

CITY OF HERMISTON

Fiscal Year 2008-09

ANNUAL BUDGET

BUDGET COMMITTEE MEMBERS

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Pat Wheelhouse, Citizen Member
DuWayne White, Citizen Member
Curtis Wyatt, Citizen Member
Vacancy, Councilor
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
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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	



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April 23, 2008

Dear Citizens and Members of the Budget Committee:

The proposed Combined Funds Budget for the 2008-09 Fiscal Year is \$29,567,595. This represents a 4% decrease from the final 2007-08 Budget of \$30,768,930.

Seven of the City's ten budget funds are proposed at levels higher than 07-08 amounts. However, decreases in the Bonded Debt, Utility and Reserve Funds account for the slight over-all decrease.

The bonded Debt Fund declines slightly due to the pay-off in 2007-08 of a 1993 Sewer revenue bond issuance and a 1997 Street Improvements "full faith and credit" issuance.

Decreases in both the Utility and Reserve Funds are due to moving to the end of the City's multi-year program of internally financed wastewater plant improvements in anticipation of bonding for the major part of the improvements program in 2009-10.

In 2003 the City undertook a multi-year program to upgrade its 27-year old wastewater treatment plant due to the wear of aging and the plant's inability to meet new discharge quality standards. It was determined that improvements during the early years of the program would be paid from operating reserves which the City had been accumulating over time for this specific purpose. As a consequence, approximately \$3.2 million has been expended from reserves over this period on a number of major improvements to the plant systems without incurring additional debt. The \$3.2 million was allocated for rehabilitation of the digester cover, installation of a new blower for rotation of the biological contactors, installation of a "gravity belt thickener" solids removal system, installation of a de-chlorination system, purchase of adjacent property for use for "rapid infiltration" cooling of treated wastewater, engineering costs (including advocacy for the City in the development of the new NPDES permit standards) and, most recently, installation of an odor control system, facility screening and landscaping and sludge storage lagoon cleaning. The operating reserves used to accomplish all these improvements have now been depleted and all forward engineering and final improvements costs will require first, interim, then long-term bond financing.

Another utility-related fund of note is the 2008-09 Budget is the Regional Water Fund. Here, current operating expenses are exceeding current revenues. Most of the Regional

system's revenues are now derived from the system's untreated water users (the two generating plants). Without a rate increase the system will deplete its unencumbered cash reserves by the end of the 08-09 year.

The Street Fund is proposed at just over \$1 million for the 2008-09 year, an increase of over \$250,000 from the 2007-08 budget. Funding at this level will require a subsidy from ~~the General Fund~~ of over \$300,000. For the first time in the last few years we are financially able to propose some new funding for the Street Construction and Street Maintenance Reserve accounts (\$125,000 for the former, \$50,000 for the latter). We are also proposing to replace our 1988 crack-filling machine at a cost of \$39,000 and a 1980 pick-up at a cost of \$20,000.

The City's primary operating fund, the General Fund, is proposed at \$7,910,700, an 8% increase over the final 2007-08 figure of \$7,346,465. In spite of this increase, our Unencumbered Cash Forward appears to be stabilizing for the time being at a level above \$2 million. This stabilization affords us the ability to fund the Streets improvement work and equipment noted above and to also undertake a few significant initiatives in the General Fund itself.

Initiatives of note in the General Fund are found in both the Police and Parks budgets.

In the Police budget we are adding one police officer position pursuant to a joint project between the City and the School District to establish a Community Accountability Board and a Youth Officer police position for early and community-based intervention with juvenile criminal offenders. The School District will be funding half of the cost of the new position.

Other activity of note in the Police budget includes continued funding for two full time and one "week-ends only" beds in the County jail for offenders adjudicated from Municipal Court and also the replacement of two patrol cars.

Activity of note in the Parks budget includes funding for a 150' X 40' storage building at Public Works at a cost of \$74,000, renovation of the "spray ground" water play area at Butte Park at a cost of \$35,000 and grounds improvements around City Hall at a cost of \$5,000.

Finally, the Budget includes a 4% pay increase for all eligible employees pursuant to the raise afforded members of the Police union in the second year of their three-year contract with the City.

As always, I want to thank Bob Irby for making my job on the budget easy and a fantastic group of department heads who are not only great leaders but excellent fiscal managers.

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 2008-09:

01/01/2008	Prepare proposed budget
05/13/2008	Hold first budget committee meeting
06/09/2008	Hold budget hearing
06/09/2008	Council action of resolutions or ordinances to adopt budget, make appropriations, levy taxes and categorize taxes
07/15/2008	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 loan fund is used to account for various grants and other funding to assist small and medium size commercial and retail businesses, low income to moderate income individuals for housing rehabilitation projects. As these loans are repaid the funds will become available to re-loan.

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.

CASH BALANCES BY FUND

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

	2002-03 (Audited)	2003-04 (Audited)	2004-05 (Audited)	2005-06 (Audited)	2006-07 (Audited)
<u>GENERAL FUND</u>					
Revenues	6,262,838	5,252,500	5,665,655	6,015,856	7,025,735
Expenditures & Trans.	4,635,002	5,504,646	6,454,073	6,453,992	6,505,986
Balance	4,187,946	3,935,800	3,147,382	2,709,246	3,228,995
<u>UTILITY FUND</u>					
Revenues	3,049,658	3,290,223	3,345,337	3,351,778	3,492,295
Expenditures & Trans.	2,774,269	3,868,919	3,159,765	2,990,275	3,584,480
Balance	1,767,313	1,188,617	1,374,189	1,735,692	1,643,507
<u>REGIONAL WATER</u>					
Revenues	569,382	624,555	585,831	470,722	473,011
Expenditures	657,164	652,257	415,230	426,631	539,480
Balance	283,007	255,305	425,906	469,997	403,528
<u>ENERGY SERVICES</u>					
Revenues	19,586,474	6,905,648	6,965,947	7,113,950	7,279,993
Expenditures	19,304,094	7,063,081	6,563,312	7,319,084	6,874,787
Balance	818,112	660,679	1,063,314	858,180	1,263,386
<u>DEBT SERVICE FUND</u>					
Revenues:					
Non-Tax	12,241,328	1,190,613	1,464,404	1,502,770	1,706,586
Tax	355,192	358,091	364,805	375,592	119,414
Expenditures	12,577,722	1,543,421	1,703,452	1,824,597	2,030,485
Balance	127,504	132,787	258,544	312,309	107,824

CONSOLIDATED REVENUES AND EXPENDITURES

COMPARISON OF REVENUES (by fund)

SCHEDULE I

	2005-06 Received	2006-07 Received	2007-08 Estimate	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Bonded Debt	2,136,902	2,084,499	1,828,655	1,626,235	1,626,235	1,626,235
General	7,615,905	8,229,375	7,346,465	7,910,700	7,910,700	7,910,700
State Tax Street	721,384	836,690	781,850	1,045,910	1,045,910	1,045,910
Transient Room	130,153	101,848	42,280	59,280	59,280	59,280
Utility	3,421,484	3,943,880	4,961,510	3,314,000	3,314,000	3,314,000
911 Communication	621,674	610,065	675,095	708,470	708,470	708,470
Regional Water	519,742	474,300	561,635	578,120	578,120	578,120
Revolving Loan	179,551	186,835	1,287,500	1,667,500	1,667,500	1,667,500
Energy Services	7,035,838	7,212,906	7,116,200	7,375,445	7,375,445	7,375,445
Reserve	4,183,055	4,544,439	6,167,740	5,281,915	5,281,915	5,281,915
Total	26,565,688	28,224,837	30,768,930	29,567,575	29,567,575	29,567,575

COMPARISON OF EXPENDITURES (by fund)

	2005-06 Actual	2006-07 Actual	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Bonded Debt	1,824,597	2,030,484	1,828,655	1,626,235	1,626,235	1,626,235
General	6,491,525	6,820,871	7,346,465	7,910,700	7,910,700	7,910,700
State Tax Street	673,299	836,691	781,850	1,045,910	1,045,910	1,045,910
Transient Room	77,280	61,806	42,280	59,280	59,280	59,280
Utility	2,997,155	3,544,026	4,961,510	3,314,000	3,314,000	3,314,000
911 Communication	621,675	610,066	675,095	708,470	708,470	708,470
Regional Water	426,632	539,479	561,635	578,120	578,120	578,120
Revolving Loan		167,500	1,287,500	1,667,500	1,667,500	1,667,500
Energy Services	7,306,149	6,923,957	7,116,200	7,375,445	7,375,445	7,375,445
Reserve	958,987	911,275	6,167,740	5,281,915	5,281,915	5,281,915
Total	21,377,299	22,446,155	30,768,930	29,567,575	29,567,575	29,567,575

CONSOLIDATED REVENUES AND EXPENDITURES

COMPARISON OF REVENUES (by character)
SCHEDULE II

	2005-06 Received	2006-07 Received	2007-08 Estimate	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Property Taxes	3,310,505	3,824,543	3,762,140	4,029,515	4,029,515	4,029,515
Local Assessments	44,430	38,552	28,500	22,000	22,000	22,000
License & Franchise	738,181	788,063	660,600	712,600	712,600	712,600
Fines & Penalties	285,630	333,554	225,000	240,000	240,000	240,000
Use of City Money	446,232	584,842	365,000	395,000	395,000	395,000
Fm Other Agencies	1,187,430	1,230,584	3,012,300	3,408,000	3,408,000	3,408,000
Service Charges	1,068,235	1,060,051	991,620	989,220	989,220	989,220
Non-Revenue Receipt	111,973	91,059	56,000	60,000	60,000	60,000
Misc Revenues	517,987	830,227	300,000	280,000	280,000	280,000
Sewer Service	1,418,419	1,453,177	1,330,000	1,385,000	1,385,000	1,385,000
Water Service	2,309,258	2,358,825	2,233,000	2,244,000	2,244,000	2,244,000
Energy Service	6,969,644	7,144,458	7,061,500	7,335,445	7,335,445	7,335,445
Trans Fm Other Fund	2,322,941	3,484,080	3,888,605	2,666,600	2,666,600	2,666,600
Cash Forward	5,834,823	5,002,822	6,854,665	5,799,795	5,799,795	5,799,795
Total	26,565,688	28,224,837	30,768,930	29,567,175	29,567,175	29,567,175

COMPARISON OF EXPENDITURES (by character)

	2005-06 Actual	2006-07 Actual	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Personal Services	6,765,094	7,088,681	7,827,360	8,223,985	8,223,985	8,223,985
Materials & Services	8,972,580	8,840,102	10,739,690	11,202,595	11,202,595	11,202,595
Capital Outlay	1,449,111	1,334,410	6,459,620	5,823,160	5,823,160	5,823,160
Transfers:						
General Fund		167,500				
Reserve	403,771	729,710	1,647,645	455,500	455,500	455,500
Street		76,326	81,850	345,910	345,910	345,910
Revolving Loan			117,500			
911 Communication	501,689	512,954	575,095	608,470	608,470	608,470
Bonded Debt	1,460,457	1,665,988	1,466,515	1,256,720	1,256,720	1,256,720
Unappropriated Bal			27,000	27,000	27,000	27,000
Debt Service	1,824,597	2,030,484	1,826,655	1,624,235	1,624,235	1,624,235
Total	21,377,299	22,446,155	30,768,930	29,567,575	29,567,575	29,567,575

CITY OF HERMISTON

ASSESSED VALUE AND TOTAL OVERLAPPING TAX LEVIES

Fiscal Year	Assessed Value On Tax Rolls	Dollars Per Thousand City	Per 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
1977-78	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

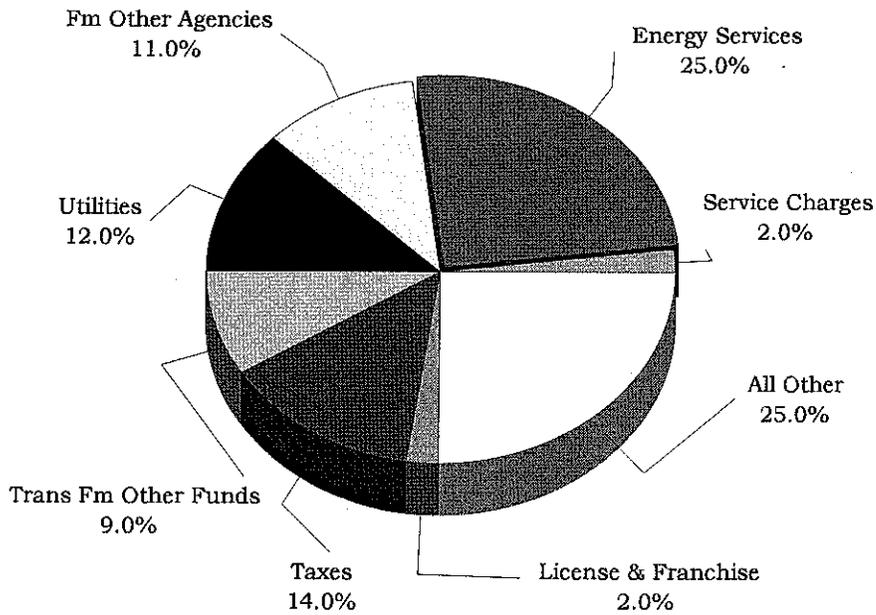
Fiscal Year	Tax Levy Submitted	Inside 6%	Outside 6%	G.O. Bond Issues	Bancroft Bond Issues	Population
1920-21	6,250.00	6,250.00				655
1930-31	6,250.00	6,250.00				608
1940-41	6,385.00	6,385.00				803
1950-51	15,878.00	15,878.00				3,804
1960-61	76,225.00	19,300.00	56,924.41			4,402
1970-71	148,877.00	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

