

CITY OF HERMISTON

Fiscal Year 2009-10

ANNUAL BUDGET

BUDGET COMMITTEE MEMBERS

Walter E. Achuff, Councilor
Fred J. Allen, Jr. Citizen Member
Michael E. Calame, Councilor
Mary Corp, Citizen Member
Betty Crampton, Citizen Member
Rod S. Hardin, Councilor
Joe Harn, Councilor
Frank J. Harkenrider, Councilor
Albert McAfee, Citizen Member
Brian Misner, Councilor
Jackie C. Myers, Councilor
Robert E. Severson, Mayor
Harmon Springer, Councilor
Pat Wheelhouse, Citizen Member
DuWayne White, Citizen Member
Curtis Wyatt, Citizen Member
Vacancy, Citizen Member
Vacancy, Citizen Member

Edward Brookshier, Budget Officer

Robert D. Irby, Finance Director



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

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

CITY OF HERMISTON
ANNUAL BUDGET
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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 28, 2009

Dear Citizens and Members of the Budget Committee:

The proposed 2009-10 Budget is about dealing with the effects of the recession on a near term basis, preparatory to a **longer** term examination of our revenues and services mix for the 2010-11 year and beyond. We cannot presently know if the level of cut-backs we are imposing for the coming year will be sufficient to see us through these difficult times, or if more severe cuts lie ahead.

The reductions we have proposed for the 2009-10 year are in some cases the kinds of things that are possible on a now-and-again basis, but are neither wise or practical on an on-going basis. We can elect not to replace any police cars this year, but not replacing police cars over a period of time is neither practical or wise. We can elect not to appropriate any new general revenues toward street maintenance for the coming year, but this is not the preferred course for the longer term.

In the longer term, and particularly as it relates to the General Fund from which most of the services we provide are financed, we must deal with the fact of escalating personnel costs if our revenue base is down during the continuing recession. Personnel costs account for 64% of the 2009-10 General Fund budget. It will not be possible to avoid reductions here if the recession continues and we are forced to look at more severe cuts in 2010-11 and beyond.

For now, we are pleased that our police union employees have been willing to help us in this difficult time. They were contracted to receive a 4% pay increase for the 2009-10 year. The same increase would have been granted to our non-union employees. The police union has agreed to forego the 4% increase along with any step increases which employees might be eligible for over the course of the coming fiscal year. And, again, this freeze on pay increases will extend to non-union employees as well. This is a big help in preventing an even greater decline in our cash reserves.

Our Combined Funds budget for the 2009-10 year is proposed at \$30,321,395, down almost 10% from the final 2008-09 figure of \$33,234,945.

The General Fund is proposed at \$7,674,525, down about 9% from the 2008-09 final budget.

This budget is the result of the work of a lot of good department heads and employees who are doing everything they can to help us through these difficult times. They are dedicated people who want our City and community to succeed and prosper. I want to take this opportunity to thank them for all they have done and will continue to do.

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 supplemental 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 2009-10:

01/01/2009	Prepare proposed budget
05/18/2009	Hold first budget committee meeting
06/08/2009	Hold budget hearing
06/08/2009	Council action of resolutions or ordinances to adopt budget, make appropriations, levy taxes and categorize taxes
07/15/2009	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 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.

11. WWTP Construction Fund: In accord with the city policy of isolating and independently accounting for major capital projects, the wastewater treatment plant construction project fund was created in fiscal year 2008-09.

12. Special Revenue Funds: Special revenue funds are used to account for specific revenues that are restricted to expenditure for particular purposes.

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:

	2003-04 (Audited)	2004-05 (Audited)	2005-06 (Audited)	2006-07 (Audited)	2007-08 (Audited)
<u>GENERAL FUND</u>					
Revenues	5,252,500	5,665,655	6,015,856	7,025,735	7,048,825
Expenditures & Trans.	5,504,646	6,454,073	6,453,992	6,505,986	6,914,592
Balance	3,935,800	3,147,382	2,709,246	3,228,995	3,363,228
<u>UTILITY FUND</u>					
Revenues	3,290,223	3,345,337	3,351,778	3,492,295	3,544,535
Expenditures & Trans.	3,868,919	3,159,765	2,990,275	3,584,480	4,725,264
Balance	1,188,617	1,374,189	1,735,692	1,643,507	462,778
<u>REGIONAL WATER</u>					
Revenues	624,555	585,831	470,722	473,011	505,378
Expenditures	652,257	415,230	426,631	539,480	522,465
Balance	255,305	425,906	469,997	403,528	386,441
<u>ENERGY SERVICES</u>					
Revenues	6,905,648	6,965,947	7,113,950	7,279,993	7,793,720
Expenditures	7,063,081	6,563,312	7,319,084	6,874,787	6,682,529
Balance	660,679	1,063,314	858,180	1,263,386	2,374,577
<u>DEBT SERVICE FUND</u>					
Revenues:					
Non-Tax	1,190,613	1,464,404	1,502,770	1,706,586	1,505,383
Tax	358,091	364,805	375,592	119,414	322,450
Expenditures	1,543,421	1,703,452	1,824,597	2,030,485	1,826,641
Balance	132,787	258,544	312,309	107,824	109,016

CONSOLIDATED REVENUES AND EXPENDITURES

COMPARISON OF REVENUES (by fund)

SCHEDULE I

	2006-07 Received	2007-08 Received	2008-09 Estimate	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Bonded Debt	2,084,499	2,026,010	1,626,235	1,646,220	1,646,220	1,646,220
General	8,229,375	8,337,981	8,365,000	7,667,025	7,667,025	7,674,525
State Tax Street	836,690	788,056	1,045,910	818,100	818,100	818,100
Transient Room	101,848	50,004	59,280	50,000	50,000	50,000
Utility	3,943,880	5,301,283	3,330,000	3,402,000	3,402,000	3,402,000
911 Communication	610,065	643,529	708,470	750,115	750,115	750,115
Regional Water	474,300	592,013	578,120	556,140	556,140	556,140
Revolving Loan	186,835	370,092	1,667,500	1,237,500	1,237,500	1,237,500
Energy Services	7,212,906	7,787,106	7,475,445	7,406,000	7,406,000	7,406,000
Reserve	4,544,439	5,574,330	4,663,195	4,663,195	4,663,195	4,663,195
WWTP Construction			1,500,000	1,500,000	1,500,000	1,500,000
Special Revenue			494,070	617,600	617,600	617,600
Total	28,224,837	31,470,404	31,513,225	30,313,895	30,313,895	30,321,395

COMPARISON OF EXPENDITURES (by fund)

	2006-07 Actual	2007-08 Actual	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Bonded Debt	2,030,484	1,826,640	1,626,235	1,646,220	1,646,220	1,646,220
General	6,820,871	6,922,383	8,365,000	7,667,025	7,667,025	7,674,525
State Tax Street	836,691	788,056	1,045,910	818,100	818,100	818,100
Transient Room	61,806	41,096	59,280	50,000	50,000	50,000
Utility	3,544,026	4,721,078	3,330,000	3,402,000	3,402,000	3,402,000
911 Communication	610,066	643,529	708,470	750,115	750,115	750,115
Regional Water	539,479	522,465	578,120	556,140	556,140	556,140
Revolving Loan	167,500	248,769	1,667,500	1,237,500	1,237,500	1,237,500
Energy Services	6,923,957	6,619,758	7,475,445	7,406,000	7,406,000	7,406,000
Reserve	911,275	1,827,566	6,384,915	4,663,195	4,663,195	4,663,195
WWTP Construction			1,500,000	1,500,000	1,500,000	1,500,000
Special Revenue			494,070	617,600	617,600	617,600
Total	22,446,155	24,161,340	33,234,945	30,313,895	30,313,895	30,321,395

CONSOLIDATED REVENUES AND EXPENDITURES

COMPARISON OF REVENUES (by character)

SCHEDULE II

	2006-07 Received	2007-08 Received	2008-09 Estimate	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Property Taxes	3,824,543	4,234,407	4,029,515	4,376,600	4,376,600	4,376,600
Local Assessments	38,552	28,286	22,000	21,000	21,000	21,000
License & Franchise	788,063	794,956	712,600	744,900	744,900	744,900
Fines & Penalties	333,554	339,611	240,000	275,000	275,000	275,000
Use of City Money	584,842	474,182	395,000	140,000	140,000	140,000
Fm Other Agencies	1,230,584	1,540,433	4,261,000	2,286,000	2,286,000	2,286,000
Service Charges	1,060,051	1,101,981	989,620	1,072,700	1,072,700	1,072,700
Non-Revenue Receipt	91,059	460,649	1,560,000	1,522,000	1,522,000	1,522,000
Misc Revenues	830,227	726,144	280,000	1,196,000	1,196,000	1,196,000
Sewer Service	1,453,177	1,450,804	1,385,000	1,468,000	1,468,000	1,468,000
Water Service	2,358,825	2,421,927	2,244,000	2,404,000	2,404,000	2,404,000
Energy Service	7,144,458	7,336,239	7,335,445	7,350,000	7,350,000	7,350,000
Trans Fm Other Fund	3,484,080	3,433,859	2,916,600	2,357,305	2,357,305	2,357,305
Cash Forward	5,002,822	6,826,923	6,864,165	5,100,390	5,100,390	5,107,890
Total	28,224,837	31,170,401	33,234,945	30,313,895	30,313,895	30,321,395

COMPARISON OF EXPENDITURES (by character)

	2006-07 Actual	2007-08 Actual	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Personal Services	7,088,681	7,320,719	8,223,985	8,461,760	8,461,760	8,461,760
Materials & Services	8,840,102	9,309,345	13,682,315	12,895,605	12,895,605	12,903,105
Capital Outlay	1,334,410	3,314,529	6,760,810	4,969,385	4,969,385	4,969,385
Transfers:						
General Fund	167,500					
Reserve	729,710	1,647,645	705,500	219,470	219,470	219,470
Street	76,326	105,904	345,910	218,100	218,100	218,100
Revolving Loan		117,500				
911 Communication	512,954	471,310	608,470	640,115	640,115	640,115
Bonded Debt	1,665,988	1,466,500	1,256,720	1,238,240	1,238,240	1,238,240
Unappropriated Bal			27,000	27,000	27,000	27,000
Debt Service	2,030,484	1,826,640	1,624,235	1,644,220	1,644,220	1,644,220
Total	22,446,155	25,580,092	33,234,945	30,313,895	30,313,895	30,321,395

CITY OF HERMISTON

TAX HISTORY

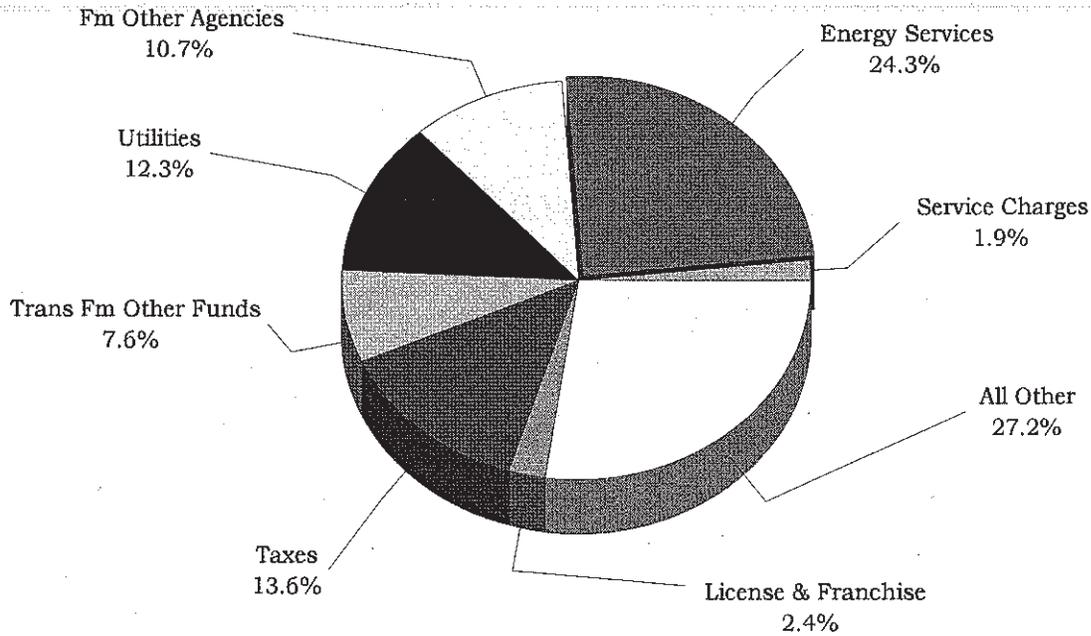
Fiscal Year	Tax Levy Submitted	Inside 6%	Outside 6%	G.O. Bond Issues	Bancroft Bond Issues	Population
1920-21	6,250.00	6,250.00				655
1930-31	6,250.00	6,250.00				608
1940-41	6,385.00	6,385.00				803
1950-51	15,878.00	15,878.00				3,804
1960-61	76,225.00	19,300.00	56,924.41			4,402
1970-71	148,877.00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

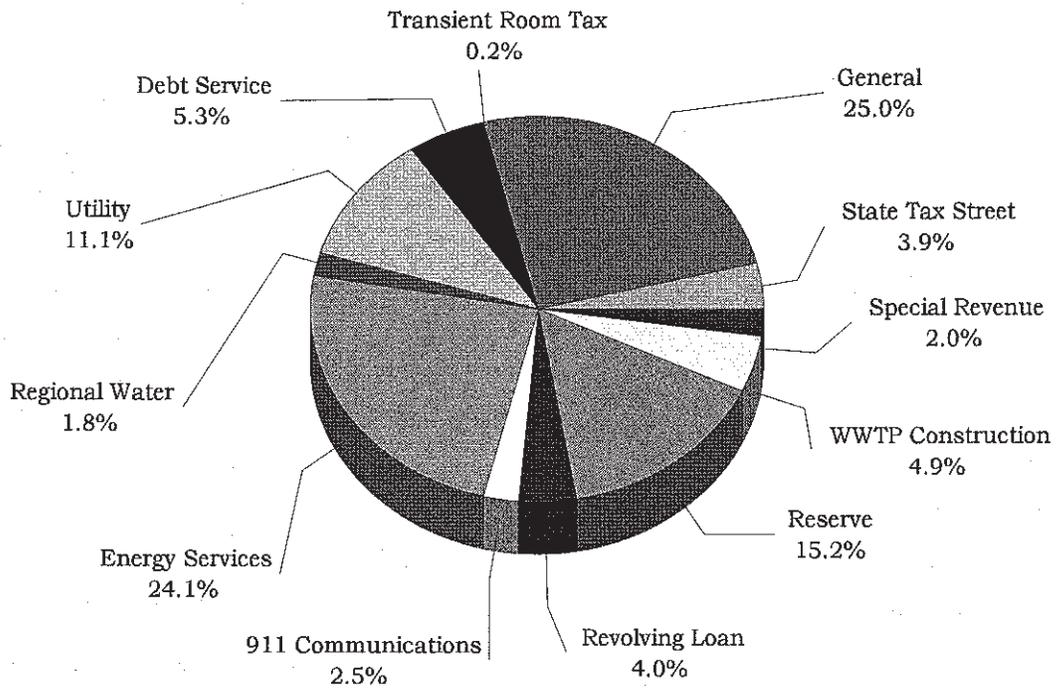
(Permanent Operating Tax Rate \$6.0860/\$1,000)

