500
Repairs-Office Equip		266				
Dues & Membership	1,815	475	1,800	1,000	1,000	1,000
Miscellaneous Contractual	1,755	4,530	6,500	5,000	5,000	5,000
Contractual Services	10,916	17,785	14,500	12,200	12,200	12,200
Office Supplies	603	3,116	1,000	1,000	1,000	1,000
Food & Miscellaneous	30					
Minor/Safety Equipment		53	100	50	50	50
Motor Vehicle Fuel & Oil	668	1,178	1,200	1,000	1,000	1,000
Recreational Supplies	2,133	2,113	2,250	2,100	2,100	2,100
Uniforms			500	250	250	250
Commodities	3,434	6,460	5,050	4,400	4,400	4,400
Other Equipment	18,000	8,208				
Capital Outlay	18,000	8,208				
Recreation	210,509	276,784	269,285	279,225	279,225	279,225

03 GENERAL FUND
6760 CONFERENCE CENTER

MISSION STATEMENT: To serve the needs of Hermiston and the surrounding area for cultural events, public and private conferences, shows, exhibitions and private functions.

The City of Hermiston owns the Hermiston Conference and Convention Center and funds the operation thereof. A portion of the transient room tax is dedicated for improvements, maintenance and operation of the conference center.

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
6760 CONFERENCE CENTER

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Other Professional Service	64,350	64,350	64,350	64,350	64,350	64,350
Property & Liability Ins	3,437	3,429	3,500	3,500	3,500	3,500
Electricity	14,977	14,512	17,000	17,000	17,000	17,000
Telephone	801	253	800	400	400	400
Miscellaneous Contractual	2,317	9,652	2,000	4,000	4,000	4,000
Contractual Services	85,882	92,196	87,650	89,250	89,250	89,250
Fuel-Other Than Vehicle	4,591	5,213	4,800	5,300	5,300	5,300
Minor/Safety Equipment		312	500			
Commodities	4,591	5,525	5,300	5,300	5,300	5,300
Conference Center	90,473	97,721	92,950	94,550	94,550	94,550

CONSOLIDATED PUBLIC SAFETY EXPENDITURES

	2004-05 Expended	2005-06 Expended	2006 07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
3-7030 Public Safety Ctr	276,544	50,480	50,050	50,050	50,050	50,050
3-7130 Operations	1,936,045	2,265,345	2,431,645	2,509,225	2,509,225	2,509,225
<u>Total</u>	2,212,589	2,315,825	2,481,695	2,559,275	2,559,275	2,559,275

PUBLIC SAFETY
by character

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Personal Services	1,693,020	2,018,684	2,186,345	2,265,925	2,265,925	2,265,925
Materials & Services	230,007	258,177	226,100	236,950	236,950	236,950
Capital Outlay	289,562	38,964	69,250	56,400	56,400	56,400
Transfer to Reserve						
<u>Total</u>	2,212,589	2,315,825	2,481,695	2,559,275	2,559,275	2,559,275

03 GENERAL FUND
7030 PUBLIC SAFETY CENTER

MISSION STATEMENT: To provide a consolidated location for the expenses of the structure occupied by the municipal court, police and fire functions.

This functions similar to the municipal buildings budget, designed to allow accounting simplicity. The costs of the area are potentially allocable to the municipal court, fire and police functions. However, the necessity for percentage allocations and similar relatively complex accounting called for the creation of this budget for simplicity. The operation and maintenance of the building located at 330 S. First Street and the HPD annex are contained in this fund.

There are no personnel assigned to this budget. A contractual relationship for custodial services is maintained.

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
7030 PUBLIC SAFETY CENTER

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Electricity	20,657	20,287	22,000	21,500	21,500	21,500
Telephone	4,656	4,486	5,000	5,000	5,000	5,000
Repairs-Buildings	2,412	4,393	3,500	4,500	4,500	4,500
Repairs-Machinery/Equip	1,138	498	1,500	1,250	1,250	1,250
Cleaning & Painting	10,354	14,129	8,500	9,700	9,700	9,700
Miscellaneous Contractual			500	200	200	200
Contractual Services	39,217	43,793	41,000	42,150	42,150	42,150
Clean/Sanitation Supplies			100	50	50	50
Fuel-Other Than Vehicle	7,296	6,687	8,750	7,750	7,750	7,750
Minor/Safety Equipment	34		200	100	100	100
Commodities	7,330	6,687	9,050	7,900	7,900	7,900
Buildings & Fixed Equip	229,997					
Capital Outlay	229,997					
Public Safety Center	276,544	50,480	50,050	50,050	50,050	50,050

MISSION STATEMENT: The Hermiston Police Department continues to be a highly efficient policing entity in which complete accountability on the part of every member is accepted and supported. Members of the Hermiston Police Department are receptive to the wants and needs of the citizens in which they serve. The Department has participated in a second annual survey asking the citizens of Hermiston how they feel their police department is doing and what areas of concern they may have in their individual neighborhoods. The Department has focused on the survey results and incorporated specific goals and objectives that are a direct reflection of the will of the people. Individual members of the Department focus on reaching these objectives by putting in place attainable and measurable goals for which they are held responsible.

Members of the Department practice clear, open and honest communication. Supervisors encourage independent thought process in identifying, analyzing, researching, and assessing day to day problems officers may encounter. This type of work culture is conducive to effectively accomplishing the vision/mission of the Department as progression is made toward operating as a high performing organization.

The City of Hermiston has always enjoyed a low experience of major or violent person crimes, and this trend continues through the utilization of advanced technology in the day to day operations of the patrol section. The Department will continue its focus on property crimes and other issues by enabling the citizens to join Neighborhood Watch Groups specific to the area in which they reside. To date, the Hermiston Police Department currently facilitates 50 active neighborhood watch groups.

With property crimes and controlled substance nuisances accounting for nearly 17% of the biggest problems identified in neighborhoods (according to the 2006 survey), a team was created to focus on targeting these offenders and taking a zero tolerance approach with regard to enforcement. This Emphasis Team which consists of one officer, the detective and a sergeant (all working in addition to their normal duties), conducted 16 search warrants in 2006 with nearly 300 criminal charges filed against several persons. Information obtained from this team via informants is acted upon in a legal and expeditious manner. Many times, either information itself is paid for via the Informant Account or controlled substances are purchased by officers through a highly accountable process and in accordance with recommendations from the Umatilla County District Attorney's Office.

The functions of the Code Enforcement Officer will remain the same; support patrol and increase the overall appearance of the City via enforcement of ordinances. In 2006, an effort on the part of patrol was made to ensure property owners were in compliance of ordinance directly affecting public health and appearance. In conjunction with the Code Enforcement Officer, a similar effort will take place in Spring of 2007. The Code Enforcement Officer increased his enforcement efforts by over 2000% from the 2005 calendar year.

PERSONNEL DISTRIBUTION

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Police Chief	1	1	1	1	1	1
Police Lieutenant	1	1	1	1	1	1
Administrative Sergeant	1	1	1/2	1/2	1/2	1/2
Police Sergeants	3	3	3	3	3	3
Patrol Officers	15	15	15	15	15	15
School Resource Officer	2	2	2	2	2	2
Code Enforcement Officer	1	1	1	1	1	1
General Clerical	1/2	1/2	1	1	1	1

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
7130 POLICE - OPERATIONS

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Personal Services	1,151,375	1,248,162	1,343,550	1,372,650	1,372,650	1,372,650
Overtime	51,436	63,506	66,000	78,000	78,000	78,000
Unemployment Insurance						
Accident Insurance		44,000	61,105	62,905	62,905	62,905
Retirement	144,778	262,233	289,935	298,400	298,400	298,400
Social Security	89,484	97,876	107,850	110,980	110,980	110,980
Medical, Dental & Life Ins	255,947	302,907	317,905	342,990	342,990	342,990
Personal Services	1,693,020	2,018,684	2,186,345	2,265,925	2,265,925	2,265,925
Other Professional Service	645	2,752	1,000	1,000	1,000	1,000
Postage	3,581	2,988	3,000	3,000	3,000	3,000
Travel & Training	31,325	26,628	25,000	25,000	25,000	25,000
Repairs-Motor Vehicles	5,536	6,706	6,000	6,000	6,000	6,000
Dues & Membership	845	895	750	1,200	1,200	1,200
Laundry/Other Sanitation	3,919	3,974	4,250	4,250	4,250	4,250
Informant Information	150		1,000	1,000	1,000	1,000
Animal Impound Service	28,075	31,200	28,300	28,300	28,300	28,300
Miscellaneous Contractual	31,035	37,441	30,750	31,150	31,150	31,150
Nuisance Abatement		13,080	5,000	5,000	5,000	5,000
Contractual Services	105,111	125,664	105,050	105,900	105,900	105,900
Office Supplies	14,872	14,221	13,500	13,500	13,500	13,500
Food & Miscellaneous	1,303	943	2,000	2,000	2,000	2,000
Minor/Safety Equipment	7,258	5,674	8,000	8,000	8,000	8,000
Motor Vehicle Fuel & Oil	31,110	40,011	28,000	38,000	38,000	38,000
Motor Vehicle Parts	7,582	7,062	6,000	6,000	6,000	6,000
Uniforms	13,708	11,997	11,000	11,000	11,000	11,000
Reserve Equip/Uniforms	2,516	2,125	2,500	2,500	2,500	2,500
Commodities	78,349	82,033	71,000	81,000	81,000	81,000
Motor Vehicles	51,596		67,750	54,900	54,900	54,900
Other Equipment	7,969	38,964	1,500	1,500	1,500	1,500
Capital Outlay	59,565	38,964	69,250	56,400	56,400	56,400
Police - Operations	1,936,045	2,265,345	2,431,645	2,509,225	2,509,225	2,509,225