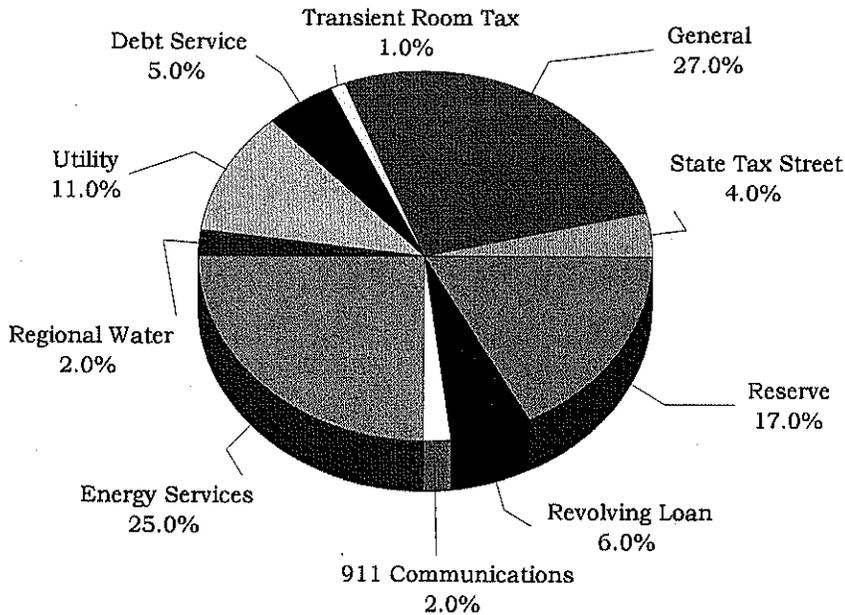
(Permanent Operating Tax Rate \$6.0860/\$1,000)

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
2007-08	669,241,051	6.0860	4,030,551	0.4958	331,810	4,362,361	15,780

City of Hermiston

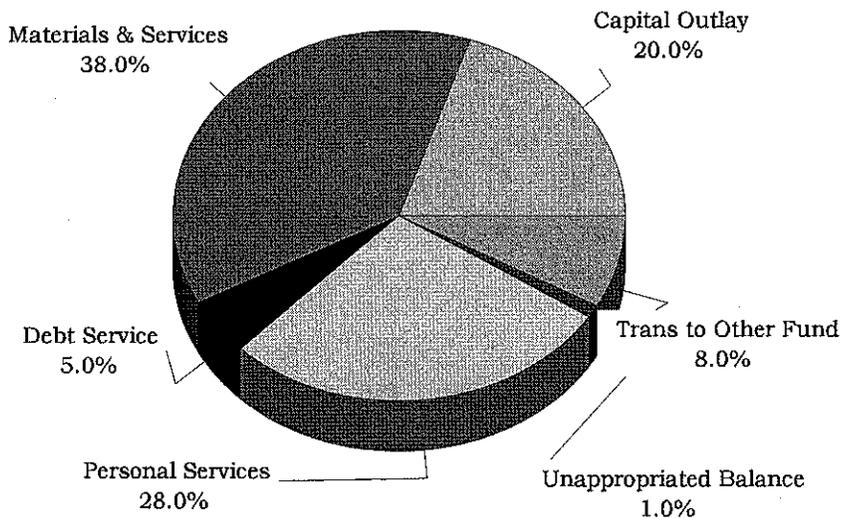


This graph reflects various resources in the 2008-09 budget.

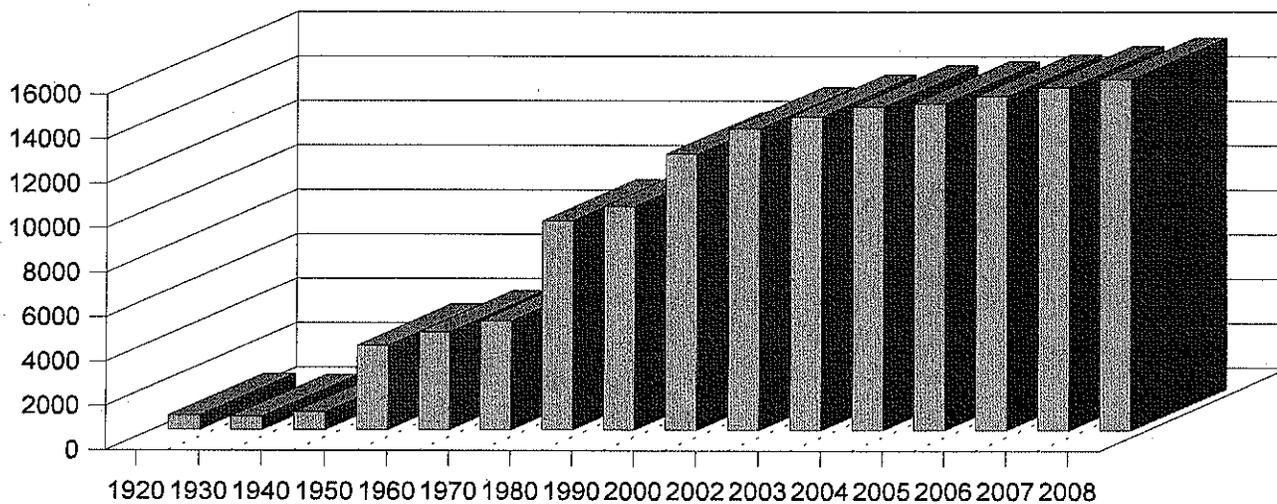


This graph reflects total expenditures by fund, inclusive of capital outlay, transfers to reserves and operating expenses in the 2008-09 budget.

City of Hermiston



This graph reflects the various expenditures by character included in the 2008-09 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	106,440	82	40,440	84	40,440	100	25,560		
City Engineer	1	97,620	82	32,220	84	32,220	91	33,180		
Finance Director	1/2	56,160	36	6,000	82	22,800	84	22,800	100	4,560
Permit Technician II	1	45,120	48	15,360	74	14,880	84	14,880		
Rec/Aquatics Coordinator	1	62,580	52	21,300	58	41,280				
Senior General Clerical	1	45,120	82	22,560	84	22,560				
Administrative Sergeant	1	74,280	65	37,140	88	37,140				

PERSONNEL DISTRIBUTION

	2005-06 Actual	2006-07 Actual	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 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	0	0	0	0	0
City Engineer	1/3	0	0	0	0	0
City Planner	11	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
<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	1	1	1	1
Municipal Court Clerk	1	1	0	0	0	0
General Clerical	1 1/2	1 1/2	1	1	1	1
General Clerical	0	0	3/4	3/4	3/4	3/4
<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	1	1	1	1	1
Park/Facility Lead Worker	0	1	1	1	1	1
Maintenance Lead Worker	1	0	0	0	0	0
Municipal Service Worker II	2	1	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	2	2	2	2
Senior Library Assistant	0	1	1	1	1	1
Library Assistant	2	1	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	1	1	1	1	1	1
Summer Park Program (.3 FTE)	1	1	1	1	1	1

Personnel Distribution (Continued)

	2005-06 Actual	2006-07 Actual	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
<u>Police Operations</u>						
Police Chief	1	1	1	1	1	1
Police Lieutenant	1	1	1	1	1	1
Administrative Sergeant	1	1/2	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
Youth Officer	0	0	0	1	1	1
Code Enforcement Officer	1	1	1	1	1	1
General Clerical	1/2	1	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	2	2	2	2	2
Municipal Worker I	0	1	1	1	1	1
<u>Disposal Plant Maintenance</u>						
Wastewater Superintendent	1	1	1	1	1	1
City Manager	1/3	2/5	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	2	2	2	2	2
Wastewater Worker II	4	3	2	2	2	2
Wastewater Worker I	0	1	1	1	1	1
<u>Water Production & Maintenance</u>						
City Manager	1/3	2/5	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	1	1	1	1
Water Utility Worker II	3	3	3	3	3	3
Water Utility Worker I	1	1	1	2	2	2
Meter Reader/General Clerical	2	2	2	1	1	1

Personnel Distribution (Continued)

	2005-06 Actual	2006-07 Actual	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
<u>911 Communications</u>						
Administrative Sergeant	0	1/2	1/2	1/2	1/2	1/2
Communications Manager	1	0	0	0	0	0
Dispatcher/Clerk	7	8	8	8	8	8
Data Entry Clerk	1	1	1	1	1	1
<u>Regional Water</u>						
City Engineer	0	1/3	1/3	1/3	1/3	1/3
Water Chief Operator	1	1	0	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	1/5	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

<u>Water Bonds</u>	<u>Due Date</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>	<u>2014-15</u>
Principal	Aug	160,000	165,000	170,000	180,000	190,000	200,000	210,000
Interest	Aug/Feb	<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>153,455</u>
<u>Total</u>		367,515	364,600	361,555	363,025	363,865	364,015	363,455

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 was met in fiscal year 2007-08.

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

<u>Water Bonds</u>	<u>Due Date</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>	<u>2014-15</u>
Principal	Apr	215,460	228,430	236,135	248,510	255,470	266,795	277,745
Interest	Oct/Apr	<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>35,855</u>
<u>Total</u>		310,800	314,935	313,275	315,965	312,740	313,590	313,600

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 was met in fiscal year 2007-08.

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

<u>Construction</u>	<u>Due Date</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>	<u>2014-15</u>
Principal	Dec	40,000	45,000	45,000	55,000	60,000	65,000	75,000
Interest	Dec/Jun	<u>148,440</u>	<u>147,310</u>	<u>145,985</u>	<u>144,365</u>	<u>142,395</u>	<u>140,160</u>	<u>137,470</u>
<u>Total</u>		188,440	192,310	190,985	199,365	202,395	205,160	212,470

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:

Hermiston Foods, Inc Project

<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

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:

2005 HES

<u>Obligations</u>	<u>Due Date</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>	<u>2014-15</u>
Principal	Oct	140,000	160,000	180,000	200,000	225,000	250,000	275,000
Interest	Oct/Apr	576,105	571,000	565,090	558,240	550,265	541,115	530,740
<u>Total</u>		716,105	731,000	745,090	758,240	775,265	791,115	805,740

City of Hermiston
Resources

BONDED DEBT

	2005-06 Received	2006-07 Received	2007-08 Estimate	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Property Taxes						
Bond Taxes	357,126	102,366	310,140	317,515	317,515	317,515
Delinquent Taxes	18,466	17,047	2,000	2,000	2,000	2,000
Property Taxes	375,592	119,413	312,140	319,515	319,515	319,515
Transfers From:						
General	273,716	275,134	282,360	188,440	188,440	188,440
Utility-Loans	41,373	41,373	41,375	41,375	41,375	41,375
Utility-B & I	613,178	638,501	531,965	310,800	310,800	310,800
Energy Services	532,191	710,981	610,815	716,105	716,105	716,105
	1,460,458	1,665,989	1,466,515	1,256,720	1,256,720	1,256,720
Miscellaneous Revenues						
Administrative Income	42,312	40,597				
Miscellaneous Revenues	42,312	40,597				
Cash Forward	258,540	258,500	50,000	50,000	50,000	50,000
	258,540	258,500	50,000	50,000	50,000	50,000
Bonded Debt	2,136,902	2,084,499	1,828,655	1,626,235	1,626,235	1,626,235

BONDED DEBT REQUIREMENTS
by character

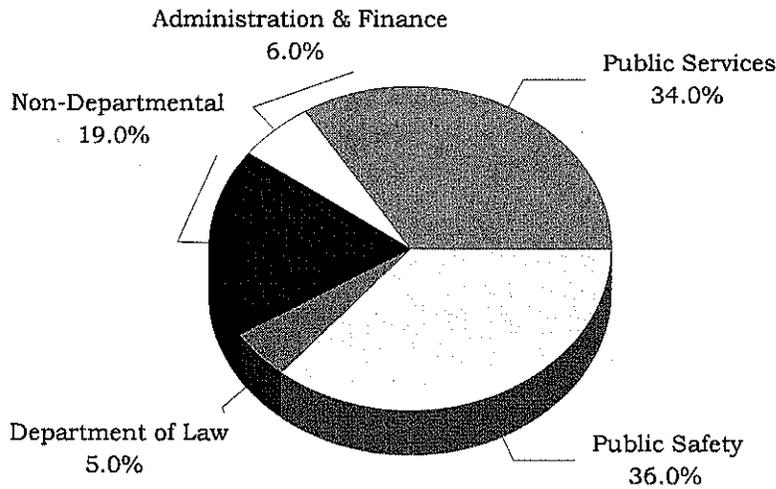
	Due Date	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Approved
Principal:							
1993 Sewer	Apr	195,000	205,000	210,000			
2007 Utility	Apr	225,000	240,000	207,110	215,460	215,460	215,460
Total Utility		420,000	445,000	417,110	215,460	215,460	215,460
Regional Water	Aug	135,000	140,000	145,000	160,000	160,000	160,000
Total GO		135,000	140,000	145,000	160,000	160,000	160,000
2005 Energy					140,000	140,000	140,000
Pool Construction	Dec	25,000	30,000	35,000	40,000	40,000	40,000
1997 Street	Jul	84,000	88,000	93,000			
Total Revenue		109,000	118,000	128,000	180,000	180,000	180,000
Total Principal		664,000	703,000	690,110	555,460	555,460	555,460
Interest:							
1993 Sewer	Oct/Apr	31,735	21,787	11,025			
2007 Utility	Oct/Apr	161,443	171,714	103,830	95,340	95,340	95,340
Total Utility		193,178	193,501	114,855	95,340	95,340	95,340
Regional Water	Aug/Feb	229,140	222,265	215,140	207,515	207,515	207,515
Total GO		229,140	222,265	215,140	207,515	207,515	207,515
2005 Energy			578,449	578,450	576,105	576,105	576,105
Pool Construction	Dec/Jan	150,576	149,915	149,335	148,440	148,440	148,440
1997 Street	Jan/Jul	14,140	9,730	5,025			
Total Revenue		164,716	738,094	732,810	724,545	724,545	724,545
Total Interest		587,034	1,153,860	1,062,805	1,027,400	1,027,400	1,027,400
Energy Services		532,190	132,251	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		1,824,597	2,030,484	1,828,655	1,626,235	1,626,235	1,626,235