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
2008-09	705,153,815	6.0860	4,291,566	0.4817	339,672	4,631,238	16,080

City of Hermiston

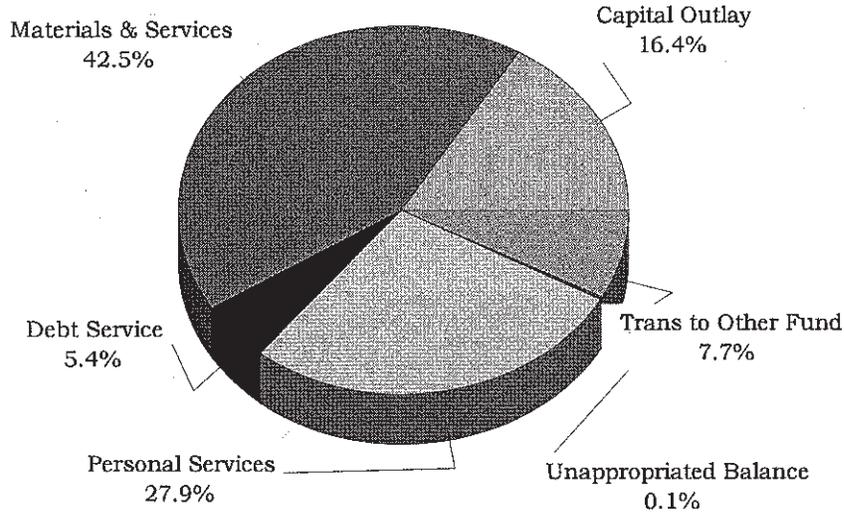


This graph reflects various resources in the 2009-10 budget.

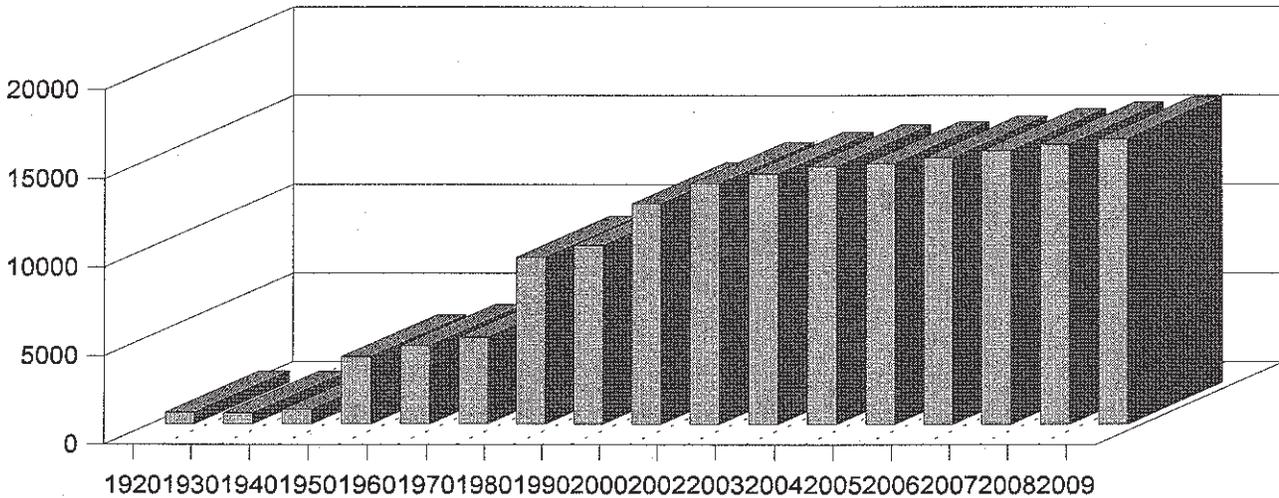


This graph reflects total expenditures by fund, inclusive of capital outlay, transfers to reserves and operating expenses in the 2009-10 budget.

City of Hermiston



This graph reflects the various expenditures by character included in the 2009-10 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	106,344	80	40,411	82	40,411	97	25,522		
City Engineer	1	97,512	80	32,179	82	32,179	88	33,154		
Finance Director	1/2	48,756	34	3,900	80	20,478	82	20,478	97	3,900
Permit Technician II	1	45,108	46	15,336	72	14,886	82	14,886		
Rec/Aquatics Coordinator	1	62,508	50	21,253	56	41,255				
Senior General Clerical	1	45,108	80	22,554	82	22,554				
Administrative Sergeant	1	74,196	63	37,098	85	37,098				

PERSONNEL DISTRIBUTION

	2006-07 Actual	2007-08 Actual	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 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 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
<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
Seasonal Maintenance (2 FTE)	0	0	0	2	2	2
<u>Municipal Pool</u>						
Recreation/Aquatics Coordinator	1/3	1/3	1/3	1/3	1/3	1/3
Swim Pool (10 FTE)	10	10	10	10	10	10
<u>Library</u>						
Library Director	1	1	1	1	1	1
Librarian II	1	1	1	1	1	1
Senior Library Assistant	0	0	1	2	2	2
Library Assistant	2	2	1	1	1	1
Librarian (6.5 FTE)	6	6	6	6	6	6
<u>Recreation</u>						
Parks & Recreation Director	1	1	1	1	1	1
Recreation/Aquatics Coordinator	2/3	2/3	2/3	2/3	2/3	2/3
General Clerical	1	1	1	1	1	1
Summer Park Program (5 FTE)	1	1	1	5	5	5

Personnel Distribution (Continued)

	2006-07 Actual	2007-08 Actual	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
<u>Police Operations</u>						
Police Chief	1	1	1	1	1	1
Police Lieutenant	1	1	1	1	1	1
Administrative Sergeant	1/2	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	1	1	1	1
Code Enforcement Officer	1	1	1	1	1	1
General Clerical	1	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 Svc Worker	1	1	1	1	1	1
Municipal Worker II	2	2	2	2	2	2
Municipal Worker I	1	1	1	1	1	1
<u>Disposal Plant Maintenance</u>						
Wastewater Superintendent	1	1	1	1	1	1
City Manager	2/5	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	2	2	2	2	2	2
Wastewater Worker II	3	2	2	2	2	2
Wastewater Worker I	1	1	1	1	1	1
<u>Water Production & Maintenance</u>						
Water Superintendent	1	1	1	1	1	1
City Manager	2/5	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	1	1	1	1	1
Water Utility Worker II	3	3	3	3	3	3
Water Utility Worker I	1	1	2	2	2	2
Meter Reader/General Clerical	2	2	1	1	1	1

Personnel Distribution (Continued)

	2006-07 Actual	2007-08 Actual	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 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	1	1	1
Water Utility Worker IV	1	1	1	0	0	0
<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									
Water Bonds	Due Date	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	
Principal	Aug	165,000	170,000	180,000	190,000	200,000	210,000	225,000	
Interest	Aug/Feb	<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>142,090</u>	
Total		364,600	361,555	363,025	363,865	364,015	363,455	367,090	

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									
Water Bonds	Due Date	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	
Principal	Apr	228,430	236,135	248,510	255,470	266,795	277,745	293,314	
Interest	Oct/Apr	<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>24,470</u>	
Total		314,935	313,275	315,965	312,740	313,590	313,600	317,784	

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									
Construction	Due Date	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	
Principal	Dec	45,000	45,000	55,000	60,000	65,000	75,000	80,000	
Interest	Dec/Jan	<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>134,370</u>	
Total		192,310	190,985	199,365	202,395	205,160	212,470	214,370	

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:

<u>2005 HES Obligations</u>	<u>Due Date</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>	<u>2015-16</u>
Principal	Oct	160,000	180,000	200,000	225,000	250,000	275,000	305,000
Interest	Oct/Apr	<u>571,000</u>	<u>565,090</u>	<u>558,240</u>	<u>550,265</u>	<u>541,115</u>	<u>530,740</u>	<u>518,950</u>
<u>Total</u>		731,000	745,090	758,240	775,265	791,115	805,740	823,950

City of Hermiston
Resources

BONDED DEBT

	2006-07 Received	2007-08 Received	2008-09 Estimate	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Property Taxes						
Bond Taxes	102,366	311,460	317,515	364,600	364,600	364,600
Delinquent Taxes	17,047	10,990	2,000	2,000	2,000	2,000
Property Taxes	119,413	322,450	319,515	366,600	366,600	366,600
Transfers From:						
General	275,134	282,355	188,440	192,310	192,310	192,310
Utility-Loans	41,373	41,373	41,375	41,375	41,375	41,375
Utility-B & I	638,501	531,960	310,800	314,935	314,935	314,935
Energy Services	710,981	610,813	716,105	731,000	731,000	731,000
	1,665,989	1,466,501	1,256,720	1,279,620	1,279,620	1,279,620
Admin Income	40,597	38,881				
Miscellaneous Revenues	40,597	38,881				
Cash Forward	258,500	198,178	50,000			
	258,500	198,178	50,000			
Bonded Debt	2,084,499	2,026,010	1,626,235	1,646,220	1,646,220	1,646,220

BONDED DEBT REQUIREMENTS

by character

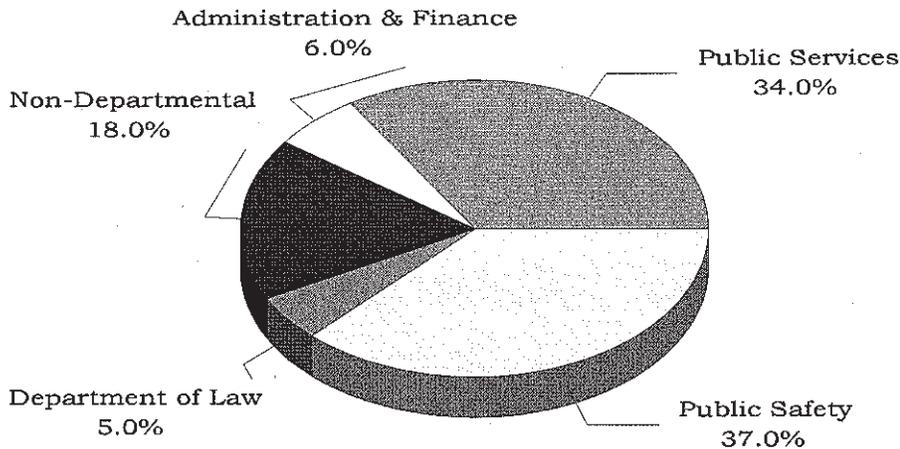
	Due Date	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Approved
Principal:							
1993 Sewer	Apr	205,000	210,000				
2007 Utility	Apr	240,000	207,110	215,460	228,430	228,430	228,430
Total Utility		445,000	417,110	215,460	228,430	228,430	228,430
Regional Water	Aug	140,000	145,000	160,000	165,000	165,000	165,000
Total GO		140,000	145,000	160,000	165,000	165,000	165,000
2005 Energy				140,000	160,000	160,000	160,000
Pool Construction	Dec	30,000	35,000	40,000	45,000	45,000	45,000
1997 Street	Jul	88,000	93,000				
Total Revenue		118,000	128,000	180,000	205,000	205,000	205,000
Total Principal		703,000	690,110	555,460	598,430	598,430	598,430
Interest:							
1993 Sewer	Oct/Apr	21,787	11,025				
2007 Utility	Oct/Apr	171,714	103,825	95,340	86,505	86,505	86,505
Total Utility		193,501	114,850	95,340	86,505	86,505	86,505
Regional Water	Aug/Feb	222,265	215,140	207,515	199,600	199,600	199,600
Total GO		222,265	215,140	207,515	199,600	199,600	199,600
2005 Energy		578,449	578,447	576,105	571,000	571,000	571,000
Pool Construction	Dec/Jun	149,915	149,333	148,440	147,310	147,310	147,310
1997 Street	Jan/Jul	9,730	5,023				
Total Revenue		738,094	732,803	724,545	718,310	718,310	718,310
Total Interest		1,153,860	1,062,793	1,027,400	1,004,415	1,004,415	1,004,415
Energy Services		132,251	32,364				
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		2,030,484	1,826,640	1,626,235	1,646,220	1,646,220	1,646,220

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 | |

2009-10 General Fund Appropriations



<u>Expenditures:</u>	<u>Proposed</u>
Administration & Finance	449,565
Department of Law	387,225
Public Services	2,593,465
Public Safety	2,836,545
Non-Departmental	1,407,725
<u>Total</u>	<u>\$7,674,525</u>

