

CITY OF HERMISTON

Fiscal Year 2010-11

ANNUAL BUDGET

BUDGET COMMITTEE MEMBERS

Walter E. Achuff, Citizen Member
Fred J. Allen, Jr. Citizen Member
Michael E. Calame, Councilor
Eric Carpenter, Citizen Member
Mary Corp, Citizen Member
Lori Davis, Councilor
Rod S. Hardin, Councilor
Joe Harn, Councilor
Frank J. Harkenrider, Councilor
Brian Misner, Councilor
Jackie C. Myers, Councilor
Robert E. Severson, Mayor
Harmon Springer, Councilor
Karen Hutchinson-Talaski, Citizen Member
Pat Wheelhouse, Citizen Member
DuWayne White, 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. A higher learning center will open in 2011 offering higher level courses through Eastern Oregon University and 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 are 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 |
| FINANCE | STREETS & MAINTENANCE |
| LIBRARY | WASTE WATER SYSTEM |
| PARKS & RECREATION | WATER SYSTEM |



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April 12, 2010

Dear Citizens and Members of the Budget Committee:

Last year at this time we were aware that major reductions in expenditures would be needed as we entered the 2009-10 Fiscal Year, and that even further reductions would have to be identified and undertaken during the course of the year if we were to avert the most serious of budget balancing difficulties in the 2010-11 and 2011-12 Fiscal Years and beyond.

Thus, with agreement from our police union employees to forego a contracted 4% pay increase, there were no pay increases to employees for the 2009-10 Year. There will again be no cost of living pay increases in the 2010-11 Year. However, those employees who are eligible will once again be granted step in grade pay increases in 2010-11 and the City will also begin paying the employee six per cent contribution toward the employees' retirement program.

After the 2009-10 budget was adopted, the Mayor and City Council established a Budget Reduction Committee composed of three Councilors and the Mayor to work with department heads, staff and me on further expenditure reductions (it is worth noting that the 2009-10 General Fund budget was itself 9% below its 2008-09 counterpart).

This committee and staff members met intensively through the fall of 2009. They focused their efforts on the City' s non-utility operating funds (General, Street and 911 Communication, the latter two of which receive transfer subsidies from the General Fund).

Committee members and staff ultimately identified over 70 specific actions to reduce expenditures or increase revenues in the three aforementioned funds. Over \$700,000 in expenditure reductions and revenue increases were identified. Ninety three percent of that amount was achieved through reductions. Some of the cuts were implemented during the current year and some will begin with the new 2010-11 year. Seventy three percent of the cuts were personnel-related, including the elimination of six full time positions through retirements, hours reductions in four more full-time positions and reductions in part-time help.

The aforementioned efforts and cooperation have allowed us to produce a proposed General Fund budget for 2010-11 which is 7% below the adopted budget for 2009-10. Of far greater significance—total GF expenditures balance to total revenues. We do not have to dip into our dwindling cash reserves to balance.

Also, the 2010-11 Street Fund budget will not require, for the first time in my memory, any transfer subsidy from the General Fund. This is a combination of two factors—budget cuts (2010-11 budget down 20% from the 2009-10 budget) and a phased, three-year increase in State gas tax revenues resulting from action by the State Legislature last year.

Five of our six operational budgets are proposed at levels lower than the current year. The combined funds budget, however, is proposed at \$53,958,520, which is significantly higher than the current year' s total of \$30,321,395. This is singularly due to inclusion of the entire estimated cost of the City' s Recycled Water Plant project in the 2010-11 budget. If this \$27,000,000 one-time allocation is discounted, the combined funds total for 2010-11 would be about 11% below the current year' s total.

There is still more work ahead of us to control long-term costs, including the cost of employee health insurance. However, we enter the 2010-11 year on sound budgetary footing, and, I believe, that with dedication, good will and cooperation on everyone' s part, including our collective goal of growing our community and local economy while constantly trying to improve our collective quality of life, we will be able to say the same for the 2011-12 budget a year from now, and for the years yet to come.

Sincerely,

Edward Brookshier
City Manager

BUDGET PROCESS

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

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

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

Following is the City of Hermiston's budget calendar for fiscal year 2010-11:

01/01/2010	Prepare proposed budget
05/03/2010	Hold first budget committee meeting
05/24/2010	Hold budget hearing
05/24/2010	Council action of resolutions or ordinances to adopt budget, make appropriations, levy taxes and categorize taxes
07/15/2010	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 if necessary. 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 City's Recycled Water Plant 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:

	2004-05 (Audited)	2005-06 (Audited)	2006-07 (Audited)	2007-08 (Audited)	2008-09 (Audited)
<u>GENERAL FUND</u>					
Revenues	5,665,655	6,015,856	7,025,735	7,048,825	7,355,454
Expenditures & Trans.	6,454,073	6,453,992	6,505,986	6,914,592	8,077,634
Balance	3,147,382	2,709,246	3,228,995	3,363,228	2,641,048
<u>UTILITY FUND</u>					
Revenues	3,345,337	3,351,778	3,492,295	3,544,535	3,614,773
Expenditures & Trans.	3,159,765	2,990,275	3,584,480	4,725,264	3,265,993
Balance	1,374,189	1,735,692	1,643,507	462,778	811,558
<u>REGIONAL WATER</u>					
Revenues	585,831	470,722	473,011	505,378	624,670
Expenditures	415,230	426,631	539,480	522,465	445,326
Balance	425,906	469,997	403,528	386,441	565,785
<u>ENERGY SERVICES</u>					
Revenues	6,965,947	7,113,950	7,279,993	7,793,720	7,474,956
Expenditures	6,563,312	7,319,084	6,874,787	6,682,529	6,795,748
Balance	1,063,314	858,180	1,263,386	2,374,577	3,053,785
<u>DEBT SERVICE FUND</u>					
Revenues:					
Non-Tax	1,464,404	1,502,770	1,706,586	1,505,383	1,293,760
Tax	364,805	375,592	119,414	322,450	323,305
Expenditures	1,703,452	1,824,597	2,030,485	1,826,641	1,624,108
Balance	258,544	312,309	107,824	109,016	101,973

CONSOLIDATED REVENUES AND EXPENDITURES

COMPARISON OF REVENUES (by fund)

SCHEDULE I

	2007-08 Received	2008-09 Received	2009-10 Estimate	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Bonded Debt	2,026,010	1,726,079	1,646,220	1,622,795	1,622,795	1,622,795
General	8,337,981	9,286,687	7,674,525	7,115,490	7,115,490	7,115,490
State Tax Street	788,056	1,024,987	818,100	650,000	650,000	650,000
Transient Room	50,004	101,978	50,000	57,500	57,500	57,500
Utility	5,301,283	3,635,709	3,402,000	3,436,000	3,436,000	3,436,000
911 Communication	643,529	691,538	750,115	690,825	690,825	690,825
Regional Water	592,013	767,590	556,140	515,000	515,000	515,000
Revolving Loan	370,092	420,124	1,237,500	837,500	837,500	837,500
Energy Services	7,787,106	7,565,627	7,406,000	7,394,100	7,394,100	7,394,100
Reserve	5,574,330	5,568,335	4,663,195	3,920,220	3,920,220	3,920,220
WWTP Construction		250,000	1,500,000	27,000,000	27,000,000	27,000,000
Special Revenue		1,362,411	617,600	719,090	719,090	719,090
<u>Total</u>	31,470,404	32,401,065	30,321,395	53,958,520	53,958,520	53,958,520

COMPARISON OF EXPENDITURES (by fund)

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Bonded Debt	1,826,640	1,624,107	1,646,220	1,622,795	1,622,795	1,622,795
General	6,922,383	8,046,305	7,674,525	7,115,490	7,115,490	7,115,490
State Tax Street	788,056	1,024,987	818,100	650,000	650,000	650,000
Transient Room	41,096	54,902	50,000	57,500	57,500	57,500
Utility	4,721,078	3,235,080	3,402,000	3,436,000	3,436,000	3,436,000
911 Communication	643,529	691,538	750,115	690,825	690,825	690,825
Regional Water	522,465	445,327	556,140	515,000	515,000	515,000
Revolving Loan	248,769	309,071	1,237,500	837,500	837,500	837,500
Energy Services	6,619,758	6,816,475	7,406,000	7,394,100	7,394,100	7,394,100
Reserve	1,827,566	1,824,196	4,663,195	3,920,220	3,920,220	3,920,220
WWTP Construction		369,480	1,500,000	27,000,000	27,000,000	27,000,000
Special Revenue		777,908	617,600	719,090	719,090	719,090
<u>Total</u>	24,161,340	25,219,376	30,321,395	53,958,520	53,958,520	53,958,520

CONSOLIDATED REVENUES AND EXPENDITURES

COMPARISON OF REVENUES (by character)

SCHEDULE II

	2007-08	2008-09	2009-10	2010-11	2010-11	2010-11
	Received	Received	Estimate	Proposed	Approved	Adopted
Property Taxes	4,234,407	4,323,795	4,376,600	4,528,555	4,528,555	4,528,555
Local Assessments	28,286	26,508	21,000	13,500	13,500	13,500
License & Franchise	794,956	884,911	744,900	747,400	747,400	747,400
Fines & Penalties	339,611	434,025	275,000	375,000	375,000	375,000
Use of City Money	474,182	174,075	140,000	89,500	89,500	89,500
Fm Other Agencies	1,540,433	2,312,764	2,286,000	5,283,500	5,283,500	5,283,500
Service Charges	1,101,981	1,198,547	1,072,700	1,087,590	1,087,590	1,087,590
Non-Revenue Receipt	460,649	372,129	1,522,000	23,023,000	23,023,000	23,023,000
Misc Revenues	726,144	1,268,211	1,196,000	317,600	317,600	317,600
Sewer Service	1,450,804	1,564,300	1,468,000	1,486,000	1,486,000	1,486,000
Water Service	2,421,927	2,619,221	2,404,000	2,439,000	2,439,000	2,439,000
Energy Service	7,336,239	7,348,534	7,350,000	7,350,000	7,350,000	7,350,000
Trans Fm Other Fund	3,433,859	3,021,172	2,357,305	2,252,135	2,252,135	2,252,135
Cash Forward	6,826,923	6,852,873	5,107,890	4,965,740	4,965,740	4,965,740
<u>Total</u>	31,170,401	32,401,065	30,321,395	53,958,520	53,958,520	53,958,520

COMPARISON OF EXPENDITURES (by character)

	2007-08	2008-09	2009-10	2010-11	2010-11	2010-11
	Actual	Actual	Budget	Proposed	Approved	Adopted
Personal Services	7,320,719	8,057,378	8,461,760	7,720,485	7,720,485	7,720,485
Materials & Services	9,309,345	9,739,513	12,903,105	13,409,655	13,409,655	13,409,655
Capital Outlay	3,314,529	2,911,283	4,969,385	28,928,445	28,928,445	28,928,445
Transfers:						
Reserve	1,647,645	668,000	219,470	412,070	412,070	412,070
Street	105,904	409,960	218,100			
Revolving Loan	117,500					
911 Communication	471,310	552,543	640,115	580,825	580,825	580,825
Bonded Debt	1,466,500	1,256,592	1,238,240	1,259,245	1,259,245	1,259,245
Unappropriated Bal			27,000	27,000	27,000	27,000
Debt Service	1,826,640	1,624,107	1,644,220	1,620,795	1,620,795	1,620,795
<u>Total</u>	25,580,092	25,219,376	30,321,395	53,958,520	53,958,520	53,958,520

CITY OF HERMISTON

TAX HISTORY

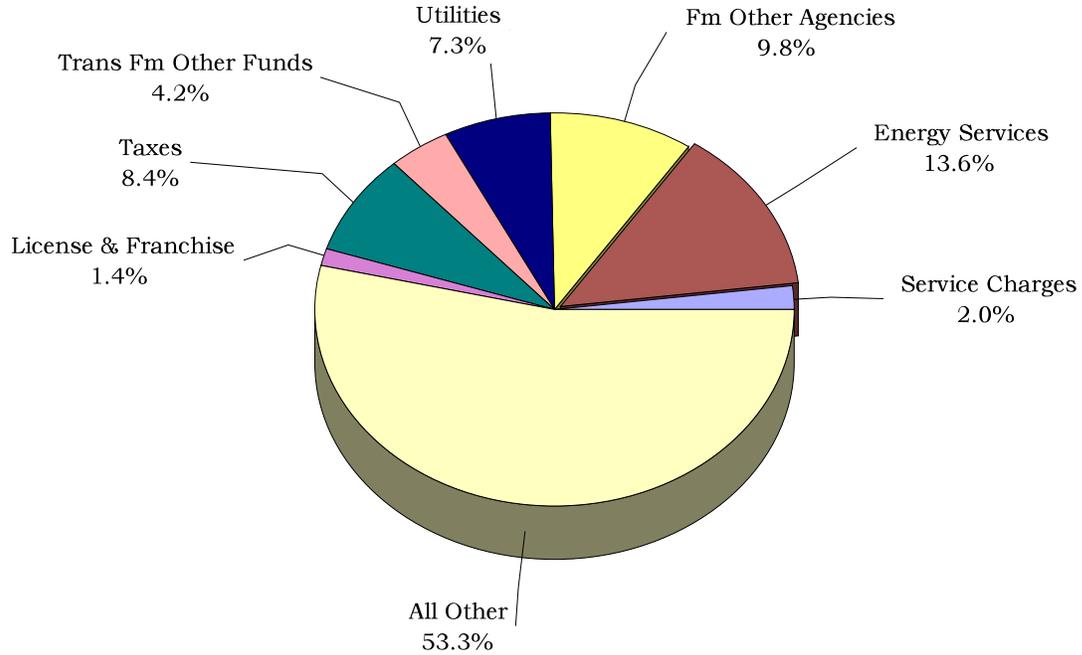
Fiscal Year	Tax Levy Submitted	Inside 6%	Outside 6%	G.O. Bond Issues	Bancroft Bond Issues	Population
1920-21	6,250.00	6,250.00				655
1930-31	6,250.00	6,250.00				608
1940-41	6,385.00	6,385.00				803
1950-51	15,878.00	15,878.00				3,804
1960-61	76,225.00	19,300.00	56,924.41			4,402
1970-71	148,877.00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