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 | |

2008-09 General Fund Appropriations



Expenditures:	<u>Proposed</u>
Administration & Finance	454,475
Department of Law	424,255
Public Services	2,690,555
Public Safety	2,845,195
Non-Departmental	1,496,220
<u>Total</u>	<u>\$7,910,700</u>

City of Hermiston
Resources

GENERAL

	2005-06 Received	2006-07 Received	2007-08 Estimate	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Property Taxes						
General Taxes	2,801,301	3,576,635	3,350,000	3,600,000	3,600,000	3,600,000
Delinquent Taxes	133,612	128,495	100,000	110,000	110,000	110,000
Property Taxes	2,934,913	3,705,130	3,450,000	3,710,000	3,710,000	3,710,000
Other Local Assessments						
Assessments Receivable	7,343	2,805	2,000	2,000	2,000	2,000
Local Assessments	7,343	2,805	2,000	2,000	2,000	2,000
Licenses & Franchises						
HES In Lieu of Taxes	348,515	357,298	325,000	350,000	350,000	350,000
UECA Franchise	167,362	168,732	165,000	165,000	165,000	165,000
Natural Gas Franchise	112,220	129,494	75,000	90,000	90,000	90,000
EO Telecom Franchise	10,169	21,711	15,000	17,000	17,000	17,000
Qwest Telephone Franchise	44,969	54,165	35,000	42,000	42,000	42,000
TV Franchise	51,639	53,305	45,000	47,000	47,000	47,000
Miscellaneous Franchises	87	193	100	100	100	100
Dog License & Board	2,710	2,595		1,000	1,000	1,000
Liquor Permit License	510	570	500	500	500	500
Licenses & Franchises	738,181	788,063	660,600	712,600	712,600	712,600
Fines & Penalties						
Fines	285,630	333,554	225,000	240,000	240,000	240,000
Fines & Penalties	285,630	333,554	225,000	240,000	240,000	240,000
Use of City Money						
Interest on Investments	278,639	345,704	200,000	200,000	200,000	200,000
Airport Lease Income	67,138	65,606	55,000	55,000	55,000	55,000
Use of City Money	345,777	411,310	255,000	255,000	255,000	255,000
From Other Agencies						
Liquor Apportionment	151,970	159,688	145,000	150,000	150,000	150,000
Cigarette Tax	24,634	29,838	23,000	18,000	18,000	18,000
Library Grants	29,000	19,885	4,800			
County Taxi Grant	32,000	31,644	31,500	27,000	27,000	27,000
Law Enforcement Grant	6,995	5,000	6,000	6,000	6,000	6,000
State Revenue Sharing	101,462	102,878	90,000	95,000	95,000	95,000
From Other Agencies	346,061	348,933	300,300	296,000	296,000	296,000

	2005-06 Received	2006-07 Received	2007-08 Estimate	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Service Charges						
Transient Room Tax	84,490	88,156	76,000	76,000	76,000	76,000
TRT - Pool	112,681	117,541	100,700	100,700	100,700	100,700
Plumbing Permits	10,881	9,541	7,000	5,000	5,000	5,000
Plan Review/Spl Insp Fee	51,622	41,768	30,000	25,000	25,000	25,000
Construction Permit Fees	128,543	120,696	85,000	75,000	75,000	75,000
Library Fees & Charges		98				
District Library Contract	87,773	91,692	85,000	85,000	85,000	85,000
School District Contract	100,131	103,669	128,000	178,000	178,000	178,000
Airport Gas & Oil Sales	152,499	157,626	132,000	132,000	132,000	132,000
Airport Misc Income	1,212	2,207	1,000	500	500	500
Pool Income	232,878	215,848	210,000	175,000	175,000	175,000
Park & Recreation Fee	2,260	3,464	1,500	2,000	2,000	2,000
Service Charges	964,970	952,306	856,200	854,200	854,200	854,200
Non-Revenue Receipts						
Sale of City Real Estate	24,545	2,146				
Reimburse Direct Expense	44,638	71,496	50,000	50,000	50,000	50,000
Reimburse BENT & CSEPP		17,417	6,000	10,000	10,000	10,000
Non-Revenue Receipts	69,183	91,059	56,000	60,000	60,000	60,000
Miscellaneous Revenues						
Administrative Income	280,499	292,427	270,000	250,000	250,000	250,000
Sales & Service	44,738	47,127	30,000	30,000	30,000	30,000
Trans Fm Revolving Loan		167,500				
Trans Fm Reserves		164,101				
Miscellaneous Revenues	325,237	671,155	300,000	280,000	280,000	280,000
Cash Forward	1,598,610	925,060	1,241,365	1,500,900	1,500,900	1,500,900
	1,598,610	925,060	1,241,365	1,500,900	1,500,900	1,500,900
General	7,615,905	8,229,375	7,346,465	7,910,700	7,910,700	7,910,700

SUMMARY - CONSOLIDATED GENERAL FUND EXPENDITURES

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
3-4110 City Council	38,228	30,875	40,645	36,645	36,645	36,645
4210 Mgr/Planning	327,249	271,059	288,825	313,720	313,720	313,720
4300 Finance	77,073	84,879	99,200	104,110	104,110	104,110
5100 Legal Counsel	73,082	79,679	173,350	169,850	169,850	169,850
5200 Court	190,120	195,686	234,080	254,405	254,405	254,405
6230 Transportation	117,192	122,666	117,300	140,800	140,800	140,800
6400 Airport	194,324	191,588	203,450	187,300	187,300	187,300
6500 Building Inspections	273,456	215,328	343,585	327,200	327,200	327,200
6710 Parks	512,468	691,205	527,585	670,380	670,380	670,380
6720 Municipal Pool	419,060	407,914	399,685	403,450	403,450	403,450
6730 Municipal Buildings	15,684	8,443	14,900	10,000	10,000	10,000
6740 Library	448,140	515,794	544,825	554,170	554,170	554,170
6750 Recreation	276,784	297,535	284,260	303,105	303,105	303,105
6760 Conference Center	97,721	96,188	94,550	94,150	94,150	94,150
7030 Public Safety Center	50,480	55,374	50,050	54,550	54,550	54,550
7130 Police Operations	2,265,345	2,399,324	2,588,470	2,790,645	2,790,645	2,790,645
8810 Audit & Others	1,115,119	1,157,334	1,316,705	1,471,220	1,471,220	1,471,220
8890 Unapp Balance			25,000	25,000	25,000	25,000
Total	6,491,525	6,820,871	7,346,465	7,910,700	7,910,700	7,910,700

CONSOLIDATED GENERAL FUND EXPENDITURES

by character

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Personal Services	3,905,690	3,972,047	4,483,130	4,760,745	4,760,745	4,760,745
Materials & Services	1,563,675	1,536,309	1,667,630	1,777,235	1,777,235	1,777,235
Capital Outlay	192,278	220,481	95,900	90,900	90,900	90,900
Transfers:						
Reserve Fund	54,477	227,620	18,000	114,000	114,000	114,000
Street Fund		76,326	81,850	345,910	345,910	345,910
Revolving Loan Fund			117,500			
911 Communications	501,689	512,954	575,095	608,470	608,470	608,470
Bonded Debt	273,716	275,134	282,360	188,440	188,440	188,440
Unapp Balance			25,000	25,000	25,000	25,000
Total	6,491,525	6,820,871	7,346,465	7,910,700	7,910,700	7,910,700

CONSOLIDATED ADMINISTRATION & FINANCE EXPENDITURES

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
3-4110 City Council	38,228	30,875	40,645	36,645	36,645	36,645
3-4210 Mgr/Planning	327,249	271,059	288,825	313,720	313,720	313,720
3-4300 Finance	77,073	84,879	99,200	104,110	104,110	104,110
Total	442,550	386,813	428,670	454,475	454,475	454,475

ADMINISTRATION & FINANCE
by character

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Personal Services	383,746	329,333	359,245	387,675	387,675	387,675
Materials & Services	58,804	57,480	69,425	66,800	66,800	66,800
Capital Outlay						
Total	442,550	386,813	428,670	454,475	454,475	454,475

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

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 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

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Personal Services	12,600	12,200	13,800	13,800	13,800	13,800
Accident Insurance	28	29	35	35	35	35
Retirement	247	247	250	250	250	250
Social Security	964	933	1,060	1,060	1,060	1,060
Personal Services	13,839	13,409	15,145	15,145	15,145	15,145
Travel & Training	20,513	12,810	19,000	15,000	15,000	15,000
Contractual Services	20,513	12,810	19,000	15,000	15,000	15,000
Food & Miscellaneous	3,876	4,656	6,500	6,500	6,500	6,500
Commodities	3,876	4,656	6,500	6,500	6,500	6,500
City Council	38,228	30,875	40,645	36,645	36,645	36,645

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

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
City Manager	1/6	0	0	0	0	0
City Engineer	1/3	0	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

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Personal Services	217,258	177,566	187,595	203,700	203,700	203,700
Unemployment Insurance						
Accident Insurance	718	426	455	490	490	490
Retirement	44,468	34,783	38,450	41,900	41,900	41,900
Social Security	16,285	13,334	14,290	15,600	15,600	15,600
Medical, Dental & Life Ins	30,252	23,716	26,410	28,930	28,930	28,930
Personal Services	308,981	249,825	267,200	290,620	290,620	290,620
Other Professional Service	2,747	635	2,500	3,000	3,000	3,000
Postage	703	726	700	725	725	725
Travel & Training	5,481	9,100	7,500	8,500	8,500	8,500
Legal Publications	1,992	1,975	1,800	1,800	1,800	1,800
Telephone	2,323	2,117	2,400	2,300	2,300	2,300
Repairs-Motor Vehicles		1,406	100	100	100	100
Dues & Membership	1,374	1,852	1,700	1,850	1,850	1,850
Miscellaneous Contractual	1,176	1,128	2,000	2,000	2,000	2,000
Contractual Services	15,796	18,939	18,700	20,275	20,275	20,275
Office Supplies	2,113	1,806	2,400	2,300	2,300	2,300
Minor/Safety Equipment	53	45	100	100	100	100
Motor Vehicle Fuel & Oil	219	403	350	350	350	350
Motor Vehicle Parts	87	41	75	75	75	75
Commodities	2,472	2,295	2,925	2,825	2,825	2,825
Manager/Planning	327,249	271,059	288,825	313,720	313,720	313,720

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 is appropriated at half-time.

PERSONNEL DISTRIBUTION

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 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

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Personal Services	42,775	45,692	51,905	54,550	54,550	54,550
Overtime			200	200	200	200
Unemployment Insurance						
Accident Insurance	89	109	125	130	130	130
Retirement	4,111	6,528	9,150	10,030	10,030	10,030
Social Security	3,119	3,386	3,870	4,190	4,190	4,190
Medical, Dental & Life Ins	10,832	10,384	11,650	12,810	12,810	12,810
Personal Services	60,926	66,099	76,900	81,910	81,910	81,910
Postage	3,931	3,941	4,000	4,500	4,500	4,500
Travel & Training	1,697	2,449	4,000	4,000	4,000	4,000
Telephone	1,557	1,309	2,000	1,500	1,500	1,500
Repairs-Office Equipment	5,557	7,074	8,000	8,000	8,000	8,000
Dues & Membership	205	395	300	300	300	300
Contractual Services	12,947	15,168	18,300	18,300	18,300	18,300
Office Supplies	2,950	3,008	3,500	3,500	3,500	3,500
Food & Miscellaneous	250	604	500	400	400	400
Commodities	3,200	3,612	4,000	3,900	3,900	3,900
Finance	77,073	84,879	99,200	104,110	104,110	104,110

CONSOLIDATED DEPARTMENT OF LAW EXPENDITURES

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
3-5100 Legal Counsel	73,082	79,679	173,350	169,850	169,850	169,850
3-5200 Court	190,120	195,686	234,080	254,405	254,405	254,405
Total	263,202	275,365	407,430	424,255	424,255	424,255

DEPARTMENT OF LAW
by character

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Personal Services	159,995	161,334	182,815	190,780	190,780	190,780
Materials & Services	103,207	109,659	224,115	233,475	233,475	233,475
Capital Outlay		4,372	500			
Total	263,202	275,365	407,430	424,255	424,255	424,255

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 \$1,500 per month. Prosecution costs are also included in this department.