CONSOLIDATED NON-DEPARTMENTAL EXPENDITURES

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
3-8810 Audit & Others	1,311,748	1,115,119	1,281,335	1,176,305	1,176,305	1,176,305
3-8890 Unapp Balance			25,000	25,000	25,000	25,000
Total	1,311,748	1,115,119	1,306,335	1,201,305	1,201,305	1,201,305

NON-DEPARTMENTAL
by character

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Personal Services						
Materials & Services	472,227	235,573	340,650	259,900	259,900	259,900
Capital Outlay		94,641				
Transfers:						
Reserve	185,250	9,500				
Street	9,943		98,510	70,550	70,550	70,550
911 Communications	371,004	501,689	564,415	563,495	563,495	563,495
Bonded Debt	273,324	273,716	277,760	282,360	282,360	282,360
Unapp Balance			25,000	25,000	25,000	25,000
Total	1,311,748	1,115,119	1,306,335	1,201,305	1,201,305	1,201,305

03 GENERAL FUND
8810 AUDIT & OTHERS

MISSION STATEMENT: To provide a non-apportioned general fund accounting entity which allows for costs which are not readily divided into the appropriation areas of the operating budget, and for those costs which are beneficial to the entire operation.

The appropriations in this category include specialized services such as general publication of council activity and ordinances, memberships in organizations such as the local chamber and the League of Oregon Cities, expenses incurred in the sale of city foreclosed property, and similar expenses.

No personnel are included in this department.

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
8810 AUDIT & OTHERS

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Accounting & Auditing	4,099	3,849	5,000	5,000	5,000	5,000
Other Professional Service	307,650	115,355	175,000	100,000	100,000	100,000
Legal Publications	3,207	1,475	1,400	1,400	1,400	1,400
Property & Liability Ins	62,634	65,305	65,000	68,000	68,000	68,000
Dues & Membership	9,869	10,645	10,500	10,500	10,500	10,500
Miscellaneous Contractual	72,430	35,748	40,000	50,000	50,000	50,000
Nuisance Abatement	9,571					
Operating Contractual Svc			40,000	20,000	20,000	20,000
Contractual Services	469,460	232,377	336,900	254,900	254,900	254,900
Food & Miscellaneous	2,523	2,521	2,750	4,000	4,000	4,000
Minor/Safety Equipment	244	675	1,000	1,000	1,000	1,000
Commodities	2,767	3,196	3,750	5,000	5,000	5,000
Res-Office Equipment	3,500					
Other Equipment		94,641				
Res-Centennial Bell	31,750	9,500				
Res-395/Harper Signal	150,000					
Trans to Street Fund	9,943		98,510	70,550	70,550	70,550
Trans to 911 Communication	371,004	501,689	564,415	563,495	563,495	563,495
Trans to Bonded Debt	273,324	273,716	277,760	282,360	282,360	282,360
Capital Outlay	839,521	879,546	940,685	916,405	916,405	916,405
Audit & Others	1,311,748	1,115,119	1,281,335	1,176,305	1,176,305	1,176,305

03 GENERAL FUND
8890 UNAPPROPRIATED BALANCE

MISSION STATEMENT: To provide minimum cash flow for the ensuing fiscal period in accord with the municipal budget act.

No personnel are contained in this appropriation.

City of Hermiston
Detailed Expenditures

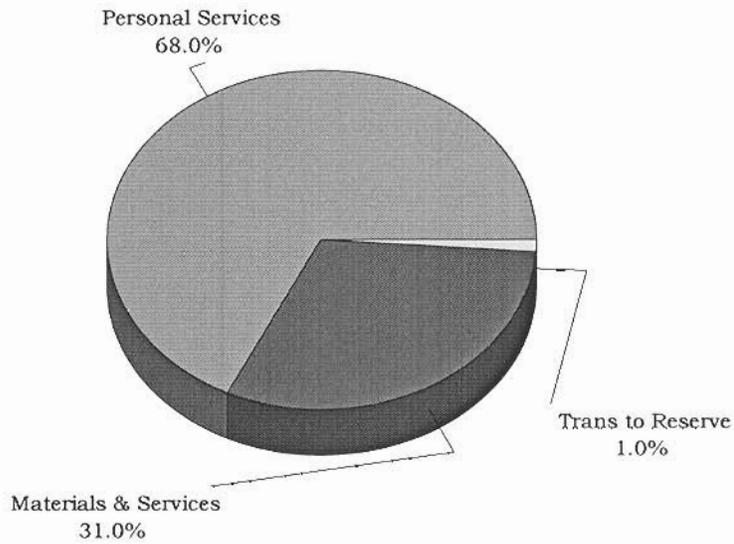
03 GENERAL FUND
8890 UNAPPROPRIATED BALANCE

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Unappropriated Balance			25,000	25,000	25,000	25,000
Grand Total General	6,461,277	6,491,525	6,766,930	6,954,240	6,954,240	6,954,240

STATE STREET TAX FUND

This is the location where all gasoline tax revenues are required by Oregon Statute to be placed to provide a guarantee that all such revenues will be utilized for street and roadway repair, maintenance, and improvement. This fund is exclusively supported from the gasoline tax and a general fund subsidy. The expenditures accounted in the fund are the manpower, equipment, materials, and contracted services necessary to maintain and improve the roadway surfaces and storm drainage system of the city.

2007-08 Street Expenditures



City of Hermiston
Resources

STATE TAX STREET

	2004-05 Received	2005-06 Received	2006-07 Estimate	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
State Highway Allocation	707,943	721,384	675,000	700,000	700,000	700,000
Transfer Fm General Fund	9,944		98,510	70,550	70,550	70,550
<u>Total</u>	717,887	721,384	773,510	770,550	770,550	770,550

STATE TAX STREET EXPENDITURES
by character

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Personal Services	428,175	458,266	509,585	535,300	535,300	535,300
Materials & Services	244,212	204,033	219,925	227,750	227,750	227,750
Capital Outlay						
Transfer to Reserve	45,500	11,000	44,000	7,500	7,500	7,500
Total	717,887	673,299	773,510	770,550	770,550	770,550

MISSION STATEMENT: To protect, maintain and improve the largest single asset owned by the residents of our community; The asphalt, curbs, gutters, storm drains and buildings of our community, and to supply support in the form of manpower and equipment to other departments and community events.

DEPARTMENT VISION: In support of, and to foster the general vision of the overall city, We, the members of the Street Department, continuously strive to maintain the highest standards of professionalism in our daily operations and programs. Our mission is achieved through continuously improved performance, supported by a consistent system of effective communications. A committed workforce initiates partnerships and strategic alliances to collaborate delivery of the highest quality of service possible. Our performance consistently earns the trust and confidence of the public. We will endeavor to provide the city manager and our elected officials with an on-going level of service and information which will be supportive of the department's need to retain a qualified workforce equipped with the information, technology, and physical resources necessary to meet our mission.

DEPARTMENT DESCRIPTION: This is the location where all gasoline tax revenues are required by Oregon Statute to be placed, to provide a guarantee that all such revenues will be utilized for street and roadway repair, maintenance and improvement.. The street department is also financially supported by a general fund subsidy. Without this subsidy the street department would not be the diverse department we are.

DEPARTMENT GOALS: The city wide goals of enhanced livability and economic development directly affect the operations of this department as proposed. The objectives for the department for the next year include:

- ◆ Daily street sweeping with concentration on arterial and collector roadways.
- ◆ Roadway repair of identified problems as materials are available.
- ◆ Provide equipment maintenance and repair at a high level.
- ◆ Provide support for community events in the form of manpower and equipment.
- ◆ Respond to problems with available manpower, recognizing roadway, building repair and maintenance is a higher priority.
- ◆ Provide annual grading and repair of gravel roadways.
- ◆ Continue with the current crack sealing and resurfacing programs.
- ◆ Provide pavement striping and marking, street sign installation and repair.
- ◆ Clean, repair and replace storm water catch basins, distribution boxes, piping and dry wells.

Leadership Philosophy: Consultative/Participative

Individual Behavioral Values: Staff is our greatest asset; Clear, open, honest and respectful communication; Respect for individuals and city property; professionalism and quality of service; A safe and healthy work environment; People's ability to grow and change and community interaction

Operating Systems Values: Helpful and supportive workplace (all departments and work units); Professional and personal growth for all (Education); Safe and productive workplace and progressive and cutting edge approach.