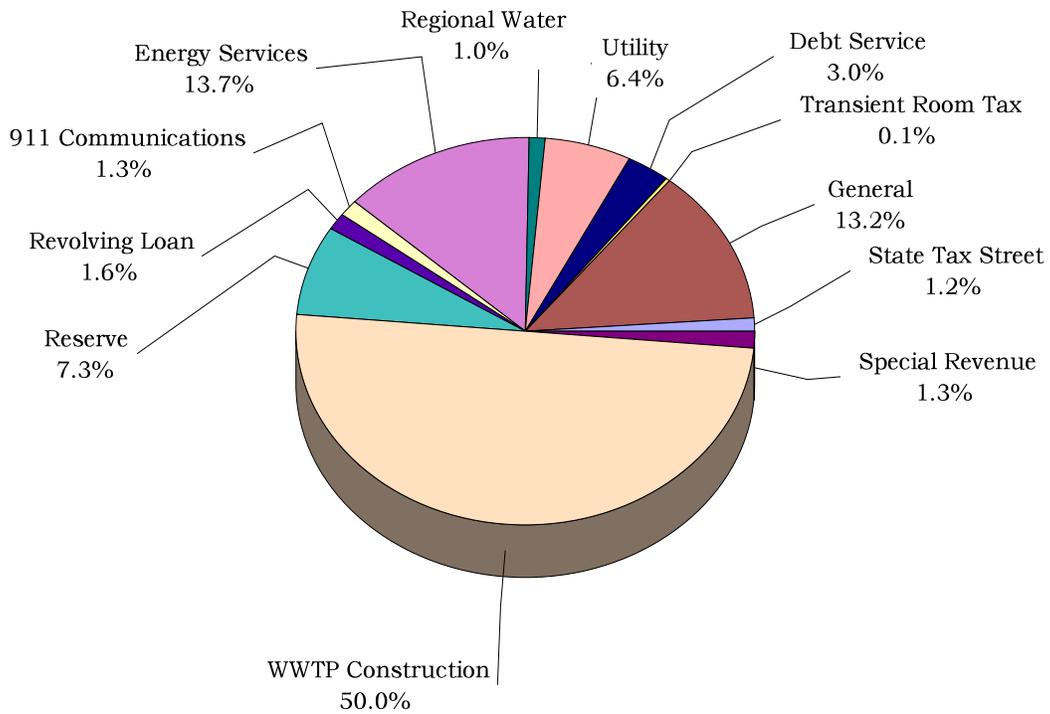
(Permanent Operating Tax Rate \$6.0860/\$1,000)

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
2009-10	745,218,903	6.0860	4,472,692	0.5324	390,386	4,863,078	16,215

City of Hermiston

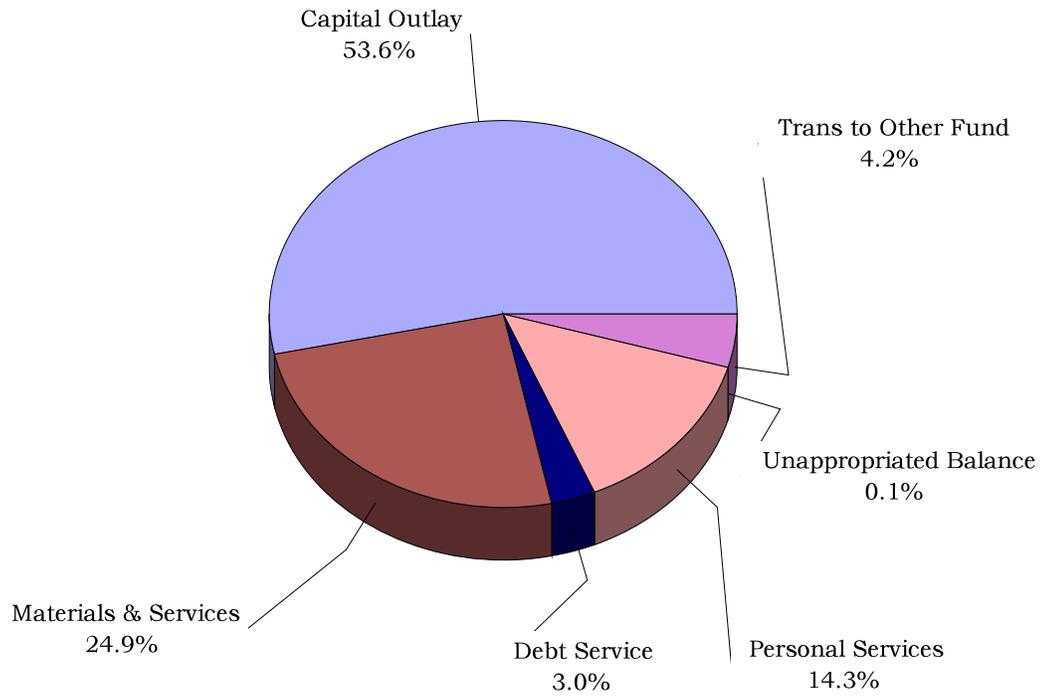


This graph reflects various resources in the 2010-11 budget.

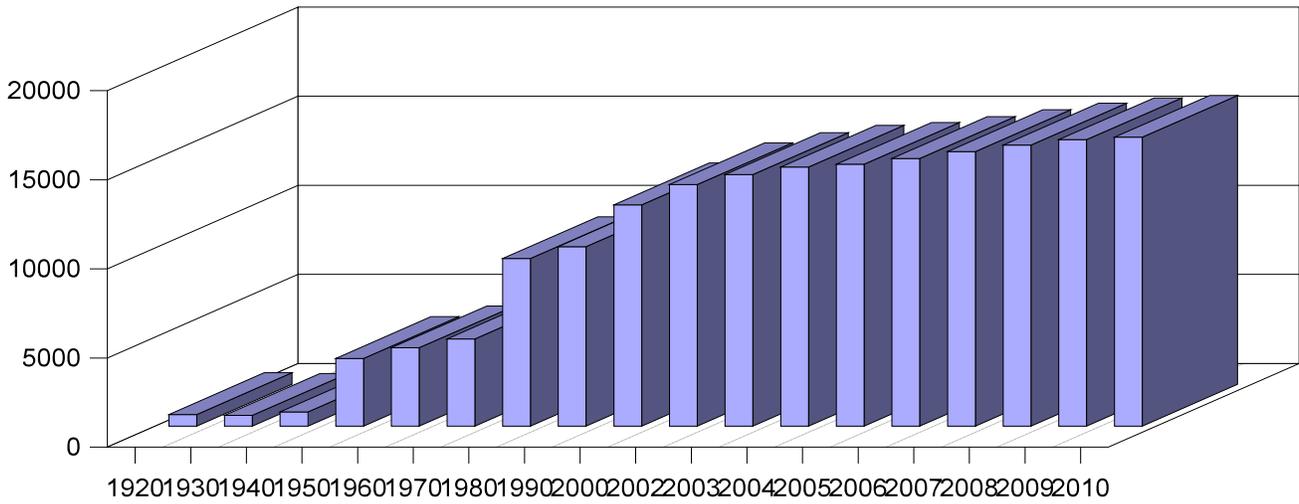


This graph reflects total expenditures by fund, inclusive of capital outlay, transfers to reserves and operating expenses in the 2010-11 budget.

City of Hermiston



This graph reflects the various expenditures by character included in the 2010-11 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	96	25,522		
Finance Director	1/2	48,756	34	3,900	80	20,478	82	20,478	96	3,900
Permit Technician II	1	45,108	46	15,336	72	14,886	82	14,886		
Rec/Aquatics Coordinator	1	64,840	50	21,395	56	43,445				
Senior General Clerical	1	45,108	80	22,554	82	22,554				
Admin. Lieutenant	1	81,012	63	40,506	84	40,506				

PERSONNEL DISTRIBUTION

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 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	1/2	1/2	1/2
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 (32 Hrs)	1 (32 Hrs)	1 (32 Hrs)
<u>Court</u>						
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
Deputy Clerk	1 1/2	1	1	1	1	1
General Clerical	0	3/4	3/4	1 (32 Hrs)	1 (32 Hrs)	1 (32 Hrs)
<u>Building Inspections</u>						
Building Official	1	1	1	1	1	1
Building Inspector	1	1	1	1/2	1/2	1/2
Permit Technician II	1 1/3	1 1/3	1 1/3	1/3	1/3	1/3
<u>Parks</u>						
Park Maintenance Foreman	1	1	1	1	1	1
Park/Facility Lead Worker	1	1	1	0	0	0
Municipal Service Worker II	1	1	1	2	2	2
Municipal Service Worker I	1	1	1	0	0	0
Seasonal Maintenance (2 FTE)	0	0	2	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	1	2	2	2	2
Library Assistant	2	1	1	1	1	1
Librarian (6.5 FTE)	6	6	6	6	6	6
<u>Recreation</u>						
Parks & Recreation Director	1	1	1	1	1	1
Recreation/Aquatics Coordinator	2/3	2/3	2/3	2/3	2/3	2/3
General Clerical	1	1	1	1 (32 Hrs)	1 (32 Hrs)	1 (32 Hrs)
Summer Park Program (5 FTE)	1	1	5	5	5	5

Personnel Distribution (Continued)

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
<u>Police Operations</u>						
Police Chief	1	1	1	1	1	1
Administrative Lieutenant	0	0	0	1/2	1/2	1/2
Police Lieutenant	1	1	1	1	1	1
Administrative Sergeant	1/2	1/2	1/2	0	0	0
Police Sergeants	3	3	3	3	3	3
Patrol Officers	15	15	15	14	14	14
School Resource Officer	2	2	2	2	2	2
Youth Officer	0	1	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	0	0	0
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	0	0	0
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	2	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	0	0	0
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	1	1	1	1	1	1
Water Utility Worker II	3	3	3	3	3	3
Water Utility Worker I	1	2	2	2	2	2
Meter Reader/General Clerical	2	1	1	1	1	1

Personnel Distribution (Continued)

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
<u>911 Communications</u>						
Administrative Lieutenant	0	0	0	1/2	1/2	1/2
Administrative Sergeant	1/2	1/2	1/2	0	0	0
Dispatcher/Clerk	8	8	8	7	7	7
Data Entry Clerk	1	1	1	1	1	1
<u>Regional Water</u>						
City Engineer	1/3	1/3	1/3	0	0	0
Water Chief Operator	1	0	1	1	1	1
Water Utility Worker IV	1	1	0	0	0	0
<u>Hermiston Energy Services</u>						
Electric Utility Superintendent	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 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:

<u>Refunded Regional</u>								
<u>Water Bonds</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	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>
<u>Total</u>		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:

<u>Refunded 2007 Utility</u>								
<u>Water Bonds</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	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>
<u>Total</u>		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.

<u>Pool</u>								
<u>Construction</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	Dec	45,000	45,000	55,000	60,000	65,000	75,000	80,000
Interest	Dec/Jun	<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>
<u>Total</u>		192,310	190,985	199,365	202,395	205,160	212,470	214,370

In the spring of 2009 the City of Hermiston was awarded a state loan from the Special Public Works Fund for water and wastewater system improvements and roadway construction of Penny Avenue in the amount of \$76,362 at an interest rate of 4.99%. Following is a payment schedule for this loan:

Penny Avenue/Pioneer Hi-Bred Improvements

<u>Payment Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Due</u>	<u>Balance</u>
12/01/09		1284.22	1284.22	76362.00
12/01/10	6,073.97	3,810.46	9,884.43	70,288.03
12/01/11	6,377.06	3,507.37	9,884.43	63,910.97
12/01/12	6,695.27	3,189.16	9,884.43	57,215.70
12/01/13	7,029.37	2,855.06	9,884.43	50,186.33
12/01/14	7,380.13	2,504.30	9,884.43	42,806.20
12/01/15	7,748.40	2,136.03	9,884.43	35,057.80
12/01/16	8,135.05	1,749.38	9,884.43	26,922.75
12/01/17	8,540.98	1,434.45	9,884.43	18,381.77
12/01/18	8,967.18	917.25	9,884.43	9,414.59
12/01/19	9,414.59	469.79	9,884.38	.00

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%. This state loan was retired in 2010.

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</u>	<u>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	571,000	565,090	558,240	550,265	541,115	530,740	518,950
<u>Total</u>			731,000	745,090	758,240	775,265	791,115	805,740	823,950

City of Hermiston
Resources

BONDED DEBT

	2007-08 Received	2008-09 Received	2009-10 Estimate	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Property Taxes						
Bond Taxes	311,460	312,735	364,600	361,555	361,555	361,555
Delinquent Taxes	10,990	10,570	2,000	2,000	2,000	2,000
Property Taxes	322,450	323,305	366,600	363,555	363,555	363,555
Transfers From:						
General	282,355	188,439	192,310	190,985	190,985	190,985
Utility-Loans	41,373	41,373	41,375	9,890	9,890	9,890
Utility-B & I	531,960	310,677	314,935	313,275	313,275	313,275
Energy Services	610,813	716,104	731,000	745,090	745,090	745,090
	1,466,501	1,256,593	1,279,620	1,259,240	1,259,240	1,259,240
Admin Income	38,881	37,166				
Miscellaneous Revenues	38,881	37,166				
Cash Forward	198,178	109,015				
	198,178	109,015				
Bonded Debt	2,026,010	1,726,079	1,646,220	1,622,795	1,622,795	1,622,795

BONDED DEBT REQUIREMENTS
by character

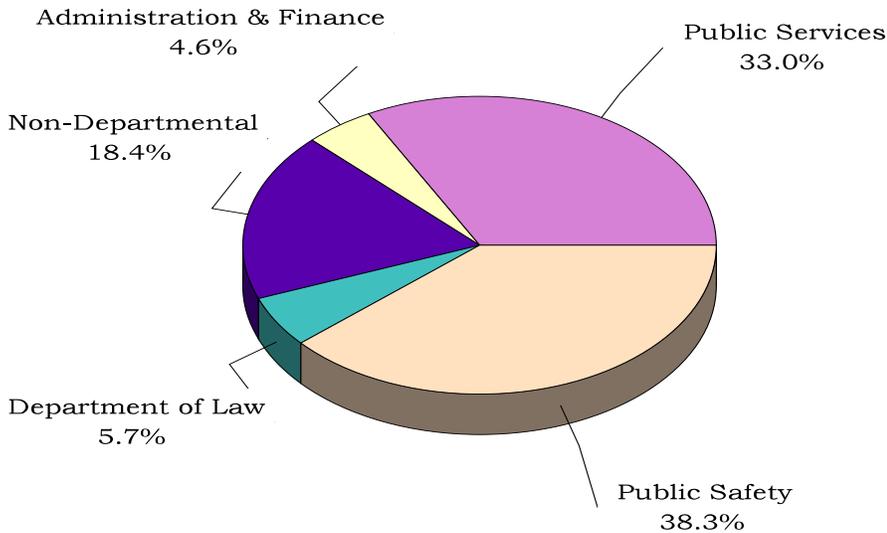
	Due Date	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Approved
Principal:							
1993 Sewer	Apr	210,000					
2007 Utility	Apr	207,110	215,460	228,430	236,135	236,135	236,135
<u>Total Utility</u>		417,110	215,460	228,430	236,135	236,135	236,135
Regional Water	Aug	145,000	160,000	165,000	170,000	170,000	170,000
<u>Total GO</u>		145,000	160,000	165,000	170,000	170,000	170,000
2005 Energy			140,000	160,000	180,000	180,000	180,000
Pool Construction	Dec	35,000	40,000	45,000	45,000	45,000	45,000
1997 Street	Jul	93,000					
<u>Total Revenue</u>		128,000	180,000	205,000	225,000	225,000	225,000
<u>Total Principal</u>		690,110	555,460	598,430	631,135	631,135	631,135
Interest:							
1993 Sewer	Oct/Apr	11,025					
2007 Utility	Oct/Apr	103,825	95,340	86,505	77,140	77,140	77,140
<u>Total Utility</u>		114,850	95,340	86,505	77,140	77,140	77,140
Regional Water	Aug/Feb	215,140	207,515	199,600	191,555	191,555	191,555
<u>Total GO</u>		215,140	207,515	199,600	191,555	191,555	191,555
2005 Energy		578,447	575,979	571,000	565,090	565,090	565,090
Pool Construction	Dec/Jan	149,333	148,440	147,310	145,985	145,985	145,985
1997 Street	Jan/Jul	5,023					
<u>Total Revenue</u>		732,803	724,419	718,310	711,075	711,075	711,075
<u>Total Interest</u>		1,062,793	1,027,274	1,004,415	979,770	979,770	979,770
Energy Services		32,364					
Penny/Pioneer SPWF	Dec				9,890	9,890	9,890
State Loan - HFI	Jun	41,373	41,373	41,375			
Unapp Balance				2,000	2,000	2,000	2,000
Bonded Debt		1,826,640	1,624,107	1,646,220	1,622,795	1,622,795	1,622,795