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
5100 LEGAL COUNSEL

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Other Professional Service	45,000	29,271	45,000	35,000	35,000	35,000
Prosecution	36,600	36,600	108,100	115,000	115,000	115,000
Labor Negotiations	12,000	12,000	18,000	18,000	18,000	18,000
Travel & Training	1,300	1,268	1,300	1,300	1,300	1,300
Contractual Services	94,900	79,139	172,400	169,300	169,300	169,300
Magazine, Map, Pamphlet	950	540	950	550	550	550
Commodities	950	540	950	550	550	550
Legal Counsel	95,850	79,679	173,350	169,850	169,850	169,850

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

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Municipal Judge (.33 FTE)	1	1	1	1	1	1
Court Administrator	0	0	1	1	1	1
Municipal Court Clerk	1	1	0	0	0	0
General Clerical	1 1/2	1 1/2	1	1	1	1
General Clerical	0	0	3/4	3/4	3/4	3/4

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
5200 COURT

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Personal Services	109,110	111,452	125,920	129,700	129,700	129,700
Overtime	161	68	300	300	300	300
Unemployment Insurance						
Accident Insurance	260	290	345	365	365	365
Retirement	16,909	17,481	20,400	21,555	21,555	21,555
Social Security	8,144	8,327	9,400	9,935	9,935	9,935
Medical, Dental & Life Ins	25,411	23,716	26,450	28,925	28,925	28,925
Personal Services	159,995	161,334	182,815	190,780	190,780	190,780
Other Professional Service	125		250	1,600	1,600	1,600
Public Defense	15,600	15,850	32,340	44,000	44,000	44,000
Postage	1,568	2,622	2,800	2,700	2,700	2,700
Travel & Training	1,741	2,788	3,000	3,000	3,000	3,000
Telephone	4,998	4,734	5,250	5,000	5,000	5,000
Repairs-Office Equipment	1,339	997	1,200	1,200	1,200	1,200
Dues & Membership		185	225	225	225	225
Miscellaneous Contractual	1,217	1,341	1,800	2,000	2,000	2,000
Subpoenas & Jury Fees	93		200	300	300	300
Contractual Services	26,681	28,517	47,065	60,025	60,025	60,025
Office Supplies	2,909	1,463	3,150	3,000	3,000	3,000
Magazine, Map, Pamphlet	535		550	600	600	600
Commodities	3,444	1,463	3,700	3,600	3,600	3,600
Office Equipment		4,372	500			
Capital Outlay		4,372	500			
Court	190,120	195,686	234,080	254,405	254,405	254,405

1678790DATED PUBLIC SERVICES EXPENDITURES

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
3-6230 Transportation	117,192	122,666	117,300	140,800	140,800	140,800
3-6400 Airport	194,324	191,588	203,450	187,300	187,300	187,300
3-6500 Building Inspection	273,456	215,328	343,585	327,200	327,200	327,200
3-6710 Parks	512,468	691,205	527,585	670,380	670,380	670,380
3*6720 Municipal Pool	419,060	407,914	399,685	403,450	403,450	403,450
3-6730 Municipal Bldgs	15,684	8,443	14,900	10,000	10,000	10,000
3-6740 Library	448,140	515,794	544,825	554,170	554,170	554,170
3-6750 Recreation	276,784	297,535	284,260	303,105	303,105	303,105
3-6760 Conference Center	97,721	96,188	94,550	94,150	94,150	94,150
Total	2,354,829	2,546,661	2,530,140	2,690,555	2,690,555	2,690,555

PUBLIC SERVICES
by character

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Personal Services	1,343,265	1,353,462	1,629,325	1,678,790	1,678,790	1,678,790
Materials & Services	907,914	940,078	843,815	864,265	864,265	864,265
Capital Outlay	58,673	25,501	39,000	33,500	33,500	33,500
Transfer to Reserve	44,977	227,620	18,000	114,000	114,000	114,000
Total	2,354,829	2,546,661	2,530,140	2,690,555	2,690,555	2,690,555

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 \$27,000.

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
6230 TRANSPORTATION

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Printing	782		800	800	800	800
Taxi Program	116,410	122,666	116,500	140,000	140,000	140,000
Contractual Services	117,192	122,666	117,300	140,800	140,800	140,800
Transportation	117,192	122,666	117,300	140,800	140,800	140,800

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

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Other Professional Service	37,578	37,794	37,100	37,100	37,100	37,100
Property & Liability Ins	9,089	8,940	9,250	9,250	9,250	9,250
Electricity	11,651	11,907	11,750	12,000	12,000	12,000
Telephone	1,983	2,277	1,900	2,500	2,500	2,500
Cleaning & Painting	44	122	100	100	100	100
Miscellaneous Contractual	3,232	4,832	3,000	4,000	4,000	4,000
Licenses & Permits	174	223	150	150	150	150
Contractual Services	63,751	66,095	63,250	65,100	65,100	65,100
Office Supplies	99	56	100	100	100	100
Clean/Sanitation Supplies	214	106	300	300	300	300
Food & Miscellaneous	182	139	100	100	100	100
Minor/Safety Equipment	392	457	1,000	1,000	1,000	1,000
Motor Vehicle Fuel & Oil	127,130	120,322	120,000	120,000	120,000	120,000
Parts For Operating Equip	556	2,413	700	700	700	700
Commodities	128,573	123,493	122,200	122,200	122,200	122,200
Res-Airport Improvements	2,000	2,000	18,000			
Capital Outlay	2,000	2,000	18,000			
Airport	194,324	191,588	203,450	187,300	187,300	187,300

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

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 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

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Personal Services	180,070	127,449	203,340	200,340	200,340	200,340
Overtime			350	350	350	350
Unemployment Insurance						
Accident Insurance	1,461	1,057	2,040	2,035	2,035	2,035
Retirement	28,848	26,216	40,650	41,285	41,285	41,285
Social Security	13,573	9,582	15,115	15,355	15,355	15,355
Medical, Dental & Life Ins	25,014	19,538	37,025	40,570	40,570	40,570
Personal Services	248,966	183,842	298,520	299,935	299,935	299,935
Postage	117	287	325	350	350	350
Travel & Training	2,728	3,267	4,000	4,000	4,000	4,000
Electricity	2,147	2,400	2,400	2,400	2,400	2,400
Telephone	3,804	2,830	4,000	3,000	3,000	3,000
Repairs-Motor Vehicles		60	50	50	50	50
Other Repairs			150	100	100	100
Cleaning & Painting	1,740	1,740	1,740	1,740	1,740	1,740
Dues & Membership	450	700	625	625	625	625
Miscellaneous Contractual	5,799	14,355	5,800	7,000	7,000	7,000
Contractual Services	16,785	25,639	19,090	19,265	19,265	19,265
Office Supplies	2,908	1,663	3,900	3,250	3,250	3,250
Magazine, Map, Pamphlet	170	696	750	700	700	700
Food & Miscellaneous	329	230	300	250	250	250
Fuel-Other Than Vehicle	1,951	1,971	1,900	2,000	2,000	2,000
Minor/Safety Equipment	296	221	400	300	300	300
Motor Vehicle Fuel & Oil	1,374	1,012	1,300	1,100	1,100	1,100
Motor Vehicle Parts	677	54	425	400	400	400
Commodities	7,705	5,847	8,975	8,000	8,000	8,000
Office Equipment			17,000			
Capital Outlay			17,000			
Building Inspections	273,456	215,328	343,585	327,200	327,200	327,200

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 2008-09:

- ◆ Maintain the mowing, watering and fertilization schedules at all times.
- ◆ Provide seven day a week park restroom and garbage maintenance March through October.

PERSONNEL DISTRIBUTION

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Park Maintenance Foreman	1	1	1	1	1	1
Park/Facility Lead Worker	0	1	1	1	1	1
Municipal Worker II	2	1	1	1	1	1
Municipal Worker I	1	1	1	1	1	1

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
6710 PARKS

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Personal Services	178,685	184,874	263,545	274,200	274,200	274,200
Overtime	516	2,016	1,765	1,800	1,800	1,800
Unemployment Insurance						
Accident Insurance	5,284	7,360	9,975	10,625	10,625	10,625
Retirement	33,273	36,681	53,220	56,765	56,765	56,765
Social Security	13,386	13,977	19,800	21,110	21,110	21,110
Medical, Dental & Life Ins	38,238	37,228	46,830	45,380	45,380	45,380
Personal Services	269,382	282,136	395,135	409,880	409,880	409,880
Travel & Training	2,317	2,665	2,500	2,500	2,500	2,500
Electricity	11,137	16,556	14,000	16,500	16,500	16,500
Telephone	3,346	4,084	3,350	3,500	3,500	3,500
Miscellaneous Contractual	125,770	113,059	53,000	55,000	55,000	55,000
Contractual Services	142,570	136,364	72,850	77,500	77,500	77,500
Ag & Hort Supplies	10,452	2,447	10,000	10,000	10,000	10,000
Chemicals	3,947	3,311	4,000	4,000	4,000	4,000
Clean/Sanitation Supplies	380	625	1,000	1,000	1,000	1,000
Minor/Safety Equipment	11,435	14,833	10,000	12,000	12,000	12,000
Motor Vehicle Fuel & Oil	14,658	14,935	23,600	20,000	20,000	20,000
Motor Vehicle Parts	983	1,997	1,500	1,500	1,500	1,500
Paint & Paint Supplies	2,673	1,370	2,000	2,000	2,000	2,000
Pimb/Sewage Supplies	9,513	5,633	4,500	6,000	6,000	6,000
Parts For Operating Equip	3,498	1,934	3,000	3,000	3,000	3,000
Commodities	57,539	47,085	59,600	59,500	59,500	59,500
Motor Vehicle						
Other Equipment				9,500	9,500	9,500
Res-Park Improvements	42,977			114,000	114,000	114,000
Res-Centennial Bell		225,620				
Capital Outlay	42,977	225,620		123,500	123,500	123,500
Parks	512,468	691,205	527,585	670,380	670,380	670,380

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 2008-09

- ◆ Improve cost recovery by 5% over 2007-08 at the Hermiston Family Aquatic Center.
- ◆ Maximize participation in aquatic programs through aggressive marketing.

PERSONNEL DISTRIBUTION

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 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

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Personal Services	183,623	165,512	182,670	184,040	184,040	184,040
Overtime	1,358	1,922	500	500	500	500
Unemployment Insurance						
Accident Insurance	2,927	5,077	7,030	7,105	7,105	7,105
Retirement	3,445	5,345	6,050	6,445	6,445	6,445
Social Security	14,111	12,769	13,975	14,120	14,120	14,120
Medical, Dental & Life Ins	4,794	4,668	5,210	5,690	5,690	5,690
Personal Services	210,258	195,293	215,435	217,900	217,900	217,900
Postage	405	306	500	450	450	450
Travel & Training	1,104	2,226	1,500	1,500	1,500	1,500
Advertising	2,051	717	2,000	2,000	2,000	2,000
Property & Liability Ins	5,372	5,162	5,800	5,800	5,800	5,800
Electricity	19,572	20,744	22,500	22,500	22,500	22,500
Telephone	1,947	2,828	1,700	2,800	2,800	2,800
Dues & Membership			750	250	250	250
Miscellaneous Contractual	18,230	40,708	23,000	30,000	30,000	30,000
Licenses & Permits	755	1,190	750	750	750	750
Contractual Services	49,436	73,881	58,500	66,050	66,050	66,050
Office Supplies	7,825	5,067	2,500	7,500	7,500	7,500
Chemicals	21,535	23,422	22,500	24,000	24,000	24,000
Clean/Sanitation Supplies	4,309	4,052	3,500	3,500	3,500	3,500
Food & Miscellaneous	33,537	17,436	20,000	20,000	20,000	20,000
Fuel-Other Than Vehicle	52,902	68,826	68,000	55,000	55,000	55,000
Paint & Paint Supplies		5,314	750	1,000	1,000	1,000
Plmb/Sewage Supplies	8,708	2,261	1,000	1,500	1,500	1,500
Recreational Supplies	3,109	10,876	5,000	4,500	4,500	4,500
Uniforms	2,212	1,486	2,500	2,500	2,500	2,500
Commodities	134,137	138,740	125,750	119,500	119,500	119,500
Buildings & Fixed Equip	25,000					
Other Improvements	229					
Capital Outlay	25,229					
Municipal Pool	419,060	407,914	399,685	403,450	403,450	403,450

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

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Electricity	2,671	2,946	3,000	3,000	3,000	3,000
Repairs-Buildings	7,506	187	1,000	1,000	1,000	1,000
Repairs-Machinery/Equip	664	417	5,700	700	700	700
Cleaning & Painting	2,720	2,600	2,750	2,800	2,800	2,800
Miscellaneous Contractual	1,555	1,652	1,700	1,700	1,700	1,700
Contractual Services	15,116	7,802	14,150	9,200	9,200	9,200
Clean/Sanitation Supplies	26		100	150	150	150
Fuel-Other Than Vehicle	451	612	550	550	550	550
Minor/Safety Equipment	91	29	100	100	100	100
Commodities	568	641	750	800	800	800
Municipal Buildings	15,684	8,443	14,900	10,000	10,000	10,000

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)	2006	2007
Items Checked Out (total count)	95,069	99,387
Active Library Cards	10,587	9,697
Overdues	5,475	5,802
Renewals	7,343	5,972
Programs Presented	300	268
Program Attendance	9,742	9,248
Reference Questions Answered	1,476	1,899
Number of Volunteer Hours	907	641
Total Inter-Library Loans	1,699	2,120
Use of Internet Stations	14,796	18,953

2007-08 Major Events:

- ◆ Ready, Set Zoom funded through LSTA Grant Award.
- ◆ Library Renovation project funded through Wildhorse.
- ◆ Installed Security Cameras.
- ◆ LEO funded Sense of Place and Big Read.

2007-08 Goals:

- ◆ Continue 10% collection weeding. *Ongoing*
- ◆ Develop active library volunteer program that doubles 2006 hours. *Ongoing*
- ◆ Establish outreach program for early childhood literacy among public housing residents. *Ongoing*
- ◆ Implement first Self-checkout system in Eastern Oregon. *Completed*

2008-09 Goals:

- ◆ Continue 10% collection weeding.
- ◆ Complete phase one of the library renovation project.
- ◆ Develop and operate Adult Summer Reading Program.
- ◆ Acquire funding for Ready, Set, Zoom implementation and begin transition to library staff.

PERSONNEL DISTRIBUTION

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Library Director	1	1	1	1	1	1
Librarian II	1	1	2	2	2	2
Senior Library Assistant	0	1	1	1	1	1
Library Assistant	2	1	1	1	1	1
Librarian (6.5 FTE)	6	6	6	6	6	6

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
6740 LIBRARY

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Personal Services	276,123	305,014	341,800	345,660	345,660	345,660
Overtime			100	100	100	100
Unemployment Insurance						
Accident Insurance	576	727	795	830	830	830
Retirement	52,326	60,610	68,050	71,125	71,125	71,125
Social Security	20,953	23,165	25,310	26,455	26,455	26,455
Medical, Dental & Life Ins	20,350	19,806	16,520	24,100	24,100	24,100
Personal Services	370,328	409,322	452,575	468,270	468,270	468,270
Postage	343	318	400	450	450	450
Travel & Training	697	2,715	2,000	2,000	2,000	2,000
Electricity	8,958	8,785	9,000	8,800	8,800	8,800
Telephone	2,339	1,896	2,500	2,200	2,200	2,200
Repairs-Buildings	3,538	22,671	12,000	3,500	3,500	3,500
Cleaning & Painting	14,994	13,873	13,900	16,000	16,000	16,000
Dues & Membership	88		150	100	100	100
Miscellaneous Contractual	13,879	18,086	14,800	16,400	16,400	16,400
Contractual Services	44,836	68,344	54,750	49,450	49,450	49,450
Office Supplies	5,406	8,366	12,200	9,000	9,000	9,000
Magazine, Map, Pamphlet	1,132	2,077	1,500	1,500	1,500	1,500
Clean/Sanitation Supplies	7	691	400	400	400	400
Food & Miscellaneous	239	289	250	500	500	500
Minor/Safety Equipment	214	296	400	300	300	300
Motor Vehicle Fuel & Oil	742	908	750	750	750	750
Commodities	7,740	12,627	15,500	12,450	12,450	12,450
Library Books & Equip	20,444	21,501	22,000	22,000	22,000	22,000
Office Equipment	4,792	4,000		2,000	2,000	2,000
Capital Outlay	25,236	25,501	22,000	24,000	24,000	24,000
Library	448,140	515,794	544,825	554,170	554,170	554,170

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 2008-09:

- ◆ 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.