PERSONNEL DISTRIBUTION

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Street Superintendent	1	1	1	1	1	1
Street Maintenance Foreman	1	1	1	1	1	1
Permit Technician II	1/3	1/3	1/3	1/3	1/3	1/3
Mechanic/Municipal Service Worker	1	1	1	1	1	1
Municipal Worker II	3	3	2	2	2	2
Municipal Worker I	0	0	1	1	1	1

City of Hermiston
Detailed Expenditures

04
6250 STATE TAX STREET

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Personal Services	289,747	287,595	313,250	327,200	327,200	327,200
Overtime	2,799	973	6,000	6,000	6,000	6,000
Unemployment Insurance						
Accident Insurance		15,622	18,650	19,500	19,500	19,500
Retirement	35,820	56,901	65,660	68,600	68,600	68,600
Social Security	21,626	21,359	24,420	25,500	25,500	25,500
Medical, Dental & Life Ins	78,183	75,816	81,605	88,500	88,500	88,500
Personal Services	428,175	458,266	509,585	535,300	535,300	535,300
Travel & Training	1,986	1,775	4,000	3,500	3,500	3,500
Property & Liability Ins	10,668	10,777	11,000	11,500	11,500	11,500
Electricity	26,233	23,008	30,000	26,000	26,000	26,000
Telephone	3,067	2,725	3,000	3,000	3,000	3,000
Street Lights	97,210	104,742	101,000	105,000	105,000	105,000
Repairs-Operating Equip	1,713	229	2,000	1,500	1,500	1,500
Laundry/Other Sanitation	1,653	1,869	2,100	2,000	2,000	2,000
Miscellaneous Contractual	50,182	15,804	15,000	22,200	22,200	22,200
Licenses & Permits	64	72	50	50	50	50
Contractual Services	192,776	161,001	168,150	174,750	174,750	174,750
Office Supplies	543	582	550	550	550	550
Chemicals	1,184	718	1,700	1,500	1,500	1,500
Clean/Sanitation Supplies	206	220	350	250	250	250
Food & Miscellaneous	31	85	175	150	150	150
Fuel-Other Than Vehicle	3,621	4,555	3,750	4,500	4,500	4,500
Minor/Safety Equipment	7,888	7,379	8,000	8,000	8,000	8,000
Motor Vehicle Fuel & Oil	17,820	21,302	20,000	21,500	21,500	21,500
Motor Vehicle Parts	7,259	1,945	3,000	3,000	3,000	3,000
Plmb/Sewage Supplies	419	147	1,000	750	750	750
Structural Steel & Iron	890	161	750	800	800	800
Parts For Operating Equip	11,575	5,938	12,500	12,000	12,000	12,000
Commodities	51,436	43,032	51,775	53,000	53,000	53,000
Res-Equipment	38,000	3,500	37,000			
Res-Bicycle Trails	7,500	7,500	7,000	7,500	7,500	7,500
Capital Outlay	45,500	11,000	44,000	7,500	7,500	7,500
State Tax Street	717,887	673,299	773,510	770,550	770,550	770,550

TRANSIENT ROOM TAX EXPENDITURES
by character

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Personal Services						
Materials & Services	37,931	77,280	67,280	42,280	42,280	42,280
Capital Outlay						
Transfer to Reserve						
Total	37,931	77,280	67,280	42,280	42,280	42,280

In accordance with Section 112 of the Hermiston Code of Ordinances, five-eighths of the transient room taxes remitted to the city, less 5% retained by the operator, shall be distributed as follows:

- (a) 45% to improve, maintain and operate the Hermiston Conference Center;
- (b) 15% for recreation and recreation-related programs and activities and park improvements administered by the advisory committee;
- (c) 25% to offset costs of programs such as the economic, community and other developmental activities and similar programs funded from the general fund; and
- (d) 15% for city parks and recreation development administered by the Parks and Recreation Committee. The proceeds of the tax for parks and recreation development shall accumulate in a reserve account and may not be diverted or utilized in any other manner.

Three-eighths of the taxes remitted to the city, less 5% retained by the operator, shall be distributed to offset the cost of constructing a community outdoor swimming pool, including the retirement of any bonds issued for its construction.

City of Hermiston
Resources

TRANSIENT ROOM TAX

	2004-05 Received	2005-06 Received	2006-07 Estimate	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Service Charges						
Transient Room Tax	43,066	46,939	42,280	42,280	42,280	42,280
Service Charges	43,066	46,939	42,280	42,280	42,280	42,280
Cash Forward	73,000	83,214	25,000			
	73,000	83,214	25,000			
Transient Room Tax	116,066	130,153	67,280	42,280	42,280	42,280

City of Hermiston
Detailed Expenditures

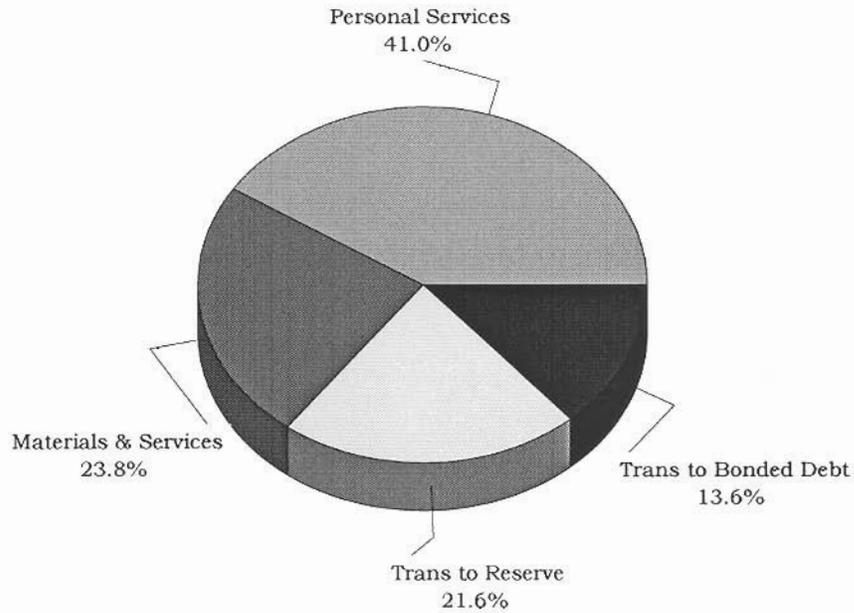
05
8810 TRANSIENT ROOM TAX

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Miscellaneous Contractual	37,931	77,280	67,280	42,280	42,280	42,280
Contractual Services	37,931	77,280	67,280	42,280	42,280	42,280
Transient Room Tax	37,931	77,280	67,280	42,280	42,280	42,280

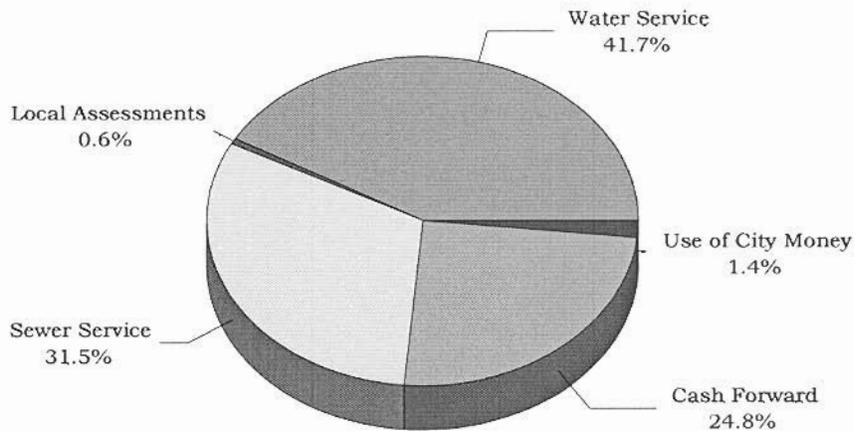
UTILITY FUND

This is an enterprise fund financed from user fees for water and wastewater use and the connection charges to the system. The expenditure responsibilities of this fund include all necessary personnel, equipment, materials and contracted services necessary to maintain and improve the water and wastewater systems of the city. The enterprise funds are also responsible for the necessary transfers to the debt fund to carry the bonded debt and notes of the systems.