City of Hermiston
Resources

GENERAL

	2006-07 Received	2007-08 Received	2008-09 Estimate	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Property Taxes						
Property Taxes						
General Taxes	3,576,635	3,765,722	3,600,000	3,900,000	3,900,000	3,900,000
Delinquent Taxes	128,495	146,235	110,000	110,000	110,000	110,000
Property Taxes	3,705,130	3,911,957	3,710,000	4,010,000	4,010,000	4,010,000
Other Local Assessments						
Assessments Receivable	2,805	6,434	2,000	1,000	1,000	1,000
Local Assessments	2,805	6,434	2,000	1,000	1,000	1,000
Licenses & Franchises						
HES In Lieu of Taxes	357,298	402,717	350,000	367,500	367,500	367,500
UECA Franchise	168,732	132,666	165,000	160,000	160,000	160,000
Natural Gas Franchise	129,494	138,787	90,000	120,000	120,000	120,000
EO Telecom Franchise	21,711	20,204	17,000	9,000	9,000	9,000
Qwest Telephone Franchise	54,165	50,476	42,000	40,000	40,000	40,000
TV Franchise	53,305	44,454	47,000	45,000	45,000	45,000
Miscellaneous Franchises	193	487	100	400	400	400
Dog License & Board	2,595	4,665	1,000	2,500	2,500	2,500
Liquor Permit License	570	500	500	500	500	500
Licenses & Franchises	788,063	794,956	712,600	744,900	744,900	744,900
Fines & Penalties						
Fines	333,554	339,611	240,000	275,000	275,000	275,000
Fines & Penalties	333,554	339,611	240,000	275,000	275,000	275,000
Use of City Money						
Interest on Investments	345,704	229,057	200,000	40,000	40,000	40,000
Airport Lease Income	65,606	61,003	55,000	60,000	60,000	60,000
Use of City Money	411,310	290,060	255,000	100,000	100,000	100,000
From Other Agencies						
Liquor Apportionment	159,688	178,683	150,000	170,000	170,000	170,000
Cigarette Tax	29,838	26,134	18,000	15,000	15,000	15,000
Library Grants	19,885					
County Taxi Grant	31,644	28,874	27,000	25,000	25,000	25,000
DUII Overtime Grant				6,000	6,000	6,000
Traffic Safety Grant				5,000	5,000	5,000
Law Enforcement Grant	5,000		6,000			
Periodic Review Grant				100,000	100,000	100,000
State Revenue Sharing	102,878	121,636	95,000	105,000	105,000	105,000
From Other Agencies	348,933	355,327	296,000	426,000	426,000	426,000

	2006-07 Received	2007-08 Received	2008-09 Estimate	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Service Charges						
Transient Room Tax	88,156	90,006	76,000	85,000	85,000	85,000
TRT - Pool	117,541	120,008	100,700	115,000	115,000	115,000
Plumbing Permits	9,541	8,782	5,000	5,000	5,000	5,000
Plan Review/Spl Insp Fee	41,768	40,746	25,000	25,000	25,000	25,000
Construction Permit Fees	120,696	137,323	75,000	75,000	75,000	75,000
Library Fees & Charges	98					
District Library Contract	91,692	91,996	85,000	90,000	90,000	90,000
School District Contract	103,669	108,937	178,000	180,700	180,700	180,700
Airport Gas & Oil Sales	157,626	140,362	132,000	140,000	140,000	140,000
Airport Misc Income	2,207	1,261	500	750	750	750
Pool Income	215,848	230,572	175,000	215,000	215,000	215,000
Park & Recreation Fee	3,464	4,990	2,000	3,250	3,250	3,250
Service Charges	952,306	974,983	854,200	934,700	934,700	934,700
Non-Revenue Receipts						
Sale of City Real Estate	2,146	4,844				
Reimburse Direct Expense	71,496	56,356	50,000	15,000	15,000	15,000
Reimburse BENT & CSEPP	17,417	13,836	10,000	7,000	7,000	7,000
Non-Revenue Receipts	91,059	75,036	60,000	22,000	22,000	22,000
Miscellaneous Revenues						
Administrative Income	292,427	289,703	250,000	265,000	265,000	265,000
Sales & Service	47,127	36,559	30,000	30,000	30,000	30,000
Trans Fm Revolving Loan	167,500					
Trans Fm Reserves	164,101					
Miscellaneous Revenues	671,155	326,262	280,000	295,000	295,000	295,000
Cash Forward	925,060	1,261,365	1,955,200	858,425	858,425	865,925
	925,060	1,261,365	1,955,200	858,425	858,425	865,925
General	8,229,375	8,335,991	8,365,000	7,667,025	7,667,025	7,674,525

SUMMARY - CONSOLIDATED GENERAL FUND EXPENDITURES

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
3-4110 City Council	30,875	26,835	36,645	31,895	31,895	31,895
4210 Mgr/Planning	271,059	284,921	325,720	312,750	312,750	312,750
4300 Finance	84,879	91,105	104,110	104,920	104,920	104,920
5100 Legal Counsel	79,679	164,832	169,850	129,850	129,850	129,850
5200 Court	195,686	248,321	254,405	257,375	257,375	257,375
6230 Transportation	122,666	145,759	140,800	140,000	140,000	140,000
6400 Airport	191,588	212,507	187,300	184,950	184,950	184,950
6500 Building Inspections	215,328	246,473	334,200	338,510	338,510	338,510
6710 Parks	691,205	534,229	688,180	551,885	551,885	551,885
6720 Municipal Pool	407,914	401,621	403,450	399,825	399,825	399,825
6730 Municipal Buildings	8,443	16,666	10,000	9,550	9,550	9,550
6740 Library	515,794	506,837	554,170	563,645	563,645	563,645
6750 Recreation	297,535	330,730	303,105	311,950	311,950	311,950
6760 Conference Center	96,188	93,142	94,150	93,150	93,150	93,150
7030 Public Safety Center	55,374	49,032	54,550	50,675	50,675	50,675
7130 Police Operations	2,399,324	2,461,301	2,790,645	2,778,370	2,778,370	2,785,870
8810 Audit & Others	1,157,334	1,108,072	1,888,720	1,382,725	1,382,725	1,382,725
8890 Unapp Balance			25,000	25,000	25,000	25,000
Total	6,820,871	6,922,383	8,365,000	7,667,025	7,667,025	7,674,525

CONSOLIDATED GENERAL FUND EXPENDITURES
by character

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Personal Services	3,972,047	4,157,496	4,760,745	4,881,285	4,881,285	4,881,285
Materials & Services	1,536,309	1,658,660	1,974,535	1,685,215	1,685,215	1,692,715
Capital Outlay	220,481	111,158	97,900	25,000	25,000	25,000
Transfers:						
Reserve Fund	227,620	18,000	364,000			
Street Fund	76,326	105,904	345,910	218,100	218,100	218,100
Revolving Loan Fund		117,500				
911 Communications	512,954	471,310	608,470	640,115	640,115	640,115
Bonded Debt	275,134	282,355	188,440	192,310	192,310	192,310
Unapp Balance			25,000	25,000	25,000	25,000
Total	6,820,871	6,922,383	8,365,000	7,667,025	7,667,025	7,674,525

CONSOLIDATED ADMINISTRATION & FINANCE EXPENDITURES

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
3-4110 City Council	30,875	26,835	36,645	31,895	31,895	31,895
3-4210 Mgr/Planning	271,059	284,921	325,720	312,750	312,750	312,750
3-4300 Finance	84,879	91,105	104,110	104,920	104,920	104,920
Total	386,813	402,861	466,475	449,565	449,565	449,565

ADMINISTRATION & FINANCE
by character

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Personal Services	329,333	343,306	387,675	394,135	394,135	394,135
Materials & Services	57,480	59,555	78,800	55,430	55,430	55,430
Capital Outlay						
Total	386,813	402,861	466,475	449,565	449,565	449,565

03 GENERAL FUND
4110 CITY COUNCIL

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

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 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

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Personal Services	12,200	12,150	13,800	13,800	13,800	13,800
Accident Insurance	29	29	35	35	35	35
Retirement	247	148	250	250	250	250
Social Security	933	930	1,060	1,060	1,060	1,060
Personal Services	13,409	13,257	15,145	15,145	15,145	15,145
Travel & Training	12,810	9,427	15,000	12,000	12,000	12,000
Contractual Services	12,810	9,427	15,000	12,000	12,000	12,000
Food & Miscellaneous	4,656	4,151	6,500	4,750	4,750	4,750
Commodities	4,656	4,151	6,500	4,750	4,750	4,750
City Council	30,875	26,835	36,645	31,895	31,895	31,895

03 GENERAL FUND
 4210 MANAGER/PLANNING

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

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
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

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Personal Services	177,566	186,465	203,700	201,600	201,600	201,600
Unemployment Insurance				1,010	1,010	1,010
Accident Insurance	426	447	490	490	490	490
Retirement	34,783	29,908	41,900	41,900	41,900	41,900
Social Security	13,334	14,032	15,600	15,600	15,600	15,600
Medical, Dental & Life Ins	23,716	27,256	28,930	33,670	33,670	33,670
Personal Services	249,825	258,108	290,620	294,270	294,270	294,270
Other Professional Service	635	6,041	15,000	2,500	2,500	2,500
Postage	726	700	725	725	725	725
Travel & Training	9,100	10,608	8,500	6,000	6,000	6,000
Legal Publications	1,975	1,279	1,800	1,500	1,500	1,500
Telephone	2,117	1,926	2,300	2,200	2,200	2,200
Repairs-Motor Vehicles	1,406	90	100			
Dues & Membership	1,852	1,794	1,850	1,930	1,930	1,930
Miscellaneous Contractual	1,128	2,485	2,000	1,500	1,500	1,500
Contractual Services	18,939	24,923	32,275	16,355	16,355	16,355
Office Supplies	1,806	1,475	2,300	1,700	1,700	1,700
Minor/Safety Equipment	45		100			
Motor Vehicle Fuel & Oil	403	362	350	350	350	350
Motor Vehicle Parts	40	53	75	75	75	75
Commodities	2,294	1,890	2,825	2,125	2,125	2,125
Manager/Planning	271,058	284,921	325,720	312,750	312,750	312,750

03 GENERAL FUND
4300 FINANCE

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

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

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

PERSONNEL DISTRIBUTION

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 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

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Personal Services	45,692	49,020	54,550	54,960	54,960	54,960
Overtime			200	200	200	200
Unemployment Insurance				280	280	280
Accident Insurance	109	116	130	135	135	135
Retirement	6,528	7,250	10,030	10,115	10,115	10,115
Social Security	3,386	3,630	4,190	4,220	4,220	4,220
Medical, Dental & Life Ins	10,384	11,924	12,810	14,810	14,810	14,810
Personal Services	66,099	71,940	81,910	84,720	84,720	84,720
Postage	3,941	4,062	4,500	4,000	4,000	4,000
Travel & Training	2,449	1,805	4,000	3,250	3,250	3,250
Telephone	1,309	1,375	1,500	1,400	1,400	1,400
Repairs-Office Equipment	7,074	7,130	8,000	8,000	8,000	8,000
Dues & Membership	395	325	300	250	250	250
Contractual Services	15,168	14,697	18,300	16,900	16,900	16,900
Office Supplies	3,008	4,060	3,500	3,000	3,000	3,000
Food & Miscellaneous	604	407	400	300	300	300
Commodities	3,612	4,467	3,900	3,300	3,300	3,300
Finance	84,879	91,104	104,110	104,920	104,920	104,920

CONSOLIDATED DEPARTMENT OF LAW EXPENDITURES

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
3-5100 Legal Counsel	79,679	164,832	169,850	129,850	129,850	129,850
3-5200 Court	195,686	248,321	254,405	257,375	257,375	257,375
Total	275,365	413,153	424,255	387,225	387,225	387,225

DEPARTMENT OF LAW
by character

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Personal Services	161,334	175,396	190,780	195,175	195,175	195,175
Materials & Services	109,659	237,757	233,475	192,050	192,050	192,050
Capital Outlay	4,372					
Total	275,365	413,153	424,255	387,225	387,225	387,225

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

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Other Professional Service	29,271	58,487	35,000	35,000	35,000	35,000
Prosecution	36,600	85,024	115,000	75,000	75,000	75,000
Labor Negotiations	12,000	18,000	18,000	18,000	18,000	18,000
Travel & Training	1,268	1,928	1,300	1,300	1,300	1,300
Contractual Services	79,139	163,439	169,300	129,300	129,300	129,300
Magazine, Map, Pamphlet	540	1,393	550	550	550	550
Commodities	540	1,393	550	550	550	550
Legal Counsel	79,679	164,832	169,850	129,850	129,850	129,850

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

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Municipal Judge (.33 FTE)	1	1	1	1	1	1
Court Administrator	0	1	1	1	1	1
Municipal Court Clerk	1	0	0	0	0	0
General Clerical	1 1/2	1	1	1	1	1
General Clerical	0	3/4	3/4	3/4	3/4	3/4

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
5200 COURT

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Personal Services	111,452	122,408	129,700	128,750	128,750	128,750
Overtime	68	110	300	300	300	300
Unemployment Insurance				645	645	645
Accident Insurance	290	306	365	365	365	365
Retirement	17,481	16,180	21,555	21,550	21,550	21,550
Social Security	8,327	9,144	9,935	9,900	9,900	9,900
Medical, Dental & Life Ins	23,716	27,248	28,925	33,665	33,665	33,665
Personal Services	161,334	175,396	190,780	195,175	195,175	195,175
Other Professional Service		2,700	1,600	1,400	1,400	1,400
Public Defense	15,850	52,740	44,000	44,000	44,000	44,000
Postage	2,622	2,364	2,700	2,500	2,500	2,500
Travel & Training	2,788	3,000	3,000	2,500	2,500	2,500
Telephone	4,734	4,792	5,000	4,800	4,800	4,800
Repairs-Office Equipment	997	987	1,200	1,000	1,000	1,000
Dues & Membership	185	185	225	200	200	200
Miscellaneous Contractual	1,341	2,167	2,000	1,900	1,900	1,900
Subpoenas & Jury Fees		506	300	300	300	300
Contractual Services	28,517	69,441	60,025	58,600	58,600	58,600
Office Supplies	1,463	2,855	3,000	3,000	3,000	3,000
Magazine, Map, Pamphlet		629	600	600	600	600
Commodities	1,463	3,484	3,600	3,600	3,600	3,600
Office Equipment	4,372					
Capital Outlay	4,372					
Court	195,686	248,321	254,405	257,375	257,375	257,375

CONSOLIDATED PUBLIC SERVICES EXPENDITURES

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
3-6230 Transportation	122,666	145,759	140,800	140,000	140,000	140,000
3-6400 Airport	191,588	212,507	187,300	184,950	184,950	184,950
3-6500 Building Inspection	215,328	246,473	327,200	338,510	338,510	338,510
3-6710 Parks	691,205	534,229	670,380	551,885	551,885	551,885
3*6720 Municipal Pool	407,914	401,621	403,450	399,825	399,825	399,825
3-6730 Municipal Bldgs	8,443	16,666	10,000	9,550	9,550	9,550
3-6740 Library	515,794	506,837	554,170	563,645	563,645	563,645
3-6750 Recreation	297,535	330,730	303,105	311,950	311,950	311,950
3-6760 Conference Center	96,188	93,142	94,150	93,150	93,150	93,150
Total	2,546,661	2,487,964	2,690,555	2,593,465	2,593,465	2,593,465

PUBLIC SERVICES
by character

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Personal Services	1,353,462	1,461,461	1,678,790	1,725,475	1,725,475	1,725,475
Materials & Services	940,078	955,793	864,265	845,490	845,490	845,490
Capital Outlay	25,501	52,710	33,500	22,500	22,500	22,500
Transfer to Reserve	227,620	18,000	114,000			
Total	2,546,661	2,487,964	2,690,555	2,593,465	2,593,465	2,593,465

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 \$25,000.