PERSONNEL DISTRIBUTION

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 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	1	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

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Personal Services	175,096	194,739	173,535	181,000	181,000	181,000
Overtime	461	97	500	500	500	500
Unemployment Insurance						
Accident Insurance	3,581	5,453	5,230	5,580	5,580	5,580
Retirement	20,261	31,467	34,765	37,325	37,325	37,325
Social Security	13,167	14,591	12,930	13,885	13,885	13,885
Medical, Dental & Life Ins	31,765	36,522	40,700	44,515	44,515	44,515
Personal Services	244,331	282,869	267,660	282,805	282,805	282,805
Postage	1,459	200	200	250	250	250
Travel & Training	4,184	3,641	2,500	5,000	5,000	5,000
Advertising	6,575	4,524	3,000	4,000	4,000	4,000
Telephone	296	564	500	300	300	300
Repairs-Office Equip	266					
Dues & Membership	475	680	1,000	750	750	750
Miscellaneous Contractual	4,530	2,759	5,000	4,500	4,500	4,500
Contractual Services	17,785	12,368	12,200	14,800	14,800	14,800
Office Supplies	3,116	894	1,000	2,000	2,000	2,000
Food & Miscellaneous		266				
Minor/Safety Equipment	53		50			
Motor Vehicle Fuel & Oil	1,178	860	1,000	1,000	1,000	1,000
Recreational Supplies	2,113	278	2,100	2,100	2,100	2,100
Uniforms			250	400	400	400
Commodities	6,460	2,298	4,400	5,500	5,500	5,500
Other Equipment	8,208					
Capital Outlay	8,208					
Recreation	276,784	297,535	284,260	303,105	303,105	303,105

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

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Other Professional Service	64,350	64,350	64,350	64,350	64,350	64,350
Property & Liability Ins	3,429	3,253	3,500	3,500	3,500	3,500
Electricity	14,512	14,370	17,000	16,000	16,000	16,000
Telephone	253		400			
Miscellaneous Contractual	9,652	2,469	4,000	4,000	4,000	4,000
Contractual Services	92,196	84,442	89,250	87,850	87,850	87,850
Fuel-Other Than Vehicle	5,213	5,424	5,300	6,000	6,000	6,000
Minor/Safety Equipment	312	6,322		300	300	300
Commodities	5,525	11,746	5,300	6,300	6,300	6,300
Conference Center	97,721	96,188	94,550	94,150	94,150	94,150

CONSOLIDATED PUBLIC SAFETY EXPENDITURES

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
3-7030 Public Safety Ctr	50,480	55,374	50,050	54,550	54,550	54,550
3-7130 Operations	2,265,345	2,399,324	2,588,470	2,790,645	2,790,645	2,790,645
Total	2,315,825	2,454,698	2,638,520	2,845,195	2,845,195	2,845,195

PUBLIC SAFETY
by character

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Personal Services	2,018,684	2,127,918	2,311,745	2,503,500	2,503,500	2,503,500
Materials & Services	258,177	253,072	270,375	284,295	284,295	284,295
Capital Outlay	38,964	73,708	56,400	57,400	57,400	57,400
Transfer to Reserve						
Total	2,315,825	2,454,698	2,638,520	2,845,195	2,845,195	2,845,195

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

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Electricity	20,287	19,272	21,500	21,500	21,500	21,500
Telephone	4,486	4,099	5,000	4,750	4,750	4,750
Repairs-Buildings	4,393	4,817	4,500	4,500	4,500	4,500
Repairs-Machinery/Equip	498		1,250	500	500	500
Cleaning & Painting	14,129	16,148	9,700	16,000	16,000	16,000
Miscellaneous Contractual		62	200	200	200	200
Contractual Services	43,793	44,398	42,150	47,450	47,450	47,450
Clean/Sanitation Supplies			50	50	50	50
Fuel-Other Than Vehicle	6,687	5,018	7,750	7,000	7,000	7,000
Minor/Safety Equipment			100	50	50	50
Commodities	6,687	5,018	7,900	7,100	7,100	7,100
Buildings & Fixed Equip		5,958				
Capital Outlay		5,958				
Public Safety Center	50,480	55,374	50,050	54,550	54,550	54,550

03 GENERAL FUND
7130 POLICE - OPERATIONS

MISSION STATEMENT: The Hermiston Police Department continues to be a highly efficient policing entity cognizant and receptive to the wants and needs of the citizens in which they serve. The Department will be participating in a third 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 into each member's annual goals and objectives, specific attainable and measurable outcomes that are a direct reflection of the will of the people.

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 progress 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 to seek out grants for monies and equipment to assist with enforcement and preventative efforts. Each supervisor of the Department has been tasked with researching, writing, and submitting (1) grant specific to the overall mission of the Department.

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 54 active neighborhood watch groups. Coupled with Neighborhood Watch is a similar program geared toward those that own or operate businesses in Hermiston. The Hermiston Business Watch Program currently has 103 members. The Department is currently updating contact information in order for information to be disseminated via email to both of these groups in a timely fashion.

The utilization of officers assigned to the Emphasis Team has shown incredible results when staffing levels and call load allow. In 2007, the Emphasis Team was responsible for serving 21 search warrants with which over 200 charges and thousands of dollars of stolen property were recovered. To date, the Emphasis Team has been utilized to target those responsible for graffiti. The team has been successful in solving several cases involving numerous locations affected by the vandalism.

With 6 full years of statistical information since the transformation into an effective and efficient Department began, analysis of the numbers in order to learn where preventative or enforcement efforts may be lacking has taken place for all Unauthorized Use of Motor Vehicle reports, all Burglary reports, and all Aggravated Assault reports. These critical documents shed light on where the Department can improve and where the Department needs to educate the public.

PERSONNEL DISTRIBUTION

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Police Chief	1	1	1	1	1	1
Police Lieutenant	1	1	1	1	1	1
Administrative Sergeant	1	1/2	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
Youth Officer	0	0	0	1	1	1
Code Enforcement Officer	1	1	1	1	1	1
General Clerical	1/2	1	1	1	1	1

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
7130 POLICE - OPERATIONS

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Personal Services	1,248,162	1,306,304	1,418,470	1,515,115	1,515,115	1,515,115
Overtime	63,506	74,702	78,000	78,000	78,000	78,000
Unemployment Insurance						
Accident Insurance	44,000	59,883	62,905	68,945	68,945	68,945
Retirement	262,233	277,615	298,400	327,705	327,705	327,705
Social Security	97,876	103,494	110,980	121,875	121,875	121,875
Medical, Dental & Life Ins	302,907	305,920	342,990	391,860	391,860	391,860
Personal Services	2,018,684	2,127,918	2,311,745	2,503,500	2,503,500	2,503,500
Other Professional Service	2,752	354	1,000	1,000	1,000	1,000
Postage	2,988	3,088	3,000	3,000	3,000	3,000
Travel & Training	26,628	28,682	25,000	25,000	25,000	25,000
Repairs-Motor Vehicles	6,706	13,592	15,000	15,000	15,000	15,000
Dues & Membership	895	2,309	1,200	1,200	1,200	1,200
Laundry/Other Sanitation	3,974	2,446	4,250	4,000	4,000	4,000
Informant Information		1,000	1,000	1,000	1,000	1,000
Animal Impound Service	31,200	30,198	28,300	30,000	30,000	30,000
Miscellaneous Contractual	37,441	32,816	55,575	57,545	57,545	57,545
Nuisance Abatement	13,080	4,045	5,000	4,500	4,500	4,500
Contractual Services	125,664	118,530	139,325	142,245	142,245	142,245
Office Supplies	14,221	14,112	13,500	13,500	13,500	13,500
Food & Miscellaneous	943	2,065	2,000	2,000	2,000	2,000
Minor/Safety Equipment	5,674	6,433	8,000	7,500	7,500	7,500
Motor Vehicle Fuel & Oil	40,011	44,535	38,000	45,000	45,000	45,000
Motor Vehicle Parts	7,062	5,850	6,000	6,000	6,000	6,000
Uniforms	11,997	9,613	11,000	11,000	11,000	11,000
Reserve Equip/Uniforms	2,125	2,518	2,500	2,500	2,500	2,500
Commodities	82,033	85,126	81,000	87,500	87,500	87,500
Motor Vehicles		67,750	54,900	54,900	54,900	54,900
Other Equipment	38,964		1,500	2,500	2,500	2,500
Capital Outlay	38,964	67,750	56,400	57,400	57,400	57,400
Police - Operations	2,265,345	2,399,324	2,588,470	2,790,645	2,790,645	2,790,645

CONSOLIDATED NON-DEPARTMENTAL EXPENDITURES

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
3-8810 Audit & Others	1,115,119	1,157,334	1,176,305	1,471,220	1,471,220	1,471,220
3-8890 Unapp Balance			25,000	25,000	25,000	25,000
Total	1,115,119	1,157,334	1,201,305	1,496,220	1,496,220	1,496,220

NON-DEPARTMENTAL
by character

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Personal Services						
Materials & Services	235,573	176,020	259,900	328,400	328,400	328,400
Capital Outlay	94,641	116,900				
Transfers:						
Reserve	9,500					
Street		76,326	81,850	345,910	345,910	345,910
Revolving Loan			117,500			
911 Communications	501,689	512,954	575,095	608,470	608,470	608,470
Bonded Debt	273,716	275,134	282,360	188,440	188,440	188,440
Unapp Balance			25,000	25,000	25,000	25,000
Total	1,115,119	1,157,334	1,341,705	1,496,220	1,496,220	1,496,220

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

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Accounting & Auditing	3,849	4,525	5,000	5,000	5,000	5,000
Other Professional Service	115,355	44,640	100,000	175,000	175,000	175,000
Legal Publications	1,475	1,753	1,400	1,400	1,400	1,400
Property & Liability Ins	65,305	66,290	68,000	68,000	68,000	68,000
Dues & Membership	10,645	11,168	10,500	10,500	10,500	10,500
Miscellaneous Contractual	35,748	40,917	50,000	42,500	42,500	42,500
Operating Contractual Svc			20,000	20,000	20,000	20,000
Contractual Services	232,377	169,293	254,900	322,400	322,400	322,400
Food & Miscellaneous	2,521	5,124	4,000	5,000	5,000	5,000
Minor/Safety Equipment	675	1,603	1,000	1,000	1,000	1,000
Commodities	3,196	6,727	5,000	6,000	6,000	6,000
Land, R-O-W & Easement		100,000				
Motor Vehicles		16,900				
Other Equipment	94,641					
Res-Centennial Bell	9,500					
Trans to Street Fund		76,326	81,850	345,910	345,910	345,910
Trans to Revolving Loan			117,500			
Trans to 911 Communication	501,689	512,954	575,095	608,470	608,470	608,470
Trans to Bonded Debt	273,716	275,134	282,360	188,440	188,440	188,440
Capital Outlay	879,546	981,314	1,056,805	1,142,820	1,142,820	1,142,820
Audit & Others	1,115,119	1,157,334	1,316,705	1,471,220	1,471,220	1,471,220

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

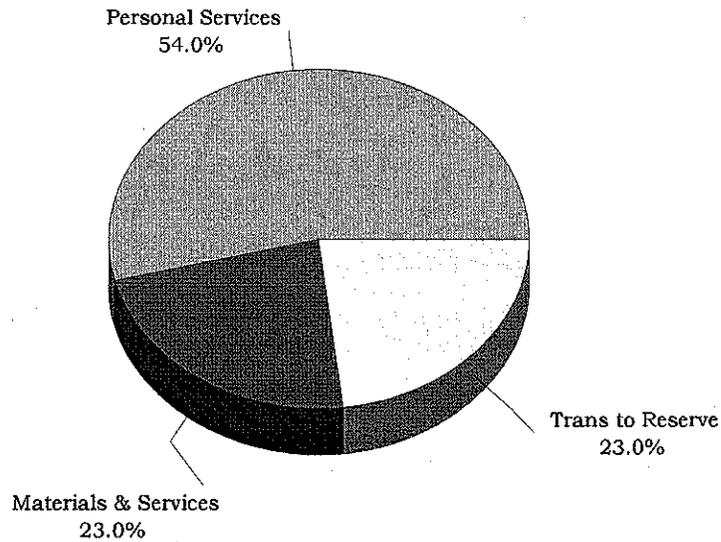
03 GENERAL FUND
8890 UNAPPROPRIATED BALANCE

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Unappropriated Balance			25,000	25,000	25,000	25,000
Grand Total General	6,491,525	6,820,871	7,346,465	7,910,700	7,910,700	7,910,700

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.