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 | |

2010-11 General Fund Appropriations



<u>Expenditures:</u>	<u>Proposed</u>
Administration & Finance	327,175
Department of Law	401,870
Public Services	2,351,560
Public Safety	2,728,270
Non-Departmental	1,306,615
<u>Total</u>	<u>\$7,115,490</u>

City of Hermiston
Resources

GENERAL

	2007-08 Received	2008-09 Received	2009-10 Estimate	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Property Taxes						
General Taxes	3,765,722	3,872,909	3,900,000	4,050,000	4,050,000	4,050,000
Delinquent Taxes	146,235	127,581	110,000	115,000	115,000	115,000
Property Taxes	3,911,957	4,000,490	4,010,000	4,165,000	4,165,000	4,165,000
Other Local Assessments						
Assessments Receivable	6,434	1,625	1,000	500	500	500
Local Assessments	6,434	1,625	1,000	500	500	500
Licenses & Franchises						
HES In Lieu of Taxes	402,717	326,819	367,500	367,500	367,500	367,500
UECA Franchise	132,666	206,600	160,000	160,000	160,000	160,000
Natural Gas Franchise	138,787	221,676	120,000	120,000	120,000	120,000
EO Telecom Franchise	20,204	7,703	9,000	8,000	8,000	8,000
Qwest Telephone Franchise	50,476	54,980	40,000	38,000	38,000	38,000
TV Franchise	44,454	61,516	45,000	50,000	50,000	50,000
Miscellaneous Franchises	487	432	400	400	400	400
Dog License & Board	4,665	4,665	2,500	3,000	3,000	3,000
Liquor Permit License	500	520	500	500	500	500
Licenses & Franchises	794,956	884,911	744,900	747,400	747,400	747,400
Fines & Penalties						
Fines	339,611	434,025	275,000	375,000	375,000	375,000
Fines & Penalties	339,611	434,025	275,000	375,000	375,000	375,000
Use of City Money						
Interest on Investments	229,057	49,784	40,000	10,000	10,000	10,000
Airport Lease Income	61,003	68,418	60,000	60,000	60,000	60,000
Use of City Money	290,060	118,202	100,000	70,000	70,000	70,000
From Other Agencies						
Liquor Apportionment	178,683	231,868	170,000	165,000	165,000	165,000
Cigarette Tax	26,134	25,023	15,000	15,000	15,000	15,000
County Taxi Grant	28,874	27,998	25,000	25,000	25,000	25,000
DUII Overtime Grant			6,000	6,000	6,000	6,000
Law Enforcement Grant		3,000				
Traffic Safety Grant		13,867	5,000	5,000	5,000	5,000
Periodic Review Grant			100,000	100,000	100,000	100,000
State Revenue Sharing	121,636	94,500	105,000	105,000	105,000	105,000
Public Transient Grant				96,500	96,500	96,500
From Other Agencies	355,327	396,256	426,000	517,500	517,500	517,500

	2007-08 Received	2008-09 Received	2009-10 Estimate	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Service Charges						
Transient Room Tax	90,006	95,450	85,000	87,500	87,500	87,500
TRT - Pool	120,008	127,267	115,000	117,500	117,500	117,500
Plumbing Permits	8,782	9,573	5,000	8,000	8,000	8,000
Plan Review/Spl Insp Fee	40,746	74,960	25,000	25,000	25,000	25,000
Construction Permit Fees	137,323	99,620	75,000	75,000	75,000	75,000
District Library Contract	91,996	96,310	90,000	92,000	92,000	92,000
School District Contract	108,937	172,817	180,700	142,590	142,590	142,590
Airport Gas & Oil Sales	140,362	129,265	140,000	120,000	120,000	120,000
Airport Misc Income	1,261	797	750	500	500	500
Pool Income	230,572	268,449	215,000	265,000	265,000	265,000
Park & Recreation Fee	4,990	7,377	3,250	4,000	4,000	4,000
Service Charges	974,983	1,081,885	934,700	937,090	937,090	937,090
Non-Revenue Receipts						
Sale of City Real Estate	4,844	503				
Reimburse Direct Expense	56,356	14,942	15,000	15,000	15,000	15,000
Reimburse BENT & CSEPP	13,836	9,689	7,000	8,000	8,000	8,000
Non-Revenue Receipts	75,036	25,134	22,000	23,000	23,000	23,000
Miscellaneous Revenues						
Administrative Income	289,703	351,129	265,000	250,000	250,000	250,000
Sales & Service	36,559	37,828	30,000	30,000	30,000	30,000
Miscellaneous Revenues	326,262	388,957	295,000	280,000	280,000	280,000
Cash Forward	1,261,365	1,955,200	865,925			
	1,261,365	1,955,200	865,925			
General	8,045,931	9,286,687	7,674,525	7,115,490	7,115,490	7,115,490

SUMMARY - CONSOLIDATED GENERAL FUND EXPENDITURES

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
3-4110 City Council	26,835	30,491	31,895	25,840	25,840	25,840
4210 Mgr/Planning	284,921	307,848	312,750	218,025	218,025	218,025
4300 Finance	91,105	104,997	104,920	83,310	83,310	83,310
5100 Legal Counsel	164,832	143,840	129,850	175,850	175,850	175,850
5200 Court	248,321	259,860	257,375	226,020	226,020	226,020
6230 Transportation	145,759	139,825	140,000	142,900	142,900	142,900
6400 Airport	212,507	157,409	184,950	170,200	170,200	170,200
6500 Building Inspections	246,473	324,375	338,510	327,565	327,565	327,565
6710 Parks	534,229	639,988	551,885	482,075	482,075	482,075
6720 Municipal Pool	401,621	402,518	399,825	335,470	335,470	335,470
6730 Municipal Buildings	16,666	7,551	9,550	9,300	9,300	9,300
6740 Library	506,837	538,880	563,645	515,045	515,045	515,045
6750 Recreation	330,730	351,792	311,950	296,300	296,300	296,300
6760 Conference Center	93,142	95,549	93,150	91,500	91,500	91,500
7030 Public Safety Center	49,032	50,910	50,675	51,225	51,225	51,225
7130 Police Operations	2,461,301	2,699,109	2,785,870	2,677,045	2,677,045	2,677,045
8810 Audit & Others	1,108,072	1,791,363	1,382,725	1,262,820	1,262,820	1,262,820
8890 Unapp Balance			25,000	25,000	25,000	25,000
<u>Total</u>	6,922,383	8,046,305	7,674,525	7,115,490	7,115,490	7,115,490

CONSOLIDATED GENERAL FUND EXPENDITURES

by character

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Personal Services	4,157,496	4,638,180	4,881,285	4,483,080	4,483,080	4,483,080
Materials & Services	1,658,660	1,791,563	1,692,715	1,752,850	1,752,850	1,752,850
Capital Outlay	111,158	101,620	25,000	82,750	82,750	82,750
Transfers:						
Reserve Fund	18,000	364,000				
Street Fund	105,904	409,960	218,100			
Revolving Loan Fund	117,500					
911 Communications	471,310	552,543	640,115	580,825	580,825	580,825
Bonded Debt	282,355	188,439	192,310	190,985	190,985	190,985
Unapp Balance			25,000	25,000	25,000	25,000
<u>Total</u>	6,922,383	8,046,305	7,674,525	7,115,490	7,115,490	7,115,490

CONSOLIDATED ADMINISTRATION & FINANCE EXPENDITURES

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
3-4110 City Council	26,835	30,491	31,895	25,840	25,840	25,840
3-4210 Mgr/Planning	284,921	307,848	312,750	218,025	218,025	218,025
3-4300 Finance	91,105	104,997	104,920	83,310	83,310	83,310
<u>Total</u>	402,861	443,336	449,565	327,175	327,175	327,175

ADMINISTRATION & FINANCE
by character

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Personal Services	343,306	375,192	394,135	287,460	287,460	287,460
Materials & Services	59,555	68,144	55,430	39,715	39,715	39,715
Capital Outlay						
<u>Total</u>	402,861	443,336	449,565	327,175	327,175	327,175

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

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 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

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Personal Services	12,150	12,600	13,800	12,600	12,600	12,600
Accident Insurance	29	28	35	30	30	30
Retirement	148	198	250	245	245	245
Social Security	930	964	1,060	965	965	965
Personal Services	13,257	13,790	15,145	13,840	13,840	13,840
Travel & Training	9,427	12,812	12,000	8,000	8,000	8,000
Contractual Services	9,427	12,812	12,000	8,000	8,000	8,000
Food & Miscellaneous	4,151	3,889	4,750	4,000	4,000	4,000
Commodities	4,151	3,889	4,750	4,000	4,000	4,000
City Council	26,835	30,491	31,895	25,840	25,840	25,840

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

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
City Planner	1	1	1	1	1	1
Assistant City Manager	1	1	1	1/4	1/4	1/4
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

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Personal Services	186,465	199,017	201,600	140,640	140,640	140,640
Unemployment Insurance			1,010	990	990	990
Accident Insurance	447	438	490	340	340	340
Retirement	29,908	32,073	41,900	21,120	21,120	21,120
Social Security	14,032	14,975	15,600	10,760	10,760	10,760
Medical, Dental & Life Ins	27,256	29,342	33,670	28,950	28,950	28,950
Personal Services	258,108	275,845	294,270	202,800	202,800	202,800
Other Professional Service	6,041	12,100	2,500	1,000	1,000	1,000
Postage	700	575	725	600	600	600
Travel & Training	10,608	6,647	6,000	5,250	5,250	5,250
Legal Publications	1,279	1,289	1,500	1,400	1,400	1,400
Telephone	1,926	2,016	2,200	2,100	2,100	2,100
Repairs-Motor Vehicles	90					
Dues & Membership	1,794	1,929	1,930	1,750	1,750	1,750
Miscellaneous Contractual	2,485	5,795	1,500	1,250	1,250	1,250
Contractual Services	24,923	30,351	16,355	13,350	13,350	13,350
Office Supplies	1,475	1,377	1,700	1,500	1,500	1,500
Motor Vehicle Fuel & Oil	362	259	350	300	300	300
Motor Vehicle Parts	53	16	75	75	75	75
Commodities	1,890	1,652	2,125	1,875	1,875	1,875
Manager/Planning	284,921	307,848	312,750	218,025	218,025	218,025

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

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Finance Director/Recorder	2/5	2/5	2/5	2/5	2/5	2/5
Senior Secretary	1	1	1	1 (32 Hrs)	1 (32 Hrs)	1 (32 Hrs)

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
4300 FINANCE

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Personal Services	49,020	52,791	54,960	44,880	44,880	44,880
Overtime			200			
Unemployment Insurance			280	315	315	315
Accident Insurance	116	115	135	110	110	110
Retirement	7,250	15,945	10,115	7,895	7,895	7,895
Social Security	3,630	3,907	4,220	3,435	3,435	3,435
Medical, Dental & Life Ins	11,924	12,799	14,810	14,185	14,185	14,185
Personal Services	71,940	85,557	84,720	70,820	70,820	70,820
Postage	4,062	4,283	4,000	4,000	4,000	4,000
Travel & Training	1,805	3,779	3,250	500	500	500
Telephone	1,375	1,205	1,400	1,400	1,400	1,400
Repairs-Office Equipment	7,130	6,884	8,000	3,000	3,000	3,000
Dues & Membership	325	235	250	290	290	290
Contractual Services	14,697	16,386	16,900	9,190	9,190	9,190
Office Supplies	4,060	2,595	3,000	3,000	3,000	3,000
Food & Miscellaneous	407	459	300	300	300	300
Commodities	4,467	3,054	3,300	3,300	3,300	3,300
Finance	91,104	104,997	104,920	83,310	83,310	83,310

CONSOLIDATED DEPARTMENT OF LAW EXPENDITURES

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
3-5100 Legal Counsel	164,832	143,840	129,850	175,850	175,850	175,850
3-5200 Court	248,321	259,860	257,375	226,020	226,020	226,020
<u>Total</u>	413,153	403,700	387,225	401,870	401,870	401,870

DEPARTMENT OF LAW
by character

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Personal Services	175,396	179,102	195,175	214,970	214,970	214,970
Materials & Services	237,757	224,598	192,050	184,650	184,650	184,650
Capital Outlay				2,250	2,250	2,250
<u>Total</u>	413,153	403,700	387,225	401,870	401,870	401,870

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.

The line item "Public Defense" has been moved from the court budget as requested by the city attorney and municipal judge.

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
5100 LEGAL COUNSEL

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Other Professional Service	58,487	32,463	35,000	35,000	35,000	35,000
Prosecution	85,024	91,433	75,000	75,000	75,000	75,000
Labor Negotiations	18,000	18,000	18,000	18,000	18,000	18,000
Public Defense				44,000	44,000	44,000
Travel & Training	1,928	1,394	1,300	1,300	1,300	1,300
Contractual Services	163,439	143,290	129,300	173,300	173,300	173,300
Magazine, Map, Pamphlet	1,393	550	550	300	300	300
Commodities	1,393	550	550	300	300	300
Office Equipment				2,250	2,250	2,250
Capital Outlay				2,250	2,250	2,250
Legal Counsel	164,832	143,840	129,850	175,850	175,850	175,850

03 GENERAL FUND
 5200 COURT

MISSION STATEMENT: The mission of the court is to provide swift and efficacious justice in criminal cases. That justice shall extend to both society and to the alleged 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. The court's priority in all cases is the prompt, orderly, efficient and just resolution of court matters.