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
6230 TRANSPORTATION

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Printing		746	800	1,000	1,000	1,000
Taxi Program	122,666	145,013	140,000	139,000	139,000	139,000
Contractual Services	122,666	145,759	140,800	140,000	140,000	140,000
Transportation	122,666	145,759	140,800	140,000	140,000	140,000

03 GENERAL FUND
6400 AIRPORT

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

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

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

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

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
6400 AIRPORT

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Other Professional Service	37,794	36,385	37,100	37,100	37,100	37,100
Property & Liability Ins	8,940	16,223	9,250	9,250	9,250	9,250
Electricity	11,907	12,190	12,000	12,500	12,500	12,500
Telephone	2,277	2,464	2,500	2,500	2,500	2,500
Cleaning & Painting	122	29	100	50	50	50
Miscellaneous Contractual	4,832	7,222	4,000	4,000	4,000	4,000
Licenses & Permits	223	30	150	150	150	150
Contractual Services	66,095	74,543	65,100	65,550	65,550	65,550
Office Supplies	56	86	100	100	100	100
Clean/Sanitation Supplies	106	255	300	250	250	250
Food & Miscellaneous	139	8	100	100	100	100
Minor/Safety Equipment	457	500	1,000	750	750	750
Motor Vehicle Fuel & Oil	120,322	117,448	120,000	117,500	117,500	117,500
Parts For Operating Equip	2,413	1,667	700	700	700	700
Commodities	123,493	119,964	122,200	119,400	119,400	119,400
Res-Airport Improvements	2,000	18,000				
Capital Outlay	2,000	18,000				
Airport	191,588	212,507	187,300	184,950	184,950	184,950

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

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 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

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Personal Services	127,449	145,178	200,340	204,960	204,960	204,960
Overtime			350			
Unemployment Insurance				1,030	1,030	1,030
Accident Insurance	1,057	1,332	2,035	2,100	2,100	2,100
Retirement	26,216	23,896	41,285	42,235	42,235	42,235
Social Security	9,582	10,889	15,355	15,710	15,710	15,710
Medical, Dental & Life Ins	19,538	25,324	40,570	47,210	47,210	47,210
Personal Services	183,842	206,619	299,935	313,245	313,245	313,245
Postage	287	325	350	275	275	275
Travel & Training	3,267	2,272	4,000	2,800	2,800	2,800
Electricity	2,400	2,316	2,400	2,400	2,400	2,400
Telephone	2,830	2,856	3,000	2,650	2,650	2,650
Repairs-Motor Vehicles	60	20	50	50	50	50
Other Repairs			100	50	50	50
Cleaning & Painting	1,740	1,752	1,740	1,740	1,740	1,740
Dues & Membership	700	800	625	600	600	600
Miscellaneous Contractual	14,355	5,932	7,000	6,750	6,750	6,750
Contractual Services	25,639	16,273	19,265	17,315	17,315	17,315
Office Supplies	1,663	2,919	3,250	3,250	3,250	3,250
Magazine, Map, Pamphlet	696	213	700	450	450	450
Food & Miscellaneous	230	203	250	250	250	250
Fuel-Other Than Vehicle	1,971	2,155	2,000	2,200	2,200	2,200
Minor/Safety Equipment	221		300	200	200	200
Motor Vehicle Fuel & Oil	1,012	1,108	1,100	1,200	1,200	1,200
Motor Vehicle Parts	54	158	400	400	400	400
Commodities	5,847	6,756	8,000	7,950	7,950	7,950
Motor Vehicles			7,000			
Office Equipment		16,825				
Capital Outlay		16,825	7,000			
Building Inspections	215,328	246,473	334,200	338,510	338,510	338,510

03 GENERAL FUND
 6710 PARKS

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

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

Park department objectives for fiscal year 2009-10:

- ◆ Complete operations building at Public Works.
- ◆ Maintain the maintenance schedules at all times.
 Provide seven day a week park restroom and garbage maintenance March through October.

PERSONNEL DISTRIBUTION

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Park Maintenance Foreman	1	1	1	1	1	1
Park/Facility Lead Worker	1	1	1	1	1	1
Municipal Worker II	1	1	1	1	1	1
Municipal Worker I	1	1	1	1	1	1
Seasonal Maintenance (2 FTE)				2	2	2

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
6710 PARKS

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Personal Services	184,874	243,917	274,200	264,700	264,700	264,700
Overtime	2,016	2,499	1,800	1,800	1,800	1,800
Unemployment Insurance				1,335	1,335	1,335
Accident Insurance	7,360	8,872	10,625	10,260	10,260	10,260
Retirement	36,681	33,314	56,765	54,815	54,815	54,815
Social Security	13,977	18,508	21,110	20,400	20,400	20,400
Medical, Dental & Life Ins	37,228	41,256	45,380	65,425	65,425	65,425
Personal Services	282,136	348,366	409,880	418,735	418,735	418,735
Travel & Training	2,665	2,943	2,500	2,300	2,300	2,300
Electricity	16,556	17,528	16,500	17,000	17,000	17,000
Telephone	4,084	4,148	3,500	3,650	3,650	3,650
Miscellaneous Contractual	113,059	66,156	55,000	47,500	47,500	47,500
Contractual Services	136,364	90,775	77,500	70,450	70,450	70,450
Ag & Hort Supplies	2,447	12,370	10,000	6,000	6,000	6,000
Chemicals	3,311	4,954	4,000	4,000	4,000	4,000
Clean/Sanitation Supplies	625	1,672	1,000	1,200	1,200	1,200
Minor/Safety Equipment	14,833	16,410	12,000	12,000	12,000	12,000
Motor Vehicle Fuel & Oil	14,935	20,480	20,000	20,000	20,000	20,000
Motor Vehicle Parts	1,997	3,876	1,500	3,500	3,500	3,500
Paint & Paint Supplies	1,370	3,116	3,300	3,000	3,000	3,000
Plmb/Sewage Supplies	5,633	8,554	19,500	10,000	10,000	10,000
Parts For Operating Equip	1,934	9,050	6,000	3,000	3,000	3,000
Commodities	47,085	80,482	77,300	62,700	62,700	62,700
Motor Vehicle						
Other Equipment		14,605	9,500			
Res-Park Improvements			114,000			
Res-Centennial Bell	225,620					
Capital Outlay	225,620	14,605	123,500			
Parks	691,205	534,228	688,180	551,885	551,885	551,885

63 GENERAL FUND
6720 MUNICIPAL POOL

MISSION STATEMENT: To develop, implement, direct and evaluate diverse aquatic opportunities for the 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 2009-10

- ◆ Reduce personnel costs by 8% during 2009 pool season.
- ◆ Increase participation through innovative marketing and community partnerships.

PERSONNEL DISTRIBUTION

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Rec/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

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Personal Services	165,512	171,169	184,040	184,100	184,100	184,100
Overtime	1,922	820	500	500	500	500
Unemployment Insurance				925	925	925
Accident Insurance	5,077	5,308	7,105	7,110	7,110	7,110
Retirement	5,345	7,706	6,445	6,455	6,455	6,455
Social Security	12,769	13,112	14,120	14,125	14,125	14,125
Medical, Dental & Life Ins	4,668	5,367	5,690	6,635	6,635	6,635
Personal Services	195,293	203,482	217,900	219,850	219,850	219,850
Postage	306	414	450	425	425	425
Travel & Training	2,226	1,781	1,500	1,000	1,000	1,000
Advertising	717	268	2,000	4,000	4,000	4,000
Property & Liability Ins	5,162	5,728	5,800	5,800	5,800	5,800
Electricity	20,744	19,883	22,500	22,500	22,500	22,500
Telephone	2,828	3,269	2,800	2,500	2,500	2,500
Dues & Membership			250			
Miscellaneous Contractual	40,708	40,399	30,000	30,000	30,000	30,000
Licenses & Permits	1,190	755	750	750	750	750
Contractual Services	73,881	72,497	66,050	66,975	66,975	66,975
Office Supplies	5,067	8,110	7,500	6,000	6,000	6,000
Chemicals	23,422	24,606	24,000	24,000	24,000	24,000
Clean/Sanitation Supplies	4,052	1,363	3,500	3,000	3,000	3,000
Food & Miscellaneous	17,436	18,948	20,000	18,500	18,500	18,500
Fuel-Other Than Vehicle	68,826	57,551	55,000	55,000	55,000	55,000
Paint & Paint Supplies	5,314	4,663	1,000	1,000	1,000	1,000
Plmb/Sewage Supplies	2,261	1,364	1,500	2,500	2,500	2,500
Recreational Supplies	10,876	5,119	4,500	2,500	2,500	2,500
Uniforms	1,486	3,918	2,500	500	500	500
Commodities	138,740	125,642	119,500	113,000	113,000	113,000
Municipal Pool	407,914	401,621	403,450	399,825	399,825	399,825

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

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Electricity	2,946	2,695	3,000	2,700	2,700	2,700
Repairs-Buildings	187	460	1,000	1,000	1,000	1,000
Repairs-Machinery/Equip	417	4,990	700	500	500	500
Cleaning & Painting	2,600	3,856	2,800	2,750	2,750	2,750
Miscellaneous Contractual	1,652	3,164	1,700	1,600	1,600	1,600
Contractual Services	7,802	15,165	9,200	8,550	8,550	8,550
Clean/Sanitation Supplies		116	150	150	150	150
Fuel-Other Than Vehicle	612	464	550	700	700	700
Minor/Safety Equipment	29	921	100	150	150	150
Commodities	641	1,501	800	1,000	1,000	1,000
Municipal Buildings	8,443	16,666	10,000	9,550	9,550	9,550

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)	2007	2008
Items Checked Out (total count)	99,387	100,722
Active Library Cards	9,697	1,019
Overdues	5,802	5,661
Renewals	5,972	6,119
Programs Presented	268	350
Program Attendance	9,248	9,798
Reference Questions Answered	1,899	2,238
Number of Volunteer Hours	641	1,689
Total Inter-Library Loans	2,120	3,144
Use of Internet Stations	18,953	1,785

2008-09 Major Events:

- ◆ Completed Phase 1 of this Old Library Project.
- ◆ Participated in Gates Grant workshops. Met matching grant and purchased 13 new public internet computers.
- ◆ Installed additional Security/people counter Cameras.
- ◆ Continued participation in LEO funded Sense of Place programming

2008-09 Goals:

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

2009-10 Goals:

- ◆ Continue 10% collection weeding.
- ◆ Fund, plan, and execute phase two of the library renovation project.
- ◆ Participate in Evergreen open source testing and selection for Sage system.
- ◆ Transition from Ready, Set Zoom project officer to Outreach librarian position.

PERSONNEL DISTRIBUTION

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Library Director	1	1	1	1	1	1
Librarian II	1	1	1	1	1	1
Senior Library Assistant	0	0	1	2	2	2
Library Assistant	2	2	1	1	1	1
Librarian (6.5 FTE)	6	6	6	6	6	6

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
6740 LIBRARY

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Personal Services	305,014	318,255	345,660	350,905	350,905	350,905
Overtime			100	100	100	100
Unemployment Insurance				1,755	1,755	1,755
Accident Insurance	727	755	830	945	945	945
Retirement	60,610	50,535	71,125	72,205	72,205	72,205
Social Security	23,165	24,160	26,455	26,855	26,855	26,855
Medical, Dental & Life Ins	19,806	22,758	24,100	27,980	27,980	27,980
Personal Services	409,322	416,463	468,270	480,745	480,745	480,745
Postage	318	400	450	350	350	350
Travel & Training	2,715	2,433	2,000	1,750	1,750	1,750
Electricity	8,785	8,350	8,800	8,800	8,800	8,800
Telephone	1,896	2,038	2,200	1,900	1,900	1,900
Repairs-Buildings	22,671	11,658	3,500	4,500	4,500	4,500
Cleaning & Painting	13,873	15,559	16,000	15,000	15,000	15,000
Dues & Membership			100	100	100	100
Miscellaneous Contractual	18,086	15,245	16,400	17,500	17,500	17,500
Contractual Services	68,344	55,683	49,450	49,900	49,900	49,900
Office Supplies	8,366	10,971	9,000	8,000	8,000	8,000
Magazine, Map, Pamphlet	2,077	1,605	1,500	1,500	1,500	1,500
Clean/Sanitation Supplies	691	9	400	100	100	100
Food & Miscellaneous	289	606	500	300	300	300
Minor/Safety Equipment	296	174	300	250	250	250
Motor Vehicle Fuel & Oil	908	46	750	350	350	350
Commodities	12,627	13,411	12,450	10,500	10,500	10,500
Library Books & Equip	21,501	21,280	22,000	21,000	21,000	21,000
Office Equipment	4,000		2,000	1,500	1,500	1,500
Capital Outlay	25,501	21,280	24,000	22,500	22,500	22,500
Library	515,794	506,837	554,170	563,645	563,645	563,645

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 2009-10:

- ◆ 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

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Parks/Recreation Director	1	1	1	1	1	1
Rec/Aquatics Coordinator	2/3	2/3	2/3	2/3	2/3	2/3
General Clerical	1	1	1	1	1	1
Seasonal Part-time (5FTE)	1	1	1	5	5	5

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
6750 RECREATION

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Personal Services	194,739	195,965	181,000	182,395	182,395	182,395
Overtime	97		500	500	500	500
Unemployment Insurance				915	915	915
Accident Insurance	5,453	5,162	5,580	5,585	5,585	5,585
Retirement	31,467	28,780	37,325	37,625	37,625	37,625
Social Security	14,591	14,638	13,885	13,995	13,995	13,995
Medical, Dental & Life Ins	36,522	41,988	44,515	51,885	51,885	51,885
Personal Services	282,869	286,533	282,805	292,900	292,900	292,900
Postage	200	205	250	200	200	200
Travel & Training	3,641	4,464	5,000	4,400	4,400	4,400
Advertising	4,524	3,080	4,000	3,900	3,900	3,900
Telephone	564	212	300	250	250	250
Dues & Membership	680	480	750	750	750	750
Miscellaneous Contractual	2,759	30,766	4,500	4,400	4,400	4,400
Contractual Services	12,368	39,207	14,800	13,900	13,900	13,900
Office Supplies	894	1,755	2,000	1,750	1,750	1,750
Food & Miscellaneous	266	10				
Motor Vehicle Fuel & Oil	860	1,530	1,000	1,200	1,200	1,200
Recreational Supplies	278	1,272	2,100	1,800	1,800	1,800
Uniforms		423	400	400	400	400
Commodities	2,298	4,990	5,500	5,150	5,150	5,150
Recreation	297,535	330,730	303,105	311,950	311,950	311,950