2007-08 Utility Expenditures



2007-08 Utility Resources



City of Hermiston
Resources

UTILITY

	2004-05 Received	2005-06 Received	2006-07 Estimate	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Other Local Assessments						
Assessments Receivable	29,902	27,398	20,000	25,000	25,000	25,000
Local Assessments	29,902	27,398	20,000	25,000	25,000	25,000
Use of City Money						
Interest on Investments	50,130	74,241	50,000	60,000	60,000	60,000
Use of City Money	50,130	74,241	50,000	60,000	60,000	60,000
Sewer Service						
Sewer Sales	1,327,424	1,339,810	1,250,000	1,275,000	1,275,000	1,275,000
Sewer Connection & Svc	37,965	29,825	15,000	20,000	20,000	20,000
Septic Tank Service	51,476	48,484	35,000	35,000	35,000	35,000
Misc Sewer Income	531	300				
Sewer Service	1,417,396	1,418,419	1,300,000	1,330,000	1,330,000	1,330,000
Water Service						
Water Sales	1,688,819	1,720,761	1,670,000	1,675,000	1,675,000	1,675,000
Water Connection & Svc	147,262	113,171	70,000	80,000	80,000	80,000
Misc Water Income	11,828	4,604	3,000	3,000	3,000	3,000
Water Service	1,847,909	1,838,536	1,743,000	1,758,000	1,758,000	1,758,000
Cash Forward	139,960	62,890	325,345	1,047,810	1,047,810	1,047,810
	139,960	62,890	325,345	1,047,810	1,047,810	1,047,810
Utility	3,485,297	3,421,484	3,438,345	4,220,810	4,220,810	4,220,810

CONSOLIDATED UTILITY EXPENDITURES

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
6-6310 Sewer Services	1,752,355	1,602,762	1,958,165	2,590,965	2,590,965	2,590,965
6-6320 Water Services	1,406,563	1,394,393	1,480,180	1,629,845	1,629,845	1,629,845
Total	3,158,918	2,997,155	3,438,345	4,220,810	4,220,810	4,220,810

UTILITY EXPENDITURES
by character

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Personal Services	1,431,214	1,508,014	1,559,970	1,732,300	1,732,300	1,732,300
Materials & Services	900,233	827,591	960,125	1,005,170	1,005,170	1,005,170
Capital Outlay						
Transfer:						
Reserve	162,415	7,000	260,000	910,000	910,000	910,000
Bonded Debt	665,056	654,550	658,250	573,340	573,340	573,340
Total	3,158,918	2,997,155	3,438,345	4,220,810	4,220,810	4,220,810

06 UTILITY

6310 WASTEWATER TREATMENT

MISSION STATEMENT: To operate the City wastewater treatment plant and collection system. Providing the most efficient treatment of the City’s wastewater in a professional, safe, cost effective and courteous manner.

The objectives of the wastewater department are to provide quality wastewater operation and disposable by-products exceeding regulatory requirements, also to operate the collection and treatment facilities in a cost effective and efficient manner.

The department is responsible for the operation and maintenance of approximately seventy miles of sanitary sewer lines, eight pump stations and the wastewater treatment plant

On February 3rd the wastewater treatment plant turned 26 years old.

Listed below are some of the objectives of the wastewater department:

- ◆ We will concentrate on maintaining an OSHA compliant work place.
- ◆ We will continue to work toward the High Performance Organization Vision/Values.
- ◆ We will continue our routine preventive maintenance on the wastewater treatment plant, sanitary and storm water collections systems. This will reduce the number of problems a system of this age can expect to have.
- ◆ We will continue to work closely with our consulting engineers as we continue to move forward with our upgrade projects and our new discharge permit. The upgrades will continue in phases until 2010/2011.

This budget includes the costs of operation for the wastewater laboratory, collection system, treatment plant, biosolids disposal program, reclaimed water application and all associated costs for wastewater related activities.

PERSONNEL DISTRIBUTION

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Wastewater Superintendent	1	1	1	1	1	1
City Manager	1/3	1/3	2/5	2/5	2/5	2/5
City Engineer	1/3	1/3	1/3	1/3	1/3	1/3
Finance Director/Recorder	1/5	1/5	1/5	1/5	1/5	1/5
Senior General Clerical	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2
Utility Clerk/Cashier	1	1	1	1	1	1
Wastewater Lab Technician	1	1	1	1	1	1
Wastewater Chief Operator	1	1	1	1	1	1
Wastewater Worker III	1	1	2	2	2	2
Wastewater Worker II	4	4	3	2	2	2
Wastewater Worker I	0	0	1	1	1	1

City of Hermiston
Detailed Expenditures

06 UTILITY
6310 DISPOSAL PLANT MAINTENANCE

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Personal Services	555,639	560,065	588,810	615,750	615,750	615,750
Overtime	18,663	18,660	19,000	19,000	19,000	19,000
Unemployment Insurance						
Accident Insurance		10,330	10,680	11,100	11,100	11,100
Retirement	68,583	113,249	121,380	125,700	125,700	125,700
Social Security	42,725	43,020	46,500	48,500	48,500	48,500
Medical, Dental & Life Ins	118,064	121,936	125,390	135,800	135,800	135,800
Personal Services	803,674	867,260	911,760	955,850	955,850	955,850
Accounting & Auditing	6,616	6,792	7,000	7,000	7,000	7,000
Other Professional Service	69,541	22,157	33,400	31,400	31,400	31,400
Postage	10,231	9,976	10,000	12,000	12,000	12,000
Travel & Training	2,609	2,512	3,700	3,000	3,000	3,000
Property & Liability Ins	29,086	29,562	29,600	29,600	29,600	29,600
Electricity	110,359	109,969	120,000	120,000	120,000	120,000
Telephone	8,029	7,027	8,500	8,000	8,000	8,000
Repairs-Mach & Equip	10,712	4,034	7,000	8,200	8,200	8,200
Repairs-Motor Vehicles		25	200	100	100	100
Repairs-Office Equipment	9,378	5,876	8,000	8,000	8,000	8,000
Equip Rent Allowance	40	653	500	500	500	500
Dues & Membership	1,908	1,743	1,775	1,775	1,775	1,775
Laundry/Other Sanitation	1,531	1,336	1,700	1,850	1,850	1,850
Miscellaneous Contractual	38,871	26,531	22,950	20,320	20,320	20,320
Licenses & Permits	7,419	7,442	7,525	8,025	8,025	8,025
Operating Contractual Svc			10,000	5,000	5,000	5,000
Contractual Services	306,330	235,635	271,850	264,770	264,770	264,770
Office Supplies	3,444	5,375	5,000	5,000	5,000	5,000
Ag & Hort Supplies	80	459	250	500	500	500
Chemicals	24,095	31,566	50,700	40,000	40,000	40,000
Clean/Sanitation Supplies	860	841	800	800	800	800
Concrete Supplies			100	50	50	50
Food & Miscellaneous	299	152	225	250	250	250
Fuel-Other Than Vehicle	3,266	2,837	2,250	3,500	3,500	3,500
Lube-Other Than Vehicle	407	63	500	450	450	450
Medical & Lab Supplies	11,020	6,872	9,000	9,000	9,000	9,000
Minor/Safety Equipment	7,031	8,515	7,650	7,650	7,650	7,650
Motor Vehicle Fuel & Oil	7,172	8,065	7,000	8,400	8,400	8,400
Motor Vehicle Parts	2,008	1,721	2,150	2,100	2,100	2,100
Paint & Paint Supplies	168	125	200	150	150	150
Plmb & Sewage Supplies	701	412	900	500	500	500
Parts For Operating Equip	10,425	9,409	11,000	10,500	10,500	10,500
Commodities	70,976	76,412	97,725	88,850	88,850	88,850
Res-Equipment	25,000		250,000			
Res-Sewer Plant & Repairs				375,000	375,000	375,000
Res-Office Equipment	3,500	3,500	5,000	5,000	5,000	5,000
Res-WWT Plant Improvement	115,415			525,000	525,000	525,000
Transfer-Bonded Debt	427,460	419,955	421,830	376,495	376,495	376,495
Capital Outlay	571,375	423,455	676,830	1,281,495	1,281,495	1,281,495
Disposal Plant Maint	1,752,355	1,602,762	1,958,165	2,590,965	2,590,965	2,590,965

MISSION STATEMENT: To provide a continuous supply of potable drinking water for domestic, commercial and industrial use, as well as water for fire protection, in a safe, efficient and courteous manner.

The water budget contains all costs for producing, distributing and billing for the water consumed in our community. The primary goals of the water department is assurance of a safe water supply, storage and distribution system.

The department personnel have done an excellent job in keeping up with the increased workload. The department will continue to provide our customers with a high performance organization level of service at the least possible cost.

This coming year, as in past years, we plan to make additional improvements to the water system to service additional areas. We also plan to investigate ways to improve the quality of the water and reduce energy costs.

PERSONNEL DISTRIBUTION

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
City Manager	1/3	1/3	2/5	2/5	2/5	2/5
City Engineer	1/3	1/3	1/3	1/3	1/3	1/3
Finance Director/Recorder	1/5	1/5	1/5	1/5	1/5	1/5
Permit Technician II	1/3	1/3	1/3	1/3	1/3	1/3
Senior General Clerical	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2
Water Utility Worker II	3	3	3	3	3	3
Water Utility Worker I	1	1	1	1	1	1
Meter Reader/Gen Clerical	2	2	2	2	2	2