The court has exclusive jurisdiction over municipal ordinance violations and concurrent jurisdiction with Circuit Court for vehicle code offenses of all sorts, on selected statutorily defined violations and on misdemeanors.

The court staff currently consists of a part-time judge, full-time court administrator, a full-time deputy clerk and a part-time general clerical deputy clerk.

PERSONNEL DISTRIBUTION

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 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
Deputy Clerk	1 1/2	1	1	1	1	1
General Clerical	0	3/4	3/4	1 (32 Hrs)	1 (32 Hrs)	1 (32 Hrs)

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
5200 COURT

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Personal Services	122,408	124,764	128,750	130,920	130,920	130,920
Overtime	110	228	300	300	300	300
Unemployment Insurance			645	660	660	660
Accident Insurance	306	275	365	370	370	370
Retirement	16,180	15,142	21,550	21,550	21,550	21,550
Social Security	9,144	9,319	9,900	10,040	10,040	10,040
Medical, Dental & Life Ins	27,248	29,374	33,665	51,130	51,130	51,130
Personal Services	175,396	179,102	195,175	214,970	214,970	214,970
Other Professional Service	2,700	300	1,400	1,400	1,400	1,400
Public Defense	52,740	65,570	44,000			
Postage	2,364	2,099	2,500	2,700	2,700	2,700
Travel & Training	3,000	1,510	2,500			
Telephone	4,792	4,684	4,800	4,950	4,950	4,950
Repairs-Office Equipment	987	1,300	1,000			
Dues & Membership	185		200			
Miscellaneous Contractual	2,167	1,856	1,900	2,000	2,000	2,000
Subpoenas & Jury Fees	506	430	300			
Contractual Services	69,441	77,749	58,600	11,050	11,050	11,050
Office Supplies	2,855	3,009	3,000			
Magazine, Map, Pamphlet	629		600			
Commodities	3,484	3,009	3,600			
Office Equipment						
Capital Outlay						
Court	248,321	259,860	257,375	226,020	226,020	226,020

CONSOLIDATED PUBLIC SERVICES EXPENDITURES

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
3-6230 Transportation	145,759	139,825	140,000	142,900	142,900	142,900
3-6400 Airport	212,507	157,409	184,950	170,200	170,200	170,200
3-6500 Building Inspection	246,473	324,375	338,510	327,565	327,565	327,565
3-6710 Parks	534,229	639,988	551,885	482,075	482,075	482,075
3*6720 Municipal Pool	401,621	402,518	399,825	335,470	335,470	335,470
3-6730 Municipal Bldgs	16,666	7,551	9,550	9,300	9,300	9,300
3-6740 Library	506,837	538,880	563,645	515,045	515,045	515,045
3-6750 Recreation	330,730	351,792	311,950	296,300	296,300	296,300
3-6760 Conference Center	93,142	95,549	93,150	91,500	91,500	91,500
<u>Total</u>	2,487,964	2,657,887	2,593,465	2,370,355	2,370,355	2,370,355

PUBLIC SERVICES
by character

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Personal Services	1,461,461	1,661,715	1,725,475	1,544,465	1,544,465	1,544,465
Materials & Services	955,793	840,220	845,490	805,890	805,890	805,890
Capital Outlay	52,710	41,952	22,500	20,000	20,000	20,000
Transfer to Reserve	18,000	114,000				
<u>Total</u>	2,487,964	2,657,887	2,593,465	2,370,355	2,370,355	2,370,355

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

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Printing	746	746	1,000	900	900	900
Taxi Program	145,013	139,079	139,000	142,000	142,000	142,000
Contractual Services	145,759	139,825	140,000	142,900	142,900	142,900
Transportation	145,759	139,825	140,000	142,900	142,900	142,900

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 Assistant City Manager 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

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Other Professional Service	36,385	34,906	37,100	37,100	37,100	37,100
Property & Liability Ins	16,223	3,654	9,250	10,000	10,000	10,000
Electricity	12,190	12,223	12,500	12,600	12,600	12,600
Telephone	2,464	2,444	2,500	2,500	2,500	2,500
Cleaning & Painting	29		50	50	50	50
Miscellaneous Contractual	7,222	4,293	4,000	6,000	6,000	6,000
Licenses & Permits	30	426	150	150	150	150
Contractual Services	74,543	57,946	65,550	68,400	68,400	68,400
Office Supplies	86	84	100	100	100	100
Clean/Sanitation Supplies	255	198	250	250	250	250
Food & Miscellaneous	8	243	100	100	100	100
Minor/Safety Equipment	500	1,332	750	650	650	650
Motor Vehicle Fuel & Oil	117,448	97,386	117,500	100,000	100,000	100,000
Parts For Operating Equip	1,667	220	700	700	700	700
Commodities	119,964	99,463	119,400	101,800	101,800	101,800
Res-Airport Improvements	18,000					
Capital Outlay	18,000					
Airport	212,507	157,409	184,950	170,200	170,200	170,200

MISSION STATEMENT: To provide structural, mechanical, plumbing and electrical plan reviews, along with fire, life and safety plan reviews. The building department issued building, mechanical, plumbing and electrical permits for commercial and residential structures.

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

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Building Official	1	1	1	1	1	1
Building Inspector	1	1	1	1/2	1/2	1/2
Permit Technician II	1 1/3	1 1/3	1 1/3	1/3	1/3	1/3

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
6500 BUILDING INSPECTIONS

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Personal Services	145,178	204,792	204,960	192,240	192,240	192,240
Overtime				350	350	350
Unemployment Insurance			1,030	1,350	1,350	1,350
Accident Insurance	1,332	2,139	2,100	2,430	2,430	2,430
Retirement	23,896	33,709	42,235	39,100	39,100	39,100
Social Security	10,889	15,356	15,710	14,735	14,735	14,735
Medical, Dental & Life Ins	25,324	36,532	47,210	53,595	53,595	53,595
Personal Services	206,619	292,528	313,245	303,800	303,800	303,800
Postage	325	300	275	275	275	275
Travel & Training	2,272	2,287	2,800	2,700	2,700	2,700
Electricity	2,316	1,777	2,400	2,250	2,250	2,250
Telephone	2,856	2,915	2,650	2,900	2,900	2,900
Repairs-Motor Vehicles	20		50	50	50	50
Other Repairs			50	50	50	50
Cleaning & Painting	1,752	1,743	1,740	1,740	1,740	1,740
Dues & Membership	800	1,050	600			
Miscellaneous Contractual	5,932	6,485	6,750	6,250	6,250	6,250
Contractual Services	16,273	16,557	17,315	16,215	16,215	16,215
Office Supplies	2,919	3,599	3,250	3,000	3,000	3,000
Magazine, Map, Pamphlet	213	574	450			
Food & Miscellaneous	203	341	250	250	250	250
Fuel-Other Than Vehicle	2,155	2,543	2,200	2,350	2,350	2,350
Minor/Safety Equipment		59	200			
Motor Vehicle Fuel & Oil	1,108	1,500	1,200	1,550	1,550	1,550
Motor Vehicle Parts	158	610	400	400	400	400
Commodities	6,756	9,226	7,950	7,550	7,550	7,550
Motor Vehicles		6,064				
Office Equipment	16,825					
Capital Outlay	16,825	6,064				
Building Inspections	246,473	324,375	338,510	327,565	327,565	327,565

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 2010-11:

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

PERSONNEL DISTRIBUTION

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Park Maintenance Foreman	1	1	1	1	1	1
Park/Facility Lead Worker	1	1	1	0	0	0
Municipal Worker II	1	1	1	1	1	1
Municipal Worker I	1	1	1	1	1	1
Seasonal Maintenance (2 FTE)	0	0	2	2	2	2

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
6710 PARKS

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Personal Services	243,917	254,830	264,700	218,010	218,010	218,010
Overtime	2,499	4,907	1,800	1,765	1,765	1,765
Unemployment Insurance			1,335	1,540	1,540	1,540
Accident Insurance	8,872	9,902	10,260	8,465	8,465	8,465
Retirement	33,314	34,302	54,815	44,615	44,615	44,615
Social Security	18,508	19,449	20,400	16,815	16,815	16,815
Medical, Dental & Life Ins	41,256	49,605	65,425	57,715	57,715	57,715
Personal Services	348,366	372,995	418,735	348,925	348,925	348,925
Travel & Training	2,943	2,530	2,300	2,300	2,300	2,300
Electricity	17,528	17,112	17,000	17,500	17,500	17,500
Telephone	4,148	3,846	3,650	3,650	3,650	3,650
Miscellaneous Contractual	66,156	40,149	47,500	47,000	47,000	47,000
Contractual Services	90,775	63,637	70,450	70,450	70,450	70,450
Ag & Hort Supplies	12,370	10,855	6,000	6,000	6,000	6,000
Chemicals	4,954	4,611	4,000	4,000	4,000	4,000
Clean/Sanitation Supplies	1,672	1,171	1,200	1,200	1,200	1,200
Minor/Safety Equipment	16,410	10,522	12,000	12,000	12,000	12,000
Motor Vehicle Fuel & Oil	20,480	20,723	20,000	20,000	20,000	20,000
Motor Vehicle Parts	3,876	1,308	3,500	3,500	3,500	3,500
Paint & Paint Supplies	3,116	4,337	3,000	3,000	3,000	3,000
Plmb/Sewage Supplies	8,554	21,878	10,000	10,000	10,000	10,000
Parts For Operating Equip	9,050	6,273	3,000	3,000	3,000	3,000
Commodities	80,482	81,678	62,700	62,700	62,700	62,700
Other Equipment	14,605	7,678				
Res-Park Improvements		114,000				
Res-Centennial Bell						
Capital Outlay	14,605	121,678				
Parks	534,228	639,988	551,885	482,075	482,075	482,075

6720 GENERAL FUND
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 2010-11:

- ◆ Increase participation through innovative marketing and community partnerships.

PERSONNEL DISTRIBUTION

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 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

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Personal Services	171,169	181,038	184,100	142,560	142,560	142,560
Overtime	820	1,191	500	500	500	500
Unemployment Insurance			925	160	160	160
Accident Insurance	5,308	5,819	7,110	870	870	870
Retirement	7,706	8,201	6,455	4,585	4,585	4,585
Social Security	13,112	13,891	14,125	1,730	1,730	1,730
Medical, Dental & Life Ins	5,367	5,776	6,635	6,390	6,390	6,390
Personal Services	203,482	215,916	219,850	156,795	156,795	156,795
Postage	414	230	425	425	425	425
Travel & Training	1,781	1,588	1,000	1,000	1,000	1,000
Advertising	268	416	4,000	4,000	4,000	4,000
Property & Liability Ins	5,728	5,756	5,800	5,000	5,000	5,000
Electricity	19,883	20,201	22,500	22,500	22,500	22,500
Telephone	3,269	1,674	2,500	2,500	2,500	2,500
Dues & Membership		135				
Miscellaneous Contractual	40,399	28,053	30,000	30,000	30,000	30,000
Licenses & Permits	755	350	750	750	750	750
Contractual Services	72,497	58,403	66,975	66,175	66,175	66,175
Office Supplies	8,110	6,421	6,000	6,000	6,000	6,000
Chemicals	24,606	36,123	24,000	24,000	24,000	24,000
Clean/Sanitation Supplies	1,363	3,300	3,000	3,000	3,000	3,000
Food & Miscellaneous	18,948	19,330	18,500	18,500	18,500	18,500
Fuel-Other Than Vehicle	57,551	48,945	55,000	55,000	55,000	55,000
Paint & Paint Supplies	4,663	3,769	1,000	1,000	1,000	1,000
Plmb/Sewage Supplies	1,364	4,496	2,500	2,500	2,500	2,500
Recreational Supplies	5,119	4,506	2,500	2,500	2,500	2,500
Uniforms	3,918	1,309	500			
Commodities	125,642	128,199	113,000	112,500	112,500	112,500
Municipal Pool	401,621	402,518	399,825	335,470	335,470	335,470

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 all municipal buildings.

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
6730 MUNICIPAL BUILDINGS

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Electricity	2,695	2,520	2,700	2,650	2,650	2,650
Repairs-Buildings	460	803	1,000	800	800	800
Repairs-Machinery/Equip	4,990	263	500	450	450	450
Cleaning & Painting	3,856	2,640	2,750	2,750	2,750	2,750
Miscellaneous Contractual	3,164	294	1,600	1,500	1,500	1,500
Contractual Services	15,165	6,520	8,550	8,150	8,150	8,150
Clean/Sanitation Supplies	116	134	150	200	200	200
Fuel-Other Than Vehicle	464	706	700	800	800	800
Minor/Safety Equipment	921	191	150	150	150	150
Commodities	1,501	1,031	1,000	1,150	1,150	1,150
Municipal Buildings	16,666	7,551	9,550	9,300	9,300	9,300

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)	2008	2009
Items Checked Out (total count)	100,722	105,795
Active Library Cards	10,193	10,123
Overdues	5,661	5,701
Renewals	6,119	6,570
Programs Presented	350	390
Program Attendance	9,248	10,642
Reference Questions Answered	2,238	2,105
Number of Volunteer Hours	1,689	1,802
Total Inter-Library Loans	2,120	3,344
Use of Internet Stations	17,385	16,182

2009-10 Major Events:

- ◆ Completed Phase 2 of this Old Library Project with Meyer Memorial grant funds.
- ◆ Received two years grant funding for outreach librarian through the FINRA/ALA SmartInvesting grant.
- ◆ Continued participation in LEO funded Sense of Place programming

2009-10 Goals:

- ◆ Continue 100% 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.

2010-11 Goals:

- ◆ Continue 100% collection weeding.
- ◆ Operate two year LEO Leads SmartInvesting @ your library @ project.
- ◆ Migrate to Evergreen open source Integrated Library System (ILS) for the Sage consortium.
- ◆ Develop the library's first Strategic Planning Document.