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

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Other Professional Service	64,350	64,350	64,350	64,350	64,350	64,350
Property & Liability Ins	3,253	3,384	3,500	3,500	3,500	3,500
Electricity	14,370	14,702	16,000	15,000	15,000	15,000
Miscellaneous Contractual	2,469	4,941	4,000	4,000	4,000	4,000
Contractual Services	84,442	87,377	87,850	86,850	86,850	86,850
Fuel-Other Than Vehicle	5,424	5,722	6,000	6,000	6,000	6,000
Minor/Safety Equipment	6,322	43	300	300	300	300
Commodities	11,746	5,765	6,300	6,300	6,300	6,300
Conference Center	96,188	93,142	94,150	93,150	93,150	93,150

CONSOLIDATED PUBLIC SAFETY EXPENDITURES

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
3-7030 Public Safety Ctr	55,374	49,032	54,550	50,675	50,675	50,675
3-7130 Operations	2,399,324	2,461,301	2,790,645	2,778,370	2,778,370	2,778,370
Total	2,454,698	2,510,333	2,845,195	2,829,045	2,829,045	2,829,045

PUBLIC SAFETY
by character

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Personal Services	2,127,918	2,177,333	2,503,500	2,566,500	2,566,500	2,566,500
Materials & Services	253,072	274,552	284,295	260,045	260,045	260,045
Capital Outlay	73,708	58,448	57,400	2,500	2,500	2,500
Transfer to Reserve						
Total	2,454,698	2,510,333	2,845,195	2,829,045	2,829,045	2,829,045

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

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Electricity	19,272	19,388	21,500	19,500	19,500	19,500
Telephone	4,099	4,254	4,750	4,250	4,250	4,250
Repairs-Buildings	4,817	4,179	4,500	4,500	4,500	4,500
Repairs-Machinery/Equip			500	250	250	250
Cleaning & Painting	16,148	16,262	16,000	16,000	16,000	16,000
Miscellaneous Contractual	62	153	200	100	100	100
Contractual Services	44,398	44,236	47,450	44,600	44,600	44,600
Clean/Sanitation Supplies			50	25	25	25
Fuel-Other Than Vehicle	5,018	4,796	7,000	6,000	6,000	6,000
Minor/Safety Equipment			50	50	50	50
Commodities	5,018	4,796	7,100	6,075	6,075	6,075
Buildings & Fixed Equip	5,958					
Capital Outlay	5,958					
Public Safety Center	55,374	49,032	54,550	50,675	50,675	50,675

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 continue to incorporate results from the annual survey asking the citizens of Hermiston how they feel their police department is doing and what areas of concern they may have in their individual neighborhoods. These results as with past results are integrated into each member's annual goals and objectives. In 2009, the survey will be in conjunction with other departments within the City, utilizing the National Citizen's Survey format from the International City/County Management Association (ICMA).

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 and mission of the Department.

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 continues its focus on trying to reduce the opportunity for crimes by enabling citizens to join Neighborhood Watch Groups specific to the area in which they reside or businesses to join the Hermiston Business Watch Program so they can be cognizant of crime experiences taking place in the city. To date the Hermiston Police Department currently manages 54 active neighborhood watch groups and 91 businesses with the Business Watch Program. The Hermiston Police Department received recognition as the 2008 National Award for Excellence in Neighborhood Watch was received at the National Sheriff's Association conference in Indianapolis, Indiana.

Also in 2008, the Department began utilizing www.crimereports.com in continuing efforts to allow citizens to view current data where crime trends are visually identified on a city of Hermiston map.

Other specific highlights in 2008 included:

- ◆ A 77% increase in Officer initiated activity.
- ◆ A 26.3% decrease in all index crimes.
- ◆ A 36.6% increase in speed enforcement
- ◆ A 22% reduction in citizen complaints.
- ◆ The implementation of a Community Accountability Board (CAB) to enhance the juvenile process.

PERSONNEL DISTRIBUTION

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Police Chief	1	1	1	1	1	1
Police Lieutenant	1	1	1	1	1	1
Administrative Sergeant	1/2	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	1	1	1	1
Code Enforcement Officer	1	1	1	1	1	1
General Clerical	1	1	1	1	1	1

City of Hermiston

Detailed Expenditures

03 GENERAL FUND
7130 POLICE - OPERATIONS

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Personal Services	1,306,304	1,355,334	1,515,115	1,526,560	1,526,560	1,526,560
Overtime	74,702	75,863	78,000	73,000	73,000	73,000
Unemployment Insurance				8,000	8,000	8,000
Accident Insurance	59,883	61,522	68,945	69,230	69,230	69,230
Retirement	277,615	242,175	327,705	329,030	329,030	329,030
Social Security	103,494	106,388	121,875	122,370	122,370	122,370
Medical, Dental & Life Ins	305,920	336,051	391,860	438,310	438,310	438,310
Personal Services	2,127,918	2,177,333	2,503,500	2,566,500	2,566,500	2,566,500
Other Professional Service	354	829	1,000	1,000	1,000	1,000
Postage	3,088	2,717	3,000	3,000	3,000	3,000
Travel & Training	28,682	27,150	25,000	22,500	22,500	22,500
Repairs-Motor Vehicles	13,592	14,587	15,000	15,000	15,000	15,000
Dues & Membership	2,309	1,405	1,200	1,200	1,200	1,200
Laundry/Other Sanitation	2,446	3,211	4,000	4,000	4,000	4,000
Informant Information	1,000	1,000	1,000	1,000	1,000	1,000
Animal Impound Service	30,198	30,198	30,000	30,200	30,200	30,200
Miscellaneous Contractual	32,816	51,243	57,545	37,470	37,470	37,470
Nuisance Abatement	4,045	295	4,500	4,500	4,500	4,500
DARE				2,500	2,500	2,500
Crime Prevention				5,000	5,000	5,000
Contractual Services	118,530	132,635	142,245	127,370	127,370	127,370
Office Supplies	14,112	13,674	13,500	15,500	15,500	15,500
Food & Miscellaneous	2,065	616	2,000	2,000	2,000	2,000
Minor/Safety Equipment	6,433	7,317	7,500	7,500	7,500	7,500
Motor Vehicle Fuel & Oil	44,535	49,717	45,000	45,000	45,000	45,000
Motor Vehicle Parts	5,850	4,085	6,000	6,000	6,000	6,000
Uniforms	9,613	12,318	11,000	11,000	11,000	11,000
Reserve Equip/Uniforms	2,518	5,158	2,500	2,500	2,500	2,500
Commodities	85,126	92,885	87,500	89,500	89,500	89,500
Motor Vehicles	67,750	56,948	54,900			
Other Equipment		1,500	2,500	2,500	2,500	2,500
Capital Outlay	67,750	58,448	57,400	2,500	2,500	2,500
Police - Operations	2,399,324	2,461,301	2,790,645	2,785,870	2,785,870	2,785,870

CONSOLIDATED NON-DEPARTMENTAL EXPENDITURES

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
3-8810 Audit & Others	1,157,334	1,108,072	1,888,720	1,382,725	1,382,725	1,382,725
3-8890 Unapp Balance			25,000	25,000	25,000	25,000
Total	1,157,334	1,108,072	1,913,720	1,407,725	1,407,725	1,407,725

NON-DEPARTMENTAL
by character

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Personal Services						
Materials & Services	176,020	131,003	495,900	332,200	332,200	332,200
Capital Outlay	116,900					
Transfers:						
Reserve			250,000			
Street	76,326	105,904	345,910	218,100	218,100	218,100
Revolving Loan		117,500				
911 Communications	512,954	471,310	608,470	640,115	640,115	640,115
Bonded Debt	275,134	282,355	188,440	192,310	192,310	192,310
Unapp Balance			25,000	25,000	25,000	25,000
Total	1,157,334	1,108,072	1,913,720	1,407,725	1,407,725	1,407,725

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

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Accounting & Auditing	4,525	4,279	5,000	5,000	5,000	5,000
Other Professional Service	44,640	15,550	175,000	150,000	150,000	150,000
Legal Publications	1,753	1,145	1,400	1,400	1,400	1,400
Property & Liability Ins	66,290	67,213	68,000	68,000	68,000	68,000
Dues & Membership	11,168	10,952	10,500	12,000	12,000	12,000
Miscellaneous Contractual	40,917	26,417	205,000	75,000	75,000	75,000
Operating Contractual Svc			20,000	15,000	15,000	15,000
Contractual Services	169,293	125,556	484,900	326,400	326,400	326,400
Food & Miscellaneous	5,124	4,818	5,000	4,800	4,800	4,800
Minor/Safety Equipment	1,603	629	6,000	1,000	1,000	1,000
Commodities	6,727	5,447	11,000	5,800	5,800	5,800
Land, R-O-W & Easement	100,000					
Motor Vehicles	16,900					
Trans to Reserve Fund			250,000			
Trans to Street Fund	76,326	105,904	345,910	218,100	218,100	218,100
Trans to Revolving Loan		117,500				
Trans to 911 Communication	512,954	471,310	608,470	640,115	640,115	640,115
Trans to Bonded Debt	275,134	282,355	188,440	192,310	192,310	192,310
Capital Outlay	981,314	977,069	1,392,820	1,050,525	1,050,525	1,050,525
Audit & Others	1,157,334	1,108,072	1,888,720	1,382,725	1,382,725	1,382,725

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

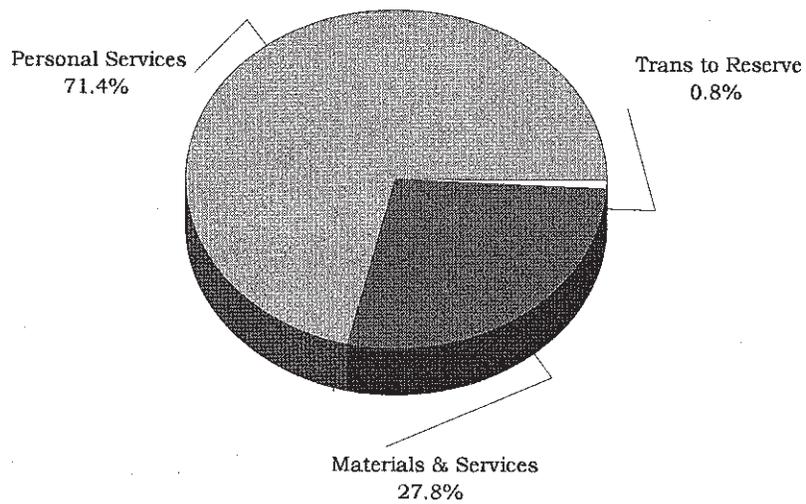
03 GENERAL FUND
8890 UNAPPROPRIATED BALANCE

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Unappropriated Balance			25,000	25,000	25,000	25,000
Grand Total General	6,820,871	6,922,383	8,365,000	7,667,025	7,667,025	7,674,525

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.

2009-10 Street Expenditures



City of Hermiston
Resources

STATE TAX STREET

	2006-07 Received	2007-08 Received	2008-09 Estimate	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
State Highway Allocation	712,278	682,152	700,000	600,000	600,000	600,000
Transfer Fm General Fund	76,326	105,904	345,910	218,100	218,100	218,100
Cash Forward	48,086					
<u>Total</u>	836,690	788,056	1,045,910	818,100	818,100	818,100

STATE TAX STREET EXPENDITURES
by character

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Personal Services	533,694	563,740	566,685	584,000	584,000	584,000
Materials & Services	210,907	216,816	237,725	227,350	227,350	227,350
Capital Outlay						
Transfer to Reserve	92,000	7,500	241,500	6,750	6,750	6,750
Total	836,601	788,056	1,045,910	818,100	818,100	818,100

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

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 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	2	2	2	2	2	2
Municipal Worker I	1	1	1	1	1	1

City of Hermiston
Detailed Expenditures

04
6250 STATE TAX STREET

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Personal Services	335,853	358,916	349,080	349,560	349,560	349,560
Overtime		90	6,000	6,000	6,000	6,000
Unemployment Insurance				1,780	1,780	1,780
Accident Insurance	20,149	25,698	20,790	20,790	20,790	20,790
Retirement	66,598	58,963	73,040	73,140	73,140	73,140
Social Security	24,807	26,669	27,165	27,200	27,200	27,200
Medical, Dental & Life Ins	86,287	93,404	90,610	105,530	105,530	105,530
Personal Services	533,694	563,740	566,685	584,000	584,000	584,000
Travel & Training	3,401	1,175	3,500	2,850	2,850	2,850
Property & Liability Ins	11,050	10,920	11,500	11,500	11,500	11,500
Electricity	17,115	25,946	30,000	30,000	30,000	30,000
Telephone	3,000	3,979	4,200	3,500	3,500	3,500
Street Lights	110,152	103,564	105,000	105,000	105,000	105,000
Repairs-Operating Equip		814	1,000	800	800	800
Laundry/Other Sanitation	1,804	2,062	2,000	2,100	2,100	2,100
Miscellaneous Contractual	15,191	18,531	22,200	18,000	18,000	18,000
Licenses & Permits			50	50	50	50
Contractual Services	161,713	166,991	179,450	173,800	173,800	173,800
Office Supplies	497	561	550	550	550	550
Chemicals	1,897	1,235	2,000	1,750	1,750	1,750
Clean/Sanitation Supplies	107	247	250	225	225	225
Food & Miscellaneous	222	208	225	225	225	225
Fuel-Other Than Vehicle	5,554	5,864	6,000	7,200	7,200	7,200
Minor/Safety Equipment	7,036	7,151	7,750	7,400	7,400	7,400
Motor Vehicle Fuel & Oil	20,796	26,322	27,000	22,000	22,000	22,000
Motor Vehicle Parts	2,220	1,622	2,500	2,500	2,500	2,500
Plmb/Sewage Supplies	480	219	500	400	400	400
Structural Steel & Iron	524	131	500	300	300	300
Parts For Operating Equip	9,861	6,265	11,000	11,000	11,000	11,000
Commodities	49,194	49,825	58,275	53,550	53,550	53,550
Res-Equipment	37,000		59,000			
Res-Street Construction			125,000			
Res-Bicycle Trails	7,000	7,500	7,500	6,750	6,750	6,750
Res-St Johns Access St	48,090					
Res-Street Maintenance			50,000			
Capital Outlay	92,090	7,500	241,500	6,750	6,750	6,750
State Tax Street	836,691	788,056	1,045,910	818,100	818,100	818,100