2008-09 Street Expenditures



City of Hermiston
Resources

STATE TAX STREET

	2005-06 Received	2006-07 Received	2007-08 Estimate	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
State Highway Allocation	721,384	712,278	700,000	700,000	700,000	700,000
Transfer Fm General Fund		76,326	81,850	345,910	345,910	345,910
Cash Forward		48,086				
<u>Total</u>	721,384	836,690	781,850	1,045,910	1,045,910	1,045,910

STATE TAX STREET EXPENDITURES
by character

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Personal Services	458,266	533,694	546,600	566,685	566,685	566,685
Materials & Services	204,033	210,907	227,750	237,725	237,725	237,725
Capital Outlay						
Transfer to Reserve	11,000	92,000	7,500	241,500	241,500	241,500
Total	673,299	836,601	781,850	1,045,910	1,045,910	1,045,910

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

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 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	2	2	2	2	2
Municipal Worker I	0	1	1	1	1	1

City of Hermiston
Detailed Expenditures

04
6250 STATE TAX STREET

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Personal Services	287,595	335,853	338,500	349,080	349,080	349,080
Overtime	973		6,000	6,000	6,000	6,000
Unemployment Insurance						
Accident Insurance	15,622	20,149	19,500	20,790	20,790	20,790
Retirement	56,901	66,598	68,600	73,040	73,040	73,040
Social Security	21,359	24,807	25,500	27,165	27,165	27,165
Medical, Dental & Life Ins	75,816	86,287	88,500	90,610	90,610	90,610
Personal Services	458,266	533,694	546,600	566,685	566,685	566,685
Travel & Training	1,775	3,401	3,500	3,500	3,500	3,500
Property & Liability Ins	10,777	11,050	11,500	11,500	11,500	11,500
Electricity	23,008	17,115	26,000	30,000	30,000	30,000
Telephone	2,725	3,000	3,000	4,200	4,200	4,200
Street Lights	104,742	110,152	105,000	105,000	105,000	105,000
Repairs-Operating Equip	229		1,500	1,000	1,000	1,000
Laundry/Other Sanitation	1,869	1,804	2,000	2,000	2,000	2,000
Miscellaneous Contractual	15,804	15,191	22,200	22,200	22,200	22,200
Licenses & Permits	72		50	50	50	50
Contractual Services	161,001	161,713	174,750	179,450	179,450	179,450
Office Supplies	582	497	550	550	550	550
Chemicals	718	1,897	1,500	2,000	2,000	2,000
Clean/Sanitation Supplies	220	107	250	250	250	250
Food & Miscellaneous	85	222	150	225	225	225
Fuel-Other Than Vehicle	4,555	5,554	4,500	6,000	6,000	6,000
Minor/Safety Equipment	7,379	7,036	8,000	7,750	7,750	7,750
Motor Vehicle Fuel & Oil	21,302	20,796	21,500	27,000	27,000	27,000
Motor Vehicle Parts	1,945	2,220	3,000	2,500	2,500	2,500
Plmb/Sewage Supplies	147	480	750	500	500	500
Structural Steel & Iron	161	524	800	500	500	500
Parts For Operating Equip	5,938	9,861	12,000	11,000	11,000	11,000
Commodities	43,032	49,194	53,000	58,275	58,275	58,275
Res-Equipment	3,500	37,000		59,000	59,000	59,000
Res-Street Construction				125,000	125,000	125,000
Res-Bicycle Trails	7,500	7,000	7,500	7,500	7,500	7,500
Res-St Johns Access St		48,090				
Res-Street Maintenance				50,000	50,000	50,000
Capital Outlay	11,000	92,090	7,500	241,500	241,500	241,500
State Tax Street	673,299	836,691	781,850	1,045,910	1,045,910	1,045,910

TRANSIENT ROOM TAX EXPENDITURES
by character

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Personal Services						
Materials & Services	77,280	61,806	42,280	59,280	59,280	59,280
Capital Outlay						
Transfer to Reserve						
Total	77,280	61,806	42,280	59,280	59,280	59,280

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

	2005-06 Received	2006-07 Received	2007-08 Estimate	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Service Charges						
Transient Room Tax	46,939	48,975	42,280	42,280	42,280	42,280
Service Charges	46,939	48,975	42,280	42,280	42,280	42,280
Cash Forward	83,214	52,873		17,000	17,000	17,000
	83,214	52,873		17,000	17,000	17,000
Transient Room Tax	130,153	101,848	42,280	59,280	59,280	59,280

City of Hermiston
Detailed Expenditures

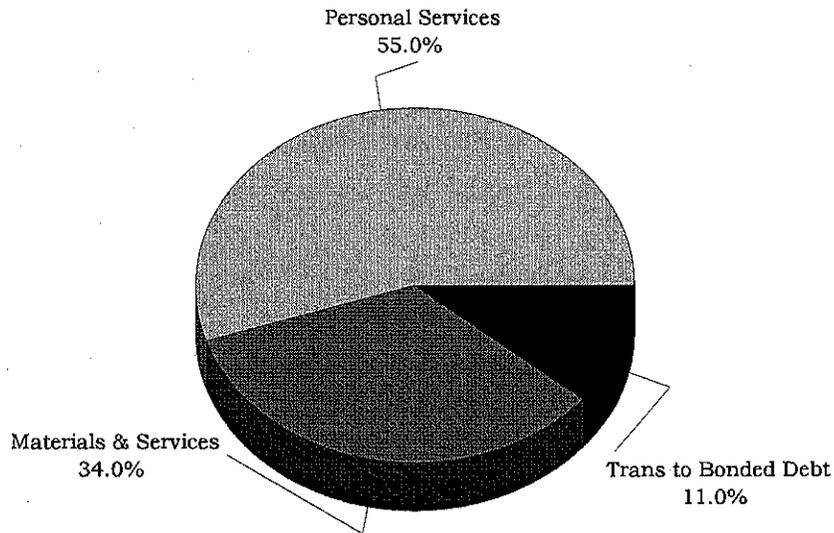
05
8810 TRANSIENT ROOM TAX

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Miscellaneous Contractual Contractual Services	77,280 77,280	61,806 61,806	42,280 42,280	59,280 59,280	59,280 59,280	59,280 59,280
Transient Room Tax	77,280	61,806	42,280	59,280	59,280	59,280

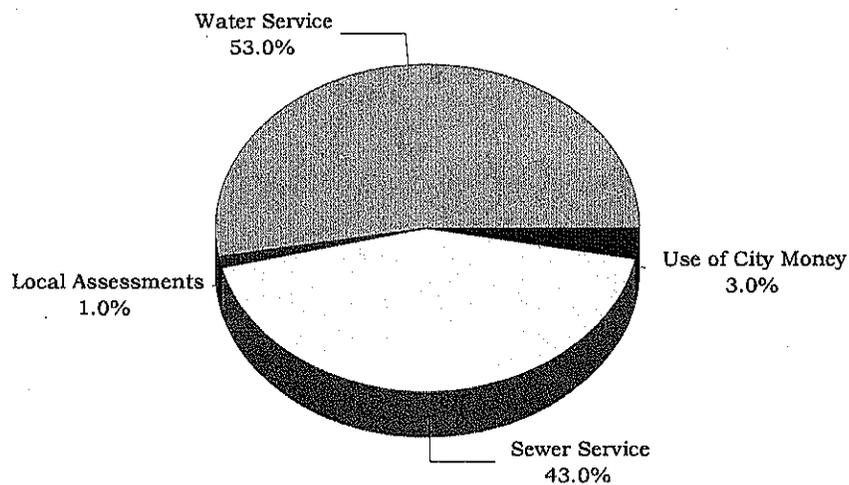
UTILITY FUND

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.

2008-09 Utility Expenditures



2008-09 Utility Resources



City of Hermiston
Resources

UTILITY

	2005-06 Received	2006-07 Received	2007-08 Estimate	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Other Local Assessments						
Assessments Receivable	27,398	30,974	25,000	20,000	20,000	20,000
Local Assessments	27,398	30,974	25,000	20,000	20,000	20,000
Use of City Money						
Interest on Investments	74,241	122,330	60,000	100,000	100,000	100,000
Use of City Money	74,241	122,330	60,000	100,000	100,000	100,000
Sewer Service						
Sewer Sales	1,339,810	1,372,047	1,275,000	1,325,000	1,325,000	1,325,000
Sewer Connection & Svc	29,825	29,675	20,000	20,000	20,000	20,000
Septic Tank Service	48,484	51,448	35,000	40,000	40,000	40,000
Misc Sewer Income	300	7				
Sewer Service	1,418,419	1,453,177	1,330,000	1,385,000	1,385,000	1,385,000
Water Service						
Water Sales	1,720,761	1,774,110	1,675,000	1,725,000	1,725,000	1,725,000
Water Connection & Svc	113,171	107,584	80,000	80,000	80,000	80,000
Misc Water Income	4,604	4,120	3,000	4,000	4,000	4,000
Water Service	1,838,536	1,885,814	1,758,000	1,809,000	1,809,000	1,809,000
Cash Forward	62,890	451,585	1,788,510			
	62,890	451,585	1,788,510			
Utility	3,421,484	3,943,880	4,961,510	3,314,000	3,314,000	3,314,000

CONSOLIDATED UTILITY EXPENDITURES

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
6-6310 Sewer Services	1,602,762	2,062,767	3,131,065	1,567,745	1,567,745	1,567,745
6-6320 Water Services	1,394,393	1,481,259	1,830,445	1,746,255	1,746,255	1,746,255
Total	2,997,155	3,544,026	4,961,510	3,314,000	3,314,000	3,314,000

UTILITY EXPENDITURES
by character

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Personal Services	1,508,014	1,559,882	1,772,600	1,827,680	1,827,680	1,827,680
Materials & Services	827,591	1,004,271	1,165,570	1,134,145	1,134,145	1,134,145
Capital Outlay			20,000			
Transfer:						
Reserve	7,000	300,000	1,430,000			
Bonded Debt	654,550	679,873	573,340	352,175	352,175	352,175
Total	2,997,155	3,544,026	4,961,510	3,314,000	3,314,000	3,314,000

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 27 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.
- ◆ During the 07/08 budget year we completed some very important projects, negotiations with DEQ to receive our new NPDES permit, we completed the pilot project (Infiltration) on the Green Property, completed the Landscaping/Odor Control project and also the Lagoon Cleaning Project..
- ◆ We will continue to work closely with our consulting engineer's as we continue to move forward with our upgrade projects. By June of 2008 we must have the Facilities Plan completed. We will then have one year to complete the design phase. The upgrades will continue to 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

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Wastewater Superintendent	1	1	1	1	1	1
City Manager	1/3	2/5	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	2	2	2	2	2
Wastewater Worker II	4	3	2	2	2	2
Wastewater Worker I	0	1	1	1	1	1

City of Hermiston
Detailed Expenditures

06 UTILITY
6310 DISPOSAL PLANT MAINTENANCE

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Personal Services	560,065	612,232	639,850	625,000	625,000	625,000
Overtime	18,660	18,189	19,000	19,000	19,000	19,000
Unemployment Insurance						
Accident Insurance	10,330	16,811	11,100	11,335	11,335	11,335
Retirement	113,249	123,244	125,700	127,800	127,800	127,800
Social Security	43,020	47,084	48,500	49,265	49,265	49,265
Medical, Dental & Life Ins	121,936	121,642	135,800	158,035	158,035	158,035
Personal Services	867,260	939,202	979,950	990,435	990,435	990,435
Accounting & Auditing	6,792	6,750	7,000	7,000	7,000	7,000
Other Professional Service	22,157	70,763	31,400	30,000	30,000	30,000
Postage	9,976	11,677	12,000	12,000	12,000	12,000
Travel & Training	2,512	2,948	3,000	3,000	3,000	3,000
Property & Liability Ins	29,562	28,802	29,600	31,500	31,500	31,500
Electricity	109,969	111,007	120,000	115,000	115,000	115,000
Telephone	7,027	7,385	8,000	8,000	8,000	8,000
Repairs-Mach & Equip	4,034	17,246	8,200	7,500	7,500	7,500
Repairs-Motor Vehicles	25	55	100	100	100	100
Repairs-Office Equipment	5,876	6,726	8,000	7,000	7,000	7,000
Equip Rent Allowance	653		500			
Dues & Membership	1,743	2,163	1,775	1,775	1,775	1,775
Laundry/Other Sanitation	1,336	1,869	1,850	2,300	2,300	2,300
Miscellaneous Contractual	26,531	26,984	20,320	20,200	20,200	20,200
Licenses & Permits	7,442	9,917	8,025	10,375	10,375	10,375
Operating Contractual Svc			5,000	35,660	35,660	35,660
Contractual Services	235,635	304,292	264,770	291,410	291,410	291,410
Office Supplies	5,375	6,286	5,000	6,000	6,000	6,000
Ag & Hort Supplies	459	161	500			
Chemicals	31,566	41,371	90,000	81,000	81,000	81,000
Clean/Sanitation Supplies	841	787	800	800	800	800
Concrete Supplies		39	50			
Food & Miscellaneous	152	359	250	250	250	250
Fuel-Other Than Vehicle	2,837	4,016	3,500	4,500	4,500	4,500
Lube-Other Than Vehicle	63	550	450	450	450	450
Medical & Lab Supplies	6,872	10,184	9,000	8,300	8,300	8,300
Minor/Safety Equipment	8,515	5,643	7,650	7,650	7,650	7,650
Motor Vehicle Fuel & Oil	8,065	9,816	8,400	8,400	8,400	8,400
Motor Vehicle Parts	1,721	310	2,100	2,100	2,100	2,100
Paint & Paint Supplies	125		150	150	150	150
Plmb & Sewage Supplies	412	540	500	400	400	400
Parts For Operating Equip	9,409	11,567	10,500	10,500	10,500	10,500
Commodities	76,412	91,629	138,850	130,500	130,500	130,500
Res-Equipment		250,000				
Res-Sewer Plant & Repairs			375,000			
Res-Office Equipment	3,500	5,000	5,000			
Res-Utility Construction		40,000	46,000			
Res-WWT Plant Improvement			525,000			
Transfer-Bonded Debt	419,955	432,644	376,495	155,400	155,400	155,400
Capital Outlay	423,455	727,644	1,327,495	155,400	155,400	155,400
Disposal Plant Maint	1,602,762	2,062,767	2,711,065	1,567,745	1,567,745	1,567,745

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.