PERSONNEL DISTRIBUTION

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Library Director	1	1	1	1	1	1
Librarian II	1	1	1	1	1	1
Senior Library Assistant	0	0	1	1	1	1
Library Assistant	2	2	1	1	1	1
Librarian (6.5 FTE)	6	6	6	6	6	6

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
6740 LIBRARY

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Personal Services	318,255	346,385	350,905	334,475	334,475	334,475
Overtime			100			
Unemployment Insurance			1,755	2,345	2,345	2,345
Accident Insurance	755	754	945	805	805	805
Retirement	50,535	55,780	72,205	67,920	67,920	67,920
Social Security	24,160	26,302	26,855	25,595	25,595	25,595
Medical, Dental & Life Ins	22,758	23,468	27,980	19,755	19,755	19,755
Personal Services	416,463	452,689	480,745	450,895	450,895	450,895
Postage	400	395	350	350	350	350
Travel & Training	2,433	2,107	1,750			
Electricity	8,350	8,342	8,800	8,000	8,000	8,000
Telephone	2,038	1,856	1,900	1,900	1,900	1,900
Repairs-Buildings	11,658	2,411	4,500	4,000	4,000	4,000
Cleaning & Painting	15,559	14,391	15,000	2,800	2,800	2,800
Dues & Membership		240	100			
Miscellaneous Contractual	15,245	16,917	17,500	16,600	16,600	16,600
Contractual Services	55,683	46,659	49,900	33,650	33,650	33,650
Office Supplies	10,971	9,265	8,000	7,000	7,000	7,000
Magazine, Map, Pamphlet	1,605	1,484	1,500	1,000	1,000	1,000
Clean/Sanitation Supplies	9		100	2,000	2,000	2,000
Food & Miscellaneous	606	339	300			
Minor/Safety Equipment	174	106	250	200	200	200
Motor Vehicle Fuel & Oil	46	128	350	300	300	300
Commodities	13,411	11,322	10,500	10,500	10,500	10,500
Library Books & Equip	21,280	20,956	21,000	20,000	20,000	20,000
Office Equipment		7,254	1,500			
Capital Outlay	21,280	28,210	22,500	20,000	20,000	20,000
Library	506,837	538,880	563,645	515,045	515,045	515,045

03 GENERAL FUND
 6750 RECREATION

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 2010-11:

- ◆ Maintain the current level of opportunities and refine them to ensure efficient and cost effective program delivery.
- ◆ Expand recreation programs to meet the needs and desires of the citizens.

PERSONNEL DISTRIBUTION

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 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	5	5	5	5

City of Hermiston
Detailed Expenditures

03 GENERAL FUND
6750 RECREATION

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Personal Services	195,965	226,034	182,395	177,055	177,055	177,055
Overtime			500	500	500	500
Unemployment Insurance			915	1,245	1,245	1,245
Accident Insurance	5,162	5,755	5,585	5,625	5,625	5,625
Retirement	28,780	33,703	37,625	36,045	36,045	36,045
Social Security	14,638	16,907	13,995	13,585	13,585	13,585
Medical, Dental & Life Ins	41,988	45,188	51,885	49,995	49,995	49,995
Personal Services	286,533	327,587	292,900	284,050	284,050	284,050
Postage	205	8	200	200	200	200
Travel & Training	4,464	4,941	4,400	2,000	2,000	2,000
Advertising	3,080	3,650	3,900	3,900	3,900	3,900
Telephone	212	212	250	250	250	250
Repairs-Office Equipment		154				
Dues & Membership	480	997	750	750	750	750
Miscellaneous Contractual	30,766	9,982	4,400			
Contractual Services	39,207	19,944	13,900	7,100	7,100	7,100
Office Supplies	1,755	1,000	1,750	1,750	1,750	1,750
Food & Miscellaneous	10	8				
Minor/Safety Equip		1,018				
Motor Vehicle Fuel & Oil	1,530	1,192	1,200	1,200	1,200	1,200
Recreational Supplies	1,272	1,043	1,800	1,800	1,800	1,800
Uniforms	423		400	400	400	400
Commodities	4,990	4,261	5,150	5,150	5,150	5,150
Recreation	330,730	351,792	311,950	296,300	296,300	296,300

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

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Other Professional Service	64,350	64,350	64,350	64,350	64,350	64,350
Property & Liability Ins	3,384	3,354	3,500	3,200	3,200	3,200
Electricity	14,702	15,305	15,000	15,400	15,400	15,400
Miscellaneous Contractual	4,941	6,063	4,000	2,500	2,500	2,500
Contractual Services	87,377	89,072	86,850	85,450	85,450	85,450
Fuel-Other Than Vehicle	5,722	5,292	6,000	5,750	5,750	5,750
Minor/Safety Equipment	43	1,185	300	300	300	300
Commodities	5,765	6,477	6,300	6,050	6,050	6,050
Conference Center	93,142	95,549	93,150	91,500	91,500	91,500

CONSOLIDATED PUBLIC SAFETY EXPENDITURES

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
3-7030 Public Safety Ctr	49,032	50,910	50,675	51,225	51,225	51,225
3-7130 Operations	2,461,301	2,699,109	2,778,370	2,677,045	2,677,045	2,677,045
<u>Total</u>	2,510,333	2,750,019	2,829,045	2,728,270	2,728,270	2,728,270

PUBLIC SAFETY
by character

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Personal Services	2,177,333	2,422,171	2,566,500	2,436,185	2,436,185	2,436,185
Materials & Services	274,552	268,180	260,045	231,585	231,585	231,585
Capital Outlay	58,448	59,668	2,500	60,500	60,500	60,500
Transfer to Reserve						
<u>Total</u>	2,510,333	2,750,019	2,829,045	2,728,270	2,728,270	2,728,270

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

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Electricity	19,388	20,269	19,500	20,250	20,250	20,250
Telephone	4,254	3,897	4,250	4,250	4,250	4,250
Repairs-Buildings	4,179	4,426	4,500	4,500	4,500	4,500
Repairs-Machinery/Equip			250			
Cleaning & Painting	16,262	16,702	16,000	16,250	16,250	16,250
Miscellaneous Contractual	153	159	100	100	100	100
Contractual Services	44,236	45,453	44,600	45,350	45,350	45,350
Clean/Sanitation Supplies		41	25	25	25	25
Fuel-Other Than Vehicle	4,796	5,358	6,000	5,800	5,800	5,800
Minor/Safety Equipment		58	50	50	50	50
Commodities	4,796	5,457	6,075	5,875	5,875	5,875
Buildings & Fixed Equip Capital Outlay						
Public Safety Center	49,032	50,910	50,675	51,225	51,225	51,225

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.

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 statements 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 55 active neighborhood watch groups and 107 businesses with the Business Watch Program. The Hermiston Police Department was the recipient of “Traffic Safety Excellence” award from the State of Oregon for its educational public service announcement.

In 2009, the Administrative Sergeant position was upgraded to an Administrative Lieutenant. The department authorized officer position was also reduced by one FTE.

Other specific highlights in 2009 included:

- ◆ An 8% decrease in all index crimes.
- ◆ A 24% increase in speed enforcement.
- ◆ Crime reports at a 10 year low.
- ◆ Burglary reports at an 8 year low.
- ◆ Motor Vehicle Thefts at a 10 year low.
- ◆ Successful Community Accountability Board (CAB) interaction.

PERSONNEL DISTRIBUTION

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Police Chief	1	1	1	1	1	1
Administrative Lieutenant	1/2	1/2	1/2	1/2	1/2	1/2
Police Lieutenant	1	1	1	1	1	1
Police Sergeants	3	3	3	3	3	3
Patrol Officers	15	15	15	14	14	14
School Resource Officer	2	2	2	2	2	2
Youth Officer	0	1	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

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Personal Services	1,355,334	1,529,527	1,526,560	1,459,650	1,459,650	1,459,650
Overtime	75,863	66,472	73,000	73,000	73,000	73,000
Unemployment Insurance			8,000	10,730	10,730	10,730
Accident Insurance	61,522	64,503	69,230	66,180	66,180	66,180
Retirement	242,175	266,863	329,030	311,130	311,130	311,130
Social Security	106,388	115,256	122,370	117,250	117,250	117,250
Medical, Dental & Life Ins	336,051	379,550	438,310	398,245	398,245	398,245
Personal Services	2,177,333	2,422,171	2,566,500	2,436,185	2,436,185	2,436,185
Other Professional Service	829	442	1,000	1,000	1,000	1,000
Postage	2,717	2,304	3,000	3,000	3,000	3,000
Travel & Training	27,150	25,487	22,500	17,500	17,500	17,500
Repairs-Motor Vehicles	14,587	9,145	15,000	15,000	15,000	15,000
Dues & Membership	1,405	1,025	1,200	735	735	735
Laundry/Other Sanitation	3,211	3,706	4,000	3,800	3,800	3,800
Informant Information	1,000	1,000	1,000	1,000	1,000	1,000
Animal Impound Service	30,198	30,440	30,200	30,400	30,400	30,400
Miscellaneous Contractual	51,243	49,591	37,470	11,675	11,675	11,675
Nuisance Abatement	295	5,996	4,500	4,500	4,500	4,500
DARE			2,500	2,500	2,500	2,500
Crime Prevention			5,000			
Contractual Services	132,635	129,136	127,370	91,110	91,110	91,110
Office Supplies	13,674	15,425	15,500	15,500	15,500	15,500
Food & Miscellaneous	616	699	2,000	1,750	1,750	1,750
Minor/Safety Equipment	7,317	9,196	7,500	7,500	7,500	7,500
Motor Vehicle Fuel & Oil	49,717	45,036	45,000	45,000	45,000	45,000
Motor Vehicle Parts	4,085	4,735	6,000	6,000	6,000	6,000
Uniforms	12,318	11,229	11,000	11,000	11,000	11,000
Reserve Equip/Uniforms	5,158	1,814	2,500	2,500	2,500	2,500
Commodities	92,885	88,134	89,500	89,250	89,250	89,250
Motor Vehicles	56,948	57,253		58,000	58,000	58,000
Other Equipment	1,500	2,415	2,500	2,500	2,500	2,500
Capital Outlay	58,448	59,668	2,500	60,500	60,500	60,500
Police - Operations	2,461,301	2,699,109	2,785,870	2,677,045	2,677,045	2,677,045

CONSOLIDATED NON-DEPARTMENTAL EXPENDITURES

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
3-8810 Audit & Others	1,108,072	1,791,363	1,382,725	1,262,820	1,262,820	1,262,820
3-8890 Unapp Balance			25,000	25,000	25,000	25,000
<u>Total</u>	1,108,072	1,791,363	1,407,725	1,287,820	1,287,820	1,287,820

NON-DEPARTMENTAL
by character

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Personal Services						
Materials & Services	131,003	390,421	332,200	491,010	491,010	491,010
Capital Outlay						
Transfers:						
Reserve		250,000	218,100			
Street	105,904	409,960				
Revolving Loan	117,500					
911 Communications	471,310	552,543	640,115	580,825	580,825	580,825
Bonded Debt	282,355	188,439	192,310	190,985	190,985	190,985
Unapp Balance			25,000	25,000	25,000	25,000
<u>Total</u>	1,108,072	1,791,363	1,407,725	1,287,820	1,287,820	1,287,820

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

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Accounting & Auditing	4,279	4,528	5,000	5,250	5,250	5,250
Other Professional Service	15,550	31,118	150,000	150,000	150,000	150,000
Legal Publications	1,145	1,780	1,400	1,750	1,750	1,750
Property & Liability Ins	67,213	68,096	68,000	60,000	60,000	60,000
Dues & Membership	10,952	12,040	12,000	12,200	12,200	12,200
Miscellaneous Contractual	26,417	261,858	75,000	65,000	65,000	65,000
Operating Contractual Svc			15,000	191,010	191,010	191,010
Contractual Services	125,556	379,420	326,400	485,210	485,210	485,210
Food & Miscellaneous	4,818	5,090	4,800	4,800	4,800	4,800
Minor/Safety Equipment	629	5,911	1,000	1,000	1,000	1,000
Commodities	5,447	11,001	5,800	5,800	5,800	5,800
Trans to Reserve Fund		250,000				
Trans to Street Fund	105,904	409,960	218,100			
Trans to Revolving Loan	117,500					
Trans to 911 Communication	471,310	552,543	640,115	580,825	580,825	580,825
Trans to Bonded Debt	282,355	188,439	192,310	190,985	190,985	190,985
Capital Outlay	977,069	1,400,942	1,050,525	771,810	771,810	771,810
Audit & Others	1,108,072	1,791,363	1,382,725	1,262,820	1,262,820	1,262,820

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

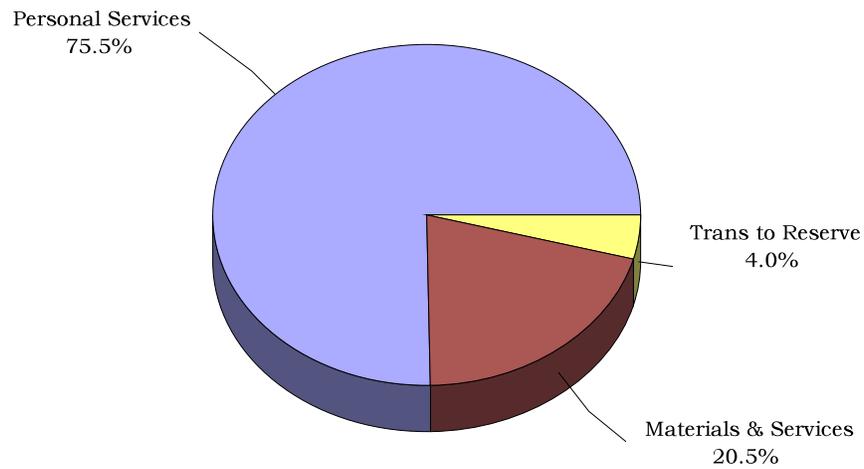
03 GENERAL FUND
8890 UNAPPROPRIATED BALANCE

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Unappropriated Balance			25,000	25,000	25,000	25,000
Grand Total General	6,922,383	8,046,305	7,674,525	7,115,490	7,115,490	7,115,490

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 if necessary. 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.