TRANSIENT ROOM TAX EXPENDITURES
by character

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Personal Services						
Materials & Services	61,806	41,096	59,280	50,000	50,000	50,000
Capital Outlay						
Transfer to Reserve						
Total	61,806	41,096	59,280	50,000	50,000	50,000

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

	2006-07 Received	2007-08 Received	2008-09 Estimate	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Service Charges						
Transient Room Tax	48,975	50,004	42,280	45,000	45,000	45,000
Service Charges	48,975	50,004	42,280	45,000	45,000	45,000
Cash Forward	52,873		17,000	5,000	5,000	5,000
	52,873		17,000	5,000	5,000	5,000
Transient Room Tax	101,848	50,004	59,280	50,000	50,000	50,000

City of Hermiston
Detailed Expenditures

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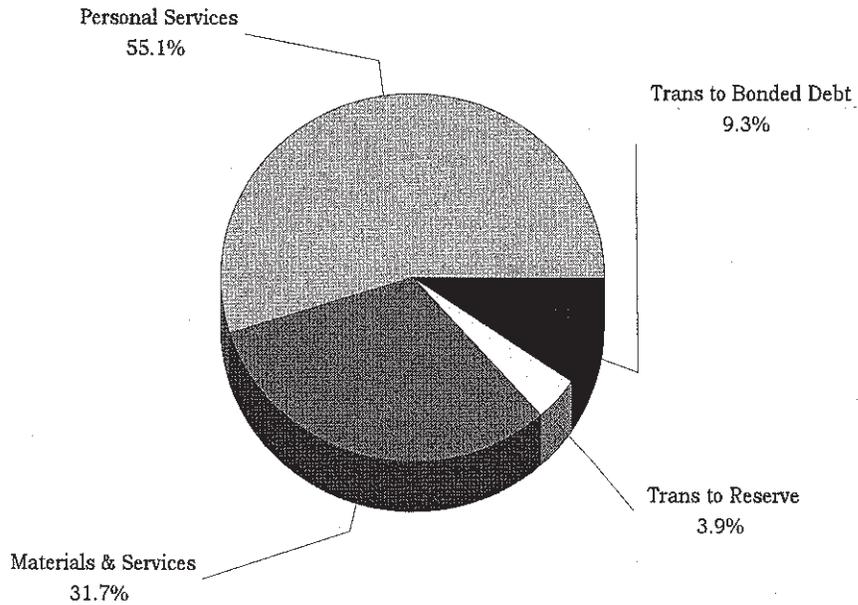
8810 TRANSIENT ROOM TAX

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Miscellaneous Contractual	61,806	41,096	59,280	40,000	40,000	40,000
Operating Contractual Svc				10,000	10,000	10,000
Contractual Services	61,806	41,096	59,280	50,000	50,000	50,000
Transient Room Tax	61,806	41,096	59,280	50,000	50,000	50,000

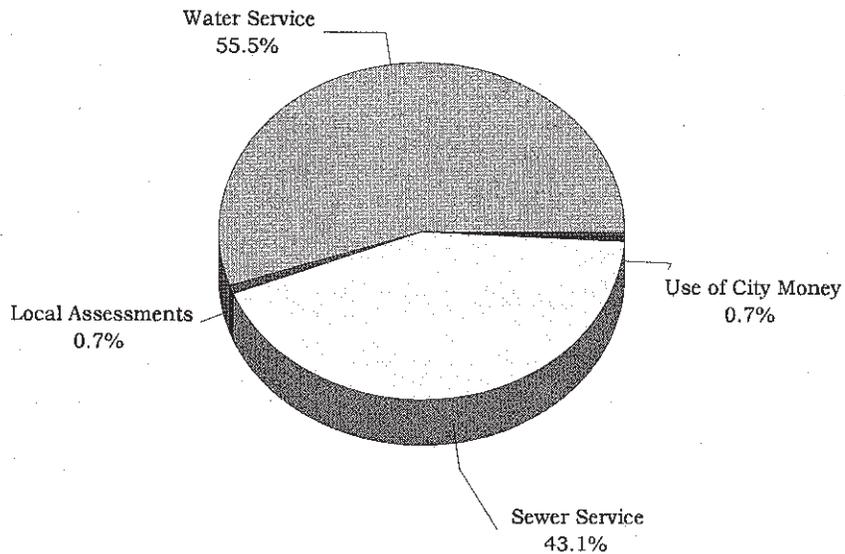
UTILITY FUND

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.

2009-10 Utility Expenditures



2009-10 Utility Resources



City of Hermiston
Resources

UTILITY

	2006-07 Received	2007-08 Received	2008-09 Estimate	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Other Local Assessments						
Assessments Receivable	30,974	21,852	20,000	20,000	20,000	20,000
Local Assessments	30,974	21,852	20,000	20,000	20,000	20,000
Use of City Money						
Interest on Investments	122,330	123,568	100,000	25,000	25,000	25,000
Use of City Money	122,330	123,568	100,000	25,000	25,000	25,000
Sewer Service						
Sewer Sales	1,372,047	1,386,975	1,325,000	1,425,000	1,425,000	1,425,000
Sewer Connection & Svc	29,675	21,050	20,000	6,000	6,000	6,000
Septic Tank Service	51,448	42,399	40,000	37,000	37,000	37,000
Misc Sewer Income	7	381				
Sewer Service	1,453,177	1,450,805	1,385,000	1,468,000	1,468,000	1,468,000
Water Service						
Water Sales	1,774,110	1,817,720	1,725,000	1,850,000	1,850,000	1,850,000
Water Connection & Svc	107,584	92,590	80,000	35,000	35,000	35,000
Misc Water Income	4,120	6,238	4,000	4,000	4,000	4,000
Water Service	1,885,814	1,916,548	1,809,000	1,889,000	1,889,000	1,889,000
Cash Forward	451,585	1,788,510	16,000			
	451,585	1,788,510	16,000			
Utility	3,943,880	5,301,283	3,330,000	3,402,000	3,402,000	3,402,000

CONSOLIDATED UTILITY EXPENDITURES

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
6-6310 Sewer Services	2,062,767	3,140,812	1,583,745	1,738,635	1,738,635	1,738,635
6-6320 Water Services	1,481,259	1,580,266	1,746,255	1,663,365	1,663,365	1,663,365
Total	3,544,026	4,721,078	3,330,000	3,402,000	3,402,000	3,402,000

UTILITY EXPENDITURES
by character

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Personal Services	1,559,882	1,635,320	1,827,680	1,876,090	1,876,090	1,876,090
Materials & Services	1,004,271	1,065,422	1,150,145	1,076,905	1,076,905	1,076,905
Capital Outlay		17,003				
Transfer:						
Reserve	300,000	1,430,000		134,075	134,075	134,075
Bonded Debt	679,873	573,333	352,175	314,930	314,930	314,930
Total	3,544,026	4,721,078	3,330,000	3,402,000	3,402,000	3,402,000

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 28 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 08/09 budget year we worked closely with our consulting engineer's negotiating for a continued or new discharge point for the treatment plant. We completed the Membrane Bioreactor selection process. Completed a Value Engineering process to see if there are places to reduce cost in the new treatment plant, this was also a requirement for the State Revolving Fund loan process. ct (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 2009 we must have the plans and specs completed. We will then have one year to complete the construction 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

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Wastewater Superintendent	1	1	1	1	1	1
City Manager	2/5	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	2	2	2	2	2	2
Wastewater Worker II	3	2	2	2	2	2
Wastewater Worker I	1	1	1	1	1	1

City of Hermiston
Detailed Expenditures

06 UTILITY
6310 DISPOSAL PLANT MAINTENANCE

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Personal Services 612,232		610,106	625,000	643,820	643,820	643,820
Overtime	18,189	23,972	19,000	19,000	19,000	19,000
Unemployment Insurance				3,315	3,315	3,315
Accident Insurance	16,811	16,503	11,335	11,495	11,495	11,495
Retirement	123,244	98,289	127,800	131,655	131,655	131,655
Social Security	47,084	47,253	49,265	50,710	50,710	50,710
Medical, Dental & Life Ins	121,642	137,388	158,035	176,310	176,310	176,310
Personal Services	939,202	933,511	990,435	1,036,305	1,036,305	1,036,305
Accounting & Auditing	6,750	6,932	7,000	7,500	7,500	7,500
Other Professional Service	70,763	86,768	30,000	28,650	28,650	28,650
Postage	11,677	12,277	12,000	12,300	12,300	12,300
Travel & Training	2,948	4,695	3,000	3,000	3,000	3,000
Property & Liability Ins	28,802	31,053	31,500	31,000	31,000	31,000
Electricity	111,007	113,596	115,000	118,000	118,000	118,000
Telephone	7,385	8,084	8,000	8,000	8,000	8,000
Repairs-Mach & Equip	17,246	9,260	7,500	9,000	9,000	9,000
Repairs-Motor Vehicles	55	30	100	100	100	100
Repairs-Office Equipment	6,726	7,773	7,000	7,000	7,000	7,000
Dues & Membership	2,163	2,032	1,775	1,040	1,040	1,040
Laundry/Other Sanitation	1,869	2,223	2,300	2,300	2,300	2,300
Miscellaneous Contractual	26,984	24,225	26,200	30,700	30,700	30,700
Licenses & Permits	9,917	10,429	10,375	14,150	14,150	14,150
Operating Contractual Svc			35,660	20,000	20,000	20,000
Contractual Services	304,292	319,377	297,410	292,740	292,740	292,740
Office Supplies	6,286	6,657	6,000	7,000	7,000	7,000
Ag & Hort Supplies	161	492				
Chemicals	41,371	87,444	81,000	70,000	70,000	70,000
Clean/Sanitation Supplies	787	850	800	800	800	800
Concrete Supplies	39	43		100	100	100
Food & Miscellaneous	359	213	250	250	250	250
Fuel-Other Than Vehicle	4,016	3,657	4,500	4,500	4,500	4,500
Lube-Other Than Vehicle	550	79	450	1,450	1,450	1,450
Medical & Lab Supplies	10,184	8,436	8,300	8,500	8,500	8,500
Minor/Safety Equipment	5,643	9,370	7,650	7,500	7,500	7,500
Motor Vehicle Fuel & Oil	9,816	10,927	8,400	8,400	8,400	8,400
Motor Vehicle Parts	310	2,048	2,100	2,300	2,300	2,300
Paint & Paint Supplies		226	150	250	250	250
Plmb & Sewage Supplies	540	225	400	500	500	500
Parts For Operating Equip	11,567	9,764	20,500	10,000	10,000	10,000
Commodities	91,629	140,431	140,500	121,550	121,550	121,550
Res-Equipment	250,000					
Res-Sewer Plant & Repairs		375,000				
Res-Office Equipment	5,000	5,000		3,500	3,500	3,500
Res-Utility Construction	40,000	46,000				
Res-WWT Plant Improvement		945,000		127,075	127,075	127,075
Transfer-Bonded Debt	432,644	376,493	155,400	157,465	157,465	157,465
Capital Outlay	727,644	1,747,493	155,400	288,040	288,040	288,040
Disposal Plant Maint	2,062,767	3,140,812	1,583,745	1,738,635	1,738,635	1,738,635

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

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Water Superintendent	1	1	1	1	1	1
City Manager	2/5	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	2	2	2	2
Meter Reader/Gen Clerical	2	2	1	1	1	1

City of Hermiston
Detailed Expenditures

06 UTILITY
6320 WATER PRODUCTION/MAINTENANCE

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Personal Services	363,982	444,273	512,360	499,880	499,880	499,880
Overtime	15,343	19,340	20,000	20,000	20,000	20,000
Unemployment Insurance				2,600	2,600	2,600
Accident Insurance	14,740	14,796	13,895	13,600	13,600	13,600
Retirement	87,787	70,750	104,820	102,250	102,250	102,250
Social Security	34,529	34,417	40,750	39,775	39,775	39,775
Medical, Dental & Life Ins	104,299	118,233	145,420	161,680	161,680	161,680
Personal Services	620,680	701,809	837,245	839,785	839,785	839,785
Accounting & Auditing	6,750	6,932	7,000	7,500	7,500	7,500
Other Professional Service	72,518	131,420	100,000	75,000	75,000	75,000
Water Sales				11,500	11,500	11,500
Postage	11,980	14,690	14,000	14,000	14,000	14,000
Travel & Training	5,533	3,072	5,750	4,750	4,750	4,750
Property & Liability Ins	25,931	24,942	25,000	25,000	25,000	25,000
Electricity	218,197	235,297	239,000	239,000	239,000	239,000
Telephone	3,185	3,543	3,500	3,640	3,640	3,640
Regional Water	73,995	10,655	70,000	70,000	70,000	70,000
Repairs-Mach & Equip	335	26	450	400	400	400
Repairs-Motor Vehicles	166		300	450	450	450
Repairs-Operating Equip		814	200	200	200	200
Repairs-Office Equipment	6,746	7,773	8,000	8,000	8,000	8,000
Other Repairs	150		150			
Equip Rent Allowance	493	132	500	450	450	450
Dues & Membership	1,402	1,691	1,400	1,400	1,400	1,400
Miscellaneous Contractual	52,029	53,445	75,000	60,000	60,000	60,000
Operating Contractual Svc			35,660	20,000	20,000	20,000
Contractual Services	479,410	494,432	585,910	541,290	541,290	541,290
Office Supplies	6,748	6,508	7,000	7,000	7,000	7,000
Chemicals	16,596	17,010	18,000	18,000	18,000	18,000
Clean/Sanitation Supplies	173	176	300	150	150	150
Concrete Supplies	300	2,014	2,000	1,000	1,000	1,000
Food & Miscellaneous	365	325	375	375	375	375
Fuel-Other Than Vehicle	625	464	650	650	650	650
Lube-Other Than Vehicle	898	291	700	700	700	700
Minor/Safety Equipment	7,591	5,418	8,500	7,750	7,750	7,750
Motor Vehicle Fuel & Oil	13,467	14,317	14,500	13,500	13,500	13,500
Motor Vehicle Parts	979	877	1,500	1,500	1,500	1,500
Paint & Paint Supplies	716	378	800	700	700	700
Plmb & Sewage Supplies	71,762	52,757	60,000	58,000	58,000	58,000
Parts For Operating Equip	8,720	10,647	12,000	12,000	12,000	12,000
Commodities	128,940	111,182	126,325	121,325	121,325	121,325
Motor Vehicle Res-Equipment		17,003				
Res-Office Equipment	5,000	8,000		3,500	3,500	3,500
Res-Utility Construction		46,000				
Transfer-Bonded Debt	247,229	196,840	196,775	157,465	157,465	157,465
Capital Outlay	252,229	272,843	196,775	160,965	160,965	160,965
Water Production/Maint	1,481,259	1,580,266	1,746,255	1,663,365	1,663,365	1,663,365
Grand Total Utility	3,544,026	4,721,077	3,330,000	3,402,000	3,402,000	3,402,000

911 COMMUNICATIONS
by character

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Personal Services	577,962	601,423	662,770	705,265	705,265	705,265
Materials & Services	31,179	41,656	44,700	44,050	44,050	44,050
Capital Outlay	925	450	1,000	800	800	800
Transfer to Reserve						
Total	610,066	643,529	708,470	750,115	750,115	750,115

MISSION STATEMENT: The Hermiston Communications Center provides quality emergency communications for the City of Hermiston Police, Hermiston Fire and Emergency Services, Stanfield Fire, Stanfield Quick Response 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. We process case reports for the District Attorney's Office using Digital Discovery. This is a paperless system that delivers color copies in a timely manner.