Although our department has seen a reduction in personnel this last year and the workload on a continual steady rise the personnel have done an outstanding job in taking on more duties in order to keep up. Our department will continue to provide our customers with a high performance organization level of service at the least possible cost.

We are looking forward to this year to see how our improvements will have an impact in water quality and energy costs. We will continue to examine ways to improve our operations and system..

- ◆ Continue to operate with a High Performance attitude and direction.
- ◆ Inspect and clean all of the water storage facilities.
- ◆ Continue to operate while conforming to OR-OSHA & Oregon Health regulations.
- ◆ Reduce energy expenses by altering the operations of our water pumping facilities.
- ◆ Improve the overall functionality and efficiency of our water valve exercising program.
- ◆ Replace Variable Frequency Drives at the Regional River Pump Station.
- ◆ Repair Streaming Current Monitor and Programmable Logic Computer at Water Treatment Plant. (This assists in monitoring and adjusting chemicals for proper dosage.)
- ◆ Meet new EPA water testing requirements (UCMR2, LT2, Stage 2 DBP)

PERSONNEL DISTRIBUTION

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
City Manager	1/3	2/5	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	2	2	2
Meter Reader/Gen Clerical	2	2	2	1	1	1

City of Hermiston
Detailed Expenditures

06 UTILITY

6320 WATER PRODUCTION/MAINTENANCE

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Personal Services	386,893	363,982	495,200	512,360	512,360	512,360
Overtime	15,605	15,343	20,000	20,000	20,000	20,000
Unemployment Insurance						
Accident Insurance	10,024	14,740	13,000	13,895	13,895	13,895
Retirement	80,978	87,787	97,800	104,820	104,820	104,820
Social Security	33,666	34,529	38,150	40,750	40,750	40,750
Medical, Dental & Life Ins	113,588	104,299	128,500	145,420	145,420	145,420
Personal Services	640,754	620,680	792,650	837,245	837,245	837,245
Accounting & Auditing	6,792	6,750	7,000	7,000	7,000	7,000
Other Professional Service	24,464	72,518	165,000	100,000	100,000	100,000
Postage	10,343	11,980	12,000	14,000	14,000	14,000
Travel & Training	4,229	5,533	5,750	5,750	5,750	5,750
Property & Liability Ins	27,067	25,931	28,000	25,000	25,000	25,000
Electricity	207,480	218,197	239,000	239,000	239,000	239,000
Telephone	2,945	3,185	3,500	3,500	3,500	3,500
Regional Water	63,801	73,995	90,000	70,000	70,000	70,000
Repairs-Mach & Equip	419	335	500	450	450	450
Repairs-Motor Vehicles	109	166	400	300	300	300
Repairs-Operating Equip			500	200	200	200
Repairs-Office Equipment	5,876	6,746	8,000	8,000	8,000	8,000
Other Repairs		150	250	150	150	150
Equip Rent Allowance	849	493	700	500	500	500
Dues & Membership	1,451	1,402	1,400	1,400	1,400	1,400
Miscellaneous Contractual	49,582	52,029	60,400	75,000	75,000	75,000
Operating Contractual Svc			5,000	35,660	35,660	35,660
Contractual Services	405,407	479,410	627,400	585,910	585,910	585,910
Office Supplies	5,287	6,748	8,000	7,000	7,000	7,000
Chemicals	14,279	16,596	18,000	18,000	18,000	18,000
Clean/Sanitation Supplies	196	173	350	300	300	300
Concrete Supplies	72	300	2,000	2,000	2,000	2,000
Food & Miscellaneous	265	365	400	375	375	375
Fuel-Other Than Vehicle	451	625	700	650	650	650
Lube-Other Than Vehicle	459	898	800	700	700	700
Minor/Safety Equipment	6,258	7,591	9,500	8,500	8,500	8,500
Motor Vehicle Fuel & Oil	12,286	13,467	13,000	14,500	14,500	14,500
Motor Vehicle Parts	1,298	979	1,800	1,500	1,500	1,500
Paint & Paint Supplies	988	716	1,000	800	800	800
Plmb & Sewage Supplies	59,480	71,762	65,000	60,000	60,000	60,000
Parts For Operating Equip	8,818	8,720	14,000	12,000	12,000	12,000
Commodities	110,137	128,940	134,550	126,325	126,325	126,325
Motor Vehicle			20,000			
Res-Equipment			8,000			
Res-Office Equipment	3,500	5,000	5,000			
Res-Utility Construction			46,000			
Transfer-Bonded Debt	234,595	247,229	196,845	196,775	196,775	196,775
Capital Outlay	238,095	252,229	247,845	196,775	196,775	196,775
Water Production/Maint	1,394,393	1,481,259	1,802,445	1,746,255	1,746,255	1,746,255
Grand Total Utility	2,997,155	3,544,026	4,541,510	3,314,000	3,314,000	3,314,000

911 COMMUNICATIONS
by character

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Personal Services	524,534	577,962	629,395	662,770	662,770	662,770
Materials & Services	42,686	31,179	44,700	44,700	44,700	44,700
Capital Outlay	54,455	925	1,000	1,000	1,000	1,000
Transfer to Reserve						
Total	621,675	610,066	675,095	708,470	708,470	708,470

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. 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. We also house the camera server and the VTOC server for the drop arm barricades and reader boards for the bi-county CSEPP emergency evacuation route.

PERSONNEL DISTRIBUTION

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Administrative Sergeant	0	1/2	1/2	1/2	1/2	1/2
Communications Manager	1	0	0	0	0	0
Dispatcher/Clerk	7	8	8	8	8	8
Data Entry Clerk	1	1	1	1	1	1

City of Hermiston
Resources

911 COMMUNICATIONS

	2005-06 Received	2006-07 Received	2007-08 Estimate	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
911 Communications Tax	119,985	97,111	100,000	100,000	100,000	100,000
Transfer Fm General Fund	501,689	512,954	575,095	608,470	608,470	608,470
<u>Total</u>	621,674	610,065	675,095	708,470	708,470	708,470

City of Hermiston
Detailed Expenditures

09
7170 911 COMMUNICATIONS

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Personal Services	343,773	381,284	409,400	418,225	418,225	418,225
Overtime	12,013	11,988	18,000	18,000	18,000	18,000
Unemployment Insurance						
Accident Insurance	1,136	2,296	2,450	2,615	2,615	2,615
Retirement	69,004	78,026	85,520	89,735	89,735	89,735
Social Security	26,624	29,444	31,825	33,375	33,375	33,375
Medical, Dental & Life Ins	71,984	74,924	82,200	100,820	100,820	100,820
Personal Services	524,534	577,962	629,395	662,770	662,770	662,770
Travel & Training	4,738	3,466	4,000	4,000	4,000	4,000
Telephone	11,411	9,608	13,000	12,000	12,000	12,000
Repairs-Machinery & Equip	130	150	300	200	200	200
Repairs-Office Equipment	25,935	17,078	25,650	27,000	27,000	27,000
Contractual Services	42,214	30,302	42,950	43,200	43,200	43,200
Uniforms	472	877	1,750	1,500	1,500	1,500
Commodities	472	877	1,750	1,500	1,500	1,500
Other Equipment	54,455	925	1,000	1,000	1,000	1,000
Capital Outlay	54,455	925	1,000	1,000	1,000	1,000
911 Communications	621,675	610,066	675,095	708,470	708,470	708,470

CONSOLIDATED REGIONAL WATER EXPENDITURES

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
15-6320 Non-Potable Water	126,849	110,187	105,105	96,215	96,215	96,215
15-6330 Potable Water	109,709	108,441	131,605	122,865	122,865	122,865
15-6335 River Intake	155,253	268,004	216,075	259,335	259,335	259,335
15-8810 Audit & Others	34,821	52,847	108,850	99,705	99,705	99,705
Total	426,632	539,479	561,635	578,120	578,120	578,120

REGIONAL WATER EXPENDITURES
by character

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Personal Services	177,879	240,419	162,685	175,515	175,515	175,515
Materials & Services	248,753	289,060	388,950	402,605	402,605	402,605
Capital Outlay						
Transfer to Reserve		10,000	10,000			
Total	426,632	539,479	561,635	578,120	578,120	578,120

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

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
City Engineer	0	1/3	1/3	1/3	1/3	1/3
Water Chief Operator	1	1	0	0	0	0
Water Utility Worker IV	1	1	1	1	1	1

City of Hermiston
Resources

REGIONAL WATER

	2005-06 Received	2006-07 Received	2007-08 Estimate	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Water Revenue						
Potable Water	103,187	98,092	100,000	35,000	35,000	35,000
Non-Potable Water	367,535	374,919	375,000	400,000	400,000	400,000
Water Revenues	470,722	473,011	475,000	435,000	435,000	435,000
Cash Forward	49,020	1,289	86,635	143,120	143,120	143,120
	49,020	1,289	86,635	143,120	143,120	143,120
Regional Water	519,742	474,300	561,635	578,120	578,120	578,120

City of Hermiston
Detailed Expenditures

15 REGIONAL WATER
6320 NON-POTABLE WATER

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Personal Services	67,961	45,511	26,350	29,515	29,515	29,515
Overtime	3,163	3,300	5,850	5,850	5,850	5,850
Unemployment Insurance						
Accident Insurance	590	1,209	975	1,075	1,075	1,075
Retirement	3,728	10,040	6,625	7,260	7,260	7,260
Social Security	1,355	3,672	2,465	2,700	2,700	2,700
Medical, Dental & Life Ins	3,472	7,574	5,940	6,265	6,265	6,265
Personal Services	80,269	71,306	48,205	52,665	52,665	52,665
Other Professional Service	1,172	1,230	2,000	1,750	1,750	1,750
Postage	8					
Travel & Training	906					
Electricity	28,568	31,651	35,000	33,000	33,000	33,000
Miscellaneous Contractual	8,344	4,980	14,600	4,600	4,600	4,600
Contractual Services	38,998	37,861	51,600	39,350	39,350	39,350
Fuel-Other Than Vehicle	2,000	754				
Minor/Safety Equipment	928	18				
Plmb & Sewage Supplies	43	186	300	200	200	200
Parts For Operating Equip	4,611	62	5,000	4,000	4,000	4,000
Commodities	7,582	1,020	5,300	4,200	4,200	4,200
Non-Potable Water	126,849	110,187	105,105	96,215	96,215	96,215

City of Hermiston
Detailed Expenditures

15 REGIONAL WATER
6330 POTABLE WATER

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Personal Services	27,463	24,620	28,350	29,515	29,515	29,515
Overtime	4,519	3,869	5,850	5,850	5,850	5,850
Unemployment Insurance						
Accident Insurance	1,062	1,284	975	1,075	1,075	1,075
Retirement	6,579	5,860	6,625	7,260	7,260	7,260
Social Security	2,389	2,127	2,465	2,700	2,700	2,700
Medical, Dental & Life Ins	7,481	6,325	5,940	6,265	6,265	6,265
Personal Services	49,493	44,085	50,205	52,665	52,665	52,665
Other Professional Service			3,000	1,000	1,000	1,000
Travel & Training	895					
Electricity	41,999	45,442	50,000	47,000	47,000	47,000
Miscellaneous Contractual	2,820	8,182	7,000	6,750	6,750	6,750
Contractual Services	45,714	53,624	60,000	54,750	54,750	54,750
Chemicals	6,785	8,855	12,000	8,000	8,000	8,000
Medical & Lab Supplies	366	360	500	250	250	250
Minor/Safety Equipment	903	77				
Plmb & Sewage Supplies	75	342	400	200	200	200
Parts For Operating Equip	6,373	1,098	8,500	7,000	7,000	7,000
Commodities	14,502	10,732	21,400	15,450	15,450	15,450
Potable Water	109,709	108,441	131,605	122,865	122,865	122,865

City of Hermiston
Detailed Expenditures

15 REGIONAL WATER
6335 RIVER INTAKE STATION

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Personal Services	19,925	101,560	35,140	39,320	39,320	39,320
Overtime	12,406	9,623	7,800	7,800	7,800	7,800
Unemployment Insurance						
Accident Insurance	997	1,080	1,300	1,430	1,430	1,430
Retirement	6,650	5,365	8,830	9,680	9,680	9,680
Social Security	2,420	1,954	3,285	3,600	3,600	3,600
Medical, Dental & Life Ins	5,719	5,446	7,920	8,355	8,355	8,355
Personal Services	48,117	125,028	64,275	70,185	70,185	70,185
Other Professional Service			1,500	1,000	1,000	1,000
Electricity	101,800	115,560	137,000	145,000	145,000	145,000
Miscellaneous Contractual	3,110	25,200	10,000	40,000	40,000	40,000
Contractual Services	104,910	140,760	148,500	186,000	186,000	186,000
Minor/Safety Equip	245					
Plmb & Sewage Supplies	135	90	300	150	150	150
Parts For Operating Equip	1,846	2,126	3,000	3,000	3,000	3,000
Commodities	2,226	2,216	3,300	3,150	3,150	3,150
River Intake Station	155,253	268,004	216,075	259,335	259,335	259,335

City of Hermiston
Detailed Expenditures

15 REGIONAL WATER
8810 AUDIT & OTHERS

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Accounting & Auditing	2,542	2,520	2,800	2,000	2,000	2,000
Other Professional Service		5,419	45,000	45,000	45,000	45,000
Postage	17	12	100	80	80	80
Travel & Training	1,056	2,709	2,500	2,500	2,500	2,500
Property & Liability Ins	12,695	11,498	13,500	8,000	8,000	8,000
Telephone	2,374	2,811	3,000	3,600	3,600	3,600
Miscellaneous Contractual	14,933	10,465	25,000	35,000	35,000	35,000
Operating Contractual Svc			1,000			
Contractual Services	33,617	35,434	92,900	96,180	96,180	96,180
Office Supplies	127	1,489	1,500	1,000	1,000	1,000
Clean/Sanitation Supplies	20		100	50	50	50
Lube-Other Than Vehicle			100	75	75	75
Minor/Safety Equipment	1,053	4,333	4,000	1,500	1,500	1,500
Motor Vehicle Fuel & Oil			200	100	100	100
Motor Vehicle Parts		1,591	50	600	600	600
Plmb & Sewage Supplies	4					
Parts For Operating Equip				200	200	200
Commodities	1,204	7,413	5,950	3,525	3,525	3,525
Res-Repair & Replacement		10,000	10,000			
Capital Outlay		10,000	10,000			
Audit & Others	33,617	52,847	108,850	99,705	99,705	99,705
Grand Total Regional	426,632	539,479	561,635	578,120	578,120	578,120

REVOLVING LOAN FUND
by character

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Personal Services						
Materials & Services			1,267,500	1,667,500	1,667,500	1,667,500
Capital Outlay			20,000			
Transfer to Reserve						
Transfer to General		167,500				
Total		167,500	1,287,500	1,667,500	1,667,500	1,667,500

This loan fund is used to account for various grants and other funding to assist small and medium size commercial and retail businesses, low income to moderate income individuals for housing rehabilitation projects.