City of Hermiston
Detailed Expenditures

06 UTILITY
6320 WATER PRODUCTION/MAINTENANCE

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Personal Services	420,481	386,893	398,820	479,000	479,000	479,000
Overtime	20,255	15,605	20,000	20,000	20,000	20,000
Unemployment Insurance						
Accident Insurance		10,024	10,350	13,000	13,000	13,000
Retirement	50,916	80,978	82,510	97,800	97,800	97,800
Social Security	32,957	33,666	32,040	38,150	38,150	38,150
Medical, Dental & Life Ins	102,931	113,588	104,490	128,500	128,500	128,500
Personal Services	627,540	640,754	648,210	776,450	776,450	776,450
Accounting & Auditing	6,616	6,792	7,000	7,000	7,000	7,000
Other Professional Service	55,356	24,464	50,000	65,000	65,000	65,000
Postage	10,497	10,343	11,000	12,000	12,000	12,000
Travel & Training	3,147	4,229	5,500	5,750	5,750	5,750
Property & Liability Ins	24,839	27,067	28,000	28,000	28,000	28,000
Electricity	196,747	207,480	215,000	235,000	235,000	235,000
Telephone	3,315	2,945	3,500	3,500	3,500	3,500
Regional Water	71,954	63,801	75,000	90,000	90,000	90,000
Repairs-Mach & Equip	243	419	750	500	500	500
Repairs-Motor Vehicles	688	109	500	400	400	400
Repairs-Operating Equip	196		1,000	500	500	500
Repairs-Office Equipment	6,226	5,876	7,000	8,000	8,000	8,000
Other Repairs			500	250	250	250
Equip Rent Allowance	210	849	500	700	700	700
Dues & Membership	899	1,451	1,000	1,400	1,400	1,400
Miscellaneous Contractual	53,081	49,582	54,500	54,000	54,000	54,000
Operating Contractual Svc			5,000	5,000	5,000	5,000
Contractual Services	434,014	405,407	465,750	517,000	517,000	517,000
Office Supplies	3,506	5,287	6,500	8,000	8,000	8,000
Chemicals	15,395	14,279	16,000	18,000	18,000	18,000
Clean/Sanitation Supplies	362	196	400	350	350	350
Concrete Supplies	2,634	72	2,500	2,000	2,000	2,000
Food & Miscellaneous	222	265	300	400	400	400
Fuel-Other Than Vehicle	330	451	500	700	700	700
Lube-Other Than Vehicle	524	459	600	800	800	800
Minor/Safety Equipment	9,377	6,258	8,000	9,500	9,500	9,500
Motor Vehicle Fuel & Oil	9,770	12,286	12,000	13,000	13,000	13,000
Motor Vehicle Parts	3,070	1,298	2,000	1,800	1,800	1,800
Paint & Paint Supplies	625	988	1,000	1,000	1,000	1,000
Plmb & Sewage Supplies	32,531	59,480	60,000	65,000	65,000	65,000
Parts For Operating Equip	10,567	8,818	15,000	14,000	14,000	14,000
Commodities	88,913	110,137	124,800	134,550	134,550	134,550
Res-Equipment	15,000					
Res-Office Equipment	3,500	3,500	5,000	5,000	5,000	5,000
Transfer-Bonded Debt	237,596	234,595	236,420	196,845	196,845	196,845
Capital Outlay	256,096	238,095	241,420	201,845	201,845	201,845
Water Production/Maint	1,406,563	1,394,393	1,480,180	1,629,845	1,629,845	1,629,845
Grand Total Utility	3,158,918	2,997,155	3,438,345	4,220,810	4,220,810	4,220,810

911 COMMUNICATIONS
by character

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Personal Services	453,279	524,534	587,265	617,795	617,795	617,795
Materials & Services	42,293	42,686	46,150	44,700	44,700	44,700
Capital Outlay	9,198	54,455	1,000	1,000	1,000	1,000
Transfer to Reserve						
Total	504,770	621,675	634,415	663,495	663,495	663,495

MISSION STATEMENT: The Hermiston Communications Center provides quality emergency communications for the City of Hermiston Police, Hermiston Fire and Emergency Services, and the surrounding area. This Public Safety Answering Point (PSAP) as designated by the State, fields all 911 emergency phone requests, as well as normal calls for service.

The Communications Center also provides for the recording and reporting of all police activity, and the official tracking of statistical data as required by the state and federal government. Release of reports to individuals is also conducted by this work group.

The Hermiston Dispatch Center utilizes a mobile records /LEDS (Law Enforcement Data System) along with increased technological capacities in several other areas. We have the ability to access reports, booking photos, and other data entry functions using laptop computers in the patrol vehicles. The platform that this is conducted upon is a WIFI system, which incorporates the enhancements of patrol vehicles as hot spots.

The Hermiston Dispatch Center operates on a 450 MHz radio system and established redundancy by completing a loop with a microwave installment. This enhancement was funded through the city and CSEEP sources and it has eliminated dead spots of communication in the Bi-County region keeping first responder safety a priority. The Communications Center has three radio consoles and a fourth console in the emergency operations center located at the fire building at the public safety center. In a clean and sterile environment located in a room above the dispatch center houses all of the electrical, fiber-optic, telephone, and communications equipment.

PERSONNEL DISTRIBUTION

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
<u>911 Communications</u>						
Administrative Sergeant	0	0	1/2	1/2	1/2	1/2
Communications Manager	1	1	0	0	0	0
Dispatcher/Clerk	7	7	8	8	8	8
Data Entry Clerk	1	1	1	1	1	1

City of Hermiston
Resources

911 COMMUNICATIONS

	2004-05 Received	2005-06 Received	2006-07 Estimate	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
911 Communications Tax	133,766	119,985	70,000	100,000	100,000	100,000
Transfer Fm General Fund	371,004	501,689	564,415	563,495	563,495	563,495
<u>Total</u>	504,770	621,674	634,415	663,495	663,495	663,495

City of Hermiston
Detailed Expenditures

09
7170 911 COMMUNICATIONS

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Personal Services	313,507	343,773	376,175	397,800	397,800	397,800
Overtime	6,721	12,013	18,000	18,000	18,000	18,000
Unemployment Insurance						
Accident Insurance		1,136	2,340	2,450	2,450	2,450
Retirement	37,488	69,004	81,085	85,520	85,520	85,520
Social Security	23,723	26,624	30,155	31,825	31,825	31,825
Medical, Dental & Life Ins	71,840	71,984	79,510	82,200	82,200	82,200
Personal Services	453,279	524,534	587,265	617,795	617,795	617,795
Travel & Training	2,197	4,738	4,000	4,000	4,000	4,000
Telephone	12,568	11,411	14,000	13,000	13,000	13,000
Repairs-Machinery & Equip		130	500	300	300	300
Repairs-Office Equipment	26,640	25,935	25,650	25,650	25,650	25,650
Contractual Services	41,405	42,214	44,150	42,950	42,950	42,950
Uniforms	888	472	2,000	1,750	1,750	1,750
Commodities	888	472	2,000	1,750	1,750	1,750
Other Equipment	9,198	54,455	1,000	1,000	1,000	1,000
Capital Outlay	9,198	54,455	1,000	1,000	1,000	1,000
911 Communications	504,770	621,675	634,415	663,495	663,495	663,495

CONSOLIDATED REGIONAL WATER EXPENDITURES

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
15-6320 Non-Potable Water	62,782	126,849	128,070	98,505	98,505	98,505
15-6330 Potable Water	139,078	109,709	159,070	129,605	129,605	129,605
15-6335 River Intake	174,668	155,253	235,085	209,075	209,075	209,075
15-8810 Audit & Others	38,703	34,821	75,350	73,850	73,850	73,850
Total	415,231	426,632	597,575	511,035	511,035	511,035

REGIONAL WATER EXPENDITURES

by character

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Personal Services	105,437	177,879	249,225	160,685	160,685	160,685
Materials & Services	309,794	248,753	338,350	340,350	340,350	340,350
Capital Outlay						
Transfer to Reserve			10,000	10,000	10,000	10,000
Total	415,231	426,632	597,575	511,035	511,035	511,035

MISSION STATEMENT: To provide a continuous supply of industrial water and potable drinking water for domestic, commercial and industrial use, as well as water for fire protection, in a safe, efficient and courteous manner.

The regional water budget contains all costs for producing, distributing and billing for the water consumed in the community and by three industrial users. The primary goals of the regional water system center around the assurance of water supply, treatment and distribution to the community and key industries to insure economic stability.

PERSONNEL DISTRIBUTION

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
City Engineer	0	0	1/3	1/3	1/3	1/3
Water Chief Operator	1	1	1	0	0	0
Water Utility Worker IV	1	1	1	1	1	1

City of Hermiston
Resources

REGIONAL WATER

	2004-05 Received	2005-06 Received	2006-07 Estimate	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Water Revenue						
Potable Water	146,776	103,187	100,000	100,000	100,000	100,000
Non-Potable Water	439,055	367,535	497,575	375,000	375,000	375,000
Water Revenues	585,831	470,722	597,575	475,000	475,000	475,000
Cash Forward	95,950	49,020		36,035	36,035	36,035
	95,950	49,020		36,035	36,035	36,035
Regional Water	681,781	519,742	597,575	511,035	511,035	511,035

City of Hermiston
Detailed Expenditures

15 REGIONAL WATER
6320 NON-POTABLE WATER

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Personal Services	10,723	67,961	43,775	26,350	26,350	26,350
Overtime	2,861	3,163	5,850	5,850	5,850	5,850
Unemployment Insurance						
Accident Insurance		590	1,625	975	975	975
Retirement	1,355	3,728	10,210	6,625	6,625	6,625
Social Security	823	1,355	3,800	2,465	2,465	2,465
Medical, Dental & Life Ins	2,017	3,472	9,510	5,940	5,940	5,940
Personal Services	17,779	80,269	74,770	48,205	48,205	48,205
Other Professional Service	1,349	1,172	2,000	2,000	2,000	2,000
Postage		8				
Travel & Training	137	906				
Electricity	34,010	28,568	40,000	35,000	35,000	35,000
Miscellaneous Contractual	2,304	8,344	4,000	8,000	8,000	8,000
Contractual Services	37,800	38,998	46,000	45,000	45,000	45,000
Fuel-Other Than Vehicle	689	2,000				
Minor/Safety Equipment	211	928				
Plmb & Sewage Supplies	12	43	300	300	300	300
Parts For Operating Equip	6,291	4,611	7,000	5,000	5,000	5,000
Commodities	7,203	7,582	7,300	5,300	5,300	5,300
Non-Potable Water	62,782	126,849	128,070	98,505	98,505	98,505