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, 911 Vesta Pallas, and communications equipment. This year we added a digital voice recorder from Higherground to capture all 911 calls, radio traffic and business phone lines. 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.

By utilizing today's technology we are better equipped to respond to the needs of the community along with focusing on customer service as we strive to become a high performance organization.

PERSONNEL DISTRIBUTION

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Administrative Sergeant	1/2	1/2	1/2	1/2	1/2	1/2
Dispatcher/Clerk	8	8	8	8	8	8
Data Entry Clerk	1	1	1	1	1	1

City of Hermiston
Resources

911 COMMUNICATIONS

	2006-07 Received	2007-08 Received	2008-09 Estimate	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
911 Communications Tax	97,111	172,219	100,000	110,000	110,000	110,000
Transfer Fm General Fund	512,954	471,310	608,470	640,115	640,115	640,115
<u>Total</u>	610,065	643,529	708,470	750,115	750,115	750,115

City of Hermiston
Detailed Expenditures

09
7170

911 COMMUNICATIONS

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Personal Services	381,284	404,976	418,225	421,570	421,570	421,570
Overtime	11,988	7,699	18,000	18,000	18,000	18,000
Unemployment Insurance				2,200	2,200	2,200
Accident Insurance	2,296	2,516	2,615	2,620	2,620	2,620
Retirement	78,026	68,029	89,735	90,420	90,420	90,420
Social Security	29,444	30,826	33,375	33,630	33,630	33,630
Medical, Dental & Life Ins	74,924	87,377	100,820	136,825	136,825	136,825
Personal Services	577,962	601,423	662,770	705,265	705,265	705,265
Travel & Training	3,466	2,335	4,000	3,900	3,900	3,900
Telephone	9,608	10,092	12,000	12,500	12,500	12,500
Repairs-Machinery & Equip	150		200	150	150	150
Repairs-Office Equipment	17,078	28,885	27,000	26,500	26,500	26,500
Contractual Services	30,302	41,312	43,200	43,050	43,050	43,050
Uniforms	877	344	1,500	1,000	1,000	1,000
Commodities	877	344	1,500	1,000	1,000	1,000
Other Equipment	925	450	1,000	800	800	800
Capital Outlay	925	450	1,000	800	800	800
911 Communications	610,066	643,529	708,470	750,115	750,115	750,115

CONSOLIDATED REGIONAL WATER EXPENDITURES

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
15-6320 Non-Potable Water	110,187	87,356	96,215	99,935	99,935	99,935
15-6330 Potable Water	108,441	117,436	122,865	127,685	127,685	127,685
15-6335 River Intake	268,004	193,819	259,335	245,445	245,445	245,445
15-8810 Audit & Others	52,847	123,854	99,705	83,075	83,075	83,075
Total	539,479	522,465	578,120	556,140	556,140	556,140

REGIONAL WATER EXPENDITURES

by character

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Personal Services	240,419	151,384	175,515	179,365	179,365	179,365
Materials & Services	289,060	361,081	402,605	376,775	376,775	376,775
Capital Outlay						
Transfer to Reserve	10,000	10,000				
Total	539,479	522,465	578,120	556,140	556,140	556,140

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

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
City Engineer	1/3	1/3	1/3	1/3	1/3	1/3
Water Chief Operator	1	0	0	1	1	1
Water Utility Worker IV	1	1	1	0	0	0

City of Hermiston
Resources

REGIONAL WATER

	2006-07 Received	2007-08 Received	2008-09 Estimate	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Water Revenue						
Potable Water	98,092	34,058	35,000	90,000	90,000	90,000
Non-Potable Water	374,919	471,320	400,000	425,000	425,000	425,000
Water Revenues	473,011	505,378	435,000	515,000	515,000	515,000
Cash Forward	1,289	86,635	143,120	41,140	41,140	41,140
	1,289	86,635	143,120	41,140	41,140	41,140
Regional Water	474,300	592,013	578,120	556,140	556,140	556,140

City of Hermiston
Detailed Expenditures

15 REGIONAL WATER
6320 NON-POTABLE WATER

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Personal Services	45,511	31,337	29,515	29,560	29,560	29,560
Overtime	3,300	4,406	5,850	5,850	5,850	5,850
Unemployment Insurance				180	180	180
Accident Insurance	1,209	1,096	1,075	1,075	1,075	1,075
Retirement	10,040	5,883	7,260	7,285	7,285	7,285
Social Security	3,672	2,681	2,700	2,710	2,710	2,710
Medical, Dental & Life Ins	7,574	6,442	6,265	7,300	7,300	7,300
Personal Services	71,306	51,845	52,665	53,960	53,960	53,960
Other Professional Service	1,230	1,395	1,750	1,500	1,500	1,500
Electricity	31,651	30,362	33,000	37,000	37,000	37,000
Miscellaneous Contractual	4,980	2,340	4,600	4,000	4,000	4,000
Contractual Services	37,861	34,097	39,350	42,500	42,500	42,500
Fuel-Other Than Vehicle	754	276		275	275	275
Minor/Safety Equipment	18					
Plmb & Sewage Supplies	186		200	200	200	200
Parts For Operating Equip	62	1,137	4,000	3,000	3,000	3,000
Commodities	1,020	1,413	4,200	3,475	3,475	3,475
Non-Potable Water	110,187	87,355	96,215	99,935	99,935	99,935

City of Hermiston
Detailed Expenditures

15 REGIONAL WATER
6330 POTABLE WATER

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Personal Services	24,620	35,938	29,515	29,560	29,560	29,560
Overtime	3,869	4,295	5,850	5,850	5,850	5,850
Unemployment Insurance				180	180	180
Accident Insurance	1,284	1,300	1,075	1,075	1,075	1,075
Retirement	5,860	6,585	7,260	7,285	7,285	7,285
Social Security	2,127	3,000	2,700	2,710	2,710	2,710
Medical, Dental & Life Ins	6,325	7,586	6,265	7,300	7,300	7,300
Personal Services	44,085	58,704	52,665	53,960	53,960	53,960
Other Professional Service			1,000	500	500	500
Water Samples				10,000	10,000	10,000
Electricity	45,442	43,966	47,000	47,000	47,000	47,000
Miscellaneous Contractual	8,182	8,416	6,750	1,500	1,500	1,500
Contractual Services	53,624	52,382	54,750	59,000	59,000	59,000
Chemicals	8,855	3,288	8,000	9,000	9,000	9,000
Medical & Lab Supplies	360	250	250	375	375	375
Minor/Safety Equipment	77	635		200	200	200
Plmb & Sewage Supplies	342		200	150	150	150
Parts For Operating Equip	1,098	2,177	7,000	5,000	5,000	5,000
Commodities	10,732	6,350	15,450	14,725	14,725	14,725
Potable Water	108,441	117,436	122,865	127,685	127,685	127,685

City of Hermiston
Detailed Expenditures

15 REGIONAL WATER
6335 RIVER INTAKE STATION

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Personal Services	101,560	11,507	39,320	39,410	39,410	39,410
Overtime	9,623	16,055	7,800	7,800	7,800	7,800
Unemployment Insurance				240	240	240
Accident Insurance	1,080	1,049	1,430	1,435	1,435	1,435
Retirement	5,365	4,514	9,680	9,715	9,715	9,715
Social Security	1,954	2,050	3,600	3,615	3,615	3,615
Medical, Dental & Life Ins	5,446	5,659	8,355	9,230	9,230	9,230
Personal Services	125,028	40,834	70,185	71,445	71,445	71,445
Other Professional Service			1,000	500	500	500
Electricity	115,560	145,474	145,000	145,000	145,000	145,000
Miscellaneous Contractual	25,200	1,051	40,000	25,000	25,000	25,000
Contractual Services	140,760	146,525	186,000	170,500	170,500	170,500
Minor/Safety Equip		4		350	350	350
Plmb & Sewage Supplies	90	53	150	150	150	150
Parts For Operating Equip	2,126	6,403	3,000	3,000	3,000	3,000
Commodities	2,216	6,460	3,150	3,500	3,500	3,500
River Intake Station	268,004	193,819	259,335	245,445	245,445	245,445

City of Hermiston
Detailed Expenditures

15 REGIONAL WATER
8810 AUDIT & OTHERS

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Accounting & Auditing	2,520	1,617	2,000	2,000	2,000	2,000
Other Professional Service	5,419	50,241	45,000	35,000	35,000	35,000
Postage	12	66	80	50	50	50
Travel & Training	2,709	1,440	2,500	2,500	2,500	2,500
Property & Liability Ins	11,498	7,188	8,000	8,000	8,000	8,000
Telephone	2,811	3,373	3,600	3,600	3,600	3,600
Miscellaneous Contractual	10,465	46,722	35,000	25,000	25,000	25,000
Contractual Services	35,434	110,647	96,180	76,150	76,150	76,150
Office Supplies	1,489	1,172	1,000	2,000	2,000	2,000
Clean/Sanitation Supplies		26	50	50	50	50
Lube-Other Than Vehicle			75	75	75	75
Minor/Safety Equipment	4,333	389	1,500	1,500	1,500	1,500
Motor Vehicle Fuel & Oil		331	100	2,000	2,000	2,000
Motor Vehicle Parts	1,591	600	600	600	600	600
Parts For Operating Equip		689	200	700	700	700
Commodities	7,413	3,207	3,525	6,925	6,925	6,925
Res-Repair & Replacement	10,000	10,000				
Capital Outlay	10,000	10,000				
Audit & Others	52,847	123,854	99,705	83,075	83,075	83,075
Grand Total Regional	539,479	522,465	578,120	556,140	556,140	556,140

REVOLVING LOAN FUND
by character

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Personal Services						
Materials & Services		248,769	1,667,500	1,237,500	1,237,500	1,237,500
Capital Outlay						
Transfer to Reserve						
Transfer to General	167,500					
Total	167,500	248,769	1,667,500	1,237,500	1,237,500	1,237,500

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 \$837,500 which consists of a City General Fund match of \$87,500 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

	2006-07 Received	2007-08 Received	2008-09 Estimate	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Other Local Assessments Assessments Receivable	4,773					
Local Assessments	4,773					
From Other Agencies						
Business Incentive Grant		5,000	750,000	750,000	750,000	750,000
Housing Rehabilitation		228,995	800,000	400,000	400,000	400,000
From Other Agencies		233,995	1,550,000	1,150,000	1,150,000	1,150,000
Miscellaneous Revenues						
Transfer Fm General Fund		117,500				
Miscellaneous Revenues		117,500				
Cash Forward	182,062	18,597	117,500	87,500	87,500	87,500
	182,062	18,597	117,500	87,500	87,500	87,500
Revolving Loan	186,835	370,092	1,667,500	1,237,500	1,237,500	1,237,500

City of Hermiston
Detailed Expenditures

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6320 REVOLVING LOAN

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Business Incentive Project		5,314	867,500	837,500		
Housing Rehabilitation		243,455	800,000	400,000		
Contractual Services		248,769	1,667,500	1,237,500		
Trans To General	167,500					
Capital Outlay	167,500					
Revolving Loan	167,500	248,769	1,667,500	1,237,500		

HERMISTON ENERGY SERVICES
by character

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Personal Services	204,677	211,357	230,590	235,755	235,755	235,755
Materials & Services	5,655,892	5,438,124	5,828,750	5,960,600	5,960,600	5,960,600
Capital Outlay	252,407	177,319	600,000	400,000	400,000	400,000
Transfer to Reserve	100,000	182,145	100,000	78,645	78,645	78,645
Transfer to Bonded Debt	710,981	610,813	716,105	731,000	731,000	731,000
Total	6,923,957	6,619,758	7,475,445	7,406,000	7,406,000	7,406,000

MISSION STATEMENT: To provide the citizen-owners of Hermiston Energy Services with safe and reliable electric service at comparable and 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 2007-08 fiscal year.

As a municipal owned electric utility, HES has access to federal power, and during the year executed a new 20 year power purchase agreement with the Bonneville Power Administration that expires September, 2028. The new contract requires us to purchase non-federal power above our high water mark starting October 1, 2011. This power will be at a much higher rate compared to BPA's Tier1 Federal Base System. For the next two year rate period starting October 1, 2009, BPA is contemplating a rate increase of 20 to 25%. The budget is using a 20%BPA rate increase

The 2008 operating year resulted in cash margins of \$1,049,693 which was by far a record year financially. In addition to a satisfactory year of operations of our system, a one time payment of \$385,614 as a residential exchange settlement with the investor owned utilities added to the margins. In addition a lookback credit of \$33,746 a month on our BPA power bill started in October 2008 and will continue until October 2009. A lookback credit \$187,911 per year for fiscal year 2010 and 2011 is proposed which will help mitigate BPA's rate increase. At the end of 2009 we expect our margins to be approximately \$5,000,000 which will provide an equity of nearly 40% which is considered an optimum for electric utilities.