2010-11 Street Expenditures



City of Hermiston
Resources

STATE TAX STREET

	2007-08 Received	2008-09 Received	2009-10 Estimate	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
State Highway Allocation	682,152	615,026	600,000	650,000	650,000	650,000
Transfer Fm General Fund	105,904	409,961	218,100			
Cash Forward						
<u>Total</u>	788,056	1,024,987	818,100	650,000	650,000	650,000

STATE TAX STREET EXPENDITURES
by character

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Personal Services	563,740	610,019	584,000	490,735	490,735	490,735
Materials & Services	216,816	210,968	227,350	133,500	133,500	133,500
Capital Outlay						
Transfer to Reserve	7,500	204,000	6,750	25,765	25,765	25,765
<u>Total</u>	788,056	1,024,987	818,100	650,000	650,000	650,000

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 if necessary. 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

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Street Superintendent	1	1	1	1	1	1
Street Maintenance Foreman	1	1	1	0	0	0
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

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Personal Services	358,916	388,177	349,560	286,200	286,200	286,200
Overtime	90	100	6,000	2,000	2,000	2,000
Unemployment Insurance			1,780	2,020	2,020	2,020
Accident Insurance	25,698	25,924	20,790	16,750	16,750	16,750
Retirement	58,963	63,926	73,140	58,505	58,505	58,505
Social Security	26,669	29,050	27,200	22,050	22,050	22,050
Medical, Dental & Life Ins	93,404	102,842	105,530	103,210	103,210	103,210
Personal Services	563,740	610,019	584,000	490,735	490,735	490,735
Travel & Training	1,175	2,879	2,850	850	850	850
Property & Liability Ins	10,920	11,075	11,500	9,900	9,900	9,900
Electricity	25,946	31,320	30,000	12,000	12,000	12,000
Telephone	3,979	3,813	3,500	2,000	2,000	2,000
Street Lights	103,564	98,313	105,000	40,000	40,000	40,000
Repairs-Operating Equip	814		800	500	500	500
Laundry/Other Sanitation	2,062	2,279	2,100	1,700	1,700	1,700
Miscellaneous Contractual	18,531	13,385	18,000	14,000	14,000	14,000
Licenses & Permits			50			
Contractual Services	166,991	163,064	173,800	80,950	80,950	80,950
Office Supplies	561	389	550	550	550	550
Chemicals	1,235	891	1,750	1,750	1,750	1,750
Clean/Sanitation Supplies	247	60	225	225	225	225
Food & Miscellaneous	208	244	225	225	225	225
Fuel-Other Than Vehicle	5,864	7,502	7,200	7,200	7,200	7,200
Minor/Safety Equipment	7,151	5,649	7,400	7,400	7,400	7,400
Motor Vehicle Fuel & Oil	26,322	19,395	22,000	21,000	21,000	21,000
Motor Vehicle Parts	1,622	3,885	2,500	2,500	2,500	2,500
Plmb/Sewage Supplies	219	51	400	400	400	400
Structural Steel & Iron	131		300	300	300	300
Parts For Operating Equip	6,265	9,838	11,000	11,000	11,000	11,000
Commodities	49,825	47,904	53,550	52,550	52,550	52,550
Res-Equipment		49,365				
Res-Street Construction		104,635				
Res-Bicycle Trails	7,500		6,750	12,650	12,650	12,650
Res-St Johns Access St						
Res-Street Maintenance		50,000		13,115	13,115	13,115
Capital Outlay	7,500	204,000	6,750	25,765	25,765	25,765
State Tax Street	788,056	1,024,987	818,100	650,000	650,000	650,000

TRANSIENT ROOM TAX EXPENDITURES
by character

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Personal Services				16,685	16,685	16,685
Materials & Services	41,096	54,902	50,000	40,815	40,815	40,815
Capital Outlay						
Transfer to Reserve						
<u>Total</u>	41,096	54,902	50,000	57,500	57,500	57,500

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.

A portion of the Assistant City Manager's salary was re-apportioned to this fund to reflect the work done in economic and other developmental activities.

PERSONNEL DISTRIBUTION

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Assistant City Manager	0	0	0	1/4	1/4	1/4

City of Hermiston
Resources

TRANSIENT ROOM TAX

	2007-08 Received	2008-09 Received	2009-10 Estimate	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Service Charges						
Transient Room Tax	50,004	53,028	45,000	47,500	47,500	47,500
UEC Econ Dev Participation				10,000	10,000	10,000
Service Charges	50,004	53,028	45,000	57,500	57,500	57,500
Cash Forward		48,950	5,000			
		48,950	5,000			
Transient Room Tax	50,004	101,978	50,000	57,500	57,500	57,500

City of Hermiston
Detailed Expenditures

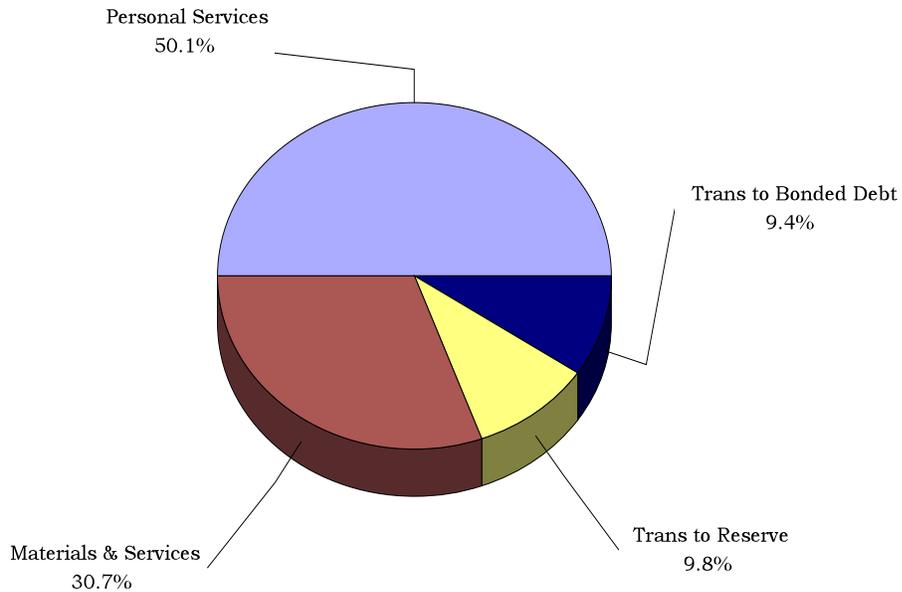
05
8810 TRANSIENT ROOM TAX

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Personal Services				12,240	12,240	12,240
Unemployment Insurance				90	90	90
Accident Insurance				30	30	30
Retirement						
Social Security				940	940	940
Medical, Dental & Life Ins				3,385	3,385	3,385
Personal Services				16,685	16,685	16,685
Miscellaneous Contractual	41,096	54,902	40,000	40,815	40,815	40,815
Contractual Services	41,096	54,902	40,000	40,815	40,815	40,815
Transient Room Tax	41,096	54,902	40,000	57,500	57,500	57,500

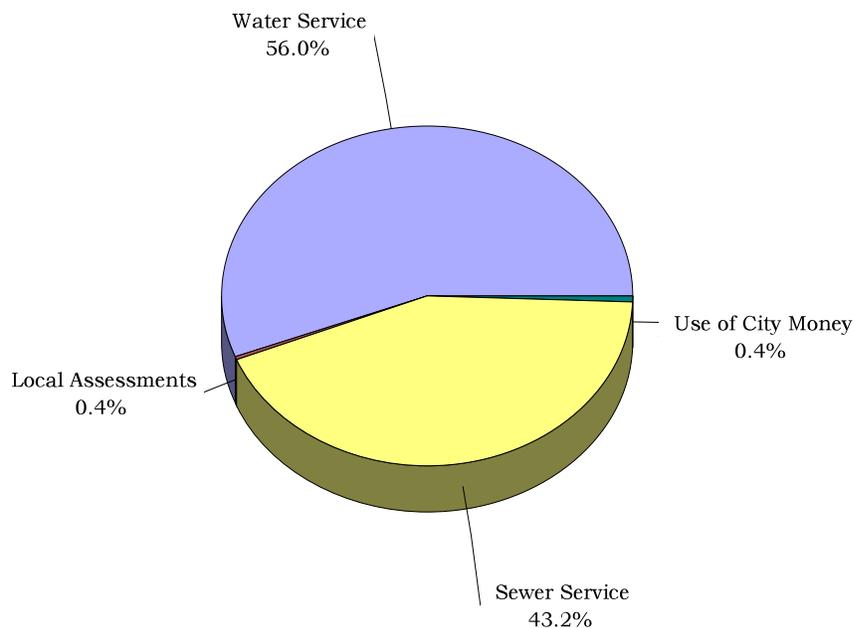
UTILITY FUND

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.

2010-11 Utility Expenditures



2010-11 Utility Resources



City of Hermiston
Resources

UTILITY

	2007-08 Received	2008-09 Received	2009-10 Estimate	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Other Local Assessments						
Assessments Receivable	21,852	24,883	20,000	13,000	13,000	13,000
Local Assessments	21,852	24,883	20,000	13,000	13,000	13,000
Use of City Money						
Interest on Investments	123,568	35,775	25,000	13,000	13,000	13,000
Use of City Money	123,568	35,775	25,000	13,000	13,000	13,000
Sewer Service						
Sewer Sales	1,386,975	1,511,889	1,425,000	1,450,000	1,450,000	1,450,000
Sewer Connection & Svc	21,050	9,500	6,000	6,000	6,000	6,000
Septic Tank Service	42,399	42,796	37,000	30,000	30,000	30,000
Misc Sewer Income	381	115				
Sewer Service	1,450,805	1,564,300	1,468,000	1,486,000	1,486,000	1,486,000
Water Service						
Account Set-up Fee				10,000	10,000	10,000
Water Sales	1,817,720	1,930,215	1,850,000	1,875,000	1,875,000	1,875,000
Water Connection & Svc	92,590	50,121	35,000	35,000	35,000	35,000
Misc Water Income	6,238	14,415	4,000	4,000	4,000	4,000
Water Service	1,916,548	1,994,751	1,889,000	1,924,000	1,924,000	1,924,000
Cash Forward	1,788,510	16,000				
	1,788,510	16,000				
Utility	5,301,283	3,635,709	3,402,000	3,436,000	3,436,000	3,436,000

CONSOLIDATED UTILITY EXPENDITURES

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
6-6310 Sewer Services	3,140,812	1,574,595	1,738,635	1,790,285	1,790,285	1,790,285
6-6320 Water Services	1,580,266	1,660,485	1,663,365	1,645,715	1,645,715	1,645,715
<u>Total</u>	4,721,078	3,235,080	3,402,000	3,436,000	3,436,000	3,436,000

UTILITY EXPENDITURES
by character

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Personal Services	1,635,320	1,786,207	1,876,090	1,721,155	1,721,155	1,721,155
Materials & Services	1,065,422	1,096,824	1,076,905	1,055,660	1,055,660	1,055,660
Capital Outlay	17,003					
Transfer:						
Reserve	1,430,000		134,075	336,015	336,015	336,015
Bonded Debt	573,333	352,049	314,930	323,170	323,170	323,170
<u>Total</u>	4,721,078	3,235,080	3,402,000	3,436,000	3,436,000	3,436,000

06 UTILITY
 6310 WASTEWATER TREATMENT

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

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

The wastewater 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 29 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 reduces the number of problems a system of this age can expect to have.
- ◆ During the 09/10 budget year we worked closely with our consulting engineer’s, negotiating with DEQ for a modification of our NPDES permit. We also completed the selection and design of the Membrane Bioreactor process.
- ◆ We will continue to work closely with our consulting engineer’s as we continue to move forward with our upgrade projects. The upgrade work should go out to bid sometime between May and August 2010.

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

PERSONNEL DISTRIBUTION

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Wastewater Superintendent	1	1	1	1	1	1
City Manager	2/5	2/5	2/5	1/3	1/3	1/3
City Engineer	1/3	1/3	1/3	0	0	0
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	0	0	0
Wastewater Worker II	3	2	2	2	2	2
Wastewater Worker I	1	1	1	3	3	3

City of Hermiston
Detailed Expenditures

06 UTILITY
6310 DISPOSAL PLANT MAINTENANCE

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Personal Services	610,106	656,774	643,820	550,940	550,940	550,940
Overtime	23,972	22,031	19,000	19,000	19,000	19,000
Unemployment Insurance			3,315	3,990	3,990	3,990
Accident Insurance	16,503	18,276	11,495	9,630	9,630	9,630
Retirement	98,289	108,602	131,655	115,700	115,700	115,700
Social Security	47,253	50,518	50,710	43,600	43,600	43,600
Medical, Dental & Life Ins	137,388	153,872	176,310	155,910	155,910	155,910
Personal Services	933,511	1,010,073	1,036,305	898,770	898,770	898,770
Accounting & Auditing	6,932	7,373	7,500	8,100	8,100	8,100
Other Professional Service	86,768	38,698	28,650	28,650	28,650	28,650
Postage	12,277	12,183	12,300	12,400	12,400	12,400
Travel & Training	4,695	2,885	3,000	4,500	4,500	4,500
Property & Liability Ins	31,053	30,628	31,000	28,000	28,000	28,000
Electricity	113,596	107,246	118,000	112,000	112,000	112,000
Telephone	8,084	9,961	8,000	8,500	8,500	8,500
Repairs-Mach & Equip	9,260	10,166	9,000	10,500	10,500	10,500
Repairs-Motor Vehicles	30	387	100	100	100	100
Repairs-Office Equipment	7,773	7,628	7,000	7,000	7,000	7,000
Dues & Membership	2,032	1,067	1,040	1,100	1,100	1,100
Laundry/Other Sanitation	2,223	2,343	2,300	1,600	1,600	1,600
Miscellaneous Contractual	24,225	29,774	30,700	50,000	50,000	50,000
Licenses & Permits	10,429	14,351	14,150	14,610	14,610	14,610
Operating Contractual Svc			20,000	5,000	5,000	5,000
Contractual Services	319,377	274,690	292,740	292,060	292,060	292,060
Office Supplies	6,657	6,473	7,000	7,000	7,000	7,000
Ag & Hort Supplies	492					
Chemicals	87,444	71,138	70,000	70,000	70,000	70,000
Clean/Sanitation Supplies	850	1,039	800	750	750	750
Concrete Supplies	43	228	100	50	50	50
Food & Miscellaneous	213	137	250	250	250	250
Fuel-Other Than Vehicle	3,657	9,740	4,500	4,000	4,000	4,000
Lube-Other Than Vehicle	79	373	1,450	1,000	1,000	1,000
Medical & Lab Supplies	8,436	7,273	8,500	8,000	8,000	8,000
Minor/Safety Equipment	9,370	4,764	7,500	7,000	7,000	7,000
Motor Vehicle Fuel & Oil	10,927	7,904	8,400	8,400	8,400	8,400
Motor Vehicle Parts	2,048	1,161	2,300	1,100	1,100	1,100
Paint & Paint Supplies	226	240	250	250	250	250
Plmb & Sewage Supplies	225	932	500	500	500	500
Parts For Operating Equip	9,764	23,092	10,000	12,500	12,500	12,500
Commodities	140,431	134,494	121,550	120,800	120,800	120,800
Res-Equipment				15,000	15,000	15,000
Res-Sewer Plant & Repairs	375,000					
Res-Office Equipment	5,000		3,500	4,000	4,000	4,000
Res-Utility Construction	46,000					
Res-WWT Plant Improv				303,015	303,015	303,015
Transfer-Bonded Debt	376,493	15,533	157,465	156,640	156,640	156,640
Capital Outlay	802,493	15,533	160,965	478,655	478,655	478,655
Disposal Plant Maint	2,195,812	1,434,790	1,611,560	1,790,285	1,790,285	1,790,285

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.