City of Hermiston
Detailed Expenditures

15 REGIONAL WATER
6330 POTABLE WATER

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Personal Services	31,814	27,463	43,775	26,350	26,350	26,350
Overtime	4,383	4,519	5,850	5,850	5,850	5,850
Unemployment Insurance						
Accident Insurance		1,062	1,625	975	975	975
Retirement	4,139	6,579	10,210	6,625	6,625	6,625
Social Security	2,512	2,389	3,800	2,465	2,465	2,465
Medical, Dental & Life Ins	6,241	7,481	9,510	5,940	5,940	5,940
Personal Services	49,089	49,493	74,770	48,205	48,205	48,205
Other Professional Service	7,430		5,000	3,000	3,000	3,000
Travel & Training	288	895				
Electricity	49,763	41,999	55,000	50,000	50,000	50,000
Miscellaneous Contractual	5,635	2,820	3,000	7,000	7,000	7,000
Contractual Services	63,116	45,714	63,000	60,000	60,000	60,000
Chemicals	6,730	6,785	12,000	12,000	12,000	12,000
Medical & Lab Supplies	45	366	600	500	500	500
Minor/Safety Equipment	466	903				
Plmb & Sewage Supplies	64	75	200	400	400	400
Parts For Operating Equip	19,568	6,373	8,500	8,500	8,500	8,500
Commodities	26,873	14,502	21,300	21,400	21,400	21,400
Potable Water	139,078	109,709	159,070	129,605	129,605	129,605

City of Hermiston
Detailed Expenditures

15 REGIONAL WATER
6335 RIVER INTAKE STATION

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Personal Services	16,242	19,925	58,365	35,140	35,140	35,140
Overtime	11,861	12,406	7,800	7,800	7,800	7,800
Unemployment Insurance						
Accident Insurance		997	2,165	1,300	1,300	1,300
Retirement	3,460	6,650	13,610	8,830	8,830	8,830
Social Security	2,109	2,420	5,065	3,285	3,285	3,285
Medical, Dental & Life Ins	4,897	5,719	12,680	7,920	7,920	7,920
Personal Services	38,569	48,117	99,685	64,275	64,275	64,275
Other Professional Service	785		2,000	1,500	1,500	1,500
Electricity	123,403	101,800	130,000	130,000	130,000	130,000
Miscellaneous Contractual	1,971	3,110	2,000	10,000	10,000	10,000
Contractual Services	126,159	104,910	134,000	141,500	141,500	141,500
Minor/Safety Equip	523	245				
Plmb & Sewage Supplies	138	135	400	300	300	300
Parts For Operating Equip	9,279	1,846	1,000	3,000	3,000	3,000
Commodities	9,940	2,226	1,400	3,300	3,300	3,300
River Intake Station	174,668	155,253	235,085	209,075	209,075	209,075

City of Hermiston
Detailed Expenditures

15 REGIONAL WATER
8810 AUDIT & OTHERS

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Accounting & Auditing	1,544	2,800	2,800	2,800	2,800	2,800
Other Professional Service	6,468	10,000	10,000	10,000	10,000	10,000
Postage	80	100	100	100	100	100
Travel & Training	1,435	2,500	2,500	2,500	2,500	2,500
Property & Liability Ins	13,050	13,500	13,500	13,500	13,500	13,500
Telephone	2,600	3,000	3,000	3,000	3,000	3,000
Miscellaneous Contractual	9,548	25,000	25,000	25,000	25,000	25,000
Operating Contractual Svc		1,000	1,000	1,000	1,000	1,000
Contractual Services	34,725	57,900	57,900	57,900	57,900	57,900
Office Supplies	183	1,500	1,500	1,500	1,500	1,500
Clean/Sanitation Supplies	53	100	100	100	100	100
Lube-Other Than Vehicle	69	100	100	100	100	100
Minor/Safety Equipment	841	4,000	4,000	4,000	4,000	4,000
Motor Vehicle Fuel & Oil		200	200	200	200	200
Motor Vehicle Parts		50	50	50	50	50
Plmb & Sewage Supplies		4				
Parts For Operating Equip	2,832					
Commodities	3,978	5,954	5,950	5,950	5,950	5,950
Res-Repair & Replacement		10,000	10,000	10,000	10,000	10,000
Capital Outlay		10,000	10,000	10,000	10,000	10,000
Audit & Others	38,703	73,854	73,850	73,850	73,850	73,850
Grand Total Regional	415,231	511,035	511,035	511,035	511,035	511,035

REVOLVING LOAN FUND
by character

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Personal Services						
Materials & Services						
Capital Outlay	29,603		5,000	20,000	20,000	20,000
Transfer to Reserve	100,000					
Transfer to General			167,500			
<u>Total</u>	129,603		172,500	20,000	20,000	20,000

City of Hermiston
Resources

REVOLVING LOAN

	2004-05 Received	2005-06 Received	2006-07 Estimate	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Other Local Assessments Assessments Receivable	25,123	9,689	5,000	1,500	1,500	1,500
Local Assessments	25,123	9,689	5,000	1,500	1,500	1,500
Cash Forward	277,196	169,862	167,500	18,500	18,500	18,500
	277,196	169,862	167,500	18,500	18,500	18,500
Revolving Loan	302,319	179,551	172,500	20,000	20,000	20,000

City of Hermiston
Detailed Expenditures

14
6320 REVOLVING LOAN

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Other Improvements	29,603		5,000	20,000	20,000	20,000
Res-Street Maintenance	100,000					
Trans To General			167,500			
Capital Outlay	129,603		172,500	20,000	20,000	20,000
Revolving Loan	129,603		172,500	20,000	20,000	20,000

HERMISTON ENERGY SERVICES
by character

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Personal Services	164,620	190,711	207,870	228,250	228,250	228,250
Materials & Services	5,525,826	5,912,433	5,805,595	5,690,290	5,690,290	5,690,290
Capital Outlay	146,833	339,520	300,000	400,000	400,000	400,000
Transfer to Reserve	300,000	331,294	100,000	182,145	182,145	182,145
Transfer to Bonded Debt	404,254	532,191	713,835	610,815	610,815	610,815
Total	6,541,533	7,306,149	7,127,300	7,111,500	7,111,500	7,111,500

MISSION STATEMENT: To provide the citizen-owners of Hermiston Energy Services with safe and reliable electric energy at affordable prices.

HES has entered into a management, operation, and maintenance services agreement with Umatilla Electric Cooperative which oversees most day-to-day operations of the HES system for a fixed fee with oversight by HES's Electric Utility Superintendent. The contract is for a period of 15 years starting July 1, 2002 with a cost adjustment clause every 5 years, the first adjustment being July 1, 2007.

As a municipal owned electric utility, HES has access to federal power, and has negotiated a power agreement with Bonneville Power Administration that expires October 1, 2011 which will then be renewed at that time or sooner under new conditions that will be established as the result of the regional negotiations that is now taking place. HES is a "full requirements" customer of BPA whose costs account for about 60% of HES's normal operating costs.

PERSONNEL DISTRIBUTION

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Electrical Service Supt	1	1	1	1	1	1
City Manager	1/6	1/6	1/5	1/5	1/5	1/5
Finance Director/Recorder	1/5	1/5	1/5	1/5	1/5	1/5
Customer Service Rep	1	1	1	1	1	1

City of Hermiston
Resources

HERMISTON ENERGY SERVICES

	2004-05 Received	2005-06 Received	2006-07 Estimate	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Use of City Money						
Interest on Investments	5,880	26,214	20,000	50,000	50,000	50,000
Use of City Money	5,880	26,214	20,000	50,000	50,000	50,000
Non-Revenue Receipts						
Reimburse Direct Expense		478				
Non-Revenue Receipts		478				
Miscellaneous Revenues						
Administrative Income	9,036	137				
Energy Services	6,889,809	6,969,644	7,077,300	7,025,000	7,025,000	7,025,000
Misc Energy Income	44,020	39,365	30,000	36,500	36,500	36,500
Miscellaneous Revenues	6,942,865	7,009,146	7,107,300	7,061,500	7,061,500	7,061,500
Cash Forward	77,965					
	77,965					
Energy Services	7,026,710	7,035,838	7,127,300	7,111,500	7,111,500	7,111,500