The current revolving loan fund represents three Oregon Community Development Block Grants:

- ◆ The Business Revolving Loan fund totaling \$862,500 which consists of a City General Fund match of \$112,500 and a CBDG grant of \$750,000. These funds are intended to assist small to medium size commercial and retail businesses in job creation for under skilled or untrained workforce. As these funds are repaid by the borrower they become available to again be loaned for further business opportunity. Funds may be used for capital or operating needs.
- ◆ The Housing Rehabilitation Loan Fund I was funded in 2007-08 for \$400,000. This Oregon Community Development Block Grant is intended to be loaned to low income to moderate income individuals for housing rehabilitation projects to privately owned residences. As these loans are repaid the funds will become available to re-loan.
- ◆ The Housing Rehabilitation Loan Fund II was also funded in 2007-08 for \$400,000. This Oregon Community Development Block Grant is also intended to be loaned to low income to moderate income individuals for housing rehabilitation projects to privately owned residences. As these loans are repaid the funds will become available to re-loan.

City of Hermiston
Resources

REVOLVING LOAN

	2005-06 Received	2006-07 Received	2007-08 Estimate	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Other Local Assessments						
Assessments Receivable	9,689	4,773	1,500			
Local Assessments	9,689	4,773	1,500			
From Other Agencies						
Business Incentive Grant			750,000	750,000	750,000	750,000
Housing Rehabilitation			400,000	800,000	800,000	800,000
From Other Agencies			1,150,000	1,550,000	1,550,000	1,550,000
Miscellaneous Revenues						
Transfer Fm General Fund			117,500			
Miscellaneous Revenues			117,500			
Cash Forward	169,862	182,062	18,500	117,500	117,500	117,500
	169,862	182,062	18,500	117,500	117,500	117,500
Revolving Loan	179,551	186,835	1,287,500	1,667,500	1,667,500	1,667,500

City of Hermiston
Detailed Expenditures

14
6320 REVOLVING LOAN

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Business Incentive Project			867,500	867,500	867,500	867,500
Housing Rehabilitation			400,000	800,000	800,000	800,000
Contractual Services			1,267,500	1,667,500	1,667,500	1,667,500
Other Improvements			20,000			
Res-Street Maintenance						
Trans To General		167,500				
Capital Outlay		167,500	20,000			
Revolving Loan		167,500	1,287,500	1,667,500	1,667,500	1,667,500

HERMISTON ENERGY SERVICES
by character

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Personal Services	190,711	204,677	232,950	230,590	230,590	230,590
Materials & Services	5,912,433	5,655,892	5,690,290	5,728,750	5,728,750	5,728,750
Capital Outlay	339,520	252,407	400,000	600,000	600,000	600,000
Transfer to Reserve	331,294	100,000	182,145	100,000	100,000	100,000
Transfer to Bonded Debt	532,191	710,981	610,815	716,105	716,105	716,105
Total	7,306,149	6,923,957	7,116,200	7,375,445	7,375,445	7,375,445

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 determined by the CPI increase during each 5 year period, the first adjustment being a 13.834% increase beginning at the start of our present fiscal year.

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, 2012 which will then be renewed under conditions that will be established as a result of the regional negotiations that is now taking place.

PERSONNEL DISTRIBUTION

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Electrical Service Supt	1	1	1	1	1	1
City Manager	1/6	1/5	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

	2005-06 Received	2006-07 Received	2007-08 Estimate	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Use of City Money						
Interest on Investments	26,214	51,202	50,000	40,000	40,000	40,000
Use of City Money	26,214	51,202	50,000	40,000	40,000	40,000
Non-Revenue Receipts						
Reimburse Direct Expense	478					
Non-Revenue Receipts	478					
Miscellaneous Revenues						
Administrative Income	137					
Energy Services	6,969,644	7,144,458	7,025,000	7,300,000	7,300,000	7,300,000
Misc Energy Income	39,365	16,141	36,500	35,445	35,445	35,445
Miscellaneous Revenues	7,009,146	7,160,599	7,061,500	7,335,445	7,335,445	7,335,445
Cash Forward		1,105	4,700			
		1,105	4,700			
Energy Services	7,035,838	7,212,906	7,116,200	7,375,445	7,375,445	7,375,445

City of Hermiston
Detailed Expenditures

13

6350 HERMISTON ENERGY SERVICES

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Personal Services	138,993	148,701	169,700	165,840	165,840	165,840
Overtime			600	600	600	600
Unemployment Insurance						
Accident Insurance	286	1,081	1,400	1,285	1,285	1,285
Retirement	27,728	30,018	33,150	33,300	33,300	33,300
Social Security	10,447	11,234	12,700	12,735	12,735	12,735
Medical, Dental & Life Ins	13,257	13,643	15,400	16,830	16,830	16,830
Personal Services	190,711	204,677	232,950	230,590	230,590	230,590
Accounting & Auditing	3,265	3,555	6,000	6,000	6,000	6,000
Other Professional Service	1,166,786	1,157,097	1,334,095	1,356,555	1,356,555	1,356,555
Travel & Training	2,081	2,399	3,000	6,200	6,200	6,200
Property & Liability Ins	12,190	13,811	14,000	15,500	15,500	15,500
Telephone	414	432	500	500	500	500
Power Purchases-BPA	3,849,224	4,048,506	3,850,000	3,850,000	3,850,000	3,850,000
In Lieu of Taxes	348,515	357,298	351,000	350,000	350,000	350,000
Conservation Services	12,701	18,950	52,000	64,000	64,000	64,000
Energy Assistance (HEAT)	10,000	10,000	10,000	10,000	10,000	10,000
Dues & Membership	35,191	31,181	36,795	38,795	38,795	38,795
Miscellaneous Contractual	469,716	12,001	31,100	30,000	30,000	30,000
Contractual Services	5,910,083	5,655,230	5,688,490	5,727,550	5,727,550	5,727,550
Office Supplies	2,338	662	1,800	1,200	1,200	1,200
Minor Equipment	12					
Commodities	2,350	662	1,800	1,200	1,200	1,200
Capital Improvements	339,520	252,407	400,000	600,000	600,000	600,000
Res-HES Improvements	331,294	100,000	182,145	100,000	100,000	100,000
Transfer-Bonded Debt	532,191	710,981	610,815	716,105	716,105	716,105
Capital Outlay	1,203,005	1,063,388	1,192,960	1,416,105	1,416,105	1,416,105
Energy Services	7,306,149	6,923,957	7,116,200	7,375,445	7,375,445	7,375,445

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	114,000
Street	241,500
Energy Services	100,000
	<u>\$455,500</u>

RESERVE FUND - RESOURCES

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

	2005-06 Received	2006-07 Received	2007-08 Estimate	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Airport Grant		72,262	762,000	762,000	762,000	762,000
Transient Room Tax	56,326	58,770	93,140	93,140	93,140	93,140
Miscellaneous Income	153,248	433,935				
Transfers From:						
General Fund	11,500	227,620	18,000	114,000	114,000	114,000
Street Fund	11,000	92,090	7,500	241,500	241,500	241,500
Utility Fund	7,000	300,000	1,430,000			
Revolving Loan		167,500				
Regional Water		10,000	10,000			
Energy Services	331,294	100,000	182,145	100,000	100,000	100,000
Cash Forward	3,612,687	3,082,262	3,664,955	3,971,275	3,971,275	3,971,275
Total Resources	4,183,055	4,544,439	6,167,740	5,281,915	5,281,915	5,281,915

RESERVE FUND - EXPENDITURES

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Office Equipment/Program	24,060	16,871	55,400	45,930	45,930	45,930
Airport Improvements		84,380	775,090	813,300	813,300	813,300
Park Improvements			945	114,945	114,945	114,945
TRT/Recreation Programs	26,200	15,612	40,005	56,785	56,785	56,785
Parks & Recreation Dev	44,064	14,081	62,755	87,480	87,480	87,480
Centennial Bell	14,051	261,658	221,555	5,800	5,800	5,800
St Johns Access Street		16,158	278,470			
Street Equipment	14,787	31,872	34,840	64,180	64,180	64,180
Bicycle Trails	33,531		34,615	42,115	42,115	42,115
Street Maintenance	69,929	35,066	107,735	93,870	93,870	93,870
Street Construction	54,128	413,021		206,765	206,765	206,765
Utility Construction	100,054	20,056	142,160	51,580	51,580	51,580
Sewer Dept Equipment	4,175		252,225	400	400	400
Sewer Plant & Repairs			375,000	338,865	338,865	338,865
Water Dept Equipment		2,500	21,445	405	405	405
WWT Plant Improvement	559,098		1,004,835	290,325	290,325	290,325
HES Improvements			1,149,320	1,349,315	1,349,315	1,349,315
Repair/Replacement - Regional	14,760		853,040	853,040	853,040	853,040
Wastewater - SDC			116,765	158,745	158,745	158,745
Water - SDC	150		641,540	708,070	708,070	708,070
Total Expenditures	958,987	911,275	6,167,740	5,281,915	5,281,915	5,281,915

RESERVE FUND EXPENDITURES

by character

	2005-06 Expended	2006-07 Expended	2007-08 Budget	2008-09 Proposed	2008-09 Approved	2008-09 Adopted
Personal Services						
Materials & Services	96,129	50,678	245,020	150,655	150,655	150,655
Capital Outlay	862,858	860,597	5,922,720	5,131,260	5,131,260	5,131,260
Transfer to General						
Total	958,987	911,275	6,167,740	5,281,915	5,281,915	5,281,915

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. **Centennial Bell.** This reserve fund was to cast and install a centennial bell as part of the city-wide 100th birthday celebration. The bell is located at McKenzie Park.
7. **Street Equipment.** Designated to replace heavy equipment in the street department.
8. **Bicycle Trails.** This is a state-mandated outlay consisting of 1% of all gasoline tax proceeds for the development of bicycle systems.
9. **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.
10. **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.
11. **Utility Construction.** This account was created to accumulate funds to address all major water and sewer projects.
12. **Sewer Department Equipment.** Designated to replace equipment in the sewer department.

13. **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.
14. **Water Department Equipment.** Designated to replace heavy equipment in the water department.
15. **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.
16. **HES Improvements.** This reserve establishes the initial funding for future HES capital contingencies.
17. **Repair & Replacement-Regional.** Designated to set aside funds for major capital repairs and replacement to the regional water treatment system.
18. **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
19. **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

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

May 13, 2008

At 6:00 pm Mayor Severson opened the first meeting of the budget committee to consider the proposed budget for the 2008-09 fiscal year. Present were budget committee members Walt Achuff, Fred Allen, Jr., Michael Calame, Mary Corp, Betty Crampton, Rod Hardin, Frank Harkenrider, Joe Harn, Al McAfee, Harmon Springer, Pat Wheelhouse, DuWayne White and Curtis Wyatt. Jackie Myers was excused.

City staff present included City Manager Brookshier, City Attorney Luisi, Bob Irby, Ray Jones, Dan Coulombe, Ron Sivey, Roy Bicknell, Darrell Schiffner, Rose Emerson, Russ Dorran, Ivan Anderholm, Pat Napolitano, Mike Ward, Clint Spencer, Marie Baldo and Donna Moeller.

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 2008-09 fiscal year is \$29,567,595, which represents a 4% decrease from the adopted 2007-08 budget. Seven of the City's ten budget funds are proposed at levels higher than 2007-08 amounts. However, decreases in the Bonded Debt, Utility and Reserve Funds account for the slight over-all decrease. The Bonded Debt Fund declines slightly due to the payoff in 2007-08 of a 1993 Sewer revenue bond issuance and a 1997 Street Improvements "full faith and credit" issuance. The General Fund is proposed at \$7,910,700, an 8% increase over the final 2007-08 figure; however, the Unencumbered Cash Forward appears to be stabilizing for the time being at a level above \$2 million. In the Police budget, a Youth Officer position is being added with half of the cost for the new position being funded by the School District. The Parks budget includes funding for a 150' x 40' storage building at Public Works, renovation at the "spray ground" area at Butte Park and grounds improvements around City Hall. The Street Fund is proposed with an increase of over \$250,000, to include new funding for the Street Construction and Street Maintenance Reserve accounts and proposing to replace the 1988 crack-filling machine and a 1980 pickup. Decreases in both the Utility and Reserve Funds are due to moving to the end of the City's multi-year program of internally financed wastewater plant improvements in anticipation of bonding for the major part of the improvements program in 2009-10. In the Regional Water Fund current operating expenses are exceeding current revenues; therefore, without a rate increase the system will deplete its unencumbered cash reserves by the end of the 2008-09 year. The proposed budget includes a 4% pay increase for eligible employees.

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

Pat Wheelhouse moved and DuWayne White seconded to approve the budget as presented. Motion carried unanimously.

It was announced that the budget hearing is scheduled for June 9, 2008 at 7:00 pm.

The meeting was adjourned at 8:20 pm.

APPROVED

/s/ Mary Corp
Budget Chairman

ATTEST:

/s/ Pat Wheelhouse
Budget Secretary