PERSONNEL DISTRIBUTION

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Electrical Service Supt	1	1	1	1	1	1
City Manager	1/5	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

	2006-07 Received	2007-08 Received	2008-09 Estimate	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Use of City Money						
Interest on Investments	51,202	60,553	40,000	15,000	15,000	15,000
Use of City Money	51,202	60,553	40,000	15,000	15,000	15,000
Non-Revenue Receipts						
Reimburse Direct Expense		385,614				
Non-Revenue Receipts		385,614				
Miscellaneous Revenues						
Energy Services	7,144,458	7,269,404	7,300,000	7,350,000	7,350,000	7,350,000
Misc Energy Income	16,141	66,835	35,445	41,000	41,000	41,000
Miscellaneous Revenues	7,160,599	7,336,239	7,335,445	7,391,000	7,391,000	7,391,000
Cash Forward	1,105	4,700	100,000			
	1,105	4,700	100,000			
Energy Services	7,212,906	7,787,106	7,475,445	7,406,000	7,406,000	7,406,000

City of Hermiston
Detailed Expenditures

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6350 HERMISTON ENERGY SERVICES

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Personal Services	148,701	157,241	165,840	168,360	168,360	168,360
Overtime			600	600	600	600
Unemployment Insurance				845	845	845
Accident Insurance	1,081	1,235	1,285	1,295	1,295	1,295
Retirement	30,018	25,443	33,300	33,525	33,525	33,525
Social Security	11,234	11,871	12,735	12,925	12,925	12,925
Medical, Dental & Life Ins	13,643	15,567	16,830	18,205	18,205	18,205
Personal Services	204,677	211,357	230,590	235,755	235,755	235,755
Accounting & Auditing	3,555	4,647	6,000	5,000	5,000	5,000
Other Professional Service	1,157,097	1,308,497	1,356,555	1,374,800	1,374,800	1,374,800
Travel & Training	2,399	4,693	6,200	7,000	7,000	7,000
Property & Liability Ins	13,811	15,016	15,500	15,500	15,500	15,500
Telephone	432	433	500	500	500	500
Power Purchases-BPA	4,048,506	3,638,242	3,850,000	4,049,000	4,049,000	4,049,000
In Lieu of Taxes	357,298	363,501	350,000	367,500	367,500	367,500
Conservation Services	18,950	38,621	164,000	70,000	70,000	70,000
Energy Assistance (HEAT)	10,000	10,000	10,000	10,000	10,000	10,000
Dues & Membership	31,181	39,041	38,795	39,800	39,800	39,800
Miscellaneous Contractual	12,001	14,104	30,000	20,000	20,000	20,000
Contractual Services	5,655,230	5,436,795	5,827,550	5,959,100	5,959,100	5,959,100
Office Supplies	662	1,329	1,200	1,500	1,500	1,500
Commodities	662	1,329	1,200	1,500	1,500	1,500
Capital Improvements	252,407	177,319	600,000	400,000	400,000	400,000
Res-HES Improvements	100,000	182,145	100,000	78,645	78,645	78,645
Transfer-Bonded Debt	710,981	610,813	716,105	731,000	731,000	731,000
Capital Outlay	1,063,388	970,277	1,416,105	1,209,645	1,209,645	1,209,645
Energy Services	6,923,957	6,619,758	7,475,445	7,406,000	7,406,000	7,406,000

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	
Street	6,750
Utility	134,075
Energy Services	78,645
	<hr/>
	\$219,470

RESERVE FUND - RESOURCES

Fund Established by Resolution No. 1855 on 04/27/2009
 For Maintenance and Replacement of Equipment

	2006-07 Received	2007-08 Received	2008-09 Estimate	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Miscellaneous Grants			853,000	860,000	860,000	860,000
Airport Grant	72,262	116,833	762,000			
Transient Room Tax	58,770	60,004	93,140	93,000	93,000	93,000
Miscellaneous Income	433,935	443,524				
Transfers From:						
General Fund	227,620	18,000	364,000			
Street Fund	92,090	7,500	241,500	6,750	6,750	6,750
Utility Fund	300,000	1,339,816		134,075	134,075	134,075
Revolving Loan	167,500					
Regional Water	10,000	10,000				
Energy Services	100,000	182,145	100,000	78,645	78,645	78,645
Cash Forward	3,082,262	3,396,508	3,971,275	3,490,725	3,490,725	3,490,725
Total Resources	4,544,439	5,574,330	6,384,915	4,663,195	4,663,195	4,663,195

RESERVE FUND - EXPENDITURES

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Office Equipment/Program	16,871	2,099	45,930	41,210	41,210	41,210
Airport Improvements	84,380	75,366	813,300			
Park Improvements			114,945	77,750	77,750	77,750
TRT/Recreation Programs	15,612	30,801	56,785	77,900	77,900	77,900
Parks & Recreation Dev	14,081	31,612	87,480	97,800	97,800	97,800
Centennial Bell	261,658	171,101	5,800	2,100	2,100	2,100
Pioneer Hi-Bred						
Improvements			860,000	902,850	902,850	902,850
St Johns Access Street	16,158	160,309				
Street Equipment	31,872		64,180	22,500	22,500	22,500
Bicycle Trails			42,115	48,865	48,865	48,865
Street Maintenance	35,066	68,304	93,870	45,750	45,750	45,750
Street Construction	413,021	159,581	206,765			
Utility Construction	20,056		51,580	51,580	51,580	51,580
Sewer Dept Equipment		1,826	400	400	400	400
Sewer Plant & Repairs		222,487	338,865			
Water Dept Equipment	2,500	18,538	405	405	405	405
WWT Plant Improvement		747,757	290,325	127,075	127,075	127,075
BMCC Latino Education			243,000	243,000	243,000	243,000
HES Improvements			1,349,315	1,427,960	1,427,960	1,427,960
Repair/Replacement -						
Regional		3,488	853,040	726,790	726,790	726,790
Wastewater - SDC		134,297	158,745	45,810	45,810	45,810
Water - SDC			708,070	714,650	714,650	714,650
Parks - SDC				8,800	8,800	8,800
Total Expenditures	911,275	1,827,566	6,384,915	4,663,195	4,663,195	4,663,195

RESERVE FUND EXPENDITURES
by character

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Personal Services						
Materials & Services	50,678	99,105	393,655	366,650	366,650	366,650
Capital Outlay	860,597	1,728,461	5,991,260	4,296,545	4,296,545	4,296,545
Transfer to General						
Total	911,275	1,827,566	6,384,915	4,663,195	4,663,195	4,663,195

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. **Pioneer Hi-Bred Improvements.** This account was established to fund expenditures for infrastructure extension and improvements, road/water/sewer, to Pioneer Hi-Bred seed site. A portion of that expense is recovered through Immediate Opportunity Fund grant and Special Public Works Fund grant.
8. **Street Equipment.** Designated to replace heavy equipment in the street department.
9. **Bicycle Trails.** This is a state-mandated outlay consisting of 1% of all gasoline tax proceeds for the development of bicycle systems.
10. **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.
11. **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.

12. **Utility Construction**. This account was created to accumulate funds to address all major water and sewer projects.
13. **Sewer Department Equipment**. Designated to replace equipment in the sewer department.
14. **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.
15. **Water Department Equipment**. Designated to replace heavy equipment in the water department.
16. **WWT Plant Improvements**. These funds 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.
17. **BMCC Latino Education**. This fund was created to reimburse expenditures of this jointly sponsored BMCC/City of Hermiston HUD Special projects program. These are programming dollars for a special Latino education program coordinated by BMCC. All funding is from an HUD grant. When the Northeastern Oregon Business and Economic Growth Project is finalized these reimbursed monies will be credited as matching dollars toward the future funding from the State of Oregon toward this program.
18. **HES Improvements**. This reserve establishes the initial funding for future HES capital contingencies.
19. **Repair & Replacement-Regional**. Designated to set aside funds for major capital repairs and replacement to the regional water treatment system.
20. **Wastewater System Development Charges**. Reimbursement and improvement fees shall be spent only on capital improvements associated with the wastewater system or on capacity increasing capital improvements including expenditures relating to repayment of indebtedness.
21. **Water System Development Charges**. Reimbursement and improvement fees shall be spent only on capital improvements associated with the water system or on capacity increasing capital improvements including expenditures relating to repayment of indebtedness.
22. **Park System Development Charges**. Reimbursement and improvement fees shall be spent only on capital improvements associated with the parks system or on capacity increasing capital improvements including expenditures relating to repayment of indebtedness.

WWTP CONSTRUCTION
by character

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Personal Services						
Materials & Services			1,500,000	1,500,000	1,500,000	1,500,000
Capital Outlay						
Total			1,500,000	1,500,000	1,500,000	1,500,000

In accord with the city policy of isolating and independently accounting for major capital projects, the wastewater treatment plant construction project fund was created by supplemental budget in fiscal year 2008-09.

City of Hermiston
Resources

WWTP CONSTRUCTION

	2006-07 Received	2007-08 Received	2008-09 Estimate	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Sale of Full Faith & Credit Non-Revenue Receipts			1,500,000	1,500,000	1,500,000	1,500,000
			1,500,000	1,500,000	1,500,000	1,500,000
Cash Forward						
WWTP Construction			1,500,000	1,500,000	1,500,000	1,500,000

City of Hermiston
Detailed Expenditures

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6350 WWTP CONSTRUCTION

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Other Professional Services			1,450,000	1,450,000	1,450,000	1,450,000
Miscellaneous Contractual			50,000	50,000	50,000	50,000
Contractual Services			1,500,000	1,500,000	1,500,000	1,500,000
WWTP Construction			1,500,000	1,500,000	1,500,000	1,500,000

SPECIAL REVENUE FUND - RESOURCES

	2006-07 Received	2007-08 Received	2008-09 Estimate	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Miscellaneous Grants						
Gifts & Donations						
Miscellaneous Revenues						
Cash Forward			494,070	617,600	617,600	617,600
Total Resources			494,070	617,600	617,600	617,600

SPECIAL REVENUE FUND - EXPENDITURES

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Recreation Fund			81,525	63,800	63,800	63,800
Municipal Court			5,000	5,000	5,000	5,000
Miscellaneous Trust			259,925	380,400	380,400	380,400
Conference Center			60,200	82,300	82,300	82,300
Law Enforcement			46,445	45,100	45,100	45,100
Library			40,975	41,000	41,000	41,000
Total Expenditures			494,070	617,600	617,600	617,600

SPECIAL REVENUE FUND EXPENDITURES
by character

	2006-07 Expended	2007-08 Expended	2008-09 Budget	2009-10 Proposed	2009-10 Approved	2009-10 Adopted
Personal Services						
Materials & Services			423,420	370,560	370,560	370,560
Capital Outlay			70,650	247,040	247,040	247,040
Total			494,070	617,600	617,600	617,600

Special revenue funds are used to account for specific revenues that are restricted to expenditure for particular purposes. A detailed analysis of each revenue account and specified goal for the account is:

1. **Recreation:** This fund is used to account for amounts designated for recreation activities for city residents.
2. **Municipal Court:** This fund is used to account for bail and fines received and refunds paid.
3. **Miscellaneous Trust Account:** This fund is used to account for amounts received by the city with a dedicated purpose.
4. **Conference Center:** This fund is used to account for revenues and expenditures relating to the operation of the City's conference center
5. **Law Enforcement:** This fund is used to account for amounts designated by the City for law enforcement and related purposes.
6. **Library:** This fund is used to account for amounts designated by the City for library operations and improvements.

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.

WWTP. Wastewater Treatment Plant.

HERMISTON CITY COUNCIL

Budget Committee Meeting

May 18, 2009

At 6:00 pm Mayor Severson opened the first meeting of the budget committee to consider the proposed budget for 2009-10 fiscal year. Present were budget committee members Walt Achuff, Fred Allen, Jr., Mary Corp, Betty Crampton, Rod Hardin, Joe Harn, Frank Harkenrider, Jackie Myers, Harmon Springer, Pat Wheelhouse and DuWayne White. Michael Calame, Albert McAfee and Brian Misner were excused.

City staff present included City Manager Brookshier, City Attorney Luisi, Bob Irby, Ray Jones, Dan Coulombe, Ron Sivey, Roy Bicknell, Darrell Schiffner, Bill Schmittle, Judge Tom Creasing, Ivan Anderholm, Pat Napolitano, Mike Ward, Chuck Woolsey, Clint Spencer, Marie Baldo and Donna Moeller. News media present were Karen Hutchinson-Talaski of the Hermiston Herald and Eric Florip of the East Oregonian.

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 2009-10 fiscal year is \$30,313,895, which represents an almost 10% decrease from the adopted 2008-09 budget. The General Fund is proposed at \$7,667,025 down about 9% from the 2008-09 final budget. The proposed 2009-10 Budget is about dealing with the effects of the recession on a near term basis, preparatory to a longer term examination of our revenues and services mix for the 2010-11 year and beyond. We cannot presently know if the level of cut-backs we are imposing for the coming year will be sufficient to see us through these difficult times, or if more severe cuts lie ahead. The reductions we have proposed for the 2009-10 year are in some cases the kinds of things that are possible on a now-and-again basis, such as electing not to replace any police cars this year and not electing to appropriate any new general revenues toward street maintenance for the coming year, but this is not the preferred course for the longer term. In the longer term, and particularly as it relates to the General Fund from which most of the services we provide are financed, we must deal with the fact of escalating personnel costs if our revenue base is down during the continuing recession. Personnel costs account for 64% of the 2009-10 General Fund budget. We are pleased that our police union employees have been willing to help us in this difficult time. They were contracted to receive a 4% pay increase for the 2009-10 year. The same increase would have been granted to our non-union employees. The police union has agreed to forego the 4% increase along with any step increases which employees might be eligible for over the course of the coming fiscal year. This freeze on pay increases will extend to non-union employees as well.

Upon completion of the presentations of the remaining budgets, and with no further comments or questions regarding the budget, DuWayne White moved and Frank Harkenrider seconded to approve the rate per thousand of \$6.0860 for general fund operations. Motion carried unanimously. Joe Harn moved and Jackie Myers seconded to approve a tax levy of \$390,122 for bonded debt. Motion carried unanimously.

Frank Harkenrider moved and Walt Achuff seconded to approve the budget as presented. Motion carried unanimously.

It was announced that the budget hearing is scheduled for June 8, 2009 at 7:00 pm.

The meeting was adjourned at 7:50 pm.

APPROVED:

/s/ Mary Corp
Budget Chairman

ATTEST:

/s/ Pat Wheelhouse
Budget Secretary