City of Hermiston
Detailed Expenditures

13

6350 HERMISTON ENERGY SERVICES

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Personal Services	127,325	138,993	150,500	165,000	165,000	165,000
Overtime			400	600	600	600
Unemployment Insurance						
Accident Insurance		286	1,150	1,400	1,400	1,400
Retirement	15,174	27,728	30,100	33,150	33,150	33,150
Social Security	9,639	10,447	11,550	12,700	12,700	12,700
Medical, Dental & Life Ins	12,482	13,257	14,170	15,400	15,400	15,400
Personal Services	164,620	190,711	207,870	228,250	228,250	228,250
Accounting & Auditing	4,078	3,265	6,000	6,000	6,000	6,000
Other Professional Service	1,170,488	1,166,786	1,165,000	1,334,095	1,334,095	1,334,095
Travel & Training	1,906	2,081	3,000	3,000	3,000	3,000
Property & Liability Ins	10,552	12,190	12,300	14,000	14,000	14,000
Telephone	301	414	600	500	500	500
Power Purchases-BPA	3,909,106	3,849,224	4,130,000	3,850,000	3,850,000	3,850,000
In Lieu of Taxes	340,660	348,515	354,000	351,000	351,000	351,000
Conservation Services	46,386	12,701	40,000	52,000	52,000	52,000
Energy Assistance (HEAT)	10,000	10,000	10,000	10,000	10,000	10,000
Dues & Membership	24,649	35,191	36,995	36,795	36,795	36,795
Miscellaneous Contractual	7,001	469,716	46,600	31,100	31,100	31,100
Contractual Services	5,525,127	5,910,083	5,804,495	5,688,490	5,688,490	5,688,490
Office Supplies	699	2,338	1,100	1,800	1,800	1,800
Minor Equipment		12				
Commodities	699	2,350	1,100	1,800	1,800	1,800
Capital Improvements	146,833	339,520	300,000	400,000	400,000	400,000
Res-HES Improvements	300,000	331,294	100,000	182,145	182,145	182,145
Transfer-Bonded Debt	404,254	532,191	713,835	610,815	610,815	610,815
Capital Outlay	851,087	1,203,005	1,113,835	1,192,960	1,192,960	1,192,960
Energy Services	6,541,533	7,306,149	7,127,300	7,111,500	7,111,500	7,111,500

RESERVE FUND

This fund is the accounting entity which accounts for the long-term appropriations necessary to finance this local government. Financed directly by appropriations from our operating funds and with limited revenues directly from small reimbursement projects, the reserve fund has been the major single fiscal tool which has provided the City of Hermiston with the stability and multiple year project vision necessary to manage a small community in difficult financial times. The reserve fund allows the accumulation of resources to accomplish specifically authorized goals contained in the resolution which must be adopted to establish each account. The reserve fund and the specific accumulations and purposes are enumerated in the "Schedule of Reserve Fund Appropriations" contained in this budget.

THE RESERVE FUND STRUCTURE

The City of Hermiston uses the reserve funds for various purposes including the accumulation of funds to take on projects which cannot be financed in any single year. Our method of appropriation is to show all accumulated reserves in the annual appropriation. Our intent by pursuing this approach is to fully disclose all existing resources which are targeted to specific purposes. It would not be necessary to appropriate funds not specifically planned for expenditure in the fiscal year. However, this approach allows everyone analyzing our budget to see all accumulated resources.

The schedule of appropriations and the purpose of each individual reserve fund is separately stated in the "Schedule of Reserve Fund Appropriations".

The summary appropriations to the reserve fund in this budget are:

General	18,000
Street	7,500
Utility	910,000
Regional Water	10,000
Energy Services	182,145
	<u>\$1,127,645</u>

RESERVE FUND - RESOURCES

Fund Established by Resolution No. 1755 on 04/25/2005
 For Maintenance and Replacement of Equipment

	2004-05 Received	2005-06 Received	2006-07 Estimate	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Airport Grant				762,000	762,000	762,000
Transient Room Tax	51,680	56,326	93,140	93,140	93,140	93,140
Miscellaneous Income	477,407	153,248				
Transfers From:						
General Fund	360,250	11,500	2,000	18,000	18,000	18,000
Street Fund	45,500	11,000	44,000	7,500	7,500	7,500
Utility Fund	162,415	7,000	260,000	910,000	910,000	910,000
Revolving Loan	100,000					
Regional Water			10,000	10,000	10,000	10,000
Energy Services	300,000	331,294	100,000	182,145	182,145	182,145
Cash Forward	2,623,617	3,612,687	3,400,870	3,664,955	3,664,955	3,664,955
Total Resources	4,120,869	4,183,055	3,910,010	5,647,740	5,647,740	5,647,740

RESERVE FUND - EXPENDITURES

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Office Equipment/Program	13,431	24,060	62,050	55,400	55,400	55,400
Airport Improvements	208,161		24,245	775,090	775,090	775,090
Park Improvements			945	945	945	945
TRT/Recreation Programs	15,000	26,200	68,570	40,005	40,005	40,005
Parks & Recreation Dev	35,170	44,064	73,810	62,755	62,755	62,755
395/Harper Signal			150,000			
Centennial Bell		14,051	24,025	221,555	221,555	221,555
Planning			14,100			
St Johns Access Street			105,000	153,090	153,090	153,090
Street Equipment	26,713	14,787	37,000	34,840	34,840	34,840
Bicycle Trails	11,842	33,531	30,025	34,615	34,615	34,615
Street Maintenance	39,182	69,929	185,415	107,735	107,735	107,735
Street Construction	241,718	54,128	29,775			
Utility Construction	38,063	100,054	69,565	50,160	50,160	50,160
Sewer Dept Equipment	69,684	4,175	252,225	252,225	252,225	252,225
Sewer Plant & Repairs	1,360			375,000	375,000	375,000
Water Dept Equipment	41,227		13,445	13,445	13,445	13,445
WWT Plant Improvement	1,264,145	559,098	426,155	584,835	584,835	584,835
HES Improvements			735,290	1,149,320	1,149,320	1,149,320
Repair/Replacement - Regional		14,760	885,810	853,040	853,040	853,040
Wastewater - SDC	100,000		73,640	116,765	116,765	116,765
Water - SDC	30,283	150	583,075	641,540	641,540	641,540
Culture & Recreation	85,729		45,845	97,280	97,280	97,280
Law Enforcement	66,077		20,000	28,100	28,100	28,100
Total Expenditures	2,287,785	958,987	3,910,010	5,647,740	5,647,740	5,647,740

RESERVE FUND EXPENDITURES
by character

	2004-05 Expended	2005-06 Expended	2006-07 Budget	2007-08 Proposed	2007-08 Approved	2007-08 Adopted
Personal Services						
Materials & Services	139,911	96,129	299,830	245,020	245,020	245,020
Capital Outlay	2,147,874	862,858	3,446,080	5,402,720	5,402,720	5,402,720
Transfer to General			164,100			
Total	2,287,785	958,987	3,910,010	5,647,740	5,647,740	5,647,740

The reserve fund is a set of specific reserve accumulation accounts structured in accord with Oregon State Statutes. The reserve accounts are established by resolution and designed to accomplish specified long-term goals. This approach allows multi-year planning and financing for specific improvement requirements. A detailed analysis of each reserve account and the specified goal for the account is:

1. **Office Equipment/Programming.** The equipment reserve is accumulating revenues to replace current productive machinery in use such as typewriters, adding machines and computers and for periodic updates to the computer software and enhancements to the operating system.
2. **Airport Improvements.** This account established the local matching requirements which will be needed in conjunction with a grant proposal for a package of capital maintenance items at the airport.
3. **Park Improvements.** This reserve account was created to accumulate funds to meet the requirements of the park master plan.
4. **TRT/Recreation Programs.** A portion of the transient room tax is dedicated to recreation purposes. This reserve fund is established to maintain better accounting control of funds designated for this purpose. Allocations for this portion of the room tax collections are made pursuant to recommendations of the advisory committee.
5. **Park & Recreation Development.** A portion of the transient room tax is dedicated for city parks and recreation development administered by the Parks and Recreation Committee. The proceeds of the tax for such developments shall accumulate in this reserve and may not be diverted or utilized in any other manner.
6. **395/Harper Signal.** These funds were designated for the installation of traffic signals at the intersection of N. First Street (Highway 395 North) and Harper Road at such time ODOT warrants are met. These funds were transferred to help balance the general fund.
7. **Centennial Bell.** This reserve fund is to cast and install a centennial bell as part of the city-wide 100th birthday celebration. The bell will be located at a site to be determined.
8. **Planning.** The planning reserve fund was established to meet the needs and related costs associated with outside consultants necessary to provide the technical expertise and manpower related to planning functions. Anticipated costs have been related to develop the park master plan, comprehensive land use plan and the required periodic update. The fund remains to provide adequate reserve accounts related to the periodic review of the comprehensive plan. These funds were transferred to help balance the general fund.
9. **Street Equipment.** Designated to replace heavy equipment in the street department.
10. **Bicycle Trails.** This is a state-mandated outlay consisting of 1% of all gasoline tax proceeds for the development of bicycle systems.