With employee changes over the last few years our operations have been challenging to say the least. We expect the upcoming years will continue to challenge our department for its expertise and efficiency to maintain previous service levels while training the greenhorns to take on full duties of an operator and on-call duties. Certain certifications are required and are currently being pursued and obtained. State policies limit expediting this process. Our department has done an outstanding job in taking on the additional workload to keep up.

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.
- ◆ Continue to operate while conforming to OR-OSHA, Oregon Health & EPA regulations.
- ◆ Continue efforts to reduce energy expenses.
- ◆ Replace Regional SCADA Control System while maintaining existing service levels to Regional users.
- ◆ Maintain efforts to improve the overall functionality and efficiency of our water valve exercising program.

PERSONNEL DISTRIBUTION

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 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	0	0	0
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

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Personal Services	444,273	487,263	499,880	478,460	478,460	478,460
Overtime	19,340	23,264	20,000	20,000	20,000	20,000
Unemployment Insurance			2,600	3,490	3,490	3,490
Accident Insurance	14,796	17,428	13,600	13,370	13,370	13,370
Retirement	70,750	80,598	102,250	101,190	101,190	101,190
Social Security	34,417	38,043	39,775	38,135	38,135	38,135
Medical, Dental & Life Ins	118,233	129,538	161,680	167,740	167,740	167,740
Personal Services	701,809	776,134	839,785	822,385	822,385	822,385
Accounting & Auditing	6,932	7,373	7,500	8,100	8,100	8,100
Other Professional Service	131,420	111,849	75,000	75,000	75,000	75,000
Water Samples		31,329	11,500	11,500	11,500	11,500
Postage	14,690	12,510	14,000	14,000	14,000	14,000
Travel & Training	3,072	3,778	4,750	4,500	4,500	4,500
Property & Liability Ins	24,942	25,060	25,000	22,000	22,000	22,000
Electricity	235,297	216,241	239,000	243,000	243,000	243,000
Telephone	3,543	3,713	3,640	2,900	2,900	2,900
Regional Water	10,655	104,429	70,000	70,000	70,000	70,000
Repairs-Mach & Equip	26		400	200	200	200
Repairs-Motor Vehicles		1,021	450	1,500	1,500	1,500
Repairs-Operating Equip	814	595	200	2,500	2,500	2,500
Repairs-Office Equipment	7,773	7,577	8,000	8,000	8,000	8,000
Equip Rent Allowance	132	36	450	450	450	450
Dues & Membership	1,691	710	1,400	725	725	725
Miscellaneous Contractual	53,445	64,795	60,000	60,000	60,000	60,000
Operating Contractual Svc			20,000	5,000	5,000	5,000
Contractual Services	494,432	591,016	541,290	529,375	529,375	529,375
Office Supplies	6,508	6,690	7,000	7,000	7,000	7,000
Chemicals	17,010	16,244	18,000	18,000	18,000	18,000
Clean/Sanitation Supplies	176	221	150	150	150	150
Concrete Supplies	2,014	323	1,000	750	750	750
Food & Miscellaneous	325	705	375	375	375	375
Fuel-Other Than Vehicle	464	705	650	700	700	700
Lube-Other Than Vehicle	291	626	700	700	700	700
Minor/Safety Equipment	5,418	5,995	7,750	6,500	6,500	6,500
Motor Vehicle Fuel & Oil	14,317	11,670	13,500	13,250	13,250	13,250
Motor Vehicle Parts	877	1,726	1,500	1,500	1,500	1,500
Paint & Paint Supplies	378	271	700	500	500	500
Plmb & Sewage Supplies	52,757	34,916	58,000	53,000	53,000	53,000
Parts For Operating Equip	10,647	16,532	12,000	11,000	11,000	11,000
Commodities	111,182	96,624	121,325	113,425	113,425	113,425
Motor Vehicle	17,003					
Res-Equipment	8,000			10,000	10,000	10,000
Res-Office Equipment	5,000		3,500	4,000	4,000	4,000
Res-Utility Construction	46,000					
Transfer-Bonded Debt	196,840	196,711	157,465	166,530	166,530	166,530
Capital Outlay	272,843	196,711	160,965	180,530	180,530	180,530
Water Production/Maint	1,580,266	1,660,485	1,663,365	1,645,715	1,645,715	1,645,715
Grand Total Utility	4,721,077	3,235,081	3,402,000	3,436,000	3,436,000	3,436,000

911 COMMUNICATIONS
by character

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Personal Services	601,423	649,420	705,265	647,375	647,375	647,375
Materials & Services	41,656	41,418	44,050	42,650	42,650	42,650
Capital Outlay	450	700	800	800	800	800
Transfer to Reserve						
<u>Total</u>	643,529	691,538	750,115	690,825	690,825	690,825

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. We use 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

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Administrative Lieutenant	0	0	0	1/2	1/2	1/2
Administrative Sergeant	1/2	1/2	1/2	0	0	0
Dispatcher/Clerk	8	8	8	7	7	7
Data Entry Clerk	1	1	1	1	1	1

City of Hermiston
Resources

911 COMMUNICATIONS

	2007-08 Received	2008-09 Received	2009-10 Estimate	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
911 Communications Tax	172,219	138,995	110,000	110,000	110,000	110,000
Transfer Fm General Fund	471,310	552,543	640,115	580,825	580,825	580,825
<u>Total</u>	643,529	691,538	750,115	690,825	690,825	690,825

City of Hermiston
Detailed Expenditures

09

7170 911 COMMUNICATIONS

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Personal Services	404,976	423,410	421,570	386,410	386,410	386,410
Overtime	7,699	2,681	18,000	11,000	11,000	11,000
Unemployment Insurance			2,200	2,835	2,835	2,835
Accident Insurance	2,516	2,419	2,620	2,680	2,680	2,680
Retirement	68,029	69,918	90,420	82,095	82,095	82,095
Social Security	30,826	31,581	33,630	30,940	30,940	30,940
Medical, Dental & Life Ins	87,377	119,411	136,825	131,415	131,415	131,415
Personal Services	601,423	649,420	705,265	647,375	647,375	647,375
Travel & Training	2,335	3,890	3,900	2,500	2,500	2,500
Telephone	10,092	15,020	12,500	12,500	12,500	12,500
Repairs-Machinery & Equip			150	150	150	150
Repairs-Office Equipment	28,885	21,967	26,500	26,500	26,500	26,500
Contractual Services	41,312	40,877	43,050	41,650	41,650	41,650
Uniforms	344	541	1,000	1,000	1,000	1,000
Commodities	344	541	1,000	1,000	1,000	1,000
Other Equipment	450	700	800	800	800	800
Capital Outlay	450	700	800	800	800	800
911 Communications	643,529	691,538	750,115	690,825	690,825	690,825

CONSOLIDATED REGIONAL WATER EXPENDITURES

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
15-6320 Non-Potable Water	87,356	91,810	99,935	87,060	87,060	87,060
15-6330 Potable Water	117,436	132,847	127,685	120,935	120,935	120,935
15-6335 River Intake	193,819	178,125	245,445	235,980	235,980	235,980
15-8810 Audit & Others	123,854	42,545	83,075	71,025	71,025	71,025
<u>Total</u>	522,465	445,327	556,140	515,000	515,000	515,000

REGIONAL WATER EXPENDITURES

by character

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Personal Services	151,384	153,289	179,365	144,150	144,150	144,150
Materials & Services	361,081	292,038	376,775	358,800	358,800	358,800
Capital Outlay				12,050	12,050	12,050
Transfer to Reserve	10,000					
<u>Total</u>	522,465	445,327	556,140	515,000	515,000	515,000

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

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
City Engineer	1/3	1/3	1/3	0	0	0
Water Chief Operator	1	0	0	0	0	0
Water Utility Worker IV	1	1	1	1	1	1

City of Hermiston
Resources

REGIONAL WATER

	2007-08 Received	2008-09 Received	2009-10 Estimate	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Water Revenue						
Potable Water	34,058	152,355	90,000	90,000	90,000	90,000
Non-Potable Water	471,320	472,115	425,000	425,000	425,000	425,000
Water Revenues	505,378	624,470	515,000	515,000	515,000	515,000
Cash Forward	86,635	143,120	41,140			
	86,635	143,120	41,140			
Regional Water	592,013	767,590	556,140	515,000	515,000	515,000

City of Hermiston
Detailed Expenditures

15 REGIONAL WATER
6320 NON-POTABLE WATER

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Personal Services	31,337	33,974	29,560	19,475	19,475	19,475
Overtime	4,406	3,792	5,850	5,850	5,850	5,850
Unemployment Insurance			180	195	195	195
Accident Insurance	1,096	1,165	1,075	1,020	1,020	1,020
Retirement	5,883	6,215	7,285	5,580	5,580	5,580
Social Security	2,681	2,771	2,710	2,105	2,105	2,105
Medical, Dental & Life Ins	6,442	7,234	7,300	6,860	6,860	6,860
Personal Services	51,845	55,151	53,960	41,085	41,085	41,085
Other Professional Service	1,395		1,500	1,500	1,500	1,500
Water Samples		113				
Electricity	30,362	34,747	37,000	37,000	37,000	37,000
Miscellaneous Contractual	2,340	225	4,000	4,000	4,000	4,000
Contractual Services	34,097	35,085	42,500	42,500	42,500	42,500
Fuel-Other Than Vehicle	276	287	275	275	275	275
Minor/Safety Equipment		158				
Plmb & Sewage Supplies		239	200	200	200	200
Parts For Operating Equip	1,137	890	3,000	3,000	3,000	3,000
Commodities	1,413	1,574	3,475	3,475	3,475	3,475
Non-Potable Water	87,355	91,810	99,935	87,060	87,060	87,060

City of Hermiston
Detailed Expenditures

15 REGIONAL WATER
6330 POTABLE WATER

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Personal Services	35,938	36,473	29,560	19,475	19,475	19,475
Overtime	4,295	4,401	5,850	5,850	5,850	5,850
Unemployment Insurance			180	195	195	195
Accident Insurance	1,300	1,295	1,075	1,020	1,020	1,020
Retirement	6,585	6,726	7,285	5,580	5,580	5,580
Social Security	3,000	2,984	2,710	2,105	2,105	2,105
Medical, Dental & Life Ins	7,586	7,973	7,300	6,860	6,860	6,860
Personal Services	58,704	59,852	53,960	41,085	41,085	41,085
Other Professional Service			500	500	500	500
Water Samples		16,984	10,000	10,000	10,000	10,000
Electricity	43,966	40,583	47,000	47,000	47,000	47,000
Miscellaneous Contractual	8,416	4,923	1,500	7,500	7,500	7,500
Contractual Services	52,382	62,490	59,000	65,000	65,000	65,000
Chemicals	3,288	8,958	9,000	9,000	9,000	9,000
Medical & Lab Supplies	250	606	375	400	400	400
Minor/Safety Equipment	635	793	200	300	300	300
Plmb & Sewage Supplies			150	150	150	150
Parts For Operating Equip	2,177	148	5,000	5,000	5,000	5,000
Commodities	6,350	10,505	14,725	14,850	14,850	14,850
Potable Water	117,436	132,847	127,685	120,935	120,935	120,935

City of Hermiston
Detailed Expenditures

15 REGIONAL WATER
6335 RIVER INTAKE STATION

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Personal Services	11,507	11,334	39,410	25,970	25,970	25,970
Overtime	16,055	14,961	7,800	15,000	15,000	15,000
Unemployment Insurance			240	260	260	260
Accident Insurance	1,049	998	1,435	1,360	1,360	1,360
Retirement	4,514	4,327	9,715	7,440	7,440	7,440
Social Security	2,050	1,902	3,615	2,805	2,805	2,805
Medical, Dental & Life Ins	5,659	4,764	9,230	9,145	9,145	9,145
Personal Services	40,834	38,286	71,445	61,980	61,980	61,980
Other Professional Service			500	500	500	500
Water Samples		665				
Electricity	145,474	127,957	145,000	145,000	145,000	145,000
Miscellaneous Contractual	1,051	5,806	25,000	25,000	25,000	25,000
Contractual Services	146,525	134,428	170,500	170,500	170,500	170,500
Minor/Safety Equip	4	330	350	350	350	350
Plmb & Sewage Supplies	53		150	150	150	150
Parts For Operating Equip	6,403	5,081	3,000	3,000	3,000	3,000
Commodities	6,460	5,411	3,500	3,500	3,500	3,500
River Intake Station	193,819	178,125	245,445	235,980	235,980	235,980

City of Hermiston
Detailed Expenditures

15 REGIONAL WATER
8810 AUDIT & OTHERS

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Accounting & Auditing	1,617	1,720	2,000	2,000	2,000	2,000
Other Professional Service	50,241	7,075	35,000	10,000	10,000	10,000
Postage	66		50	50	50	50
Travel & Training	1,440	2,472	2,500	2,500	2,500	2,500
Property & Liability Ins	7,188	7,182	8,000	7,000	7,000	7,000
Telephone	3,373	3,028	3,600	3,000	3,000	3,000
Miscellaneous Contractual	46,722	12,834	25,000	25,000	25,000	25,000
Contractual Services	110,647	34,311	76,150	49,550	49,550	49,550
Office Supplies	1,172	1,766	2,000	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	389	2,351	1,500	3,500	3,500	3,500
Motor Vehicle Fuel & Oil	331	1,549	2,000	2,500	2,500	2,500
Motor Vehicle Parts	600	638	600	600	600	600
Parts For Operating Equip	689	1,930	700	700	700	700
Commodities	3,207	8,234	6,925	9,425	9,425	9,425
Res-Repair & Replacement	10,000			12,050	12,050	12,050
Capital Outlay	10,000			12,050	12,050	12,050
Audit & Others	123,854	42,545	83,075	71,025	71,025	71,025
Grand Total Regional	522,465	445,326	556,140	515,000	515,000	515,000

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	309,071	1,237,500	837,500	837,500	837,500
Capital Outlay						
<u>Total</u>	248,769	309,071	1,237,500	837,500	837,500	837,500

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. Grant funds were fully expended Fiscal Year 2009-10.
- ◆ 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. These grant funds were also fully expended in Fiscal Year 2009-10.