11. **Street Maintenance.** This reserve fund is established to maintain the many streets in our community by providing funding for such materials as asphalt, concrete, paint and sign materials.
12. **Street Construction.** The undesignated balance is targeted for costs related to overlay and reconditioning projects to be approved by the city council. Hermiston has over 40 miles of paved roadways and current roadway deficiencies of over \$1,000,000. The designation of the specific roadway segments will be made by the city council.
13. **Utility Construction.** This account was created to accumulate funds to address all major water and sewer projects.
14. **Sewer Department Equipment.** Designated to replace equipment in the sewer department.
15. **Sewer Plant & Repairs.** These funds are to address the issue of plant equipment replacement and cleaning of the digester. Under normal operation, a digester is cleaned every three to five years, depending on a number of factors.
16. **Water Department Equipment.** The balance of the fund will be \$13,445.
17. **WWT Plant Improvements.** These funds for are for the following improvements to the wastewater treatment plant: 1) Chemical treatment for extending the life of the treatment process; 2) Refurbish the digester lids so they don't rust through, and 3) A new blower to help add air to the treatment system, plus all of the studies, engineering and contingencies to go with it.
18. **HES Improvements.** This reserve establishes the initial funding for future HES capital contingencies.
19. **Repair & Replacement-Regional.** Designated to set aside funds for major capital repairs and replacement to the regional water treatment system.
20. **Wastewater System Development Charges.** Reimbursement and improvement fees shall be spent only on capital improvements associated with the wastewater system or on capacity increasing capital improvements including expenditures relating to repayment of indebtedness
21. **Water System Development Charges.** Reimbursement and improvement fees shall be spent only on capital improvements associated with the water system or on capacity increasing capital improvements including expenditures relating to repayment of indebtedness
22. **Culture & Recreation.** These funds are donations from various sources for specific cultural and recreational activities and equipment including certain library activities and programs.
23. **Law enforcement.** Contributions and other resources are placed in this fund for activities such as community watch, DARE, K-9 the Christmas Express and Explorer programs.

CITY OF HERMISTON

GLOSSARY OF TERMS

Adopted Budget. Financial plan that forms the basis for appropriations. Adopted by the governing body.

Ad Valorem Tax. A property tax computed as a percentage of the value of taxable property. See "Assessed Value."

Appropriation. Authorization for spending a specific amount of money for a specific purpose during a fiscal year. It is based on the adopted budget, including supplemental budgets, if any. It is presented in a resolution or ordinance adopted by the governing body.

Assessed Value. The value set on real and personal property as a basis for imposing taxes. It is the lesser of the property's maximum assessed value or real market value.

Budget. Written report showing the local government's comprehensive financial plan for one fiscal year. It must include a balanced statement of actual revenues and expenditures during each of the last two years, and estimated revenues and expenditures for the current and upcoming year.

Budget Committee. Fiscal planning board of a local government, consisting of the governing body plus an equal number of legal voters appointed from the district.

Budget Message. Written explanation of the budget and the local government's financial priorities. It is prepared and presented by the executive officer or chairperson of the governing body.

Budget Officer. Person appointed by the governing body to assemble budget material and information and to physically prepare the proposed budget.

Capital Outlay. Items which generally have a useful life of one or more years, such as machinery, land, furniture, equipment or buildings.

Commodities. Supplies purchased for direct use, such as paper products, gasoline, equipment parts and cleaning supplies.

Contractual Services. Services provided by outside sources, such as architects, janitorial and printing.

Debt Service Fund. A fund established to account for payment of general long-term debt principal and interest.

Enterprise Fund. A fund established to account for operations that are financed and operated in a manner similar to private business enterprises. They are usually self-supporting. Examples of enterprise funds are those for water and wastewater utilities.

Expenditures. Total amount incurred if accounts are kept on an accrual basis; total amount paid if accounts are kept on a cash basis.

Fiscal Year. A 12-month period to which the annual operating budget applies. At the end of the period, a government determines its financial position and the results of its operations. It is July 1 through June 30 for local governments.

Full-Time Equivalent Position (FTE). A part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example a summer parks worker working for four months, or 690 hours, would be equivalent to .3 of a full-time position.

Fund. A division in a budget segregating independent fiscal and accounting requirements. An entity within a government's financial plan designated to carry on specific activities or to reach certain objectives.

Goal. A statement of broad direction, purpose or intent based on the needs of the community. A goal is general and timeless; that is, it is not concerned with a specific achievement in a given time period.

HES. Hermiston Energy Services.

Long-Term. A period of time ten years or more.

Materials & Services. The goods and direct services purchased for direct consumption in the annual operation of the budget.

Maximum Assessed Value (MAV). The maximum taxable value limitation placed on real or personal property by the constitution. It can increase a maximum of 3 percent each year. The 3 percent limit may be exceeded if there are qualifying improvements made to the property, such as a major addition or new construction.

Operating Funds. Resources derived from recurring revenue sources used to finance ongoing expenditures and pay-as-you-go capital projects.

Operating Rate. The rate determined by dividing the local government's operating tax amount by the estimated assessed value of the local government. This rate is needed when a local government wants to impose less tax than its permanent rate will raise.

Ordinance. A formal legislative enactment by the governing board of a municipality.

ORS. Oregon Revised Statutes.

Permanent Rate Limit. The maximum rate of ad valorem property taxes that a local government can impose. Taxes generated from the permanent rate limit can be used for any purpose. No action of the local government can increase a permanent rate limit.

Personal Services. Salaries, health and accident insurance premiums, social security and retirement contributions, for example.

Proposed Budget. Financial and operating plan prepared by the budget officer, submitted to the public and budget committee for review.

Real Market Value (RMV). The amount in cash which could reasonably be expected by an informed seller from an informed buyer in an arm's-length transaction as of the assessment date. In most cases, the value used to test the constitutional limits.

Reserve Fund. Established to accumulate money from one fiscal year to another for a specific purpose, such as purchase of new equipment.

Resolution. A formal order of a governing body; lower legal status than an ordinance.

Resources. Estimated beginning funds on hand plus anticipated receipts.

SDC. System Development Charge.

Short-Term. A period of time less than ten years.

Supplemental Budget. A financial plan prepared to meet unexpected needs or to spend revenues not anticipated when the regular budget was adopted. It cannot be used to authorize a tax.

System Development Charge. A reimbursement fee, an improvement fee or a combination thereof assessed or collected at the time of increased usage of a capital improvement, at the time of issuance of a development permit or building permit, or at the time of connection to the capital improvement.

Tax on Property. Any tax, fee, charge or assessment imposed by any government unit upon property or upon a property owner as a direct consequences of ownership of that property.

Tax Rate. The amount of tax stated in terms of a unit of tax for each \$1,000 of assessed value of taxable property.

Transfers. Also known as inter-fund transfers, the amounts distributed from one fund to finance activities in another fund. Shown as an expenditure in the originating fund and a revenue in the receiving fund.

TRT. Transient Room Tax.

Unappropriated Ending Fund Balance. Amount set aside in the budget to be used as a cash carryover to the next year's budget. It provided the local government with cash until tax money is received from the county treasurer in November. This amount cannot be transferred by resolution or used through a supplemental budget, unless necessitated by a qualifying emergency.

User Charges. The payment of a fee for direct receipt of a public service by the party benefiting from the service.

HERMISTON CITY COUNCIL

Budget Committee Meeting

April 16, 2007

At 6:30 pm Mayor Severson opened the first meeting of the budget committee to consider the proposed budget for the 2007-08 fiscal year. Present were budget committee members Fred Allen, Jr., Michael Calame, Mary Corp, Betty Crampton, Manuel Gutierrez, Rod Hardin, Frank Harkenrider, Joe Harn, Jackie Myers, Harmon Springer, Pat Wheelhouse and DuWayne White. Walt Achuff was excused.

City staff present included Ed Brookshier, Bob Irby, Ray Jones, Dan Coulombe, Ron Sivey, Roy Bicknell, Doug Bennett, Darrell Schiffner, Judge Keith Kirkwood, Marie Baldo, Clint Spencer, Mike Ward, Brian Brogan and Donna Moeller. Ivan Anderholm, Russ Dorran and Pat Napolitano were excused. News media present was Jeannie Koranda of the Tri-City Herald.

Manual Gutierrez asked for a moment of silence for the tragedy that took place at Virginia Tech on this date.

Mayor Severson stated the committee must elect a chairman and secretary. Mary Corp was nominated and unanimously elected as chairman. Pat Wheelhouse was nominated as secretary and unanimously elected.

Chairman Corp asked Budget Officer Ed Brookshier to present the budget message. Mr. Brookshier reviewed his message, stating the proposed combined funds budget for the 2007-08 fiscal year is \$27,743,700, which represents a 9% increase from the adopted 2006-07 budget. The over-all increase is concentrated in the General Fund, the Utility Fund and the Reserve Fund. Six of the ten budget funds are proposed at levels below those approved in last years budget. The proposed budget includes a 2% pay increase for eligible employees. The current three-year agreement with the Police bargaining unit expires June 30 of this year. General Fund revenue levels proposed for the 2007-08 budget are in most instances up from the previous budget, which is benefitting from increasing the operating property tax rate to its authorized level.

Upon completion of the presentations of the remaining budgets, and with no further comments or questions regarding the budget, DuWayne White moved and Frank Harkenrider seconded to approve the rate per thousand of \$6.0860 for general fund operations. Motion carried unanimously. Jackie Myers moved and Frank Harkenrider seconded to approve a tax levy of \$331,850 for bonded debt. Motion carried unanimously.

Rod Hardin moved and Manuel Gutierrez seconded to approve the budget as presented. Motion carried unanimously.

It was announced that the budget hearing is scheduled for May 14, 2007 at 7:00 pm.

The meeting was adjourned at 8:15 pm.

APPROVED:

/s/ Mary Corp
Budget Chairman

ATTEST:

/s/ Pat Wheelhouse
Budget Secretary