City of Hermiston
Resources

REVOLVING LOAN

	2007-08 Received	2008-09 Received	2009-10 Estimate	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
From Other Agencies						
Business Incentive Grant	5,000		750,000			
Housing Rehabilitation	228,995	297,719	400,000			
From Other Agencies	233,995	297,719	1,150,000			
Miscellaneous Revenues						
Transfer Fm General Fund	117,500					
Miscellaneous Revenues	117,500					
Cash Forward	18,597	122,405	87,500	837,500	837,500	837,500
	18,597	122,405	87,500	837,500	837,500	837,500
Revolving Loan	370,092	420,124	1,237,500	837,500	837,500	837,500

City of Hermiston
Detailed Expenditures

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6320 REVOLVING LOAN

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Business Incentive Project	5,314	25,500	837,500	837,500	837,500	837,500
Housing Rehabilitation	243,455	283,571	400,000			
Contractual Services	248,769	309,071	1,237,500	837,500	837,500	837,500
Revolving Loan	248,769	309,071	1,237,500	837,500	837,500	837,500

HERMISTON ENERGY SERVICES

by character

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Personal Services	211,357	220,263	235,755	236,100	236,100	236,100
Materials & Services	5,438,124	5,341,351	5,960,600	5,974,670	5,974,670	5,974,670
Capital Outlay	177,319	438,757	400,000	400,000	400,000	400,000
Transfer to Reserve	182,145	100,000	78,645	38,240	38,240	38,240
Transfer to Bonded Debt	610,813	716,104	731,000	745,090	745,090	745,090
<u>Total</u>	6,619,758	6,816,475	7,406,000	7,394,100	7,394,100	7,394,100

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, operations and maintenance agreement with Umatilla Electric Cooperative for a fixed fee and thus is not directly involved in the manpower level to carry out these functions. The only full time employees of HES is the Electric Superintendent and a Customer Service Representative.

As a municipal owned electric utility, HES has access to federal power through a 20 year power purchase agreement with the Bonneville Power Administration. The 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 Tier 1 Federal Base System. Starting October 1, 2009, BPA raised their rates 7.5% for the next two years. This increase is partially mitigated by a \$213,504 per year look back credit as a result of the residential exchange settlement with the investor owned utilities.

The 2009 operating year resulted in cash margins of \$860,730 bringing our reserves to \$5,216,000 which provides an equity of 40% which is considered an optimum for electric utilities. The 2009 operating year resulted in a satisfactory year of operations of our system and despite a 7.5% rate increase from BPA, it is contemplated that our retail rates will remain the same for the next couple of years.

PERSONNEL DISTRIBUTION

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 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

	2007-08 Received	2008-09 Received	2009-10 Estimate	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Use of City Money						
Interest on Investments	60,553	20,098	15,000	6,500	6,500	6,500
Use of City Money	60,553	20,098	15,000	6,500	6,500	6,500
Non-Revenue Receipts						
Reimburse Direct Expense	385,614	96,995				
Non-Revenue Receipts	385,614	96,995				
Miscellaneous Revenues						
Energy Services	7,269,404	7,320,674	7,350,000	7,350,000	7,350,000	7,350,000
Misc Energy Income	66,835	27,860	41,000	37,600	37,600	37,600
Miscellaneous Revenues	7,336,239	7,348,534	7,391,000	7,387,600	7,387,600	7,387,600
Cash Forward	4,700	100,000				
	4,700	100,000				
Energy Services	7,787,106	7,565,627	7,406,000	7,394,100	7,394,100	7,394,100

City of Hermiston
Detailed Expenditures

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6350 HERMISTON ENERGY SERVICES

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Personal Services	157,241	164,100	168,360	168,360	168,360	168,360
Overtime			600	600	600	600
Unemployment Insurance			845	1,185	1,185	1,185
Accident Insurance	1,235	1,291	1,295	1,295	1,295	1,295
Retirement	25,443	26,545	33,525	34,300	34,300	34,300
Social Security	11,871	12,397	12,925	12,925	12,925	12,925
Medical, Dental & Life Ins	15,567	15,930	18,205	17,435	17,435	17,435
Personal Services	211,357	220,263	235,755	236,100	236,100	236,100
Accounting & Auditing	4,647	3,932	5,000	5,500	5,500	5,500
Other Professional Service	1,308,497	1,333,462	1,374,800	1,369,000	1,369,000	1,369,000
Travel & Training	4,693	6,161	7,000	7,500	7,500	7,500
Property & Liability Ins	15,016	15,316	15,500	14,200	14,200	14,200
Telephone	433	438	500	475	475	475
Street Lights				80,000	80,000	80,000
Power Purchases-BPA	3,638,242	3,460,508	4,049,000	3,895,000	3,895,000	3,895,000
In Lieu of Taxes	363,501	366,036	367,500	367,500	367,500	367,500
Conservation Services	38,621	102,037	70,000	150,000	150,000	150,000
Energy Assistance (HEAT)	10,000	10,000	10,000	10,000	10,000	10,000
Dues & Membership	39,041	30,568	39,800	38,395	38,395	38,395
Miscellaneous Contractual	14,104	11,885	20,000	33,100	33,100	33,100
Contractual Services	5,436,795	5,340,343	5,959,100	5,970,670	5,970,670	5,970,670
Office Supplies	1,329	1,008	1,500	4,000	4,000	4,000
Commodities	1,329	1,008	1,500	4,000	4,000	4,000
Capital Improvements	177,319	438,757	400,000	400,000	400,000	400,000
Res-HES Improvements	182,145	100,000	78,645	38,240	38,240	38,240
Transfer-Bonded Debt	610,813	716,104	731,000	745,090	745,090	745,090
Capital Outlay	970,277	1,254,861	1,209,645	1,183,330	1,183,330	1,183,330
Energy Services	6,619,758	6,816,475	7,406,000	7,394,100	7,394,100	7,394,100

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:

Street	25,765
Utility	336,015
Regional	12,050
Energy Services	<u>38,240</u>
	\$412,070

RESERVE FUND - RESOURCES

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

	2007-08 Received	2008-09 Received	2009-10 Estimate	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Miscellaneous Grants		86,531	860,000	6,000	6,000	6,000
Airport Grant	116,833	731,353				
Transient Room Tax	60,004	63,632	93,000	93,000	93,000	93,000
Miscellaneous Income	443,524	4,735				
Transfers From:						
General Fund	18,000	364,000				
Street Fund	7,500	204,000	6,750	25,765	25,765	25,765
Utility Fund	1,339,816	134,075	134,075	336,015	336,015	336,015
Regional Water	10,000			12,050	12,050	12,050
Energy Services	182,145	100,000	78,645	38,240	38,240	38,240
Cash Forward	3,396,508	3,880,009	3,490,725	3,409,150	3,409,150	3,409,150
 Total Resources	 5,574,330	 5,568,335	 4,663,195	 3,920,220	 3,920,220	 3,920,220

RESERVE FUND - EXPENDITURES

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Office Equipment/Program	2,099	11,342	41,210	36,835	36,835	36,835
Airport Improvements	75,366	778,197		11,380	11,380	11,380
Park Improvements		51,345	77,750	5,605	5,605	5,605
TRT/Recreation Programs	30,801	4,669	77,900	31,750	31,750	31,750
Parks & Recreation Dev	31,612	7,722	97,800	178,905	178,905	178,905
Centennial Bell	171,101		2,100	2,355	2,355	2,355
Pioneer Hi-Bred Improv		507,587	902,850			
St Johns Access Street	160,309					
Street Equipment		57,197	22,500	50,145	50,145	50,145
Bicycle Trails			48,865	54,015	54,015	54,015
Street Maintenance	68,304	32,004	45,750	120,700	120,700	120,700
Street Construction	159,581	137,201				
Utility Construction			51,580	56,960	56,960	56,960
Sewer Dept Equipment	1,826		400	21,405	21,405	21,405
Sewer Plant & Repairs	222,487					
Water Dept Equipment	18,538		405	10,405	10,405	10,405
WWT Plant Improvement	747,757		127,075	408,315	408,315	408,315
BMCC Latino Education		91,887	243,000	645	645	645
HES Improvements			1,427,960	1,388,820	1,388,820	1,388,820
Repair/Replace- Regional	3,488	124,009	726,790	705,820	705,820	705,820
Wastewater - SDC	134,297		45,810	73,160	73,160	73,160
Water - SDC		21,036	714,650	732,800	732,800	732,800
Parks - SDC			8,800	30,200	30,200	30,200
 Total Expenditures	 1,827,566	 1,824,196	 4,663,195	 3,920,220	 3,920,220	 3,920,220

RESERVE FUND EXPENDITURES
by character

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Personal Services						
Materials & Services	99,105	36,673	366,650	153,095	153,095	153,095
Capital Outlay	1,728,461	1,787,523	4,296,545	3,767,125	3,767,125	3,767,125
<u>Total</u>	1,827,566	1,824,196	4,663,195	3,920,220	3,920,220	3,920,220

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 for are for the following improvements to the wastewater treatment plant: 1) Chemical treatment for extending the life of the treatment process; 2) Refurbish the digester lids so they don't rust through, and 3) A new blower to help add air to the treatment system, plus all of the studies, engineering and contingencies to go with it and the City's Recycled Water Plant project.
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

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Personal Services						
Materials & Services		369,480	1,500,000	2,500,000	2,500,000	2,500,000
Capital Outlay				24,500,000	24,500,000	24,500,000
<u>Total</u>		369,480	1,500,000	27,000,000	27,000,000	27,000,000

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 in connection with the City's Recycled Water Plant project.

City of Hermiston
Resources

WWTP CONSTRUCTION

	2007-08 Received	2008-09 Received	2009-10 Estimate	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
From Other Agencies						
State SRF Loan				4,000,000	4,000,000	4,000,000
From Other Agencies				4,000,000	4,000,000	4,000,000
Sale of Full Faith & Credit		250,000	1,500,000	23,000,000	23,000,000	23,000,000
Non-Revenue Receipts		250,000	1,500,000	23,000,000	23,000,000	23,000,000
WWTP Construction		250,000	1,500,000	27,000,000	27,000,000	27,000,000

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6350 WWTP CONSTRUCTION

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Other Professional Services		369,480	1,450,000	2,300,000	2,300,000	2,300,000
Miscellaneous Contractual			50,000	200,000	200,000	200,000
Contractual Services		369,480	1,500,000	2,500,000	2,500,000	2,500,000
Capital Improvements				24,500,000	24,500,000	24,500,000
Capital Outlay				24,500,000	24,500,000	24,500,000
WWTP Construction		369,480	1,500,000	27,000,000	27,000,000	27,000,000

SPECIAL REVENUE FUND - RESOURCES

	2007-08 Received	2008-09 Received	2009-10 Estimate	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Miscellaneous Grants		46,884	617,600			
Miscellaneous Revenues		837,353				
Cash Forward		478,174		719,090	719,090	719,090
Total Resources		1,362,411	617,600	719,090	719,090	719,090

SPECIAL REVENUE FUND - EXPENDITURES

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Recreation Fund		138,150	63,800	84,590	84,590	84,590
Municipal Court		195,225	5,000	18,495	18,495	18,495
Miscellaneous Trust		283,956	380,400	401,450	401,450	401,450
Conference Center		95,006	82,300	89,185	89,185	89,185
Law Enforcement		21,495	45,100	46,520	46,520	46,520
Library		44,076	41,000	78,850	78,850	78,850
Total Expenditures		777,908	617,600	719,090	719,090	719,090

SPECIAL REVENUE FUND EXPENDITURES
by character

	2007-08 Expended	2008-09 Expended	2009-10 Budget	2010-11 Proposed	2010-11 Approved	2010-11 Adopted
Personal Services						
Materials & Services		195,225	370,560	541,320	541,320	541,320
Capital Outlay		582,683	247,040	177,770	177,770	177,770
<u>Total</u>		777,908	617,600	719,090	719,090	719,090

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.

State SRF Loan. Long-term loan from the State of Oregon Department of Environmental Quality's "Clean Water State Revolving Fund" program. Funds from this loan are a portion of the total financing for the City's Recycled Water Plant project.

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.

H E R M I S T O N C I T Y C O U N C I L

Budget Committee Meeting

May 3, 2010

At 6:00 pm Mayor Severson opened the first meeting of the budget committee to consider the proposed budget for 2010-11 fiscal year. Present were budget committee members Walt Achuff, Fred Allen, Jr., Michael Calame, Eric Carpenter, Mary Corp, Lori Davis, Rod Hardin, Joe Harn, Frank Harkenrider, Karen Hutchinson-Talaski, Brian Misner, Jackie Myers, Harmon Springer and Pat Wheelhouse. DuWayne White was excused.

City staff present included City Manager Brookshier, City Attorney Luisi, Bob Irby, Ray Jones, Dan Coulombe, Ron Sivey, Alex McCann, Bill Schmittle, Judge Tom Creasing, Ivan Anderholm, Chuck Woolsey, Clint Spencer, Marie Baldo, Russ Dorran and Donna Moeller.

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

Chairman Corp asked Budget Officer Ed Brookshier to present the budget message. Mr. Brookshier reviewed his message, stating the proposed combined funds budget for the 2010-11 fiscal year is \$53,958,520, which is significantly higher than the current year's total of \$30,321,395. This is singularly due to inclusion of the entire estimated cost of the City's Recycled Water Plant project in the 2010-11 budget. If this \$27,000,000 one-time allocation is discounted, the combined funds total for 2010-11 would be about 11% below the current year's total. After the 2009-10 budget was adopted, the Mayor and City Council established a Budget Reduction Committee composed of three Councilors and the Mayor to work with department heads and staff on further expenditure reductions. Committee members and staff ultimately identified over 70 specific actions to reduce expenditures or increase revenues in the three aforementioned funds. Over \$700,000 in expenditure reductions and revenue increases were identified. Seventy three percent of the cuts were personnel-related, including the elimination of six full time positions through retirements, hours reductions in four more full-time positions and reductions in part-time help. These efforts have allowed us to produce a proposed General Fund budget for 2010-11 which is 7% below the adopted budget for 2009-10. Of far greater significance—total General Fund expenditures balance to total revenues. We do not have to dip into our dwindling cash reserve balance. Also, the 2010-11 Street Fund budget will not require any transfer subsidy from the General Fund. This is a combination of two factors—20% budget cuts in the 2010-11 budget and a phased, three-year increase in State gas tax revenues resulting from action by the State Legislature last year. Five of our six operational budgets are proposed at levels lower than the current year. There is still more work ahead of us to control long-term costs, including the cost of employee health insurance. However, we enter the 2010-11 year on sound budgetary footing.

Upon completion of the presentations of the remaining budgets, and with no further comments or questions regarding the budget, Karen Hutchison-Talaski moved and Pat Wheelhouse seconded to approve the rate per thousand of \$6.0860 for general fund operations. Motion carried unanimously. Karen Hutchinson-Talaski moved and Pat Wheelhouse seconded to approve a tax levy of \$387,226 for bonded debt. Motion carried unanimously.

Fred Allen, Jr. moved and Karen Hutchinson-Talaski seconded to approve the budget as presented. Motion carried unanimously.

It was announced that the budget hearing is scheduled for May 24, 2010 at 7:00 pm.

The meeting was adjourned at 8:10 pm.

APPROVED:

/s/ Mary Corp
Budget Chairman

ATTEST:

/s/ Pat Wheelhouse
Budget Secretary